

Translation

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Summary of Consolidated Financial Results for the Three Months Ended December 31, 2019 (Based on Japanese GAAP)

January 31, 2020

Company name: Career Design Center Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 2410 URL <http://cdc.type.jp/ir/>
 Representative: Chairman and CEO Hiromi Tada
 Inquiries: Corporate Planning Director Yutaka Nishiyama TEL 03-3560-1601
 Scheduled date to file Quarterly Securities Report: February 13, 2020
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended December 31, 2019 (from October 1, 2019 to December 31, 2019)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended December 31, 2019	2,961	5.7	86	(12.3)	88	(16.2)	54	(17.6)
Three months ended December 31, 2018	2,801	13.1	98	(26.5)	105	(21.6)	66	(19.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended December 31, 2019	8.09		–	
Three months ended December 31, 2018	9.86		9.80	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2019	5,800	4,077	70.3	604.13
As of September 30, 2019	6,090	4,325	71.0	640.74

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended September 30, 2019	–	0.00	–	45.00	45.00
Year ending September 30, 2020	–				
Year ending September 30, 2020 (Forecast)		0.00	–	45.00	45.00

3. Forecast of consolidated financial results for the year ending September 30, 2020 (from October 1, 2019 to September 30, 2020)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending March 31, 2020	6,160	4.7	357	(11.3)	357	(12.7)	246	(9.6)	36.54
Full year	13,144	8.1	1,250	25.6	1,250	24.6	862	19.5	128.05

4. Notes

- (1) Changes in significant subsidiaries during the three months ended December 31, 2019
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of December 31, 2019	7,054,400 shares	As of September 30, 2019	7,054,400 shares
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Number of treasury shares at the end of the period

As of December 31, 2019	304,328 shares	As of September 30, 2019	304,328 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended December 31, 2019	6,750,072 shares	Three months ended December 31, 2018	6,716,991 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of September 30, 2019	As of December 31, 2019
Assets		
Current assets		
Cash and deposits	3,192,819	3,080,977
Accounts receivable - trade	1,458,165	1,218,556
Other	155,766	186,037
Allowance for doubtful accounts	(9,284)	(8,716)
Total current assets	4,797,466	4,476,855
Non-current assets		
Property, plant and equipment	216,621	212,482
Intangible assets		
Software	529,776	574,581
Other	142,461	148,728
Total intangible assets	672,238	723,309
Investments and other assets	404,668	387,955
Total non-current assets	1,293,528	1,323,748
Total assets	6,090,995	5,800,603
Liabilities		
Current liabilities		
Accounts payable - trade	21,348	20,435
Short-term borrowings	25,000	25,000
Current portion of long-term borrowings	19,992	19,992
Income taxes payable	194,091	28,878
Provision for bonuses	133,995	37,081
Other	1,190,777	1,410,074
Total current liabilities	1,585,204	1,541,461
Non-current liabilities		
Long-term borrowings	20,032	15,034
Retirement benefit liability	140,970	146,456
Asset retirement obligations	19,740	19,755
Total non-current liabilities	180,742	181,246
Total liabilities	1,765,947	1,722,708
Net assets		
Shareholders' equity		
Share capital	558,663	558,663
Capital surplus	395,128	395,128
Retained earnings	3,620,506	3,371,335
Treasury shares	(241,181)	(241,181)
Total shareholders' equity	4,333,116	4,083,946
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	(8,068)	(6,051)
Total accumulated other comprehensive income	(8,068)	(6,051)
Total net assets	4,325,048	4,077,894
Total liabilities and net assets	6,090,995	5,800,603

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended December 31, 2018	Three months ended December 31, 2019
Net sales	2,801,250	2,961,834
Cost of sales	1,150,398	1,280,340
Gross profit	1,650,851	1,681,494
Selling, general and administrative expenses	1,552,510	1,595,251
Operating profit	98,341	86,242
Non-operating income		
Interest income	2	2
cancellation	3,727	905
Reversal of allowance for doubtful accounts	2,816	247
Miscellaneous income	218	857
Other	254	201
Total non-operating income	7,019	2,213
Non-operating expenses		
Interest expenses	133	124
Foreign exchange losses	–	100
Other	0	0
Total non-operating expenses	133	225
Ordinary profit	105,227	88,230
Profit before income taxes	105,227	88,230
Income taxes - current	21,325	20,303
Income taxes - deferred	17,690	13,343
Total income taxes	39,015	33,647
Profit	66,212	54,582
Profit attributable to owners of parent	66,212	54,582

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended December 31, 2018	Three months ended December 31, 2019
Profit	66,212	54,582
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	1,509	2,017
Total other comprehensive income	1,509	2,017
Comprehensive income	67,721	56,600
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	67,721	56,600