

人と技術で次代を拓く

MEITEC

メイテックグループ

2016 Mizuho Investment Conference Tokyo

September 2016

MEITEC CORPORATION

9744 TSE 1ST Section

The Meitec Group's Enduring Goals



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.

As we head into fiscal 2016, the final year of the Group's Mid-term Management Plan 2014-2016, our aim is for the corporate group to continue to expand as a leading company in value creation.

Hideyo Kokubun
President and CEO, COO,
MEITEC CORPORATION CEO,
MEITEC Group CEO

國分 秀世

Features of the Meitec Group

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

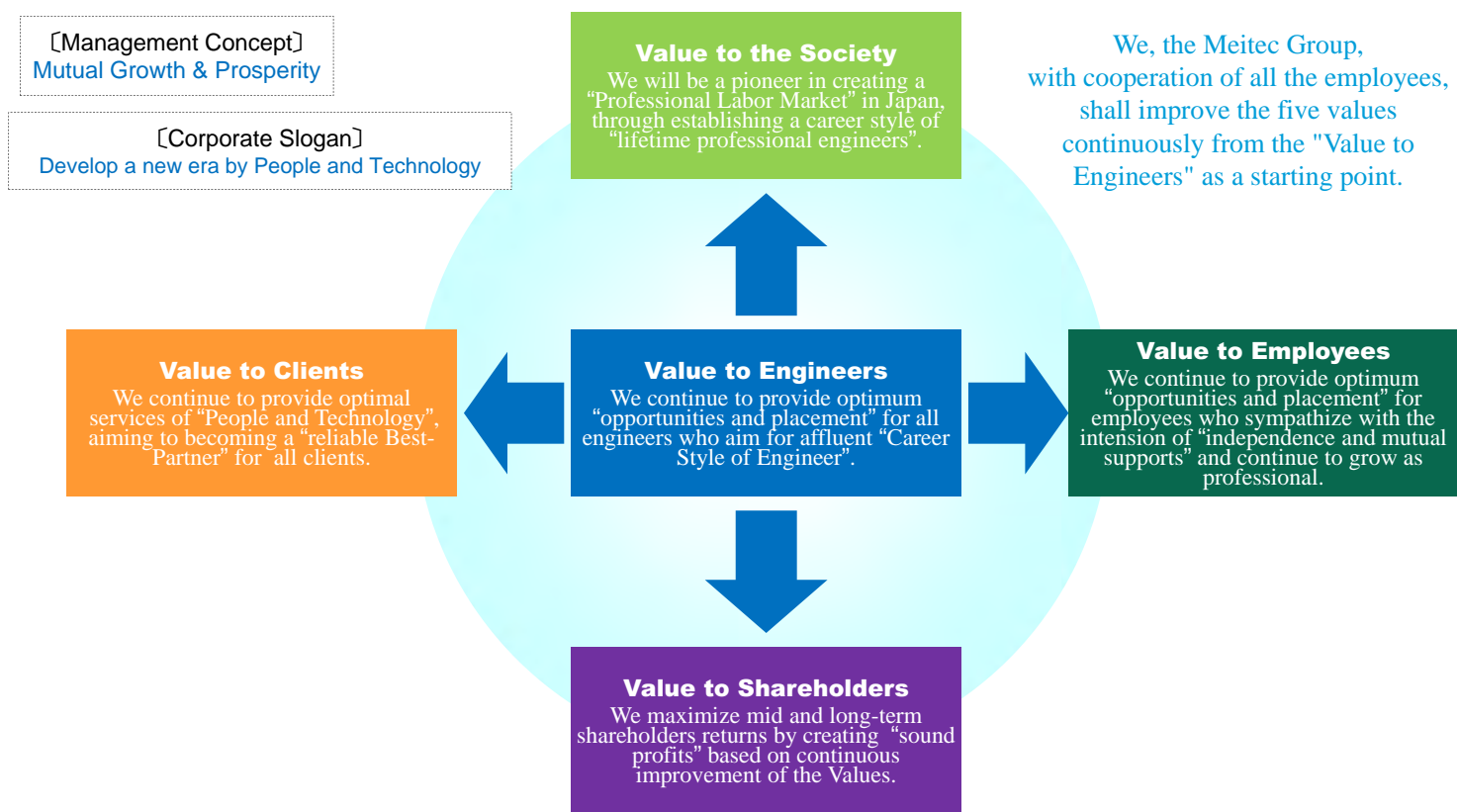
〈Largest number of transactions in the industry & the best quality in the industry; a pioneer〉

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

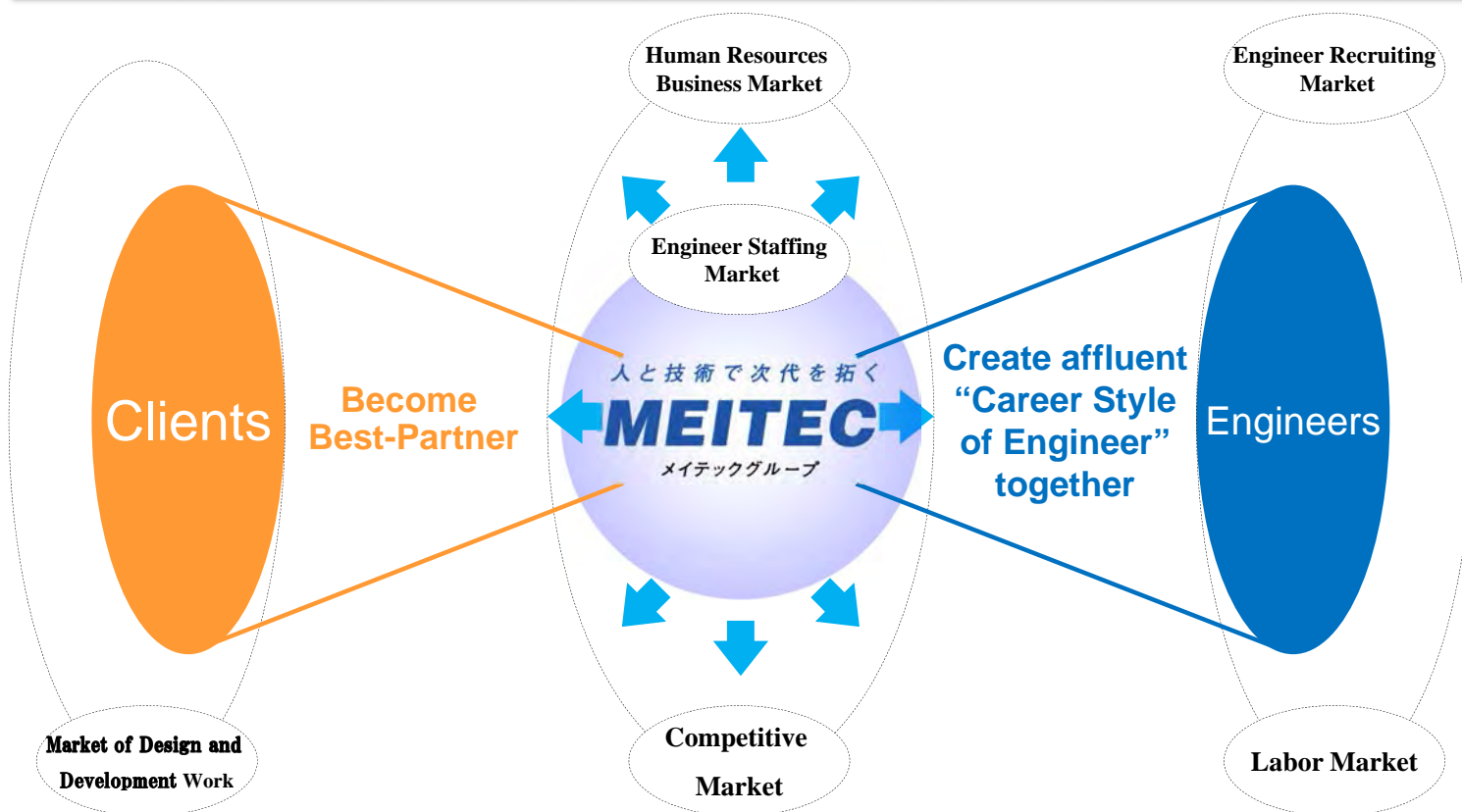
〈More than 4,000 companies in total over the 40 years since the company was established〉

- ✓ 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



5

- ✓ 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.”



6

Top 10 Clients by Sales

Re-posted

✓ The top 10 clients for Meitec are as below.

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

(Millions of yen)

FY2010			FY2014			FY2015		
1	Panasonic		1	Mitsubishi Heavy Industries		1	Mitsubishi Heavy Industries	
2	Mitsubishi Heavy Industries		2	Canon		2	Canon	
3	Canon		3	Denso		3	Denso	
4	Nikon		4	Panasonic		4	Panasonic	
5	Denso		5	Toyota Motor		5	Toyota Motor	
6	Toyota Motor		6	Nikon		6	Nikon	
7	Sony		7	Kawasaki Heavy Industries		7	Sony	
8	Kawasaki Heavy Industries		8	Omron		8	Kawasaki Heavy Industries	
9	Daikin Industries		9	Sony		9	Mitsubishi Aircraft	
10	Mitsubishi Electric		10	Toshiba		10	Omron	
Top 10 Total	15,149	31.4%	Top 10 Total	17,170	26.5%	Top 10 Total	18,040	26.2%
Top 20 Total	19,899	41.2%	Top 20 Total	23,690	36.6%	Top 20 Total	24,867	36.1%
Others	28,360	58.8%	Others	40,984	63.4%	Others	44,011	63.9%
Total	48,260	100.0%	Total	64,675	100.0%	Total	68,878	100.0%

