



# 1<sup>st</sup> Half of FYE Mar/2021 Earnings Review

November 12, 2020

Security Code 4849  
TSE First Section

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## 2Q Results (Apr.-Sep.) FYE Mar/2021

Sales	20.6bill	YoY -27%	VS Plan +5%
Operating income	2.9bill	YoY -53%	VS Plan +46%

### Performance

- Sales for Domestic Job Board mainly exceeded the plan.
- Cost was reduced generally as expected. Operating income exceeded the plan due to an increase in sales.

### Hiring Demand

- Recovery trend has been seen since June after bottoming out in May. With the second wave of COVID-19 infection, etc., recovery remains flat or slow.

## full-year earnings forecast FYE Mar/2021

Sales	41.5bill	YoY -27%
Operating income	6.1bill	YoY -44%

### Earnings Forecast

- Unfixed full-year earnings forecast was drawn up.

### Forecast Assumption

- Assumption of hiring demand from customers has not significantly changed since the 1st half of the fiscal year and it is expected to recover slowly.
- Sales are expected to bottom out during 2Q-3Q, mainly in success fee-type service.
- Expenses increased in investment in advertising expenses compared with the 1st half of the fiscal year.

# Consolidated Performance Summary for 1st Half of FYE Mar/2021

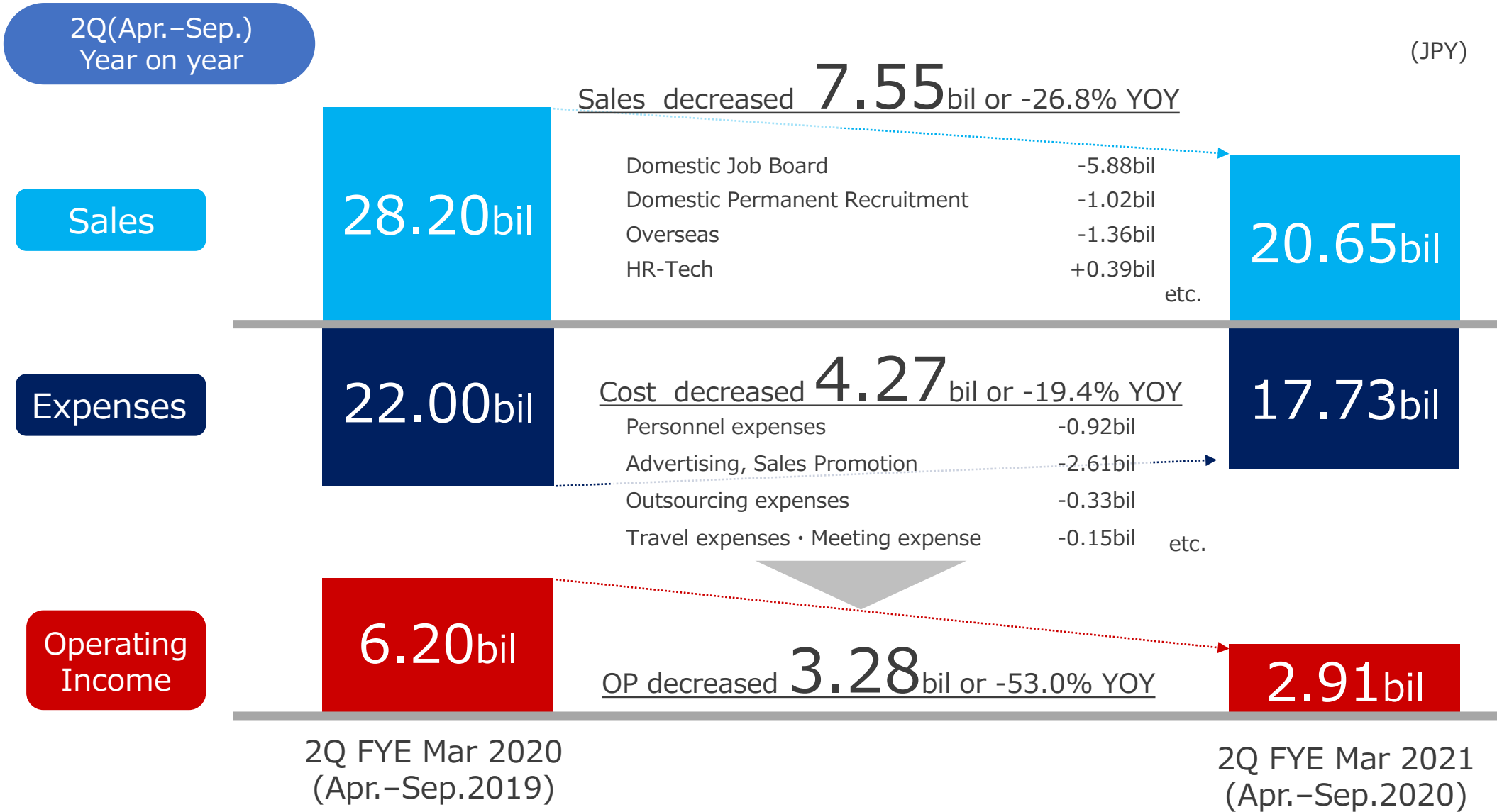
# [2Q FYE Mar/2021 Results] Consolidated Income Statement

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	2Q FYE Mar 2020 Actual		2Q FYE Mar 2021 Plan		2Q FYE Mar 2021 Actual		YOY		VS Plan	
	(Apr.–Sep.2019)		(Apr.–Sep.2020)		(Apr.–Sep.2020)		change (million yen)	change (%)	change (million yen)	change (%)
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	% of Sales				
<b>Net Sales</b>	<b>28,204</b>	100.0%	<b>19,703</b>	100.0%	<b>20,650</b>	<b>100.0%</b>	-7,554	-26.8%	947	4.8%
<b>Cost of Sales</b>	<b>5,178</b>	18.4%	<b>4,455</b>	22.6%	<b>4,385</b>	<b>21.2%</b>	-793	-15.3%	-70	-1.6%
Personnel	3,212	11.4%	2,789	14.2%	2,629	12.7%	-583	-18.2%	-160	-5.7%
Other	1,965	7.0%	1,666	8.5%	1,756	8.5%	-209	-10.6%	90	5.4%
<b>Gross Profit</b>	<b>23,026</b>	81.6%	<b>15,247</b>	77.4%	<b>16,264</b>	<b>78.8%</b>	-6,762	-29.4%	1,017	6.7%
<b>SGA(Sales, general &amp; administrative)</b>	<b>16,825</b>	59.7%	<b>13,255</b>	67.3%	<b>13,347</b>	<b>64.6%</b>	-3,478	-20.7%	92	0.7%
Personnel	7,094	25.2%	6,515	33.1%	6,754	32.7%	-340	-4.8%	239	3.7%
Advertising, Sales Promotion	4,923	17.5%	2,367	12.0%	2,303	11.2%	-2,620	-53.2%	-64	-2.7%
Other	4,807	17.0%	4,373	22.2%	4,289	20.8%	-518	-10.8%	-84	-1.9%
<b>Operating Income</b>	<b>6,200</b>	22.0%	<b>1,992</b>	10.1%	<b>2,917</b>	<b>14.1%</b>	-3,283	-53.0%	925	46.4%
<b>Ordinary Income</b>	<b>6,197</b>	22.0%	<b>1,956</b>	9.9%	<b>2,995</b>	<b>14.5%</b>	-3,202	-51.7%	1,039	53.1%
<b>Net Income attributable to en-japan</b>	<b>4,108</b>	14.6%	<b>1,018</b>	5.2%	<b>1,549</b>	<b>7.5%</b>	-2,559	-62.3%	531	52.2%

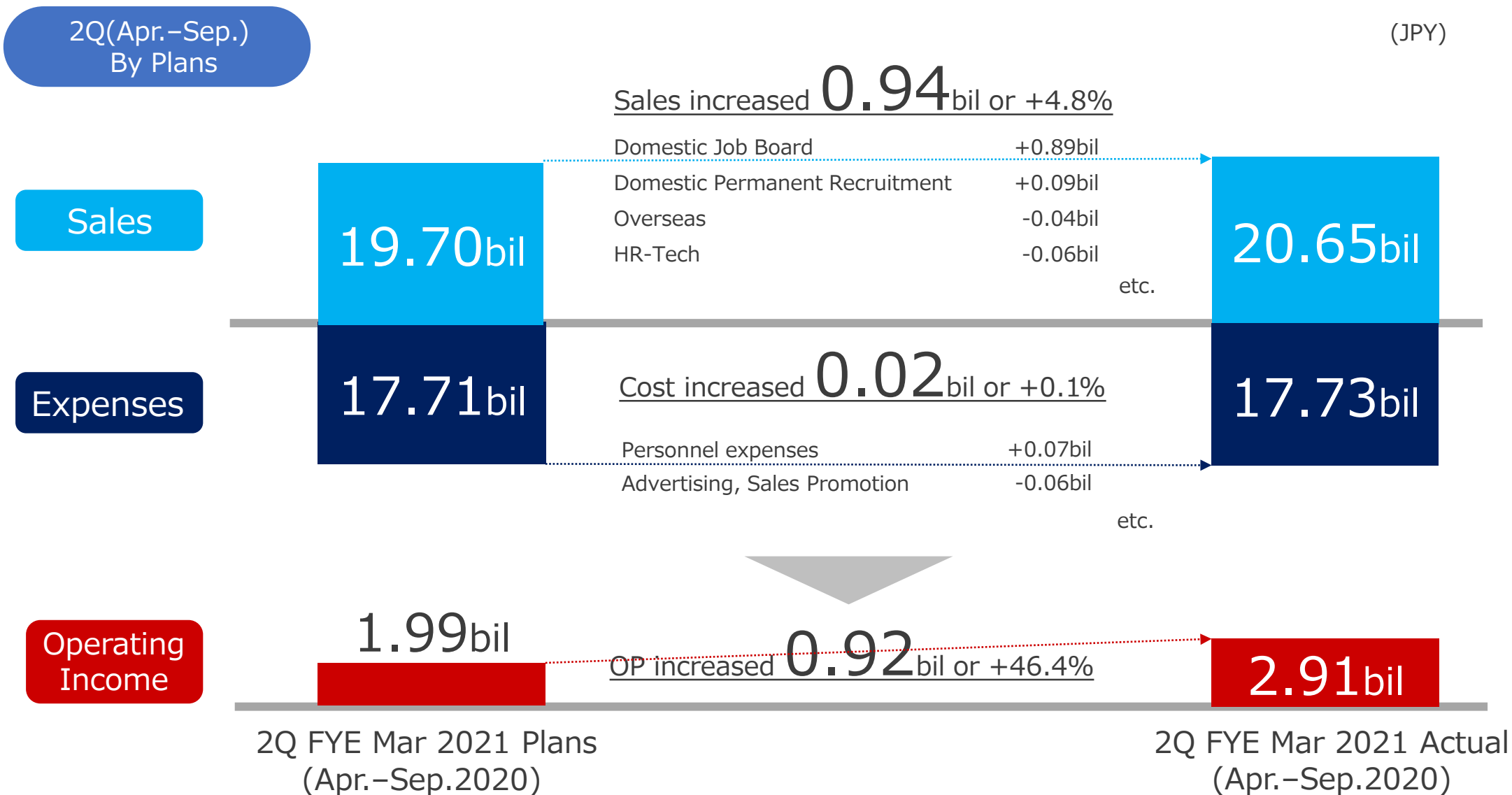
# Changing Factor of Earnings Year on Year

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# Changing Factor of Earnings by plans

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# Performance Overview by Segment<sup>\*</sup> for 2Q FYE Mar/2021

