



**Briefing on Consolidated Financial
Results for the First Quarter
Ended June 30, 2016**

Temp Holdings Co., Ltd.
August 10, 2016

2017/3 Q1 : Summary of Consolidated Business Results

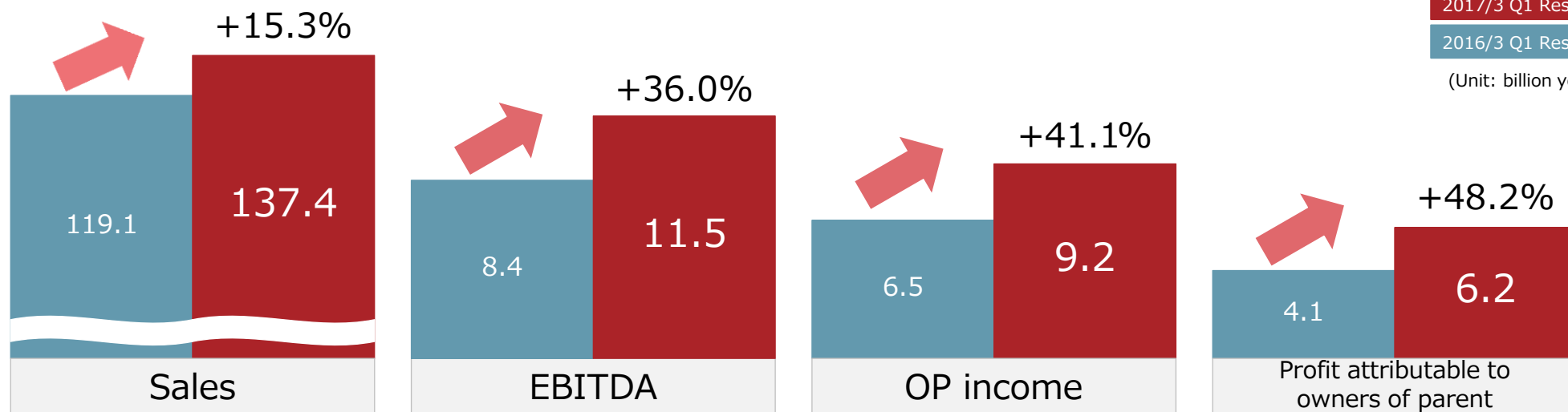
Achieved the highest results due to steady growth of the existing businesses



2017/3 Q1 Results

2016/3 Q1 Results

(Unit: billion yen)



(Units : million yen,%)	2016/3 Results		2017/3 Results				2017/3 Forecasts			
	Q1	Ratio	Q1	Ratio	Change	YoY	1st Half	Progress Ratio	Full Year	Progress Ratio
Sales	119,173	100.0	137,404	100.0	+18,230	115.3	271,000	50.7	584,000	23.5
Gross Profit	28,527	23.9	34,372	25.0	+5,845	120.5	-	-	-	-
EBITDA*	8,471	7.1	11,522	8.4	+3,051	136.0	19,700	58.5	41,800	27.6
OP income	6,561	5.5	9,257	6.7	+2,695	141.1	15,000	61.7	31,700	29.2
Profit attributable to owners of parent	4,190	3.5	6,209	4.5	+2,019	148.2	9,600	64.7	20,100	30.9

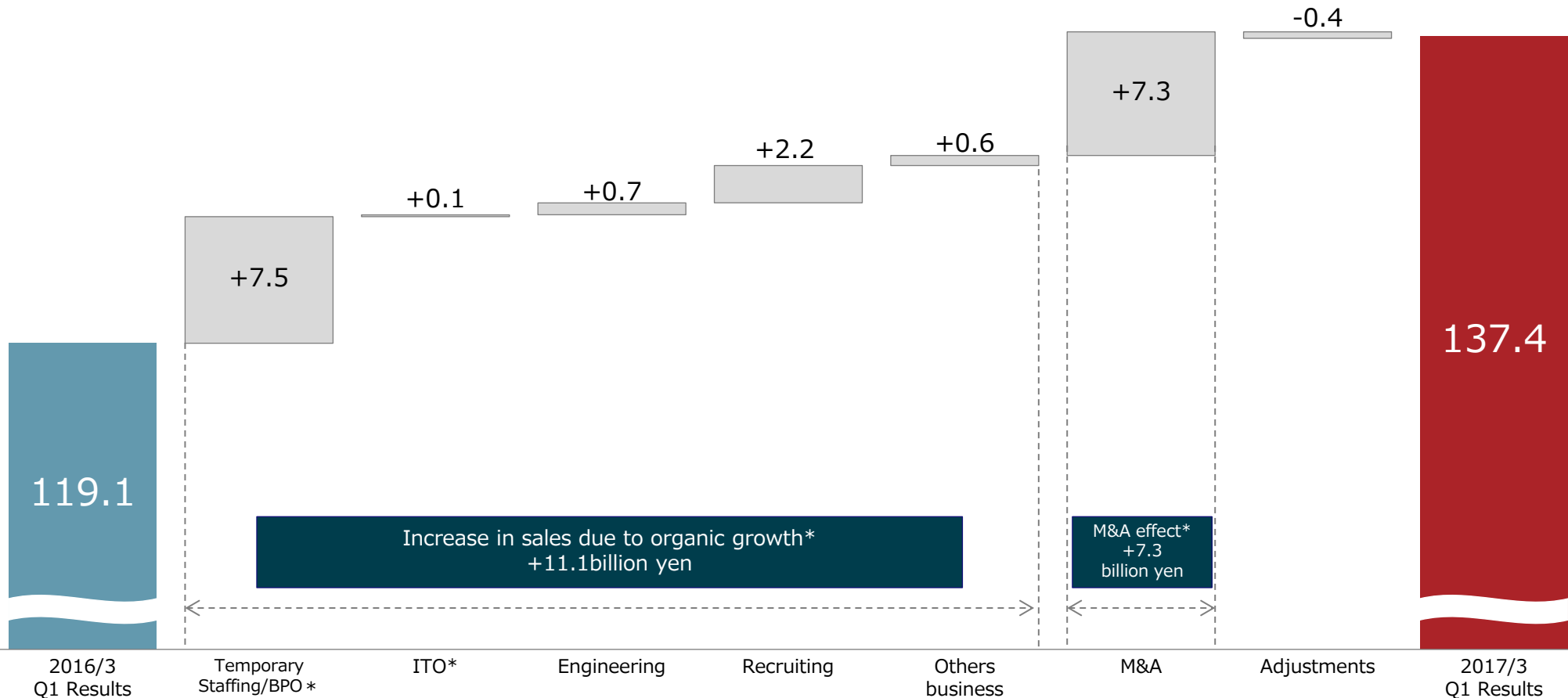
*Rounded down (Units : million yen,%) *EBITDA = OP income + Depreciation + Amortization of Goodwill

