



en-japan Inc.

# 1st half of FY Mar/2018 Earnings Review

November 8, 2017

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## Consolidated Performance Summary for 1st half of FY Mar/2018

- Revision of Earnings Forecast
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## Return to Shareholders

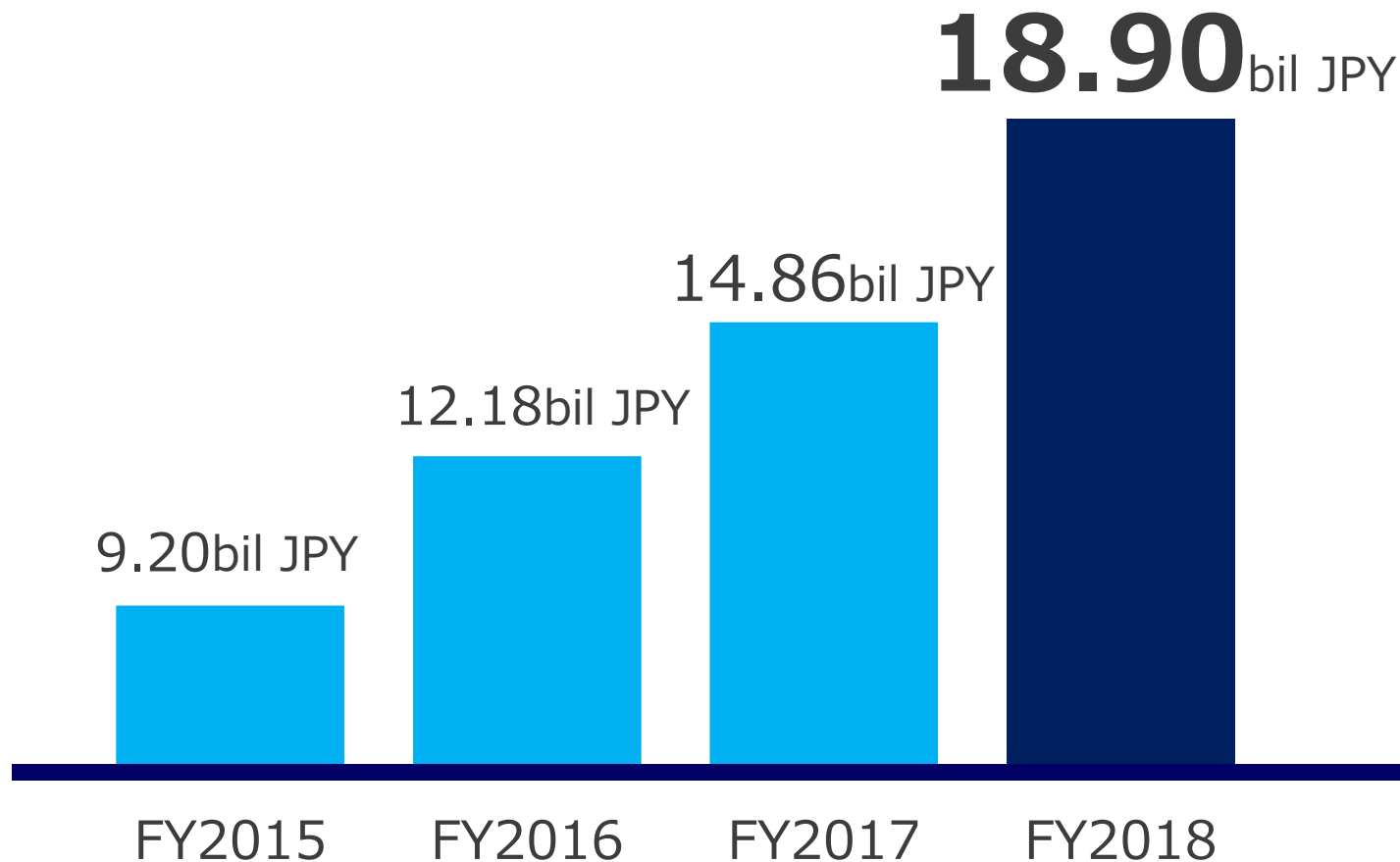
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## Appendix

- Non-consolidated Income statement for 1st half of FY Mar/2018
- FY Mar/2018 Earnings Forecast- Company, Segment, Services - (Revised in Nov.8, 2017)
- Company Overview, and Market Data

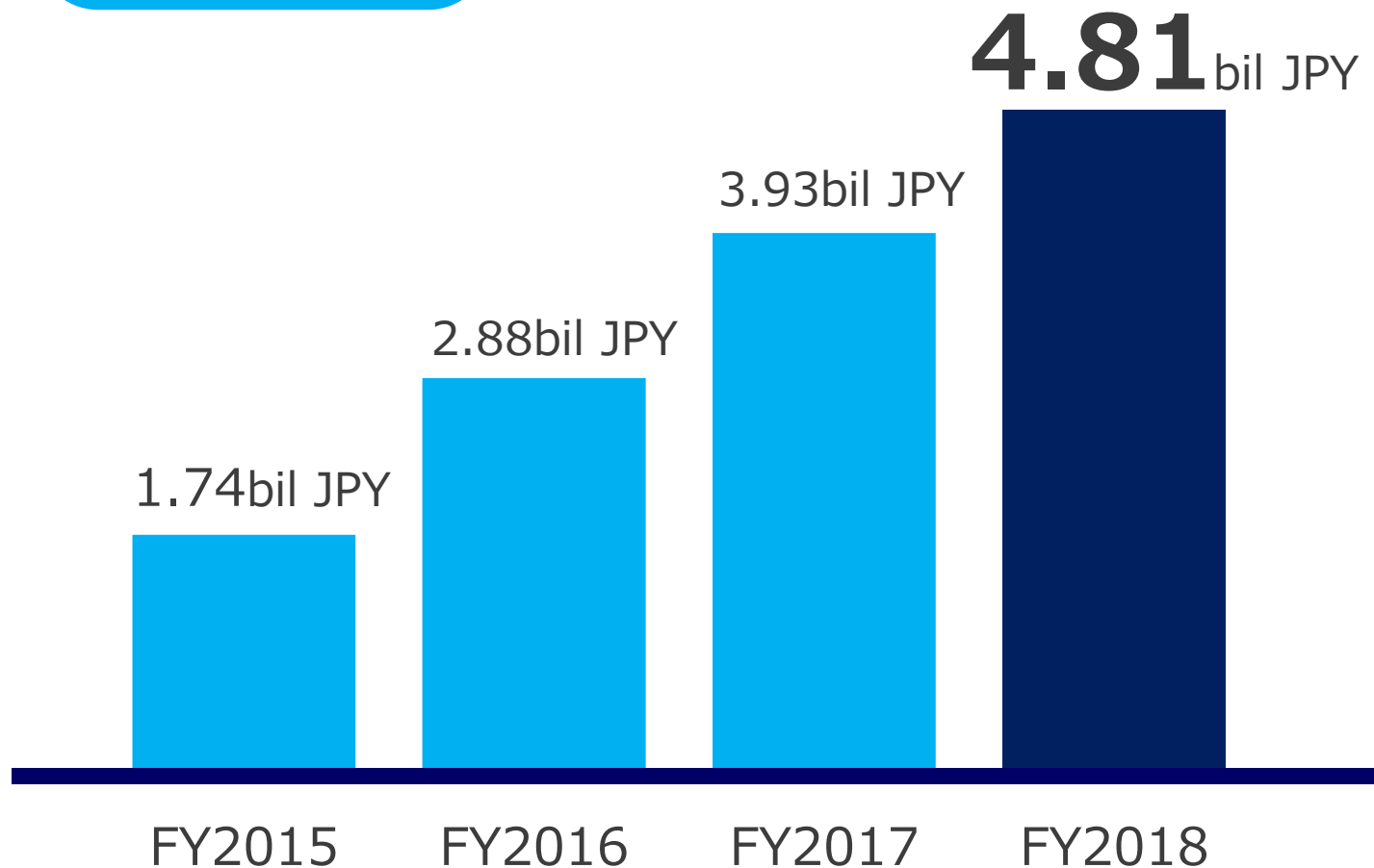
# Consolidated Performance Summary for 1st half of FY Mar/2018

1H(Apr.–Sep.)  
Sales



Increased  
**27.2%**

1H(Apr.–Sep.)  
Operating Income

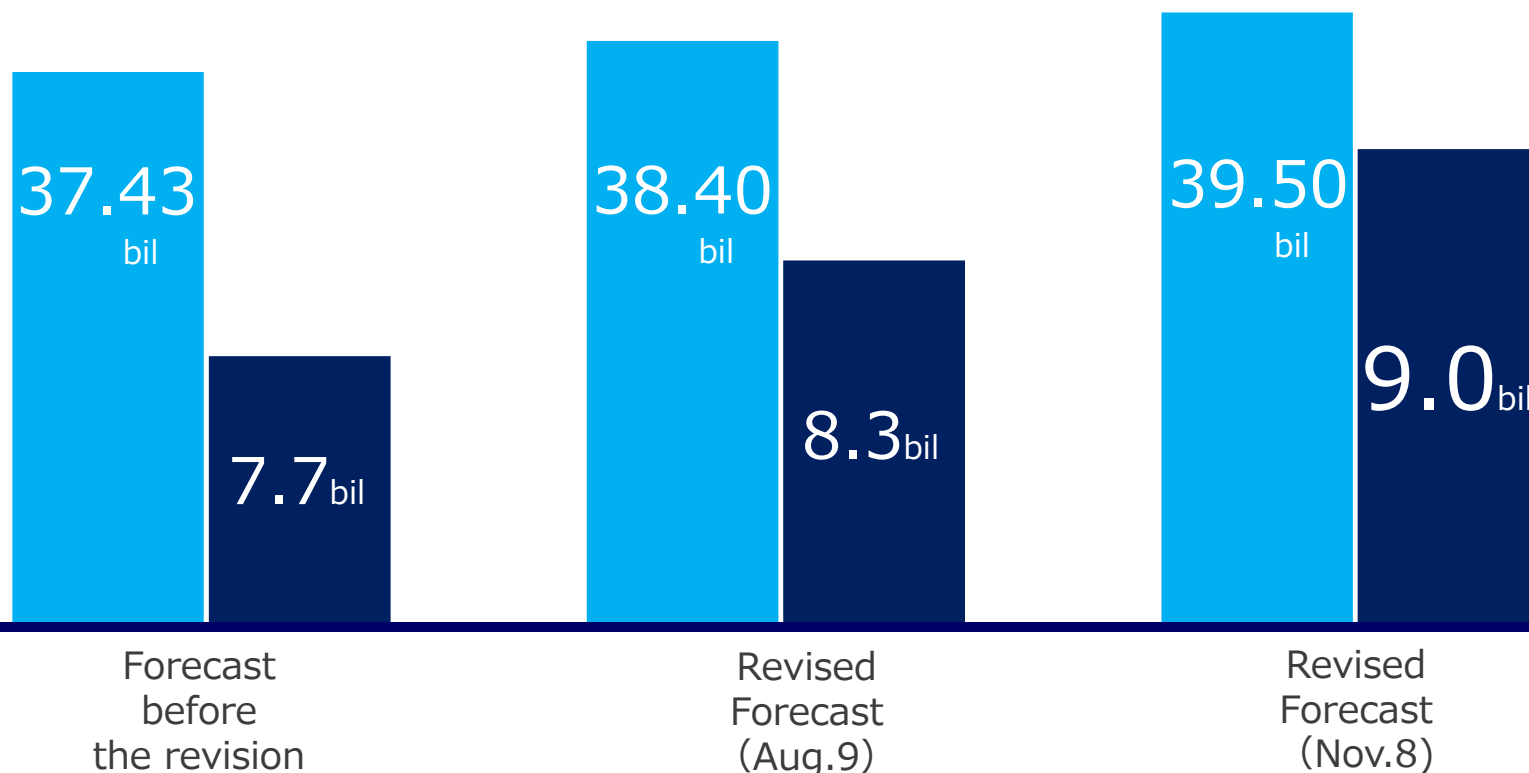


Increased  
**22.5%**

Earnings forecasts for the full year have been revised upward in consideration of strong earnings results in the first half. (second revision)

full-year

Sales  
Operating Income



## Job Board

Main Job Board  
total  
Sales

**11,932 M JPY + 37.8% YoY**

- Each site continued to enjoy favorable effects and sales expanded steadily. Net sales exceeded the plan in both 1Q and 2Q.
- Net sales of [en] Career Change Info showed particularly high growth of 44% YoY, maintaining higher growth than the market.

## Job Search

Domestic  
total  
Sales

**4,516 M JPY + 10.9% YoY**

- Net sales of en-japan's job search increased 27%. Productivity improved steadily.
- Subsidiary EWJ began seeing the effect of the business reconstruction implemented in the previous period earlier than expected, resulting in an increase in net sales in 1H YoY.

## Expenses, Others

- Expenses increased YoY mainly for TV commercials and transportation advertising, as well as online advertising for winning new members in association with an increase in recruiting advertisements. Also, outsourcing expenses associated with operating efficiency enhancement rose. As a result, total expenses increased 29% YoY, which is roughly in line with expectations, compared with the plan.
- In the new HR service, the number of engage user companies topped 50,000. Monetizing of the service partly started.

