



32nd term (FY9/2023)

# **Financial Results Briefing for the Full Year**

CAREER DESIGN CENTER CO., LTD. (2410)

November 9, 2023

- 1. 32nd term (FY9/2023) Overview of Financial Results for the Full Year**
- 2. 33rd term (FY9/2024) Forecasts**

## New record highs were achieved in net sales and ordinary profit. Profit surpassed 1.0 billion yen.

1. Net sales hit record highs in all businesses, reflecting a recovery in demand for IT workers and female personnel, although the IT Worker Dispatch business' results fell short of the initial forecasts.  
Profits hit record highs at all levels and the bottom line exceeded 1.0 billion yen for the first time since the foundation of CDC.

## Steady progress was made in new measures taken to increase the numbers of contracts in the Kansai area and the measures for female engineers and mid-career personnel.

2. Steady progress is being made in new measures that began to be instituted under the Medium-Term Management Plan. We intend to further strengthen these measures going forward.

## The number of clients and unit price per transaction increased due to the strengthened recruitment of personnel for CDC and improvement of production efficiency.

3. Given the faster-than-expected market recovery, we stepped up mid-career recruitment to improve the latest results and facilitate future business expansion.  
In addition, we took measures to improve the production efficiency of existing employees while also raising unit prices per transaction in the Media and Personnel Placement businesses.

## Profit margins improved due to increased unit prices per transaction

4. As the result of the above measures, we succeeded in improving unit prices per transaction in the Media and Personnel Placement businesses, while also achieving better-than-initially expected net sales in the New Graduate Media business, the profit margin of which is high. These resulted in the year-on-year improvement of profitability.

## 32nd term Financial Results

(Million yen)

	<b>Initial forecast</b> (November 9, 2022)	<b>Revised upward</b> (July 31, 2023)	<b>Full year result</b>	<b>Results in the previous fiscal year</b>	<b>YoY</b>
<b>Net sales</b>	17,500	17,500	17,388	15,507	112%
<b>Operating profit</b>	1,314	1,563	1,585	1,102	144%
<b>Ordinary profit</b>	1,300	1,550	1,577	1,101	143%
<b>Profit</b>	881	1,086	1,163	793	147%

## 32nd term Costs

(Million yen)

	<b>Initial forecast</b> (November 9, 2022)	<b>Full year result</b>	<b>Results in the previous fiscal year</b>	<b>YoY</b>
<b>Total expenses</b>	16,200	15,811	14,406	110%
<b>Personnel expenses</b>	4,943	4,916	4,360	113%
<b>Advertising expenses</b>	2,180	2,258	2,098	108%
<b>Dispatched worker salaries</b>	6,286	5,900	5,483	108%
<b>Other</b>	2,791	2,737	2,465	111%

## 32nd term Overview by Business (Media Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Overview
<b>Media Business</b>	<b>5,612</b> (115%)	<b>401</b> (706%)	<b>7.1%</b>	<p>(1) The number of clients increased with the development of new customers for engineers and female personnel. Profit margins improved significantly due to the rationalization of discount rates.</p> <p>(2) Sales resulting from new key measures amounted to approximately 700 million yen in total (Approximately 12% of the overall sales of the Media business).</p> <p>(3) The number of registered users increased thanks to a new commercial featuring Japanese comedy duo Audrey as mascots.</p>

	Results	Results in the previous fiscal year	YoY
Engineers	1,853	1,838	101%
Sales	322	289	112%
<b>type total</b>	<b>2,537</b>	<b>2,479</b>	<b>102%</b>
<b>Onna no Tenshoku type</b>	<b>2,912</b>	<b>2,180</b>	<b>134%</b>
<b>Fair Total</b>	<b>191</b>	<b>137</b>	<b>139%</b>

## 32nd term Overview by Business (Media business/registrations)

<b>type</b>	<b>New membership registrations</b>	YoY change <b>98%</b>	Increased from the second half (April-September) due to the strengthening of advertising investments, despite a decrease in the first half due to intensified competition with rival companies. Registrations by users who have experience in engineering work also increased in and after the second half.
	<b>Number of applications</b>	YoY change <b>92%</b>	Increased in the second half, similar to the number of registered users.
<b>Onna no Tenshoku type</b>	<b>New membership registrations</b>	YoY change <b>115%</b>	New membership registrations increased due to investments in advertising expenses.
	<b>Number of applications</b>	YoY change <b>90%</b>	Applications increased significantly during the period from January to March. Applications for engineering job offers and applications per job type increased overall.

