

**Summary of Consolidated Financial Results for the Second Quarter  
of the Fiscal Year Ending March 31, 2022  
(Six Months Ended September 30, 2021)**

**[Japanese GAAP]**

October 29, 2021

Company name: QUICK CO., LTD.

Listing: First Section, Tokyo Stock Exchange

Stock code: 4318

URL: <https://919.jp/>

Representative: Tsutomu Wano, Chairman

Contact: Kenta Kijima, Senior Executive Officer,  
General Manager of Administration and Accounting Division

Tel: +81-6-6366-0919

Scheduled date of filing of Quarterly Report:

November 11, 2021

Scheduled date of payment of dividend:

December 1, 2021

Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results meeting: Yes

*(All amounts are rounded down to the nearest million yen.)*

**1. Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2022  
(April 1, 2021 – September 30, 2021)**

(1) Consolidated results of operations (Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep. 30, 2021	12,202	18.5	2,656	39.3	2,685	32.1	1,889	32.7
Six months ended Sep. 30, 2020	10,300	-	1,907	-	2,032	-	1,423	-

Note: Comprehensive income (millions of yen) Six months ended Sep. 30, 2021: 2,219 (up 30.7%)  
Six months ended Sep. 30, 2020: 1,697 (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2021	100.32	-
Six months ended Sep. 30, 2020	75.57	-

Note: Beginning with the first quarter of the fiscal year ending March 31, 2022, the Company has applied Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020). All figures for the six months ended September 30, 2020 have been adjusted retroactively to conform with this accounting standard. Accordingly, the year-on-year changes for the six months ended September 30, 2020 are not presented.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Sep. 30, 2021	17,146	12,416	72.4	659.03
As of Mar. 31, 2021	15,103	10,687	70.7	567.24

Reference: Shareholders' equity (millions of yen) As of Sep. 30, 2021: 12,414 As of Mar. 31, 2021: 10,685

Note: Beginning with the first quarter of the fiscal year ending March 31, 2022, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). All figures as of March 31, 2021 have been adjusted retroactively to conform with this accounting standard.

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Fiscal year ended Mar. 31, 2021	Yen -	Yen 18.00	Yen -	Yen 26.00	Yen 44.00
Fiscal year ending Mar. 31, 2022	-	20.00	-	-	-
Fiscal year ending Mar. 31, 2022 (forecast)	-	-	-	20.00	40.00

Note: Revisions to the most recently announced dividend forecast: None

Note: Breakdown of dividend for the fiscal year ended Mar. 31, 2021

2Q-end: Ordinary dividend: 12.00 yen; Commemorative dividend: 6.00 yen

Year-end: Ordinary dividend: 20.00 yen; Commemorative dividend: 6.00 yen

**3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)**

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	21,400	10.5	2,486	33.2	2,500	17.8	1,706	16.6	90.56

Note: Revisions to the most recently announced consolidated earnings forecast: None

Note: Beginning with the first quarter of the fiscal year ending March 31, 2022, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). The percentages that represent year-on-year changes of the full year earnings forecast for the fiscal year ending March 31, 2022 are the figures compared with those for the full year earnings results for the fiscal year ended March 31, 2021 that have been adjusted retrospectively to conform with the said accounting standard.

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

Note: Please refer to page 11 of the attachments “2. Quarterly Consolidated Financial Statements and Notes, (4) Notes to Quarterly Consolidated Financial Statements (Changes in Accounting Policies)” for more details.

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Sep. 30, 2021:	19,098,576 shares	As of Mar. 31, 2021:	19,098,576 shares
----------------------	-------------------	----------------------	-------------------

2) Number of treasury shares at the end of the period

As of Sep. 30, 2021:	261,252 shares	As of Mar. 31, 2021:	261,173 shares
----------------------	----------------	----------------------	----------------

3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2021:	18,837,333 shares	Six months ended Sep. 30, 2020:	18,837,403 shares
---------------------------------	-------------------	---------------------------------	-------------------

\* The current quarterly financial report is not subject to quarterly review by certified public accountants or accounting firms.

\* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts and forward-looking statements in these materials are based on assumptions judged to be valid and information available to the Company’s management at the time the materials were prepared. These materials are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 4 of the attachments “1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements.”

## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

During the first half of the fiscal year ending March 31, 2022, the Japanese economy, despite the prolonged spread of COVID-19, showed signs of a rebound mainly on the back of the smooth progress of vaccination in Japan, the recovery in Western and other economies. However, the domestic economy remained uncertain because the fifth wave of infections throughout this summer forced the Japanese government to extend state of emergency and quasi-emergency measures, which once again restricted consumer spending and economic activities.

Meanwhile, in Japan's labor market, the seasonally adjusted job openings-to-applicants ratio was 1.14 and the seasonally adjusted unemployment rate was 2.8% in August 2021, suggesting that a moderate recovery trend continues, though seesawing.

Under such business environment, the Group worked on differentiating the QUICK Group from competitors and increasing customer satisfaction by helping our client companies to solve their HR related problems by expanding operations in new strategic market sectors and strengthening coordination between the group companies. Furthermore, the Group strengthened the business base by restructuring the sales structure in order to boost the performance.

As a result, we achieved sales and earnings growth, both reaching all-time highs. Net sales increased 18.5% year-on-year to 12,202 million yen, operating profit increased 39.3% year-on-year to 2,656 million yen, ordinary profit increased 32.1% year-on-year to 2,685 million yen, and profit attributable to owners of parent increased 32.7% year-on-year to 1,889 million yen.

Performance of the business segments is described as follows.

Beginning with the first quarter of the fiscal year ending March 31, 2022, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and other pronouncements (hereinafter collectively, the "Accounting Standards"). Therefore, comparisons and analysis were made using the figures that were adjusted reflecting the retrospective application of the Accounting Standards.

In addition, the Company changed the classification of its reportable segments in the previous fiscal year. The following year-on-year comparisons are based on the figures for the same period of the previous fiscal year, which have been reclassified to reflect the new segment classifications.

(Human Resources Services Business)

#### 1) Personnel Placement

In the personnel placement category, recruiting needs slowed down slightly in the automobile industry because a shortage of semiconductors and delay in parts supply from Southeast Asian countries led to a decreased production. Meanwhile, the construction, electrical equipment, machinery and other industries have been enhancing their hiring activities, and recruiting needs for nurses remained high. Given this business environment, the personnel placement business for construction and pharmaceutical related categories, various types of engineers for specific fields as well as nurses placement grew favorably. Those were the major results of our efforts including focusing on selected categories and providing an extensive support of having more meetings with our client companies and registrants who wish to change careers. On the other hand, the growth of childcare professionals placement business was anemic because the state of emergency declaration and quasi-emergency measures led to an increase in childcare at home, the cancellation and scaling down of events, which reduced workload, improved the retention of childcare workers at each school and decreased hiring demand for full-time employees.

#### 2) Temporary Staffing, Temporary-to-Permanent Staffing, and Business Contracting

In the temporary staffing, temporary-to-permanent staffing and business contracting categories, in addition to lasting strong hiring needs for nurses at medical and welfare category, the needs for vaccination-related staff

contributed to the steady performance of temporary staffing of nurses. Meanwhile, robust demand for the temporary staffing of childcare workers expanded the performance despite a temporary closure at some nursery schools caused by the pandemic, vaccine leave by temporary staff and the like.

Overall, sales of the Human Resources Service Business increased 16.7% year-on-year to 8,829 million yen and operating profit also increased 13.3% year-on-year to 2,631 million yen.

#### (Recruiting Business)

In the Recruiting Business, the new college graduate category saw a rigid performance in the volume of advertisements in our recruitment websites targeting March 2022 new college graduates and our internship websites for March 2023 new college graduates, as client companies' recruiting needs for new graduates recovered.

In the mid-career hiring category, as hiring needs were recovering in businesses except some sectors like restaurant and service, customer development and strengthened sales activities substantially increased the volume of "Indeed" business, improving performance. Furthermore, the volume of recruiting advertisements for full-time employees and part-time workers remained favorable. Meanwhile, the volume of recruiting advertisements for potential registrants for temporary staffing improved as we saw an increased demand for recruiting advertisement placement from temporary staffing companies that had restrained such advertisement in preparation for post-state of emergency declaration.

Services other than the handling of recruiting advertisement also posted a higher revenue. This was thanks to the addition of support services for recruiting activities of client companies mainly by offering a consultation on new graduate recruiting strategy, proposing online internship programs and providing training programs for recruiters through Jump Co., Ltd., which joined the Group in June 2020.

Overall, sales of the Recruiting Business increased 42.4% year-on-year to 1,167million yen and operating profit was 88 million yen, compared with a loss of 140 million yen in the same period of the previous fiscal year.

