

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Summary of Consolidated Financial Results For the Fiscal Year Ended March 31, 2025 [Japan GAAP]

May 14, 2025

Name of Listed Company: CAREERLINK CO., LTD.

Stock Listing: TSE

Code Number: 6070

URL: <https://www.careerlink.co.jp/>

Representative: (Title) President, Representative Director, and Executive Officer

(Name) Motoaki Narusawa

Contact Point: (Title) Director, Managing Executive Officer, and General Manager of Administration Division

(Name) Hiroyoshi Fujieda

Phone: +81-(0)3-6311-7321

Scheduled Date of Regular General Meeting of Shareholders: June 26, 2025

Scheduled Date of Dividend Payment Start: June 27, 2025

Scheduled Date of Filing Securities Report: June 26, 2025

Supplementary Materials for Financial Results: Yes

Investor Conference for Financial Results: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest one million yen.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Financial Results (Percentages indicate the change against the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year ended March 31, 2025	40,397	(7.7)	2,693	(17.9)	2,700	(17.7)	1,829	(16.9)
Fiscal Year ended March 31, 2024	43,791	(16.6)	3,279	(56.9)	3,280	(57.1)	2,201	(61.5)

(Note) Comprehensive income: FY 3/2025: ¥1,849 million [(17.5)%] FY 3/2024: ¥2,241 million [(60.9)%]

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal Year ended March 31, 2025	154.12	152.90	12.6	13.1	6.7
Fiscal Year ended March 31, 2024	185.52	184.16	15.9	15.3	7.5

(Reference) Equity method income: FY 3/2025: ¥- million FY 3/2024: ¥- million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	19,878	14,912	74.2	1,242.97
As of March 31, 2024	21,209	14,475	67.6	1,207.92

(Reference) Equity capital: FY 3/2025: ¥14,756 million FY 3/2024: ¥14,334 million

(3) Consolidated Cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal Year ended March 31, 2025	2,710	(129)	(1,785)	10,724
Fiscal Year ended March 31, 2024	6,765	(614)	(1,320)	9,928

2. Dividends

	Dividends per share					Total dividends (Annual)	Payout ratio (Consolidated)	Dividend-to- equity ratio (Consolidated)
	End of the 1Q	End of the 2Q	End of the 3Q	Year- end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2024	-	0.00	-	120.00	120.00	1,424	64.7	10.3
Year ended March 31, 2025	-	0.00	-	120.00	120.00	1,424	77.9	9.8
Year ending March 31, 2026 (Forecast)	-	0.00	-	120.00	120.00		77.1	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026) (Percentages indicate the change against the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	20,515	0.3	1,152	(3.1)	1,151	(3.4)	789	(1.4)	66.46
Full year	42,545	5.3	2,706	0.5	2,703	0.1	1,848	1.0	155.66

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, accounting estimates and restatements:

- | | |
|---|------|
| 1) Changes in accounting policies due to revisions of accounting standards: | None |
| 2) Changes in accounting policies due to reasons other than above 1): | None |
| 3) Changes in accounting estimates: | None |
| 4) Restatements: | None |

(3) Number of issued shares (common stock)

- 1) Number of issued shares (including treasury shares) at end of term
- 2) Number of treasury shares at end of term
- 3) Average number of outstanding shares during the period

As of March 31, 2025	12,600,700 shares	As of March 31, 2024	12,596,200 shares
As of March 31, 2025	729,016 shares	As of March 31, 2024	729,013 shares
Year ended March 31, 2025	11,870,539 shares	Year ended March 31, 2024	11,865,856 shares

(Reference) Outline of the Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Financial Results (Percentages indicate the change against the same period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	28,911	(12.3)	2,230	(20.3)	2,371	(19.8)	1,672	(18.1)
Fiscal year ended March 31, 2024	32,984	(23.4)	2,800	(61.2)	2,955	(60.0)	2,042	(63.4)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2025	140.87	140.27
Fiscal year ended March 31, 2024	172.12	171.38

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	17,631	13,888	78.4	1,164.91
As of March 31, 2024	19,048	13,628	71.2	1,143.37

(Reference) Equity capital: FY 3/2025: ¥13,829 million FY 3/2024: ¥13,568 million

* Summary of financial results is out of scope of audit by certified public accountants or audit corporation.

* Cautionary statement regarding forecasts of operating results and special notes

(Notes to the forward-looking statements, and others)

Forward-looking statements in these materials are based on information currently available to the Company and assumptions that the Company believes are reasonable. These statements are not promises by the Company regarding future performance. Actual results may differ significantly from these statements for a number of reasons. For information on the forecasts and cautions when using these forecasts, please see "1. Results of Operations (4) Future Outlook" on page 6.

(To receive supplementary materials for financial results)

Supplementary materials for financial results will be posted promptly on the Company's website after the earnings presentation.

