en Inc.

1st Quarter FY Ending March 2027 Earnings Announcement [Japan GAAP] (Consolidated)

August 6, 2026

Company Name	en Inc.	Listing Exchanges	Prime Section of the Tokyo Stock Exchange
Stock Code	4849	URL	https://corp.en-japan.com/
Representative (Title)	Representative Director, Chairman and President	(Name)	Michikatsu Ochi
Contact (Title)	Director and Executive Officer, Head of Corporate Management Office	(Name)	Jun Nakajima Telephone +81-3-3342-4506
Scheduled Date to Begin Dividend Payments		-	
Preparation of Summary Supplementary Explanatory Materials			Yes
Earnings Briefing			Yes

(Figures rounded down to nearest million yen)

1. FY Ending March 2027 First Quarter Consolidated Operating Results (From April 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results (year to date) (Percentages indicate year-on-year changes)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FYE 3/2027 1st Qrtr	13,314	-11.2	1,468	10.5	1,606	16.0	4,246	347.6
FYE 3/2026 1st Qrtr	14,991	-7.7	1,328	-21.5	1,384	-24.8	948	-21.4

(Note) Comprehensive income FYE 3/27 1st Qrtr 4,319 million yen (-%) FYE 3/26 1st Qrtr 369 million yen (-77.0%)

	EPS	Fully Diluted EPS
	Yen	Yen
FYE 3/2027 1st Qrtr	112.44	109.69
FYE 3/2026 1st Qrtr	23.31	23.07

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
FYE 3/2027 1st Qrtr	52,162	34,614	65.7
FYE 3/2026	49,708	31,824	63.1

(Reference) Equity FYE 3/27 1st Qrtr 34,287 million yen FYE 3/26 31,345 million yen

2. Dividends

	Annual Dividend				
	1st Quarter-end	2nd Quarter-end	3rd Quarter-end	Year End	Full Year
	Yen	Yen	Yen	Yen	Yen
FYE 3/2026	-	0.00	-	32.70	32.70
FYE 3/2027	-				
FYE 3/2027 (projected)		0.00	-	68.30	68.30

(Note) Revisions to the Company’s latest dividend forecast: None

3. FY Ending March 2027 Projected Consolidated Operating Results (From April 1, 2026 to March 31, 2027)

(Percentages indicate percentage 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	50,000	-15.4	2,800	-29.3	3,406	-18.7	5,464	108.9	138.72

(Note) Revisions to the Company's latest operating results projections: No

*Notes

(1) Significant changes in the scope of consolidation during the quarter under review: None
Newly included - (Name of company) -
Exclusion - (Name of company) -

(2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements: Yes

(3) Changes in accounting policy, changes in accounting estimates, or restatement due to correction
a. Changes in accounting policy accompanying amendment of accounting principles: None
b. Changes in accounting policy other than "a.": None
c. Changes in accounting estimates: None
d. Restatement due to correction: None

(4) Number of shares issued (common share)
a. Number of shares issued at the end of the period (including treasury shares)
FYE 3/2027 1st Qrtr 49,716,000 shares FYE 3/2026 49,716,000 shares
b. Number of treasury shares at the end of the period
FYE 3/2027 1st Qrtr 11,934,507 shares FYE 3/2026 11,958,507 shares
c. Average number of shares outstanding during the period (cumulative from the beginning of the period)
FYE 3/2027 1st Qrtr 37,763,594 shares FYE 3/2026 1st Qrtr 40,693,263 shares

* Review of accompanying quarterly consolidated financial statements by a certified public accountant or an audit corporation: No

* Explanation regarding appropriate use of operating results forecasts, other special notes

(Cautionary Notes on Forward-Looking Statements)

Forward-looking statements, including operating results forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable, and do not constitute a promise by the Company that such forecasts will be achieved. Actual operating results may differ significantly due to various factors. For the assumptions underlying the operating results forecasts and notes regarding their use, please refer to "(3) Explanation of Future Projection Information Such as Consolidated Operating Results Projections" under "1. Overview of Operating Results" on page 3 of the attached materials.

