QUICK CO.,LTD.

# Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [Japanese GAAP]

April 26, 2024

Company name: QUICK CO., LTD. Listing: Tokyo Stock Exchange, Prime Market
Stock code: 4318 URL: https://919.jp/
Representative: Tsutomu Wano, Chairman
Contact: Kenta Kijima, Director and Executive Officer,
General Manager of Administration and Accounting Division Tel: +81-6-6366-0919
Scheduled date of Annual General Meeting of Shareholders: June 21, 2024
Scheduled date of filing of Annual Securities Report: June 21, 2024
Scheduled date of payment of dividend: June 24, 2024
Preparation of supplementary materials for financial results: Yes
Holding of financial results meeting: Yes

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

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023–March 31, 2024)

(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 | % |
| Fiscal year ended Mar. 31, 2024 | 29,487 | 6.1 | 4,964 | 10.6 | 5,029 | 10.7 | 3,505 | 7.5 |
| Fiscal year ended Mar. 31, 2023 | 27,794 | 17.8 | 4,487 | 34.1 | 4,543 | 32.7 | 3,261 | 45.1 |

Note: Comprehensive income (millions of yen) Fiscal year ended Mar. 31, 2024: 4,194 (up 43.1%)
Fiscal year ended Mar. 31, 2023: 2,931 (up 28.7%)

| | Net income per share | Diluted net income per share | Return on equity | Ordinary profit to total assets | Operating profit to net sales |
|---|---|---|---|---|---|
| | Yen | Yen | % | % | % |
| Fiscal year ended Mar. 31, 2024 | 187.41 | – | 23.3 | 23.8 | 16.8 |
| Fiscal year ended Mar. 31, 2023 | 173.07 | – | 25.3 | 23.8 | 16.1 |

Reference: Equity in earnings of affiliates (millions of yen): Fiscal year ended Mar. 31, 2024: –
Fiscal year ended Mar. 31, 2023: –

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|---|---|---|---|---|
| | Millions of yen | Millions of yen | % | Yen |
| As of Mar. 31, 2024 | 22,042 | 16,420 | 74.5 | 877.57 |
| As of Mar. 31, 2023 | 20,179 | 13,724 | 68.0 | 733.60 |

Reference: Shareholders' equity (millions of yen) As of Mar. 31, 2024: 16,416 As of Mar. 31, 2023: 13,723

(3) Consolidated cash flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|---|---|---|---|---|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Fiscal year ended Mar. 31, 2024 | 2,973 | (750) | (1,493) | 12,997 |
| Fiscal year ended Mar. 31, 2023 | 3,545 | (497) | (1,370) | 12,213 |

## 2. Dividends

| | Dividend per share | | | | | Total dividends | Payout ratio (consolidated) | Dividends to net assets (consolidated) |
|---|---|---|---|---|---|---|---|---|
| | 1Q-end | 2Q-end | 3Q-end | Year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Fiscal year ended Mar. 31, 2023 | – | 26.00 | – | 44.00 | 70.00 | 1,314 | 40.4 | 10.2 |
| Fiscal year ended Mar. 31, 2024 | – | 36.00 | – | 58.00 | 94.00 | 1,758 | 50.2 | 11.7 |
| Fiscal year ending Mar. 31, 2025 (forecasts) | – | 47.00 | – | 47.00 | 94.00 | | 57.8 | |

## 3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024–March 31, 2025)

(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 |
| First half | 16,637 | 5.3 | 3,258 | (19.2) | 3,280 | (19.5) | 2,262 | (19.5) | 120.93 |
| Full year | 31,670 | 7.4 | 4,490 | (9.6) | 4,523 | (10.1) | 3,040 | (13.3) | 162.55 |

*** Notes**

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

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

1) Changes in accounting policies due to revisions in accounting standards, others: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting-based estimates: None
4) Restatements: None

(3) Number of shares issued (common shares)

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

| | | | |
|---|---|---|---|
| As of Mar. 31, 2024: | 19,098,576 shares | As of Mar. 31, 2023: | 19,098,576 shares |

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

| | | | |
|---|---|---|---|
| As of Mar. 31, 2024: | 391,412 shares | As of Mar. 31, 2023: | 391,355 shares |

3) Average number of shares outstanding during the period

| | | | |
|---|---|---|---|
| Fiscal year ended Mar. 31, 2024: | 18,707,193 shares | Fiscal year ended Mar. 31, 2023: | 18,846,126 shares |

**Reference: Summary of Non-consolidated Financial Results**
**Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023–March 31, 2024)**

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

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Fiscal year ended Mar. 31, 2024 | 19,861 | 6.9 | 3,454 | 12.8 | 4,104 | 14.4 | 2,977 | 7.6 |
| Fiscal year ended Mar. 31, 2023 | 18,582 | 20.5 | 3,063 | 28.9 | 3,586 | 27.7 | 2,768 | 42.0 |

| | Net income per share | Diluted net income per share |
|---|---|---|
| | Yen | Yen |
| Fiscal year ended Mar. 31, 2024 | 159.16 | – |
| Fiscal year ended Mar. 31, 2023 | 146.81 | – |

(2) Non-consolidated financial position

| | Total assets | Net assets | Shareholders’ equity ratio | Net assets per share |
|---|---|---|---|---|
| | Millions of yen | Millions of yen | % | Yen |
| As of Mar. 31, 2024 | 17,571 | 13,756 | 78.3 | 735.38 |
| As of Mar. 31, 2023 | 16,062 | 11,627 | 72.4 | 621.56 |

Reference: Shareholders’ equity (millions of yen): As of Mar. 31, 2024: 13,756 As of Mar. 31, 2023: 11,627

* The current financial report is not subject to audits 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 5 of the attachments “1. Overview of Results of Operations (4) Outlook.”

## Contents of Attachments

## 1. Overview of Results of Operations

### (1) Results of Operations

During the fiscal year ended March 31, 2024 ("the fiscal year under review"), the Japanese economy experienced a moderate recovery against a backdrop of the normalization of economic activities and the increased inbound demand following the reclassification of COVID-19 to Category 5. However, problems that are hindering economic recovery remained unresolved, such as unstable international situations including the prolonged Ukraine crisis, the escalating tensions in the Middle East, price increase on the back of higher resource and raw material costs, the continued weakening trend of the yen, and concerns about a slowdown in the overseas economies including the Chinese economy.

Although the labor market in Japan is on an improving trend with the seasonally adjusted job openings-to-applicants ratio being 1.26 in February 2024, the labor shortage in the corporate and other sectors has not yet been resolved.

Under such business environment, the QUICK Group has been working on differentiating the Group from competitors and increasing customer satisfaction by helping our client companies solve their HR related problems by developing new markets and strengthening coordination between the group companies as well as further expanding the existing businesses. The Group is also strengthening its business base by investing in human resources.