<sup>\*</sup>a management accounting basis

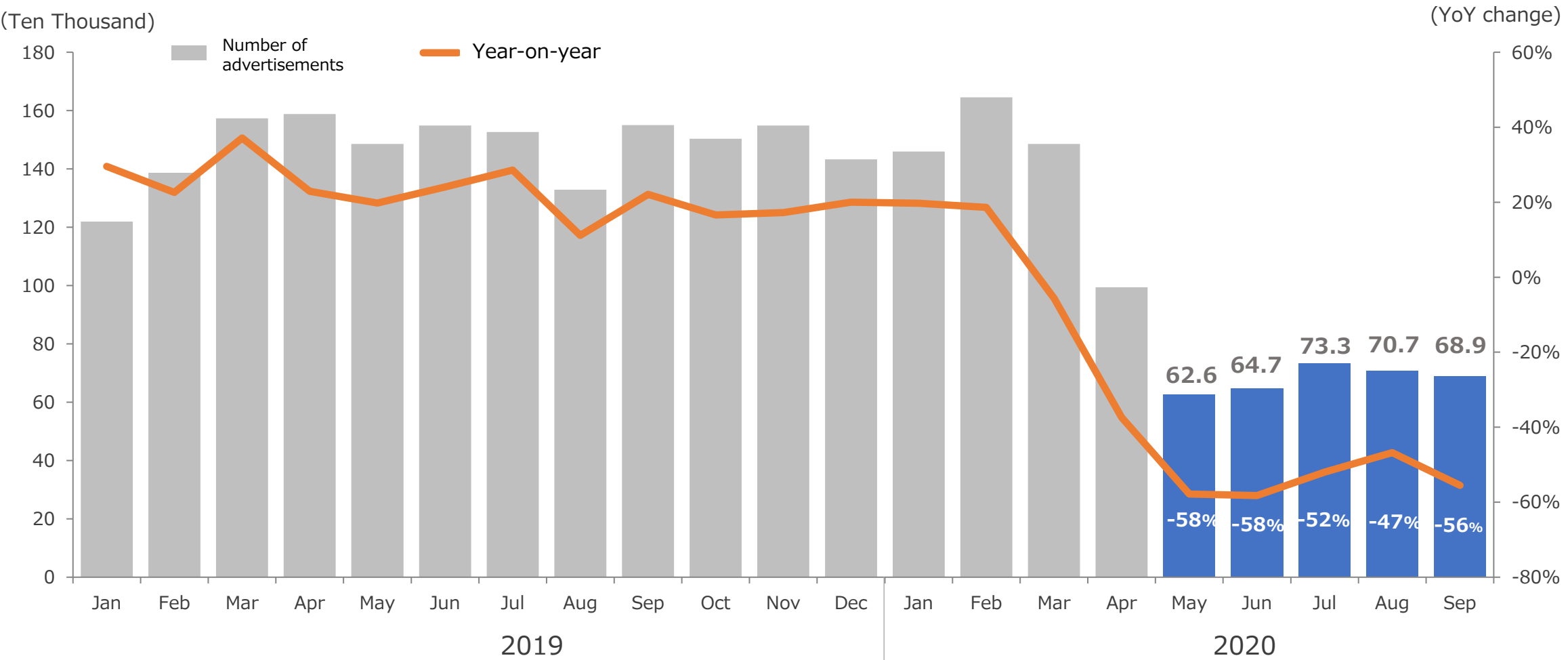


# 2Q FYE Mar/2020 Performance Overview by Segment

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(bil JPY)		2Q FYE Mar 2020 Actual (Apr.–Sep.2019)	2Q FYE Mar 2021 Plan (Apr.–Sep.2020)	2Q FYE Mar 2021 Actual (Apr.–Sep.2020)	YoY change      change (%)		VS Plan change      change (%)	
Domestic Job Board	Sales	15.72	8.94	9.84	-5.88	-37.4%	0.90	10.0%
	Operating Income	6.04	2.61	3.38	-2.66	-44.0%	0.78	29.8%
	OP margin	38.4%	29.2%	34.4%		-		-
Domestic Permanent Recruitment	Sales	6.04	4.93	5.02	-1.02	-16.9%	0.09	1.9%
	Operating Income	0.75	0.36	0.41	-0.34	-45.7%	0.05	14.3%
	OP margin	12.5%	7.2%	8.1%		-		-
Overseas	Sales	5.52	4.21	4.16	-1.36	-24.7%	-0.05	-1.1%
	Operating Income	0.59	0.20	0.19	-0.41	-68.9%	-0.01	-7.0%
	OP margin	10.8%	4.7%	4.4%		-		-
HR-Tech	Sales	0.12	0.58	0.52	0.39	315.3%	-0.06	-11.1%
	Operating Income	-0.76	-0.57	-0.61	0.15	-	-0.04	6.6%
	OP margin	-615.3%	-99.1%	-118.8%		-		-
Other	Sales	1.04	1.28	1.32	0.28	27.1%	0.04	3.3%
	Operating Income	0.03	-0.12	-0.03	-0.06	-193.1%	0.09	-
	OP margin	2.8%	-9.0%	-2.0%		-		-
adjustment	Sales	-0.24	-0.23	-0.20	0.04	-	0.03	-
	Operating Income	-0.46	-0.48	-0.43	0.03	-	0.05	-
consolidated	Sales	28.20	19.70	20.65	-7.55	-26.8%	0.95	4.8%
	Operating Income	6.20	1.99	2.91	-3.29	-53.1%	0.92	46.1%
	OP margin	22.0%	10.1%	14.1%		-		-

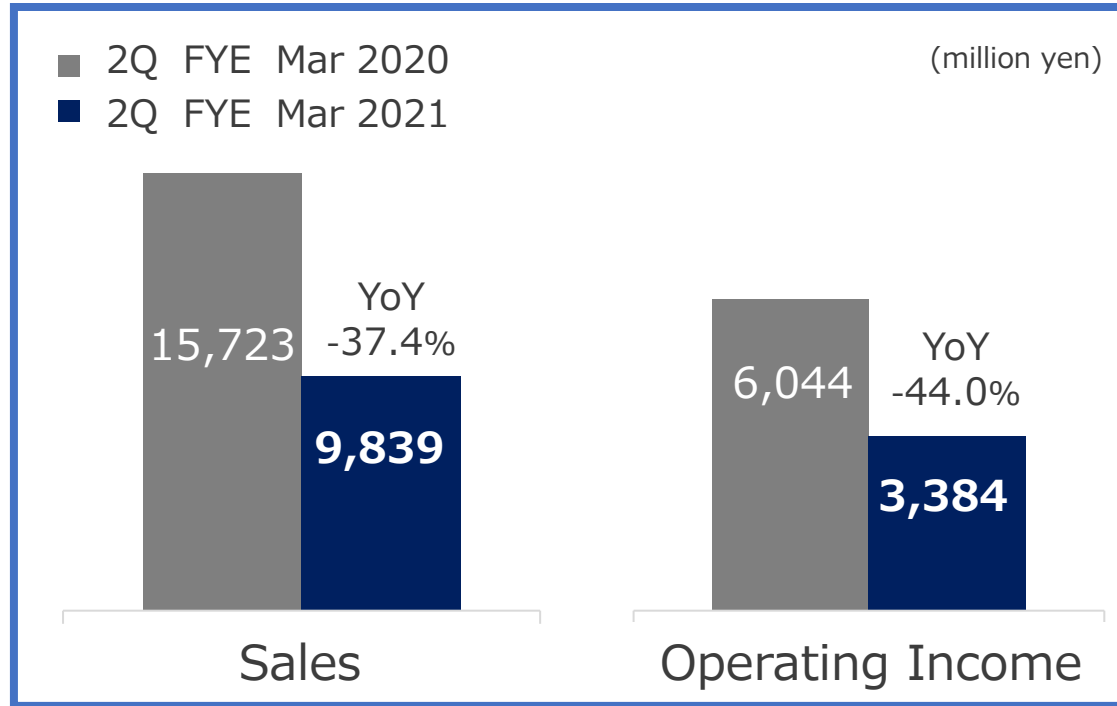
Number of domestic recruitment advertisements bottomed out in May and continues to be flat or slowly recovering.



# 2Q FYE Mar/2021 Performance Overview by Segment

## ① Domestic Job Board

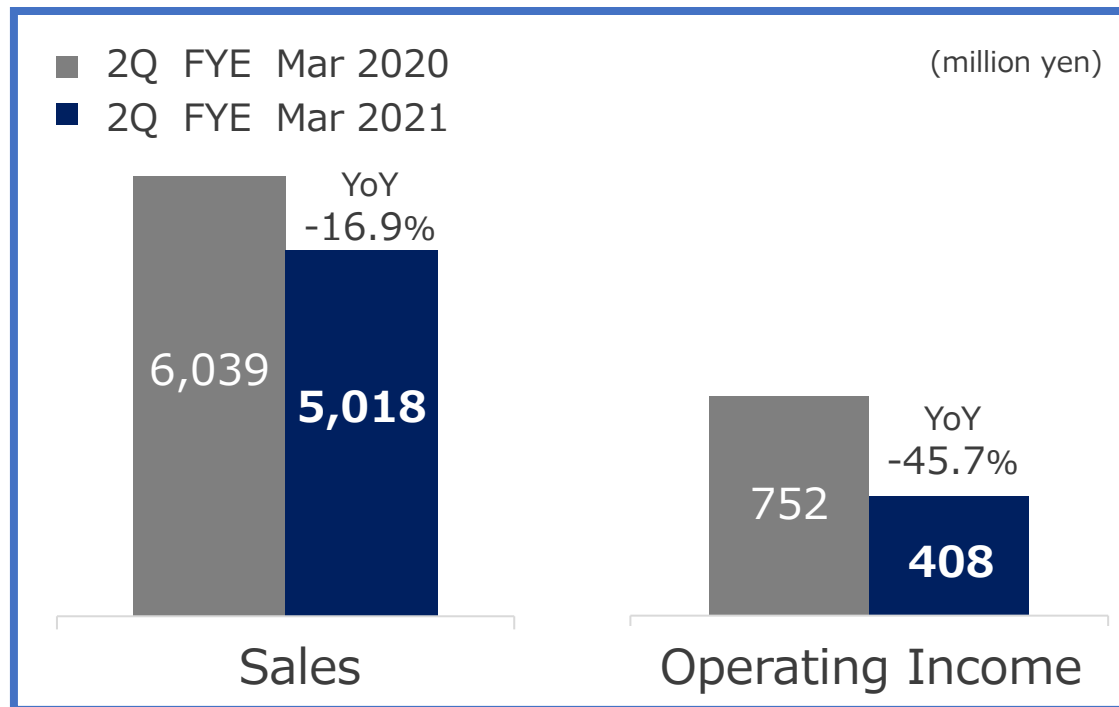
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2Q FYE Mar 2021	
[en]Career Change Info	<ul style="list-style-type: none"> <li>Sales performance exceeded the plan.</li> <li>Number of advertisements increased in 2Q compared with 1Q due to an increase from SMEs.</li> <li>Unit price fell due to a change in customer mix.</li> </ul>
Sites for Permanent Recruitment agencies	<ul style="list-style-type: none"> <li>Adopting the success-fee model, performance exceeded the plan although strongly affected by COVID-19 from 2Q.</li> <li>Strong effect of price revisions and number of companies recruited grew well.</li> </ul>
Sites for Temporary staffing companies	<ul style="list-style-type: none"> <li>Sales performance exceeded the plan.</li> <li>Although a recovery in hiring new staff members in temporary staffing companies will take time, an increase in advertisement placement was seen in certain customers.</li> <li>en BAITO continued to strengthen in the nursing field, etc.</li> </ul>
Cost and profit	<ul style="list-style-type: none"> <li>Cost was comparable to the plan. Operating income exceeded the plan due to increase in sales.</li> </ul>

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

	2Q FYE Mar 2020 (Apr.-Sep.2019)		2Q FYE Mar 2021(Plan) (Apr.-Sep.2020)		2Q FYE Mar 2021 (Apr.-Sep.2020)		YOY change		VS Plan change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)	(million yen)	(%)
Sales	15,723		8,942		9,839		-5,884	-37.4%	897	10.0%
Operating Income	6,044	38.4%	2,608	29.2%	3,384	34.4%	-2,660	-44.0%	776	29.8%



2Q FYE Mar 2021	
en Agent (EA)	- Sales in potential area of young people largely decreased due to impact of decrease in hiring demand and careful selection of recruitment.
en world Japan (EWJ)	- Hiring demand was kept at a certain level by targeting area of high achievers. - Performance exceeded the plan due to improvement in hiring demand in certain customers which was more than expected.
Cost and profit	- Profit exceeded the plan with EWJ posting higher sales and EA controlling cost.

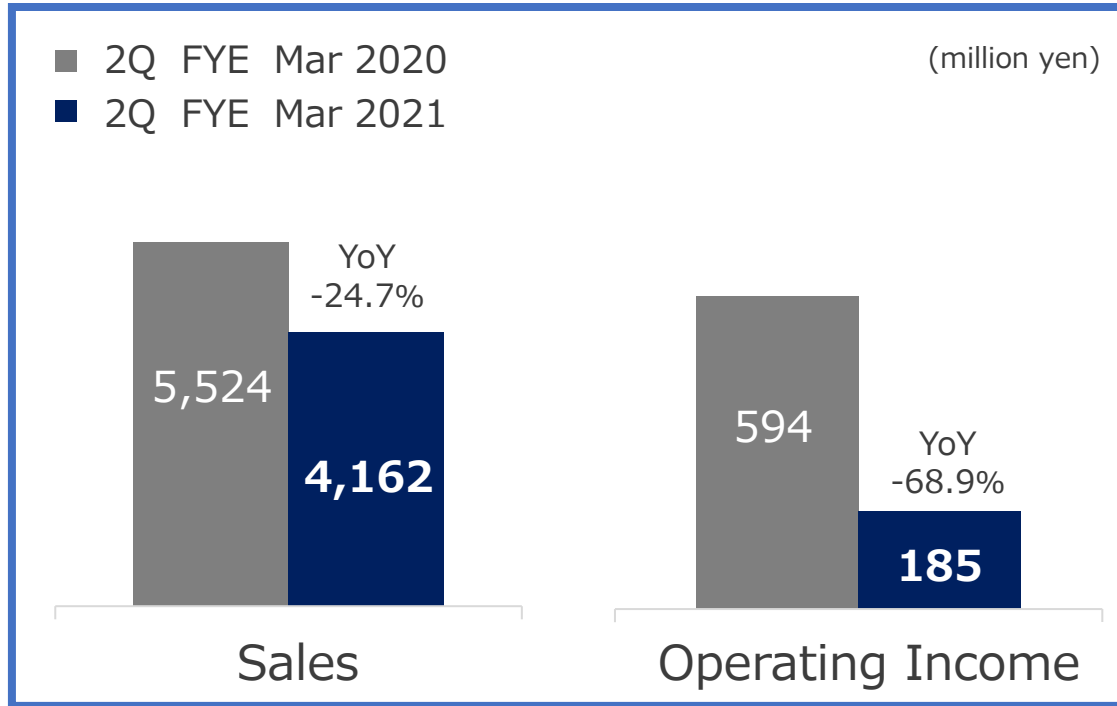
Domestic Permanent Recruitment ⇒ en world Japan、en Agent, etc.

