



## Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 [Japanese GAAP]

May 10, 2018

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 Securities Code 6569 URL <http://www.nisso.co.jp/>  
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 Scheduled date of Annual General Meeting of Shareholders June 28, 2018 Scheduled date of payment of dividend June 29, 2018  
 Scheduled date of filing Annual Securities Report June 29, 2018  
 Preparation of supplementary materials for financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (April 1, 2017 – March 31, 2018)

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2018	59,208	10.6	1,800	109.3	1,781	113.8	1,159	136.1
Fiscal year ended Mar. 31, 2017	53,533	13.1	860	(13.9)	833	(5.9)	491	6.6
(Note) Comprehensive income	Fiscal year ended Mar. 31, 2018	1,137	Million yen	(106.5%)	Fiscal year ended Mar. 31, 2017	550	Million yen	(37.5%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary profit on total assets	Ratio of operating profit on net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2018	173.22	157.80	16.5	9.6	3.0
Fiscal year ended Mar. 31, 2017	74.07	—	11.1	5.0	1.6

(Reference) Equity in earnings of affiliates Fiscal year ended Mar. 31, 2018 4 Million yen Fiscal year ended Mar. 31, 2017 (1) Million yen

- (Note) 1. As of October 16, 2017, the Company's common stock was split at a ratio of 10 shares for 1 share, and then at a ratio of 2 shares for 1 share on February 1, 2018. "Net income per share" and "diluted net income per share" is calculated assuming that the shares were split at the beginning of the previous consolidated fiscal year.
2. Since the Company was listed on the Tokyo Stock Exchange First Section on March 16, 2018, the average stock price from the initial listing date to the last day of the current consolidated fiscal year is calculated as the average stock price during the period.
3. Regarding the diluted net income per share, although there is a balance of share acquisition rights for the previous consolidated fiscal year, since the Company's shares were unlisted, the average share price cannot be grasped and is therefore not listed.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2018	19,881	9,462	47.6	1,141.27
As of Mar. 31, 2017	17,410	4,601	26.4	694.08

(Reference) As of Mar. 31, 9,462 Million yen As of Mar. 31, 4,601 Million yen  
Shareholders' equity 2018 2017

(Note) As of October 16, 2017, the Company's common stock was split at a ratio of 10 shares for 1 share, and then at a ratio of 2 shares for 1 share on February 1, 2018. "Net assets per share" is calculated assuming that the shares were split at the beginning of the previous consolidated fiscal year.

(3) 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
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2018	2,751	(102)	(735)	5,283
Fiscal year ended Mar. 31, 2017	1,303	236	254	3,369

2. Dividends

	Dividend per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2017	—	0.00	—	445.00	445.00	147	30.0	3.3
Fiscal year ended Mar. 31, 2018	—	0.00	—	42.00	42.00	348	30.0	4.6
Fiscal year ending Mar. 31, 2019 (forecast)	—	—	—	—	—		—	

(Note) 1. As of October 16, 2017, the Company's common stock was split at a ratio of 10 shares for 1 share, and then at a ratio of 2 shares for 1 share on February 1, 2018. However, regarding dividends for the fiscal year ended March 31, 2017, the dividend amount before the stock split is listed.

2. The dividend forecast for the fiscal year ending March 31, 2019 is undecided at this time.

### 3. Consolidated Forecast for the Fiscal Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)

(Percentages represent year-on-year and quarter-on-quarter changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	65,686	10.9	2,099	16.6	2,144	20.4	1,376	18.7	166.06

#### ※ Notes

(1) Changes in the significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation: None  
Newly added: (Co. name) —, Excluded (Co. name) —

(2) Changes in accounting policies and accounting estimates, and restatements

- ① Changes in accounting policies due to revisions in accounting standards, etc. : None  
 ② Changes in accounting policies other than ① above : None  
 ③ Changes in accounting estimates : None  
 ④ Restatements : None

(3) Number of outstanding shares (Common stock)

① Number of shares outstanding at the end of the period (including treasury shares)	As of Mar. 31, 2018	8,291,200Shares	As of Mar. 31, 2017	6,630,000Shares
② Number of treasury shares at the end of the period	As of Mar. 31, 2018	— Shares	As of Mar. 31, 2017	— Shares
③ Average number of shares outstanding during the period	Fiscal year ended Mar. 31, 2018	6,694,667Shares	Fiscal year ended Mar. 31, 2017	6,630,000Shares

(Note) As of October 16, 2017, the Company's common stock was split at a ratio of 10 shares for 1 share, and then at a ratio of 2 shares for 1 share on February 1, 2018. "Number of shares outstanding at the end of the period", "number of treasury shares at the end of the period" and "average number of shares outstanding during the period" are calculated assuming that the shares were split at the beginning of the previous consolidated fiscal year.

