

Link and Motivation Inc.

Consolidated Financial Information for the Three Months Ended March 31, 2013 (First Quarter of 2013)



ひとりひとりの本気がこの世界を熱くする

Link and Motivation Group



1. Announcement of Results for the
Three Months Ended March 31, 2013
2. Topics

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Announcement of Results for the Three Months Ended March 31, 2013

The background of the slide features a photograph of a modern building facade at night. The building has a grid-like structure of windows and panels. A large, illuminated logo is visible on the facade, consisting of several vertical bars of varying heights. Below the logo, the text "Link and Motivation Group" is written in a sans-serif font, following the angle of the building's facade.

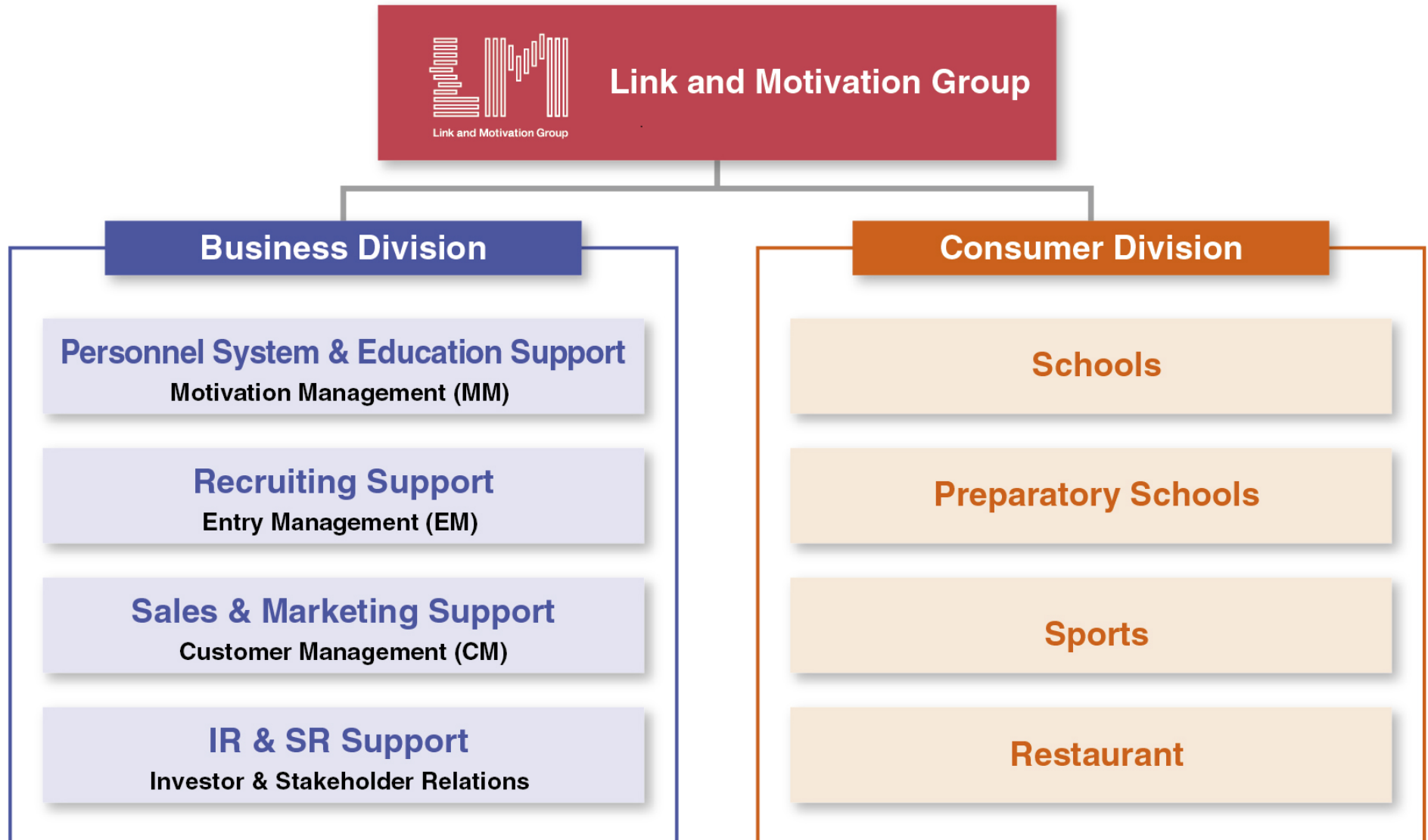
Link and Motivation Group

Statements of Operations (Year-on-Year Comparison)

