Upward Together

2Q of Fiscal Year Ending March 31, 2024

Financial Results

November 13, 2023

UT Group Co., Ltd.

Securities Code: 2146(TSE Prime Market)

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UT Group’s Business Environment and Earnings Forecasts

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Revision of FY3/2024 earnings forecasts due to a delay in demand recovery

- In addition to a delay in earnings progress up to 1H, the current demand trends from 3Q onward are suggesting that it is likely to take some time for a full-fledged recovery.
- We continue to make strategic investments such as building a system for hiring 2,000 employees per month for further business growth.
- Control of costs such as hiring-related expenses and personnel expenses by reviewing personnel plans will not be sufficient enough to compensate for the decline in gross profit caused by sales decline.

[0.1 Billion yen]

	FY3/2023		FY3/2024 Previous forecasts (A)		FY3/2024 Revised forecasts (B)		Increase /decrease (B-A)	Change % (B/A)
	Results	% of net sales	Forecasts	% of net sales	Forecasts	% of net sales		
Net sales	1,706	100.0%	2,000	100.0%	1,690	100.0%	-310	-15.5%
EBITDA*	157	9.2%	164	8.2%	111	6.5%	-53	-32.3%
Operating profit	89	5.2%	144	7.2%	95	5.6%	-49	-34.0%
Ordinary profit	88	5.2%	141	7.1%	93	5.4%	-48	-34.0%
Net profit attributable to UT Group	38	2.2%	90	4.5%	61	3.6%	-29	-32.2%
EPS (yen)	94.92	—	222.98	—	153.93	—	-69.05	-31.0%
Ref) Diluted EPS (yen)	90.18	—	—	—	—	—	—	—

* EBITDA = Operating profit + Depreciation (Property, plant and equipment, and Intangible assets) + Amortization + Stock-based compensation expenses

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Looking back at the middle of the 4th Medium-Term Business Plan

Initiatives until the 4th Medium-Term Business Plan

FY3/2021 Minimize COVID-19 impact by maintaining workplaces and employment

▼ 14% increase of sales by expanding the market share

FY3/2022 Strengthen hiring activities to capture rapid recovery in demand

▼ Monthly average of hires: 1,470 people

FY3/2023 Improve business operations through subsidiaries integration and build an efficient business foundation

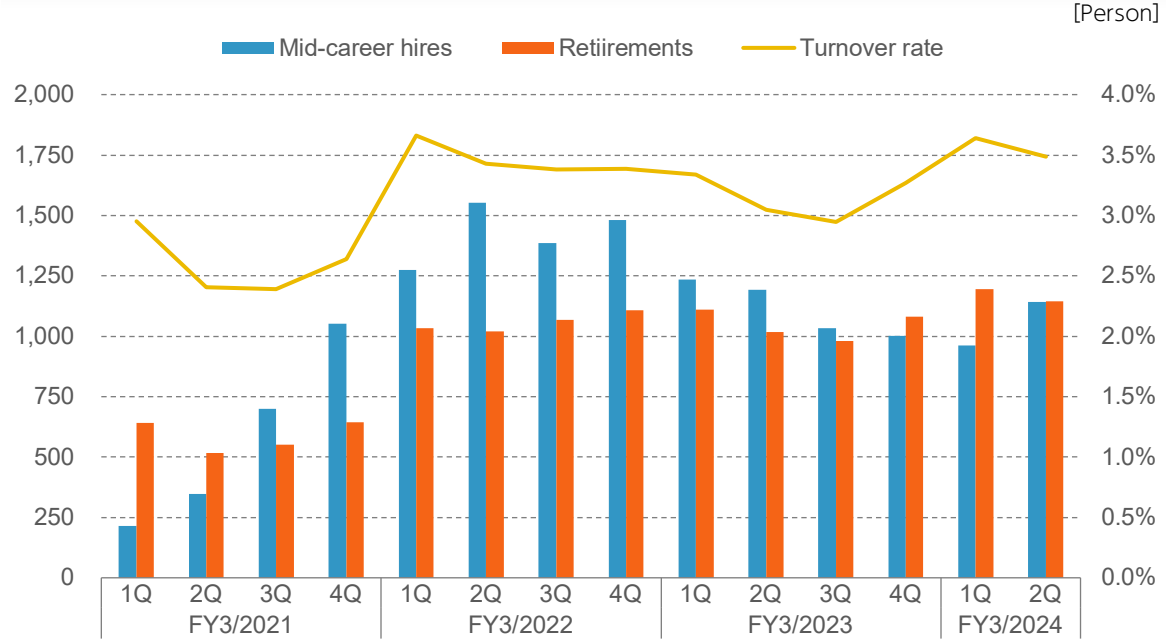
▼ SG&A expense ratio to sales: around 10%

FY3/2024 Rebuild the recruitment process for medium- to long-term growth

Build a hiring system for 2,000 hires a month

Steady strengthening of business base with focus on sustainable growth, while responding to the changing business environment

Changes in mid-career hires (Monthly average) and retirements



The pace of net increase in tech. employees is slowing down due to the current stagnation in demand for additional workers, although the turnover rate remains in the low 3% range

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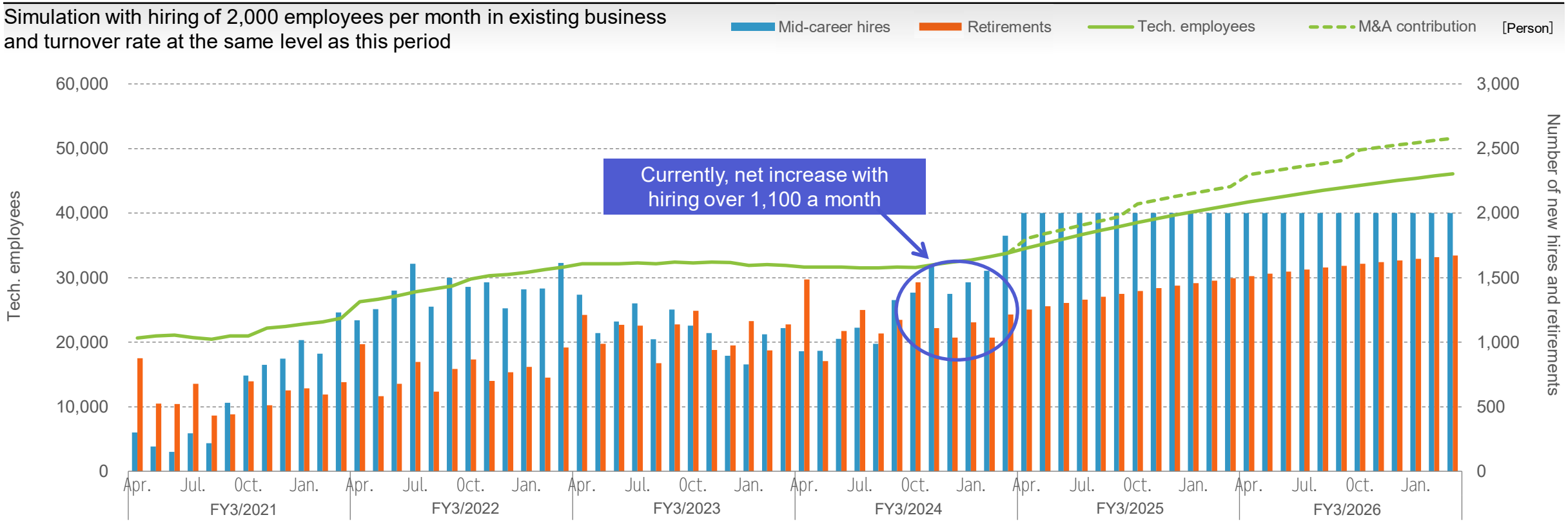
It is possible to achieve the goal with a delay of one year by hiring of 2,000 employees per month and M&As

Simulation with hiring of 2,000 employees per month in existing business and turnover rate at the same level as this period



It is possible to expand to 46,000 people in FY3/2026 with existing businesses alone

Combined with M&As of 3,000 employees per year, 50,000 to 60,000 employees is well within range

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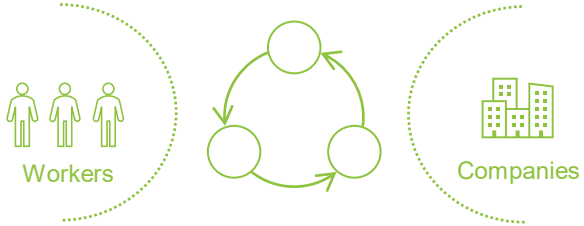
Direction to revise the Fourth Medium-term Business Plan

Raise the convenience of dispatch workstyle and win an overwhelming share in the manufacturing dispatch market

Value provided to workers

Pursue the convenience of dispatch workstyle for workers and offer work opportunities to diverse workers so as to raise their value

Twin Customer Strategy



Develop and provide human resources needed in society

Value provided to clients

Pursue the convenience of dispatch workers for client companies and solve their personnel issues, contributing to improve their productivity

Growth drivers in the remaining period

Strategic investment business from a long-term viewpoint

Manufacturing Business	Area Business	Solution Business	Engineering Business	Overseas Business
Raise the value of workers in manufacturing plants	Meet the needs of local workers	Offer work opportunities to more diverse workers		
Aim at maximizing UT's share in the client workplace by refining its strength in the hiring, retention, and development of employees and the management.	Select target areas, build the area-specific sales and hiring systems, and aim at becoming the "best sales outlet" in each target area.	Each operating company optimizes the strategy, aiming for long-term growth and improvement in profitability.		

Targets: 50,000-60,000 tech employees by the final year of the Business Plan

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FY3/2024 2Q Financial Results

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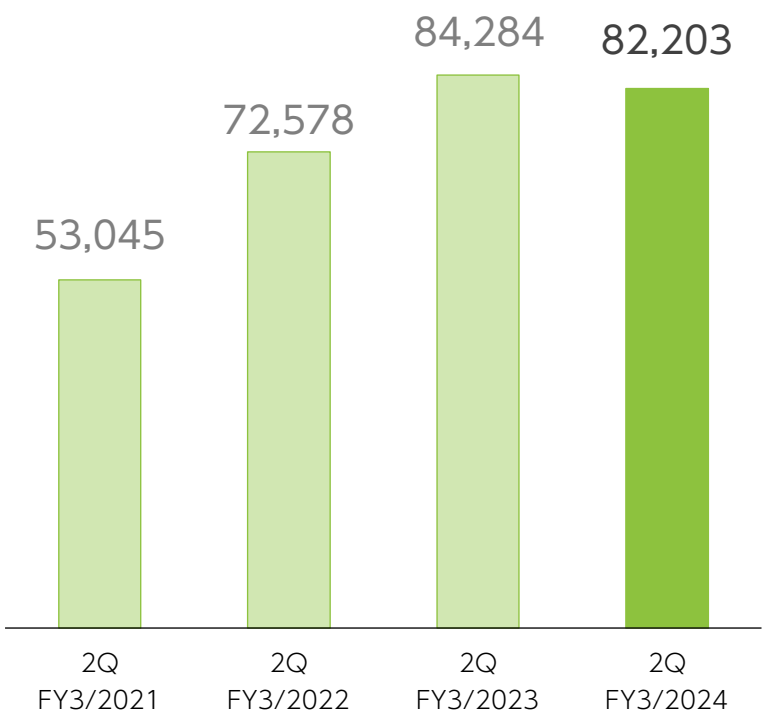
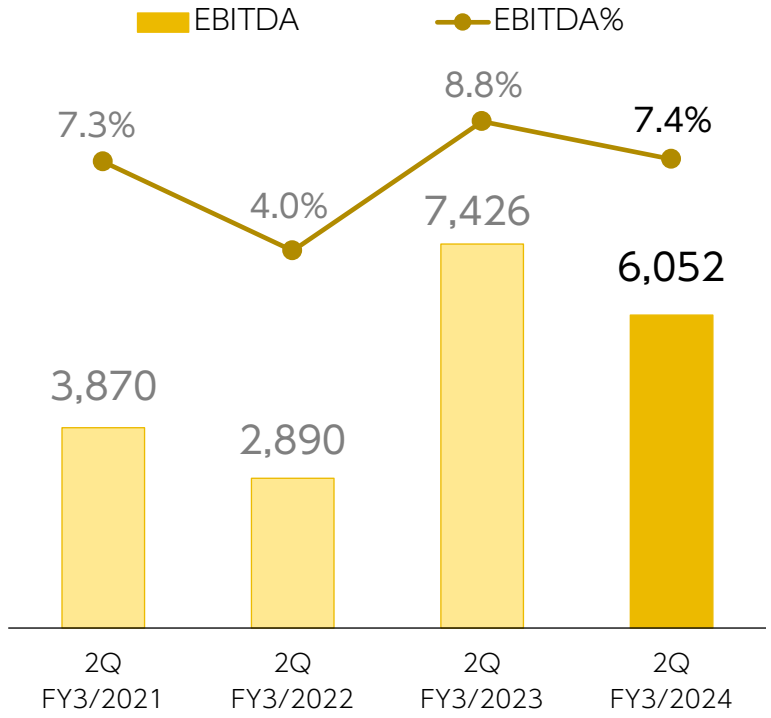
Highlights

- Continued stagnant demand for workers in the manufacturing industry as a whole
- Demand for workers remained sluggish especially in Manufacturing Business
- Continued strategic investments to build a system for hiring 2,000 employees per month for future growth despite curbing cost in line with the stagnant demand

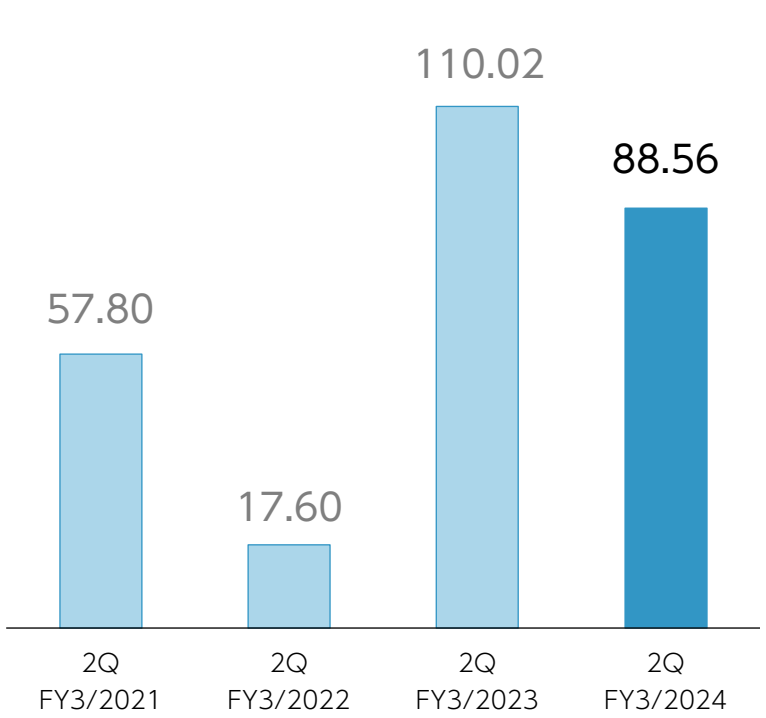
Net sales (Million yen)



