



33rd term (FY9/2024)

Financial Results Briefing for the Full Year

CAREER DESIGN CENTER CO., LTD. (2410)

November 14, 2024

- 1. 33rd term (FY9/2024) Overview of Financial Results for the Full Year**
2. 34th term (FY9/2025) Forecasts

1. Market Conditions

(1) 32nd term (FY9/2023)

Companies that refrained from hiring workers during the years of the COVID pandemic simultaneously resumed recruiting activities once the pandemic ended. This revitalized the whole market and the companies with job offerings secured the planned number of new recruits.

(2) 33rd term (FY9/2024)

Against this background, companies paused recruiting, and those offering jobs set higher recruitment criteria. There were changes in the job offering environment that were not expected at the beginning of this fiscal year. The Personnel Placement Business, in which recruitment unit prices are high, was particularly affected by the changes, and as a result, the informal job offer rate declined.

Net sales rose 2.0% year on year, and ordinary profit declined 8.8%.

1.
 - Personnel Placement Business: The informal job offer rate dropped, and the growth of successful contracts slowed. The results were significantly lower than the initial forecasts.
 - New Graduate Placement Business: The registration of students who are going to graduate in FY2025 slowed. The number of successful contracts declined, leading to an ordinary loss.
 - New Graduate Media Business, IT Worker Dispatch Business: The results were in line with the forecasts.
 - Media Information Business: Ordinary profit grew significantly due to increased sales in the Kansai area and a rise in selling prices.
2. **Net sales increased 29% YoY in the Kansai area.**
3. **The number of users registered under the Direct type increased, as well as the number of hires via the Direct type.**
4. **Under indefinite-term employment contracts, 15 new graduates were hired, and 25 mid-career engineers were hired ahead of schedule.**
5. **The Company reduced costs significantly across the board due to a decrease in net sales.**

33rd term Financial Results

(Million yen)

	Initial forecast (November 8, 2023)	Revised downward (July 31, 2024)	Full year result	Results in the previous fiscal year	YoY
Net sales	18,370	17,780	17,734	17,388	102.0%
Operating profit	1,764	1,429	1,432	1,585	90.4%
Ordinary profit	1,750	1,430	1,438	1,577	91.2%
Profit	1,203	989	984	1,163	84.6%

33rd term costs

(Million yen)

	Initial forecast (November 8, 2023)	Full year result	Results in the previous fiscal year	YoY
Total expenses	16,620	16,296	15,811	103.1%
Personnel expenses	5,442	5,247	4,916	106.7%
Advertising expenses	2,380	2,238	2,258	99.1%
Dispatched worker salaries	5,872	5,998	5,900	101.7%
Other	2,926	2,813	2,737	102.8%

33rd term Overview by Business (Media business/registrations)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
Media Business	6,016 (107.2%)	736 (183.6%)	12.2%

Overview
(1) Net sales in the Kansai area increased 29%YoY. (2) By revisiting and strengthening each process in new client acquisition, as well as increasing sales prices, the transaction unit price has risen. (3) Job fairs and events drew satisfactory numbers of visitors and achieved higher sales. (4) Growth in sales in the engineer field has slowed due to the stricter hiring criteria. (5) Profit margins have significantly improved due to increased efficiency in acquiring registrations, reductions in advertising expenses, and better discount rates.

	Results	Results in the previous fiscal year	YoY
Engineers	1,852	1,853	99.9%
Sales	404	322	125.5%
type total	2,671	2,537	105.3%
Onna no Tenshoku type	3,152	2,912	108.2%
Fair Total	234	191	122.5%

33rd term Overview by Business (Media business/registrations)

type	New membership registrations	YoY change 90.6 %	New membership registrations decreased due to the reduction of advertising expenses in the second half of the fiscal year.
	Number of applications	YoY change 122.0 %	The use of an email newsletter service and IT tools played a crucial role in driving a significant year-on-year increase in the number of applications received. Applications for engineering job offers increased significantly.
Onna no Tenshoku type	New membership registrations	YoY change 98.8 %	New membership registrations decreased due to the reduction of advertising expenses in the second half of the fiscal year.
	Number of applications	YoY change 111.1 %	The use of an email newsletter service and IT tools played a crucial role in driving a significant year-on-year increase in the number of applications received. The number of applications rose due to an increase in job offers posted by excellent enterprises.

