



en Japan Inc.
Fiscal Year Ended March 31, 2022, Earnings Announcement
[under Japanese GAAP] (Consolidated)

May 13, 2022

Company Name en Japan Inc. Listing Exchanges First Section of the Tokyo Stock Exchange
 Stock Code 4849 URL <https://corp.en-japan.com/>
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 Regular General Shareholders' Meeting June 28, 2022
 Scheduled date to begin dividend payments June 29, 2022
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 Preparation of Summary Supplementary Explanatory Materials Yes
 Earnings Briefing Yes (for analysts and institutional investors)

(Figures rounded down to nearest million yen)

1. FY Ended March 2022 Consolidated Earnings (From April 1, 2021 to March 31, 2022)

(1) Consolidated Operating Results (Percentages indicate percent change from the prior fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FYE 03/2022	54,544	27.7	9,633	24.0	10,138	27.7	6,628	89.3
FYE 03/2021	42,725	-24.8	7,771	-29.4	7,939	-28.2	3,502	-50.9

(Note) Comprehensive income FYE 03/2022: 7,242 million yen (115.7%) FYE 03/2021: 3,357 million yen (-52.3%)

	EPS	Fully Diluted EPS	ROE	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
FYE 03/2022	147.71	147.38	17.2	19.7	17.7
FYE 03/2021	78.19	77.96	9.5	16.1	18.2

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
FYE 03/2022	56,215	41,160	72.2	903.89
FYE 03/2021	46,644	36,856	77.8	810.66

(Reference) Equity FYE 03/2022 40,603 million yen FYE 03/2021 36,311 million yen

(3) Consolidated Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
	Million yen	Million yen	Million yen	Million yen
FYE 03/2022	11,453	-3,086	-1,813	33,389
FYE 03/2021	5,652	-2,150	-4,983	26,835

2. Dividends

	Annual Dividend					Total Dividend Amount (Full year)	Dividend Payout Ratio (Consolidated)	Dividend to Net Asset Ratio (Consolidated)
	1st Quarter-end	2nd Quarter-end	3rd Quarter-end	Year End	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FYE 03/2021	—	0.00	—	37.10	37.10	1,750	47.5	4.5
FYE 03/2022	—	0.00	—	70.10	70.10	3,314	47.5	8.2
FYE 03/2023 (projected)	—	0.00	—	70.10	70.10		—	

3. FY Ending March 2023 Projected Consolidated Operating Results (From April 1, 2022 to March 31, 2023) (Percentages indicate percent change from the prior fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		EPS
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	62,000	13.7	3,085	-68.0	3,086	-69.6	2,118	-68.0	47.20

* Notes

- (1) Change in major subsidiaries during the fiscal year under review (Change in specific subsidiaries that will accompany a change in scope of consolidation): No

Addition (Name): None Exclusion (Name) None

- (2) Changes in accounting policy, changes in accounting estimates, or restatement due to correction

- a. Changes in accounting policy accompanying amendment of accounting principles: Yes
- b. Changes in accounting policy other than “a.”: No
- c. Changes in accounting estimates: No
- d. Restatement due to correction: No

- (3) Number of shares issued (common share)

- a. Number of shares issued at fiscal year-end (including treasury shares)
- FYE 03/2022 49,716,000 shares FYE 03/2021 49,716,000 shares
- b. Number of shares of treasury share at fiscal year-end
- FYE 03/2022 4,795,377 shares FYE 03/2021 4,923,672 shares
- c. Average number of shares issued during the period
- FYE 03/2022 44,874,206 shares FYE 03/2021 44,791,225 shares

(Reference) Summary of Non-Consolidated Operating Results

1. FYE 03/2022 Non-Consolidated Earnings (From April 1, 2021 to March 31, 2022)

(1) Non-Consolidated Operating Results (Percentages indicate percent change from the prior fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FYE 03/2022	35,281	31.1	7,393	8.8	10,292	52.2	7,341	138.2
FYE 03/2021	26,919	-28.9	6,792	-30.1	6,763	-30.6	3,082	-52.6

	EPS		Fully Diluted EPS	
	Yen	Yen	Yen	Yen
FYE 03/2022	163.61	163.24	163.24	163.24
FYE 03/2021	68.83	68.62	68.62	68.62

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
FYE 03/2022	51,347	41,496	80.6	921.00
FYE 03/2021	45,565	36,698	80.2	816.26

(Reference) Equity FYE 03/2022 41,372 million yen FYE 03/2021 36,562 million yen

[This Earnings Announcement [under Japanese GAAP] is outside the scope of audits by certified public accountants or an audit corporation.]

[Explanation regarding appropriate use of operating results projections and other special notes]

Forward-looking statements including projected operating results contained in this report and supplementary materials are based on information currently available to the Company and on certain assumptions deemed as rational, and are not intended to guarantee achievements by the Company. Actual results may differ significantly from such projections due to various factors.

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1. Overview of Operating Results

(1) Overview of Operating Results for the Current Fiscal Year

1) Operating Results for the Fiscal Year ended March 31, 2022

Net sales in the fiscal year ended March 31, 2022 increased to ¥54,544 million (up 27.7% year on year) mainly due to the steady recovery in the domestic job board and overseas businesses. Total costs increased to ¥44,911 million (up 28.5% year on year) due primarily to an increase in costs accompanied by higher sales in the IT-related temporary staffing business in India, strengthening of advertising on the domestic job board in line with the recovery of demand in job openings, and upfront investment of advertising expenses in core businesses such as engage and AMBI.

As a result of the above, operating income was ¥9,633 million (up 24.0% year on year). Ordinary income was ¥10,138 million (up 27.7% year on year) mainly due to gain on investments in partnership, and profit attributable to owners of parent was ¥6,628 million (up 89.3% year on year).

