

# Results for the Fiscal Year Ended March 31, 2014

May 8, 2014

**MEITEC CORPORATION**



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# 1. Message from the Group CEO



## Message from the Group CEO

**As a leading company group committed to creating value on people and technology, the Meitec Group aspires to be a “**brand name that will stay brilliant even after 30 years**”**

Meitec commemorates its

**40 th  
Anniversary**

Established  
July 1974

◆ No matter how the environment changes in the future, our companies will survive and achieve **sustainable business growth**.

◆ Meitec will further **gain the trust and sympathy** from society by continuing to pursue improvements in the value of the ideal state.

## 2. Results for the Fiscal Year Ended March 31, 2014



### MEITEC Results for the Fiscal Year Ended March 31, 2014 (Group Consolidate)

- ✓ As many leading manufacturers continued their investments in technological development, the professional staffing business for engineers drove results. Net sales were up 6.5% year-on-year and operating income up 9.8%.
- ✓ Net income decreased since the effect of the drop in tax expenses of the previous term disappeared and returned to normal levels.

<b>Group Consolidated</b> (Millions of yen)	FY ended March 31, 2013	FY ended March 31, 2014	YoY Amount	% Change	Past Forecasts	% Change
Net sales	70,330	74,906	+4,575	+6.5%	73,500	+1,406
Cost of sales	51,639	55,370	+3,731	+7.2%		
Cost of sales to Net sales	73.4%	73.9%	+0.5%			
SG&A Expenses	12,337	12,556	+218	+1.8%		
Operating income	6,354	6,979	+625	+9.8%	6,400	+579
Operating income margins	9.0%	9.3%	+0.3%			
Ordinary income	6,427	6,978	+550	+8.6%	6,400	+578
Extraordinary income & loss	(156)	(145)	+10			
Income before income taxes and minority interests	6,270	6,832	+561	+9.0%		
Net income	5,993	3,973	(2,019)	(33.7%)	4,000	(27)
Net income margins	8.5%	5.3%	(3.2%)			
Return on Equity (ROE)	15.9%	10.7%	(5.2%)			
Ordinary income to total assets ratio	11.1%	11.7%	+0.6%			

## Results for the Fiscal Year Ended March 31, 2014 (Business Domain)

- ✓ The professional staffing business for engineers, which accounts for more than 90% of consolidated net sales, drove results, while the recruiting & placement business focusing on engineers also saw increases in both sales and profit.
- ✓ Given that the global business has been integrated into the recruiting & placement business effective this fiscal year, we have changed the business structure to three business segments

Business Domains (Millions of yen)	FY ended March 31, 2013	FY ended March 31, 2014	YoY Amount	% Change
Sales of Staffing Business	67,281	71,587	+4,305	+6.4%
Component ratio	95.7%	95.6%	(0.1%)	
Operating income	6,144	6,687	+543	+8.8%
Sales of Engineering Solutions Business	2,660	2,790	+129	+4.9%
Component ratio	3.8%	3.7%	(0.1%)	
Operating income	87	94	+6	+7.3%
Sales of Global Business	69	84	+15	+21.8%
Component ratio	0.1%	0.1%	+0.0%	
Operating income	(59)	(100)	(40)	—
Sales of Recruiting & Placement Business	739	927	+188	+25.5%
Component ratio	1.0%	1.2%	+0.2%	
Operating income	176	284	+107	+60.9%

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## Results for the Fiscal Year Ended March 31, 2014 (Meitec)

- ✓ Due to the increase in the number of engineers assigned to clients, net sales rose by 5.5% year-on-year and operating income by 6.5%.
- ✓ Net income decreased due to the restoration of tax expenses, extraordinary losses following the closure of the China education business, among other factors.

Meitec (Millions of yen)	FY ended March 31, 2013	FY ended March 31, 2014	YoY Amount	% Change	Past Forecasts	% Change
Net sales	55,822	58,876	+3,053	+5.5%	58,000	+876
Cost of sales	41,240	43,742	+2,501	+6.1%		
Cost of sales to net sales	73.9%	74.3%	+0.4%			
SG&A Expenses	9,179	9,382	+203	+2.2%		
Operating income	5,402	5,751	+349	+6.5%	5,400	+351
Operating income margins	9.7%	9.8%	+0.1%			
Ordinary income	5,698	6,149	+450	+7.9%	5,800	+349
Extraordinary income & loss	233	(372)	(606)			
Income before income taxes and minority interests	5,932	5,776	(155)	(2.6%)		
Net income	6,056	3,425	(2,630)	(43.4%)	3,600	(175)
Utilization ratio (Company-wide)	95.4%	94.7%	(0.7%)		94.5%	+0.2%
Working Hours〈h/day〉	8.88	8.93	+0.05	+0.6%	8.90	+0.03
Number of Recruitment	405	599	+194	+47.9%	629	(30)
Newly graduated	220	379	+159	+72.3%	379	—
Mid-career	185	220	+35	+18.9%	250	(30)
Turnover Ratio	4.9%	4.0%	(0.9%)		6.0%	(2.0%)
Number of Engineers as Period-End	5,510	5,860	+350	+6.4%		

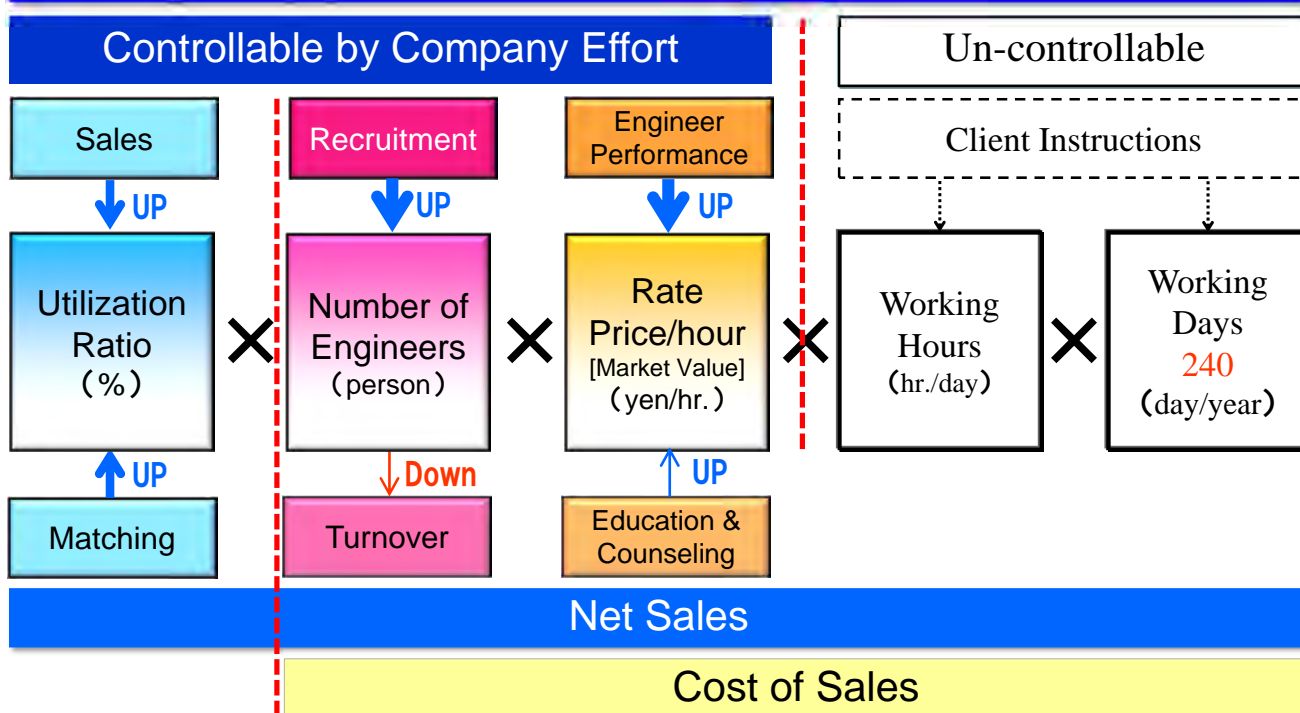
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- ✓ Due to the increase in the number of engineers assigned to clients, net sales rose by 13.2% year-on-year and operating income by 32.0%.
- ✓ Net sales and net income exceeded 10 billion yen and 400 million yen, respectively

<b>Meitec Fielders</b> (Millions of yen)	FY ended March 31, 2013	FY ended March 31, 2014	YoY Amount	% Change	Past Forecasts	% Change
Net sales	9,349	10,587	+1,238	+13.2%	10,000	+587
Cost of sales	7,061	8,084	+1,023	+14.5%		
Cost of sales to net sales	75.5%	76.4%	+0.8%			
SG&A Expenses	1,639	1,646	+7	+0.4%		
Operating income	648	856	+207	+32.0%	750	+106
Operating income margins	6.9%	8.1%	+1.2%			
Ordinary income	651	841	+190	+29.2%	750	+91
Extraordinary income & loss	0	0	—			
Income before income taxes and minority interests	651	841	+190	+29.2%		
Net income	378	483	+104	+27.6%	450	+33
Utilization ratio (Company-wide)	94.1%	95.2%	+1.1%		94.0%	+1.2%
Working Hours (h/day)	8.92	9.03	+0.11	+1.2%	8.96	+0.07
The number of Recruitment	270	291	+21	+7.8%	292	(1)
Newly graduated	169	167	(2)	(1.2%)	167	—
Mid-career	101	124	+23	+22.8%	125	(1)
Turnover Ratio	10.4%	7.8%	(2.6%)		11.0%	(3.2%)
Number of Engineers as Period-End	1,290	1,460	+170	+13.2%		

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- ✓ Increase the number of engineers and sustain and improve the high "utilization ratio and prices" is the key to a growth in professional staffing business for engineers of indefinite and regular employment

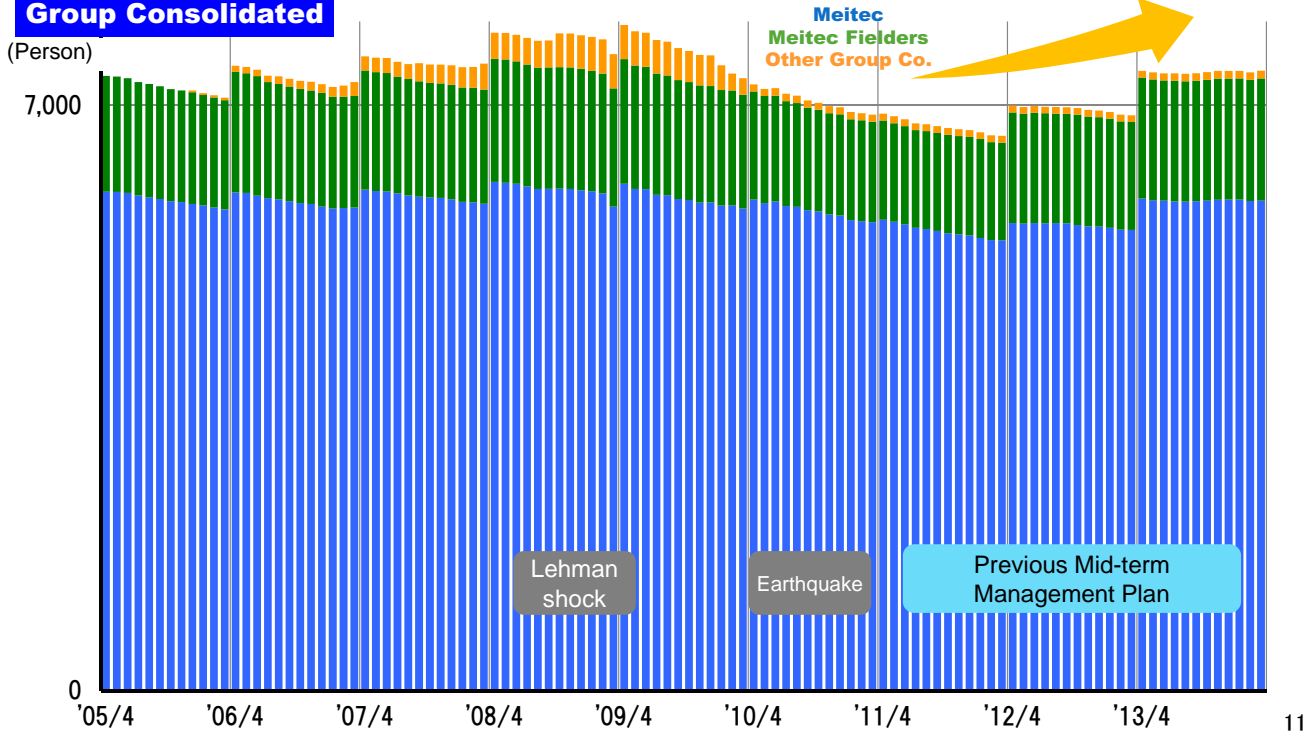


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## Number of Engineers (Group Consolidated)

✓ Target for the previous Mid-term Management Plan was to recover to a level of before the Lehman Shock, and emphasized on increasing the employee → cumulatively, number of mid-career hire did not meet the target (intentional control due to earthquake, European economic crisis, etc.)

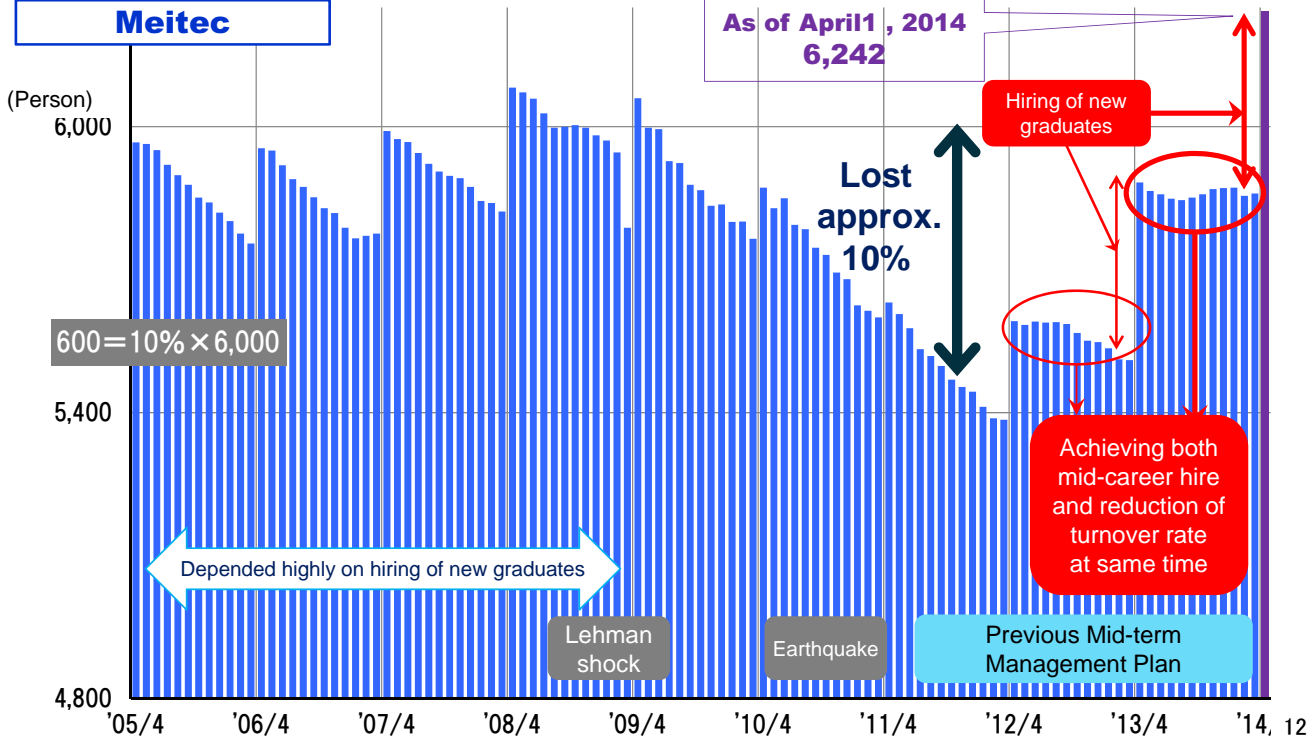
### Group Consolidated



## Number of Engineers (Meitec)

✓ Although efforts were made to achieving both strengthening the recruiting capability and reduction of turnover rate at same time, could not reach 6,000 engineers. → But, by 378 new graduates joining on April 2014, We have started the new fiscal year with largest number of engineer in history.

