

September 27, 2007

To whom it may concern,

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Partial Amendment of “FYE June 2007 Financial Statements (Consolidated)”

This is to inform you that “FYE June 2007 Financial Statements (Consolidated)” published on August 31, 2007 contained errors which have been amended as shown below. Errors are indicated with underlines.

Details

[Reason for amendments]

The audit findings indicated that items presented under “others” required separate presentation, and statements have therefore been amended as shown below.

[Location of amendments]

1. Consolidated results for the fiscal year ending June 2007 (July 1, 2006 to June 30, 2007), Page 1

(3) Consolidated cash flow status

(Before)

	<u>Cash flows from operating activities</u>	<u>Cash flows from investing activities</u>	<u>Cash flows from financing activities</u>	Balance of cash and cash equivalents
FYE June 2007	- 8,420	- 39,054	88,964	57,901
FYE June 2006	7,138	- 13,526	- 1,124	16,315

(After)

	<u>Cash flows from operating activities</u>	<u>Cash flows from investing activities</u>	<u>Cash flows from financing activities</u>	Balance of cash and cash equivalents
FYE June 2007	- 9,380	- 45,512	96,382	57,901
FYE June 2006	7,138	- 13,526	- 1,124	16,315

4. Consolidated financial statements [p. 21 and p. 22]

(4) Consolidated cash flow statement

(Before)

	Previous consolidated accounting year (From July 1, 2005 to June 30, 2006)	This consolidated accounting year (From July 1, 2006 to June 30, 2007)
I		
Cash flows from operating activities		
1 <u>Income before income taxes and minority interests</u>	6,630	-33,256
2 <u>Depreciation and amortization</u>	2,146	5,789
3 Impairment	84	31,213
4 Profit on sale of fixed assets	-202	-763
5 Loss on disposal and sale of fixed assets	140	427
6 Depreciation of goodwill	1,838	2,954
7 Write-off of long-term prepaid expenses	307	532
8 <u>Change in reserve against defaults</u>	176	-1,171
9 <u>Change in reserve for retirement benefits</u>	11	505
10 <u>Interest and dividends receivable</u>	-64	-327
11 <u>Interest expenses</u>	1,140	3,145
12 <u>Profit on sale of investment securities</u>	-3	-16
13 <u>Cancellation charge revenues</u>	-	9
14 <u>Appraisal loss on investment securities</u>	55	68
15 <u>Reorganization expenses</u>	-	221
16 <u>Change in trade notes and accounts receivable</u>	-3,716	3,046
17 <u>Change in accrued operating receivables</u>	-2,429	1,514
18 <u>Decrease in inventories</u>	202	1,243
19 <u>Change in lease guarantee money</u>	-1,136	13,145
20 <u>Increase in accrued expenses</u>	1,969	161
21 <u>Change in deposits received</u>	3,756	-9,803
22 <u>Others</u>	1,479	-10,549
Subtotal	12,385	8,089
23 <u>Interest and dividends received</u>	45	306
24 <u>Interest paid</u>	-1,162	-2,964
25 <u>Cancellation charges received</u>	-	-9
26 <u>Corporate tax etc. paid</u>	-4,130	-13,842
<u>Cash flows from operating activities</u>	7,138	-8,420
II		
Cash flows from investing activities		
1 <u>Net change in time deposits</u>	-300	-0
2 Proceeds from sale of investment securities	98	18
3 Expenditures for acquisition of investment securities	-0	-19
4 <u>Expenditures for additional acquisition of consolidated subsidiary equity</u>	-101	-551
5 <u>Net expenditures for acquisition of subsidiary shares in conjunction with changes in the scope of consolidation</u>	-562	-34,286
6 <u>Expenditures for acquisition of tangible fixed assets</u>	-13,021	-15,427
7 Expenditures for acquisition of non-consolidated subsidiary equity	-102	-985
8 Proceeds from sale of tangible fixed assets	1,293	4,865

