Acquisition of

Programmed Maintenance Services Limited

PERSOL HOLDINGS CO., LTD.
14 July, 2017

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PERSOL HOLDINGS CO., LTD. = PERSOL
Programmed Maintenance Services Limited = Programmed

1. Significance of this acquisition & PERSOL's overseas strategy

We can establish the top position in APAC region by utilizing Programmed's strong business platform and leading market position in Australia and New Zealand

Key Point

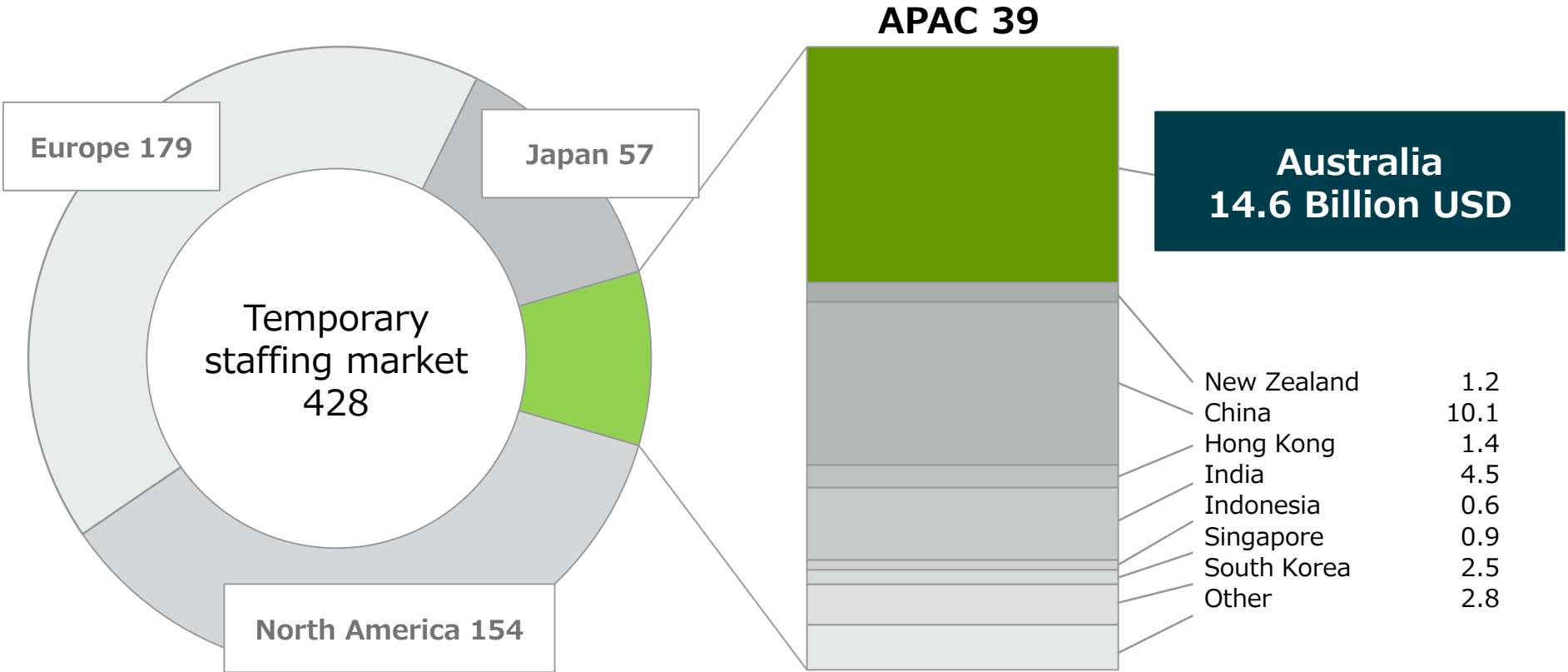|	
Overseas Strategy	To achieve PERSOL group vision: "Creating a social infrastructure for people and organizations that catalyzes growth and innovation", **the overseas business is one of core PHD businesses which requires cultivation/strengthening**
Significance of this acquisition	Australia is the largest temporary staffing market in the APAC region Programmed proudly holds the #1 share in the Australian market **We can expect overseas sales in excess of JPY 300 billion and establish the top position in APAC region**
Synergy	Integrate the know-how of Programmed which has strength in equipment/facilities maintenance sub-contracting **We can expand business in the APAC region where PERSOL Group has already made inroads**