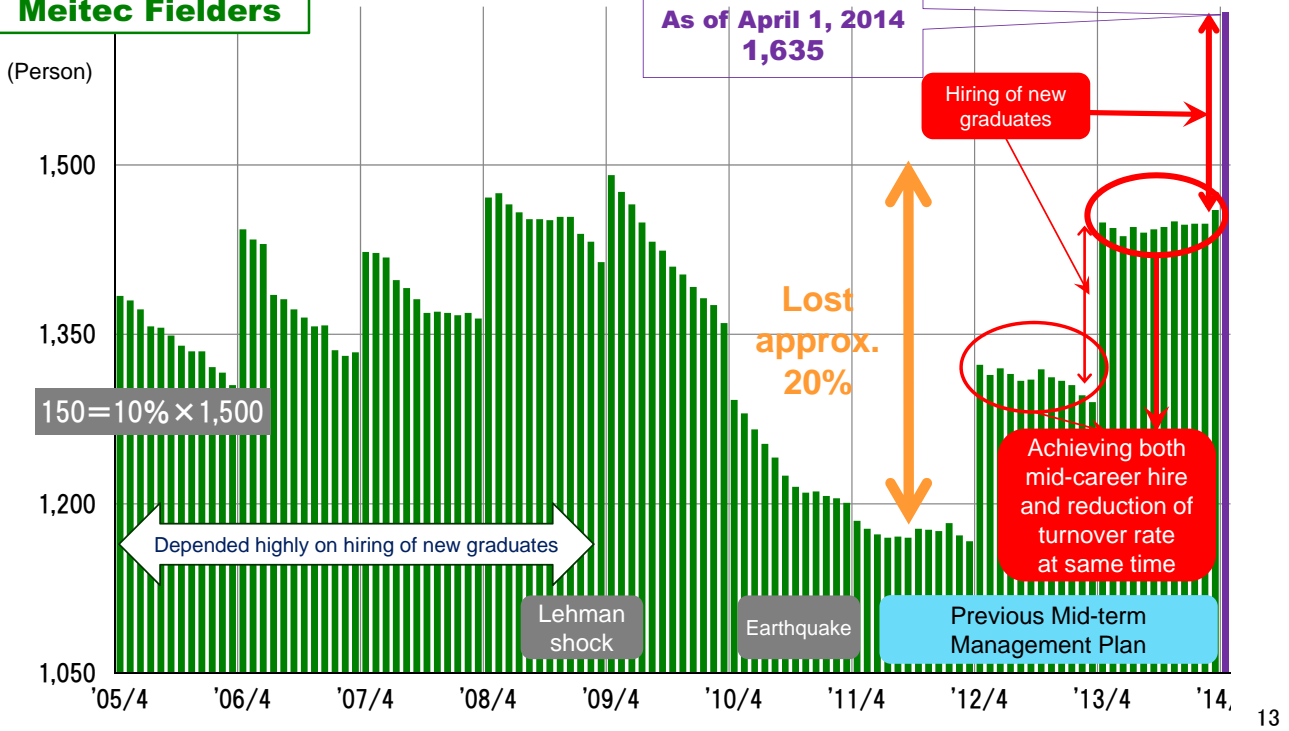
### Meitec



# Number of Engineers (Meitec Fielders)

✓ Lost about 20% by the natural attrition, but recovered nearly to the past highest position by the previous Mid-term Management Plan. → And by 173 new graduates joining on April 2014, we started the new fiscal year with 1,635, a highest number of engineers in past.

## Meitec Fielders

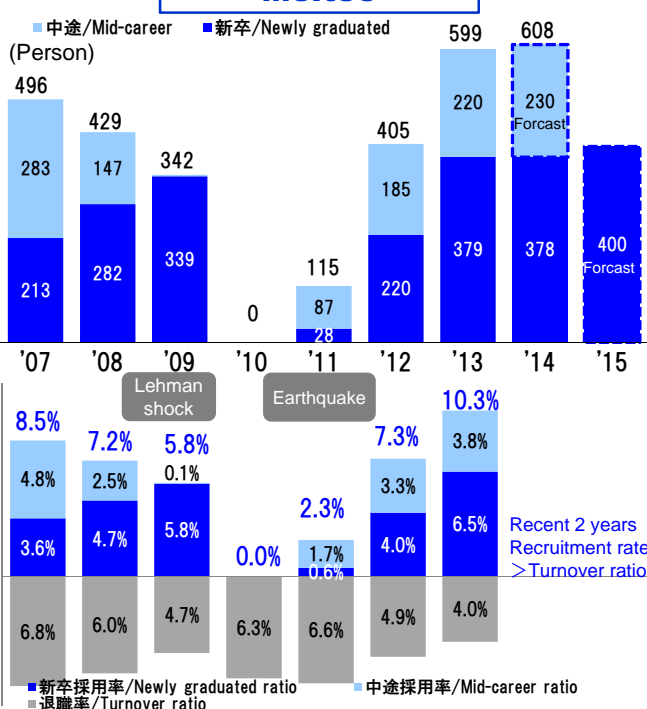


# Recruitment and Turnover

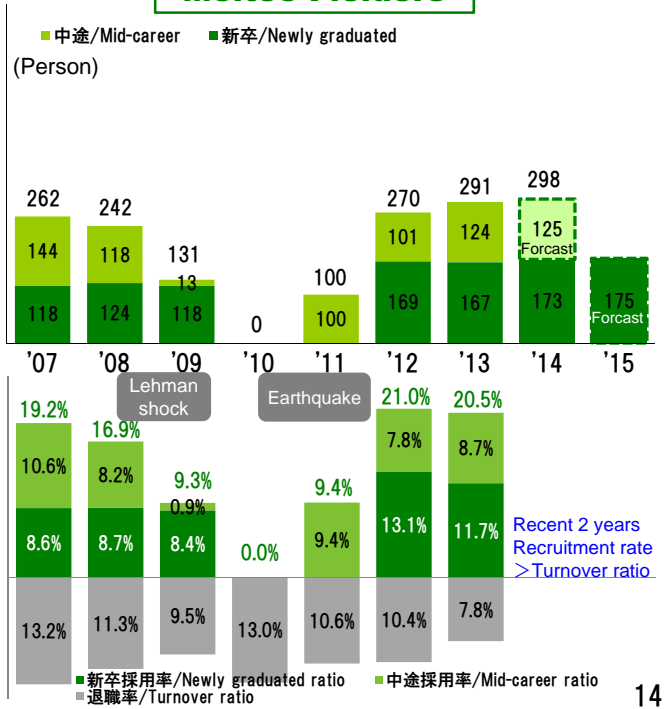
✓ In the previous mid-term plan, the “new graduates + mid-career” recruiting ability was steadily enhanced, at the same time turnover rates also dropped.

✓ In the past: recruitment rate = turnover rate → in the last two years: recruitment rate > turnover rate: a steady increase

## Meitec



## Meitec Fielders

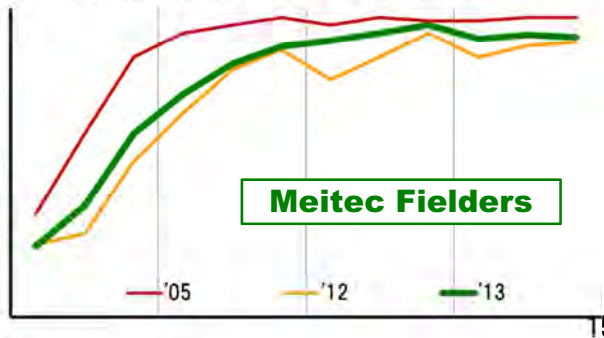
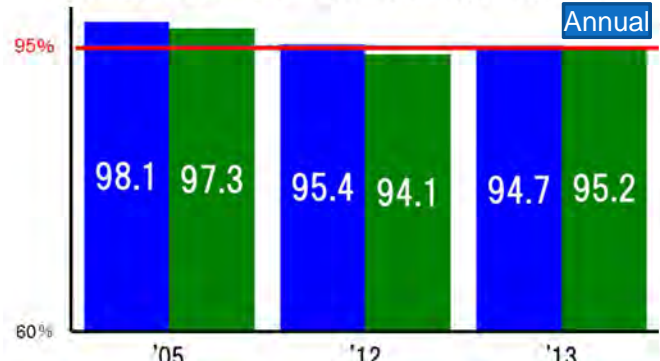
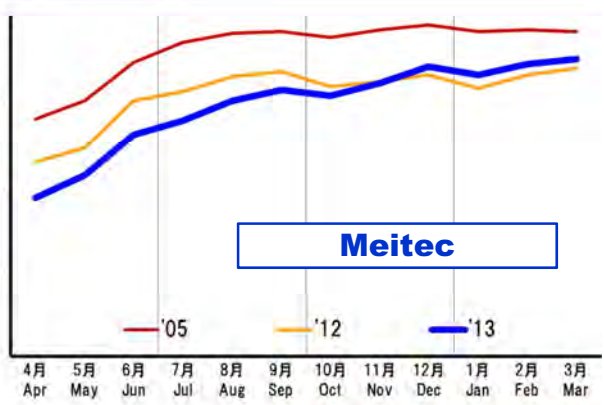
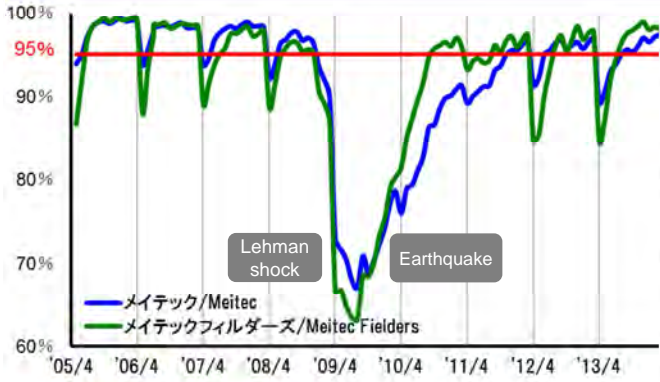




# Utilization Ratio

✓ Although the utilization rate falls short of the past peak due to an increase in recruits, a high level has been maintained.

\*The increase in recruits has exerted a downward pressure on utilization rates (there has been year-round downward pressure from mid-career recruitment) → early assignment is key.



# Number of Engineers Assigned to the Clients (Key factor of Sales)

✓ The number of engineers assigned to clients has steadily risen due to the combination of an “increase in the number of engineer” by aggressive recruitment and the “maintenance of high utilization ratio” by obtaining orders and early assignment.

## Meitec

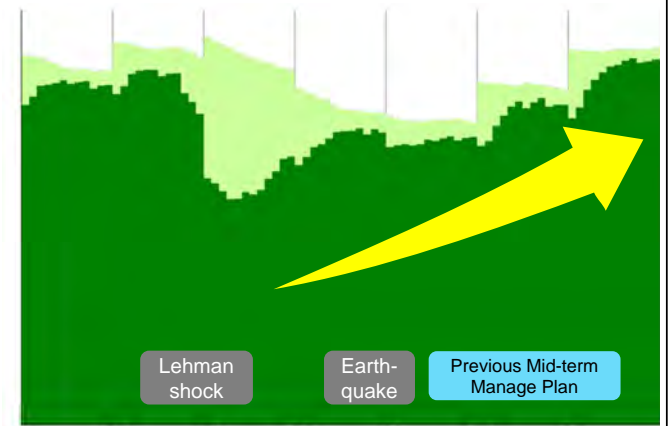
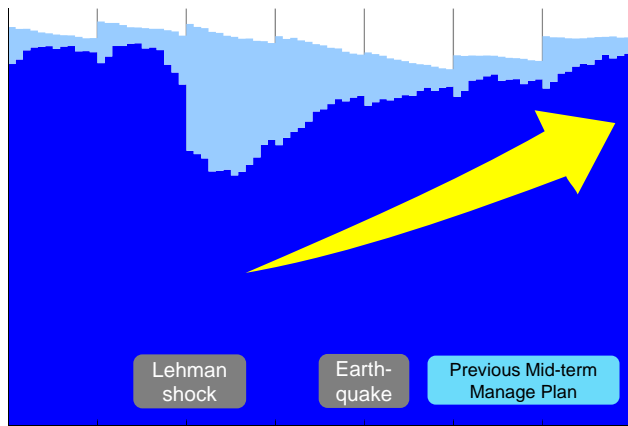
Growth rate of number of engineers (+6.4% compared to previous year) was more than decreasing rate of annual utilization ratio (-0.7% compared to previous year), and number of engineers assigned to the clients had increased.

In the course of actively hiring, utilization rate may reduced in the short term.

## Meitec Fielders

By achieving both growth rate in increase of number of engineers (+13.2% compared to previous year) and improvement in annual utilization ratio (+1.1% compared to previous year), number of engineers assigned to the clients had largely increased.

But, in the course of actively hiring, there is a possibility that utilization rate may reduced in the short term.



