

en Japan Inc.



Fiscal Year Ended March 31, 2025, Earnings Announcement [Japan GAAP] (Consolidated)

May 14, 2025

Company Name	en Japan Inc.	Listing Exchanges	Prime Section of the Tokyo Stock Exchange
Stock Code	4849	URL	http://corp.en-japan.com/
Representative (Title)	Chairman and President Executive Officer and General	(Name)	Michikatsu Ochi
Contact (Title)	Manager, Corporate Strategy Division	(Name)	Jun Nakajima
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Regular General Shareholders' Meeting		June 24, 2025	
Scheduled Date to Begin Dividend Payments		June 25, 2025	
Scheduled Date for Submission of Securities Report		June 23, 2025	
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 2025 Consolidated Earnings (From April 1, 2024 to March 31, 2025)

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

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FYE 3/2025	65,678	-2.9	5,892	14.2	5,943	10.7	7,628	81.8
FYE 3/2024	67,661	-0.1	5,161	21.4	5,369	31.8	4,196	55.7

(Note) Comprehensive income FYE 3/2025 8,250 million yen (+77.5%)

FYE 3/2024 4,649 million yen (+51.6%)

	EPS	Fully Diluted EPS	ROE	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
FYE 3/2025	186.76	183.34	22.2	11.2	9.0
FYE 3/2024	102.38	100.52	12.6	10.6	7.6

(Reference) Equity FYE 3/2025 97 million yen

FYE 3/2024 116 million yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
FYE 3/2025	56,942	37,618	65.0	905.56
FYE 3/2024	48,974	32,161	64.8	777.70

(Reference) Core capital FYE 3/2025 37,004 million yen

FYE 3/2024 31,755 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 3/2025	8,062	-843	-3,021	23,584
FYE 3/2024	6,430	-4,060	-7,855	19,178

2. Dividends

	Annual Dividend					Total Dividend Amount (Total)	Dividend Payout Ratio (Consolidated)	Dividend to Net Asset Ratio (Consolidated)
	1st Quarter-end	2nd Quarter-end	3rd Quarter-end	Year End	Full Year			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FYE 3/2024	-	0.00	-	70.10	70.10	3,023	68.5	8.8
FYE 3/2025	-	0.00	-	70.10	70.10	3,023	37.5	8.3
FYE 3/2026 (projected)	-	0.00	-	24.00	24.00		50.0	

3. FY Ending March 2026 Projected Consolidated Operating Results (From April 1, 2025, to March 31, 2026)

(Percentages indicate percent change from the previous 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	62,200	-5.3	2,800	-52.5	2,983	-49.8	2,070	-72.9	50.66

*Notes

(1) Significant changes in the scope of consolidation during the fiscal year under review No

Newly included None (Name of company) -

Exclusion None (Name of company) -

(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 3/2025 49,716,000 shares FYE 3/2024 49,716,000 shares

b. Number of treasury shares at fiscal year-end

FYE 3/2025 8,853,024 shares FYE 3/2024 8,883,721 shares

c. Average number of shares issued during the period

FYE 3/2025 40,848,572 shares FYE 3/2024 40,985,960 shares

(Reference) Summary of Non-Consolidated Operating Results

1. FYE 3/2025 Non-Consolidated Operating Results (From April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Operating Results

(Percentages indicate percent change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FYE 3/2025	47,523	-0.8	4,077	19.3	4,555	34.5	7,003	142.9
FYE 3/2024	47,918	11.6	3,418	75.1	3,387	1.7	2,883	9.3

	EPS	Fully Diluted EPS
	Yen	Yen
FYE 3/2025	171.45	168.30
FYE 3/2024	70.35	69.07

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
FYE 3/2025	48,914	35,246	70.8	847.84
FYE 3/2024	43,102	31,050	71.1	750.75

(Reference) Equity

FYE 3/2025 34,646 million yen

FYE 3/2024 30,654 million yen

<Reasons for Differences from Previous Year's Performance>

Although HR-tech engage saw an increase in revenue compared to the previous year, the domestic Job Board [en] Career Change Info experienced a decrease in revenue due to reduced investment, leading to a decrease in the number of companies using the service. As a result, sales amounted to 47,253 million yen (down 0.8% year on year).

Despite an increase in personnel costs due to the strengthening of HR-tech engage and recruitment services, advertising expenses, which had been actively invested in until the previous year, decreased. Consequently, operating profit was 4,077 million yen (up 19.3% year on year).

Due to dividends received from affiliated companies amounting to 780 million yen, ordinary profit was 4,555 million yen (up 34.5% year on year). Additionally, special profit from the sale of investment securities of Timee, Inc. resulted in a gain of 5,437 million yen from the sale of investment securities. After accounting for non-operating expenses such as payment fees of 332 million yen, net profit for the current period was 7,003 million yen (up 142.9% year on year).

