



Financial Results for the First Three Months of FY3/24

Careerlink Co., Ltd. (6070)



- 01** **Summary of Financial Results for the First Three Months of FY3/24**
- 02** **Earnings Forecast for FY3/24**
- 03** **Business Highlights**
- 04** **Reference Materials**

01

Summary of Financial Results for the First Three Months of FY3/24

02

Earnings Forecast for FY3/24

03

Business Highlights

04

Reference Materials



Net sales exceeded 11 billion yen in the first three months of FY3/24

- In the clerical human resources service business, orders received for BPO projects, mainly related to Individual Number and benefit payments, remained steady. In the manufacturing human resources service business, orders received in the food processing division were strong, reflecting a recovery in personal consumption.
- Profit decreased year on year due to increased personnel and development of business processing systems to strengthen competitiveness in BPO projects, for which we are engaged in sales development.

(Unit: Millions of yen)

	First 3 Months of FY3/23 (Apr.-Jun.)	First 3 Months of FY3/24 (Apr.-Jun.)	Y/y Change
Consolidated	Net sales	10,601 (100%)	11,410 (100%) 107.6%
	Operating profit	1,070 (10.1%)	826 (7.2%) 77.2%
	Ordinary profit	1,071 (10.1%)	831 (7.3%) 77.7%
	Profit attributable to owners of parent	732 (6.9%)	529 (4.6%) 72.3%

(Unit: Millions of yen)

	First 3 Months of FY3/23 (Apr.-Jun.)	First 3 Months of FY3/24 (Apr.-Jun.)	Y/y Change
Clerical human resources	Net sales	9,286	106.2%
	Segment profit	1,011 (10.9%)	779 (7.9%) 77.1%
Manufacturing human resources	Net sales	1,238	119.2%
	Segment profit	49 (4.0%)	36 (2.4%) 72.2%
Other human resources	Net sales	77	93.6%
	Segment profit	8 (11.6%)	10 (14.4%) 116.4%

*As of the first three months of FY3/24, the sales human resources services business was integrated into the BPO-related business segment of the clerical human resources service business. For year-on-year comparability, figures from the first three months of FY3/23 have been reclassified to match categories after this change.

BPO-related business segment

- Orders received for BPO projects, including spot transactions, remained strongly focused on Individual Number and benefit payment projects from local governments and leading BPO providers.
- Although some orders received in the previous fiscal year from leading BPO providers and others were scaled down or terminated, net sales increased 6.5% year on year.

CRM-related business segment

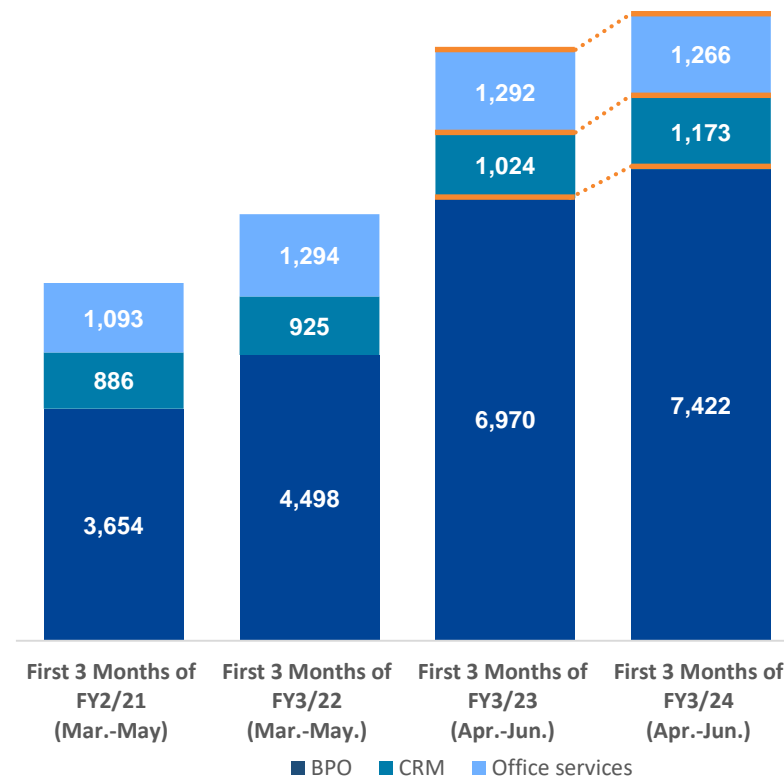
- In the Tokyo Metropolitan Area, we received an order for a large-scale call center temporary staffing project from an existing client.
- Orders received for mail order and finance projects from Internet service companies and telemarketing business operators in local branches, mainly in Sendai and Fukuoka, remained steady, resulting in a 14.5% increase in net sales year on year.

