

Results for the First Quarter of the Fiscal Year Ending May 31, 2025

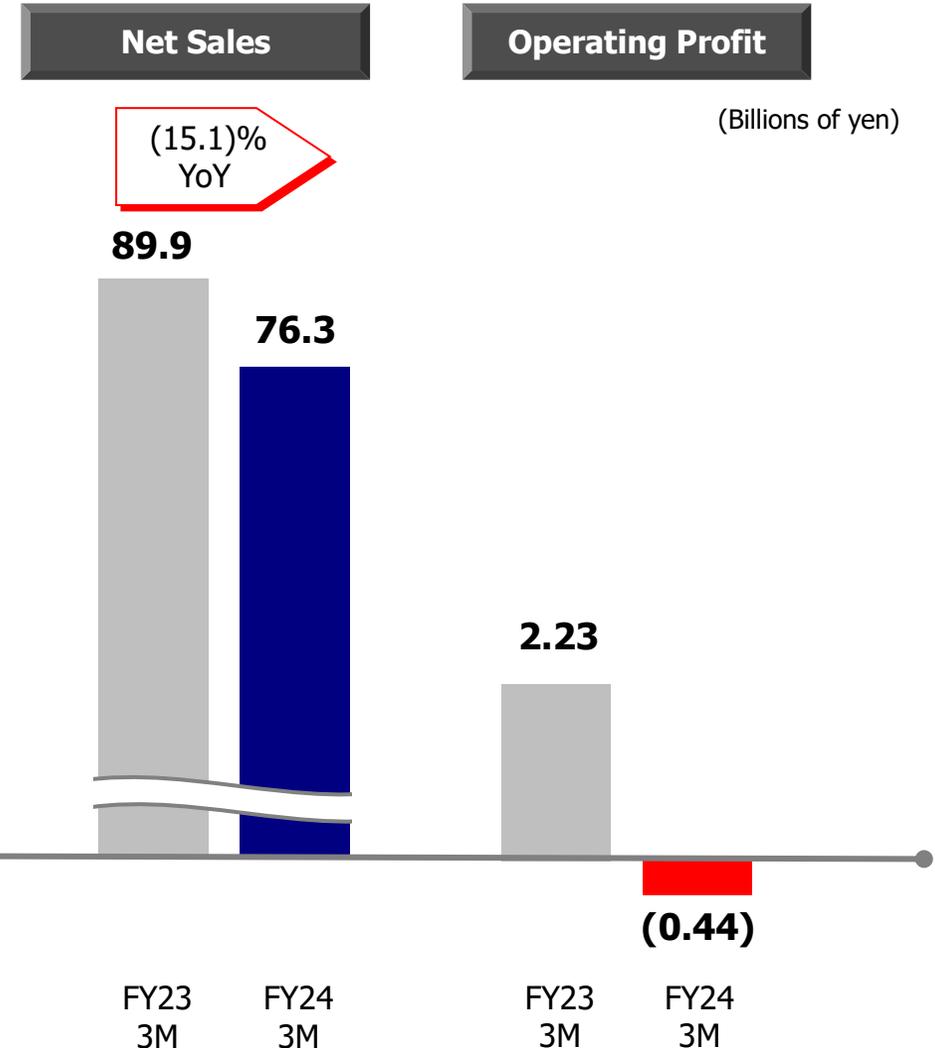
**FY2024 (June 1, 2024 - May 31, 2025)
Three months ended August 31, 2024**

Pasona Group Inc.
Prime Market TSE (2168)

October 15, 2024
www.pasonagroup.co.jp/English

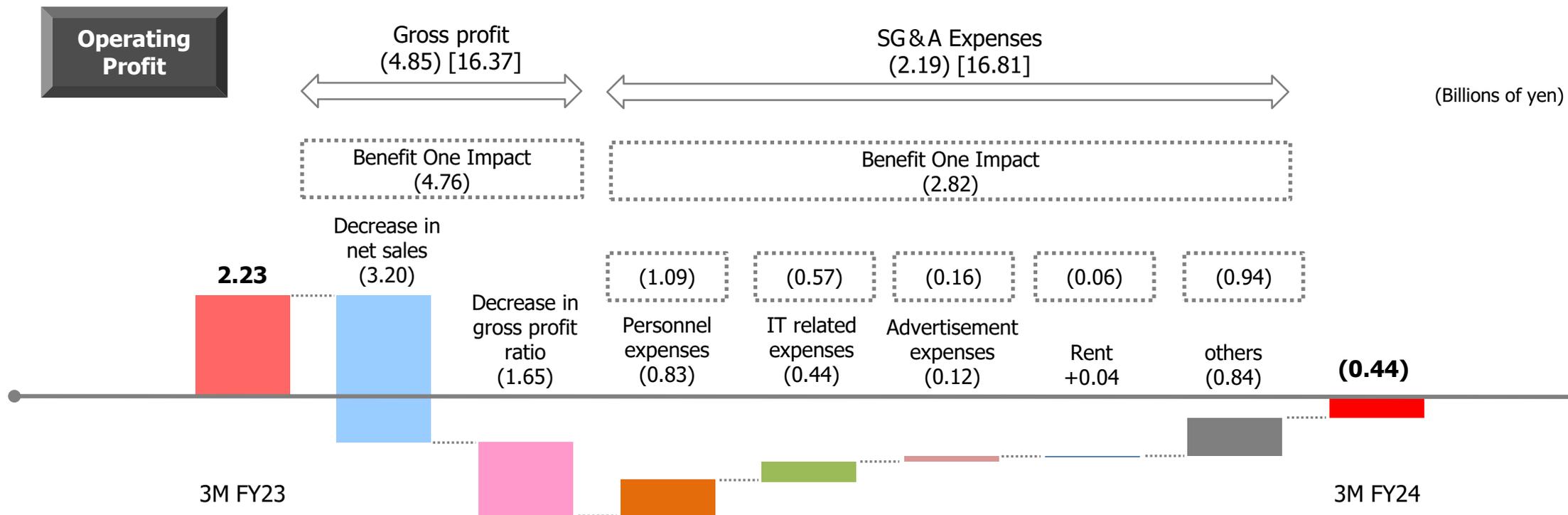
Consolidated Results

(Millions of yen)	3M FY23	3M FY24	Increase /Decrease	3M FY23 (Excluding Outsourcing)	Increase /Decrease
	(%)	(%)		(%)	
Net sales	89,881 100.0	76,323 100.0	(13,557) (15.1)%	80,438 100.0	(4,114) (5.1)%
Cost of sales	68,655 76.4	59,949 78.5	(8,705) (12.7)%	63,971 79.5	(4,021) (6.3)%
Gross profit	21,226 23.6	16,374 21.5	(4,852) (22.9)%	16,467 20.5	(93) (0.6)%
SG&A expenses	18,997 21.1	16,810 22.0	(2,186) (11.5)%	16,173 20.1	+637 +3.9%
Operating profit	2,228 2.5	(436) -	(2,665) -	294 0.4	(730) -
Ordinary profit	2,197 2.4	(479) -	(2,676) -	236 0.3	(716) -
Net profit attributable to owners of parent or net loss attributable to owners of the parent	187 0.2	(1,194) -	(1,381) -	(484) -	(710) -
Gross profit ratio	23.6%	21.5%	(2.1)pt	20.5%	+1.0pt
Operating profit ratio	2.5%	-	-	0.4%	-



※ Since the Outsourcing segment was excluded from the first quarter of the current consolidated fiscal year due to the sale of shares of Benefit One Inc., which was a consolidated subsidiary at the end of the previous consolidated fiscal year, the total excluding Outsourcing is shown as reference information.

Operating Profit



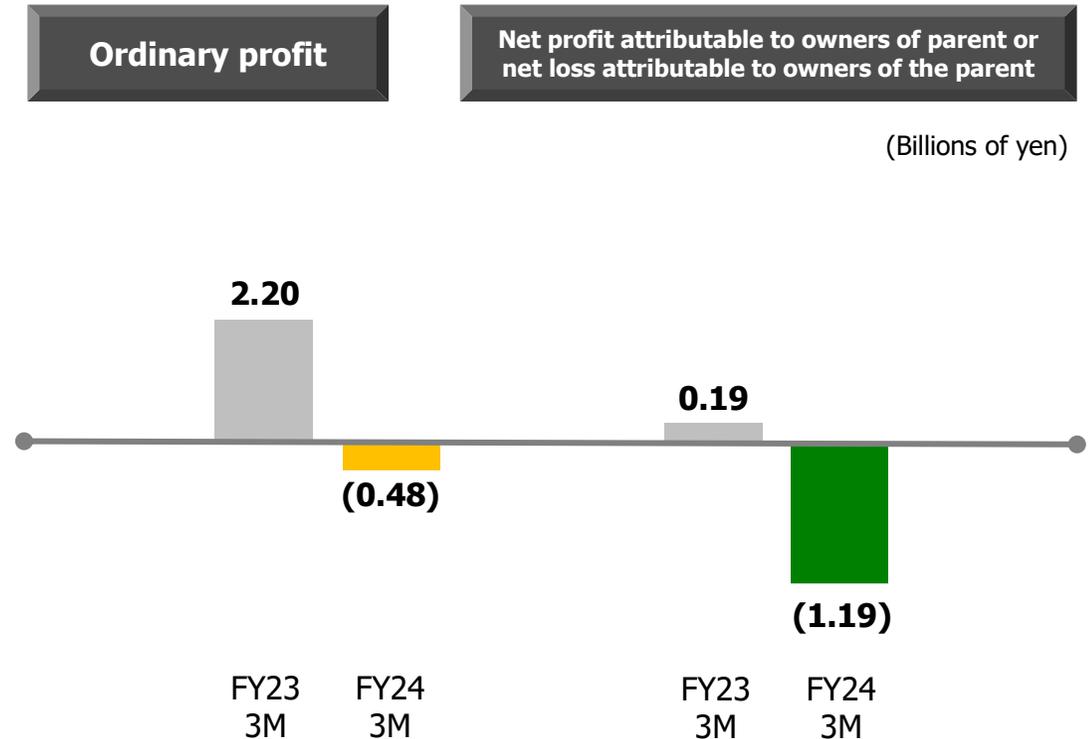
	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	3M FY23	3M FY23 (Excluding Outsourcing)	3M FY24
Gross Profit ratio	20.0%	20.2%	21.5%	22.8%	23.6%	24.8%	24.5%	24.6%	23.8%	23.6%	20.5%	21.5%
SG&A ratio	18.6%	18.6%	19.4%	20.0%	20.3%	18.8%	18.5%	20.7%	21.9%	21.1%	20.1%	22.0%
Operating Profit ratio	1.5%	1.6%	2.1%	2.9%	3.3%	6.0%	6.0%	3.9%	1.9%	2.5%	0.4%	—

Major Item of Increase/Decrease

- Gross profit** : Decreased due to the effect of exclusion of the Outsourcing segment, Benefit One Inc., from consolidation. Gross profit margin improved by 1.0pt (20.5% in the previous year) from the gross profit margin excluding the Outsourcing segment, Benefit One Inc., portion in the previous year.
- SG&A expenses** : Personnel expenses increased due to personnel reinforcement and upfront investment in growth areas, etc.

