



| FYE Mar/2020 Earnings Review

May 13, 2020

Security Code 4849
TSE First Section

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FYE Mar 2020

■ Performance

Largely in line with the plan revised in Feb.
Permanent Recruitment improved in 4Q. “engage” grew rapidly.

■ Impacts of COVID-19

Impacts are limited for the full year as the virus affected the performance only in March.

FYE Mar 2021

■ Earnings Forecast

Available only for 1Q. Sales down 27% YoY and operating income down 96% YoY.
Full-year guidance will be announced when it becomes calculable.

■ Impacts of COVID-19

A sharp downturn in business sentiment for recruitment following the declaration of a state of emergency on Apr. 7.

Mid-term Management Plan

■ Earnings Forecast

Forecast is withdrawn, as it is difficult to estimate the numbers at this point.

Capital Policy Financial Safety

■ Treasury Share Repurchase

Resolved on Feb. 12, 1.1% of total issued shares, 1.58B yen.
Resolved on Mar. 25, 1.1% of total issued shares, 1.0B yen.

■ Strong financial safety

Holding cash approximately equal to six times the monthly sales. The cost-containing efforts also continue.

Consolidated Performance Summary for FYE Mar/2020

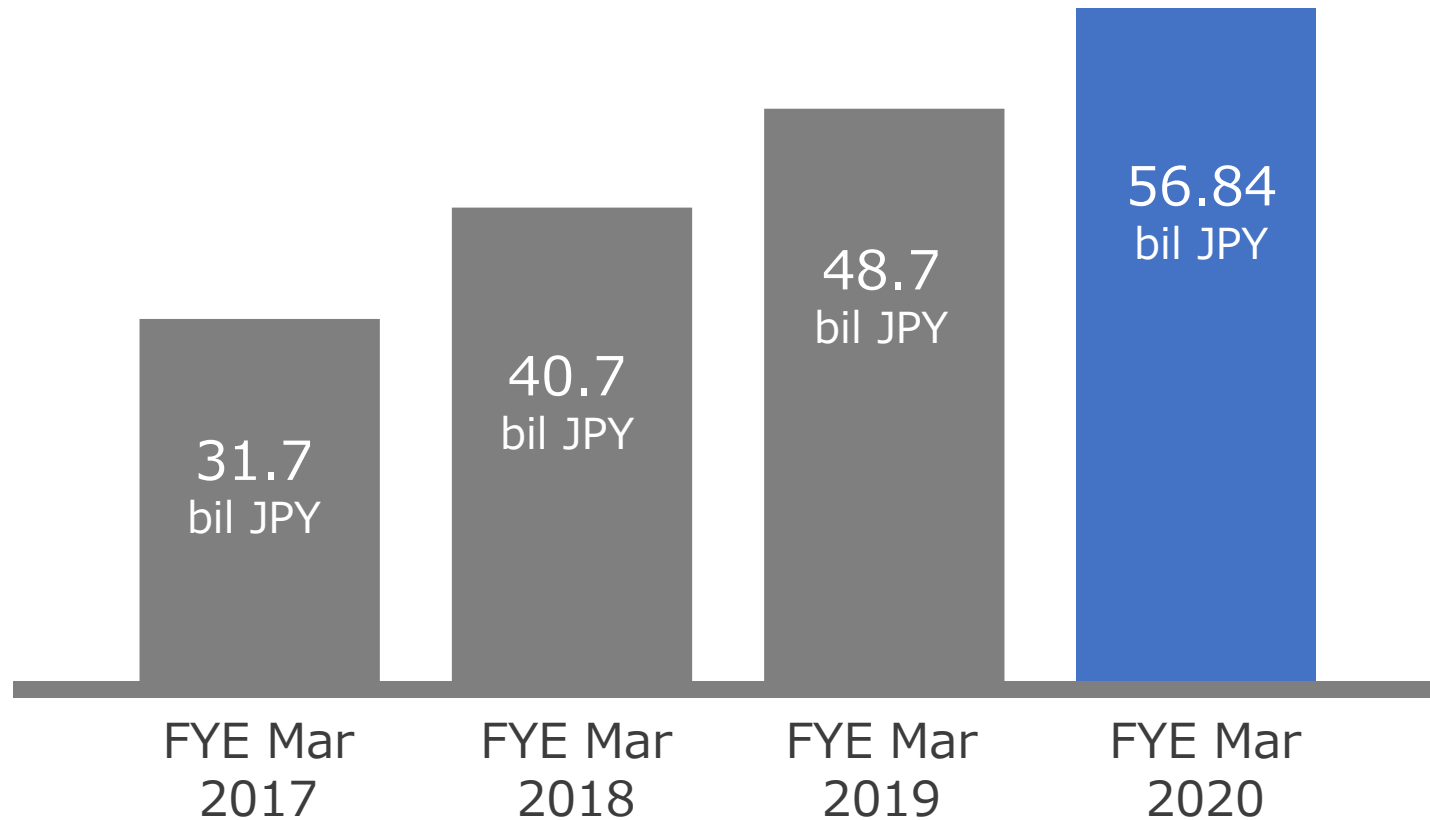
FYE Mar/2020 Consolidated Earnings Highlights

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*Segment operating income for the previous fiscal year is not compared on a YOY basis due to different distribution criteria.

Consolidated performance	Sales : 56.84bill YoY +17% Sales fell slightly short of the plan revised in Feb., but operating income exceeded plan due to cost control.	Operating income : 11.0bill YoY -5%
Domestic Job Board	Sales : 32.12bill YoY +2% Sales of [en]Career Change Info slightly lower than the revised plan but saw an improving trend in 4Q. Collective site for Permanent Recruitment agencies showed growth and en BAITO increased considerably.	Operating income : 11.73bill
Domestic Permanent Recruitment	Sales : 11.87bill YoY +6% Both EWJ and en Agent bottomed out in 3Q and posted positive sales growth in 4Q. Operating income was higher than the revised plan.	Operating income : 1.42bill
Overseas	Sales : 10.74bill YoY +131% Vietnam and India drove sales while the less-focused-on countries fell short of the plan. Full-year operating income was in line with the plan partly due to strong performance in Vietnam, where the closure of some offices contributed significantly to profit.	Operating income : 0.91bill
HR-Tech	Sales : 0.47bil YoY N/A Sales fell slightly short of the full-year target of 500 mill. yen but doubled in 4Q on a QoQ basis. Operating loss was roughly comparable to the plan given the additional investment in promotions, such as TV commercials.	Operating income : -1.94bill

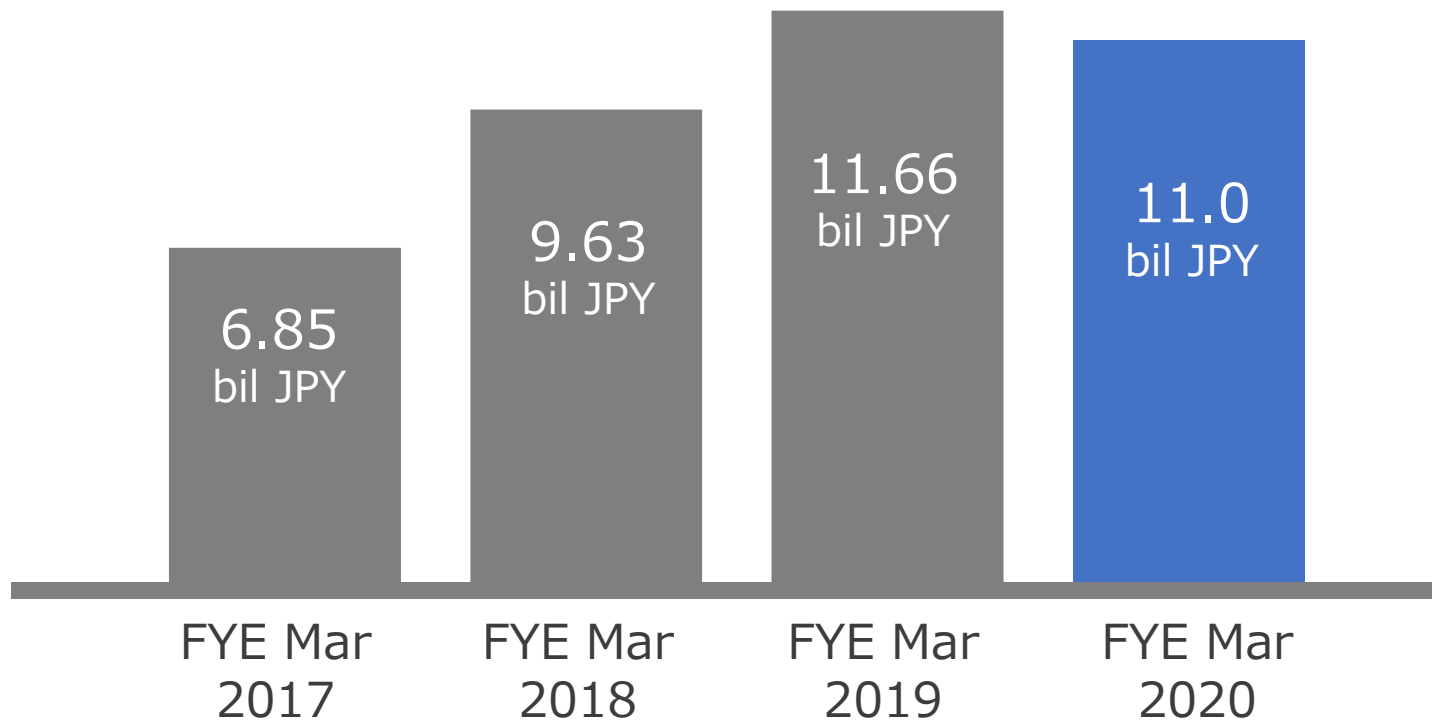
Sales



Increased
16.7%

-0.25bil JPY vs.
the revised plan.

Operating Income



Decreased
5.6%

+ 0.2bil JPY vs.
the revised plan.

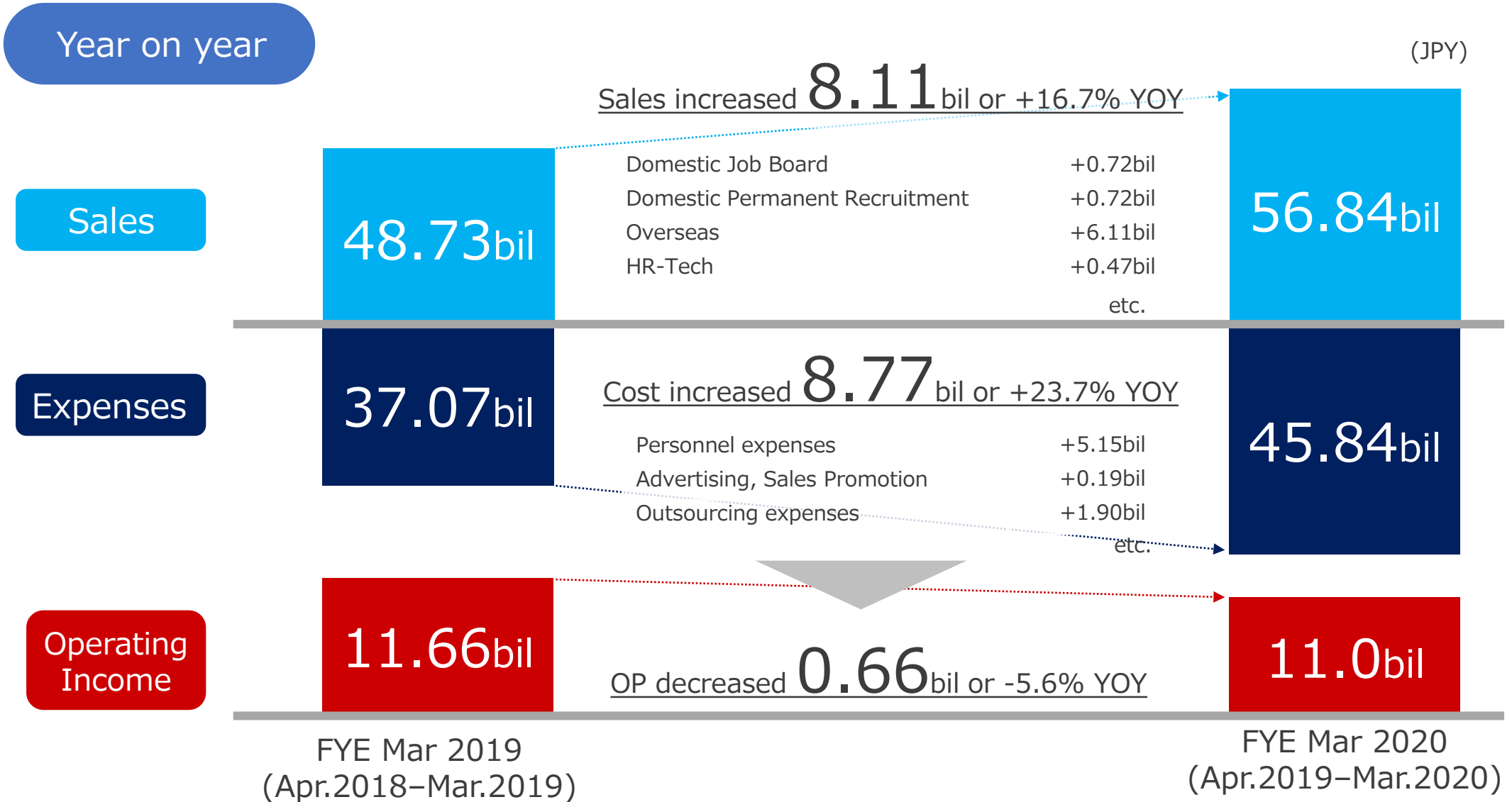
[FYE Mar/2020 Results] Consolidated Income Statement

