

## Summary of the Consolidated First Half Statements (IFRS) for the Six-Month Period Ended December 31, 2015

February 4, 2016

Listed Company Name TechnoPro Holdings, Inc. Listed Stock Exchange: Tokyo  
TSE Code 6028 URL <http://www.technoproholdings.com/>  
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Scheduled commencement date for dividend payment February 29, 2016  
Supplementary materials for financial results: Yes  
Briefing session for financial results: Yes (For institutional investors and analysts)

(Amounts less than one million yen are omitted)

### 1. Consolidated Financial Results for the Six Months Ended December 31, 2015 (July 1, 2015 – December 31, 2015)

(1) Consolidated Operating Results(Cumulative) (% represents the change from the same period of the previous fiscal year)

	Revenue		Operating profit		Profit before income taxes		Net profit		Net profit attributable to owners of the parent company		Comprehensive income for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For the six months ended December 31, 2015	43,989	10.4	4,343	12.9	4,178	16.0	4,090	15.6	4,082	15.4	4,060	12.5
For the six months ended December 31, 2014	39,848	9.6	3,845	27.3	3,603	42.3	3,538	45.8	3,538	45.8	3,609	46.9

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the six months ended December 31, 2015	119.83	—
For the six months ended December 31, 2014	103.83	—

(Notes) The Company implemented a 10-for-1 stock split on September 1, 2014. In addition, a 2-for-1 stock split took place on November 1, 2014. The figure for basic quarterly earnings per share is calculated on the assumption that these stock splits took place at the beginning of the previous consolidated fiscal year ended in June 30, 2014.

### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to the owners of the parent company	Percentage of equity attributable to the owners of the parent company
	Million yen	Million yen	Million yen	%
For the six months ended December 31, 2015	57,964	22,760	22,594	39.0
Fiscal year ended June 30, 2015	58,778	21,973	21,973	37.4

### 2. Dividends

	Annual dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total
	Yen	Yen	Yen	Yen	Yen
FY ended June 30, 2015	—	0.00	—	100.88	100.88
FY ending June 30, 2016	—	50.00			
FY ending June 30, 2016 (forecast)			—	61.52	111.52

(Notes) Revisions to dividend forecasts published most recently: None

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2016 (July 1, 2015 – June 30, 2016)

(% represents the change from the same period of the previous year)

	Revenue		Operating profit		Profit before income taxes		Net profit		Net profit attributable to owners of the parent company		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	88,000	8.3	8,100	11.2	7,700	12.7	7,600	10.5	7,600	10.6	223.04

(Notes) Revisions to dividend forecasts published most recently: None

#### \* Notes

(1) Changes to important subsidiaries during the period (changes to "Specified Subsidiaries" that involve changes made to scope of consolidation): Yes

New: 1 company (Pc Assist Co., Ltd.); Excluded: None

(2) Changes to accounting policies and accounting estimates

i. Changes to accounting policies as required by IFRS: None

ii. Changes to accounting policies other than i.: None

iii. Changes to accounting estimates: None

(3) Number of outstanding shares (ordinary shares)

i. Number of outstanding shares at the end of the period (including treasury shares)

ii. Number of treasury shares at the end of the period

iii. Average number of shares during the period (cumulative)

As of December 31, 2015	34,074,000 shares	FY ended June 30, 2015	34,074,000 shares
As of December 31, 2015	116 shares	FY ended June 30, 2015	78 shares
For the six months ended December 31, 2015	34,073,916 shares	For the six months ended December 31, 2014	34,074,000 shares

(Note) The Company implemented a 10-for-1 stock split as of September 1, 2014. In addition, a 2-for-1 stock split took place on November 1, 2014. The number of outstanding shares (ordinary shares) is calculated based on the assumption that these stock splits took place at the beginning of the previous consolidated fiscal year ended June 30, 2014.

#### \* Presentation of the status of implementation of the audit procedures

This Summary of Financial Statements is not subject to audit procedures stipulated in the Financial Instruments and Exchange Act. At the time of disclosure the audit procedures for financial statements in line with the stipulations of Financial Instruments and Exchange Act had not yet been completed.

#### \* Explanation regarding proper use of financial results forecasts, and other notes

Forward-looking statements in this document about future performance are based on information currently available and certain assumptions that are considered reasonable. Due to unforeseen circumstances, actual results may differ from such estimates. Please refer to page 2, "1. Qualitative Information on Financial Results for the Period Under Review", for criteria for assumptions used in the earnings forecast, and notes for using the earnings forecast.