(Unit: Million yen)

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)	Change	Percent change (%)
Net Sales	42,725	54,544	11,819	27.7%
Operating Income	7,771	9,633	1,861	24.0%
Ordinary Income	7,939	10,138	2,199	27.7%
Profit Attributable to Owners of Parent	3,502	6,628	3,126	89.3%

2) Summary of Major Businesses (Managerial accounting basis)

(Unit: Million yen)

Net Sales	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)	Change	Percent change (%)
Domestic Job Board	21,774	29,460	7,686	35.3%
Domestic Permanent Recruitment	9,385	9,649	264	2.8%
Overseas	8,011	10,975	2,963	37.0%
HR-Tech	1,215	3,920	2,705	222.6%
Other Business/ Subsidiaries	2,694	976	-1,718	-63.8%

The difference between the combined net sales of each business and the consolidated net sales is attributable to the adjustment made among the businesses and consolidated adjustments.

(Domestic Job Board)

Hiring demand, which had declined due to the COVID-19 pandemic, recovered moderately in the Domestic Job Board. In the full-time employment domain, unit price of postings rose in mainly client companies with large hiring budgets, and the number of job openings increased as client companies resumed hiring. In addition, hiring demand for high-class staff such as specialists and those in managerial positions increased to a level that exceeded the pre-COVID-19 level. While the supply-demand balance in the overall recruitment market is gradually becoming tight, net sales increased significantly as the Company has been strengthening acquisition of job seekers through active investment in advertising expenses.

As a result of the above, net sales of Domestic Job Board amounted to ¥29,460 million up 35.3% year on year.

(Domestic Permanent Recruitment)

Hiring demand for high-class staff continued to be solid and net sales increased steadily. As for young people, or those with potential, hiring demand for those without experience recovered in all industries and job types against

the backdrop of rapidly growing demand for hiring. By increasing the Company's operating productivity, net sales reached the same level as the previous year, despite having a smaller workforce than the pre-COVID-19 level.

As a result of the above, net sales of Domestic Permanent Recruitment amounted to ¥9,649 million up 2.8% year on year.

(Overseas)

In India, where the Company operates IT-related temporary staffing as its primary business, net sales increased significantly, exceeding the pre-COVID-19 level due to the small impact from the COVID-19 pandemic and an increase in global IT-related demand.

In Vietnam, where operation of job advertisement websites and permanent recruitment is its primary business, net sales increased due to the moderate recovery in the country's hiring demand. Although net sales temporarily decreased in the third quarter (from July to September 2021 local time) of the fiscal year ended March 31, 2022 due to COVID-19 lockdowns, steady recovery is seen afterwards.

As a result of the above, net sales of overseas business amounted to ¥10,975 million up 37.0% year on year.

(HR-Tech)

The total number of user companies of "engage" greatly increased to 410,000 (as of March 2022). The number of job offerings created via "engage" (both via fee-based and free services) increased steadily, further enhancing usage by client companies. In light of this situation, from the fourth quarter of the fiscal year ended March 31, 2022, upfront investment in advertising expenses has been made to strengthen acquisition of job seekers that, as a result, accelerated the growth of net sales.

Net sales of other services, such as ATS and test services, also grew steadily due to the increase in use from the growing numbers hired by companies.

As a result of the above, net sales of HR-Tech amounted to ¥3,920 million up 222.6% year on year.

(2) Overview of Financial Position for the Current Fiscal Year

Assets, Liabilities and Net Assets

(Assets)

Total assets at the end of the fiscal year ended March 31, 2022 increased by ¥9,571 million compared with the end of the previous fiscal year to ¥56,215 million.

Current assets increased ¥8,576 million to ¥42,301 million. This was mainly due to increases in cash and deposits of ¥7,474 million, notes and accounts receivable-trade, and contract assets of ¥1,119 million. Non-current assets increased ¥994 million to ¥13,914 million. This was primarily attributable to increases in investment securities of ¥466 million and shares of subsidiaries and associates of ¥547 million.

(Liabilities)

Total liabilities were ¥15,054 million, an increase of ¥5,266 million from the end of the previous fiscal year.

Current liabilities increased ¥5,240 million to ¥13,501 million. This was mainly due to increases in accounts payable-trade of ¥629 million, accounts payable-other of ¥2,090 million and advances received of ¥1,532 million.

Non-current liabilities rose ¥26 million to ¥1,553 million.

(Net Assets)

Total net assets were ¥41,160 million, up ¥4,304 million from the end of the previous fiscal year. This was mainly due to an increase in retained earnings of ¥3,748 million.

Asset information by segment is not prepared since the Group does not use such information on each segment for resource allocation and performance evaluation.

(3) Overview of Cash Flows for the Current Fiscal Year

Cash Flow

Cash and cash equivalents in the fiscal year ended March 31, 2022 increased ¥6,553 million from the previous fiscal year to ¥33,389 million. The status of each type of cash flow and the factors behind them are as follows.

1) Cash Flow

(Net cash provided by (used in) operating activities)

Net cash provided by operating activities in the fiscal year ended March 31, 2022 was ¥11,453 million compared to the previous fiscal year of ¥5,652 million. This was due to the posting of income before income taxes of ¥9,976 million, depreciation of ¥1,678 million, decrease in notes and accounts receivable-trade of ¥1,900 million, increase in accounts payable-other of ¥2,038 million, increase in advances received of ¥1,422 million, and income taxes paid of ¥2,604 million.

(Net cash provided by (used in) investing activities)

Net cash used in investing activities during the fiscal year ended March 31, 2022 was ¥3,086 million compared to ¥2,150 million used in the previous fiscal year. This was primarily due to purchase of intangible assets of ¥1,869 million, payments into time deposits of ¥1,395 million, and purchase of shares of subsidiaries and associates of ¥666 million.

(Net cash provided by (used in) financing activities)

Net cash used in financing activities during the fiscal year ended March 31, 2022 was ¥1,813 million compared to ¥4,983 million used in the previous fiscal year. This was primarily due to cash dividends paid of ¥1,751 million and dividends paid to no-controlling interests of ¥61 million.