EBITDA and EBITDA margin (Million yen)



Net profit per share (EPS) (yen)



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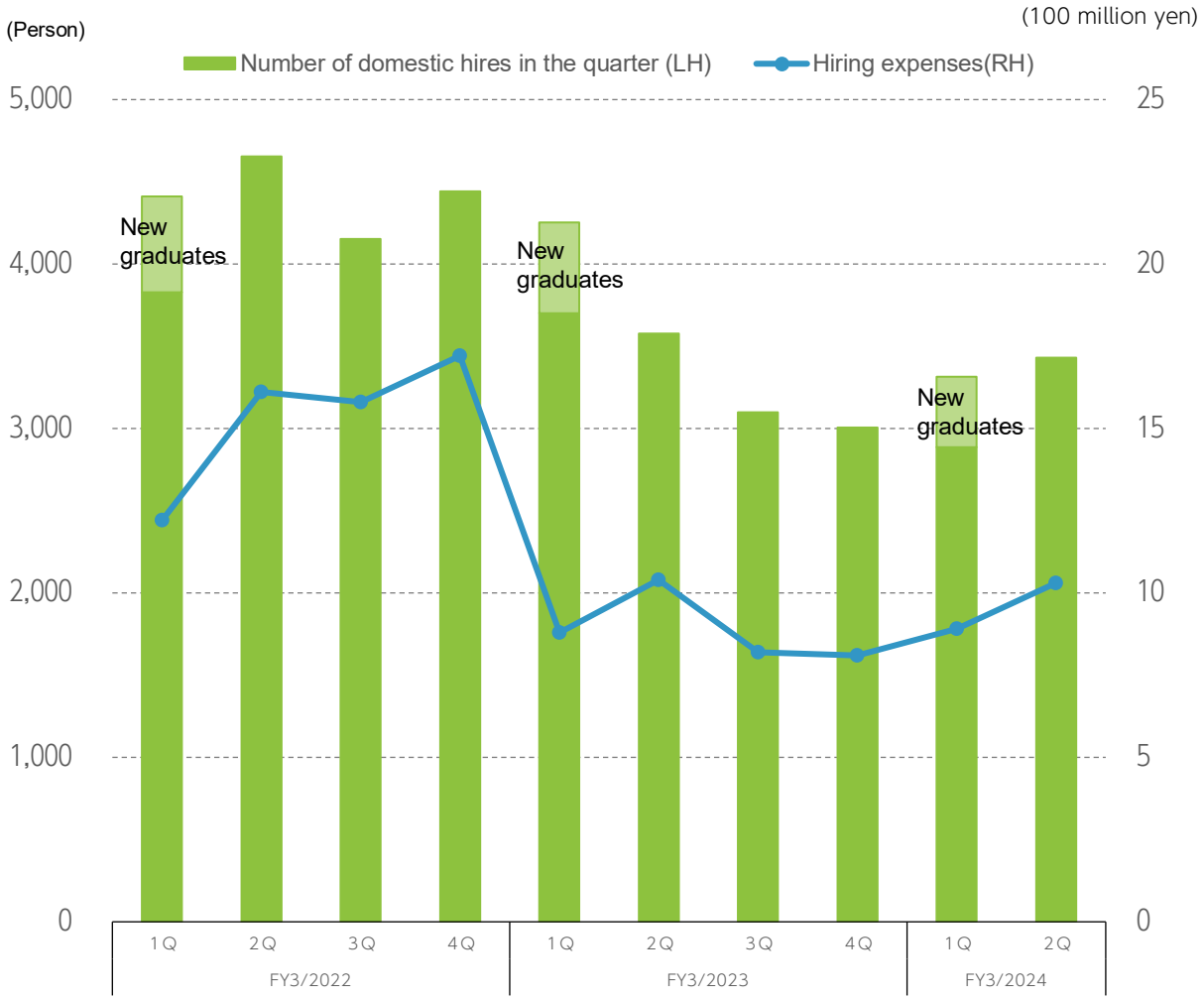
Hiring Activities

Quarterly domestic hires and hiring expenses



The number of hires is adjusted to the demand trend.
It is increasing but at a lower rate than expected.

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Quarterly Changes in Sales and Number of Technical Employees

(Persons, million yen)

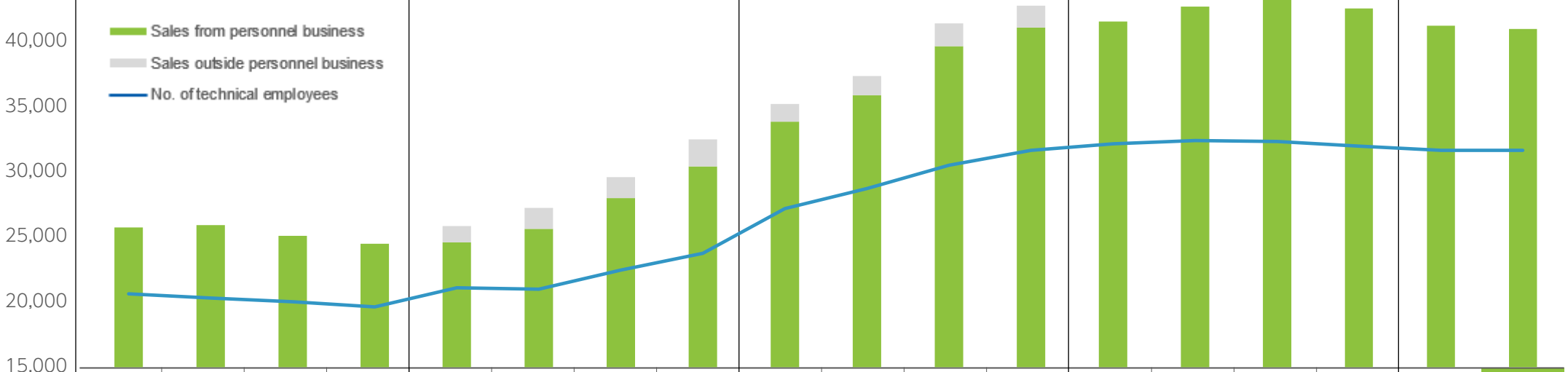
FY3/2020
Tech employees (Domestic): -949
Net Sales: Even
(from the end of the previous FY)

FY3/2021
Tech employees (Domestic): +4,102
Net Sales: Up 14%
(from the end of the previous FY)

FY3/2022
Tech employees (Domestic): +7,900
Net Sales: Up 36%
(from the end of the previous FY)

FY3/2023
Tech employees (Domestic): +300
Net Sales: Up 9%
(from the end of the previous FY)

FY3/2024
Tech employees (Domestic): -737
Net Sales: Down 4%
(from 2Q of the previous FY)



	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	**2Q**
Net Sales	25,731	25,907	25,097	24,455	25,829	27,215	29,601	32,484	35,215	37,363	41,416	42,774	41,567	42,717	43,807	42,539	41,220	**40,982**
EBITDA	1,795	2,344	2,253	2,211	1,936	1,934	2,431	1,694	1,572	1,317	2,481	2,129	3,614	3,812	4,655	3,632	3,248	**2,804**
EBITDA%	7.0%	9.1%	9.0%	9.0%	7.5%	7.1%	8.2%	5.2%	4.5%	3.5%	6.0%	5.0%	8.7%	8.9%	10.6%	8.5%	7.9%	**6.8%**
Technical employees (Domestic)	20,640	20,302	20,026	19,634	21,090	20,985	22,465	23,736	27,177	28,720	30,516	31,636	32,153	32,397	32,341	31,936	31,664	**31,660**
Technical employees (Overseas)	-	-	-	-	-	-	-	13,276	12,571	12,456	9,562	13,750	13,982	13,091	14,208	13,594	13,078	**13,878**

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Summary of Statement of Income

[million yen]

	1Q of FY3/2023		1Q of FY3/2024		Y-o-Y change	
	Results	% to net sales	Results	% to net sales	Amount	%
Net sales	**84,284**	100.0%	**82,203**	100.0%	-2,080	-2.5%
Gross profit	**16,293**	19.3%	**15,005**	18.3%	-1,287	-7.9%
SG&A expenses	**9,449**	11.2%	**9,764**	11.9%	＋315	＋3.3%
EBITDA	**7,426**	8.8%	**6,052**	7.4%	-1,374	-18.5%
Operating profit	**6,844**	8.1%	**5,241**	6.4%	-1,603	-23.4%
Ordinary profit	**6,777**	8.0%	5,218	6.3%	-1,558	-23.0%
Net profit attributable to UT Group	**4,440**	5.3%	3,536	4.3%	-904	-20.4%
EPS (yen)	**110.02**	—	**88.56**	—	-21.46	-19.5%
No. of Tech employees (Domestic)	**32,397**	—	**31,660**	—	-737	-2.3%
No. of Tech employees (Overseas)	**13,091**	—	**13,878**	—	＋787	+6.0%

(note) EBITDA = Operating profit + Depreciation (Property, plant and equipment, and Intangible assets) + Amortization

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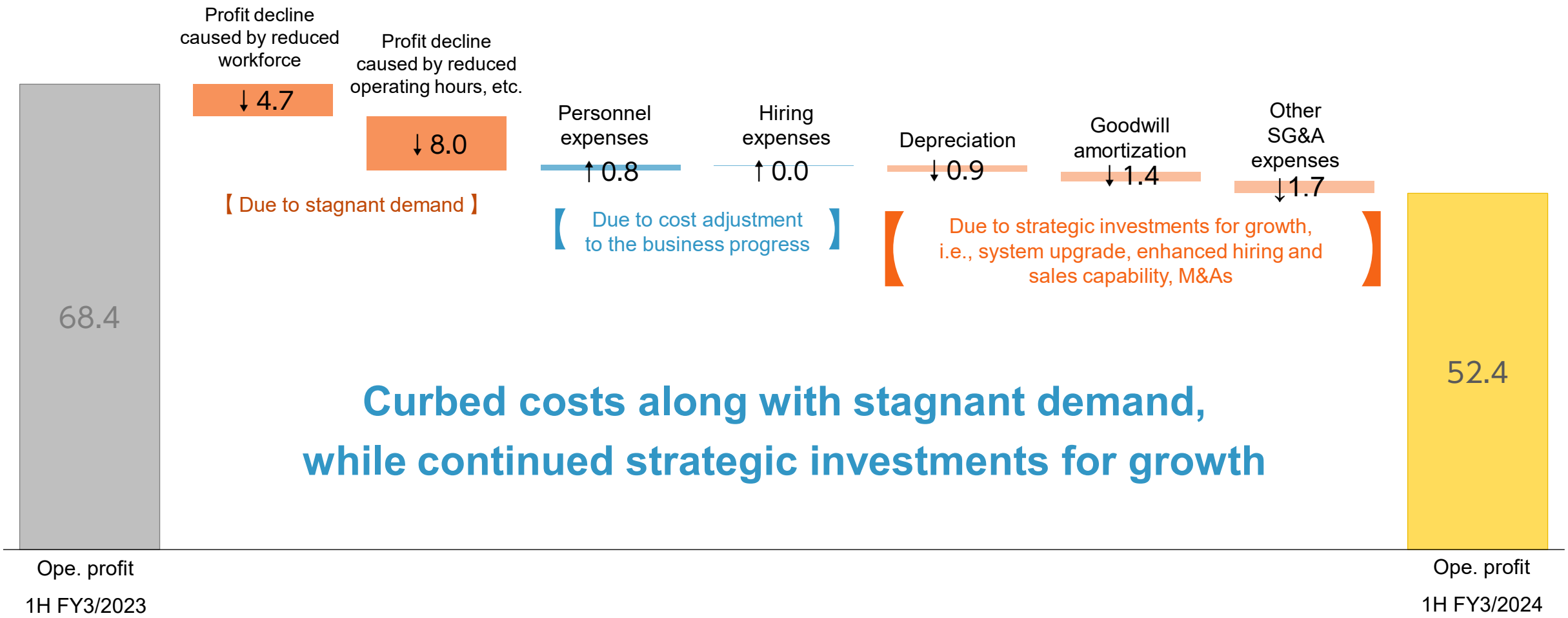
Operating Profit Variance Analysis

Variance Analysis of Consolidated Operating Profit (1H of FY3/2024)

[100 million yen]



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Consolidated Balance Sheets

[million yen]

	March 31, 2023		Sep. 30, 2023		Change from the end of the previous FY	
	Results	% to total assets	Results	% to total assets	Amount	%
Current assets	55,784	77.9%	52,162	77.3%	-3,621	-6.5%
Cash and deposits	31,969	44.6%	29,387	43.5%	-2,582	-8.1%
Notes and accounts receivable – trade	21,851	30.5%	20,926	31.0%	-924	-4.2%
Non-current assets	15,846	22.1%	15,347	22.7%	-499	-3.1%
Property, plant and equipment	1,309	1.8%	1,284	1.9%	-25	-2.0%
Intangible assets	10,804	15.1%	11,474	17.0%	+669	+6.2%
Goodwill	5,414	7.6%	5,871	8.7%	+457	+8.5%
Investments and other assets	3,731	5.2%	2,588	3.8%	-1,143	-30.6%
Total assets	71,630	100.0%	67,509	100.0%	-4,120	-5.8%
Current liabilities	27,903	39.0%	25,891	38.4%	-2,012	-7.2%
Short-term borrowings and Current portion of long-term borrowings	3,993	5.6%	4,612	6.8%	+618	+15.5%
Current liabilities	13,798	19.3%	10,668	15.8%	-3,129	-22.7%
Long-term borrowings	12,400	17.3%	9,425	14.0%	-2,975	-24.0%
Net assets	29,928	41.8%	30,949	45.8%	+1,020	+3.4%
Shareholders' equity	22,454	31.3%	23,187	34.3%	+732	+3.3%
Share acquisition rights	6,161	8.6%	6,157	9.1%	-3	-0.1%
Total liabilities and net assets	71,630	100.0%	67,509	100.0%	-4,120	-5.8%
Gross debt/equity ratio	0.7	—	0.6	—	—	—

Current assets
- Decrease in cash and deposits
- Decrease in notes and accounts receivable

Non-current assets
- Increase in goodwill
- Decrease in investment securities

Current liabilities
- Increase in deposits received and accrued expenses
- Increase in income taxes payable and accrued consumption taxes

Non-current liabilities
- Decrease in long-term borrowings

Net assets
- Recognition of net profit attributable to owners of the parent
- Share buybacks as shareholder returns of FY3/2023
- Equity ratio 35.1%
  (31.8% as of March 31, 2023)

