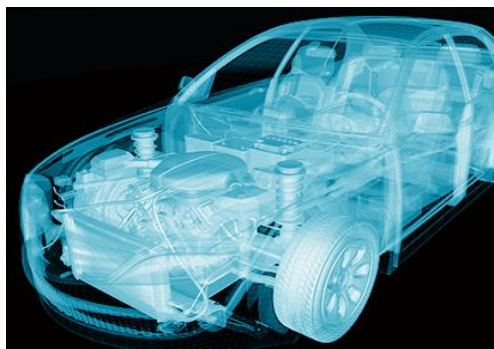


TechnoPro Holdings, Inc.

Corporate Information (Consolidated edition)



Contents

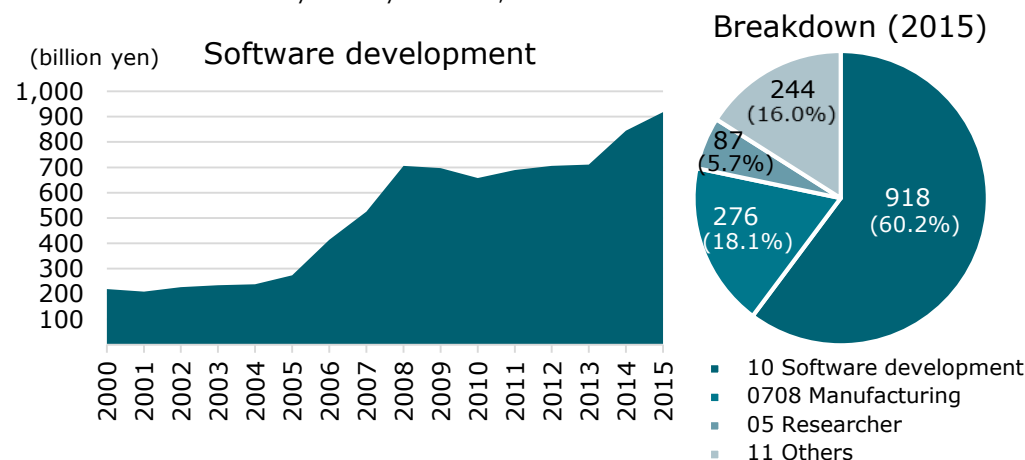
	Page
I : Corporate Information	1
1Q of FY2018.6	
II : Financial Results	11

Engineer Staffing Market Overview

- Estimated the whole staffing market size is 5.5 trillion yen. (2015)
Engineer staffing market size (including manufacturing engineers) is 1.5 trillion yen, about 220,000 people.
- Steady economic growth of this market is forecasted because of the increasing of R&D and Software demand.

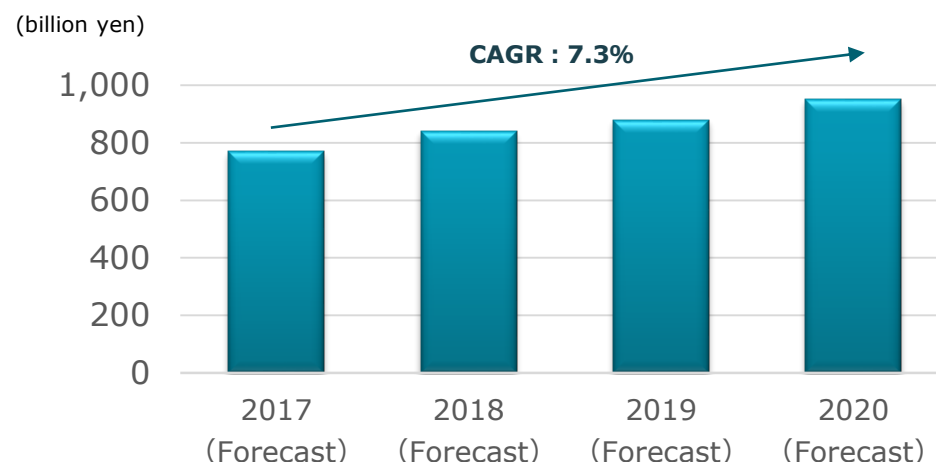
1. Transition of engineer staffing market size

Source: TechnoPro estimates based on the data researched by Ministry of Health, Labor and Welfare.



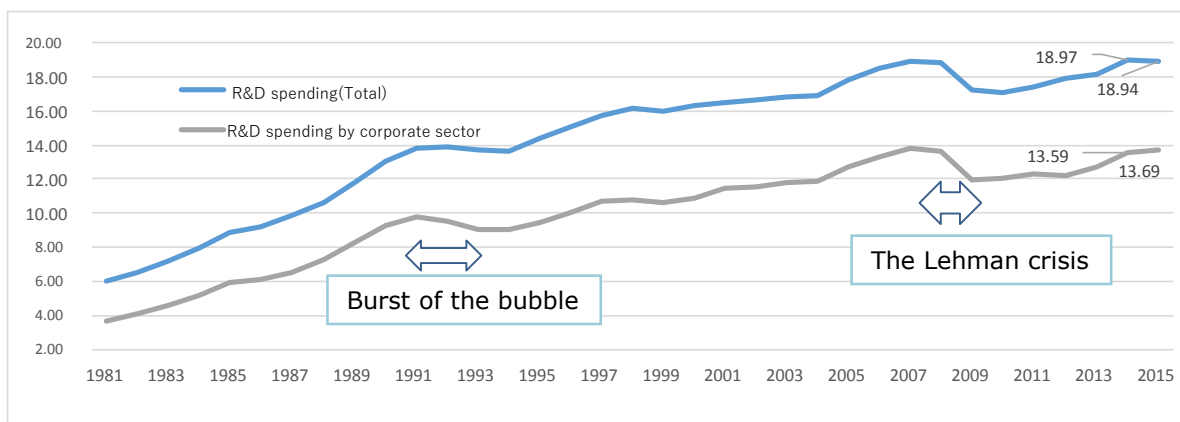
2. Forecast of engineer staffing market size

Yano Research Institute gathered information by research



3. Transition of R&D spending in Japan (trillion yen)

Source: Ministry of Internal Affairs and Communications statistics Bureau, *Survey of Research and Development*

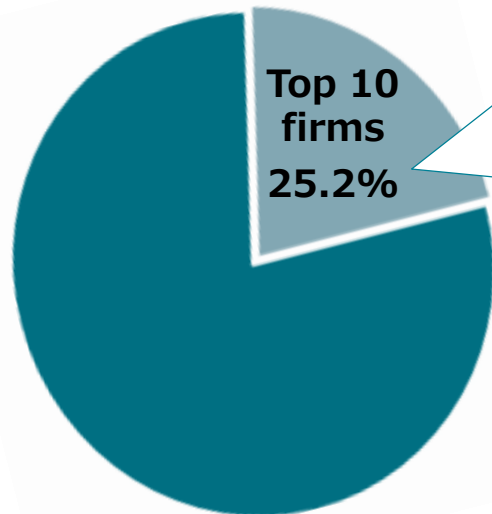


Engineer Staffing Market

- The top ten firms occupy 25.2% share of the engineer staffing market.
- Leading two firms have predominant share among the top ten firms.
- **TechnoPro Group became number-one in FY2016.**

Engineer staffing market

1.5trillion yen (2015)*



* Source: TechnoPro estimates based on the data researched by Ministry of Health, Labor and Welfare.

Top 10 Firms in the Engineer staffing sector

Source: Yano Research Institute, *Human Resource Business 2017*

Rank	Company	Revenue (million yen)	Share**
1	TechnoPro Group (consolidated)	100,095	6.6%
2	Meitec (consolidated)	89,979	5.9%
3	Outsourcing (domestic technologies)	40,182	2.6%
4	Forum Engineering	33,400	2.2%
5	Altech (consolidated)	26,743	1.8%
6	Trust Tech	26,717	1.8%
7	Persol Holdings (engineering)	26,668	1.7%
8	VSN	22,033	1.4%
9	Tamadic	12,742	0.8%
10	Yume Technology	5,805	0.4%
Top 10 total		384,364	25.2%

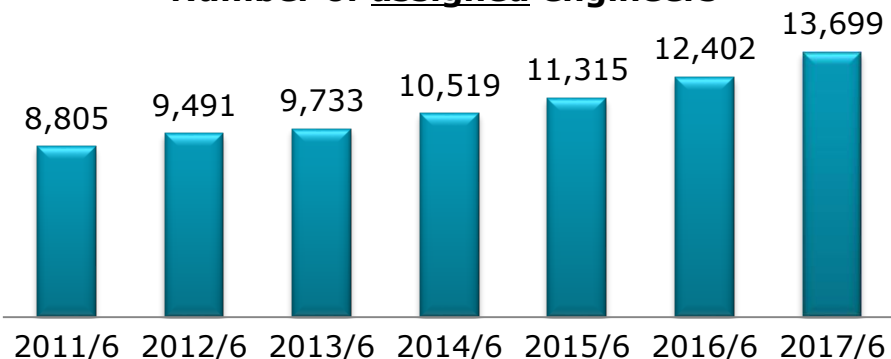
** TechnoPro estimates based on the data researched by Yano Research Institute

