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Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

November 14, 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: +81-3-5468-7401
 Scheduled date of filing quarterly securities report: November 14, 2023
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: Yes

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended										
September 30, 2023	5,026	73.3	596	193.1	365	707.9	354	290.5	376	504.9
September 30, 2022	2,900	8.0	203	(18.9)	45	(65.6)	90	(8.8)	62	(29.4)

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

(Note) Comprehensive income: Six months ended September 30, 2023: ¥ 438 million [505.3%]
 Six months ended September 30, 2022: ¥ 72 million [29.0%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2023	39.97	39.75
September 30, 2022	6.69	6.62

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2023	7,739	2,521	32.1
March 31, 2023	6,835	2,624	35.5

(Reference) Equity: As of September 30, 2023: ¥ 2,484 million
 As of March 31, 2023: ¥ 2,426 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	12.00	12.00
Fiscal year ending March 31, 2024	-	0.00			
Fiscal year ending March 31, 2024 (Forecast)			-	13.00	13.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 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
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	10,000	72.8	1,000	82.6	600	162.8	530	89.7	400	106.1	42.25

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New 1 Company name: BORDERLINK, Inc.

Exclusion: 2 Company name: Envision, Inc., shikaku square, Inc.

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) 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

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

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

September 30, 2023: 9,823,600 shares

March 31, 2023: 9,800,800 shares

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

September 30, 2023: 357,192 shares

March 31, 2023: 302,991 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2023: 9,424,669 shares

Six months ended September 30, 2022: 9,315,659 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	2,243,352	3,075,933
Accounts receivable - trade	93,191	616,342
Prepaid expenses	102,541	163,533
Derivatives	21,581	82,811
Other	474,160	87,445
Total current assets	2,934,827	4,026,067
Non-current assets		
Property, plant and equipment		
Buildings	101,628	124,523
Accumulated depreciation	(39,662)	(48,713)
Accumulated impairment	-	(6,031)
Buildings, net	61,966	69,778
Tools, furniture and fixtures	177,381	217,101
Accumulated depreciation	(126,351)	(158,603)
Accumulated impairment	-	(366)
Tools, furniture and fixtures, net	51,029	58,131
Vehicles	2,614	23,973
Accumulated depreciation	(2,614)	(18,190)
Vehicles, net	0	5,782
Right-of use assets	85,783	67,823
Accumulated depreciation	(26,544)	(21,934)
Right-of-use assets, net	59,239	45,888
Total property, plant and equipment	172,236	179,581
Intangible assets		
Trademark right	2,971	2,665
Software	576,664	530,079
Software in progress	1,370	16,239
Goodwill	752,310	1,688,427
Content assets	58,392	55,023
Customer-related intangible assets	-	907,479
Other	979	974
Total intangible assets	1,392,689	3,200,889
Investments and other assets		
Investment securities	989,199	60,779
Leasehold deposits	104,729	120,085
Deferred tax assets	42,687	125,429
Advance payments	1,165,035	-
Other	33,696	26,549
Total investments and other assets	2,335,348	332,843
Total non-current assets	3,900,274	3,713,314
Total assets	6,835,102	7,739,381

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Short-term borrowings	-	400,000
Current portion of long-term borrowings	361,368	346,368
Lease liabilities	9,912	9,772
Accounts payable - other	195,739	186,252
Accrued expenses	242,004	613,861
Income taxes payable	84,615	68,131
Accrued consumption taxes	73,833	152,800
Advances received	598,452	618,655
Deposits received	21,671	86,075
Refund liabilities	5,552	1,043
Provision for bonuses	60,864	68,678
Derivative liabilities	3,512	-
Other	31,379	29,098
Total current liabilities	1,688,908	2,580,737
Non-current liabilities		
Long-term borrowings	2,419,864	2,254,180
Retirement benefit liability	21,832	27,194
Lease liabilities	56,006	41,145
Asset retirement obligations	3,291	3,069
Deferred tax liabilities	20,203	310,965
Other	567	633
Total non-current liabilities	2,521,765	2,637,187
Total liabilities	4,210,673	5,217,925
Net assets		
Shareholders' equity		
Share capital	644,725	654,182
Capital surplus	828,336	638,089
Retained earnings	1,102,136	1,364,883
Treasury shares	(187,186)	(278,626)
Total shareholders' equity	2,388,012	2,378,529
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,586	7,399
Deferred gains or losses on hedges	12,491	57,443
Foreign currency translation adjustment	14,942	32,454
Remeasurements of defined benefit plans	7,081	8,215
Total accumulated other comprehensive income	38,102	105,512
Share acquisition rights	55,475	37,409
Non-controlling interests	142,837	4
Total net assets	2,624,428	2,521,456
Total liabilities and net assets	6,835,102	7,739,381

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the six months)

