



3rd Quarter of FYE Mar/2022 Earnings Review

February 10, 2022

Security Code 4849
TSE First Section

P3 Executive Summary**P4 Consolidated Performance Summary for the 3rd Quarter of FYE Mar/2022**

- P7 Performance Overview by Segments

P27 Investment Policy and results**P29 Return to Shareholders****P32 Appendix**

- Factors Underlying Quarterly Performance Changes (Cost of sales and SGA) 、 Balance Sheet
- Non-consolidated Income Statement for 3Q of FYE Mar/2022
- Consolidated Performance Plan for FYE Mar 2022 (Reposted)
- Policy for the Future (Reposted)
- ESG
- Company Overview
- engage Service Introduction
- Data of Main service

3Q Results

FYE Mar/2022

*Relative to pre COVID-19
FYE Mar/2020

Sales	38.90 _{bill}	YoY +25.0%	about 93%
Operating income	7.25 _{bill}	YoY +43.8%	about 89%

- Performance**
 - Domestic Job Board and Overseas drove a sales recovery.
 - Operating income also picked up considerably due to the sales increase despite additional investments in advertising and sales promotion.
 - engage and AMBI, focal businesses, continued high growth.
- Hiring Demand**
 - Recruitment also became strong in industries that were hard hit by COVID-19, such as the service sector.
 - Demand for recruitment of not only high-class staff but also inexperienced workers was activated due to the tight supply of labor.
- Future Outlook**
 - Whereas sales are expected to exceed the forecast, operating income remains the same as the plan publicized on May 14 due to a plan for additional investments in advertising and sales promotion for engage and AMBI.

Consolidated Performance Summary for 3rd Quarter of FYE Mar /2022

Changing Factor of Earnings Year on Year

5

3Q(Apr.-Dec.)
Year on year

Sales

31.11bil

Sales increased **7.79**bil or +25.0% YOY

(JPY)

Domestic Job Board	+5.42bil
Domestic Permanent Recruitment	+0.13bil
Overseas	+1.58bil
HR-Tech	+1.92bil
Domestic Other Business / Subsidiary	-1.23bil etc.

38.90bil

Expenses

26.07bil

Cost increased **5.58**bil or +21.4% YOY

Advertising, Sales Promotion	+3.27bil
Commission fee	+1.87bil
Outsourcing cost	+0.59bil
Office rent	-0.25bil etc.

31.65bil

Operating
Income

5.04bil

OP increased **2.21**bil or +43.8% YOY

7.25bil

3Q FYE Mar 2021
(Apr.-Dec.2020)

3Q FYE Mar 2022
(Apr.-Dec.2021)

[3Q FYE Mar/2022 Results] Consolidated Income Statement

6

	3Q FYE Mar 2021 Actual		3Q FYE Mar 2022 Actual		YOY	
	(Apr.–Dec.2020)		(Apr.–Dec.2021)		change (million yen)	change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	31,116	100.0%	38,905	100.0%	7,789	25.0%
Cost of Sales	6,402	20.6%	8,034	20.6%	1,632	25.5%
Personnel	3,894	12.5%	4,302	11.1%	408	10.5%
Other	2,508	8.1%	3,732	9.6%	1,224	48.8%
Gross Profit	24,714	79.4%	30,871	79.4%	6,157	24.9%
SGA(Sales, general & administrative)	19,669	63.2%	23,618	60.7%	3,949	20.1%
Personnel	9,848	31.6%	9,653	24.8%	-195	-2.0%
Advertising, Sales Promotion	3,748	12.0%	7,017	18.0%	3,269	87.2%
Other	6,072	19.5%	6,949	17.9%	877	14.4%
Operating Income	5,044	16.2%	7,253	18.6%	2,209	43.8%
Ordinary Income	5,150	16.6%	7,485	19.2%	2,335	45.3%
Net Income attributable to en-japan	2,948	9.5%	5,037	12.9%	2,089	70.9%

Impact of the new standard for revenue recognition
 •Increased sales due to accounting on a gross basis (including agency commission) (+1.80 billion yen)
 •Decreased sales due to proration (-0.18 billion yen)

Cost to dispatch personnel increased significantly due to a sales increase in Overseas (IT staff dispatch business in India)

Costs increased considerably due to reinforcement in advertising, and sales promotion for the domestic job board.

Impact of the new standard for revenue recognition
 •Increased commission fee due to accounting on a gross basis (including agency commission) (+1.80 billion yen)

Performance Overview by Segment^{*} for 3Q FYE Mar/2022

^{*}a management accounting basis

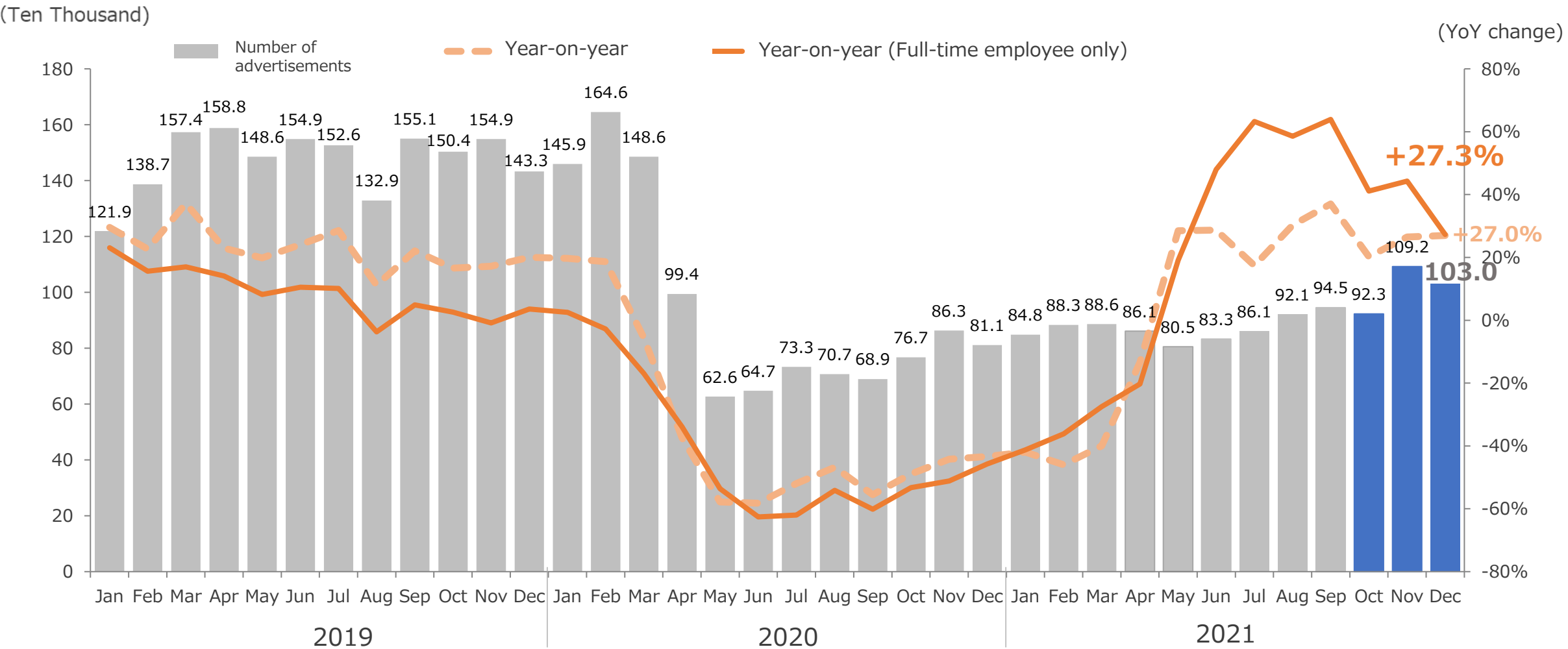
3Q FYE Mar/2022 Performance Overview by Segment

8

(bil JPY)		3Q FYE Mar 2021 Actual (Apr.2020–Dec.2020)	3Q FYE Mar 2022 Actual (Apr.2021–Dec.2021)	YoY change	YoY change (%)
Domestic Job Board	Sales	15.45	20.88	5.43	35.1%
	Operating Income	5.82	5.84	0.03	0.4%
	OP margin	37.7%	28.0%	-	-
Domestic Permanent Recruitment	Sales	7.11	7.24	0.13	1.9%
	Operating Income	0.33	0.95	0.62	186.4%
	OP margin	4.7%	13.1%	-	-
Overseas	Sales	6.01	7.59	1.58	26.3%
	Operating Income	0.36	0.67	0.31	87.7%
	OP margin	5.9%	8.8%	-	-
HR-Tech	Sales	0.84	2.76	1.92	228.1%
	Operating Income	-0.85	0.48	1.33	-
	OP margin	-101.2%	17.3%	-	-
Other	Sales	1.98	0.76	-1.23	-61.9%
	Operating Income	-0.01	-0.14	-0.14	-
	OP margin	-0.3%	-18.5%	-	-
adjustment	Sales	-0.28	-0.32	-0.04	-
	Operating Income	-0.61	-0.55	0.06	-
consolidated	Sales	31.12	38.90	7.79	25.0%
	Operating Income	5.04	7.25	2.21	43.8%
	OP margin	16.2%	18.6%	-	-

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

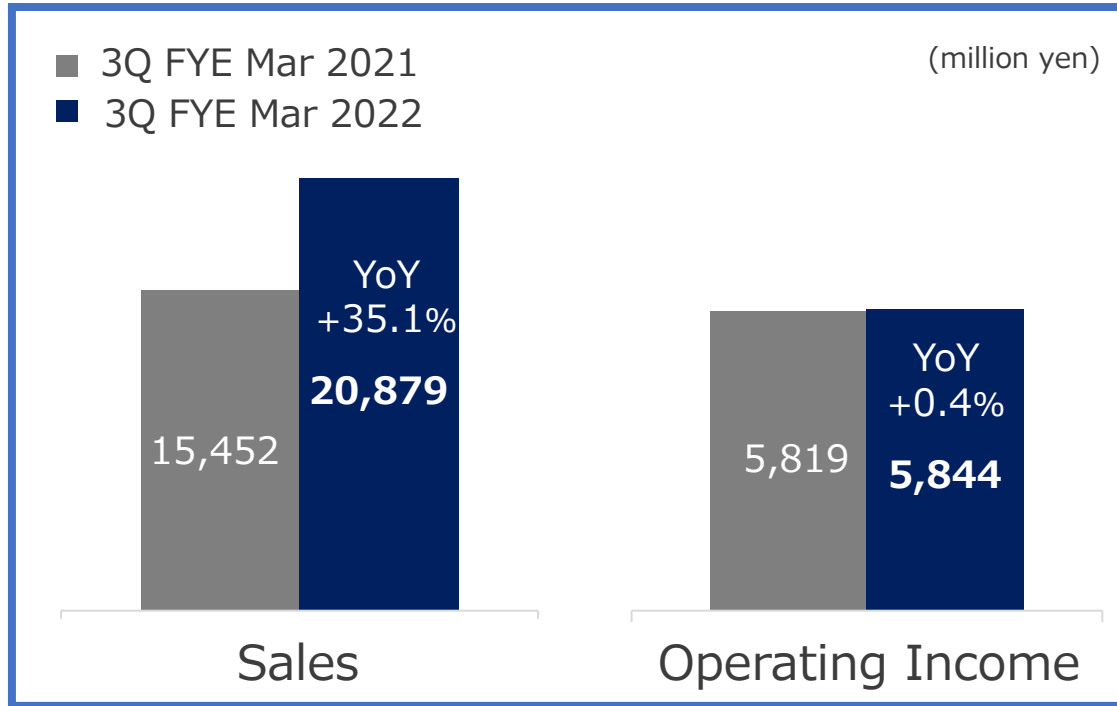
The number of job advertisements remains on a recovery path in both the entire market and for full-time workers



3Q FYE Mar/2022 Performance Overview by Segment

① Domestic Job Board

10



3Q FYE Mar 2022 (Qualitative information for Oct.-Dec.)	
[en]Career Change Info	<ul style="list-style-type: none"> Industries hit hard by COVID-19, such as the service sector, also actively started recruitment. Unit prices rose due to an increase in posts by large-lot companies.
AMBI, [en]Career Change Consultant	<ul style="list-style-type: none"> AMBI continues high growth. Member DB expanded due to strengthened promotion. Sales productivity also improved due to reinforcement of the sales system.
[en]Temporary Placement Info, en BAITO	<ul style="list-style-type: none"> Recovery in the domain of new temporary staff recruitment is delayed. Although large staffing companies are beefing up recruitment, the level of sales is expected to be roughly equal to that of the previous year.
Cost and profit	<ul style="list-style-type: none"> Sales exceeded the forecast, but operating income ended up at the same level of the previous year due to a strategic increase in investments in advertising and sales promotions.

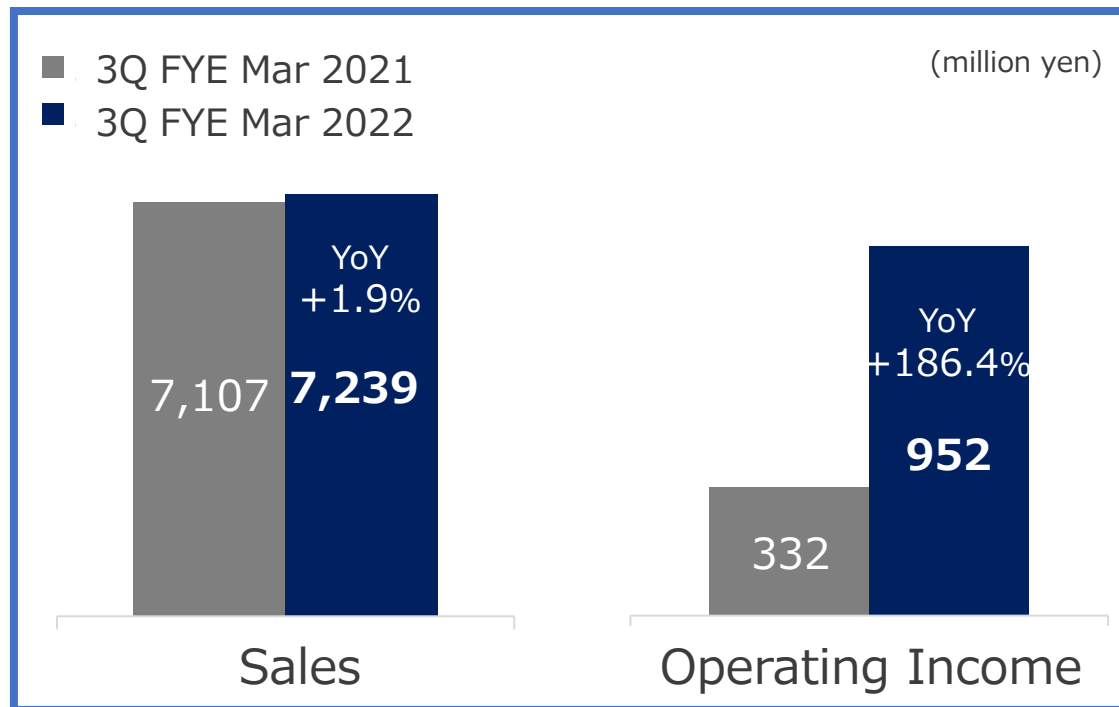
Domestic Job Board⇒[en]Career Change Info, [en]Career Change Consultant, AMBI, [en]Temporary Placement Info, en BAITO, Brocante etc.