As a result, for the fiscal year under review, we achieved sales and earnings growth, both reaching all-time highs. Net sales increased 6.1% year-on-year to 29,487 million yen, operating profit increased 10.6% to 4,964 million yen, ordinary profit increased 10.7% to 5,029 million yen, and profit attributable to owners of parent increased 7.5% to 3,505 million yen.

Note that, effective from the beginning of the fiscal year under review, the name of the reportable segment that was previously referred to as the IT and Internet-Related Business has been changed to the HR Platform Business in order to more accurately represent the nature of the business. This change is merely a change in segment name and has no impact on segment information.

Performance of the business segments is described as follows.

(Human Resources Services Business)

1) Personnel Placement

In the personnel placement category, recruiting needs for various jobs continued to be robust in our focus fields of construction, electronics/machinery, and automobile industries, as well as for nurses and childcare workers in the medical and welfare sectors. Under these circumstances, we made continued efforts, including developing new markets for focus job fields and areas, organizing effective promotional activities to attract registrants, holding more meetings with our client companies and registrants who wish to change careers, and providing swift and extensive support. As a result, the personnel placement for specific fields including construction-related jobs, various types of engineering jobs, nurses, and childcare workers remained solid.

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

In the temporary staffing, temporary-to-permanent staffing, and business contracting categories, needs for COVID-19 related temporary staffing decreased significantly due to the reclassification of COVID-19 to Category 5. Under such circumstances, our efforts to hold more meetings with registrants who wish to work as a temporary staff as well as to strengthen sales to nursing care facilities, hospitals, and other facilities, which we have been promoting since the first half, contributing to a steady expansion in the performance of temporary staffing of nurses. Revenue also increased in the temporary staffing of childcare workers amid continued robust demand for temporary staffing needs, as our efforts to improve the accuracy of matching registrants who wish to work as a temporary staff with client facilities resulted in a steady increase in the number of temporary staff at work.

Overall, sales of the Human Resources Service Business increased 8.1% year-on-year to 20,631 million yen and operating profit also increased 14.4% year-on-year to 4,435 million yen.

(Recruiting Business)

In the Recruiting Business, corporate recruiting needs were robust in the restaurant, hotel, logistics, and service sectors due to the relaxation of movement restrictions against a backdrop of the reclassification of COVID-19 to Category 5, the expansion of inbound demand triggered by the weakened yen, and also due to the fact that student part-time workers tend to quit their jobs around the end of the Japanese academic year. Additionally, recruitment needs also remained strong in the medical and welfare sectors suffering chronic labor shortages.

Under such circumstances, the volume of our mainstay Indeed and Indeed PLUS, for which we began sales in January 2024, expanded steadily. In addition, the handling of media for recruiting new college graduates performed solidly on the back of the increased corporate appetite to recruit new college graduates following the economic recovery from the pandemic. On the other hand, revenue from the handling of our existing mainstay media for recruiting part-time and temporary staff and media for recruiting full-time employees targeting mid-career recruiting decreased due a decline in advertising effectiveness caused by a robust job market and a switch to Indeed PLUS.

For services other than the handling of recruiting advertisement, the consulting service field such as program development for internships and company information sessions for new graduate recruiting grew steadily, and the performance of the production field such as recruitment websites, company brochure, and others also showed a solid performance.

Overall, sales of the Recruiting Business decreased 3.9% year-on-year to 3,242 million yen and operating profit decreased 13.4% year-on-year to 559 million yen.

(Information Publishing Business)

In the Information Publishing Business, the lifestyle information magazine category remained solid thanks to a recovery in sales promotion sentiment following the reclassification of COVID-19 to Category 5 and a robust job market in the Hokuriku region and Niigata. However, the overall performance of the lifestyle information magazine largely leveled off due mainly to the suspension of advertisement placement caused by the Noto Peninsula Earthquake that occurred in January 2024. The performance of posting services, which distribute flyers and other materials to each household, also remained roughly flat, as the handling of flyers for housing events, restaurants, etc. slowed down.

On the other hand, the consulting services, in which we operate under the “coco color.” brand, performed well in the career change domain on the back of robust recruiting demand in the Hokuriku region and Niigata, thanks primarily to successful results of our participation in a large-scale recruiting project for the new factory construction by manufacturers in the Hokuriku region, as well as successful measures to strengthen promotional activities and hold more meetings to attract registrants. Furthermore, both the housing and bridal domains also posted an increase in revenue, leading to across-the-board expansion in performance. Additionally, this business category showed a healthy performance in the volume of Indeed, the production of websites and other web-related services.

Overall, sales of the Information Publishing Business increased 7.4% year-on-year to 2,491 million yen and operating profit also increased 77.5% year-on-year to 343 million yen.

Note that, effective from the beginning of the fiscal year ending March 31, 2025, the name of the reportable segment that is currently referred to as the Information Publishing Business will be changed to the Local Information Service Business to more accurately represent the nature of the business. This change is merely a change in segment name and has no impact on segment information.

(HR Platform Business)

In the HR Platform Business, the market for “Nihon no Jinjibu” (Japan’s Human Resources Department) related service continued to enjoy strong demand for capital investment to improve business efficiency and promote DX, whereby resolving issues in the HR domain, as well as sales promotion needs for services related to recruiting and HR development. Needs to attract participants to training events and seminars related to personnel and labor issues also continue to be high. Against this backdrop, advertising revenues from “Nihon no Jinjibu”—our portal website for personnel and labor relations showed an improving trend, as advertising placements by some clients, who had curbed their promotional activities, began to recover after the settling down of the pandemic. Additionally, the success of the HR Conference 2024-Winter held in February 2024 as a real event for face-to-face discussions and networking among corporate HR leaders, experts in various fields, and HR service providers also contributed to achieving all-time high in earnings in the second half.

Overall, sales of the HR Platform Business decreased 20.5% year-on-year to 1,321 million yen and operating profit decreased 11.1% year-on-year to 680 million yen.

Note that, due to the sale of all shares of Kronos Co., LTD. in October 2022, the company's operating results are not included in the consolidated operating results of the QUICK Group for the fiscal year under review, resulting in a difference in the operating results for the previous fiscal year. (Note that the company's operating results were included in our operating results for the first half of the previous fiscal year).

(Overseas Business)

In the U.S., recruiting needs continued to be strong in a wide range of fields, including the manufacturing industry such as automobile-related and food manufacturers, the logistics and IT industries, and trading companies. In addition, since there are many recruiting needs among local Japanese companies for positions that do not require Japanese language skills, we worked to strengthen our efforts to acquire not only Japanese-English bilingual personnel, but also personnel with a strong emphasis on work experience. In such a business environment, revenue increased in both the personnel placement and temporary staffing businesses as operations of offices in Chicago, Irvine (now Orange County), and Atlanta, which opened after 2022, are now on track. In Mexico, recruiting needs for interpreters and translators increased to respond to the growing number of employees transferred from Japan, as manufacturing companies began to expand production, especially in the auto-related industry, and efforts were also focused on introducing local human resources, including engineers and sales personnel, resulting in expansion in business performance.

