

# **Results for the Third Quarter of the Fiscal Year Ending May 31, 2022**

---

**9M FY2021 (June 1, 2021 - February 28, 2022)**

**Pasona Group Inc.**

**Prime Market TSE (2168)**

**April 14, 2022**

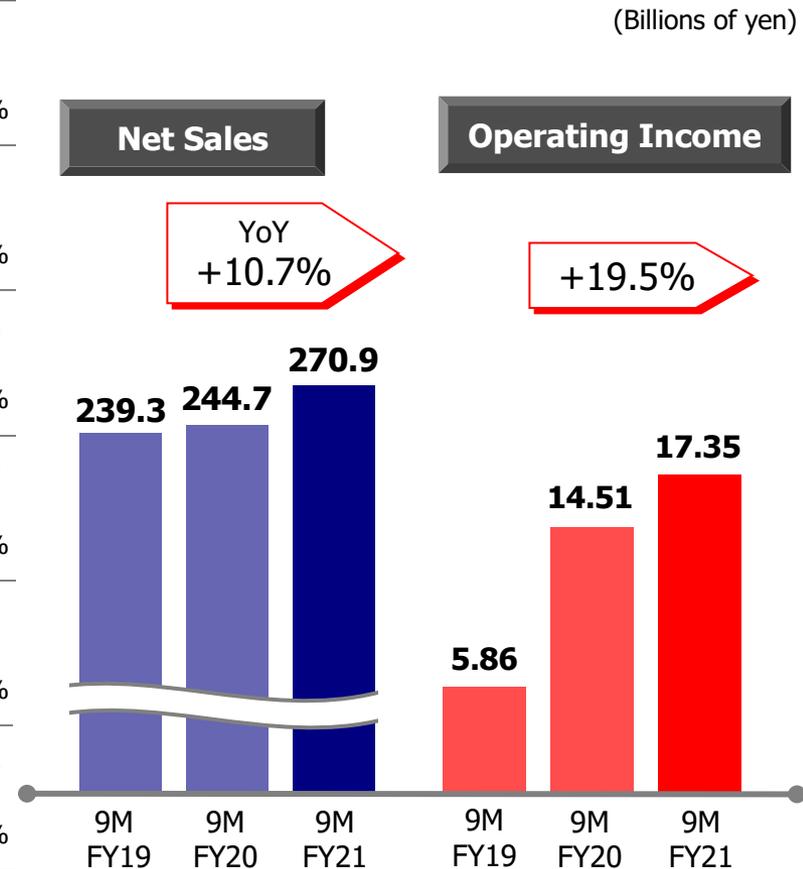
**[www.pasonagroup.co.jp/English](http://www.pasonagroup.co.jp/English)**

※ From the beginning of the first quarter in FY2021, "Accounting Standard for Revenue Recognition" is applied.  
Percentage figures are calculated based on the results before reclassification in FY2020 Full Fiscal Year.

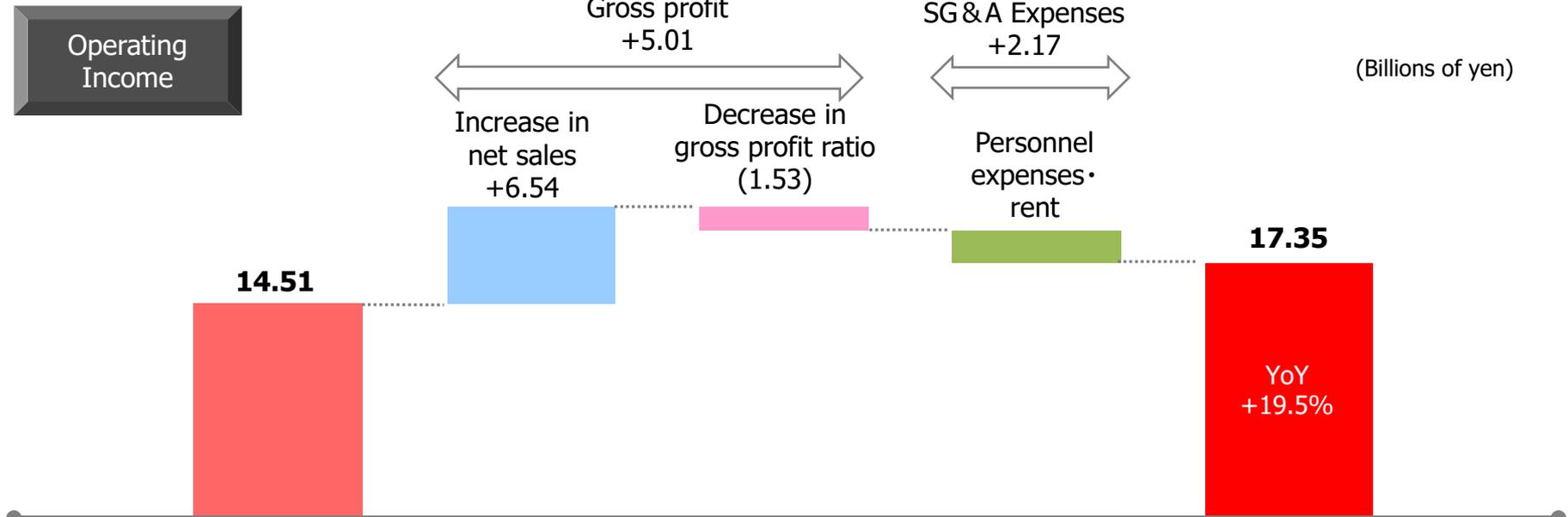
※ Units in billions of yen have been rounded to the nearest first decimal place. Units in millions of yen have been rounded down.

# Consolidated Results

(Millions of yen)	9M FY19	(%)	9M FY20	(%)	9M FY21	(%)	Increase /Decrease
Net sales	239,348	100.0	244,670	100.0	270,875	100.0	+26,205 +10.7%
Cost of sales	183,717	76.8	183,640	75.1	204,837	75.6	+21,196 +11.5%
Gross profit	55,631	23.2	61,029	24.9	66,038	24.4	+5,008 +8.2%
SG&A expenses	49,774	20.8	46,517	19.0	48,690	18.0	+2,173 +4.7%
Operating income	5,856	2.4	14,512	5.9	17,348	6.4	+2,835 +19.5%
Ordinary income	5,554	2.3	14,622	6.0	17,760	6.6	+3,138 +21.5%
Profit attributable to owners of parent	568	0.2	5,582	2.3	7,314	2.7	+1,731 +31.0%
Gross profit ratio	23.2%		24.9%		24.4%		(0.5)pt
Operating income ratio	2.4%		5.9%		6.4%		+0.5pt



# Operating Income



	9M FY20									9M FY21		
	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	9M FY19	9M FY20	9M FY21
Gross Profit ratio	19.3%	19.3%	20.3%	20.0%	20.2%	21.5%	22.8%	23.6%	24.8%	23.2%	24.9%	24.4%
SG&A ratio	17.8%	17.7%	18.7%	18.6%	18.6%	19.4%	20.0%	20.3%	18.8%	20.8%	19.0%	18.0%
Operating Income ratio	1.5%	1.5%	1.5%	1.5%	1.6%	2.1%	2.9%	3.3%	6.0%	2.4%	5.9%	6.4%

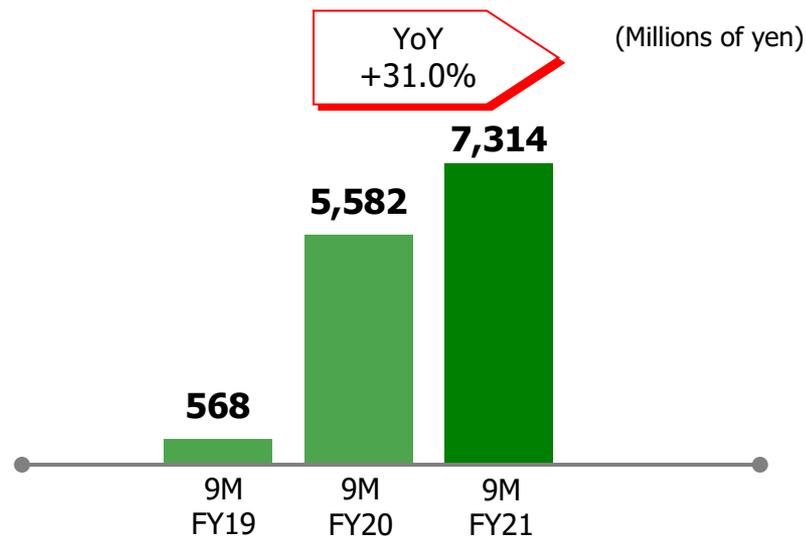
## Major Item of Increase/Decrease

- Gross profit** : Continue to acquire demand for BPO services from the companies and the public sectors. As a result of the recovering demand for human resources in the Expert Services and the Placement/Recruiting business, the decline in gross profit margin due to the temporary cycle of demand in the previous fiscal year will be compensated for by increased sales.
- SG&A expenses** : Increased costs associated with business expansion and the partial transfer of head office functions to Awajishima.

