



TechnoPro Group Financial Results for the 2nd Quarter of FYE June 2020

TechnoPro Holdings, Inc. (code: 6028,TSE)

January 31, 2020



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FY2020 Q2 Overview

- First half (H1) FY20.6 revenue increased 8.92 billion yen year-on-year (up 12.7%) to **79.0 billion yen**; operating profit increased 835 million yen year-on-year (up 11.3%) to **8.22 billion yen**; net profit increased 799 million yen year-on-year (up 16.5%) to **5.65 billion yen**
- Most of unspent SG&A budget of 150 million yen (mainly hiring ads and education & training) in Q1 were utilized in Q2
- Recorded taxes and dues (SG&A) of 182 million yen in H1 FY20.6, which was resulted from size-based taxation applied to the subsidiary TechnoPro, Inc. (H1 FY19.6 results did not include taxes and dues from size-based taxation)
- Related to foreign currency denominated put options liabilities for FY20.6, operating profit decreased due to **foreign exchange losses** (other expenses) of 138 million yen in Q2 and 61 million yen in H1 respectively, while FY19.6 results benefited from **foreign exchange gains** (other income) of 172 million yen in Q2 and 89 million yen in H1 respectively

(yen in millions, except per share amounts)

	Q2				First Half					Full Year		
	FY19.6 Q2 (Results)	FY20.6 Q2 (Results)	YOY		FY19.6 H1 (Results)	FY20.6 H1 (Results)	Progress	YOY		FY19.6 (Results)	FY20.6 (Guidance)	YOY
Revenue	36,779	40,141	+3,361	+9.1%	70,114	79,037	49.4%	+8,923	+12.7%	144,176	160,000	+11.0%
Gross profit (GP)	9,415	10,559	+1,143	+12.1%	17,478	20,106	—	+2,628	+15.0%	36,466	—	—
<i>GP margin</i>	25.6%	26.3%			24.9%	25.4%				25.3%		
SG&A expenses	5,430	6,144	+713	+13.1%	10,258	11,994	—	+1,735	+16.9%	22,767	—	—
<i>Ratio on revenue</i>	14.8%	15.3%			14.6%	15.2%				15.8%		
Other income	237	80	(156)	—	191	191	—	+0	—	1,816	—	—
Other expenses	18	158	+140	—	24	82	—	+57	—	1,775	—	—
Operating profit (OP)	4,203	4,337	+133	+3.2%	7,386	8,221	53.7%	+835	+11.3%	13,739	15,300	+11.4%
<i>OP margin</i>	11.4%	10.8%			10.5%	10.4%				9.5%	9.6%	
Profit before income taxes	4,165	4,315	+150	+3.6%	7,327	8,191	54.2%	+863	+11.8%	13,727	15,100	+10.0%
Net profit*	2,772	2,996	+223	+8.1%	4,854	5,654	56.0%	+799	+16.5%	9,683	10,100	+4.3%
<i>Net profit margin</i>	7.5%	7.5%			6.9%	7.2%				6.7%	6.3%	
Earnings per share	76.41	82.94	+6.53	+8.5%	133.85	156.35	56.2%	+22.50	+16.8%	266.86	278.21	+4.3%
Dividend per share (plan)	—	—	—	—	50.00	50.00	35.7%	+0.00	0.0%	134.00	140.00	+4.5%

FY2020 Q2 Segment Results (Year-to-date)

- Companies included in each segment are described on p.5
- Engineers on payroll: in Japan **20,012** (non-Japanese: **1,111**) / overseas **1,544** / group total **21,556**

(yen in millions, except engineer headcounts)

	R&D Outsourcing				Construction Management Outsourcing				Other Businesses in Japan				Japan Total			
	FY18.6 Q2	FY19.6 Q2	FY20.6 Q2	YOY	FY18.6 Q2	FY19.6 Q2	FY20.6 Q2	YOY	FY18.6 Q2	FY19.6 Q2	FY20.6 Q2	YOY	FY18.6 Q2	FY19.6 Q2	FY20.6 Q2	YOY
Revenue	46,897	55,861	62,676	+12.2%	7,103	8,602	9,768	+13.6%	1,308	1,499	2,044	+36.3%	55,309	65,963	74,488	+12.9%
<i>Ratio to consolidated revenue</i>	84.7%	79.7%	79.3%		12.8%	12.3%	12.4%		2.4%	2.1%	2.6%		99.8%	94.1%	94.2%	
Operating profit	4,538	5,544	6,431	+16.0%	818	1,069	1,157	8.2%	152	160	262	+63.4%	5,509	6,775	7,850	+15.9%
<i>OP margin</i>	9.7%	9.9%	10.3%		11.5%	12.4%	11.8%		11.7%	10.7%	12.8%		10.0%	10.3%	10.5%	
OP before PPA* asset amortization	4,562	5,584	6,471	+15.9%	818	1,069	1,157	+8.2%	152	160	262	+63.4%	5,534	6,815	7,890	+15.8%
<i>OP margin before PPA* asset amortization</i>	9.7%	10.0%	10.3%		11.5%	12.4%	11.8%		11.7%	10.7%	12.8%		10.0%	10.5%	10.6%	
No. of engineers (quarter-end)	13,160	15,350	17,365	+13.1%	1,934	2,288	2,647	+15.7%	—	—	—	—	15,094	17,638	20,012	+13.5%
Non-Japanese in Japan	599	816	1,042	+27.7%	27	51	69	+35.3%	—	—	—	—	626	867	1,111	+28.1%

	Overseas				Reporting Segment Total				Corporate/Eliminations				Consolidated Total			
	FY18.6 Q2	FY19.6 Q2	FY20.6 Q2	YOY	FY18.6 Q2	FY19.6 Q2	FY20.6 Q2	YOY	FY18.6 Q2	FY19.6 Q2	FY20.6 Q2	YOY	FY18.6 Q2	FY19.6 Q2	FY20.6 Q2	YOY
Revenue	517	4,692	5,291	+12.8%	55,827	70,655	79,780	+12.9%	(425)	(541)	(742)	—	55,401	70,114	79,037	+12.7%
<i>Ratio to consolidated revenue</i>	0.9%	6.7%	6.7%		100.8%	100.8%	100.9%		(0.8%)	(0.8%)	(0.9%)		100.0%	100.0%	100.0%	
Operating profit	32	474	353	(25.7%)	5,542	7,250	8,203	+13.2%	12	136	17	—	5,554	7,386	8,221	+11.3%
<i>OP margin</i>	6.3%	10.1%	6.7%		9.9%	10.3%	10.3%		—	—	—		10.0%	10.5%	10.4%	
OP before PPA* asset amortization	32	564	455	(19.3%)	5,566	7,379	8,346	+13.1%	12	136	17	—	5,578	7,516	8,364	+11.3%
<i>OP margin before PPA* asset amortization</i>	6.3%	12.0%	8.6%		10.0%	10.4%	10.5%		—	—	—		10.1%	10.7%	10.6%	
No. of engineers (quarter-end)	275	1,623	1,544	(4.9%)	15,369	19,261	21,556	+11.9%	—	—	—	—	15,369	19,261	21,556	+11.9%

TECHNOPRO * PPA (Purchase Price Allocation): An accounting operation allocating the purchase price to the assets and liabilities of the acquired company at fair value in the acquirer's consolidated balance sheet; PPA assets mentioned above are all customer-related assets (intangible assets)

[Reference]

Full-year Segment Results & Guidance (3 years)

