



# Briefing on Interim Financial Results for the Fiscal Year ending March 31, 2012

**TEMP HOLDINGS**

Tokyo Stock Exchange 1<sup>st</sup> Section (2181)

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- Highlights of Interim Result for the Fiscal Year ending March 31, 2012

## Part 1 : Marketing Strategy

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# Highlights of Interim Results for FY March 2012

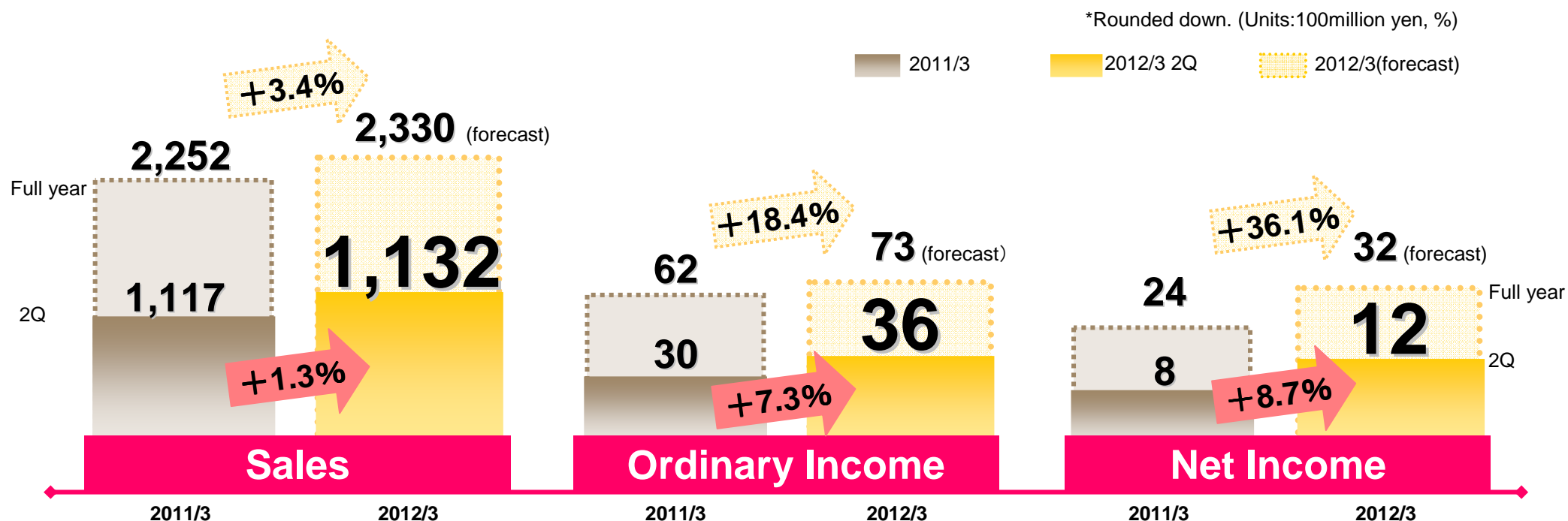
## Increase in Both Sales and Profits

External environment

- Quick recovery in supply chains after the Great East Japan Earthquake
- Diversified needs of companies for outside personnel

Efforts

- Establishment of an optimum business operations structure
- Active investment in growth field





# Part 1 : Marketing Strategy

**TEMP HOLDINGS**

Tokyo Stock Exchange 1<sup>st</sup> Section (2181)

# Business Conditions

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- 1 Impact of 11 March disasters & electricity supply issues
- 2 Influence of Yen appreciation
- 3 Diversification of HR needs
- 4 Unclear economic future
- 5 Debate over revisions to Japan's temp law

# Highlights of Interim Sales by the segment for FY March 2012

1

## Temporary Staffing and Recruitment Services Business

Improved profitability due to efficient business operations

2

## R&D Outsourcing Business

Enhanced cooperation within the Group by making JAPAN TECSEED CO., LTD. a wholly-owned subsidiary