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Results by segment

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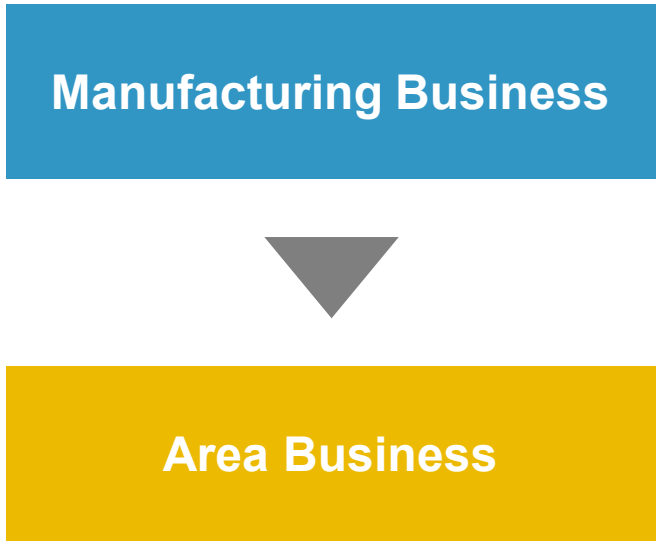
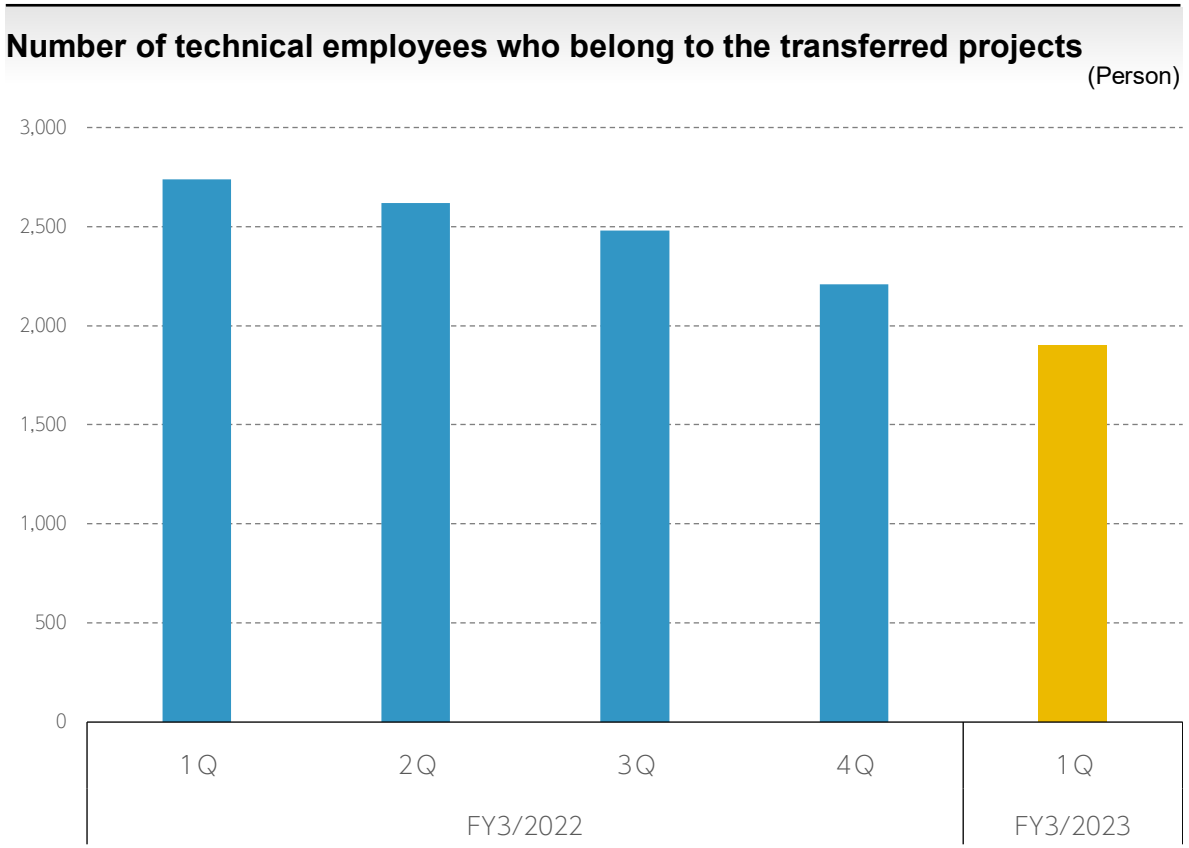
Inter-Segment Transfer of Technical Employees in April 2023

- Moved some clients of the Manufacturing Business to the Area Business in order to more closely provide services to them.
- This led to a transfer of approximately 1,900 technical employees to the Area Business as of the end of June, 2023.
- These clients were not concentrated in any subsegment of the Manufacturing Business.
- This document presents the retroactively revised data for the past two years for reference.





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Business Results by Segment

Manufacturing Business

Industrial & Commercial Machinery/Electronics

Although capex-related mid-term demand is expected to increase, the impact of inventory adjustments in semiconductors and other factors continued in 2Q. Demand for SME/battery manufacturing workers in the Industrial and Commercial Machinery subsegment was weak. Operating hours including overtime hours and holiday work decreased significantly, in addition to a net decrease in tech employees.

Transportation Equipment

Despite the easing impact of operating adjustments caused by the shortage of components and some recovery in production activities, overall demand for workers rose only moderately. Mixed trends in demand by automakers. Overtime hours slightly increased in 2Q.

■ In April 2023, UT transferred some dispatch workplace projects to the Area Business to provide better services, resulting in transfer of approx. 1,900 technical employees. This document has retroactively revised some data for the past two years.

Area Business

The organic increase in the Area Business appeared weak, affected by a net declining trend from FY3/2023 to 2Q FY3/2024 in the number of dispatched employees in some clients which were moved from the Manufacturing Business. Excluding the impact of the above intra-segment transfer, the organic sales in 1H was 109% compared to the previous 1H. The Area Business strengthened “inside sales” and steadily acquired new projects.

■ Accepted approx. 1,900 technical employees from the Manufacturing Business.

Solution Business

Progress was made in proposal activities to acquire new solution projects. Existing subsidiaries also worked to develop new clients (outside their former group companies) and to develop subcontracting projects in new fields, but overall the Solution Business was affected by termination of some subcontracting projects.

Engineering Business

Construction engineers/IT engineers

In 2023, 184 new graduates started work early. Due to strong demand, the Business focused on new graduates for 2024. Also, hiring costs increased. In the field of construction engineers, 88 technical employees were transferred to client companies (Next UT) with the strategic aim of strengthening relationships with clients having strong demand while promoting career development of engineers.

Overseas Business

Stagnant exports in Vietnam led to sluggish worker demand, mainly in the manufacturing industry. Partly shifted workers to salespersons. Expanded sales activities from the south (established base) to the north of Vietnam and focused on acquiring projects with Japanese companies. The total amount of conditional consideration at the time of subsidiary share acquisition was determined: ¥687M in goodwill and one-off increase in goodwill amortization in 1Q. Increase in amortization amount: ¥5M per month from 2Q.

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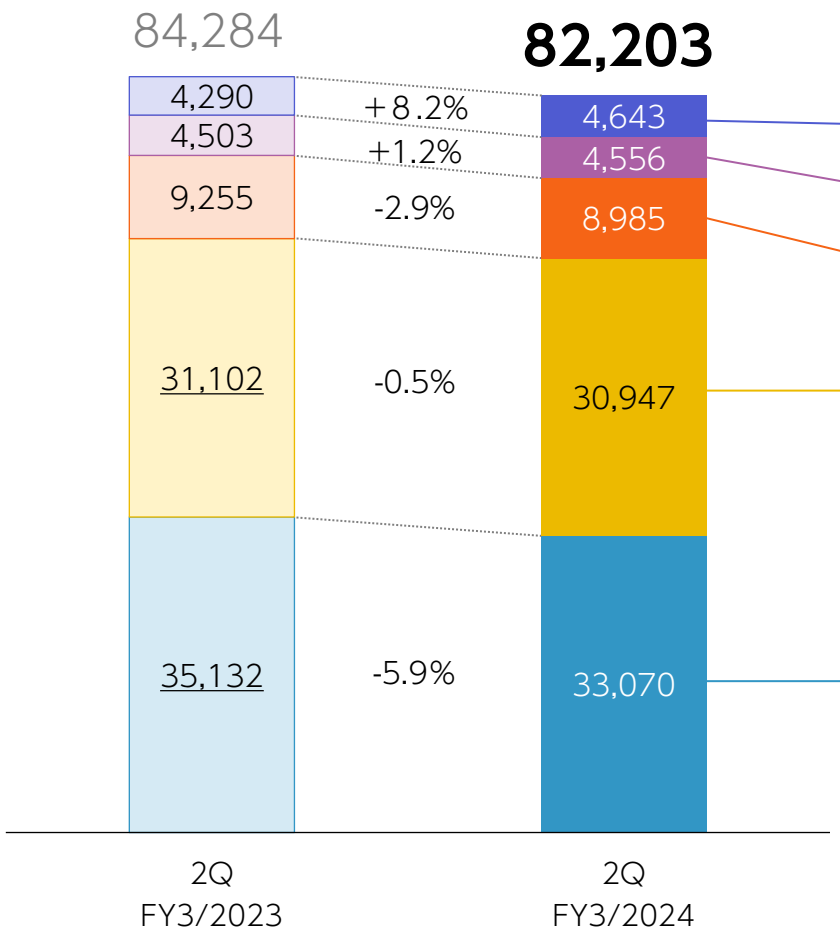
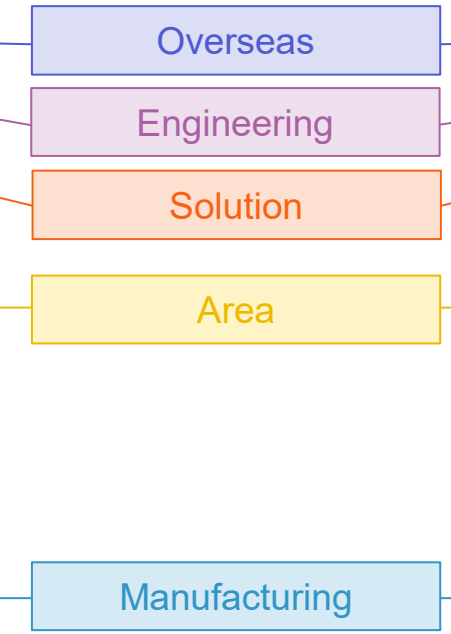
Results by Segment: Net Sales and Sales Composition (2Q FY3/2023 was retroactively revised data for reference)

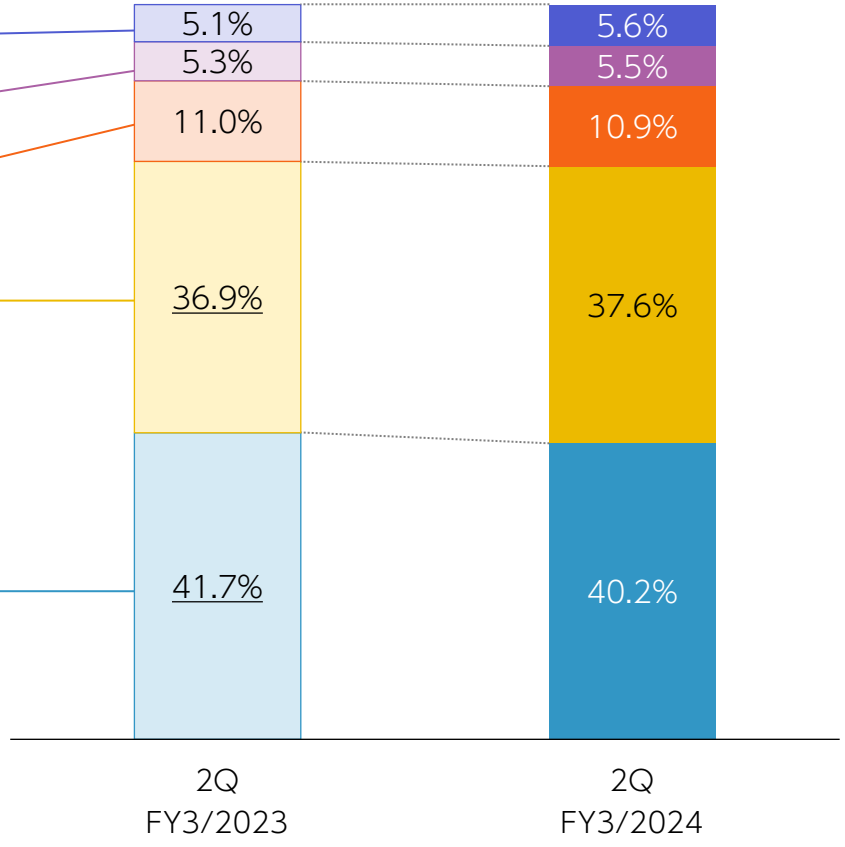
Net sales

(Million yen)





Sales composition



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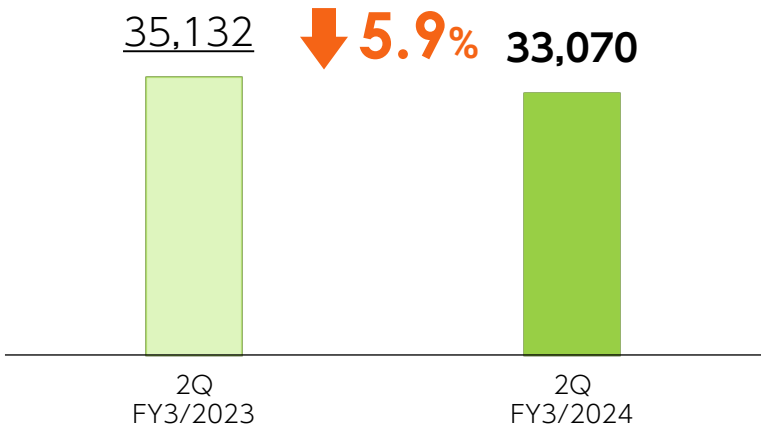
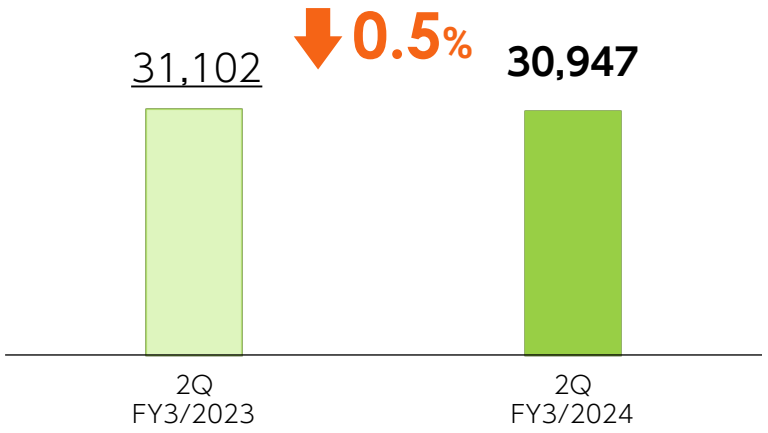
(note) Underlined parts were corrected from the previous Briefing Material (Financial Results of 1Q FY3/2024) published in August 2023.

