



1st Half of FYE Mar/2020 Earnings Review

November 13, 2019

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TSE First Section

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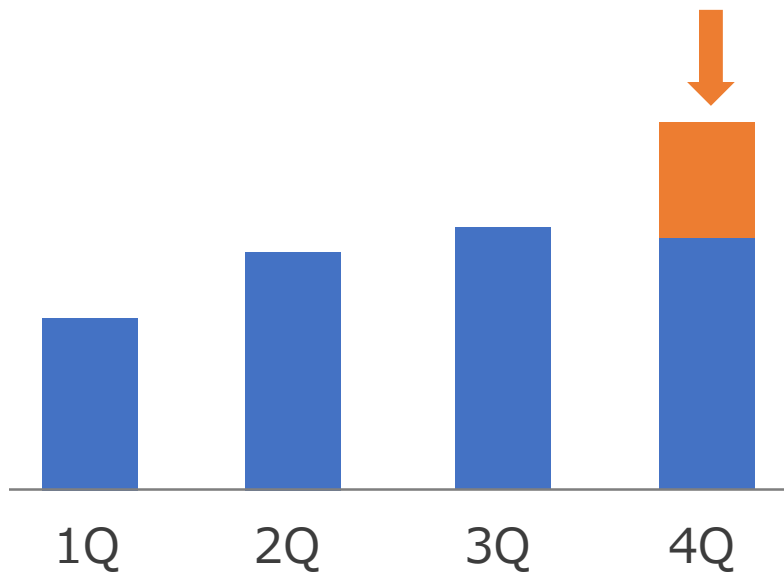
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The results of Talent Alliance (Beijing) Technology Development Limited(hereinafter TATD Ltd.), which became a consolidated subsidiary in the fourth quarter of FYE Mar/2019, are reflected in the fourth quarter for the whole period. For purposes of comparison in line with the actual circumstances, this Earnings Review material is prepared with figures that reflect the subsidiary's actual quarterly results.

Financial
accounting

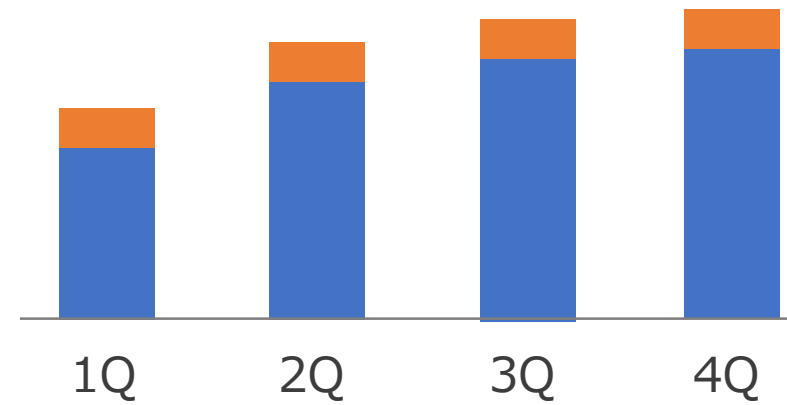
Results for one period of TATD Ltd.
is recorded.



FYE Mar/2019

Earnings
Review material

Actual quarterly results TATD Ltd.
are recorded.



FYE Mar/2019

Shown below is the P/L for FYE Mar/2019 that reflects the quarterly results of TATD Ltd.

(単位：百万円／millions of yen)

		FY2019				
		Q1	Q2	Q3	Q4	Full Year
連結売上高		11,595	12,066	12,148	12,922	48,733
consolidated net sales	前期比 YoY (%)	27.1%	23.4%	21.8%	9.2%	19.7%
売上原価		1,167	1,163	1,163	1,188	4,682
Cost of Sales	売上比 Ratio to Sales (%)	10.1%	9.6%	9.6%	9.2%	9.6%
	前期比 YoY (%)	41.3%	27.5%	22.0%	3.9%	22.1%
人件費 Personnel Cost		746	770	752	717	2,987
その他 Others		421	392	410	470	1,694
売上総利益		10,427	10,903	10,985	11,734	44,051
Gross profit	売上比 Ratio to Sales (%)	89.9%	90.4%	90.4%	90.8%	90.4%
	前期比 YoY (%)	25.6%	23.0%	21.8%	9.7%	19.5%
販売費及び一般管理費		6,850	7,572	8,565	9,401	32,389
SGA expenses	売上比 Ratio to Sales (%)	59.1%	62.8%	70.5%	72.8%	66.5%
	前期比 YoY (%)	23.0%	11.6%	28.2%	14.4%	18.9%
人件費 Personnel Cost		3,056	3,177	3,304	3,132	12,671
広告宣伝費 Advertising Cost		1,762	2,282	3,056	3,841	10,943
その他 Others		2,031	2,112	2,205	2,426	8,775
営業利益		3,577	3,331	2,419	2,332	11,661
Operating income	売上比 Ratio to Sales (%)	30.9%	27.6%	19.9%	18.1%	23.9%
	前期比 YoY (%)	31.0%	60.2%	3.5%	-5.8%	21.1%
経常利益		3,622	3,373	2,385	2,453	11,834
Ordinary income	売上比 Ratio to Sales (%)	31.2%	28.0%	19.6%	19.0%	24.3%
	前期比 YoY (%)	31.6%	58.1%	0.9%	-1.0%	21.6%
親会社株主に帰属する当期純利益		2,470	2,346	1,652	1,674	8,144
Net income attributable to owners of parent	売上比 Ratio to Sales (%)	21.3%	19.4%	13.6%	13.0%	16.7%
	前期比 YoY (%)	29.5%	57.8%	-0.6%	27.9%	27.9%

Shown below is the P/L for FYE Mar/2019 under financial accounting.

(単位：百万円／millions of yen)

		FY2019				
		Q1	Q2	Q3	Q4	Full Year
連結売上高		11,213	11,710	11,876	13,932	48,733
consolidated net sales	前期比 YoY (%)	22.9%	19.8%	19.1%	17.7%	19.7%
売上原価		1,143	1,141	1,146	1,252	4,682
Cost of Sales	売上比 Ratio to Sales (%)	10.2%	9.7%	9.7%	9.0%	9.6%
	前期比 YoY (%)	38.4%	25.1%	20.2%	9.5%	22.1%
人件費 Personnel Cost		746	770	752	717	2,987
その他 Others		396	369	393	534	1,694
売上総利益		10,070	10,569	10,730	12,680	44,051
Gross profit	売上比 Ratio to Sales (%)	89.8%	90.3%	90.3%	91.0%	90.4%
	前期比 YoY (%)	21.3%	19.2%	19.0%	18.6%	19.5%
販売費及び一般管理費		6,611	7,336	8,322	10,120	32,389
SGA expenses	売上比 Ratio to Sales (%)	59.0%	62.6%	70.1%	72.6%	66.5%
	前期比 YoY (%)	18.7%	8.1%	24.6%	23.2%	18.9%
人件費 Personnel Cost		2,883	3,007	3,118	3,662	12,671
広告宣伝費 Advertising Cost		1,733	2,267	3,045	3,897	10,943
その他 Others		1,994	2,060	2,158	2,560	8,775
営業利益		3,459	3,233	2,408	2,560	11,661
Operating income	売上比 Ratio to Sales (%)	30.8%	27.6%	20.3%	18.4%	23.9%
	前期比 YoY (%)	26.7%	55.5%	3.0%	3.4%	21.1%
経常利益		3,546	3,325	2,394	2,568	11,834
Ordinary income	売上比 Ratio to Sales (%)	31.6%	28.4%	20.2%	18.4%	24.3%
	前期比 YoY (%)	28.8%	55.8%	1.3%	3.6%	21.6%
親会社株主に帰属する当期純利益		2,463	2,355	1,668	1,656	8,144
Net income attributable to owners of parent	売上比 Ratio to Sales (%)	22.0%	20.1%	14.0%	11.9%	16.7%
	前期比 YoY (%)	29.1%	58.4%	0.4%	26.6%	27.9%

Consolidated Performance Summary for 1st Half of FYE Mar/2020

Consolidated performance

- Consolidated sales amounted to 28.2 billion yen, up 19.2% YoY, which exceeded the first half-year plan (28.0 billion yen).
- Consolidated operating income was 6.2 billion yen, down 10.2% YoY, which exceeded the first half-year plan (5.31 billion yen).

Domestic Job Board

- Sales were 15.72 billion yen, up 4.7% YoY, which was slightly under the plan.
- Operating income was 6.04 billion yen, which was above the plan. The sales from sites with high profitability grew, and the composition of profits was improved.

Domestic Permanent Recruitment

- Sales were 6.03 billion yen, up 9.6% YoY. Due to the sound EWJ, they outperformed the plan.
- Operating income recorded 0.75 billion yen, which exceeded the plan.

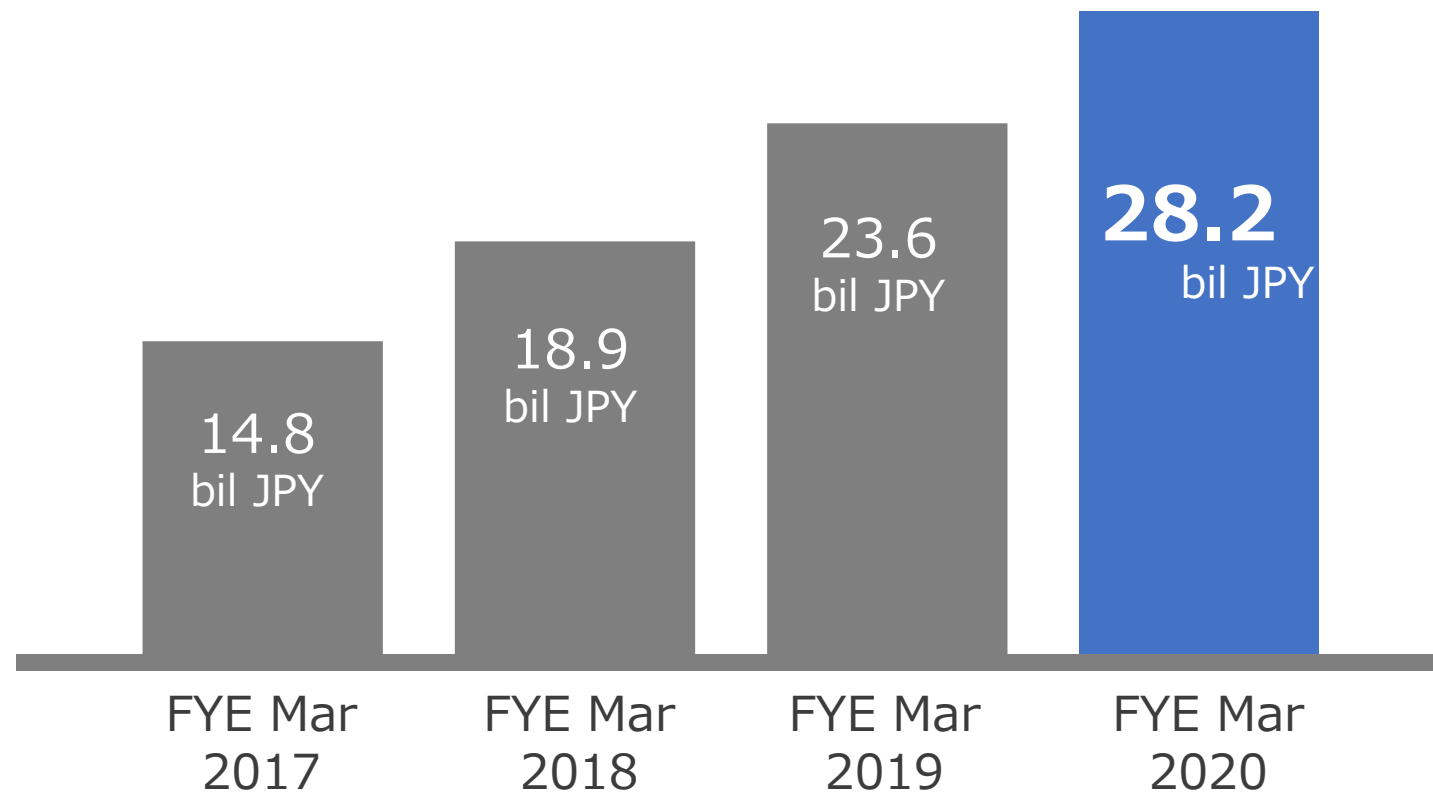
Overseas

- Sales were 5.52 billion yen, up 132.2% YoY. Driving forces were Vietnam and India, and they exceeded the plan.
- Operating income was 0.59 billion yen, which is higher than the plan. Mainly, sales, which outperformed the plan, were a contributing factor.

HR-Tech

- Sales were 0.12 billion yen as planned. The enhanced number of paid-user companies contributed the increase.
- Operating loss of 0.76 billion yen was within the range of the plan. In the second half, investment will be reinforced further.

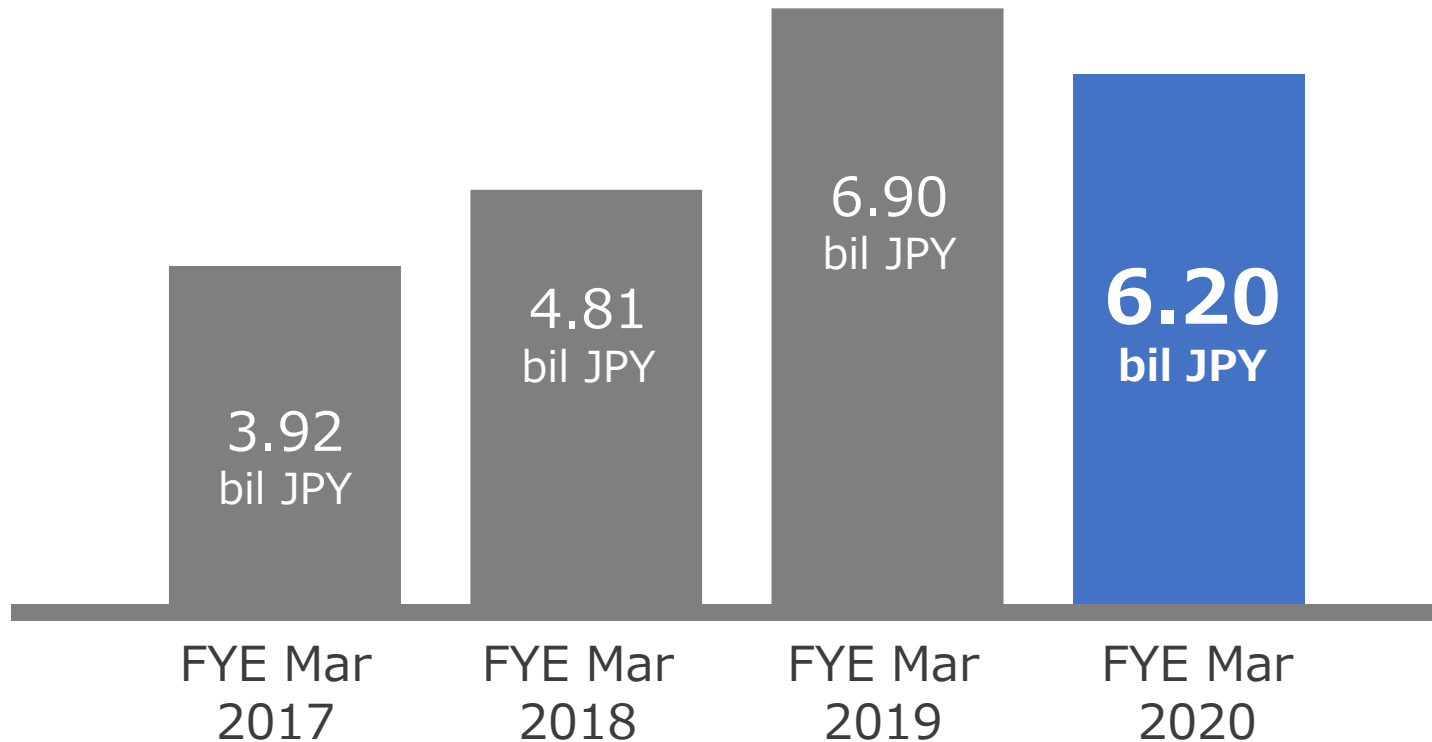
1st Half (Apr.–Sep.)
Sales



Increased
19%

Compared with the first
half-year plan
+0.19bil

1st Half (Apr.–Sep.)
Operating Income



Decreased
10%

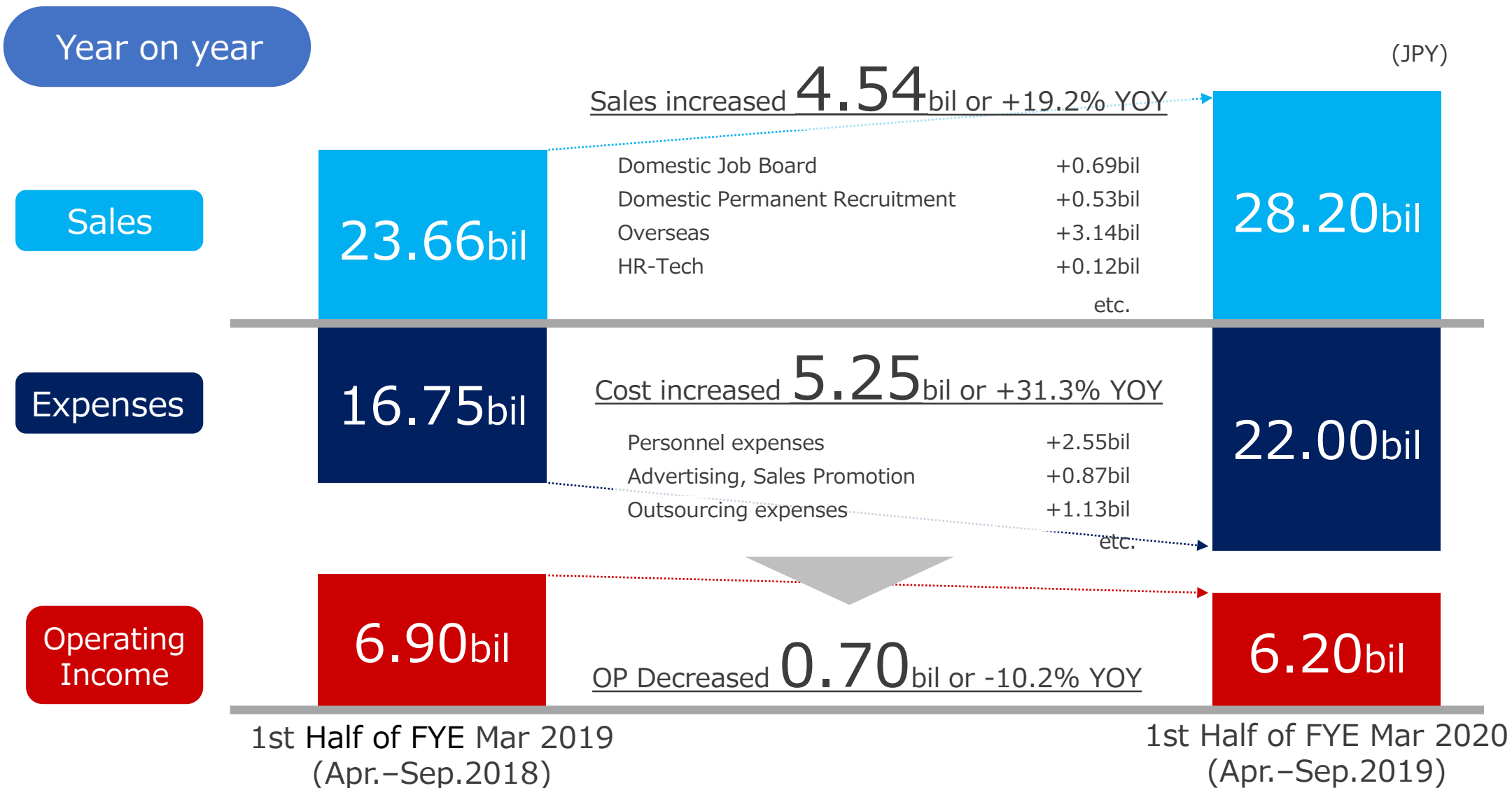
Compared with the first
half-year plan
+0.89bil