# [1H FY Mar/2018Results]Consolidated Income Statement



	1H FY2017 (Apr.–Sep.2016)		1H FY2018 (Apr.–Sep.2017)		YOY change (million yen)	YOY change	Note
	(million yen)	% of sales	(million yen)	% of sales			
Net Sales	14,860	100.0%	<b>18,903</b>	<b>100.0%</b>	4,043	27.2%	Growth achieved mainly by Domestic Job Board and Job Search
Cost of Sales	1,406	9.5%	<b>1,738</b>	<b>9.2%</b>	332	23.6%	
Personnel	910	6.1%	<b>1,180</b>	<b>6.2%</b>	269	29.6%	Mainly script writing expenses associated with the increase in recruiting advertisements
Other	495	3.3%	<b>557</b>	<b>3.0%</b>	62	12.6%	
Gross Profit	13,454	90.5%	<b>17,165</b>	<b>90.8%</b>	3,710	27.6%	
S G A (Sales, general & administrative)	9,526	64.1%	<b>12,354</b>	<b>65.4%</b>	2,828	29.7%	
Personnel	4,630	31.2%	<b>5,208</b>	<b>27.6%</b>	577	12.5%	Increase in en-japan's population, etc.
Advertising, Sales Promotion	2,195	14.8%	<b>3,696</b>	<b>19.6%</b>	1,501	68.4%	Enhanced TV commercials, increased online advertising to win members
Other	2,700	18.2%	<b>3,449</b>	<b>18.2%</b>	748	27.7%	Increased outsourcing expenses associated with enhanced operating efficiency
Operating Income	3,928	26.4%	<b>4,811</b>	<b>25.5%</b>	882	22.5%	
Ordinary Income	3,863	26.0%	<b>4,887</b>	<b>25.9%</b>	1,023	26.5%	(FY Mar/2017) Foreign exchange losses
Net Income attributable to en-japan	2,579	17.4%	<b>3,395</b>	<b>18.0%</b>	815	31.6 %	

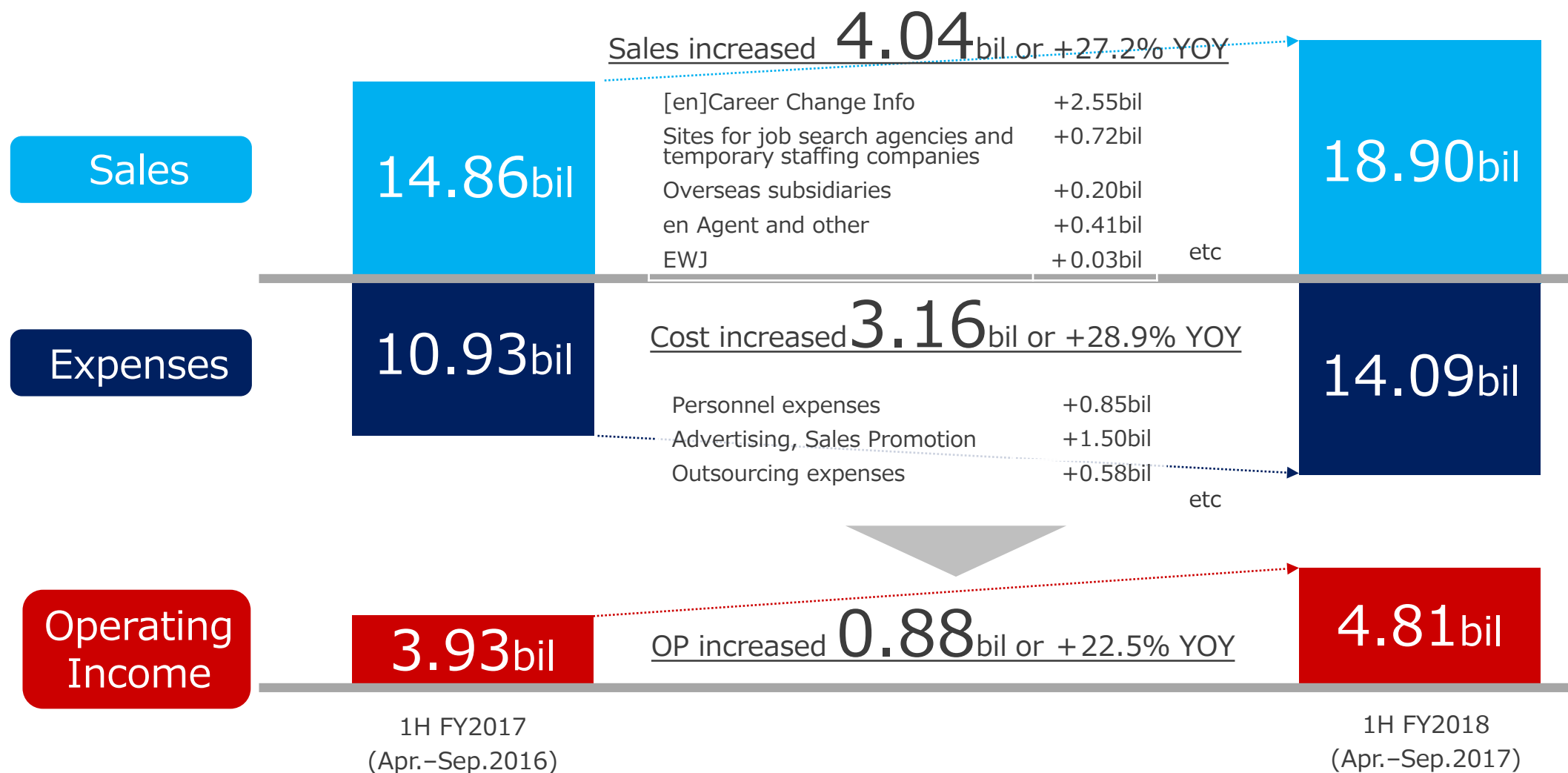


# Changing Factor of Earnings Year on Year



Year on year

(JPY)

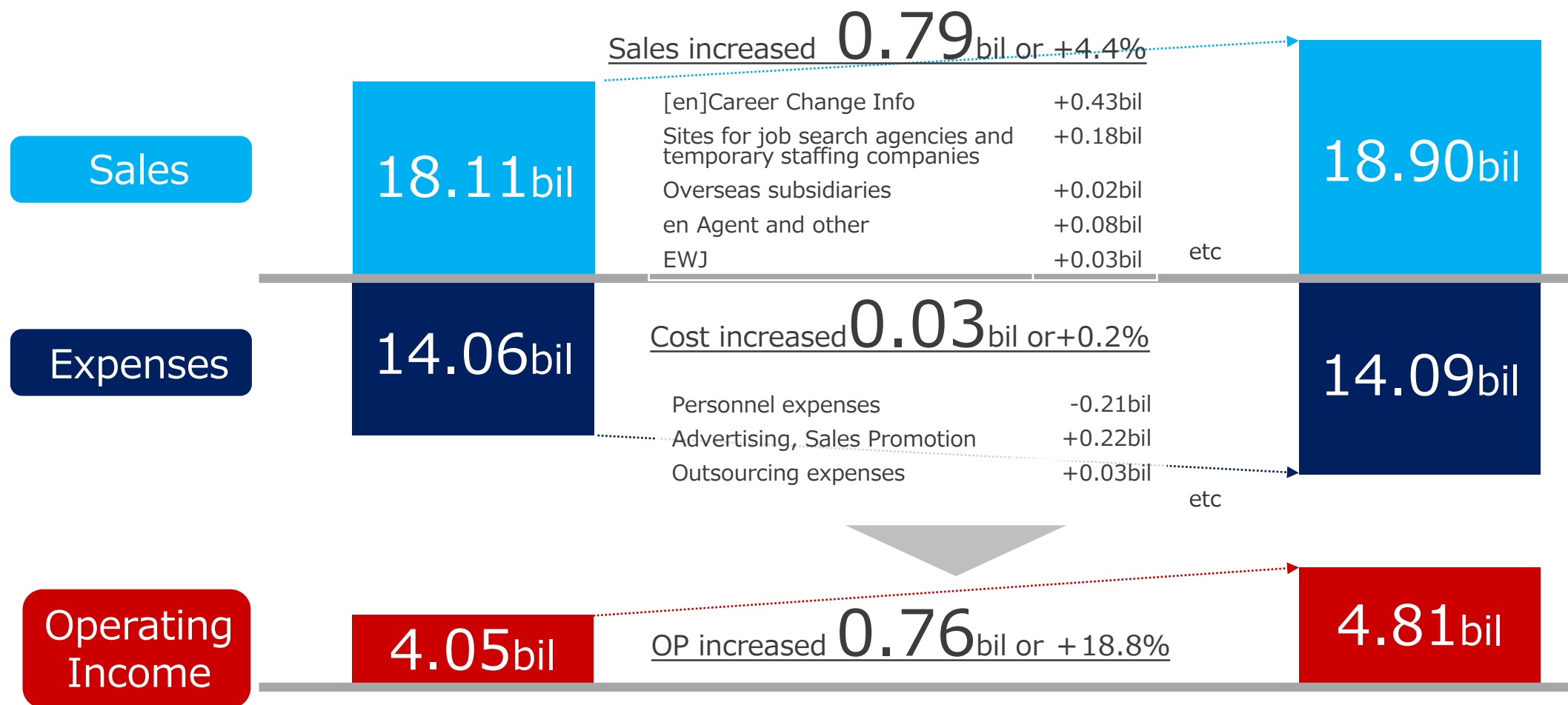


# Changing Factor of Earnings by plans



## By Plans

(JPY)

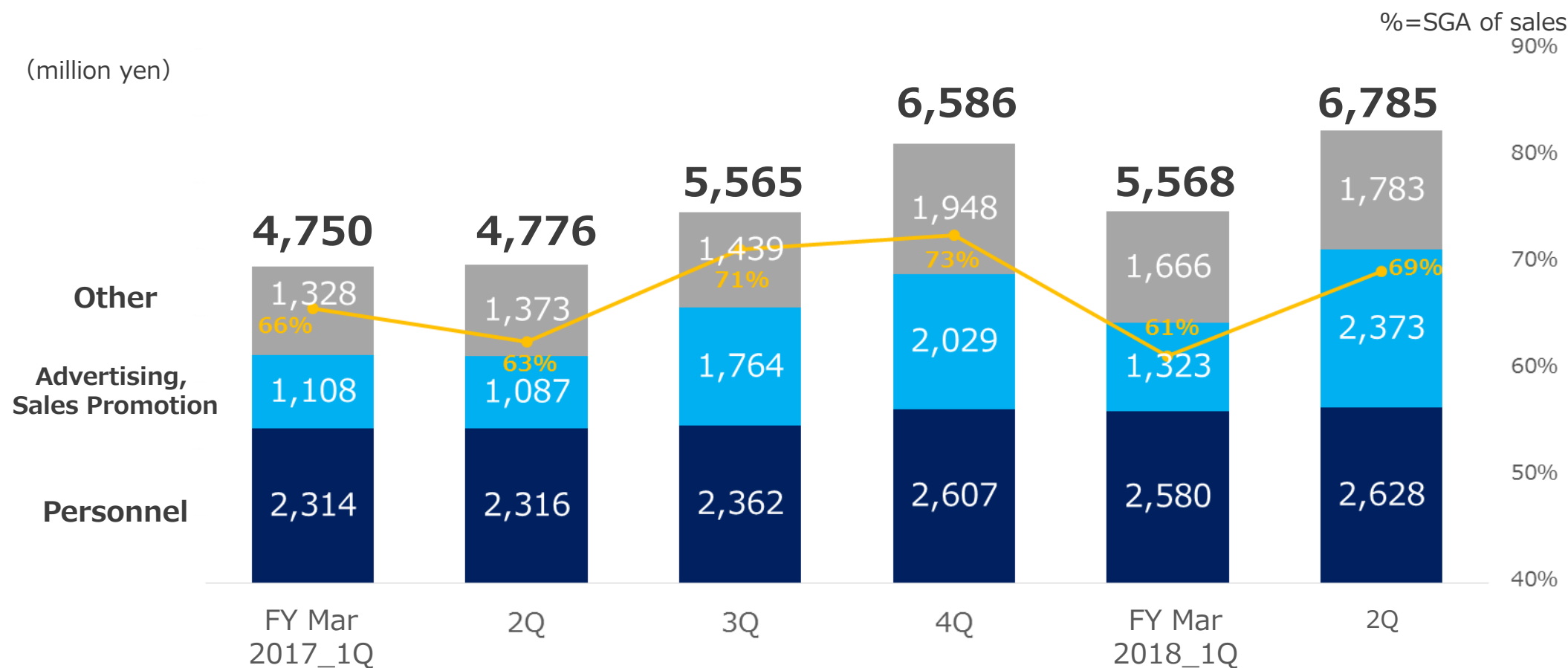


1H FY 2018 Revised Forecast  
(Announced Aug.9, 2017)

1H FY2018 Actual

## SGA expenses increased 42% YoY in the 2nd quarter.

Contributing factors include commercials not aired in 2Q of the previous year and online promotion associated with an increase in the number of sites where advertisements are posted (some advertisements scheduled for 1Q were posted in 2Q)



# Revision of Earnings Forecast for FY Mar/2018 (Announced Nov.8, 2017)

# FY Mar/2018 Revised Earnings Forecast ( Consolidated )

## - Announced Nov.8, 2017

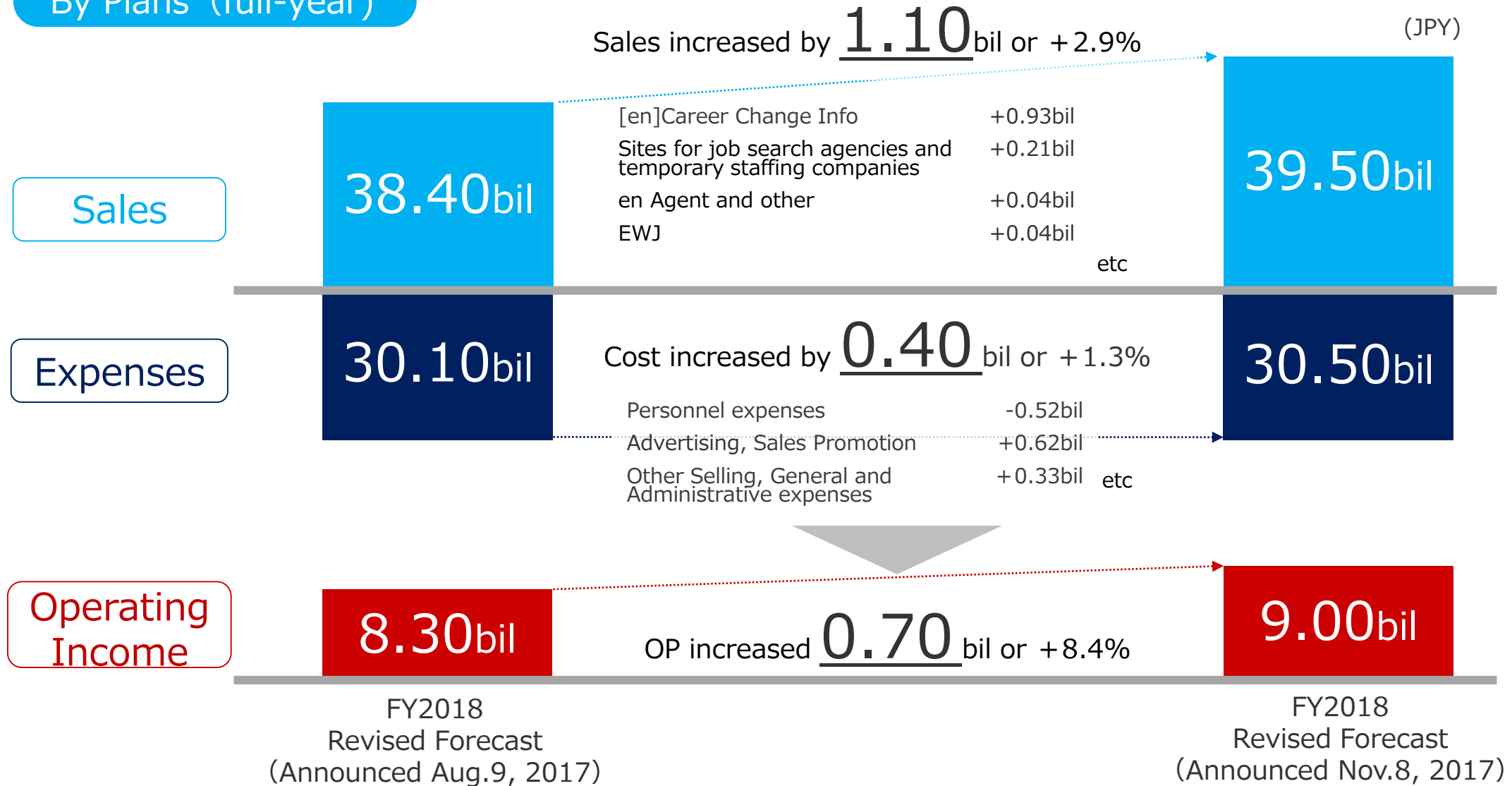


	FY2017 (Apr.2016–Mar.2017)		FY2018 Revised Forecast (Apr.2017–Mar.2018)		YOY change (million yen)	YOY change (%)	Note
	(million yen)	% of Sales	(million yen)	% of Sales			
Net Sales	31,719	100.0%	39,500	100.0%	7,780	24.5%	Growth achieved mainly by en-japan
Cost of Sales	3,185	10.0%	3,850	9.7%	664	20.8%	
Personnel	2,011	6.3%	2,520	6.4%	508	25.3%	
Other	1,174	3.7%	1,330	3.4%	155	13.3%	
Gross Profit	28,533	90.0%	35,650	90.3%	7,116	24.9%	
S G A (Sales, general & administrative)	21,677	68.3%	26,650	67.5%	4,972	22.9%	
Personnel	9,600	30.3%	11,040	27.9%	1,439	15.0%	Increases primarily in en-japan and EWJ
Advertising, Sales Promotion	5,988	18.9%	8,231	20.8%	2,243	37.5%	Primarily by en-japan for linkage between sales and new services
Other	6,087	19.2%	7,377	18.7%	1,290	21.2%	Outsourcing expenses associated with enhancing efficiency, etc
Operating Income	6,856	21.6%	9,000	22.8%	2,143	31.3%	
Ordinary Income	6,848	21.6%	9,000	22.8%	2,151	31.4%	
Net Income attributable to en-japan	4,005	12.6%	6,000	15.2%	1,994	49.8%	