## 32nd term Overview by Business (Personnel Placement Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
<b>General Field</b>	<b>3,011</b> (116%)	<b>337</b> (296%)	<b>11.2%</b>
<b>Mid-Career Field</b>	<b>349</b> (116%)	<b>88</b> (83%)	<b>25.3%</b>
<b>Personnel Placement Business</b>	<b>3,360</b> (115%)	<b>425</b> (192%)	<b>12.7%</b>

<b>Overview</b>
<p>(1) Sales climbed, reflecting an increase in the number of interviews due to the establishment of new organizations and the enhancement of recruitment activities.</p> <p>(2) The retention rate improved through the review of a range of systems by career advisers. In addition, an employee capability improvement system was introduced.</p> <p>(3) 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 number of contracts increased due to a rise in the number of employees. In addition, efforts were made to strengthen training programs and study groups with a view toward improving employees' capabilities.</p> <p>(2) Sales of approximately 350 million yen were achieved in the mid-career field targeting specialists and managers.</p> <p>(3) 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>



## 32nd term Overview by Business (New Graduate Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
<b>New Graduate Recruitment Fair</b>	<b>790</b> (142%)	<b>299</b> (175%)	<b>37.9%</b>
<b>New Graduate Placement</b>	<b>259</b> (107%)	<b>30</b> (70%)	<b>11.9%</b>
<b>New Graduate Business</b>	<b>1,050</b> (131%)	<b>330</b> (153%)	<b>31.5%</b>

<b>Overview</b>
<p>(1) The number of clients increased through the efforts to tap into new job offers in the IT industry and other industries.</p> <p>(2) The number of clients increased due to the holding of individual seminars tailored to the needs of individual companies.</p> <p>(3) Events were held online multiple times. The events attracted students from around Japan and led to strong performance</p>
<p>(1) Sales rose due to the strengthened efforts to hire new employees and tap into job openings.</p> <p>(2) Job seeking activities of students expecting to graduate in FY2023 have kicked off early, resulting in strong results in attracting customers</p>

## 32nd term Overview by Business (IT Worker Dispatch Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio	Overview
<b>Fixed-term Employment</b>	<b>7,364</b> (107%)	<b>432</b> (89%)	<b>5.9%</b>	(1) The number of active workers decreased from the end of the previous year, mainly reflecting a decrease in the number of remote job openings and the conversion of dispatch staff members into employees. (2) The number of active workers is trending toward improvement because we worked to rebuild sales systems and acquire job opening projects. (3) In advertising, we revised the efficiency of channels for attracting external customers, and strengthened channels for acquiring customers directly through CDC
<b>Indefinite-term Employment</b>	<b>0</b> (—)	<b>-11</b> (—)	—	(1) (New graduate recruitment) A sufficient number of new graduates who are expected to graduate in FY2024 have been hired according to the plan. (Mid-career recruitment) Progress in hiring has been made according to the plan through the use of in-house media and external recruitment media. (2) A personnel system was designed and a scheme for supporting careers and an incentive system were established. (3) A three-month internal training system was planned and designed in collaboration with an external system design company.
<b>IT Worker Dispatch Business</b>	<b>7,364</b> (107%)	<b>420</b> (86%)	<b>5.7%</b>	

## **Slowdown of decisions on new jobs that staff to be dispatched take on.**

1. The remote work-based flexible workstyle desired by dispatched staff was incompatible with demand generated by companies that have job offerings. **This caused a decline in the matching rate, slowing decisions regarding new jobs to be undertaken.**

## **Slowdown of the development of new clients**

2. With the impact of COVID-19 starting to be mitigated, we faced the problem of acquiring new client projects other than remote worked-based job offerings.

## **Acceleration of conversion into employees by companies with job offerings**

3. More companies with job offerings started to promote dispatched staff members and converted them into employees because they did not achieve their engineer recruitment plans. **This caused a decrease in the number of active workers.**  
With referral fees arising as a result of the conversion of staff members into employees, sales rose temporarily. However, sales decreased in the following month and thereafter due to the decreased number of active workers.