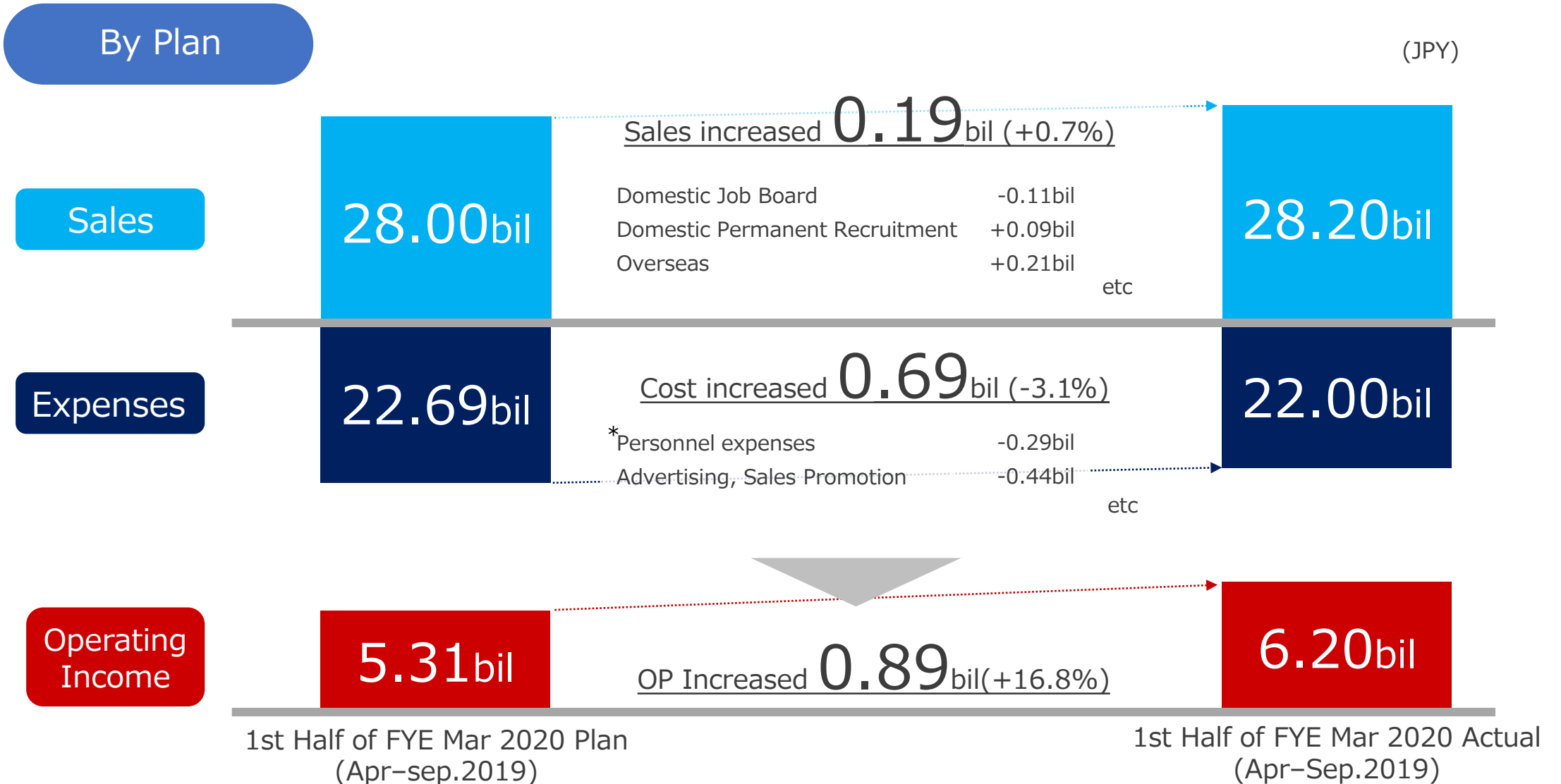
[1st Half of FYE Mar/2020 Results] Consolidated Income Statement

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	FYE Mar 2019 (Apr.–Sep.2018) *		FYE Mar 2020 (Apr.–Sep.2019)		YOY change (million yen)	YOY change (%)	FYE Mar 2019 (Apr.–Sep.2018) -Financial accounting-	
	(million yen)	% of Sales	(million yen)	% of Sales			(million yen)	% of Sales
Net Sales	23,662	100.0%	28,204	100.0%	4,542	19.2%	22,924	100.0%
Cost of Sales	2,330	9.8%	5,178	18.4%	2,848	122.2%	2,284	10.0%
Personnel	1517	6.4%	3,212	11.4%	1,695	111.7%	1517	6.6%
Other	813	3.4%	1,965	7.0%	1,152	141.7%	766	3.3%
Gross Profit	21,331	90.1%	23,026	81.6%	1,695	7.9%	20,640	90.0%
SGA(Sales, general & administrative)	14,422	61.0%	16,825	59.7%	2,403	16.7%	13,947	60.8%
Personnel	6,234	26.3%	7,094	25.2%	860	13.8%	5,890	25.7%
Advertising, Sales Promotion	4,045	17.1%	4,923	17.5%	878	21.7%	4,000	17.4%
Other	4,143	17.5%	4,807	17.0%	664	16.0%	4,055	17.7%
Operating Income	6,908	29.2%	6,200	22.0%	-708	-10.2%	6,692	29.2%
Ordinary Income	6,995	29.6%	6,197	22.0%	-798	-11.4%	6,871	30.0%
Net Income attributable to en-japan	4,816	20.4%	4,108	14.6%	-708	-14.7%	4,819	21.0%

* The P/L for FYE Mar/2019 that reflects the quarterly results of Talent Alliance (Beijing) Technology Development.

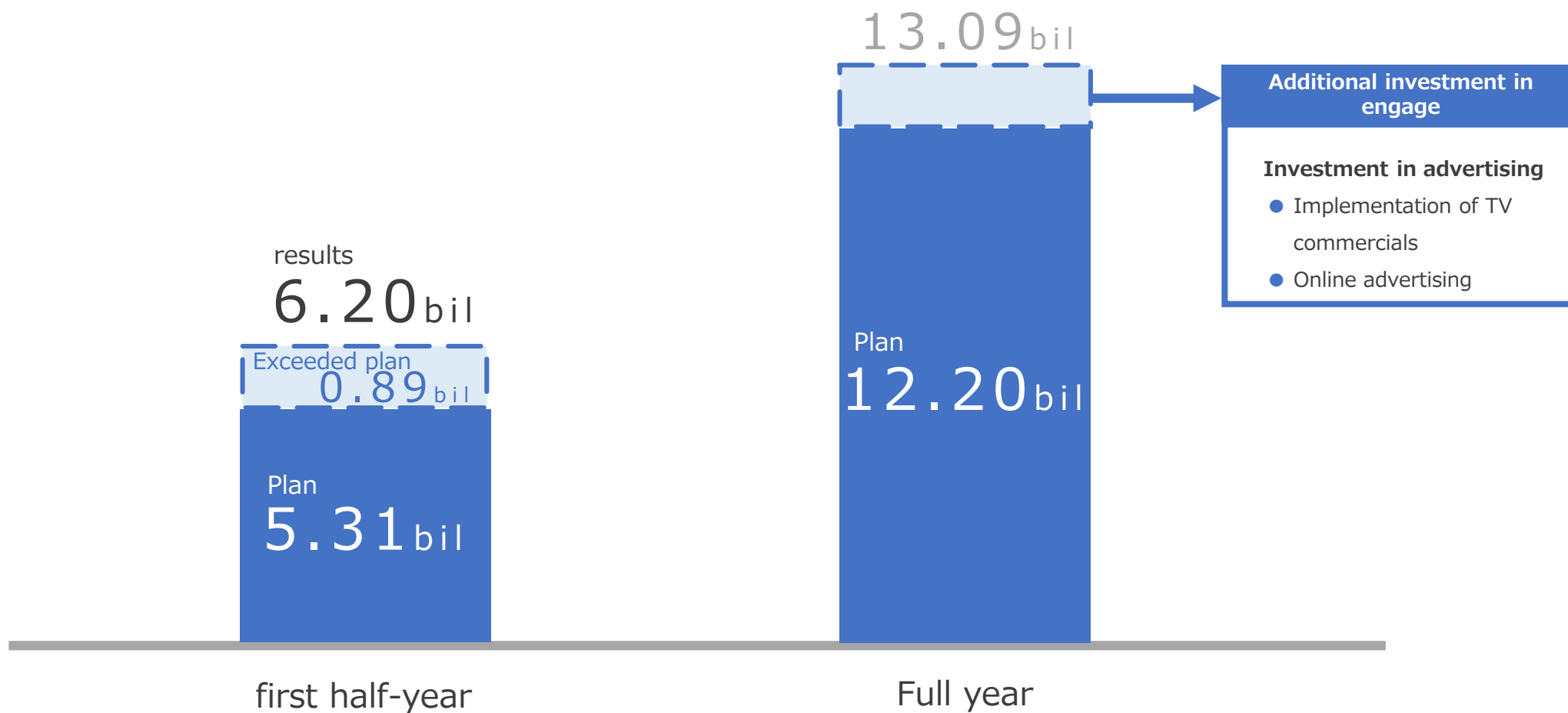




* Personnel expenses and Outsourcing expenses of FFI were mixed up in plan and actual. Personnel expenses on this page are compared as if the effects were eliminated.

Operating
Income

For the first half-year, the amount which exceeded the plan will be spent on additional investment in the HR-tech service, engage. The annual plan remains the same.

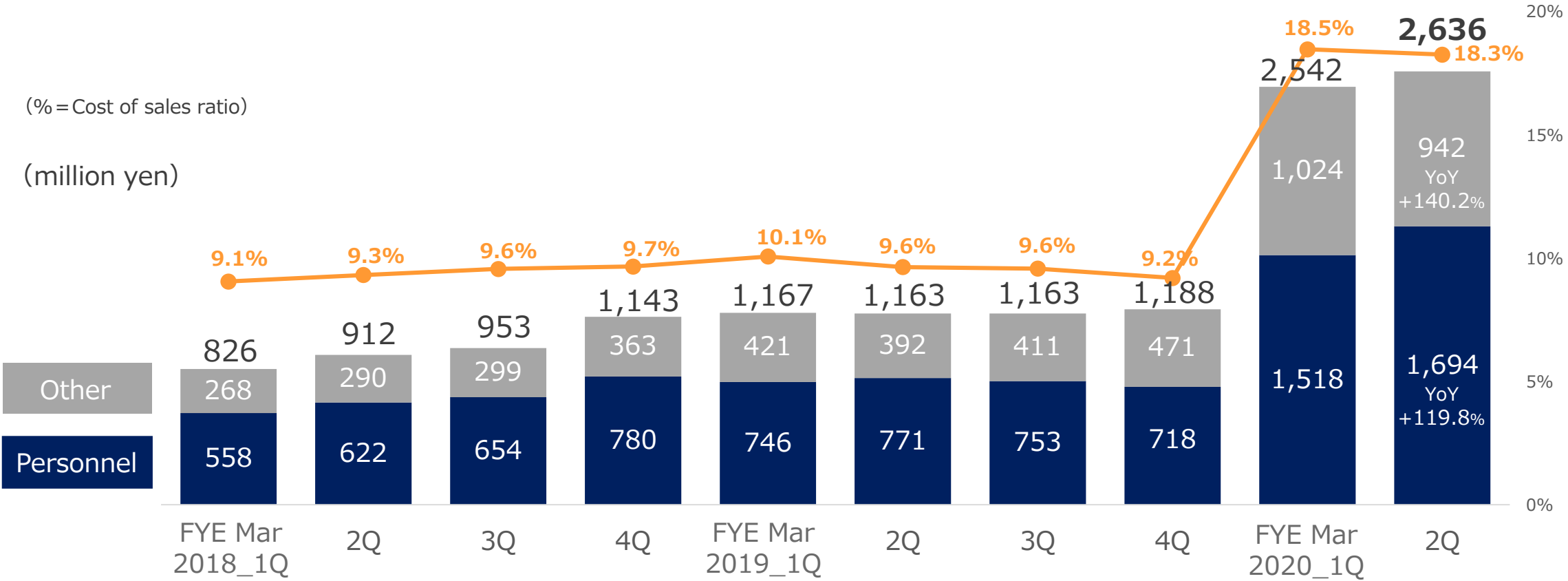


Cost of Sales

Cost showed a 126.7% increase in 2Q

Personnel cost of temporary workers and outsourcing cost related to FFI, an IT temporary staffing agency, which was newly consolidated, increased

Some costs which were recorded as personnel cost by FFI in the plan at the beginning of the term were posted as an outsourcing cost

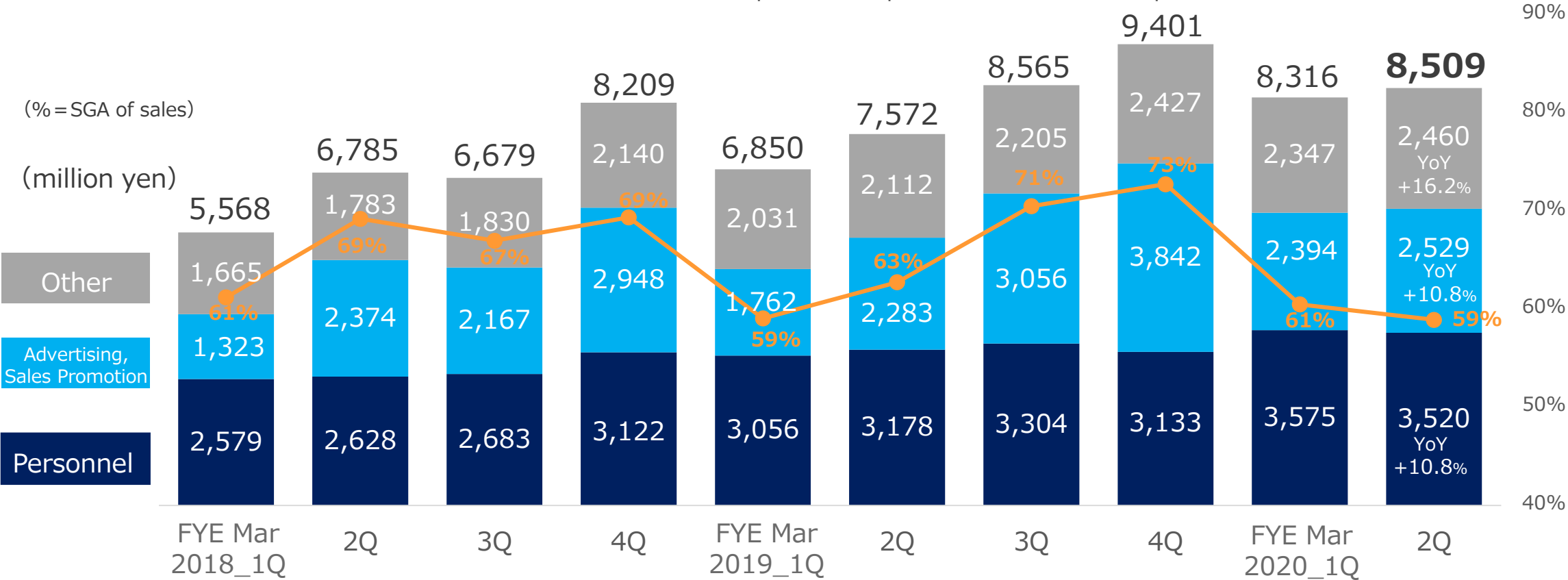


SGA Expenses

SGA expenses demonstrated a 12.3% increase in 2Q

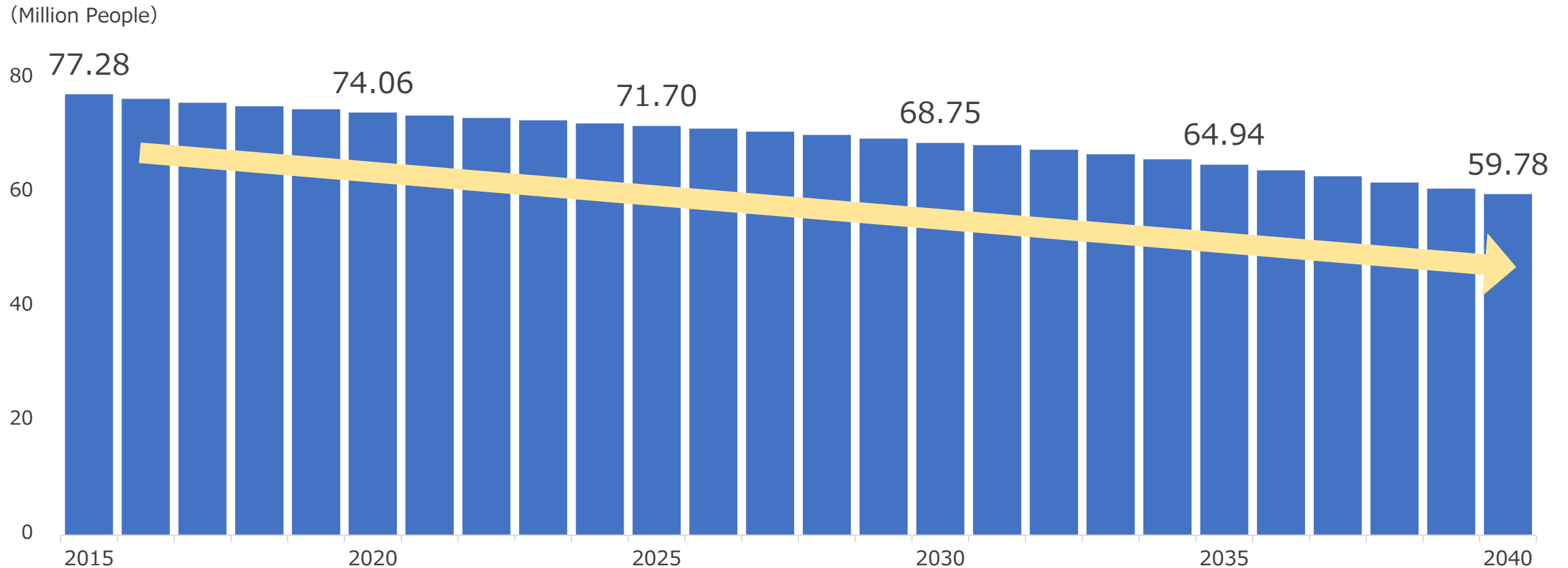
Advertising and sales promotion cost of Domestic Job Board and engage, and non-consolidated personnel cost of en-japan increased