# [FY2018 Revised Forecast] Changing Factor of Earnings Nov.8 vs Aug.9 (full-year)



## By Plans (full-year)



# Market Environment and Topics

Higher recruitment needs due to structural factors

+

User-first services that offer differentiated features

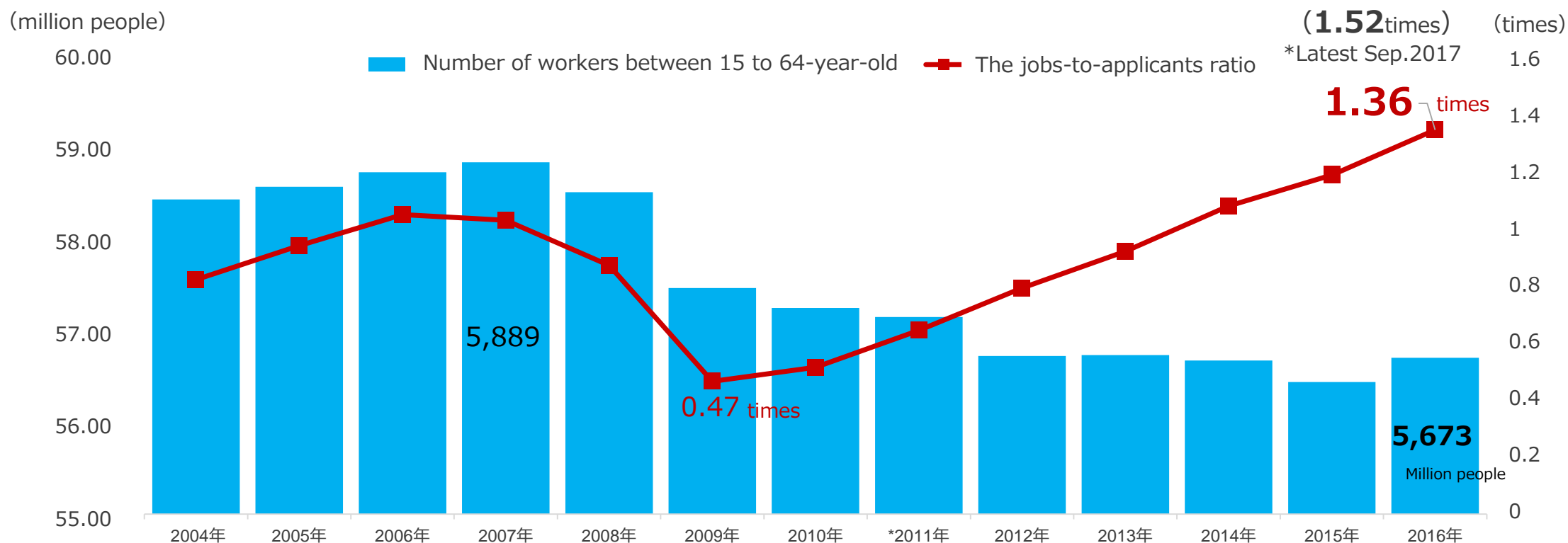
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Expansion of user population due to investments in promotional activities

No change in factors underlying growth and basic policies

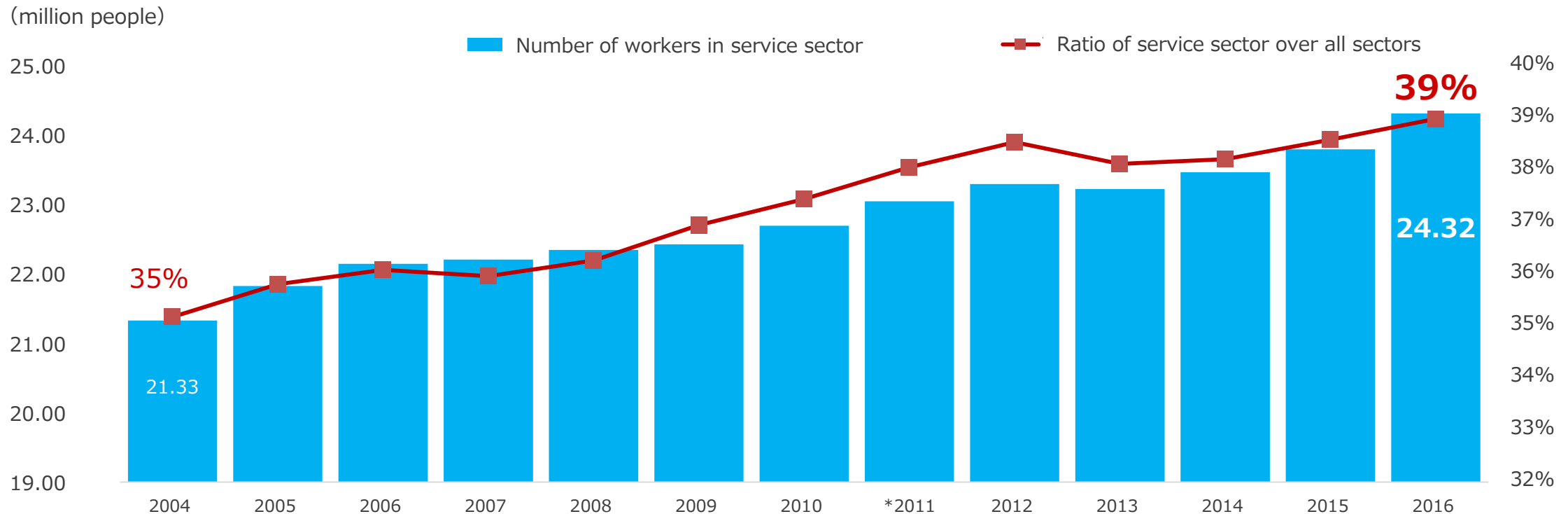


Number of workers who are between 15 to 64 years are decreasing, but supporting companies' demands for hiring



Source : Prepared by en-japan based on materials released by Static Bureau of the Ministry of Internal Affairs and Communications and Ministry of Health and welfare  
\*The number for 2011 is estimated figure for the reference.

Due to change of industrial structure, workers in service industry are on the increase, leading high demand for hiring

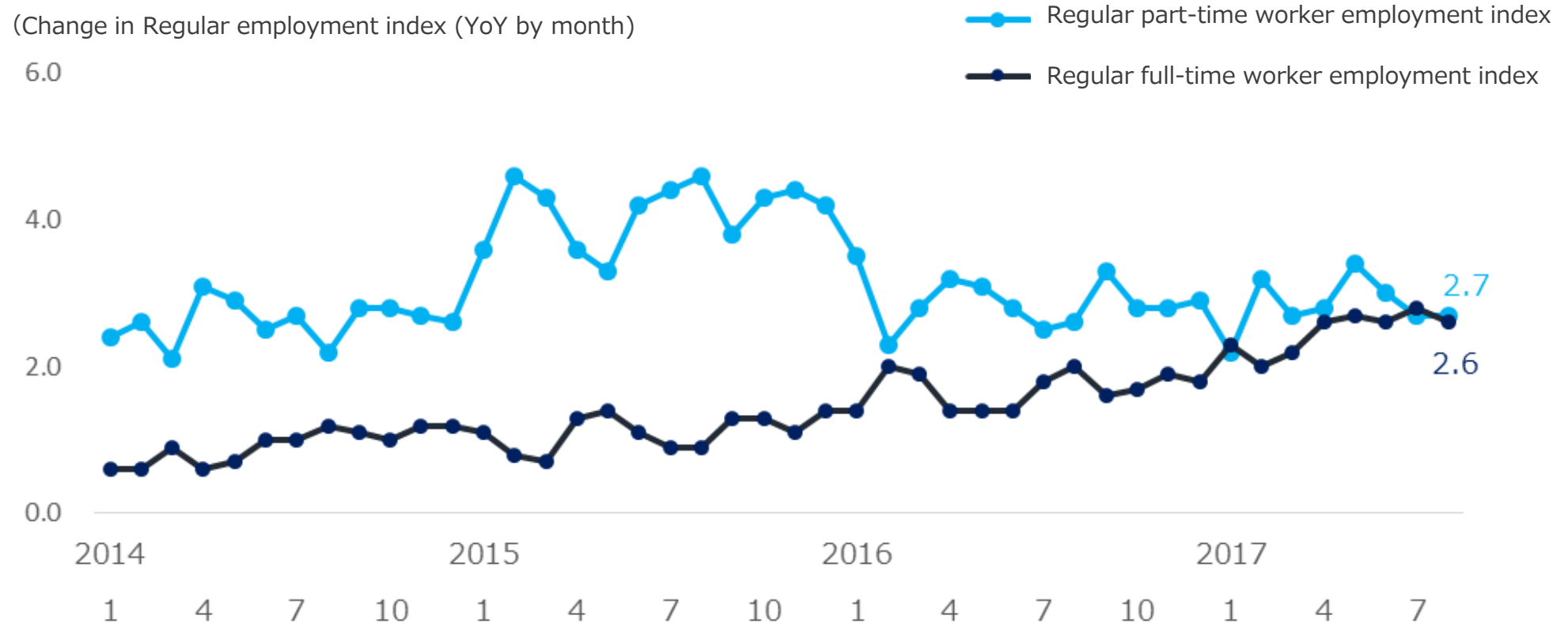


Service sector = sum of "Scientific research, professional and technical services", "Accommodations, eating and drinking services", "Living-related and personal services and amusement services", "Education and learning support", "Medical, health care and welfare", "compound services", and "Services n.e.c."

Source : Prepared by en-japan based on materials released by Static Bureau of the Ministry of Internal Affairs and Communications

\*The number for 2011 is estimated figure for the reference.

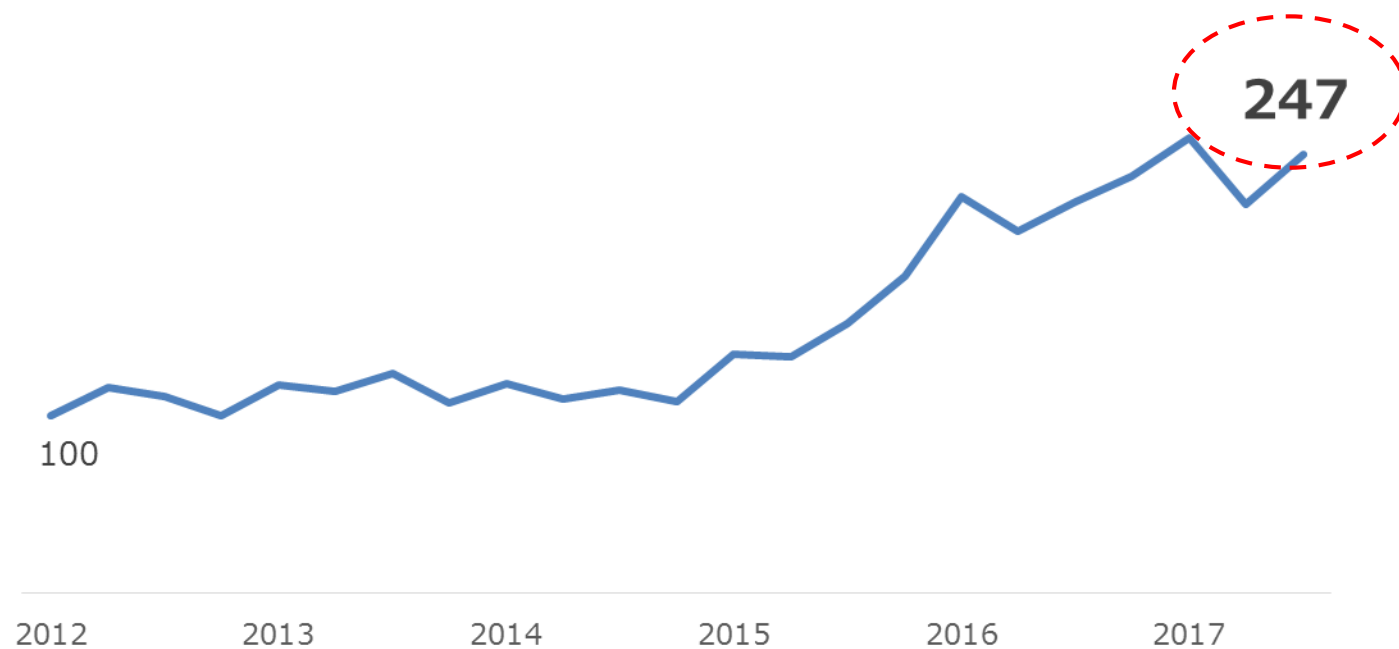
Employment of regular workers is steadily increasing.



Source: Created by en-japan based on the Monthly Labour Survey issued by the Ministry of Health, Labour and Welfare.

