



# 1<sup>st</sup> Quarter of FYE Mar/2022 Earnings Review

August 16, 2021

Security Code 4849  
TSE First Section

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# 1Q Results

FYE Mar/2022

\*Relative to pre COVID-19  
FYE Mar/2020

Sales	12.06bill	YoY +15.5%	about 87%
Operating income	2.31bill	YoY +85.1%	about 81%

- Performance**
  - Sales and operating income were both favorable and exceeded expectations
  - [en]Career Change Info mainly drove the recovery in sales
  - Operating income recovered significantly due to an increase in sales and effects from cost reduction performed from the previous fiscal year
- Hiring Demand**
  - Impact of the declaration of state of emergency announced in April 2021 and after was limited in the full-time employee area
  - Hiring demand for the new FY continued to follow a recovery trend
- Future Outlook**
  - Additional investment in advertising expenses is planned in the domestic job board
  - No adjustment of the forecast announced on May 13

# Consolidated Performance Summary for 1st Quarter of FYE Mar /2022

# [1Q FYE Mar/2022 Results] Consolidated Income Statement

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	1Q FYE Mar 2021		1Q FYE Mar 2022		YOY	
	(Apr.–Jun.2020)		(Apr.–Jun.2021)		change (million yen)	change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
<b>Net Sales</b>	10,442	100.0%	<b>12,060</b>	<b>100.0%</b>	1,618	15.5%
<b>Cost of Sales</b>	2,347	22.5%	<b>2,378</b>	<b>19.7%</b>	31	1.3%
Personnel	1,410	13.5%	<b>1,419</b>	<b>11.8%</b>	9	0.6%
Other	937	9.0%	<b>958</b>	<b>7.9%</b>	21	2.2%
<b>Gross Profit</b>	8,094	77.5%	<b>9,681</b>	<b>80.3%</b>	1,587	19.6%
<b>SGA(Sales, general &amp; administrative)</b>	6,846	65.6%	<b>7,371</b>	<b>61.1%</b>	525	7.7%
Personnel	3,407	32.6%	<b>3,146</b>	<b>26.1%</b>	-261	-7.7%
Advertising, Sales Promotion	1,070	10.2%	<b>1,944</b>	<b>16.1%</b>	874	81.7%
Other	2,368	22.7%	<b>2,279</b>	<b>18.9%</b>	-89	-3.8%
<b>Operating Income</b>	1,248	12.0%	<b>2,310</b>	<b>19.2%</b>	1,062	85.1%
<b>Ordinary Income</b>	1,236	11.8%	<b>2,314</b>	<b>19.2%</b>	1,078	87.2%
<b>Net Income attributable to en-japan</b>	618	5.9%	<b>1,515</b>	<b>12.6%</b>	897	145.1%

# Changing Factor of Earnings Year on Year

6

1Q(Apr.-Jun.)  
Year on year

(JPY)

Sales

10.44bil

Sales increased **1.61** bil or +15.5% YOY

Domestic Job Board	+1.79bil
Domestic Permanent Recruitment	-0.36bil
Overseas	-0.07bil
HR-Tech	+0.61bil
Domestic Other Business / Subsidiary	-0.39bil etc.

12.06bil

Expenses

9.19bil

Cost increased **0.55** bil or +6.0% YOY

Advertising, Sales Promotion	+0.87bil
Commission fee	+0.58bil
Personnel expenses	-0.25bil
Outsourcing expenses	-0.38bil etc.

9.74bil

Operating  
Income

1.24bil

OP increased **1.06** bil or +85.1% YOY

2.31bil

1Q FYE Mar 2021  
(Apr.-Jun.2020)

1Q FYE Mar 2022  
(Apr.-Jun.2021)

# Performance Overview by Segment<sup>\*</sup> for 1Q FYE Mar/2022

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

# 1Q FYE Mar/2022 Performance Overview by Segment

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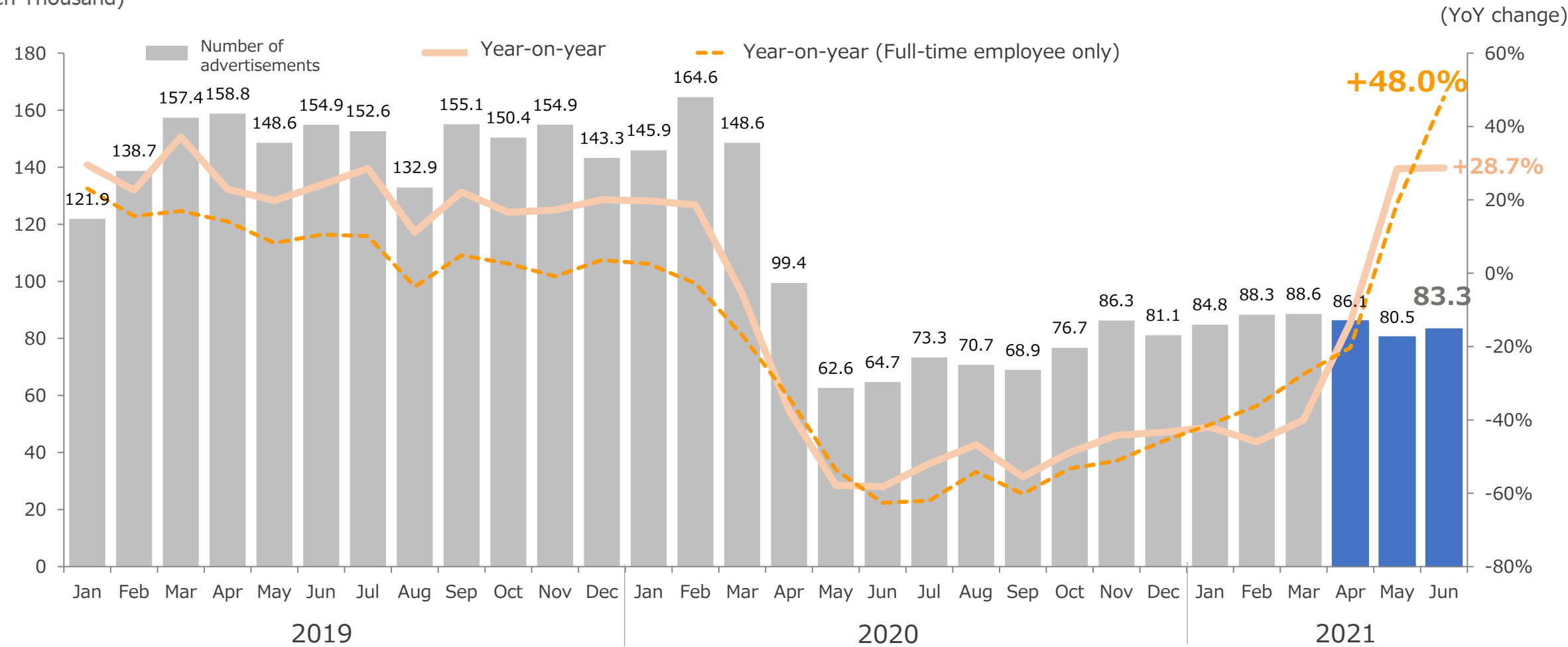
(bil JPY)		1Q FYE Mar 2021 Actual (Apr.2020–June.2020)	1Q FYE Mar 2022 Actual (Apr.2021–June.2021)	YoY change	YoY change (%)
Domestic Job Board	Sales	4.64	<b>6.44</b>	1.79	38.6%
	Operating Income	1.22	<b>1.92</b>	0.70	57.6%
	OP margin	26.2%	<b>29.8%</b>	-	-
Domestic Permanent Recruitment	Sales	2.81	<b>2.45</b>	-0.36	-12.8%
	Operating Income	0.45	<b>0.33</b>	-0.11	-25.9%
	OP margin	15.9%	<b>13.5%</b>	-	-
Overseas	Sales	2.21	<b>2.14</b>	-0.07	-3.2%
	Operating Income	0.13	<b>0.19</b>	0.05	46.1%
	OP margin	5.8%	<b>8.7%</b>	-	-
HR-Tech	Sales	0.25	<b>0.86</b>	0.61	248.4%
	Operating Income	-0.30	<b>0.10</b>	0.39	-
	OP margin	-119.9%	<b>12.0%</b>	-	-
Other	Sales	0.66	<b>0.26</b>	-0.39	-60.0%
	Operating Income	-0.04	<b>-0.05</b>	0.00	-
	OP margin	-6.2%	<b>-18.6%</b>	-	-
adjustment	Sales	-0.13	<b>-0.09</b>	0.03	-
	Operating Income	-0.21	<b>-0.18</b>	0.03	-
<b>consolidated</b>	<b>Sales</b>	<b>10.44</b>	<b>12.06</b>	<b>1.62</b>	<b>15.5%</b>
	<b>Operating Income</b>	<b>1.24</b>	<b>2.31</b>	<b>1.07</b>	<b>86.3%</b>
	<b>OP margin</b>	<b>11.9%</b>	<b>19.2%</b>	-	-



Source: Association of Job Information of Japan  
"Total Number of Job Advertisements for Full-Time and Part-Time Workers, Temporary Staff"

The impact of the declaration of state of emergency announced in April 2021 was limited in the full-time employee area

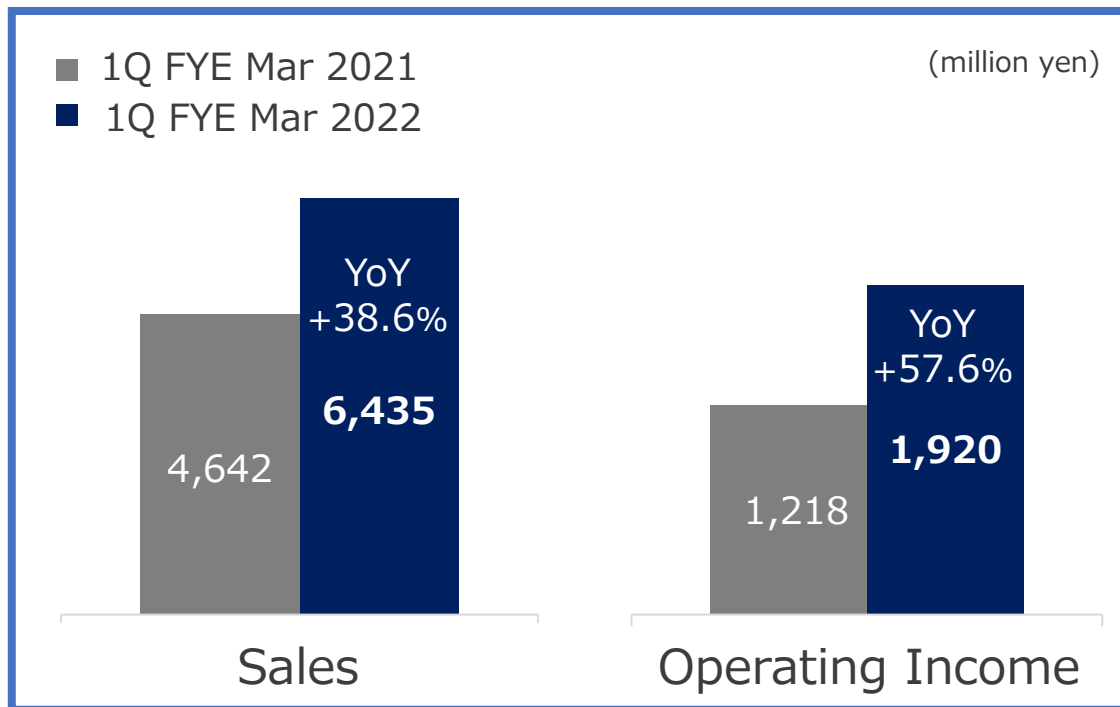
(Ten Thousand)



# 1Q FYE Mar/2022 Performance Overview by Segment

## ① Domestic Job Board

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1 Q FYE Mar 2022 (Qualitative information for Apr.-Jun.)	
[en]Career Change Info	- Hiring demand of large-lot companies for IT and manufacturing temporary staff, etc. remained solid
Sites for Permanent Recruitment agencies	- The area for high-class/industry-ready talented personnel was solid - Sales exceeded expectations and were above the pre-COVID-19 level
Sites for Temporary staffing companies	- Number of new listings for clerical temporary staffing was below expectations - en BAITO continued to strengthen nursing/call center area
Cost and profit	- While performing front-loaded investment of advertising expenses in anticipation of a recovery in demand, margin improved due to reduction of outsourcing expenses, etc.