2. Scale of the APAC Region HR Services Market

Australia is the largest of the markets we are targeting in the APAC region

Global Temporary Staffing Market（Unit : Billion USD）

APAC 39

Europe 179

Japan 57

Temporary staffing market 428

North America 154

Australia 14.6 Billion USD

New Zealand	1.2
China	10.1
Hong Kong	1.4
India	4.5
Indonesia	0.6
Singapore	0.9
South Korea	2.5
Other	2.8

# 3. Programmed's position in the Australian market

Programmed is #1 in the temporary staffing market in Australia
This acquisition enables us to establish a solid business platform in Australia and eventually across APAC

Australian Temp. staffing market (Unit : Billion USD)

Legend: Actual (solid grey) | Forecast (dashed)
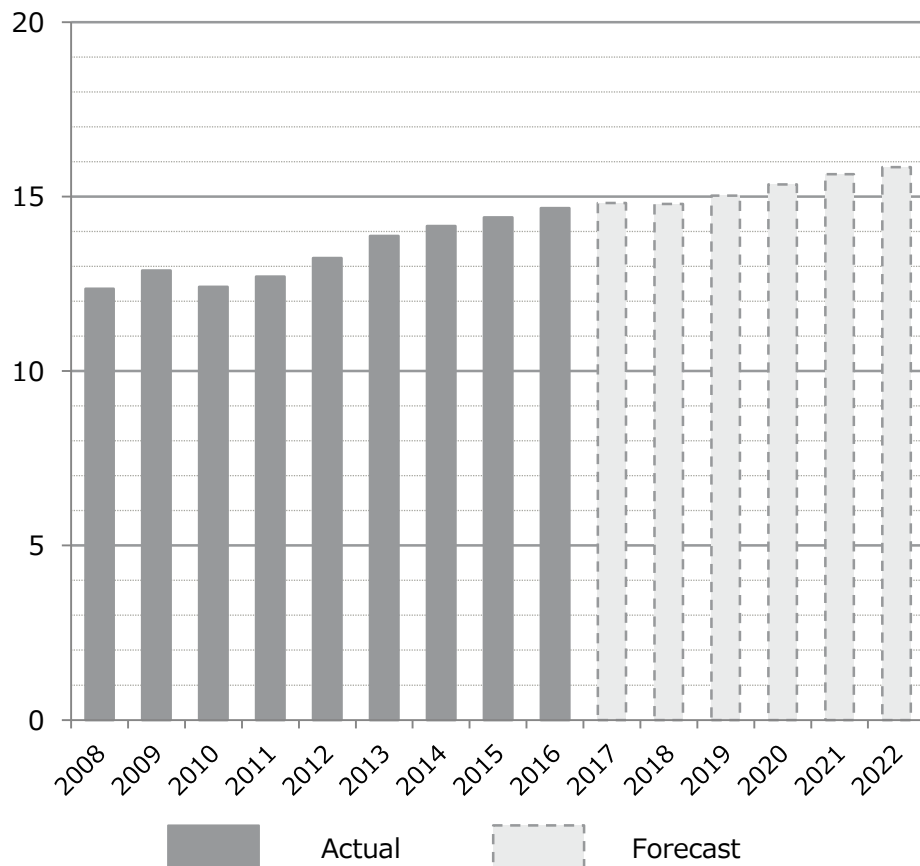
Australian Temp. staffing market share (2016)

