



CONSOLIDATED BALANCE SHEETS  
March 31 2010 and September 30, 2009

(UNAUDITED)

(IN THOUSANDS,JPY)

	March 31.2010	September 30.2009
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and time deposits	6,819,488	6,607,331
Notes and accounts receivable	6,120,494	5,211,905
Inventories and products	287,226	231,824
Works in progress	310,349	253,598
Others	1,260,436	1,140,119
Allowance for doubtful accounts	△ 2,870	△ 2,108
Total current assets	14,795,124	13,442,670
<b>FIXED ASSETS</b>		
Tangible Assets	548,902	445,165
Intangible Assets	967,961	364,189
Investments and other assets ;		
Investment securities	714,956	881,700
Deposits	1,105,801	1,012,144
Others	1,167,976	1,160,990
Total investments and other assets	2,988,734	3,054,836
Total fixed assets	4,505,597	3,864,190
TOTAL ASSETS	19,300,722	17,306,861
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	301,188	204,226
Short-term debt	200,000	150,000
Current portion of long-term debt	100,000	200,000
Income taxes payable	1,068,161	944,772
Provision for bonuses	1,050,252	1,145,169
Provision for loss on order received	47,600	75,650
Others	2,152,540	1,899,275
Total current liabilities	4,919,742	4,619,093
<b>LONG-TERM LIABILITIES</b>		
Provision for employees' retirement benefits	346,168	307,137
Provision for directors' retirement benefits	258,329	247,397
Others	47,380	25,378
Total long-term liabilities	651,879	579,912
TOTAL LIABILITIES	5,571,621	5,199,006
<b>NET ASSETS</b>		
Shareholders' equity		
Common stock	1,875,251	1,875,251
Additional paid-in capital	1,825,431	1,825,431
Retained earnings	8,664,850	7,657,862
Common stock for treasury	△ 321,437	△ 321,437
Total shareholders' equity	12,044,096	11,037,108
Valuation and translation adjustments		
Unrealized gain (or △loss) on available-for-sale securities	△ 60,034	△ 39,782
Deferred gain (or △loss) on hedges	—	△ 2
Foreign currency translation adjustments	△ 32,110	△ 65,647
Total valuation and translation adjustments	△ 92,145	△ 105,431
Share option in consolidated subsidiary	6,528	—
Minority interests	1,770,621	1,176,178
TOTAL NET ASSETS	13,729,100	12,107,854
TOTAL LIABILITIES AND NET ASSETS	19,300,722	17,306,861

CONSOLIDATED STATEMENTS OF INCOME  
For the Second quarter ended March 31 2010 and 2009  
(UNAUDITED)

(IN THOUSANDS,JPY)

	Second quarter ended March 31.2010	Second quarter ended March 31.2009
NET SALES	14,516,843	11,687,577
COST OF SALES	9,735,533	7,966,361
Gross profit	<u>4,781,310</u>	<u>3,721,215</u>
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	2,337,616	1,754,850
Operating income	<u>2,443,694</u>	<u>1,966,364</u>
OTHER INCOME (EXPENSES)		
Interest income	11,250	15,841
Interest expenses	△ 5,279	△ 5,519
Foreign exchange gain or loss (△loss)	△ 29,608	△ 7,063
Gain on cancellation of insurance	14,682	—
Gain on sale of investments in securities	—	8,320
Gain on change in equity by merger of consolidated subsidiary	34,961	—
Refund of insurance surrender	25,320	—
Loss on sales and disposal of property and equipment	△ 6,566	△ 8,078
Loss on devaluation of investment in securities	△ 45,174	△ 107,548
Impairment loss on goodwill	△ 10,000	△ 125,666
Others- net	33,409	△ 3,027
Other income (expenses)-net	<u>22,996</u>	<u>△ 232,741</u>
Income before income taxes and minority interests	<u>2,466,690</u>	<u>1,733,623</u>
INCOME TAXES		
Current	1,027,226	698,104
Deferred	81,554	427,127
Total	<u>1,108,781</u>	<u>1,125,232</u>
MINORITY INTERESTS	<u>64,840</u>	<u>47,356</u>
NET INCOME	<u><u>1,293,068</u></u>	<u><u>561,034</u></u>

CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the Second quarter ended March 31 2010 and 2009  
(UNAUDITED)

(IN THOUSANDS,JPY)