	FYE Mar 2021 (Apr.2020-Dec.2020)		FYE Mar 2022 (Apr.2021-Dec.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	15,452		20,879		5,427	35.1%
Operating Income	5,819	37.7%	5,844	28.0%	25	0.4%

3Q FYE Mar/2022 Performance Overview by Segment

② Domestic Permanent Recruitment

11



3Q FYE Mar 2022 (Qualitative information for Oct.-Dec.)	
en Agent	<ul style="list-style-type: none"> Sales rose year on year due to higher productivity. Hiring needs for inexperienced workers became strong regardless of industries and job categories as hiring demand rose rapidly. Screening period tended to be shorter.
en world Japan	<ul style="list-style-type: none"> Demand for high-class staff remained robust. Sales grew as both the number of successful recruitments and unit prices rose.
Cost and profit	<ul style="list-style-type: none"> Profit increased significantly due to the higher productivity of EWJ.

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

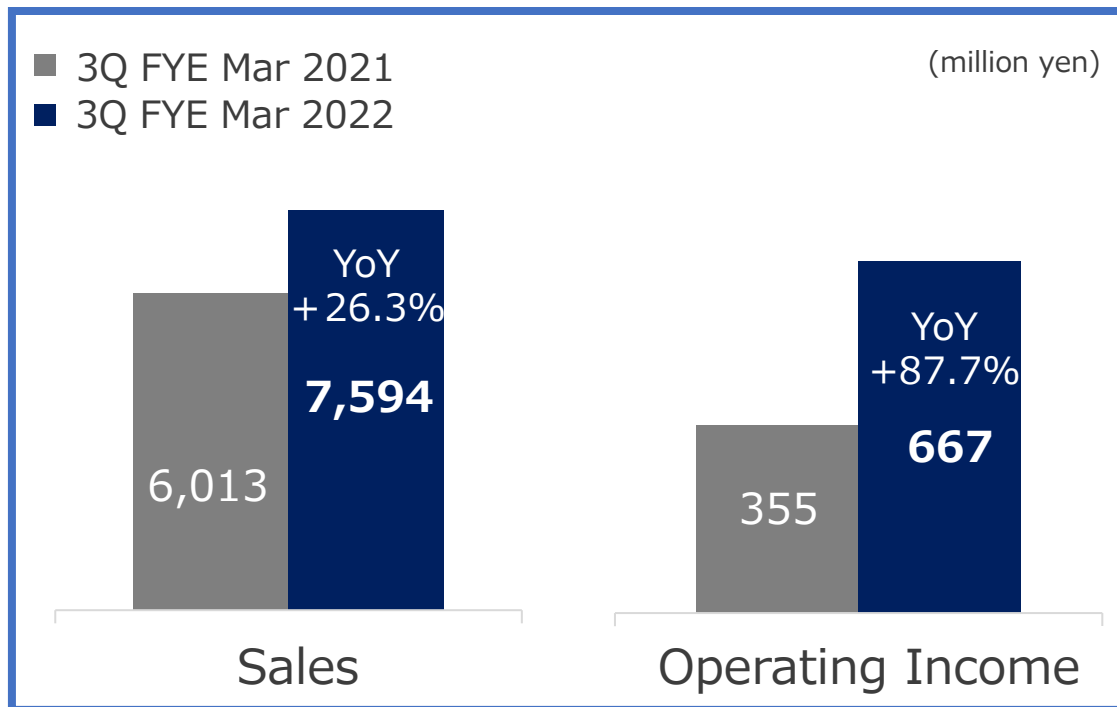
	FYE Mar 2021 (Apr.2020-Dec.2020)		FYE Mar 2022 (Apr.2021-Dec.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	7,107		7,239		132	1.9%
Operating Income	332	4.7%	952	13.1%	619	186.4%

3Q FYE Mar/2022 Performance Overview by Segment

③ Overseas

12

* Values of this segment reflect a three-month delay.



3Q FYE Mar 2022 (Qualitative information for Jul.-Sep.)	
India	<ul style="list-style-type: none"> Sales grew remarkably mainly in IT temporary staffing in India and America. The IT industry in general is booming in India, and demand for IT staff remains strong in temporary staffing as well.
Vietnam	<ul style="list-style-type: none"> Sales fell year-on-year due to lockdowns, but profit was maintained at the level of the previous year due to cost control. The job board is expected to recover ahead of others in and after 4Q.

Overseas ⇒ Vietnam, India, China

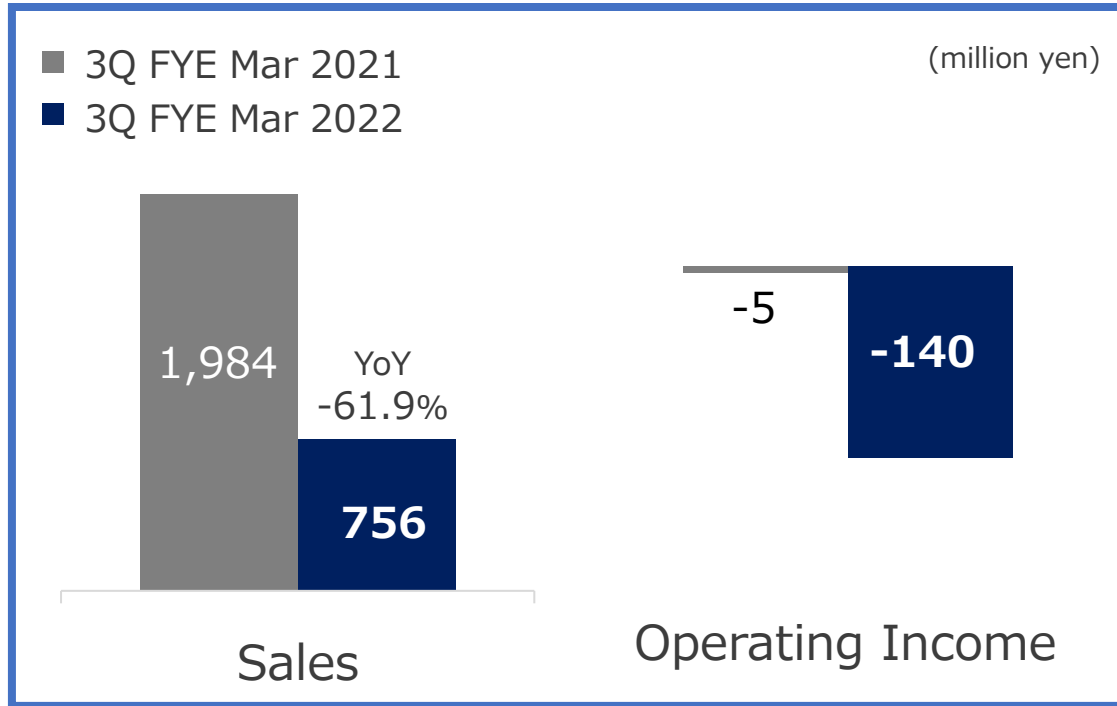
(Job Board, Permanent Recruitment, IT temp)

	FYE Mar 2021 (Apr.2020-Dec.2020)		FYE Mar 2022 (Apr.2021-Dec.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	6,013		7,594		1,581	26.3%
Operating Income	355	5.9%	667	8.8%	312	87.7%

3Q FYE Mar/2022 Performance Overview by Segment

④ Domestic Other Business / Subsidiary

13



3Q FYE Mar 2022 (Qualitative information for Oct.-Dec.)

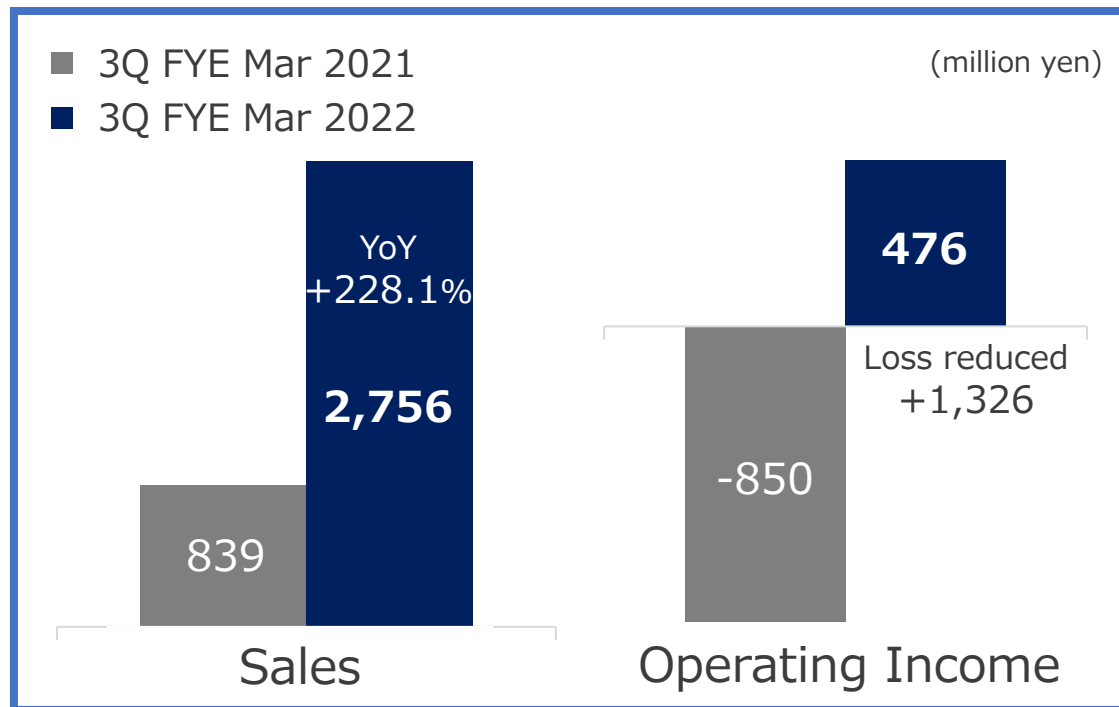
Overall summary

- The segment as a whole increased sales and reduced deficits when excluding the impact of the segment reorganization.
- Sales of “iroots,” a new graduate scouting service, surged mainly due to a rise in unit prices.
- Sales of SaaS-based freelance management tool “Pasture” expanded steadily.

Domestic Other Business / Subsidiary

⇒ Education / Evaluation, AULS, Other New Business

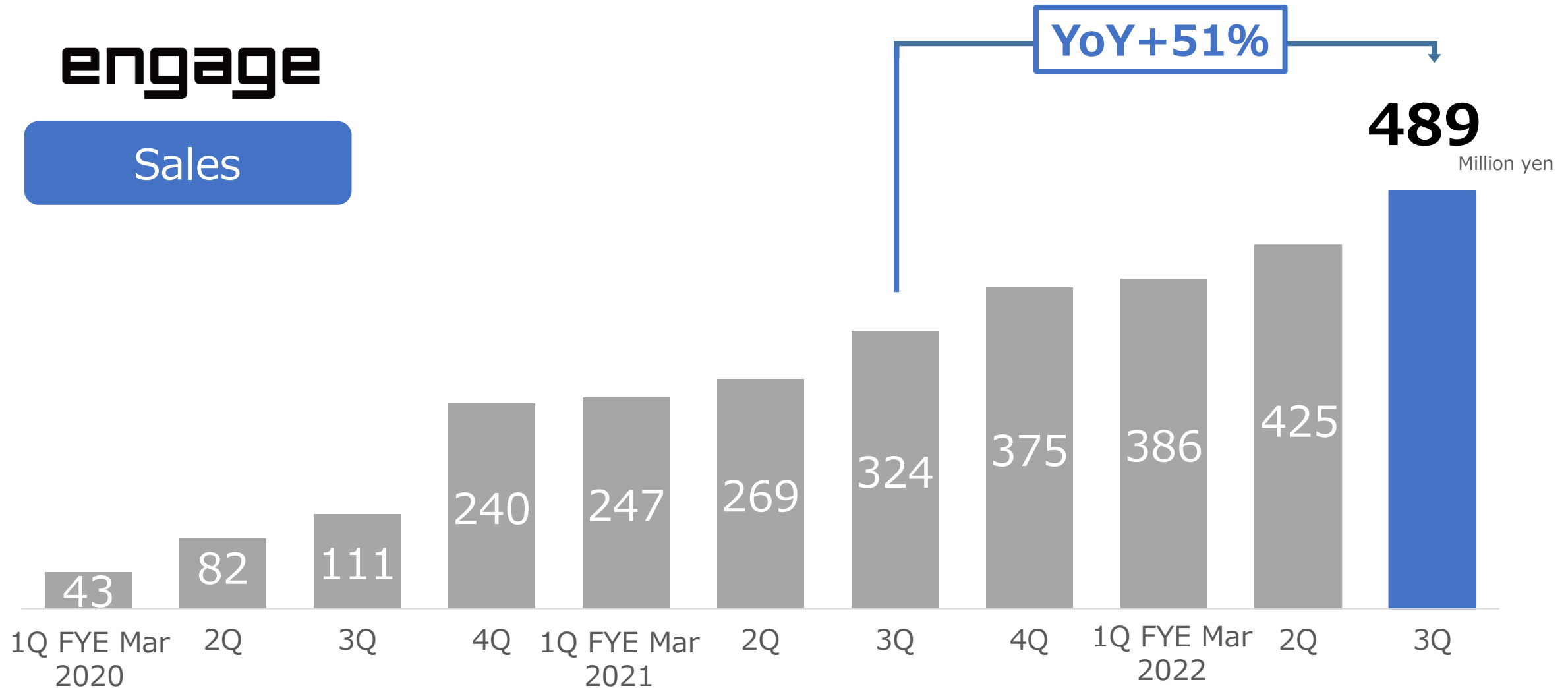
	FYE Mar 2021 (Apr.2020-Dec.2020)		FYE Mar 2022 (Apr.2021-Dec.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	1,984		756		-1,228	-61.9%
Operating Income	-5	-0.3%	-140	-18.5%	-135	-



3Q FYE Mar 2022 (Qualitative information for Oct.-Dec.)	
Recruiting/ hiring business (engage)	<ul style="list-style-type: none"> Sales of 1,298 million yen (3Q cumulative) The number of paid job openings grew considerably due to strengthened approach to large-lot customers and the promotion of the use of the automatic charge function in paid services.
ATS/ test business	<ul style="list-style-type: none"> Sales of 1,167 million yen (3Q cumulative) Applicant management SaaS "ZEKU" continues performing well.
Services to provide follow-up after joining companies/to activate organizations	<ul style="list-style-type: none"> Sales of 289 million yen (3Q cumulative) Sales of HR OnBoard increased as client companies increased the number of new recruits.
Cost and profit	<ul style="list-style-type: none"> Profit remained positive until 3Q, but additional investments are planned for engage for further future growth.

