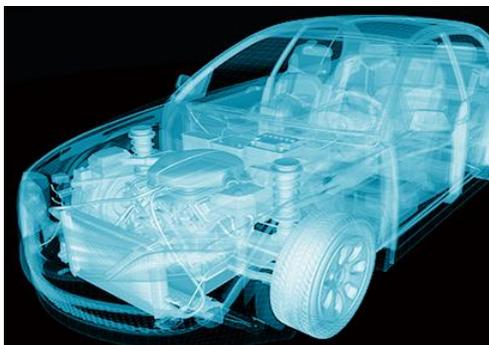


TechnoPro Holdings, Inc.

Corporate Information (Consolidated edition)



Contents

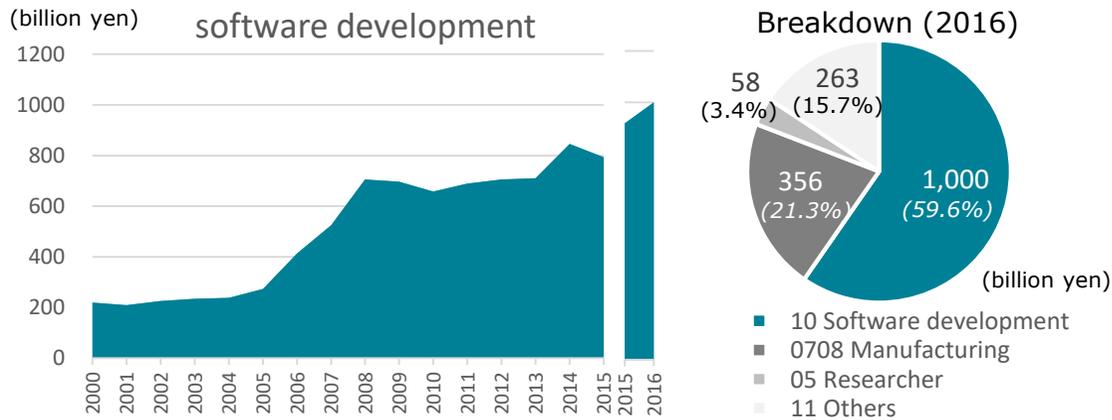
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III : Mid-term plan –progress and outlook-	26
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Engineer Staffing Market Overview

- Estimated the whole staffing market size is about 6.6 trillion yen. (2016)
Engineer staffing market size (including manufacturing engineers) is about 1.7 trillion yen, about 250,000 people.
- Steady economic growth of this market is forecasted because of the increasing of R&D and Software demand.

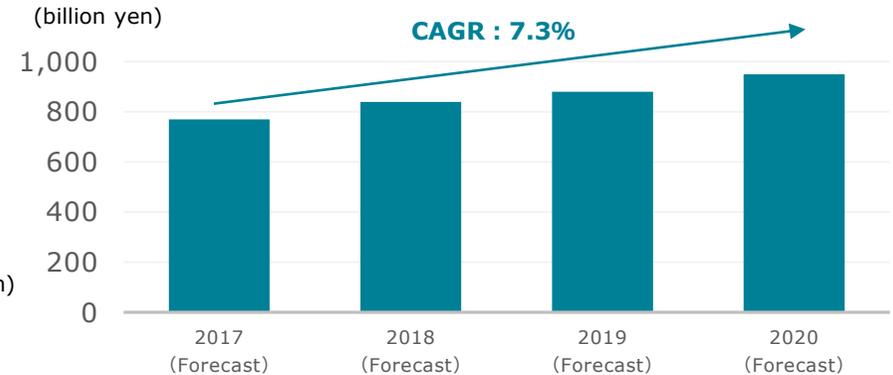
1. Transition of engineer staffing market size

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



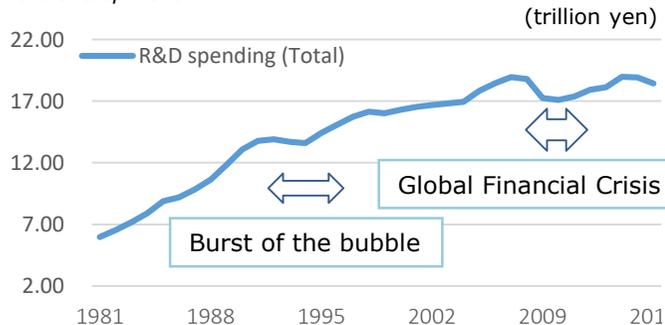
2. Forecast of engineer staffing market size

Yano Research Institute gathered information by research



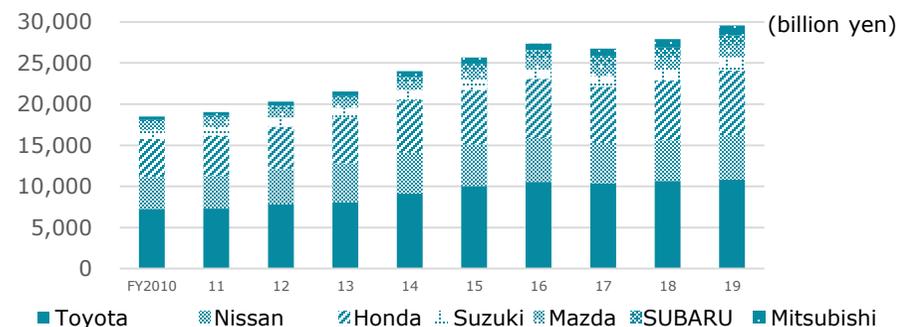
3. Transition of R&D spending in Japan

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



4. R&D spending trend of seven major auto companies in Japan

Source: The Nikkei

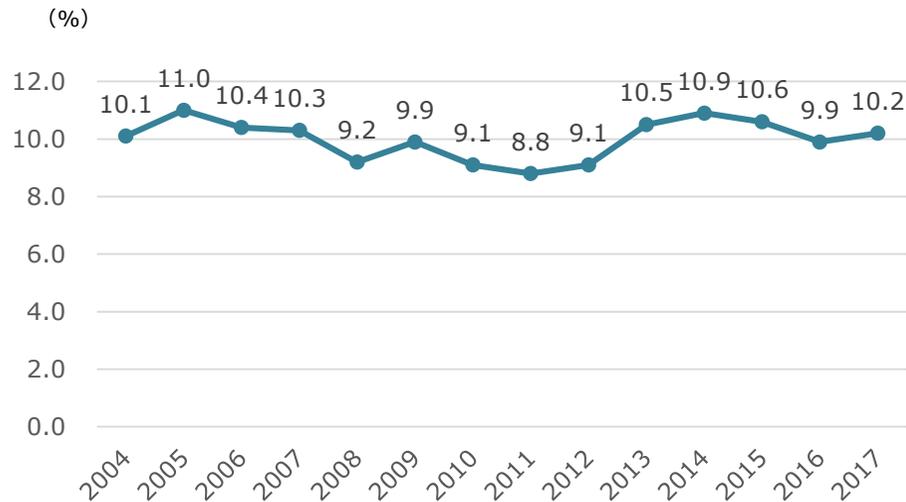


Background of Engineer Staffing Market Growth and our strengths – 1. Mid career market

- The turnover ratio in Japan remains around 10% which shows career-change market has a certain scale
- While the life-time employment/seniority wage system firmly remains in Japan, the number of mid-career recruitment by blue-chip companies is limited due to the gap between productivity and salary

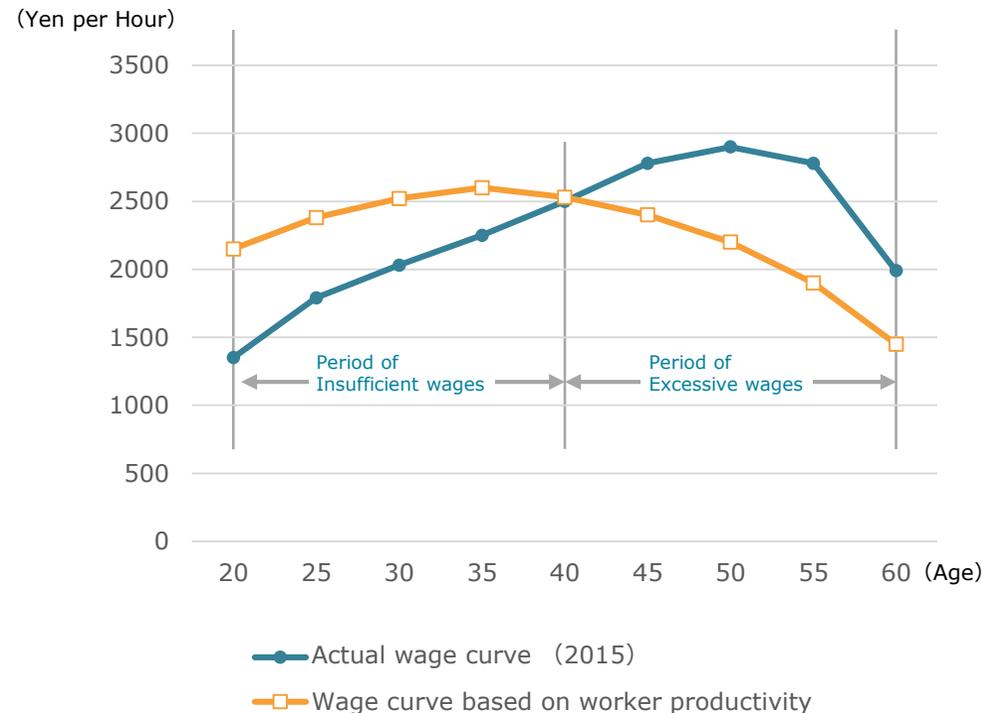
1. Turnover ratio in Japan

Source: "Employment Trends Survey", Ministry of Health, Labour and Welfare



2. Seniority-Based Wages and Wages based on Work Productivity (Hourly)

Source: "Equity Research Reprinted Report", May 1, 2017, Investment Information Department, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

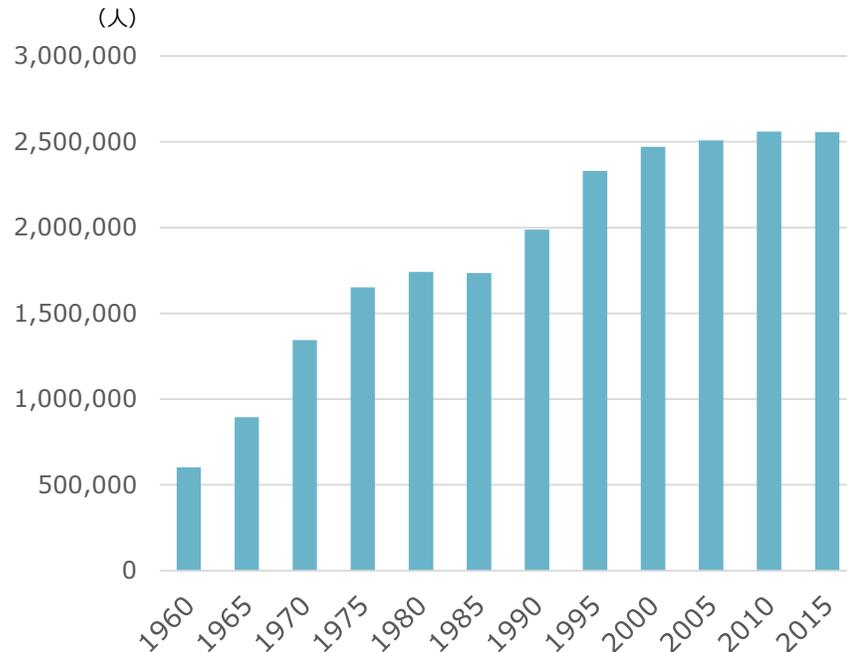


Background of Engineer Staffing Market Growth and our strengths – 2. New grads market

- While the young population is shrinking, the number of university graduates is slightly increasing because of higher university entrance rate.
- New grads tend to focus on blue-chip companies while such companies have limited number of openings for them

