

人と技術で次代を拓く

**MEITEC**

メイテックグループ

# Results for the Fiscal Year Ended March 31, 2016

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May 10, 2016

**MEITEC CORPORATION**

President and CEO, COO

MEITEC Group CEO

**Hideyo Kokubun**

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## 1. Results for the Fiscal Year Ended March 31, 2016

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**MEITEC**

メイテックグループ

## Results for the Fiscal Year Ended March 31, 2016 (Group Consolidated)

- ✓ **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 7.0% y-o-y, while operating income increased 14.0%.**
- ✓ **Due to the recording of about 1 billion yen in extraordinary income, profit rose significantly to 8.083 billion yen.**

| <b>Group Consolidated</b><br>(Millions of yen) | FY ended<br>March 31, 2015 | FY ended<br>March 31, 2016 | YoY<br>Amount | %<br>Change | Past<br>Forecasts | %<br>Change |
|--|----------------------------|----------------------------|---------------|-------------|-------------------|-------------|
| Net sales                                      | 82,136                     | 87,888                     | + 5,752       | + 7.0%      | 86,400            | + 1,488     |
| Cost of sales                                  | 60,481                     | 64,661                     | + 4,180       | + 6.9%      | 63,800            | + 861       |
| Cost of sales to Net sales                     | 73.6%                      | 73.6%                      | —             |             |                   |             |
| SG&A Expenses                                  | 12,114                     | 12,352                     | + 238         | + 2.0%      | 12,600            | (248)       |
| Operating income                               | 9,540                      | 10,874                     | + 1,334       | + 14.0%     | 10,000            | + 874       |
| Operating income margins                       | 11.6%                      | 12.4%                      | + 0.8%        |             | 11.6%             | + 0.8%      |
| Ordinary income                                | 9,643                      | 10,845                     | + 1,202       | + 12.5%     | 10,000            | + 845       |
| Extraordinary income & loss                    | (3,601)                    | 1,019                      | + 4,620       |             |                   |             |
| Profit before income taxes                     | 6,041                      | 11,865                     | + 5,824       | + 96.4%     |                   |             |
| Profit attributable to owners of parent        | 3,659                      | 8,083                      | + 4,423       | + 120.9%    | 7,600             | + 483       |
| Profit margins                                 | 4.5%                       | 9.2%                       | + 4.7%        |             |                   |             |
| Return on Equity (ROE)                         | 9.9%                       | 21.5%                      | + 11.6%       |             |                   |             |
| Ordinary income to total assets ratio          | 15.2%                      | 16.7%                      | + 1.5%        |             |                   |             |

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## Results for the Fiscal Year Ended March 31, 2016 (Business Domains)

- ✓ **The Temporary Staffing Business, which accounted for more than 90% of consolidated net sales, continued to be the earnings driver.**
- ✓ **The Recruiting & Placement Business specializing in engineers and the Engineering Solutions Business both posted increases in net sales and operating income.**

| <b>Business Domains</b><br>(Millions of yen) | FY ended<br>March 31, 2015 | FY ended<br>March 31, 2016 | YoY<br>Amount | %<br>Change |
|--|----------------------------|----------------------------|---------------|-------------|
| Sales of Temporary Staffing Business         | 79,346                     | 84,614                     | + 5,267       | + 6.6%      |
| Component ratio                              | 96.6%                      | 96.3%                      | (0.3%)        |             |
| Operating income                             | 9,145                      | 10,341                     | + 1,195       | + 13.1%     |
| Sales of Recruiting & Placement Business     | 1,340                      | 1,499                      | + 159         | + 11.9%     |
| Component ratio                              | 1.6%                       | 1.7%                       | + 0.1%        |             |
| Operating income                             | 387                        | 467                        | + 79          | + 20.6%     |
| Sales of Engineering Solutions Business      | 1,657                      | 2,005                      | + 347         | + 21.0%     |
| Component ratio                              | 2.0%                       | 2.3%                       | + 0.3%        |             |
| Operating income                             | 12                         | 69                         | + 57          | + 479.4%    |

(Note) The Company merged with its consolidated subsidiary Meitec CAE on October 1, 2014. As a result, the operating results of Meitec CAE, which had been included in the Engineering Solutions Business segment were presented within the Temporary Staffing Business.

For the purpose of comparison with the same period of the previous fiscal year, figures for the same period of the previous fiscal year have been reclassified according to the segment after such change.

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## Results for the Fiscal Year Ended March 31, 2016 (Meitec)

- ✓ Net sales increased by 6.5% y-on-y to 68,878 million yen, a record high, and operating income rose 14.3% y-on-y to 9,061 million yen.
- ✓ Due to the recording of about 1 billion yen in extraordinary income, profit rose significantly to 7.391 billion yen

| <b>Meitec</b><br>(Millions of yen) | FY ended<br>March 31, 2015 | FY ended<br>March 31, 2016 | YoY<br>Amount | %<br>Change | Past<br>Forecasts | %<br>Change |
|------------------------------------|----------------------------|----------------------------|---------------|-------------|-------------------|-------------|
| Net sales                          | 64,675                     | 68,878                     | + 4,202       | + 6.5%      | 67,900            | + 978       |
| Cost of sales                      | 47,857                     | 50,884                     | + 3,026       | + 6.3%      | 50,300            | + 584       |
| Cost of sales to net sales         | 74.0%                      | 73.9%                      | (0.1%)        |             | 74.1%             | (0.2%)      |
| SG&A Expenses                      | 8,891                      | 8,932                      | + 40          | + 0.5%      | 9,200             | (268)       |
| Operating income                   | 7,925                      | 9,061                      | + 1,135       | + 14.3%     | 8,400             | + 661       |
| Operating income margins           | 12.3%                      | 13.2%                      | + 0.9%        |             | 12.4%             | + 0.8%      |
| Ordinary income                    | 8,438                      | 9,526                      | + 1,087       | + 12.9%     | 8,900             | + 626       |
| Extraordinary income & loss        | (3,349)                    | 1,037                      | + 4,386       |             |                   |             |
| Profit before income taxes         | 5,089                      | 10,563                     | + 5,474       | + 107.6%    |                   |             |
| Profit                             | 3,340                      | 7,391                      | + 4,051       | + 121.3%    | 7,000             | + 391       |
| Utilization ratio (Company-wide)   | 96.1%                      | 97.2%                      | + 1.1%        |             | 96.8%             | + 0.4%      |
| Working Hours<h/day>               | 8.93                       | 8.83                       | (0.10)        | (1.1%)      | 8.77              | + 0.06      |
| Number of Recruitment              | 559                        | 455                        | (104)         | (18.6%)     | 489               | (34)        |
| Newly graduated                    | 378                        | 299                        | (79)          | (20.9%)     | 299               | —           |
| Mid-career                         | 181                        | 156                        | (25)          | (13.8%)     | 190               | (34)        |
| Turnover Ratio                     | 3.5%                       | 3.9%                       | + 0.4%        |             | 4.4%              | (0.5%)      |
| Number of Engineers as Period-End  | 6,299                      | 6,497                      | + 198         | + 3.1%      |                   |             |

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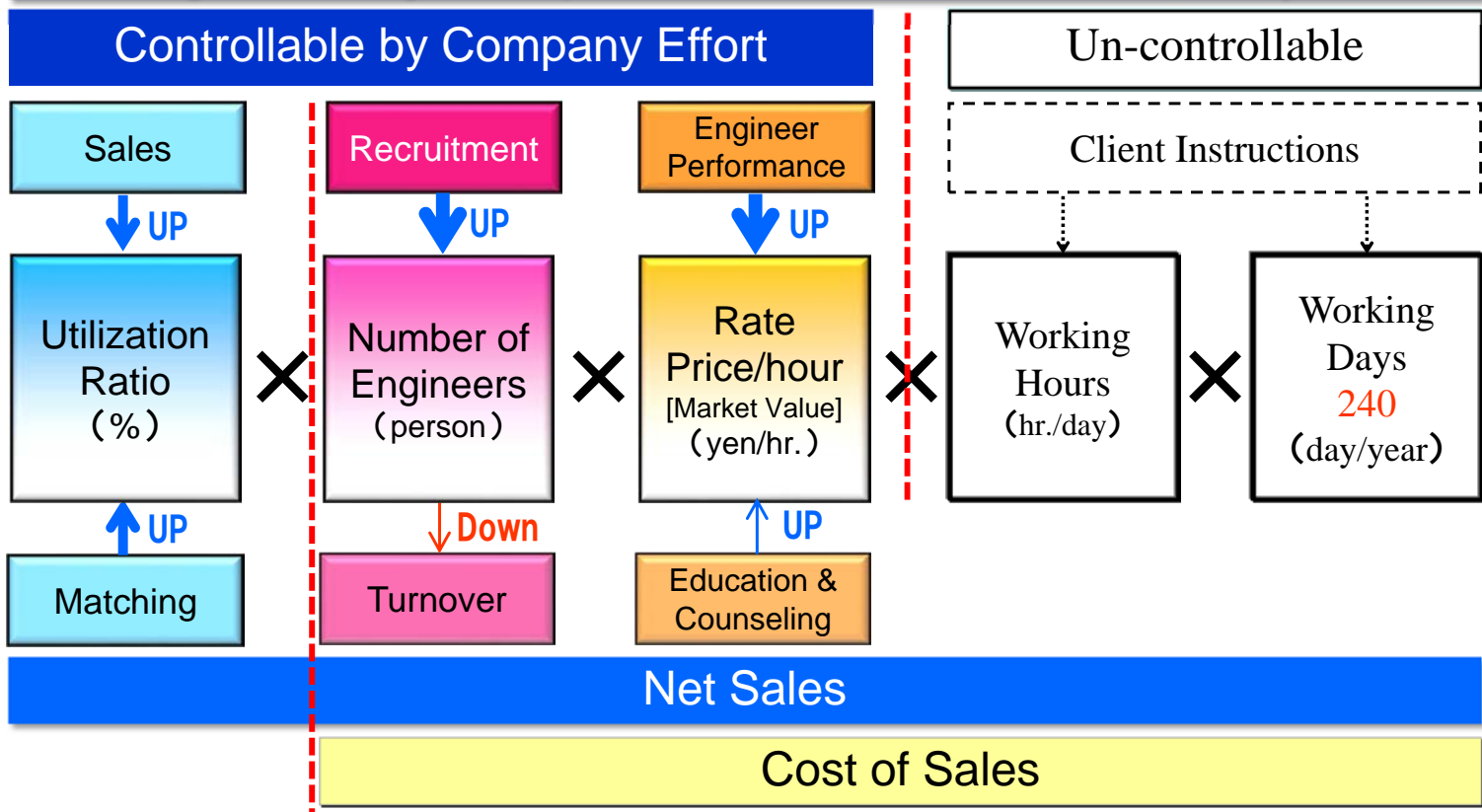
## Results for the Fiscal Year Ended March 31, 2016 (Meitec Fielders)

- ✓ Net sales increased by 11.9% y-on-y to 13,327 million yen, a record high, and operating income rose 12.2% y-on-y to 1,204 million yen.
- ✓ The number of engineers as of March 31, 2016 was 1,783 engineers, which was a 11.4% y-o-y increase.

| <b>Meitec Fielders</b><br>(Millions of yen) | FY ended<br>March 31, 2015 | FY ended<br>March 31, 2016 | YoY<br>Amount | %<br>Change | Past<br>Forecasts | %<br>Change |
|---|----------------------------|----------------------------|---------------|-------------|-------------------|-------------|
| Net sales                                   | 11,911                     | 13,327                     | + 1,416       | + 11.9%     | 13,000            | + 327       |
| Cost of sales                               | 9,154                      | 10,288                     | + 1,134       | + 12.4%     | 10,100            | + 188       |
| Cost of sales to net sales                  | 76.9%                      | 77.2%                      | + 0.3%        |             | 77.7%             | (0.5%)      |
| SG&A Expenses                               | 1,682                      | 1,834                      | + 151         | + 9.0%      | 1,800             | + 34        |
| Operating income                            | 1,073                      | 1,204                      | + 130         | + 12.2%     | 1,100             | + 104       |
| Operating income margins                    | 9.0%                       | 9.0%                       | —             |             | 8.5%              | + 0.5%      |
| Ordinary income                             | 1,074                      | 1,205                      | + 131         | + 12.2%     | 1,100             | + 105       |
| Extraordinary income & loss                 | (5)                        | (7)                        | (2)           |             |                   |             |
| Profit before income taxes                  | 1,068                      | 1,198                      | + 129         | + 12.1%     |                   |             |
| Profit                                      | 648                        | 786                        | + 137         | + 21.2%     | 700               | + 86        |
| Utilization ratio (Company-wide)            | 96.0%                      | 96.2%                      | + 0.2%        |             | 95.7%             | + 0.5%      |
| Working Hours<h/day>                        | 9.04                       | 8.97                       | (0.07)        | (0.8%)      | 8.93              | + 0.04      |
| The number of Recruitment                   | 282                        | 312                        | + 30          | + 10.6%     | 280               | + 32        |
| Newly graduated                             | 173                        | 175                        | + 2           | + 1.2%      | 175               | —           |
| Mid-career                                  | 109                        | 137                        | + 28          | + 25.7%     | 105               | + 32        |
| Turnover Ratio                              | 8.6%                       | 7.5%                       | (1.1%)        |             | 8.1%              | (0.6%)      |
| Number of Engineers as Period-End           | 1,601                      | 1,783                      | + 182         | + 11.4%     |                   |             |

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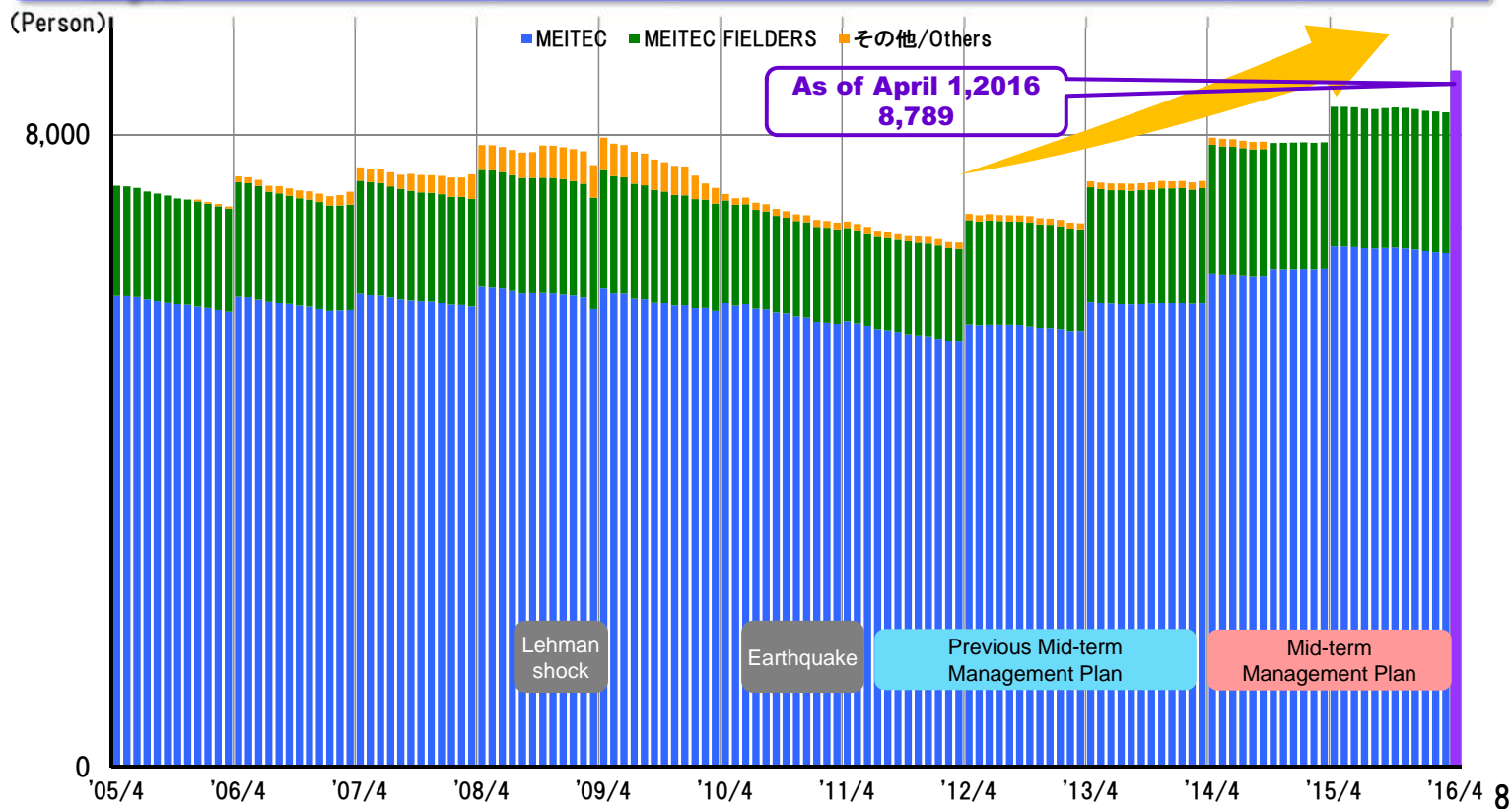
- ✓ Increase the number of engineers and sustain and improve the high "utilization ratio and prices" is the key to a growth
- ✓ Working hours is a key indicator, but it is outside the control of the Meitec Group.