# Non-operating/Extraordinary income (loss), Others

(Millions of yen)	9M FY19	9M FY20	9M FY21	Increase/ Decrease	YoY
Operating income	5,856	14,512	17,348	+2,835	+19.5%
Non-operating income	866	1,217	1,283	+65	+5.4%
Non-operating expenses	1,168	1,107	870	(237)	(21.4)%
Ordinary income	5,554	14,622	17,760	+3,138	+21.5%
Extraordinary income	4	4	28	+23	+554.7%
Extraordinary loss	507	1,351	54	(1,297)	(96.0)%
Income before income taxes	5,051	13,274	17,734	+4,459	+33.6%
Income taxes - current	1,961	5,445	6,086	+641	+11.8%
Income taxes - deferred	589	346	955	+609	+176.1%
Income taxes	2,551	5,791	7,042	+1,250	+21.6%
Profit attributable to non-controlling interests	1,931	1,900	3,377	+1,476	+77.7%
Profit attributable to owners of parent	568	5,582	7,314	+1,731	+31.0%

## Profit attributable to owners of parent



## Major Item of Increase/Decrease

- **Non-operating income**
  - Share of profit of entities accounted for using equity method ¥ 2 million (FY20) Share of loss of entities accounted for using equity method ¥ 225 million
- **Extraordinary loss**
  - (FY20) Impairment loss ¥ 1,092 million
- **Profit attributable to non-controlling interests**
  - Due to profit growth and the performance of the company affected by the COVID-19 infection also recovered.

# Consolidated Results by Segment

(Millions of yen)

Segment		Net sales					Operating income (loss)					Operating income ratio			
		9M FY19	9M FY20	9M FY21	Increase/ Decrease	YoY	9M FY19	9M FY20	9M FY21	Increase/ Decrease	YoY	9M FY19	9M FY20	9M FY21	Increase/ Decrease
①	Expert Services (Temporary Staffing)	112,530	111,185	114,102	+2,917	+2.6%									
②	BPO Services (Contracting)	72,212	82,402	102,518	+20,116	+24.4%	5,499	13,338	13,818	+480	+3.6%	2.9%	6.7%	6.2%	(0.5)pt
③	HR Consulting, Education & Training, Others.	7,739	5,731	6,256	+524	+9.2%									
④	Global Sourcing (Overseas)	5,916	5,062	6,145	+1,082	+21.4%	260	32	257	+224	+682.3%	4.4%	0.6%	4.2%	+3.6pt
Subtotal		198,399	204,381	229,022	+24,640	+12.1%	5,759	13,371	14,075	+704	+5.3%	2.9%	6.5%	6.1%	(0.4)pt
⑤	Career Solutions (Placement/ Recruiting, Outplacement)	9,752	9,373	11,021	+1,648	+17.6%	2,042	2,200	3,358	+1,157	+52.6%	20.9%	23.5%	30.5%	+7.0pt
⑥	Outsourcing	27,062	27,077	27,065	(11)	(0.0)%	5,954	6,919	9,533	+2,614	+37.8%	22.0%	25.6%	35.2%	+9.6pt
⑦	Life Solutions	4,692	4,882	5,262	+379	+7.8%	149	224	177	(46)	(20.9)%	3.2%	4.6%	3.4%	(1.2)pt
⑧	Regional Revitalization Solutions	2,253	2,173	3,291	+1,118	+51.4%	(1,301)	(1,555)	(1,702)	(146)	-	-	-	-	-
⑨	Eliminations and Corporate	(2,811)	(3,218)	(4,788)	(1,570)	-	(6,747)	(6,647)	(8,094)	(1,447)	-	-	-	-	-
Total		239,348	244,670	270,875	+26,205	+10.7%	5,856	14,512	17,348	+2,835	+19.5%	2.4%	5.9%	6.4%	+0.5pt

※ Since the end of FY2020, the segment of some subsidiaries has been changed with the reorganization of subsidiaries. YoY percentages show the values compared with the figures reclassified into the new segment classification.



# Segment information

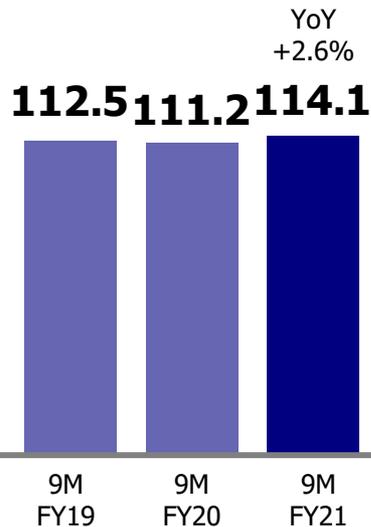
---

- ※ Since the end of FY2020, the segment of some subsidiaries has been changed with the reorganization of subsidiaries. YoY percentages show the values compared with the figures reclassified into the new segment classification.
- ※ Units in billions of yen have been rounded to the nearest first decimal place. Units in millions of yen have been rounded down.

# Expert Services (Temporary staffing)

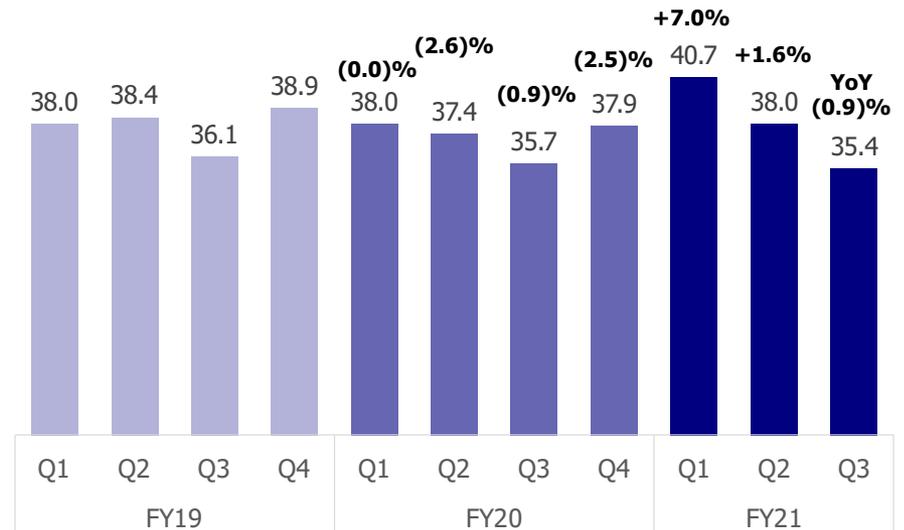
## Net Sales

(Billions of yen)



## Sales Trends

(Billions of yen)



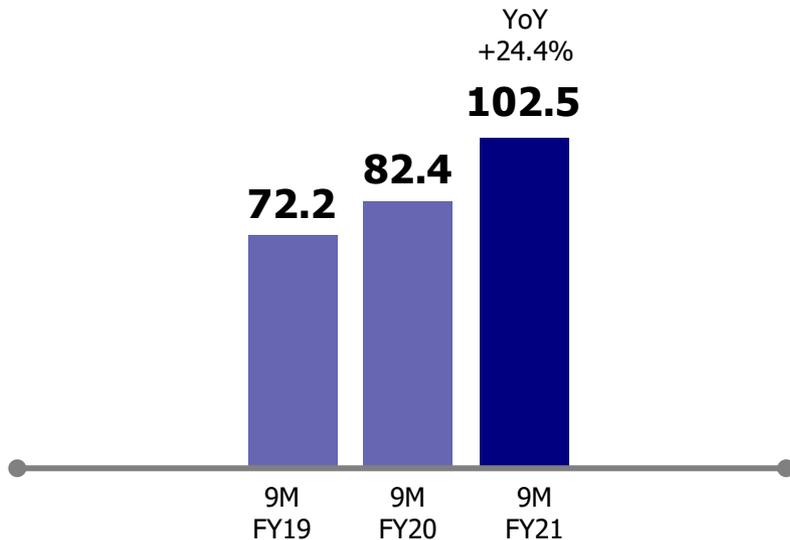
### Business Conditions (9M FY21 result)

- Demand for new human resources gradually recovered from the end of the previous fiscal year in a wide range of industries.
- Increased demand for human resources for a limited time other than office work, such as work related to the COVID-19 measures from the companies and the public sector.
- By applying the "Accounting Standard for Revenue Recognition" from the beginning of the current fiscal year, the amount of commuting transportation expenses for temporary staffs received from customers is recorded as sales.