*From the presentation of previous 4th Q of fiscal year

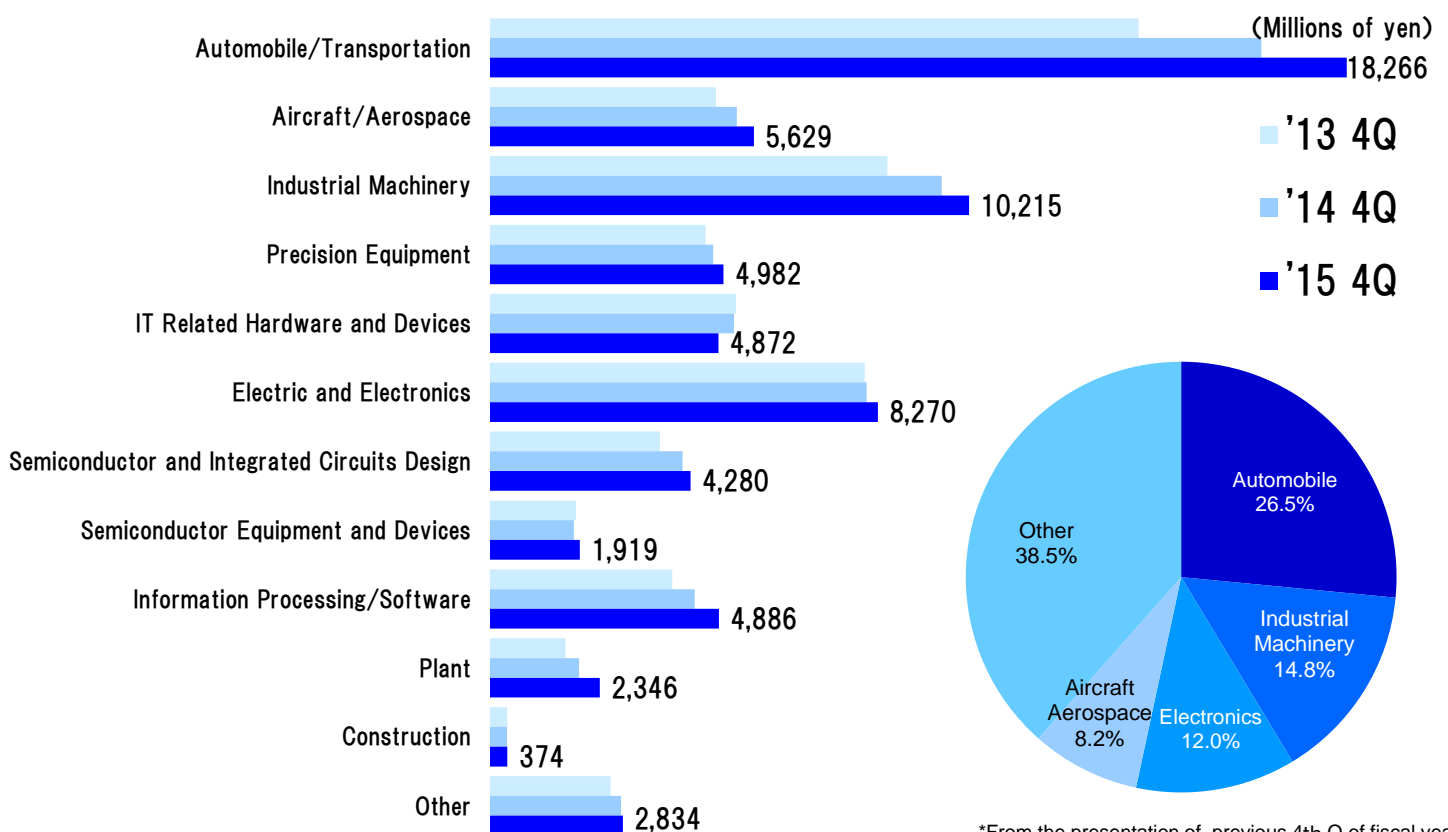
7

Sales by the Industrial Segments

Re-posted

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

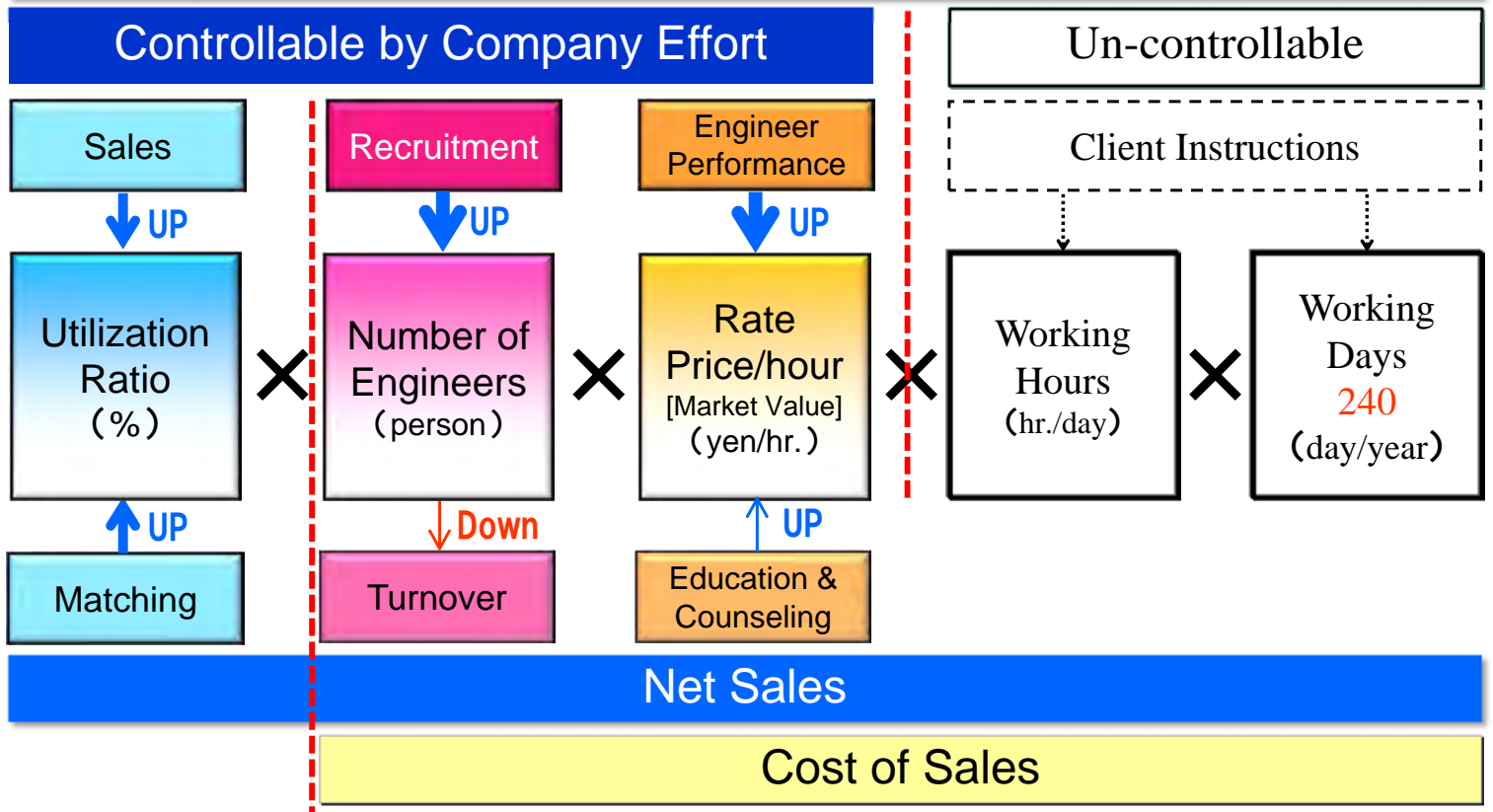
※Figures are stated in Reference Materials. From a confidentiality perspective, we refrain from disclosing the breakdown and outlook by clients.



*From the presentation of previous 4th Q of fiscal year

8

- ✓ Increase the number of engineers and sustain and improve the high "utilization ratio and prices" is the key to a growth
- ✓ Working hours is a key indicator, but it is outside the control of the Meitec Group.

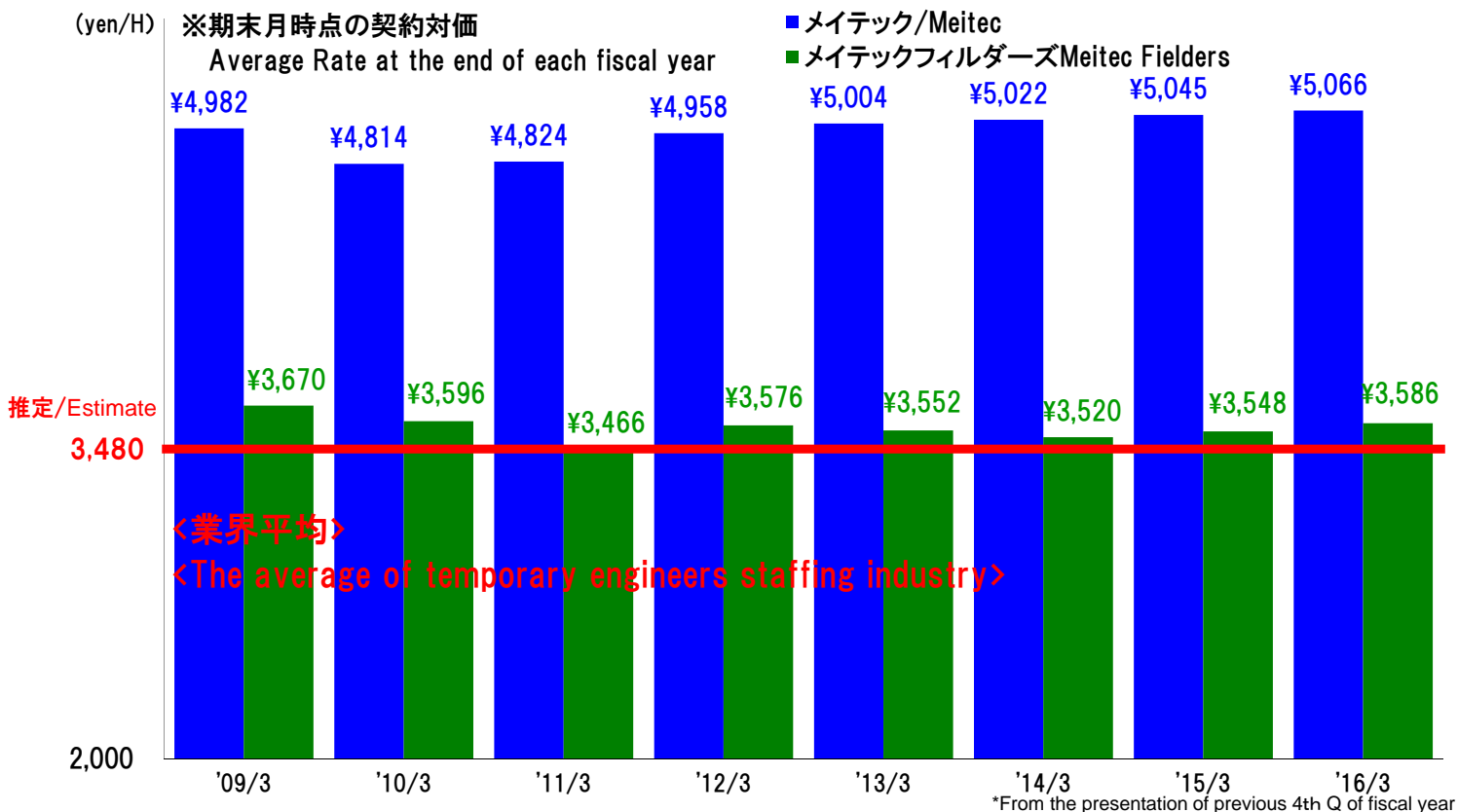


9

Trend in Average Rate = (Market Value)

Re-posted

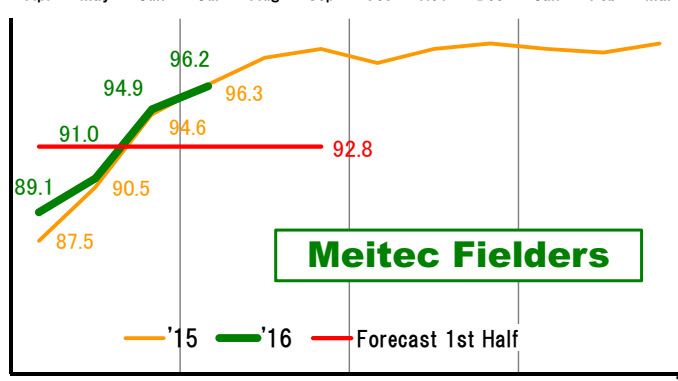
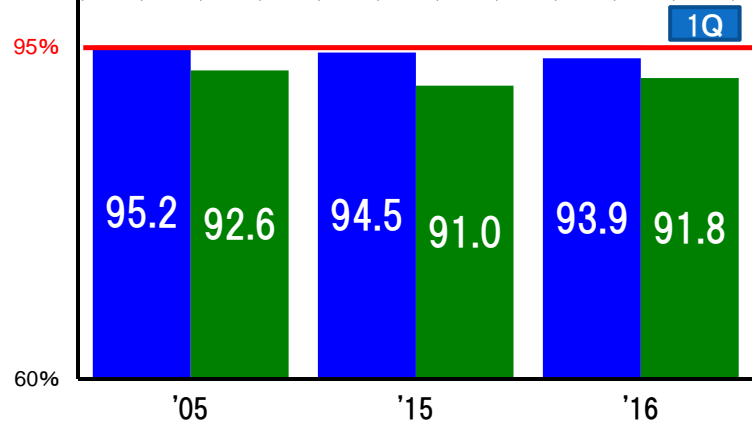
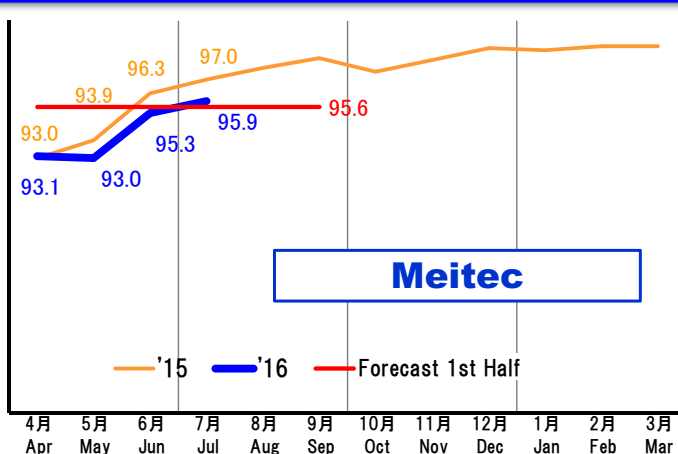
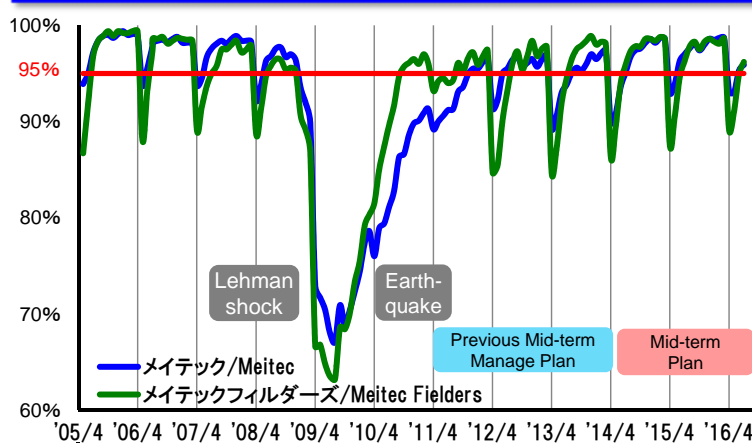
- ✓ Each engineer raises the value of his/her performances, helping clients' understand the value.
- We will continue to make efforts to "obtain appropriate compensation" based on market value.



