

# Briefing on Consolidated Financial Results for the First Quarter Ended June 30, 2015

Temp Holdings Co., Ltd.  
August 11, 2015



2016年3月期 第1四半期 ファクトブック  
Factbook (Fiscal year 2016, 1st Quarter)

テンホールディングス株式会社  
Temp Holdings Co., Ltd.

目次	Contents	
主要指標	Main indicators	F1
連結損益計算書	Consolidated profit and loss statement	F2
連結損益計算書 (年別)	Consolidated profit and loss statement (annual)	F3
連結損益計算書 (四半期)	Consolidated profit and loss statement (quarter)	F4
セグメント別損益計算書(2015年3-6月)	Consolidated profit and loss statement (By segment, quarter, 2015(3-))	F5
セグメント別損益計算書(2015年1-3月)	Consolidated profit and loss statement (By segment, quarter, 2015(1-))	F6
連結貸借対当表	Consolidated balance sheet	F7
資産	Assets	F8
負債・純資産	Liabilities / Net assets	F9
連結キャッシュ・フロー計算書	Consolidated statements of cash flows	F10
営業活動に提供された現金	Net cash provided by (used in) operating activities	F11
投資・融資活動に提供された現金	Net cash provided by (used in) investing / financing activities	F12

※ 本資料に記載の数字は、連結財務諸表の数値に基づき算出された数値です。  
F11は注釈を参照してください。The figures shown in this book are not audited.

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## News: Factbook released

See the Factbook for detailed financial figures and past years' results, etc.  
(<http://www.temp-holdings.co.jp/english/ir/library.html>)



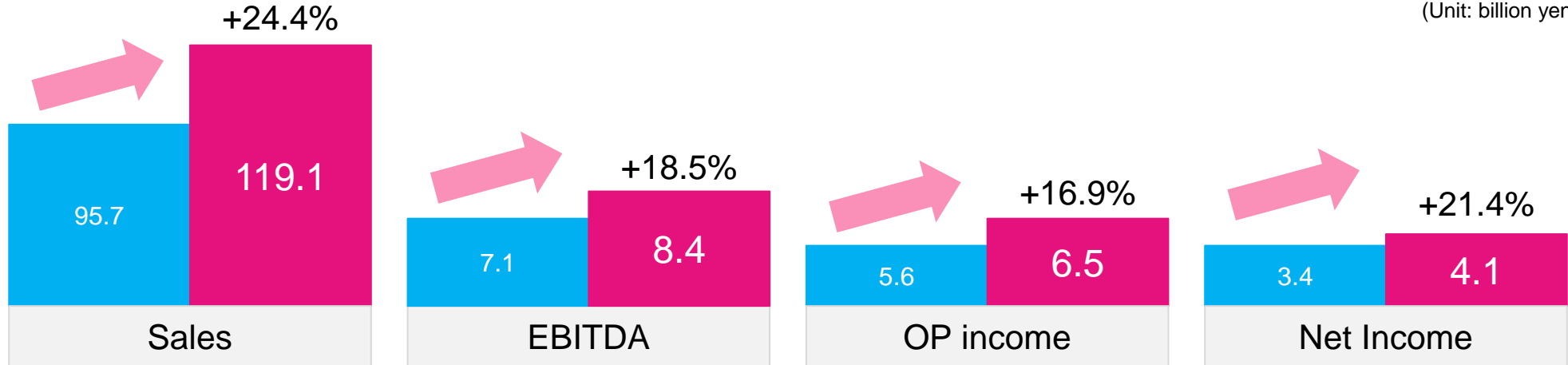
# 2016/3 1Q: Summary of Consolidated Business Results

Significant growth on the back of large-scale M&A effect in the previous fiscal year  
Achieved record results due to steady growth of existing businesses

2016/3 1Q Results

2015/3 1Q Results

(Unit: billion yen)



(Units: million yen, %)	2015/3 1Q Results		2016/3 1Q Results				2016/3 Forecasts			
	Actual	Ratio	Actual	Ratio	Change	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Sales	95,767	100.0	119,173	100.0	+23,406	124.4	240,000	49.7	500,000	23.8
Gross Profit	23,333	24.4	28,527	23.9	+5,193	122.3	-	-	-	-
EBITDA*	7,151	7.5	8,471	7.1	+1,319	118.5	13,880	61.0	33,900	25.0
OP income	5,614	5.9	6,561	5.5	+947	116.9	10,000	65.6	26,000	25.2
Net Income	3,450	3.6	4,190	3.5	+739	121.4	5,880	71.2	15,250	27.5

