



June 21, 2007

To whom it may concern,

Company: The Goodwill Group, Inc.
Representative: Masahiro Origuchi
Representative Director, Chairman and CEO
(Code No. 4723 TSE 1st Section)
Contact: Akira Kanazaki
Managing Director and CFO
(TEL: 03-3405-9262)

Notice of Extraordinary Loss Arising from “Data and Equipment Charges” Levied by Consolidated Subsidiary Goodwill, Inc.

This is to inform you that the company anticipates the following extraordinary loss.

Details

1. Description of extraordinary loss

Consolidated subsidiary Goodwill, Inc.* (human resources referrals) eliminated its “data and equipment charge” on May 1, 2007, and after studying how to handle past “data and equipment charges”* the company has decided to issue refunds to registered staff working between May 1, 2005 and April 30, 2007.

If, under this policy, Goodwill pays all potential claims from registered staff who worked during that period, it forecasts a maximum extraordinary loss of approximately 3.7 billion yen.

2. Impact on results

As noted above, a maximum extraordinary loss of approximately 3.7 billion yen is projected. We will inform you regarding the impact on consolidated results this year and next after observing payment claims and consulting with our auditors.

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* Goodwill, Inc.’s “data and equipment charge” includes approximately 70 million yen in “data and equipment charges” for wholly-owned subsidiary Keibi Seko Management, Inc. (execution outsourcing).

* The “data and equipment charge” was a charge of 200 yen per assignment levied against registered staff and used to fund part of the premiums on a private-sector blanket damage and personal injury insurance policy entered into by the company in order to ensure sufficient compensation in the event of accidents and also to offset part of the purchase of safety shoes and other safety equipment.