



Summary of the Consolidated Financial Statements (IFRS) for the Nine-Month Period Ended March 31, 2016

April 28, 2016

Listed Company Name TechnoPro Holdings, Inc. Listed Stock Exchange: Tokyo
TSE Code 6028 URL <http://www.technoproholdings.com/>
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Quarterly report scheduled submission date May 12, 2016
Scheduled commencement date for dividend payment -
Supplementary materials for financial results: Yes
Briefing session for financial results: No

(Amounts less than one million yen are omitted)

1. Consolidated Financial Results for the Nine Months Ended March 31, 2016 (July 1, 2015 – March 31, 2016)

(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 nine months ended March 31, 2016	67,013	10.8	6,679	13.7	6,437	16.5	6,225	16.9	6,205	16.5	6,178	14.4
For the nine months ended March 31, 2015	60,467	9.7	5,872	26.1	5,526	40.5	5,325	41.3	5,325	41.3	5,399	42.7

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the nine months ended March 31, 2016	182.11	—
For the nine months ended March 31, 2015	156.28	—

(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 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 nine months ended March 31, 2016	59,534	22,778	22,605	38.0
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	222.86

(Notes) 1. Revisions to dividend forecasts published most recently: None
2. The figure for basic quarterly earnings per share is calculated using the increased number of shares resulting from new shares issued through third party allotment on April 18, 2016.

* Notes

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

New: 2 companies (Pc Assist Co., Ltd., ON THE MARK Co., Ltd.); Excluded: None

(Note) Please refer to page 5, "2. Summary information (notes), (1) Changes to important subsidiaries during this period" for details.

(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 March 31, 2016	34,074,000 shares	FY ended June 30, 2015	34,074,000 shares
As of March 31, 2016	116 shares	FY ended June 30, 2015	78 shares
For the nine months ended March 31, 2016	34,073,906 shares	For the nine months ended March 31, 2015	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 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 supplementary materials)

The Company posts supplementary materials reporting the business results on its website.

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

(1) Summary of business performance

During the consolidated third quarter period under review (July 1, 2015 to March 31, 2016), there was continued uncertainty in the global economy due to the slump in oil prices, stagnation in China, and economic downturn in resource-producing nations, despite government fiscal policy and the adoption of negative interest rates by BOJ etc. In addition, the upcoming increase in consumption tax and the national election require close attention.

However, in 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. In addition, aiming to promote the expansion of the outsourced development business in the IT sector, in March 2016 the Group acquired ON THE MARK Co., Ltd. and made it a subsidiary, due to ON THE MARK's numerous strengths in this sector.

As a result of the initiatives described above, the number of domestic engineers at the end of the third quarter period under review increased to 12,586 (up 1,089 compared to the end of the third quarter period of the previous fiscal year). An increase in sales per engineer (in Japan) to 625 thousand yen per month (up 11 thousand yen) as a result of sales price controls contributed to an increase in revenue despite a 0.4% fall in utilization rate to 95.6% compared to the end of the third quarter period of the previous fiscal year.

In employment, the number of newly employed domestic engineers in the third quarter was 1,529 (up 14 compared to the third quarter of the previous fiscal year), which contributed to an increase in the number of engineers of the Group.

In terms of expenses, the gross profit margin was 23.9% (up 0.2% compared to the third quarter 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 third quarter of the previous fiscal year.

As a result, at the end of the consolidated third quarter period under review, the Group's revenues were 67,013 million yen (up 10.8% compared to the third quarter of the previous fiscal year), operating profit was 6,679 million yen (up of 13.7%), profit before taxes was 6,437 million yen (up 16.5%), and net profit was 6,205 million yen (up 16.5%).

Earnings for the major areas of the business during the consolidated third quarter 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 56,436 million yen (an increase of 10.9% compared to the third quarter 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 9,389 million yen (an increase of 5.6% compared to the third quarter of the previous fiscal year).

(2) Summary of financial position

i. Analysis of financial conditions

Assets totaled 59,534 million yen as of the end of the consolidated third quarter period under review (up 755 million yen from the end of the previous fiscal year). The primary components were goodwill of 29,926 million yen, accounts receivables and other receivables of 12,752 million yen, and cash and cash equivalents of 9,306 million yen.

The status for each item was as follows.

