

# Results for the 1st Quarter of the Fiscal Year Ending March 31, 2025



MEITEC Group Holdings Inc.

August 1, 2024

## Comments on Results



1. In the Engineering Solutions Business, orders remained firm as our main clients continued investment in technological development.
2. The number of new employees who joined the Group in April 2024 totaled 631 (329 at Meitec, 302 at Meitec Fielders). As of June 30, 2024, the number of engineers (total of Meitec/Meitec Fielders) was 12,686 (up 109 employees or up 0.9% year on year).
3. Consolidated net sales rose 5.1%, operating profit rose 12.5% and profit rose 22.2% year on year.
4. We achieved increases in both the number of engineers assigned to clients and the utilization ratio. At Meitec, net sales rose 4.2%, operating profit rose 10.7% year on year. At Meitec Fielders, net sales rose 8.0% and operating profit rose 39.2%.
5. In the Recruiting & Placement Business for Engineers, the number of job placements declined. Net sales was down 4.3% and operating profit rose 1.1% year on year.

# Results for the 1st Quarter of the Fiscal Year Ending March 31, 2025 (Group Consolidated)

(Fractions of one million yen are rounded down)	1Q ended June. 30, 2023	1Q ended June. 30, 2024	YoY Amount	% Change	Initial Forecast for 2Q, announced on May 2024	% Change
Net sales	31,302	32,910	+1,607	+5.1%	65,000	50.6%
Cost of sales	22,889	23,917	+1,028	+4.5%	48,030	
Cost of sales to Net sales	73.1%	72.7%	(0.4%)		73.9%	
SG&A Expenses	4,175	4,224	+49	+1.2%	8,770	
Operating profit	4,238	4,767	+529	+12.5%	8,200	58.1%
Operating profit margins	13.5%	14.5%	+0.9%		12.6%	
Ordinary profit	4,225	4,780	+555	+13.2%	8,200	58.3%
Extraordinary income & loss	0	0	—	—		
Profit before income taxes	4,224	4,780	+555	+13.2%		
Profit attributable to owners of parent	2,638	3,223	+584	+22.2%	5,600	57.6%
Profit margins	8.4%	9.8%	+1.4%			

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# Results for the 1st Quarter of the Fiscal Year Ending March 31, 2025 (Business Domains)

(Fractions of one million yen are rounded down)		1Q ended June. 30, 2023	1Q ended June. 30, 2024	YoY Amount	% Change
Engineering Solutions Business	Sales	30,948	32,570	+1,621	+5.2%
	Component ratio	98.9%	99.0%	+0.1%	
	Meitec	21,930	22,861	+931	+4.2%
	Meitec Fielders	8,184	8,842	+657	+8.0%
	Operating profit	4,119	4,714	+594	+14.4%
	Component ratio	97.2%	98.9%	+1.7%	
Recruiting & Placement Business for Engineers	Sales	360	345	(15)	(4.3%)
	Component ratio	1.2%	1.0%	(0.1%)	
	Operating profit	118	119	+1	+1.1%
	Component ratio	2.8%	2.5%	(0.3%)	

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# Results for the 1st Quarter of the Fiscal Year Ending March 31, 2025 (Meitec)

(Fractions of one million yen are rounded down)	1Q ended June. 30, 2023	1Q ended June. 30, 2024	YoY Amount	% Change	Initial Forecast for 2Q, announced on May 2024	% Change
Net sales	21,930	22,861	+931	+4.2%	44,900	50.9%
Operating profit	3,428	3,794	+365	+10.7%	6,400	59.3%
Operating profit margins	15.6%	16.6%	+1.0%		14.3%	
Ordinary profit	4,630	3,800	(830)	(17.9%)	6,400	59.4%
Profit	3,298	2,610	(688)	(20.9%)	4,400	59.3%
Utilization ratio (Company-wide)	94.5%	95.8%	+1.3%		97.0%	
Working Hours <h/day>	8.33	8.37	+0.04	+0.5%	8.26	
Number of Engineers	8,060	8,074	+14	+0.2%		

