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Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 16, 2022

Company name: RareJob, Inc.
 Stock exchange listing: Tokyo
 Code number: 6096
 URL: <https://www.rarejob.co.jp>
 Representative: Gaku Nakamura, CEO
 Contact: Naoki Morita, Executive Officer & CFO
 Phone: 03-5468-7401
 Scheduled date of Annual General Meeting of Shareholders: June 22, 2022
 Scheduled date of commencing dividend payments: June 23, 2022
 Scheduled date of filing annual securities report: June 22, 2022
 Availability of supplementary briefing material on annual financial results: Yes
 Schedule of annual financial results briefing session: Yes (for analysts and institutional investors)

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		EBITDA※		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	5,598	5.0	581	(36.9)	291	(56.4)	242	(61.5)	184	(52.7)
March 31, 2021	5,331	18.2	920	34.0	669	49.8	628	51.3	391	90.7

※ EBITDA : Operating profit + Depreciation and amortization + Amortization of goodwill

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 201 million [(50.3)%]
 Fiscal year ended March 31, 2021: ¥ 405 million [121.5%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	19.98	19.50	9.1	4.5	5.2
March 31, 2021	43.26	41.33	24.4	15.7	12.5

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ (1) million
 Fiscal year ended March 31, 2021: ¥ (1) million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	6,343	2,479	35.0	238.54
March 31, 2021	4,468	2,116	41.2	202.55

(Reference) Equity: As of March 31, 2022: ¥ 2,219 million
 As of March 31, 2021: ¥ 1,839 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	292	(1,507)	1,464	3,121
March 31, 2021	1,089	(335)	(54)	2,866

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	0.00	-	10.00	10.00	90	23.1	5.6
March 31, 2022	-	0.00	-	11.00	11.00	102	55.1	5.0
Fiscal year ending March 31, 2023 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	6,000	7.2	386	(33.4)	50	(82.9)	80	(67.0)	0	(100.0)	0.00

(Note) The Company hasn't conducted the forecast for the first half ending September 30, 2022 (April 01, 2022 to September 30, 2022).

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New: 1 (Company name: shikaku square, Inc.)

Exclusion: -

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2022: 9,658,000 shares

March 31, 2021: 9,541,600 shares

2) Total number of treasury shares at the end of the period:

March 31, 2022: 354,024 shares

March 31, 2021: 460,801 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022: 9,258,078 shares

Fiscal Year ended March 31, 2021: 9,047,685 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	4,661	(2.4)	202	(69.3)	294	(54.2)	198	(50.8)
March 31, 2021	4,775	17.2	659	49.3	642	34.6	402	46.6

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	21.41	20.90
March 31, 2021	44.53	42.56

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2022	5,407	2,394	42.8	248.54
March 31, 2021	3,897	2,029	49.7	213.24

(Reference) Equity: As of March 31, 2022: ¥ 2,312 million
As of March 31, 2021: ¥ 1,936 million

- * This financial report is not subject to the statutory audit by a certified public accountant or audit firm.
- * Explanation about the proper use of earnings forecasts, and other special notes
The forward-looking statements, including results forecasts, contained in this document are based on information the Company has obtained as of today and certain assumptions the Company considers reasonable. The Company does not guarantee its achievement of the forward-looking statements. Actual results may differ significantly depending on a variety of factors.
- * Supplementary materials and IR meetings on financial results:
Supplementary materials on financial results can be found on our web site.
We will hold an IR meeting on financial results for analysts and institutional investors on May 16, 2022.
Contents of the meeting will be posted on our web site immediately after the meeting

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	2,860,209	3,116,675
Deposits paid	6,161	4,759
Accounts receivable - trade	225,737	121,585
Prepaid expenses	61,491	82,152
Derivatives	38,594	50,437
Other	21,957	127,536
Total current assets	3,214,152	3,503,147
Non-current assets		
Property, plant and equipment		
Buildings	144,324	110,530
Accumulated depreciation	(56,801)	(43,949)
Buildings, net	87,522	66,581
Tools, furniture and fixtures	172,719	192,014
Accumulated depreciation	(118,624)	(135,870)
Tools, furniture and fixtures, net	54,094	56,144
Vehicles	2,374	2,461
Accumulated depreciation	(1,820)	(2,379)
Vehicles, net	554	82
Right-of-use assets	391,404	80,779
Accumulated depreciation	(45,773)	(12,311)
Accumulated impairment loss	(25,896)	-
Right-of-use assets, net	319,734	68,468
Total property, plant and equipment	461,905	191,276
Intangible assets		
Trademark right	2,116	1,738
Software	312,336	456,224
Software in progress	200,936	88,812
Goodwill	70,715	846,092
Content assets	-	65,130
Other	330	690
Total intangible assets	586,435	1,458,689
Investments and other assets		
Investment securities	32,940	1,007,791
Leasehold deposits	104,561	110,359
Deferred tax assets	57,261	46,024
Other	11,322	25,947
Total investments and other assets	206,086	1,190,123
Total non-current assets	1,254,427	2,840,088
Total assets	4,468,579	6,343,236