	2Q FYE Mar 2020 (Apr.-Sep.2019)		2Q FYE Mar 2021(Plan) (Apr.-Sep.2020)		2Q FYE Mar 2021 (Apr.-Sep.2020)		YOY change		VS Plan change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)	(million yen)	(%)
Sales	6,039		4,925		5,018		-1,021	-16.9%	93	1.9%
Operating Income	752	12.5%	357	7.2%	408	8.1%	-344	-45.7%	51	14.3%

# 2Q FYE Mar/2021 Performance Overview by Segment

## ③ Overseas

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2Q FYE Mar 2021	
Overall summary	<ul style="list-style-type: none"> <li>Performance included is delayed by three months. Performance from April to June with impact of COVID-19 is reflected in Vietnam and India which are countries we are focusing on.</li> </ul>
Vietnam	<ul style="list-style-type: none"> <li>2Q performance significantly declined due to impact of lockdown enforced in April.</li> <li>Recovery in economic activities is slow due to delay in foreign demand. Recovery in hiring demand will take a certain amount of time.</li> </ul>
India	<ul style="list-style-type: none"> <li>Spread of COVID-19 continued in the country.</li> <li>Since the core service is IT temporary staffing, business continued with employees teleworking. Impact was relatively reduced.</li> </ul>

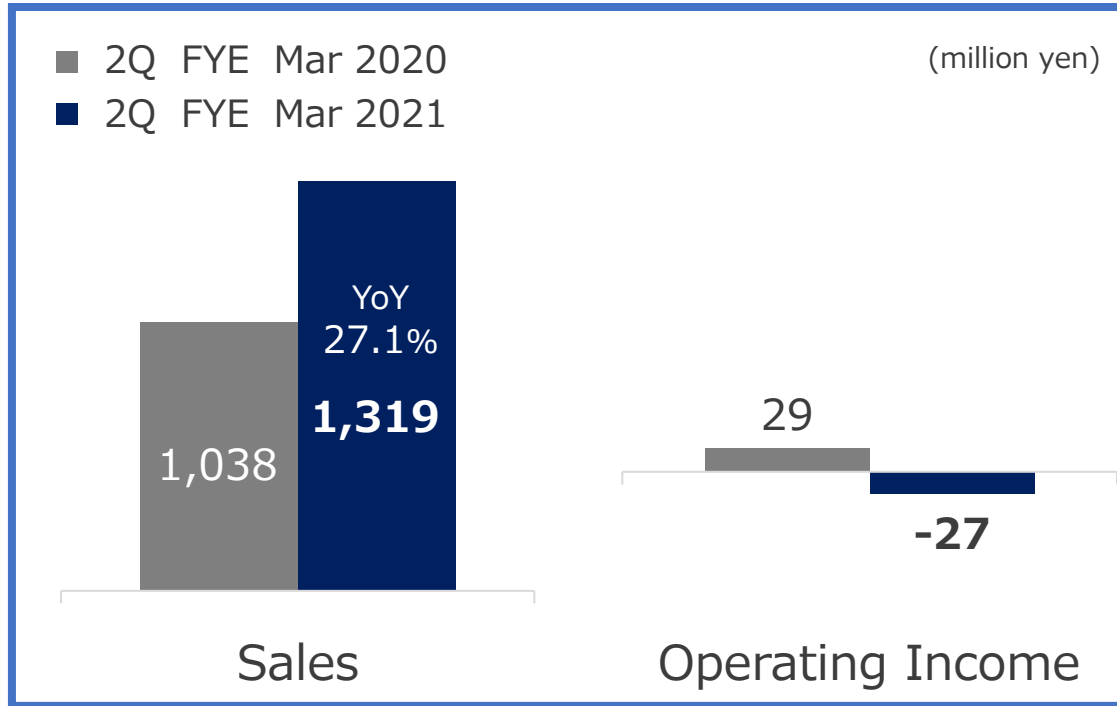
Overseas ⇒ Vietnam, India, China, Thailand  
(Job Board, Permanent Recruitment, IT temp)

	2Q FYE Mar 2020 (Apr.-Sep.2019)		2Q FYE Mar 2021(Plan) (Apr.-Sep.2020)		2Q FYE Mar 2021 (Apr.-Sep.2020)		YOY change		VS Plan change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)	(million yen)	(%)
Sales	5,524		4,209		4,162		-1,362	-24.7%	-47	-1.1%
Operating Income	594	10.8%	199	4.7%	185	4.4%	-409	-68.9%	-14	-7.0%

# 2Q FYE Mar/2021 Performance Overview by Segment

## ④ Domestic Other Business / Subsidiary

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2Q FYE Mar 2021	
Overall summary	<ul style="list-style-type: none"> <li>Sales increased due to ZEKU (application management system for temporary staffing companies) utilizing its strength of a subscription model. Performance of Brocante Inc. which was consolidated from FYE Mar/2021 also contributed.</li> <li>Repeated use of scout service for new graduates “iroots” is favorable and is growing by increasing number of new customers.</li> </ul>
Cost and profit	<ul style="list-style-type: none"> <li>While sales increased, profit decreased YoY due to deficit recorded by JapanWork which has been slated to be sold in September and upfront costs arising from setting up new businesses.</li> <li>Deficit reduction exceeded the plan. Sales exceeded the plan with small costs cumulatively reduced.</li> </ul>

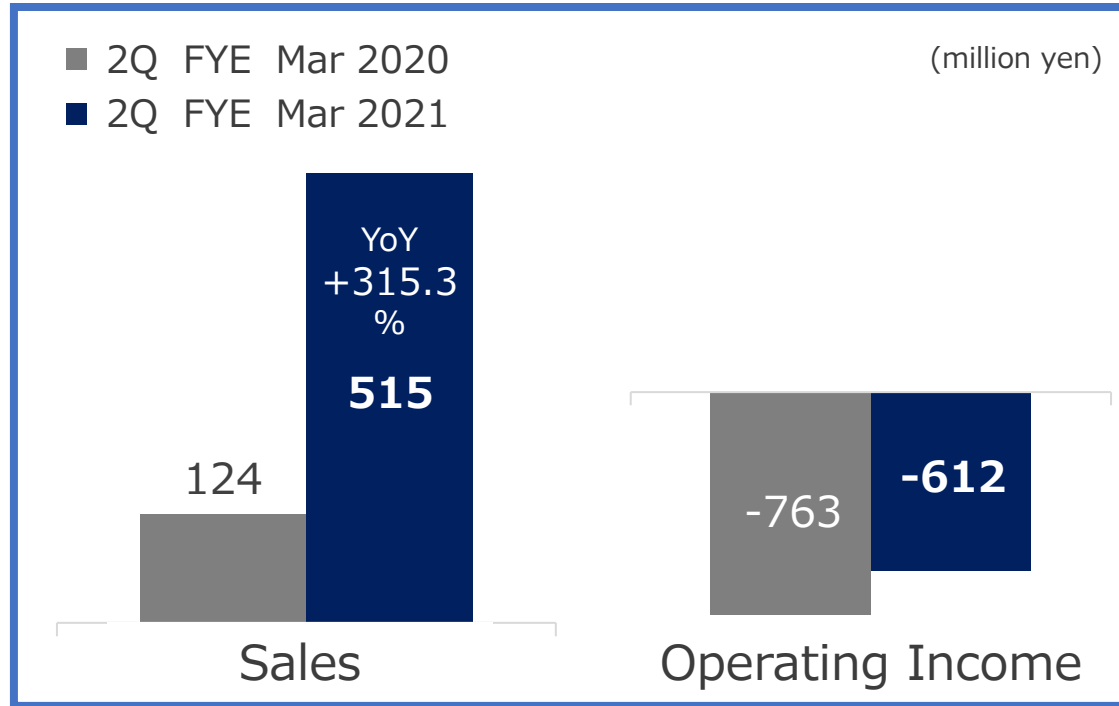
Domestic Other Business / Subsidiary

⇒ Education / Evaluation, ZEKU, AULS, Brocante, Other New Business

	2Q FYE Mar 2020 (Apr.-Sep.2019)		2Q FYE Mar 2021(Plan) (Apr.-Sep.2020)		2Q FYE Mar 2021 (Apr.-Sep.2020)		YOY change		VS Plan change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)	(million yen)	(%)
Sales	1,038		1,277		1,319		281	27.1%	42	3.3%
Operating Income	29	2.8%	-115	-9.0%	-27	-2.0%	-56	-193.1%	88	-

# 2Q FYE Mar/2021 Performance Overview by Segment

## ⑤ HR-Tech



2Q FYE Mar 2021	
Overall summary	<ul style="list-style-type: none"> <li>- Number of paid user companies recovered in 2Q, marking a record high for the quarter.</li> <li>- Platform was renewed on a large scale in September. Publicity significantly increased via use of paid service. Sales expansion will be strengthened in the 2nd half of the fiscal year.</li> <li>- Plan was not achieved in 2Q due to review of strategies, etc. following the renewal.</li> </ul>
Cost and profit	<ul style="list-style-type: none"> <li>- Deficit was reduced YoY due to increase in sales.</li> <li>- Investment continued in promotion, increase in staff members, etc.</li> </ul>

HR-Tech⇒ engage and related service

	2Q FYE Mar 2020 (Apr.-Sep.2019)		2Q FYE Mar 2021(Plan) (Apr.-Sep.2020)		2Q FYE Mar 2021 (Apr.-Sep.2020)		YOY change		VS Plan change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)	(million yen)	(%)
Sales	124		579		515		391	315.3%	-64	-11.1%
Operating Income	-763	-615.3%	-574	-99.1%	-612	-118.8%	151	-	-38	-

Publicity of paid recruitment significantly increased (compared with free service: PV up 23-fold), and improved rate of successful recruitment

## engage

Using  
a new paid plan  
“Engage Premium”  
will:



Allow listing in paid spots of  
various recruitment services

en エン転職

LINEキャリア

en エンバイト

Indeed / Google for Jobs / Yahoo!

Kyujin Box/ Standby / Careerjet / CareerIndex

Jobcle/ @ITcareer / modelpress etc.

\* As of September 2020



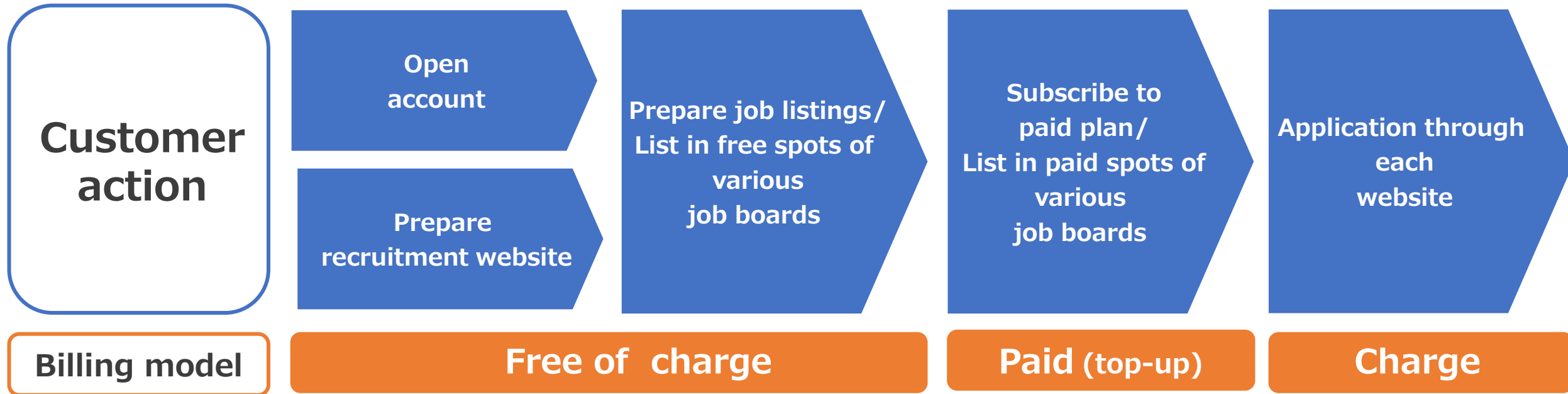
Method of using paid service has changed to a **“Monetary Top-Up Method”** to make service more convenient for customers

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	Before	After (renewal)
Method of using paid service	Not credited when subscribe to paid service but billed and paid monthly at time of application → troublesome procedure for both en-japan and customers	<ul style="list-style-type: none"><li>• Top-up in advance method with minimum initial charge amount of 50,000 yen to realize a product that is easy to handle</li><li>• Raising the level of minimum ordering amount</li></ul>
Billing model	Pay at time of application	<b>Pay at time of application (deducted from monetary top-up)</b>
Listing recruitment	Unlimited listing of posts, employment status and recruitment areas is possible	

Preparation of recruitment websites and job listings is offered free of charge.  
Publicity significantly increased by using the paid plan.