33rd term Overview by Business (Personnel Placement Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
General Field	2,897 (96.2%)	184 (54.8%)	6.4%
Mid- Career Field	370 (105.9%)	92 (103.9%)	25.0%
Personnel Placement Business	3,267 (97.2%)	277 (65.1%)	8.5%

Overview
<p>(1) The number of successful contracts decreased. External factors: The demand for hiring in the sales sector increased rapidly during the previous term but slowed down in the fiscal year under review. Consequently, recruitment criteria became more demanding, and the informal job offer rate declined. → Implementing initiatives to improve recruitment yields. (increased the number of points of contact such as interviews) Internal factors: Capturing demand from new customers was delayed due to changes in the job offering environment, and the matching ratio declined. → Tapping into job openings at new customers, promoting the registration of IT engineers seeking jobs</p> <p>(2) The number of registered users increased steadily due to the strengthening of customer attraction through CDC's website, as well as friend referral initiatives.</p>
<p>(1) The growth of successful contracts slowed chiefly due to more demanding recruitment criteria. (2) The number of registered users increased steadily due mainly to the strengthening of customer attraction through CDC's website. (3) Efforts were made to strengthen training programs and study groups with a view toward improving employees' capabilities.</p>

33rd term Overview by Business (New Graduate Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
New Graduate Recruitment Fair	825 (104.3%)	316 (105.6%)	38.3%
New Graduate Placement	188 (72.6%)	-60 (Results in the previous fiscal year 30)	—
New Graduate Business	1,013 (96.5%)	255 (77.4%)	25.2%

Overview
<p>(1) Strengthen efforts to find job openings mainly in the IT industry, targeting students who will graduate from university in FY2025.</p> <p>(2) The number of seminars held remained strong.</p> <p>(3) Early events for internships for students who will graduate in FY2026 were held.</p>
<p>(1) The registration of students who are going to graduate in FY2025 slowed.</p> <p>(2) There were not sufficient job offerings in the industries and job types that are popular among students.</p> <p>(3) A larger number of students than expected chose to decline informal job offers.</p>

33rd term Overview by Business (IT Worker Dispatch Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Overview
Fixed-term Employment	7,354 (99.9%)	311 (74.1%)	4.2%	(1) The number of active workers, which had been lower than the previous year's level since the end of the previous fiscal year, began to increase year on year due to our efforts to strengthen sales systems and take advantage of job openings. (2) In advertising, we revised the efficiency of external channels for attracting customers, and strengthened channels for acquiring customers directly through CDC.
Indefinite-term Employment	82 (—)	-142 (—)	—	(1) We have been satisfactorily employing both new graduate and mid-career engineers. Fifteen new graduates were hired, and twenty mid-career engineers were hired ahead of schedule. (2) The engineers who have been hired are working at a pace that is beyond our initial expectations.
IT Worker Dispatch Business	7,436 (101.0%)	169 (40.3%)	2.3%	

Issues in the Personnel Placement Business (General Field)

Demanding recruitment criteria

1. Recruitment unit prices are higher than other businesses. The informal job offer rate declined at companies that continued to offer jobs due to more demanding recruitment criteria.

Delays in responding to changes in the job offering environment

2. We acquired more registered users, and the number of interviews with job seekers increased. However, the matching ration of job seekers and job openings dropped due to delays in capturing demand from new customers.

Issues in the New Graduate Placement Business

Decrease in registered students

1. The number of users graduating in FY2025 decreased, making it more difficult to secure candidates.

Delays in responding to changes in the job offering environment

2. The number of students who chose to decline informal job offers increased due to insufficient job offerings attractive to students.