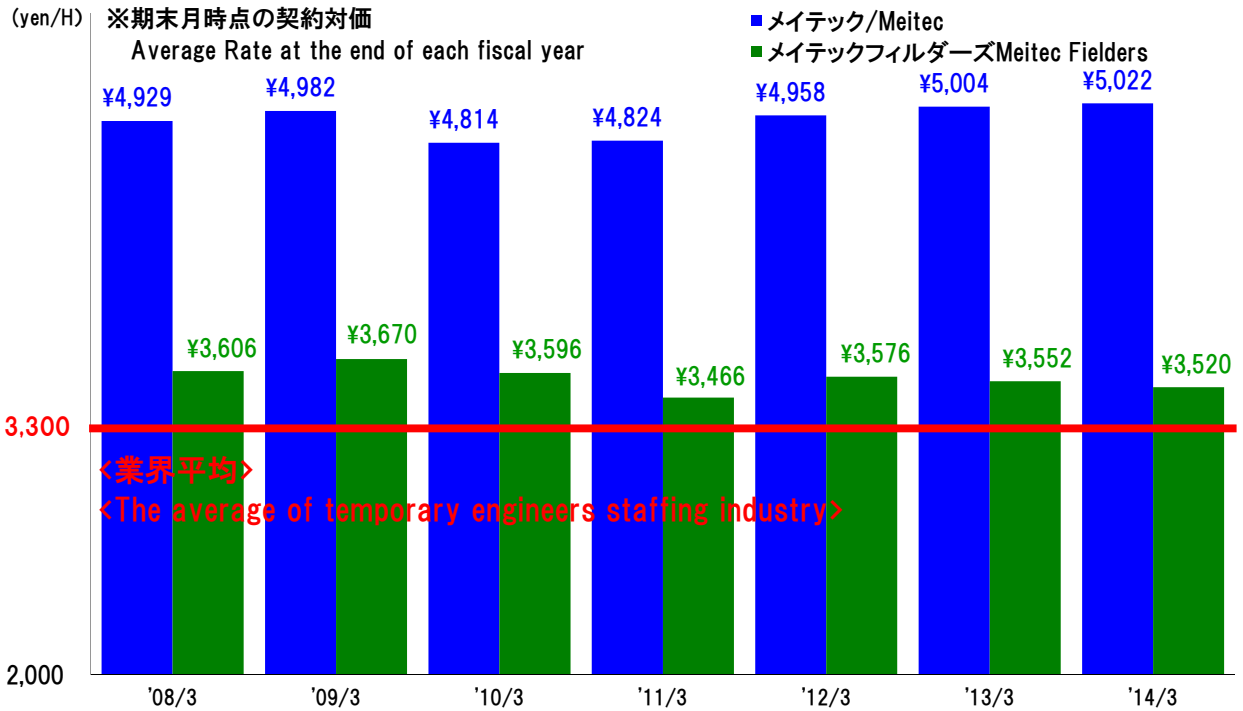
■ 稼働エンジニア/Number of engineers assigned to the clients ■ 未稼働エンジニア/Unassigned

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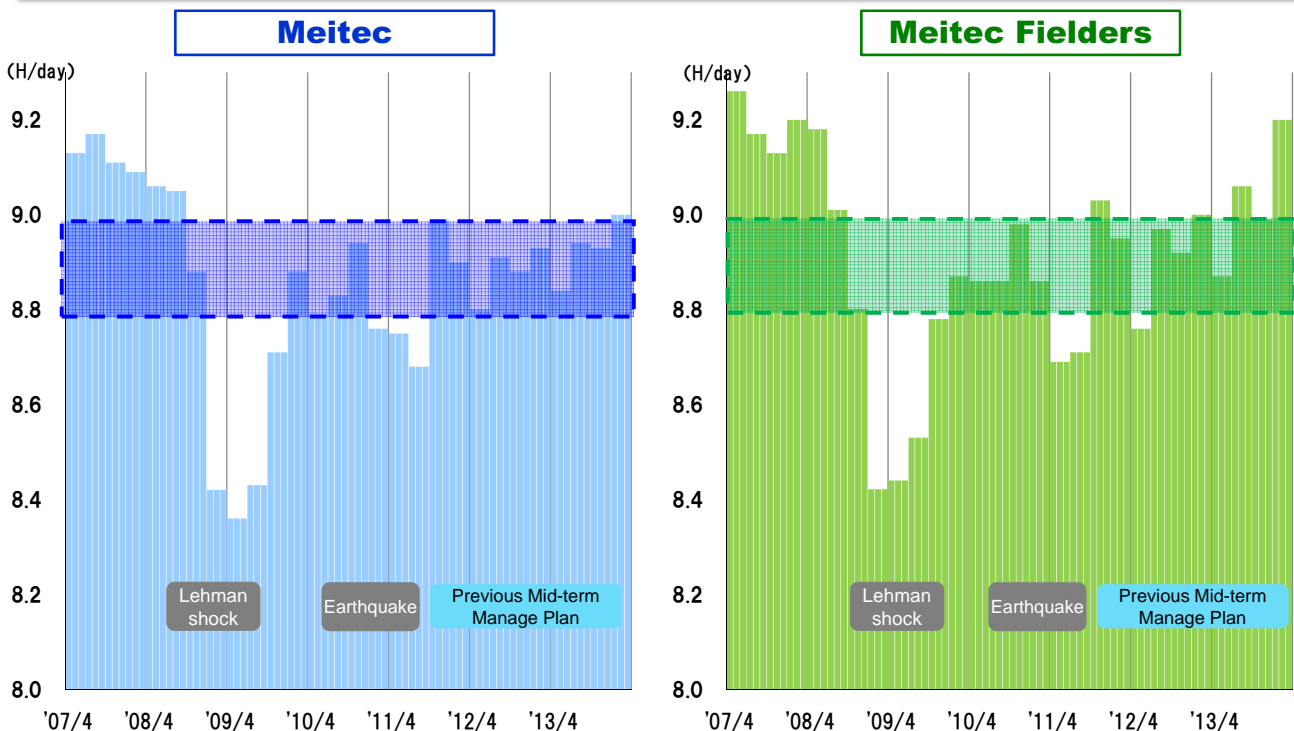
# Trend in Average Rate = (Market Value)

- ✓ Each engineer raises the value of his/her performances, helping clients' understand the value.
- We will continue to make efforts to "obtain appropriate compensation" based on market value.



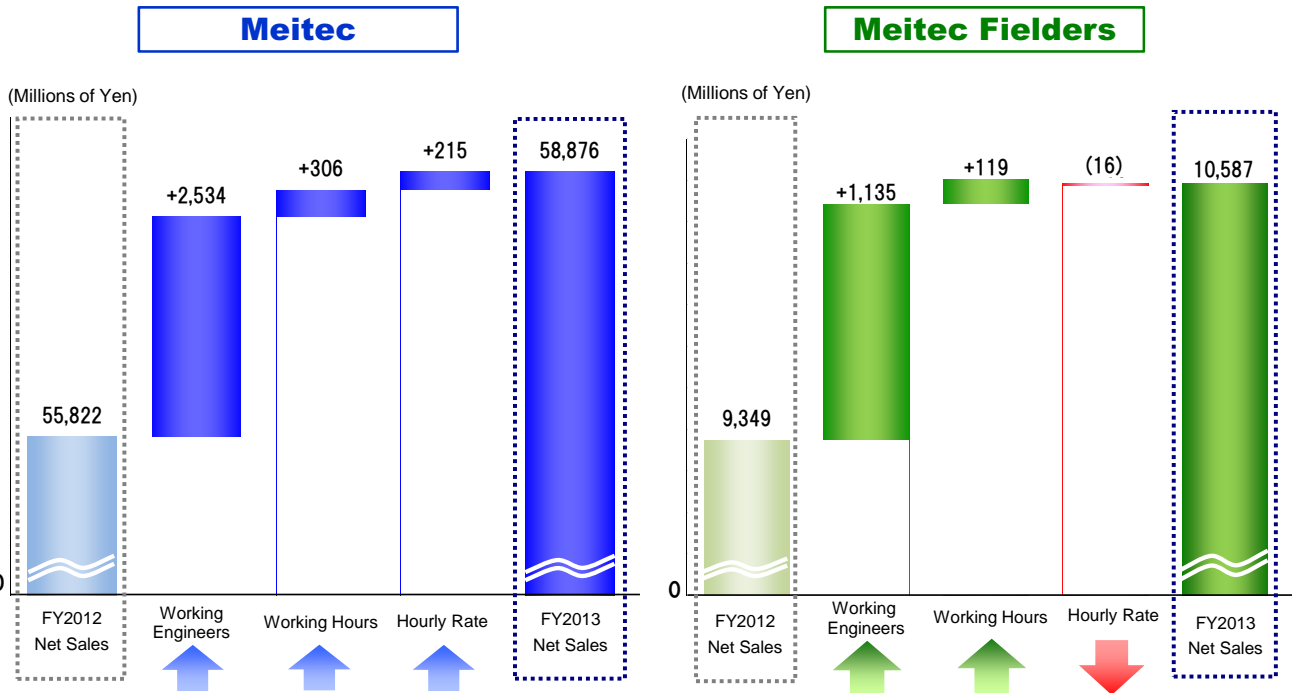
# Working Hours

- ✓ Clients' cost control trends have not changed. Working hours of Meitec engineers have remained steady at 8.8–9.0 hours/day. ※Uncontrollable by Meitec



# Comparison of Net Income

✓ Main reason for the increase in net sales was the “increase in engineer assigned to clients” for both Meitec and Meitec Fielders.



# Top 10 Clients by Sales

✓ The top 10 clients for Meitec are as below.

※Due to confidentiality reasons we refrain from disclosing specific figures.

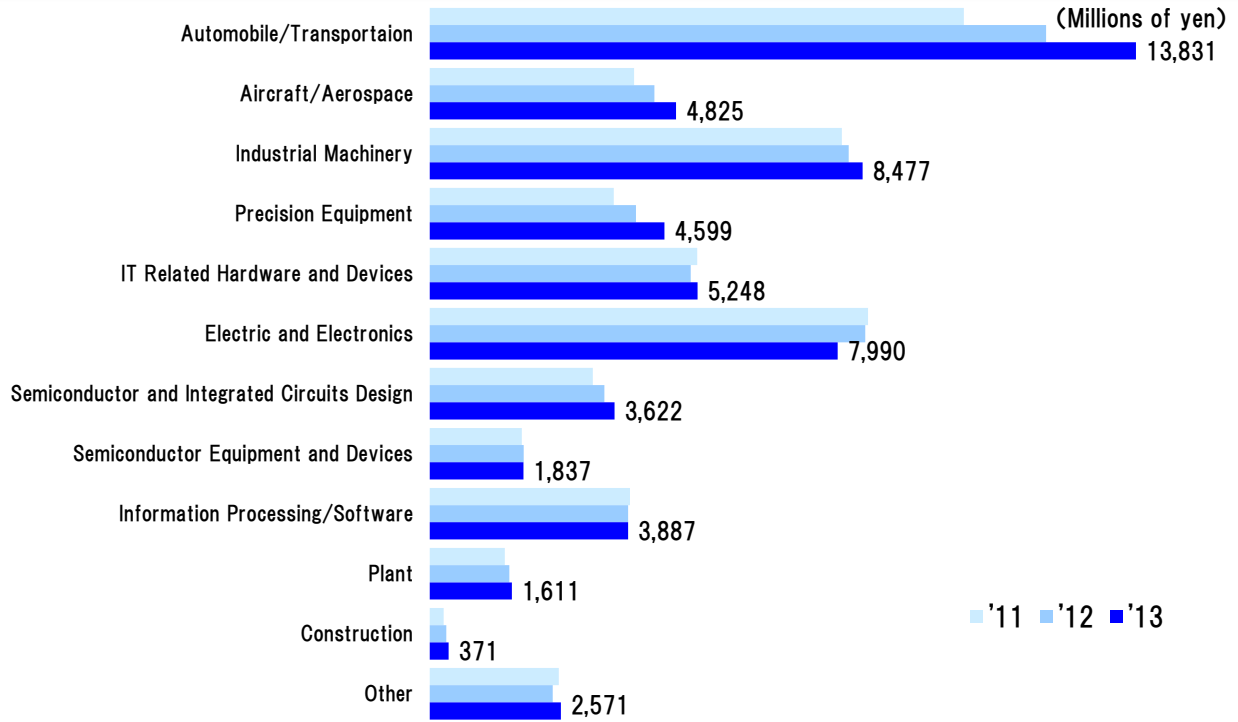
(Millions of yen)

FY2008			FY2012			FY2013		
1	Panasonic		1	Mitsubishi Heavy Industries		1	Mitsubishi Heavy Industries	
2	Canon		2	Nikon		2	Denso	
3	Sony		3	Panasonic		3	Canon	
4	Mitsubishi Heavy Industries		4	Denso		4	Nikon	
5	Denso		5	Canon		5	Panasonic	
6	Nikon		6	Toyota Motor		6	Toyota Motor	
7	Omron		7	Sony		7	Kawasaki Heavy Industries	
8	Toyota Motor		8	Kawasaki Heavy Industries		8	Sony	
9	Seiko Epson		9	Toshiba		9	Omron	
10	Yazaki Parts		10	Omron		10	Toshiba	
Top 10 Total	20,610	34.1%	Top 10 Total	16,153	28.9%	Top 10 Total	16,342	27.8%
Top 20 Total	27,096	44.8%	Top 20 Total	22,239	39.8%	Top 20 Total	22,708	38.6%
Others	33,361	55.2%	Others	33,583	60.2%	Others	36,168	61.4%
Total	60,457	100.0%	Total	55,822	100.0%	Total	58,876	100.0%

# Sales by the Industrial Segments

✓ Sales by the industrial segment for Meitec are as below.

※Figures are stated in p.62. From a confidentiality perspective, we refrain from disclosing the breakdown and outlook by clients.

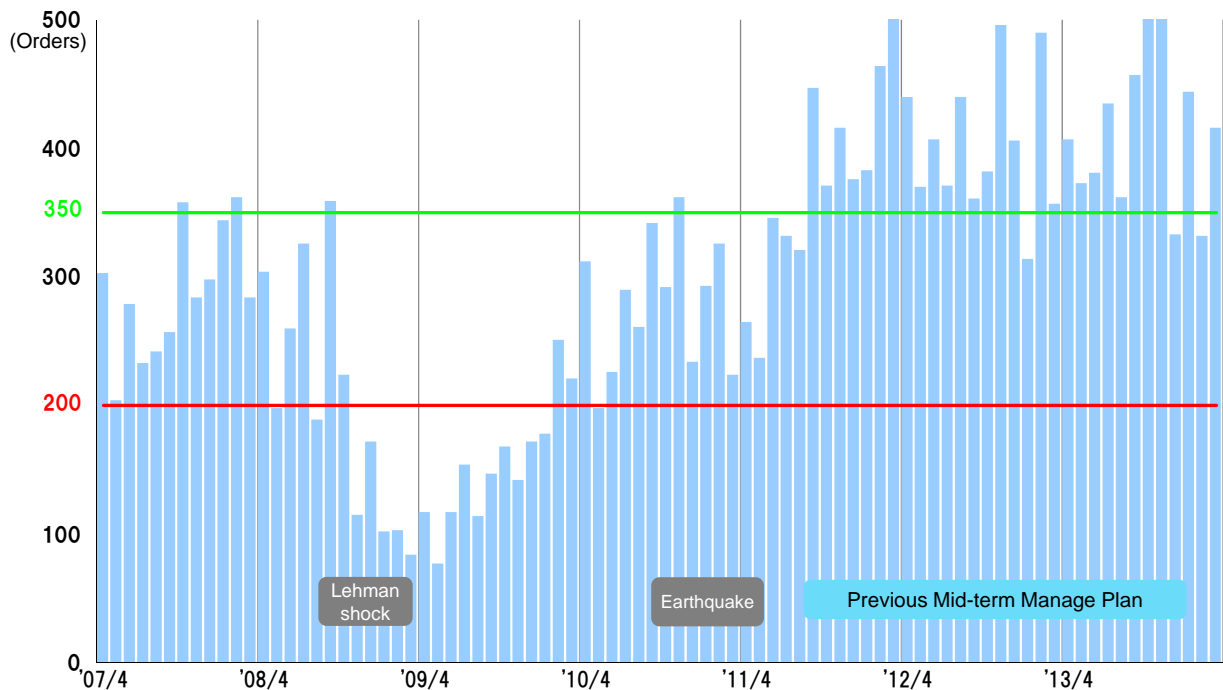


# Trend in New Orders by Month

✓ Number of new orders for Meitec exceed 350 per month, which we consider robust.

