# Briefing on Consolidated Financial Results for the Fiscal Year Ended March 31, 2019

PERSOL HOLDINGS CO., LTD.

15 May 2019

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Consolidated Results Summary

**Sales grew +28.2% due to stable growth amongst existing businesses and M&A contributions, and achieved a new record for sales in a given financial year.**
**Business drivers: Japan domestic temp & placement businesses, PERSOLKELLY overseas operations.**

(Unit: JPY million)

| | FY Mar 2018 | | FY Mar 2019 | | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|---|---|
| | Full Year | Ratio (%) | Full Year | Ratio (%) | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | 722,183 | 100.0 | 925,818 | 100.0 | +28.2 | 940,000 | 98.5 |
| Gross profit | 167,438 | 23.2 | 206,517 | 22.3 | +23.3 | - | - |
| EBITDA* | 48,026 | 6.7 | 59,972 | 6.5 | +24.9 | 56,500 | 106.1 |
| Operating Profit | 36,068 | 5.0 | 44,111 | 4.8 | +22.3 | 42,500 | 103.8 |
| Net Profit Attributable to Owners of Parent | 7,769 | 1.1 | 24,361 | 2.6 | +213.5 | 21,800 | 111.7 |

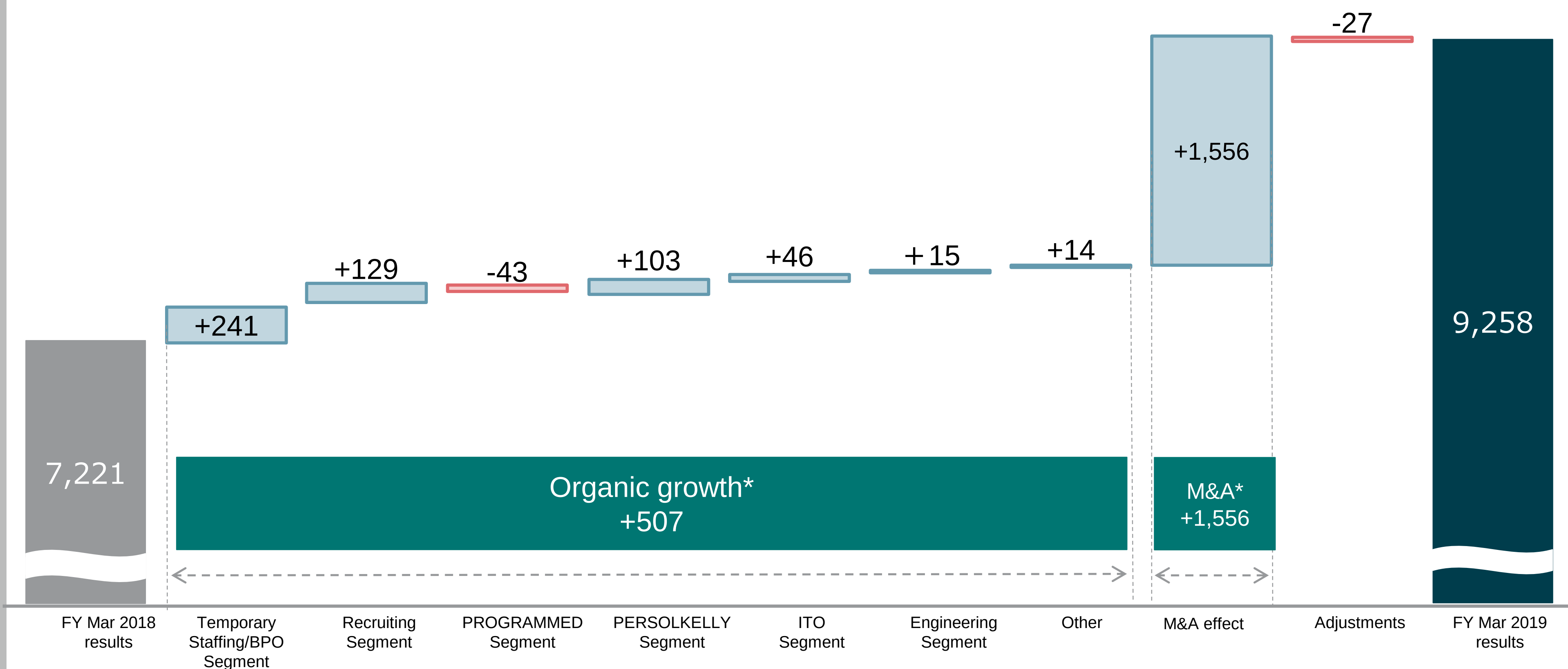
*Figures are rounded down (as with following pages) *EBITDA = Operating Profit + Depreciation + Amortization of Goodwill (as with following pages)

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Sales Analysis

**Existing business organic growth of +7.0% together with the PROGRAMMED M&A contribution resulted in sales growth of +28.2%.**

(Unit: JPY 100 million)




*M&A target companies :Programmed Maintenance Services Limited (Jan 2018), Avanti Staff (Jan 2019)
(Figures in brackets indicate date (YY/MM) that contribution to consolidated results commenced)

*M&A effect : Indicates the net increase of funds due to M&As (Values are prior to eliminations of internal transactions).

* Organic growth (or existing businesses) : Indicates amounts of increase that exclude the net increase of funds due to M&As (Figures are prior to elimination of internal transactions)

*Business Process Outsourcing (BPO), IT Outsourcing (ITO) (Identical with following pages)

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Sales by Segment

## Demand continued to be healthy, and sales grew in each segment.

(Unit: JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Temporary Staffing/BPO | 481,071 | 509,538 | +5.9 | 520,000 | 98.0 |
| Recruiting | 72,841 | 85,826 | +17.8 | 84,000 | 102.2 |
| PROGRAMMED* | 54,512 | 201,476 | - | 215,000 | 93.7 |
| PERSOLKELLY | 65,774 | 76,106 | +15.7 | 68,000 | 111.9 |
| ITO | 28,988 | 33,644 | +16.1 | 33,000 | 102.0 |
| Engineering | 27,795 | 29,357 | +5.6 | 30,000 | 97.9 |
| Other | 4,339 | 5,751 | +32.5 | 5,000 | 115.0 |
| Adjustments | -13,140 | -15,883 | - | -15,000 | - |
| TOTAL | 722,183 | 925,818 | +28.2 | 940,000 | 98.5 |

**PROGRAMMED Segment: The financial closing date of PROGRAMMED LTD. differs with PERSOL by 3 months. The Deemed Acquisition Date for Business Combinations is set as 30 September 2017 and as such, PROGRAMMED LTD's contribution to the results commences from January 2018.

