

(Note) This English translation of the summary of the financial statement was prepared for reference only.  
In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.



## Summary of Consolidated Financial Statements For the Nine Months of Fiscal Year Ending March 31, 2023 (Japanese GAAP)

February 6, 2023

Listed company name: UT Group Co., Ltd. Stock Exchange Listing: Tokyo  
Code number: 2146 URL: <https://www.ut-g.co.jp>  
Representative: Yoichi Wakayama, President, Representative Director & CEO  
For inquiries: Takahito Yamada, Senior Executive Officer, General Affairs Division Manager  
TEL: 03-5447-1710

Scheduled date of filing securities report: February 7, 2023

Schedule date of cash dividend payment: —

Supplemental material for the financial results provided: Yes (Uploaded on the Company's website on February 6, 2023)

Results briefing for the period under review provided: No (The briefing video will be uploaded on the Company's website on February 6, 2023)

(All amounts are rounded down to the nearest million yen.)

### 1. Consolidated Results for the Nine Months of FY3/2023 (April 1, 2022 – December 31, 2022)

#### (1) Consolidated Earnings Results

(Percentages indicate year-on-year changes.)

	Sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3Q of FY3/2023	128,092	12.4	12,082	124.9	5,606	26.2	5,526	24.9	1,758	-4.8
3Q of FY3/2022	113,995	37.9	5,372	-14.7	4,443	-22.4	4,424	-23.0	1,846	-50.5

(Note) Comprehensive income: 3Q of FY3/2023 2,338 million yen (11.1%); 3Q of FY3/2022 2,105 million yen (-44.1%)

	Net profit per share	Net profit per share, diluted
	Yen	Yen
3Q of FY3/2023	43.58	—
3Q of FY3/2022	45.75	—

EBITDA = Operating profit + Depreciation (Property, plant and equipment, and Intangible assets) + Amortization + Stock-based compensation expenses

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
3Q of FY3/2023	70,507	27,992	29.5
FY3/2022	64,107	21,232	30.8

(Reference) Equity capital: 3Q of FY3/2023 20,790 million yen; FY3/2022 19,748 million yen

#### 2. Cash Dividends

(Record date)	Dividend per share				
	1Q-end	2Q-end	3Q-end	FY-end	Total
	Yen	Yen	Yen	Yen	Yen
FY3/2022	0.00	0.00	0.00	24.00	24.00
FY3/2023	0.00	0.00	0.00		
FY3/2023 (Plan)				—	—

(Notes) Revision of the dividend forecast disclosed recently: None

The dividend forecast for FY3/2023 is undecided.

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### 3. Consolidated Forecasts for FY3/2023 (April 1, 2022 – March 31, 2023)

(Percentages indicate year-over-year changes.)

	Sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of the parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	180,000	14.8	15,000	99.9	7,700	23.1	7,500	26.0	3,200	1.9	79.28

(Note) Revision of the earnings forecasts disclosed recently: None  
EBITDA = Operating profit + Depreciation (Property, plant and equipment, and Intangible assets)  
+ Amortization + Stock-based compensation expenses

#### \* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

Excluded : 1      Company name : Green Speed Co., Ltd.

(2) Use of particular accounting procedures in preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies and accounting-based estimates, and restatements

(a) Changes in accounting policies due to revisions in accounting standards and others: Yes  
(b) Changes in accounting policies other than (a) above: None  
(c) Changes in accounting-based estimates: None  
(d) Restatements: None

(4) Number of outstanding shares (common stock)

(a) Number of shares outstanding at the end of the period (including treasury shares):  
3Q of FY3/2023                      40,363,067                      FY3/2022                      40,363,067  
(b) Number of treasury shares at the end of the period:  
3Q of FY3/2023                      281                      FY3/2022                      180  
(c) Average number of shares outstanding during the period:  
3Q of FY3/2023                      40,362,858                      3Q of FY3/2022                      40,362,889

\* The Summary of Quarterly Consolidated Financial Statements is not subject to be reviewed by certified public accountants and auditing firms.

\* Cautionary statement with respect to forecasts of future performance and other special items

Forecasts regarding future performance and other forward-looking statements in these materials are based on certain assumptions judged to be valid and information currently available to the Company. These statements are not promises by the Company regarding future performance. Actual performance may differ significantly from these forecasts for a number of reasons. For precautions on usage of forecasts of future performance, please refer to the section "1. Qualitative Information on Financial Results for Current First Half, (3) Description of Consolidated Earnings Forecast and Other Forward-looking Information" on page 3 of the attachments.