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* The Company plans to post supplementary materials to explain its financial results on its website today.
Please refer to the following URL.
https://corp.en-japan.com/IR/

1. Overview of Operating Results

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

(Million yen)

	First Quarter of FY ended March 2026	First Quarter of FY ending March 2027	Change	Percent change (%)
Net Sales	14,991	13,314	-1,676	-11.2%
Operating Income	1,328	1,468	140	10.5%
Ordinary Income	1,384	1,606	221	16.0%
Profit Attributable to Owners of Parent	948	4,246	3,297	347.6%

The Group has designated the previous and current fiscal years as a two-year structural reform period, with three top priorities: improving existing businesses, reducing costs, and pursuing new growth strategies.
Net sales increased in Agent due to improved consultant productivity and in Recruitment Services and Others due to growth in the reference services provided by back check, but decreased overall because of the engage business transfer.
As a result of the above, net sales for the said quarter amounted to 13,314 million yen (down 11.2% year on year).
On the profit side, the engage business transfer significantly reduced personnel and advertising expenses. Consequently, operating income was 1,468 million yen (up 10.5% year on year), and ordinary income was 1,606 million yen (up 16.0% year on year).
Additionally, as a result of recognizing a gain on sale of shares of subsidiaries and associates of 4,884 million yen related to the engage business transfer, profit attributable to owners of parent for the quarter was 4,246 million yen (up 347.6% year on year).

Operating results by services are as follows.

(Media)
Net sales increased in [en]Career Change Consultant, driven by higher transactions with recruitment agencies. In contrast, net sales decreased in [en]Career Change Info, as growth in transactions with new customers stagnated.
Operating income increased for [en]Career Change Consultant due to more efficient use of advertising expenses, but declined for the Media segment overall due to lower sales.
As a result, net sales were 7,366 million yen (down 4.3% year on year), and operating income totaled 1,793 million yen (down 16.7% year on year). *Year-over-year comparisons exclude the impact of the engage business transfer.

(Agent)
Net sales increased for both en Agent and en world, driven by improved consultant productivity.
Operating income increased as sales growth offset higher personnel costs at en world.
As a result, net sales were 3,032 million yen (up 10.7% year on year) and operating income was 610 million yen (up 22.6% year on year).

(Recruitment Services and Others)
Net sales increased, supported mainly by growth in business with major Japanese companies at back check, a reference check service provider that became a consolidated subsidiary in October 2025.
Operating income rose, driven by profit growth at ZEKU, which provides recruitment management systems for the temporary staffing industry.
As a result, net sales were 833 million yen (up 74.2% year on year) and operating income was 302 million yen (up 105.3% year on year).

(Education and Assessment Services)
Net sales increased due to growth in training services and aptitude testing.
Operating income declined slightly due to higher personnel expenses associated with workforce expansion to support business growth.
As a result, net sales were 468 million yen (up 0.8% year on year) and operating income was 130 million yen (down 1.9% year on year).

(Overseas)
Net sales increased in IT Engineering Staffing Services, driven by growth in the U.S. business.
Operating income decreased because advertising expenses were increased in the Media and Agent businesses to capture the recovery in demand.
As a result, net sales were 1,605 million yen (up 2.6% year on year) and operating income was 238 million yen (down 1.9% year on year).

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

Total assets at the end of the first quarter under review increased 2,454 million yen compared with the end of the previous fiscal year to 52,162 million yen.

Current assets increased by 4,587 million yen to 31,792 million yen. This was mainly attributable to an increase of 4,032 million yen in cash and deposits and an increase of 1,222 million yen in accounts receivable - other included in “Other,” due to factors including the sale of shares of engage Inc., which succeeded to the engage business, partly offset by a decrease of 850 million yen in notes and accounts receivable-trade, and contract assets. Non-current assets decreased by 2,132 million yen to 20,370 million yen. This was mainly due to the transfer of software of 1,701 million yen and software in progress of 86 million yen in connection with the transfer of the engage business.

Total liabilities were 17,548 million yen, a decrease of 336 million yen from the end of the previous fiscal year.

Current liabilities decreased by 300 million yen to 14,238 million yen. This was mainly attributable to an increase of 1,507 million yen in income taxes payable, offset by decreases of 1,069 million yen in accounts payable-other and 689 million yen in provision for bonuses. Non-current liabilities decreased by 35 million yen to 3,309 million yen.

Total net assets increased by 2,790 million yen from the end of the previous fiscal year to 34,614 million yen. This was mainly due to dividends paid of 1,307 million yen and the recording of profit attributable to owners of parent of 4,246 million yen.