3

## Outsourcing Business

Increased recognition of the Company as an outsourcer

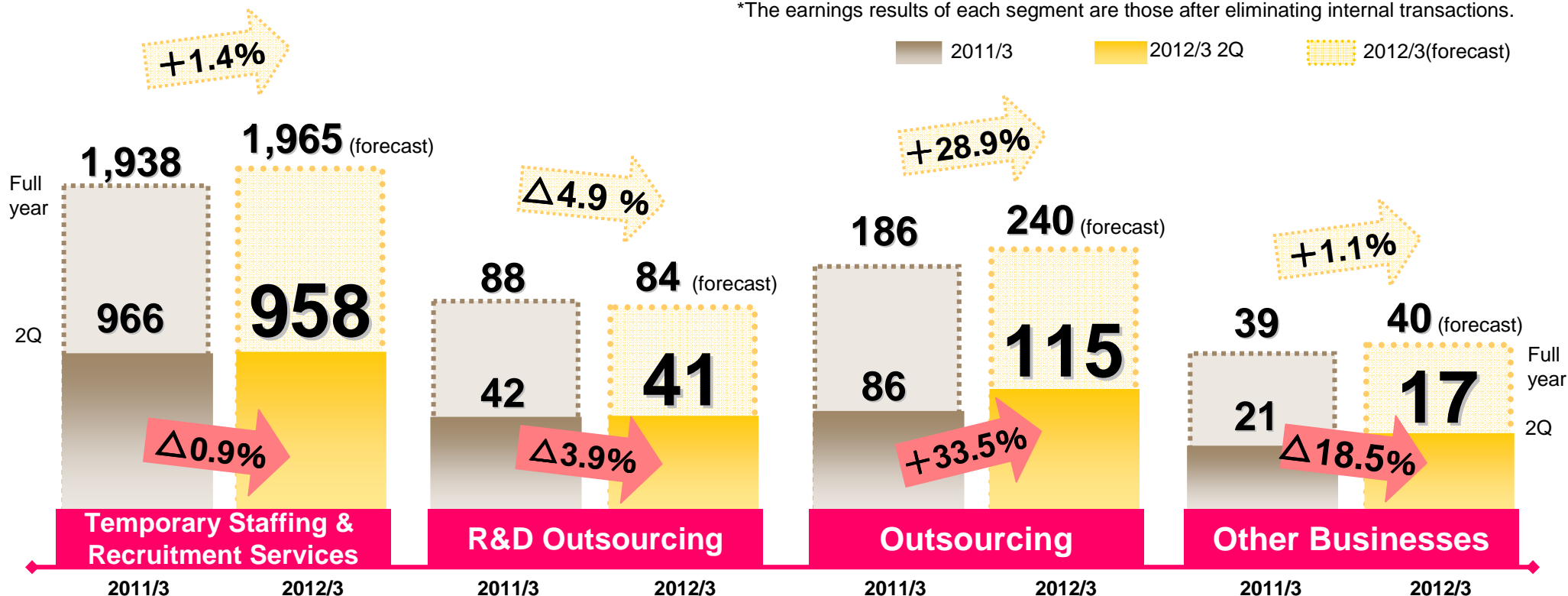
4

## Other Businesses

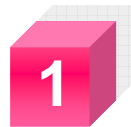
Established the structure for stable profitability

\*Rounded down. (Units:100million yen, %)

\*The earnings results of each segment are those after eliminating internal transactions.



# Efforts of FY March 2012 ①



## Temporary Staffing and Recruitment Services Business

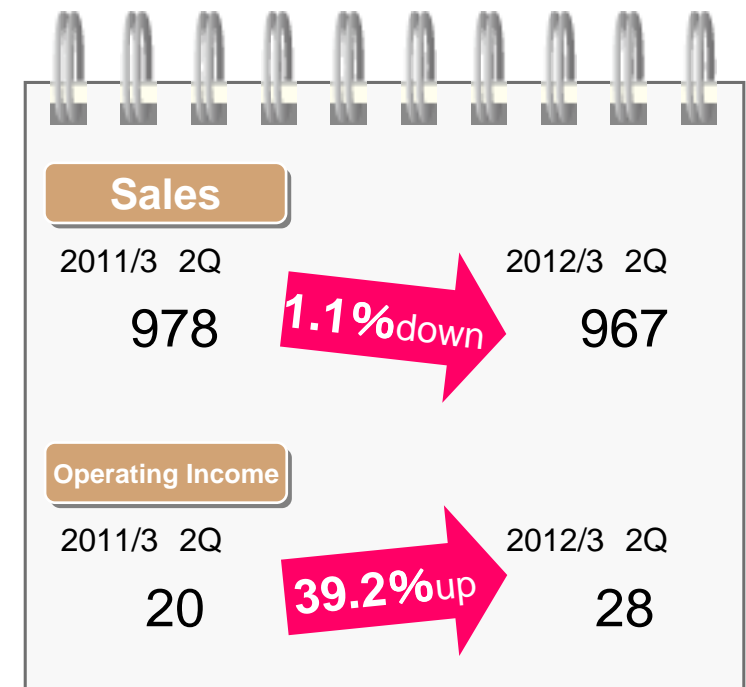
Interim period of the fiscal year ending March 2012

- Continued efforts to cultivate new customers and expand transactions with small and mid-size companies
- Support for reconstruction after the Great East Japan Earthquake  
Ensuring employment, for example, by securing recruiting companies in disaster-stricken areas
- Steady demand for recruitment services
- Promotion of efficient business operations structure

Second half of the fiscal year ending March 2012

- Conversion of two companies with high brand power into subsidiaries through M&A  
(Kobelco Personnel Co., Ltd. and Nikkei Staff Co., Ltd.)
- Response to selection of human resource service companies mainly by foreign-affiliated firms

\*Rounded down. (Units:100million yen, %)



\*The earnings results of each segment are those before eliminating internal transactions.

# Efforts of FY March 2012 ②

## 2 R&D Outsourcing Business

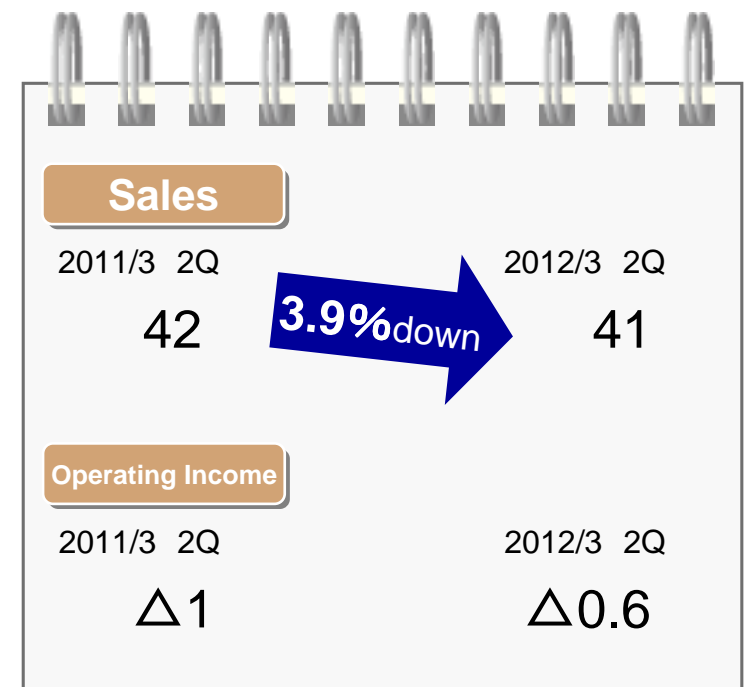
Interim period of the fiscal year ending March 2012