Table of contents of the appendix

1. Results of Operations.....	2
(1) Overview of Financial Results.....	2
(2) Overview of Financial Position.....	4
(3) Overview of Cash Flows.....	4
(4) Future Outlook.....	6
2. Basic Position Concerning Selection of Accounting Standards.....	6
3. Consolidated Financial Statements and Notes.....	7
(1) Consolidated Balance Sheets.....	7
(2) Consolidated Statements of Income and Statements of Comprehensive Income.....	9
(3) Consolidated Statements of Changes in Equity.....	11
(4) Consolidated Statements of Cash Flows.....	13
(5) Notes to Consolidated Financial Statements.....	14
(Notes Relating to Going Concern Assumption).....	14
(Segment Information).....	14
(Per Share Information).....	17
(Significant Subsequent Events).....	17
4. Other Information.....	18
(1) Changes in Directors.....	18

1. Results of Operations

(1) Overview of Financial Results

In the current fiscal year, the Japanese economy was in the process of moderate recovery, albeit with some areas lagging behind. Nominal wages have continued to rise due to the raising of regular salaries and bonuses, starting with the highest wage increase in the spring wage negotiations in 33 years, and the largest-ever increase in the minimum wage, effective from October 2024. However, in the latter half of the current fiscal year, the rate of price increases for food stuffs and other items increased again and there were concerns about policy changes, including U.S. trade policy. Despite this, with real wages continuing to rise, consumer spending continued to recover and there was a strong appetite for capital investment on the back of an improvement in corporate profits.

In the U.S. consumer spending remained firm with real wages continuing to increase against a backdrop of a solid employment and income environment. In China, despite concerns over the continued instability of the real estate market, there were signs of a recovery in growth owing to the effect of large-scale economic measures. In Europe, the pace of recovery slowed, due mainly to the sluggishness in the German economy, and in both Germany and France, there were concerns that the pace of economic recovery would slow yet further due to instable government administration by minority governments. The outlook remains unclear with concerns that the additional tariffs introduced by the new U.S. administration and any countermeasures by other countries would have a substantial impact on the global economy, including Japan.

In this climate, the Japanese human resource service industry operated in an environment where companies continued to show a strong appetite for hiring more workers as consumer spending recovered in Japan in addition to improvements in corporate profits and sustained appetite for capital investment.

In this business environment, the Group continued its aggressive efforts to promote its businesses, primarily the business process outsourcing (BPO)-related business, its mainstay.

In the current fiscal year, in the BPO-related business, following the decreased scale of social security and tax number projects and the completion of some large-scale projects related to welfare services that we had operated in the previous fiscal year, we worked toward developing new transactions with local governments we had never done business with and expanding the area of the business, while also working to win more orders in our existing business areas, primarily for projects related to economic measures. However, we failed to obtain orders for projects we had expected to win in the first two quarters and opted not to bid for projects unlikely to result in the anticipated gross profit. Also, in terms of projects related to economic measures which we expected would bring orders in the third quarter and beyond, we received fewer orders than expected in some and no orders in others. In the customer relationship management (CRM)-related business, we also worked hard to develop new projects, but were unable to offset the reduction in orders caused by the completion or decreased scale of projects that had operated in the previous fiscal year, such as projects for the dispatch of workers at large-scale call centers. As a result of these and other developments, the Group's net sales for the current fiscal year decreased by 3,393,536 thousand yen (down 7.7%) year on year to 40,397,672 thousand yen.

In terms of profit, we continued to make efforts to lower the cost of sales by pursuing higher operational efficiency while improving quality and to reduce and efficiently manage selling, general and administrative expenses such as expenses for outsourcing of business and increasing registered staff workers. However, with the decline in sales causing a substantial impact on profit, along with the impact of the completion and reduction in scale of highly profitable large-scale projects and the increase in personnel and recruitment expenses, operating profit decreased by 586,011 thousand yen (down 17.9%) to 2,693,450 thousand yen, ordinary profit decreased by 580,044 thousand yen (down 17.7%) to 2,700,899 thousand yen, and profit attributable to owners of parent decreased by 371,781 thousand yen (down 16.9%) to 1,829,532 thousand yen, on a year-on-year basis.

