

**Q&A at the Briefing of the Financial Results of the 3rd Quarter Ended  
December 31, 2022 (held on February 10, 2023)**

**Questioner 1:**

Please explain your policy on investment in doda and doda X in Career SBU.

**Deputy President Takahashi:**

Our overall policy is to invest proactively in awareness ads because the competition for job seekers has been growing more intense.

For doda, we will invest as much as possible in ads while maintaining a certain level of profitability.

On the other hand, doda X is our new brand. This means that the investment is more like an up-front investment. We think it is important to start by finding how many registrants we can acquire with awareness ads. The number of registrants in doda X has been on an upward trend, and we have begun to yield results. However, we recognize that these results will be reflected in the financial results from next fiscal year onward.

**Questioner 1:**

Please also tell me about your policy on investment and profit margins in Career SBU. Please indicate, for example, whether you will keep the current balance or accelerate investment next fiscal year, and whatever else you can tell us.

**CFO Tokunaga:**

We will not go so far as to invest in ads to a level where profit will decrease year on year, for example. We would like to invest in ads appropriately while of course striving to keep profit on an upward trend.

**President Wada:**

We recognize that maintaining a relatively advantageous position in the market is also an important point. Increasing the top-of-mind awareness of both doda and doda X among job seekers is also an extremely important goal. We would like to achieve it in a sound manner.

**Questioner 2:**

Please explain your policy about investment for the overall Group. Looking at the Q3 financial results, the progress against full-year forecasts has been very good, but you have not changed your earnings forecasts. Can I interpret it as a message that because the environment will be favorable in Q4, you will accelerate investment further to secure a position in the industry? Please also tell me as much as possible about the stance on investment you will take in the next fiscal year.

**Deputy President Takahashi:**

First, we deem the market to be positive. We would therefore like to make a further investment in Q4.

As for the details of our investing, one is hiring more people. We will first execute our recruitment plan steadily. The other is investment in job offer ads and awareness ads.

**President Wada:**

We believe that we will continue growing in the next fiscal year. We will therefore make whatever preparations we can make in the current fiscal year before starting the new fiscal year.

**Questioner 3:**

Please explain the business environment and profitability outlook of the Asia Pacific SBU in the next fiscal year and beyond.

**President Wada:**

We believe that the human resources market in the Asia Pacific region will remain strong. Moreover, in the Asia Pacific SBU, we have been operating steadily under the Mid-term Management Plan for the SBU that we announced in August 2022, ahead of the plan for other SBUs.

Regarding profitability, we also believe that we will be able to make steady achievements, as we disclosed in the Mid-term Management Plan. We will build the foundations for future growth. We would appreciate your support.

**Questioner 4:**

Please explain the impact of rising wages on your businesses and your outlook.

**CFO Tokunaga:**

Basically, we believe that the rising wages will have a positive impact on our businesses. Regarding temporary staffing, our policy is to bill our corporate clients accordingly. In the placement business, revenues from placement commissions will increase as the amount of basic annual income rises.

**President Wada:**

Our people on the front lines are about to start negotiating a rate revision with our corporate clients. Improvements in working conditions for workers will remain very important for our businesses, so we aim to make Group-wide efforts.

**Questioner 5:**

I would like to ask you questions about your introduction of IFRS in the next fiscal year.

Will you disclose full-year forecasts for FY2023, which will be announced in May 2023, based on IFRS? Please also tell me what will give a major impact on operating profit in shifting from the Japanese GAAP to IFRS, if any.

**CFO Tokunaga:**

We plan to disclose full-year forecasts for FY2023 based on IFRS.

The greatest change resulting from the shift from the Japanese GAAP to IFRS will be the point that there will no longer be amortization of goodwill. The second greatest point is that account processing related to paid leave will be changed. We are scrutinizing the impact of the posting of provisions for paid leave. So we would like to refrain from comment at present.

**Questioner 6:**

Please tell me about the advantages of doda X services. I recognize that very visible players already exist in the high-class domain, where doda X is operated. You therefore need to offer job seekers advantages which allow you to differentiate yourself, don't you?

**President Wada:**

In the high-class domain, we don't intend to compete only in direct recruiting. We will offer multitiered services and a lineup to help job seekers find employment and make sure that we will deliver the necessary human resources to corporate clients as a result of their use of various services. We aim to provide services that will realize these.

And we believe that this *multilayering* is an extremely important point. In addition to receiving job offers, job seekers can apply for jobs directly via job recruitment media and can also receive counseling and coaching. We believe that these are our advantages which are unavailable from other services.