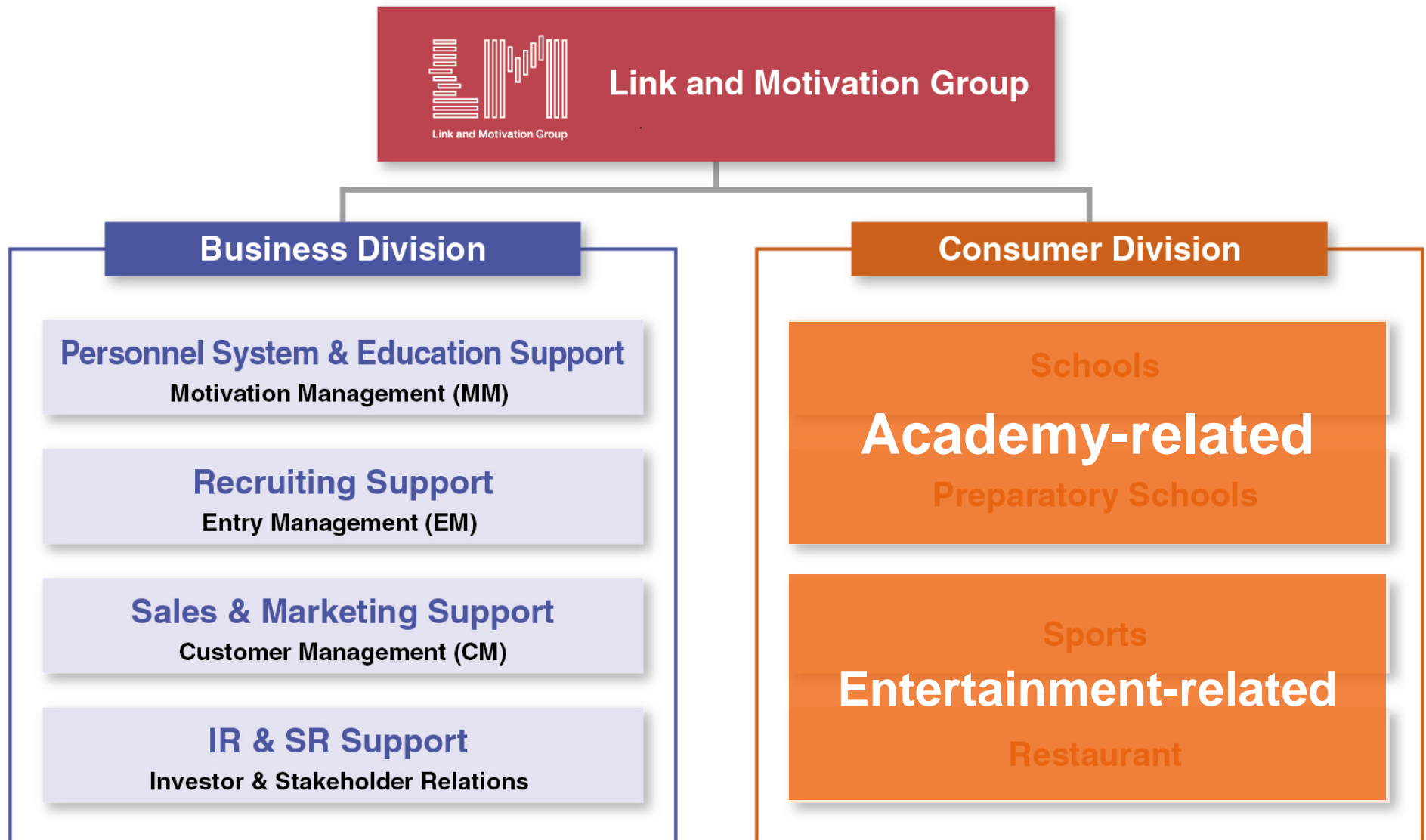
Consolidated (¥ million)	2012 Results	2013 Results	YoY Change
Net Sales	4,349	5,565	+28.0%
Operating Income	158	229	+44.4%
Ordinary Income	156	223	+43.0%
Net Income	71	80	+12.9%