33rd term 【Reference】Trends in quarterly business results

		30th term				31st term				32nd term				33rd term			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Media Business	Net sales	915	966	1000	1048	1,077	1,239	1,272	1,302	1,360	1,409	1,408	1,434	1,466	1,535	1,473	1,542
	Ordinary profit	42	10	▲33	8	101	80	30	▲34	149	123	62	64	200	150	114	272
Personnel Placement BusinessGeneral Field	Net sales	-	-	-	-	572	651	707	684	731	687	839	752	728	713	811	644
	Ordinary profit	-	-	-	-	15	51	66	▲19	79	33	169	55	53	26	125	▲20
Personnel Placement BusinessMid-career Field	Net sales	-	-	-	-	49	50	72	128	87	90	64	107	70	114	87	97
	Ordinary profit	-	-	-	-	11	10	23	62	29	25	2	30	0	44	24	23
New Graduate Recruitment Fair Business	Net sales	148	112	135	56	180	130	193	54	209	176	271	133	248	173	267	136
	Ordinary profit	62	41	43	▲21	88	46	76	-40	102	58	121	17	112	33	132	37
New Graduate Placement Business	Net sales	28	27	55	54	32	37	83	89	36	48	82	92	36	40	64	46
	Ordinary profit	▲11	▲13	12	9	▲9	▲6	36	23	▲14	▲4	22	27	▲20	▲24	▲3	▲11
IT Worker Dispatch BusinessFixed-term Employment	Net sales	1,298	1,368	1,416	1,488	1,634	1,649	1,780	1,830	1,860	1,837	1,864	1,803	1,841	1,764	1,863	1,884
	Ordinary profit	94	112	91	92	105	108	146	125	122	106	129	73	103	67	78	62
IT Worker Dispatch BusinessIndefinite-term Employment	Net sales	-	-	-	-	-	-	-	-	-	-	-	-	2	11	26	42
	Ordinary profit	-	-	-	-	-	-	-	-	-	-	▲1	▲9	▲29	▲27	▲59	▲25
Total	Net sales	2,792	2,989	3,145	3,164	3,547	3,759	4,110	4,090	4,284	4,249	4,530	4,323	4,393	4,353	4,593	4,394
	Ordinary profit	70	141	92	58	313	292	379	116	470	341	506	259	419	269	411	337

1. 33rd term (FY9/2024) Overview of Financial Results for the Full Year
- 2. 34th term (FY9/2025) Forecasts**

1. Market Conditions

There are signs of recovery in job offerings in certain sectors, but the environment is expected to remain unchanged in the first half of the fiscal year.

In the second half, companies offering jobs are expected to lower their recruitment standards and review their recruitment plans. Consequently, it is anticipated that recruitment will improve significantly from April 2025.

2. Results Forecast

Considering the above environment, we expect that net sales will rise, but profits will decrease. However, we will implement initiatives to improve results in each business to achieve record-high net sales and profits for the full year.

We will focus on enhancing performance in the Personnel Placement Business and New Graduate Placement Business, which underperformed in the previous fiscal year.

1. Improving the Personnel Placement Business and New Graduate Placement Business

- Personnel Placement Business

We aim to increase the number of successful contracts by enhancing sales systems and implementing initiatives that improve recruitment yields from registration to successful contracts.

- New Graduate Placement Business

We aim to increase registered users and reduce informal job offers declined by students by increasing successful contracts in industries and job types popular among students.

2. Strengthening recruitment in the IT Worker Dispatch (indefinite-term employment) Business

We started this business in the 33rd term. The first five years are designated as a period for upfront investment, and the business is expected to operate at a loss during the period.

Recruitment is progressing well, and we focused on improving mid-career hiring from the beginning.

We focus on mid-career employees who are work-ready to achieve profitability quickly and grow the business.

3. Actively investing in the Direct type

We will seek to acquire more registered users by strengthening advertisements for the Direct type, while simultaneously enhancing the attractiveness of its website.