The supplemental material for the financial results and the results briefing video are scheduled to be uploaded on the Company's website on February 6.

## 1. Qualitative Information on Financial Results for the Nine Months of FY3/2023

### (1) Analysis of Operating Results

In the first nine months of FY3/2023 (April 1, 2022 - December 31 2022), while the COVID-19 infections continued to have affected Japan, its economic outlook remained uncertain due to rising prices of raw material and energy, which was prompted by Russia's invasion of Ukraine, a surge in prices in general, policy interest rate increases in various countries, the depreciation of the yen, and the prolonged problem of supply constraints driven by global supply chain disruptions.

Concerning the environment surrounding UT Group, although demand for semiconductors is expected to increase over the medium to long term on the back of the expansion of information and communication technology and the acceleration of global decarbonization, capital investment and production activities by semiconductor manufacturing equipment (SME) makers and semiconductor makers have recently been affected by inventory adjustments and other factors and have shown a sign of slowdown. Meanwhile, automobile-related manufacturers have intermittently suspended operation mainly due to shortages of parts supply.

Under these circumstances, UT Group advanced its Fourth Medium-term Business Plan (FY3/2021 - FY3/2025). With a medium-term target of “creating a diversity & inclusion workstyle platform,” the following three growth strategies have been promoted: One-stop Strategy to provide personnel to large manufacturers; Area Platform Strategy; and Solution Strategy. In the core business of worker dispatch to large manufacturers, the Company aims to enhance development of SME engineers so as to raise its share in all processes at client factories. The Company also seeks to establish a stable employment environment in local workplaces via alliances with and M&As of local major companies, and to further expand and strengthen its business base by supporting personnel mobilization of large corporate groups.

The current FY3/2023 is the third year of the Medium-term Business Plan. The Company is seeking to raise its top line based on the increased number of technical employees accumulated through the enhanced hiring activities in the previous year. The Company has been making efforts to establish a leaner business base and improve profitability in order to realize accelerated growth over the medium to long term.

Effective April 1, 2022, UT Group carried out a major reorganization within the Group. Operating companies with common business characteristics were integrated to enhance the ability to execute each growth strategy of the Medium-term Business Plan. In addition, since April 2022, we have been gradually introducing a new business system to standardize and communize administration and other tasks among the operating companies with the aim of improving labor productivity and further optimizing staffing. Moreover, efforts to improve hiring efficiency have been made by integrating job opportunities held by each operating company and promoting optimal hiring operations.

As a result, in the first nine months of FY3/2023, UT Group recorded net sales of 128,092 million yen (up 12.4% from 113,995 million yen in the same period of the previous year), operating profit of 5,606 million yen (up 26.2% from 4,443 million yen), EBITDA of 12,082 million yen (up 124.9% from 5,372 million yen), ordinary profit of 5,526 million yen (up 24.9% from 4,424 million yen), and profit attributable to owners of the parent of 1,758 million yen (down 4.8% from 1,846 million yen). The number of technical employees was 46,549 (up 6,471 from 40,078 a year ago).

With regard to expenses, stock-based compensation expenses of 5,568 million yen have been recorded in light of the increased probability of achieving the performance conditions for the exercise of stock acquisition rights resolved at the meeting of the Board of Directors held on May 20, 2020.

\* EBITDA = Operating profit + Depreciation (Property, plant and equipment, and Intangible assets) + Amortization  
+ Stock-based compensation expenses

UT Group Co., Ltd. (Code 2146): Summary of Consolidated Financial Statements for the Nine Months of FY3/2023  
The operating results of each business segment are summarized below. From the first quarter of FY3/2023, the segment classification has been changed from the previous three segments (Manufacturing, Solution, and Engineering) to five segments (Manufacturing, Area, Solution, Engineering, and Overseas). The year-over-year comparison has therefore been made using the reclassified segment basis for the first quarter of FY3/2022. Please see details in (Segment Information) of "(3) Notes to the Quarterly Consolidated Financial Statements" in "2. Quarterly Consolidated Financial Statements and Significant Notes."