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

* Explanation regarding appropriate use of operating results forecasts, 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.

Table of Contents for Attachments

1. Overview of Operating Results	- 2 -
(1) Overview of Operating Results for the Current Fiscal Year	- 2 -
(2) Overview of Financial Position for the Current Fiscal Year	- 3 -
(3) Overview of Cash Flows for the Current Fiscal Year	- 4 -
(4) Business Outlook	- 4 -
2. Basic Approach to the Selection of Accounting Standards	- 5 -
3. Consolidated Financial Statements and Key Notes	- 6 -
(1) Consolidated Balance Sheet	- 6 -
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	- 8 -
Consolidated Statements of Income	- 8 -
Consolidated Statements of Comprehensive Income	- 9 -
(3) Consolidated Statements of Changes in Net Assets	- 10 -
(4) Consolidated Statements of Cash Flows	- 12 -
(5) Notes to the Consolidated Financial Statements	- 14 -
(Notes Relating to the Going Concern Assumption)	- 14 -
(Basis of Preparing the Consolidated Financial Statements)	- 14 -
(Changes in Accounting Policy)	- 18 -
(Consolidated Balance Sheets)	- 18 -
(Consolidated Statements of Income)	- 19 -
(Consolidated Statements of Comprehensive Income)	- 20 -
(Consolidated Statements of Cash Flows)	- 20 -
(Segment Information, Etc.)	- 20 -
(Per-Share Information)	- 21 -
(Significant Subsequent Events)	- 22 -

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, 2025

(Million yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)	Change	Percent change (%)
Net Sales	67,661	65,678	-1,983	-2.9%
Operating Income	5,161	5,892	731	14.2%
Ordinary Income	5,369	5,943	574	10.7%
Profit Attributable to Owners of Parent	4,196	7,628	3,432	81.8%

Our Group's main business is to support "recruitment and active participation after employment," centering on the operation of job information websites, permanent recruitment services, and educational evaluation. Net sales for the current fiscal year were 65,678 million yen (down 2.9% year on year) despite the high growth of HR-tech engage and the human resources platform. This is due to a decline in the number of companies using the Domestic Job Board as a result of reduced advertising expenses for more efficiency and the impact (a decrease of 925 million yen) from a change of the sales recording method in the overseas business from gross to net based on actual transaction conditions in accordance with the accounting standards. Although personnel expenses increased due to an increase in personnel centered on HR-tech engage and permanent recruitment, total costs decreased to 59,785 million yen (down 4.3% year on year) as a result of reducing advertising expenses, which had been significantly invested in until last year.

As a result of the above, operating income was 5,892 million yen (up 14.2% year on year) and ordinary income came to 5,943 million yen (up 10.7% year on year). As a result of mainly recording a gain on sale of investment securities of 5,437 million yen in extraordinary income due to the sale of the shares of Timee, Inc. as well as commission expenses of 332 million yen in non-operating expenses, profit attributable to owners of parent was 7,628 million yen (up 81.8% year on year).

2) Summary of Major Businesses (Managerial accounting basis)

(Million yen)

Net Sales			Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)	Change	Percent change (%)
Investment	HR-Tech engage		7,193	9,657	2,464	34.3%
	Human resources platform		7,091	7,806	714	10.1%
Existing	In Japan	Domestic Job Board	29,396	25,000	-4,396	-15.0%
		Permanent Recruitment	9,871	9,895	24	0.2%
		Other	3,349	5,102	1,752	52.3%
	Overseas		11,616	10,148	-1,467	-12.6%

* 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.

(HR-Tech engage)

In July 2024, we rebranded with a new concept, “For Job Seeking for All People,” and defined our brand as the one that supports all types of job seeking, including job change, part-time work, and new graduate jobs, and that realizes the “Active Participation After Employment” that we have valued so much. In addition, by linking our corporate review sites with the aim of providing support for job selection without mismatches, more multifaceted information collection has become available through ENGAGE KAISHA NO HYOBAN.

Under the new brand, we conducted promotions with the aim of attracting job seekers. As a result, the number of members increased to 5.55 million people (up 1.81 million people from the previous year). As the number of members increased, the number of companies using the service also increased, with the total number of accounts in use at 680,000, and the number of open job offers at 2.11 million. Continued growth as a top-class recruitment service in Japan resulted in an increase in sales. On the other hand, since we were not able to create sufficient job matchings that take advantage of the number of job postings and job seekers, our results fall short of our plans.