Net Sales by Segment (2Q FY3/2023 was retroactively revised data for reference)

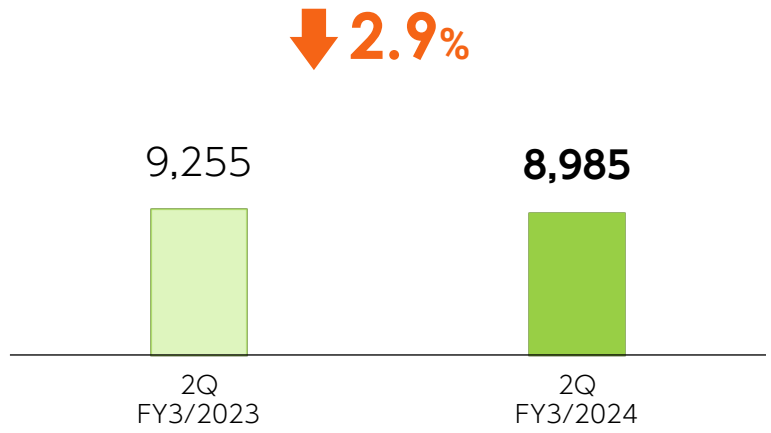
Manufacturing Business (Million yen)



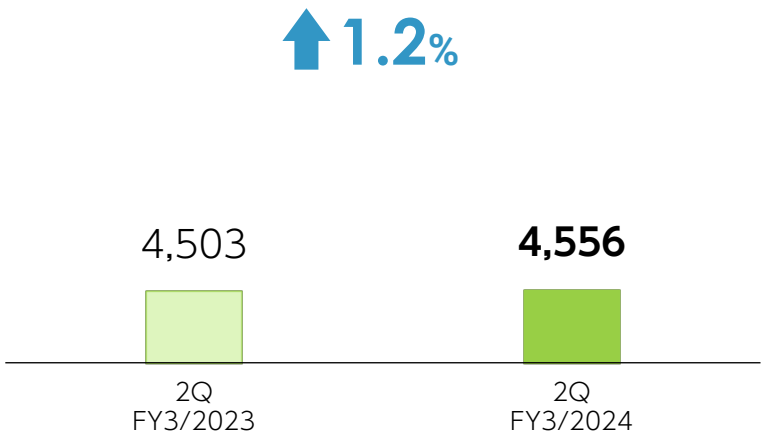
Area Business (Million yen)



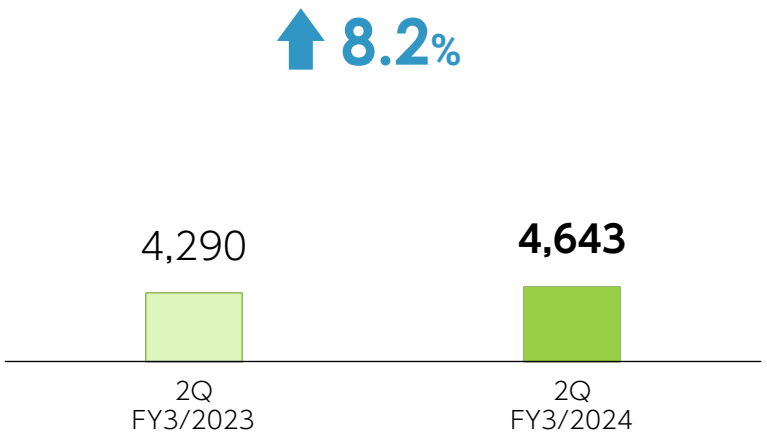
Solution Business (Million yen)



Engineering Business (Million yen)



Overseas Business (Million yen)



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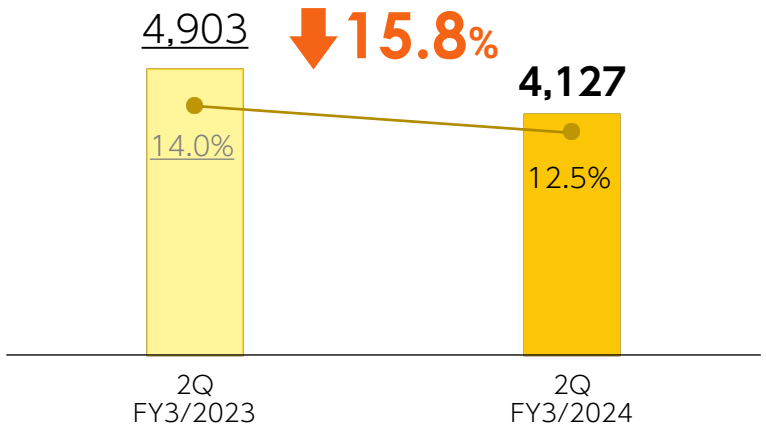
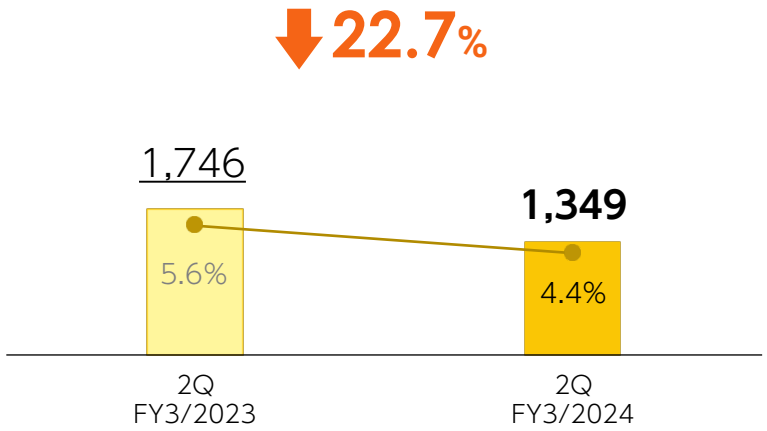
EBITDA by Segment (2Q FY3/2023 was retroactively revised data for reference)

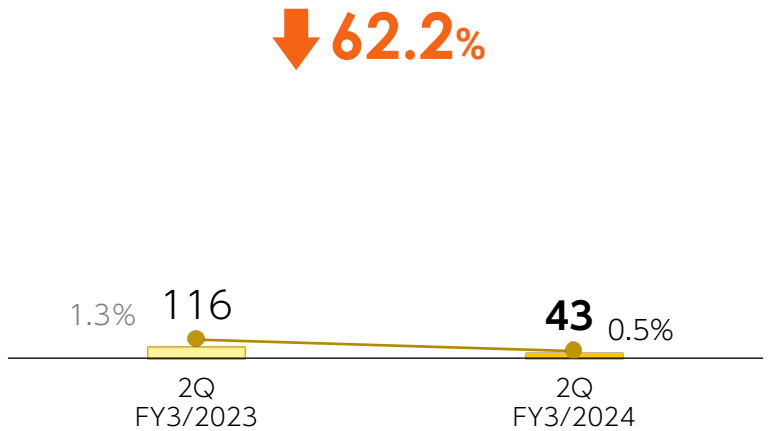
Manufacturing Business (Million yen)



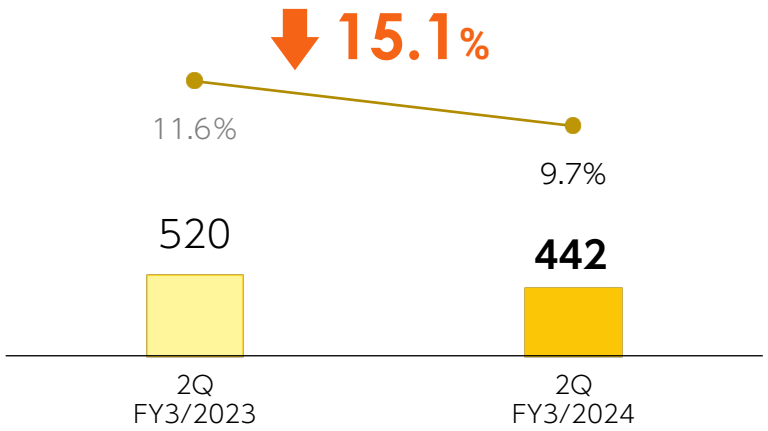
Area Business (Million yen)



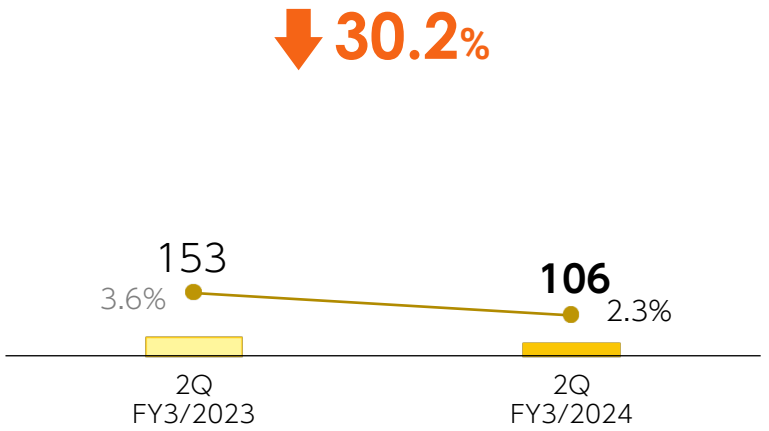
Solution Business (Million yen)



Engineering Business (Million yen)



Overseas Business (Million yen)



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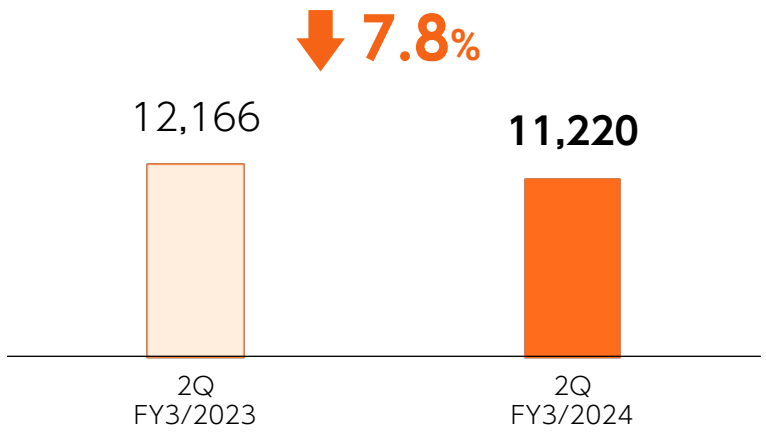
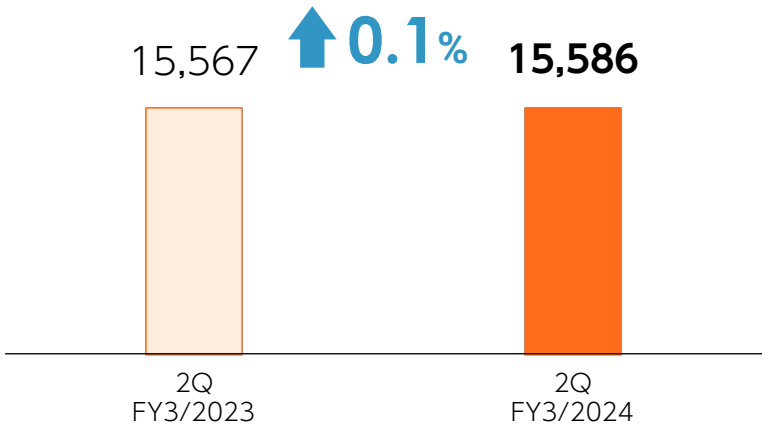
Technical employees by Segment (2Q FY3/2023 was retroactively revised data for reference)

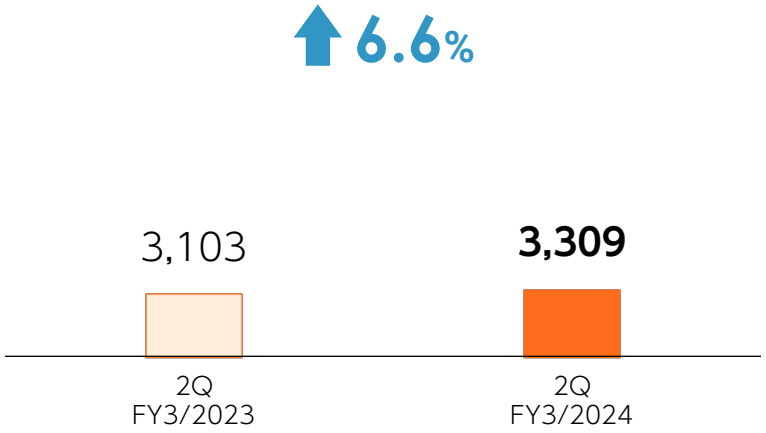
Manufacturing Business (Person)



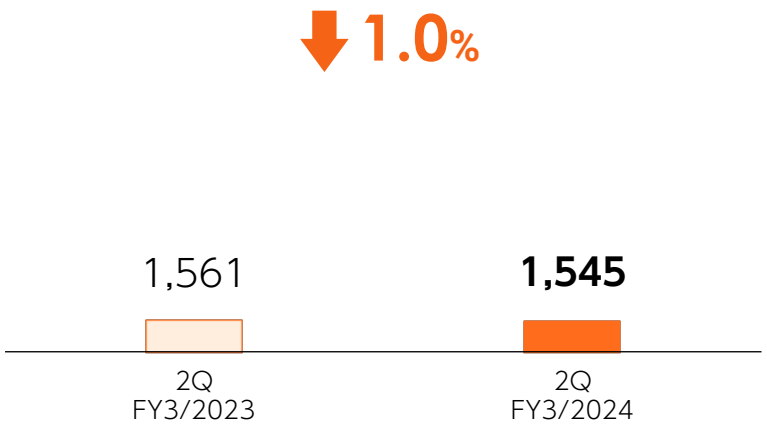
Area Business (Person)



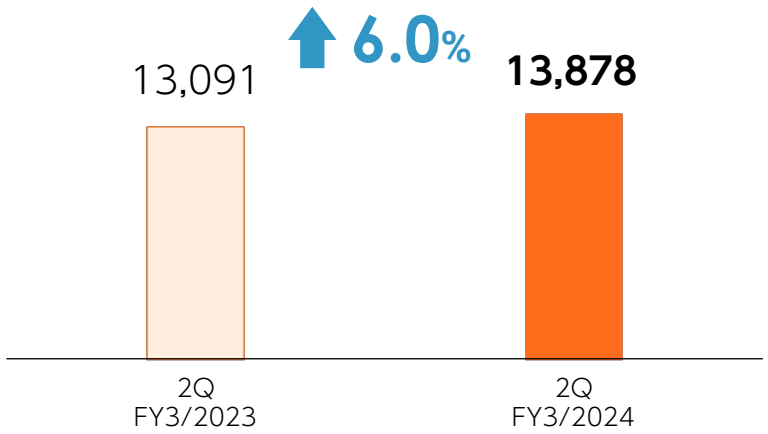
Solution Business (Person)



Engineering Business (Person)



Overseas Business (Person)