9	<u>Expenditures for acquisition of intangible fixed assets</u>	-169	<u>-1,405</u>
10	<u>Expenditures for loans</u>	-2,847	<u>-1,352</u>
11	<u>Proceeds from collection of loans</u>	1,527	<u>12,107</u>
12	<u>Expenditures in conjunction with reorganization</u>	-	<u>-221</u>
13	<u>Others</u>	659	<u>-1,796</u>
	<u>Cash flows from investing activities</u>	-13,526	<u>-39,054</u>
III	Cash flows from financing activities		
1	<u>Net change in short-term borrowings</u>	-8,870	<u>100,446</u>
2	Proceeds from long-term borrowings	5,720	19,141
3	Expenditures for repayment of long-term borrowings	-7,892	-27,273
4	Proceeds from issue of bonds	24,956	-
5	Expenditures for redemption of bonds	-	-2,281
6	Expenditures for acquisition of treasury shares	-13,869	-682
7	<u>Others</u>	-1,169	<u>-386</u>
	<u>Cash flows from financing activities</u>	-1,124	<u>88,964</u>
IV	Conversion discrepancies for cash and cash equivalents	0	96
V	Change in cash and cash equivalents	-7,510	41,585
VI	Cash and cash equivalents at beginning of term	23,187	16,315
VII	Increase in cash and cash equivalents from increase in consolidated subsidiaries	638	-
VIII	<u>Increase in cash and cash equivalents from change of accounting terms</u>	-	<u>-</u>
IX	<u>Cash and cash equivalents at end of term</u>	16,315	<u>57,901</u>

(After)

	Previous consolidated accounting year (From July 1, 2005 to June 30, 2006)	This consolidated accounting year (From July 1, 2006 to June 30, 2007)	
I	Cash flows from operating activities		
1	<u>Net income or net loss (-) before income taxes and minority interests</u>	6,630	<u>-33,256</u>
2	<u>Depreciation and amortization</u>	2,146	<u>5,406</u>
3	Impairment	84	31,213
4	Profit on sale of fixed assets	-202	-763
5	Loss on disposal and sale of fixed assets	140	427
6	Depreciation of goodwill	1,838	2,954
7	Write-off of long-term prepaid expenses	307	532
8	<u>Change in reserve against defaults</u>	176	<u>2,101</u>
9	<u>Change in reserve against investment losses</u>	-	<u>-2,532</u>
10	<u>Change in reserve for bonuses</u>	-	<u>-1,368</u>
11	<u>Change in reserve for losses on data equipment charges</u>	-	<u>3,265</u>
12	<u>Change in reserve for refunds of nursing care remuneration</u>	-	<u>1,837</u>
13	<u>Change in reserve for losses on withdrawal from business</u>	-	<u>1,245</u>
14	<u>Change in reserve for retirement benefits</u>	11	505
15	<u>Interest and dividends receivable</u>	-64	<u>-327</u>
16	<u>Interest expenses</u>	1,140	<u>3,132</u>
17	<u>Profit on sale of investment securities</u>	-3	<u>-16</u>