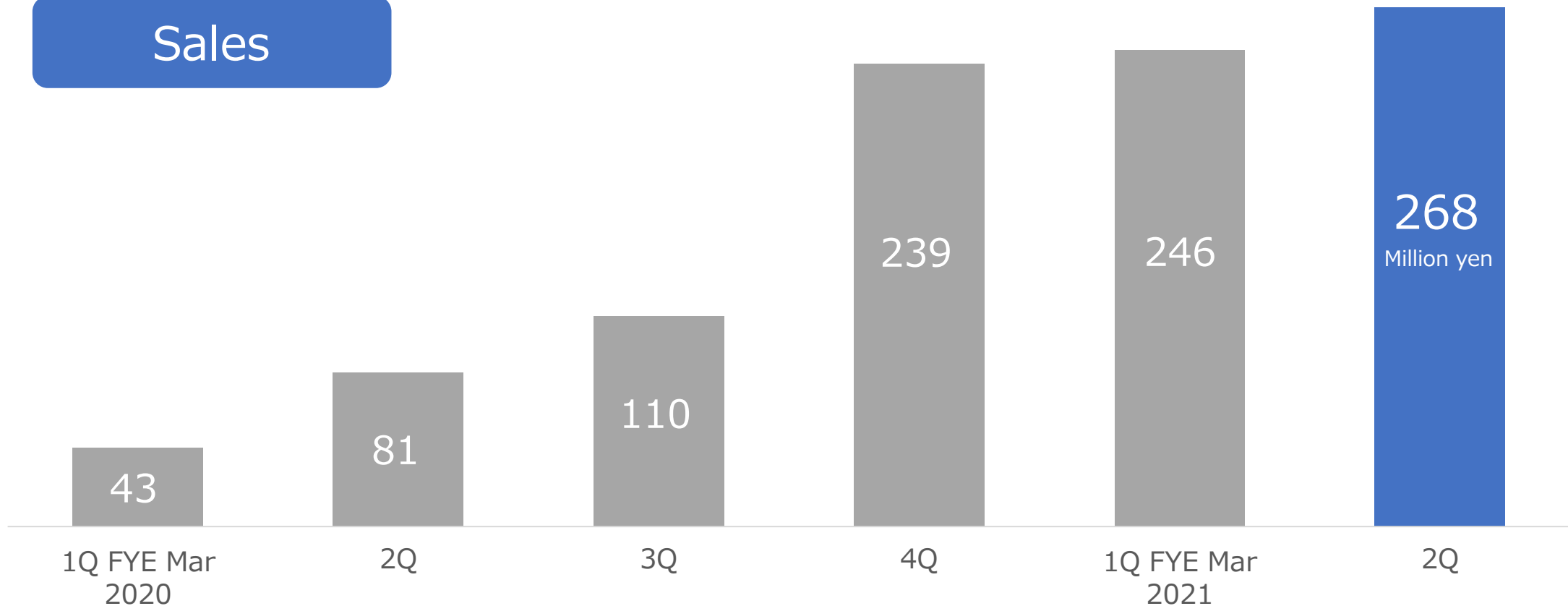
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Sales were slightly lower than expected in September due to renewal conducted in the same month.

**engage**

Sales

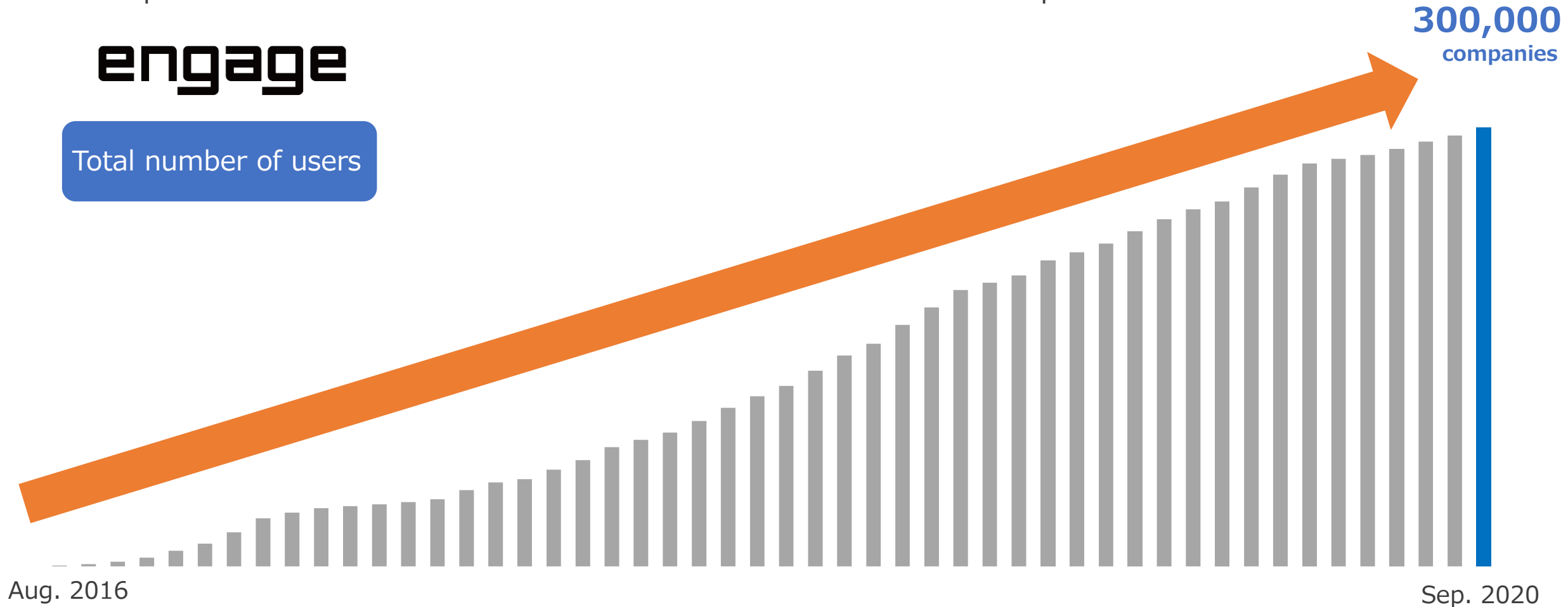


Total number of users exceeds **300,000** mark.

Japan's No. 1 recruitment service in terms of the number of user companies

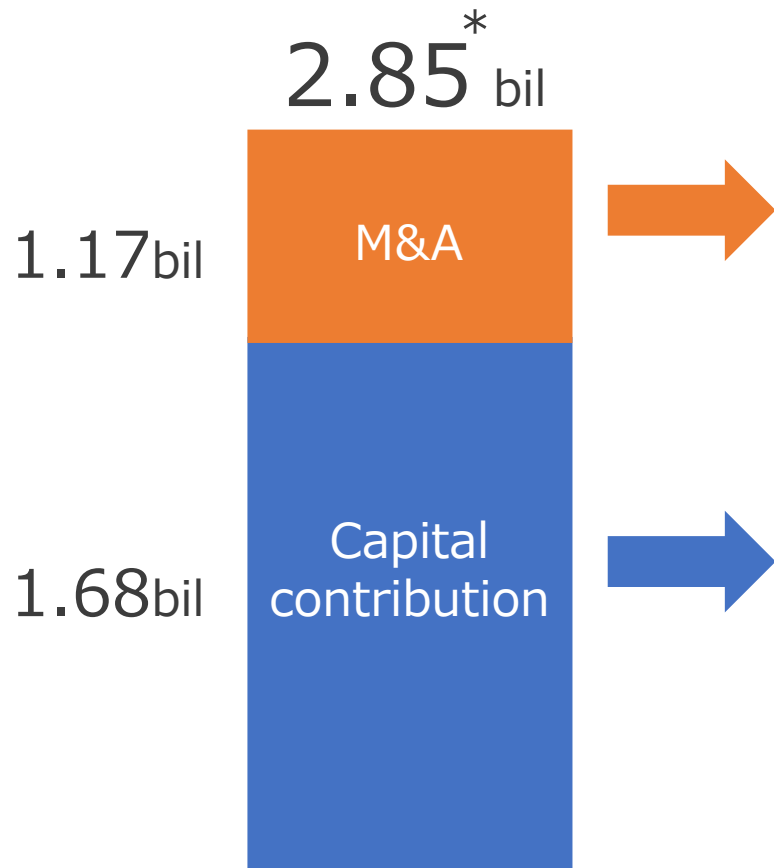
**engage**

Total number of users



# Investment Policy and results

Total M&A and investment was about 2.85 billion yen



April 2019 to September 2020 results

- Viet Resources Training Company Limited : Online education business for adults in Vietnam
- Brocante inc. : operates "FREELANCE START," one of the largest sites nationwide for IT freelancers with the listings provided by freelance agents etc.
- Hajimari, Inc. (former IT PRO PARTNERS,INC.) : IT freelance and entrepreneur support business
- ONLY STORY inc. (Operates manager matching platform, etc.)
- Domestic and foreign technology-related fund, etc. (total of 18 investment cases)

\* "Brocante" was acquired with treasury stock.

**full-year consolidated operating results forecast  
for the FYE March 2021**

# full-year consolidated operating results forecast for the FYE Mar/2021

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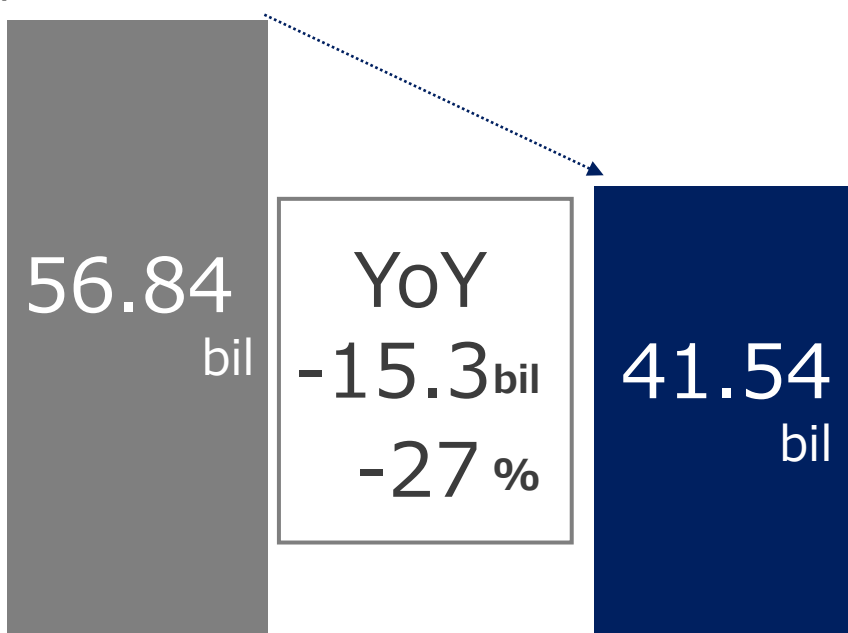
	FYE Mar 2020 (Apr.-Mar.2020)		FYE Mar 2021 (Plan) (Apr.-Mar.2021)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
<b>Net Sales</b>	56,848	100.0%	<b>41,543</b>	<b>100.0%</b>	-15,305	-26.9%
<b>Cost of Sales</b>	10,451	18.4%	<b>8,623</b>	<b>20.8%</b>	-1,828	-17.5%
Personnel	6,616	11.6%	<b>5,096</b>	<b>12.3%</b>	-1,520	-23.0%
Other	3,835	6.7%	<b>3,526</b>	<b>8.5%</b>	-309	-8.1%
<b>Gross Profit</b>	46,397	81.6%	<b>32,919</b>	<b>79.2%</b>	-13,478	-29.0%
<b>SGA(Sales, general &amp; administrative)</b>	35,392	62.3%	<b>26,789</b>	<b>64.5%</b>	-8,603	-24.3%
Personnel	14,197	25.0%	<b>13,064</b>	<b>31.4%</b>	-1,133	-8.0%
Advertising, Sales Promotion	11,138	19.6%	<b>5,640</b>	<b>13.6%</b>	-5,498	-49.4%
Other	10,057	17.7%	<b>8,085</b>	<b>19.5%</b>	-1,972	-19.6%
<b>Operating Income</b>	11,005	19.4%	<b>6,129</b>	<b>14.8%</b>	-4,876	-44.3%
<b>Ordinary Income</b>	11,057	19.5%	<b>6,261</b>	<b>15.1%</b>	-4,796	-43.4%
<b>Net Income attributable to en-japan</b>	7,125	12.5%	<b>3,741</b>	<b>9.0%</b>	-3,384	-47.5%



Hiring demand for the FYE Mar/2021 is seeing a slow recovery. Sales will bottom out during 2Q-3Q and increase in 4Q on a full-scale basis.

## FYE Mar/2021 Sales

(Yen)



FYE Mar 2020

FYE Mar 2021  
(forecast)

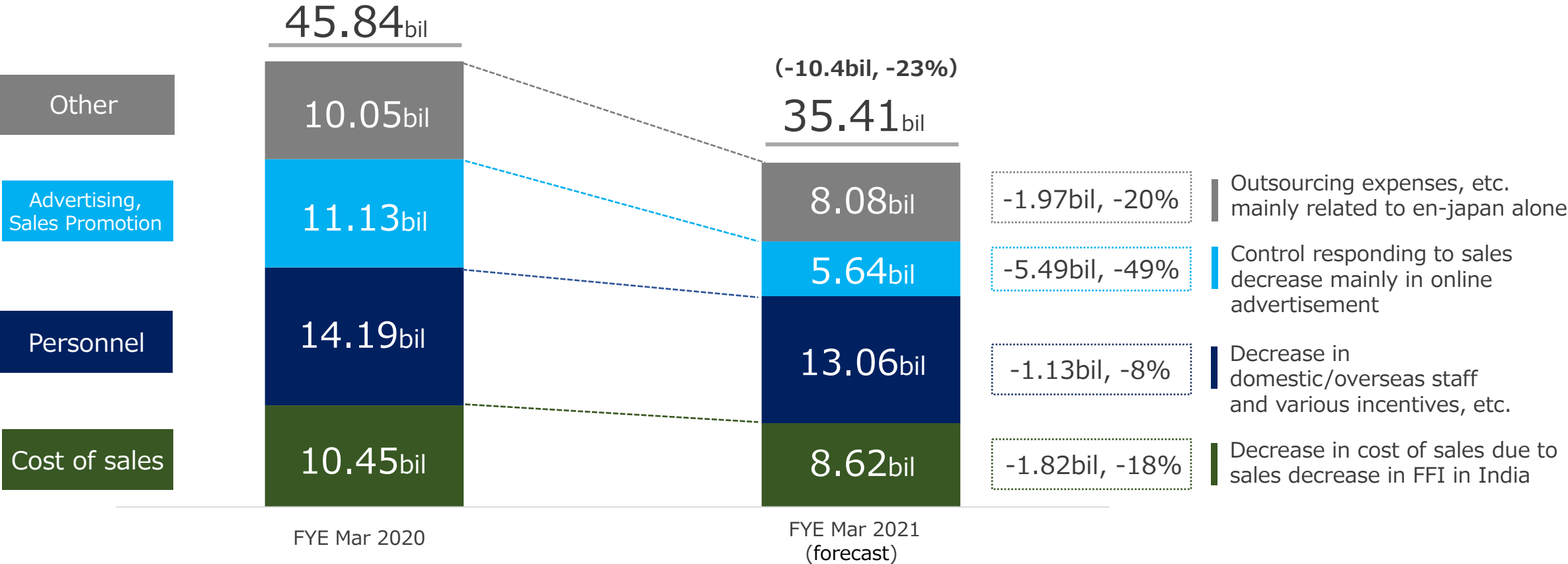
Domestic Job Board	-11.51bil	YoY-36%
*1 Domestic Permanent Recruitment	-2.37bil	YoY-20%
*2 Overseas	-2.86bil	YoY-27%
HR-Tech	+0.78bil	YoY+166%
Others	+0.51bil	YoY+25%