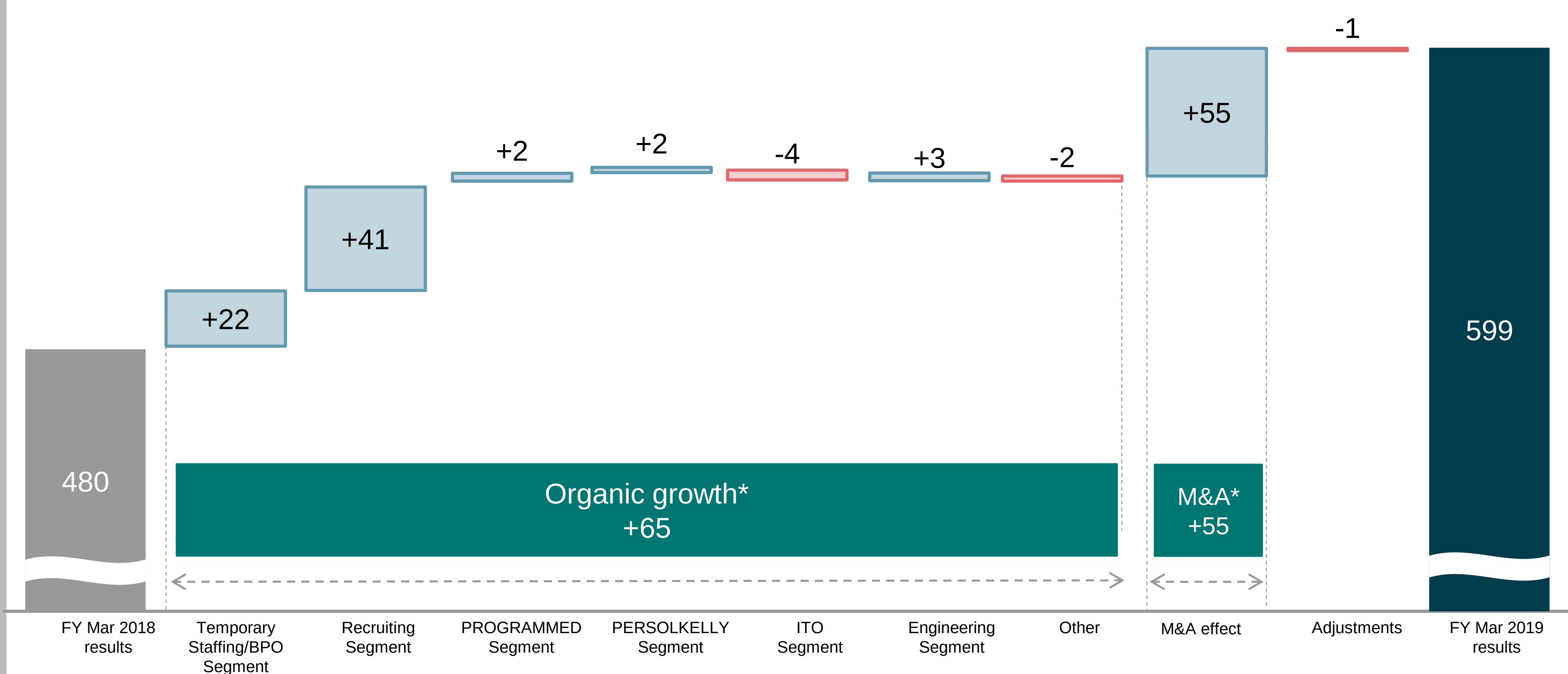
*Figures are prior to elimination of internal transactions

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: EBITDA Analysis

**Existing business organic growth of +13.7% together with the PROGRAMMED M&A contribution resulted in EBITDA growth of +24.9%.**

(Unit: JPY 100 million)




*M&A target companies :Programmed Maintenance Services Limited (Jan 2018). Acquisition costs of Programmed (0.8 billion) was booked at FY 2018 3Q
(Figures in brackets indicate date (YY/MM) that contribution to consolidated results commenced) Avanti Staff (Jan 2019)
*M&A effect : Indicates the net increase of funds due to M&As (Values are prior to eliminations of internal transactions).
* Organic growth (or existing businesses) : Indicates amounts of increase that exclude the net increase of funds due to M&As
(Figures are prior to elimination of internal transactions)

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: EBITDA by Segment

## Temporary Staffing/BPO and Recruiting Segments driving organic growth.

(Unit:JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Temporary Staffing/BPO | 25,590 | 27,925 | +9.1 | 27,700 | 100.8 |
| Recruiting | 14,274 | 18,382 | +28.8 | 16,900 | 108.8 |
| PROGRAMMED* | 1,054 | 6,721 | - | 6,500 | 103.4 |
| PERSOLKELLY | 1,094 | 1,348 | +23.2 | 1,200 | 112.4 |
| ITO | 2,930 | 2,490 | -15.0 | 2,100 | 118.6 |
| Engineering | 2,982 | 3,367 | +12.9 | 3,100 | 108.6 |
| Other | -254 | -476 | -46.7 | -200 | - |
| Adjustments | 353 | 213 | - | -800 | - |
| TOTAL | 48,026 | 59,972 | +24.9 | 56,500 | 106.1 |

**PROGRAMMED Segment: The financial closing date of PROGRAMMED LTD. differs with PERSOL by 3 months. The Deemed Acquisition Date for Business Combinations was set as 30 September 2017 and as such, PROGRAMMED LTD's contribution to the results commenced from January 2018. Please note that share acquisition related costs of JPY 800 million were booked in 3Q of FY 2018.

