

Link and Motivation Inc.
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Board of Directors Resolution on Issue of New Shares and Secondary Offering of Shares

November 15, 2007 – The board of directors of Link and Motivation Inc. (“the Company”) today announced a resolution on the issue of new shares by public offering and a secondary offering of shares in connection with the listing of the Company’s common stock on the Tokyo Stock Exchange. Details of the resolution follow below.

1. Issue of New Shares by Public Offering

- 1) Number of new shares to be issued: 8,000 shares of common stock of the Company
- 2) Purchase price: To be determined by the board of directors on November 29, 2007
- 3) Payment date: December 16, 2007
- 4) Increase in capital and additional paid-in capital

Based on the underwriting price, which is scheduled to be decided on December 6, 2007, the increase in capital shall equal 50% of the maximum increase in capital, etc., as calculated according to Article 37, paragraph 1 of the Corporate Accounting Regulations. The remaining amount shall become additional paid-in capital.

- 5) Method of offering

Based on general public offering at the issue price, all shares shall be purchased at the underwriting price and underwritten by Nomura Securities Co., Ltd., Daiwa Securities SMBC Co., Ltd., Mitsubishi UFJ Securities Co., Ltd., Mizuho Investors Securities Co., Ltd., Takagi Securities Co., Ltd., Rakuten Securities, Inc., and SBI E*Trade Securities Co., Ltd. The underwriting price shall be decided at the same time as the issue price; however, this public offering shall be cancelled if the underwriting price (the amount paid by the underwriters to the Company) is below the purchase price.

- 6) Issue price

To be determined. After the purchase price to be paid to the Company for the new shares is set, the underwriter will submit a tentative price range higher than that amount. The issue price will be set on December 6, based on the level of demand in the tentative price range.

- 7) Offering period: December 7 – 12, 2007

- 8) Unit of shares for offering: One share

- 9) Delivery date: December 17, 20007

- 10) Other items requiring the decision of the board of directors will be decided at later board of directors meetings.

- 11) The above items are contingent upon effective notification pursuant to the Financial Instruments and Exchange Law.

2. Secondary Offering of Shares through Purchase and Underwriting by the Underwriter

- 1) Number of shares to be offered:
5,000 shares of common stock of the Company
- 2) Seller and number of shares to be sold:

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Yoshihisa Ozasa (1906, 11-9 Tsukuda 1-chome, Chuo-ku, Tokyo); 5,000 shares

- 3) Method of sale:
Sale to the general public at the offering price, with Nomura Securities Co., Ltd. as the underwriter
- 4) Offering price: To be determined (same as the issue price in 1. above)
- 5) Offering period: Same as the offering period in 1. above
- 6) Unit of shares for offering: Same as the unit in 1. above
- 7) Delivery date: Same as the delivery date in 1. above
- 8) The above items are contingent upon effective notification pursuant to the Financial Instruments and Exchange Law. In the event of the cancellation of the issue of new shares in 1. above, this secondary offering shall also be cancelled.

3. Secondary Offering of Shares through Overallotment

- 1) Number of shares to be offered: 1,500 shares of common stock of the Company
- 2) Seller and number of shares to be sold: Nomura Securities Co., Ltd. (9-1, Nihonbashi 1-chome, Chuo-ku, Tokyo); 1,500 shares
- 3) Method of sale: Sale to the general public at the offering price
- 4) Offering price: To be determined (same as the issue price in 1. above)
- 5) Offering period: Same as the offering period in 1. above
- 6) Unit of shares for offering: Same as the unit in 1. above
- 7) Delivery date: Same as the delivery date in 1. above
- 8) The above items are contingent upon effective notification pursuant to the Financial Instruments and Exchange Law. In the event of the cancellation of the issue of new shares in 1. above, this secondary offering shall also be cancelled.

4. Issue of New Shares by Private Placement

- 1) Number of shares to be issued: 1,500 shares of common stock of the Company
- 2) Purchase price: To be determined (same as the purchase price in 1. above)
- 3) Subscription date: December 21, 2007
- 4) Payment date: December 25, 2007
- 5) Increase in capital and additional paid-in capital
Based on the underwriting price, which is scheduled to be decided on December 6, 2007, the increase in capital shall equal 50% of the maximum increase in capital, etc., as calculated according to Article 37, paragraph 1 of the Corporate Accounting Regulations. The remaining amount shall become additional paid-in capital.
- 6) Placement method
The shares will be placed to Nomura Securities Co., Ltd. at the placement price. However, the issue of these shares will be cancelled if the placement price is below the purchase price paid to the Company for the shares.
- 7) Placement price: To be determined (same as the underwriting price in 1. above)
- 8) Unit of shares for subscription: One share
- 9) The issue of any shares that are unsubscribed by the subscription date above shall be terminated.
- 10) Other matters concerning this issue of shares requiring the approval of the board of directors shall be decided at later board of directors meetings.
- 11) In the event of the cancellation of the secondary offering of shares through overallotment described in 3. above, this private placement shall also be cancelled.

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For reference:

1. Summary of the Issue of New Shares by Public Offering and Secondary Offering

- 1) Number of shares to be issued and sold
 - (1) Number of shares issued: 8,000 shares of common stock
 - (2) Number of common shares sold: By underwriter: 5,000 shares
Through overallotment: 1,500 shares (see note)
- 2) Share bid period: November 30 – December 5, 2007
- 3) Pricing date: December 6, 2007 (The offering price and selling price will be set at a price higher than the price paid to the Company for the shares, after gauging the level of demand in the tentative price range.)
- 4) Offering and sale period: December 7–12, 2007
- 5) Payment date: December 16, 2007
- 6) Delivery date: December 17, 2007

Note:

The secondary offering of shares through overallotment outlined above is a sale that will be made by Nomura Securities Co., Ltd. in connection with the public offering of new shares and the secondary offering of shares purchased and underwritten by the underwriter, taking into consideration demand for those shares. Therefore, the number of shares for sale by overallotment indicated above is the maximum number of shares. It is possible that less than this number of shares, or no shares, will be sold through overallotment, depending on demand conditions.