\* EBITDA = OP income + Depreciation + Amortization of Goodwill

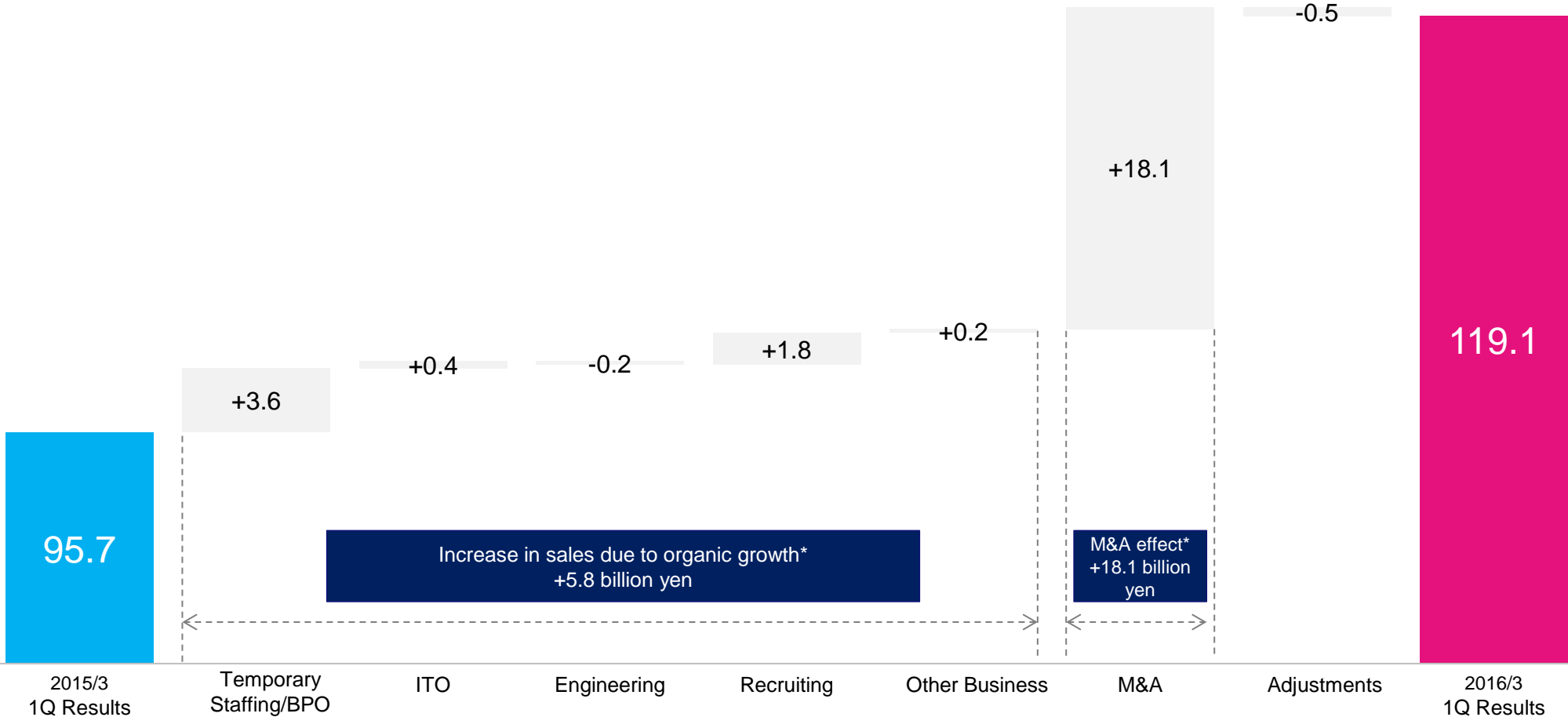
\* The amount of net income in this chart refers to the amount of net income attributable to ordinary equity holders of the parent company.



# 2016/3 1Q: Sales Analysis

## Contribution from the previous fiscal year's large-scale M&A in addition to increased revenues from existing businesses

(Unit: billion yen)



\*Organic growth (or existing businesses): The figures shown are financial results based on the company structure excluding the effects of M&A carried out after July 2014. (Internal transactions have not been eliminated from the figures shown.)

\*M&A effect: The figures shown are financial results based on the company structure including the effects of M&A carried out after July 2014 only. (Internal transactions have not been eliminated from the figures shown.)

\*M&A targets (dates in parentheses indicate the year and month of consolidation as subsidiaries): CareerRise (September 2014), Tempstaff-kamei (February 2015), Panasonic Excel Staff (March 2015)



# 2016/3 1Q: Sales by Segment

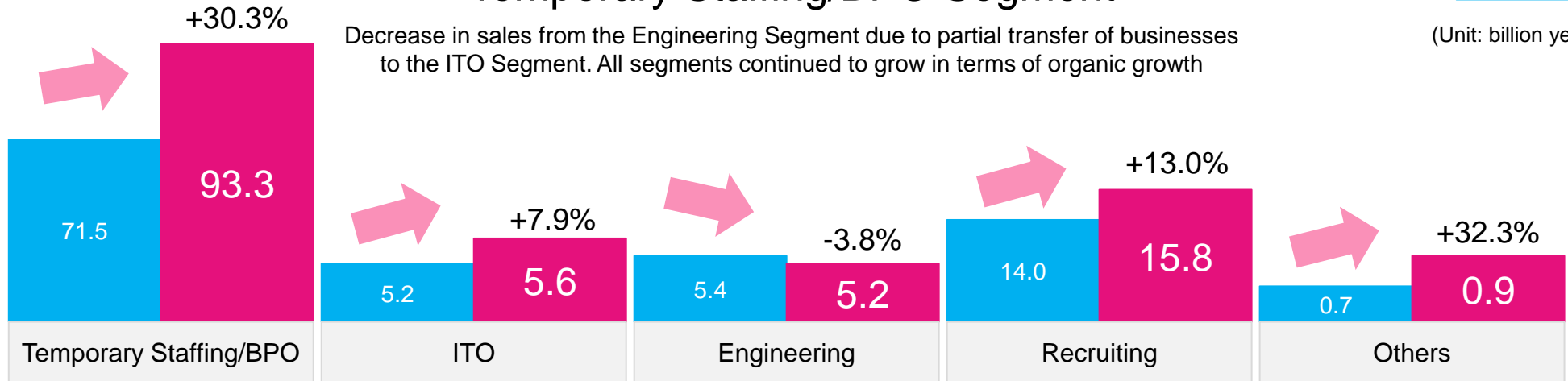
## Contribution from the previous fiscal year's large-scale M&A in the Temporary Staffing/BPO Segment

2016/3 1Q Results

2015/3 1Q Results

Decrease in sales from the Engineering Segment due to partial transfer of businesses to the ITO Segment. All segments continued to grow in terms of organic growth

(Unit: billion yen)



(Units: million yen, %)	2015/3 1Q Results		2016/3 1Q Results				2016/3 Forecasts			
	Actual	Ratio	Actual	Ratio	Change	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Temporary Staffing/BPO*	71,588	74.8	93,315	78.3	+21,727	130.3	185,400	50.3	381,800	24.4
ITO*	5,209	5.4	5,623	4.7	+413	107.9	11,450	49.1	24,050	23.4
Engineering	5,419	5.7	5,211	4.4	-208	96.2	11,360	45.9	23,360	22.3
Recruiting	14,020	14.6	15,840	13.3	+1,819	113.0	33,000	48.0	73,700	21.5
Others	734	0.8	971	0.8	+237	132.3	1,830	53.1	3,730	26.0
Adjustments	-1,205	-1.3	-1,788	-1.5	-582	-	-3,040	-	-6,640	-
Total	95,767	100.0	119,173	100.0	+23,406	124.4	240,000	49.7	500,000	23.8

\*Internal transactions have not been eliminated from the figures for sales and OP income.