- Guidance for full year FY20.6 provided July 31, 2019 remains unchanged

(yen in millions, except engineer headcounts)

	R&D Outsourcing				Construction Management Outsourcing				Other Businesses in Japan				Japan Total			
	FY18.6 (Results)	FY19.6 (Results)	FY20.6 (Guidance)	YOY	FY18.6 (Results)	FY19.6 (Results)	FY20.6 (Guidance)	YOY	FY18.6 (Results)	FY19.6 (Results)	FY20.6 (Guidance)	YOY	FY18.6 (Results)	FY19.6 (Results)	FY20.6 (Guidance)	YOY
Revenue	97,687	114,021	125,400	+10.0%	14,659	17,720	20,200	+14.0%	2,800	3,474	4,200	+20.9%	115,148	135,217	149,800	+10.8%
<i>Ratio to consolidated revenue</i>	83.8%	79.1%	78.4%		12.6%	12.3%	12.6%		2.4%	2.4%	2.6%		98.8%	93.8%	93.6%	
Operating profit	9,261	10,672	11,950	+12.0%	1,540	1,938	2,200	+13.5%	293	416	500	+20.0%	11,094	13,028	14,650	+12.4%
<i>OP margin</i>	9.5%	9.4%	9.5%		10.5%	10.9%	10.9%		10.5%	12.0%	11.9%		9.6%	9.6%	9.8%	
OP before PPA asset amortization	9,323	10,752	12,030	+11.9%	1,540	1,938	2,200	+13.5%	293	416	500	+20.0%	11,156	13,108	14,730	+12.4%
<i>OP margin before PPA asset amortization</i>	9.5%	9.4%	9.6%		10.5%	10.9%	10.9%		10.5%	12.0%	11.9%		9.7%	9.7%	9.8%	
No. of engineers (year-end)	14,674	16,748	18,200	+8.7%	2,123	2,545	2,800	+10.0%	—	—	—	—	16,797	19,293	21,000	+8.8%
Non-Japanese in Japan	716	922	—	—	40	63	—	—	—	—	—	—	756	985	—	—

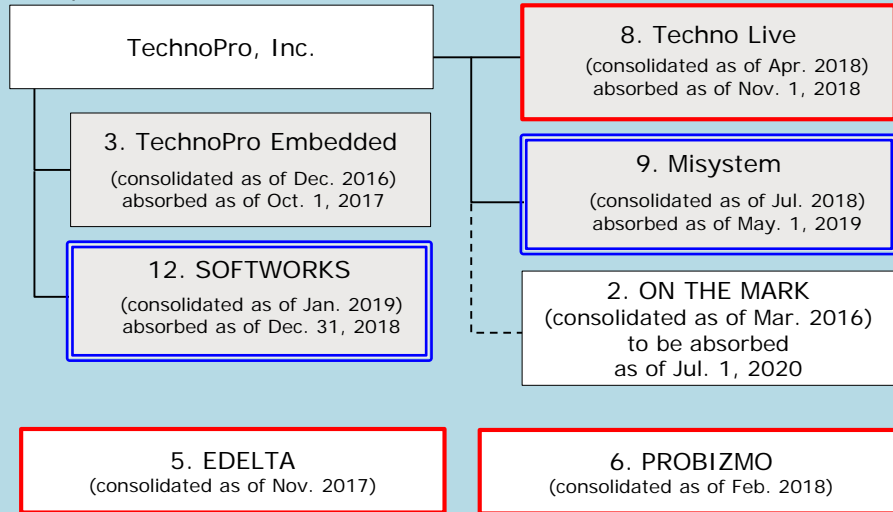
	Overseas				Reporting Segment Total				Corporate/Eliminations				Consolidated Total			
	FY18.6 (Results)	FY19.6 (Results)	FY20.6 (Guidance)	YOY	FY18.6 (Results)	FY19.6 (Results)	FY20.6 (Guidance)	YOY	FY18.6 (Results)	FY19.6 (Results)	FY20.6 (Guidance)	YOY	FY18.6 (Results)	FY19.6 (Results)	FY20.6 (Guidance)	YOY
Revenue	2,336	10,283	12,000	+16.7%	117,484	145,500	161,800	+11.2%	(955)	(1,324)	(1,800)	—	116,529	144,176	160,000	+11.0%
<i>Ratio to consolidated revenue</i>	2.0%	7.1%	7.5%		100.8%	100.9%	101.1%		(0.8%)	(0.9%)	(1.1%)		100.0%	100.0%	100.0%	
Operating profit	138	(931)	650	—	11,233	12,096	15,300	+26.5%	4	1,642	0	—	11,238	13,739	15,300	+11.4%
<i>OP margin</i>	5.9%	(9.1%)	5.4%		9.6%	8.3%	9.5%		—	—	—		9.6%	9.5%	9.6%	
OP before PPA asset amortization*	183	993	900	(9.4%)	11,340	14,101	15,630	+10.8%	4	172	0	—	11,345	14,274	15,630	+9.5%
<i>OP margin before PPA asset amortization</i>	7.9%	9.7%	7.5%		9.7%	9.7%	9.7%		—	—	—		9.7%	9.9%	9.8%	
Impairment loss	—	(1,673)	—	—	—	(1,673)	—	—	—	—	—	—	—	(1,673)	—	—
Put option reversal	—	—	—	—	—	—	—	—	—	1,359	—	—	—	1,359	—	—
Earn out reversal	—	—	—	—	—	—	—	—	—	110	—	—	—	110	—	—
No. of engineers (year-end)	869	1,608	—	—	17,666	20,901	—	—	—	—	—	—	17,666	20,901	—	—

* OP before PPA asset amortization in Overseas FY19.6 includes amount of impairment loss (1,673 million yen) added into Operating profit, while OP before PPA asset amortization in Corporate/Eliminations FY19.6 excludes put option reversal (1,359 million yen) and earn out reversal (110 million yen) from Operating profit

[Reference] Reportable Segments (as of Q2 FY20.6)

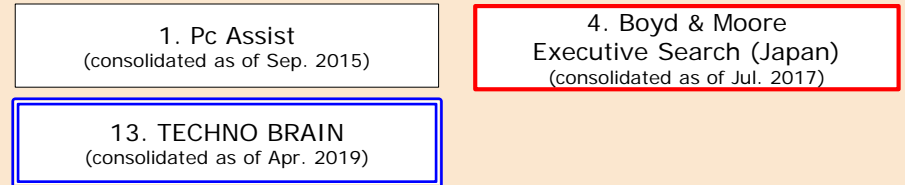
R&D Outsourcing

Provides engineer staffing and contract services related to Mechanical design, electrical/electronic design, embedded software development, IT network construction, business application development, IT maintenance and operations, bio research



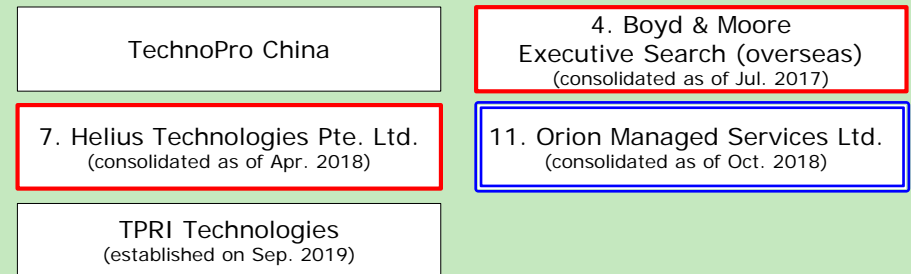
Other Businesses in Japan

Provides professional recruitment, technical education and training services



Overseas

Technological outsourcing and professional recruitment services in China; IT engineer staffing service and contract services in Southeast Asia and India; engineer staffing and professional recruitment services in the UK