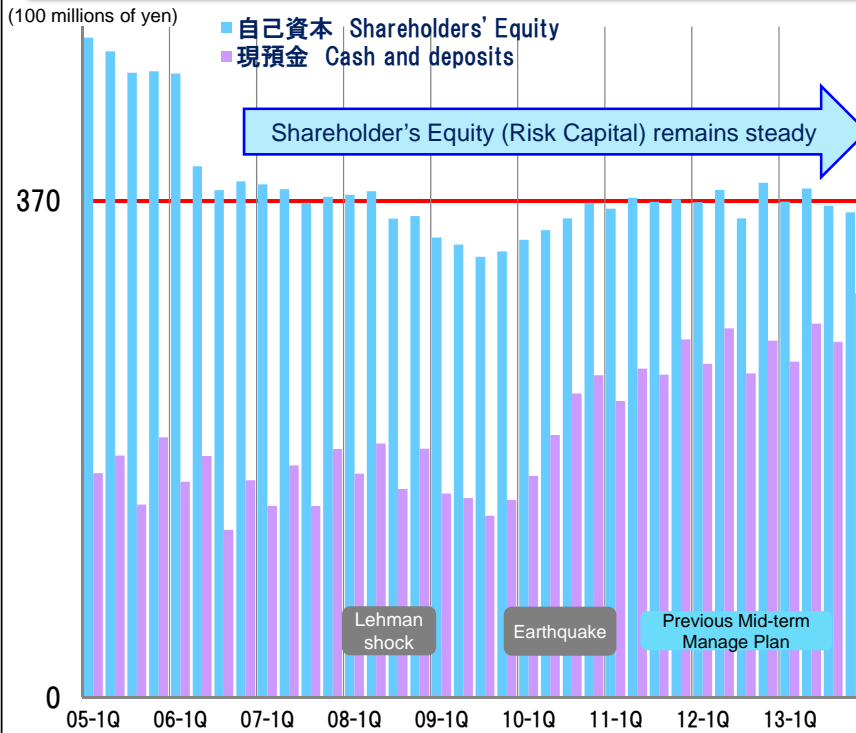
※From a confidentiality perspective, we refrain from disclosing the breakdown of new orders (industry, client, etc.).

## Meitec



# Shareholder's Equity and Cash and Deposit

- ✓ By continuing the profit distribution according to the current policy, sustain 37 billion yen of shareholder's equity
- ✓ Prioritize the improvement of "quality and quantities" of the current level of shareholder's equity in consideration of future growth target.



- Protecting employment of engineers under economic crisis is essential for sustainable growth for indefinite employment engineer staffing business.  
→ Engineers can continue to concentrate on brushing up their own career under assumption of stable employment.
- With consideration of remaining fund, prioritize the "improvement of "quality and quantity" of the shareholders equity" which would lead to the safeness of finance.

## 3. New Mid-term Management Plan

# Review of the Previous Mid-term Management Plan

- ✓ Qualitative goal of the Mid-term Management Plan, building stronger business base, for recent three years were mostly achieved.
- ✓ In new Mid-term Management Plan, higher target for the sales and income are set.

FY2003

FY2004~2006

FY2007

FY2008

FY2009

FY2010

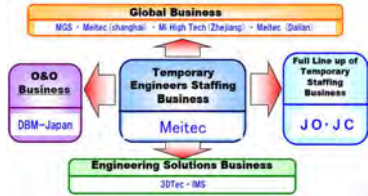
FY2011

FY2012

FY2013

## 5yr Plan: Global Vision21

Meitec Group's Business Domain Expansion Strategy



Strategy for expanding the group's business domains through utilization of Meitec's brand name, engineer resources and marketing channels.

### Group Target for FY2007

Net Sales: 100 billion Yen  
Operating Income Margin: 15%  
ROE: 15%

### Results of FY2007

Net Sales: 82.1 billion yen  
Operating Income Margin: 13.8%  
ROE: 13.1%

## 3yr Plan: True Global Vision21

<Growth Targets for True Global Vision 21>



### Group Target for FY2010

Net Sales: 100 billion Yen  
Operating Income: 14 billion yen ± 1 bln yen

Feb. 2009

In order to concentrate our effort to overcome the crisis of 2009, we have frozen all the strategies of the True Global Vision 21, our long term business plan, including the growth target of building 10,000 workforce for group and 100 billion yen group sales.

## 3yr Plan: "Co-creation 21"

① Sales and Profit Target

<Fiscal Year Ending March 2014>

- Consolidated Sales: over 77,000 million yen (over 73,500 million yen)
- Non-consolidated sales to be recovered to the level before the Lehman Shock (over 58,000 million yen)
- Consolidated Operating Income: over 7,500 million yen (over 6,400 million yen)
- Non-consolidated operating income ratio to be equal or more than 10% (equal or more than 9%)
- Consolidated ROE: equal or more 10%

< Key Points of Mid-term Management Plan >

- Meitec will build stronger business base according to the 7 strategic targets of the plan
- Due to the strategic investments according to the plan, operating income will be lower than that of before the Lehman Shock for next three years
- Main purpose is to avoid losses in the scale of the recent crisis, even if we have to face a crisis in the same level as the Lehman Shock
- After achieving the targets of the plan, we will set higher target for the operating income

### Results of FY2013

Net Sales: 74.9 billion yen (Consolidated)  
58.8 billion yen (Non-consolidated)  
Operating Income: 6.9 billion yen (Consolidated)  
Operating Margin: 9.8% (Non-consolidated)  
Consolidated ROE: 10.7%

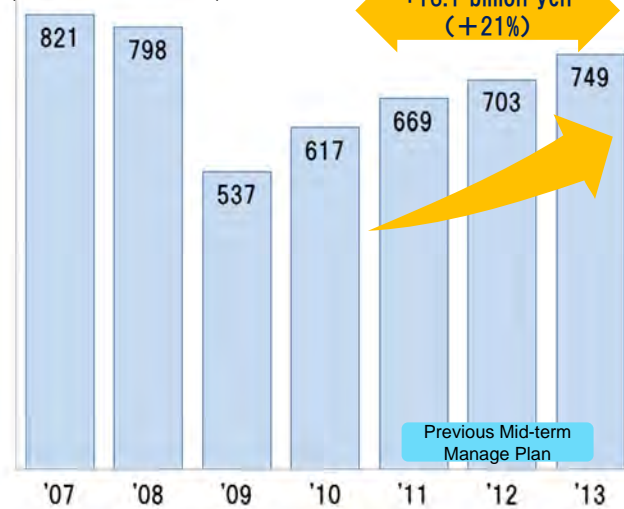
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# Results of Previous Mid-term Management Plan

- ✓ Net sales were +13.1 billion yen (+21%) and operating income + 4.3 billion yen (+166%) in the previous Mid-term Management Plan.
- ✓ However, we could not achieve the initial targets of the previous Mid-term Management Plan.

## Net Sales (Group Consolidated)

(100 Millions of Yen)

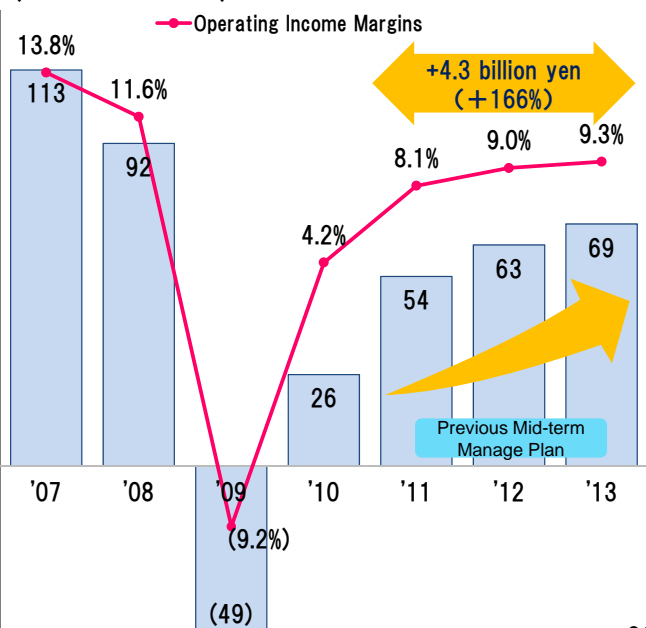


Lehman shock

Earthquake

## Operating Income (Group Consolidated)

(100 Millions of Yen)



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# A new "Ideal State of the Meitec Group"

- ✓ Prior to the start of the mid-term management plan, we have reviewed the "ideal state of the Group" (visions).
- ✓ The previous four values (employees, clients, shareholders, and society) have been amended to following five values

[Management Concept]  
Mutual Growth & Prosperity

[Corporate Slogan]  
Develop a new era by People and Technology

**Value to Clients**  
We continue to provide optimal services of "People and Technology", aiming to becoming a "reliable Best-Partner" for all clients.

**Value to Engineers**  
We continue to provide optimum "opportunities and placement" for all engineers who aim for affluent "Career Style of Engineer".

**Value to Employees**  
We continue to provide optimum "opportunities and placement" for employees who sympathize with the intension of "independence and mutual supports" and continue to grow as professional.

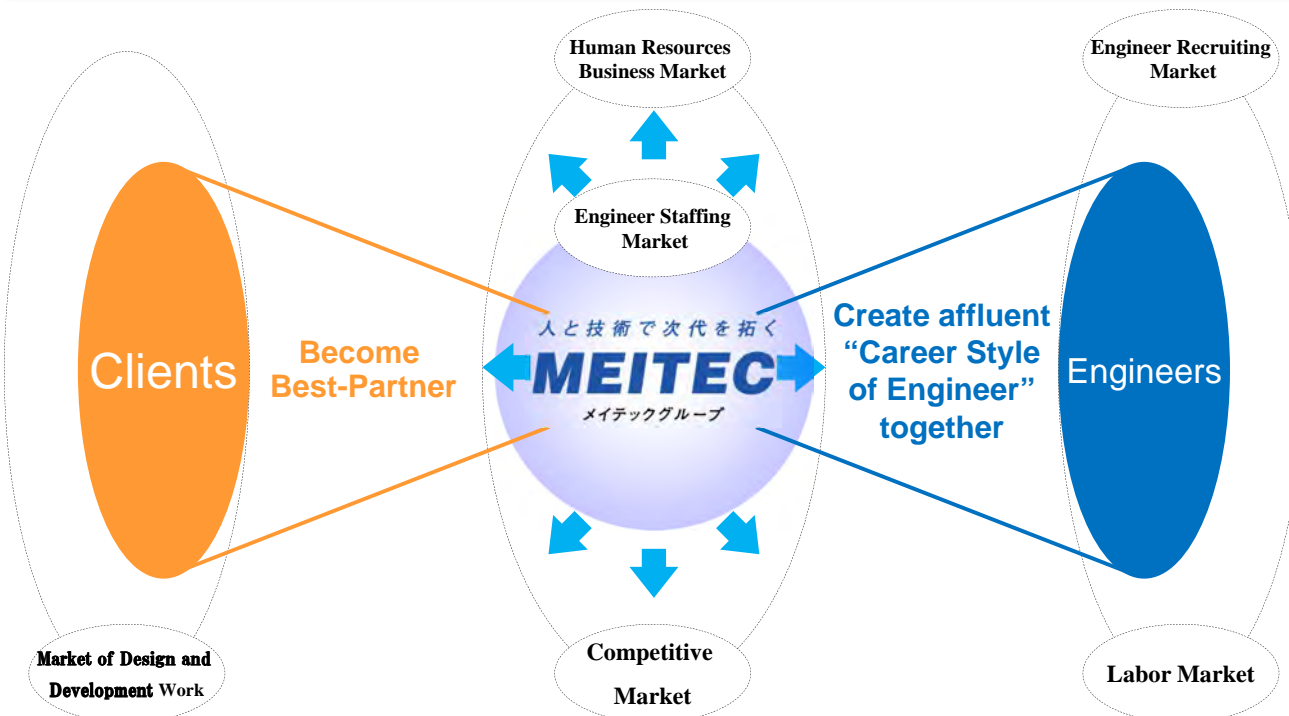
**Value to Shareholders**  
We maximize mid and long-term shareholders returns by creating "sound profits" based on continuous improvement of the Values.

**Value to the Society**  
We will be a pioneer in creating a "Professional Labor Market" in Japan, through establishing a career style of "lifetime professional engineers".

We, the Meitec Group, with cooperation of all the employees, shall improve the five values continuously from the "Value to Engineers" as a starting point.

# A new "Business Policy of the Meitec Group"

- ✓ We have set a business policy that clearly states the values provided by the Group to service users, through a review of our management concept and corporate slogan as well as our "ideal state."



- ✓ We will focus on the two businesses, Professional Staffing Business for Engineers (our core business) and the Recruiting & Placement Business for Engineers.
- ✓ We zoned the engineer staffing market to three zones: i) high-end; ii) volume; and iii) new markets.

Provide wider selections of optimum “services” and “opportunities and placement” at each zone.

**I. High-end Zone**

5,000 yen/hr. average  
A market zone which Meitec had created in over 40 years

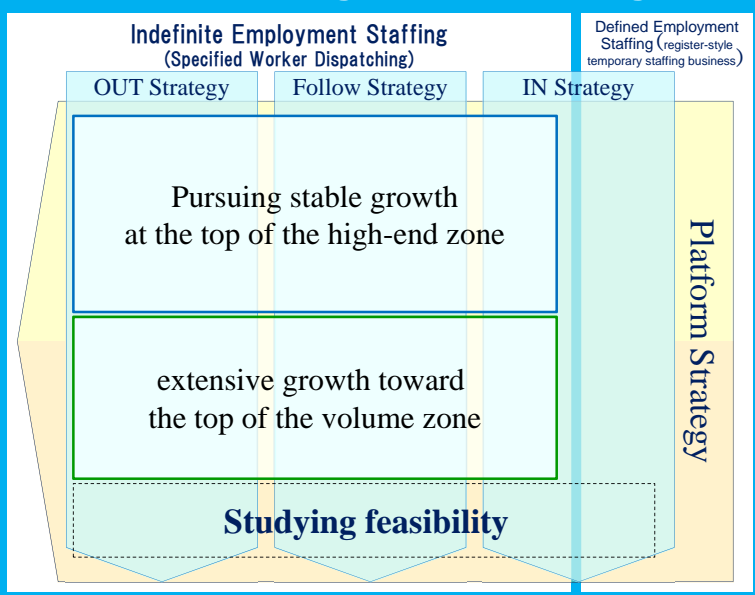
**II. Volume Zone**

3,500 yen/hr. average  
A market zone which is crowded by major competitors

**III. New Market Zone**

2,000 – 3,000 yen /hr. average  
A market zone which we have not really touched yet.

**Professional Staffing Business for Engineers**



**Recruiting & Placement Business for Engineers**

- Strengthen engineer placement
- Increase global options
- Increase options for senior engineers

Engineering Solutions Business

- ✓ We will further expand the “maximum and greatest opportunity and place,” which is our strength, in the Professional Staffing Business for Engineers.
- ✓ Four strategies (IN/OUT/Follow/Platform) will work in unison to improve the values provided to the two service users.





