

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended March 31, 2020 (Based on Japanese GAAP)

April 30, 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: May 14, 2020  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended March 31, 2020 (from October 1, 2019 to March 31, 2020)

(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	%
Six months ended March 31, 2020	6,086	3.5	353	(12.3)	358	(12.4)	237	(12.6)
Six months ended March 31, 2019	5,881	12.4	403	4.8	409	6.2	272	8.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended March 31, 2020	35.24		–	
Six months ended March 31, 2019	40.50		40.32	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	6,042	4,263	70.6	631.57
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	–	0.00			
Year ending September 30, 2020 (Forecast)			–	–	–

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
Full year	–	–	–	–	–	–	–	–	–

4. Notes

- (1) Changes in significant subsidiaries during the six months ended March 31, 2020  
 (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 March 31, 2020	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 March 31, 2020	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)

Six months ended March 31, 2020	6,750,072 shares	Six months ended March 31, 2019	6,718,236 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of September 30, 2019	As of March 31, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	3,192,819	3,077,439
Accounts receivable - trade	1,458,165	1,368,933
Other	155,766	171,091
Allowance for doubtful accounts	(9,284)	(8,533)
Total current assets	4,797,466	4,608,930
Non-current assets		
Property, plant and equipment	216,621	205,558
Intangible assets		
Software	529,776	687,713
Other	142,461	108,597
Total intangible assets	672,238	796,310
Investments and other assets	404,668	431,303
Total non-current assets	1,293,528	1,433,172
Total assets	6,090,995	6,042,102
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	21,348	18,378
Short-term borrowings	25,000	25,000
Current portion of long-term borrowings	19,992	19,992
Income taxes payable	194,091	135,058
Provision for bonuses	133,995	145,354
Other	1,190,777	1,253,599
Total current liabilities	1,585,204	1,597,383
Non-current liabilities		
Long-term borrowings	20,032	10,036
Retirement benefit liability	140,970	151,736
Asset retirement obligations	19,740	19,771
Total non-current liabilities	180,742	181,544
Total liabilities	1,765,947	1,778,927
<b>Net assets</b>		
Shareholders' equity		
Share capital	558,663	558,663
Capital surplus	395,128	395,128
Retained earnings	3,620,506	3,554,598
Treasury shares	(241,181)	(241,181)
Total shareholders' equity	4,333,116	4,267,209
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	(8,068)	(4,034)
Total accumulated other comprehensive income	(8,068)	(4,034)
Total net assets	4,325,048	4,263,174
Total liabilities and net assets	6,090,995	6,042,102

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Six months ended March 31, 2019	Six months ended March 31, 2020
Net sales	5,881,518	6,086,708
Cost of sales	2,267,209	2,518,196
Gross profit	3,614,309	3,568,511
Selling, general and administrative expenses	3,211,306	3,214,898
Operating profit	403,002	353,613
Non-operating income		
Interest income	17	18
Cancellation Fee	4,947	3,815
Reversal of allowance for doubtful accounts	1,691	433
Miscellaneous income	267	1,228
Other	218	201
Total non-operating income	7,142	5,697
Non-operating expenses		
Interest expenses	283	240
Foreign exchange losses	74	100
Other	0	0
Total non-operating expenses	358	341
Ordinary profit	409,786	358,969
Profit before income taxes	409,786	358,969
Income taxes - current	131,996	113,341
Income taxes - deferred	5,727	7,781
Total income taxes	137,724	121,123
Profit	272,062	237,845
Profit attributable to owners of parent	272,062	237,845

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Six months ended March 31, 2019	Six months ended March 31, 2020
Profit	272,062	237,845
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	1,995	4,034
Total other comprehensive income	1,995	4,034
Comprehensive income	274,057	241,880
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	274,057	241,880

## Consolidated statements of cash flows

(Thousands of yen)

	Six months ended March 31, 2019	Six months ended March 31, 2020
Cash flows from operating activities		
Profit before income taxes	409,786	358,969
Depreciation	124,713	123,660
Increase (decrease) in allowance for doubtful accounts	(1,691)	(433)
Increase (decrease) in provision for bonuses	(176)	11,359
Increase (decrease) in retirement benefit liability	8,720	10,766
Interest income	(17)	(18)
Interest expenses	283	240
Decrease (increase) in trade receivables	78,496	88,920
Decrease (increase) in inventories	8,395	7,853
Increase (decrease) in trade payables	(3,461)	(2,970)
Increase (decrease) in accounts payable - other	101,780	(46,679)
Other, net	(42,217)	39,580
Subtotal	684,610	591,247
Interest received	17	18
Interest paid	(426)	(373)
Income taxes paid	(177,953)	(161,137)
Net cash provided by (used in) operating activities	506,248	429,755
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,342)	(3,336)
Purchase of intangible assets	(129,428)	(185,820)
Payments of leasehold and guarantee deposits	–	(40,802)
Other, net	(1,799)	(1,653)
Net cash provided by (used in) investing activities	(138,570)	(231,613)
Cash flows from financing activities		
Repayments of long-term borrowings	(9,996)	(9,996)
Dividends paid	(254,582)	(303,525)
Proceeds from disposal of treasury shares	6,044	–
Net cash provided by (used in) financing activities	(258,534)	(313,521)
Net increase (decrease) in cash and cash equivalents	109,142	(115,379)
Cash and cash equivalents at beginning of period	2,832,868	3,092,819
Cash and cash equivalents at end of period	2,942,011	2,977,439