# BPO Services (Contracting)

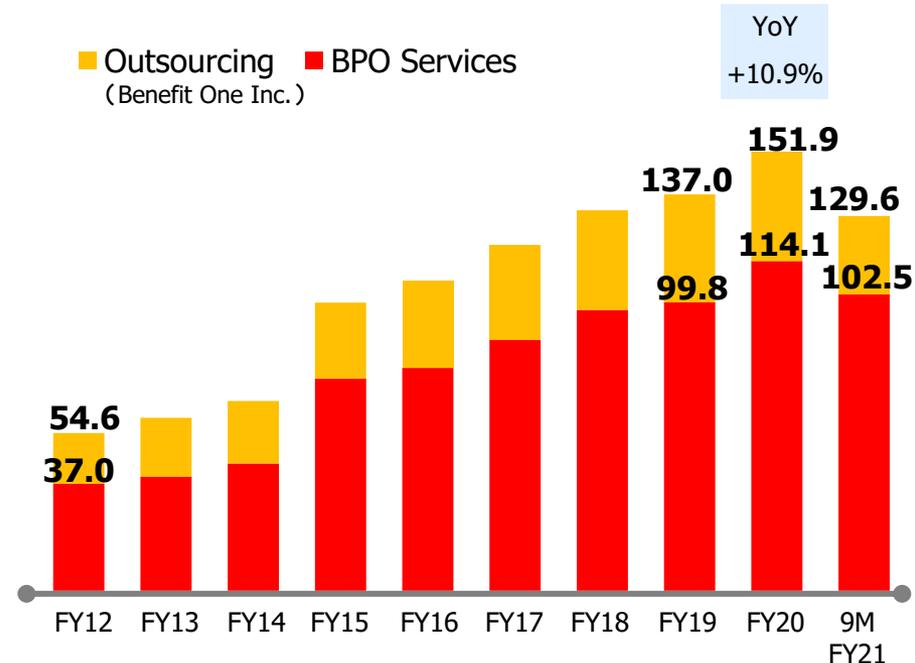
## Net Sales

(Billions of yen)



## BPO Services , Outsourcing Sales Trends

(Billions of yen)

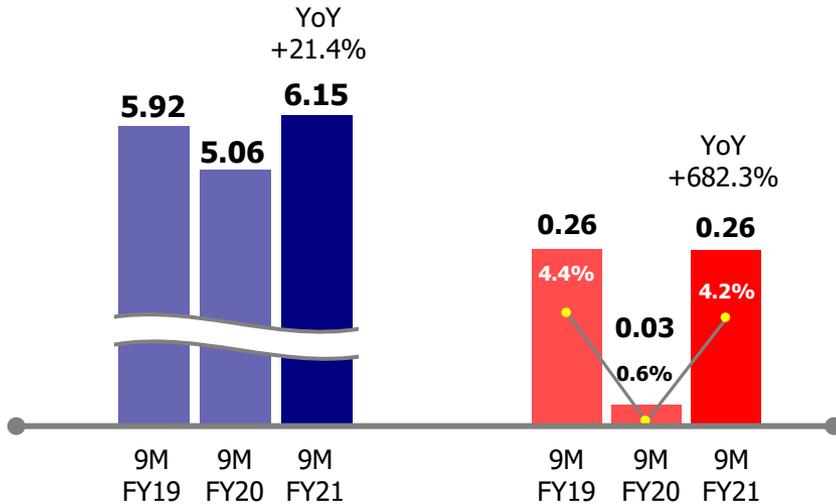


## Business Conditions (9M FY21 result)

- Business expansion has been realized by actively carrying out group collaboration, taking advantage of the strength of being able to outsource operations as a group to meet diverse demand from the companies and the public sector.
- Demand for the companies is increasing due to organizational structural reforms and promotion of DX.
- The COVID-19 infection has increased employee interest in health management, and the operation of health management offices and the provision of health promotion services have also increased.

# Global Sourcing (Overseas)

## Net Sales



## Operating Income , Operating Income Ratio

(Billions of yen)

## Sales by Business Segment

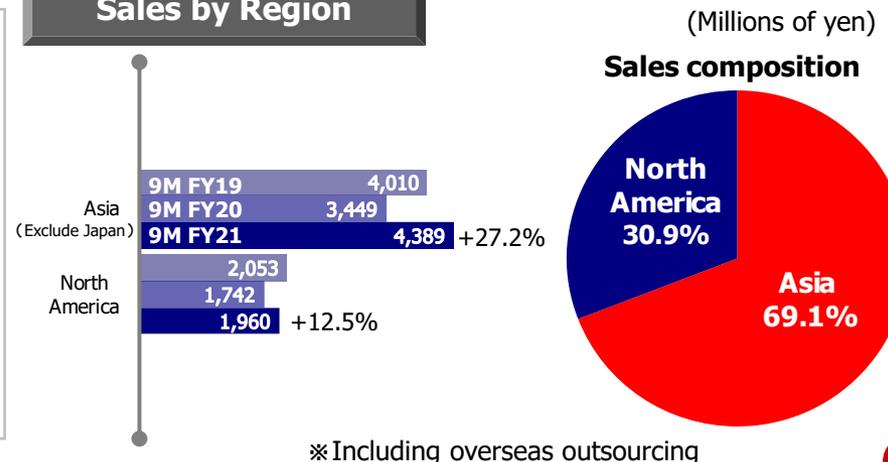
(Millions of yen)

	9M FY19	9M FY20	9M FY21	YoY
Temporary Staffing	2,705	2,634	3,227	+22.5%
Placement / Recruiting	1,379	932	1,255	+34.6%
Contracting (Payroll, others)	1,339	971	1,066	+9.7%
Others	491	524	596	+13.7%
<b>Total</b>	<b>5,916</b>	<b>5,062</b>	<b>6,145</b>	<b>+21.4%</b>

## Business Conditions (9M FY21 result)

- Demand for human resources is on a recovery trend in many regions as economic activity resumes.
- In the U.S. and Taiwan, the Temporary Staffing and the Placement/Recruiting business exceeded the same period of the previous year.
- Recruitment, system-related investment, and related costs associated with sales activities will increase as economic activity recovers.

## Sales by Region

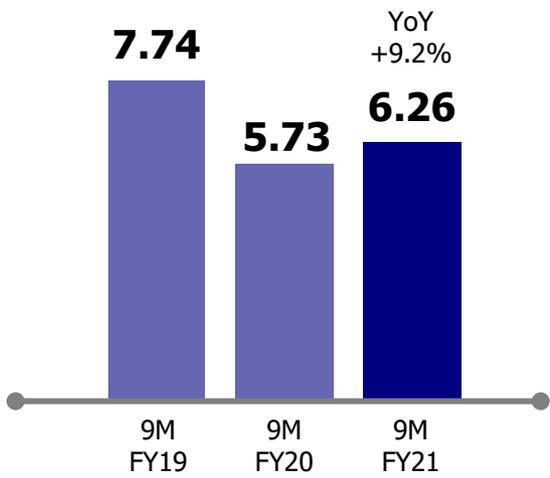


# HR Consulting , etc. / Operating Income by Segments

## Net Sales

(HR Consulting , Education & Training , Others.)

(Billions of yen)

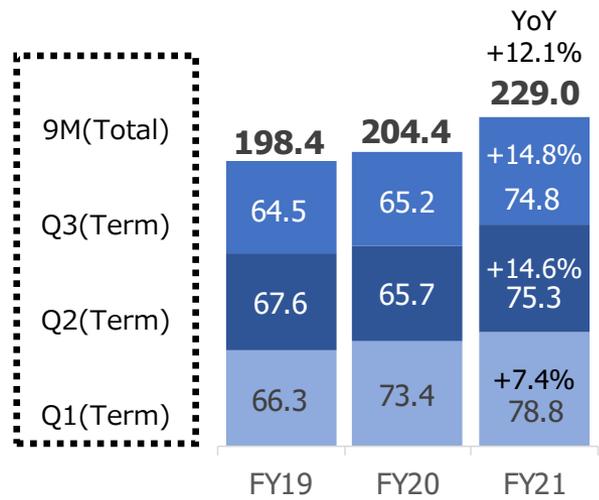


### Business Conditions (9M FY21 result)

- Professional / advisor human resources matching services grow due to an increase in the companies seeking sales support personnel and outside directors.
- Education and training business , training such as promotion of women's activities and SDGs is increasing.

## Net Sales(ES~GS)

※ES~GS: Expert Service ,BPO Services ,HR Consulting ,Global Sourcing

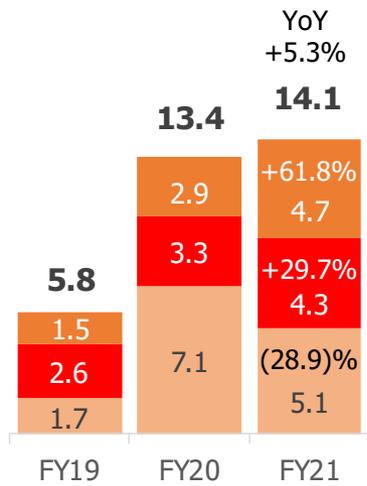


### Business Conditions (9M FY21 result)

- Sales increased in all business segments, despite being affected by the COVID-19 infection.
- Business expansion in the BPO services contributes to profits.