#### (Reference) Summary of Non-consolidated Financial Results

##### Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (April 1, 2017 – March 31, 2018)

(1) Non-consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2018	53,184	13.3	1,796	116.4	1,759	131.5	1,145	161.9
Fiscal year ended Mar. 31, 2017	46,928	16.2	830	0.1	759	10.0	437	26.9

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2018	171.10	155.87
Fiscal year ended Mar. 31, 2017	65.95	—

- (Note) 1. As of October 16, 2017, the Company's common stock was split at a ratio of 10 shares for 1 share, and then at a ratio of 2 shares for 1 share on February 1, 2018. "Net income per share" and "diluted net income per share" is calculated assuming that the shares were split at the beginning of the previous consolidated fiscal year.
2. Since the Company was listed on the Tokyo Stock Exchange First Section on March 16, 2018, the average stock price from the initial listing date to the last day of the current consolidated fiscal year is calculated as the average stock price during the period.
3. Regarding the diluted net income per share, although there is a balance of share acquisition rights for the previous consolidated fiscal year, since the Company's shares were unlisted, the average share price cannot be grasped and is therefore not listed.

## (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2018	17,257	8,525	49.4	1,028.24
As of Mar. 31, 2017	15,045	3,681	24.5	555.35

(Reference) Shareholders' equity As of Mar. 31, 2018 8,525 Million yen As of Mar. 31, 2017 3,681 Million yen

(Note) As of October 16, 2017, the Company's common stock was split at a ratio of 10 shares for 1 share, and then at a ratio of 2 shares for 1 share on February 1, 2018. "Net assets per share" is calculated assuming that the shares were split at the beginning of the previous consolidated fiscal year.

※ The current financial statement is not subject to audit procedures by certified public accountants or auditing corporations.

※ Cautionary statement on the appropriate use of earnings forecasts, and other special items

Earnings forecasts regarding future performance and other forward-looking statements in this material are based on certain assumptions judged to be valid and on information that is currently available to the Company, and do not represent promises by the Company that these figures will be achieved. In addition, actual results may differ significantly due to a variety of factors. For prerequisite conditions and precautions regarding the usage of earnings forecasts, please refer to "1. Overview of Operating Results, (4) Future Prospects" on P.4 of the attachments.

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## 1. Overview of Operating Results

### (1) Overview of Operating Results for the Current Fiscal Year

Japan's economy in the current consolidated fiscal year (April 1, 2017 - March 31, 2018) has continued improvement in the employment and income environments due to economic measures under the current administration and the effects of the monetary policy by the Bank of Japan (hereinafter "the BOJ"), and has been on a gradual recovery trend.

Also, in the world economy, despite uncertainties due to geopolitical risks and US protectionist policies, gradual economic recovery has continued due to improvements in the employment and income environments in Europe, the US and China.

With regard to the environment surrounding the Nisso Group (hereinafter "the Group"), in the midst of the accelerated declining birthrate and aging population, along with the decrease in the work force due to mass retirement of the baby boomer generation, there were also influences such as the promotion of work-style reforms by the current administration. Also, the effective opening-to-application ratio of jobs has remained at a high level in many industries, and the labor shortage has continued.

In addition, due to the revisions of the Labor Contract Act and the Worker Dispatch Law, the so-called 2018 Issue has become imminent, and major manufacturers, who are the Company's important clients, have also had to address this issue.

Amid such circumstances, regarding the general human resources service business, the Group has developed measures to utilize its own recruitment sites and implement employment campaigns, and has worked to reinforce hiring, aiming to increase retention rates and to increase the number of employed staff. Furthermore, the Company has actively employed "skilled staff", or indefinite-term employees, and has worked to realize high unit costs by providing high value-added services to its clients.

On the other hand, regarding the other businesses, since the demand for nursing care services has been on an upward trend due to the rise in the population aging rate, the Group has been striving to improve the quality of services provided and to expand the number of service users.