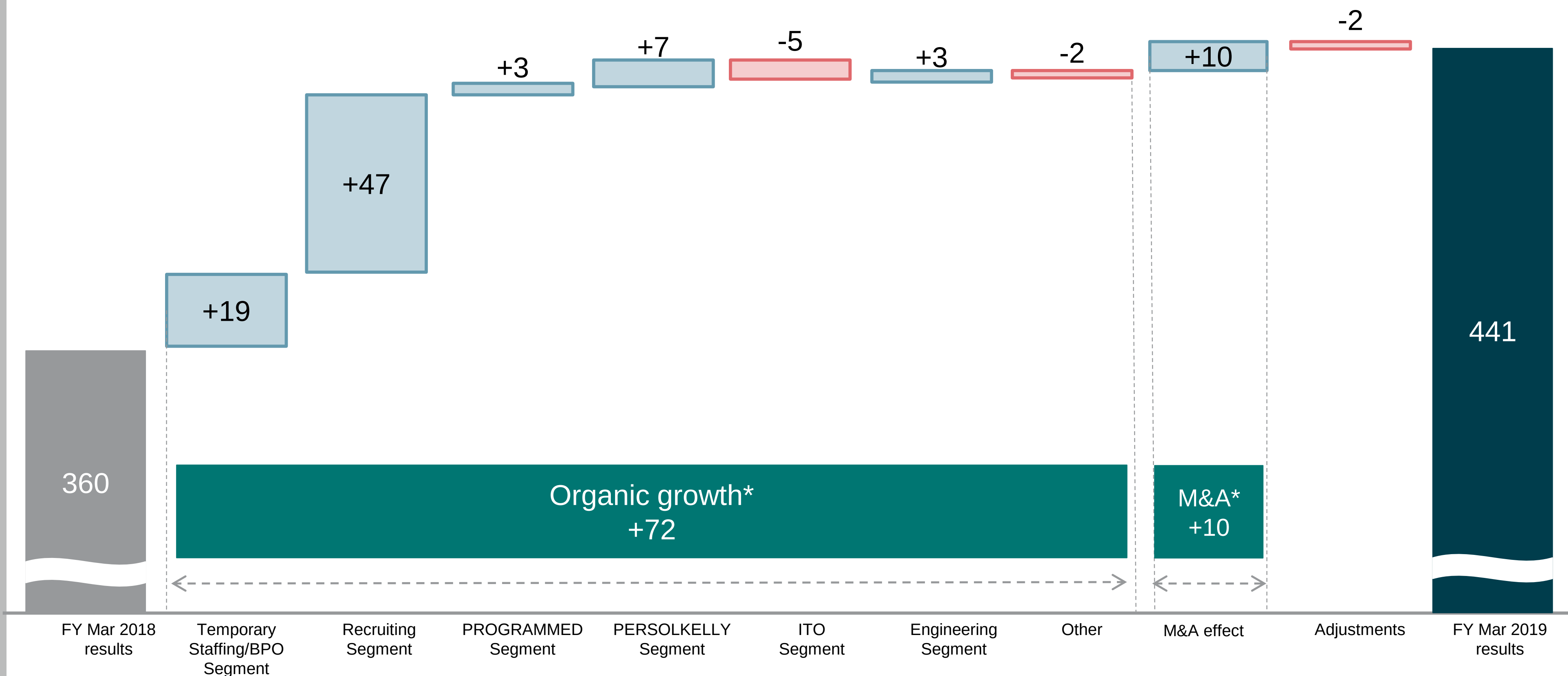
*Figures are prior to elimination of internal transactions

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Analysis of Operating Profit

## Existing business organic growth of Temporary Staffing/BPO and Recruiting led to grow +22.3%.

(Unit: JPY 100 million)




*M&A target companies
(Figures in brackets indicate date (YY/MM) that contribution to consolidated results commenced)
:Programmed Maintenance Services Limited (Jan 2018). Acquisition costs of Programmed (0.8 billion) was booked at FY 2018 3Q
Avanti Staff (Jan 2019)

*M&A effect
: Indicates the net increase of funds due to M&As (Values are prior to eliminations of internal transactions).

* Organic growth (or existing businesses)
: Indicates amounts of increase that exclude the net increase of funds due to M&As
(Figures are prior to elimination of internal transactions)

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Operating Profit by Segment

## Temporary Staffing/BPO and Recruiting Segments driving organic growth.

(Unit:JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Temporary Staffing/BPO | 22,122 | 23,991 | +8.5 | 23,900 | 100.4 |
| Recruiting | 10,810 | 15,555 | +43.9 | 14,300 | 108.8 |
| PROGRAMMED* | -507 | 841 | - | 1,100 | 76.5 |
| PERSOLKELLY | -190 | 548 | +388.6 | 700 | 78.4 |
| ITO | 2,263 | 1,702 | -24.8 | 1,500 | 113.5 |
| Engineering | 2,365 | 2,762 | +16.8 | 2,700 | 102.3 |
| Other | -322 | -558 | -42.3 | -250 | - |
| Adjustments | -472 | -732 | - | -1,450 | - |
| TOTAL | 36,068 | 44,111 | +22.3 | 42,500 | 103.8 |

**PROGRAMMED Segment: The financial closing date of PROGRAMMED LTD. differs with PERSOL by 3 months. The Deemed Acquisition Date for Business Combinations was set as 30 September 2017 and as such, PROGRAMMED LTD's contribution to the results commenced from January 2018. Please note that share acquisition related costs of JPY 800 million were booked in 3Q of FY 2018.