- Solid performance in all segments, with substantial increases in net sales and each level of income compared with the same period of the previous year
- Solid results for YoY change for net sales and each level of income exceeding YoY change in full-year forecast

2013 Link and Motivation Group Operating Structure



2013 Link and Motivation Group Operating Structure



Sales and Gross Profit by Division Vs. Same Period of Previous Year

Consolidated (¥ million) [Gross profit in brackets]		2012 Results	2013 Results	YoY Change
Business Division	Sales	2,730	3,515	+28.8%
	Gross Profit	[1,160]	[1,417]	+22.1%
Consumer Division	Sales	1,666	2,230	+33.8%
	Gross Profit	[547]	[736]	+34.7%

- Solid results in each field of both the Business Division and the Consumer Division, with substantial increases compared with the same period of the previous year

Business Division: Sales and Gross Profit Vs. Same Period of Previous Year

Consolidated (¥ million) [Gross profit in brackets]	2012 Results	2013 Results	YoY Change	Product Trends
① Personnel System & Education Support (MM)	710 [470]	715 [485]	+0.7% +3.1%	Personnel system consulting ↗ Training services ↗
② Recruiting Support (EM)	807 [420]	907 [590]	+12.4% +40.5%	New graduate recruiting services ↗ New graduate introduction services ↗
③ Sales & Marketing Support (CM)*	1,117 [239]	1,774 [308]	+58.8% +29.0%	Fashion field temp staffing ↗ Communications/electronics field temp staffing ↗
④ IR & SR Support (IR)	95 [30]	118 [32]	+24.9% +7.2%	Annual reports ↗

* Because Link Marketing Inc. was added to the Group in February 2012, it is not included in January 2012 results for ③ Sales & Marketing Support (CM).

- ① Personnel System & Education Support increased YoY due to strong sales of personnel system consulting and training services.
- ② Recruiting Support increased substantially YoY due to strong sales of new graduate recruiting and introduction services.
- ③ Sales & Marketing Support increased substantially YoY due to strong sales of temp staffing for the fashion and communications/electronics fields.
- ④ IR & SR Support increased substantially YoY due to strong sales of annual reports.