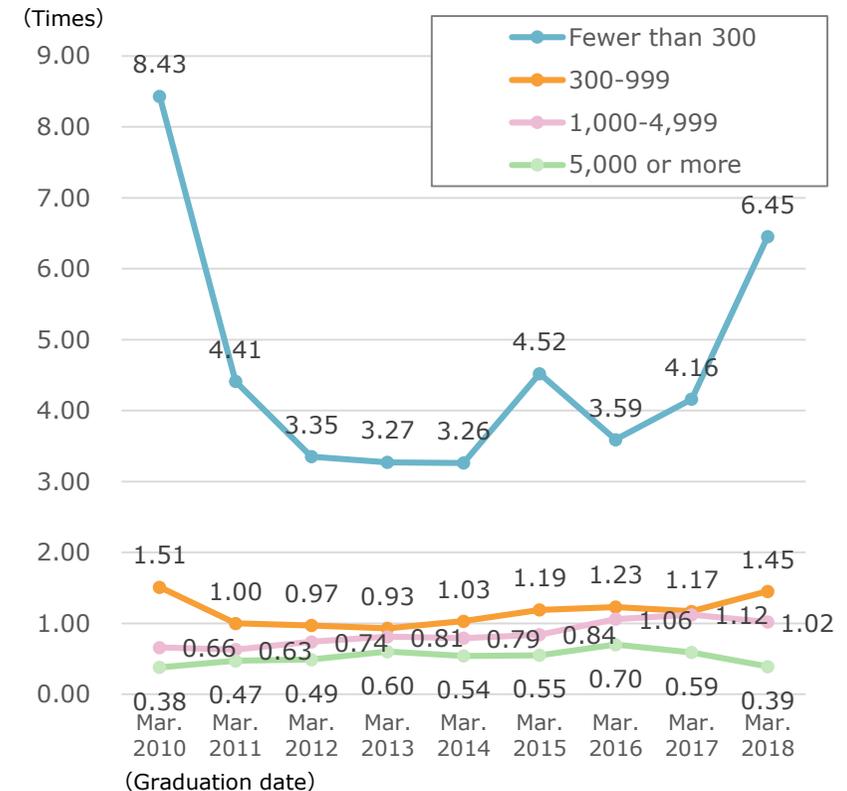
3. No. of university grads

Source: "Handbook of Education and Science statistics",
Ministry of Education, Culture, Sports, Science and Technology



4. Job-to Applicants Ratio, by Scale Based on Number of Employees

Source: "34th College Graduates Job Opening Survey",
Recruit Works Institute

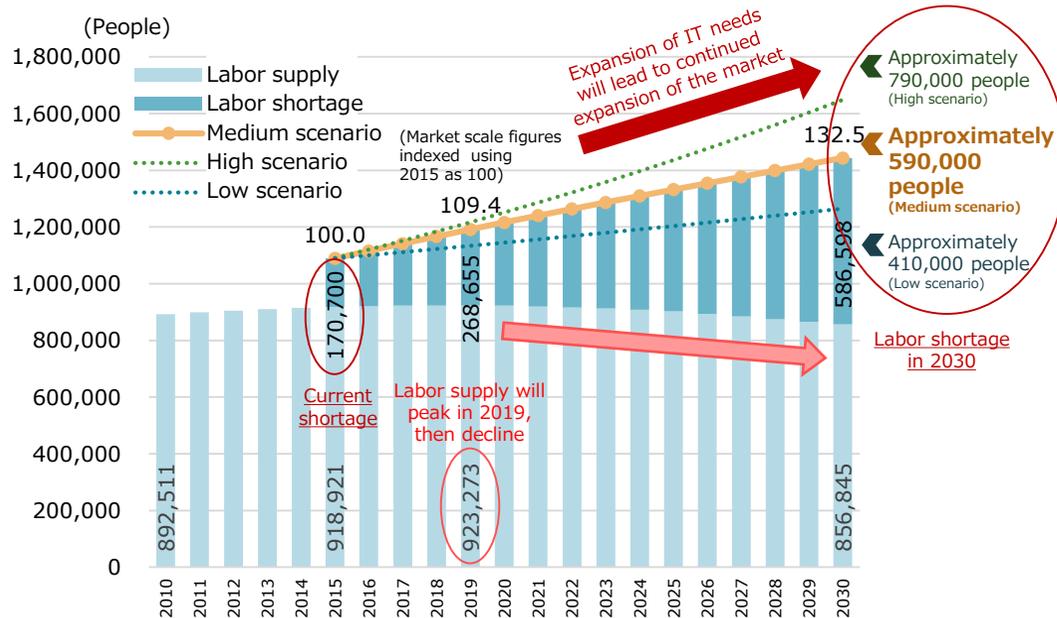


Background of Engineer Staffing Market Growth and our strengths – 3. Growing demand

- IT-related company is highly competitive because of a huge demand-supply mismatch in the IT sector
- Weakening demand for engineers with the spread of AI will be more than offset by the new demand for engineers

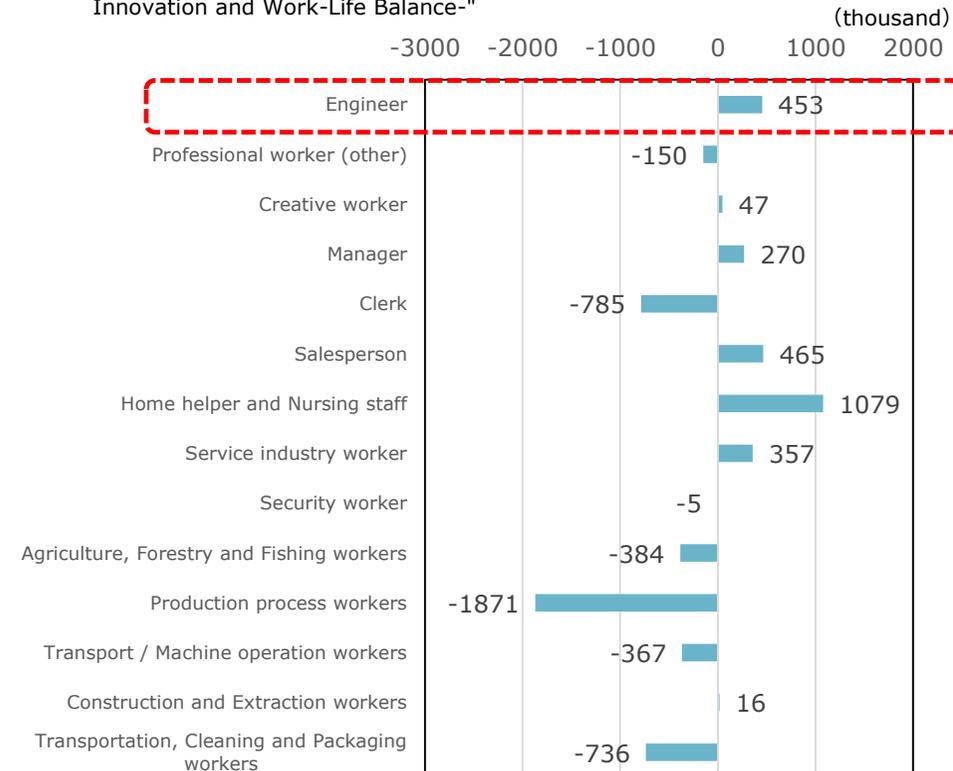
5. IT Staff Shortage Projections

Source: Ministry of Economy, Trade and Industry, *Study of Recent Trends and Future Estimates Concerning IT Human Resources*



6. Shift in workforce due to progression of AI

Source: Ministry of Health, Labour and Welfare, Labor economy white paper in 2017 "Analysis of Labor Economy - Issues for Promotion of Innovation and Work-Life Balance-"



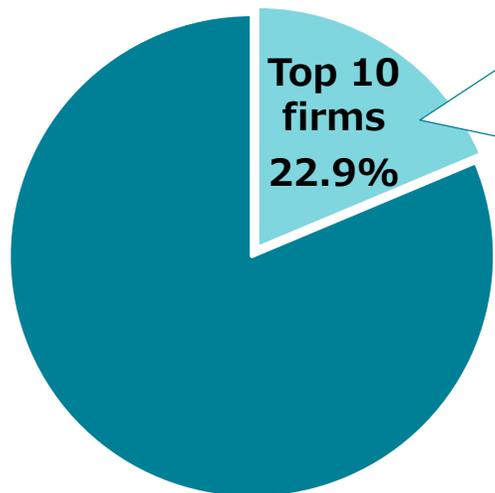
Note: Estimated numbers comparing 2015 and 2030

Engineer Staffing Market

- The top ten firms occupy 22.9% 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

1.7trillion yen (2016)*



* 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	6.0%
2	Meitec (consolidated)	89,979	5.4%
3	Outsourcing (domestic technologies)	40,182	2.4%
4	Forum Engineering	33,400	2.0%
5	Altech (consolidated)	26,743	1.6%
6	Trust Tech	26,717	1.6%
7	Persol Holdings (engineering)	26,668	1.6%
8	VSN	22,033	1.3%
9	Tamadic	12,742	0.8%
10	Yume Technology	5,805	0.3%
Top 10 total		384,364	22.9%

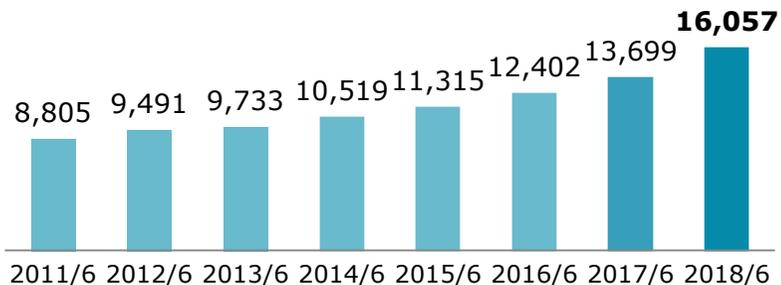
** TechnoPro estimates based on the data researched by Yano Research Institute

Corporate Overview The Largest Engineer Staffing Company in Japan*

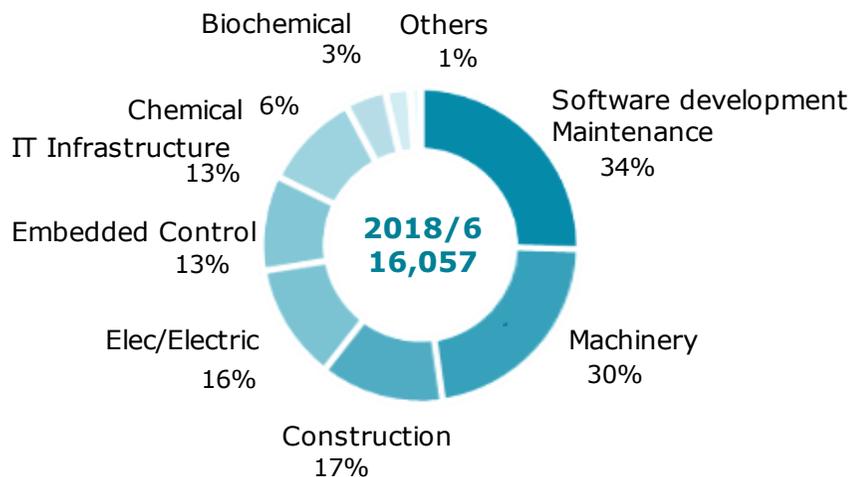
*16,797 engineers as of June 30th, 2018. full-time employees:89%

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

Number of assigned engineers



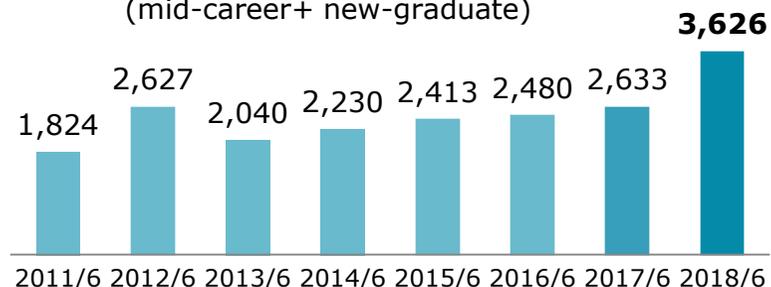
Breakdown of Assigned Engineers by Technological Domains



② Unparalleled recruiting capability supported by in-house recruiters

Recruiting **more than 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

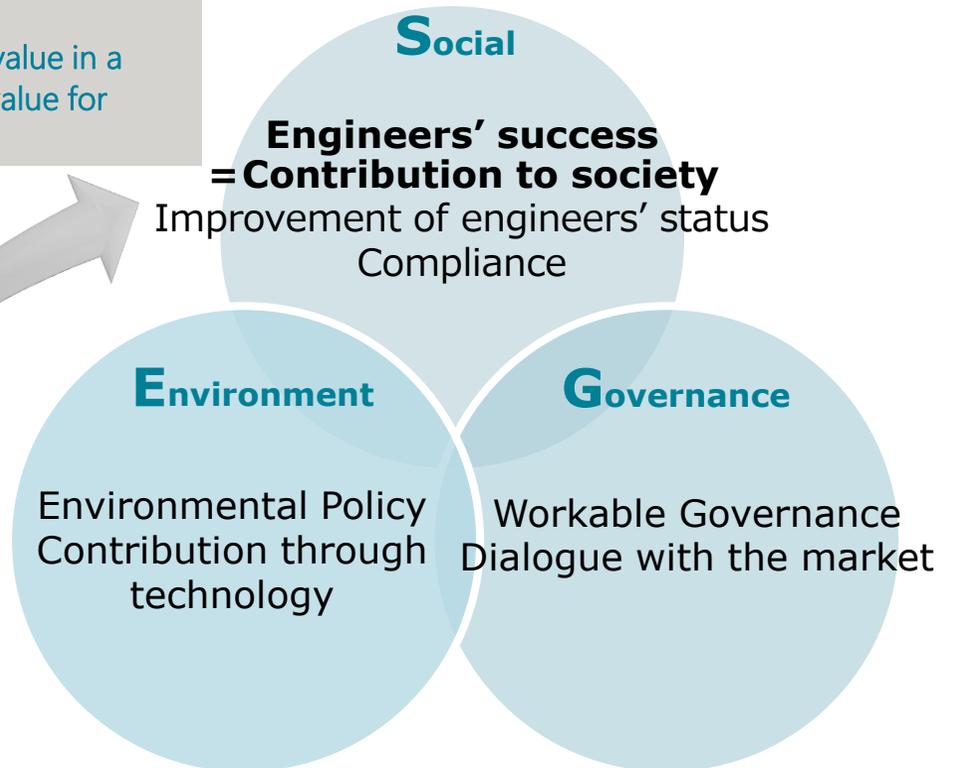
- We have set our Group Vision and shared it with all employees.
- Our mission is to contribute to “Technology-oriented nation Japan” through engineers’ success.
- Based on the philosophy of “Creating Shared Value” , we focus on **contributing to society through our business itself.**