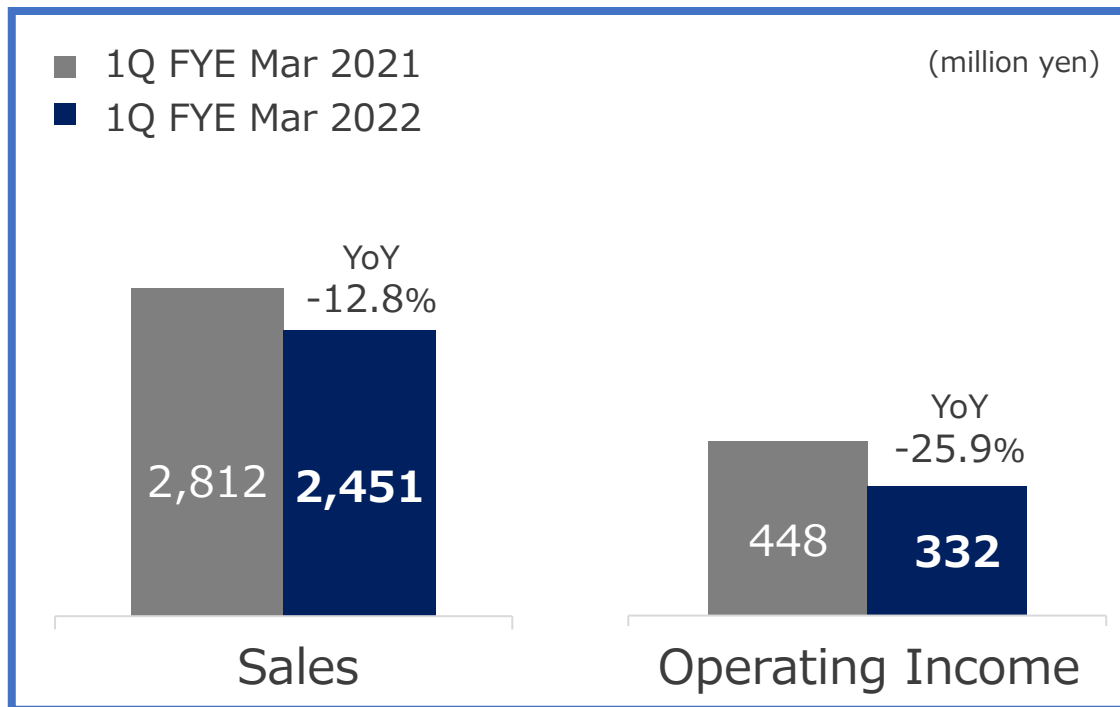
Domestic Job Board⇒[en]Career Change Info, [en]Career Change Consultant, AMBI, [en]Temporary Placement Info, en BAITO, Brocante etc.

	FYE Mar 2021 (Apr.2020-Jun.2020)		FYE Mar 2022 (Apr.2021-Jun.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	4,642		6,435		1,793	38.6%
Operating Income	1,218	26.2%	1,920	29.8%	702	57.6%

# 1Q FYE Mar/2022 Performance Overview by Segment

## ② Domestic Permanent Recruitment

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1 Q FYE Mar 2022 (Qualitative information for Apr.-Jun.)	
en Agent	<ul style="list-style-type: none"> <li>- Hiring demand in the area of young people with potential is on an improvement trend</li> <li>- Industries less affected by the COVID-19 pandemic were focused on and were in line with the plan</li> </ul>
en world Japan	<ul style="list-style-type: none"> <li>- Demand for high-class staff continued to be solid</li> <li>- Although somewhat below expectations, magnitude of decline in sales was smaller</li> <li>- Specialist temporary staffing continued to be strong, exceeding the pre-COVID-19 level</li> </ul>
Cost and profit	<ul style="list-style-type: none"> <li>- In addition to recovery in sales, operating income is on a recovery trend due to reduction of personnel and outsourcing expenses, etc.</li> </ul>

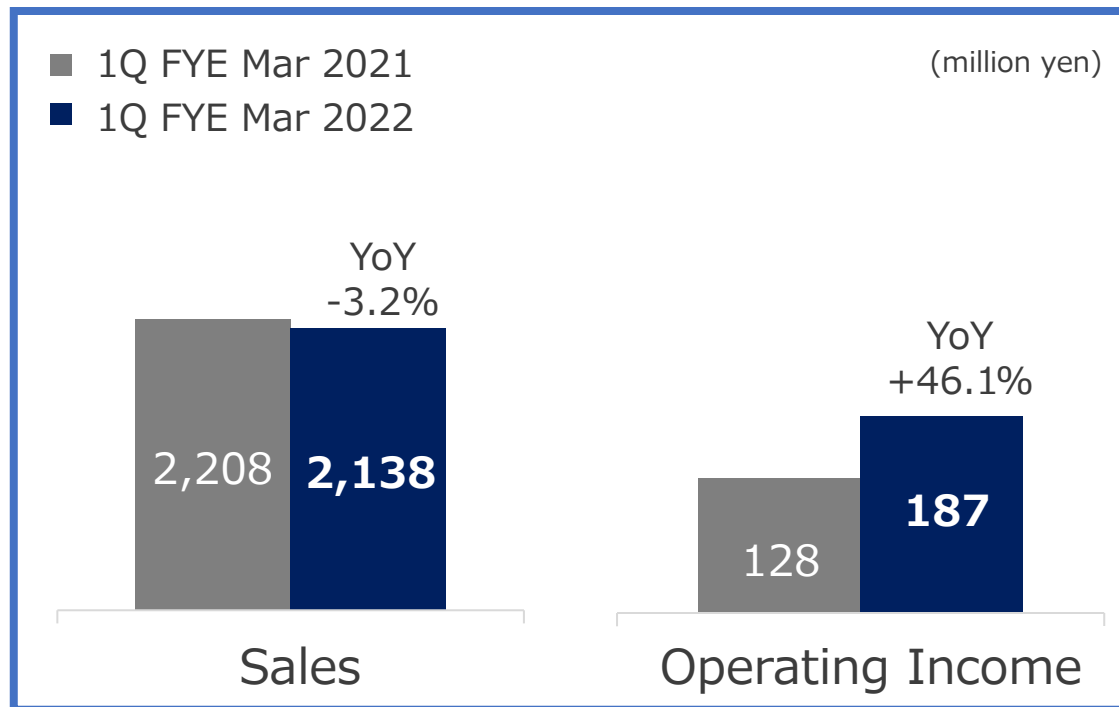
Domestic Permanent Recruitment ⇒ en world Japan、en Agent, etc.

	FYE Mar 2021 (Apr.2020-Jun.2020)		FYE Mar 2022 (Apr.2021-Jun.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	2,812		2,451		-361	-12.8%
Operating Income	448	15.9%	332	13.5%	-116	-25.9%

# 1Q FYE Mar/2022 Performance Overview by Segment

## ③ Overseas

12



1 Q FYE Mar 2022 (Qualitative information for Jan.-Mar.)	
Overall summary	<ul style="list-style-type: none"> <li>- As values are reflected with a three-month delay, values for the previous fiscal year are not affected by COVID-19, except the ones for China</li> <li>- Demand in India and Vietnam both recovered</li> </ul>
Vietnam	<ul style="list-style-type: none"> <li>- In reaction to the cutback in hiring in the previous fiscal year, hiring activities of companies became active</li> <li>- Operating income recovered to the pre-COVID-19 level due to cost control</li> </ul>
India	<ul style="list-style-type: none"> <li>- Number of temporary staff increased, and sales exceeded the pre-COVID-19 level</li> <li>- New business relating to contracted development was launched in the U.S. to expand portfolio</li> </ul>

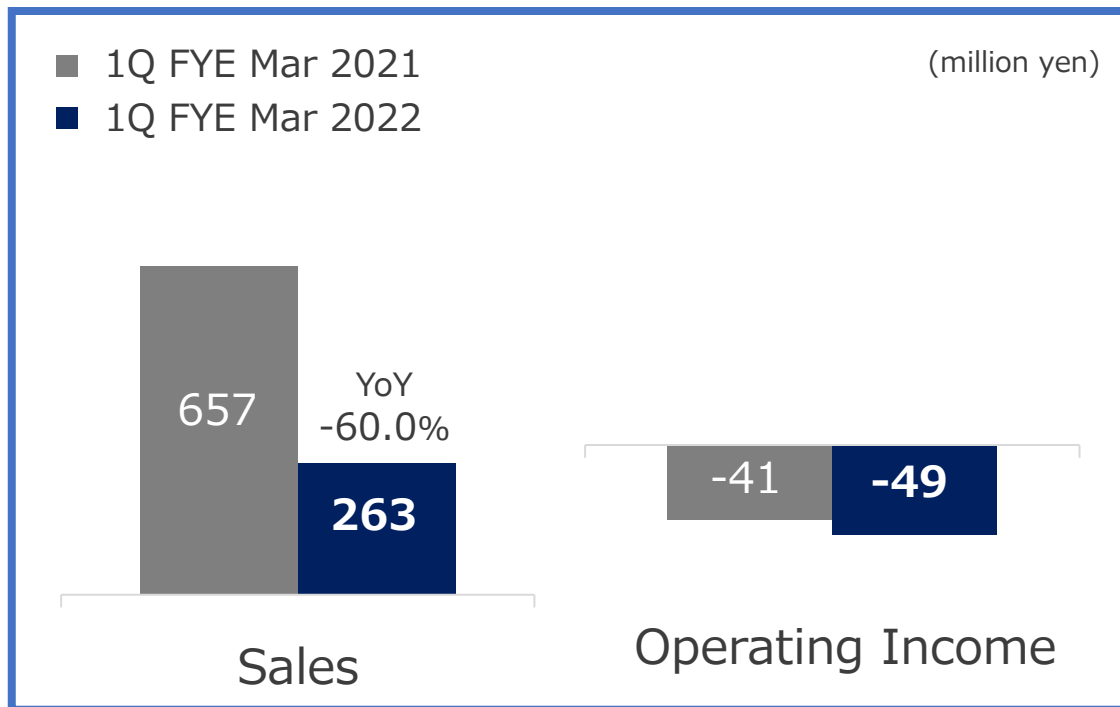
Overseas ⇒ Vietnam, India, China  
(Job Board, Permanent Recruitment, IT temp)

	FYE Mar 2021 (Apr.2020-Jun.2020)		FYE Mar 2022 (Apr.2021-Jun.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	2,208		2,138		-70	-3.2%
Operating Income	128	5.8%	187	8.7%	59	46.1%

# 1Q FYE Mar/2022 Performance Overview by Segment

## ④ Domestic Other Business / Subsidiary

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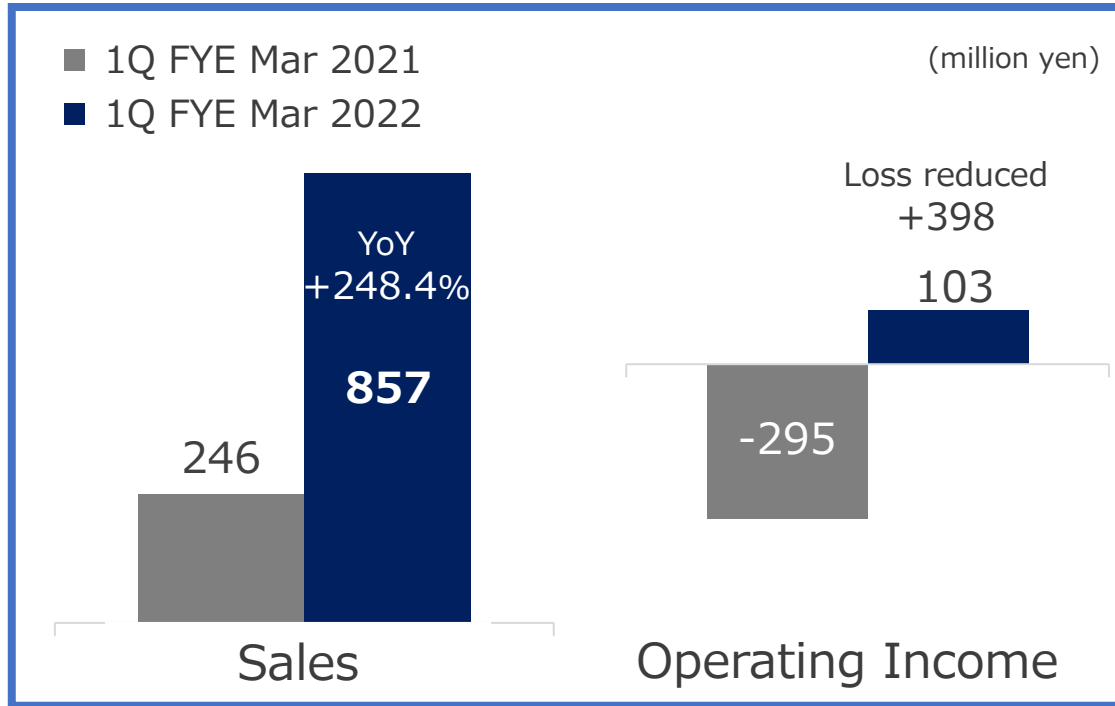
### 1 Q FYE Mar 2022 (Qualitative information for Apr.-Jun.)