- Conversion of JAPAN TECSEED CO.,LTD. into a wholly-owned subsidiary in August
- Business restructuring within the JAPAN TECSEED Group (Improvement of managerial efficiency through restructuring, such as selling off of a subsidiary)
- Increase in personnel by employing more new graduates and mid-career workers

Second half of the fiscal year ending March 2012

- Maximization of synergy effects following the conversion of JAPAN TECSEED into a wholly-owned subsidiary
- Planning to hire a record-high number of new graduates in April 2012

\*Rounded down. (Units:100million yen, %)  
\*△= Negative value



\*The earnings results of each segment are those before eliminating internal transactions.



# Efforts of FY March 2012 ③

## 3 Outsourcing Business

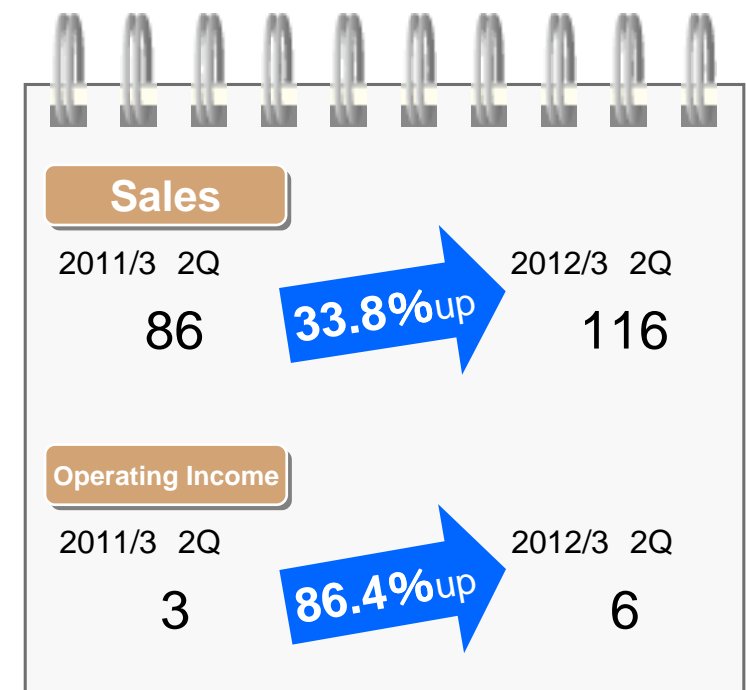
Interim period of the fiscal year ending March 2012

- Increase in service-providing opportunities through cooperation within the Group  
(Enhancement of synergy effects)
- Improvement of sales efficiency  
(Accumulation of know-how, introduction/operation examples, etc.)

Second half of the fiscal year ending March 2012

- Establishment of a support center in Miyazaki Prefecture in October 2011
- Increase in the types of services through cross-segmental collaboration

\*Rounded down. (Units:100million yen, %)



\*The earnings results of each segment are those before eliminating internal transactions.

# Efforts of FY March 2012 ④

## 4 Other Businesses

Interim period of the fiscal year ending March 2012

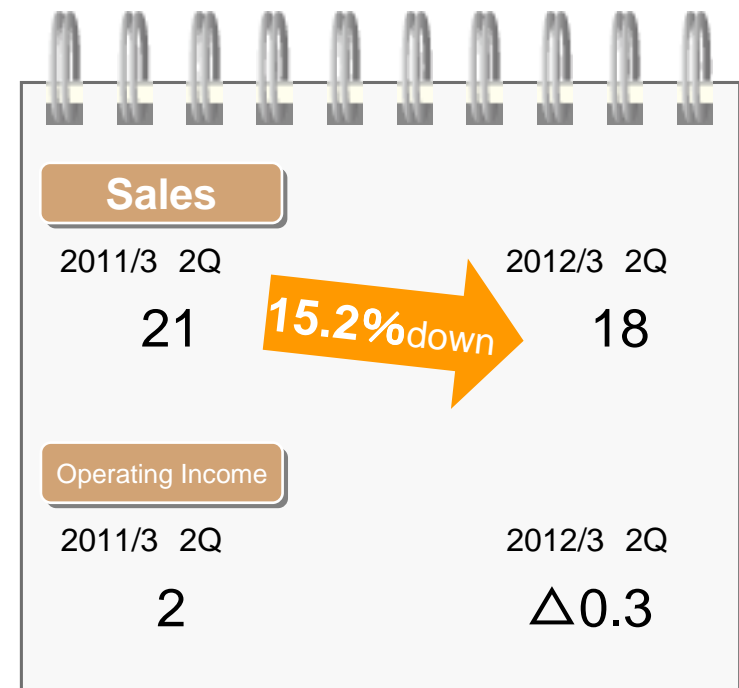
- <Outplacement support business>  
Concentration of know-how and improvement of managerial efficiency through the integration of two subsidiaries in the previous fiscal year

Second half of the fiscal year ending March 2012

- Development of new growth fields while maintaining growth in the businesses such as outplacement, education, and nursing care

\*Rounded down. (Units:100million yen, %)

\*△= Negative value



\*The earnings results of each segment are those before eliminating internal transactions.