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Liabilities		
Current liabilities		
Current portion of long-term borrowings	30,000	1,142,972
Lease liabilities	46,812	11,556
Accounts payable - other	179,172	198,175
Accrued expenses	237,007	251,325
Income taxes payable	163,653	10,798
Accrued consumption taxes	154,312	54,089
Advances received	132,568	717,013
Deposits received	25,511	23,755
Provision for bonuses	45,663	71,919
Provision for loss on business liquidation	-	9,254
Other	22,754	38,796
Total current liabilities	1,037,458	2,529,655
Non-current liabilities		
Long-term borrowings	960,000	1,212,228
Retirement benefit liability	51,996	32,330
Lease liabilities	298,039	62,574
Asset retirement obligations	2,984	3,271
Deferred tax liabilities	-	22,535
Provision for bonuses	242	363
Other	974	1,056
Total non-current liabilities	1,314,238	1,334,359
Total liabilities	2,351,696	3,864,015
Net assets		
Shareholders' equity		
Share capital	582,082	606,699
Capital surplus	618,074	787,446
Retained earnings	916,302	1,010,441
Treasury shares	(289,968)	(222,263)
Total shareholders' equity	1,826,490	2,182,324
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(1,146)	1,346
Deferred gains or losses on hedges	26,776	34,993
Foreign currency translation adjustment	5,883	7,425
Remeasurements of defined benefit plans	(18,727)	(6,687)
Total accumulated other comprehensive income	12,786	37,078
Share acquisition rights	92,741	82,520
Non-controlling interests	184,864	177,297
Total net assets	2,116,882	2,479,220
Total liabilities and net assets	4,468,579	6,343,236

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	5,331,926	5,598,296
Cost of sales	2,200,512	2,307,375
Gross profit	3,131,414	3,290,920
Selling, general and administrative expenses	2,462,298	2,999,365
Operating profit	669,115	291,555
Non-operating income		
Interest income	158	151
Subsidy income	17,139	-
Other	4,162	6,562
Total non-operating income	21,461	6,713
Non-operating expenses		
Interest expenses	14,339	15,557
Foreign exchange losses	13,218	13,441
Share of loss of entities accounted for using equity method	1,415	1,268
Depreciation	-	18,087
Market change expenses	31,380	-
Cancellation fee	-	3,850
Other	1,248	3,932
Total non-operating expenses	61,602	56,136
Ordinary profit	628,974	242,132
Extraordinary income		
Gain on sale of non-current assets	479	1,563
Gain on reversal of share acquisition rights	-	6,993
Gain on liquidation of business	-	53,442
Total extraordinary income	479	61,999
Extraordinary losses		
Loss on sale of non-current assets	32	-
Loss on retirement of non-current assets	5,794	281
Impairment losses	-	9,434
Loss on withdrawal from business	11,094	2,083
Office relocation expenses	-	22,378
Other	-	2,245
Total extraordinary losses	16,921	36,423
Profit before income taxes	612,532	267,708
Income taxes - current	234,537	89,985
Income taxes for prior periods	551	-
Income taxes - deferred	(17,033)	3,565
Total income taxes	218,055	93,551
Profit	394,477	174,157
Profit (loss) attributable to non-controlling interests	3,112	(10,790)
Profit attributable to owners of parent	391,365	184,947

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit	394,477	174,157
Other comprehensive income		
Valuation difference on available-for-sale securities	(9)	2,492
Deferred gains or losses on hedges	22,465	8,216
Foreign currency translation adjustment	1,332	2,432
Remeasurements of defined benefit plans, net of tax	(12,278)	14,370
Total other comprehensive income	11,510	27,512
Comprehensive income	405,987	201,669
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	403,697	208,416
Comprehensive income attributable to non-controlling interests	2,290	(6,747)

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2021

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	572,571	569,258	524,937	(303,295)	1,363,470
Changes during period					
Issuance of new shares	9,510	9,510			19,021
Profit attributable to owners of parent			391,365		391,365
Purchase of treasury shares				(114)	(114)
Transfer-restricted stock-based compensation		39,307		13,441	52,749
Change in ownership interest of parent due to transactions with non-controlling interests		(1)			(1)
Net changes in items other than shareholders' equity					
Total changes during period	9,510	48,816	391,365	13,327	463,019
Balance at end of period	582,082	618,074	916,302	(289,968)	1,826,490