In the U.K., the temporary staffing business posted an increase in revenue amid continued brisk corporate recruiting demand. Meanwhile, the personnel placement business also performed steadily, including international career change support (Cross Border Recruitment® services), as a result of our efforts to strengthen sales structure and cultivate new clients. Furthermore, operations began to be on track at Centre People Appointments B.V., which was established in April 2023 by Centre People Appointments Ltd., with progress being made in acquiring recruitment needs and building relationships with companies through the development of new clients and the holding of seminars.

In China, amid an increase in the number of local Japanese companies suffering poor performance impacted by the worsening Chinese economy, consultation advisory services remained resilient due to the need to manage risks in response to changes in various laws and regulations. In addition, the personnel and labor consulting business posted an increase in revenue, as there were one-off orders for training services for HR development due to the high level of need for such services. In the meantime, while corporate recruiting needs were limited to those who are difficult to recruit due to the severe domestic economy, the performance of the personnel placement category showed a recovery trend as a result of a meticulous response to client needs and consistent bolstering of sales efforts. In Vietnam, the business environment turned difficult as client companies in the IT and construction industries, which had been the driving force of our business, raised their recruiting standards, and recruitment needs continued to be mainly for those to fill vacancies in the manufacturing and service sectors and in trading companies. Despite that, however, our efforts to develop new clients newly entering the Vietnamese market led to an increase in revenue. Furthermore, in Thailand, while recruitment needs also continue to be mainly to fill vacancies, we worked to bolster our sales efforts, focusing on job fields with relatively high recruitment needs and with a high number of registrants who wish to change careers, such as sales personnel and Japanese-speaking personnel, resulting in an increase in revenue.

Overall, sales of the Overseas Business increased 32.7% year-on-year to 1,801 million yen and operating profit also increased 62.6% year-on-year to 170 million yen.

**(2) Financial Position**

Assets

Total assets at the end of the fiscal year under review increased 9.2%, or 1,863 million yen, year-on-year to 22,042 million yen. This was mainly the result of increases in cash and deposits and investment securities despite a decrease in deferred tax assets.

Liabilities

Total liabilities at the end of the fiscal year under review decreased 12.9%, or 832 million yen, year-on-year to 5,622 million yen. This was mainly the result of decreases in provision for bonuses and income taxes payable despite an increase in deferred tax liabilities.

Net assets

Total net assets at the end of the fiscal year under review increased 19.6%, or 2,695 million yen, year-on-year to 16,420 million yen. 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 6.5 percentage points from the end of the previous fiscal year to 74.5%.

**(3) Cash Flows**

Cash and cash equivalents (hereinafter "net cash") increased 783 million yen from the end of the previous fiscal year to 12,997 million yen at the end 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 decreased 16.1% year-on-year to 2,973 million yen. Negative factors include income taxes paid of 1,574 million yen. Positive factors include profit before income taxes of 5,028 million yen.

Cash flows from investing activities

Net cash used in investing activities increased 50.7% year-on-year to 750 million yen. Positive factors include 17 million yen of proceeds from sale of investment securities. Negative factors include purchase of property, plant and equipment and intangible assets of 751 million yen.

Cash flows from financing activities

Net cash used in financing activities increased 9.0% year-on-year to 1,493 million yen. Negative factors include dividends paid of 1,493 million yen.

**(4) Outlook**

Going forward, amid a gradual recovery trend in the domestic economy, we expect to see an improvement in consumption activities due to such factors as wage hikes and a further increase in inbound demand. However, we need to remain cautious about the future of the Japanese economy due to rising geopolitical risks in Ukraine and the Middle East, soaring prices of resources and raw materials and rising prices of commodities in response to the weakened yen, as well as uncertainty in the global economy, including the slowdown of the Chinese economy.

As for employment circumstance, recruiting needs in the restaurant, logistics, hotel, and service sectors are expanding with the easing of COVID-related restrictions and a recovery in the inbound demand. In the transportation and construction industries, which are required to address the "2024 problem," or tightened regulations on overtime work, recruiting appetite among companies are also strong. Furthermore, in other sectors, an increasing number of companies are considering reinforcement of mid-career recruiting to promote organizational diversity, DX, and globalization of the business. In addition to such moves, recruiting needs of companies and the mobility of human resources are expected to further increase because we are still facing a severe structural labor shortage caused by the country's falling birthrate and aging population.

Given such business environment, the Human Resources Services Business will promote the acquisition of registrants and securing of the number of interviews by aggressively investing in the development and enhancement of our websites and in strengthening promotions. We will also strive to enhance the personnel placement and temporary staffing services targeting specific domains by deep-diving into the existing domains and developing new markets. In addition, we will make a full-scale investment in the contingent fee-based recruitment advertising business in the nursing domain and develop services utilizing the business assets of the Career-tasu's nursing business, which is scheduled to be acquired in May 2024.

The Recruiting Business will promote proposals for recruiting media with higher advertising effectiveness and expand our customer base, focusing on strengthening support for specific industries. On the other hand, we will continue to develop services for clients to build recruiting strategies, improve screening activities, and develop corporate branding.

The Local Information Service Business, which will be renamed from the Information Publishing Business from the beginning of the fiscal year ending March 31, 2025, will work to improve revenue of media services by promoting the handling of new web media while seeking to stabilize performance by improving our own media according to the sales promotion and recruitment needs of our clients. In addition, we will strengthen our sales structure and promotions for our highly profitable consulting service "coco color."

The HR Platform Business will strive to differentiate our core "Nihon no Jinjibu" related services from the services of our competitors not only by attracting customers when placing advertisements and exhibiting at events, but also by expanding content and services that lead to brand enhancement, etc., and by providing content that meets the diversifying purposes of use of users.

The Overseas Business will proceed with market research for further development of operations bases, while getting the operation on track at our new bases in the U.S. and the Netherlands, which opened in the previous fiscal year. We will also strengthen personnel placement and temporary staffing services by strengthening sales structure through recruiting and training, while focusing on the Cross Border Recruitment® services, career change support services for those who seek a job internationally.

Given the above, we expect consolidated net sales to increase 7.4% year-on-year to 31,670 million yen, operating profit to decrease 9.6% to 4,490 million yen, ordinary profit to decrease 10.1% to 4,523 million yen, and profit attributable to owners of parent to decrease 13.3% to 3,040 million yen for the fiscal year ending March 31, 2025.

**(5) Basic Policy for Profit Distribution and Dividends in the Current and Next Fiscal Years**

The Company positions the return of profits to shareholders as a priority management issue and endeavors to achieve sustainable growth and increase corporate value.

As announced in the "Notice of Change in Dividend Policy and Revision to Dividend Forecast (Dividend Increase)" dated December 12, 2023 (Japanese version only), we have decided to increase the dividends of surplus. Specifically, we aim to enhance our return of profits and augment shareholders' value with a basic policy that adopts 50% of profit attributable to owners of parent as our target dividend payout ratio, taking into consideration such factors as strengthening our financial base and future business developments.