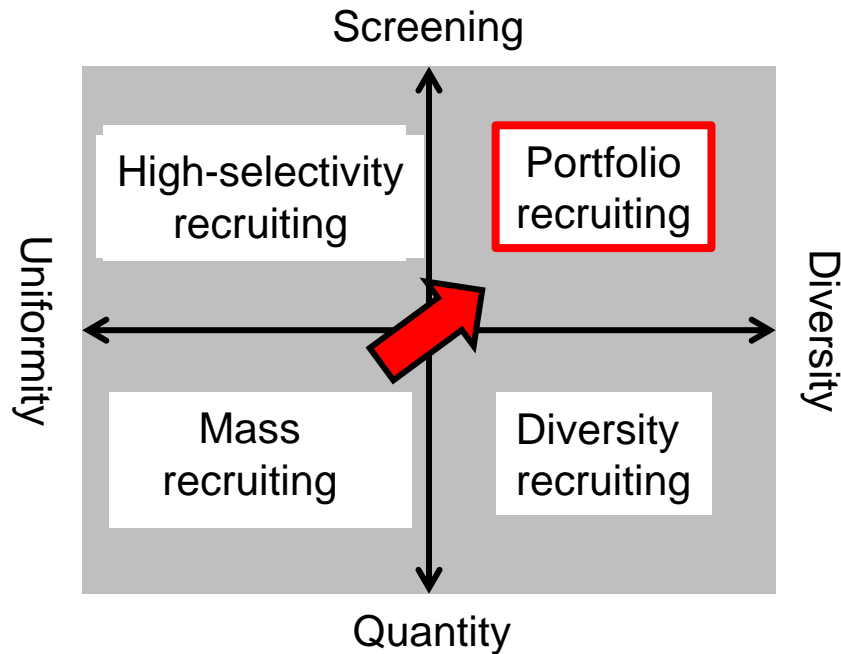
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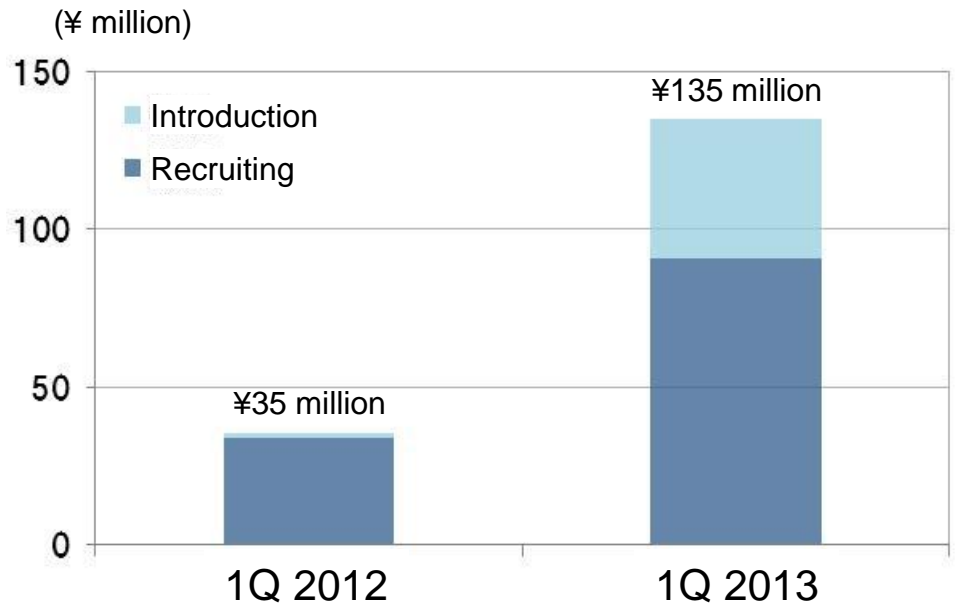
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Change in Recruiting Environment



From a model based on use of job-search media to
a model based on new graduate recruiting/introduction

