

(Appendix)



Results for the First Quarter of the Fiscal Year Ending May 31, 2014

FY2013 (June 1, 2013 - May 31, 2014)
Three months ended August 31, 2013

Pasona Group Inc.
First Section TSE (2168)

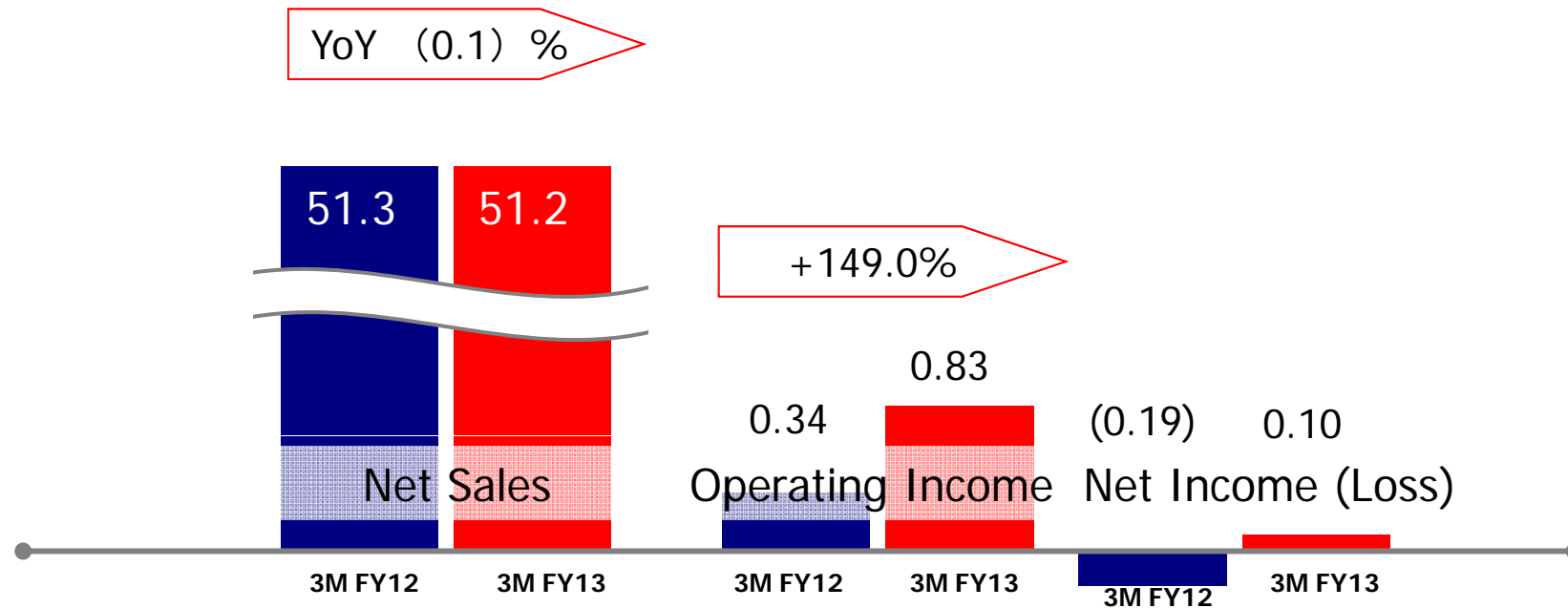
October 4, 2013
<http://www.pasonagroup.co.jp/>

※Units in billions of yen have been rounded down to the nearest first decimal place. Units in millions of yen have been rounded down.

Consolidated Results for Three months ended August 31, 2013



(Billions of yen)



(Millions of yen)	3M FY12	to net sales %	3M FY13	to net sales %	vs FY12 Increase/Decrease	YoY
Net sales	51,270	100.0	51,212	100.0	(58)	(0.1)%
Cost of sales	41,753	81.4	41,179	80.4	(574)	(1.4)%
Gross profit	9,517	18.6	10,032	19.6	515	5.4%
SG&A expenses	9,181	17.9	9,197	18.0	16	0.2%
Operating income	335	0.7	834	1.6	499	149.0%
Ordinary income	330	0.6	798	1.6	468	141.5%
Net income(loss)	(193)	-	103	0.2	297	-

Consolidated Results by Segment

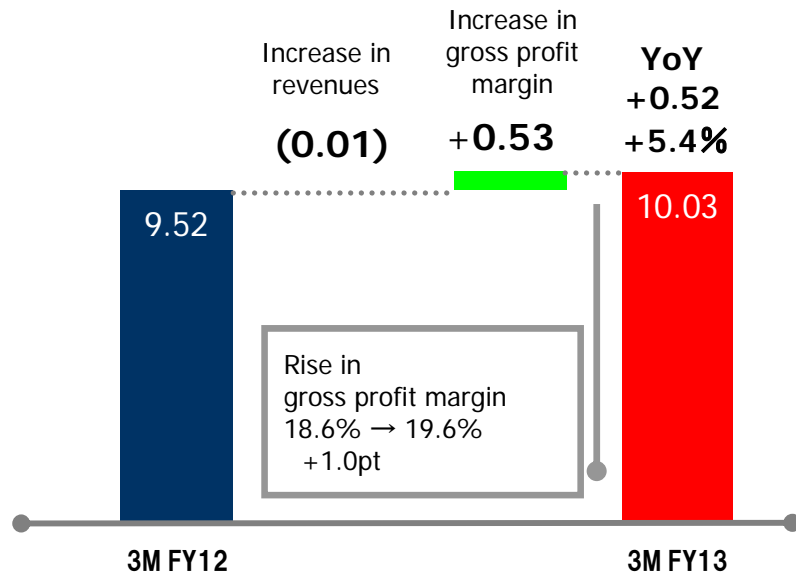
(Millions of yen)

	Segment	Net sales				Operating income (loss)				Operating income margin		
		3MFY12	3MFY13	Increase/ Decrease	YoY	3MFY12	3MFY13	Increase/ Decrease	YoY	3MFY12	3MFY13	Increase/ Decrease
1	Expert Services	32,971	31,169	(1,801)	(5.5)%	603	653	50	8.3%	1.4%	1.5%	0.1pt
2	Insourcing	9,149	9,327	177	1.9%							
3	HR Consulting, others	916	1,013	97	10.6%							
4	Place & Search	743	762	18	2.5%							
5	Global Sourcing	668	866	198	29.7%							
	Subtotal	44,449	43,140	(1,309)	(2.9)%							
6	Outplacement	2,724	3,060	336	12.3%	388	613	225	58.0%	14.3%	20.1%	5.8pt
7	Outsourcing	3,886	4,552	666	17.1%	469	530	61	13.1%	12.1%	11.7%	(0.4)pt
8	Life Solutions Public Solutions Shared	987	1,194	207	21.0%	40	(19)	(59)	-	4.1%	-	-
9	Eliminations and Corporate	(777)	(735)	41	-	(1,166)	(944)	222	-	-	-	-
10	Total	51,270	51,212	(58)	(0.1)%	335	834	499	149.0%	0.7%	1.6%	0.9pt