The en Japan Group procures necessary funds mainly from operating cash flow. The Group has also concluded an overdraft facility agreement (maximum amount: ¥1,000 million) and a committed credit line agreement (maximum amount: ¥5,000 million) with a bank. There were no outstanding borrowings as of the end of the fiscal year ended March 31, 2022.

The Company has no plans to construct any major new facilities.

(4) Business Outlook

(Medium and Long-term Outlook)

We recognize that the basic environment of Japan's human resources business market, to which the en Japan Group belongs, is experiencing steady hiring demand from companies, against the backdrop of a structural shortage of workers caused by a decline in the working age population, changes in industrial structures, and other factors. In addition, changes in the way people work, such as teleworking and freelancing, and the promotion of digitalization at companies, both resulting from the COVID-19 pandemic, are expected to spur changes in job-seekers' inclination to switch jobs, as well as growth industries. In light of these circumstances, the Group expects that more people will seek to change jobs across industries, which will consequently increase job mobility.

In the overseas human resources business market, Vietnam and India, which we are focusing on, are expected to continuously deliver strong economic growth. Given the large population and low average age, we see high growth potential in the human resources business over the medium to long term. Additionally, regardless of the country, the IT and technology markets are expected to grow and the need for human resources in these areas is high. As such, we anticipate strong growth, including offshore development in these two countries.

In these circumstances, in addition to increasing job mobility, the Company expects diversified use and selection of its services will further continue among job seekers and the companies hiring them. The Company upholds "To make the world better by increasing the number of people who work hard for others and society" as its Purpose (the Company's reason for being in society). To realize this, it will aim to appropriately move labor to positions with significant social impact and growth industries, and increase job opportunities by through provision of job recruitment information ensuring both quality and quantity via the use of technology.

Going forward, we intend to make active investments to develop "engage" and "human resources platform" as our next core business to significantly increase net sales. Existing businesses will also continuously be regarded as highly profitable businesses and invested in constantly. Human resource investment and strengthening of

governance will also be promoted actively to support business growth.

“engage” offers a unique service different from that of conventional recruiting media. Companies are able to create their own recruitment websites and offer job recruitment information free of charge and increase their presence to job seekers by collaborating with diverse recruiting networks. With its high user friendliness, the number of user companies are increasing every year, and the scale of service is already the same level as the number of full-time job openings offered by Hello Work. Going forward, we will aim to increase job opportunities by enhancing promotional investments to acquire job seekers and provide optimal job recruitment information to them through utilization of technologies such as AI.

The “human resources platform” will provide attractive job recruitment information targeting high-class staff, such as specialists and those in managerial positions, where an increase in hiring demand is expected. By doing so, we will aim to realize appropriate labor mobility to positions with significant social impact and growth industries.

Based on such, the Company has formulated a medium-term plan with the fiscal year ending March 31, 2027, set as the final year. Consolidated net sales of ¥120,000 million and consolidated operating income of ¥24,000 million will be pursued for the final year.

(Outlook for the Next Fiscal Year)

The estimated financial results for the fiscal year ending March 31, 2023, include net sales of ¥62,000 million (up 13.7% year on year), operating income of ¥3,085 million (down 68.0% year on year), ordinary income of ¥3,086 million (down 69.6% year on year), and profit attributable to owners of parent of ¥2,118 million (down 68.0% year on year).

As the said fiscal year is regarded as a period of front-loaded investment under the medium-term plan, a significant decrease in profit is expected from an increase in advertising expenses for “engage” and “human resource platform,” which are businesses put to focus.

From the perspective of medium to long-term profit growth, the Company’s basic policy is to make strategic investments, such as M&A, while making appropriate investments according to business stage. In addition to such, a basic policy of “50% dividend payout ratio” is set forth as return of profits to shareholders is regarded as an important measure.

In accordance with the above policy, for dividends to be paid for the fiscal year ending March 31, 2022, the Company plans to pay a dividend of ¥70.10 per share with a dividend payout ratio of 50%.

* The dividend payout ratio is calculated based on profit attributable to owners of parent.

* Net income per share used in the calculation of the dividend payout ratio is derived by dividing the profit attributable to owners of parent by the number of shares excluding treasury shares. These treasury shares include the portion of Japan Employee Stock Ownership Plans (J-ESOP). Since dividends are also actually paid with respect to the shares under J-ESOP, this factor is taken into account for the payout ratio set by the Company.

(5) Material Events Relating to the Going Concern Assumption

The Company had no material items to report.

2. Basic Approach to the Selection of Accounting Standards

It is the en Japan Group’s policy, for the foreseeable future, to continue preparing its consolidated financial statements based on the Japanese accounting standard to secure the comparability of financial data over different periods and among different companies.

Concerning the adoption of International Financial Reporting Standards (IFRS), the Group will be taking appropriate measures in consideration of the domestic and international situation.

3. Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheets

(Million yen)

	Prior Fiscal Year (As of March 31, 2021)	Current Fiscal Year (As of March 31, 2022)
Assets		
Current assets		
Cash and deposits	26,374	33,849
Notes and accounts receivable - trade, and contract assets	—	5,466
Notes and accounts receivable-trade	4,347	—
Securities	2,031	2,000
Work in process	0	5
Supplies	16	14
Other	1,062	1,042
Allowance for doubtful accounts	-108	-76
Total current assets	33,724	42,301
Non-current assets		
Property, plant and equipment		
Buildings	639	646
Accumulated depreciation	-461	-412
Buildings, net	178	233
Vehicles	36	41
Accumulated depreciation	-18	-25
Vehicles, net	18	16
Furniture and fixtures	1,002	1,095
Accumulated depreciation	-814	-911
Furniture and fixtures, net	188	184
Leased assets	447	564
Accumulated depreciation	-222	-370
Leased assets, net	225	193
Construction in progress	10	7
Total property, plant and equipment	621	634
Intangible assets		
Software	3,531	3,691
Goodwill	2,840	2,342
Other	626	853
Total intangible assets	6,999	6,888
Investments and other assets		
Investment securities	2,285	2,752
Long-term loans receivable	874	878
Deferred tax assets	868	876
Shares of subsidiaries and associates	132	680
Other	1,497	1,572
Allowance for doubtful accounts	-359	-367
Total investments and other assets	5,299	6,392
Total non-current assets	12,920	13,914
Total assets	46,644	56,215

