

**Summary of Q&A Session at the Financial Results Briefing**  
**for the first half of the year ending 31 December 2024**

Date: 22 August 2024 (Thursday)

Presenter: Co-Founder, Chairman, CEO, and Managing Director: Hiromi Tasaki  
Director, Head of Administration, CFO, and CHRO: Toshihiko Okino

Q1: How are wage increases and stronger retention by companies likely to affect the domestic recruitment business in the future?

A1: In the first quarter of the current financial year, there was a slowdown in the movement of personnel as a result of wage increases. However, this was a temporary trend, and the current trend is towards recovery. Therefore, we do not consider this to be a major risk even if wage increases continue in the future.

Q2: How do you perceive the competition between your domestic recruitment business and other companies' direct recruiting service?

A2: Direct recruiting is effective for mass recruitment, but in many cases, it is not suitable for middle and high class recruitment from an efficiency point of view, and an agency like us can take advantage of this. In terms of recruitment costs, there is not much difference between the fees paid to recruitment agents and the fees for using direct recruiting platform, thus the agents who can introduce you to the most suitable candidates may be more effective in middle to high class recruitment. In addition, we strive to handle many exclusive job offers that cannot be handled by platform-based providers.

Q3: You were able to reduce consultant turnover in the first half of the year. Are you confident to keep it low in the future as well ?

A3: The decrease in the turnover rate appears to be the result of retention measures. It will be challenging to maintain the same level (7.9%) in the future, but we will strive to keep the rate below 10%. We actively support the career development of each consultant and have designed a personnel system that allows them to make multiple career choices and opportunities, such as working abroad or moving to back-office positions.

Q4: Please tell us about the performance status in the second quarter of the year. The first half of the year was slightly below the initial plan, which may have been largely due to the decline in the first quarter of the year. Looking at the second quarter alone, did you achieve the initial plan in terms of sales, GP (gross profit) and operating profit?

A4: Yes, the performance in the second quarter was generally close to the published annual plan.

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