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	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%	56,848	100.0%	8,115	16.7%	<ul style="list-style-type: none"> • Increase in consolidated sales of overseas subsidiary FFI • Growth of domestic Job Board and Job Search
Cost of Sales	4,682	9.6%	10,451	18.4%	5,769	123.2%	<ul style="list-style-type: none"> • Related to the consolidation of FFI, an IT temporary staffing agency • Cost ratio excl. FFI is flat YoY.
Personnel	2,987	6.1%	6,616	11.6%	3,629	121.5%	
Other	1,694	3.5%	3,835	6.7%	2,141	126.4%	
Gross Profit	44,051	90.4%	46,397	81.6%	2,346	5.3%	Increase primarily due to hiring of new graduates by non-consolidated en-japan, workforce enhancement in EWJ, and SGA staff in FFI.
SGA(Sales, general & administrative)	32,389	66.5%	35,392	62.3%	3,003	9.3%	
Personnel	12,671	26.0%	14,197	25.0%	1,526	12.0%	Additional investment in “engage” and cost control efforts on Job Board
Advertising, Sales Promotion	10,943	22.5%	11,138	19.6%	195	1.8%	
Other	8,775	18.0%	10,057	17.7%	1,282	14.6%	
Operating Income	11,661	23.9%	11,005	19.4%	-656	-5.6%	
Ordinary Income	11,834	24.3%	11,057	19.5%	-777	-6.6%	
Net Income attributable to en-japan	8,144	16.7%	7,125	12.5%	-1,019	-12.5%	Recorded an impairment loss on some securities due to a decline in share prices

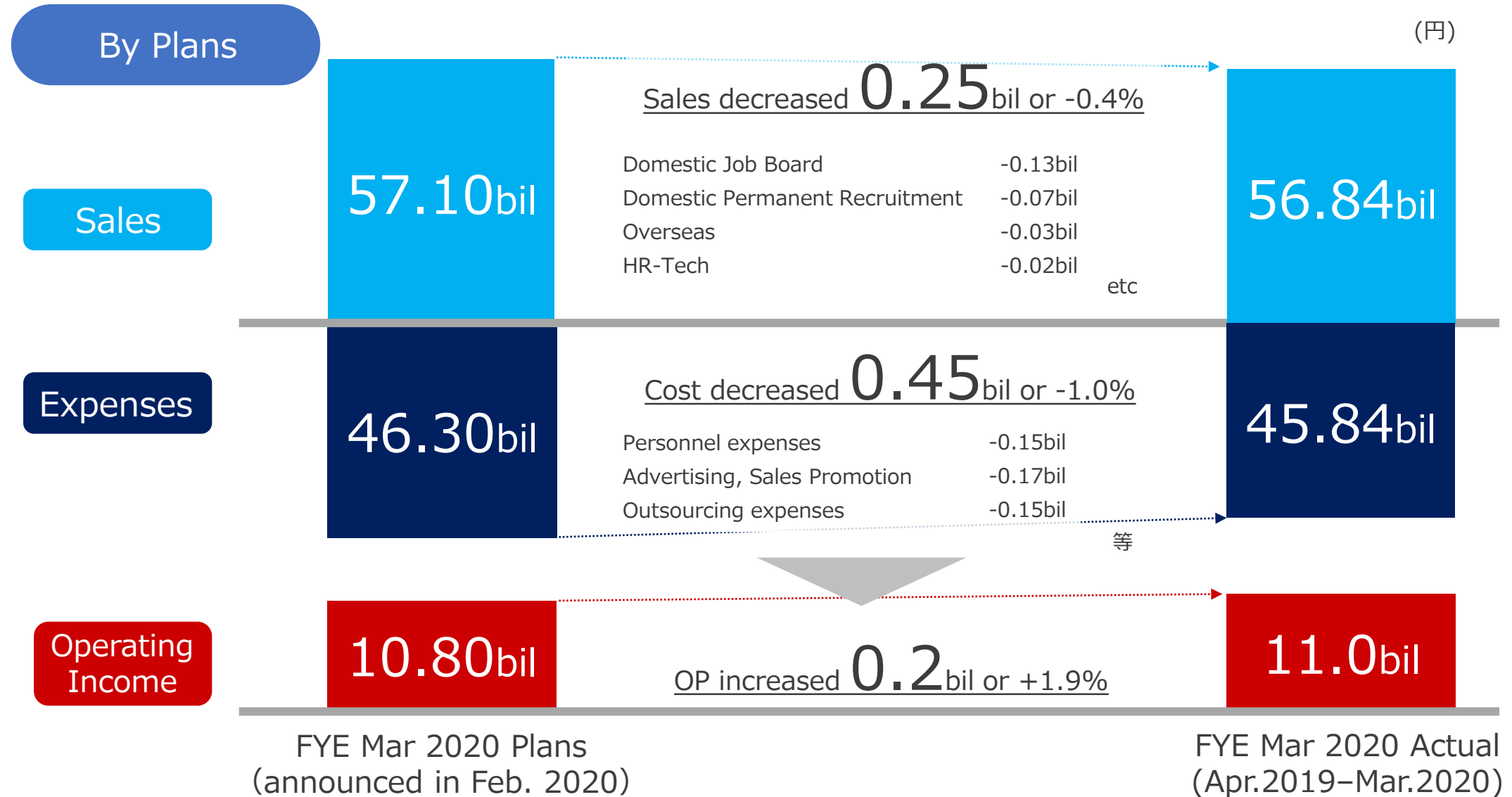
Changing Factor of Earnings Year on Year

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Changing Factor of Earnings Compared to the Revised Plan (announced in Feb. 2020)

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FYE Mar/2020 Performance Overview by Segment

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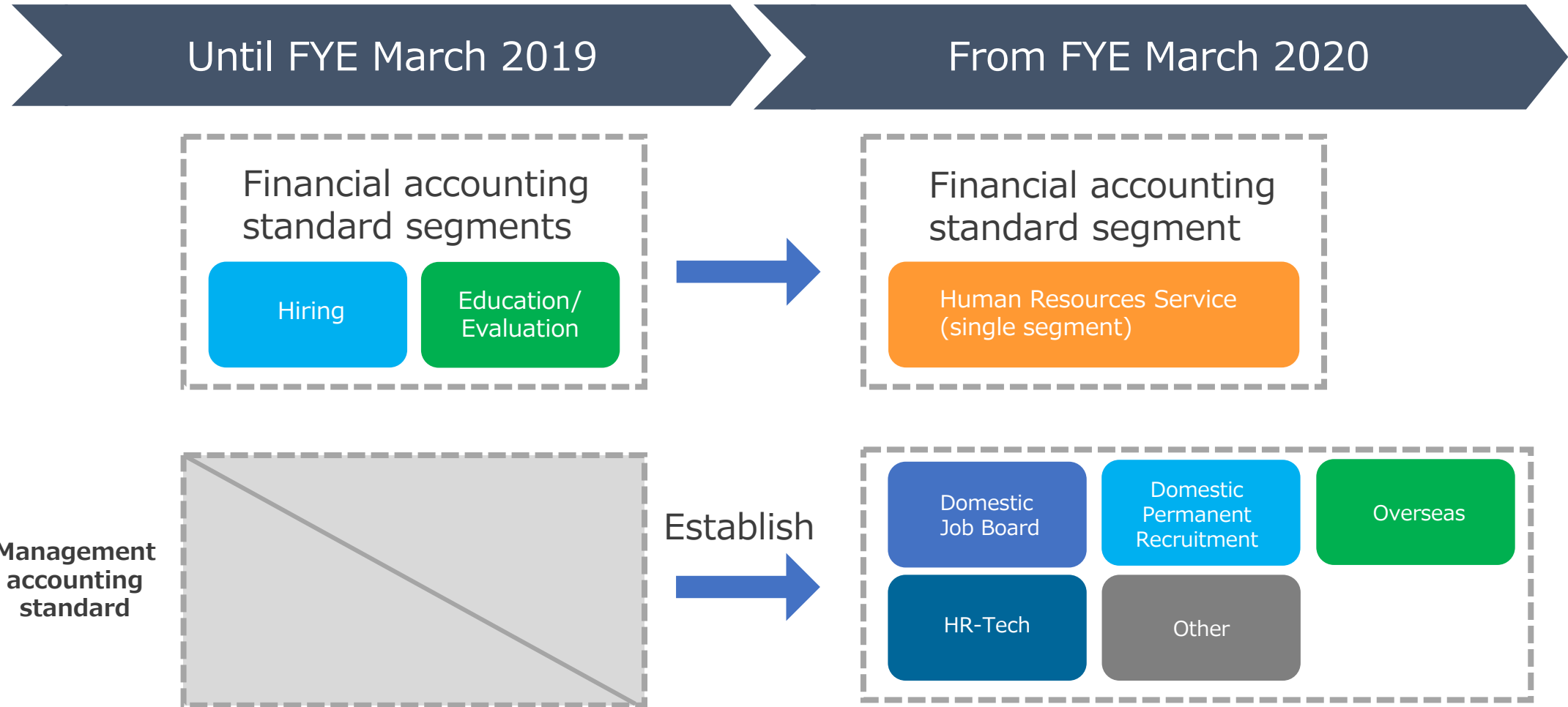
*Segment operating income for the fiscal year ended March 2019 is not calculated/compared due to different distribution criteria.

(bil JPY)		Previous (FYE Mar/2019)	Initial Forecast	Forecast Revised on Feb. 13	Actual	Change
Domestic Job Board	Sales	31.40	33.80	32.25	32.12	-0.13
	Operating Income	---	12.20	11.74	11.73	-0.01
	OP margin	---	36.1%	36.4%	36.5%	+0.1Pt.
Domestic Permanent Recruitment	Sales	11.15	12.83	11.95	11.87	-0.07
	Operating Income	---	1.52	1.26	1.42	+0.15
	OP margin	---	11.8%	10.6%	12.0%	+1.4Pt.
Overseas	Sales	4.64	11.12	10.77	10.74	-0.03
	Operating Income	---	0.92	0.92	0.91	-0.01
	OP margin	---	8.3%	8.5%	8.5%	± 0
HR-Tech	Sales	0	0.5	0.50	0.47	-0.02
	Operating Income	---	-1.24	-2.02	-1.94	+0.08
	OP margin	---	-248.0%	-405.0%	-409.1%	-4.1Pt.
Other	Sales	2.02	2.13	2.11	2.10	-0.00
	Operating Income	---	-0.29	-0.20	-0.18	+0.01
	OP margin	---	-13.6%	-9.9%	-8.8%	+1.1Pt.
adjustment	Sales	-0.47	-0.38	-0.50	-0.48	+0.01
	Operating Income	---	-0.91	-0.90	-0.93	-0.02
consolidated	Sales	48.73	60.0	57.1	56.84	-0.25
	Operating Income	11.66	12.2	10.8	11.0	+0.20
	OP margin	23.9%	20.3%	18.9%	19.4%	+0.5Pt.