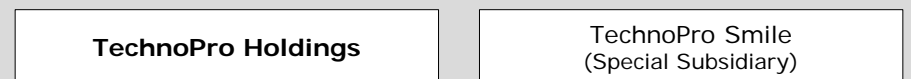
Construction Management Outsourcing

Provides engineer staffing and contract drafting of working drawings related to construction management (safety/quality/process/cost management) for construction, civil engineering, electrical equipment, plant engineering



Headquarters

Provides shared services to group companies, hires and supports disabled people



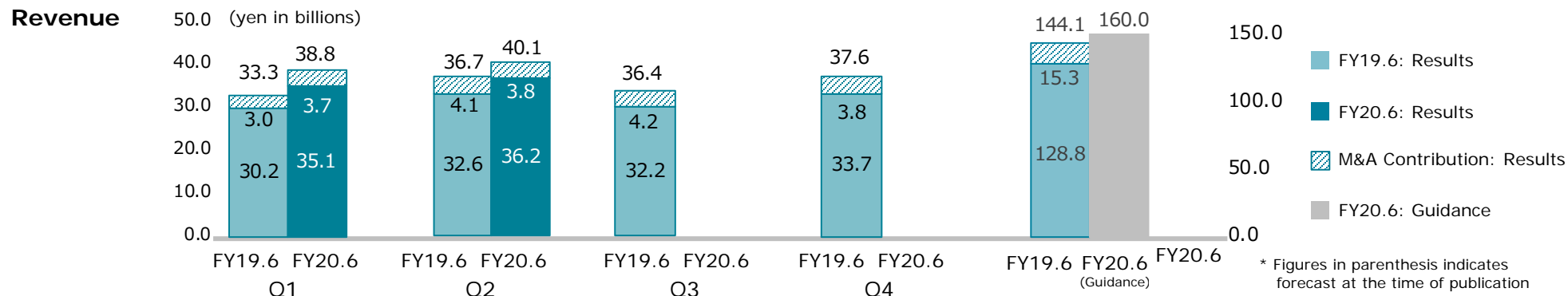
* Initial numbers on company names indicate the order of M&A

* During current medium-term management plan (FY18.6 -), red frame indicates acquisitions in FY18.6, blue double line frame indicates acquisitions in FY19.6

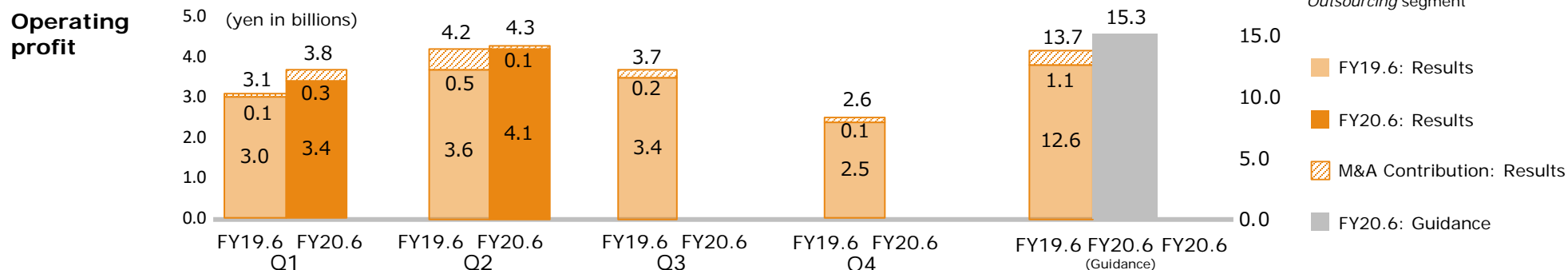
* In Overseas, holding 51.0% of Helius shares and 63.2% of Orion shares

Quarterly Performance

- Stable organic growth excluding effect from M&As in FY18.6 and FY19.6 (year-on-year): **up 11.1%** in revenue, **up 13.8%** in operating profit
- Operating profit growth of M&A in Q2 reduced compared to the prior year, due to slowdown in Helius earnings and foreign exchange losses pertaining to put option liabilities



	Q1	Q2	Q3	Q4	Full Year
Composition %	23.1%	24.3%	25.5%	25.1%	25.3%
Working days*	56.4	56.5	59.5	58.1	55.2
YOY	+16.7%	+9.1%			



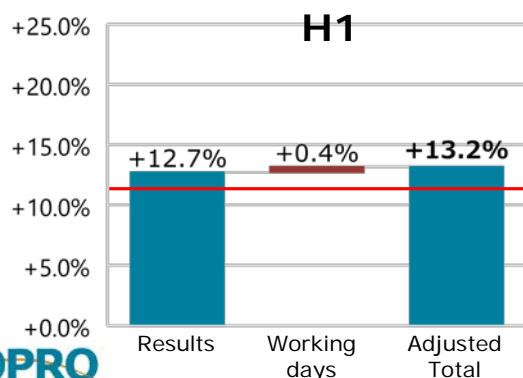
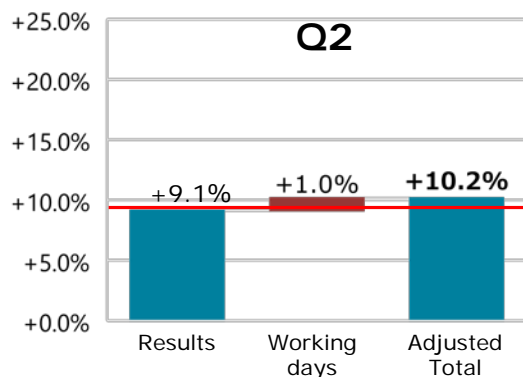
	Q1	Q2	Q3	Q4	Full Year
Composition %	23.2%	25.4%	30.6%	28.3%	27.3%
OP margin	9.5%	10.0%	11.4%	10.8%	10.3%
YOY	+22.0%	+3.2%			

* M&A related amounts recognized under IFRS such as PPA amortization, foreign exchange gain/loss relating to put option liabilities and changes in fair value amount are included in M&A contributions; (Calculated with this basis, Operating profit in M&A contributions FY19.6 above [1.1 billion yen] differs from figures described in FY2019 Full Year Financial Results Slide Presentation [1.4 billion yen])