*The financial forecast for the full fiscal year 2016 was revised on August 10, 2016. (See the 「Appendix : Revision to the financial forecast」 for detailed information)

2017/3 Q1 : Sales Analysis

Contribution from the M&A,
in addition to increase in the revenues from the existing businesses

(Unit: billion yen)



*Organic growth (existing Businesses)

*M&A effect

*M&A targets

*Rounded Down (Unit: billion yen)

:The figures are shown the financial results excluding the new companies by M&A contributed after April 2015. (Internal transactions have not been eliminated)

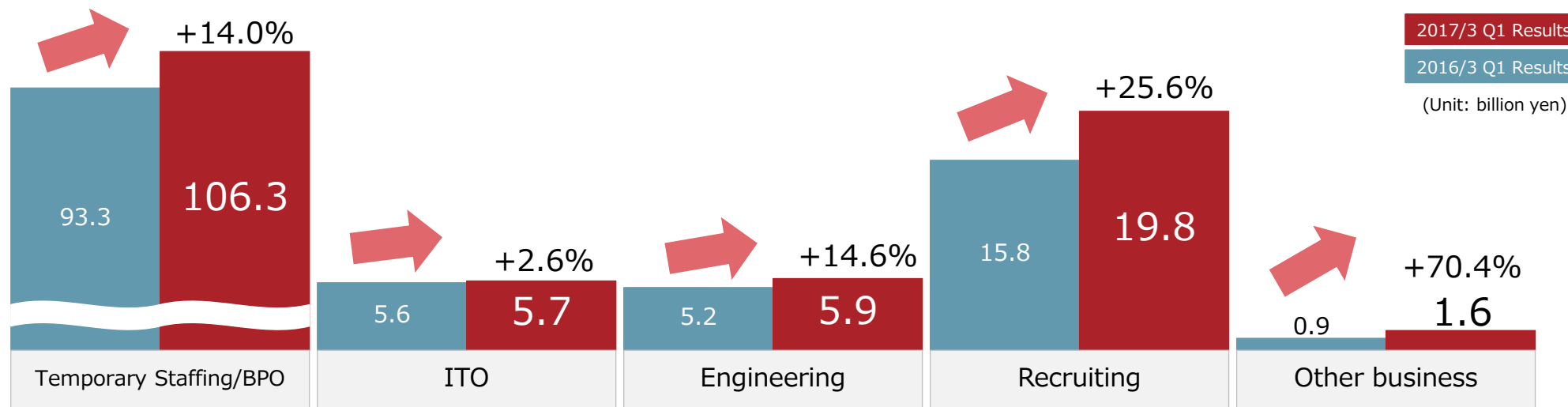
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:P&P Holdings(June 2015), Mediocross(December 2015), Capita(October 2015), First Alliances(December 2015) (dates in parentheses indicate the year and month of consolidation as subsidiaries)

*BPO : Business Process Outsourcing, ITO : IT Outsourcing

2017/3 Q1 : Sales by Segment

Continuous steady growth in each segment



2017/3 Q1 Results

2016/3 Q1 Results

(Unit: billion yen)

(Units : million yen,%)	2016/3 Results		2017/3 Results				2017/3 Forecasts			
	Q1	Ratio	Q1	Ratio	Change	YoY	1st Half	Progress Ratio	Full Year	Progress Ratio
Temporary Staffing/BPO*	93,315	78.3	106,349	77.4	+13,033	114.0	206,700	51.5	427,400	24.9
ITO*	5,623	4.7	5,769	4.2	+146	102.6	12,500	46.2	26,650	21.6
Engineering	5,211	4.4	5,973	4.3	+761	114.6	12,110	49.3	25,260	23.6
Recruiting	15,840	13.3	19,896	14.5	+4,056	125.6	40,800	48.8	107,800	18.5
Others	971	0.8	1,655	1.2	+683	170.4	3,150	52.5	6,440	25.7
Adjustment	-1,788	-1.5	-2,240	-1.6	-452	-	-4,260	-	-9,550	-
Total	119,173	100.0	137,404	100.0	+18,230	115.3	271,000	50.7	584,000	23.5

*Rounded down (Units : million yen,%)

*The financial forecast for the full fiscal year 2016 was revised on August 10, 2016. (See the 「Appendix : Revision to the financial forecast」 for detailed information)

