

人と技術で次代を拓く

MEITEC

メイテックグループ

Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2016

November 5, 2015

MEITEC CORPORATION

President and CEO, COO

MEITEC Group CEO

Hideyo Kokubun

1. Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2016

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MEITEC

メイテックグループ

Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2016 (Group Consolidated)

- ✓ Net sales rose 7.2% year on year and operating income was up 18.8%, driven by the professional staffing business for engineers on the back of continued investment in technological development by major manufacturers, Meitec's main clients.
- ✓ Profit attributable to owners of parent was 3,798 billion yen, a sharp improvement year on year due to the recording of extraordinary income of roughly 1.0 billion yen, versus extraordinary losses of about 3.5 billion yen in the same period a year earlier.

Group Consolidated (Millions of yen)	2Q ended Sept. 30, 2014	2Q ended Sept. 30, 2015	YoY Amount	% Change	Initial Forecast for 2Q, announced on May 2015	Progress toward the FY forecast
Net sales	39,300	42,143	+2,842	+7.2%	41,800	+343
Cost of sales	29,366	31,321	+1,954	+6.7%	31,100	+221
Cost of sales to Net sales	74.7%	74.3%	(0.4%)			
SG&A Expenses	5,941	6,077	+135	+2.3%	6,400	(322)
Operating income	3,992	4,744	+752	+18.8%	4,300	+444
Operating income margins	10.2%	11.3%	+1.1%		10.3%	+1.0%
Ordinary income	4,012	4,723	+710	+17.7%	4,300	+423
Extraordinary income & loss	(3,456)	1,054	+4,511			
Income before income taxes and minority interests	555	5,777	+5,221	+939.7%		
Profit attributable to owners of parent	194	3,798	+3,604	+1856.8%	3,300	+498
Net income margins	0.5%	9.0%	+8.5%			

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Results for the 2nd Quarter of the Fiscal Year Ending 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 posted an increase in both net sales and operating income, and the Engineering Solutions Business turned profitable.

Business Domains (Millions of yen)	2Q ended Sept. 30, 2014	2Q ended Sept. 30, 2015	YoY Amount	% Change
Sales of Staffing Business	38,024	40,696	+2,672	+7.0%
Component ratio	96.8%	96.6%	(0.2%)	
Operating income	3,853	4,518	+665	+17.3%
Sales of Recruiting&Placement Business	632	720	+87	+13.8%
Component ratio	1.6%	1.7%	+0.1%	
Operating income	152	217	+65	+42.9%
Sales of Engineering Solutions Business	737	846	+109	+14.8%
Component ratio	1.9%	2.0%	+0.1%	
Operating income	(14)	10	+25	—

(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 2nd Quarter of the Fiscal Year Ending March 31, 2016 (Meitec)

- ✓ Net sales increased 8.0% year on year and operating income rose 20.3%, supported by growth in the number of engineers assigned to clients.
- ✓ The utilization ratio increased 0.8 % versus the initial forecast, reflecting smoothly progress in assigning newly hired graduate engineers, etc.
- ✓ Profit attributable to owners of parent was 3.749 billion yen, a sharp improvement year on year due to the recording of extraordinary income of roughly 1.0 billion yen, versus extraordinary losses of about 3.5 billion yen in the same period a year earlier.

Meitec (Millions of yen)	2Q ended Sept. 30, 2014	2Q ended Sept. 30, 2015	YoY Amount	% Change	Initial Forecast for 2Q, announced on May 2015	% Change
Net sales	30,682	33,131	+2,448	+8.0%	33,000	+131
Cost of sales	23,091	24,758	+1,667	+7.2%	24,800	(42)
Cost of sales to net sales	75.3%	74.7%	(0.5%)		75.2%	(0.4%)
SG&A Expenses	4,325	4,444	+119	+2.8%	4,600	(156)
Operating income	3,265	3,927	+662	+20.3%	3,600	+327
Operating income margins	10.6%	11.9%	+1.2%		10.9%	+0.9%
Ordinary income	3,697	4,395	+698	+18.9%	4,100	+295
Extraordinary income & loss	(3,455)	1,041	+4,496			
Income before income taxes and minority interests	242	5,437	+5,195	+2145.9%		
Net income	172	3,749	+3,577	+2073.3%	3,400	+349
Utilization ratio (Company-wide)	93.9%	96.0%	+2.1%		95.2%	+0.8%
Working Hours<h/day>	8.90	8.77	(0.13)	(1.5%)	8.90	(0.13)
Number of Engineers as Period-End	6,209	6,563	+354	+5.7%		

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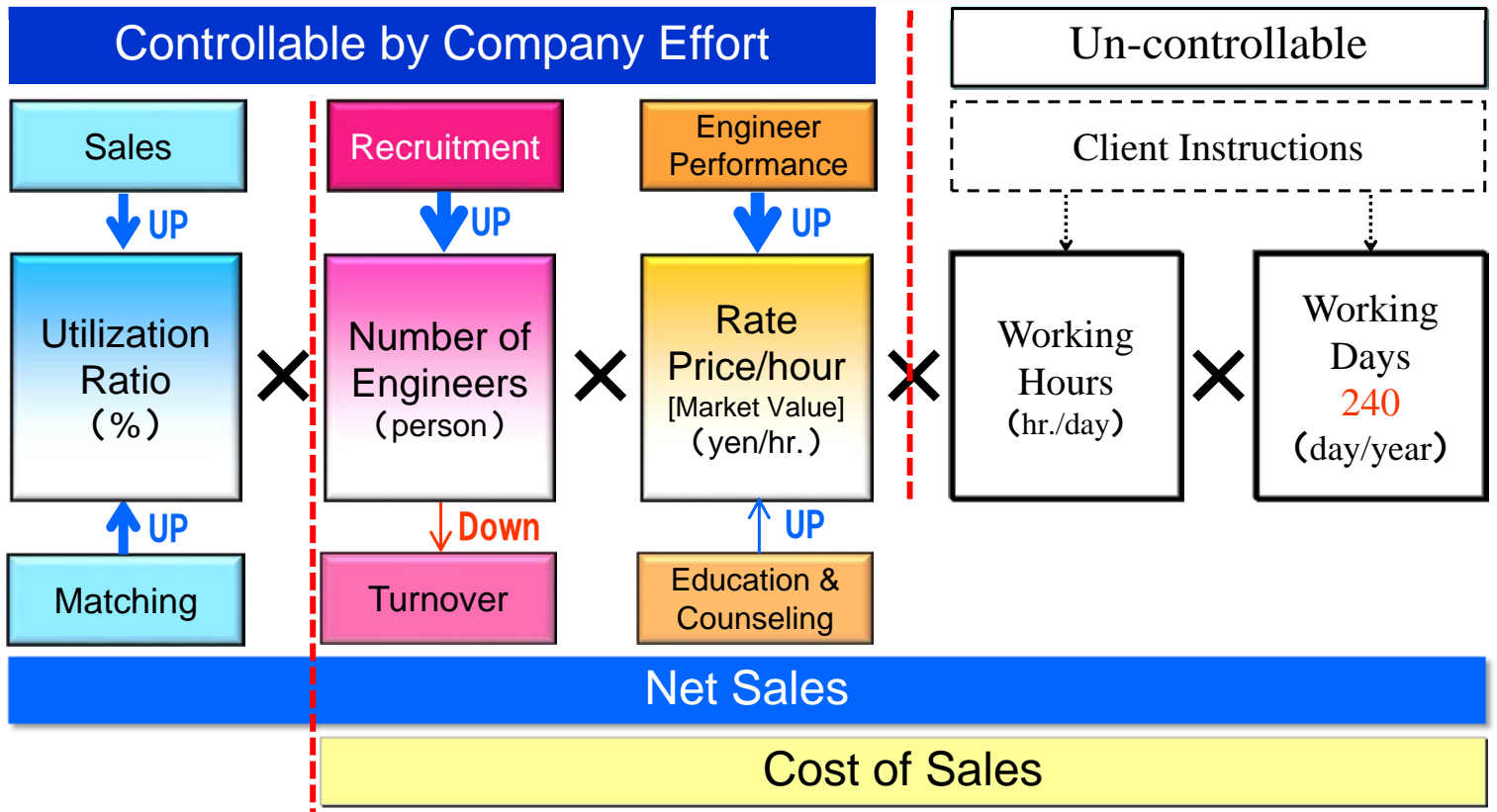
Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2016 (Meitec Fielders)

- ✓ Net sales increased 11.0% year on year and operating income rose 12.6%, supported by growth in the number of engineers assigned to clients.
- ✓ The utilization ratio rose 1.6 % versus the initial forecast, with all newly hired graduate engineers assigned to clients in the first half of the fiscal year.

Meitec Fielders (Millions of yen)	2Q ended Sept. 30, 2014	2Q ended Sept. 30, 2015	YoY Amount	% Change	Initial Forecast for 2Q, announced on May 2015	% Change
Net sales	5,753	6,386	+632	+11.0%	6,200	+186
Cost of sales	4,453	4,965	+511	+11.5%	4,800	+165
Cost of sales to net sales	77.4%	77.7%	+0.3%		77.4%	+0.3%
SG&A Expenses	813	873	+59	+7.4%	900	(26)
Operating income	486	547	+61	+12.6%	500	+47
Operating income margins	8.5%	8.6%	+0.1%		8.1%	+0.5%
Ordinary income	486	548	+61	+12.6%	500	+48
Income before income taxes and minority interests	486	548	+61	+12.6%		
Net income	297	349	+52	+17.5%	300	+49
Utilization ratio (Company-wide)	93.4%	94.2%	+0.8%		92.6%	+1.6%
Working Hours<h/day>	8.99	8.90	(0.09)	(1.0%)	8.99	(0.09)
Number of Engineers as Period-End	1,606	1,770	+164	+10.2%		

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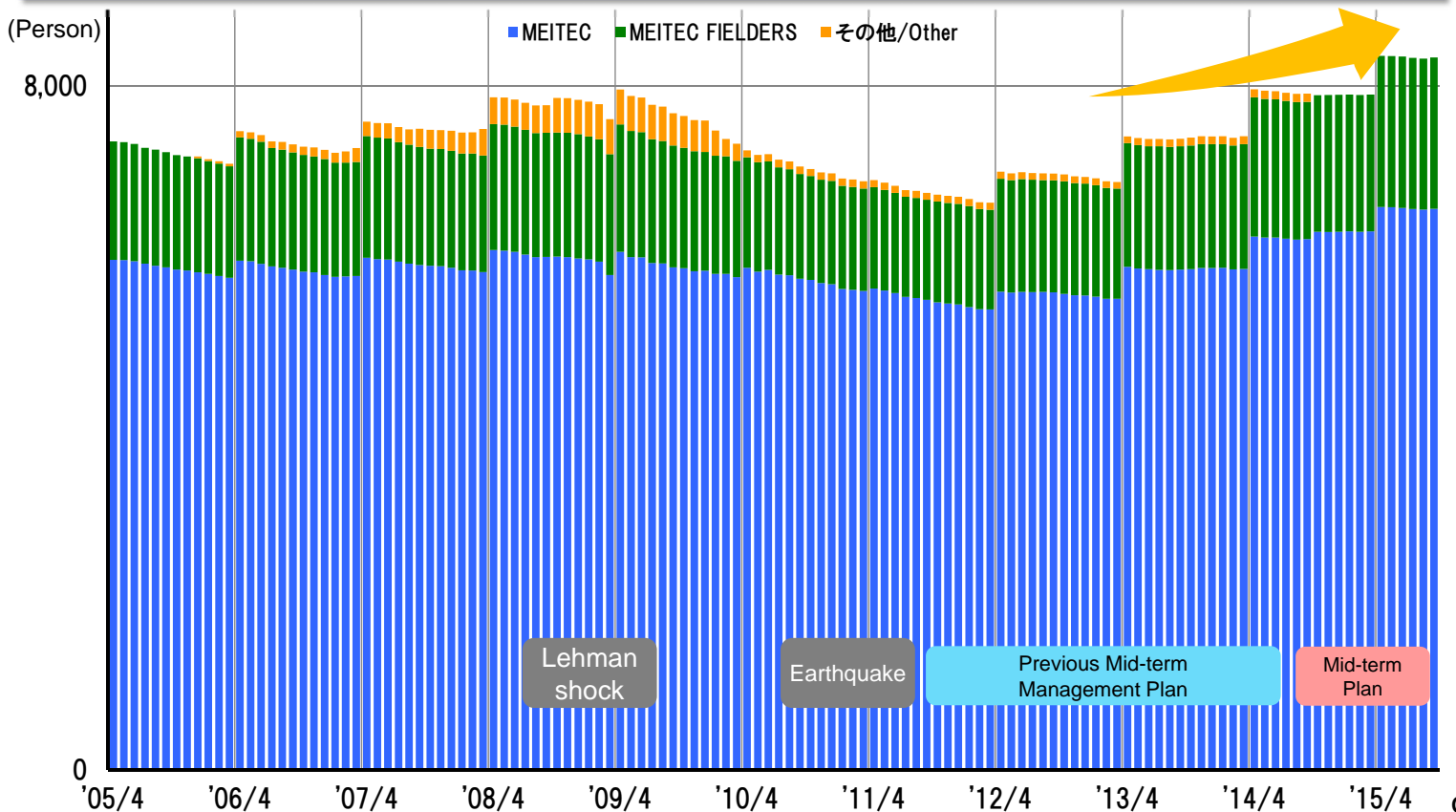
- ✓ Increasing the number of engineers while maintaining high utilization and price, or improving them further, holds the key to growth.
- ✓ Working hours is a key indicator, but it is outside the control of the Meitec Group.