34th term Results Forecast

(Million yen)

	Results Forecast	Results in the previous fiscal year	YoY
Net sales	19,000	17,734	107.1%
Operating profit	1,812	1,433	126.4%
Ordinary profit	1,800	1,438	125.2%
Profit	1,214	984	123.4%

34th term Cost Projections

(Million yen)

	Results Forecast	Results in the previous fiscal year	YoY
Total expenses	17,250	16,296	105.9%
Personnel expenses	5,524	5,247	105.3%
Advertising expenses	2,245	2,238	100.3%
Dispatched worker salaries	6,457	5,998	107.6%
Other	3,024	2,813	107.5%

34th term Forecast by Business (Media Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
Media Business	6,309 (104.9%)	764 (103.8%)	12.1%

Overview
<p>(1) Increase advertising and sales capabilities in pursuit of greater earnings in the Kansai area.</p> <p>(2) We aim to raise the current customer repeat rate and will enhance initiatives to increase the effectiveness of applications.</p> <p>(3) By updating our system infrastructure through the renewal of the type, we will reduce the future person hours necessary for various tasks and streamline operations while also facilitating the addition of new functions with greater speed.</p>

Increasing sales in the Kansai area and strengthening efforts to acquire new registered users



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Direct type site registered users and site power enhancement



ITエンジニアのための
スカウト転職サービス

A scout-based job search service for IT engineers.

今すぐ試してみる(無料)

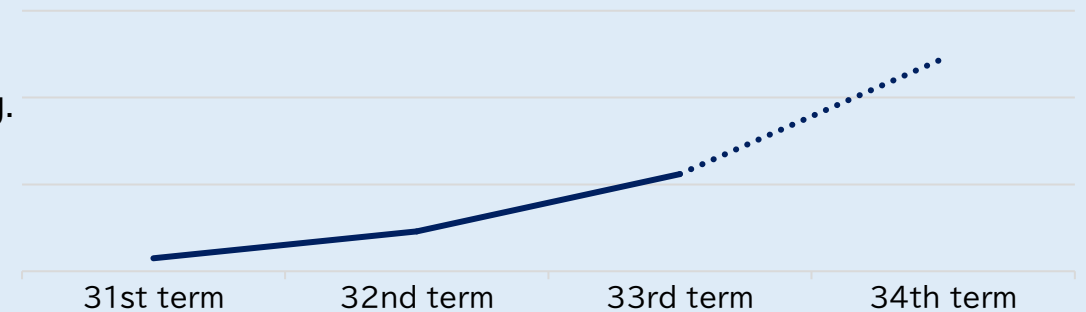


New initiatives targeting new markets **to seek the creation of a new revenue base.**

■ Launch Direct type

We have been steadily attracting registered users for IT engineer positions, and the number of successful placements with client companies is increasing. We will continue to implement measures to attract more registered users, while aiming to expand as a service to support the recruitment of IT engineers.

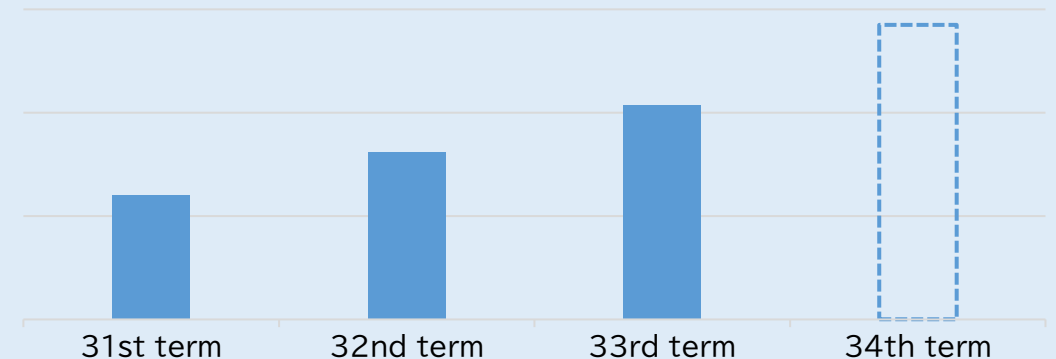
Number of hires via the **Direct type**



■ Sales expansion in the Kansai area

Net sales have been steadily increasing in proportion to the increase in recognition of us. We will keep strengthening promotions to improve recognition and attract more registered users, with the aim to increase earnings even more.