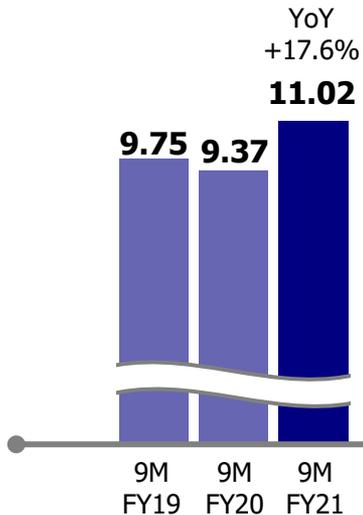
## Operating Income

(Billions of yen)



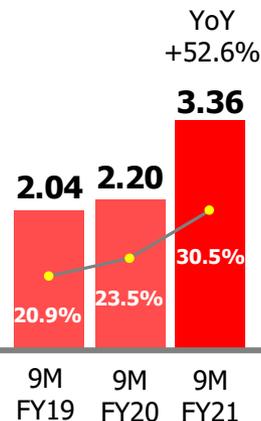
# Career Solutions (Placement/Recruiting , Outplacement )

## Net Sales



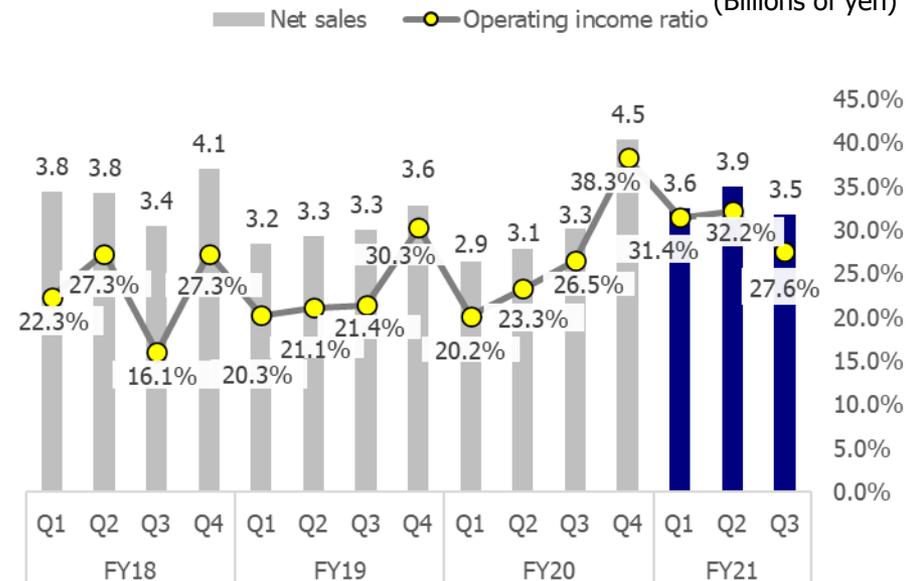
## Operating Income , Operating Income Ratio

(Billions of yen)



## Net Sales, Operating Income Ratio Trends

(Billions of yen)



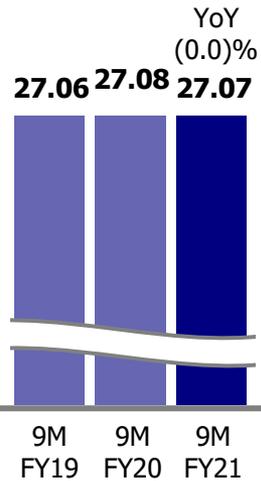
\* Graph figures are reclassified into new segment classifications after FY18.

## Business Conditions (9M FY21 result)

- In the Placement/Recruiting, the motivation to hire companies is returning, and business environment has recovered to the level before the spread of the COVID-19 infection.
- As we focused on introducing management departments and specialized occupations, the unit price of contracts continued to rise, and productivity per person continued to improve.
- Also expanded the business of introducing female managers.
- In the Outplacement, demand that increased significantly in the previous year is subsided.
- There is strong interest in "safe placement total services" that support the career development of incumbent employees and services are expanding.

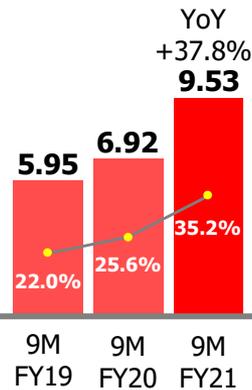
# Outsourcing (Benefit One Inc.)

## Net Sales



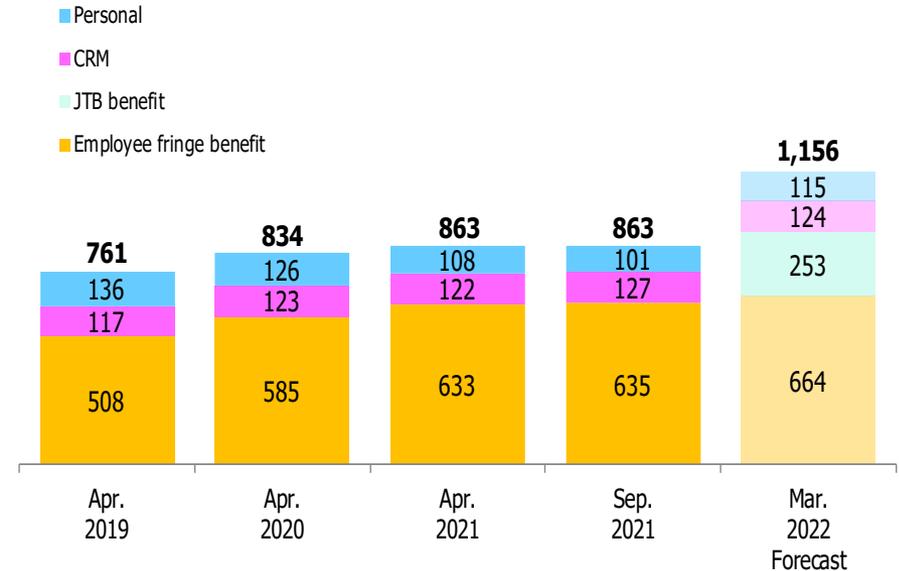
## Operating Income , Operating Income Ratio

(Billions of yen)



## Benefit One Membership Trends

(10Thousands people)

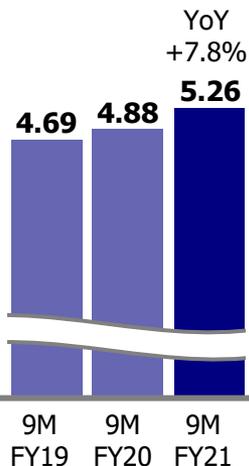


## Business Conditions (9M FY21 result)

- In the welfare business, the number of members has remained flat, while service usage increased after the cancellation of the state of emergency, and subsidy spending increased.
- In the healthcare business, new health support services such as the COVID-19 vaccination support business that responds to socio-economic demands contribute to business performance.
- Sales remained flat due to the impact of the application of "Accounting Standards for Revenue Recognition" from the beginning of the current fiscal year (¥ 5.65 billion).

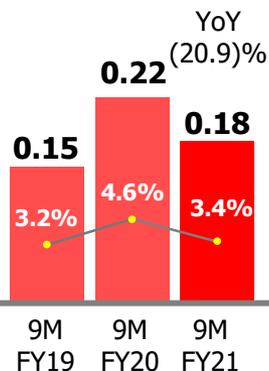
# Life Solutions (Childcare , Nursing care)

## Net Sales



## Operating Income , Operating Income Ratio

(Billions of yen)



## Facilities of Pasona Foster · Pasona Life Care

※ As of Feb.28, 2022

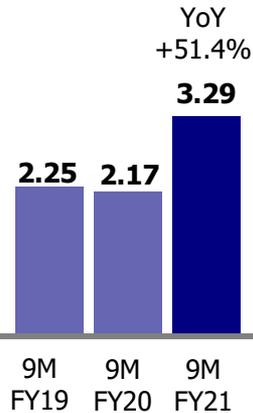
	Facilities	May 2020	May 2021	Feb 2021	Feb 2022	YoY
Pasona Foster	Daycare facilities	49	49	49	48	+4 (5)
	After-school children's clubs	39	40	40	39	(1)
Pasona Life Care	Nursing care facilities	22	22	22	22	0

## Business Conditions (9M FY21 result)

- In the Nursing care, due to the re-expansion of the COVID-19 infection, the number of new facility users decreased from the same period of the previous year.
- In the life support business, housekeeping agency, orders from existing contractors increased, and demand for "sterilization and disinfection services" at hospitals and local government-related facilities remained strong.
- In the childcare field, the number of children using the service is about the same as the previous year due to the re-expansion of the COVID-19 infection.
- Increased costs due to personnel expenses, Web site renewal, rent associated with the opening of new facilities, etc.

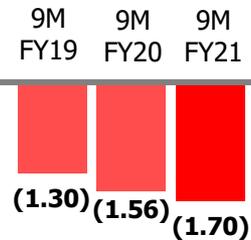
# Regional Revitalization Solutions

## Net Sales



## Operating Income

(Billions of yen)

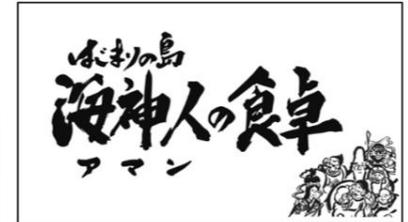


## Business Conditions (9M FY21 result)

- With the cancellation of the state of emergency, the flow of people to tourist area began to gradually return.
- New attraction "Dragon Quest" in NIJIGEN NO MORI was doing well.
- Losses increased due to upfront costs from opening new facilities.

