

Briefing on Financial Results for the Fiscal Year Ended March 31, 2014

May 21, 2014



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Outline of the Temp Group

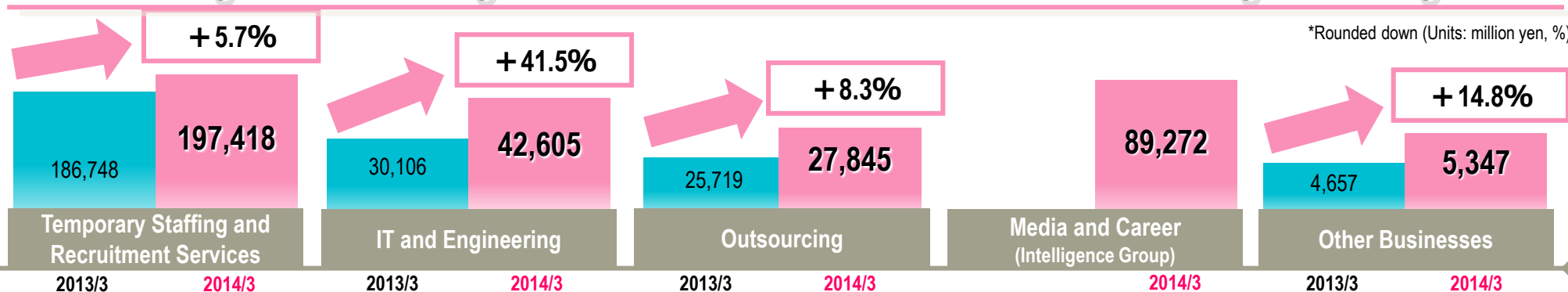
Part 1:

Outline of Consolidated Financial Results



FY March 2014: Sales by Segment

Net sales grew in all segments. M&A also contributed to the significant growth.



	2013/3		2014/3			
	Sales	Ratio	Sales	Ratio	Change	YoY
Temporary Staffing and Recruitment Services	186,748	75.5	197,418	54.5	+ 10,669	105.7
IT and Engineering	30,106	12.2	42,605	11.7	+ 12,498	141.5
Outsourcing	25,719	10.4	27,845	7.7	+ 2,126	108.3
Media and Career (Intelligence Group)	—	—	89,272	24.6	+ 89,272	—
Media Div.	—	—	18,207	5.0	+ 18,207	—
Career Div.	—	—	19,393	5.4	+ 19,393	—
Temporary staffing Div.	—	—	32,027	8.8	+ 32,027	—
Outsourcing Div.	—	—	13,361	3.7	+ 13,361	—
Employment development, new business, overseas Div.	—	—	6,282	1.7	+ 6,282	—
Other Businesses	4,657	1.9	5,347	1.5	+ 689	114.8
Total	247,232	100.0	362,489	100.0	+ 115,256	146.6

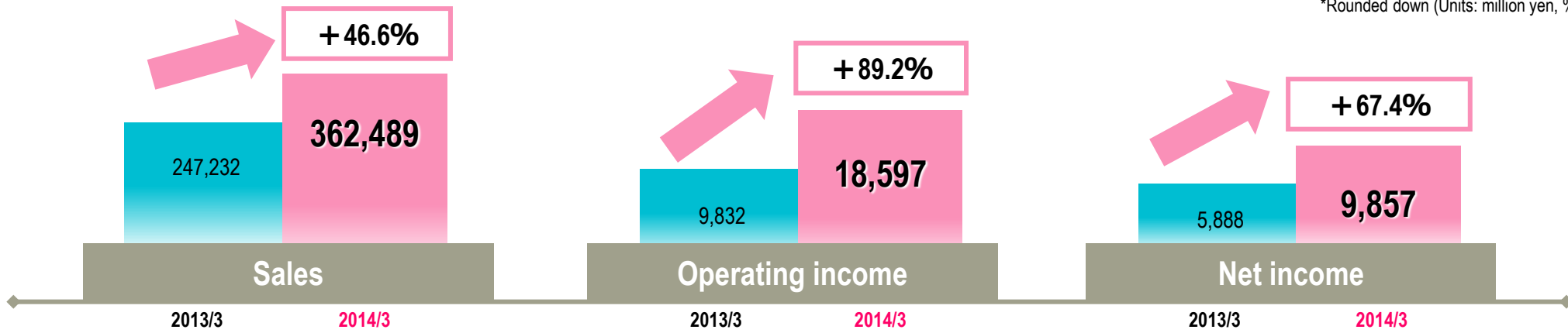
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FY March 2014: Consolidated Statements of Income

Significant increase in profits due to improved profitability

*Rounded down (Units: million yen, %)



	2013/3	Ratio	2014/3	Ratio	Change	YoY	2014/3 Plan at start of term	2015/3 Forecast
Sales	247,232	100.0	362,489	100.0	+115,256	146.6	365,000	390,000
Cost of Sales	207,768	84.0	277,147	76.5	+69,379	133.4	—	—
Gross Profit	39,464	16.0	85,341	23.5	+45,877	216.3	—	—
Selling, General and Administrative Expenses	29,631	12.0	66,743	18.4	+37,111	225.2	—	—
Operating Income	9,832	4.0	18,597	5.1	+8,765	189.2	18,500	21,000
EBITDA	11,240	4.5	24,951	6.9	+13,710	222.0	24,949	26,932
Ordinary Income	10,102	4.1	18,470	5.1	+8,367	182.8	18,300	21,000
Net Income	5,888	2.4	9,857	2.7	+3,969	167.4	9,000	12,000



FY March 2014: Consolidated Balance Sheets

*Rounded down (Units: million yen, %)

	2013/3		2014/3			
	Actual	Ratio	Actual	Ratio	Change	
Assets	97,592	100.0	177,433	100.0	+ 79,840	(Assets) Significant growth due to M&As
Current assets	80,606	82.6	87,463	49.3	+ 6,856	
(Cash and Deposits)	44,225	45.3	36,292	20.5	△ 7,933	
(Notes and accounts receivable-trade)	31,997	32.8	44,046	24.8	+ 12,048	
Non-current assets	16,985	17.4	89,969	50.7	+ 72,984	
(Right of trademark)	—	—	11,660	6.6	+ 11,660	(Right of trademark, Goodwill)
(Goodwill)	2,162	2.2	57,089	32.2	+ 54,926	Increased due to M&As
Liabilities	33,136	34.0	87,629	49.4	+ 54,492	
Current liabilities	29,178	29.9	44,154	24.9	+ 14,976	(Short-term loans payable) Bridge finance at the time of M&As decreased due to funding due to issuance of CB and new shares
(Short-term loans payable)	16	0.0	143	0.1	+ 126	
(Current portion of long-term loans payable)	—	—	4,640	2.6	+ 4,640	
Non-current liabilities	3,958	4.1	43,474	24.5	+ 39,516	(Long-term loans payable) Refinanced in March 2014
(Long-term loans payable)	—	—	18,560	10.5	+ 18,560	
(Convertible bond-type bond with stock acquisition rights)	—	—	15,000	8.5	+ 15,000	(Convertible bond-type bond with stock acquisition rights) CBs worth 15,000 million yen were issued in 2Q
Net assets	64,455	66.0	89,803	50.6	+ 25,348	
Owners' equity	60,830	62.3	85,380	48.1	+ 24,550	
(Capital stock)	2,000	2.0	9,980	5.6	+ 7,980	
(Capital surplus)	5,501	5.6	13,572	7.6	+ 8,071	(Capital stock, Capital surplus) Funding through issuance of 8 million new shares in 2Q
(Legal retained earnings)	53,682	55.0	62,140	35.0	+ 8,457	
Minority interests	2,556	2.6	2,829	1.6	+ 273	



FY March 2014: Consolidated Cash Flow

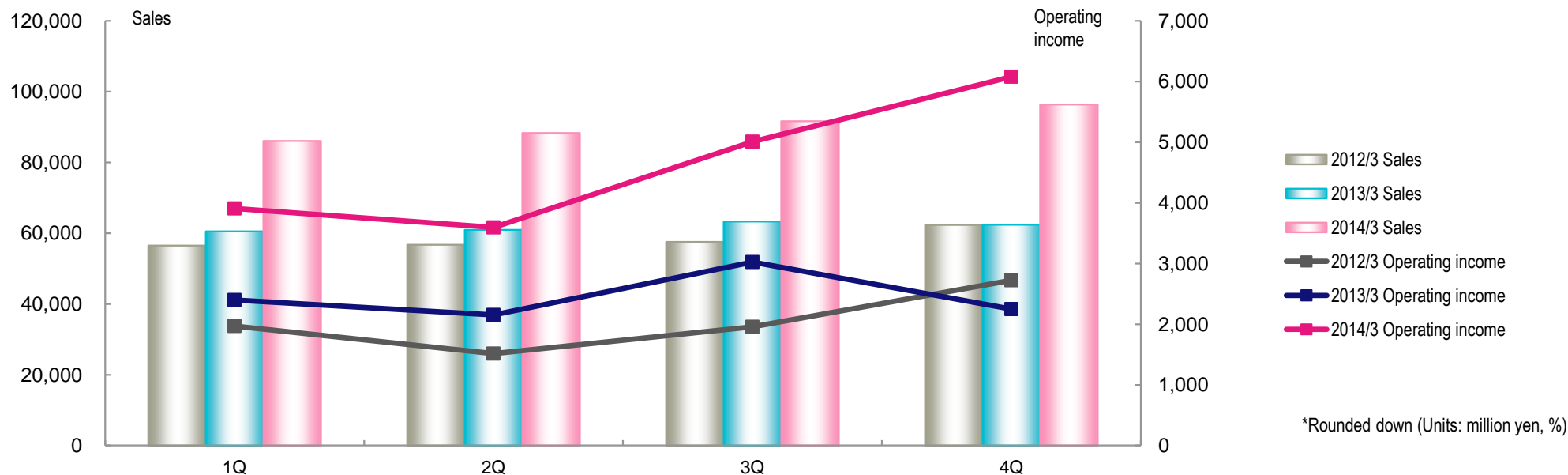
*Rounded down (Units: million yen, %)

	2013/3	2014/3	Change		2013/3	2014/3
Net cash provided by operating activities	7,787	10,863	+ 3,076	• Income before income taxes	10,019	⇒ 17,302
Net cash used in investment activities	△964	△51,306	△50,342	• Depreciation	605	⇒ 2,550
Net cash used in financing activities	△1,018	32,294	33,312	• Amortization of goodwill	910	⇒ 3,943
Increase (decrease) in cash and cash equivalents	5,901	△7,867	△13,768	• Increase (decrease) in trade receivable	△378	⇒ △1,493
				• Increase (decrease) in operating debt	225	⇒ △3,967
				• Income taxes paid	△5,252	⇒ △9,089
				• Purchase of investments in subsidiaries resulting in change in scope of consolidation	△425	⇒ △49,686
				• Increase in short-term loans payable	—	⇒ 35,303
				• Decrease in short-term loans payable	△57	⇒ △35,053
				• Increase in long-term loans payable	—	⇒ 23,200
				• Decrease in long-term loans payable	△74	⇒ △20,676
				• Proceeds from issuance of bonds	—	⇒ 14,975
				• Proceeds from issuance of common stock	—	⇒ 15,942



Transition of Quarterly Business Results

Continued strength in demand. Growth rate improved every quarter.