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## Number of Engineers (Group Consolidated)

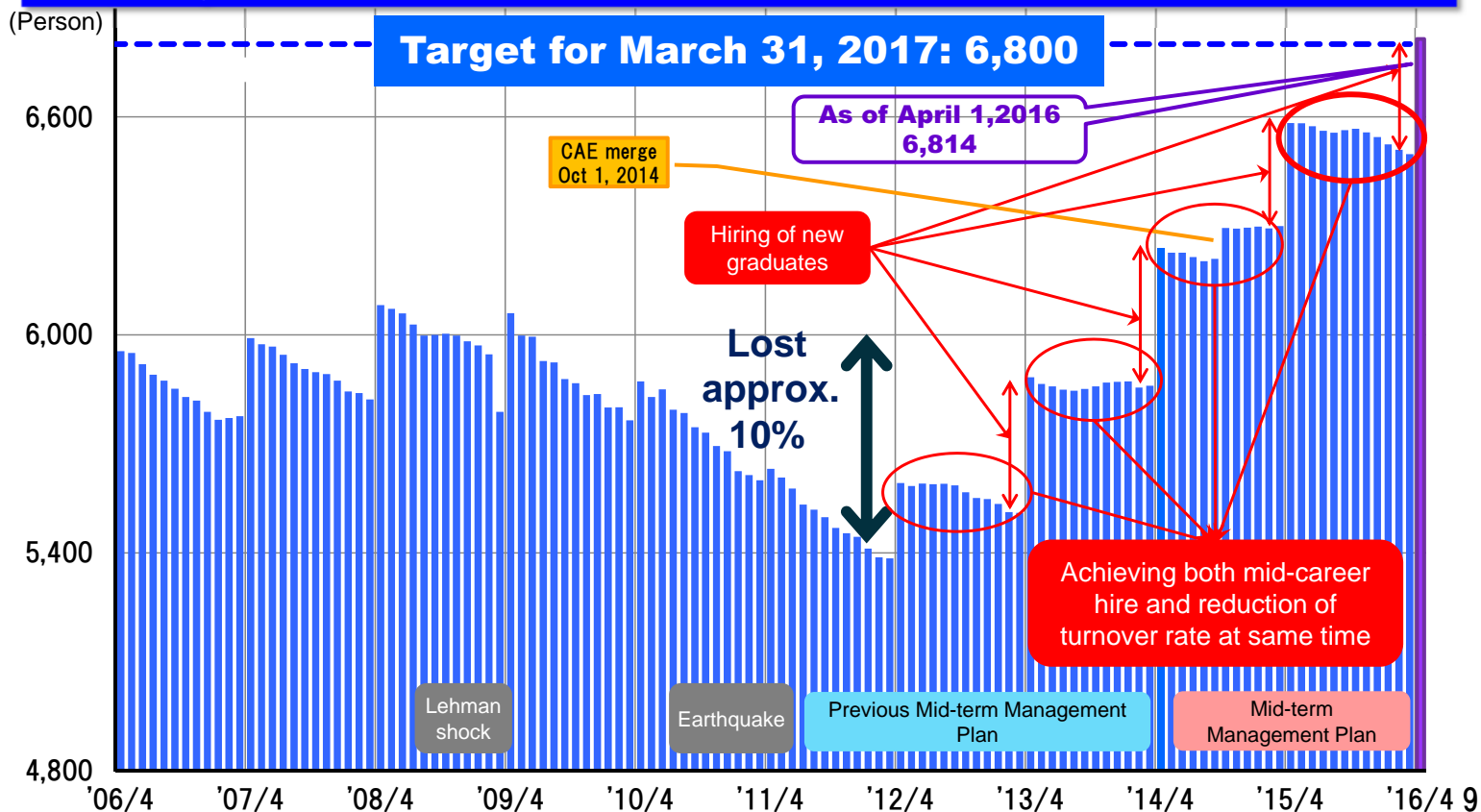
- ✓ The number of engineers as of March 31, 2016 was 8,280, an increase of 380 engineers, or 4.8%, compared to March 31, 2015.
- ✓ As of April 1, the number of engineers has reached 8,789 engineers, which is a record high.
- ✓ Achieving both mid-career recruitment and reduction of turnover rate will be key in achieving year-end targets



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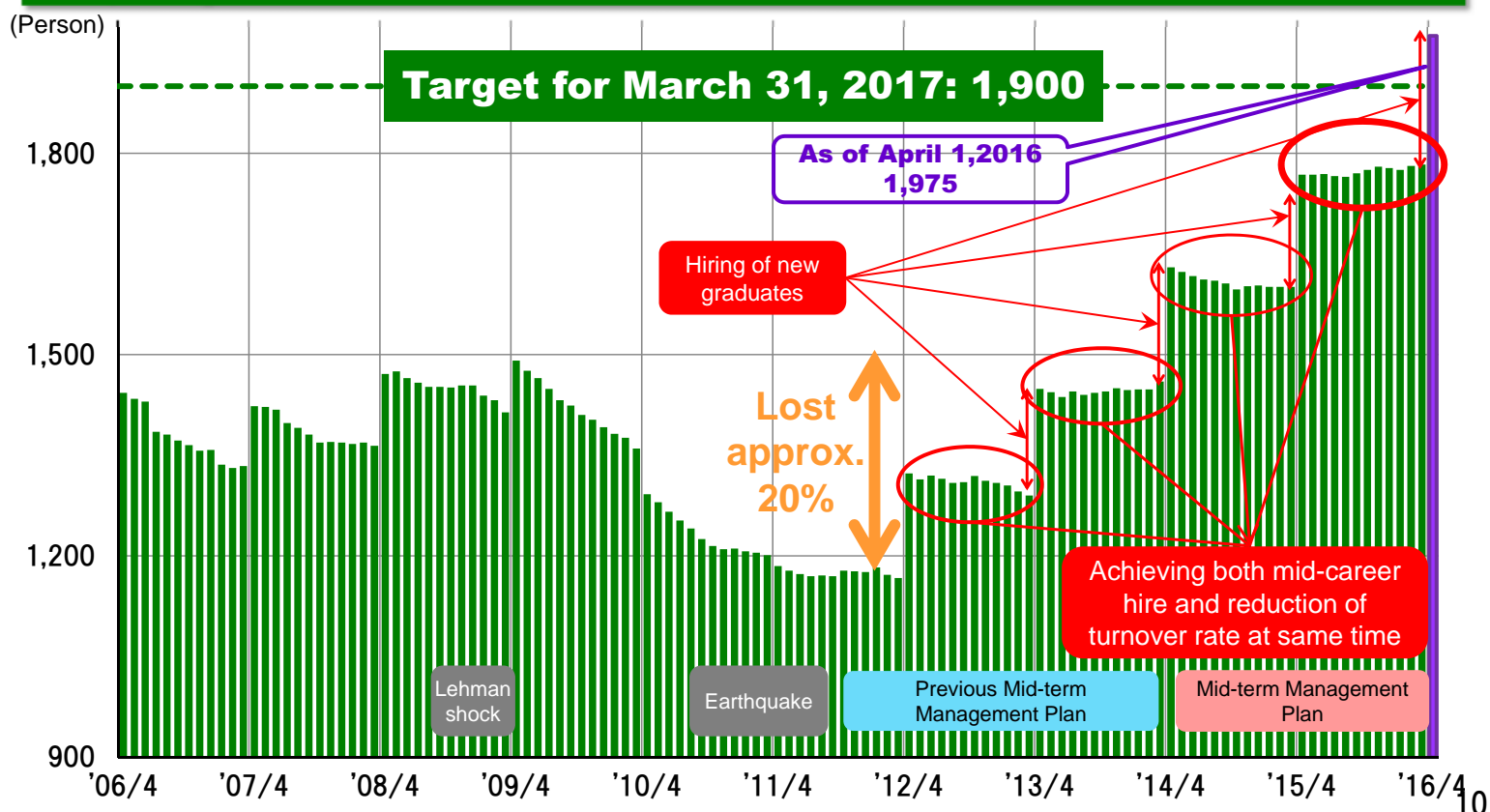
# Number of Engineers (Meitec)

- ✓ The number of engineers as of March 31, 2016 was 6,497, an increase of 198 engineers, or 3.1%, compared to March 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)

- ✓ The number of engineers as of March 31, 2016 was 1,783, an increase of 182 engineers, or 11.4%, compared to March 31, 2015.
- ✓ 182 new graduates joined the company this April, and we started the new fiscal year with a record high 1,975 engineers.



## Mid-career (FY 2016/3)

- ✓ We hired mainly the mechanical and electric/electronics engineers, while maintaining our hiring standards and considering the trend of incoming orders.
- ✓ Eagerness to hire remains high among manufacturers and others, resulting in an increasingly difficult hiring environment. Meitec, which competes for hiring with mid-ranking and major manufacturers in particular, struggled to secure sufficient applicant numbers.
- ✓ Number of mid-career hire was 156, 34 less the initial forecast, for Meitec. And 137, 32 more the initial forecast, for Meitec Fielders.

## New Graduates (Joined April 2016)

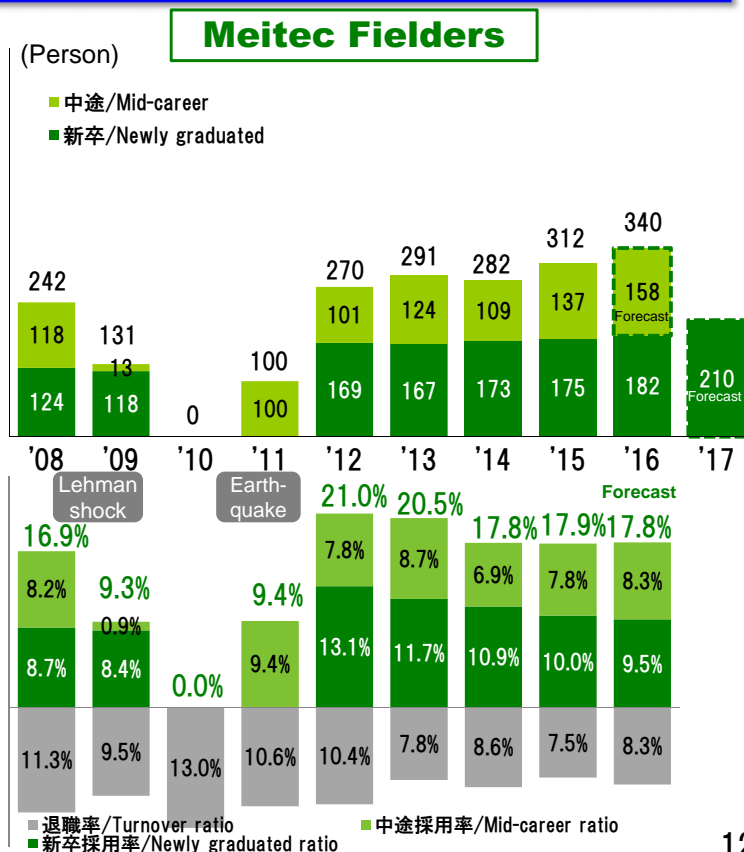
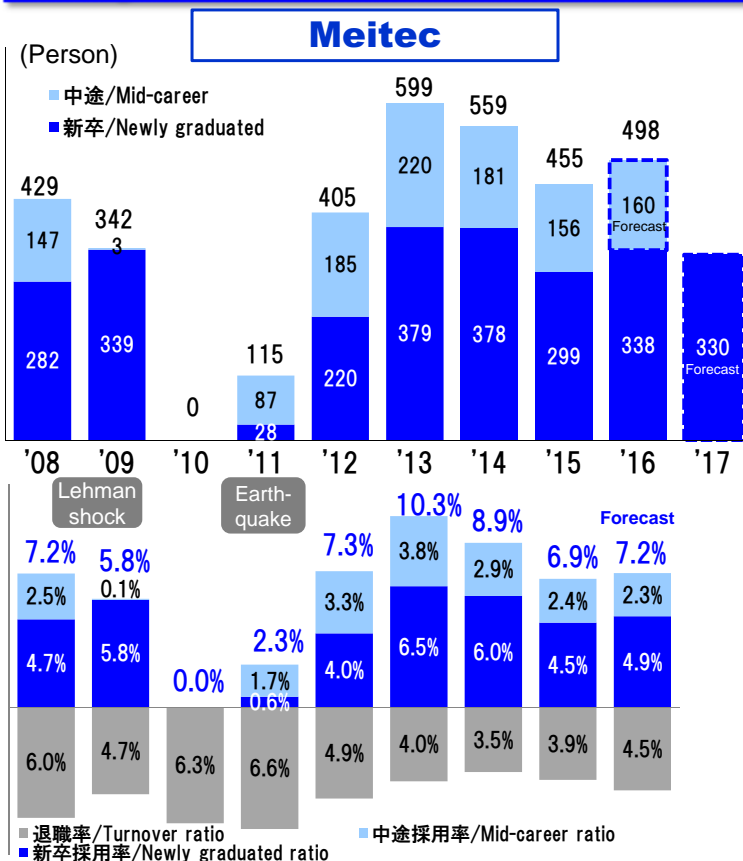
- ✓ While bearing in mind the inclinations of the new graduates, we continued our efforts without lowering our hiring standards.
- ✓ The hiring environment was extremely challenging, due to more companies hiring and an increase in number of persons being hired, as well as earlier recruiting activities. In particular, changes in the environment for local-oriented hiring activities hit Meitec Fielders hard.
- ✓ The number of newly graduated hired was 338, 28 more the initial forecast, for Meitec. On the other hand, it was 182, 8 less the initial forecast, for Meitec Fielders.

| (person)                    | Fiscal Year Ended March 31, 2016 |                  |     |                     |       |       | Fiscal Year Ending March 31, 2017 |                             |     |                     |     |
|-----------------------------|----------------------------------|------------------|-----|---------------------|-------|-------|-----------------------------------|-----------------------------|-----|---------------------|-----|
|                             | Newly Graduate April 2015        | Mid-career       |     |                     | Total | YoY   | Newly Graduate April 2016         |                             |     |                     |     |
|                             |                                  | Initial Forecast |     | To Initial Forecast |       |       | Initial Forecast                  | 15/11/5 Expected Number     |     | To Initial Forecast | YoY |
| Meitec                      | 299                              | 190              | 156 | (34)                | 455   | (104) | 310                               | 332                         | 338 | +28                 | +39 |
| Meitec Fielders             | 175                              | 105              | 137 | +32                 | 312   | +30   | 190                               | 173                         | 182 | (8)                 | +7  |
| Total                       | 474                              | 295              | 293 | (2)                 | 767   | (74)  | 500                               | 505                         | 520 | +20                 | +46 |
| Comparison to previous year | (77)                             | +5               | +3  |                     | (74)  |       |                                   | To 15/11/5 Revised Forecast | +15 |                     |     |