(Million yen)

	Prior Fiscal Year (As of March 31, 2021)	Current Fiscal Year (As of March 31, 2022)
Liabilities		
Current liabilities		
Accounts payable-trade	434	1,063
Lease obligations	86	134
Accounts payable-other	2,369	4,459
Income taxes payable	955	1,189
Provision for bonuses	1,122	1,088
Provision for directors' bonuses	2	27
Advances received	2,307	3,785
Other	982	1,752
Total current liabilities	8,260	13,501
Non-current liabilities		
Lease obligations	164	87
Deferred tax liabilities	126	108
Provision for share benefits	389	424
Asset retirement obligations	203	206
Long-term accounts payable-other	642	726
Other	1	—
Total non-current liabilities	1,527	1,553
Total liabilities	9,788	15,054
Net assets		
Shareholders' equity		
Capital stock	1,194	1,194
Capital surplus	998	902
Retained earnings	39,399	43,147
Treasury shares	-5,228	-5,068
Total shareholders' equity	36,365	40,176
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	113	102
Foreign currency translation adjustment	-167	324
Total accumulated other comprehensive income	-53	426
Subscription rights to shares	136	124
Non-controlling interests	408	432
Total net assets	36,856	41,160
Total liabilities and net assets	46,644	56,215

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

Consolidated Statements of Income

(Million yen)

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Net sales	42,725	54,544
Cost of sales	8,566	11,501
Gross profit	34,159	43,043
Selling, general and administrative expenses		
Advertising expenses	5,468	10,843
Provision for bonuses for directors (and other officers)	—	27
Salaries and allowances	8,521	8,164
Bonuses	1,554	1,707
Provision for bonuses	1,068	1,060
Commission expenses	982	3,617
Other	8,791	7,988
Total selling, general and administrative expenses	26,387	33,409
Operating income	7,771	9,633
Non-operating income		
Interest income	103	106
Dividends income	10	30
Gain on investments in partnership	32	282
Foreign exchange gains	—	73
Reversal of allowance for doubtful accounts	—	0
Subsidies for employment adjustment	50	—
Miscellaneous income	58	46
Total non-operating income	256	539
Non-operating expenses		
Interest expenses	0	5
Foreign exchange losses	5	—
Provision of allowance for doubtful accounts	56	4
Miscellaneous loss	26	24
Total non-operating expenses	88	34
Ordinary income	7,939	10,138
Extraordinary income		
Gain on sales of non-current assets	2	0
Gain on sale of investment securities	—	186
Gain on sales of shares of subsidiaries and associates	19	—
Total extraordinary income	22	186
Extraordinary losses		
Loss on sale of non-current assets	—	0
Loss on retirement of non-current assets	142	16
Loss on sale of investment securities	—	3
Loss on valuation of investment securities	1,390	42
Loss on sales of shares of subsidiaries and associates	15	8
Loss on valuation of shares of subsidiaries and associates	16	—
Impairment loss	572	278
Other	9	—
Total extraordinary losses	2,147	348
Income before income taxes	5,813	9,976
Income taxes - current	2,341	2,811
Income taxes - deferred	-80	464
Total income taxes	2,261	3,275
Profit	3,552	6,701
Profit attributable to non-controlling interests	50	73
Profit attributable to owners of parent	3,502	6,628

Consolidated Statements of Comprehensive Income

(Million yen)

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Profit	3,552	6,701
Other comprehensive income		
Valuation difference on available-for-sale securities	120	-10
Foreign currency translation adjustment	-315	551
Total other comprehensive income	-194	540
Comprehensive income	3,357	7,242
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,328	7,108
Comprehensive income attributable to non-controlling interests	29	133

(3) Consolidated Statements of Changes in Net Assets
 Prior fiscal year (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	1,194	1,133	39,588	-4,253	37,663	-7	126	119	154	710	38,648
Cumulative effects of changes in accounting policies					—						—
Restated balance	1,194	1,133	39,588	-4,253	37,663	-7	126	119	154	710	38,648
Changes of items during the period											
Dividends of surplus			-3,565		-3,565						-3,565
Profit attributable to owners of parent			3,502		3,502						3,502
Purchase of treasury shares				-1,000	-1,000						-1,000
Disposal of treasury shares		1		25	26						26
Change in scope of consolidation		46	-126		-79						-79
Change in ownership interest of parent due to transactions with non-controlling interests		-182			-182						-182
Change of share exchanges					—						—
Net changes of items other than shareholders' equity					—	120	-294	-173	-17	-301	-493
Total changes of items during period	—	-134	-189	-975	-1,298	120	-294	-173	-17	-301	-1,792
Balance at end of current period	1,194	998	39,399	-5,228	36,365	113	-167	-53	136	408	36,856

Current fiscal year (from April 1, 2021 to March 31, 2022)

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	1,194	998	39,399	-5,228	36,365	113	-167	-53	136	408	36,856
Cumulative effects of changes in accounting policies			-1,098		-1,098						-1,098
Restated balance	1,194	998	38,301	-5,228	35,266	113	-167	-53	136	408	35,758
Changes of items during the period											
Dividends of surplus			-1,750		-1,750						-1,750
Profit attributable to owners of parent			6,628		6,628						6,628
Purchase of treasury shares				-0	-0						-0
Disposal of treasury shares		-9		49	40						40
Change in scope of consolidation		10	-31		-21						-21
Change in ownership interest of parent due to transactions with non-controlling interests					—						—
Change of share exchanges		-97		109	12						12
Net changes of items other than shareholders' equity					—	-10	491	480	-11	24	492
Total changes of items during period	—	-96	4,846	159	4,909	-10	491	480	-11	24	5,402
Balance at end of current period	1,194	902	43,147	-5,068	40,176	102	324	426	124	432	41,160

