



## Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [Japanese GAAP]

May 14, 2024

Listed company name WDB HOLDINGS Co.,Ltd.

Listing: Tokyo Stock Exchange

Code No. 2475 URL <https://www.wdbhd.co.jp/>

Representative Title: President and CEO

Name: Toshimitsu Nakano

Contact Title: Senior Managing Director

Name: Miki Otsuka

TEL 079-287-0111

Scheduled date of ordinary general meeting of shareholders June 25, 2024

Scheduled date of commencement of dividend payment

June 26, 2024

Scheduled date of filing of annual securities report June 26, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results meeting: None

(Amounts are rounded down to the nearest million yen)

[Translation for Reference Purposes Only]

This document is a translation of the Japanese original for reference purpose only. In the event of any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.

Consolidated Financial Results for the Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

### (1) Consolidated Results of Operations

(Percentages represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	49,297	3.6	5,468	-0.7	5,505	-1.9	3,548	0.2
Year ended March 31, 2023	47,602	1.5	5,508	-12.8	5,614	-12.2	3,540	-15.1

(NOTE) Comprehensive income Year ended March 31, 2024 3,895Millions of yen (-1.3%) Year ended March 31, 2023 3,946Millions of yen (-9.0%)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
Year ended March 31, 2024	180.67	-	12.3	14.5	11.1
Year ended March 31, 2023	179.75	-	13.4	16.0	11.6

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity Ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2024	39,827	31,150	75.4	1,529.85
Year ended March 31, 2023	36,198	28,463	76.3	1,405.74

Reference: Shareholders' equity Year ended March 31, 2024 30,044Millions of yen Year ended March 31, 2023 27,607Millions of yen

### (3) Consolidated Cash Flows

	Net cash provided by operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	4,494	-713	-1,240	20,942
Year ended March 31, 2023	3,553	-337	-1,307	18,370

## 2. Dividends

	Dividend per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Term end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	-	20.50	-	31.00	51.50	1,013	28.7	3.8
Year ended March 31, 2024	-	29.00	-	43.50	72.50	1,423	40.1	4.9
Year ending March 31, 2025 (Forecast)	-	24.00	-	36.50	60.50		40.0	

Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(Percentages represent year-on-year changes for the full fiscal year and year-on-year changes for the quarter.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	51,800	5.1	4,750	-13.1	4,770	-13.4	2,970	-16.3	151.23

※The above forecasts are based on information available as of the date of publication of this document. Actual results may differ materially from the forecasts due to various factors going forward.

※ Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

New:-(Company name:-), Excluded:-(Company name:-)

(2) Changes in accounting policies and changes or restatement of accounting estimates

1. Changes in accounting policies due to revision of accounting standards: None
2. Changes in accounting policies other than the above: None
3. Changes in accounting estimates: None
4. Restatement of revisions: None

(3) Number of shares outstanding (common shares)

1. Number of shares outstanding at the end of the period  
(including treasury stock)

2. Number of treasury stock at the end of the period

3. Average number of shares during the period

Year ended March 31, 2024	20,060,000Shares	Year ended March 31, 2023	20,060,000Shares
Year ended March 31, 2024	420,949Shares	Year ended March 31, 2023	420,949Shares
Year ended March 31, 2024	19,639,051Shares	Year ended March 31, 2023	19,697,715Shares

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated results for the year ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(1) Non-Consolidated Results of Operations

(Percentages represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	4,677	61.0	3,502	90.5	3,595	89.0	3,545	112.4
Year ended March 31, 2023	2,905	15.7	1,838	12.5	1,902	2.5	1,669	-7.7

	Net income per share		Diluted net income per share	
	Yen		Yen	
Year ended March 31, 2024	180.55		-	
Year ended March 31, 2023	84.74		-	

(2) Non-Consolidated Financial Position

	Total assets		Net assets		Equity Ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
Year ended March 31, 2024	15,966		15,038		94.1		765.73	
Year ended March 31, 2023	13,594		12,656		93.1		644.44	

Reference: Shareholders' equity Year ended March 31, 2024 15,038Millions of yen Year ended March 31, 2023 12,656Millions of yen

Non-consolidated Financial Forecasts for the year ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(Percentages represent year-on-year changes for the full fiscal year and year-on-year changes for the quarter.)