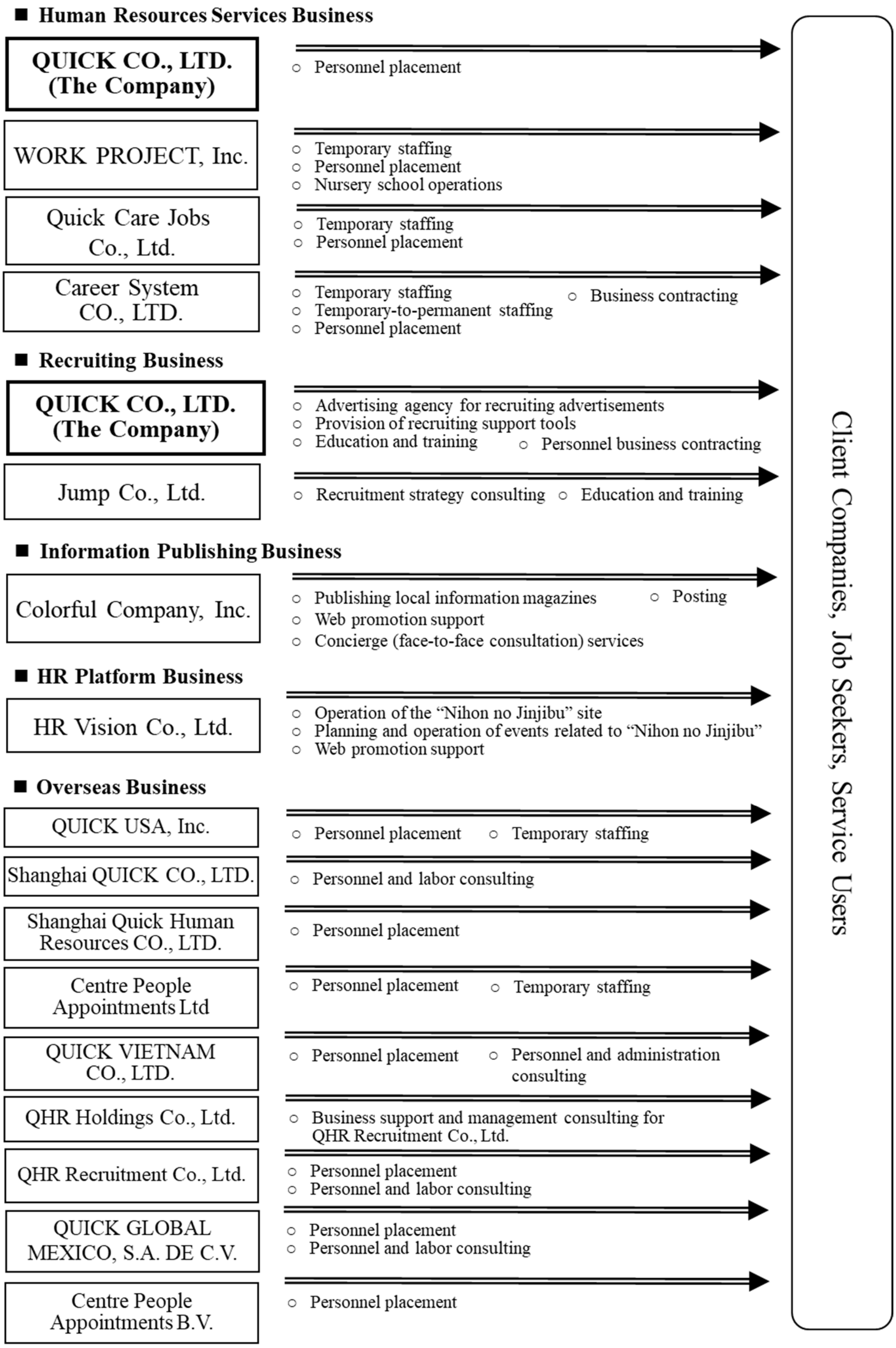
Along with this dividend policy, as announced in the "Notice of Dividends of Surplus (Dividend Increase)" released today (Japanese version only), we plan to pay the year-end dividend of 58 yen per share, thus an annual dividend of 94 yen per share consisting of a dividend of 36 yen at the end of the second quarter and 58 yen at the fiscal year-end.

For the fiscal year ending March 31, 2025, we forecast an annual dividend of 94 yen per share, consisting of a dividend of 47 yen at the end of the second quarter and 47 yen at the fiscal year-end. At present, we do not expect to award dividends other than at the end of the second quarter and fiscal year-end.

**2. Corporate Group**

The QUICK Group (QUICK CO., LTD. and its affiliated companies) consists of QUICK CO., LTD. (the Company), and 15 consolidated subsidiaries. Business operations are 1) Human Resources Services Business, 2) Recruiting Business, 3) Information Publishing Business, 4) HR Platform Business, and 5) Overseas Business.

A flowchart of the Group's business operations is as follows:




Note: All of the above 15 affiliated companies are consolidated subsidiaries.
The Information Publishing Business will be renamed to the Local Information Service Business from the beginning of the fiscal year ending March 31, 2025.

## 3. Management Policies

### (1) Basic Management Policy

Since the time of its establishment, the QUICK Group has provided comprehensive human resources services that link people and companies. Themed on human resources, we develop business that contributes to society. Going forward, we will continue to grow as a company that "contributes to society through the human resources and information businesses."

The QUICK Group's businesses are as described in "2. Corporate Group." In each of these businesses, the Group will strengthen operations in order to respond swiftly to market needs, including those of client companies and job-seekers, and also build up our sales structure. Furthermore, the Group will strive to enhance management efficiencies through synergistic effects enabled by information sharing and cooperation within the Group.

### (2) Performance Targets

While expanding the scale of its operations, the QUICK Group's policy is to build a profitability-oriented organization that makes effective use of such business assets as its proprietary sales network and expertise in attracting registrants who wish to change careers within the Group. In addition, by aggressively pursuing investments necessary to strengthen existing businesses and develop new business areas, the Group will achieve stable growth and a robust financial foundation over the medium to long-term, aiming to improve its ordinary profit margin and return on equity (ROE).

### (3) Medium- and Long-term Management Strategy

The QUICK Group, in order to expand its areas of business as a comprehensive human resources services and information services company, intends to further ramp up our mainstay Human Resources Services Business, along with aiming to achieve the medium- to long-term growth of each of the other businesses.

In each business, we will engage in cultivation of new markets and development of new products, services, and business models. We will strive to build a sales structure to swiftly meet changing market needs and enhance our competitiveness through synergies arising from the strengthening of cooperation between the businesses.

Furthermore, we aim at realizing the concept of the "Sekai no Jinjibu® (Human Resources Department for the world)," through which we develop global human resources services, by strengthening cooperation between our overseas companies and businesses in Japan and promoting international career change support (Cross Border Recruitment® services), in order to drive our Overseas Business forward.