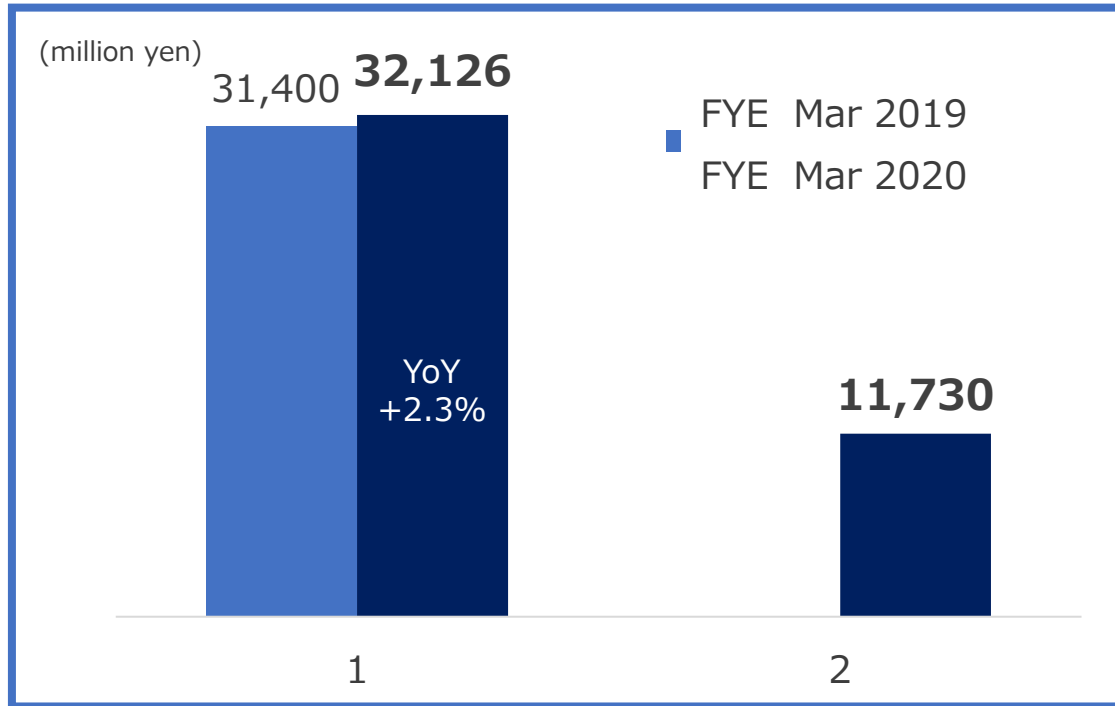
Performance Overview by Segment^{*} for FYE Mar/2020

^{*}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.



① Domestic Job Board

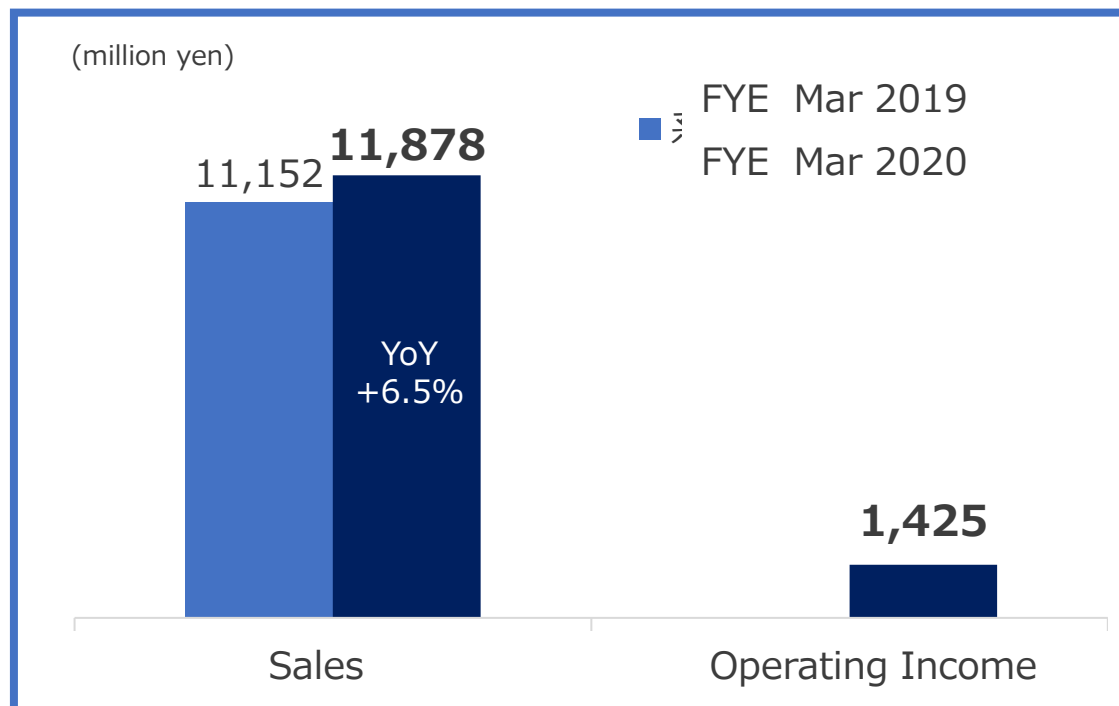


FYE Mar 2020	
[en]Career Change Info	-Favorable effects continued. Share increased for large-lot customers. Combined deal with “engage” was well received, allowing the business with SMEs to bottom out in 3Q and improve in 4Q.
Sites for Permanent Recruitment agencies	- [en]Career Change Consultant saw a slowdown in the number of contracts signed with permanent recruitment agencies in the 2 nd half but was on a good growth track for full year. -AMBI showed robust growth with better brand awareness.
Sites for Temporary staffing companies	-[en]Temporary Placement Info for clerical jobs retained large share and steady growth -en BAITO was a strong sales driver
Cost and profit	- Advertising cost was controlled based on revenues Earnings were largely in line with the plan revised in Feb.

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 (Apr.2019-Mar.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Sales	31,400		32,126		727	2.3%
Operating Income			11,730	36.5%		

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

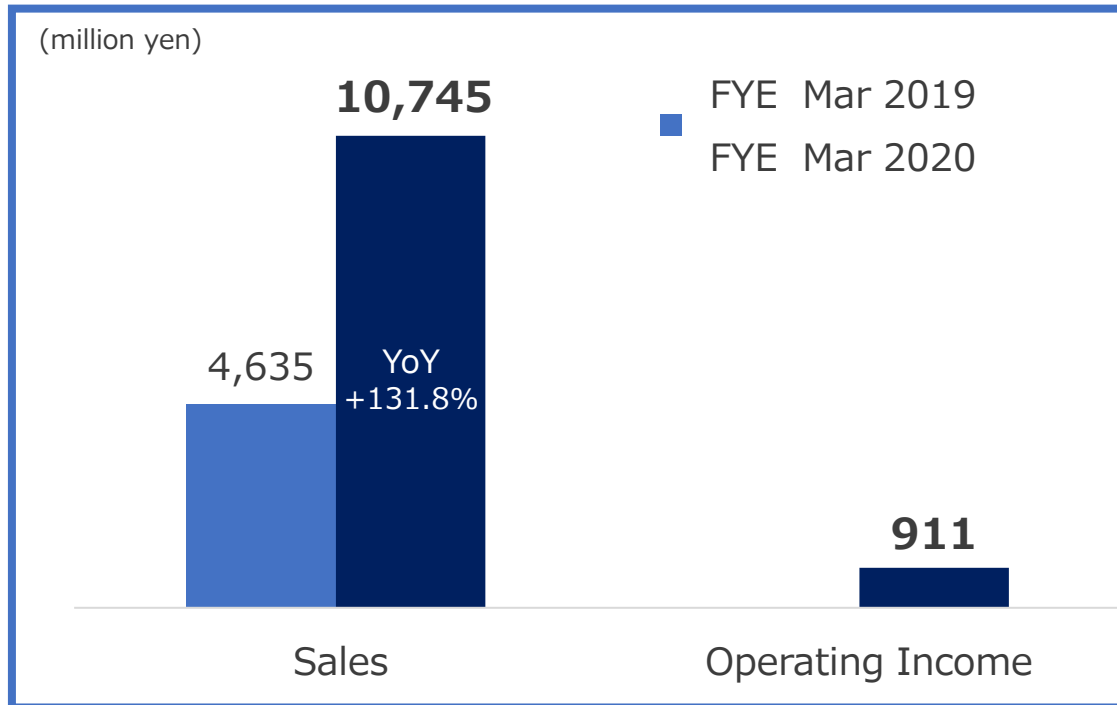


FYE Mar 2020	
en Agent (EA)	-Sales growth turned positive in 4Q as the building of the organizational and operational structures, which had been an issue, advanced and the productivity of staff who were newly hired last April improved.
en world Japan (EWJ)	-Although the demands of customers, mainly manufacturers, decreased in 3Q, sales growth turned positive in 4Q led by a shift in target domains.
Cost and profit	-Profit exceeded the revised plan as the costs related to EWJ's specialist dispatch service and commission of the consultants fell short of the budgets.

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

	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		
Sales	11,152		11,878		726	6.5%
Operating Income			1,425	12.0%		

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

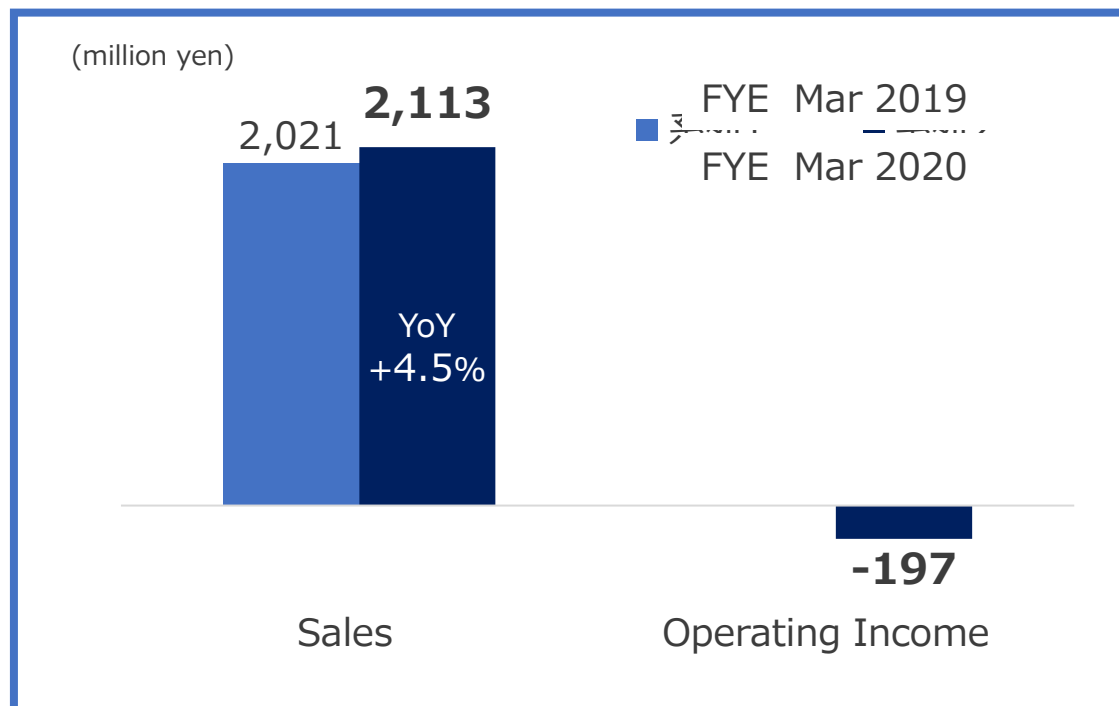


FYE Mar 2020	
Overall summary	<ul style="list-style-type: none"> -Full-year profits exceeded the plan both in Vietnam and India, contributing to profit, while the less-focused-on countries struggled. -Withdrawal from Singapore and Australia was completed in Dec. and Apr., respectively. Talent Alliance in China is expected to be sold, but the timing is TBD.
Vietnam	-Strong growth is maintained regarding the Job-search website that has the advantage of having the largest share in the country. Non-core business is reinforced, including the online educational services for adults.
India	-The business significantly exceeded the plan in the 1 st half but slowed down slightly in the 2 nd half due to the economic downturn in India.

