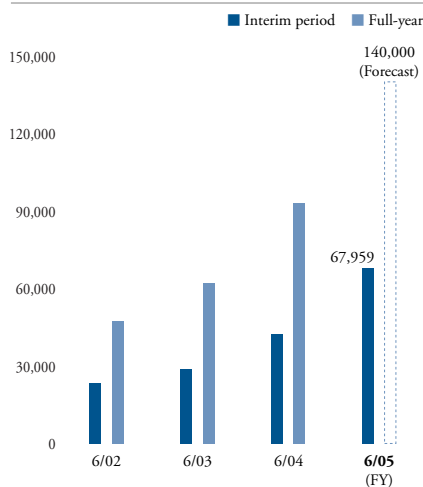


Highlights of Consolidated Interim Results

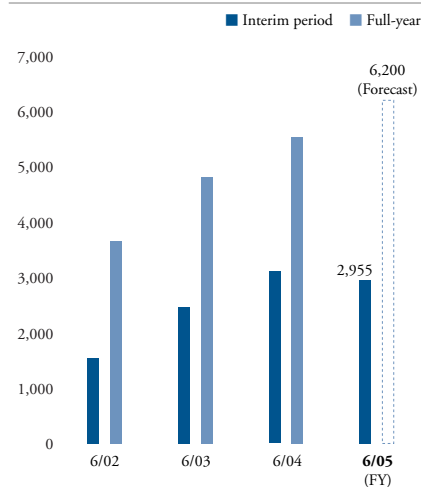
60% Growth in Consolidated Revenue.

Forecast on Consolidated Recurring Profit Revised Upward by 9.4%.

Revenue (Millions of yen)



Recurring Profit (Millions of yen)



Consolidated revenue increased from the same period last year by JPY25,495MM to JPY67,959MM. (60.0% increase from the same period last year)

Consolidated recurring profit decreased from the same period last year by JPY152MM to JPY2,955MM. (4.9% decrease from the same period last year)

This is primarily due to the advance investments made for the purpose of achieving future revenue growth along with the acceleration of new store openings aimed at securing market share.

As a “winner” in the two growing business sectors of human resources outsourcing and nursing care businesses, the Group is establishing a firm position and producing good results.

The human resources outsourcing business of “Goodwill”, the main driver for good results, has constantly achieved high growth in response to the ever-rising needs on the part of clients triggered by the economic recovery. The power of the “Goodwill” brand has also increased in recent years due to improved public recognition and credibility achieved through the listing on Section 1 of the Tokyo Stock Exchange, as well as aggressive advertising efforts via TV commercials.

In the nursing care business, with the backdrop of overwhelming acknowledgement and strength of the “COMSN” brand within the sector, the Group realizes expanded growth by leveraging on its superiority in marketing and recruiting capabilities. In addition to the expansion of the “Home Nursing Care Business” centering mainly on home-call nursing care, the Group also addresses the evident need for “Facilities Nursing Care”, and differentiates itself from the competitors by establishing a full service lineup as a supplier of “Comprehensive Nursing Care”.

In both of the two core business areas, the Group is accelerating advance investments for aggressive new branch launches among other plans in an attempt to effectively capture the demand increase. During the current mid-term, while absorbing the advance investment costs, the Group continued to achieve growth in revenue and profits, and recorded a particularly high growth in the top line of revenue.

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- 14 Stock Information

*Note on earnings estimates

The numbers used for earnings estimates on this document were determined from the information available at the time this document was written, and include many uncertain factors. The actual results may differ from the estimated figures due to changes in the business environment.

Aiming to Become No.1 in a Market that is Significant in Latent Size and Growth Potential.



Greetings to our Shareholders

I would like to express our hopes for the continued prosperity and happiness of our shareholders, and our sincere gratitude for their support.

On February 10, 2005, the Goodwill Group celebrated its 10th anniversary. Having started from zero, we are today projecting consolidated revenue of JPY140Bn for the current fiscal period.

Going forward, all of our employees will be exerting maximum energy into the businesses, never forgetting the “start-up spirit” which has been our credo since the time of our establishment, and continuing to “always take the perspective of the affected party”. I would like to urge our shareholders to look forward to the continued growth of the Goodwill Group into the future.

The Goodwill Group, Inc.
Chairman and CEO, **Masahiro Origuchi**

折口雅博

Q1 Regarding the business overview of the Goodwill Group in its 11th interim period

A With regards to the economic environment of our country, although we believe that the economy has entered a period of recovery and is shifting positively, many uncertain factors such as unpredictable oil prices and fluctuating exchange rates remain, making it difficult for us to draw a positive outlook for the future.

However, with respect to the Group’s core businesses of human resources outsourcing and nursing care services, we believe that they will display strong performance driven by market expansion and demand increase.

In the human resources outsourcing business, we are expecting more growth in the future, as companies striving to improve business efficiency shift fixed costs to variable costs at an accelerated pace, and as outsourcing becomes more widely acknowledged.

In terms of the human resources outsourcing-related business, we are trying to establish a full line-up of services in order to meet the various needs of our clients. We are expanding in the areas of dispatching service for manufacturers, engineer dispatching, recruitment support, outplacement support, senior dispatching and employee counseling, augmented by our efforts to restructure some of the existing business models.

With regard to the nursing care and medical business, the market has been expanding on rising awareness and penetration of nursing care insurance system and due to the aging population. In this environment, and supported by the maturing of the “COMSN” brand and its growing public recognition, we made advance investments proactively, organized our supply capability so as to meet the demand increase in both home nursing care (centered on home-call nursing care) and facilities nursing care, and as a result, realized strong operating performance.

Q2 On the current environment of the human resources outsourcing business

A In an attempt to streamline our supply capability in response to the expanding demand, we are accelerating the new branch openings as in the previous fiscal period.

During the current interim period, we have added 210 new branches bringing the total to 710 branches as of term-end. This is already a larger number than what we had expected to achieve this period (we originally estimated 700 branches), and we would like to continue to speed up our new store launches.

In addition, with regard to obtaining registered staff, we are efficiently using TV commercials as well as our detailed recruiting advertisements. As a result, our registered staff has increased this interim period by 220,000 to over 1.6MM.

