

Results for the Fiscal Year Ended March 31, 2022

May 12, 2022

MEITEC CORPORATION

President and CEO, COO
MEITEC Group CEO

Hideyo Kokubun

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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人と技術で次代を拓く

MEITEC
Engineering Firm at The Core

- 1. Results for the Fiscal Year Ended March 31, 2022**
- 2. Progress on Mid-term Management Plan**
- 3. Forecast for the Fiscal Year Ending March 31, 2023**
- 4. Reference Materials**

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.

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1. Results for the Fiscal Year Ended March 31, 2022

Results for the Fiscal Year Ended March 31, 2022 (Group Consolidated)

- ✓ Net sales rose 10.9% year on year while operating profit rose 25.2%
- ✓ Profit rose 31.5% year on year due to decreased tax burden on MEITEC and MEITEC Fielders

(Fractions of one million yen are rounded down)	FY ended March. 31, 2021	FY ended March. 31, 2022	YoY Amount	% Change	Past Forecast	Progress toward the FY forecast
Net sales	96,626	107,140	+10,514	+10.9%	107,000	+140
Cost of sales	72,203	78,917	+6,714	+9.3%	78,600	+317
Cost of sales to Net sales	74.7%	73.7%	(1.1%)			
SG&A Expenses	14,188	15,405	+1,217	+8.6%	16,100	(695)
Operating profit	10,234	12,817	+2,582	+25.2%	12,300	+517
Operating profit margins	10.6%	12.0%	+1.4%		11.5%	+0.5%
Ordinary profit	10,306	12,948	+2,641	+25.6%	12,500	+448
Extraordinary income & loss	(4)	(5)	—			
Profit before income taxes	10,301	12,942	+2,640	+25.6%		
Profit attributable to owners of parent	7,028	9,240	+2,211	+31.5%	8,400	+840
Profit margins	7.3%	8.6%	+1.4%			
Return on Equity (ROE)	15.8%	20.6%	+4.8%			
Ordinary profit to total assets ratio	13.5%	16.5%	+3.0%			

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Results for the Fiscal Year Ended March 31, 2022 (Business Domains)

- ✓ Both sales and profit increased in the Engineering Solutions Business and the Recruiting & Placement Business for Engineers year on year.

(Fractions of one million yen are rounded down)	FY ended March. 31, 2021	FY ended March. 31, 2022	YoY Amount	% Change
Sales of Engineering Solutions Business	95,521	105,715	+10,194	+10.7%
Component ratio	98.9%	98.7%	(0.2%)	
Operating profit	9,960	12,343	+2,382	+23.9%
Sales of Recruiting & Placement Business for Engineers	1,216	1,530	+313	+25.8%
Component ratio	1.3%	1.4%	+0.2%	
Operating profit	273	474	+200	+73.1%

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Results for the Fiscal Year Ended March 31, 2022 (Meitec)

- ✓ Net sales rose 7.8% year on year ⇒ Due to an increase in the number of engineers assigned to clients associated with growth in the number of engineers and improvement of utilization rate.
- ✓ Operating profit rose 22.6% year on year ⇒ Due to a situation where the increase in net sales absorbed the increase in labor expenses and other costs associated with growth in the number of engineers, and the increase in SG&A expenses.

(Fractions of one million yen are rounded down)	FY ended March. 31, 2021	FY ended March. 31, 2022	YoY Amount	% Change	Past Forecast	Progress toward the FY forecast
Net sales	71,452	77,010	+5,557	+7.8%	77,000	+10
Cost of sales	53,438	56,503	+3,064	+5.7%	56,300	+203
Cost of sales to Net sales	74.8%	73.4%	(1.4%)		73.1%	+0.3%
SG&A Expenses	9,414	9,960	+546	+5.8%	10,500	(540)
Operating profit	8,600	10,546	+1,946	+22.6%	10,200	+346
Operating profit margins	12.0%	13.7%	+1.7%		13.2%	+0.4%
Ordinary profit	9,547	11,125	+1,578	+16.5%	10,800	+325
Extraordinary income & loss	(4)	(5)	—			
Profit before income taxes	9,542	11,120	+1,577	+16.5%		
Profit	6,823	8,051	+1,228	+18.0%	7,500	+551
Utilization ratio (Company-wide)	90.4%	94.3%	+3.9%		93.8%	+0.5%
Working Hours<h/day>	8.31	8.42	+0.11	+1.3%	8.40	+0.02
Number of Recruitment	562	628	+66	+11.7%	702	(74)
Newly graduated	399	462	+63	+15.8%	462	—
Mid-career	163	166	+3	+1.8%	In-house target 240	(74)
Turnover Ratio	5.6%	5.8%	+0.2%		5.4%	+0.4%
Number of Engineers	7,281	7,472	+191	+2.6%		

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Results for the Fiscal Year Ended March 31, 2022 (Meitec Fielders)

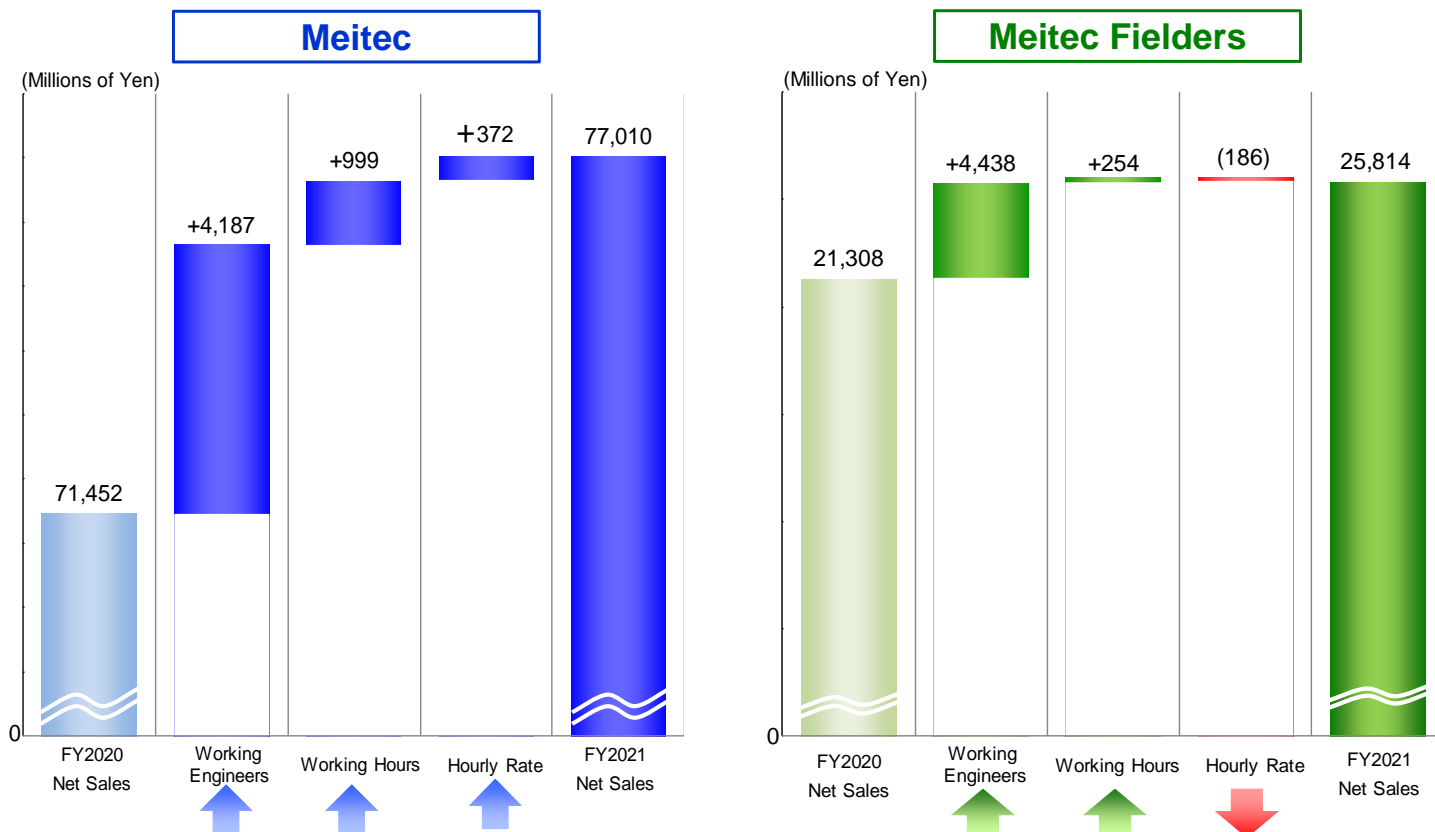
- ✓ Net sales rose 21.1% year on year while operating profit rose 46.9% and number of engineers increased 11.8%
- ✓ Profit year on year increased 66.0% due to decrease in the tax burden.

(Fractions of one million yen are rounded down)	FY ended March. 31, 2021	FY ended March. 31, 2022	YoY Amount	% Change	Past Forecast	Progress toward the FY forecast
Net sales	21,308	25,814	+4,505	+21.1%	25,600	+214
Cost of sales	16,542	20,015	+3,472	+21.0%	19,750	+265
Cost of sales to Net sales	77.6%	77.5%	(0.1%)		77.1%	+0.4%
SG&A Expenses	3,586	4,067	+480	+13.4%	4,300	(233)
Operating profit	1,178	1,731	+552	+46.9%	1,550	+181
Operating profit margins	5.5%	6.7%	+1.2%		6.1%	+0.7%
Ordinary profit	1,177	1,732	+555	+47.1%	1,550	+182
Extraordinary income & loss	—	—	—			
Profit before income taxes	1,177	1,732	+555	+47.1%		
Profit	805	1,337	+531	+66.0%	1,060	+277
Utilization ratio (Company-wide)	85.0%	89.0%	+4.0%		88.7%	+0.3%
Working Hours<h/day>	8.29	8.39	+0.10	+1.2%	8.38	+0.01
Number of Recruitment	839	913	+74	+8.8%	1,102	(189)
Newly graduated	217	302	+85	+39.2%	302	—
Mid-career	622	611	(11)	(1.8%)	In-house target 800	(189)
Turnover Ratio	9.3%	13.5%	+4.2%		12.5%	+1.0%
Number of Engineers	3,394	3,793	+399	+11.8%		

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Comparison of Net Sales

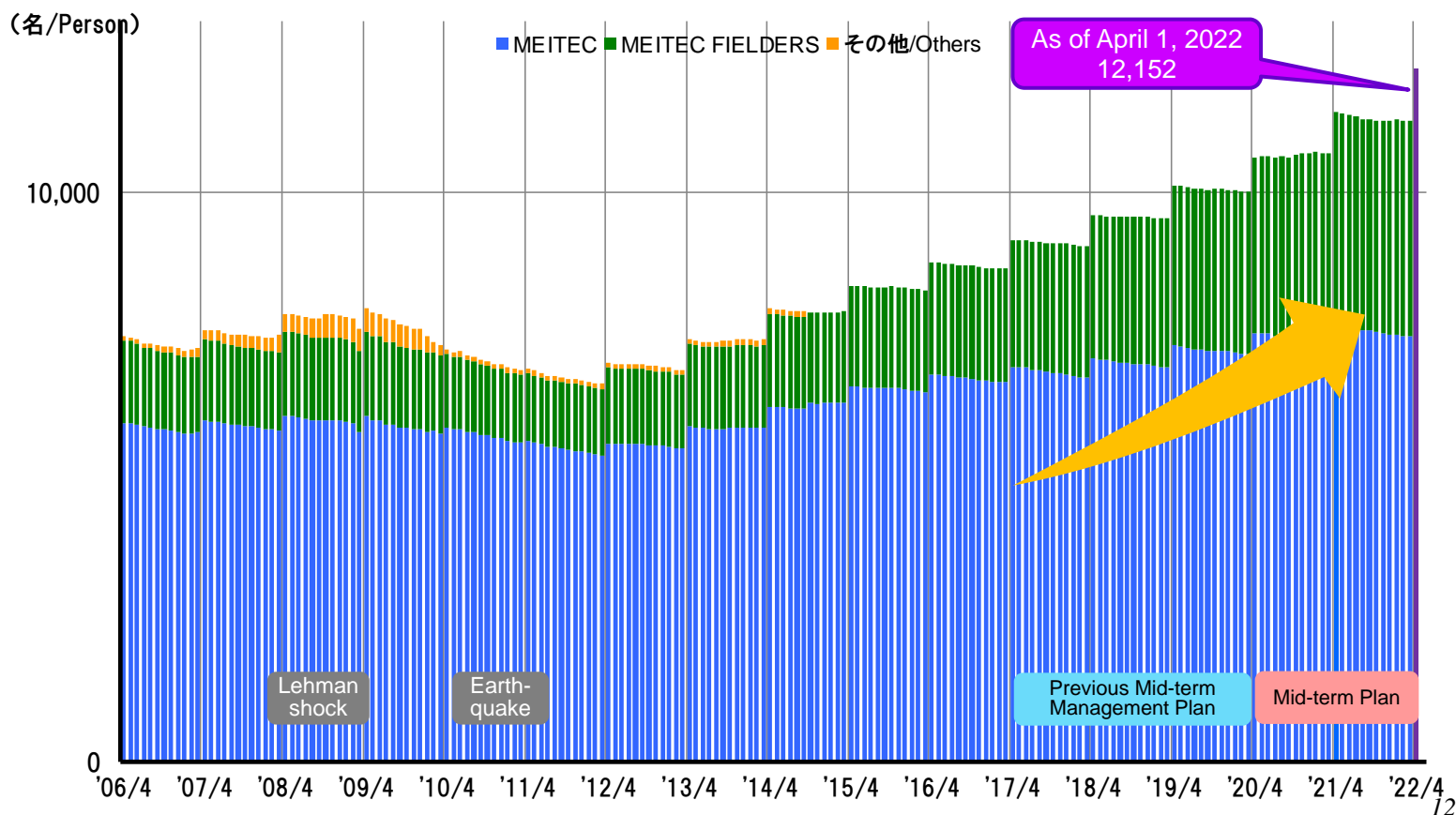
- ✓ For both Meitec and Meitec Fielders, net sales increased due to the “increase in the number of engineers assigned to clients” and “increase in working hours”.