 **工/転職** [en] Career Change Info

Indexation of number of inquiries from hiring companies (phone/email)



Inquiries on hiring  
from companies  
remain at a high level

number of inquiries from hiring companies (phone/email) / month  
Jan.-mar. 2012 average = 100

Complement the country's policy and deploy businesses that contribute to resolving issues of the country.

## Issues faced by Japan

Concerns about the worsening of economic and financial conditions due to the decreasing birth rate and aging population

## Measure

Realization of dynamic engagement of all citizens

## State policy: "Working style reforms"

### Quantitative expansion of employment

Ensuring active female & senior workers; promoting employment of young workers; correcting lengthy working hours; promoting side jobs; promoting liquidity of employment; having equal pay for equal work; etc.



Provision of  
existing & new  
services

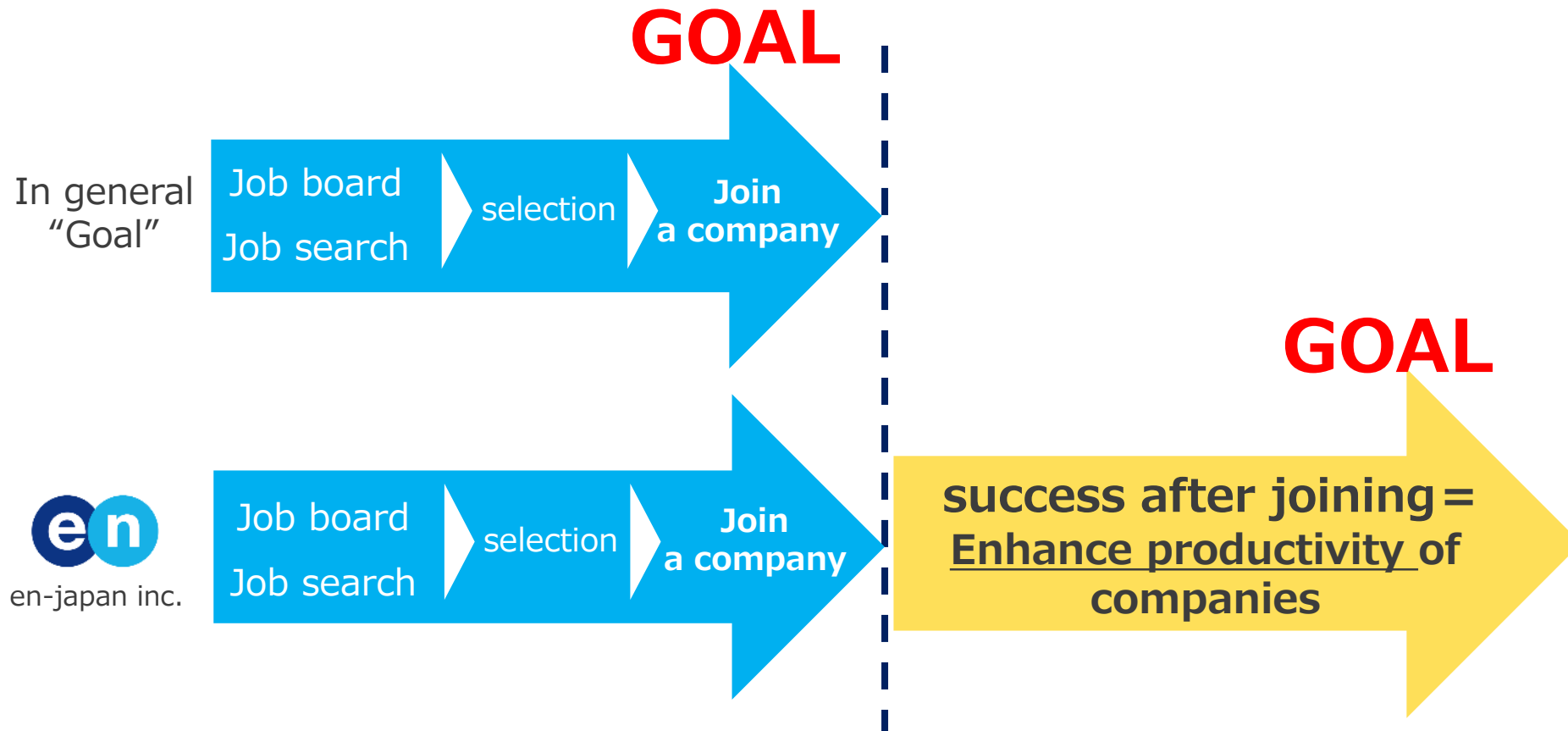


## "success after joining"

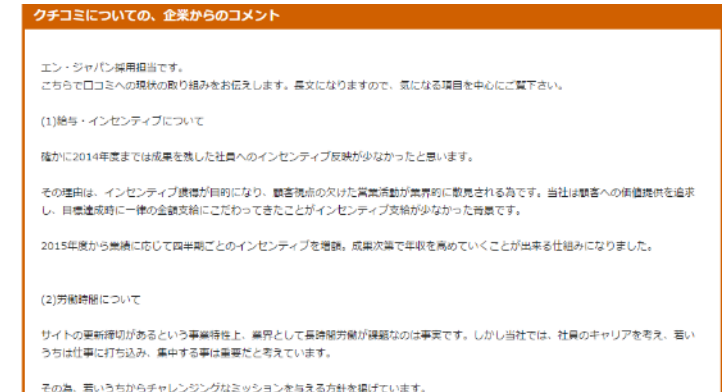
### Quality enhancement of employment ⇒ Productivity enhancement

Reducing mismatching through provision of true information and post-employment support; active demonstration of competence upon joining a company

en-japan's goal is to have workers demonstrate competence upon entering companies. en-japan focuses on recruitment with little mismatches and post-employment support.



# Strengths and Differentiated Features of Services



100% of job advertisements based on interviews  
(Detailed and objective information, Staff name and photo)

Industry's first linkage between word-of mouth sites and recruitment advertisements  
Functions to provide companies' comments regarding word-of-mouth

## ● en “success after joining” support program

- Provide support via email for three years after joining
- Provide en College courses free of charge (achieve success quickly after joining)
- Provide gifts one year after joining

etc.

## en イン派遣 [en]Temporary Placement Info



Ranked No. 1 for all items in a customer satisfaction survey conducted by an external institution

Won the recruitment advertisement awards for the 4th consecutive year

\*Hosted by Association of Job Information of Japan

## en エノ転職 [en] Career Change Info



Ranked No. 1 in user-friendliness of sites in a customer satisfaction survey conducted by an external institution

# No.1





Actively aired new version TV commercials in September.  
Also launched transportation advertising linked to them on  
the largest scale ever.



● Run by: Major networks in Tokyo, Tokai, Kansai and Fukuoka



● Area : The main area stations

## **転職** [en] Career Change Info

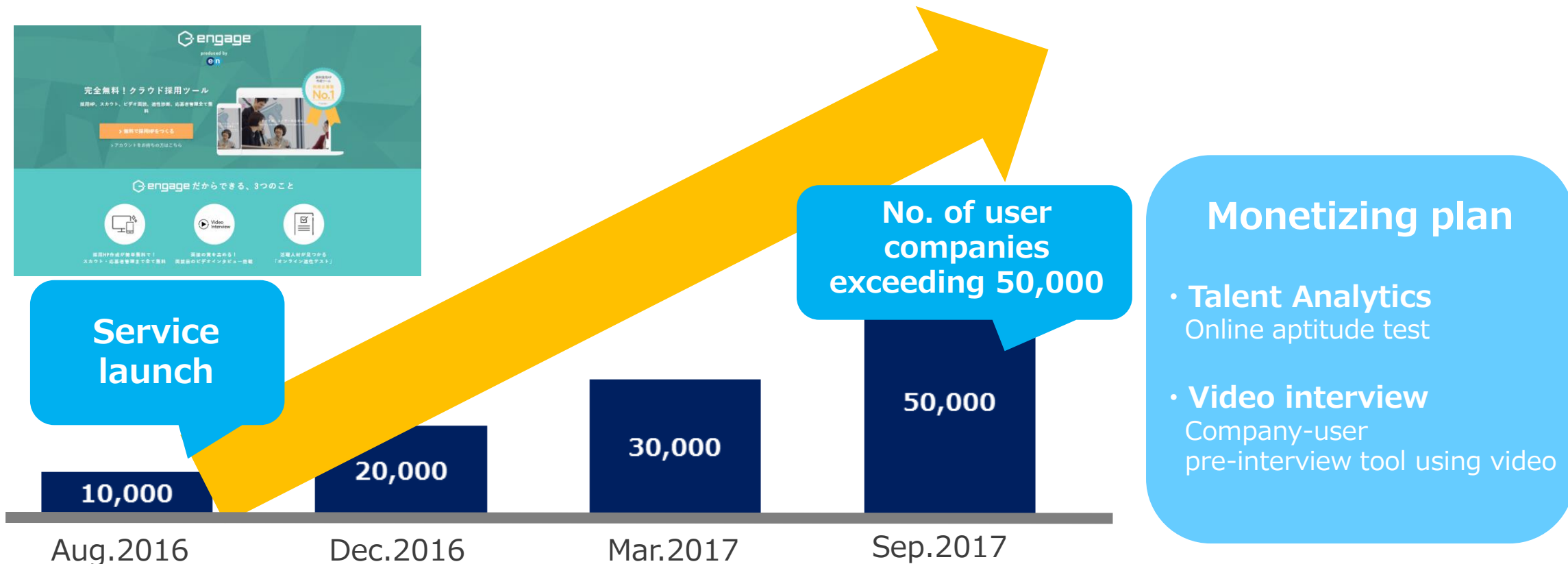
YOY (%)



Continuing market-  
exceeding growth

\*Market= Major job ads companies for mid-career change, includes mainly full-time and white-collar workers. Growth rates are estimated by en-japan.

The number of engage user companies topped **50,000**.  
**Started monetizing** while prioritizing expansion of the corporate user base.

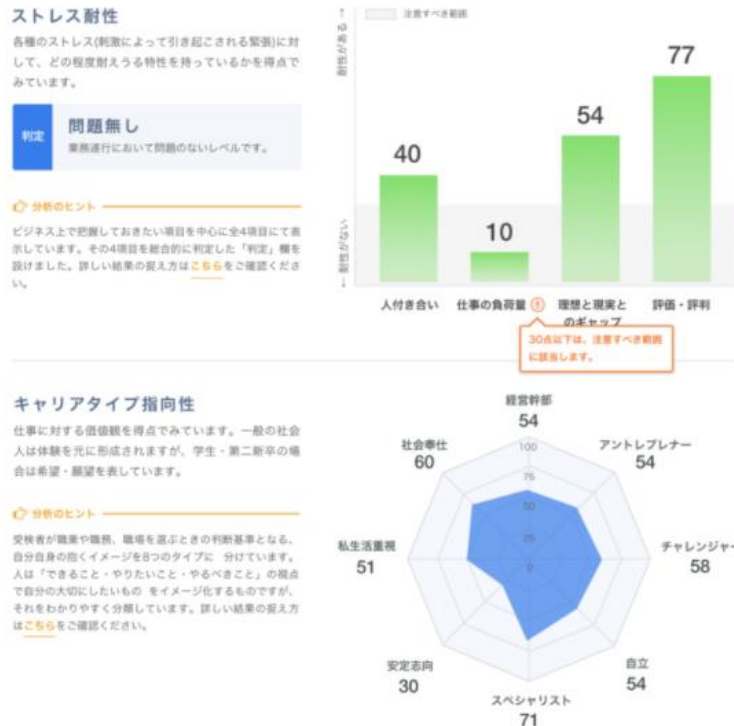


## Monetizing plan - Talent Analytics -

SMEs with a small recruiting budget can leverage the service for hiring people who will thrive at them.

### Characteristics

- Aptitude test that visualizes strengths and talents not visible in interviews and résumés.
- Test data of more than 1 million test-takers accumulated in the existing evaluation business is utilized.
- engage user companies can use this service directly from the control screen with no bothersome application process.
- No fees are charged for up to 3 cases per month; fees are charged for further use.



## Monetizing plan

- Video interview -

Facilitate job-seekers' understanding of companies and prevent cases of their declining interviews with use of video communication.

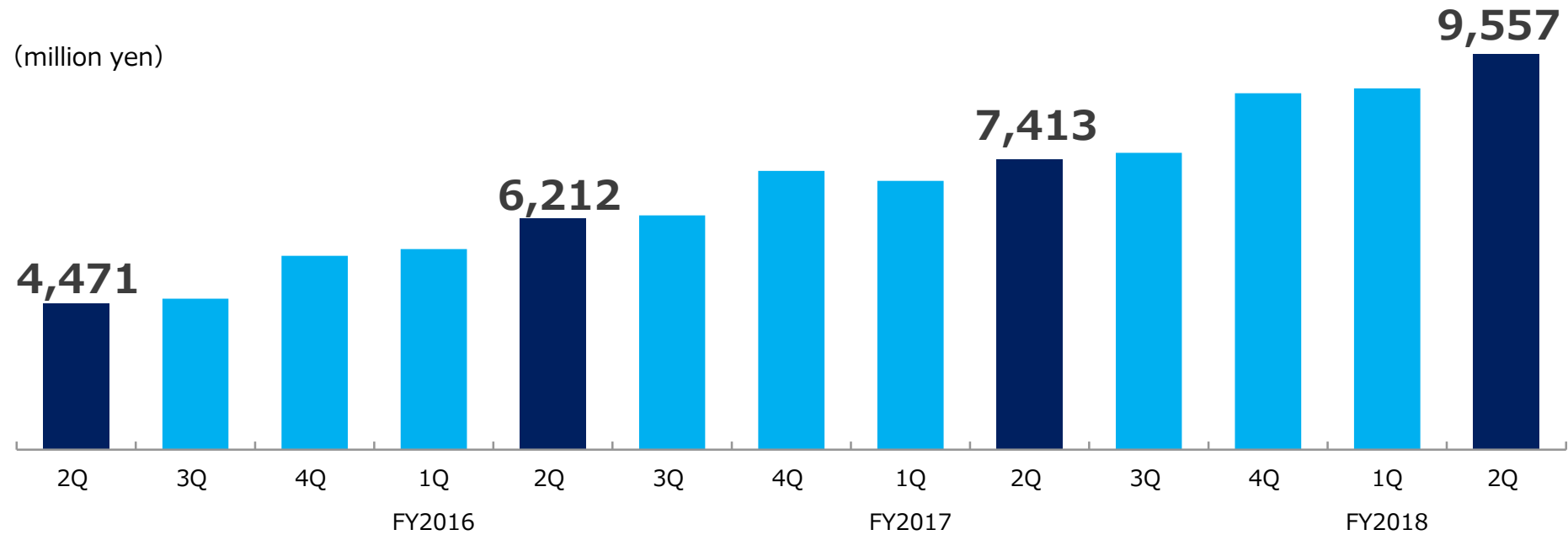
### Characteristics

- Enable interactive communication between a job-seeker and a company before a job interview.
- Prevent cases of a job-seeker declining an interview and make the real job interview smoother.
- engage user companies can use this service directly from the control screen with no bothersome application process.
- No fees are charged for up to 3 cases per month; fees are charged for further use.