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

	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		
Sales	4,635		10,745		6,110	131.8%
Operating Income			911	8.5%		

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



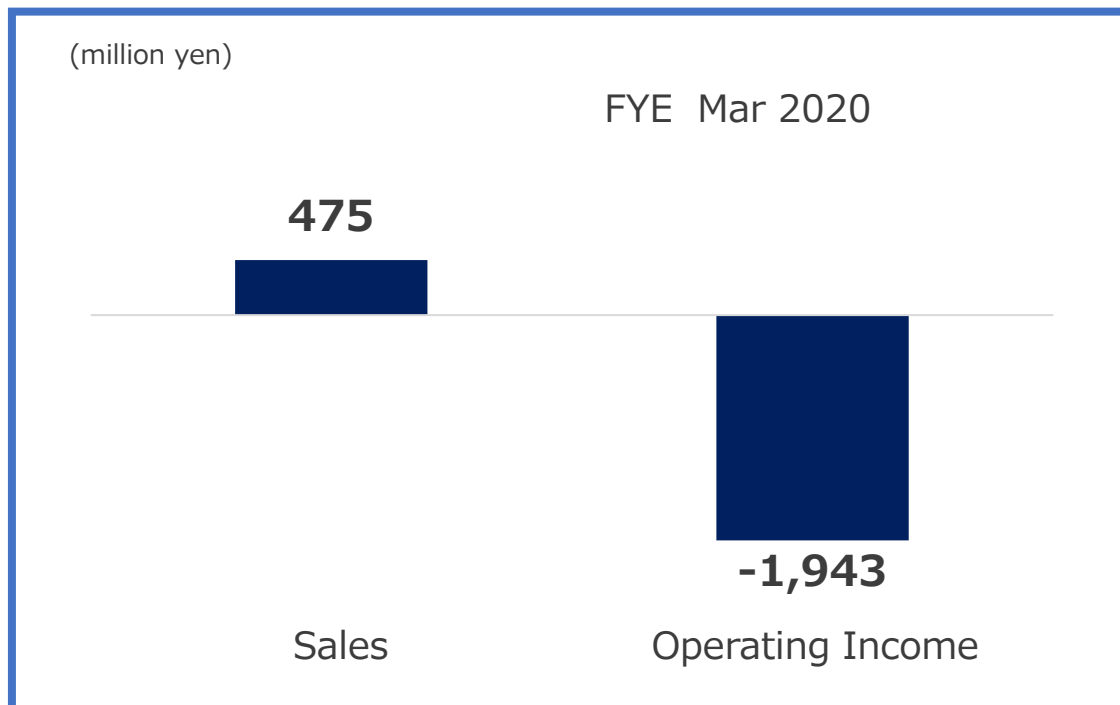
FYE Mar 2020	
Overall summary	<ul style="list-style-type: none"> - Organic sales excluding the elimination of sales of subsidiary divested in 3Q and the sales rise due to an addition of new consolidated subsidiaries increased by more than 10% - ZEKU, which provides hiring management system to the temporary staffing companies, drove sales
Cost and profit	<ul style="list-style-type: none"> - ZEKU and the education/evaluation products showed profitability and higher earnings - Cost associated with the launch of new business increased - Achieved the revised plan although the segment on the whole was in the red

Domestic Other Business / Subsidiary

⇒ Education / Evaluation 、 ZEKU、 JapanWork、 Other New Business

	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		
Sales	2,021		2,113		91	4.5%
Operating Income			-197	-9.3%		

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

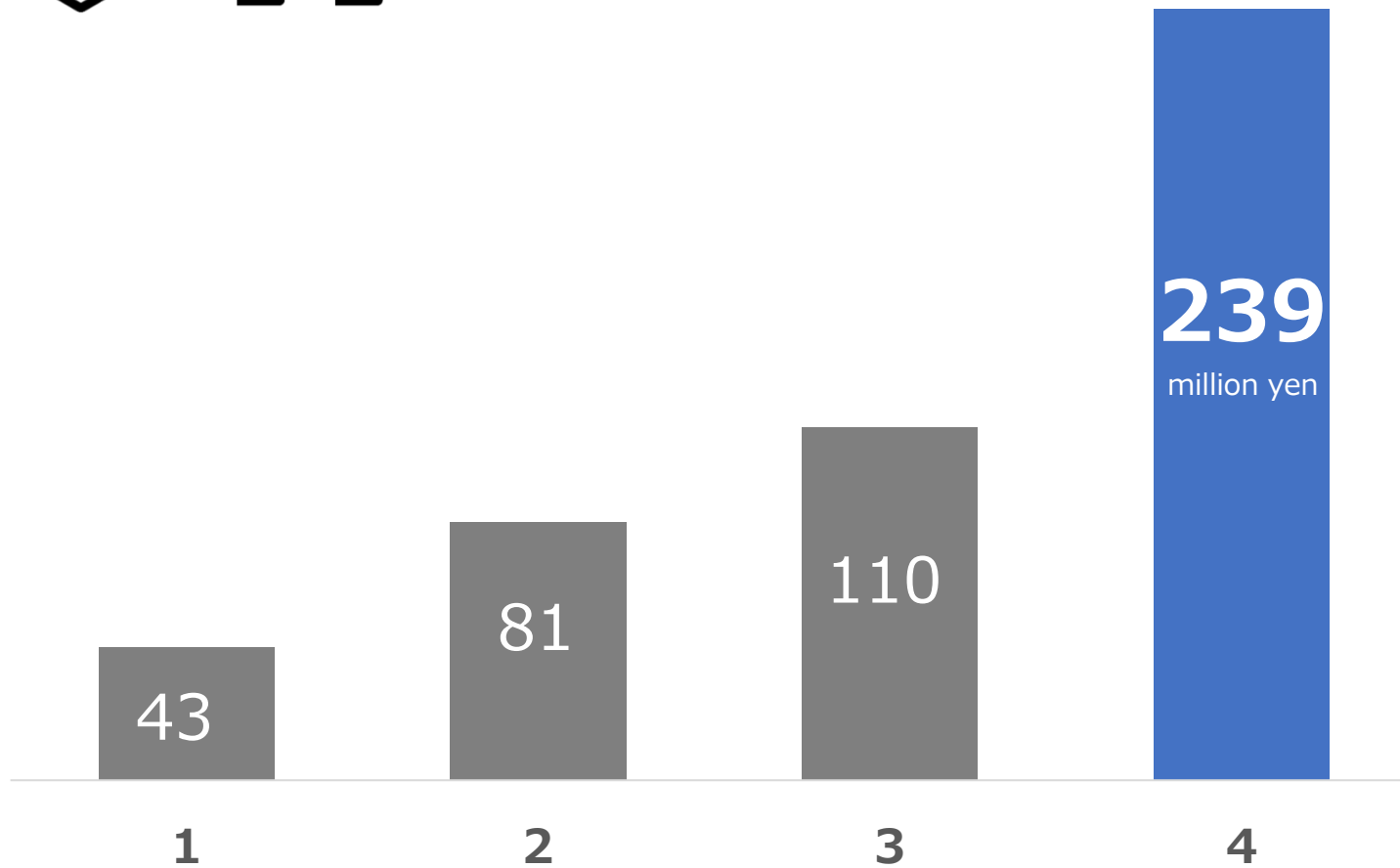


FYE Mar 2020	
Overall summary	<ul style="list-style-type: none"> -Although the sales were slightly short of the full-year plan of 500M yen, they doubled in 4Q compared to the previous quarter. -The number of paid users is increasing steadily. Conversion to application, which had been a challenge, is now well supported by the measures and this led to growth in sales.
Cost and profit	<ul style="list-style-type: none"> -Additional investment was made mainly for sales promotions. TV commercials were shown in a wider area in 4Q. - Operating loss was generally in line with expectations.

HR-Tech⇒ engage and related service

	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		
Sales			475		475	
Operating Income			-1,943	-409.1%		

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



Sales has
Doubled
QoQ

TV commercial broadcasting



Expanded the scale to cover 21 prefectures.
Launched a campaign in line with the TV commercial broadcasting.



Broadcasting period: Jan.16 – Jan.31
area : Kanto / Tokai / Kansai / Fukuoka / Hokkaido / Miyagi
/ Shizuoka / Hiroshima

**TVCM 放映記念キャンペーン**
2020年1月16日(木)～2月15日(金)

 **エフ転職**  **LINE キャリア**  **エンバイト**

に特別掲載！

＼例えば／
有料オプション **35,000円**で掲載可能！
※掲載料金、掲載サイトは、職種・エリア・雇用形態により異なります。

既にエンゲージで求人中の方

まだ求人されていない方

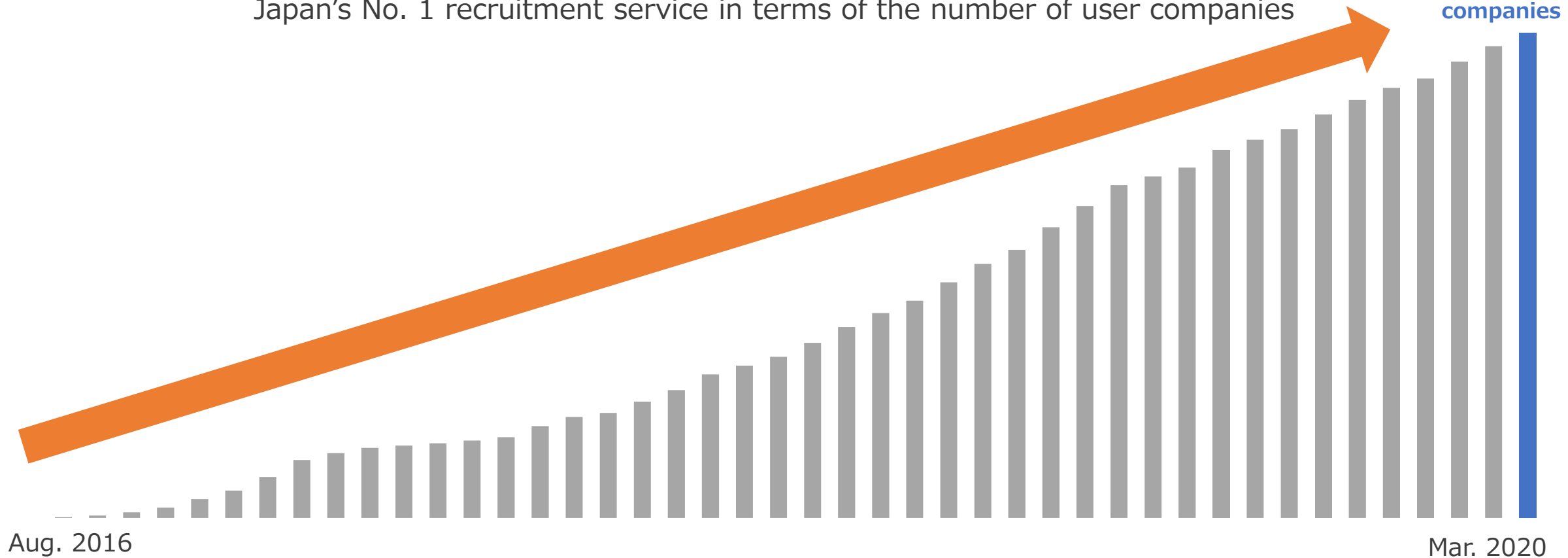
求人一覧からキャンペーン申し込み >

お問い合わせフォームへ >



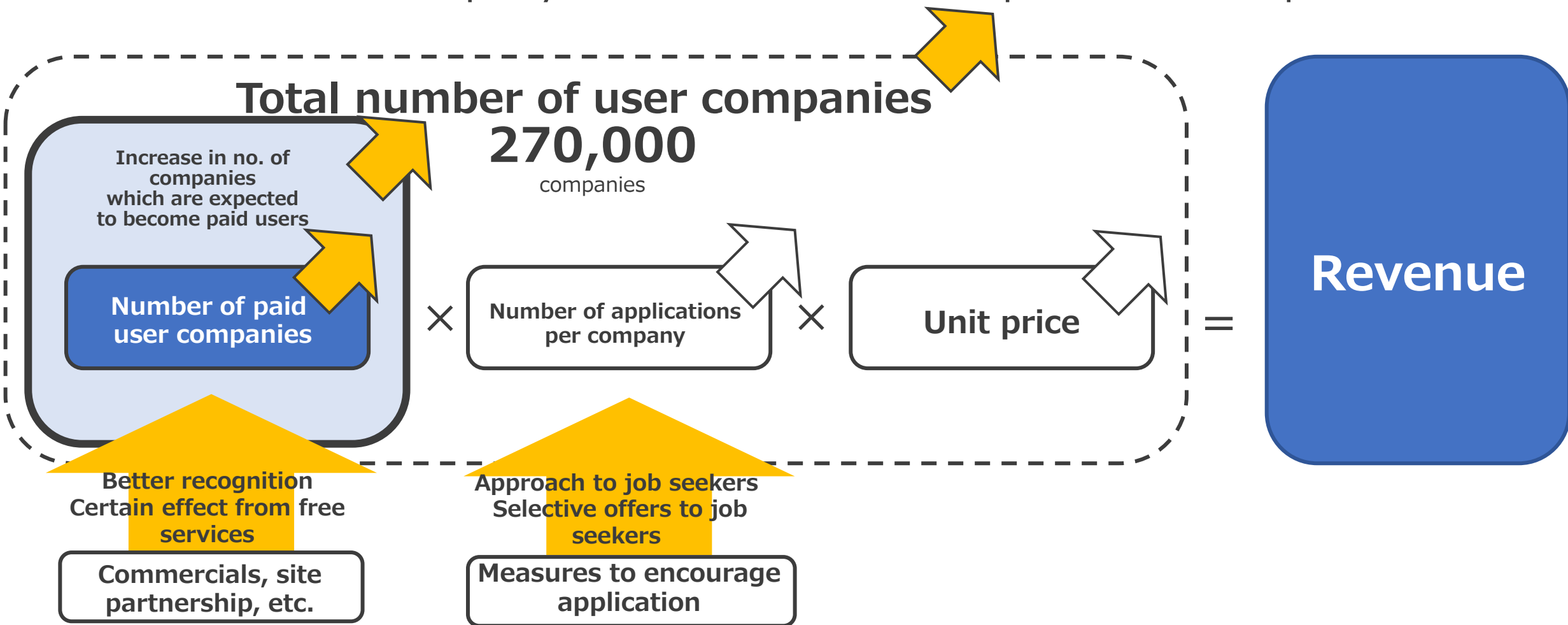
Total number of users exceeds **270,000** mark.
Japan's No. 1 recruitment service in terms of the number of user companies

270,000
companies





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



M&A and capital contribution results

April 2019 to March 2020
results

Total M&A and investment was about **2.4 billion yen**
(Policy to invest mainly in human resources-related businesses that have strength in IT,
digital and niche domains in Japan and overseas)



* "JapanWork" was acquired with cash and treasury stock.