## Awajishima

- Opened Pirates Cuisine Restaurant "HAJIMARINOSHIMA AMAN NO SHOKUTAKU", cooking freshly harvested ingredients from Awajishima. (March, 2022)



- A collaboration event will be held for limited time in NIJIGEN NO MORI where you can experience the world of the anime "Demon Slayer". (April,9 ~ September 30, 2022)
- Will Open "Zenbo Seinei", zazen yoga retreatment and restaurant where you can enjoy gentle meals and mindfulness experience in the wilderness away from the city. (Schedule for end of April 2022)

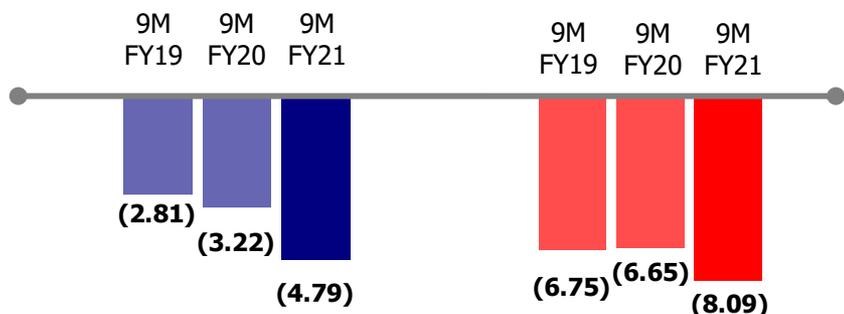


# Elimination/Corporate Segment Costs

## Net Sales

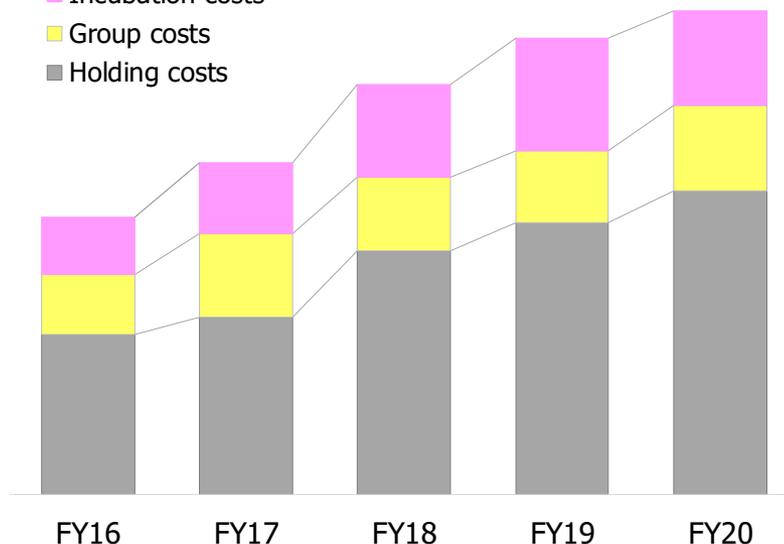
## Operating Income

(Billions of yen)



## Costs Trends

■ Incubation costs  
■ Group costs  
■ Holding costs



## Main Factors for Cost Increase/Decrease (9M FY21 result)

- Increase in IT-related expenses to promote DX of group business.
- Opened offices, etc. due to the partial relocation of the head office function to Awajishima, which is being promoted in stages.
  - August, 2021 ..... PASONA Workation Hub Shizuki
  - November, 2021 ..... PASONA Workation Hub Higashiura
  - April, 2022 ..... GROBAL HUB SQUARE
  - April, 2022 ..... Shizuki office (Temporary name)



# FY2021 Forecasts

---

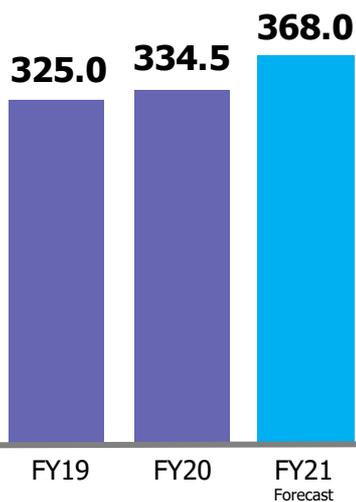
※ From the beginning of the first quarter in FY2021, “Accounting Standard for Revenue Recognition” is applied.  
Percentage figures are calculated based on the results before reclassification in FY2020 Full Fiscal Year.

※ Units in billions of yen have been rounded to the nearest first decimal place. Units in millions of yen have been rounded down.

# FY2021 Consolidated Forecasts

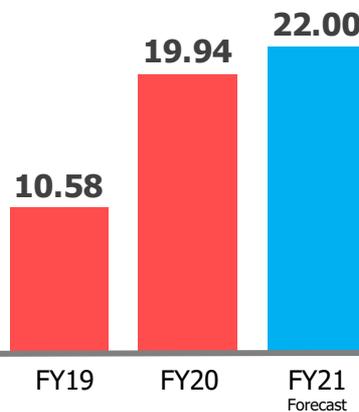
## Net Sales

YoY +10.0%



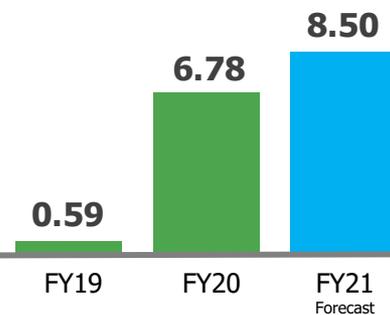
## Operating Income

+10.3%



## Profit attributable to owners of parent

+25.3%



(Billions of yen)

(Millions of yen)	FY19	to net sales %	FY20	to net sales %	FY21 Forecast	to net sales %	vs FY20 Increase/Decrease	YoY
Net sales	324,984	100.0	334,540	100.0	368,000	100.0	+33,459	+10.0%
Operating income	10,577	3.3	19,940	6.0	22,000	6.0	+2,059	+10.3%
Ordinary income	10,236	3.1	20,379	6.1	22,000	6.0	+1,620	+7.9%
Profit attributable to owners of parent	594	0.2	6,784	2.0	8,500	2.3	+1,715	+25.3%

# FY2021 Forecasts by Segment

(Millions of yen)

Segment	Sales				Operating income (loss)				Operating income margin		
	FY20	FY21 Forecast	VS FY20 Increase/Decrease	VS FY20 %	FY20	FY21 Forecast	VS FY20 Increase/Decrease	VS FY20 %	FY20	FY21 Forecast	VS FY20 Increase/Decrease
Expert Services (Temporary Staffing)	149,133	153,000	+3,866	+2.6%	17,427	17,500	+72	+0.4%	6.4%	5.8%	(0.6)pt
BPO Services (Contracting)	114,055	138,500	+24,444	+21.4%							
HR Consulting, Education, Training, etc.	7,613	8,500	+886	+11.6%							
Global Sourcing (Overseas)	7,061	8,500	+1,438	+20.4%	116	400	+283	+244.6%	1.6%	4.7%	+3.1pt
<b>Subtotal</b>	<b>277,864</b>	<b>308,500</b>	<b>+30,635</b>	<b>+11.0%</b>	<b>17,543</b>	<b>17,900</b>	<b>+356</b>	<b>+2.0%</b>	<b>6.3%</b>	<b>5.8%</b>	<b>(0.5)pt</b>
Career Solutions (Placement/Recruiting, Outplacement)	13,863	15,000	+1,136	+8.2%	3,919	5,000	+1,080	+27.6%	28.3%	33.3%	+5.0pt
Outsourcing	37,844	37,310	(534)	(1.4)%	9,794	11,750	+1,955	+20.0%	25.9%	31.5%	+5.6pt
Life Solutions	6,570	7,000	+429	+6.5%	203	200	(3)	(1.6)%	3.1%	2.9%	(0.2)pt
Regional Revitalization Solutions	3,244	5,500	+2,255	+69.5%	(2,327)	(1,800)	+527	-	-	-	-
Elimination/Corporate	(4,846)	(5,310)	(463)	-	(9,191)	(11,050)	(1,858)	-	-	-	-
<b>Consolidated</b>	<b>334,540</b>	<b>368,000</b>	<b>+33,459</b>	<b>+10.0%</b>	<b>19,940</b>	<b>22,000</b>	<b>+2,059</b>	<b>+10.3%</b>	<b>6.0%</b>	<b>6.0%</b>	<b>0.0pt</b>

# Reference

---

# Awajishima

**2008** A support system for agricultural ventures aiming for independent farming  
**Pasona Challenge Farm OPEN**

**2012** Renovation of a closed-down elementary school Marche and Restaurant  
**Nojima Scuola OPEN**

**2014** Training entrepreneurs to solve social problems  
**Entrepreneurship Program Launch**  
A terrace with seaside view  
**Honey Cafe miele OPEN**

**2016** Seafront Market and Restaurant  
**CRAFT CIRCUS OPEN**

**2017** Aiming for regional revitalization through artistic activities  
**Began call for Entertainers to revitalize the region**  
Hyogo Prefectural Awajishima Anime Park  
**NIJIGEN NO MORI OPEN**

**2017** A grill restaurant with spectacular ocean views  
**Ocean Terrace OPEN**  
Media art and restaurant by the sea  
**HELLO KITTY SMILE OPEN**

**2018** A luxury hotel on a "starry hill"  
**GRAND CHARIOT OPEN**

**2019** A new theater restaurant where you can enjoy a Hello Kitty show and dining  
**HELLO KITTY SHOW BOX OPEN**

**2020** A project aiming for regional revitalization through music  
**Music Island Project Launch**  
Theater and social distance restaurant  
**SEIKAIHA OPEN**  
Aiming to create 10,000 jobs by 2025  
**General Headquarters for Emergency Job Creation**

**2021** Supporting the dreams of new graduates entering the workforce  
**Gap Year Program Launch**  
Supporting job retention and career development for younger employees  
**Fresh Career Development Program Launch**

**2021** An outdoor food court amidst nature aiming to support chefs affected by the COVID-19 infection  
**Awaji Chef's Garden OPEN**

For those seeking full-time employment while raising children on their own  
**Single parent work support project Launch**

A residency-style French restaurant  
**Auberge La Forêt de la Cuisine Française OPEN**

A restaurant featuring vegetables that you can enjoy in abundant nature  
**Farmer restaurant Haru・Sansan OPEN**

**2022** Pirates Cuisine Restaurant, cooking freshly harvested ingredients from Awajishima  
**HAJIMARINOSHIMA AMAN NO SHOKUTAKU OPEN**

enjoying gentle meals and a mindfulness experience in the wilderness away from the city

**Zazen Yoga Retreatment & Restaurant Zenbo Seinei OPEN**

World's largest apple-shaped observation theater

**HELLO KITTY APPLE HOUSE OPEN**

# Reiwa 3rd year "Nadeshiko Brand" selection

- It was selected as a "Nadeshiko Brand" in the 3rd year of Reiwa, which is jointly sponsored by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange to select listed companies that excel in promoting women's activities.
- \* "Nadeshiko Brand" is a brand that is attractive to investors who place importance on "improving corporate value over the medium to long term" by introducing listed companies that excel in promoting the active participation of women, thereby further raising the interest of investors and the efforts of each company. The Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange have jointly implemented this since 2012 with the aim of accelerating.  
The Pasona Group was selected as a "semi-Nadeshiko" in the first year of Reiwa.