Non-operating/Extraordinary profit (loss), Others

(Millions of yen)	3M FY23	3M FY24	Increase/ Decrease	YoY
Operating profit	2,228	(436)	(2,665)	—
Non-operating profit	125	121	(4)	(3.6)%
Non-operating expenses	157	164	+7	+4.5%
Ordinary profit	2,197	(479)	(2,676)	—
Extraordinary profit	3	58	+55	+1,682.0%
Extraordinary loss	40	26	(13)	(34.3)%
Profit before income taxes	2,159	(447)	(2,607)	—
Income taxes - current	1,073	238	(834)	(77.8)%
Income taxes - deferred	58	363	+304	+518.5%
Income taxes	1,131	601	(530)	(46.9)%
Profit attributable to non-controlling interests	840	144	(695)	(82.8)%
Net profit attributable to owners of parent or net loss attributable to owners of the parent	187	(1,194)	(1,381)	—



Major Item of Increase/Decrease

- Income taxes-deferred**
 Adjustment increased due to change in company classification for tax effect accounting at the end of the previous period.
- Profit attributable to non-controlling interests**
 Decreased due to exclusion of the Outsourcing segment, Benefit One Inc., from consolidation.

Consolidated Results by Segment

(Millions of yen)

Segment		Net sales				Operating profit (loss)				Operating profit ratio		
		3M FY23	3M FY24	Increase/ Decrease	YoY	3M FY23	3M FY24	Increase/ Decrease	YoY	3M FY23	3M FY24	Increase/ Decrease
①	BPO Solutions (Contracting)	37,080	33,698	(3,381)	(9.1)%	3,079	2,478	(601)	(19.5)%	4.3%	3.7%	(0.6)pt
②	Expert Solutions (Temporary Staffing)	35,137	33,773	(1,363)	(3.9)%							
③	Career Solutions (Placement/ Recruiting, Outplacement)	3,341	3,297	(43)	(1.3)%							
Subtotal		75,559	70,769	(4,789)	(6.3)%	4,104	3,453	(651)	(15.9)%	5.4%	4.9%	(0.5)pt
④	Global Solutions (Overseas)	2,545	2,787	+242	+9.5%	49	73	+24	+48.4%	2.0%	2.6%	+0.6pt
	Outsourcing	9,571	—	(9,571)	—	1,934	—	(1,934)	—	20.2%	—	—
⑤	Life Solutions	1,923	2,052	+128	+6.7%	(5)	(9)	(4)	—	—	—	—
⑥	Regional Revitalization and Tourism Solutions	1,609	1,716	+107	+6.7%	(677)	(408)	+268	—	—	—	—
⑦	Eliminations and Corporate	(1,328)	(1,003)	+324	—	(3,177)	(3,545)	(367)	—	—	—	—
Total (Including Outsourcing)		89,881	76,323	(13,557)	(15.1)%	2,228	(436)	(2,665)	—	2.5%	—	—
Total (Excluding Outsourcing)		80,438	76,323	(4,114)	(5.1)%	294	(436)	(730)	—	0.4%	—	—

Balance Sheets

Major Item of Increase/Decrease	May 31,2024	Aug 31,2024	(Billions of yen) Increase/ Decrease
Assets	301.1	288.7	(12.3)
Current assets	243.6	226.0	(17.7)
Cash and deposits	192.3	174.3	(18.0)
Notes and accounts receivable-trade, and contract assets	43.5	43.5	(0.0)
Non-current assets	57.3	62.7	+5.3
Property, plant and equipment	35.5	36.9	+1.4
Intangible assets	5.0	5.4	+0.4
Investments and other assets	16.9	20.3	+3.5
Liabilities	146.4	138.4	(8.0)
Current liabilities	103.9	96.4	(7.4)
Accounts payable-trade	3.4	1.3	(2.2)
Short-term loans payable	9.3	8.9	(0.4)
Accrued expenses	16.8	18.8	+2.1
Deposits received	56.4	48.9	(7.5)
Non-current liabilities	42.5	42.0	(0.5)
Long-term loans payable	29.4	28.6	(0.9)
Net assets	154.7	150.3	(4.4)
Shareholders' equity	147.3	143.1	(4.2)
Capital surplus	17.5	17.5	+0.0
Retained earnings	127.5	123.3	(4.2)
Treasury shares	(2.7)	(2.7)	+0.0
Total accumulated other comprehensive income	1.2	1.3	+0.1
Share acquisition rights	0.0	0.0	±0.0
Non-controlling interests	6.2	6.0	(0.2)
Equity ratio	49.3%	50.0%	+0.7pt
Equity ratio (Excluding deposits received for contracted projects)	60.3%	59.3%	(1.0)pt

Major Item of Increase/Decrease

[Cash and deposits]

- Decreased in temporary deposits related to contracted projects.
¥ (9.6) billion YoY
As of Aug 31, 2024 (FY24) ¥ 45.4 billion
As of May 31, 2024 (FY23) ¥ 55.0 billion
- Acquisition of investment securities ¥ (3.4) billion YoY
- Dividends paid ¥ (3.0) billion YoY

[Deposits received]

- Decreased in temporary deposits related to contracted projects.
¥ (9.6) billion YoY

[Retained earnings]

- Dividends paid ¥ (3.0) billion

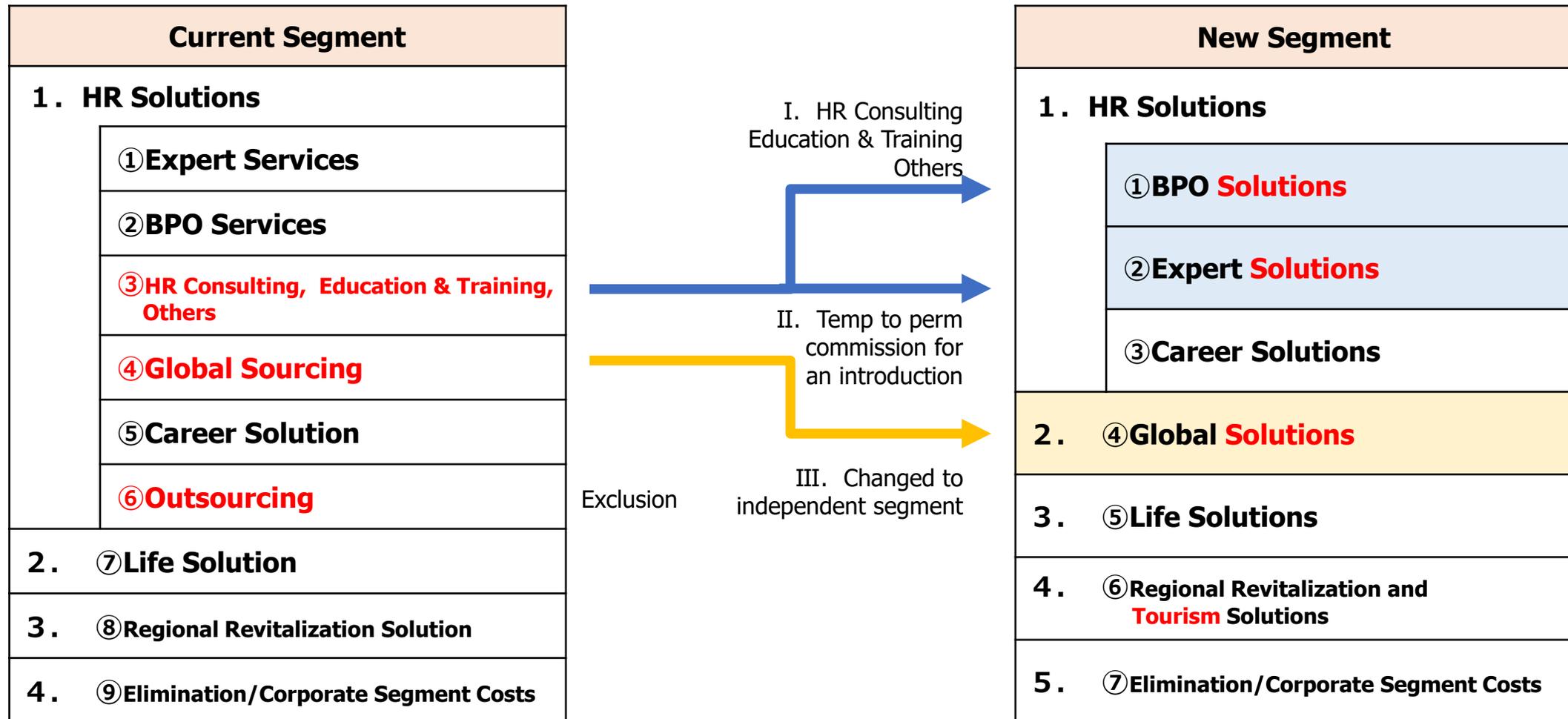
[Equity ratio]

- 59.3% ((1.0)pt) after deducting "deposits received" related to contracted projects.

Segment information

Segment Change (repeat 2024/07/12)

Since Benefit One Inc., which was responsible for the "Outsourcing" segment, has been excluded from the scope of consolidation due to the sale of shares, the composition and names of reportable segments will be partially changed from FY24.