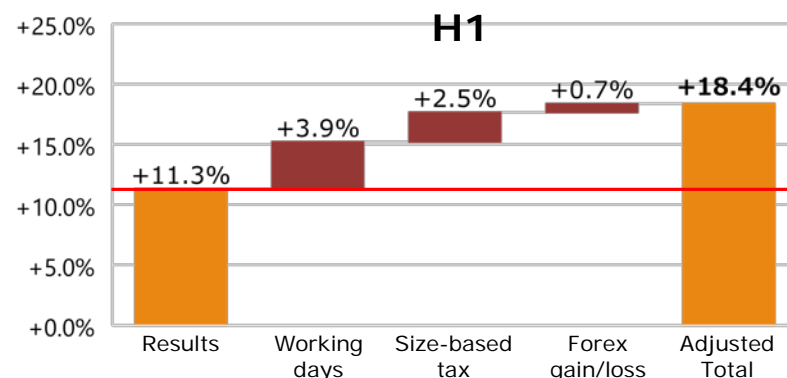
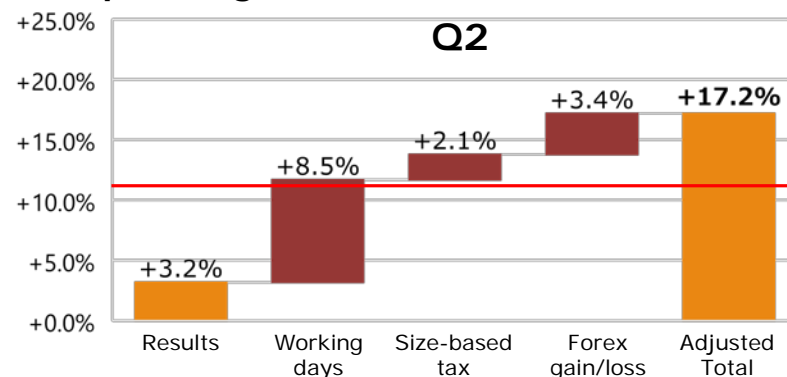
[Reference] Year-on-Year Growth Rate (Q2 & H1)

- Provide revenue and operating profit figures in Q2 & H1 after offsetting effects from extraordinary factors
- For revenue, excludes impact from decrease in working days (**down 1.4 days** in Q2, **down 1.3 days** in H1 year-on-year respectively) (assuming to have the same working days as the prior year relevant period)
- For operating profit, offsets effects from size-based tax and foreign exchange gains/losses in addition to above mentioned items (assuming **no foreign exchange losses** incurred in Q2 & H1 FY20.6)
- Delivered **more than 10%** growth both in revenue and operating profit, if excluded negative impact by working days decline, which is beyond control

Revenue YOY Growth Rate Bridge



Operating Profit YOY Growth Rate Bridge



Balance Sheet & Cash Flow

- Cash and cash equivalents decreased only 224 million yen compared to the balance sheet at June 30, 2019, even after payment of corporate income tax, year-end dividend and seasonal winter cash bonus
- Posted 10.9 billion yen for both assets and liabilities as of Q2 FY20.6 end, by applying IFRS 16 Leases from FY20.6; no major impact on consolidated net profit
- Secure strong financial ground for growth investment with net cash position of **12.3 billion yen** and unutilized commitment lines of **10 billion yen** for M&A purposes

Q2 FY20.6 B/S (yen in billions)

Cash & cash equivalents 21.0	Debt 8.7
	IFRS 16 related liabilities 10.9
IFRS 16 related assets 10.9	
Goodwill 37.1	Other liabilities 33.9
	PO/EO liabilities 3.5
Intangible assets (PPA) 2.0	
Other assets 33.7	Total equity 47.7

Total assets 104.7

Total liabilities & equity 104.7

Net worth ratio*: **45.6%**

D/E Ratio* : **0.18x**

D/OP Ratio** : **0.57x**

* Total assets includes non-controlling interests

** Calculated using operating profit guidance for FY20.6

Q2 FY20.6 Cash Flows (yen in millions)

• Operating CF	8,115
Corporate income tax payment	(3,087)
• Investing CF	(629)
• Financing CF	(7,779)
IFRS 16 related lease liability payments***	(3,084)
Share repurchase	(1,061)
Year-end dividend payments	(3,084)
Net CF	(224)

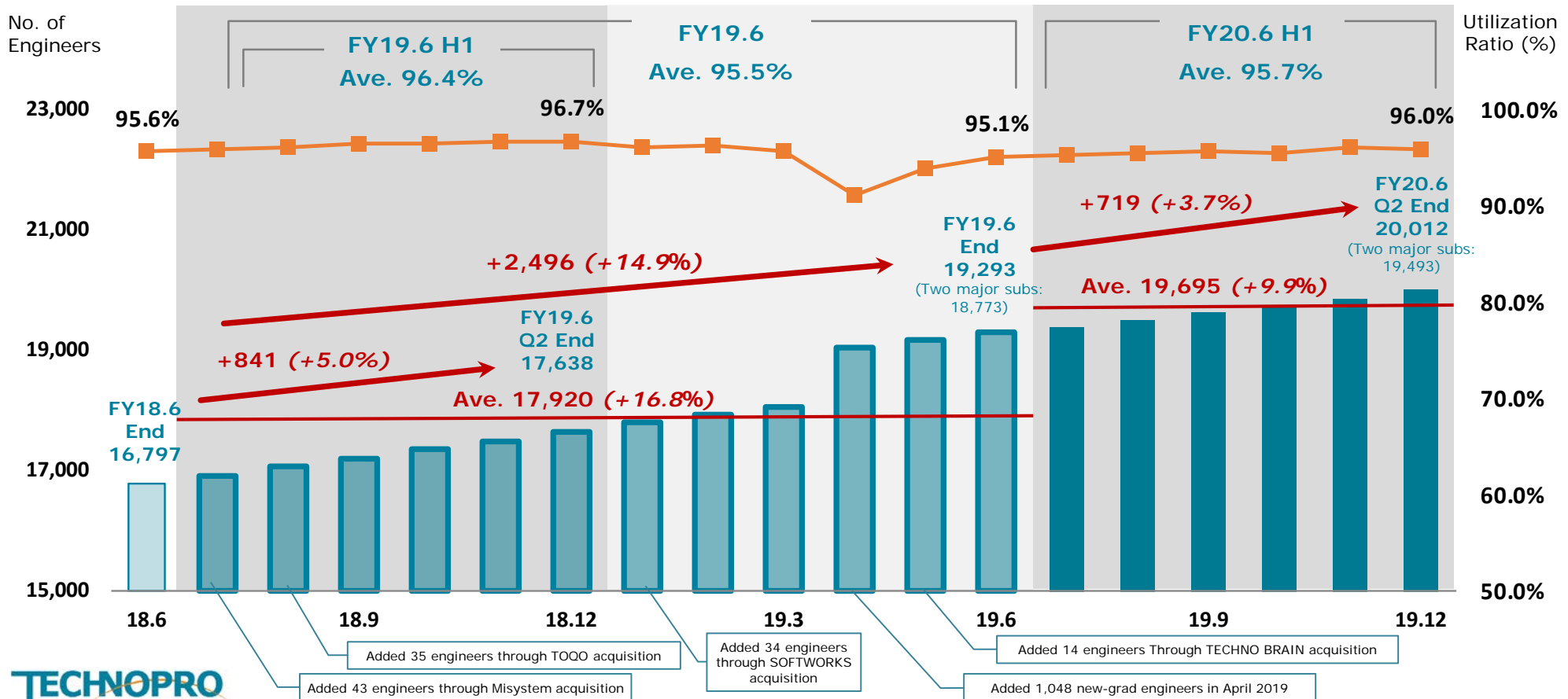
*** Reclassified to Financing CF, previously recognized in Operating CF as lease payment

Q2 FY20.6 Commitment Lines (yen in millions)

Purpose	Credit line	Used	Unused	Expiration
1 Working capital	6,000		6,000	Jun. 2020
2 M&A	10,000		10,000	Jun. 2020
3 Working capital	2,000		2,000	Dec. 2020
Total	18,000	0	18,000	

Number of Engineers & Utilization Rate [Japan]