# Performance Summary for 1st half of FY Mar/2018 by Main Services

# Sales of Hiring Business (By quarter)



(Million yen)	2Q FY2015	3Q FY2015	4Q FY2015	1Q FY2016	2Q FY2016	3Q FY2016	4Q FY2016	1Q FY2017	2Q FY2017	3Q FY2017	4Q FY2017	1Q FY2018	2Q FY2018
[en]Career Change Info (Job board, SH ads=Retainer fee+Success fee )	1,439	1,514	1,926	1,976	2,279	2,488	2,927	2,694	3,065	3,296	4,097	3,906	4,405
Other sites (Sites for Job search agencies and Temporary staffing companies)	983	1,005	1,099	1,072	1,186	1,225	1,468	1,407	1,493	1,578	1,855	1,747	1,873
en world Japan (Job search)	1,175	1,075	1,270	1,241	1,417	1,103	1,321	1,296	1,285	1,122	1,176	1,295	1,321
Overseas subsidiaries (EWS,EWKOR,EWAUS,Navigos,EWThai,NewEra) *1	449	510	559	622	695	770	655	644	738	730	709	734	849
New Graduates Hiring Business	44	28	30	-	-	-	-	-	-	-	-	-	-
Other	567	628	739	682	633	697	819	945	841	837	975	1,193	1,139
Total	4,471	4,578	5,449	5,586	6,212	6,276	7,184	6,977	7,413	7,549	8,767	8,865	9,557

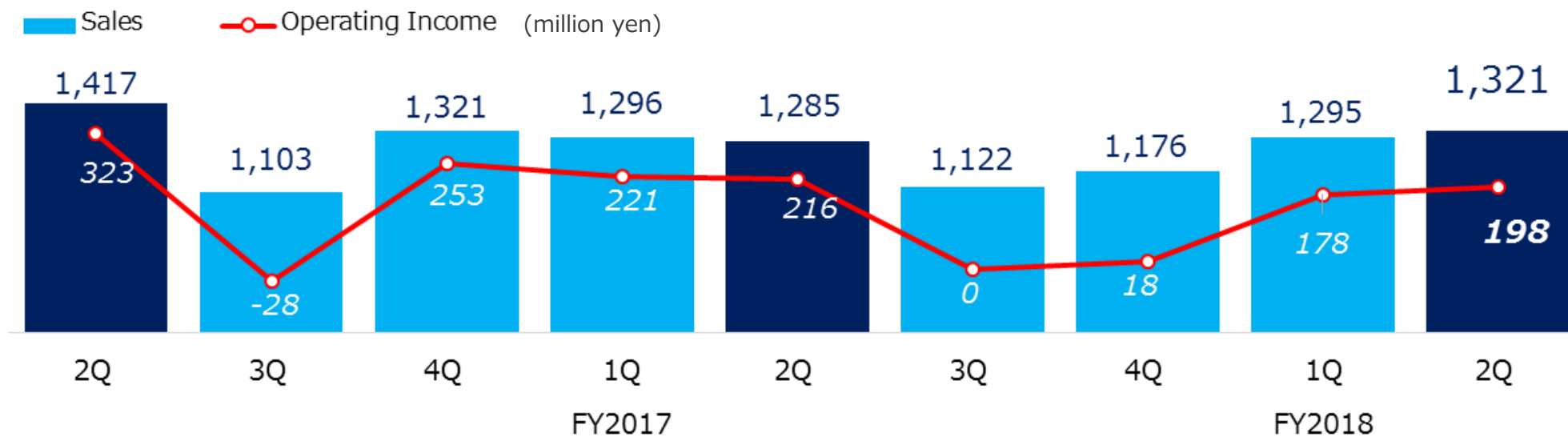
\*In conjunction with the change in segment classifications, the numerical value of past years are reclassified for presentation purposes

\* Amount of New Graduates Hiring Business is included in other from 1Q FY2016

## Results of en world Japan for 1H FY Mar/2018

	Sales	Operating Income
2Q	<b>1,321M</b> JPY 2.8% increase vs. YOY	<b>198M</b> JPY 8.1% decrease vs. YOY
1H	<b>2,617M</b> JPY 1.4% increase vs. YOY	<b>377M</b> JPY 13.8% decrease vs. YOY

- Organizational reconstruction in the previous period started to bear fruit earlier than expected.
- In the plan, YoY earnings improvements are expected on a full-scale basis from the second half.

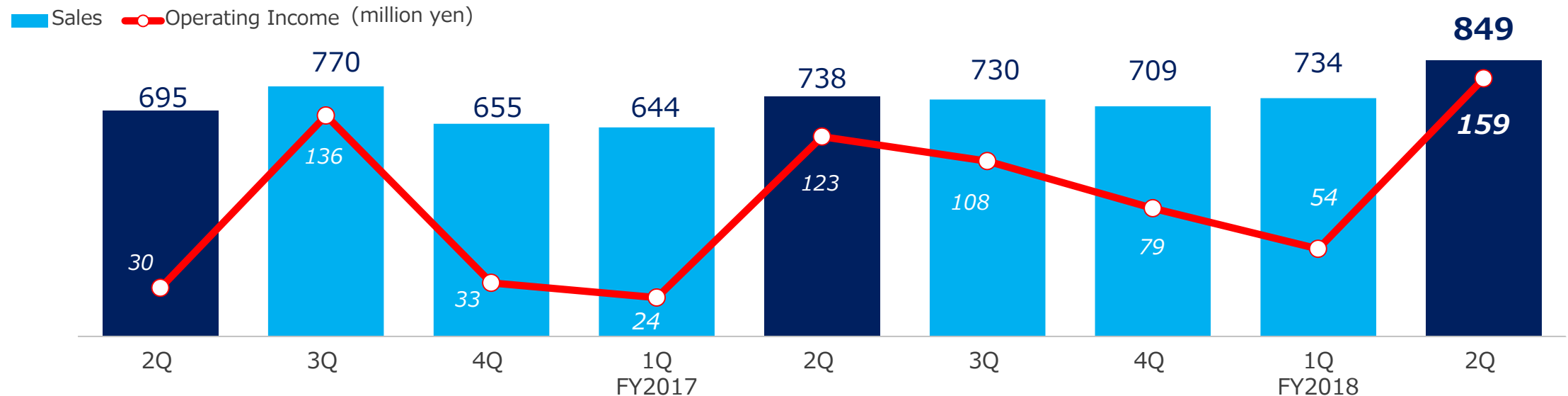




## Results of overseas subsidiaries for 1H FY Mar/2018

		Sales	Operating Income
2Q	<b>849M</b> JPY	15.0% increase vs. YOY	<b>159M</b> JPY 29.5% increase vs. YOY
1H	<b>1,584M</b> JPY	14.6% increase vs. YOY	<b>214M</b> JPY 45.2% increase vs. YOY

- Performance improved particularly in Vietnam, a priority country, and that drove the overall performance upward, as we recorded increases in both sales and profit.

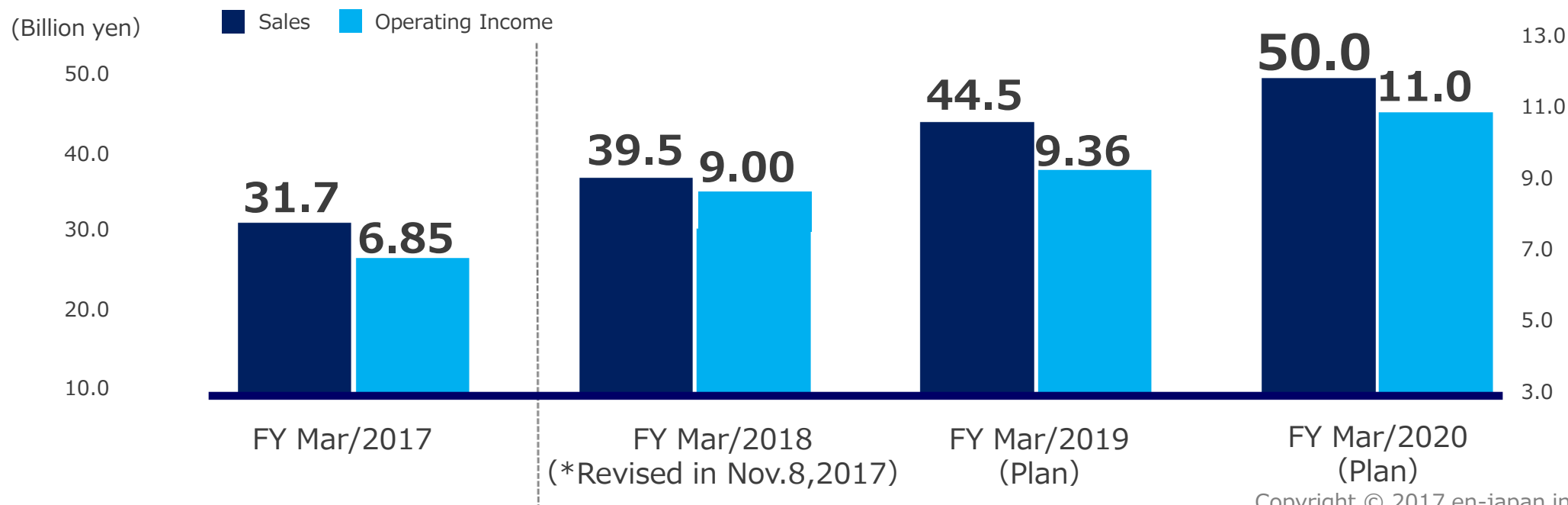


# Medium-Term Management Plan

Plan for  
FY Mar/2020

**Sales 50.0 bil JPY (+57.7 % compared to FY Mar/2017)**  
**Operating Income 11.0 bil JPY (+60.5 % compared to FY Mar/2017)**

Given the better-than-expected progress to date for the current fiscal year, revisions to plans for the fiscal years ending March 2019 and March 2020 will be examined going forward.

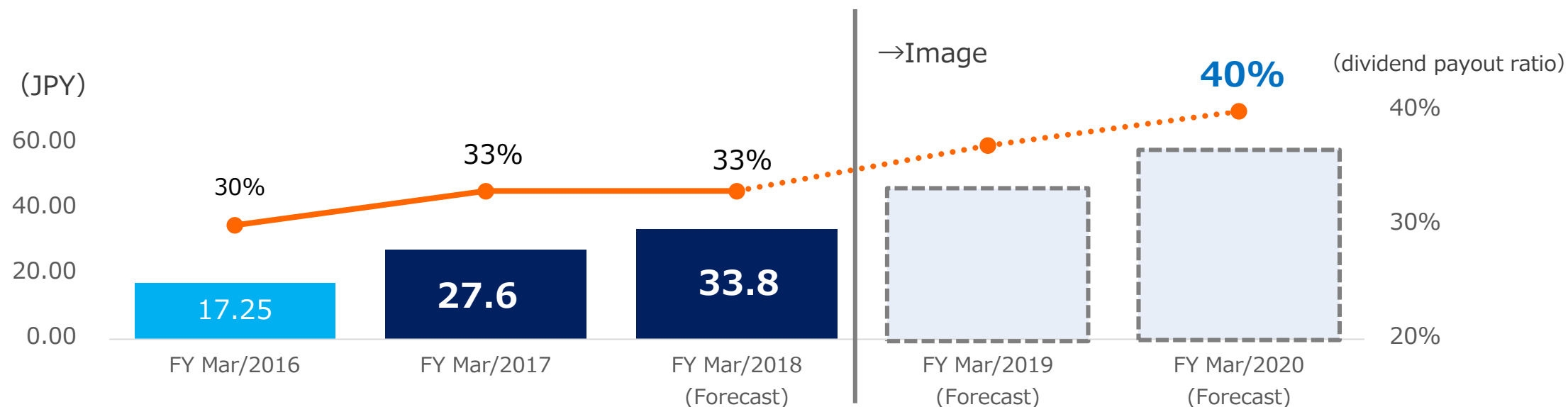


# Return to Shareholders

## Basic policy

The company targets a dividend payout ratio of over 30% and will decide the specific dividend payout ratio in consideration of business performance, financial conditions, investment plans, and other factors each fiscal year.

**In the medium-term, the company aims to achieve a dividend payout ratio of 40% for the fiscal year ending March 31, 2020.**



# Appendix

# [1H FY Mar/2018Results] Income statement of Hiring Business Earnings ( Consolidated )



	1H FY2017 (Apr.–Sep.2016)		1H FY2018 (Apr.–Sep.2017)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	14,390	100.0%	<b>18,423</b>	<b>100.0%</b>	4,032	28.0%
Cost of Sales	1,361	9.5%	<b>1,688</b>	<b>9.2%</b>	327	24.1%
Gross Profit	13,029	90.5%	<b>16,734</b>	<b>90.8%</b>	3,704	28.4%
SGA(Sales, general & administrative)	9,086	63.1%	<b>11,883</b>	<b>64.5%</b>	2,797	30.8%
Personnel	4,347	30.2%	<b>4,957</b>	<b>26.9%</b>	610	14.0%
Advertising, Sales Promotion	2,189	15.2%	<b>3,686</b>	<b>20.0%</b>	1,497	68.4%
Other	2,549	17.7%	<b>3,239</b>	<b>17.6%</b>	689	27.1%
Operating Income	3,943	27.4%	<b>4,850</b>	<b>26.3%</b>	907	23.0%

**Hiring  
Business**

## Job Board

[en]Career Change Info, [en]Career Change Consultant,  
[en]Temporary Placement Info,en BAITO, i-tank japan ,  
Overseas subsidiaries , etc.

## Job Search

en Agent, en world Japan,  
Overseas subsidiaries , etc.

## Others

Aptitude test,  
hiring related system  
New Businesses, etc.

	1H FY2017 (Apr.–Sep.2016)		1H FY2018 (Apr.–Sep.2017)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	508	100.0%	523	100.0%	14	2.8%
Cost of Sales	75	14.8%	80	15.3%	4	6.6%
Gross Profit	433	85.2%	443	84.7%	9	2.1%
SGA(Sales, general & administrative)	452	88.8%	423	81.0%	-28	-6.3%
Personnel	283	55.6%	250	47.9%	-32	-11.4%
Advertising, Sales Promotion	5	1.1%	10	2.0%	4	81.4%
Other	163	32.1%	162	31.1%	0	-0.4%
Operating Income	-18	-3.6%	19	3.7%	37	---

**Education/Evaluation  
& Other business**

**Education / Evaluation**

en College, Consultation on recruitment , and  
Aptitude test development, etc.