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Number of Engineers (Group Consolidated)

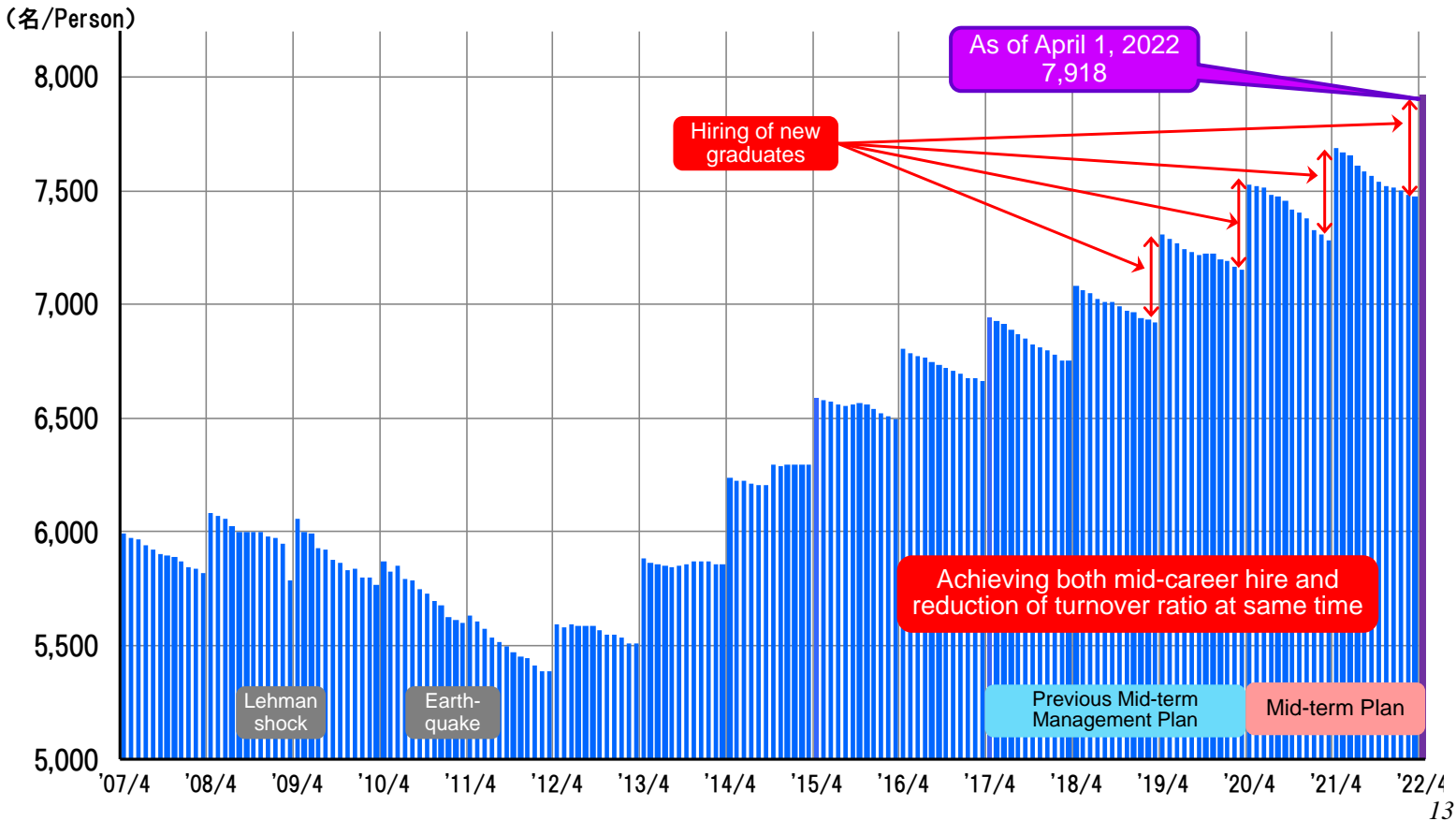
- ✓ The number of engineers as of March 31, 2022 was 11,265, an increase of 590 engineers, or 5.5%, compared to March 31, 2021.
- ✓ As of April 1, 2022, the number of engineers has reached 12,152 engineers, which is a record high.



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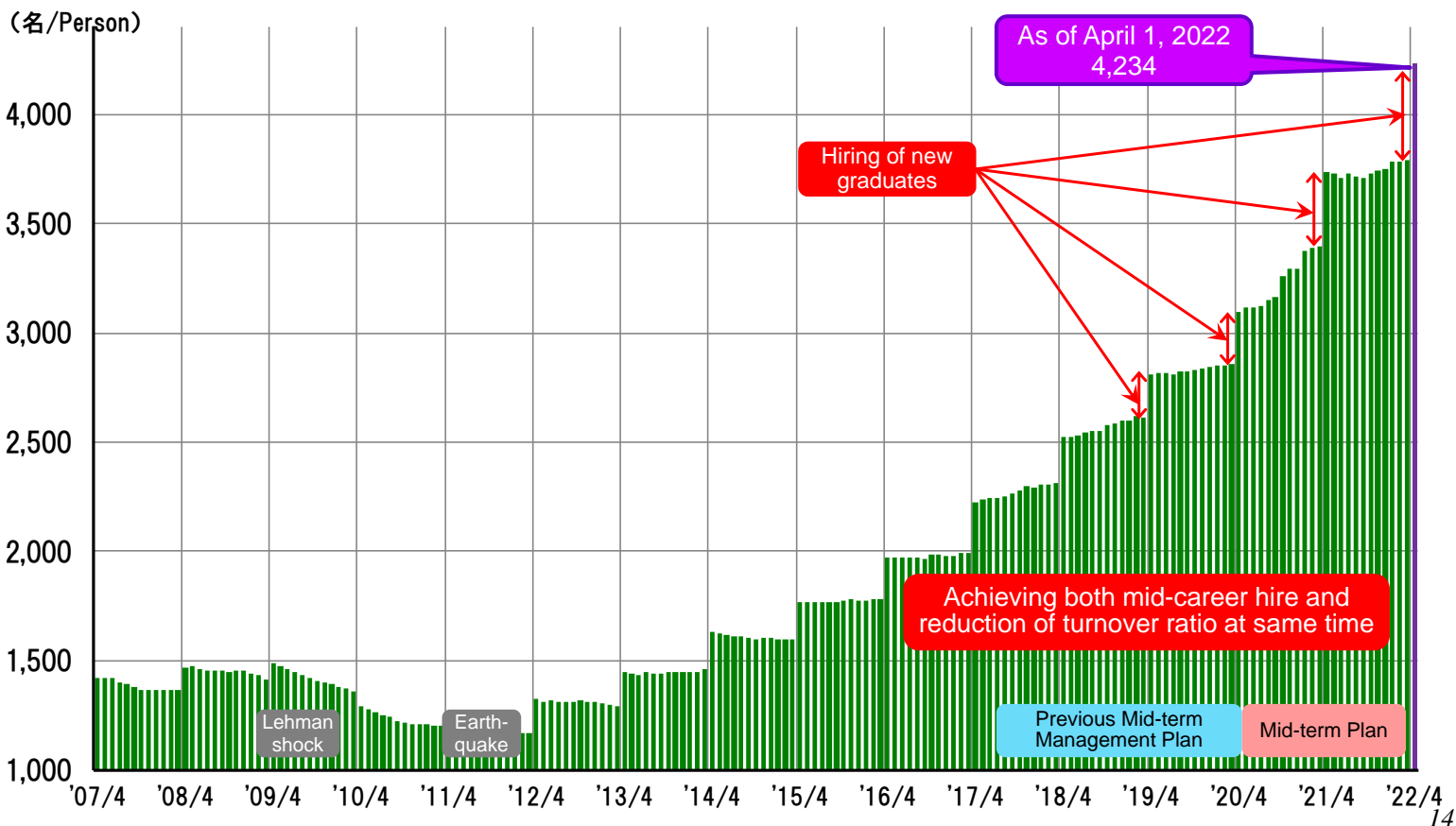
Number of Engineers (Meitec)

- ✓ The number of engineers as of March 31, 2022 was 7,472, an increase of 191 engineers, or 2.6%, compared to March 31, 2021.
- ✓ 474 new graduates joined the company on April 1, 2022, and we started the new fiscal year with a record high 7,918 engineers.



Number of Engineers (Meitec Fielders)

- ✓ The number of engineers as of March 31, 2022 was 3,793, an increase of 399 engineers, or 11.8%, compared to March 31, 2021.
- ✓ 411 new graduates joined the company on April 1, 2022, and we started the new fiscal year with a record high 4,234 engineers.



Mid-career (FY 2022/3)

- The need for work-ready engineers is even more intense than before the COVID-19 pandemic, and the hiring environment continues to be competitive.
- ✓ While maintaining hiring standards, we are promoting active recruitment with an eye on medium- to long-term growth and development
- ✓ Striving to form an effective workforce by expanding recruitment channels

New Graduates (Joined April 2022)

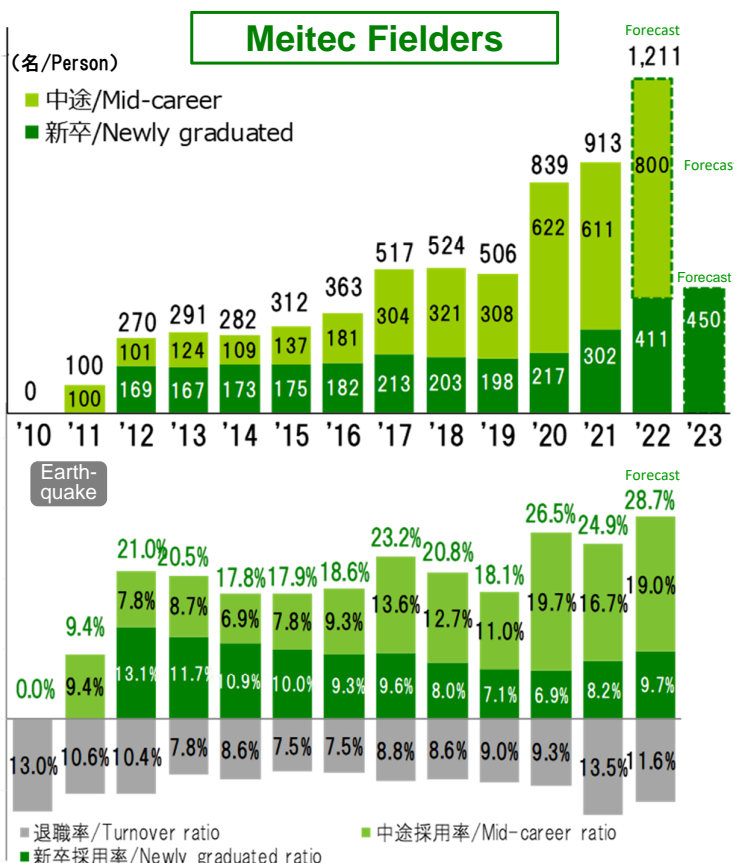
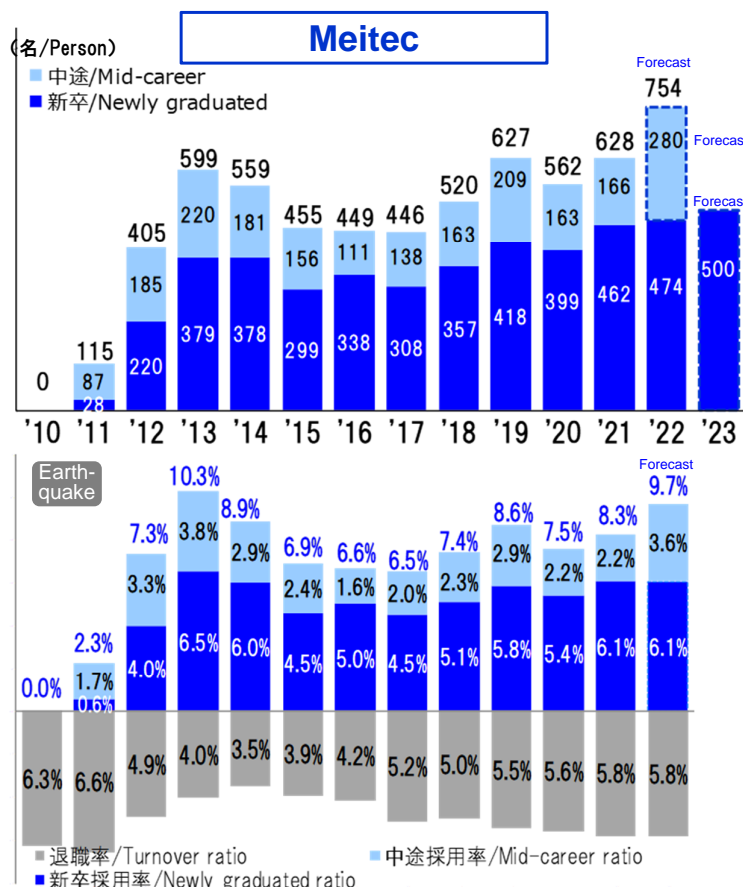
- Companies' hiring needs for science students are further increasing, and hiring competition is intensifying with student's job searching methods and selection of companies becoming more diverse amid the COVID-19 pandemic.
- ✓ The number of persons who received job offers increased year on year
- ✓ This was mainly due to the fact that, while placing the highest priority on securing the safety of students, even during the COVID-19 crisis we were able to emphasize the importance of a student's inclination (a desire to grow, etc.) and implement recruitment activities that appealed the workstyle of a lifetime professional engineer

(person)	Fiscal Year Ended March 31, 2022							Fiscal Year Ending March 31, 2023					
	New Graduates April 2020	Mid-career					Total	YoY	New Graduates April 2022				
		Initial In-house target	10/28/21 Revised In-house target	To Initial In-house target	To 10/28/21 Revised In-house target			Initial Forecast	10/28/21 Expected Number	To Initial Forecast	YoY		
Meitec	462	240	240	166	(74)	(74)	628	+66	480	499	474	(6)	+12
Meitec Fielders	302	1000	800	611	(389)	(189)	913	+74	400	424	411	+11	+109
Total	764	1240	1040	777	(463)	(263)	1,541	+140	880	923	885	+5	+121
Comparison to previous year	+148			(8)			+140		To 10/28/21 Revised In-house target		(38)		

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Recruitment and Turnover

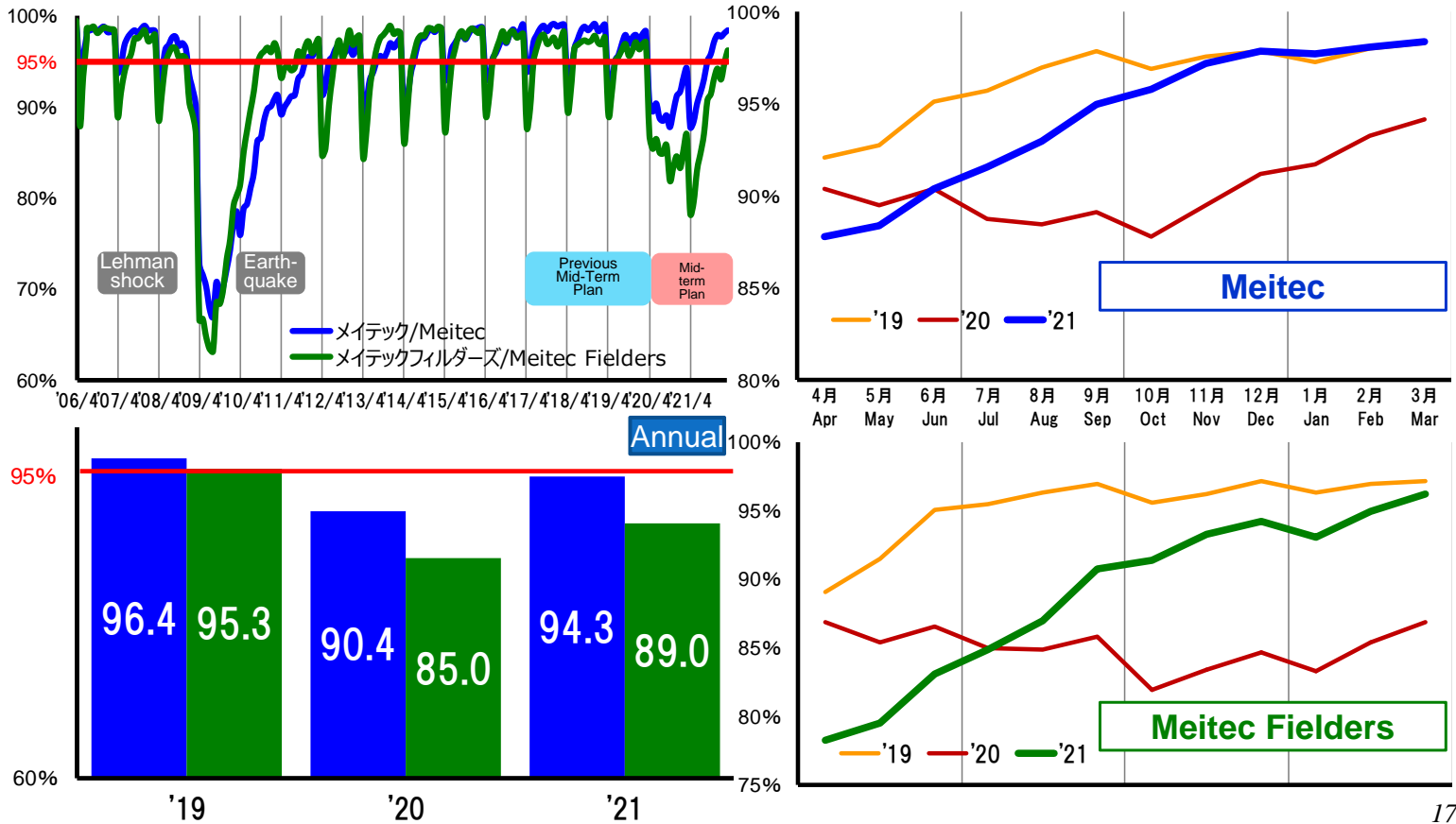
- ✓ The hiring environment is challenging, but we maintained hiring standards.