	Net sales		Ordinary income		Net Income		Net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Full year	4,480	-4.2	3,222	-10.4	3,202	-9.7	163.09	

※ The financial results are outside the scope of audits by a certified public accountant or an auditing firm.

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

- Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "Overview of Operating Results, etc." on page 2 of the attached material for the assumptions upon which the forecasts are based and the cautionary statements regarding the use of the forecasts.

## 1. Overview of Operating Results

### (1) Business results

During the consolidated fiscal year under review (April 2023 to March 2024), economic activity normalized as a result of the shift to 5 new-type coronavirus infectious diseases. In addition, according to the government's announcement, the ratio of job offers to applicants (seasonally adjusted) was 1.29 times, a decrease of 0.02 points from the average of the previous fiscal year. In addition, the average unemployment rate (seasonally adjusted) was 2.6%, the same level as the average of the previous fiscal year. While the number of job openings remained almost unchanged from the previous fiscal year, an increasing number of companies, particularly major companies, implemented salary increases, which was a year in which competition for human resources overheated.

In the human resources services business, we continued to improve the treatment of temporary staff as in the previous fiscal year. In addition, in order to continuously improve treatment, we enhanced the productivity of our business activities and reduced costs by implementing measures such as online sales activities utilizing the temporary staffing service platform "doconico", consolidating operations at the support desks located in Tokyo and Kobe, and utilizing ChatGPT, which is a generative AI. In addition, we negotiated increases in temporary staffing wage rates and worked to further consolidate operations at the support desks.

In CRO business, WDB Coco and Cobridge, which operate domestically, recorded solid results. In addition, WDB Coco has begun operating its CRO service platform. For overseas Medfile and DZS, we worked to improve profitability and launch new services.

As a result of the above activities, net sales for the consolidated cumulative period under review were ¥49,297 million (up of 3.6% year on year). Operating income was ¥5,468 million (down of 0.7% year on year), ordinary income was ¥5,505 million (down of 1.9% year on year), and profit attributable to owners of parent was ¥3,548 million, (up of 0.2% year on year). In addition, the ratio of operating income to net sales, an indicator that we emphasize, was 11.1% (11.6% in the previous fiscal year) and the ratio of ordinary income to net sales was 11.2% (11.8% in the previous fiscal year). Despite an increase in the cost of sales ratio accompanying an improvement in the treatment of temporary workers, operating income, ordinary income, and net income were roughly at the same level as the previous fiscal year as a result of efforts to reduce SG&A expenses through greater operational efficiency.

Operating results by segment are as follows.

(NOTE) Segment income is before elimination of inter-segment transactions.

#### 1. Human Resource Service Business

Segment sales were ¥42,117 million (up of 3.1% year on year), segment income was ¥4,467 million (down of 9.0% year on year). The factors behind the decrease in profits were an increase in costs associated with the improvement in the treatment of temporary employees and an increase in SG&A expenses associated with the improvement in the treatment of employees.

#### 2. CRO business

Segment sales were ¥7,180 million (up 6.4% year on year), segment income was ¥1,514 million (up of 38.1% year on year). Earnings increased significantly due to strong domestic performance and the recording of a reversal of allowance for doubtful accounts overseas.

## (2) Financial Condition

### 1. Assets

The balance of current assets at the end of the fiscal year under review was ¥28,646 million, an increase of ¥3,188 million from the end of the previous fiscal year. This was mainly due to an increase of ¥2,571 million in cash and deposits.

The balance of non-current assets at the end of the fiscal year under review was ¥11,181 million, an increase of ¥440 million from the end of the previous fiscal year.

As a result, total assets at the end of the fiscal year under review were ¥39,827 million, an increase of ¥3,628 million from the end of the previous fiscal year.

### 2. Liabilities

The balance of current liabilities at the end of the fiscal year under review was ¥7,143 million, an increase of ¥855 million from the end of the previous fiscal year. This was mainly due to an increase of ¥551 million in accounts payable-other and an increase of ¥157 million in income taxes payable.