#### Overall summary

- Sales and operating income both increased segment-wide, when excluding the impact of business transfers due to segment reorganization and the exclusion of a subsidiary from consolidation
- The deficit was reduced in the freelance management system "Pasture" due to sales increase and cost efficiency
- Scout service for new graduates "iroots" performed steadily due to active hiring of 2022 graduates by clients

Domestic Other Business / Subsidiary  
⇒ Education / Evaluation, AULS, Other New Business

	FYE Mar 2021 (Apr.2020-Jun.2020)		FYE Mar 2022 (Apr.2021-Jun.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	657		263		-394	-60.0%
Operating Income	-41	-6.2%	-49	-18.6%	-8	-



1 Q FYE Mar 2022 (Qualitative information for Apr.-Jun.)	
Recruiting/hiring business (engage)	<ul style="list-style-type: none"> <li>Sales of 386 million yen</li> <li>Sales of engage exceeded expectations due to an increase in the number of paid job listings through new business in the area focused on</li> </ul>
ATS/test business	<ul style="list-style-type: none"> <li>Sales of 376 million yen</li> <li>ZEKU, which provides a subscription-type application management system, continued to perform well</li> </ul>
Services to provide follow-up after joining companies/to activate organizations	<ul style="list-style-type: none"> <li>Sales of 95 million yen</li> <li>Training service for employees "en-college" and online questionnaire tool "HR OnBoard" grew</li> </ul>
Cost and profit	<ul style="list-style-type: none"> <li>Whole segment became profitable due to efficient marketing activities of engage and segment reorganization</li> </ul>

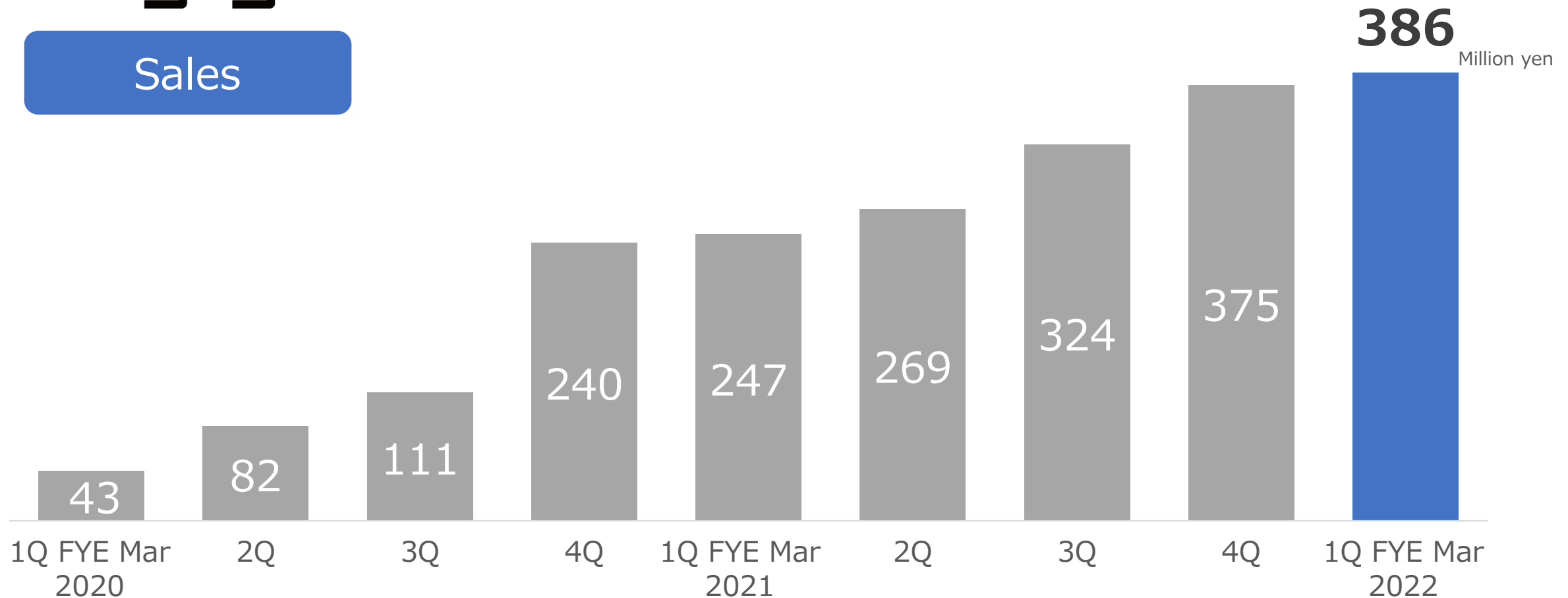
● Recruiting/hiring business ⇒ engage    ● ATS/test business ⇒ ZEKU, 3E-test, ASHIATO  
 ● Services to provide follow-up after joining companies/to activate organizations  
 ⇒ en-college, HR OnBoard

	FYE Mar 2021 (Apr.2020-Jun.2020)		FYE Mar 2022 (Apr.2021-Jun.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
<b>Sales</b>	246		<b>857</b>		611	248.4%
<b>Operating Income</b>	-295	-119.9%	<b>103</b>	<b>12.0%</b>	398	-

Sales exceeded expectations due to an increase in the number of paid job listings

**engage**

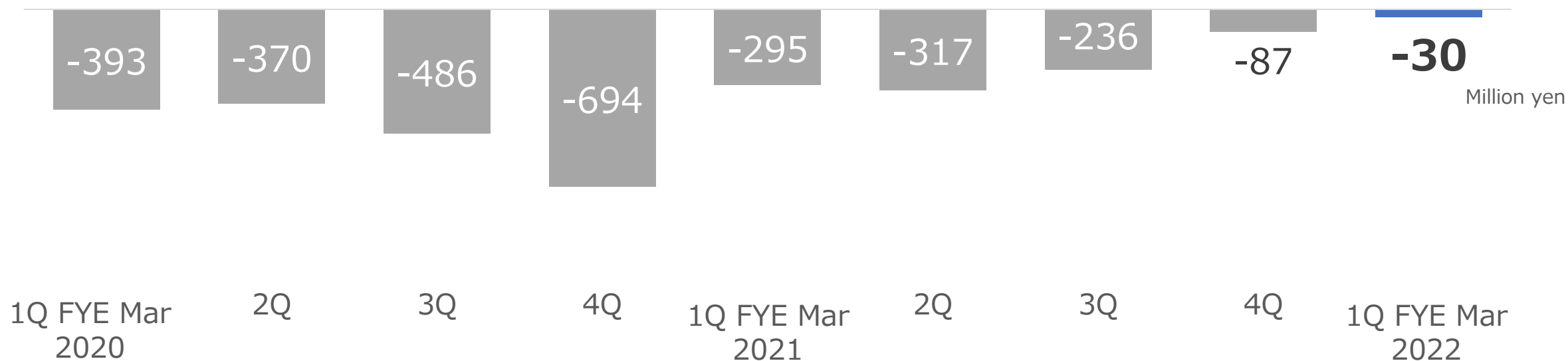
Sales



In addition to the sales increase, the deficit was reduced due to an improvement in sales productivity

**engage**

Operating income





# The number of companies using “engage”

17

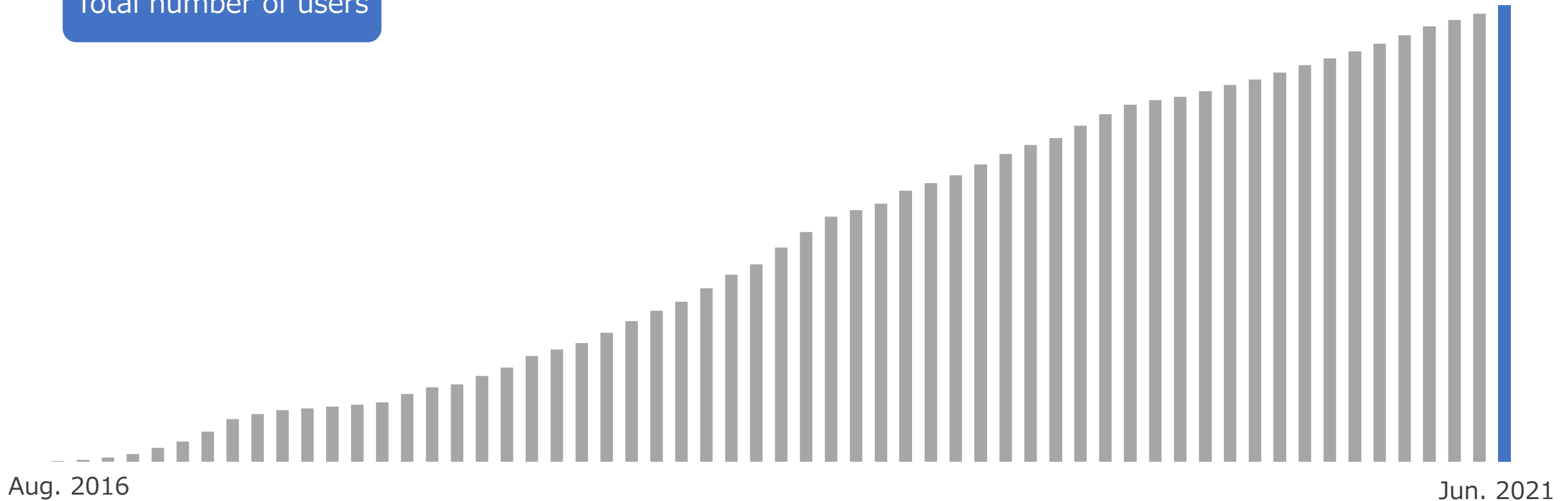
Total number of users exceeds **350,000** mark.

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

**engage**

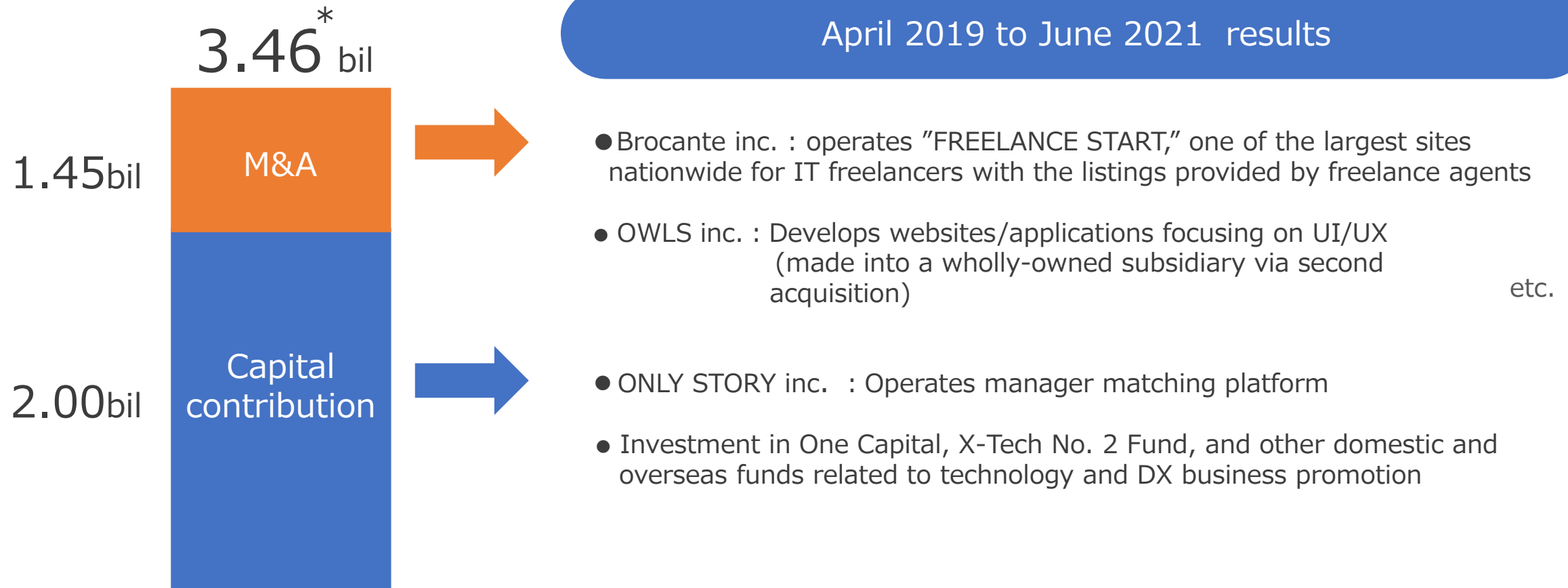
Total number of users

**353,000**  
companies



# Investment Policy and results

Total M&A and investment was about 3.46 billion yen



\* Acquired with treasury stock : Brocante (0.59 bil) •OWLS (0.28bil)