#### **(Manufacturing Business)**

In the first nine months of FY3/2023, the "Transportation Equipment" subsegment continued to experience production adjustments by automobile-related manufacturers due to a shortage of parts and materials. The "Industrial and Commercial Machinery" and "Electronics" subsegments have cautiously carried out hiring activities since the beginning of autumn, taking into account customer conditions such as postponing new demand for increased headcount due to the impact of inventory adjustments in semiconductors and other factors. Under these circumstances, the number of technical employees increased slightly year-on-year, and segment sales increased due to the promotion of high-level human resource management and the dispatch of highly-skilled workers who were developed in-house. In terms of expenses, segment profit increased due to successful efforts to reduce SG&A expenses such as streamlining hiring-related expenses.

As a result, in the first nine months of FY3/2023, the segment recorded net sales of 62,274 million yen (up 11.9% from 55,666 million yen in the same period of the previous year) and segment profit of 8,528 million yen (up 89.9% from 4,491 million yen), while the number of technical employees was 14,597 (up 42 from 14,555 a year ago).

#### **(Area Business)**

The Area Business strived to develop new clients and deal with more diversified job openings of its existing clients in each of its operating areas, so that to respond to diverse needs of job applicants. The segment conducted hiring activities accordingly, which resulted in a significant increase in the number of technical employees and sales growth in the first nine months of FY3/2023. Segment profit also increased due to efforts to reduce SG&A expenses, such as commonizing the operating base through the Group's major reorganization on April 1, 2022.

As a result, in the first nine months of FY3/2023, the segment recorded net sales of 38,254 million yen (up 16.8% from 32,754 million yen in the same period of the previous year) and segment profit of 1,561 million yen (loss of 613 million yen), while the number of technical employees was 13,095 (up 1,538 from 11,557 a year ago).

#### **(Solution Business)**

In the first nine months of FY3/2023, the Solution Business segment sales decreased as the positive effects of sales increase from UT FSAS Creative, which became a consolidated subsidiary in October 2021, came to an end and due to the sale of UT System Products Co., Ltd. at the end of March 2022. The segment, however, increased profits due to an increase in the number of technical employees at the existing subsidiaries and an increase in operation at some contract sites.

As a result, in the first nine months of FY3/2023, the segment recorded net sales of 13,936 million yen (down 6.4% from 14,893 million yen in the same period of the previous year) and segment profit of 156 million yen (up 587.4% from 22 million yen), while the number of technical employees was 3,116 (up 63 from 3,053 a year ago).

#### **(Engineering Business)**

In the nine months of FY3/2023, approximately 200 new graduates who joined UT Group in April 2022 were assigned and in active operation at an early stage. The segment's efforts to develop and assign new graduates have been successful and the new graduates who joined this year were assigned and became operational at an earlier time than those who joined in the previous year. In addition, order booking was favorable for both the construction and IT fields,

UT Group Co., Ltd. (Code 2146): Summary of Consolidated Financial Statements for the Nine Months of FY3/2023 and the number of technical employees increased y-o-y, resulting in an increase in segment sales and profit.

As a result, in the first nine months of FY3/2023, the segment recorded net sales of 6,772 million yen (up 14.9% from 5,896 million yen in the same period of the previous year) and segment profit of 790 million yen (up 42.0% from 557 million yen), while the number of technical employees was 1,533 (up 182 from 1,351 a year ago).

### **(Overseas Business)**

In the nine months of FY3/2023, Vietnam's economy achieved a clear recovery, as COVID-19 restrictions were lifted and GDP maintained high growth. The Overseas Business has expanded its business areas from the southern region centering on Ho Chi Minh City, Vietnam, where it has offices, to the northern region centering on Hanoi, and made efforts to acquire contracts from Japanese companies. The number of technical employees tends to seasonally decrease around the time of the Tet Lunar New Year holiday (from late January to mid- February) in Vietnam, but the relaxation of COVID-19 restrictions in October 2021 led to lifting of restrictions in production activities. As a result, a higher number of technical employees continued to be active in operation in 2022 compared to the previous year, and the Overseas Business increased sales and profit.

As a result, in the first nine months of FY3/2023, the segment recorded net sales of 6,871 million yen (up 42.8% from 4,811 million yen in the same period of the previous year) and segment profit of 154 million yen (loss of 1 million yen), while the number of technical employees was 14,208 (up 4,646 from 9,562 a year ago).

Please note that the Overseas Business recorded its results for the January-September 2022 period in the first nine months of FY3/2023 with a delay of three months because its settlement date was the last day of December.