As a result of the above, net sales of HR-Tech engage amounted to 9,657 million yen, up 34.3% year on year.

(Human Resources Platform)

As a result of our aggressive investment in advertising expenses with the aim of attracting job seekers, the number of members increased to 4.33 million people (up 0.51 million people from the previous year). In the current fiscal year, recruitment demand for high-flying career targets, mainly Middle’s, was high, and as user companies grew for both recruitment agencies and general companies, net sales increased.

As a result of the above, net sales of the human resources platform amounted to 7,806 million yen, up 10.1% year on year.

(Domestic Job Board)

As a result of a decrease in advertising expenses for improved efficiency in [en] Career Change Info, user companies decreased, which resulted in a decrease in sales. Net sales of job sites for temporary staffing agencies declined due to curbs on placements by major temporary staffing companies. On the other hand, net sales of scouting-type recruitment sites for new graduates increased against the backdrop of increased talent scouting for employment of new graduates.

As a result of the above, net sales of Domestic Job Board amounted to 25,000 million yen, down 15.0% year on year.

(Domestic Recruitment Consultancy)

At en AGENTS, net sales decreased as productivity did not improve although we increased the number of new graduates at the beginning of the period. This was because the number of new graduates was large relative to the existing workforce.

At en world Japan, net sales increased because of high recruitment demand for high-flying career targets and improved productivity of consultants.

As a result of the above, net sales of Domestic Permanent Recruitment amounted to 9,895 million yen, up 0.2% year on year.

(Overseas)

IT temporary staffing in India experienced a decrease in net sales as a partial change in the method of recording sales from gross to net resulted in a decrease of approximately 925 million year on year and IT demand remained at the same level as in the previous fiscal year.

In Vietnam, where operation of job boards with the largest market share in the country is its primary business, net sales remained at the same level as the previous year as business confidence in the country did not recover, affected by the Chinese and U.S. economies.

As a result of the above, net sales of the overseas business amounted to 10,148 million yen, down 12.6% 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, 2025 increased 7,968 million yen compared with the end of the previous fiscal year to 56,942 million yen.

Current assets increased 6,029 million yen to 37,089 million yen. This was mainly due to increases in cash and deposits of 5,712 million yen and notes and accounts receivable–trade, and contract assets of 421 million yen, and a decrease in consumption tax refunds receivable of 301 million yen. Non-current assets increased 1,938 million yen to 19,853 million yen. This was primarily attributable to increases in investment securities of 1,040 million yen and software of 810 million yen.

(Liabilities)

Total liabilities were 19,323 million yen, an increase of 2,510 million yen from the end of the previous fiscal year. Current liabilities rose 2,410 million yen to 16,540 million yen. This was mainly due to increases in income taxes payable of 1,767 million yen and accounts

payable - other of 327 million yen, and advances received of 242 million yen. Non-current liabilities rose 100 million yen to 2,783 million yen.

(Net Assets)

Total net assets were 37,618 million yen, up 5,457 million yen from the end of the previous fiscal year. This was mainly due to an increase of 21 million yen due to a decrease in treasury shares, dividends paid of 3,023 million yen, provision of profit attributable to owners of parent of 7,628 million yen and an increase in foreign currency translation adjustment of 627 million yen.

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, 2025 increased 4,405 million yen from the previous fiscal year to 23,584 million yen. 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, 2025 was 8,062 million yen compared to the previous fiscal year of 6,430 million yen. This was primarily due to the posting of income before income taxes of 10,982 million yen, depreciation of 2,782 million yen, increase in notes and accounts receivable-trade of 113 million yen, increase in accounts payable-other of 110 million yen, increase in advances received of 114 million yen, and income taxes paid of 2,058 million yen.

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

Net cash used in investing activities during the fiscal year ended March 31, 2025 was 843 million yen compared to 4,060 million yen used in the previous fiscal year. This was primarily due to purchase of intangible assets of 3,767 million yen, payments into time deposits of 5,828 million yen, and proceeds from sale and redemption of investment securities of 5,341 million yen.

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

Net cash used in financing activities during the fiscal year ended March 31, 2025 was 3,021 million yen compared to 7,855 million yen used in the previous fiscal year. This was mainly due to cash dividends paid of ¥3,021 million.

The en Japan Group procures the necessary funds mainly from operating cash flow. The Group has also concluded an overdraft facility agreement (maximum amount: 11,000 million yen) with two banks. There were no outstanding borrowings as of the end of the fiscal year ended March 31, 2025.

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

(4) Business Outlook

(Medium and Long-term Outlook)

Japan's human resource business market, to which the en Japan Group belongs, is experiencing a rapidly growing labor shortage due to a decline in the working age population resulting from a declining birthrate and aging population, changes in industrial structures, and other factors.

