

**Q&A at the Briefing of the Financial Results of the Fiscal Year Ended
March 31, 2022
(held on May 13, 2022)**

Questioner 1:

Both sales and operating profit in the Career SBU are expected to grow in FY2022, which gives a sense of considerable strength. Could you inform me about the balance between profit growth and investment?

Deputy President Takahashi:

We plan to make a steady investment in marketing to recruit career consultants and to compete for acquiring job seekers. The profit plan can be achieved if there is no market fluctuation.

Questioner 2:

Regarding the Career SBU, do you have a road map for the recovery of productivity to the FY2018 level of operating profit margin around at 18%? Could you also tell me how long it will take and what issues to address to reach the level?

Deputy President Takahashi:

Productivity has already recovered to a level where we can achieve an operating profit margin of 18% to 20% if we try.

Per-capita productivity has been recovering steadily. Therefore, we would like to invest in ads for increasing our brand recognition via television and many other media as proactively as possible because it is extremely important to keep ourselves undefeated by other companies in the competition for talents although operating profit margin varies depending on hiring activities and marketing investment.

Questioner 3:

We understand that the main factor for the operating profit forecast of the Professional Outsourcing SBU for FY2022, which will remain almost flat year on year, is the expenses for enhancing hiring activities. Could you tell me about the direction of this business for the coming few years?

Deputy President Takahashi:

We aim to expand this business by increasing the number of engineers by 20% to 30% through enhanced hiring activities, and in addition, by increasing the operating rate while also negotiating over the billing rates. However, this will take a little while. Therefore, we will increase the number of new graduates and mid-career workers in FY2022 and aim to achieve the SBU's growth rate of 15% to 20% constantly in the future.

Questioner 4:

Competitors are also planning to hire engineers, and thus the supply and demand balance is extremely tight. How will you respond to this?

President Wada:

We think it is also extremely important to control the turnover of engineers. For this purpose, we would like to assign engineers to new and interesting projects that they will find worthwhile, in addition to investing in training for improving the value of engineers.

Questioner 5:

You say that you will disclose the next mid-term management plan of the Asia Pacific SBU at the first quarter announcement in coming August. Could you tell me the contents of what you will disclose?

President Wada:

Profitability improvement is the major theme. We plan to tell you that we will effectively improve profitability by drawing up a road map for structural reform as well as a growth strategy.