(3) Explanation of Future Projection Information Such as Consolidated Operating Results Projections

There are no changes to the operating results projections for the fiscal year ending March 2027 as announced on May 14, 2026.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheet

(Million yen)

	Previous Fiscal Year (As of March 31, 2026)	First Quarter of Current Fiscal Year (As of June 30, 2026)
Assets		
Current assets		
Cash and deposits	18,524	22,556
Notes and accounts receivable–trade, and contract assets	7,237	6,387
Other	2,176	3,576
Allowance for doubtful accounts	-732	-727
Total current assets	27,205	31,792
Non-current assets		
Property, plant and equipment	597	551
Intangible assets		
Software	8,271	6,803
Goodwill	2,376	2,239
Other	2,042	1,821
Total intangible assets	12,691	10,864
Investments and other assets		
Investment securities	4,472	4,267
Shares of subsidiaries and associates	760	779
Other	4,005	3,931
Allowance for doubtful accounts	-24	-24
Total investments and other assets	9,214	8,954
Total non-current assets	22,502	20,370
Total assets	49,708	52,162
Liabilities		
Current liabilities		
Accounts payable–trade	2,627	2,486
Accounts payable–other	3,867	2,798
Income taxes payable	751	2,258
Provision for bonuses	1,390	701
Provision for directors' bonuses	28	40
Advances received	4,382	3,911
Other	1,489	2,041
Total current liabilities	14,539	14,238
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	19	-
Retirement benefit liability	317	331
Provision for share benefits	656	620
Asset retirement obligations	256	256
Other	2,095	2,100
Total non-current liabilities	3,345	3,309
Total liabilities	17,884	17,548

(Million yen)

	Previous Fiscal Year (As of March 31, 2026)	First Quarter of Current Fiscal Year (As of June 30, 2026)
Net assets		
Shareholders’ equity		
Capital stock	1,194	1,194
Capital surplus	479	474
Retained earnings	47,899	50,837
Treasury shares	-19,966	-20,030
Total shareholders’ equity	29,606	32,477
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	292	293
Foreign currency translation adjustment	1,445	1,516
Total accumulated other comprehensive income	1,738	1,810
Subscription rights to shares	476	298
Non-controlling interests	2	28
Total net assets	31,824	34,614
Total liabilities and net assets	49,708	52,162

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

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	First Quarter of the Previous Fiscal Year (From April 1, 2025 to June 30, 2025)	First Quarter of the Current Fiscal Year (From April 1, 2026 to June 30, 2026)
Net Sales	14,991	13,314
Cost of sales	2,277	2,291
Gross profit	12,713	11,022
Selling, general and administrative expenses	11,384	9,553
Operating Income	1,328	1,468
Non-operating income		
Interest income	40	28
Dividend income	1	1
Share of profit of entities accounted for using equity method	41	71
Other	16	53
Total non-operating income	100	155
Non-operating expenses		
Interest expenses	11	7
Loss on investments in investment partnerships	14	7
Foreign exchange losses	14	1
Other	4	1
Total non-operating expenses	44	18
Ordinary Income	1,384	1,606
Extraordinary income		
Gain on sale of non-current assets	-	0
Gain on sale of investment securities	11	-
Gain on sale of shares of subsidiaries and associates	-	4,884
Total extraordinary income	11	4,884
Extraordinary losses		
Loss on sale of non-current assets	-	0
Loss on valuation of investment securities	-	184
Total extraordinary losses	-	184
Income before income taxes	1,396	6,305
Income taxes–current	447	2,057
Total income taxes	447	2,057
Profit	949	4,247
Profit attributable to non-controlling interests	0	1
Profit attributable to owners of parent	948	4,246

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	First Quarter of the Previous Fiscal Year (From April 1, 2025 to June 30, 2025)	First Quarter of the Current Fiscal Year (From April 1, 2026 to June 30, 2026)
Profit	949	4,247
Other comprehensive income		
Valuation difference on available-for-sale securities	-17	0
Foreign currency translation adjustment	-562	71
Total other comprehensive income	-579	72
Comprehensive income	369	4,319
(Breakdown)		
Comprehensive income attributable to owners of parent	368	4,318
Comprehensive income attributable to non-controlling interests	1	1

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes Relating to the Going Concern Assumption)

Not applicable.