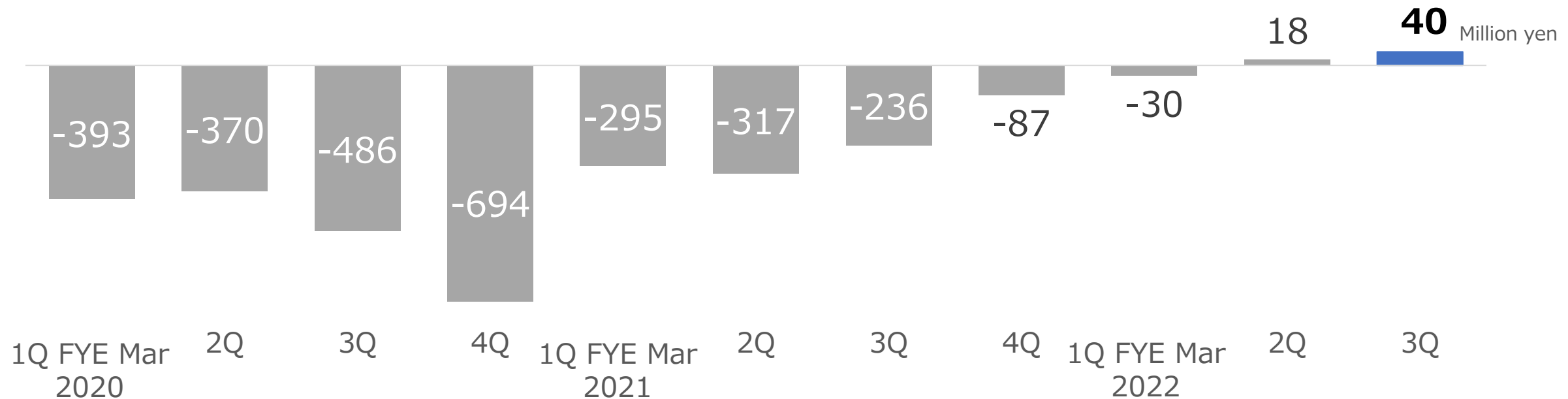
- Recruiting/hiring business ⇒ engage
- ATS/test business ⇒ ZEKU, 3E-test, ASHIATO
- Services to provide follow-up after joining companies/to activate organizations ⇒ en-college, HR OnBoard

	FYE Mar 2021 (Apr.2020-Dec.2020)		FYE Mar 2022 (Apr.2021-Dec.2021)		YOY change	
	(million yen)	% of Sales	(million yen)	% of Sales	(million yen)	(%)
Sales	840		2,756		1,916	228.1%
Operating Income	-850	-101.2%	476	17.3%	1,326	-



engage

Operating income



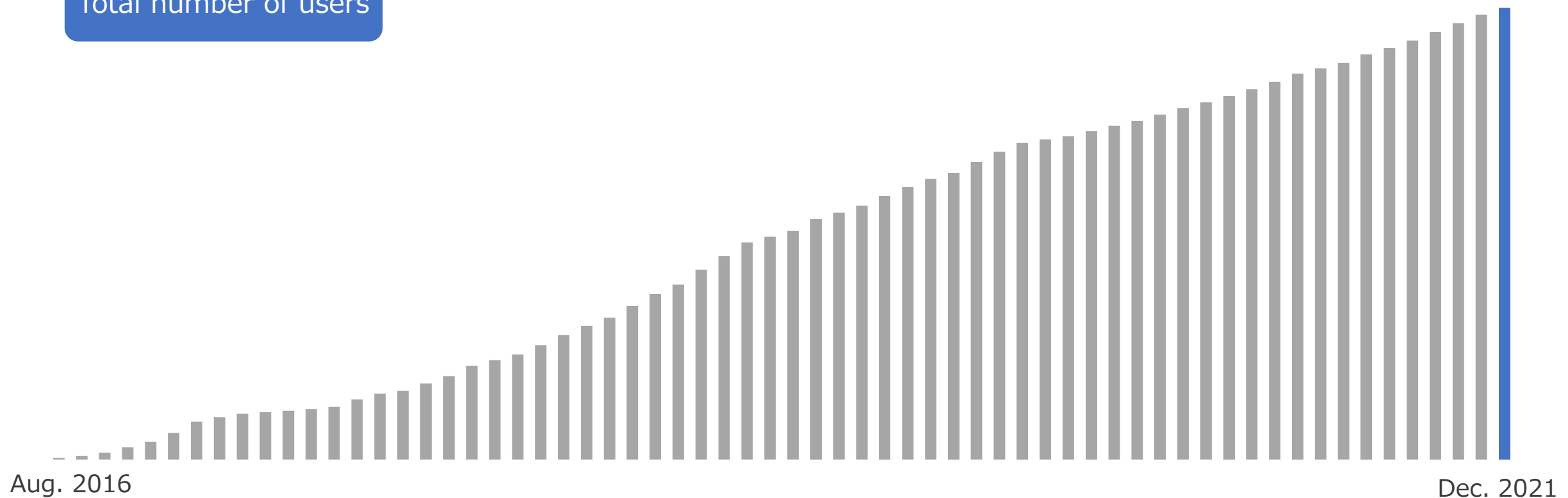
Total number of users exceeds **390,000** mark.

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

engage

Total number of users

395,000
companies



The company is characterized by high convenience in areas such as preparing job sites and job listings and automatic coordination in other companies' services.

Comparison with other services

	エンゲージ engage	Job site (Job media)	Job search engine	HR referrals
Free job posting	○	×	○	○
Preparation of job sites	○	×	×	×
Coordination with the job services of other companies	○	Depending on services	×	Depending on services
Limits to number of postings and duration	No limit	With limit	No limit	No limit
Contract	None	Necessary depending on services	None	Necessary
Recruitment success fee	None	Necessary depending on services	None	Necessary

● Preparation of job sites and job postings

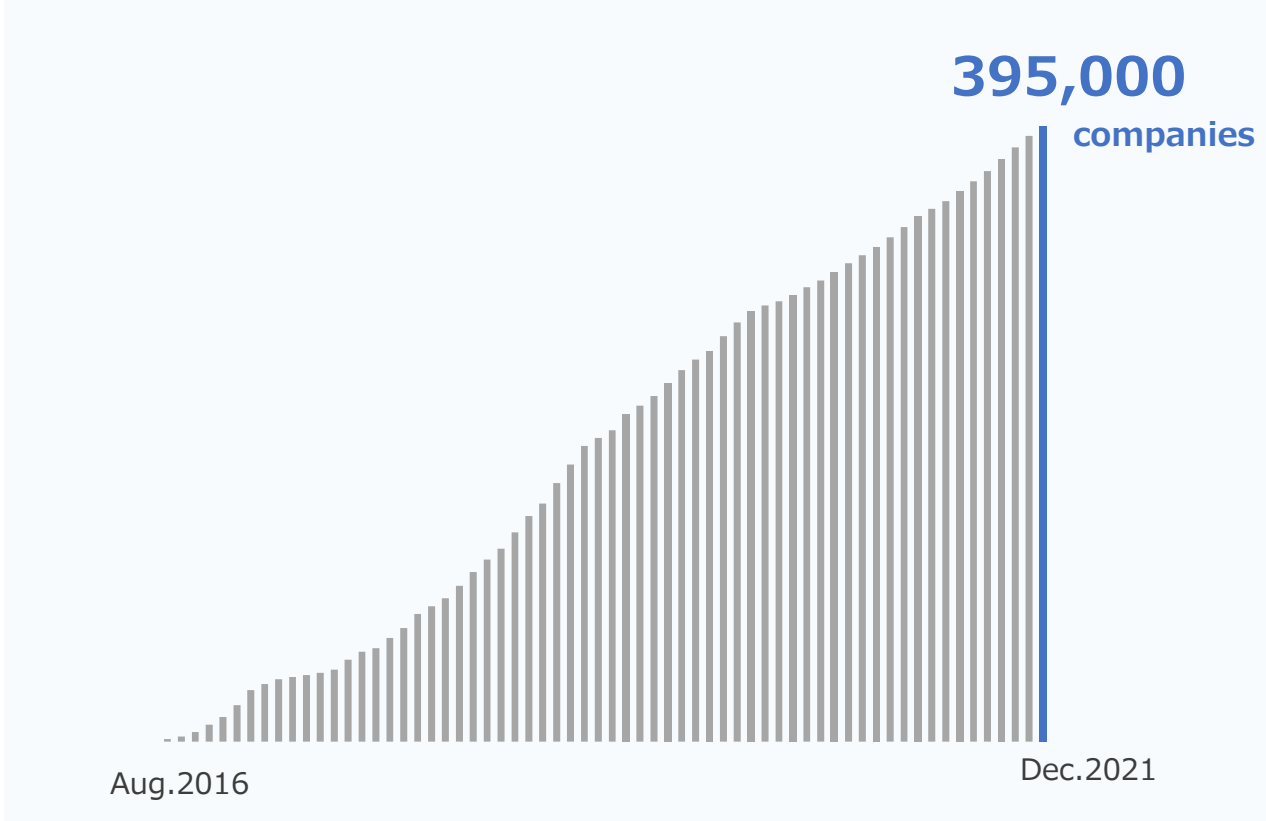
- Possible to make a stylish job site in five minutes at shortest using a template. A wide range of other functions such as applicant management
- Input format for job offers is also available. Possible to make a job posting easily with a variety of job-by-job templates

● Coordination with job services of other companies

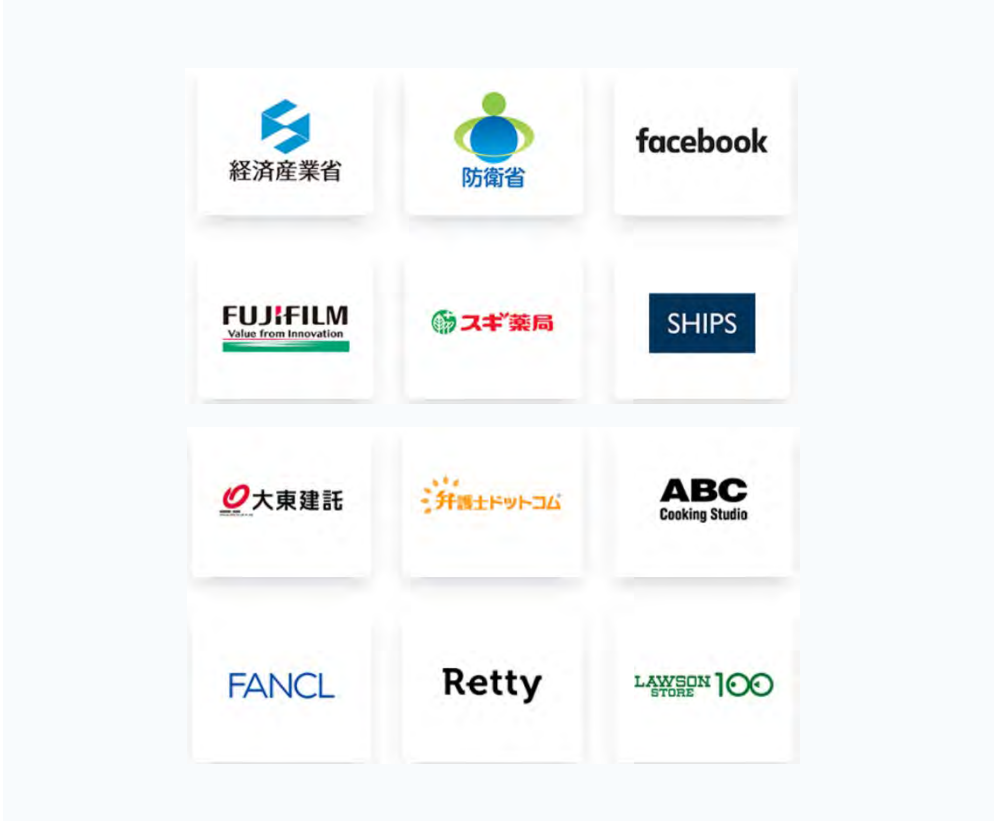
Just make a job offer. It will be automatically posted in other companies' services. A mechanism to spare you the operational task.

The total number of user companies is on the rise as not only small and medium-sized enterprises but also listed companies and government agencies are using the service.