(Clerical human resource services)

In the BPO-related business section we continued to proactively work to develop new local government clients and expand the scope of business centered on counter operations at local governments primarily in government ordinance designated cities and regional core cities, and in the existing operation areas, to increase orders for projects related to economic measures, etc. Nevertheless, we were unable to offset negative impacts such as the completion of some large-scale

projects related to welfare services that had operated in the previous fiscal year and the decreased scale of social security and tax number projects. In respect to transactions with private enterprises, orders remained strong thanks to an increase in the volume of orders for projects from leading BPO operators involving central government agencies. In the CRM-related business section, we failed to secure the volume of orders that was needed to offset the negative impact of the reduction in the scale of projects won in the previous fiscal year for the dispatch of workers at large-scale call centers and financial institutions, despite winning new projects for the dispatch of workers at call centers in the Tokyo metropolitan area, as well as at local branch offices including Sapporo and Osaka. In the office services section, on the other hand, orders remained strong thanks to a steady increase of orders for new projects from local governments and associated public corporations and a solid stream of orders for projects from existing clients for dispatching office workers to financial institutions. As a result of these developments, net sales of this business for the current fiscal year decreased by 4,100,358 thousand yen (down 11.2%) year on year to 32,582,168 thousand yen. In terms of profit, we strived to lower the cost of sales by raising operational efficiency in the existing business areas, mainly in the BPO-related business section, and to reduce and efficiently manage selling, general and administrative expenses such as expenses for increasing registered staff workers and for outsourcing of business, but failed to offset the decrease in profit due to the decrease in sales. As a result of these, operating profit decreased by 581,779 thousand yen (down 19.5%) year on year to 2,398,857 thousand yen.

(a) Business process outsourcing

In this section, we worked to increase orders for projects related to economic measures and to expand the area of the business focusing on counter operations at local governments and projects with long-term contracts for highly specialized operations such as those related to various screening processes and general affairs operations from existing clients in the Tokyo and Kinki metropolitan areas, etc. We also worked to develop new local government clients focusing on projects related to economic measures, primarily in the Hokkaido, Tokai, Chugoku, and Kyushu regions. These efforts led to starting transactions with nine new local government clients, resulting in doing business with 195 local governments, including existing clients. With regard to transactions with private enterprises, we benefitted from an increase in orders from leading BPO operators for new projects involving central government agencies and a steady inflow of orders for projects involving private enterprises. However, we also encountered the completion or decreased scale of large-scale projects that had operated in the previous fiscal year involving local governments and private enterprises, along with decreased orders for social security and tax number projects as operations to deal with new issuances peaked out nationwide. As a result, net sales of this section for the current fiscal year decreased by 3,052,363 thousand yen (down 11.3%) year on year to 23,956,786 thousand yen.

(b) Customer relationship management

In this section, our local branch offices in Sapporo, Sendai, Osaka and Fukuoka successfully expanded transactions with existing clients, most notably by acquiring orders from leading telemarketing operators, which are existing clients, for several new medium-scale call center projects, and also developed new transactions with BPO operators and corporations related to central government agencies. On the other hand, we saw the completion or decreased scale of projects ordered in the previous fiscal year—namely, large-scale call center projects ordered by existing clients in the Tokyo metropolitan area and at local branch offices, including in Sapporo, and short-term projects ordered by financial institutions. As a result, net sales of this section for the current fiscal year decreased by 1,101,467 thousand yen (down 25.8%) year on year to 3,169,906 thousand yen.

(c) Office services

In this section, we saw a decline in orders, dragged down by the completion or decreased scale of social security and tax number projects for local governments, as operations to deal with new issuances peaked out, as well as projects involving central government agencies received from BPO operators and short-term projects for financial institutions, which were in operation in the previous fiscal year. At the same time, we enjoyed a steady stream of orders from local governments primarily for projects related to economic measures in the Tokyo and Kinki metropolitan areas. We also benefitted from the development of new transactions in broad business areas with public corporations associated with local governments as well as from increased orders for clerical projects from internet service providers in the Tokyo metropolitan area as well as local branch offices such as those in Sendai and Okinawa. We also saw increased orders for clerical projects related to new NISA from financial institutions. As a result of these and other developments, net

sales of this section for the current fiscal year increased by 53,472 thousand yen (up 1.0%) year on year to 5,455,474 thousand yen.

(Manufacturing human resource services)

In the food processing category, whereas orders from some clients declined due in part to a shift from relying on dispatched workers to hiring workers on their own, orders remained steady from existing clients, especially companies processing meat or manufacturing seasoning, canned products, and western-style confectionary. In addition, we also were able to develop new transactions relating to commercial food operations and other such areas. In the manufacturing and processing category, although orders from some automotive-related clients decreased, we saw an increase in orders from clients in the housing equipment manufacturing, can manufacturing, resin molding, machining/processing, and other industries. As a result of these and other developments, net sales of this business in the current fiscal year increased by 713,007 thousand yen (up 10.5%) year on year to 7,531,643 thousand yen. In terms of profit, we focused in increasing our staff numbers with a view to strengthening our organization in order to be able to respond to the expansion of our business, which resulted in increases in personnel and new recruitment expenses. As a result of these and other efforts, operating profit increased by 1,543 thousand yen (up 0.6%) year on year to 256,313 thousand yen.