*Figures are prior to elimination of internal transactions

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Consolidated Balance Sheet

PERSOL

| (Unit:JPY million) | End of FY Mar 2018 | | End of FY Mar 2019 | | |
|---|---|---|---|---|---|
| | Results | Ratio (%) | Results | Ratio (%) | Increase/ Decrease |
| Assets | 402,336 | 100.0 | 370,839 | 100.0 | -31,496 |
| Current Assets | 230,552 | 57.3 | 209,845 | 56.6 | -20,707 |
| (Cash and deposits) | 89,624 | 22.3 | 69,029 | 18.6 | -20,595 |
| Non-current Assets | 171,783 | 42.7 | 160,994 | 43.4 | -10,789 |
| (Trademark rights/goodwill) | 113,265 | 28.2 | 101,832 | 27.5 | -11,433 |
| Liabilities | 242,343 | 60.2 | 199,914 | 53.9 | -42,429 |
| Current Liabilities | 217,102 | 54.0 | 144,919 | 39.1 | -72,182 |
| (Loans payable within one year) | 89,928 | 22.4 | 15,045 | 4.1 | -74,882 |
| Non-Current Liabilities | 25,241 | 6.3 | 54,995 | 14.8 | 29,753 |
| (Long-term loans payable) | 15,713 | 3.9 | 25,748 | 6.9 | 10,035 |
| (Bonds) | - | - | 20,000 | 5.4 | 20,000 |
| Net assets | 159,992 | 39.8 | 170,925 | 46.1 | 10,932 |
| Equity capital | 145,537 | 36.2 | 155,593 | 42.0 | 10,055 |
| (Capital stock) | 17,467 | 4.3 | 17,479 | 4.7 | 12 |
| (Capital surplus) | 20,182 | 5.0 | 20,396 | 5.5 | 213 |
| (Retained earnings) | 105,993 | 26.3 | 125,677 | 33.9 | 19,683 |
| Non-controlling interests | 14,455 | 3.6 | 15,331 | 4.1 | 876 |

**<Trademark rights/goodwill>**
Decreases due to amortization/forex rates.

**<Current assets/Current liabilities/ Non-current liabilities>**
Repayment of short-term loans partially by cash, and refinancing the balance by long-term loans and corporate bonds. (Long-term conversion)

**<Retained earnings>**
Increases due to increased profit.

**Partial revision of "Accounting standards pertaining to Tax Effective Accounting" have been applied since 1Q in FY2019. Results were re-released after the results at the end of the previous FY were recalculated.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY Mar 2019: Consolidated Cash-flow Statement

PERSOL

| (Unit: JPY million) | FY Mar 2018 | FY Mar 2019 | |
|---|---|---|---|
| | Full Year | Full Year | Change |
| Cash flow from operating activities | 35,003 | 42,353 | 7,350 |
| Cash flow from Investment activities | -66,732 | -15,141 | 51,591 |
| Cash flow from finance activities | 50,186 | -48,165 | -98,351 |
| Increase (decrease) in cash & cash equivalents | 20,184 | -20,596 | -40,780 |
| Balance of cash & cash equivalents etc. at end of period | 89,566 | 68,969 | -20,596 |

Major change

- Cash flow from operating activities: Increase in profit and

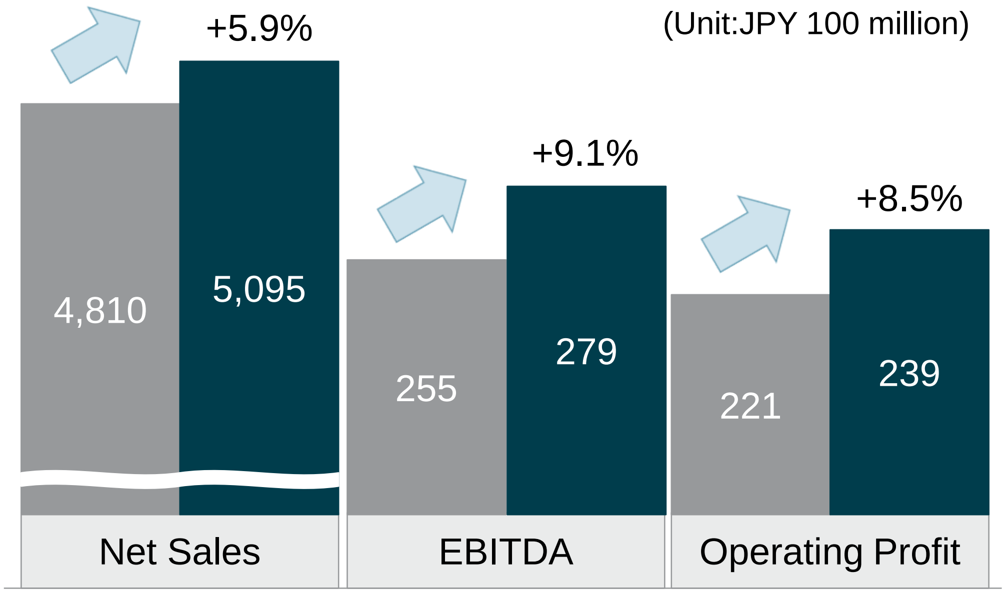
  Change in notes / accounts receivable – trade and operating debt
- Cash flow from Investment activities: Decrease in overseas large-scale M&A
- Cash flow from finance activities: Decrease in short-term debt and increase in long-term debt and bonds due to refinancing of the short-term debt

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Business Results Trends by Segment: ① Temporary Staffing/BPO Segment

PERSOL

(Unit:JPY 100 million)




## FY Mar 2019 Highlights

- Temporary labor demand remains at high levels in Japan with work-style reforms, and chronic labor shortages as a backdrop.
- Sales increased due to strong demand despite the impact of revisions to Japan's labor laws
- Costs associated with merging subsidiaries increased however, direct hiring by clients in response to revisions to Japan's labor laws resulted in growth in placement fee revenues. Also, revenues improved due to billing rate increases. (If subsidiary merger costs did not have to be included, the operating profit ratio would have been 5.1%.)
- The acquisition of Avanti Staff Corporation commenced being reflected in the results from 4Q.