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Number of Engineers (Group Consolidated)

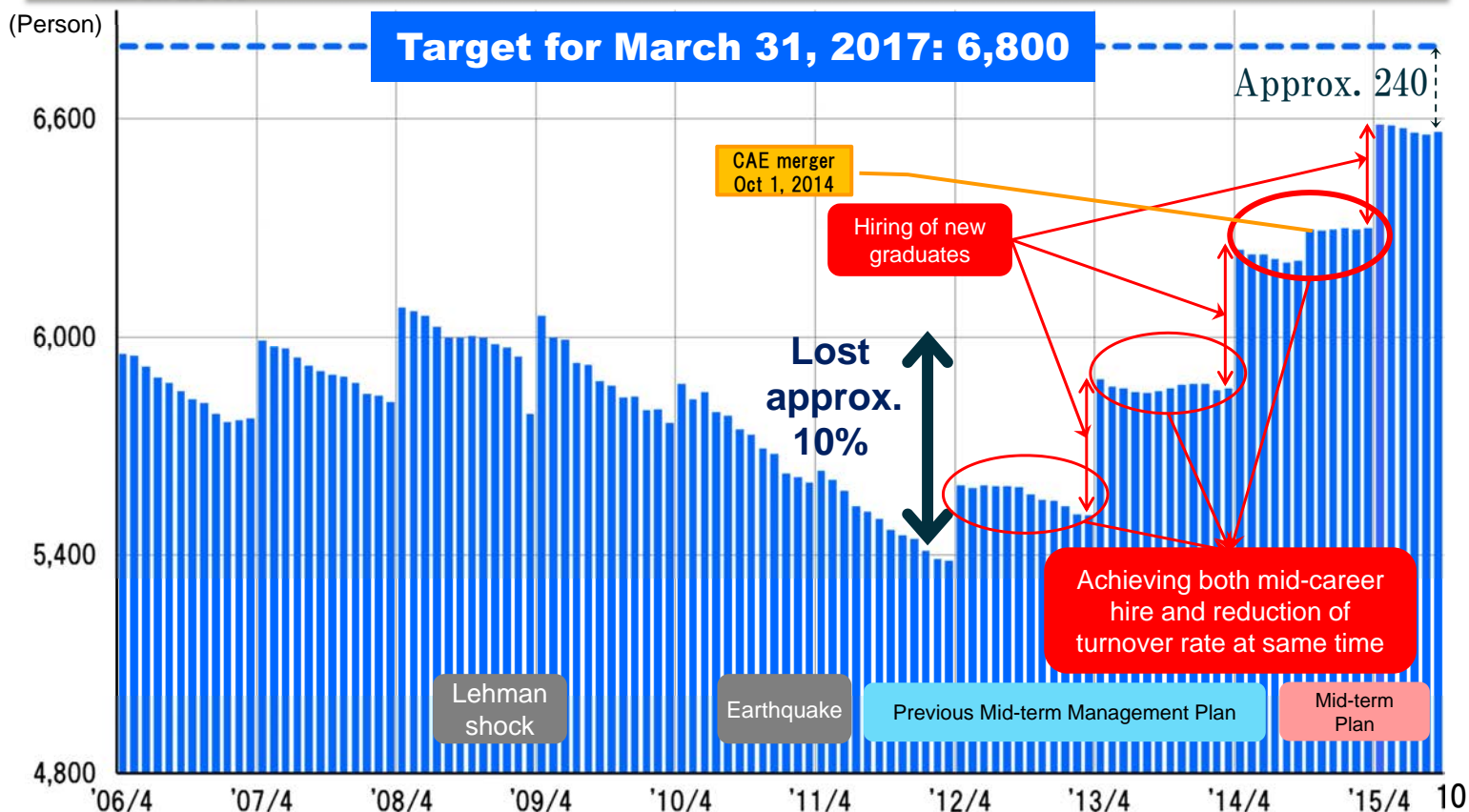
- ✓ Number of engineers at the end of September 30, 2015 was 8,333, increased 424 engineers, or 5.4%, compared to September 30, 2014



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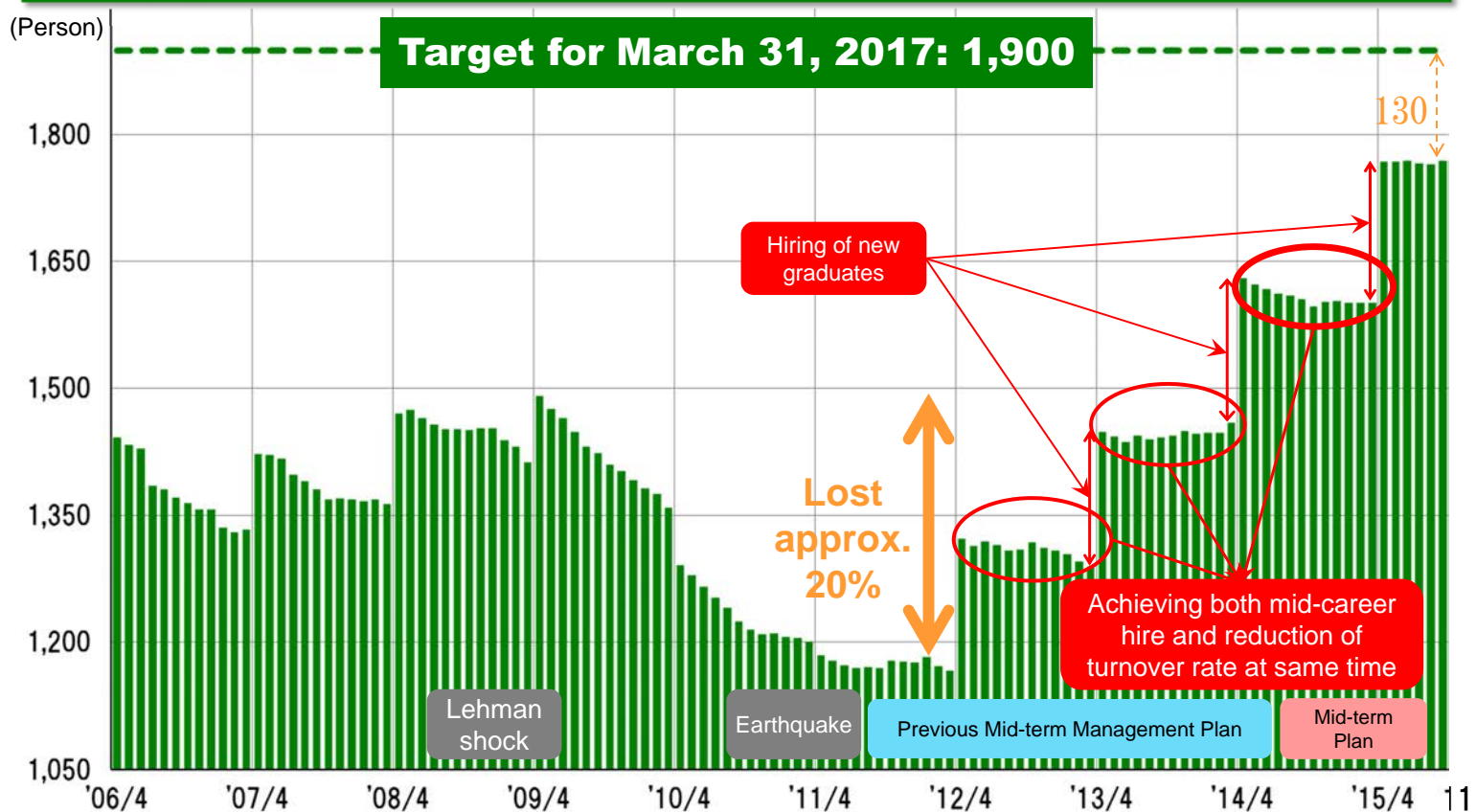
Number of Engineers (Meitec)

- ✓ Number of engineers at the end of September 30, 2015 was 6,563, increased 354 engineers, or 5.7%, compared to September 30, 2014. ※Including CAE merger.
- ✓ Meitec needs to hire around 240 more engineers to achieve its target of 6,800 engineers by the end of March 2017.



Number of Engineers (Meitec Fielders)

- ✓ Number of engineers at the end of September 30, 2015 was 1,770, increased 164 engineers, or 10.2%, compared to September 30, 2014.
- ✓ Meitec Fielders needs to hire 130 more engineers to achieve its target of 1,900 engineers by the end of March 2017.



Hiring Target for Fiscal Year Ending Mar. 2016

Mid-career (FY 2016/3)

- ✓ Hiring conditions for engineers are overheated due to factors such as persistently strong demand for engineers, growth in the number of new job openings, looser hiring standards, and more flexibility in accepting terms requested by engineers. (such as desired work locations.)
- ✓ Under these conditions, Meitec will continue to focus on hiring engineers in line with order trends, mainly in the machinery and electronic/electronics sectors, by maintaining hiring standards and the assumption of ensuring engineers can be assigned smoothly.
- ✓ The number of mid-career hires is largely in line with the Group's target. → no plans to change target (target was lowered during the previous fiscal year.)

New Graduates (Joined April 2016)

- ✓ The recruitment market is challenging due to an increase in the number of companies hiring, growth in the number of new engineers required by each company, longer recruitment processes due to changes to the selection schedule, condition which we were forced to take try and error approach because the method we used previous year would not work this year.
- ✓ The Meitec Group will introduce new ways of attracting engineers without lowering its hiring standards.
- ✓ Job offers by the Meitec Group exceeded the start-of-year recruitment target by 5 engineers, comprising 22 more than projected for Meitec and a shortfall of 17 for Meitec Fielders.

(person)	Fiscal Year Ending March 31, 2016					Fiscal Year Ending March 31, 2017	
	Newly Graduate April 2015 (Actual)	Mid-career		Total		Newly Graduate April 2016	
		<Target>	Comparison to Initial Forecast	<Target>	Comparison to Initial Forecast	(Prospective Number as of Oct. 2015)	Comparison to Initial Forecast
Meitec	299	190	—	489	—	332	+22
Meitec Fielders	175	105	—	280	—	173	(17)
Total	474	295	—	769	—	505	+5
Comparison to previous year	(77)	+5		(72)			

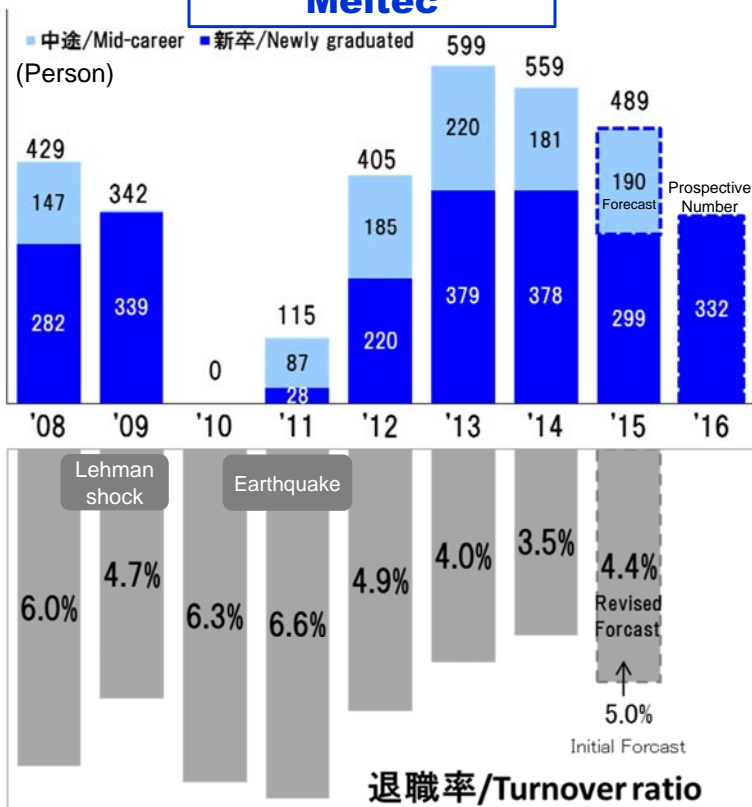
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Recruitment and Turnover

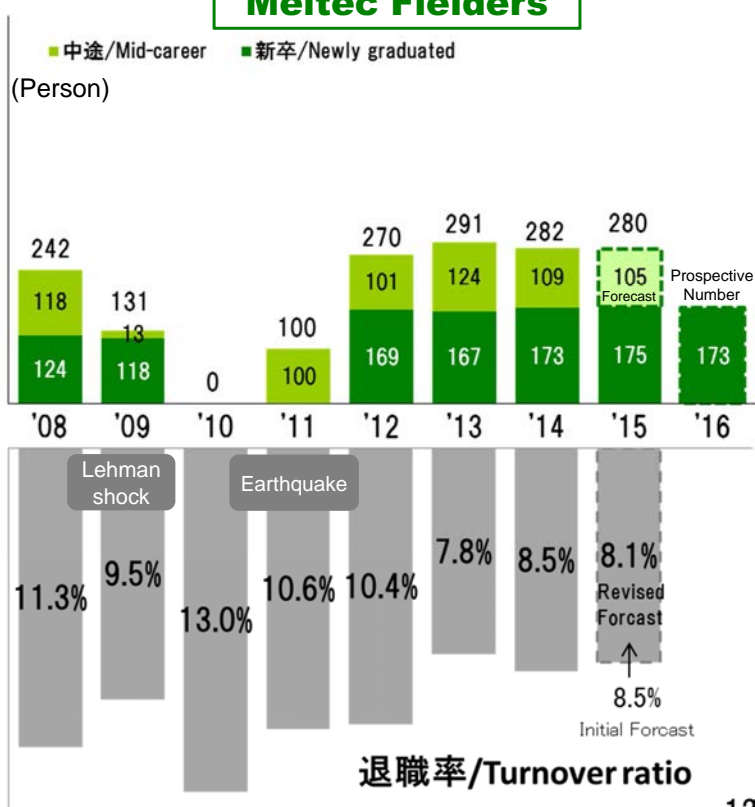
✓ Our forecasts for the number of recruitment and the turnover rate as of the release of 2Q results are as follows.

※We plan to announce the actual recruitment and turnover rates in May 2016.

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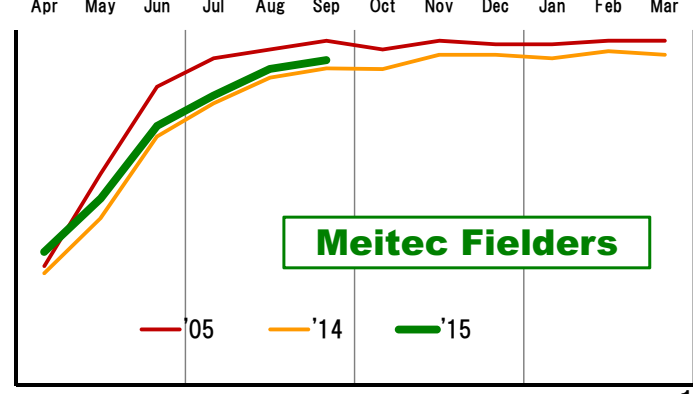
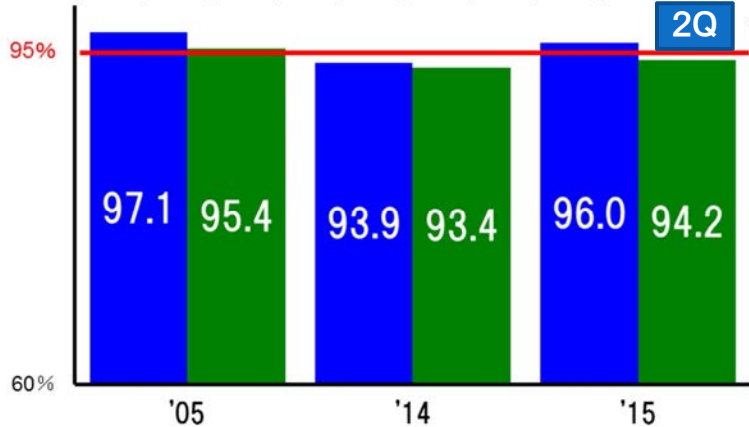
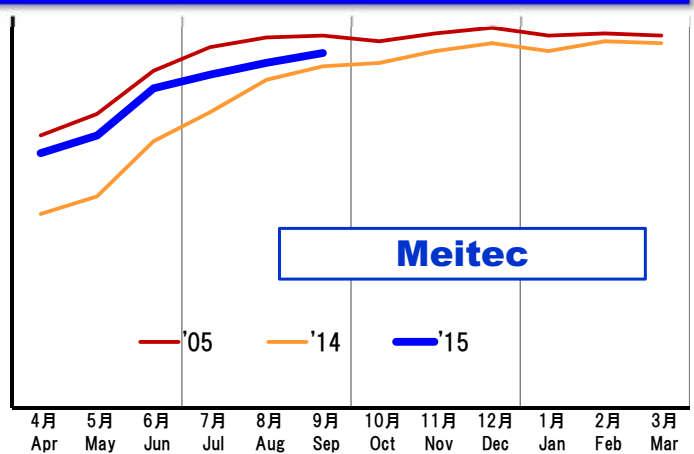
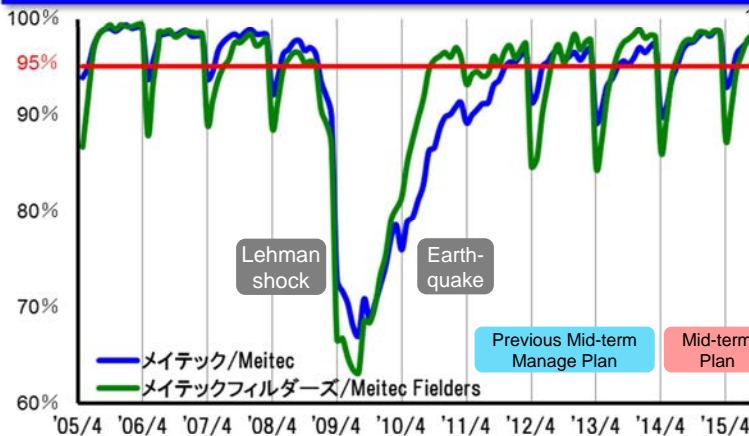
Meitec Fielders