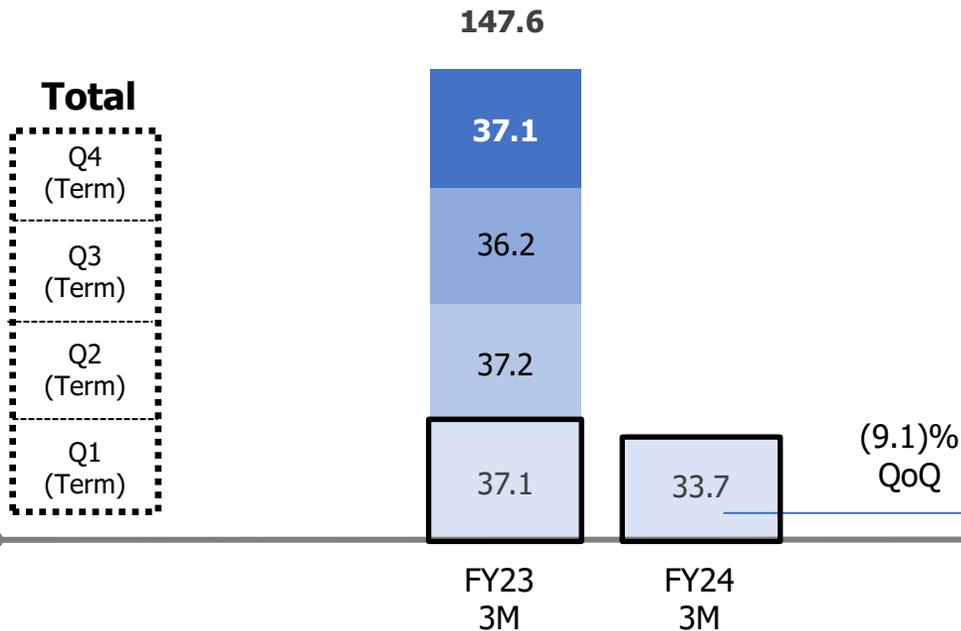


BPO Solutions (Contracting)

* Due to the change to new segment classifications from the fiscal year ending May 31, 2025, the figures for the fiscal year ended May 31, 2024 have been restated to reflect the new classifications.

Net Sales

(Billions of yen)

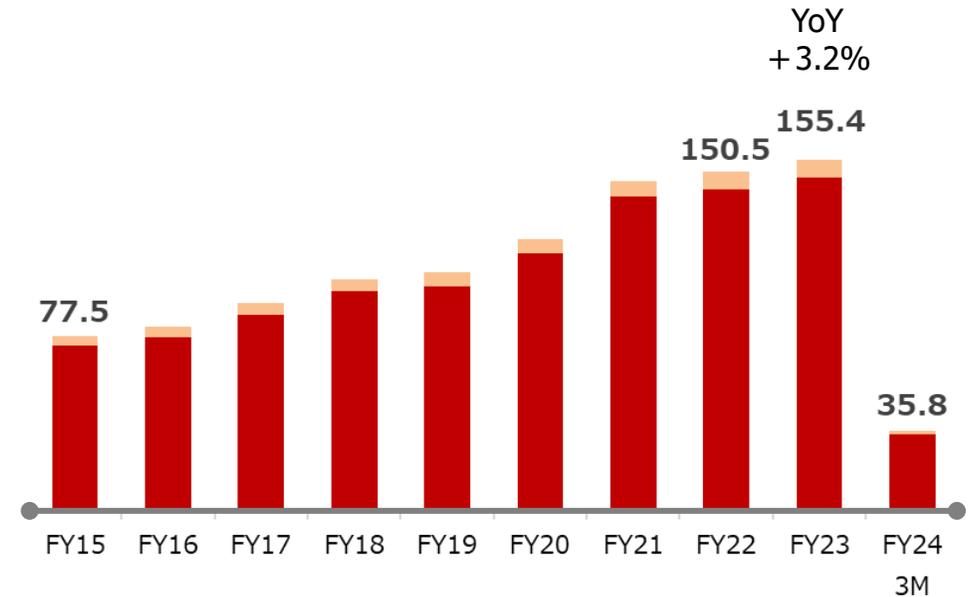


Trends in the Group's BPO and outsourcing service area sales *Total sales of BPO Solutions and Life Solutions segments

■ BPO

■ LifeSolution

(Billions of yen)



Business Conditions (FY24 3M result)

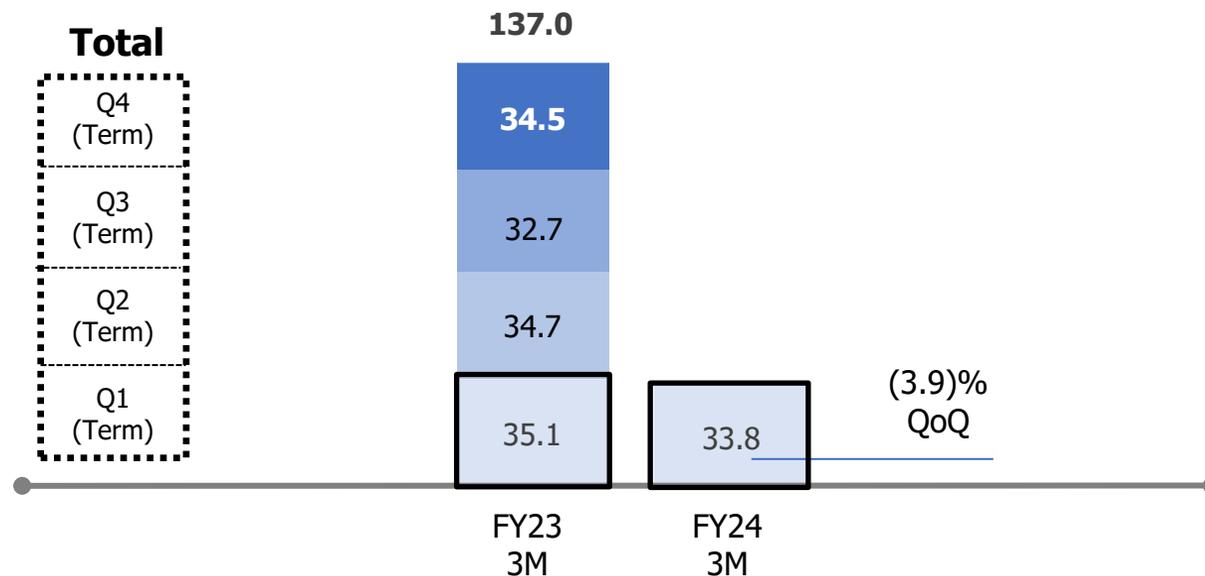
- Expanding DX support, such as introduction of the cloud services, in the area of "X-TECH BPO," a strategic initiative.
- Increased recruitment support projects from private companies due to chronic shortage of human resources, as well as education and training projects to develop female managers.
- In addition to an increase in the number of projects commissioned by the public sector, service areas such as the operation of "Hataraku Josei Square" for the promotion of women's activities have also expanded.
- Although new demand was acquired in both the private and public sectors, large projects that had been outsourced for some time peaked out.

Expert Solutions (Temporary staffing)

※ Due to the change to new segment classifications from the fiscal year ending May 31, 2025, the figures for the fiscal year ended May 31, 2024 have been restated to reflect the new classifications.

Net Sales

(Billions of yen)



Business Conditions (FY24 3M result)

- Despite a decrease in orders from the public sector, the total number of orders remained at the same level as in the same period of the previous year. Orders from financial institutions, manufacturers, and trading companies exceeded those of the same period of the previous year.
- Operating days were one day less than in the same period of the previous year, and the number of occupants decreased.
- Strengthened sales activities, including expanded recruitment of registrants, especially in the Kansai region, where the Expo will be held.

Topics Progress of the Group's Priority Strategies

Microsoft × PASONA

Digital Human Resource Development Program

The first initiative by a domestic recruitment company

CODE; WITHOUT BARRIERS

In Japan



Progress



Available from May 2024

Approximately **5,500** participants
(As of September 2024)

Progress



“First Term Graduation Ceremony” to be held jointly with Microsoft



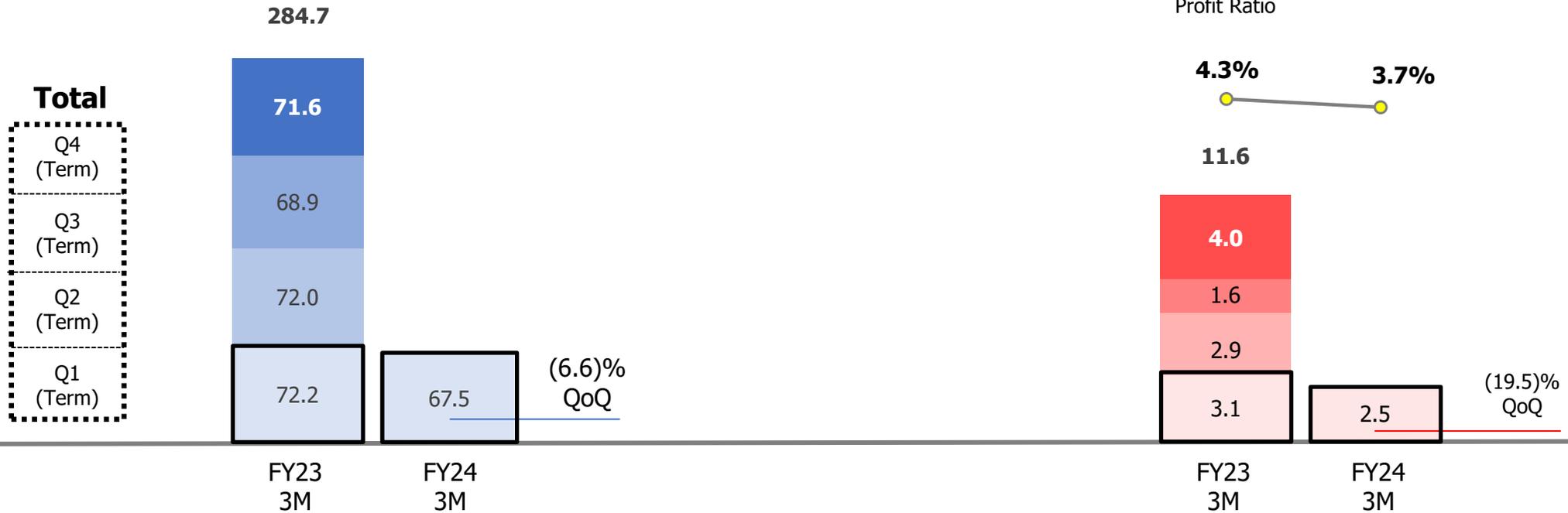
BPO・Expert Solutions

※ Due to the change to new segment classifications from the fiscal year ending May 31, 2025, the figures for the fiscal year ended May 31, 2024 have been restated to reflect the new classifications.