**Subsidiary**

Cbase (HR related system)

**Other**

New business



# Non-consolidated Income statement for 1st half of FY Mar/2018

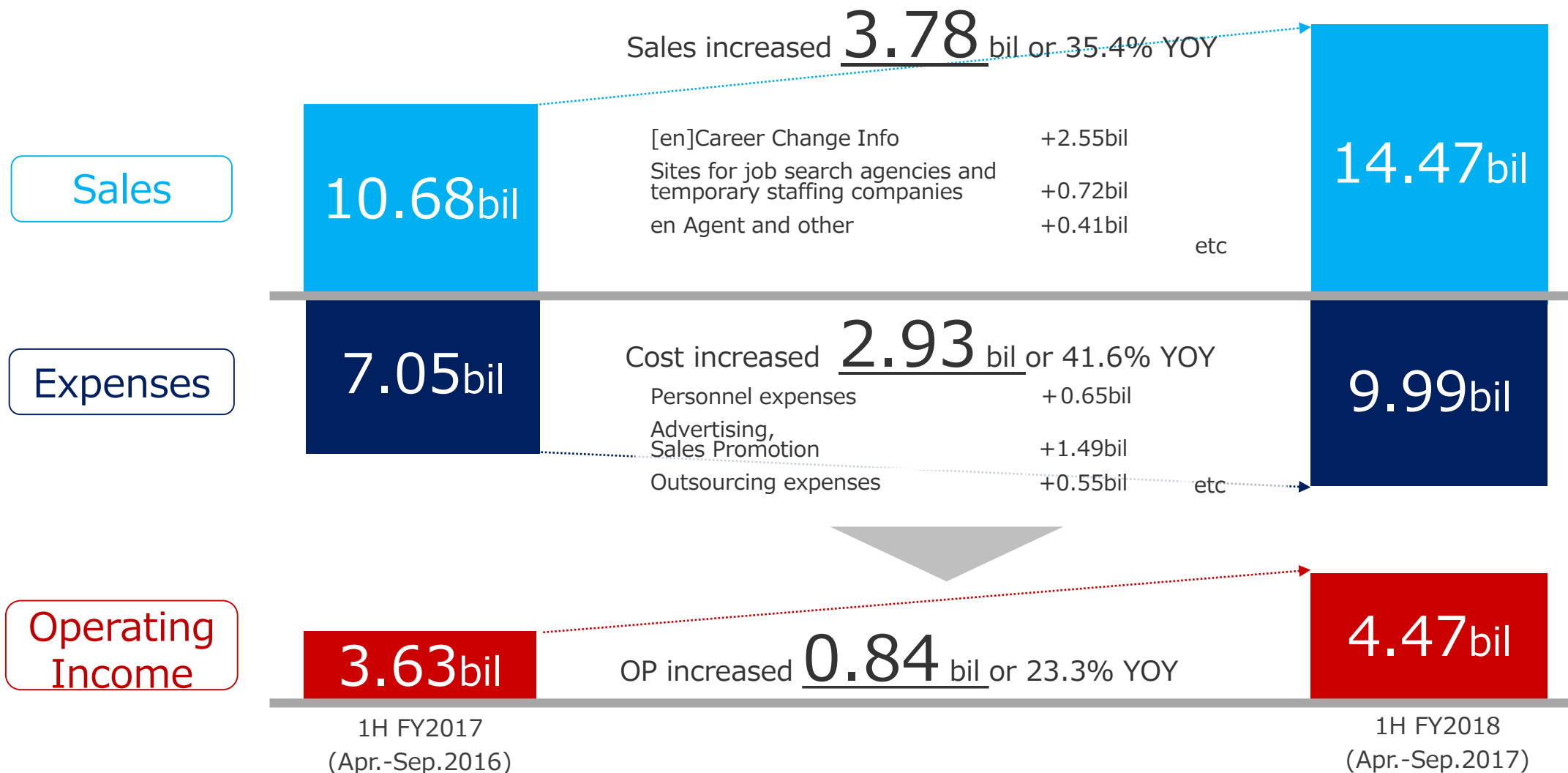
# [1H FY Mar/2018 Results] Non-consolidated Income statement



	1H FY2017 (Apr.–Sep.2016)		1H FY2018 (Apr.–Sep.2017)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	10,686	100.0%	14,472	100.0%	3,785	35.4%
Cost of Sales	860	8.1%	1,030	7.1%	169	19.7%
Personnel	380	3.6%	505	3.5%	124	32.7%
Other	480	4.5%	524	3.6%	44	9.4%
Gross Profit	9,826	91.9%	13,442	92.9%	3,616	36.8%
SGA(Sales, general & administrative)	6,194	58.0%	8,963	61.9%	2,769	44.7%
Personnel	2,441	22.9%	2,976	20.6%	534	21.9%
Advertising, Sales Promotion	2,130	19.9%	3,624	25.0%	1,493	70.1%
Other	1,621	15.2%	2,362	16.3%	740	45.7%
Operating Income	3,631	34.0%	4,478	30.9%	847	23.3%
Ordinary Income	3,592	33.6%	4,531	31.3%	938	26.1%
Net Income	2,499	23.4%	3,232	22.3%	733	29.3%

Year on year

(JPY)



	1H FY2017 (Apr.–Sep.2016)		1H FY2018 (Apr.–Sep.2017)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	10,344	100.0%	14,126	100.0%	3,782	36.6%
Cost of Sales	797	7.7%	960	6.8%	163	20.5%
Gross Profit	9,547	92.3%	13,166	93.2%	3,619	37.9%
SGA(Sales, general & administrative)	5,914	57.2%	8,737	61.8%	2,822	47.7%
Personnel	2,259	21.8%	2,832	20.1%	573	25.4%
Advertising, Sales Promotion	2,129	20.6%	3,620	25.6%	1,490	70.0%
Other	1,526	14.8%	2,284	16.2%	758	49.7%
Operating Income	3,632	35.1%	4,429	31.4%	796	21.9%

### Hiring Business

(Non-consolidated)

### Job Board

[en]Career Change Info, [en]Career Change Consultant,  
[en]Temporary Placement Info,en BAITO, etc.

### Job Search

en Agent, etc.

### Others

Aptitude test,hiring related system  
New Businesses, etc.

# [1H FY Mar/2018Results] Non-consolidated Income statement of Education/Evaluation and other businesses



	1H FY2017 (Apr.–Sep.2016)		1H FY2018 (Apr.–Sep.2017)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	342	100.0%	346	100.0%	3	1.1%
Cost of Sales	63	18.6%	69	20.2%	6	9.9%
Gross Profit	278	81.4%	276	79.8%	-2	-1.0%
SGA(Sales, general & administrative)	279	81.7%	226	65.4%	-53	-19.1%
Personnel	182	53.4%	144	41.7%	-38	-21.0%
Advertising, Sales Promotion	1.7	0.5%	4	1.2%	2	145.0%
Other	95	27.8%	77	22.4%	-17	-18.3%
Operating Income	-1	-0.3%	49	14.4%	50	---

## Education/Evaluation & Other business

(Non-consolidated)

## Education / Evaluation

en College, Consultation on recruitment ,  
and Aptitude test development, etc.

## Other

New business

Appendix

FY Mar/2018 Earnings Forecast

- Company, Segment, Services -

(Revised in Nov.8, 2017)

# [FY Mar/2018] Performance forecast by company



		FY Mar/2017 Actual	FY Mar/2018 Forecast Nov.8 Revised	YoY change	(million yen)
en-japan	Sales	23,520	30,180	28.3%	
	Operating Income	6,559	8,280	26.2%	
	Operating Income ratio(%)	27.9%	27.4%		
en world Japan	Sales	4,880	5,438	11.4%	
	Operating Income	455	632	38.9%	
	Operating Income ratio(%)	9.3%	11.6%		
Overseas Subsidiaries	Sales	2,822	3,285	16.4%	
	Operating Income	336	455	35.4%	
	Operating Income ratio(%)	11.9%	13.9%		
Other Subsidiaries	Sales	658	755	14.7%	
	Operating Income	35	10	-71.4%	
	Operating Income ratio(%)	5.3%	1.3%		
Company-wide adjustments	Sales	-161	-158	—	
	Operating Income	-529	-377	—	

(million yen)

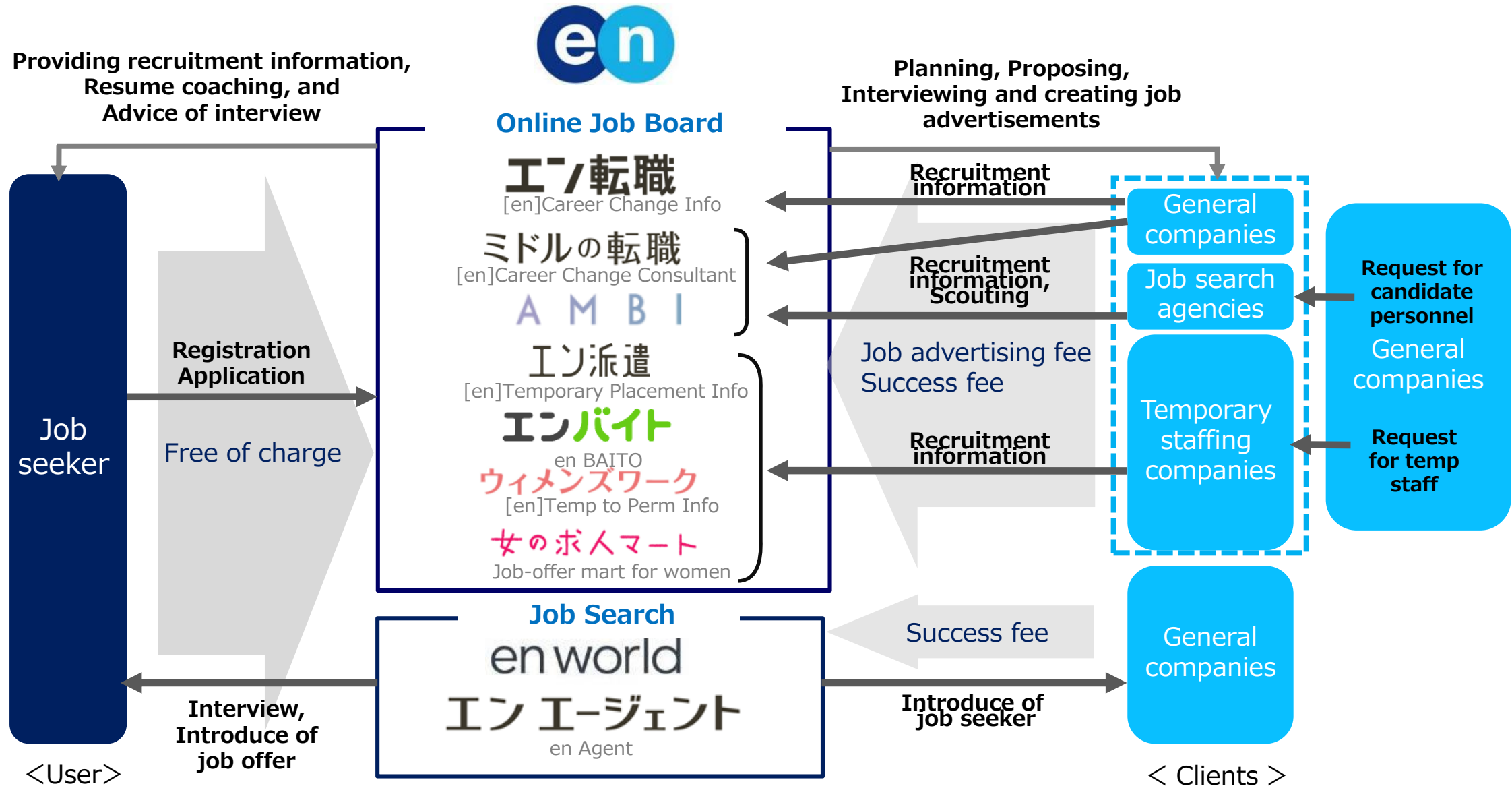
		FY Mar/2017 Actual	FY Mar/2018 Forecast Nov.8	YoY change
Hiring Business	Sales	30,702	38,468	25.3%
	Operating Income	7,052	9,013	27.8%
	Operating Income ratio(%)	23.0%	23.4%	
Education and Evaluation	Sales	1,099	1,091	-0.7%
	Operating Income	-176	19	—
	Operating Income ratio(%)	-16.0%	1.7%	
Company-wide adjustments	Sales	-82	-59	—
	Operating Income	-20	-32	—









(million yen)

	Sales				Note
	FY Mar/2017 Actual	YoY change (vs FY Mar/2016)	FY Mar/2018 Forecast Nov.8 Revised	YoY change	
<b>Hiring Business</b>					
Job Board	<b>19,488</b>	33.2%	<b>25,304</b>	29.8%	[en]Career Change Info, [en]Career Change Consultant, and sites for temporary staffing companies, etc.
Job Search	<b>7,825</b>	7.0%	<b>9,056</b>	15.7%	Total of domestic job search services
Overseas Subsidiaries	<b>2,822</b>	2.9%	<b>3,285</b>	16.4%	Mainly job search. Navigos operates job board also.