Trends in sales in the Kansai area



34th term Forecast by Business (Personnel Placement Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Policies
General Field	3,150 (108.7%)	402 (218.0%)	12.8%	<ul style="list-style-type: none"> (1) Focus on areas with high demand, particularly for IT engineers and specialists. (2) Actively create opportunities for interviews for candidates and increase the number of interviews (3) Enhance the commission system, which was created in the 33rd term and promote the development of new customers (4) Improve our website and friend referrals to increase registered users.
Mid-career Field	449 (121.5%)	95 (103.4%)	21.2%	<ul style="list-style-type: none"> (1) Promote collaboration with the Personnel Placement Business (General Field) to develop new customers and tap into job openings in various job types. <ul style="list-style-type: none"> • Aim to attain job seekers. (2) Enhance the organizations for sales and attaining registered users. (3) Carry out initiatives to increase successful contracts with high-income customers.
Personnel Placement Business	3,599 (110.2%)	498 (179.7%)	13.8%	

34th term Forecast by Business (New Graduate Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Policies
New Graduate Recruitment Fair	830 (100.6%)	320 (101.2%)	38.6%	(1) Improve early events for internships for students who will graduate in 2026. (2) Seek to increase the number of clients by holding seminars that are each tailored to the needs of a specific company. (3) Try to increase routes for attracting registrations and draw more students.
New Graduate Placement	252 (134.1%)	10 (Results in the previous fiscal year -60)	4.0%	(1) Develop corporate customers and job types that are more attractive to students. (2) Develop a system for managing the sales organization to enhance sales capabilities (3) Set up a friend referral system to establish points of contact with students with a higher probability of successfully receiving a contract.
New Graduate Businesses	1,082 (106.8%)	330 (129.4%)	30.5%	

34th term Forecast by Business (IT Worker Dispatch Business)

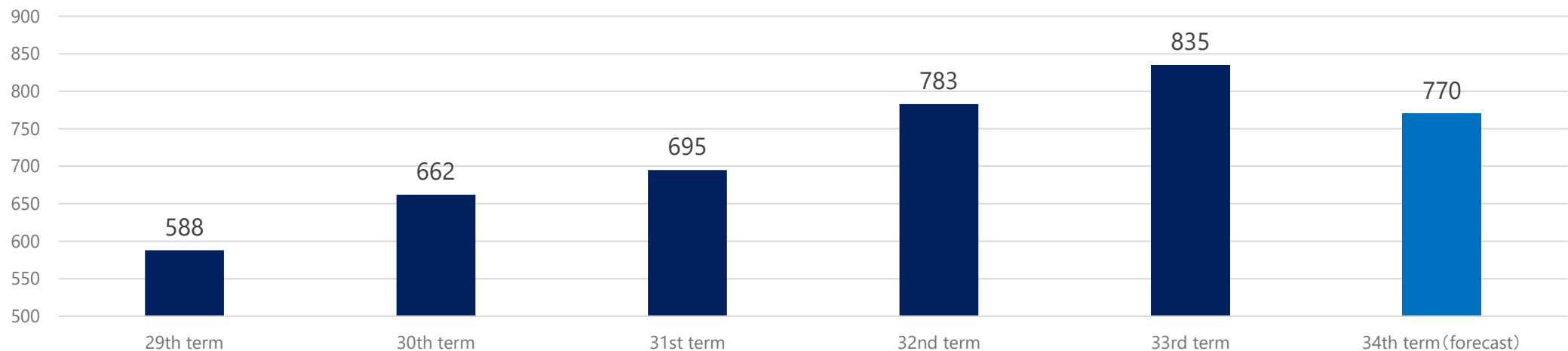
(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Policies
Fixed-term Employment	7,700 (104.7%)	387 (124.4%)	5.0%	<ul style="list-style-type: none"> (1) Develop new clients, especially in relation to IT projects, and increase active dispatched staff for various projects. (2) Increase registered users using external media and our own routes, including the website.
Indefinite- term Employment	307 (372.3%)	-230 (Results in the previous fiscal year -142)	—	<ul style="list-style-type: none"> (1) From the beginning, focus on the recruitment of dispatched staff, particularly mid-career hiring, to achieve profitability promptly. (2) The ordinary loss is expected to expand compared to the 33rd term. (3) Strengthen the efforts to tap into job openings with high unit prices and job openings that may lead to the dispatched staff's improvements, with an aim to facilitate recruitment and keep the dispatched personnel working.
IT Worker Dispatch Business	8,007 (107.7%)	157 (93.0%)	1.96%	