As a result, net sales for the current consolidated fiscal year amounted to 59,208 million yen (up 10.6% year on year), operating profit was 1,800 million yen (up 109.3% year on year), ordinary profit was 1,781 million yen (up 113.8% year on year), and profit attributable to owners of parent was 1,159 million yen (up 136.1% year on year).

Results by business are as follows.

#### ① General Human Resources Service Business

The Group has continued to expand its sales activities to key clients such as transportation equipment and electronic component manufacturers, which have been performing well under favorable production conditions, and has strived to expand market shares and improve contract unit costs. In addition, in order to improve the quality of service offered to clients, the Group has increased the number of "skilled staff", boosted employee morale, and expanded educational opportunities including skill acquisition.

As a result, net sales for the current consolidated fiscal year for this business amounted to 56,934 million yen (up 11.1% year on year), and gross profit was 10,185 million yen (up 17.7% year on year).

#### ② Other Businesses

The Group manages nursing care and welfare businesses as other businesses. In order to respond to the needs of the aging society, the Group has opened a new fee-based elderly care facility "Sweetpea Higashi Totsuka" in March 2018, and has expanded the provision of its services. Accordingly, upfront investment such as employee recruitment and capital investment of the newly constructed facility has occurred.

As a result, net sales for the current consolidated fiscal year for these businesses amounted to 2,273 million yen (down 0.4% year on year) and gross profit was 187 million yen (down 38.4% year on year).

### (2) Overview of Financial Position for the Current Fiscal Year

#### (Assets)

Current assets at the end of the current consolidated fiscal year were 13,058 million yen, an

increase of 2,594 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases in cash and deposits of 1,914 million yen, and notes and accounts receivable by 579 million yen.

Non-current assets at the end of the current consolidated fiscal year amounted to 6,823 million yen, and decreased by 123 million yen compared to the end of the previous consolidated fiscal year. This was mainly due to the decrease of deferred tax assets by 264 million yen, while lease and guarantee deposits increased by 174 million yen.

As a result, total assets amounted to 19,881 million yen, an increase of 2,470 million yen from the end of the previous consolidated fiscal year.

#### (Liabilities)

Current liabilities at the end of the current consolidated fiscal year totaled 8,062 million yen, a decrease of 972 million yen from the end of the previous consolidated fiscal year. This was mainly due to the decrease of short-term loans payable by 2,600 million yen, while accrued expenses and income taxes payable increased by 822 million yen and 441 million yen, respectively.

Non-current liabilities at the end of the current consolidated fiscal year amounted to 2,356 million yen, a decrease of 1,416 million yen compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of 1,464 million yen in long-term loans payable.

As a result, total liabilities were 10,418 million yen, a decrease of 2,389 million yen from the end of the previous consolidated fiscal year.

#### (Net Assets)

Total net assets at the end of the current consolidated fiscal year amounted to 9,462 million yen, an increase of 4,860 million yen compared to the end of the previous consolidated fiscal year. This was mainly due to the increase of capital stock and capital surplus by 1,935 million yen, respectively, as a result of public stock offerings, etc. In addition, retained earnings increased by 1,012 million yen due to the profit attributable to owners of parent appropriation of 1,159 million yen and dividends of surplus payment of 147 million yen.

As a result, the equity ratio was 47.6% (at the end of the previous consolidated fiscal year, it was at 26.4%).

### (3) Overview of Cash Flows for the Current Fiscal Year

Cash flows for the current consolidated fiscal year increased by 2,751 million yen in regards to cash flows from operating activities, decreased by 102 million yen in regards to cash flows from investing activities, and decreased by 735 million yen in regards to cash flows from financing activities.

As a result, cash and cash equivalents for the current consolidated fiscal year increased by 1,914 million yen to 5,283 million yen compared to the balance at the beginning of the current period. The status and contributing factors of cash flows from operating, investing and financing activities in the current consolidated fiscal year are as follows.

#### (Cash flows from operating activities)

Cash flows from operating activities consisted of income/revenue such as profit before income taxes of 1,781 million yen, depreciation of 253 million yen, and increase in accrued expenses of 820 million yen, etc. Cash flows from operating activities amounted to 2,751 million yen (which was 1,303 million yen in the same period of the previous year) including the absorption of increase in notes and accounts receivable expenditures of 579 million yen, etc.

#### (Cash flows from investing activities)

Cash flows from investing activities amounted to 102 million yen in expenditures (which was 236 million yen in the same period of the previous year) due to purchase of property, plant and equipment of 66 million yen, and purchase of intangible assets 36 million yen, etc.

