



# Briefing on Financial Results for the Second Quarter Ended September 30, 2013

**TEMP HOLDINGS**

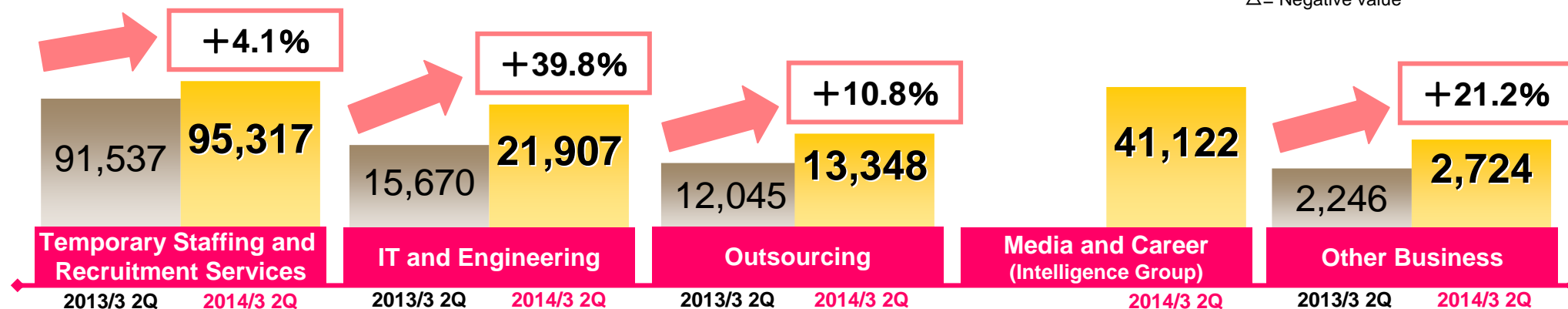
Tokyo Stock Exchange 1<sup>st</sup> Section (2181)

November 12, 2013

# 2014/3 2Q: Sales by Segment

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

\*△= Negative value



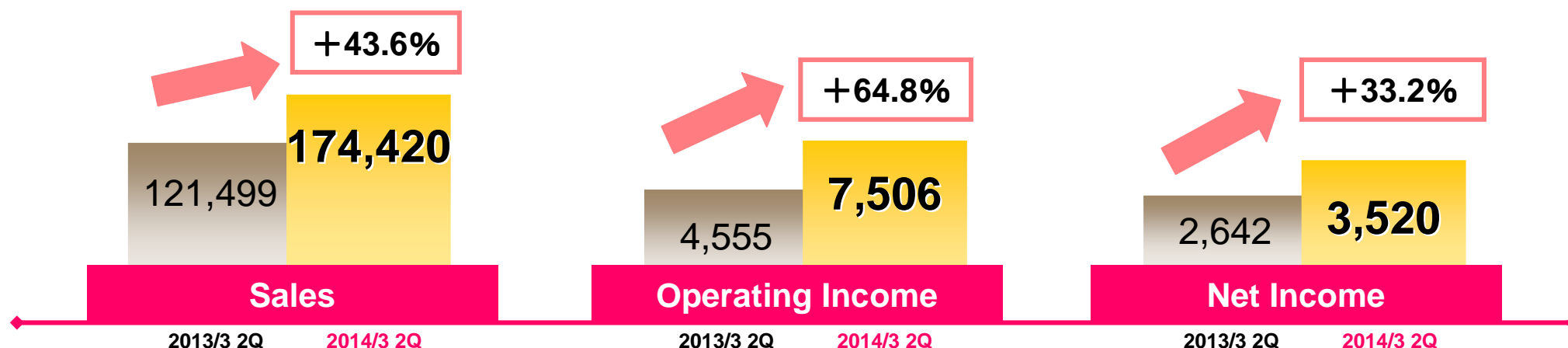
	2013/3 2Q		2014/3 2Q			
	Sales	Ratio	Sales	Ratio	Change	YoY
Temporary Staffing and Recruitment Services	91,537	75.3	95,317	54.6	+3,779	104.1
IT and Engineering	15,670	12.9	21,907	12.6	+6,237	139.8
Outsourcing	12,045	9.9	13,348	7.7	+1,303	110.8
Media and Career (Intelligence Group)	—	—	41,122	23.5	+41,122	—
Media Div.	—	—	8,568	4.9	+8,568	—
Career Div.	—	—	8,972	5.1	+8,972	—
Temporary staffing Div.	—	—	15,804	9.1	+15,804	—
Outsourcing Div.	—	—	6,353	3.6	+6,353	—
Employment development, new business, overseas Div.	—	—	1,423	0.8	+1,423	—
Other Business	2,246	1.9	2,724	1.6	+477	121.2
<b>Total</b>	<b>121,499</b>	<b>100.0</b>	<b>174,420</b>	<b>100.0</b>	<b>+52,920</b>	<b>143.6</b>