TechnoPro Group Vision



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

About ESG



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)

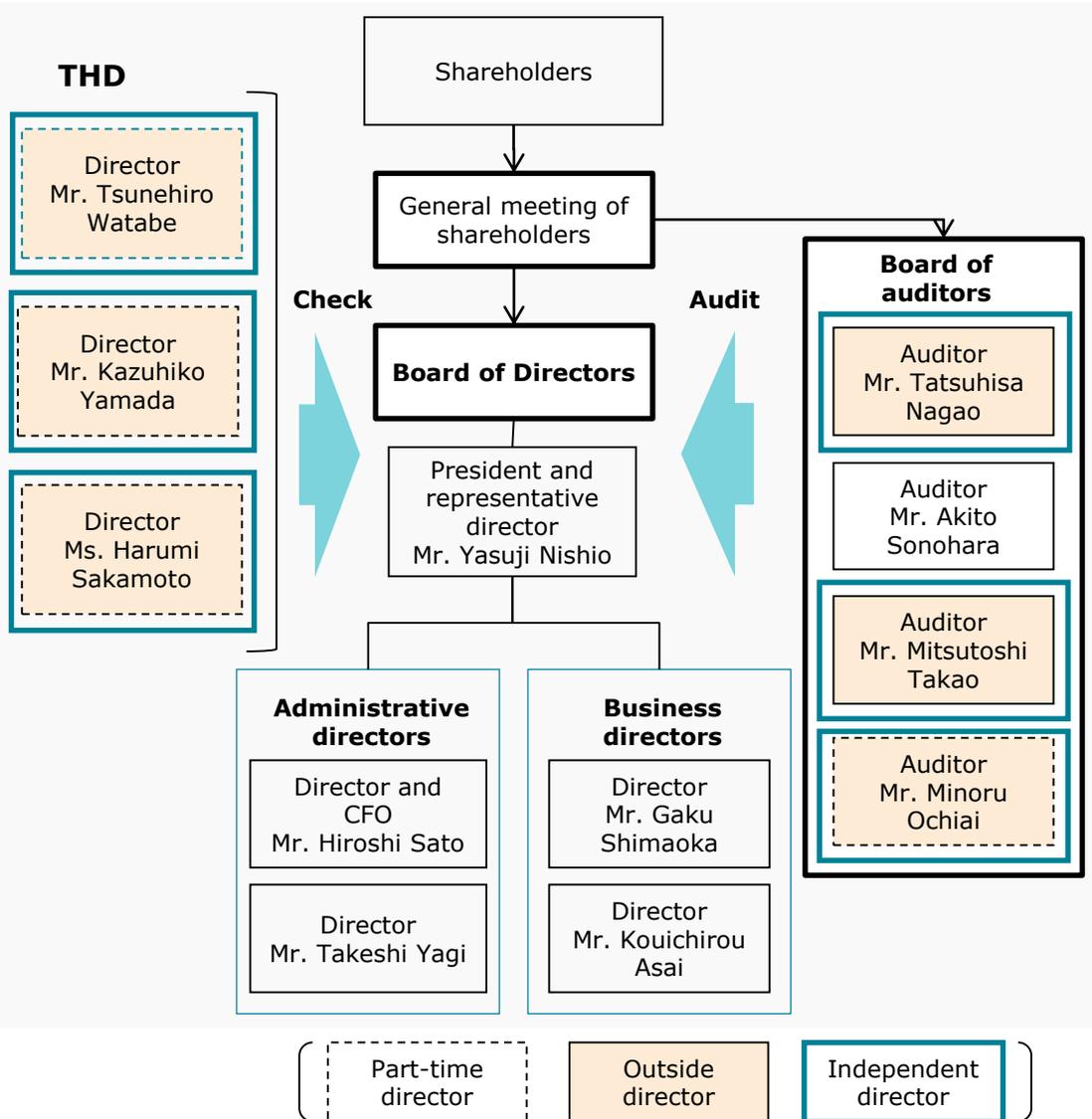
■ Diversity

- 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.

Environment policy

■ 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.



■ Clean-up activities

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



■ Community activities

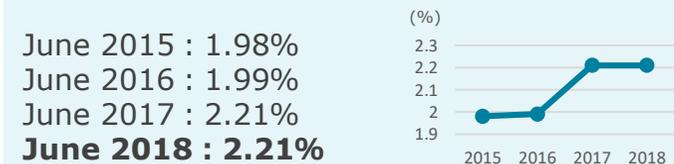
- Support for bird watching activity
- (Roppongi Hills MACHI-IKU Project)

Disabled Persons' Employment

■ 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%



TechnoPro Group Financial Results for Fiscal Year Ended June 2018

TechnoPro Holdings, Inc.

July 31, 2018

FY2018 Overview

- Delivered strong full-year performance for FY2018: revenue increased JPY 16.4 billion (up 16.4%) year-over-year, operating profit increased JPY 1.59 billion (up 16.5%) year-over-year
- Proposed full-year dividend of JPY 120.00 per share, 50% payout ratio to net profit of JPY 8,498 million (EPS was calculated by the average number of outstanding shares during the period)

(JPY in millions, except per share amounts)

	Quarterly			Full Year				
	Q4 FY2017 (Actual)	Q4 FY2018 (Actual)	YOY	Full Year FY2017 (Actual)	Full Year FY2018 (Actual)	YOY	vs. Guidance	Full Year FY2018 Guidance
Revenue	25,953	32,185	+24.0%	100,095	116,529	+16.4%	+4.5%	111,500
Gross profit (GP)	5,987	8,086	+35.1%	23,435	29,475	+25.8%	+7.0%	27,541
<i>GP margin</i>	23.1%	25.1%		23.4%	25.3%			24.7%
SG&A expenses	3,762	5,641	+49.9%	13,872	18,237	+31.5%	+11.3%	16,391
<i>Ratio on revenue</i>	14.5%	17.5%		13.9%	15.7%			14.7%
Operating profit (OP)	2,239	2,591	+15.7%	9,647	11,238	+16.5%	+1.2%	11,100
<i>OP margin</i>	8.6%	8.1%		9.6%	9.6%			10.0%
Profit before income taxes	2,217	2,603	+17.4%	9,559	11,163	+16.8%	+1.5%	11,000
Net profit**	1,844	2,061	+11.8%	7,717	8,498	+10.1%	+4.9%	8,100
Net profit per share	–	–	–	225.58	244.81	–	–	236.53
Dividend per share (forecast)	–	–	–	112.79	120.00	–	–	118.30

* Amounts are rounded down to the nearest unit.

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

Business Line Results FY2018

- Provides earnings information (managerial) for each line of business, considering expanding business portfolio other than engineer staffing
- Engineers totaled 17,666: 16,797 in Japan, 869 in other countries

(JPY in millions, except headcounts and sales per head)

	Engineer staffing (Japan, two subsidiaries)			Others (Japan)			Others (overseas)			HQ expenses & Consolidation adj., etc.			Consolidated		
	FY2017 (Actual)	FY2018 (Actual)	YOY	FY2017 (Actual)	FY2018 (Actual)	YOY	FY2017 (Actual)	FY2018 (Actual)	YOY	FY2017 (Actual)	FY2018 (Actual)	YOY	FY2017 (Actual)	FY2018 (Actual)	YOY
Revenue	96,862	108,626	+12.1%	3,406	6,743	+98.0%	754	2,200	+191.7%	(927)	(1,039)	-	100,095	116,530	+16.4%
Operating profit (OP)	13,580	16,084	+18.4%	350	691	+97.4%	(17)	128	-	(4,265)	(5,664)	-	9,647	11,239	+16.5%
OP margin	14.0%	14.8%	-	10.3%	10.2%	-	(2.3%)	5.8%	-	-	-	-	9.6%	9.6%	-

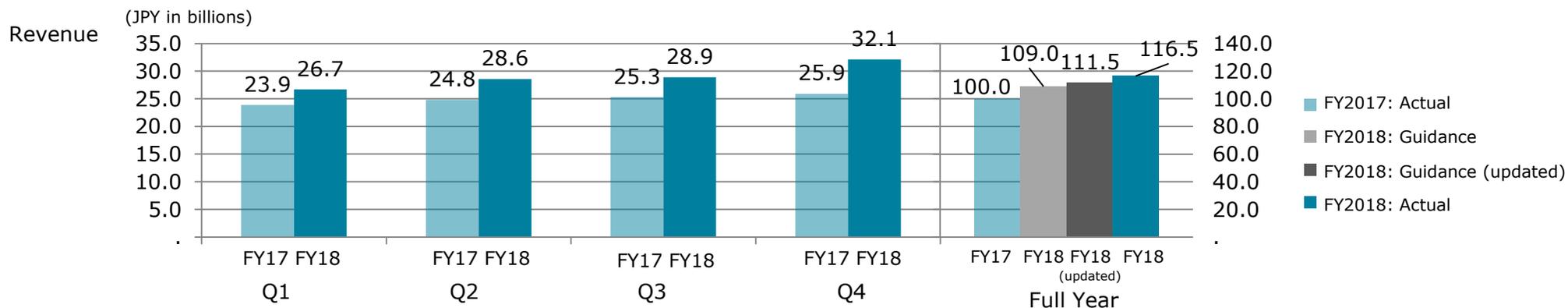
													Consolidated (excl. overseas)		
No. of engineers	14,233	16,183	+13.7%	113	614	+443.4%	-	-	-	-	-	-	14,346	16,797	+17.1%
Non-Japanese	550	756	+37.5%	0	0	-	-	-	-	-	-	-	550	756	+37.5%
No. of engineers (overseas)	-	-	-	-	-	-	250	869	247.6%	-	-	-	-	-	-
Utilization rate	95.3%	95.7%	-	-	-	-	-	-	-	-	-	-	95.3%	95.7%	-
Sales per head (JPY in thousands)	626	630	-	-	-	-	-	-	-	-	-	-	-	-	-

* Amounts are rounded down to the nearest unit.

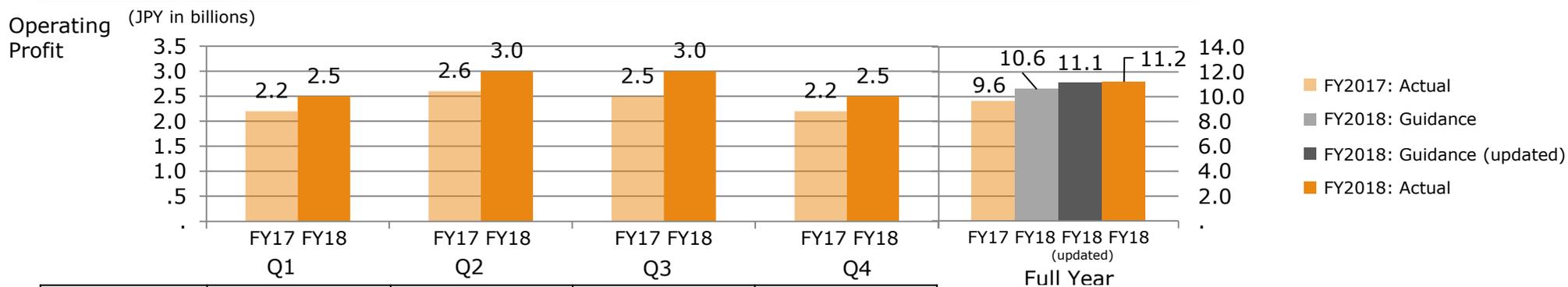
- *Engineer staffing* includes TechnoPro, Inc., TechnoPro Construction
- Earnings in *Others (Japan)* includes TechnoPro Careers, Pc Assist, ON THE MARK, TechnoPro Embedded (absorbed to TechnoPro, Inc. on Oct. 1, 2017), Boyd & Moore Executive Search, EDELTA, PROBIZMO, Techno Live
- *No. of engineers* in *Others (Japan)* includes ON THE MARK, TechnoPro Embedded, EDELTA, PROBIZMO, Techno Live
- *Other (overseas)* includes TechnoPro China, Helius Technologies
- *HQ expenses & Consolidation adj., etc.* includes TechnoPro Holdings, TechnoPro Smile, consolidation adjustment

