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Consolidated Financial Results for the Year Ended March 31, 2023 [Japanese GAAP]

May 11, 2023

Company name: RareJob, Inc.
 Stock exchange listing: Tokyo
 Code number: 6096
 URL: <https://www.rarejob.co.jp>
 Representative: Gaku Nakamura, CEO
 Contact: Yuji Inoue, Executive Officer & CFO
 Phone: 03-5468-7401
 Scheduled date of Annual General Meeting of Shareholders: June 29, 2023
 Scheduled date of commencing dividend payments: June 30, 2023
 Scheduled date of filing annual securities report: June 29, 2023
 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, 2023 (April 01, 2022 to March 31, 2023)

(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, 2023	5,787	3.4	547	(5.7)	228	(21.7)	279	15.4	194	4.9
March 31, 2022	5,598	5.0	581	(36.9)	291	(56.4)	242	(61.5)	184	(52.7)

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

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥ 160 million [(20.2)%]
 Fiscal year ended March 31, 2022: ¥ 201 million [(50.3)%]

	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, 2023	20.69	20.54	8.4	4.2	3.9
March 31, 2022	19.98	19.50	9.1	4.5	5.2

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2023: ¥ 86 million
 Fiscal year ended March 31, 2022: ¥ (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, 2023	6,835	2,624	35.5	255.44
March 31, 2022	6,343	2,479	35.0	238.54

(Reference) Equity: As of March 31, 2023: ¥ 2,426 million
 As of March 31, 2022: ¥ 2,219 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, 2023	471	(1,725)	371	2,243
March 31, 2022	292	(1,507)	1,464	3,121

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, 2022	-	0.00	-	11.00	11.00	102	55.1	5.0
March 31, 2023	-	0.00	-	12.00	12.00	113	58.0	4.9
Fiscal year ending March 31, 2024 (Forecast)	-	0.00	-	13.00	13.00		30.9	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 01, 2023 to March 31, 2024)

(% 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	%	
Full year	10,000	72.8	1,000	82.6	600	162.8	530	89.7	400	106.1	Yen 42.11

(Note) The Company hasn't conducted the forecast for the first half ending September 30, 2023 (April 01, 2023 to September 30, 2023).

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

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

1) Changes in accounting policies due to the revision of accounting standards: No

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, 2023: 9,800,800 shares

March 31, 2022: 9,658,000 shares

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

March 31, 2023: 302,991 shares

March 31, 2022: 354,024 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2023: 9,377,186 shares

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

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 01, 2022 to March 31, 2023)

(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, 2023	4,392	(5.8)	(16)	-	173	(41.2)	147	(25.6)
March 31, 2022	4,661	(2.4)	202	(69.3)	294	(54.2)	198	(50.8)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	15.73	15.62
March 31, 2022	21.41	20.90

(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, 2023	6,787	2,507	36.1	258.18
March 31, 2022	5,407	2,394	42.8	248.54

(Reference) Equity: As of March 31, 2023: ¥ 2,452 million
As of March 31, 2022: ¥ 2,312 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 11, 2023.
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 31,2022	As of March 31,2023
Assets		
Current assets		
Cash and deposits	3,116,675	2,243,352
Deposits paid	4,759	-
Accounts receivable - trade	121,585	93,191
Prepaid expenses	82,152	102,541
Derivatives	50,437	21,581
Other	127,536	474,160
Total current assets	3,503,147	2,934,827
Non-current assets		
Property, plant and equipment		
Buildings	110,530	101,628
Accumulated depreciation	(43,949)	(39,662)
Buildings, net	66,581	61,966
Tools, furniture and fixtures	192,014	177,381
Accumulated depreciation	(135,870)	(126,351)
Tools, furniture and fixtures, net	56,144	51,029
Vehicles	2,461	2,614
Accumulated depreciation	(2,379)	(2,614)
Vehicles, net	82	0
Right-of-use assets	80,779	85,783
Accumulated depreciation	(12,311)	(26,544)
Right-of-use assets,net	68,468	59,239
Total property, plant and equipment	191,276	172,236
Intangible assets		
Trademark right	1,738	2,971
Software	456,224	576,664
Software in progress	88,812	1,370
Goodwill	846,092	752,310
Content assets	65,130	58,392
Other	690	979
Total intangible assets	1,458,689	1,392,689
Investments and other assets		
Investment securities	1,007,791	989,199
Leasehold deposits	110,359	104,729
Deferred tax assets	46,024	42,687
Advance payments	-	1,165,035
Other	25,947	33,696
Total investments and other assets	1,190,123	2,335,348
Total non-current assets	2,840,088	3,900,274
Total assets	6,343,236	6,835,102