(Other services)

This business is the automobile management business of Tokyo Vehicle Management Co., Ltd., a subsidiary of Japan Business Service Co., Ltd. Net sales of this business in the current fiscal year decreased by 6,186 thousand yen (down 2.1%) year on year to 283,861 thousand yen. Operating profit decreased by 5,775 thousand yen (down 13.1%) year on year to 38,279 thousand yen, due mainly to the implementation of initiatives such as increasing personnel in response to the upper limits of overtime that came into effect on April 1, 2024.

(2) Overview of Financial Position

(Assets)

Total assets at the end of the current fiscal year were 19,878,390 thousand yen, down 1,331,555 thousand yen from the end of the previous fiscal year. This was mainly due to decreases of 1,498,530 thousand yen in “Notes and accounts receivable - trade, and contract assets” and 404,922 thousand yen in “Other,” including prepaid expenses, despite an increase of 795,753 thousand yen in “Cash and deposits.”

(Liabilities)

Total liabilities at the end of the current fiscal year were 4,965,490 thousand yen, down 1,768,703 thousand yen from the end of the previous fiscal year. This was due mainly to decreases of 1,030,111 thousand yen in “Deposits received” and 697,461 thousand yen in “Accounts payable – other.”

(Net assets)

Total net assets at the end of the current fiscal year were 14,912,900 thousand yen, up 437,147 thousand yen from the end of the previous fiscal year. This was due mainly to an increase of 405,469 thousand yen in “Retained earnings” (up 1,829,532 thousand yen in “Profit attributable to owners of parent” and down 1,424,062 thousand yen due to the payment of dividends).

(3) Overview of Cash Flows

Cash and cash equivalents totaled 10,724,275 thousand yen at the end of the current fiscal year, 795,753 thousand yen higher than at the end of the previous fiscal year. The following is a summary of cash flows and contributing factors.

(Operating activities)

Net cash provided by operating activities was 2,710,718 thousand yen compared to a positive cash flow of 6,765,882 thousand yen in the same period one year earlier.

Major sources of cash were “Profit before income taxes” of 2,700,899 thousand yen and a 1,498,530 thousand yen increase due to “Decrease in trade receivables and contract assets.” Major uses of cash were a 1,030,111 thousand yen decrease due to “Decrease in deposits received” and a 692,275 thousand yen decrease due to “Decrease in accounts payable - other.”

(Investing activities)

Net cash used in investing activities was 129,775 thousand yen compared to a negative cash flow of 614,741 thousand yen in the same period one year earlier.

Major uses of cash were payments of 99,076 thousand yen for the “Purchase of property, plant and equipment and intangible assets” and 49,988 thousand yen for “Payments of leasehold and guarantee deposits,” A major source of cash was 34,524 thousand yen in “Proceeds from lease and guarantee deposits.”

(Financing activities)

Net cash used in financing activities was 1,785,189 thousand yen compared to a negative cash flow of 1,320,566 thousand yen in the same period one year earlier.

Major uses of cash were 1,425,294 thousand yen in “Dividends paid” and 339,872 thousand yen in “Repayments of long-term borrowings.”

(4) Future Outlook

With regard to the future outlook for the Group, trade policies, including additional tariffs introduced by the new U.S. administration, and any countermeasures by other countries are expected to have a substantial impact on the Japanese economy.

In order to expand the transaction base for our BPO-related business in the clerical human resource services business, which is our mainstay, in the next fiscal year we will continue to focus on developing transactions and expanding the scale of business with local governments with whom we have not yet done business as well as on improving the proportion of orders for long-term projects spanning several years. In order to further strengthen our transaction base with local governments, we will look to improve our readiness to expand the scale of our business by bringing in specialist human resources, promoting DX, and other such measures. We will also look to strengthen our operational structures as part of efforts to improve client satisfaction, as well as to improve our business operations and quality. When it comes to increasing our transaction base with private enterprises, we will work on developing transactions and expanding the scale of business while also working to develop new business operations.

As a result of our continuing efforts focusing on increasing the number of local governments with whom we do business in the BPO-related business in the clerical human resource services business, we had done business with 195 local governments as of the end of the current fiscal year, primarily government ordinance designated cities and regional core cities, an increase of 37 compared to the 158 local governments as of the end of the previous fiscal year. Therefore, the number of projects for which we expect to receive orders and the volume of orders have both increased accordingly relative to the figures for the previous fiscal year. In the customer relation management section, we have been working on strengthening our sales structure during the current fiscal year by increasing our number of staff, not only in the Tokyo metropolitan area, but also across our local branch offices. As a result, we expect to see results commensurate with these efforts in terms of developing new business partners and increasing the number of transactions with existing ones. In the office services section, the volume of orders for dispatch projects to local governments and other government agencies remained steady throughout the current fiscal year. Based on the above, we forecast that net sales for the next fiscal year will exceed that for the current fiscal year.