\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

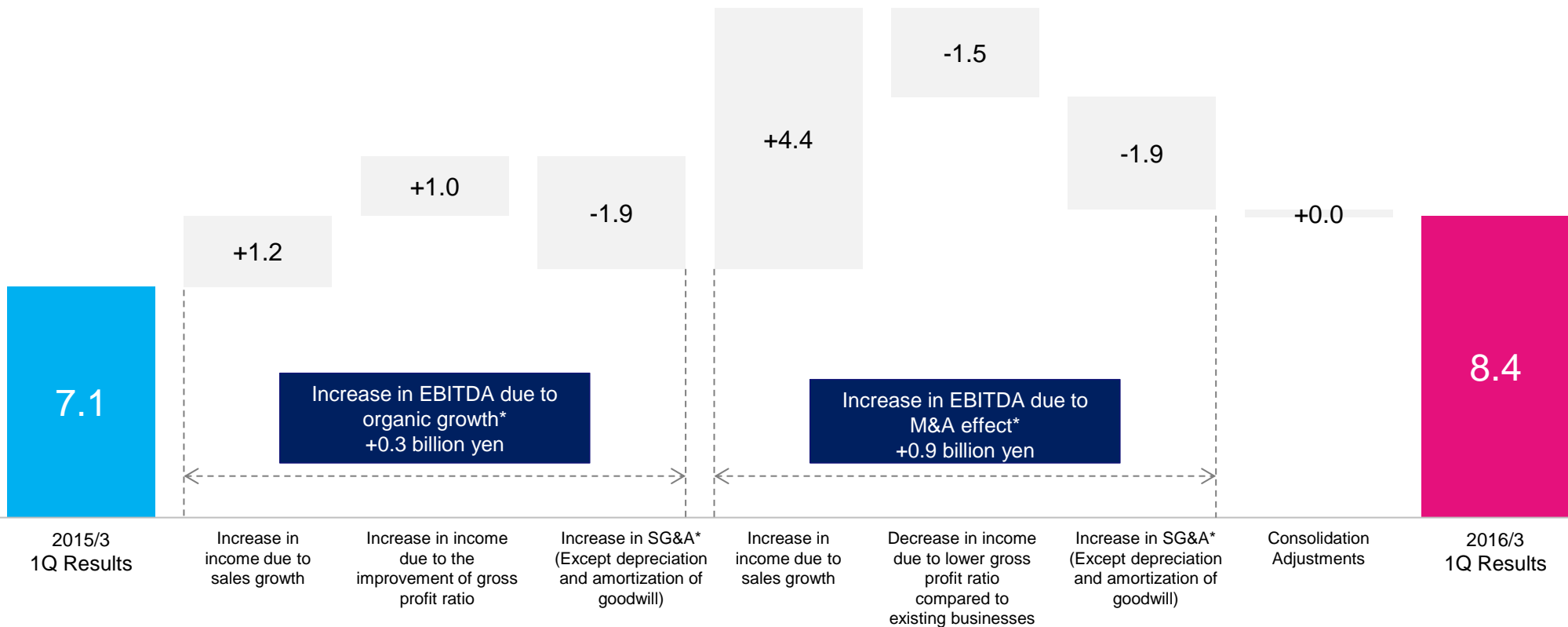
\*BPO: Business Process Outsourcing, ITO: IT Outsourcing



## Contribution from M&A in addition to increased revenues from existing businesses and the improvement of profitability

While continuing the efforts to strengthen profitability of each business, aggressively invested cash in the expansion of personnel, advertising and the development of operational bases.

(Unit: billion yen)



\*Organic growth (or existing businesses): The figures shown are financial results based on the company structure excluding the effects of M&A carried out after July 2014. (Internal transactions have not been eliminated from the figures shown.)

\*M&A effect: The figures shown are financial results based on the company structure including the effects of M&A carried out after July 2014 only. (Internal transactions have not been eliminated from the figures shown.)

\*M&A targets (dates in parentheses indicate the year and month of consolidation as subsidiaries): CareerRise (September 2014), Tempstaff-kamei (February 2015), Panasonic Excel Staff (March 2015)

\*SG&A: Selling, General and Administrative expenses



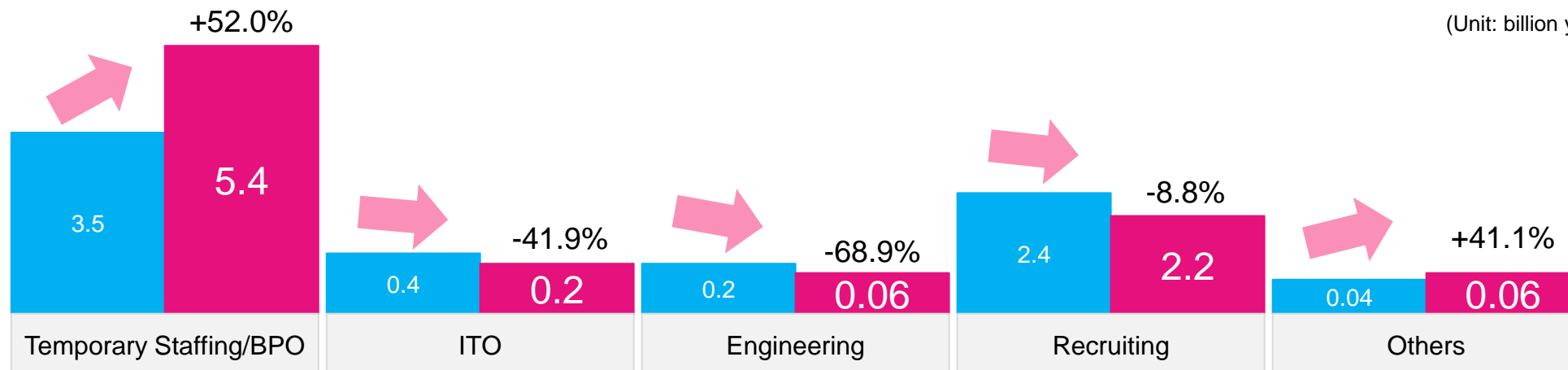
# 2016/3 1Q: EBITDA by Segment

Contribution from M&A in addition to increased revenues from the Temporary Staffing/BPO Segment and the improvement of profitability

2016/3 1Q Results

2015/3 1Q Results

(Unit: billion yen)