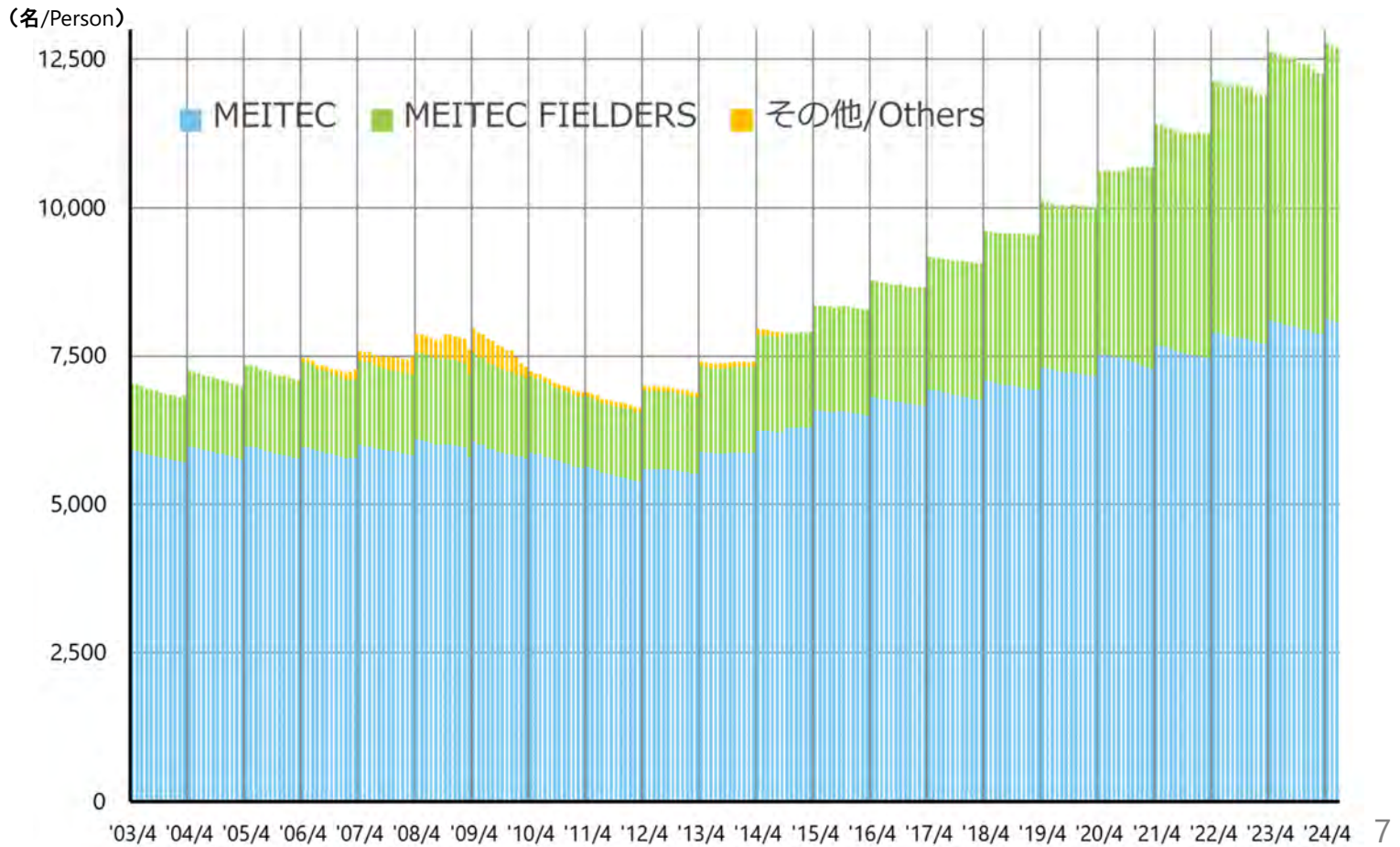
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# Results for the 1st Quarter of the Fiscal Year Ending March 31, 2025 (MEITEC Fielders)