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Utilization Ratio

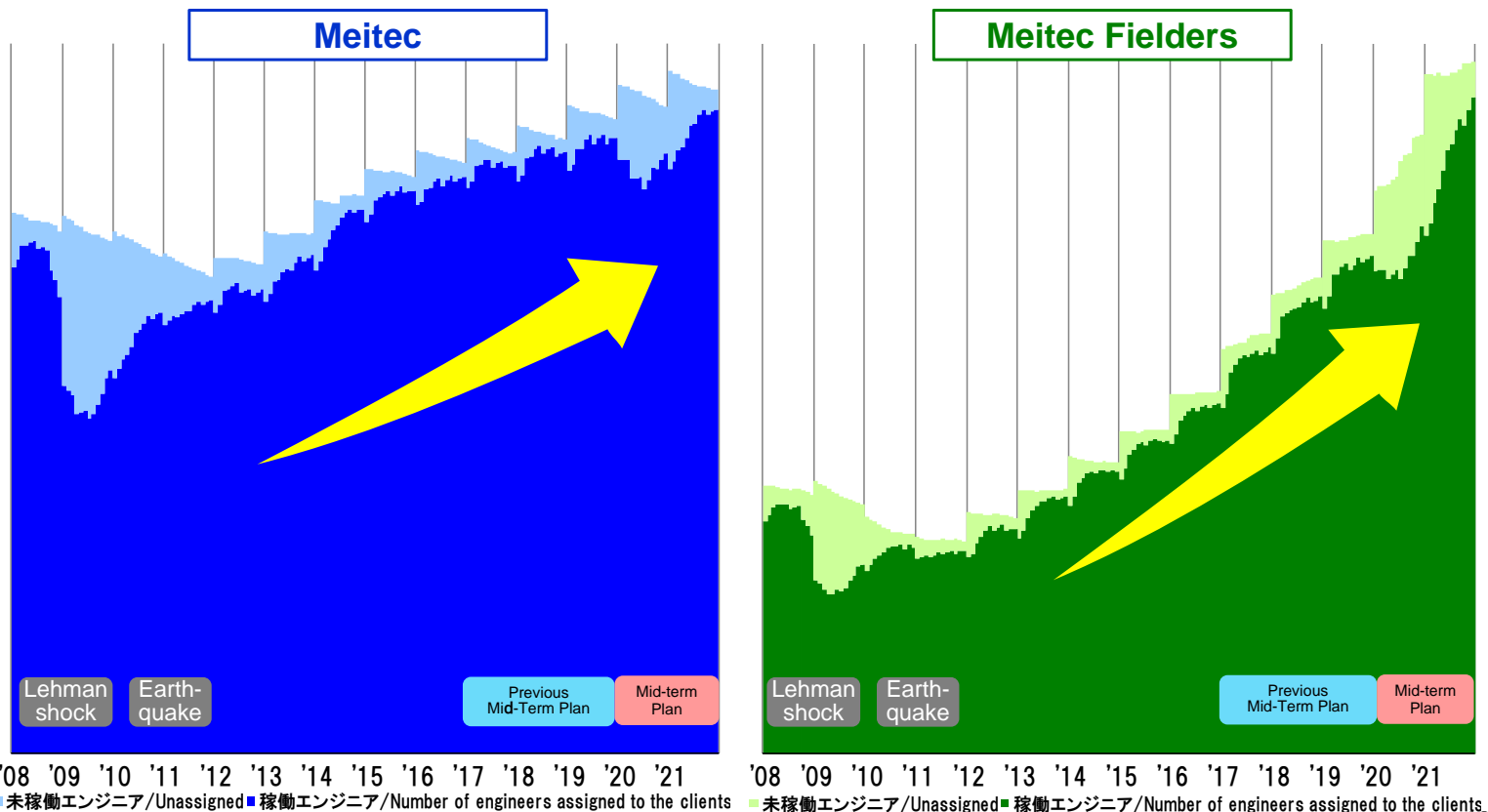
✓ Utilization ratio remained steady ⇒ We proceeded with the assignment of engineering staff in response to orders.



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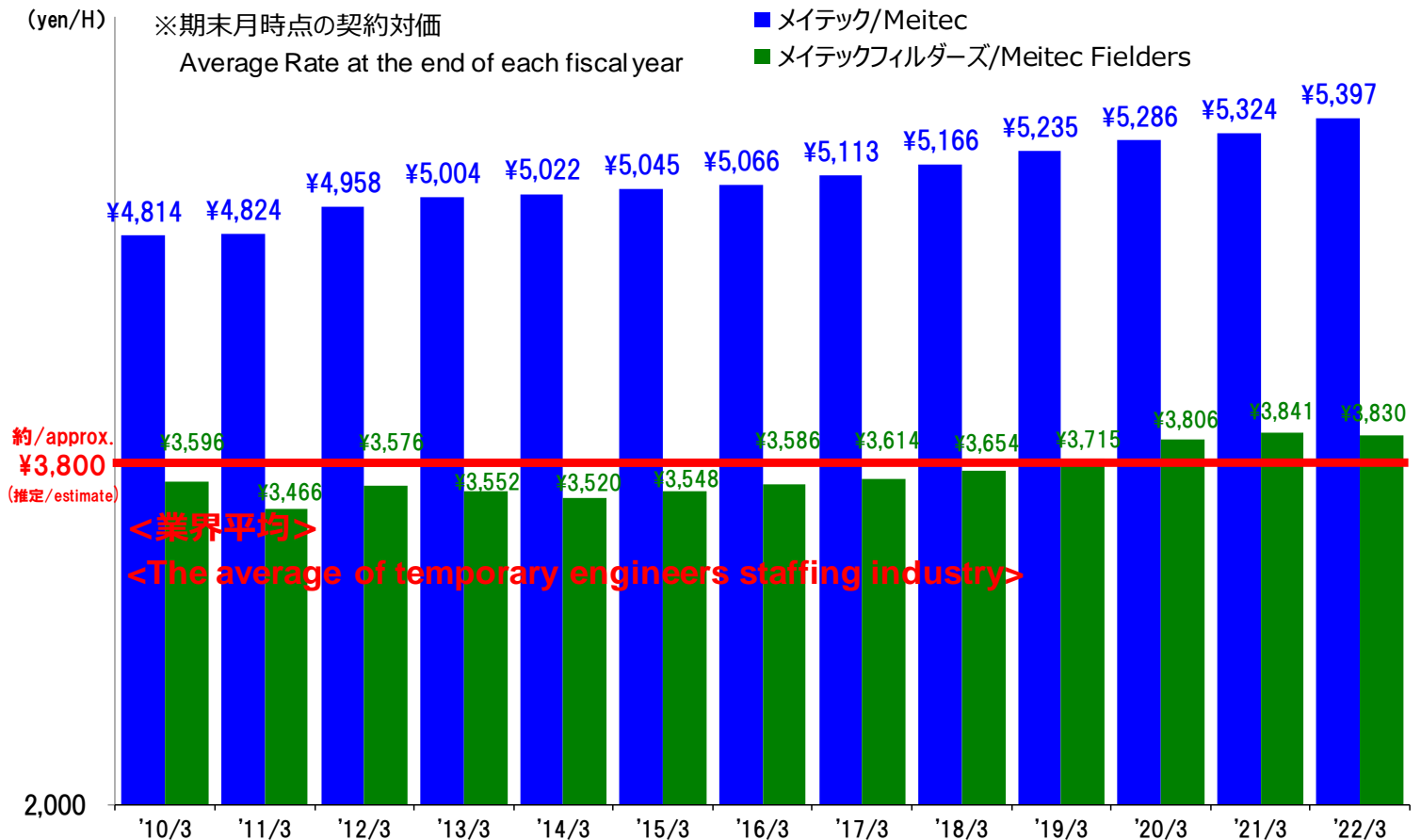
Number of Engineers Assigned to the Clients (Key factor of Sales)

✓ With active hiring the number of engineers increased, and the number of engineers assigned to clients also increased as a result of proceeding with assignments in response to orders



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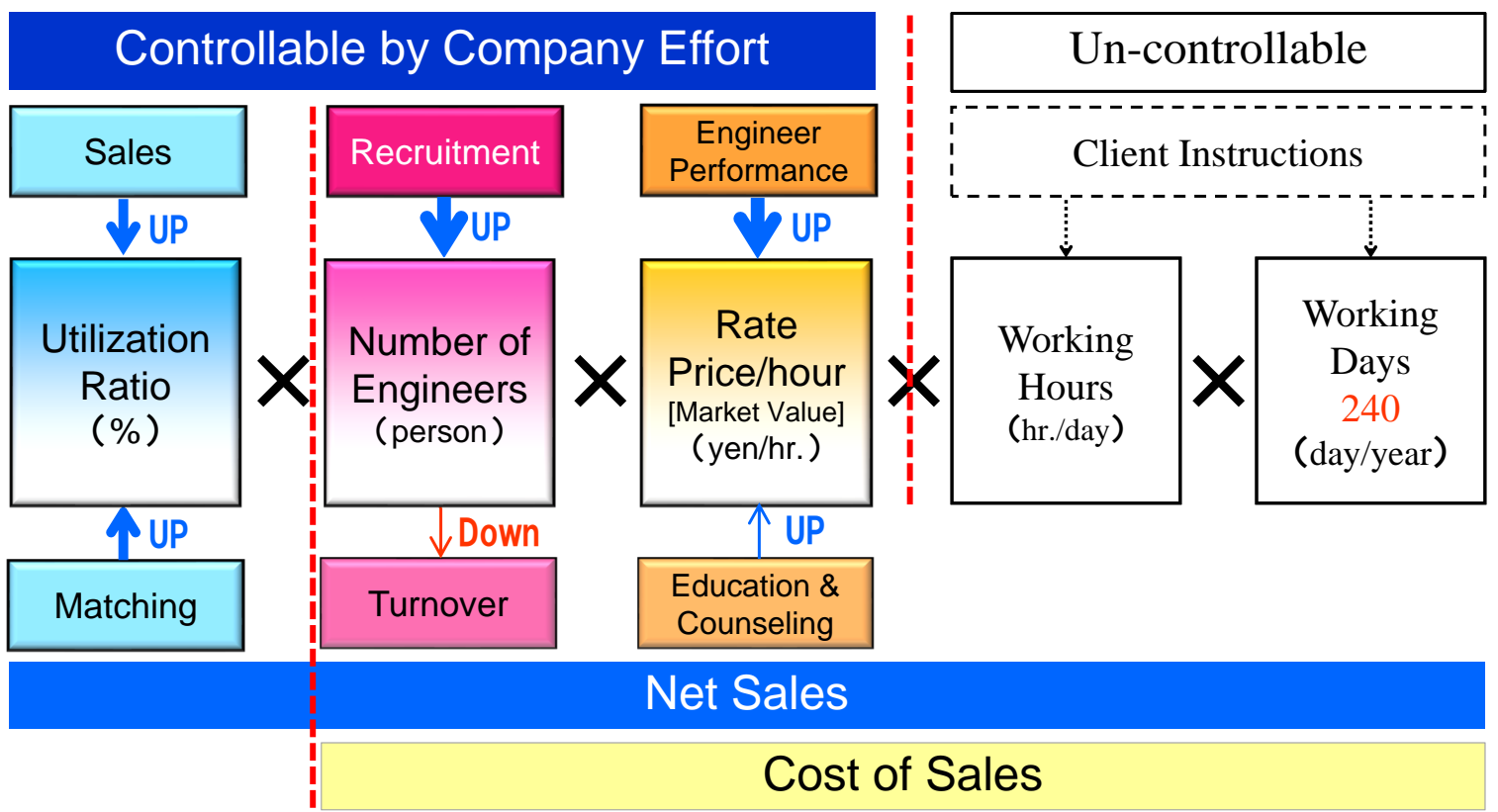
Trend in Average Rate = (Market Value)



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Sales and Cost

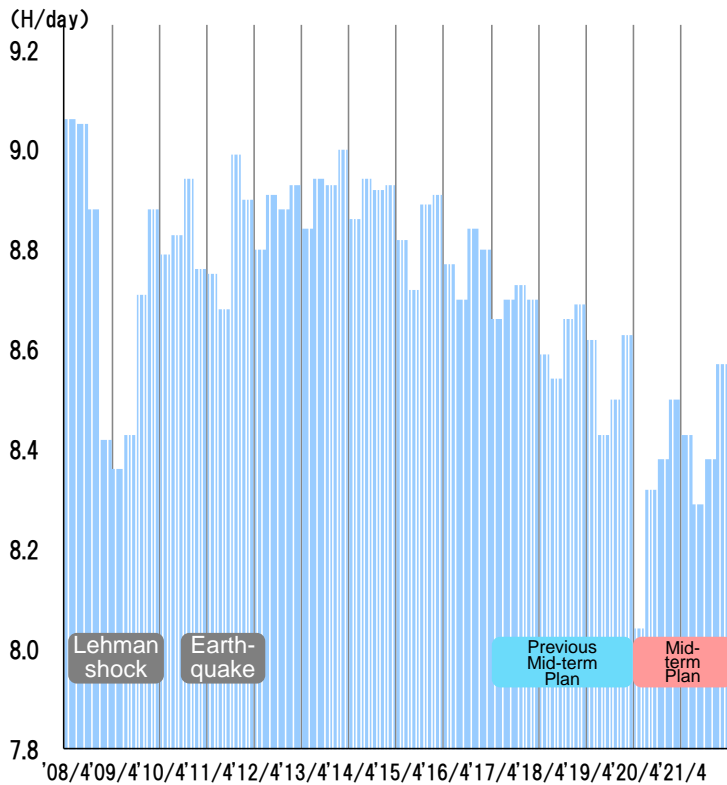
- ✓ Increasing the number of engineers and sustaining and improving the high "utilization ratio and prices" are the key to a growth.