(Units: million yen, %)	2015/3 1Q Results		2016/3 1Q Results				2016/3 Forecasts			
	Actual	Ratio	Actual	Ratio	Change	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Temporary Staffing/BPO*	3,552	49.7	5,401	63.8	+1,848	152.0	8,450	63.9	18,370	29.4
ITO*	499	7.0	290	3.4	-209	58.1	890	32.6	2,430	11.9
Engineering	219	3.1	68	0.8	-151	31.1	550	12.4	1,760	3.9
Recruiting	2,448	34.2	2,232	26.4	-216	91.2	3,570	62.5	10,630	21.0
Others	48	0.7	68	0.8	+20	141.1	40	170.0	110	61.8
Adjustments	382	5.3	409	4.8	+27	107.2	380	-	600	-
<b>Total</b>	<b>7,151</b>	<b>100.0</b>	<b>8,471</b>	<b>100.0</b>	<b>+1,319</b>	<b>118.5</b>	<b>13,880</b>	<b>61.0</b>	<b>33,900</b>	<b>25.0</b>

\*Internal transactions have not been eliminated from the figures for sales and OP income.

\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

\*BPO: Business Process Outsourcing, ITO: IT Outsourcing

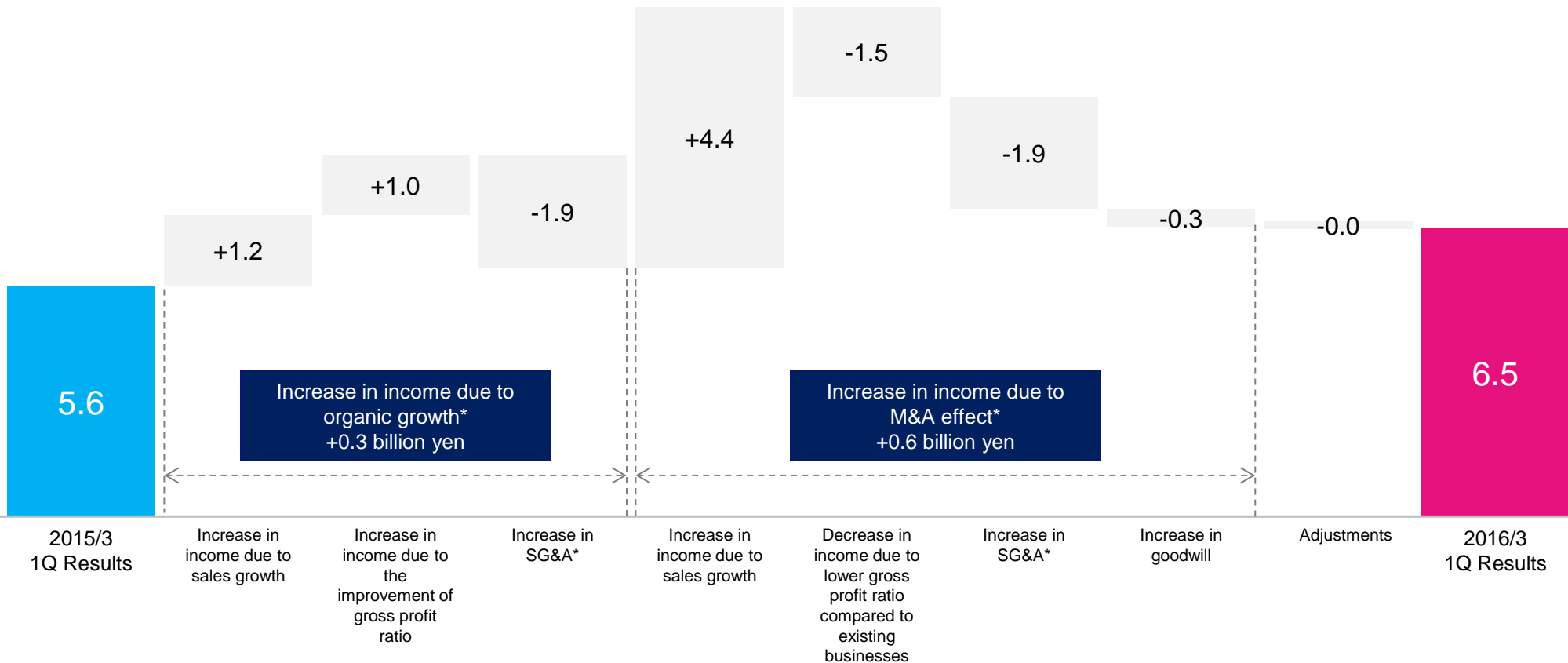
\*EBITDA = OP income + Depreciation + Amortization of Goodwill



# 2016/3 1Q: OP income Analysis

Achieved a significant increase in income due to the effects of increased revenues despite an increase in depreciation owing to the amortization of goodwill and capital investment

(Unit: billion yen)



\*Organic growth (or existing businesses): The figures shown are financial results based on the company structure excluding the effects of M&A carried out after July 2014. (Internal transactions have not been eliminated from the figures shown.)

\*M&A effect: The figures shown are financial results based on the company structure including the effects of M&A carried out after July 2014 only. (Internal transactions have not been eliminated from the figures shown.)

\*M&A targets (dates in parentheses indicate the year and month of consolidation as subsidiaries): CareerRise (September 2014), Tempstaff-kamei (February 2015), Panasonic Excel Staff (March 2015)