Office services business segment

- We received new orders for the dispatch of workers in a wide range of fields such as general affairs in local governments and operations related to services for citizens. However, net sales slightly decreased due to a decrease in spot projects.

Variation and breakdown in net sales of clerical human resources service

(Unit: Millions of yen)



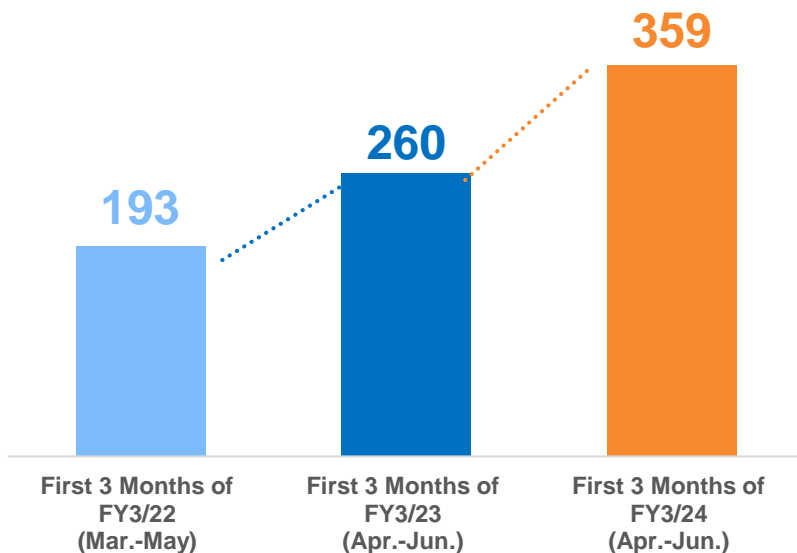
*The Accounting Standard for Revenue Recognition has been applied since the first quarter of FY3/23. In addition, as of the first three months of FY3/24, the sales human resources services business was integrated into the BPO-related business segment of the clerical human resources service business. Figures from the first three months of FY3/23 and before have been reclassified to match categories after this change.

Variation in the number of core personnel and the number of orders for BPO projects

- As a result of proactively increasing the number of personnel to strengthen the competitiveness of BPO projects, the number of core personnel enrolled averaged 359 for the April-June period of FY3/24.
- The number of BPO projects for the first three months of FY3/24 was 93, significantly higher year on year.

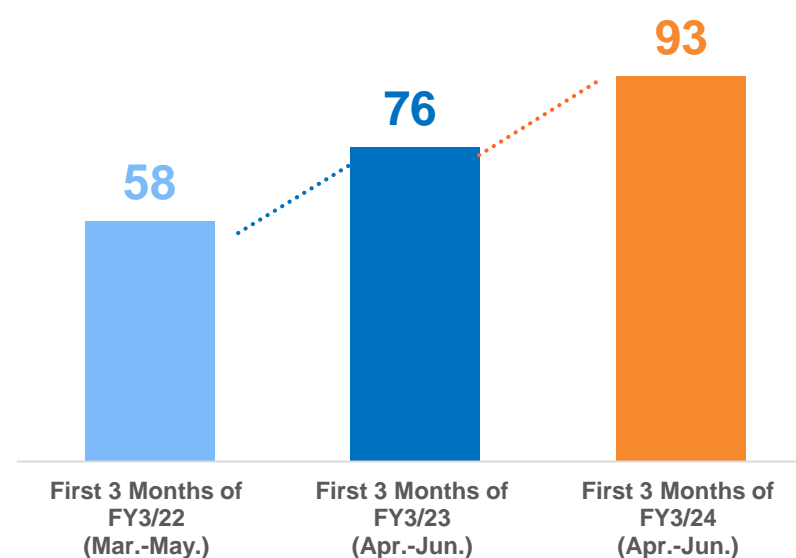
Variation in the number of core personnel