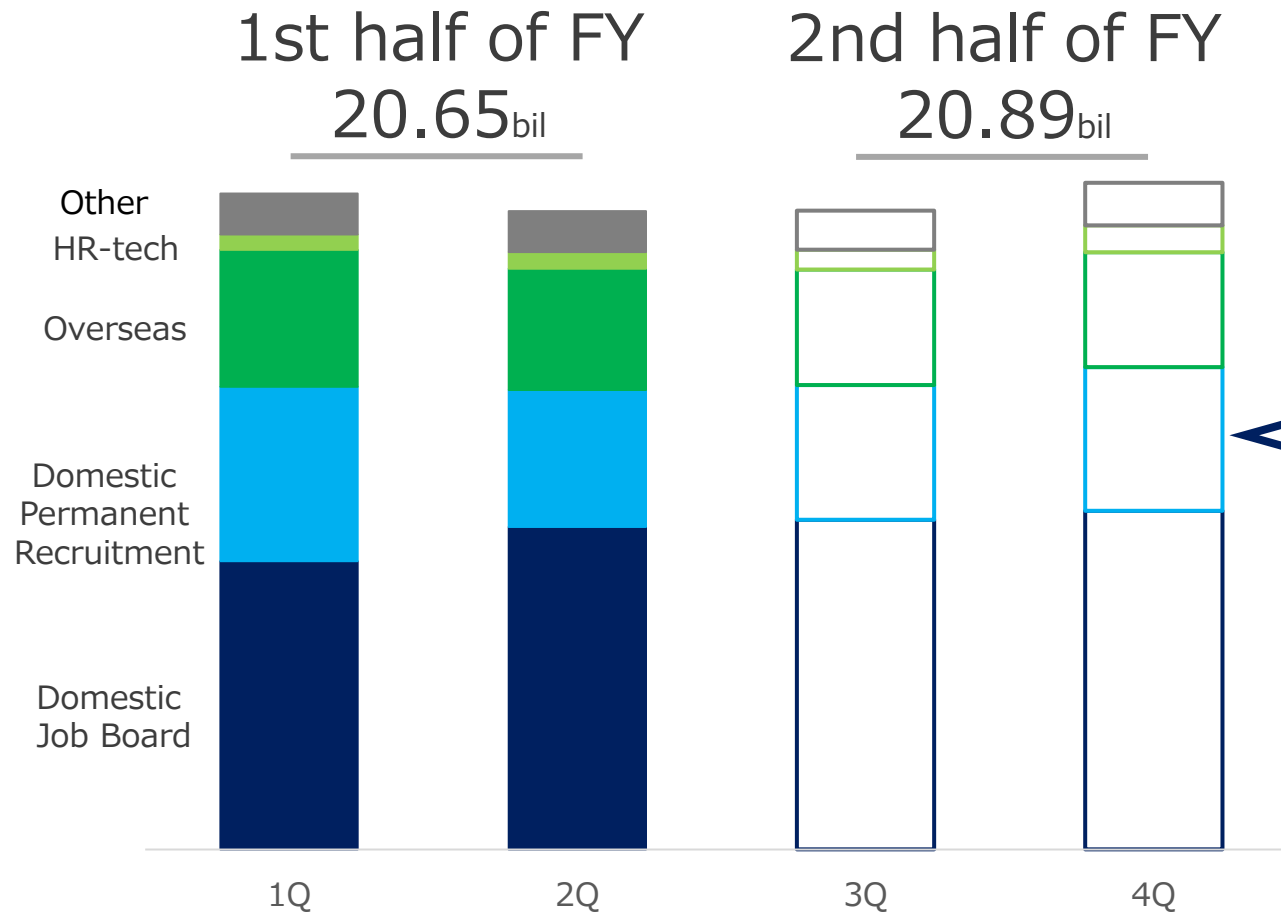
\*1: In success fee-type service, sales tend to be recorded with a delay of approx. two to four months following actual sales activities and conclusion of contract.

\*2: Performance includes a delay of three months due to accounting processes

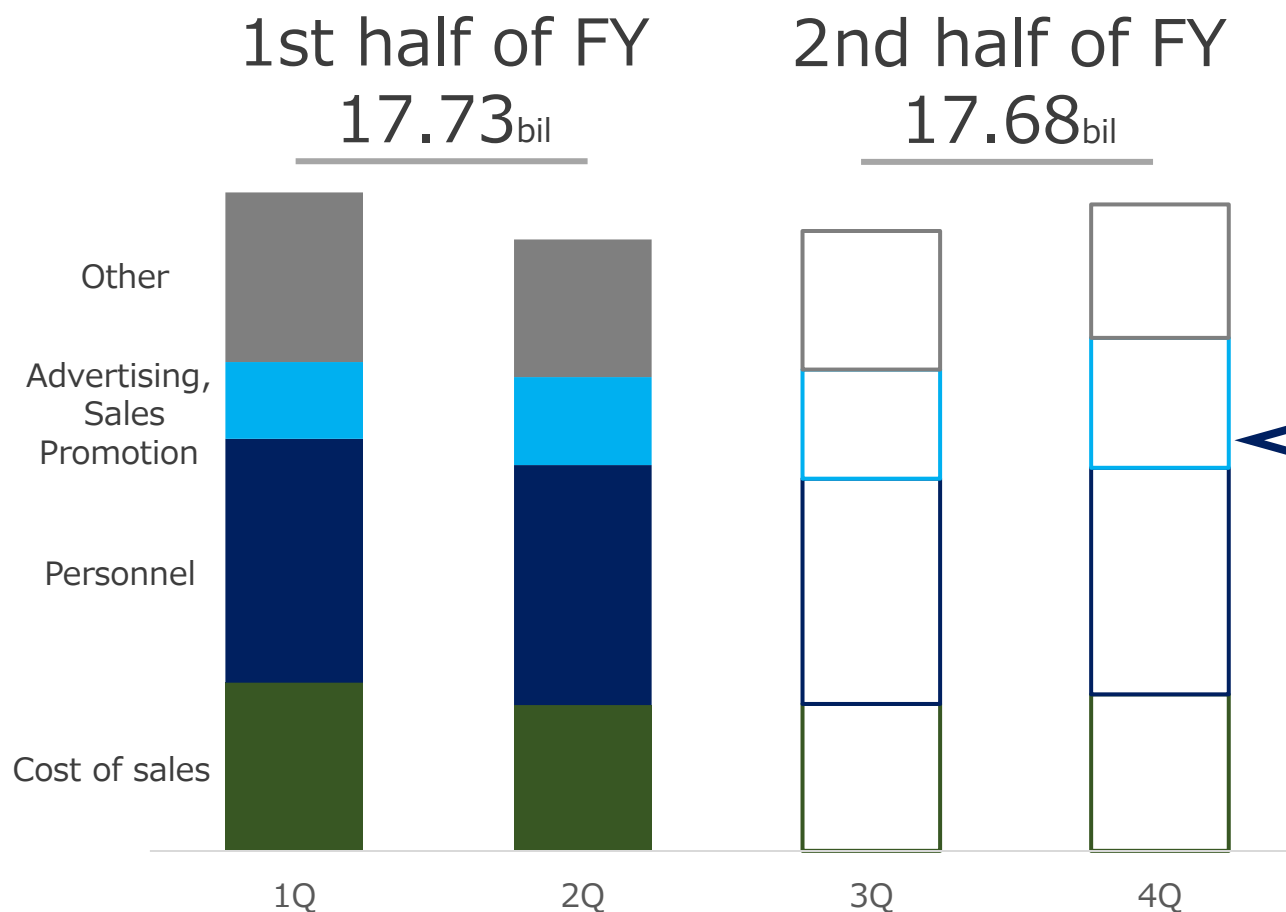
Expenses will be reduced throughout the fiscal year, mainly advertising and outsourcing expenses.

FYE Mar/2021 Expenses





- Hiring demand is seen to be firm subject to slow recovery.
- Sales of domestic job board will recover in the 2nd half of the fiscal year mainly in [en]Career Change Info.
- Sales of success fee-type model were concentrated in 1Q due to timing of recording of sales and seasonality. They will bottom out during 2Q-3Q.
- Sales in Vietnam, a country we are focusing on, will be flat for 3Q-4Q as recovery will take time.
- HR-Tech will aim to increase sales again in 4Q by reviewing its marketing strategies following renewal.



- Cost is expected to be almost flat for the 1st and 2nd half of the fiscal year.
- Advertising expenses for job boards in the 2nd half of the fiscal year will increase compared with the 1st half.
- Outsourcing expenses will strongly decline from 2Q onwards and will decrease by approximately 400 million yen in the 2nd half of the fiscal year compared with the 1st half.
- Personnel expenses will slightly decline in the 2nd half of the fiscal year due to decrease in staff overseas and cutback in hiring in Japan. Hiring is expected to increase in the future.

Return to Shareholders

As a result of carefully examining the impact of COVID-19 on performance, our shareholder return policy for FYE Mar/2021 is unchanged with a dividend payout ratio of 50% maintained

**From  
FYE Mar  
2020**

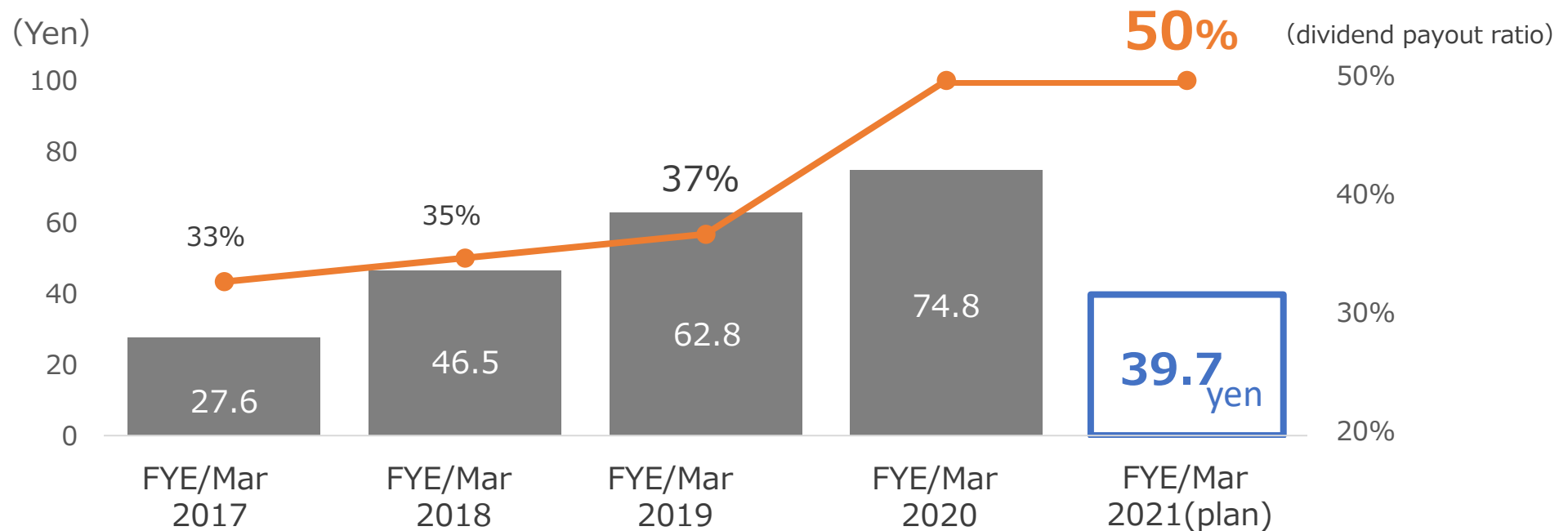
We will make efforts for investment and shareholder return in a manner conducive to raising shareholder value, while securing our financial soundness. Specific measures are as follows.

- **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.

Dividend per share for FYE Mar/2021 (plan) is ¥39.7.  
(Dividend payout ratio: 50%)

(Now announced as the full-year earnings forecast has been drawn up.)



\* 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.