Q3
**On the future development
of the human resources
outsourcing business**

A The Group prides its overwhelming strength to efficiently match people in the job market with the resourcing needs of companies factoring in various elements such as locations, skills, and time periods. Our excellent IT system and enormous database have made the highly accurate matching possible. This system enables the companies to lower their costs, and for registered staff to have new ways of working, thus bringing benefits to both sides. Through the use of this matching system, we have expanded our scope of business and enhanced our service menu.

The March 2004 lifting of restrictions on general resource dispatching to manufacturers will serve as a tailwind, and the public awareness of the dispatching business will expand further, contributing to future market expansion. We believe that the business will continue to grow given the large potential market size.

Q4
**On the current environment
of the nursing care business**

A With regard to our nursing care and medical business, the market has been expanding due to increased acknowledgement and penetration of nursing care insurance system, and the rise in elderly population. Under this environment, with the backdrop of the maturing COMSN brand, its increased recognition, and enhancement of our marketing power, we are aggressively pacing up advance investments and new branch openings for both home nursing care (centering on home-call nursing care) and facilities nursing care as part of our continuing efforts from the previous period.

With regard to home-call nursing care, we are increasing our new home-call service locations by 109 venues during the current interim period, or 913 locations in total. We will continue to expedite the new branch openings.

With regard to our client base in home-call nursing care, the number increased by 7,510 customers in the current interim period, bringing the total to 55,941 customers as of the term-end. Meanwhile, our care staff increased by 3,941 in the current interim period, bringing the total to 16,334 staff members.

With regard to our facilities nursing care business, there is a clearer need for institutional care that stems from penetration of nursing care insurance system and dramatic change in the thinking of the elderly people on “how to live after retirement”, and the market size is growing rapidly. COMSN being a forerunner in the development of “group homes” for elderly persons with senile dementia, the number of our group homes increased by 22 in the current interim period, bringing the total to 102 facilities as of the term-end. Our overall occupancy is very high at 89%. Also, we have added one “private nursing home” bringing the total to 4 private nursing homes as of the end of the current period. The three pre-existing facilities have already reached its full capacity, the business model has already been established, and as such, we can expect stable profits.

Our policy going forward prioritizes acquisition of future market share. Because of our accumulated corporate strength, we think we are in a better position compared to our competitors in terms of adapting to changes in the environment such as the expected review of the nursing care insurance system and revisions in unit cost of compensation.

Q5
**On the future development of
the nursing care business**

A Due to the rapidly aging society, the nursing care market is experiencing continuous rapid growth. The nursing care insurance system is in its 5th year, and its budget is expected to expand from JPY5.5Tr for 2004 to over JPY20Tr in 2015. As can be seen from this trend, the nursing care market is expected to present long-term growth.

Following July 2004, the reform proposal for the nursing care insurance system was submitted with the points herebelow raised for review:

1. Limitation on housework assistance for individuals with light nursing care requirements (Aid/ Nursing level 1), and coverage expansion for preventive programs such as physical rehabilitation, diet improvement guidance and oral care.
2. Establishment of community-based services. Organization of services by municipalities.
3. Collection of hotel costs for public facilities such as special nursing-care home and welfare facilities for the elderly.

At COMSN, we think of this as a business opportunity. We believe that the more severe the change in environment and regulations, the more advantageous it is for



COMSN Home Ebina

Human Resources Outsourcing Business

The Goodwill, Inc.	Comprehensive human resources outsourcing services ranging from subcontracting of light labor and line work subcontracting in manufacturing to dispatching of office workers, drivers and engineers.
Soar, Inc.	Revenue promotion business to comprehensively support corporate marketing strategies through providing assistance in market research, in sales, and at exhibitions.
Goodwill Career, Inc.	General resource introduction service including headhunting and consulting services to follow up on employees after their recruitment.
Goodwill Foresight, Inc.	Human resources outsourcing support and consultation service comprising of employee counseling programs, employee training, and career counseling
Goodwill Engineering, Inc.	Dispatching of engineers with high skills in machinery, electronics, electricity, IT, and controls.
HU-MANAGEMENT JAPAN CO., LTD.	Dispatching of highly capable seniors and outplacement service to meet the precise needs of the client companies.

Nursing Care Business

COMSN, Inc.	Comprehensive nursing care service that includes 24H home nursing care service and facilities nursing care service such as operation of group homes and private nursing homes.
Coty Co., Ltd.	Comprehensive child care service that includes operation of child care facilities within companies, baby-sitting services, and operation of a nation-wide network of directly-run child care centers.
Adhoc Co., Ltd.	Comprehensive pet-care service that includes operation of apartments with pet-care and nation-wide network of pet-care shops.
Masseur Agency Center Co., Ltd	Home-call therapeutic massage service; masseur and shiatsu therapist introduction services.

(As of December 31, 2004)

COMSN, which is relatively strong in adjusting to change. In order to adjust to any type of change including change/revision in the system, we perform simulations and make every effort to become fully prepared.

Q6 Chairman Origuchi's dedication to management of the group

A Our group has two core businesses, the “human resources outsourcing business” and the “nursing care business”, in which we are achieving continuous growth, but there is much anticipation for increased competition and change in these two areas.

We have moved to a pure holding company in August 2004 in order to clearly separate decision-making of the overall group and business execution of each business segment;

1. Because such measure was perceived to be extremely effective in terms of emphasizing the uniqueness of the businesses, and achieving fast decision-making and mobility
2. So as to optimize our business portfolio and to thereby maximize corporate value
3. So as to establish autonomy within each business unit and to thereby allow each unit to promptly address the changes in business environments.

We think that creating a system where I can focus more on the overall management of the group (from January, 2005) will enable each business unit to expand at an accelerated pace and realize efficient management within the Group.

Aiming to Achieve High-Accuracy Matching and Qualitative and Quantitative Excellence

Current Interim Results for The Goodwill Group, Inc.