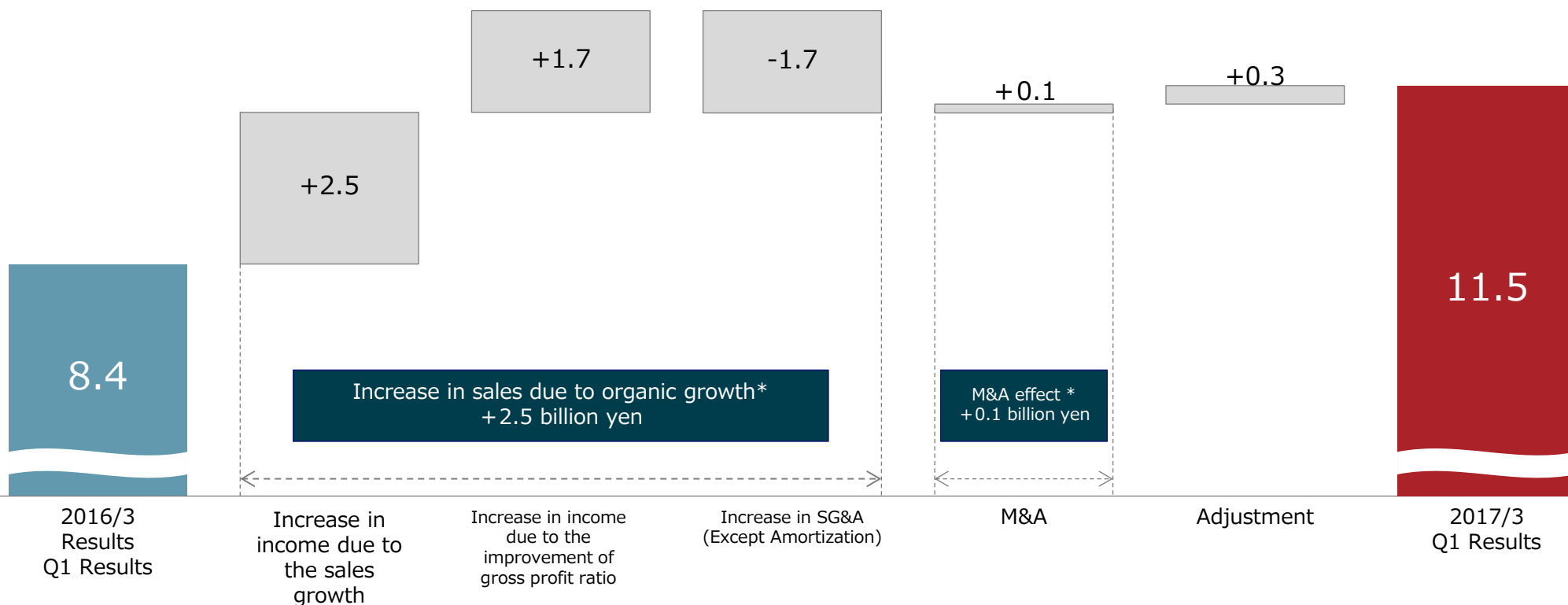
*BPO : Business Process Outsourcing, ITO : IT Outsourcing

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2017/3 Q1 : EBITDA Analysis

Contribution from the existing businesses

(Unit: billion yen)



*Organic growth (existing Businesses)

*M&A effect

*M&A targets

*Rounded Down (Unit: billion yen)

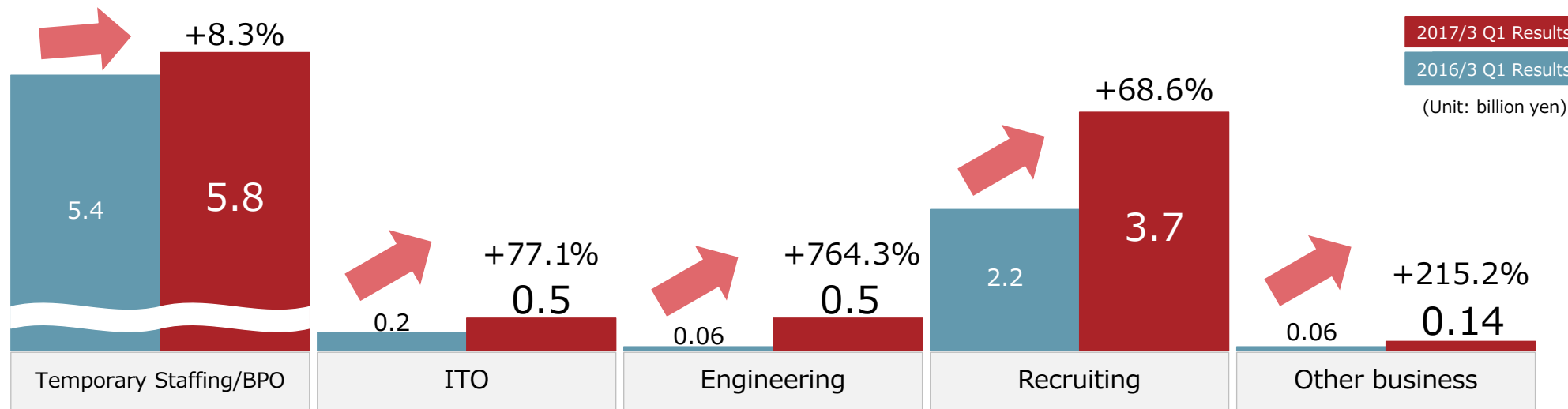
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2017/3 Q1 : EBITDA Analysis

Continuous steady growth in each segment



2017/3 Q1 Results

2016/3 Q1 Results

(Unit: billion yen)

(Units : million yen,%)	2016/3 Results		2017/3 Results				2017/3 Forecasts			
	Q1	Ratio	Q1	Ratio	Change	YoY	1st Half	Progress Ratio	Full Year	Progress Ratio
Temporary Staffing/BPO*	5,401	63.8	5,851	50.8	+450	108.3	10,450	56.0	21,600	27.1
ITO*	290	3.4	514	4.5	+224	177.1	1,090	47.2	2,780	18.5
Engineering	68	0.8	520	4.5	+452	764.3	940	55.4	2,240	23.3
Recruiting	2,232	26.4	3,763	32.7	+1,530	168.6	6,720	56.0	14,590	25.8
Others	68	0.8	148	1.3	+79	215.2	35	424.0	100	148.4
Adjustment	409	4.8	723	6.3	+314	176.6	465	-	490	-
Total	8,471	100.0	11,522	100.0	+3,051	136.0	19,700	58.5	41,800	27.6

*Rounded down (Units : million yen,%) *EBITDA = OP income + Depreciation + Amortization of Goodwill

*The financial forecast for the full fiscal year 2016 was revised on August 10, 2016. (See the 「Appendix : Revision to the financial forecast」 for detailed information)