Sales of New Graduate Recruiting/Introduction Services

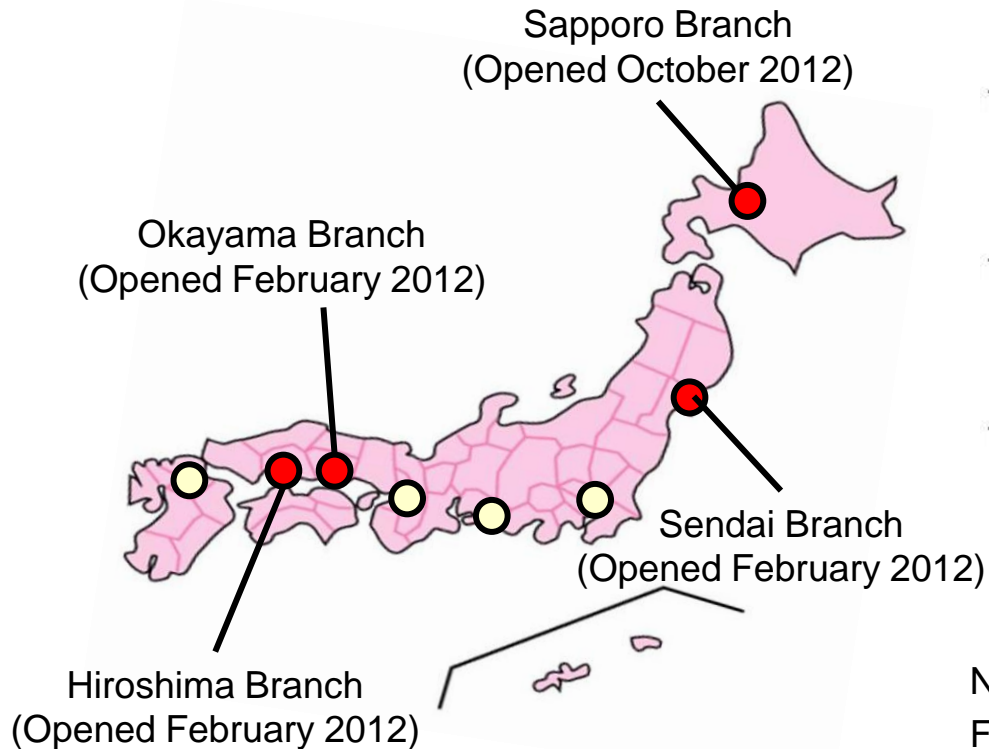


Introduction: ¥44 million (YoY change +2,821.1%)
Recruiting: ¥90 million (YoY change +168.1%)

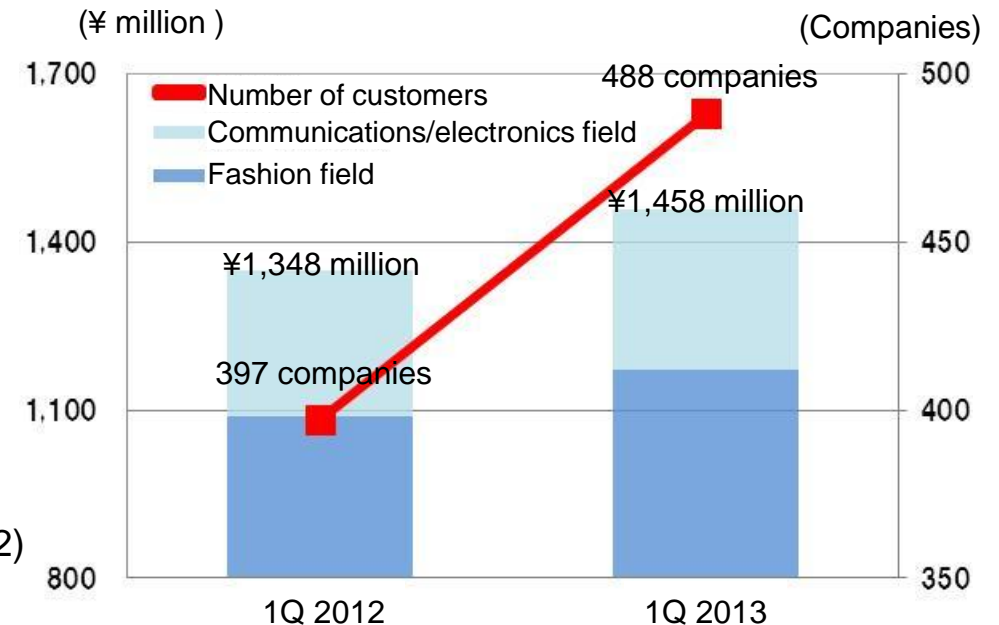
- New graduate recruiting/introduction services increased substantially YoY by responding to the shift to portfolio recruiting. Ongoing substantial growth is expected, with a similar environment forecast to continue.

Business Division: Sales & Marketing Support (CM)

Spread of Temp Staff Service Locations



Number of Customers/Temp Staff Sales by Field



Number of customers: 488 companies (YoY change +22.9%)
Fashion field sales: ¥1,170 million (YoY change +8.2%)
Communications/electronics field sales: ¥267 million
(YoY change +10.7%)

● With the increase in customer transactions for temp staff services at four locations opened in 2012, sales in both the fashion and communications/electronics fields **increased YoY**.