Gross Profit, SG&A Expenses

(Billions of yen)

Gross Profit



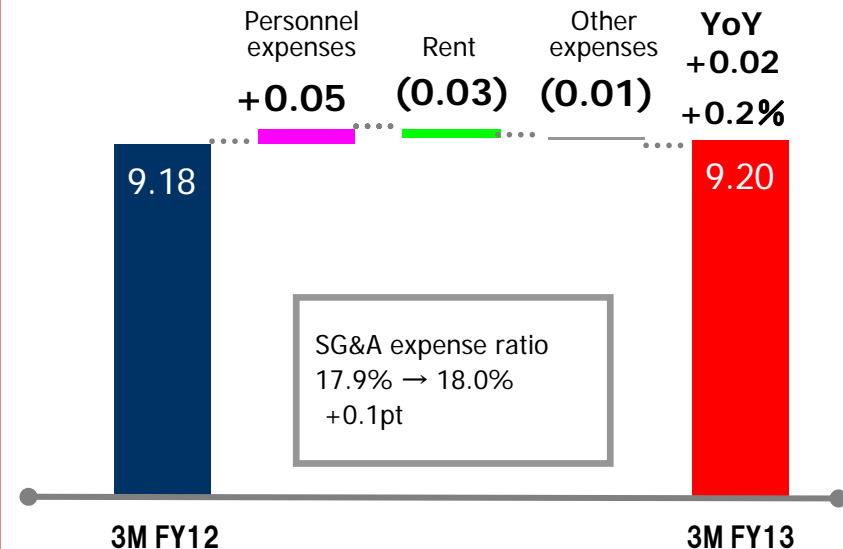
(Billions of yen)

	3M FY12	3M FY13	Increase/Decrease
Gross profit	9.52	10.03	+0.52
Gross profit margin	18.6%	19.6%	+1.0pt

(Reference)

	FY08	FY09	FY10	FY11	FY12
Gross profit margin	19.9%	20.0%	18.8%	18.6%	19.3%

SG&A Expenses



(Billions of yen)

	3M FY12	3M FY13	Increase/Decrease
Personnel	5.25	5.30	+0.05
Advertisement and recruitment	0.26	0.26	+0.00
IT	0.46	0.50	+0.04
Rent	0.94	0.91	(0.03)
Others	2.27	2.22	(0.04)
Total	9.18	9.20	+0.02
SG&A expense ratio	17.9%	18.0%	+0.1pt

(Reference)

	FY08	FY09	FY10	FY11	FY12
SG&A expense ratio	18.6%	18.0%	17.4%	17.5%	17.8%

Non-operating/Extraordinary income (loss), Others

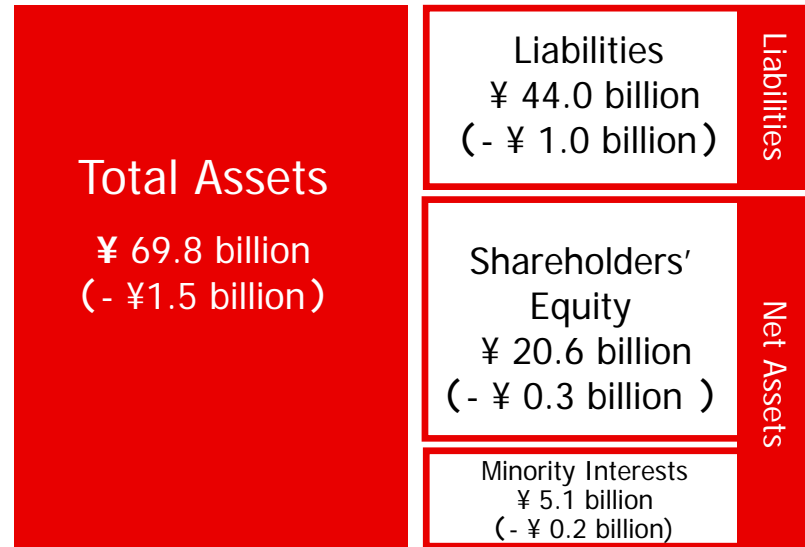
(Millions of yen)

	3M FY12	3M FY13	Increase/ Decrease	YoY
Operating income	335	834	499	149.0%
Non-operating income	56	50	(5)	(9.7)%
Non-operating expenses	60	86	26	43.0%
Ordinary income	330	798	468	141.5%
Extraordinary income	0	0	0	-
Extraordinary loss	23	19	(3)	(16.3)%
Income before income taxes	306	778	471	153.7%
Income taxes—current	233	290	56	24.1%
Income taxes—deferred	103	243	139	134.1%
Minority interests in income	163	142	(21)	(12.9)%
Net income (loss)	(193)	103	297	-

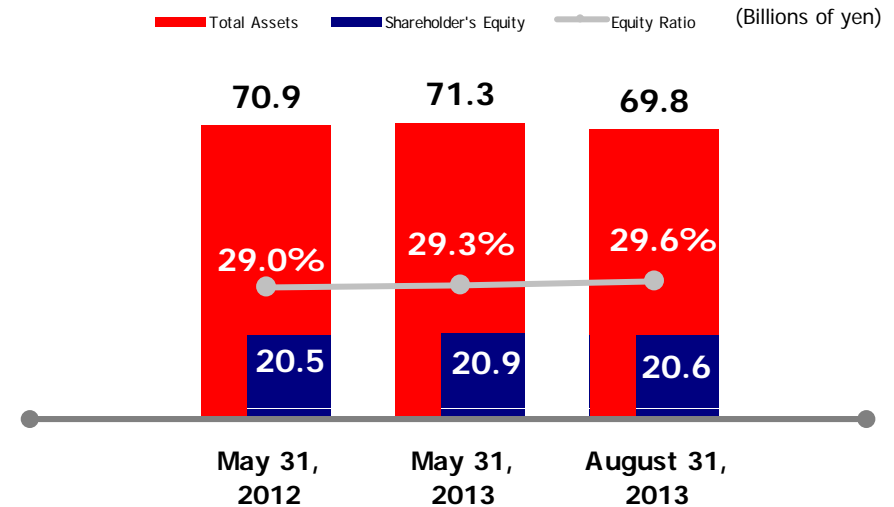
Financial Condition

Financial Position

As of August 31, 2013
 • Figures in parentheses indicate changes from the end of the previous fiscal year.