\* We renamed the former R&D Outsourcing Segment to IT and Engineering Segment from the Fiscal Year ending March 2014. Simultaneously, we changed the allocation of subsidiaries to each segment. Figures for the fiscal year ended September 30, 2013 are recalculated after the change in segment structure.

# 2014/3 2Q: Consolidated Statements of Income

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

\*△= Negative value



	2013/3 2Q	Ratio	2014/3 2Q	Ratio	Change	YoY	2014/3 (forecast)
Sales	121,499	100.0	174,420	100.0	+52,920	143.6	365,000
Cost of Sales	102,475	84.3	133,785	76.7	+31,310	130.6	—
Gross Profit	19,024	15.7	40,634	23.3	+21,610	213.6	—
Selling, General and Administrative Expenses	14,469	11.9	33,128	19.0	+18,659	229.0	—
Operating Income	4,555	3.7	7,506	4.3	+2,950	164.8	18,500
EBITDA	5,222	4.3	10,686	6.1	+5,463	204.6	24,949
Ordinary Income	4,681	3.9	7,433	4.3	+2,751	158.8	18,300
Net Income	2,642	2.2	3,520	2.0	+877	133.2	9,000

# 2014/3 2Q: Consolidated Balance Sheets

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

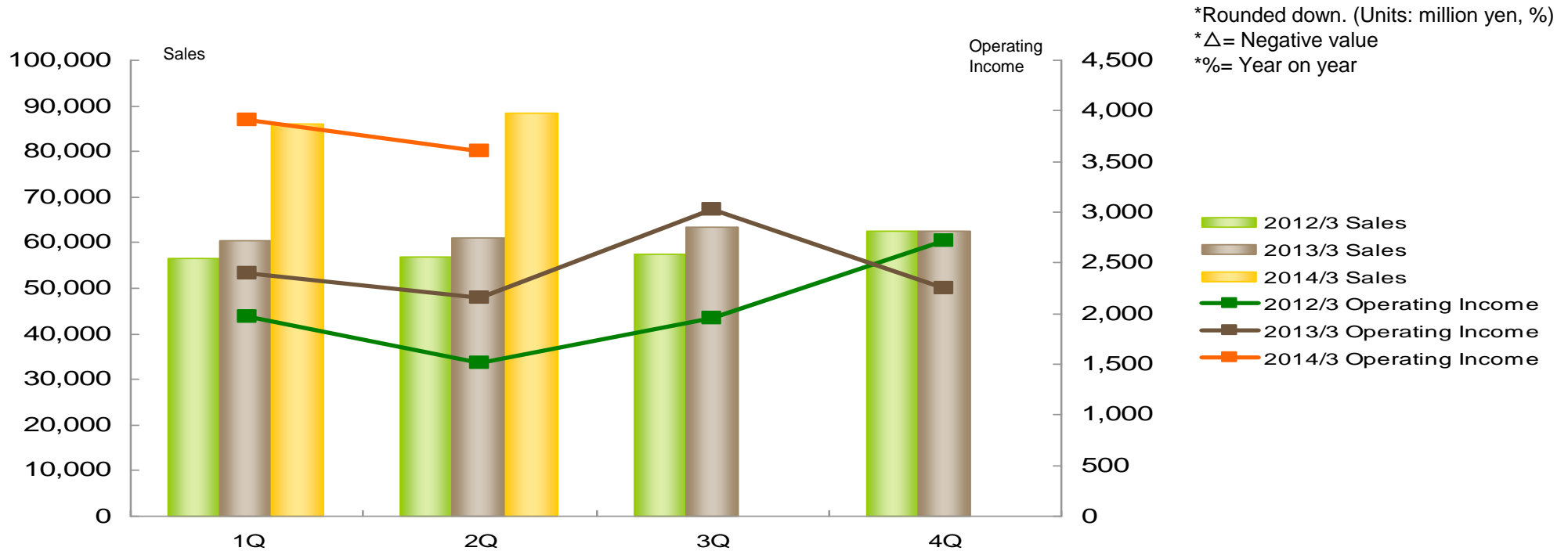
	2013/3		2014/3 2Q		
	Actual	Ratio	Actual	Ratio	Change
<b>Assets</b>	97,592	100.0	<b>170,307</b>	<b>100.0</b>	<b>72,715</b>
Current assets	80,606	82.6	<b>78,325</b>	<b>46.0</b>	<b>Δ2,281</b>
(Cash and Deposits)	44,225	45.3	<b>30,023</b>	<b>17.6</b>	<b>Δ14,202</b>
(Notes and accounts receivable-trade)	31,997	32.8	<b>39,825</b>	<b>23.4</b>	<b>7,827</b>
Non-current assets	16,985	17.4	<b>91,981</b>	<b>54.0</b>	<b>74,996</b>
(Right of trademark)	—	—	<b>11,968</b>	<b>7.0</b>	<b>11,968</b>
(Goodwill)	2,162	2.2	<b>58,843</b>	<b>34.6</b>	<b>56,681</b>
<b>Liabilities</b>	33,136	34.0	<b>86,535</b>	<b>50.8</b>	<b>53,399</b>
Current liabilities	29,178	29.9	<b>44,323</b>	<b>26.0</b>	<b>15,145</b>