#### (Information Publishing Business)

In the Information Publishing Business, our mainstay lifestyle information magazines stayed resilient, primarily supported by the recovered recruiting needs of client companies and the success of the enlarged edition of Kanazawa Joho published commemorating its 35th anniversary, although the sales promotion sentiment of our client companies lost momentum due to quasi-emergency measures implemented in Ishikawa and Toyama prefectures in August 2021. "Indeed" also remained encouraging. Additionally, posting services including flyers distributed to households with lifestyle information magazines enjoyed stable sales promotion needs by the current customers and grew steadily. Furthermore, the concierge services we operate under the "cococolor" brand performed well in the career change domain, and the housing domain benefited from the last-minute surge in demand for mortgage tax relief on a new custom-build house. Accordingly, all the domains of the concierge services including bridal achieved revenue increase.

Overall, sales of the Information Publishing Business increased 17.7% year-on-year to 1,028 million yen and operating profit increased 239.8% to 95 million yen.

#### (IT and Internet-Related Business)

In the IT & Internet-Related Business category, "Nihon no Jinjibu" (Japan's Human Resources Department) related service significantly increased its advertising revenues from "Nihon no Jinjibu"—our portal website for personnel and labor relations. The increase came against a backdrop of the growing interest in improving business efficiency and labor saving triggered by the COVID-19 pandemic and the recovery of operating performance of recruiting and HR development-related companies. Furthermore, the online HR related event, "Nihon no Jinjibu HR Conference 2021-Spring-" held in May 2021 hit a record high in revenue as well as in the number of exhibitors and participants, which contributed to an increase in revenue from "Nihon no Jinjibu" related services.

As for the system development category, a gradual recovery of system investment spurred the competition for acquiring development engineers to meet such demands. In such a situation, the operating performance expanded steadily as a result of our efforts to expand a customer base through proactively soliciting new projects and catering for customers' delicate needs. This strong result was also attributable to securing human resources for development projects mainly by transferring our engineers from the learning business. Meanwhile, the learning field posted decreased revenue as the COVID-19 pandemic still forced many companies to restrain investments for IT-related trainings although we focused on receiving orders for a training program designed for each client.

Overall, sales of the IT and Internet-Related Business increased 12.7% year-on-year to 742 million yen and operating profit also increased 58.8% year-on-year to 234 million yen.

#### (Overseas Business)

In North and Central America (notably in the U.S. and Mexico), the operating performance of the personnel placement business expanded because the U.S. saw a continued improvement in hiring sentiment against a backdrop of the recovery of the economic environment along with the progress of vaccination, and also because Mexico saw the recovery in hiring sentiment to the level of that before COVID-19. Furthermore, the temporary staffing business in the U.S. turned into an upward trend.

In Asia (notably in China, Vietnam, and Thailand), the personnel placement business in China reported a year-on-year increase in revenue as an increasing number of corporations resumed hiring activities along with the moderate domestic economic recovery thanks to settling down of the spread of COVID-19 infections. In addition, personnel and labor consulting business remained favorable, enjoying increased orders for agency business for visa application services and education/training services on top of advisory services. In Vietnam, where a harsh business environment continued due primarily to immigration restrictions, the personnel placement business expanded against a backdrop of an improved hiring sentiment of local Japanese companies, which was attributable primarily to the establishment of a quarantine scheme for foreign visitors. Also in Thailand, the personnel placement business achieved a year-on-year increase in revenue as a result of the efforts to strengthen promotional activities to approach Chinese and Taiwanese companies, the U.S. and European countries, and Thai local companies, let alone local Japanese companies.

In the U.K., the hiring sentiment turned into a positive trend caused by a decrease in the number of infections toward the end of the first quarter thanks to the third lockdown in response to the spread of COVID-19 infections. Accordingly, the personnel placement services as well as temporary staffing services made a significant improvement although some companies prolonged a candidate selection period given the postponement of the lifting of the lockdown in the second quarter.

The Company's Global Business Division also give sales supports to overseas companies and worked on promoting the international career change supports (Cross Border Recruitment services) to attract more local registrants who want to change careers, and supporting other activities.

Overall, sales of the Other Businesses increased 13.3% year-on-year to 434 million yen and operating profit was 10 million yen, compared with a loss of 53 million yen in the same period of the previous fiscal year.