Total number of users



Examples of Listing Companies

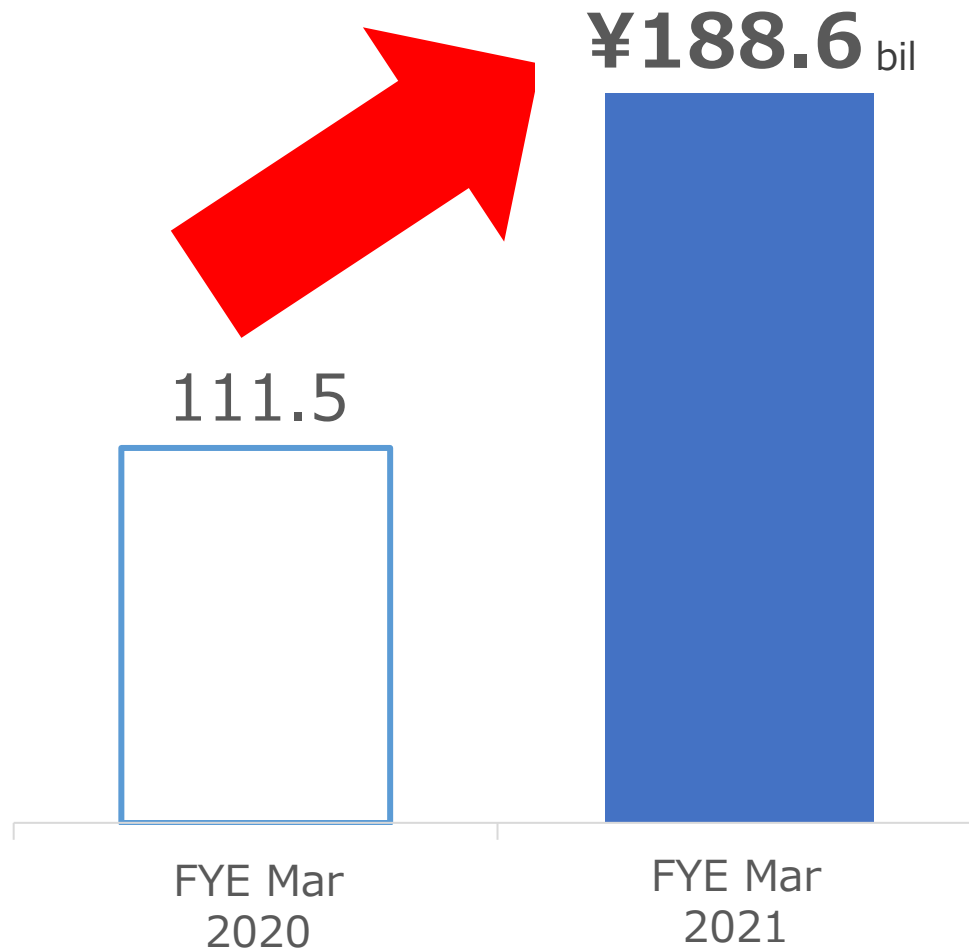


(Reference) Market Trend in New Format Services

*Sources: Association of Job Information of Japan
"Survey results of job information provision
service market size for FY2020"
*New format services: Social recruiting,
aggregator, cloud sourcing, etc.

20

The new format service market including engage grew remarkably compared to existing job information services.

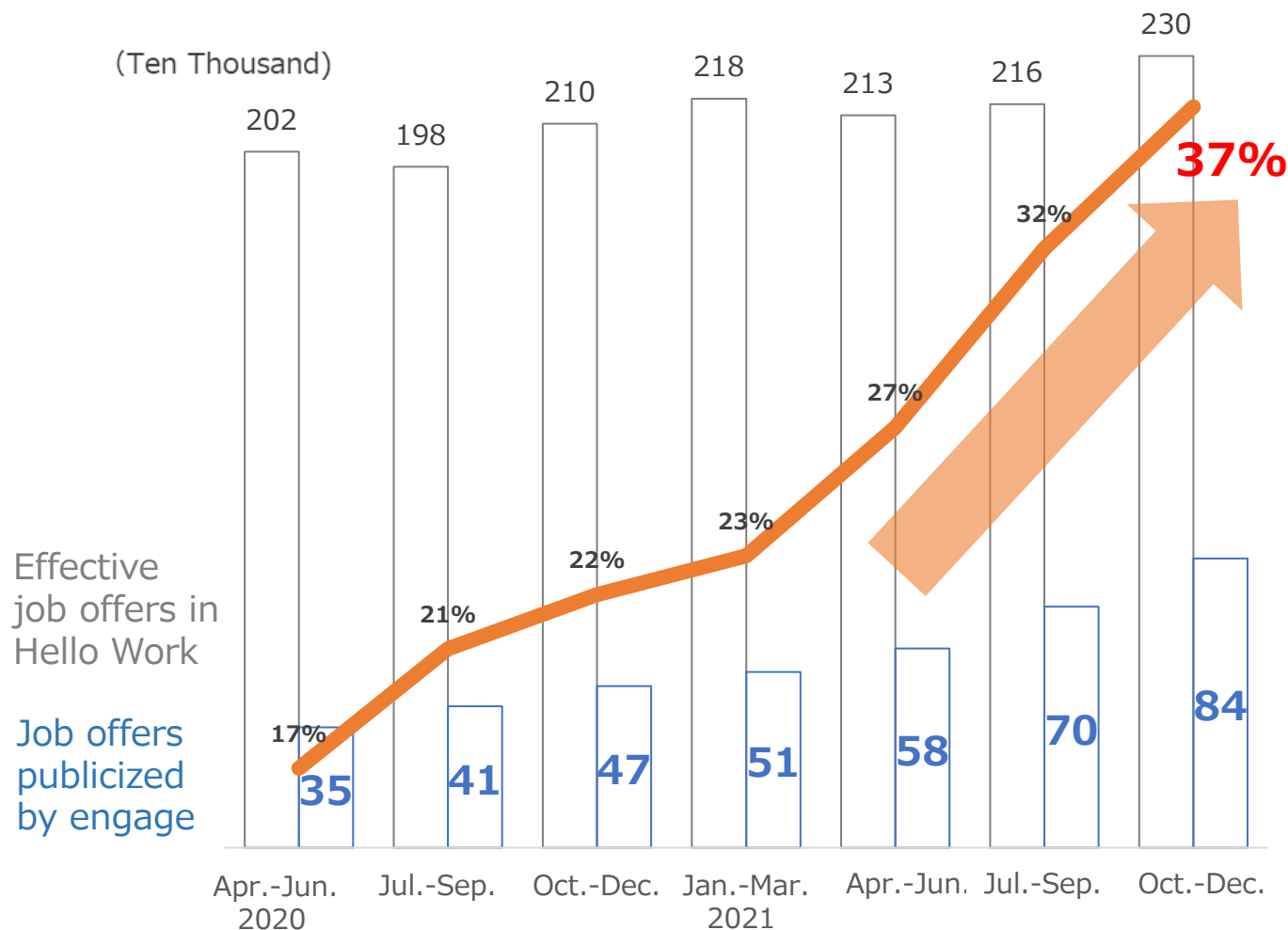


**Market size saw
69% YoY
growth**

(Reference) Comparison between Number of Job Offers Publicized by engage and Number of Job Offers in Hello Work

*Source: Ministry of Health, Labor and Welfare
"Employment Referrals for General Workers"
Effective job offers including part-timers,
quarterly average
*The number of job offers is a quarterly
average.

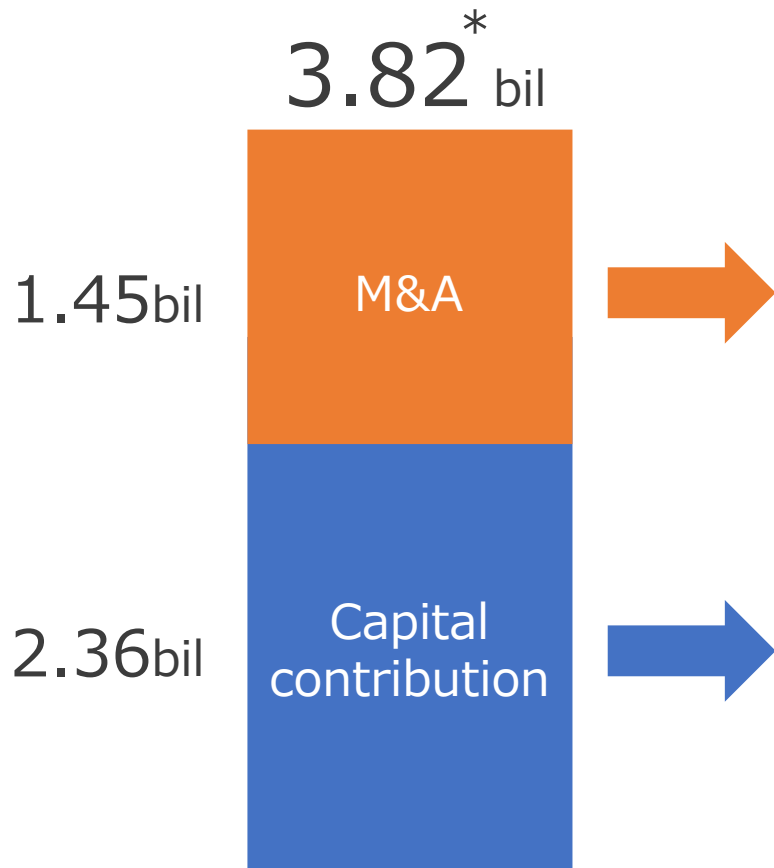
21



Has grown to
40% of the
scale of job offers
in Hello Work

Investment Policy and results

Total M&A and investment was about 3.82 billion yen



April 2019 to December 2021 results

- Brocante inc. : operates "FREELANCE START," one of the largest sites nationwide for IT freelancers with the listings provided by freelance agents
- OWLS inc. : Develops websites/applications focusing on UI/UX (made into a wholly-owned subsidiary via second acquisition) etc.
- ONLY STORY inc. : Operates manager matching platform
- Investment in One Capital, X-Tech No. 2 Fund, and other domestic and overseas funds related to technology and DX business promotion

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

Return to Shareholders

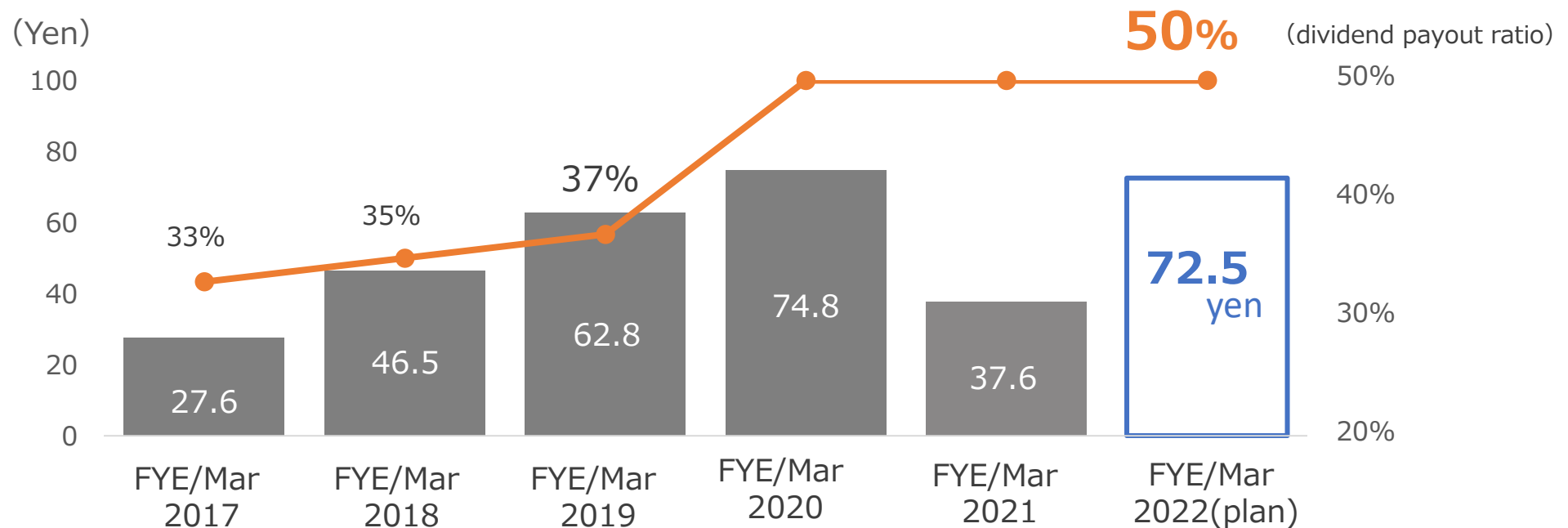
We will make efforts for investment and shareholder return in a manner conducive to raising shareholder value, while securing our financial soundness.

Specific measures are as follows.

From
FYE Mar
2020

- 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).

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/2021 is approved by the general meeting of shareholders.