Some costs which were recorded as a personnel cost of Cost of Sales by FFI in the plan at the beginning of the term were posted as a personnel cost of SGA expenses



Market Environment

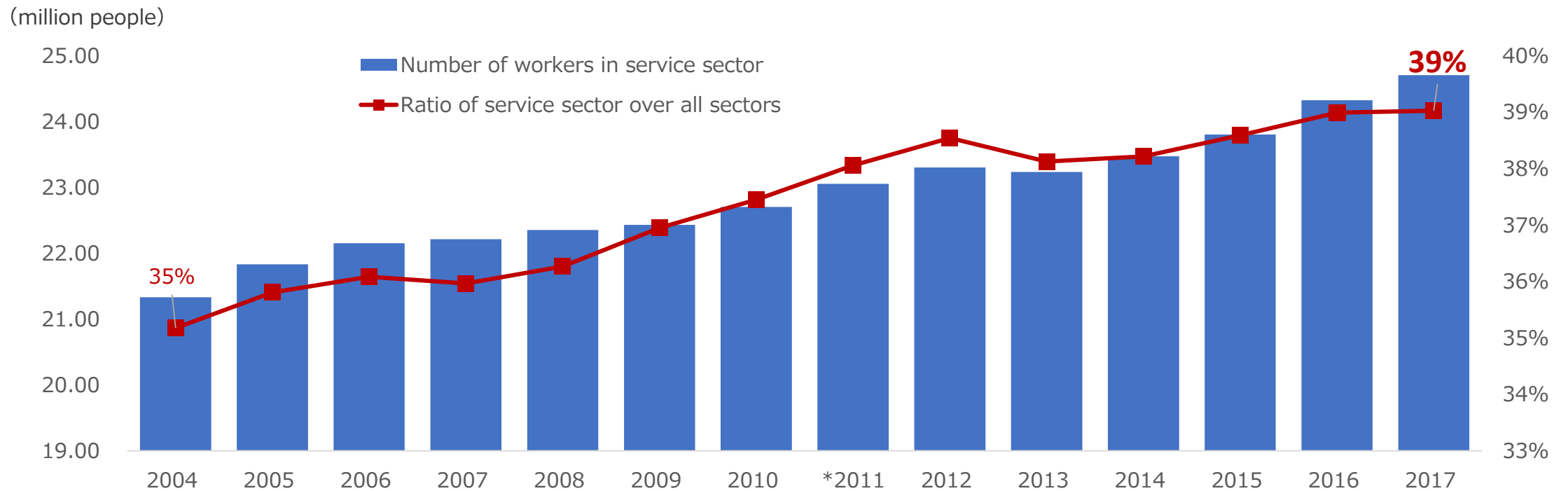
Domestic working-age population continues to decline



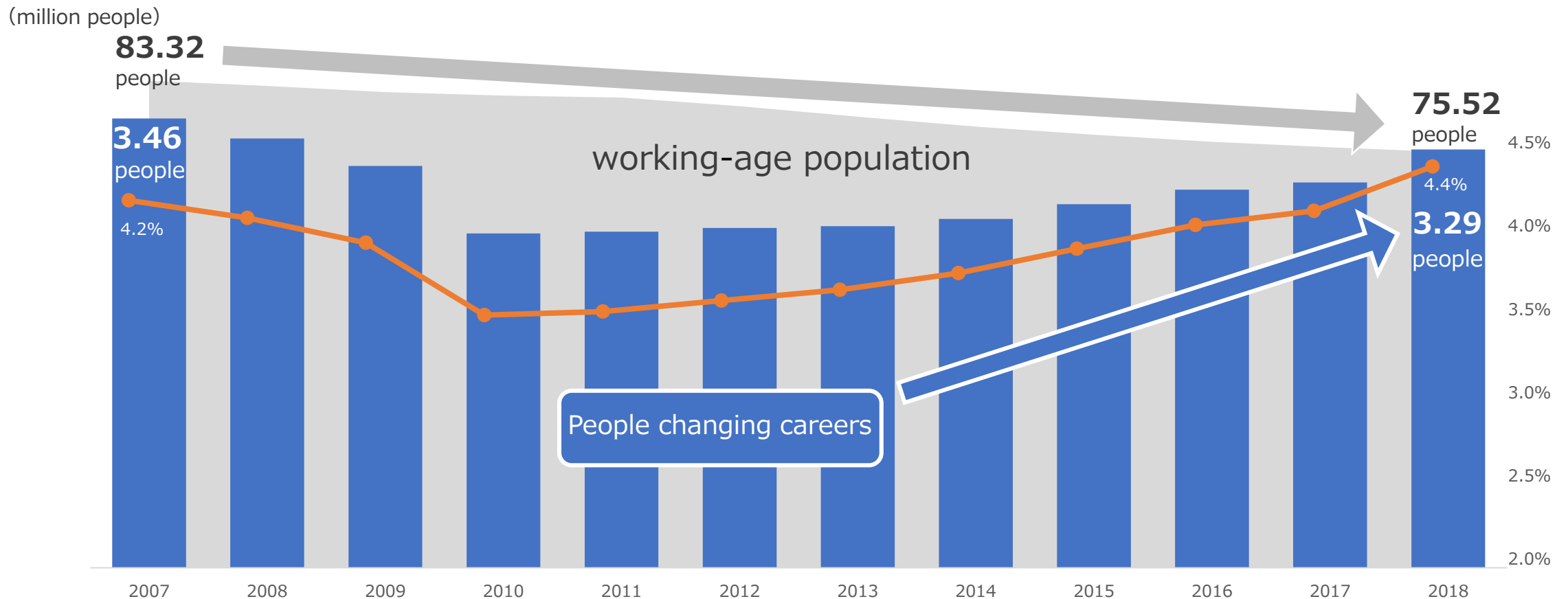
Source : National Institute of Population and Social Security Research

The number and percentage of employees in non-manufacturing industries, especially in the service industry, is expanding.

The ratio is expected to rise in the future, focusing on nursing care etc.



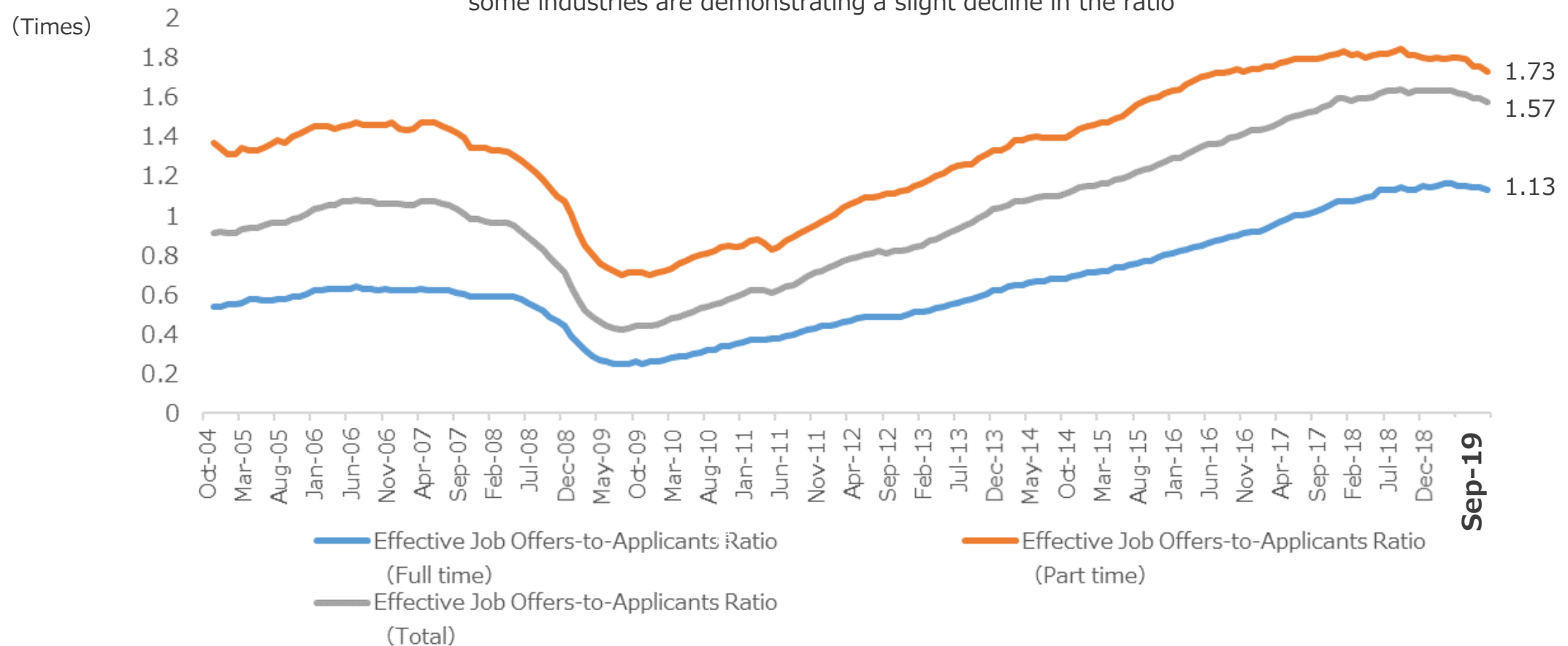
The working-age population declines, but Number of people changing careers increases and mobility is raised



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

Effective Job Offers-to-applicants ratio remains high due to a structural labor shortage

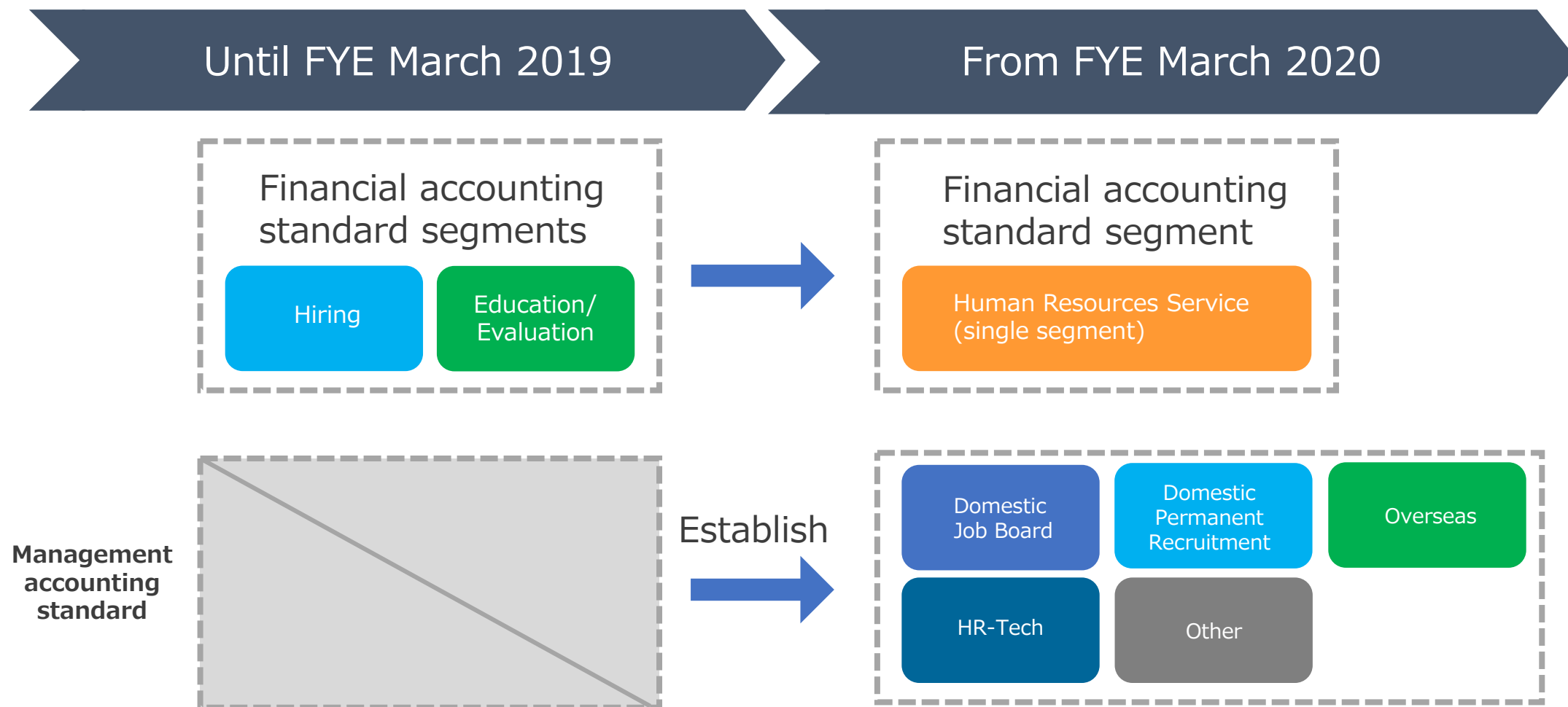
Job offers-to-applicants ratio remains high. However, due to uncertainty regarding business sentiment, some industries are demonstrating a slight decline in the ratio

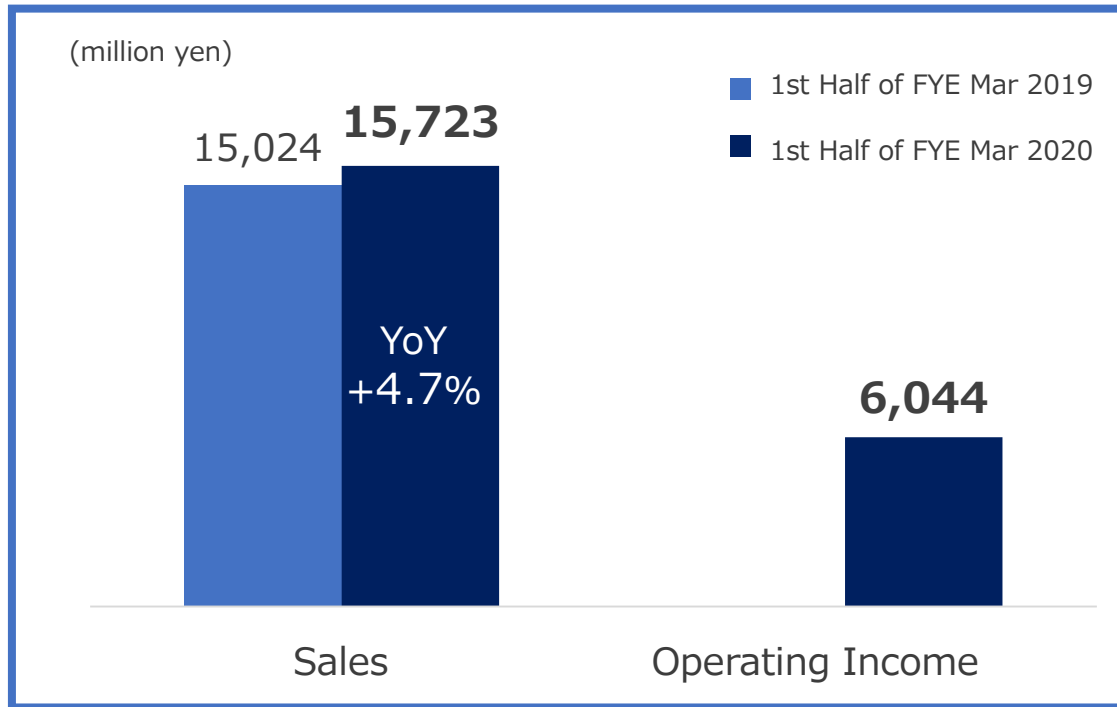


Performance Overview by Segment^{*} for 1st Half of FYE Mar/2020

^{*}a management accounting basis

Starting from FYE March 2020, we will disclose new business segmentation on a management accounting basis, making it easy to know the state of our business lines.