(from July 1, 2004 to December 31, 2004)

Revenue

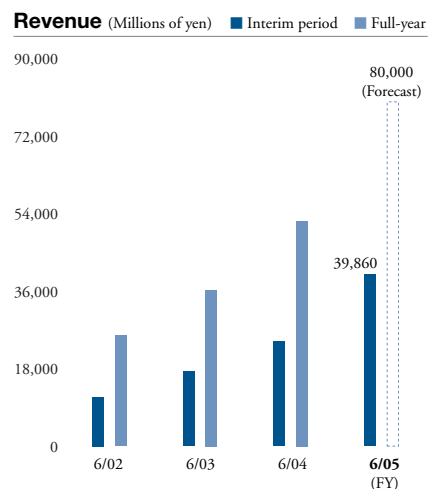
Revenue have increased from the same period last year by JPY15,537MM to JPY39,860MM. (63.9% increase from the same period last year)

Recurring Profit

Recurring profit has increased from the same period last year by JPY1,276MM to JPY3,796MM. (50.7% increase from the same period last year)

Semi-annual Net Profit

Interim Net Profit has increased from the same period last year by JPY258MM to JPY1,729MM. (17.6% increase from the same period last year)



Activities and Results

As a comprehensive human resources outsourcing service provider, the Group worked on diversifying the service menu in order to accurately respond to its customers' diverse needs. Also, in an effort to address the vigorous demands, the Group proactively utilized TV commercials, in addition to regular advertisements in recruiting magazines and further improved the public recognition level of its portal site "mobaito.com", and its toll free number, "0120-55-9101 Go Go Goodwill". Such measures have proven effective in the areas of both recruiting and marketing.

As a result, the Group was able to implement effective advertising, and its registered companies increased by 4,867 from the end of previous period (30,291 companies) to 35,158 companies, branches increased by 210 from the end of previous period (500 branches) to 710 branches, and registered staff increased by 220,000 also from the end of previous period (1.38MM people) to 1.6MM.

The March 2004 lifting of restrictions on resource dispatching to the manufacturing industry has helped improve the general public's awareness concerning dispatching, and in the human resources outsourcing business, the Group is expecting more growth in the future, as companies striving to improve business efficiency shift fixed costs to variable costs at an accelerated pace, and as outsourcing becomes more widely acknowledged.

With regard to the human resources outsourcing-related business, the Group is trying to establish a full line-up of services in order to meet the various needs of clients. The Group is expanding in the areas of dispatching service for manufacturers, engineer dispatching, recruitment support, outplacement support, senior dispatching and employee counseling, augmented by its efforts to restructure some of the existing business models..

HU-MANAGEMENT JAPAN CO., LTD., a leading outplacement support company, was made a subsidiary and the service menu was also expanded to meet various client needs. The new food casting business launched just in the previous fiscal year where waiting staff, etc. are subcontracted to restaurants has done extremely well. The Group has also started human resources outsourcing servicing in the retail sector such as supermarkets and drug stores.

Full-Year Forecast

With regards to the economic environment of our country, although it is believed that the economy has entered a period of recovery and is shifting positively, many uncertain prevail, obstructing the vision for a positive future outlook. However, the human resources outsourcing sector where Goodwill belongs is projected to show strong growth on increase in demand.

Under this situation, for the full-term the Group will continue to nurture new businesses envisioning long-term expansion, and will conduct proactive advance investments such as the opening of new branches.

Revenue for the full-year are forecasted at JPY80Bn.

The Group will continue to accelerate the opening of new branches to the extent possible, in order to maintain absolute superiority over its competitors.

Principal Service Fields of Goodwill

Manufacturing

Production line assembly, inspection line, packaging

Warehouse

Warehouse work, loading/unloading, full warehouse outsourcing

Moving/Office Relocation

General moving, office relocation

Driving/ Forklift Operation

Route delivery, lightweight freight delivery/long and mid-distance delivery

Gas Station

Refueling, car wash, campaign staff

Construction/Interior Finish

Carrying in/out, installation/dismantling, cleaning

Set-up and Operation

Venue management, office/store fixture installation, furniture assembly

Sales Promotion

Sampling, sales assistance

Marketing

Surveys, traffic volume research

IT-related

PC set-up, help desk operation, software development assistance, WEB program

Office Support

Administrative work, sales support

Sales Staff Dispatching

New client development, route sales, planning and proposal sales, dispatching of securities representatives, outbound calls

Amusement Facility

Operation of pachinko parlors and amusement facilities

Stores

Sales, stocking, cash register operation, reception, event support, back yard work at department and convenience stores

Food Business

Waiting services in *izakaya* bars and fast food restaurants, food preparation, sales promotion

Security

Escort, security, patrol

Medical

Doctors, nurses, pharmacists, medical administration (dispatching to medical institutions with potential permanent hiring option)/ clinical technologists, pharmacists, nurses, etc. (dispatching to corporations with potential permanent hiring option)

Senior Dispatching

Utilization of seniors with abundant experience and professional expertise

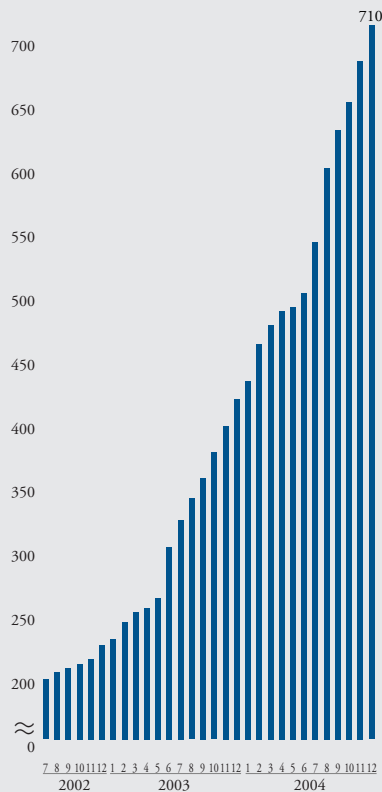
Female Part Timers

Can be utilized in the same way as part timers without having to worry about the cumbersome procedures associated with amendments of laws and regulations.

