

Link and Motivation Inc.

Consolidated Financial Information for the 1st Quarter of the Fiscal Year Ended December 31, 2012



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1. Announcement of Results for 2012 Q1

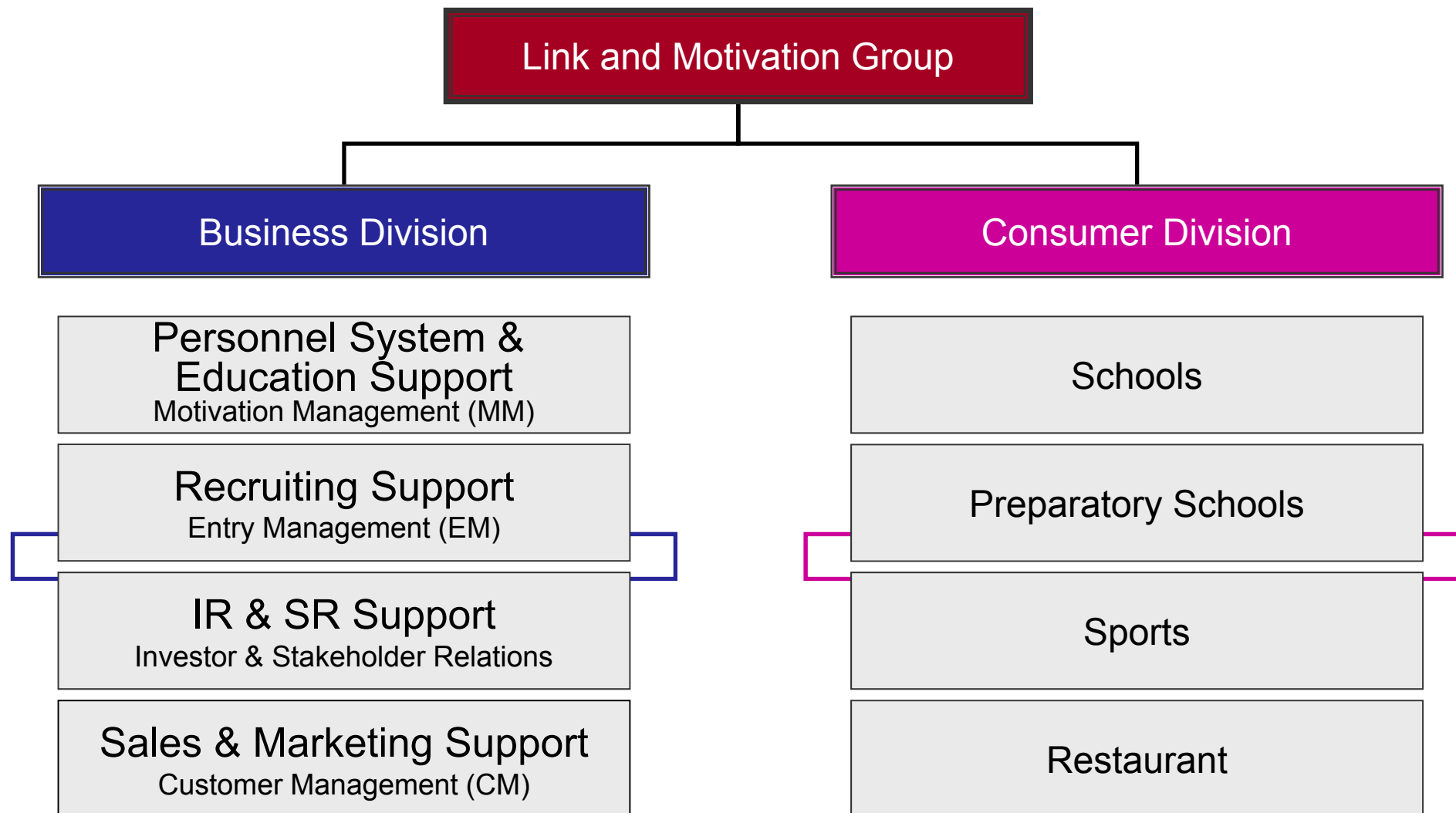
2. Topics

1 Announcement of Results for 2012 Q1



<u>Consolidated (¥ million)</u>	2011 Q1 Results	2012 Q1 Results	YoY Change
Net Sales	1,630	4,349	+168.8%
Operating Income	33	158	+374.8%
Ordinary Income	34	156	+350.8%
Net Income	-11	71	-

- Net sales increased substantially compared with the same quarter of the previous fiscal year because of business expansion.
- Each level of income also increased substantially compared with the same quarter of the previous fiscal year.