Net Sales

Operating Profit , Operating Profit Ratio

(Billions of yen)

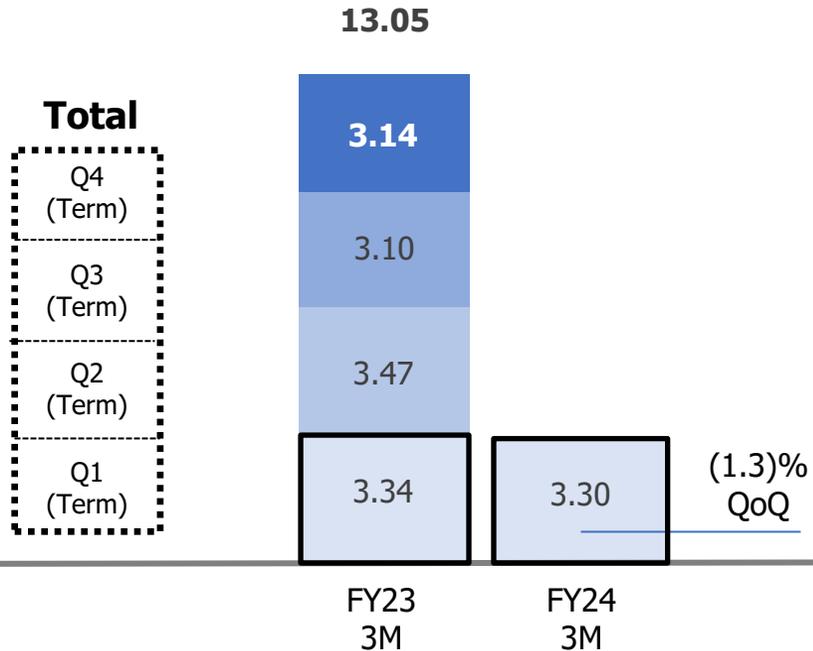


Business Conditions (FY24 3M result)

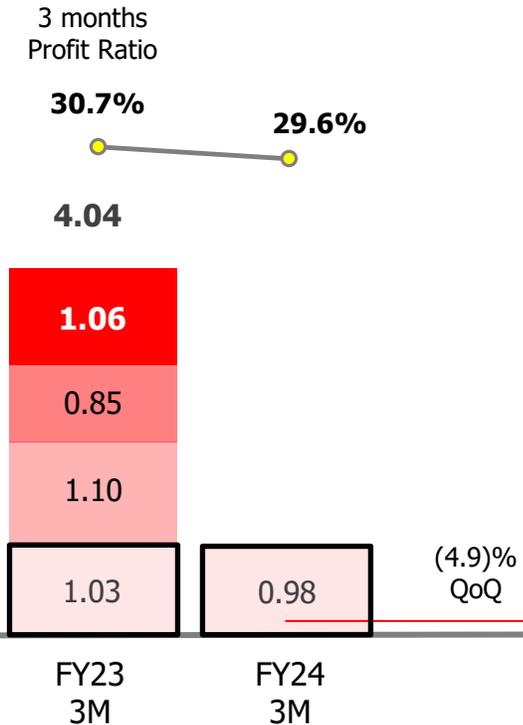
- Decreased in sales of the BPO Solutions and the Expert Solutions.
- Gross profit margin improved from the same period last year.
- Increased staff recruitment costs due to stronger registrant recruitment.

Career Solutions (Placement/Recruiting , Outplacement)

Net Sales



Operating Profit , Operating Profit Ratio



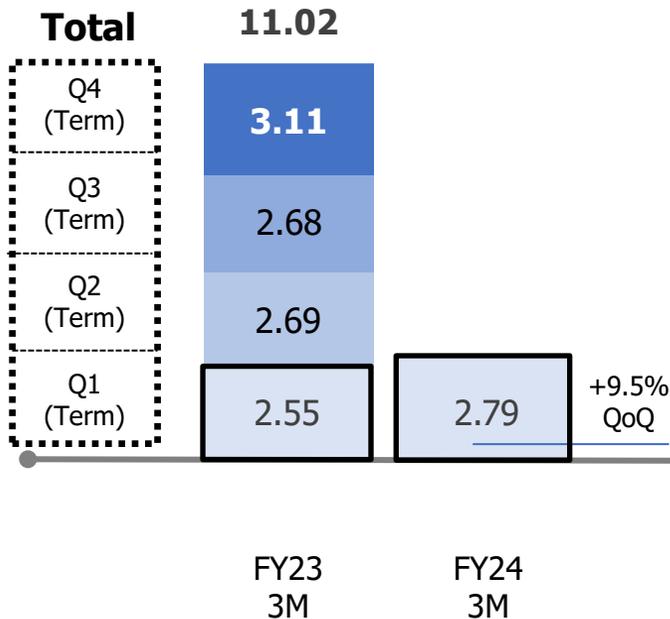
(Billions of yen)

Business Conditions (FY24 3M result)

- Placement / Recruiting Business : Stable demand continues in high-career recruiting activities. Average unit price of referral commissions increased. Decreased in the number of contracts signed compared to the same period of the previous year due to an increase in the number of resignation consultations by job applicants.
- Outplacement business : More companies considering business restructuring compared to the same period last year. Demand for counseling and reskilling services to support employees' autonomous career development is also growing.
- Segment sales and operating profit exceeded the initial plan.

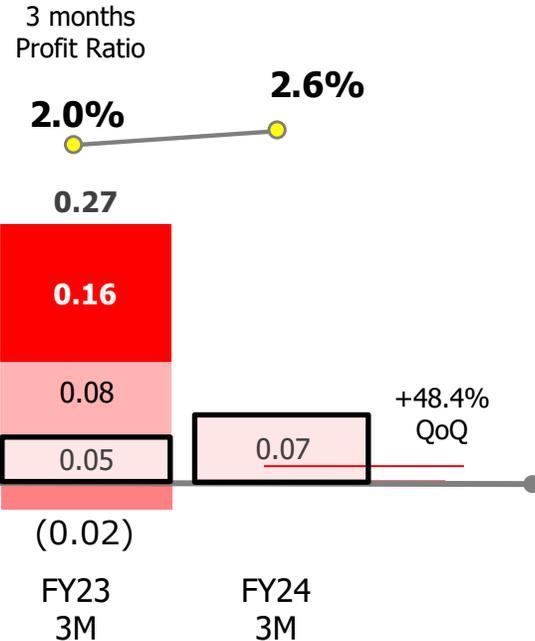
Global Solutions (Overseas)

Net Sales



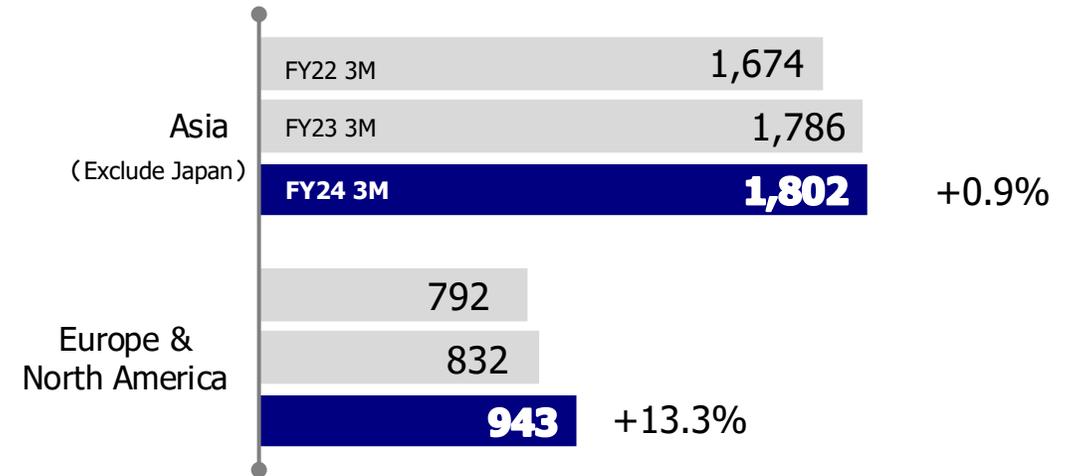
Operating Profit , Operating Profit Ratio

(Billions of yen)



Sales by Region

(Millions of yen)



Business Conditions (FY24 3M result)

- Asia : In Taiwan, demand for human resources from the semiconductor and other manufacturing industries remained strong. Demand for human resources is recovering in India, Singapore, and South Korea, and sales increased in the placement and recruiting business.
- North America : Temporary staffing revenues declined, but placement/recruiting revenues increased due to continued strong demand for hiring. Growth in BPO services such as accounting and payroll, and HR consulting business.
- SG&A expenses increased due to hiring of specialized personnel for new businesses and compensation improvements.

Sales by Business Segment

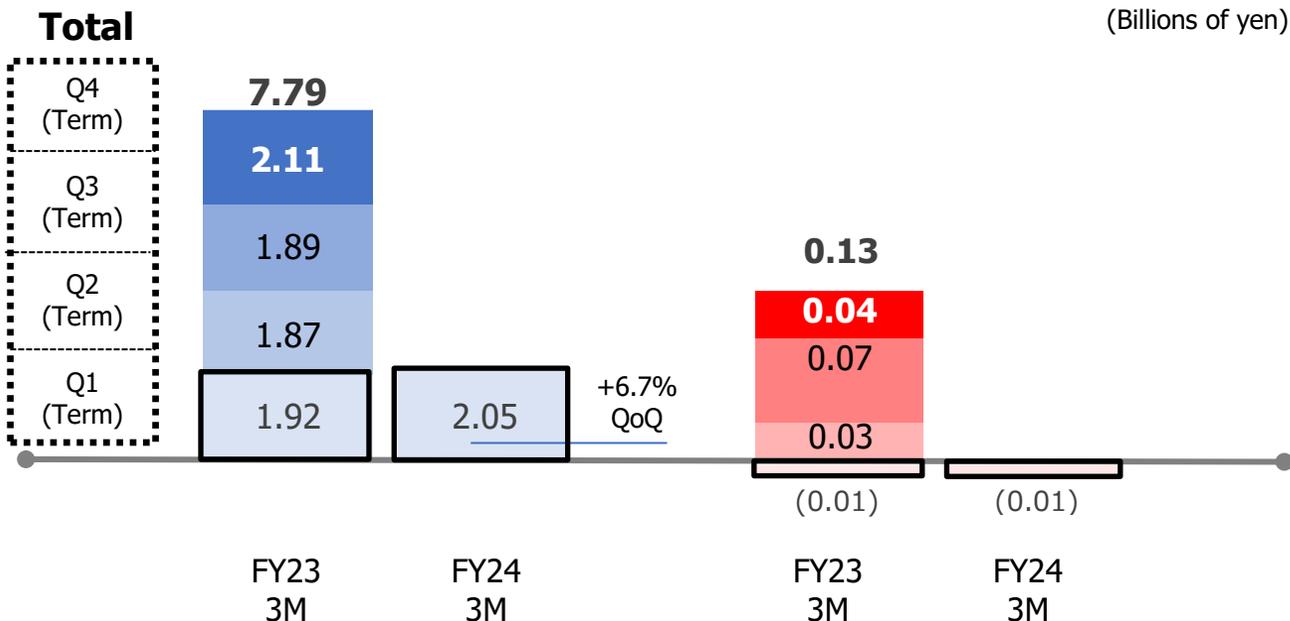
(Millions of yen)