(Thousand yen)

	As of March 31,2022	As of March 31,2023
Liabilities		
Current liabilities		
Current portion of long-term borrowings	1,142,972	361,368
Lease liabilities	11,556	9,912
Accounts payable - other	198,175	195,739
Accrued expenses	251,325	242,004
Income taxes payable	10,798	84,615
Accrued consumption taxes	54,089	73,833
Advances received	717,013	598,452
Deposits received	23,755	21,671
Refund liabilities	-	5,552
Provision for bonuses	71,919	60,864
Derivative liabilities	-	3,512
Provision for loss on business liquidation	9,254	-
Other	38,796	31,379
Total current liabilities	2,529,655	1,688,908
Non-current liabilities		
Long-term borrowings	1,212,228	2,419,864
Retirement benefit liability	32,330	21,832
Lease liabilities	62,574	56,006
Asset retirement obligations	3,271	3,291
Deferred tax liabilities	22,535	20,203
Provision for bonuses	363	-
Other	1,056	567
Total non-current liabilities	1,334,359	2,521,765
Total liabilities	3,864,015	4,210,673
Net assets		
Shareholders' equity		
Share capital	606,699	644,725
Capital surplus	787,446	828,336
Retained earnings	1,010,441	1,102,136
Treasury shares	(222,263)	(187,186)
Total shareholders' equity	2,182,324	2,388,012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,346	3,586
Deferred gains or losses on hedges	34,993	12,491
Foreign currency translation adjustment	7,425	14,942
Remeasurements of defined benefit plans	(6,687)	7,081
Total accumulated other comprehensive income	37,078	38,102
Share acquisition rights	82,520	55,475
Non-controlling interests	177,297	142,837
Total net assets	2,479,220	2,624,428
Total liabilities and net assets	6,343,236	6,835,102

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2022	For the fiscal year ended March 31,2023
Net sales	5,598,296	5,787,323
Cost of sales	2,307,375	2,348,656
Gross profit	3,290,920	3,438,666
Selling, general and administrative expenses	2,999,365	3,210,316
Operating profit	291,555	228,349
Non-operating income		
Interest income	151	177
Share of profit of entities accounted for using equity method	-	86,978
Subsidy income	-	5,661
Other	6,562	8,368
Total non-operating income	6,713	101,187
Non-operating expenses		
Interest expenses	15,557	13,854
Foreign exchange losses	13,441	19,883
Share of loss of entities accounted for using equity method	1,268	-
Depreciation	18,087	-
Cancellation fee	3,850	-
Other	3,932	16,367
Total non-operating expenses	56,136	50,106
Ordinary profit	242,132	279,430
Extraordinary income		
Gain on sale of non-current assets	1,563	1,092
Gain on reversal of share acquisition rights	6,993	9,997
Gain on liquidation of business	53,442	4,839
Total extraordinary income	61,999	15,929
Extraordinary losses		
Loss on sale of non-current assets	-	1,531
Loss on retirement of non-current assets	281	6,589
Impairment losses	9,434	-
Loss on withdrawal from business	2,083	-
Office relocation expenses	22,378	-
Other	2,245	-
Total extraordinary losses	36,423	8,121
Profit before income taxes	267,708	287,239
Income taxes - current	89,985	123,051
Income taxes - deferred	3,565	4,940
Total income taxes	93,551	127,992
Profit	174,157	159,246
Loss attributable to non-controlling interests	(10,790)	(34,791)
Profit attributable to owners of parent	184,947	194,038

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31,2022	For the fiscal year ended March 31,2023
Profit	174,157	159,246
Other comprehensive income		
Valuation difference on available-for-sale securities	2,492	2,240
Deferred gains or losses on hedges	8,216	(22,619)
Foreign currency translation adjustment	2,432	8,950
Remeasurements of defined benefit plans, net of tax	14,370	13,127
Other comprehensive income	27,512	1,699
Comprehensive income	201,669	160,946
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	208,416	195,406
Comprehensive income attributable to non-controlling interests	(6,747)	(34,459)