Corporate Overview The Largest Engineer Staffing Company in Japan*

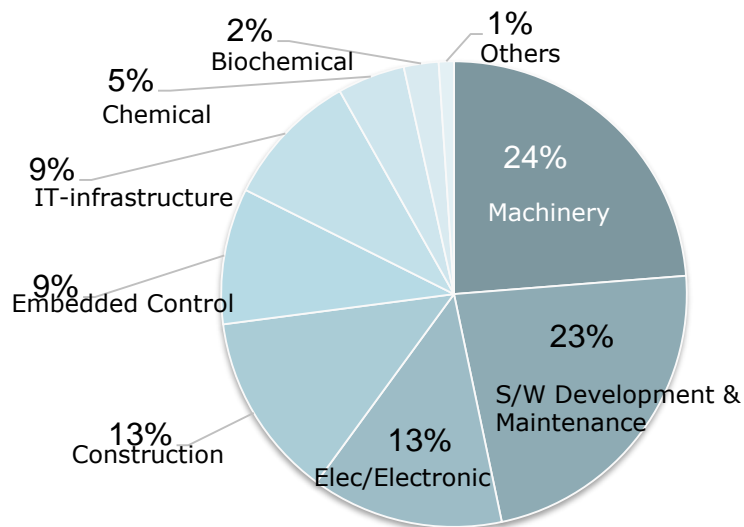
*14,346 engineers as of June 30th, 2017. full-time employees:89%

① The largest engineer base and broadest technological domains covered in Japan

Number of assigned engineers



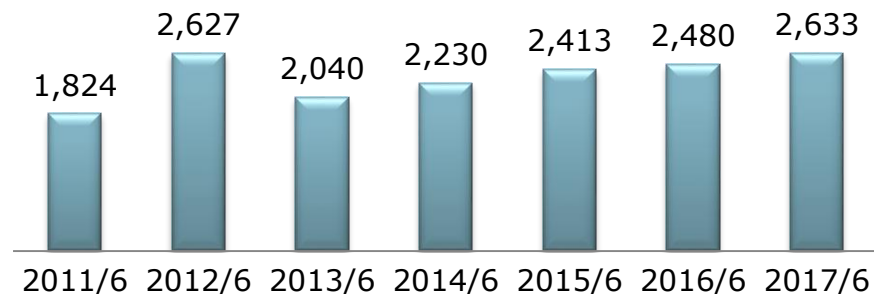
Breakdown of Assigned Engineers by Technological Domains (as of Jun 2017)



② Unparalleled recruiting capability supported by in-house recruiters

Recruiting **approx. 2,000 Engineers** every year

Number of recruited engineers (mid-career+ new-graduate)



* The total of recruited engineers in the Japanese subsidiaries, excluding M&A

③ Strong sales capability creates broad customer base

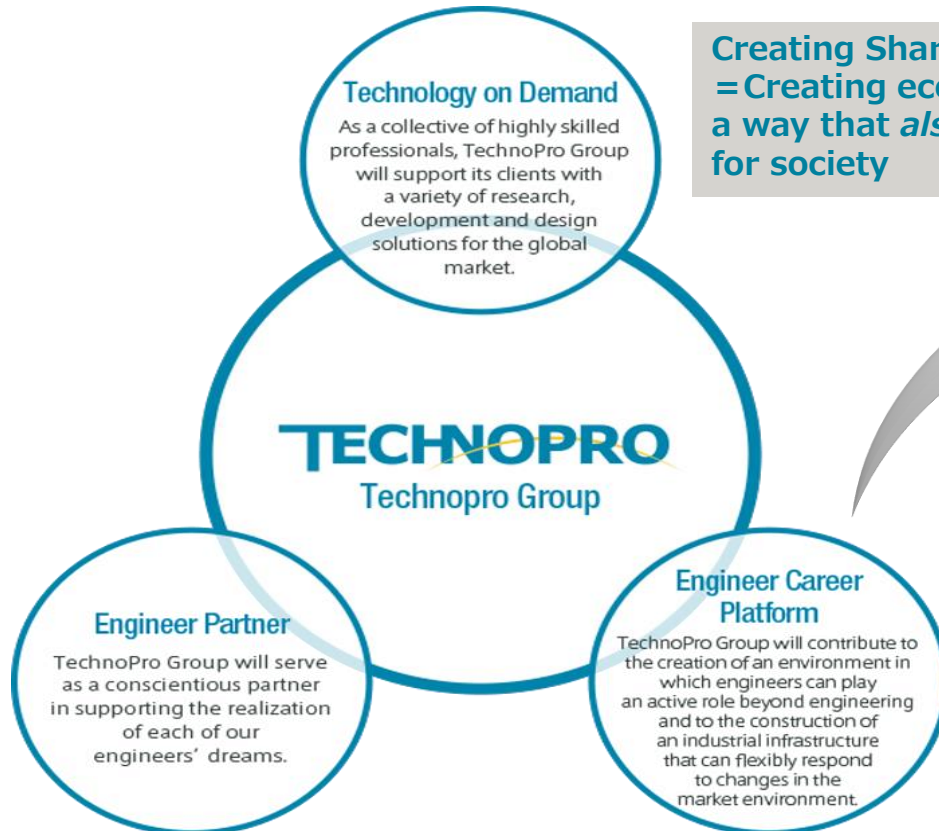
1,853 customers as of Jun. 2017

			Sales of JPY 1 tn. or more	Contract period with over 10 years
1	Electronics/Sier	Listed	○	○
2	Electronics/Sier	Listed	○	○
3	Transportation	Listed	○	○
4	Electronics/Sier	Listed	○	○
5	Electronics/Sier	Listed	○	○
6	Transportation	Listed	○	○
7	Transportation	Listed	○	○
8	Construction	Non-listed	○	○
9	Heavy industry	Listed	○	○
10	Electronics	Listed	○	○

Group Vision and ESG

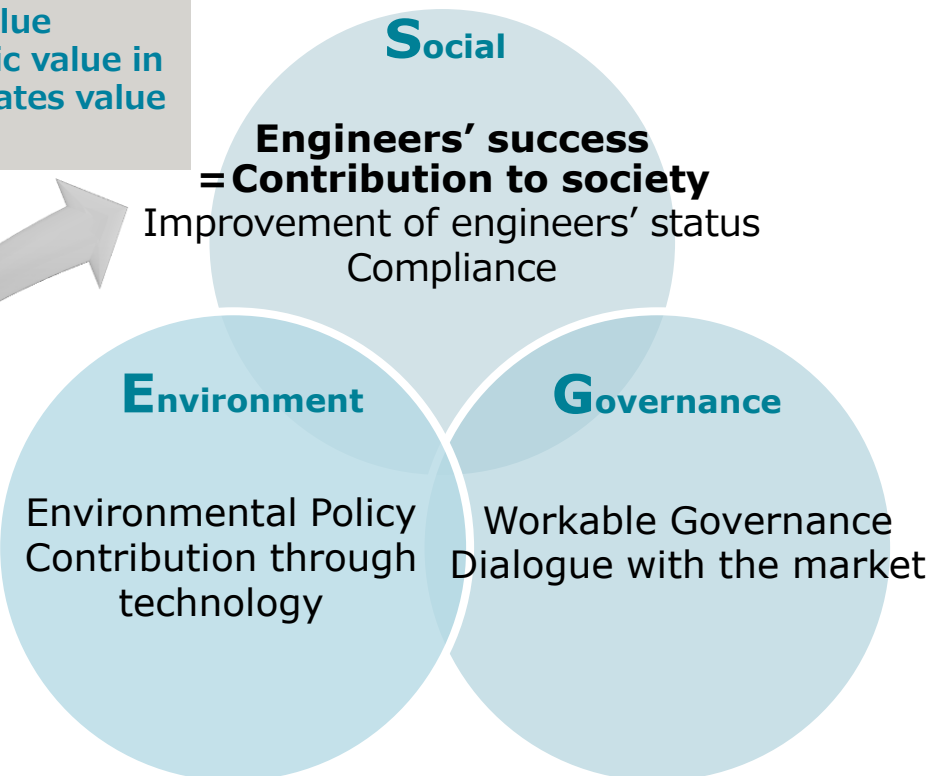
- We have set our Group Vision and shared it with all employees.
- Our mission is to contribute to “Technology-oriented nation Japan” through engineers’ success.
- Based on the philosophy of “Creating Shared Value” , we focus on **contributing to society through our business itself**.