## **(2) Analysis of Financial Position**

### **(Assets)**

Current assets as of the end of the third quarter of the fiscal year increased by 5,312 million yen from the end of the previous fiscal year to 55,060 million yen. This was mainly due to an increase of 5,627 million yen in cash and deposits. Non-current assets amounted to 15,446 million yen, an increase of 1,087 million yen from the end of the previous fiscal year. This was mainly due to an increase of 1,356 million yen in software along with the progress of an investment to system construction of UT Group.

As a result, total assets increased by 6,399 million yen from the end of the previous fiscal year to 70,507 million yen.

### **(Liabilities)**

Current liabilities at the end of the third quarter of the fiscal year increased by 2,373 million yen from the end of the previous fiscal year to 27,840 million yen. This was mainly due to an increase of 2,290 million yen in income taxes payable. Non-current liabilities amounted to 14,673 million yen, down 2,734 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 2,711 million yen in long-term borrowings.

In sum, total liabilities were 42,514 million yen, down 361 million yen from the end of the previous fiscal year.

### **(Net assets)**

Net assets as of the end of the third quarter of the fiscal year was 27,992 million yen, up 6,760 million yen from the end of the previous fiscal year. Profit attributable to owners of the parent amounted to 1,758 million yen and an increase of 5,568 million yen in share acquisition rights was more than offset by distribution of dividends from surplus of 968 million yen.

As a result, the equity ratio was 29.5%, compared to 30.8% at the end of the previous fiscal year.

## **(3) Description of Consolidated Earnings Forecast and Other Forward-looking Information**

UT Group's consolidated forecasts for FY3/2023 remain unchanged, as announced on May 13, 2022.

**2. Quarterly Consolidated Financial Statements and Significant Notes**
**(1) Quarterly Consolidated Balance Sheets**

(Million yen)

	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	25,827	31,454
Notes and accounts receivable - trade	21,445	21,651
Merchandise and finished goods	12	9
Work in process	15	38
Raw materials and supplies	58	107
Other	2,442	1,944
Allowance for doubtful accounts	(53)	(146)
Total current assets	49,748	55,060
Non-current assets		
Property, plant and equipment	1,411	1,332
Intangible assets		
Goodwill	5,731	5,597
Leased assets	5	3
Software	461	1,817
Other	3,311	3,220
Total intangible assets	9,509	10,639
Investments and other assets		
Investment securities	1,176	1,050
Long-term loans receivable	13	13
Long-term prepaid expenses	15	183
Deferred tax assets	1,663	1,664
Other	625	602
Allowance for doubtful accounts	(56)	(38)
Total investments and other assets	3,438	3,475
Total non-current assets	14,359	15,446
Total assets	64,107	70,507

UT Group Co., Ltd. (Code 2146): Summary of Consolidated Financial Statements for the Nine Months of FY3/2023  
(Million yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	280	221
Short-term borrowings	235	363
Current portion of long-term borrowings	3,648	3,588
Accounts payable - other	2,492	2,112
Accrued expenses	9,106	10,049
Lease liabilities	10	9
Income taxes payable	412	2,703
Accrued consumption taxes	3,943	3,786
Provision for bonuses	2,305	1,547
Provision for bonuses for directors (and other officers)	49	57
Deposits received	2,882	3,093
Other	99	306
<b>Total current liabilities</b>	<b>25,467</b>	<b>27,840</b>
Non-current liabilities		
Long-term borrowings	15,990	13,278
Lease liabilities	22	15
Retirement benefit liability	727	759
Deferred tax liabilities	613	566
Other	54	53
<b>Total non-current liabilities</b>	<b>17,408</b>	<b>14,673</b>
<b>Total liabilities</b>	<b>42,875</b>	<b>42,514</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	686	686
Capital surplus	338	338
Retained earnings	18,567	19,357
Treasury shares	(0)	(0)
<b>Total shareholders' equity</b>	<b>19,592</b>	<b>20,382</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(0)	(0)
Foreign currency translation adjustment	156	408
<b>Total accumulated other comprehensive income</b>	<b>156</b>	<b>408</b>
Share acquisition rights	600	6,169
Non-controlling interests	882	1,032
<b>Total net assets</b>	<b>21,232</b>	<b>27,992</b>
<b>Total liabilities and net assets</b>	<b>64,107</b>	<b>70,507</b>

UT Group Co., Ltd. (Code 2146): Summary of Consolidated Financial Statements for the Nine Months of FY3/2023  
**(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income(Quarterly Consolidated Statements of Income)**

(Million yen)