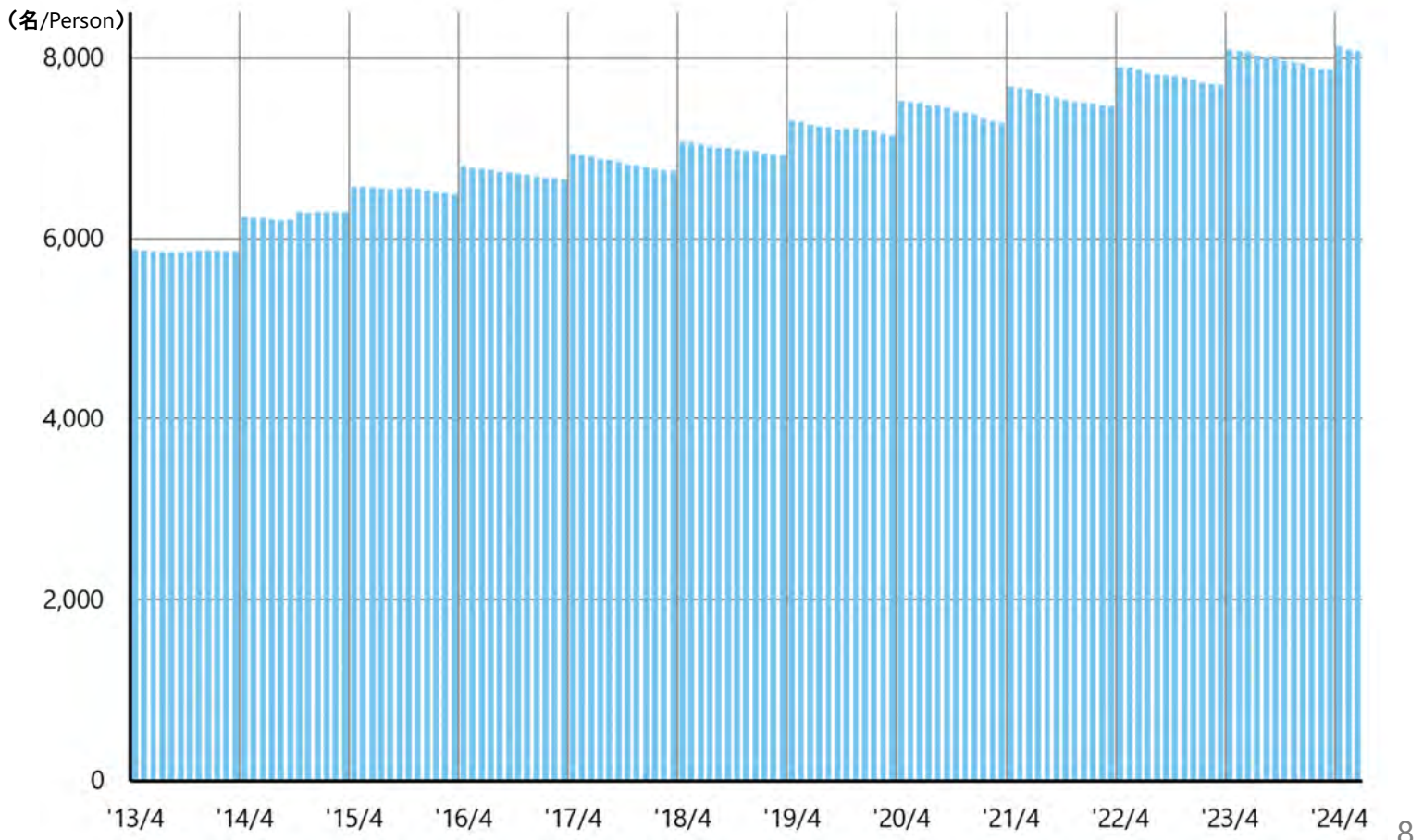
(Fractions of one million yen are rounded down)	1Q ended June. 30, 2023	1Q ended June. 30, 2024	YoY Amount	% Change	Initial Forecast for 2Q, announced on May 2024	% Change
Net sales	8,184	8,842	+657	+8.0%	17,600	50.2%
Operating profit	624	869	+244	+39.2%	1,550	56.1%
Operating profit margins	7.6%	9.8%	+2.2%		8.8%	
Ordinary profit	624	869	+245	+39.2%	1,550	56.1%
Profit	429	598	+169	+39.4%	1,050	57.0%
Utilization ratio (Company-wide)	90.6%	93.5%	+2.9%		94.7%	
Working Hours <h/day>	8.19	8.21	+0.02	+0.2%	8.14	
Number of Engineers	4,517	4,612	+95	+2.1%		