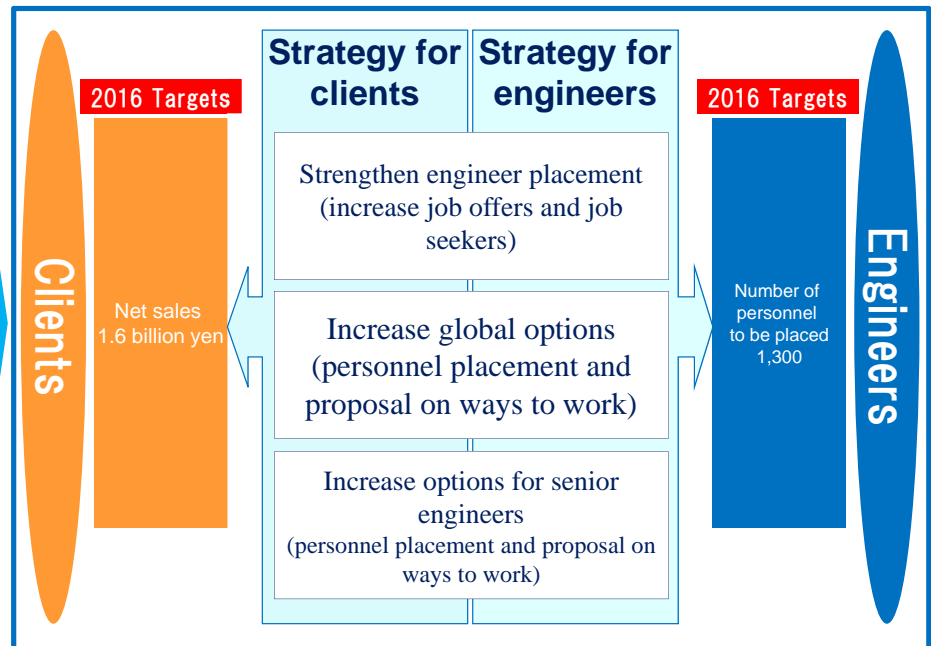
- ✓ Hone our “No.1 position for overall satisfaction with career change support tailored to engineers” in the recruiting & placement business focusing on engineers, and achieve further expansion
- ✓ In the new Mid-term Management Plan, global business is considered in the recruiting & placement business

No.1 for three consecutive years in overall satisfaction with career change support tailored to engineers

Specializing in career changes for engineers in manufacturing

One of the largest number of job offers in the industry (always more than 6,000 offers)

Supported by dedicated consultants familiar with technology



※Note: The above fiscal 2016 target includes targets of the placement business in Meitec Cast.

- ✓ Set one of the highest net sales targets in the past → the engineers staffing business (our core business) is a key driver of sales.
- ✓ The operating income target is set at a level higher than the current level (maintain cost ratio, control increases in SG&A).

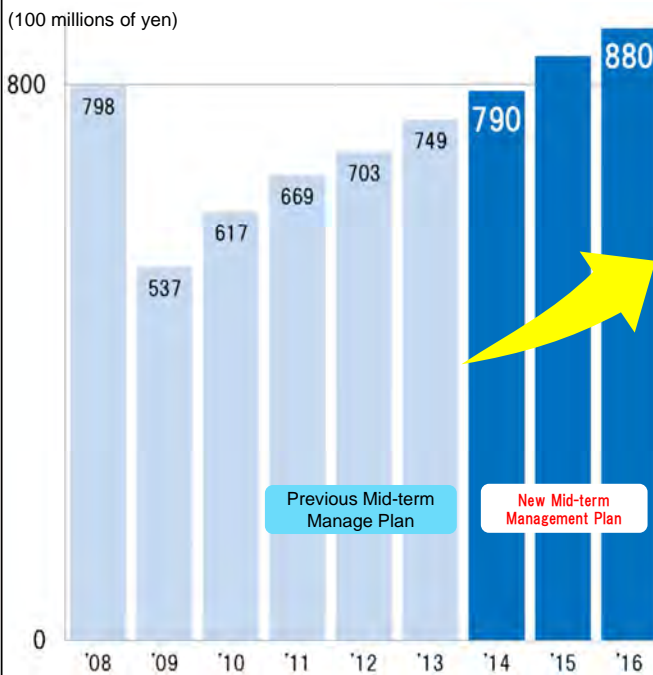
2016 Targets	Group Consolidated	Meitec	Meitec Fielders
	(Billion yen)	(Billion yen)	(Billion yen)
<b>Net Sales</b> (Results of FY 2013)	88.0 (74.9)	68.0 (58.8)	13.5 (10.5)
<b>Operating Income</b> (Results of FY 2013)	10.0 (6.9)	8.5 (5.7)	1.3 (0.8)
<b>Operating Income Margin</b> (Results of FY 2013)	12% (9.3%) equal or more than	13% (9.8%) equal or more than	9.5% (8.1%) Approx
<b>Net Income</b> (Results of FY 2013)	6.0 (3.9) equal or more than		
<b>ROE</b> (Results of FY 2013)	15% (10.7%)		

Recent cost rate of Meitec was 74% where minimum cost rate in past was 70%. → Reason is increase of social insurance premium and decrease of utilization ratio. → We will try to improve the operating income margin by restraining increase of cost rate by improvement of utilization ratio and properly controlling the SG&A at same time.

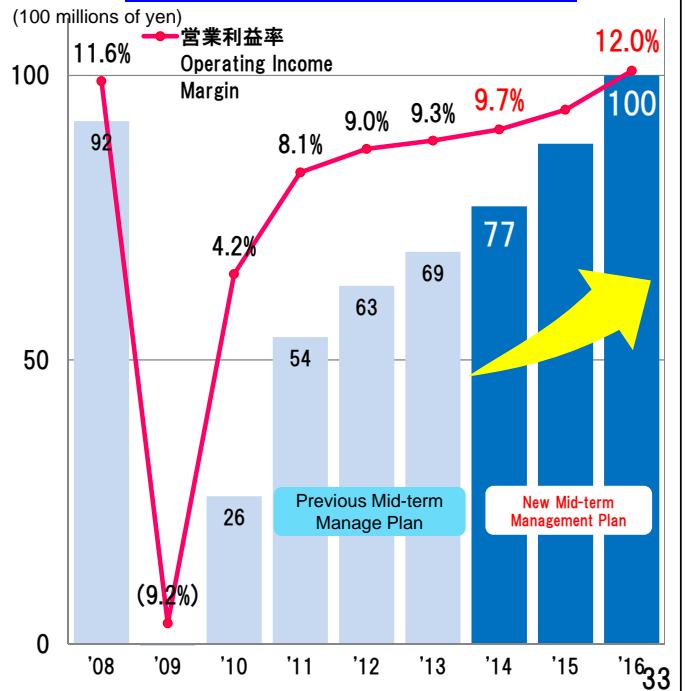
## Performance Targets of Mid-term Management Plan of Meitec Group 2014~2016

✓ Target record-high net sales of 88 billion yen and a 10 billion yen-level in operating income for the third year of the plan.

**Net Sales (Group Consolidated)**



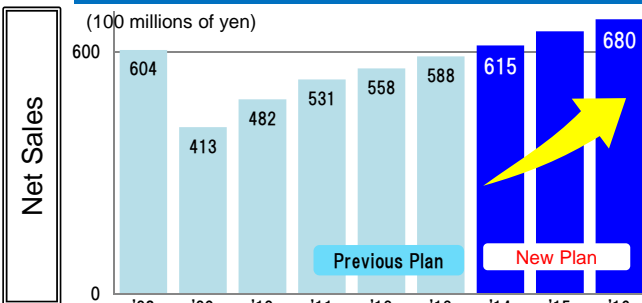
**Operating Income (Group Consolidated)**



## Performance Targets of Mid-term Management Plan of Meitec Group 2014~2016

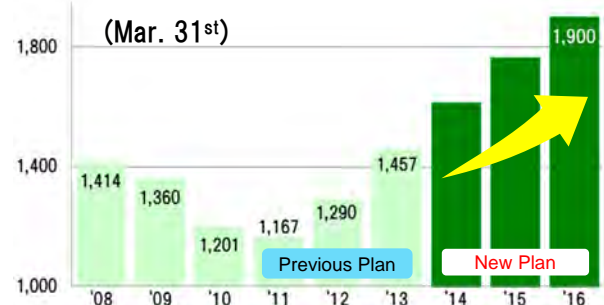
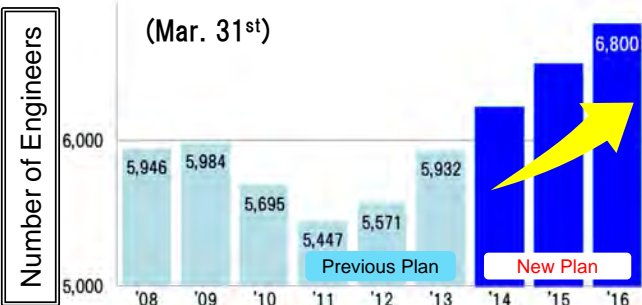
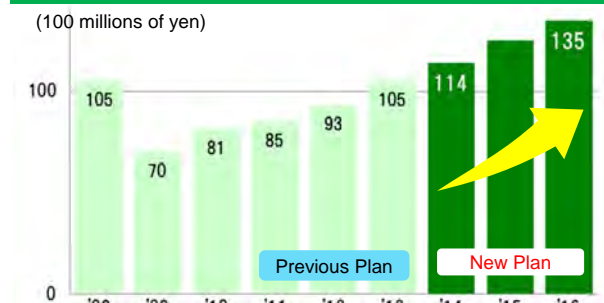
**Pursuing stable growth at the top of the high-end zone**

15% growth in 3 years  
(5% per year)

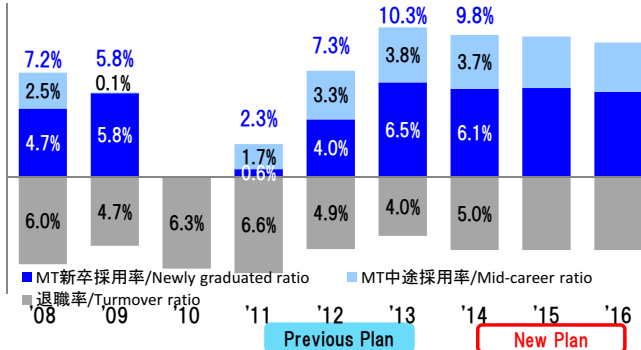


**Extensive growth toward the top of the volume zone**

29% growth in 3 years  
(9% per year)



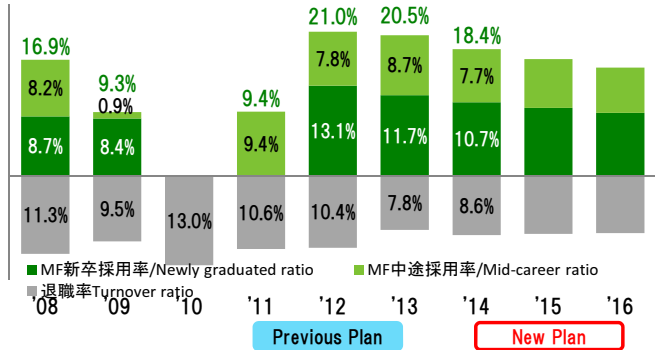
**Pursuing stable growth at the top of the high-end zone**  
Continue to hire approx. 630 engineers/year



Sustain the current price of 5,000 yen/hr.

Expect working hours to be at current level

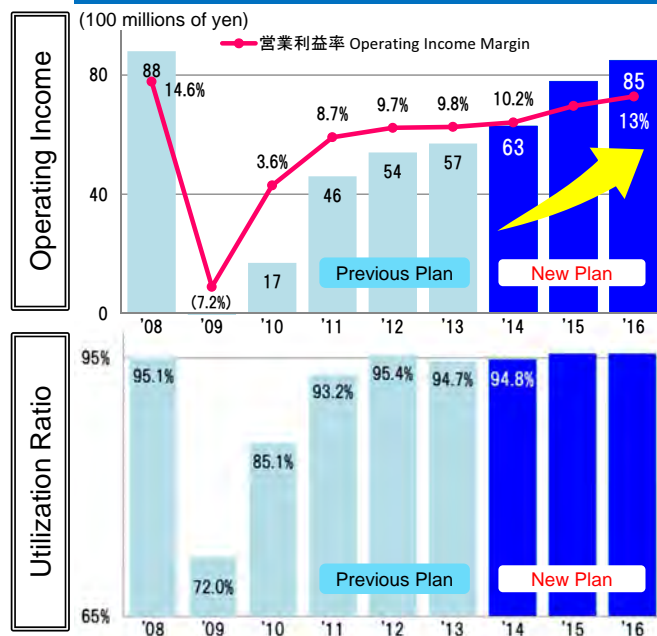
**Extensive growth toward the top of the volume zone**  
Continue to hire approx. 300 engineers/year



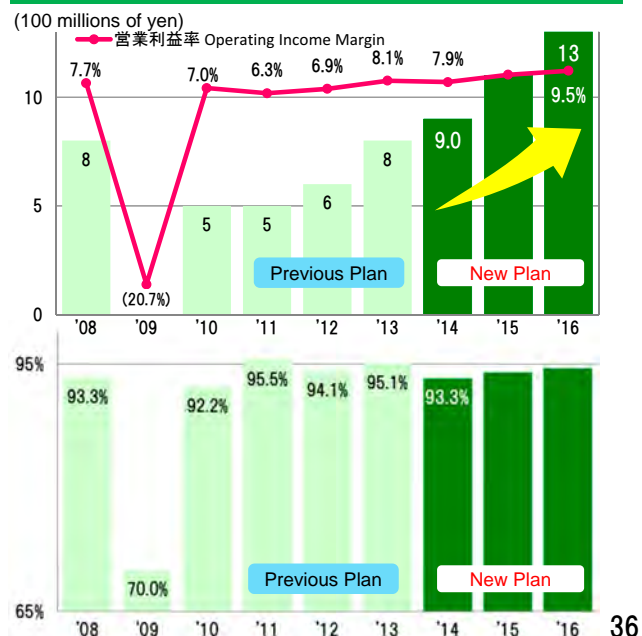
Sustain the current price of 3,500 yen/hr.

Expect working hours to be at current level

**Pursuing stable growth at the top of the high-end zone**  
Maintain utilization ratio of approx. 95%



**Extensive growth toward the top of the volume zone**  
Utilization ratio would drop to just below 95%, due to the actively hiring to increase engineers.



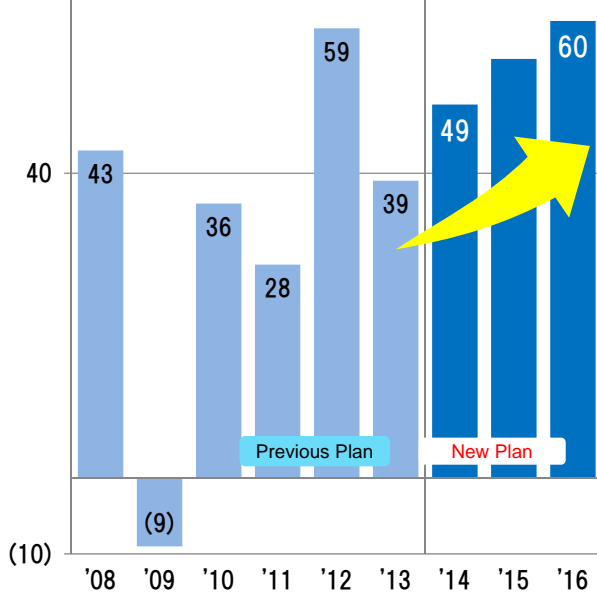
✓ **Target consolidated net income of 6 billion yen and consolidated ROE of equal or more than 15% for the third year of the plan.**

※Seek improvement of ROE, while considering the “quality and quantity” of shareholders’ equity.