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# Recruitment and Turnover

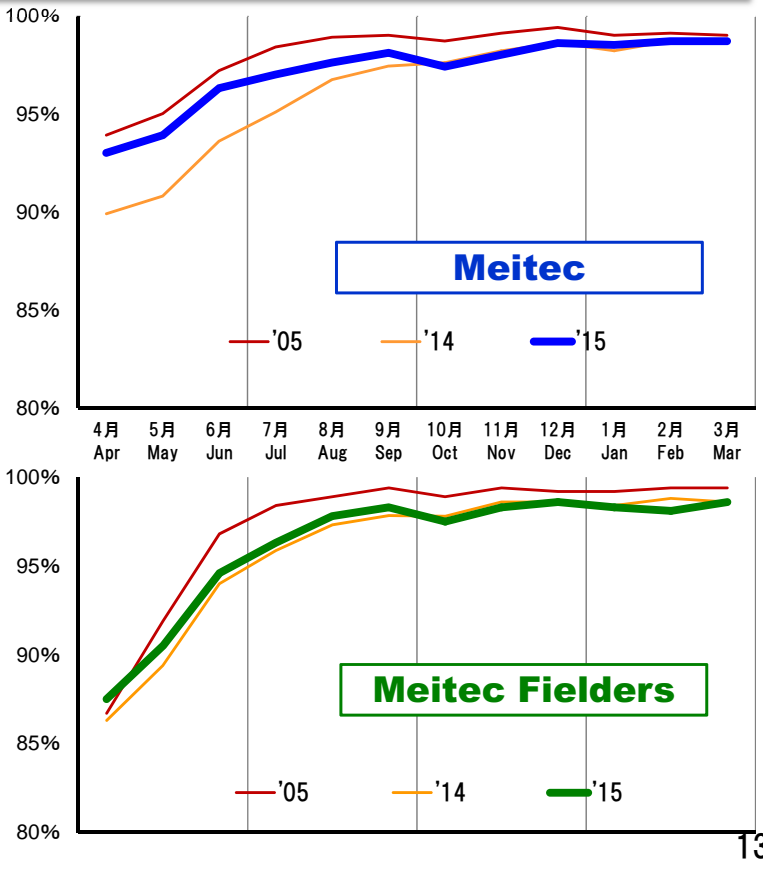
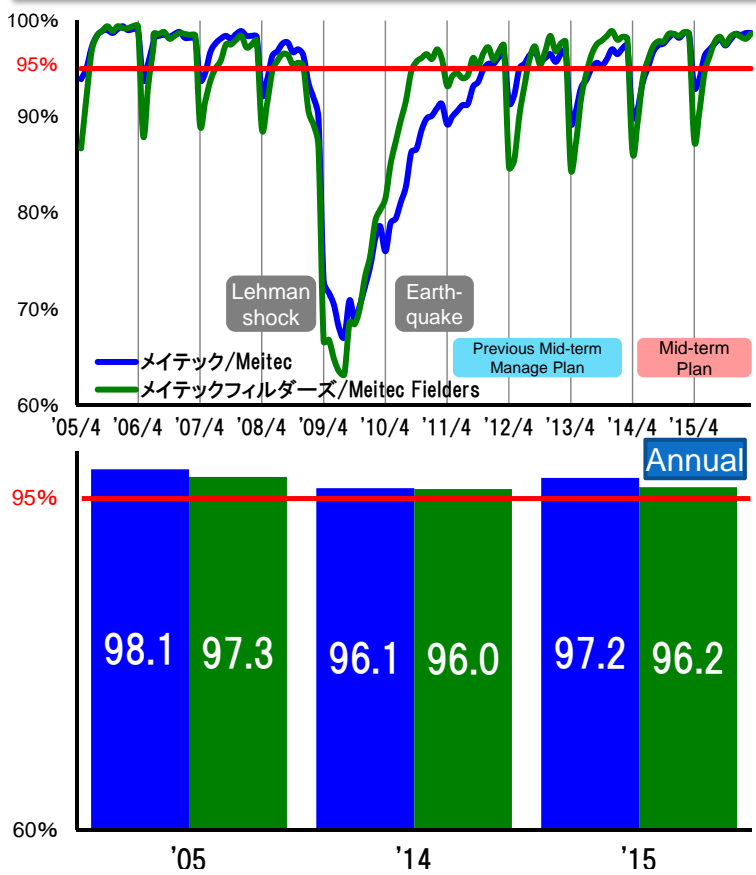
- ✓ The hiring environment is challenging, but we maintained hiring standards
- ✓ The turnover ratio has fallen to a record-low level ⇒ Contributing to the increase in engineers.



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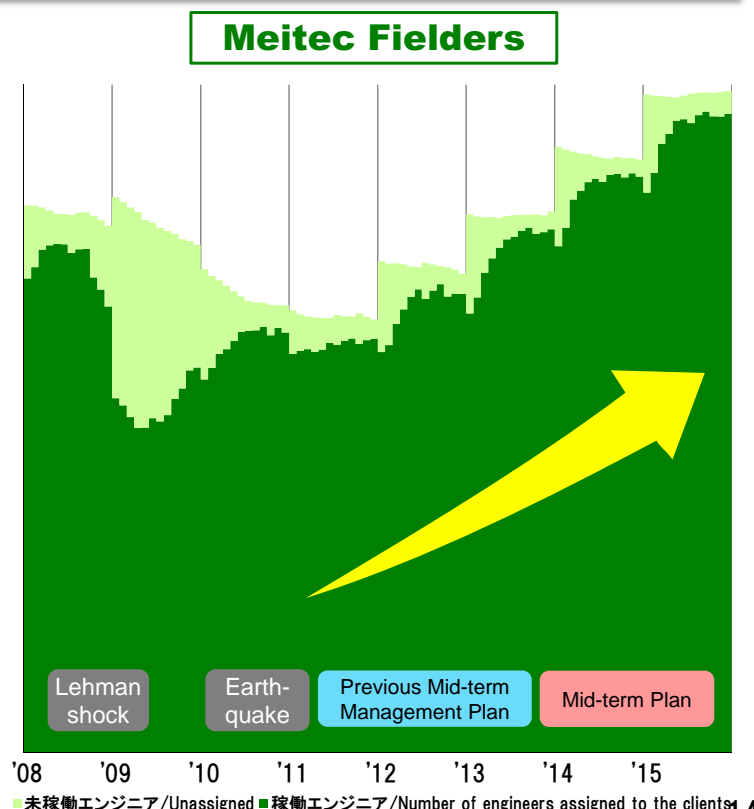
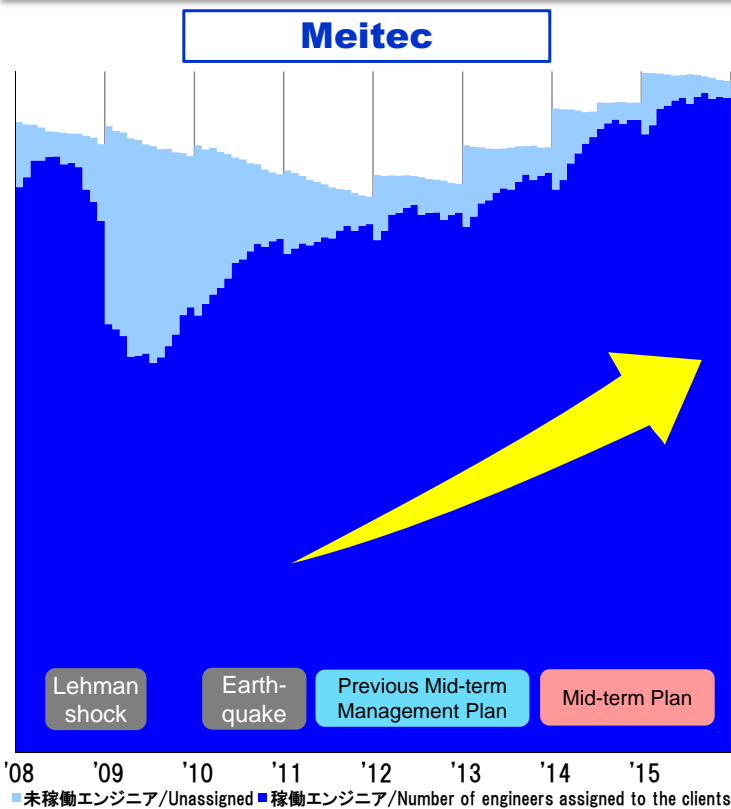
# Utilization Ratio

✓ 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)

✓ 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.



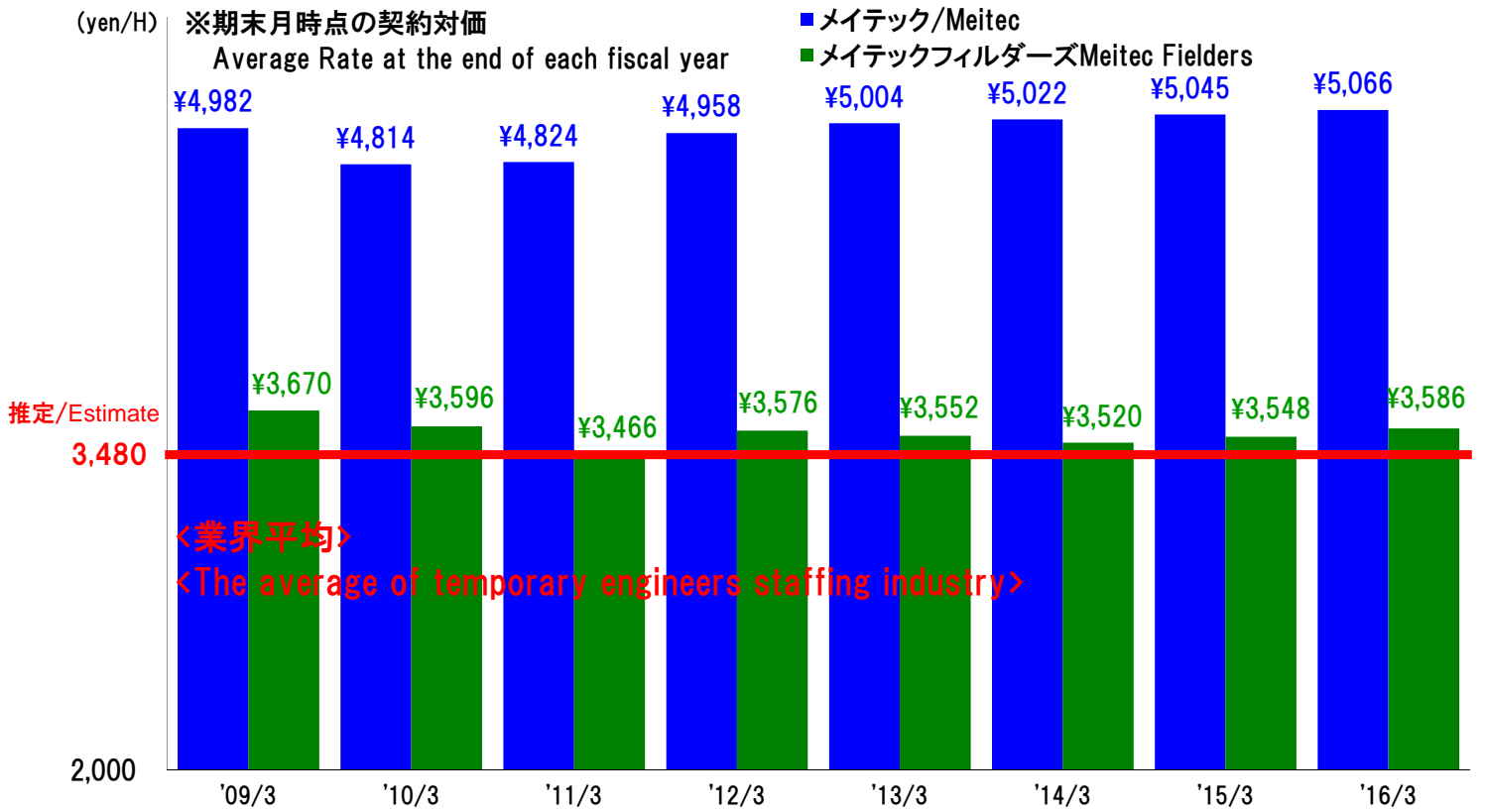
■ 未稼働エンジニア/Unassigned ■ 稼働エンジニア/Number of engineers assigned to the clients

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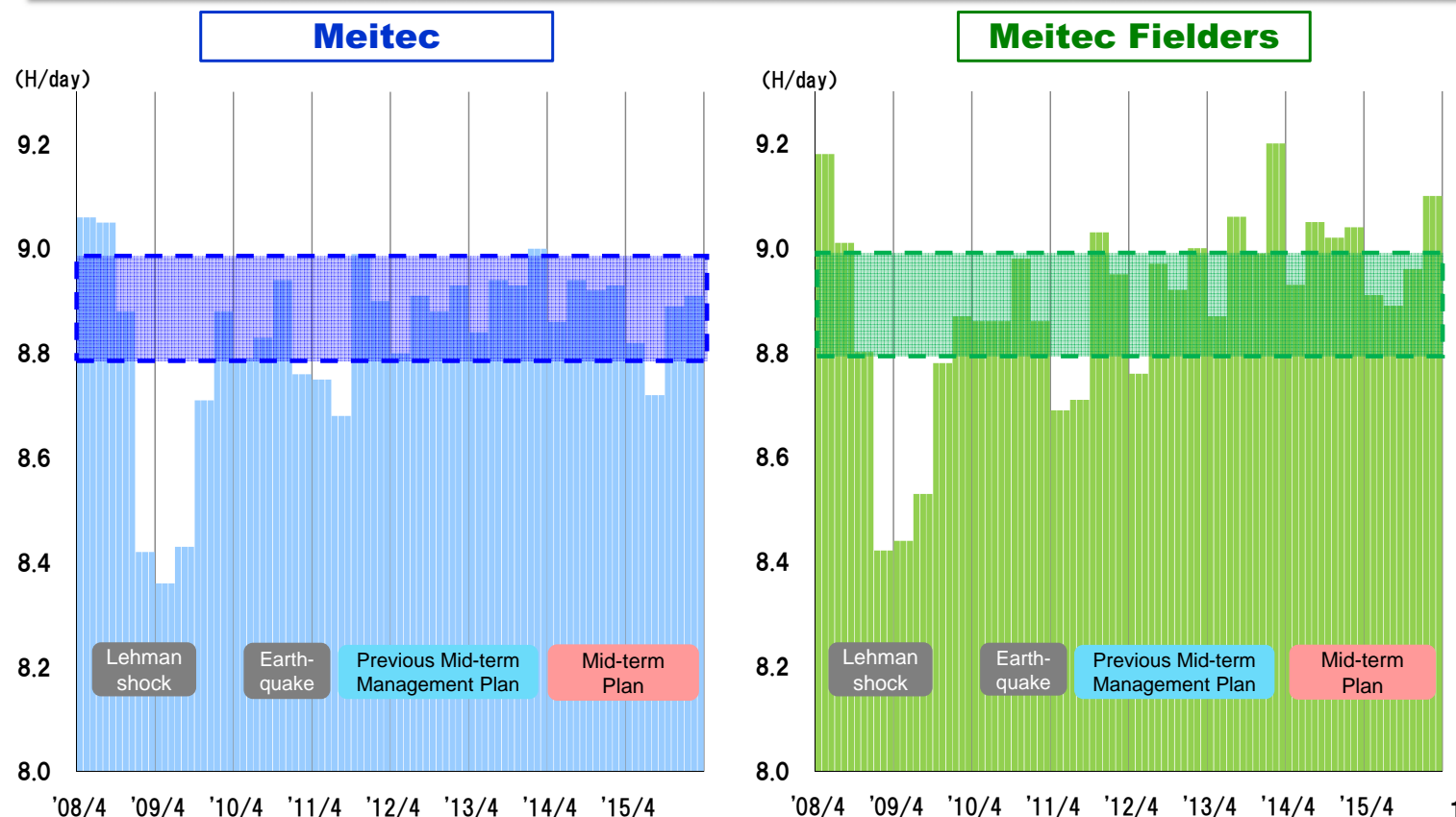
# Trend in Average Rate = (Market Value)

