

Translation

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## Summary of Non-Consolidated Financial Results for the Year Ended September 30, 2021 (Based on Japanese GAAP)

November 10, 2021

Company name: CAREER DESIGN CENTER CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 2410 URL <https://cdc.type.jp/ir/>  
 Representative: Chairman and CEO Hiromi Tada  
 Inquiries: Managing Director, General Manager of Employee support Division of the company Yutaka Nishiyama TEL 03-3560-1601  
 Scheduled date of ordinary general meeting of shareholders: December 17, 2021  
 Scheduled date to file Securities Report: December 20, 2021  
 Scheduled date to commence dividend payments: December 20, 2021  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the year ended September 30, 2021 (from October 1, 2020 to September 30, 2021)

#### (1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended September 30, 2021	9,436	–	140	–	155	–	927	–
Year ended September 30, 2020	6,486	–	(515)	–	(497)	–	(350)	–

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended September 30, 2021	137.44	–	26.1	3.1	1.5
Year ended September 30, 2020	(51.94)	–	(10.1)	(10.5)	(7.9)

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2021	5,858	3,948	67.4	584.92
As of September 30, 2020	4,318	3,155	73.1	467.49

#### (3) Non-consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended September 30, 2021	633	(431)	(122)	2,519
Year ended September 30, 2020	–	–	–	–

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended September 30, 2020	–	0.00	–	20.00	20.00	135	–	8.7
Year ended September 30, 2021	–	0.00	–	35.00	35.00	236	25.5	6.7
Year ending September 30, 2022 (Forecast)	–	0.00	–	–	–	–	–	–

3. Forecast of non-consolidated financial results for the year ending September 30, 2022 (from October 1, 2021 to September 30, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending March 31, 2022	6,770	–	276	–	275	–	220	–	32.59
Full year	13,755	–	502	–	500	–	395	–	58.52

4. Notes

(1) 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

(2) Number of issued shares (common shares)

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

As of September 30, 2021	7,054,400 shares	As of September 30, 2020	7,054,400 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	304,368 shares	As of September 30, 2020	304,368 shares
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Average number of shares during the period

Year ended September 30, 2021	6,750,032 shares	Year ended September 30, 2020	6,750,070 shares
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**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of September 30, 2020	As of September 30, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	1,696,287	2,619,310
Accounts receivable - trade	559,275	1,342,199
Work in process	9,640	8,292
Other	301,079	116,287
Allowance for doubtful accounts	(3,243)	(3,221)
<b>Total current assets</b>	<b>2,563,039</b>	<b>4,082,869</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings, net	179,475	172,786
Other, net	11,537	13,277
<b>Total property, plant and equipment</b>	<b>191,013</b>	<b>186,064</b>
<b>Intangible assets</b>		
Software	781,443	978,341
Other	156,064	26,367
<b>Total intangible assets</b>	<b>937,507</b>	<b>1,004,709</b>
<b>Investments and other assets</b>		
Shares of subsidiaries and associates	40,000	–
Deferred tax assets	270,597	269,618
Leasehold and guarantee deposits	266,418	263,787
Other	50,409	51,627
Allowance for doubtful accounts	(872)	(146)
<b>Total investments and other assets</b>	<b>626,552</b>	<b>584,887</b>
<b>Total non-current assets</b>	<b>1,755,073</b>	<b>1,775,661</b>
<b>Total assets</b>	<b>4,318,113</b>	<b>5,858,531</b>

(Thousands of yen)

	As of September 30, 2020	As of September 30, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	8,567	11,580
Short-term borrowings	25,000	58,000
Current portion of long-term borrowings	20,032	–
Accounts payable - other	466,255	414,967
Accrued expenses	191,777	617,363
Income taxes payable	–	56,640
Provision for bonuses	155,821	169,236
Other	116,169	365,934
<b>Total current liabilities</b>	<b>983,623</b>	<b>1,693,722</b>
<b>Non-current liabilities</b>		
Provision for retirement benefits	159,142	196,703
Asset retirement obligations	19,803	19,867
<b>Total non-current liabilities</b>	<b>178,946</b>	<b>216,570</b>
<b>Total liabilities</b>	<b>1,162,570</b>	<b>1,910,293</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	558,663	558,663
<b>Capital surplus</b>		
Legal capital surplus	211,310	211,310
Other capital surplus	144,018	144,018
<b>Total capital surplus</b>	<b>355,328</b>	<b>355,328</b>
<b>Retained earnings</b>		
Other retained earnings		
Retained earnings brought forward	2,482,771	3,275,465
<b>Total retained earnings</b>	<b>2,482,771</b>	<b>3,275,465</b>
Treasury shares	(241,219)	(241,219)
<b>Total shareholders' equity</b>	<b>3,155,543</b>	<b>3,948,237</b>
<b>Total net assets</b>	<b>3,155,543</b>	<b>3,948,237</b>
<b>Total liabilities and net assets</b>	<b>4,318,113</b>	<b>5,858,531</b>