TechnoPro Group Vision



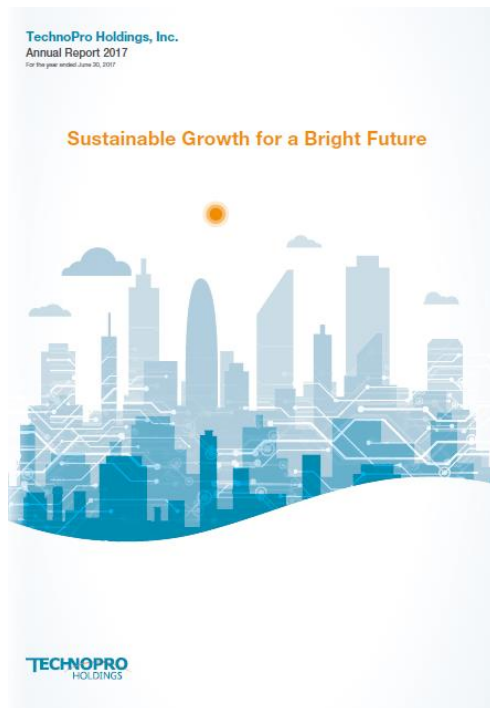
Creating Shared Value
= Creating economic value in a way that *also* creates value for society

About ESG



Annual Report : Creating Shared Value

- We have published "Annual Report 2017", which describes our core value/management policy, business strategies and CSR activities.
- Based on the philosophy of "Creating Shared Value", we aim to share our societal mission and value creation mechanism with investors.



Contents

Profile and Business Environment



- Reasons why we are required in Japanese society
- Social problems that we are solving

Management Policy and Strategy



- Our unique approaches / activities to create economic and societal values

Creating Value to Achieve Sustainable Growth



- Growth Strategies and Capital Policies in our new mid-term plan

Enhancement of the Management Foundation to Create Value



- Management foundation on which we continue to create values

Financial Report



- Creating profits as a result of our activities

Social -Sustainability-

Compliance

Responsibility as the industry-leader

■ **To provide various information for customers for free**

- To hold the compliance seminars twice a year.
- To hold the client seminars twice a year.
- To provide dispatch law updates on the client's offices on request.
- To provide "Labor Administration NEWS" monthly.
- To provide support services for regulatory inspections.

■ **Employees compliance education**

- "Compliance manual with 89 chapter"
- Weekly compliance tests
- Annual employees compliance training



■ **Checking compliance system**

- Detailed check of the individual contracts by CSR promotion Div.
- Following government inspection, we don't have to amend of labor contracts at all on FY2017. (on average 63.6% in FY2014)

■ **Occupational safety and health**

- 5 year plan on how to minimize and cope with mental stress in the work place.
- Overtime working control.
- Setting up and implementing procedures to reach our target of no accident at the work place. (construction Div.)

Human resource development

Responsibility as an employer

■ **Education and training**

- A leading technical education company has joined us.
- 61 training centers.
- More than 200 courses.
- The number of attendances:55,521 annually

■ **Career support system**

- Dedicated career advisers
- Self-realization plan(To support career change by engineers desire)
- To support acquisition of various qualifications.
- To support voluntary engineers' shop.
- Subsidy for training materials expenses.

■ **Maximize employee satisfaction**

- Annual survey of employee satisfaction.
- Subsidy for club activities
- Information sharing (ex. Company newsletter)

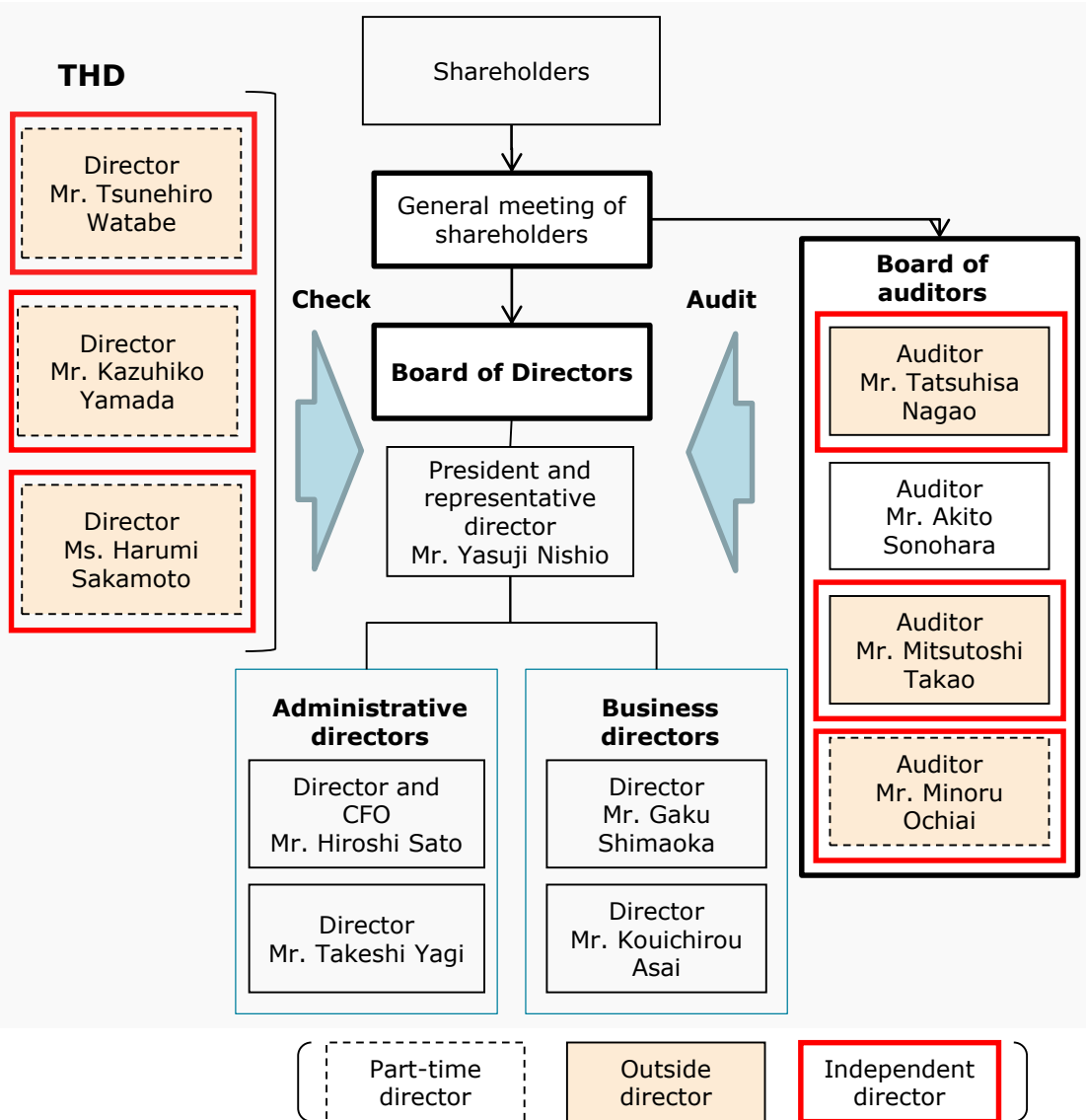
■ **Diversity**

- To employ overseas engineers.
- Equal opportunity of Men and Women.



Governance -Corporate Governance Structure-

Secure the functioning governance structure by mutual-check system in top management



Secure the management system to follow "Corporate Governance Code"

- Introduced the Corporate Governance Guidelines
- 3 independent outside directors out of 8
- 3 independent outside auditors out of 4
- Operates Nomination and Compensation Committee
- Operates Independent Executive Committee

Introduced RS

- Payment Date : October 27, 2017
 - Transfer Restriction Period : until October 26, 2020
 - Type and Number of Shares to be Issued : Common stock 28,532 shares (dilution ratio <0.1)
 - Issuance Price : ¥ 5,220 per share
 - Total Value of Shares to be issued : ¥ 148,937,040
 - Eligible Parties (tentative) : TechnoPro Holdings & Subsidiary, Directors & Executive Officers
- Total : 26 persons

Environment -Environment policy and Disabled Persons' Employment-



Environment Policy

A peaceful and affluent modern society is a natural requirement for a free and fair marketplace in which businesses can carry out their activities and grow. As such, a stable global environment with few natural disasters and rich diversity is essential to the realization of prosperity.