34th term Personnel Plan

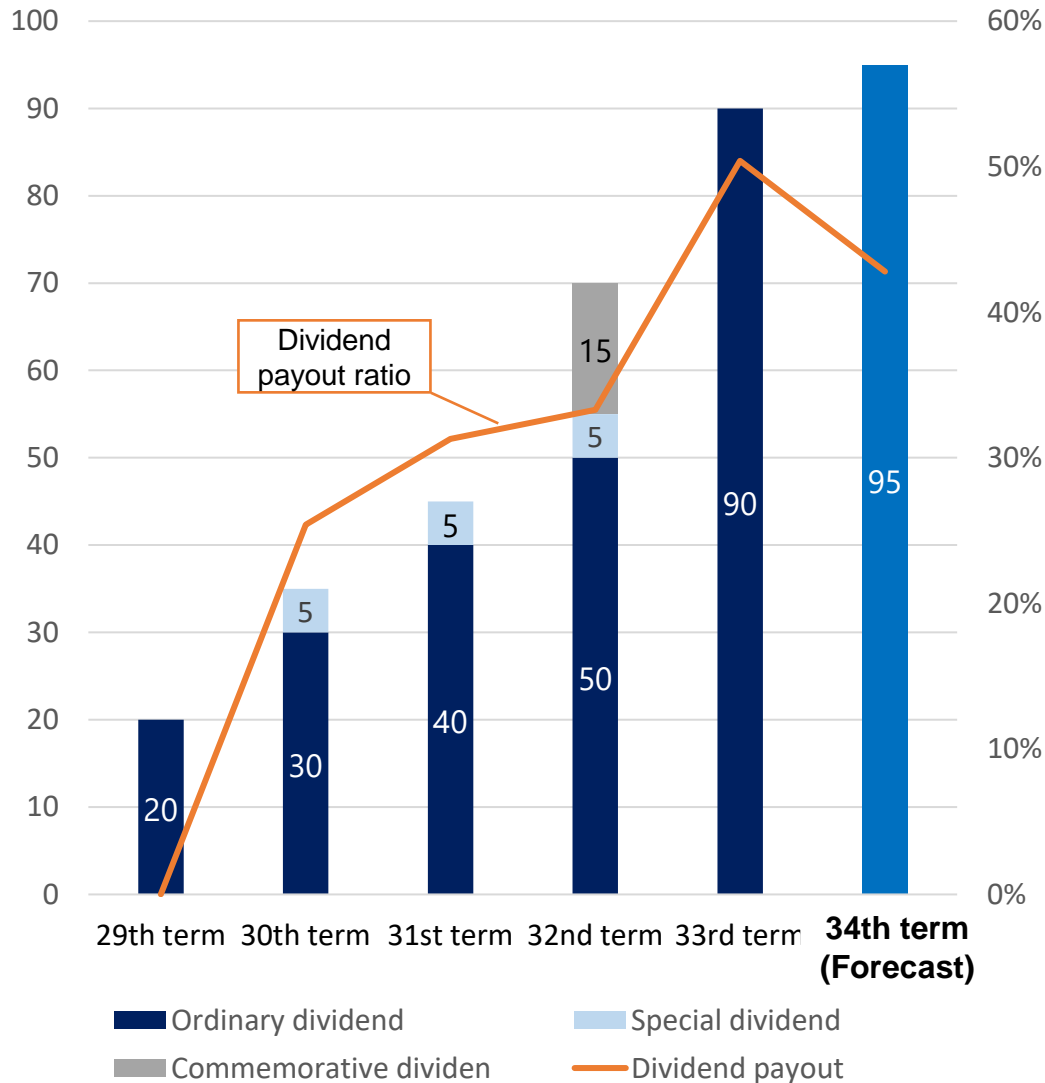
New graduate recruitment	90 new graduates joined CDC in April 2024. Approximately 70 people are expected to join in April 2025.
Mid-career recruitment	During the 33rd term, we recruited approximately 60 people during the year and strengthened the organizational foundation. For the 34th term, we plan to slightly reduce the number of people to be recruited to improve productivity.