*Rounded down (Units: million yen, %)

	2012/3				2013/3				2014/3							
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	YoY	2Q	YoY	3Q	YoY	4Q	YoY
Sales	56,520	56,755	57,565	62,354	60,533	60,966	63,320	62,411	86,091	142.2	88,328	144.9	91,679	144.8	96,389	154.4
Cost of Sales	47,340	48,242	48,640	52,203	50,856	51,618	52,915	52,376	66,006	129.8	67,779	131.3	70,246	132.8	73,115	139.6
Gross Profit	9,179	8,513	8,925	10,151	9,676	9,348	10,404	10,034	20,085	207.6	20,548	219.8	21,432	206.0	23,274	231.9
Gross Profit Rate	16.2	15.0	15.5	16.3	16.0	15.3	16.4	16.1	23.3	—	23.3	—	23.4	—	24.1	—
SGA	7,208	6,997	6,967	7,425	7,275	7,193	7,378	7,784	16,176	222.3	16,951	235.7	16,423	222.6	17,191	220.9
Operating Income	1,971	1,515	1,957	2,725	2,400	2,154	3,025	2,250	3,909	162.8	3,597	167.0	5,008	165.5	6,082	270.3
Operating Income Ratio	3.5	2.7	3.4	4.4	4.0	3.5	4.8	3.6	4.5	—	4.1	—	5.5	—	6.3	—

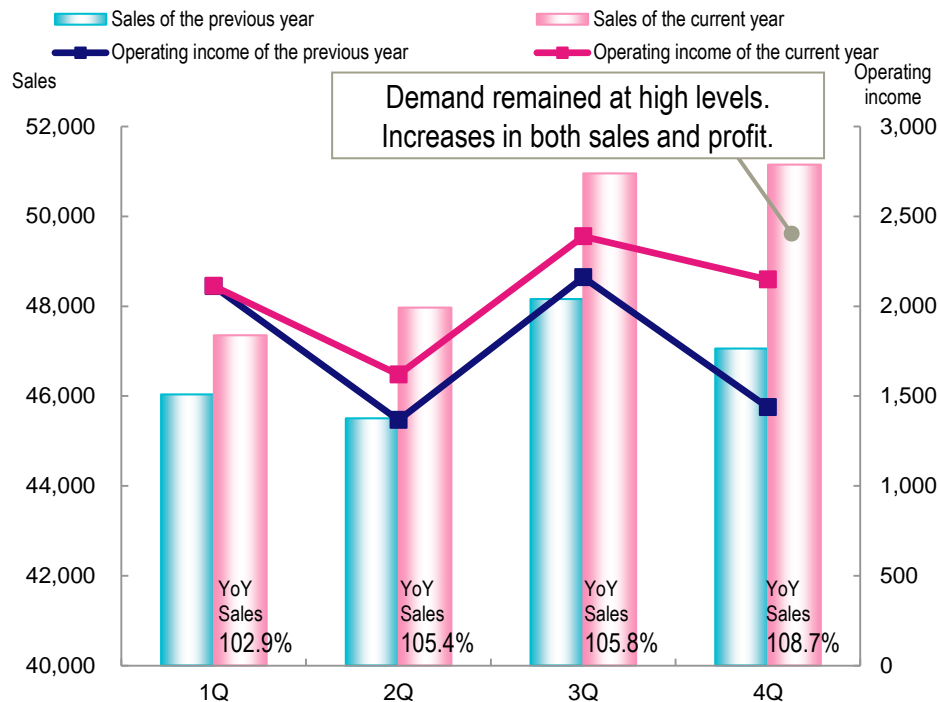


FY March 2014: Transition of Business Results by Segment (1)

*Rounded down. (Units: million yen, %), △= Negative value, Sales are those after eliminating internal transactions, and operating income is that before eliminating internal transactions.

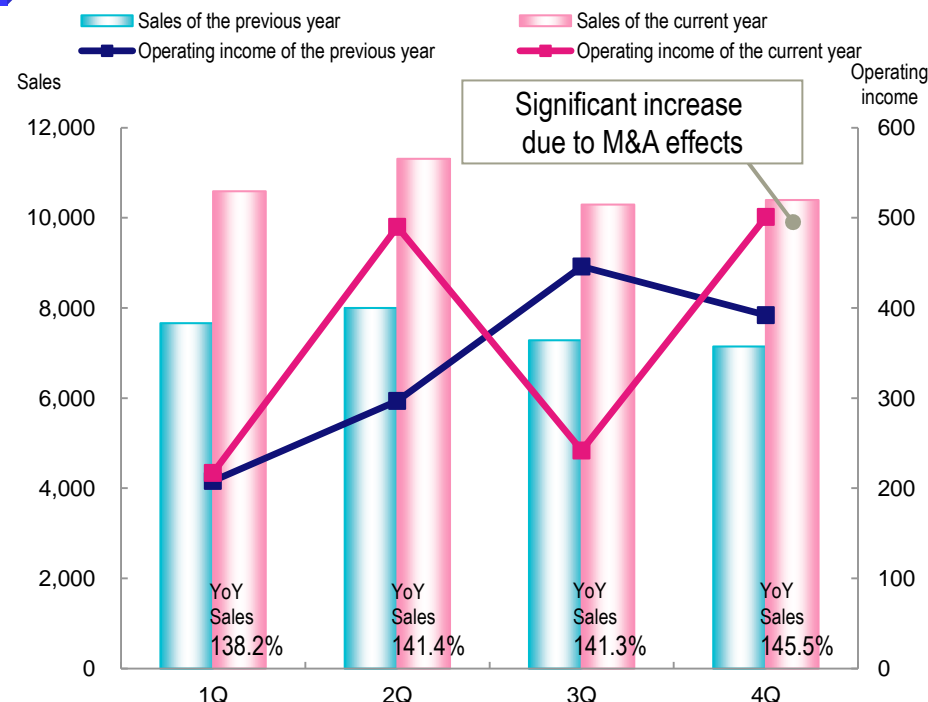
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1 Temporary Staffing and Recruitment Services



		1Q	2Q	3Q	4Q	Full year
Sales	2013/3	46,034	45,502	48,156	47,055	186,748
	2014/3	47,350	47,966	50,953	51,148	197,418
Operating income	2013/3	2,110	1,366	2,161	1,437	7,076
	2014/3	2,112	1,619	2,388	2,147	8,268
EBITDA	2013/3	2,307	1,563	2,319	1,743	7,933
	2014/3	2,333	1,845	2,559	2,358	9,096

2 IT and Engineering



		1Q	2Q	3Q	4Q	Full year
Sales	2013/3	7,666	8,003	7,287	7,149	30,106
	2014/3	10,593	11,313	10,298	10,399	42,605
Operating income	2013/3	208	297	446	392	1,345
	2014/3	217	490	242	501	1,452
EBITDA	2013/3	271	360	545	420	1,597
	2014/3	391	686	447	688	2,213

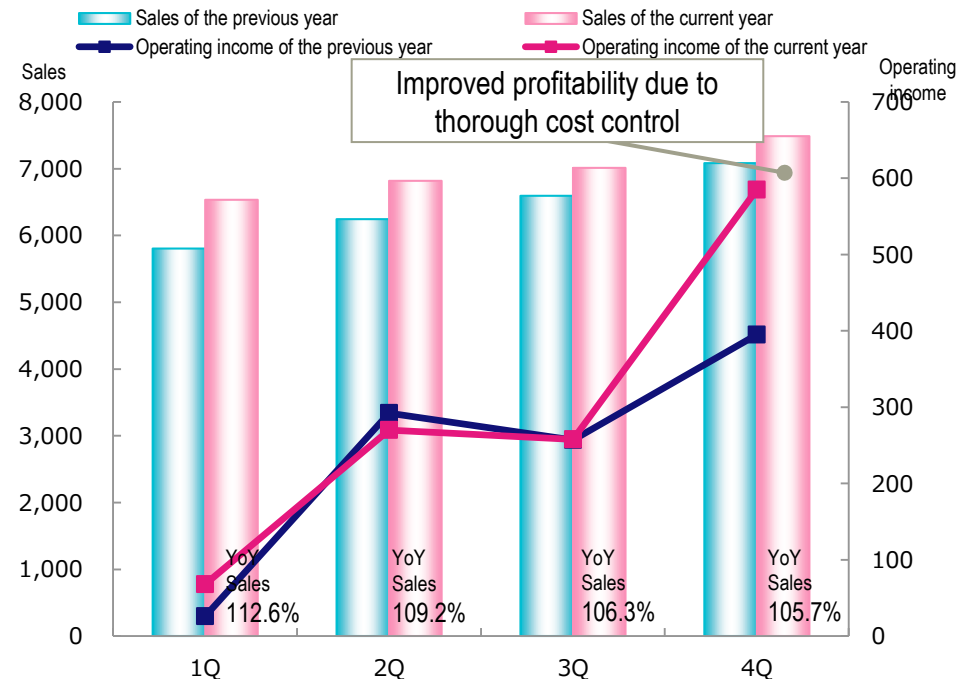


FY March 2014: Transition of Business Results by Segment (2)

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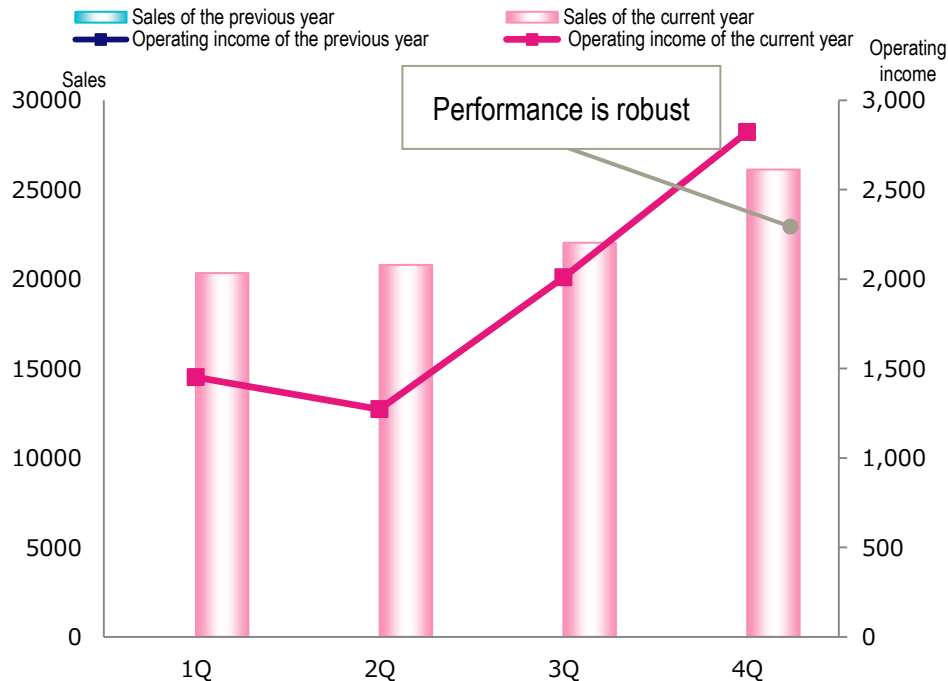
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3 Outsourcing



		1Q	2Q	3Q	4Q	Full year
Sales	2013/3	5,802	6,242	6,592	7,081	25,719
	2014/3	6,532	6,816	7,010	7,485	27,845
Operating Income	2013/3	26	292	257	395	973
	2014/3	68	270	258	585	1,182
EBITDA	2013/3	74	340	313	442	1,171
	2014/3	109	315	299	627	1,352

4 Media and Career (Intelligence Group)



		1Q	2Q	3Q	4Q	Full year
Sales	2013/3	—	—	—	—	—
	2014/3	20,333	20,789	22,028	26,121	89,272
Operating Income	2013/3	—	—	—	—	—
	2014/3	1,451	1,272	2,009	2,822	7,555
EBITDA	2013/3	—	—	—	—	—
	2014/3	2,547	2,400	3,158	3,961	12,068



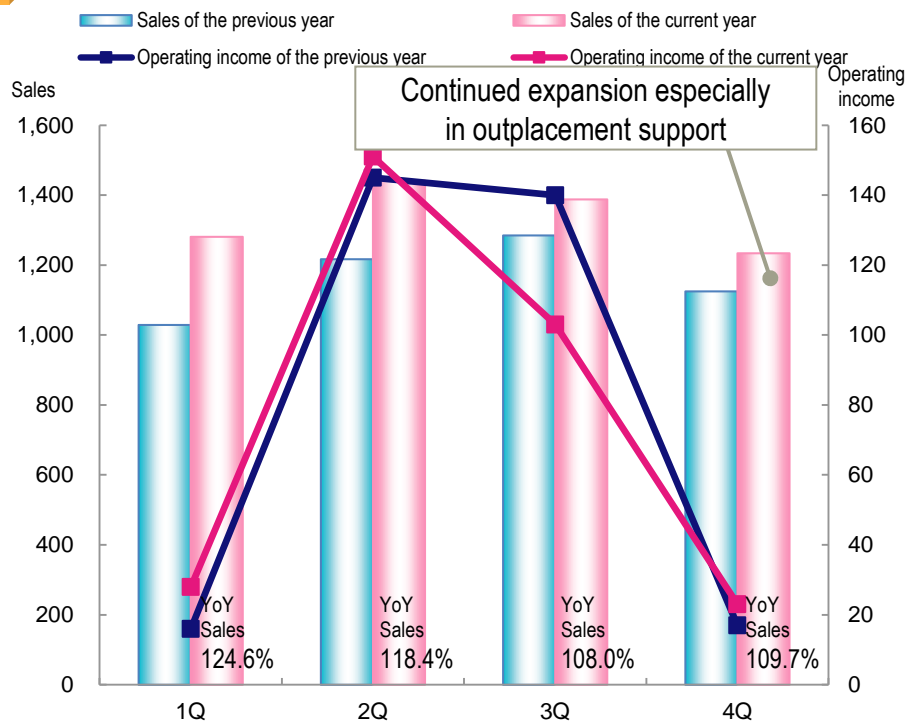
FY March 2014: Transition of Business Results by Segment (3)