*BPO : Business Process Outsourcing, ITO : IT Outsourcing

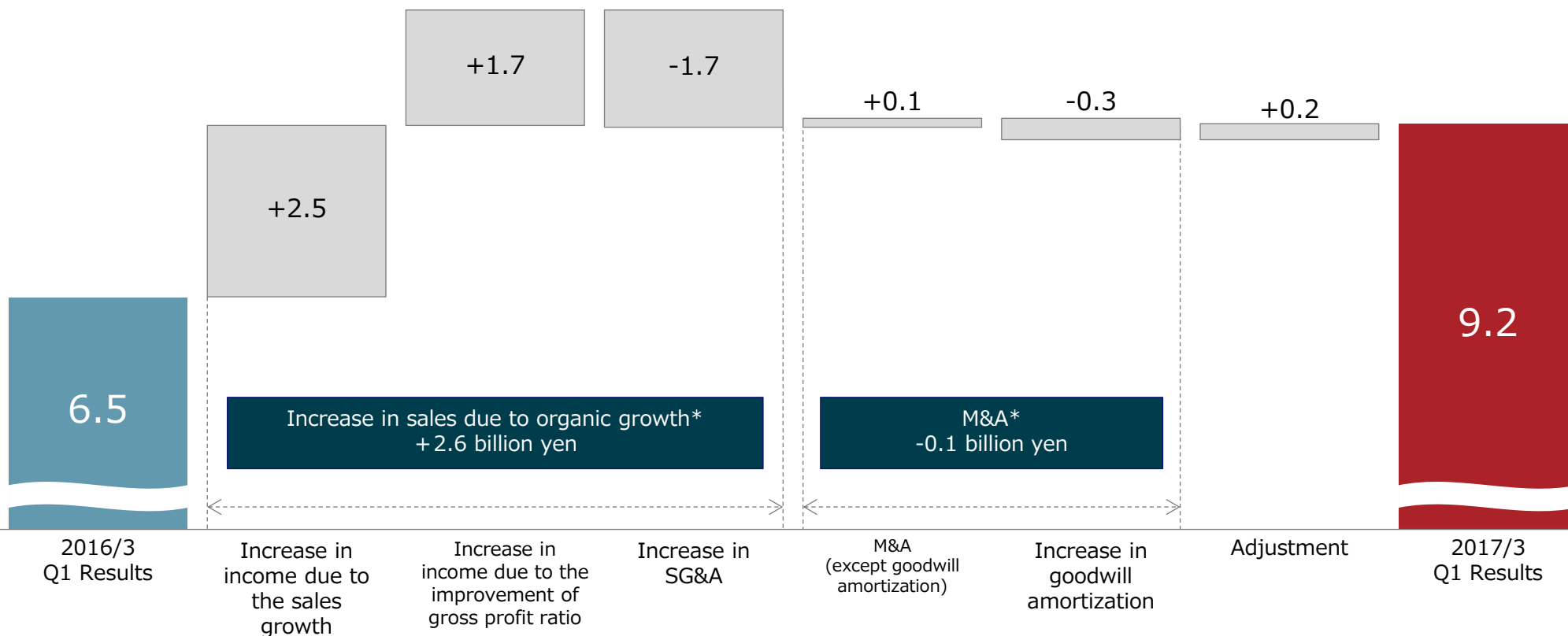
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2017/3 Q1 : OP income Analysis

Contribution from the existing businesses



(Unit: billion yen)



*Organic growth (existing Businesses)

*M&A effect

*M&A targets

*Rounded Down (Unit: billion yen)

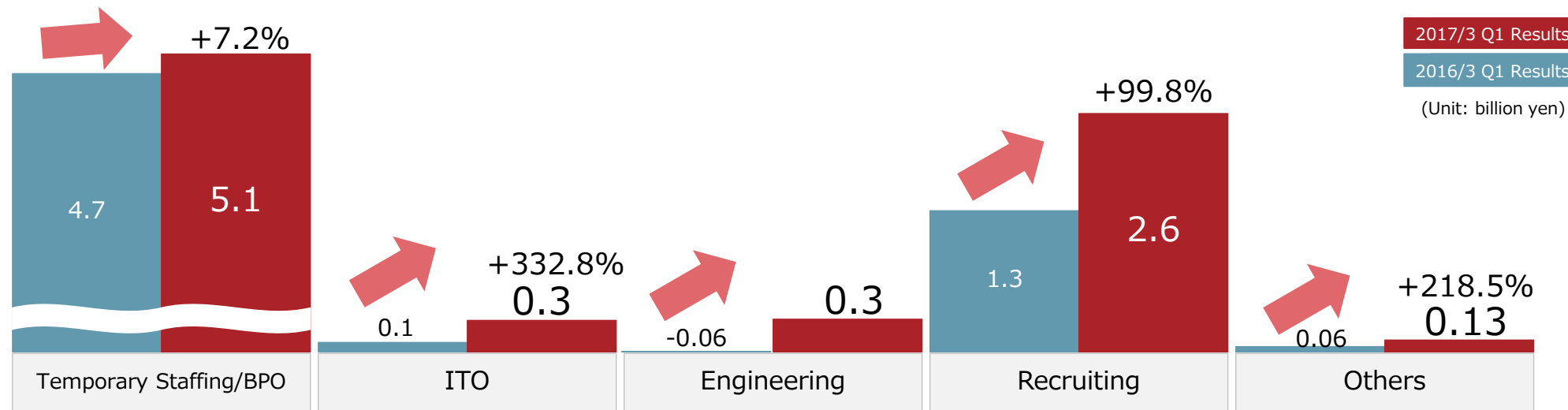
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:P&P Holdings(June 2015), Mediocross(December 2015), Capita(October 2015), First Alliances(December 2015) (dates in parentheses indicate the year and month of consolidation as subsidiaries)

2017/3 Q1 : OP income by Segment

Continuous steady growth in each segment



2017/3 Q1 Results

2016/3 Q1 Results

(Unit: billion yen)

(Units : million yen,%)	2016/3 Results		2017/3 Results				2017/3 Forecasts			
	Q1	Ratio	Q1	Ratio	Change	YoY	1st Half	Progress Ratio	Full Year	Progress Ratio
Temporary Staffing/BPO*	4,796	73.1	5,140	55.5	+344	107.2	8,950	57.4	18,550	27.7
ITO*	106	1.6	355	3.8	+249	332.8	710	50.1	2,020	17.6
Engineering	-67	-1.0	378	4.1	+445	-	640	59.2	1,600	23.7
Recruiting	1,343	20.5	2,684	29.0	+1,341	199.8	4,500	59.7	10,000	26.8
Others	62	0.9	136	1.5	+73	218.5	-3	-	18	-
Adjustment	319	4.9	561	6.1	+241	175.6	203	-	-488	-
Total	6,561	100.0	9,257	100.0	+2,695	141.1	15,000	61.7	31,700	29.2