- Engineers on payroll in Japan at the end of Q2 FY20.6 totaled **20,012** (up 719 from the end of prior year), including **1,111** non-Japanese engineers (up 126 from the end of prior year)
- Employs **19,493** (up 720 from the end of prior year) at two major subsidiaries in Japan (TechnoPro, Inc. and TechnoPro Construction, Inc.)
- Average utilization rate of **95.7%** for Q2 FY20.6 (down 0.7 pts year-on-year)
- Employs **1,544** engineers at overseas (not included in numbers above / down 64 year-on-year mainly due to decrease in Helius)

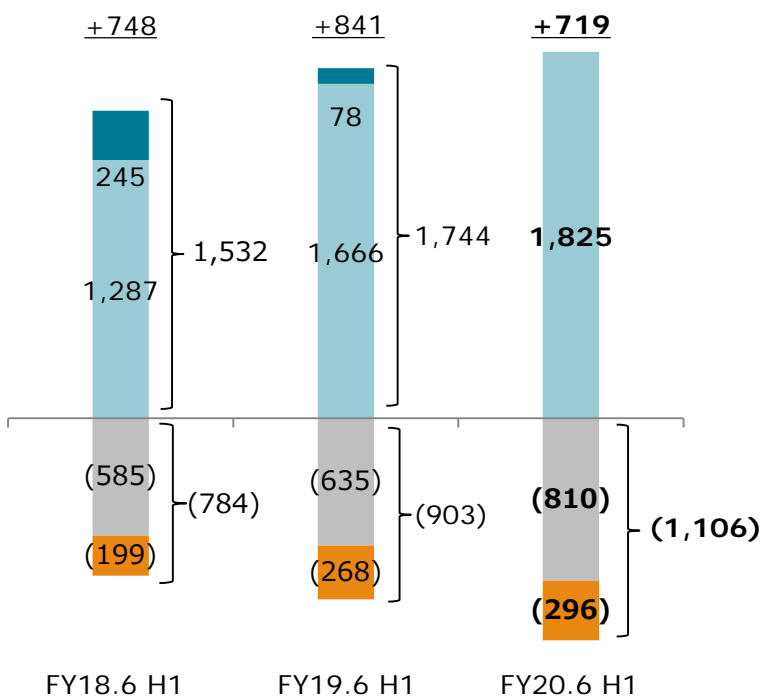


Recruitment/Turnover [Japan]

- Hired **1,825** engineers (up 81 or 4.6% year-on-year) in H1 FY20.6
- **1,106** engineers left in H1 FY20.6, of which permanent employees were **810** (up 175 or 27.6% year-on-year)
- Turnover rate for permanent employees* in H1 FY20.6: **8.2%** (up 0.9 pts year-on-year)
- Year-to-date net engineer increase from the end of the prior year: **719** (down 122 or 14.5% year-on-year)

No. of Engineers

Net Increase in H1



(Difference / % YOY)

Hired Total	1,825 (+81 / +4.6%)
Added through M&A	0
Turnover (permanent employees)	810 (+175 / +27.6%)
Contract terms matured, others	296 (+28 / +10.4%)

Turnover Rate for Permanent Employees*

	FY18.6				FY19.6				FY20.6	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Quarter	9.0%	7.0%	9.4%	7.6%	8.0%	6.7%	10.6%	8.0%	8.6%	7.8%
Year-to-date	—	7.9%	8.5%	8.1%	—	7.3%	8.5%	8.3%	—	8.2%
Last Twelve Months	8.0%	8.1%	8.2%	8.1%	8.0%	7.9%	8.2%	8.3%	8.5%	8.7%

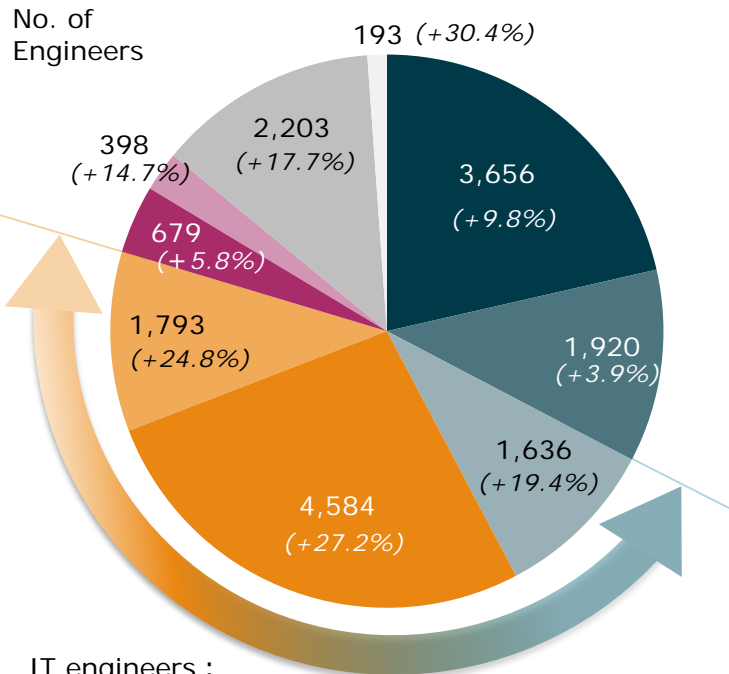
* Turnover rate for permanent employees was calculated excluding fixed-term employees left at the end of contract term

Assigned Engineers by Technology [Japan]

- Number of assigned engineers increased in all technologies
- Maintaining robust hiring even in continued IT engineer shortage, while facing a challenge in recruiting mechanical engineers (machinery, electric/electronic) due to constraint of job seekers
- Engineers increased driven by acquisitions since Q2 FY19.6 : Embedded Control for SOFTWORKS, and Software Development/Maintenance for TECHNO BRAIN