\*SG&A: Selling, General and Administrative expenses



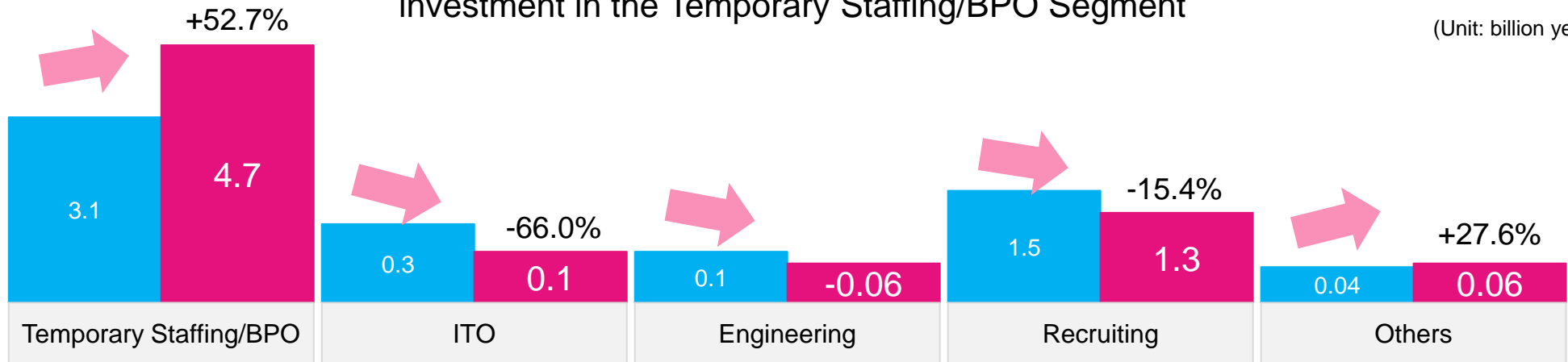
# 2016/3 1Q: OP income by Segment

Achieved a significant increase in income due to the effects of increased revenues, etc. despite an increase in depreciation owing to the amortization of goodwill and capital investment in the Temporary Staffing/BPO Segment

2016/3 1Q Results

2015/3 1Q Results

(Unit: billion yen)



(Units: million yen, %)	2015/3 1Q Results		2016/3 1Q Results				2016/3 Forecasts			
	Actual	Ratio	Actual	Ratio	Change	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Temporary Staffing/BPO*	3,140	55.9	4,796	73.1	+1,655	152.7	7,000	68.5	15,450	31.0
ITO*	314	5.6	106	1.6	-207	34.0	550	19.3	1,750	6.1
Engineering	113	2.0	-67	-1.0	-181	-	250	-	1,090	-
Recruiting	1,587	28.3	1,343	20.5	-244	84.6	1,790	75.0	7,000	19.2
Others	48	0.9	62	0.9	+13	127.6	30	206.7	90	68.9
Adjustments	408	7.3	319	4.9	-88	78.2	380	-	620	-
Total	5,614	100.0	6,561	100.0	+947	116.9	10,000	65.6	26,000	25.2

\*Rounded down (Units: million yen, % Internal transactions have not been eliminated from the figures for sales and OP income.

\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

\*BPO: Business Process Outsourcing, ITO: IT Outsourcing

\*EBITDA = OP income + Depreciation + Amortization of Goodwill



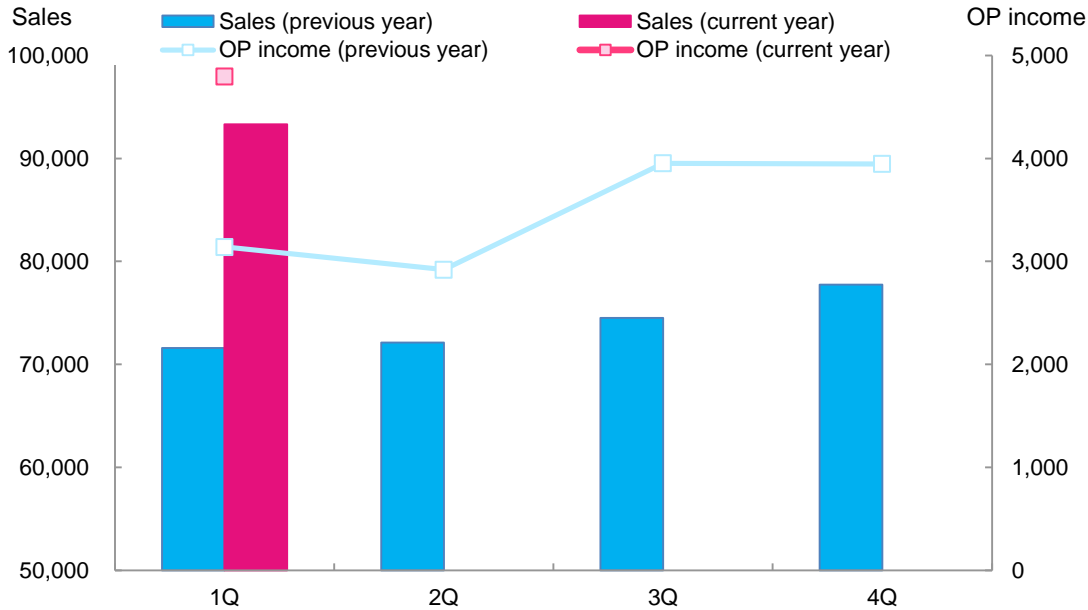


# 2016/3 1Q: Consolidated Balance Sheets

(Units: million yen, %)	As of March 31, 2015		As of June 30, 2015			
	Results	Ratio	Results	Ratio	Change	
<b>Assets</b>	228,663	100.0	219,046	100.0	-9,617	
<b>Current assets</b>	130,696	57.2	119,250	54.4	-11,446	
(Cash and deposits)	60,645	26.5	50,010	22.8	-10,634	<p>&lt;Cash and deposits&gt; Decrease due to the M&amp;A* and the payment of income taxes and consumption tax</p> <p>*Acquisition of shares of P&amp;P Holdings Corporation in June 2015, 5.2 billion yen in cash paid as consideration</p>
<b>Non-current assets</b>	97,967	42.8	99,795	45.6	+1,828	
(Right of trademark and goodwill)	77,085	33.7	77,718	35.5	+633	<p>&lt;Goodwill&gt; Decrease due to amortization of goodwill: -1.2 billion yen Increase due to M&amp;A*: +1.9 billion yen</p> <p>*Increase due to the acquisition of shares of P&amp;P Holdings Corporation (to be equally amortized over five years on a straight-line basis from July 2015)</p>
<b>Liabilities</b>	124,694	54.5	109,203	50.0	-15,490	
<b>Current liabilities</b>	86,569	37.9	73,921	33.7	-12,648	
(Current portion of loans payable)	19,739	8.6	19,715	9.0	-23	<p>&lt;Current liabilities&gt; Decrease due to the payment of income taxes payable and consumption tax payable</p>
<b>Non-current liabilities</b>	38,124	16.7	35,282	16.1	-2,842	
(Long-term loans payable)	13,920	6.1	13,920	6.4	-	
(Convertible bond-type bond with stock acquisition rights)	14,798	6.5	12,108	5.5	-2,690	<p>&lt;Convertible bond-type bond with stock acquisition rights&gt; Decrease due to conversion of the bond</p>
<b>Net assets</b>	103,969	45.5	109,842	50.1	+5,873	
<b>Owners' capital</b>	98,562	43.1	104,017	47.5	+5,455	
(Capital stock)	10,081	4.4	11,426	5.2	+1,345	<p>&lt;Capital stock and capital surplus&gt; Increase due to conversion of the bond</p>
(Capital surplus)	13,673	6.0	15,015	6.9	+1,341	
(Legal retained earnings)	73,499	32.1	76,412	34.9	+2,912	
<b>Minority interests</b>	5,406	2.4	5,823	2.7	+417	