(Unit: People)



Variation in the number of BPO projects

(Unit: Projects)



*The number of core personnel means the average number of core personnel enrolled in each period.

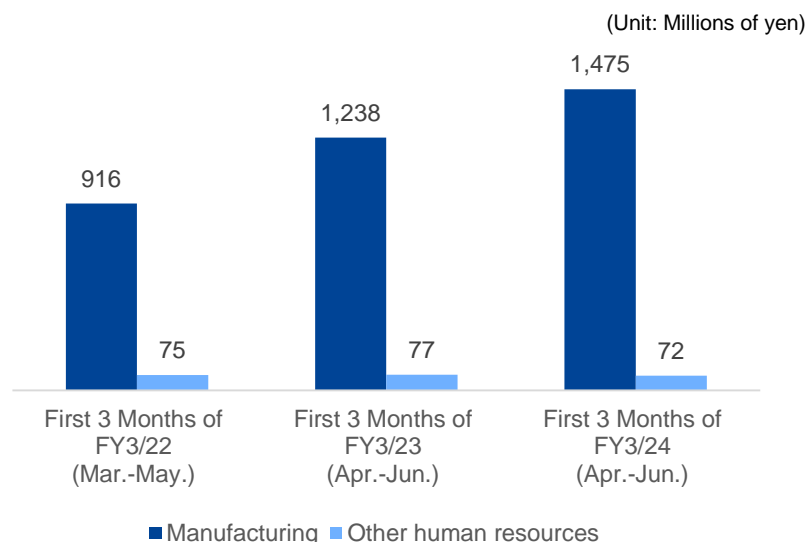
Manufacturing human resources service business saw decreased sales and profit

- In the food processing division, the volume of orders received from existing clients, mainly for the production of delicatessen items and confectionery, remained strong as personal consumption recovered, and the manufacturing & processing division saw an increase in orders received due to aggressive development of new clients.
- Profits decreased due to aggressive efforts to hire more personnel and increase the number of registered staff.

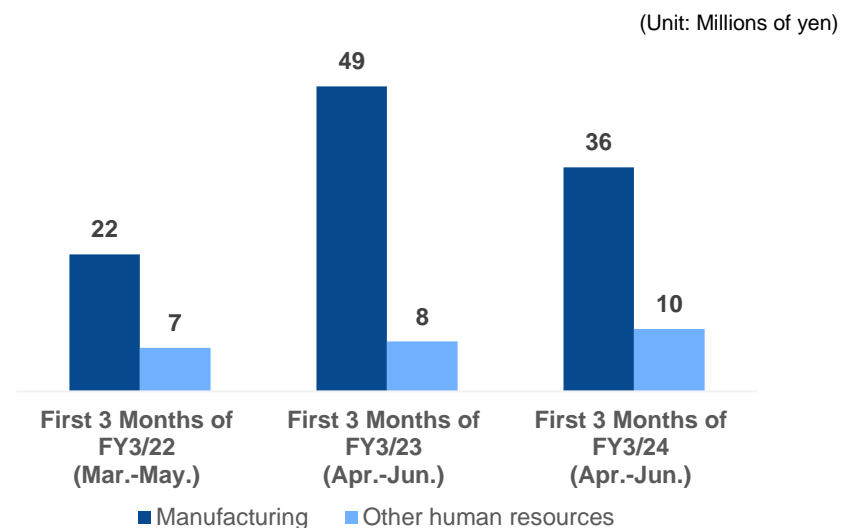
Other human resource services saw decreased sales and increased profit

- The automobile management business, part of other businesses, reported a decrease in sales, but an increase in profits due to a reduction in selling, general and administrative expenses.