10

Utilization Ratio

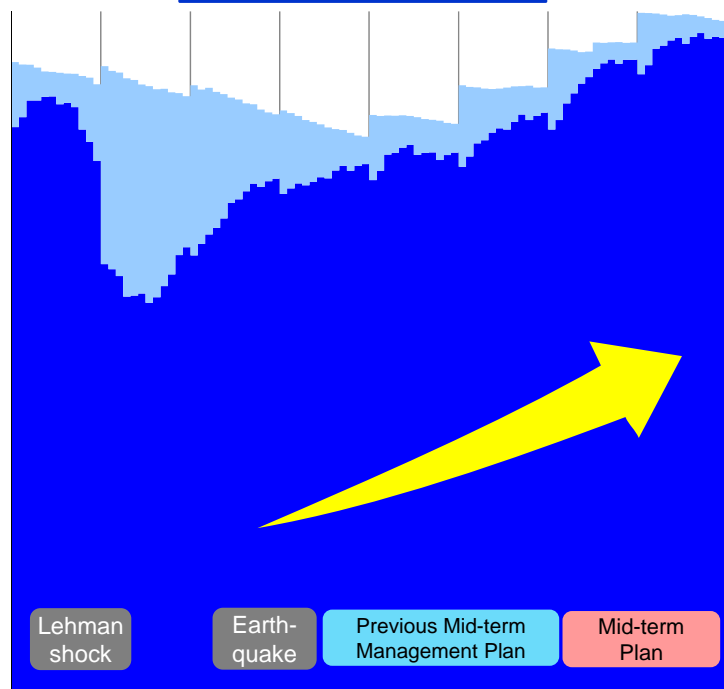
✓ Under a firm environment for order, placements proceeded smoothly and the utilization ratio was high



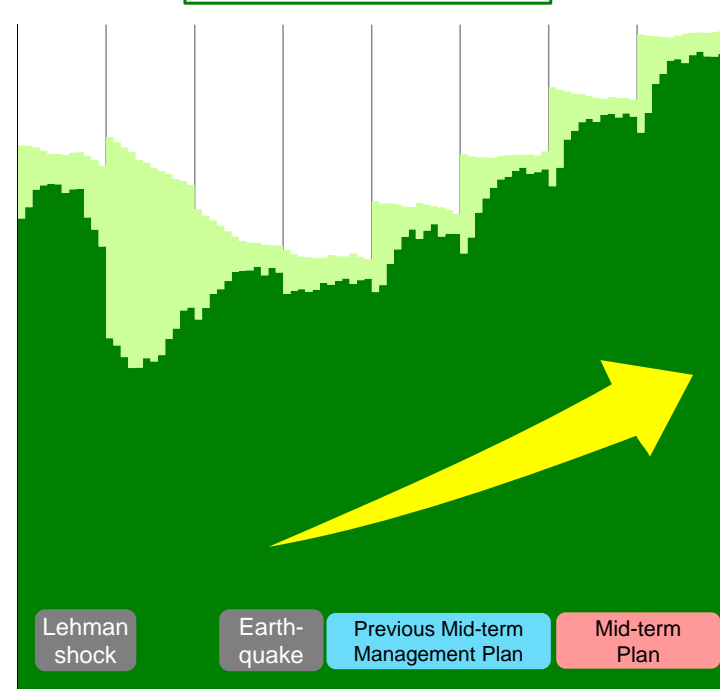
Number of Engineers Assigned to the Clients (Key factor of Sales) Re-posted

✓ 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



Meitec Fielders



'08 '09 '10 '11 '12 '13 '14 '15
■ 未稼働エンジニア/Unassigned ■ 稼働エンジニア/Number of engineers assigned to the clients

'08 '09 '10 '11 '12 '13 '14 '15
■ 未稼働エンジニア/Unassigned ■ 稼働エンジニア/Number of engineers assigned to the clients

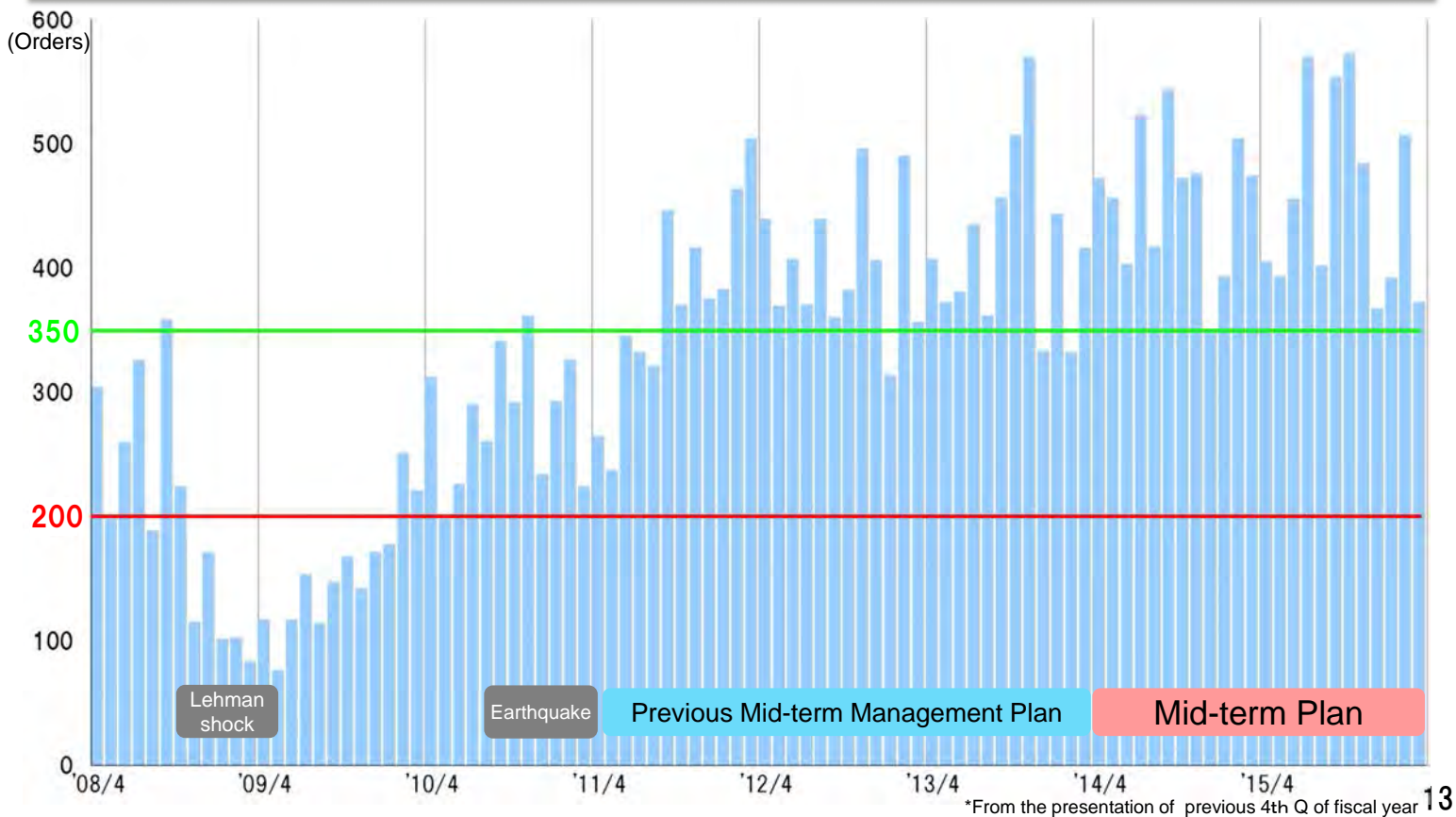
*From the presentation of previous 4th Q of fiscal year

Trend in New Orders by Month

Re-posted

✓ **New monthly orders at Meitec remain firm, trending above the key 350 orders per month level.**

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



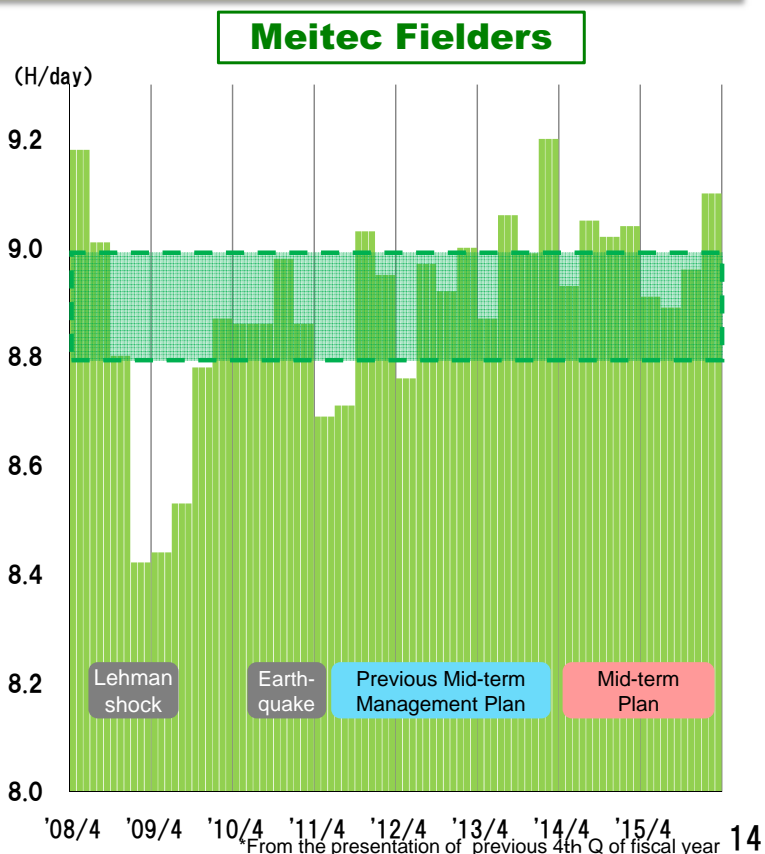
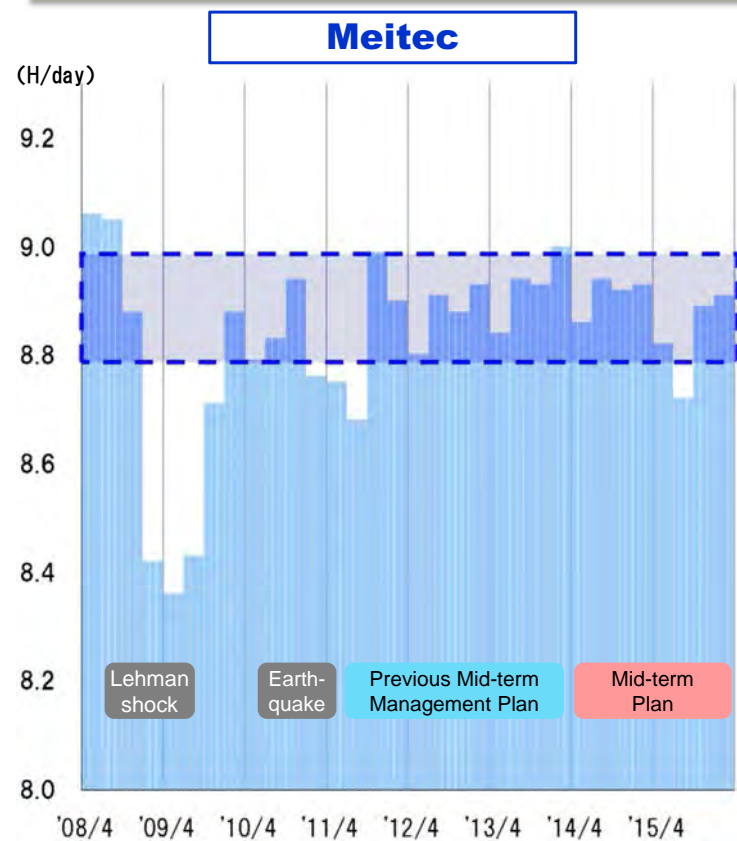
Working Hours

Re-posted

✓ **Working hours declined year on year due to reductions in overtime hours etc.**