(Adoption of Special Accounting Treatment Used in Preparation of the Quarterly Consolidated Financial Statements)

(Calculation of Tax Expenses)

The Company calculates tax expenses by rationally estimating the effective tax rate after applying tax effect accounting on profit before income taxes on a consolidated basis for the fiscal year including the first quarter under review. It then multiplies the estimated effective tax rate by profit before income taxes for the quarter.

Note, however, that if calculating tax expenses using the estimated effective tax rate produces a result that significantly lacks reasonableness, the statutory tax rate is adopted.

(Notes on Material Changes in Shareholders' Equity)

Not applicable.

(Notes on Segment Information)

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

(Notes on Statements of Cash Flows)

No quarterly consolidated statements of cash flows were prepared for the quarter under review. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the quarter under review are as follows.

	First Quarter of the Previous Fiscal Year (From April 1, 2025 to June 30, 2025)	First Quarter of the Current Fiscal Year (From April 1, 2026 to June 30, 2026)
Depreciation	741 million yen	687 million yen
Amortization of goodwill	103 million yen	137 million yen

(Business Combinations, etc.)

Common control transactions, etc.

(Absorption-type Company Split)

The Company implemented an absorption-type company split on April 1, 2026, with the Company as the splitting company and its subsidiary, engage Inc., as the succeeding company.

(1) Transaction overview

a. The name of the target business and details of the relevant business

Business name: engage business

Business description: Job information service business providing the job information website "engage" and the recruitment support tool "engage" (excluding "en KAISHA NO HYOBAN")

b. Business combination date

April 1, 2026

c. Legal form of the business combination

This was an absorption-type company split (a simplified absorption-type company split and short-form absorption-type company split) in which the Company was the splitting company and engage Inc., a wholly owned subsidiary established by the Company in January 2026 (the establishment of which was resolved at the Board of Directors meeting held on January 23, 2026), was the succeeding company.

d. Name of the company after the business combination

engage Inc.

e. Purpose of the transaction

The Company has designated the period from the fiscal year ended March 2026 through the fiscal year ending March 2027 as a structural reform period aimed at renewed growth and has been reviewing its business portfolio, reducing costs, and making growth investments. In light of the diversification of the recruitment market and intensifying competition, the Company determined that it would be difficult to grow the engage business independently as planned. Accordingly, the Company separated the engage business and transferred it to a newly established company, and carried out this absorption-type company split to achieve the business's sustainable growth and enhance its corporate value through collaboration with Kakaku.com, Inc., a third party.

(2) Overview of accounting treatment

Since this absorption-type company split is a transaction under common control with engage Inc., a new company established with 100% investment by the Company, it is accounted for as a transaction under common control, etc. in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Business Divestitures" (ASBJ Guidance No. 10, September 13, 2024).

(Sale of Shares of Significant Subsidiaries, etc.)

The Company transferred a portion of the issued shares of engage Inc., its subsidiary, to Kakaku.com, Inc. on April 1, 2026.

(1) Details and reasons

The purpose of said share transfer is to strengthen collaboration with Kakaku.com, Inc., which intends to make growth investments in the engage business in order to realize continuous growth and enhance corporate value of the business, and to promote the business portfolio optimization of the Company group (the "Group") and the focused allocation of management resources.

(2) Name of the purchasing company
Kakaku.com, Inc.

(3) Timing of the sale
April 1, 2026

(4) Matters concerning the outline of other transactions, including legal form
Share transfer in which the consideration received consists solely of cash or other assets

(5) Relevant subsidiary’s name, business description, and transaction details with the Company
Name: engage Inc.
Business description: engage business (operation of the job information website “engage” and the recruitment support tool “engage”)
Transaction details with the Company: The Company holds shares in the subsidiary and operates the engage business as part of the Group operations, also providing personnel, know-how, and other resources within the Group.

(6) Number of shares to be sold, sale price, gain or loss on sale, and ownership ratio after sale
Number of shares to be sold: 851 shares (85.1% of 1,000 total shares issued)
Sale price: 5,149 million yen
Gain on sale: 4,884 million yen
Ownership ratio after sale: 14.9%

(7) Other important special provisions, if any, and their details
The gain on sale under the share transfer agreement was recorded as a gain on sale of shares of subsidiaries and associates of 4,884 million yen in the first quarter of the current fiscal year.