### (4) Issues to Address

Based on its management philosophy of "making everyone involved happy" and its business philosophy of "contributing to society through human resources and information businesses," the QUICK Group aims to cultivate new markets in the existing businesses and propose new services. At the same time, we will continue to invest in core strategic fields and grow in these fields with the goal of becoming the leader in these targeted markets. In addition to Japanese companies that must deal with recruiting and personnel and labor issues at their overseas operations, many companies in Japan are also suffering from structural labor shortage due to the country's falling birthrate and aging population. In this environment, we take proactive stance in order to accomplish our goal of becoming a "Sekai no Jinjibu®" that can help solve the recruiting and other HR issues of companies at home and abroad by providing global human resources services.

Furthermore, we will focus more on hiring and training of people and M&As to promote these goals, thereby enabling the QUICK Group as a whole to grow even faster.

The issues in individual business segments are outlined below.

(Human Resources Services Business)

1) Personnel Placement

In the personnel placement category, human resources companies are competing more intensely in order primarily to attract registrants who wish to change careers for specialized jobs in a wide range including our focus fields of construction, electric/machinery, pharmaceutical, medical, and welfare business sectors.

Accordingly, we will strive to attract more registrants who wish to change careers and secure the number of interviews by making aggressive investments. Through the investments, we will develop our websites to enhance usability and satisfaction by strengthening their functions with more contents available online, increase the brand power by strengthening promotional activities, and extensively review other methods. We will also deep-dive into the existing domains, cultivate new domains, and enhance competitive advantage through better relationships with client companies and registrants who wish to change careers.

Furthermore, we will develop services of the Career-tasu nursing business (new graduate recruitment service) to be acquired in May 2024 by leveraging its brand awareness and business assets including registered nursing students. At the same time, we will enhance competitiveness of the entire organization by eliciting strengths of young employees early on by actively recruiting and intensively training them.

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

In the temporary staffing, temporary-to-permanent staffing, and business contracting categories, demand for temporary staffing is expected to remain strong from medical and welfare sectors as well as childcare workers category, although demand for COVID-related temporary staffing of nurses, which is our priority category, will almost come to an end.

Under such circumstances, to respond to the bigger cost burden resulting from rising pay rates of temporary staff and the extension of social insurance coverage imposed from October 2024, we will continue negotiation with our client facilities and others regarding fees of temporary staffing.

We will also work to effectively attract more people to register for temporary staffing placements and hold more meetings in order to secure sufficient profit by focusing on efforts other than promotions, such as enriching our website with more contents, holding seminars, and approaching existing registrants, while working on expanding the market penetration of temporary staffing services in coordination with the personnel placement business for nurses.

(Recruiting Business)

In the Recruiting Business, the competitive environment surrounding the recruitment media we have handled to date has been changing rapidly due to continuously diversified hiring methods, including emerging aggregation-type recruiting media (search engine type recruiting media collecting specific information from multiple websites) such as Indeed or contingent fee-based recruiting media, as well as personnel placements and widespread direct recruiting.

To respond to this situation, we will strengthen comprehensive proposals to pursue recruiting results, including support for developing recruiting strategies and improving screening activities, centered on proposals for aggregation-type recruiting media such as Indeed PLUS.

We will also work to expand our client base by strengthening support for specific industries with strong recruiting needs.

(Information Publishing Business)

The Information Publishing Business (to be renamed to the Local Information Service Business from the beginning of fiscal year ending March 31, 2025) expects a continuous downward trend in placing advertisements in information magazines as the advertising techniques of the clients have been shifting further to web media. The posting service is facing the challenges of the slowdown in distribution demand compared to the period of the COVID-19 pandemic and chronic shortage of posting staff.

To address such circumstances, we will endeavor to improve profitability of the media services as a whole by starting to handle new web media such as Retty for sales promotion advertising for restaurants and Indeed PLUS for recruiting advertisements, while improving the existing owned media to meet to customer needs on an ongoing basis.

In addition, the posting service will expand its distribution area in Toyama and Niigata prefectures, and will respond to the clients' distribution needs by allowing more detailed setting of distribution destinations. We will also work to strengthen interactions with staff currently active and improve workplace to cope with the shortage of posting staff and stabilize the distribution system by strengthening recruiting activities.

(HR Platform Business)

In the HR Platform Business, with regard to “Nihon no Jinjibu,” a total information site pertaining to personnel and labor, competition has been intensifying in the handling of HR solutions-related advertising due to an increase of competing websites and similar events and services, while advertising investment standards within HR solution companies are becoming stricter.

In response to such moves, we will work to increase the user value of the “Nihon-no-Jinjibu” related services within HR solution companies by creating content and expanding services that will not only attract customers when placing advertising, but also improve the brand.

We will also post numerous contents within the website to increase the number of members and frequency of using the website, aiming to enhance our competitive advantage.

(Overseas Business)

In the Overseas Business, recruiting needs of companies continue to be strong in Europe, the US, and Mexico. In order to get the new offices opened last year in the U.S. and the Netherlands on track in such favorable job market for career change, we will work to build a sales structure by actively recruiting employees and intensively training them, while simultaneously conducting market research for further office development.

On the other hand, companies’ recruiting stance in Vietnam and Thailand is mainly to fill vacancies due to the economic slowdown, and companies’ recruiting sentiment in China is sluggish against the backdrop of the economic deterioration. Under these circumstances, we aim to improve our business performance in Asia by strengthening our sales structure through recruitment and training, as well as by seeking to provide new services.

We will also focus on the Cross Border Recruitment® service, which provides job search assistance to job seekers who wish to change careers internationally, by strengthening cooperation between subsidiaries, including between those in the U.S. and Mexico and between those in the U.K. and the Netherlands.

**4. Basic Approach to the Selection of Accounting Standards**

The Group will continue to prepare its consolidated financial statements in accordance with Generally Accepted Accounting Principles in Japan for the time being to permit comparisons with prior years and with the financial data of other companies.

We will take suitable actions with regard to the application of International Financial Reporting Standards (IFRS) by taking into account associated factors in Japan and other countries.