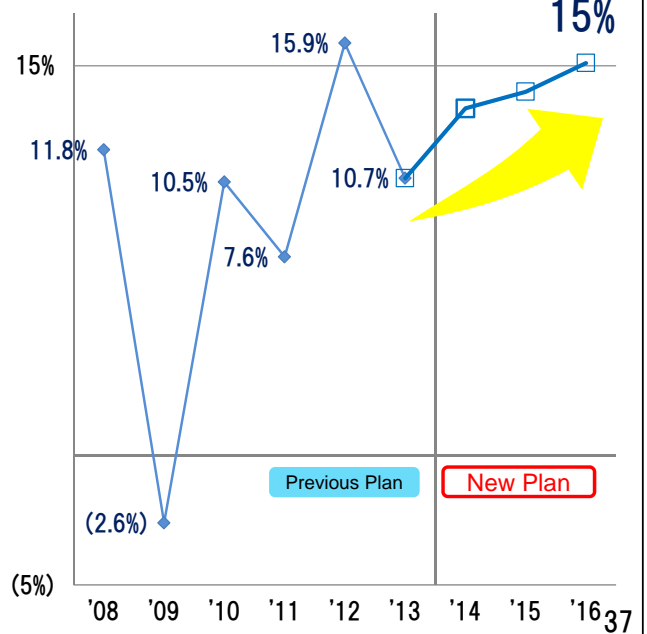
**Group Consolidated**

Net Income

(100 millions of yen)



Return on Equity (ROE)



**4. Forecast for the Fiscal Year Ending March 31, 2015**

## Forecast for the Fiscal Year Ending March 31, 2015 (Group Consolidated)

- ✓ We have announced our consolidated performance forecast for the FY ending March 31, 2015 assuming that gradual economic recovery is sustained and based on the major indicators of the professional staffing business for engineers stated on the next page and onward, as well as expectations of an increase in staff through aggressive recruitment and the expansion of operations through the cooperation of the Group companies.
- ✓ Forecast figures of consolidated performance are: net sales up 5.5% year-on-year to 79 billion yen; operating income and ordinary income up 10.3% to 7.7 billion yen, respectively; and net income up 23.3% to 4.9 billion yen.

Group Consolidated (Millions of yen)	Forecast FY ending Mar.31, 2015	YoY Amount	% Change	Forecast 1st half ending Sept.30, 2014	YoY Amount	% Change	Forecast 2nd half
	Net sales	79,000	+4,093	+5.5%	38,200	+2,445	+6.8%
Cost of sales	58,300	+2,929	+5.3%	28,600	+1,992	+7.5%	29,700
SG&A Expenses	13,000	+443	+3.5%	6,300	+60	+1.0%	6,700
Operating income	7,700	+720	+10.3%	3,300	+392	+13.5%	4,400
Operating income margins	9.7%	+0.4%		8.6%	+0.5%		10.8%
Ordinary income	7,700	+721	+10.3%	3,300	+368	+12.6%	4,400
Net income	4,900	+926	+23.3%	2,050	+343	+20.2%	2,850
Net Income per Share	160.36	+32.06		67.09	+12.41		

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## Forecast for the Fiscal Year Ending March 31, 2015 (Meitec)

- ✓ Forecast figures for Meitec are: net sales up 4.5% year-on-year to 61.5 billion yen; operating income +9.5% to 6.3 billion yen; ordinary income +9.0% to 6.7 billion yen; and net income +28.4% to 4.4 billion yen, based on the major indicators below.

Meitec (Millions of yen)	Forecast FY ending Mar.31, 2015	YoY Amount	% Change	Forecast 1st half ending Sept.30, 2014	YoY Amount	% Change	Forecast 2nd half
	Net sales	61,500	+2,623	+4.5%	29,800	+1,649	+5.9%
Cost of sales	45,800	+2,057	+4.7%	22,500	+1,405	+6.7%	23,300
Cost of sales to Net sales	74.5%	+0.2%		75.5%	+0.6%		73.5%
SG&A Expenses	9,400	+17	+0.2%	4,600	(64)	(1.4%)	4,800
Operating income	6,300	+548	+9.5%	2,700	+307	+12.9%	3,600
Operating income margins	10.2%	+0.5%		9.1%	+0.6%		11.4%
Ordinary income	6,700	+550	+9.0%	3,100	+308	+11.0%	3,600
Net income	4,400	+974	+28.4%	2,050	+304	+17.5%	2,350
Utilization ratio (Company-wide)	94.8%	+0.1%		93.2%	+0.4%		96.3%
Working Hours<h/day>	8.90	(0.02)		8.89	—		8.91
Number of Recruitment	608	+9					
Newly graduated	378	(1)		Target of Newly Graduates hire for April 2015			
Mid-career	230	+10					
Turnover Ratio	5.0%	+1.0%		400			

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- Forecast figures for Meitec Fielders based on the following major indicators are: net sales +7.7% year-on-year to 11.4 billion yen; operating income +5.1% to 900 million yen; and net income +6.9% to 600 million yen → seek expanding growth.

Meitec Fielders (Millions of yen)	Forecast FY ending Mar.31, 2015	YoY Amount	% Change	Forecast 1st half ending Sept.30, 2014	YoY Amount	% Change	Forecast 2nd half
Net sales	11,400	+ 812	+ 7.7%	5,500	+ 462	+ 9.2%	5,900
Cost of sales	8,830	+ 745	+ 9.2%	4,250	+ 371	+ 9.6%	4,580
Cost of sales to Net sales	77.5%	+ 1.1%		77.3%	+ 0.3%		77.6%
SG&A Expenses	1,670	+ 23	+ 1.4%	850	+ 41	+ 5.2%	820
Operating income	900	+ 43	+ 5.1%	400	+ 49	+ 14.1%	500
Operating income margins	7.9%	(0.2%)		7.3%	+ 0.3%		8.5%
Ordinary income	900	+ 58	+ 6.9%	400	+ 48	+ 13.8%	500
Net income	600	+ 116	+ 24.1%	250	+ 32	+ 14.7%	350
Utilization ratio (Company-wide)	93.3%	(1.8%)		90.4%	(1.5%)		96.2%
Working Hours<h/day>	8.99	(0.05)		8.97	(0.00)		9.01
Number of Recruitment	298	+ 7					
Newly graduated	173	+ 6		Target of Newly Graduates hire for April 2015			
Mid-career	125	+ 1					
Turnover Ratio	8.6%	+ 0.7%		175			

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## Basic Policy Regarding Profit Distribution

- Through the realization of sustained growth, we will aim at the maximization of shareholder return on a medium to long-term basis.
- The Company's basic concept concerning profit return is achievement return based on performance.

Revised May 2011  
Basic Policy  
Regarding Profit  
distribution

Total Return Ratio  
Basically within 100%

Dividend

Dividend related to  
performances

Equal or more than 50% of consolidated net profit

Minimum  
Dividend

Equal or more than Dividend on Equity ratio  
(DOE) 5%

Treasury  
Stock  
Acquisition

Acquisition of  
treasury stock

Consolidated cash position excess of 3 months net sales  
to be planned for acquisition of the treasury stock

Retain  
Maximum of 2 million shares

Retired  
Excess above maxim to be retired

- Three Month Net Sales = Working capital\*: Consolidated two month net sales + Fund for strengthening the financial base (a fund to sustain the business operation in the event of a crisis equivalent to that of fiscal year ended March 2010): consolidated one month net sales
- To realize the flexible financial position, for the implementation of future growth strategies and response to the risk associated in achieving the goals of the management plan, treasury shares will be held by the company.

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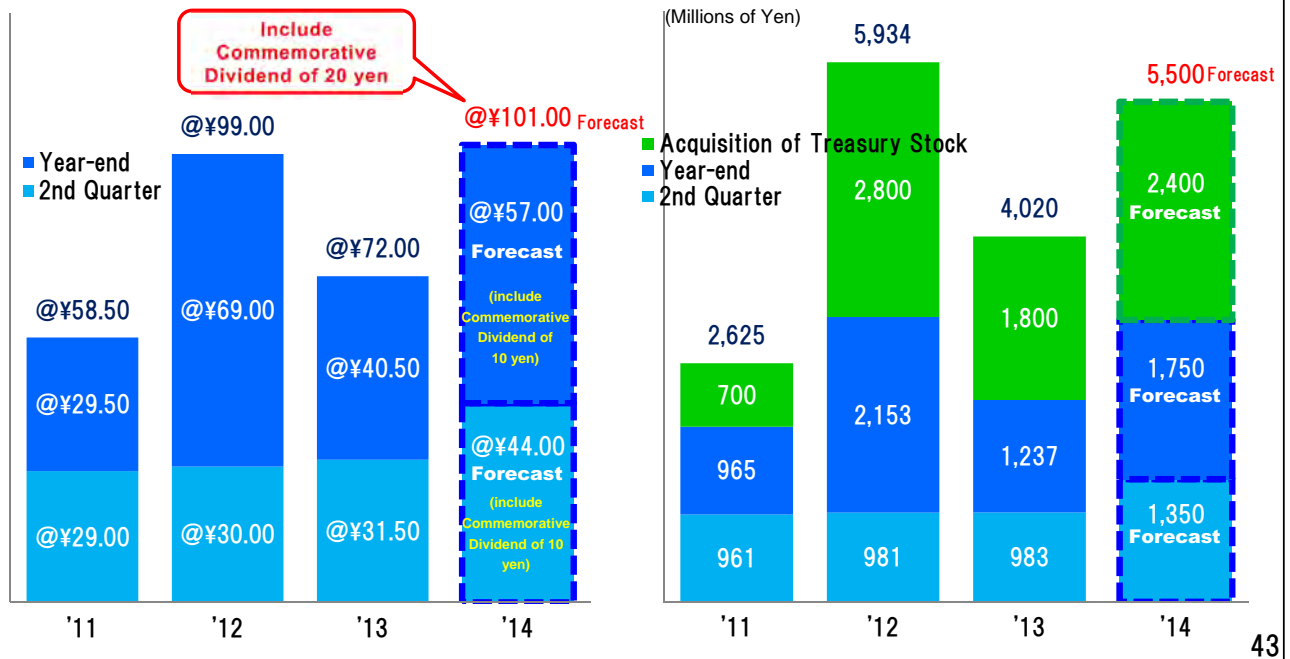


# Results and Forecast of Profit Distribution

- ✓ The year-end dividend for FY2013 is 40.5 yen as forecast, and the full year dividend is 72.0 yen.
- ✓ The dividends for FY2014 will be ordinary dividends and purchase of treasury stock, in line with our basic policy regarding profit distribution.

**+ 40th anniversary commemorative dividends.**

1. Commemorative dividend for the year to be 20 yen (0.6 billion yen plus) = interim dividend of 10 yen + year-end dividend of 10 yen
2. Total return ratio 100% = (ordinary dividends 2.5 billion yen plus + purchase of treasury stock amount 2.4 billion yen) ÷ forecast net income 4.9 billion yen



Develop a New Era by People and Technology

人と技術で次代を拓く

# MEITEC

メイテックグループ

MEITEC GROUP

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URL: <http://www.meitec.co.jp>

〈Note〉

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.



## 5. Reference Materials



### Features of the Meitec Group

1. The largest in the regular full-time employment engineer staffing industry

〈Largest number of transactions in the industry & the best quality in the industry; a pioneer〉

2. The largest “group of professional engineers” in Japan  
〈A platform that produces Lifetime Professional Engineers®〉

3. Clients include approx. 1,000 major manufacturing companies in Japan

〈More than 4,000 companies in total over the 40 years since the company was established〉

# Corporate Governance

✓ As of April 1, 2014, committees unique to Meitec, five independent directors, clear director compensation calculations, etc.

※Please refer to the securities report and the report submitted to the Tokyo Stock Exchange

## I. Organization of the Company

### 1. Type of organization

Corporation with audit & supervisory board

2. The company established following two distinctive committee chaired by an outside director.

#### (1) Corporate Governance Committee

Purpose: Strengthening the corporate governance and CSR

#### (2) The CEO Nominating Committee

Purpose: Objectively debate and select the ideal candidate for CEO

## II. Executives

	Number	of which Outside	of which Independent	Articles of incorporation
Directors	9	2	2	22
Audit & Supervisory Board Members	3	3	3	4
<b>Total</b>	<b>12</b>	<b>5</b>	<b>5</b>	<b>26</b>
	Number	of which also Serves as Director	Male	Female
Executive officers	12	5	11	1

Note: Include President and CEO, COO

## III. Calculation Method of Executive Remuneration

- ✓ Transparency of management is enhanced by disclosing the decision process
- ✓ Raise the performance link rate of the director's remuneration

### 1. Remuneration Amounts to Individual Executives

CEO	Monthly payment	3,000,000 yen or less
COO	Monthly payment	2,500,000 yen or less
Director	Monthly payment	2,000,000 yen or less
Outside Director	Monthly payment	500,000 yen or less
Standing audit & supervisory board member	Monthly payment	2,000,000 yen or less
Audit & supervisory board member	Monthly payment	500,000 yen or less

### 2. Performance-Linked Directors' Remuneration

An amount equal to 2% of consolidated net income (not including performance-linked directors' remuneration), with fractions of 1 million yen and less discarded, and shall be the total amount of performance-linked directors' remuneration. This amount shall be distributed among directors based on the individual performance of each director (provided, however, that the maximum amount that can be allocated to an outside director shall be limited to 6 million yen).

- The retirement bonus system for executives had been abolished.
- Audit & supervisory board members are not given performance-linked remuneration.
- Please see the Company's securities reports, etc. for other conditions.

## IV. Others

### ◆ Company has not introduced the measure for the defense from hostile TOB

- Please see the Company's securities reports, etc. for other matters, such as shareholders' meeting resolution matters, that can be resolved by the Board of Directors.

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# Shareholders by Business Segments

Shareholder Segment	(As of the Fiscal year ended March 31, 2014)			
	Shareholders	%	Shares Held	%
Banks	3	0.05%	875,501	2.69%
Trust Banks	17	0.27%	6,791,200	20.9%
Life and nonlife insurance companies	19	0.30%	3,751,183	11.55%
Securities financing and other financial companies	2	0.03%	23,660	0.07%
Securities companies	27	0.42%	157,108	0.48%
Business concerns and other companies	97	1.52%	248,862	0.77%
Overseas companies and investors	162	2.54%	14,992,934	46.13%
Individuals and others	6,050	94.87%	5,659,552	17.41%
<b>Total</b>	<b>6,377</b>	<b>100.0%</b>	<b>32,500,000</b>	<b>100.0%</b>

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# Results for the Fiscal Year Ended March 31, 2014

- ✓ Previous year's performance by subsidiary
- ✓ Operating income per net sales of Meitec Next (recruiting & placement business) is approx. 30%.

(millions of yen, rounded down)		Net Sales		Operating Income		Ordinary Income		Net Income	
			YoY Amount		YoY Amount		YoY Amount		YoY Amount
Temporary Staffing Business	Meitec	58,876	+3,053	5,751	+349	6,149	+450	3,425	(2,630)
	Meitec Fielders	10,587	+1,238	856	+207	841	+190	483	+104
	Meitec Cast	2,443	+33	100	+16	100	+14	56	+2
	Meitec EX	14	—	(34)	—	(34)	—	(34)	—
Engineering Solutions Business	Meitec CAE	1,226	+124	116	(11)	116	(11)	70	(3)
	Apollo Giken Gr.	1,563	+4	(21)	+15	(24)	+7	(90)	(92)
Global Business	Meitec Shanghai	0	(0.0)	(13)	(4)	(13)	(5)	(13)	(5)
	Meitec Xian	15	+2	(26)	(8)	(26)	(9)	(26)	(9)
	Meitec Chengdu	10	(1)	(24)	(8)	(24)	(8)	(24)	(8)
	Meitec Shanghai Human Resources	58	+13	(23)	(8)	(24)	(8)	(24)	(8)
Recruiting & Placement Business	Meitec Next	872	+138	295	+73	295	+74	200	(1)
	all engineer. jp	58	+50	(11)	+32	(11)	+32	(11)	+32

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# Forecast for the Fiscal Year Ending March 31, 2015

- ✓ Forecast of performance by subsidiary
- ✓ Meitec Next (recruiting & placement business) plans a net sales increase of +20% year-on-year.