As labor supply constraints lead to fewer production and service opportunities as well as slower economic growth, competition for labor among companies is becoming more intense. At the same time, companies are working to raise wages, strengthen measures to prevent employee turnover, and enhance reskilling measures and various systems. Under these conditions, the labor market is seeing mismatches, such as extreme shortages of labor in certain industries and regions, and bankruptcies are on the rise, especially among small and medium-sized companies, due to hiring difficulties and rising labor costs.

We believe that the structural problems of labor supply will become even more serious in the future. In association with this, job-seekers will be encouraged to change jobs across industries due to changes in career preferences, while on the other hand, companies will become more competitive to hire talents, which will also have impacts on business continuity. We think that this will result in increased employment mobility and simultaneously, the advance of bipolarization, which will require labor market reforms and a redesign of the way society as a whole utilizes human resources.

In addition, in the overseas human resource business market environment, Vietnam and India, where our Group is developing business, are both expected to deliver strong economic growth from a medium- to long-term perspective. Given the large population and low

average age, we see high growth potential in the human resource business. Although economic and recruitment activities are likely to contract and stagnate in each country due to frictions and fragmentation in the global economy, the market growth is expected, centering on the IT and technology markets, and the need for human resources in these areas continues to be high. As such, we anticipate continued strong growth in these two countries.

In these circumstances, in addition to even further increased job mobility and intensifying competition for human resources, the Company expects diversified use and selection of its services will further continue among job seekers and the companies hiring them.

The Company has formulated a five-year medium-term management plan ending in the fiscal year ending March 31, 2027, and has been working to expand earnings. During this period, the business environment changed rapidly as mentioned above, and a review of management policies and business strategies became an urgent management issue, which required a major revision of the medium-term management plan.

Because of the above, we have decided to go back to our philosophy and business guidelines. In term of business, we will restructure our business portfolios, while in terms of structure, we will further strengthen corporate governance and accelerate management decision-making.

The Company upholds “To make the world better by increasing the number of people who work hard for others and society - Inner Calling & Work Hard -” as its Purpose (the Company’s reason for being in society).

To realize this Purpose, it will increase job opportunities through provision of job recruitment information ensuring both quality and quantity via the use of technology.

(Outlook for the Next Fiscal Year)

The estimated financial results for the fiscal year ending March 31, 2026 include net sales of 62,200 million yen (down 5.3% year on year), operating income of 2,800 million yen (down 52.5% year on year), ordinary income of 2,983 million yen (down 49.8% year on year), and profit attributable to owners of parent of 2,070 million yen (down 72.9% year on year).

We consider the next fiscal year to be a year for achieving growth by increasing the number of successful recruitment support cases, mainly through [en] Career Change Info, which has a high repeated employment decision rate. The Company plans a decrease in sales and profit as it will invest in human resources and advertising expenses for [en] Career Change Info and permanent recruitment. Specific forecasts and strategies for the future will be announced in November 2025 (at the time of the announcement of the second quarter financial results) or later, based on the results of the investment.

From the perspective of medium- to long-term profit growth, the Company’s basic policy is to make strategic investments that contribute to improving shareholder value, such as brand and capital investments and M&A, while making appropriate investments according to business stage. In addition, with regard to dividends, the Company has established a basic policy of paying them while taking into consideration its operating results, financial position, and internal reserves to prepare for future business development, with the aim of strengthening shareholder returns. For the next fiscal year, we plan a dividend payout ratio of 50.0% and an annual dividend of 24.0 yen per share.

*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.

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 Sheet

	(Million yen)	
	Previous Fiscal Year (As of March 31, 2024)	Current Fiscal Year (As of March 31, 2025)
Assets		
Current assets		
Cash and deposits	21,768	27,481
Notes and accounts receivable–trade, and contract assets	*1 6,017	*1 6,439
Securities	2,000	2,000
Supplies	23	2
Other	1,542	1,348
Allowance for doubtful accounts	-292	-183
Total current assets	31,060	37,089
Non-current assets		
Property, plant and equipment		
Buildings	852	833
Accumulated depreciation	-676	-734
Buildings, net	176	98
Vehicles	6	7
Accumulated depreciation	-6	-7
Vehicles, net	-	-
Furniture and fixtures	847	862
Accumulated depreciation	-737	-774
Furniture and fixtures, net	110	87
Lease assets	906	801
Accumulated depreciation	-174	-306
Leased assets, net	732	495
Construction in progress	0	-
Total property, plant and equipment	1,019	681
Intangible assets		
Software	6,617	7,427
Goodwill	1,847	1,681
Other	892	964
Total intangible assets	9,357	10,073
Investments and other assets		
Investment securities	3,621	4,661
Long-term loans receivable	925	816
Deferred tax assets	991	1,315
Shares of subsidiaries and associates	562	650
Other	1,899	2,122
Allowance for doubtful accounts	-461	-468
Total investments and other assets	7,537	9,097
Total non-current assets	17,914	19,853
Total assets	48,974	56,942