Return to Shareholders

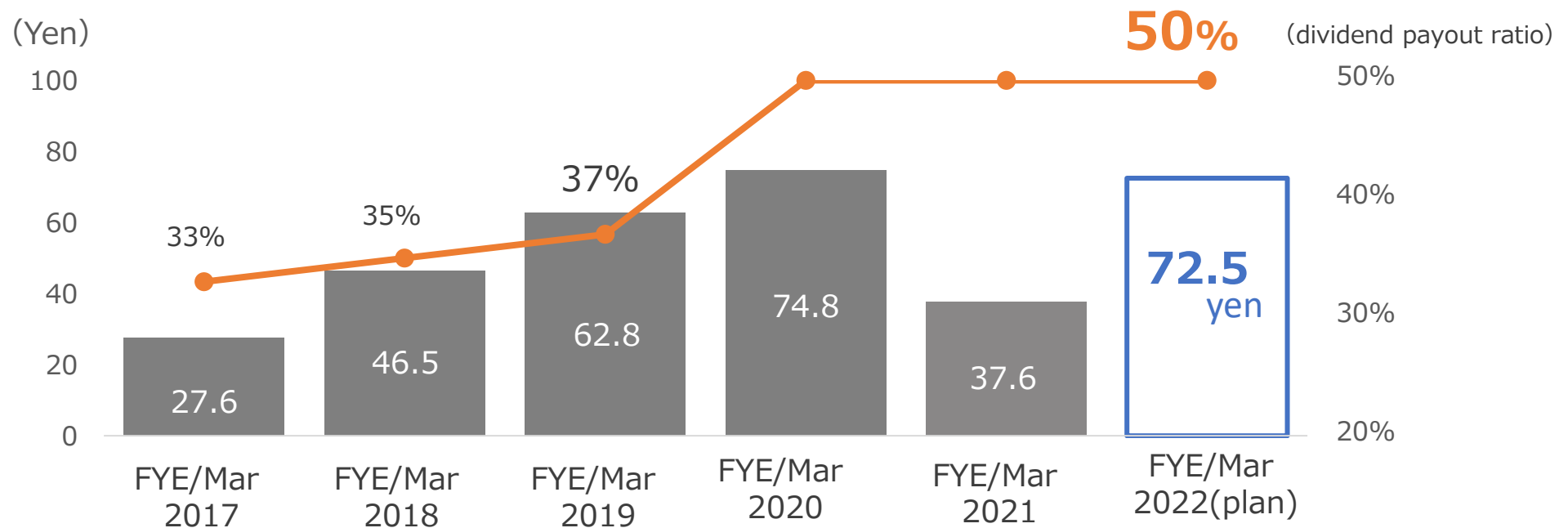
We will make efforts for investment and shareholder return in a manner conducive to raising shareholder value, while securing our financial soundness.

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).

From  
FYE Mar  
2020

Based on a dividend payout ratio of 50%,  
we plan to pay dividends of 72.5 yen per share for FYE/Mar 2022



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

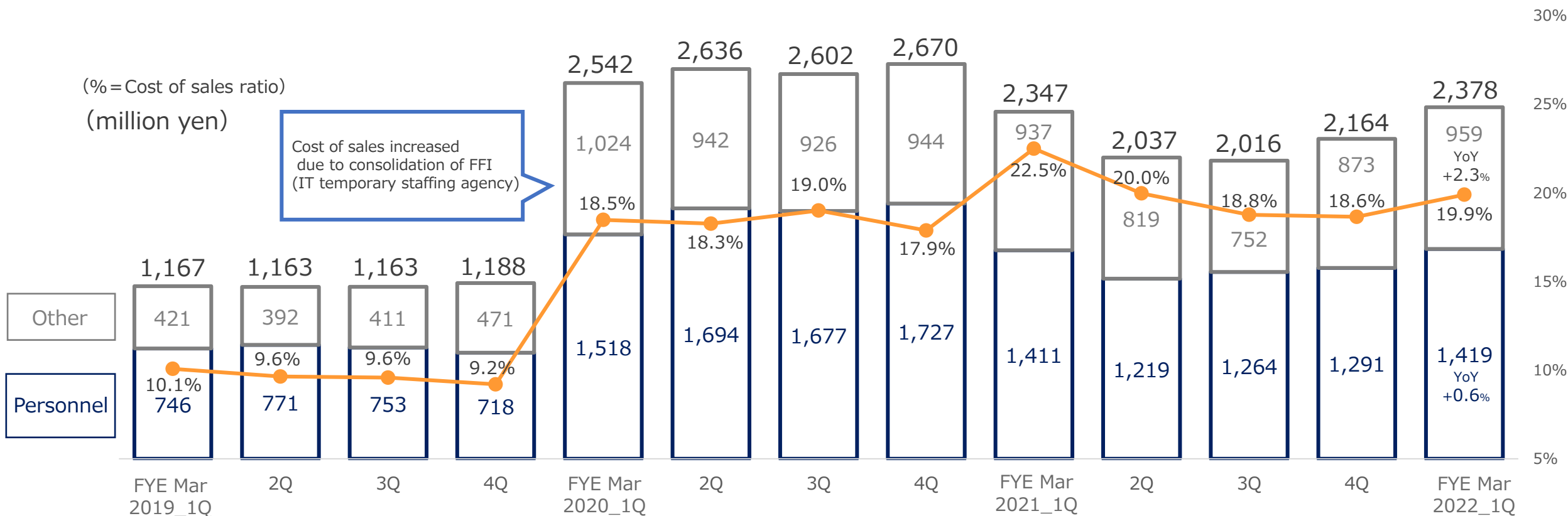
\* The difference from the dividend payout described in the summary of financial results is attributed to the dividend related to J-ESOP. Specifically, dividend payout of the Company is calculated as follows: total dividend/net income attributable to the shareholders of parent company=dividend payout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

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

# Appendix

Cost of sales up 1.6% YoY in 1Q  
The increase was mainly outsourcing expenses associated with the increased operation of FFI

Cost of Sales



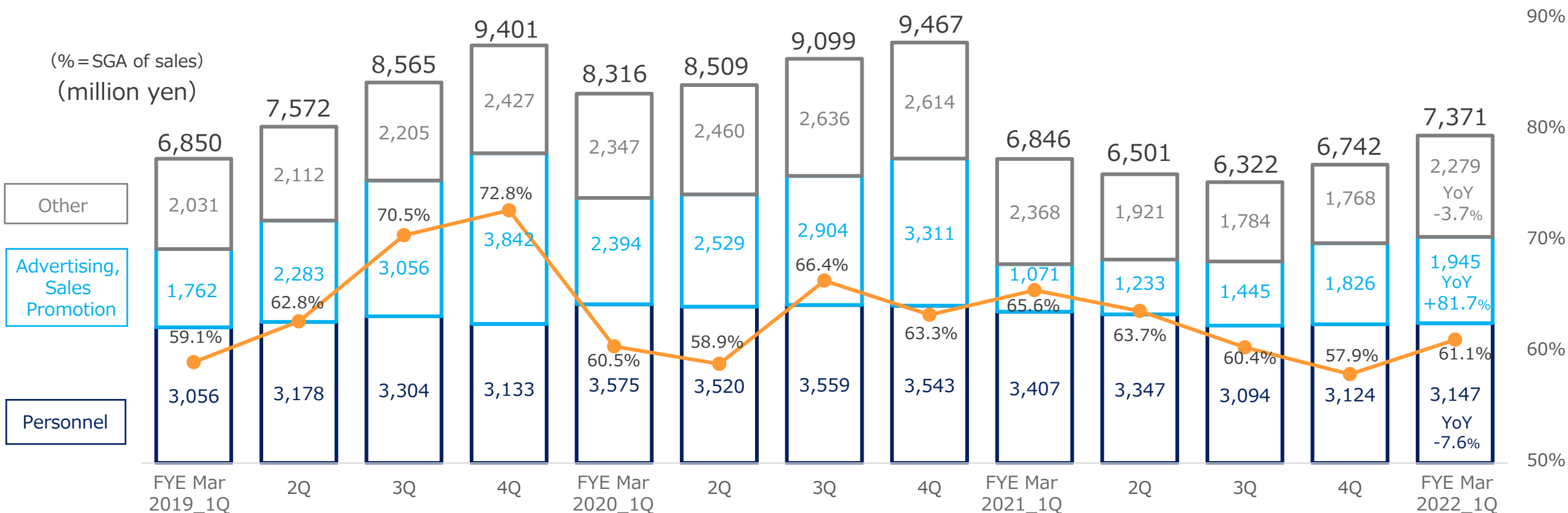


SGA expenses up 7.7% YoY in 1Q

Increased advertising sales, mainly on domestic recruitment websites.

## SGA

(% = SGA of sales)  
(million yen)



(million yen)	FYE Mar 2021 (Mar. 2021)	FYE Mar 2022 Q1 (Jun. 2021)	YOY change	YOY change (%)
<b>Current asset</b>	<b>33,724</b>	<b>34,527</b>	803	2.4%
Cash	28,406	29,275	869	3.1%
Accounts receivable	4,347	4,395	48	1.1%
Other current assets	971	856	-115	-11.8%
<b>Non-current assets</b>	<b>12,920</b>	<b>13,509</b>	589	4.6%
Property, plant and equipment	621	585	-36	-5.8%
Intangible assets	6,999	7,047	48	0.7%
(Good Will in Intangible assets)	2,840	2,859	19	0.7%
Investments and other assets	5,299	5,876	577	10.9%
<b>Assets</b>	<b>46,644</b>	<b>48,306</b>	1,662	3.6%
<b>Liabilities</b>	<b>9,788</b>	<b>12,226</b>	2,438	24.9%
Current liabilities	8,260	10,615	2,355	28.5%
Not current liabilities	1,527	1,610	83	5.4%
<b>Net assets</b>	<b>36,856</b>	<b>35,810</b>	-1,046	-2.8%
Capital	1,194	1,194	0	0.0%
capital reserves	998	911	-87	-8.7%
earned surplus	39,399	38,035	-1,364	-3.5%
treasury stock	-5,228	-5,111	117	-2.2%
Other net assets	493	779	286	58.0%
<b>Liabilities/Net assets</b>	<b>46,644</b>	<b>48,036</b>	1,392	3.0%

Increase in deferred tax assets due to the impact of the new standard for revenue recognition

Increase mainly in advances received from increase in orders, and accounts payable- other from an increase associated with advertising expenses