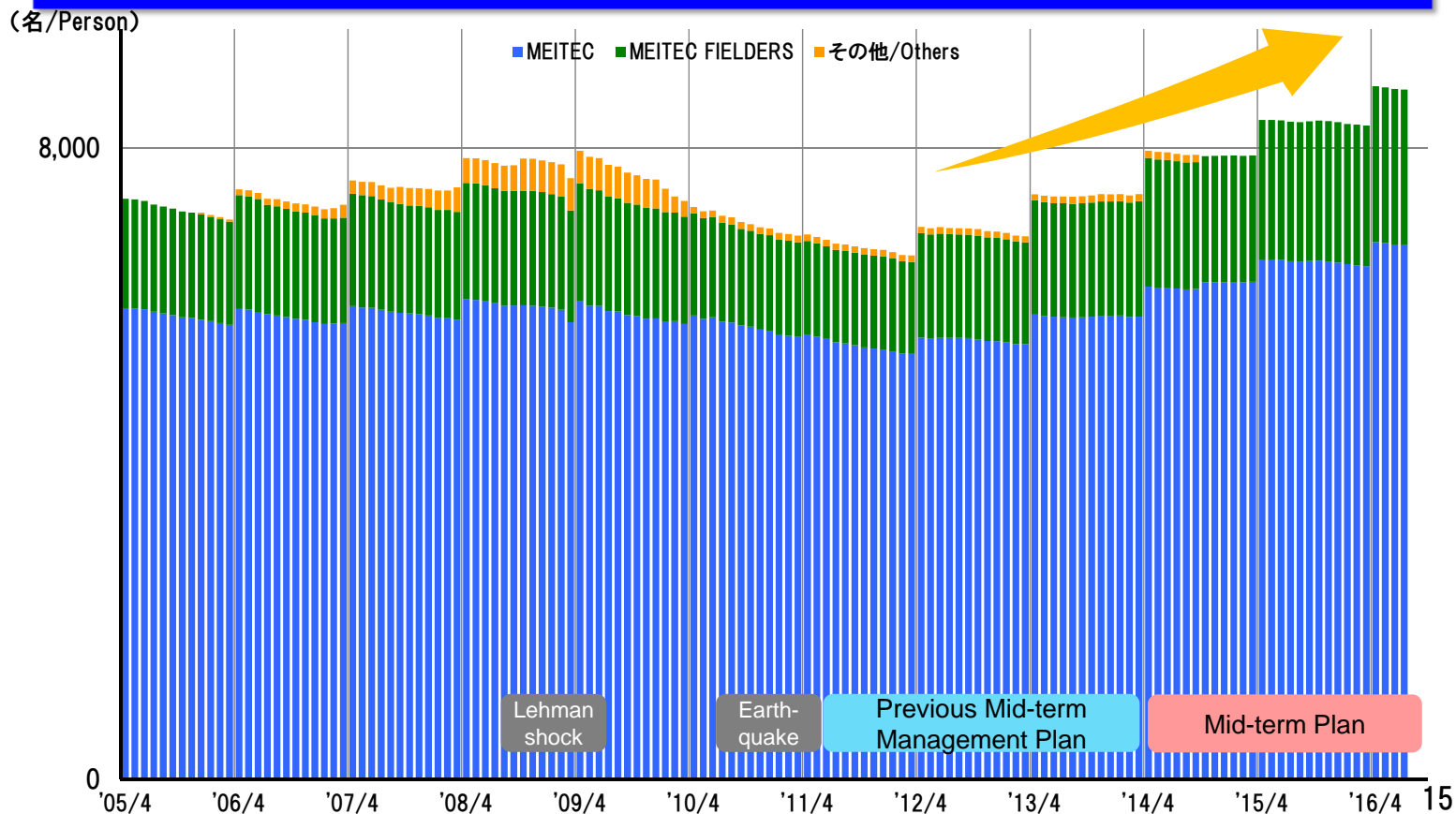
→ We view 8.8-9.0 hours per day to be a solid level

✓ **We do not see this as a major risk but close attention will be required going forward** ※Uncontrollable by Meitec



Number of Engineers (Group Consolidated)

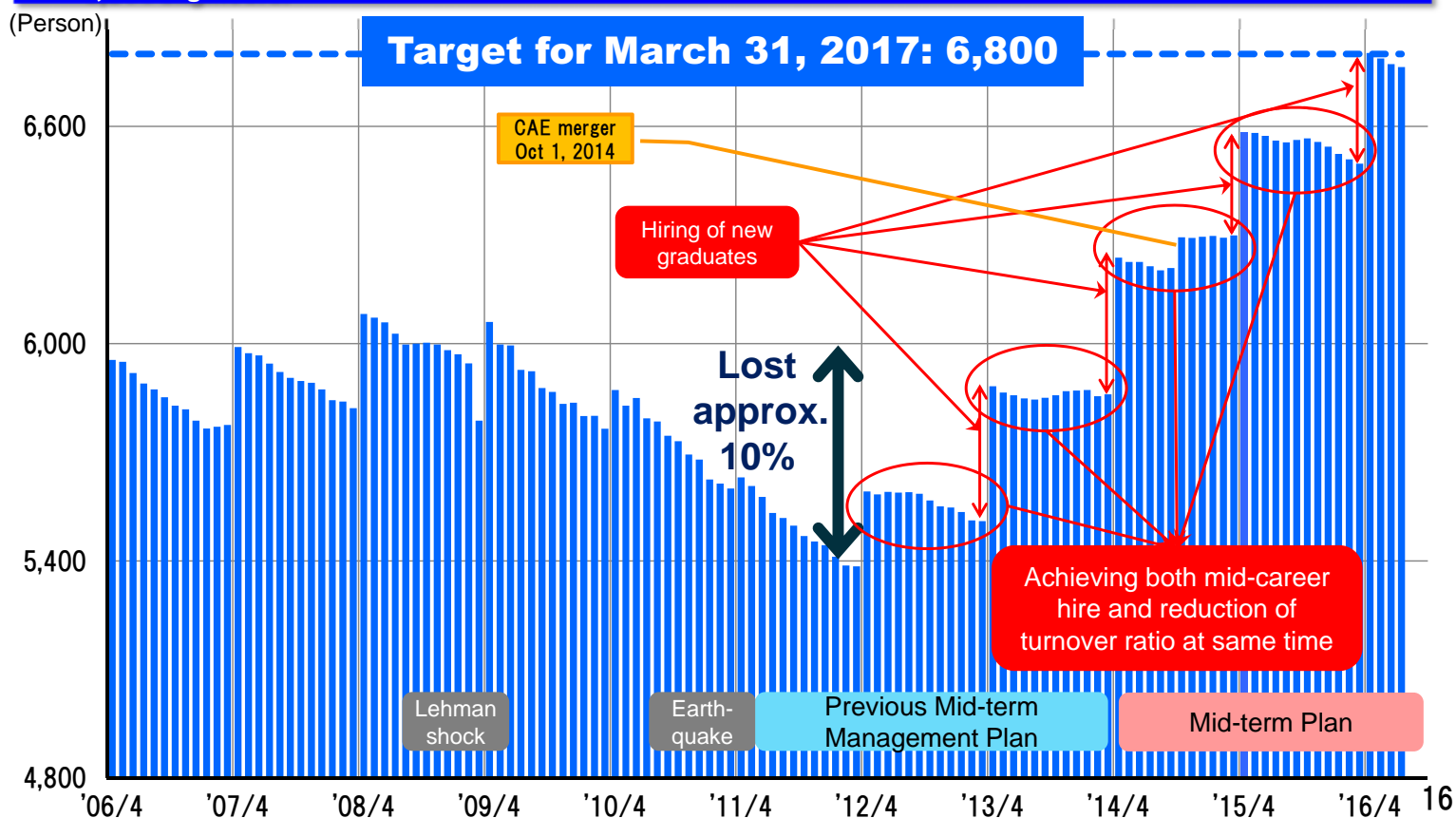
✓ Number of engineers at the end of July 31, 2016 was 8,735, increased 408 engineers, or 4.7%, compared to July 31, 2015



Number of Engineers (Meitec)

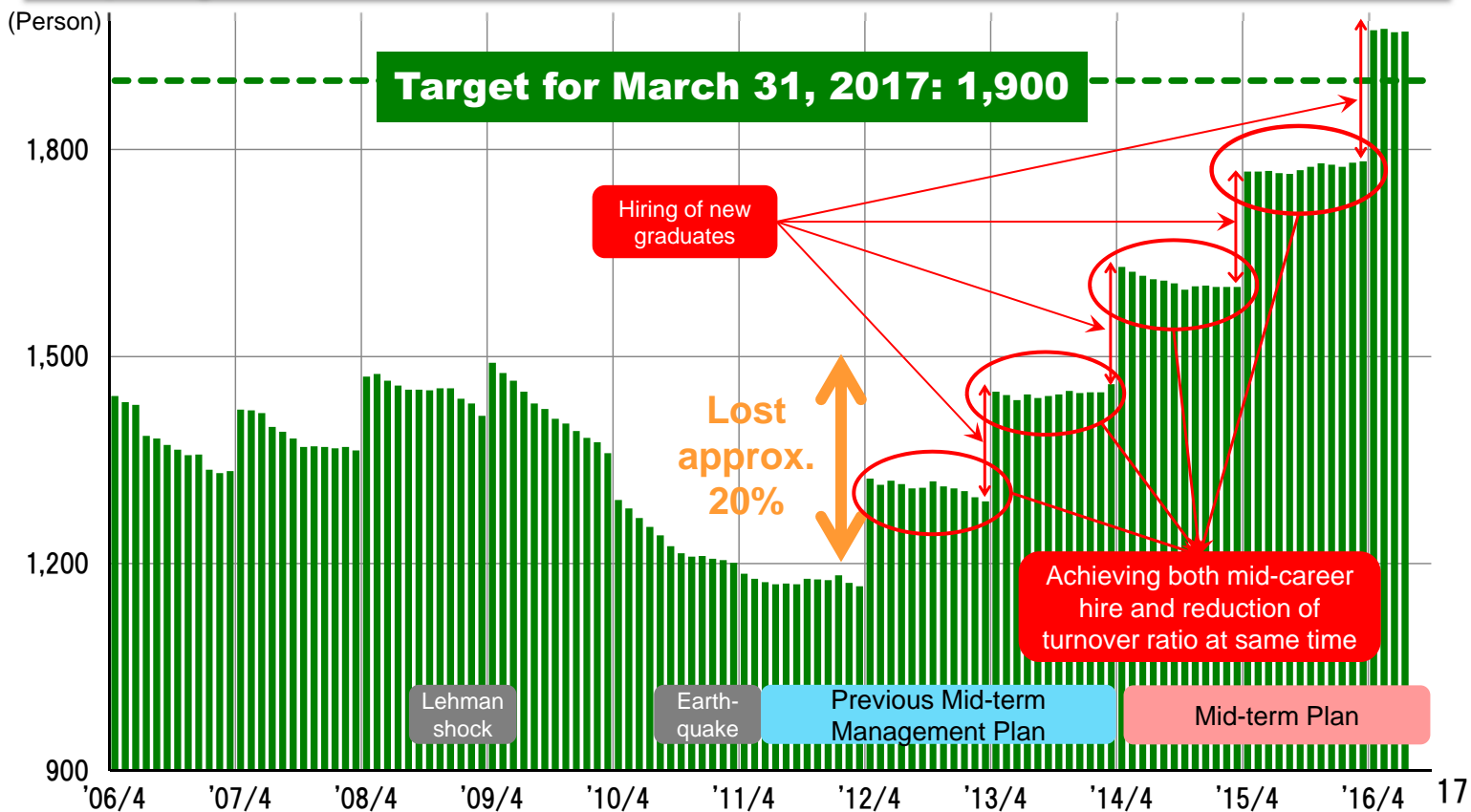
✓ Number of engineers at the end of July 31, 2016 was 6,764, increased 203 engineers, or 3.0%, compared to July 31, 2015.

✓ 338 new graduates joined the company this April, and we started the new fiscal year with a record high 6,814 engineers.



Number of Engineers (Meitec Fielders)

- ✓ Number of engineers at the end of July 31, 2016 was 1,971, increased 205 engineers, or 10.4%, compared to July 31, 2015.
- ✓ 182 new graduates joined the company this April, and we started the new fiscal year with a record high 1,975 engineers.



Hiring Target for Fiscal Year Ending Mar. 2017

Re-posted

Mid-career (FY 2017/3)

- The number of placements for job seekers wishing to change to careers at manufacturers continues to rise and there is no end in sight to corporate demand for hiring.
⇒ The market for career change is brisk.
- ✓ We will improve the efficiency of hiring mainly the mechanical and electric/electronics engineers, while continue to maintain our hiring standards.
→ Strengthen cooperation with placement agency
→ Focus on the growth motivation of applicant, and consider expanding condition of the applicant

New Graduates (Joined April 2017)

- As the number of hiring company and their hiring target is over two digit increase compare to the last year, hiring market continue to be in highly competitive condition.
- Some unease about the increasingly early / shortened schedule for hiring season.
- ✓ Focus to promote understanding the career path to the lifetime engineer
- ✓ Focus on the growth motivation of applicant, and consider expanding condition of the applicant ⇒ Focus on adding the number of hire
※Due to the nature of our engineer's involvement with the state-of-the-art technology and the latest product at the design and development department, hiring standard can not be lowered.

