

Summary of Q&A at the Financial Results Briefing for the Fiscal Year ended in March
2020 (held on May 15, 2020)

Q1. About the impact of COVID-19

A1. We think that we have come into a totally new phase of the temporary staffing service used in the world. Currently, 45% of the temporary staff members are working normally, 35% are working from home and 20% are on standby at home. Those standby workers are now paid a leave compensation by the client companies. If the same situation continues in June and after, however, it is likely that we see some significant change in the business situation. We do hope that the temporary staff members can resume their work as usual as soon as possible.

Q2. Reason for shift to SBU structure

A2. Firstly, we have reviewed the segment structure to make it in line with the key strategies to realize our vision. One of our company's key strategies is to focus on individual workers and accordingly, we focus our efforts on the development of engineers and experts and the improvement of their career regardless of employment category. Secondly, we are shifting to Board of Directors focusing on monitoring to enhance the Group governance, and, during this process, we have started a new SBU structure as a means to promote the transfer of authorization to business operation side.

Q3. About "Equal Pay for Equal Work" regulation

A3. As a result of our repeated explanations to client companies with regard to an increase of transportation expenses and welfare expenses for temporary staffs based on the "Equal Pay for Equal Work" regulation, it has become better understood by them.