Total Assets, Shareholders' Equity, Equity Ratio



(Billions of yen)	May 31, 2013	August 31, 2013	Increase/ (Decrease)
Current assets	47.8	46.7	(1.2)
Noncurrent assets	23.4	23.2	(0.3)
Total assets	71.3	69.8	(1.5)
Current liabilities	33.7	31.7	(2.0)
Noncurrent liabilities	11.3	12.3	1.0
Total liabilities	45.0	44.0	(1.0)
Total net assets	26.3	25.8	(0.5)

- Decrease in cash and deposits ¥(0.4) billion
- Decrease in notes and accounts receivable—trade ¥(0.5) billion

- Decrease in accounts payable—trade ¥(1.2) billion
- Decrease in provision for directors' bonuses ¥(0.8) billion
- Increase in long-term loans payable ¥1.1 billion

- Net income ¥ 0.1 billion
- Cash dividends paid ¥(0.4) billion
- Decrease in minority interests ¥(0.2) billion

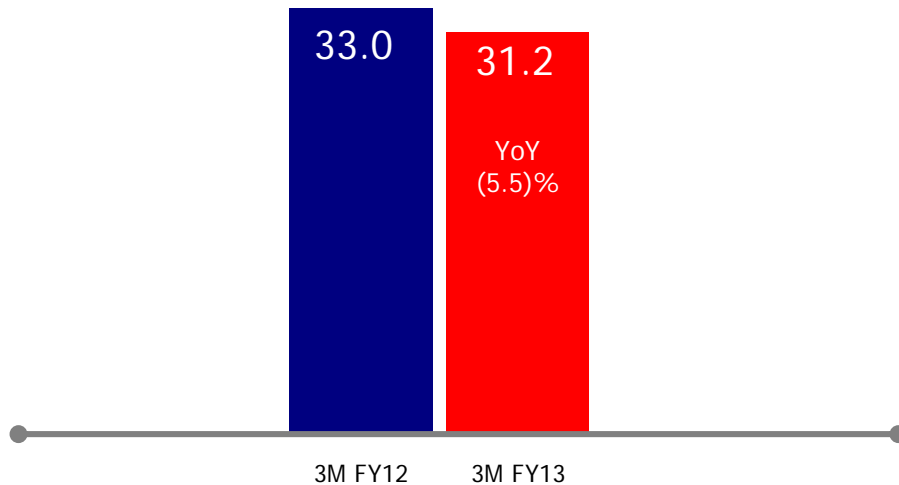
Expert Services (Temporary staffing) Sales by Staffing Type



Net Sales

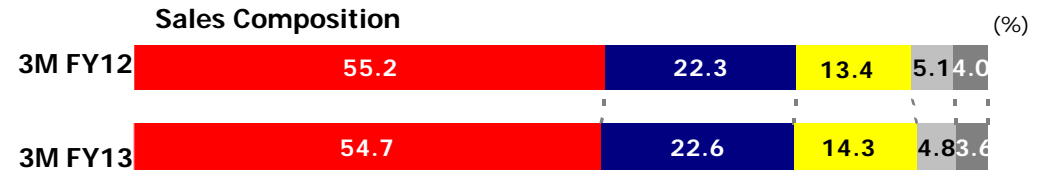
※ Segment figures include intersegment sales

(Billions of yen)



Sales by Staffing Type

※ Figures exclude intersegment sales



(Millions of yen)

	3M FY12	3M FY13	YoY
Clerical	18,118	17,016	(6.1)%
Technical	7,316	7,041	(3.8)%
IT engineering	4,392	4,454	1.4%
Sales and Marketing	1,668	1,480	(11.2)%
Other Expert Services*	1,300	1,118	(14.0)%
Total	32,795	31,110	(5.1)%

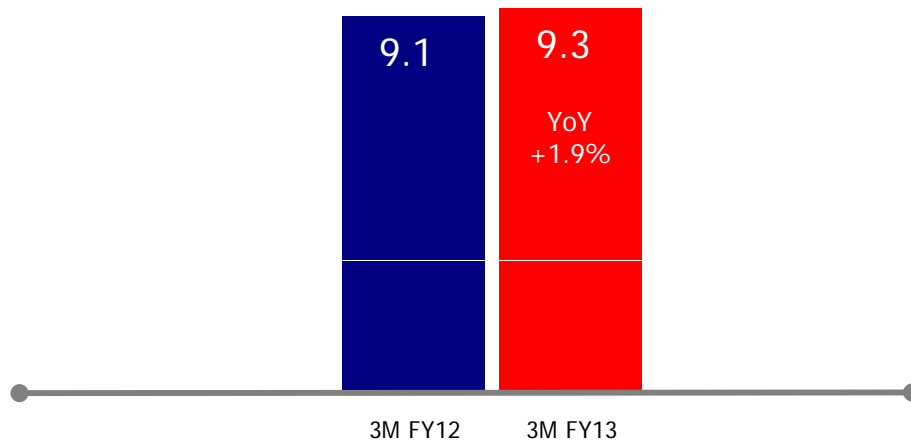
*As for FY12 are adjusted in accordance with the current segments

3M FY13

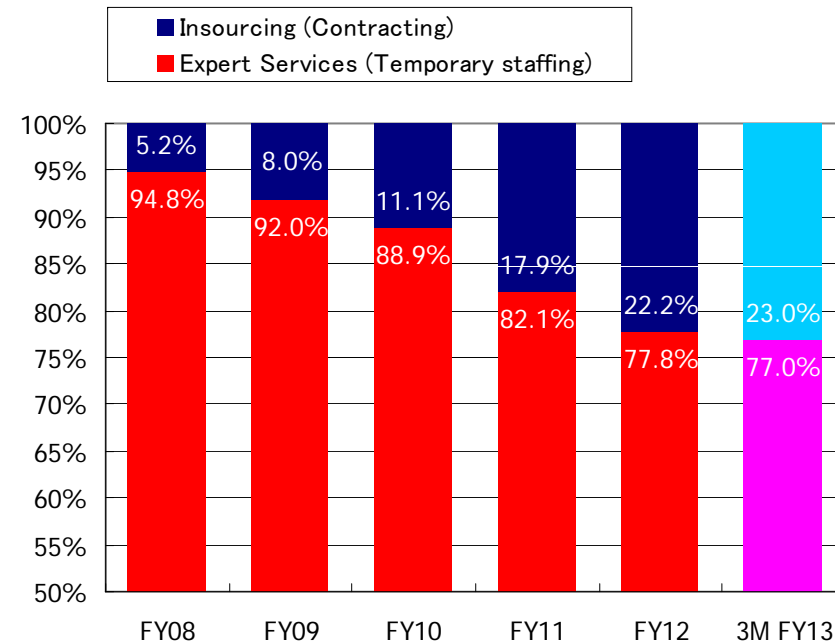
- While there was a recovery trend in orders received across a wide range of industries including the financial and manufacturing sectors, there was also a shift to Insourcing resulting in a year-on-year downturn in revenue
- Took successful steps to expand the Group's customer base through the merger and acquisition of SUPPORT CORPORATION, a JACCS Co., Ltd. subsidiary as well as the business transfer from Fujikasai Business Solutions Co., Ltd.