(person)	Fiscal Year Ending March 31, 2017					Fiscal Year Ending March 31, 2018	
	Newly Graduate April 2016 (Actual)	Mid-career		Total		Newly Graduate April 2017	
		<Target>	Comparison to Previous Year	<Target>	Comparison to Previous Year	<Target>	Comparison to Previous Year
Meitec	338	160	+4	498	+43	330	(8)
Meitec Fielders	182	158	+21	340	+28	210	+28
Total	520	318	+25	838	+71	540	+20

✓ In FY2015, the second year of the plan, results almost reached the target levels for the third year of the plan but, as shown by the forecasts for FY2016, some issues remain to be addressed

billion yen		Mid-term Management Plan (Targets)	FY2014 (Actual)	FY2015 (Actual)	FY2016 (Forecast)
Group Consolidated					
Net Sales		88.0	82.1	87.8	90.5
Operating Income		10.0	9.5	10.8	10.3
Margin	equal or more than	12%	11.6%	12.4%	11.4%
Profit		6.0	3.6	8.0	7.0
ROE	equal or more than	15%	9.9%	21.5%	18.7%
Meitec					
Net Sales		68.0	64.6	68.8	70.2
Operating Income		8.5	7.9	9.0	8.5
Margin	equal or more than	13%	12.3%	13.2%	12.1%
Meitec Fielders					
Net Sales		13.5	11.9	13.3	14.2
Operating Income		1.3	1.0	1.2	1.2
Margin	equal or more than	9.5%	9.0%	9.0%	8.5%

*From the presentation of previous 4th Q of fiscal year 19

Forecast for the Fiscal Year Ending March 31, 2017 (Group Consolidated)

- ✓ Net sales rose 3.0% year on year to 90.5 billion yen (a record high), while operating income fell by 5.3% YoY to 10.3 billion yen.
→ Impact of cost of sales rising 3.5% YoY and SG&A expenses increasing 7.7% YoY
→ To be explained below on a per-company basis
- ✓ Profit attributable to owners of parent fell 13.4% year on year to 7 billion yen, due to the disappearance of the extraordinary income of 1 billion yen posted in the previous term → However, this was higher than the 6 billion yen target for the third year of the mid-term plan.

Group Consolidated (Fractions of one million yen are rounded down)	Forecast FY ending March 31, 2017	YoY Amount	% Change	Forecast	YoY Amount	% Change	Forecast 2nd Half
				1st half ending Sept.30, 2016			
Net sales	90,500	+2,611	+3.0%	43,800	+1,656	+3.9%	46,700
Cost of sales	66,900	+2,238	+3.5%	32,700	+1,378	+4.4%	34,200
SG&A Expenses	13,300	+947	+7.7%	6,500	+422	+7.0%	6,800
Operating income	10,300	(574)	(5.3%)	4,600	(144)	(3.0%)	5,700
Operating income margins	11.4%	(1.0%)		10.5%	(0.8%)		12.2%
Ordinary income	10,300	(545)	(5.0%)	4,600	(123)	(2.6%)	5,700
Profit attributable to owners of parent	7,000	(1,083)	(13.4%)	3,000	(798)	(21.0%)	4,000
Earnings per Share	238.39	(30.85)		102.17	(23.26)		

*From the presentation of previous 4th Q of fiscal year 20

Forecast for the Fiscal Year Ending March 31, 2017 (Meitec)

- ✓ Net sales rose 1.9% year on year to 70.2 billion yen (a record high) and operating income declined 6.2% year on year to 8.5 billion yen
- The cost of sales rose due to increases the number of engineers, while SG&A expenses rose as a result of higher system costs and tax burden.

Meitec		Forecast FY ending March 31, 2017	YoY Amount	% Change	Forecast 1st half ending Sept.30, 2016	YoY Amount	% Change	Forecast 2nd Half
(Millions of yen)								
Net sales		70,200	+1,321	+1.9%	34,000	+868	+2.6%	36,200
Cost of sales		52,200	+1,315	+2.6%	25,500	+741	+3.0%	26,700
	Cost of sales to Net sales	74.4%	+0.5%		75.0%	+0.3%		73.8%
SG&A Expenses		9,500	+567	+6.4%	4,700	+255	+5.7%	4,800
Operating income		8,500	(561)	(6.2%)	3,800	(127)	(3.3%)	4,700
	Operating income margins	12.1%	(1.1%)		11.2%	(0.7%)		13.0%
Ordinary income		9,000	(526)	(5.5%)	4,300	(95)	(2.2%)	4,700
Profit		6,300	(1,091)	(14.8%)	3,000	(749)	(20.0%)	3,300
Utilization ratio (Company-wide)		96.7%	(0.5%)		95.6%	(0.4%)		97.8%
Working Hours(h/day)		8.83	—		8.77	—		8.90
Number of Recruitment		498	+43					
	Newly graduated	338	+39					
	Mid-career	160	+4					
Turnover Ratio		4.5%	+0.6%					

*From the presentation of previous 4th Q of fiscal year

Target of Newly Graduates hire for April 2017	To Apr. 2016
330	(8)

21

Forecast for the Fiscal Year Ending March 31, 2017 (Meitec Fielders)

- ✓ Net sales rose 6.5% year on year to 14.2 billion yen (a record high) and operating income declined 0.4% year on year to 1.2 billion yen
- The cost of sales rose due to increases the number of engineers, while SG&A expenses rose due to increases in expenses related to higher recruiting costs.

Meitec Fielders		Forecast FY ending March 31, 2017	YoY Amount	% Change	Forecast 1st half ending Sept.30, 2016	YoY Amount	% Change	Forecast 2nd Half
(Millions of yen)								
Net sales		14,200	+872	+6.5%	6,800	+413	+6.5%	7,400
Cost of sales		11,000	+711	+6.9%	5,300	+334	+6.7%	5,700
	Cost of sales to Net sales	77.5%	+0.3%		77.9%	+0.2%		77.0%
SG&A Expenses		2,000	+165	+9.0%	940	+66	+7.6%	1,060
Operating income		1,200	(4)	(0.4%)	560	+12	+2.3%	640
	Operating income margins	8.5%	(0.5%)		8.2%	(0.4%)		8.6%
Ordinary income		1,200	(5)	(0.5%)	560	+11	+2.2%	640
Profit		800	+13	+1.8%	380	+30	+8.7%	420
Utilization ratio (Company-wide)		94.9%	(1.3%)		92.8%	(1.4%)		96.9%
Working Hours(h/day)		8.96	(0.01)		8.89	(0.01)		9.03
Number of Recruitment		340	+28					
	Newly graduated	182	+7					
	Mid-career	158	+21					
Turnover Ratio		8.3%	+0.8%					

*From the presentation of previous 4th Q of fiscal year

Target of Newly Graduates hire for April 2017	To Apr. 2016
210	+28

22

- ✓ **Leading manufacturers, which represent the Company's major clients, continued R&D investments. As a result, the professional staffing business for engineers drove earnings, and net sales increased 5.0%, while operating income jumped 4.7%.**
- ✓ **Profit attributable to owners of parent increased 10% and about 1.5 billion yen.**

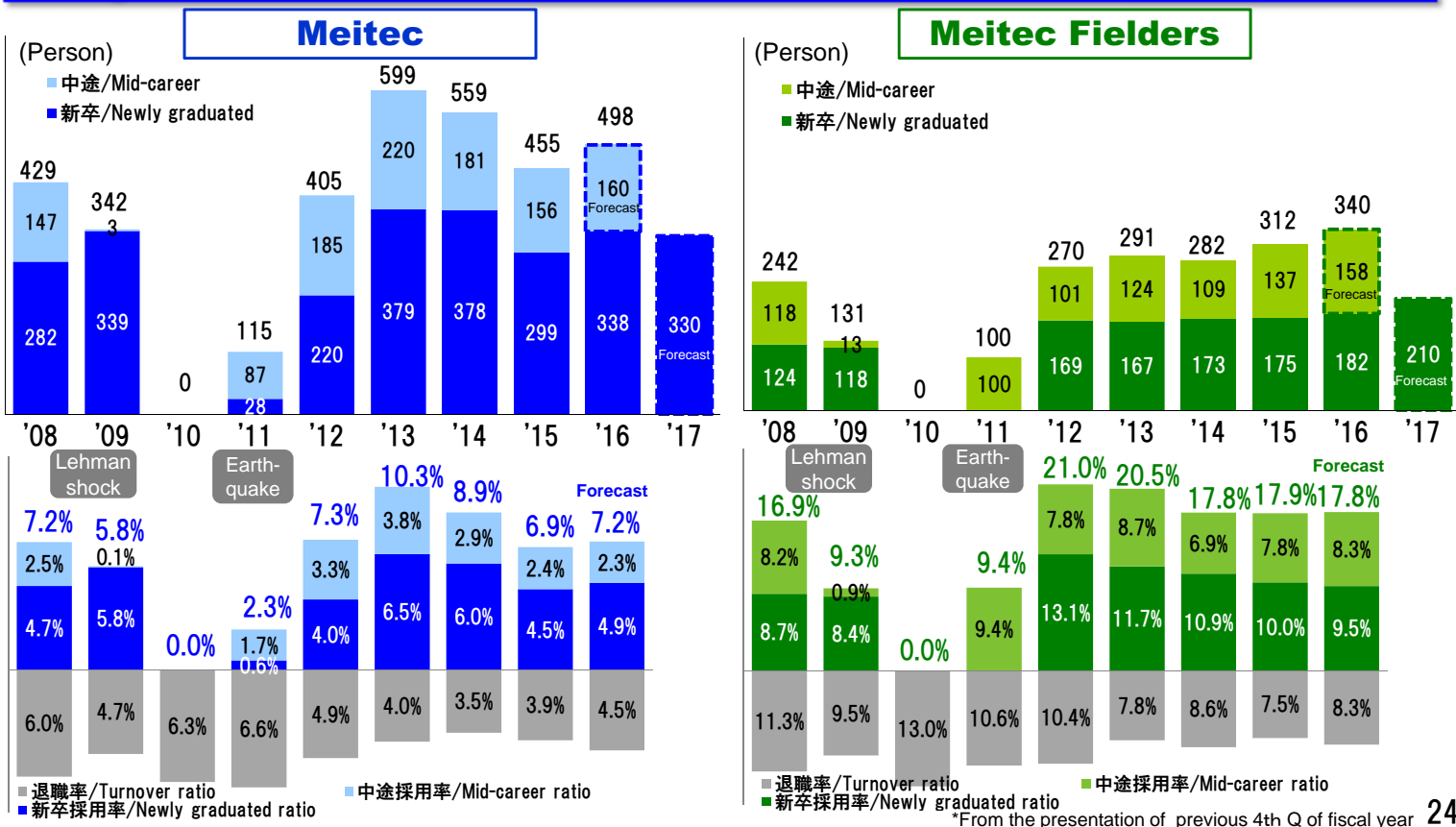
Group Consolidated (Millions of yen)	1Q ended June. 30, 2015	1Q ended June. 30, 2016	YoY Amount	% Change	Initial Forecast for 2Q, announced on May 2016	Progress toward the FY forecast
Net sales	20,780	21,822	+ 1,042	+ 5.0%	43,800	49.8%
Cost of sales	15,487	16,286	+ 798	+ 5.2%	32,700	
Cost of sales to Net sales	74.5%	74.6%	+ 0.1%			
SG&A Expenses	3,002	3,139	+ 136	+ 4.6%	6,500	
Operating income	2,290	2,397	+ 107	+ 4.7%	4,600	52.1%
Operating income margins	11.0%	11.0%	—		10.5%	
Ordinary income	2,285	2,398	+ 112	+ 4.9%	4,600	52.1%
Extraordinary income & loss	(6)	(2)	+ 4			
Profit before income taxes	2,279	2,395	+ 116	+ 5.1%		
Profit attributable to owners of parent	1,404	1,543	+ 139	+ 10.0%	3,000	51.4%
Profit margins	6.8%	7.1%	+ 0.3%			

23

Recruitment and Turnover

Re-posted

- ✓ **The hiring environment is challenging, but we maintained hiring standards**
- ✓ **The turnover ratio has fallen to a record-low level ⇒ Contributing to the increase in engineers.**