*Rounded down (Units : million yen,%)

*The financial forecast for the full fiscal year 2016 was revised on August 10, 2016. (See the 「Appendix : Revision to the financial forecast」 for detailed information)

*BPO : Business Process Outsourcing, ITO : IT Outsourcing

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2017/3 Q1 : Consolidated Balance Sheets

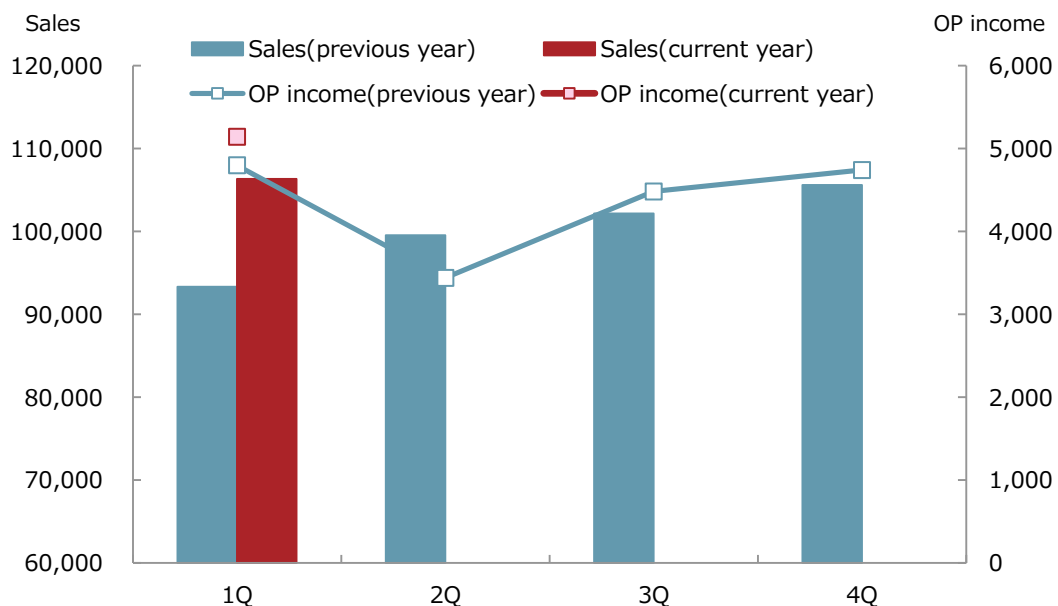
(Units : million yen,%)	As of March 31, 2016		As of June 30, 2016		
	Results	Ratio	Results	Ratio	Change
Assets	236,238	100.0	242,404	100.0	+6,165
Current assets	130,611	55.3	138,466	57.1	+7,854
(Cash and deposits)	51,227	21.7	62,260	25.7	+11,033
Non-current assets	105,627	44.7	103,938	42.9	-1,689
(Right of trademark and goodwill)	80,412	34.0	78,639	32.4	-1,773
Liabilities	102,737	43.5	104,904	43.3	+2,167
Current liabilities	67,482	28.6	71,241	29.4	+3,759
(Current portion of loans payable)	5,427	2.3	5,212	2.2	-215
Non-current liabilities	35,255	14.9	33,663	13.9	-1,592
(Long-term loans payable)	24,993	10.6	24,993	10.3	0
(Convertible bond-type bond with stock acquisition rights)	851	0.4	819	0.3	-32
Net assets	133,501	56.5	137,499	56.7	+3,998
Owners' capital	127,205	53.8	131,105	54.1	+3,900
(Capital stock)	17,055	7.2	17,071	7.0	+16
(Capital surplus)	20,520	8.7	20,536	8.5	+16
(Legal retained earnings)	88,134	37.3	92,702	38.2	+4,567
Minority interests	6,295	2.7	6,393	2.6	+98

<Cash and deposits>
Increased due to an increase in profit

<Convertible bond-type bond with stock acquisition rights>
Decrease due to conversion of the bond

<Capital stock and capital surplus>
Increase due to conversion of the bond

2017/3 Transition of Business Results by Segments ① Temporary Staffing/BPO*



2017/3 Q1 : Highlights

Demand from client companies remained strong
Increase in the revenues due to organic growth and M&A
(Organic growth rate: 8.1%, Sales increase rate due to M&A: 5.9%)

<Temporary Staffing division>

- Increased in OP income due to the higher revenues better than increase in the costs related to personnel expansion and social insurance premiums
- P&P holdings started to contribute (July 2015~)

<BPO division>

- Continue to be in good environment, achieved increase in income (the profitability dropped slightly due to some project)

(Units : million yen,%)	2016/3 Results	2017/3 Results		2017/3 Forecasts			
	Q1	Q1	YoY	1st Half	Progress Ratio	Full Year	Progress Ratio
Sales	93,315	106,349	114.0	206,700	51.5	427,400	24.9
EBITDA	5,401	5,851	108.3	10,450	56.0	21,600	27.1
EBITDA margin	5.8	5.5	-	5.1	-	5.1	-
OP income	4,796	5,140	107.2	8,950	57.4	18,550	27.7
OP income ratio	5.1	4.8	-	4.3	-	4.3	-