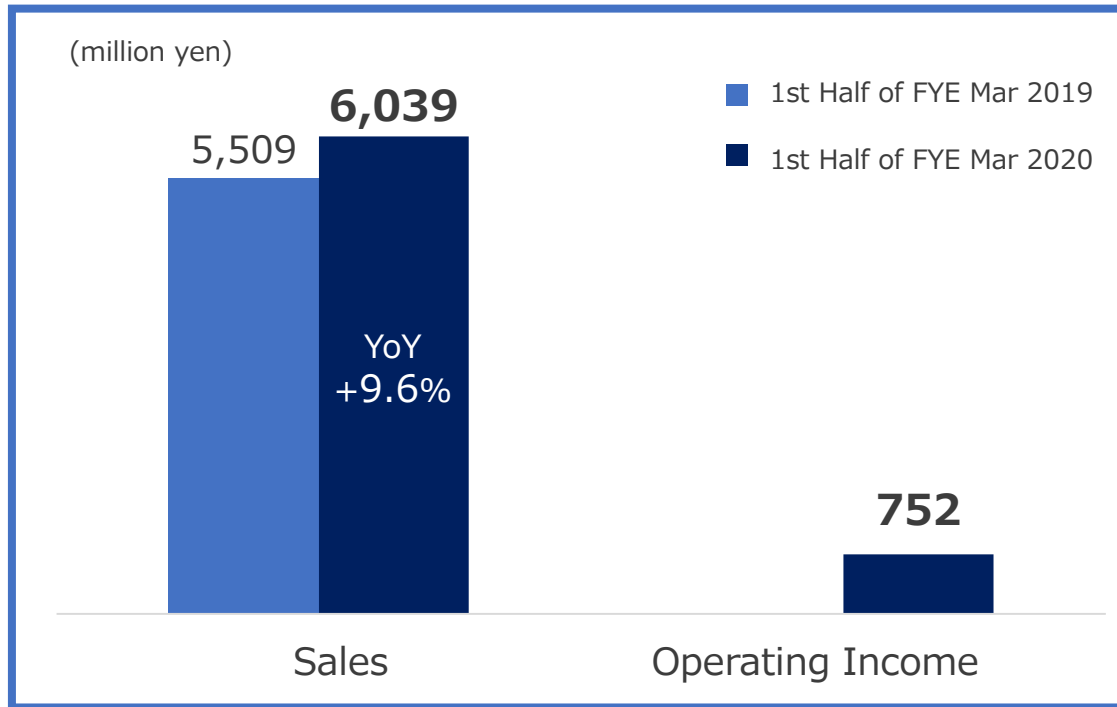
1st Half of FYE Mar 2020

[en]Career Change Info	<ul style="list-style-type: none"> - The share of big customers kept increasing, and the unit prices were up - The number of cases of advertising of SME clients, which decreased in 1Q, improved in 2Q
Sites for Permanent Recruitment agencies	<ul style="list-style-type: none"> - Site utilization ratio is improving mainly among big customers and maintaining growth - AMBI showed sound acquisition of new job seekers. With an increase in recruitment by clients, the number of contracts signed increased. It kept showing high growth.
Sites for Temporary staffing companies	<ul style="list-style-type: none"> - Clients temporary staffing companies strongly need to attract staff members. But the methods of attracting staff members are diversifying. - en BAITO is significantly expanding mainly in the area of nursing care, etc.
Cost and profit	<ul style="list-style-type: none"> - The focus area of advertising was considered based on sales growth - Due to the increase in profitable sites, profit is up

Domestic Job Board⇒[en]Career Change Info, [en]Career Change Consultant, AMBI, [en]Temporary Placement Info, en BAITO, etc.

	1st Half FYE Mar 2019 (Apr.2018-Sep.2018)		1st Half FYE Mar 2020 (Apr.2019-Sep.2019)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	15,024		15,723		699	4.7%
Operating Income			6,044	38.4%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.



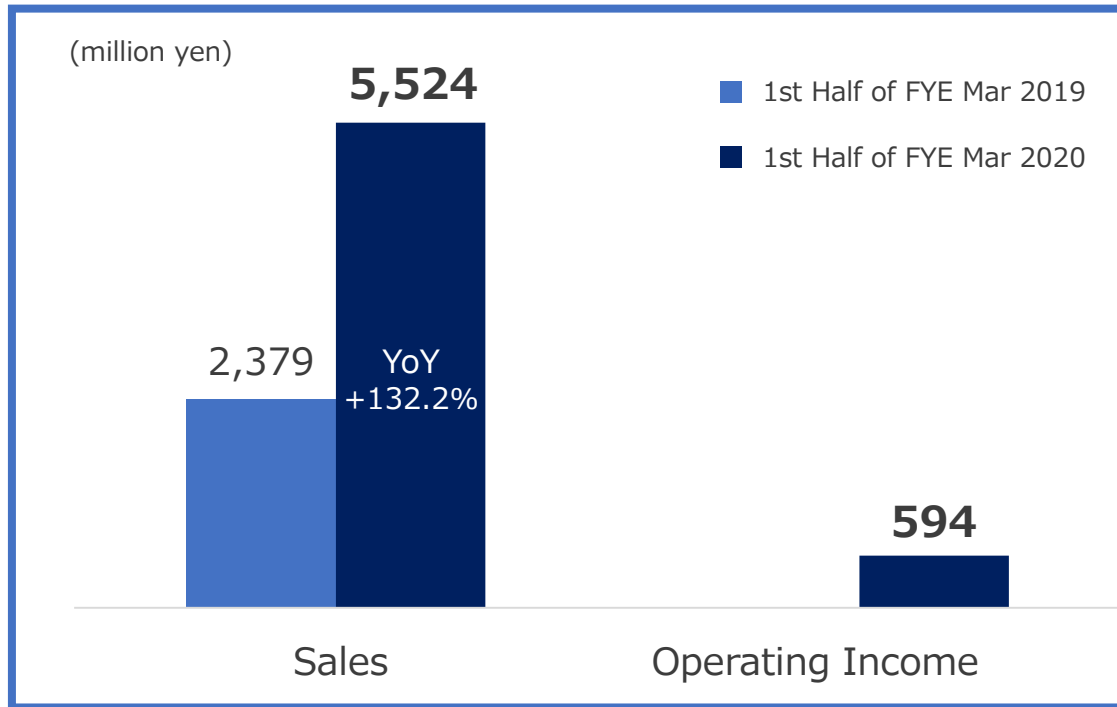
1st Half of FYE Mar 2020

en Agent (EA)	<ul style="list-style-type: none"> - The sales for the first half-year achieved the planned amount. However, it took some time to improve productivity compared with the second half-year with a high budget. The profit is up compared with the first half-year plan. - During the term, the number of staff was drastically increased aiming for mid-term growth. The investment was made anticipating profit later.
en world Japan (EWJ)	<ul style="list-style-type: none"> - Main referral business is steadily growing continuously. The profit increased due to the expansion of profitable business and cost reduction.
Cost and profit	<ul style="list-style-type: none"> - Overall, the profit exceeded the plan due to sound sales of EWJ and cost reduction of EA.

Domestic Permanent Recruitment ⇒ en world Japan、en Agent, etc.

	1st Half FYE Mar 2019 (Apr.2018-Sep.2018)		1st Half FYE Mar 2020 (Apr.2019-Sep.2019)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	5,509		6,039		530	9.6%
Operating Income			752	12.5%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.

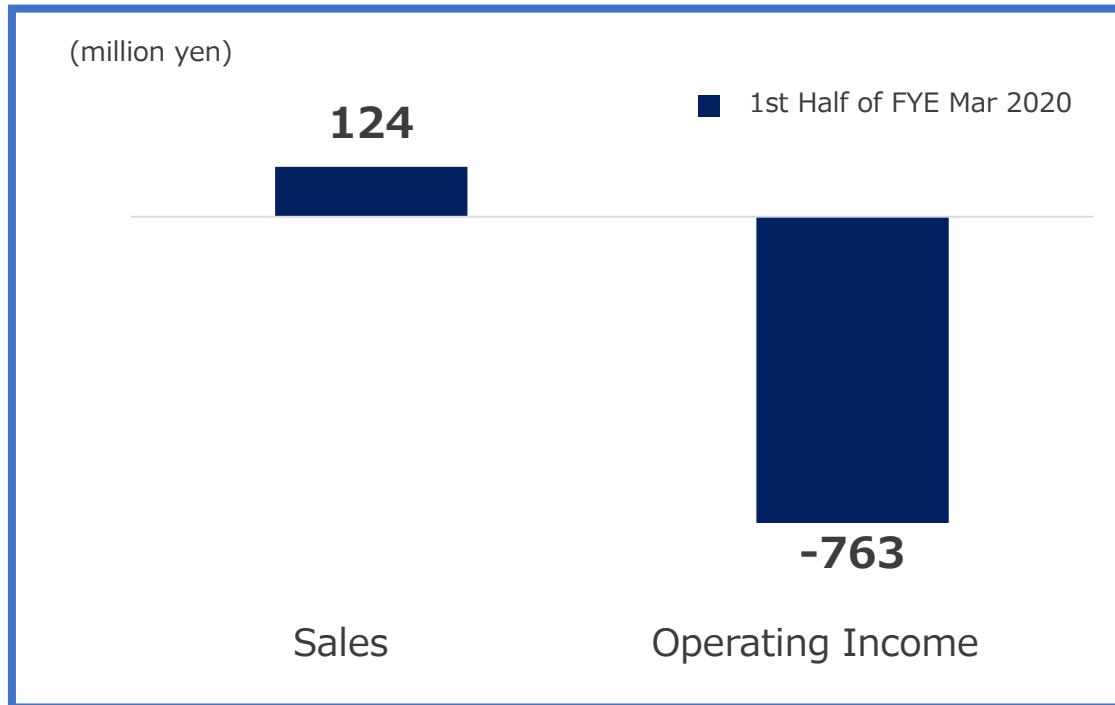


1st Half of FYE Mar 2020	
Overall summary	- As for the overall performance, both sales and profit exceeded the plan due to the sound business in Vietnam and India.
Vietnam	<ul style="list-style-type: none"> - The main business, the job-search website, was a driving force for the business. - High-class and education services, of which growth is expected, are continuously reinforced.
India	- IT temporary staffing agency in India, FFI, was newly consolidated this term. The performance was sound and exceeded the plan in 2Q.

Overseas ⇒Vietnam, India, China, Singapore, Thailand, Australia
(Job Board, Permanent Recruitment, IT temp)

	1st Half FYE Mar 2019 (Apr.2018-Sep.2018)		1st Half FYE Mar 2020 (Apr.2019-Sep.2019)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	2,379		5,524		3,145	132.2%
Operating Income			594	10.8%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.



1st Half of FYE Mar 2020

Overall summary

- The total number of accounts of engage exceeded 230,000 companies.
- The number of paid-plan user companies is steadily increasing.
- In 2Q, we achieved the sales as planned again.
- The partnership with LINE Career started in September to improve the effect of advertising and promote utilization of the paid service.

Cost and profit

- Deficit amount in 2Q was recorded generally as planned.
- Investment in online advertising was made to increase user companies.
- In the second half year, from a mid-term growth perspective, additional investment will be executed. TV advertisements will be arranged to improve brand recognition.

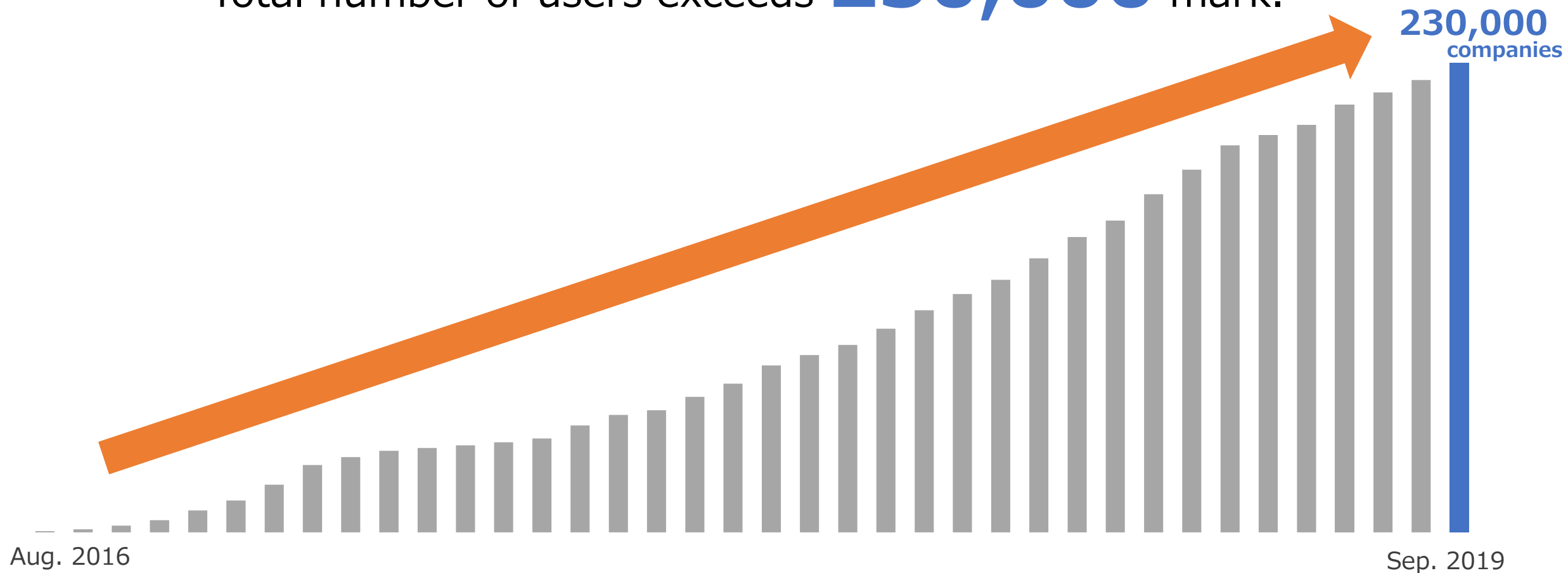
HR-Tech⇒ engage and related service

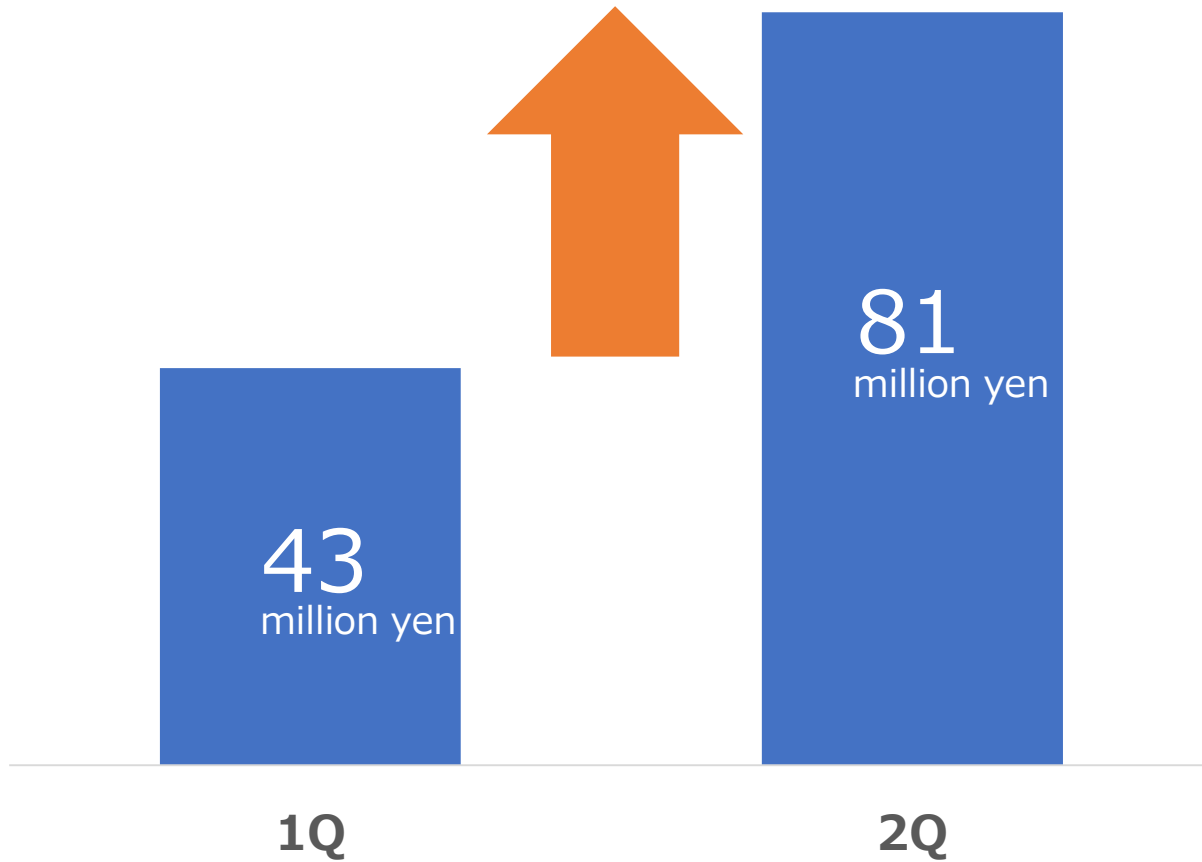
	1st Half FYE Mar 2019 (Apr.2018-Sep.2018)		1st Half FYE Mar 2020 (Apr.2019-Sep.2019)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales			124		124	
Operating Income			-763	-612.3%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.



Total number of users exceeds **230,000** mark.

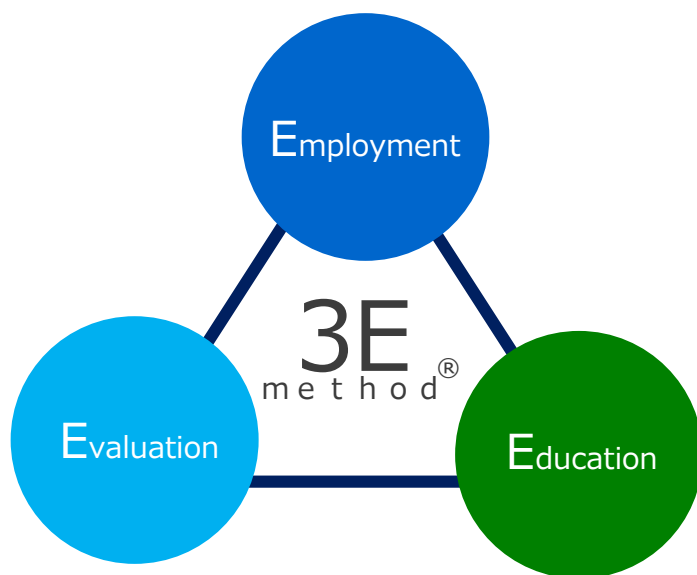




Sales
almost
doubled

Multiply en-japan's 3 E method, designed to get three Es to be linked together, with technology, thus enabling more and more "employees to play active roles after joining the company"

success after joining
(A Unique Consulting Approach)



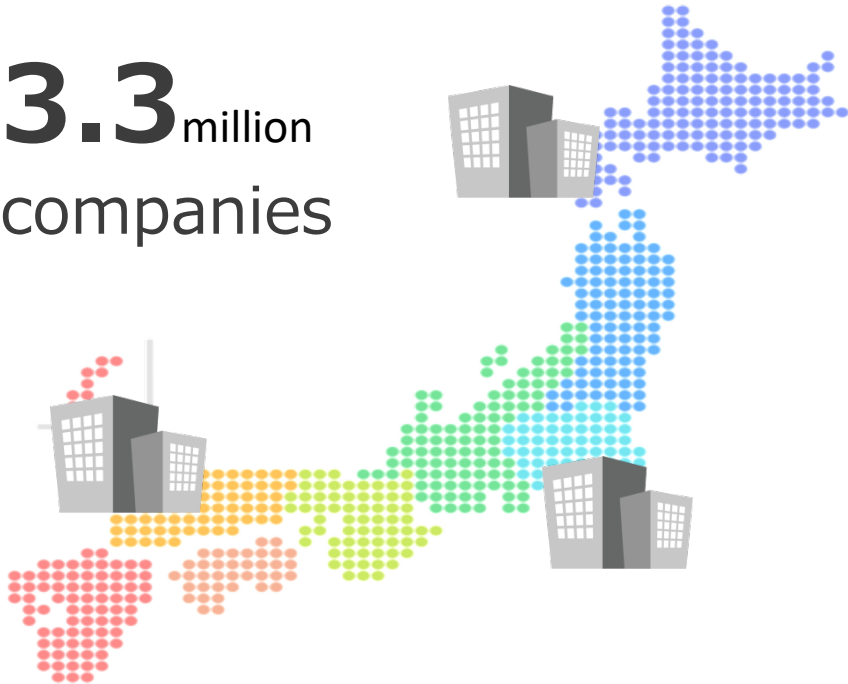
× Tech →

success after joining
platform

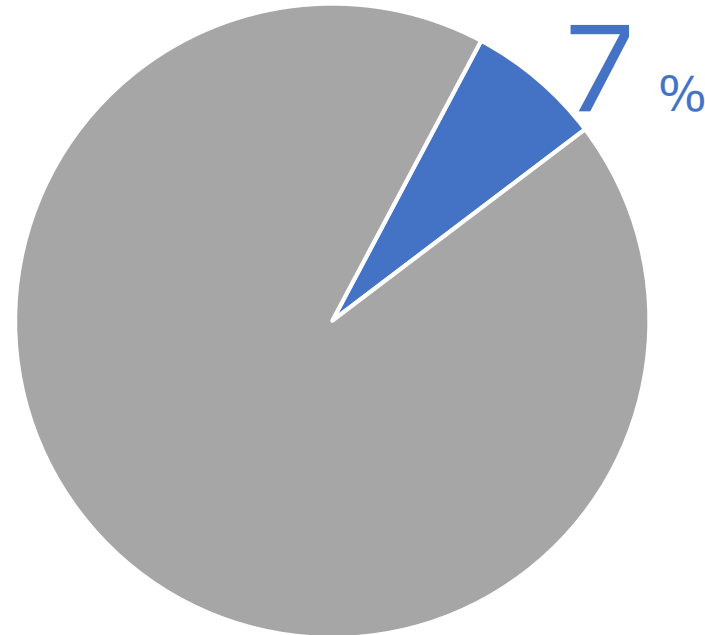


There are **3.3** million Japanese companies.
There is room for growth for local, small- and medium-sized companies.