# 2016/3 Transition of Business Results by Segments ① Temporary Staffing/BPO Segment



## 2016/3 1Q: Highlights

Demand from client companies remained strong. Achieved a significant increase in revenues due to M&A effect, etc.  
(Organic growth rate: 5.1%, Sales increase rate due to M&A: 25.2%)

### <Temporary Staffing division>

- Income increased due to the effect of increased revenues which more than offset an increase in personnel expenses, etc. such as social insurance premiums.
- Panasonic Excel Staff joined the Group (2015/3 Sales: 63.9 billion yen, total amount of goodwill: 11.8 billion yen, to be amortized over 10 years)
- P&P Holdings Corporation will start to contribute to the Group's consolidated business results in from 2Q. Due diligence expenses associated with the M&A were recorded in 1Q.

### <BPO division>

- Improvement of earnings as a result of thorough profit management for each project

(Units: million yen, %)	2015/3 1Q Results	2016/3 1Q Results		2016/3 Forecasts			
	Actual	Actual	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Sales	71,588	93,315	130.3	185,400	50.3	381,800	24.4
EBITDA	3,552	5,401	152.0	8,450	63.9	18,370	29.4
EBITDA Margin	5.0	5.8	+0.8	4.6	-	4.8	-
OP income	3,140	4,796	152.7	7,000	68.5	15,450	31.0
OP income Ratio	4.4	5.1	+0.7	3.8	-	4.0	-

\*Internal transactions have not been eliminated from the figures for sales and OP income.

\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

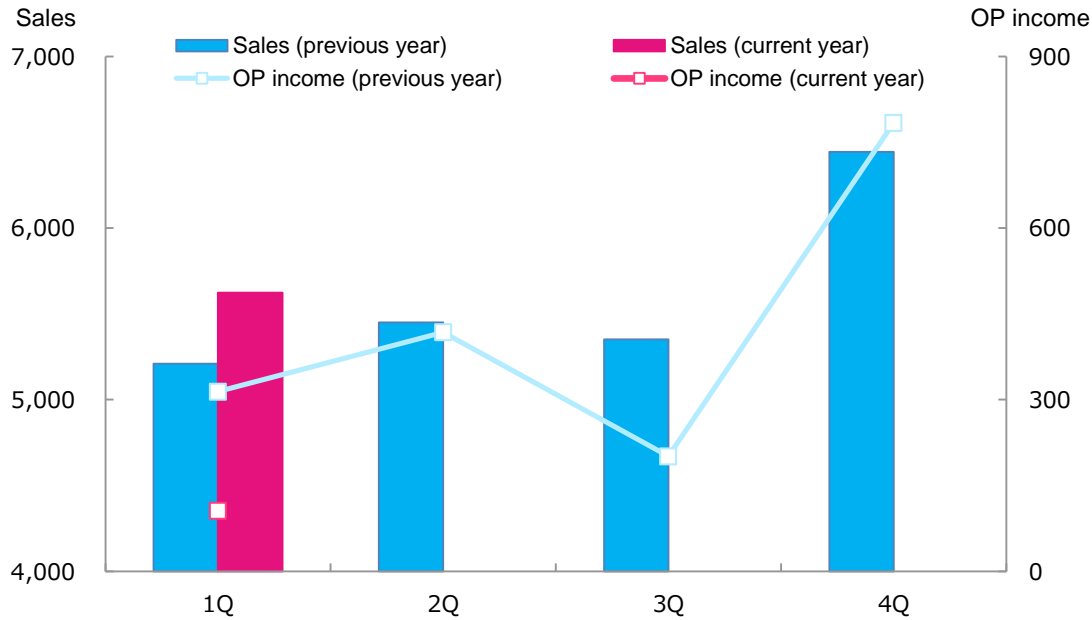
\*See the "Factbook for the First Quarter Ended June 30, 2015" released on the website on the same date for the quarterly results for the fiscal year ended March 31, 2015.

\*EBITDA = OP income + Depreciation + Amortization of Goodwill

\*BPO: Business Process Outsourcing



## 2016/3 Transition of Business Results by Segments ② ITO Segment



### 2016/3 1Q: Highlights

- Demand for system and SI-related services from client companies remained strong.
- Increased in personnel expenses due to measures against the securing and enclosing IT engineers
- Commencement of new services including the “My Number Consulting Business” and the data analysis services using statistics analysis web application “adelie” (a service provided in alliance with XICA Co., Ltd.)

(Units: million yen, %)	2015/3 1Q Results	2016/3 1Q Results		2016/3 Forecasts			
	Actual	Actual	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Sales	5,209	5,623	107.9	11,450	49.1	24,050	23.4
EBITDA	499	290	58.1	890	32.6	2,430	11.9
EBITDA Margin	9.6	5.2	-4.4	7.8	-	10.1	-
OP income	314	106	34.0	550	19.3	1,750	6.1
OP income Ratio	6.0	1.9	-4.1	4.8	-	7.3	-

\*Internal transactions have not been eliminated from the figures for sales and OP income.