	3M FY22	3M FY23	3M FY24	YoY
Temporary Staffing	1,213	1,299	1,296	(0.2)%
Placement / Recruiting	535	599	692	+15.5%
Contracting (Payroll, others)	430	451	545	+20.8%
Others	216	194	252	+29.7%
Total	2,395	2,545	2,787	+9.5%

Life Solutions (Nursing care , Life support , Childcare)

Net Sales

Operating Profit



Business Conditions (FY24 3M result)

- Childcare business : Increased in the number of facilities operating children's clubs. Decreased due to upfront investment in personnel and systems accompanying the increase in the number of facilities.
- Life support business : Decreased in sterilization and disinfection services and (housekeeping services, etc.) dispatch of caregivers to infected patient care facilities due to response to the COVID-19. Steady expansion of business commissioned by local governments, such as housekeeping services and nursing care training.

Facilities of Pasona Foster · Pasona Life Care

※As of Aug.31, 2024

※We changed the counting method for facilities on Aug 2023, and some changes have been made retroactively.

Facilities	May 2022	May 2023	May 2024	YoY	Aug 2023	Aug 2024	YoY
Pasona Foster	92	98	105	+7	98	104	+6
Child-care facilities	49	49	47	(2)	49	47	(2)
After-school children's clubs	43	49	58	+9	49	57	+8
Pasona Life Care							
Nursing care facilities	22	20	19	(1)	20	19	(1)

Initiatives for Pasona Foster and Pasona Life care

Pasona Foster : Acquired ISO 9001:2015 certification, the international standard for quality assurance in the provision of childcare services, for a total of 16 locations.

Pasona Life care : Launched "Disaster Prevention Measures and Individual Evacuation Plan Support Project," a service for local governments to support the preparation of individual evacuation plans for persons requiring assistance with evacuation actions in the event of a disaster and the establishment of systems mainly for secondary evacuation centers.

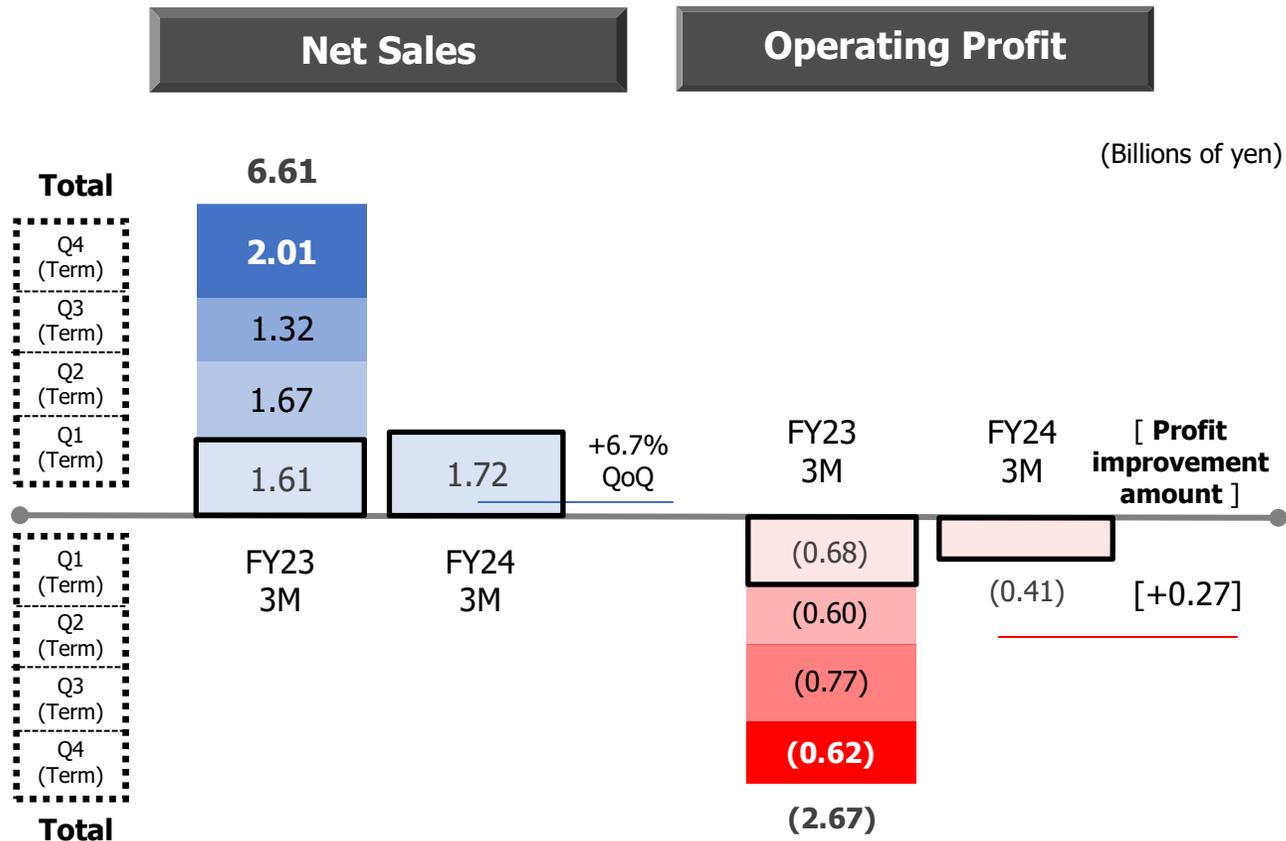


FS 805464 / ISO 9001

PASONA
FOSTER

Regional Revitalization and Tourism Solutions

※ Due to the change to new segment classifications from the fiscal year ending May 31, 2025, the figures for the fiscal year ended May 31, 2024 have been restated to reflect the new classifications.



Business Conditions (FY24 3M result)

- In August, the number of inbound visitors increased approximately 40% from the same month last year.
- Operating deficit narrowed despite the impact of poor weather conditions due to typhoons, etc. (August operating days: ▲2.5 days)

Initiatives for regional revitalization

- Strengthen sales promotion of "Hello Kitty Smile" with unglazed ceramics and ice cream popsicles.
- Limited time collaboration attraction "Monster Hunter the Field in Nijigen-no-mori" starts. (Jul. 2024 ~ Jan. 2025)
- Limited time collaboration event "BLEACH: Thousand-Year Blood War" × Nijigen-no-mori starts. (Sep. 2024 ~ Feb. 2025)



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▲『BLEACH』ドラマチック謎解き
ラリー-inニジゲンノモリ
「星十字騎士団 尸魂界諜報篇」

▲「BLEACH THE NIGHT
WALK WARFARE」
©久保帯人/集英社・テレビ
東京・dentsu・びえろ

Elimination/Corporate Segment Costs

※ Due to the change to new segment classifications from the fiscal year ending May 31, 2025, the figures for the fiscal year ended May 31, 2024 have been restated to reflect the new classifications.

	Net Sales		Operating Profit		
	FY23 3M	FY24 3M	FY23 3M	FY24 3M	[Profit improvement amount]
Q1 (Term)	(1.33)		(3.18)	(3.55)	[(0.37)]
Q2 (Term)	(1.38)	(1.00)	(3.37)		
Q3 (Term)	(1.30)		(3.32)		
Q4 (Term)	(1.37)		(4.31)		
Total	(5.37)		(14.17)		

(Billions of yen)

Main Factors for Cost Increase/Decrease (FY24 3M result)

- Personnel expenses and IT-related costs associated with DX promotion increased.
- Partial double rent due to office relocation to Umeda, Osaka.

Strengthening Collaboration to Develop Global Human Resources

• Singapore Human Resources Institute (SHRI)

First Japanese-affiliated full-service human resources company to sign a memorandum of understanding for a strategic partnership. (Jul. 2024)

• Oxford University

Memorandum of Understanding on Academic Activities in the Field of Local Development. (Aug. 2024)

Creation of Well-being Industry

• Established "Toshima Scuola", a human resource creation base for the well-being industry. Awaji Chef's Scuola, a program to train "regional chefs" who create new value from local resources and food culture and communicate the attractiveness of the region, is launched. (Jul. 2024)

• Pasona Group "Awaji Well-being Week 2024", a complex event with the theme of "well-being" that aims to realize a truly affluent society, is scheduled to be held. (Nov. 2024)



▲ Appearance of Toshima Scuola



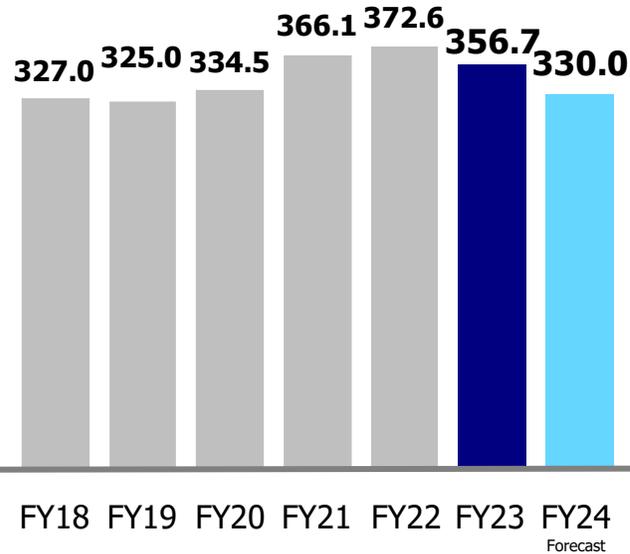
▲ Chefs from around the world compete in "the World Chef King Culinary Competition"