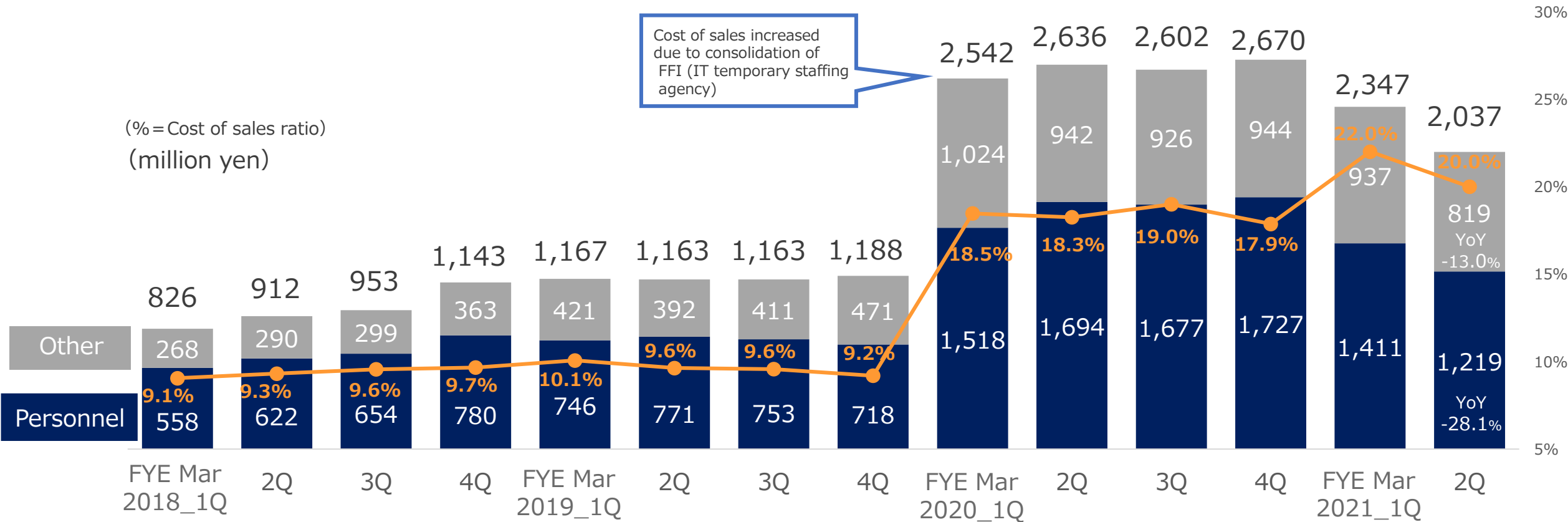
# Appendix



Cost of sales down 22.7% YoY in 2Q  
Personnel expenses of FFI (India) mainly decreased.

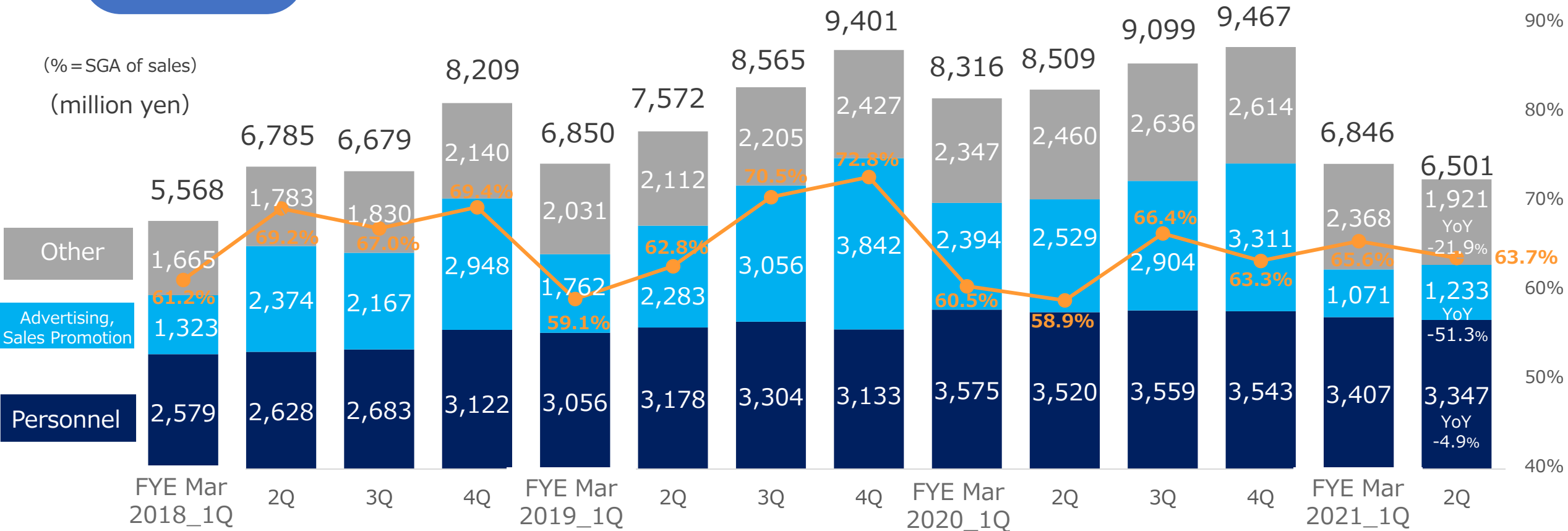
Cost of Sales

(% = Cost of sales ratio)  
(million yen)



SGA expenses down 24.8% YoY in 2Q  
In addition to advertising expenses, outsourcing expenses as variable cost were largely reduced.

SGA Expenses



# Reference: FYE March 2021 plan by Segment

35

(bil JPY)		FYE Mar 2020 Actual (Apr.2019–Dec.2019)	FYE Mar 2021 Plan (Apr.2020–Dec.2020)	YoY change	YoY change (%)
Domestic Job Board	Sales	32.12	<b>20.61</b>	-11.51	-35.8%
	Operating Income	11.73	<b>7.32</b>	-4.41	-37.6%
	OP margin	36.5%	<b>35.5%</b>	-	-
Domestic Permanent Recruitment	Sales	11.87	<b>9.50</b>	-2.37	-20.0%
	Operating Income	1.42	<b>0.41</b>	-1.01	-71.3%
	OP margin	12.0%	<b>4.3%</b>	-	-
Overseas	Sales	10.74	<b>7.88</b>	-2.86	-26.7%
	Operating Income	0.91	<b>0.44</b>	-0.47	-52.1%
	OP margin	8.5%	<b>5.5%</b>	-	-
HR-Tech	Sales	0.47	<b>1.26</b>	0.79	168.9%
	Operating Income	-1.94	<b>-1.19</b>	0.75	-
	OP margin	-412.8%	<b>-93.9%</b>	-	-
Other	Sales	2.10	<b>2.63</b>	0.53	25.3%
	Operating Income	-0.20	<b>-0.15</b>	0.05	-23.0%
	OP margin	-9.5%	<b>-5.9%</b>	-	-
adjustment	Sales	-0.48	<b>-0.34</b>	0.14	-
	Operating Income	-0.92	<b>-0.70</b>	0.22	-
<b>consolidated</b>	Sales	<b>56.84</b>	<b>41.54</b>	<b>-15.30</b>	<b>-26.9%</b>
	Operating Income	<b>11.00</b>	<b>6.13</b>	<b>-4.87</b>	<b>-44.3%</b>
	OP margin	19.4%	<b>14.8%</b>	-	-

(million yen)	FYE Mar 2020 (Mar. 2020)	FYE Mar 2021 Q2 (Sep. 2020)	YOY change	YOY change (%)
<b>Current asset</b>	<b>37,065</b>	<b>30,643</b>	-6,422	-17.3%
Cash	30,128	<b>25,602</b>	-4,526	-15.0%
Accounts receivable	5,733	<b>3,805</b>	-1,928	-33.6%
Other current assets	1,203	<b>1,236</b>	33	2.7%
<b>Non-current assets</b>	<b>14,830</b>	<b>14,593</b>	-237	-1.6%
Property, plant and equipment	1,021	<b>901</b>	-120	-11.8%
Intangible assets	7,712	<b>7,395</b>	-317	-4.1%
Investments and other assets	6,096	<b>6,296</b>	200	3.3%
<b>Assets</b>	<b>51,896</b>	<b>45,237</b>	-6,659	-12.8%
<b>Liabilities</b>	<b>13,247</b>	<b>10,123</b>	-3,124	-23.6%
Current liabilities	11,762	<b>8,438</b>	-3,324	-28.3%
Not current liabilities	1,485	<b>1,684</b>	199	13.4%
<b>Net assets</b>	<b>38,648</b>	<b>35,114</b>	-3,534	-9.1%
Capital	1,194	<b>1,194</b>	0	0.0%
capital reserves	1,133	<b>930</b>	-203	-17.9%
earned surplus	39,588	<b>37,450</b>	-2,138	-5.4%
treasury stock	-4,253	<b>-5,245</b>	-992	23.3%
Other net assets	983	<b>785</b>	-198	-20.1%
<b>Liabilities/Net assets</b>	<b>51,896</b>	<b>45,237</b>	-6,659	-12.8%

Equity ratio: 76%

A high level of security maintained with cash even though balance was down YoY due to payment of dividends and income tax, repurchase of treasury shares and

Mainly payment of dividends: 3.56 billion yen

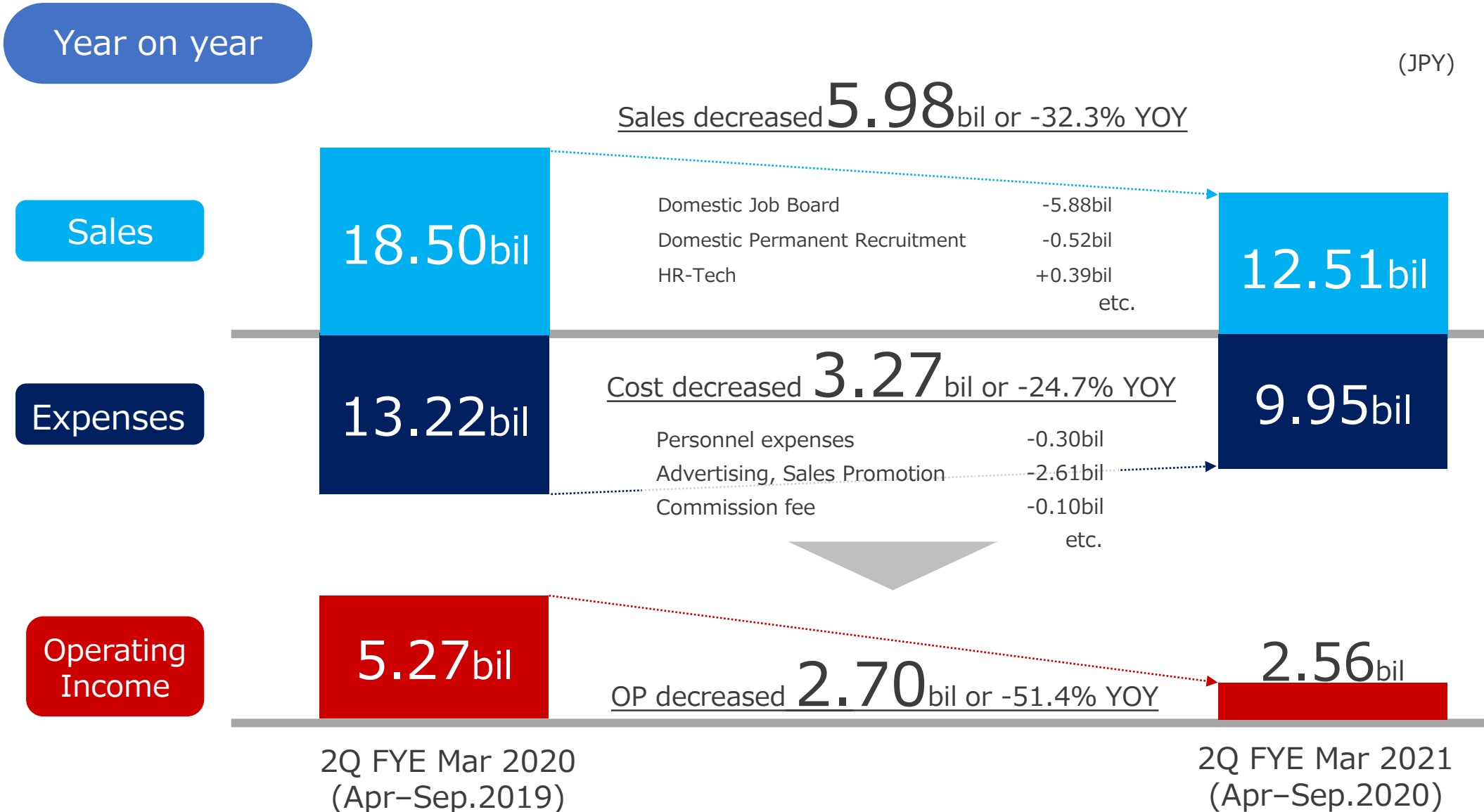
Repurchase of treasury shares: 1 billion yen (April 2020)

Non-consolidated Income Statement  
for 2Q FYE Mar/2021

# [2Q FYE Mar/2021 Results] Non-consolidated Income Statement

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	2Q FYE Mar 2020 Actual (Apr.–Sep.2019)		2Q FYE Mar 2021 Actual (Apr.–Sep.2020)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
<b>Net Sales</b>	<b>18,500</b>	100.0%	<b>12,518</b>	100.0%	-5,982	-32.3%
<b>Cost of Sales</b>	<b>1,398</b>	7.6%	<b>1,326</b>	10.6%	-72	-5.2%
Personnel	630	3.4%	476	3.8%	-154	-24.4%
Other	768	4.2%	849	6.8%	81	10.5%
<b>Gross Profit</b>	<b>17,102</b>	92.4%	<b>11,192</b>	89.4%	-5,910	-34.6%
<b>SGA(Sales, general &amp; administrative)</b>	<b>11,827</b>	63.9%	<b>8,627</b>	68.9%	-3,200	-27.1%
Personnel	3,755	20.3%	3,599	28.8%	-156	-4.2%
Advertising, Sales Promotion	4,895	26.5%	2,285	18.3%	-2,610	-53.3%
Other	3,177	17.2%	2,743	21.9%	-434	-13.7%
<b>Operating Income</b>	<b>5,274</b>	28.5%	<b>2,564</b>	20.5%	-2,710	-51.4%
<b>Ordinary Income</b>	<b>5,379</b>	29.1%	<b>2,501</b>	20.0%	-2,878	-53.5%
<b>Net Income</b>	<b>3,714</b>	20.1%	<b>1,326</b>	10.6%	-2,388	-64.3%



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

「en Lighthouse」

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.



