

Translation

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Summary of Non-Consolidated Financial Results for the Six Months Ended March 31, 2022 (Based on Japanese GAAP)

April 28, 2022

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
 Managing Director, General Manager of Yutaka Nishiyama
 Employee support Division of the company TEL 03-3560-1601
 Scheduled date to file Quarterly Securities Report: May 13, 2022
 Scheduled date to commence dividend payments: Undecided
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the six months ended March 31, 2022 (from October 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results (cumulative)

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	%
Six months ended March 31, 2022	7,306	—	606	—	605	—	416	—
Six months ended March 31, 2021	—	—	—	—	—	—	—	—

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended March 31, 2022	72.16		—	
Six months ended March 31, 2021	—		—	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of March 31, 2022	5,875		2,583		44.0		468.31	
As of September 30, 2021	5,858		3,948		67.4		584.92	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen		Yen		Yen
Year ended September 30, 2021	—	0.00	—	35.00	35.00
Year ending September 30, 2022	—	0.00	—	—	—
Year ending September 30, 2022 (Forecast)	—	—	—	—	—

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
Full year	14,760	—	802	—	800	—	610	—	101.10

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) 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:	Yes
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements:	No

(3) Number of issued shares (common shares)

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

As of March 31, 2022	7,054,400 shares	As of September 30, 2021	7,054,400 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	1,538,403 shares	As of September 30, 2021	304,368 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, 2022	5,767,056 shares	Six months ended March 31, 2021	6,750,032 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of September 30, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	2,619,310	2,522,138
Accounts receivable - trade	1,342,199	1,447,038
Work in process	8,292	–
Other	116,287	174,999
Allowance for doubtful accounts	(3,221)	(2,894)
Total current assets	4,082,869	4,141,282
Non-current assets		
Property, plant and equipment		
Buildings, net	172,786	175,869
Other, net	13,277	15,828
Total property, plant and equipment	186,064	191,698
Intangible assets		
Software	978,341	971,382
Other	26,367	15,488
Total intangible assets	1,004,709	986,871
Investments and other assets		
Deferred tax assets	269,618	197,399
Leasehold and guarantee deposits	263,787	262,439
Other	51,627	96,193
Allowance for doubtful accounts	(146)	(140)
Total investments and other assets	584,887	555,892
Total non-current assets	1,775,661	1,734,461
Total assets	5,858,531	5,875,744
Liabilities		
Current liabilities		
Accounts payable - trade	11,580	10,837
Short-term borrowings	58,000	–
Current portion of long-term borrowings	–	99,996
Accounts payable - other	414,967	543,132
Accrued expenses	617,363	683,198
Income taxes payable	56,640	107,732
Provision for bonuses	169,236	178,629
Provision for shareholder benefit program	–	1,059
Other	365,934	579,611
Total current liabilities	1,693,722	2,204,195
Non-current liabilities		
Long-term borrowings	–	858,339
Provision for retirement benefits	196,703	210,105
Asset retirement obligations	19,867	19,899
Total non-current liabilities	216,570	1,088,344
Total liabilities	1,910,293	3,292,540

(Thousands of yen)

	As of September 30, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Share capital	558,663	558,663
Capital surplus		
Legal capital surplus	211,310	211,310
Other capital surplus	144,018	144,018
Total capital surplus	355,328	355,328
Retained earnings		
Other retained earnings		
Retained earnings brought forward	3,275,465	3,372,154
Total retained earnings	3,275,465	3,372,154
Treasury shares	(241,219)	(1,702,941)
Total shareholders' equity	3,948,237	2,583,203
Total net assets	3,948,237	2,583,203
Total liabilities and net assets	5,858,531	5,875,744

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended March 31, 2022
Net sales	7,306,818
Cost of sales	3,424,078
Gross profit	3,882,739
Selling, general and administrative expenses	3,276,210
Operating profit	606,529
Non-operating income	
Interest income	9
Cancellation Fee	2,566
Reversal of allowance for doubtful accounts	333
Subsidy income	736
Other	165
Total non-operating income	3,810
Non-operating expenses	
Interest expenses	5,143
Other	0
Total non-operating expenses	5,143
Ordinary profit	605,196
Profit before income taxes	605,196
Income taxes - current	80,062
Income taxes - deferred	108,955
Total income taxes	189,017
Profit	416,178

Non-consolidated statements of cash flows

(Thousands of yen)

	Six months ended March 31, 2022
Cash flows from operating activities	
Profit before income taxes	605,196
Depreciation	178,925
Increase (decrease) in allowance for doubtful accounts	(333)
Increase (decrease) in provision for bonuses	9,392
Increase (decrease) in provision for retirement benefits	13,402
Interest income	(9)
Interest expenses	5,143
Decrease (increase) in trade receivables	(236,798)
Decrease (increase) in inventories	9,680
Increase (decrease) in trade payables	(743)
Increase (decrease) in accounts payable - other	114,695
Other, net	251,246
Subtotal	949,799
Interest and dividends received	9
Interest paid	(6,112)
Income taxes paid	(31,829)
Net cash provided by (used in) operating activities	911,867
Cash flows from investing activities	
Purchase of property, plant and equipment	(1,433)
Purchase of intangible assets	(151,817)
Other, net	(1,653)
Net cash provided by (used in) investing activities	(154,905)
Cash flows from financing activities	
Repayments of short-term borrowings	(58,000)
Proceeds from long-term borrowings	1,000,000
Repayments of long-term borrowings	(41,665)
Purchase of treasury shares	(1,518,570)
Dividends paid	(235,900)
Net cash provided by (used in) financing activities	(854,135)
Net increase (decrease) in cash and cash equivalents	(97,172)
Cash and cash equivalents at beginning of period	2,519,310
Cash and cash equivalents at end of period	2,422,138