As of December 31, 2018

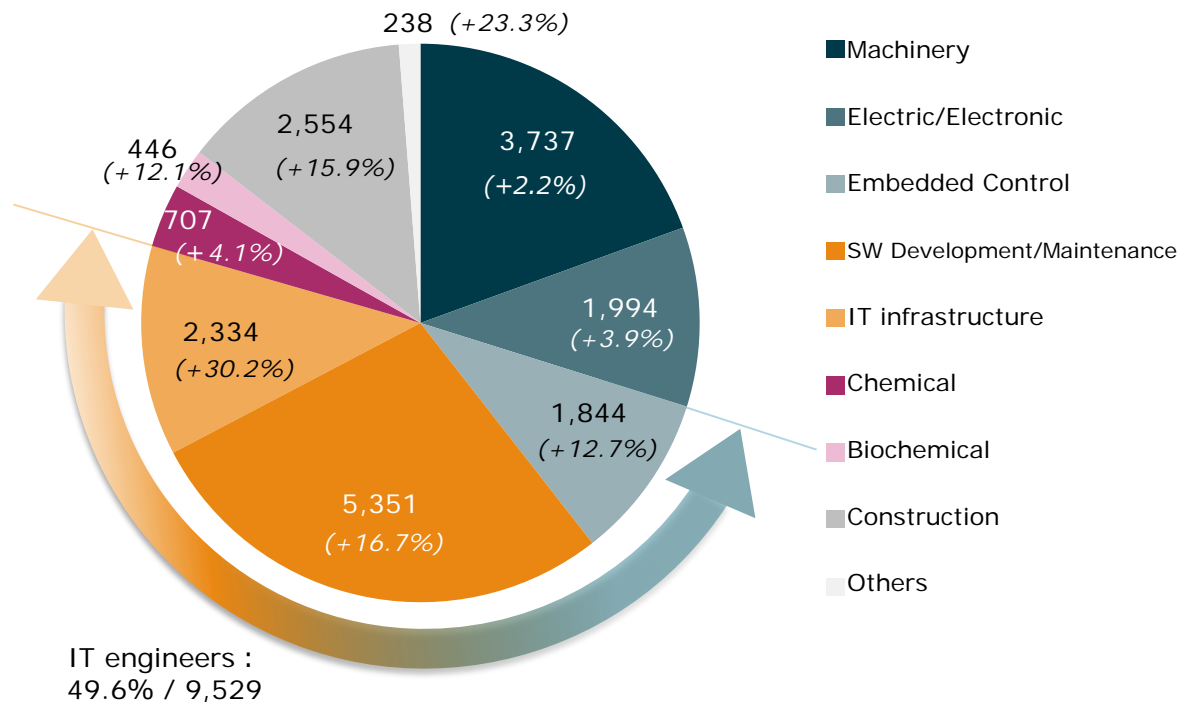
Assigned Engineers: **17,062**



up +12.6%

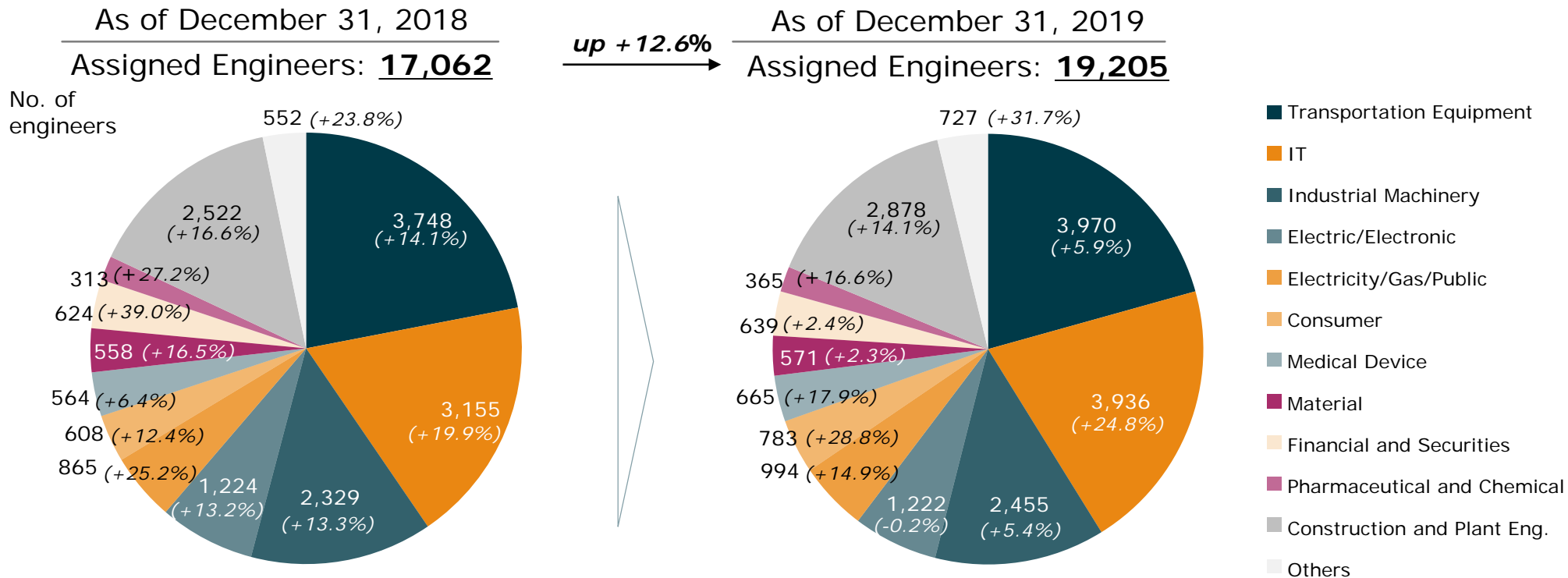
As of December 31, 2019

Assigned Engineers: **19,205**



Assigned Engineers by Industrial Sectors [Japan]

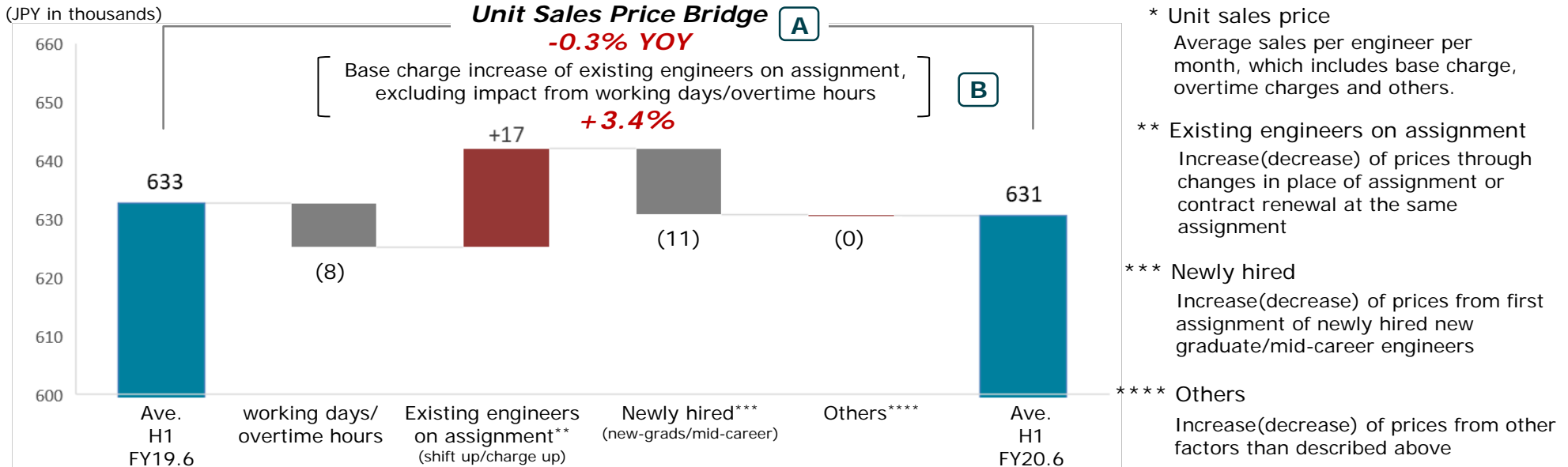
- Diversifying industrial sector of clients in order to minimize risks of downturn in specific industry, although the number of assigned engineers increased in most industrial sectors
- Electric/Electronic shows slowing trends continued from Q1 with 0.2% decrease year-on-year, due to slowdown in semiconductor sector affected by US-China trade friction; minimizing negative impact through reassigning engineers to high-performing customers in the same sector or other industries



Unit Sales Price

Two Major Subsidiaries in Japan: TechnoPro, Inc., TechnoPro Construction, Inc.