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

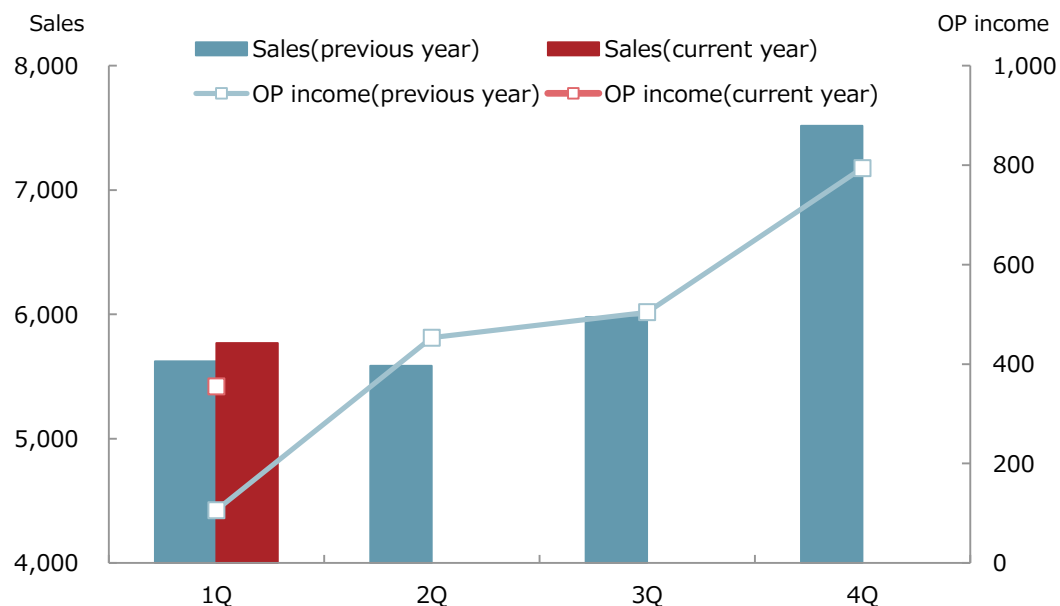
*Rounded down (Units : million yen,%) *EBITDA = OP income + Depreciation + Amortization of Goodwill

*See the "Factbook for the First Quarter Ended June 30, 2016" released on the website on the same date for the quarterly results for the full year ended March 31, 2016

*The financial forecast for the full fiscal year 2016 was revised on August 10, 2016. (See the 「Appendix : Revision to the financial forecast」 for detailed information)

*BPO : Business Process Outsourcing

2017/3 Transition of Business Results by Segments ② ITO



2017/3 Q1 : Highlights

- Demand for IT system and SI-related services from client companies remained solid
- Increased in personnel expenses
- Increase in work-in-process account

(Units : million yen,%)	2016/3 Results	2017/3 Results		2017/3 Forecasts			
	Q1	Q1	YoY	1 st Half	Progress Ratio	Full Year	Progress Ratio
Sales	5,623	5,769	102.6	12,500	46.2	26,650	21.6
EBITDA	290	514	177.1	1,090	47.2	2,780	18.5
EBITDA margin	5.2	8.9	-	8.7	-	10.4	-
OP income	106	355	332.8	710	50.1	2,020	17.6
OP income ratio	1.9	6.2	-	5.7	-	7.6	-

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

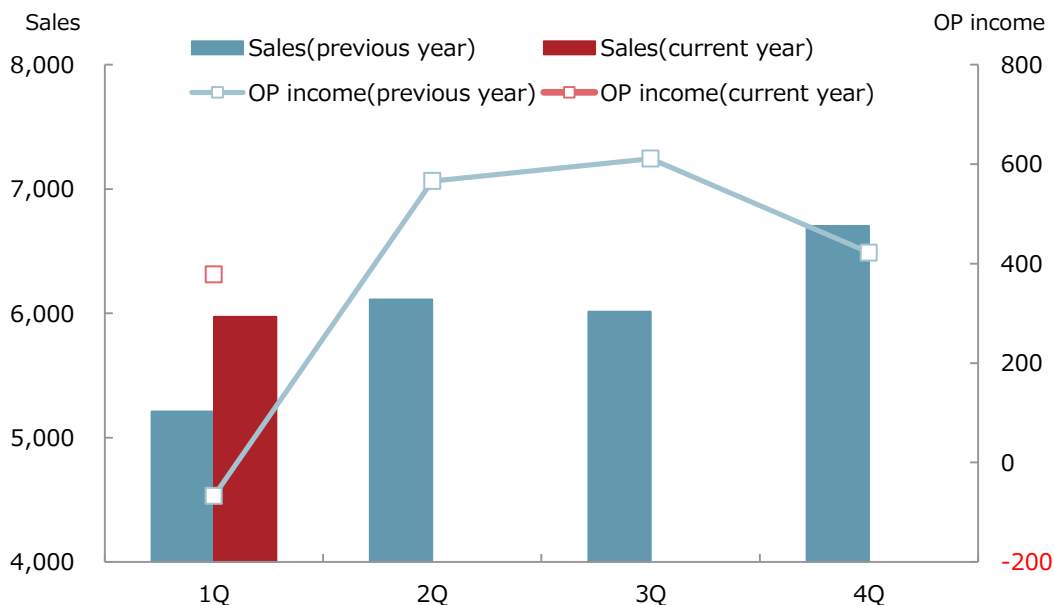
*Rounded down (Units : million yen,%) *EBITDA = OP income + Depreciation + Amortization of Goodwill

*See the "Factbook for the First Quarter Ended June 30, 2016" released on the website on the same date for the quarterly results for the full year ended March 31, 2016

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*ITO : IT Outsourcing

2017/3 Transition of Business Results by Segments ③ Engineering



2017/3 Q1 : Highlights

- Demand from the automobile industries remained solid
- Effect of Rising unit price and earlier assignment of new graduates.
- Early delivery of contract projects (2017/3 2nd Half → 2017/3 1Q)
- Technical training sessions for this segment were conducted across the segment

(Units : million yen,%)	2016/3 Results	2017/3 Results		2017/3 forecasts			
	Q1	Q1	YoY	1st Half	Progress Ratio	Full Year	Progress Ratio
Sales	5,211	5,973	114.6	12,110	49.3	25,260	23.6
EBITDA	68	520	764.3	940	55.4	2,240	23.3
EBITDA margin	1.3	8.7	-	7.8	-	8.9	-
OP income	-67	378	-	640	59.2	1,600	23.7
OP income ratio	-	6.3	-	5.3	-	6.3	-