(Obtaining financial results briefing materials)

On February 5, 2016, the Company plans to hold a briefing for institutional investors and analysts. The Company plans to post the briefing materials reporting the business results used at the briefing on the Company's website at the earliest possible time.

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## 1. Qualitative Information on Financial Results for the Period Under Review

### (1) Summary of business performance

During the consolidated first half period under review (July 1, 2015 to December 31, 2015), despite a weakening in developing economies including in Asia and China, there was a modest recovery in the world economy as a whole. However, with the normalization of U.S. monetary policy progressing, a number of areas require close attention including the economic prospects of developing economies in Asia and other regions, the effects of the decline in crude oil prices and others, and geopolitical risks. In Japan, despite some weakness, the economy underwent a modest recovery with continued improvement in corporate earnings and the employment situation.

The engineer dispatching and contract assignment market, in which the Group is developing its main business, grew steadily. In particular, demand was strong for engineers in the automobile, IT, and construction industries. In addition, the supply shortage in the employment market for engineers continued from the previous consolidated period. On September 30, 2015, the Act for Partial Revision of the “Act for Securing the Proper Operation of Worker Dispatching Undertakings and Improved Working Conditions for Dispatched Workers” (The Revised Worker Dispatching Act) was enacted, which unified the worker dispatch business license system, revised worker dispatch time limits, and obligated staffing agencies to take measures to the support career advancement of dispatch workers. Due to this revision, we forecast increased engineer recruitment and greater opportunities for growth through M&A, business collaboration, and other activities for the Group.

In this economic environment, the main initiatives implemented by the Group were as follows:

#### Implementation of “Shift up” and “Charge up” initiatives

The Group, continuing from the previous fiscal year, implemented the “Shift up” (increase unit prices through changes in place of assignment), and “Charge up” (increase unit prices at the time of contract renewal at the same place of assignment) initiatives as a means of increasing the amount of sales per engineer.

#### Securing and developing engineers

In order to recruit high-quality engineers, the foundation of the Group's growth, the Group promoted the engineer introduction system while increasing employment by utilizing employment agencies including consolidated subsidiary TechnoPro Careers, Inc.

In addition, the Group strengthened its engineer development systems through activities including the acquisition of Pc Assist Co., Ltd., a consolidated subsidiary, which provides education and training services, and the integration of Pc Assist Co., Ltd. with the Group's existing education and training facility (TechnoPro Learning).

#### Strengthening contract assignment and consignment

The Group increased profitability in the contract assignment and consignment business through improvements to management of income and expenditure and project management processes.

As a result of the initiatives described above, the number of domestic engineers at the end of the first-half period under review increased to 12,379 (up 1,025 compared to the end of the first half of the previous fiscal year). An increase in sales per engineer (in Japan) to 620 thousand yen per month (up 9 thousand yen) as a result of sales price controls contributed to an increase in revenue despite a 0.5% fall in the average utilization rate to 95.5% compared to the first half of the previous fiscal year.

In employment, the number of newly employed domestic engineers in the first half was 1,044 (up 27 compared to the first half of the previous fiscal year), which contributed to an increase in the number of engineers of the Group. In terms of customer industries, there was also a rise in the number of engineers assigned to operations for such industries as IT, automobiles and automobile components.

In terms of expenses, the gross profit margin was 23.7% (up 0.1% compared to the first half of the previous fiscal year), despite factors causing increased costs, such as increased labor costs for engineers associated with

improved business performance. Despite new costs related to the annual general meeting of shareholders, the SG&A ratio to revenue was held down at 14.0%, the same level as the first half of the previous fiscal year.

As a result, at the end of the consolidated first half period under review, the Group's revenues were 43,989 million yen (up 10.4% compared to the first half of the previous fiscal year), operating profit was 4,343 million yen (up of 12.9%), profit before taxes was 4,178 million yen (up 16.0%), and net profit was 4,082 million yen (up 15.4%).

Earnings for the major areas of the business during the consolidated first half period under review were as follows:

(R&D outsourcing)

The Group established an operation system driven by specialist teams and moved forward with negotiations for "Shift up" and "Charge up" initiatives, while enhancing the profitability of contract assignments through process improvements. Furthermore, the Group strengthened sales collaborations between the internal companies of TechnoPro, Inc. As a result of these initiatives, revenues in this area were 37,073 million yen (an increase of 10.6% compared to the first half of the previous fiscal year).