Net Sales

(Billions of yen)



Net Sales Composition

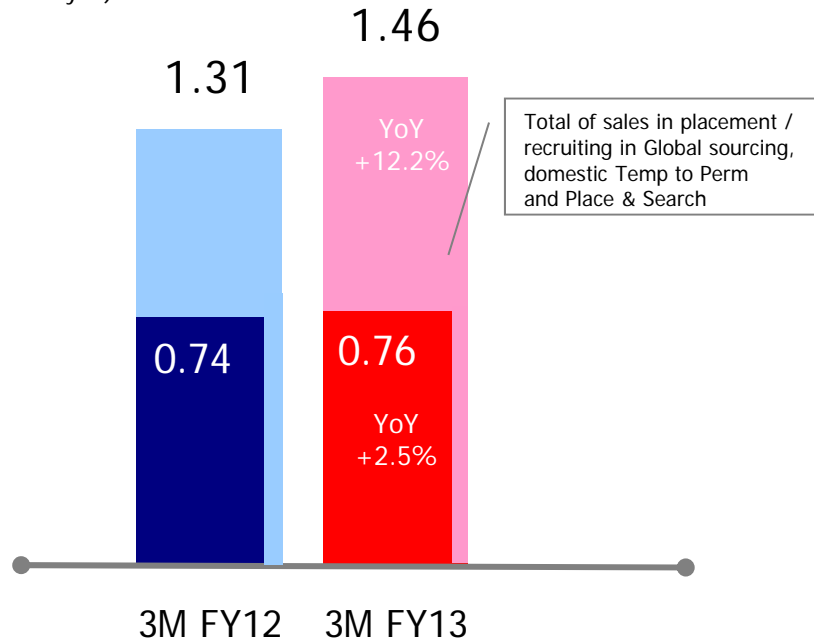


3M FY13

- Expanded activities in the consulting domain by promoting the construction of information management systems that employ cloud technologies and other initiatives
- In addition to an upswing in revenue, profitability improved; despite a drop in emergency employment projects this was largely attributable to the substantial increase in commissioned business from the private sector

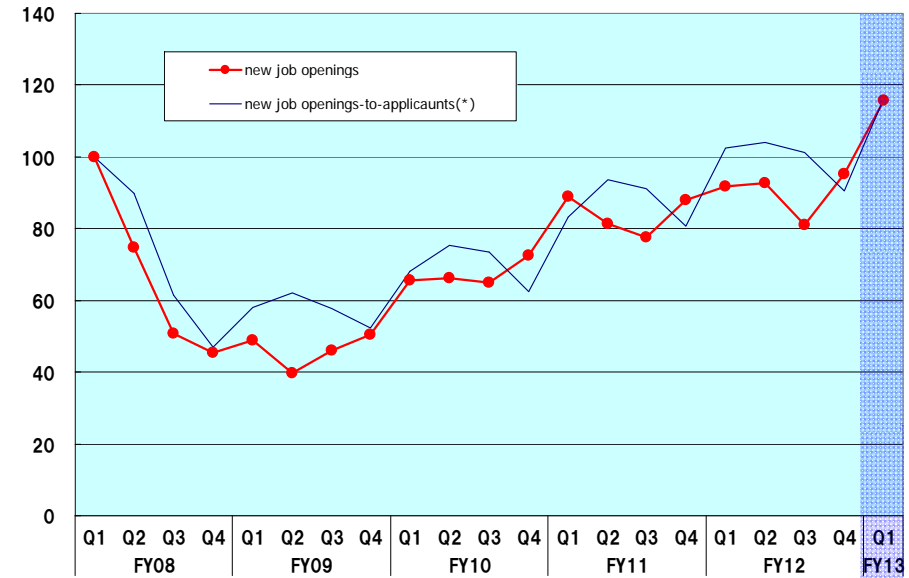
Net Sales

(Billions of yen)



No. of Orders

* The data are expressed as relative values with Q1 FY08 being 100%



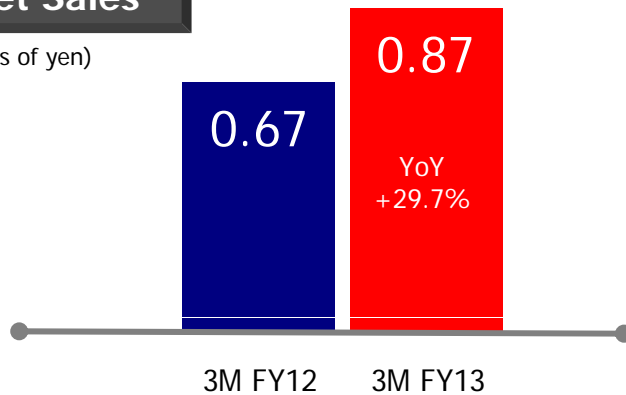
Source: Ministry of Health, Labor and Welfare "Report on employment service"
Note: Excluding part-time workers before seasonal adjustment

3M FY13

- Job offers increased across a broad range of industries on the back a recovery in the corporate sector prompting an upswing in the demand for personnel
- Increase in the number of contracts per consultant by focusing on detailed career counseling

Net Sales

(Billions of yen)



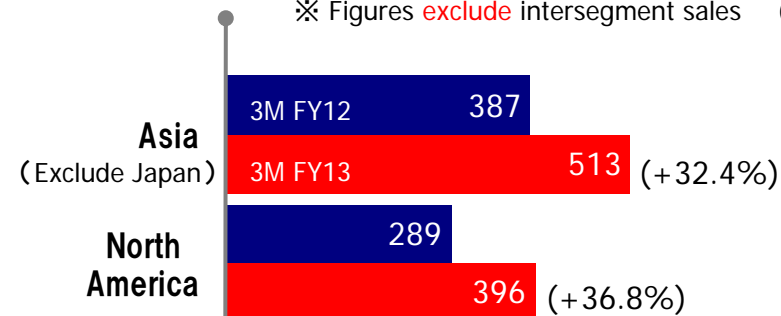
Net Sales by Business Segment

(Millions of yen)

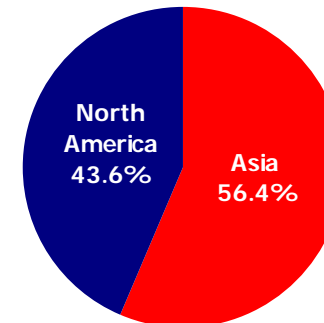
	3M FY12	3M FY13	YoY
Temporary Staffing	225	308	37.1%
Placement / Recruiting	272	366	34.3%
Contracting (Payroll, others)	160	179	12.2%
Others	10	12	18.7%
Total	668	866	29.7%

Net Sales by Region (Total of sales in Overseas)

※ Figures exclude intersegment sales (Millions of yen)



Sales composition



3M FY13

- Solid trends in the demand for personnel by Japanese companies seeking to re-enter the manufacturing sector in North America and relocate their production bases to the ASEAN region
- Successful sales strategies implemented in the outsourcing services business encompassing such tasks as expatriate payrolls and labor operations

