

**Q&A at the Briefing of the Financial Results of the 3rd Quarter
Ended December 31, 2021
(held on February 14, 2022)**

Questioner 1:

In the Career SBU, the informal appointments of workers in the placement business increased by approx. 1.4 times year on year, exceeding approx. 1.3-times growth achieved in the previous quarter. Could you inform me of the factors behind it and future prospects?

Deputy President Takahashi:

One major factor is the increase in the headcount of consultants. We will continue to invest in recruitments. Another factor is the productivity improvement reflecting growth in demand for hiring among companies.

Toward the next fiscal year, we would like to increase the number of registered job seekers who are on a slightly weaker note compared to companies enjoying a strong recovery in demand from the COVID-19 pandemic.

Questioner 2:

We believe that, in the domain of regular employees' career change in the placement business, results for the high-income group had been strong until the first half of the current fiscal year. Could you tell me the current status by income group? Are there any characteristics specific to business categories?

Deputy President Takahashi:

Results for high-annual-income group remained strong in the first half of the current fiscal year. Since October 2021, however, demand for staff-class human resources has been recovering rapidly. The overall demand for hiring is high among companies at present.

CFO Seki:

By business category, demand for hiring IT and engineering positions has remained brisk. In addition, job offers for manufacturing industry and sales positions in the restaurant industry and others have also been increasing. At present, demand has been strong in a wide range of business categories.

President Wada:

Above all, demand for hiring related to outsourcing business, including sales

positions, has been strong.

Questioner 3:

I would like to ask you questions about the reorganization of PERSOLKELLY. Could you inform me of the management issues you faced while managing the company as a JV? Could you also tell me how you will take advantage of the current strengths through DX and business portfolio change for future business operation?

Yamazaki, Asia Pacific SBU Lead:

Regarding the issues we faced to date, we were overly dependent on the knowledge and operations of Kelly Services Inc. In addition, we gave priority to having PERSOL's way understood by them. As a result, we could not take sufficient initiatives to improve profitability. However, productivity has been improved to a certain extent since we took the COVID-19 pandemic as an opportunity to review business processes. We believe that we can accelerate the productivity improvement further as a result of the additional acquisition of shares that we carry out at this moment.

With regard to taking advantage of the strengths, we believe that we can improve productivity by applying the AI matching technologies, which we are advancing in our Japanese business antecedently, to our top-class business scale in the Asia Pacific region.

Questioner 4:

Could you inform me of the direction of the next mid-term management plan? Could you tell me about the balance between Japanese and overseas businesses as well as M&A policies in particular?

President Wada:

Regarding overseas business, we will again set improving profitability as a key theme in the next mid-term management plan. We will operate the business above the currently planned level by advancing investment in growth while changing the portfolio, aiming to build a firm base that will enable major investments in the future.

In the business in Japan, we will continue to focus our efforts on placement and temporary staffing sectors, which we believe to be important markets. At the

same time, we shall be proactive in recruiting engineers in the Professional Outsourcing SBU.

As for M&A, we are not planning to advance major M&A projects proactively in overseas business, but we consider it is important to improve profitability. On the other hand, we will certainly make investments that will enable us to improve productivity through collaborations with operating companies possessing superior technologies, as we attempt to build a structure that will consequently enable us to drive business growth and profitability improvement clearly.