(Construction management outsourcing)

The Group, continuing from the previous fiscal year, facilitated the assignment of engineers to priority customers and the recruitment of engineers through introductions of acquaintances. It increased the amount of sales per engineer through the promotion of team assignments. As a result, revenues in this area were 6,198 million yen (an increase of 5.5% compared to the first half of the previous fiscal year).

(2) Summary of financial position

i. Analysis of financial conditions

Assets totaled 57,964 million yen as of the end of the consolidated first half period under review (down 814 million yen from the end of the previous fiscal year). The primary components were goodwill of 29,684 million yen, accounts receivables and other receivables of 11,585 million yen, and cash and cash equivalents of 10,167 million yen.

The status for each item was as follows.

(Current assets)

Current assets totaled 23,085 million yen (down 1,835 million yen from the end of the previous fiscal year). The primary components were cash and cash equivalents of 10,167 million yen (down 683 million yen), and accounts receivables and other receivables of 11,585 million yen (up 5 million yen).

(Non-current assets)

Non-current assets totaled 34,879 million yen (up 1,020 million yen from the end of the previous fiscal year). The primary components were goodwill of 29,684 million yen (up 481 million yen), and deferred tax assets of 2,626 million yen (up 123 million yen).

(Current liabilities)

Current liabilities totaled 16,572 million yen (down 1,235 million yen from the end of the previous fiscal year). The primary components were accounts payables and other liabilities of 7,396 million yen (up 197 million yen), and employee benefit liabilities of 3,505 million yen (up 58 million yen).

(Non-current liabilities)

Non-current liabilities totaled 18,631 million yen (down 365 million yen from the end of the previous fiscal year). The primary components were loans payable of 14,528 million yen (down 684 million yen), and retirement benefit liabilities of 3,759 million yen (up 243 million yen).

(Equity attributable to the owners of the parent company)

Equity attributable to the owners of the parent company totaled 22,594 million yen (up 621 million yen

from the end of the previous fiscal year). The primary components were capital surplus of 6,531 million yen (up 6 million yen) and retained earnings of 15,793 million yen (up 645 million yen).

ii. Cash flow conditions

Cash and cash equivalents (hereinafter “Cash”) totaled 10,167 million yen as of end of the consolidated first half period under review, representing a decline of 683 million yen compared to the end of the previous fiscal year.

Cash flow conditions during the consolidated first half period under review as well as the main factors affecting their changes are as follows.

(Cash flows from operating activities)

Cash flows from operating activities resulted in cash inflows of 4,173 million yen (same period of the previous fiscal year: inflows of 3,411 million ), this was mainly due to increases in profits before taxes (4,178 million yen) and accounts payables and other liabilities (147 million yen) and an income tax refund (1,184 million yen), partially offset by decline in accrued consumption taxes payable (969 million yen) and payments of corporate income taxes (1,308 million yen).

(Cash flows from investing activities)

Cash flows from investing activities resulted in cash outflows of 638 million yen (same period of the previous fiscal year: outflows of 212 million). This was mainly due to outflows for the acquisition of subsidiary shares (274 million yen) and non-current assets (147 million yen) and intangible assets (214 million yen).

(Cash flows from financing activities)

Cash flows from financing activities resulted in cash outflows of 4,200 million yen (same period of the previous fiscal year: outflows of 3,750 million). This was mainly due to dividend payments (3,434 million yen) and cash outflows resulting from repayments of long-term borrowings (765 million yen).

(3) Results forecasts and other forward-looking information

Consolidated results forecasts for the period ending June 2016 are for revenue of 88,000 million yen (up 8.3% compared to the previous fiscal year), and operating profit of 8,100 million yen (up 11.2%), assuming stable growth of the engineer dispatching and contract assignment markets, increased unit prices for engineers in response to our “Charge-up” and “Shift-up” initiatives, and increased use of engineers driven by an increase in our stock of engineers.

In addition, we expect lower financial expenses to contribute due to the refinancing that we implemented in June 2014, and we forecast profit before taxes of 7,700 million yen (up 12.7%), net profit of 7,600 million yen (up 10.5%) and net profit attributable to owners of the parent company of 7,600 million yen (up 10.6%).

As announced on July 31, 2015 “Summary of Consolidated Financial Statements (IFRS) for the Fiscal Year Ended June 30, 2015,” there has been no change to the consolidated results forecast for the full year.