## **(2) Explanation of Financial Position**

### 1) Assets, liabilities and net assets

Total assets at the end of the second quarter of the fiscal year under review were 17,146 million yen, which was 2,042 million yen more than at the end of the previous fiscal year. This was mainly the result of increases in cash and deposits and investment securities.

Total liabilities were 4,730 million yen, which was 313 million yen more than at the end of the previous fiscal year. This was mainly the result of increases in income taxes payable and accrued consumption taxes despite decreases in accounts payable-trade, short-term borrowings, accounts payable-other.

Total net assets were 12,416 million yen, which was 1,729 million yen more than at the end of the previous fiscal

year. This was mainly the result of an increase in retained earnings due to the booking of profit attributable to owners of parent. The shareholders' equity ratio improved 1.7 percentage points from the end of the previous fiscal year to 72.4%.

## 2) Cash flows

Cash and cash equivalents (hereinafter "net cash") increased 1,340 million yen from the end of the previous fiscal year to 9,438 million yen at the end of the second quarter of the fiscal year under review. Outflows included income taxes paid and dividends paid, while inflows included profit before income taxes.

Cash flows by category are as follows.

### Cash flows from operating activities

Net cash provided by operating activities increased 66.1% year-on-year to 2,237 million yen. Negative factors include an increase in trade receivables of 258 million yen and income taxes paid of 295 million yen. Positive factors include profit before income taxes of 2,684 million yen.

### Cash flows from investing activities

Net cash used in investing activities increased 16.0% year-on-year to 260 million yen. Negative factors include purchase of property, plant and equipment and intangible assets of 260 million yen.

### Cash flows from financing activities

Net cash used in financing activities was 656 million yen, compared with 281 million yen provided in the same period of the previous fiscal year. Negative factors include a 159 million yen decrease in short-term borrowings and dividends paid of 488 million yen.

## **(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements**

At this point, there are no revisions to the full-year consolidated earnings forecasts for the fiscal year ending March 31, 2022, which were announced in the "Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (Japanese GAAP)" on April 28, 2021.

An announcement will be made promptly if the review of impact on the QUICK Group's business performance requires a revision to this forecast.

**2. Quarterly Consolidated Financial Statements and Notes****(1) Quarterly Consolidated Balance Sheet**

	(Thousands of yen)	
	FY3/21 (As of Mar. 31, 2021)	Second quarter of FY3/22 (As of Sep. 30, 2021)
Assets		
Current assets		
Cash and deposits	8,151,779	9,495,044
Notes and accounts receivable-trade	1,989,492	2,163,864
Other	324,936	295,276
Allowance for doubtful accounts	(2,397)	(2,513)
Total current assets	10,463,810	11,951,672
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	835,006	814,473
Vehicles, net	2,242	2,679
Tools, furniture and fixtures, net	99,159	86,037
Land	276,869	276,869
Leased assets, net	8,244	6,963
Construction in progress	-	27,500
Total property, plant and equipment	1,221,521	1,214,523
Intangible assets		
Software	629,824	765,830
Software in progress	127,079	108,535
Goodwill	69,517	66,331
Other	10,659	10,659
Total intangible assets	837,080	951,357
Investments and other assets		
Investment securities	1,732,291	2,171,539
Leasehold deposits	685,835	682,008
Deferred tax assets	105,202	120,964
Other	62,336	61,793
Allowance for doubtful accounts	(4,318)	(7,210)
Total investments and other assets	2,581,347	3,029,096
Total non-current assets	4,639,949	5,194,977
Total assets	15,103,760	17,146,649

	(Thousands of yen)	
	FY3/21 (As of Mar. 31, 2021)	Second quarter of FY3/22 (As of Sep. 30, 2021)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	492,089	335,934
Short-term borrowings	299,957	140,302
Accounts payable-other	1,088,965	864,328
Accrued expenses	544,457	601,722
Income taxes payable	331,134	885,469
Accrued consumption taxes	284,294	440,027
Provision for bonuses	594,263	669,621
Provision for bonuses for directors (and other officers)	35,310	-
Asset retirement obligations	570	-
Other	418,942	352,613
<b>Total current liabilities</b>	<b>4,089,986</b>	<b>4,290,019</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	210,889	327,475
Asset retirement obligations	98,856	99,613
Other	16,541	12,938
<b>Total non-current liabilities</b>	<b>326,287</b>	<b>440,027</b>
<b>Total liabilities</b>	<b>4,416,273</b>	<b>4,730,046</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	351,317	351,317
Capital surplus	391,392	391,392
Retained earnings	8,879,353	10,279,258
Treasury shares	(16,005)	(16,100)
<b>Total shareholders' equity</b>	<b>9,606,057</b>	<b>11,005,868</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,092,767	1,395,602
Foreign currency translation adjustment	(13,579)	12,806
<b>Total accumulated other comprehensive income</b>	<b>1,079,188</b>	<b>1,408,409</b>
<b>Non-controlling interests</b>	<b>2,241</b>	<b>2,325</b>
<b>Total net assets</b>	<b>10,687,486</b>	<b>12,416,603</b>
<b>Total liabilities and net assets</b>	<b>15,103,760</b>	<b>17,146,649</b>