Decrease due to the impact of adopting the new standard for revenue recognition

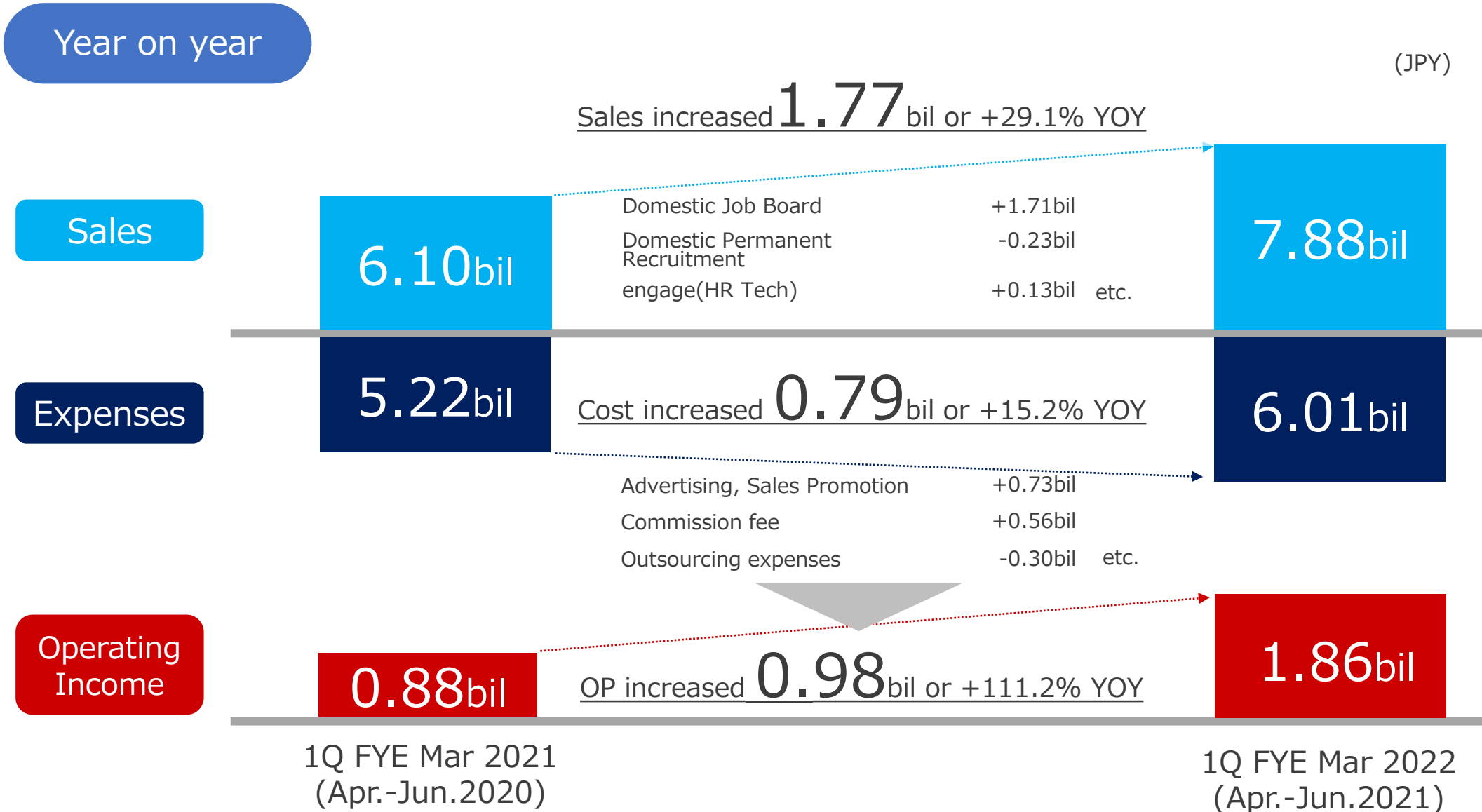
Decrease due to making OWLS a wholly owned subsidiary through share exchange

Non-consolidated Income Statement  
for 1Q of FYE Mar/2022

# [1Q FYE Mar/2022 Results] Non-consolidated Income Statement

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	1Q FYE Mar 2021 (Apr.–Jun.2020)		1Q FYE Mar 2022 (Apr.–Jun.2021)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
<b>Net Sales</b>	6,108	100.0%	<b>7,884</b>	<b>100.0%</b>	1,776	29.1%
<b>Cost of Sales</b>	707	11.6%	<b>722</b>	<b>9.2%</b>	15	2.1%
Personnel	252	4.1%	<b>268</b>	<b>3.4%</b>	16	6.3%
Other	454	7.4%	<b>453</b>	<b>5.7%</b>	-1	-0.2%
<b>Gross Profit</b>	5,401	88.4%	<b>7,162</b>	<b>90.8%</b>	1,761	32.6%
<b>SGA(Sales, general &amp; administrative)</b>	4,517	74.0%	<b>5,294</b>	<b>67.1%</b>	777	17.2%
Personnel	1,853	30.3%	<b>1,784</b>	<b>22.6%</b>	-69	-3.7%
Advertising, Sales Promotion	1,069	17.5%	<b>1,807</b>	<b>22.9%</b>	738	69.0%
Other	1,594	26.1%	<b>1,702</b>	<b>21.6%</b>	108	6.8%
<b>Operating Income</b>	884	14.5%	<b>1,867</b>	<b>23.7%</b>	983	111.2%
<b>Ordinary Income</b>	725	11.9%	<b>4,314</b>	<b>54.7%</b>	3,589	495.0%
<b>Net Income</b>	232	3.8%	<b>3,767</b>	<b>47.8%</b>	3,535	1523.7%



Consolidated Performance Plan for  
FYE Mar 2022  
(Reposted\_ May 13, 2021)

## Plan FYE Mar/2022

Sales

51.0<sub>bil</sub>

YoY +19%

\*Relative to pre COVID-19  
FYE Mar/2020

about 90%

Operating  
income

10.0<sub>bil</sub>

YoY +29%

about 91%

Assumptions  
for the  
performance

- In Japan, vaccination will progress in 1H and the economic activities and industry sectors that have been hit severely in hiring activities will recover in 2H
- To recover in the order of hiring of high-class/industry-ready full-time employees → hiring of full-time employees for potential/with no experience → temporary staff. engage to turn profitable

Overall policies

- To recover sales which declined considerably in the previous period, primarily driven by improved sales productivity
- To invest aggressively in advertising expenses as the market recovers
- As for staffing, to hire new graduates and mid-career workers; however, with no excessive increase in the staff To resume the use of work outsourcing, etc. to maintain a flexible structure
- To promote the use of online business negotiations and MA tools, etc. which became more widely used due to the COVID-19 pandemic, to improve efficiency

# Full-year consolidated operating results forecast for the FYE Mar/2022

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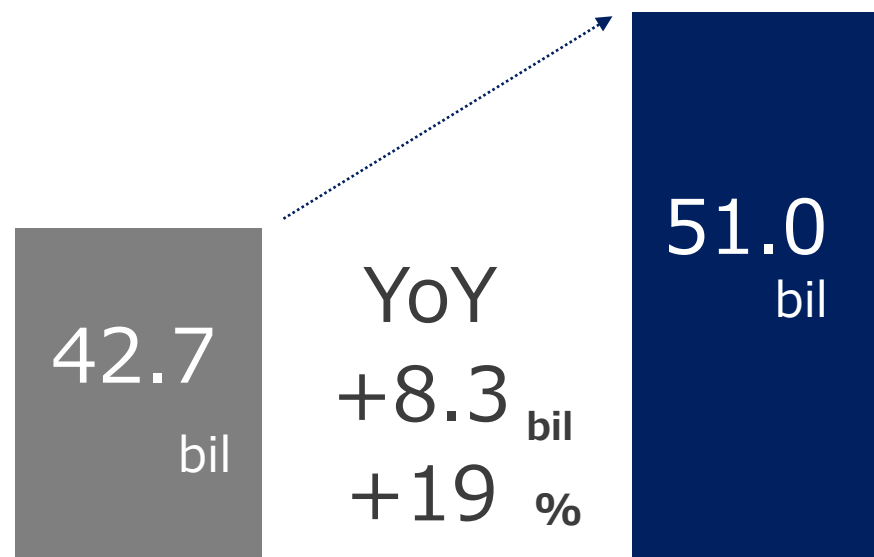
	FYE Mar 2021 (Apr.2020-Mar.2021)		FYE Mar 2022 (Plan) (Apr.2021-Mar.2022)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
<b>Net Sales</b>	42,725	100.0%	<b>51,000</b>	<b>100.0%</b>	8,275	19.4%
<b>Cost of Sales</b>	8,558	20.0%	<b>9,776</b>	<b>19.2%</b>	1,218	14.2%
Personnel	5,186	12.1%	<b>6,201</b>	<b>12.2%</b>	1,015	19.6%
Other	3,371	7.9%	<b>3,574</b>	<b>7.0%</b>	203	6.0%
<b>Gross Profit</b>	34,167	80.0%	<b>41,223</b>	<b>80.8%</b>	7,056	20.7%
<b>SGA(Sales, general &amp; administrative)</b>	26,412	61.8%	<b>31,223</b>	<b>61.2%</b>	4,811	18.2%
Personnel	12,988	30.4%	<b>12,630</b>	<b>24.8%</b>	-358	-2.8%
Advertising, Sales Promotion	5,574	13.0%	<b>8,532</b>	<b>16.7%</b>	2,958	53.1%
Other	7,849	18.4%	<b>10,060</b>	<b>19.7%</b>	2,211	28.2%
<b>Operating Income</b>	7,754	18.1%	<b>10,000</b>	<b>19.6%</b>	2,246	29.0%
<b>Ordinary Income</b>	7,925	18.5%	<b>9,999</b>	<b>19.6%</b>	2,074	26.2%
<b>Net Income attributable to en-japan</b>	4,451	10.4%	<b>6,842</b>	<b>13.4%</b>	2,391	53.7%



Revenue to increase, led by job information sites; HR-Tech to see an increase in revenue by 30% based on the old segment criteria

## FYE Mar/2022 Sales

(Yen)

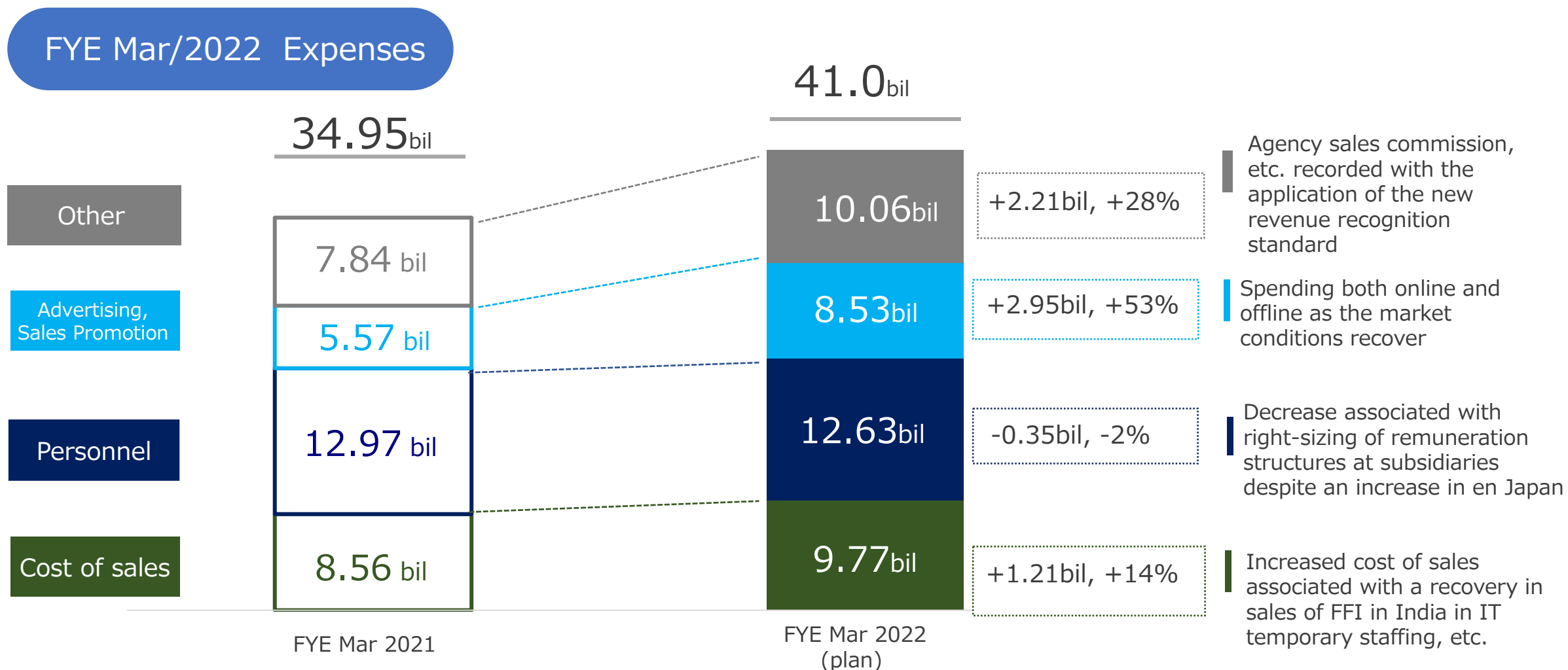


FYE Mar 2021

FYE Mar 2022  
(Plan)

Domestic Job Board	+6.3bil	YoY+29%
Domestic Permanent Recruitment	+0.92bil	YoY+10%
Overseas	+0.76bil	YoY+9%
HR-Tech	+2.29bil	YoY 2.9times
(former HR-Tech)	+0.37bil	YoY+30%
Others	-1.60bil	YoY-61%

To spend on advertising primarily in job information sites. Other SGA expenses to increase with the application of the new revenue recognition standard