Quarterly Performance

- Revenue increased JPY 16.4 billion compared to FY2017, exceeded updated guidance announced on February 2, 2018 by 4.5%
- Operating Profit increased JPY 1.59 billion compared to FY2017, exceeded updated guidance announced on February 2, 2018 by 1.2%



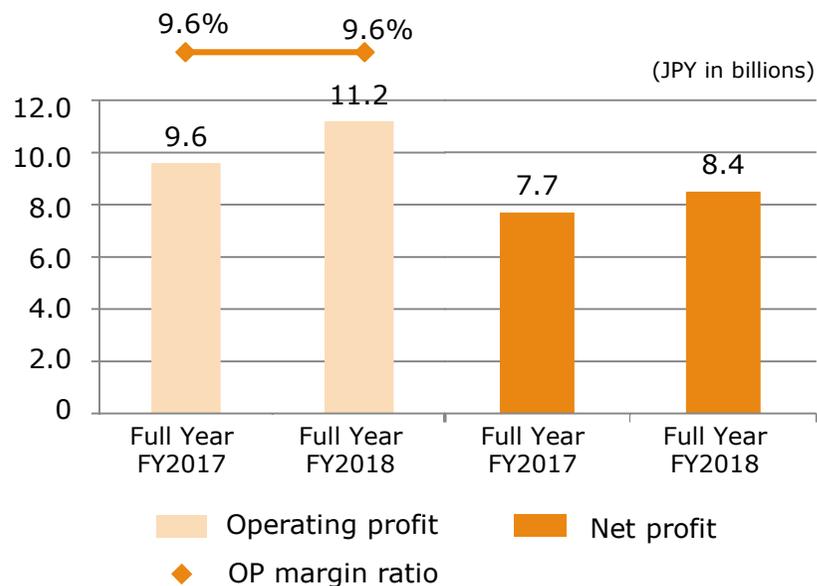
Composition %	24%	23%	25%	25%	25%	25%	26%	28%	
YOY	11.5%		15.4%		14.3%		24.0%		16.4%



Composition %	23%	22%	27%	27%	26%	28%	23%	23%				
OP ratio	9.4%	9.4%	10.6%	10.6%	9.9%	10.7%	8.6%	8.1%	9.6%	9.7%	10.0%	9.6%
YOY	11.0%		15.3%		23.5%		15.7%		16.5%			

* Amounts are rounded down to the nearest unit.

P&L Summary



[Account classification change]

Both gross profit and SG&A increased by JPY 830 million (ratio to revenue up 0.7%)

(JPY in millions, amounts are rounded down to the nearest unit)

	Full Year FY2017	Full Year FY2018	Classification Change Adj.
Gross profit (GP)	23,435	29,475	28,644
GP margin	23.4%	25.3%	24.6%
SG&A expenses	13,872	18,237	17,406
Ratio on revenue	13.9%	15.7%	14.9%

† Includes recruiting/training expenses (incl. expenses for new graduates), IT systems investment, M&A related expenses, PPA amortization, etc.

(JPY in billions)	Full Year FY2017	Full Year FY2018	Diff. YOY	YOY (%)
Revenue	100.0	116.5	+16.4	+16.4%
Impact of engineer increase (two subsidiaries)			+11.1	
Impact of unit sales price increase (two subsidiaries)			+0.6	
Contribution from M&As in FY2018			+4.6	
CoGs	76.6	87.0	+10.3	+13.6%
Ratio to revenue	<u>76.6%</u>	<u>74.7%</u>	(1.9pt)	
Gross profit	23.4	29.4	+6.0	+25.8%
Ratio to revenue	<u>23.4%</u>	<u>25.3%</u>	+1.9pt	
Impact of account classification change			+0.7pt	
Impact of utilization rate rise			+0.4pt	
Others (other than engineer staffing)			+0.8pt	
SG&A	13.8	18.2	4.3	+31.5%
Ratio to revenue	<u>13.9%</u>	<u>15.7%</u>	+1.8pt	
Impact of account classification change			+0.7pt	
Others†			+1.1pt	
Other income – Other expenses	0	0	0	
Operating profit	9.6	11.2	+1.5	+16.5%
Financial income	0	0	+0	
Financial expenses	0	0.1	+0	
Net profit before income taxes	9.5	11.1	+1.6	+16.8%
Corporate / income taxes	1.8	2.6	+0.8	
Net Profit	7.7	8.4	+0.7	+10.1%

* Amounts are rounded down to the nearest unit.

Balance Sheet & Cash Flow

- Total equity increased JPY 15.2 billion compared to the end of previous year, including JPY 12.3 billion proceeds from new share issuance on March 22, 2018
- PPA[†] increased JPY 2.3 billion from the end of previous year
- FY2018 consolidated balance sheet does not include TOQO.Co.Ltd, whose acquisition announced on June 29, 2018

(JPY in billions)

June 2017

Cash & cash equivalents 13.3	Debt 16.2
Goodwill 29.5	Other liabilities 26.3
Deferred tax assets 3.6	
Intangible assets (PPA) 0.6	Total equity 27.6
Other assets 23.1	

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%

† PPA (Purchase Price Allocation): An operation allocating the purchase price to the assets and liabilities of the acquired company at fair value in the acquirer's consolidated balance sheet

††, ††† Includes non-controlling interests

TECHNOPRO

June 2018

Cash & cash equivalents 21.6	Debt 11.6
Goodwill 34.4	Other liabilities 33.7
Deferred tax assets 3.9	
Intangible assets (PPA) 2.9	Total equity 42.9
Other assets 25.4	

Total assets
88.2

Total liabilities & equity
88.2

D/E ratio^{††}: 0.3 x
Net D/E ratio^{†††}: (0.2 x)
Net worth ratio: 48.7%

* Amounts are rounded down to the nearest unit.

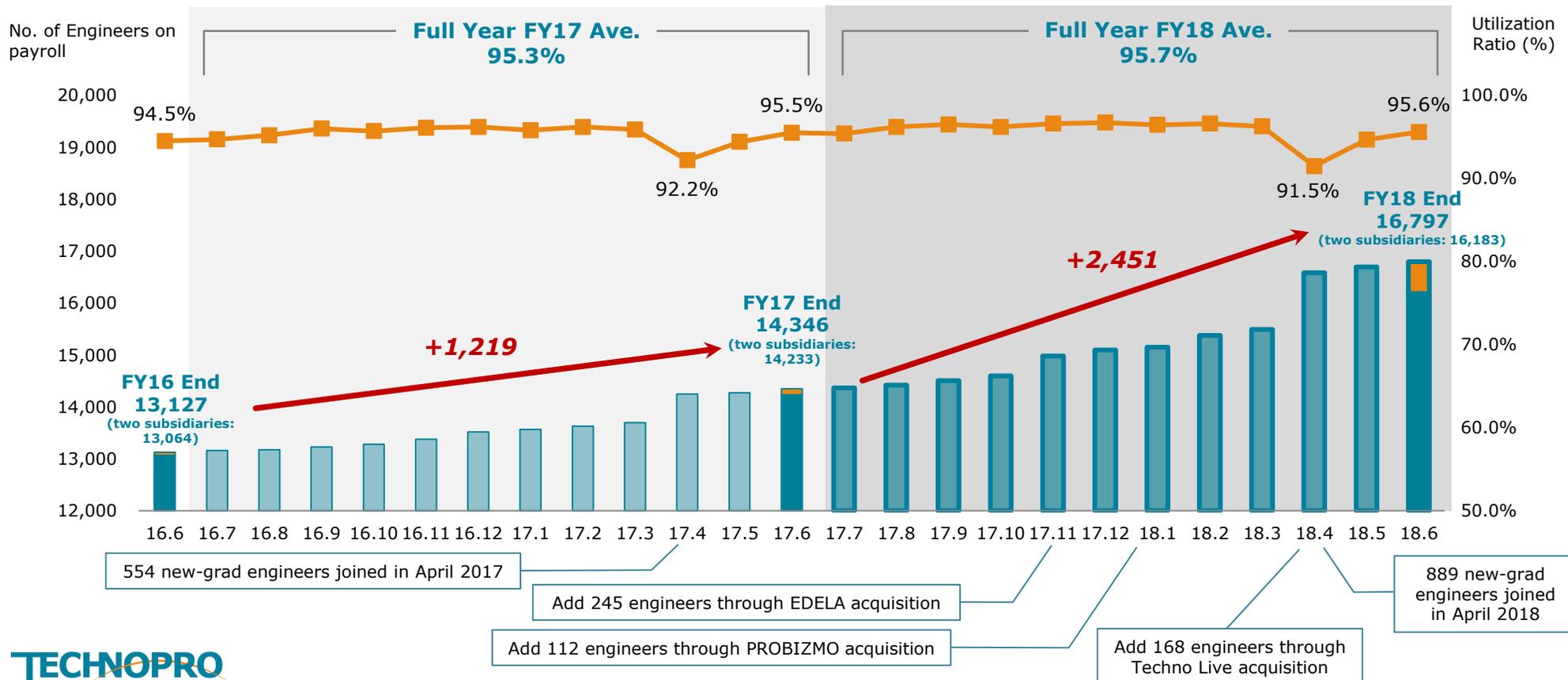
June 2018 Cash Flow

• Operating CF	10.7
• Investing CF	(5.3)
• Financing CF	2.8
Net CF	8.2

FCF 5.4

Number of Engineers & Utilization Rate: Japan

- In Japan, total engineers on payroll were 16,797 at the end of FY2018 (up 2,451 year-over-year) including 756 non-Japanese engineers (up 206 year-over-year)
- Employed 16,183 at two engineer staffing companies (TechnoPro, Inc. and TechnoPro Construction, Inc.)
- Average utilization rate of 95.7% for FY2018 (up 0.4% year-over-year)
- Employed 869 engineers at locations outside Japan (excluded from figures in this slide)

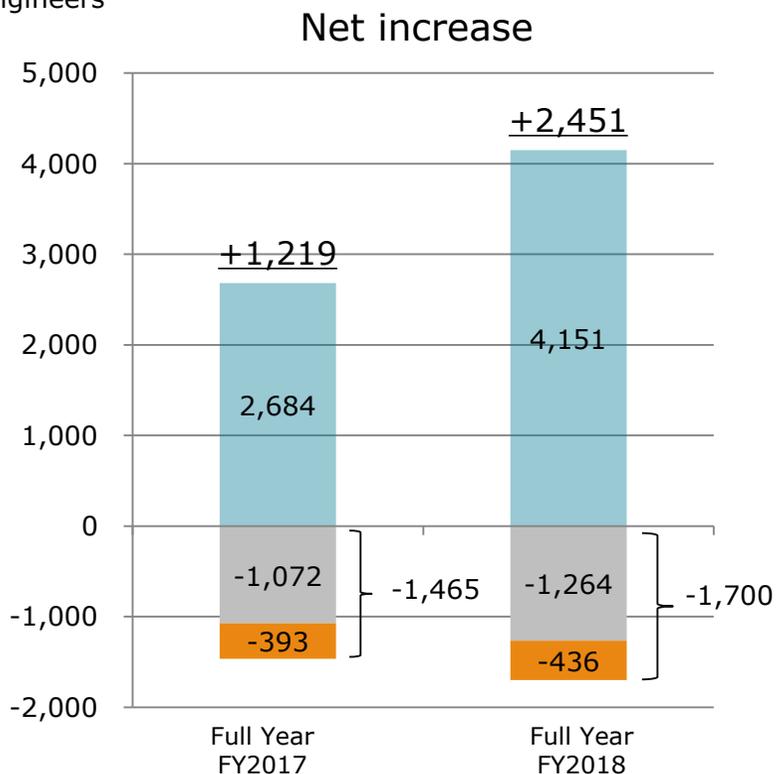


Recruitment/Turnover: Japan

- Hired 4,151 engineers (up 54.7% year-over-year)
- Turnover rate (full-timers) for FY2018: 8.1% (FY2017: 7.9%)

(Difference / % YOY)

No. of Engineers



Hired 4,151 (+1,467 / +54.7%)

Added 245 engineers through EDELTA acquisition
 Added 112 engineers through PROBIZMO acquisition
 Added 168 engineers through Techno Live acquisition
 [Total engineers acquired through M&A: 525]

Turnover (full-timers) 1,264 (+192 / +17.9%)

Contract terms matured, others 436 (+43 / +10.9%)

[Turnover Trend]*

	FY2017				FY2018			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Quarterly	8.4%	6.6%	9.3%	7.2%	9.0%	7.0%	9.4%	7.6%
YTD	—	7.5%	8.1%	7.9%	—	7.9%	8.5%	8.1%