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income****Quarterly Consolidated Statement of Income****(For the Six-month Period)**

	(Thousands of yen)	
	First six months of FY3/21 (Apr. 1, 2020 – Sep. 30, 2020)	First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)
Net sales	10,300,049	12,202,745
Cost of sales	3,512,801	3,903,710
Gross profit	6,787,247	8,299,035
Selling, general and administrative expenses	4,879,674	5,642,489
Operating profit	1,907,572	2,656,545
Non-operating income		
Interest income	937	790
Dividend income	5,557	4,421
Subsidy income	112,615	6,484
Other	8,258	17,936
Total non-operating income	127,369	29,634
Non-operating expenses		
Interest expenses	2,323	1,069
Other	47	47
Total non-operating expenses	2,370	1,117
Ordinary profit	2,032,571	2,685,062
Extraordinary losses		
Loss on sale of non-current assets	231	-
Loss on retirement of non-current assets	11	782
Office relocation expenses	7,569	-
Total extraordinary losses	7,812	782
Profit before income taxes	2,024,758	2,684,280
Income taxes-current	491,388	826,750
Income taxes-deferred	112,241	(31,656)
Total income taxes	603,630	795,094
Profit	1,421,128	1,889,186
Loss attributable to non-controlling interests	(2,428)	(491)
Profit attributable to owners of parent	1,423,557	1,889,677

**Quarterly Consolidated Statement of Comprehensive Income****(For the Six-month Period)**

(Thousands of yen)

	First six months of FY3/21 (Apr. 1, 2020 – Sep. 30, 2020)	First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)
Profit	1,421,128	1,889,186
Other comprehensive income		
Valuation difference on available-for-sale securities	294,966	302,834
Foreign currency translation adjustment	(18,863)	27,015
Total other comprehensive income	276,103	329,850
Comprehensive income	1,697,231	2,219,037
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,699,527	2,218,898
Comprehensive income attributable to non-controlling interests	(2,296)	138

**(3) Quarterly Consolidated Statement of Cash Flows**

(Thousands of yen)

	First six months of FY3/21 (Apr. 1, 2020 – Sep. 30, 2020)	First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)
Cash flows from operating activities		
Profit before income taxes	2,024,758	2,684,280
Depreciation	102,587	138,252
Amortization of goodwill	6,369	7,184
Increase (decrease) in allowance for doubtful accounts	(307)	3,007
Increase (decrease) in provision for bonuses	(316,952)	74,687
Increase (decrease) in provision for bonuses for directors (and other officers)	(42,000)	(35,310)
Interest and dividend income	(6,494)	(5,212)
Interest expenses	2,323	1,069
Loss (gain) on sale of non-current assets	231	-
Loss on retirement of non-current assets	11	782
Relocation expenses	7,569	-
Decrease (increase) in trade receivables	384,059	(258,055)
Increase (decrease) in trade payables	(231,651)	(150,337)
Increase (decrease) in accrued consumption taxes	(1,364)	154,460
Other, net	(56,730)	(85,210)
Subtotal	1,872,410	2,529,600
Interest and dividends received	6,495	5,212
Interest paid	(2,392)	(1,049)
Income taxes paid	(529,411)	(295,905)
Net cash provided by (used in) operating activities	1,347,102	2,237,858
Cash flows from investing activities		
Net decrease (increase) in time deposits	(705)	(516)
Purchase of property, plant and equipment	(49,716)	(39,244)
Proceeds from sale of property, plant and equipment	439	-
Purchase of intangible assets	(182,818)	(221,680)
Purchase of investment securities	(2,861)	(3,003)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	11,362	-
Other, net	-	4,325
Net cash provided by (used in) investing activities	(224,299)	(260,119)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	653,819	(159,655)
Proceeds from long-term borrowings	66,448	-
Repayments of long-term borrowings	(5,085)	(7,170)
Repayments of lease obligations	(1,523)	(1,264)
Dividends paid	(431,708)	(488,544)
Other, net	-	(94)
Net cash provided by (used in) financing activities	281,950	(656,728)
Effect of exchange rate change on cash and cash equivalents	(14,196)	19,838
Net increase (decrease) in cash and cash equivalents	1,390,557	1,340,849
Cash and cash equivalents at beginning of period	7,415,291	8,097,700
Cash and cash equivalents at end of period	8,805,848	9,438,549