(As of December 31, 2004)

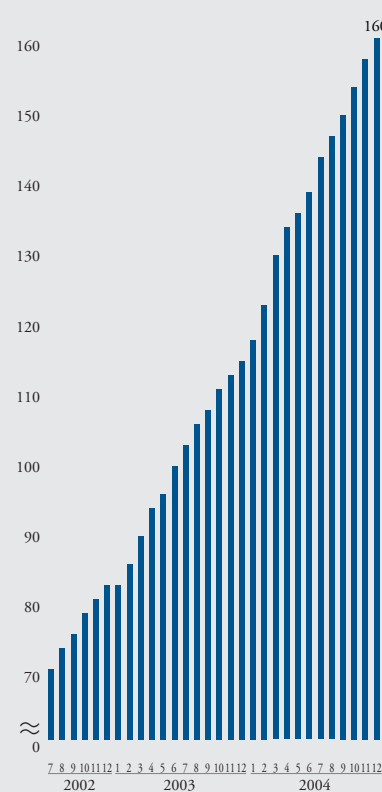
Number of Branches

(Branches)



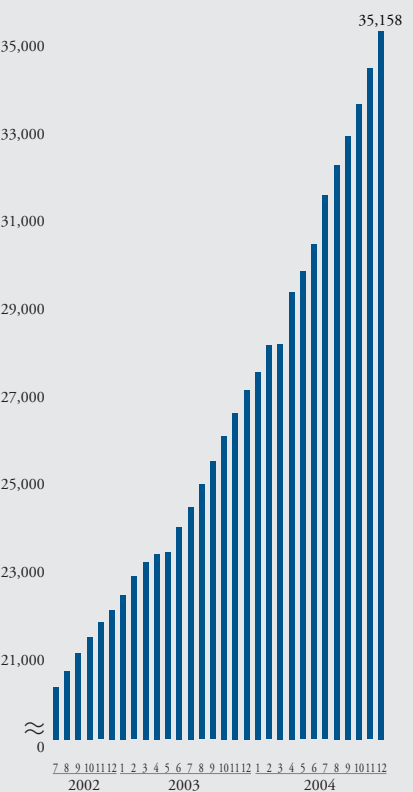
Number of Registered Staff

(10,000 persons)



Number of Registered Companies

(Companies)



Expanding the Facilities Nursing Care Business and Other Service Fields by Capitalizing on the Brand Power and Supreme Public Recognition of COMSN and the Strong Foundation of Home and Home-call Nursing Care.

Current Interim Results for COMSN, Inc.

(from July 1, 2004 to December 31, 2004)

Revenue

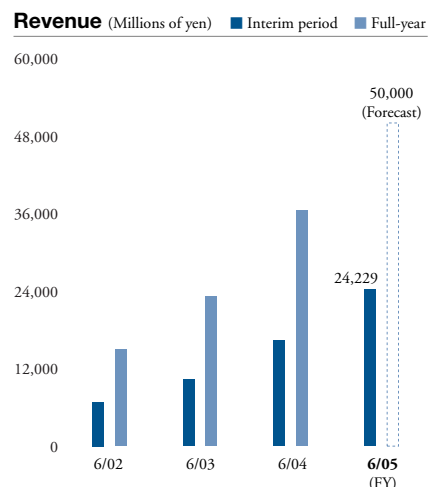
Revenue has increased from the same period last year by JPY7,845MM to JPY24,229MM. (47.9% increase from the same period last year)

Recurring Profit

Recurring profit has increased from the same period last year by JPY475MM to JPY1,240MM. (62.2% increase from the same period last year)

Semi-annual Net Profit

Interim Net Profit has increased from the same period last year by JPY546MM to JPY1,072MM. (143.3% increase from the same period last year)



Activities and Results

In light of the rapidly aging society, the size of the nursing care insurance market is expected to expand from JPY5.5Tr in 2004 to over JPY20Tr in 2015. The Group expects that the market will continue to grow in the future.

The Group's nursing care business comprises of the two pillars of home nursing care business (centering on home-call nursing care) and facilities nursing care business.

With regard to the home nursing care business, the Group has continued to respond to the vigorous demand for home-call nursing care services by expanding number of branches, and by recruiting and training care managers. As a result the Group has succeeded in expanding both revenue and market share.

The Group has also been opening up new branches for home-call nursing care, adding 109 locations during the current interim period to a total of 913 locations as of term-end. The number of care staff increased by 3,941 in the current interim period to a total of 16,334 members as of the end of the period. The client base in home-call nursing care increased by 7,510 customers in the current interim period to 55,941 customers also as of term-end.

With regard to the Group's facilities nursing care business, there is a more distinct need for institutional care that stems from penetration of nursing-care insurance and dramatic change in the thinking of the elderly people on "how to live after retirement", and the market size is growing rapidly.

COMSN proactively developed "group homes" for elderly persons with senile dementia, and increased its facilities by 22 in the current interim period to a total of 102 facilities. The overall occupancy is very high at 89%.

The Group also added one "Private Nursing Home" bringing the total to 4 private nursing homes as of the end of the current period. The three pre-existing facilities have already reached its full capacity, the business model has already been established, and as such, the Group is expecting stable profits.

Full-Year Forecast

The market has been expanding due to rising acknowledgement and penetration of nursing-care insurance system, and the increase in elderly population. Under this environment, and in light of the maturing COMSN brand, its heightened public recognition, and the strengthened marketing capability, the Group accelerated the processes for new branch openings and advance investments in both home nursing care (centering on home-call nursing care) and facilities nursing care.

Revenue for the full-year are forecasted at JPY80Bn.

The Group's policy going forward prioritizes acquisition of future market share.

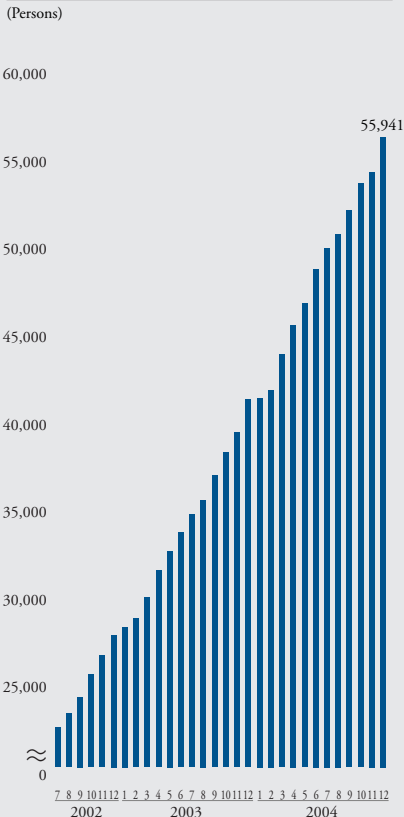
Given its accumulated corporate strength, the Group is perceived to be better positioned relative to the competitors in terms of adaptation to environmental changes such as the expected reevaluation of the nursing care insurance system and revisions in unit cost of compensation.