# Strategy①---Strengthening Business Platform and Sharing Know-How Through M&A

## Solidify the business presence

*November, 2011*

### Kobelco Personnel

Provision of human resource services for the Kobe Steel, Ltd. Group

*November, 2011  
(plan)*

### Nikkei Staff

Human resource services centering on clerical and specialized jobs in the newspaper and publishing fields

## Share business know-how

*May, 2010*

### HOWCOM

IT-based support business centering on help desk services

*January, 2011*

### TOYO SOFTWARE ENGINEERING

System solutions services centering on custom software development

*August, 2011*

### JAPAN TECSEED

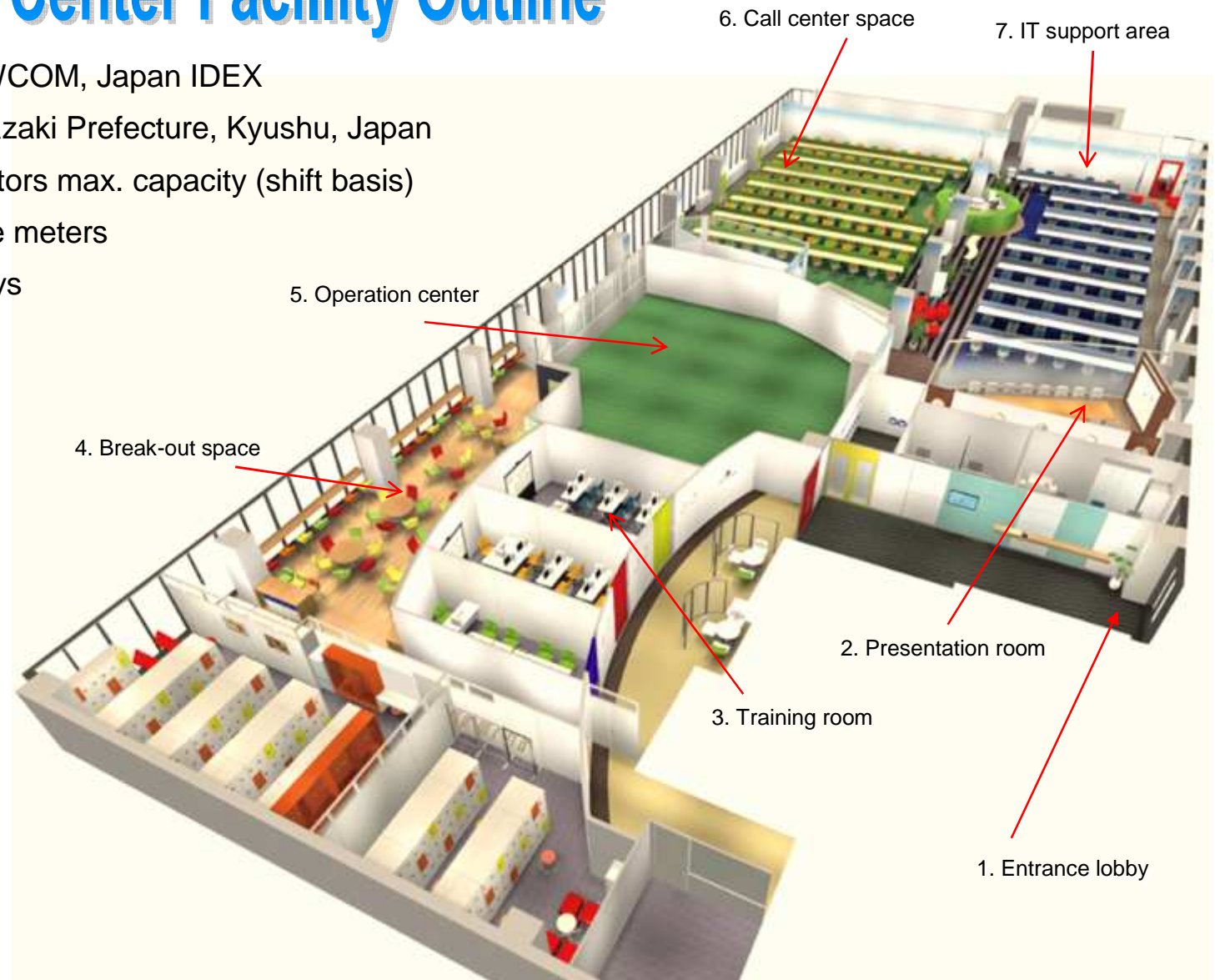
Made into a wholly-owned subsidiary  
Provision of R&D outsourcing services mainly for leading automobile and aircraft manufacturers

# Strategy②---Expanding Outsourcing Services

## Miyazaki Support Center Facility Outline

- Companies: Tempstaff, HOWCOM, Japan IDEX
- Location: Miyazaki City, Miyazaki Prefecture, Kyushu, Japan
- Seats: 330 desks, 890 operators max. capacity (shift basis)
- Floor space: 1,464.21 square meters
- Support: 24 hours × 365 days