\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

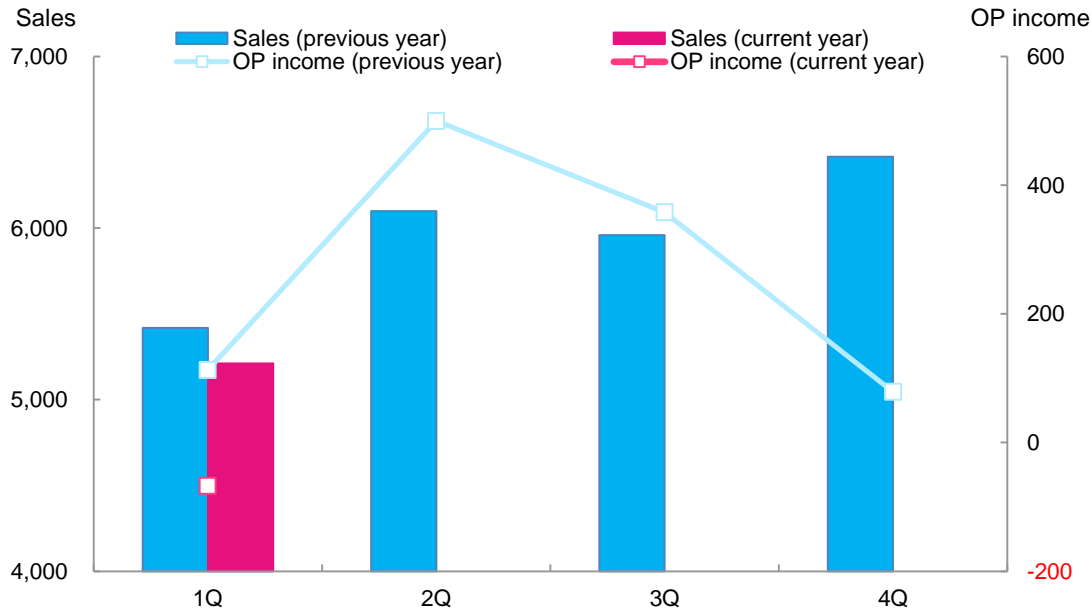
\*See the "Factbook for the First Quarter Ended June 30, 2015" released on the website on the same date for the quarterly results for the fiscal year ended March 31, 2015.

\*EBITDA = OP income + Depreciation + Amortization of Goodwill

\*ITO: IT Outsourcing



## 2016/3 Transition of Business Results by Segments ③ Engineering Segment



### 2016/3 1Q: Highlights

- Demand from the automobile and electronics industries remained solid.
- The primary factor behind the decrease in revenues was the transfer of some businesses to the ITO Segment. On an organic basis, the Engineering Segment continued to grow.
- Increase in personnel expenses and training expenses due to an increase in the hiring of new graduates
- Technical training sessions for this segment were conducted across the company.

(Units: million yen, %)	2015/3 1Q Results	2016/3 1Q Results		2016/3 Forecasts			
	Actual	Actual	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Sales	5,419	5,211	96.2	11,360	45.9	23,360	22.3
EBITDA	219	68	31.1	550	12.4	1,760	3.9
EBITDA Margin	4.0	1.3	-2.7	4.8	-	7.5	-
OP income	113	-67	-	250	-	1,090	-
OP income Ratio	2.1	-	-	2.2	-	4.7	-

\*Internal transactions have not been eliminated from the figures for sales and OP income.

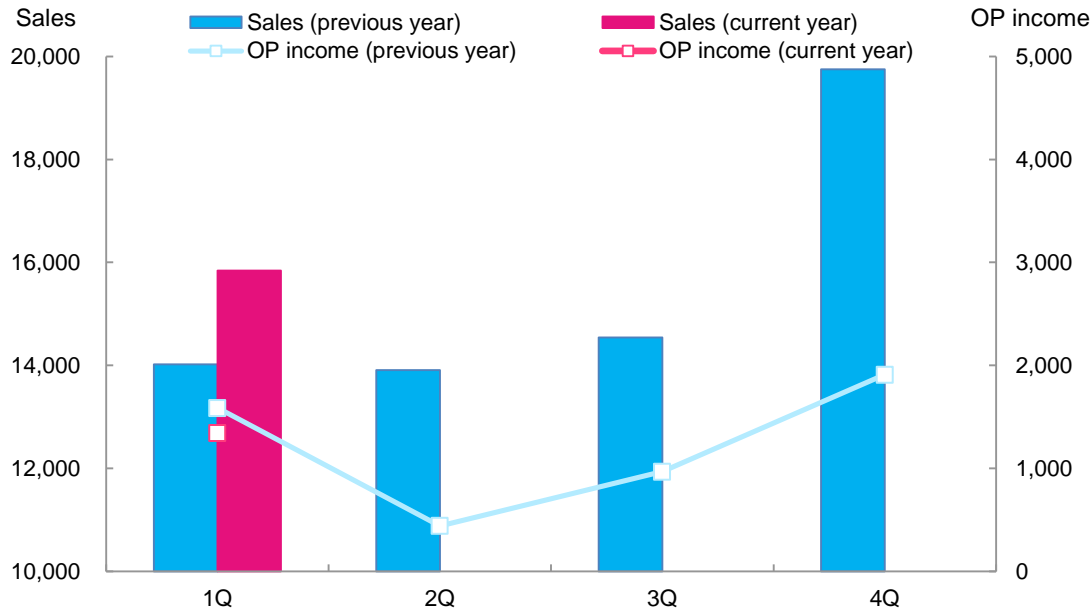
\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

\*See the "Factbook for the First Quarter Ended June 30, 2015" released on the website on the same date for the quarterly results for the fiscal year ended March 31, 2015.

\*EBITDA = OP income + Depreciation + Amortization of Goodwill



## 2016/3 Transition of Business Results by Segments ④ Recruiting Segment



### 2016/3 1Q: Highlights

Demand from client companies remained strong. Profit decreased on a year-on-year basis as a result of aggressive investment aimed at further strengthening product capabilities and expanding services.

#### <Media division>

- Invested in enhancing product values and functions of “an” and “LINE Baito (part-time jobs)”

#### <Career division>

- Personnel reinforcement and promotional investment aimed at increasing customer contacts
- Profit declined due to a decrease in demand for the re-employment support business and an increase in expenses for the overseas business

(Units: million yen, %)	2015/3 1Q Results	2016/3 1Q Results		2016/3 Forecasts			
	Actual	Actual	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Sales	14,020	15,840	113.0	33,000	48.0	73,700	21.5
EBITDA	2,448	2,232	91.2	3,570	62.5	10,630	21.0
EBITDA Margin	17.5	14.1	-3.4	10.8	-	14.4	-
OP income	1,587	1,343	84.6	1,790	75.0	7,000	19.2
OP income Ratio	11.3	8.5	-2.8	5.4	-	9.5	-

\*Internal transactions have not been eliminated from the figures for sales and OP income.