~>10%
~>5%
~<3%
~<3%
~<3%
~<3%
~<3%
~70%
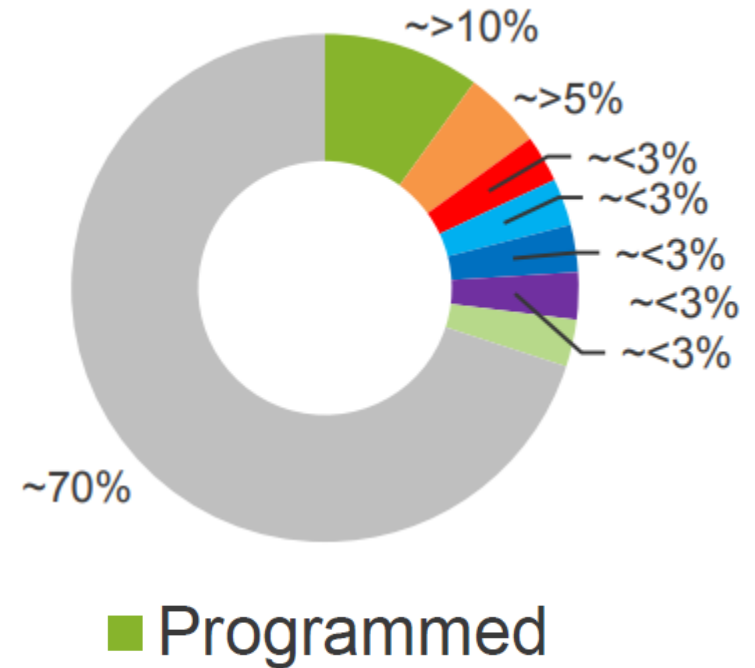
■ Programmed

4. Outline of Programmed

Established as a painting services company in 1951 then expanded the business into facility/equipment maintenance
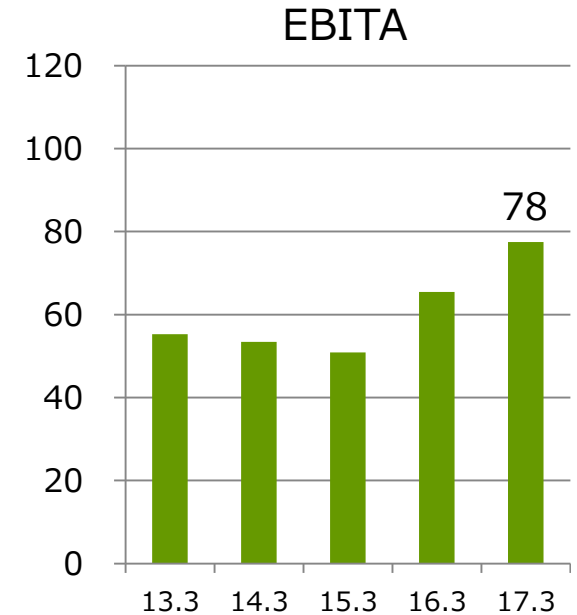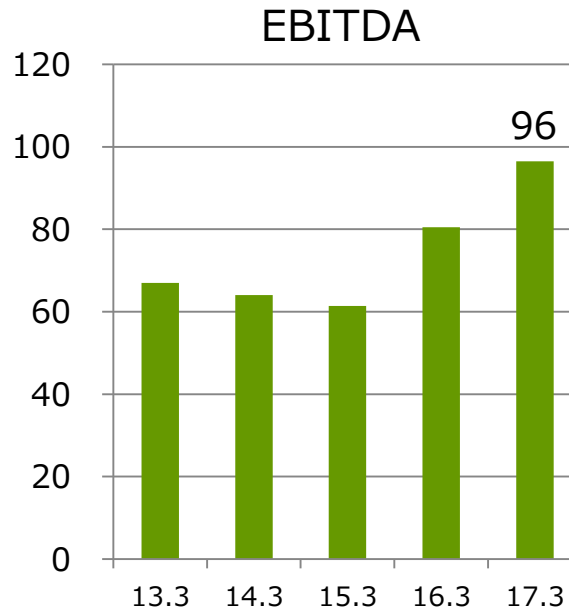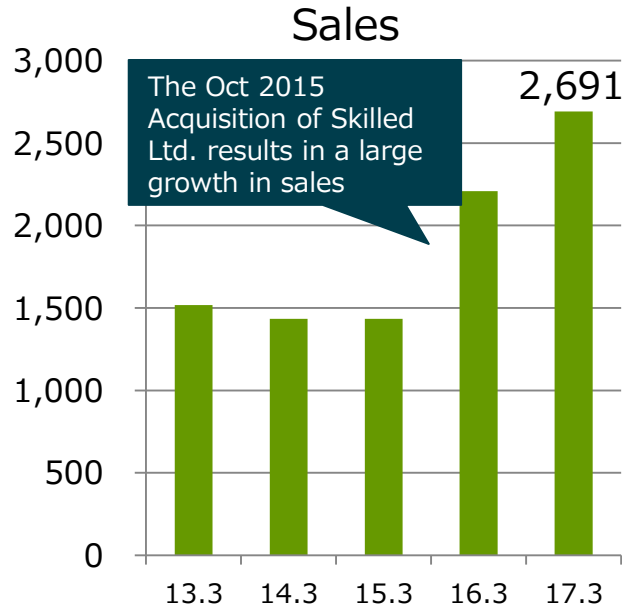Acquired SKILLED Group; a leading Australian HR services company in 2015, became the largest HR services company