Located in Miyazaki West Exit Building Complex located above Miyazaki Station



## Strategy②---Expanding Outsourcing Services

### Miyazaki Support Center

### 3 Companies: Strength from Collaboration

#### TEMPSTAFF

- HR management strength
- HR matching strength
- HR business development know-how
- Temp Group sales network



- Broad BPO provider know-how
- Quality management system in place  
※QMS:ISO9001



- Depth of know-how as a specialist IT Help desk service provider
- Global standards  
※Help Desk Institute (HDI) consulting partner
- HR development scheme

**Demonstrated Synergies**  
(Leveraged know-how & experience)

## Strategy③--- Enhancement of competitiveness in the global market

### Continuation of sales activities through collaboration with Kelly Services, Inc. Expansion of the Temp Group's networks and services

May 2011:

Tempstaff (Hong Kong) Limited opened the Tsim Sha Tsui office on the Kowloon side, Hong Kong. (Launched the first branch in Asia.)

July 2011:

Tempstaff Shanghai Co., Ltd. started a customer reception and a conduct training course for the Chinese. (Provision of ANA Learning Co., Ltd.'s training course in China)

**KELLY**  
SERVICES

AMERICAS:5

EMEA:21

APAC:14



**TEMP GROUP**

U.S. (L.A., Seattle)

China (Shanghai, Suzhou,  
Guangzhou), Hong Kong  
(Central, Tsim Sha Tsui )

Taiwan, Korea, Singapore,  
Indonesia



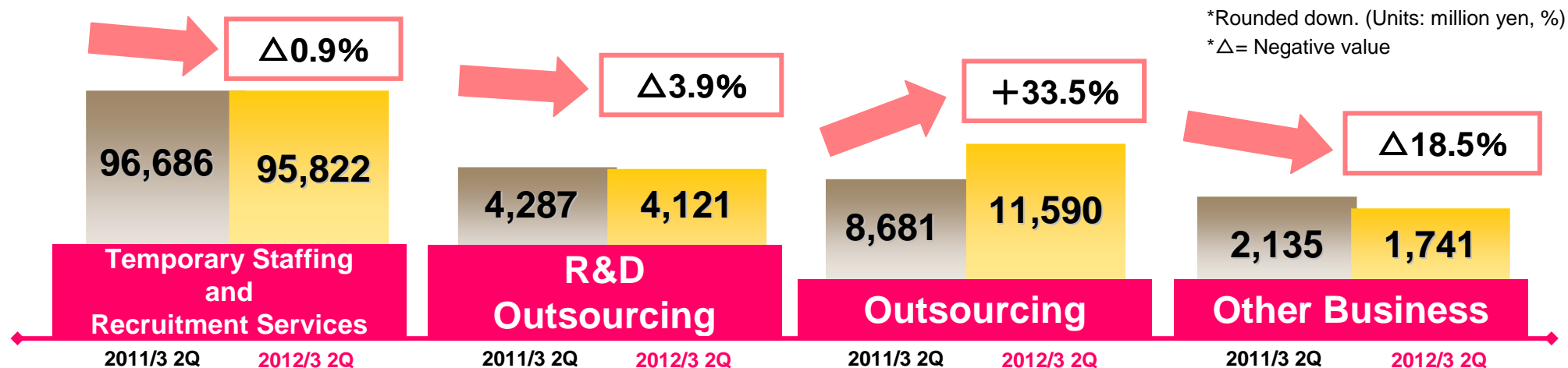


## Part 2 : Outline of Consolidated Financial Results

**TEMP HOLDINGS**

Tokyo Stock Exchange 1<sup>st</sup> Section (2181)

# Interim Sales by the segment



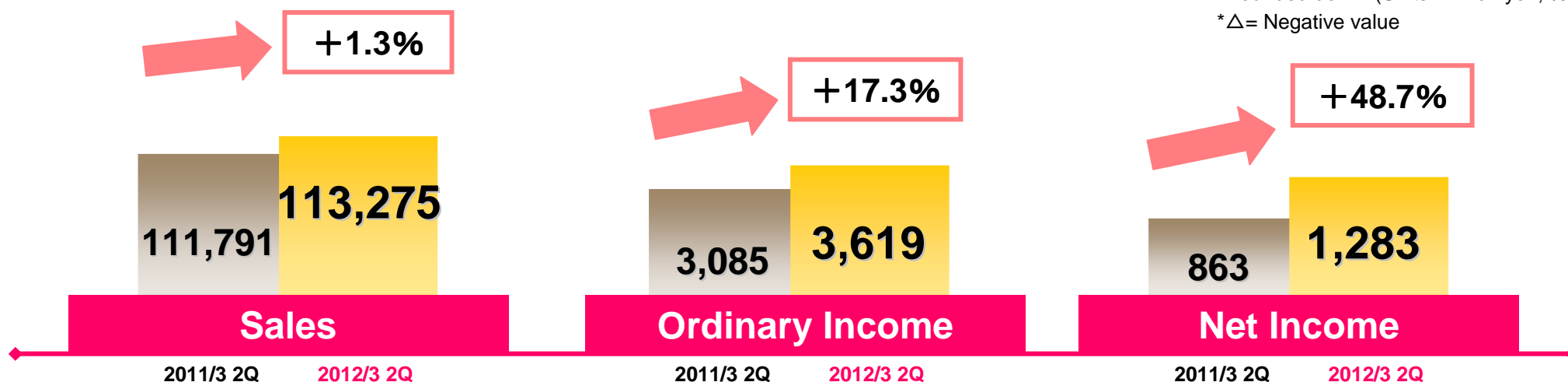
	2011/3 2Q		2012/3 2Q			
	Sales	Ratio (%)	Sales	Ratio (%)	Change	%
<b>Temporary Staffing and Recruitment Services</b>	96,686	86.5	95,822	84.6	Δ864	99.1
Office Clerk	32,842	29.4	25,909	22.9	Δ6,933	78.9
Technical Clerk	40,827	36.5	37,374	33.0	Δ3,453	91.5
IT Professional	8,627	7.7	8,869	7.8	241	102.8
Sales	3,589	3.2	3,725	3.3	135	103.8
Other	9,200	8.3	18,212	16.1	9,012	198.0
Recruitment Services	1,598	1.4	1,732	1.5	133	108.3
<b>R&amp;D Outsourcing</b>	4,287	3.8	4,121	3.6	Δ165	96.1
<b>Outsourcing</b>	8,681	7.8	11,590	10.2	2,908	133.5
<b>Other Business</b>	2,135	1.9	1,741	1.6	Δ393	81.5
<b>Total</b>	111,791	100.0	113,275	100.0	1,484	101.3