The balance of non-current liabilities at the end of the fiscal year under review was ¥1,533 million, an increase of ¥86 million from the end of the previous fiscal year.

As a result, total liabilities at the end of the fiscal year under review were ¥8,676 million, an increase of ¥941 million from the end of the previous fiscal year.

### 3. Net assets

Total net assets at the end of the fiscal year under review were ¥31,150 million, an increase of ¥2,687 million from the end of the previous fiscal year. This was mainly due to an increase of ¥2,369 million in retained earnings.

Net assets per share were ¥1,529.85, an increase of ¥124.11 from the end of the previous fiscal year.

## (3) Cash Flow

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the fiscal year under review increased by ¥2,571 million from the end of the previous fiscal year to ¥20,942 million. The status of each cash flow and its contributing factors are as follows.

### 1. Net cash provided by operating activities

Net cash provided by operating activities amounted to ¥4,494 million, compared with net cash provided by operating activities of ¥3,553 million in the previous fiscal year. This was mainly due to income taxes paid of ¥1,870 million, which outweighed income before income taxes and minority interests of ¥5,460 million.

### 2. Cash flows from investing activities

Net cash used in investing activities totaled ¥713 million, compared with net cash used of ¥337 million in the previous fiscal year. This was mainly due to the purchase of property, plant and equipment of ¥687 million.

### 3. Cash flows from financing activities

Net cash used in financing activities was 1,240 million (compared with 1,307 million in the previous fiscal year). This was mainly due to cash dividends paid of 1,178 million.

#### (4) Future Outlook

The management plan for the year ended March 31, 2025 is as follows.

Net sales: ¥51,800 million (up 5.1% year-on-year)

Operating income: ¥4,750 million (down 13.1% year-on-year)

Ordinary income: ¥4,770 million (down 13.4% year-on-year)

Net income attributable to owners of the parent: ¥2,970 million (down 16.3% year-on-year)

Based on our medium-to-long term management plan (announced on May 13, 2022), we worked to reduce SG&A expenses by providing services through our platform and to raise the remuneration of temporary staff funded by these efforts, with the aim of enhancing the competitiveness of our core business of scientific staffing and making a full-fledged entry into the clerical staffing market.

As a result of our 2-year efforts, we were able to increase service penetration through our platform and increase the remuneration of temporary staff by an average of 6%. As a result, the retention rate of temporary staff improved. On the other hand, since the salary level in Japan has been rising over the past 2 years, we cannot say that our salary level is still superior due to competition for new hires.

To this end, we will push forward with further increases in the remuneration of temporary staff, spending several years from this fiscal year to become "the most salaried temporary staffing company in the industry." By doing so, we aim to become "a temporary staffing company that can best respond to requests for temporary staffing from customers" with an overwhelming ability to procure human resources.

In the year ended March 31, 2025, we had already made significant pay increases for temporary staff. As a result, profit declined in the year ended March 31, 2025, which we believe is an investment to achieve significant growth in the long term.

For details, please refer to "Medium-to-Long Term Management Plan 2024" announced on May 14, 2024.

<https://www.wdbhd.co.jp/assets/pdf/eng/ir/about/management-policy240514.pdf>

#### (5) Significant Events Related to the Going Concern Assumption

Not applicable.

## 2. Basic Approach to Selection of Accounting Standards

Taking into consideration the comparability of consolidated financial statements between periods and between companies, our policy for the time being is to prepare consolidated financial statements in accordance with Japanese GAAP.

With regard to the application of IFRS, we intend to respond appropriately, taking into account various domestic and overseas circumstances.