■ Tree planting activity · Reconstruction assistance

Relief fund-raising for Kumamoto earthquake (Nikkei newspaper)

Tree-planting ceremony at "MILLENNIUM HOPE HILLS" in Iwanuma, Miyagi

Tree planting "a row of millennium cherry trees" in Onagawa, Miyagi

To join volunteer activities for reconstruction in Minami-Souma, Fukushima

■ Environmental consideration

Paper reduction plan.

To select energy saving offices.

■ Disabled Persons' Employment

Registered "Tokyo Foundation for Employment Services" as a company which accept disabled people internship.

A public disabled people support center and a public unemployment office organized a study tour on TechnoPro Smile. More than 20 companies joined it.

We opened Yokohama Service Center in December 2017 and start on-demand printing service. We plan to expand not only internal but also external demand.

※We have kept the hiring rate of disabled people about 2% despite 1000 new employees are joining us every year.

■ Clean-up activities

Volunteer activities in Sendai
Clean beach in Hakusan, Ishikawa
Roppongi Clean up

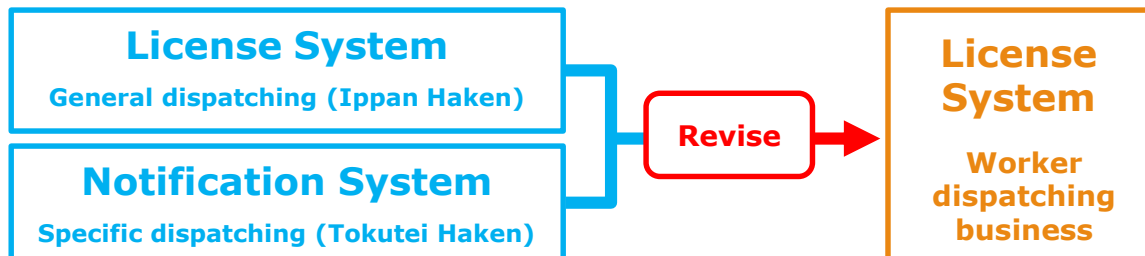
■ Community activities

Support for bird watching activity (Roppongi Hills MACHI-IKU Project)



Appendix: Key Changes of Worker Dispatch Law Amendment

POINT 1 Require all operators to have a license



Possible effect on TechnoPro



Positive

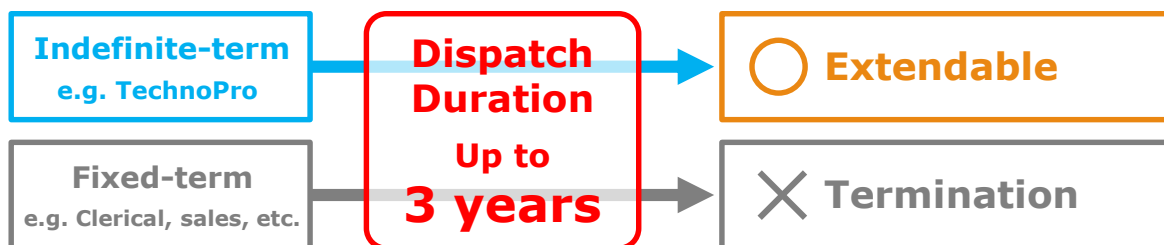
*TechnoPro group companies already meet requirements for the new license system.

*TechnoPro, Inc. is accredited as one of the quality staffing operators by MHLW.



優良派遣事業者

POINT 2 3-Year Limit for Fixed-term Contract Staff



Possible effect on TechnoPro

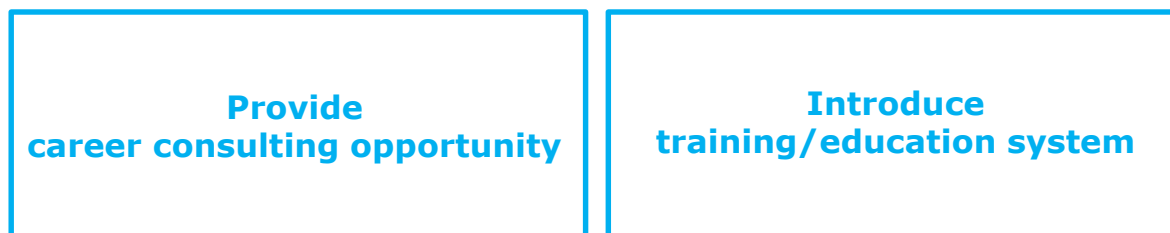


Positive

*Most of TechnoPro engineers are working on indefinite-term(full-time) contract and therefore they are allowed to work at the same customer over 3 years.

*Even though some of construction engineers are working on fixed-term contract, there is no impact because project terms of construction is less than 1 year.

POINT 3 Mandatory Career Support for Workers



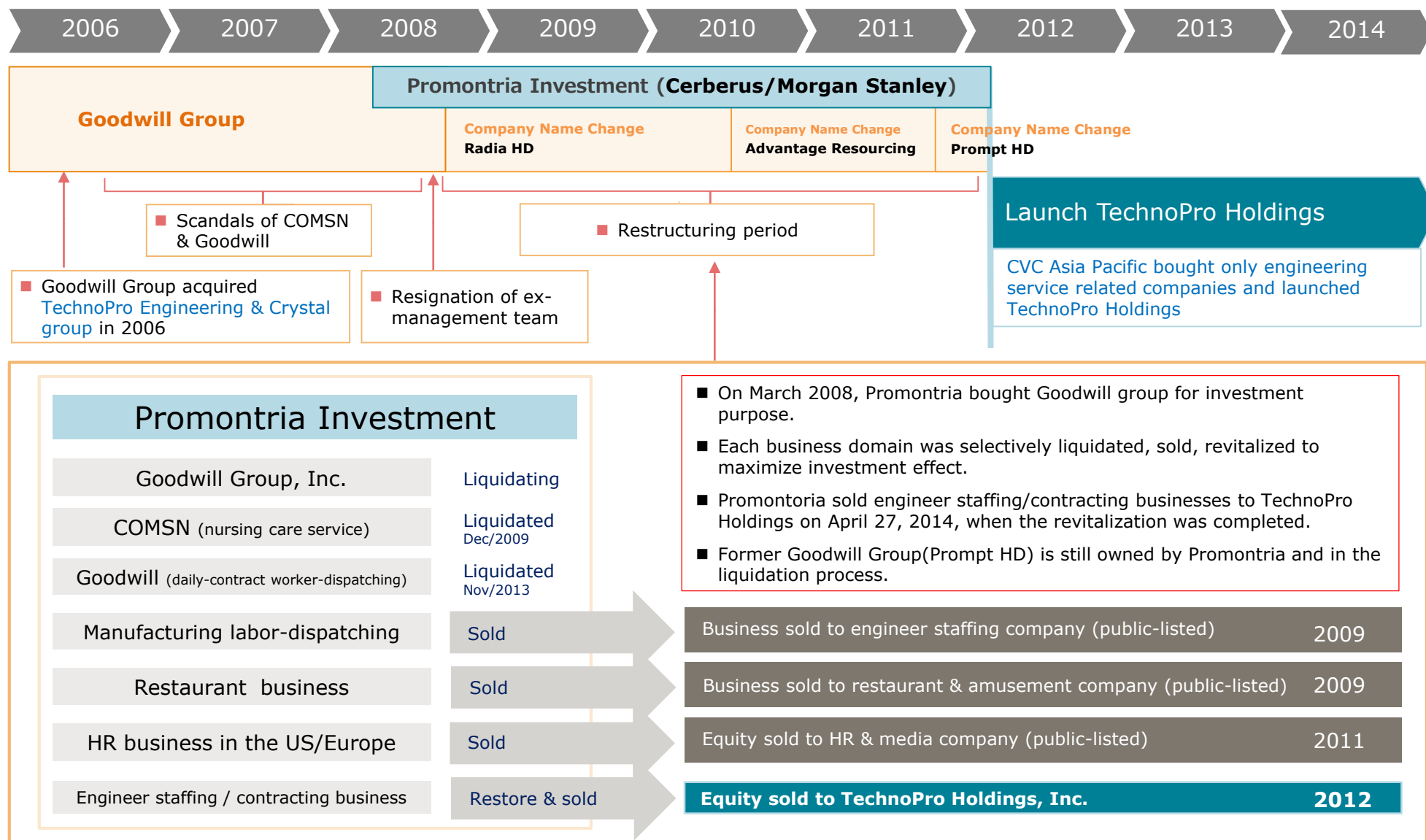
Possible effect on TechnoPro



Positive

- * TechnoPro already has various career support system.
- * Four TechnoPro Learning training centers.
- * Over 60 Win school facilities in major cities across Japan.
- * More than 200 of professional/business training programs.