(Unit: JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | 481,071 | 509,538 | +5.9 | 520,000 | 98.0 |
| EBITDA | 25,590 | 27,925 | +9.1 | 27,700 | 100.8 |
| EBITDA Margin (%) | 5.3 | 5.5 | - | 5.3 | - |
| Operating Profit | 22,122 | 23,991 | +8.5 | 23,900 | 100.4 |
| Operating profit ratio (%) | 4.6 | 4.7 | - | 4.6 | - |

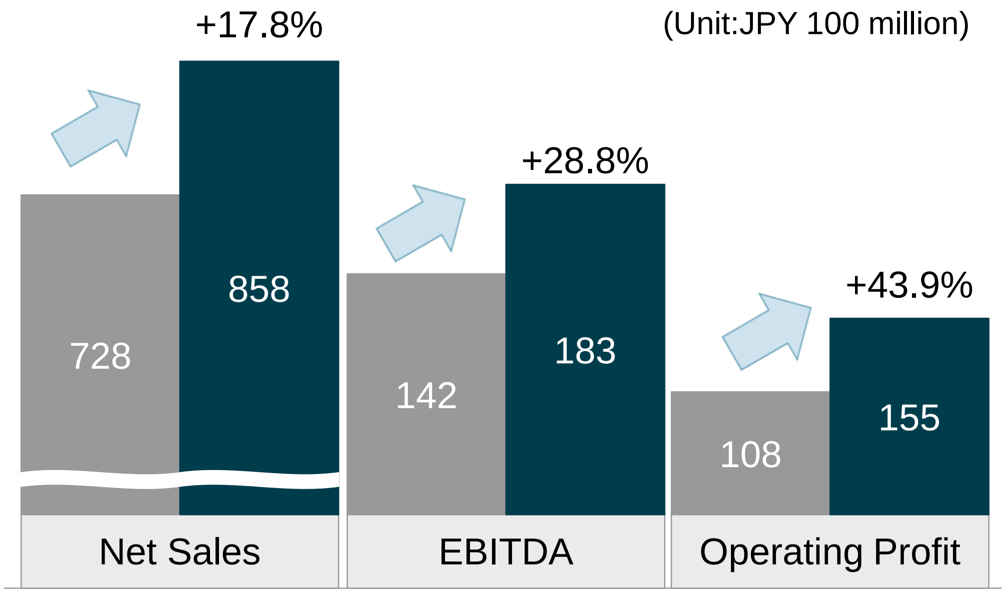
*Figures are prior to elimination of internal transactions
*Please refer to the "FY March 2019 Factbook" released on the PERSOL website on the same date as the results.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Business Results Trends by Segment
# ② Recruiting Segment



(Unit:JPY 100 million)




## FY Mar 2019 Highlights

- Demand from client companies continued to be healthy, with the placement business driving the results.
- Proactive investments had to be made into advertising and headcount in response to robust demand which in turn resulted in substantial sales and profit growth.
- A decline in goodwill amortization also contributed to an improvement in profitability due to the booking of the amortization impairment in the "an" business during the previous 4Q period.

(Unit: JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | 72,841 | 85,826 | +17.8 | 84,000 | 102.2 |
| EBITDA | 14,274 | 18,382 | +28.8 | 16,900 | 108.8 |
| EBITDA Margin (%) | 19.6 | 21.4 | - | 20.1 | - |
| Operating Profit | 10,810 | 15,555 | +43.9 | 14,300 | 108.8 |
| Operating profit ratio (%) | 14.8 | 18.1 | - | 17.0 | - |

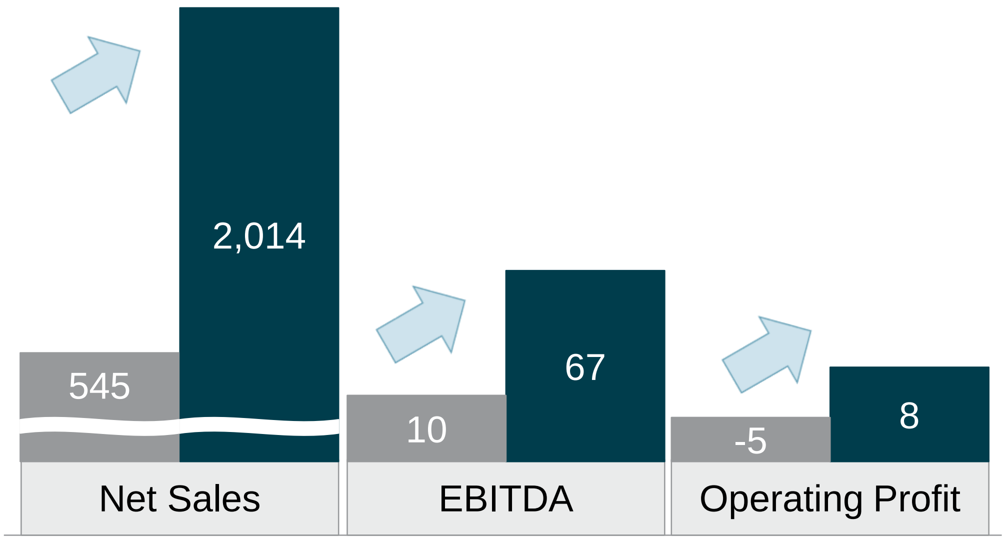
*Figures are prior to elimination of internal transactions
*Please refer to the "FY March 2019 Factbook" released on the PERSOL website on the same date as the results.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Business Results Trends by Segment: ③ PROGRAMMED Segment

PERSOL

(Unit:JPY 100 million)




## FY Mar 2019 Highlights

**Staffing Business:**

- Blue collar labour demand weakened in manufacturing, industrial, logistics and retail sectors due to continuing globalisation, online sales and automation impacts, however, profits were steady due to reductions in overhead expenses
- Mining sector remains strong as production expands
- Large contract ended in FY18

**Maintenance Business:**

- Some reduction in government expenditures compared to prior year leading to lower revenue but profit remained steady
- Work in hand and sales pipeline increased through out the year
- New contracts secured in airport and public housing