### 3. Consolidated Financial Statements and Major Notes

#### (1) Consolidated Balance Sheets

(Thousands of yen)

	Previous consolidated fiscal year (As of March 31, 2023)	Current consolidated fiscal year (As of March 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	18,370,835	20,942,362
Accounts receivable and contract assets	6,442,248	6,469,017
Inventories	40,790	50,895
Others	684,493	1,184,281
Allowance for doubtful accounts	-79,903	-
Total current assets	25,458,464	28,646,557
Fixed assets		
Property, plant and equipment		
Buildings and structures	2,741,656	2,720,380
Accumulated depreciation	-1,329,779	-1,413,502
Buildings and structures, net	1,411,876	1,306,878
Machinery and equipment	360,959	449,375
Accumulated depreciation	-207,949	-270,863
Machinery, equipment and vehicles, net	153,010	178,512
Tools, furniture and fixtures	562,770	560,911
Accumulated depreciation	-449,734	-466,749
Tools, furniture, and fixtures, net	113,036	94,162
Land	6,787,415	6,739,821
Leased assets	193,774	87,282
Accumulated depreciation	-140,215	-25,669
Lease assets, net	53,559	61,612
Construction in progress	174,022	711,767
Total property, plant and equipment	8,692,920	9,092,755
Intangible assets		
Others	73,859	149,960
Total intangible assets	73,859	149,960
Investments and other assets		
Investment securities	109,039	130,139
Lease deposits	808,149	703,096
Deferred tax assets	755,777	824,797
Others	300,554	280,294
Total investments and other assets	1,973,521	1,938,328
Total noncurrent assets	10,740,301	11,181,043
Total assets	36,198,765	39,827,601

(Thousands of yen)

	Previous consolidated fiscal year (As of March 31, 2023)	Current consolidated fiscal year (As of March 31, 2024)
<b>Liabilities</b>		
Current liabilities		
Accounts payable	2,318,746	2,231,964
Accounts payable-other	382,062	933,415
Income taxes payable	736,039	893,203
Consumption tax payable	881,052	921,211
Provision for bonuses	703,134	760,510
Others	1,266,825	1,402,929
Total current liabilities	6,287,860	7,143,233
Long-term liabilities		
Provision for directors' retirement benefits	511,133	530,159
Obligations for retirement pay	420,547	485,629
Asset retirement obligations	265,167	232,105
Others	250,093	285,493
Total noncurrent liabilities	1,446,941	1,533,388
Total liabilities	7,734,802	8,676,622
<b>Net assets</b>		
Shareholders' equity		
Common stock	1,000,000	1,000,000
Capital surplus	710,799	710,328
Retained earnings	27,049,315	29,419,084
Treasury stock	-1,277,189	-1,277,189
Total shareholders' equity	27,482,924	29,852,222
Other accumulated comprehensive income		
Valuation difference on securities	27,977	42,625
Foreign currency translation adjustments	92,771	157,073
Remeasurements of defined benefit plans	3,722	-7,205
Total other accumulated comprehensive income	124,472	192,493
Non-controlling shareholders' equity	856,566	1,106,262
Total net assets	28,463,963	31,150,978
Total liabilities and net assets	36,198,765	39,827,601



(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income  
(Consolidated Profit and Loss Statement)

(Thousands of yen)

	Previous consolidated fiscal year (From April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)
Net sales	47,602,446	49,297,952
Cost of sales	35,667,759	37,408,896
Gross profit	11,934,687	11,889,055
Selling, general and administrative expenses	6,426,638	6,420,782
Operating income	5,508,049	5,468,273
Non-operating income		
Subsidy income	92,872	19,390
Gain on consumption and other tax exemption	1,802	1,590
Income from insurance claim	1,461	4,148
Others	17,210	19,563
Total non-operating income	113,347	44,692
Non-operating expenses		
Foreign exchange losses	4,571	3,399
Others	1,982	3,654
Total non-operating expenses	6,554	7,053
Ordinary income	5,614,843	5,505,911
Extraordinary income		
Gain on sales of noncurrent assets	3,569	54
Total extraordinary income	3,569	54
Extraordinary losses		
Impairment loss	59,785	-
Loss on retirement of noncurrent assets	4,556	11,694
Loss on sales of noncurrent assets	5,720	34,072
Total extraordinary loss	70,062	45,766
Income before income taxes	5,548,350	5,460,199
Income taxes	1,745,141	1,698,741
Income taxes-deferred	25,663	-67,616
Total income taxes	1,770,805	1,631,125
Net Income	3,777,545	3,829,074
Net income attributable to non-controlling interests	236,904	280,962
Profit attributable to owners of parent	3,540,641	3,548,111