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Utilization Ratio

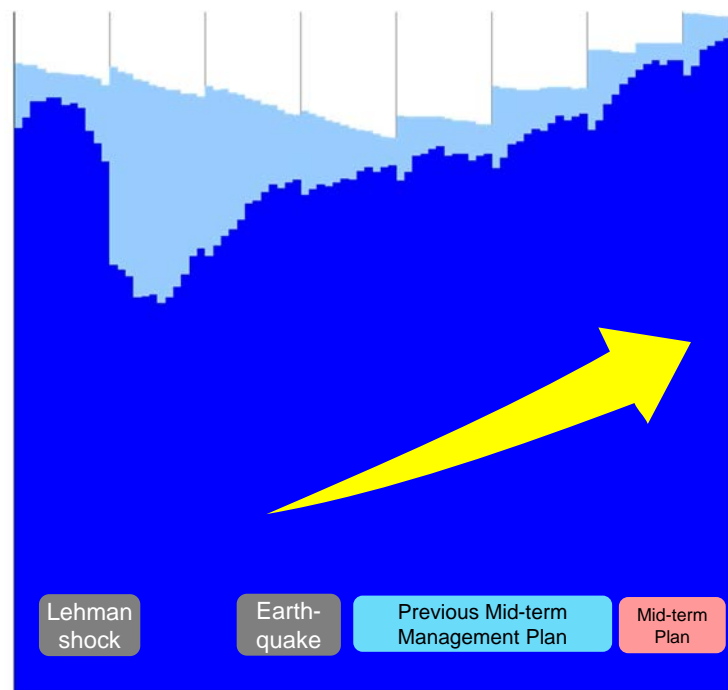
✓ The utilization ratio exceeded the same period of the previous fiscal year, due to the fact that utilization of newly graduated engineers joining the company was more steady than initially expected, and also because we focused on the utilization of existing engineers.



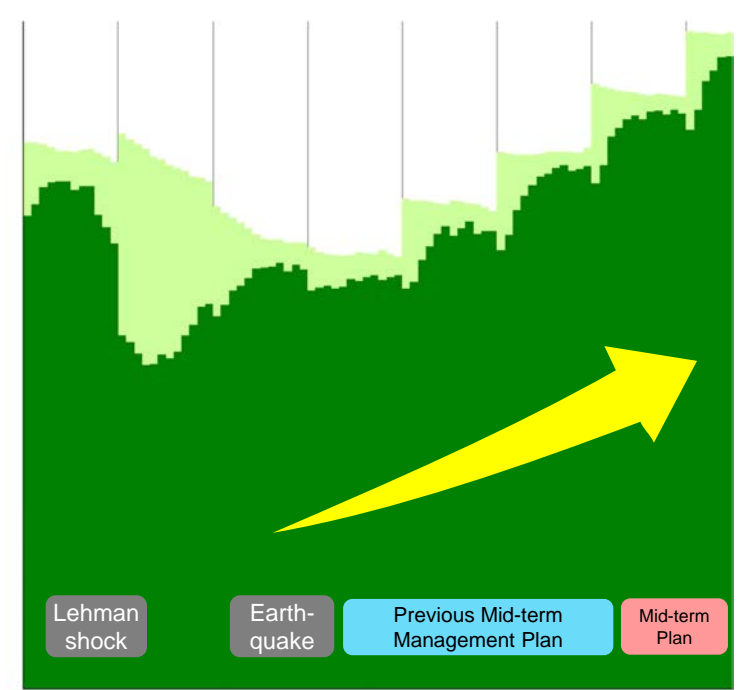
MEITEC Number of Engineers Assigned to the Clients (Key factor of Sales)

✓ 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.

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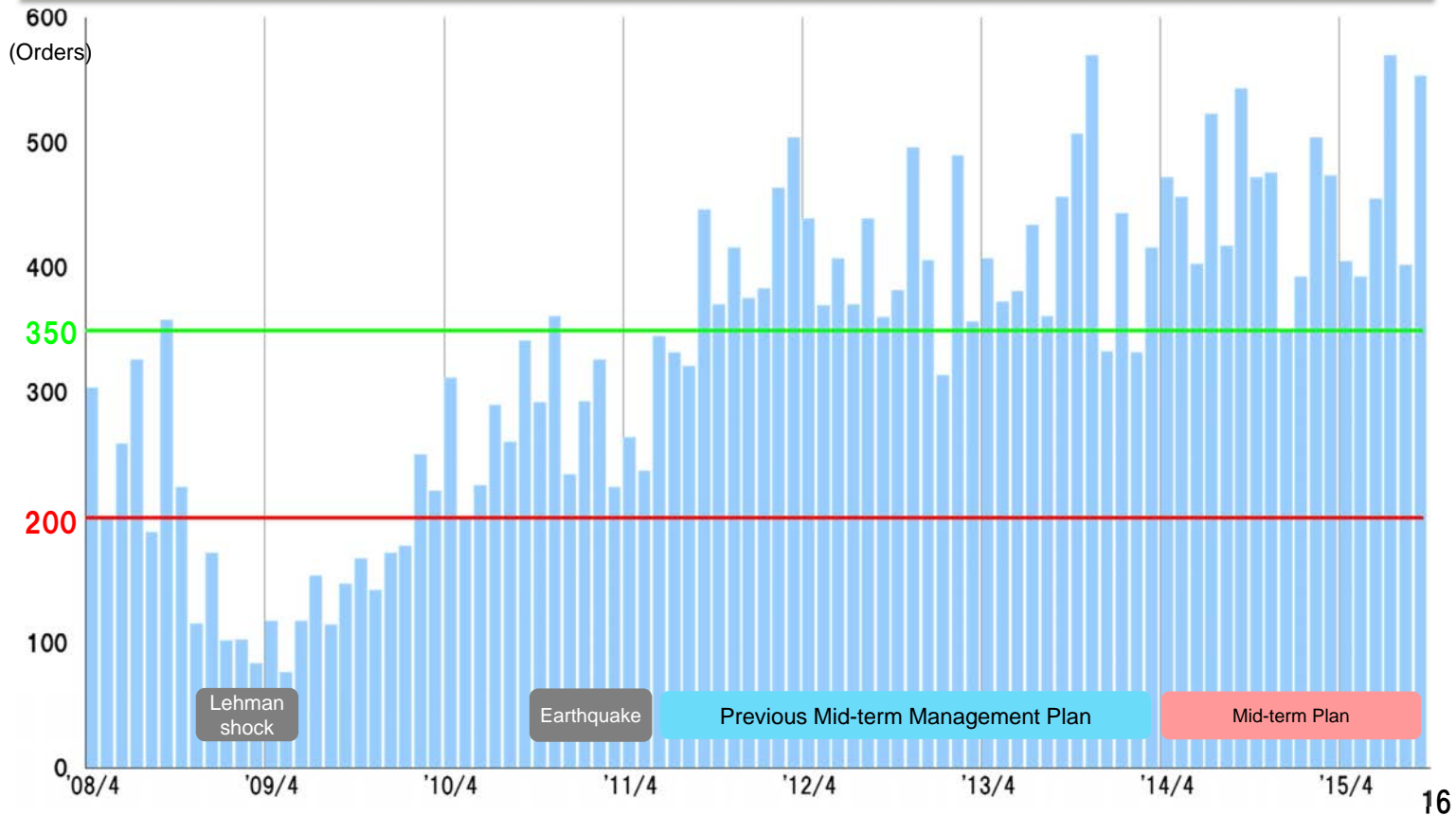
Meitec Fielders



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.).

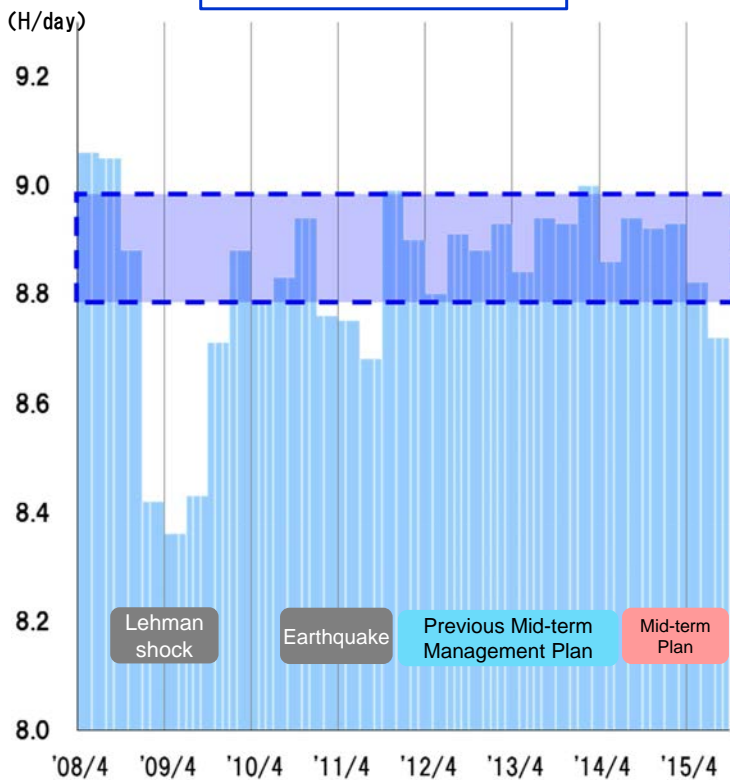


Working Hours

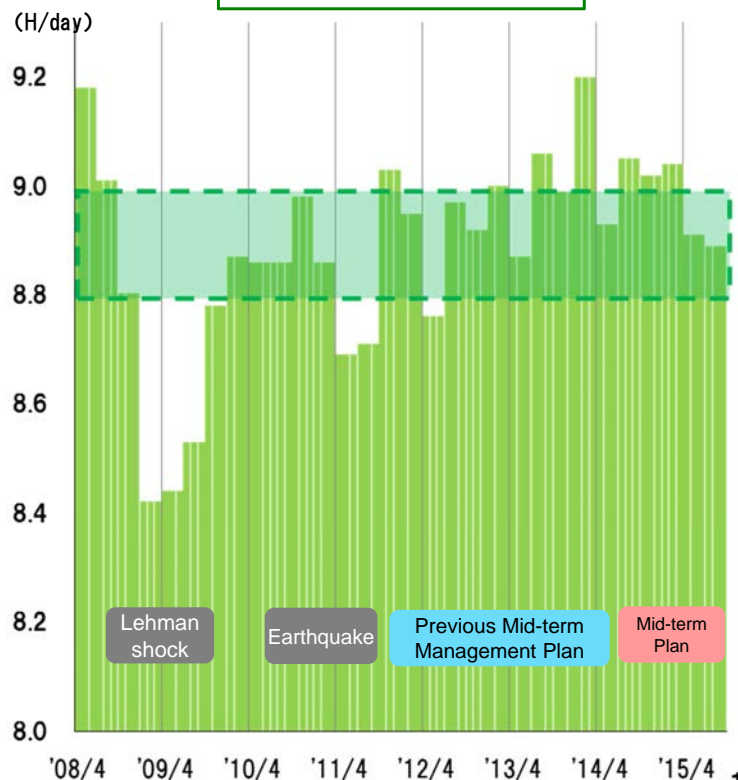
✓ **Working hours declined year on year, due to a drop in overtime hours at some clients, etc.**
✓ **We do not see this as a major risk, but we will need to adjust our forecasts.**

※Uncontrollable by Meitec

Meitec



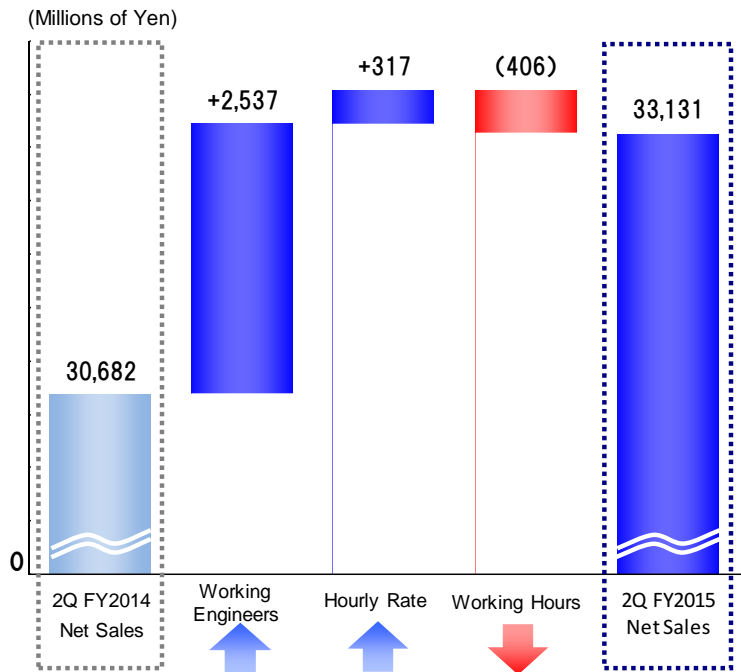
Meitec Fielders



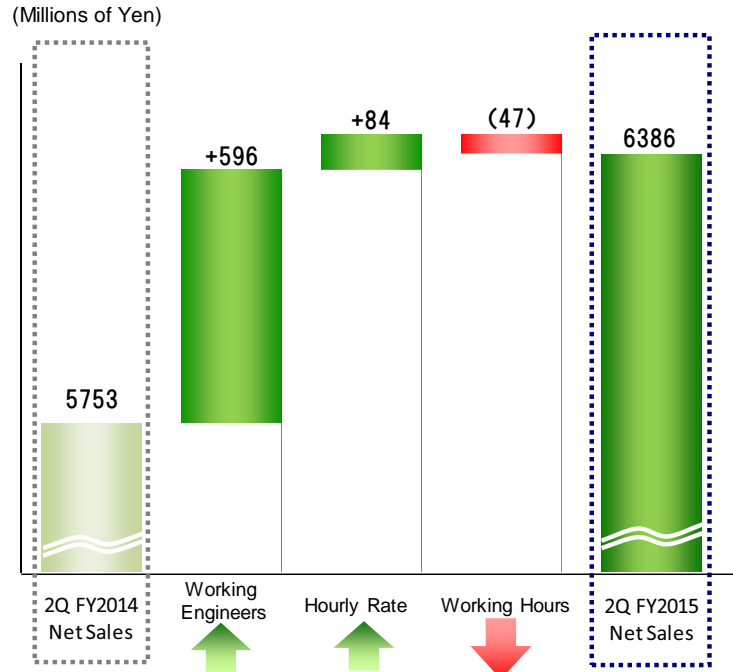
Comparison of Net Income

- ✓ 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 and others” →assumptions for 2H will be reviewed.