Consumer Division: Sales and Gross Profit Vs. Same Period of Previous Year

Consolidated (¥ million) [Gross profit in brackets]		2012 Results	2013 Results	YoY Change	Product Trends
①・②	Academy-related	1,498	2,032	+35.6%	Qualification courses ↑
	(Schools/Preparatory Schools)	[511]	[685]	+34.1%	Personal computer courses ↑
③・④	Entertainment-related	168	198	+17.8%	Sponsorship income ↑
	(Sports/Restaurant)	[35]	[51]	+42.7%	

- ①・② Academy-related results increased substantially YoY due to increases in qualification and personal computer courses at Aviva and the addition of Daiei Education System Co., Ltd. to the Group in the schools field.
- ③・④ Entertainment-related results increased substantially YoY with a significant increase in sponsorship income in the sports field.

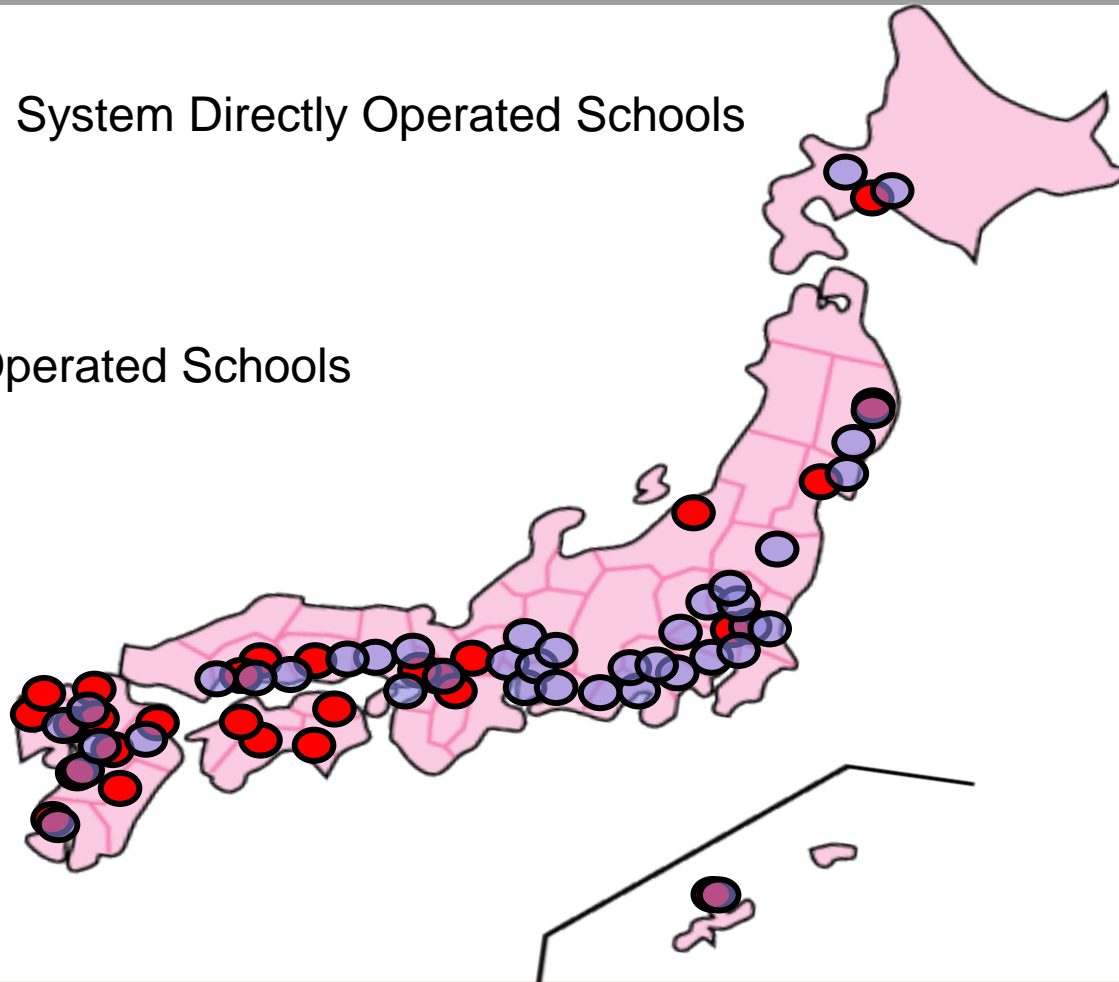
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● Daiei Education System Directly Operated Schools
(29 locations)