## 2. Summary information (notes)

### (1) Changes to important subsidiaries during this period

In the consolidated first half period under review, the Company acquired Pc Assist Co., Ltd. as a new subsidiary through share acquisition. In this acquisition the capital of the acquired company is equivalent to over 10/100 of the Company's capital.

### (2) Changes to accounting policies and accounting estimates

Not applicable.

### 3. Interim Consolidated Financial Statements (Summary)

#### (1) Consolidated Statement of Financial Position (Summary)

(Millions of yen)

	As of June 30, 2015	As of December 31, 2015
Assets		
Current assets		
Cash and cash equivalents	10,851	10,167
Accounts receivables and other receivables	11,579	11,585
Income taxes receivable	1,187	2
Other short-term financial assets	355	334
Other current assets	946	994
Total current assets	24,920	23,085
Non-current assets		
Property, plant and equipment	658	799
Goodwill	29,202	29,684
Intangible assets	571	634
Other long-term financial assets	922	1,126
Deferred tax assets	2,503	2,626
Other non-current assets	0	8
Total non-current assets	33,858	34,879
Total assets	58,778	57,964
Liabilities and equity		
Current liabilities		
Accounts payable and other liabilities	7,199	7,396
Loans payable	1,406	1,430
Income taxes payable	184	165
Dividends payable	—	3
Other financial liabilities	946	713
Employee benefits liabilities	3,446	3,505
Provisions	1	15
Other current liabilities	4,623	3,342
Total current liabilities	17,808	16,572



(Millions of yen)

	As of June 30, 2015	As of December 31, 2015
Non-current liabilities		
Loans payable	15,212	14,528
Other financial liabilities	32	32
Deferred tax liabilities	0	0
Retirement benefit liabilities	3,515	3,759
Provisions	235	284
Other non-current liabilities	—	25
Total non-current liabilities	18,997	18,631
Total liabilities	36,805	35,203
Equity		
Capital stock	100	100
Capital surplus	6,525	6,531
Retained earnings	15,148	15,793
Treasury shares	(0)	(0)
Other components of equity	200	170
Equity attributable to owners of the parent company	21,973	22,594
Non-controlling interests	0	165
Total equity	21,973	22,760
Total liabilities and equity	58,778	57,964

(2) Consolidated Statement of Income (Summary) and Consolidated Statement of Comprehensive Income (Summary)  
Consolidated Statement of Income (Summary)  
The consolidated six month period

(Millions of yen)

	Six months ended December 31, 2014 (July 1, 2014 to December 31, 2014)	Six months ended December 31 2015 (July 1, 2015 to December 31, 2015)
Revenue	39,848	43,989
Cost of sales	30,414	33,549
Gross profit	9,433	10,440
Selling, general and administrative expenses	5,594	6,152
Other income	57	72
Other expenses	51	16
Operating profit	3,845	4,343
Financial income	3	3
Financial expenses	246	168
Profit before income taxes	3,603	4,178
Income taxes	64	87
Net profit	3,538	4,090
Net profit attributable to:		
Owners of the parent company	3,538	4,082
Non-controlling interests	0	7
Net profit	3,538	4,090
		(Yen)
Earnings per share attributable to owners of the parent company		
Basic earnings per share	103.83	119.83

Consolidated Statement of Comprehensive Income (Summary)  
The consolidated three month period

	Three months ended December 31, 2014 (October 1, 2014 to December 31, 2014)	Three months ended December 31, 2015 (October 1, 2015 to December 31, 2015)
Revenue	20,311	22,555
Cost of sales	15,334	17,101
Gross profit	4,976	5,453
Selling, general and administrative expenses	2,860	3,156
Other income	25	43
Other expenses	25	3
Operating profit	2,115	2,337
Financial income	1	1
Financial expenses	120	79
Profit before income taxes	1,996	2,259
Income taxes	35	49
Net profit	1,960	2,209
Net profit attributable to:		
Owners of the parent company	1,960	2,202
Non-controlling interests	0	7
Net profit	1,960	2,209
		(Yen)
Earnings per share attributable to owners of the parent company		
Basic and diluted earnings per share	57.54	64.65

Consolidated Statement of Comprehensive Income (Summary)  
The consolidated six month period

(Millions of yen)