As with the clerical human resource services business, we also forecast that net sales for the manufacturing human resource services business for the next fiscal year will exceed that of the current fiscal year due to the on-going increase in the volume of orders from existing clients in the food processing category. The same also applies to orders in the manufacturing and processing category, in which the volume of orders is increasing across a broad range of industries, particularly for housing equipment manufacturing. In the next fiscal year, we plan to increase the number of our sales offices after having postponed doing such during the current fiscal year. However, in light of the projects that we did not win during the current fiscal year and the decision not to bid on projects that were unlikely to result in the anticipated gross profit, we are forecasting that net sales for the next fiscal year will grow by approximately 5%.

In terms of profit, in order to ensure sustainable growth over the medium- to long-term, we plan to make proactive investments in its clerical human resource services business and manufacturing human resource services business. This will include increases in expenses for investigating and developing new business partners and diversification of operations, increasing systems development expenses as part efforts to promote the use of IT and DX, including in terms of increasing our operational efficiency and improving quality, so as to strengthen our competitiveness, and also bringing in specialized human resources to work in these areas. As a result of these and other efforts, we forecast that net sales for the next fiscal year will increase by approximately 5% and that profit will slightly exceed that for the current fiscal year.

Based on this outlook, we forecast net sales for the next fiscal year of 42,545,000 thousand yen (up 5.3% year on year), operating profit of 2,706,000 thousand yen (up 0.5% year on year), ordinary profit of 2,703,100 thousand yen (up 0.1% year on year), and profit attributable to owners of parent of 1,848,000 thousand yen (up 1.0% year on year).

2. Basic Position Concerning Selection of Accounting Standards

The Careerlink Group uses Japanese accounting standards for its consolidated financial statements because most shareholders, customers and other stakeholders are in Japan and there is no need to procure funds outside Japan.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Unit: Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	9,928,521	10,724,275
Notes and accounts receivable - trade, and contract assets	8,620,110	7,121,580
Work in process	10,383	1,002
Supplies	8,079	4,462
Other	847,033	442,111
Allowance for doubtful accounts	(3,013)	(4,467)
Total current assets	19,411,115	18,288,963
Non-current assets		
Property, plant and equipment		
Buildings	474,026	499,781
Accumulated depreciation	(218,182)	(260,571)
Buildings, net	255,844	239,210
Vehicles	29,617	29,617
Accumulated depreciation	(27,755)	(28,646)
Vehicles, net	1,861	971
Tools, furniture and fixtures	353,141	377,798
Accumulated depreciation	(254,535)	(290,144)
Tools, furniture and fixtures, net	98,605	87,653
Total property, plant and equipment	356,312	327,835
Intangible assets	325,375	230,582
Investments and other assets		
Investment securities	214,681	222,709
Deferred tax assets	278,218	285,860
Other	627,581	528,754
Allowance for doubtful accounts	(3,337)	(6,313)
Total investments and other assets	1,117,143	1,031,009
Total non-current assets	1,798,831	1,589,427
Total assets	21,209,946	19,878,390

(Unit: Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Short-term borrowings	36,000	36,000
Current portion of bonds payable	20,000	-
Current portion of long-term borrowings	339,872	253,132
Accounts payable - other	2,964,789	2,267,327
Accrued expenses	416,401	377,000
Income taxes payable	99,007	487,402
Accrued consumption taxes	270,158	369,605
Contract liabilities	194,482	79,703
Deposits received	1,198,503	168,392
Provision for bonuses	318,909	292,659
Asset retirement obligations	1,085	16,175
Other	6,487	5,795
Total current liabilities	5,865,695	4,353,194
Non-current liabilities		
Long-term borrowings	653,164	400,032
Retirement benefit liability	314	-
Asset retirement obligations	158,829	146,357
Other	56,189	65,905
Total non-current liabilities	868,497	612,295
Total liabilities	6,734,193	4,965,490
Net assets		
Shareholders' equity		
Share capital	405,967	412,348
Capital surplus	247,261	253,642
Retained earnings	14,085,010	14,490,479
Treasury shares	(443,764)	(443,771)
Total shareholders' equity	14,294,474	14,712,698
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40,173	43,455
Total accumulated other comprehensive income	40,173	43,455
Share acquisition rights	59,720	59,103
Non-controlling interests	81,384	97,642
Total net assets	14,475,753	14,912,900
Total liabilities and net assets	21,209,946	19,878,390