(Million yen)

	Previous Fiscal Year (As of March 31, 2024)	Current Fiscal Year (As of March 31, 2025)
Liabilities		
Current liabilities		
Accounts payable–trade	841	913
Lease obligations	143	128
Accounts payable–other	4,117	4,445
Income taxes payable	1,302	3,070
Provision for bonuses	1,149	1,292
Provision for directors' bonuses	38	29
Advances received	*2 4,768	*2 5,010
Other	1,767	1,649
Total current liabilities	14,129	16,540
Non-current liabilities		
Provision for directors' retirement benefits	-	2
Retirement benefit liability	187	258
Lease obligations	619	423
Deferred tax liabilities	87	52
Provision for share benefits	535	610
Asset retirement obligations	208	209
Long-term accounts payable–other	1,045	1,203
Other	-	24
Total non-current liabilities	2,683	2,783
Total liabilities	16,813	19,323
Net assets		
Shareholders' equity		
Capital stock	1,194	1,194
Capital surplus	489	488
Retained earnings	43,696	48,306
Treasury shares	-14,993	-14,971
Total shareholders' equity	30,388	35,019
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	247	238
Foreign currency translation adjustment	1,119	1,746
Total accumulated other comprehensive income	1,367	1,984
Subscription rights to shares	395	600
Non-controlling interests	10	14
Total net assets	32,161	37,618
Total liabilities and net assets	48,974	56,942

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

Consolidated Statements of Income

(Million yen)		
	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Net Sales	*1 67,661	*1 65,678
Cost of sales	13,705	13,240
Gross profit	53,955	52,437
Selling, general and administrative expenses		
Advertising expenses	19,217	15,731
Salaries and allowances	11,524	12,264
Bonuses	1,693	1,911
Provision for bonuses	1,048	1,197
Provision for bonuses for directors (and other officers)	38	29
Commission expenses	5,261	5,611
Provision of allowance for doubtful accounts	32	-95
Other	9,978	9,895
Total selling, general and administrative expenses	48,794	46,545
Operating Income	5,161	5,892
Non-operating income		
Interest income	282	355
Dividend income	0	2
Share of profit of entities accounted for using equity method	116	97
Foreign exchange gains	104	12
Miscellaneous income	54	52
Total non-operating income	559	520
Non-operating expenses		
Interest expenses	101	42
Loss on investments in investment partnerships	136	33
Provision of allowance for doubtful accounts	106	48
Commission expenses	1	332
Miscellaneous loss	6	12
Total non-operating expenses	351	469
Ordinary Income	5,369	5,943
Extraordinary income		
Gain on sale of business	*2 803	*2 —
Gain on sale of non-current assets	*3 0	*3 0
Gain on sale of investment securities	67	5,456
Gain on sales of shares of subsidiaries and associates	111	-
Total extraordinary income	983	5,456
Extraordinary losses		
Extraordinary investigation expenses	*4 295	*4 —
Loss on cancellation of leases	-	36
Loss on sale of non-current assets	*5 1	*5 5
Loss on retirement of non-current assets	*6 81	*6 374
Loss on valuation of investment securities	54	0
Total extraordinary losses	432	417
Income before income taxes	5,919	10,982
Income taxes—current	1,623	3,704
Income taxes—deferred	47	-353
Total income taxes	1,670	3,350
Profit	4,249	7,631
Profit attributable to non-controlling interests	52	2
Profit attributable to owners of parent	4,196	7,628

Consolidated Statements of Comprehensive Income

(Million yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Profit	4,249	7,631
Other comprehensive income		
Valuation difference on available-for-sale securities	107	-9
Foreign currency translation adjustment	292	628
Total other comprehensive income	400	618
Comprehensive income	4,649	8,250
(Breakdown)		
Comprehensive income attributable to owners of parent	4,569	8,246
Comprehensive income attributable to non-controlling interests	79	3