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Meitec Fielders



Extraordinary losses

- ✓ Four training facilities, the use of which was suspended in 2Q in the previous fiscal year, are to be sold → sales contracts for all four facilities have been concluded.
- ✓ Sales transactions for two of the facilities have been completed and sales gains of roughly 1.0 billion yen have been recorded.
- ✓ Sales transactions for the remaining two are likely to be completed during the current fiscal year → projected gains/losses of ±0.

Major Training Facilities

Nagoya Techno-Center **Atsugi Techno-Center**



(Millions of Yen)

Training Facilities	Impairment loss in 2Q FY2014	Sales status	Gain/loss
Kobe Techno-Center	1,895	Completed	[Total: roughly 1.0 billion yen] (Actual) Gain on sale 1,084 Impairment loss (25) (Forecast) Gain/loss ±0
Nisshin Techno-Center	589		
Atsugi Techno-Center employee dormitory	770	Contracts concluded	
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



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)

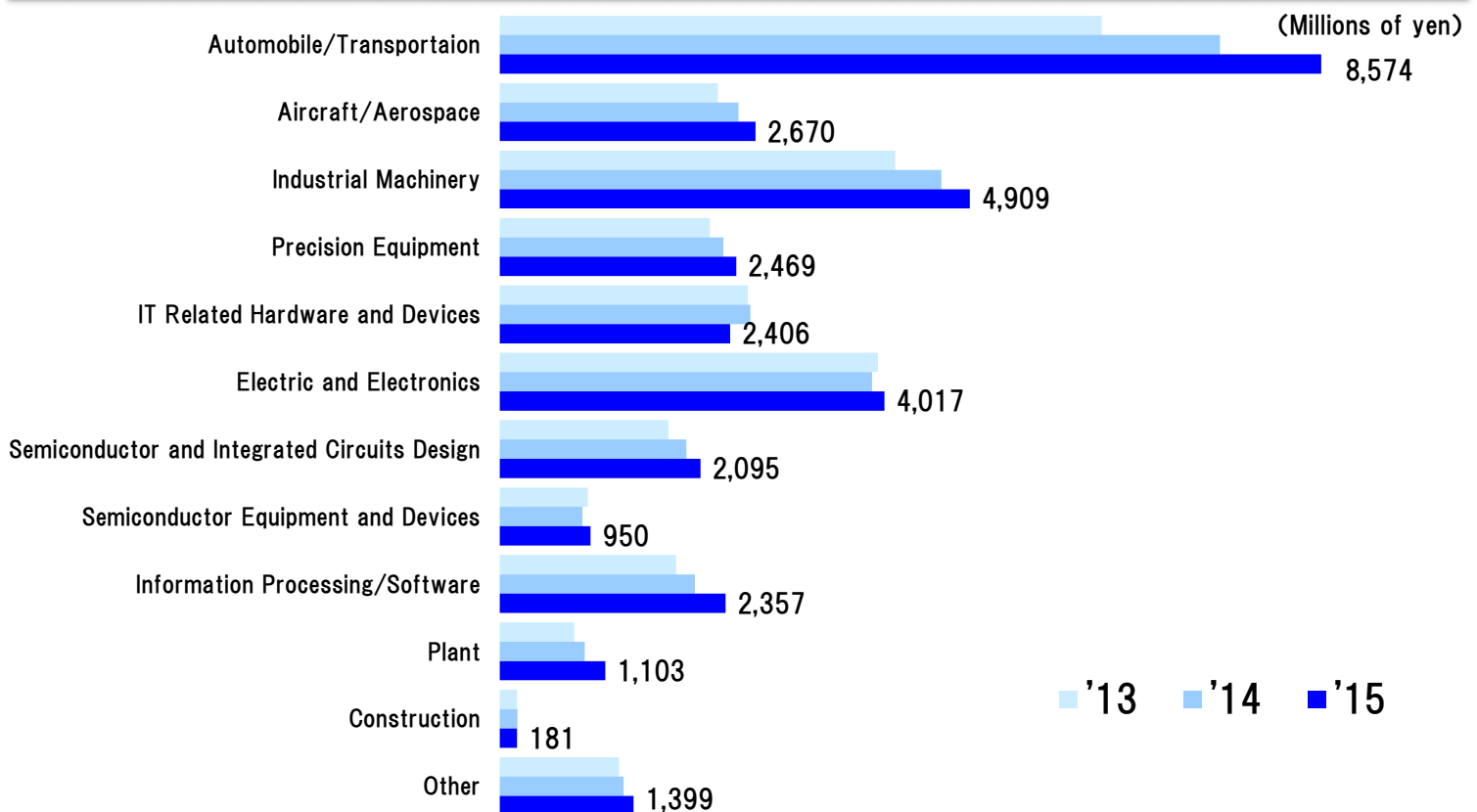
2nd Q of FY 2010			2nd Q of FY 2014			2nd Q of FY 2015		
1	Panasonic		1	Mitsubishi Heavy Industries		1	Canon	
2	Mitsubishi Heavy Industries		2	Canon		2	Mitsubishi Heavy Industries	
3	Canon		3	Denso		3	Denso	
4	Nikon		4	Panasonic		4	Panasonic	
5	Sony		5	Nikon		5	Nikon	
6	Denso		6	Kawasaki Heavy Industries		6	Kawasaki Heavy Industries	
7	Toyota Motor		7	Toyota Motor		7	Omron	
8	Kawasaki Heavy Industries		8	Omron		8	Sony	
9	Seiko Epson		9	Toshiba		9	Mitsubishi Aircraft	
10	Daikin Industries		10	Sony		10	Toyota Motor	
Top 10 Total	7,205	31.7%	Top 10 Total	7,986	26.0%	Top 10 Total	8,517	25.7%
Top 20 Total	9,601	42.3%	Top 20 Total	11,210	36.5%	Top 20 Total	11,855	35.8%
Others	13,098	57.7%	Others	19,472	63.5%	Others	21,276	64.2%
Total	22,698	100.0%	Total	30,682	100.0%	Total	33,131	100.0%

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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.



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2. Forecast for the Fiscal Year Ending March 31, 2016



Forecast・Progress on Mid-term Management Plan

- ✓ We have revised our forecasts for FY2015 in light of recent trends.
- ✓ We have not revised our mid-term management plan, as we have not yet achieved our targets for growth in the number of engineers or the profit margin.

(billion yen)		FY2014 (Actual)		FY2015(Forecast)		FY2016(Targets)	
Group Consolidated							
Net Sales		(79.0)	82.1	(86.0)	86.4	88.0	
Operating Income		(7.7)	9.5	(9.8)	10.0	10.0	
Margin		(9.7%)	11.6%	(11.4%)	11.6%	equal or more than 12%	
Net Income		(4.9)	3.6	(7.0)	7.6	6.0	
ROE			9.9%	(19%)	20%	equal or more than 15%	
Meitec							
Net Sales		(61.5)	64.6	(67.8)	67.9	68.0	
Operating Income		(6.3)	7.9	(8.2)	8.4	8.5	
Margin		(10.2%)	12.3%	(12.1%)	12.4%	equal or more than 13%	
Meitec Fielders							
Net Sales		(11.4)	11.9	(12.8)	13.0	13.5	
Operating Income		(0.9)	1.0	(1.1)	1.1	1.3	
Margin		(7.9%)	9.0%	(8.6%)	8.5%	equal or more than 9.5%	

(Initial Forecast at beginning of the fiscal year)

Forecast for the Fiscal Year Ending March 31, 2016 (Group Consolidated) Comparison to the Previous Fiscal Year

- ✓ We have revised our earnings forecasts in light of recent trends, based on the assumption that the firm order environment will continue.
- ✓ Net sales: 86.4 billion yen (+5.2% year on year), operating income: 10.0 billion yen (+4.8%)
Ordinary income: 10.0 billion yen (+3.7%), net income: 7.6 billion yen (+107.7% year on year, reflecting extraordinary income).

Group Consolidated		Forecast FY ending March 31, 2016	YoY Amount	% Change	2Q ended Sept. 30, 2015	Forecast 2nd Half	YoY Amount	% Change
(Fractions of one million yen are rounded down)								
Net sales		86,400	+4,263	+5.2%	42,143	44,257	+1,421	+3.3%
	Cost of sales	63,800	+3,318	+5.5%	31,321	32,479	+1,364	+4.4%
	SG&A Expenses	12,600	+485	+4.0%	6,077	6,523	+350	+5.7%
Operating income		10,000	+459	+4.8%	4,744	5,256	(292)	(5.3%)
	Operating income margins	11.6%	(0.0%)	/	11.3%	11.9%	(1.1%)	/
Ordinary income		10,000	+356	+3.7%	4,723	5,277	(353)	(6.3%)
Profit attributable to owners of parent		7,600	+3,940	+107.7%	3,798	3,802	+336	+9.7%
Net Income per Share		250.95	+130.83	/	125.43			

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Comparison to the Initial Forecast at the beginning of the Fiscal Year (Group Consolidated)

- ✓ We have raised our full-year net sales forecast by 0.4 billion yen (+0.5%), comprising a hike of roughly 0.4 billion yen for 1H and ±0 billion yen for 2H.
- ✓ We have raised our full-year operating income forecast by 0.2 billion yen (+2.0%), comprising an upward revision of over 0.4 billion yen for 1H and a downward revision of over 0.2 billion yen for 2H → mainly reflecting a change in the timing of some SG&A expenses from 1H to 2H.
- ✓ We have raised our full-year profit attributable to owners of parent forecast by 0.6 billion yen (+8.6%), comprising an upward revision of around 0.5 billion yen for 1H and around 0.1 billion yen for 2H.

Group Consolidated		Forecast FY ending March 31, 2016	Comparison to Initial Forecast	% Change	2Q ended Sept. 30, 2015	Forecast 2nd Half	Comparison to Initial Forecast	% Change
(Fractions of one million yen are rounded down)								
Net sales		86,400	+400	+0.5%	42,143	44,257	+57	+0.1%
	Cost of sales	63,800	+400	+0.6%	31,321	32,479	+179	+0.6%
	SG&A Expenses	12,600	(200)	(1.6%)	6,077	6,523	+123	+1.9%
Operating income		10,000	+200	+2.0%	4,744	5,256	(244)	(4.4%)
	Operating income margins	11.6%	+0.2%	/	11.3%	11.9%	(0.6%)	/
Ordinary income		10,000	+200	+2.0%	4,723	5,277	(223)	(4.1%)
Profit attributable to owners of parent		7,600	+600	+8.6%	3,798	3,802	+102	+2.8%

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Forecast for the Fiscal Year Ending March 31, 2016 (Meitec) Comparison to the Previous Fiscal Year

- ✓ We forecast full-year net sales will increase 3.22 billion yen year on year (+5.0%), comprising growth of 2.45 billion yen for 1H and 0.77 billion yen for 2H, mainly due to an increase in the number of engineers assigned to clients.
- ✓ Profit attributable to owners of parent: 7.0 billion yen (+109.5% year on year, reflecting extraordinary income).

Meitec (Fractions of one million yen are rounded down)	Forecast FY ending Mar.31, 2016	YoY Amount	% Change	2Q ended	Forecast	YoY Amount	% Change
				Sept. 30, 2015	2nd Half		
Net sales	67,900	+3,224	+5.0%	33,131	34,769	+775	+2.3%
Cost of sales	50,300	+2,442	+5.1%	24,758	25,542	+775	+3.1%
Cost of sales to Net sales	74.1%	+0.1%		74.7%	73.5%	+0.6%	
SG&A Expenses	9,200	+308	+3.5%	4,444	4,756	+189	+4.1%
Operating income	8,400	+474	+6.0%	3,927	4,473	(186)	(4.0%)
Operating income margins	12.4%	+0.1%		11.9%	12.9%	(0.8%)	
Ordinary income	8,900	+461	+5.5%	4,395	4,505	(235)	(5.0%)
Net income	7,000	+3,659	+109.5%	3,749	3,251	+83	+2.6%
Utilization ratio (Company-wide)	96.8%	+0.7%		96.0%	97.7%	(0.6%)	
Working Hours<h/day>	8.77	(0.16)		8.77	8.78	(0.19)	
Number of Recruitment	489	(70)		Expected New Graduates for April 2016		Comparison to Previous Year	
Newly graduated	299	(79)		332		+33	
Mid-career	190	+9					
Turnover Ratio	4.4%	+0.9%					

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Comparison to the Initial Forecast at the beginning of the Fiscal Year (Meitec)

- ✓ We have raised our full-year net sales forecast by 0.1 billion yen (+0.1%), comprising a increase of roughly 0.1 billion yen for 1H and ±0 billion yen for 2H (no change). →Forecast for 2H was not changed from the initial forecast by assuming a positive effect of the high utilization ratio offsetting a negative effect of the decrease in working hours.
- ✓ We have raised our full-year operating income forecast by 0.2 billion yen (+2.4%), comprising an upward revision of around 0.3 billion yen for 1H and a downward revision of around 0.1 billion yen for 2H. →mainly reflecting a change in the timing of some SG&A expenses from 1H to 2H.

Meitec (Fractions of one million yen are rounded down)	Forecast FY ending Mar.31, 2016	Comparison to Initial Forecast	% Change	2Q ended	Forecast	Comparison to Initial Forecast	% Change
				Sept. 30, 2015	2nd Half		
Net sales	67,900	+100	+0.1%	33,131	34,769	(31)	(0.1%)
Cost of sales	50,300	—	+0.0%	24,758	25,542	+42	+0.2%
Cost of sales to Net sales	74.1%	(0.1%)		74.7%	73.5%	+0.2%	
SG&A Expenses	9,200	(100)	(1.1%)	4,444	4,756	+56	+1.2%
Operating income	8,400	+200	+2.4%	3,927	4,473	(127)	(2.8%)
Operating income margins	12.4%	+0.3%		11.9%	12.9%	(0.4%)	
Ordinary income	8,900	+200	+2.3%	4,395	4,505	(95)	(2.1%)
Net income	7,000	+500	+7.7%	3,749	3,251	+151	+4.9%
Utilization ratio (Company-wide)	96.8%	+0.6%		96.0%	97.7%	+0.6%	
Working Hours<h/day>	8.77	(0.15)		8.77	8.78	(0.15)	
Number of Recruitment	489	—		Expected New Graduates for April 2016		Comparison to Initial Forecast	
Newly graduated	299	—		332		+22	
Mid-career	190	—					
Turnover Ratio	4.4%	(0.6%)					

Comparison to Initial Forecast
+0.8%

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Forecast for the Fiscal Year Ending March 31, 2016 Comparison to the Previous Fiscal Year (Meitec Fielders)

✓ We forecast full-year net sales will increase 1.09 billion yen year on year (+9.1%), comprising growth of 0.63 billion yen for 1H and 0.46 billion yen for 2H, mainly due to an increase in the number of engineers assigned to clients.