Appendix

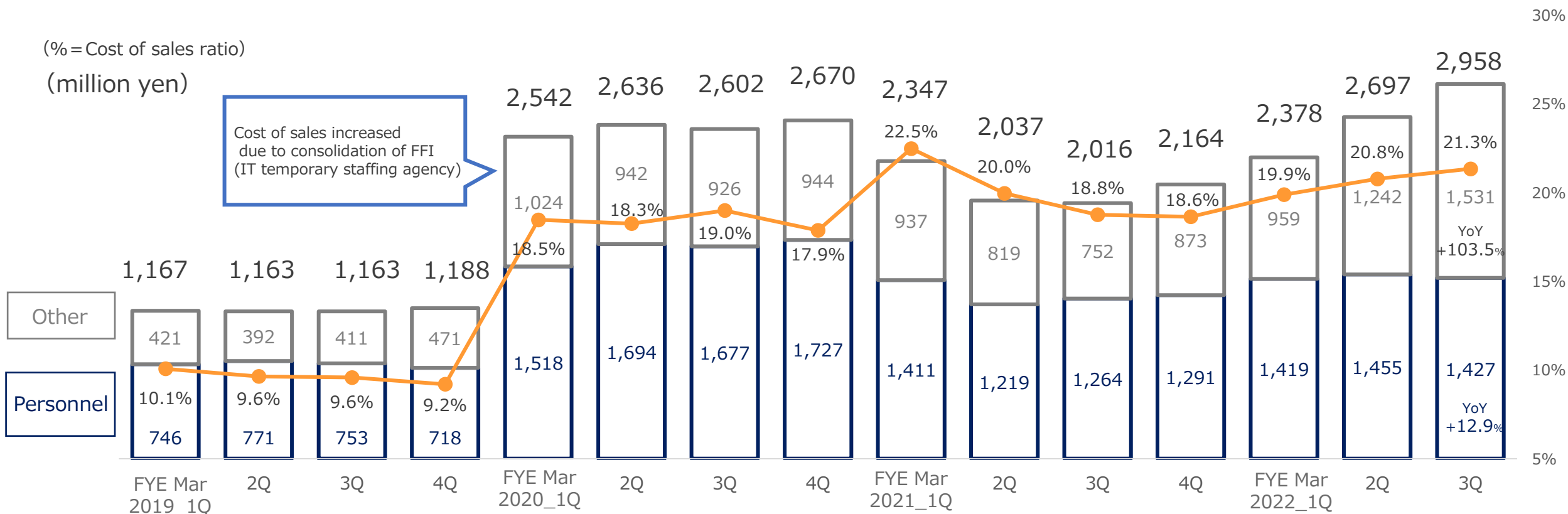
Cost of sales up 46.7% YoY in 3Q

The increase was mainly outsourcing expenses associated with the increased operation of FFI

Cost of Sales

(% = Cost of sales ratio)

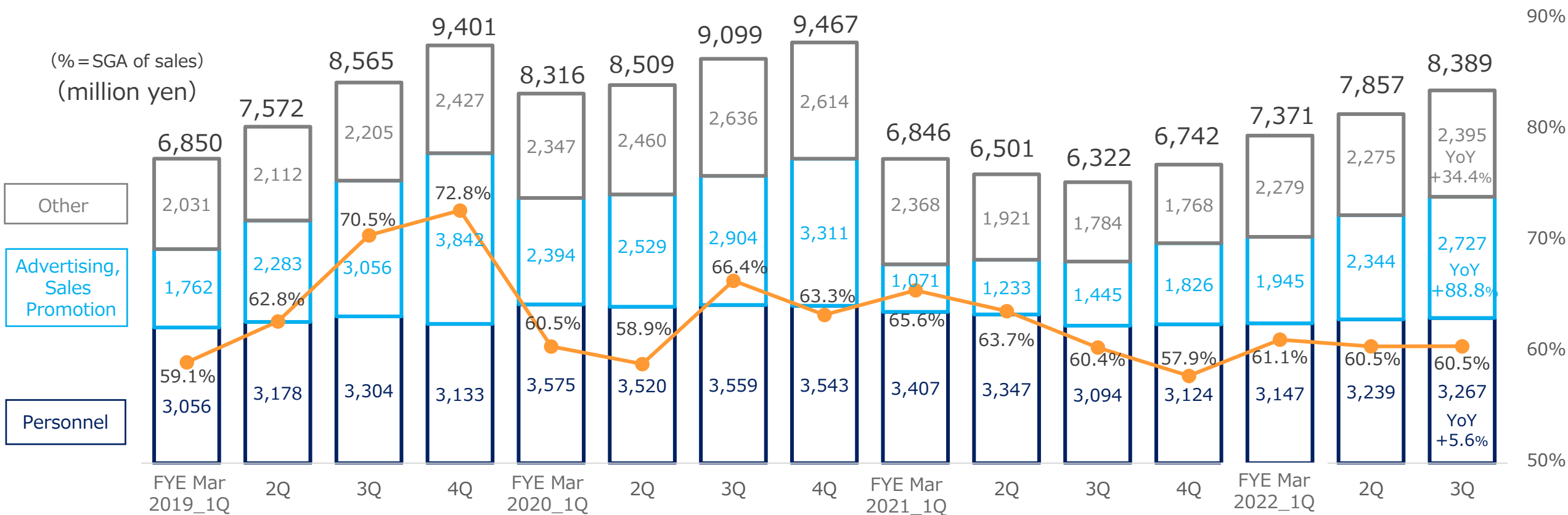
(million yen)



SGA expenses up 32.7% YoY in 3Q

Increased advertising sales, mainly on domestic recruitment websites.

SGA



(million yen)	FYE Mar 2021 (Mar. 2021)	FYE Mar 2022 Q3 (Dec. 2021)	YOY change	YOY change (%)
Current asset	33,724	37,793	4,069	12.1%
Cash	28,406	31,995	3,589	12.6%
Accounts receivable	4,347	5,031	684	15.7%
Other current assets	971	767	-204	-21.0%
Non-current assets	12,920	14,511	1,591	12.3%
Property, plant and equipment	621	601	-20	-3.3%
Intangible assets	6,999	7,038	39	0.6%
(Good Will in Intangible assets)	2,840	2,675	-165	-5.8%
Investments and other assets	5,299	6,872	1,573	29.7%
Assets	46,644	52,304	5,660	12.1%
Liabilities	9,788	12,824	3,036	31.0%
Current liabilities	8,260	11,183	2,923	35.4%
Not current liabilities	1,528	1,641	113	7.4%
Net assets	36,856	39,481	2,625	7.1%
Capital	1,195	1,195	0	0.0%
capital reserves	999	908	-91	-9.1%
earned surplus	39,399	41,557	2,158	5.5%
treasury stock	-5,228	-5,087	141	-2.7%
Other net assets	493	907	414	84.0%
Liabilities/Net assets	46,644	52,304	5,660	12.1%

Increase mainly due to capital increases to affiliated companies and an increase in deferred tax assets resulting from the adoption 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

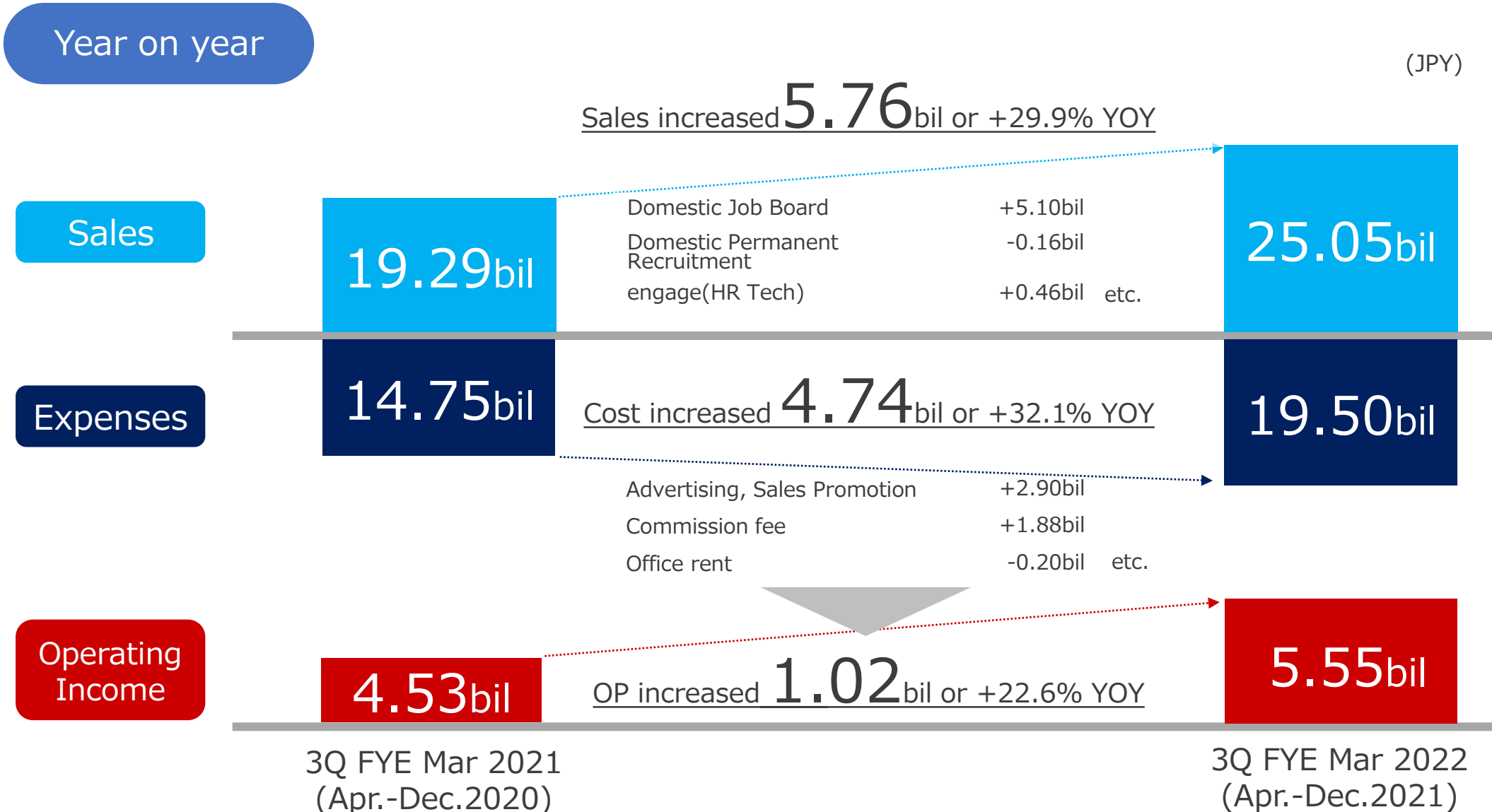
Decrease due to making OWLS a wholly owned subsidiary through share exchange

Non-consolidated Income Statement
for 3Q of FYE Mar/2022

[3Q FYE Mar/2022 Results] Non-consolidated Income Statement

32

	3Q FYE Mar 2021 Actual (Apr.–Dec.2020)		3Q FYE Mar 2021 Actual (Apr.–Dec.2021)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	19,290	100.0%	25,053	100.0%	5,763	29.9%
Cost of Sales	1,957	10.1%	2,161	8.6%	204	10.4%
Personnel	709	3.7%	783	3.1%	74	10.4%
Other	1,249	6.5%	1,377	5.5%	129	10.3%
Gross Profit	17,332	89.8%	22,892	91.4%	5,560	32.1%
SGA(Sales, general & administrative)	12,802	66.4%	17,338	69.2%	4,536	35.4%
Personnel	5,282	27.4%	5,443	21.7%	161	3.0%
Advertising, Sales Promotion	3,679	19.1%	6,578	26.3%	2,900	78.8%
Other	3,842	19.9%	5,317	21.2%	1,475	38.4%
Operating Income	4,531	23.5%	5,555	22.2%	1,024	22.6%
Ordinary Income	4,456	23.1%	8,184	32.7%	3,727	83.6%
Net Income	2,687	13.9%	6,427	25.7%	3,741	139.2%



Consolidated Performance Plan for
FYE Mar 2022
(Reposted_ May 13, 2021)

Plan FYE Mar/2022

Sales

51.0_{bil}

YoY +19%

about 90%

Operating
income

10.0_{bil}

YoY +29%

about 91%

*Relative to pre COVID-19
FYE Mar/2020

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

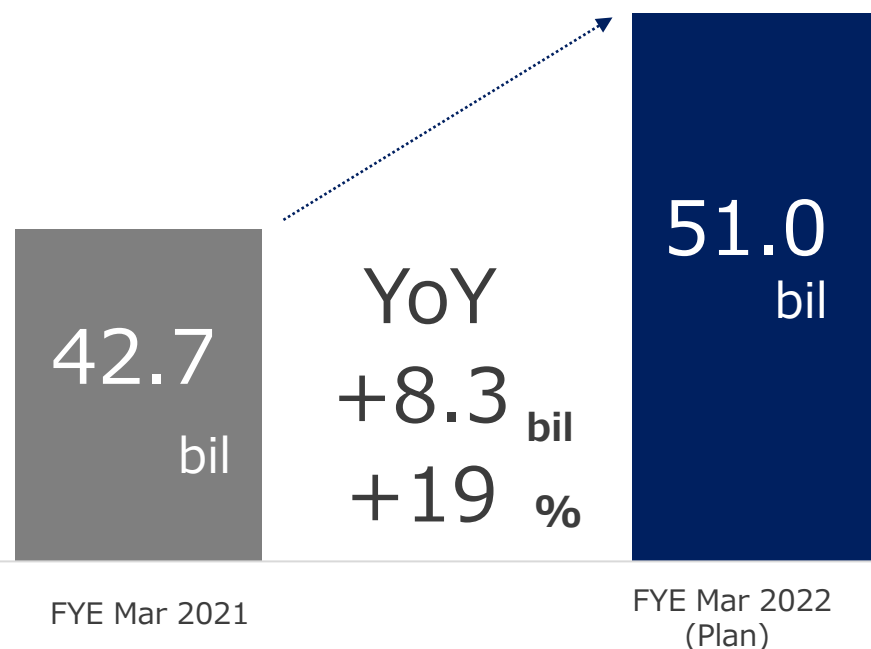
36

	FYE Mar 2021 (Apr.-Mar.2021)		FYE Mar 20212 (Plan) (Apr.-Mar.2022)		YOY change (million yen)	YOY change (%)
	(million yen)	% of Sales	(million yen)	% of Sales		
Net Sales	42,725	100.0%	51,000	100.0%	8,275	19.4%
Cost of Sales	8,566	20.0%	9,776	19.2%	1,210	14.1%
Personnel	5,184	12.1%	6,201	12.2%	1,017	19.6%
Other	3,381	7.9%	3,574	7.0%	193	5.7%
Gross Profit	34,159	80.0%	41,223	80.8%	7,064	20.7%
SGA(Sales, general & administrative)	26,387	61.8%	31,223	61.2%	4,836	18.3%
Personnel	12,972	30.4%	12,630	24.8%	-342	-2.6%
Advertising, Sales Promotion	5,574	13.0%	8,532	16.7%	2,958	53.1%
Other	7,840	18.3%	10,060	19.7%	2,220	28.3%
Operating Income	7,771	18.2%	10,000	19.6%	2,229	28.7%
Ordinary Income	7,939	18.6%	9,999	19.6%	2,060	25.9%
Net Income attributable to en-japan	3,502	8.2%	6,842	13.4%	3,340	95.4%