Service Fields of COMSN

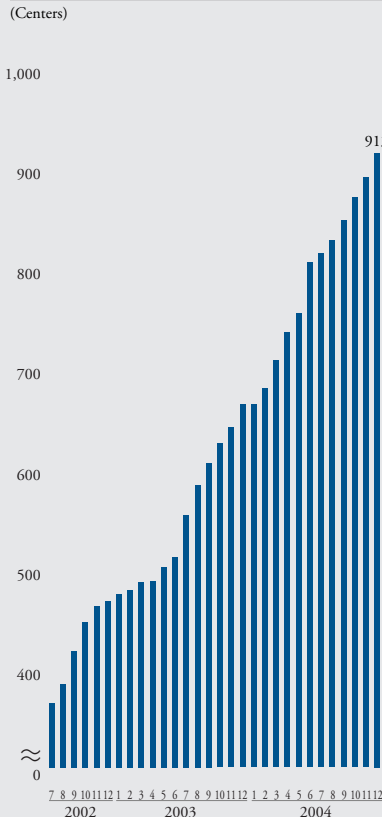


(As of December 31, 2004)

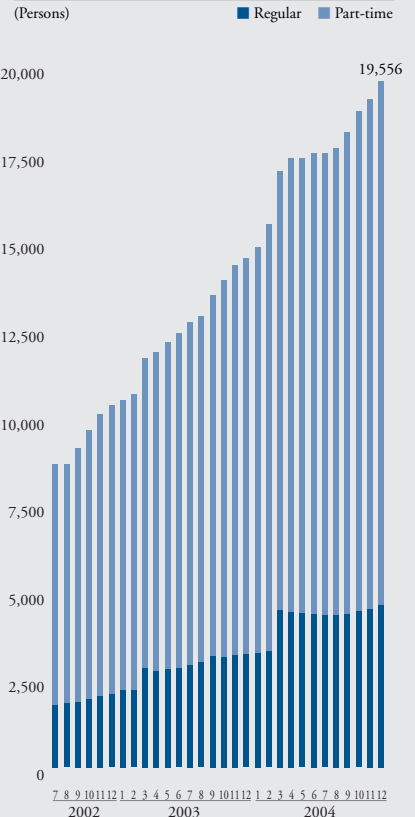
Number of Customers



Number of Care Centers



Number of Employees



Consolidated Interim Financial Statements (Summarized Version)

Consolidated Interim Balance Sheet

(In thousand yen, rounded off to thousands)

	Interim Period for FY 6/04 As of Dec. 31, 2003	Interim Period for FY 6/05 As of Dec. 31, 2004	FY 6/04 As of June 30, 2004
Assets			
Current assets	30,970,328	42,736,154	31,335,414
Fixed assets	16,238,838	67,022,013	57,331,152
Property plant and equipment	3,084,788	27,003,447	23,288,925
Intangible assets	8,645,919	32,866,126	28,596,077
Investments & other assets	4,508,130	7,152,439	5,446,150
Deferred assets	—	—	—
Total assets	47,209,166	109,758,167	88,666,567
Liabilities			
Current liabilities	19,528,680	36,667,341	26,464,344
Fixed liabilities	8,365,849	32,701,613	22,263,325
Total liabilities	27,894,530	69,368,955	48,727,670
Minority interest			
Minority interest	610,470	1,849,042	42,818
Shareholders' equity			
Common stock	13,674,660	14,118,990	14,118,990
Capital surplus	16,345,269	36,047,102	36,047,102
Retained Earnings	(11,369,687)	(9,643,633)	(10,314,800)
Unrealized holding loss on securities	57,928	6,756	52,489
Treasury stock	(4,004)	(1,989,047)	(7,703)
Total shareholders' equity	18,704,166	38,540,168	39,896,078
Total liabilities, minority interest & shareholders' equity	47,209,166	109,758,167	88,666,567

Consolidated Interim Statement of Income

(In thousand yen, rounded off to thousands)

	Interim Period for FY 6/04 From July 1, 2003 To Dec. 31, 2003	Interim Period for FY 6/05 From July 1, 2004 To Dec. 31, 2004	FY 6/04 From July 1, 2003 To June 30, 2004
Turnover	42,464,524	67,959,879	93,042,107
Cost of sales	28,061,505	45,487,497	62,301,828
Gross profits	14,403,018	22,472,381	30,740,278
Selling, general & administrative expenses	11,156,476	18,889,132	24,766,210
Operating income	3,246,541	3,583,249	5,974,068
Non-operating income	56,406	153,000	136,223
Non-operating expenses	195,466	780,663	571,062
Recurring profit	3,107,481	2,955,586	5,539,229
Extraordinary gains	84,609	553,403	84,787
Extraordinary losses	429,407	349,639	458,027
Income before income taxes and other adjustments	2,762,682	3,159,350	5,165,989
Income taxes-current	1,300,437	1,579,218	2,429,367
Income taxes-deferred	(12,173)	59,838	(106,132)
Minority interest	101,477	13,020	137,788
Net income	1,372,941	1,507,273	2,704,966

Key points from the Consolidated Interim Balance Sheet

Current Assets

Current assets increased by JPY11,400MM to a total of JPY42,736MM. (36.4% increase from previous consolidated year). This is due to revenue increase in Goodwill, Inc. and COMSN, Inc., which led to a total increase of JPY5,967MM in receivables, and an increase in receivables by JPY50MM due to the acquisition of HU-MANAGEMENT JAPAN CO., LTD.

Fixed Assets

Fixed assets increased by JPY9,690MM to a total of JPY67,022MM. (16.9% increase from previous consolidated year) This is due to an increase in land by JPY3,411MM (by COMSN's purchase of land for its facilities nursing care business), because COMSN became a 100% owned subsidiary, and due to active M&A activities as of February 24, 2004. As a result, the adjustments on consolidated accounts increased by JPY4,149MM to JPY32,297MM.

Current Liabilities

Current liabilities increased by JPY10,202MM to a total of JPY36,667MM. (38.6% increase from previous consolidated

year). This is due to a JPY3,800MM increase in short-term debt which currently totals JPY21,211MM, as well as a rise in unpaid costs of JPY3,148MM to a total of JPY8,774MM due to an increase in revenue.