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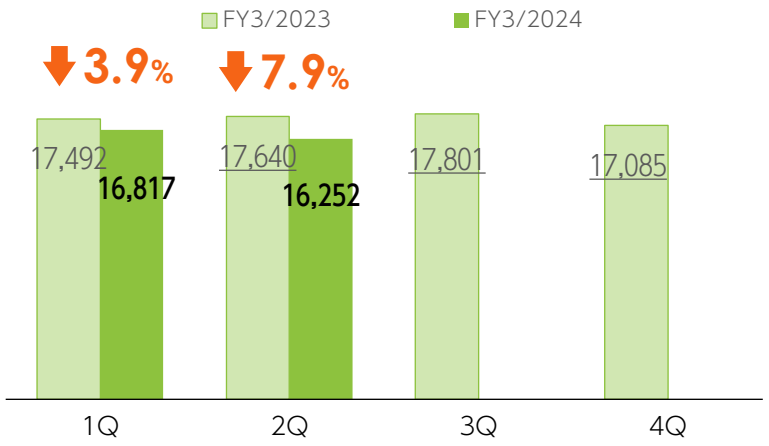
Segment Results (FY3/2023 was retroactively revised data for reference)

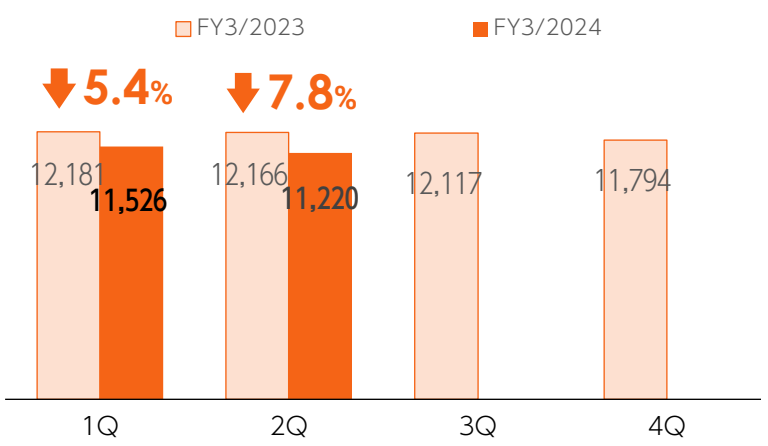
Net Sales

(Million yen)



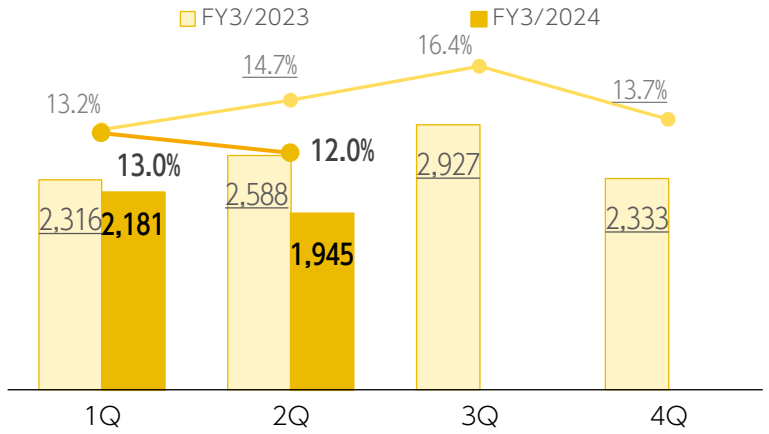
Technical employees

(Person)



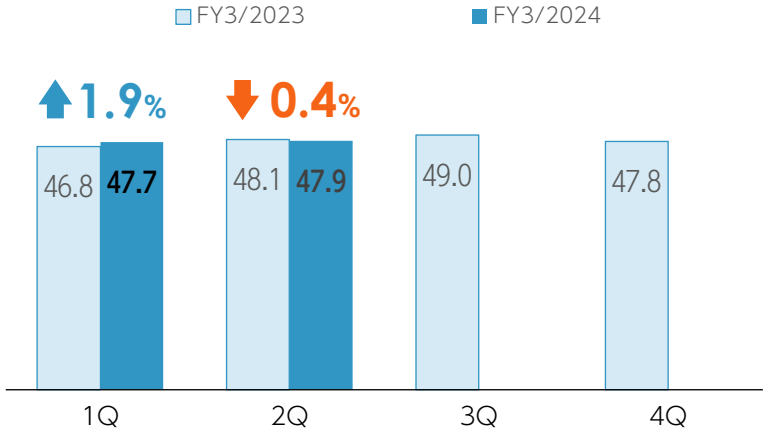
EBITDA • EBITDA%

(Million yen)



Monthly sales per capita

(Ten thousand yen)



Sales and technical employees

- The impact of semiconductor inventory adjustments continued. Demand for workers remained sluggish. Adjusted hiring activities to meet demand.
- A net decrease in the number of tech employees expanded from 1Q.
- The Industrial & Commercial Machinery and Electronics subsegments: Significant decrease in operating hours such as overtime hours and holiday work.
- Strengthened relationships with client companies to prepare for a recovery in demand.
- Deployed an “HR development and dispatch model” with a client company and completed placement of new graduates of 2023 to the client.

EBITDA

- In addition to the lower gross margin caused by reduced operating hours, hiring expenses to respond to an increased demand from the end of 2Q resulted in a decline in EBITDA margin.

(note) Underlined parts were corrected from the previous Briefing Material (Financial Results of 1Q FY3/2024) published in August 2023.

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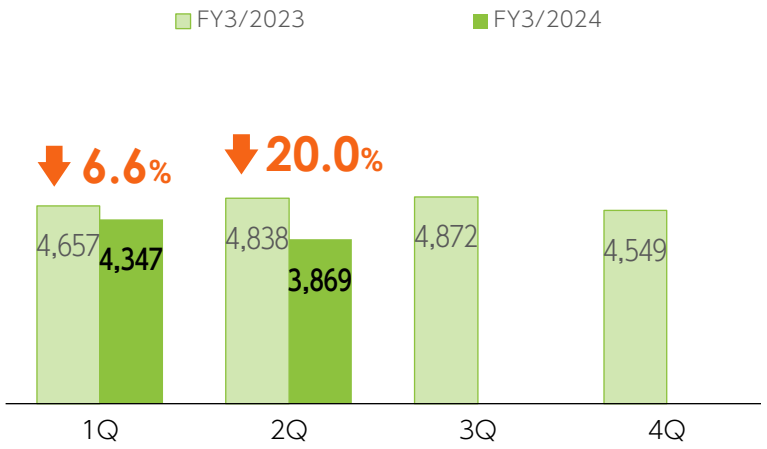
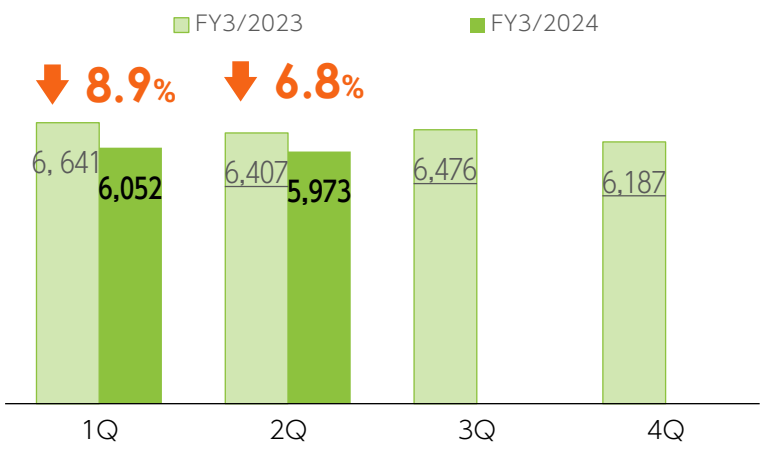
Net Sales by Subsegment (FY3/2023 was retroactively revised data for reference)

Industrial and Commercial Machinery



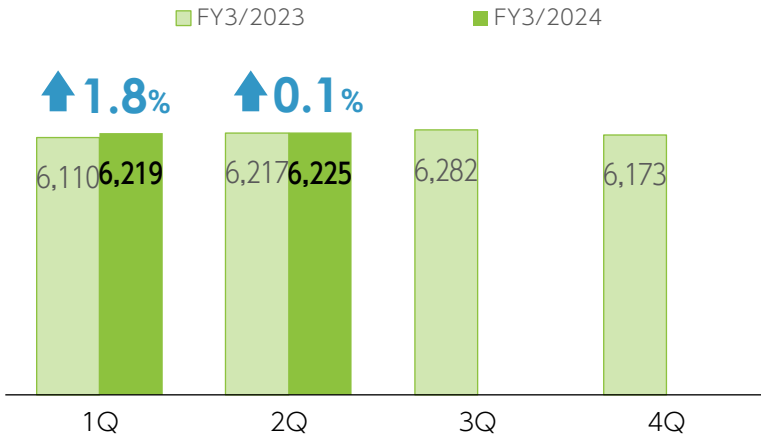
Electronics

(Million yen)



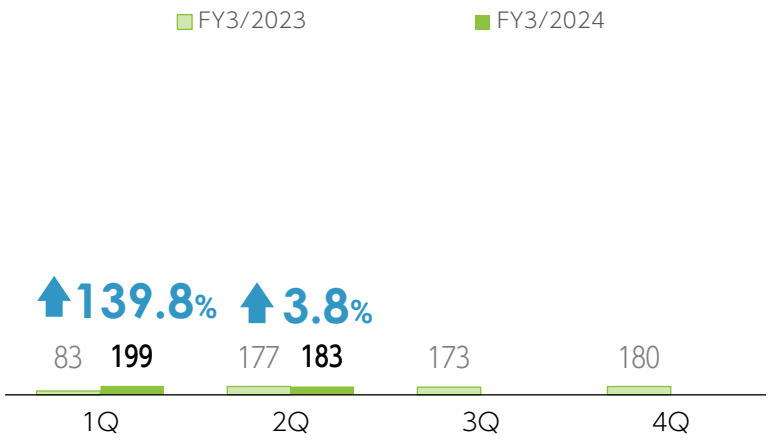
Transportation Equipment

(Million yen)



Other

(Million yen)



Industrial and Commercial Machinery

- Although capex-related medium-term demand is expected to increase, the impact of semiconductor inventory adjustments and other factors continued in 2Q.
- Demand for SME/battery manufacturing workers in the Industrial and Commercial Machinery subsegment was weak.
- Operating hours including overtime hours and holiday work decreased significantly, in addition to a net decrease in tech employees.
- Strengthened relationships with clients to prepare for a recovery in demand.

Electronics

- The impact of semiconductor inventory adjustments and trend of operating hours were same as “Industrial and Commercial Machinery” mentioned above.
- Except for some client companies, demand for workers was weak as a whole.

Transportation Equipment

- Despite the easing impact of operating adjustments caused by the shortage of components and some recovery in production activities, overall demand for workers rose only moderately. Mixed trends in demand by automakers.
- Overtime hours slightly increased in 2Q.

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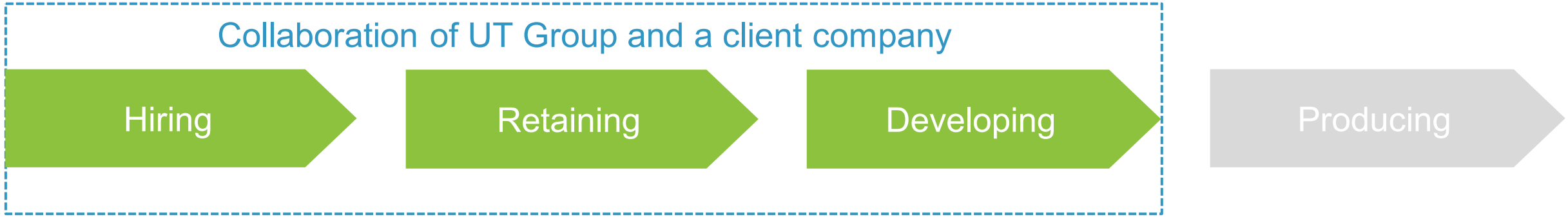
TOPICS

Deploys Full-scale Human Resource Development and Dispatch Model Jointly with Client Companies

- UT's 72 new graduates, hired across Japan, have been assigned to SCREEN Semiconductor Solutions Co., Ltd.
- UT's lecturers were assigned to SCREEN to train them by using the customized curriculum to SCREEN.
- Aim to collaborate with client companies and help improve their HR.
- This collaborative model will be applied not only to the semiconductor industry but also to other manufacturing industries.



In response to the medium-term intensifying competition for human resources, UT will cooperate with client companies to help them build a robust manufacturing system.

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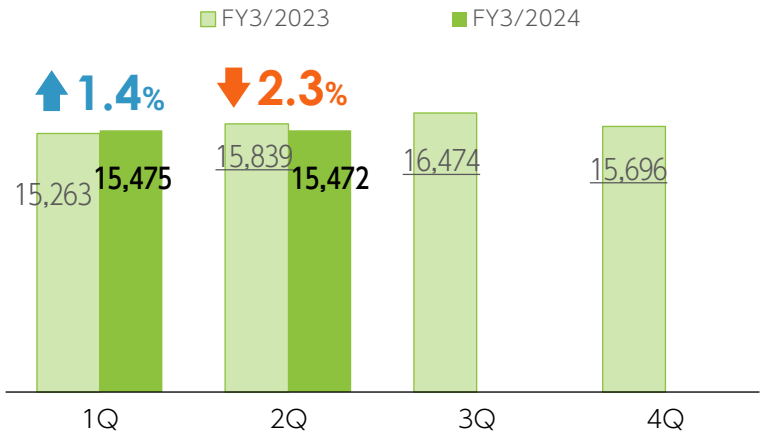
Segment Results (FY3/2023 was retroactively revised data for reference)

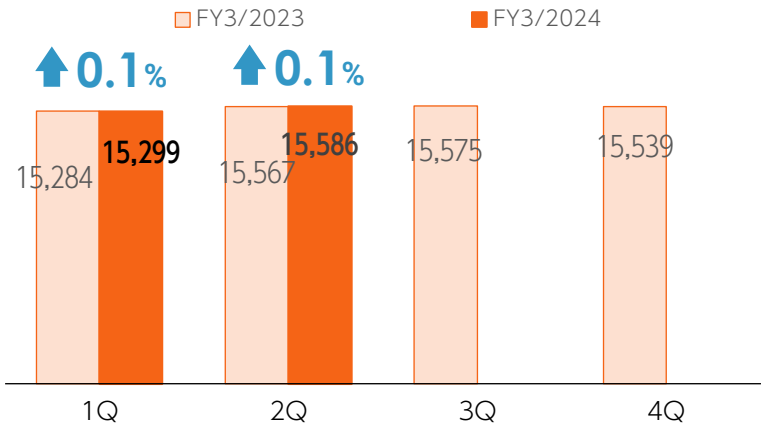
Net Sales

(Million yen)



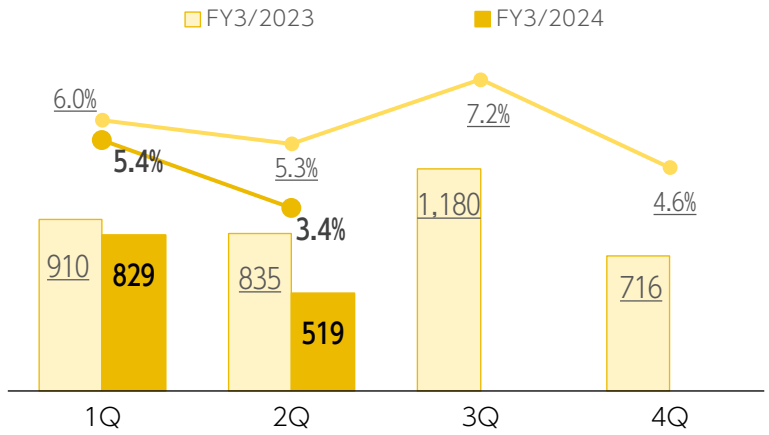
Technical employees

(Person)



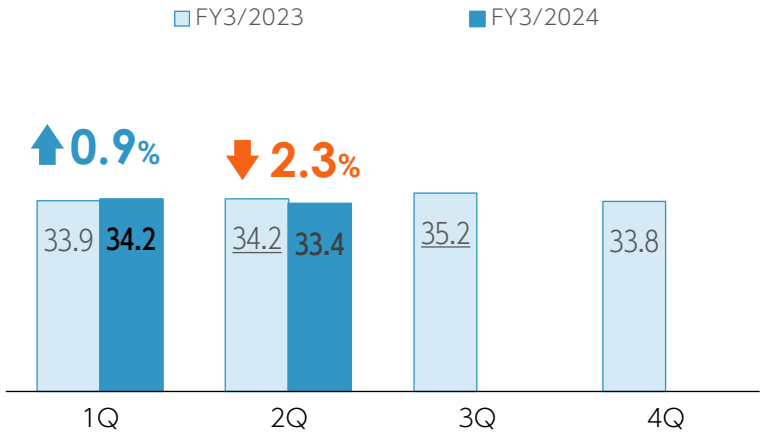
EBITDA • EBITDA%

(Million yen)



Monthly sales per capita

(Ten thousand yen)



Sales and technical employees

- The organic increase in the Area Business appeared weak, affected by a net declining trend from FY3/2023 to 2Q FY3/2024 in the number of dispatched employees in some clients which were moved from the Manufacturing Business.
- Excluding the impact of the above intra-segment transfer, the organic sales in 1H was 109% compared to the previous 1H.
- The Area Business strengthened “inside sales” and steadily acquired new projects.