✓ 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

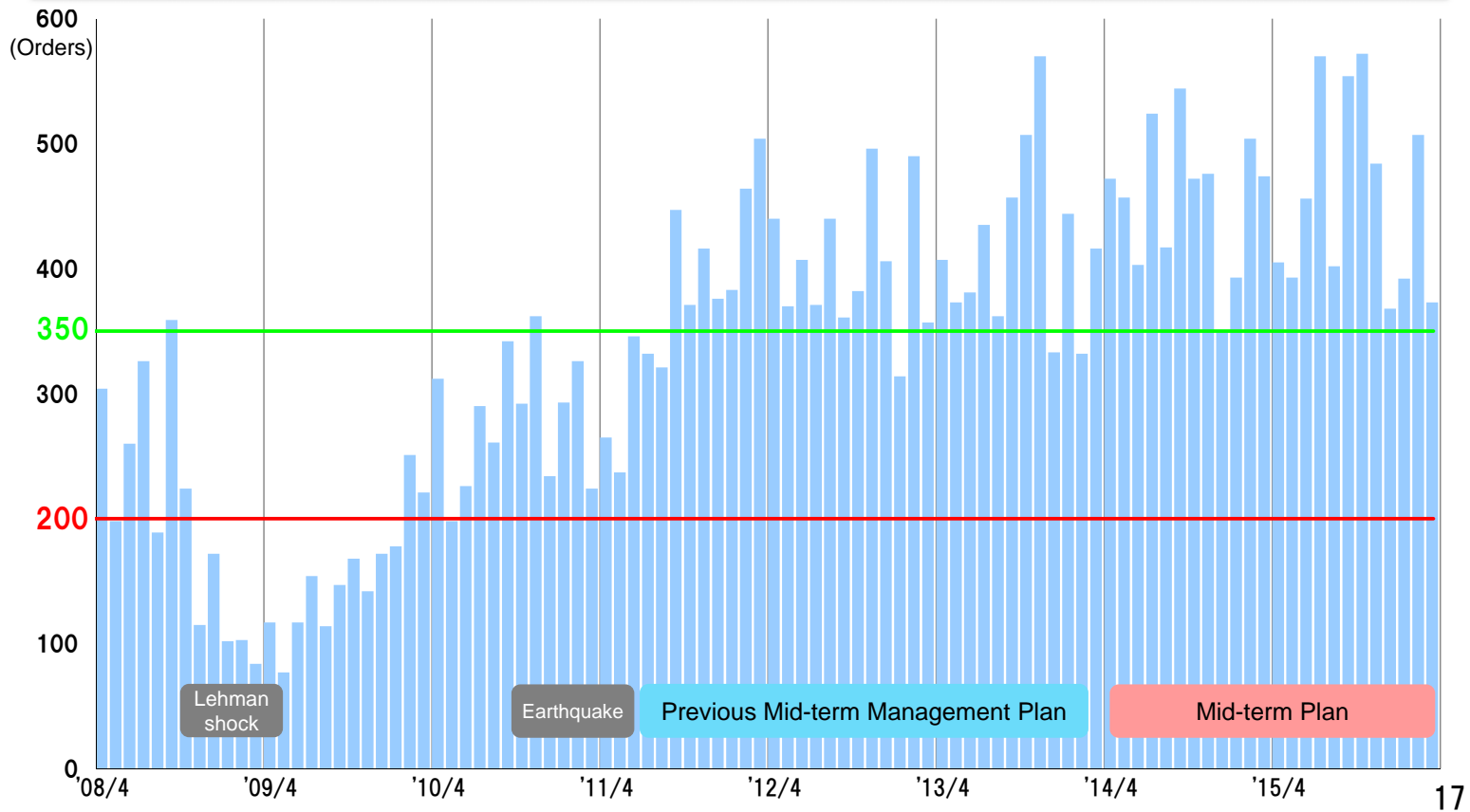
✓ Working hours declined year on year due to reductions in overtime hours etc. → We view 8.8-9.0 hours per day to be a solid level  
 ✓ We do not see this as a major risk but close attention will be required going forward ※Uncontrollable by Meitec





# Trend in New Orders by Month

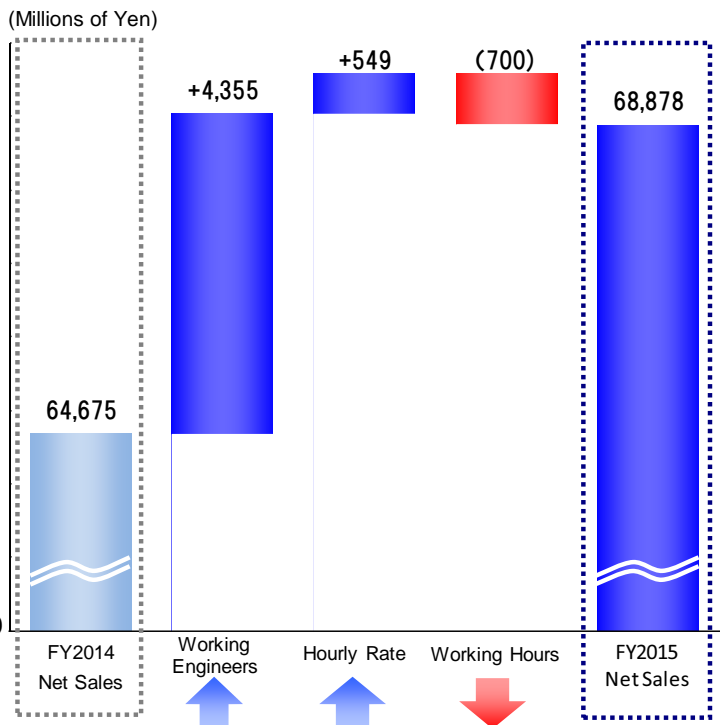
✓ **New monthly orders at Meitec remain firm, trending above the key 350 orders per month level.** ※From a confidentiality perspective, we refrain from disclosing the breakdown of new orders (industry, client, etc.).



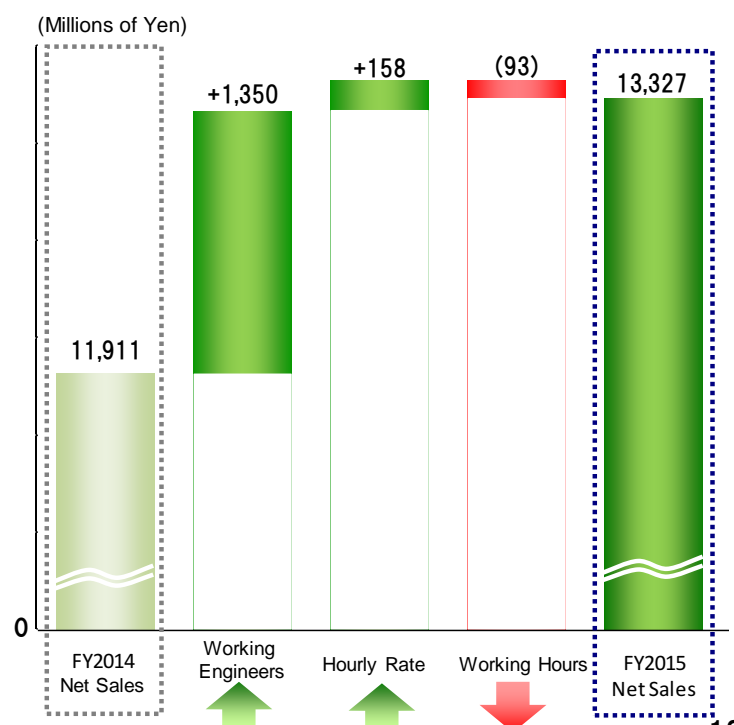
# Comparison of Profit

✓ **The main factor lifting net sales higher year on year was “increase in the number of engineers assigned to clients,” as shown in the graph below.**  
 ✓ **The graph also shows the negative impact on sales from a “decline in working hours”**

## Meitec



## 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.

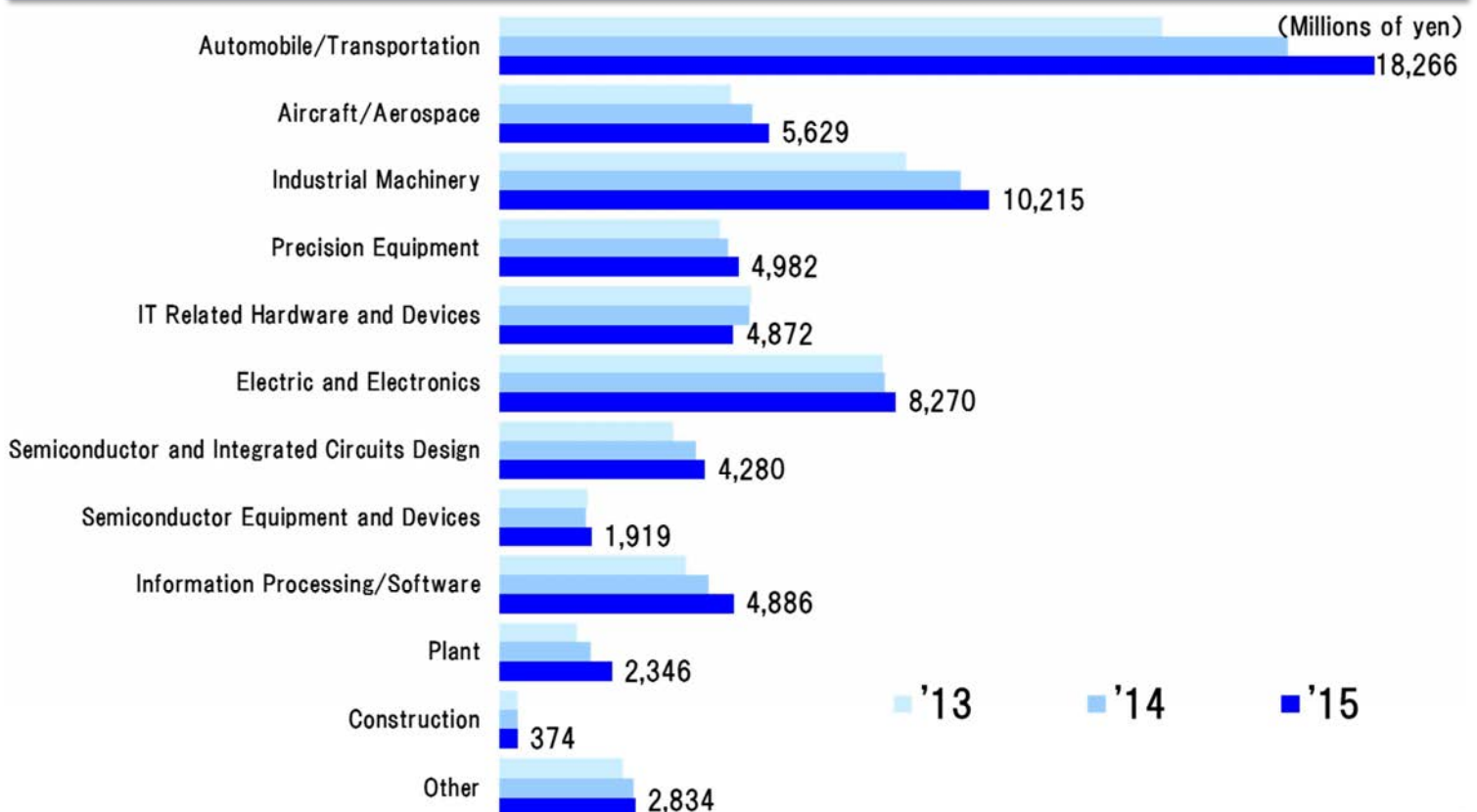
(Millions of yen)

| 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% |

# Sales by the Industrial Segments

✓ 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.



# Extraordinary Income & losses

✓ In order to reduce the burden of maintenance cost and lower the risk of future cost increases, in October 2014, the Company decided to discontinue usage of four major training and other facilities.  
 → The sale of all four facilities was completed in FY2015, resulting in gain on sale of real estate of roughly 1.0 billion yen.

**Major Training Facilities**

**Nagoya Techno-Center**



**Atsugi Techno-Center**



| (Millions of yen)  | Oct. 2014 Impairment Loss | Gain/loss                  |
|--|---------------------------|----------------------------|
| About Training facilities  | (3,456)                   | Roughly<br>1.0 billion yen |
| 1 Kobe Techno-Center   | (1,895)                   |                            |
| 2 Atsugi Techno-Center employee dormitory                                    | (589)                     |                            |
| 3 Nisshin Techno-Center  | (770)                     |                            |
| 4 Of which "Nagoya Techno-Center and Others" Nagoya EOC/ Mechatronics Center | (202)                     |                            |



Kobe Techno-Center  
Opened April 1992



Nagoya EOC/  
Mechatronics Center  
Opened July 1985



Nisshin Techno-Center  
Opened March 1997



Atsugi Techno-Center  
employee dormitory  
Opened March 1993





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## 2. Progress on Mid-term Management Plan

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# Forecast·Progress on Mid-term Management Plan 1/2

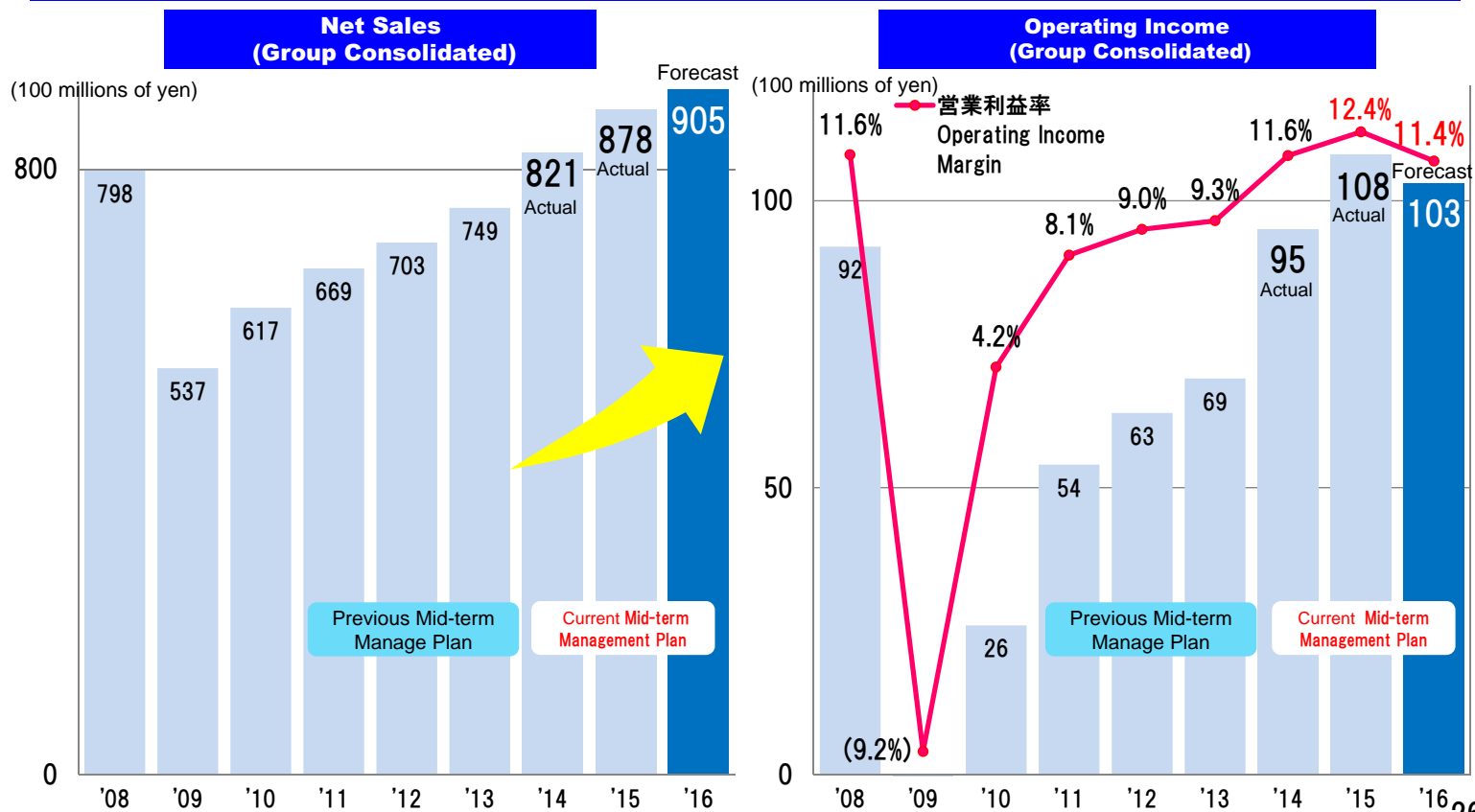
✓ In FY2015, the second year of the plan, results almost reached the target levels for the third year of the plan but, as shown by the forecasts for FY2016, some issues remain to be addressed

