



September 13, 2007

To whom it may concern,

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Assignment of “Home Nursing Care Services” of COMSN, Inc. by Means of Corporate Split up

This is to inform you that the Board of Directors of subsidiary COMSN, Inc. (“COMSN” hereinafter), meeting on September 13, 2007, resolved to perform a corporate split for the home-care nursing operations of COMSN in 4 prefectures (1) Hiroshima/Shimane, 2) Okayama and 3) Yamaguchi) and to cause them to be succeeded to by 3 receiver companies that will become subsidiaries of Sankiwellbe Corp. (“Sankiwellbe” hereinafter).

Details

1. Purpose of split up

As previously disclosed, COMSN is in the process of assigning its nursing care services under a business transition plan published on July 31, 2007. Based on the opinion of the Third-Party Committee, it has selected candidate purchasers in all 47 prefectures for the home nursing care services and has entered into negotiations with candidates. The opinion of the Third-Party Committee is that Sankiwellbe is an appropriate purchaser for the 4 prefectures listed above and, respectful of this opinion, the company entered into consultations with Sankiwellbe which resulted in a decision to split up the home nursing care services in the 4 prefectures into prefectural units to be assigned to corresponding receiver companies that are subsidiaries of Sankiwellbe. This will result in the succession of home-care nursing services in the 4 prefectures in a manner that respects the wishes of COMSN users, provides for certain continuation of services and also respects the wishes of COMSN employees in these operations and provides for the smooth continuity of their employment.

2. Outline of corporate split up

(1) Operations (including preventative nursing care)

- Home nursing care assistance services, visiting nursing care services (including transportation services), visiting nursing services, visiting bathing nursing care services leasing (and sale) of welfare equipment, outpatient nursing services, small-scale/multi-function home nursing care, assistance for the independent living of the disabled and visiting dental care services

(2) Transition scheme

- 1) COMSN will assign home-care nursing services in the 4 prefectures to the following 3 receiver companies established for the purpose of succession (referred to generically below as the “3 receiver companies”) and will assign all shares in the 3 receiver companies to Sankiwellbe at a price of 1 yen each.
- 2) Next, COMSN will enter into a split agreement in which the 3 receiver companies will be assigned by means of absorption-type split (“the Split” hereinafter).
- 3) On the date on which the Split enters into effect, each of the 3 receiver companies will be assigned and COMSN will receive the countervalue from the receiver companies in cash.

* List of receiver companies (successor companies)

	Successor Company
1)	Wellbe Co., Ltd.
2)	Wellbe Okayama Co., Ltd.
3)	Wellbe Yamaguchi Co., Ltd.

- * Each receiver company changed its name and representative after the assignment of shares.

Below are the primary reasons for the employment of this scheme in this assignment.

- 1) Corporate split up involves a comprehensive succession to rights and obligations with respect to home-care services and will provide for a smoother succession of home-care services in comparison with other means of assignment that require the assignment of individual rights and obligations.
 - 2) The purchaser will be required to apply for new permits, file notifications and take other procedures for the operation of home-care services, and the use of an ordinary corporate split up to establish new companies means that the purchaser is only able to take those procedures beginning the date on which the split off takes effect. By contrast, an absorptive-type split in which receiver companies are established in advance and succeed to operations allows procedures to be taken prior to the date on which the split off takes effect as long as it is after the establishment of the receiver company, and therefore provides for a speedier succession to operations.
3. Schedule for split (absorptive-type split)
- | | |
|--|------------------------------|
| Board of Directors approval of split agreement etc. (COMSN) | September 13, 2007 |
| Stock assignment agreement entered into for the 3 receiver companies | September 13, 2007 |
| Stock in the 3 receiver companies assigned | September 13, 2007 |
| Split agreement entered into | September 13, 2007 |
| General Meeting of Shareholders to approve split agreement (COMSN) | October 22, 2007 (tentative) |
| Split enters into effect | November 1, 2007 (tentative) |
| Split registered | November 1, 2007 (tentative) |
4. Method of split

Absorptive-type split in which COMSN is the splitting company and the 3 receiver companies are the successor companies.

5. Allocation of shares

The 3 receiver companies will not allocate shares in conjunction with the Split.

6. Cash transfers in conjunction with split

The 3 receiver companies will pay to COMSN a total of 236 million yen in cash at the time of the Split. (*Individual details will be found in the table below.)

In determining the cash payments above, Sankiwellbe calculated its price based on the business value determined by a third-party institution.

Upon receiving Sankiwellbe's offer, COMSN reviewed the rationality of the price based upon the results of the home-care services for the fiscal year ending June 2007.

The determination of the cash transfer in conjunction with the Split was finalized after repeated negotiations and consultations between the two companies.

	Prefecture	Successor Company	Assignment price
1)	Hiroshima Shimane	Wellbe Co., Ltd.	111 million yen
2)	Okayama	Wellbe Okayama Co., Ltd.	60 million yen
3)	Yamaguchi	Wellbe Yamaguchi Co., Ltd.	65 million yen
Total assignment price			236 million yen

7. Rights and obligations succeeded to by the 3 receiver companies

On the date on which the Split enters into effect, the 3 receiver companies will succeed to all assets, liabilities, contractual positions, rights and obligations pursuant to said contracts and employees primarily assigned to home-care services noted separately in relevant split agreements.

