

FY2026 Q1 Q&A at the Financial Results Briefing

Questioner 1

Regarding Q1 performance, adjusted EBITDA appears to have exceeded the forecast by around 3–4 billion yen. Were there any expenses that were pushed back from Q1 to later periods, or other special factors?

CFO Kemmochi

Q1 results were above plan. Adjusted EBITDA increased by 4.7 billion yen year on year in Q1, compared with the disclosed first-half forecast of a year-on-year increase of 3.0 billion yen. In this sense, Q1 exceeded our expectations. The main factors were profit increases in the Staffing SBU and Asia Pacific SBU, where productivity improvement initiatives are beginning to deliver results. There were no significant expenses pushed back from Q1 to later periods.

Questioner 1

The Q1 progress rate appears to be high for both the Staffing SBU and Asia Pacific SBU. If this was mainly due to productivity improvements, is it appropriate to understand that this trend will continue from Q2 onward?

CEO Wada

Yes, that understanding is correct. However, market conditions are constantly changing, and we will continue to closely monitor whether there are any significant changes.

Questioner 2

The negative amount in the Adjusted has narrowed year on year. You mentioned that this was due to the effect of reducing corporate expenses. Could you explain the specific breakdown, amount, and sustainability going forward?

CFO Kemmochi

Expenses are lower year on year because system implementation expenses recorded in the previous fiscal year are no longer being incurred this fiscal year. Therefore, this trend is expected to continue not only in Q1 but also from Q2 onward.

Questioner 2

For the Adjusted, the disclosed full-year forecast assumes a negative operating profit impact of around 13.0 billion yen. Based on the Q1 results and the response you just provided, could this become a factor that lifts operating profit?

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CFO Kemmochi

The same trend in system-related expenses applies not only to adjusted EBITDA but also to operating profit.

Company supplement: In the initial plan, expenses not attributable to any SBU were included in the Adjusted. In Q1, the amount of such expenses incurred was limited. However, as these expenses may be incurred in future periods, we have not currently factored this in as an upside factor for full-year operating profit. We will continue to review expense trends on a quarterly basis.

Questioner 3

The revenue decline in the Career SBU is somewhat concerning. What is your outlook for the timing of the performance recovery, and how confident are you in that outlook?

CEO Wada

We take the impact of the ID integration between doda and doda X in the Career SBU seriously. System modifications have been completed, and going forward, our key priorities are to minimize the impact and achieve an early recovery from the second half of this fiscal year onward. In terms of the market environment, amid the continued trend toward selective hiring, we are focusing on improving matching accuracy in line with corporate needs.

Questioner 3

Regarding the KPIs of the Career SBU, productivity is improving, while headcount continues to decline. Have you maintained sufficient capacity to respond when demand recovers?

CEO Wada

For headcount, our strength lies in flexible allocation in response to market conditions. Even if the market recovers or demand expands in the high-income segment, we will be able to respond adequately by optimizing personnel allocation and shifting resources from other areas. As a company whose core business is the placement business, we are confident in our ability to do so.

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Questioner 4

Regarding the Asia Pacific SBU, although it is a segment for which you are reviewing the optimal portfolio structure, recent performance has been improving. In light of this, is there any possibility that your policy on portfolio review may change from what it was at the end of the previous fiscal year?

CEO Wada

Beyond Asia Pacific SBU, reviewing the optimal business portfolio for the Group is one of the key themes of the current mid-term management plan, and we are examining which areas we should focus our management resources on. At the same time, each business continues to work on improving profitability and productivity, and we also see strong progress in Asia Pacific SBU, where ROIC has improved to a level close to 10%. However, recent performance improvements in individual businesses will not immediately change the direction of the Group's overall portfolio strategy.