The common stock of the Company to be sold if the overallotment option is exercised will consist of shares borrowed by Nomura Securities Co., Ltd. from Mr. Yoshihisa Ozasa, a stockholder of the Company (hereinafter referred to as “the Stock Lender”). In connection with this, the board of directors of Link and Motivation Inc. made a resolution on November 15, 2007 on the private placement of 1,500 shares of common stock of the Company to Nomura Securities Co., Ltd.

Nomura Securities Co., Ltd. may also purchase shares of the common stock of the Company (“syndicate cover transactions”) on the Tokyo Stock Exchange on December 17, 2007, up to the number of shares offered through overallotment. All of the shares purchased through syndicate cover transactions will be used to return the shares borrowed from the Stock Lender.

Nomura Securities Co., Ltd. does not plan to accept any allotment for the number of shares it purchases through syndicate cover transactions, and therefore all or some of the shares to be issued in this private placement may be unsubscribed. As a result, the final number of shares issued in this private placement may decrease, or the issue may not take place at all, due to forfeiture. Further, Nomura Securities Co., Ltd. at its discretion may choose not to enter into any syndicate cover transactions or to terminate such transactions without purchasing the maximum number of shares.

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2. Change in Number of Outstanding Shares as a Result of the Public Offering

Current number of outstanding shares:	126,000 shares
Increase in number of shares as a result of public offering:	8,000 shares
Increase in number of shares as a result of private placement:	1,500 shares (maximum)
Total number of outstanding shares after increase:	135,500 shares (maximum)

3. Use of Proceeds

With the proceeds of ¥647,600,000 raised through this public offering, the Company plans to allocate ¥200,000,000 to increase staff and build training facilities for further expansion of sales of package (training) products; ¥200,000,000 to develop systems to strengthen its “database diagnosis” service; and the remaining amount to hire and develop staff for business expansion, as well as to create a management structure to facilitate a stronger internal control system. The Company also plans to use the ¥125,550,000* raised from the issue of new shares by private placement to hire and develop staff for business expansion, and to create a management structure to facilitate a stronger internal control system.

*The estimated amount based on the estimated issue price of ¥90,000 when the securities registration statement was filed.

4. Profit Distributions to Shareholders

1) Profit Distribution Policy

The Company’s dividend policy is to make more active and stable returns to shareholders, taking into account a range of factors including results for the relevant fiscal period, the future business environment and investment plans.

Further, the Company has set a policy of making two dividend payments annually – an interim dividend and year-end dividend – but plans to take a flexible approach to shareholder returns through measures such as paying quarterly dividends after restrictions on the frequency of dividends are lifted.

2) Use of Retained Earnings

The Company will allocate retained earnings to investment in human resources and facilities and equipment for business expansion and efficiency, with the aim of further expanding its business scope.

3) Concrete Policy for Future Increases in Distributions to Shareholders

The Company believes that using this capital increase to aggressively implement measures aimed at business expansion will lead to higher corporate value, which in turn will lead to profit distributions to shareholders.

At present, the Company has not decided on the specific details of capital management policies related to its common stock, including dividend increases and stock splits

4) Dividends for the Three Most Recent Fiscal Years

	Year ended December 31, 2004	Year ended December 31, 2005	Year ended December 31, 2006
Net income per share	¥619.30	¥543.30	¥3,848.67
Cash dividends per share	¥120.00	¥180.00	¥1,124.00
[Interim dividends per share]	[¥50.00]	[¥20.00]	[¥84.00]
Payout ratio	19.4%	33.1%	29.2%
Return on equity	32.1%	24.3%	29.3%
Dividend on equity ratio	5.5%	7.6%	7.5%

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Notes:

- (1) Net income per share is calculated using the average number of outstanding shares during the period.
- (2) Return on equity is calculated by dividing net income by total average shareholders' equity. The dividend on equity ratio is calculated by dividing total cash dividends by total shareholders' equity at the end of the period.
- (3) On December 28, 2006, the Company executed a 5-for-1 reverse stock split. The Company provides the following information, for reference only, to show the trend of per-share financial indicators if retroactive adjustments had been made to account for the stock split.

	Year ended December 31, 2004	Year ended December 31, 2005	Year ended December 31, 2006
Net income per share	¥3,096.52	¥2,716.50	¥3,848.67
Cash dividends per share	¥600.00	¥900.00	¥1,124.00
[Interim dividends per share]	[¥250.00]	[¥100.00]	[¥420.00]

5. Basic Distribution Policy

In selling shares, sales may be made to investors who did not file a share bid in the interests of fulfilling the criteria for the number of shareholders before delisting as stipulated in the listing regulations of the stock exchange, and ensuring liquidity of the stock after listing.

The underwriters will make efforts to sell the shares in a fair and equitable manner, and plan to conduct sales in accordance with the distribution policy, internal regulations and other rules that they set themselves. Please check the policy on distribution displayed at each underwriting company's branches and posted on their websites.

6. Other

In this public offering of new shares and secondary offering, a certain number of the 8,000 new shares will be set aside for sale to the Company's Employee Shareholding Association.

Note:

The section pertaining to future distributions in "4. Profit Distributions to Shareholders" is based on future projections, and does not constitute a promise to pay dividends or other distributions.

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