Changes in the number of employees — including casual workers



34th term Shareholder Returns

(Yen * Dividends per share)



• Change in Dividend Policy (Announced on August 20, 2024)

To clarify our commitment to returning profits to shareholders and enhance shareholder returns, we have set a target dividend payout ratio of 40% or higher based on regular dividends alone. We will continue to provide stable dividends, taking into account business performance trends, financial conditions, and other factors.

CDC recognizes that returning profits to shareholders is an important management issue, and has adopted the basic policy of distributing profits based on operating results, while comprehensively taking into account the need to enhance retained earnings and the financial position of the company.

Progress of Beyond 200, the Medium-Term Management Plan, announced in November 2021.

In the 33rd term ended September 30, 2024, the third year of the Medium-Term Management Plan, we started a new business, the indefinite-term worker dispatch business, which was not included in the management plan when it was established. However, overall net sales and profit was in line with the plan.

Our targets for the 35th term (ending September 30, 2026) remain unchanged.

(Million yen)

	2023/9 Results	2025/9 Results Forecast	2026/9 Medium-Term Management Plan
Net sales	17,734	19,000	20,000
Ordinary profit	1,438	1,750	2,400
Ratio of Ordinary Profit to Sales	8.1%	9.2%	12%
ROE	25.0%	25.7%	15% or higher

Company name	CAREER DESIGN CENTER CO., LTD.
Establishment	July 8, 1993
Representative	Hiromi Tada, Chairman and CEO
Address	Akasaka Long Beach Building, 3-21-20, Akasaka, Minato-ku, Tokyo
Capital	558,660,000
Listing	Tokyo Stock Exchange Prime Market (stock code: 2410)

Sustainability Management Pursued by CDC



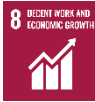











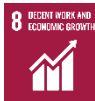

We will provide working people with necessary assistance including career selection assistance to ensure that they lead prosperous lives, and, under proper corporate governance, we, as a company trusted by society, will create both social value and economic value through businesses, thereby seeking to contribute to a sustainable society and improve corporate value.

Corporate Philosophy



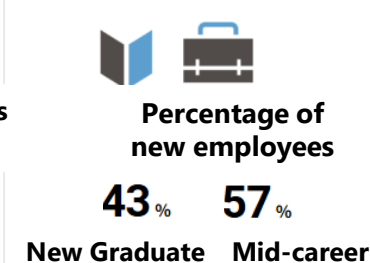
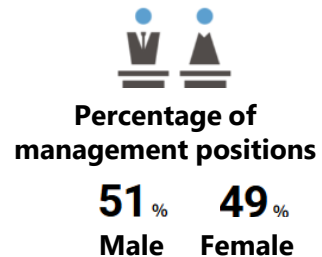
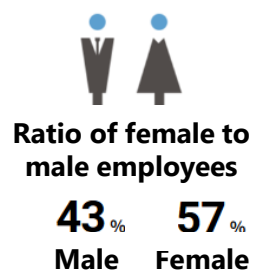
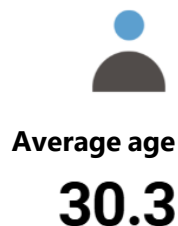
Vision **Creation of a "society in which working people have good jobs and lead good lives"**