	Six months ended December 31, 2014 (July 1, 2014 to December 31, 2014)	Six months ended December 31, 2015 (July 1, 2015 to December 31, 2015)
Net profit	3,538	4,090
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign currency translation adjustments	70	(32)
Gains and losses on cash flow hedges	1	1
Total items that may be reclassified to profit or loss	71	(30)
Total other comprehensive income	71	(30)
Comprehensive income for the period	3,609	4,060
Comprehensive income for the period attributable to:		
Owners of the parent company	3,609	4,052
Non-controlling interests	0	7
Comprehensive income for the period	3,609	4,060

The consolidated three-month period

(Millions of yen)

	Three months ended December 31 2014 (October 1, 2014 to December 31, 2014)	Three months ended December 31, 2015 (October 1, 2015 to December 31, 2015)
Net profit	1,960	2,209
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign currency translation adjustments	36	(15)
Gains and losses on cash flow hedges	0	0
Total items that may be reclassified to profit or loss	37	(14)
Total other comprehensive income	37	(14)
Comprehensive income for the period	1,998	2,195
Comprehensive income for the period attributable to:		
Owners of the parent company	1,998	2,188
Non-controlling interests	0	7
Comprehensive income for the period	1,998	2,195

## (3) Consolidated Statement of Changes in Equity (Summary)

Six months ended December 31, 2014 (July 1, 2014 to December 31, 2014)

(Millions of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
As of July 1, 2014	100	8,936	5,916	—	118	15,071	(0)	15,070
Net profit			3,538			3,538	0	3,538
Other comprehensive income					71	71	(0)	71
Total comprehensive income			3,538		71	3,609	0	3,609
Dividends of surplus						—		—
Stock-based compensation						—		—
Purchase of own shares						—		—
Change of scope of consolidation						—		—
Changes in ownership of subsidiaries						—		—
Transfers from capital surplus to retained earnings		(2,411)	2,411			—		—
As of December 31, 2014	100	6,525	11,865	—	189	18,680	(0)	18,680

Six months ended December 31, 2015 (July 1, 2015 to December 31, 2015)

(Millions of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
As of July 1, 2015	100	6,525	15,148	(0)	200	21,973	0	21,973
Net profit			4,082			4,082	7	4,090
Other comprehensive income					(30)	(30)	(0)	(30)
Total comprehensive income			4,082		(30)	4,052	7	4,060
Dividends of surplus			(3,437)			(3,437)		(3,437)
Stock-based compensation		5				5		5
Purchase of own shares				(0)		(0)		(0)
Change of scope of consolidation						—	158	158
Changes in ownership of subsidiaries		0				0	(0)	—

Transfers from capital surplus to retained earnings						—		—
As of December 31, 2015	100	6,531	15,793	(0)	170	22,594	165	22,760

## (4) Consolidated Statement of Cash Flows (Summary)

(Millions of yen)

	Six months ended December 31, 2014 (July 1, 2014 to December 31, 2014)	Six months ended December 31, 2015 (July 1, 2015 to December 31, 2015)
Cash flows from operating activities		
Profit before income taxes	3,603	4,178
Depreciation and amortization	127	147
Interest and dividend income	(3)	(3)
Interest expense	232	156
Decrease (increase) in accounts receivables and other receivables	(297)	76
Increase (decrease) in accounts payable and other liabilities	(671)	147
Increase (decrease) in consumption taxes payable	621	(969)
Increase (decrease) in retirement benefit liabilities	165	243
Other	225	412
Subtotal	4,003	4,388
Dividends received	0	0
Interest received	3	3
Interest paid	(190)	(94)
Income taxes paid	(405)	(1,308)
Income tax refund	—	1,184
Net cash flows from operating activities	3,411	4,173
Cash flows from investing activities		
Payments into time deposits	(11)	(2)
Purchase of property, plant and equipment	(115)	(147)
Purchase of intangible assets	(84)	(214)
Purchase of subsidiary shares	—	(274)
Other	(0)	—
Net cash flows from investing activities	(212)	(638)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(3,000)	—
Outflows from repayments of long-term borrowings	(750)	(765)
Outflows from purchase of treasury stock	—	(0)
Cash dividends paid	—	(3,434)
Other	(0)	(0)
Net cash flows from financing activities	(3,750)	(4,200)
Effect of change in exchange rates on cash and cash equivalents	26	(17)
Net increase (decrease) in cash and cash equivalents	(525)	(683)
Cash and cash equivalents at the beginning of the period	8,791	10,851
Cash and cash equivalents at the end of the period	8,266	10,167



(5) Notes to the consolidated financial results (Summary)

(Note on assumption about going concern)

Not applicable.

(Note on significant subsequent events)

Not applicable.