Variation in **net sales** of manufacturing human resources services and other human resource services



Variation in segment **profits** of manufacturing human resources services and other human resource services



*We have integrated the sales human resources service business into the BPO-related business segment in the clerical human resources service business as of the first three months of FY3/24.

01

Summary of Financial Results for the First Three Months of FY3/24

02

Earnings Forecast for FY3/24

03

Business Highlights

04

Reference Materials

Earnings forecasts for the first half and full year, announced May 12, 2023, remain unchanged

- Earnings forecasts announced at the beginning of the fiscal year have not been revised, leaving the first half and full-year forecasts unchanged.
- In order to achieve the medium-term profit plan, we are strengthening our sales activities and structure, and the recruitment of core personnel and the development of new local government clients are progressing better than expected.

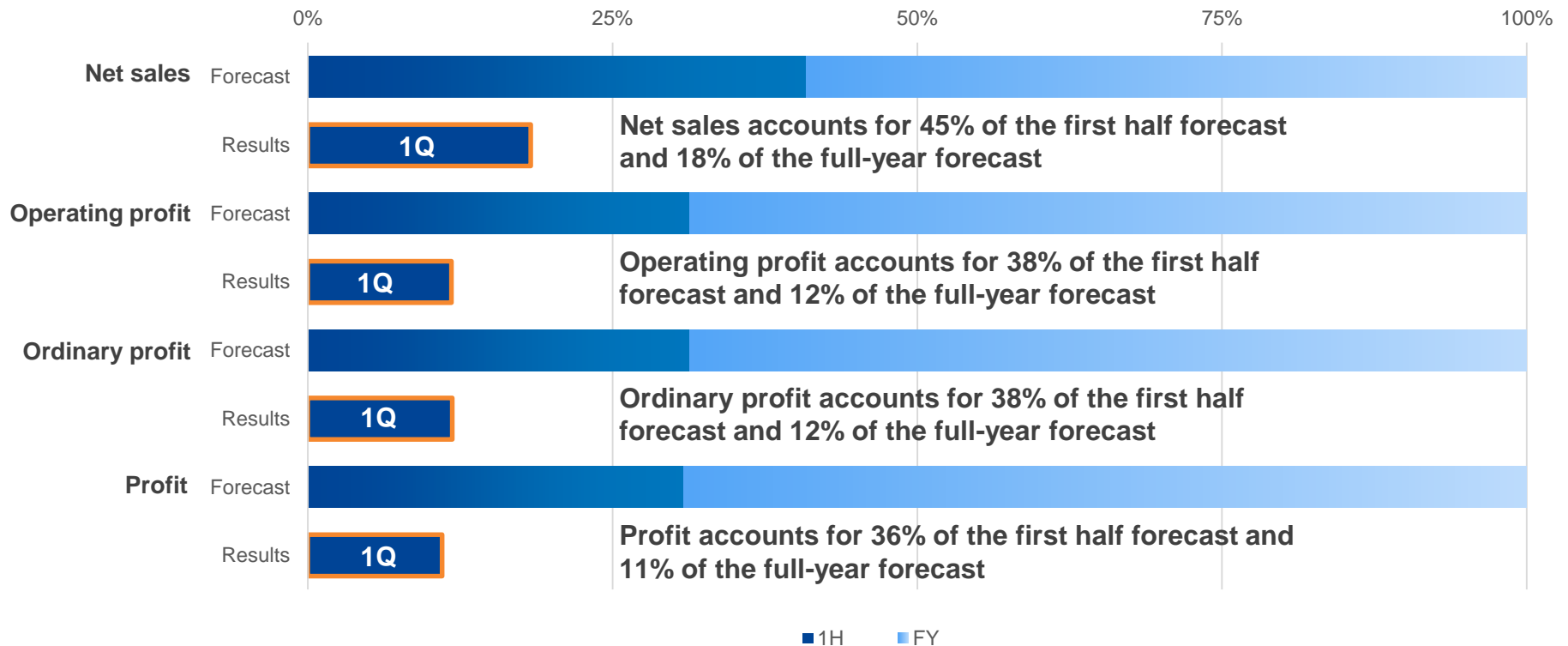
(Unit: Millions of yen)