- Monthly unit sales price* decreased 0.3% year-on-year to **631K yen** (down 2K yen/month)
- Decreased 8K yen/month year-on-year affected by fewer working days (down 0.22 days/month) and shorter overtime hours (down 1.56 hours/month)
- Increased 17K yen/month driven by increased base charge for existing engineers on assignment through shift-up/charge-up
- Diluted 11K yen/month due to first assignment of newly hired new graduate/mid-career engineers



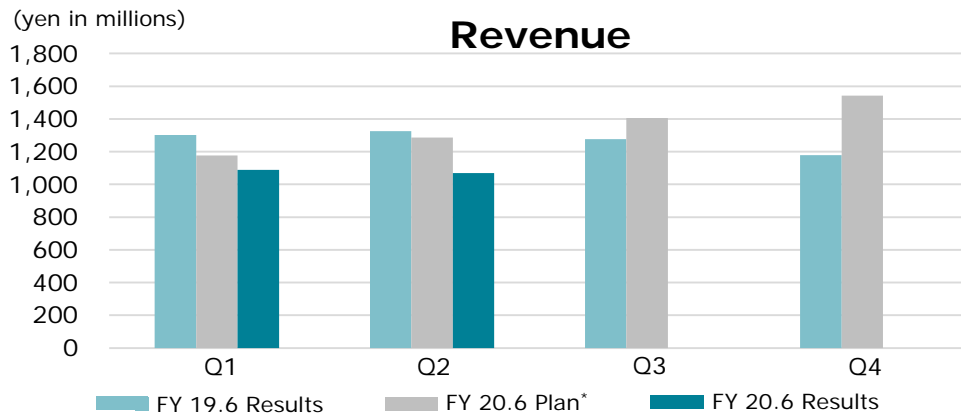
Price Development

	FY19.6				FY20.6			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Unit Sales Price (year-to-date)	621	633	632	630	626	631		
Year-on-year A	+0.1%	+0.5%	+0.3%	+0.0%	+0.8%	(0.3%)		

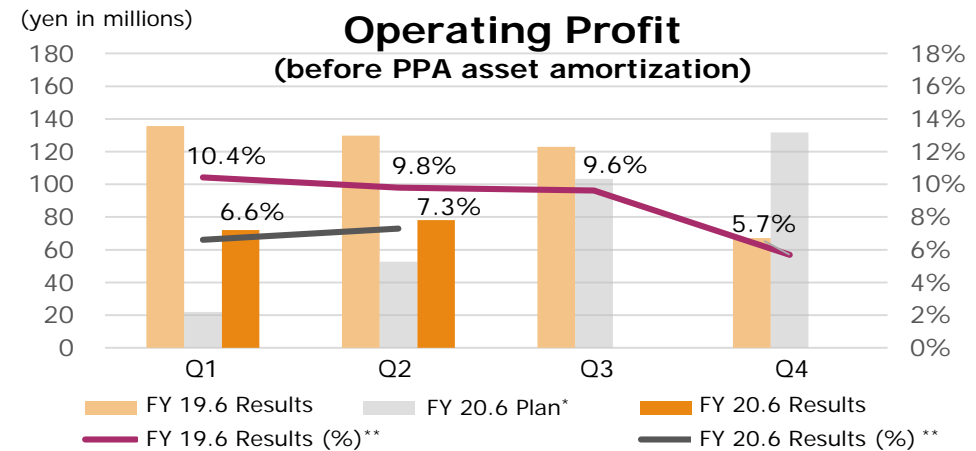
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Base Charge Increase of Existing Engineers on Assignment B * Year-on-year comparison for each quarter end	+3.0%	+2.8%	+2.7%	+3.2%	+3.6%	+3.4%		

Helius Turnaround Plan Progress

- In H1 FY20.6, revenue was 2,159 million yen (down 467 million yen or 17.8%) and fell short of planned target of 2,463 million yen, yet the operating profit (before PPA amortization) totaled **150 million yen** (down 115 million yen or 43.5%), surpassed the earnings target of first half
- Aims to exceed annual operating profit target of **300 million yen**, although revenue target of 5,400 million yen expected to be unmet for this fiscal year
- Operating profit and profit margin maintains recovery trends after hitting bottom in Q4 FY19.6, therefore expecting no additional impairment loss as long as current profit level continues



* Calculating FY20.6 plan using exchange rate: 1SGD=80JPY



**Line graph indicates operating profit margin

Progress in H1

- Gross profit margin is improving; gradually penetrating into Japanese firms operating in Singapore by leveraging the Group's sales channels, promoting shift-up of engineers to profitable customers and winning project requiring cutting-edge technologies (Center of Excellence)
- Expanding business outside Singapore to diversify overconcentration country risk (expecting to grow in the future, although current revenue outside Singapore only account for approx. 10%); in Thailand, where Helius established a new operation this fiscal year, it succeeded to start the business with local banks

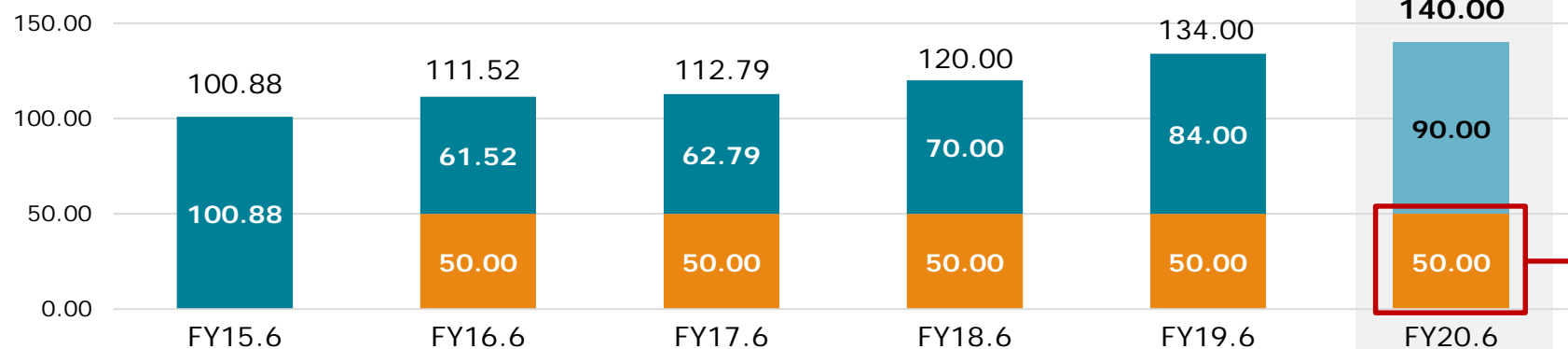
Challenges & Initiatives

- Although the demand for talents are still solid, immigration regulations imposed by Singapore government limits bringing skilled engineers from India; tackling the problem by increasing local hiring in Singapore
- Aiming to ensure the profit exceeding the earnings target through improving gross profit margin and controlling SG&A expenses, as well as growing business outside Singapore, although revenue target is expected to be unmet since the plan for this fiscal year calls for higher revenue projected in second half

Dividend History & Forecast

Dividends (history & forecast)

(yen per share) ■ Interim ■ Year-end



Interim dividend:
50 yen

Payout date:
Feb. 28, 2020

Payout ratio
50%

EPS (yen)	201.76	215.80	225.58	244.81	266.86	278.21
Payout ratio	50.0%	51.7%	50.0%	50.0%	50.2%	50.3%
Total amount (yen in millions)	3,437	3,808	3,858	4,250	4,864	5,082

* Dividends in FY15.6 were wholly paid at year-end payout

Share Repurchase Program (announced Nov. 28, 2018; one year term)