# Interim Consolidated Statements of Income

\*Rounded down. (Units: million yen, %)

\*△= Negative value



	2011/3 2Q	Ratio(%)	2012/3 2Q	Ratio(%)	Change	%	2012/3 (forecast)
Sales	111,791	100.0	113,275	100.0	1,484	101.3	233,000
Cost of Sales	93,900	84.0	95,582	84.4	1,682	101.8	—
Gross Profit	17,890	16.0	17,693	15.6	△197	98.9	—
Selling, General and Administrative Expenses	15,129	13.5	14,205	12.5	△923	93.9	—
Operating Income	2,761	2.5	3,487	3.1	726	126.3	7,180
Ordinary Income	3,085	2.8	3,619	3.2	533	117.3	7,380
Net Income	863	0.8	1,283	1.1	420	148.7	3,280

# Interim Consolidated Statement of Balance Sheets

\*Rounded down. (Units: million yen, %)

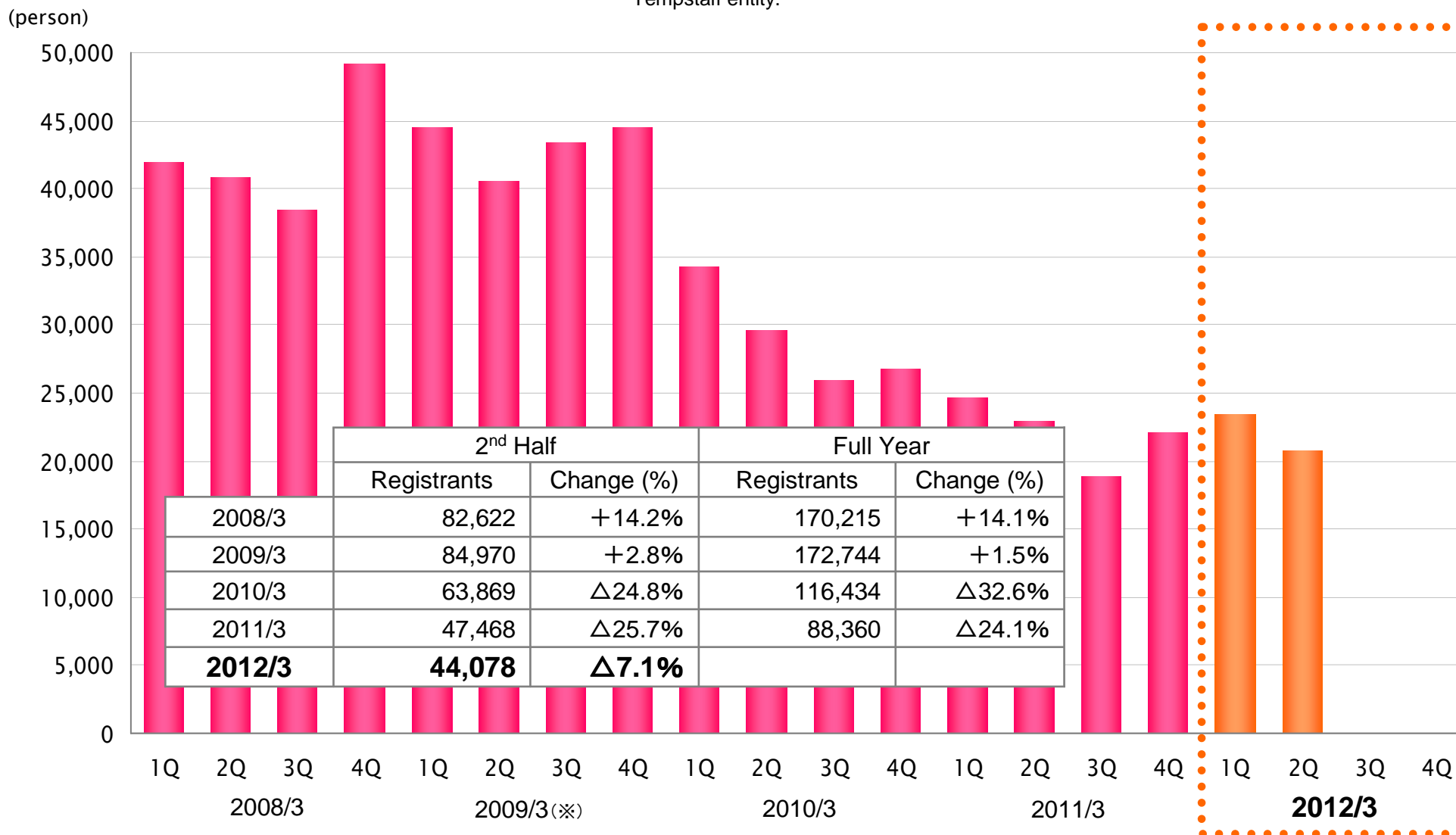
\*△= Negative value

	2011/3		2012/3 2Q		
	Actual	Ratio	Actual	Ratio	Change
<b>Assets</b>	79,336	100.0	<b>77,658</b>	<b>100.0</b>	△1,677
Current assets	63,124	79.6	<b>63,481</b>	<b>81.7</b>	<b>357</b>
(Cash and Deposits)	31,448	39.6	<b>33,792</b>	<b>43.5</b>	<b>2,343</b>
(Notes and accounts receivable-trade)	27,913	35.2	<b>26,120</b>	<b>33.6</b>	△1,793
Non-current assets	16,212	20.4	<b>14,177</b>	<b>18.3</b>	△2,034
<b>Liabilities</b>	29,015	36.6	<b>27,109</b>	<b>34.9</b>	△1,906
Current liabilities	21,224	26.8	<b>19,455</b>	<b>25.1</b>	△1,769
Non-current liabilities	7,791	9.8	<b>7,653</b>	<b>9.9</b>	△137
<b>Net Assets</b>	50,320	63.4	<b>50,549</b>	<b>65.1</b>	<b>229</b>
Owners' equity	47,495	59.9	<b>49,706</b>	<b>64.0</b>	<b>2,211</b>
(Treasury stock)	△5,636	△7.1	<b>△4,327</b>	<b>△5.6</b>	<b>1,309</b>
Minority interests	2,528	3.2	<b>1,410</b>	<b>1.8</b>	△1,117

# Changes in the Number of New Registrants (Consolidated)

## Number of New Registrants

(\*) Temp Holdings Co., Ltd. Was established in October of FY March 2009. As such, results prior to the establishment of Temp Holdings reflect registration number of the consolidation Tempstaff entity.



# FY March 2012: Consolidated Forecast of Results

\*Rounded down. (Units: million yen, %)

	1 <sup>st</sup> Half				2 <sup>nd</sup> Half		Full Year		
	Forecast	Actual	Progress	YoY	Forecast	YoY	Forecast	Ratio	YoY
<b>Sales</b>	111,000	<b>113,275</b>	102.1	101.3	119,724	105.5	233,000	100.0	103.4
Temporary Staffing and Recruitment Services	94,210	<b>95,822</b>	101.7	99.1	100,727	103.7	196,550	84.4	101.4
R&D Outsourcing	4,130	<b>4,121</b>	99.8	96.1	4,328	94.2	8,450	3.6	95.1
Outsourcing	10,860	<b>11,590</b>	106.7	133.5	12,409	124.8	24,000	10.3	128.9