	Results for the First 3 Months (Apr.-Jun.) of FY3/24	Forecast for the First Half (Apr.-Sep.) of FY3/24	Progress Rates Toward the First Half Forecast
Consolidated	Net sales	11,410	44.7%
	Operating profit	826	37.6%
	Ordinary profit	831	37.9%
	Profit attributable to owners of parent	529	35.7%

Progress rates toward the earnings forecast as of the first three months of FY3/24

- Although there was a slight increase in recruitment costs due to the hiring of core personnel and other factors, performance was strong with respect to the plan, achieving 45% of the first half forecast for net sales and 38% of the first half forecast for operating profit.
- Due to the forecast being weighted toward the second half of the fiscal year, progress toward the full-year forecast was 18% for net sales and 12% for operating profit.

Progress with respect to forecasts



01

Summary of Financial Results for the First Three Months of FY3/24

02

Earnings Forecast for FY3/24

03

Business Highlights

04

Reference Materials

Selected as a component stock of the JPX-Nikkei Mid and Small Cap Index for the third consecutive year

- Careerlink was selected in 2023 as a constituent stock of the JPX-Nikkei Mid and Small Cap Index for the third consecutive year.
- The JPX-Nikkei Mid and Small Cap Index is based on the concept of the JPX Nikkei Index 400, in which companies that are highly attractive to investors are selected as constituent stocks, and applied to mid and small cap companies. In addition to selecting companies that make efficient use of capital and manage their businesses with investors in mind, the index aims to spread and promote this awareness among a wider range of companies.
- We will continue to strive to enhance our corporate value to meet our stakeholders' expectations.

* For details on the JPX-Nikkei Mid and Small Cap Index, please see the Tokyo Stock Exchange website.