## (Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	Previous consolidated fiscal year (From April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)
Net Income	3,777,545	3,829,074
Other comprehensive income		
Valuation difference on securities	12,284	14,647
Foreign currency translation adjustments	68,117	64,301
Adjustments for retirement benefits	88,747	-12,374
Total other comprehensive income	169,149	66,574
Comprehensive income	3,946,694	3,895,649
(Comprehensive income attributable to)		
Comprehensive profit attributable to owners of the parent	3,708,636	3,616,133
Comprehensive income attributable to noncontrolling interests	238,058	279,516

## (3) Consolidated Statements of Changes in Net Assets

Previous consolidated fiscal year (From April 1, 2022, to March 31, 2023)

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Opening balance	1,000,000	669,833	24,505,499	-1,018,690	25,156,642
Change during the year					
Dividend of surplus			-996,825		-996,825
Profit attributable to owners of parent			3,540,641		3,540,641
Increase (decrease) in equity due to capital increase of consolidated subsidiaries		-6,142			-6,142
Changes due to organizational restructuring		47,108			47,108
Purchase of treasury stock				-258,499	-258,499
Net change in items other than shareholders' equity					
Total changes in current term	-	40,965	2,543,815	-258,499	2,326,281
Closing balance	1,000,000	710,799	27,049,315	-1,277,189	27,482,924

	Other accumulated comprehensive income				Non-controlling shareholders' equity	Total net assets
	Valuation difference on securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total other accumulated comprehensive income		
Opening balance	15,693	24,654	-83,870	-43,522	683,307	25,796,427
Change during the year						
Dividend of surplus						-996,825
Profit attributable to owners of parent						3,540,641
Increase (decrease) in equity due to capital increase of consolidated subsidiaries						-6,142
Changes due to organizational restructuring						47,108
Purchase of treasury stock						-258,499
Net change in items other than shareholders' equity	12,284	68,117	87,593	167,994	173,259	341,254
Total changes in current term	12,284	68,117	87,593	167,994	173,259	2,667,535
Closing balance	27,977	92,771	3,722	124,472	856,566	28,463,963

Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Opening balance	1,000,000	710,799	27,049,315	-1,277,189	27,482,924
Change during the year					
Dividend of surplus			-1,178,343		-1,178,343
Profit attributable to owners of parent			3,548,111		3,548,111
Increase (decrease) in equity due to capital increase of consolidated subsidiaries		-470			-470
Net change in items other than shareholders' equity					
Total changes in current term	-	-470	2,369,768	-	2,369,298
Closing balance	1,000,000	710,328	29,419,084	-1,277,189	29,852,222

	Other accumulated comprehensive income				Non-controlling shareholders' equity	Total net assets
	Valuation difference on securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total other accumulated comprehensive income		
Opening balance	27,977	92,771	3,722	124,472	856,566	28,463,963
Change during the year						
Dividend of surplus						-1,178,343
Profit attributable to owners of parent						3,548,111
Increase (decrease) in equity due to capital increase of consolidated subsidiaries						-470
Net change in items other than shareholders' equity	14,647	64,301	-10,928	68,021	249,695	317,716
Total changes in current term	14,647	64,301	-10,928	68,021	249,695	2,687,014
Closing balance	42,625	157,073	-7,205	192,493	1,106,262	31,150,978

## (4) Consolidated Statements of Cash Flows

(Thousands of yen)