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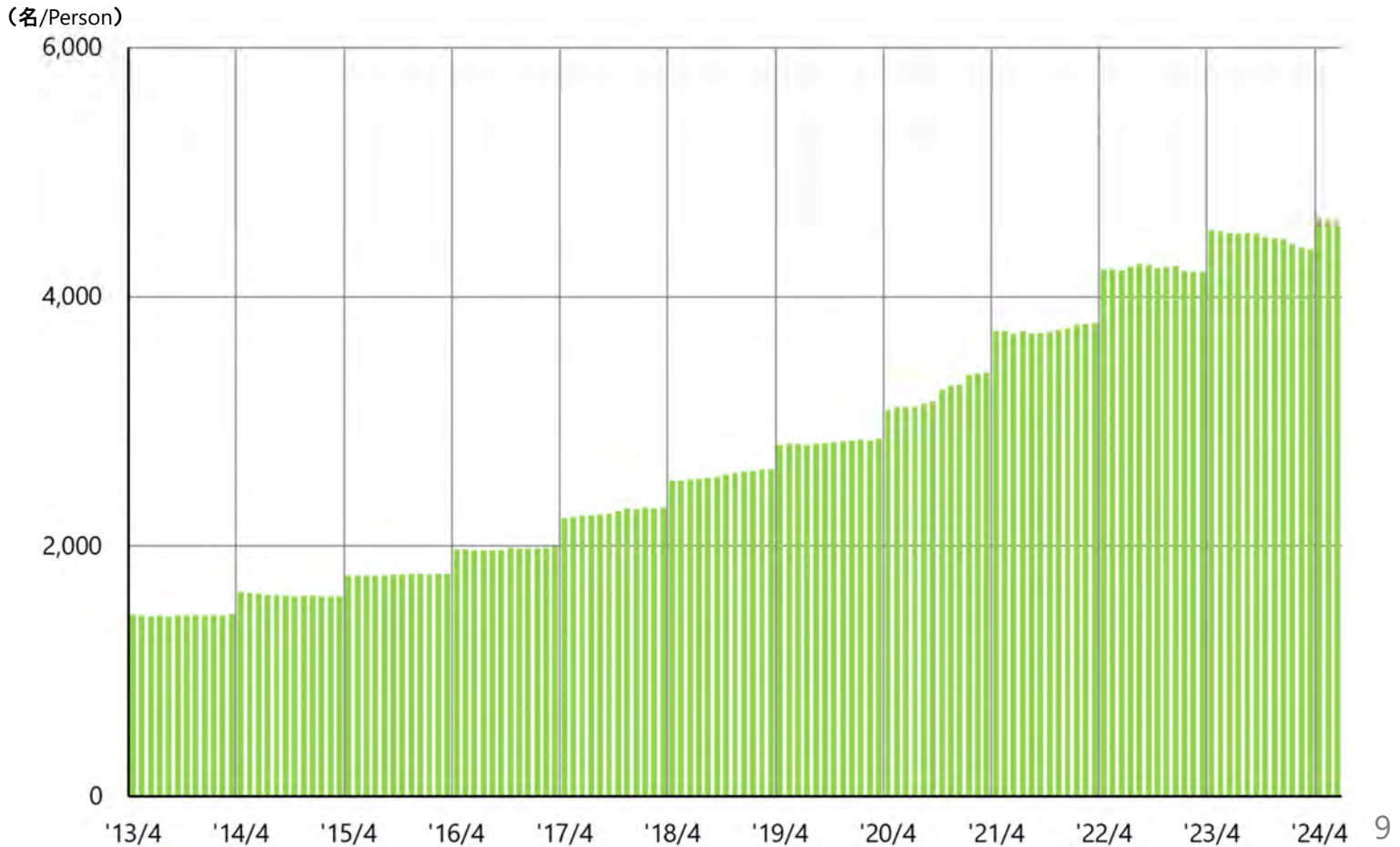
# Number of Engineers (Group Consolidated)