(Short-term loans payable)	16	0.0	<b>5,011</b>	<b>2.9</b>	<b>4,994</b>
(Current portion of long-term loans payable)	—	—	<b>2,400</b>	<b>1.4</b>	<b>2,400</b>
Non-current liabilities	3,958	4.1	<b>42,212</b>	<b>24.8</b>	<b>38,254</b>
(Long-term loans payable)	—	—	<b>17,076</b>	<b>10.0</b>	<b>17,076</b>
(Convertible bond-type bond with stock acquisition rights)	—	—	<b>15,000</b>	<b>8.8</b>	<b>15,000</b>
<b>Net Assets</b>	64,455	66.0	<b>83,771</b>	<b>49.2</b>	<b>19,316</b>
Owners' equity	60,830	62.3	<b>79,774</b>	<b>46.8</b>	<b>18,943</b>
(Capital stock)	2,000	2.0	<b>9,980</b>	<b>5.9</b>	<b>7,980</b>
(Capital surplus)	5,501	5.6	<b>13,572</b>	<b>8.0</b>	<b>8,071</b>
(Legal retained earnings)	53,682	55.0	<b>56,533</b>	<b>33.2</b>	<b>2,851</b>
Minority interests	2,556	2.6	<b>2,675</b>	<b>1.6</b>	<b>118</b>

# 2014/3 2Q: Consolidated Cash Flow

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

	2012/3 2Q	2013/3 2Q	Change		2012/3 2Q	2013/3 2Q
Net cash provided by operating activities	4,534	2,255	Δ2,279	• Income before income taxes	4,596	⇒ 7,452
Net cash used in investment activities	Δ298	Δ50,770	Δ50,471	• Amortization of goodwill	430	⇒ 2,039
Net cash used in financing activities	Δ544	34,183	34,728	• Increase (decrease) in operating debt	Δ1,168	⇒ Δ3,042
Increase (decrease) in cash and cash equivalents	3,705	Δ14,122	Δ17,827	• Decrease (increase) in inventories	Δ149	⇒ Δ2,103
				• Income tax paid	Δ2,979	⇒ Δ5,166
				• Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	⇒ Δ49,402
				• Increase in short-term loans payable	—	⇒ 35,000
				• Decrease in short-term loans payable	—	⇒ Δ30,007
				• Proceeds from issuance of bonds	—	⇒ 14,975
				• Payments for issuance of common stock	—	⇒ 15,942