# FYE March 2022 plan by Segment

35

(bil JPY)		FYE Mar 2020 Actual (Apr.2019– Mar.2020)	FYE Mar 2021 Actual (Apr.2020– Mar.2021)	FYE Mar 2022 Plan (Apr.2021– Mar.2022)	YoY change	YoY change (%)
Domestic Job Board	Sales	32.12	21.77	<b>27.94</b>	6.17	28.3%
	Operating Income	11.73	8.35	<b>8.45</b>	0.10	1.3%
	OP margin	36.5%	38.3%	<b>30.2%</b>		-
Domestic Permanent Recruitment	Sales	11.87	9.39	<b>10.00</b>	0.62	6.6%
	Operating Income	1.42	0.52	<b>0.98</b>	0.46	89.6%
	OP margin	12.0%	5.5%	<b>9.8%</b>		-
Overseas	Sales	10.74	8.01	<b>8.77</b>	0.76	9.5%
	Operating Income	0.91	0.55	<b>0.70</b>	0.15	27.0%
	OP margin	8.5%	6.9%	<b>8.0%</b>		-
HR-Tech	Sales	0.47	1.22	<b>3.47</b>	2.26	185.6%
	Operating Income	-1.94	-0.94	<b>0.70</b>	1.64	-
	OP margin	-412.8%	-77.1%	<b>20.2%</b>		-
Other	Sales	2.10	2.65	<b>1.04</b>	-1.61	-60.7%
	Operating Income	-0.20	0.07	<b>-0.28</b>	-0.35	-
	OP margin	-9.5%	2.5%	<b>-26.9%</b>		-
adjustment	Sales	-0.48	-0.31	<b>-0.22</b>	0.09	-
	Operating Income	-0.92	-0.77	<b>-0.55</b>	0.22	-
<b>consolidated</b>	<b>Sales</b>	<b>56.84</b>	<b>42.72</b>	<b>51.00</b>	<b>8.28</b>	<b>19.4%</b>
	<b>Operating Income</b>	<b>11.00</b>	<b>7.77</b>	<b>10.00</b>	<b>2.23</b>	<b>28.7%</b>
	<b>OP margin</b>	<b>19.4%</b>	<b>18.2%</b>	<b>19.6%</b>		-

## Domestic Job Board

Advertising was trimmed considerably in the previous period, resulting in a temporary increase in margin. Invested aggressively in the current period in anticipation of recovery in the market conditions. Temporary staffing sites are assumed to see somewhat slower recovery given their nature.

## Domestic Permanent Recruitment

The previous period saw a considerable decline in profit due to a high fixed cost ratio; however, the current period saw improved profit as sales recovered.

## Overseas

Margin improved due to a review of costs performed in the previous period, withdrawal of unprofitable subsidiaries, and other factors.

## HR-tech

engage also had large impact on profit as it turned profitable, in addition to increases in sales and profit due to changes to the segment composition.

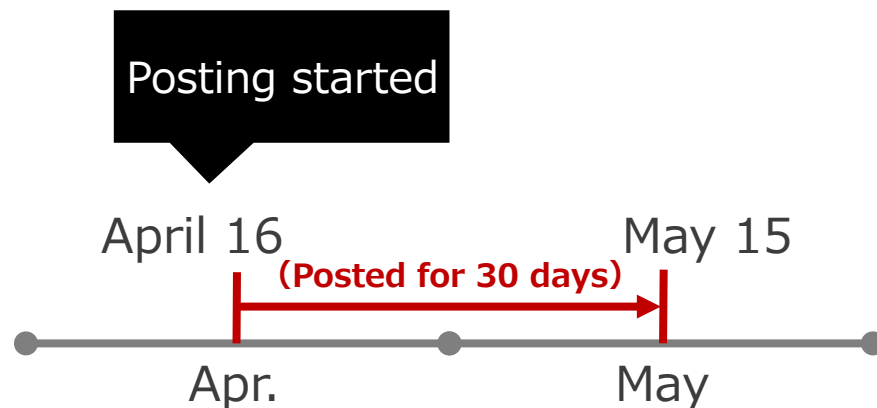
## Other

Sales and profit decreased as a result of segment transfers to HR-Tech, etc. Deficit is expected in the plan due to new business development cost; however, the deficit of new business development will shrink on a year-on-year basis.

The impact of applying the new standard for revenue recognition for the current period is an increase in sales of about 2billion yen compared with under the old standard, with an increase in cost for the same amount

- It has a primary objective of 'recording sales in a period corresponding to a period of service offering' and affects **job advertisements of pay-per-posting billing model**
- Sales through agencies are **accounted for on a gross basis (total amount)**, changed from on a net basis (excluding sales commission)
- Sales commission to agencies is **recorded as cost in SGA expenses**(resulting in increased SGA expenses and lower OPM)

Example: When a job advertisement for 30 days (300,000 yen) is posted, starting from April 16



■ Until previous period: Recorded sales of **300,000 yen in April**  
(recorded in full on April 16)

■ From the current period: Record sales of **150,000 yen each in April and May**  
(30 days are pro-rated)

Agency sales changed to be **accounted for on a gross basis**  
Sales commission to agencies is **recorded as cost in SGA expenses**

We withdrew from the Medium-Term Management Plan in May 2020  
due to the impact of the spread of COVID-19

We plan to announce a new medium-term management plan during  
the course of the current period

ESG

The Integrated Report  
(for Apr. 2019 to Mar. 2020)  
has been prepared and  
is available at the below links  
(in Japanese and English)

[Integrated Report \(Japanese\)](#)

[Integrated Report \(English\)](#)



## 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]

#### 「en Lighthouse」



- 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



- A service of providing a reference check on recruitment candidates
- Users can easily acquire the working status of candidates, which cannot be grasped just from interviews

etc,



## en Japan's Recruitment Support Projects

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



### **Cabinet Bureau of Personnel Affairs, Cabinet Secretariat and en Japan**

Appointing personnel from the private sector in core positions of the government.  
Simultaneous recruitment in 12 ministries and entities.  
Support for hiring mid-career personnel to be government officials.



### **Ministry of Economy, Trade and Industry and en Japan**

Protecting national interests with accounting knowledge.  
Public recruitment of financial data analysis personnel crucial for trade remedy measures.



### **Kobe City and en Japan**

Accelerate DX in Kobe.  
Public recruitment of digitization specialists for Kobe City.  
Kobe City Recruitment Project #2



### **Akitakata City, Hiroshima and en Japan**

Mayor of Akitakata City  
Shinji Ishimaru  
Public recruitment of Deputy Mayor to pursue municipal reforms with the new 38-year-old Mayor.

## Systems & Initiatives

### ■ Promotion of Women's Participation and Advancement

\* Percentage of women to all employees 49.8%

- 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.

Gender diversity score in the "MSCI Japan Empowering Women Index" constituents\***9.85**  
(ranked top among the constituents) \*Data as of Jun. 2021

### ■ Welfare

- Stock grant-type (ESOP) retirement allowance system
- Employee stock ownership association plan
- Work-from-home allowance in connection with teleworking
- Wedding anniversary celebration money system.
- Apply the employee welfare system also to employees with a same-sex partner.

### ■ Revitalization of human capital & open information disclosure

- "Challenge management position system"
- Diverse career path design (manager/high performer/innovator)
- Periodic implementation of employee satisfaction survey
- Revitalization of internal communication by using an employee mutual praise app and promoting virtual office
- "en soku!" a new, open internal magazine also disclosed to the public
- Use of internal magazine on YouTube to introduce employees of en Japan and promote understanding of work and career formation



2018 internal magazine awards Gold Prize



2020 internal magazine awards Silver Prize; en Japan's initiatives are published also on many other media

## Director



Michikatsu Ochi  
Chairman



Takatsugu Suzuki  
President



Megumi Kawai  
Director



Teruyuki Terada  
Director



Takuo Iwasaki  
Director



Taisuke Igaki  
Outside Directors



Kayo Murakami  
Outside Directors



Wataru Sakakura  
Outside Directors

## Auditor



Masahiko Odo  
Outside Audit & Supervisory  
Board Member ( Full-time )



Naoki Otani  
Outside Audit & Supervisory  
Board Member



Toshihiko Ishikawa  
Outside Audit & Supervisory  
Board Member

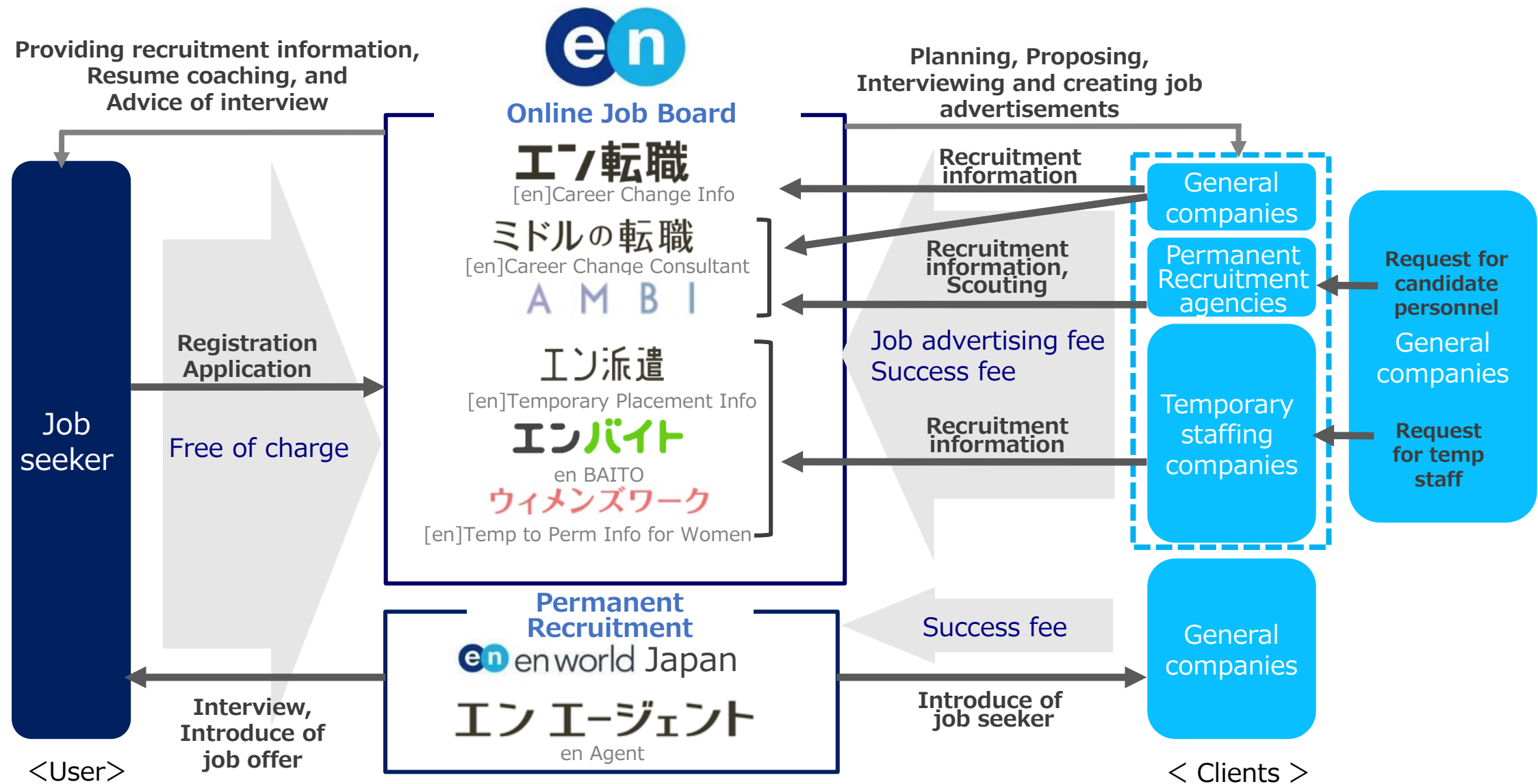
## Outline of the Board of Directors

Organizational design	Company with an audit & supervisory board
Composition (Directors)	Internal: 5 directors; external: 3 directors % of external directors: 37.5%
Ratio of female directors	25%
Nomination & Compensation Committee	Established in April 2020 (advisory organ)
Evaluation of the effectiveness of the Board of Directors	Performed once or twice a year from May 2020

\*For a brief profile and other information on directors and audit & supervisory board members, please see the Notice of the 21<sup>st</sup> Annual Meeting of Shareholders.