	For Nine Months ended December 31, 2021	For Nine Months ended December 31, 2022
Net sales	113,995	128,092
Cost of sales	93,741	102,945
Gross profit	20,253	25,147
Selling, general and administrative expenses	15,810	19,540
Operating profit	4,443	5,606
Non-operating income		
Interest income	1	7
Foreign exchange gains	23	56
Subsidies for employment adjustment	54	69
Dividend income of insurance	0	22
Other	42	59
Total non-operating income	123	215
Non-operating expenses		
Interest expenses	42	84
Commission expenses	4	3
Share of loss of entities accounted for using equity method	84	126
Loss on valuation of derivatives	—	38
Other	10	43
Total non-operating expenses	142	296
Ordinary profit	4,424	5,526
Extraordinary income		
Gain on sale of non-current assets	4	0
Gain on sale of shares of subsidiaries and associates	—	86
Gain on reversal of share acquisition rights	0	0
Total extraordinary income	5	86
Extraordinary losses		
Loss on retirement of non-current assets	4	35
Loss on sale of non-current assets	—	3
Restructuring cost	74	86
Loss on COVID19	5	4
Loss on termination of retirement benefit plan	11	—
Loss on step acquisitions	289	—
Loss on sale of shares of subsidiaries and associates	7	—
Loss on cancellation of rental contracts	111	—
Total extraordinary losses	503	129



## UT Group Co., Ltd. (Code 2146): Summary of Consolidated Financial Statements for the Nine Months of FY3/2023

	For Nine Months ended December 31, 2021	For Nine Months ended December 31, 2022
Profit before income taxes	3,925	5,483
Income taxes	1,971	3,474
Profit	1,953	2,009
Profit attributable to non-controlling interests	107	250
Profit attributable to owners of parent	1,846	1,758

**(Quarterly Consolidated Statements of Comprehensive Income)**

(Million yen)

	For Nine Months ended December 31, 2021	For Nine Months ended December 31, 2022
Profit	1,953	2,009
Other comprehensive income		
Valuation difference on available-for-sale securities	0	(0)
Foreign currency translation adjustment	151	329
Share of other comprehensive income of entities accounted for using equity method	0	(0)
Total other comprehensive income	151	329
Comprehensive income	2,105	2,338
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,971	2,011
Comprehensive income attributable to non-controlling interests	134	327

UT Group Co., Ltd. (Code 2146): Summary of Consolidated Financial Statements for the Nine Months of FY3/2023  
**(3) Notes to the Quarterly Consolidated Financial Statements**

**(Note on the Assumption as a Going Concern)**

Not applicable

**(Notes in Case of Significant Change in the Amount of Shareholders' Equity)**

1. For the Nine-Month Period of FY3/2022 (from April 1, 2021 to December 31, 2021)

(1) Items concerning dividend

Resolved	Type of stock	Total amount of dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date	Dividend source
Board of Directors meeting, held on May 10, 2021	Common stock	2,663	66.00	March 31, 2021	June 28, 2021	Retained earnings

Note: The dividend per share is comprised of 32.00 yen in ordinary dividend and 34.00 yen in commemorative dividend.

(2) Significant change in the amount of shareholders' equity

Not applicable

2. For the Nine-Month Period of FY3/2023 (from April 1, 2022 to December 31, 2022)

(1) Items concerning dividend

Resolved	Type of stock	Total amount of dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date	Dividend source
Board of Directors meeting, held on May 13, 2022	Common stock	968	24.00	March 31, 2022	June 27, 2022	Retained earnings

Note: The dividend per share is comprised of 24.00 yen in ordinary dividend.

(2) Significant change in the amount of shareholders' equity

Not applicable

**(Application of special accounting methods for presenting consolidated financial statements)**

(Calculation of tax expenses)

Taxes are calculated by multiplying profit before income taxes by the reasonably estimated effective tax rate after adjustments for tax effect accounting to the profit income before income taxes for the current consolidated fiscal year ending March 31, 2023 including the third quarter.

In case that the tax expenses calculated by the estimated effective tax rate result in a significantly unreasonable amount, the legal effective tax rate is used.

**(Change in accounting policies)**

The Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021) has been applied since the start of this first quarter, and the Company has decided to apply the new accounting policy set forth by the Implementation Guidance on Accounting Standard for Fair Value Measurement into the future in

UT Group Co., Ltd. (Code 2146): Summary of Consolidated Financial Statements for the Nine Months of FY3/2023 accordance with the transitional procedures stipulated in Paragraph 27-2 of the Implementation Guidance on Accounting Standard for Fair Value Measurement. This will have no impact on quarterly consolidated financial statements.