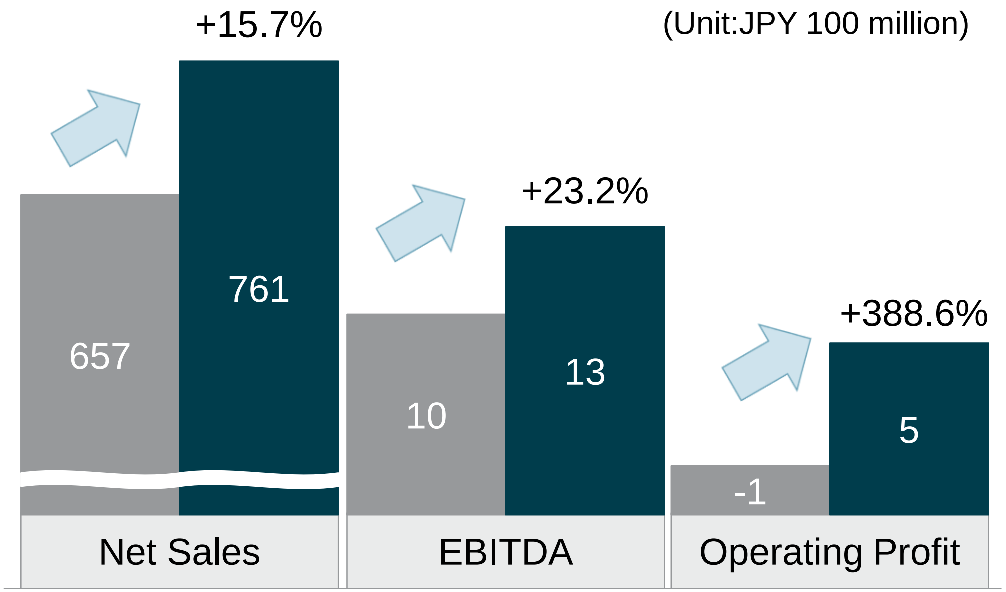
(Unit: JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | 54,512 | 201,476 | - | 215,000 | 93.7 |
| EBITDA | 1,054 | 6,721 | - | 6,500 | 103.4 |
| EBITDA Margin (%) | - | 3.3 | - | 3.0 | - |
| Operating Profit | -507 | 841 | - | 1,100 | 76.5 |
| Operating profit ratio (%) | - | 0.4 | - | 0.5 | - |

*Share acquisition related costs of JPY 800 million were booked in 3Q of FY 2018. *Figures are prior to elimination of internal transactions
*Please refer to the "FY March 2019 Factbook" released on the PERSOL website on the same date as the results.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Business Results Trends by Segment: ④ PERSOLKELLY Segment




## FY Mar 2019 Highlights

- Sales growth was due to a backdrop of continued favorable market conditions in APAC countries. Operating profit successfully turned to the black mainly led by the Singapore and Cnina placement business.
- Proactive investments were made that targeted necessary productivity improvements: Achievement rateive strengthening of deployments of personnel needed to handle robust demand, as well as implementation of common systems in each branch.

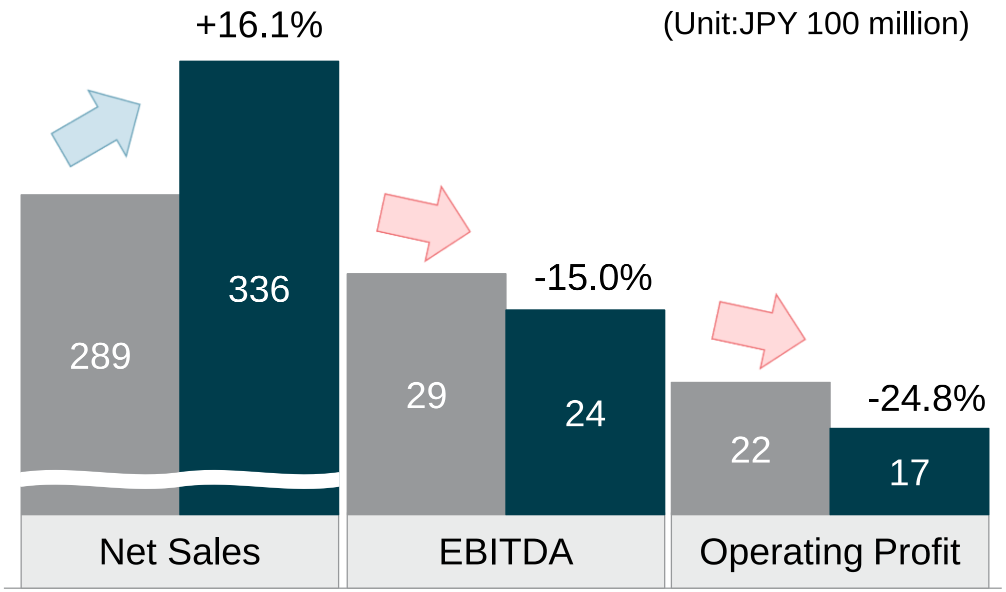
(Unit:JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | 65,774 | 76,106 | +15.7 | 68,000 | 111.9 |
| EBITDA | 1,094 | 1,348 | +23.2 | 1,200 | 112.4 |
| EBITDA Margin (%) | 1.7 | 1.8 | - | 1.8 | - |
| Operating Profit | -190 | 548 | +388.6 | 700 | 78.4 |
| Operating profit ratio (%) | -0.3 | 0.7 | - | 1.0 | - |

*Figures are prior to elimination of internal transactions
*Please refer to the "FY March 2019 Factbook" released on the PERSOL website on the same date as the results.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Business Results Trends by Segment: ⑤ ITO Segment




## FY Mar 2019 Highlights

- Willingness to invest in system related services etc. in corporate clients is steady.
- Increase in SI related services and high value added outsourcing services, RPA introduction support and consulting services for productivity improvement have grown as a result of work style reform resulting in increased sales
- Costs increased due to better treatment of workers, and even though there was a decline in profitability compared to the previous year, as a result of unit price improvements etc., operating income achieved target. Furthermore, improved treatment of workers contributed to employee retirement rate and recruiting ability.