Company Name	Programmed Maintenance Services Limited		
Market Listing	Australian Stock Exchange （Ticker： PRG） , Elected to ASX300 index		
Headquarters	Burswood, Western Australia		
Corporate History	1951: Established as a painting services company (subsequently expands the business into facilities/equipment maintenance)		
	2007: Merged with Integrated Group; a major Australian HR services company		
	2015: Acquired SKILLED Group; a leading Australian HR services company		
No. of Employees	25,003 headcount (2017 June)	Permanent employees Fixed term employees Temporary staff	1,991 headcount 2,964 headcount 20,048 headcount
Corporate Philosophy	To be the leading provider of staffing, maintenance and facility management services, without injury		
Number of locations/sites	Over 100 locations; mainly in Australia		
Amount of capital	AUD 570 million （as at 2017.3.31)		
Net Assets	AUD 607 million （as at 2017.3.31)		
Total assets	AUD 1,293 million （as at 2017.3.31)		
Consolidated sales	AUD 2,691 million （as at 2017.3.31)		

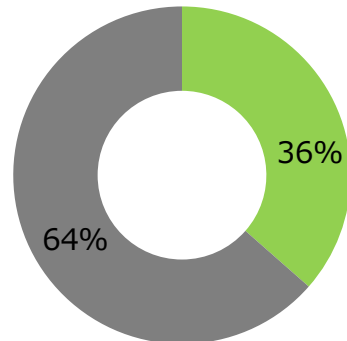# 5. Programmed's Financial Results Trends

Stable growth: both organic and M&A

（AUD Million）

Sales

The Oct 2015 Acquisition of Skilled Ltd. results in a large growth in sales

2,691

3,000
2,500
2,000
1,500
1,000
500
0

13.3 14.3 15.3 16.3 17.3

EBITDA

96

120
100
80
60
40
20
0

13.3 14.3 15.3 16.3 17.3

EBITA

78

120
100
80
60
40
20
0

13.3 14.3 15.3 16.3 17.3

FY Mar 2017 Breakdown

49% / 51%

■ Staffing ■ Maintenance

64% / 36%

■ Staffing ■ Maintenance

62% / 38%
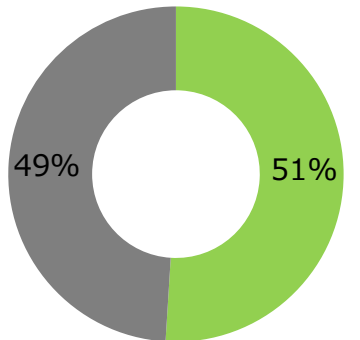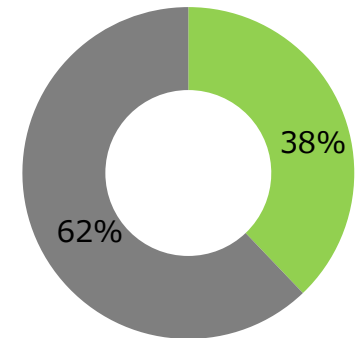
■ Staffing ■ Maintenance

6. Programmed's business and synergy with PERSOL

Programmed's business

Staffing	Maintenance
Provide temporary staffing and recruitment/placement services to various industries in Australia and New Zealand	Provide large scale maintenance, facility management businesses Especially have strong presence in infrastructure, manufacture, and mining industries with partnership between public and private sectors