18	<u>Appraisal loss on investment securities</u>	55	68
19	<u>Change in trade notes and accounts receivable</u>	-3,716	2,867
20	<u>Change in accrued operating receivables</u>	-2,429	987
21	<u>Change in inventories</u>	202	1,243
22	<u>Change in accrued consumption tax</u>	-	-3,610
23	<u>Change in lease guarantee money</u>	-1,136	-554
24	<u>Change in long-term prepaid expenses</u>	-	-2,320
25	<u>Change in bills payable and accounts payable</u>	-	-4,160
26	<u>Change in accrued expenses</u>	1,969	161
27	<u>Change in deposits received</u>	3,756	3,904
28	<u>Others</u>	1,479	-3,525
	<u>Subtotal</u>	12,385	9,418
29	<u>Interest and dividends received</u>	45	306
30	<u>Interest paid</u>	-1,162	-2,964
31	<u>Corporate tax etc. paid</u>	-4,130	-16,140
	<u>Cash flows from operating activities</u>	7,138	-9,380
II	Cash flows from investing activities		
1	<u>Net change in time deposits</u>	-300	73
2	Proceeds from sale of investment securities	98	18
3	Expenditures for acquisition of investment securities	-0	-19
4	<u>Expenditures for additional acquisition of consolidated subsidiary equity</u>	-101	-451
5	<u>Net expenditures for acquisition of subsidiary shares in conjunction with changes in the scope of consolidation</u>	-562	-34,314
6	<u>Expenditures for acquisition of tangible fixed assets</u>	-13,021	-15,352
7	Expenditures for acquisition of non-consolidated subsidiary equity	-102	-985
8	Proceeds from sale of tangible fixed assets	1,293	4,865
9	<u>Expenditures for acquisition of intangible fixed assets</u>	-169	-560
10	<u>Expenditures for loans</u>	-2,847	-366
11	<u>Proceeds from collection of loans</u>	1,527	3,617
12	<u>Expenditures for assignment of business</u>	-	-1,494
13	<u>Payment of earnest money for acquisition</u>	-	-590
14	<u>Others</u>	659	46
	<u>Cash flows from investing activities</u>	-13,526	-45,512
III	Cash flows from financing activities		
1	<u>Net change in short-term borrowings</u>	-8,870	109,018
2	Proceeds from long-term borrowings	5,720	19,141
3	Expenditures for repayment of long-term borrowings	-7,892	-27,273
4	Proceeds from issue of bonds	24,956	-
5	Expenditures for redemption of bonds	-	-2,281
6	Expenditures for acquisition of treasury shares	-13,869	-682
7	<u>Expenditures for the repayment of finance lease obligations</u>	-	-79
8	<u>Expenditures for repayment of installment-payment obligations</u>	-	-573
9	<u>Others</u>	-1,169	-888
	<u>Cash flows from financing activities</u>	-1,124	96,382
IV	Conversion discrepancies for cash and cash equivalents	0	96
V	Change in cash and cash equivalents	-7,510	41,585
VI	Cash and cash equivalents at beginning of term	23,187	16,315

VII	Increase in cash and cash equivalents from increase in consolidated subsidiaries	638	-
VIII	Cash and cash equivalents at end of term	16,315	57,901

4. Consolidated financial statements

Notes

(Leasing transactions) [p. 43]

(Before)

1. Finance leasing transactions that do not involve the transfer of ownership of the leased property to the borrower

(1) Leased property acquisition price equivalent, cumulative depreciation equivalent, cumulative impairment equivalent and end-of-term residual value equivalent

	Fixtures and equipment (Million yen)	Vehicles (Million yen)	Software (Million yen)	Others (Million yen)	Total (Million yen)
Acquisition price equivalent	8,008	5,661	1,548	1,216	16,434
Cumulative depreciation equivalent	3,525	2,992	930	787	8,237
Cumulative impairment equivalent	326	2,367	328	0	3,022
End-of-term residual value equivalent	4,156	301	289	428	5,175

2 Operating lease transactions

(Borrower)

Prepaid lease charges

Within 1 year 8,372 million yen

In excess of 1 year 79,647

Total 88,020

(After)

1. Finance leasing transactions that do not involve the transfer of ownership of the leased property to the borrower

(1) Leased property acquisition price equivalent, cumulative depreciation equivalent, cumulative impairment equivalent and end-of-term residual value equivalent

	Fixtures and equipment (Million yen)	Vehicles (Million yen)	Software (Million yen)	Others (Million yen)	Total (Million yen)
Acquisition price equivalent	8,008	5,661	2,380	384	16,434
Cumulative depreciation equivalent	3,525	2,992	1,532	186	8,237
Cumulative impairment equivalent	849	2,367	328	-	3,545
End-of-term residual value equivalent	3,632	301	519	198	4,652

2 Operating lease transactions

(Borrower)

Prepaid lease charges

Within 1 year 3,997 million yen

In excess of 1 year 17,399

Total 21,397

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