(2) Consolidated Statements of Income and Statements of Comprehensive Income

Consolidated Statements of Income

(Unit: Thousands of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Net sales	43,791,209	40,397,672
Cost of sales	34,662,260	32,198,198
Gross profit	9,128,949	8,199,473
Selling, general and administrative expenses	5,849,487	5,506,023
Operating profit	3,279,461	2,693,450
Non-operating income		
Interest income	259	5,277
Dividend income	1,388	1,427
Subsidy income	4,800	-
Compensation for forced relocation	4,990	1,750
Penalty income	2,200	-
Interest on tax refund	-	1,997
Other	359	3,482
Total non-operating income	13,997	13,936
Non-operating expenses		
Interest expenses	4,824	6,289
Miscellaneous losses	1,313	-
Loss on termination of ESOP trust	5,541	-
Other	836	196
Total non-operating expenses	12,515	6,486
Ordinary profit	3,280,944	2,700,899
Profit before income taxes	3,280,944	2,700,899
Income taxes - current	914,389	862,572
Income taxes - deferred	147,693	(7,462)
Total income taxes	1,062,083	855,110
Profit	2,218,861	1,845,789
Profit attributable to non-controlling interests	17,547	16,257
Profit attributable to owners of parent	2,201,313	1,829,532

Consolidated Statements of Comprehensive Income

(Unit: Thousands of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Profit	2,218,861	1,845,789
Other comprehensive income		
Valuation difference on available-for-sale securities	23,065	3,282
Total other comprehensive income	23,065	3,282
Comprehensive income	2,241,927	1,849,071
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,224,379	1,832,814
Comprehensive income attributable to non-controlling interests	17,547	16,257

(3) Consolidated Statements of Changes in Equity
 Previous fiscal year (April 1, 2023 – March 31, 2024)

(Unit: Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	400,567	241,861	13,188,505	(443,448)	13,387,485
Changes during period					
Dividends of surplus			(1,304,809)		(1,304,809)
Profit attributable to owners of parent			2,201,313		2,201,313
Purchase of treasury shares				(315)	(315)
Issuance of share acquisition rights					-
Exercise of share acquisition rights	5,400	5,400			10,800
Net changes in items other than shareholders' equity					-
Total changes during period	5,400	5,400	896,504	(315)	906,989
Balance at end of period	405,967	247,261	14,085,010	(443,764)	14,294,474

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	17,107	17,107	58,248	63,836	13,526,678
Changes during period					
Dividends of surplus					(1,304,809)
Profit attributable to owners of parent					2,201,313
Purchase of treasury shares					(315)
Issuance of share acquisition rights			12,266		12,266
Exercise of share acquisition rights			(10,794)		5
Net changes in items other than shareholders' equity	23,065	23,065		17,547	40,613
Total changes during period	23,065	23,065	1,472	17,547	949,075
Balance at end of period	40,173	40,173	59,720	81,384	14,475,753

Current fiscal year (April 1, 2024 – March 31, 2025)

(Unit: Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	405,967	247,261	14,085,010	(443,764)	14,294,474
Changes during period					
Dividends of surplus			(1,424,062)		(1,424,062)
Profit attributable to owners of parent			1,829,532		1,829,532
Purchase of treasury shares				(7)	(7)
Issuance of share acquisition rights					-
Exercise of share acquisition rights	6,381	6,381			12,762
Net changes in items other than shareholders' equity					-
Total changes during period	6,381	6,381	405,469	(7)	418,224
Balance at end of period	412,348	253,642	14,490,479	(443,771)	14,712,698

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	40,173	40,173	59,720	81,384	14,475,753
Changes during period					
Dividends of surplus					(1,424,062)
Profit attributable to owners of parent					1,829,532
Purchase of treasury shares					(7)
Issuance of share acquisition rights			12,140		12,140
Exercise of share acquisition rights			(12,757)		4
Net changes in items other than shareholders' equity	3,282	3,282		16,257	19,539
Total changes during period	3,282	3,282	(616)	16,257	437,147
Balance at end of period	43,455	43,455	59,103	97,642	14,912,900