* "Brocante" was acquired with treasury stock.

- Impacts of COVID-19 and the policies of the Company in response to the pandemic
- 1Q FYE Mar/2021 Earnings Forecast
Medium-Term Management Plan

Market trend

- The number of companies postponing recruiting activities increased sharply after the state of emergency was declared on Apr. 7.
While some companies are continuing or enhancing their recruiting activities, we anticipate there will be tough conditions until COVID-19 is contained.
 - Demand for recruitment may either recover strongly once the pandemic is over or see a sustained downturn due to a prolonged crisis and the economy going into recession.
-

What we will do

- We need to prepare for both a sharp rebound in hiring demand and long-term stagnation.
 - In the case of a sustained downturn, we will overcome difficulties by reducing variable costs and taking advantage of our solid financial base.
 - In the future, working styles and recruitment methods may change, and hiring demand may shift among industries.
We should turn them into an opportunity for HR-Tech and M&A, and continue to invest actively in these areas.
-

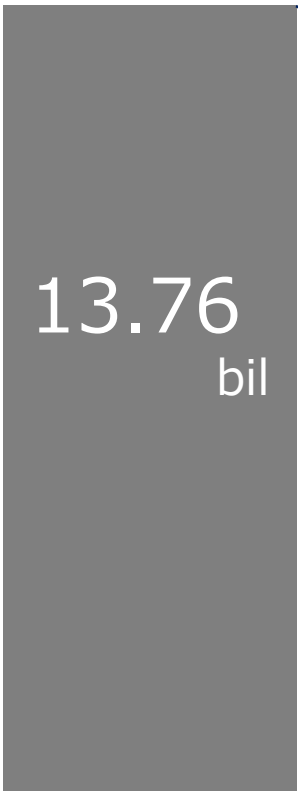
Limited reduction in variable costs, despite a sharp decrease in sales
due to the Impacts of COVID-19

As a result, operating income is expected to decline significantly

	FYE Mar 2020 (Apr.2019–June.2019)		FYE Mar 2021 (Plan) (Apr.2020–June.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	13,763	100.0%	10,000	100.0%	-3,763	-27.3%
Cost of Sales	2,542	18.5%	2,520	25.2%	-22	-0.9%
Personnel	1,518	11.0%	1,542	15.4%	24	1.6%
Other	1,023	7.4%	977	9.8%	-46	-4.5%
Gross Profit	11,221	81.5%	7,480	74.8%	-3,741	-33.3%
SGA(Sales, general & administrative)	8,316	60.4%	7,365	73.6%	-951	-11.4%
Personnel	3,574	26.0%	3,499	35.0%	-75	-2.1%
Advertising, Sales Promotion	2,394	17.4%	1,151	11.5%	-1,243	-51.9%
Other	2,347	17.1%	2,715	27.2%	368	15.7%
Operating Income	2,904	21.1%	115	1.2%	-2,789	-96.0%
Ordinary Income	2,892	21.0%	143	1.4%	-2,749	-95.1%
Net Income attributable to en-japan	1,917	13.9%	3	0.0%	-1,914	-99.8%

Sales

(Yen)



1Q FYE Mar 2020

YoY
-3.76bil
-27.3%



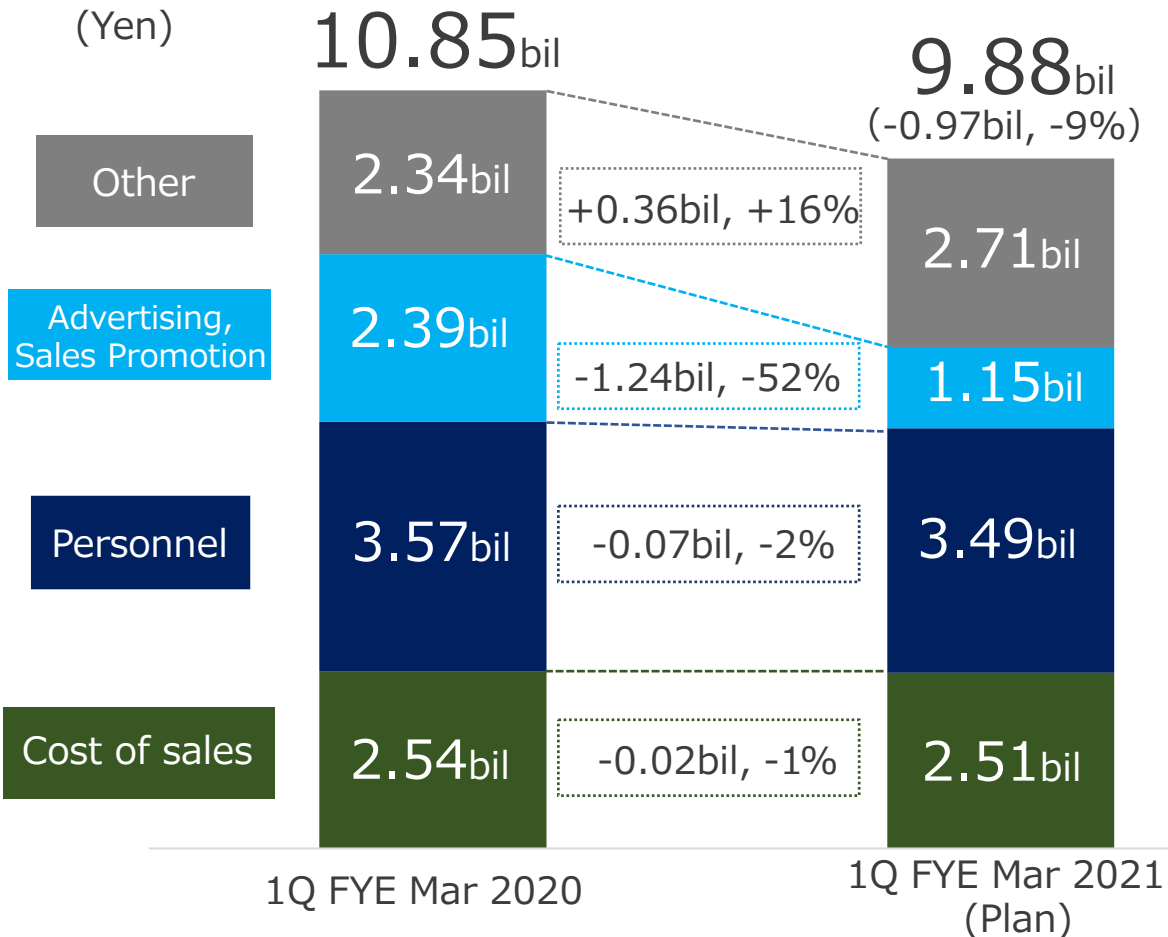
1Q FYE Mar 2021
(Plan)

Due to a sharp decrease in hiring demand,
Sales of Job Boards are particularly reduced

Domestic Job Board	-3.31bil	YoY-44%
Domestic Permanent Recruitment	-0.29bil	YoY-10%
Overseas	-0.54bil	YoY-20%
HR-Tech	+0.3bil	YoY About 8 times
Others	+0.1bil	YoY+19%

1Q Expenses

(Yen)



expenses, especially the advertising cost, will be reduced.
 (Advertising, Sales Promotion YoY -1.24bil, -52%)

Other SGA expenses
 (variable cost including outsourcing expenses)
cut drastically in 2Q

We implemented various actions swiftly for our stakeholders.

Our employees

- To ensure safety and prevent the spread of infectious disease, all employees, regardless of their employment status, now work from home.
- Security measures and provision of equipment necessary to work from home.
- Continuing the use of the online business meeting system that had been actively used even before the coronavirus outbreak.

Job seekers

- To ease people's anxiety about changing jobs, we confirmed the willingness of the companies running the job advertisements to hire new employees. Only the ads of those who remain active in hiring are featured. ([en]Career Change Info)

Our clients and their employees

- Launch of **"Coronavirus Response Project"** (Apr. 15)
For medical institutions and logistics companies working ceaselessly to secure the lives and safety of people in Japan "engage" provides a fee-based recruiting plan for free*
- Complimentary provision of training service "en College-Online"
(for the clients using our key services)

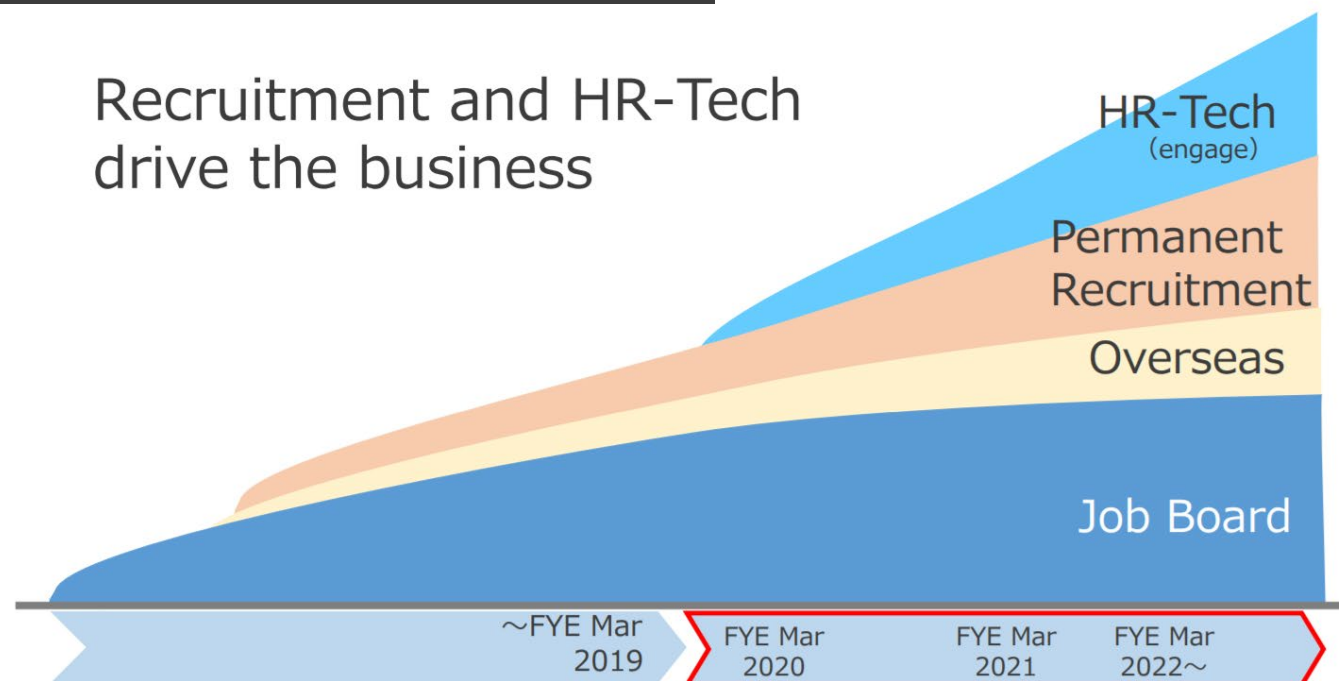
* Free for up to 3 job offers per client, 10 applications per offer

No change in basic policies from a medium- to long-term viewpoint regarding the Medium-Term Management Plan

The guidance is withdrawn for the time being as it is difficult to estimate the numbers at this point

From materials released in May 2019

Recruitment and HR-Tech drive the business



Permanent Recruitment and HR-Tech Become Growth Drivers

Enhancement of M&A in the technology field

(million yen)	FYE Mar 2019 (Mar. 2019)	FYE Mar 2020 (Mar. 2020)	YOY change	YOY change (%)
Current asset	37,255	37,065	-190	-0.5%
Cash	30,409	30,128	-281	-0.9%
Accounts receivable	5,614	5,733	119	2.1%
Other current assets	1,232	1,203	-29	-2.4%
Non-current assets	12,596	14,830	2,234	17.7%
Property, plant and equipment	719	1,021	302	42.0%
Intangible assets	6,858	7,712	854	12.5%
Investments and other assets	5,018	6,096	1,078	21.5%
Assets	49,852	51,896	2,044	4.1%
Liabilities	14,385	13,247	-1,138	-7.9%
Current liabilities	13,274	11,762	-1,512	-11.4%
Not current liabilities	1,111	1,485	374	33.7%
Net assets	35,466	38,648	3,182	9.0%
Capital	1,194	1,194	0	0.0%
capital reserves	538	1,133	595	110.6%
earned surplus	35,496	39,588	4,092	11.5%
treasury stock	-2,795	-4,253	-1,458	52.2%
Other net assets	1,032	983	-49	-4.7%
Liabilities/Net assets	49,852	51,896	2,044	4.1%

Equity ratio: 73%
Financial safety is ensured
as the amount of cash and
cash equivalents almost
equals 6 times the
monthly sales of the
previous fiscal year.

Treasury Share Repurchase
Feb. 2020

Return to Shareholders

In view of our capital policy and stock market trends, we repurchased treasury shares. We will consider a further repurchase as appropriate, depending on the financial conditions and stock market performance.