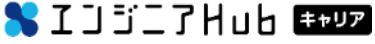



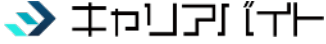
# Company Overview

【 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 Jun. 2021)
【 Stock Listing 】	The First Section of the Tokyo Stock Exchange / (code : 4849)
【 Fiscal Year 】	April 1 – March 31
【 Number of Employees 】	Consolidated 2,873, Non-consolidated 1,453 (as of Jun. 2021)
【 Number of Outstanding Shares 】	49,716,000 (as of Jun. 2021)
【 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 キャリア</b>	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>エヌバイト</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	
career BAITO  <b>キャリアバイト</b>	Internship information sites for university students	<ul style="list-style-type: none"> <li>Targeting university students who look for "paid internship jobs that can foster their abilities," rather than seeking those jobs purely for money</li> <li>The pioneer site for internship jobs which is the best in the country in terms of both performance and the number of jobs</li> </ul>	<ul style="list-style-type: none"> <li>University students</li> </ul>	General Companies	

## <Job Board (Domestic) >






	Contents	Characteristics	Clients	Company
 <b>FREELANCE START</b>	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
 <b>doocy Job</b>	Job listing information site for side-job/freelance engineers	<ul style="list-style-type: none"> <li>• Posting job listings from leading firms, ventures, startups and others for side-job/freelance workers</li> <li>• Abundant high-unit-price, attractive listings with no interim margin or fees due to direct contracts with firms</li> </ul>	General business companies	Brocante

## <Permanent Recruitment (Domestic) >


Service brand	Contents	Characteristics	Clients	Company
 <b>en world Japan</b>	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  <b>インエージェント</b>	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>

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.</li> <li>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.</li> <li>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>	
	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



## <HR-Tech\_Recruiting/hiring business>

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





## <HR-Tech\_ATS/test business (Main services ) >

	Contents	Characteristics	Clients	Company
	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
	Aptitude test to identify and assess talented personnel who can thrive	<ul style="list-style-type: none"> <li>• It examines intellectual capabilities, ways of thinking, values, etc. which are hard to judge from academic record and job titles</li> <li>• Possible to take a test in a short period of time online with smartphones, etc.</li> <li>• It identifies talented personnel sought by companies and prevents mismatching</li> </ul>	General Companies	en Japan
	Reference reporting service with a view to having workers take active roles after entering a company	<ul style="list-style-type: none"> <li>• Based on recruitment support results &amp; know-how provided to approximately 150,000 firms, conducting original questionnaire surveys and interviews on the active roles played by candidates. Provides reports on advice for interviews that can be utilized in the selection process.</li> <li>• Speedy reporting is achieved by offering services primarily online at reasonable prices</li> </ul>	General Companies	en Japan



<HR-Tech\_Servicesto provide follow-up after joining companies/to activate organizations (Main services) >

	Contents	Characteristics	Clients	Company
	Online training services for employees	<ul style="list-style-type: none"> <li>• Online training services that offer more than 400 courses tailored for new joiners up to the management</li> <li>• “en-college online for temporary staff” is also offered for staff training for temporary staffing companies</li> </ul>	General Companies Temporary staffing companies	en Japan
	Development/sales of a retention tool, “HROnBoard”	<ul style="list-style-type: none"> <li>• An online questionnaire tool to visualize the risk of resignation after joining a company</li> <li>• It visualizes the risk of resignation easily through a monthly questionnaire given to those who are in the scopeIt enables prompt actions to prevent resignation</li> </ul>	General Companies	en Japan

## <Domestic Other Business / Subsidiary>

	Contents	Characteristics	Clients	Company
	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
	Online agent specializing in listings for CEO/COO candidates	<ul style="list-style-type: none"> <li>Carefully selecting only such job listings that guarantee conditions and positions of a certain level or above for CEO/COO candidates</li> <li>A consultant in charge provides support from the selection process through to up to one year from entering a company</li> </ul>	General Companies	en Japan
	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
	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

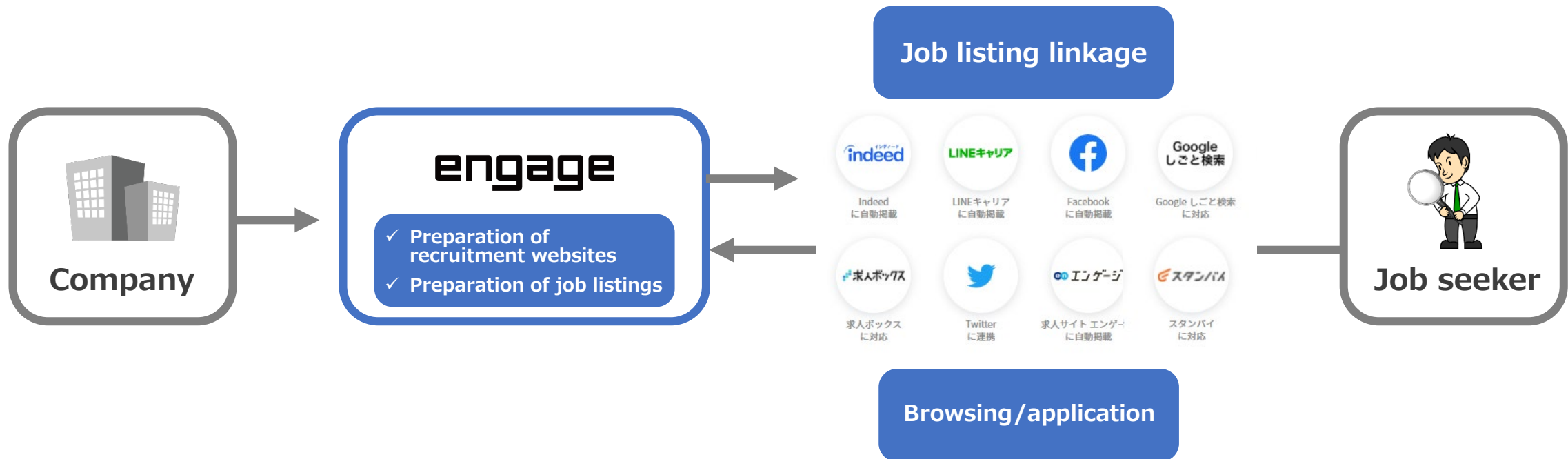
## <Other New Business\*Unconsolidated subsidiary >

	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

**engage**

Service Introduction

# Creation of high-quality job offers through engage to increase high-quality matching between many more companies and job seekers



Provision of **free “recruiting support tool”** with functions such as creating corporate recruitment websites, listing job offers, and managing applicants

## ○ creating corporate recruitment websites

- Easily create own recruiting web pages with no need for computer programming
- Optimize to display on smartphone



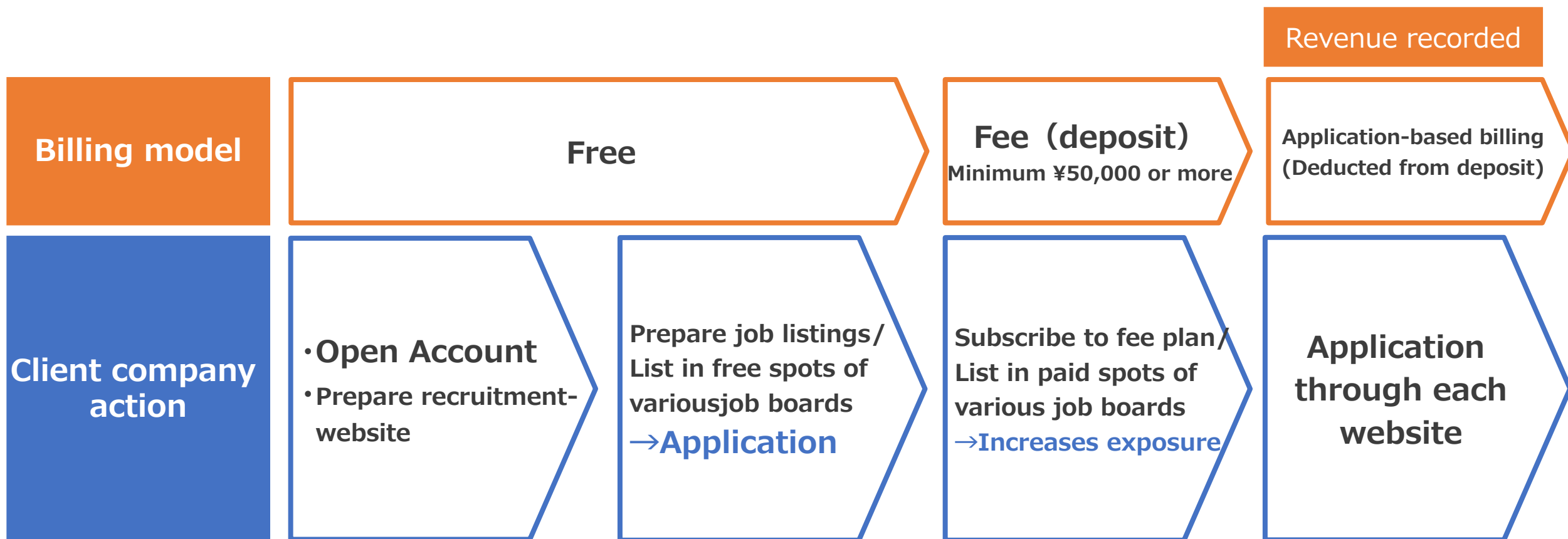
## ○ Post job listings

- List unlimited number of job offers for full-and part-timers
- Collect job seekers by automatically linking to multiple job search engines



Significant increase in exposure through a paid plan to increase speedy applications and improve the recruitment rate

Application-based billing model with straightforward effectiveness and low-risk billing plan





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] enagage

**en インゲージ**

[en]Career Change Info

**en エイ/転職**

LINE Career

**LINEキャリア**

en BAITO

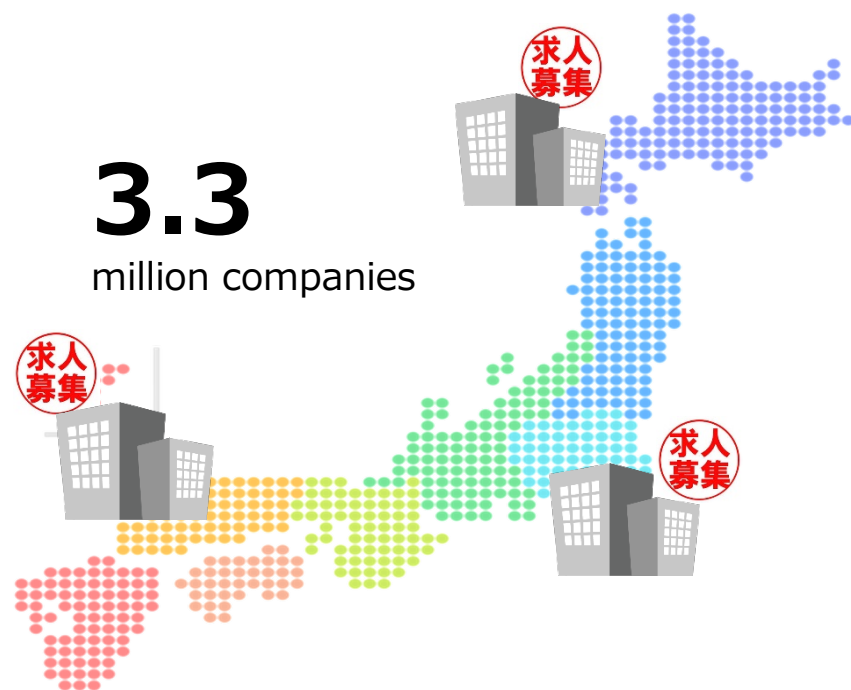
**en インバイト**

Indeed / Google for Jobs

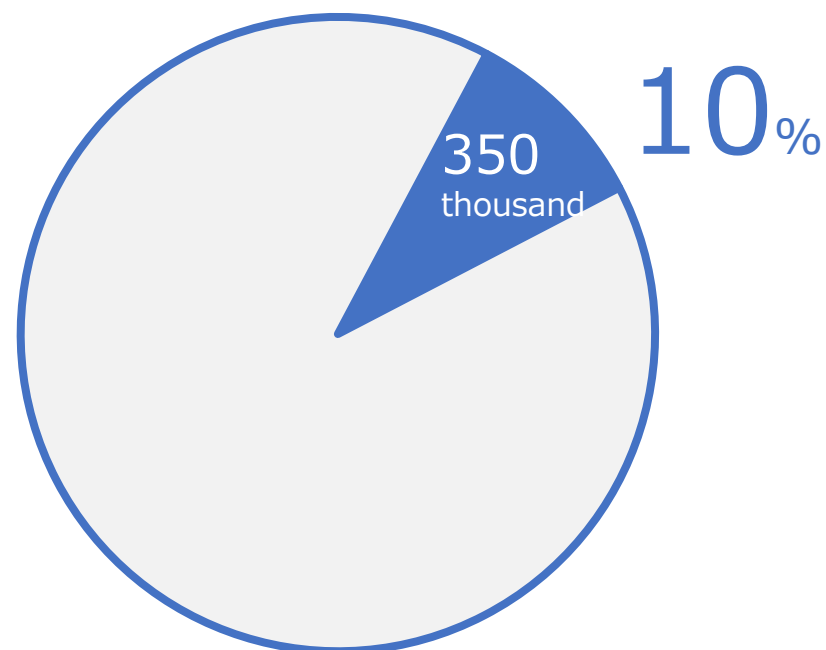
Kyujin Box/ Standby / Careerjet / CareerIndex

Jobcle/ @ITcareer / modelpress etc.