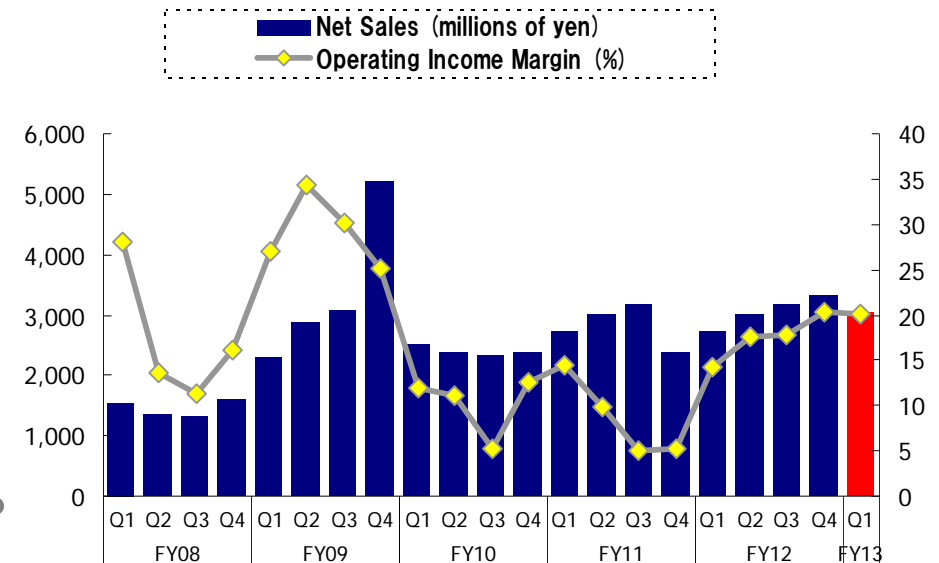
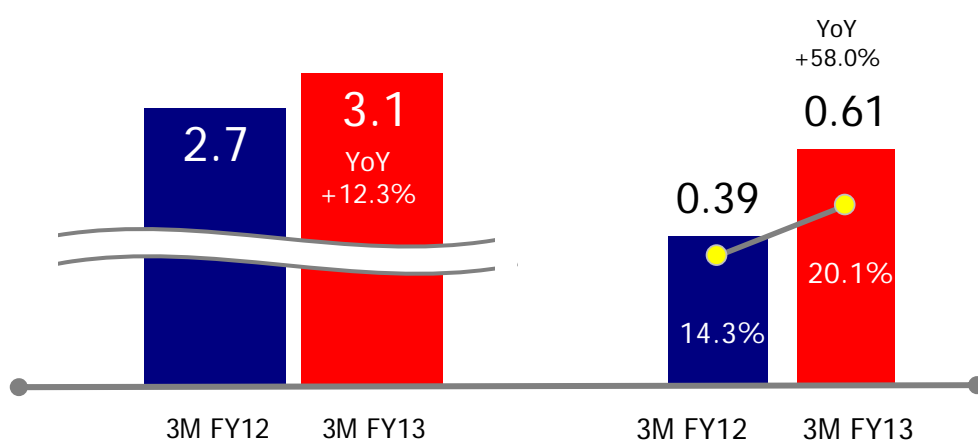
Outplacement

Net Sales

Operating Income, Operating Income Margin

Quarterly Net Sales and Operating Income Margin

(Billions of yen)



3M FY13

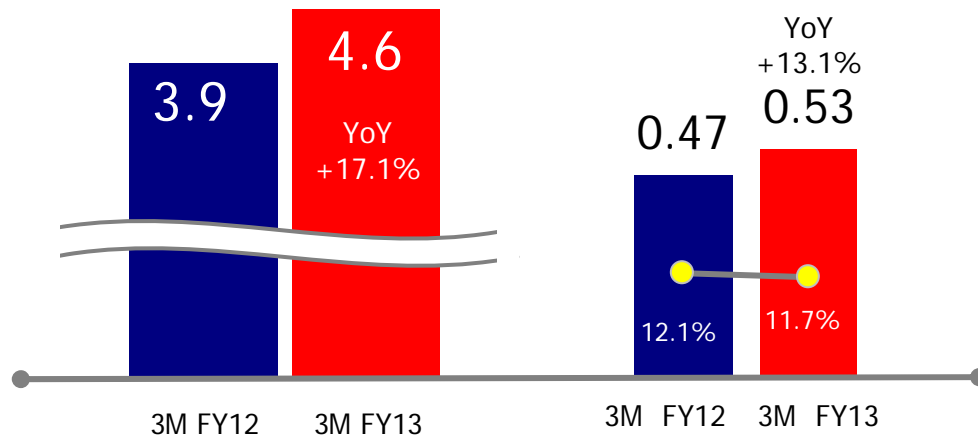
- Modest decrease in orders on the back of forecasts regarding an economic recovery; revenue growth reflecting sales, owing to orders in the previous period, and steady demand
- In addition to a quick and definitive turnaround in the placement of users due mainly to the new cultivation of employment offers, increase in earnings owing largely to cost controls based on the assignment of personnel

Net Sales

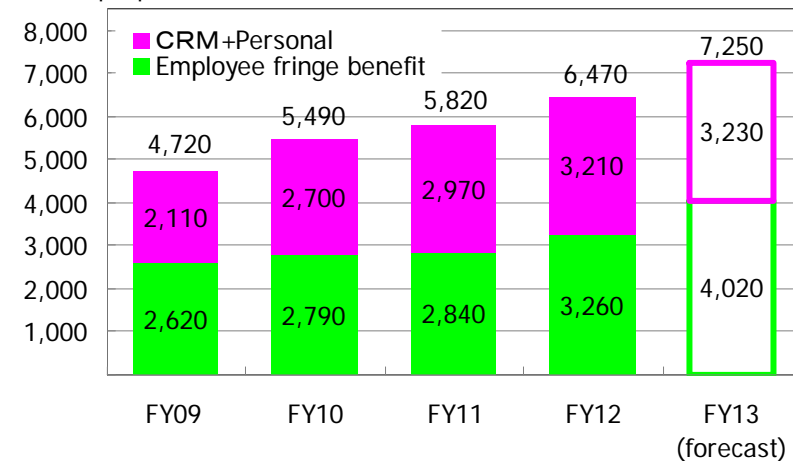
Operating Income, Operating Income Margin

(Billions of yen)

Benefit One Membership



(Thousands people)



3M FY13

- Steady increase in the mainstay employee fringe benefit outsourcing business and Personal business; solid trends also in the Incentive business
- Contribution to revenue growth by Benefit one Health care Inc. following its inclusion in the scope of consolidation from July of the previous period

Revisions to Consolidated Business Forecast for the First Half of the FY2013

- Profit trends indicate that results are exceeding plans; in addition to the deferment of a portion of SG&A expenses as well as input costs to other periods, this trend largely reflects orders brought forward in the Outplacement business, the quick and definitive turnaround in the placement of users, and successful efforts to control costs
- Decision to defer any revision to consolidated business results for the full FY13; in addition to such factors as the deferment of costs mentioned above, this decision is based on expectations that movements in Outplacement orders will settle