Result of the two treasury share repurchase programs

◆ Class of shares	Common stock
◆ Aggregate number of shares repurchased	996,200 shares in total (equal to 2.2% of total issued shares)
◆ Aggregate price of shares repurchased	2.58 billion yen in total (1.58 billion and 1.0 billion yen)
◆ Period for share buyback	From February 13 to March 12, 2020 From April 1 to April 24, 2020

No changes are made at this point; however, we may revise it as necessary, depending on the circumstances ahead.

(From materials released in May 2019)

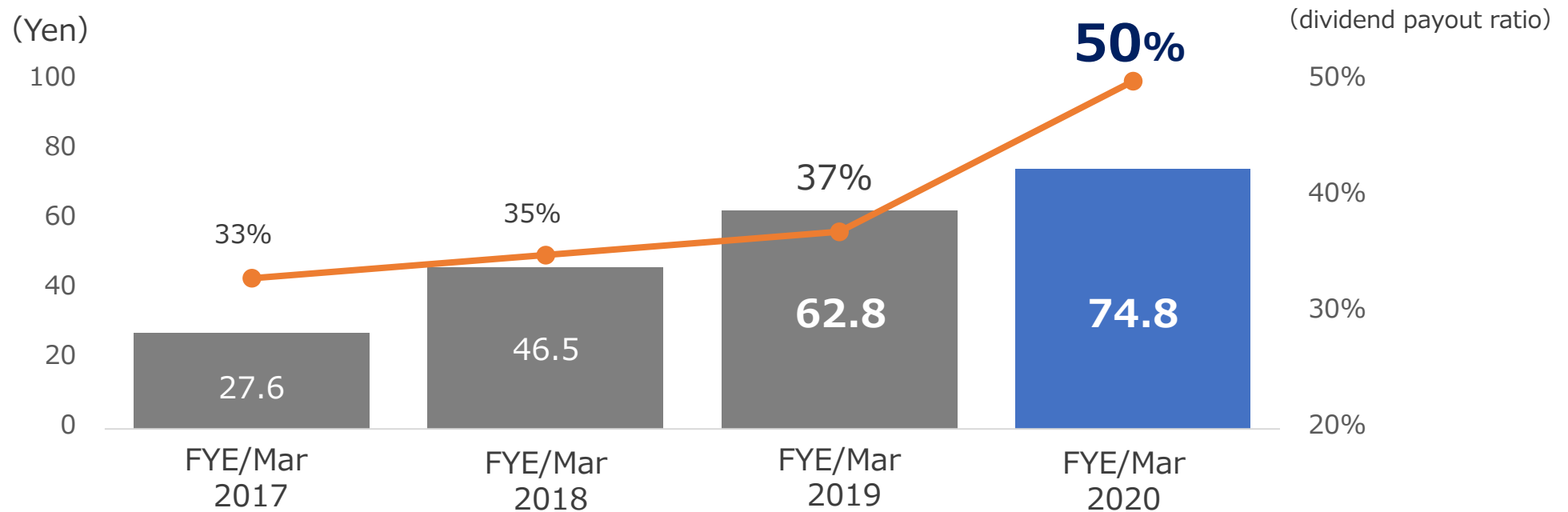
**From
FYE Mar
2020**

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/2020: **¥74.8** (YoY+¥12.0)
Plan for FYE Mar/2021 is undecided at this moment
(will be announced whenever the earnings forecast becomes available)



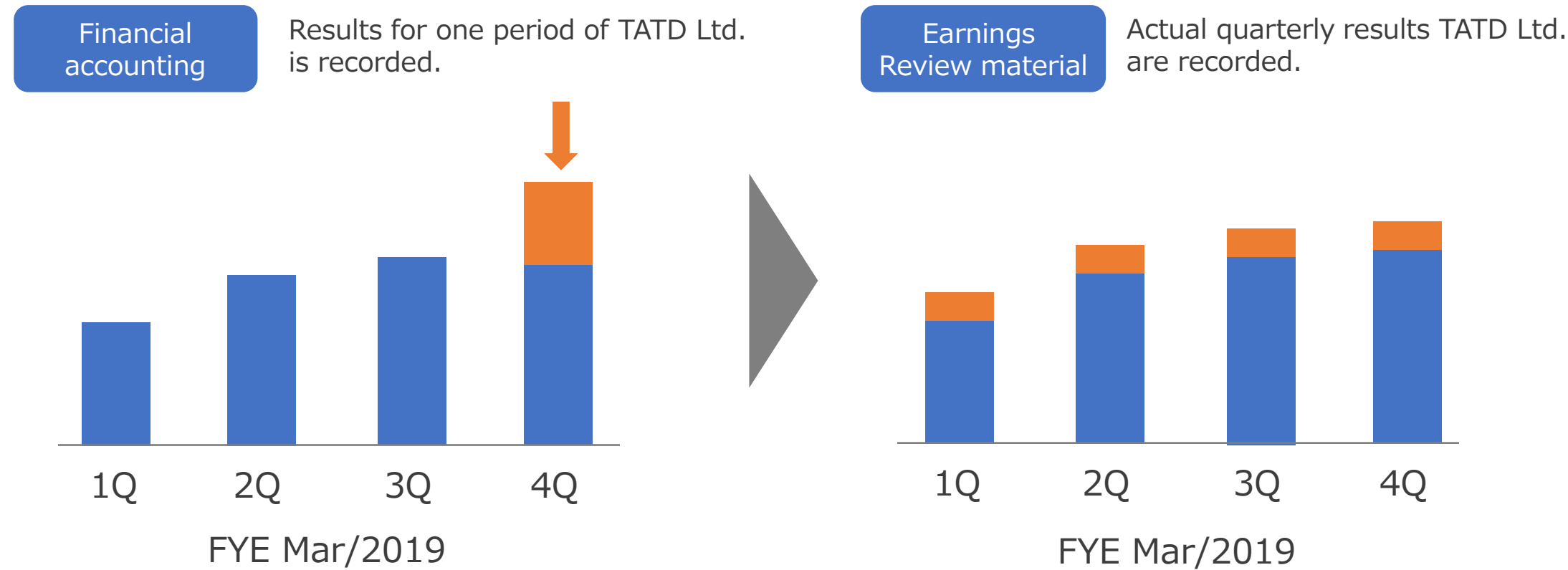
* Dividend payout is based on the net income attributable to owners of the parent company.

* The difference from the dividend payout described in the summary of financial results is attributed to the dividend related to J-ESOP. Specifically, dividend payout of the Company is calculated as follows: total dividend/net income attributable to the shareholders of parent company=dividend payout (%)

* Assuming dividend payment for FYE Mar/2020 is approved by the general meeting of shareholders.

Appendix

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.



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.

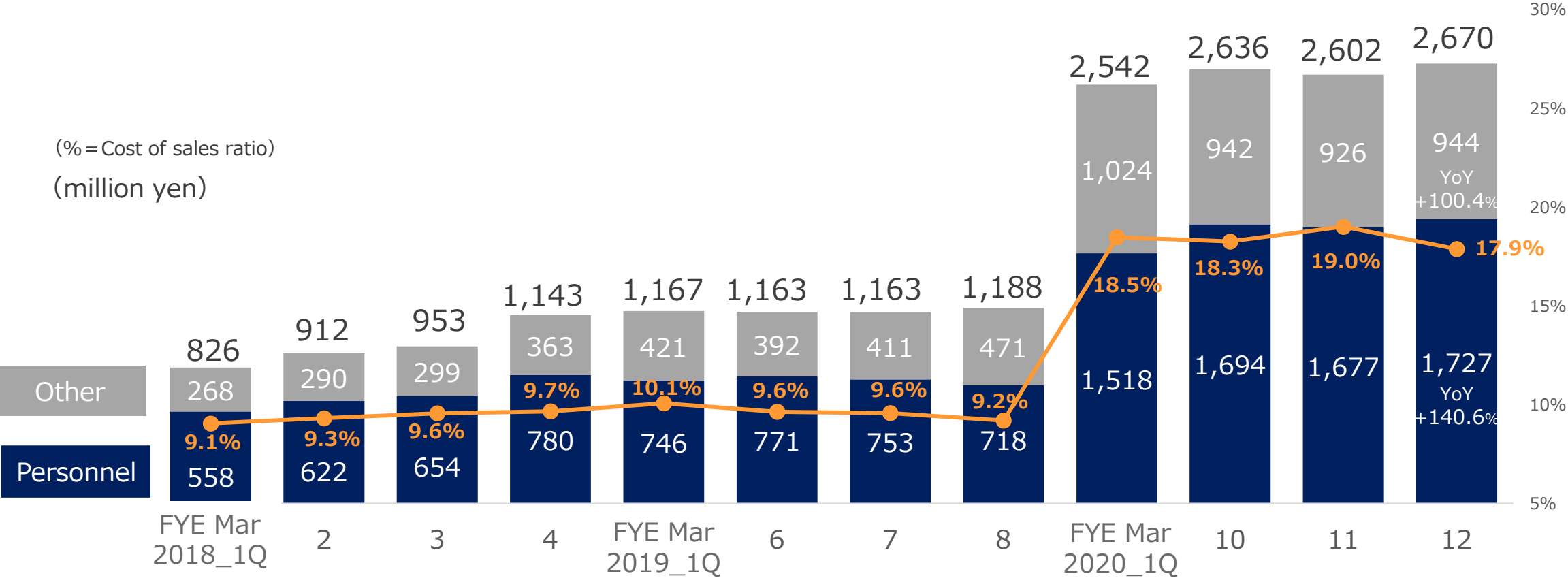
(単位：百万円／millions of yen)

		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%

Cost of Sales

Cost showed a 124.7% increase in 4 Q

The personnel cost of temporary workers and outsourcing expenses related to FFI, a newly consolidated IT temporary staffing agency in India, increased.

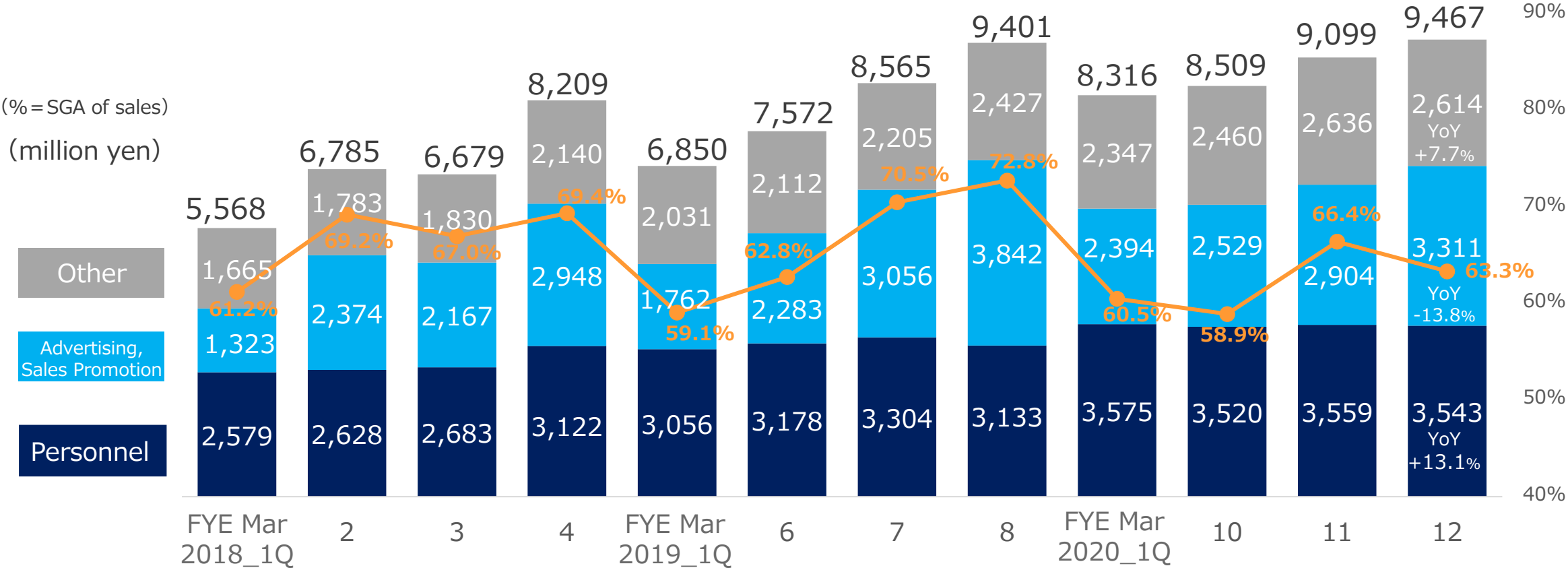


SGA Expenses

SGA expenses demonstrated a 0.7% increase in 4 Q

Efforts to improve the efficiency of advertising costs for job boards offset the growth in expenses associated with advance investment newly made for HR-Tech.

Personnel and other SGA expenses (mainly outsourcing costs) are also lower than planned.