# Number of Engineers (MEITEC)



# Number of Engineers (MEITEC Fielders)



## Status of Recruitment and Hiring Target

(Person)	Meitec			Meitec Fielders			2 group companies		
	Total	New Graduates	Mid-career	Total	New Graduates	Mid-career	Total	New Graduates	Mid-career
FY2025		Target		Target			Target		
April 2025		500		400			900		
YoY		+171		+98			+269		
Target comparison									
FY2024	Target	Actual	Target	Target	Actual	Target	Target	Actual	Target
April 2024	629	329	300	902	302	600	1,531	631	900
YoY	(44)	(130)	+86	+72	(63)	+135	+28	(193)	+221
Target comparison		(171)		(148)			(319)		
FY2023	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
April 2023	673	459	214	830	365	465	1,503	824	679
YoY	(26)	(15)	(11)	(178)	(46)	(132)	(204)	(61)	(143)
Target comparison	(47)	(21)	(26)	(170)	(35)	(135)	(217)	(56)	(161)

**April 2024 New Graduate Hiring Results :Meitec**

- There has been an extraordinarily strong corporate appetite for hiring new graduates, and with recruitment activities beginning earlier and lasting longer, new graduate hiring proved difficult.
- Although we missed our target for the number of new engineers joining the Company, we maintained the approach that our hiring standards must be maintained.

**April 2024 New Graduate Hiring Results :Meitec Fielders**

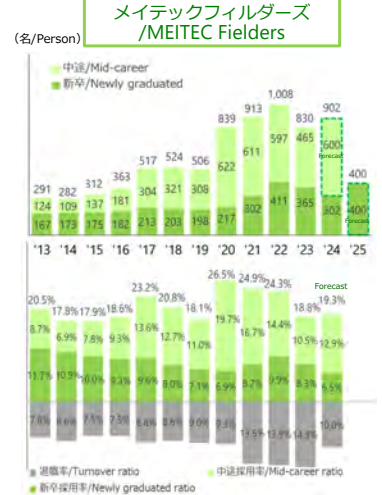
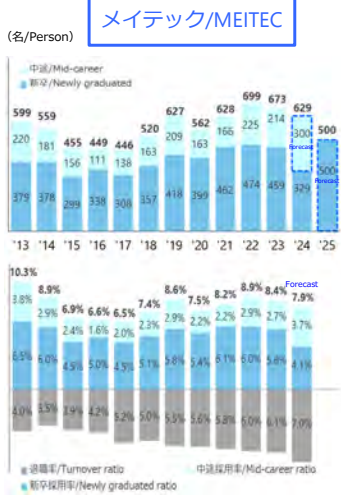
- Against the backdrop of an extraordinarily strong appetite for new graduate hiring, we believe that we have been impacted by competitors lowering their hiring standards to prioritize securing hiring numbers.
- This, combined with the difficulty posed by recruitment activities beginning earlier and lasting longer, led the number of new engineers joining the Company to fall below targets.

**April 2025 New Graduate Hiring Targets :Meitec**

- Compared to the previous year, students are receiving more job offers earlier, and we are aware that the job offer rate to new graduates is already high.
- Compared to the previous year, refusals of job offers are coming earlier as students feel pressured to accept offers.
- We aim to increase the number of students who accept job offers through differentiation and concentration.
- We will quickly implement measures to limit job refusals.

**April 2025 New Graduate Hiring Targets :Meitec Fielders**

- Middle-zone students are continuing to pursue job hunting activities actively.
- We will work to increase the quantity and quality of relationships with students and to increase the number of new graduates accepting job offers.



**Mid-career Hiring Results: Meitec**

- In a challenging hiring environment with a persistently high openings-to-applicants ratio, the number of mid-career hires was on a par with the previous fiscal year.
- We maintained our hiring standards to maintain our high added value.

**Mid-career Hiring Results: Meitec Fielders**

- We have been impacted by companies that had limited themselves to the high-end in the past and are now encroaching on the middle zone and lowering their hiring standards.
- Although we maintained our hiring standards, there are areas for improvement in the flexibility of our differentiation policies, etc.