Fixed Liabilities

Fixed liabilities increased by JPY10,438MM to a total of JPY32,701MM. (46.9% increase from previous consolidated year). This is mainly due to additional financing for acquisition of land for COMSN's facilities nursing care facilities, and as a result of consolidating the financing capabilities into one through the adoption of a holding company configuration. The Group's long-term debt increased by JPY10,500MM to JPY31,900MM.

Shareholder's Equity

Shareholder's equity decreased by JPY1,355MM to a total of JPY38,540MM. (3.4% decrease from previous consolidated year). This is mainly due to purchase of treasury stock in November 2004 (JPY1,981MM) and of the posting of interim net profit amounting to JPY1,507MM.

Key points from the Consolidated Interim Income Statement

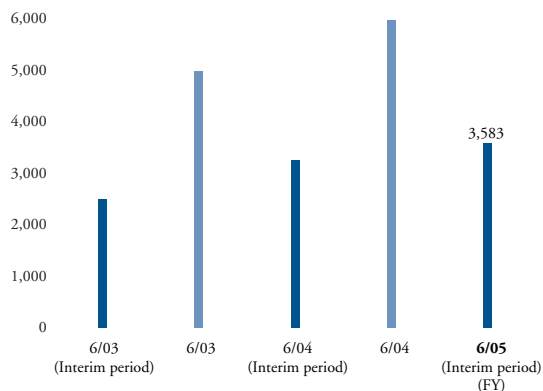
Operating Profit

Operating profit increased by JPY336MM to a total of JPY3,583MM. (10.4% increase from previous consolidated year). This is mainly due to Revenue increase in Goodwill, Inc. and COMSN, Inc., which led to an increase in net profit.

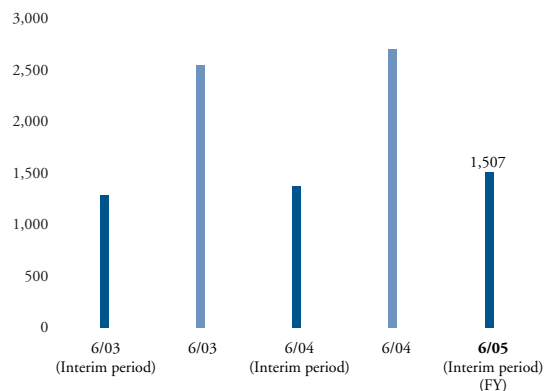
Interim Net Profit

Interim net profit increased by JPY134MM to a total of JPY1,507MM. (9.8% increase from previous consolidated year). This is mainly due to the fact that a rise in interest expense by JPY410MM to JPY551MM on increase in borrowings and the organizational restructuring-related expenses amounting to JPY110MM were offset by the income from sale of fixed assets. Profit before taxes stood at JPY3,159MM, JPY423MM less than the operating profit.

Operating Profit (Millions of yen)



Net Profit (Millions of yen)



*Regarding depreciation of consolidated adjustment account (goodwill)

We have a total of JPY860MM in depreciation for this interim term (JPY710MM for 100% acquisition of COMSN, Inc., JPY120MM for acquisition of HU-MANAGEMENT JAPAN CO., LTD. through TOB, and JPY30MM for other subsidiaries that the Group acquired this period.) Last period we had JPY 230MM in depreciation costs, so it increased by JPY630MM this period. When we deduct the JPY630MM in depreciation costs, the consolidated interim recurring profit comes to JPY3,590MM, which means a 15% growth from last year. Goodwill amortization is deducted at the recurring profit level, but is not cash that flows outside of the company.

Consolidated Interim Statement of Retained Earnings

(In thousand yen, rounded off to thousands)

	Interim Period for FY 6/04 From July 1, 2003 To Dec. 31, 2003	Interim Period for FY 6/05 From July 1, 2004 To Dec. 31, 2004	FY 6/04 From July 1, 2003 To June 30, 2004
Capital surplus			
Beginning balance of capital surplus	16,345,269	36,047,102	16,345,269
Increase in capital surplus	—	—	19,701,833
Interim balance of capital surplus	16,345,269	36,047,102	36,047,102
Retained earnings			
Beginning balance of retained earnings	(12,497,870)	(10,314,800)	(12,497,870)
Increase in retained earnings	1,372,941	1,507,273	2,704,966
Decrease in retained earnings	244,758	836,106	521,896
Interim balance of retained earnings	(11,369,687)	(9,643,633)	(10,314,800)

Consolidated Interim Cash Flow Statement

(In thousand yen, rounded off to thousands)

	Interim Period for FY 6/04 From July 1, 2003 To Dec. 31, 2003	Interim Period for FY 6/05 From July 1, 2004 To Dec. 31, 2004	FY 6/04 From July 1, 2003 To June 30, 2004
Net cash (used in) provided by operating activities	(902,482)	(1,321,531)	792,220
Net cash used in investing activities	(1,861,189)	(8,123,185)	(23,847,508)
Net cash provided by financing activities	5,612,804	11,397,474	24,945,134
Increase in cash & cash equivalents	2,849,133	1,952,757	1,889,846
Cash & cash equivalents at beginning of period	12,052,670	13,942,516	12,052,670
Effect on cash from inclusion in consolidation	—	238,842	—
Cash & cash equivalents at end of period	14,901,803	16,134,116	13,942,516

Key points from the Consolidated Interim Cash Flow Statements

Cash and cash equivalents for the current interim period was JPY16,134MM, and it increased by JPY 1,232MM from the same period last year.

Cash Flow from Operating Activities

Cash decreased by JPY1,321MM (Last year same period, it decreased by JPY902MM). This is due to an increase in payables resulting from revenue growth in the dispatching/subcontracting and nursing care/medical support businesses, and an increase in corporate taxes on profit growth.

Cash Flow from Investing Activities

Cash that decreased as a result of investment activities was JPY8,123MM (Last year same period, it decreased by JPY1,861MM). This was due to acquisition of tangible fixed assets for branch expansion, and stock acquisition of HU-MANAGEMENT JAPAN CO., LTD.