EBITDA

- More diversified projects affected the business mix and lowered gross margin.
- Personnel expenses increased to strengthen sales systems, while hiring expenses increased to enhance hiring activities.

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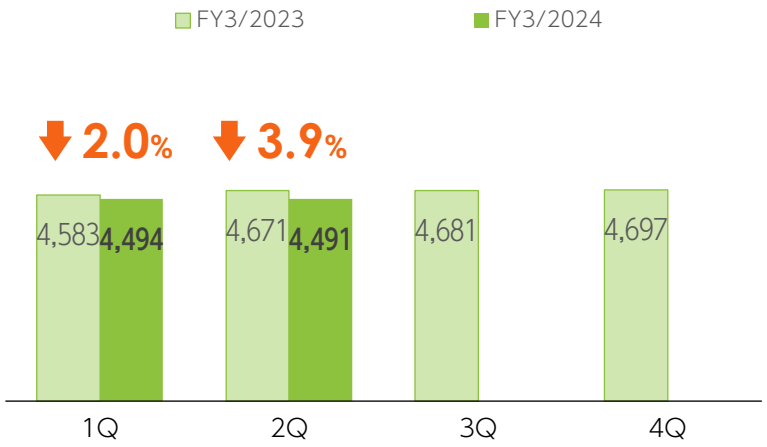
Segment Results

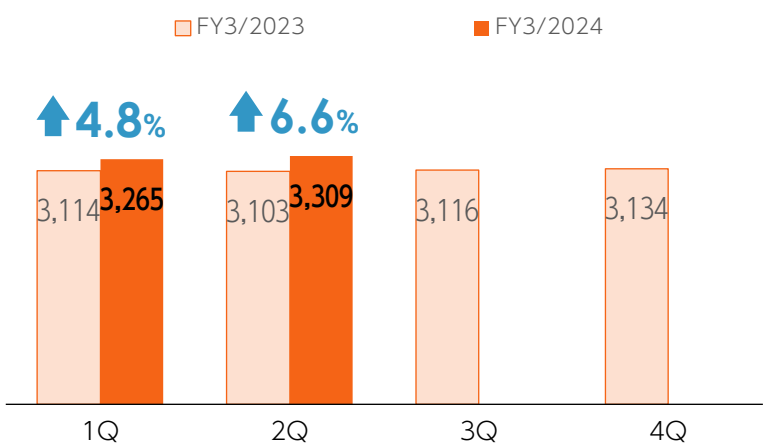
Net Sales

(Million yen)



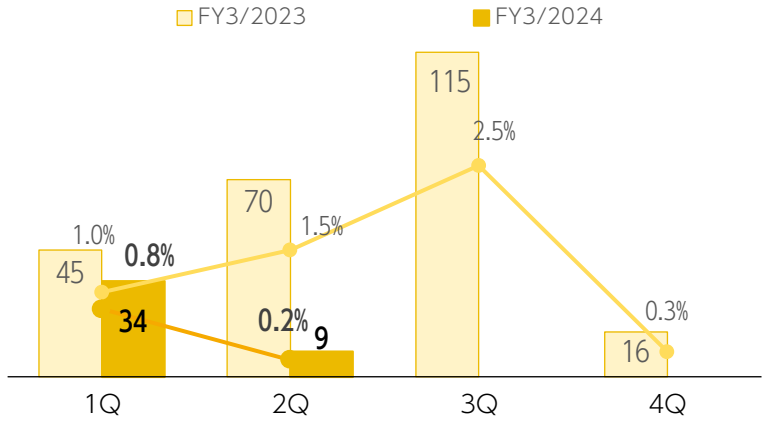
Technical employees

(Person)



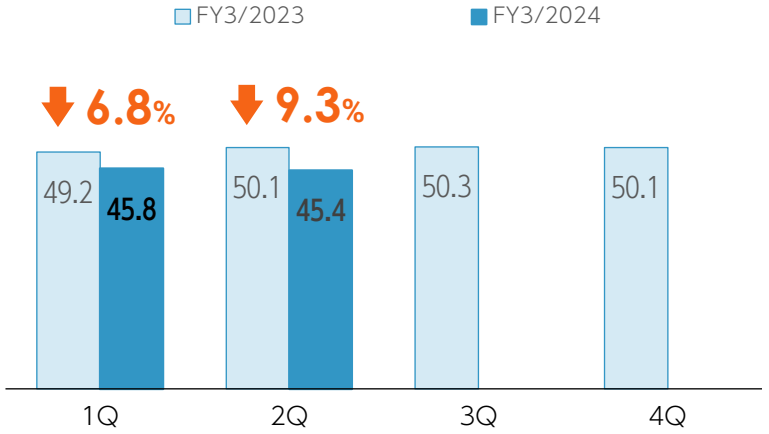
EBITDA • EBITDA%

(Million yen)



Monthly sales per capita

(Ten thousand yen)



Sales and technical employees

- No impact of new consolidation in FY3/2023
- Accelerate activities to make proposals aimed at acquiring new solution projects.
- While existing subsidiaries worked to develop clients outside their former group companies and to develop subcontracting projects in new fields, there was an impact from the termination of some subcontracting projects.
- Semiconductor-related operations were sluggish.

EBITDA

- Despite controlling the SG&A expense ratio to sales, a decrease in gross profit ratio resulted in a decline in EBITDA margin.

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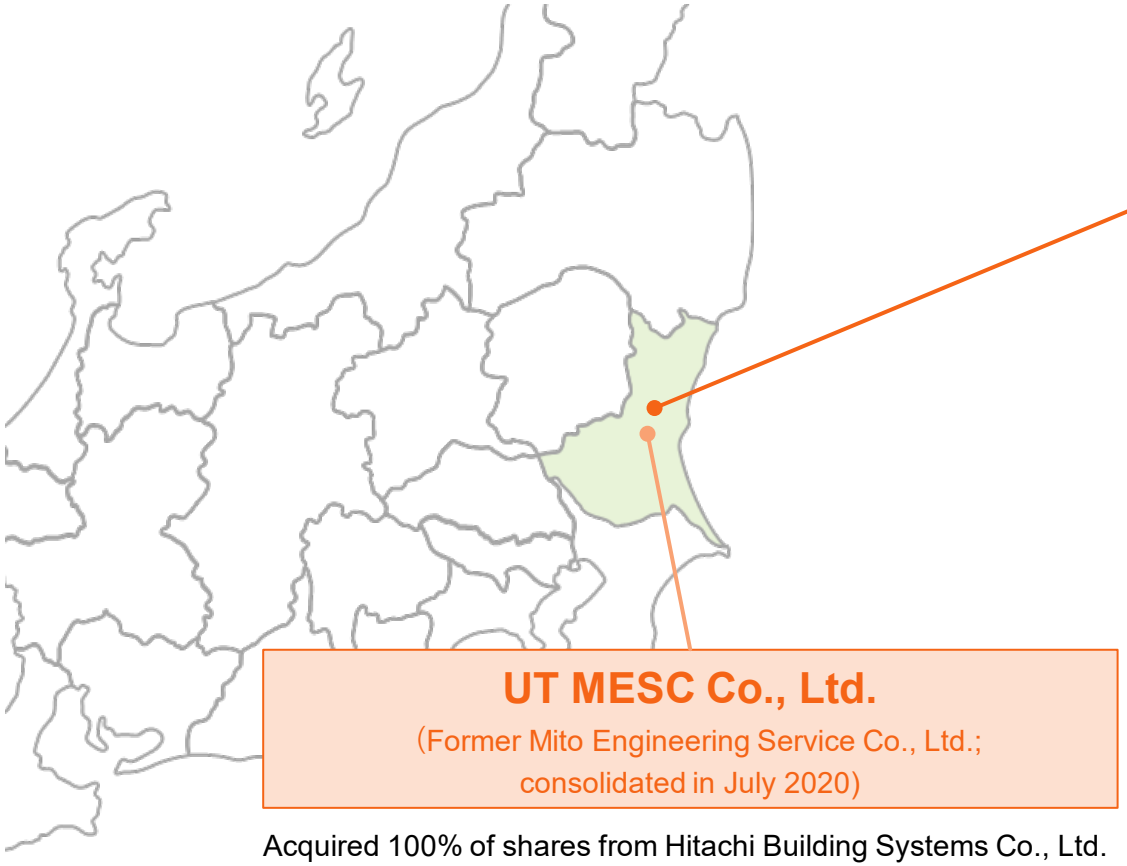
TOPICS

Newly consolidating Hitachi Ibaraki Technical Service



UT MESC Co., Ltd.
(Former Mito Engineering Service Co., Ltd.; consolidated in July 2020)

Acquired 100% of shares from Hitachi Building Systems Co., Ltd.

Hitachi Ibaraki Technical Service Ltd.

(To be acquired on March 1, 2024)

- Plan to acquire 51.0% of shares from Hitachi Ltd.
- Outsourcing services and worker dispatch business for design and manufacturing of electrical machinery and equipment, metal processing products, etc.
- Business location in Ibaraki Prefecture
- Number of technical employees: Approximately 500 (September 31, 2023)
- Major customers: Hitachi Ltd. and other Hitachi Group companies
- Corporate name to be changed to UT HITES Co., Ltd. (March 1, 2024)

Strengthen collaboration with the Hitachi Group and deepen UT's business foundation

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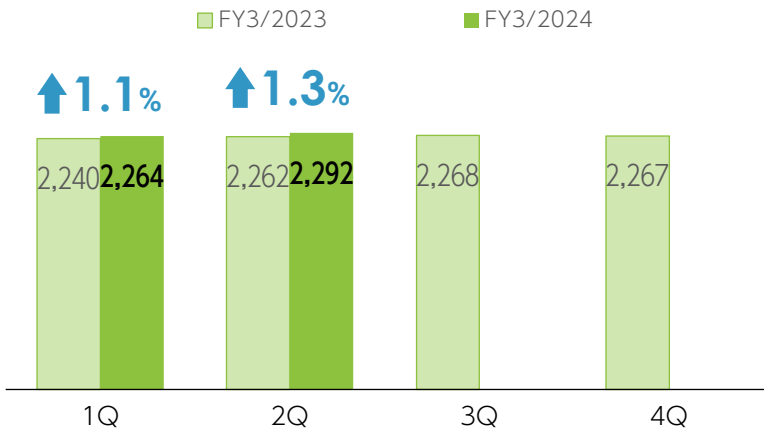
Segment Results

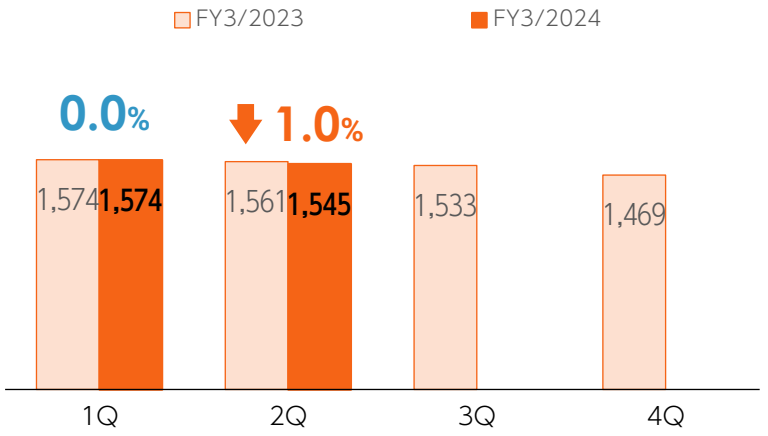
Net Sales

(Million yen)



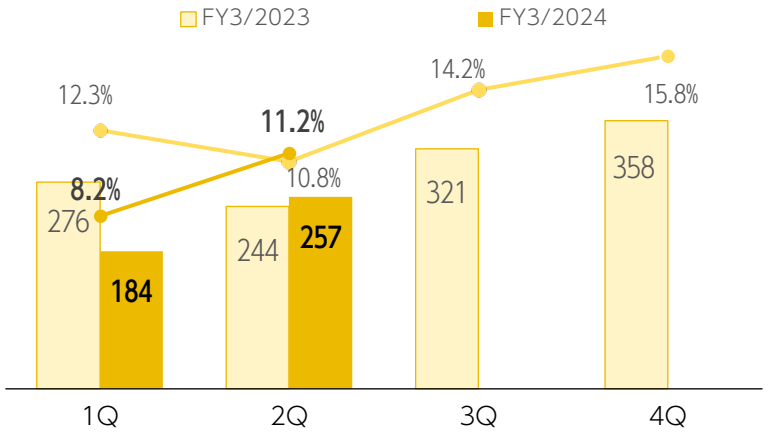
Technical employees

(Person)



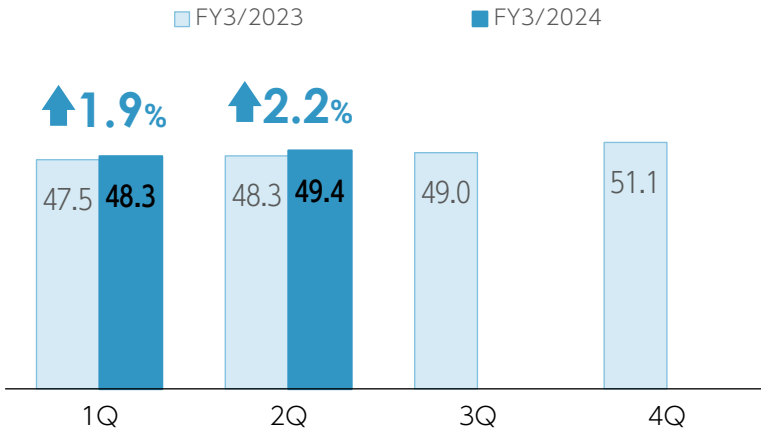
EBITDA • EBITDA%

(Million yen)



Monthly sales per capita

(Ten thousand yen)



Sales and technical employees

- In 2023, 184 new graduates started operations as early as possible.
- Demand for both construction and IT engineers was strong, and the hiring environment became tight.
- For 1H, In the field of construction engineers, 88 employees transferred to client companies as UT strategically aimed at strengthening relationships with clients and supporting their career development.