FY2024 Forecasts

FY2024 Consolidated Forecasts

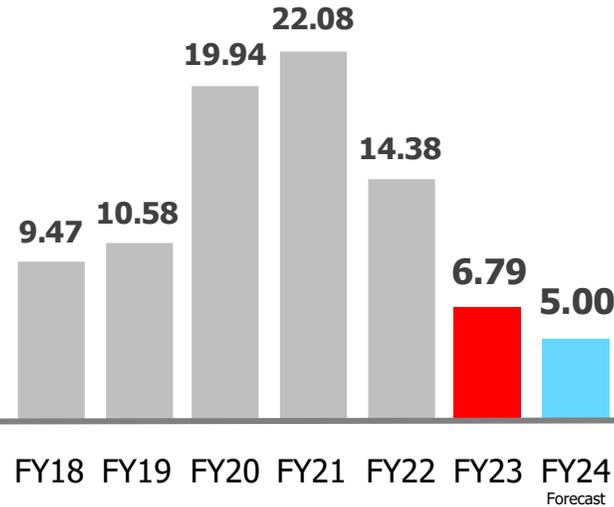
Net Sales

YoY (7.5)%



Operating Profit

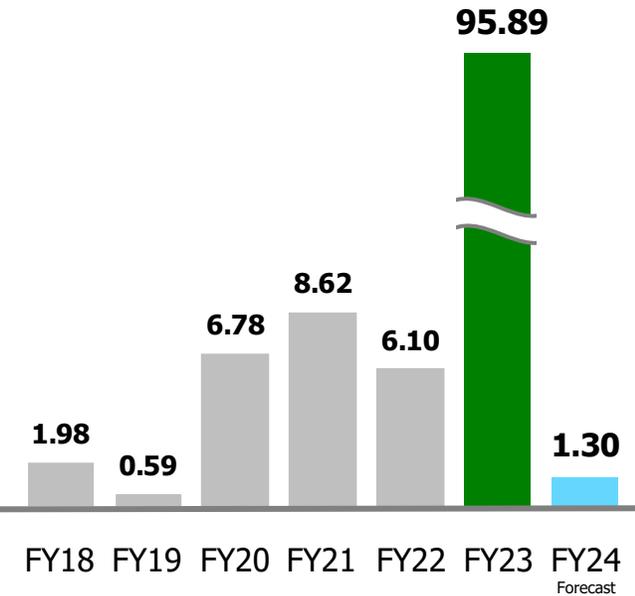
(26.4)%



Profit attributable to owners of parent

(98.6)%

(Billions of yen)



(Millions of yen)

	FY18	FY19	FY20	FY21	FY22	FY23	FY24 Forecast	vs FY23 Increase/Decrease	YoY
Net sales	326,984	324,984	334,540	366,096	372,579	356,733	330,000	(26,733)	(7.5)%
Operating profit	9,465	10,577	19,940	22,083	14,377	6,794	5,000	(1,794)	(26.4)%
Ordinary profit	9,237	10,236	20,379	22,496	15,366	7,152	5,000	(2,152)	(30.1)%
Profit attributable to owners of parent	1,975	594	6,784	8,621	6,099	95,891	1,300	(94,591)	(98.6)%

FY2024 Consolidated Forecasts by New Segment

(Millions of yen)

New Segment		Net sales				Operating profit (loss)				Operating profit ratio		
		FY23*	FY24 Forecast	Increase/Decrease	YoY	FY23*	FY24 Forecast	Increase/Decrease	YoY	FY23*	FY24 Forecast	Increase/Decrease
①	BPO Solutions	147,579	150,000	+2,420	+1.6%	11,582	14,000	+2,417	+20.9%	4.1%	4.8%	+0.7pt
②	Expert Solutions	137,082	141,500	+4,417	+3.2%							
③	Career Solutions	13,054	14,500	+1,445	+11.1%							
Total		297,715	306,000	+8,284	+2.8%	15,625	18,500	+2,874	+18.4%	5.2%	6.0%	+0.8pt
④	Global Solutions	11,024	12,500	+1,475	+13.4%	270	800	+529	+195.7%	2.5%	6.4%	+3.9pt
⑤	Life Solutions	7,792	8,400	+607	+7.8%	128	300	+171	+133.5%	1.6%	3.6%	+2.0pt
⑥	Regional Revitalization and Tourism Solutions	6,610	7,700	+1,089	+16.5%	(2,671)	(500)	+2,171	-	-	-	-
⑦	Eliminations and Corporate	(4,841)	(4,600)	+241	-	(14,174)	(14,100)	+74	-	-	-	-
Total		318,301	330,000	+11,698	+3.7%	(821)	5,000	+5,821	-	-	1.5%	-

※ Consolidated figures for fiscal year ending May 31, 2024 show reference figures that exclude the Outsourcing segment.

Figures for the segment for the fiscal year ending May 31, 2024 are figures that have been reclassified to the new segment classifications.

※ For the fiscal year ending May 31, 2025, only full-year forecasts are disclosed.

The forecast for each segment is expected to expand through the second half of the fiscal year.

Initiatives to improve corporate value

Initiatives to improve corporate value

As we soon reach the milestone of 50 years since our founding, we are formulating a growth strategy for the next 50 years based on our unchanging corporate philosophy of "solving social problems," and we aim to maximize our corporate value by achieving sustainable growth through "growth and profit improvement of existing businesses" and "creation of new industries" that solve new social issues.

Use of funds from sales of affiliated company shares: Excerpts

Growth Investment	1	<div style="display: flex; flex-direction: column; align-items: center;"> <div style="background-color: #4a7ebb; color: white; padding: 2px 5px; border-radius: 3px;">BPO Solutions</div> <div style="background-color: #4a7ebb; color: white; padding: 2px 5px; border-radius: 3px;">Expert Solutions</div> </div>	Core system renewal	Improve profitability by optimizing business processes	Approx. ¥5 billion Scheduled to start operation in February 2025
	2	<div style="background-color: #4a7ebb; color: white; padding: 2px 5px; border-radius: 3px;">New business</div>	Venture investment/support	Investments aimed at creating social impact in startups in the well-being area, etc.	Approx. ¥ 3 billion Sequential
Strengthening of Management Base	3	<div style="background-color: #4a7ebb; color: white; padding: 2px 5px; border-radius: 3px;">Human capital</div>	DX Human Resource Development	Strengthen recruitment and training Approx. 3,000 employees by the fiscal year ending May 2026	Approx. ¥1.5billion From FY2024

① Core system renewal

By revamping the core systems of both the BPO Solutions and Expert Solutions businesses, we aim to optimize business processes and maximize employment opportunities, thereby improving the profitability of both businesses.

Project Overview	Main Priority Measures	<ul style="list-style-type: none">✓ Strengthening sales capabilities in both businesses and improving productivity by streamlining indirect operations✓ Realize the standardization and integration of information, optimize system operation costs, and strengthen the ability to adapt to changes✓ Utilizing the latest technologies such as generative AI to improve matching accuracy and expand business automation
	Total investment amount	Approximately 5 billion yen (Total initial investment until completion of the planned phase by fiscal year 2026)
	Start of operation	Scheduled to be operational from the third quarter of FY2024



② Venture investment/support

In order to realize the Pasona Group's venture mindset, we aim to create social impact by investing in and providing management support to startups in the well-being field and that can leverage group synergy.

Collaboration achievement



Develop and provide IT services that utilize avatars and generative AI technology to help alleviate labor shortages caused by the decline in the working population and expand work styles.

- Avatar customer service system "AVACOM"
Remote customer service available in real life and online
- Role-playing support service "Avatole"
Avatar-based AI role-playing service that can be used for human resource development and training

Investment Objectives	<ul style="list-style-type: none"> • Strengthening the foundation of avatar services and developing the market • Providing BPaaS using avatars • Development of new revenue models in combination with AI
-----------------------	--

BPaaS : Business Process as a Service



▲ [Example] Kansai Airport Arrival Lobby: Remote tourist information provided by local mascots ▲



Service		Introduction destination (partial disclosure)
Private sector	Reception, Web concierge, various consultation desks, hotel front desk, human resources development	Mizuno Corporation Kiraboshi Bank Ltd. Takamatsu Park Hotel etc.
Public sector	Tourist information centers, citizen service desks, public facility reception desks, local talent employment promotion	Awaji City G7 Hiroshima SummitNenrinpic Tottori 2024 etc.

③ DX Human Resource Development

By promoting DX (Digital Transformation), we will improve the profitability and competitiveness of our group businesses and strengthen our management foundation.

By developing DX human resources, we will promote the creation of new businesses and the improvement of the value of human capital.



DX Human Resource Development (As of September 2024)

Promoting digital transformation human resource development programs such as "Pasona Digital Academy (digital human resource development program)^{※1}" and "Code; Without Barriers in Japan"^{※2}

Number of people trained (total number): Approximately **7,300**



▲ Pasona Digital Academy "4th Reskilling Initiative" ▲

※1 Pasona Digital Academy : [【参考】パソナグループDX白書2023](#)

※2 [Code; Without Barriers in Japan](#): A training course where you can learn the basics of Microsoft's generative AI tool "Microsoft Copilot" and how to use it in practice

Reference

Awaji Well-being Week 2024 will be held

November 2024

Experiencing "Well-being" through events that combine "Sports" x "Food" x "Healthcare" x "Innovation"

The spread of COVID-19 is causing major changes in our attitudes and values regarding the way we live and work. There is growing interest in opportunities to reexamine what "richness" means to oneself in natural environments, and in lifestyles that achieve health and well-being in both body and mind. The well-being event "Awaji Well-being Week" will hold a variety of events to achieve well-being on Awaji Island in Hyogo Prefecture, based on the three themes of "body," "mind," and "bonds."