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

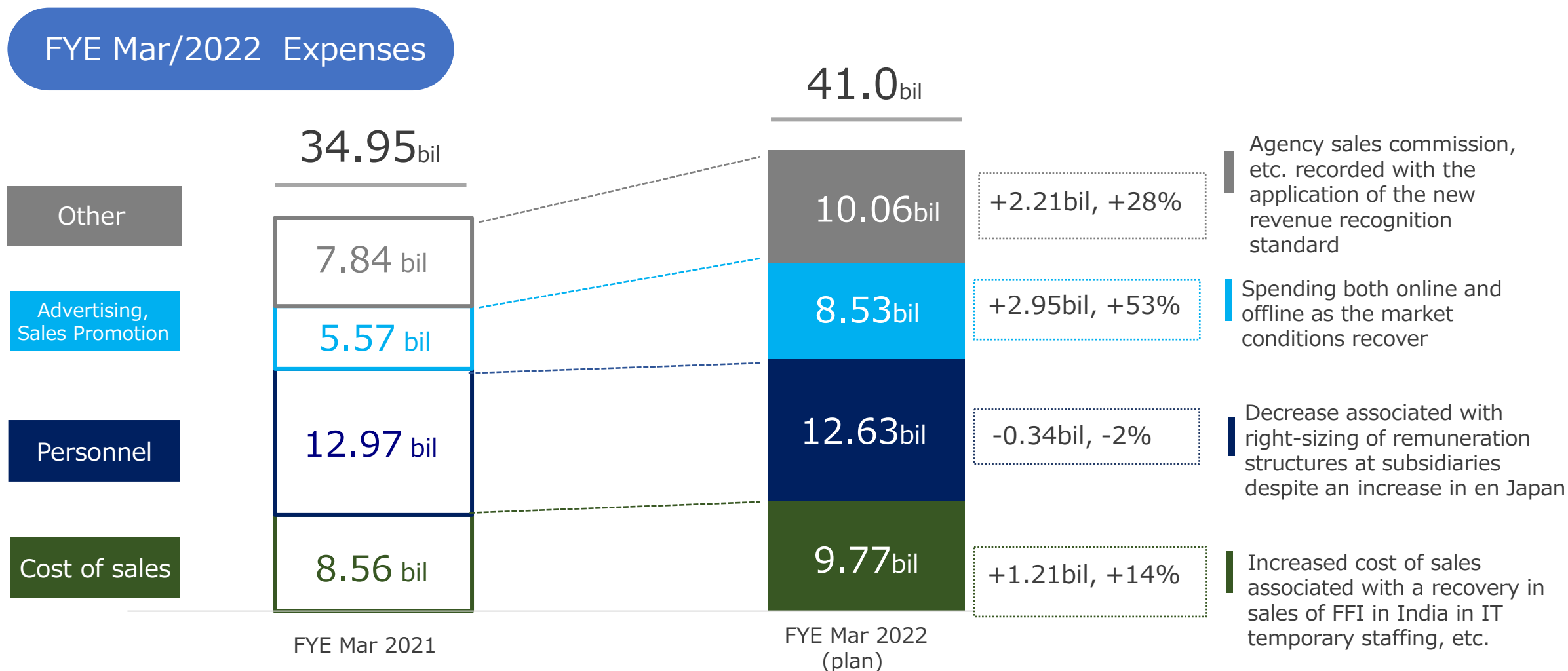
FYE Mar/2022 Sales

(Yen)



Domestic Job Board	+6.17bil	YoY+28%
Domestic Permanent Recruitment	+0.62bil	YoY+6%
Overseas	+0.76bil	YoY+9%
HR-Tech	+2.26bil	YoY 2.8times
(former HR-Tech)	+0.36bil	YoY+30%
Others	-1.65bil	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

39

(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	
					change	change (%)
Domestic Job Board	Sales	32.12	21.77	27.94	6.17	28.3%
	Operating Income	11.73	8.35	8.45	0.11	1.3%
	OP margin	36.5%	38.3%	30.2%		-
Domestic Permanent Recruitment	Sales	11.87	9.39	10.00	0.62	6.6%
	Operating Income	1.42	0.52	0.98	0.46	89.6%
	OP margin	12.0%	5.5%	9.8%		-
Overseas	Sales	10.74	8.01	8.77	0.76	9.5%
	Operating Income	0.91	0.55	0.70	0.15	27.0%
	OP margin	8.5%	6.9%	8.0%		-
HR-Tech	Sales	0.47	1.22	3.47	2.26	185.6%
	Operating Income	-1.94	-0.94	0.70	1.64	-
	OP margin	-412.8%	-77.1%	20.2%		-
Other	Sales	2.10	2.69	1.04	-1.65	-61.4%
	Operating Income	-0.20	0.07	-0.28	-0.35	-
	OP margin	-9.5%	2.5%	-26.9%		-
adjustment	Sales	-0.48	-0.35	-0.22	0.13	-
	Operating Income	-0.92	-0.77	-0.55	0.22	-
consolidated	Sales	56.84	42.72	51.00	8.28	19.4%
	Operating Income	11.00	7.77	10.00	2.23	28.7%
	OP margin	19.4%	18.2%	19.6%		-

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.

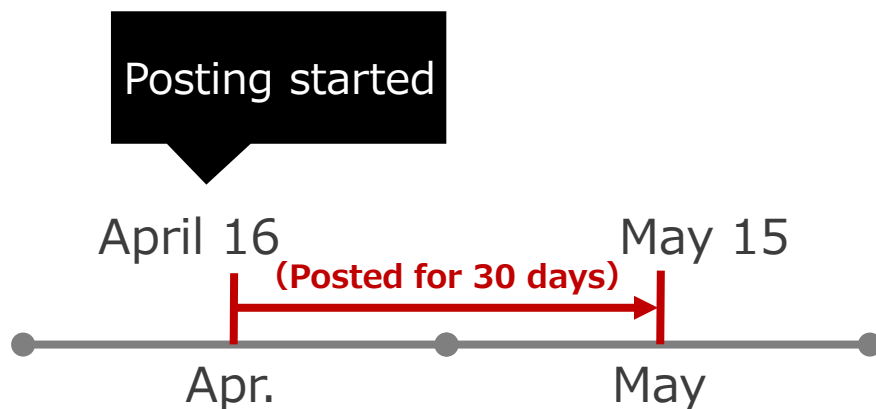
Other

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 at the time of
publicizing the full-year operating results in May 2022.

Policy for the Future

(Extracted from 2Q Financial statements with partial revision)

Recovered hiring demand and increased employment mobility

- In the short run, a recovery to the pre-COVID-19 2019 level will be seen from the latter half of this term to the following term
- A **structural labor shortage will prop up the demand**, differently by employment type, hiring sector, and target income bracket
- The pandemic will make workers seek more job changes, **leading to increased mobility**

Polarization of human resource needs

- **Needs will polarized to the high-class domain of highly specialized jobs, planning jobs, and manager jobs, and operational work and front-office work, which have large volumes of recruitment.** The intermediate segment will contract.
- Provision of services focused on the above two domains respectively is needed.

Tech shift of hiring methods

- Conventional services remain in Japan, as an exceptional case, only with a shift from paper-based operations to the Internet
- The tech shift of hiring methods will accelerate in the future.

Mid-term policy

- Under the paradigm shift regarding hiring methods, **we ourselves will generate changes as vanguards**
- We will **reinforce investments in “AMBI”** in the high-class domain of highly specialized jobs, manager jobs, and planning jobs.
We will **boost investments in “engage”** in the domains of operational work and front-office work, which have large volumes of recruitment.
- Based on a long-term perspective, **we will prioritize sales growth and later obtain a large profit**

Plan for the Next-Term's Business Results

- While achieving the pre-COVID-19 level (operating income of 11 billion yen and resolving a deficit of 2 billion yen for "engage") will be a tentative norm, **we will not pursue short-term profit but invest in significant growth in the medium term**
- **We will announce the next medium-term management plan** with detailed explanations **in May 2022**

ESG



The Integrated Report
(for Apr. 2020 to Mar. 2021)
has been prepared and
is available at the below links

[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,

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.



A number of other recruitment projects are also underway

<https://www.enjapan.com/>

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 Dec. 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

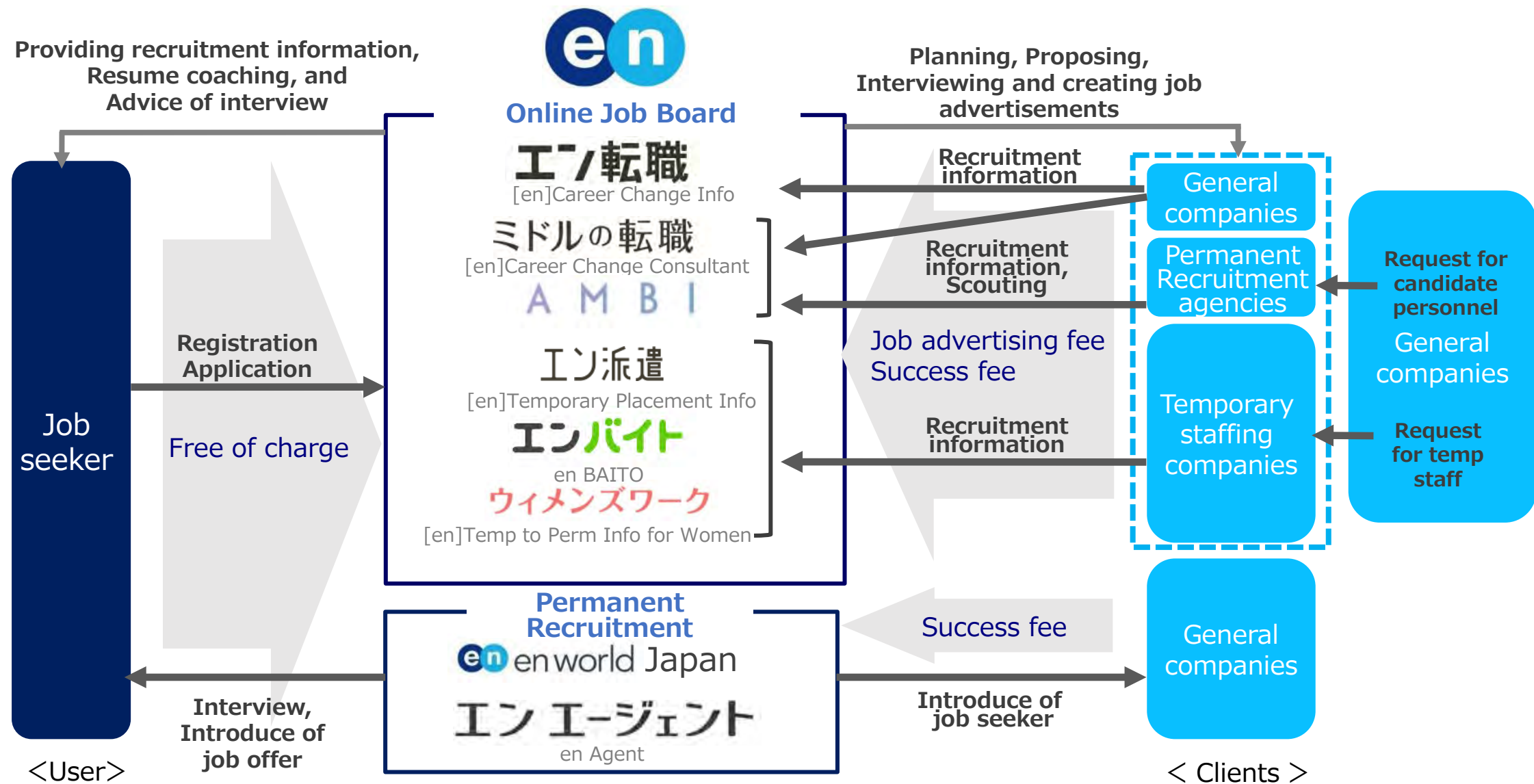
Outline of the Board of Directors

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








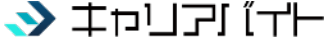
*For a brief profile and other information on directors and audit & supervisory board members, please see the Notice of the 21st Annual Meeting of Shareholders.

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 Dec. 2021)
【 Stock Listing 】	The First Section of the Tokyo Stock Exchange / (code : 4849)
【 Fiscal Year 】	April 1 – March 31
【 Number of Employees 】	Consolidated 2,840, Non-consolidated 1,421 (as of Dec. 2021)
【 Number of Outstanding Shares 】	49,716,000 (as of Dec. 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  エヌ転職	Site for Comprehensive Career Change Info	<ul style="list-style-type: none"> Companies which put their recruitment ads on the job board are carefully researched and taken pictures by en-japan. Honest and detailed recruitment information developed by en-japan from the perspective of job seekers. 	<ul style="list-style-type: none"> Mainly 20s 	General Companies	en Japan
[en]Career Change Consultant  ミドルの転職	Collective site for Permanent Recruitment agencies	<ul style="list-style-type: none"> Over 500 recruitment companies whose specialties are career change for job seekers in 30's and 40's, and job information are available Disclose consultants specialty areas, their achievements, together with evaluations by users 	<ul style="list-style-type: none"> Mainly 30s to 40s 	Permanent Recruitment agencies, General Companies	
	Recruitment site specializing in high achievers in their 20s	<ul style="list-style-type: none"> Mainly listing information for users in their 20s with yearly income of 5 million yen or more The site is designed to focus on headhunting from companies and job placement agencies 	<ul style="list-style-type: none"> Mainly 20s 	Permanent Recruitment agencies, General Companies	
Engineers Hub 	Recruitment site for web engineers	<ul style="list-style-type: none"> Recruitment site using web media Engineer Hub and targeting young web engineers. Carefully selected people recruited from mega venture and startup companies that will lead to the growth of engineers. 	<ul style="list-style-type: none"> Young engineers 	General Companies	
[en]Temporary Placement Info  エヌ派遣	Collective site for temporary staffing companies	<ul style="list-style-type: none"> Temp agencies reputations and job information are available User friendly search function which does not require complicated user guide 	<ul style="list-style-type: none"> Mainly Females in their 20s to mid-40s 	Temporary staffing companies	
en BAITO  エヌバイト	Part-time job information site	<ul style="list-style-type: none"> Part-time job information mostly owned by temporary staffing companies User friendly functions such as job-recommendation based on their search history 	<ul style="list-style-type: none"> University students Graduates without jobs Housewives Permanent part-timers 	Temporary staffing companies	
[en]Temp to Perm Info for Women  ウィメンズワーク	Recruitment information site for females	<ul style="list-style-type: none"> A recruitment information site for females wishing to work as full-time regular employees. The site lists only such openings for "full-time employees or possible upgrade to full-time employee". Offers a number of listings for office-work posts. 	<ul style="list-style-type: none"> Mainly Females in their 20s to 30s 	Temporary staffing companies	
career BAITO 	Internship information sites for university students	<ul style="list-style-type: none"> Targeting university students who look for "paid internship jobs that can foster their abilities," rather than seeking those jobs purely for money The pioneer site for internship jobs which is the best in the country in terms of both performance and the number of jobs 	<ul style="list-style-type: none"> University students 	General Companies	