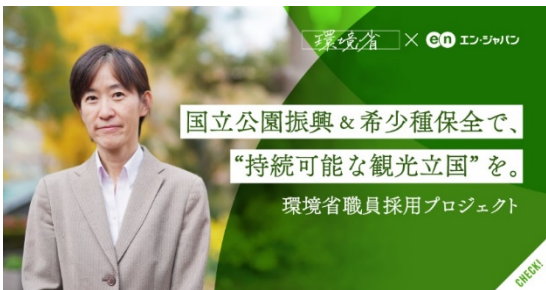
### Japan Heart ×

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."

Many other recruitment support projects are underway.

## 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,2020

### Percentage of women to all employees

\*  
49.8%

### Percentage of women to all directors

2Person 40%



## 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.

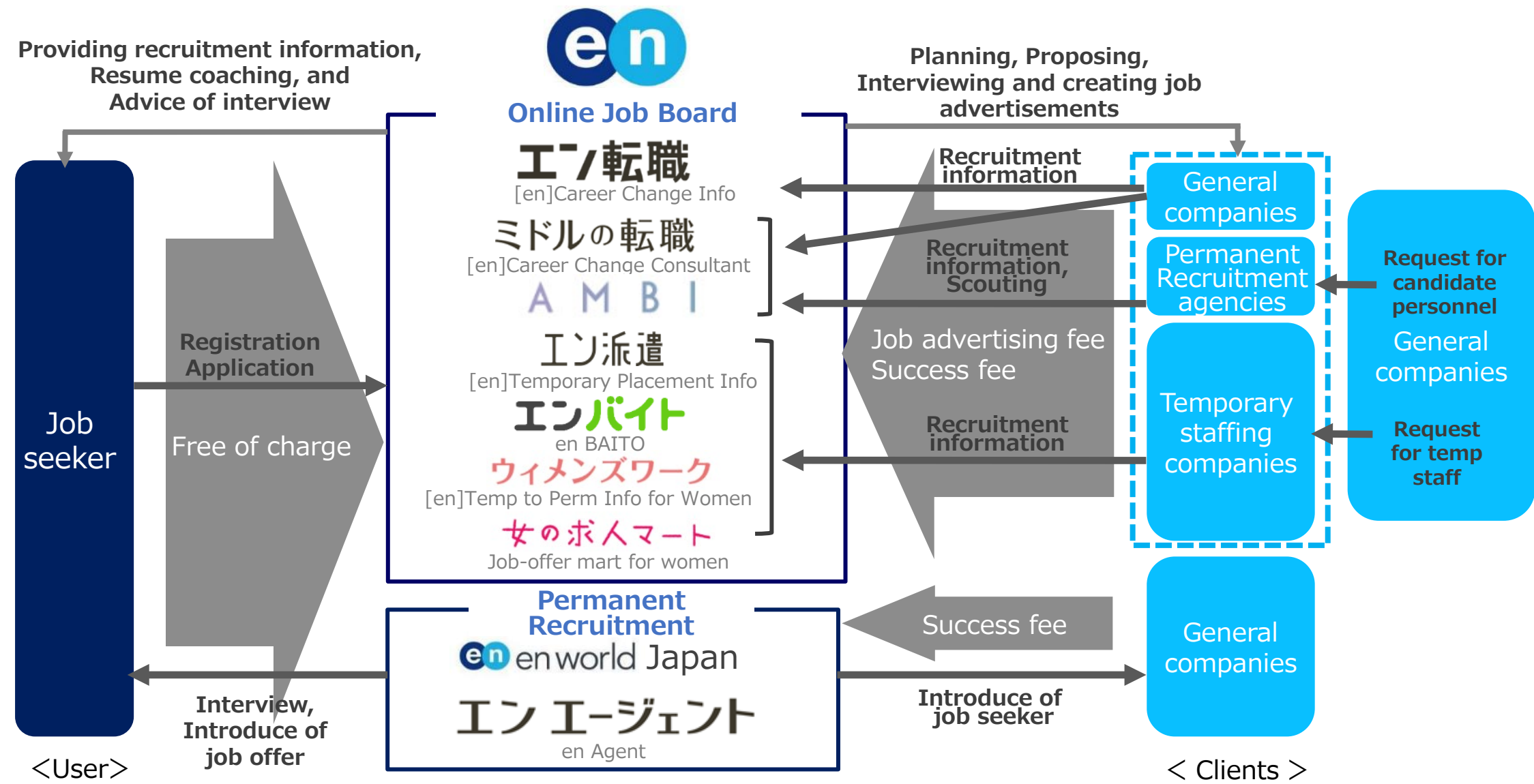
## Broaden the application of employee welfare

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




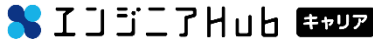



- Apply the employee welfare system, made available to employees in male-female marriage to date, also to employees in common-law marriage with a same-sex partner
- Wedding anniversary congratulatory money, congratulation or condolence leave, subsidy for unaccompanied posting and a grant of retirement 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 Sep. 2020)
【 Stock Listing 】	The First Section of the Tokyo Stock Exchange / (code : 4849)
【 Fiscal Year 】	April 1 – March 31
【 Number of Employees 】	Consolidated 3,163, Non-consolidated 1,574 (as of Sep. 2020)
【 Number of Outstanding Shares 】	49,716,000 (as of Sep. 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  <b>エヌ転職</b>	Site for Comprehensive Career Change Info	<ul style="list-style-type: none"> <li>Companies which put their recruitment ads on the job board are carefully researched and taken pictures by en-japan.</li> <li>Honest and detailed recruitment information developed by en-japan from the perspective of job seekers.</li> </ul>	<ul style="list-style-type: none"> <li>Mainly 20s</li> </ul>	General Companies	en Japan
[en]Career Change Consultant  <b>ミドルの転職</b>	Collective site for Permanent Recruitment agencies	<ul style="list-style-type: none"> <li>Over 500 recruitment companies whose specialties are career change for job seekers in 30's and 40's, and job information are available</li> <li>Disclose consultants specialty areas, their achievements, together with evaluations by users</li> </ul>	<ul style="list-style-type: none"> <li>Mainly 30s to 40s</li> </ul>	Permanent Recruitment agencies, General Companies	
	Recruitment site specializing in high achievers in their 20s	<ul style="list-style-type: none"> <li>Mainly listing information for users in their 20s with yearly income of 5 million yen or more</li> <li>The site is designed to focus on headhunting from companies and job placement agencies</li> </ul>	<ul style="list-style-type: none"> <li>Mainly 20s</li> </ul>	Permanent Recruitment agencies, General Companies	
Engineers Hub Career  <b>エンジニアHub</b> <small>キャリア</small>	Recruitment site for web engineers	<ul style="list-style-type: none"> <li>Recruitment site using web media Engineer Hub and targeting young web engineers.</li> <li>Carefully selected people recruited from mega venture and startup companies that will lead to the growth of engineers.</li> </ul>	<ul style="list-style-type: none"> <li>Young engineers</li> </ul>	General Companies	
[en]Temporary Placement Info  <b>エヌ派遣</b>	Collective site for temporary staffing companies	<ul style="list-style-type: none"> <li>Temp agencies reputations and job information are available</li> <li>User friendly search function which does not require complicated user guide</li> </ul>	<ul style="list-style-type: none"> <li>Mainly Females in their 20s to mid-40s</li> </ul>	Temporary staffing companies	
en BAITO  <b>エンバイト</b>	Part-time job information site	<ul style="list-style-type: none"> <li>Part-time job information mostly owned by temporary staffing companies</li> <li>User friendly functions such as job-recommendation based on their search history</li> </ul>	<ul style="list-style-type: none"> <li>University students</li> <li>Graduates without jobs</li> <li>Housewives</li> <li>Permanent part-timers</li> </ul>	Temporary staffing companies	
[en]Temp to Perm Info for Women  <b>ウィメンズワーク</b>	Recruitment information site for females	<ul style="list-style-type: none"> <li>A recruitment information site for females wishing to work as full-time regular employees.</li> <li>The site lists only such openings for "full-time employees or possible upgrade to full-time employee".</li> <li>Offers a number of listings for office-work posts.</li> </ul>	<ul style="list-style-type: none"> <li>Mainly Females in their 20s to 30s</li> </ul>	Temporary staffing companies	



## <Permanent Recruitment (Domestic) >



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

## <Overseas ①>


Service brand	country	Contents	Characteristics	Clients	Company
	india	Permanent Recruitment	<ul style="list-style-type: none"> <li>• Clients are local business companies and global business companies operating in India.</li> <li>• Mainly places high income-earning zone. Particularly strong in IT field.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> </ul>	NEWERA INDIA
		Temporary staffing (IT areas)	<ul style="list-style-type: none"> <li>• Has 20 years of experience in IT dispatching and has many leading IT companies as clients</li> <li>• Focus on investment and education in advanced technologies such as AI and IoT</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> </ul>	Future Focus Infotech
	Vietnam	Permanent Recruitment	<ul style="list-style-type: none"> <li>• No. 1 service in Vietnam.</li> <li>• Engages in placing management-level individuals in local and global business companies. Enhancing Japanese companies in Vietnam.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> <li>• Japanese companies</li> </ul>	Navigos group Joint Stock Company
		Job board	<ul style="list-style-type: none"> <li>• No. 1 recruiting website in Vietnam.</li> <li>• Clients are local individuals and local and global business companies. Enhancing Japanese companies in Vietnam.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Companies</li> <li>• Global Companies</li> <li>• Japanese Companies</li> </ul>	













## <Overseas ②>

Service brand	country	Contents	Characteristics	Clients	Company
	China	Job board	<ul style="list-style-type: none"> <li>Established in 2004. Strong in construction and real estate areas</li> <li>In recent years, areas other than construction and real estate have been strengthened.</li> </ul>	<ul style="list-style-type: none"> <li>Local Companies</li> <li>Global Companies</li> </ul>	Talent Alliance (Beijing) Technology Development Limited
	Thailand	Permanent Recruitment	<ul style="list-style-type: none"> <li>Offers job search services under the TOP TALENT ASIA brand.</li> <li>Mainly places management-level individuals. Strong in high income-earning zone.</li> </ul>	<ul style="list-style-type: none"> <li>Local Companies</li> <li>Global Companies</li> </ul>	en world Thailand



## <HR-Tech>

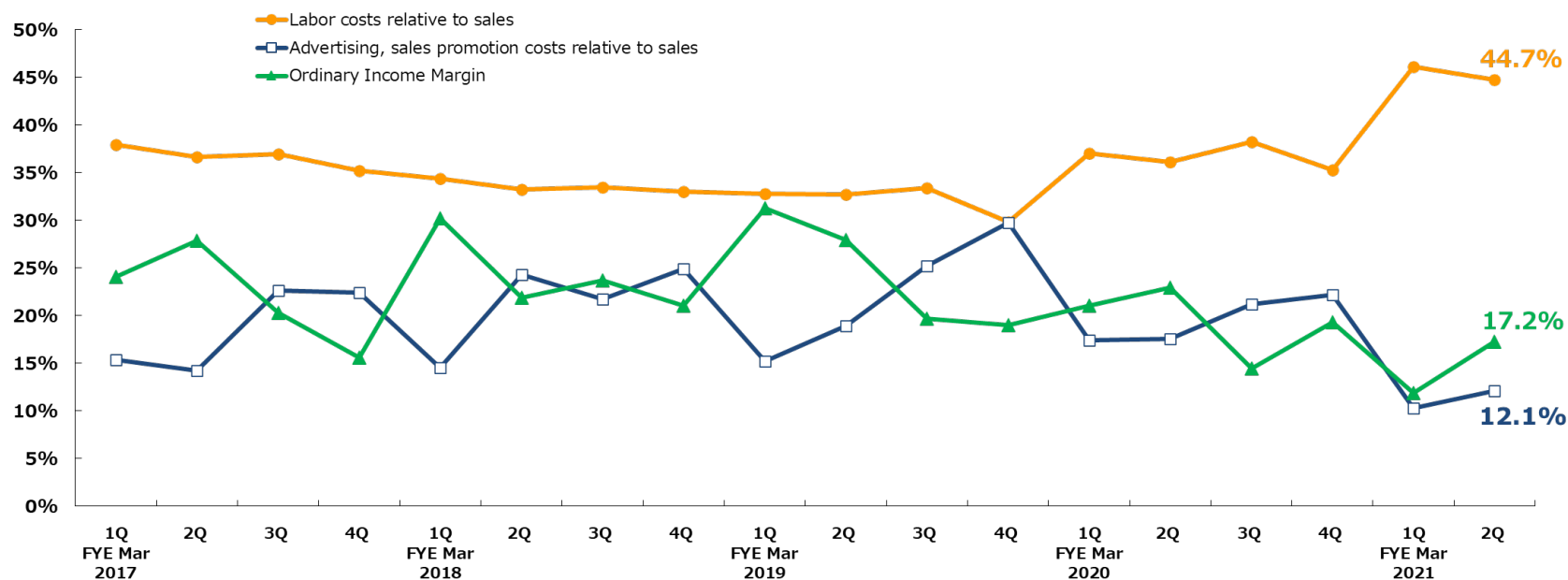
Service brand	Contents	Characteristics	Clients	Company
	Digital platform aimed at having workers play active roles after being hired, joining companies	<ul style="list-style-type: none"> <li>A freemium-model recruitment support tool</li> <li>Can create high-quality corporate recruitment websites and job listings easily and quickly</li> <li>Job offers created are automatically linked to Indeed, Google job search and such like</li> <li>Use of the fee-based plan allows access to a greater number of job-seeker applications and stronger recruitment support</li> <li>Aptitude tests, retention tools and other related services are also available on engage</li> </ul>	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"> <li>Development and sale of aptitude tests</li> <li>Operation of en-college training services</li> <li>Development and sale of retention tool “HR OnBoard”</li> <li>Establishment of personnel assessment system, etc.</li> </ul>	General Companies Temporary staffing companies	en Japan
	Scout site for new graduates	<ul style="list-style-type: none"> <li>Recruitment scouting site for new graduates</li> <li>A service that enables companies to directly scout new graduates based on personal profiles and aptitude diagnosis</li> </ul>	General Companies	en Japan
	Hiring management system Operation management system	<ul style="list-style-type: none"> <li>Uniform management of various data and functions, e.g. hiring information, interviewers, response to applications, and effectiveness measurement.</li> <li>Uniform management of hired staff and job listings.</li> </ul>	Temporary staffing companies General Companies	Zeku
	Design and development of web site and application	<ul style="list-style-type: none"> <li>Company in the UI/UX growth contracting business.</li> <li>Not only site design but also design and consulting for the purpose of users using the site.</li> </ul>	General Companies	OWLS
	Internship information sites for university students	<ul style="list-style-type: none"> <li>Targeting university students who look for “paid internship jobs that can foster their abilities,” rather than seeking those jobs purely for money</li> <li>The pioneer site for internship jobs which is the best in the country in terms of both performance and the number of jobs</li> </ul>	General Companies	i-tank japan
	Recruitment business for foreigners	<ul style="list-style-type: none"> <li>Undertakes correspondence between foreign job seekers in Japan and hiring firms using chat</li> <li>Resolves the inconvenience of job seekers, such as job listings being available only in Japanese language and difficulty in communication on the phone</li> <li>Resolves issues faced by hiring firms, such as job applicant not showing up for an interview due to a lack of communication</li> </ul>	General Companies	Japan Work
	Freelance management service	<ul style="list-style-type: none"> <li>A cloud service that enables uniform management of orders placed with freelancers, progress and billing</li> <li>Orders received and placed are all digitalized. Also offers linkage with other web-based services, including CRM and accounting software.</li> </ul>	General Companies	en Japan
	Job search engine site for freelance engineers	<ul style="list-style-type: none"> <li>One of the largest freelance job search engine sites in Japan</li> <li>Allows users to collectively search and apply by compiling listings by freelance agents</li> </ul>	Freelance agents	Brocante