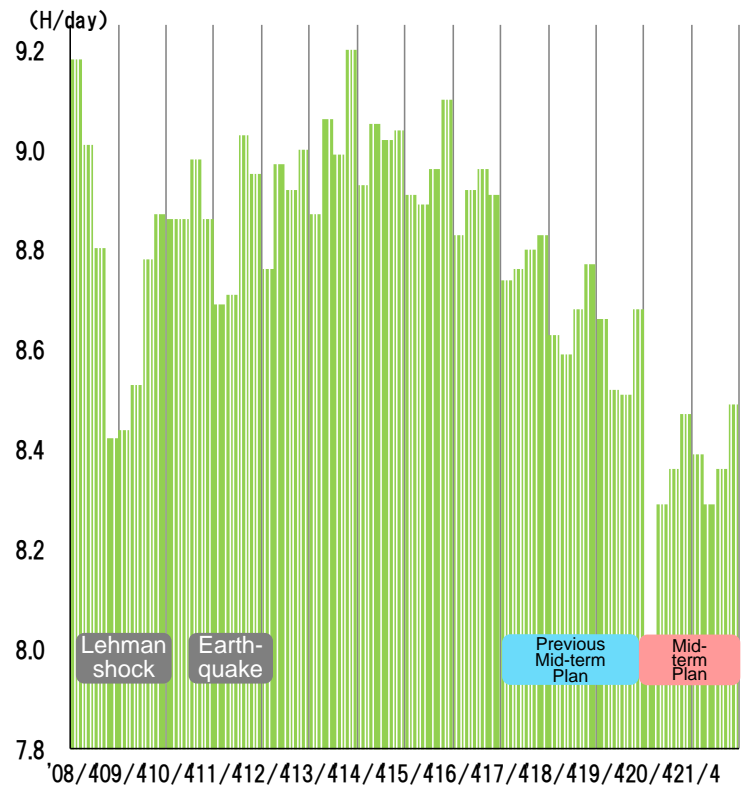
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✓ There was a bounce back in overtime hours and working hours were longer

Meitec



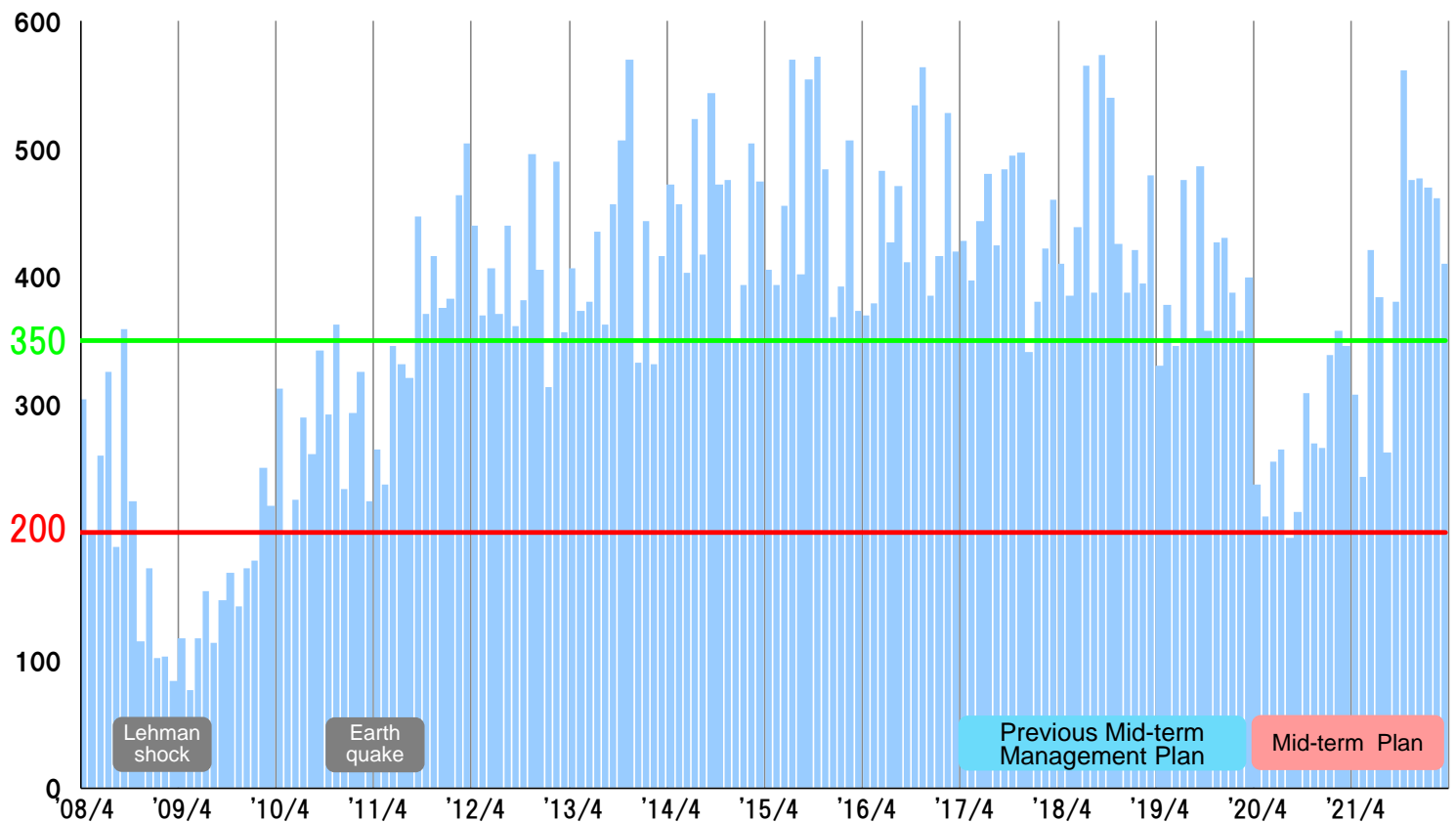
Meitec Fielders



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Trend in New Orders by Month (Meitec)

✓ For Meitec, new monthly orders are expected to recover.



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Top 10 Clients by Sales (Meitec)

- ✓ Due to confidentiality reasons we refrain from disclosing matters and specific figures related to clients (individual companies)

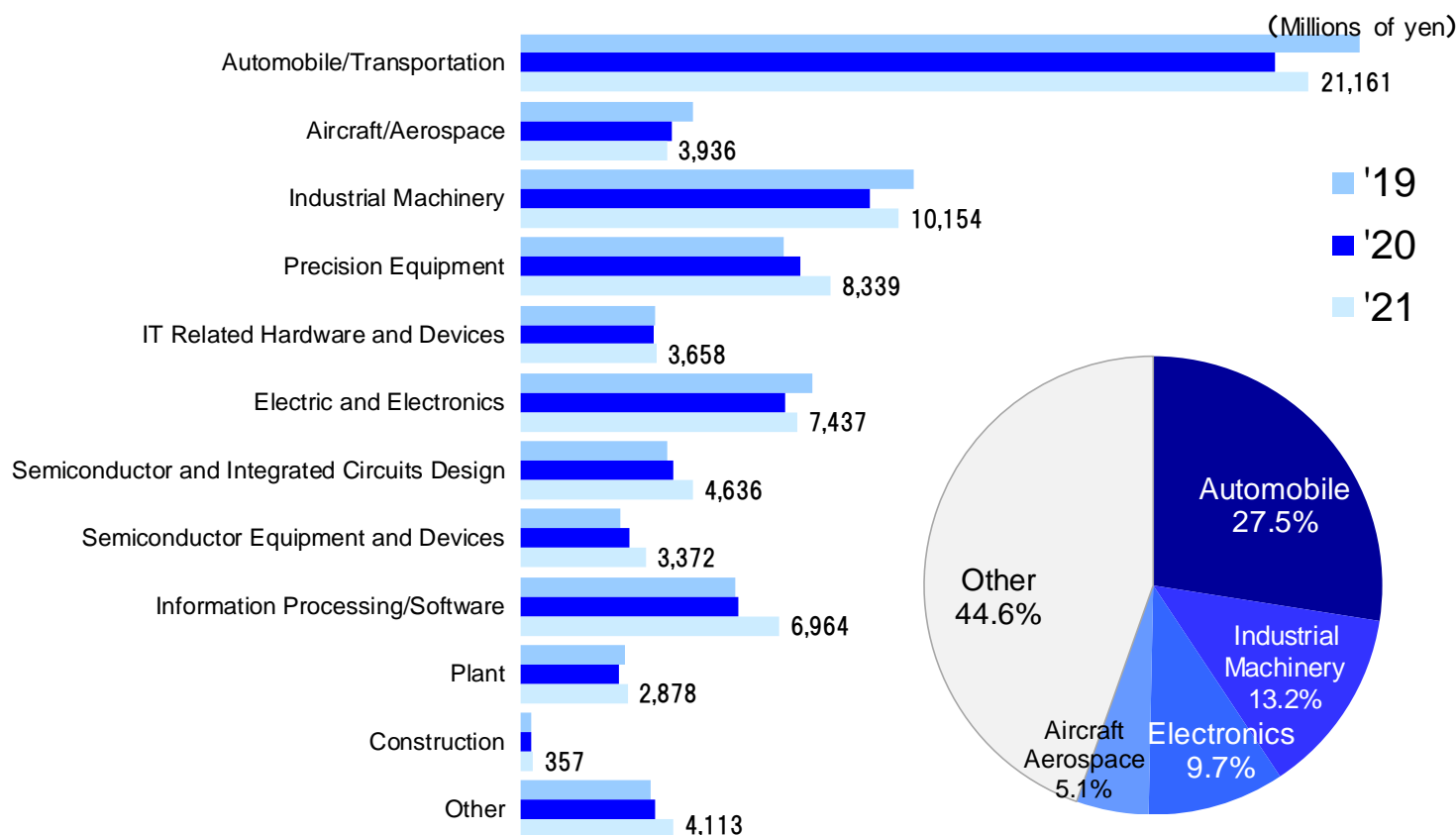
(Millions of yen)

FY2016			FY2020			FY2021		
1	Mitsubishi Heavy Industries		1	Mitsubishi Heavy Industries		1	Denso	
2	Denso		2	Denso		2	Sony Semiconductor Solutions	
3	Canon		3	Sony Semiconductor Solutions		3	Mitsubishi Heavy Industries	
4	Panasonic		4	Toyota Motor		4	Panasonic	
5	Toyota Motor		5	Panasonic		5	Nikon	
6	Nikon		6	Nikon		6	Toyota Motor	
7	Sony Semiconductor Solutions		7	Denso Ten		7	Hitachi High-Tech	
8	Kawasaki Heavy Industries		8	Hitachi High-Tech		8	Subaru	
9	Mitsubishi Aircraft		9	Subaru		9	Denso Ten	
10	Omron		10	Nippon Steel		10	Terumo	
Top 10 Total	17,673	25.2%	Top 10 Total	17,589	24.6%	Top 10 Total	18,937	24.6%
Top 20 Total	24,788	35.4%	Top 20 Total	25,145	35.2%	Top 20 Total	27,186	35.3%
Others	45,295	64.6%	Others	46,308	64.8%	Others	49,824	64.7%
Total	70,083	100.0%	Total	71,452	100.0%	Total	77,010	100.0%

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Sales by the Industrial Segments (Meitec)

- ✓ Due to confidentiality reasons we refrain from disclosing the breakdown and outlook for specific clients (individual companies) (figures are stated in Reference Materials)



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2. Progress on Mid-term Management Plan

Disclaimer regarding the description of the medium-term management plan

1. The quantitative goals in this document, which disclose the medium-term management plan, differ from the performance forecasts.
The impact of COVID-19 (Novel Coronavirus) expansion and long-term concerns on business performance is not reflected.
2. The quantitative goals and other information in this document merely show medium- to long-term strategies based on the strong will of the management team. The company is not obligated to update such information.
3. Please see the disclosures in the Consolidated Financial Results for the official earnings forecast, based on the rules of Stock Exchange, Inc.

Transform the business model by pursuing high added value as a unified group

Basic Policy	Sales Expansion			Improving Profit Margin
	Profit Enhancement			
Priority measures	✓ Providing the Prime engineering solutions	✓ Greatly increase digitization of design and development	✓ Transfer authority to region (area/block)	✓ Improve efficiency by promoting standerzation of operations
	Directly under the control of top management the Prime engineering solutions of *Create a group of engineers *Build a technical sales team	*Accelerate Quantitative expansion and digitization and transition to growth areas		*Redefine operational requirements
		*Innovate systems and standards to make swift decisions		*Promoting digitization

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Progress on Mid-term Management Plan in the 2nd Year

Transform the business model by pursuing high added value as a unified group

Priority measures	Progress of the 2nd term
✓ Providing the Prime engineering solutions	<ul style="list-style-type: none"> • Development in proposal-based solution sales through high technical capabilities • Fostering engineers' willingness to take on new challenges based on track records
✓ Greatly increase digitization of design and development	<ul style="list-style-type: none"> • Strengthening proposal-based sales based on market and technology trends • Expanding technical training required for operations • Continuing active hiring
✓ Transfer authority to region (area/block)	<ul style="list-style-type: none"> • Promoting training and hiring tailored to regional characteristics
✓ Improve efficiency by promoting standardization of operations	<ul style="list-style-type: none"> • Focusing on identifying operations that increase productivity

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See page 25: Disclaimer regarding the description of the medium-term management plan

		FY2020	FY2021	FY2022	Mid-Term Management Plan
(Billion Yen)		Actual	Actual	Forecast	Target
Group Consolidated	Net Sales	96.6	107.1	119.0	135.0
	Operating Profit	10.2	12.8	15.4	18.0
	Margin	10.6%	12.0%	12.9%	13%
	Profit	7.0	9.2	10.5	12.0
	ROE	15.8%	20.6%	23.3%	25% or more
Meitec	Net Sales	71.5	77.0	83.0	90.0
	Operating Profit	8.6	10.5	12.3	13.5
	Margin	12.0%	13.7%	14.8%	15%
Meitec Fielders	Net Sales	21.3	25.8	31.0	40.0
	Operating Profit	1.2	1.7	2.2	3.6
	Margin	5.5%	6.7%	7.1%	9%

3. Forecast for the Fiscal Year Ending March 31, 2023

Forecast for the Fiscal Year Ending March 31, 2023 (Group Consolidated)

- ✓ Net sales +11.1% year on year at ¥119 billion with operating profit +20.1% year on year at ¥15.4 billion and profit + 13.6% year on year at ¥10.5 billion
- ✓ SG&A expenses +12.9% year on year ⇒ Expect to increase sales positions by increasing the number of engineers

(Fractions of one million yen are rounded down)	Forecast FY ending March 31, 2023	YoY Amount	% Change	Forecast 1st half ending Sept.30, 2022	YoY Amount	% Change	Forecast 2nd Half
Net sales	119,000	+11,859	+11.1%	57,300	+6,384	+12.5%	61,700
Cost of sales	86,200	+7,282	+9.2%	42,000	+3,925	+10.3%	44,200
SG&A Expenses	17,400	+1,994	+12.9%	8,500	+996	+13.3%	8,900
Operating profit	15,400	+2,582	+20.1%	6,800	+1,463	+27.4%	8,600
Operating profit margins	12.9%	+0.9%	/	11.9%	+1.4%	/	14.0%
Ordinary profit	15,500	+2,551	+19.7%	6,800	+1,394	+25.8%	8,700
Profit attributable to owners of parent	10,500	+1,259	+13.6%	4,500	+950	+26.8%	6,000
Earnings per Share	131.04	(210.52)	/	56.16	(74.28)	/	

※ Earnings per Share (EPS) are calculated based on the assumption that the stock split was conducted at a ratio of 3 shares per common stock as of July 1, 2022.