Meitec Fielders (Fractions of one million yen are rounded down)		Forecast FY ending Mar.31, 2016	YoY Amount	% Change	2Q ended Sept. 30, 2015	Forecast 2nd Half	YoY Amount	% Change
Net sales		13,000	+1,088	+9.1%	6,386	6,614	+456	+7.4%
Cost of sales		10,100	+945	+10.3%	4,965	5,135	+434	+9.2%
	Cost of sales to Net sales	77.7%	+0.8%		77.7%	77.6%	+1.3%	
SG&A Expenses		1,800	+117	+7.0%	873	927	+57	+6.6%
Operating income		1,100	+26	+2.4%	547	553	(34)	(5.8%)
	Operating income margins	8.5%	(0.6%)		8.6%	8.4%	(1.2%)	
Ordinary income		1,100	+25	+2.3%	548	552	(35)	(6.0%)
Net income		700	+51	+7.9%	349	351	—	+0.0%
Utilization ratio (Company-wide)		95.7%	(0.3%)		94.2%	97.2%	(1.3%)	
Working Hours<h/day>		8.93	(0.11)		8.90	8.96	(0.12)	
Number of Recruitment		280	(2)					
	Newly graduated	175	+2					
	Mid-career	105	(4)					
Turnover Ratio		8.1%	(0.3%)					
					Expected New Graduates for April 2016		Comparison to Previous Year	
					173		(2)	

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Comparison to the Initial Forecast at the beginning of the Fiscal Year (Meitec Fielders)

✓ We have raised our full-year net sales forecast by 0.2 billion yen (+1.6%), comprising an increase of roughly 0.2 billion yen for 1H and roughly ±0 billion yen for 2H (no change).
→Forecast for 2H was not changed from the initial forecast by assuming a positive effect of the high utilization ratio offsetting a negative effect of the decrease in working hours as Meitec.

Meitec Fielders (Fractions of one million yen are rounded down)		Forecast FY ending Mar.31, 2016	Comparison to Initial Forecast	% Change	2Q ended Sept. 30, 2015	Forecast 2nd Half	Comparison to Initial Forecast	% Change
Net sales		13,000	+200	+1.6%	6,386	6,614	+14	+0.2%
Cost of sales		10,100	+200	+2.0%	4,965	5,135	+35	+0.7%
	Cost of sales to Net sales	77.7%	+0.3%		77.7%	77.6%	+0.4%	
SG&A Expenses		1,800	—	+0.0%	873	927	+27	+3.0%
Operating income		1,100	—	+0.0%	547	553	(47)	(7.8%)
	Operating income margins	8.5%	(0.1%)		8.6%	8.4%	(0.7%)	
Ordinary income		1,100	—	+0.0%	548	552	(48)	(8.0%)
Net income		700	—	+0.0%	349	351	(49)	(12.3%)
Utilization ratio (Company-wide)		95.7%	+0.8%		94.2%	97.2%	+0.1%	
Working Hours<h/day>		8.93	(0.11)		8.90	8.96	(0.13)	
Number of Recruitment		280	—					
	Newly graduated	175	—					
	Mid-career	105	—					
Turnover Ratio		8.1%	(0.4%)					
					Expected New Graduates for April 2016		Comparison to Initial Forecast	
					173		(17)	

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Basic Policy Regarding Profit Distribution

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

Revised May 2011
Basic Policy
Regarding Profit
distribution

Total Return Ratio
Basically within 100%

Dividend

Dividend related to performances	Equal or more than 50% of consolidated net profit
Minimum Dividend	Equal or more than Dividend on Equity ratio (DOE) 5%

Treasury Stock Acquisition

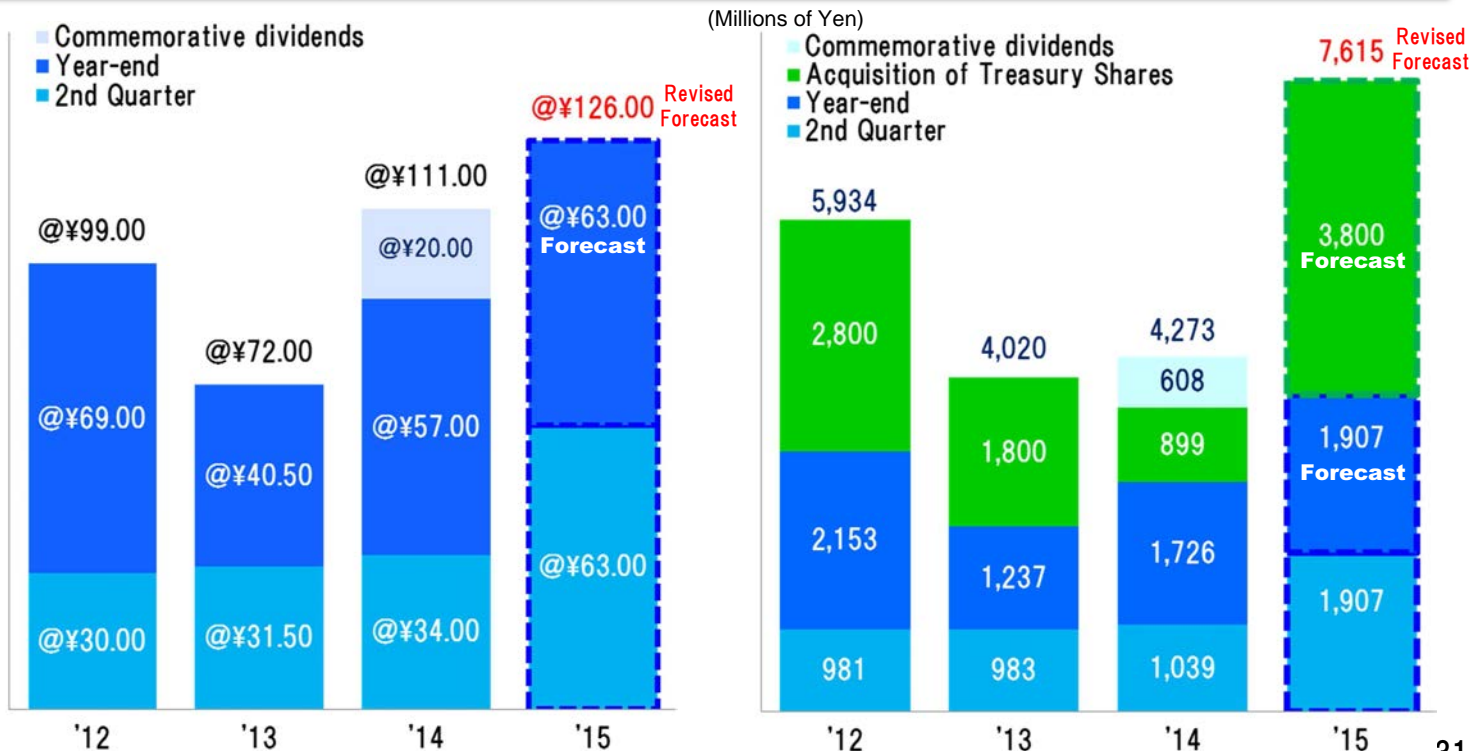
Acquisition of treasury stock	Consolidated cash position excess of 3 months net sales to be planned for acquisition of the treasury stock
Retain Maximum of 2 million shares	Retired Excess above maxim to be retired

- Three 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.

Results and Forecast of Profit Distribution 1/2

- ✓ We have raised our forecast for profit distribution in line with upward revision to our full-year earnings forecasts.
- ✓ We now forecast a full-year regular dividend of 126 yen per share (totaling around 3.8 billion yen) and acquisition of treasury shares of 3.8 billion yen.

* Total return ratio 100% = (ordinary dividends 3.8billion yen + purchase of treasury stock amount 3.8billion yen) ÷ forecast net income 7.6 billion yen



✓ **Details of actual profit distribution and our new forecasts are shown below.**

(Millions of Yen, @Yen)	Forecast FY ending March 31, 2016					FY ended March 31, 2015			
	Revised Forecast	Initial Forecast	Initial Forecast	YoY Amount	YoY Amount	C=D+E	D	E	
	A	B	=A-B	=A-D:Regular	=A-C		Regular	Commemorative	
Profit attributable to owners of parent	7,600	7,000	+600	+3,940	+3,940	3,659	3,659		
Total Shareholders Return	7,615	7,013	+602	+3,951	+3,342	4,273	3,664	608	
Annual Dividends	Millions of Yen	3,815	3,513	+302	+1,050	+442	3,373	2,765	608
	Per Share	@126.00	@116.00	+¥10.00	+¥35.00	+¥15.00	@111.00	@91.00	@20.00
2nd Quarter	Millions of Yen	1,907	1,650	+257	+869	+563	1,344	1,038	305
	Per Share	@63.00	@54.50	+¥8.50	+¥29.00	+¥19.00	@44.00	@34.00	@10.00
Year-end	Millions of Yen	1,907	1,862	+45	+181	(121)	2,029	1,726	302
	Per Share	@63.00	@61.50	+¥1.50	+¥6.00	(¥4.00)	@67.00	@57.00	@10.00
Acquisition of Treasury Stock	Millions of Yen	3,800	3,500	+300	+2,900	+2,900	899	899	not subject
	shares	950,000	still undecided		+681,300	+681,300	268,700	268,700	
Total Return Ratio		100.2%	100.2%	+0.0%	+0.1%	(16.6%)	116.8%	100.1%	

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Basic Stance on Corporate Governance and Other Policies

✓ **Meitec has formulated a Basic Stance on Corporate Governance and other policies, including standards for the selection of directors and audit & supervisory board members, standards establishing the independence of outside executives, and policies regarding communication with investors and other parties**

⇒ These policies have been disclosed on our website in our Corporate Governance Report submitted to the Tokyo Stock Exchange. (<http://www.meitec.co.jp/e/company/principal/governance.html>)

✓ **In accordance with the intent of the Corporate Governance Code, we have deepened dialogue regarding this matter through ongoing discussions between the CEO and outside executives**

✓ **We intend to provide further explanations about three specific areas (executive remuneration, distribution of convocation notice of shareholders' meeting, and internal whistleblower system)**

⇒ We plan to review our policy on executive remuneration by the next general meeting of shareholders in June 2016*

*Current summary of executive remuneration

Individual pay (monthly) already disclosed

Combined performance-linked pay equivalent to 2% of consolidated profit attributable to owners of parent

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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.

3. Reference Materials

人と技術で次代を拓く

MEITEC

メイテックグループ

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

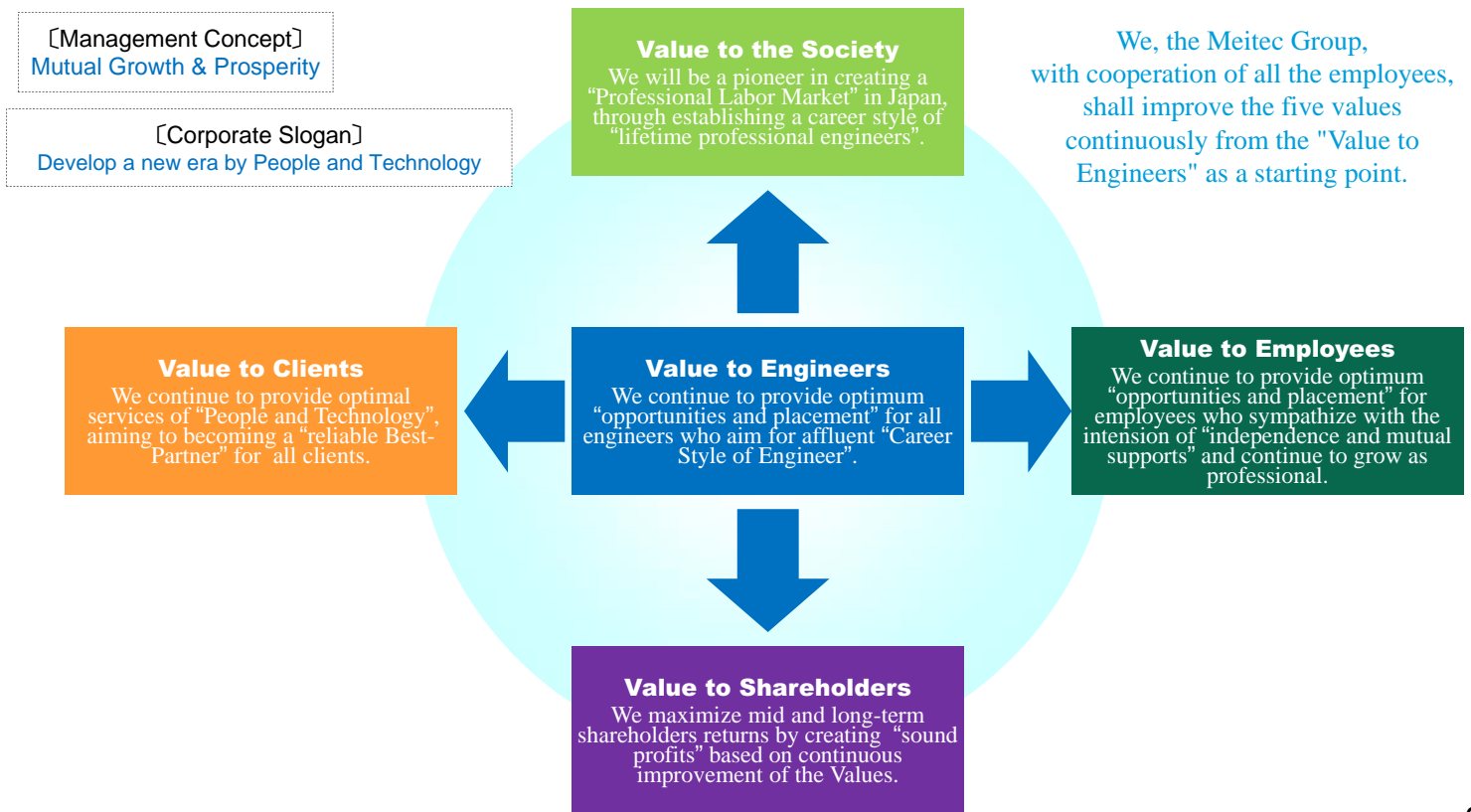
〈Largest number of transactions in the industry & the best quality in the industry; a pioneer〉