#### (Cash flows from financing activities)

Cash flows from financing activities consisted of proceeds from issuance of common shares of 3,854

million yen, but also a net decrease in short-term loans payable of 2,600 million yen, and repayments of long-term loans payable of 2,063 million yen, which resulted in expenditures of 735 million yen (which was 254 million yen in the same period of the previous year)

#### (4) Future Prospects

With regard to future prospects, amid continued improvement of employment and income conditions in Japan's economy, there is expected to be a gradual recovery due to the effects of various policies of the current administration and the BOJ. In the world economy, although it is necessary to pay attention to the outlook of the economies of China and other emerging countries in Asia, the impact of uncertainty concerning policy trends in Europe and the US, the trend of trade issues, and the influence of fluctuations in the financial and capital markets, it is expected that a gradual recovery will continue. Under such circumstances, it is believed that production trends of major domestic manufacturers, which are the major clients of the Group, will continue to remain strong.

In terms of legislation, it is expected that the application of the amended Labor Contract Law and the revised Worker Dispatch Law will continue to switch direct employment of contract employees to dispatched employees in regards to the employment of non-regular employees of manufacturers. On the other hand, in addition to strengthening regulations on dispatching companies such as career development support for dispatched employees and mandatory employment stabilization measures, regarding export manufacturers expanding transactions with companies overseas, there is also movement of dispatching companies to comply with the EICC Code of Conduct. Therefore, it is expected that the reorganization of the industry will continue as a result of the elimination of dispatching companies who are unable to comply with these compliance systems.

Under these circumstances, the Group will continue to practice the founding philosophy, "Nurturing and Bringing Out the Best in People", set the vision "To Be the Finest Professional Organization Supporting Made in Japan", and will undertake the task of implementing the following measures.

Increase the number of "skilled staff" who are "indefinite-term employees" through new recruitment and promotion of manufacturing staff, and assign "skilled staff" who were developed at the Group-owned "Nisso Technical Center" to major manufacturers that are its main clients. Even after the assignment of staff, the Group will contribute to the improvement of productivity of manufacturers by providing high value-added services through higher retention rates compared to the manufacturing staff who are generally deployed, and by acquiring skills that meet individual client needs.

Regarding educational facilities, the Group newly opened the "Nisso Technical Center Naka-Nihon (Okaya City, Nagano Prefecture)" in May 2018, and will implement education for assignment of staff to electronic component manufacturers. In addition, the Group will also focus on safety and health activities by implementing safety education such as dangerous physical exercise training by utilizing mobile educational vehicles for manufacturing staff who are unable to receive education at Technical Center.

Since the demand from manufacturers is steady for the time being, in addition to aiming to expand the scale of the number of manufacturing staff by maintaining more than 1,000 persons assigned per month, by utilizing its own recruitment site, "Kojo Kyujin Navi", the Group will strive to reduce recruitment costs that are on the rise and improve profitability.

As a result of the above, the Group anticipates the full year consolidated financial results for the fiscal year ending March 31, 2019 to be as follows: net sales of 65,686 million yen (up 10.9% year on year), operating profit of 2,099 million yen (up 16.6% year on year), ordinary profit of 2,144 million yen (up 20.4% year on year), and profit attributable to owners of parent of 1,376 million yen (up 18.7% year on year).

※The above-mentioned earnings forecasts are based on information available as of the publication date of this material, and actual results may differ from the forecasts due to various factors in the future.

#### (5) Basic Policy on Profit Distribution and Dividends for Current and Next Terms

The Company considers the redistribution of profits to shareholders and the improvement of corporate values as a key management issues, taking into consideration the balance between securing funds for growth investments and strengthening the corporate structure that can respond to changes in the business



environment and its basic policy is to continue to steadily redistribute profits to all of its shareholders.

In addition, although the Company considers the year-end dividend as a general principle, the articles of incorporation stipulate that it is possible to distribute surplus funds twice a year as interim dividends and end-of-term dividends in order to enhance the redistribution of profits to shareholders. As the decision-making body, the Board of Directors is determined to make it possible to flexibly carry out the payment of interim dividends while taking into consideration the performance trends and other factors.

In accordance with the above policy, the dividend for the fiscal year ended March 31, 2018 is scheduled to be a payment of 42.00 yen per share (consolidated dividend payout ratio of 30.0%).