(Unit: JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | 28,988 | 33,644 | +16.1 | 33,000 | 102.0 |
| EBITDA | 2,930 | 2,490 | -15.0 | 2,100 | 118.6 |
| EBITDA Margin (%) | 10.1 | 7.4 | - | 6.4 | - |
| Operating Profit | 2,263 | 1,702 | -24.8 | 1,500 | 113.5 |
| Operating profit ratio (%) | 7.8 | 5.1 | - | 4.5 | - |

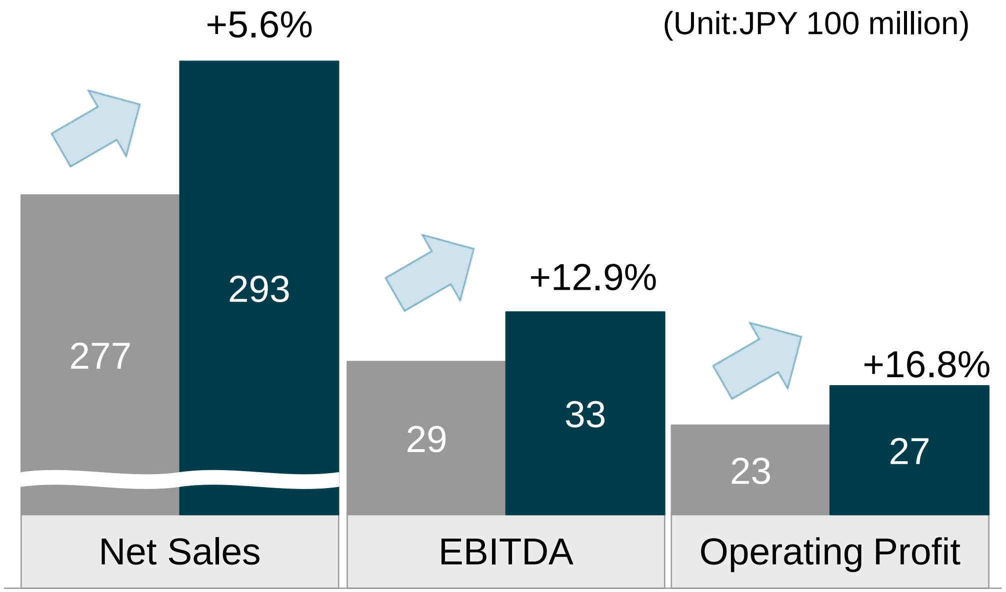
*Figures are prior to elimination of internal transactions
*Please refer to the "FY March 2019 Factbook" released on the PERSOL website on the same date as the results.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Business Results Trends by Segment
# ⑥ Engineering Segment

PERSOL

(Unit:JPY 100 million)




## FY Mar 2019 Highlights

- Household electronics related demand was somewhat weak, but R&D demand was strong in automobiles, and construction equipment etc.
- Both profit and profit ratio improved due to the results of continuous productivity improvement activities.
- Aiming to further expand business areas, continuously promoted reinforcement of sales functions, active recruitment and partner utilization.

(Unit: JPY million)

| | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | 27,795 | 29,357 | +5.6 | 30,000 | 97.9 |
| EBITDA | 2,982 | 3,367 | +12.9 | 3,100 | 108.6 |
| EBITDA Margin (%) | 10.7 | 11.5 | - | 10.3 | - |
| Operating Profit | 2,365 | 2,762 | +16.8 | 2,700 | 102.3 |
| Operating profit ratio (%) | 8.5 | 9.4 | - | 9.0 | - |

*Figures are prior to elimination of internal transactions
*Please refer to the "FY March 2019 Factbook" released on the PERSOL website on the same date as the results.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019: Business Results Trends by Segment: ⑦ Other/Adjustments

PERSOL

(Unit:JPY million)

| Other | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | 4,339 | 5,751 | +32.5 | 5,000 | 115.0 |
| EBITDA | -254 | -476 | -46.7 | -200 | - |
| EBITDA Margin (%) | -5.9 | -8.3 | - | -4.0 | - |
| Operating Profit | -322 | -558 | -42.3 | -250 | - |
| Operating profit ratio (%) | -7.4 | -9.7 | - | -5.0 | - |

(Unit:JPY million)

| Adjustments | FY Mar 2018 | FY Mar 2019 | | FY Mar 2019 Results Forecast | |
|---|---|---|---|---|---|
| | Full Year | Full Year | Growth (%) | Full Year | Achievement rate (%) |
| Net Sales | -13,140 | -15,883 | - | -15,000 | - |
| EBITDA | 353 | 213 | - | -800 | - |
| EBITDA Margin (%) | - | - | - | - | - |
| Operating Profit | -472 | -732 | - | -1,450 | - |
| Operating profit ratio (%) | - | - | - | - | - |

*Figures are prior to elimination of internal transactions
*Please refer to the "FY March 2019 Factbook" released on the PERSOL website on the same date as the results.
*The "other" item is Shared Services which refers to roles performed by each function for the entire Group such as: training & education, disabled worker hiring/work support etc. structures.
*"Adjustment Amounts": refers to elimination of transactions between segments, PERSOL HOLDINGS income, and costs.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2020 Consolidated forecasts

(Unit:JPY million)

| | FY Mar 2020 Forecast | | | | | |
|---|---|---|---|---|---|---|
| | 1st half | Ratio (%) | Growth (%) | Full Year | Ratio (%) | Growth (%) |
| Net sales | 483,500 | 100.0 | +6.9 | 1,000,000 | 100.0 | +8.0 |
| EBITDA | 30,200 | 6.2 | +7.1 | 66,000 | 6.6 | +10.1 |
| Operating Profit | 21,300 | 4.4 | +4.1 | 48,000 | 4.8 | +8.8 |
| Net Profit Attributable to Owners of Parent | 12,000 | 2.5 | +0.1 | 27,500 | 2.8 | +12.9 |
| [Reference] Net Profit Prior to Amortization of Goodwill | 16,300 | 3.4 | - | 36,100 | 3.6 | +9.5 |

＊Assumed forex rate for FY2020/3 USD1=JPY 110.0, AUD1=JPY 80.0

＊Net Profit Prior to Amortization of Goodwill : Profit attributable to owners of parent company ＋amortization of goodwill

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019 Consolidated forecasts ：Sales by Segment