UNDOKAI WORLD CUP2024

Date: November 1st (Fri) to November 3rd (Sun)
Location: Akashi Kaiyō National Park, Awaji Island,
Hyogo Prefecture



A sports festival that anyone in the world can participate in

Innovation Forum 2024

Date: Wednesday, November 13th (Wed)
Location: Awajishima Yumebutai International
Conference Center



Forum for realizing well-being for all life and the planet

Business Contest 2024

Date: Thursday, November 14th (Thu)
Location: Awajishima Yumebutai International
Conference Center



A business contest aiming to create new industries with the theme of Well-being

World Chef King Summit 2024

Date: November 16th (Sat) to November 18th (Mon)
Location: Ocean Terrace, Seikaiha, Naminoritei



A food festival that considers human health and global environmental issues through "food"

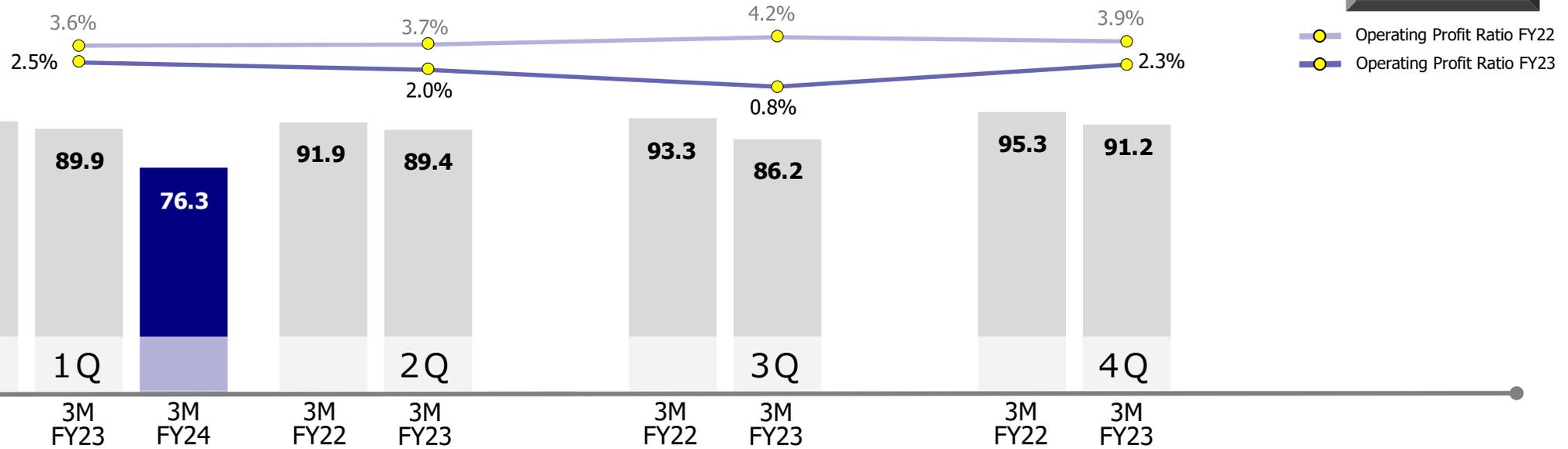
In addition, various facilities on Awaji Island will hold a "Well-being Fair" during this period, offering food in restaurants and holding music concerts, and will also collaborate with the "Awaji Art Circus," an art show that invites artists from Japan and abroad to Awaji Island in Hyogo Prefecture to perform mainly on the island.

Quarterly Sales and Profit Trends

Net Sales

(Billions of yen)

Operating Profit Ratio



(Millions of yen)

	Q1 (June to August)					Q2 (September to November)			Q3 (December to February)			Q4 (March to May)		
	FY22	FY23	YoY	FY24	YoY	FY22	FY23	YoY	FY22	FY23	YoY	FY22	FY23	YoY
Net sales	92,066	89,881	(2.4)%	76,323	(15.1)%	91,906	89,434	(2.7)%	93,307	86,241	(7.6)%	95,299	91,174	(4.3)%
Gross profit	22,273	21,226	(4.7)%	16,374	(22.9)%	22,582	21,259	(5.9)%	22,956	19,964	(13.0)%	23,712	22,375	(5.6)%
SG&A expenses	18,943	18,997	+0.3%	16,810	(11.5)%	19,180	19,508	+1.7%	19,025	19,270	+1.3%	19,999	20,254	+1.3%
Operating profit	3,330	2,228	(33.1)%	(436)	-	3,402	1,751	(48.5)%	3,931	693	(82.3)%	3,712	2,120	(42.9)%
Profit (Loss) attributable to owners of parent	1,293	187	(85.5)%	(1,194)	-	1,440	(41)	-	1,213	(899)	-	2,151	96,644	+4,392.5%
Gross profit ratio	24.2%	23.6%	(0.6)pt	21.5%	(2.1)pt	24.6%	23.8%	(0.8)pt	24.6%	23.1%	(1.5)pt	24.9%	24.5%	(0.4)pt
SG&A expense ratio	20.6%	21.1%	+0.5pt	22.0%	+0.9pt	20.9%	21.8%	+0.9pt	20.4%	22.3%	+1.9pt	21.0%	22.2%	+1.2pt
Operating profit ratio	3.6%	2.5%	(1.1)pt	-	-	3.7%	2.0%	(1.7)pt	4.2%	0.8%	(3.4)pt	3.9%	2.3%	(1.6)pt

※ Please refer to the Investors Guide for the figures before the listed year.

Quarterly Sales and Profit Trends by Segment

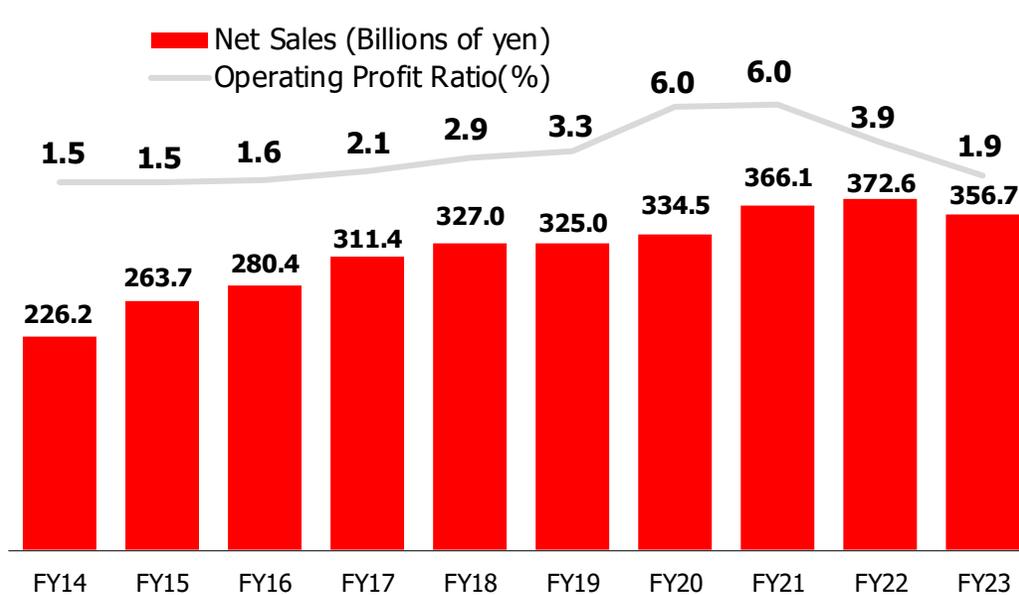
(Millions of yen)

Segment		Sales						Segment		Operating profit (loss)					
		Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	YoY			Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	YoY
①	BPO Solutions (Contracting)	37,080	37,222	36,162	37,114	33,698	(9.1)%	①	BPO Solutions (Contracting)	3,079	2,901	1,612	3,988	2,478	(19.5)%
②	Expert Solutions (Temporary Staffing)	35,137	34,739	32,742	34,462	33,773	(3.9)%	②	Expert Solutions (Temporary Staffing)						
③	Career Solutions (Placement/ Recruiting, Outplacement)	3,341	3,468	3,099	3,144	3,297	(1.3)%	③	Career Solutions (Placement/ Recruiting, Outplacement)						
Subtotal		75,559	75,430	72,004	74,721	70,769	(6.3)%	Subtotal		4,104	4,002	2,466	5,051	3,453	(15.9)%
④	Global Solutions (Overseas)	2,545	2,688	2,677	3,112	2,787	+9.5%	④	Global Solutions (Overseas)	49	84	(19)	155	73	+48.4%
	Outsourcing	9,571	9,156	9,648	10,586	—	—		Outsourcing	1,934	1,605	2,273	1,801	—	—
⑤	Life Solutions	1,923	1,873	1,889	2,105	2,052	+6.7%	⑤	Life Solutions	(5)	28	67	37	(9)	—
⑥	Regional Revitalization and Tourism Solutions	1,609	1,665	1,321	2,014	1,716	+6.7%	⑥	Regional Revitalization and Tourism Solutions	(677)	(604)	(772)	(617)	(408)	—
⑦	Eliminations and Corporate	(1,328)	(1,379)	(1,299)	(1,366)	(1,003)	—	⑦	Eliminations and Corporate	(3,177)	(3,365)	(3,322)	(4,309)	(3,545)	—
Total (Including Outsourcing)		89,881	89,434	86,241	91,174	76,323	(15.1)%	Total (Including Outsourcing)		2,228	1,751	693	2,120	(436)	—
Total (Excluding Outsourcing)		80,438	80,399	76,742	80,722	76,323	(5.1)%	Total (Excluding Outsourcing)		294	145	(1,579)	318	(436)	—

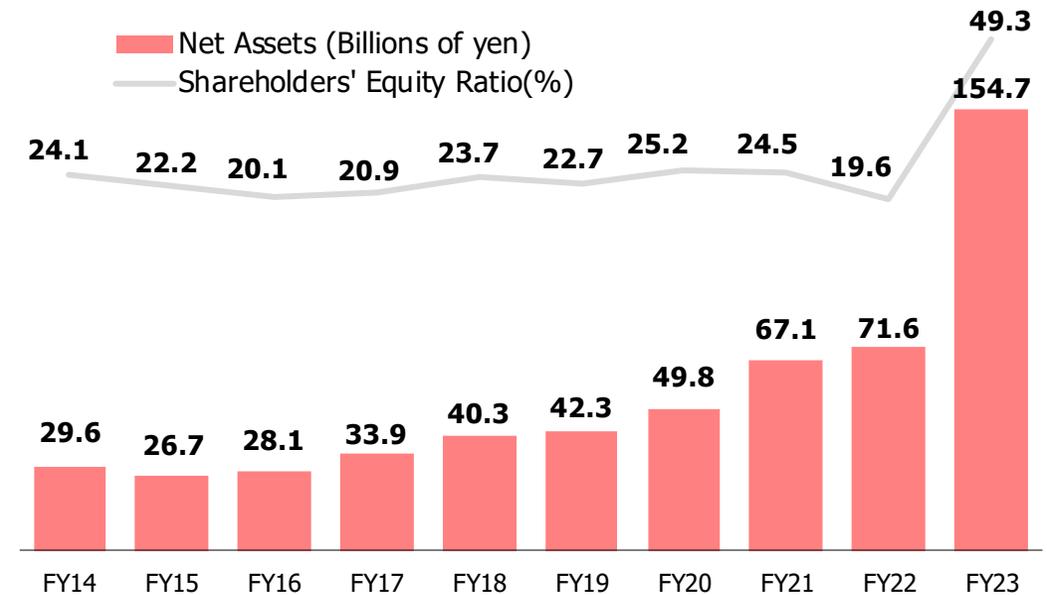
※ Please refer to the Investors Guide for the figures before the listed year.