## [Pasona Group Women's activities (Sep.2021) ]

- Women employee ratio 64.8% (1,827/2,818)
- Women manager ratio 56.3% (742/1,319)
- Ratio of women executive officers (including equivalent) 34.9% (15/43)
- Ratio of women employees returning to work after childbirth 100% (174/174) ※FY2020

## [Pasona Group's efforts to promote women's activities (excerpt below)]

- "Hello baby leave system" (revision of maternity leave / childcare leave system) (2006~)
- On-site nursery school "Pasona Family Nursery School" (2010~)
- Expansion of "Hello Baby Leave System" to promote male childcare leave (2011~)
- "Wonder Woman Training" to train women executive candidates (2014~)
- Women Entrepreneur Support Total Program "Ladies Be Ambitious" (2014~)
- "Office Hour" by the officer in charge of promoting women's activities (2019~)
- "Support project for working as a single parent" (2020~)
- Women executive candidate training program "Women's Advanced Program" (2021~)



# Syndicated Loan for ESG Management Support

- Concluded a contract with MUFG Bank, Ltd. in March 2020 for “MUFG ESG Management Support Private Placement Bonds”.  
Received a rating of “particularly advanced (Rank A)” in the MUFG ESG assessment.
- This “Syndicated Loan for ESG Management Support” is being procured to fund the company’s various business activities to promote regional development.  
Structured as a syndicated loan by 25 regional banks throughout Japan that have endorsed the Company’s business activities contributing to ESG and SDGs.
- Through this agreement, the Company will expand its network of regional banks throughout Japan and work to expand employment opportunities to solve employment problems in each region, with the aim of further realizing regional development.

## <Outline of Syndicated Loan Agreement>

(1)Amount	21.7 billion yen
(2)Contract date	March 31, 2022
(3)Execution date	March 31, 2022 ~ June 30, 2023
(4)Maturity date	March 31, 2032
(5)Repayment method	Equal principal repayment
(6)Use of funds	Business fund
(7)Arranger and Agent	MUFG Bank, Ltd.

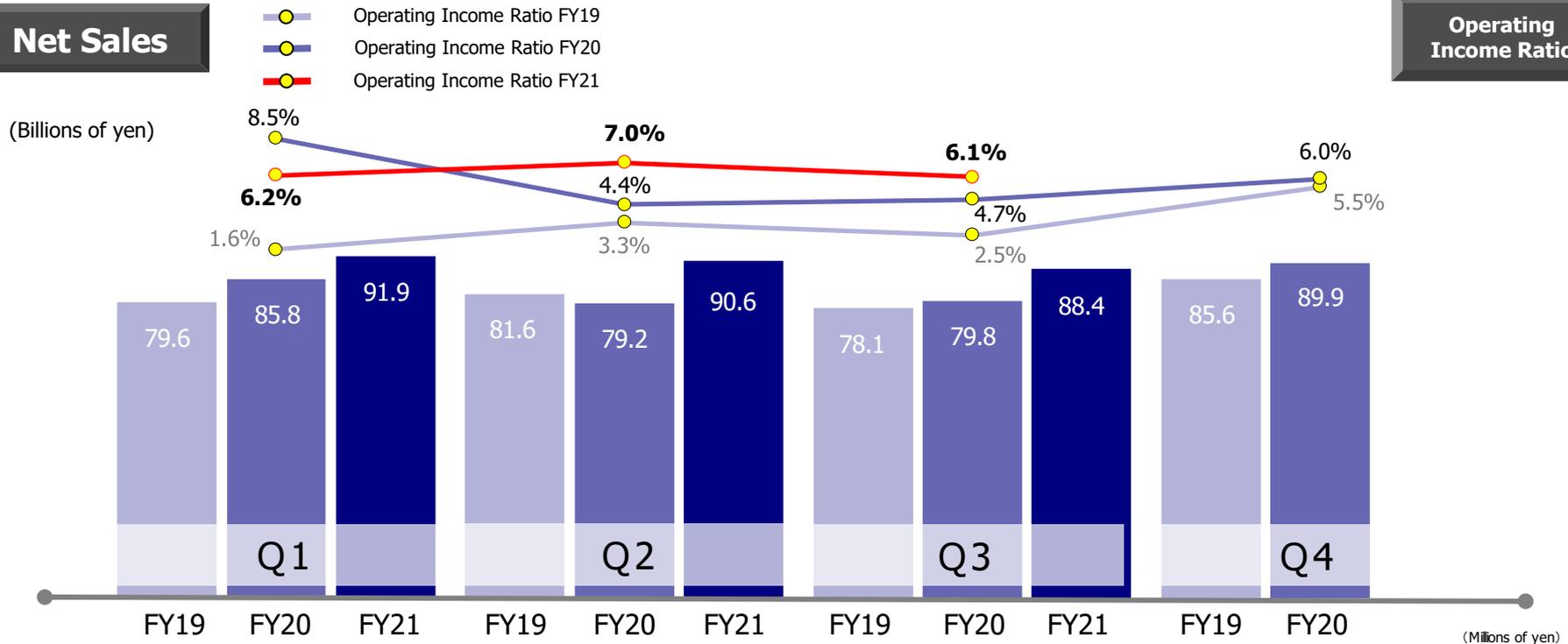


(8)Participating financial Institutions	Total of 25 financial institutions				
	The Chiba Bank, Ltd. (Chiba Pref.)	The Yamaguchi Bank, Ltd. (Yamaguchi Pref.)	The Yamanashi Chuo Bank, Ltd. (Yamanashi Pref.)	The Aomori Bank, Ltd. (Aomori Pref.)	The Ashikaga Bank, Ltd. (Tochigi Pref.)
	The Iyo Bank, Ltd., (Ehime Pref.)	The Kiyo Bank, Ltd. (Wakayama Pref.)	The Joyo Bank, Ltd. (Ibaraki Pref.)	The San-in Godo Bank, Ltd. (Shimane Pref.)	The Higashi-Nippon Bank, Ltd. (Tokyo Metropolitan)
	THE SHIGA BANK, LTD. (Shiga pref.)	The Higo Bank, Ltd. (Kumamoto Pref.)	The 77 Bank, Ltd. (Miyagi Pref.)	The Hyakujushi bank, Ltd. (Kagawa Pref.)	Daishi Hokuetsu Bank, Ltd. (Niigata Pref.)
	The Minato Bank, Ltd. (Hyogo Pref.)	The Chukyo Bank, Limited. (Aichi Pref.)	The Awa Bank, Ltd. (Tokushima Pref.)	The Chugoku Bank, Limited (Okayama pref.)	The Keiyo Bank, Ltd. (Chiba Pref.)
	The Hyakugo Bank, Ltd. (Mie Pref.)	THE TAIKO BANK, LTD. (Niigata Pref.)	Hiroshima Bank, Ltd. (Hiroshima pref.)	The Hachijuni Bank, Ltd. (Nagano Pref.)	THE BANK OF FUKUOKA, LTD. (Fukuoka Pref.)