(Current assets)

Current assets totaled 23,427 million yen (down 1,492 million yen from the end of the previous fiscal year). The primary components were cash and cash equivalents of 9,306 million yen (down 1,544 million yen), and accounts receivables and other receivables of 12,752 million yen (up 1,172 million yen).

(Non-current assets)

Non-current assets totaled 36,106 million yen (up 2,247 million yen from the end of the previous fiscal year). The primary components were goodwill of 29,926 million yen (up 724 million yen), and deferred tax assets of 3,524 million yen (up 1,021 million yen).

(Current liabilities)

Current liabilities totaled 18,053 million yen (up 245 million yen from the end of the previous fiscal year). The primary components were accounts payables and other liabilities of 8,818 million yen (up 1,619 million yen), and employee benefit liabilities of 3,549 million yen (up 102 million yen).

(Non-current liabilities)

Non-current liabilities totaled 18,701 million yen (down 295 million yen from the end of the previous fiscal year). The primary components were bonds and loans payable of 14,399 million yen (down 812 million yen), and retirement benefit liabilities of 3,866 million yen (up 350 million yen).

(Equity attributable to the owners of the parent company)

Equity attributable to the owners of the parent company totaled 22,605 million yen (up 632 million yen from the end of the previous fiscal year). The primary components were capital surplus of 6,141 million yen (down 383 million yen) and retained earnings of 16,212 million yen (up 1,064 million yen).

ii. Cash flow conditions

Cash and cash equivalents (hereinafter “Cash”) totaled 9,306 million yen as of end of the consolidated third quarter period under review, representing a decline of 1,544 million yen compared to the end of the previous fiscal year.

Cash flow conditions during the consolidated third quarter 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 5,569 million yen (same period of the previous fiscal year: inflows of 4,800 million yen), this was mainly due to increases in profits before taxes (6,437 million yen) and accounts payables and other liabilities (1,539 million yen) and an income tax refund (1,187 million yen), partially offset by an increase in accounts receivables and other receivables (803 million yen), a decline in accrued consumption taxes payable (1,267 million yen) and payments of corporate income taxes (1,472 million yen).

(Cash flows from investing activities)

Cash flows from investing activities resulted in cash outflows of 791 million yen (same period of the previous fiscal year: outflows of 255 million). This was mainly due to outflows for the acquisition of subsidiary shares (296 million yen) and non-current assets (224 million yen) and intangible assets (267 million yen).

(Cash flows from financing activities)

Cash flows from financing activities resulted in cash outflows of 6,298 million yen (same period of the previous fiscal year: outflows of 3,126 million). This was mainly due to dividend payments (5,136 million yen) and cash outflows resulting from repayments of long-term borrowings (1,159 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

The Company acquired Pc Assist Co., Ltd. as a new subsidiary through share acquisition during first quarter period, and acquired ON THE MARK Co., Ltd. and made it a subsidiary during the third quarter period. In each 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 March 31, 2016
Assets		
Current assets		
Cash and cash equivalents	10,851	9,306
Accounts receivables and other receivables	11,579	12,752
Income taxes receivable	1,187	—
Other short-term financial assets	355	323
Other current assets	946	1,044
Total current assets	24,920	23,427
Non-current assets		
Property, plant and equipment	658	812
Goodwill	29,202	29,926
Intangible assets	571	649
Other long-term financial assets	922	1,181
Deferred tax assets	2,503	3,524
Other non-current assets	0	11
Total non-current assets	33,858	36,106
Total assets	58,778	59,534
Liabilities and equity		
Current liabilities		
Accounts payable and other liabilities	7,199	8,818
Bonds and loans payable	1,406	1,765
Income taxes payable	184	1,015
Dividends payable	—	4
Other financial liabilities	946	985
Employee benefits liabilities	3,446	3,549
Provisions	1	22
Other current liabilities	4,623	1,891
Total current liabilities	17,808	18,053

(Millions of yen)

	As of June 30, 2015	As of March 31, 2016
Non-current liabilities		
Bonds and loans payable	15,212	14,399
Other financial liabilities	32	116
Deferred tax liabilities	0	0
Retirement benefit liabilities	3,515	3,866
Provisions	235	291
Other non-current liabilities	—	26
Total non-current liabilities	18,997	18,701
Total liabilities	36,805	36,755
Equity		
Capital stock	100	100
Capital surplus	6,525	6,141
Retained earnings	15,148	16,212
Treasury shares	(0)	(0)
Other components of equity	200	152
Equity attributable to owners of the parent company	21,973	22,605
Non-controlling interests	0	173
Total equity	21,973	22,778
Total liabilities and equity	58,778	59,534