3.3 million
companies

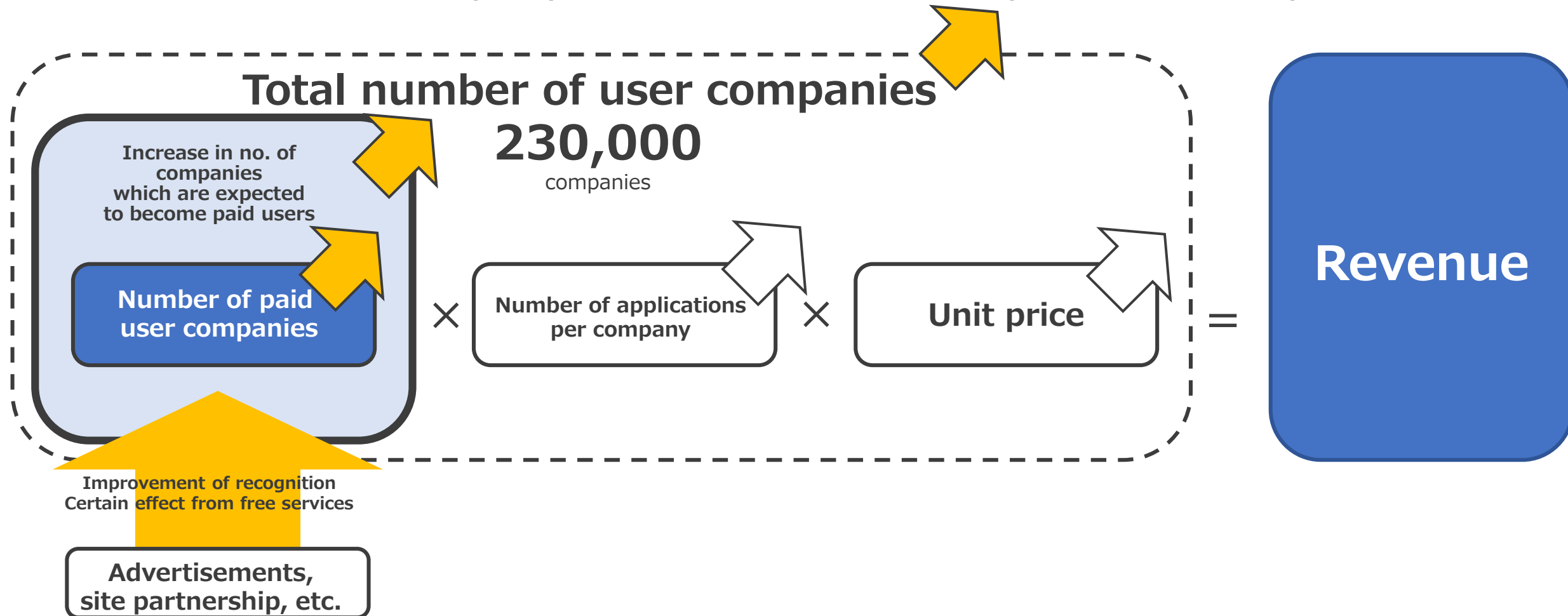


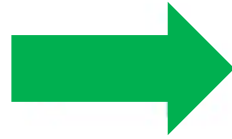
Japanese companies' engage utilization ratio
(About 7% of all Japanese companies)





Current priority is expansion of the total number of company users and number of paid user companies

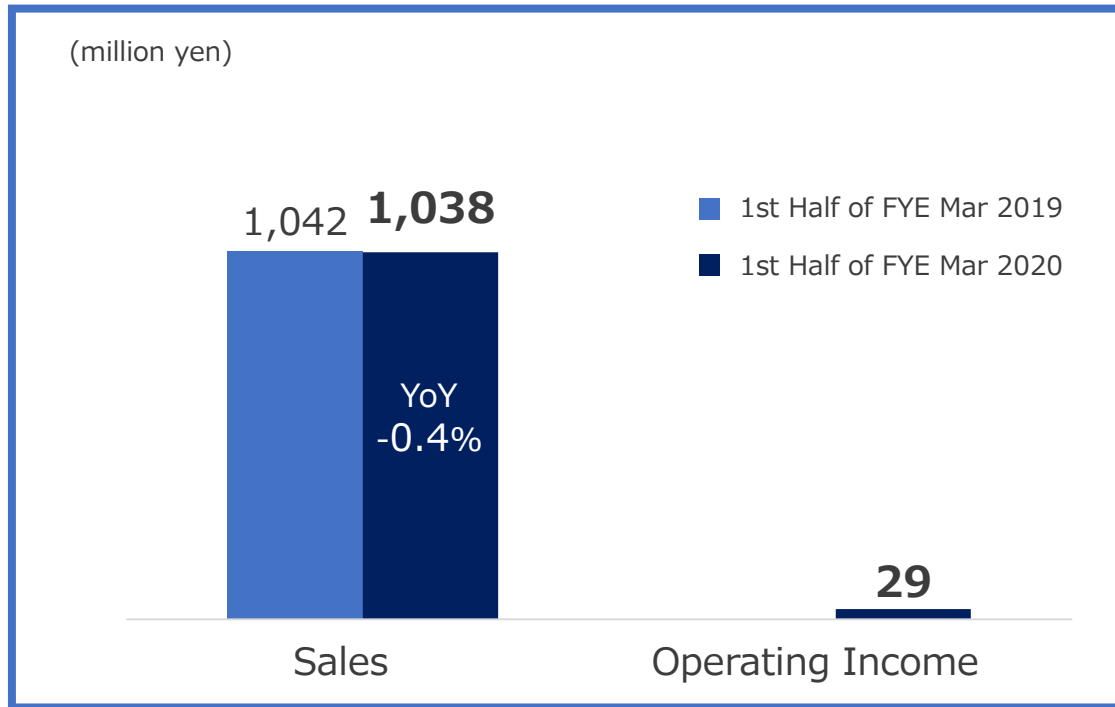




LINEキャリア



- All engage recruitment are automatically posted on LINE Career (free).
- Improvement of the satisfaction rate of free users and realization of speedy recruitment with upper-rank display on LINE Career for paid-service users.
→ Promotion of paid-service utilization



1st Half of FYE Mar 2020

Overall summary

- We lost the sales of CBASE that we sold in the third quarter of the previous term (about 170 million yen in the first half year). This reduced some revenue, but overall performance exceeded the plan.
- ZEKU, a subsidiary, demonstrated sound growth in both sales and profits.

Cost and profit

- As for new business development, the launched services started smoothly, and the related personnel and outsourcing costs, etc. rose.
- As the entire segment, it posted a slight profit and outperforming the plan.

Domestic Other Business / Subsidiary

⇒ Education / Evaluation 、 ZEKU、 Other New Business

	1st Half FYE Mar 2019 (Apr.2018-Sep.2018)		1st Half FYE Mar 2020 (Apr.2019-Sep.2019)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	1,042		1,038		-4	-0.4%
Operating Income			29	2.8%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.

M&A and capital contribution results

April to September 2019
results

Total M&A and investment was about 1.5 billion yen
(Policy to invest mainly in human resources-related businesses that have strength in IT,
digital and niche domains in Japan and overseas)

1.5bil

0.23bil

M&A

1.27bil

Capital
contribution



JapanWork

- JapanWork, INC. (Recruitment business for foreigners which utilizes chatbot)

 **ITPRO PARTNERS**

- ITPROPARTNERS,INC. (IT freelance and entrepreneur support business)
- Domestic and foreign technology-related fund

etc. Total seven investment cases

* JapanWork was acquired with cash and treasury stock.

Return to Shareholders

We will revise our policy starting from FY March 2020

Until
FYE Mar
2019

Aiming for a dividend payout ratio of 30% or more, we determine a specific payout ratio based on the business results, financial position, investment plans for each fiscal year, among others.

In the medium term, we aim to achieve a dividend payout ratio of 40% for FY March 2020



From
FYE Mar
2020

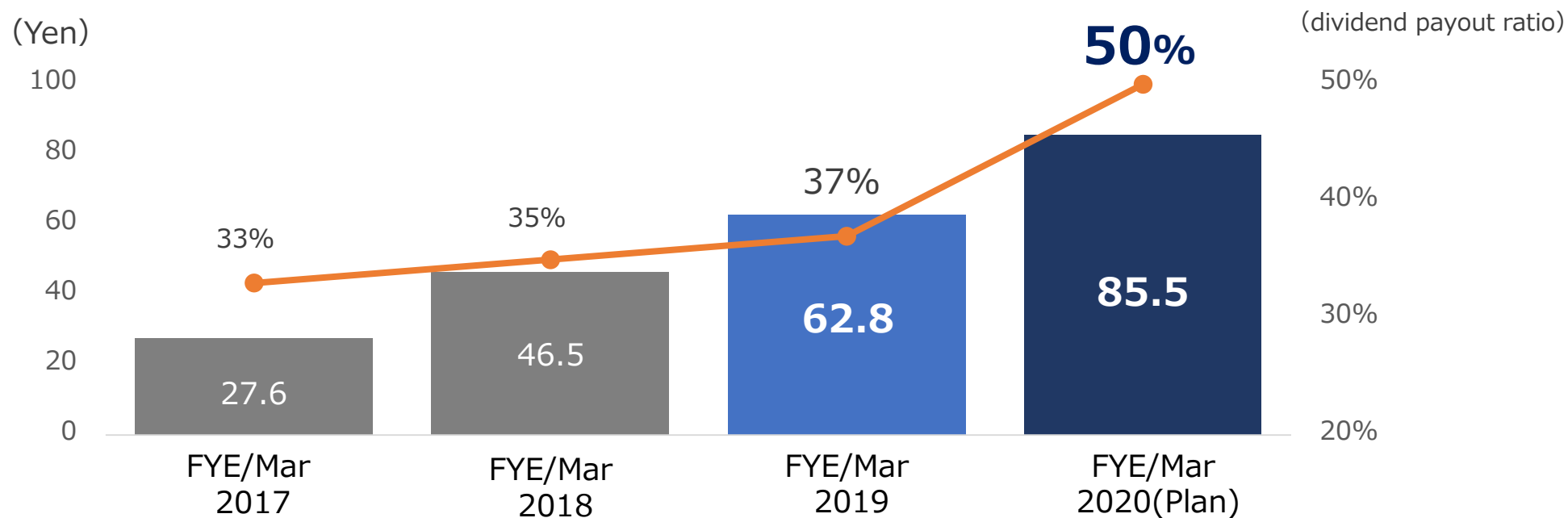
We will make efforts for investment and shareholder return in a manner conducive to raising shareholder value, while securing our financial soundness. Specific measures are as follows.

- **Dividend payout ratio: 50%**
- **During the term of the Medium-Term Management Plan, we will use a total of 20.0 billion yen for growth investments consisting mainly of M&A and capital contribution**
- **We will prioritize M&A and capital contribution and buy back our own shares during the term of the plan as required in consideration of investment circumstances (feasibility).**

*We could potentially buy back our own shares flexibly depending on market developments.

FYE Mar/2019 : ¥ **62.8** (YonY+ ¥ 16.3)

FYE Mar/2020 plan : ¥ **85.5** (YonY+ ¥ 22.7)



Appendix

(million yen)	FYE Mar 2019 (Mar. 2019)	FYE Mar 2020 Q 2 (Sep. 2019)	YOY change (million yen)	YOY change (%)
Current asset	37,255	35,124	-2,131	-5.7%
Cash	28,409	26,187	-2,222	-7.8%
Accounts receivable	5,614	5,653	39	0.7%
Other current assets	3,231	3,284	53	1.6%
Non-current assets	12,596	14,138	1542	12.2%
Property, plant and equipment	719	712	-7	-1.0%
Intangible assets	6,858	7,105	247	3.6%
Investments and other assets	5,018	6,319	1301	25.9%
Assets	49,852	49,262	-590	-1.2%
Liabilities	14,385	12,901	-1,484	-10.3%
Current liabilities	13,274	11,648	-1,626	-12.2%
Not current liabilities	1,111	1,253	142	12.8%
Net assets	35,466	36,360	894	2.5%
Liabilities/Net assets	49,852	49,262	-590	-1.2%

Decline due to the payment of accounts payable and dividends

Payment of accounts payable due to the reinforcement of advertising at the end of the previous term, etc.

Decline in retained earnings due to dividend payment

Non-consolidated Income Statement for 1st Half of FYE Mar/2020

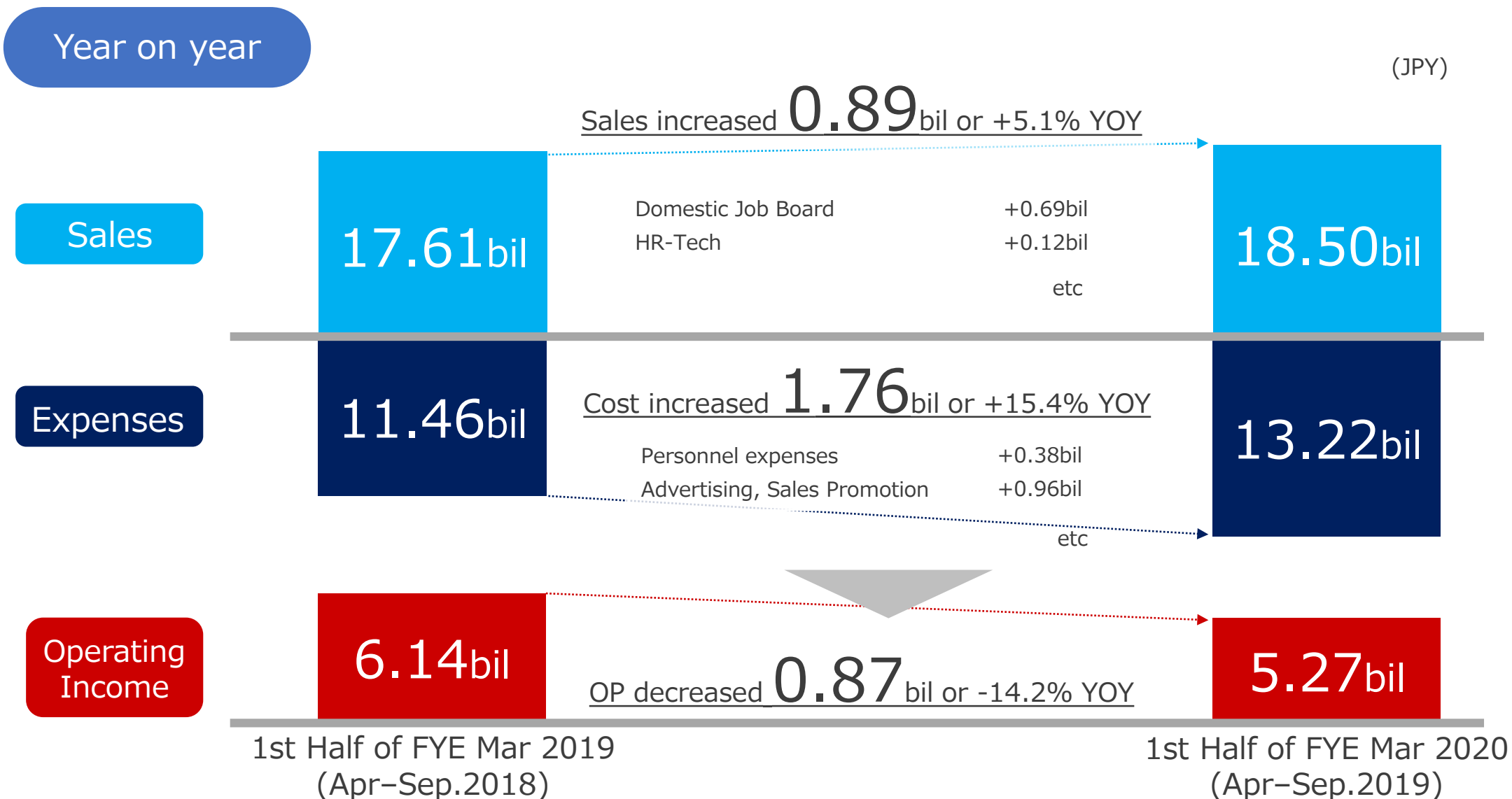
[1st Half of FYE Mar/2020 Results] Non-consolidated Income Statement