EBITDA

- The development of a sales system resulted in an increase in personnel expenses in the IT engineers field.
- In both the construction and IT engineers fields, hiring costs increased due to the intensified hiring environment for mid-career staff and the focus on hiring new graduates for 2024.

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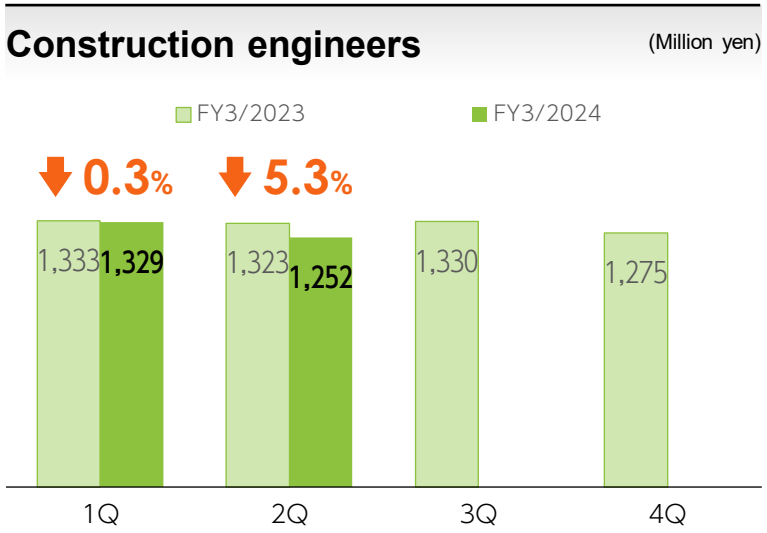
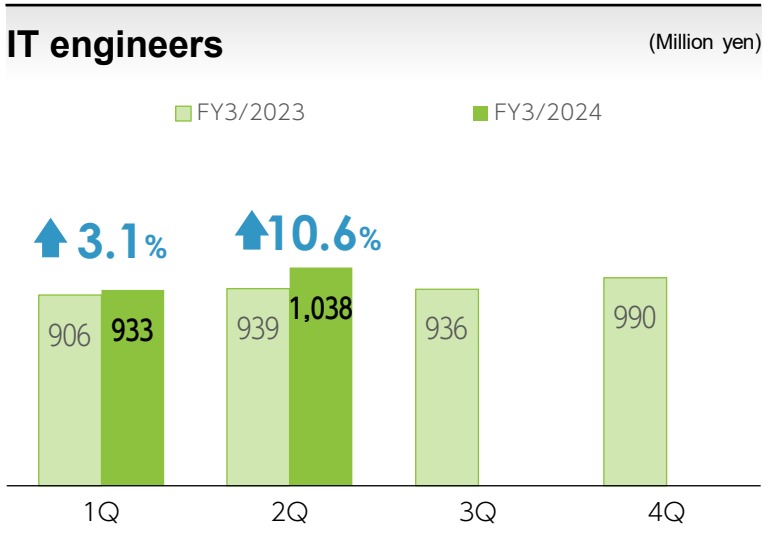
Net Sales by Subsegment





Construction engineers

- Demand for workers was strong, mainly for facilities and plants.
- There was a strong sense of worker shortage, and the competition in the hiring environment was intensified.
- 76 employees were transferred to client companies (Next UT) in order to strengthen relationships with clients and support worker career development.

IT engineers

- Despite demand for the utilization of inexperienced workers, hiring/placement difficulty increased.
- Sales increased due to the acquisition of projects in the areas of machinery design and production technologies and the improvement in unit prices of projects.

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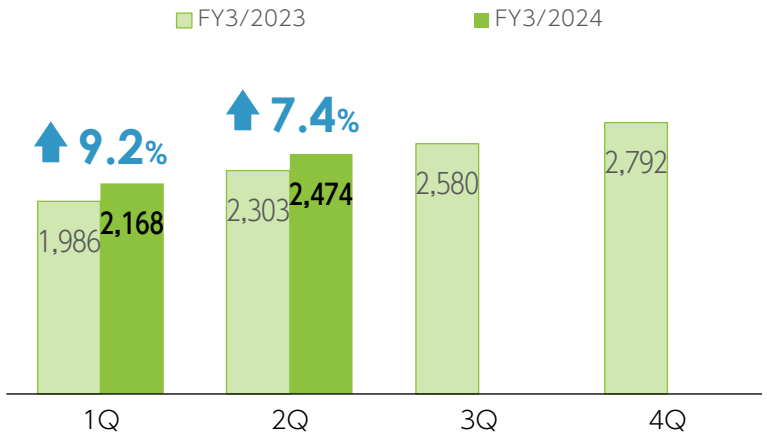
Segment Results

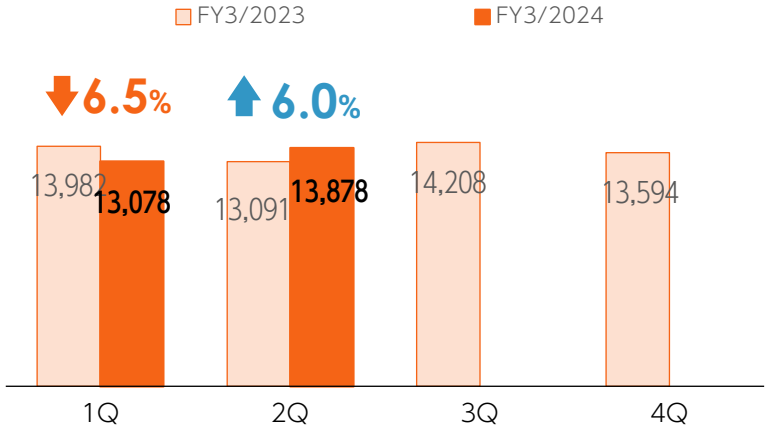
Net Sales

(Million yen)



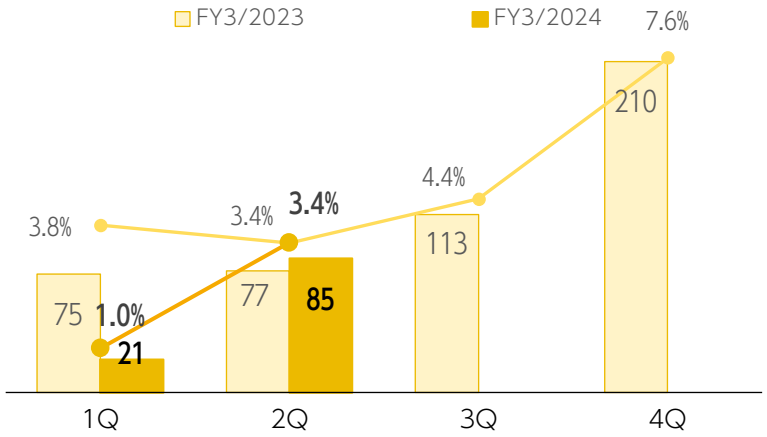
Technical employees

(Person)



EBITDA • EBITDA%

(Million yen)



Sales and technical employees

- Due to stagnant exports in Vietnam, demand for workers was sluggish, mainly in the manufacturing industry. Partly shifted manufacturing dispatch workers to dispatch salespersons.
- Expanded sales activities from the south where the bases had been established to the north of Vietnam and focused on acquiring projects with Japanese companies.
- Affected by fluctuations in VND/JPY exchange rates.
  Impact on sales in 1Q: +¥200M.
  Impact on sales in 2Q: +¥100M.

EBITDA

- Increase in goodwill amortization due to the performance-linked earn-out clause at the time of acquisition of shares of the subsidiary. The amount of goodwill was determined in 1Q and increased by ¥687M because the conditions were met in FY3/2023, the target period. Amortization of ¥129M for the period from the time of acquisition to the determination of the goodwill amount was recorded in 1Q.

*The amount of amortization per month from July 2023: ¥4-5M

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(Ref.) Net sales by Business segment (retroactively revised data for the past two years)

Manufacturing Business

(Million yen)

Before		1Q	2Q	3Q	4Q	通期
FY3/2022	Net Sales	17,415	18,371	19,864	20,324	75,975
	EBITDA	1,383	1,176	2,034	1,885	6,479
	EBITDA%	7.9%	6.4%	10.2%	9.3%	8.5%
	Tec. employees	13,402	14,133	14,555	14,963	14,963
FY3/2023	Net Sales	20,509	20,833	20,928	19,815	82,086
	EBITDA	2,577	2,853	3,266	2,527	11,225
	EBITDA%	12.6%	13.7%	15.6%	12.8%	13.7%
	Tec. employees	14,919	14,786	14,597	14,001	14,001

After		1Q	2Q	3Q	4Q	通期
FY3/2022	Net Sales	14,660	15,218	16,544	17,114	63,537
	EBITDA	1,239	997	1,772	1,712	5,719
	EBITDA%	8.5%	6.5%	10.7%	10.0%	9.0%
	Tec. employees	10,873	11,948	11,858	12,306	12,306
FY3/2023	Net Sales	17,492	17,640	17,801	17,085	70,020
	EBITDA	2,316	2,588	2,927	2,333	10,164
	EBITDA%	13.2%	14.7%	16.4%	13.7%	14.5%
	Tec. employees	12,181	12,166	12,117	11,794	11,794
FY3/2024	Net Sales	16,817	16,252			
	EBITDA	2,181	1,945			
	EBITDA%	13.0%	12.0%			
	Tec. employees	11,526	11,220			

エリア事業

(Million yen)

Before		1Q	2Q	3Q	4Q	通期
2022年3月期	Net Sales	10,387	10,643	11,722	11,857	44,610
	EBITDA	13	-137	112	-127	-138
	EBITDA%	0.1%	-1.3%	1.0%	-1.1%	-0.3%
	Tec. employees	10,522	11,086	11,557	12,225	12,225
2023年3月期	Net Sales	12,246	12,646	13,347	12,966	51,207
	EBITDA	649	569	841	520	2,580
	EBITDA%	5.3%	4.5%	6.3%	4.0%	5.0%
	Tec. employees	12,546	12,947	13,095	13,332	13,332

After		1Q	2Q	3Q	4Q	通期
FY3/2022	Net Sales	13,142	13,796	15,042	15,067	57,048
	EBITDA	157	42	375	47	622
	EBITDA%	1.2%	0.3%	2.5%	0.3%	1.1%
	Tec. employees	13,051	13,271	14,254	14,882	14,882
FY3/2023	Net Sales	15,263	15,839	16,474	15,696	63,273
	EBITDA	910	835	1,180	716	3,641
	EBITDA%	6.0%	5.3%	7.2%	4.6%	5.8%
	Tec. employees	15,284	15,567	15,575	15,539	15,539
FY3/2024	Net Sales	15,475	15,472			
	EBITDA	829	519			
	EBITDA%	5.4%	3.4%			
	Tec. employees	15,299	15,586			

(note) Underlined parts were corrected from the previous Briefing Material (Financial Results of 1Q FY3/2024) published in August 2023.

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(Ref.) Net sales by subsegment of Manufacturing Business (retroactively revised data for the past two years)

Industrial and Commercial Machinery

(Million yen)

Before	1Q	2Q	3Q	4Q	Full year
FY3/2022	4,810	5,013	5,302	5,343	20,468
FY3/2023	5,785	5,913	5,979	5,468	23,145

After	1Q	2Q	3Q	4Q	Full year
FY3/2022	4,174	4,138	4,277	4,313	16,903
FY3/2023	4,657	4,838	4,872	4,549	18,917
FY3/2024	4,347	3,869			

Electronics

(Million yen)

Before	1Q	2Q	3Q	4Q	Full year
FY3/2022	6,974	7,182	7,269	7,088	28,512
FY3/2023	7,623	7,672	7,688	7,260	30,243

After	1Q	2Q	3Q	4Q	Full year
FY3/2022	5,816	5,873	6,002	5,924	23,617
FY3/2023	6,641	6,407	6,476	6,187	25,711
FY3/2024	6,052	5,973			

Transportation Equipment

(Million yen)

Before	1Q	2Q	3Q	4Q	Full year
FY3/2022	5,393	5,926	7,021	7,616	25,955
FY3/2023	6,821	6,891	6,913	6,750	27,377

After	1Q	2Q	3Q	4Q	Full year
FY3/2022	4,665	5,166	6,204	6,794	22,830
FY3/2023	6,110	6,217	6,282	6,173	24,784
FY3/2024	6,219	6,225			

Other

(Million yen)

Before	1Q	2Q	3Q	4Q	Full year
FY3/2022	238	251	271	277	1,036
FY3/2023	280	354	347	338	1,320

After	1Q	2Q	3Q	4Q	Full year
FY3/2022	3	39	59	81	183
FY3/2023	83	177	173	180	614
FY3/2024	199	183			

(note) Underlined parts were corrected from the previous Briefing Material (Financial Results of 1Q FY3/2024) published in August 2023.