(3) Consolidated Statements of Changes in Net Assets

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income			Subscripti on rights to shares	Non- controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholder s' equity	Valuation difference on available- for-sale securities	Foreign currency translation adjustment	Total accumulat ed other comprehen sive income			
Balance at beginning of current period	1,194	898	42,529	-10,880	33,742	140	853	993	213	175	35,125
Changes of items during the period											
Dividends of surplus			-3,143		-3,143						-3,143
Profit attributable to owners of parent			4,196		4,196						4,196
Purchase of treasury shares				-4,130	-4,130						-4,130
Disposal of treasury shares		0		17	18						18
Change in scope of consolidation			26		26						26
Change in ownership interest of parent due to transactions with non-controlling interests		-409			-409						-409
Change in scope of equity method			87		87						87
Net changes of items other than shareholders' equity					-	107	266	373	181	-165	389
Total changes of items during period	-	-408	1,167	-4,112	-3,354	107	266	373	181	-165	-2,964
Balance at end of current period	1,194	489	43,696	-14,993	30,388	247	1,119	1,367	395	10	32,161

Current fiscal year (from April 1, 2024 to March 31, 2025)

(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	489	43,696	-14,993	30,388	247	1,119	1,367	395	10	32,161
Changes of items during the period											
Dividends of surplus			-3,023		-3,023						-3,023
Profit attributable to owners of parent			7,628		7,628						7,628
Purchase of treasury shares				-0	-0						-0
Disposal of treasury shares		-0		21	20						20
Change in scope of consolidation			4		4						4
Change in ownership interest of parent due to transactions with non-controlling interests											
Change in scope of equity method											
Net changes of items other than shareholders' equity					-	-9	627	617	205	3	826
Total changes of items during period	-	-0	4,610	21	4,630	-9	627	617	205	3	5,457
Balance at end of current period	1,194	488	48,306	-14,971	35,019	238	1,746	1,984	600	14	37,618

(4) Consolidated Statements of Cash Flows

(Million yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Income before income taxes	5,919	10,982
Depreciation	2,368	2,782
Amortization of goodwill	385	405
Bad debts expenses	10	8
Loss (gain) on sale of businesses	-803	-
Extraordinary investigation expenses	295	-
Increase (decrease) in allowance for doubtful accounts	128	-71
Increase (decrease) in provision for bonuses	-16	140
Increase (decrease) in provision for directors' bonuses	-9	-16
Interest and dividend income	-283	-357
Interest expenses	101	42
Commission expenses	1	332
Foreign exchange losses (gains)	-51	-0
Share of loss (profit) of entities accounted for using equity method	-116	-97
Loss (gain) on investments in investment partnerships	136	33
Loss (gain) on valuation of investment securities	54	0
Loss (gain) on sale of investment securities	-67	-5,456
Loss (gain) on sales of shares of subsidiaries and associates	-111	-
Loss (gain) on sale of non-current assets	0	5
Loss on retirement of non-current assets	81	374
Decrease (increase) in notes and accounts receivable—trade	628	-113
Increase (decrease) in notes and accounts payable—trade	-197	-12
Increase (decrease) in retirement benefit liability	56	69
Increase (decrease) in accounts payable—other	-2,139	110
Increase (decrease) in advances received	370	114
Other	423	493
Subtotal	7,168	9,771
Interest expenses paid	-102	-42
Interest and dividend income received	195	337
Payment of extraordinary investigation expenses	-295	-
Income taxes paid	-1,026	-2,058
Income taxes refund	491	54
Net cash provided by (used in) operating activities	6,430	8,062

(Million yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Cash flows from investing activities		
Payments into time deposits	-4,254	-5,828
Proceeds from withdrawal of time deposits	3,351	4,885
Purchase of property, plant and equipment	-75	-39
Proceeds from sales of property, plant and equipment	0	1
Purchase of intangible assets	-3,887	-3,767
Purchase of investment securities	-154	-1,306
Proceeds from sale and redemption of investment securities	175	5,341
Purchase of shares of subsidiaries and associates	-22	-
Proceeds from sale of businesses	794	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-65
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-61	-
Payment for lease and guarantee deposits	-2	-125
Proceeds from collection of lease and guarantee deposits	10	29
Purchase of insurance funds	-20	-19
Other proceeds	86	50
Net cash provided by (used in) investing activities	-4,060	-843
Cash flows from financing activities		
Purchase of treasury shares	-4,130	-0
Cash dividends paid	-3,143	-3,021
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-581	-
Other proceeds	0	0
Net cash provided by (used in) financing activities	-7,855	-3,021
Effect of exchange rate change on cash and cash equivalents	279	161
Net increase (decrease) in cash and cash equivalents	-5,206	4,358
Cash and cash equivalents at beginning of period	24,384	19,178
Increase (decrease) in cash and cash equivalents resulting from newly consolidated subsidiaries	-	47
Cash and cash equivalents at end of period	19,178	23,584

(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
Focus Infotech Labors Supply Services
Zeku, Ltd.
en SX Inc.
Vollect Inc.