## **Impact of sharp organizational expansion**

4. Given the difficulty of overseeing business operation carefully in detail, the accuracy of project creation and the matching of staff to be dispatched declined. In addition, overall organizational productivity decreased due to an increase in the ratio of newcomers.

# Trends in quarterly business results

(Million yen)

		30th term				31st term				32nd term			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Media Business</b>	Net sales	915	966	1000	1048	1077	1239	1272	1302	1360	1409	1408	1434
	Ordinary profit	42	10	-33	8	101	80	30	-34	149	123	62	64
<b>Personnel Placement BusinessGeneral Field</b>	Net sales	-	-	-	-	572	651	707	684	731	687	839	752
	Ordinary profit	-	-	-	-	15	51	66	-19	79	33	169	55
<b>Personnel Placement BusinessMid-career Field</b>	Net sales	-	-	-	-	49	50	72	128	87	90	64	107
	Ordinary profit	-	-	-	-	11	10	23	62	29	25	2	30
<b>New Graduate Recruitment Fair Business</b>	Net sales	148	112	135	56	180	130	193	54	209	176	271	133
	Ordinary profit	62	41	43	-21	88	46	76	-40	102	58	121	17
<b>New Graduate Placement Business</b>	Net sales	28	27	55	54	32	37	83	89	36	48	82	92
	Ordinary profit	-11	-13	12	9	-9	-6	36	23	-14	-4	22	27
<b>IT Worker Dispatch BusinessFixed-term Employment</b>	Net sales	1298	1368	1416	1488	1634	1649	1780	1830	1860	1837	1864	1803
	Ordinary profit	94	112	91	92	105	108	146	125	122	106	129	73
<b>IT Worker Dispatch BusinessIndefinite-term Employment</b>	Net sales	-	-	-	-	-	-	-	-	-	-	-	-
	Ordinary profit	-	-	-	-	-	-	-	-	-	-	-1	-9
<b>Total</b>	Net sales	2792	2989	3145	3164	3547	3759	4110	4090	4284	4249	4530	4323
	Ordinary profit	70	141	92	58	313	292	379	116	470	341	506	259

## Further improving profit margins in the Media and Personnel Placement businesses.

1. Achieve increases in the unit price per transaction and the number of clients in existing businesses, while also working to expand the scope of application of the new key measures, review costs and improve operational efficiency. By doing so, aim to improve profit margins.

## Strengthening the system of the IT Worker Dispatch (Fixed-term)business

2. We will facilitate the development of new clients' projects by strengthening the sales system to increase the final number of staff members dispatched to new projects, which decreased in the previous year, and aim to increase the contract rate of staff members dispatched by negotiating work conditions.

## Strengthening recruitment in the IT Worker Dispatch (indefinite term) business

3. The business, which is positioned as an up-front investment, is expected to be unprofitable for five years after its launch. Even so, we will continue to recruit and dispatch mid-career personnel while simultaneously strengthening the recruitment of new graduates with an eye toward the future expansion of sales.

## Implementing investments in the Dtype

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

## 33rd term Results Forecast

(Million yen)

	Results Forecast	Results in the previous fiscal year	YoY
<b>Net sales</b>	18,370	17,388	106%
<b>Operating profit</b>	1,764	1,585	111%
<b>Ordinary profit</b>	1,750	1,577	111%
<b>Profit</b>	1,203	1,163	103%

## 33rd term Cost Projections

(Million yen)

	Results Forecast	Results in the previous fiscal year	YoY
<b>Total expenses</b>	16,620	15,811	105%
<b>Personnel expenses</b>	5,442	4,916	113%
<b>Advertising expenses</b>	2,380	2,258	108%
<b>Dispatched worker salaries</b>	5,872	5,900	100%
<b>Other</b>	2,926	2,737	107%

\* An increase of approximately 100 million yen per year is expected due to the expansion of the office floor.

# 33rd term Forecast by Business (Media Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
<b>Media Business</b>	<b>6,200</b> (111%)	<b>624</b> (156%)	<b>10.1%</b>

## Overview

- (1) We will continue to accelerate efforts to rationalize discount rates for sales prices and by doing so, aim to increase unit prices per transaction.
- (2) We will strive to boost productivity and reinforce the organizational base by developing new employees and making improvements to business processes
- (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.