*Correction made to previous figures

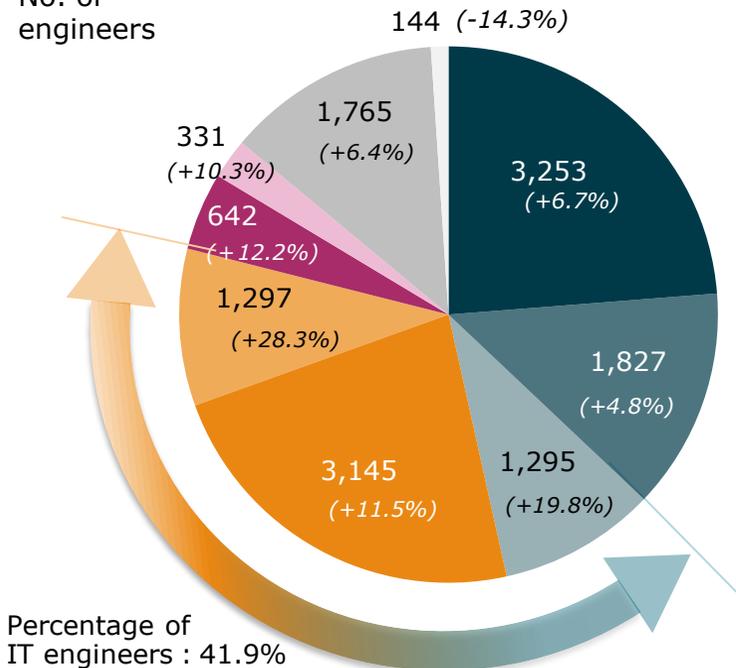
Assigned Engineers by Technology: Japan

- Number of assigned engineers* increased in all technologies
- Strong demand for IT engineers continued
- Engineers increased in software development driven by acquisition of EDELTA and PROBIZMO, Techno Live employs both mechanical/electrical engineers and IT engineers

End of June 2017

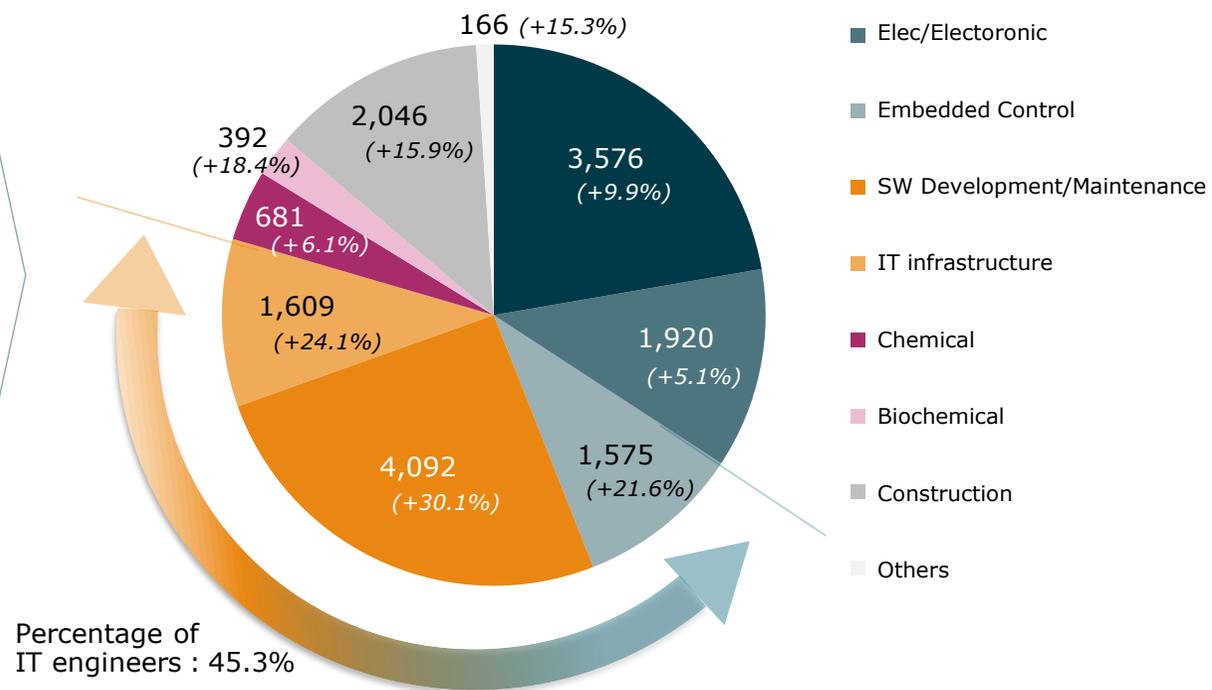
Assigned engineers: 13,699

No. of engineers



End of June 2018

Assigned engineers: 16,057

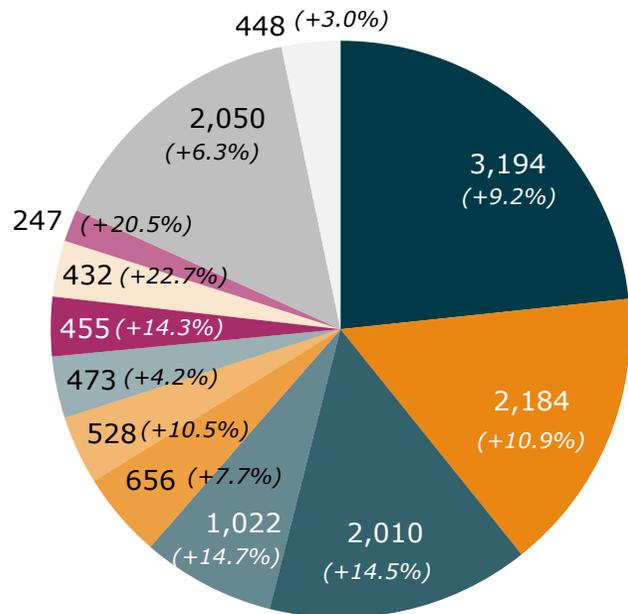


* Figures indicate assigned engineers at the end of month.
 ** Figure in parenthesis indicates % change.

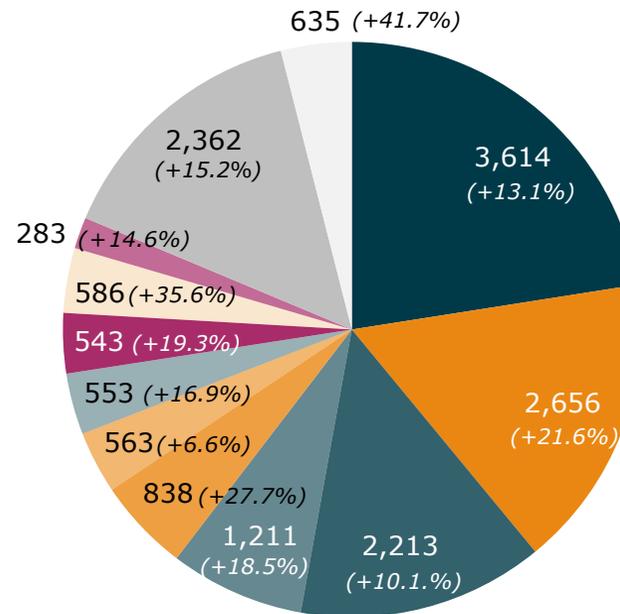
Assigned Engineers by Industrial Sectors: Japan

- Number of assigned engineers* increased in all industrial sectors

End of June 2017
Assigned engineers: 13,699



End of June 2018
Assigned engineers: 16,057



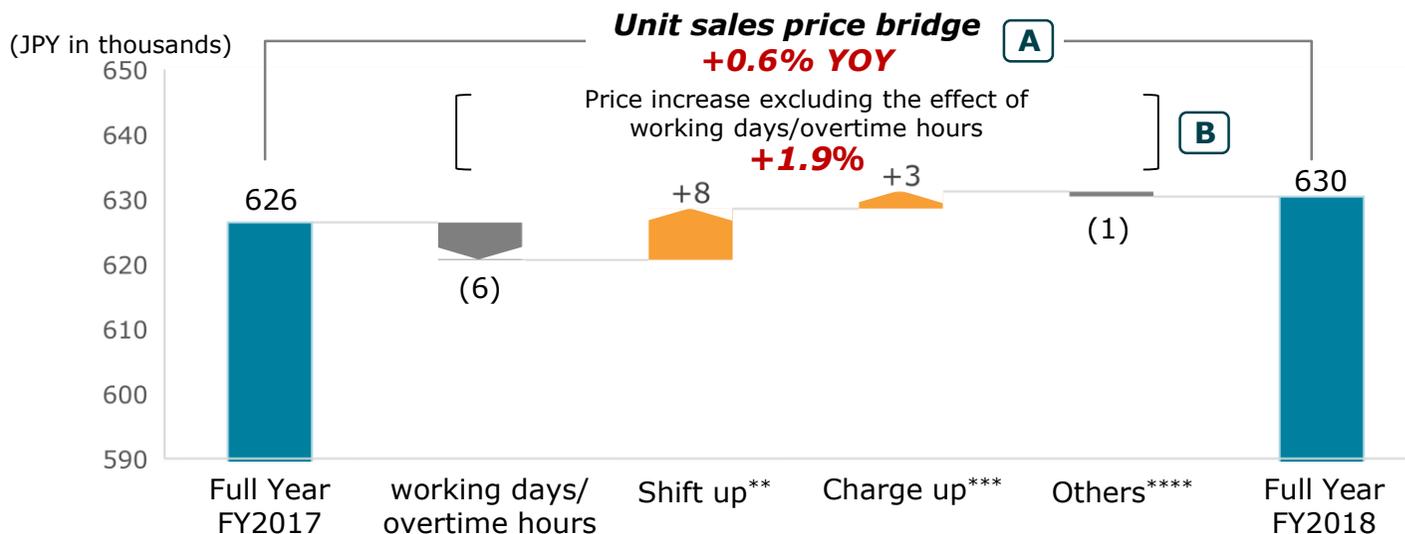
- Transportation Equipment
- IT
- Industrial Machinery
- Elec/Electronic
- Electricity/Gas/Public
- Consumer
- Medical Device
- Material
- Financial and Securities
- Pharmaceutical and Chemical
- Construction and Plant Eng.
- Others

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

Unit Sales Price

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

- Unit sales price* increased 0.6% (up JPY 3,900/month year-over-year) to JPY 630,000
- Decreased JPY 6,000/month year-over-year due to fewer working days (down 1.1 days/year) and shorter overtime hours (down 0.1 hours/day)
- Increased JPY 8,000/month by shift up** and JPY 3,000/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				FY2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Unit Price (year-to-date)	617	623	626	626	620	629	629	630
YOY A	+0.1%	+0.4%	+0.1%	+0.6%	+0.5%	+1.1%	+0.6%	+0.6%
Price increase of engineers on assignment [†] (excluding impact from working days/overtime hours) B	+2.6%	+2.6%	+2.6%	+2.8%	+2.7%	+2.6%	+2.7%	+1.9%

† Below table indicates figures calculated by comparing unit price at the end of period

Price increase of engineers on assignment (excluding impact from working days/overtime hours)	+2.8%	+2.8%	+2.7%	+2.9%	+3.0%	+2.8%	+2.7%	+3.0%
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Amounts are rounded off to the nearest unit.

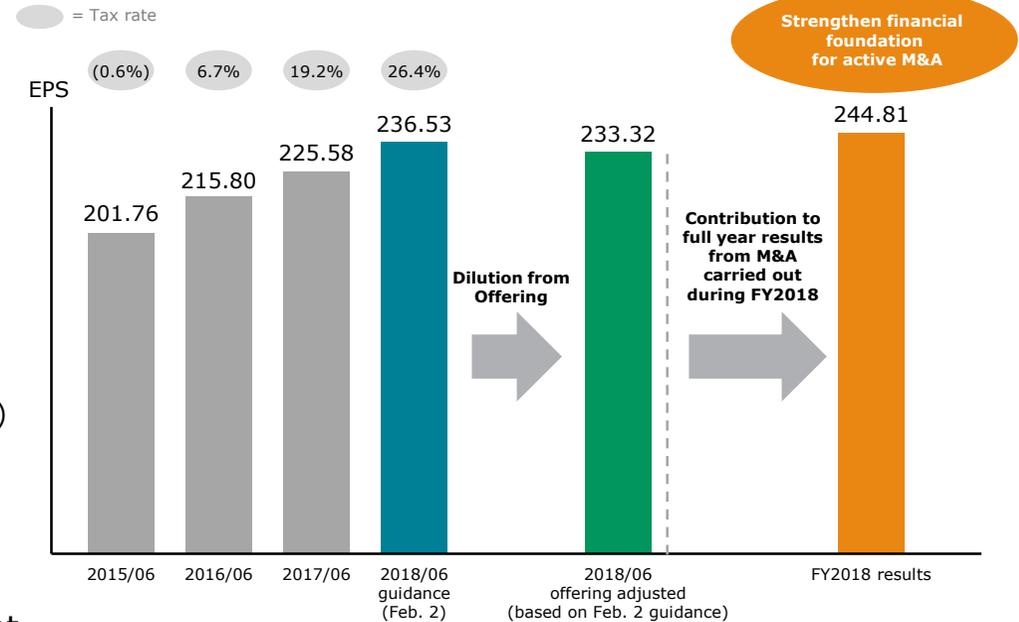


New Share Issuance Overview [announced on March 22, 2018]