8. Outlook for fulfillment of obligations

The successor companies and split companies will respectively bear obligations after the Split. We have determined there to be no problems in the outlook for their fulfillment.

(1) Outline of business units to be split

1) Business results

Prefectural home nursing care services

	Prefecture	FYE June 2007 Home nursing care services	
		Revenues	Operating profits
1)	Hiroshima Shimane	1,333 million yen	115 million yen
2)	Okayama	698 million yen	80 million yen
3)	Yamaguchi	537 million yen	74 million yen

* The results figures noted above are based on branch offices excluding head office and branch company expenses.

2) Status of assets and liabilities

We are currently tabulating the value of assets and liabilities in individual prefectural home nursing care service units and will announce them when they are finalized.

(2) Status of successor companies

1) Wellbe Co., Ltd.

Name	Wellbe Co., Ltd. (Former name: COMSN Hiroshima Successor Co., Ltd.)
Description of business	Home nursing care services
Established	August 31, 2007
Head office	6-10-1 Roppongi, Minato-ku, Tokyo
Name and position of representative	Naohisa Iwata, Representative Director
Capital	1 yen
Settlement	March 31
Issued and outstanding shares	1 share(s)
Major shareholders and shareholding ratios	Sankiwellbe Corp. (100%)
Total assets	1 yen

2) Wellbe Okayama Co., Ltd.

Name	Wellbe Okayama Co., Ltd. (Former name: COMSN Okayama Successor Co., Ltd.)
Description of business	Home nursing care services
Established	August 31, 2007
Head office	6-10-1 Roppongi, Minato-ku, Tokyo
Name and position of representative	Kimishige Kitsutaka, Representative Director
Capital	1 yen
Settlement	March 31
Issued and outstanding shares	1 share(s)
Major shareholders and shareholding ratios	Sankiwellbe Corp. (100%)
Total assets	1 yen

3) Wellbe Yamaguchi Co., Ltd.

Name	Wellbe Yamaguchi Co., Ltd. (Former name: COMSN Yamaguchi Successor Co., Ltd.)
Description of business	Home nursing care services
Established	August 31, 2007
Head office	6-10-1 Roppongi, Minato-ku, Tokyo
Name and position of representative	Taira Kondo, Representative Director
Capital	1 yen
Settlement	March 31
Issued and outstanding shares	1 share(s)
Major shareholders and shareholding ratios	Sankiwellbe Corp. (100%)
Total assets	1 yen

* Each receiver company changed its name and representative after the assignment of shares.

9. Status of COMSN after split

Name	COMSN, Inc.
Description of business	Home nursing care services, institutional nursing care services, senior residences
Head office	6-10-1 Roppongi, Minato-ku, Tokyo
Name and position of representative	Koichi Higuchi, President
Capital	14,148 million yen
Settlement	June 30
Outline of accounting treatment	The difference between the book value of assigned assets and liabilities and the countervalue received from the successor company to be posted as extraordinary profit or loss
Forecast impact of split on results	Currently in calculation; to be announced when finalized

10. Impact on results

We are currently calculating the impact on results and will announce forecasts as they are determined.

11. Company profiles (as at September 10, 2007)

Name	COMSN, Inc.	Sankiwellbe Corp. (Full parent company of successor companies)
Description of business	Home nursing Institutional care Senior residences	Home nursing support Visiting nursing Support for independent living by the disabled Outpatient care Nighttime home care services Group homes Helper training classes etc.
Established	1988	March 9, 2000
Head office	6-10-1 Roppongi, Minato-ku, Tokyo	6-1-11 Shoko Center, Nishi-ku, Hiroshima, Hiroshima
Name of representative	Koichi Higuchi	Kazuo Harada
Capital	14,148 million yen	50 million yen
Issued and outstanding shares	3,773,500 share(s)	1,000 shares
Net assets	-5,159 million yen	-90 million yen
Total assets	61563 million yen	464 million yen
Settlement	June 30	March 31
Employees	23,765 (including temporary staff)	307

Major customers	Local government agencies etc.		Local government agencies etc.	
Major shareholders and shareholding ratios	The Goodwill Group, Inc.	100.00%	Sanki Corp.	100%
Main correspondent bank	The Shoko Chukin Bank		The Hiroshima Bank, Ltd.	
Relationship with the company	Capital relationship			Not applicable.
	Personnel relationship			Not applicable.
	Transactional relationship			Not applicable.
	Relationships with affiliated companies			Not applicable.

12. Results for most recent 3 business years (Unit: 1 million yen)

Settlement	COMSN, Inc.			Sankiwellbe Corp.		
	FYE June 2005	FYE June 2006	FYE June 2007	FYE March 2005	FYE March 2006	FYE March 2007
Revenues	50,911	63,855	68,156	1,270	1,288	1,295
Operating profits	1,716	2,670	-4,109	114	84	37
Recurring profits	1,560	2,586	-4,079	107	81	33
Net income	1,158	1,469	-11,282	105	78	60
Total assets	23,384	47,407	61,563	354	406	464
Net assets	4,653	6,123	-5,159	-229	-150	-90
Dividend per share (yen)	-	-	-	-	-	-

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