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

(Millions of yen)

	Nine months ended March 31, 2015 (July 1, 2014 to March 31, 2015)	Nine months ended March 31 2016 (July 1, 2015 to March 31, 2016)
Revenue	60,467	67,013
Cost of sales	46,156	51,022
Gross profit	14,310	15,991
Selling, general and administrative expenses	8,465	9,349
Other income	86	94
Other expenses	59	57
Operating profit	5,872	6,679
Financial income	6	4
Financial expenses	352	246
Profit before income taxes	5,526	6,437
Income taxes	200	212
Net profit	5,325	6,225
Net profit attributable to:		
Owners of the parent company	5,325	6,205
Non-controlling interests	0	20
Net profit	5,325	6,225
		(Yen)
Earnings per share attributable to owners of the parent company		
Basic earnings per share	156.28	182.11

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

	Three months ended March 31, 2015 (January 1, 2015 to March 31, 2015)	Three months ended March 31, 2016 (January 1, 2016 to March 31, 2016)
Revenue	20,618	23,023
Cost of sales	15,741	17,472
Gross profit	4,877	5,550
Selling, general and administrative expenses	2,871	3,196
Other income	28	22
Other expenses	7	40
Operating profit	2,027	2,335
Financial income	2	1
Financial expenses	106	77
Profit before income taxes	1,923	2,259
Income taxes	135	124
Net profit	1,787	2,135
Net profit attributable to:		
Owners of the parent company	1,786	2,122
Non-controlling interests	0	12
Net profit	1,787	2,135
		(Yen)
Earnings per share attributable to owners of the parent company		
Basic and diluted earnings per share	52.44	62.29

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

(Millions of yen)

	Nine months ended March 31, 2015 (July 1, 2014 to March 31, 2015)	Nine months ended March 31, 2016 (July 1, 2015 to March 31, 2016)
Net profit	5,325	6,225
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign currency translation adjustments	70	(50)
Gains and losses on cash flow hedges	2	2
Total items that may be reclassified to profit or loss	73	(47)
Total other comprehensive income	73	(47)
Comprehensive income for the period	5,399	6,178
Comprehensive income for the period attributable to:		
Owners of the parent company	5,398	6,157
Non-controlling interests	0	20
Comprehensive income for the period	5,399	6,178

The consolidated three-month period

(Millions of yen)

	Three months ended March 31 2015 (January 1, 2015 to March 31, 2015)	Three months ended March 31, 2016 (January 1, 2016 to March 31, 2016)
Net profit	1,787	2,135
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign currency translation adjustments	0	(18)
Gains and losses on cash flow hedges	0	0
Total items that may be reclassified to profit or loss	1	(17)
Total other comprehensive income	1	(17)
Comprehensive income for the period	1,789	2,117
Comprehensive income for the period attributable to:		
Owners of the parent company	1,788	2,104
Non-controlling interests	0	12
Comprehensive income for the period	1,789	2,117

(3) Consolidated Statement of Changes in Equity (Summary)
Nine months ended March 31, 2015 (July 1, 2014 to March 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, 2014	100	8,936	5,916	—	118	15,071	(0)	15,070
Net profit			5,325			5,325	0	5,325
Other comprehensive income					73	73	(0)	73
Total comprehensive income			5,325		73	5,398	0	5,399
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 March 31, 2015	100	6,525	13,652	—	191	20,469	0	20,469

Nine months ended March 31, 2016 (July 1, 2015 to March 31, 2016)

(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			6,205			6,205	20	6,225
Other comprehensive income					(47)	(47)	(0)	(47)
Total comprehensive income			6,205		(47)	6,157	20	6,178
Dividends of surplus			(5,141)			(5,141)		(5,141)
Stock-based compensation		10				10		10
Purchase of own shares				(0)		(0)		(0)
Change of scope of consolidation		(395)				(395)	153	(242)
Changes in ownership of subsidiaries		0				0	(0)	—

Transfers from capital surplus to retained earnings						—		—
As of March 31, 2016	100	6,141	16,212	(0)	152	22,605	173	22,778

(4) Consolidated Statement of Cash Flows (Summary)

(Millions of yen)