(Millions of yen)	Temporary Staffing Business				Recruiting & Placement Business			Engineering Solutions	
	Meitec	Meitec Fielders	Meitec Cast	Meitec EX	Meitec Next	all engineer .jp	Meitec (China)	Meitec CAE	Apollo Giken Gr.
Net sales	61,500	11,400	2,500	70	1,050	100	100	1,200	1,500
YoY Amount	+2,623	+812	+56	+55	+177	+41	+15	(26)	(63)
% Change	+4.5%	+7.7%	+2.3%	+379.1%	+20.3%	+71.1%	+18.6%	(2.2%)	(4.1%)
Operating income	6,300	900	80	(30)	240	15	(70)	130	10
YoY Amount	+548	+43	(20)	+4	(55)	+26	+18	+13	+31
% Change	+9.5%	+5.1%	(20.2%)	—	(18.8%)	—	—	+12.0%	—
Ordinary income	6,700	900	80	(30)	240	15	(70)	130	10
Net income	4,400	600	50	(30)	150	15	(70)	80	10

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## Trend of Performances (Consolidated)

(Millions of Yen)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net sales	71,255	79,120	83,223	82,229	82,102	79,898	53,776	61,790	66,955	70,330	74,906
Cost of sales	49,648	54,460	56,685	57,701	57,777	57,177	46,765	48,832	49,875	51,639	55,370
Cost of sales to Net sales	69.7%	68.8%	68.1%	70.2%	70.4%	71.6%	87.0%	79.0%	74.5%	73.4%	73.9%
Gross profit	21,606	24,660	26,538	24,528	24,324	22,720	7,010	12,957	17,079	18,691	19,536
Selling, general and administrative expenses	9,339	12,371	14,053	12,946	12,959	13,439	11,939	10,337	11,629	12,337	12,556
S&A expenses to Net sales	13.1%	15.6%	16.9%	15.7%	15.8%	16.8%	22.2%	16.7%	17.4%	17.5%	16.8%
Operating income	12,267	12,289	12,485	11,581	11,365	9,280	(4,928)	2,620	5,450	6,354	6,979
Operating income margins	17.2%	15.5%	15.0%	14.1%	13.8%	11.6%	(9.2%)	4.2%	8.1%	9.0%	9.3%
Non-operating income	106	87	137	74	84	87	4,729	2,146	114	97	50
Non-operating expenses	90	185	59	169	115	107	77	178	32	24	51
Ordinary income	12,283	12,190	12,562	11,487	11,334	9,260	(276)	4,588	5,531	6,427	6,978
Ordinary income margins	17.2%	15.4%	15.1%	14.0%	13.8%	11.6%	(0.5%)	7.4%	8.3%	9.1%	9.3%
Extraordinary income	149	393	538	5	6	13	32	378	—	58	—
Extraordinary loss	477	2,682	2,235	5,092	1,826	1,094	130	234	4	215	146
Income before income taxes and minority interests	11,955	9,900	10,866	6,400	9,514	8,178	(374)	4,732	5,526	6,270	6,832
Total income taxes and Minority interests in income (loss)	5,246	5,192	5,563	6,105	4,556	3,875	530	1,041	2,699	277	2,858
Net income	6,709	4,707	5,302	295	4,958	4,303	(904)	3,690	2,827	5,993	3,973
Net income margins	9.4%	6.0%	6.4%	0.4%	6.0%	5.4%	(1.7%)	6.0%	4.2%	8.5%	5.3%

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## Trend of Performances (Meitec)

(Millions of Yen)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net sales	59,518	61,109	61,425	61,795	62,956	60,457	41,319	48,260	53,188	55,822	58,876
Cost of sales	40,927	42,087	42,380	43,134	43,875	43,109	36,074	38,777	39,987	41,240	43,742
Cost of sales to Net sales	68.8%	68.9%	69.0%	69.8%	69.7%	71.3%	87.3%	80.4%	75.2%	73.9%	74.3%
Gross profit	18,591	19,021	19,045	18,660	19,081	17,348	5,245	9,482	13,200	14,582	15,134
Selling, general and administrative expenses	7,833	7,802	7,913	8,039	8,620	8,540	8,210	7,758	8,587	9,179	9,382
S&A expenses to Net sales	13.2%	12.8%	12.9%	13.0%	13.7%	14.1%	19.9%	16.1%	16.1%	16.4%	15.9%
Operating income	10,757	11,219	11,131	10,621	10,460	8,807	(2,964)	1,724	4,613	5,402	5,751
Operating income margins	18.1%	18.4%	18.1%	17.2%	16.6%	14.6%	(7.2%)	3.6%	8.7%	9.7%	9.8%
Non-operating income	324	530	458	4,988	356	564	3,840	1,976	389	314	426
Non-operating expenses	90	35	33	109	48	76	53	150	14	19	426
Ordinary income	10,991	11,714	11,556	15,500	10,768	9,294	822	3,550	4,988	5,698	6,149
Ordinary income margins	18.5%	19.2%	18.8%	25.1%	17.1%	15.4%	2.0%	7.4%	9.4%	10.2%	10.4%
Extraordinary income	61	525	102	5	3	7	2	3	—	462	—
Extraordinary loss	412	800	132	10,202	2,084	2,912	626	318	66	228	372
Income before income taxes and minority interests	10,641	11,439	11,526	5,304	8,687	6,389	197	3,236	4,921	5,932	5,776
Total income taxes and Minority interests in income (loss)	4,597	4,586	4,706	5,388	3,749	3,391	144	1,094	2,331	(124)	2,352
Net income	6,044	6,853	6,820	(83)	4,938	2,998	53	2,141	2,590	6,056	3,425
Net income margins	10.2%	11.2%	11.1%	(0.1%)	7.8%	5.0%	0.1%	4.4%	4.9%	10.8%	5.8%

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## Trend of Performances (Meitec Fielders)

(Millions of Yen)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net sales	8,692	9,729	10,382	10,748	10,747	10,582	7,050	8,175	8,510	9,349	10,587
Cost of sales	6,428	7,234	7,655	7,888	7,759	7,744	6,621	6,361	6,387	7,061	8,084
Cost of sales to Net sales	74.0%	74.4%	73.7%	73.4%	72.2%	73.2%	93.9%	77.8%	75.1%	75.5%	76.4%
Gross profit	2,264	2,495	2,727	2,859	2,987	2,837	429	1,814	2,122	2,287	2,502
Selling, general and administrative expenses	989	1,174	1,357	1,551	1,677	2,018	1,890	1,238	1,585	1,639	1,646
S&A expenses to Net sales	11.4%	12.1%	13.1%	14.4%	15.6%	19.1%	26.8%	15.1%	18.6%	17.5%	15.5%
Operating income	1,275	1,321	1,369	1,308	1,310	819	(1,461)	575	537	648	856
Operating income margins	14.7%	13.6%	13.2%	12.2%	12.2%	7.7%	(20.7%)	7.0%	6.3%	6.9%	8.1%
Non-operating income	5	6	3	3	10	6	848	182	3	3	1
Non-operating expenses	—	—	—	1	1	—	5	1	—	—	15
Ordinary income	1,280	1,328	1,373	1,310	1,319	825	(618)	757	540	651	841
Ordinary income margins	14.7%	13.6%	13.2%	12.2%	12.3%	7.8%	(8.8%)	9.3%	6.3%	7.0%	7.9%
Extraordinary income	88	5	6	—	—	—	—	1	—	—	—
Extraordinary loss	64	—	3	4	5	13	2	1	—	—	—
Income before income taxes and minority interests	1,304	1,333	1,376	1,306	1,314	811	(620)	756	540	651	841
Total income taxes and Minority interests in income (loss)	562	544	560	537	544	344	313	(187)	264	272	358
Net income	742	789	816	768	769	467	(933)	943	275	378	483
Net income margins	8.5%	8.1%	7.9%	7.1%	7.2%	4.4%	(13.2%)	11.5%	3.2%	4.0%	4.6%

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## Trend of Performances (Meitec NEXT)

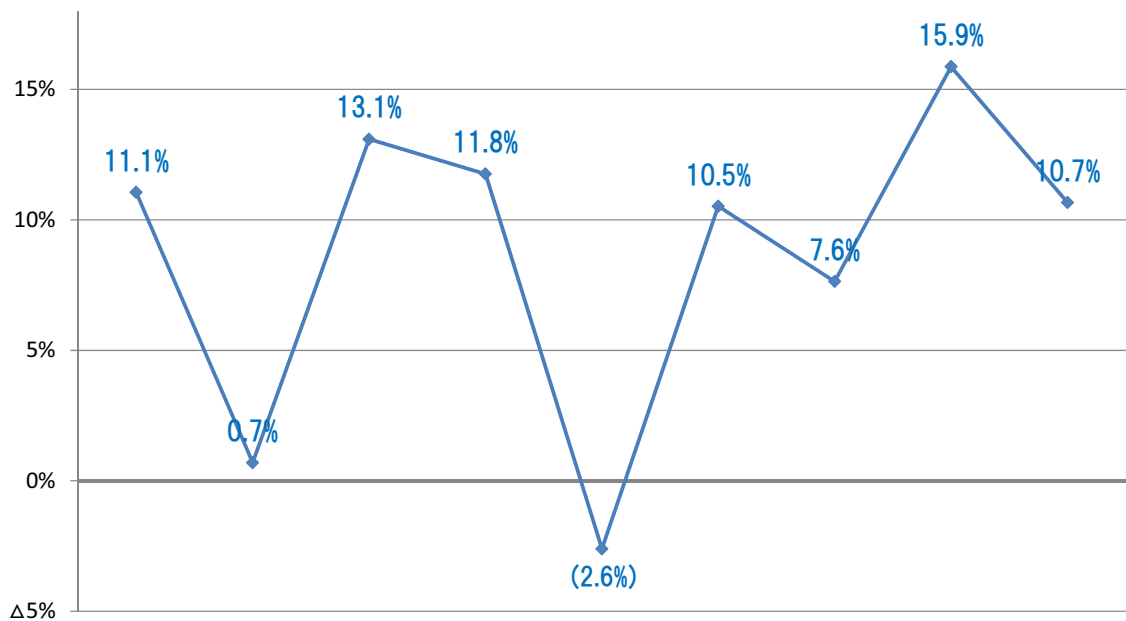
(Millions of Yen)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net sales				8	252	480	334	438	593	734	872
Cost of sales											
Cost of sales to Net sales											
Gross profit				8	252	480	334	438	593	734	872
Selling, general and administrative expenses				207	470	559	349	333	446	512	577
S&A expenses to Net sales				2587.5%	186.5%	116.5%	104.5%	76.0%	75.2%	69.8%	66.2%
Operating income				(198)	(217)	(78)	(14)	104	147	221	295
Operating income margins				(2475.0%)	(86.1%)	(16.3%)	(4.2%)	23.7%	24.8%	30.1%	33.8%
Non-operating income				—	—	—	2	2	—	—	—
Non-operating expenses				—	—	—	—	—	—	—	—
Ordinary income				(198)	(217)	(78)	(12)	106	147	221	295
Ordinary income margins				(2475.0%)	(86.1%)	(16.3%)	(3.6%)	24.2%	24.8%	30.1%	33.8%
Extraordinary income				—	—	—	—	—	—	—	—
Extraordinary loss				—	—	—	—	—	—	—	—
Income before income taxes and minority interests				(198)	(217)	(78)	(13)	106	147	221	295
Total income taxes and Minority interests in income (loss)				—	—	1	—	—	—	19	95
Net income				(199)	(217)	(79)	(14)	105	147	201	200
Net income margins				(2487.5%)	(86.1%)	(16.5%)	(4.2%)	24.0%	24.8%	27.4%	22.9%

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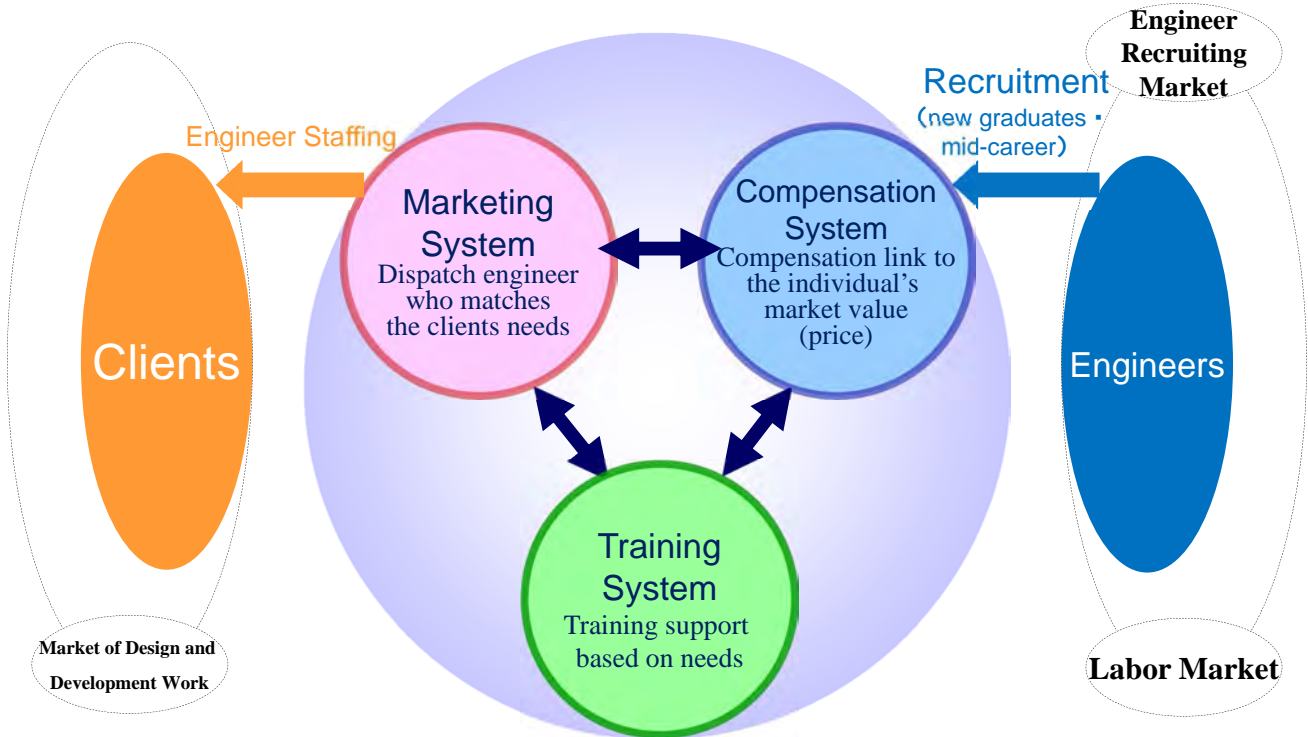
## Trend of Profit Distributions and Forecast