Reference: 1Q of FYE March 2021 plan by Segment

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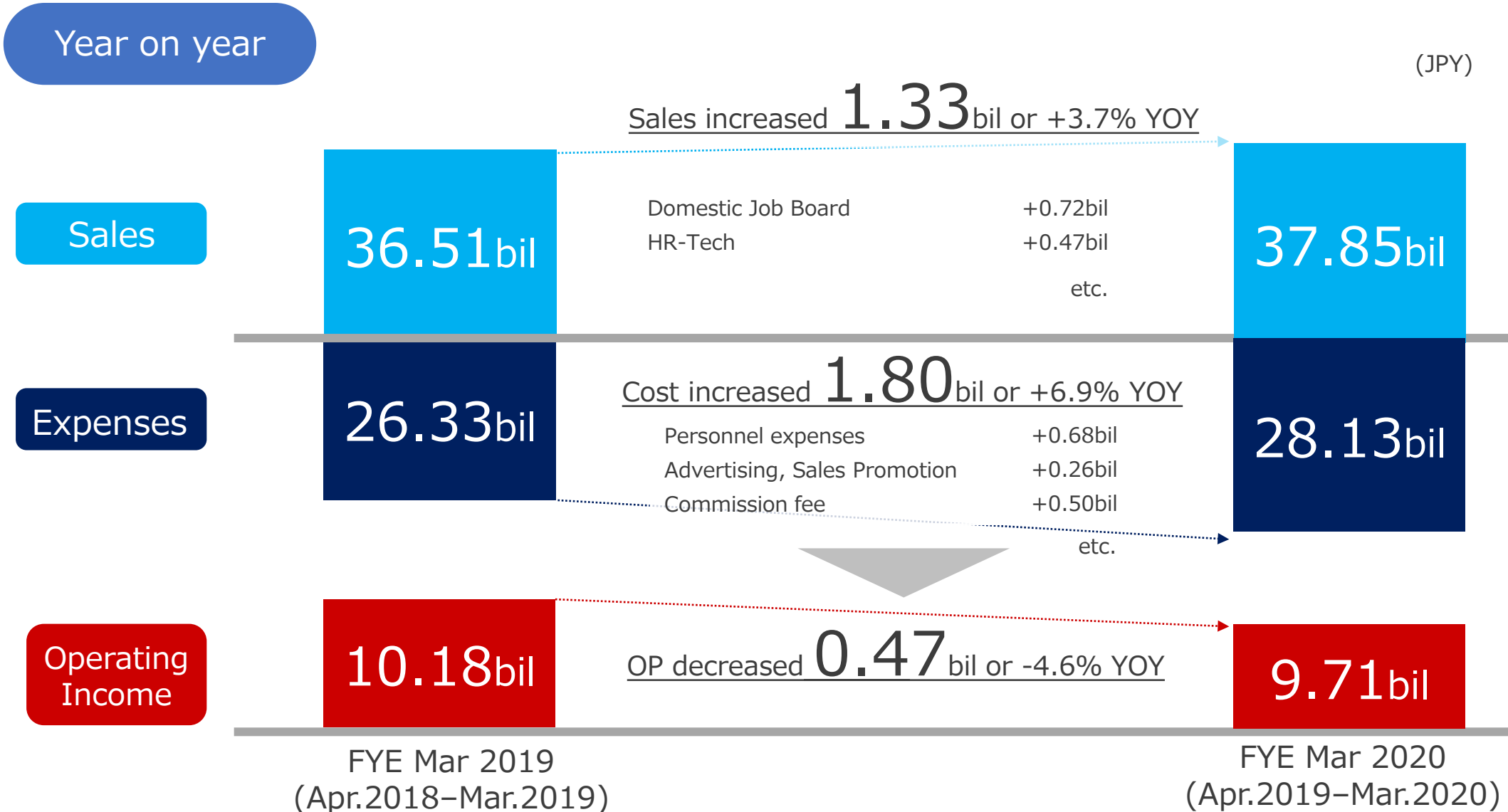
(bil JPY)		1Q FYE Mar 2020 actual (Apr.2019–June.2019)	1Q FYE Mar 2021 Plan (Apr.2020–June.2020)	YoY change	YoY change (%)
Domestic Job Board	Sales	7.55	4.23	-3.32	-44.0%
	Operating Income	2.84	0.59	-2.25	-79.1%
	OP margin	37.6%	14.0%		-23.6Pt
Domestic Permanent Recruitment	Sales	3.04	2.76	-0.28	-9.3%
	Operating Income	0.37	0.06	-0.31	-85.1%
	OP margin	12.2%	2.0%		-10.2Pt
Overseas	Sales	2.72	2.18	-0.54	-19.8%
	Operating Income	0.28	0.13	-0.15	-53.5%
	OP margin	10.3%	6.0%		-4.3Pt
HR-Tech	Sales	0.04	0.34	0.30	760.0%
	Operating Income	-0.39	-0.31	0.08	-19.8%
	OP margin	-975.0%	-90.9%		884.1Pt
Other	Sales	0.51	0.61	0.10	19.6%
	Operating Income	0.01	-0.16	-0.17	-1731.5%
	OP margin	2.0%	-26.7%		-28.7Pt
adjustment	Sales	-0.12	-0.13	-0.01	20.0%
	Operating Income	-0.21	-0.19	0.02	-30.0%
consolidated	Sales	13.76	10.00	-3.76	-27.3%
	Operating Income	2.9	0.12	-2.78	-96.0%
	OP margin	21.1%	1.2%		-25.4Pt.

Non-consolidated Income Statement for FYE Mar/2020

[FYE Mar/2020 Results] Non-consolidated Income Statement

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	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	36,519	100.0%	37,853	100.0%	1,334	3.7%
Cost of Sales	2,648	7.3%	2,903	7.7%	255	9.6%
Personnel	1,266	3.5%	1,261	3.3%	-5	-0.4%
Other	1,382	3.8%	1,642	4.3%	260	18.8%
Gross Profit	33,871	92.7%	34,950	92.3%	1,079	3.2%
SGA(Sales, general & administrative)	23,683	64.9%	25,233	66.7%	1,550	6.5%
Personnel	6,819	18.7%	7,514	19.9%	695	10.2%
Advertising, Sales Promotion	10,759	29.5%	11,021	29.1%	262	2.4%
Other	6,105	16.7%	6,698	17.7%	593	9.7%
Operating Income	10,187	27.9%	9,716	25.7%	-471	-4.6%
Ordinary Income	10,576	29.0%	9,748	25.8%	-828	-7.8%
Net Income	7,442	20.4%	6,504	17.2%	-938	-12.6%



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,

en-Japan's Recruitment Support Projects

We provide full recruitment support through our services to solve the issues related to human resources to achieve sustainable development of the country, local governments, and NGOs.



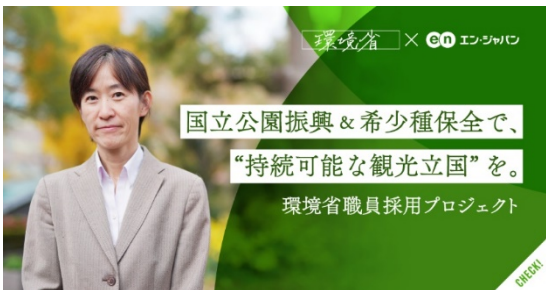
Japan Heart ×

Medical care for impoverished countries. Open recruitment for 10 professions playing a major role in expanding the activities of NGOs.



Ikoma City ×

A second job and remote working are allowed. We recruited 7 professionals who are transforming the city of Ikoma.



Ministry of the Environment ×

Make Japan a “sustainable tourism nation” with the active use of national parks and conservation of rare species. Ministry of the Environment Staff Recruitment Project



Shijonawate City ×

A former employee of the Ministry of Foreign Affairs is now the mayor at the age of 28. Recruitment of a female deputy mayor who supports the "youngest mayor in Japan."

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

54.0%

Percentage of women to all directors

1 Person 20%



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.

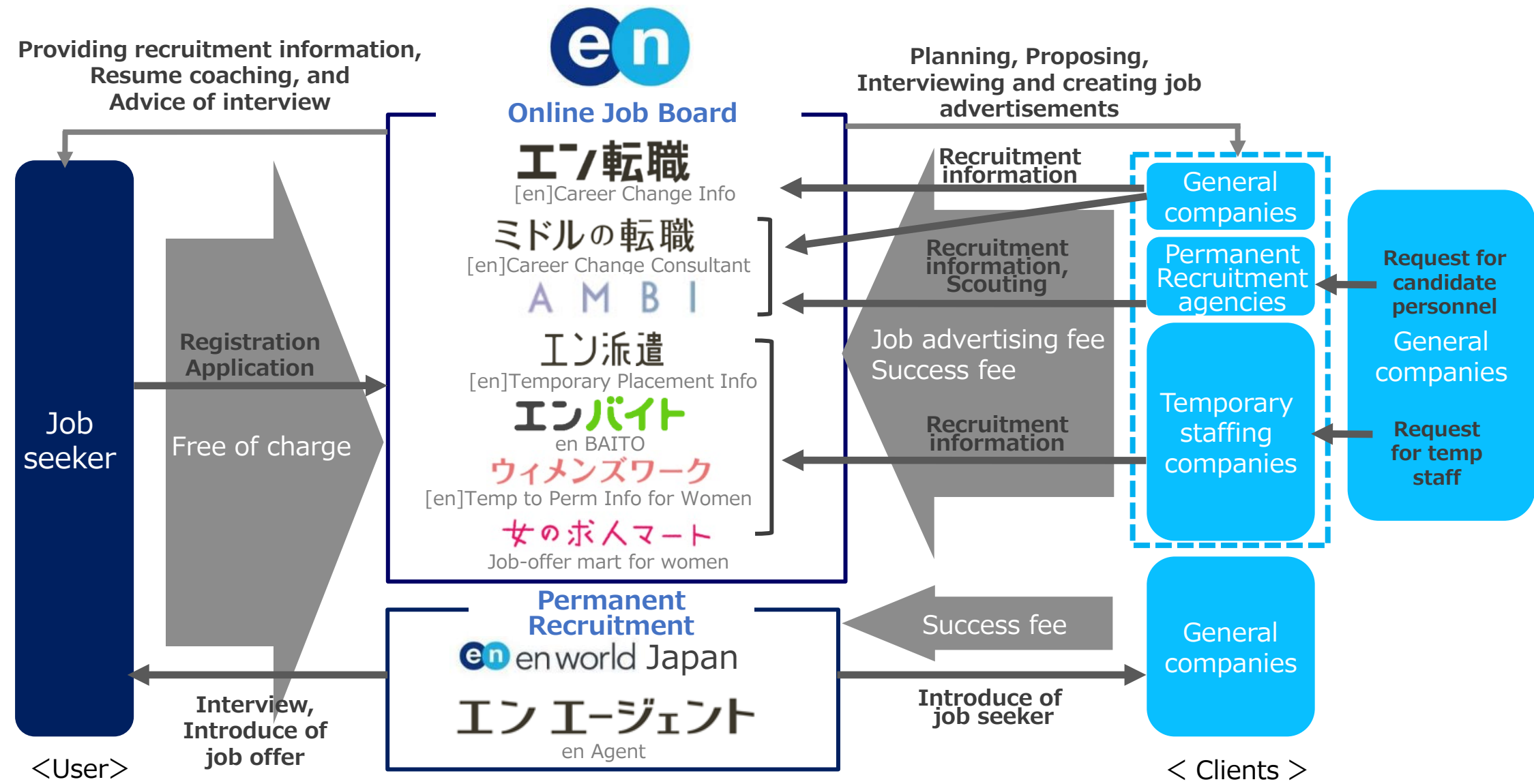
Broaden the application of employee welfare

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 Mar. 2020)
【 Stock Listing 】	The First Section of the Tokyo Stock Exchange / (code : 4849)
【 Fiscal Year 】	April 1 – March 31
【 Number of Employees 】	Consolidated 3,547, Non-consolidated 1,617 (as of Mar. 2020)
【 Number of Outstanding Shares 】	49,716,000 (as of Mar. 2020)
【 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  エノ転職	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  エノ派遣	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  インバイト	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
	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
	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 	Navigos 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
	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