Dividend payments for the fiscal year ending March 31, 2019 is currently undecided.

## 2. Basic Approach to the Selection of Accounting Standards

Since many of the stakeholders are domestic shareholders, creditors, business partners, etc., and due to the lack of funding from overseas, the Group has applied generally accepted accounting principles in Japan.

### 3. Consolidated Financial Statements and Significant Notes

#### (1) Consolidated Balance Sheet

(Unit: Thousand yen)

	FY 3/17 (As of Mar. 31, 2017)	FY 3/18 (As of Mar. 31, 2018)
<b>Assets</b>		
Current Assets		
Cash and deposits	3,369,520	5,283,739
Notes and accounts receivable - trade	6,212,429	6,791,691
Prepaid expenses	402,089	454,303
Deferred tax assets	289,109	305,118
Other	197,242	229,758
Allowance for doubtful accounts	(6,827)	(6,444)
<b>Total current assets</b>	<b>10,463,563</b>	<b>13,058,166</b>
Non-current assets		
Property, plant and equipment		
Building and structures	5,412,290	5,434,544
Accumulated depreciation	(3,225,696)	(3,320,701)
Building and structures (net)	2,186,594	2,113,842
Land	2,776,300	2,771,384
Other	416,010	411,722
Accumulated depreciation	(315,645)	(302,613)
Other, net	100,365	109,108
<b>Total property, plant and equipment</b>	<b>5,063,260</b>	<b>4,994,335</b>
Intangible assets		
Leased assets	214,597	287,317
Other	103,641	92,898
<b>Total intangible assets</b>	<b>318,239</b>	<b>380,215</b>
Investments and other assets		
Operational investment securities	407,024	380,056
Current portion of long-term loans receivable	3,243	1,882
Lease and guarantee deposits	506,347	680,928
Deferred tax assets	287,470	23,121
Net defined benefit asset	67,185	78,942
Other	297,057	285,343
Allowance for doubtful accounts	(3,115)	(1,742)
<b>Total investments and other assets</b>	<b>1,565,213</b>	<b>1,448,532</b>
<b>Total property, plant and equipment</b>	<b>6,946,712</b>	<b>6,823,082</b>
<b>Total current assets</b>	<b>17,410,276</b>	<b>19,881,249</b>

(Unit: Thousand yen)

	FY 3/17 (As of Mar. 31, 2017)	FY 3/18 (As of Mar. 31, 2018)
<b>Liabilities</b>		
Current liabilities		
Short-term loans payable	2,600,000	—
Current portion of long-term loans payable	771,572	501,889
Lease obligations	75,489	108,228
Accrued expenses	3,508,670	4,331,212
Income taxes payable	46,146	487,959
Accrued consumption taxes	1,018,489	1,085,514
Provision for bonuses	396,543	528,328
Other	617,996	1,018,930
<b>Total current liabilities</b>	<b>9,034,908</b>	<b>8,062,063</b>
Non-current liabilities		
Long-term loans payable	3,347,332	1,883,221
Lease obligations	184,727	220,542
Deferred tax liabilities	—	11,049
Net defined benefit liability	13,767	36,418
Other	227,785	205,435
<b>Total non-current liabilities</b>	<b>3,773,613</b>	<b>2,356,667</b>
<b>Total liabilities</b>	<b>12,808,522</b>	<b>10,418,731</b>
Net assets		
Shareholders' equity		
Capital stock	50,000	1,985,364
Capital surplus	400,950	2,336,314
Retained earnings	3,941,339	4,953,482
<b>Total shareholders' equity</b>	<b>4,392,289</b>	<b>9,275,161</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	185,816	160,525
Foreign currency translation adjustment	1,322	1,529
Remeasurements of defined benefit plans	22,326	25,302
<b>Total accumulated other comprehensive income</b>	<b>209,465</b>	<b>187,357</b>
<b>Total net assets</b>	<b>4,601,754</b>	<b>9,462,518</b>
<b>Total liabilities and net assets</b>	<b>17,410,276</b>	<b>19,881,249</b>

(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated Statement of Income)

(Unit: Thousand yen)