<https://www.jpx.co.jp/english/markets/indices/jpx-nikkei400/>



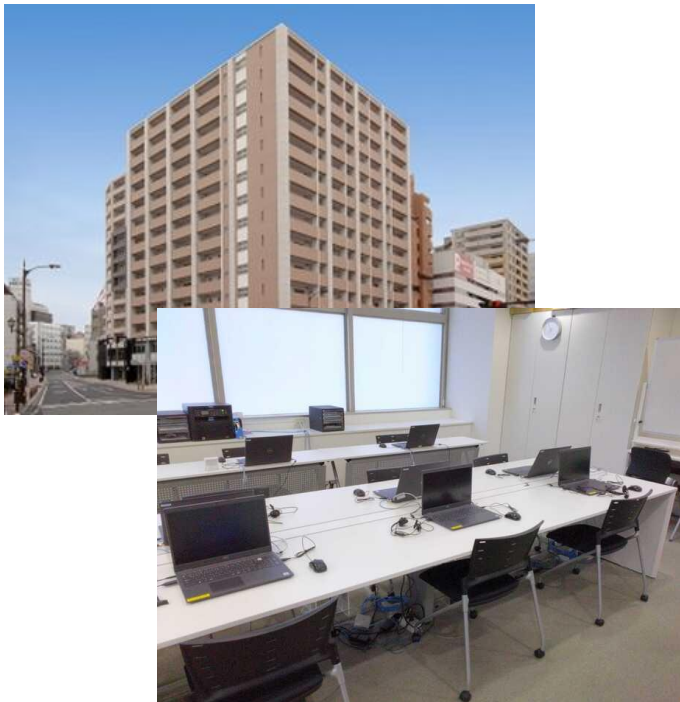
JPX-NIKKEI Mid Small

Selected in 2021, 2022, and 2023

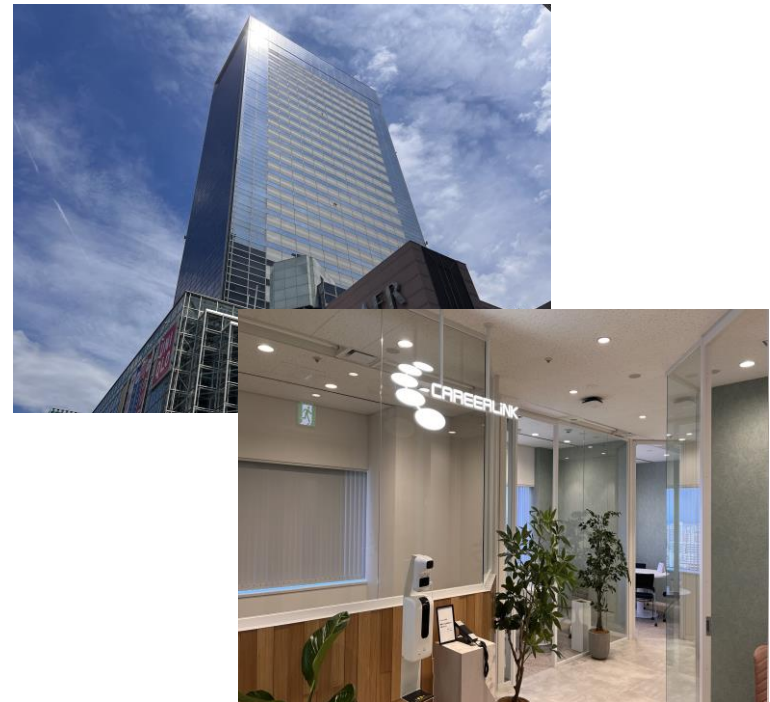
Opened the Kumamoto BPO Center on June 1, 2023, and relocated and expanded the floor of the Sendai Branch on June 19.

- For the purpose of increasing the amount of orders in the Kyushu and Tohoku regions, we will strive to streamline our marketing activities and strengthen our marketing base.
- For the purpose of increasing the amount of orders in central cities and areas surrounding these cities, we will develop bases going forward as well.

Kumamoto BPO Center

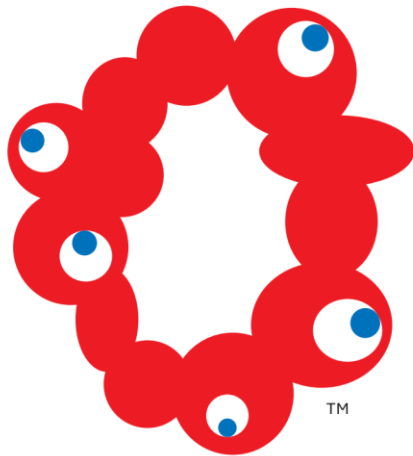


Sendai Branch (after relocation)



Signed a contract for public relations and promotion of the 2025 World Exposition in Japan (Osaka Expo)

- Careerlink Co., Ltd. (Headquarters: Shinjuku-ku, Tokyo; President: Motoaki Narisawa) has officially become a Bronze Partner and co-sponsor of the Osaka Expo 2025, to be held by the Japan Association for the 2025 World Exposition.
- We will support the Osaka Expo by pursuing our corporate philosophy, “We believe the joy of work,” toward the realization of the Expo’s theme, “Designing future society for our lives.”



OSAKA, KANSAI, JAPAN
EXPO
2025

©Expo 2025



Japan Association for the 2025 World Exposition website: <https://www.expo2025.or.jp/en/>

01

Summary of Financial Results for the First Three Months of FY3/24

02

Earnings Forecast for FY3/24

03

Business Highlights

04

Reference Materials

Progress against the example of net sales in the BPO-related business segment posted on page 27 of the financial results for FY3/23

	Local governments (a)				Private companies (b)			Overview of BPO sales (a) + (b)		
(Unit: Millions of yen)	Unit price	Number of local government projects	Multiple project indicator	Total BPO sales	Unit price	Number of projects	Total BPO sales		Ratio of local government sales to BPO sales	
Annual plan	FY3/24	246 ^{*1}	84 ^{*2}	1.3 ^{*3}	= 27,690	246 ^{*1}	58 ^{*4}	= 14,268	41,960	66%
Results	Progress of first 3 months of FY3/24	75 (30.5%) ^{*5}	47 (56.0%) ^{*6}	1.3 (±0.0)	= 4,511 (16.3%)	88 (35.8%) ^{*5}	33 (56.9%)	= 2,912 (20.4%)	7,423 (17.7%)	61%