\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

\*See the "Factbook for the First Quarter Ended June 30, 2015" released on the website on the same date for the quarterly results for the fiscal year ended March 31, 2015.

\*EBITDA = OP income + Depreciation + Amortization of Goodwill



## 2016/3 Transition of Business Results by Segments ⑤ Other Business / Adjustments

Other Business (Units: million yen, %)	2015/3 1Q Results	2016/3 1Q Results		2016/3 Forecasts			
	Actual	Actual	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Sales	734	971	132.3	1,830	53.1	3,730	26.0
EBITDA	48	68	141.1	40	170.0	110	61.8
EBITDA Margin	6.7	7.1	+0.4	2.2	-	2.9	-
OP income	48	62	127.6	30	206.7	90	68.9
OP income Ratio	6.7	6.4	-0.3	-	-	2.4	-

Adjustments (Units: million yen, %)	2015/3 1Q Results	2016/3 1Q Results		2016/3 Forecasts			
	Actual	Actual	YoY	1st Half	Progress Rate	Full Year	Progress Rate
Sales	-1,205	-1,788	-	-3,040	-	-6,640	-
EBITDA	382	409	107.1	380	-	600	-
EBITDA Margin	-	-	-	-	-	-	-
OP income	408	319	78.2	380	-	620	-
OP income Ratio	-	-	-	-	-	-	-

\*Internal transactions have not been eliminated from the figures for sales and OP income.

\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

\*See the "Factbook for the First Quarter Ended June 30, 2015" released on the website on the same date for the quarterly results for the fiscal year ended March 31, 2015.

\*EBITDA = OP income + Depreciation + Amortization of Goodwill



# [Appendix] Improve Segment System

(Duplicated from the Briefing on Financial Results for the Fiscal Year Ended March 31, 2015)

## Shift to 4 Segment system

Enhance the segment function, and strengthen collaboration between related business



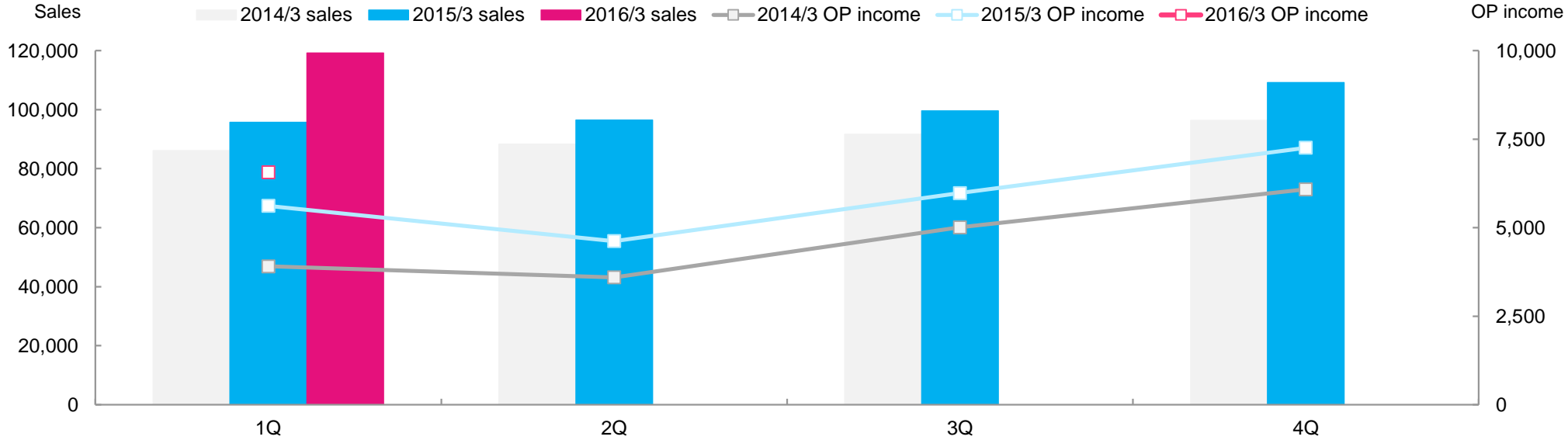
\*BPO: Business Process Outsourcing, ITO: IT Outsourcing, NED: New Employment Development

\*Only indicates major companies and businesses for each Segment

\*Companies in NED Segment are relocated to Temporary Staffing/BPO Segment or Recruiting Segment. (See the Business Report for details.)



# [Appendix] 2016/3: Transition of Quarterly Consolidated Business Results



(Units: million yen, %)	1Q				2Q				3Q				4Q			
	2014/3	2015/3	2016/3	YoY	2014/3	2015/3	2016/3	YoY	2014/3	2015/3	2016/3	YoY	2014/3	2015/3	2016/3	YoY
Sales	86,091	95,767	119,173	124.4	88,328	96,505			91,679	99,602			96,389	109,180		
EBITDA	5,472	7,151	8,471	118.5	5,213	6,129			6,601	7,468			7,663	8,722		
EBITDA Margin	6.4	7.5	7.1	-0.4	5.9	6.4			7.2	7.5			8.0	8.0		
OP income	3,909	5,614	6,561	116.9	3,597	4,620			5,008	5,977			6,082	7,258		
OP income Ratio	4.5	5.9	5.5	-0.4	4.1	4.8			5.5	6.0			6.3	6.6		

\*Internal transactions have not been eliminated from the figures for sales and OP income.

\*From FY March 2016 there are four segments, and the results for FY March 2015 have also been reallocated and presented in the new segments.

\*EBITDA = OP income + Depreciation + Amortization of Goodwill





- The statements concerning the Company's future business performances in this material such as earnings forecasts are based on information available as of August 11, 2015 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.
- This briefing is only for better understanding. Please note that numbers and indexes in this book are not audited



**JPX-NIKKEI 400**

August 2014: Temp Holdings was added to the JPX Nikkei Index 400

What is the  
JPX Nikkei 400?

It is a new stock price index that consists of companies that meet various requirements for global investment, such as the efficient use of capital and a management perspective that is conscious of investors, for the purpose of boosting the appeal of Japanese companies domestically and internationally.