	Second quarter ended March 31.2010	Second quarter ended March 31.2009
<b>OPERATING ACTIVITIES:</b>		
Income before income taxes and minority interests	2,466,690	1,733,623
<b>Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:</b>		
Depreciation and amortization	195,145	136,690
Impairment loss on goodwill	10,000	125,666
Increase (ΔDecrease) in provision for bonuses	Δ 95,283	Δ 257,621
Increase (ΔDecrease) in allowance for retirement benefits for employees	Δ 1,079	6,536
Increase (ΔDecrease) in allowance for retirement benefits for directors	Δ 8,173	14,224
Interest and dividends income	Δ 12,600	Δ 17,191
Interest expense	5,279	5,519
Gain (or Δloss) on sale of investments in securities (-net)	—	Δ 8,320
Loss on devaluation of investment in securities	45,174	107,548
Gain (or Δloss) on sales and disposal of property and equipment (-net)	6,566	7,347
<b>Changes in operating assets and liabilities:</b>		
Decrease (ΔIncrease) in accounts receivable-trade	Δ 653,330	44,320
Decrease (ΔIncrease) in inventories and products	Δ 109,299	Δ 11,970
Increase (ΔDecrease) in accounts payable -trade	60,995	29,777
Increase (ΔDecrease) in other current liabilities	77,088	Δ 30,125
Others , Net	Δ 175,566	55,484
Subtotal	<u>1,811,607</u>	<u>1,941,509</u>
Interest and dividends received	14,179	21,542
Interest paid	Δ 5,279	Δ 5,519
Income taxes paid	Δ 894,388	Δ 1,045,628
Net cash provided by (used in) operating activities	<u>926,118</u>	<u>911,904</u>
<b>INVESTING ACTIVITIES:</b>		
Payments for time deposits	Δ 203,858	—
Proceeds from maturity of time deposits	150,497	—
Disbursements for purchase of tangible fixed assets	Δ 91,640	Δ 87,018
Disbursements for purchase of intangible fixed assets	Δ 91,009	Δ 15,290
Payment for purchase of investments securities	—	Δ 113,519
Proceeds from sales and maturity of investments securities	—	411,770
Payment for deposit for rent office and others	Δ 79,385	Δ 114,841
Purchase of investments in subsidiaries resulting in change in scope of consolidation	Δ 402,041	—
Payment for acquisition of business	Δ 71,000	Δ 213,753
Others , Net	35,843	Δ 30,138
Net cash provided by (used in) investing activities	<u>Δ 752,594</u>	<u>Δ 162,792</u>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from borrowing of short-term debt	170,000	—
Disbursements for repayment of short-term debt	Δ 150,000	—
Disbursements for repayment of long-term debt	Δ 100,000	Δ 105,700
Dividends paid	Δ 285,968	Δ 268,851
Dividends paid for minority stock holders	Δ 18,078	Δ 31,661
Others , Net	Δ 14,350	Δ 776
Net cash provided by (used in) financing activities	<u>Δ 398,396</u>	<u>Δ 406,989</u>
EFFECT OF EXCHANGE DIFFERENCE ON CASH & CASH EQUIVALENTS	26,090	Δ 38,718
NET INCREASE IN CASH AND CASH EQUIVALENTS	Δ 198,781	303,403
BEGINNING OF BALANCE,CASH AND CASH EQUIVALENTS	6,607,331	5,638,984
INCREASE IN CASH AND CASH EQUIVALENTS BY MERGER OF CONSOLIDATED SUBSIDIARY	205,600	—
ENDING OF BALANCE,CASH AND CASH EQUIVALENTS	<u>6,614,150</u>	<u>5,942,388</u>

**STATEMENT OF ORDER ENTRY AND SALES BY ITEMS**  
For the Second quarter ended March 31 2010

(UNAUDITED)

(1) RESULT OF ORDER ENTRY

DIVISION	2010.03 <2009.10.1-2010.3.31>			
	AMOUNT OF ORDER ENTRY (IN THOUSANDS, JPY)	year-to-year comparison (%)	ORDER BACKLOG (IN THOUSANDS, JPY)	year-to-year comparison (%)
<b>CRO</b>				
Monitoring	4,094,762	118.0	10,725,323	88.8
Data Management	3,942,797	104.7	14,272,381	110.7
CRO others	2,867,411	254.4	3,420,900	514.9
TOTAL OF CRO	10,904,971	130.4	28,418,605	110.9
<b>SMO</b>	2,585,699	135.3	4,647,761	124.5
<b>Preclinical Service</b>	435,626	84.0	117,996	115.0
<b>System Development</b>	700,652	86.0	179,625	96.3
TOTAL	14,626,949	126.0	33,363,989	112.5

\* These figures are expressed by sales price.

\* These above figures do not include the consumption tax.

(2) RESULT OF SALES

DIVISION	2010.03 <2009.10.1-2010.3.31>	
	AMOUNT OF SALES (IN THOUSANDS, JPY)	year-to-year comparison (%)
<b>CRO</b>		
Monitoring	4,295,060	111.0
Data Management	4,391,227	124.4
CRO others	2,603,727	227.4
TOTAL OF CRO	11,290,014	132.1
<b>SMO</b>	2,040,977	125.0
<b>Preclinical Service</b>	405,355	76.4
<b>System Development</b>	780,495	79.6
TOTAL	14,516,843	124.2

\* These above figures do not include the consumption tax.

**INDUSTRY SEGMENT INFORMATION**

For the Second quarter ended March 31 2010 and 2009

(UNAUDITED)

**2010 (2009.10.1-2010.3.31)**

(IN THOUSANDS, JPY)

	CRO	SMO	Preclinical Service	System Development	Total	Eliminations/ Corporate	Consolidation
<b>SALES</b>							
Sales to customers	11,290,014	2,040,977	405,355	780,495	14,516,843	—	14,516,843
Intersegment sales	9,621	2,265	2,070	62,265	76,222	(76,222)	—
Total	11,299,636	2,043,242	407,425	842,760	14,593,066	(76,222)	14,516,843
Operating income	2,127,371	401,704	(11,378)	(79,623)	2,438,074	5,619	2,443,694

**2009 (2008.10.1-2009.3.31)**

(IN THOUSANDS, JPY)

	CRO	SMO	Preclinical Service	System Development	Total	Eliminations/ Corporate	Consolidation
<b>SALES</b>							
Sales to customers	8,543,631	1,633,133	530,806	980,005	11,687,577	—	11,687,577
Intersegment sales	10,290	—	2,070	33,830	46,190	(46,190)	—
Total	8,553,922	1,633,133	532,876	1,013,835	11,733,767	(46,190)	11,687,577
Operating income	1,709,323	207,910	37,195	5,936	1,960,366	5,998	1,966,364