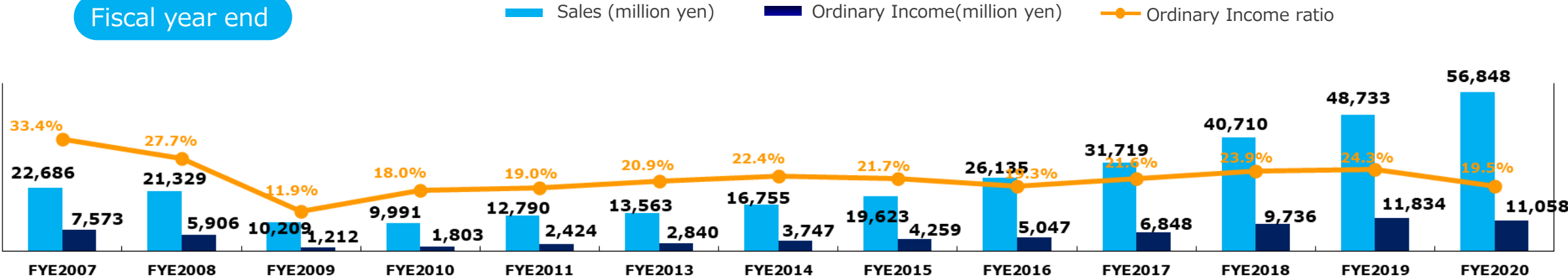
<Other New Business \*Unconsolidated subsidiary >

	Contents	Characteristics	Clients	Company
	Marketing research Data analysis using AI	<ul style="list-style-type: none"> <li>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.</li> <li>Analyzes data owned by companies using sophisticated data analysis technologies. Provides issue-solving solutions.</li> </ul>	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"> <li>Service to support people looking for a husband or wife with the new concept of seeking happiness after marriage</li> </ul>	General users	en KONKATSU AGENT



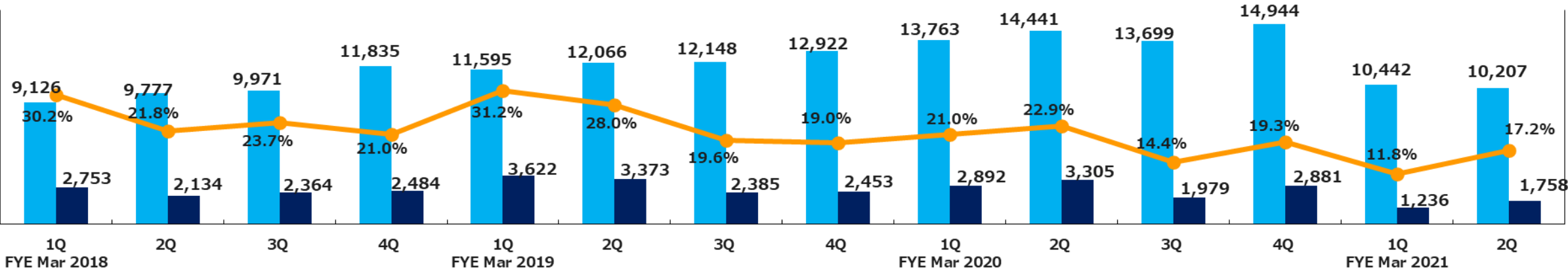
	1Q FYE Mar 2018	2Q	3Q	4Q	1Q FYE Mar 2019	2Q	3Q	4Q	1Q FYE Mar 2020	2Q	3Q	4Q	1Q FYE Mar 2021	2Q
Ordinary Income (million yen)	2,753	2,134	2,364	2,484	3,622	3,373	2,385	2,453	2,892	3,305	1,979	2,881	1,236	1,758
% of sales	30.2%	21.8%	23.7%	21.0%	31.2%	28.0%	19.6%	19.0%	21.0%	22.9%	14.4%	19.3%	11.8%	17.2%
Labor costs (million yen)	3,137	3,250	3,336	3,901	3,803	3,947	4,056	3,849	5,092	5,214	5,235	5,268	4,817	4,565
% of sales	34.4%	33.2%	33.5%	33.0%	32.8%	32.7%	33.4%	29.8%	37.0%	36.1%	38.2%	35.3%	46.1%	44.7%
Ad, sales promotion costs (million yen)	1,323	2,373	2,166	2,947	1,762	2,282	3,056	3,841	2,394	2,528	2,904	3,310	1,070	1,232
% of sales	14.5%	24.3%	21.7%	24.9%	15.2%	18.9%	25.2%	29.7%	17.4%	17.5%	21.2%	22.1%	10.2%	12.1%

Fiscal year end



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

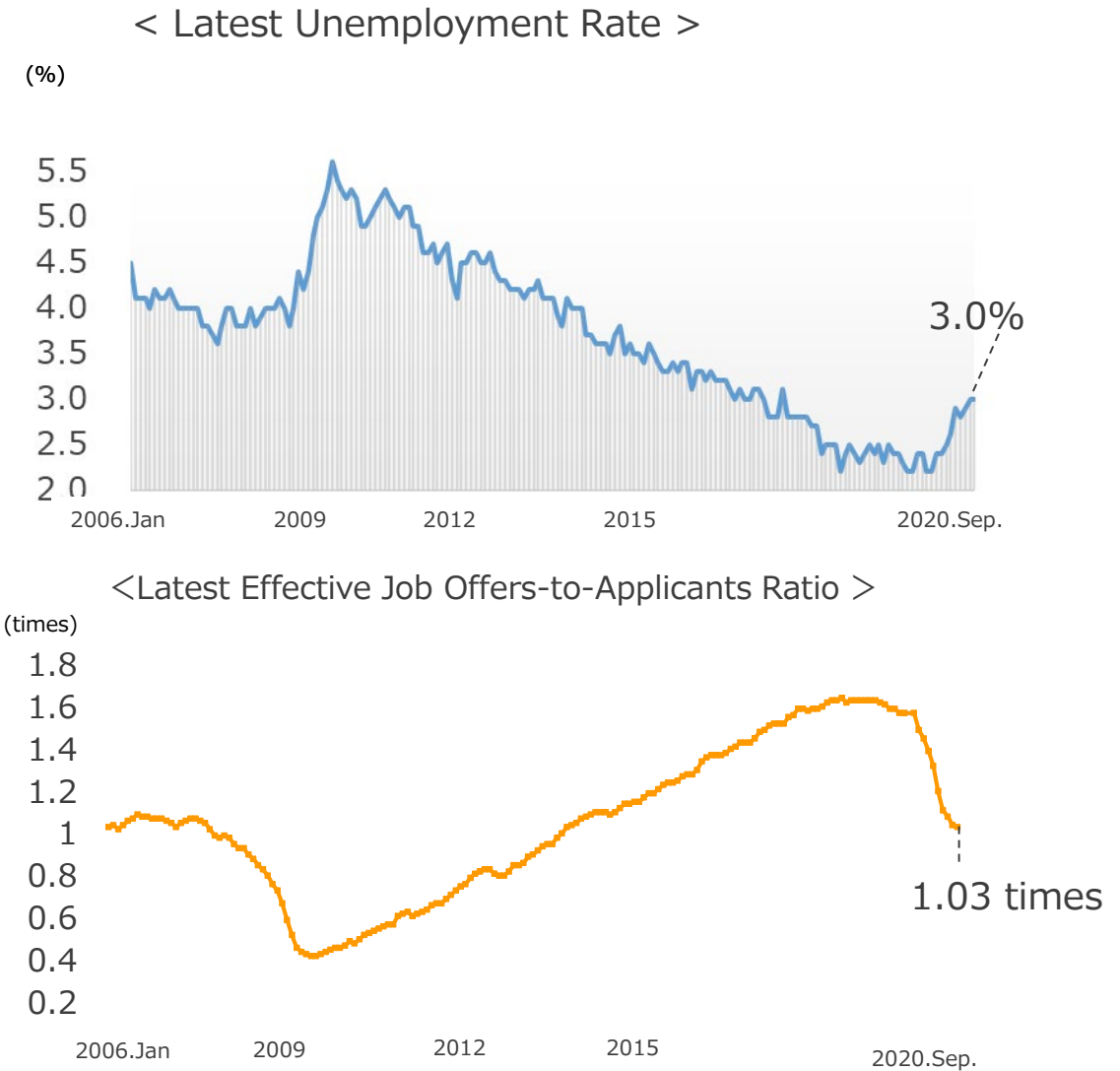
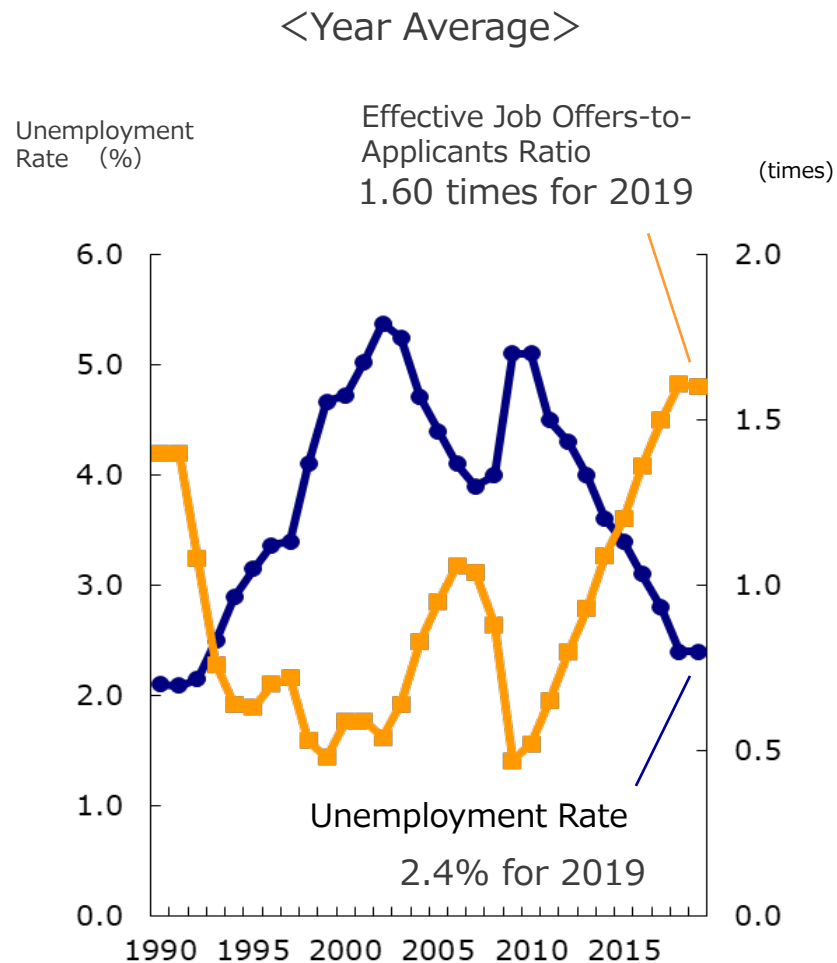
Quarter



# The market environment

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

54



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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