Appendix: Past background before the Launch of TechnoPro HD





TechnoPro Group Financial Results for the 1st Quarter of FYE June 2018

TechnoPro Holdings, Inc.

October 31, 2017



FY2018 Q1 Overview

- **Revenue and operating profit grew more than 10% as planned despite increased expenses spent to launch several initiatives in line with new strategic framework (cf. page 3)**
- Expecting acquisition of EDELTA CO. LTD.(announced on Oct. 31, 2017) to contribute revenue of JPY 1 billion and OP of JPY 80 million for FY2018 results (as of November 2017), although no revision made to previously announced guidance as this transaction will not have material impact

(JPY in millions, except per share amounts)

	Quarterly					Full Year		
	Q1 FY2017 (Actual)	Progress	Q1 FY2018 (Actual)	Progress	YOY	Full Year FY2017 (Actual)	Full Year FY2018 (Guidance)	YOY
Revenue	23,961	24%	26,726	25%	+11.5%	100,095	109,000	+9%
Gross profit (GP)	5,524	24%	6,340	25%	+14.8%	23,435	25,600	+9%
GP margin	23.1%		23.7%			23.4%	23.5%	
SG&A expenses	3,291	24%	3,841	25%	+16.7%	13,872	15,300	+10%
Ratio on revenue	13.7%		14.4%			13.9%	14.0%	
Operating profit (OP)	2,263	23%	2,511	24%	+11.0%	9,647	10,600	+10%
OP margin	9.4%		9.4%			9.6%	9.7%	
Profit before income taxes	2,240	23%	2,489	24%	+11.1%	9,559	10,500	+10%
Net profit**	1,885	24%	1,879	25%	(0.3%)	7,717	7,600	(2%)
Net profit per share	—	—	—	—	—	225.58	222.05	—
Dividend per share (forecast)	—	—	—	—	—	112.79	113.00	—

* Amounts are rounded down to the nearest unit.

** Net profit attributable to owners of the parent company after deducting non-controlling interests

Adjustments with New Strategic Framework Launch

(except increase of ordinary expenses along with engineer hiring)

(1) Account classification change

Transferred a certain amount of cost of goods (CoGs) to selling, general and administrative expenses (SG&A) reflecting increasing importance of internal transaction with consolidated subsidiaries (mainly Pc Assist, TechnoPro Smile [special subsidiary company for disabled persons]) resulting from the progress of M&A.

In consequence, SG&A increased JPY 190 million (ratio to revenue up 0.7%) , and gross profit increased JPY 190 million (ratio to revenue up 0.7%).

The following table illustrates the financial results excluding the effect of classification change.

Ratio of gross profit to revenue slightly declined (impacted by (2) *Incentive revision for better engineer treatment*) year on year, while ratio of SG&A to revenue was controlled to equivalent level.

	Q1 FY2017	Q1 FY2018	Classification Change Adj.	(JPY in millions, amounts are rounded down to the nearest unit)
Gross profit (GP)	5,524	6,340	6,150	
GP margin	23.1%	23.7%	23.0%	
SG&A expenses	3,291	3,841	3,651	
Ratio on revenue	13.7%	14.4%	13.7%	

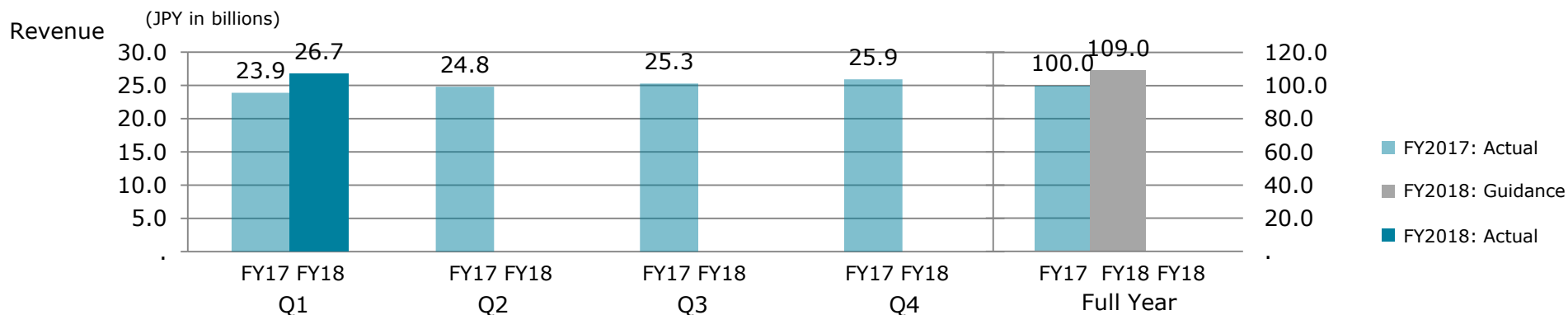
(2) CoGs increase due to revision of seasonal incentives / performance-based incentives amount to improve engineer treatment

First Half (Q1, Q2)	up approx. JPY 600 million	(JPY in millions)
Second Half (Q3, Q4)	(down approx. JPY 500 million)	
Full Year Total	up approx. JPY 100 million	

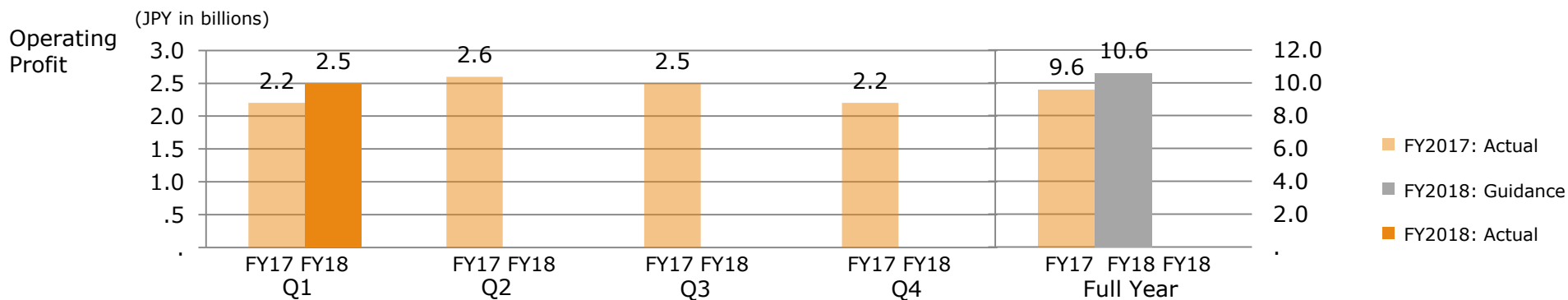
*Earnings guidance announced on July 31, 2017 does not include both (1) and (2).

Quarterly Performance

- Solid growth, maintaining the same progress level year on year; 25% for revenue, 24% for operating profit



Composition %	24%	25%	25%	25%	26%	
YOY	11.5%	-	-	-	-	-

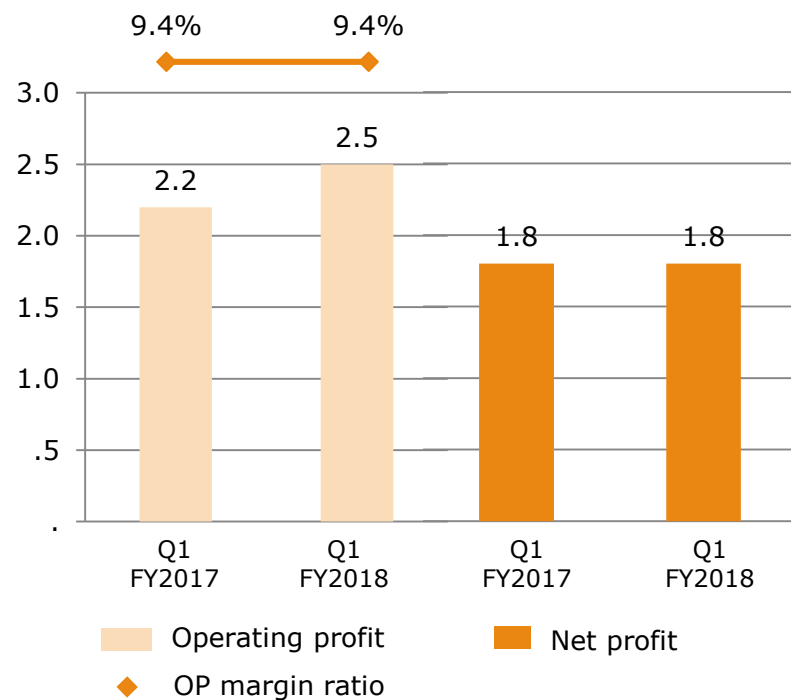


Composition %	23%	24%	27%	26%	23%	
OP ratio	9.4%	9.4%	10.6%	9.9%	8.6%	9.6% 9.7%
YOY	11.0%	-	-	-	-	-

* Amounts are rounded down to the nearest unit.