Material issues

- 1 Respecting diversity and creating an environment that values engagement**
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- 2 Energizing companies and facilitating economic growth**
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- 3 Realizing diverse workstyles that match the sense of value and workstyle requests of each individual**
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- 4 Strengthening corporate governance**
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- 5 Providing job seekers with opportunities for career development while also working to improve their standard of living**
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Sustainability Initiatives

● Respecting diversity



● Environmental management



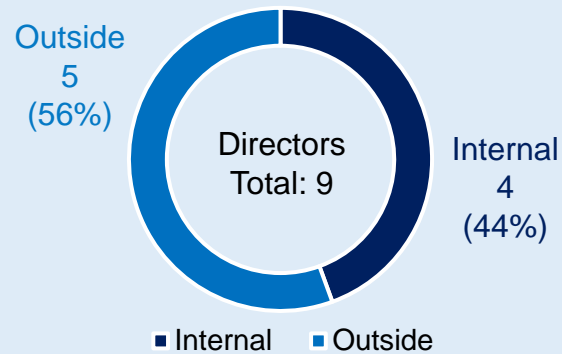
We believe that dialog with stakeholders, including shareholders and investors, is important for the Earth and the sustainable growth of companies. Therefore, we expressed our support for the Task Force on Climate-related Financial Disclosures (TCFD) in October 2023 while joining the TCFD Consortium at the same time.

Item	Separate item	2021.9	2022.9	2023.9	2024.9
Greenhouse gas emissions (Unit: t-CO ₂)	Scope 1 (Utility gas consumption)	—	—	—	—
	Scope 2 (Power consumption)	326.6	334.9	290.7	345.0
	Scope 3 (Indirect emissions other than those listed above)		455.6	482.6	507.4
Amount of paper actually consumed (Index with the amount used in the fiscal year ended September 30, 2020 set as 100)		45.1	40.5	34.8	33.7

Governance initiatives

Working appropriately and cooperatively with stakeholders is essential for achieving sustainable corporate growth and creating corporate value on a medium- to long-term basis. With this in mind, our basic policy on corporate governance is to respect each person's position, increase management transparency, expedite decision-making processes and strengthen supervisory functions while also maximizing corporate value with proper corporate governance.

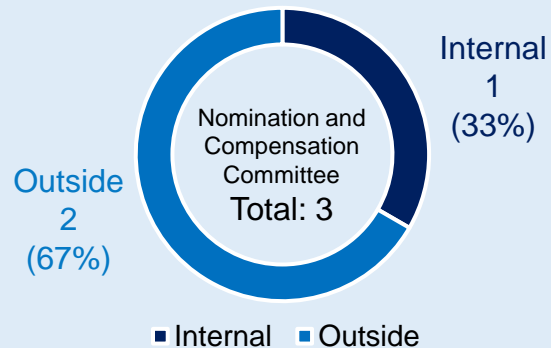
Composition of the Board of Directors



The Board of Directors comprises 9 members, specifically, four Internal Directors and five Outside Directors. In addition, to increase management transparency and further expedite a decision-making process, we transitioned to being a company with an Audit and Supervisory Committee according to a resolution passed at the Annual General Meeting of Shareholders held on December 27, 2021.

The Audit and Supervisory Committee consists of three Directors (one full-time Audit and Supervisory Committee Member and two Outside Directors who are Audit and Supervisory Committee Members).

Composition of the Nomination and Compensation Committee



The Company has a Nomination and Compensation Committee, which is a non-statutory advisory committee chaired by an independent Outside Director and composed of one Internal Director (Chairman and President and Representative Director) and two Outside Directors.

Three committee meetings were held in the fiscal year ended September 30, 2024.

Disclaimer

The industry trends, analyses, future outlook, strategies and other information presented today are determinations made by Company management based on currently available information, but various factors may cause significant changes to the environment surrounding business in the future. Therefore, please note that future strategies and business performance may vary significantly from the information presented today.