# Quarterly Sales and Income Trends

## Net Sales

## Operating Income Ratio



	Q1 (June to August)					Q2 (September to November)					Q3 (December to February)					Q4 (March to May)		
	FY19	FY20	YoY	FY21	YoY	FY19	FY20	YoY	FY21	YoY	FY19	FY20	YoY	FY21	YoY	FY19	FY20	YoY
	Consolidated																	
Net sales	79,626	85,751	+7.7%	91,927	+7.2%	81,602	79,154	(3.0)%	90,558	+14.4%	78,119	79,763	+2.1%	88,389	+10.8%	85,636	89,869	+4.9%
Gross profit	18,270	22,332	+22.2%	21,720	(2.7)%	19,127	19,659	+2.8%	22,792	+15.9%	18,233	19,038	+4.4%	21,525	+13.1%	21,058	21,939	+4.2%
SG&A expenses	17,026	15,044	(11.6)%	16,020	+6.5%	16,469	16,144	(2.0)%	16,496	+2.2%	16,278	15,327	(5.8)%	16,173	+5.5%	16,336	16,511	+1.1%
Operating income	1,243	7,287	+486.1%	5,700	(21.8)%	2,658	3,515	+32.2%	6,295	+79.1%	1,954	3,710	+89.8%	5,352	+44.2%	4,721	5,428	+15.0%
Profit (Loss) attributable to owners of parent	46	4,064	+8,650.2%	2,481	(38.9)%	346	213	(38.2)%	2,318	+983.5%	175	1,304	+644.6%	2,514	+92.8%	26	1,201	+4,374.8%
Gross profit ratio	22.9%	26.0%	+3.1pt	23.6%	(2.4)pt	23.4%	24.8%	+1.4pt	25.2%	+0.4pt	23.3%	23.9%	+0.6pt	24.4%	+0.5pt	24.6%	24.4%	(0.2)pt
SG&A expense ratio	21.4%	17.5%	(3.9)pt	17.4%	(0.1)pt	20.2%	20.4%	+0.2pt	18.2%	(2.2)pt	20.8%	19.2%	(1.6)pt	18.3%	(0.9)pt	19.1%	18.4%	(0.7)pt
Operating income ratio	1.6%	8.5%	+6.9pt	6.2%	(2.3)pt	3.3%	4.4%	+1.1pt	7.0%	+2.6pt	2.5%	4.7%	+2.2pt	6.1%	+1.4pt	5.5%	6.0%	+0.5pt

# Quarterly Sales and Income Trends by Segment

(Millions of yen)

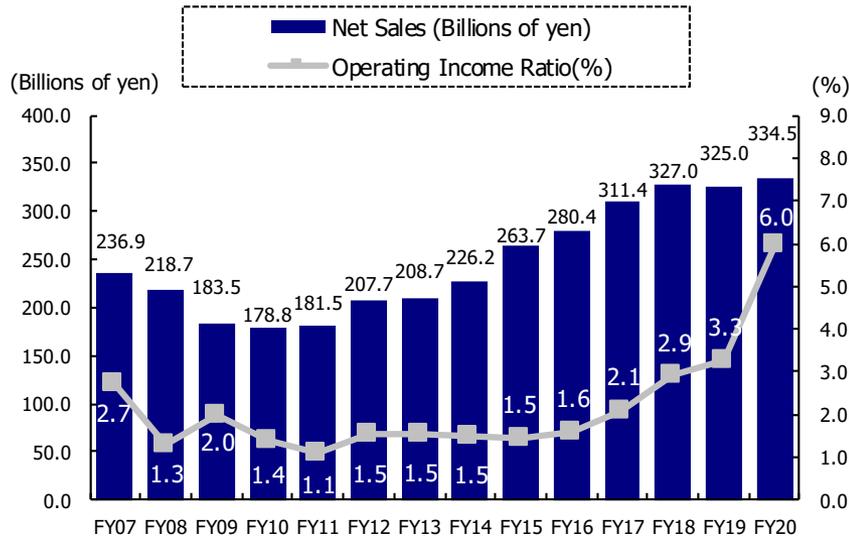
Segment		Sales								Operating income (loss)							
		Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	YoY	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Q3 FY21	YoY
①	Expert Services (Temporary Staffing)	38,008	37,429	35,747	37,948	40,650	38,014	35,438	(0.9)%	7,230	3,277	2,830	4,089	5,021	4,222	4,574	+61.6%
②	BPO Services (Contracting)	32,139	24,776	25,485	31,652	34,202	33,417	34,898	+36.9%								
③	HR Consulting, Education & Training, Others.	1,628	1,842	2,260	1,882	1,926	1,911	2,418	+7.0%								
④	Global Sourcing (Overseas)	1,658	1,682	1,721	1,999	2,056	2,004	2,084	+21.1%								
Subtotal		73,435	65,731	65,215	73,482	78,835	75,347	74,839	+14.8%	7,147	3,341	2,882	4,172	5,079	4,333	4,663	+61.8%
⑤	Career Solutions (Placement/Recruiting, Outplacement)	2,938	3,087	3,347	4,490	3,610	3,881	3,529	+5.4%	592	720	888	1,718	1,134	1,250	973	+9.6%
⑥	Outsourcing	8,248	8,941	9,886	10,767	8,513	10,232	8,319	(15.8)%	2,181	2,287	2,450	2,875	2,843	4,043	2,645	+8.0%
⑦	Life Solutions	1,563	1,674	1,644	1,687	1,708	1,767	1,786	+8.6%	41	117	65	(21)	14	100	62	(4.4)%
⑧	Regional Revitalization Solutions	479	880	813	1,070	763	1,286	1,241	+52.6%	(575)	(511)	(468)	(771)	(702)	(547)	(451)	-
⑨	Eliminations and Corporate	(913)	(1,160)	(1,143)	(1,628)	(1,504)	(1,957)	(1,326)	-	(2,099)	(2,439)	(2,108)	(2,544)	(2,668)	(2,884)	(2,541)	-
Total		85,751	79,154	79,763	89,869	91,927	90,558	88,389	+10.8%	7,287	3,515	3,710	5,428	5,700	6,295	5,352	+44.2%

※ The segment of some subsidiaries has been changed with the reorganization of subsidiaries.

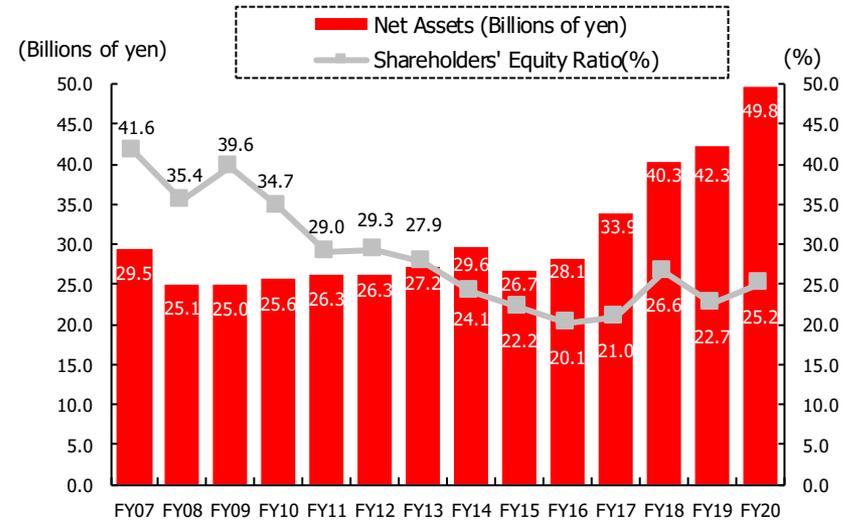
※ Since the end of FY2020, the segment of some subsidiaries has been changed with the reorganization of subsidiaries. YoY percentages show the values compared with the figures reclassified into the new segment classification.

# Full-Year Key Indicators

## Net Sales and Operating Income Ratio



## Net Assets and Shareholders' Equity Ratio



## Results

Key Indicators	'08/05	'09/05	'10/05	'11/05	'12/05	'13/05	'14/05	'15/05	'16/05	'17/05	'18/05	'19/05	'20/05	'21/05
Net Sales	236,945	218,699	183,515	178,806	181,498	207,685	208,660	226,227	263,728	280,395	311,410	326,984	324,986	334,540
Gross Profit Margin	20.8%	19.9%	20.0%	18.8%	18.6%	19.3%	19.3%	20.3%	20.0%	20.2%	21.5%	22.8%	23.6%	24.8%
SG&A Expenses	42,925	40,735	33,070	31,125	31,840	36,898	37,029	42,381	48,948	52,128	60,489	65,245	66,112	63,028
SG&A Expense Ratio	18.1%	18.6%	18.0%	17.4%	17.5%	17.8%	17.7%	18.7%	18.6%	18.6%	19.4%	20.0%	20.3%	18.8%
Operating Income	6,444	2,850	3,660	2,432	1,964	3,176	3,210	3,490	3,860	4,488	6,539	9,465	10,577	19,940
Operating Income Ratio	2.7%	1.3%	2.0%	1.4%	1.1%	1.5%	1.5%	1.5%	1.5%	1.6%	2.1%	2.9%	3.3%	6.0%
Ordinary Income	6,637	3,361	4,044	2,571	2,091	3,187	3,135	3,343	3,855	4,319	6,631	9,237	10,236	20,379
Ordinary Income Ratio	2.8%	1.5%	2.2%	1.4%	1.2%	1.5%	1.5%	1.5%	1.5%	1.5%	2.1%	2.8%	3.1%	6.1%
Net Income *3	2,962	312	204	412	29	610	526	214	243	(129)	1,288	1,975	594	6,784
Net Income Ratio	1.3%	0.1%	0.1%	0.2%	0.0%	0.3%	0.3%	0.1%	0.1%	—	0.4%	0.6%	0.2%	2.0%
Total Assets *4	58,513	55,468	52,269	60,564	70,889	71,276	75,615	88,641	85,356	94,584	112,477	119,459	140,441	151,641
Net Assets *1	29,468	25,148	24,979	25,642	26,295	26,253	27,181	29,620	26,735	28,062	33,889	40,253	42,316	49,779
Shareholders' Equity Ratio *2 *4	41.6%	35.4%	39.6%	34.7%	29.0%	29.3%	27.9%	24.1%	22.2%	20.1%	21.0%	26.6%	22.7%	25.2%
Return on Equity	12.7%	1.4%	1.0%	2.0%	0.1%	2.9%	2.5%	1.0%	1.2%	(0.7)%	6.0%	7.6%	2.0%	19.4%
Number of Employees (exclude contract workers)	3,647	3,671	3,643	3,956	4,452	4,778	5,022	6,584	7,144	7,238	7,716	7,855	9,607	9,498

Notes: 1. Presentation of shareholders' equity amended to a net assets basis in line with changes to accounting standards and policies. Non-controlling interests included in presentation of net assets since the fiscal year ended May 31, 2007.