24

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%

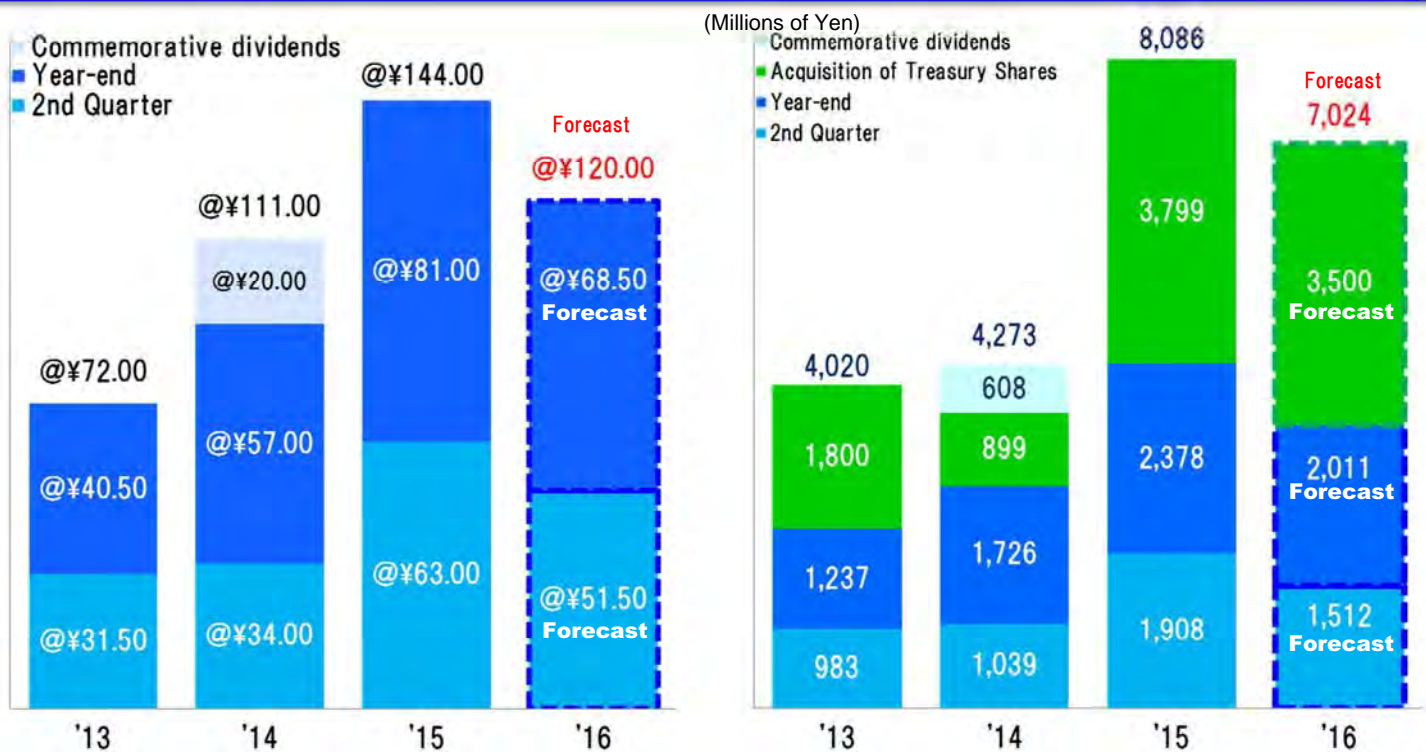
Dividend	Dividend related to performances	Equal or more than 50% of consolidated net profit
	Minimum Dividend	Equal or more than Dividend on Equity ratio (DOE) 5%
Treasury Share Acquisition	Acquisition of treasury shares	Consolidated cash position excess of 3 months net sales to be planned for acquisition of the treasury shares
	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.

Results and Forecast of Profit Distribution

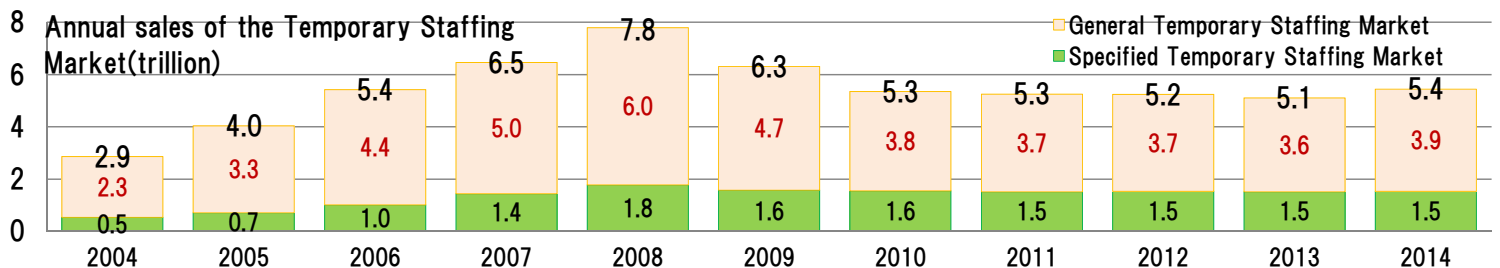
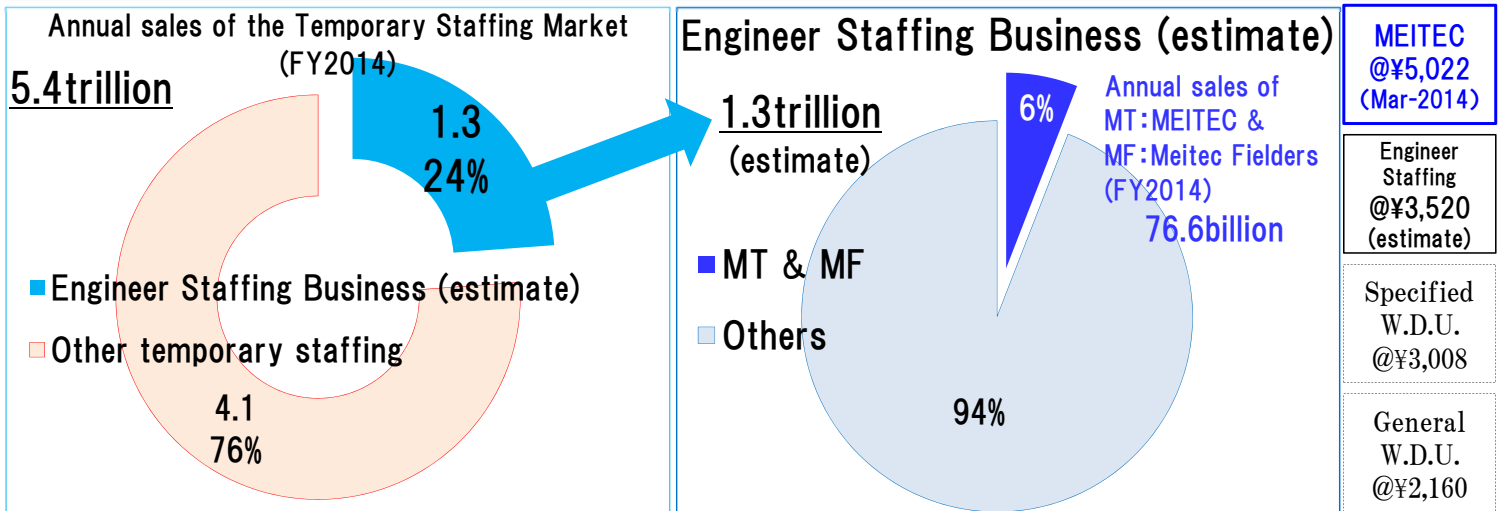
Re-posted

- ✓ The year-end dividend for FY2015 is 81 yen, which together with the interim dividend of 63 yen comes to an annual dividend of 144 yen.
- ✓ The profit distribution forecast for the fiscal 2016 is the regular dividends at 120 yen per share totaling 3.5 billion yen, and acquisition of treasury shares totaling 3.5 billion yen, in line with our basic policy regarding profit distribution * Total return ratio 100% = (ordinary dividends 3.5billion yen + purchase of treasury stock amount 3.5billion yen) ÷ forecast profit 7.0 billion yen



Market of Engineer Staffing Business (estimate)

- ✓ Meitec Group hold 6% share(estimate) of Engineer Staffing Business Market.
- ✓ Meitec's high average price per hour is prominent.
It proves our engineer's high value in "Technological Strength X Human Strength".



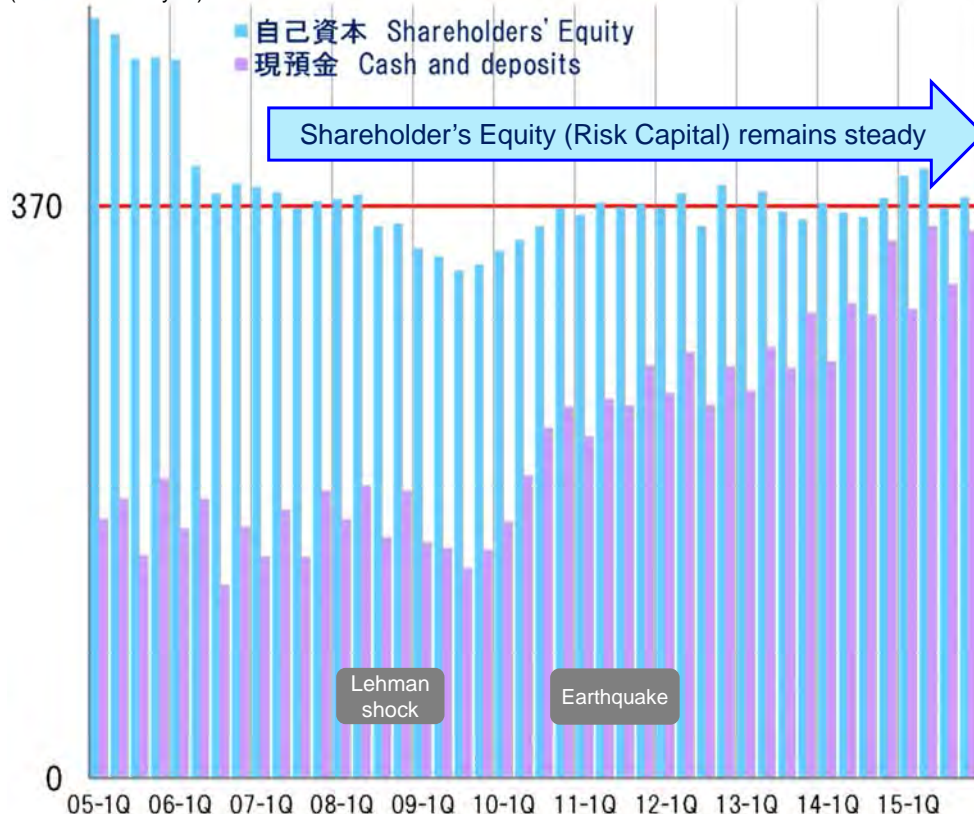
Original source: 2013 MHLW statistics . We calculated the estimate originally. * We assume no responsibility for our estimation.

Shareholder's Equity and Cash and Deposit

Re-posted

- ✓ 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.

(100 millions 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 the shareholders equity" which would lead to the safeness of finance.