- Progress as a percentage of BPO sales was 16.3% for local governments and 20.4% for private companies.
- Unit price trended at 30.5% for local governments and 35.8% for private companies, exceeding quarterly values (1/4 = 25%) relative to the annual plan. Similarly, the number of projects was 56.0% for local governments and 56.9% for private companies relative to the annual plan.
- The multiple project indicator for local governments remained at 1.3 times, as planned.

*1: Estimate for average contract amount of BPO project (excluding spot transactions) (Reference: Average contract amount excluding spot transactions in FY3/23: 246 million yen)

*2: Forecast of the number of local governments in a single fiscal year [$\hat{=}$ < (expected number of local governments with which we had transactions in the previous term x repeat rate of 80%) + expected increase in number of local governments > x (1 - spot ratio)]

*3: Forecasted multiple project multiplier

*4: Forecast of the number of BPO projects from private companies (56 in FY3/23)

*5: Calculated as the average sales value per project

*6: Excluding subcontracted projects from local governments via BPO providers (included in private companies (b))

Further increase the number of local governments with which we start new transactions by expanding bases

- We will increase the number of local governments with which we have transactions and the size of those transactions and maintain them by promoting the wide-area deployment of BPO in local governments and acquisition of multiple projects.
- We will promote strengthening of quality control, recruitment and training of core personnel, and the construction of a service structure assuming decentralization.

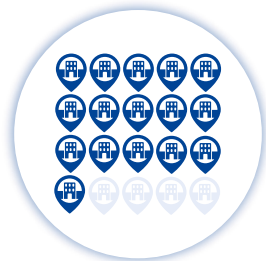
Number of local governments with which we have transactions*
(Prefectures/municipalities)

Results in FY2/20 to FY3/23	Prospect by FY3/24	Goal by FY3/25
112	137	161

*Number of local governments with which we have transactions in the clerical human resources service business overall
*Including subcontractors