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(1,137)	4,311	4,551	(6,449)	1,276	55,737	181,750	1,602,235
Changes during period								
Issuance of new shares								19,021
Profit attributable to owners of parent								391,365
Purchase of treasury shares								(114)
Transfer-restricted stock-based compensation								52,749
Change in ownership interest of parent due to transactions with non-controlling interests								(1)
Net changes in items other than shareholders' equity	(9)	22,465	1,332	(12,277)	11,510	37,003	3,113	51,627
Total changes during period	(9)	22,465	1,332	(12,277)	11,510	37,003	3,113	514,647
Balance at end of period	(1,146)	26,776	5,883	(18,727)	12,786	92,741	184,864	2,116,882

For the fiscal year ended March 31,2022

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	582,082	618,074	916,302	(289,968)	1,826,490
Changes during period					
Issuance of new shares	24,617	24,617			49,235
Dividends of surplus			(90,807)		(90,807)
Profit attributable to owners of parent			184,947		184,947
Purchase of treasury shares				(43)	(43)
Disposal of treasury shares		116,159		50,320	166,480
Transfer-restricted stock-based compensation		24,796		17,427	42,224
Purchase of shares of consolidated subsidiaries		3,797			3,797
Net changes in items other than shareholders' equity					
Total changes during period	24,617	169,371	94,139	67,705	355,833
Balance at end of period	606,699	787,446	1,010,441	(222,263)	2,182,324

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(1,146)	26,776	5,883	(18,727)	12,786	92,741	184,864	2,116,882
Changes during period								
Issuance of new shares								49,235
Dividends of surplus								(90,807)
Profit attributable to owners of parent								184,947
Purchase of treasury shares								(43)
Disposal of treasury shares								166,480
Transfer-restricted stock-based compensation								42,224
Purchase of shares of consolidated subsidiaries								3,797
Net changes in items other than shareholders' equity	2,492	8,216	1,542	12,039	24,291	(10,220)	(7,566)	6,504
Total changes during period	2,492	8,216	1,542	12,039	24,291	(10,220)	(7,566)	362,337
Balance at end of period	1,346	34,993	7,425	(6,687)	37,078	82,520	177,297	2,479,220

Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from operating activities		
Profit before income taxes	612,532	267,708
Depreciation	238,682	250,003
Share-based payment expenses	66,032	32,962
Amortization of goodwill	12,298	39,459
Share of loss (profit) of entities accounted for using equity method	1,415	1,268
Gain on reversal of share acquisition rights	-	(6,993)
Impairment losses	-	9,434
Interest income	(158)	(151)
Interest expenses	14,339	15,557
Loss (gain) on sale of non-current assets	(446)	(1,563)
Loss on retirement of non-current assets	5,794	281
Market change costs	31,380	-
Office transfer expenses	-	15,386
Gain on liquidation of business	-	(53,442)
Subsidy income	(17,139)	-
Decrease (increase) in trade receivables	230,525	185,634
Decrease (increase) in prepaid expenses	(3,530)	(12,581)
Increase (decrease) in accounts payable - other	25,786	(34,606)
Increase (decrease) in accrued expenses	23,880	11,336
Increase (decrease) in accrued consumption taxes	37,212	(99,601)
Increase (decrease) in advances received	13,671	(67,082)
Increase (decrease) in provision for bonuses	(2,600)	15,627
Decrease (increase) in other assets	4,937	(2,380)
Increase (decrease) in other liabilities	19,149	(7,247)
Other, net	(11,714)	8,085
Subtotal	1,302,049	567,093
Interest received	158	151
Interest paid	(14,344)	(15,596)
Subsidies received	17,139	-
Income taxes paid	(215,033)	(259,328)
Net cash provided by (used in) operating activities	1,089,970	292,320
Cash flows from investing activities		
Purchase of investment securities	(22,341)	(11,527)
Purchase of property, plant and equipment	(67,673)	(64,796)
Proceeds from sale of property, plant and equipment	283	2,149
Purchase of intangible assets	(251,282)	(159,969)
Payments of leasehold and guarantee deposits	(1,416)	(28,996)
Purchase of shares of subsidiaries and associates	-	(961,000)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(278,371)
Other, net	7,318	(4,547)
Net cash provided by (used in) investing activities	(335,111)	(1,507,058)

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from financing activities		
Proceeds from long-term borrowings	300,000	1,450,000
Repayments of long-term borrowings	(280,000)	(84,800)
Proceeds from disposal of treasury shares	-	166,010
Purchase of treasury shares	(115)	(43)
Repayments of lease liabilities	(59,890)	(18,284)
Payments of market change costs	(31,380)	-
Proceeds from exercise of employee share options	16,518	42,595
Dividends paid	-	(90,648)
Net cash provided by (used in) financing activities	(54,866)	1,464,828
Effect of exchange rate change on cash and cash equivalents	(374)	4,973
Net increase (decrease) in cash and cash equivalents	699,617	255,063
Cash and cash equivalents at beginning of period	2,166,754	2,866,371
Cash and cash equivalents at end of period	2,866,371	3,121,435