



Earnings Briefing Q&A Summary for Fiscal Year Ended March 2017

May 18, 2017 (Thu.)

Temp Holdings Co., Ltd.

Q. For the year ending March 2018, what is the course of policy for profits and expected investments for each service in the recruiting segment?

A. In the Recruiting segment for the year ended March 2017, placement business (DODA) contributed to sales and profits through the expansion of the number of settled job referrals. Meanwhile, media business which consists of “an” and “LINE-Baito” has implemented structural reforms with a focus on the Web and smartphones. As an expansion of human resources and promotional investment, etc. is planned to meet robust demands for the year ending March 2018, operating profit especially for the first half the fiscal year is expected to decline compared to the previous year.

Q. What kind of synergy is expected to be exercised hereafter?

A. DODA and Tempstaff have demonstrated a synergy effect by combining DODA's recruitment service utilizing one of Japan's largest human resource databases with Tempstaff's nationwide sales facilities, to meet regional needs for permanent employees and support job change needs, which were difficult to meet thus far. Sales volume through this synergy effect is expected to grow further in the year ending March 2018.

Q. Outlook for the overseas business

A. With respect to the overseas business, the joint venture with Kelly Services has expanded on July 2016, and sales have grown significantly. Meanwhile, as there are service deployments in many countries and regions, and temporary staffing business and recruitment business in various countries are still undergoing, first of all, businesses will be organized and core systems will be unified successively. As Temp Holdings will focus on continued enhancement of management systems and investments in core systems, etc. in fiscal year ending March 2018, while sales of 63.1 billion yen is expected, a full-scale contribution to profit is expected from fiscal year ending March 2019 and onward.



Q. Growth drivers in the temporary staffing / BPO segment in fiscal year ending March 2018

A. The driving force behind growth in the temporary staffing and BPO segment is viewed to be the company's ability to attract customers. This means retaining an abundance of information on workplaces that suit the requests of customers, and transmitting this information in an easy-to-understand manner. While also placing weight on improving the Group's digital media, PERSOL intends to continue to grow while placing importance on the disposition to deal with each customer earnestly and in good faith.

Q. Application of big data

A. While PERSOL Group possesses a large volume of business information, the information had been managed by each company until now, and was not being effectively utilized by the entire Group. PERSOL intends to first link this information as a single Group, and by 2020, change the condition so that all human resource needs and issues can be solved by consulting PERSOL Group.

The Group already offers "HITO-Talent," among other services to manage and effectively apply information on human resources. The Group aspires to resolve diverse human affairs issues by effectively using this information. The Group is also concurrently proceeding to create new technologies through open innovation with investing companies through the Temp Innovation Fund. As the results in actual businesses are being verified, please have great expectations for the future.