P&L Summary

(JPY in billions)



(JPY in billions)

	FY2017 Q1	FY2018 Q1	Diff. YOY	YOY (%)
Revenue	23.9	26.7	+2.7	+11.5%
Impact of Engineer increase**			+2.3	
Impact of unit sales price increase**			+0.1	
Others			+0.3	
CoGs	18.4	20.3	+1.9	+10.6%
Ratio to revenue	76.9%	76.3%	(0.7pt)	
Impact of Engineer increase**			+1.7	
Others			+0.2	
Gross profit	5.5	6.3	+0.8	+14.8%
Ratio to revenue	23.1%	23.7%	+0.7pt	
SG&A	3.2	3.8	+0.5	+16.7%
Ratio to revenue	13.7%	14.4%	+0.6pt	
Other income – Other expenses	0	0	(0)	
Operating profit	2.2	2.5	+0.2	+11.0%
Financial income	0	0	+0	
Financial expenses	0	0	+0	
Net profit before income taxes	2.2	2.4	+0.2	+11.1%
Corporate / income taxes	0.3	0.6	+0.2	
Net Profit	1.8	1.8	(0)	(0.3%)

* Amounts are rounded down to the nearest unit.

** Includes figures of TechnoPro, Inc. and TechnoPro Construction, Inc.

Balance Sheet & Cash Flow

- Cash & cash equivalents decreased JPY 2.9 billion due to payment of dividends and income tax etc.
- Net worth ratio of 39.5%

(JPY in billions)

September 2016

Cash & cash equivalents 7.0	Debt 15.6
Goodwill 29.3	Other liabilities 20.1
Deferred tax assets 3.6	
Other assets 19.3	Total equity 23.5

Total assets
59.2

Total liabilities & equity
59.2

D/E Ratio: 0.7 x
Net D/E Ratio: 0.4 x
Net worth ratio: 39.7%

June 2017

Cash & cash equivalents 13.3	Debt 16.2
Goodwill 29.5	Other liabilities 26.3
Deferred tax assets 3.6	
Other assets 23.7	Total equity 27.6

Total assets
70.1

Total liabilities & equity
70.1

D/E ratio: 0.6 x
Net D/E ratio: 0.1 x
Net worth ratio: 39.5%

September 2017

Cash & cash equivalents 10.4	Debt 15.8
Goodwill 29.9	Other liabilities 25.9
Deferred tax assets 4.6	
Other assets 24.0	Total equity 27.2

Total assets
68.9

Total liabilities & equity
68.9

D/E Ratio: 0.6 x
Net D/E Ratio: 0.2 x
Net worth ratio: 39.5%

Q1 FY2018 Cash Flow

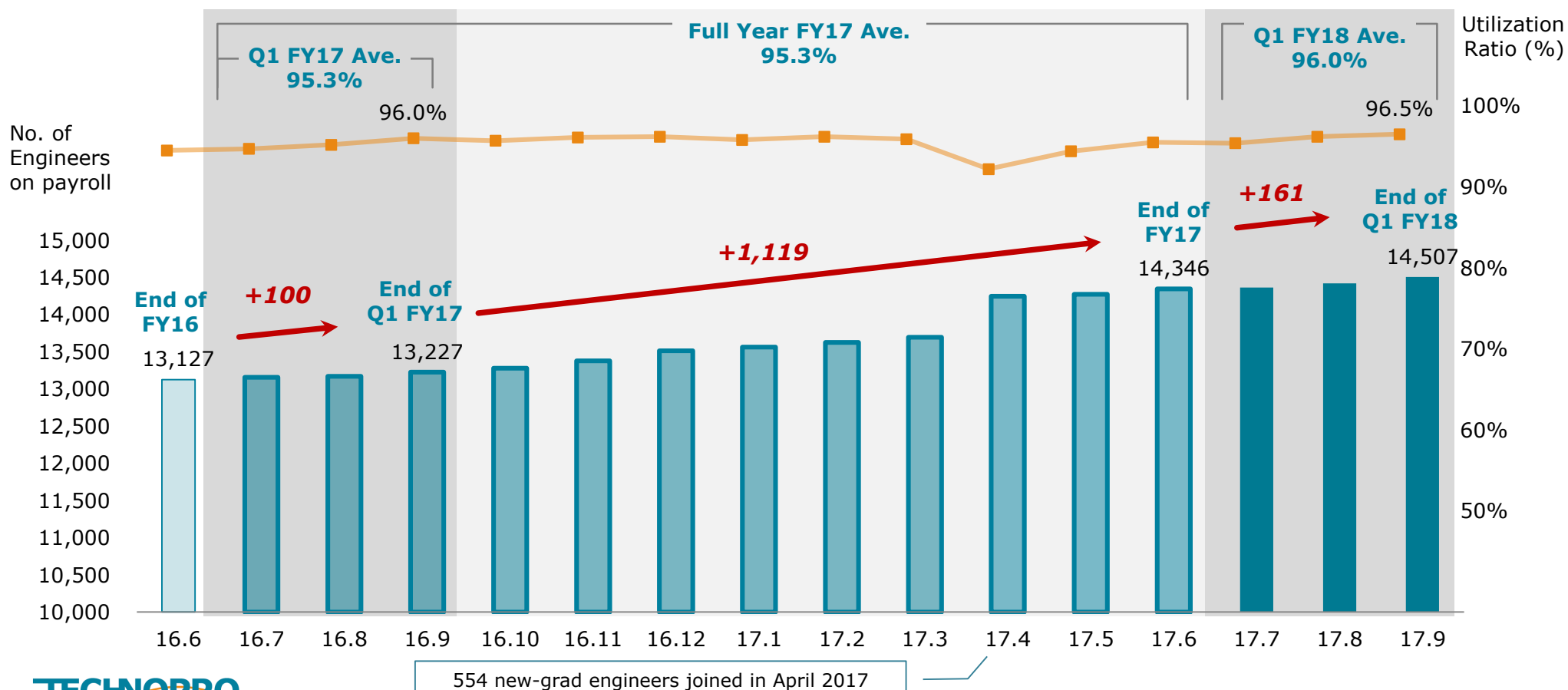
• Operating CF	0.4
• Investing CF	(0.7)
• Financial CF	(2.5)
Net CF	(2.9)

FCF (0.3)

* Amounts are rounded down to the nearest unit.