	FY 3/17 (Apr. 1, 2016 - Mar. 31, 2017)	FY 3/18 (Apr. 1, 2017 - Mar. 31, 2018)
Net sales	53,533,200	59,208,463
Cost of sales	44,572,669	48,834,760
Gross profit	8,960,530	10,373,703
Selling, general and administrative expenses	8,100,243	8,573,170
Operating profit	860,287	1,800,532
Non-operating income		
Interest income	7,025	1,210
Dividend income	13,399	13,354
Share of profit of entities accounted for using equity method	—	4,895
Subsidy income	41,630	52,014
House rent income	62,711	56,654
Other	27,053	29,394
Total non-operating income	151,820	157,523
Non-operating expenses		
Interest expenses	100,196	82,860
Share of loss of entities accounted for using equity method	1,687	—
Rent expenses	30,113	34,652
Other	46,720	58,864
Total non-operating expenses	178,718	176,376
Ordinary profit	833,389	1,781,679
Profit before income taxes	833,389	1,781,679
Income taxes - current	51,970	361,305
Income taxes - deferred	290,304	260,713
Total income taxes	342,275	622,019
Profit	491,113	1,159,660
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	491,113	1,159,660

## (Consolidated Statement of Comprehensive Income)

(Unit: Thousand yen)

	FY 3/17 (Apr. 1, 2016 - Mar. 31, 2017)	FY 3/18 (Apr. 1, 2017 - Mar. 31, 2018)
Profit	491,113	1,159,660
Other comprehensive income		
Valuation difference on available-for-sale securities	61,666	(25,291)
Remeasurements of defined benefit plans	(1,681)	2,976
Share of other comprehensive income of entities accounted for using equity method	(239)	207
Total other comprehensive income	59,745	(22,107)
Comprehensive income	550,859	1,137,552
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	550,859	1,137,552
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statement of Changes in Equity  
 FY 3/17 (Apr. 1, 2016 - Mar. 31, 2017)

(Unit: Thousand yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of current period	50,000	400,950	3,615,975	4,066,925
Changes of items during period				
Issuance of new shares				—
Issuance of new shares - exercise of share acquisition rights				—
Dividends of surplus			(165,750)	(165,750)
Profit attributable to owners of parent			491,113	491,113
Net changes of items other than shareholders' equity				
Total changes of items during period	—	—	325,363	325,363
Balance at end of current period	50,000	400,950	3,941,339	4,392,289

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	124,149	1,562	24,008	149,720	4,216,645
Changes of items during period					
Issuance of new shares					—
Issuance of new shares - exercise of share acquisition rights					—
Dividends of surplus					(165,750)
Profit attributable to owners of parent					491,113
Net changes of items other than shareholders' equity	61,666	(239)	(1,681)	59,745	59,745
Total changes of items during period	61,666	(239)	(1,681)	59,745	385,109
Balance at end of current period	185,816	1,322	22,326	209,465	4,601,754

FY 3/18 (Apr. 1, 2017 - Mar. 31, 2018)

(Unit: Thousand yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of current period	50,000	400,950	3,941,339	4,392,289
Changes of items during period				
Issuance of new shares	1,893,185	1,893,185		3,786,371
Issuance of new shares - exercise of share acquisition rights	42,178	42,178		84,357
Dividends of surplus			(147,517)	(147,517)
Profit attributable to owners of parent			1,159,660	1,159,660
Net changes of items other than shareholders' equity				
Total changes of items during period	1,935,364	1,935,364	1,012,142	4,882,871
Balance at end of current period	1,985,364	2,336,314	4,953,482	9,275,161

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	185,816	1,322	22,326	209,465	4,601,754
Changes of items during period					
Issuance of new shares					3,786,371
Issuance of new shares - exercise of share acquisition rights					84,357
Dividends of surplus					(147,517)
Profit attributable to owners of parent					1,159,660
Net changes of items other than shareholders' equity	(25,291)	207	2,976	(22,107)	(22,107)
Total changes of items during period	(25,291)	207	2,976	(22,107)	4,860,764
Balance at end of current period	160,525	1,529	25,302	187,357	9,462,518



## (4) Consolidated Statement of Cash Flows

(Unit: Thousand yen)