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

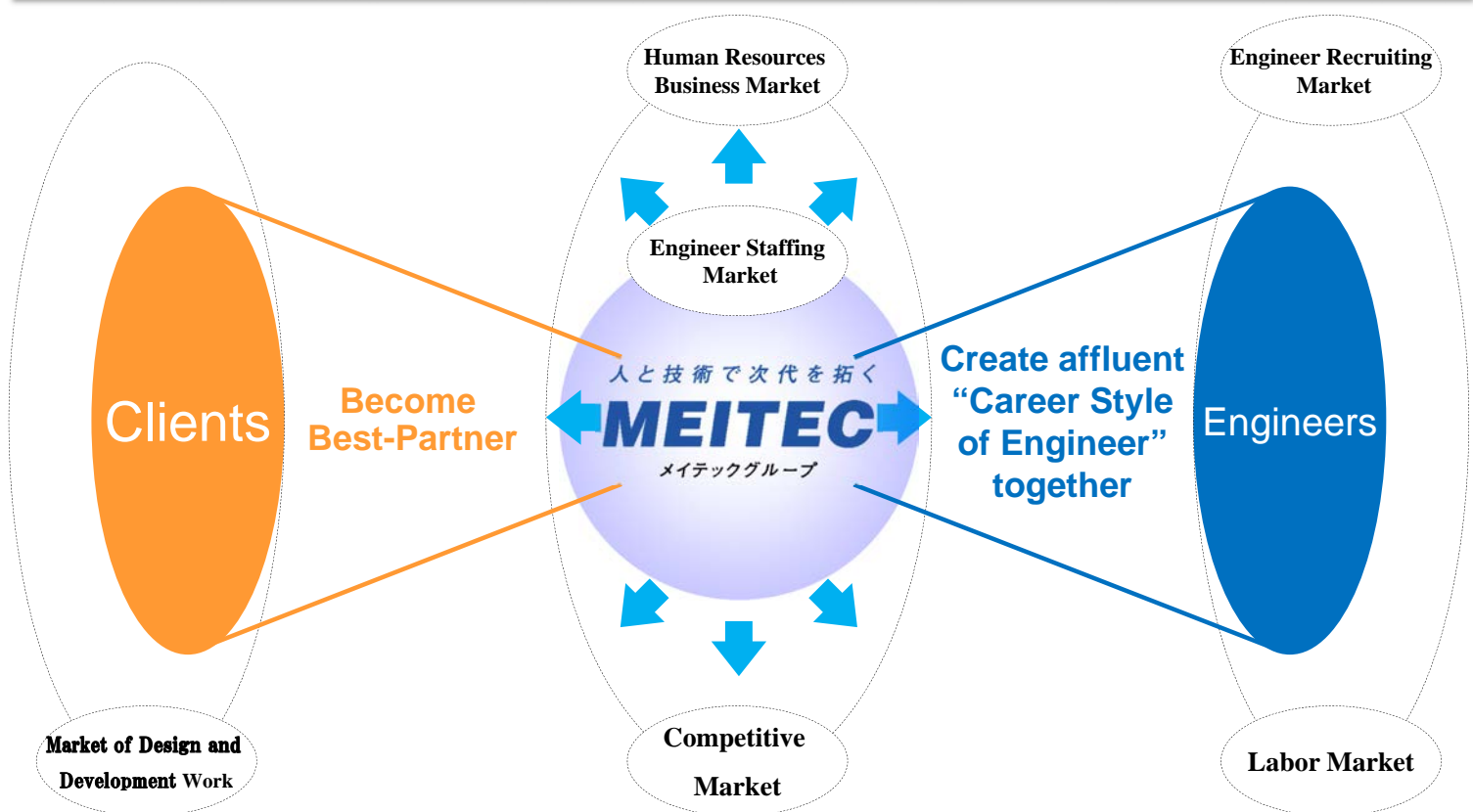
〈More than 4,000 companies in total over the 40 years since the company was established〉

- ✓ 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



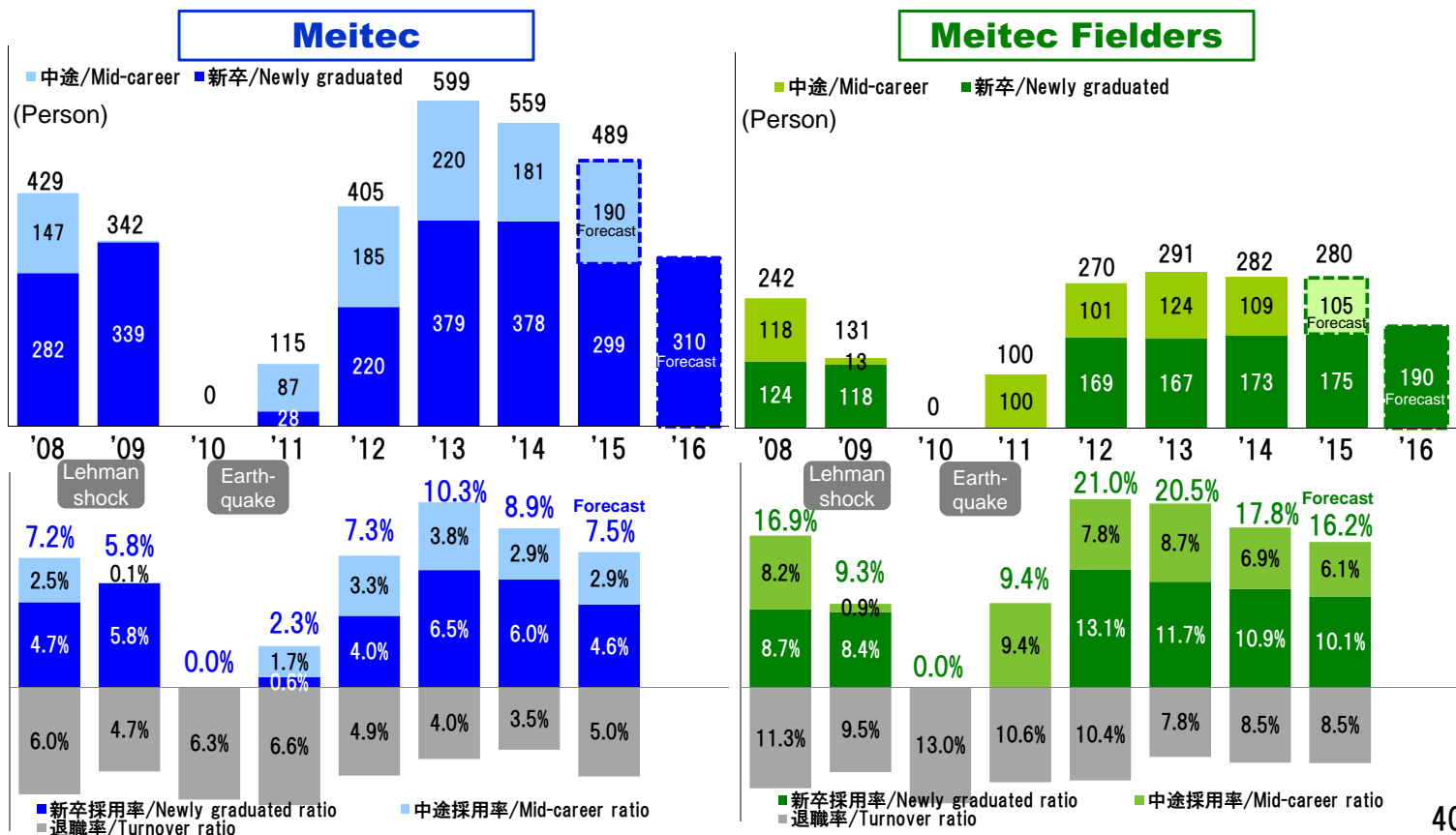
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- ✓ We have set a business policy that clearly states the values provided by the Group to service users, through a review of our management concept and corporate slogan as well as our “ideal state.”



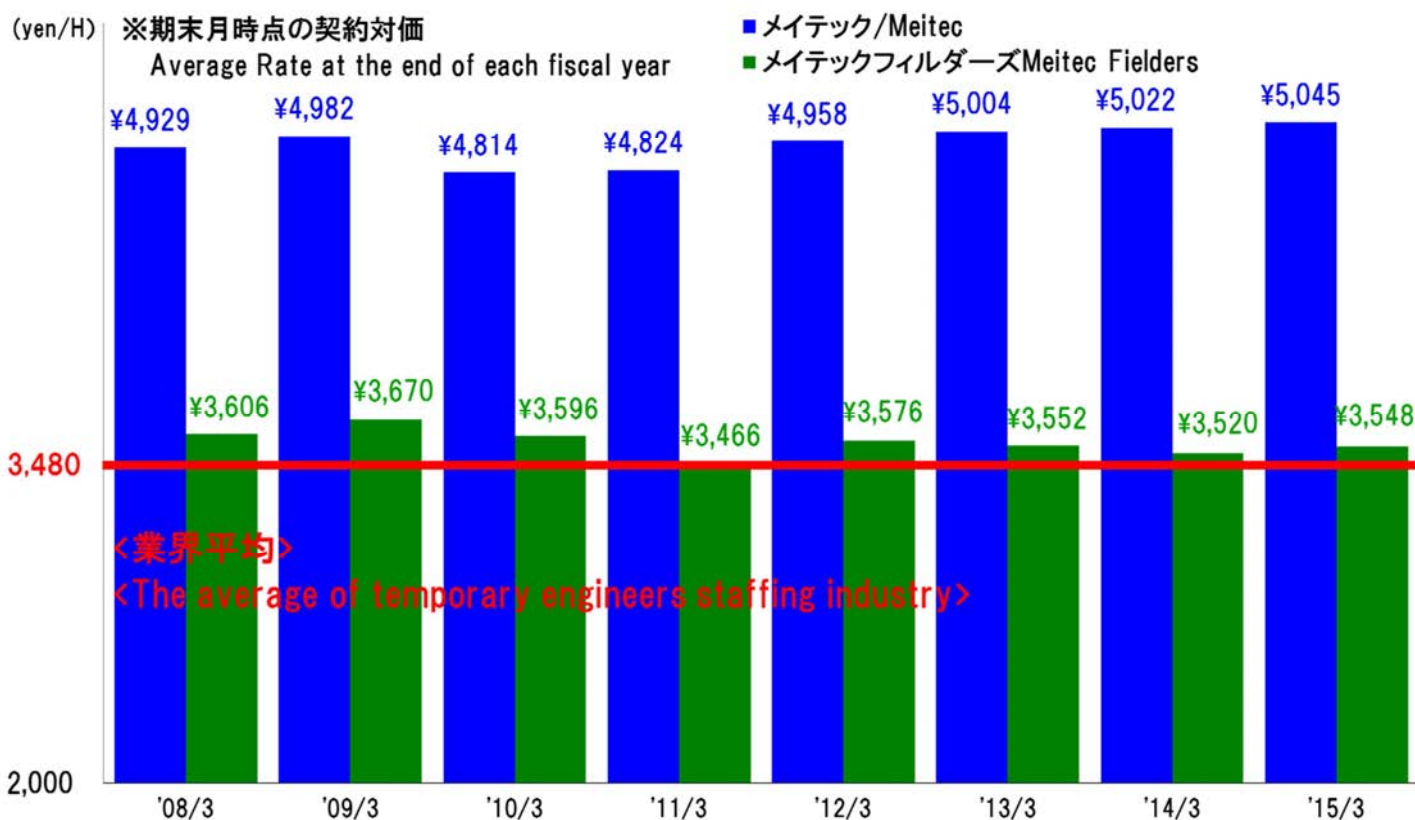
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- ✓ Start-of-year forecasts (disclosed May 2015), provided for reference purposes.
- ✓ Recruitment and Turnover will be disclosed at the time of disclosure of the results of the fiscal year.

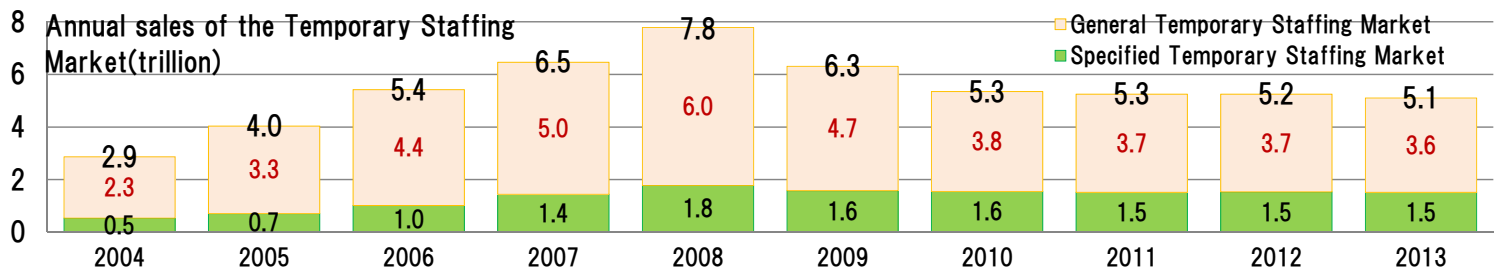
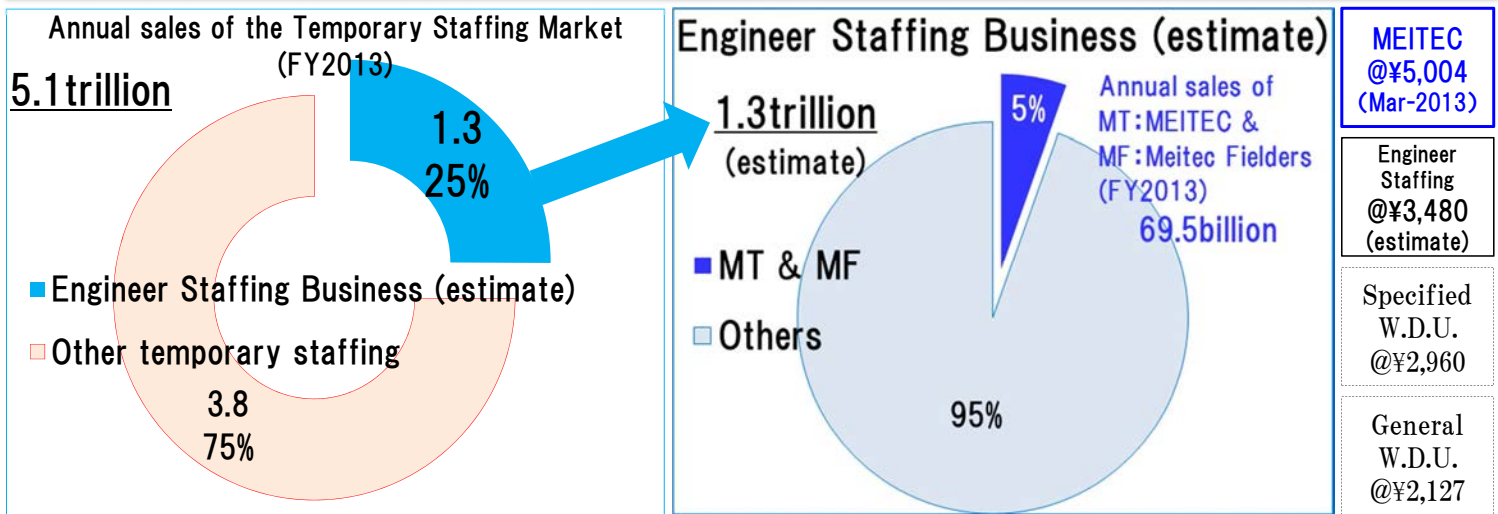


Trend in Average Rate = (Market Value)

- ✓ Re-posted (data disclosed in May 2015)
- ✓ Average rate will be disclosed at the time of disclosure of the results of the fiscal year.



- ✓ 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".

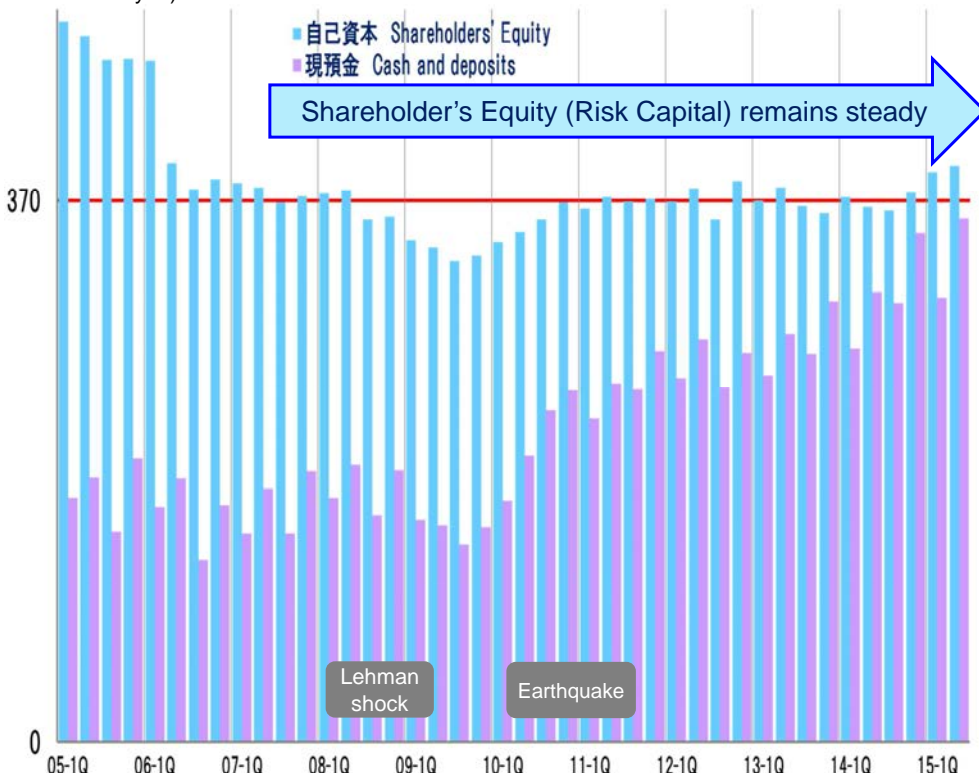


Original source: 2013 MHLW statistics . We calculated the estimate originally. * We assume no responsibility for our estimation.