## 5. Consolidated Financial Statements and Notes

### (1) Consolidated Balance Sheet

(Thousands of yen)

| | FY3/23 (As of Mar. 31, 2023) | FY3/24 (As of Mar. 31, 2024) |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 12,275,622 | 13,056,402 |
| Notes and accounts receivable-trade | 2,770,678 | 2,981,865 |
| Other | 546,565 | 381,169 |
| Allowance for doubtful accounts | (3,231) | (3,180) |
| Total current assets | 15,589,635 | 16,416,256 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 1,662,537 | 1,894,631 |
| Accumulated depreciation | (813,751) | (880,989) |
| Buildings and structures, net | 848,785 | 1,013,641 |
| Vehicles | 16,284 | 25,341 |
| Accumulated depreciation | (7,465) | (10,690) |
| Vehicles, net | 8,819 | 14,650 |
| Tools, furniture and fixtures | 452,018 | 526,417 |
| Accumulated depreciation | (227,172) | (272,399) |
| Tools, furniture and fixtures, net | 224,845 | 254,017 |
| Land | 176,789 | 176,789 |
| Leased assets | 13,906 | 7,606 |
| Accumulated depreciation | (10,785) | (5,891) |
| Leased assets, net | 3,121 | 1,715 |
| Total property, plant and equipment | 1,262,360 | 1,460,814 |
| Intangible assets | | |
| Software | 738,371 | 994,262 |
| Software in progress | 148,042 | 86,094 |
| Goodwill | 4,205 | 2,336 |
| Other | 10,646 | 10,646 |
| Total intangible assets | 901,265 | 1,093,340 |
| Investments and other assets | | |
| Investment securities | 1,212,293 | 2,131,919 |
| Leasehold deposits | 719,732 | 823,431 |
| Deferred tax assets | 446,062 | 77,190 |
| Other | 52,846 | 44,754 |
| Allowance for doubtful accounts | (5,026) | (5,204) |
| Total investments and other assets | 2,425,907 | 3,072,091 |
| Total non-current assets | 4,589,534 | 5,626,246 |
| Total assets | 20,179,169 | 22,042,503 |

(Thousands of yen)

| | FY3/23<br>(As of Mar. 31, 2023) | FY3/24<br>(As of Mar. 31, 2024) |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable-trade | 672,740 | 789,990 |
| Short-term borrowings | 120,522 | 121,502 |
| Accounts payable-other | 1,304,770 | 1,461,580 |
| Accrued expenses | 812,050 | 776,286 |
| Lease liabilities | 1,471 | 1,092 |
| Income taxes payable | 866,202 | 530,145 |
| Accrued consumption taxes | 635,407 | 417,157 |
| Provision for bonuses | 1,445,434 | 641,694 |
| Provision for bonuses for directors (and other officers) | 110,828 | 35,359 |
| Asset retirement obligations | 5,508 | 29,300 |
| Other | 369,071 | 358,789 |
| Total current liabilities | 6,344,006 | 5,162,896 |
| Non-current liabilities | | |
| Lease liabilities | 1,833 | 741 |
| Deferred tax liabilities | 659 | 192,948 |
| Retirement benefit liability | – | 17,639 |
| Asset retirement obligations | 107,898 | 247,835 |
| Total non-current liabilities | 110,392 | 459,164 |
| Total liabilities | 6,454,398 | 5,622,061 |
| Net assets | | |
| Shareholders’ equity | | |
| Share capital | 351,317 | 351,317 |
| Capital surplus | 433,071 | 429,830 |
| Retained earnings | 12,503,271 | 14,512,614 |
| Treasury shares | (343,650) | (343,784) |
| Total shareholders’ equity | 12,944,008 | 14,949,977 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 723,782 | 1,372,176 |
| Foreign currency translation adjustment | 55,750 | 94,708 |
| Total accumulated other comprehensive income | 779,532 | 1,466,885 |
| Non-controlling interests | 1,229 | 3,578 |
| Total net assets | 13,724,770 | 16,420,441 |
| Total liabilities and net assets | 20,179,169 | 22,042,503 |

## (2) Consolidated Statements of Income and Comprehensive Income

### Consolidated Statement of Income

(Thousands of yen)

| | FY3/23 (Apr. 1, 2022–Mar. 31, 2023) | FY3/24 (Apr. 1, 2023–Mar. 31, 2024) |
|---|---|---|
| Net sales | 27,794,894 | 29,487,181 |
| Cost of sales | 9,374,866 | 9,576,566 |
| Gross profit | 18,420,028 | 19,910,615 |
| Selling, general and administrative expenses | 13,932,899 | 14,945,859 |
| Operating profit | 4,487,128 | 4,964,756 |
| Non-operating income | | |
| Interest income | 2,097 | 2,591 |
| Dividend income | 8,453 | 8,352 |
| Foreign exchange gains | 15,951 | 9,098 |
| Sale cooperation fee | 14,850 | 600 |
| Subsidy income | 9,342 | 1,041 |
| Book sales commission | 14,983 | 20,228 |
| Other | 21,889 | 24,839 |
| Total non-operating income | 87,567 | 66,751 |
| Non-operating expenses | | |
| Interest expenses | 1,476 | 1,630 |
| Commission expenses | 25,218 | 51 |
| Information security expenses | 4,144 | – |
| Other | 306 | 0 |
| Total non-operating expenses | 31,145 | 1,681 |
| Ordinary profit | 4,543,550 | 5,029,826 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 126 | 862 |
| Gain on sale of shares of subsidiaries and associates | 171,296 | – |
| Gain on sale of investment securities | – | 3,729 |
| Total extraordinary income | 171,422 | 4,591 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 251 | 1,018 |
| Loss on sale of investment securities | – | 4,584 |
| Impairment losses | 114,061 | – |
| Loss on store closings | 25,750 | – |
| Total extraordinary losses | 140,063 | 5,602 |
| Profit before income taxes | 4,574,909 | 5,028,815 |
| Income taxes-current | 1,516,638 | 1,245,758 |
| Income taxes-deferred | (203,233) | 276,218 |
| Total income taxes | 1,313,405 | 1,521,977 |
| Profit | 3,261,504 | 3,506,837 |
| Profit (loss) attributable to non-controlling interests | (157) | 917 |
| Profit attributable to owners of parent | 3,261,661 | 3,505,919 |

**Consolidated Statement of Comprehensive Income**

(Thousands of yen)

| | FY3/23 (Apr. 1, 2022–Mar. 31, 2023) | FY3/24 (Apr. 1, 2023–Mar. 31, 2024) |
|---|---|---|
| Profit | 3,261,504 | 3,506,837 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (360,938) | 648,394 |
| Foreign currency translation adjustment | 30,809 | 38,787 |
| Total other comprehensive income | (330,128) | 687,181 |
| Comprehensive income | 2,931,375 | 4,194,019 |
| Comprehensive income attributable to: | | |
| Owners of parent | 2,931,325 | 4,193,272 |
| Non-controlling interests | 49 | 746 |

### (3) Consolidated Statement of Changes in Equity

FY3/23 (Apr. 1, 2022–Mar. 31, 2023)