(4) Consolidated Statements of Cash Flows

(Million yen)

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Income before income taxes	5,813	9,976
Depreciation	1,678	1,678
Amortization of goodwill	452	376
Impairment loss	572	278
Bad debts expenses	23	36
Increase (decrease) in allowance for doubtful accounts	13	-27
Increase (decrease) in provision for bonuses	-65	-24
Increase (decrease) in provision for directors' bonuses	-0	26
Interest and dividend income	-114	-137
Subsidies for employment adjustment	-50	—
Interest expenses	0	5
Foreign exchange losses (gains)	5	-20
Loss (gain) on investments in partnership	-32	-282
Loss (gain) on valuation of investment securities	1,390	42
Loss (gain) on sale of investment securities	—	-182
Loss (gain) on valuation of shares of subsidiaries and associates	16	—
Loss (gain) on sales of shares of subsidiaries and associates	-4	3
Loss (gain) on sale of non-current assets	-2	-0
Loss on retirement of non-current assets	142	16
Decrease (increase) in notes and accounts receivable-trade	1,232	-1,900
Increase (decrease) in notes and accounts payable-trade	-24	645
Increase (decrease) in accounts payable-other	-1,615	2,038
Increase (decrease) in advances received	-283	1,422
Other	-556	-131
Subtotal	8,592	13,838
Interest expenses paid	-1	-3
Interest and dividend income received	106	104
Subsidies for employment adjustment received	50	—
Income taxes paid	-3,134	-2,604
Income taxes refund	39	118
Net cash provided by (used in) operating activities	5,652	11,453

(Million yen)

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Cash flows from investing activities		
Payments into time deposits	-511	-1,395
Proceeds from withdrawal of time deposits	299	783
Purchase of property, plant and equipment	-169	-106
Proceeds from sales of property, plant and equipment	5	9
Purchase of intangible assets	-1,649	-1,869
Purchase of investment securities	-517	-448
Proceeds from sales and redemption of investment securities	5	390
Purchase of shares of subsidiaries and associates	—	-666
Proceeds from sales of shares of subsidiaries and associates	20	—
Proceeds from sale of businesses	55	—
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	-16	—
Payments for lease and guarantee deposits	-5	-13
Proceeds from collection of lease and guarantee deposits	318	124
Purchase of insurance funds	-1	-15
Payments of loans receivable	-0	—
Other proceeds	16	119
Net cash provided by (used in) investing activities	-2,150	-3,086
Cash flows from financing activities		
Purchase of treasury shares	-1,000	-0
Repayments of long-term loans payable	-2	—
Cash dividends paid	-3,564	-1,751
Dividends paid to non-controlling interests	-69	-61
Repayments of lease obligations	-0	—
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-346	—
Other proceeds	0	0
Net cash provided by (used in) financing activities	-4,983	-1,813
Effect of exchange rate change on cash and cash equivalents	-138	127
Net increase (decrease) in cash and cash equivalents	-1,620	6,681
Cash and cash equivalents at beginning of period	28,766	26,835
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	-310	-127
Cash and cash equivalents at end of period	26,835	33,389

(5) Notes to the Consolidated Financial Statements
(Notes Relating to the Going Concern Assumption)
The Company had no material items to report.

(Basis of Preparing the Consolidated Financial Statements)

1. Scope of Consolidation

(1) Number of consolidated subsidiaries: 13

Name of company:

en world Japan K. K.

en-Asia Holdings Ltd.

Navigos Group, Ltd.

Navigos Group Vietnam Joint Stock Company

Nhan Luc Viet Development&Education Company Limited

New Era India Consultancy Pvt. Ltd.

Future Focus Infotech Pvt. Ltd.

Future Focus Infotech FZE

Focus America INC

Talent Alliance (Beijing) Technology Development Limited

Zeku, Ltd.

OWLS, INC.

Brocante Inc.

The previous consolidated subsidiaries, en world Recruitment (Thailand) Co., Ltd. and en Holdings (Thailand) Ltd., have been excluded from the scope of consolidation effective the fiscal year under review because they have less of an impact on the consolidated financial statements.

(2) Names of major unconsolidated subsidiaries:

Insight Tech Ltd. and six other companies

(Reason for exclusion from consolidation)

Unconsolidated subsidiaries are excluded from the scope of consolidation since their total assets, net sales, profit (amount proportional to the equity share), and retained earnings (amount proportional to the equity share), etc., have no material impact on the consolidated financial statements.

2. Application of the Equity Method

(1) Number of unconsolidated subsidiaries accounted for by the equity method: –

(2) Names of the unconsolidated subsidiaries and affiliates that are not accounted for by the equity method

Insight Tech Ltd. and seven other companies

(Reason for not applying the equity method)

Unconsolidated subsidiaries and affiliates that are not accounted for by the equity method are excluded from the scope of application of the equity method since both of their profit (amount proportional to the equity share) and retained earnings (amount proportional to the equity share), etc., have no material impact on the consolidated financial statements, and they are also immaterial on the whole.

3. Fiscal Year, etc., of Consolidated Subsidiaries

Consolidated subsidiaries whose term end differs from the consolidated term end are as follows:

Consolidated subsidiaries	Closing date	
Navigos Group, Ltd.	December 31	Note 1
Navigos Group Vietnam Joint Stock Company	December 31	Note 1
Talent Alliance (Beijing) Technology Development Limited	December 31	Note 1
Brocante Inc.	September 30	Note 2
Nhan Luc Viet Development&Education Company Limited	December 31	Note 1

Note 1 The Group adopts provisional financial statements for the term end of consolidated subsidiaries in preparing the consolidated financial statements. However, those necessary adjustments to consolidation are made to reflect material transactions conducted between this date and the consolidated term end.