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

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# Forecast·Progress on Mid-term Management Plan 2/2

✓ Forecasts for FY2016, the third year of the plan: Net sales of a record-high 90.5 billion yen, with operating income falling year on year to 10.3 billion yen

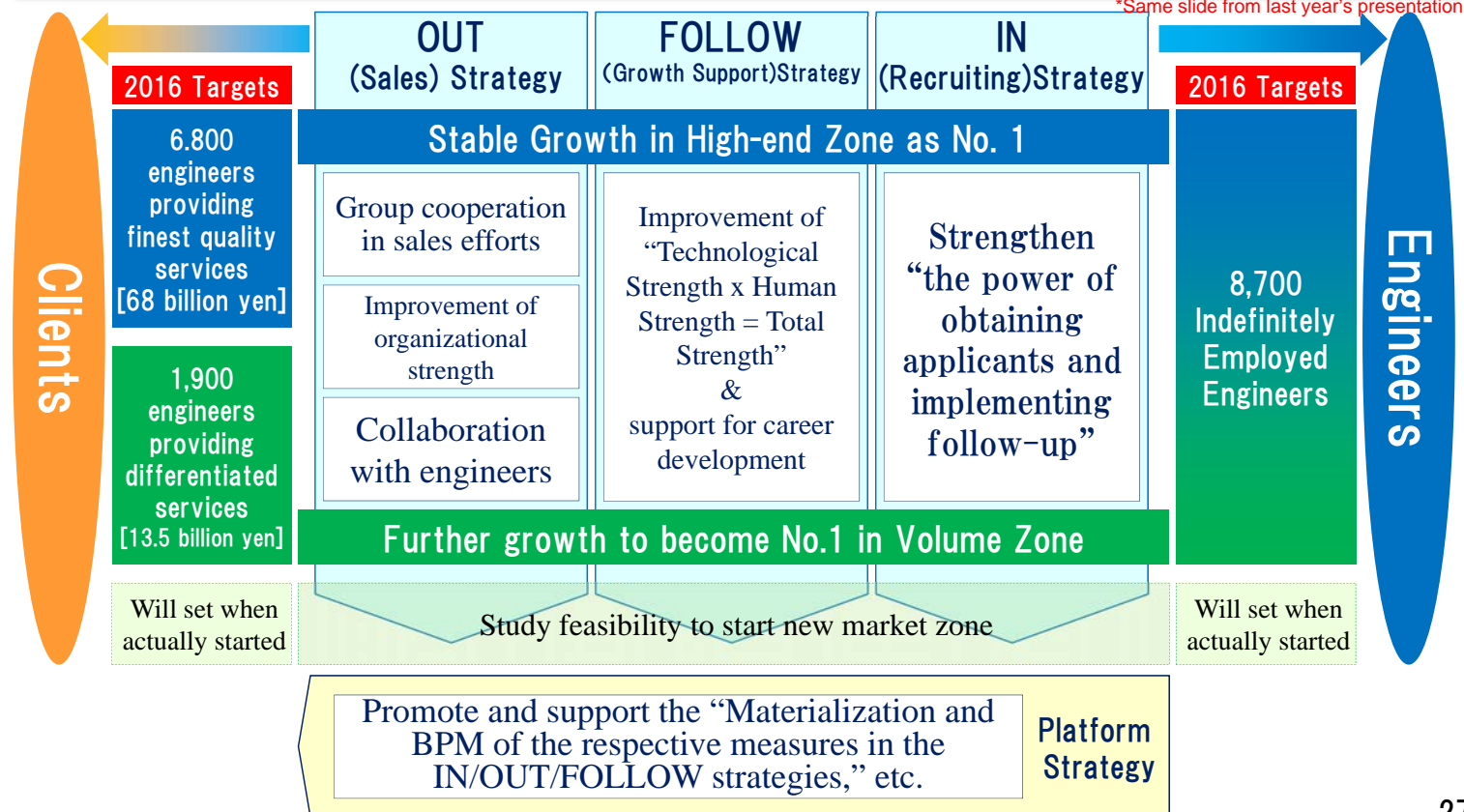


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✓ We will further expand the “maximum and greatest opportunity and place,” which is our strength, in the Professional Staffing Business for Engineers.

→Four strategies (IN/OUT/FOLLOW/Platform) will work in unison to improve the values provided to the two service users.

\*Same slide from last year's presentation



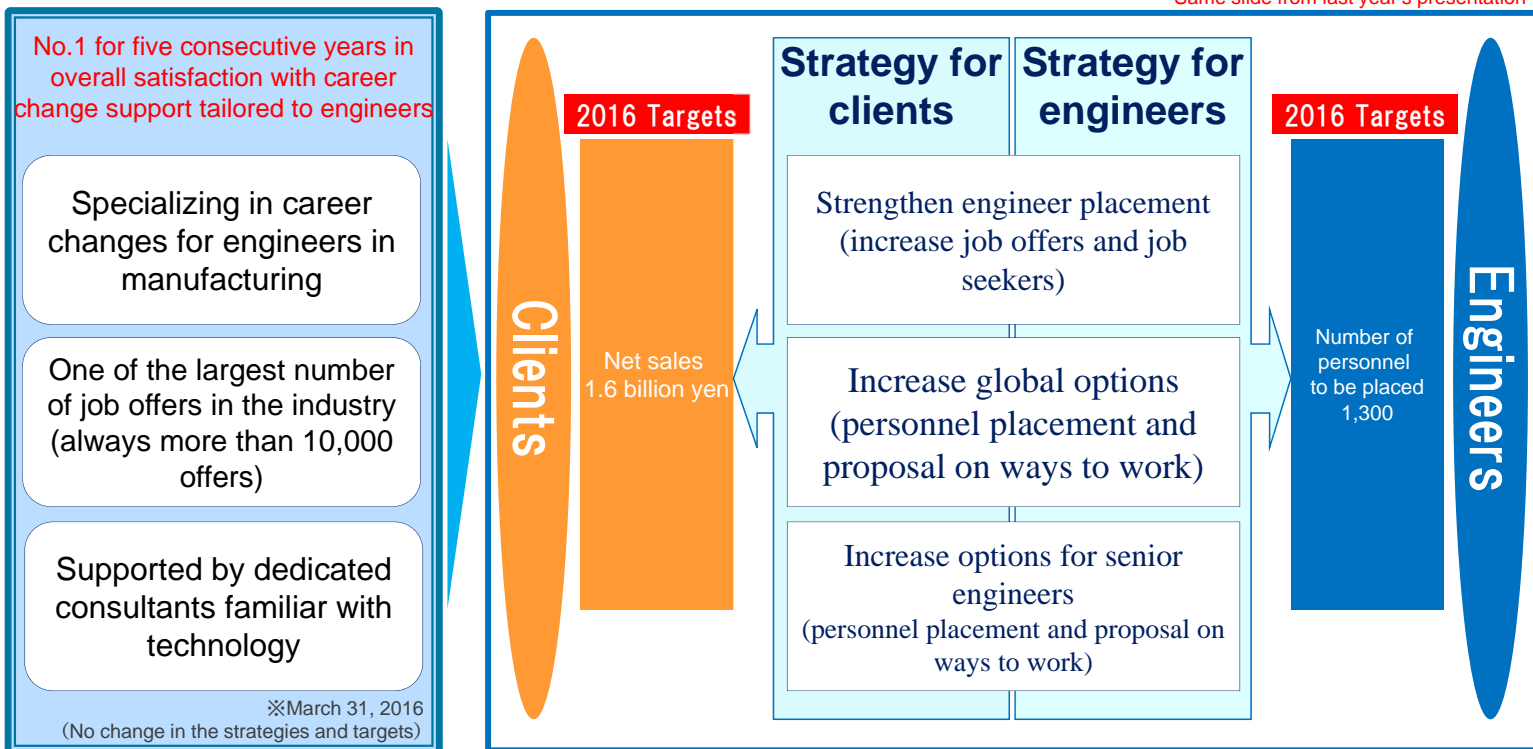
### What was done in 2<sup>nd</sup> year

|   |  |  |
|---|--|--|
| <b>IN</b><br>(Recruiting)<br>Strategy         | Strengthen “the power of obtaining applicants and implementing follow-up”                                  | <ul style="list-style-type: none"> <li>✓ Focused on improving relationships with schools through cooperation of the three divisions</li> <li>✓ Improved screening method, making use of customer orders</li> </ul> |
| <b>OUT</b><br>(Sales)<br>Strategy             | Group cooperation in sales efforts   | <ul style="list-style-type: none"> <li>✓ Set group target customers and make concerted sales push</li> </ul>   |
|   | Improvement of organizational strength   | <ul style="list-style-type: none"> <li>✓ Begin trial themes by area</li> </ul>   |
|   | Collaboration with engineers   | <ul style="list-style-type: none"> <li>✓ Expand engineer-led activities and joint marketing activities between sales and engineering</li> </ul>  |
| <b>FOLLOW</b><br>(Growth Support)<br>Strategy | Improvement of “Technological Strength x Human Strength = Total Strength” & support for career development | <ul style="list-style-type: none"> <li>✓ Review and improve support tools</li> <li>✓ Expand group training</li> </ul>  |



- ✓ 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

\*Same slide from last year's presentation



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

### What was done in 2<sup>nd</sup> year

|                        |  |  |
|------------------------|--|--|
| Strategy for clients   | Strengthen engineer placement (increase job offers and job seekers)                      | <ul style="list-style-type: none"> <li>✓ Began a job placement business specialized in the new science and technology graduated (Science &amp; Technology Hiring Charge) on March 1, 2016</li> </ul> |
| Strategy for engineers |  |  |
| Strategy for clients   | Increase global options (personnel placement and proposal on ways to work)               | <ul style="list-style-type: none"> <li>✓ Reviewed methods of attracting customers, put system in place in Japan and China for mutual introductions</li> </ul>  |
| Strategy for engineers |  |  |
| Strategy for clients   | Increase options for senior engineers (personnel placement and proposal on ways to work) | <ul style="list-style-type: none"> <li>✓ Through reviewing the use of advertising medium, increased the number of placements for older engineers</li> </ul>  |
| Strategy for engineers |  |  |



## 3. Forecast for the Fiscal Year Ending March 31, 2017



### 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<br>(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)    |          |                   |

## 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<br>(Millions of yen)      | Forecast FY<br>ending March<br>31, 2017 | YoY<br>Amount | %<br>Change | Forecast   | YoY    | %               | Forecast |
|----------------------------------|---|---------------|-------------|--|--------|-----------------|----------|
|                                  |   |               |             | 1st half ending<br>Sept.30, 2016                 | Amount | Change          | 2nd Half |
| 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           |             | Target of Newly Graduates<br>hire for April 2017 |        | To Apr.<br>2016 |          |
| Mid-career                       | 160                                     | +4            |             | 330  |        | (8)             |          |
| Turnover Ratio                   | 4.5%                                    | +0.6%         |             |  |        |                 |          |

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## 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<br>(Millions of yen) | Forecast FY<br>ending March<br>31, 2017 | YoY<br>Amount | %<br>Change | Forecast   | YoY    | %               | Forecast |
|--------------------------------------|---|---------------|-------------|--|--------|-----------------|----------|
|                                      |   |               |             | 1st half ending<br>Sept.30, 2016                 | Amount | Change          | 2nd Half |
| 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            |             | Target of Newly Graduates<br>hire for April 2017 |        | To Apr.<br>2016 |          |
| Mid-career                           | 158                                     | +21           |             | 210  |        | +28             |          |
| Turnover Ratio                       | 8.3%                                    | +0.8%         |             |  |        |                 |          |

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# Hiring Target for Fiscal Year Ending Mar. 2017

## 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         | Mid-career |                             | Total    |                             | Newly Graduate April 2017         |                             |
|                 | (Actual)                          | 〈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                         |

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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 profit

Minimum Dividend

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

Treasury Shares 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

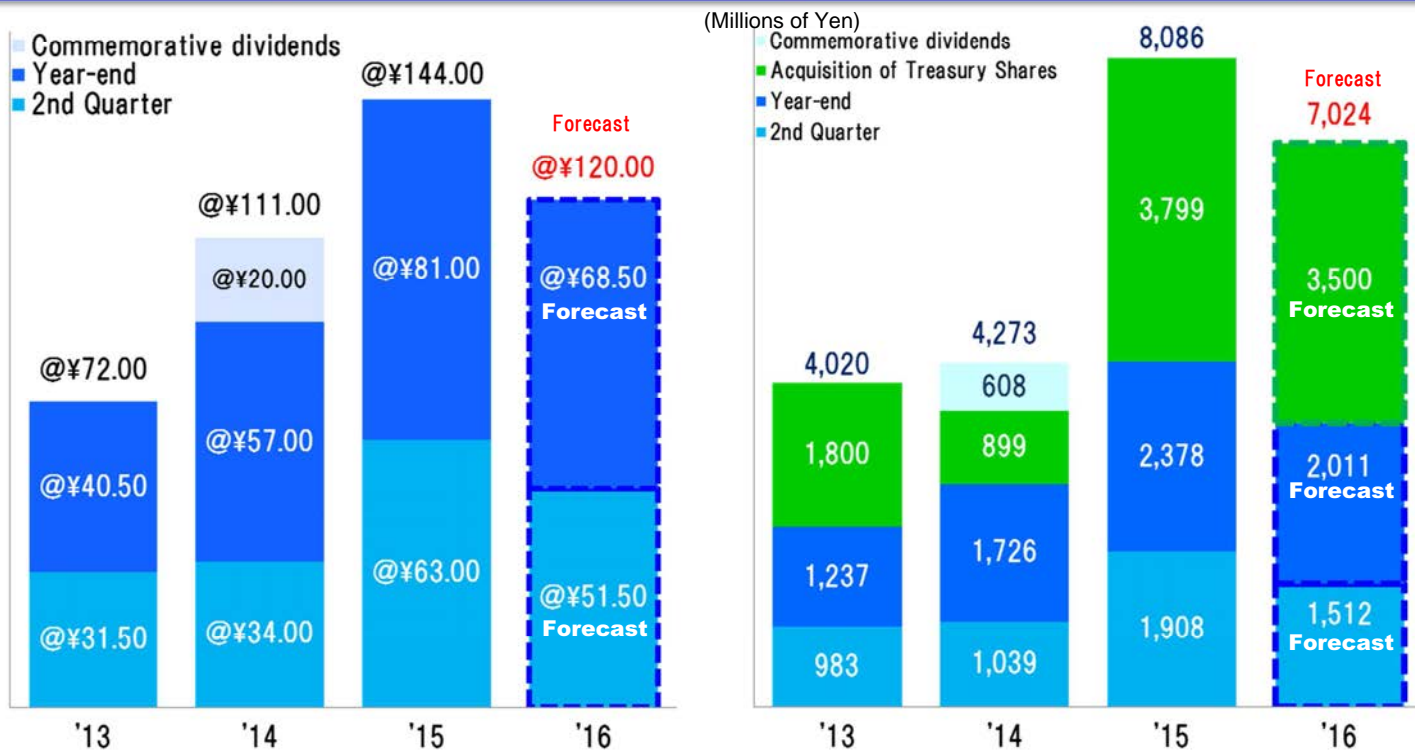
Retired  
Excess above maxim to be retired

- Three Months Net Sales = Working capital: Consolidated two months 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 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



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## Resolution to be put before the General Meeting of Shareholders (Summary)

- ✓ The resolutions that will be put before the Annual General Meeting of Shareholders in June of this year are scheduled to include, in addition to the ordinary resolutions of year-end dividends and the election of substitute Audit & Supervisory Board Members, the following two resolutions (for details, please see the reference materials).