[Issuance Overview]

- Shares offered: 2,000,000 shares of common stock
- Offer Price: JPY 6,439 per share
- Underwriting value: JPY 6,165 per share
- Net proceeds from offering: JPY 12,330 million
- Discount rate: 6.00%
(Calculation base date and price: JPY 6,850 as of March 22)
- Closing date: Friday, April 6, 2018
- Purpose: To spend approx. JPY 9.0 billion to redeem a part of the outstanding borrowings utilized for M&A; remaining amount to be used for IT systems investment

<EPS* Growth>



* Calculates EPS using the average number of outstanding shares during the period

Achieved growth exceeding guidance (EPS: JPY 236.53, DPS: JPY 118.3) announced on February 2, 2018 prior to the issuance

Strengthen financial foundation to promote active and swift M&A

FY2019 Guidance

- For FY2019, expects 15.9% growth in revenue, 20.1% growth in operating profit compared to FY2018 results
- Maintaining good performance momentum with stable growth in engineer staffing business, underpinned by full-year contribution from acquired companies during FY2018 period
- Guidance excludes possible impact from further M&As in the future; provides financial results for each business line quarterly

(JPY in millions, except per share amounts)

	Full Year FY2017	Full Year FY2018		Full Year FY2019	
	Actual	Actual	YOY	Guidance	YOY
Revenue	100,095	116,529	+16.4%	135,000	+15.9%
Gross profit (GP)	23,435	29,475	+25.8%	34,000	+15.4%
<i>GP margin</i>	23.4%	25.3%		25.2%	
SG&A expenses	13,872	18,237	+31.5%	20,500	+12.4%
<i>Ratio on revenue</i>	13.9%	15.7%		15.2%	
Operating profit (OP)	9,647	11,238	+16.5%	13,500	+20.1%
<i>OP margin</i>	9.6%	9.6%		10.0%	
Profit before income taxes	9,559	11,163	+16.8%	13,500	+20.9%
Net profit**	7,717	8,498	+10.1%	8,900	+4.7%
Net profit per share	225.58	244.81	–	245.49	–
Dividend per share (Plan)	112.79	120.00	–	123.00	–
Interim dividend (Plan)	50.00	50.00	–	50.00	–

KPI	Full Year FY2016 (Actual)	Full Year FY2017 (Actual)	YOY	Full Year FY2018 (Guidance)	YOY
Engineers (year end)	14,346	16,797	+17.1%	18,000 or more	+7.2% or higher
Utilization rate	95.3%	95.7%	0.4pt	95-96%	–

* Amounts are rounded down to the nearest unit.

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

Dividend Forecast

- Expects more than 50% dividend payout ratio and annual dividend of 123.00 yen per share
- 1.69% expected dividend yield, based on the closing price of July 27, 2018 (JPY 7,280/share)

(JPY/share)

	FY2019
Interim dividend (forecast)	50.00
Year-end dividend (forecast)	73.00
EPS (forecast)	245.49
Payout ratio	50%

Strategic framework for long-term value creation
- Progress and Outlook -

Sustainable Growth for a Bright Future

July 31, 2018

Basic Policies of the New Medium-Term Management Plan (repost)

Five years, from FY06/18 to FY06/22

(We expect to be flexible in revising the plan, at around three years, based on Company performance and the operating environment.)

We aim to be a “global human resource services company with technology at its core.”

(Expand the business domain)

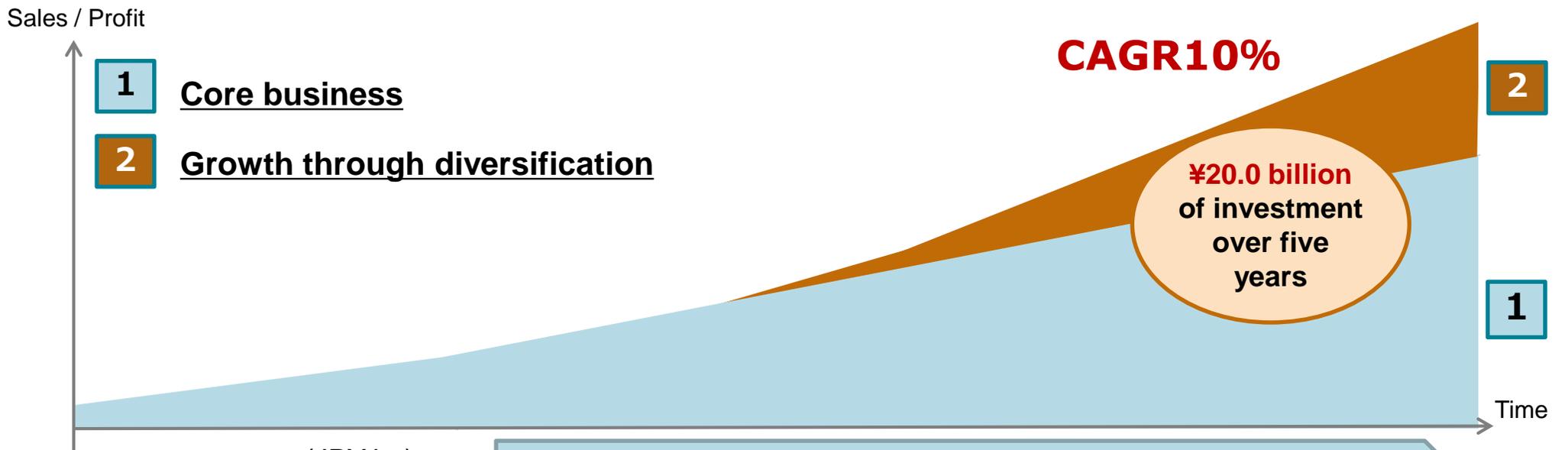
Look ahead toward long-term increases in corporate value 10 years hence

Cultivate engineers and support their transition from maturing and declining industries to growth industries without loss of employment

Management Targets (repost)

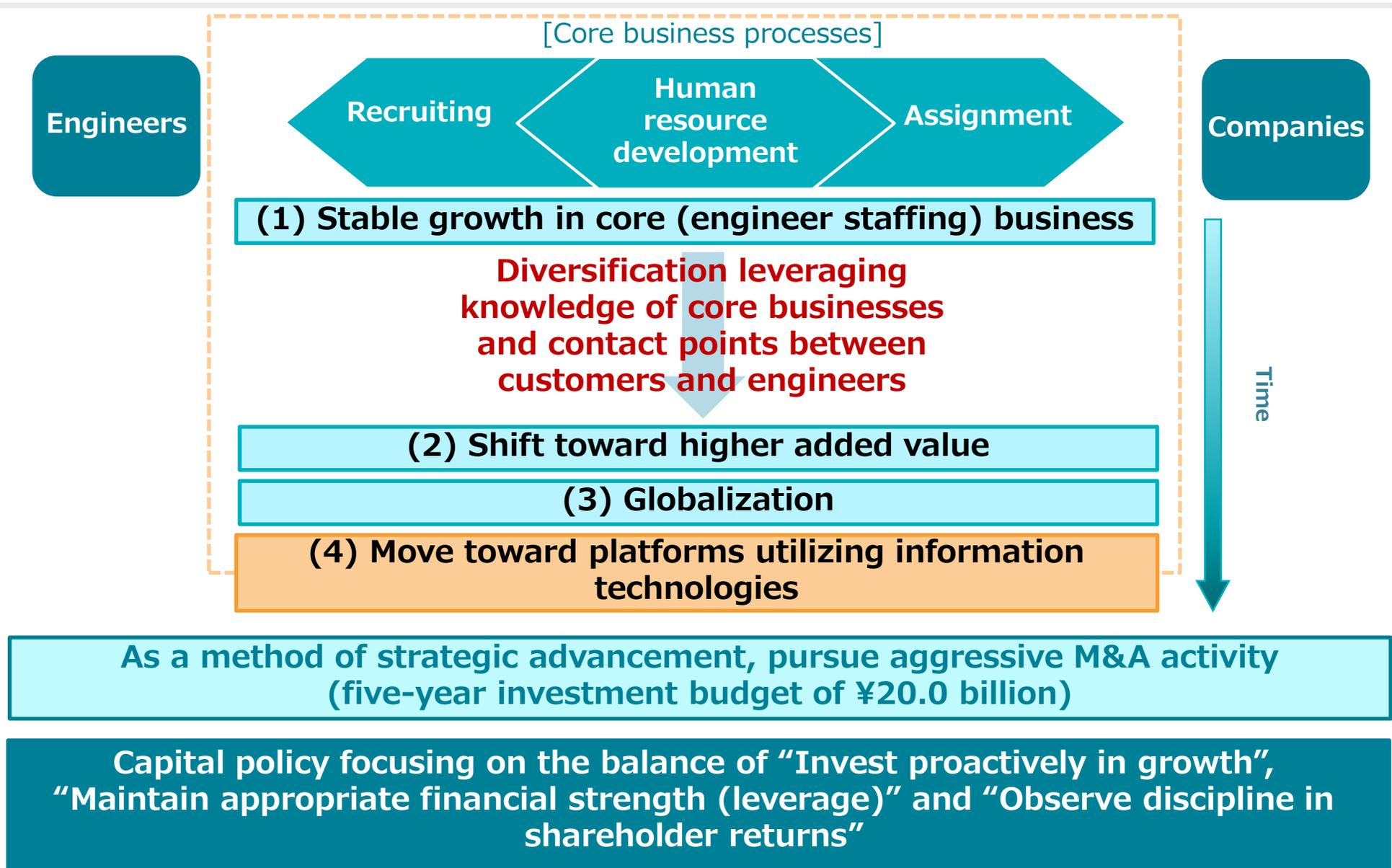
□ Position five-year period as time to build foundations for 10 years into the future

<Current Medium-Term Management Plan>



(JPY bn)	FY06/16	FY06/17	FY06/18	-	FY06/20	-	FY06/22	CAGR
Sales	90.3	100.0	109.0		135.0		160.0 or more	10% or more
Operating profit	8.5	9.6	10.6		13.5		17.0 or more	12% or more
Net profit	7.4	7.7	7.6		9.0		11.0 or more	7% or more
ROE*	32%	30%			20% or more			

Developing Our Growth Strategy (repost)



2. Progress of Medium-Term Management Plan

(JPY100 million, except headcounts and sales per head)

	FY06/17	FY06/18	FY06/20	FY06/22	CAGR
	(Actual)	(Plan)	(Plan)	(Plan)	5 years
Revenue	1,000	1,090	1,350	1,600	10%
Operating Profit	96	106	135	170	12%
Net Profit	77	76	90	110	7%
ROE*	30%	20%+		-	-
Sales per head (JPY in thousands)	626**	635	644	655	1%
Number of Engineers	14,346	15,400	17,600	19,600	6%

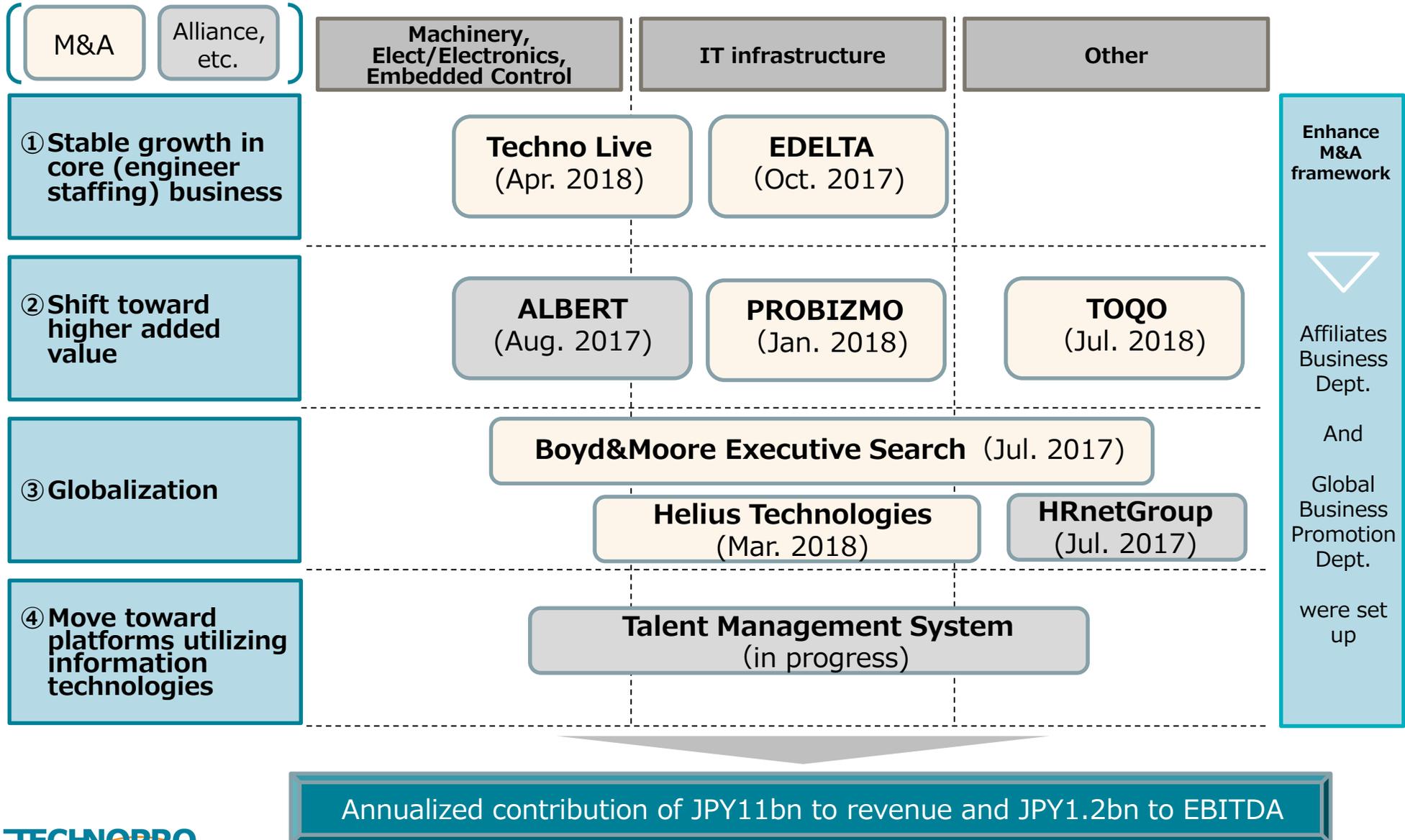


FY06/18	YoY%	FY06/19	YoY%
(Actual)		(Guidance)	
1,165	16%	1,350	16%
112	16%	135	20%
84	10%	89	6%
24%	-	21%	-
630**	1%	-	-
16,797	17%	18,000+	7%+