(4) Consolidated Statements of Cash Flows

(Unit: Thousands of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)
Cash flows from operating activities		
Profit before income taxes	3,280,944	2,700,899
Depreciation	252,917	226,739
Increase (decrease) in allowance for doubtful accounts	2,258	4,430
Increase (decrease) in provision for bonuses	5,893	(26,249)
Increase (decrease) in retirement benefit liability	(622)	(314)
Interest and dividend income	(1,647)	(6,704)
Interest expenses	4,824	6,289
Decrease (increase) in trade receivables and contract assets	6,048,298	1,498,530
Decrease (increase) in inventories	(8,669)	12,999
Increase (decrease) in advances received	(2,292)	(530)
Increase (decrease) in accounts payable - other	(655,108)	(692,275)
Increase (decrease) in accrued expenses	(297,061)	(39,400)
Increase (decrease) in accrued consumption taxes	(468,633)	99,446
Increase (decrease) in deposits received	1,007,222	(1,030,111)
Increase (decrease) in contract liabilities	178,801	(114,779)
Other, net	(293,737)	397,316
Subtotal	9,053,386	3,036,286
Interest and dividends received	1,647	6,704
Interest paid	(5,118)	(5,982)
Income taxes paid	(2,292,471)	(535,851)
Income taxes refund	8,438	209,561
Net cash provided by (used in) operating activities	6,765,882	2,710,718
Cash flows from investing activities		
Purchase of investment securities	(102,975)	(3,008)
Purchase of property, plant and equipment	(131,117)	(63,722)
Purchase of intangible assets	(379,970)	(35,353)
Payments for asset retirement obligations	(21,310)	(11,546)
Payments of leasehold and guarantee deposits	(41,803)	(49,988)
Proceeds from lease and guarantee deposits	62,435	34,524
Other, net	-	(681)
Net cash provided by (used in) investing activities	(614,741)	(129,775)
Cash flows from financing activities		
Proceeds from long-term borrowings	300,000	-
Repayments of long-term borrowings	(286,704)	(339,872)
Redemption of bonds	(30,000)	(20,000)
Purchase of treasury shares	(315)	(7)
Dividends paid	(1,303,440)	(1,425,294)
Other, net	(106)	(15)
Net cash provided by (used in) financing activities	(1,320,566)	(1,785,189)
Net increase (decrease) in cash and cash equivalents	4,830,574	795,753
Cash and cash equivalents at beginning of period	5,097,947	9,928,521
Cash and cash equivalents at end of period	9,928,521	10,724,275

(5) Notes to Consolidated Financial Statements

(Notes Relating to Going Concern Assumption)

None applicable

(Segment Information)

[Segment information]

1. Reportable segments

Reportable segments of the Careerlink Group are the constituent business units of the group for which separate financial information can be obtained and for which periodic examinations are performed to allow the Board of Directors to allocate resources and evaluate performance.

We are operating clerical human resource services business mainly for BPO and manufacturing human resource services business mainly for food processing. Accordingly, there are two reportable segments: Clerical human resource services business and Manufacturing human resource services business.

2. Method of calculating reportable segment sales, income/loss, assets, liabilities and other items

The accounting method used for reportable business segments complies with the accounting principles adopted for the preparation of the consolidated financial statements.

3. Information about sales, income (loss), assets, liabilities and other items by reporting segment and information on breakdown of revenues

For the previous fiscal year ended March 2024 (April 1, 2023 – March 31, 2024)

(Unit: Thousands of yen)

	Reporting segments			Other ^(Note 1)	Total	Adjustment ^(Note 2)	Amount on the consolidated financial statements ^(Note 3)
	Clerical human resource services business	Manufacturing human resource services business	Subtotal				
Net sales							
Dispatch of workers	16,953,629	6,781,942	23,735,572	-	23,735,572	-	23,735,572
Undertaking of tasks	19,651,819	-	19,651,819	290,048	19,941,867	-	19,941,867
Dispatch of workers to be employed as full-time employees	26,236	3,097	29,334	-	29,334	-	29,334
Introduction of workers	50,840	33,595	84,435	-	84,435	-	84,435
Revenues from contracts with customers	36,682,526	6,818,635	43,501,161	290,048	43,791,209	-	43,791,209
To outside customers	36,682,526	6,818,635	43,501,161	290,048	43,791,209	-	43,791,209
Intersegment sales and transfers	-	-	-	-	-	-	-
Total	36,682,526	6,818,635	43,501,161	290,048	43,791,209	-	43,791,209
Segment income	2,980,637	254,769	3,235,406	44,055	3,279,461	-	3,279,461
Segment assets	9,597,544	1,715,889	11,313,434	282,278	11,595,713	9,614,233	21,209,946
Other items							
Depreciation	249,114	2,392	251,506	1,410	252,917	-	252,917
Increase in property, plant and equipment and intangible assets	525,651	750	526,401	2,185	528,586	-	528,586

Notes: 1. "Other" is the automobile management business of Tokyo Vehicle Management Co., Ltd., which is not a reporting segment.

2. The adjustment in segment assets is elimination of receivables and payables of negative 2,517 thousand yen and a 9,616,750 thousand yen for corporate assets that cannot be assigned to specific segments. Corporate assets are primarily cash and deposits and investment securities etc. of the consolidated-financial statement-submitting companies.