【 Company Name 】	en-japan Inc.
【 Establishment 】	January 14, 2000
【 Representatives 】	Michikatsu Ochi (Chairman) Takatsugu Suzuki (President)
【 Headquarters 】	Shinjuku I-land Tower, 6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
【 Total Stockholder's Equity 】	JPY 1,194million (as of Sep. 2017)
【Stock Listing 】	Jasdaq/ (code : 4849)
【Fiscal Year 】	April 1 – March 31
【 Number of Employees 】	Consolidated 2,489, Non-consolidated 1,312 (as of Sep. 2017)
【 Number of Outstanding Shares 】	49,716,000 (as of Sep. 2017)
【 Business Description 】	(1) Internet job recruitment service (2) Job Search (3) Implementation of training, seminars (4) Consultation on recruitment , Aptitude test development



## <Hiring Business・Job Board (Domestic) >

	Contents	Characteristics	Users	Clients
[en]Career Change Info  <b>エノ転職</b>	Site for Comprehensive Career Change Info	<ul style="list-style-type: none"> <li>Companies which put their recruitment ads on the job board are carefully researched and taken pictures by en-japan.</li> <li>Honest and detailed recruitment information developed by en-japan from the perspective of job seekers.</li> </ul>	<ul style="list-style-type: none"> <li>20s to mid-30s</li> </ul>	General Companies
[en]Career Change Consultant  <b>ミドルの転職</b>	Collective site for job search agencies	<ul style="list-style-type: none"> <li>Over 300 recruitment companies whose specialties are career change for job seekers in 30's and 40's, and job information are available</li> <li>Disclose consultants specialty areas, their achievements, together with evaluations by users</li> </ul>	<ul style="list-style-type: none"> <li>30s to 40s</li> </ul>	Job search agencies General Companies
<b>A M B I</b>	Recruitment site specializing in high achievers in their 20s	<ul style="list-style-type: none"> <li>Mainly listing information for users in their 20s with yearly income of 5 million yen or more</li> <li>The site is designed to focus on headhunting from companies and job placement agencies</li> </ul>	<ul style="list-style-type: none"> <li>Mainly 20s</li> </ul>	Job search agencies General Companies
[en]Temporary Placement Info  <b>イン派遣</b>	Collective site for temporary staffing companies	<ul style="list-style-type: none"> <li>Temp agencies reputations and job information are available</li> <li>User friendly search function which does not require complicated user guide</li> </ul>	<ul style="list-style-type: none"> <li>Females in their 20s to mid-40s</li> </ul>	Temporary staffing companies
en BAITO  <b>インバイト</b>	Part-time job information site	<ul style="list-style-type: none"> <li>Part-time job information mostly owned by temporary staffing companies</li> <li>User friendly functions such as job-recommendation based on their search history</li> </ul>	<ul style="list-style-type: none"> <li>University students</li> <li>Graduates without jobs</li> <li>Housewives</li> <li>Permanent part-timers</li> </ul>	Temporary staffing companies
[en]Temp to Perm Info  <b>ウィメンズワーク</b>	Recruitment information site for females	<ul style="list-style-type: none"> <li>A recruitment information site for females wishing to work as full-time regular employees.</li> <li>The site lists only such openings for "full-time employees or possible upgrade to full-time employee".</li> <li>Offers a number of listings for office-work posts.</li> </ul>	<ul style="list-style-type: none"> <li>Females in their 20s to 30s</li> </ul>	Temporary staffing companies
Job-offer mart for women <b>女の求人マート</b>	Recruitment information site for females	<ul style="list-style-type: none"> <li>Comprehensive job board for women</li> <li>Covers wide variety of jobs regardless of employment contract of each area</li> </ul>	<ul style="list-style-type: none"> <li>Females in their 20s to 40s</li> </ul>	Temporary staffing companies
Career BAITO  <b>キャリアバイト</b>	Internship information sites for university students	<ul style="list-style-type: none"> <li>Targeting university students who look for "paid internship jobs that can foster their abilities," rather than seeking those jobs purely for money</li> <li>The pioneer site for internship jobs which is the best in the country in terms of both performance and the number of jobs</li> </ul>	<ul style="list-style-type: none"> <li>University students</li> </ul>	General Companies



### <Hiring Business • Job Search (Domestic) >

	Contents	Characteristics	Clients
	Job search agencies	<ul style="list-style-type: none"> <li>• Clients are foreign companies with sales, service, production and other sites in Japan and Japanese companies with global operations</li> <li>• Handling Japanese-English bilingual middle management to executive level positions</li> </ul>	<ul style="list-style-type: none"> <li>• Foreign companies</li> <li>• Japanese companies</li> </ul>
	Job search agencies	<ul style="list-style-type: none"> <li>• Job search services that leverage en Japan's job-seeker database and the track record of its past business transactions with corporate clients</li> </ul>	Japanese companies

### <Hiring Business (Overseas) >



	country	Contents	Characteristics	Clients
	Singapore	Job search agencies	<ul style="list-style-type: none"> <li>• Clients are local business companies and global business companies operating in Singapore.</li> <li>• Engages mainly in placing local and global individuals.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> </ul>
	Thailand	Job search agencies	<ul style="list-style-type: none"> <li>• Offers job search services under the TOP TALENT ASIA brand.</li> <li>• Mainly places management-level individuals. Strong in high income-earning zone.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> </ul>
	Australia	Job search agencies	<ul style="list-style-type: none"> <li>• Clients are local business companies and global business companies operating in Australia.</li> <li>• Particularly strong in placing engineers.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> </ul>
	Vietnam	Job search agencies	<ul style="list-style-type: none"> <li>• No. 1 job search service in Vietnam.</li> <li>• Engages in placing management-level individuals in local and global business companies. Enhancing Japanese companies in Vietnam.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> <li>• Japanese companies</li> </ul>
		Job board	<ul style="list-style-type: none"> <li>• No. 1 recruiting website in Vietnam.</li> <li>• Clients are local individuals and local and global business companies. Enhancing Japanese companies in Vietnam.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> <li>• Japanese Companies</li> </ul>
	India	Job search agencies	<ul style="list-style-type: none"> <li>• Clients are local business companies and global business companies operating in India.</li> <li>• Mainly places high income-earning zone. Particularly strong in IT field.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> </ul>

## < Education / Evaluation Business >

	Contents	Characteristics	Users
	<ul style="list-style-type: none"> <li>• Employee training</li> <li>• Aptitude test development</li> <li>• Personnel system development</li> </ul>	<ul style="list-style-type: none"> <li>• Skill-enhancement training for personnel in charge of recruiting, and development and sales of screening tests</li> <li>• Operation of en-College, a fixed-fee education service</li> <li>• Development of personnel evaluation system aimed at maximizing competence of individuals</li> </ul>	General Companies
	ASP services such management <ul style="list-style-type: none"> <li>• employee evaluation</li> <li>• Web-based research system services.</li> </ul>	<ul style="list-style-type: none"> <li>• Provides systems for corporate personnel evaluation activities, etc. via ASP.</li> <li>• Provides a questionnaire survey system that can be used internally and externally without expert knowledge via ASP.</li> </ul>	General Companies

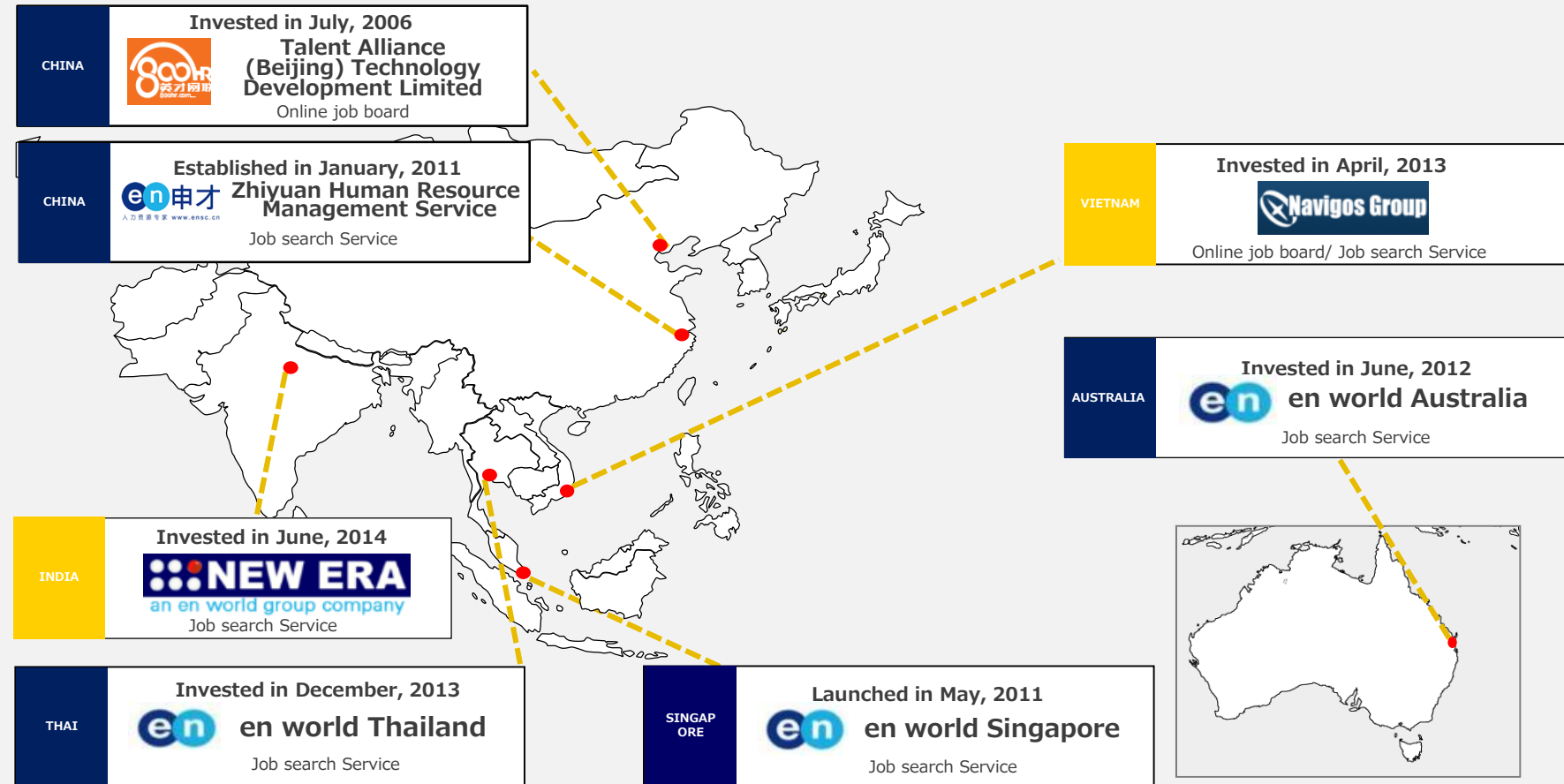
\*A hiring related system has transferred to en Japan from FY Mar/2017

## <Other New Business \*Unconsolidated subsidiary >

	Contents	Characteristics	Users
 * Insight Tech	Marketing research	<ul style="list-style-type: none"> <li>• Creates a database of complaints that are purchased from consumers</li> <li>• Sells complaints to companies as products useful for business and product development</li> </ul>	General Companies
	Online service to support those looking for a marriage partner	<ul style="list-style-type: none"> <li>• Service to support people looking for a husband or wife with the new concept of seeking happiness after marriage</li> </ul>	General users

\*Changed the company name "Complaint purchasing center" to "Insight Tech" in May 2017

# Concentrating resources in Vietnam and India based on a mid-to-long-term perspective

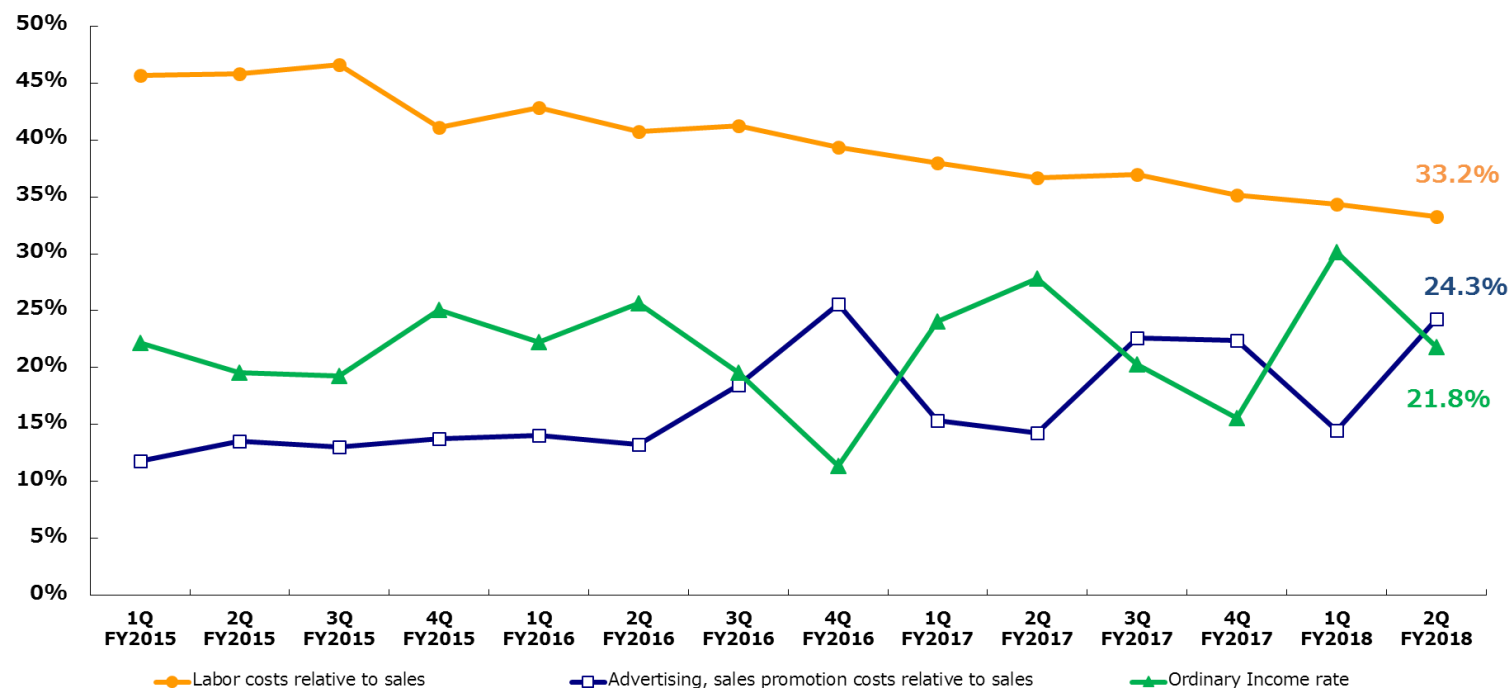


\*Talent Alliance (Beijing) Technology Development Limited is equity method affiliated company