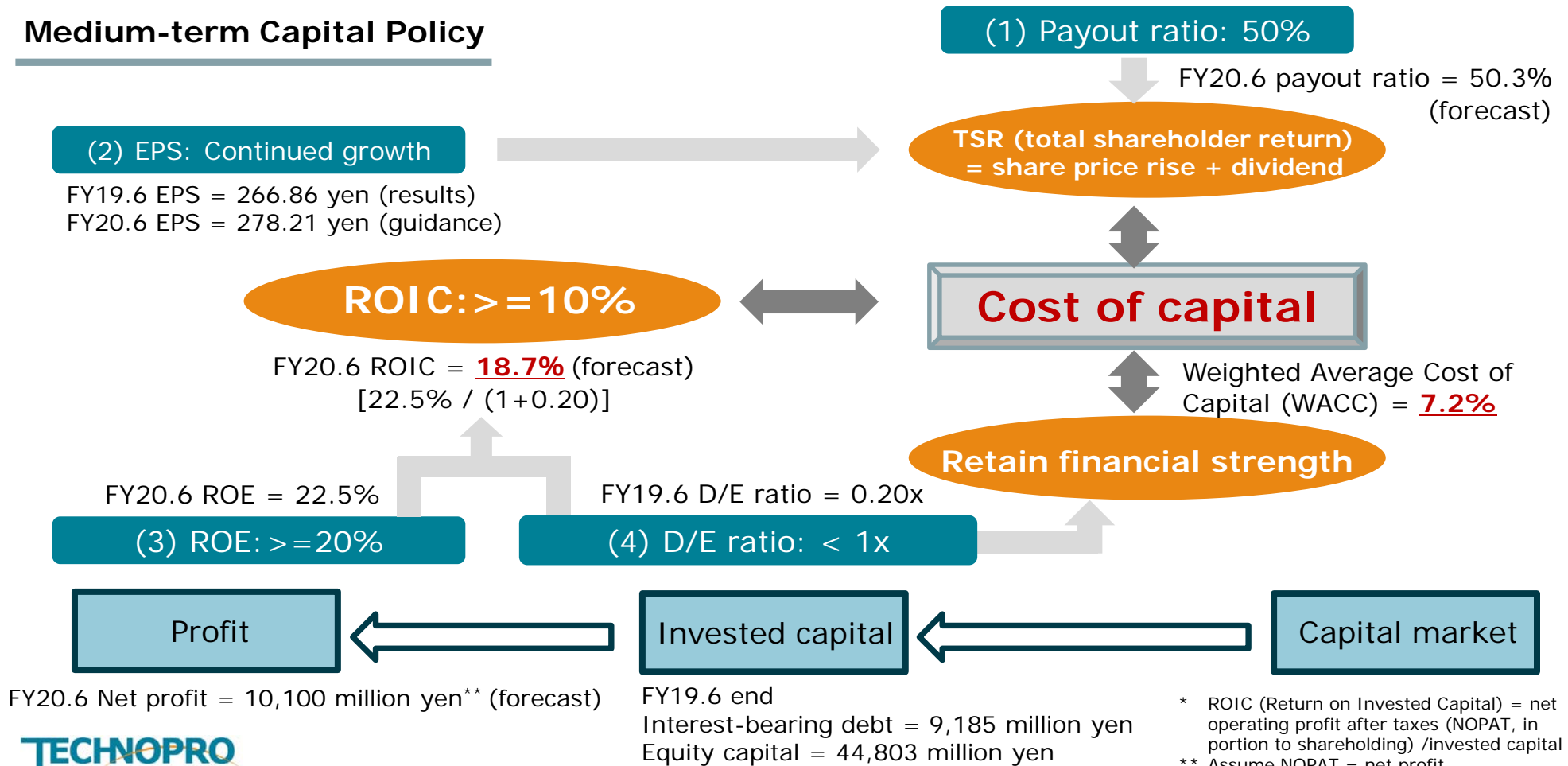
	Upper limit	Repurchased	Ratio to limit
Total shares repurchased	500,000 shares	186,200 shares	37.2%
Total amount repurchased	2,500M yen	1,062M yen	42.5%
Repurchase price per share	—	5,610 - 5,999 yen	—

- Launched the repurchase program at Nov. 2018, when the share price was in bearish trend; repurchased only approx. 40% of the upper limit due to time constraint of blackout period based on insider trading regulations on M&A deals under negotiation
- Retired all treasury shares repurchased as of Dec. 30, 2019 (retired shares surpassing the accumulated number of new shares issued after IPO through allocation of restricted shares or exercise of stock options for stock-based compensation program)

Capital Policy

- Our capital policy sets **value creation** as a primary focus of business operation, correlating each performance indicator mutually with the cost of capital at its center
- Adding to EPS growth, potential to achieve **more than 10% ROIC***, above cost of capital, through PMI initiatives, synergy creation and effect from growth investment to be taken into account as criteria for forthcoming M&As

Medium-term Capital Policy



[Appendix]

Year-to-date Q3 Segment Results (previous 2 years)

- Provides year-to-date Q3 financial results by reportable segment for previous two years, in order to indicate segment performance consecutive trend

(yen in millions, except engineer headcounts)

	R&D Outsourcing			Construction Management Outsourcing			Other Businesses in Japan			Japan Total		
	FY18.6 Q3	FY19.6 Q3	YOY	FY18.6 Q3	FY19.6 Q3	YOY	FY18.6 Q3	FY19.6 Q3	YOY	FY18.6 Q3	FY19.6 Q3	YOY
Revenue	71,365	84,403	+18.3%	10,803	13,131	+21.5%	1,959	2,245	+14.6%	84,128	99,780	+18.6%
<i>Ratio to consolidated revenue</i>	84.6%	79.2%		12.8%	12.3%		2.3%	2.1%		99.7%	93.7%	
Operating profit	7,104	8,605	+21.1%	1,250	1,576	+26.1%	179	212	+18.4%	8,534	10,395	+21.8%
<i>OP margin</i>	10.0%	10.2%		11.6%	12.0%		9.2%	9.5%		10.1%	10.4%	
OP before PPA asset amortization	7,141	8,666	+21.4%	1,250	1,576	+26.1%	179	212	+18.4%	8,570	10,455	+22.0%
<i>OP margin before PPA asset amortization</i>	10.0%	10.3%		11.6%	12.0%		9.2%	9.5%		10.2%	10.5%	
No. of engineers (year-end)	13,515	15,697	+16.1%	1,978	2,363	+19.5%	—	—	—	15,493	18,060	+16.6%
Non-Japanese in Japan	672	863	+28.4%	28	59	+110.7%	—	—	—	700	922	+31.7%

	Overseas			Reporting Segment Total			Corporate/Eliminations			Consolidated		
	FY18.6 Q3	FY19.6 Q3	YOY	FY18.6 Q3	FY19.6 Q3	YOY	FY18.6 Q3	FY19.6 Q3	YOY	FY18.6 Q3	FY19.6 Q3	YOY
Revenue	846	7,619	+800.3%	84,974	107,400	+26.4%	(630)	(855)	—	84,344	106,544	+26.3%
<i>Ratio to consolidated revenue</i>	1.0%	7.2%		100.7%	100.8%		(0.7%)	(0.8%)		100.0%	100.0%	
Operating profit	87	684	+681.8%	8,621	11,079	+28.5%	25	52	—	8,647	11,131	+28.7%
<i>OP margin</i>	10.3%	9.0%		10.1%	10.3%		—	—		10.3%	10.4%	
OP before PPA asset amortization	87	867	+890.6%	8,658	11,321	+30.8%	25	52	—	8,684	11,374	+31.0%
<i>OP margin before PPA asset amortization</i>	10.3%	11.4%		10.2%	10.5%		—	—		10.3%	10.7%	
Impairment loss	302	1,649	+446.0%	15,795	19,709	+24.8%	—	—	—	15,795	19,709	+24.8%

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