<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>

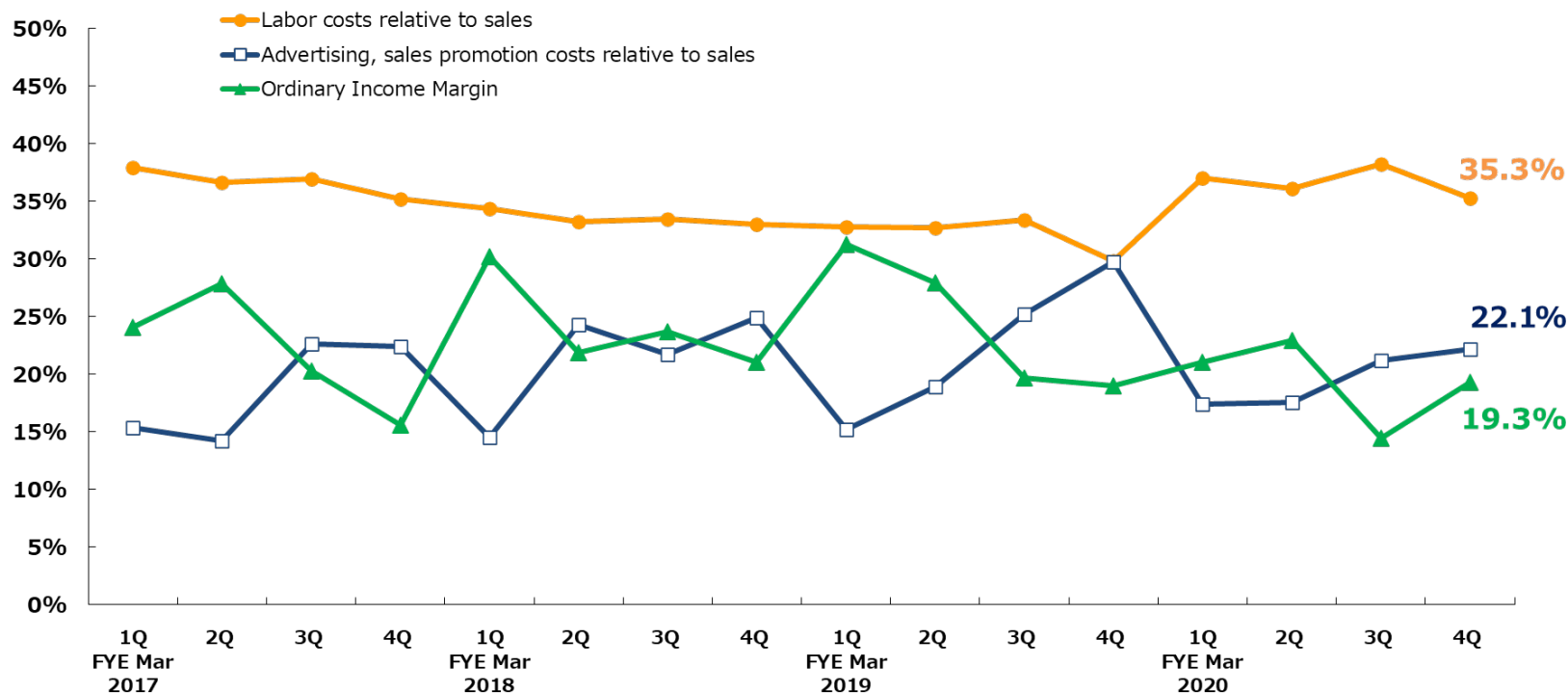
	Contents	Characteristics	Clients	Company
  	Provision of various services to help employees play active roles and keep working for the company	<ul style="list-style-type: none"> • Development and sale of aptitude tests • Operation of en-college training services • Development and sale of retention tool “HR OnBoard” • Establishment of personnel assessment system, etc. 	General Companies Temporary staffing companies	en-japan
iroots	Scout site for new graduates	<ul style="list-style-type: none"> • Recruitment scouting site for new graduates • A service that enables companies to directly scout new graduates based on personal profiles and aptitude diagnosis 	General Companies	en-japan
 ZEKU 株式会社ゼクウ	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
OWLS	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
 i-tank	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
 JapanWork	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
 pasture	Freelance management service	<ul style="list-style-type: none"> • A cloud service that enables uniform management of orders placed with freelancers, progress and billing • Orders received and placed are all digitalized. Also offers linkage with other web-based services, including CRM and accounting software. 	General Companies	en-japan
 FREELANCE START	Job search engine site for freelance engineers	<ul style="list-style-type: none"> • One of the largest freelance job search engine sites in Japan • Allows users to collectively search and apply by compiling listings by freelance agents 	Freelance agents	Brocante

<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
en- KONKATSU-Agent  エン婚活 エージェント	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)

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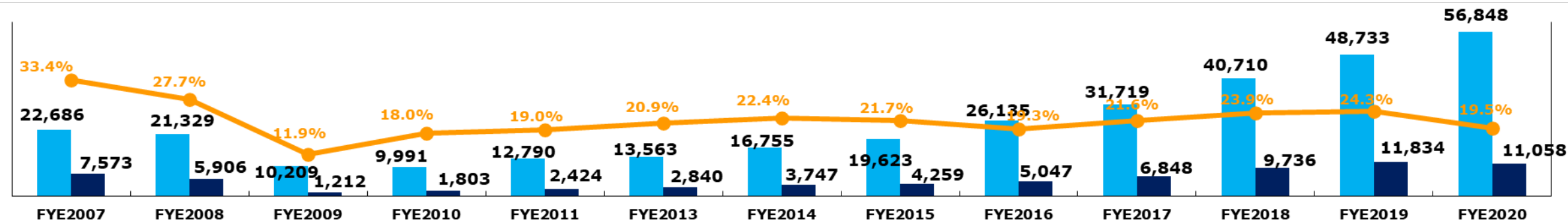


	1Q FYE Mar 2017	2Q	3Q	4Q	1Q FYE Mar 2018	2Q	3Q	4Q	1Q FYE Mar 2019	2Q	3Q	4Q	1Q FYE Mar 2020	2Q	3Q	4Q
Ordinary Income (million yen)	1,738	2,125	1,583	1,411	2,753	2,134	2,364	2,484	3,622	3,373	2,385	2,453	2,892	3,305	1,979	2,881
% of sales	24.0%	27.8%	20.3%	15.6%	30.2%	21.8%	23.7%	21.0%	31.2%	28.0%	19.6%	19.0%	21.0%	22.9%	14.4%	19.3%
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	5,235	5,268
% 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%	38.2%	35.3%
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	2,904	3,310
% 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%	21.2%	22.1%

Earnings for Fiscal year end and each quarter

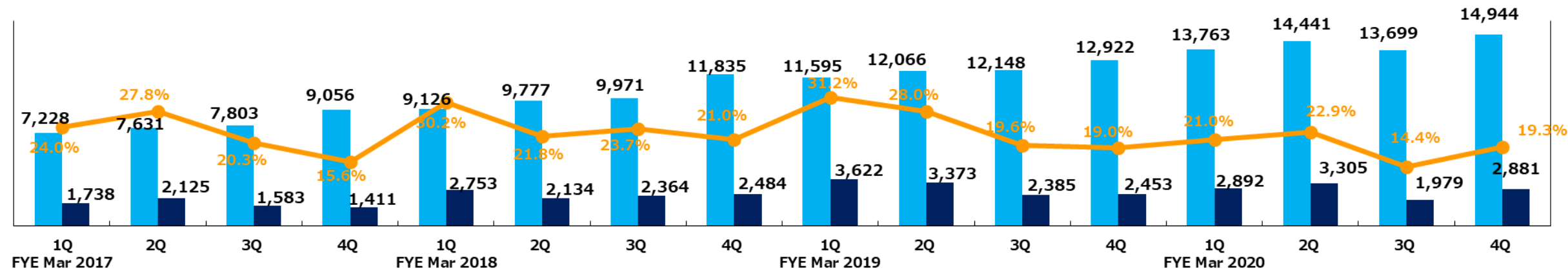
Fiscal year end

Sales (million yen) Ordinary Income(million yen) Ordinary Income ratio



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

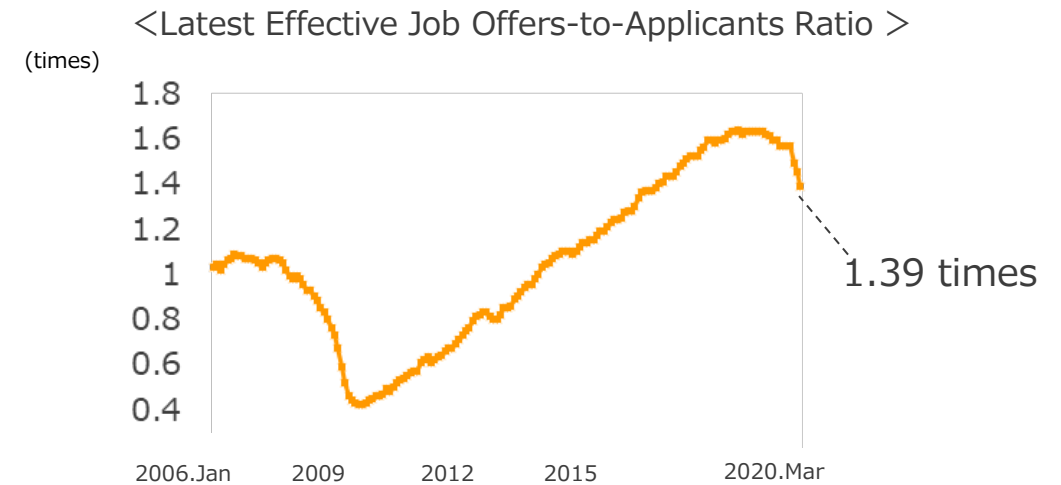
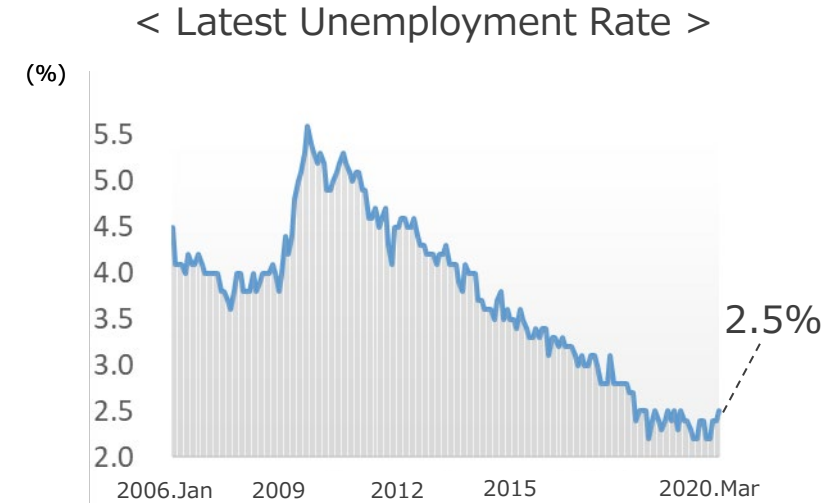
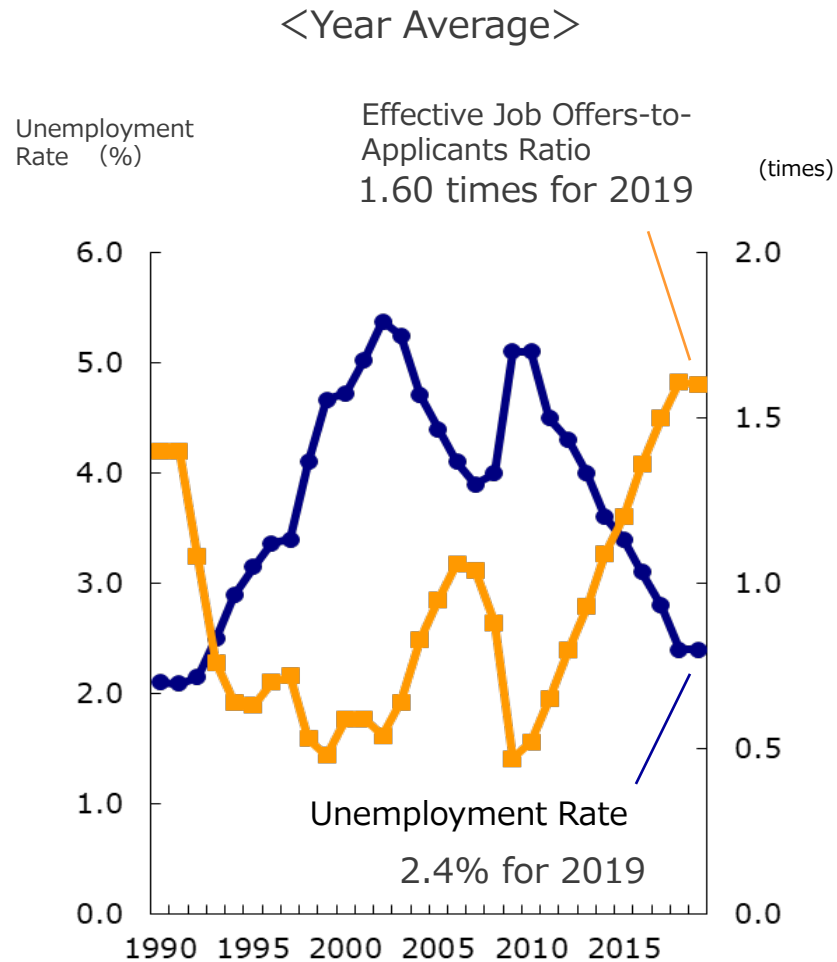
Quarter



The market environment

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

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



■ en-japan inc. Corporate Planning Department IR Group

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