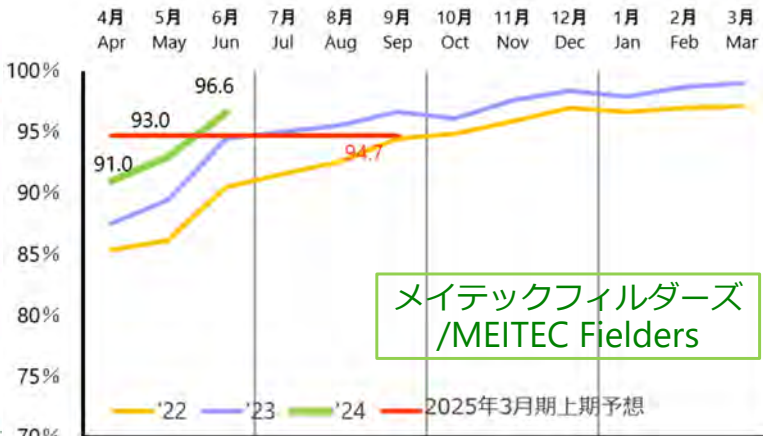
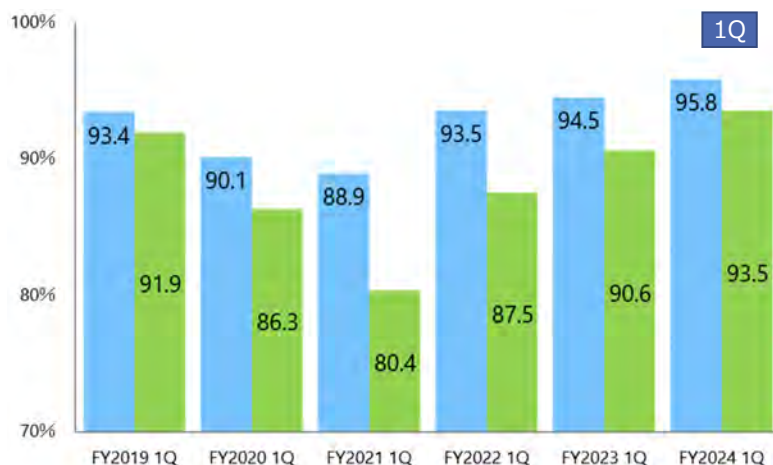
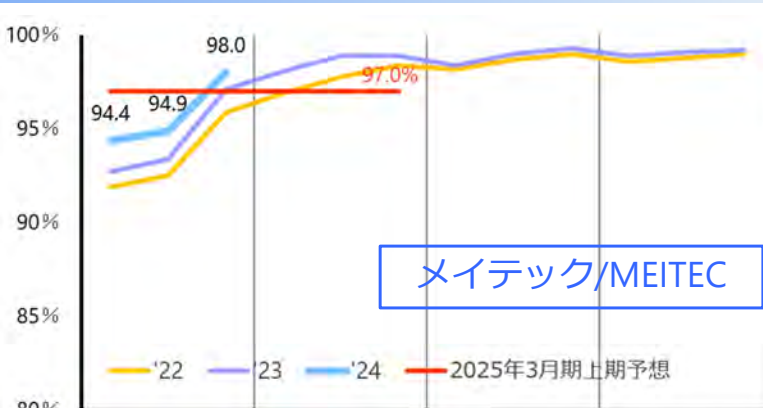
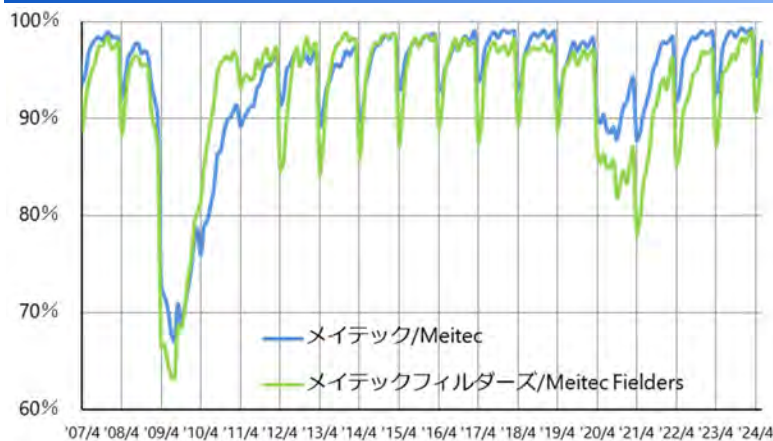
**Mid-career Hiring Targets: Meitec**