# Transition of Quarterly Business Results



	2012/3				2013/3								2014/3			
	1Q	2Q	3Q	4Q	1Q	(%)	2Q	(%)	3Q	(%)	4Q	(%)	1Q	(%)	2Q	(%)
Sales	56,520	56,755	57,565	62,354	60,533	107.1	60,966	107.4	63,320	110.0	62,411	100.1	86,091	142.2	88,328	144.9
Cost of Sales	47,340	48,242	48,640	52,203	50,856	107.4	51,618	107.0	52,915	108.8	52,376	100.3	66,006	129.8	67,779	131.3
Gross Profit	9,179	8,513	8,925	10,151	9,676	105.4	9,348	109.8	10,404	116.6	10,034	98.9	20,085	207.6	20,548	219.8
Gross Profit Rate	16.2	15.0	15.5	16.3	16.0	—	15.3	—	16.4	—	16.1	—	23.3	—	23.3	—
Selling, General and Administrative Expenses	7,208	6,997	6,967	7,425	7,275	100.9	7,193	102.8	7,378	105.9	7,784	104.8	16,176	222.3	16,951	235.7
Operating Income	1,971	1,515	1,957	2,725	2,400	121.8	2,154	142.1	3,025	154.6	2,250	82.6	3,909	162.8	3,597	167.0
Operating Income Ratio	3.5	2.7	3.4	4.4	4.0	—	3.5	—	4.8	—	3.6	—	4.5	—	4.1	—

# Transition of Business Results by Segment ①

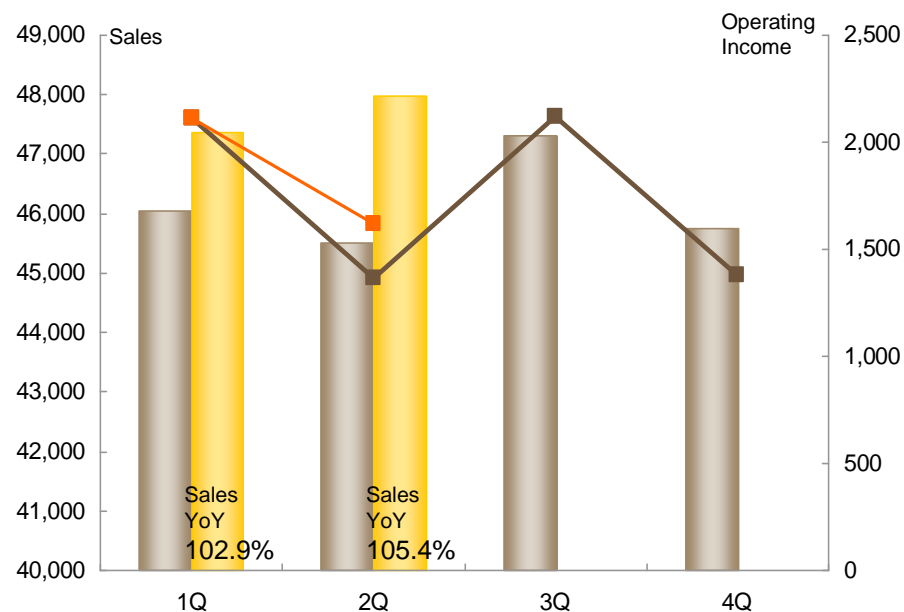
\*Rounded down. (Units: million yen, %), Δ= Negative value

\*Sales are those after eliminating internal transactions, and operating income is that before eliminating internal transactions.

\*We renamed the former R&D Outsourcing Segment to IT and Engineering Segment from the Fiscal Year ending March 2014. Simultaneously, we changed the allocation of subsidiaries to each segment. Figures for the fiscal year ended March 2013 are recalculated after the change in segment structure.