(Thousands of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 351,317 | 391,392 | 10,261,028 | (16,171) | 10,987,566 |
| Changes during period | | | | | |
| Dividends of surplus | | | (1,018,511) | | (1,018,511) |
| Profit attributable to owners of parent | | | 3,261,661 | | 3,261,661 |
| Purchase of treasury shares | | | | (330,400) | (330,400) |
| Disposal of treasury shares | | 41,678 | | 1,881 | 43,560 |
| Change in scope of consolidation | | | (906) | 1,040 | 133 |
| Capital increase of consolidated subsidiaries | | | | | – |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | – | 41,678 | 2,242,242 | (327,479) | 1,956,442 |
| Balance at end of period | 351,317 | 433,071 | 12,503,271 | (343,650) | 12,944,008 |

| | Accumulated other comprehensive income | | | Non-controlling interests | Total net assets |
|---|---|---|---|---|---|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income | | |
| Balance at beginning of period | 1,084,720 | 25,147 | 1,109,867 | 949 | 12,098,383 |
| Changes during period | | | | | |
| Dividends of surplus | | | | | (1,018,511) |
| Profit attributable to owners of parent | | | | | 3,261,661 |
| Purchase of treasury shares | | | | | (330,400) |
| Disposal of treasury shares | | | | | 43,560 |
| Change in scope of consolidation | | | | | 133 |
| Capital increase of consolidated subsidiaries | | | | | – |
| Net changes in items other than shareholders' equity | (360,938) | 30,602 | (330,335) | 279 | (330,055) |
| Total changes during period | (360,938) | 30,602 | (330,335) | 279 | 1,626,387 |
| Balance at end of period | 723,782 | 55,750 | 779,532 | 1,229 | 13,724,770 |

FY3/24 (Apr. 1, 2023–Mar. 31, 2024)

(Thousands of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 351,317 | 433,071 | 12,503,271 | (343,650) | 12,944,008 |
| Changes during period | | | | | |
| Dividends of surplus | | | (1,496,576) | | (1,496,576) |
| Profit attributable to owners of parent | | | 3,505,919 | | 3,505,919 |
| Purchase of treasury shares | | | | (133) | (133) |
| Disposal of treasury shares | | | | | – |
| Change in scope of consolidation | | | | | – |
| Capital increase of consolidated subsidiaries | | (3,240) | | | (3,240) |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | – | (3,240) | 2,009,343 | (133) | 2,005,969 |
| Balance at end of period | 351,317 | 429,830 | 14,512,614 | (343,784) | 14,949,977 |

| | Accumulated other comprehensive income | | | Non-controlling interests | Total net assets |
|---|---|---|---|---|---|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income | | |
| Balance at beginning of period | 723,782 | 55,750 | 779,532 | 1,229 | 13,724,770 |
| Changes during period | | | | | |
| Dividends of surplus | | | | | (1,496,576) |
| Profit attributable to owners of parent | | | | | 3,505,919 |
| Purchase of treasury shares | | | | | (133) |
| Disposal of treasury shares | | | | | – |
| Change in scope of consolidation | | | | | – |
| Capital increase of consolidated subsidiaries | | | | | (3,240) |
| Net changes in items other than shareholders' equity | 648,394 | 38,958 | 687,353 | 2,348 | 689,701 |
| Total changes during period | 648,394 | 38,958 | 687,353 | 2,348 | 2,695,670 |
| Balance at end of period | 1,372,176 | 94,708 | 1,466,885 | 3,578 | 16,420,441 |

**(4) Consolidated Statement of Cash Flows**

(Thousands of yen)

| | FY3/23<br>(Apr. 1, 2022–Mar. 31, 2023) | FY3/24<br>(Apr. 1, 2023–Mar. 31, 2024) |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 4,574,909 | 5,028,815 |
| Depreciation | 425,793 | 482,841 |
| Impairment losses | 114,061 | – |
| Amortization of goodwill | 1,869 | 1,869 |
| Increase (decrease) in allowance for doubtful accounts | (1,331) | 126 |
| Increase (decrease) in provision for bonuses | 410,614 | (807,024) |
| Increase (decrease) in provision for bonuses for directors (and other officers) | 37,498 | (75,469) |
| Increase (decrease) in retirement benefit liability | – | 17,639 |
| Interest and dividend income | (10,551) | (10,944) |
| Interest expenses | 1,476 | 1,630 |
| Loss (gain) on sale of shares of subsidiaries and associates | (171,296) | – |
| Loss (gain) on sale of investment in securities | – | 855 |
| Gain on sale of non-current assets | (126) | (862) |
| Loss on retirement of non-current assets | 251 | 933 |
| Decrease (increase) in trade receivables | (578,224) | (227,777) |
| Increase (decrease) in trade payables | 150,054 | 111,836 |
| Decrease (increase) in leasehold and guarantee deposits | (26,489) | (102,341) |
| Increase (decrease) in accrued consumption taxes | 160,472 | (221,158) |
| Other, net | 119,103 | 337,277 |
| Subtotal | 5,208,084 | 4,538,246 |
| Interest and dividends received | 10,551 | 11,466 |
| Interest paid | (1,479) | (1,641) |
| Income taxes paid | (1,671,238) | (1,574,397) |
| Net cash provided by (used in) operating activities | 3,545,918 | 2,973,674 |
| Cash flows from investing activities | | |
| Net decrease (increase) in time deposits | (1,513) | 4,580 |
| Purchase of property, plant and equipment | (281,371) | (234,885) |
| Proceeds from sale of property, plant and equipment | 1,884 | 862 |
| Purchase of intangible assets | (320,035) | (516,525) |
| Purchase of investment securities | (5,783) | (4,851) |
| Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation | 122,949 | – |
| Proceeds from sale of investment securities | – | 17,872 |
| Payments for asset retirement obligations | (14,062) | (17,535) |
| Net cash provided by (used in) investing activities | (497,932) | (750,482) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | (20,480) | 980 |
| Repayments of lease liabilities | (2,646) | (1,471) |
| Purchase of treasury shares | (330,400) | (133) |
| Dividends paid | (1,016,709) | (1,493,266) |
| Net cash provided by (used in) financing activities | (1,370,236) | (1,493,891) |
| Effect of exchange rate change on cash and cash equivalents | 38,262 | 54,444 |
| Net increase (decrease) in cash and cash equivalents | 1,716,012 | 783,744 |
| Cash and cash equivalents at beginning of period | 10,448,889 | 12,213,602 |
| Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation | 48,701 | – |
| Cash and cash equivalents at end of period | 12,213,602 | 12,997,347 |

### (5) Notes to Consolidated Financial Statements

#### Segment Information

1. Outline of reportable segments

The reportable segments of the Company are components for which discrete financial information is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and to assess performance.

The QUICK Group engages in a diverse range of businesses, including personnel placement and temporary staffing, providing services related to recruiting advertisement, and publishing local information magazines. The Company and its consolidated subsidiaries (hereinafter “business operation companies”) are independent management units that independently draft comprehensive business strategies and develop business activities for each business.

Accordingly, the QUICK Group is composed of business-specific segments based on the Company’s business operating structure and business operation companies. The Group has five reportable segments: Human Resources Services Business, Recruiting Business, Information Publishing Business, HR Platform Business, and Overseas Business.

Main activities of the Human Resources Services Business include personnel placement, temporary staffing, temporary-to-permanent staffing, business contracting, and nursery school operations. Main activities of the Recruiting Business include an advertising agency business for recruiting advertisements, provision of recruiting support tools, education and training, and personnel business contracting. Main activities of the Information Publishing Business include publication of local information magazines, web promotion support, posting, and concierge (face-to-face consultation) services. The HR Platform Business mainly operates the “Nihon no Jinjibu” site, plans and operates events related to the “Nihon no Jinjibu,” and supports web promotions. The Overseas Business engages in personnel placement, temporary staffing, personnel and labor consulting, and other services in the U.S., China, Mexico, the U.K., the Netherlands, China, Vietnam, and Thailand.