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Net sales	2,900,083	5,026,350
Cost of sales	1,192,403	2,782,831
Gross profit	1,707,679	2,243,518
Selling, general and administrative expenses	1,662,406	1,877,771
Operating profit	45,273	365,746
Non-operating income		
Interest income	78	117
Foreign exchange gains	402	-
Share of profit of entities accounted for using equity method	51,112	-
Commission income	-	6,172
Other	3,396	2,269
Total non-operating income	54,990	8,559
Non-operating expenses		
Interest expenses	7,237	8,053
Foreign exchange losses	-	8,780
Share of loss of entities accounted for using equity method	-	2,274
Other	2,234	663
Total non-operating expenses	9,472	19,771
Ordinary profit	90,791	354,535
Extraordinary income		
Gain on sale of non-current assets	-	1,173
Gain on reversal of share acquisition rights	1,748	13,386
Gain on step acquisitions	-	11,748
Gain on liquidation of business	4,839	-
Other	-	3,577
Total extraordinary income	6,587	29,885
Extraordinary losses		
Loss on sale of non-current assets	1,467	-
Loss on retirement of non-current assets	-	2,741
Loss on cancellation of insurance policies	-	5,331
Loss on withdrawal from business	-	7,000
Loss on valuation of investment securities	-	12,388
Total extraordinary losses	1,467	27,461
Profit before income taxes	95,911	356,958
Income taxes - current	31,551	80,758
Income taxes - deferred	16,992	(100,520)
Total income taxes	48,544	(19,762)
Profit	47,366	376,721
Profit (loss) attributable to non-controlling interests	(14,913)	0
Profit attributable to owners of parent	62,280	376,720

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profit	47,366	376,721
Other comprehensive income		
Valuation difference on available-for-sale securities	5,121	3,812
Deferred gains or losses on hedges	6,357	44,951
Foreign currency translation adjustment	16,743	11,414
Remeasurements of defined benefit plans	(3,222)	1,133
Other comprehensive income	25,000	61,312
Total comprehensive income	72,367	438,033
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	86,652	438,032
Comprehensive income attributable to non-controlling interests	(14,285)	1

Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	95,911	356,958
Depreciation	111,491	147,848
Share-based payment expenses	18,661	22,270
Amortization of goodwill	46,890	83,298
Share of loss (profit) of entities accounted for using equity method	(51,112)	2,274
Interest income	(78)	(117)
Interest expenses	7,237	8,053
Loss (gain) on sale of non-current assets	1,467	(1,173)
Gain on reversal of share acquisition rights	(1,748)	(13,386)
Gain on liquidation of business	(4,839)	-
Loss (gain) on step acquisitions	-	(11,748)
Loss on cancellation of insurance policies	-	5,331
Loss on retirement of non-current assets	-	2,741
Loss on valuation of investment securities	-	12,388
Decrease (increase) in trade receivables	27,444	1,035
Decrease (increase) in prepaid expenses	(12,941)	(18,678)
Increase (decrease) in accounts payable - other	(28,097)	(173,767)
Increase (decrease) in accrued expenses	22,553	347,236
Increase (decrease) in accrued consumption taxes	17,597	(21,979)
Increase (decrease) in advances received	15,130	17,236
Increase (decrease) in provision for bonuses	(27,037)	(30,294)
Decrease (increase) in other assets	14,947	26,176
Increase (decrease) in other liabilities	(15,895)	51,996
Other, net	(3,596)	(13,432)
Subtotal	233,985	800,271
Interest and dividends received	46,642	116
Interest paid	(7,304)	(7,880)
Subsidies received	-	367
Income taxes paid	(21,071)	(249,004)
Income taxes refund	31,294	37,876
Net cash provided by (used in) operating activities	283,546	581,745
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,623)	(22,828)
Proceeds from sale of property, plant and equipment	2,944	1,214
Purchase of intangible assets	(134,919)	(62,717)
Proceeds from refund of leasehold and guarantee deposits	23,845	1,029
Payments of leasehold and guarantee deposits	(37)	(2,950)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	144,735
Other, net	(5,763)	342,531
Net cash provided by (used in) investing activities	(122,554)	401,014

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Cash flows from financing activities		
Proceeds from short-term borrowings	-	400,000
Repayments of long-term borrowings	(121,484)	(180,684)
Purchase of treasury shares	-	(300,325)
Repayments of lease liabilities	(6,012)	(5,829)
Proceeds from exercise of employee share options	9,940	14,233
Dividends paid	(102,031)	(113,560)
Net cash provided by (used in) financing activities	(219,588)	(186,166)
Effect of exchange rate change on cash and cash equivalents	22,698	35,988
Net increase (decrease) in cash and cash equivalents	(35,896)	832,581
Cash and cash equivalents at beginning of period	3,121,435	2,243,352
Cash and cash equivalents at end of period	3,085,538	3,075,933