Full-Year Key Indicators

Net Sales and Operating Profit Ratio



Net Assets and Shareholders' Equity Ratio



Results

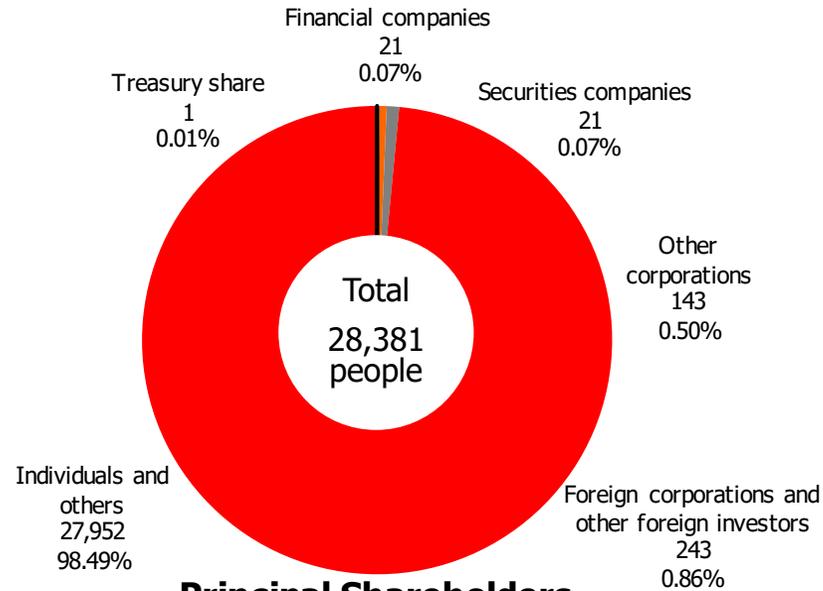
Key Indicators	'15/05	'16/05	'17/05	'18/05	'19/05	'20/05	'21/05	'22/05	'23/05	'24/05
Net Sales	226,227	263,728	280,395	311,410	326,984	324,986	334,540	366,096	372,579	356,733
Gross Profit Margin	20.3%	20.0%	20.2%	21.5%	22.8%	23.6%	24.8%	24.5%	24.6%	23.8%
SG&A Expenses	42,381	48,948	52,128	60,489	65,245	66,112	63,028	67,588	77,148	78,030
SG&A Expense Ratio	18.7%	18.6%	18.6%	19.4%	20.0%	20.3%	18.8%	18.5%	20.7%	21.9%
Operating Profit	3,490	3,860	4,488	6,539	9,465	10,577	19,940	22,083	14,377	6,794
Operating Profit Ratio	1.5%	1.5%	1.6%	2.1%	2.9%	3.3%	6.0%	6.0%	3.9%	1.9%
Ordinary Profit	3,343	3,855	4,319	6,631	9,237	10,236	20,379	22,496	15,366	7,152
Ordinary Profit Ratio	1.5%	1.5%	1.5%	2.1%	2.8%	3.1%	6.1%	6.1%	4.1%	2.0%
Net Profit *1	214	243	(129)	1,288	1,975	594	6,784	8,621	6,099	95,891
Net Profit Ratio	0.1%	0.1%	—	0.4%	0.6%	0.2%	2.0%	2.4%	1.6%	26.9%
Total Assets *2	88,641	85,356	94,584	112,477	119,459	140,441	151,641	203,746	275,504	301,090
Net Assets	29,620	26,735	28,062	33,889	40,253	42,316	49,779	67,146	71,624	154,677
Shareholders' Equity Ratio *2	24.1%	22.2%	20.1%	20.9%	23.7%	22.7%	25.2%	24.5%	19.6%	49.3%
Return on Equity	1.0%	1.2%	(0.7)%	6.0%	7.6%	2.0%	19.4%	19.6%	11.7%	94.7%
Number of Employees	7,908	8,550	8,682	9,074	9,317	19,538	21,789	23,488	24,918	25,046

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

2. 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.

Share Information (Including treasury share)

Breakdown of Shareholders by Type



Principal Shareholders

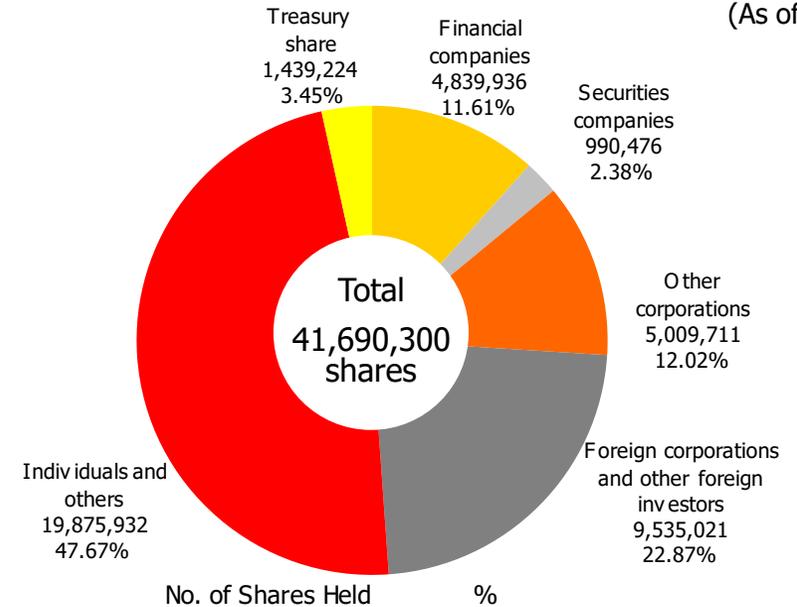
Shareholder	No. of Shares Held	%
Yasuyuki Nambu	14,763,200	35.41%
Nambu Enterprise Inc.	3,738,500	8.97%
The Master Trust Bank of Japan, Ltd (Trust Account)	2,554,700	6.13%
Pasona Group Inc.	1,439,224	3.45%
CEPLUX- THE INDEPENDENT UCITS PLATFORM 2	1,082,000	2.60%
Custody Bank of Japan, Ltd.(Trust Account E)	1,066,136	2.56%
NOMURA INTERNATIONAL PLC A/C JAPAN FLOW	922,000	2.21%
JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO	803,400	1.93%
THE BANK OF NEW YORK MELLON 140040	722,100	1.73%
Custody Bank of Japan, Ltd.(Trust Account)	644,600	1.55%

1. The Company's treasury share (1,439,224 shares, 3.45% of total issued shares) ranked fourth. In accordance with Article 308.2 of the Corporations Law, there are no voting rights attached to treasury share.

2. Tempered Investment Management Limited sent a change report to the Kanto Finance Bureau on December 27, 2023, reporting that it owns 1,912,100 shares as of December 20, 2023. However, the number of shares held as of the end of May 2024 cannot be confirmed, so it is not included in the status of the above major shareholders.

Breakdown of Shareholders by Number of Share Held

(As of May. 31, 2024)



Group Companies (by segment)

BPO Solutions (Contracting) Expert Solutions (Temporary staffing)

Pasona Inc.	Pasona Nihon Somubu Co., Ltd.	Doinet Co., Ltd.
Bewith, Inc.	Pasona Heartful Inc.	Pasona Joinus Inc.
PASONA LOGICOM Inc.	Pasona art now Inc.	TECHNORESEARCH CO.,LTD.
Pasona HS Inc.	Pasona Knowledge Partner Inc.	Pasona Force Inc.
Nagasaki diamond staff	Pasona Intellectual Property Trust Inc.	Circlace Inc.*
Pasona Masters Inc.	Profelier,Inc	Pasona Safety Net Inc.
Pasona HR Solution Inc.	Pasona Tech, Inc.	e-Staffing Co., Ltd. *
Gotop Co., Ltd.	Smart Style CO.,Ltd	National Examination Center Inc. *
Pasona JOB HUB Inc.	iBRID.Co.Ltd	Shadow Consulting Inc. *
Pasona YBS Inc.	Asahi Beer Communications Co, Ltd.	

Global Solutions (Overseas)

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

Career Solutions (Placement/Recruiting, Outplacement)

Pasona Inc.

Life Solutions (Childcare support business and education business, Nursing care business, Life Support business)

Pasona Foster Inc.

Pasona Life Care Inc.

Regional Revitalization and Tourism Solutions

Pasona Furusato Incubation Inc.	Pasona HR HUB Inc.
Pasona Agri-Partners Inc.	RE BORN Inc.
Tango Kingdom Brewery Inc.	Kosyunoya Inc.
Pasona Tohoku Sousei Inc.	Japanese Kosyukura Inc.
Nijigennomori Inc.	awajishima resort Inc.
Pasona Smile Inc.	All Japan Tourism Alliance Inc.
Chihou Sousei Inc.	Awaji Nature Farm Inc.
Takumi Sousei Inc.	IHATOV TOHOKU Inc. *

(As of Aug. 31, 2024)

● Consolidated subsidiaries 60

* Equity-method affiliates 5

Corporate Information

Prime Market TSE (2168)

Corporate Name	Pasona Group Inc.	
Headquarters	Shin Marunouchi Bldg. 1-5-1, Marunouchi, Chiyoda-ku, Tokyo 100-6514	<u>Comprehensive Group office</u> Minami-Aoyama 3-1-30 Minato-ku, Tokyo 107-8351 Phone 03-6734-0200
Established	December 3, 2007 (Founding February 1976)	
Paid-in Capital	5,000 million yen	
Representative	Yasuyuki Nambu	
Business Activities	BPO Solutions (Contracting) Expert Solutions (Temporary staffing) Career Solutions (Placement/Recruiting, Outplacement) Global Solutions (Overseas) Life Solutions (Childcare support business and education business, Nursing care business, Life Support business) Regional Revitalization and Tourism Solutions	
Number of Employees	25,046 (Consolidated, including contract workers)	(As of May. 31, 2024)
Consolidated Group Companies	Subsidiaries 60 , Affiliates 5	(As of Aug. 31, 2024)
URL	www.pasonagroup.co.jp/English/	