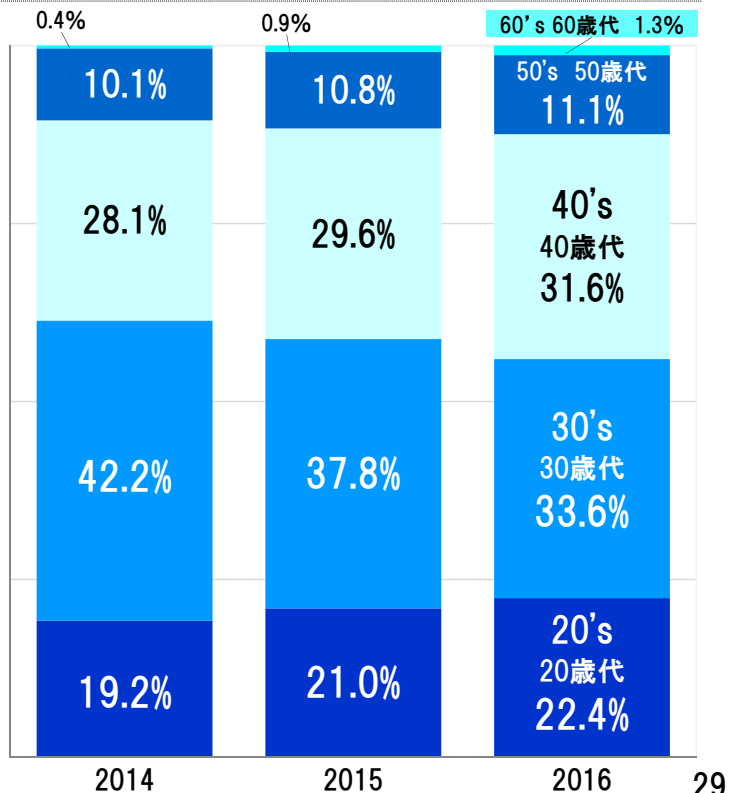
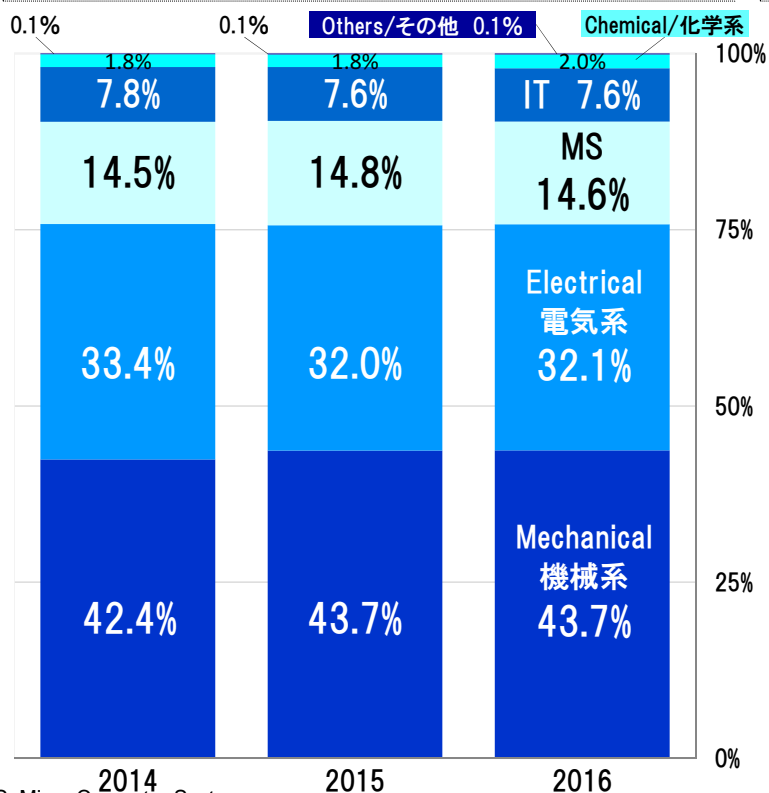
Distribution of Engineers by Technical Fields and Age

✓ Mechanical and electrical engineering account for more than 70% in the technical fields of Meitec engineers.

*As of the end of March 2016

技術分野/Technical field

年齢/According to age



MS: Micro Computer System

29

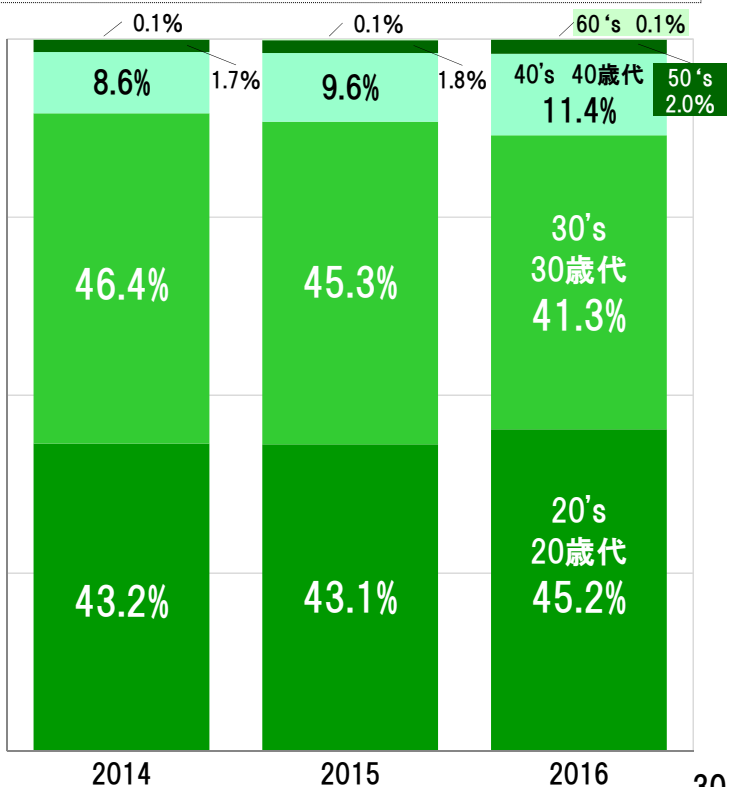
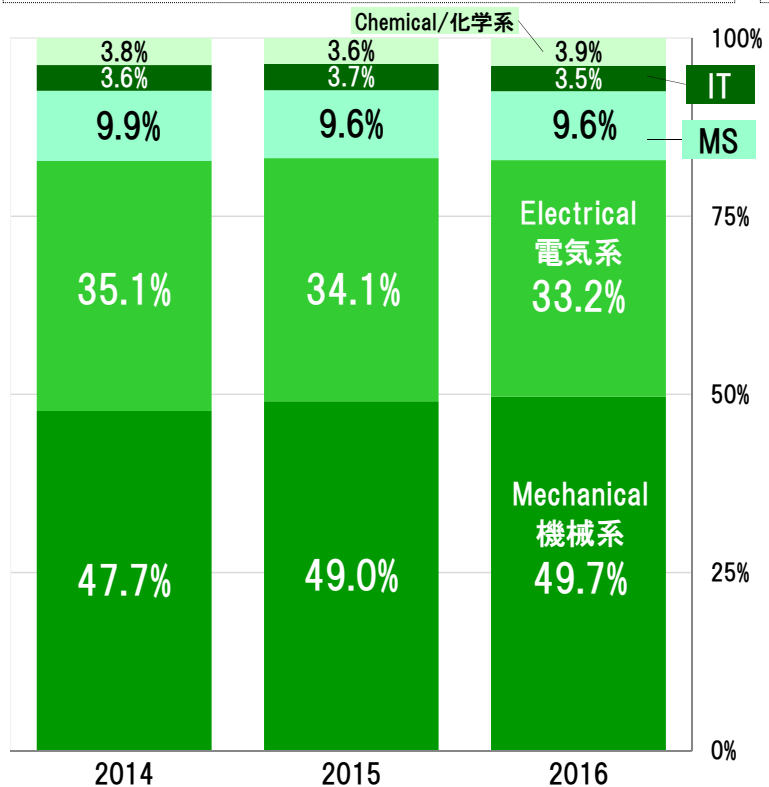
Distribution of Engineers by Technical Fields and Age

✓ Mechanical and electrical engineering account for more than 80% in the technical fields of Meitec Fielders engineers.

*As of the end of March 2016

技術分野/Technical field

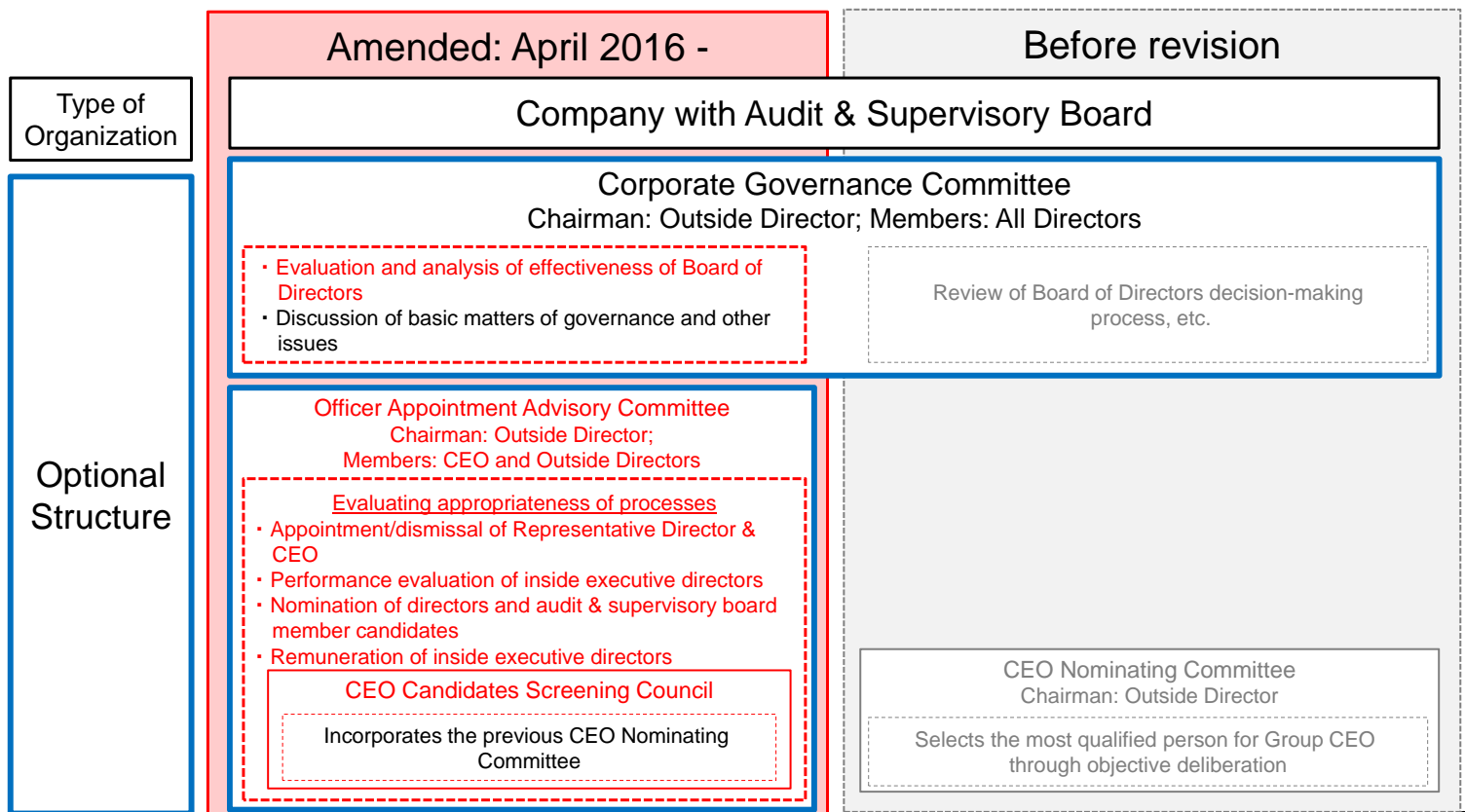
年齢/According to age



MS: Micro Computer System

30

✓ On April 26 and May 10 of this year, we revised our Basic Policy Regarding Corporate Governance. → (1) Specified that the chairman should be an Outside Director (2) Amended the calculations for remuneration of Directors



*From the presentation of previous 4th Q of fiscal year 31

✓ Reviewing directors' remuneration so that the proportion linked to performance is even higher (assuming this is approved at the Annual General Meeting of Shareholders in June this year) → The AGM resolution would lead to a change to a remuneration framework, with continuous disclosure of individual remuneration after consultation with the Directors Human Resources Consultation Committee.

Remuneration Amounts to Individual Executives

¥1K=JPY1,000-	Revised April 2016		Before the revision
CEO, MEITEC Group President and CEO, COO (COO)	Yearly payment	¥28,800K (Monthly ¥2,400K (20%))	Monthly payment ¥3,000K or less
Director	Yearly payment	¥19,200K (Monthly ¥1,600K (20%))	Monthly payment ¥2,000K or less
Outside Director	Yearly payment	¥9,000K (Monthly ¥750K +50%)	Monthly payment ¥500K or less
Standing audit & supervisory board member	Yearly payment	¥24,000K (Monthly ¥2,000K -)	Monthly payment ¥2,000K or less
Audit & supervisory board member	Yearly payment	¥7,800K (Monthly ¥650K +30%)	Monthly payment ¥500K or less

Performance-linked remuneration etc.

	Revised: April 1, 2016	Before revision
Consolidated profit (not including performance-linked directors' remuneration)	x 2.5% Upper limit: 250 million yen annually	2.0%
Of which Outside Directors	Not eligible for allocation	6 million yen per person or less
Of which the equivalent to 20% of post-tax value	Allocated for purchase of treasury shares (Directors shareholding association method)	(New)

*From the presentation of previous 4th Q of fiscal year 32

- ✓ Forecast of performance by subsidiary
- ✓ Meitec Next (recruiting & placement business) plans a net sales increase of +21.1% year-on-year.