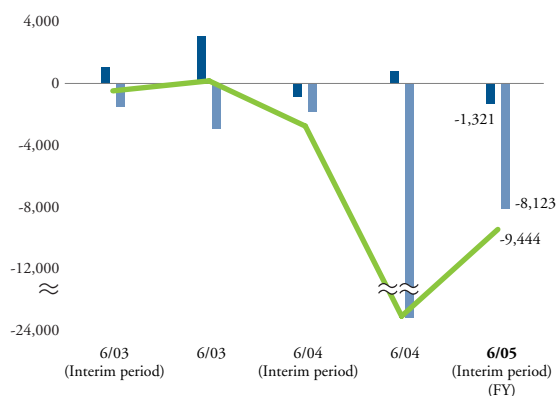
Cash Flow from Financing Activities

Cash that increased as a result of financing activities was JPY11,397MM (Last year same period, it increased by JPY5,612MM). This was due to consolidation of the Group's financing capabilities into the Company, as well as an increase in long term debt due to direct financing from banks.

Cash Flow from Operating Activities

Cash Flow from Investing Activities

Free Cash Flow (Millions of yen)



Non-Consolidated Interim Financial Statements (Summarized Version)

Non-consolidated Interim Balance Sheet

(In thousand yen, rounded off to thousands)

	Interim Period for FY 6/04 As of Dec. 31, 2003	Interim Period for FY 6/05 As of Dec. 31, 2004	FY 6/04 As of June 30, 2004
Assets			
Current assets	18,615,875	5,454,110	17,298,023
Fixed assets	35,496,004	76,408,221	57,310,434
Property, plant and equipment	2,648,529	24,526,778	22,499,049
Intangible assets	215,392	6,717	172,938
Investments & other assets	32,632,082	51,874,726	34,638,447
Total assets	54,111,880	81,862,332	74,608,457
Liabilities			
Current liabilities	10,317,770	17,054,090	25,905,489
Fixed liabilities	7,075,845	29,366,629	10,661,626
Total liabilities	17,393,616	46,420,719	36,567,116
Shareholders' equity			
Common stock	13,674,660	14,118,990	14,118,990
Additional paid-in capital	16,345,269	16,503,783	16,503,783
Retained earnings	6,645,535	6,801,375	7,374,373
Unrealized holding loss on securities	56,803	6,510	51,897
Treasury stock	(4,004)	(1,989,047)	(7,703)
Total shareholders' equity	36,718,263	35,441,613	38,041,341
Total liabilities & shareholders' equity	54,111,880	81,862,332	74,608,457

Non-consolidated Interim Statement of Income

(In thousand yen, rounded off to thousands)

	Interim Period for FY 6/04 From July 1, 2003 To Dec. 31, 2003	Interim Period for FY 6/05 From July 1, 2004 To Dec. 31, 2004	FY 6/04 From July 1, 2003 To June 30, 2004
Turnover	24,322,401	6,668,897	52,356,717
Cost of sales	15,904,102	3,685,775	34,484,969
Gross profits	8,418,298	2,983,121	17,871,748
Selling, general & administrative expenses	5,883,838	2,362,439	13,372,078
Operating income	2,534,459	620,681	4,499,669
Non-operating income	149,244	109,593	235,102
Non-operating expenses	163,943	626,181	411,595
Recurring profit	2,519,761	104,093	4,323,176
Extraordinary gain	84,609	344,663	84,787
Extraordinary loss	44,514	83,923	61,704
Income before income taxes and other adjustment	2,559,855	364,834	4,346,259
Income taxes-current	1,110,000	100,007	1,975,000
Income taxes-deferred	(20,325)	111,819	(104,896)
Net income	1,470,180	153,006	2,476,156
Unappropriated retained earnings brought forward	5,175,354	6,648,369	5,175,354
Interim dividends	—	—	277,137
Unappropriated retained earnings	6,645,535	6,801,375	7,374,373

Company Overview

Company Name	The Goodwill Group, Inc.
Address	Roppongi Hills Mori Tower 35F, Roppongi 6-10-1, Minato-ku, Tokyo
Representative	Masahiro Origuchi
Date Founded	February 1, 1995
Paid-in Capital	JPY14,119MM
Business Description	Comprehensive Human Resources Outsourcing Services
Employees	Full-time/66, Part-time/12, total 78
Auditor	Chuo Aoyama Audit Corporation

Directors and Auditors

Chairman and CEO:	Masahiro Origuchi
President and COO:	Shinichiro Kawaguchi
Managing Director and CFO:	Akira Kanezaki
Director:	Kazuo Tsubota
Statutory Auditor:	Tadashi Minobe
Statutory Auditor:	Takao Sugionoo
Auditor:	Nariaki Ishii
Auditor:	Yasuhiko Tanaka
Executive Officer:	Akifumi Jinno
Executive Officer:	Koichi Higuchi
Executive Officer:	Tatsuya Nishihara
Executive Officer:	Satoshi Aoyama
Executive Officer:	Hideaki Kawakami
Executive Officer:	Kazuaki Nakamoto
Executive Officer:	Yasufumi Irie
Executive Officer:	Mitsuhiro Hanata
Executive Officer:	Kazuo Osako
Executive Officer:	Takeo Isaji
Executive Officer:	Shigeru Wakio

Note 1: Tadashi Minobe, Takao Sugionoo, Nariaki Ishii, and Yasuhiko Tanaka are outside auditors appointed as per the Law Concerning Special Exceptions to the Commercial Code on Audit, etc. of Corporations, Article 18-1.

Note 2: Director Kazuo Kubota is an outside director appointed as per the Commercial Code, Article 188-2-7-2.

Company Credo

“Unyielding Start-Up Spirit”

10 Rules of The Goodwill Group

- Take the customer’s perspective and provide unsurpassed satisfaction.
- Hold on to dreams and ambitions, and meet challenges head on.
- Glory waits on the other side of difficulty. Strive to overcome adversity.
- See the true nature of things. Don’t be moved by the superficial.
- There is a cause, so there is a result. Make fair judgments.
- Take bold action. Defense is the first step toward defeat.
- Speed is strength, change is an opportunity.
- Have confidence, but also be humble and compassionate.
- Smile and have a positive attitude.
- Always do the right thing and make the right choice.