* FY06/19 is based on the BS at the beginning of the FY, others are based on the average BS amount of the beginning and the end of FY

** TechnoPro + TechnoPro Construction

2. Progress of Medium-Term Management Plan – M&A/Alliance



(1) Stable Growth in Core (Engineer Staffing) Business (repost)

Enhancing Our Ability to Acquire Engineers, a Driver of Growth

Strengthening New Graduate Recruiting

Recruiting in FY06/17



By FY06/22, shift to a system capable of recruiting **800** new graduates

(Maintain the current level of mid-career hires)

Strengthen M&A as a substitute for recruiting

Cultivate new recruiting segments

- Non-Japanese nationals, inexperienced personnel + cultivation...

Recruitment agency business operator initiatives and alliances

- Boyd & Moore, HRnetGroup...



Strengthen the Foundations for Human Resource Cultivation

- Strengthen inter-Group ties
- Build IT platforms
- Increase sophistication of human resource development content
- Enhance the PDCA cycle

Pc Assist

TechnoPro Learning

Alliance partners

① Stable growth in core (engineer staffing) business

Acquisition of EDELTA

- System integrator based in Tokyo and Yokohama
- Engineers: 240+ (Average age: 35)
- Revenue per engineer: JPY640,000/month
- Acquire IT engineers as growth driver

Acquisition of Techno Live

- Developing staffing business in diverse fields such as machinery, electricity/electronics and IT in Hiroshima and Tokyo
- Engineers: approx. 170
- Employs numerous engineers with high-potential in embedded systems, CAE analysis and other fields

Promote business acquisition from peers

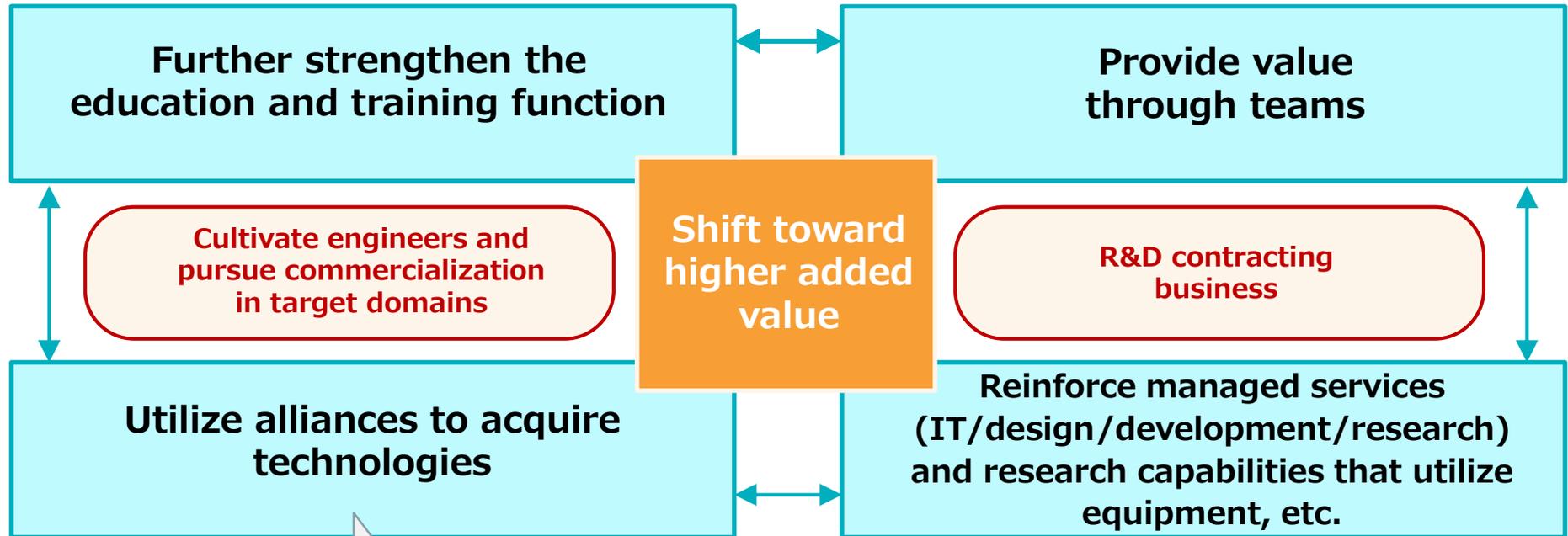
- Acquired IT Helpdesk business from a system engineer staffing company based in Yokohama (Feb. 2018)
- Acquired network business from a system operator based in Ehime (Nov. 2017)

Increase in new grads Enhanced talent development

- 889 new graduates were hired in Apr. 2018 (+335 YoY)
- Enhance "IoT system development practical training", "AI programming practical training", "CATIA V5 seminar", etc. by Win School (Pc Assist)

(2) Shift toward Higher Added Value (repost)

Transition to a Group of Engineers That Provides Higher-Added-Value Solutions



Cases of Initiatives Underway

dSPACE (model base development)

Toyohashi University of Technology
(neuroscience collaborative research)

O2 (technical consulting)

Keio University (drone technologies) ...

② Shift toward higher added value

Acquisition of PROBIZMO

- Operates IT-related contracting business based in Shimane, Tokyo, Tottori and Osaka
- Engineers: approx. 120 (Average age: 33)
- Expand **Web application development contract**, leveraging its **near-shore** feature
- **Collaborate with** TechnoPro's **R&D offices** and foster **project managers**

Acquisition of TOQO

- Operates survey, seismic diagnosis, design and supervision in building renewal area
- Promote **diversification/value-add** to building construction supervision, the main service in construction area
- **Expand TechnoPro's IT Development Center** leveraging the expertise of structural design 1st class architects and 1st class architects

Investment in O2 Group

- More transactions with O2 Group
 - Provide training for more technical consulting engineers
- Investment in AI (ORGENIUS) led by LIGHTz
 - Train talents
 - **To provide AI solution together**
- Bring the Solution business to the next level

Business alliance with ALBERT

- **Data scientist training**
 - Trained 80 data scientists so far
 - Talent development training and OJT in actual project
- Also collaborate in client development and recruitment

③ Globalization

- Expand global footprint, in addition to the operational base in China (TechnoPro China Group) to:

Support overseas bases of Japanese companies

Increase utilization of non-Japanese nationals



Acquisition of Helius Technologies

- ✓ Delivers engineer staffing services in Singapore, India and Malaysia
- ✓ Engineers: approx. 600
- ✓ Expand offshore development service in India

Acquisition of Boyd&Moore Executive Search

- ✓ High-end talent search company mainly for IT companies based in Tokyo, India and Singapore
- ✓ Enhance engineer staffing to TechnoPro customers and talent acquisition capability of TechnoPro

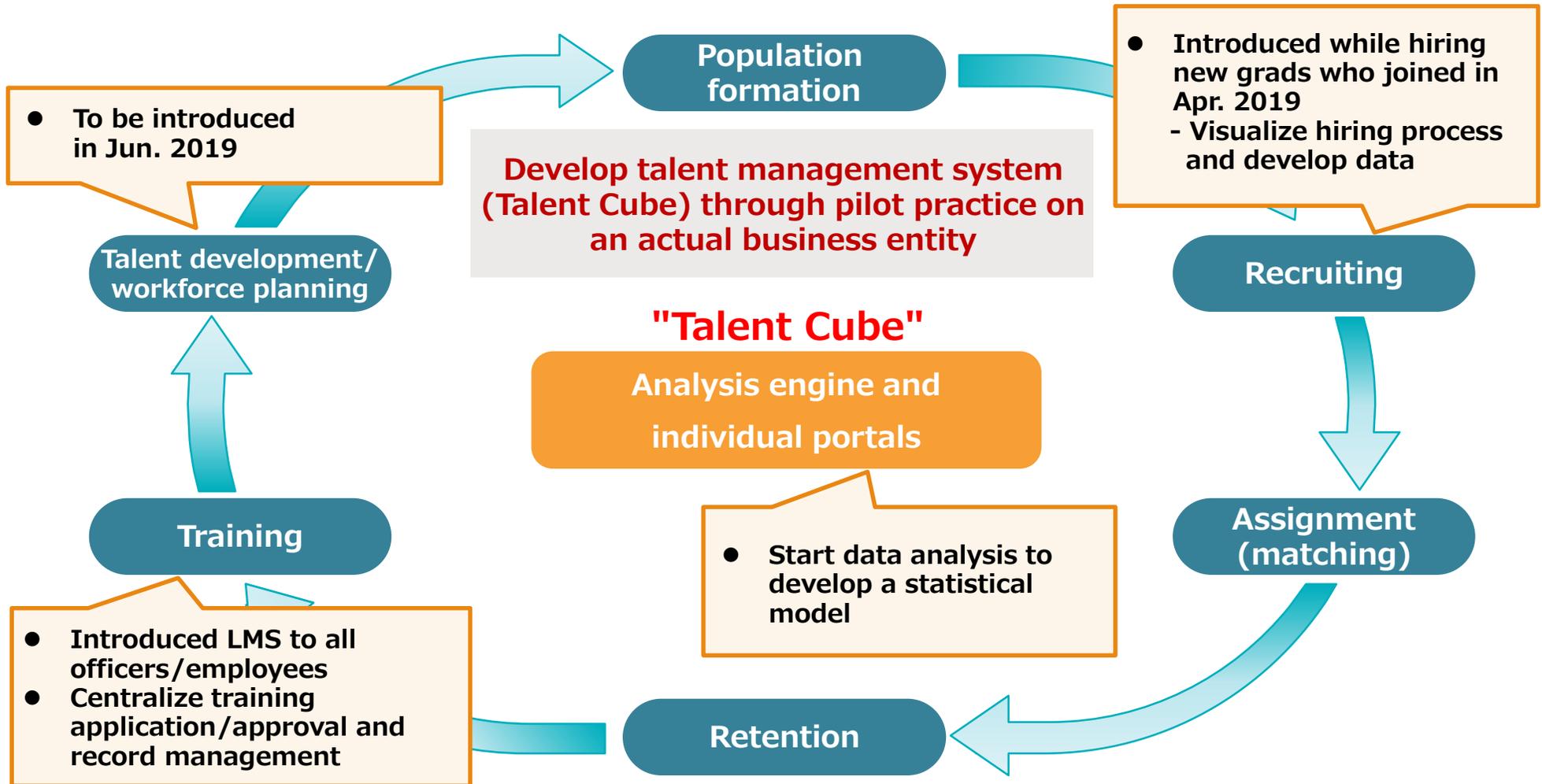
	FY06/15 (Actual)	FY06/18 (Actual)	FY06/22 (Target)
Number of non-Japanese engineers	315	756	1,500

Increase in non-Japanese engineers



④ Towards platforms utilizing IT

Arm core business with IT
Promote HR services to meet companies' and engineers' needs



3. Future outlook

- FY06/20 target – to be almost achieved 1 year ahead of plan



- Medium-term Management Plan – may be revised earlier, aligning with the progress of growth strategy