Earnings per Share for the fiscal year would be ¥168.48 for the second quarter (cumulative) and ¥393.13 for the full year, without taking into consideration the stock split.

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Forecast for the Fiscal Year Ending March 31, 2023 (Meitec)

- ✓ Forecast net sales +7.8% year on year, operating profit + 16.6% year on year, and profit +14.3% year on year
- ✓ SG&A expenses +10.4% year on year ⇒ Expect to increase sales positions by increasing engineer hiring targets

(Fractions of one million yen are rounded down)	Forecast FY ending March 31, 2023	YoY Amount	% Change	Forecast 1st half ending Sept.30, 2022	YoY Amount	% Change	Forecast 2nd Half
Net sales	83,000	+5,989	+7.8%	40,000	+3,158	+8.6%	43,000
Cost of sales	59,700	+3,196	+5.7%	29,200	+1,723	+6.3%	30,500
Cost of sales to Net sales	71.9%	(1.5%)	/	73.0%	(1.6%)	/	70.9%
SG&A Expenses	11,000	+1,039	+10.4%	5,500	+582	+11.9%	5,500
Operating profit	12,300	+1,753	+16.6%	5,300	+852	+19.2%	7,000
Operating profit margins	14.8%	+1.1%	/	13.3%	+1.2%	/	16.3%
Ordinary profit	13,200	+2,074	+18.6%	6,200	+1,172	+23.3%	7,000
Profit	9,200	+1,148	+14.3%	4,300	+829	+23.9%	4,900
Utilization ratio (Company-wide)	95.8%	1.5%		94.2%	+3.2%		97.4%
Working Hours〈h/day〉	8.42	—		8.36	—		8.47
Number of Recruitment	754	+126					
Newly graduated	474	+12					
Mid-career	280	+114					
Turnover Ratio	5.8%	—					
				Target of the New Graduates to be hired for April 2023		To Apr. 2022	
				500		+26	

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Forecast for the Fiscal Year Ending March 31, 2023 (Meitec Fielders)

- ✓ Net sales +20.1% year on year, operating profit +30% year on year → Expect to significantly increase the number of engineers assigned to clients
- ✓ SG&A expenses +18% year on year ⇒ Expect increase in engineer hiring targets and number of sales positions

(Fractions of one million yen are rounded down)	Forecast FY ending March 31, 2023			Forecast 1st half ending Sept.30, 2022			Forecast 2nd Half
	YoY Amount	YoY % Change	YoY Amount	YoY % Change			
Net sales	31,000	+5,185 +20.1%	14,600	+2,612 +21.8%	16,400		
Cost of sales	23,950	+3,934 +19.7%	11,450	+2,024 +21.5%	12,500		
Cost of sales to Net sales	77.3%	(0.2%)	78.4%	(0.2%)	76.2%		
SG&A Expenses	4,800	+732 +18.0%	2,200	+275 +0.0%	2,600		
Operating profit	2,250	+518 +30.0%	950	+311 +48.9%	1,300		
Operating profit margins	7.3%	+0.6%	6.5%	+1.2%	7.9%		
Ordinary profit	2,250	+517 +29.9%	950	+310 +48.6%	1,300		
Profit	1,550	+212 +15.9%	650	+211 +48.4%	900		
Utilization ratio (Company-wide)	93.3%	+4.3%	90.2%	+6.3%	96.2%		
Working Hours<h/day>	8.39	—	8.34	—	8.43		
Number of Recruitment	1,211	+298	Target of the New Graduates to be hired for April 2023		To Apr. 2022		
Newly graduated	411	+109			+39		
Mid-career	800	+189					
Turnover Ratio	11.6%	(1.9%)	450				

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Hiring Target for the Fiscal Year Ending March 31, 2023

Mid-career (FY 2023/3)

- The need for work-ready engineers is higher than before the COVID-19 pandemic, and the hiring environment continues to be competitive
- ✓ Expanding recruitment channels and actively communicating the “lifetime professional engineer” career style and our approach to career advancement, aiming to secure the number of hires
- ✓ While maintaining hiring standards, we are promoting active recruitment with an eye on medium- to long-term growth and development

New Graduates (Joined April 2023)

- Amidst the ongoing sellers' market in recent years, the recruitment activities of companies are accelerating and recruitment competition is intensifying
- ✓ Through internships, etc., attract students with “career styles centered on the occupation” as a lifelong professional engineer
- ✓ While placing the highest priority on securing the safety of students, continue recruitment activities that emphasize the importance of a student's inclination (a desire to grow, etc.)
- ※ As we are working to continuously realize the provision of solutions that are involved in the development of state-of-the-art technology and the latest products at the design and development department, the hiring standard cannot be lowered

(person)	Fiscal Year Ending March 31, 2023					Fiscal Year Ending March 31, 2024	
	New Graduates April 2022 (Actual)	Mid-career		Total		New Graduates April 2023	
		<Target>	Comparison to Previous Year	<Target>	Comparison to Previous Year	<Target>	Comparison to Previous Year
Meitec	474	280	+40	754	+52	500	+26
Meitec Fielders	411	800	(200)	1,211	(91)	450	+39
Total	885	1,080	(160)	1,965	(39)	950	+65

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- ✓ Profit distribution of the New Medium-Term Management Plan follows the established policy based on adequacy of quality and quantity of capital and funds.

Revised Nov. 2018
Revised May 2017
Revised May 2011
Profit distribution policy

1. Enhance “quality and quantity” of the shareholders’ equity
2. Balance of funds exceeds the funds necessary for business operations* (*3 months consolidated net sales)

Total Return Ratio : Basically within 100%

Dividend related to performances : Equal or more than 50% of consolidated profit

Minimum Dividend : Consolidated Dividend on Equity ratio (DOE) 5%

Dividend

Acquire : Carry out as appropriate, taking the total return ratio and dividend payout ratio levels into consideration

Treasury shares acquisition, possession and retirement

Possess
Maximum of 5% of shares issued

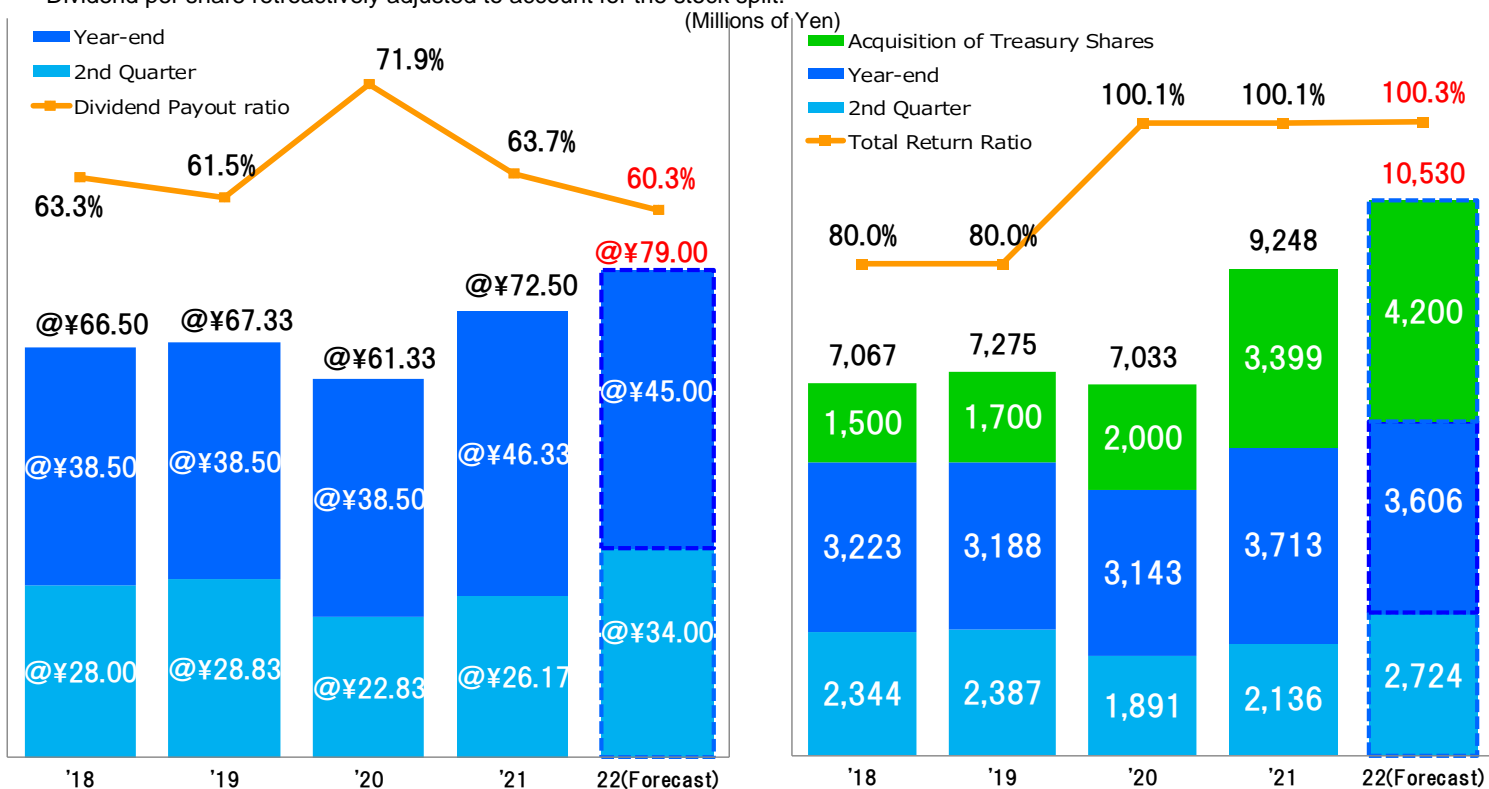
Retired
Excess above maxim to be retired by the end of the fiscal year

- ✓ 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 FY2021 will be ¥139 per share, and together with the interim dividend of ¥78.50 per share, this will result in an annual dividend of ¥217.50 per share.
- ✓ With July 1, 2022 as the effective date, a stock split will be implemented at a ratio of 3 shares per common
- ⇒ With annual dividend of ¥79 per share, total return ratio is expected to be 100.3% with anticipated dividend payout ratio of 60.3%
- ✓ *Dividend per share retroactively adjusted to account for the stock split.



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4. Reference Materials



The Meitec Group aims to cater to as many corporate clients and engineers as possible to realize more inspiring and enjoyable job opportunities and placements.

Hideyo Kokubun
President and CEO,COO
MEITEC Group CEO

國分 秀世

Results for the Fiscal Year Ended March 31, 2022

	Engineering Solutions Business				Recruiting & Placement Business for Engineers
	Meitec	Meitec Fielders	Meitec Cast	Meitec EX	Meitec Next
(Fractions of one million yen are rounded down)					
Net sales	77,010	25,814	2,998	319	1,530
YoY Amount	+5,557	+4,505	+98	+137	+313
% Change	+7.8%	+21.1%	+3.4%	+75.2%	+25.8%
Operating profit	10,546	1,731	189	(4)	474
YoY Amount	+1,946	+552	(32)	(4)	+200
% Change	+22.6%	+46.9%	(14.8%)	—	+73.1%
Ordinary profit	11,125	1,732	189	(4)	474
Profit	8,051	1,337	121	(4)	305

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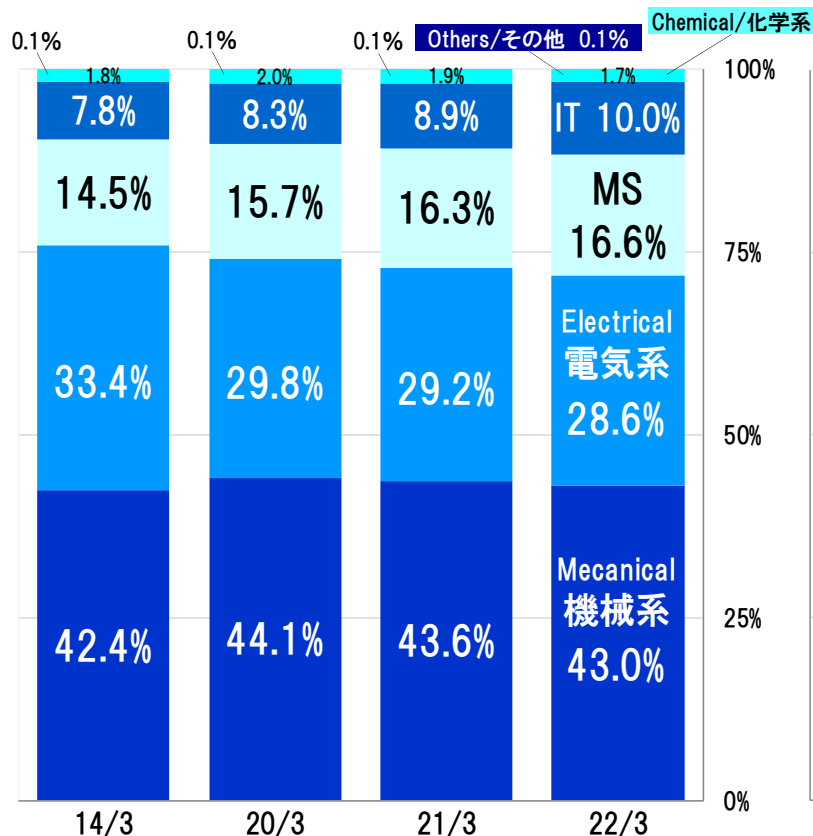
Forecast for the Fiscal Year Ending March 31, 2023

	Engineering Solutions Business				Recruiting & Placement Business for Engineers
	Meitec	Meitec Fielders	Meitec Cast	Meitec EX	Meitec Next
(Millions of yen)					
Net sales	83,000	31,000	3,370	380	1,980
YoY Amount	+5,989	+5,185	+371	+60	+449
% Change	+7.8%	+20.1%	+12.4%	+18.9%	+29.4%
Operating profit	12,300	2,250	260	0	630
YoY Amount	+1,753	+518	+70	+4	+155
% Change	+16.6%	+30.0%	+37.0%	—	+32.8%
Ordinary profit	13,200	2,250	260	0	630
Profit	9,200	1,550	170	0	410

