

**Summary of 3rd Quarter Results for Fiscal Year Ending June 2005
(Consolidated and Stand-Alone Bases)**

May12, 2005

Name of listed company: The Goodwill Group, Inc.
(URL <http://www.goodwill.com>)

TSE listed securities
Ticker No.: 4723

Representative: Masahiro Origuchi Representative Director and Chairman

Contact person: Akira Kanazaki Managing Director, General Manager of Administration,
and Head of Chairman's Office (03-3405-9228)

1. Underlying Assumptions in Preparing Quarterly Operating Result Summary

- 1) Use of simplified method(s) in accounting treatment: None
- 2) Differences in accounting methods between the previous consolidated fiscal year and this quarterly business report: None
- 3) Changes in the scope of consolidation and the application of equity method: None

2. Summary of 3rd Quarter Financial and Operating Results for the Fiscal Year ending June 2005 (July 1, 2004-March 31, 2005)

Progress of Operating Results (consolidated)

(Unit: Rounded down to the nearest million)

	Revenues		Gross Profit	
	MM Yen	%	MM Yen	%
3Q FYE June 2005	104,033	(56.7)	34,783	(55.8)
3Q FYE June 2004	66,384	(46.9)	22,326	(50.9)
(Reference) FYE June 2004	93,042	(31.6)	30,740	(51.0)

	Operating Profit		Recurring Profit	
	MM Yen	%	MM Yen	%
3Q FYE June 2005	4,562	(4.9)	3,654	(-10.8)
3Q FYE June 2004	4,348	(11.3)	4,098	(6.8)
(Reference) FYE June 2004	5,974	(32.3)	5,539	(31.6)

(Note) Percentages in parentheses in the revenues, gross profit, operating profit and recurring profit sections indicate rate of increase/decrease from the same quarter of the previous fiscal year.

3. (Reference) Forecast on Financial Results for the Consolidated Fiscal Year ending June 2005 (July 1, 2004-June 30, 2005)

	Revenue Forecast	Recurring Profit Forecast
	MM Yen	MM Yen
Full year	140,000	6,200

	Net Income Forecast	Earnings per Share Forecast
	MM Yen	Yen
Full year	2,900	4,456.46

[Qualitative information concerning the financial forecast]

Consolidated results for the year are generally performing according to the initial forecast and there are no changes at this point in time to the financial forecast published on December 13, 2004.

(Note) The financial forecast above was created based on the information available on the date of publication. Actual results may vary from forecast figures for a variety of reasons.

Attachments to Results Bulletin

Consolidated results for the 3rd quarter of the fiscal year ending June 2005 show record-high revenues and gross profits. The company is responding to the expansion in its market and the strong demand for its services by accelerating its investments, primarily in the expansion of its two core businesses.

(1) Highlights of 3rd Quarter Consolidated Results (Cumulative)

This 3rd quarter: From July 1, 2004 to March 31, 2005 / Previous 3rd-quarter: July 1, 2003 to March 31, 2004

(Unit: MM yen)

	This 3 rd quarter	Previous 3 rd quarter	Year-on-year increase (decrease)
Revenues	104,033	66,384	56.7%
Gross Profit	34,783	22,326	55.8%
Amortization of Consolidated Adjustment Account *1	1,293	410	215.4%
Operating Profit	4,562	4,348	4.9%
Interest Expenses *2	836	242	245.3%
Recurring Profit	3,654	4,098	-10.8%

*1 Increase in amortization of consolidated adjustment account

Amortization of consolidated adjustment account increased by ¥882 million to ¥1,293 million in comparison to the previous 3rd quarter.

<Breakdown> Amortization of consolidated adjustment account

COMSN, Inc.:	¥1,071 million
HU-MANAGEMENT JAPAN CO., LTD.:	¥185 million
Others:	¥37 million

*2 Increase in interest expenses

Interest expenses increased by ¥594 million to ¥836 million in comparison with the previous 3rd quarter.

This was due to interest expenses related to increased capital investments in "COMSN Garden," a luxury, resident-paid nursing home, and "Barrington House," a residential community with health-care services, both part of the nursing care services of COMSN, Inc.

These capital investments had no impact on income for this 3rd quarter.

<Overview of the Quarter in Review>

During the quarter in review, the Japanese economy was generally in recovery and performed well. However, uncertainties such as unstable oil prices and exchange fluctuations remain and obstruct the vision for an optimistic future outlook. Nonetheless, the markets expanded and demand remained robust for the company's core businesses, human resource services and nursing care.

In the core human resources business, Goodwill, Inc. in particular responded to expanding demand up by enhancing its supply capacity, specifically by continuing with the previous term's acceleration of new office openings.

It added 84 offices during the quarter, to bring the total number of offices at the end of this 3rd quarter to 794 (for a cumulative increase of 294 in the current fiscal year to date). These new offices provide greater convenience both for customers and for registered staff members and also enable increase specialization, which can be expected to improve customer satisfaction.

The number of registered staff members increased by 130,000 during the quarter, bringing the total to 1.73 million at the end of this 3rd quarter. (Cumulative increase of 350,000 staff during the year to date.)

The number of registered client increased by 1,942 during the quarter, bringing the total to 37,709 at the end of this 3rd quarter. (Cumulative increase of 7,418 client during the year to date.)