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended September 30, 2020	Fiscal year ended September 30, 2021
Net sales	6,486,559	9,436,878
Cost of sales	1,345,679	3,657,146
Gross profit	5,140,880	5,779,732
Selling, general and administrative expenses	5,656,609	5,638,996
Operating profit (loss)	(515,729)	140,736
Non-operating income		
Interest income	38	19
Cancellation fee	13,911	5,109
Reversal of allowance for doubtful accounts	4,016	–
Other	1,292	4,337
Receipt benefit	–	6,000
Total non-operating income	19,259	15,465
Non-operating expenses		
Interest expenses	452	917
Foreign exchange losses	100	–
Total non-operating expenses	553	917
Ordinary profit (loss)	(497,023)	155,284
Extraordinary income		
Gain on extinguishment of tie-in shares	–	839,363
Total extraordinary income	–	839,363
Extraordinary losses		
Loss on retirement of non-current assets	–	25,865
Total extraordinary losses	–	25,865
Profit (loss) before income taxes	(497,023)	968,782
Income taxes - current	536	31,830
Income taxes - deferred	(146,930)	9,257
Total income taxes	(146,394)	41,087
Profit (loss)	(350,629)	927,694

## Non-consolidated statements of changes in equity

Fiscal year ended September 30, 2020

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		Treasury shares
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings	
Balance at beginning of period	558,663	211,310	144,018	355,328	3,137,153	3,137,153	(241,181)
Changes during period							
Dividends of surplus					(303,753)	(303,753)	
Profit (loss)					(350,629)	(350,629)	
Purchase of treasury shares							(38)
Net changes in items other than shareholders' equity							
Total changes during period	–	–	–	–	(654,382)	(654,382)	(38)
Balance at end of period	558,663	211,310	144,018	355,328	2,482,771	2,482,771	(241,219)

	Shareholders' equity	Total net assets
	Total shareholders' equity	
Balance at beginning of period	3,809,963	3,809,963
Changes during period		
Dividends of surplus	(303,753)	(303,753)
Profit (loss)	(350,629)	(350,629)
Purchase of treasury shares	(38)	(38)
Net changes in items other than shareholders' equity		–
Total changes during period	(654,420)	(654,420)
Balance at end of period	3,155,543	3,155,543

Fiscal year ended September 30, 2021

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		Treasury shares
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings	
					Retained earnings brought forward		
Balance at beginning of period	558,663	211,310	144,018	355,328	2,482,771	2,482,771	(241,219)
Changes during period							
Dividends of surplus					(135,000)	(135,000)	
Profit (loss)					927,694	927,694	
Purchase of treasury shares							-
Net changes in items other than shareholders' equity							
Total changes during period	-	-	-	-	792,694	792,694	-
Balance at end of period	558,663	211,310	144,018	355,328	3,275,465	3,275,465	(241,219)

	Shareholders' equity	Total net assets
	Total shareholders' equity	
Balance at beginning of period	3,155,543	3,155,543
Changes during period		
Dividends of surplus	(135,000)	(135,000)
Profit (loss)	927,694	927,694
Purchase of treasury shares	-	-
Net changes in items other than shareholders' equity		-
Total changes during period	792,694	792,694
Balance at end of period	3,948,237	3,948,237

## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended September 30, 2021
Cash flows from operating activities	
Profit (loss) before income taxes	968,782
Depreciation	328,301
Increase (decrease) in allowance for doubtful accounts	(396)
Increase (decrease) in provision for bonuses	13,414
Increase (decrease) in provision for retirement benefits	37,560
Interest income	(19)
Interest expenses	917
Receipt benefit	(6,000)
Loss (gain) on extinguishment of tie-in shares	(839,363)
Loss on retirement of non-current assets	25,865
Decrease (increase) in trade receivables	(101,483)
Decrease (increase) in inventories	7,101
Increase (decrease) in trade payables	3,013
Increase (decrease) in accounts payable - other	(94,149)
Other, net	242,481
Subtotal	586,026
Interest and dividends received	19
Interest paid	(934)
Amount of benefits received	6,000
Income taxes refund	42,802
Net cash provided by (used in) operating activities	633,913
Cash flows from investing activities	
Payments into time deposits	(100,000)
Proceeds from withdrawal of time deposits	100,000
Purchase of property, plant and equipment	(23,796)
Purchase of intangible assets	(404,779)
Other, net	(3,307)
Net cash provided by (used in) investing activities	(431,883)
Cash flows from financing activities	
Proceeds from short-term borrowings	33,000
Repayments of long-term borrowings	(20,032)
Dividends paid	(135,087)
Net cash provided by (used in) financing activities	(122,119)
Net increase (decrease) in cash and cash equivalents	79,910
Cash and cash equivalents at beginning of period	1,596,287
Increase (decrease) in cash and cash equivalents resulting from merger of consolidated subsidiaries	843,112
Cash and cash equivalents at end of period	2,519,310