Other Business	1,800	<b>1,741</b>	96.7	81.5	2,258	124.1	4,000	1.7	101.1
<b>Operating Income</b>	2,300	<b>3,487</b>	151.6	126.3	3,692	123.6	7,180	3.1	124.9
<b>Ordinary Income</b>	2,420	<b>3,619</b>	149.6	117.3	3,760	119.5	7,380	3.2	118.4
<b>Net Income</b>	1,000	<b>1,283</b>	128.3	148.7	1,996	129.0	3,280	1.4	136.1

# Dividend Policy

## Dividends

Return profits to shareholders upon overall evaluation of future management strategy and other relevant factors

	2011/3		2012/3	
	Interim	Year-end	Interim	Year-end (forecast)
	Per share			
Per share	6 yen	6 yen	6 yen	6 yen
1 units (per 100 shares)	600 yen	600 yen	600 yen	600 yen

# Disclaimer

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The details appearing in this material are based on generally accepted economic and social information as well as certain assumptions deemed reasonable by this Company: current as at November 16, 2011. However, changes may occur without notice due to changes in business circumstances, etc.



# Reference Material

**TEMP HOLDINGS**

Tokyo Stock Exchange 1<sup>st</sup> Section (2181)

# <Reference> Company Outline

\* As of November 1, 2011

<b>Company Name</b>	Temp Holdings Co. Ltd.	
<b>Capital</b>	2,000 million yen	
<b>CEO</b>	President & Chairman Yoshiko Shinohara	
<b>Established</b>	1 October 2008	
<b>Business Outline</b>	Planning, management and related tasks in support of Group business activities relating to temporary labour/for-fee HR placement services, etc	
<b>Head Office</b>	2-1-1 Yoyogi, Shibuya-ku, Tokyo, Japan	
<b>Directors</b>	Chairman & President : Yoshiko Shinohara Executive Vice-President : Mikihiko Hibino Executive Vice-President : Masamichi Mizuta Executive Director: Toshio Saburi Director : Takao Wada Director: Kazuomi Morimoto External Director: Carl T. Camden	Full-time Auditor / Izuki Hiraga Auditor / Haruo Shimada Auditor / Kaoru Arai Auditor / Ryosuke Tamakoshi
<b>Stock Listing</b>	Tokyo Stock Exchange, First Section	
<b>Group Companies</b>	45 consolidated subsidiaries, 1 associated company	
<b>Employees</b>	5,108 (* As of 31 March 2011)	
<b>Service Network</b>	251 domestic & 12 overseas offices L.A., Seattle, Shanghai, Suzhou, Guangzhou, Hong Kong, Taiwan, Seoul, Singapore, Indonesia (* As of 30 September 2011)	



# <Reference> Temp Holdings Corporate Philosophy



## Creating Jobs

We pursue job creation possibilities based on a wide range of work styles, work environments, job descriptions, employment situations etc.