	Previous consolidated fiscal year (From April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)
<b>Net cash provided by operating activities</b>		
Income before income taxes	5,548,350	5,460,199
Depreciation and amortization	230,052	240,398
Amortization of goodwill	42,253	-
Impairment loss	59,785	-
Increase (decrease) in allowance for doubtful accounts (decrease in -)	79,903	-84,702
Increase (decrease) in accrued bonuses	2,809	57,375
Increase (decrease) in provision for directors' and corporate auditors' retirement benefits (decrease in -)	24,182	19,026
(Decrease) increase in liability for retirement benefits	55,139	47,246
Interest and dividend income	-3,109	-8,090
Interest expenses	314	211
Loss (gain) on sales of property, plant and equipment (gain on -)	2,150	34,017
Loss on retirement of property, plant and equipment	4,556	11,694
Decrease (increase) in notes and accounts receivable-trade (increase in -)	-311,010	-56,267
Decrease (increase) in inventories (increase in -)	82	-5,669
Decrease (increase) in other current assets (increase in -)	-21,177	-28,554
Increase (decrease) in notes and accounts payable-trade (decrease in -)	68,315	-97,457
Increase (decrease) in accounts payable-other (decrease in -)	11,143	610,449
Increase (decrease) in accrued consumption taxes (decrease in -)	17,557	47,417
Increase (decrease) in other current liabilities (decrease in -)	81,484	95,334
Others	22,354	14,231
Subtotal	5,915,137	6,356,861
Interest and dividends income received	3,109	8,090
Interest expenses paid	-314	-211
Income taxes paid	-2,364,535	-1,870,348
Net cash provided by operating activities	3,553,397	4,494,392
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	-275,989	-687,001
Proceeds from sales of property, plant and equipment	11,533	15,730
Purchase of intangible assets	-29,754	-87,591
Payments for asset retirement obligations	-2,048	-13,883
Payments for lease deposits	-50,035	-19,847
Proceeds from collection of lease deposits	22,557	71,384
Proceeds from refund of insurance funds	-	13,172
Others	-14,252	-5,432
Cash flow from investing activities	-337,989	-713,469

(Thousands of yen)

	Previous consolidated fiscal year (From April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)
Cash flow from financing activities		
Repayments of lease obligations	-31,873	-30,960
Cash dividends paid	-996,409	-1,178,707
Dividends paid to non-controlling interests	-30,447	-31,847
Proceeds from share issuance to non-controlling interests due to capital increase of consolidated subsidiaries	6,615	1,470
Purchase of treasury stock	-258,499	-
Others	2,847	-447
Cash flow from financing activities	-1,307,767	-1,240,493
Effect of exchange rate change on cash and cash equivalents	36,748	31,097
Net increase (decrease) in cash and cash equivalents	1,944,389	2,571,527
Cash and cash equivalents at beginning of term	16,426,445	18,370,835
Cash and cash equivalents at end of term	18,370,835	20,942,362

(5) Notes for consolidated financial statements

(Notes on the Going Concern Assumption)

Not applicable.

(Changes in accounting policies)

Not applicable.

(Segment Information)

[Segment Information]

1. The outline of any Reporting Segment

(1) Method of determining reportable segments

The reportable segments of the Group are the constituent units of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating business performance.

As a corporate group specializing in the field of researchers, our group mainly operates in the human resources services business and CRO business. In view of the similarities in the nature of services and the way services are provided, our reportable segments are the human resources services business and CRO business.

(2) Types of products and services belonging to each reportable segment

1. Human resources services business (temporary staffing, placement and recruiting, etc.)

Temporary staffing is a service in which we dispatch our hired employees to customers to support their operations. Temporary employees perform their duties in accordance with the direction of the customer. This project is subject to the Law for Securing the Proper Operation of Worker Dispatching Undertakings and the Protection of Dispatched Workers (hereinafter referred to as the "Worker Dispatching Law").

Temporary staffing includes "registered temporary staffing" and "permanent temporary staffing." "Registered Temporary Staffing" dispatches job seekers registered with us after fixed-term employment, and "Full-time Temporary Staffing" dispatches employees employed by us as permanent employees.

Placement/Recruiting is a service that supports customer recruiting activities by introducing job seekers registered with us to customers. This project is subject to the Employment Security Law.

Our Group's human resources services business handles the following 3 major fields.

(scientific researcher)

The Company provides temporary staffing and recruitment services with specialized skills and experience in the fields of biotechnology (including genetic, micro-organism, enzymes, immunology, cells, pharmaceuticals, and animal experiments) and chemical (including organic synthesis, materials and materials, analysis and analysis). Our main customers are the research and development and quality control departments in the pharmaceutical, food, chemical, and other manufacturing industries, as well as the laboratories of public institutions and universities.