<Job Board (Domestic) >

	Contents	Characteristics	Clients	Company
 FREELANCE START	Job search engine site for freelance engineers	<ul style="list-style-type: none"> • One of the largest freelance job search engine sites in Japan • Allows users to collectively search and apply by compiling listings by freelance agents 	Freelance agents	Brocante
 doocy Job	Job listing information site for side-job/freelance engineers	<ul style="list-style-type: none"> • Posting job listings from leading firms, ventures, startups and others for side-job/freelance workers • Abundant high-unit-price, attractive listings with no interim margin or fees due to direct contracts with firms 	General business companies	Brocante


<Permanent Recruitment (Domestic) >

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




<Overseas>

Service brand	country	Contents	Characteristics	Clients	Company
	india	Permanent Recruitment	<ul style="list-style-type: none"> • Clients are local business companies and global business companies operating in India. • Mainly places high income-earning zone. Particularly strong in IT field. 	<ul style="list-style-type: none"> • Local Companies • Global Companies 	NEWERA INDIA
		Temporary staffing (IT areas)	<ul style="list-style-type: none"> • Has 20 years of experience in IT dispatching and has many leading IT companies as clients • Focus on investment and education in advanced technologies such as AI and IoT 	<ul style="list-style-type: none"> • Local Companies • Global Companies 	Future Focus Infotech
	Vietnam	Permanent Recruitment	<ul style="list-style-type: none"> • No. 1 service in Vietnam. • Engages in placing management-level individuals in local and global business companies. <p>Enhancing Japanese companies in Vietnam.</p>	<ul style="list-style-type: none"> • Local Companies • Global Companies • Japanese companies 	Navigos group Joint Stock Company
		Job board	<ul style="list-style-type: none"> • No. 1 recruiting website in Vietnam. • Clients are local individuals and local and global business companies. <p>Enhancing Japanese companies in Vietnam.</p>	<ul style="list-style-type: none"> • Local Companies • Global Companies • Japanese Companies 	
	China	Job board	<ul style="list-style-type: none"> • Established in 2004. Strong in construction and real estate areas • In recent years, areas other than construction and real estate have been strengthened. 	<ul style="list-style-type: none"> • Local Companies • Global Companies 	Talent Alliance (Beijing) Technology Development Limited



<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"> • A freemium-model recruitment support tool • Can create high-quality corporate recruitment websites and job listings easily and quickly • Job offers created are automatically linked to Indeed, Google job search and such like • Use of the fee-based plan allows access to a greater number of job-seeker applications and stronger recruitment support • Aptitude tests, retention tools and other related services are also available on engage 	General Companies	en Japan


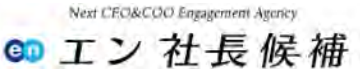


<HR-Tech_ATS/test business (Main services) >

	Contents	Characteristics	Clients	Company
	Hiring management system Operation management system	<ul style="list-style-type: none"> • Uniform management of various data and functions, e.g.hiring information, interviewers, response to applications, and effectiveness measurement. • Uniform management of hired staff and job listings. 	Temporary staffing companies General Companies	Zeku
	Aptitude test to identify and assess talented personnel who can thrive	<ul style="list-style-type: none"> • It examines intellectual capabilities, ways of thinking, values, etc. which are hard to judge from academic record and job titles • Possible to take a test in a short period of time online with smartphones, etc. • It identifies talented personnel sought by companies and prevents mismatching 	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"> • Based on recruitment support results & 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. • Speedy reporting is achieved by offering services primarily online at reasonable prices 	General Companies	en Japan



<HR-Tech Services to 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"> • Online training services that offer more than 400 courses tailored for new joiners up to the management • “en-college online for temporary staff” is also offered for staff training for temporary staffing companies 	General Companies Temporary staffing companies	en Japan
	Development/sales of a retention tool, “HROnBoard”	<ul style="list-style-type: none"> • An online questionnaire tool to visualize the risk of resignation after joining a company • 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 	General Companies	en Japan

<Domestic Other Business / Subsidiary>

	Contents	Characteristics	Clients	Company
	Scout site for new graduates	<ul style="list-style-type: none"> Recruitment scouting site for new graduates A service that enables companies to directly scout new graduates based on personal profiles and aptitude diagnosis 	General Companies	en Japan
	Online agent specializing in listings for CEO/COO candidates	<ul style="list-style-type: none"> Carefully selecting only such job listings that guarantee conditions and positions of a certain level or above for CEO/COO candidates A consultant in charge provides support from the selection process through to up to one year from entering a company 	General Companies	en Japan
	Freelance management service	<ul style="list-style-type: none"> A cloud service that enables uniform management of orders placed with freelancers, progress and billing Orders received and placed are all digitalized. Also offers linkage with other web-based services, including CRM and accounting software. 	General Companies	en Japan
	Design and development of web site and application	<ul style="list-style-type: none"> Company in the UI/UX growth contracting business. Not only site design but also design and consulting for the purpose of users using the site. 	General Companies	OWLS

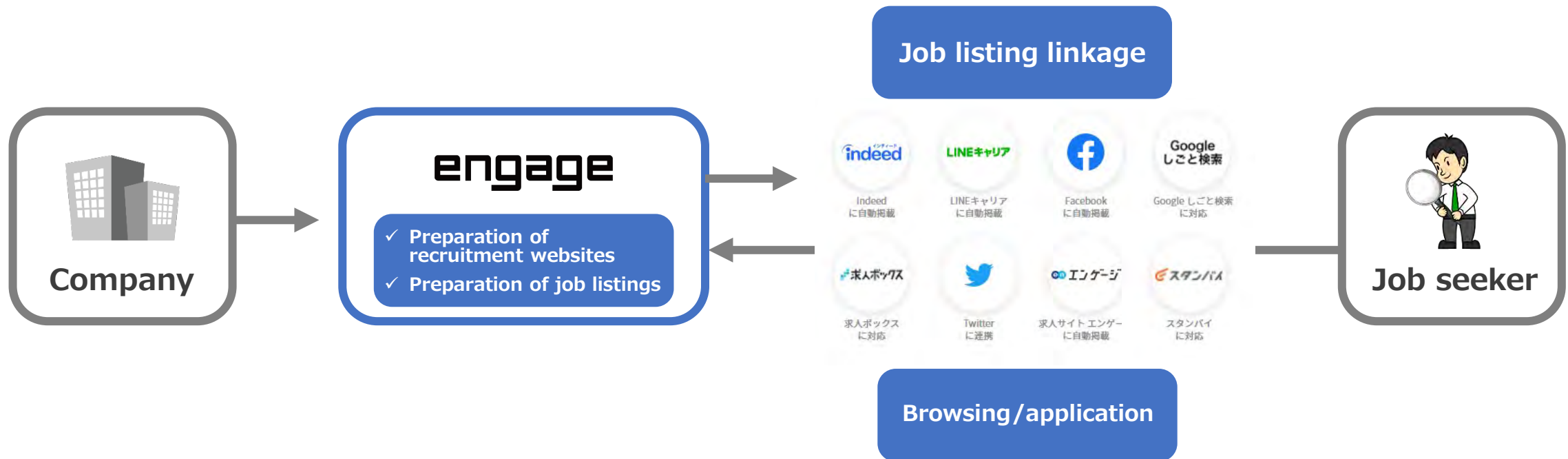
<Other New Business*Unconsolidated subsidiary >

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

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



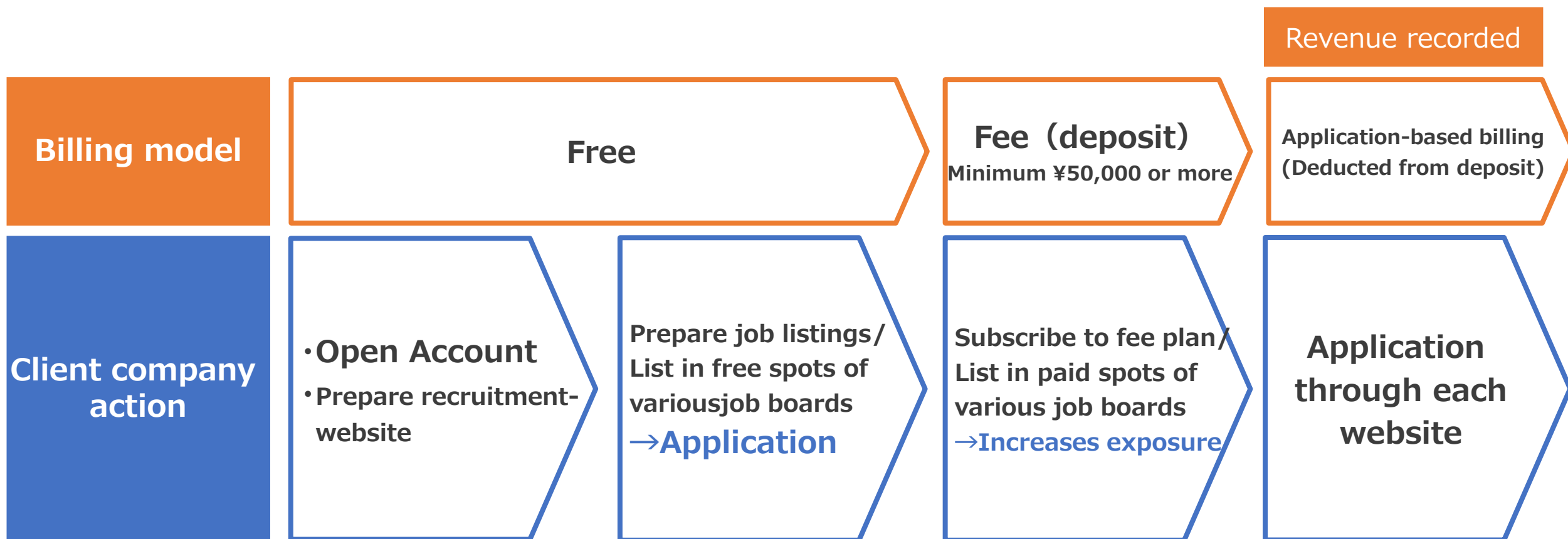
○ Post job listings

- 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 エノ転職

LINE Career

LINEキャリア

en BAITO

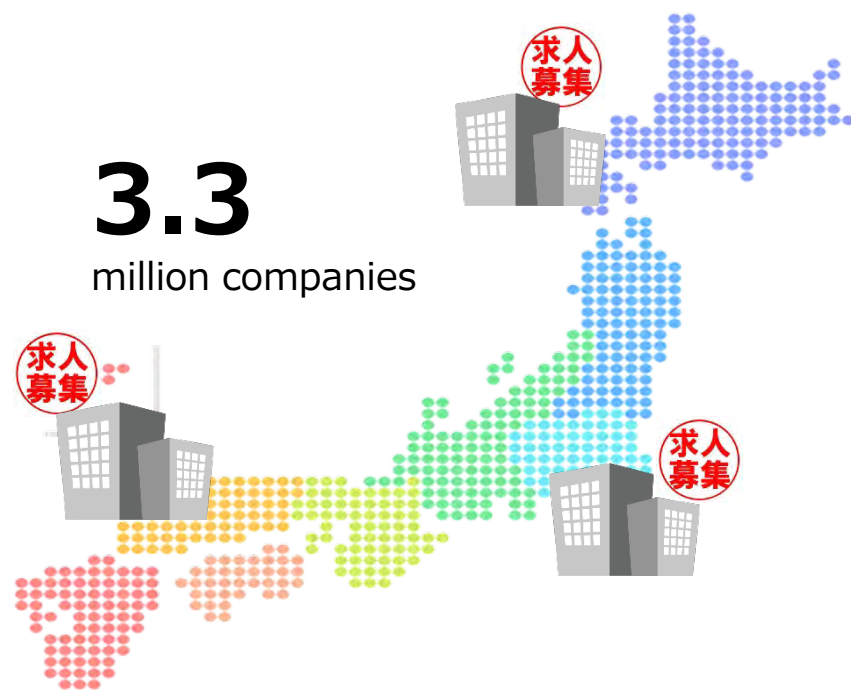
en インバイト

Indeed / Google for Jobs

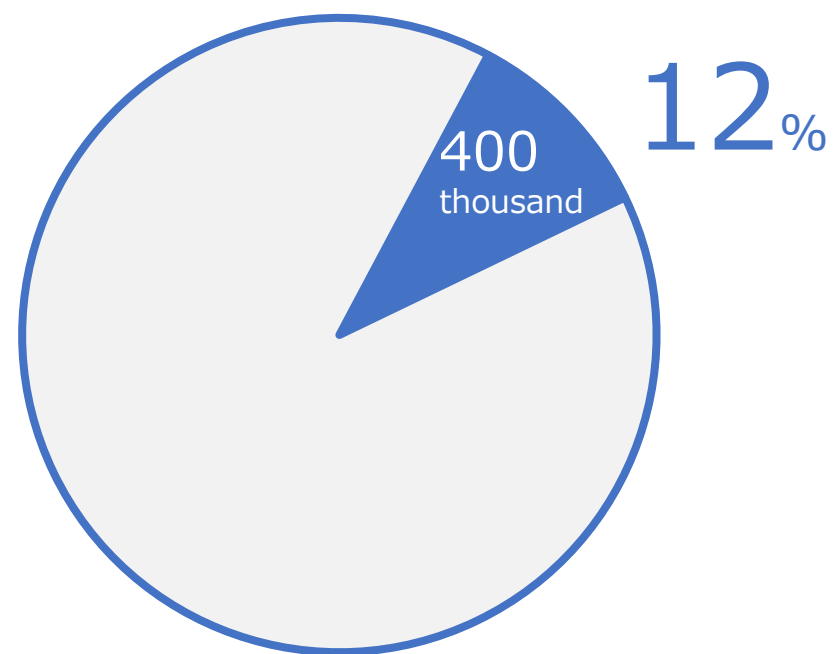
Kyujin Box/ Standby / Careerjet / CareerIndex