Matters on changes in reportable segments

Change in name of reportable segment

Effective from the beginning of the fiscal year under review, the name of the reportable segment that was previously referred to as the IT and Internet-Related Business has been changed to the HR Platform Business in order to more accurately represent the nature of the business.

This change is merely a change in segment name and has no impact on segment information. The segment information for the previous fiscal year is also described using the name after the change.

2. Calculation method of net sales, profit/loss, assets and other items in each reportable segment

The method of accounting for the reported operating segments is in accordance with the accounting policy adopted to prepare the consolidated financial statements.

Profits for reportable segments are generally operating profit.

Inter-segment sales and transfers are based on prevailing market prices.

3. Information pertaining to net sales, profit/loss, assets and other items in reportable segments and disaggregated revenue

FY3/23 (Apr. 1, 2022–Mar. 31, 2023) (Thousands of yen)

| | Reportable Segment | | | | | | Adjustment (Note 1) | Amount in the consolidated financial statements (Note 2) |
|---|---|---|---|---|---|---|---|---|
| | Human Resources Services Business | Recruiting Business | Information Publishing Business | HR Platform Business | Overseas Business (Note 3) | Total | | |
| Net sales | | | | | | | | |
| Revenue from contracts with customers | 19,080,498 | 3,373,551 | 2,320,078 | 1,662,613 | 1,358,153 | 27,794,894 | – | 27,794,894 |
| Other revenue | – | – | – | – | – | – | – | – |
| Sales to external customers | 19,080,498 | 3,373,551 | 2,320,078 | 1,662,613 | 1,358,153 | 27,794,894 | – | 27,794,894 |
| Inter-segment sales and transfers | 5,923 | 30,854 | 12,701 | 50,689 | 2,275 | 102,444 | (102,444) | – |
| Total | 19,086,421 | 3,404,406 | 2,332,779 | 1,713,302 | 1,360,429 | 27,897,339 | (102,444) | 27,794,894 |
| Segment profit | 3,876,938 | 645,732 | 193,599 | 765,888 | 104,854 | 5,587,013 | (1,099,885) | 4,487,128 |
| Segment assets | 11,459,899 | 2,458,479 | 1,594,190 | 1,813,140 | 766,414 | 18,092,124 | 2,087,045 | 20,179,169 |
| Other items | | | | | | | | |
| Depreciation | 332,985 | 5,088 | 18,066 | 9,353 | 10,994 | 376,488 | 49,305 | 425,793 |
| Impairment loss | 89,074 | – | 24,986 | – | – | 114,061 | – | 114,061 |
| Increase in property, plant and equipment and intangible assets | 488,836 | 3,167 | 2,882 | 32,373 | 15,097 | 542,356 | 60,930 | 603,287 |

Notes: 1. Contents of adjustments are as follows.

(1) The (1,099,885) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 136,237 thousand yen, and (1,236,123) 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) The 2,087,045 thousand yen adjustment to segment assets includes elimination for inter-segment transactions of (477,985) thousand yen, and 2,565,031 thousand yen in company-wide assets that cannot be allocated to any specific reportable segments. Company-wide assets consist primarily of the Company's excess funds (cash and deposits), long-term investments (investment securities), and assets which belong to the administration division.

(3) The 49,305 thousand yen adjustment to depreciation is the sum of depreciation of assets which belong to the administration division that cannot be allocated to reportable segments.

(4) The 60,930 thousand yen adjustment to an increase in property, plant and equipment and intangible assets is the sum of assets which are not attributable to any reportable segments and belong to the administration division that cannot be allocated to reportable segments.

2. Segment profit is adjusted with operating profit shown on the consolidated statement of income.
3. Countries and regions included in the Overseas Business are U.S., Mexico, U.K., China, Vietnam, and Thailand.
4. The "Human Resources Services Business" and "Information Publishing Business" segments reported an impairment loss on non-current assets of 89,074 thousand yen and 24,986 thousand yen, respectively.

FY3/24 (Apr. 1, 2023–Mar. 31, 2024) (Thousands of yen)

| | Reportable Segment | | | | | | Adjustment (Note 1) | Amount in the consolidated financial statements (Note 2) |
|---|---|---|---|---|---|---|---|---|
| | Human Resources Services Business | Recruiting Business | Information Publishing Business | HR Platform Business | Overseas Business (Note 3) | Total | | |
| Net sales | | | | | | | | |
| Revenue from contracts with customers | 20,631,273 | 3,242,138 | 2,491,027 | 1,321,055 | 1,801,687 | 29,487,181 | — | 29,487,181 |
| Other revenue | – | – | – | – | – | – | – | – |
| Sales to external customers | 20,631,273 | 3,242,138 | 2,491,027 | 1,321,055 | 1,801,687 | 29,487,181 | — | 29,487,181 |
| Inter-segment sales and transfers | 5,803 | 32,100 | 17,810 | 6,514 | 9,378 | 71,606 | (71,606) | – |
| Total | 20,637,076 | 3,274,238 | 2,508,837 | 1,327,570 | 1,811,065 | 29,558,788 | (71,606) | 29,487,181 |
| Segment profit | 4,435,237 | 559,093 | 343,554 | 680,966 | 170,543 | 6,189,394 | (1,224,638) | 4,964,756 |
| Segment assets | 11,458,640 | 2,375,623 | 1,761,057 | 1,886,623 | 929,247 | 18,411,192 | 3,631,310 | 22,042,503 |
| Other items | | | | | | | | |
| Depreciation | 348,460 | 7,196 | 21,378 | 4,695 | 13,205 | 394,937 | 87,903 | 482,841 |
| Impairment loss | – | – | – | – | – | – | – | – |
| Increase in property, plant and equipment and intangible assets | 540,533 | 7,003 | 9,131 | – | 28,071 | 584,739 | 137,460 | 722,200 |

Notes: 1. Contents of adjustments are as follows.

(1) The (1,224,638) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 197,673 thousand yen, and (1,422,312) 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) The 3,631,310 thousand yen adjustment to segment assets includes elimination for inter-segment transactions of (209,698) thousand yen, and 3,841,009 thousand yen in company-wide assets that cannot be allocated to any specific reportable segments. Company-wide assets consist primarily of the Company’s excess funds (cash and deposits), long-term investments (investment securities), and assets which belong to the administration division.

(3) The 87,903 thousand yen adjustment to depreciation is the sum of depreciation of assets which belong to the administration division that cannot be allocated to reportable segments.

(4) The 137,460 thousand yen adjustment to an increase in property, plant and equipment and intangible assets is the sum of assets which are not attributable to any reportable segments and belong to the administration division that cannot be allocated to reportable segments.

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

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