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5

Other Businesses



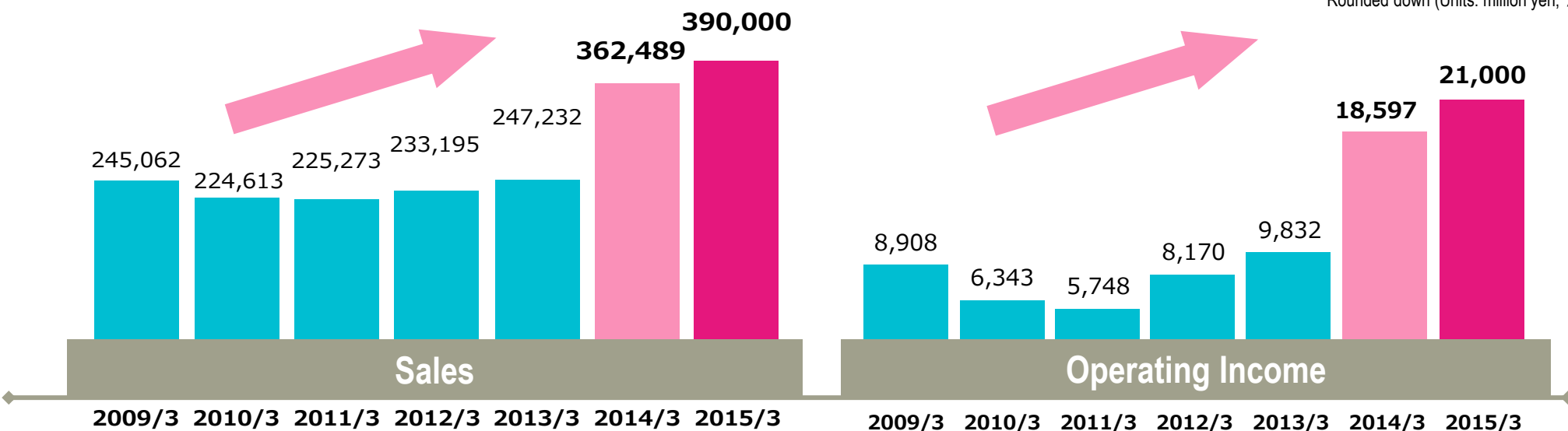
		1Q	2Q	3Q	4Q	Full year
Sales	2013/3	1,029	1,217	1,285	1,125	4,657
	2014/3	1,281	1,442	1,388	1,234	5,347
Operating Income	2013/3	16	145	140	17	320
	2014/3	28	151	103	23	306
EBITDA	2013/3	42	171	168	39	421
	2014/3	54	167	120	46	389



Transition of Business Results

Our segment structure will be renewed in 2015/3.
Continued increases in both sales and profit are expected under the new structure.

*Rounded down (Units: million yen, %)



	2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3 (forecast)
Sales	245,062	224,613	225,273	233,195	247,232	362,489	390,000
Operating Income	8,908	6,343	5,748	8,170	9,832	18,597	21,000
Operating Income Ratio	3.6	2.8	2.6	3.5	4.0	5.1	5.4
Ordinary Income	9,245	6,734	6,231	8,434	10,102	18,470	21,000
Ordinary Income Ratio	3.8	3.0	2.8	3.6	4.1	5.1	5.4
Net Income	4,076	2,950	2,410	3,482	5,888	9,857	12,000
Net Income Ratio	1.7	1.3	1.1	1.5	2.4	2.7	3.1



Dividend Policy

Stable dividend payment will be continued according to the progress of business results, while enhancing our business structure to be able to expand business in growth areas swiftly and aggressively

- The year-end dividend for the fiscal year ended March 2014 was 14 yen per share, an increase of 4 yen compared to the previous term.
- The full year dividend for the fiscal year ended March 2014 was 24 yen per share (interim: 10 yen, year-end: 14 yen), an increase of 6 yen on a full-year basis compared to the previous term.
- The full year dividend for current term are planned to be 28 yen (interim: 14 yen, year-end: 14 yen), and increase of 4 yen on a full-year basis compared to the previous term.

	2013/3			2014/3			2015/3		
	Interim	Year-end	Full year	Interim	Year-end	Full year	Interim (forecast)	Year-end (forecast)	Full year (forecast)
Per share	8 yen	10 yen	18 yen	10 yen	14 yen	24 yen	14 yen	14 yen	28 yen
Cash dividend paid	1,133 million yen			1,754 million yen			—		
Dividend ratio (consolidated)	18.6%			16.9%			17.1%		
Dividends on net assets (consolidated)	2.0%			2.2%			—		

Part 2: Mid-term Management Strategy of the Temp Group



<Corporate Philosophy of the Temp Group>

**Creating Jobs, Adding Value to Individuals,
and Contributing to Society**

<Slogan of the Temp Group>

**Helping people fulfill dreams and find
happiness through work**



The Environment Surrounding the Temp Group and the Role of a Personnel Service Company

Environment surrounding the Temp Group

A declining labor force due to changes in the demographic structure

Diversification in work patterns and an increase in non-regular employment

Low labor participation rates of women in their 30s and 40s

Labor mismatch due to the shift in industry structures

Revisions/changes in laws and regulations

Companies' overseas expansion and an increase in those seeking jobs abroad

The Temp Group's ideas of social roles expected of a personnel service company

To establish a business portfolio that is not affected by business fluctuations, and to achieve high growth

To realize the transfer of labor without unemployment, from mature industries to growth industries in cooperation with the state and local government

To support career development through matching and employment management in order to overcome the barriers of sex and age in recruitment and employment

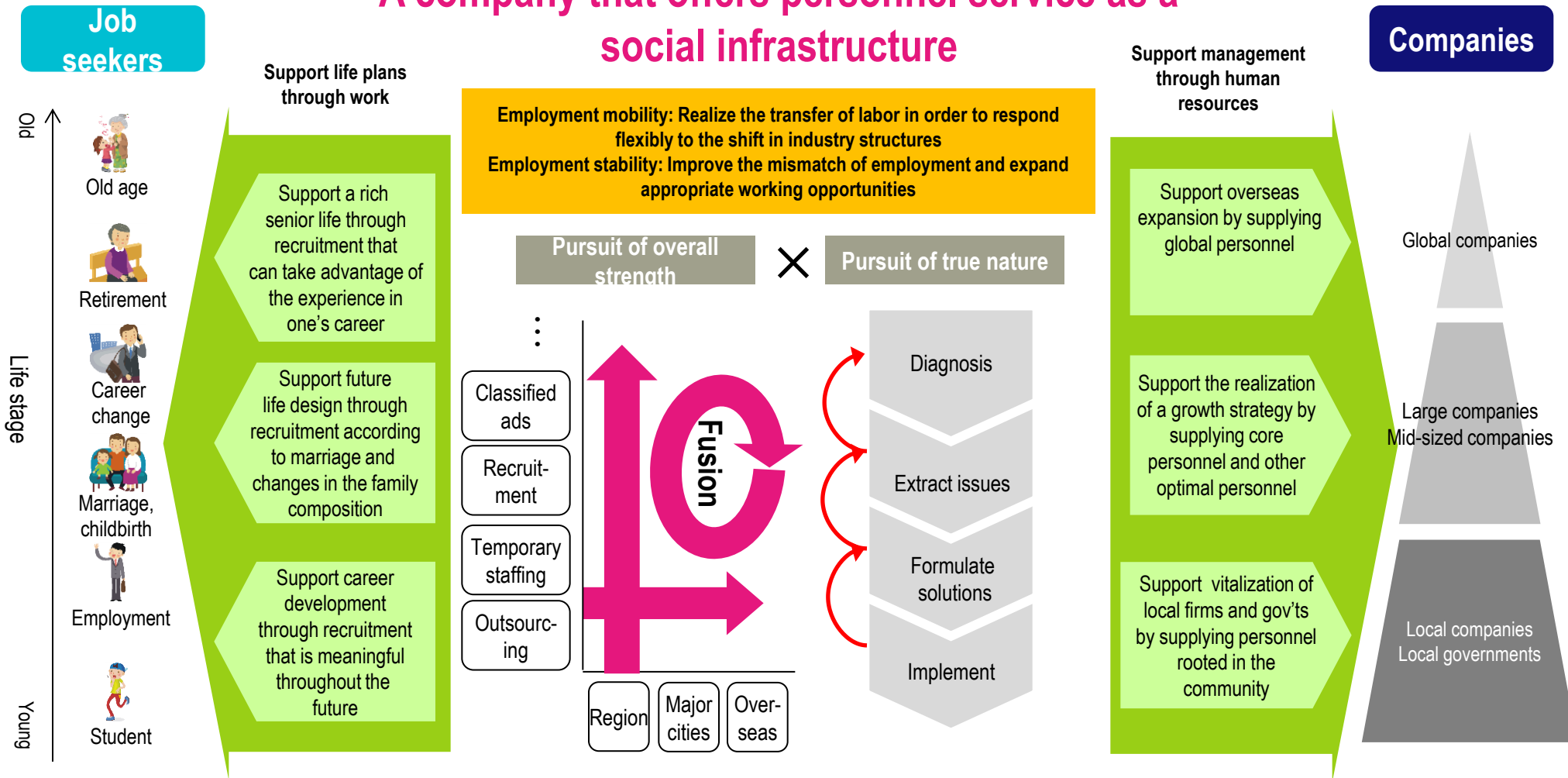
Sophistication of the personnel service industry through personnel development

The Temp Group is expected to become a “company that offers personnel service as a social infrastructure” to an unprecedented level



The Ideal Form of the Temp Group

A company that offers personnel service as a social infrastructure





**Aim to Become No.1 in the
“number of users” and “number of
employed persons”**



Outline of the Mid-term Management Strategy

Strategy 1 Optimize the Group's management and segment structure

- ✓ We will change our segment structure from five segments to seven in order to accelerate decision-making and realize appropriate resource allocation.
- ✓ We will re-establish governance by integrating the back office and middle office divisions as well as enhancing the indirect functions of Temp Holdings.

Strategy 2 Increase the number of employed persons through investment in the Temporary Staffing segment and improved productivity

- ✓ We will achieve continued growth based on trust and a sense of security in the Temporary Staffing segment and expansion in scale through M&As.
- ✓ We will realize stable employment by securing as much employment data on women, youth, the elderly, engineers, etc. as possible.

Strategy 3 Gain more users in the Media and Career segment

- ✓ We will maximize contacts with users through aggressive investment in the Media and Career segment.
- ✓ We will promote integration of the Group mainly in the Asian region at the North Asia and South Asia managing companies.

Strategy 4 Enhance capability to offer solutions in outsourcing services

- ✓ We will improve the service level by accumulating know-how in outsourcing services (BPO, ITO, engineering).
- ✓ We will enhance the training of engineers and strengthen recruitment abilities through the cooperation of Group companies.