Brocante Inc., which was previously a consolidated subsidiary, was excluded from the scope of consolidation from the fiscal year under review due to the absorption-type merger by the Company. Focus Infotech Labors Supply Services, which was a non-consolidated subsidiary in the previous fiscal year, was included in the scope of consolidation due to its increased importance. Furthermore, en SX Inc. and Vollect Inc. were included in the scope of consolidation from the fiscal year under review due to the new establishment and the acquisition of all shares, respectively.

(2) Names of major unconsolidated subsidiaries:

Insight Tech Inc. and four 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 and affiliates accounted for by the equity method: 1

Hajimari Inc.

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

Insight Tech Inc. and five other companies

(Reason for not applying the equity method)

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

Consolidated subsidiaries	Closing date
Navigos Group, Ltd.	December 31 (Note 1)
Navigos Group Vietnam Joint Stock Company	December 31 (Note 1)
Nhan Luc Viet Development&Education Company Limited	December 31 (Note 1)
Vollect Inc.	May 31 (Note 2)
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 March 31 in preparing the consolidated financial statements.	

3. Fiscal Year, etc., of Consolidated Subsidiaries

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

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

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) and facilities attached to buildings and structures acquired on or after April 1, 2016.

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 (five 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 directors' retirement benefits

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

5) 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) HR Tech engage

HR-Tech engage receives user fees from customers mainly through their use of recruitment support tools that are provided when services for creating their own recruitment websites and the like are offered free of charge. As the use of recruitment support tools is billed in line with the frequency of using the tools under contracts, based on the judgement that performance obligations will be satisfied at the time of use, revenue is recognized when used.

2) Human Resources Platform

The human resources platform 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, using the job boards operated by the Group. As permanent recruitment for 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) 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.

4) Domestic Permanent Recruitment

The domestic permanent recruitment receives recruitment fees from customers by career partners' providing permanent recruitment services that introduce workers wishing to change jobs to customers who have demand for hiring mid-career employees. As permanent recruitment for 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.

5) Overseas

The overseas business operates job boards, provides permanent recruitment services, and temporary staffing services mainly in 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 described in 3) and 4).

(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) Accounting method for retirement benefits

Some consolidated subsidiaries apply a simplified method to the calculation of retirement benefit liability and retirement benefit expenses, using the year-end voluntary base retirement benefits as retirement benefit obligations.

(7) 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.

(8) Standards for translation of significant assets and liabilities denominated in foreign currencies into Japanese yen

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the spot exchange rates prevailing on the consolidated balance sheet date, with translation differences recognized as gains or losses. Assets and liabilities of overseas subsidiaries are translated into Japanese yen at the spot exchange rate on the balance sheet date of the overseas subsidiaries, while revenues and expenses are translated into Japanese yen at the average exchange rate during the period. Translation differences are included in foreign currency translation adjustment and non-controlling interests in the section of net assets.

(Changes in Accounting Policy)

(Application of Accounting Standard for Current Income Taxes)

The Company applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter, “Revised Accounting Standard 2022”) from the beginning of the fiscal year under review.

Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, “Revised Guidance 2022”). This change had no impact on the consolidated financial statements.

With regard to revisions related to changes in the accounting treatment for consolidated financial statements when gains/losses on sale of shares, etc., in subsidiaries resulting from transactions between consolidated subsidiaries are deferred for tax purposes, the Company applied Revised Guidance 2022 from the beginning of the fiscal year under review. The change in accounting policies has been applied retrospectively to the consolidated financial statements for the previous fiscal year. This change had no impact on the consolidated financial statements 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.

	Previous Fiscal Year (As of March 31, 2024)	Current Fiscal Year (As of March 31, 2025)
Notes receivable–trade	- million yen	- million yen
Accounts receivable–trade	5,975 million yen	6,383 million yen
Contract assets	42 million yen	55 million yen

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

	Previous Fiscal Year (As of March 31, 2024)	Current Fiscal Year (As of March 31, 2025)
Contract liabilities	4,768 million yen	5,010 million yen

*3 Overdraft Facility Agreement

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

	Previous Fiscal Year (As of March 31, 2024)	Current Fiscal Year (As of March 31, 2025)
Limit of overdraft line and total of committed credit line	1,000 million yen	11,000 million yen
Outstanding borrowings	- million yen	- million yen
Balance	1,000 million yen	11,000 million yen

(Consolidated Statements of Income)

*1 Gain on sale of businesses was as follows.

Previous fiscal year (from April 1, 2023 to March 31, 2024)

In the fiscal year under review, the Company recorded a gain on the transfer of the pasture business, a freelance management tool developed by the Company, to free K.K. through a company split (simple absorption-type company split).