	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	Forecast FY2014	
Dividend Payout ratio	65.1%	1,085.7%	50.5%	58.9%	—	24.7%	68.5%	53.2%	56.1%	75.4%	
Dividend on Equity	7.1%	7.4%	6.5%	6.9%	2.4%	2.6%	5.2%	8.4%	6.0%		
Annual Dividends	Per Share	@¥90.50	@¥89.00	@¥72.00	@¥75.00	@¥24.50	@¥27.50	@¥58.50	@¥99.00	@¥72.00	@¥101.00
	Millions of Yen	3,329	3,162	2,488	2,518	812	911	1,925	3,134	2,220	3,086
2nd Quarter	Per Share	@¥44.00	@¥44.00	@¥37.50	@¥47.00	@¥24.50		@¥29.00	@¥30.00	@¥31.50	@¥44.00
	Millions of Yen	1,630	1,579	1,304	1,590	812		961	981	983	1,344
Year-end	Per Share	@¥46.50	@¥45.00	@¥34.50	@¥28.00		@¥27.50	@¥29.50	@¥69.00	@¥40.50	@¥57.00
	Millions of Yen	1,699	1,583	1,184	928		911	965	2,153	1,237	1,742
Acquisition of Treasury Stock	Thousands of shares	1,405	1,353	857	1,174			421	1,506	641	
	Millions of Yen	5,100	5,099	3,100	2,800			700	2,800	1,800	2,400
Total Shareholders Return	Millions of Yen	8,429	8,261	5,588	5,318	812	911	2,625	5,934	4,020	5,486
Retirement of Treasury Stock	Thousands of shares	1,562	1,400		342			400	1,700	500	
Stock Price TSE#9744	As of April 1	¥3,830	¥3,870	¥3,860	¥3,040	¥1,242	¥1,893	¥1,621	¥1,681	¥2,193	¥2,857
	As of March 31	¥3,870	¥3,800	¥3,020	¥1,216	¥1,831	¥1,664	¥1,669	¥2,343	¥2,930	
Net Income per Share		@¥138.93	@¥8.20	@¥142.64	@¥127.31	(@¥27.30)	@¥111.33	@¥85.45	@¥186.08	@¥128.30	@¥160.36
Net Assets per share		@¥1,274.10	@¥1,092.80	@¥1,086.71	@¥1,081.85	@¥1,002.58	@¥1,112.69	@¥1,135.10	@¥1,229.62	@¥1,182.85	

## Trend of ROE



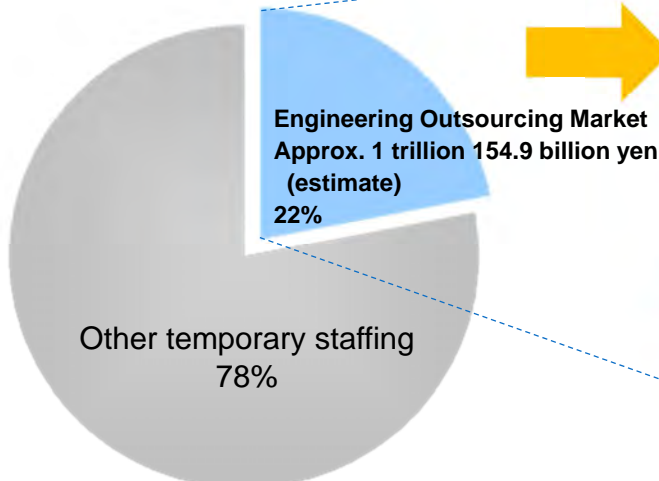
	'05	'06	'07	'08	'09	'10	'11	'12	'13
ROE	11.1%	0.7%	13.1%	11.8%	(2.6%)	10.5%	7.6%	15.9%	10.7%
Net Sales	5,302	295	4,958	4,303	(904)	3,690	2,827	5,993	3,973
Shareholders' Equity	46,668	38,451	37,303	35,864	33,235	36,857	37,121	38,360	36,142



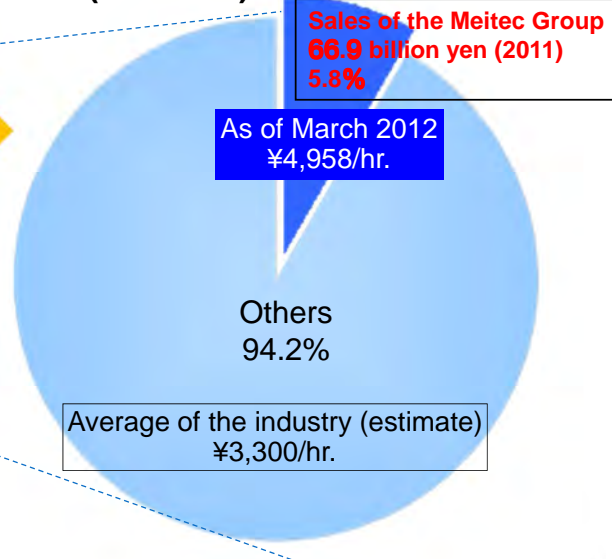
**Market of Engineer Staffing Business**

- ✓ Meitec Group hold over 5% share of the engineering outsourcing market.
- ✓ By comparing the average price per hour, our price proves our high technological level

Temporary Staffing Market  
5.2 trillion yen  
(2011 MHLW statistics)



Engineering Outsourcing Market  
Approx. 1 trillion 154.9 billion yen  
(estimate)



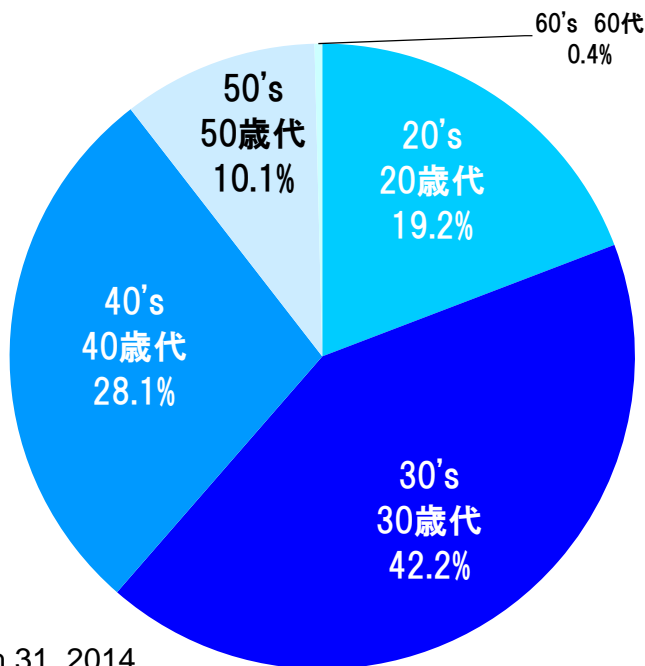
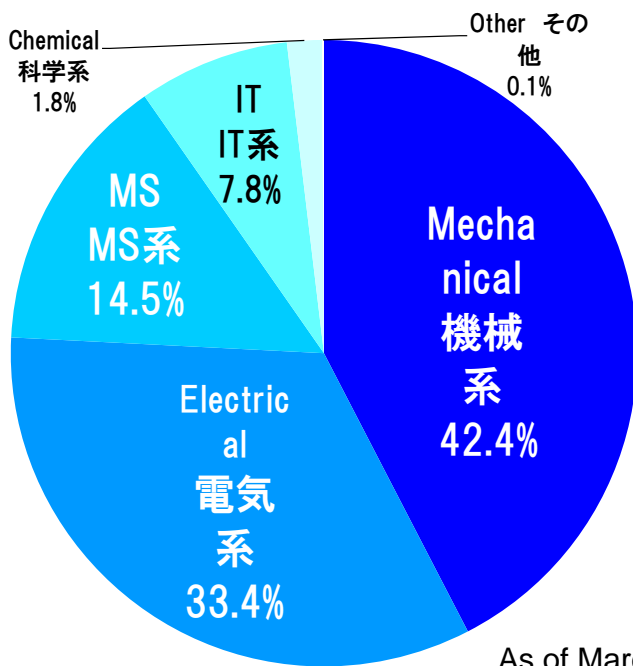


# Distribution of Engineers by Technical Fields and Age

- ✓ Mechanical and electrical engineering account for approx. 70% in the technical fields of Meitec engineers.
- ✓ A large percentage of Meitec engineers are in their 30's.

Technical field

According to age



As of March 31, 2014

# Trend of Utilization Ratio (Monthly)

Formula for Utilization Ratio

Company-wide Engineer's Utilization Ratio = Total hours in utilization / (Total hours in utilization + Total hours of sales division not in utilization + Total hours of support division not in utilization)

Engineer's Utilization Ratio, Excluding New Engineers = Total hours in utilization / (Total hours in utilization + Total hours of sales division not in utilization)

Fiscal Year ending March.2014		2013			2013			2013			2013			2014			4th Q Ave.	2nd Half Ave.	Year Ave.	
		April	May	June	Ave.	July	Aug.	Sept.	Ave.	1st Half Ave.	Oct.	Nov.	Dec.	Ave.	Jan.	Feb.				Mar.
MT+MF+CAE	Period-End Engineering Staff*1	7,409	7,392	7,380	-	7,381	7,376	7,384	-	-	7,395	7,411	7,409	-	7,411	7,394	7,412	-	-	-
	Utilization ratio (Company-wide) %	88.4	90.0	92.8	90.4	93.9	95.3	96.0	95.0	92.7	95.8	96.5	97.4	96.5	96.8	97.3	97.5	97.2	96.9	94.8
MT+MF	Utilization ratio (Excluding new hires)*2	95.5	95.9	96.4	96.0	96.3	96.9	97.0	96.7	96.4	96.7	97.2	97.9	97.2	97.4	97.8	98.1	97.8	97.5	96.9
	Period-End Engineering Staff*1	7,332	7,309	7,295	-	7,294	7,286	7,294	-	-	7,303	7,319	7,318	-	7,320	7,303	7,320	-	-	-
Meitec (MT)	Utilization ratio (Company-wide) %	89.3	90.6	93.0	91.0	93.8	95.0	95.6	94.8	92.8	95.3	96.0	97.0	96.1	96.5	97.1	97.4	97.0	96.5	94.7
	Utilization ratio (Excluding new hires)*2	95.4	95.8	96.1	95.8	95.9	96.5	96.6	96.3	96.1	96.1	96.7	97.5	96.7	97.0	97.4	97.8	97.4	97.1	96.6
Meitec Fielders (MF)	Period-End Engineering Staff*1	5,883	5,865	5,858	-	5,849	5,846	5,851	-	-	5,858	5,869	5,871	-	5,872	5,855	5,860	-	-	-
	Of which assigned to internal engineering projects*1	60	60	59	-	63	61	61	-	-	57	58	58	-	58	59	59	-	-	-
Meitec CAE (CAE)	Utilization ratio (Company-wide) %	84.6	87.2	91.9	87.9	94.4	96.4	97.5	96.0	91.9	97.9	98.4	98.9	98.4	98.0	98.3	98.1	98.2	98.3	95.2
	Utilization ratio (Excluding new hires)*2	95.8	96.5	97.7	96.7	98.1	98.7	98.7	98.5	97.6	99.1	99.3	99.4	99.2	99.1	99.2	99.3	99.2	99.2	98.4
Meitec CAE (CAE)	Period-End Engineering Staff	1,449	1,444	1,437	-	1,445	1,440	1,443	-	-	1,445	1,450	1,447	-	1,448	1,448	1,460	-	-	-
	Period-End Engineering Staff	77	83	85	-	87	90	90	-	-	92	92	91	-	91	91	92	-	-	-

Note 1: Number of engineer for Meitec do not include engineers who are assigned to our internal engineering projects and lecturer for internal training.

Note 2: Engineers who never been assigned to job are excluded.

Fiscal Year ending March.2013		2012			2012			2012			2012			2013			4th Q Ave.	2nd Half Ave.	Year Ave.	
		April	May	June	Ave.	July	Aug.	Sept.	Ave.	1st Half Ave.	Oct.	Nov.	Dec.	Ave.	Jan.	Feb.				Mar.
MT+MF+CAE	Period-End Engineering Staff*1	6,996	6,979	6,992	-	6,982	6,978	6,976	-	-	6,966	6,943	6,936	-	6,919	6,886	6,878	-	-	-
	Utilization ratio (Company-wide) %	90.2	90.9	94.1	91.8	95.1	96.3	96.8	96.0	93.9	95.7	96.2	96.8	96.2	95.9	96.7	97.1	96.6	96.4	95.1
MT+MF	Utilization ratio (Excluding new hires)*2	95.5	95.9	96.8	96.1	96.5	97.1	97.4	97.0	96.5	96.5	96.7	97.2	96.8	96.4	97.1	97.4	97	96.9	96.7
	Period-End Engineering Staff*1	6,915	6,898	6,911	-	6,904	6,899	6,896	-	-	6,886	6,863	6,857	-	6,840	6,808	6,800	-	-	-
Meitec (MT)	Utilization ratio (Company-wide) %	91.4	92.2	95.0	92.9	95.5	96.4	96.7	96.2	94.5	95.8	96.1	96.5	96.1	95.7	96.5	96.9	96.4	96.2	95.4
	Utilization ratio (Excluding new hires)*2	95.2	95.8	96.8	96.0	96.4	96.9	97.2	96.8	96.4	96.3	96.4	96.8	96.5	96.1	96.8	97.2	96.7	96.6	96.5
Meitec Fielders (MF)	Period-End Engineering Staff*1	5,592	5,584	5,591	-	5,589	5,590	5,586	-	-	5,567	5,551	5,548	-	5,535	5,512	5,510	-	-	-
	Of which assigned to internal engineering projects*1	57	60	59	-	51	48	49	-	-	49	55	58	-	62	62	61	-	-	-
Meitec CAE (CAE)	Utilization ratio (Company-wide) %	84.7	85.4	90.1	86.8	93.2	96.0	97.3	95.4	91.1	95.4	96.8	98.4	96.8	96.8	97.6	97.8	97.4	97.1	94.1
	Utilization ratio (Excluding new hires)*2	96.5	96.1	96.8	96.5	97.1	97.7	98.1	97.6	97.1	97.2	98.1	98.9	98.0	97.6	98.3	98.3	98.1	98	97.6
Meitec CAE (CAE)	Period-End Engineering Staff	1,323	1,314	1,320	-	1,315	1,309	1,310	-	-	1,319	1,312	1,309	-	1,305	1,296	1,290	-	-	-
	Period-End Engineering Staff	81	81	81	-	78	79	80	-	-	80	80	79	-	79	78	78	-	-	-

Note 1: Number of engineer for Meitec do not include engineers who are assigned to our internal engineering projects and lecturer for internal training.

Note 2: Engineers who never been assigned to job are excluded.

## Sales by the Industrial Segments (Meitec)

Millions of Yen

Segment	FY2009	FY2010	FY2011	FY2012	FY2013			
					Nete Sales	Net Sales	Total Net Sales(%)	Change
<b>Automobile/Transportation</b>	7,629	8,981	10,463	12,069	13,831	+23.5%	1,761	+14.6%
<b>Aircraft/Aerospace</b>	3,156	3,563	4,006	4,402	4,825	+8.2%	422	+9.6%
<b>Industrial Machinery</b>	5,463	6,933	8,073	8,205	8,477	+14.4%	271	+3.3%
<b>Precision Equipment</b>	2,710	3,101	3,608	4,041	4,599	+7.8%	558	+13.8%
<b>IT Related Hardware and Devices</b>	4,518	5,021	5,241	5,114	5,248	+8.9%	134	+2.6%
<b>Electric and Electronics</b>	6,624	7,704	8,586	8,532	7,990	+13.6%	(541)	(6.3%)
<b>Semiconductors and Integrated Circuits Design</b>	3,749	4,270	3,197	3,424	3,622	+6.2%	198	+5.8%
<b>Semiconductor Equipment and Devices</b>	962	1,310	1,807	1,844	1,837	+3.1%	(6)	(0.4%)
<b>Information Processing/Software</b>	3,100	3,666	3,925	3,886	3,887	+6.6%	0	+0.0%
<b>Plant</b>	1,118	1,280	1,471	1,563	1,611	+2.7%	47	+3.1%
<b>Construction</b>	179	284	273	325	371	+0.6%	46	+14.4%
<b>Others</b>	2,106	2,141	2,531	2,412	2,571	+4.4%	159	+6.6%
Total	41,319	48,260	53,188	55,822	58,876	+100.0%	3,053	+5.5%

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*Develop a New Era by People and Technology*

人と技術で次代を拓く

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〈Note〉

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.