	Nine months ended March 31, 2015 (July 1, 2014 to March 31, 2015)	Nine months ended March 31, 2016 (July 1, 2015 to March 31, 2016)
Cash flows from operating activities		
Profit before income taxes	5,526	6,437
Depreciation and amortization	196	242
Interest and dividend income	(6)	(4)
Interest expense	332	228
Decrease (increase) in accounts receivables and other receivables	(1,095)	(803)
Increase (decrease) in accounts payable and other liabilities	(39)	1,539
Increase (decrease) in consumption taxes payable	832	(1,267)
Increase (decrease) in retirement benefit liabilities	254	343
Other	(287)	(732)
Subtotal	5,713	5,984
Dividends received	0	0
Interest received	6	5
Interest paid	(266)	(135)
Income taxes paid	(653)	(1,472)
Income tax refund	—	1,187
Net cash flows from operating activities	4,800	5,569
Cash flows from investing activities		
Payments into time deposits	(13)	(3)
Inflows from withdrawal of time deposits	55	—
Purchase of property, plant and equipment	(152)	(224)
Inflows from sale of property, plant and equipment	—	0
Purchase of intangible assets	(144)	(267)
Purchase of subsidiary shares	—	(296)
Other	(0)	—
Net cash flows from investing activities	(255)	(791)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(2,000)	—
Outflows from repayments of long-term borrowings	(1,125)	(1,159)
Outflows from purchase of treasury stock	—	(0)
Cash dividends paid	—	(5,136)
Other	(1)	(1)
Net cash flows from financing activities	(3,126)	(6,298)
Effect of change in exchange rates on cash and cash equivalents	34	(24)
Net increase (decrease) in cash and cash equivalents	1,453	(1,544)
Cash and cash equivalents at the beginning of the period	8,791	10,851
Cash and cash equivalents at the end of the period	10,245	9,306

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

(Note on assumption about going concern)

Not applicable.

(Note on significant changes in the amount of shareholders' equity)

Not applicable.

(Note on significant subsequent events)

On April 1, 2016, the Board of Directors resolved to issue new shares and 2nd and 3rd series stock acquisition rights ("SARs") through a third-party allotment to Deutsche Bank AG, London Branch. Moreover, on April 18, 2016 payment for the new shares and 2nd and 3rd series SARs was completed.

(1) Overview of issuance of new shares

① Number of issued shares and type	140,000 common shares
② Issue price	¥3,073 per share
③ Total amount of issued shares	¥430,220,000
④ Paid-in capital	¥410,000,000
⑤ Subscription or allotment method	Third-party allotment
⑥ Allottee and no. of allotted shares	Deutsche Bank AG, London Branch; 140,000 common shares
⑦ Date of application	April 18, 2016
⑧ Date of payment	April 18, 2016
⑨ Use of proceeds	Restore cash position that has declined due to M&A activity

(2) Overview of issuance of 2nd to 3rd series SARs through a third-party allotment

① Date of allotment	April 18, 2016
② Number of issued SARs	2,650,000 SARs 2 nd tranche: 2,000,000 SARs 3 rd tranche: 650,000 SARs
③ Issue price	¥24,900,000 2 nd tranche: 10.5 per SAR 3 rd tranche: 6.0 per SAR
④ Potential number of shares due to this issue	2,650,000 shares (one share per new SAR) 2 nd tranche: 2,000,000 3 rd tranche: 650,000
⑤ Funds raised*	¥9,832,900,000
⑥ Strike price and adjustment conditions	2 nd tranche: ¥3,450 3 rd tranche: ¥4,500 There are no strike price adjustment conditions related to the 2 nd and 3 rd tranches.
⑦ Exercise period	April 18, 2016-April 17, 2018
⑧ Permission to exercise conditions	Yes
⑨ Subscription or allotment method	Third-party allotment
⑩ Allottee and no. of allotted SARs	Deutsche Bank AG, London Branch;

	2 nd tranche: 2,000,000 SARs 3 rd tranche: 650,000 SARs
⑪ Use of proceeds	M&A in engineering business sector and to expand business scope

*The amount of funds raised is obtained by deducting the estimated amount of expenses for the share issuance from the sum of the total of the amount of payment for new shares and the total amount to be paid on the exercise of SARs. If SARs are not exercised within the period for the exercise of SARs, or if the Company cancels SARs which the company acquired, the amount of funds raised will decrease.