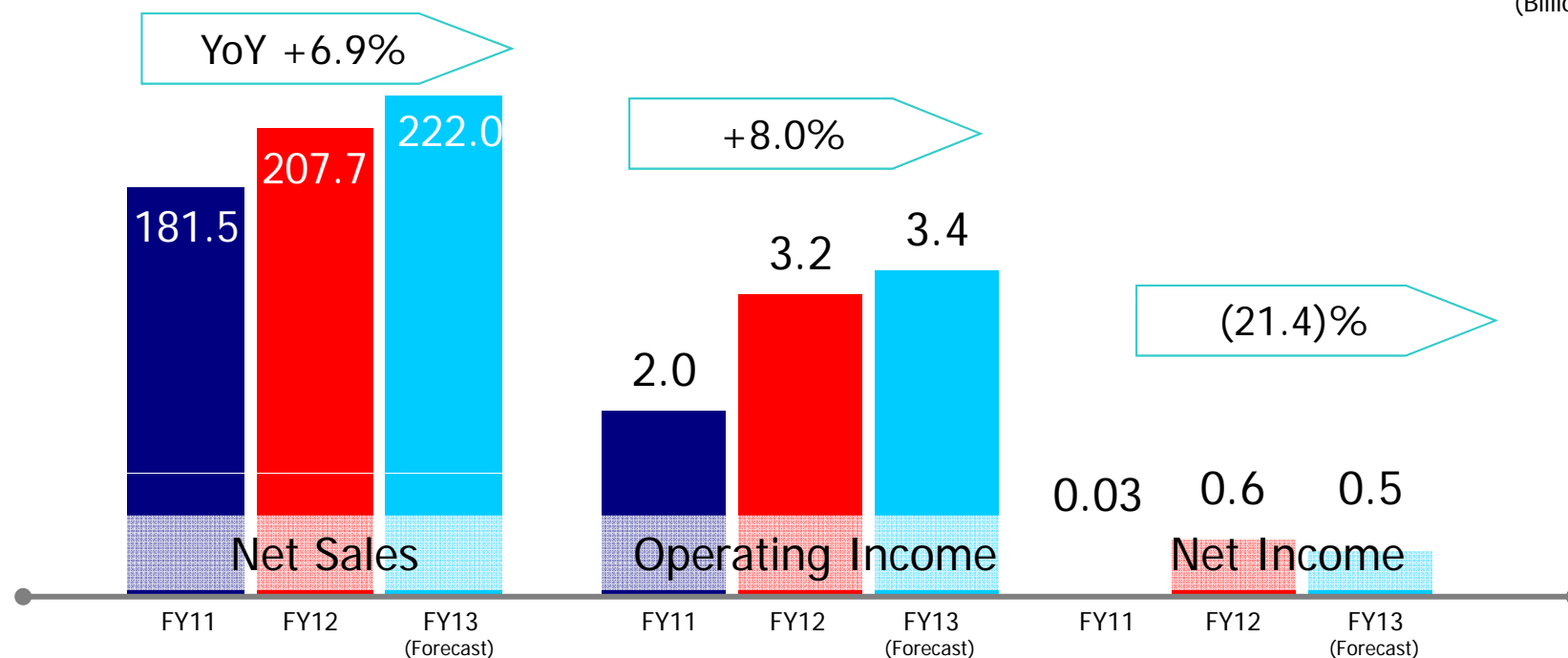
(Millions of yen)

H1 FY13	Initial Forecast	Revised Forecast	VS Initial Forecast	Difference	(Reference) H1 FY12	VS Revised Forecast	Difference	(Reference) FY13 Forecast	VS FY12	Difference
Net Sales	108,500	108,500	0	0.0%	102,976	5,523	5.4%	222,000	14,314	6.9%
Operating Income	730	880	150	20.5%	714	165	23.1%	3,430	253	8.0%
Ordinary Income	620	820	200	32.3%	692	127	18.3%	3,320	132	4.2%
Net Income (Loss)	(170)	(110)	60	-	(454)	344	-	480	(130)	(21.4)%

Consolidated Forecasts for the Fiscal Year Ending May 31, 2014



(Billions of yen)

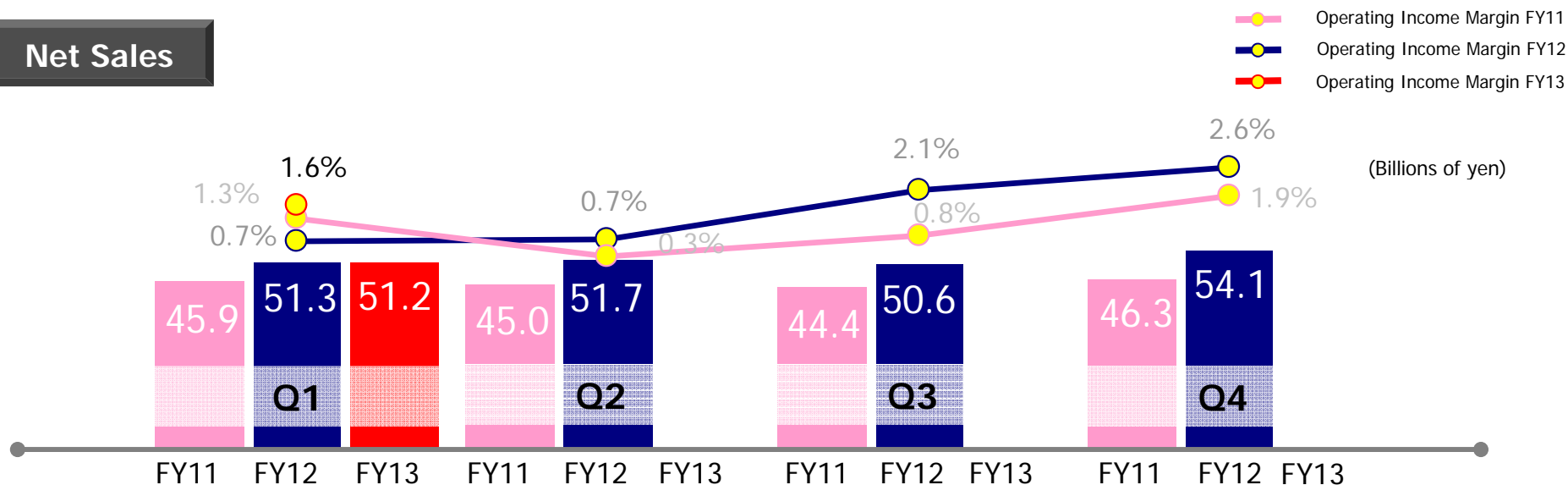


(Millions of yen)	FY11	to net sales %	FY12	to net sales %	FY13 Forecast	to net sales	vs FY12 Increase/Decrease	YoY
Net sales	181,498	100.0	207,685	100.0	222,000	100.0	14,314	6.9%
Cost of sales	147,693	81.4	167,609	80.7	180,330	81.2	12,720	7.6%
Gross profit	33,805	18.6	40,075	19.3	41,670	18.8	1,594	4.0%
SG&A expenses	31,840	17.5	36,898	17.8	38,240	17.2	1,341	3.6%
Operating income	1,964	1.1	3,176	1.5	3,430	1.5	253	8.0%
Ordinary income	2,091	1.2	3,187	1.5	3,320	1.5	132	4.2%
Net income	29	0.0	610	0.3	480	0.2	(130)	(21.4)%