In the area of engineer referrals, Goodwill Engineering, Inc. provided for mid- and long-term expansion of its business and accelerated its development while at the same time investing in the future in the form of hiring 124 new graduates.

In the other core business, nursing care services, greater public knowledge of nursing care insurance has enabled this market to expand to keep pace with the growing elderly population, particularly for COMSN, Inc. Within this context, results were strong thanks to the development of the "COMSN" brand and the reinforcement of marketing capacity.

Visiting nursing care, the company continued to open new locations, adding 86 locations during the quarter to arrive at a total of 999 locations at the end of this 3rd quarter. (Cumulative increase of 195 locations during the year to date.)

The number of care staff members increased by 2,228 during the quarter, bringing the total to 18,124 at the end of this 3rd quarter. (Cumulative increase of 3,695 staff during the year to date.)

In the area of the institutional nursing care, the company opened 11 new locations in its core group home business, bringing the total to 113 facilities at the end of this 3rd quarter. (Cumulative increase of 33 facilities during the year to date.) In the pay nursing home business as well, the company has a total of 4 facilities, of which 3 facilities are operating at near capacity, for continued strong performance in this area.

In the human resources business, the company is endeavoring to create a full lineup of services that are able to address all customer needs. As it expands, it is also restructuring its business model in areas such as personnel referrals, reemployment support services and employee counseling services.

As a result of these activities, the financial results for the company for this 3rd quarter (the 9-month period from July 1, 2004 to March 31, 2005) show consolidated revenues of ¥104,033 million, up ¥37,648 million from the previous 3rd quarter, and consolidated gross profits of ¥34,783 million, up ¥12,456 million from the previous 3rd quarter.

Recurring profit declined by ¥443 million from the previous 3rd quarter to ¥3,654 million. Contributing factors in addition to the active opening of new offices and locations in the two core businesses described above, included: 1) in COMSN, Inc., the increase in capital expenditures for the development of the luxury, resident-paid “COMSN Garden” nursing home and for “Barrington House,” which represents participation in residential communities with health-care services, a new business for the company; and 2) increases in expenses to recruit personnel, which is a key factor in business expansion.

(2) Highlights of 3rd Quarter Consolidated Results

This 3rd quarter: From January 1, 2005 to March 31, 2005 / Previous 3rd quarter: January 1, 2004 to March 31, 2004

(Unit: MM yen)

	This 3 rd quarter	Previous 3 rd quarter	Year-on-year increase (decrease)
Revenues	36,073	23,920	50.8%
Gross Profit	12,311	7,923	55.4%
Amortization of Consolidated Adjustment Account *1	432	178	142.5%
Operating Profit	979	1,102	-11.1%
Interest Expenses *2	285	101	182.0%
Recurring Profit	699	990	-29.4%

*1 Increase in amortization of consolidated adjustment account

Amortization of consolidated adjustment account increased by ¥254 million to ¥432 million in comparison with the previous 3rd quarter.

<Breakdown> Amortization of consolidated adjustment account

COMSN, Inc.:	¥357 million
HU-MANAGEMENT JAPAN CO., LTD.:	¥62 million
Others:	¥13 million

*2 Increase in interest expenses

Interest expenses increased by ¥184 million to ¥285 million in comparison with the previous 3rd quarter.

This was due to interest expenses related to increased capital investments in “COMSN Garden,” a luxury, resident-charged nursing home, and “Barrington House,” a residential community with health-care services, both part of the nursing care services of COMSN, Inc.

These capital investments had no impact on income for this 3rd quarter.

As a result of these activities, the financial results for the company for this 3rd quarter (the 3-month period from January 1, 2005 to March 31, 2005) show consolidated revenues of ¥36,073 million, up ¥12,153 million from the previous 3rd quarter, and consolidated gross profits of ¥12,311 million, up ¥4,387 million from the previous 3rd quarter.

Recurring profit declined by ¥291 million from the previous 3rd quarter to ¥699 million. Contributing factors in addition to the active opening of new offices and locations in the two core businesses described above, included: 1) in COMSN, Inc., the increase in capital expenditures for the development of the luxury, resident-paid “COMSN Garden” nursing home and for “Barrington House,” which represents participation in residential communities with health-care services, a new business for the company; and 2) increases in expenses to recruit personnel, which is a key factor in business expansion.

(3) Changes in Consolidated Financial Status during the 3rd Quarter

	Total Assets	Shareholders' Equity	Equity Ratio	Shareholders' Equity per Share
	MM Yen	MM Yen	%	Yen
3Q FYE June 2005	128,096	36,305	28.3	58,615.17
3Q FYE June 2004	88,583	38,549	43.5	60,610.87
(Reference) FYE June 2004	88,666	39,896	45.0	62,587.77

Total assets at the end of this 3rd quarter increased by ¥39,511 million from the end of the previous consolidated fiscal year to reach a total of ¥128,095 million. The main factors in this were the increase in land and other tangible fixed assets in conjunction with capital expenditures in the COMSN, Inc. nursing care business for the “COMSN Garden,” luxury, resident-paid nursing home and the “Barrington House” residential community with health-care services, as well as the increase in the consolidated adjustment account from the transition of HU-MANAGEMENT JAPAN CO., LTD. to full subsidiary status.

Total liabilities at the end of this 3rd quarter increased by ¥40,574 million from the end of the previous consolidated fiscal year to reach a total of ¥90,528 million. This increase was due to an increase in borrowings to fund the capital investments described above.