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.

Sales by the Industrial Segments (Meitec)

Millions of Yen

Meitec	2Q FY2011	2Q FY2012	2Q FY2013	2Q FY2014	2Q FY2015			
	Nete Sales				Net Sales	Total Net Sales(%)	Change	Change (%)
Automobile/Transportation	4,562	5,529	6,283	7,517	8,574	25.9%	+1,056	+14.1%
Aircraft/Aerospace	1,893	2,099	2,276	2,492	2,670	8.1%	+177	+7.1%
Industrial Machinery	3,834	4,081	4,130	4,611	4,909	14.8%	+296	+6.4%
Precision Equipment	1,697	1,977	2,194	2,335	2,469	7.5%	+133	+5.7%
IT Related Hardware and Devices	2,504	2,492	2,588	2,618	2,406	7.3%	(211)	(8.1%)
Electric and Electronics	4,268	4,335	3,946	3,886	4,017	12.1%	+129	+3.3%
Semiconductors and Integrated Circuits Design	1,632	1,658	1,760	1,949	2,095	6.3%	+146	+7.5%
Semiconductor Equipment and Devices	875	908	920	865	950	2.9%	+84	+9.8%
Information Processing/Software	1,862	1,900	1,843	2,036	2,357	7.1%	+320	+15.7%
Plant	705	769	778	888	1,103	3.3%	+215	+24.2%
Construction	141	172	182	187	181	0.5%	(6)	(3.4%)
Others	1,277	1,199	1,246	1,292	1,399	4.2%	+106	+8.2%
Total	25,256	27,125	28,150	30,682	33,131	+100.0%	+2,449	+8.0%

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Sales by the Industrial Segments (Meitec Fielders)

Millions of Yen

Meitec Fielders	2Q FY2011	2Q FY2012	2Q FY2013	2Q FY2014	2Q FY2015			
	Nete Sales				Net Sales	Total Net Sales(%)	Change	Change (%)
Automobile/Transportation	904	1,249	1,551	1,981	2,385	+37.3%	+ 403	+ 20.4%
Aircraft/Aerospace	47	74	91	95	115	+1.8%	+ 20	+ 21.0%
Industrial Machinery	578	611	715	862	941	+14.7%	+ 78	+ 9.1%
Precision Equipment	556	603	763	820	808	+12.7%	(12)	(1.5%)
IT Related Hardware and Devices	156	163	169	201	209	+3.3%	+ 8	+ 4.1%
Electric and Electronics	867	873	735	768	819	+12.8%	+ 51	+ 6.7%
Semiconductors and Integrated Circuits Design	359	264	234	226	233	+3.7%	+ 6	+ 2.9%
Semiconductor Equipment and Devices	264	200	234	196	230	+3.6%	+ 33	+ 17.2%
Information Processing/Software	40	73	111	164	168	+2.6%	+ 3	+ 2.3%
Plant	63	91	132	183	225	+3.5%	+ 41	+ 22.6%
Construction	10	44	46	12	7	+0.1%	(4)	(37.4%)
Others	66	70	58	240	242	+3.8%	+ 1	+ 0.8%
Total	3,942	4,113	4,513	5,753	6,386	+100.0%	632	+11.0%

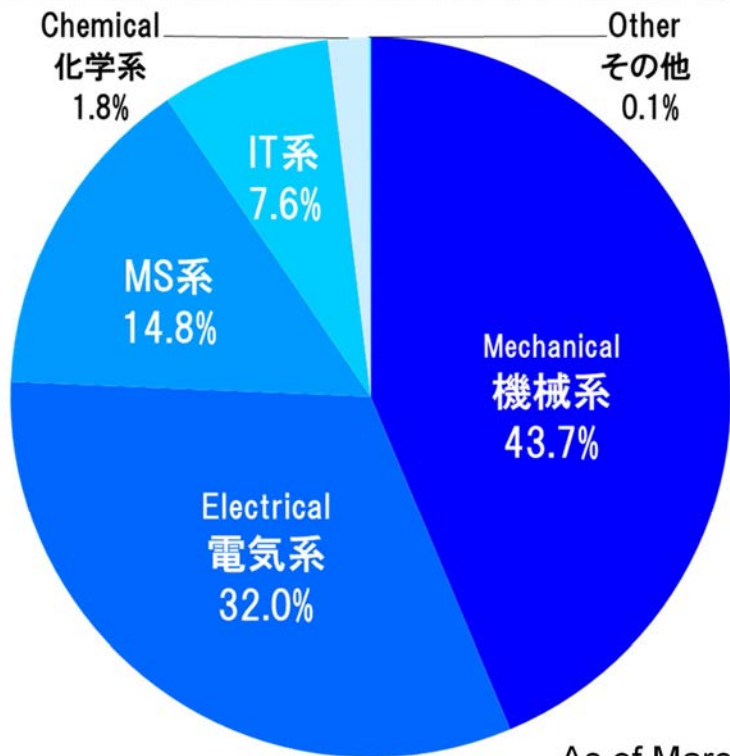
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Distribution of Engineers by Technical Fields and Age

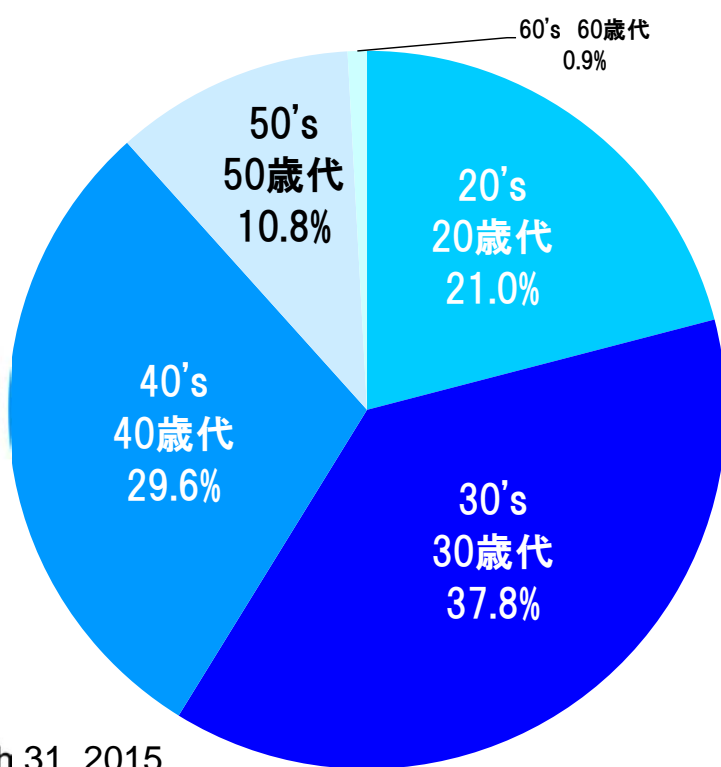
Re-posted

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

技術分野/Technical field



年齢/According to age



As of March 31, 2015

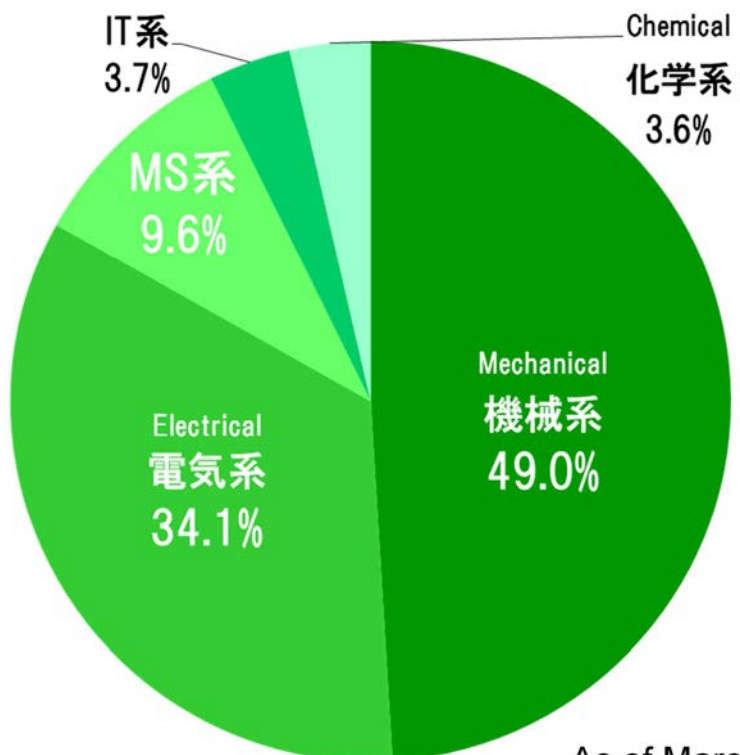
MS: Micro Computer System

Distribution of Engineers by Technical Fields and Age

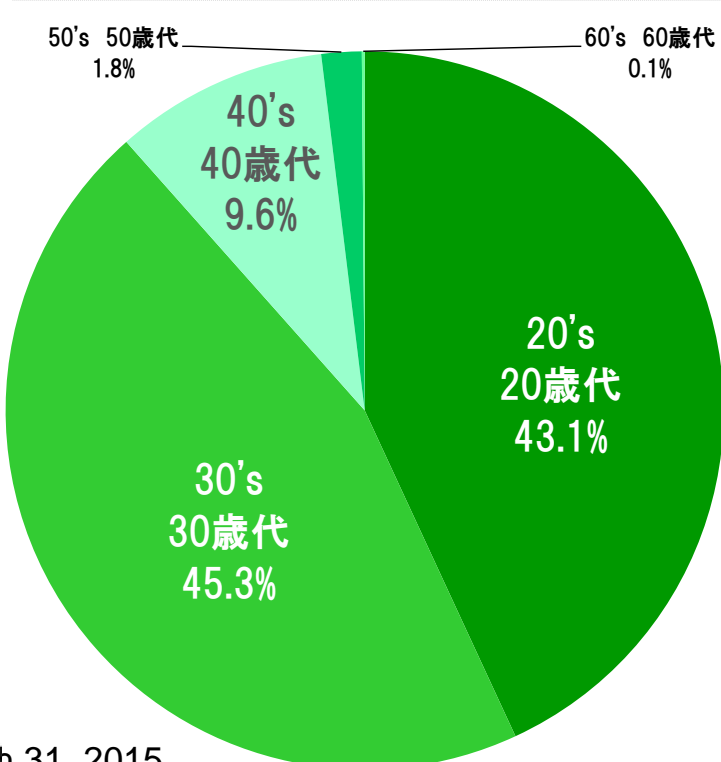
Re-posted

- ✓ Mechanical and electrical engineering account for approx. 80% in the technical fields of Meitec Fielders engineers.
- ✓ A large percentage of Meitec Fielders engineers are in their 20's, 30's.

技術分野/Technical field



年齢/According to age



As of March 31, 2015

MS: Micro Computer System

Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2016 (Group Companies)

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

(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	33,131	6,386	1,299	29	639	68	25	846
YoY Amount	+2,448	+632	+63	+3	+103	+14	(18)	+109
% Change	+8.0%	+11.0%	+5.1%	+15.2%	+19.3%	+26.5%	(42.5%)	+14.9%
Operating income	3,927	547	46	(14)	204	29	(24)	10
YoY Amount	+662	+61	+2	+1	+23	+21	+21	+25
% Change	+20.3%	+12.6%	+4.8%	—	+13.2%	+292.7%	—	—
Ordinary income	4,395	548	46	(14)	204	29	(24)	11
Net income	3,749	349	29	(14)	136	25	(24)	5

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Forecast for the Fiscal Year Ending March 31, 2016

- ✓ Forecast of performance by subsidiary
- ✓ Meitec Next (recruiting & placement business) plans a net sales increase of +15% 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	67,900	13,000	2,600	60	1,300	140	70	1,700
YoY Amount	+3,224	+1,088	+75	+6	+168	+22	(32)	+41
% Change	+5.0%	+9.1%	+3.0%	+12.1%	+14.9%	+19.5%	(31.8%)	+2.5%
Operating income	8,400	1,100	80	(30)	380	40	(30)	30
YoY Amount	+474	+26	(17)	(1)	(5)	+14	+24	+18
% Change	+6.0%	+2.4%	(18.2%)	+4.9%	(1.4%)	+58.2%	(45.0%)	+152.9%
Ordinary income	8,900	1,100	80	(30)	380	40	(40)	30
Net income	7,000	700	50	(30)	250	40	(40)	30

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Trend of Performances (Consolidated)

(Millions of Yen)	2008-2Q	2009-2Q	2010-2Q	2011-2Q	2012-2Q	2013-2Q	2014-2Q	2015-2Q
Net sales	41,396	26,203	29,357	31,937	34,130	35,754	39,300	42,143
Cost of sales	29,429	23,478	23,628	24,052	25,119	26,607	29,366	31,321
Cost of sales to Net sales	71.1%	89.6%	80.5%	75.3%	73.6%	74.4%	74.7%	74.3%
Gross profit	11,966	2,724	5,728	7,885	9,010	9,146	9,934	10,822
Selling, general and administrative expenses	6,591	5,973	5,065	5,556	6,119	6,239	5,941	6,077
SG&A expenses to Net sales	15.9%	22.8%	17.3%	17.4%	17.9%	17.4%	15.1%	14.4%
Operating income	5,375	(3,248)	662	2,328	2,891	2,907	3,992	4,744
Operating income margins	13.0%	(12.4%)	2.3%	7.3%	8.5%	8.1%	10.2%	11.3%
Non-operating income	53	2,456	1,468	46	74	33	24	14
Non-operating expenses	33	58	43	24	20	9	3	35
Ordinary income	5,395	(850)	2,087	2,350	2,945	2,931	4,012	4,723
Ordinary income margins	13.0%	(3.2%)	7.1%	7.4%	8.6%	8.2%	10.2%	11.2%
Extraordinary income	10	26	297	—	47	—	7	1,084
Extraordinary loss	60	26	83	2	206	18	3,464	30
Income before income taxes and minority interests	5,345	(850)	2,302	2,347	2,786	2,913	555	5,777
Total income taxes and Minority interests in income (loss)	2,305	364	686	1,051	1,094	1,207	362	1,979
Net income	3,039	(1,214)	1,615	1,295	1,692	1,706	193	3,798
Net income margins	7.3%	(4.6%)	5.5%	4.1%	5.0%	4.8%	0.5%	9.0%

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Trend of Performances (Meitec)