Consolidated Statements of Changes in Net Assets

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

For the fiscal year ended March 31,2023

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	606,699	787,446	1,010,441	(222,263)	2,182,324
Changes during period					
Issuance of new shares	38,026	38,026			76,052
Dividends of surplus			(102,343)		(102,343)
Profit attributable to owners of parent			194,038		194,038
Purchase of treasury shares					-
Disposal of treasury shares					-
Transfer-restricted stock-based compensation		2,864		35,076	37,940
Purchase of shares of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	38,026	40,890	91,695	35,076	205,688
Balance at end of period	644,725	828,336	1,102,136	(187,186)	2,388,012

	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	1,346	34,993	7,425	(6,687)	37,078	82,520	177,297	2,479,220
Changes during period								
Issuance of new shares								76,052
Dividends of surplus								(102,343)
Profit attributable to owners of parent								194,038
Purchase of treasury shares								-
Disposal of treasury shares								-
Transfer-restricted stock-based compensation								37,940
Purchase of shares of consolidated subsidiaries								-
Net changes in items other than shareholders' equity	2,240	(22,502)	7,516	13,769	1,024	(27,044)	(34,459)	(60,480)
Total changes during period	2,240	(22,502)	7,516	13,769	1,024	(27,044)	(34,459)	145,207
Balance at end of period	3,586	12,491	14,942	7,081	38,102	55,475	142,837	2,624,428

Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31,2022	For the fiscal year ended March 31,2023
Cash flows from operating activities		
Profit before income taxes	267,708	287,239
Depreciation	250,003	225,503
Share-based payment expenses	32,962	41,741
Amortization of goodwill	39,459	93,781
Share of loss (profit) of entities accounted for using equity method	1,268	(86,978)
Gain on reversal of share acquisition rights	(6,993)	(9,997)
Impairment losses	9,434	-
Interest income	(151)	(177)
Interest expenses	15,557	13,854
Loss (gain) on sale of non-current assets	(1,563)	438
Loss on retirement of non-current assets	281	6,589
Office transfer expenses	15,386	-
Gain on liquidation of business	(53,442)	(4,839)
Subsidy income	-	(5,661)
Decrease (increase) in trade receivables	185,634	22,461
Decrease (increase) in prepaid expenses	(12,581)	(22,820)
Increase (decrease) in accounts payable - other	(34,606)	9,196
Increase (decrease) in accrued expenses	11,336	(10,335)
Increase (decrease) in accrued consumption taxes	(99,601)	19,743
Increase (decrease) in advances received	(67,082)	(112,636)
Increase (decrease) in provision for bonuses	15,627	(11,418)
Decrease (increase) in other assets	(2,380)	(33,285)
Increase (decrease) in other liabilities	(7,247)	(15,927)
Other, net	8,085	7,836
Subtotal	567,093	414,307
Interest and dividends received	151	108,977
Interest paid	(15,596)	(15,444)
Subsidies received	-	5,661
Income taxes paid	(259,328)	(86,026)
Income taxes refund	-	43,591
Net cash provided by (used in) operating activities	292,320	471,066
Cash flows from investing activities		
Purchase of investment securities	(11,527)	-
Purchase of property, plant and equipment	(64,796)	(24,473)
Proceeds from sale of property, plant and equipment	2,149	3,191
Purchase of intangible assets	(159,969)	(222,030)
Proceeds from refund of leasehold and guarantee deposits	-	27,890
Payments of leasehold and guarantee deposits	(28,996)	(3,492)
Purchase of shares of subsidiaries and associates	(961,000)	-
Advance payments for purchase of shares of subsidiaries and associates	-	(1,165,035)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(278,371)	-
Other, net	(4,547)	(341,159)
Net cash provided by (used in) investing activities	(1,507,058)	(1,725,109)

(Thousand yen)

	For the fiscal year ended March 31,2022	For the fiscal year ended March 31,2023
Cash flows from financing activities		
Proceeds from long-term borrowings	1,450,000	2,159,800
Repayments of long-term borrowings	(84,800)	(1,733,768)
Proceeds from disposal of treasury shares	166,010	-
Purchase of treasury shares	(43)	-
Repayments of lease liabilities	(18,284)	(11,784)
Proceeds from exercise of employee share options	42,595	59,004
Dividends paid	(90,648)	(102,092)
Net cash provided by (used in) financing activities	1,464,828	371,160
Effect of exchange rate change on cash and cash equivalents	4,973	4,800
Net increase (decrease) in cash and cash equivalents	255,063	(878,083)
Cash and cash equivalents at beginning of period	2,866,371	3,121,435
Cash and cash equivalents at end of period	3,121,435	2,243,352