PERSOL

(Unit:JPY million)

| | FY Mar 2020 Forecast | | | |
|---|---|---|---|---|
| | 1st half | Growth (%) | Full Year | Growth (%) |
| Temporary Staffing/BPO | 265,600 | +6.9 | 549,000 | +7.7 |
| Recruiting | 47,000 | +14.5 | 99,000 | +15.3 |
| PROGRAMMED | 100,500 | -1.9 | 204,000 | +1.3 |
| PERSOLKELLY | 41,000 | +13.5 | 84,000 | +10.4 |
| ITO | 19,400 | +26.2 | 42,000 | +24.8 |
| Engineering | 14,500 | +6.2 | 31,000 | +5.6 |
| Other | 5,000 | +90.9 | 11,000 | +91.3 |
| Adjustments | △9,500 | - | -20,000 | - |
| TOTAL | 483,500 | +6.9 | 1,000,000 | +8.0 |

*Figures are prior to elimination of internal transactions

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019 Consolidated forecasts ：EBITDA by Segment

(Unit:JPY million)

| | FY Mar 2020 Forecast | | | |
|---|---|---|---|---|
| | 1st half | Growth (%) | Full Year | Growth (%) |
| Temporary Staffing/BPO | 13,600 | +4.6 | 30,400 | +8.9 |
| Recruiting | 10,600 | +18.6 | 22,200 | +20.8 |
| PROGRAMMED | 4,100 | +28.3 | 8,400 | +25.0 |
| PERSOLKELLY | 700 | -2.9 | 1,500 | +11.2 |
| ITO | 1,000 | +22.7 | 3,100 | +24.5 |
| Engineering | 1,400 | +19.2 | 3,500 | +3.9 |
| Other | -600 | -85.9 | -1,100 | -56.6 |
| Adjustments | -600 | - | -2,000 | - |
| TOTAL | 30,200 | +7.1 | 66,000 | +10.1 |

*Figures are prior to elimination of internal transactions

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# FY March 2019 Consolidated forecasts ：Operating Profit by Segment

PERSOL

(Unit:JPY million)

| | FY Mar 2020 Forecast | | | |
|---|---|---|---|---|
| | 1st half | Growth (%) | Full Year | Growth (%) |
| Temporary Staffing/BPO | 11,700 | +5.3 | 26,500 | +10.5 |
| Recruiting | 8,700 | +15.1 | 18,200 | +17.0 |
| PROGRAMMED | 300 | +37.3 | 1,000 | +18.9 |
| PERSOLKELLY | 400 | +11.9 | 1,000 | +82.2 |
| ITO | 700 | +53.5 | 2,400 | +41.0 |
| Engineering | 1,100 | +25.2 | 3,000 | +8.6 |
| Other | -600 | -79.5 | -1,300 | -57.0 |
| Adjustments | -1,000 | - | -2,800 | - |
| TOTAL | 21,300 | +4.1 | 48,000 | +8.8 |

*Figures are prior to elimination of internal transactions

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# Acquisition of Avanti Staff Corporation shares (conversion into a subsidiary)

**We aim to further enhance corporate value by utilizing a client base such as Fuyo Group and the know-how of financial affairs and trade affairs cultivated by Avanti staff and the know-how relating to soliciting job seekers by PERSOL group**

## Outline of share acquisition

| | |
|---|---|
| Corporate Profile | Avanti Staff Corporation |
| | Established in September 1984 |
| | Expand Temporary staffing business, placement/recruitment business, outsourcing business, training business within domestic Japan. |
| | Sales JPY 18,366 million, Operating profit JPY 271 million (FY Mar 2018 results) |
| Transaction Outline | Share transfer data：31 Jan 2019 |
| | Acquisition: 92.52% of fully issued shares |
| | Begin to be reflected in results: from 4Q of FY Mar 2019. (Temporary Staffing/BPO Segment) |

## Aims

### Expand the client base…

Expand the so-called 'Fuyo Group' client base of Mizuho Banking Ltd. and Marubeni Corporation.

### Enhance specialization…

Strengthen handling know-how in specialized roles such as trade support and finance administration.

### Leverage know-how in soliciting job seekers…

Focus on leveraging PERSOL Group's business platform & know-how in soliciting job-seekers.

*For further details, please refer to the timely release "Announcement regarding acquisition of Avanti Staff Corporation shares (conversion into a subsidiary)" made on 21 Dec 2018.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# Appendix: Recent M&As

| Company name | Programmed Maintenance Services Limited | |
|---|---|---|
| Established | January 1992 | |
| Net sales (*1) | AUD 2,691 million (*1) | |
| Operating profit (*1) | AUD 21 million (*1) | |
| Acquisition date | October 2017 | |
| Contribution commenced being reflected in results | 4Q of FY Mar 2018 | |
| Ownership ratio | 100% | |
| Acquisition price | JPY 66,000 million (*2) | |
| Goodwill | **Staffing Business** | **Maintenance Business** |
| | JPY 21,030 million | JPY 31,540 million |
| Goodwill amortization period | 10 years | 20 years |
| Affiliated segment | PROGRAMMED | |

*1. Figures refer to the results of PROGRAMMED Ltd. and its subsidiaries for the FY Mar 2017. Operating profit has been calculated after amortization of goodwill calculated at the time of acquisition (tentative figures), and after amortization of intangible fixed assets (total AUD 56 million/year).
*2. Conversion rate used: AUD 1: JPY 88.15

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.

# Attention: Note regarding handling of this material

PERSOL

Results forecasts etc. used in this material contain forward-looking statements which are based on a certain number of assumptions PERSOL deems rational, and the information at hand as of 15 May 2019 which are not meant in any way by PERSOL to be taken as assurances that will be realized. Actual results etc. may vary greatly due to various causes.

The figures, indicators, PERSOL Group results, and details of financial status included in this material have been released to facilitate an appropriate understanding. Kindly note that not all the figures and indicators have been subjected to audit and review by external auditors.

JPX-NIKKEI 400

**August 2014: Selected as one stock forming the JPX-Nikkei 400 Index composition**

What is the JPX-Nikkei 400?

The JPX-Nikkei 400 index is a new share price index composed of corporations that aim to satisfy the various requirements of global investment standards for the purpose of highlighting etc. in Japan and overseas the appeal of Japanese firms from a management viewpoint of efficient application of capital and investor awareness etc.

Copyright © PERSOL HOLDINGS CO., LTD. All Rights Reserved.