(Millions of Yen)	2008-2Q	2009-2Q	2010-2Q	2011-2Q	2012-2Q	2013-2Q	2014-2Q	2015-2Q
Net sales	31,163	20,097	22,698	25,256	27,125	28,150	30,682	33,131
Cost of sales	22,095	18,015	18,629	19,180	20,081	21,094	23,091	24,758
Cost of sales to Net sales	70.9%	89.6%	82.1%	75.9%	74.0%	74.9%	75.3%	74.7%
Gross profit	9,067	2,082	4,069	6,075	7,043	7,056	7,591	8,372
Selling, general and administrative expenses	4,082	4,013	3,829	4,131	4,583	4,664	4,325	4,444
SG&A expenses to Net sales	13.1%	20.0%	16.9%	16.4%	16.9%	16.6%	14.1%	13.4%
Operating income	4,985	(1,931)	239	1,944	2,460	2,392	3,265	3,927
Operating income margins	16.0%	(9.6%)	1.1%	7.7%	9.1%	8.5%	10.6%	11.9%
Non-operating income	510	2,070	1,350	337	291	403	435	497
Non-operating expenses	24	28	16	19	11	4	3	30
Ordinary income	5,471	109	1,573	2,262	2,739	2,791	3,697	4,395
Ordinary income margins	17.6%	0.5%	6.9%	9.0%	10.1%	9.9%	12.0%	13.3%
Extraordinary income	5	1	1	—	—	—	8	1,084
Extraordinary loss	56	15	73	2	210	43	3,463	43
Income before income taxes and minority interests	5,420	95	1,501	2,260	2,528	2,748	242	5,437
Total income taxes and Minority interests in income (loss)	2,018	64	600	904	935	1,003	70	1,687
Net income	3,402	31	900	1,356	1,593	1,745	172	3,749
Net income margins	10.9%	0.2%	4.0%	5.4%	5.9%	6.2%	0.6%	11.3%

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Trend of Performances (Meitec Fielders)

(Millions of Yen)	2008-2Q	2009-2Q	2010-2Q	2011-2Q	2012-2Q	2013-2Q	2014-2Q	2015-2Q
Net sales	5,531	3,402	3,942	4,113	4,513	5,037	5,753	6,386
Cost of sales	4,029	3,372	3,138	3,134	3,436	3,879	4,453	4,965
Cost of sales to Net sales	72.8%	99.1%	79.6%	76.2%	76.1%	77.0%	77.4%	77.7%
Gross profit	1,502	30	804	978	1,076	1,157	1,300	1,421
Selling, general and administrative expenses	1,032	990	549	738	807	806	813	873
SG&A expenses to Net sales	18.7%	29.1%	13.9%	17.9%	17.9%	16.0%	14.1%	13.7%
Operating income	469	(960)	254	240	269	351	486	547
Operating income margins	8.5%	(28.2%)	6.4%	5.8%	6.0%	7.0%	8.5%	8.6%
Non-operating income	4	455	136	2	1	1	—	—
Non-operating expenses	—	1	—	—	—	—	—	—
Ordinary income	474	(506)	389	242	270	352	486	548
Ordinary income margins	8.6%	(14.9%)	9.9%	5.9%	6.0%	7.0%	8.5%	8.6%
Extraordinary income	—	—	—	—	—	—	—	—
Extraordinary loss	—	—	1	—	—	—	—	—
Income before income taxes and minority interests	473	(507)	389	242	270	352	486	548
Total income taxes and Minority interests in income (loss)	197	277	15	96	102	133	189	198
Net income	276	(785)	373	145	167	218	297	349
Net income margins	5.0%	(23.1%)	9.5%	3.5%	3.7%	4.3%	5.2%	5.5%

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Trend of Performances (Meitec NEXT)

(Millions of Yen)	2008-2Q	2009-2Q	2010-2Q	2011-2Q	2012-2Q	2013-2Q	2014-2Q	2015-2Q
Net sales	275	173	215	283	368	447	536	639
Cost of sales								
Cost of sales to Net sales								
Gross profit	275	173	215	283	368	447	536	639
Selling, general and administrative expenses	289	180	162	203	246	278	355	435
SG&A expenses to Net sales	105.2%	104.0%	75.1%	71.7%	67.0%	62.2%	66.3%	68.0%
Operating income	(14)	(6)	53	80	121	169	180	204
Operating income margins	(5.2%)	(4.0%)	24.9%	28.3%	33.0%	37.8%	33.7%	32.0%
Non-operating income	—	—	1	—	—	—	—	—
Non-operating expenses	—	—	—	—	—	—	—	—
Ordinary income	(14)	(6)	55	80	121	169	180	204
Ordinary income margins	(5.2%)	(3.9%)	25.5%	28.4%	33.0%	37.9%	33.7%	32.0%
Extraordinary income	—	—	—	—	—	—	—	—
Extraordinary loss	—	—	—	—	—	—	—	—
Income before income taxes and minority interests	(14)	(6)	54	80	121	169	180	204
Total income taxes and Minority interests in income (loss)	—	—	—	—	9	55	64	67
Net income	(14)	(7)	54	80	112	114	116	136
Net income margins	(5.3%)	(4.1%)	25.1%	28.4%	30.5%	25.5%	21.6%	21.4%

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Trend of Profit Distributions and Forecast

										Actual	Forecast	
										FY2014	FY2015	
	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013			
Dividend Payout ratio	65.1%	1,085.7%	50.5%	58.9%	—	24.7%	68.5%	53.2%	56.1%	92.4%	50.2%	
Dividend on Equity	7.1%	7.4%	6.5%	6.9%	2.4%	2.6%	5.2%	8.4%	6.0%	9.2%		
Annual Dividends	Per Share	@¥90.50	@¥89.00	@¥72.00	@¥75.00	@¥24.50	@¥27.50	@¥58.50	@¥99.00	@¥72.00	@¥111.00	@¥126.00
	Millions of Yen	3,329	3,162	2,488	2,518	812	911	1,925	3,134	2,220	3,373	3,815
2nd Quarter	Per Share	@¥44.00	@¥44.00	@¥37.50	@¥47.00	@¥24.50		@¥29.00	@¥30.00	@¥31.50	@¥44.00	@¥63.00
	Millions of Yen	1,630	1,579	1,304	1,590	812		961	981	983	1,344	1,907
Year-end	Per Share	@¥46.50	@¥45.00	@¥34.50	@¥28.00		@¥27.50	@¥29.50	@¥69.00	@¥40.50	@¥67.00	@¥63.00
	Millions of Yen	1,699	1,583	1,184	928		911	965	2,153	1,237	2,029	1,907
Acquisition of Treasury Shares	Thousands of shares	1,405	1,353	857	1,174			421	1,506	641	269	
	Millions of Yen	5,100	5,099	3,100	2,800			700	2,800	1,800	899	3,800
Total Shareholders Return	Millions of Yen	8,429	8,261	5,588	5,318	812	911	2,625	5,934	4,020	4,273	7,615
Retirement of Treasury Stock	Thousands of shares	1,562	1,400		342			400	1,700	500	300	
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
	As of March 31	¥3,870	¥3,800	¥3,020	¥1,216	¥1,831	¥1,664	¥1,669	¥2,343	¥2,930	¥4,025	
Net Income per Share		@¥138.93	@¥8.20	@¥142.64	@¥127.31	@¥(27.30)	@¥111.33	@¥85.45	@¥186.08	@¥128.30	@¥120.12	@¥250.95
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	

Mid-term Management Plan of Meitec Group 2014~2016 (Professional Staffing Business for Engineers)

- ✓ 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

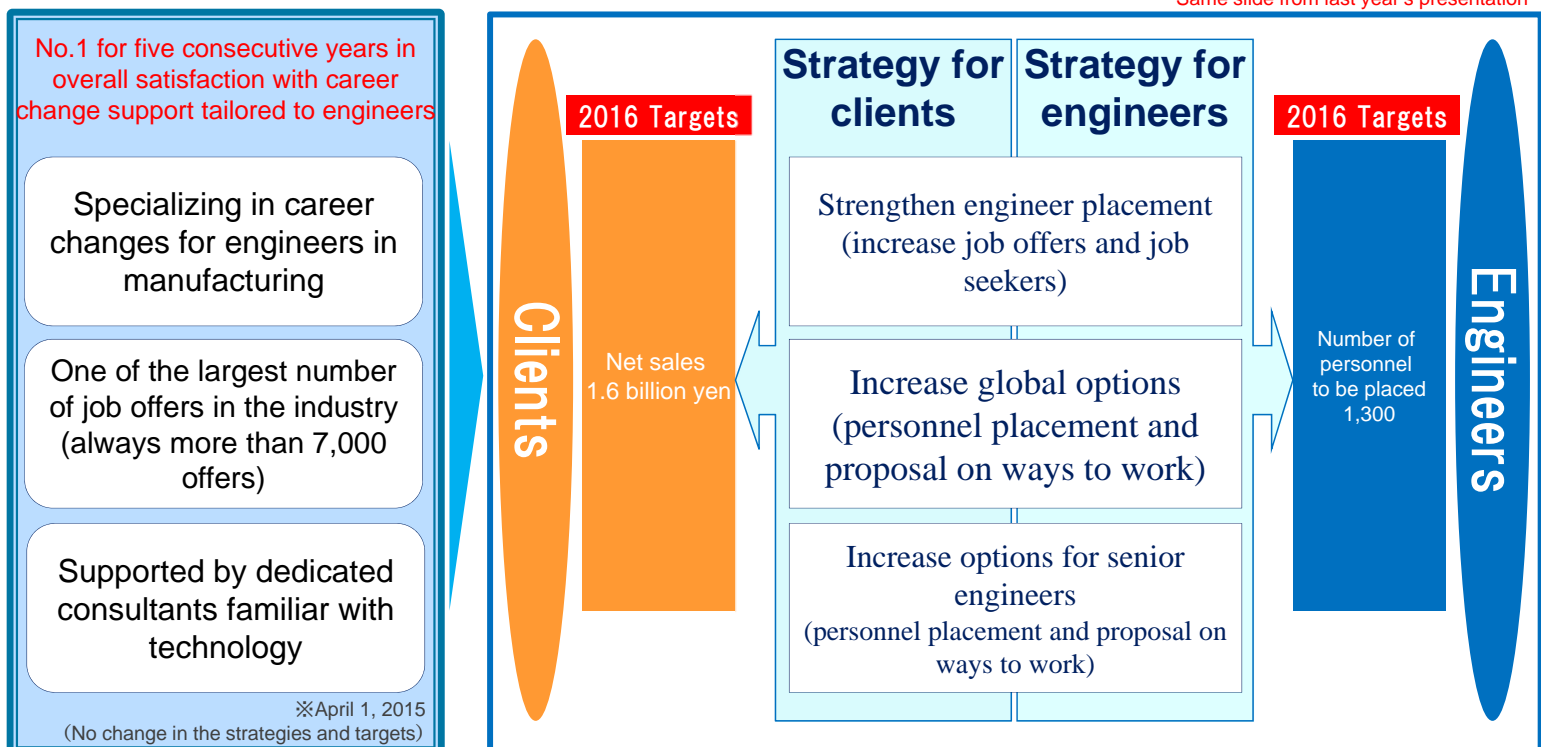


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Mid-term Management Plan of Meitec Group 2014~2016 (Recruiting & Placement Business for Engineers)

- ✓ 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.

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The Project to Recommend Excellent Dispatch Companies commissioned by the Ministry of Health, Labor and Worker (MHLW).



優良派遣事業者

MEITEC CORPORATION	1402014(01)
Meitec Fielders Inc.	1402015(01)
Meitec Cast Inc.	1402017(01)

Certification of FY2014(Valid Until: March 31, 2018)

Certification of “Excellent Dispatch Company”

MEITEC CORPORATION was certified as the “Excellent Dispatch Company” by the Project to Recommend Excellent Dispatch Companies commissioned by the Ministry of Health, Labor and Worker (MHLW).

The Project to Recommend Excellent Dispatch Companies (the Project) certifies the companies who are not just following the compliance with laws and regulations, but those who displayed a permissible level of measures to provide safeness to both workers and clients such as; supporting career advancement of the dispatch worker, ensure a good working environment, prevention of trouble at the work site. The certification would provide an indication of reliability to the workers and the client companies about the dispatch companies to the workers and the client companies, thus it would be merit to the workers, the clients, and the dispatch companies.

And, its group companies, Meitec Fielders, Inc., and Meitec Cast Inc. were also certified.

Corporate Governance

✓ As of November 5, 2015, committees unique to Meitec, five independent directors, clear director compensation calculations, etc.

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

I. Organization of the Company

1. Type of organization

Corporation with audit & supervisory board

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

(1) Corporate Governance Committee

Purpose: Strengthening the corporate governance and CSR

(2) The CEO Nominating Committee

Purpose: Objectively debate and select the ideal candidate for CEO

II. Executives

	Number	of which Outside	of which Independent	Articles of incorporation
Directors	9	2	2	22
Audit & Supervisory Board Members	3	3	3	4
Total	12	5	5	26

	Number	of which also Serves as Director	Male
Executive officers	13	5	13

Note: Include President and CEO, COO

III. Calculation Method of Executive Remuneration

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

1. Remuneration Amounts to Individual Executives

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

2. Performance-Linked Directors' Remuneration

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

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

IV. Others

Enactment and disclosure of the policies based on the establishment of the Corporate Governance Code.

- Basic Policy Regarding Corporate Governance
- Policy on Dialog with Shareholders and Investors
- Standards for Independence from MEITEC Group in Electing Outside Directors or Outside Audit & Supervisory Board Members
- Disclosure Policy

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Shareholders by Business Segments

Shareholder Segment	As of September 30, 2015			
	Shareholders	%	Shares Held	%
Banks	6	0.1%	803,601	2.5%
Trust Banks	19	0.3%	7,993,100	24.8%
Life and nonlife insurance companies	21	0.4%	3,798,283	11.8%
Securities financing and other financial companies	4	0.1%	18,060	0.1%
Securities companies	35	0.6%	447,983	1.4%
Business concerns and other companies	93	1.7%	582,978	1.8%
Overseas companies and investors	212	3.8%	13,481,999	41.9%
Individuals and others	5,226	93.1%	5,073,996	15.8%
Total	5,616	100.0%	32,200,000	100.0%

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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>[Temporary Staffing Business]</p> <ul style="list-style-type: none"> ■ MEITEC FIELDERS INC. ■ MEITEC CAST INC. ■ MEITEC EX CORPORATION </td> <td style="vertical-align: top;"> <p>[Recruiting & Placement Business]</p> <ul style="list-style-type: none"> ■ MEITEC NEXT CORPORATION ■ all engineer.jp CORPORATION ■ Meitec Shanghai ■ MEITEC Shanghai Human Resources Co. Ltd. <p>[Engineering Solutions Business]</p> <ul style="list-style-type: none"> ■ APOLLO GIKEN CO., LTD. </td> </tr> </table>	<p>[Temporary Staffing Business]</p> <ul style="list-style-type: none"> ■ MEITEC FIELDERS INC. ■ MEITEC CAST INC. ■ MEITEC EX CORPORATION 	<p>[Recruiting & Placement Business]</p> <ul style="list-style-type: none"> ■ MEITEC NEXT CORPORATION ■ all engineer.jp CORPORATION ■ Meitec Shanghai ■ MEITEC Shanghai Human Resources Co. Ltd. <p>[Engineering Solutions Business]</p> <ul style="list-style-type: none"> ■ APOLLO GIKEN CO., LTD.
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Develop a New Era by People and Technology

人と技術で次代を拓く

MEITEC

メイテックグループ

MEITEC GROUP

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

〈Note〉

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable. Actual results may therefore differ materially from these statements for various reasons.

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