(Engineering Engineers)

Temporary staffing and staffing services are provided with specialized capabilities and experience in the fields of die design, component design, 2-and 3-dimensional CAD, hydrodynamics, thermodynamics, power generation, software design and development, and civil engineering and construction. The main customers are the Machinery Design Division, Electrical and Electronic Equipment Design Division, Software Development Division, and Inspection Division in the manufacturing industry, including electrical, electronics, and precision machinery.

(General clerical staff)

We dispatch and recruit personnel to companies in a variety of industries with experienced personnel such as office equipment manipulation, interpretation, secretary, filing, accounting, preparation of transaction documents, reception of guidance, OA instructors, and telemarketing.

2. CRO business

This segment mainly targets pharmaceutical manufacturers and medical device manufacturers, and provides agency services and support for the development of pharmaceuticals, quasi-drugs, cosmetics, and medical devices. Domestically, our business is centered on the field of safety information management, and overseas, we handle overall development operations.

2. Calculation method for net sales, income or loss, assets and other items by reportable segment

The accounting methods for reportable business segments are generally the same as those described in "Basis of Presenting Consolidated Financial Statements." Segment income is based on operating income. Intersegment income and transfers are based on prevailing market prices.

3.Information on net sales, income (loss), assets and other items by reportable segment

Previous consolidated fiscal year (From April 1, 2022, to March 31, 2023)

(Thousands of yen)

	Reportable Segments			Total
	Human resources services Business	CRO business	Total	
Net sales				
Sales to customers	40,855,532	6,746,914	47,602,446	47,602,446
Intersegment sales	42,154	-	42,154	42,154
Total	40,897,686	6,746,914	47,644,600	47,644,600
Segment profit	4,911,008	1,096,806	6,007,815	6,007,815
Segment assets	21,044,542	4,808,713	25,853,255	25,853,255
Other items				
Depreciation and amortization	109,333	80,701	190,035	190,035
Increase in property, plant and equipment, and intangible assets	64,773	89,268	154,041	154,041

Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Reportable Segments			Total
	Human resources services Business	CRO business	Total	
Net sales				
Sales to customers	42,117,315	7,180,636	49,297,952	49,297,952
Intersegment sales	41,362	-	41,362	41,362
Total	42,158,677	7,180,636	49,339,314	49,339,314
Segment profit	4,467,535	1,514,968	5,982,504	5,982,504
Segment assets	21,301,943	5,884,421	27,186,365	27,186,365
Other items				
Depreciation and amortization	107,101	93,028	200,130	200,130
Increase in property, plant and equipment, and intangible assets	33,934	176,219	210,154	210,154



4. Difference between the total amount of reportable segments and the amount recorded in the consolidated financial statements, and main details of said difference (matters related to difference reconciliation)

(Thousands of yen)

Profit	Previous consolidated fiscal year	Current consolidated fiscal year
Reportable segments total	6,007,815	5,982,504
Corporate expenses (Note)	-499,765	-514,231
Operating income in the consolidated financial statements	5,508,049	5,468,273

(NOTE) Corporate expenses are mainly expenses related to the holding company that are not attributable to reportable segments.

(Thousands of yen)

Assets	Previous consolidated fiscal year	Current consolidated fiscal year
Reportable segments total	25,853,255	27,186,365
Elimination of inter-segment transactions	-13,923	-13,488
Corporate assets (Note)	10,359,433	12,654,723
Total assets in the consolidated financial statements	36,198,765	39,827,601

(NOTE) Corporate assets mainly consist of surplus operating funds related to the holding company that are not attributable to reportable segments, headquarters buildings, etc.

(Thousands of yen)

Other items	Reportable segments total		Adjustments (Note)		Carrying value	
	End of previous fiscal year	Current Consolidated Fiscal Year	End of previous fiscal year	Current Consolidated Fiscal Year	End of previous fiscal year	Current Consolidated Fiscal Year
Depreciation and amortization	190,035	200,130	40,017	40,267	230,052	240,398
Increase in property, plant and equipment, and intangible assets	154,041	210,154	180,648	544,272	334,689	754,427

(NOTE) Adjustments to depreciation and amortization are depreciation and amortization related to corporate assets.