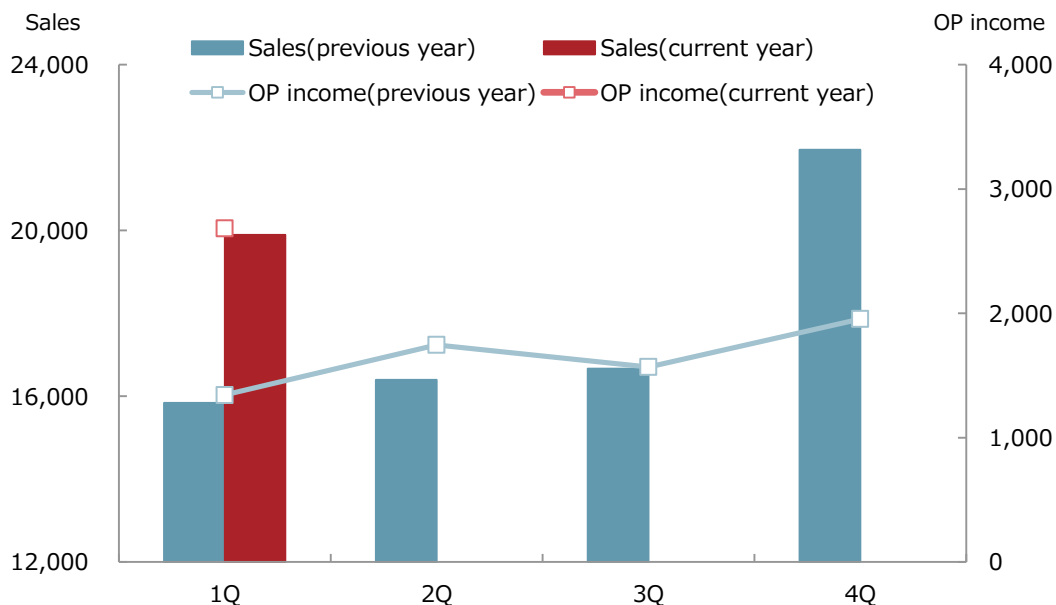
*Internal transactions have not been eliminated from the figures for sales and OP income.

*Rounded down (Units : million yen,%) *EBITDA = OP income + Depreciation + Amortization of Goodwill

*See the "Factbook for the First Quarter Ended June 30, 2016" released on the website on the same date for the quarterly results for the full year ended March 31, 2016

*The financial forecast for the full fiscal year 2016 was revised on August 10, 2016. (See the 「Appendix : Revision to the financial forecast」 for detailed information)

2017/3 Transition of Business Results by Segments ④ Recruiting



2017/3 Q1 : Highlights

Demand from client companies remained strong
Increased in OP income due to the higher revenues better than increase in the costs.

<Domestic business>

- Invested in enhancing product values and functions of “an” and “LINE Baito (part-time jobs)”, “DODA”.
- Personnel reinforcement and promotional investment aimed at increasing customer contacts

<Overseas business>

- Capita pte. started to contribute (January 2016~)

(Units : million yen,%)	2016/3 Results	2017/3 Results		2017/3 Forecasts			
	Q1	Q1	YoY	1st Half	Progress Ratio	Full Year	Progress Ratio
Sales	15,840	19,896	125.6	40,800	48.8	107,800	18.5
EBITDA	2,232	3,763	168.6	6,720	56.0	14,590	25.8
EBITDA margin	14.1	18.9	-	16.5	-	13.5	-
OP income	1,343	2,684	199.8	4,500	59.7	10,000	26.8
OP income ratio	8.5	13.5	-	11.0	-	9.3	-

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

*Rounded down (Units : million yen,%) *EBITDA = OP income + Depreciation + Amortization of Goodwill

*See the "Factbook for the First Quarter Ended June 30, 2016" released on the website on the same date for the quarterly results for the full year ended March 31, 2016

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2017/3 Transition of Business Results by Segments ⑤ Others/Adjustment

Other business (Units : million yen,%)	2016/3 Results	2017/3 Results		2017/3 Forecasts			
	Q1	Q1	YoY	1 st Half	Progress Ratio	Full Year	Progress Ratio
Sales	971	1,655	170.4	3,150	52.5	6,440	25.7
EBITDA	68	148	215.2	35	424.0	100	148.4
EBITDA margin	7.1	9.0	-	1.1	-	1.6	-
OP income	62	136	218.5	-3	-	18	-
OP income ratio	6.4	8.2	-	-	-	0.3	-

Adjustment (Units : million yen,%)	2016/3 Results	2017/3 Results		2017/3 Forecasts			
	Q1	Q1	YoY	1 st Half	Progress Ratio	Full Year	Progress Ratio
Sales	-1,788	-2,240	125.3	-4,260	-	-9,550	-
EBITDA	409	723	176.6	465	-	490	-
EBITDA margin	-	-	-	-	-	-	-
OP income	319	561	175.6	203	-	-488	-
OP income ratio	-	-	-	-	-	-	-

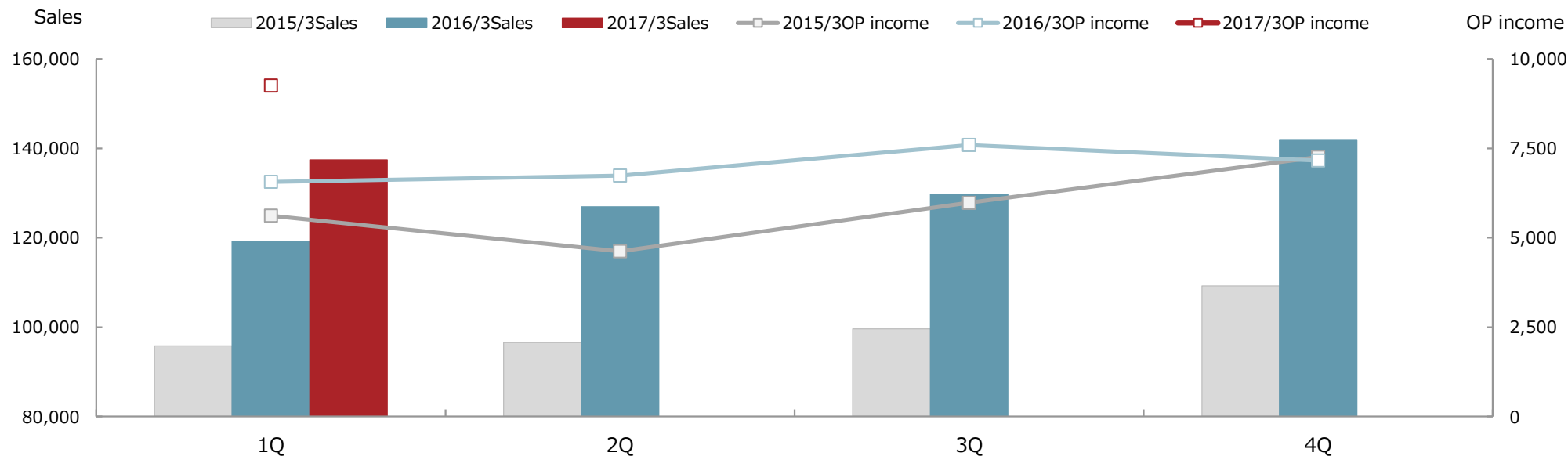
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*Rounded down (Units : million yen,%) *EBITDA = OP income + Depreciation + Amortization of Goodwill