- Even with many companies loosening their hiring standards, we are still seeing large-scale personnel restructuring.
- We aim to maintain our hiring standards, to create appeal for the significance of working as a lifetime professional engineer with high-level, broad-based technologies and skills, and to achieve our high hiring targets.

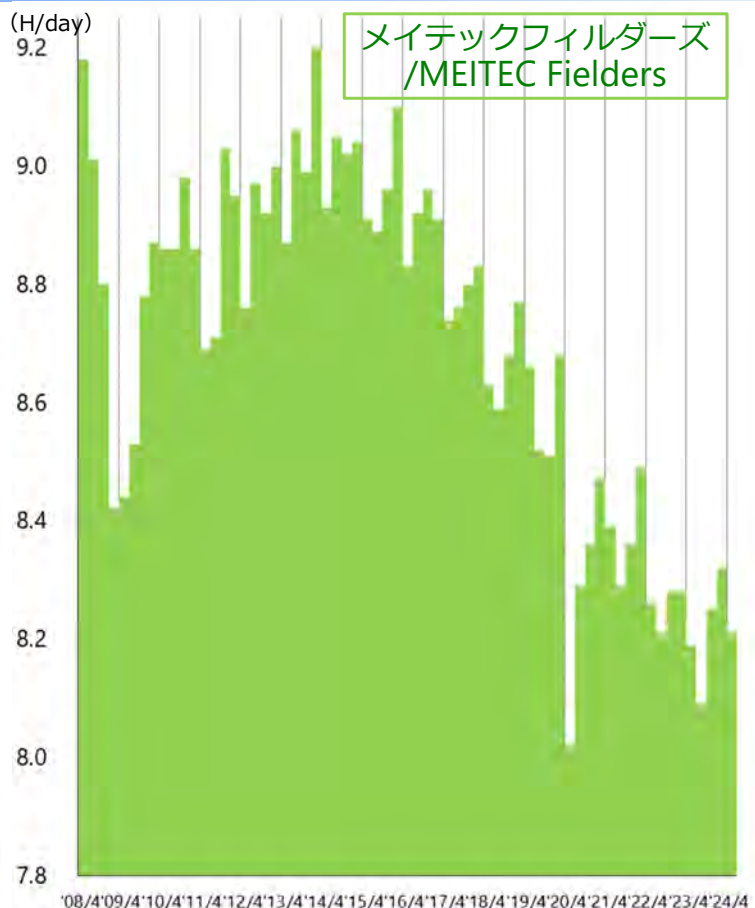
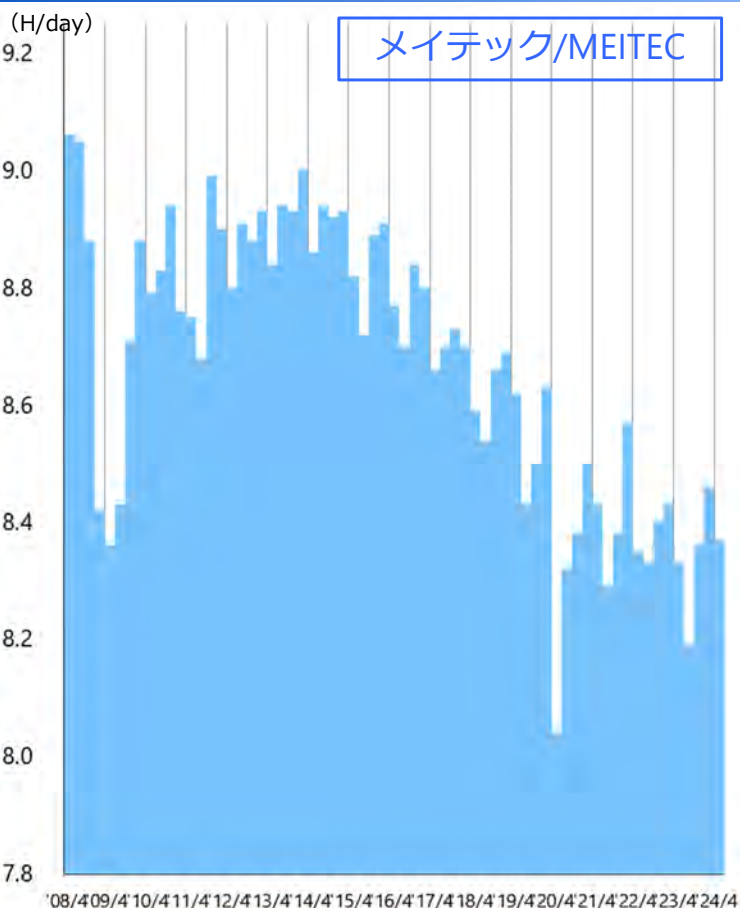
**Mid-career Hiring Targets: Meitec Fielders**