## 1 Temporary Staffing and Recruitment Services

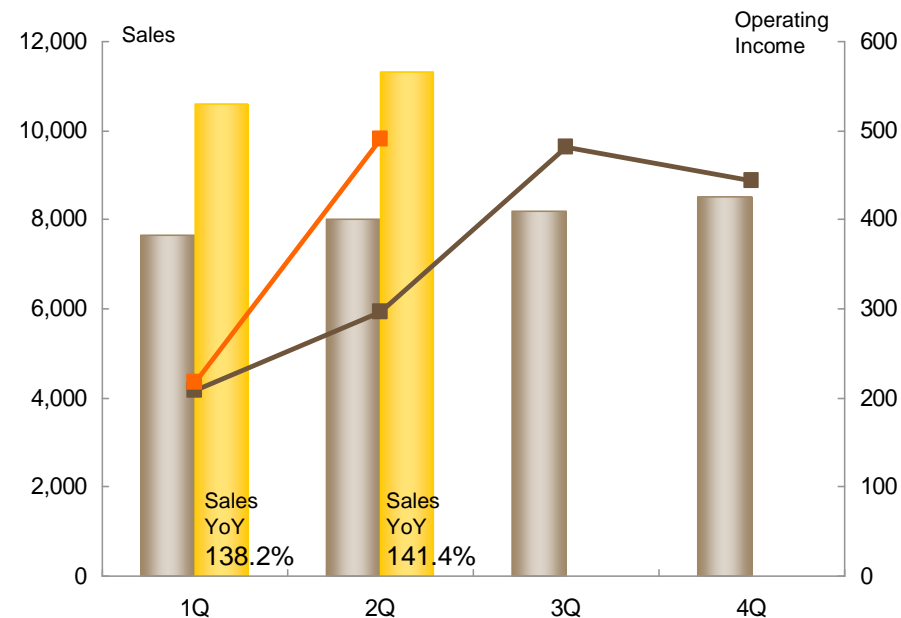
■ Sales of the previous year  
■ Sales of the current year  
— Operating Income of the previous year  
— Operating Income of the current year



		1Q	2Q	3Q	4Q	2Q(Cumulative)	Full Year
Sales	2013/3	46,034	45,502	47,302	45,760	91,537	184,600
	2014/3	47,350	47,966			95,317	(forecast) 193,200
Operating Income	2013/3	2,110	1,366	2,118	1,381	3,476	6,977
	2014/3	2,112	1,619			3,732	
EBITDA	2013/3	2,307	1,563	2,319	1,643	3,871	7,833
	2014/3	2,333	1,845			4,179	

## 2 IT and Engineering

■ Sales of the previous year  
■ Sales of the current year  
— Operating Income of the previous year  
— Operating Income of the current year



		1Q	2Q	3Q	4Q	2Q(Cumulative)	Full Year
Sales	2013/3	7,666	8,003	8,191	8,524	15,670	32,386
	2014/3	10,593	11,313			21,907	(forecast) 46,600
Operating Income	2013/3	208	297	482	444	505	1,432
	2014/3	217	490			708	—
EBITDA	2013/3	271	360	545	509	631	1,686
	2014/3	391	686			1,077	—

# Transition of Business Results by Segment ②

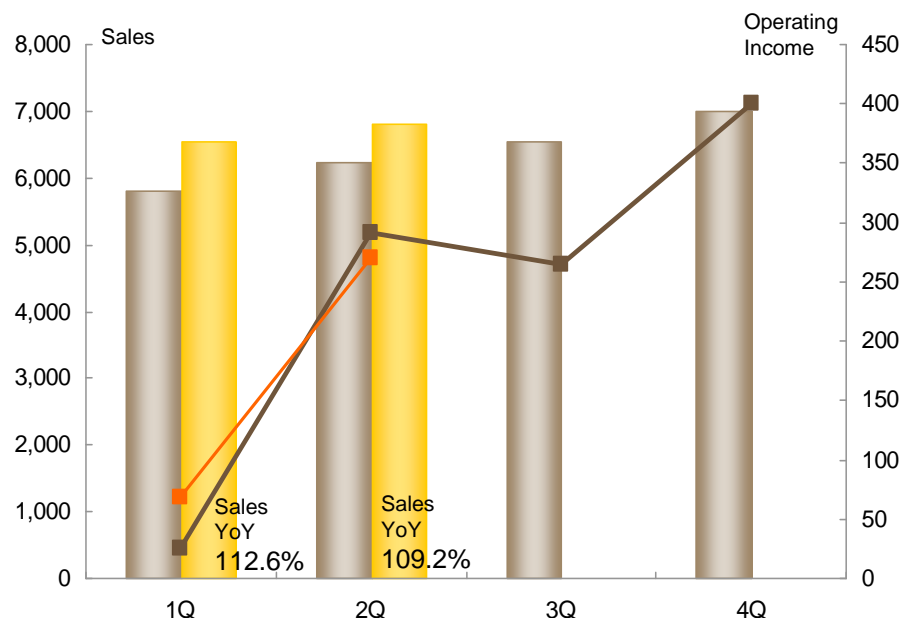
\*Rounded down. (Units: million yen, %), Δ= Negative value