*See the "Factbook for the First Quarter Ended June 30, 2016" released on the website on the same date for the quarterly results for the full year ended March 31, 2016

*The financial forecast for the full fiscal year 2016 was revised on August 10, 2016. (See the 「Appendix : Revision to the financial forecast」 for detailed information)

Appendix : 2017/3 Transition of Business Results (Consolidated)



(Units : million yen,%)	1Q				2Q				3Q				4Q			
	2015/3	2016/3	2017/3	YoY	2015/3	2016/3	2017/3	YoY	2015/3	2016/3	2017/3	YoY	2015/3	2016/3	2017/3	YoY
Sales	95,767	119,173	137,404	115.3	96,505	126,932			99,602	129,719			109,180	141,771		
EBITDA	7,151	8,471	11,522	136.0	6,129	8,765			7,468	9,680			8,722	9,490		
EBITDA margin	7.5	7.1	8.4	-	6.4	6.9			7.5	7.5			8.0	6.7		
OP income	5,614	6,561	9,257	141.1	4,620	6,737			5,977	7,594			7,258	7,160		
OP income ratio	5.9	5.5	6.7	-	4.8	5.3			6.0	5.9			6.6	5.1		

*EBITDA = OP income + Depreciation + Amortization of Goodwill

Appendix : Revision to the financial forecast (consolidated)



(Unit : million yen)

	Initial forecast	Amended forecast	Change	Comments
Sales	564,000	584,000	+20,000	JV with Kelly Services in APAC area will start to contribute (October 2016~)
EBITDA	40,000	41,800	+1,800	
OP income	30,000	31,700	+1,700	
Ordinary income	30,200	31,900	+1,700	
Profit attributable to owners of parent	19,000	20,100	+1,100	In addition to the above, expect profit will be beyond an original assumption on each segment (Please read next page for each segment more details.)

Appendix : Revision to the financial forecast (by Segment)

(Unit : million yen)

Sales	Initial forecast	Amended forecast	Change
Temporary Staffing/BPO*	427,400	427,400	0
ITO*	26,650	26,650	0
Engineering	25,260	25,260	0
Recruiting	87,800	107,800	+20,000
Other business	6,440	6,440	0
Adjustment	-9,550	-9,550	0
Total	564,000	584,000	+20,000

Comments
JV with Kelly Services in APAC area will start to contribute (October 2016~)

OP income	Initial forecast	Amended forecast	Change
Temporary Staffing/BPO*	17,850	18,550	+700
ITO*	1,920	2,020	+100
Engineering	1,400	1,600	+200
Recruiting	9,700	10,000	+300
Other business	18	18	0
Adjustment	-888	-488	+400
Total	30,000	31,700	+1,700

Comments
Change with the improvement of the profitability, Review of the expense etc.
"
"
"
Review of the expense

*BPO: Business Process Outsourcing / ITO = IT Outsourcing

*See the "Summary of Consolidated Financial Results for the Year Ended March 31, 2016 (Based on Japanese GAAP)" for detailed information

Appendix : New brand of the Temp Group



P E R S O L

Through the growth of the "person"
(PERSON)

To solve the social problem
(SOLUTION)

Why we established
New brand?

- Change our corporate image to "total HR solution provider"
("TEMP" group = temporary staffing)

supplementary explanation

- Continue to use our service brand "Tempstaff", "an/LINE baito", "DODA" etc.
- we're considering to change our corporate name

Appendix : Recent M&As

Company name	P&P Holdings	Capita Pte. Ltd.	Kelly Services (Singapore) Pte. Ltd.
Established	October, 2012	January, 2001	August, 2000
Net Sales	25.46 billion yen (*2)	47.4 million SGD (*3)	- (*4)
OP income	0.14 billion yen (*2)	-3.0 million SGD (*3)	- (*4)
Acquisition date	June, 2015	October, 2015	July, 2015
Contribution from	2016/3 Q2	2016/3 Q4	2017/3 Q3
Ownership ratio	100.0% (*4)	51.0%	
Acquisition price	5.49 billion yen	6.94 billion yen	3.76 billion yen (*6)
Goodwill	1.99 billion yen	6.07 billion yen	- (*4)
Amortization period	5 year	10 year	10 year
Segment	Temporary Staffing/BPO (*5)	Recruiting	Recruiting

*1. This briefing is only for better understanding. Please note that numbers and indexes in this page are not audited.

*2. This value is P&P Holdings Corporation (Mar. 2015) and consolidated results of 6 company's subsidiaries. Value of OP income is deducted goodwill (3.9billion yen/year) depreciation.

*3. Value is Capita Pte. Ltd.(Dec.2014) and consolidated results of 2 company's subsidiaries. Value of OP income is deducted goodwill (7.0 million SGD /year) depreciation.

*4. Value is investigating because some business will transfer. (If the details are settled, We will inform it.)

*5. BPO : Business Process Outsourcing

*6. This amount is only cash remittances. We have implemented a stock-kind contribution of our APAC business of Capita Pte. Ltd etc. in addition to this amount of money

- The statements concerning the Company's future business performances in this material such as earnings forecasts are based on information available as of August 10, 2016 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.