Current fiscal year (from April 1, 2024 to March 31, 2025)

The Company had no material items to report.

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

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Furniture and fixtures	0 million yen	0 million yen
Total	0 million yen	0 million yen

*3 Extraordinary investigation expenses were as follows.

Previous fiscal year (from April 1, 2023 to March 31, 2024)

In the fiscal year under review, the Company recorded the investigation expenses due to the Special Investigation Committee concerning inappropriate transactions by the general manager of Talent Alliance (Beijing) Technology Development Limited, which was previously a consolidated subsidiary (Chinese subsidiary).

Current fiscal year (from April 1, 2024 to March 31, 2025)

The Company had no material items to report.

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

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Furniture and fixtures	1 million yen	5 million yen
Total	1 million yen	5 million yen

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

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Furniture and fixtures	1 million yen	2 million yen
Software	79 million yen	326 million yen
Other	-	45 million yen
Total	81 million yen	374 million yen

(Consolidated Statements of Comprehensive Income)

* Adjustments and Taxes in Other Comprehensive Income

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Valuation difference on available-for-sale securities		
Amount incurred during the term	154 million yen	-13 million yen
Recycling amount	- million yen	- million yen
Amount before tax adjustment	154 million yen	-13 million yen
Taxes	-47 million yen	4 million yen
Valuation difference on available-for-sale securities	107 million yen	-9 million yen
Foreign currency translation adjustment		
Amount incurred during the term	360 million yen	628 million yen
Recycling amount	-67 million yen	- million yen
Foreign currency translation adjustment	292 million yen	628 million yen
Total other comprehensive income	400 million yen	618 million yen

(Consolidated Statements of Cash Flows)

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

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Cash and deposits	21,768 million yen	27,481 million yen
Time deposits deposited for a period of more than three months	-4,590 million yen	-5,897 million yen
Balance of items corresponding to cash equivalents in the securities account	2,000 million yen	2,000 million yen
Cash and cash equivalents	19,178 million yen	23,584 million yen

(Segment Information, Etc.)

(Segment Information)

Description is omitted since en Japan Group is formed with only a single segment, human resource services.

(Per-Share Information)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
Net Assets per Share	777.70 yen	905.56 yen
EPS	102.38 yen	186.76 yen
Fully Diluted EPS	100.52 yen	183.34 yen

(Notes) 1. 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 2,308,822 in the fiscal year ended March 31, 2024, and 2,282,133 for the fiscal year ended March 31, 2025. In addition, in calculating net assets per share, the number of shares at the end of the period of the treasury shares deducted was 2,297,800 in the fiscal year ended March 31, 2024, and 2,268,400 in the fiscal year ended March 31, 2025.

2. The basis for calculating EPS and fully diluted EPS is shown below.

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Current Fiscal Year (From April 1, 2024 to March 31, 2025)
EPS		
Profit attributable to Owners of Parent (million yen)	4,196	7,628
Amount not attributable to Common Shareholders (million yen)	-	-
Profit Attributable to Owners of Parent concerning Common Stock (million yen)	4,196	7,628
Average Number of Shares of Common Stock Outstanding during the period (shares)	40,985,960	40,848,572
Fully Diluted EPS		
Profit Attributable to Owners of Parent – Deferred (million yen)	-	-
Increase in the Number of Shares of Common Stock (shares)	758,027	763,968
(of which, subscription rights to shares [shares])	(758,027)	(763,968)
Summary of Potential Shares not used in the Calculation of Fully Diluted EPS (potential shares have no dilutive effect)	-	-

(Significant Subsequent Events)

The Company has decided, through a written resolution on May 14, 2025 of the Board of Directors pursuant to Article 370 of the Companies Act and Article 25 of the Company's Articles of Incorporation, to purchase treasury shares in accordance with Article 156 of the Companies Act, as applied pursuant to Article 165, paragraph 3 of the same act.

1. Reason for Purchasing Treasury Shares

The Company has decided to purchase treasury shares in order to improve the level of shareholder returns and capital efficiency, and to enable the execution of a flexible capital policy in response to changes in the business environment.

2. Details of Matters relating to the Purchase

- | | | | |
|-----|--|---|--|
| (1) | Class of share | : | Common stock of the Company |
| (2) | Total number of shares to be purchased | : | Up to 7,800,000 shares
(Ratio to total number of shares issued and outstanding (excluding treasury stock): 19.1%) |
| (3) | Total amount of shares to be purchased | : | Up to 5,000,000,000 yen |
| (4) | Purchase period | : | From May 16, 2025 to April 30, 2026 |
| (5) | Purchase method | : | Market purchase on the Tokyo Stock Exchange |