### ① Reduction in amount of Capital stock and Legal capital surplus

- Primarily to secure funds to retire treasury shares purchased, in accordance with the Basic Policy Regarding Profit Distribution  
(Formerly the retirement of treasury shares was conducted with funds allocated from Other capital surplus)

|                       | After reduction   | Currently          | Decrease in amount   |
|-----------------------|-------------------|--------------------|----------------------|
| Capital stock         | 5,000 million yen | 16,825 million yen | (11,825 million yen) |
| Legal capital surplus | 1,250 million yen | 4,210 million yen  | (2,960 million yen)  |

### ② Revision to remuneration of Directors and Audit & Supervisory Board Members

- To further raise the proportion of executive directors' remuneration that is linked to performance
- AGM resolution would lead to a change to a remuneration framework  
→ However, disclosure of individual's fixed remuneration to be continued

|   | Summary after approval  |
|---|---|
| Performance-Linked Directors' Remuneration amount     | Consolidated profit × <u>2.5%</u> (previously 2.0%) <u>and less than 250 million yen</u>        |
| Rough estimate of proportion of director remuneration | Fixed: <u>Performance-linked</u> → CEO 4:6 (previously 5:5),<br>Directors 5:5 (previously 6:4). |

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## 4. Reference Materials

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# 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.

## Features of the Meitec Group

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

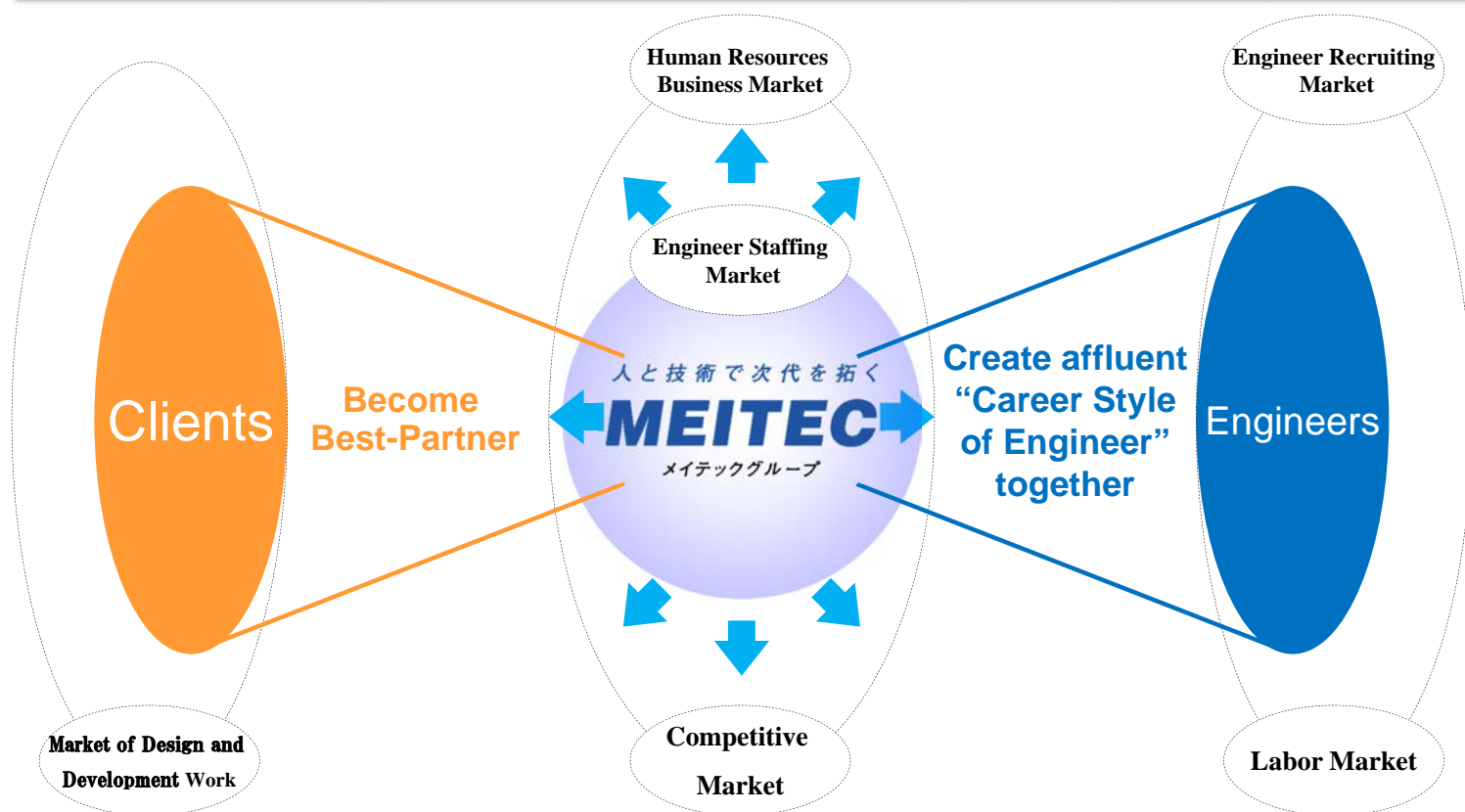
〈Largest number of transactions in the industry & the best quality in the industry; a pioneer〉

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

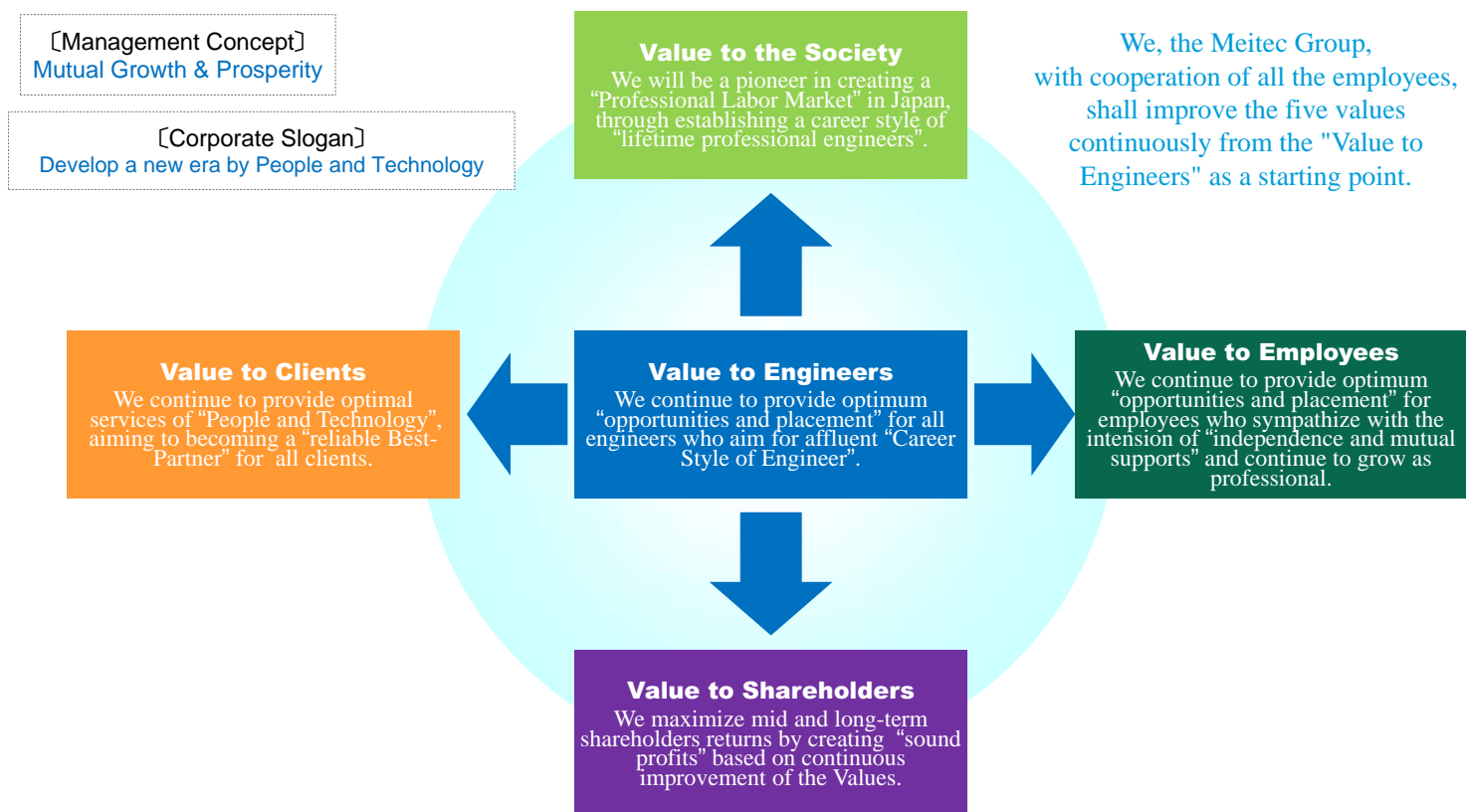
〈More than 4,000 companies in total over the 40 years since the company was established〉

- ✓ 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.”



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- ✓ 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



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# Results for the Fiscal Year Ended March 31, 2016

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

|                   | 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.               |
| (Millions of yen) |                             |                 |             |           |                                 |                  |                |                                |
| Net sales         | 68,878                      | 13,327          | 2,635       | 68        | 1,321                           | 133              | 70             | 2,005                          |
| YoY Amount        | +4,202                      | +1,416          | +110        | +15       | +189                            | +15              | (32)           | +347                           |
| % Change          | +6.5%                       | +11.9%          | +4.4%       | +28.9%    | +16.8%                          | +13.6%           | (31.7%)        | +20.9%                         |
| Operating income  | 9,061                       | 1,204           | 87          | (29)      | 433                             | 50               | (33)           | 68                             |
| YoY Amount        | +1,135                      | +130            | (10)        | (0)       | +48                             | +25              | +21            | +56                            |
| % Change          | +14.3%                      | +12.2%          | (10.7%)     | —         | +12.5%                          | +101.6%          | —              | +479.7%                        |
| Ordinary income   | 9,526                       | 1,205           | 87          | (27)      | 433                             | 50               | (38)           | 69                             |
| Profit            | 7,391                       | 786             | 54          | (27)      | 288                             | 44               | (41)           | 67                             |

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# Forecast for the Fiscal Year Ending March 31, 2017

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

|                   | 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.               |
| (Millions of yen) |                             |                 |             |           |                                 |                  |                |                                |
| 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                             |

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## Sales by the Industrial Segments (Meitec)

Millions of Yen

| Meitec   | FY2011     | FY2012 | FY2013 | FY2014 | FY2015    |                    |        |            |
|--|------------|--------|--------|--------|-----------|--------------------|--------|------------|
|  | Nete Sales |        |        |        | Net Sales | Total Net Sales(%) | Change | Change (%) |
| <b>Automobile/Transportation</b>                     | 10,463     | 12,069 | 13,831 | 16,446 | 18,266    | 26.5%              | +1,820 | +11.1%     |
| <b>Aircraft/Aerospace</b>                            | 4,006      | 4,402  | 4,825  | 5,265  | 5,629     | 8.2%               | +363   | +6.9%      |
| <b>Industrial Machinery</b>                          | 8,073      | 8,205  | 8,477  | 9,631  | 10,215    | 14.8%              | +584   | +6.1%      |
| <b>Precision Equipment</b>                           | 3,608      | 4,041  | 4,599  | 4,762  | 4,982     | 7.2%               | +220   | +4.6%      |
| <b>IT Related Hardware and Devices</b>               | 5,241      | 5,114  | 5,248  | 5,204  | 4,872     | 7.1%               | (332)  | (6.4%)     |
| <b>Electric and Electronics</b>                      | 8,586      | 8,532  | 7,990  | 8,032  | 8,270     | 12.0%              | +237   | +3.0%      |
| <b>Semiconductors and Integrated Circuits Design</b> | 3,197      | 3,424  | 3,622  | 4,104  | 4,280     | 6.2%               | +176   | +4.3%      |
| <b>Semiconductor Equipment and Devices</b>           | 1,807      | 1,844  | 1,837  | 1,792  | 1,919     | 2.8%               | +127   | + 7.1%     |
| <b>Information Processing/Software</b>               | 3,925      | 3,886  | 3,887  | 4,365  | 4,886     | 7.1%               | +521   | +11.9%     |
| <b>Plant</b>   | 1,471      | 1,563  | 1,611  | 1,903  | 2,346     | 3.4%               | +442   | +23.3%     |
| <b>Construction</b>                                  | 273        | 325    | 371    | 368    | 374       | 0.5%               | +5     | + 1.6%     |
| <b>Others</b>  | 2,532      | 2,412  | 2,572  | 2,797  | 2,834     | 4.1%               | +36    | +1.3%      |
| Total  | 53,188     | 55,822 | 58,876 | 64,675 | 68,878    | 100.0%             | +4,202 | +6.5%      |

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## Sales by the Industrial Segments (Meitec Fielders)

Millions of Yen

| Meitec Fielders                                      | FY2011     | FY2012 | FY2013 | FY2014 | FY2015    |                    |        |            |
|--|------------|--------|--------|--------|-----------|--------------------|--------|------------|
|  | Nete Sales |        |        |        | Net Sales | Total Net Sales(%) | Change | Change (%) |
| <b>Automobile/Transportation</b>                     | 2,044      | 2,662  | 3,349  | 4,241  | 4,981     | 37.4%              | +740   | +17.5%     |
| <b>Aircraft/Aerospace</b>                            | 109        | 152    | 200    | 207    | 251       | 1.9%               | +44    | +21.3%     |
| <b>Industrial Machinery</b>                          | 1,144      | 1,254  | 1,509  | 1,770  | 1,929     | 14.5%              | +159   | +9.0%      |
| <b>Precision Equipment</b>                           | 1,141      | 1,300  | 1,609  | 1,625  | 1,666     | 12.5%              | +41    | +2.6%      |
| <b>IT Related Hardware and Devices</b>               | 324        | 326    | 378    | 397    | 452       | 3.4%               | +54    | + 13.7%    |
| <b>Electric and Electronics</b>                      | 1,764      | 1,682  | 1,508  | 1,568  | 1,656     | 12.4%              | +87    | +5.6%      |
| <b>Semiconductors and Integrated Circuits Design</b> | 647        | 532    | 437    | 457    | 505       | 3.8%               | +47    | +10.5%     |
| <b>Semiconductor Equipment and Devices</b>           | 536        | 414    | 455    | 403    | 536       | 4.0%               | +132   | + 33.0%    |
| <b>Information Processing/Software</b>               | 90         | 166    | 261    | 342    | 341       | 2.6%               | +0     | (0.2%)     |
| <b>Plant</b>   | 147        | 225    | 287    | 389    | 473       | 3.6%               | +84    | +21.6%     |
| <b>Construction</b>                                  | 18         | 97     | 98     | 26     | 16        | 0.1%               | (10)   | (37.5%)    |
| <b>Others</b>  | 541        | 534    | 491    | 481    | 515       | 3.9%               | +34    | +7.2%      |
| Total  | 8,510      | 9,349  | 10,587 | 11,911 | 13,327    | 100.0%             | +1,416 | +11.9%     |