Note 2 The Group adopts pro forma financial statements as of December 31 in preparing the consolidated financial statements. However, those necessary adjustments to consolidation are made to reflect material transactions conducted between this date and the consolidated term end.

4. Summary of Significant Accounting Policies

(1) Valuation basis and method for important assets

1) Securities

a. Held-to-maturity securities

Carried at amortized cost (straight-line method)

b. Available-for-sale securities

Available-for-sale securities other than shares, etc., without market prices

Valued at market as of the balance sheet date. Unrealized gain or loss is included directly in net assets.

The cost of securities sold is determined by the moving-average method.

Available-for-sale securities that are shares, etc., without market prices

Valued at cost determined by the moving-average method

The Company accounts for investments in investment limited partnerships and similar associations (investments deemed to be negotiable securities under Article 2, Paragraph 2, of the Financial Instruments and Exchange Act) by booking a net amount equivalent to the equity method value, based on the most recent closing statement that can be obtained in accordance with the account reporting date provided for in the partnership agreement.

2) Inventories

a. Work in process

Specific identification method (amount reported on the balance sheet is stated by writing down based on decrease in profitability)

b. Supplies

Most recent purchase cost method (amount reported on the balance sheet is stated by writing down based on decrease in profitability)

(2) Depreciation method for major depreciable assets

1) Property, plant and equipment (excluding lease assets)

The depreciation of property, plant and equipment at the Company and its consolidated subsidiaries is computed by the declining-balance method using the applicable rates based on the estimated useful lives of the assets. However, the straight-line method is used to depreciate buildings (excluding accompanying facilities).

The range of useful lives is as follows:

Buildings 8–25 years

Furniture and fixtures 2–20 years

For assets acquired on or before March 31, 2007, the remaining book values are equally depreciated on a straight-line basis over five years, starting from the year following the year during which depreciation to the residual values was completed up to the maximum depreciable amounts.

2) Intangible assets (excluding lease assets)

The amortization of intangible assets at the Company and its consolidated subsidiary is computed by the straight-line method.

Computer software for internal use is amortized over the estimated useful life (5 years) depending on the nature of the respective software products.

3) Lease assets

Lease assets related to the finance lease transactions other than those where the ownership of the lease assets is deemed to be transferred

These lease assets are amortized by the straight-line method, assuming that the lease period is the useful life and there is no residual value.

(3) Accounting for important reserves

1) Allowance for doubtful accounts

The allowance for doubtful accounts is provided for possible bad debt of claims at an amount of possible losses from uncollectible receivables based on the actual loan loss ratio from bad debt for ordinary receivables, and on the estimated recoverability for specific doubtful receivables.

2) Provision for bonuses

The provision for bonuses is provided for possible payment of bonuses to employees at an amount to be borne based on the amount estimated to be paid for the fiscal year under review.

3) Provision for directors' bonuses

The provision for bonuses is provided for possible payment of bonuses to directors at an amount based on the amount estimated to be paid and which corresponds to the fiscal year under review.

4) Provision for share benefits

A provision for share benefits is provided for possible delivery of stock to employees in accordance with the stock delivery regulation at an amount based on the estimated amount of stock benefits obligation at the end of the fiscal year under review.

(4) Accounting standard for significant revenues and expenses

Details of main performance obligations of major businesses relating to revenue from contracts with customers of the en Japan Group, and the normal point in time at which such performance obligations are satisfied (the normal point in time at which revenue is recognized) are as follows:

1) Domestic Job Board

The domestic job board receives advertising fees from customers by providing advertising services to the Group-operating job board. Target customers are those who have demand for hiring full-time and temporary staff. As the advertising service on the job board is a service offered throughout the contract period, based on the judgement that performance obligations will be satisfied in accordance with the elapse of time, revenue is recognized on a pro rata basis over such contract period.

2) Domestic Permanent Recruitment

The domestic permanent recruitment receives recruitment fees from customers by providing permanent recruitment services that introduce workers wishing to change jobs to customers who have demand for hiring mid-career employees. As the permanent recruitment to customers is a success fee-based service offered to conclude employment in a company for workers wishing to change jobs, and based on the judgment that performance obligations will be satisfied when workers join the company, revenue is recognized.

3) Overseas

The overseas business operates job boards, provides permanent recruitment services, and temporary staffing services mainly in Shanghai, Vietnam and India. The temporary staffing service receives staffing fees from customers by staffing personnel to customers who have demand for personnel such as specialists. As staffing service is a service offering a contract-based work force, based on the judgement that performance obligations will be satisfied in accordance with the work force provided by temporary staff workers, revenue is recognized according to the actual work performed in the staffing period. Details of the main performance obligations related to the operation of job boards and provision of permanent recruitment services is the same as the domestic businesses described in 1) and 2).

4) HR-Tech

HR-Tech receives user fees from customers mainly through their use of recruitment support tools that are accompanied when services for generally creating and posting their own recruitment websites are offered free of charge. As the use of recruitment support tools is billed in line with the number applied through the own recruitment websites posted free of charge under contracts, based on the judgement that performance obligations will be satisfied at the time of application, revenue is recognized when applied.

(5) Method and period of amortization of goodwill

The amount of goodwill and negative goodwill is equally amortized over the estimated years during which the effects are estimated to emerge.

(6) Scope of cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents in the consolidated statements of cash flows include cash on hand, demand deposits, and short-term investments due within three months from the date of acquisition that are easily convertible into cash with little or no risk from fluctuation in value.

(Changes in Accounting Policies)

(Application of Accounting Standard for Revenue Recognition, etc.)

“Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020; hereinafter “Revenue Recognition Accounting Standard”) and related guidelines have been adopted from the beginning of the fiscal year under review. In line with this adoption, revenue is recognized at the time control of promised goods or services is transferred to the customer in the amount they are expected to receive in exchange for those goods or services. Accordingly, the total amount of consideration received from customers in the Group’s job advertising business, previously recognized as revenue at one point of time, has been changed to a way of recognizing revenue over a certain period of time as performance obligations is satisfied. Furthermore, transactions such as posting of job advertisements through an agency, previously recognized as revenue in net amount, has been changed to a way of recognizing revenue in total amount, if the Group corresponds to the

agent itself.

The application of the Revenue Recognition Accounting Standard and related guidelines is subject to the transitional treatment provided for in the proviso to paragraph 84 of the Revenue Recognition Accounting Standard. The cumulative effect from the retrospective application of the new accounting policy to periods prior to the beginning of the fiscal year under review has been added to or deducted from the opening balance of retained earnings of the fiscal year under review, so as to apply the new accounting policy from the balance at the beginning of the said period.

As a result, in the consolidated statements of income for the fiscal year under review, net sales increased by ¥2,046 million, selling, general and administrative expenses increased by ¥2,543 million, while operating income, ordinary income and income before income taxes decreased by ¥496 million, respectively. The balance of retained earnings at the beginning of the period decreased by ¥1,098 million.

In accordance with the transitional treatment provided for in paragraph 89-3 of the Revenue Recognition Accounting Standard, notes related to revenue recognition for the previous fiscal year are not included.

(Application of Accounting Standard for Fair Value Measurement, etc.)

“Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter “Fair Value Measurement Standard”) and other standards have been adopted from the beginning of the fiscal year under review. In accordance with the transitional treatment provided for in paragraph 19 of the Fair Value Measurement Standard and paragraph 44-2 of “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019), the Company will continue to apply the new accounting policies prescribed by the Fair Value Measurement Standard and other standards. There are no impacts on the consolidated financial statements.

(Change in Presentation Method)

(Consolidated Balance Sheets)

“Notes and accounts receivable-trade,” which were presented under “current assets” in the consolidated balance sheets for the previous fiscal year, is included in “notes and accounts receivable-trade, and contract assets” from the fiscal year under review. However, in accordance with the transitional treatment provided for in paragraph 89-2 of the Revenue Recognition Accounting Standard, no reclassification has been made for the previous fiscal year by the new presentation method.

(Consolidated Statements of Income)

“Commission expenses” included in “other” under “selling, general and administrative expenses” in the previous fiscal year is presented as an independent item from the fiscal year under review as it has exceeded 10/100 of the total amount of selling, general and administrative expenses. To reflect the way this presentation is changed, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, “other” of ¥9,774 million included under “selling, general and administrative expenses” in the consolidated statements of income for the previous fiscal year has been reclassified into “commissions expenses” of ¥982 million and “other” of ¥8,791 million.

In addition, as “interest expenses” included in “miscellaneous loss” under “non-operating expenses” is presented as an independent item from the fiscal year under review as it has exceeded 10/100 of the total amount of non-operating expenses. To reflect the way this presentation is changed, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, “miscellaneous loss” of ¥26 million included under “non-operating expenses” has been reclassified into “interest expenses” of ¥0 million and “miscellaneous loss” of ¥26 million in the consolidated statements of income for the previous fiscal year.

(Consolidated Balance Sheets)

*1 Amount of receivables from contracts with customers in notes and accounts receivable - trade, and contract assets respectively was as follows.

	Current Fiscal Year (As of March 31, 2022)
Notes receivable-trade	0 million yen
Accounts receivable-trade	5,438 million yen
Contract assets	28 million yen

*2 Amount of contract liabilities in advances received was as follows.

	Current Fiscal Year (As of March 31, 2022)
Contract liabilities	3,785 million yen

*3 Overdraft Facility Agreement

The Company has concluded an overdraft facility agreement and a committed credit line agreement with one of its primary financing banks. The unused balance at the end of the fiscal year under review was as follows.

	Prior Fiscal Year (As of March 31, 2021)	Current Fiscal Year (As of March 31, 2022)
Limit of overdraft line and total of committed credit line	6,000 million yen	6,000 million yen
Outstanding borrowings	– million yen	– million yen
Balance	6,000 million yen	6,000 million yen

(Consolidated Statements of Income)

*1 Gain on sales of non-current assets was as follows.

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Vehicles	1 million yen	– million yen
Furniture and fixtures	0 million yen	0 million yen
Total	2 million yen	0 million yen

*2 Loss on sale of non-current assets was as follows.

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Furniture and fixtures	– million yen	0 million yen
Total	– million yen	0 million yen

*3 Loss on retirement of non-current assets was as follows.

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Buildings	7 million yen	15 million yen
Furniture and fixtures	25 million yen	1 million yen
Software	92 million yen	0 million yen
Software in progress	17 million yen	– million yen
Total	142 million yen	16 million yen

*4 Impairment loss is as follows.

Prior fiscal year (from April 1, 2020 to March 31, 2021)

The Group recorded an impairment loss for the following asset group.

(1) Outline of asset groups for which impairment loss was recognized

Type	Purpose of use	Location	Amount of impairment loss
Buildings	Common assets	Shinjuku-ku, Tokyo	167 million yen
Furniture and fixtures			3 million yen
Construction in progress	Assets for business	Chennai City, Republic of India	52 million yen
Software	Assets for business	Ho Chi Minh City, Socialist Republic of Vietnam	24 million yen
Goodwill	Other		89 million yen
Goodwill	Other	Chiyoda-ku, Tokyo	235 million yen

(2) Reason for recognizing impairment loss

The Group groups assets for business and others based on categories of managerial accounting in which earnings and expenses are ascertained on an ongoing basis.

With regard to common assets, the Company reduced the book value of non-current assets to the recoverable amount and recorded the amount of the reduction as an impairment loss under extraordinary losses because the Company no longer expects their book value to be recoverable due to the decision to close some offices, as well as other reasons.

With regard to business assets in India, the Company reduced the book value of non-current assets to the recoverable amount and recorded the amount of the reduction as an impairment loss under extraordinary losses because the Company no longer expects their book value to be recoverable due to a change in their usage.

