



To Whom It May Concern

The Goodwill Group, Inc.  
 Masahiro Origuchi, Chairman  
 (Registered: code number 4723)  
 For further information contact:  
 Akira Kanezaki  
 Director and General Manager  
 TEL: 03-3405-9228

Notice Regarding the Alteration (Transfer) of the Consolidated Subsidiary and  
 Revision of the Consolidated Performance Forecast

The following resolutions regarding alterations of The Goodwill Group, Inc.'s subsidiary Goodwill Communication, Inc. and affiliate Clique Co., Ltd. as noted below were passed at The Goodwill Group's board meeting held on June 26, 2001.

Note

[I] Goodwill Communication, Inc.

1. Outline of the subsidiary

- |                              |  |
|------------------------------|--|
| (1) Name of company:         | Goodwill Communication, Inc.                                     |
| (2) Location of head office: | Kyocera Harajuku Bldg., 6-27-8 Jingumae, Shibuya-ku, Tokyo       |
| (3) Company representative:  | Osamu Sato, President & CEO (2-1-28 Shirokane, Minato-ku, Tokyo) |
| (4) Date of founding:        | September 1, 1992  |
| (5) Content of business:     | Telephone answering service for business related messages, other |
| (6) Settling term:           | June 30  |
| (7) Number of employees:     | 147  |
| (8) Capital:                 | 500 million yen  |
| (9) Volume of sales:         | 10.544 billion yen(Term ending June 30, 2000)                    |

2. Number of voting rights related to the holding of the subsidiary by The Goodwill Group, Inc. and its share of the total number of voting rights before and after alteration

	(Before alteration)	(After alteration)
(1) Number of voting rights held by The Goodwill Group	6,000 shares	0 shares
(2) Total number of voting rights	6,000 shares	0 shares
(3) Proportion of the total number of voting rights	60.0%	0.0%

3. Reason and date of alteration

- (1) Reason: Osamu Sato, the representative director of the Goodwill Group and the representative director of the subsidiary concerned, requested to obtain by transfer The Goodwill Group Inc.'s holdings in this subsidiary. After considering all of the factors related to this request, it was determined that at this point in time as well as for the future, the sales of the stocks concerned (transfer of stocks) and the distribution of management resources to other fields of business would result in promoting the growth of The Goodwill Group companies. Therefore, it was decided to sell (transfer) the stocks concerned.

- (2) Date of alteration: July 2, 2001 (Monday)

4. Amount of transfer

300,000,000 yen (At Book Value)

5. Schedule

Date of transfer of shares: July 2, 2001 (Monday)

6. Effects on future performance

The consolidated forecast for The Goodwill Group, Inc. for this term remains as previously announced May 30, and there will be no effect of this subsidiary transfer for this term.

[III] Clique Co., Ltd.

1. Outline of affiliate

- |                              |  |
|------------------------------|--|
| (1) Name of company:         | Clique Co., Ltd.                                       |
| (2) Location of head office: | 3F Ebisu Prime Square, 1-1-39 Hiroo, Shibuya-ku, Tokyo |
| (3) Name of representative:  | Toshio Yamaguchi, Representative Director              |
| (4) Date of founding:        | October 2, 1989  |
| (5) Content of business:     | Management of beauty treatment salons, other           |
| (6) Settling term:           | June 30  |
| (7) Number of employees:     | 1,250  |
| (8) Capital:                 | 1,270,380,000 yen                                      |
| (9) Sales volume:            | 11.511 billion yen (Term ending June 30, 2000)         |

2. Number of voting rights related to the holding of the affiliate by The Goodwill Group, Inc. and its share of the total number of voting rights before and after alteration

	(Before alteration)	(After alteration)
(1) Number of voting rights held by The Goodwill Group	940 shares	460 shares
(2) Total number of voting rights	2,340 shares	460 shares
(3) Proportion of the total number of voting rights	40.17%	19.66%

3. Reason and date of alteration

- (1) Reason: [Toshio Yamaguchi](#), the representative director of the affiliate concerned, requested to obtain a portion of The Goodwill Group Inc.'s holdings in this affiliate by transfer. After considering all of the factors related to the future unfolding of our business and the development of group companies, it was determined that, at this point in time as well as for the future, the distribution of management resources to other fields of business would result in the promotion of the growth of The Goodwill Group companies. Therefore, it was decided to sell (transfer) the stocks concerned.

- (2) Date of alteration: July 2, 2001 (Monday)

4. Transfer amount

1,225,920,000 yen (At Book Value)

5. Schedule

Date of transfer of shares: July 2, 2001 (Monday)

6. Effects on future performance

The consolidated forecast for The Goodwill Group, Inc. for this term remains as previously announced May 30, and there will be no effect of this transfer to the subsidiary.

[III] Reference

Expected consolidated forecast of The Goodwill Group Inc.FY 2001

(Unit: millions of yen, below 1 million dropped)

	Sales	Ordinary Profit	Profit for the Period
June 2001	51,000	-3,100	-7,690

Consolidated forecast of The Goodwill Group Inc.FY2002

The consolidated forecast amount that takes into account the effects of the purchase of the [LINE UP Co., Ltd. which will be a consolidated subsidiary](#), the sale of Goodwill Communication, Inc. and the sale of Clique Co., Ltd. is as follows below:

(Unit: millions of yen, below 1 million dropped)

	Sales	Ordinary Profit	Profit for the Period
June 2002	52,500	5,300	2,800