42

	FYE Mar 2019 (Apr.–Sep.2018)		FYE Mar 2020 (Apr.–Sep.2019)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	17,610	100.0%	18,500	100.0%	890	5.1%
Cost of Sales	1315	7.5%	1,398	7.6%	83	6.3%
Personnel	643	3.7%	630	3.4%	-13	-2.0%
Other	672	3.8%	768	4.2%	96	14.3%
Gross Profit	16,294	92.5%	17,102	92.4%	808	5.0%
SGA(Sales, general & administrative)	10,145	57.6%	11,827	63.9%	1,682	16.6%
Personnel	3,362	19.1%	3,755	20.3%	393	11.7%
Advertising, Sales Promotion	3,927	22.3%	4,895	26.5%	968	24.6%
Other	2,855	16.2%	3,177	17.2%	322	11.3%
Operating Income	6,149	34.9%	5,274	28.5%	-875	-14.2%
Ordinary Income	6,275	35.6%	5,379	29.1%	-896	-14.3%
Net Income	4,459	25.3%	3,714	20.1%	-745	-16.7%

Changing Factor of Earnings (Non-consolidated)

43



FYE Mar/2020 Earnings Forecast

(Published on May 14, 2019)

- Consolidated•Segment•Main Services -

FYE Mar/2019 Earnings Forecast (Consolidated)

45

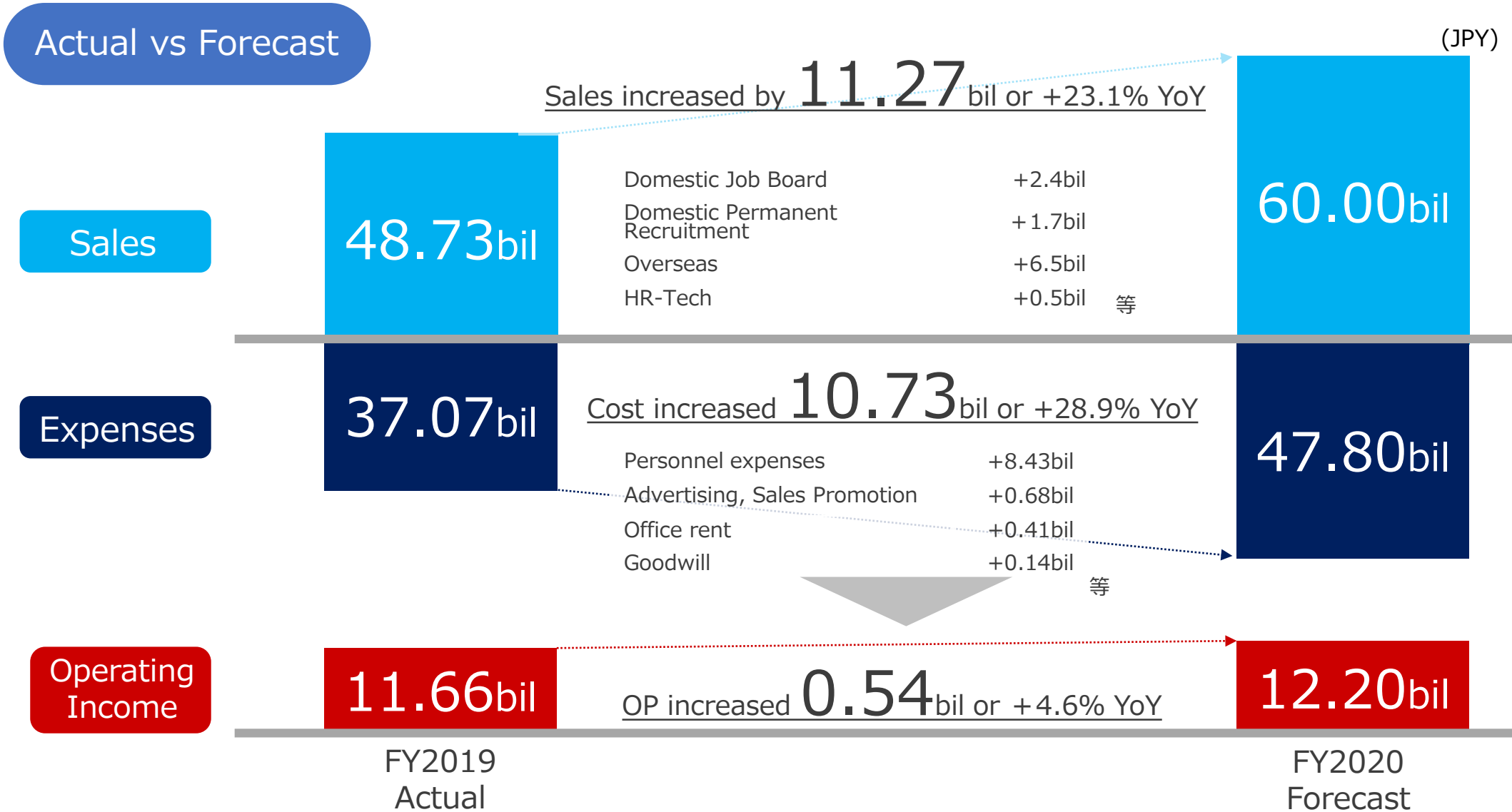
	FYE Mar 2019 (Apr.2018–Mar.2019)		FYE Mar 2020 (Apr.2019–Mar.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	48,733	100.0%	60,000	100.0%	11,267	23.1%
Cost of Sales	4,682	9.6%	10,885	18.1%	6,203	132.5%
Personnel	2,987	6.1%	8,911	14.9%	5,923	198.2%
Other	1,694	3.5%	1,974	3.3%	280	16.5%
Gross Profit	44,051	90.4%	49,114	81.9%	5,063	11.5%
SGA (Sales, general & administrative)	32,389	66.5%	36,914	61.5%	4,524	14.0%
Personnel	12,671	26.0%	15,179	25.3%	2,508	19.8%
Advertising, Sales Promotion	10,943	22.5%	11,631	19.4%	687	6.3%
Other	8,775	18.0%	10,103	16.8%	1,328	15.1%
Operating Income	11,661	23.9%	12,200	20.3%	539	4.6%
Ordinary Income	11,834	24.3%	12,219	20.4%	384	3.2%
Net Income attributable to en-japan	8,144	16.7%	8,210	13.7%	66	0.8%

- Increase due to consolidation of FFI of India
- Increase due to recruitment website and job placement services in Japan

- Increase due to consolidation of FFI of India which provides IT temporary staffing service

- Mainly staffing reinforcement by non-consolidated en-japan

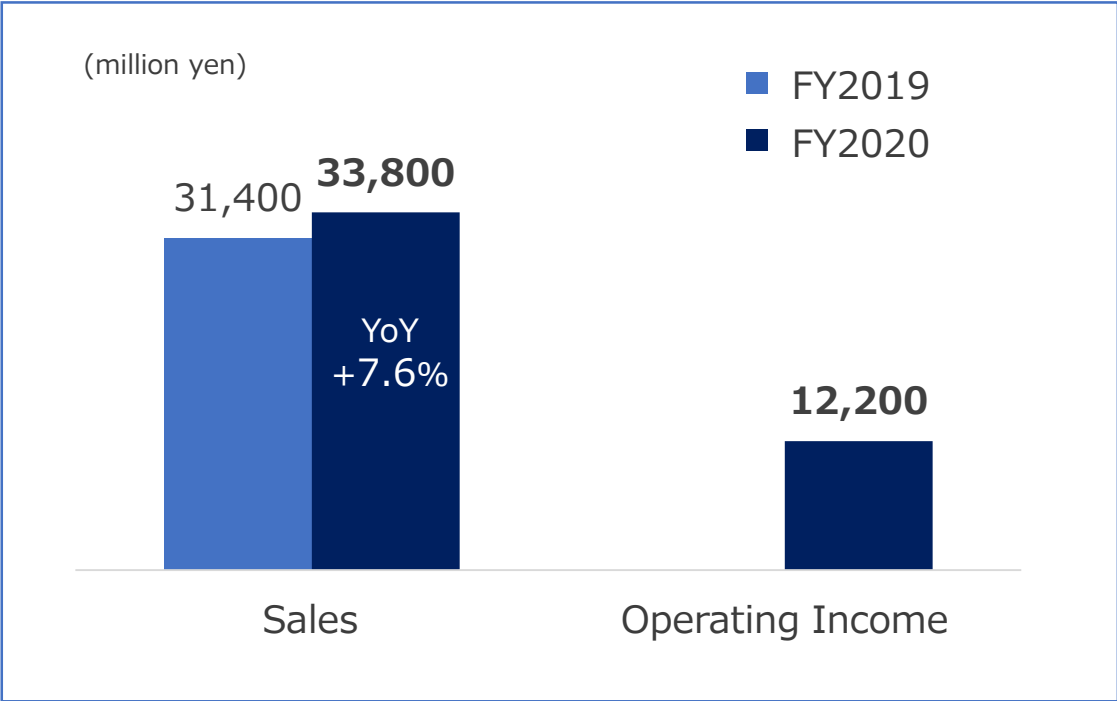
- Flattened in existing recruitment website service while bolstering technology related promotion



(reference) FYE Mar/2020 Earnings Forecast (Non-consolidated)

47

	FYE Mar 2019 (Apr.2018–Mar.2019)		FYE Mar 2020 Forecast (Apr.2019–Mar.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	36,519	100.0%	40,000	100.0%	3,480	9.5%
Cost of Sales	2,648	7.3%	2,945	7.4%	296	11.2%
Personnel	1,266	3.5%	1,323	3.3%	57	4.5%
Other	1,382	3.8%	1,621	4.1%	239	17.3%
Gross Profit	33,871	92.7%	37,054	92.6%	3,183	9.4%
SGA (Sales, general & administrative)	23,683	64.9%	26,354	65.9%	2,671	11.3%
Personnel	6,819	18.7%	8,088	20.2%	1,269	18.6%
Advertising, Sales Promotion	10,759	29.5%	11,408	28.5%	649	6.0%
Other	6,105	16.7%	6,858	17.1%	753	12.3%
Operating Income	10,187	27.9%	10,700	26.7%	513	5.0%
Ordinary Income	10,576	29.0%	10,829	27.1%	253	2.4%
Net Income	7,442	20.4%	7,540	18.9%	98	1.3%

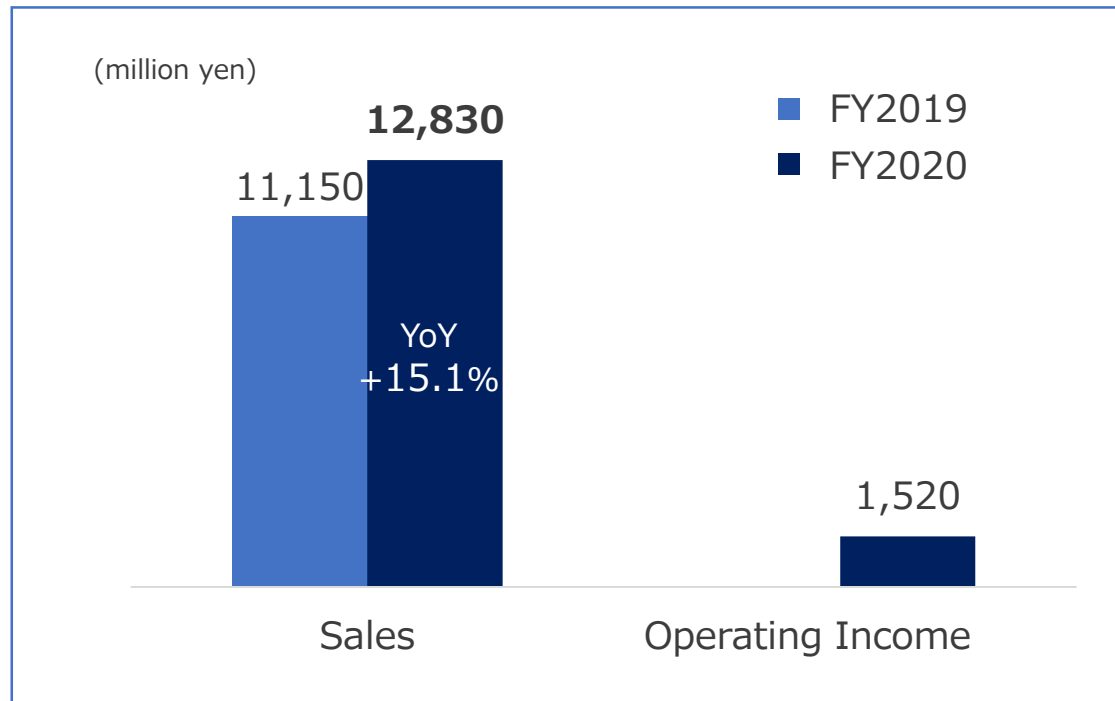


FYE Mar 2020 Forecast	
[en]Career Change Info	Concentrate on customers targeted and areas and realign its sales organization structure. Although sales will be on a par with the market growth rate, build a platform aimed at steady profit growth
Sites for Permanent Recruitment agencies	The after-billing model for middle-level worker career change is strong. AMBI will make advance investments by bolstering direct recruiting
Sites for Temporary staffing companies	Market growth is predicted to be moderate. Seek to achieve a higher share of business in leading temporary staffing service companies and achieve steady income growth

Domestic Job Board⇒[en]Career Change Info, [en]Career Change Consultant, AMBI, [en]Temporary Placement Info, en BAITO, etc.

	FYE Mar 2019 (Apr.2018–Mar.2019)		FYE Mar 2020 Forecast (Apr.2019–Mar.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	31,400		33,800		2,400	7.6%
Operating Income			12,200	36.1%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.



FYE Mar 2020 Forecast

en Agent

Make increased efforts to expand sales during the term of the Medium-Term Management Plan
As the firm reinforces staffing more than previously expected, advance costs will be incurred, but work to improve profits from the next fiscal year onward

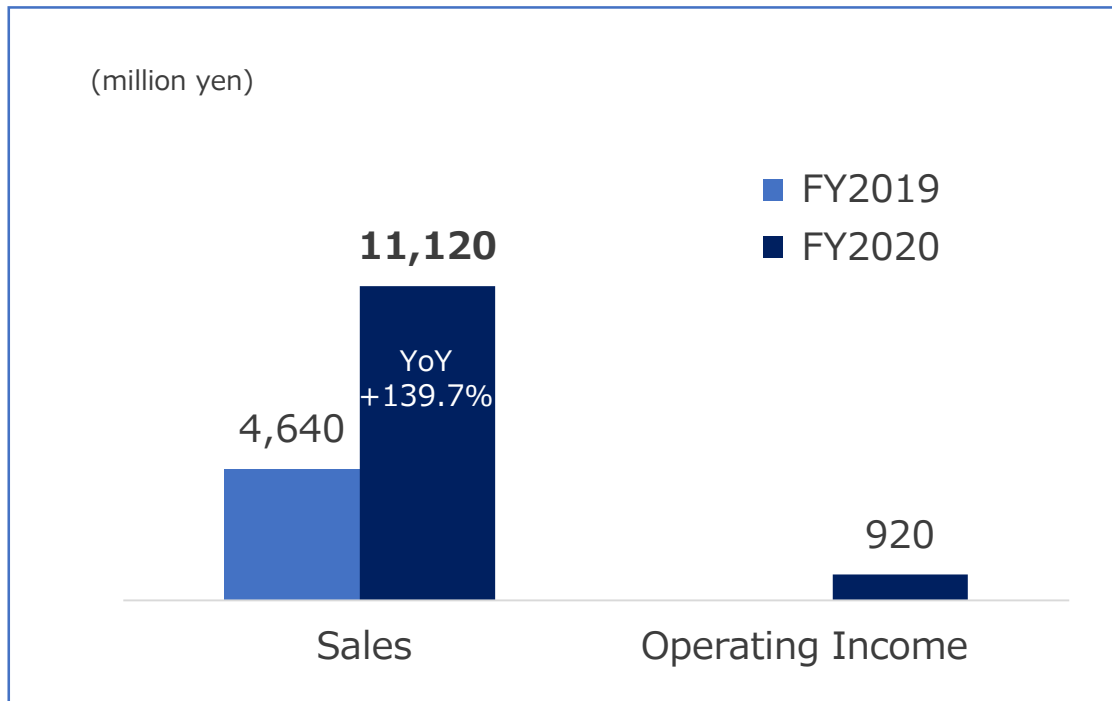
en world Japan

Productivity improved more than expected in the previous term. Reinforce staffing for the new fiscal year as well along with the policy to bolster job placement service

Domestic Permanent Recruitment
⇒en world Japan、en , etc.

	FYE Mar 2019 (Apr.2018–Mar.2019)		FYE Mar 2020 Forecast (Apr.2019–Mar.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	11,150		12,830		1,680	15.1%
Operating Income			1,520	11.8%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.



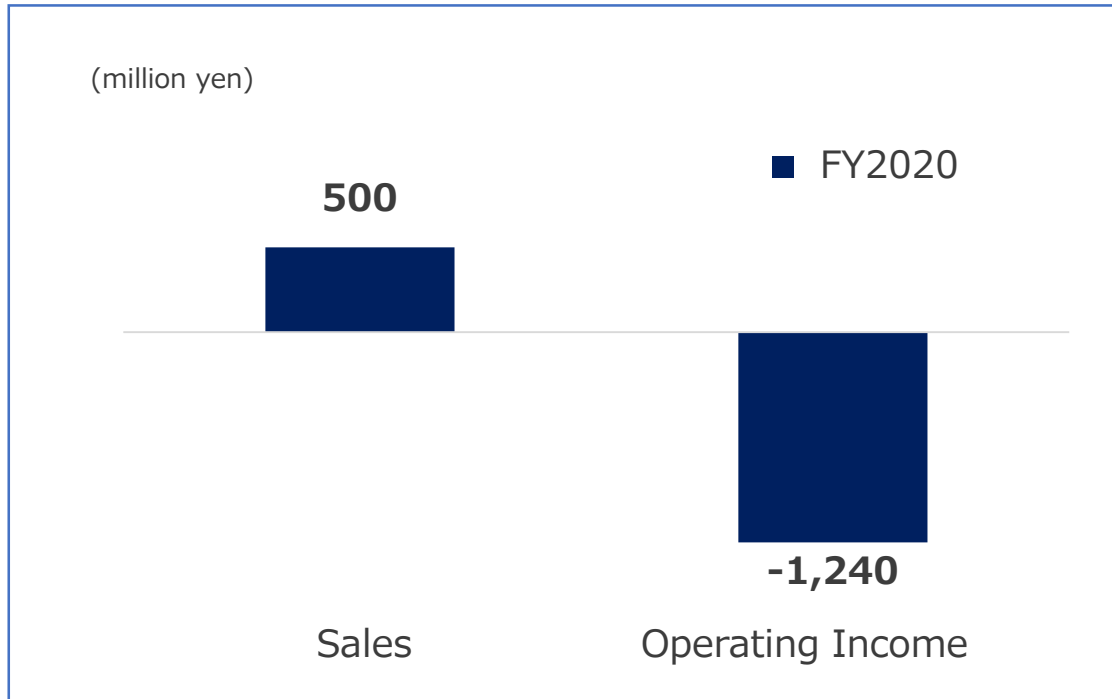
FYE Mar 2020 Forecast

over view	An M&A program will result in an addition of an Indian temporary staffing service company, causing sales to grow markedly. We will continue to strengthen our operations in India and Vietnam.
Vietnam	Upgrade services for high-class customers, a segment that will likely grow in the future. Newly establish the Da Nang office
India	Step up the linkage of job placement to IT temporary staffing service. For the latter, we will improve profitability by revising targeted customers, among other steps

Overseas ⇒ Vietnam, India, China, Singapore, Thailand, Australia
(Job Board, Permanent Recruitment, IT temp)

	FYE Mar 2019 (Apr.2018–Mar.2019)		FYE Mar 2020 Forecast (Apr.2019–Mar.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	4,640		11,120		6,480	139.7%
Operating Income			920	8.3%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.