● Aviva Directly Operated Schools
(115 locations)



- The addition of Daiei Education System Co., Ltd. to the Group and setup of a structure to provide qualification courses at all Aviva locations led to a substantial increase YoY (¥26 million → ¥581 million).

Balance Sheets

<u>Consolidated (¥ million)</u>	Dec. 31, 2012	March 31, 2013	Change
Current Assets	5,454	5,125	-329
Property and Equipment	4,848	6,561	+1,712
Total Assets	10,303	11,686	+1,383
Current Liabilities	4,553	5,838	+1,284
Long-term Liabilities	2,501	2,585	+83
Net Assets	3,248	3,263	+15
Total Liabilities and Net Assets	10,303	11,686	+1,383

- Substantial increases in assets and liabilities with integration of Daiei Education System Co., Ltd.
- Net assets also increased because the increase from income for the period exceeded the decrease due to payment of dividends.

2 Topics



1. Stock Split

2. Dividend Policy for 2013

3. Best Motivation Company Award 2013

4. Motivation Manager Certification Test Held

1. Stock Split

Objective:

Increased liquidity and greater investor diversity

Details:

- Stock split ratio: 2 for 1
- Record date: April 30, 2013
- Effective date: May 1, 2013

2. Dividend Policy for 2013

○ Dividend Policy for 2013

- Dividends paid quarterly
- Fixed dividend of 150 yen for each quarter, 600 yen annually

Note: A stock split was conducted with a record date of April 30, 2013.

○ 2013 First Quarter Dividend

- As initially planned, a **300 yen** per-share dividend, with a planned payment date of **June 25, 2013**

	1Q Actual	2Q Planned	3Q Planned	4Q Planned
Per-share dividend	300 yen	150 yen (reflects stock split)	150 yen (reflects stock split)	150 yen (reflects stock split)

3. Best Motivation Company Award 2013

Overview: Award ceremony for highest-scoring 10 companies on the “Motivation Index” from the Employee Motivation Survey (EMS) given at companies

Details

- Held since fiscal 2010; 2013 ceremony was the 3rd time
 - 2012 winners chosen from 117 companies that held the Employee Motivation Survey
 - Record-high 240 attendees, including managers and media
-
- Ranking
 1. START TODAY CO., LTD.
 2. Plan•Do•See Inc.
 3. Noah Indoor Stage



Note: Published in *Shukan Diamond* (April 6, 2013 issue)

4. Motivation Manager Certification Test Held

Overview: Held the first Basic qualification test from the Motivation Management Association

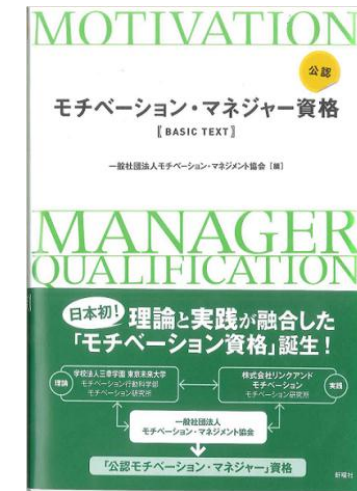
Details

- Results of first Basic qualification test held on March 24, 2013

Examinees	1,198
Qualification recipients	869
Pass rate	72.5%

- Positioning of Basic qualification

	Basic	Advanced	Professional
Target	■ Businesspersons ■ College students seeking employment	■ Organizational managers	■ Executive managers ■ Consultants
Content	Acquisition of theory and knowledge related to overall motivation, centered on self-motivation	Acquisition of theory, knowledge and practical techniques centered on motivation management of others	Acquisition of theory, knowledge and practical techniques centered on motivation management of organizations



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