**(Segment Information)**

**I For the Nine-Month Period of FY3/2022 (from April 1, 2021 to December 31, 2021)**

1. Sales and profit (loss) by segment

(Million yen)

	Reportable Business Segments						Adjustment amount <sup>1</sup>	Amounts on the consolidated statements <sup>2</sup>
	Manufacturing Business	Area Business	Solution Business	Engineering Business	Oversea Business	Total		
Sales								
Dispatching	43,116	27,443	5,736	5,358	3,181	84,835	—	84,835
Contracting	11,073	4,915	4,505	427	1,627	22,549	—	22,549
Other	1,461	394	4,641	110	2	6,610	—	6,610
Revenue from contracts with customers	55,650	32,753	14,883	5,896	4,811	113,995	—	113,995
Sales to clients	55,650	32,753	14,883	5,896	4,811	113,995	—	113,995
Inter-segment sales or transfers	15	0	10	—	—	26	(26)	—
Total	55,666	32,754	14,893	5,896	4,811	114,021	(26)	113,995
Segment profit (loss)	4,491	(613)	22	557	(1)	4,456	(13)	4,443

Notes: (1) Adjustment to segment profit (loss) of -13 million is elimination of inter-segment transactions.

(2) Segment profit (loss) is adjusted to correspond to operating profit in the consolidated statements of income.

2. Impairment losses of non-current assets or goodwill, etc. by reportable segment

(Significant change in the amount of goodwill)

The Area Business segment acquired all shares of Progress Group Co., Ltd., which fully owned Progress Co., Ltd., as well as all shares of SURI-EMU Corporation, which fully owned SURI-EMU Chubu Co., Ltd., SURI-EMU Tokai Co., Ltd., and SURI-EMU Staff Co., Ltd. in May 2021. These companies have been included in the scope of consolidation. This has increased goodwill by 2,335 million yen in the Nine-Month Period of FY3/2022.

**II For the Nine-Month Period of FY3/2023 (from April 1, 2022 to December 31, 2022)**

## 1. Sales and profit (loss) by segment

(Million yen)

	Reportable Business Segments						Adjustment amount <sup>1</sup>	Amounts on the consolidated statements <sup>2</sup>
	Manufacturing Business	Area Business	Solution Business	Engineering Business	Oversea Business	Total		
Sales								
Dispatching	49,596	33,738	7,426	6,245	4,401	101,407	—	101,407
Contracting	10,805	3,972	6,464	399	2,464	24,106	—	24,106
Other	1,869	529	46	127	4	2,578	—	2,578
Revenue from contracts with customers	62,271	38,240	13,936	6,772	6,871	128,092	—	128,092
Sales to clients	62,271	38,240	13,936	6,772	6,871	128,092	—	128,092
Inter-segment sales or transfers	3	13	—	—	—	16	(16)	—
Total	62,274	38,254	13,936	6,772	6,871	128,109	(16)	128,092
Segment profit (loss)	8,528	1,561	156	790	154	11,192	(5,585)	5,606

Notes: (1) Adjustment to segment profit (loss) of -5,585 million consists of 16 million yen of elimination of inter-segment transactions and stock-based compensation expenses of 5,568 million yen, which are company-wide expenses not allocated to each reportable business segment.

(2) Segment profit (loss) is adjusted to correspond to operating profit in the consolidated statements of income.

## 2. Impairment losses of non-current assets or goodwill, etc. by reportable segment

Not applicable

## 3. Changes in reportable segments, etc.

From the first quarter of FY3/2023, in accordance with the reorganization within the Group, the segment classification has been changed from the previous three segments (Manufacturing, Solution, and Engineering) to five segments (Manufacturing, Area, Solution, Engineering, and Overseas).

The main business of each segment is as follows.

(1) Manufacturing Business: Providing personnel dispatch and outsourcing services for major manufacturers

(2) Area Business: Providing community-based personnel dispatch and outsourcing services

(3) Solution Business: Accepting employees from major manufacturers which undertake structural reform, and providing personnel dispatch and outsourcing services

(4) Engineering Business: Providing engineer dispatch and outsourcing services in construction and IT field

(5) Overseas Business: Providing personnel services in overseas

Segment Information for the Nine-Month Period of FY3/2022 was made using the reclassified segment basis.