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

**Direct type site registered users and site power enhancement**



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## 33rd term Forecast by Business (Personnel Placement Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
<b>General Field</b>	<b>3,350</b> (111%)	<b>509</b> (151%)	<b>15.2%</b>
<b>Mid-career Field</b>	<b>415</b> (119%)	<b>104</b> (118%)	<b>25.2%</b>
<b>Personnel Placement Business</b>	<b>3,765</b> (112%)	<b>614</b> (144%)	<b>16.3%</b>

<b>Overview</b>
<p>(1) We will improve unit prices overall by increasing the number of contracts for engineers, whose closing prices for successful contracts are high.</p> <p>(2) We will keep unit prices for acquiring registrants under control by promoting friend referrals in which the rate of successful closing of contracts is high and registration costs are low.</p> <p>(3) We will improve career advisers' capabilities by recommending the acquisition of national qualifications and internally certified qualifications.</p>
<p>(1) We will acquire a various types of job offering projects and job seekers for the expansion of business.</p> <p>(2) We will improve career advisers' capabilities by recommending the acquisition of national qualifications and internally certified qualifications.</p> <p>(3) We will improve our proposal-making capabilities by holding regular study groups for young personnel and research sessions for mid-level personnel.</p>

## 33rd term Forecast by Business (New Graduate Business)

(Million yen)

	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
<b>New Graduate Recruitment Fair</b>	<b>810</b> (104%)	<b>319</b> (107%)	<b>39.5%</b>
<b>New Graduate Placement</b>	<b>275</b> (109%)	<b>16</b> (54%)	<b>6.1%</b>
<b>New Graduate Business</b>	<b>1,085</b> (103%)	<b>336</b> (102%)	<b>31.0%</b>

Overview
<p>(1) We will increase the number of staff members in the department, which is operated by a small number of people, to address diversifying corporate needs while simultaneously maintaining a high profit structure.</p>
<p>(1) We will seek to conclude contracts as soon as possible by starting interviews and seminars one month earlier than last year.</p> <p>(2) We will prioritize the efforts to tap into industries and job types for which the possibility of concluding contracts is strong.</p>

## 33rd term Forecast by Business (IT Worker Dispatch Business)

(Million yen)

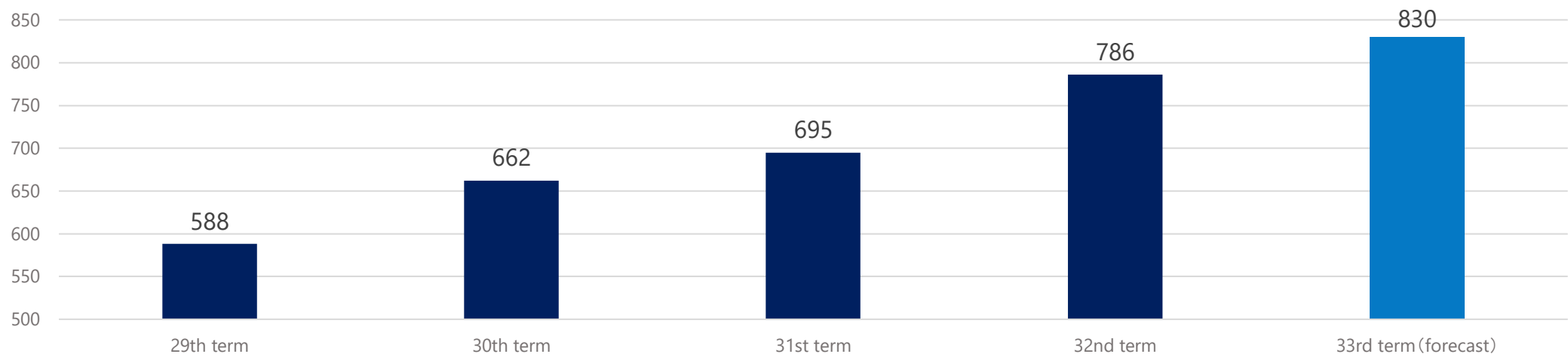
	Net sales (YoY)	Ordinary profit (YoY)	Ordinary profit ratio
<b>Fixed-term Employment</b>	<b>7,270</b> (99%)	<b>303</b> (72%)	<b>4.1%</b>
<b>Indefinite- term Employment</b>	<b>50</b> (-)	<b>-127</b> (-)	<b>—</b>
<b>IT Worker Dispatch Business</b>	<b>7,320</b> (99%)	<b>175</b> (42%)	<b>2.4%</b>