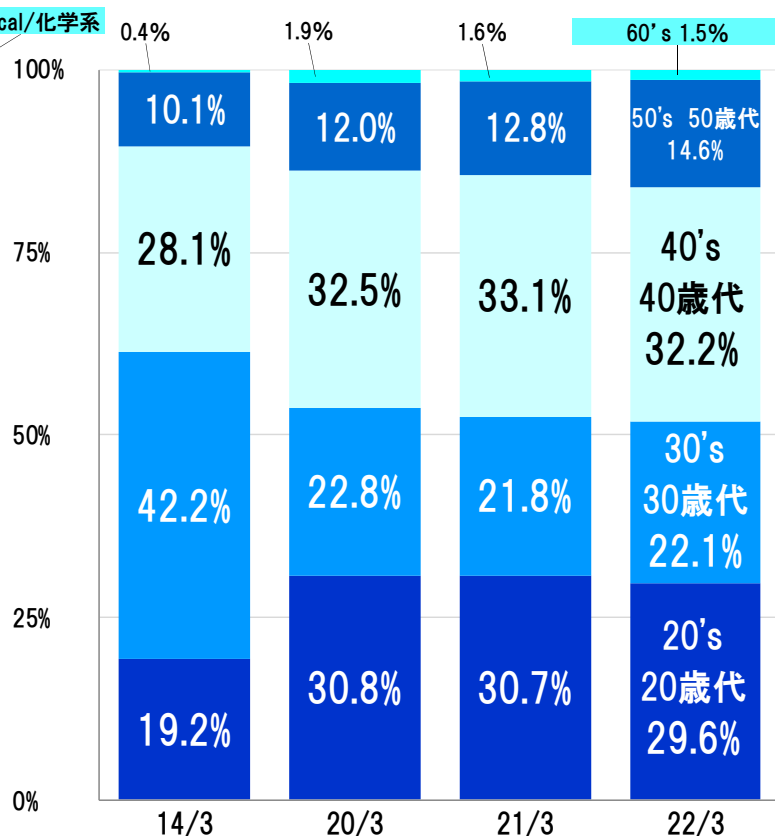
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Distribution of Engineers by Technical Fields and Age (Meitec)

技術分野/Technical field



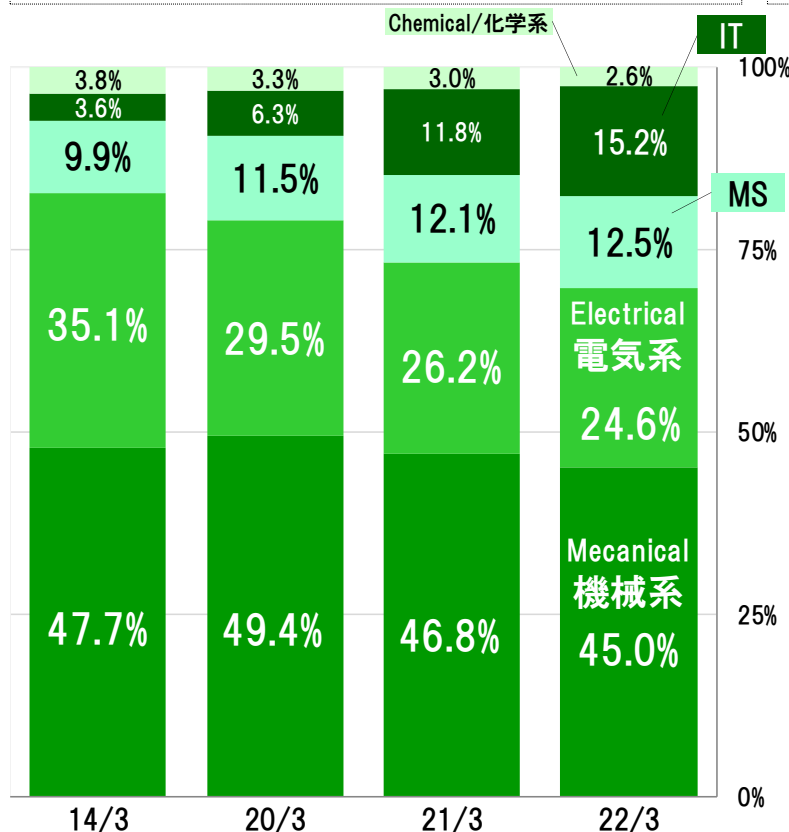
年齢/According to age



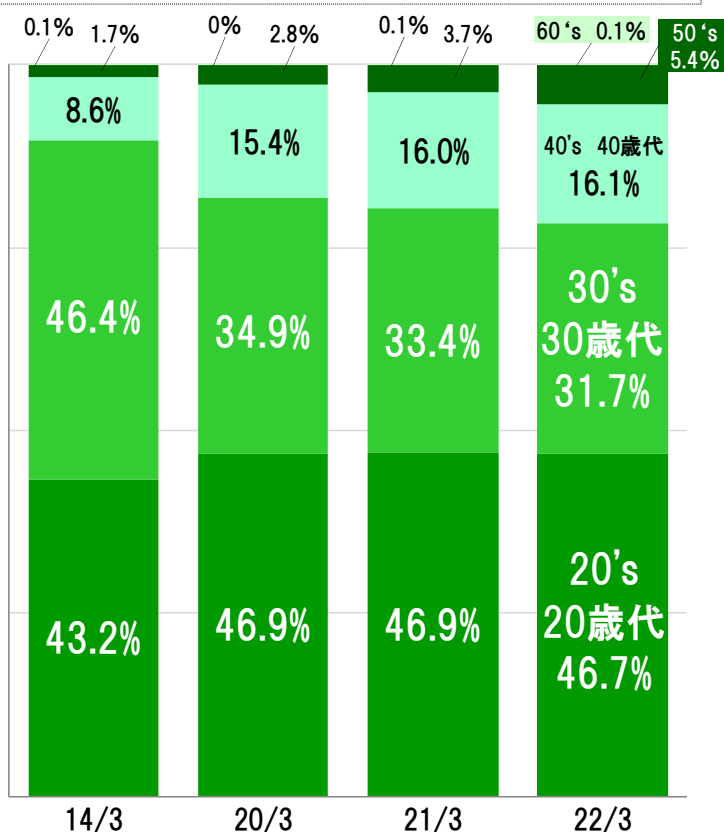
MS: Micro Computer System

Distribution of Engineers by Technical Fields and Age (Meitec Fielders)

技術分野/Technical field



年齢/According to age



MS: Micro Computer System

Sales by the Industrial Segments (Meitec)

Millions of Yen

Meitec	FY2017	FY2018	FY2019	FY2020	FY2021			
	Net Sales				Net Sales	Total Net Sales(%)	Change	Change (%)
Automobile/Transportation	21,183	22,214	22,513	20,239	21,161	27.5%	+922	+ 4.6%
Aircraft/Aerospace	5,026	4,646	4,636	4,084	3,936	5.1%	(148)	(3.6%)
Industrial Machinery	10,123	10,425	10,544	9,373	10,154	13.2%	+780	+ 8.3%
Precision Equipment	5,809	6,389	7,069	7,516	8,339	10.8%	+822	+10.9%
IT Related Hardware and Devices	4,005	3,831	3,615	3,604	3,658	4.8%	+54	+ 1.5%
Electric and Electronics	8,405	8,172	7,831	7,119	7,437	9.7%	+317	+ 4.5%
Semiconductors and Integrated Circuits Design	4,088	4,159	3,962	4,107	4,636	6.0%	+528	+ 12.9%
Semiconductor Equipment and Devices	2,345	2,649	2,698	2,942	3,372	4.4%	+430	+ 14.6%
Information Processing/Software	5,233	5,347	5,778	5,871	6,964	9.0%	+1,092	+ 18.6%
Plant	2,547	2,608	2,823	2,664	2,878	3.7%	+214	+ 8.0%
Construction	389	357	295	290	357	0.5%	+67	+ 23.3%
Others	3,095	3,234	3,526	3,638	4,113	5.3%	+474	+13.1%
Total	72,252	74,036	75,297	71,452	77,010	100.0%	+5,557	+ 7.8%

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Sales by the Industrial Segments (Meitec Fielders)

Millions of Yen

Meitec Fielders	FY2017	FY2018	FY2019	FY2020	FY2021			
	Net Sales				Net Sales	Total Net Sales(%)	Change	Change (%)
Automobile/Transportation	5,843	6,406	6,761	6,117	6,996	27.1%	+879	+ 14.4%
Aircraft/Aerospace	388	359	401	397	420	1.6%	+23	+ 5.9%
Industrial Machinery	2,621	3,280	3,984	4,012	4,699	18.2%	+686	+ 17.1%
Precision Equipment	2,149	2,395	2,709	2,838	3,375	13.1%	+536	+ 18.9%
IT Related Hardware and Devices	651	693	782	644	629	2.4%	(15)	(2.4%)
Electric and Electronics	1,984	2,169	2,231	2,191	2,549	9.9%	+358	+ 16.3%
Semiconductors and Integrated Circuits Design	610	690	702	731	882	3.4%	+150	+ 20.6%
Semiconductor Equipment and Devices	950	1,311	1,351	1,163	1,476	5.7%	+313	+ 26.9%
Information Processing/Software	466	513	766	1,142	1,881	7.3%	+739	+ 64.7%
Plant	588	601	710	922	1,079	4.2%	+156	+ 17.0%
Construction	83	103	11	9	27	0.1%	+18	+ 186.7%
Others	642	809	969	1,136	1,795	7.0%	+659	+ 58.0%
Total	16,981	19,336	21,383	21,308	25,814	100.0%	+4,505	+ 21.1%

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Trend of Performances (Group Consolidated)

(Millions of Yen)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net sales	82,102	79,898	53,776	61,790	66,955	70,330	74,906	82,136	87,888	89,979	93,618	97,736	100,995	96,626	107,140
Cost of sales	57,777	57,177	46,765	48,832	49,875	51,639	55,370	60,481	64,661	66,417	69,250	71,701	73,823	72,203	78,917
Cost of sales to Net sales	70.4%	71.6%	87.0%	79.0%	74.5%	73.4%	73.9%	73.6%	73.6%	73.8%	74.0%	73.4%	73.1%	74.7%	73.7%
Gross profit	24,324	22,720	7,010	12,957	17,079	18,691	19,536	21,654	23,227	23,561	24,368	26,035	27,171	24,422	28,223
Selling, general and administrative expenses	12,959	13,439	11,939	10,337	11,629	12,337	12,556	12,114	12,352	12,418	12,910	13,399	14,245	14,188	15,405
SG&A expenses to Net sales	15.8%	16.8%	22.2%	16.7%	17.4%	17.5%	16.8%	14.7%	14.1%	13.8%	13.8%	13.7%	14.1%	14.7%	14.4%
Operating profit	11,365	9,280	(4,928)	2,620	5,450	6,354	6,979	9,540	10,874	11,142	11,458	12,635	12,926	10,234	12,817
Operating profit margins	13.8%	11.6%	(9.2%)	4.2%	8.1%	9.0%	9.3%	11.6%	12.4%	12.4%	12.2%	12.9%	12.8%	10.6%	12.0%
Non-operating income	84	87	4,729	2,146	114	97	50	113	29	20	19	15	55	81	144
Non-operating expenses	115	107	77	178	32	24	51	10	58	17	11	7	6	9	13
Ordinary profit	11,334	9,260	(276)	4,588	5,531	6,427	6,978	9,643	10,845	11,145	11,465	12,643	12,975	10,306	12,948
Ordinary profit margins	13.8%	11.6%	(0.5%)	7.4%	8.3%	9.1%	9.3%	11.7%	12.3%	12.4%	12.2%	12.9%	12.8%	10.7%	12.1%
Extraordinary income	6	13	32	378	—	58	—	20	1,084	31	337	26	—	—	—
Extraordinary loss	1,826	1,094	130	234	4	215	146	3,621	65	45	262	18	3	4	5
Profit before income taxes	9,514	8,178	(374)	4,732	5,526	6,270	6,832	6,041	11,865	11,131	11,541	12,651	12,971	10,301	12,942
Total income taxes and others	4,556	3,875	530	1,041	2,699	277	2,858	2,381	3,781	3,193	3,409	3,822	3,878	3,272	3,701
Profit attributable to owners of parent	4,958	4,303	(904)	3,690	2,827	5,993	3,973	3,659	8,083	7,937	8,132	8,829	9,093	7,028	9,240
Profit margins	6.0%	5.4%	(1.7%)	6.0%	4.2%	8.5%	5.3%	4.5%	9.2%	8.8%	8.7%	9.0%	9.0%	7.3%	8.6%

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Trend of Performances (Meitec)

(Millions of Yen)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net sales	62,956	60,457	41,319	48,260	53,188	55,822	58,876	64,675	68,878	70,083	72,252	74,036	75,297	71,452	77,010
Cost of sales	43,875	43,109	36,074	38,777	39,987	41,240	43,742	47,857	50,884	52,013	53,861	54,620	55,138	53,438	56,503
Cost of sales to Net sales	69.7%	71.3%	87.3%	80.4%	75.2%	73.9%	74.3%	74.0%	73.9%	74.2%	74.5%	73.8%	73.2%	74.8%	73.4%
Gross profit	19,081	17,348	5,245	9,482	13,200	14,582	15,134	16,817	17,994	18,069	18,391	19,416	20,159	18,014	20,507
Selling, general and administrative expenses	8,620	8,540	8,210	7,758	8,587	9,179	9,382	8,891	8,932	8,856	9,048	9,258	9,776	9,414	9,960
SG&A expenses to Net sales	13.7%	14.1%	19.9%	16.1%	16.1%	16.4%	15.9%	13.7%	13.0%	12.6%	12.5%	12.5%	13.0%	13.2%	12.9%
Operating profit	10,460	8,807	(2,964)	1,724	4,613	5,402	5,751	7,925	9,061	9,213	9,342	10,157	10,382	8,600	10,546
Operating profit margins	16.6%	14.6%	(7.2%)	3.6%	8.7%	9.7%	9.8%	12.3%	13.2%	13.1%	12.9%	13.7%	13.8%	12.0%	13.7%
Non-operating income	356	564	3,840	1,976	389	314	426	523	517	601	769	769	913	956	592
Non-operating expenses	48	76	53	150	14	19	426	10	52	16	6	6	5	8	13
Ordinary interests in income	10,768	9,294	822	3,550	4,988	5,698	6,149	8,438	9,526	9,798	10,105	10,921	11,290	9,547	11,125
Ordinary profit margins	17.1%	15.4%	2.0%	7.4%	9.4%	10.2%	10.4%	13.0%	13.8%	14.0%	14.0%	14.8%	15.0%	13.4%	14.4%
Extraordinary income	3	7	2	3	—	462	—	324	1,088	200	364	16	—	—	—
Extraordinary loss	2,084	2,912	626	318	66	228	372	3,673	50	222	261	52	2	4	5
Profit before income taxes	8,687	6,389	197	3,236	4,921	5,932	5,776	5,089	10,563	9,776	10,208	10,885	11,287	9,542	11,120
Total income taxes	3,749	3,391	144	1,094	2,331	(124)	2,352	1,749	3,171	2,702	2,747	3,117	3,174	2,719	3,068
Profit	4,938	2,998	53	2,141	2,590	6,056	3,425	3,340	7,391	7,073	7,461	7,768	8,112	6,823	8,051
Profit margins	7.8%	5.0%	0.1%	4.4%	4.9%	10.8%	5.8%	5.2%	10.7%	10.1%	10.3%	10.5%	10.8%	9.5%	10.5%

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Trend of Performances (Meitec Fielders)