FYE Mar 2020 Forecast

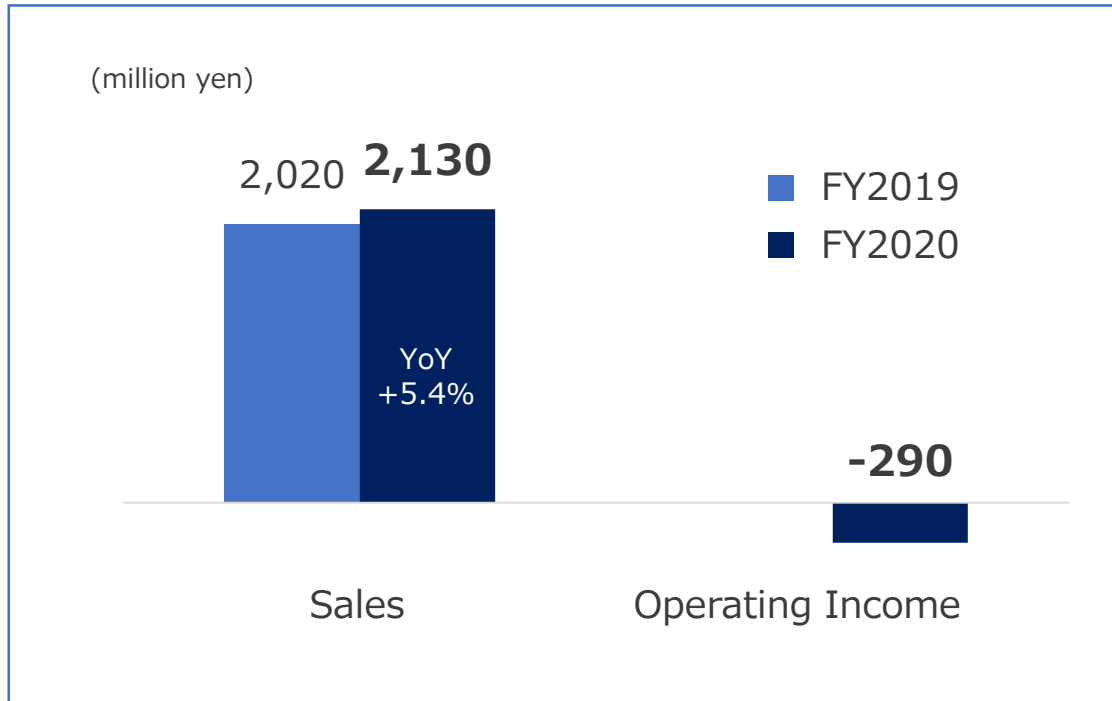
over view

A loss is projected to be incurred for the fiscal year as we will continue to invest actively. We will monetize in provincial areas on a trial basis while building a platform for expansion from the next fiscal year onwards.

HR-Tech⇒ engage and related service

	FYE Mar 2019 (Apr.2018–Mar.2019)		FYE Mar 2020 Forecast (Apr.2019–Mar.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales			500			
Operating Income			-1,240	-248.0%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.



FYE Mar 2020 Forecast

Over view

An education/evaluation service and ZEKU are expected to grow steadily. Loss is projected to be posted due to new business-related advance investments.

Domestic Other Business / Subsidiary

⇒ Education / Evaluation 、 ZEKU、 Other New Business

	FYE Mar 2019 (Apr.2018–Mar.2019)		FYE Mar 2020 Forecast (Apr.2019–Mar.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	2,020		2,130		110	5.4%
Operating Income			-290	-13.6%		

* Segment operating income for the fiscal year ending March 2019 is not calculated / compared due to different distribution criteria.

*Repeat on the summary

Medium-Term Management Plan

(FY2020-FY2022)

Published on May 14, 2019

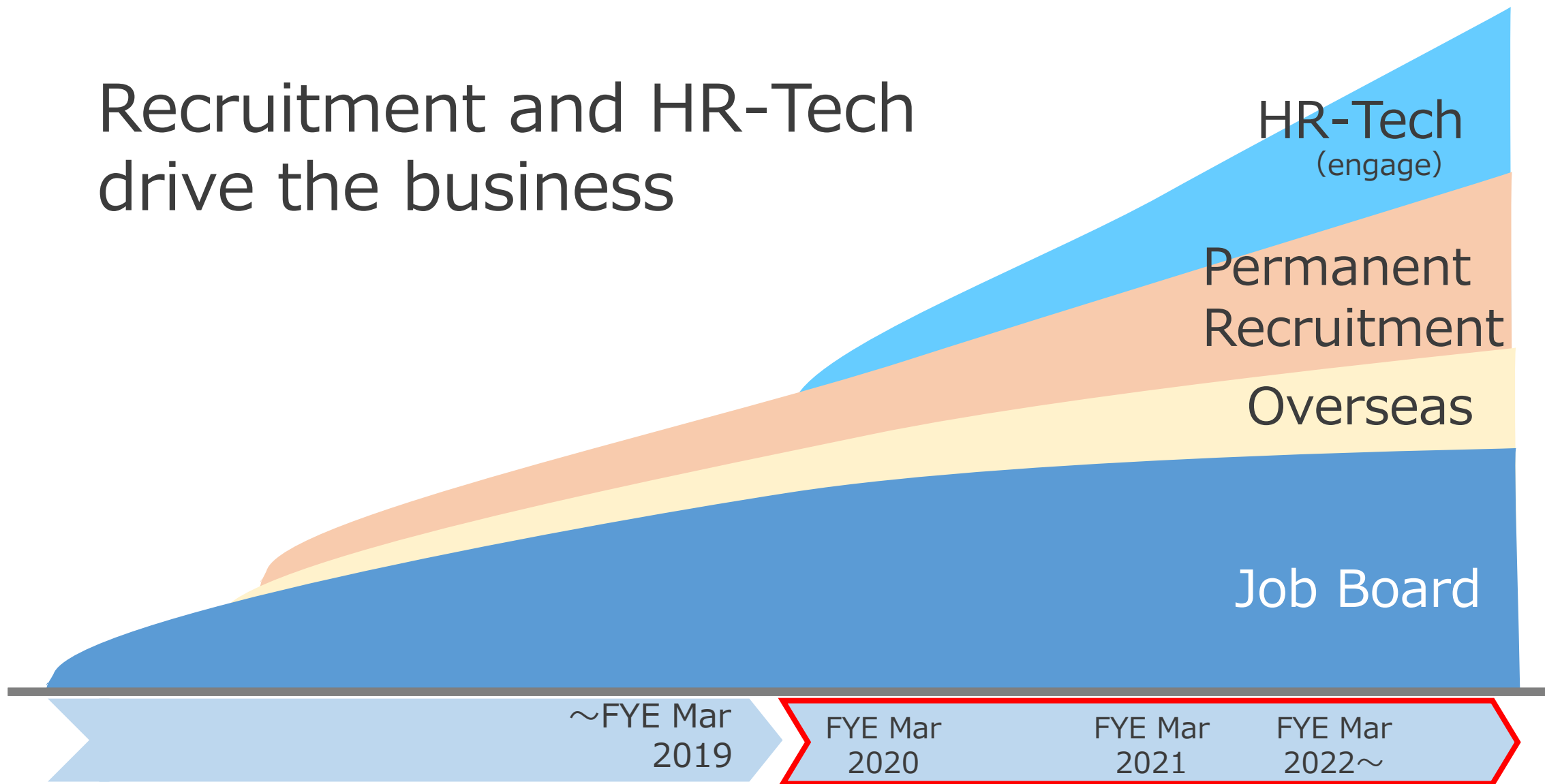
Permanent Recruitment and HR-Tech Become Growth Drivers

- Expand growth in the promising field of permanent recruitment. Carry out personnel growth, structuralization and standardization.
- Growth via the HR-Tech service and the expansion and monetization of “engage”.

Enhancement of M&A in the technology field

- We will use of 20-billion-yen total for growth investment focused on M&As and funding within the period of the mid-term management plan.
- Our policy is to actively carry out M&A in the technology field in Japan and overseas.

Recruitment and HR-Tech drive the business



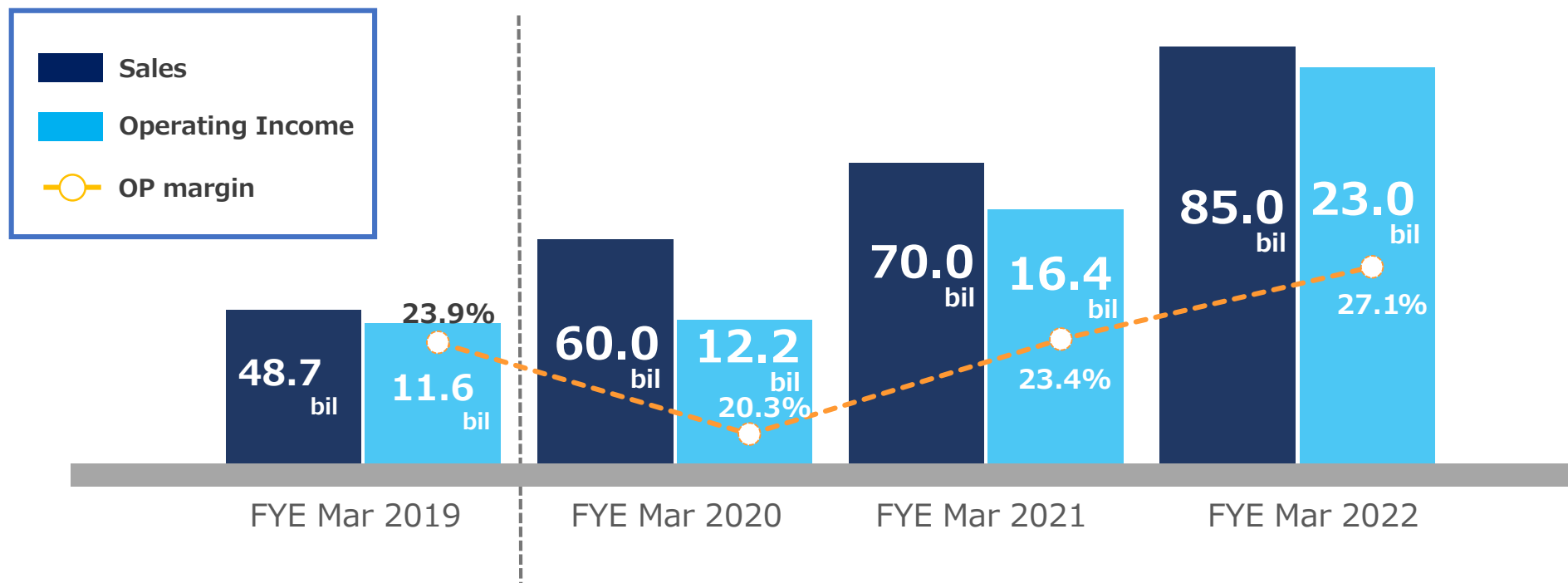
Plan for
FYE Mar/2022

Sales 85.0 bil

March 2019
Year on Year **+74 %**

Operating Income 23.0 bil

March 2019
Year on Year **+97 %**



(bil JPY)		FYE Mar 2020	FYE Mar 2021	FYE Mar 2022
Domestic Job Board	Sales	33.8	36.8	39.5
	Operating Income	12.2	13.8	14.8
	OP margin	36.1%	37.5%	37.5%
Domestic Permanent Recruitment	Sales	12.8	15.8	19.0
	Operating Income	1.5	2.3	4.0
	OP margin	11.8%	14.6%	21.1%
Overseas	Sales	11.1	13.5	16.4
	Operating Income	0.9	1.3	1.7
	OP margin	8.3%	9.6%	10.4%
HR-Tech	Sales	0.5	2.0	8.0
	Operating Income	-1.2	0.2	3.2
	OP margin	-248%	10.0%	40.0%
Other than HR	Sales	2.1	2.8	3.6
	Operating Income	-0.3	0.1	0.1
	OP margin	-13.6%	3.6%	2.8%
adjustment	Sales	-0.3	-0.9	-1.5
	Operating Income	-0.9	-1.3	-0.8
consolidated	Sales	60.0	70.0	85.0
	Operating Income	12.2	16.4	23.0
	OP margin	20.3%	23.4%	27.1%

ESG

Social Contribution Through Core Business

An industrial structure in which short-term earnings are contributed to more by non-retention of and repeated job changes by the newly employed is an issue and considered as not leading to sustainable business growth.



Success After Joining

Service is provided by not setting employment and career change per se as a goal, but setting instead the goal of "giving people who join the company a fulfilled life" and "helping to enhance the company's performance." This is linked to differentiation factors for the company as its unique strength.

[Main initiatives]



- 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

入社者の離職リスクが見える・対策がわかる



- Identifies employee retention risk at an early stage and conducts appropriate follow-up activities
- Acts as an employee retention tool to prevent workers from leaving jobs at an early stage etc,

Promotion of Women's Participation and Advancement

Since our establishment, we have been promoting active hiring and advancement of female employees. They are actively involved in various areas.

*Data is for en-japan on a non-consolidated basis
As of Nov, 2018

Percentage of women to all employees

47.6%

Main Incentives and System



- Development of "WOMenLABO" project promoting women's participation and advancement
- Holding of social gatherings and luncheons to support employees taking childcare leave
- Satisfaction survey for female employees
- Smart Growth system (a system designed to prevent career stagnation and decrease in income by working on a short-time basis after returning from childcare leave), etc.

Percentage of women to all directors

1 Person 20%

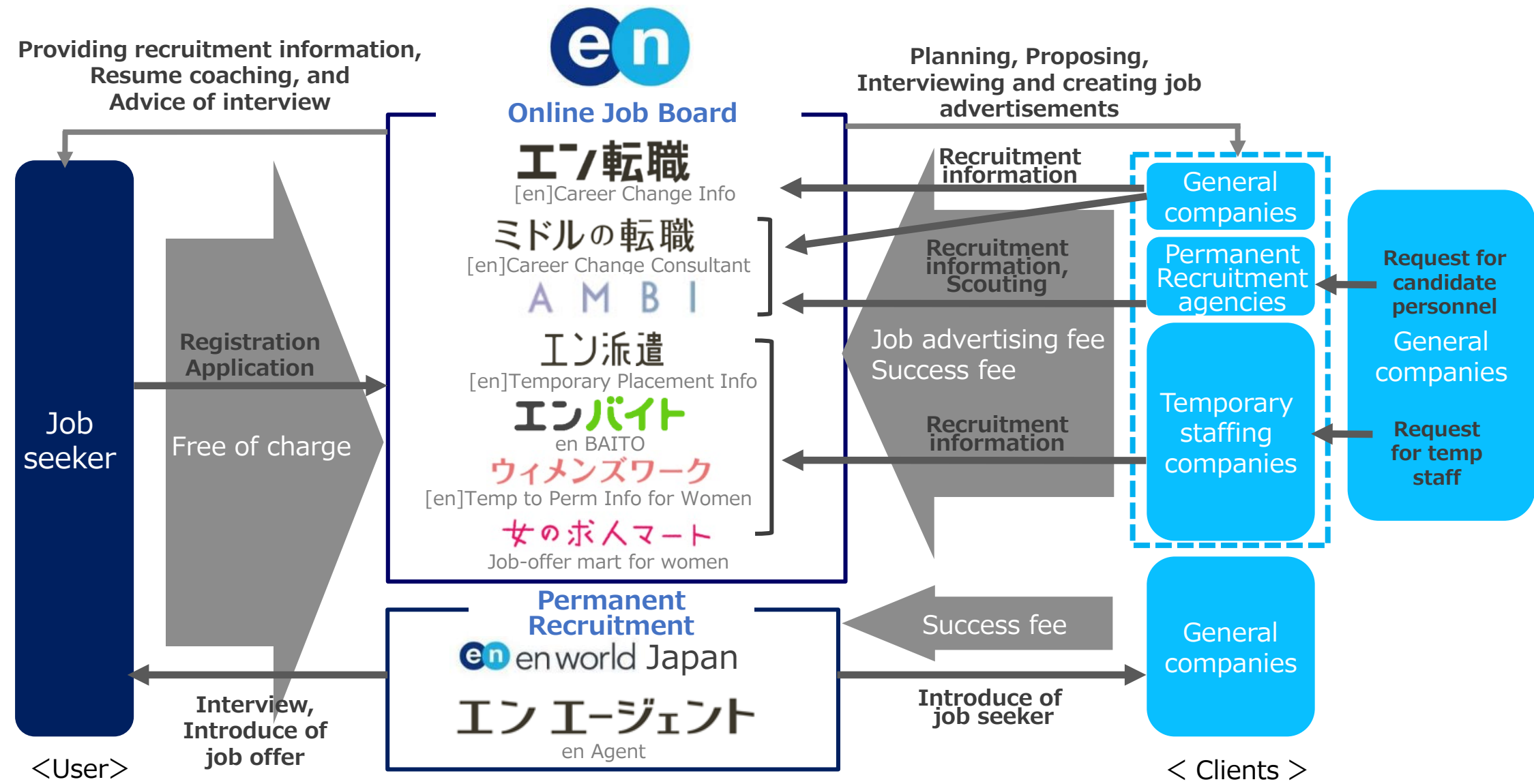
Broaden the application of employee welfare

Apply the employee welfare system also to employees with a same-sex partner, broadening the application







- Apply the employee welfare system, made available to employees in male-female marriage to date, also to employees in common-law marriage with a same-sex partner
- Wedding anniversary congratulatory money, congratulation or condolence leave, subsidy for unaccompanied posting and a grant of retirement benefit shares to bereaved families