The COMSN Pledge

- We will protect the dignity and independence of as many elderly people as possible and remain strictly customer-oriented.
- We respect bright smiles, the loving hearts, and the feelings of appreciation.
- With the sense of service always in our minds, we conduct nursing care services from our hearts.
- We take responsibility in maintaining our customer’s privacy.

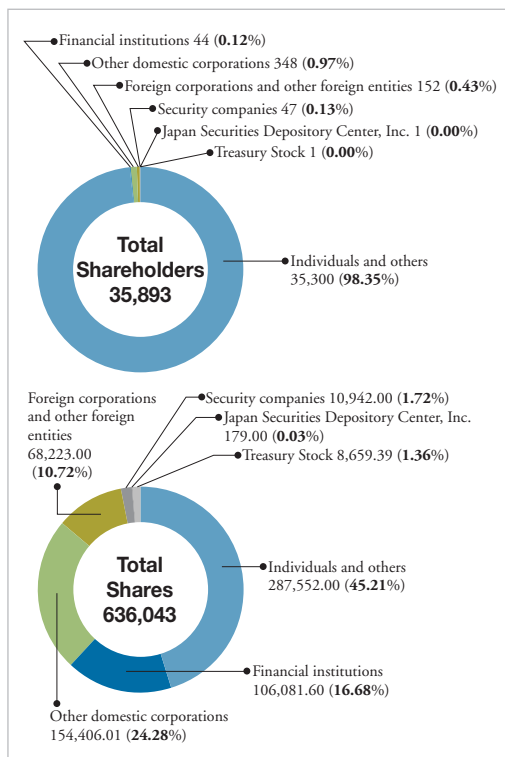
Shares

Total Issued Shares	2,100,000 shares
Shares Outstanding	636,043 shares
Total Shareholders	35,893

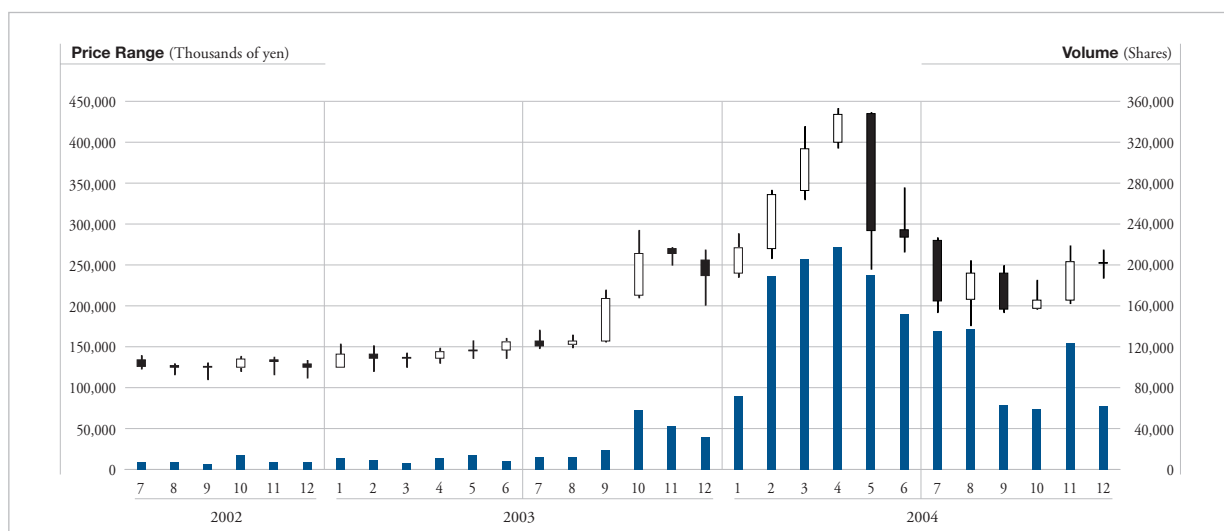
Shareholders (Top 10)

Shareholder	Shares	% of Voting Rights
Origuchi Soken Ltd.	84,240	13.24
Esfront, Ltd.	53,801	8.45
Masahiro Origuchi	32,160	5.05
Japan Trustee Services Bank, Ltd. (shares held in trust)	31,298	4.92
The Master Trust Bank of Japan, Ltd. (shares held in trust)	23,634	3.71
Japan Securities Finance Co., Ltd.	10,864	1.70
Bank of NY for Goldman Sachs International (Equity)	10,194	1.60
Koshiro Onishi	9,510	1.49
Goodwill Group, Inc.	8,659.39	1.36
Nippon Life Insurance Company (Special Pension Account)	7,807	1.22

Composition of Shareholders by Category



Share Price and Trading Volume



*Share price data has been adjusted retroactively to reflect the effect of stock splits

Shareholder's Information

■ End of fiscal period

June 30th

■ Annual general shareholder's meeting

September

■ Reference date

June 30th unless advertised in advance when necessary

■ Transfer agent

The Chuo Mitsui Trust and Banking Co., Ltd.,
3-33-1 Shiba, Minato-ku, Tokyo

■ Place where transfer services are performed

The Chuo Mitsui Trust and Banking Co., Ltd., Custody Service Department,
168-0063, 2-8-4 Izumi, Suginami-ku, Tokyo
Tel. 03-3323-7111 (main number)

■ Places where shareholders may address transfer-related matters

Nationwide branch offices of The Chuo Mitsui Trust and Banking Co., Ltd.,
and head quarters and nationwide branch offices of Japan Securities Agents, Ltd.

<Note: Dividend receipt via postal savings account>

Starting from the next period, dividends may be deposited into postal savings accounts (normal savings accounts), along with bank accounts. Interested shareholders may request for a dividend deposit designation form from the transfer agent.

For forms regarding change in address, purchase request of fractional shares, request for title transfer, and dividend deposit designation, please call the transfer agent's toll free number at 0120-87-2031 available for service 24H a day.

■ Announcements published in

Nihon Keizai Shimbun

■ Website for balance sheet and income statement

<http://www.gwg.co.jp/kessan/index.html>

Corporate Website

At our IR page of our corporate website, you can view quarterly results overviews and financial information such as earnings announcements, and press releases. Please access at your leisure.

IR website: www.internetir.jp/goodwill



The Goodwill Group, Inc.

Tokyo Stock Exchange Code No: 4723

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