**(4) Notes to Quarterly Consolidated Financial Statements****Segment Information**

I. First six months of FY3/21 (Apr. 1, 2020 – Sep. 30, 2020)

1. Information pertaining to net sales and profit/loss in reportable segments (Thousands of yen)

	Reportable Segment						Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
	Human Resources Services Business	Recruiting Business	Information Publishing Business	IT & Internet-Related Business	Overseas Business (Note 3)	Total		
Net sales								
Revenue from contracts with customers	7,563,841	820,002	873,823	658,974	383,407	10,300,049	-	10,300,049
Other revenue	-	-	-	-	-	-	-	-
Sales to external customers	7,563,841	820,002	873,823	658,974	383,407	10,300,049	-	10,300,049
Inter-segment sales and transfers	3,176	4,082	4,049	31,026	668	43,003	(43,003)	-
Total	7,567,018	824,084	877,872	690,000	384,076	10,343,052	(43,003)	10,300,049
Segment profit (loss)	2,322,823	(140,703)	28,155	147,616	(53,797)	2,304,094	(396,521)	1,907,572

Notes: 1. The (396,521) thousand yen adjustment to segment profit (loss) includes elimination for inter-segment transactions of 59,949 thousand yen, and (456,471) thousand yen in company-wide costs that cannot be allocated to any specific reportable segments. Company-wide costs consist primarily of expenses related to the administration division which are not attributable to any reportable segments, including general affairs and accounting at the Company.

2. Segment profit (loss) is adjusted with operating profit shown on the quarterly consolidated statement of income.

3. Countries and regions included in the Overseas Business are Japan, U.S. China, Mexico, U.K., Vietnam and Thailand.

2. Information pertaining to impairment losses of non-current assets, goodwill, etc. in reportable segments

Not applicable.

II. First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)

1. Information pertaining to net sales and profit/loss in reportable segments (Thousands of yen)

	Reportable Segment						Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
	Human Resources Services Business	Recruiting Business	Information Publishing Business	IT & Internet-Related Business	Overseas Business (Note 3)	Total		
Net sales								
Revenue from contracts with customers	8,829,150	1,167,637	1,028,638	742,813	434,505	12,202,745	-	12,202,745
Other revenue	-	-	-	-	-	-	-	-
Sales to external customers	8,829,150	1,167,637	1,028,638	742,813	434,505	12,202,745	-	12,202,745
Inter-segment sales and transfers	192	6,649	3,594	47,916	-	58,352	(58,352)	-
Total	8,829,343	1,174,286	1,032,232	790,730	434,505	12,261,098	(58,352)	12,202,745
Segment profit	2,631,951	88,368	95,660	234,415	10,531	3,060,926	(404,381)	2,656,545

Notes: 1. The (404,381) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 63,069 thousand yen, and (467,450) thousand yen in company-wide costs that cannot be allocated to any specific reportable segments. Company-wide costs consist primarily of expenses related to the administration division which are not attributable to any reportable segments, including general affairs and accounting at the Company.

2. Segment profit is adjusted with operating profit shown on the quarterly consolidated statement of income.

3. Countries and regions included in the Overseas Business are Japan, U.S. China, Mexico, U.K., Vietnam and Thailand.

2. Information related to revisions for reportable segments

(Revisions for reportable segments)

In the previous fiscal year, the Company conducted revisions for reportable segments. Accordingly, the segment information for the first six months of FY3/21 are reported based on the reportable segment categories after the revision.

(Changes in accounting policies)

Beginning with the first quarter of FY3/22, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and changed the method of accounting for the revenue recognition and measuring profit and loss in reportable segment.

Also, the segment information for the first six months of FY3/21 are reported using the method of measuring profit and loss after the change.

3. Information pertaining to impairment losses of non-current assets, goodwill, etc. in reportable segments

Not applicable.

*This summary report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*