3. The segment income matches operating profit in the consolidated statement of income.

For the current fiscal year ended March 2025 (April 1, 2024 – March 31, 2025)

(Unit: Thousands of yen)

	Reporting segments			Other ^(Note 1)	Total	Adjustment ^(Note 2)	Amount on the consolidated financial statements ^(Note 3)
	Clerical human resource services business	Manufacturing human resource services business	Subtotal				
Net sales							
Dispatch of workers	16,532,181	7,458,182	23,990,364	—	23,990,364	—	23,990,364
Undertaking of tasks	15,942,367	13,309	15,955,677	283,861	16,239,539	—	16,239,539
Dispatch of workers to be employed as full-time employees	30,671	—	30,671	—	30,671	—	30,671
Introduction of workers	76,947	60,150	137,097	—	137,097	—	137,097
Revenues from contracts with customers	32,582,168	7,531,643	40,113,811	283,861	40,397,672	—	40,397,672
To outside customers	32,582,168	7,531,643	40,113,811	283,861	40,397,672	—	40,397,672
Intersegment sales and transfers	—	—	—	—	—	—	—
Total	32,582,168	7,531,643	40,113,811	283,861	40,397,672	—	40,397,672
Segment income	2,398,857	256,313	2,655,170	38,279	2,693,450	—	2,693,450
Segment assets	7,598,511	1,849,234	9,447,745	286,155	9,733,901	10,144,489	19,878,390
Other items							
Depreciation	222,842	2,297	225,139	1,600	226,739	—	226,739
Increase in property, plant and equipment and intangible assets	87,299	7,002	94,302	—	94,302	—	94,302

Notes: 1. “Other” is the automobile management business of Tokyo Vehicle Management Co., Ltd., which is not a reporting segment.

2. The adjustment in segment assets is elimination of receivables and payables of negative 2,537 thousand yen and a 10,147,026 thousand yen for corporate assets that cannot be assigned to specific segments. Corporate assets are primarily cash and deposits and investment securities etc. of the consolidated-financial statement-submitting companies.

3. The segment income matches operating profit in the consolidated statement of income.

(Per Share Information)

	Fiscal year ended March 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 2025 (April 1, 2024 - March 31, 2025)
	Yen	Yen
Net assets per share	1,207.92	1,242.97
Earnings per share	185.52	154.12
Earnings per share fully diluted	184.16	152.90

Notes: 1. Treasury shares held in a trust account of Custody Bank of Japan, Ltd. (Trust E Account) are excluded from the average number of shares during the period used to calculate earnings per share and earnings per share fully diluted and are excluded from the shares outstanding at the end of the fiscal year used to calculate net assets per share.

2. The basis for calculating earnings per share and earnings per share fully diluted is as follows.

	Fiscal year ended March 2024 (April 1, 2023 - March 31, 2024)	Fiscal year ended March 2025 (April 1, 2024 - March 31, 2025)
Earnings per share		
Profit attributable to owners of parent (thousand yen)	2,201,313	1,829,532
Amount not attributable to common shareholders (thousand yen)	-	-
Profit attributable to owners of parent related to common shares (thousand yen)	2,201,313	1,829,532
Average number of common shares during the period (shares)	11,865,856	11,870,539
Earnings per share fully diluted		
Adjustment to profit attributable to owners of parent (thousand yen)	(6,773)	(6,730)
of which adjustment of dilutive shares held by subsidiary (thousand yen)	(6,773)	(6,730)
Increase in common shares (shares)	50,739	50,873
of which share acquisition rights (shares)	50,739	50,873
Non-dilutive common shares equivalents not included in calculation of earnings per share fully diluted (shares)	-	-

3. The basis for calculating net assets per share is as follows.

	Fiscal year ended March 2024 (As of March 31, 2024)	Fiscal year ended March 2025 (As of March 31, 2025)
Total net assets (thousand yen)	14,475,753	14,912,900
Deducted amount from total net assets (thousand yen)	141,105	156,746
of which share acquisition rights (thousand yen)	59,720	59,103
of which non-controlling interests (thousand yen)	81,384	97,642
Net assets at end of period related to common shares (thousand yen)	14,334,648	14,756,154
Number of common shares at end of period used for calculation of net asset per share (shares)	11,867,187	11,871,684

(Significant Subsequent Events)

None applicable

4. Other information

(1) Change in directors (Planned for June 26, 2025)

- 1) Representative director (current position in parentheses)
Motoaki Narusawa (President and Representative Director, President and Executive Officer) Re-election
- 2) Other directors (current position in parentheses)
 - (a) Director candidates (except directors who are members of the Audit and Supervisory Committee)

Taketo Shima	(Director, Managing Executive Officer, General Manager of Sales Division and Sales Planning Department)	Re-election
Hiroyoshi Fujieda	(Director, Managing Executive Officer, General Manager of Administration Division and Corporate Planning Department)	Re-election
Natsumi Morimura	(Director, Executive Officer, Deputy General Manager of Administration Division and Manager of Training Department)	Re-election
Naofumi Maeda	(Director)	Re-election
Satoko Kitamura	(Outside director)	Re-election

(Note) Ms. Satoko Kitamura is a candidate as an outside director who meets the outside director requirements stipulated in the Companies Act.

* Information about the proposed new composition of directors is in the release dated today titled “Notice Concerning Changes in Officers”.