Progress as of FY3/24 1Q **120**

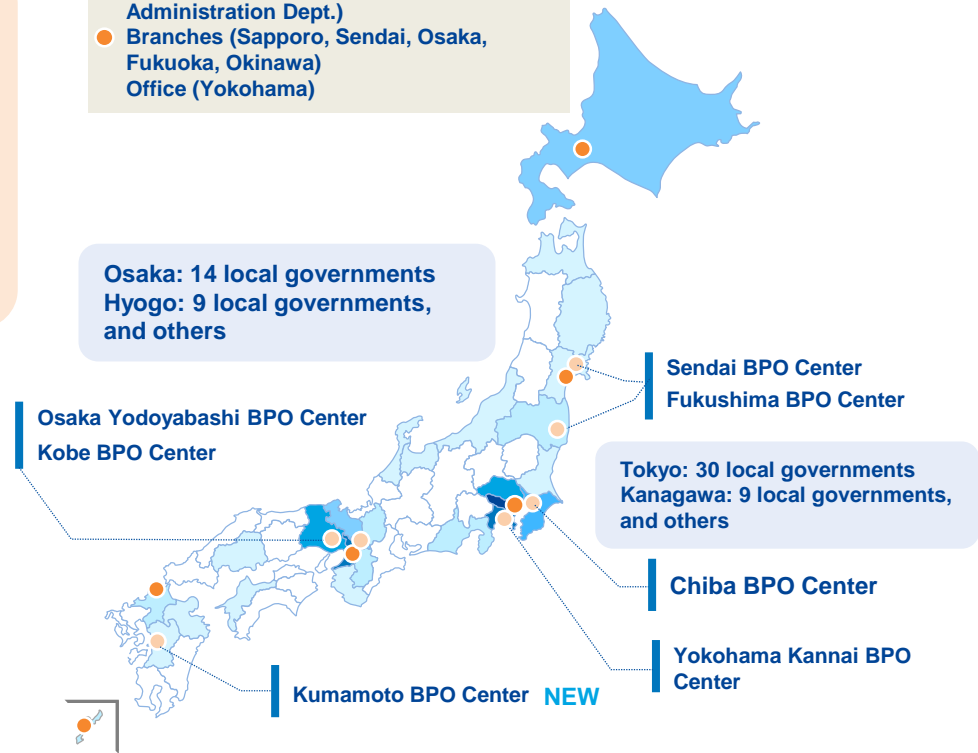
Among 20 government-designated cities



We have experiences in 16 cities

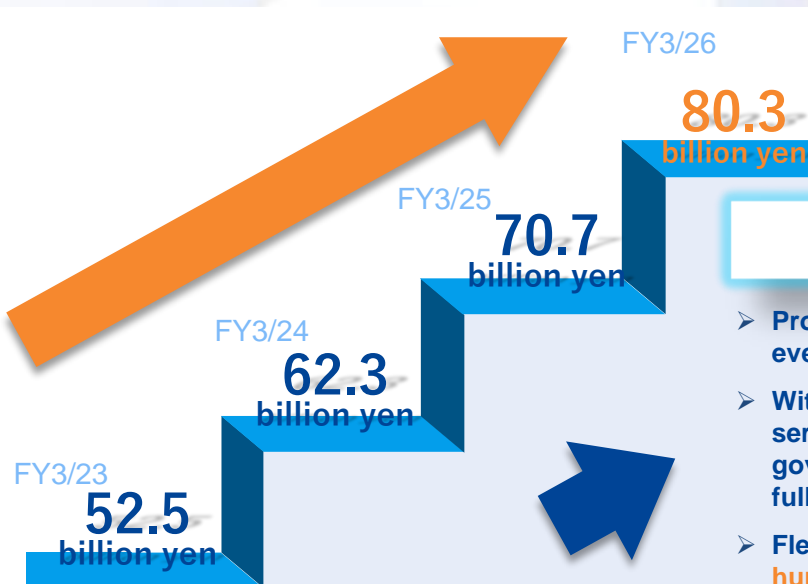


- Head Office (Sales Dept. and Administration Dept.)
- Branches (Sapporo, Sendai, Osaka, Fukuoka, Okinawa) Office (Yokohama)



Business expansion to meet the demand from major local governments around Japan

Promote the deepening of BPO from local governments and the diversification of projects with the aim of net sales at 80 billion yen



Medium-term growth strategy

- Promote a **situation in which we always deal with more projects than ever before**
- With local governments with which we have started transactions serving as the hub, we will start transactions with surrounding local governments (**cities with a population of less than 300,000, etc.**) on a full-scale basis from FY3/24.
- Flexible expansion of sales bases and BPO centers and **allocation of human resources**

Priority areas for FY3/24

- (1) Operations related to Social Security and Individual Number (including operations for integrated utilization with driver's licenses and health insurance cards and renewal operations **(ongoing)**)
- (2) Counter operations and general affairs-related operations **(ongoing)**
- (3) Operations related to childbirth and childrearing support business implemented in FY2023 (examples: nationwide free school lunches) **(ongoing)**
- (4) Operations related to economic normalization after the COVID-19 pandemic and various benefits and subsidies to cope with high prices **(ongoing for a suitable period)**
- (5) Welfare-related consultation center operations **(ongoing)**

*Rounded down to the nearest 100 million yen

The forecasts, plans, and business developments of Careerlink Co., Ltd. discussed in this document are based on judgments made with reference to information available as of the date of the announcement of the financial results.

In addition to the impact of the spread of COVID-19, the Company's forecasts are subject to significant changes in macroeconomic conditions, trends in the Company's related industries, and the development of new technologies.

Accordingly, please be aware that there are risks and uncertainties that could cause actual results, etc., to differ materially from those presented in this document.

If there are any major changes, we will make an announcement accordingly.



すべての人
に働くよろこびを
We Believe the joy of work

For inquiries

Careerlink Co., Ltd.

Corporate Planning Department



03-6311-7321



03-6311-7324