



January 31, 2008

To whom it may concern,

Company: The Goodwill Group, Inc.  
 Representative: Shinichiro Kawakami  
 Representative Director and President  
 (Code No. 4723 TSE 1<sup>st</sup> Section)  
 Contact: Kazuo Osako  
 Executive Officer and General Manager, Public  
 Relations & Investor Relations Department  
 (TEL: 03-3405-9262)

## Notice of Change in Subsidiaries

As was already disclosed on December 25, 2007, the group is involved in a process of selection and concentration, and in conjunction with this had decided to sell consolidated subsidiary Adhoc Co., Ltd. ("Adhoc" hereinafter). This is to inform you that subsidiary COMSN, Inc. ("COMSN" hereinafter) assigned all of its shares in Adhoc to Seibu Real Estate Co., Ltd. ("Seibu Real Estate" hereinafter), resulting in the movement of the subsidiary.

### *Details*

#### 1. Reason for change

It had been expected that Adhoc would achieve synergies for its pet care business by making use of the nursing care facilities of its parent company, COMSN, but with the company's withdrawal from the nursing care business, those synergies can no longer be achieved and it was therefore decided to sell the company to Seibu Real Estate.

#### 2. Assigned subsidiary

- (1) Name Adhoc, Co., Ltd.
- (2) Representative Kenji Tanaka
- (3) Address 4-8-5 Roppongi, Minato-ku, Tokyo
- (4) Established November 1, 1994
- (5) Main lines of business Pet spa services, pet-friendly condominium services
- (6) Settlement June
- (7) Employees 118 (as at January 1, 2008)
- (8) Capital 450 million yen
- (9) Total issued and outstanding shares 10,800 shares
- (10) Shareholder structure COMSN, Inc. (100%)

#### (11) Results for most recent business years

	FYE June 2006	FYE June 2007
Revenues	215 million yen	397 million yen
Gross profits on sales	44 million yen	114 million yen
Operating profits	-46 million yen	14 million yen
Recurring profits	-44 million yen	14 million yen
Net income	-107 million yen	1 million yen

Gross assets	232 million yen	251 million yen
Net assets	171 million yen	173 million yen

### 3. Assignee of shares

- (1) Name Seibu Real Estate Co., Ltd.  
(2) Representative Masatomo Yamaguchi  
(3) Address 1-16-15 Minami Ikebukuro, Toshima-ku, Tokyo  
(4) Established April 1, 1998  
(5) Main lines of business Real estate services  
(6) Settlement March  
(7) Employees 239 (as at March 31, 2007)  
(8) Capital 2.5 billion yen  
(9) Number of issued and outstanding shares 5 million shares  
(10) Shareholder structure Seibu Railway Co., Ltd. (100%)

(11) Results for most recent business years

	FYE March 2006	FYE March 2007
Revenues	18,531 million yen	17,146 million yen
Gross profits on sales	1,441 million yen	1,342 million yen
Operating profits	553 million yen	370 million yen
Recurring profits	497 million yen	269 million yen
Net income	241 million yen	144 million yen
Gross assets	15,912 million yen	14,600 million yen
Net assets	3,162 million yen	3,307 million yen

### 4. Number of shares assigned, assignment price and ownership before and after assignment

- (1) COMSN holdings prior to assignment 10,800 shares (ownership ratio: 100%)  
(Number of voting rights: 10,800)  
(2) Number of shares assigned 10,800 shares (Assignment price: 79.92 million yen)  
(3) COMSN holdings after assignment 0 shares (ownership ratio: 0%)  
(Number of voting rights: 0)

### 5. Schedule

- February 1, 2008 Conclusion of Share Assignment Agreement (tentative)  
February 1, 2008 Delivery of shares (tentative)

### 6. Forecast

We are currently calculating the impact on results and will announce it when it is finalized.

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