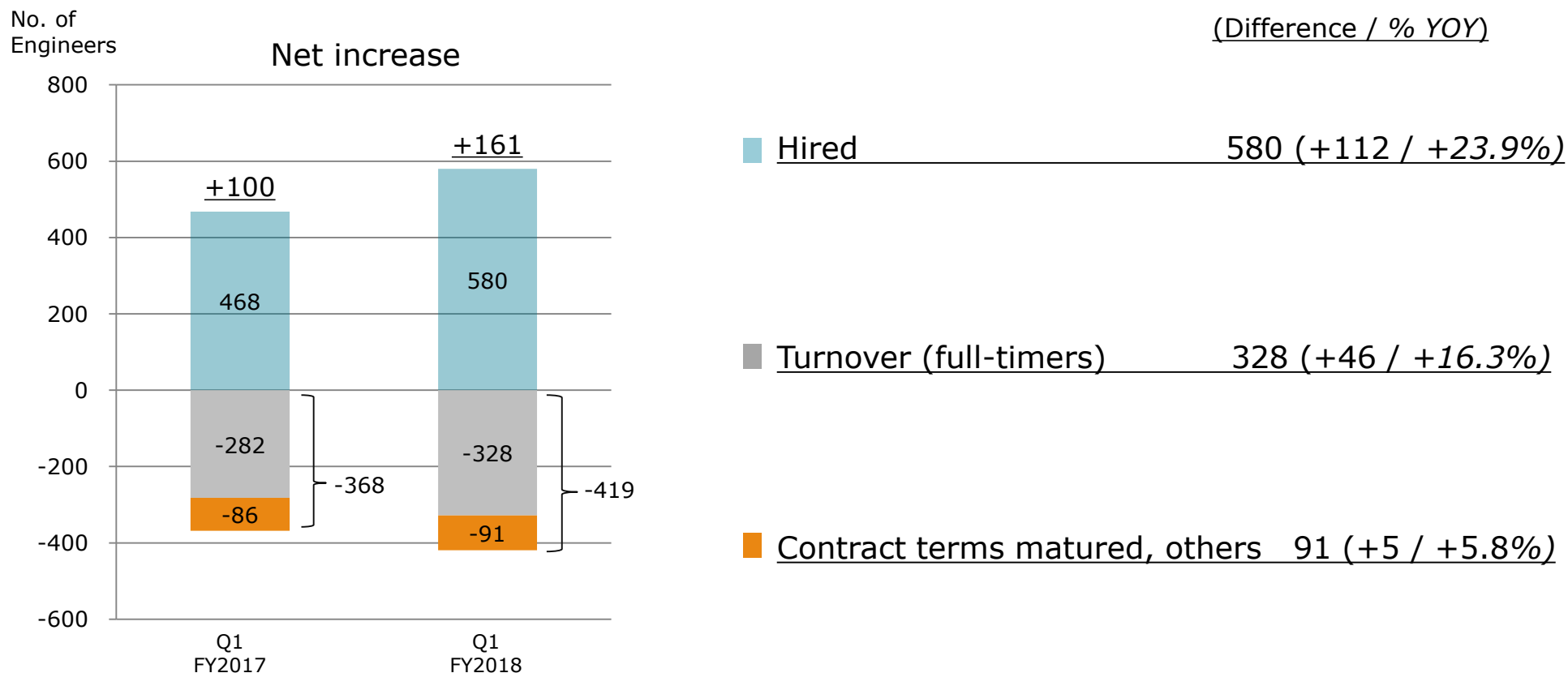
Number of Engineers & Utilization Rate

- Total engineers on payroll were 14,507 at Q1 FY2018, with net increase of 161 from the end of previous fiscal year
- Average utilization rate was 96.0% for Q1 FY2018 (+0.7pt YOY); accelerate recruiting activity in order to leverage strong demand from customer



Recruitment/Turnover

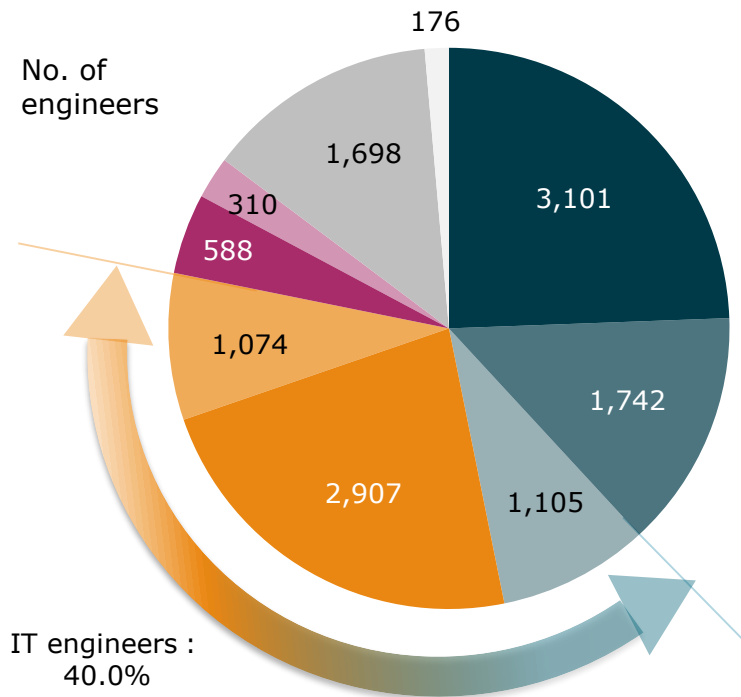
- Hired 580 engineers (up 23.9% YOY)
- Turnover rate (full-timers): 9.1% (FY2017 Q1: 8.6%)



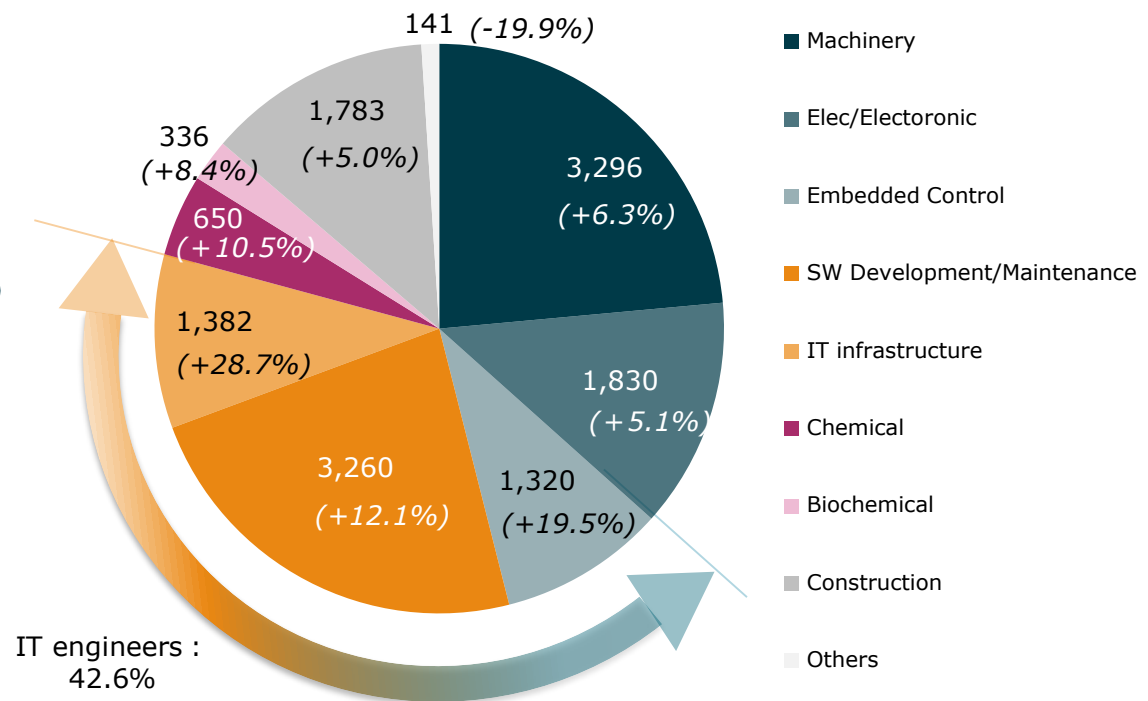
Assigned Engineers by Technology

- Number of assigned engineers* increased in all technologies
- Strong demand for IT engineers continues

End of September 2016
Assigned engineers: 12,701



End of September 2017
Assigned engineers: 13,998



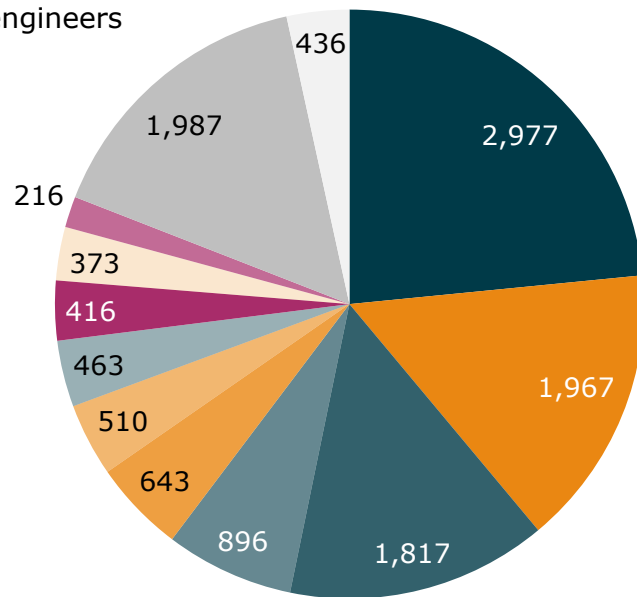
* Figures indicate assigned engineers at the end of month.
** Figure in parenthesis indicates % change.