Potential expansion mainly in local areas and SMEs among approximately 3.3 million corporations in Japan



“engage” usage rate  
among domestic corporate clients



**Targets include full-time career change market and part-time market.  
Market size exceeds 1 trillion yen in a broad sense.**

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Estimation of domestic recruitment information-provision service

Approx. <sup>\*</sup>1,075 billion yen

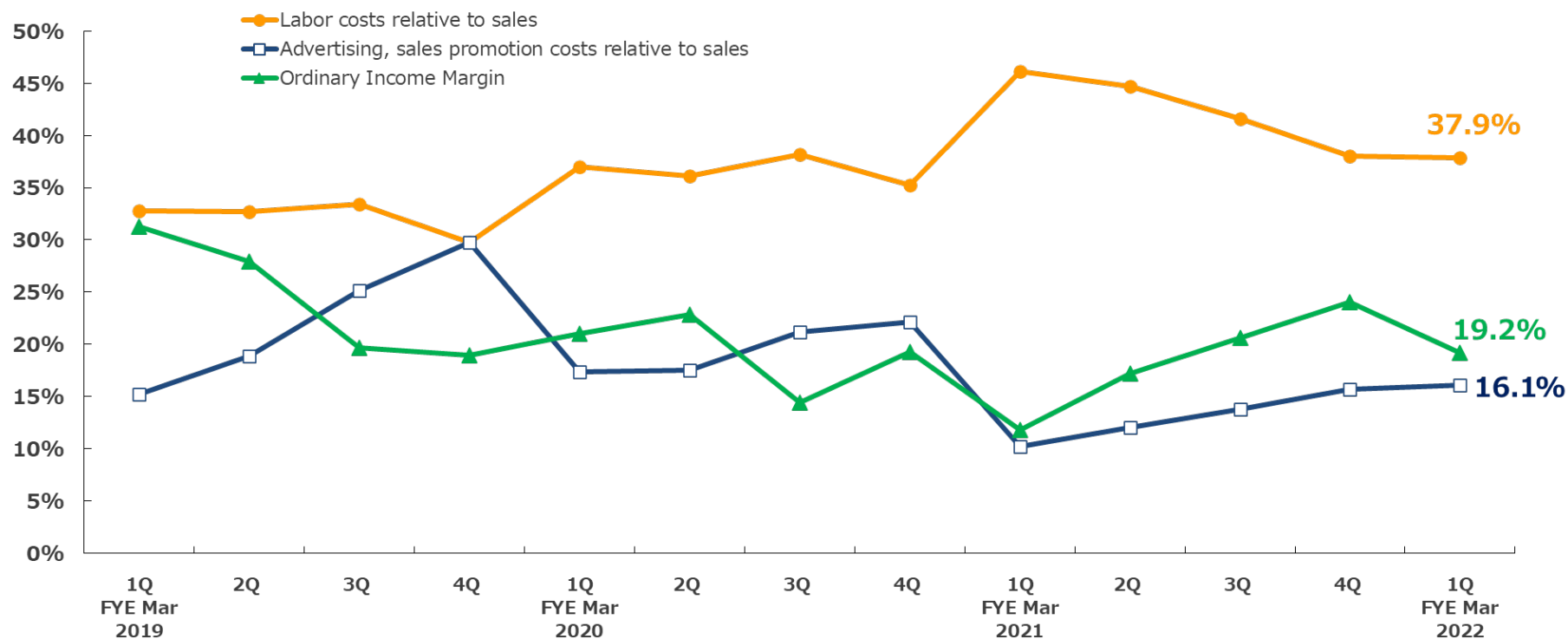
\*Print media and online job boards 952.8 billion yen

\*SNS recruiting, aggregators, cloud sourcing, etc. 122.1 billion yen

Current  
"engage"

Approx. 1.2 billion yen

Data of Main service

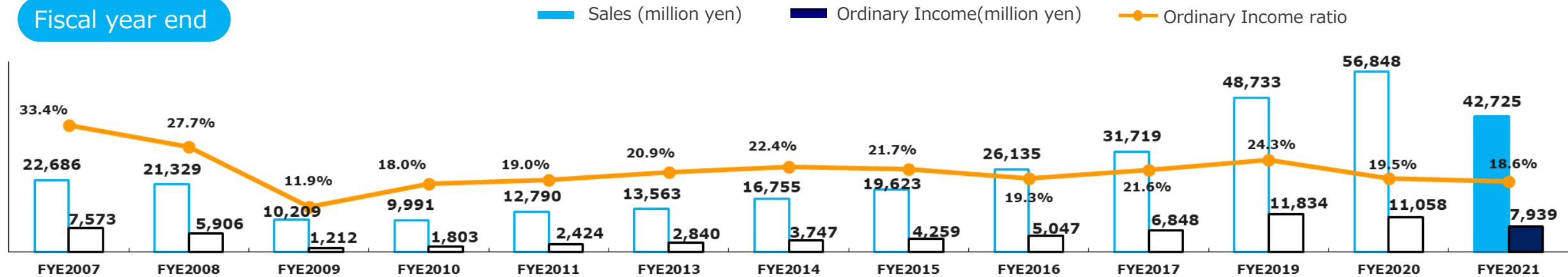


	1Q FYE Mar 2019	2Q	3Q	4Q	1Q FYE Mar 2020	2Q	3Q	4Q	1Q FYE Mar 2021	2Q	3Q	4Q	1Q FYE Mar 2022
Ordinary Income (million yen)	3,622	3,373	2,385	2,453	2,892	3,305	1,979	2,881	1,236	1,758	2,155	2,788	2,314
% of sales	31.2%	28.0%	19.6%	19.0%	21.0%	22.9%	14.4%	19.3%	11.8%	17.2%	20.6%	24.0%	19.2%
Labor costs (million yen)	3,803	3,947	4,056	3,849	5,092	5,214	5,235	5,268	4,817	4,565	4,357	4,413	4,565
% of sales	32.8%	32.7%	33.4%	29.8%	37.0%	36.1%	38.2%	35.3%	46.1%	44.7%	41.6%	38.0%	37.9%
Ad, sales promotion costs (million yen)	1,762	2,282	3,056	3,841	2,394	2,528	2,904	3,310	1,070	1,232	1,444	1,826	1,944
% of sales	15.2%	18.9%	25.2%	29.7%	17.4%	17.5%	21.2%	22.1%	10.2%	12.1%	13.8%	15.7%	16.1%

# Earnings for Fiscal year end and each quarter

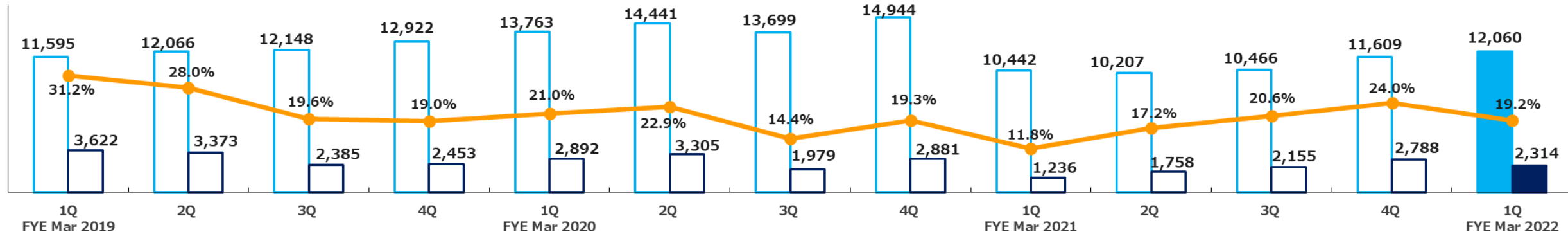
62

## Fiscal year end



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

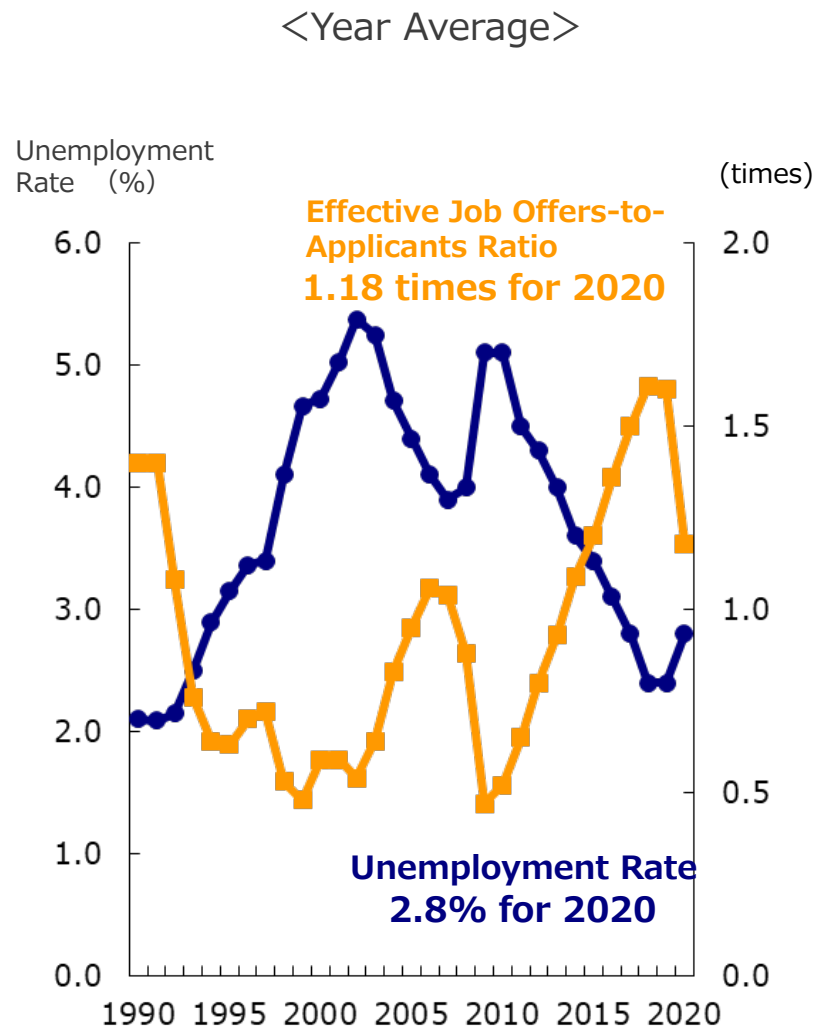
## Quarter



# The market environment

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

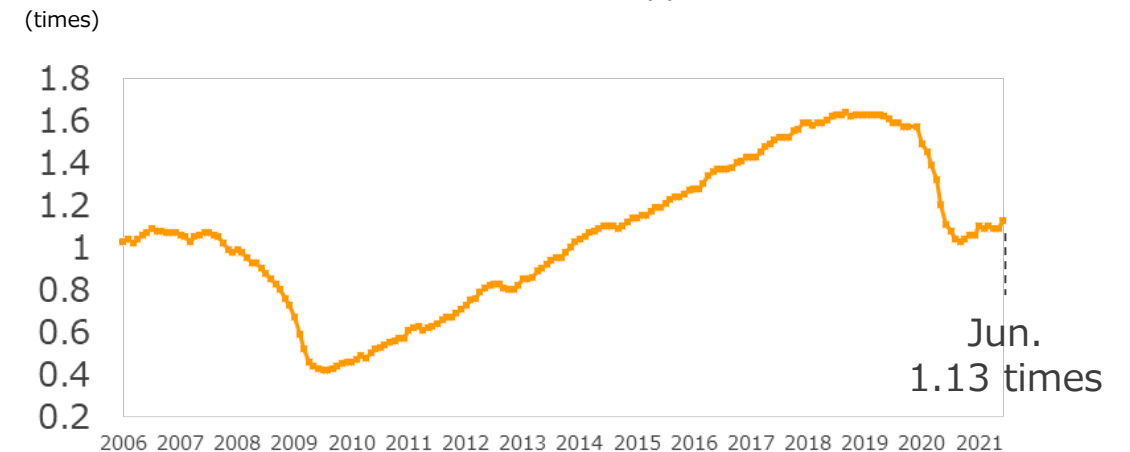
63



### < Latest Unemployment Rate >



### < Latest Effective Job Offers-to-Applicants Ratio >



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



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