<b>Overview</b>
<p>(1) We will seek to conclude contracts as soon as possible by starting interviews and seminars one month earlier than last year.</p> <p>(2) We will prioritize the efforts to tap into industries and job types for which the possibility of concluding contracts is strong.</p>
<p>(1) We will strengthen the mid-career recruitment of engineers, the hiring of whom is difficult.</p> <p>(2) We will aim to ensure the facilitation of recruitment, including the creation of job opportunities for dispatched workers, by strengthening the efforts to acquire projects with high unit prices and projects that contribute to the growth of candidates.</p> <p>(3) We will strengthen systems with an eye toward recruitment in 2025 and beyond. We will seek to acquire a group of appropriate candidates and improve the ongoing selection of personnel.</p>

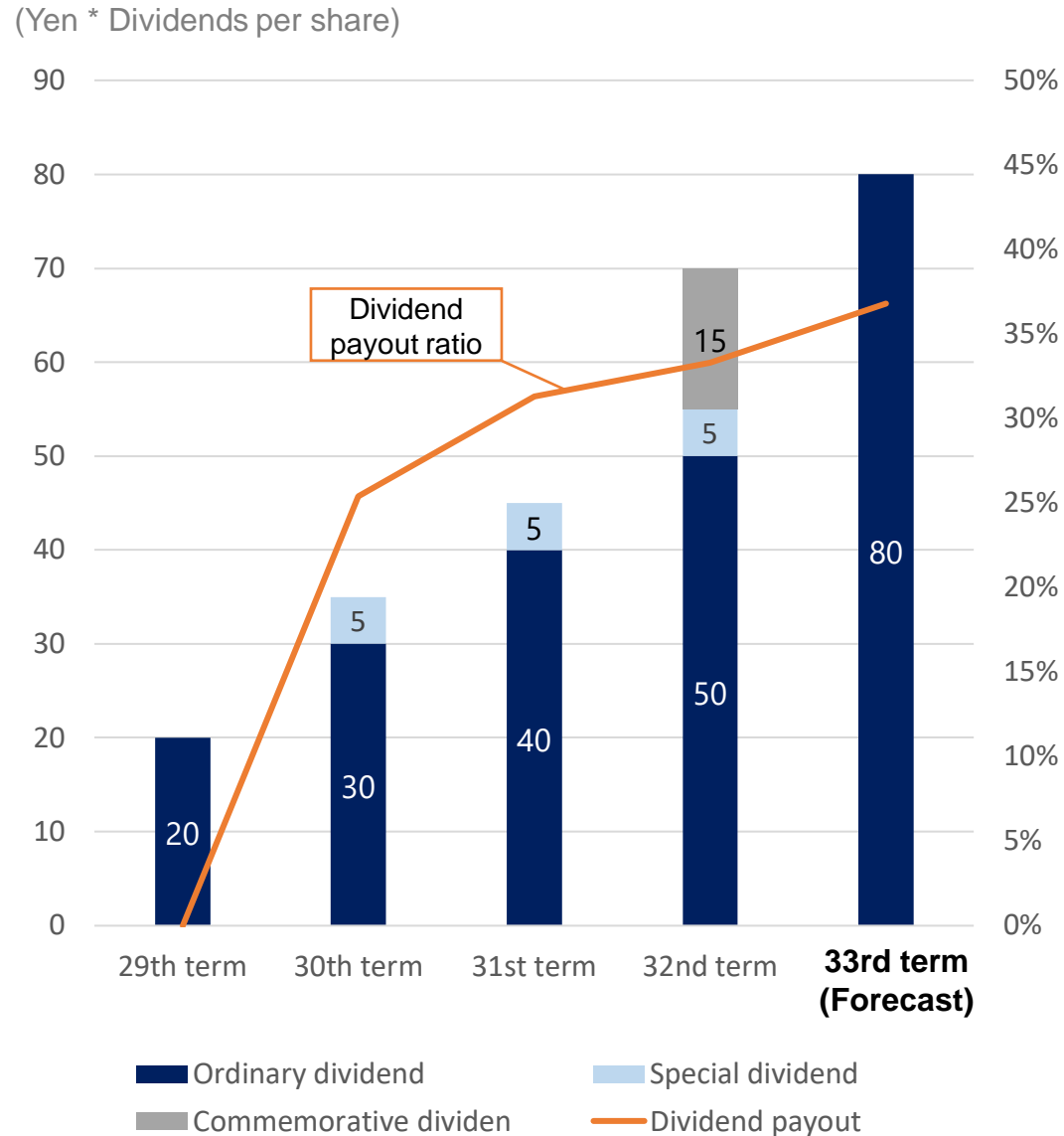
# 33rd term Personnel Plan

<b>New graduate recruitment</b>	70 new graduates joined CDC in April 2023. Approximately 100 people are expected to join in April 2024.
<b>Mid-career recruitment</b>	During the 32nd term, we recruited approximately 120 people during the year and strengthened the organizational foundation. For the 33rd 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



# 33rd term Shareholder Returns



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.

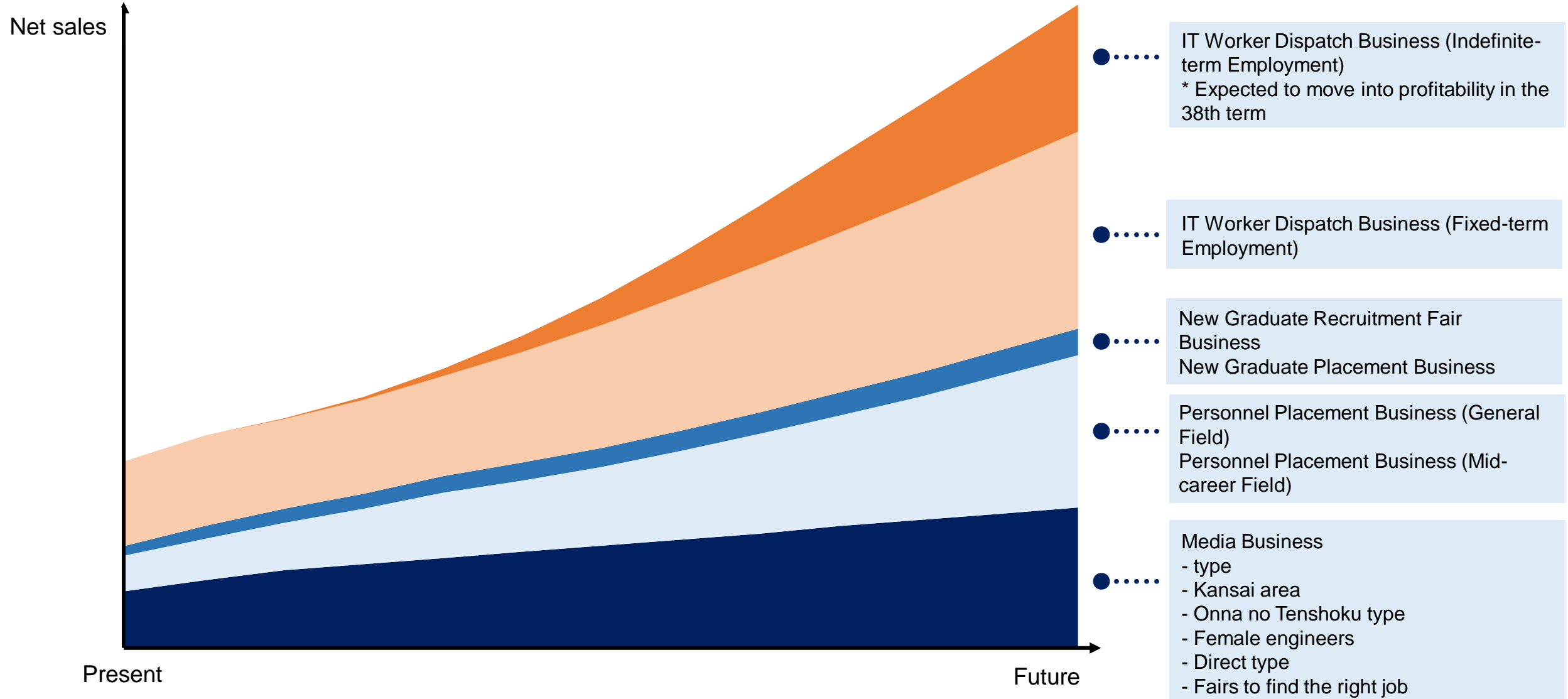
In the fiscal year ended September 30, 2023, the second year of the Medium-Term Management Plan, we achieved sales and ordinary profit targets around a year ahead of schedule.