Synergy with PERSOL

PERSOL

'Soft' talent know-how strengths of PERSOL relating to white-collar roles

Expertise in Asia

PROGRAMMED

Operational know-how relating to equipment/facilities maintenance

Experience with large-scale projects

Integrate both company's strength
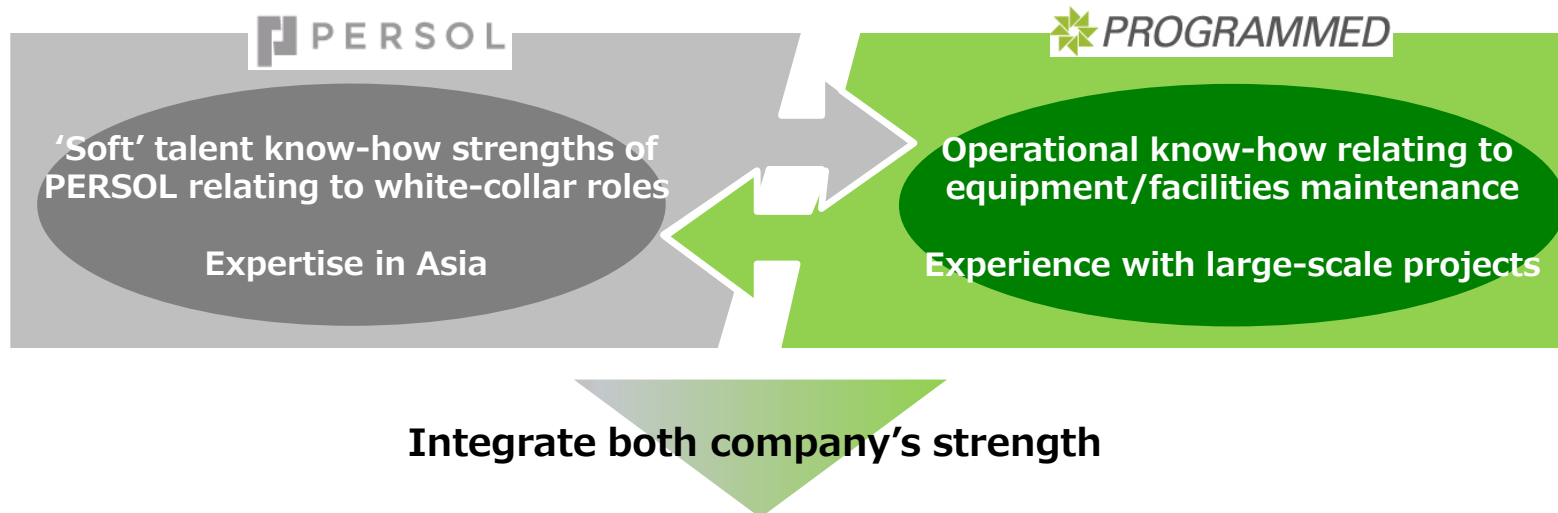
Create synergy by expanding maintenance business to APAC region where PHD already made inroads

7. Acquisition cost & impact to our financial results

Acquisition Cost	JPY 69.1 billion ※Conversion of AUD1: JPY 87.32

Corporate Combination Date	After October 2017 (Planned)
	※ At the earliest, consolidation will commence:
	    • end December for the balance sheet and,
	    • end January for the P&L statement

Impact to our Financial results	Impact to our Financial results of this FY are currently being scrutinized

Appendix:

Mid-term Management Strategy (Mar 2017～Mar 2020)

Strategy 1	**Enhancing Awareness of the PERSOL Group**
Strategy 2	**Investing in IT Systems and Enhancing Productivity for Further Business Growth**
Strategy 3	**Creating Group Synergies and Promoting Group Management**
Strategy 4	**Enhancing Our Presence in the Asia-Pacific Region**
Strategy 5	**Strengthening Business Platform and Expanding Service Domains through M&A**

Attention: Note regarding handling of this material

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 14 July 2017 which are not meant in any way by PHD to be assurances that will be realized. Actual results etc. may vary greatly due to various factors.

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 subject to audit and review by external auditors.

JPX-NIKKEI 400

August 2014 : Selected as one of the stocks 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.