\*Zhiyuan Human Resource Management Service is unconsolidated subsidiary

# Cost relative to sales

## - Labor cost and Sales & Promotion cost (consolidated)



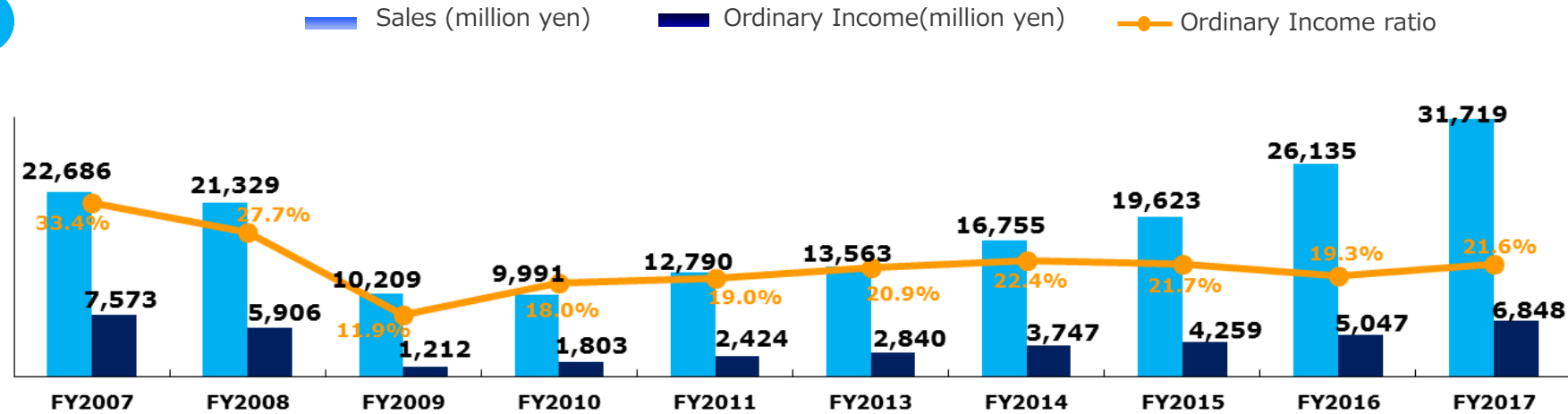
	1Q FY2015	2Q FY2015	3Q FY2015	4Q FY2015	1Q FY2016	2Q FY2016	3Q FY2016	4Q FY2016	1Q FY2017	2Q FY2017	3Q FY2017	4Q FY2017	1Q FY2018	2Q FY2018
Ordinary Income (million yen)	1,018	902	921	1,416	1,287	1,639	1,274	845	1,738	2,125	1,583	1,411	2,753	2,134
Ordinary Income rate	22.2%	19.5%	19.3%	25.1%	22.2%	25.6%	19.6%	11.4%	24.0%	27.8%	20.3%	15.6%	30.2%	21.8%
Labor costs (million yen)	2,096	2,114	2,224	2,321	2,480	2,603	2,684	2,931	2,743	2,797	2,885	3,185	3,137	3,250
Labor costs relative to sales	45.7%	45.8%	46.6%	41.1%	42.8%	40.7%	41.2%	39.4%	37.9%	36.7%	37.0%	35.2%	34.4%	33.2%
sales promotion costs (million yen)	543	625	623	777	815	847	1,200	1,906	1,108	1,086	1,764	2,028	1,323	2,373
sales promotion costs relative to sales	11.8%	13.5%	13.1%	13.8%	14.1%	13.2%	18.4%	25.6%	15.3%	14.2%	22.6%	22.4%	14.5%	24.3%



# Earnings for Fiscal year end and each quarter

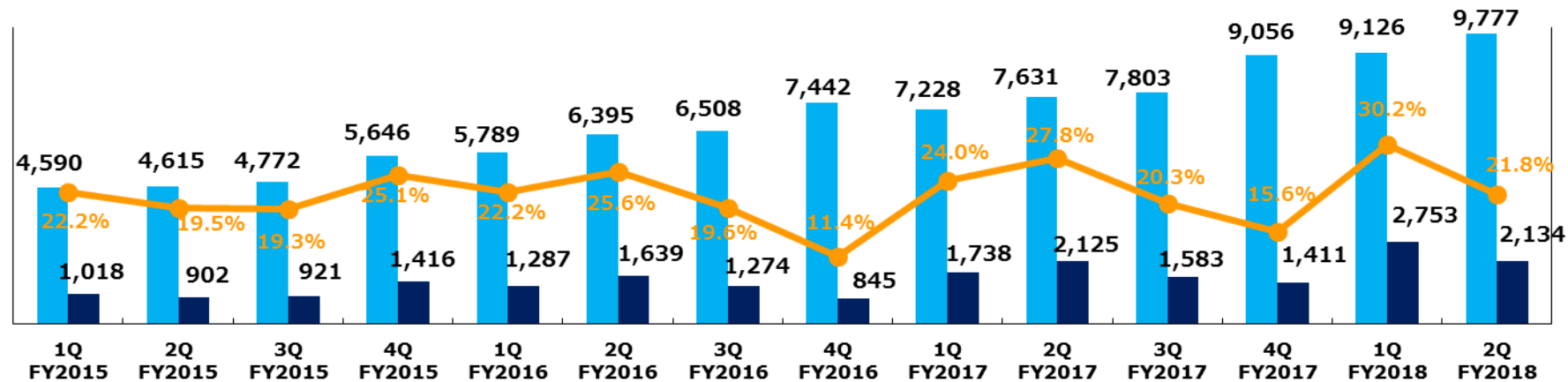


## Fiscal year end



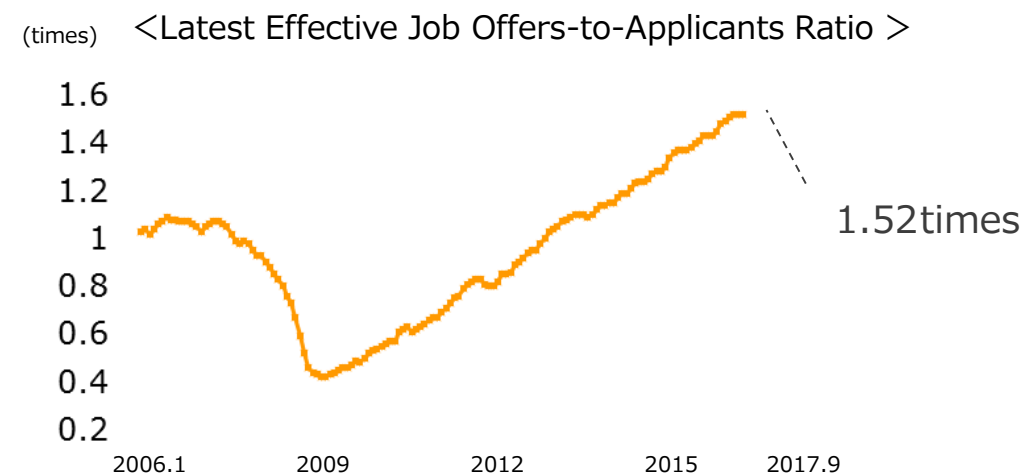
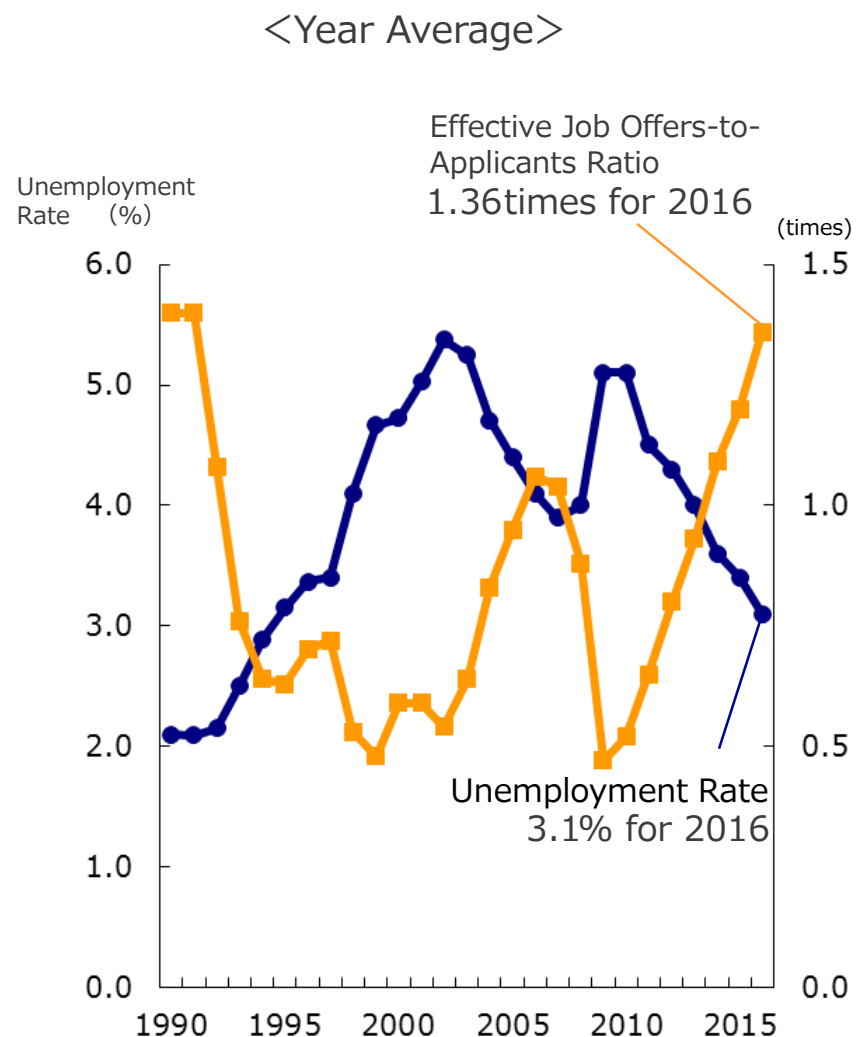
\*FY2011 converted 15 months to 12 months due to the change of accounting period

## Quarter



# The market environment

## – Trends in Unemployment Rate & Effective Job Offers-to-Applicants Ratio



Source : Ministry of Health, Labor and Welfare ,  
the Statistics Bureau, Ministry of Internal Affairs and Communications

# The market environment

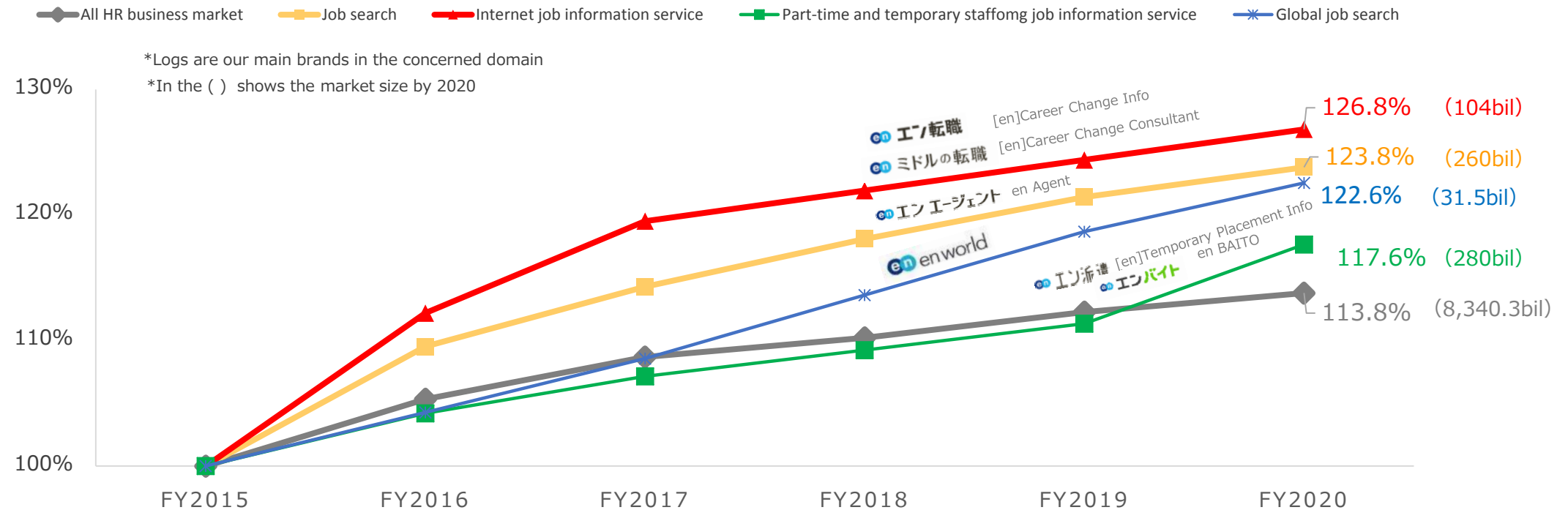
## – Medium-to-long-term forecast for HR market



Our service is available in the area expected to grow most, among recruitment related business

### Medium-to-long-term forecast for HR related business market (vs FY2015)

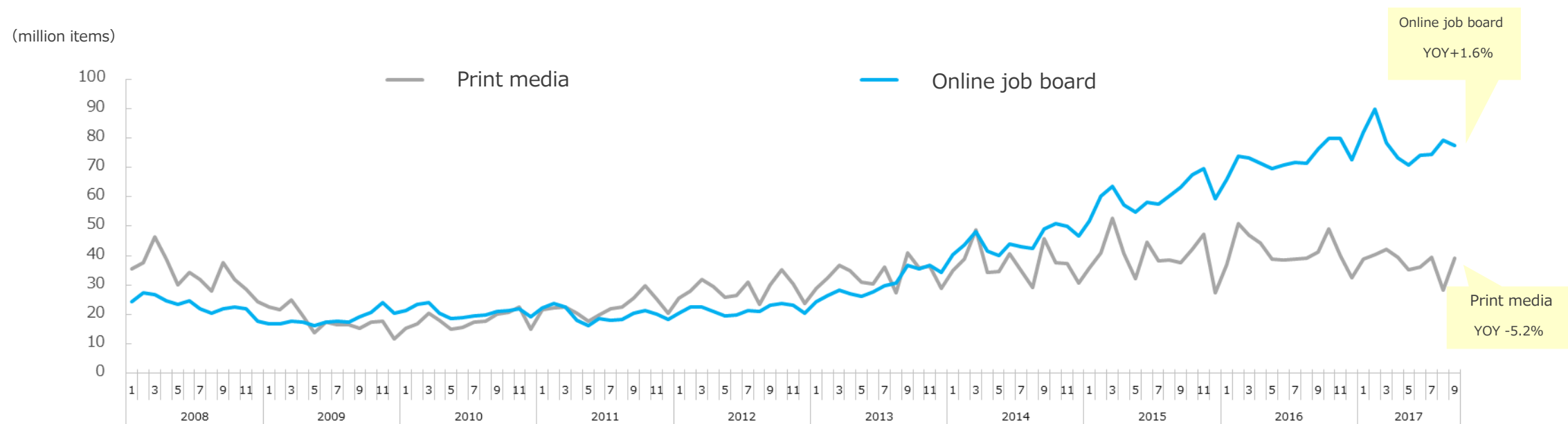
(JPY)



\*All HR business market = Temporary staffing service, job search, outplacement, temporary engineer staffing, sales and marketing support personnel, internet job information service, part-time job and temporary staffing job information service, dispatching and outsourcing service in manufacturing, medical staff, global job search  
Source: Prepared by en-japan based on "Current Status and Prospects of Human Resources Business 2015" by Yano Research Institute Ltd.

# The market environment

## – Trends in number of job advertisement



Source: Association of Job Information of Japan “Job Advertisement Numbers” (Sep.2017)

\* Survey of 54 domestic companies

(Prior to March 2007, survey of 64 companies, Apr 2007 to Mar 2008, survey of 66 companies, Apr 2008 to Mar 2009, survey of 64 companies, Apr 2009 to Mar 2010, survey of 62 companies, Apr 2010 to Mar 2011, survey of 59 companies, Apr 2011 to Mar 2012, survey of 52 companies, Apr 2012 to Mar 2013, survey of 50 companies, Apr 2013 to Mar 2015, survey of 51 companies, Apr 2015 to Mar 2016, survey of 56 companies, Apr 2016 to Mar 2017, survey of 55 companies, Apr 2017~, survey of 54 companies )



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