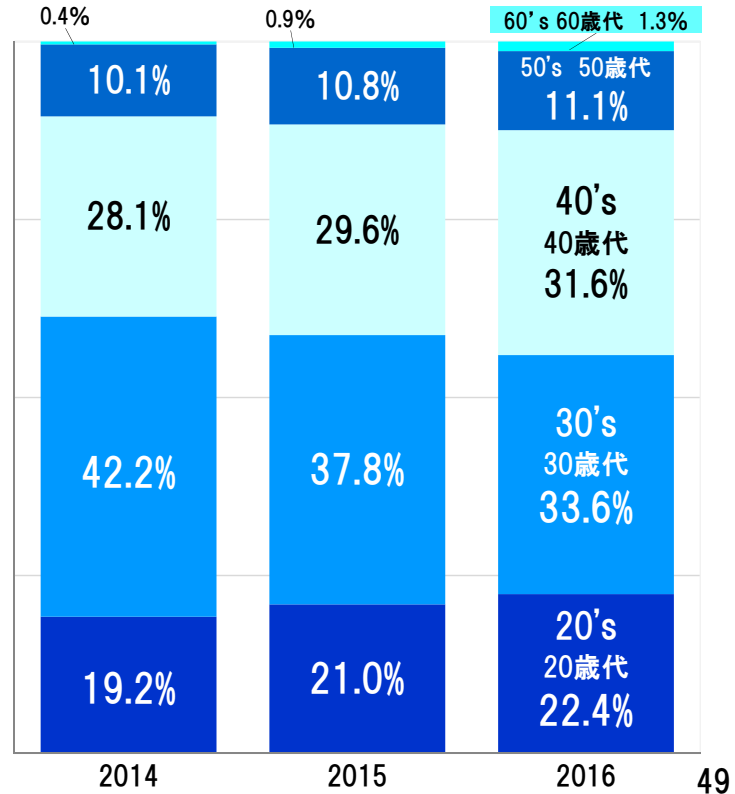
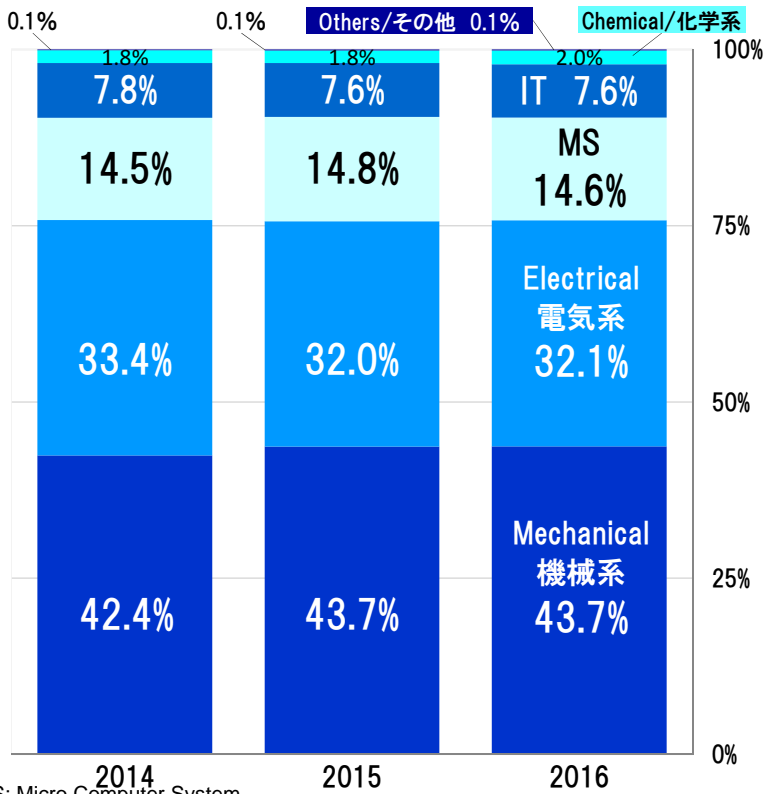
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## Distribution of Engineers by Technical Fields and Age

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

技術分野/Technical field

年齢/According to age



MS: Micro Computer System

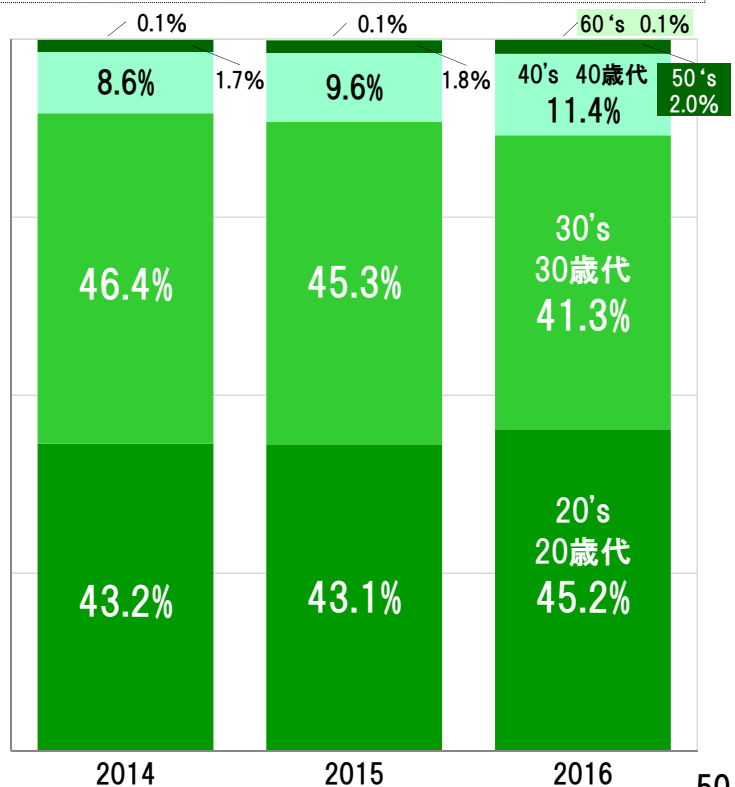
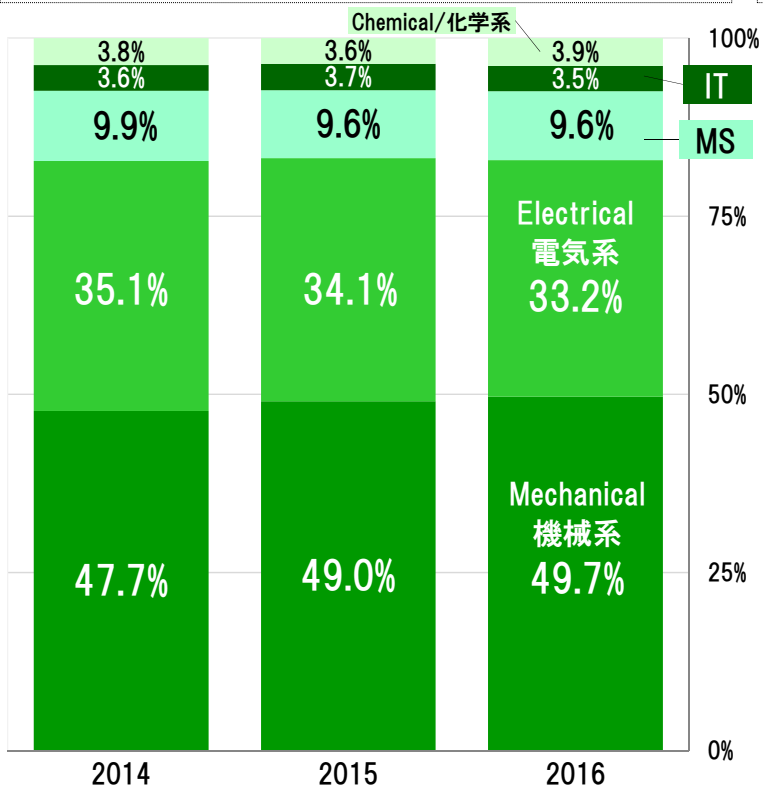
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## Distribution of Engineers by Technical Fields and Age

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

技術分野/Technical field

年齢/According to age



MS: Micro Computer System

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# Trend of Performances (Consolidated)

| (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%   |

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# Trend of Performances (Meitec)

| (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%  |

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# Trend of Performances (Meitec Fielders)

| (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%   |

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# Trend of Performances (Meitec NEXT)

| (Millions of Yen)                            | 2003 | 2004 | 2005 | 2006       | 2007    | 2008    | 2009   | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  |
|--|------|------|------|------------|---------|---------|--------|-------|-------|-------|-------|-------|-------|
| Net sales                                    |      |      |      | 8          | 252     | 480     | 334    | 438   | 593   | 734   | 872   | 1,131 | 1,321 |
| Cost of sales                                |      |      |      |            |         |         |        |       |       |       |       |       |       |
| Cost of sales to Net sales                   |      |      |      |            |         |         |        |       |       |       |       |       |       |
| Gross profit                                 |      |      |      | 8          | 252     | 480     | 334    | 438   | 593   | 734   | 872   | 1,131 | 1,321 |
| Selling, general and administrative expenses |      |      |      | 207        | 470     | 559     | 349    | 333   | 446   | 512   | 577   | 746   | 887   |
| SG&A expenses to Net sales                   |      |      |      | 2,587.5%   | 186.5%  | 116.5%  | 104.5% | 76.0% | 75.2% | 69.8% | 66.2% | 66.0% | 67.1% |
| Operating income                             |      |      |      | (198)      | (217)   | (78)    | (14)   | 104   | 147   | 221   | 295   | 385   | 433   |
| Operating income margins                     |      |      |      | (2,475.0%) | (86.1%) | (16.3%) | (4.2%) | 23.7% | 24.8% | 30.1% | 33.8% | 34.0% | 32.8% |
| Non-operating income                         |      |      |      | —          | —       | —       | 2      | 2     | —     | —     | —     | —     | —     |
| Non-operating expenses                       |      |      |      | —          | —       | —       | —      | —     | —     | —     | —     | —     | —     |
| Ordinary income                              |      |      |      | (198)      | (217)   | (78)    | (12)   | 106   | 147   | 221   | 295   | 385   | 433   |
| Ordinary income margins                      |      |      |      | (2,475.0%) | (86.1%) | (16.3%) | (3.6%) | 24.2% | 24.8% | 30.1% | 33.8% | 34.0% | 32.8% |
| Extraordinary income                         |      |      |      | —          | —       | —       | —      | —     | —     | —     | —     | —     | —     |
| Extraordinary loss                           |      |      |      | —          | —       | —       | —      | —     | —     | —     | —     | —     | —     |
| Profit before income taxes                   |      |      |      | (198)      | (217)   | (78)    | (13)   | 106   | 147   | 221   | 295   | 385   | 433   |
| Total income taxes                           |      |      |      | —          | —       | 1       | —      | —     | —     | 19    | 95    | 141   | 145   |
| Profit                                       |      |      |      | (199)      | (217)   | (79)    | (14)   | 105   | 147   | 201   | 200   | 243   | 288   |
| Profit margins                               |      |      |      | (2,487.5%) | (86.1%) | (16.5%) | (4.2%) | 24.0% | 24.8% | 27.4% | 22.9% | 21.5% | 21.8% |

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# Trend of Balance Sheets (Consolidated)

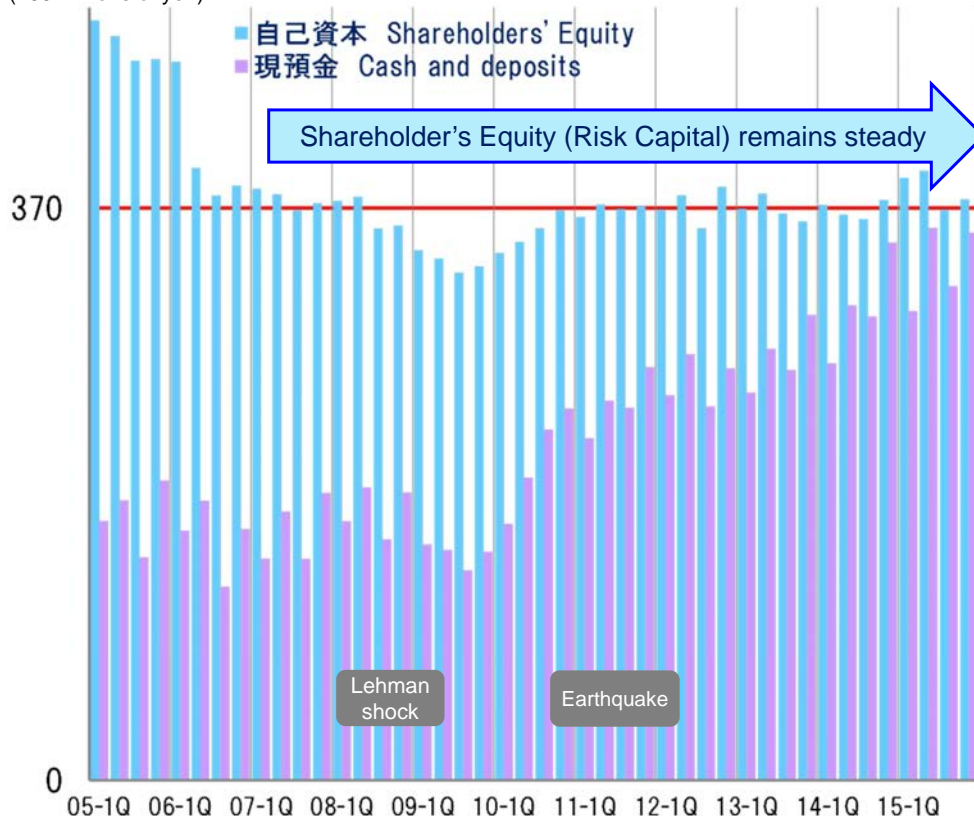
| (Millions of Yen)                     | 2007/3/31 | 2008/3/31 | 2009/3/31 | 2010/3/31 | 2011/3/31 | 2012/3/31 | 2013/3/31 | 2014/3/31 | 2015/3/31 | 2016/3/31 |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 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    |

## Shareholder's Equity and Cash and Deposit

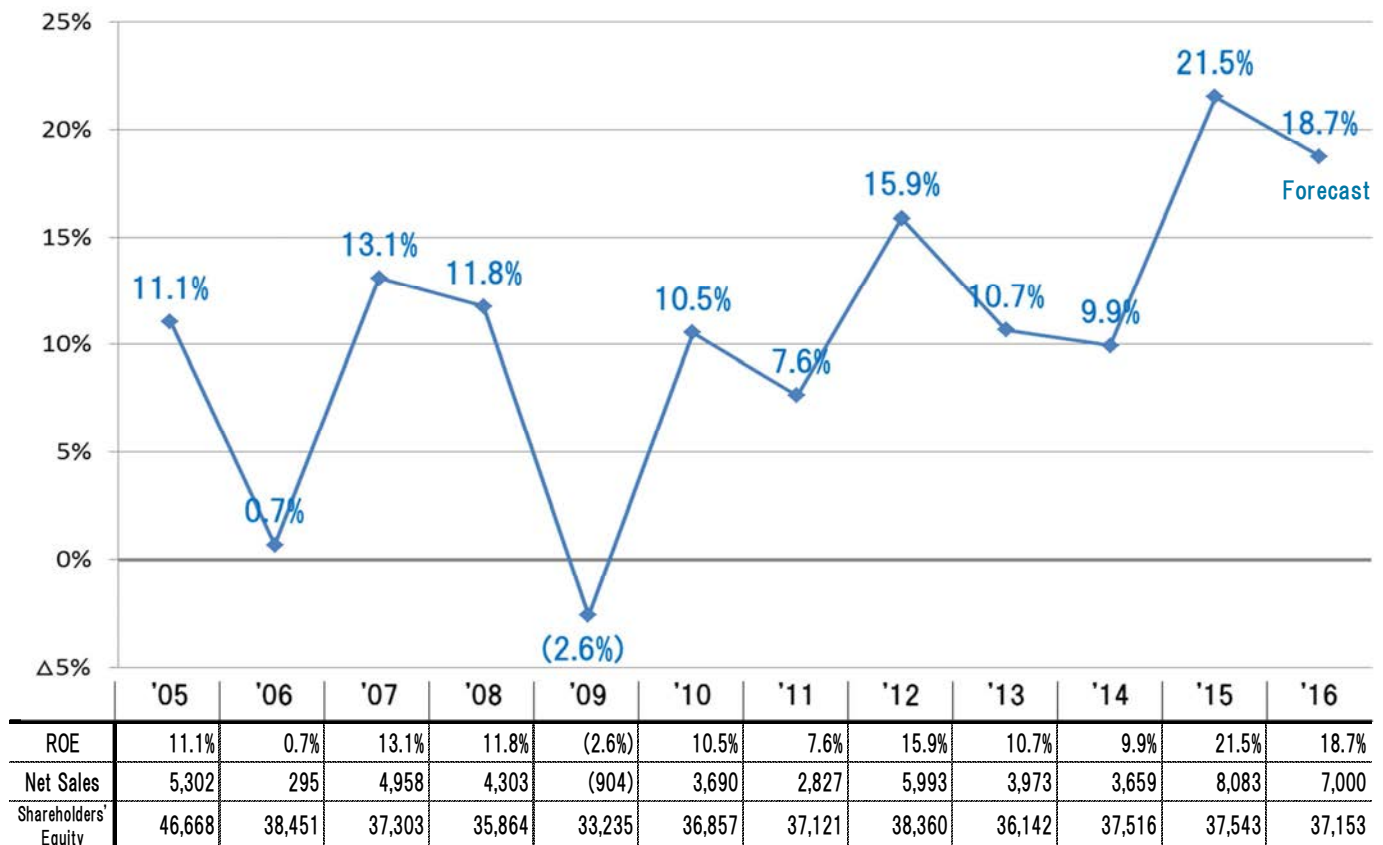
- ✓ By continuing the profit distribution according to the current policy, sustain 37 billion yen of shareholder's equity
- ✓ Prioritize the improvement of "quality and quantities" of the current level of shareholder's equity in consideration of future growth target.