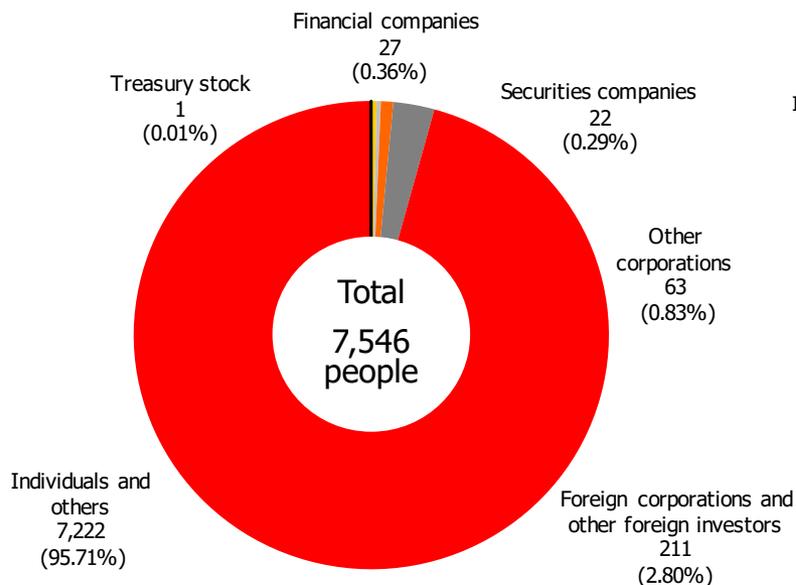
2. Despite changes in calculation methods for net assets following the introduction of changes to accounting standards and policies, the shareholders' equity ratio since the fiscal year ended May 31, 2007 is calculated utilizing an amount equivalent to net assets applicable to common shares.

3. Since the fiscal year ended on May 31, 2016, net income has been referred to profit attributable to owners of parent.

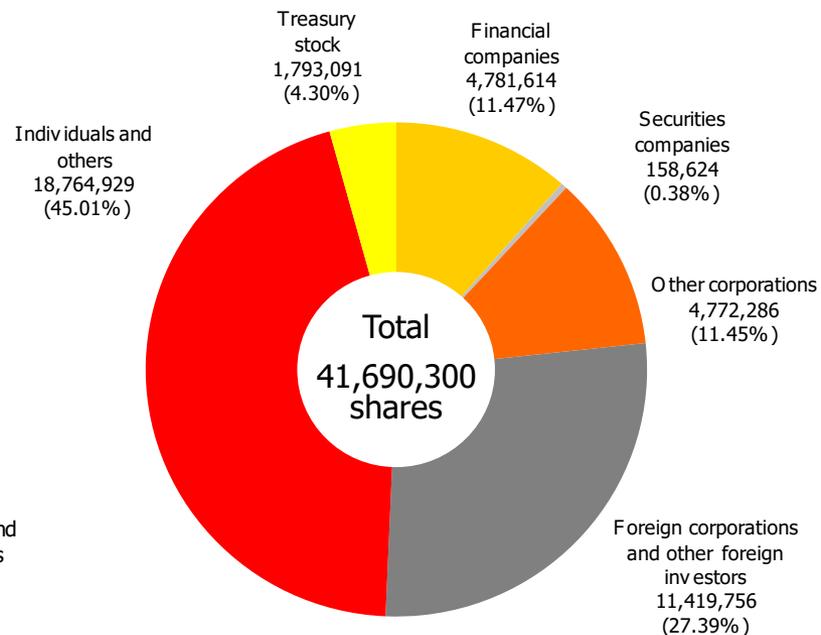
4. As the Company adopted "Partial Amendments to Accounting Standard for Tax Effect Accounting" from the beginning of the first quarter of FY2018. As for the financial position, the figures for the previous consolidated fiscal year were processed by the method.

# Stock Information (As of Nov. 30, 2021)

## Breakdown of Shareholders by Type



## Breakdown of Shareholders by Number of Share Held



## Principal Shareholders

	No. of Shares Held	%
Yasuyuki Nambu	14,763,200	35.41%
Nambu Enterprise Inc.	3,738,500	8.97%
THE BANK OF NEW YORK MELLON 140040	2,803,000	6.72%
The Master Trust Bank of Japan, Ltd (Trust Account)	2,495,600	5.99%
Pasona Group Inc.	1,793,091	4.30%
AVI GLOBAL TRUST PLC	1,027,000	2.46%
CREDIT SUISSE AG HONG KONG TRUST A/C CLIENT	782,800	1.88%
Custody Bank of Japan, Ltd.(Trust Account)	751,300	1.80%
Custody Bank of Japan, Ltd.(Trust Account E)	750,214	1.80%
Gratitude Inc.	596,600	1.43%

- The Company's treasury stock (1,793,091 shares, 4.30% of total issued shares) ranked fifth. In accordance with Article 308.2 of the Corporations Law, there are no voting rights attached to treasury stock.
- Pasona Group received a notification from Tempered Investment Management LTD. , that it held 2,847,400 shares as of October 21, 2019 outlined the delivery of a Substantial Shareholding Report submitted to the Kanto Local Finance Bureau on October 21, 2019. As the Company is unable to confirm the number of shares held as of 30 Nov, 2021, Tempered Investment Management LTD. has been omitted from the list of major shareholders identified.

# Group Companies (by segment)

## Expert Services, BPO Services (Contracting) HR Consulting, Education and Training, Others

Pasona Inc.	Bewith, Inc.
Pasona Tech, Inc.	Asahi Beer Communications Co, Ltd.
PASONA LOGICOM Inc.	Pasona art now Inc.
Pasona Masters Inc.	Pasona Panasonic Business Service Co.,Ltd
Gotop Co., Ltd.	Pasona Knowledge Partner Inc.
Pasona HS Inc.	Nagasaki diamond staff
Pasona Heartful Inc.	Pasona HR Solution Inc.
Pasona JOB HUB Inc.	Pasona Intellectual Property Trust Inc.
CAPLAN Corporation	circlace Inc.*
Pasona Yaskawa Business Staff Inc.	

Others \*

## Global Sourcing

Pasona N A, Inc.	Pasona Canada, Inc.
Pasona Taiwan Co., Ltd.	Pasona Singapore Pte. Ltd.
Pasona Asia Co., Limited	PT Pasona HR Indonesia
Pasona Korea Co., Ltd	Pasona India Private Limited
MGR Consulting Co., Ltd.	Pasona Tech Vietnam Co., Ltd.
Pasona Human Resources (Shanghai) Co., Ltd.	
Pasona Recruitment (Thailand) Co., Ltd	
Pasona Education Co. Limited	
Pasona HR Malaysia Sdn. Bhd.	
PT. Dutagriya Sarana	Others

## Career Solutions

Pasona Inc.

## Outsourcing

Benefit One Inc.  
BENEFIT ONE INTERNATIONAL PTE. LTD.  
贝那商务咨询（上海）有限公司  
Benefit One USA,INC.  
Benefit One (Thailand) Co., Ltd.  
PT. BENEFIT ONE INDONESIA  
Benefit One Deutschland GmbH  
REWARDZ PRIVATE LIMITED  
BENEFITONE ENGAGEMENT TECHNOLOGIES PRIVATE LIMITED

Others \*

## Life Solutions

Pasona Foster Inc.  
Pasona Life Care Inc.

## Regional Revitalization Solutions

Pasona Furusato Incubation Inc.  
Pasona Agri-Partners Inc.  
Tango Kingdom Brewery Inc.  
Pasona Tohoku Sousei Inc.  
Nijigennomori Inc.  
Pasona Smile Inc.

Others \*

● Consolidated subsidiaries 66

\* Equity-method affiliates 9

(As of Feb. 28, 2022)

# Corporate Information

Tokyo Stock Exchange, Prime Market 2168

<b>Corporate Name</b>	Pasona Group Inc.	
<b>Headquarters</b>	Shin Marunouchi Bldg. 1-5-1, Marunouchi, Chiyoda-ku, Tokyo 100-6514	<u>Comprehensive Group office</u> Otemachi 2-6-2 Chiyoda-ku, Tokyo 100-8228 Phone 03-6734-0200
<b>Established</b>	December 3, 2007 (Founding February 1976)	
<b>Paid-in Capital</b>	5,000 million yen	
<b>Representative</b>	Yasuyuki Nambu	
<b>Business Activities</b>	Expert Services (Temporary staffing) , BPO Services (Contracting) HR Consulting, Education & Training, Others Global Sourcing (Overseas) Career Solutions (Placement/Recruiting, Outplacement ) Outsourcing , Life Solutions Regional Revitalization Solutions	
<b>Number of Employees</b>	21,789 (Consolidated, including contract workers)	(As of May. 31, 2021)
<b>Consolidated Group Companies</b>	Subsidiaries 66 , Affiliates 9	(As of Feb. 28, 2022)
<b>URL</b>	<a href="http://www.pasonagroup.co.jp/English/">www.pasonagroup.co.jp/English/</a>	