	FY 3/17 (Apr. 1, 2016 - Mar. 31, 2017)	FY 3/18 (Apr. 1, 2017 - Mar. 31, 2018)
<b>Cash flows from operating activities</b>		
Profit before income taxes	833,389	1,781,679
Depreciation	220,364	253,975
Increase (decrease) in allowance for doubtful accounts	2,320	(1,756)
Increase (decrease) in provision for bonuses	43,232	131,784
Decrease (increase) in net defined benefit asset	14,849	(7,230)
Increase (decrease) in net defined benefit liability	13,767	22,651
Interest and dividend income	(20,424)	(14,564)
Interest expenses	100,196	82,860
Share of (profit) loss of entities accounted for using equity method	1,687	(4,895)
Decrease (increase) in notes and accounts receivable - trade	(550,223)	(579,262)
Decrease (increase) in lease and guarantee deposits	33,528	(174,580)
Increase (decrease) in accrued expenses	442,222	820,032
Increase (decrease) in accrued consumption taxes	189,086	67,024
Other, net	95,437	480,112
Subtotal	1,419,434	2,857,830
Interest and dividend income received	47,652	14,564
Interest expenses paid	(100,603)	(79,924)
Income taxes refund	2,123	6,717
Income taxes paid	(65,591)	(47,476)
<b>Cash flows from operating activities</b>	<b>1,303,015</b>	<b>2,751,711</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(68,968)	(66,386)
Purchase of intangible assets	(17,576)	(36,295)
Payments of loans receivable	(77,842)	(1,926)
Collection of loans receivable	430,085	3,697
Other, net	(29,341)	(1,288)
<b>Cash flows from investing activities</b>	<b>236,357</b>	<b>(102,198)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(968,000)	(2,600,000)
Proceeds from long-term loans payable	2,060,000	330,000
Repayments of long-term loans payable	(606,748)	(2,063,793)
Repayments of lease obligations	(64,714)	(108,604)
Proceeds from issuance of common shares	-	3,854,620
Cash dividends paid	(165,750)	(147,517)
<b>Cash flows from financing activities</b>	<b>254,786</b>	<b>(735,294)</b>
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	1,794,159	1,914,218
Cash and cash equivalents at beginning of period	1,575,360	3,369,520
Cash and cash equivalents at end of period	3,369,520	5,283,739

## (5) Notes regarding Consolidated Financial Statements

(Notes regarding Going Concern Assumption)

Not applicable.

(Segment Information)

Since the "General Human Resources Service Business" accounts for a high proportion of all segments within the Group, the description of segment information is omitted because of its lack of significance as disclosure information.

(Per Share Information)

	FY 3/17 (Apr. 1, 2016 - Mar. 31, 2017)	FY 3/18 (Apr. 1, 2017 - Mar. 31, 2018)
Net assets per share amount	694.08円	1,141.27円
Net income per share amount	74.07円	173.22円
Diluted net income per share amount	—	157.80円

- (Note) 1. Since the Company was listed on the Tokyo Stock Exchange First Section on March 16, 2018, the average stock price from the initial listing date to the last day of the current consolidated fiscal year is calculated as the average stock price during the period.
2. Regarding the diluted net income per share, although there is a balance of share acquisition rights for the previous consolidated fiscal year, net assets per share amount, net income per share amount and diluted net income per share amount are calculated assuming that the stock split was made at the beginning of the previous consolidated fiscal year. Since the shares were unlisted, the average share price cannot be grasped and is therefore not listed.
3. By the resolution of the Board of Directors on September 15, 2017, the Company's common stock was split at a ratio of 10 shares for 1 share as of October 16, 2017, and by the resolution of the Board of Directors on January 15, 2018, common stock was split at a ratio of 2 shares for 1 share on February 1, 2018. Net assets per share amount, net income per share amount and diluted net income per share amount are calculated assuming that the stock split was made at the beginning of the previous consolidated fiscal year.
4. The basis for the calculation of the net income per share amount is as follows.

	FY 3/17 (Apr. 1, 2016 - Mar. 31, 2017)	FY 3/18 (Apr. 1, 2017 - Mar. 31, 2018)
(1) Net income per share amount		
Profit attributable to owners of parent amount (thousand yen)	491,113	1,159,660
Amount not attributable to common shareholders (thousand yen)	—	—
Amount of profit attributable to owners of parent related to common stock (thousand yen)	491,113	1,159,660
Average number of common shares outstanding during the period (shares)	6,630,000	6,694,667
(2) Diluted net income per share amount		
Profit attributable to owners of parent adjustment (thousand yen)	—	—
Increase in common shares (shares)	—	654,214
(Share acquisition rights (shares) )	—	(654,214)

<p>Since there is no dilution effect, a summary of diluted shares not included in the calculation of diluted net income per share amount</p>	<p>3 types of share acquisition rights (number of share acquisition rights: 37,030).</p>	<p>—</p>
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(Significant Subsequent Events)

Not applicable.