\*Sales are those after eliminating internal transactions, and operating income is that before eliminating internal transactions.

\*We renamed the former R&D Outsourcing Segment to IT and Engineering Segment from the Fiscal Year ending March 2014. Simultaneously, we changed the allocation of subsidiaries to each segment. Figures for the fiscal year ended March 2013 are recalculated after the change in segment structure.

## 3 Outsourcing

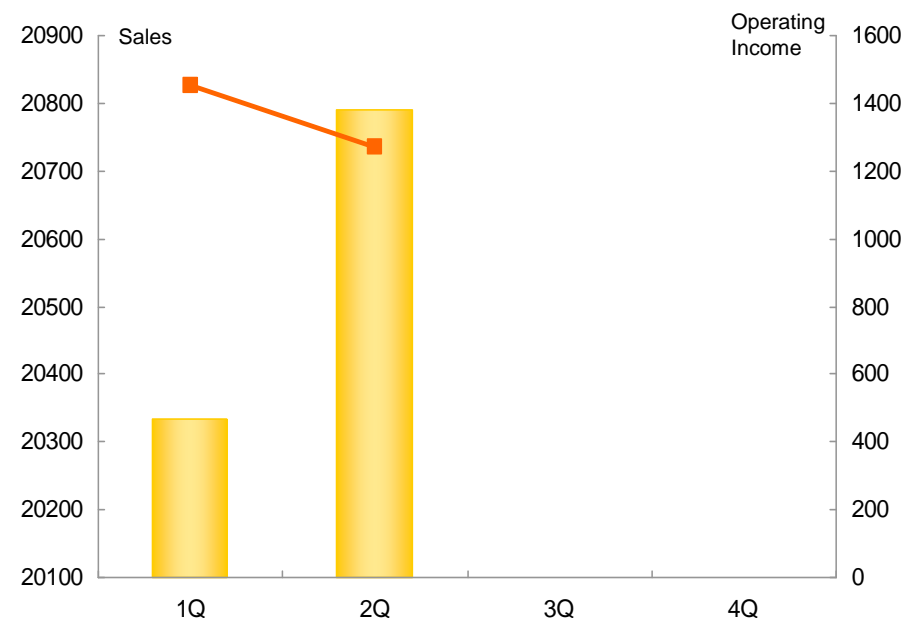
■ Sales of the previous year  
■ Sales of the current year  
— Operating Income of the previous year  
— Operating Income of the current year



		1Q	2Q	3Q	4Q	2Q(Cumulative)	Full Year
Sales	2013/3	5,802	6,242	6,541	7,000	12,045	25,587
	2014/3	6,532	6,816			13,348	(forecast) 30,000
Operating Income	2013/3	26	292	265	400	319	984
	2014/3	68	270			338	—
EBITDA	2013/3	74	340	313	453	415	1,182
	2014/3	109	315			424	—

## 4 Media and Career (Intelligence Group)

■ Sales of the current year  
— Operating Income of the current year



		1Q	2Q	3Q	4Q	2Q(Cumulative)	Full Year
Sales	2013/3	—	—	—	—	—	—
	2014/3	20,333	20,789			41,122	(forecast) 90,000
Operating Income	2013/3	—	—	—	—	—	—
	2014/3	1,451	1,272			2,723	—
EBITDA	2013/3	—	—	—	—	—	—
	2014/3	2,547	2,400			4,948	—