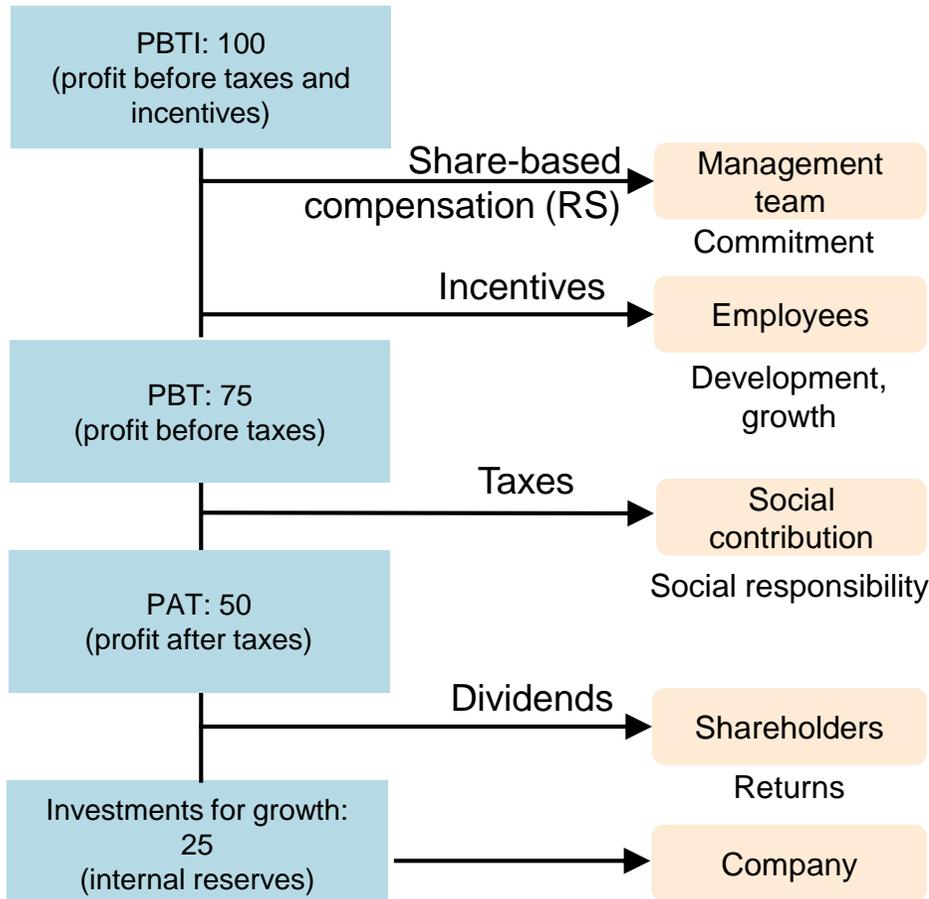
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IV : Appendix	39

Capital Policy: Shareholder Returns

Value Distribution Policy

- To achieve sustainable, long-term growth, we share value equally among stakeholders (Figures are for reference only, $P \approx C/F$)

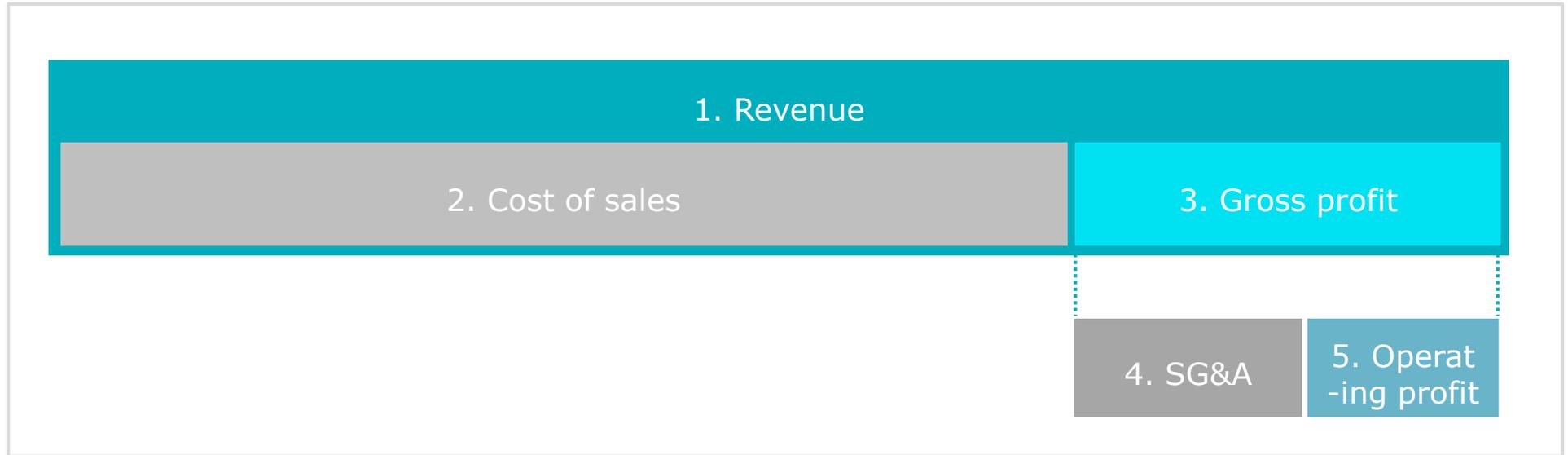


Basic Policy on Shareholder Returns

Maintain a **dividend payout ratio of 50% or more** (reserve buybacks as an option)

Above DOE of 10%

Appendix: Cost Structure



1. Revenue

Total charge to customers

2. Cost of sales

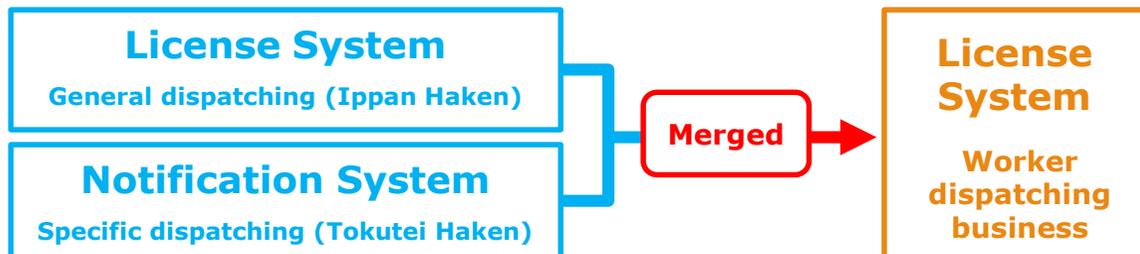
Salary of active engineers/engineers in-waiting, social insurance premium, company housing cost, etc.

4. SG&A

Managerial staff cost, employment of persons with disabilities, education & training cost, recruitment cost, etc.

Appendix: Key Amendments in the Workers Dispatch Law

POINT 1 All operators must have a license



Possible effects on TechnoPro



Positive

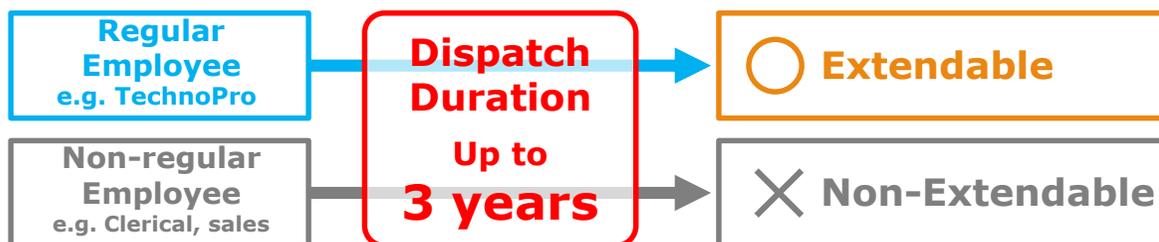
*TechnoPro group companies already meet requirements for the new license system.

*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

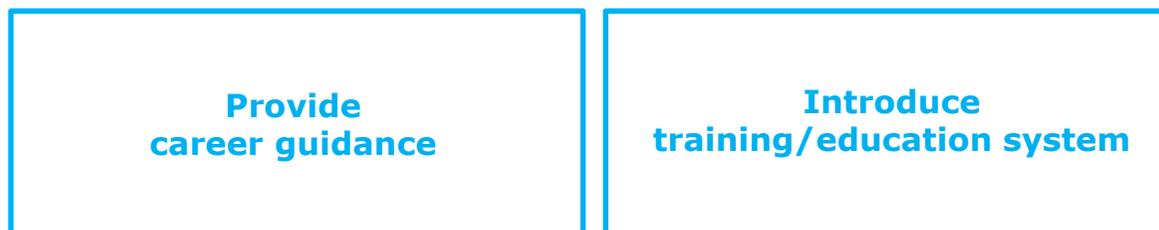


Positive

*Most of TechnoPro engineers are working on indefinite-term(full-time) contracts so they can work with the same client for more than 3 years.

*Even though some construction engineers are working on fixed-term contracts, they are not affected as their project terms is less than 1 year.

POINT 3 Mandatory Career Support for Workers



Possible effect on TechnoPro



Positive

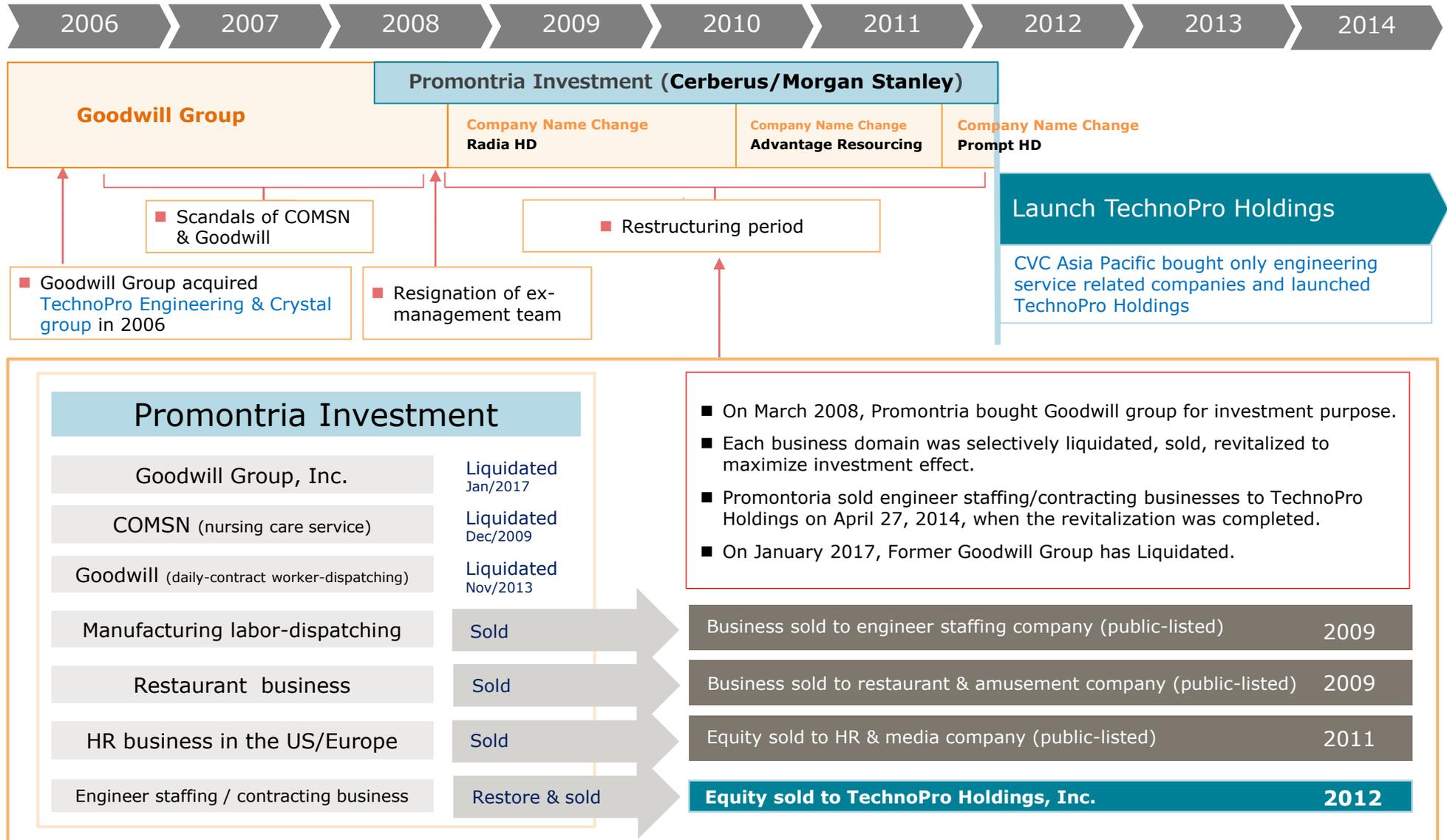
* TechnoPro already has various career support systems.

* We have four TechnoPro Learning training centers.

* We have over 60 Win school, training facilities across Japan.

* Internally we have more than 200 of professional/business training programs.

Appendix: Past background before the Launch of TechnoPro HD



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