Assigned Engineers by Industrial Sectors

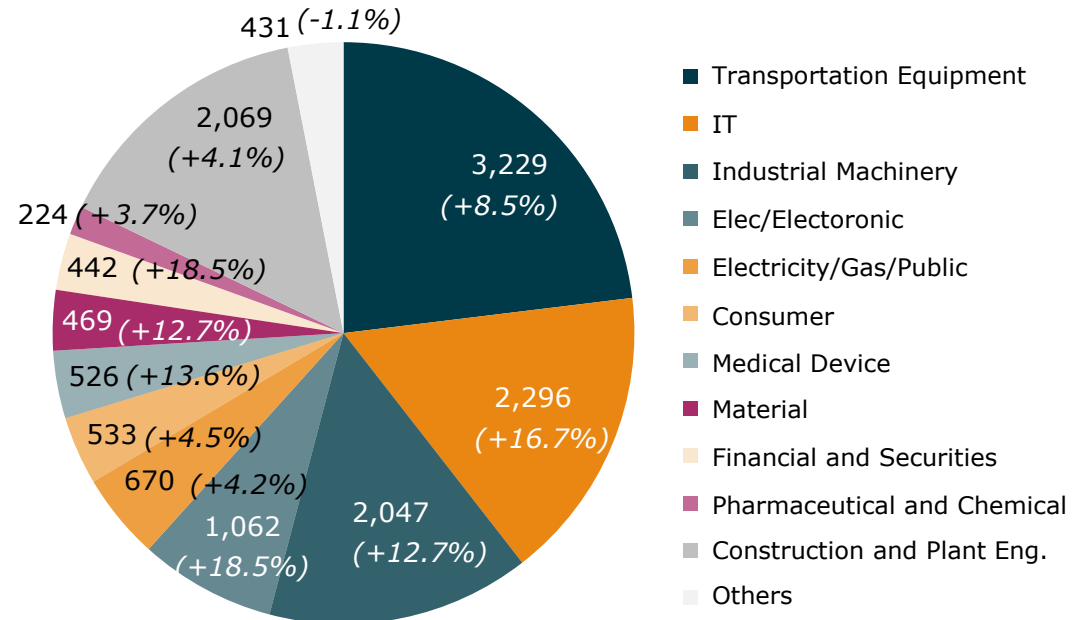
- Number of assigned engineers* increased in all industrial sectors

End of September 2016
Assigned engineers: 12,701

No. of
engineers



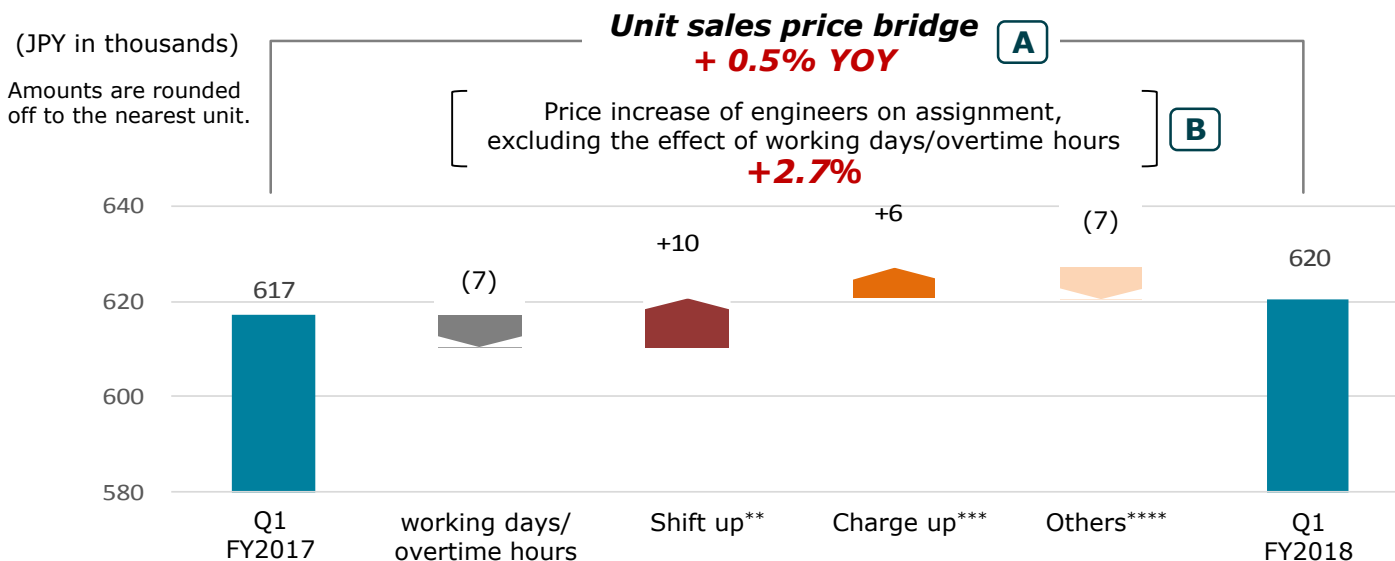
End of September 2017
Assigned engineers: 13,998



Unit Sales Price

Engineer Staffing Companies: TechnoPro, Inc., TechnoPro Construction, Inc.

- Unit sales price* increased 0.5% (up JPY 3,100/month YOY) to JPY 620,000
 - Decreased JPY 7,000/month YOY due to fewer working days (down 0.1 days/month) and shorter overtime hours (down 0.1 hours/day)
 - Decreased JPY 7,000/month YOY due to accelerated hiring of new graduate/mid-career engineers
 - Increased JPY 10,000/month by shift up** and JPY 6,000/month by charge up***



* Unit sales price
Average sales per engineer per month, which includes contract price, overtime charges and others. Excludes impact of outsourced development services

** Shift up
Increase unit sales prices through changes in place of assignment

*** Charge up
Increase unit sales prices at the time of contract renewal at the same place of assignment

**** Others
Impact from other factors than engineers on assignment (e.g.: new graduate engineers, etc.)

[Price Development]

	FY2017			
	1Q	2Q	3Q	4Q
Unit Price (cumulative)	617	623	626	626
YOY A	+0.1%	+0.4%	+0.1%	+0.6%
Price increase of engineers on assignment (excluding the effect of working days/overtime hours) B	+2.6%	+2.6%	+2.6%	+2.8%

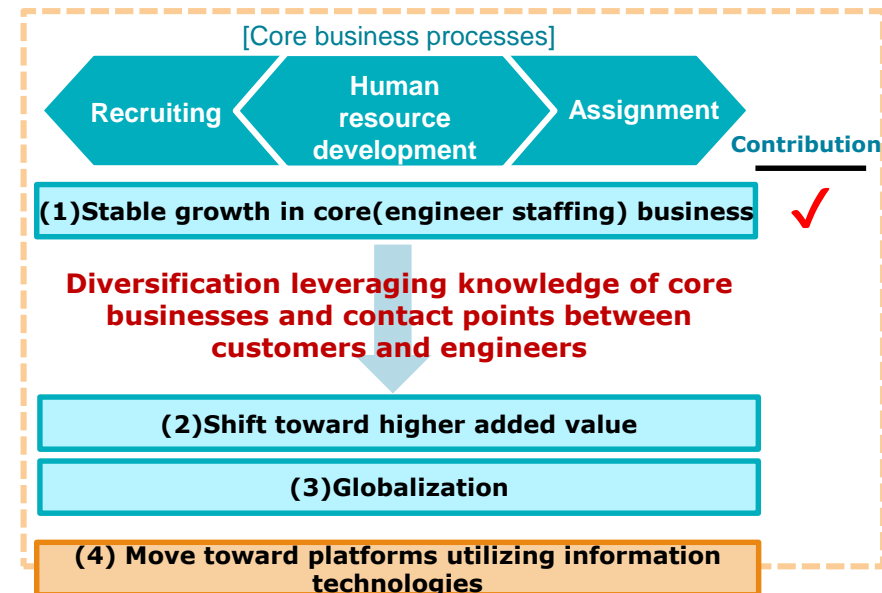
New Acquisition: EDELTA CO. LTD.

Company Overview

- System integrator based in Tokyo and Yokohama
- Established in 1984
- TechnoPro, Inc. acquired 100% shares from previous owner
- Revenue: JPY 2 billion
Operating Profit: JPY 26 million (FY ended March 2017)
- Engineers: **240+**
- Average Age: **35**
- Unit Price: **JPY 640,000** /month

Expected Synergy

- (1) **Acquire IT engineers** as growth driver
- (2) **Improve profitability** to accelerate group performance; expecting contribution of JPY 1 billion revenue, JPY 80 million operating profit for FY2018



Dividend Forecast

- 50% dividend payout ratio, anticipated annual dividend of 113.00 yen per share; maintaining earnings guidance announced previously
- 2.21% expected dividend yield, based on the closing price of October 27, 2017 (JPY 5,110)

	(JPY/share)
	FY2018
Interim dividend (forecast)	50.00
Year-end dividend (forecast)	63.00
EPS (forecast)	222.05
Payout ratio	50%

Disclaimer

This presentation is based on the information we obtained or on the certain assumptions that we understand to be reasonable. However, this is not for the Company to represent or imply any guarantee to the accuracy or completeness of the contents.

Further, statement in this presentation may contain forward-looking information that could be impacted by various risks and uncertainties, and that may significantly affect expected results. Therefore, it is to be noted not to entirely rely on forward-looking information.

It should be also noted that this presentation or any statement herein is not allowed to make copy or transfer without our written consent in prior.