## Individual growth

Age, gender and nationality have no bearing. Through the experience of work, we aim to foster a rich sense of humanity and support the individual growth of workers.

## Contributing to society

We contribute to the development of society through individual growth and the creation of job opportunities.

# <Reference> Temp Group(1)

\* As of November 1, 2011

## Temporary Staffing and Recruitment Services

(Localized Operating Companies)

Tempstaff	Integrated HR service provider
Tempstaff People	Integrated HR service provider in the Tokai region
Tempstaff Fukuoka	Kyushu region
Tempstaff Familie	Nagano/Yamanashi Prefecture
Tempstaff Grow	Gunma Prefecture

(Overseas branches)

TS Consulting International	U.S.
Tempstaff Shanghai	PRC Shanghai
Tempstaff Guangzhou	PRC Guangzhou
Tempstaff (Hong Kong)	Hong Kong
Tempstaff Taiwan	Taiwan
Tempstaff Korea	Korea
Tempstaff Singapore	Singapore
Tempstaff Indonesia	Indonesia

# <Reference> Temp Group(2)

\* As of November 1, 2011

## Temporary Staffing and Recruitment Services

(Specialized Operating Companies)

TEMPSTAFF CROSS	Focusing on Fuji Xerox and related companies
Kobelco Personnel	Focuses on providing HR services to the Kobe Steel Group
Tempbros	Mature age/manufacturing/assembly
Personal	Placement of sales staff
Support-A	Automotive sales and sales campaign
Tempstaff SP	Sales promotions
Tempstaff Plus	Late night office work
Tempstaff Technologies	IT sector HR services / outsourcing
Tempstaff Creative	Creative related
Tempstaff Life Advisory	Insurance sales support
Tempstaff Career	Placement / HR consulting
Tempstaff Frontier	Specializing in physically challenged candidates
Tempstaff Wish	Child care / minding
Thanks Temp	Employment support for the physically challenged
Tempstaff Integration	Temp Group shared services

# <Reference> Temp Group(3)

## R&D Outsourcing

\* As of November 1, 2011

Domestic Japan	JAPAN TECSEED	R&D outsourcing support
Overseas	GTECHK	Offshore system developing services

## Outsourcing

Domestic Japan	Tempstaff Data	Data processing outsourcing
	Japan IDEX	BPO
	Tempstaff Medical	Health agency / medical related outsourcing
	HOWCOM	IT support :Help Desks/Service Desks
	TOYO SOFTWARE ENGINEERING	Software outsourcing development
	Tempstaff Sales Support	Sales functions (sector focus) outsourcing
Overseas	Suzhou Tempstaff Data	PRC based data entry centre

## Other Businesses

Domestic Japan	Tempstaff Drake Beam Morin-Japan	Outplacement/training/HR Consulting
	Tempstaff Learning	Employee training/ Language training, qualification acquisition support
	Tempstaff Welfare	Home- based nursing care/locum care & visiting career service provider
	Temp Research Institute	Overseas study support service provider
	e-Staffing	System development & operations
	Temp International	Management support of overseas entities

# <Reference> Temp Group History

Temp Holdings Co., Ltd. was established on October 2008

2009	March	Shares of Support-A Ltd. (a specialized automotive sector / sales campaign HR provider) was acquired and becomes a consolidated subsidiary company. Shares of Tempstaff Grow Co., Ltd. (HR service provider based in Gunma Prefecture) acquired and becomes a consolidated subsidiary company.
	April	People Staff Co., Ltd. changed its trade name to Tempstaff People Co., Ltd.
	May	Shares of Drake Beam Morin-Japan, Inc. (outplacement services provider) acquired and becomes a consolidated a subsidiary company.
	July	Shares of Fuji Xerox Career Net Co., Ltd. acquired and trade name simultaneously changed to TEMPSTAFF CROSS CO., LTD. (provider of HR solutions primarily to Fuji Xerox Co., Ltd. and related companies) and becomes a consolidated subsidiary company.
	November	Acquisition of JAPAN TECSEED CO., LTD. (R&D outsourcing business) shares and becomes a consolidated subsidiary company.
2010	May	Share acquisition of major US HR provider Kelly Services Inc. and implementation of strategic alliance. HOWCOM Co., Ltd. (IT support business focusing on help-desk functions) acquired and becomes a consolidated subsidiary company.
2011	January	Acquisition of TOYO SOFTWARE ENGINEERING CO., LTD. (software development outsourcer) shares and becomes a consolidated subsidiary.
	November	Acquisition of Kobelco Personnel Co., Ltd. shares and, consolidation into the Temp Group. Kobelco Personnel Co., Ltd. focuses on supporting the HR needs of Kobe Steel group companies.