Company Overview



【 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 September. 2019)
【 Stock Listing 】	The First Section of the Tokyo Stock Exchange / (code : 4849)
【 Fiscal Year 】	April 1 – March 31
【 Number of Employees 】	Consolidated 3,595, Non-consolidated 1,682 (as of September. 2019)
【 Number of Outstanding Shares 】	49,716,000 (as of September. 2019)
【 Business Description 】	(1) Internet job recruitment service (2) Permanent recruitment service (3) Implementation of training, seminars (4) Consultation on recruitment , Aptitude test development




<Job Board (Domestic) >

Service brand	Contents	Characteristics	Users	Clients	Company
[en]Career Change Info  エヌ転職	Site for Comprehensive Career Change Info	<ul style="list-style-type: none"> Companies which put their recruitment ads on the job board are carefully researched and taken pictures by en-japan. Honest and detailed recruitment information developed by en-japan from the perspective of job seekers. 	<ul style="list-style-type: none"> Mainly 20s 	General Companies	en-japan
[en]Career Change Consultant  ミドルの転職	Collective site for Permanent Recruitment agencies	<ul style="list-style-type: none"> Over 500 recruitment companies whose specialties are career change for job seekers in 30's and 40's, and job information are available Disclose consultants specialty areas, their achievements, together with evaluations by users 	<ul style="list-style-type: none"> Mainly 30s to 40s 	Permanent Recruitment agencies, General Companies	
	Recruitment site specializing in high achievers in their 20s	<ul style="list-style-type: none"> Mainly listing information for users in their 20s with yearly income of 5 million yen or more The site is designed to focus on headhunting from companies and job placement agencies 	<ul style="list-style-type: none"> Mainly 20s 	Permanent Recruitment agencies, General Companies	
[en]Temporary Placement Info  エヌ派遣	Collective site for temporary staffing companies	<ul style="list-style-type: none"> Temp agencies reputations and job information are available User friendly search function which does not require complicated user guide 	<ul style="list-style-type: none"> Mainly Females in their 20s to mid-40s 	Temporary staffing companies	
en BAITO  エヌバイト	Part-time job information site	<ul style="list-style-type: none"> Part-time job information mostly owned by temporary staffing companies User friendly functions such as job-recommendation based on their search history 	<ul style="list-style-type: none"> University students Graduates without jobs Housewives Permanent part-timers 	Temporary staffing companies	
[en]Temp to Perm Info for Women  ウィメンズワーク	Recruitment information site for females	<ul style="list-style-type: none"> A recruitment information site for females wishing to work as full-time regular employees. The site lists only such openings for "full-time employees or possible upgrade to full-time employee". Offers a number of listings for office-work posts. 	<ul style="list-style-type: none"> Mainly Females in their 20s to 30s 	Temporary staffing companies	
Job-offer mart for women 女の求人マート	Recruitment information site for females	<ul style="list-style-type: none"> Comprehensive job board for women Covers wide variety of jobs regardless of employment contract of each area 	<ul style="list-style-type: none"> Mainly Females in their 20s to 40s 	Temporary staffing companies	




<Permanent Recruitment (Domestic) >

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


<Overseas ①>

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








<Overseas ②>

Service brand	country	Contents	Characteristics	Clients	Company
	China	Job board	<ul style="list-style-type: none"> Established in 2004. Strong in construction and real estate areas In recent years, areas other than construction and real estate have been strengthened. 	<ul style="list-style-type: none"> Local Companies Global Companies 	Talent Alliance (Beijing) Technology Development Limited
	india	Permanent Recruitment	<ul style="list-style-type: none"> Clients are local business companies and global business companies operating in India. Mainly places high income-earning zone. Particularly strong in IT field. 	<ul style="list-style-type: none"> Local Companies Global Companies 	NEWERA INDIA
		Temporary staffing (IT areas)	<ul style="list-style-type: none"> Has 20 years of experience in IT dispatching and has many leading IT companies as clients Focus on investment and education in advanced technologies such as AI and IoT 	<ul style="list-style-type: none"> Local Companies Global Companies 	Future Focus Infotech


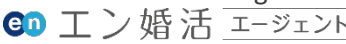
<HR-Tech>

Service brand	Contents	Characteristics	Clients	Company
	Digital platform aimed at having workers play active roles after being hired, joining companies	<ul style="list-style-type: none"> A freemium-model recruitment support tool Can create high-quality corporate recruitment websites and job listings easily and quickly Job offers created are automatically linked to Indeed, Google job search and such like Use of the fee-based plan allows access to a greater number of job-seeker applications and stronger recruitment support Aptitude tests, retention tools and other related services are also available on engage 	General Companies	en-japan

<Domestic Other Business / Subsidiary>

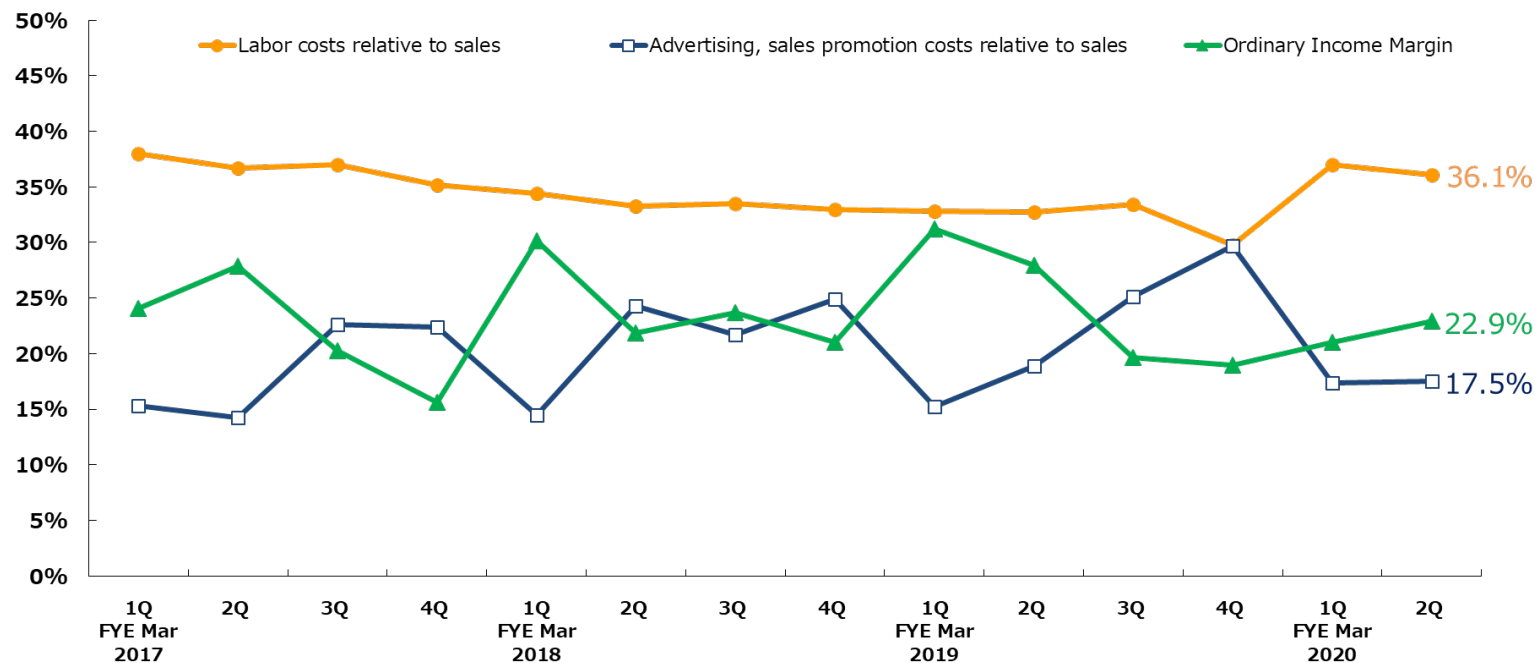
	Contents	Characteristics	Clients	Company
  	Provision of various services to help employees play active roles and keep working for the company	<ul style="list-style-type: none"> Development and sale of aptitude tests Operation of en-college training services Development and sale of retention tool “HR OnBoard” Establishment of personnel assessment system, etc. 	General Companies Temporary staffing companies	en-japan
	Hiring management system Operation management system	<ul style="list-style-type: none"> Uniform management of various data and functions, e.g. hiring information, interviewers, response to applications, and effectiveness measurement. Uniform management of hired staff and job listings. 	Temporary staffing companies General Companies	Zeku
	Design and development of web site and application	<ul style="list-style-type: none"> Company in the UI/UX growth contracting business. Not only site design but also design and consulting for the purpose of users using the site. 	General Companies	OWLS
	Internship information sites for university students	<ul style="list-style-type: none"> Targeting university students who look for “paid internship jobs that can foster their abilities,” rather than seeking those jobs purely for money The pioneer site for internship jobs which is the best in the country in terms of both performance and the number of jobs 	General Companies	i-tank japan
	Recruitment business for foreigners	<ul style="list-style-type: none"> Undertakes correspondence between foreign job seekers in Japan and hiring firms using chat Resolves the inconvenience of job seekers, such as job listings being available only in Japanese language and difficulty in communication on the phone Resolves issues faced by hiring firms, such as job applicant not showing up for an interview due to a lack of communication 	General Companies	Japan Work

<Other New Business *Unconsolidated subsidiary >

	Contents	Characteristics	Clients	Company
	Marketing research Data analysis using AI	<ul style="list-style-type: none"> Creates a database of and analyzes complaints acquired from consumers and sells the database/analysis as a product that contributes to product development to companies. Analyzes data owned by companies using sophisticated data analysis technologies. Provides issue-solving solutions. 	General Companies	Insight Tech
	Online service to support those looking for a marriage partner	<ul style="list-style-type: none"> Service to support people looking for a husband or wife with the new concept of seeking happiness after marriage 	General users	en KONKATSU AGENT

Cost relative to sales - Labor cost and Sales & Promotion cost (consolidated)

68

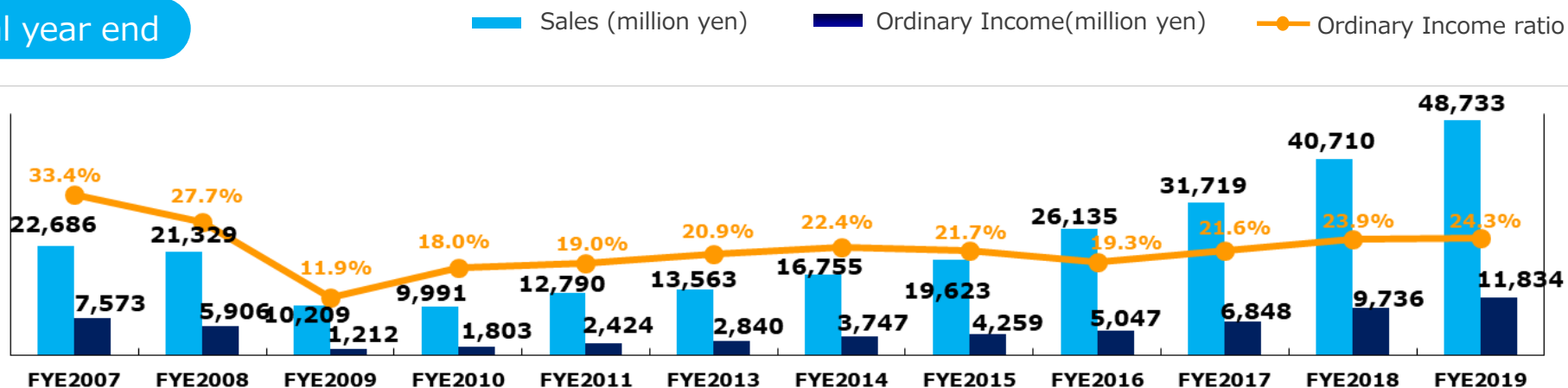


	1Q FYE Mar 2017	2Q	3Q	4Q	1Q FYE Mar 2018	2Q	3Q	4Q	1Q FYE Mar 2019	2Q	3Q	4Q	1Q FYE Mar 2020	2Q
Ordinary Income (million yen)	1,738	2,125	1,583	1,411	2,753	2,134	2,364	2,484	3,622	3,373	2,385	2,453	2,892	3,305
% of sales	24.0%	27.8%	20.3%	15.6%	30.2%	21.8%	23.7%	21.0%	31.2%	28.0%	19.6%	19.0%	21.0%	22.9%
Labor costs (million yen)	2,743	2,797	2,885	3,185	3,137	3,250	3,336	3,901	3,803	3,947	4,056	3,849	5,092	5,214
% of sales	37.9%	36.7%	37.0%	35.2%	34.4%	33.2%	33.5%	33.0%	32.8%	32.7%	33.4%	29.8%	37.0%	36.1%
Ad, sales promotion costs (million yen)	1,108	1,086	1,764	2,028	1,323	2,373	2,166	2,947	1,762	2,282	3,056	3,841	2,394	2,528
% of sales	15.3%	14.2%	22.6%	22.4%	14.5%	24.3%	21.7%	24.9%	15.2%	18.9%	25.2%	29.7%	17.4%	17.5%

Earnings for Fiscal year end and each quarter

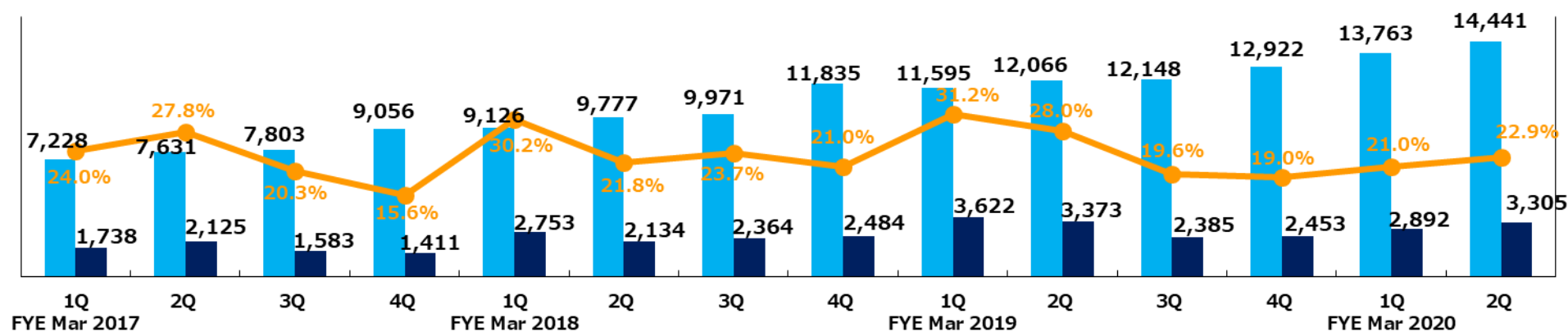
69

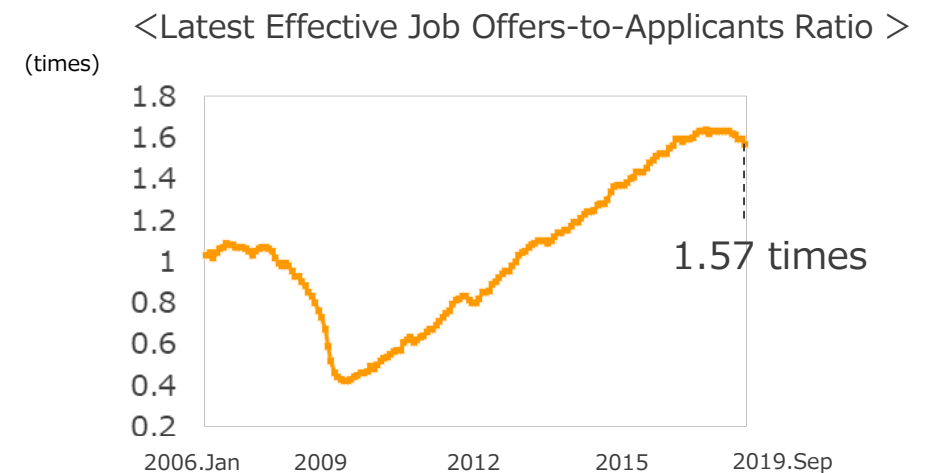
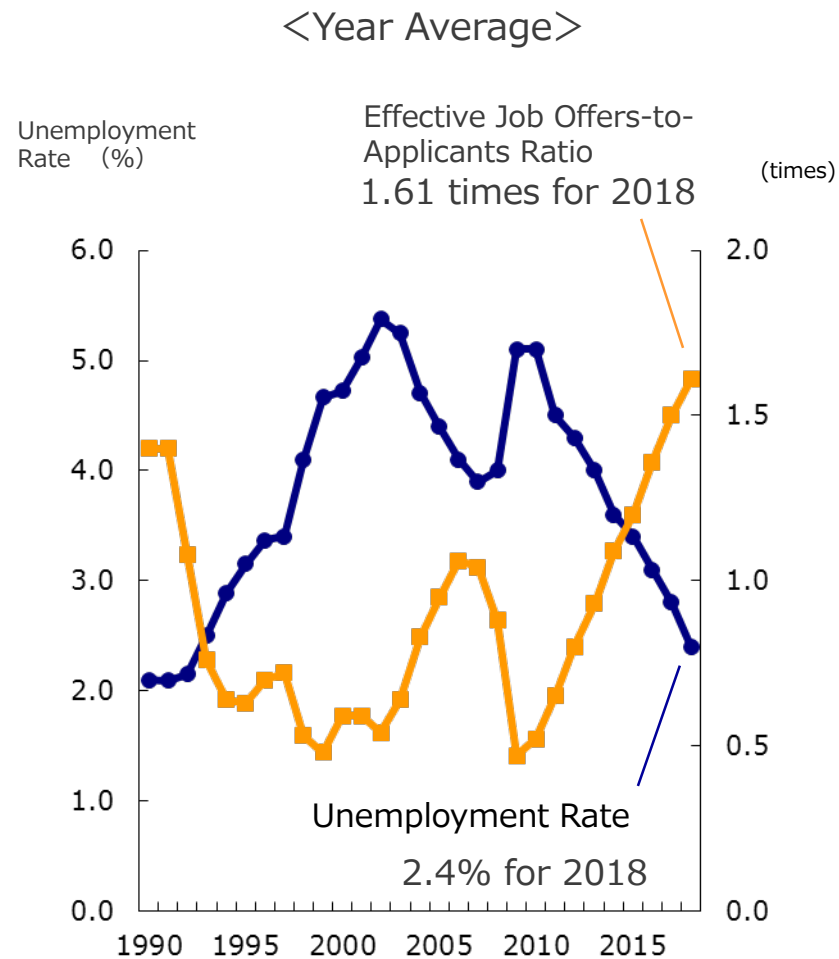
Fiscal year end



*FY2011 converted 15 months to 12 months due to the change of accounting period (Change from December to March)

Quarter







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Cautionary Statement

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