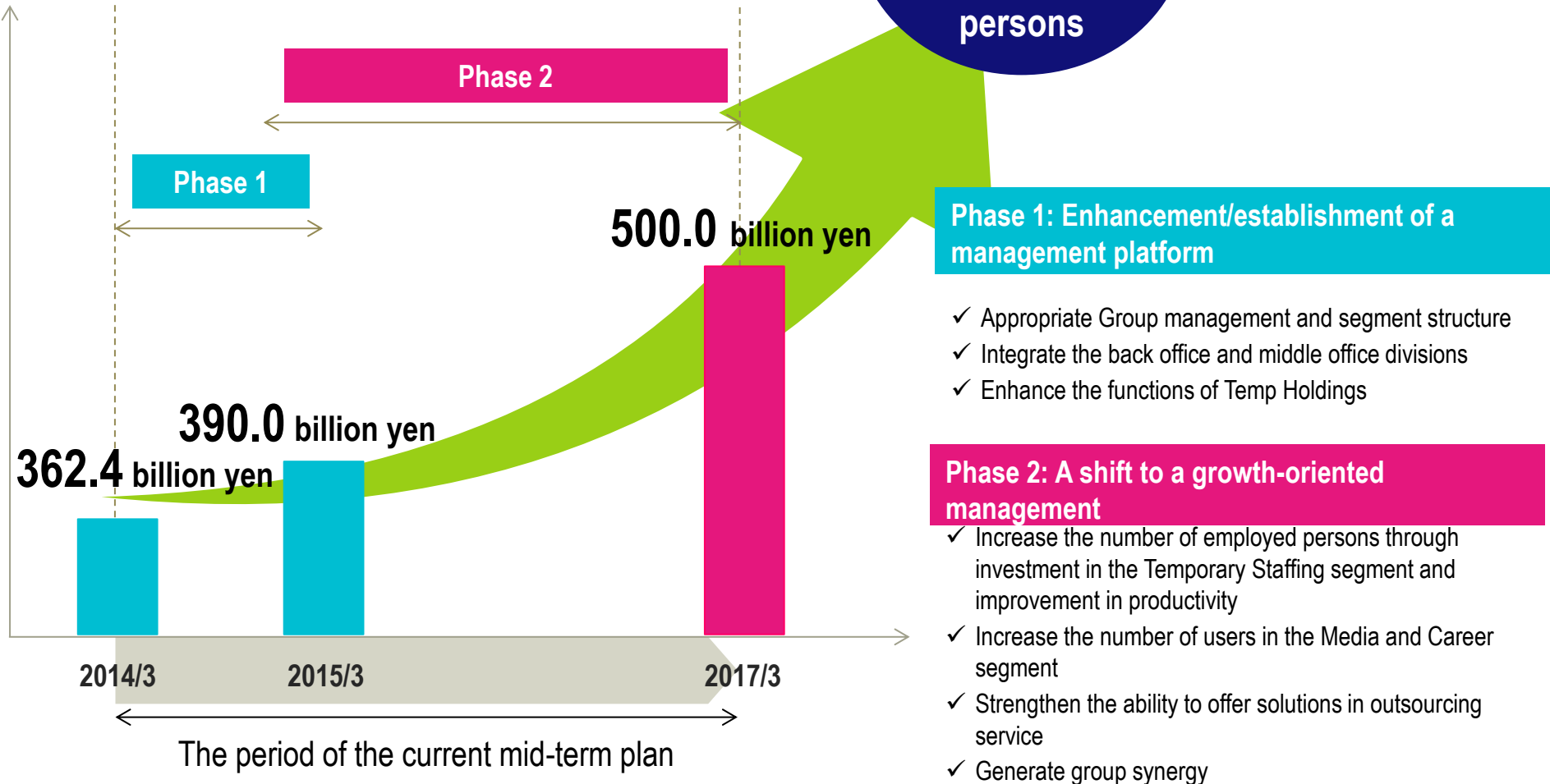
Strategy 5 Generate group synergy

- ✓ By offering a full line-up of services and strengthening cooperation between segments, we will realize life plan support by providing work for job seekers and management support by providing human resources to companies.



Overview of the Mid-term Management Strategy

Sales size





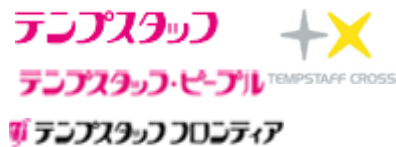
A Shift to a Segment Structure

テンポホールディングス

Only indicates major companies and businesses for each business

*As of March 31, 2014

Temporary Staffing and Recruitment business



IT & Engineering business



Outsourcing business



Media and Career-related business



Other Businesses



From April 2014,

the management structure will shift to the following segment structure.

テンポホールディングス

Only indicates major companies and businesses for each business

Temporary staffing



BPO*1



ITO*2



Engineering



Media



Career



NED*3



*1 BPO: Business Process Outsourcing *2 ITO = IT Outsourcing *3 NED = New Employment Development



Numerical Targets

	2014/3 (Actual)	2017/3 (Target)
Sales	362.4 billion yen	500.0 billion yen
Operating income	18.5 billion yen	30.0 billion yen
EBITDA margin	6.9%	8.0%
Operating income ratio	5.1%	6.0%





[Reference material (1)]

The Environment Surrounding the Personnel Service Industry

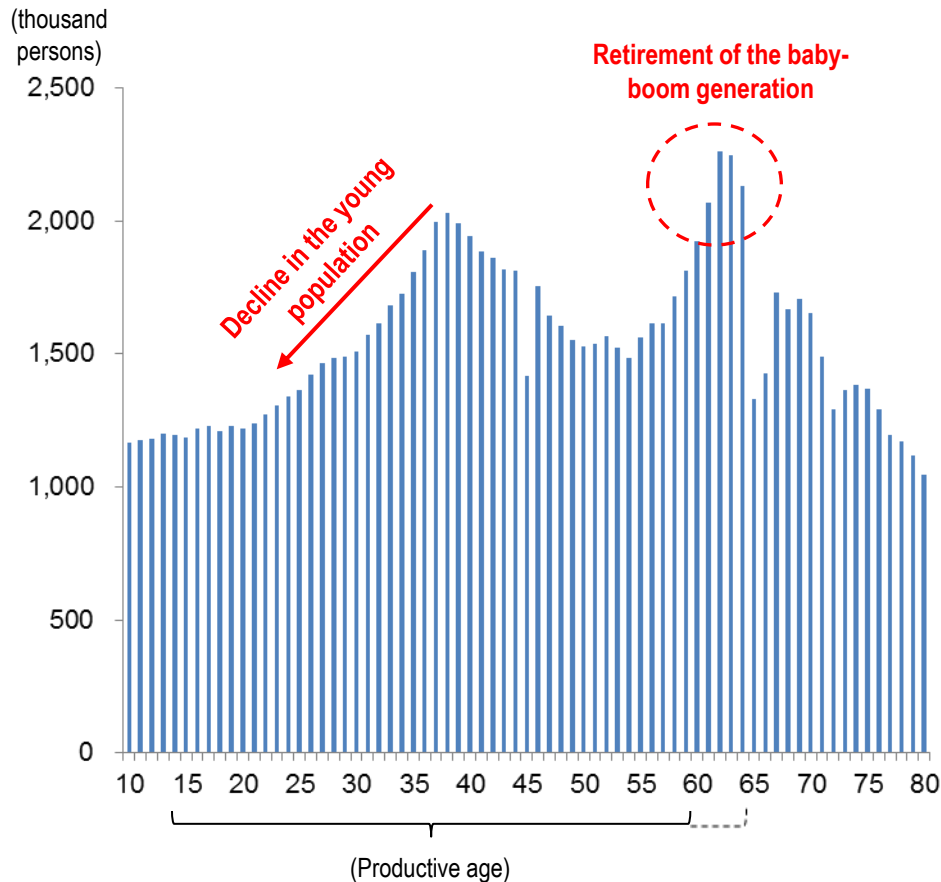


[Reference material (1)] The Environment Surrounding the Personnel Service Industry (1)

The shift in industry structures is accelerating while a shortage of personnel is expected especially in the young generation, due to the decreasing birthrate and aging population as well as the retirement of babyboomers.

Shifts in demographic composition:
Retirement of employees with advanced skills; a rise in the outlook of shortage of young personnel

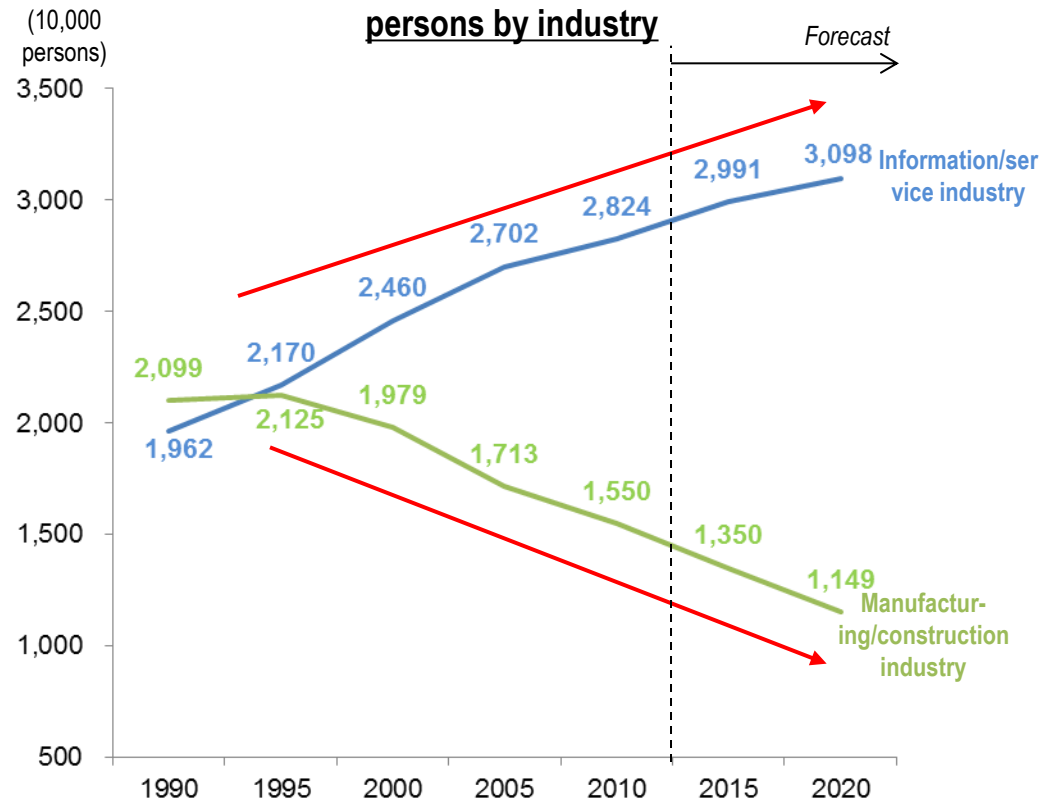
Demographic composition by age



Source: "Nihon no Toukei 2014" Statistics Bureau, Ministry of Internal Affairs and Communication

A shift in industry structures: An increase in companies and individuals that cannot adapt to the speed of the shift toward a service economy

Transition of the number of employed persons by industry



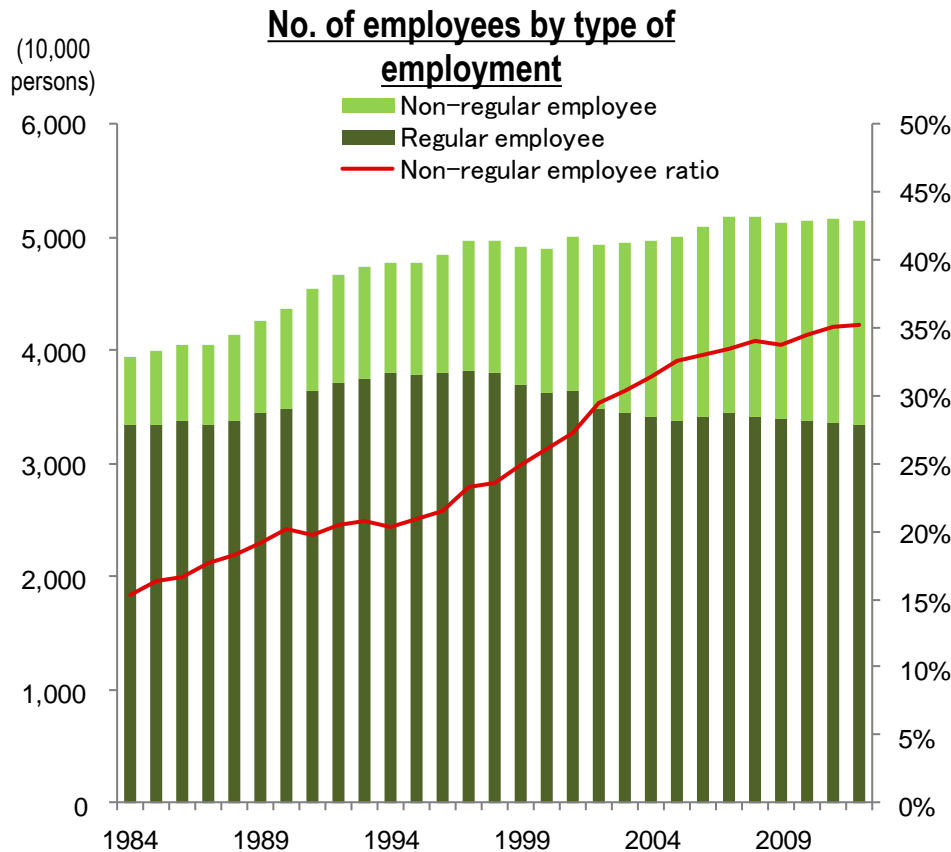
Source: "Paradigm Shift in Developed Era" Recruit Works Institute



[Reference material (1)] The Environment Surrounding the Personnel Service Industry (2)

While the number of non-regular workers is increasing, it is necessary for companies to change swiftly according to new rules since the market changes in accordance with laws and regulations.