(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.

# Trend of ROE



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# Trend of Profit Distributions and Forecast

|                                |                     |            |            |            |            |            |            |            |            |            | Actual     | Forecast   |          |
|--------------------------------|---------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------|
|                                |                     |            |            |            |            |            |            |            |            |            | FY2015     | FY2016     |          |
|                                |                     | FY2005     | FY2006     | FY2007     | FY2008     | FY2009     | FY2010     | FY2011     | FY2012     | FY2013     | FY2014     |            |          |
| 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 |          |

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## Securing Funds to Retire Treasury Shares = Decrease in Capital Stock and Legal Capital Surplus

✓ The retirement of treasury shares purchased in accordance with the policy on distribution of profits has hitherto been accomplished via allocations from “other capital surplus,” but in order to secure funds for future retirements, we will decrease capital stock and the legal capital surplus (assuming this is approved at the Annual General Meeting of Shareholders in June this year).

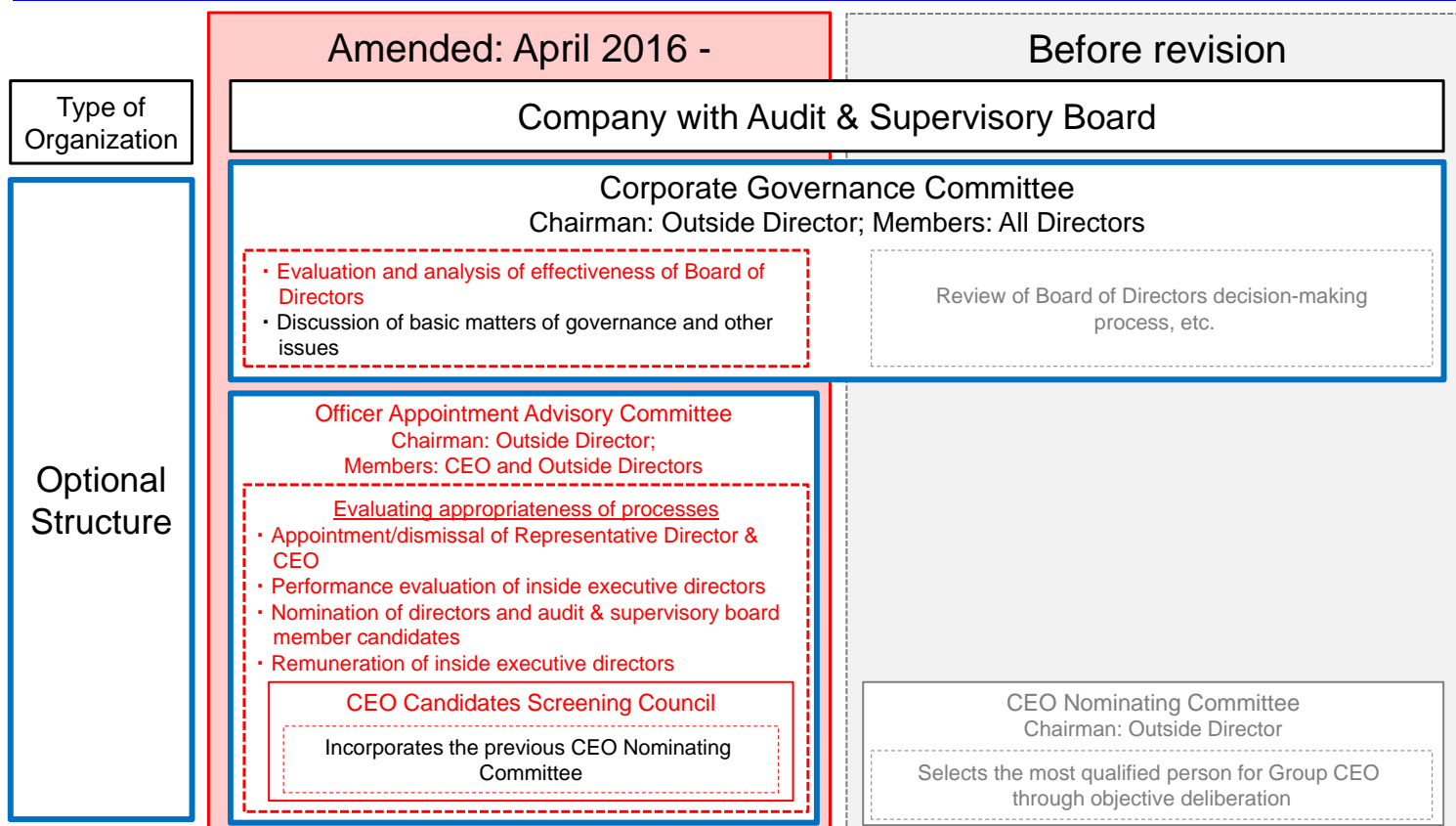
- We acknowledge the purchase of treasury shares and their retirement as a means of rewarding shareholders, for which we will allocate funds from capital surplus.
- We acknowledge dividends as a distribution of profit to shareholders, for which we allocate funds from retained earnings.

| (unit:Millions of yen)       | 31-Mar<br>-2007 | 31-Mar<br>-2008 | FY2008~<br>FY2015 | 31-Mar<br>-2016 | Amount after<br>Implementation | Fluctuation    |
|------------------------------|-----------------|-----------------|-------------------|-----------------|--------------------------------|----------------|
| <b>Meitec</b>                |                 |                 |                   |                 |                                |                |
| Capital stock                | 16,825          | 16,825          | Total cost of     | 16,825          | 5,000                          | (11,825)       |
| Legal capital surplus        | 15,480          | 4,210           | acquisition       | 4,210           | 1,250                          | (2,960)        |
| <b>Other capital surplus</b> | -               | 11,270          | <b>12,798</b>     | <b>281</b>      | <b>15,067</b>                  | <b>+14,785</b> |
| Legal retained earnings      | 4,202           | -               |                   | -               | -                              |                |
| Other retained earnings      | 3,841           | 10,033          |                   | 21,207          | 21,207                         |                |
| Treasury shares              | (1,008)         | (4,115)         |                   | (5,989)         | (5,989)                        |                |
| Total shareholders' equity   | 39,341          | 38,224          |                   | 36,535          | 36,535                         | ±0             |

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## Corporate Governance ~ 1/2

✓ 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



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- ✓ 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<br>President and CEO, COO<br>(COO) | Yearly payment<br>¥28,800K (Monthly payment<br>¥2,400K (20%) ) |  | Monthly payment<br>¥3,000K or less |
| Director   | Yearly payment<br>¥19,200K (Monthly payment<br>¥1,600K (20%) ) |  | Monthly payment<br>¥2,000K or less |
| Outside Director                                     | Yearly payment<br>¥9,000K (Monthly payment<br>¥750K +50% )     |  | Monthly payment<br>¥500K or less   |
| Standing audit & supervisory board member            | Yearly payment<br>¥24,000K (Monthly payment<br>¥2,000K - )     |  | Monthly payment<br>¥2,000K or less |
| Audit & supervisory board member                     | Yearly payment<br>¥7,800K (Monthly payment<br>¥650K +30% )     |  | Monthly payment<br>¥500K or less   |

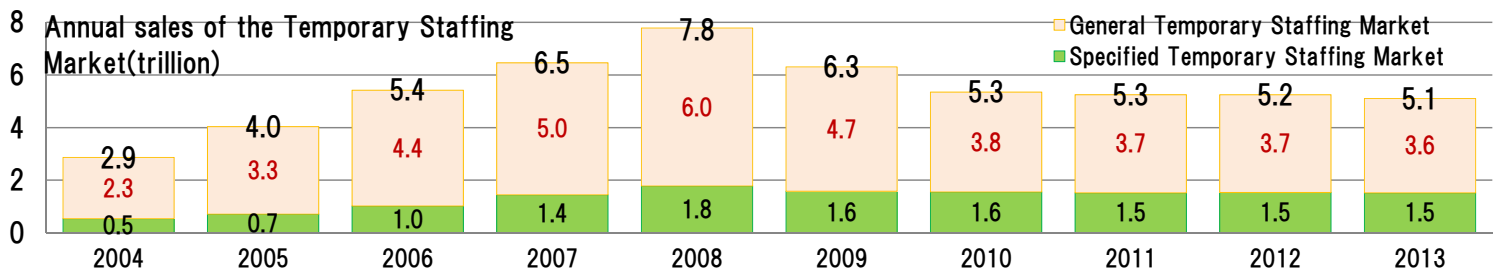
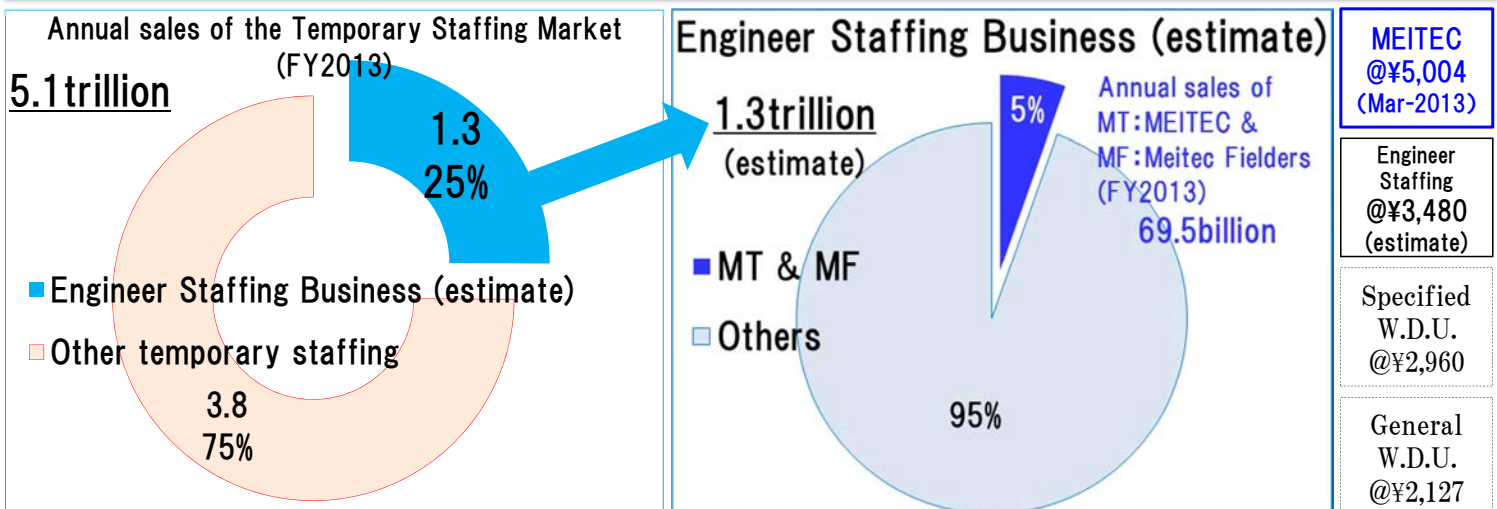
## Performance-linked remuneration etc.

|  | Revised: April 1, 2016  | Before revision                  |
|--|---|----------------------------------|
| Consolidated profit (not including performance-linked directors' remuneration) | x 2.5%<br>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)                            |

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## Market of Engineer Staffing Business (estimate)

- ✓ Meitec Group hold over 5% 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.

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# Shareholders by Business Segments

| Shareholder Segment                                | (As of the Fiscal year ended March 31, 2016) |               |                   |               |
|--|--|---------------|-------------------|---------------|
|  | Shareholders                                 | %             | Shares Held       | %             |
| Banks  | 7  | 0.1%          | 921,101           | 2.9%          |
| Trust Banks  | 20   | 0.3%          | 7,770,600         | 24.8%         |
| Life and nonlife insurance companies               | 24   | 0.4%          | 3,946,083         | 12.6%         |
| Securities financing and other financial companies | 6  | 0.1%          | 39,760            | 0.1%          |
| Securities companies                               | 40   | 0.7%          | 599,128           | 1.9%          |
| Business concerns and other companies              | 93   | 1.5%          | 573,578           | 1.8%          |
| Overseas companies and investors                   | 206  | 3.4%          | 12,237,817        | 39.1%         |
| Individuals and others                             | 5,687  | 93.5%         | 5,211,933         | 16.7%         |
| <b>Total</b>                                       | <b>6,083</b>                                 | <b>100.0%</b> | <b>31,300,000</b> | <b>100.0%</b> |

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## Company Information

|                            |  |
|----------------------------|--|
| <b>Tokyo Headquarters</b>  | <b>Akasaka, Minato-ku, Tokyo</b>   |
| <b>Nagoya Headquarters</b> | <b>Nishi-ku Nagoya</b>   |
| <b>Stock listings</b>      | <b>Tokyo Stock Exchange, 1st Section (No. 9744)</b>  |
| <b>Incorporated</b>        | <b>July 17, 1974</b>   |
| <b>C l i e n t s</b>       | <b>Approximately 1,000 blue-chip companies, mostly listed in the first and second sections of Tokyo Stock Exchange</b>   |
| <b>B r a n c h e s</b>     | <b>34 Sales offices, including Tokyo, Osaka, Nagoya, and other major Japanese cities</b>   |
| <b>Group Companies</b>     | <p>[Temporary Staffing Business]</p> <ul style="list-style-type: none"> <li>■ MEITEC FIELDERS INC.</li> <li>■ MEITEC CAST INC.</li> <li>■ MEITEC EX CORPORATION</li> </ul> <p>[Recruiting &amp; Placement Business]</p> <ul style="list-style-type: none"> <li>■ MEITEC NEXT CORPORATION</li> <li>■ all engineer.jp CORPORATION</li> <li>■ Meitec Shanghai</li> <li>■ MEITEC Shanghai Human Resources Co. Ltd.</li> </ul> <p>[Engineering Solutions Business]</p> <ul style="list-style-type: none"> <li>■ APOLLO GIKEN CO., LTD.</li> </ul> |

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