(Millions of yen)	Temporary Staffing Business				Recruiting & Placement Business			Engineering Solutions Business
	Meitec	Meitec Fielders	Meitec Cast	Meitec EX	Meitec Next	all engineer .jp	Meitec (China)	Apollo Giken Gr.
Net sales	70,200	14,200	2,700	110	1,600	120	100	1,900
YoY Amount	+ 1,321	+ 872	+ 64	+ 41	+ 278	(13)	+ 29	(105)
% Change	+ 1.9%	+ 6.5%	+ 2.5%	+ 59.5%	+ 21.1%	(9.9%)	+ 42.7%	(5.2%)
Operating income	8,500	1,200	90	(30)	460	10	0	40
YoY Amount	(561)	(4)	+ 2	—	+ 26	(40)	+ 33	(28)
% Change	(6.2%)	(0.4%)	+ 3.0%	—	+ 6.1%	(80.4%)	—	(41.8%)
Ordinary income	9,000	1,200	90	(30)	460	10	0	40
Profit	6,300	800	60	(30)	300	10	0	30

*From the presentation of previous 4th Q of fiscal year **33**

Trend of Performances (Consolidated)

Re-posted

(Millions of Yen)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net sales	71,255	79,120	83,223	82,229	82,102	79,898	53,776	61,790	66,955	70,330	74,906	82,136	87,888
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	60,481	64,661
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%	73.6%	73.6%
Gross profit	21,606	24,660	26,538	24,528	24,324	22,720	7,010	12,957	17,079	18,691	19,536	21,654	23,227
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	12,114	12,352
SG&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%	14.7%	14.1%
Operating income	12,267	12,289	12,485	11,581	11,365	9,280	(4,928)	2,620	5,450	6,354	6,979	9,540	10,874
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%	11.6%	12.4%
Non-operating income	106	87	137	74	84	87	4,729	2,146	114	97	50	113	29
Non-operating expenses	90	185	59	169	115	107	77	178	32	24	51	10	58
Ordinary income	12,283	12,190	12,562	11,487	11,334	9,260	(276)	4,588	5,531	6,427	6,978	9,643	10,845
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%	11.7%	12.3%
Extraordinary income	149	393	538	5	6	13	32	378	—	58	—	20	1,084
Extraordinary loss	477	2,682	2,235	5,092	1,826	1,094	130	234	4	215	146	3,621	65
Profit before income taxes	11,955	9,900	10,866	6,400	9,514	8,178	(374)	4,732	5,526	6,270	6,832	6,041	11,865
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	2,381	3,781
Profit attributable to owners of parent	6,709	4,707	5,302	295	4,958	4,303	(904)	3,690	2,827	5,993	3,973	3,659	8,083
Profit margins	9.4%	6.0%	6.4%	0.4%	6.0%	5.4%	(1.7%)	6.0%	4.2%	8.5%	5.3%	4.5%	9.2%

*From the presentation of previous 4th Q of fiscal year **34**

Trend of Performances (Meitec)

Re-posted

(Millions of Yen)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net sales	59,518	61,109	61,425	61,795	62,956	60,457	41,319	48,260	53,188	55,822	58,876	64,675	68,878
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	47,857	50,884
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%	74.0%	73.9%
Gross profit	18,591	19,021	19,045	18,660	19,081	17,348	5,245	9,482	13,200	14,582	15,134	16,817	17,994
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	8,891	8,932
SG&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%	13.7%	13.0%
Operating income	10,757	11,219	11,131	10,621	10,460	8,807	(2,964)	1,724	4,613	5,402	5,751	7,925	9,061
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%	12.3%	13.2%
Non-operating income	324	530	458	4,988	356	564	3,840	1,976	389	314	426	523	517
Non-operating expenses	90	35	33	109	48	76	53	150	14	19	426	10	52
Ordinary income	10,991	11,714	11,556	15,500	10,768	9,294	822	3,550	4,988	5,698	6,149	8,438	9,526
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%	13.0%	13.8%
Extraordinary income	61	525	102	5	3	7	2	3	—	462	—	324	1,088
Extraordinary loss	412	800	132	10,202	2,084	2,912	626	318	66	228	372	3,673	50
Profit before income taxes	10,641	11,439	11,526	5,304	8,687	6,389	197	3,236	4,921	5,932	5,776	5,089	10,563
Total income taxes	4,597	4,586	4,706	5,388	3,749	3,391	144	1,094	2,331	(124)	2,352	1,749	3,171
Profit	6,044	6,853	6,820	(83)	4,938	2,998	53	2,141	2,590	6,056	3,425	3,340	7,391
Profit margins	10.2%	11.2%	11.1%	(0.1%)	7.8%	5.0%	0.1%	4.4%	4.9%	10.8%	5.8%	5.2%	10.7%

*From the presentation of previous 4th Q of fiscal year 35

Trend of Performances (Meitec Fielders)

Re-posted

(Millions of Yen)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net sales	8,692	9,729	10,382	10,748	10,747	10,582	7,050	8,175	8,510	9,349	10,587	11,911	13,327
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	9,154	10,288
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%	76.9%	77.2%
Gross profit	2,264	2,495	2,727	2,859	2,987	2,837	429	1,814	2,122	2,287	2,502	2,757	3,039
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	1,682	1,834
SG&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%	14.1%	13.8%
Operating income	1,275	1,321	1,369	1,308	1,310	819	(1,461)	575	537	648	856	1,073	1,204
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%	9.0%	9.0%
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	1,074	1,205
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%	9.0%	9.0%
Extraordinary income	88	5	6	—	—	—	—	1	—	—	—	—	—
Extraordinary loss	64	—	3	4	5	13	2	1	—	—	—	5	7
Profit before income taxes	1,304	1,333	1,376	1,306	1,314	811	(620)	756	540	651	841	1,068	1,198
Total income taxes	562	544	560	537	544	344	313	(187)	264	272	358	420	412
Profit	742	789	816	768	769	467	(933)	943	275	378	483	648	786
Profit margins	8.5%	8.1%	7.9%	7.1%	7.2%	4.4%	(13.2%)	11.5%	3.2%	4.0%	4.6%	5.4%	5.9%

*From the presentation of previous 4th Q of fiscal year 36

Trend of Balance Sheets (Consolidated)

Re-posted

(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
Cash and deposits	16,177	18,512	18,526	14,732	23,999	26,686	26,592	30,104	34,773	35,413
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
Total current assets	35,564	35,356	33,295	28,444	37,661	40,643	41,802	44,998	51,639	53,104
Property, plant and equipment	14,548	13,374	12,818	12,069	11,688	11,257	10,908	10,555	7,207	5,721
Total non-current assets	21,914	22,428	20,934	19,180	18,053	16,915	16,199	16,447	13,458	11,363
Total assets	57,479	57,784	54,230	47,625	55,714	57,559	58,002	61,445	65,098	64,468
Total current liabilities	12,559	13,764	11,026	6,392	10,016	11,165	9,683	12,589	15,797	13,650
Total non-current liabilities	6,236	6,422	7,034	7,789	8,603	9,183	9,895	12,667	11,735	13,212
Total liabilities	18,795	20,186	18,061	14,181	18,619	20,349	19,579	25,257	27,532	26,862
Total shareholders' equity	39,144	38,048	36,747	34,101	37,745	38,017	39,264	38,299	39,619	39,973
Other net assets	(461)	(449)	(577)	(658)	(651)	(808)	(841)	(2,111)	(2,054)	(2,367)
Total net assets	38,683	37,598	36,169	33,443	37,094	37,209	38,422	36,188	37,565	37,605

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
Cash flows from investing activities	(955)	124	623	(19)	287	(292)	(465)	(398)	(275)	1,487
Cash flows from financing activities	(8,366)	(5,997)	(5,580)	(1,835)	(104)	(2,769)	(4,837)	(4,991)	(3,495)	(7,752)
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

*From the presentation of previous 4th Q of fiscal year 37

Trend of Profit Distributions and Forecast

Re-posted

		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	Actual FY2015	Forecast FY2016
Dividend Payout ratio		65.1%	1,085.7%	50.5%	58.9%	—	24.7%	68.5%	53.2%	56.1%	92.4%	53.5%	50.3%
Dividend on Equity		7.1%	7.4%	6.5%	6.9%	2.4%	2.6%	5.2%	8.4%	6.0%	9.2%	11.4%	
Annual Dividends	Per Share	@¥90.50	@¥89.00	@¥72.00	@¥75.00	@¥24.50	@¥27.50	@¥58.50	@¥99.00	@¥72.00	@¥111.00	@¥144.00	@¥120.00
	Millions of Yen	3,329	3,162	2,488	2,518	812	911	1,925	3,134	2,220	3,373	4,286	3,524
2nd Quarter	Per Share	@¥44.00	@¥44.00	@¥37.50	@¥47.00	@¥24.50		@¥29.00	@¥30.00	@¥31.50	@¥44.00	@¥63.00	@¥51.50
	Millions of Yen	1,630	1,579	1,304	1,590	812		961	981	983	1,344	1,908	1,512
Year-end	Per Share	@¥46.50	@¥45.00	@¥34.50	@¥28.00		@¥27.50	@¥29.50	@¥69.00	@¥40.50	@¥67.00	@¥81.00	@¥68.50
	Millions of Yen	1,699	1,583	1,184	928		911	965	2,153	1,237	2,029	2,378	2,011
Acquisition of Treasury Shares	Thousands of shares	1,405	1,353	857	1,174			421	1,506	641	269	279	
	Millions of Yen	5,100	5,099	3,100	2,800			700	2,800	1,800	899	3,799	3,500
Total Shareholders Return	Millions of Yen	8,429	8,261	5,588	5,318	812	911	2,625	5,934	4,020	4,273	8,086	7,024
Retirement of Treasury Stock	Thousands of shares	1,562	1,400		342			400	1,700	500	300	900	
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	¥3,965	¥3,865
	As of March 31	¥3,870	¥3,800	¥3,020	¥1,216	¥1,831	¥1,664	¥1,669	¥2,343	¥2,930	¥4,025	¥3,935	
Earnings per Share		@¥138.93	@¥8.20	@¥142.64	@¥127.31	@¥(27.30)	@¥111.33	@¥85.45	@¥186.08	@¥128.30	@¥120.12	@¥269.24	@¥238.39
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	@¥1,238.78	@¥1,278.59	

*From the presentation of previous 4th Q of fiscal year 38

Company Information

Tokyo Headquarters	Akasaka, Minato-ku, Tokyo		
Nagoya Headquarters	Nishi-ku Nagoya		
Stock listings	Tokyo Stock Exchange, 1st Section (No. 9744)		
Incorporated	July 17, 1974		
C l i e n t s	Approximately 1,000 blue-chip companies, mostly listed in the first and second sections of Tokyo Stock Exchange		
B r a n c h e s	34 Sales offices, including Tokyo, Osaka, Nagoya, and other major Japanese cities		
Group Companies	<table border="0"> <tr> <td style="vertical-align: top;"> <p>[Sales of Staffing Business]</p> <ul style="list-style-type: none"> ■ Meitec Fielders Inc. ■ Meitec Cast Inc. ■ Meitec EX Co. </td> <td style="vertical-align: top;"> <p>[Sales of Recruiting & Placement Business]</p> <ul style="list-style-type: none"> ■ Meitec Next Co. ■ all engineer.jp Co. ■ Meitec Shanghai ■ MEITEC Shanghai Human Resources Co. Ltd. <p>[Sales of Engineering Solutions Business]</p> <ul style="list-style-type: none"> ■ Apollo Giken Co. Ltd. </td> </tr> </table>	<p>[Sales of Staffing Business]</p> <ul style="list-style-type: none"> ■ Meitec Fielders Inc. ■ Meitec Cast Inc. ■ Meitec EX Co. 	<p>[Sales of Recruiting & Placement Business]</p> <ul style="list-style-type: none"> ■ Meitec Next Co. ■ all engineer.jp Co. ■ Meitec Shanghai ■ MEITEC Shanghai Human Resources Co. Ltd. <p>[Sales of Engineering Solutions Business]</p> <ul style="list-style-type: none"> ■ Apollo Giken Co. Ltd.
<p>[Sales of Staffing Business]</p> <ul style="list-style-type: none"> ■ Meitec Fielders Inc. ■ Meitec Cast Inc. ■ Meitec EX Co. 	<p>[Sales of Recruiting & Placement Business]</p> <ul style="list-style-type: none"> ■ Meitec Next Co. ■ all engineer.jp Co. ■ Meitec Shanghai ■ MEITEC Shanghai Human Resources Co. Ltd. <p>[Sales of Engineering Solutions Business]</p> <ul style="list-style-type: none"> ■ Apollo Giken Co. Ltd. 		

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

For inquiry regarding investor relations:
 Phone: +81-03-5413-0131 e-mail: ir@meitec.com
 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.