**A shift in the types of employment:
An increase in non-regular employment, diversification of
employment types**



**A shift in the temporary staffing market:
Shift in the market due to laws and regulations**

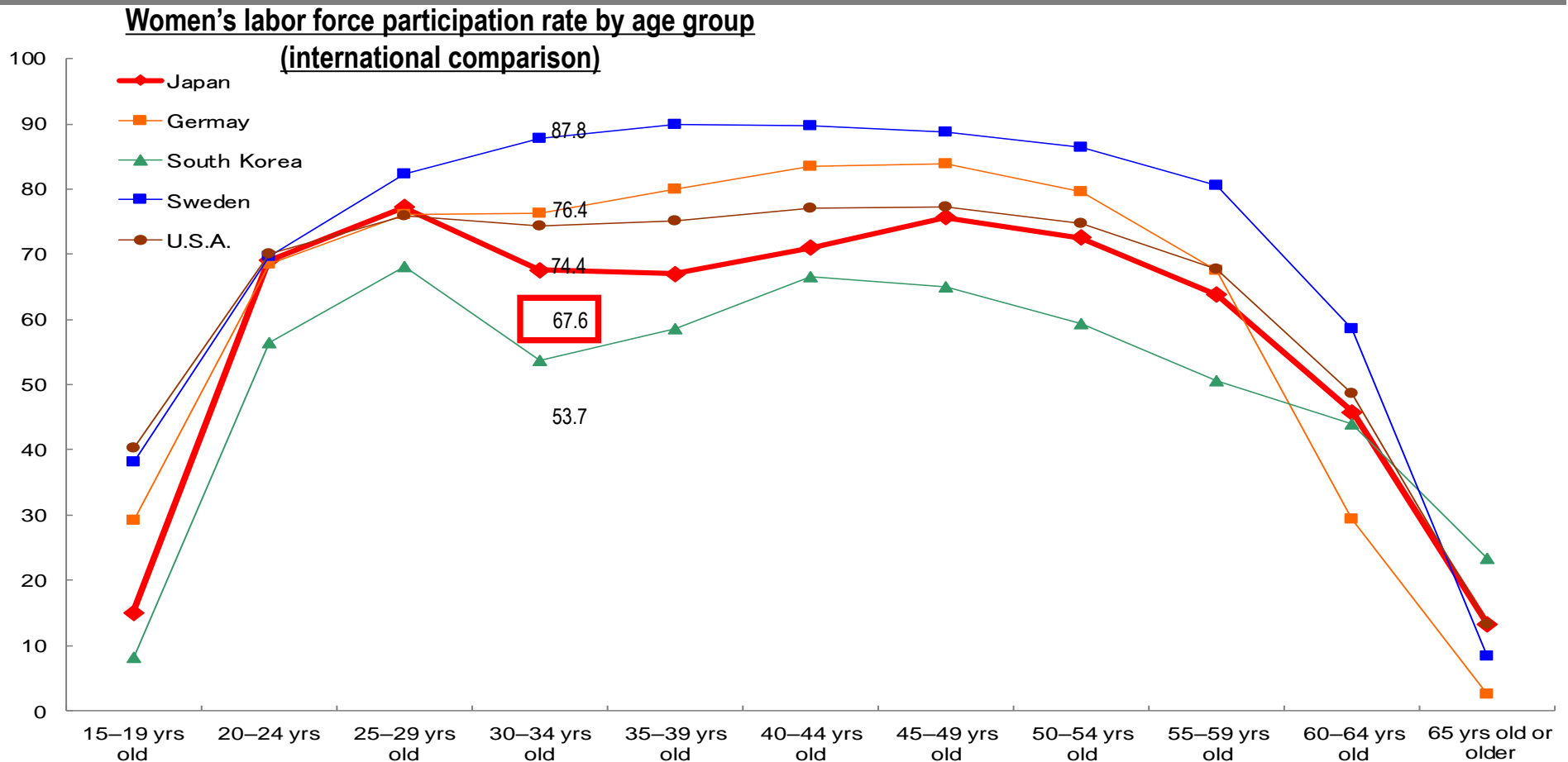
Year	Description
1986	✓ Worker Dispatch Law enforced
1996	✓ Target jobs expanded to 26 jobs
1999	✓ Target jobs liberalized in principle (only prohibited jobs designated) Dispatch period: specialist jobs: 3 years; liberalized jobs: 1 year
2000	✓ Ban on Employment Placement Dispatching lifted
2004	✓ Dispatch period of liberalized jobs extended to 3 years ✓ Dispatch period of specialized jobs changed to "unlimited" ✓ Ban on dispatch to manufacturing jobs lifted (period 1 year)
2006	✓ Ban on dispatch to medical-related jobs partially lifted
2007	✓ Dispatch period to manufacturing jobs extended to 3 years
2012	✓ Day labor dispatch prohibited in principle ✓ Employment of personnel who left the job within the prior year at the same workplace as temporary staff is prohibited
2015 (plan)	✓ Acceptance of the same person as temporary staff for more than 3 years is prohibited ✓ Dispatch period changed to "unlimited" if not the same person ✓ All temporary staffing firms to operate under a government license



[Reference material (1)] The Environment Surrounding the Personnel Service Industry (3)

Japanese women's labor force participation rate by age group shows an M-shaped curve. Many women are hoping to work and are expected as a rich potential labor force.

Women's labor force participation rate by age group:
Rich potential labor force centered around women in their 30s, which is a **child-rearing age**





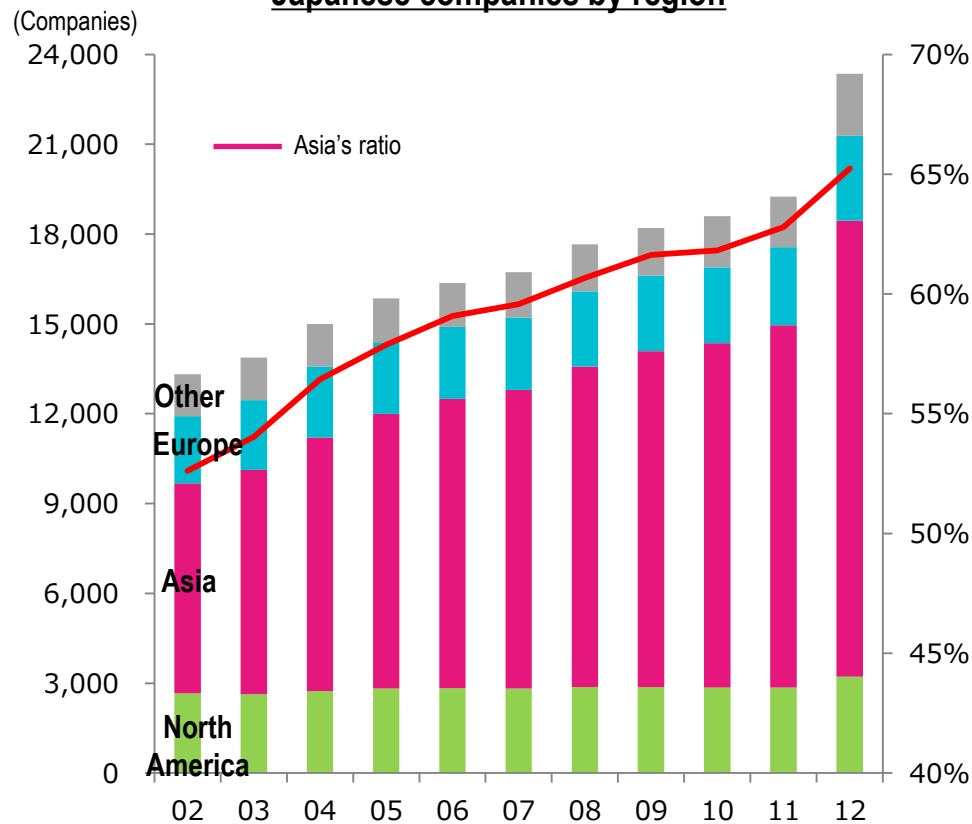
[Reference material (1)] The Environment Surrounding the Personnel Service Industry (4)

Competition for global personnel has intensified due to Japanese firms' expansion into Asia. Since overseas-oriented individuals have also increased, the know-how to support the employment mobility of borderless global personnel is required.

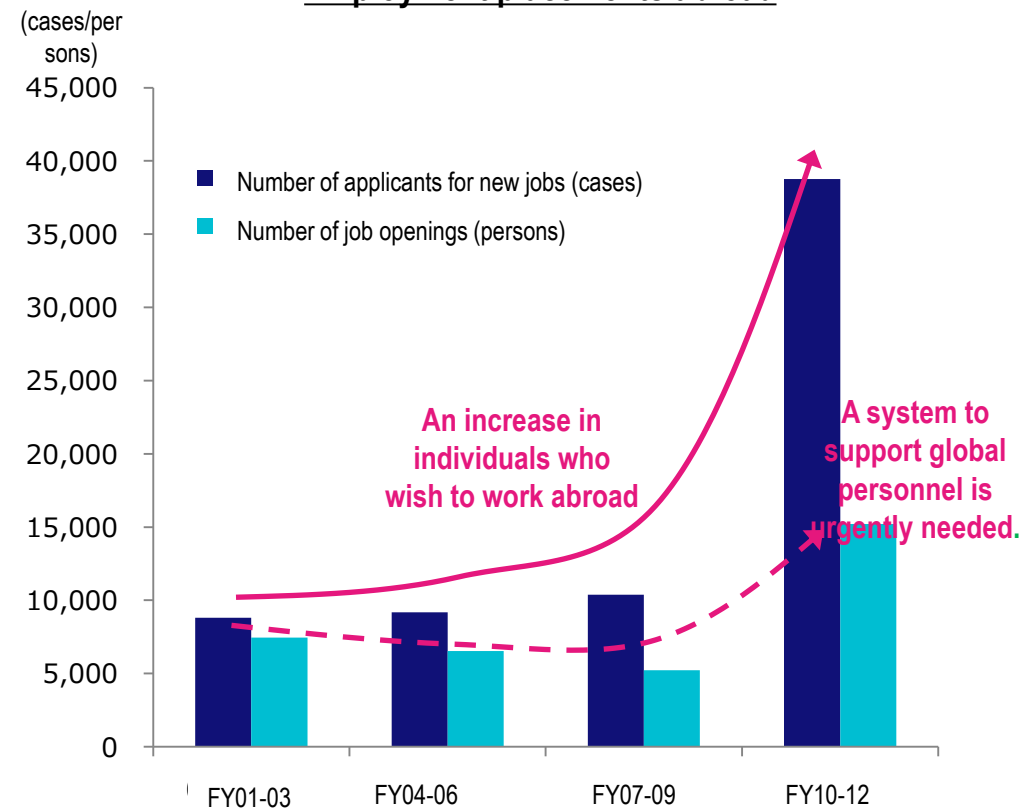
A shift in global awareness:

The progress of Japanese companies expanding abroad, mainly in Asia, and the rise in those who wish to work abroad

No. of overseas local corporations of Japanese companies by region



Employment placements abroad



Source: "Confirmed report on the outline of the results of the basic survey on overseas business activities" Ministry of Economy, Trade and Industry

Source: "Aggregation results of the business reports on worker dispatching undertaking" Ministry of Health, Labour and Welfare

Part 3:

**Forecast for the Fiscal Year Ending
March 31, 2015**



Temporary Staffing Segment

Segment Overview

Outline	Offers temporary staffing services nationwide with strengths in localized operations, specialized jobs and specific companies
Major Group companies	<p>[Localized operations] Tempstaff, Intelligence Temporary Staffing Div., Tempstaff People, Tempstaff Fukuoka, Tempstaff Familie, Tempstaff Grow</p> <p>[Specialist jobs] Tempstaff Technologies, Tempbros, Personal, Tempstaff Creative, Tempstaff Plus, TEMPSTAFF CROSS</p> <p>[For specific companies] Tempstaff Media, Kobelco Personnel, Support-A</p>

Segment Strategy

Increase the number of employed persons

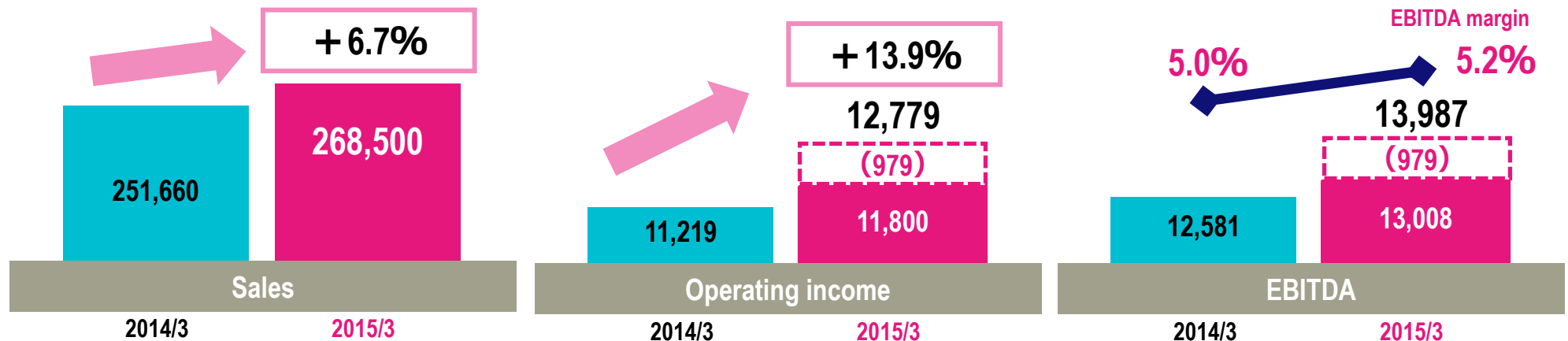
- Strengthen supply power (Enhance introduction by friends, improve re-availability)
- Grow work information volume through cooperation of Group firms
- Improve profit structure in view of amendment of the Worker Dispatch Law

2015/3 Forecast



indicates expenses allocated to the head office, which have been introduced since the fiscal year ending March 2015. The amount is stated in brackets.

Operating income YoY change and 2015/3 EBITDA are calculated by adjusting the head office allocated expenses.





Impact of the Amendment of the Worker Dispatch Law

With the aim of enforcing the amended law in April 2015, the amendment was approved at a Cabinet meeting in March 2014 and is planned to be discussed during the current Diet session.

1. The shape of the specified worker dispatching business

○ The classifications of specified worker dispatch undertaking (notification system) and the general worker dispatch undertaking (license system) shall be abolished, and all worker dispatch undertaking shall be under a license system, in order to achieve healthy development of the worker dispatching business.

2. The shape of the time limitations of worker dispatching

- The current system does not impose time limitations for the so-called 26 jobs such as specialist jobs, while other jobs are limited to one year in principle or three years as an exception. Since the time limitations have been difficult to understand, they shall be abolished and replaced with a time limitation common to all jobs for individual dispatched workers (three years) and for each office to which the worker has been dispatched (three years, with a possibility of extension in certain cases).^{*1}
- The owner of the dispatching business shall be required to take measures toward stable employment such as offering new employment opportunities (workplaces as dispatch destinations) to dispatched workers who are due to reach the new time limitation, if they request to continue working.

3. The ideal form of securing balanced treatment of dispatched workers and promoting career improvements

- Efforts to ensure balanced treatment of dispatched workers shall be strengthened at both the owner of the dispatching business and the workplace to which the worker is dispatched.
- Improvement of the careers of dispatched workers shall be promoted by requiring the owner of the dispatching business to provide systematic training, etc.

^{*1} Time limitations for each individual: Continuous acceptance of the same dispatched worker at the same organization unit of the company where he/she is dispatched shall be limited to three years.

Time limitations for each office: Continuous acceptance of the same dispatched worker at the same office of the company where he/she is dispatched shall be limited to three years. However, extension shall be possible for an additional three years if opinions have been heard from a majority labor union, etc., before three years have passed since acceptance (the same shall apply subsequently).



Segment Overview

Outline

Offers a wide range of outsourcing services such as the operation of business processing centers and call centers, and planning/operation of business processing

Major Group companies


[Operation of business processing centers, call centers] Tempstaff
[Outsourcing of sales functions] Tempstaff Sales Support
[Health guidance, health checkup support] Tempstaff Life Support
[Business processing incl. software dev.] Japan IDEX
[IT support (help desk, service desk)] HOWCOM
[Pharmaceuticals' safety information control business (PV)] PV NEXT
[Data input, business processing center] Suzhou Tempstaff Data

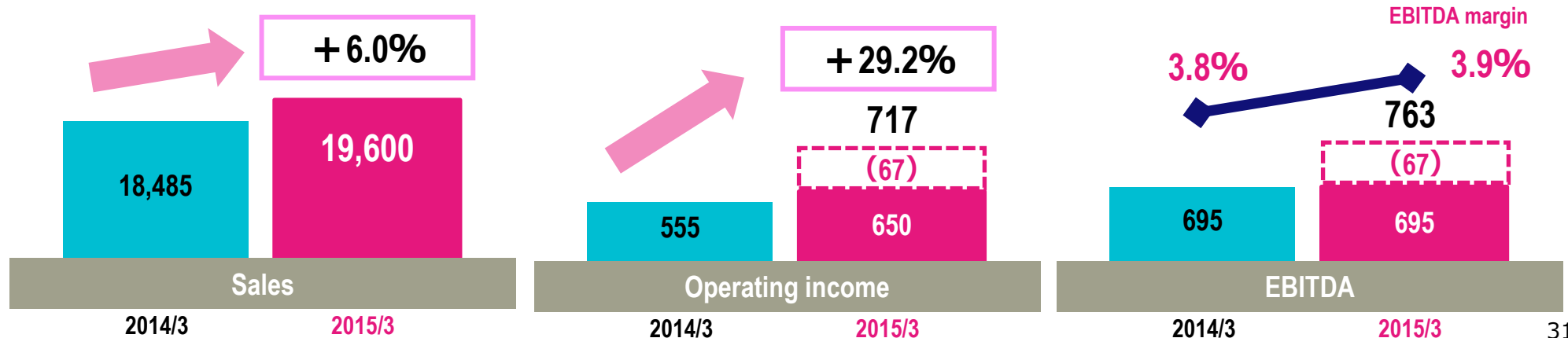
Segment Strategy

Increase the number of employed persons

- Raise service quality by improving operational abilities
- Utilize the sales channels of temporary staffing
- Improve profitability by promoting in-house, whole-out or a hybrid of both operation types

2015/3 Forecast

 indicates expenses allocated to the head office, which have been introduced since the fiscal year ending March 2015. The amount is stated in brackets.
Operating income YoY change and 2015/3 EBITDA are calculated by adjusting the head office allocated expenses.





Segment Overview

Outline

Offers a comprehensive SI service from consulting to development/maintenance and outsourcing services

Major Group companies

[System development, consulting]
Intelligence Business Solutions
[Software outsourcing development]
TOYO SOFTWARE ENGINEERING


Segment Strategy

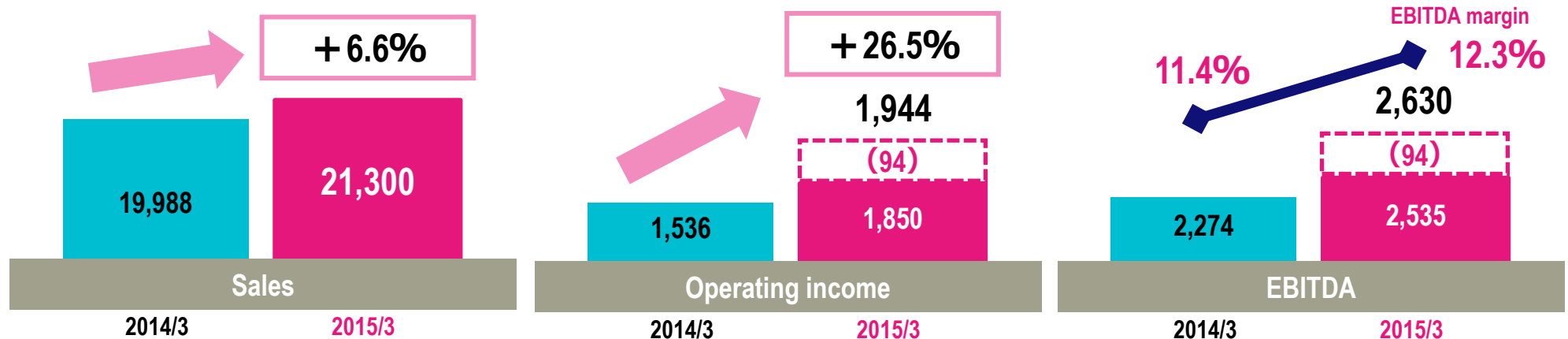
- Expand scale of outsourcing through improvement in technical/specialization levels
- Expand target areas of the service
- Develop a HITO*¹ solution service
- Maximize business synergies within the segment

*1: "HITO" series

- Part-timer recruitment management system, "HITO-Manager"
- Talent management system, "HITO-Talent"

2015/3 Forecast

 indicates expenses allocated to the head office, which have been introduced since the fiscal year ending March 2015. The amount is stated in brackets.
Operating income YoY change and 2015/3 EBITDA are calculated by adjusting the head office allocated expenses.





Engineering Segment

Segment Overview

Outline

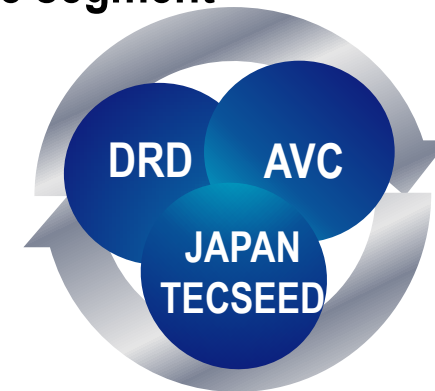
Offers personnel and outsourcing development services in the automobile design development/testing, digital audio visual equipment and software development fields

Major Group companies

[R&D outsourcing (R&D support)] JAPAN TECSEED
[Digital audio visual equipment software and system development field] AVC Multimedia Software
[Digital audio visual equipment software and hardware design development field] AVC Technology
[Design/testing field of commercial vehicles and parts] DRD

Segment Strategy

- Improve careers of engineers
- Strengthen cooperation of businesses within the segment

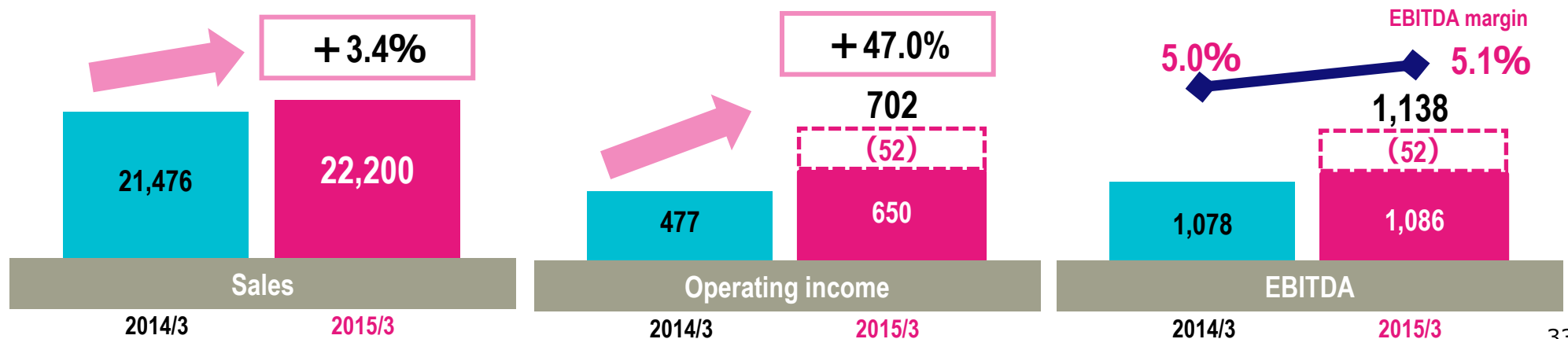


2015/3 Forecast



indicates expenses allocated to the head office, which have been introduced since the fiscal year ending March 2015. The amount is stated in brackets.