# Transition of Business Results by Segment ③

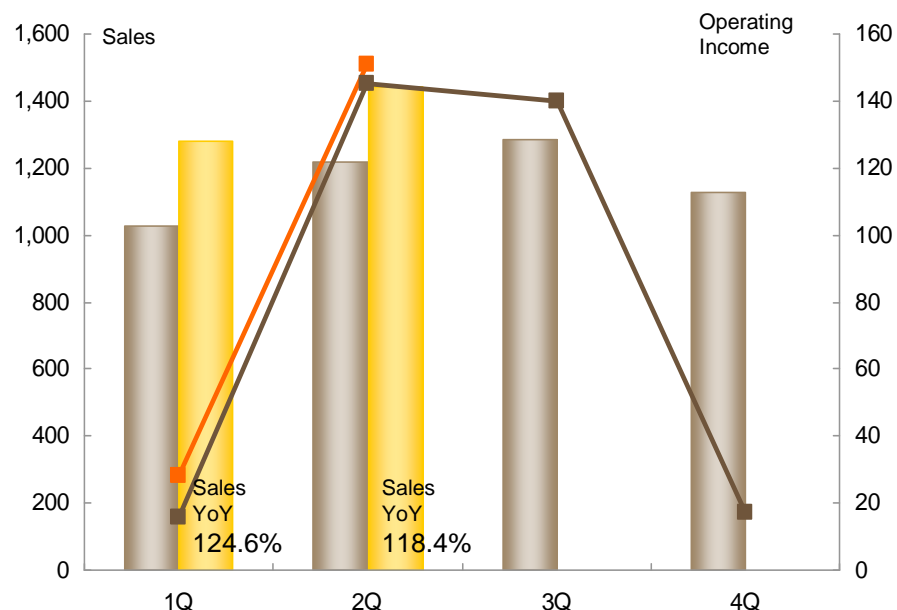
\*Rounded down. (Units: million yen, %), Δ= Negative value

\*Sales are those after eliminating internal transactions, and operating income is that before eliminating internal transactions.

\*We renamed the former R&D Outsourcing Segment to IT and Engineering Segment from the Fiscal Year ending March 2014. Simultaneously, we changed the allocation of subsidiaries to each segment. Figures for the fiscal year ended March 2013 are recalculated after the change in segment structure.

## 5 Other Business

■ Sales of the previous year      ■ Sales of the current year  
 ■ Operating Income of the previous year      ■ Operating Income of the current year



		1Q	2Q	3Q	4Q	2Q(Cumulative)	Full Year
Sales	2013/3	1,029	1,217	1,285	1,125	2,246	4,657
	2014/3	1,281	1,442			2,724	(forecast) 5,200
Operating Income	2013/3	16	145	140	17	162	320
	2014/3	28	151			180	—
EBITDA	2013/3	42	171	168	39	213	421
	2014/3	54	167			222	—

# FY March 2014: Consolidated Forecast of Results

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

\*Sales by segment are those after eliminating internal transactions.

	2014/3 (Actual)				2014/3 (Forecast)		
	1 <sup>st</sup> Half				Full Year		
	Forecast	Actual	Progress	YoY	Forecast	Ratio	YoY
<b>Sales</b>	178,500	174,420	97.7	143.6	365,000	100.0	147.6
Temporary Staffing and Recruitment Services	95,150	95,317	100.2	104.1	193,200	52.9	104.7
IT and Engineering	22,700	21,907	96.5	139.8	46,600	12.8	143.9
Outsourcing	14,300	13,348	93.3	110.8	30,000	8.2	117.2
Media and Career (Intelligence Group)	43,850	41,122	93.8	—	90,000	24.7	—
Other Business	2,500	2,724	109.0	121.2	5,200	1.4	111.6
<b>Operating Income</b>	7,700	7,506	97.5	164.8	18,500	5.1	188.2
<b>Ordinary Income</b>	7,600	7,433	97.8	158.8	18,300	5.0	181.1
<b>Net Income</b>	3,500	3,520	100.6	133.2	9,000	2.5	152.8

# Disclaimer

---



The statements concerning the Company's future business performances in this material such as earnings forecasts are based on information available as of November 12, 2013 to and certain assumptions deemed to be reasonable by the Company, and do not mean that we promise to achieve these figures. Actual earnings may differ materially from the statements due to a variety of factors.