- Considering the level of turnover ratio, we will maintain our hiring standards.
- We would like to continue to implement flexible differentiation policies dynamically.
- From the hiring targets announced by competitors, the market seems in disarray, which is cause for concern.

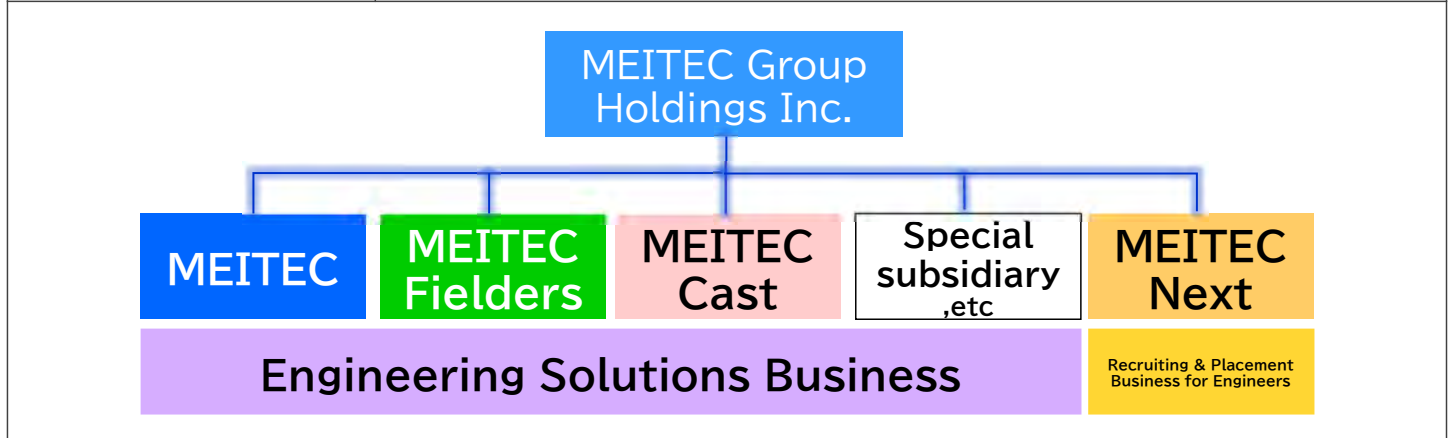
# Utilization Ratio



# Working Hours



<b>Company Name</b>	<b>MEITEC Group Holdings Inc.</b>
<b>Tokyo Headquarters</b>	<b>Taito-ku, Tokyo</b>
<b>Atsugi Headquarters</b>	<b>Atsugi, Kanagawa</b>
<b>Stock listings</b>	<b>Tokyo Stock Exchange, Prime Market(No. 9744)</b>
<b>Incorporated</b>	<b>July 17, 1974</b>



## Disclaimer regarding forward-looking statements

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable.

Actual results may therefore differ materially from these statements for various reasons.

Some important factors that might have an effect on business performance pertain to Business Risks stated in the Company's annual securities report and other information already released, but factors influencing business performance are not limited to those released.

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