Operating income YoY change and 2015/3 EBITDA are calculated by adjusting the head office allocated expenses.





Media Segment

Segment Overview


Outline	Provides “an,” one of Japan’s largest part-time job opening information services 
Major Group companies	Intelligence Media Div

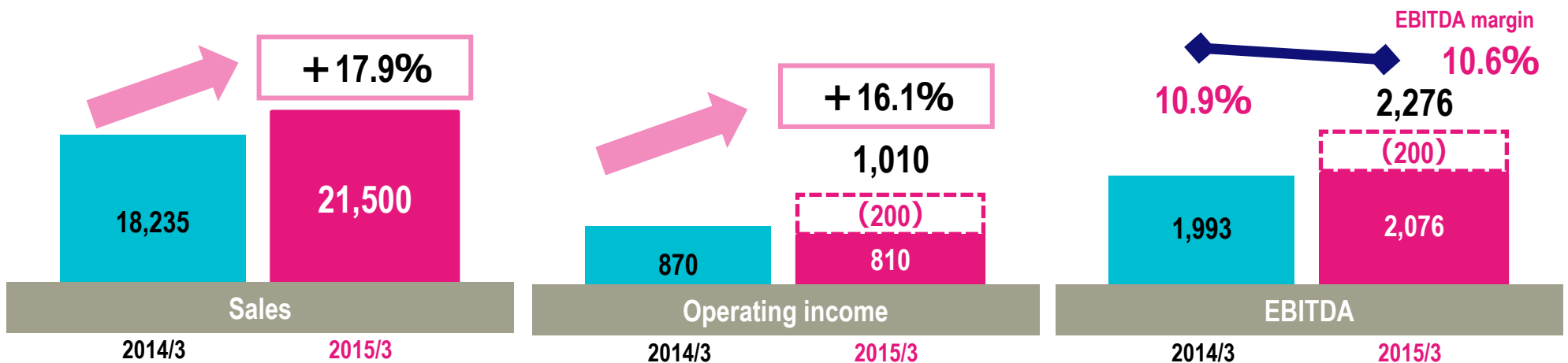
Segment Strategy

Expand the number of users through aggressive investment

- Investment in the brand
- Expand service offering regions
- Develop new media

2015/3 Forecast

 indicates expenses allocated to the head office, which have been introduced since the fiscal year ending March 2015. The amount is stated in brackets.
Operating income YoY change and 2015/3 EBITDA are calculated by adjusting the head office allocated expenses.





Career Segment

Segment Overview

Outline

Offers career change service “DODA,”
outplacement support services and overseas
recruitment services mainly in Asia

DODA

Major Group companies


[Recruitment]
Intelligence Career Div
[Outplacement support]
Tempstaff Career Consulting
[Overseas]
Overseas subsidiaries (China, Hong Kong, Taiwan, Korea,
Singapore, Vietnam, Indonesia, U.S.A.)

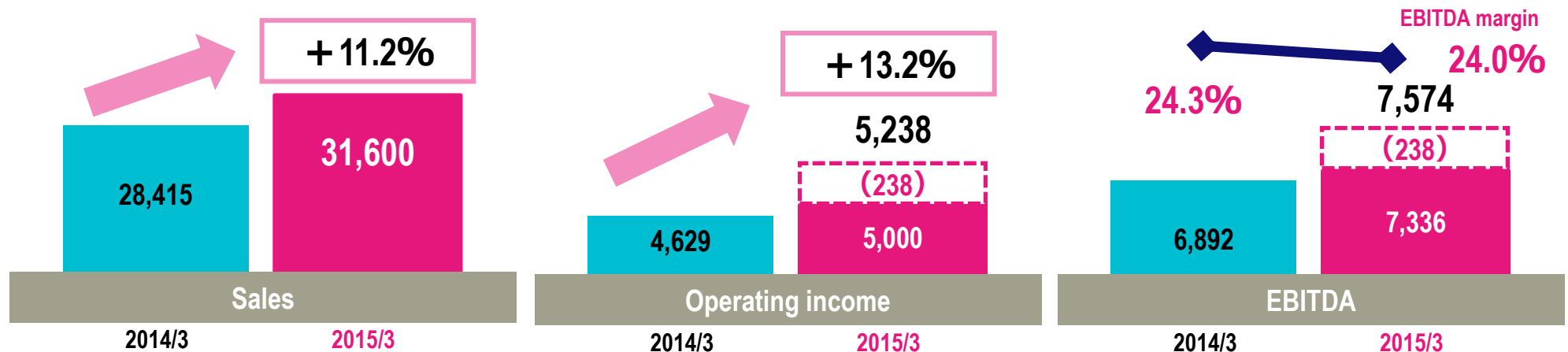
Segment Strategy

Expand the number of users through
aggressive investment

- Investment in the brand
- Expand service domains
- Continued investment abroad

2015/3 Forecast

 indicates expenses allocated to the head office, which have been introduced since the fiscal year ending March 2015. The amount is stated in brackets.
Operating income YoY change and 2015/3 EBITDA are calculated by adjusting the head office allocated expenses.





Segment Overview

Outline

Responds to new employment development in various domains such as physically challenged candidates, childcare, nursing care, training and new graduate introduction


Major Group companies

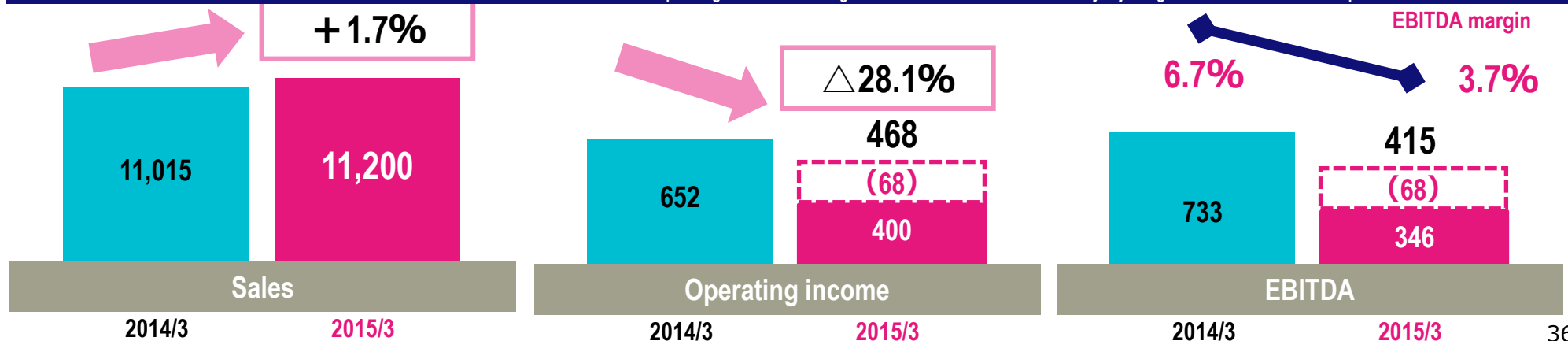
[Physically challenged person employment field]
Intelligence Benefics, Intelligence DODA Challenge, Tempstaff Frontier, Thanks Temp
[Childcare, nursing care, training, new graduate, mature-age, other fields]
Tempstaff Wish, Tempstaff Welfare, Temp Research Institute, Tempstaff Learning, Intelligence new graduate-related business, Intelligence public transaction outsourcing business, Intelligence i-common, Intelligence HITO Research Institute, Tempstaff Integration

Segment Strategy

- Expand the domain of employment of the physically challenged
- Expand the new graduate domain
- Expand the senior employment domain
- Create new businesses and services

2015/3 Forecast

 indicates expenses allocated to the head office, which have been introduced since the fiscal year ending March 2015. The amount is stated in brackets.
Operating income YoY change and 2015/3 EBITDA are calculated by adjusting the head office allocated expenses.





FY March 2015: Consolidated Forecast of Results (1) Sales by Segment

*Rounded down. (Units: million yen, %) Our segment structure has changed to seven segments since the start of FY2015/3. Figures for FY2014/3 have been modified to the new segment structure.

	2014/3				2015/3					
	1 st Half Actual		Full Year Actual		1 st Half Forecast			Full Year Forecast		
	Actual	Ratio	Actual	Ratio	Forecast	Ratio	YoY	Forecast	Ratio	YoY
Sales	174,420	100.0	362,489	100.0	185,800	100.0	106.5	390,000	100.0	107.6
Temporary Staffing and Recruitment Services	123,405	70.8	251,660	69.5	131,500	70.8	106.6	268,500	68.8	106.7
BPO*1	8,873	5.1	18,485	5.1	9,200	5.0	103.7	19,600	5.0	106.0
ITO*1	9,544	5.5	19,988	5.5	9,800	5.3	102.7	21,300	5.5	106.6
Engineering	10,224	5.9	21,476	5.9	10,600	5.7	103.7	22,200	5.7	103.4
Media	8,580	4.9	18,235	5.0	9,900	5.3	115.4	21,500	5.5	117.9
Career	13,164	7.5	28,415	7.8	15,200	8.2	115.5	31,600	8.1	111.2
NED*1	3,515	2.0	11,015	3.0	2,700	1.4	76.8	11,200	2.9	101.7
Adjustments*2)	△2,888	△1.7	△6,787	△1.8	△3,100	△1.7	—	△5,900	△1.5	—

*1 BPO: Business Process Outsourcing; ITO=IT Outsourcing; NED=New Employment Development

*2 Adjustments represent eliminations of transactions between segments and the revenues and costs of Temp Holdings.



FY March 2015: Consolidated Forecast of Results (2) Operating Income by Segment

*Rounded down. (Units: million yen, %) Our segment structure has changed to seven segments since the start of FY2015/3. Figures for FY2014/3 have been modified to the new segment structure.

	2014/3				2015/3					
	1st Half Actual		Full Year Actual		1st Half Forecast			Full Year Forecast		
	Actual	Ratio	Actual	Ratio	Forecast *4	Ratio	YoY	Forecast *4	Ratio	YoY
Operating Income	7,506	100.0	18,597	100.0	8,200	100.0	109.2	21,000	100.0	112.9
Temporary Staffing and Recruitment Services	5,461	72.8	11,219	60.3	5,350 (489)	65.3	98.0	11,800 (979)	56.2	105.2
BPO*1	15	0.2	555	3.0	150 (33)	1.8	947.6	650 (67)	3.1	116.9
ITO*1	615	8.2	1,536	8.2	600 (47)	7.3	97.5	1,850 (94)	8.8	120.4
Engineering	219	2.9	477	2.6	100 (26)	1.2	45.6	650 (52)	3.1	<u>136.0</u> *3
Media	394	5.3	870	4.7	10 (100)	0.1	2.5	810 (200)	3.9	93.0
Career	1,705	22.7	4,629	24.9	2,200 (119)	26.8	129.0	5,000 (238)	23.8	108.0
NED*1	△539	△7.2	652	3.5	△100 (34)	△1.2	—	400 (68)	1.9	61.3
Adjustments*2)	△366	△4.9	△1,344	△7.2	△110 (△850)	△1.3	—	△160 (△1,701)	△0.8	—

*1 BPO: Business Process Outsourcing; ITO=IT Outsourcing; NED=New Employment Development *2 Adjustments represent eliminations of transactions between segments and the revenues and costs of Temp Holdings. *3 Figures that have been changed from those published on May 13 2014 are underlined. *4 Figures in brackets represent expenses allocated to the head office, which has been introduced in FY2015/3.



FY March 2015: Consolidated Forecast of Results (3) EBITDA by Segment

*Rounded down. (Units: million yen, %) Our segment structure has changed to seven segments since the start of FY2015/3. Figures for FY2014/3 have been modified to the new segment structure.