Adjustments to increase in property, plant and equipment and intangible assets represent the purchase of property, plant and equipment and intangible assets at the holding company that are not attributable to reportable segments.

5. Information that breaks down the revenue generated by contracts with customers

Previous consolidated fiscal year (From April 1, 2022, to March 31, 2023)

(Thousands of yen)

			Revenues generated from contracts with customers	Total
Reportable Segments	Human Resource Service Business	Temporary staffing	40,227,925	40,855,532
		Placement/Recruiting	627,606	
	CRO business	Domestic companies	4,562,675	6,746,914
		Overseas companies	2,184,239	
Reportable segments total				47,602,446
Total				47,602,446

Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

			Revenues generated from contracts with customers	Total
Reportable Segments	Human Resource Service Business	Temporary staffing	41,489,741	42,117,315
		Placement/Recruiting	627,573	
	CRO business	Domestic companies	4,976,759	7,180,636
		Overseas companies	2,203,877	
Reportable segments total				49,297,952
Total				49,297,952

[Related Information]

Previous consolidated fiscal year (From April 1, 2022, to March 31, 2023)

1.Information for each product and service

This information is omitted because the same information is disclosed in Segment Information.

2.Information for each region

(1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheets.

3. Information for each major customer

This information is omitted because there are no external customers that account for 10% or more of net sales in the consolidated statements of income.

Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)

1. Information for each product and service

This information is omitted because the same information is disclosed in Segment Information.

2. Information for each region

(1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the consolidated balance sheets.

3. Information for each major customer

This information is omitted because there are no external customers that account for 10% or more of net sales in the consolidated statements of income.

[Information on impairment loss on non-current assets by reportable segment]

Previous consolidated fiscal year (From April 1, 2022, to March 31, 2023)

(Thousands of yen)

	Reportable Segments			Total
	Human resources services Business	CRO business	Total	
Impairment loss	-	59,785	59,785	59,785

Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

[Information on Amortization of Goodwill and Unamortized Balance by Reportable Segment]

Previous consolidated fiscal year (From April 1, 2022, to March 31, 2023)

(Thousands of yen)

	Reportable Segments			Total
	Human resources services Business	CRO business	Total	
Amortization for the year	-	42,253	42,253	42,253
Closing balance	-	-	-	-

Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

[Information on gain on negative goodwill by reportable segment]

Previous consolidated fiscal year (From April 1, 2022, to March 31, 2023)

Not applicable.

Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

## (Per Share Information)

	Previous consolidated fiscal year (From April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)
Net assets per share	1,405.74 yen	1,529.85 yen
Net income per share	179.75 yen	180.67 yen

(NOTE)1. Diluted net income per share is not presented because there are no dilutive shares.

2. The basis for calculating net income per share is as follows.

	Previous consolidated fiscal year (From April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (From April 1, 2023 to March 31, 2024)
Net income per share		
Profit attributable to owners of parent (thousand yen)	3,540,641	3,548,111
Amount not attributable to common shareholders	-	-
Profit attributable to owners of parent related to common stock (thousand yen)	3,540,641	3,548,111
Average number of shares of common stock outstanding during the period (shares)	19,697,715	19,639,051

3. The basis for calculating net assets per share is as follows.

	As of the end of the previous fiscal year (March 31, 2023)	As of the end of the current fiscal year (March 31, 2024)
Total net assets (thousand yen)	28,463,963	31,150,978
Amount deducted from total net assets (thousand yen)	856,566	1,106,262
(Of which, non-controlling interests (thousand yen))	(856,566)	(1,106,262)
Net assets related to common stock at the end of the fiscal year (thousand yen)	27,607,396	30,044,716
Number of shares of common stock at the end of the fiscal year used for the calculation of net assets per share (shares)	19,639,051	19,639,051

## (Significant subsequent events)

Not applicable.