Reference

Quarterly Earnings Trends

Net Sales



		Q1 (June to August)					Q2 (September to November)			Q3 (December to February)			Q4 (March to May)		
		FY11	FY12	YoY	FY13	YoY	FY11	FY12	YoY	FY11	FY12	YoY	FY11	FY12	YoY
Consolidated	Net sales	45,901	51,270	+11.7%	51,212	(0.1)%	44,979	51,705	+15.0%	44,364	50,585	+14.0%	46,252	54,123	+17.0%
	Gross profit	8,488	9,517	+12.1%	10,032	+5.4%	8,158	9,553	+17.1%	8,249	10,022	+21.5%	8,908	10,982	+23.3%
	SG&A expenses	7,886	9,181	+16.4%	9,197	+0.2%	8,035	9,174	+14.2%	7,894	8,984	+13.8%	8,023	9,557	+19.1%
	Operating income	601	335	(44.3)%	834	+149.0%	122	379	+209.0%	355	1,037	+192.1%	884	1,424	+61.0%
	Ordinary income	560	330	(41.0)%	798	+141.5%	184	362	+96.5%	393	1,010	+156.8%	952	1,483	+55.7%
	Net income (loss)	111	(193)	-	103	-	(36)	(260)	-	(181)	160	-	136	904	+563.1%
	Gross profit margin	18.5%	18.6%	+0.1pt	19.6%	+1.0pt	18.1%	18.5%	+0.4pt	18.6%	19.8%	+1.2pt	19.3%	20.3%	+1.0pt
	SG&A expense ratio	17.2%	17.9%	+0.7pt	18.0%	+0.1pt	17.9%	17.7%	(0.2)pt	17.8%	17.8%	(0.0)pt	17.3%	17.7%	+0.4pt
	Operating income margin	1.3%	0.7%	(0.6)pt	1.6%	+0.9pt	0.3%	0.7%	+0.4pt	0.8%	2.1%	+1.3pt	1.9%	2.6%	+0.7pt
	Ordinary income margin	1.2%	0.6%	(0.6)pt	1.6%	+1.0pt	0.4%	0.7%	+0.3pt	0.9%	2.0%	+1.1pt	2.1%	2.7%	+0.6pt
Net income margin	0.2%	-	-	0.2%	-	-	-	-	-	0.3%	-	0.3%	1.7%	+1.4pt	

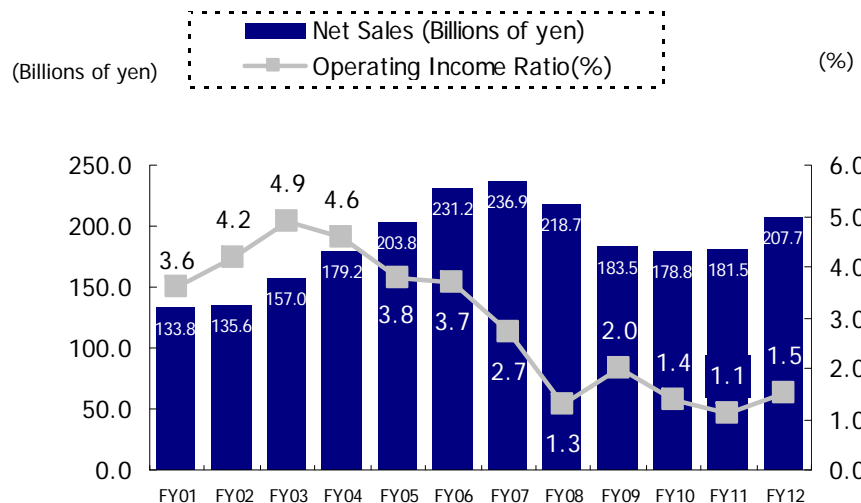
Quarterly Earnings Trends by Segment

(Millions of yen)

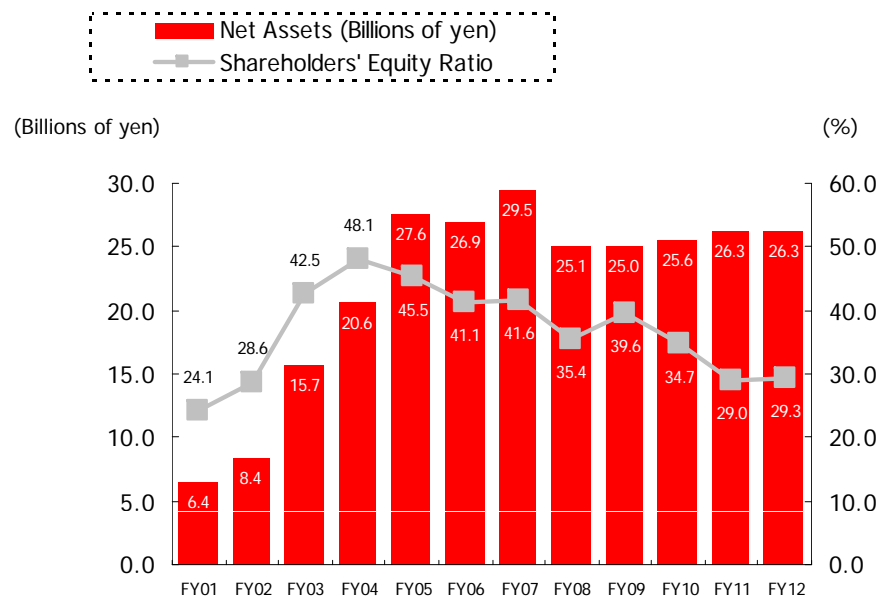
	Segment	Sales						Operating income (loss)					
		Q1 FY12	Q2 FY12	Q3 FY12	Q4 FY12	Q1 FY13	YoY	Q1 FY12	Q2 FY12	Q3 FY12	Q4 FY12	Q1 FY13	YoY
1	Expert Services	32,971	32,354	31,206	33,188	31,169	(5.5)%						
2	Insourcing	9,149	9,508	8,902	9,446	9,327	1.9%						
3	HR Consulting, others	916	968	950	1,258	1,013	10.6%						
4	Place & Search	743	717	615	792	762	2.5%	603	672	562	823	653	8.3%
5	Global Sourcing	668	655	912	1,000	866	29.7%						
	Subtotal	44,449	44,204	42,587	45,686	43,140	(2.9)%						
6	Outplacement	2,724	3,021	3,169	3,319	3,060	12.3%	388	528	568	678	613	58.0%
7	Outsourcing	3,886	4,289	4,526	4,907	4,552	17.1%	469	406	891	929	530	13.1%
8	Life Solutions Public Solutions Shared	987	979	1,028	937	1,194	21.0%	40	(21)	(30)	(34)	(19)	-
9	Eliminations and Corporate	(777)	(789)	(726)	(727)	(735)	-	(1,166)	(1,205)	(953)	(973)	(944)	-
10	Total	51,270	51,705	50,585	54,123	51,212	(0.1)%	335	379	1,037	1,424	834	149.0%

Key Indicators (Full Year)