	2014/3				2015/3					
	1st Half Actual		Full Year Actual		1st Half Forecast			Full Year Forecast		
	Actual	Ratio	Actual	Ratio	Forecast *4	Ratio	YoY	Forecast *4	Ratio	YoY
EBITDA	10,686	100.0	24,951	100.0	10,996	100.0	102.9	26,932	100.0	107.9
Temporary Staffing and Recruitment Services	6,190	57.9	12,581	50.4	5,940 (489)	54.0	96.0	13,008 (979)	48.3	<u>103.4</u> *3
BPO*1	87	0.8	695	2.8	170 (33)	1.6	195.3	695 (67)	2.6	100.0
ITO*1	984	9.2	2,274	9.1	935 (47)	8.5	95.1	2,535 (94)	9.4	111.5
Engineering	506	4.8	1,078	4.3	318 (26)	2.9	62.8	1,086 (52)	4.0	<u>100.7</u> *3
Media	941	8.8	1,993	8.0	612 (100)	5.6	65.1	2,076 (200)	7.7	104.2
Career	2,822	26.4	6,892	27.6	3,340 (119)	30.4	118.4	7,336 (238)	27.3	106.4
NED*1	△496	△4.6	733	3.0	△216 (34)	△2.0	—	346 (68)	1.3	47.2
Adjustments*2)	△351	△3.3	△1,298	△5.2	△106 (△850)	△1.0	—	△153 (△1,701)	△0.6	—

*1 BPO: Business Process Outsourcing; ITO=IT Outsourcing; NED=New Employment Development *2 Adjustments represent eliminations of transactions between segments and the revenues and costs of Temp Holdings. *3 Figures that have been changed from those published on May 13 2014 are underlined. *4 Figures in brackets represent expenses allocated to the head office, which has been introduced in FY2015/3.



FY March 2015: Consolidated Forecast of Results (4)

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

	2014/3				2015/3					
	1 st Half Actual		Full Year Actual		1 st Half Forecast			Full Year Forecast		
	Actual	Ratio	Actual	Ratio	Forecast	Ratio	YoY	Forecast	Ratio	YoY
Sales	174,420	100.0	362,489	100.0	185,800	100.0	106.5	390,000	100.0	107.6
Operating Income	7,506	4.3	18,597	5.1	8,200	4.4	109.2	21,000	5.4	112.9
EBITDA	10,686	6.1	24,951	6.9	10,996	5.9	102.9	26,932	6.9	107.9
Ordinary Income	7,433	4.3	18,470	5.1	<u>8,200</u> *	<u>4.4</u> *	<u>110.3</u> *	21,000	5.4	113.7
Net Income	3,520	2.0	9,857	2.7	<u>4,300</u> *	<u>2.3</u> *	<u>122.2</u> *	12,000	3.1	121.7

*Figures that have been changed from those published on May 13, 2014 are underlined.



The statements concerning the Company's future business performances in this material such as earnings forecasts are based on information available as of May 21, 2014 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.





[Reference Material (2)]

Outline of the Temp Group



[Reference Material (2)] Company Outline

*As of March 31, 2014

Company Name	Temp Holdings Co., Ltd.			
Capital	9,980,640,000 yen			
President	Masamichi Mizuta			
Established	October 1, 2008			
Business Outline	Planning, management and related tasks in support of Group business activities relating to temporary labour/for-fee HR placement services, etc.			
Head Office	2-1-1 Yoyogi, Shibuya-ku, Tokyo, Japan			
Directors	Chairman and Representative Director	Yoshiko Shinohara	Full-time Auditor	Hiroshi Shimazaki
	Representative Vice Chairman	Mikihiko Hibino	Auditor (external)	Kaoru Arai
	President and Representative Director	Masamichi Mizuta	Auditor (external)	Ryosuke Tamakoshi
	Executive Vice President	Hirotoishi Takahashi	Auditor (external)	Naoshige Shindo
	Executive Managing Director	Toshio Saburi		
	Director	Takao Wada		
	Director	Kazuomi Morimoto		
	Director (external)	Carl T. Camden		
Stock Listing	Tokyo Stock Exchange, First Section			
Group Companies	71 consolidated subsidiaries, 2 associated companies			
Employees	10,629			
Service Network	297 domestic and 40 overseas offices *U.S.A., China, Hong Kong, Taiwan, Korea, Singapore, Indonesia, Vietnam			



[Reference Material (2)] 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.

Adding Value to Individuals

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.



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 prefectures
Tempstaff Grow	Gunma prefecture

(Overseas Branches)

TS Consulting International	U.S.A.
Tempstaff Shanghai	PRC / Shanghai
Shanghai Foreign Economic & Trade Service (SHFESCO)	PRC / Shanghai
Tempstaff Guangzhou	PRC / Guangzhou
TS Kelly Workforce Solutions (Tempstaff Hong Kong)	Hong Kong
Tempstaff Taiwan	Taiwan
Tempstaff Korea	Korea
Tempstaff Singapore	Singapore
Tempstaff Indonesia	Indonesia
TEMP VIETNAM	Vietnam

(Specialized Operating Companies)

TEMPSTAFF CROSS	Focuses on Fuji Xerox and related companies
Kobelco Personnel	Focuses on providing HR services to the Kobe Steel Group
Tempstaff Media	Focuses on providing HR services primarily to the Nikkei newspaper group
Tempbros	Mature age/manufacturing/assembly
Personal	Placement of sales staff
Support-A	Automotive sales and sales campaign
Tempstaff Plus	Specialized workers in facilities management, late-night office workers
Tempstaff Creative	Creative related
Tempstaff Life Advisory	Insurance sales support
Tempstaff Frontier	Specializes in physically challenged candidates
Thanks Temp	Employment support for the physically challenged
Tempstaff Integration	Temp Group shared services



IT and Engineering

(Domestic Japan)

JAPAN TECSEED	R&D outsourcing support
Tempstaff Technology	IT sector HR services/outsourcing
TOYO SOFTWARE ENGINEERING	Software outsourcing development
AVC Technology	Design and development of software and hardware for digital audio visual products
AVC Multimedia Software	Development of software and systems for digital audio visual products
DRD	Design and testing of commercial vehicles and parts
(Overseas)	
GTECHK	Offshore system developing services
TECSEED SHANGHAI	Technical consulting in automobile design and manufacturing

Outsourcing

(Domestic Japan)

Japan IDEX	BPO
Tempstaff Life Support	Specific health guidance, medical examination support and community support
HOWCOM	IT support: Help desks / service desks
Tempstaff Sales Support	Sales functions (sector focus) outsourcing
Tempstaff Wish	Child care
PV NEXT	Pharmacovigilance (PV) information management tasks
(Overseas)	
Suzhou Tempstaff Data	PRC based data entry center



Media and Career (Intelligence Group)

(Domestic
Japan)

Intelligence Holdings	Holding company
Intelligence	Media, placement, temporary staffing, outsourcing
Intelligence Business Solutions	ICT outsourcing, system development
Intelligence Benefics	Specializing in physically challenged candidates
Intelligence HITO Research Institute	Research, HR services
CREDENCE	Specializes in the fashion business
BPO Solutions	Sales / HR outsourcing
Intelligence Business Solutions Okinawa	ICT outsourcing, system development
(Overseas)	
Intelligence Asia	Singapore
Staff Management Consultancy	Hong Kong
Intelligence SMC Consulting	Hong Kong
Intelligence Hong Kong	Hong Kong
Intelligence Anchor Consulting (Shenzhen)	PRC / Shenzhen
Intelligence (Shenzhen)	PRC / Shenzhen
Intelligence Anchor Consulting (Shanghai)	PRC / Shanghai
Intelligence (China)	PRC / Shanghai
Intelligence (Dalian)	PRC / Dalian
Intelligence Business Solutions Vietnam	Vietnam



Other Businesses

(Domestic
Japan)

Tempstaff Career Consulting	Outplacement / training / HR consulting
Tempstaff Learning	Employee training / language training / qualification acquisition support
Tempstaff Welfare	Home-based nursing care support & visiting care service provider
Temp Research Institute	Overseas study support service provider (ICC)
Temp International	Management support of overseas entities
e-Staffing	System development and operations
(Overseas)	
COSMO USA	Overseas study support in U.S.A.



[Reference Material (2)] Temp Group History (1)

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

2009	March	Shares of Support-A Ltd. (a specialized automotive sector / sales campaign HR provider) acquired; the company becomes a consolidated subsidiary company. Shares of Tempstaff Grow Co., Ltd. (HR service provider based in Gunma Prefecture) acquired; the company becomes a consolidated subsidiary company.
	April	People Staff Co., Ltd. changes its trade name to Tempstaff People Co., Ltd.
	May	Shares of Drake Beam Morin-Japan, Inc. (outplacement services provider) acquired; the company becomes a consolidated a subsidiary company.
	July	Shares of Fuji Xerox Career Net Co., Ltd. acquired; the company's trade name is simultaneously changed to TEMPSTAFF CROSS CO., LTD. (provider of HR solutions primarily to Fuji Xerox Co., Ltd. and related companies) and the company becomes a consolidated subsidiary company.
	November	Shares of JAPAN TECSEED CO., LTD. (R&D outsourcing business) acquired; the company 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.
	January	Shares of TOYO SOFTWARE ENGINEERING CO., LTD. (software development outsourcer) acquired; the company 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. Shares of Nikkei Staff Co., Ltd. (primary provider of HR services to the Nikkei newspaper group) acquired. "Nikkei Staff Co., Ltd." name changed to Tempstaff Media Co., Ltd. upon consolidation.



[Reference Material (2)] Temp Group History (2)

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

2012	May	PV Next Co., Ltd. specializes in outsourcing of pharmacovigilance (PV) information management tasks and is a consolidated company established as a joint venture with IUK Inc.
	August	TECSEED SHANGHAI CO., LTD. established in Shanghai, PRC, to handle auto design development tasks.
	November	JV between Asahi Kasei Life Support Corp. (specific health guidance tasks) and, Tempstaff Medical Co., Ltd. to create a consolidated subsidiary. Simultaneously, Tempstaff Medical Co., Ltd. changes its trading name to Tempstaff Life Support Co., Ltd. Tempstaff Hong Kong Ltd. jointly funds a JV with Kelly Services, Inc. to expand the business in the North Asia region (China, Hong Kong, Taiwan, Korea), and changes its trading name to TS Kelly Workforce Solutions Limited.
	December	TEMP VIETNAM CO., LTD. established as an HR consulting business in Vietnam.
2013	March	Shares of Panasonic AVC Technology Co., Ltd. (designs and develops software and hardware for digital audio visual products) and Panasonic AVC Multimedia Software Co., Ltd. (develops software and systems for digital audio visual products) acquired; the companies are converted into consolidated subsidiaries. The trading names are simultaneously changed to: AVC Technology Co., Ltd. and AVC Multimedia Software Co., Ltd.
	April	Shares of media/career firm Intelligence Holdings, Ltd. acquired; the company becomes a consolidated subsidiary.
	May	Shares of DRD Co., Ltd. acquired; the company becomes a consolidated subsidiary sub-contracting the design and testing of parts used in commercial vehicle equipment/electronic components.



[Reference Material (2)] Transition of Consolidated Business Results

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

	2009/3	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3 (forecast)
Sales	245,062	224,613	225,273	233,195	247,232	362,489	390,000
Gross Margin Ratio	14.1	16.8	15.8	15.8	16.0	23.5	—
Operating Income	8,908	6,343	5,748	8,170	9,832	18,597	21,000
Operating Income Ratio	3.6	2.8	2.6	3.5	4.0	5.1	5.4
Ordinary Income	9,245	6,734	6,231	8,434	10,102	18,470	21,000
Ordinary Income Ratio	3.8	3.0	2.8	3.6	4.1	5.1	5.4
Net Income	4,076	2,950	2,410	3,482	5,888	9,857	12,000
Net Profit Ratio	1.7	1.3	1.1	1.5	2.4	2.7	3.1
Return on Equity (ROE)	8.9	6.2	5.2	7.1	10.5	13.2	—
Total Assets	73,982	75,912	79,336	86,529	97,592	177,433	—
Net Assets	50,860	48,317	50,320	52,266	64,455	89,803	—
Equity Ratio	67.0	60.4	60.2	58.7	63.4	49.0	—