With regard to business assets in Vietnam, the Company reduced the book value to the recoverable amount and recorded the amount of the reduction as an impairment loss under extraordinary losses because the Company no longer expects them to generate the revenue that was initially expected of them.

The unamortized balance of goodwill was recorded as an impairment loss under extraordinary losses because the Company no longer expects it to generate the revenue that was expected of it at the time of acquisition.

All recoverable amounts are calculated based on the value in use, and are recognized as zero.

Current fiscal year (from April 1, 2021 to March 31, 2022)

The Group recorded an impairment loss for the following asset group.

(1) Outline of asset group for which impairment loss was recognized

Type	Purpose of use	Location	Amount of impairment loss
Goodwill	Other	Shinjuku-ku, Tokyo	278 million yen

(2) Reason for recognizing impairment loss

The Group groups assets for business and others based on categories of managerial accounting in which earnings and expenses are ascertained on an ongoing basis.

The unamortized balance of goodwill was recorded as an impairment loss under extraordinary losses because the Company no longer expects it to generate the revenue that was expected of it at the time of acquisition.

The recoverable amount is calculated based on the value in use, and is recognized as zero.

(Consolidated Statements of Comprehensive Income)

* Adjustments and Taxes in Other Comprehensive Income

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Valuation difference on available-for-sale securities		
Amount incurred during the term	174 million yen	137 million yen
Recycling amount	-0 million yen	-152 million yen
Amount before tax adjustment	173 million yen	-15 million yen
Taxes	-53 million yen	4 million yen
Valuation difference on available-for-sale securities	120 million yen	-10 million yen
Foreign currency translation adjustment		
Amount incurred during the term	-315 million yen	551 million yen
Total other comprehensive income	-194 million yen	540 million yen

(Consolidated Statements of Cash Flows)

*1 Relationship between Cash and Cash Equivalents at End of Period and the Line Item Amounts Stated on the Consolidated Balance Sheets

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Cash and deposits	26,374 million yen	33,849 million yen
Balance of items corresponding to cash equivalents in the securities account	2,031 million yen	2,000 million yen
Time deposits deposited for a period of more than three months	-1,570 million yen	-2,459 million yen
Cash and cash equivalents	26,835 million yen	33,389 million yen

(Segment Information, etc.)

(Segment Information)

I Prior fiscal year (from April 1, 2020 to March 31, 2021)

Description is omitted since the en Japan Group is formed under a single segment.

II Current fiscal year (from April 1, 2021 to March 31, 2022)

Description is omitted since the en Japan Group is formed under a single segment.

(Related Information)

Prior fiscal year (from April 1, 2020 to March 31, 2021)

1. Information by Product and Service

Description is omitted since the en Japan Group is formed under a single segment.

2. Information by Region

(1) Net Sales

(Million yen)		
Japan	Asia	Total
34,679	8,046	42,725

(2) Property, plant and equipment

(Million yen)			
Japan	Vietnam	Asia	Total
255	300	65	621

3. Information by Major Clients

Presentation is omitted as there are no net sales for outside clients that account for 10% or more of the net sales recorded in the consolidated statements of income.

Current fiscal year (from April 1, 2021 to March 31, 2022)

1. Information by Product and Service

Description is omitted since the en Japan Group is formed under a single segment.

2. Information by Region

(1) Net Sales

(Million yen)		
Japan	Asia	Total
43,551	10,993	54,544

(2) Property, plant and equipment

(Million yen)			
Japan	Vietnam	Asia	Total
327	236	70	634

3. Information by Major Clients

Presentation is omitted as there are no net sales for outside clients that account for 10% or more of the net sales recorded in the consolidated statements of income.

(Information on Impairment Losses of Property, Plant and Equipment by Reportable Segment)

Prior fiscal year (from April 1, 2020 to March 31, 2021)

Description is omitted since the en Japan Group is formed under a single segment.

Current fiscal year (from April 1, 2021 to March 31, 2022)

Description is omitted since the en Japan Group is formed under a single segment.

(Information on Amortization of Goodwill and Unamortized Balance by Reportable Segment)

Description is omitted since the en Japan Group is formed under a single segment.

(Information on Gain on Negative Goodwill by Reportable Segment)

The Company had no material items to report.

(Per-Share Information)

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Net Assets per Share	810.66 yen	903.89 yen
EPS	78.19 yen	147.71 yen
Fully Diluted EPS	77.96 yen	147.38 yen

(Notes)

- Shares of the Company remaining in trust that are posted as treasury shares under shareholders' equity are included in the number of treasury shares deducted when calculating the average number of shares during the period for the sake of calculating EPS.
They are also included in the number of treasury shares deducted from the total number of shares issued as of the end of the period for the sake of calculating net assets per share. In calculating EPS, the average number during the period of the treasury shares deducted was 2,391,708 in the fiscal year ended March 31, 2021 and 2,364,732 for the fiscal year ended March 31, 2022. In addition, in calculating net assets per share, the number of shares at the end of the period of the treasury shares deducted was 2,384,400 in the fiscal year ended March 31, 2021 and 2,347,500 in the fiscal year ended March 31, 2022.
- The basis for calculating EPS and fully diluted EPS is shown below.

	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
EPS		
Profit attributable to Owners of Parent (million yen)	3,502	6,628
Amount not attributable to Common Shareholders (million yen)	—	—
Profit Attributable to Owners of Parent concerning Common Share (million yen)	3,502	6,628
Average Number of Shares of Common Share Outstanding during the period (shares)	44,791,225	44,874,206
Fully Diluted EPS		
Profit Attributable to Owners of Parent – Deferred (million yen)	—	—
Increase in the Number of Shares of Common Share (shares)	132,244	99,571
(of which subscription rights to shares [shares])	(132,244)	(99,571)
Summary of Potential Shares not used in the Calculation of Fully Diluted EPS (potential shares have no dilutive effect)	—	—