Net Sales and Operating Income Ratio



Net Assets and Shareholders' Equity Ratio

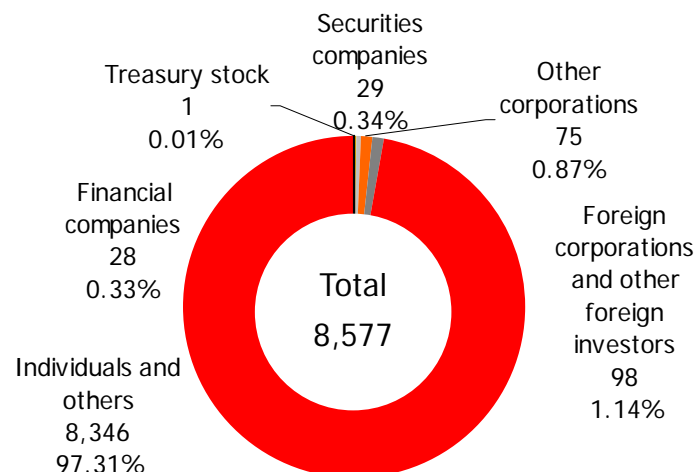


Results

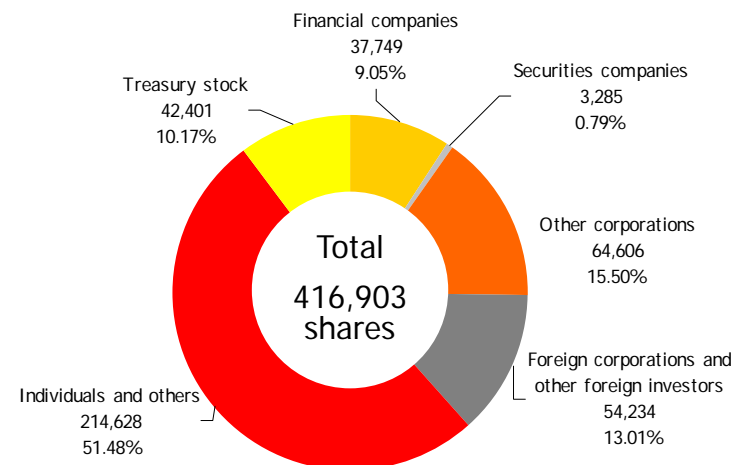
Key Indicators	'02/05	'03/05	'04/05	'05/05	'06/05	'07/05	'08/05	'09/05	'10/05	'11/05	'12/05	'13/05
Net Sales	133,822	135,625	156,979	179,156	203,815	231,231	236,945	218,699	183,515	178,806	181,498	207,685
Gross Profit Margin	18.2%	19.7%	20.9%	20.8%	20.2%	20.3%	20.8%	19.9%	20.0%	18.8%	18.6%	19.3%
SG&A Expenses	19,557	21,058	25,104	28,992	33,491	38,542	42,925	40,735	33,070	31,125	31,840	36,898
SG&A Expense Ratio	14.6%	15.5%	16.0%	16.2%	16.4%	16.6%	18.1%	18.6%	18.0%	17.4%	17.5%	17.8%
Operating Income	4,786	5,687	7,648	8,238	7,745	8,507	6,444	2,850	3,660	2,432	1,964	3,176
Operating Income Ratio	3.6%	4.2%	4.9%	4.6%	3.8%	3.7%	2.7%	1.3%	2.0%	1.4%	1.1%	1.5%
Ordinary Income	4,222	5,373	7,329	8,289	7,844	8,807	6,637	3,361	4,044	2,571	2,091	3,187
Ordinary Income Ratio	3.2%	4.0%	4.7%	4.6%	3.8%	3.8%	2.8%	1.5%	2.2%	1.4%	1.2%	1.5%
Net Income	1,974	2,027	3,647	4,363	3,588	4,198	2,962	312	204	412	29	610
Net Income Ratio	1.5%	1.5%	2.3%	2.4%	1.8%	1.8%	1.3%	0.1%	0.1%	0.2%	0.0%	0.3%
Total Assets	26,526	29,425	37,004	42,884	51,931	54,425	58,513	55,468	52,269	60,564	70,889	71,276
Net Assets *1	6,388	8,418	15,732	20,644	27,634	26,904	29,468	25,148	24,979	25,642	26,295	26,253
Shareholders' Equity Ratio *2	24.1%	28.6%	42.5%	48.1%	45.5%	41.1%	41.6%	35.4%	39.6%	34.7%	29.0%	29.3%
Current Ratio	121.6%	122.3%	160.2%	182.8%	170.8%	152.1%	154.2%	129.6%	163.3%	175.2%	154.7%	141.8%
Number of Employees (exclude contract workers)	1,537	1,687	1,979	2,204	2,608	3,126	3,647	3,671	3,643	3,956	4,452	4,778

Notes: 1. Presentation of shareholders' equity amended to a net assets basis in line with changes to accounting standards and policies. Minority interests included in presentation of net assets since the fiscal year ended May 31, 2006.
 2. Despite changes in calculation methods for net assets following the introduction of changes to accounting standards and policies, the shareholders' equity ratio since the fiscal year ended May 31, 2006 is calculated utilizing an amount equivalent to net assets applicable to common shares.
 3. The data for the periods up to and including the fiscal year ended May 31, 2007 are consolidated data for Pasona Inc. The data for the periods commencing the fiscal year ended May 31, 2008 and beyond are consolidated data for Pasona Group Inc.

Breakdown of Shareholders by Type



Breakdown of Shareholders by Number of Share Held



Principal Shareholders

	No. of Shares Held	%
Yasuyuki Nambu	147,632	35.41%
Pasona Group Inc.	42,401	10.17%
Nambu Enterprise Inc.	37,378	8.97%
Goldman Sachs International	20,745	4.98%
Sanrio Company, Ltd.	12,000	2.88%
The Master Trust Bank of Japan, Ltd (Trust account)	8,641	2.07%
Japan Trustee Services Bank, Ltd. (Trust account)	6,876	1.65%
Pasona Group Employees' Shareholding Association	6,308	1.51%
MEDICAL ASSOCIA INC.	4,400	1.06%
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	3,835	0.92%

The Company's treasury stock (42,401 shares, 10.17% of total issued shares) ranked second. In accordance with Article 308.2 of the Corporations Law, there are no voting rights attached to treasury stock.

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Corporate Name	Pasona Group Inc.	
Headquarters	Shin Marunouchi Bldg. 1-5-1, Marunouchi, Chiyoda-ku, Tokyo 100-6514	<u>Comprehensive Group office</u> Otemachi 2-6-4 Chiyoda-ku, Tokyo 100-8228 Phone 03-6734-0200
Established	December 3, 2007 (Founding February 1976)	
Paid-in Capital	5,000 million yen	
Representative	Yasuyuki Nambu	
Business Activities	Expert Services (Temporary staffing), Insourcing (Contracting), HR Consulting Place & Search (Placement/Recruiting) Global Sourcing (Overseas) Outplacement Outsourcing Life Solutions, Public Solutions, Shared	
Number of Employees	5,989 (Consolidated, including contract workers) (As of May 31, 2013)	
Group Companies	Subsidiaries 39, Affiliates 3	
URL	http://www.pasonagroup.co.jp/english/	

(As of August 31, 2013)