(Millions of Yen)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net sales	10,747	10,582	7,050	8,175	8,510	9,349	10,587	11,911	13,327	14,865	16,981	19,336	21,383	21,308	25,814
Cost of sales	7,759	7,744	6,621	6,361	6,387	7,061	8,084	9,154	10,288	11,540	13,173	14,941	16,476	16,542	20,015
Cost of sales to Net sales	72.2%	73.2%	93.9%	77.8%	75.1%	75.5%	76.4%	76.9%	77.2%	77.6%	77.6%	77.3%	77.1%	77.6%	77.5%
Gross profit	2,987	2,837	429	1,814	2,122	2,287	2,502	2,757	3,039	3,325	3,808	4,394	4,906	4,765	5,798
Selling, general and administrative expenses	1,677	2,018	1,890	1,238	1,585	1,639	1,646	1,682	1,834	1,978	2,351	2,660	2,962	3,586	4,067
SG&A expenses to Net sales	15.6%	19.1%	26.8%	15.1%	18.6%	17.5%	15.5%	14.1%	13.8%	13.3%	13.8%	13.8%	13.9%	16.8%	15.8%
Operating profit	1,310	819	(1,461)	575	537	648	856	1,073	1,204	1,346	1,456	1,734	1,944	1,178	1,731
Operating profit margins	12.2%	7.7%	(20.7%)	7.0%	6.3%	6.9%	8.1%	9.0%	9.0%	9.1%	8.6%	9.0%	9.1%	5.5%	6.7%
Non-operating income	10	6	848	182	3	3	1	—	—	1	—	1	1	—	1
Non-operating expenses	1	—	5	1	—	—	15	—	—	1	4	—	—	2	—
Ordinary profit	1,319	825	(618)	757	540	651	841	1,074	1,205	1,346	1,452	1,735	1,945	1,177	1,732
Ordinary profit margins	12.3%	7.8%	(8.8%)	9.3%	6.3%	7.0%	7.9%	9.0%	9.0%	9.1%	8.6%	9.0%	9.1%	5.5%	6.7%
Extraordinary income	—	—	—	1	—	—	—	—	—	—	1	—	—	—	—
Extraordinary loss	5	13	2	1	—	—	—	5	7	—	—	—	—	—	—
Profit before income taxes	1,314	811	(620)	756	540	651	841	1,068	1,198	1,346	1,453	1,735	1,945	1,177	1,732
Total income taxes	544	344	313	(187)	264	272	358	420	412	301	422	444	484	370	395
Profit	769	467	(933)	943	275	378	483	648	786	1,045	1,031	1,291	1,461	805	1,337
Profit margins	7.2%	4.4%	(13.2%)	11.5%	3.2%	4.0%	4.6%	5.4%	5.9%	7.0%	6.1%	6.7%	6.8%	3.8%	5.2%

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Trend of Performances (Meitec Next)

(Millions of Yen)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net sales	252	480	334	438	593	734	872	1,131	1,321	1,483	1,662	1,762	1,639	1,216	1,530
Cost of sales															
Cost of sales to Net sales															
Gross profit	252	480	334	438	593	734	872	1,131	1,321	1,483	1,662	1,762	1,639	1,216	1,530
Selling, general and administrative expenses	470	559	349	333	446	512	577	746	887	966	1,116	1,203	1,204	942	1,055
SG&A expenses to Net sales	186.5%	116.5%	104.5%	76.0%	75.2%	69.8%	66.2%	66.0%	67.1%	65.1%	67.2%	68.2%	73.5%	77.5%	69.0%
Operating profit	(217)	(78)	(14)	104	147	221	295	385	433	517	545	559	434	273	474
Operating profit margins	(86.1%)	(16.3%)	(4.2%)	23.7%	24.8%	30.1%	33.8%	34.0%	32.8%	34.9%	32.8%	31.8%	26.5%	22.5%	31.0%
Non-operating income	—	—	2	2	—	—	—	—	—	—	—	—	—	—	—
Non-operating expenses	—	—	—	—	—	—	—	—	—	—	—	—	1	—	—
Ordinary profit	(217)	(78)	(12)	106	147	221	295	385	433	517	545	559	432	274	474
Ordinary profit margins	(86.1%)	(16.3%)	(3.6%)	24.2%	24.8%	30.1%	33.8%	34.0%	32.8%	34.9%	32.8%	31.7%	26.4%	22.5%	31.0%
Extraordinary income	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Extraordinary loss	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Profit before income taxes	(217)	(78)	(13)	106	147	221	295	385	433	517	544	559	432	274	474
Total income taxes	—	1	—	—	—	19	95	141	145	182	193	198	152	96	169
Profit	(217)	(79)	(14)	105	147	201	200	243	288	334	350	361	279	177	305
Profit margins	(86.1%)	(16.5%)	(4.2%)	24.0%	24.8%	27.4%	22.9%	21.5%	21.8%	22.6%	21.1%	20.5%	17.1%	14.6%	20.0%

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Trend of Balance Sheets (Group Consolidated)

(Millions of Yen)	2007/3/31	2008/3/31	2009/3/31	2010/3/31	2011/3/31	2012/3/31	2013/3/31	2014/3/31	2015/3/31	2016/3/31	2017/3/31	2018/3/31	2019/3/31	2020/3/31	2021/3/31	2022/3/31
Cash and deposits	16,177	18,512	18,526	14,732	23,999	26,686	26,592	30,104	34,773	35,413	37,259	41,753	45,052	47,033	45,132	49,706
Notes and accounts receivable - trade	13,256	12,841	10,985	9,582	10,245	10,675	10,887	11,297	12,858	13,823	13,400	13,816	13,884	14,696	14,600	16,098
Total current assets	35,564	35,356	33,295	28,444	37,661	40,643	41,802	44,998	51,639	53,104	54,742	59,325	60,036	62,679	60,885	66,937
Property, plant and equipment	14,548	13,374	12,818	12,069	11,688	11,257	10,908	10,555	7,207	5,721	5,552	5,399	5,402	5,332	5,122	5,002
Total non-current assets	21,914	22,428	20,934	19,180	18,053	16,915	16,199	16,447	13,458	11,363	11,634	11,608	14,579	14,814	14,153	14,652
Total assets	57,479	57,784	54,230	47,625	55,714	57,559	58,002	61,445	65,098	64,468	66,377	70,934	74,615	77,493	75,038	81,590
Total current liabilities	12,559	13,764	11,026	6,392	10,016	11,165	9,683	12,589	15,797	13,650	14,662	16,176	16,927	17,228	14,272	19,669
Total non-current liabilities	6,236	6,422	7,034	7,789	8,603	9,183	9,895	12,667	11,735	13,212	13,860	14,617	15,317	15,937	16,294	16,633
Total liabilities	18,795	20,186	18,061	14,181	18,619	20,349	19,579	25,257	27,532	26,862	28,523	30,794	32,244	33,166	30,566	36,302
Shareholders' equity	39,144	38,048	36,747	34,101	37,745	38,017	39,264	38,299	39,619	39,973	39,970	42,078	44,173	45,950	45,898	46,457
Other net assets	(461)	(449)	(577)	(658)	(651)	(808)	(841)	(2,111)	(2,054)	(2,367)	(2,116)	(1,939)	(1,802)	(1,623)	(1,426)	(1,169)
Total net assets	38,683	37,598	36,169	33,443	37,094	37,209	38,422	36,188	37,565	37,605	37,854	40,139	42,371	44,327	44,472	45,287

Cash flows from operating activities	6,010	8,486	6,308	(1,545)	9,291	5,753	5,205	8,893	8,434	6,910	10,186	10,957	10,273	9,837	5,487	13,532
Cash flows from investing activities	(955)	124	623	(19)	287	(292)	(465)	(398)	(275)	1,487	(325)	(464)	(240)	(536)	(307)	(270)
Cash flows from financing activities	(8,366)	(5,997)	(5,580)	(1,835)	(104)	(2,769)	(4,837)	(4,991)	(3,495)	(7,752)	(8,011)	(5,999)	(6,734)	(7,319)	(7,080)	(8,688)
Net increase (decrease) in cash and cash equivalents	(3,303)	+2,634	+1,313	(3,394)	+9,467	+2,691	(93)	+3,511	+4,668	+643	+1,845	+4,493	+3,298	+1,980	(1,900)	+4,574

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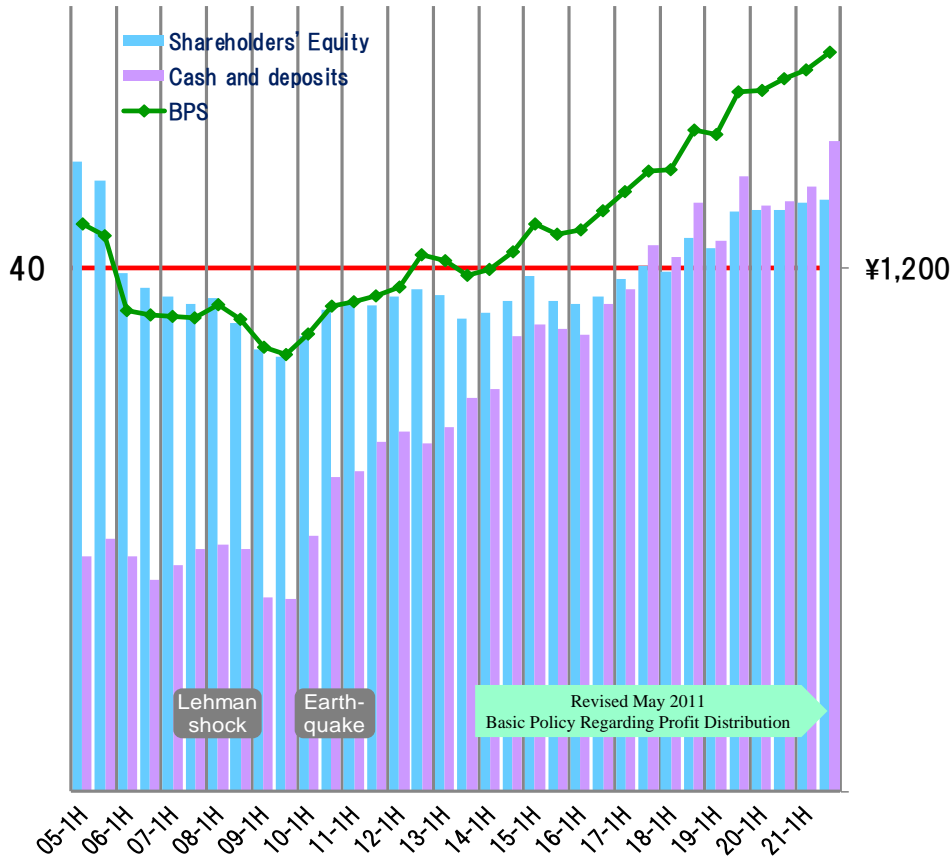
Trend of Profit Distributions and Forecast

(Fractions of one million yen are rounded)	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Actual FY2021	Forecast FY2022
Total Return Ratio	92.9%	99.0%	101.2%	116.8%	100.0%	100.1%	80.0%	80.0%	80.0%	100.1%	100.1%	100.3%
Dividend Payout ratio	68.5%	53.2%	56.1%	92.4%	53.5%	55.2%	61.8%	63.3%	61.5%	71.9%	63.7%	60.3%
Dividend on Equity	5.2%	8.4%	6.0%	9.2%	11.4%	11.6%	12.9%	13.6%	12.9%	11.4%	13.1%	
Annual Dividends												
Per Share	@¥19.50	@¥33.00	@¥24.00	@¥37.00	@¥48.00	@¥50.50	@¥59.00	@¥66.50	@¥67.33	@¥61.33	@¥72.50	@¥79.00
Millions of Yen	1,925	3,134	2,220	3,373	4,286	4,344	5,008	5,567	5,575	5,033	5,848	6,330
2nd Quarter												
Per Share	@¥9.67	@¥10.00	@¥10.50	@¥14.67	@¥21.00	@¥22.67	@¥24.83	@¥28.00	@¥28.83	@¥22.83	@¥26.17	@¥34.00
Millions of Yen	961	981	983	1,344	1,908	1,968	2,119	2,344	2,387	1,891	2,136	2,724
Year-end												
Per Share	@¥9.83	@¥23.00	@¥13.50	@¥22.33	@¥27.00	@¥27.83	@¥34.17	@¥38.50	@¥38.50	@¥38.50	@¥46.33	@¥45.00
Millions of Yen	965	2,153	1,237	2,029	2,378	2,375	2,889	3,223	3,188	3,143	3,713	3,606
Acquisition of Treasury Shares												
Thousands of shares	421	1,506	641	269	921	915	257	280	303	390	500	
Millions of Yen	700	2,800	1,800	899	3,799	3,600	1,500	1,500	1,700	2,000	3,399	4,200
Total Shareholders Return												
Millions of Yen	2,625	5,934	4,020	4,273	8,086	7,944	6,508	7,067	7,275	7,033	9,248	10,530
Retirement of Treasury Stock												
Thousands of shares	400	1,700	500	300	900	1,300		700	300	400	500	
Stock Price												
As of April 1	¥1,621	¥1,681	¥2,193	¥2,857	¥3,965	¥3,865	¥4,505	¥5,960	¥5,130	¥4,065	¥6,040	¥6,660
As of March 31	¥1,669	¥2,343	¥2,930	¥4,025	¥3,935	¥4,520	¥5,890	¥5,030	¥4,300	¥6,110	¥6,650	
Earnings per Share	@¥28.48	@¥62.03	@¥42.77	@¥40.04	@¥89.75	@¥91.44	@¥95.55	@¥105.14	@¥109.45	@¥85.26	@¥9,240.84	@¥131.04
Net Assets per Share	@¥378.37	@¥409.87	@¥394.28	@¥412.93	@¥426.20	@¥443.52	@¥474.67	@¥506.14	@¥535.34	@¥544.81	@¥113.85	

*1 Per share index calculated based on the number of shares after the stock split (3 shares per share) effective July 1, 2022.