**Our results forecast for the fiscal year ending September 30, 2024 are also a year ahead of the plan**, but we will leave the Medium-Term Management Plan targets for the fiscal year ending September 30, 2026 unchanged.

(Million yen)

	2023/9 Results	2024/9 Results Forecast	2026/9 Medium-Term Management Plan
<b>Net sales</b>	17,388	18,370	20,000
<b>Ordinary profit</b>	1,577	1,750	2,400
<b>Ratio of Ordinary Profit to Sales</b>	9%	9%	12%
<b>ROE</b>	29%	25%	15% or higher

# Future Growth Scenario



# 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



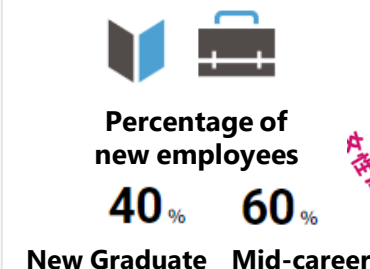
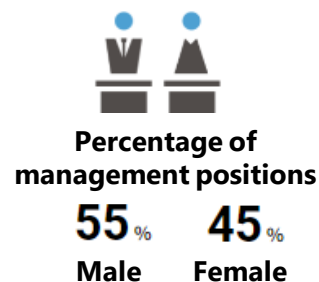
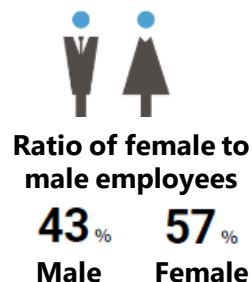
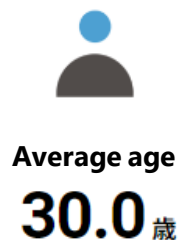
**Vision**                      **Creation of a "society in which working people have good jobs and lead good lives"**

## Material issues

- 1 Respecting diversity and creating an environment that values engagement**  

- 2 Energizing companies and facilitating economic growth**  

- 3 Realizing diverse workstyles that match the sense of value and workstyle requests of each individual**  

- 4 Strengthening corporate governance**  

- 5 Providing job seekers with opportunities for career development while also working to improve their standard of living**  




## ● Respecting diversity



## ● Environmental management



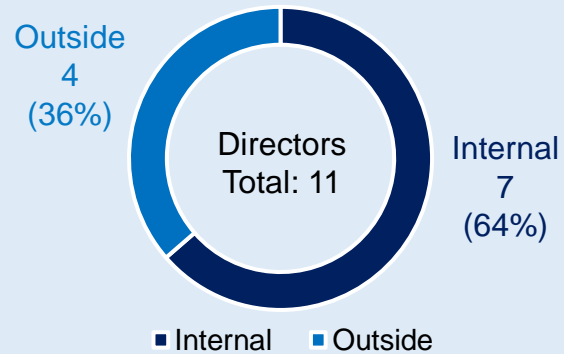
We believe that dialog with stakeholders, including shareholders and investors, is important for the Earth and the sustainable growth of companies. Therefore, we expressed our support for the Task Force on Climate-related Financial Disclosures (TCFD) in October 2023 while joining the TCFD Consortium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

Item	Separate item	2021.9	2022.9	2023.9
Greenhouse gas emissions (Unit: t-CO2)	Scope 1 (Utility gas consumption)	—	—	—
	Scope 2 (Power consumption)	326.6	334.9	290.7
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

# 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

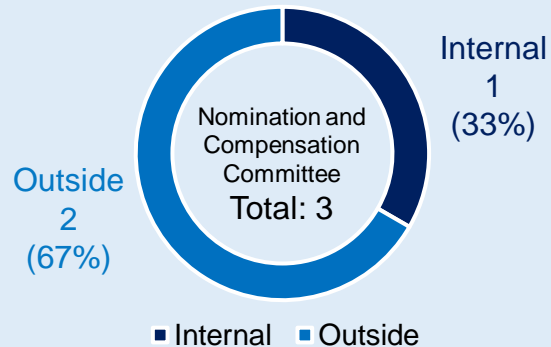


The Board of Directors comprises 11 members, specifically, seven Internal Directors and four Outside Directors.

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.

Two committee meetings were held in the fiscal year ended September 30, 2023.

# 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.