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.**

Estimation of domestic recruitment information-provision service

Approx. ^{*}1,075 billion yen

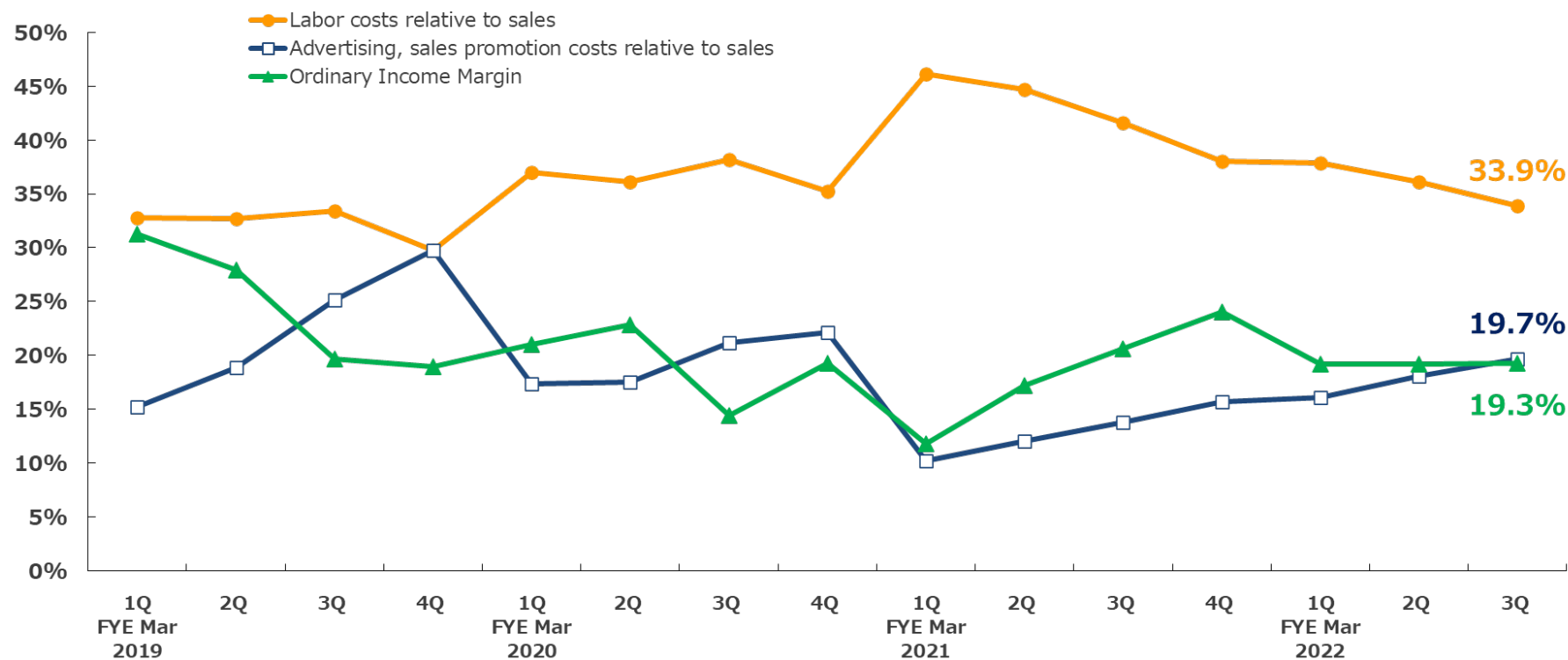
*Print media and online job boards 952.8 billion yen

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

Current
"engage"

FYE Mar 2022 plan
Approx. 1.6 billion yen

Data of Main service

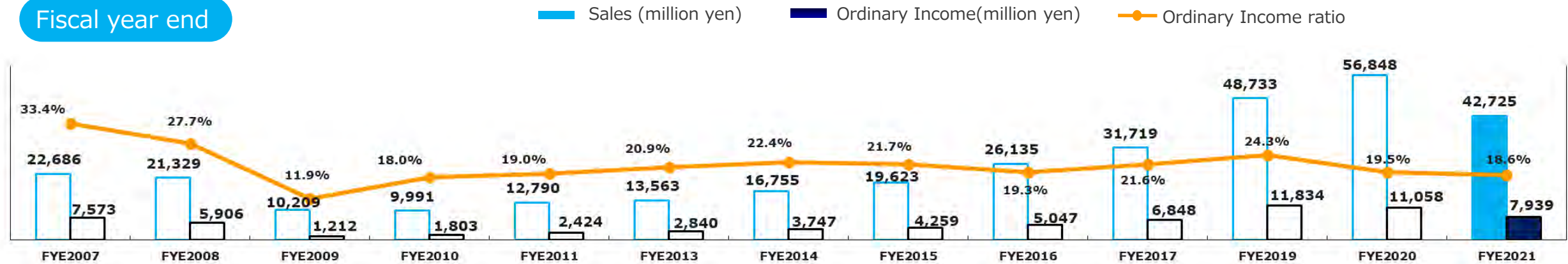


	1Q FYE Mar 2019	2Q	3Q	4Q	1Q FYE Mar 2020	2Q	3Q	4Q	1Q FYE Mar 2021	2Q	3Q	4Q	1Q FYE Mar 2022	2Q	3Q
Ordinary Income (million yen)	3,622	3,373	2,385	2,453	2,892	3,305	1,979	2,881	1,236	1,758	2,155	2,788	2,314	2,495	2,675
% of sales	31.2%	28.0%	19.6%	19.0%	21.0%	22.9%	14.4%	19.3%	11.8%	17.2%	20.6%	24.0%	19.2%	19.2%	19.3%
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	4,692	4,694
% 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%	36.1%	33.9%
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	2,344	2,727
% 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%	18.1%	19.7%

Earnings for Fiscal year end and each quarter

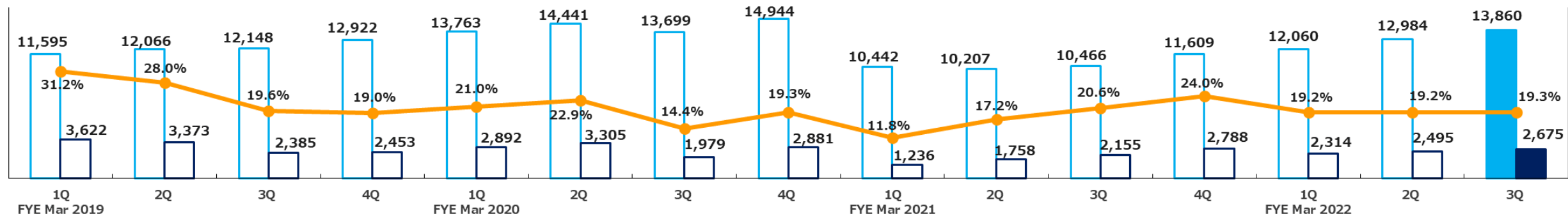
69

Fiscal year end



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

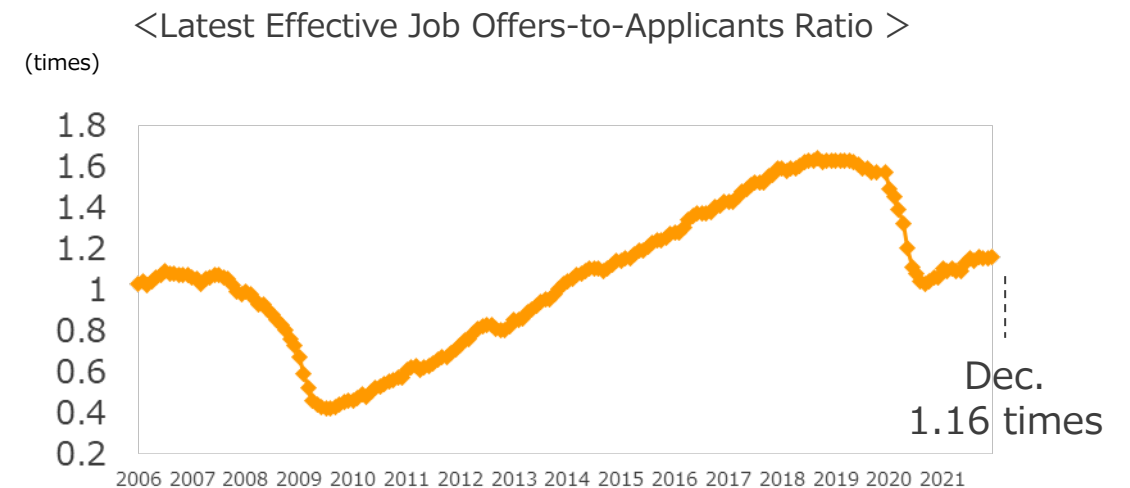
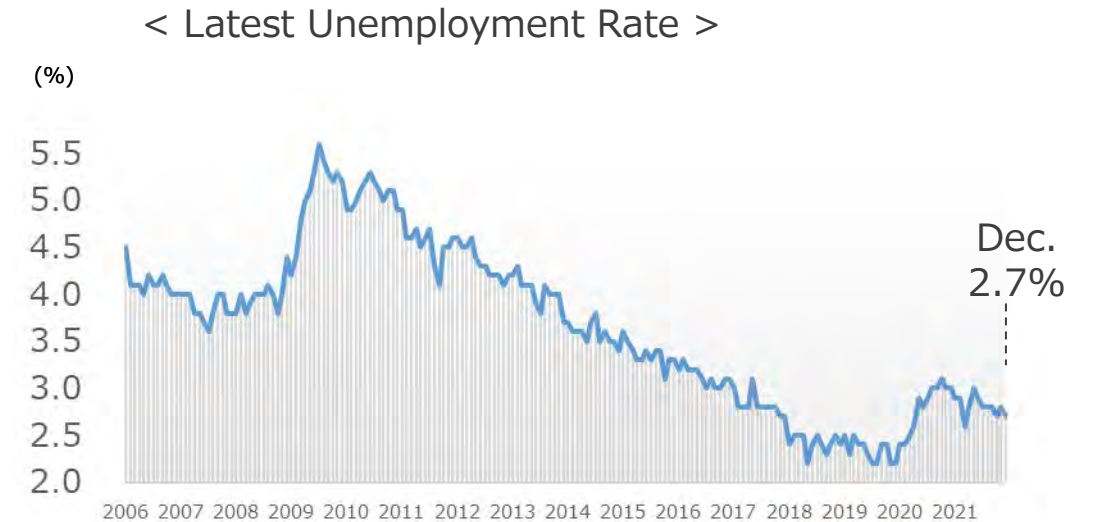
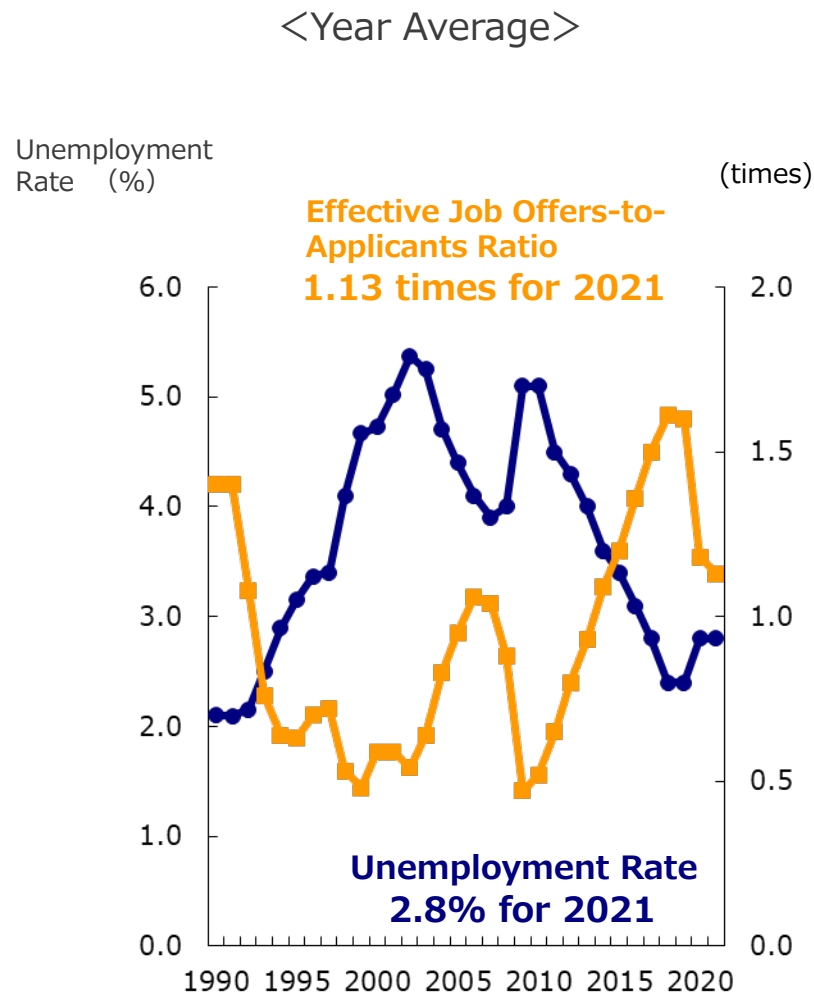
Quarter



The market environment

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

70



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



■ en Japan Inc. Corporate Planning Department IR Group

TEL : +81-3-3342-4506 Mail: ir-en@en-japan.com URL: <https://corp.en-japan.com/en/>

Cautionary Statement

This material is for informational purpose only. You are fully responsible for the final decision to invest in the company. The statements included in these documents that are not historical facts are forward-looking statements which reflect management's current views with respect to certain future events and financial performance of the company. The company makes no guarantee or promise as to the accuracy or completeness of the information provided here and shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon. The content is subject to change without notice hereon.