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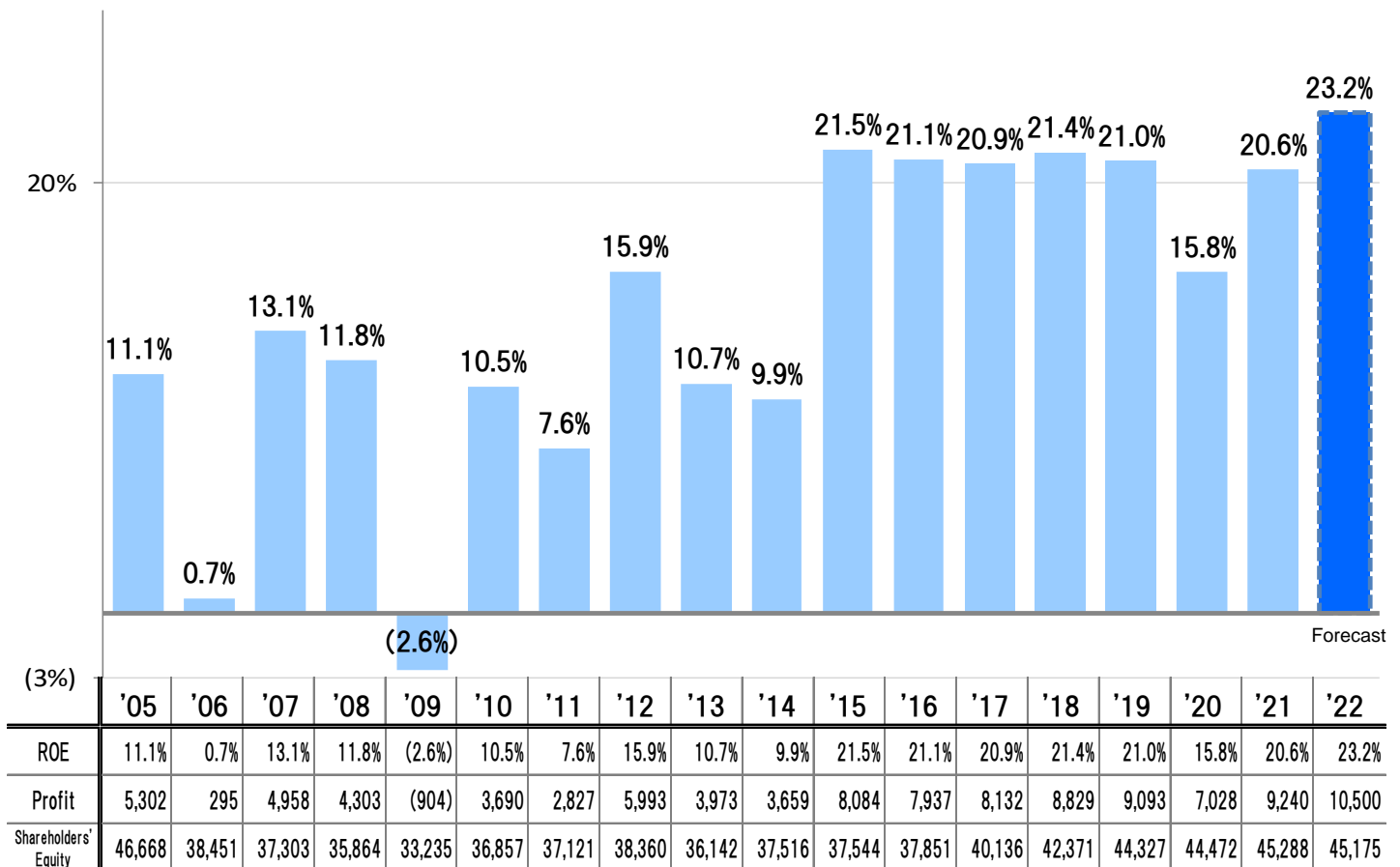
(billions of yen)



- 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 shareholders’ equity” which would lead to the safeness of finance.

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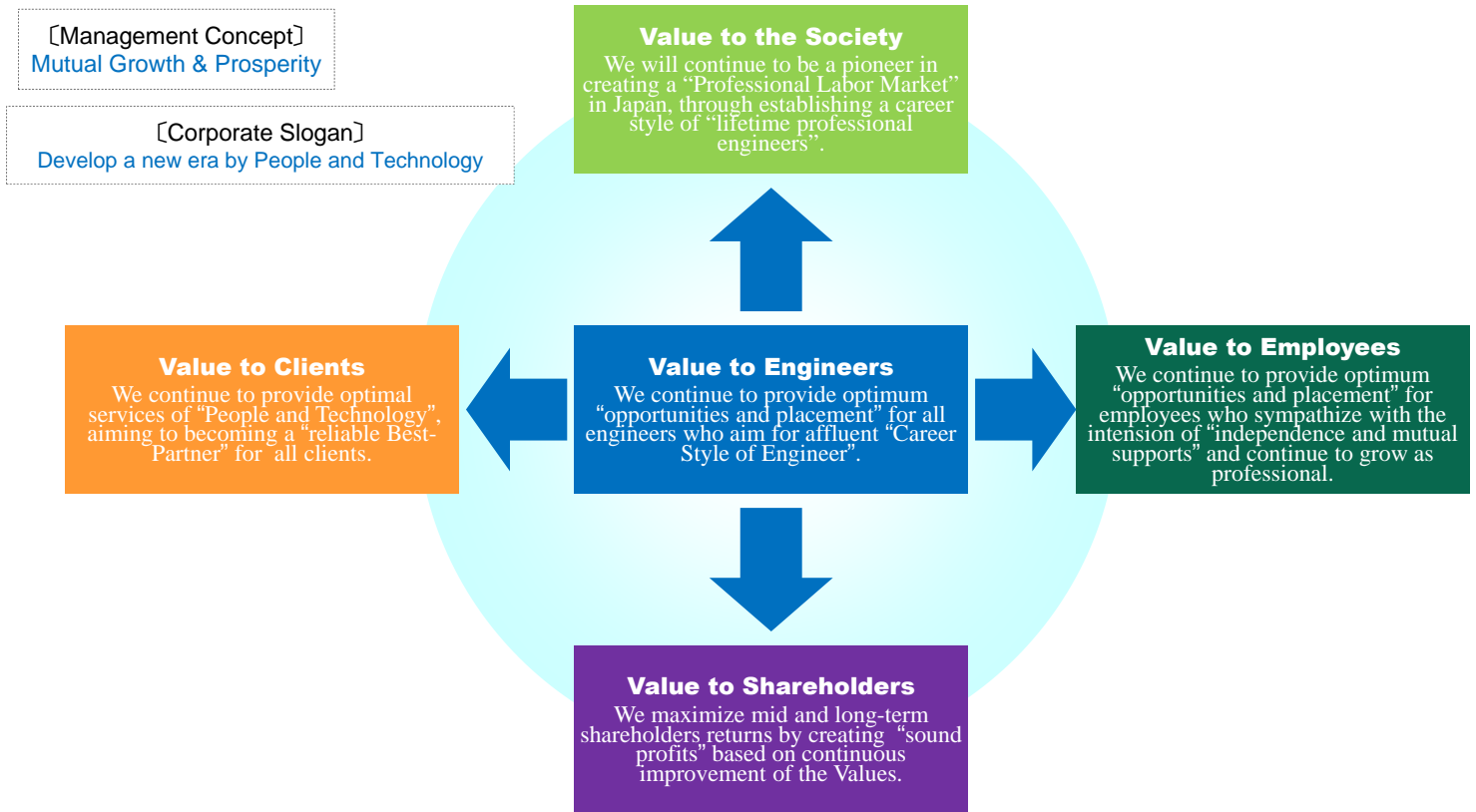
Trend of ROE



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“Ideal State of the Meitec Group”

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.



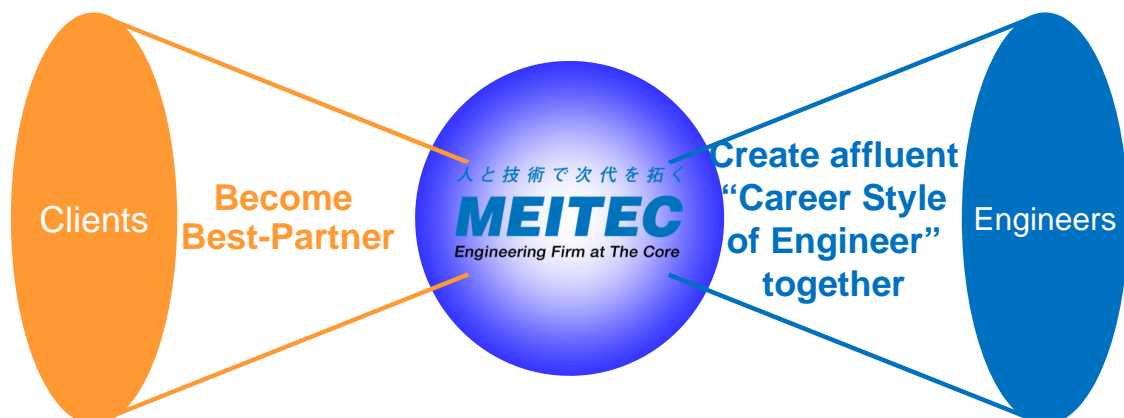
53

Purpose to pursued

The Transformation

Further “increase the level of satisfaction” of clients and engineers

“increase the level of satisfaction”



54

Engineering Firm at The Core

We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”

We would like to be a group that creates affluent “Career Style of Engineer” to engineers, reaching the stage where our clients call us their truly, indispensable “Best Partner.”

We have developed a new era by people and technology up until now. Taking pride in that achievement, we will remain a group that plays a core role in both the engineer recruiting market, labor market and the market of design and development operations.

人と技術で次代を拓く
MEITEC
Engineering Firm at The Core

55

Engineering Firm

“Engineering Firm” in our description means that all the members of the Meitec Group belong to a group of engineering professionals who improve each other and keep growing with the spirit of “independence and mutual support.”

The Core

The Core in how we see ourselves means that we are a group of companies that produces “important and indispensable” value for the technological innovation of manufacturers.

The Core in how we see ourselves also means that we are a group of companies that is able to offer an “important and indispensable” way of working, as engineers who consider their profession as the core of society.

Engineering Firm at The Core

We are a group of engineers that plays a core role in manufacturing through its “People and Technology.”

Environment	Social	Governance
 <ul style="list-style-type: none"> Contribute to solving environmental, energy, etc. issues by promoting technological innovation Contribute to the industry and economic growth by promoting technological innovation and innovation 	 <p>Contribute to sustainable economic growth through creating a Professional Labor Market</p>	 <p>Promote higher technical education and lifelong learning</p>  <p>Provide fair “opportunities and placement” regardless of nationality, gender or age</p>  <p>Ensure full compliance with the Employee Code of Conduct in the Group’s Basic Policy Regarding Corporate Governance</p>

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Commitment for solving social issues (SDGs) [supplementary explanation]



人と技術で次代を拓く

MEITEC

Engineering Firm at The Core

[Management Concept]
Mutual Growth & Prosperity



We, a group of engineers, work with clients to solve social problems through their development work.

Materiality common to many clients

3 GOOD HEALTH AND WELL-BEING



7 AFFORDABLE AND CLEAN ENERGY



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



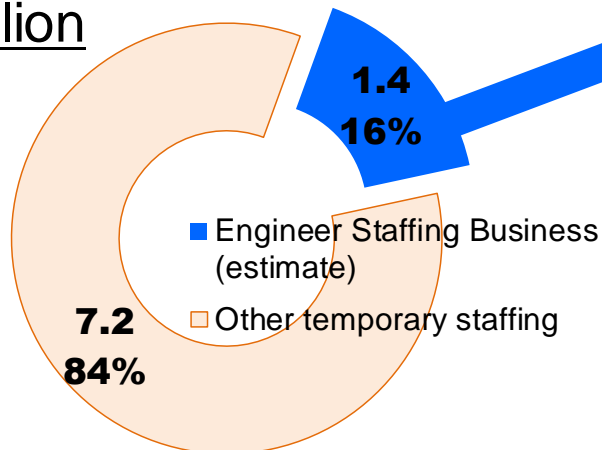
17 PARTNERSHIPS FOR THE GOALS



58

Annual sales of the Temporary Staffing Market (FY2020)

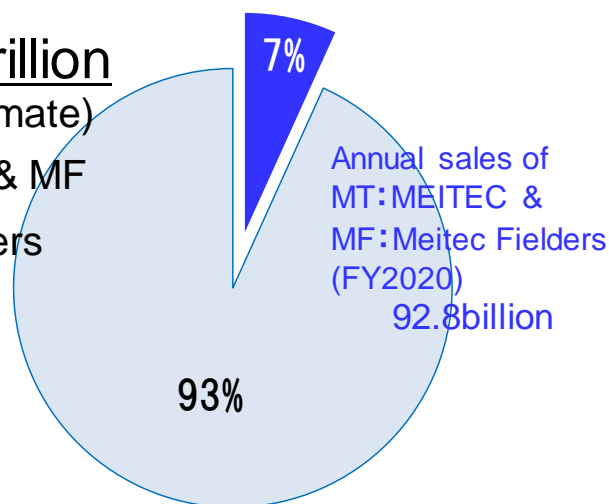
8.6trillion



Engineer Staffing Business (estimate)

1.4trillion (estimate)

- MT & MF
- Others



March-2022

Meitec

¥5,397

Meitec Fielders

¥3,830

Engineer Staffing (estimate)

approx.¥3,800

Source: MHLW statistics . We calculated the estimate originally. * We assume no responsibility for our estimation.

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Corporate Governance

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.

i . Corporate Governance Committee

Chairman: Outside Director; Members: All Directors

- Evaluation and analysis of effectiveness of Board of Directors
- Discussion of basic matters of governance and other issues

ii . Officer Appointment Advisory Committee

Chairman: Outside Director;

Members: CEO and Outside Directors

Evaluating appropriateness of processes

- Appointment/dismissal of Representative Director & CEO
- Performance evaluation of inside executive directors
- Nomination of directors and audit & supervisory board member candidates
- Remuneration of inside executive directors

CEO Candidates Screening Council

II. Executives(As of March 31, 2022)

	Directors	Audit & Supervisory Board Members	Total	
Number	9	4	13	
of which Independent & Outside	4	4	8	Policy of composition
ratio	44%	100%	62% >	One-third or more of attendees

III. Calculation Method of Executive Remuneration

Remuneration Amounts to Individual Executives

¥1K=JPY1,000-	Revised March 2019	
CEO, MEITEC Group President and CEO, COO	Yearly payment	¥28,800K (Monthly ¥2,400K)
Senior Vice President and Director	Yearly payment	¥24,000K (Monthly ¥2,000K)
Director	Yearly payment	¥19,200K (Monthly ¥1,600K)
Outside Director	Yearly payment	¥9,000K (Monthly ¥750K)
Standing audit & supervisory board member	Yearly payment	¥24,000K (Monthly ¥2,000K)
Audit & supervisory board member	Yearly payment	¥7,800K (Monthly ¥650K)

Performance-linked Remuneration Paid to Directors(only).

	Revised: May 12, 2022
Consolidated profit (not including performance-linked directors' remuneration)	x within 2.5% Upper limit: 250 million yen annually
Of which Outside Directors	Not eligible for allocation
Of which the equivalent to 20% of post-tax value	Allocated for purchase of treasury shares (Directors shareholding association method)

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Shareholders by Business Segments

Shareholder Segment	(As of the Fiscal year ended March 31, 2022)			
	Shareholders	%	Shares Held	%
Banks	10	0.2%	159,600	0.6%
Trust Banks	12	0.3%	6,869,400	24.5%
Life and nonlife insurance companies	19	0.4%	3,334,033	11.9%
Securities financing and other financial companies	5	0.1%	28,660	0.1%
Securities companies	31	0.7%	217,893	0.8%
Business concerns and other companies	64	1.5%	147,691	0.5%
Overseas companies and investors	235	5.4%	13,486,720	48.0%
Individuals and others	3,937	91.3%	3,856,003	13.7%
Total	4,313	100.0%	28,100,000	100.0%

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Company Information

Tokyo Headquarters	Taito-ku, Tokyo
Nagoya Headquarters	Nishi-ku Nagoya
Stock listings	Tokyo Stock Exchange, Prime Market(No. 9744)
Incorporated	July 17, 1974
C l i e n t s	Approximately 1,200 blue-chip companies, mostly listed in the Prime and Standard Market of Tokyo Stock Exchange
B r a n c h e s	41 Sales offices, including Tokyo, Osaka, Nagoya, and other major Japanese cities
Group Companies	<p>[Engineering Solutions Business]</p> <ul style="list-style-type: none"> ■ MEITEC FIELDERS INC. ■ MEITEC CAST INC. ■ MEITEC EX CORPORATION ■ MEITEC BUSINESS SERVICE CORPORATION <p>[Recruiting & Placement Business for engineers]</p> <ul style="list-style-type: none"> ■ MEITEC NEXT CORPORATION

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