* Effective from the first quarter of 2012, the name of the B2B Division was changed to the Business Division, and the name of the B2C Division was changed to the Consumer Division.

Consolidated (¥ million) [Gross profit in brackets]		2011 Q1 Results	2012 Q2 Results	YoY Change
Business Division	Sales	1,495	2,730	+82.5%
	Gross Profit	[774]	[1,160]	[+49.8%]
Consumer Division	Sales	151	1,666	+998.2%
	Gross Profit	[19]	[547]	[+2724.7%]

- Results for the Business Division increased substantially because of the inclusion of Sales Marketing Co., Ltd. in the scope of consolidation
- Results for the Consumer Division increased substantially because of the inclusion of AVIVA Co., Ltd. in the scope of consolidation

Consolidated (¥ million) [Gross profit in brackets]	2011 Q1 Results	2012 Q1 Results	YoY Change	Product Trends
Personnel System & Education Support (MM)	488 [273]	710 [470]	+45.4% [+72.2%]	Training services↑ Consulting services↑
Recruiting Support (EM)	733 [404]	807 [420]	+10.0% [+3.9%]	Assessment services↑ Recruiting services →
IR & SR Support (IR)	110 [47]	95 [30]	-13.6% [-36.8%]	Annual reports → Video distribution ↓
Sales & Marketing Support (CM)	0 [0]	1,117 [239]	- -	

- Personnel System & Education Support: Substantial year-on-year growth because of strong sales of training and consulting services
- Recruiting Support: Year-on-year growth because of strong sales of assessment services
- Sales & Marketing Support: Integration of Sales Marketing Co., Ltd. increased sales

Consolidated (¥ million) [Gross profit in brackets]	2011 Q1 Results	2012 Q1 Results	YoY Change	Product Trends
Schools	0 [0]	1,494 [513]	— —	
Sports	131 [16]	135 [23]	+3.1% [+43.1%]	Ticket revenues ↑ Sponsor revenues ↓
Other	20 [3]	37 [10]	+80.1% [+211.4%]	Preparatory Schools ↑ Restaurant ↑

- Schools business: Integration of AVIVA Co., Ltd. increased sales. 15% year-on-year growth in new students resulted in a substantial contribution to consolidated earnings.
- Sports business: Year-on-year growth from higher ticket revenues.
- Preparatory School Business: Robust growth in new students.

<u>Consolidated (¥ million)</u>	Dec. 31, 2011	2012 1Q	Change
Current Assets	4,780	6,562	+1,782
Property and Equipment	3,699	5,055	+1,356
Total Assets	8,479	11,618	+3,138

<u>Consolidated (¥ million)</u>	Dec. 31, 2011	2012 1Q	Change
Current Liabilities	3,819	5,918	+2,099
Long-term Liabilities	1,488	2,715	+1,227
Net Assets	3,172	2,984	-188
Total Liabilities and Net Assets	8,479	11,618	+3,138

- Assets and liabilities increased substantially due to the integration of Sales Marketing Co., Ltd.
- Net assets decreased due to share repurchases and dividend payments.

2 Topics



1. Free Stock Distribution

2. Change in Dividend Policy

3. Motivation Management Association

Objective:

Increased liquidity and greater investor diversity

Details:

- Free distribution ratio: 2 for 1
- Record date: June 30, 2012
- Effective date: July 1, 2012

Change in 2012 Dividend Policy

Changes:

Quarterly dividends of 500 yen, fixed annual dividend of 2,000 yen

→ Quarterly dividends raised to 600 yen, fixed annual dividend of 2,400 yen

Planned implementation: From the dividend for 2012 2Q (to be paid September 25)

2012 1Q Dividend

•As initially planned, a **500 yen** per-share dividend, with planned payment date of **June 25**

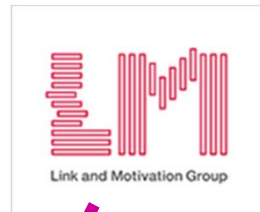
	1Q Planned	2Q Planned	3Q Planned	4Q Planned
Per-share dividend	500 yen	600 yen	300 yen (reflects free stock distribution)	300 yen (reflects free stock distribution)

Motivation Management Association established on April 5, 2012 as a general incorporated foundation.

A motivation management accreditation institution

Model

Sanko Gakuen
(Incorporated
educational institution)



Joint funding
60% 40%

Motivation Management
Association



Collaboration

Tokyo Future University

Envisioned Synergies

1. Spread awareness of motivation manager qualifications throughout society
2. Collaboration between the Link and Motivation Group research center and Tokyo Future University's Department of Motivation and Behavioral Sciences

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