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Appendix/ UT Group’s Competitive Advantages

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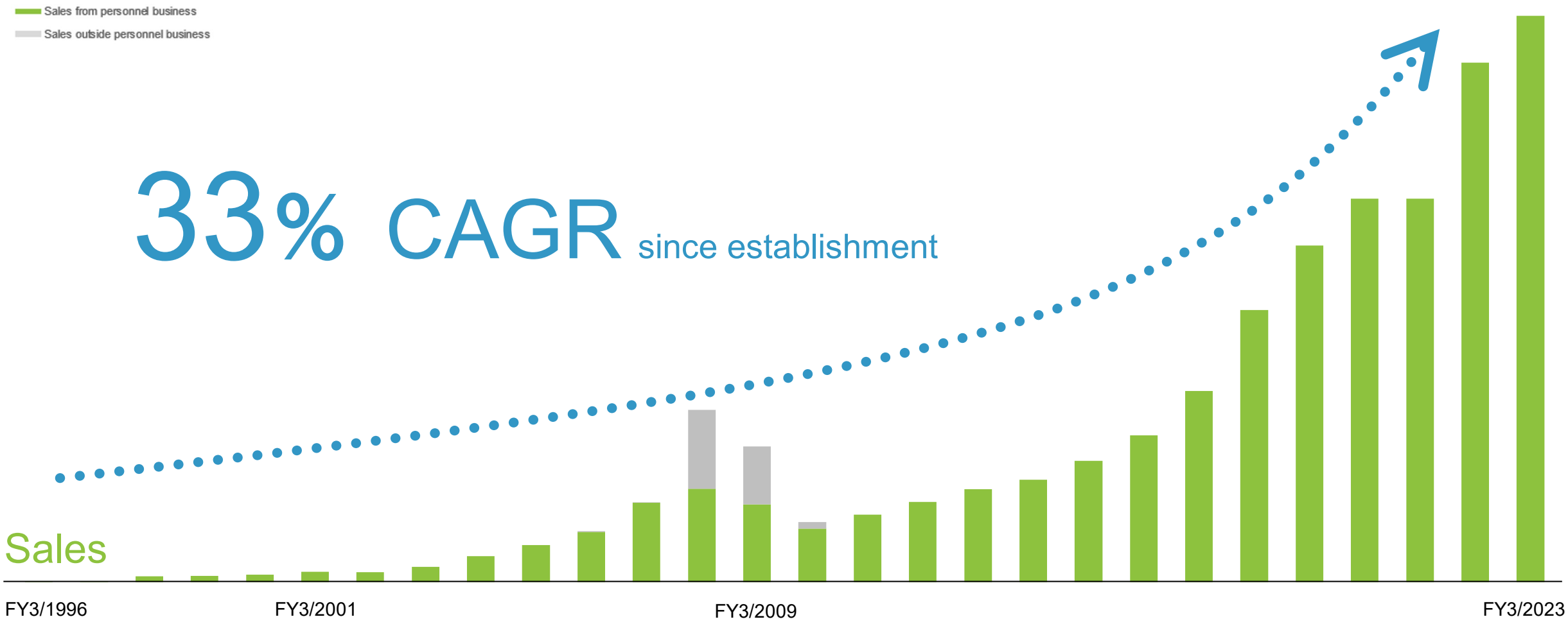
Since the establishment (FY3/1996), we've consistently been achieving high sales growth.



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Segment composition of FY3/2023

Overseas Business

Personnel services in Vietnam

9.6 BY (5.7%)

Engineering Business

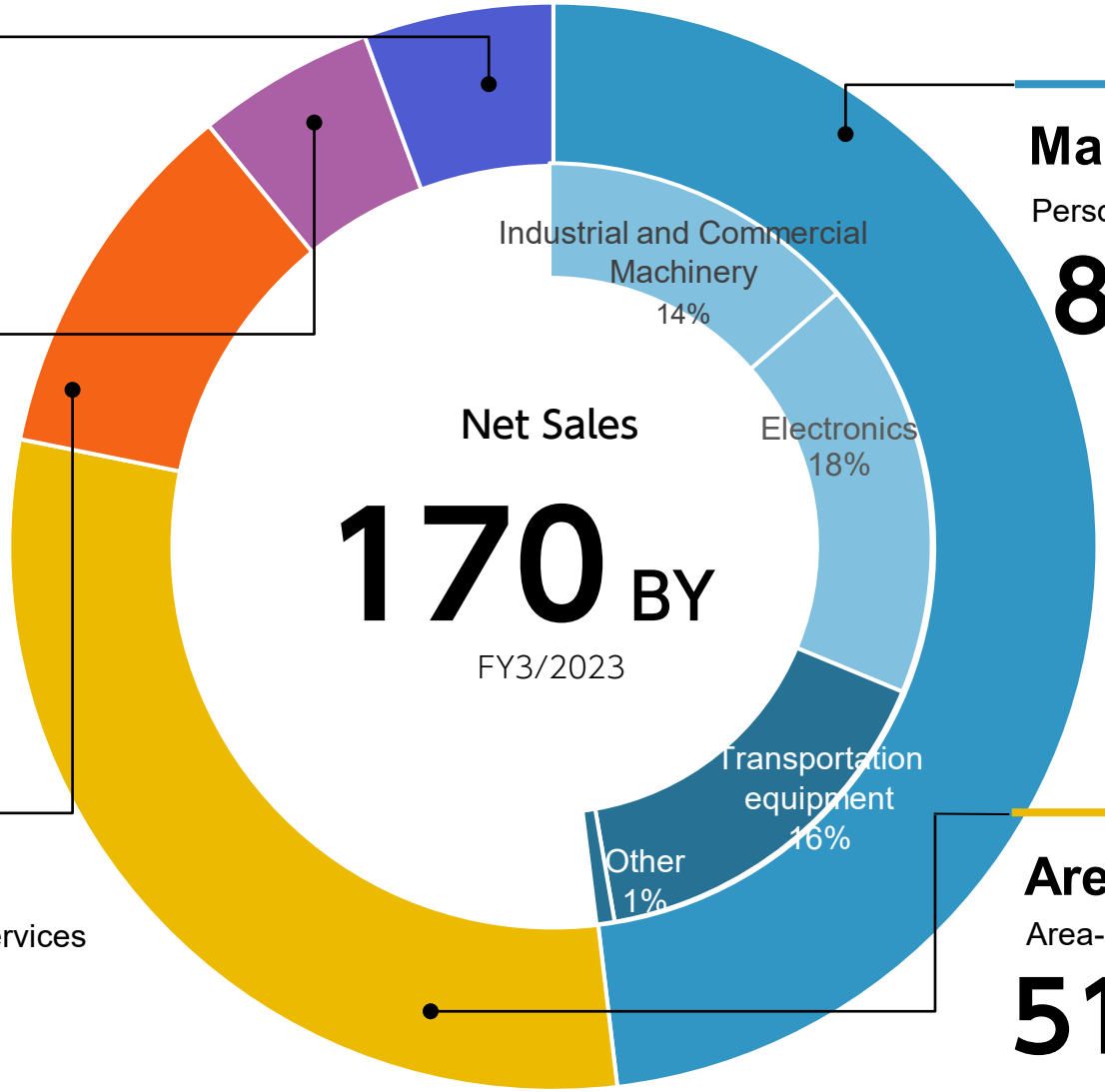
Engineer dispatch service
in construction and IT field

9.0 BY (5.3%)

Solution Business

Supporting structural reform and personnel services

18.6 BY (10.9%)



Manufacturing Business

Personnel services for major manufacturers

82.0 BY (48.1%)

Area Business

Area-based personnel services

51.2 BY (30.0%)

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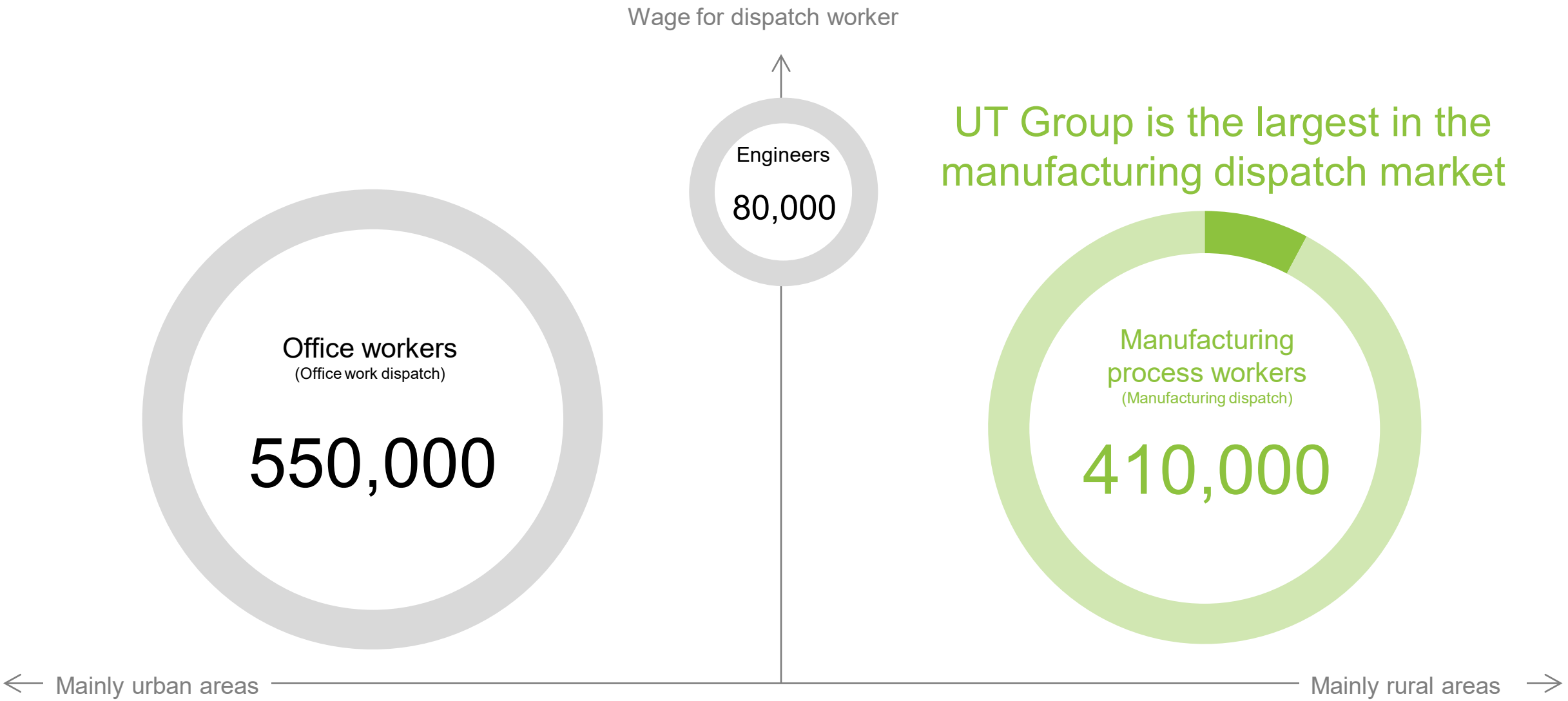
Primary Dispatch Market: Scale and Features



Source: Basic Data of Labor Force Survey, Ministry of Internal Affairs and Communications (2022)

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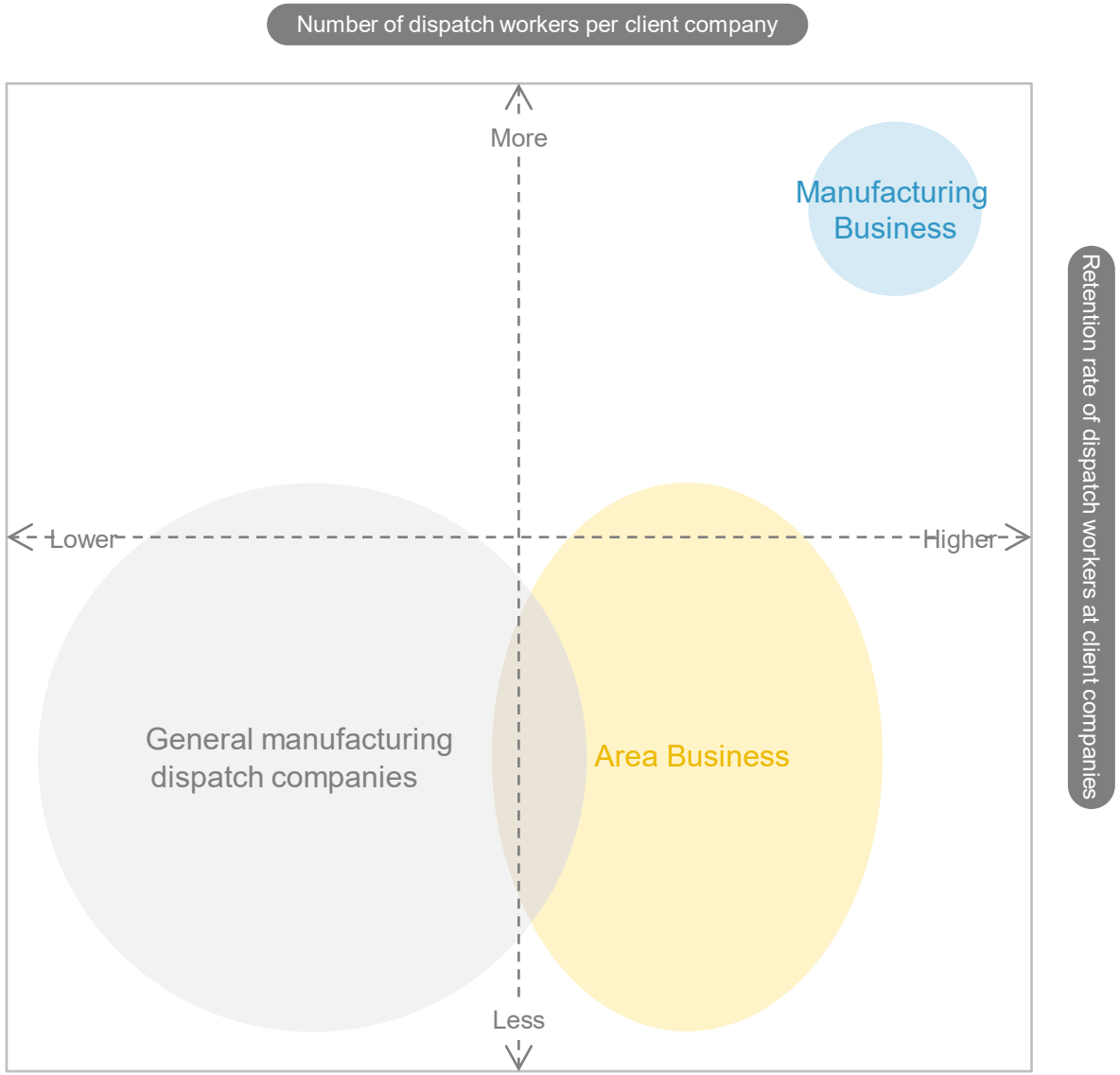
UT's Position in the Manufacturing Dispatch Industry



Manufacturing Business

- Specializes in large-scale factories that require dispatch companies that supply a large number of workers with a high retention rate.
- Reduces the risk of cancellation by closely working with clients and raising UT's share in the factory.
- Achieves high profitability by providing high-quality services from hiring to retaining and developing.

Area Business

- Expands the business scale by acquiring mid-tier dispatch companies in selected areas.
- Improves the retention rate by utilizing the know-how of the Manufacturing Business.
- Improves profitability by utilizing the scale merit achieved by business integration.

General manufacturing dispatch companies

- Dispatch less workers per client to disperse risk.
- Have a relative low retention rate of dispatch workers.
- Many companies are small in size and have low profitability.

UT is characterized by high profitability enabled by differentiated strategies

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A strategy to capitalize on economic fluctuations and increase market share in client factories

About the top strategy

UT's Manufacturing Business is promoting the strategy, based on the analysis at the time of the global financial crisis that showed that dispatched companies with a higher share in the factory received less cancellation or reduction in dispatched workers.

Features of the top-share factories

Less cancellation or reduction

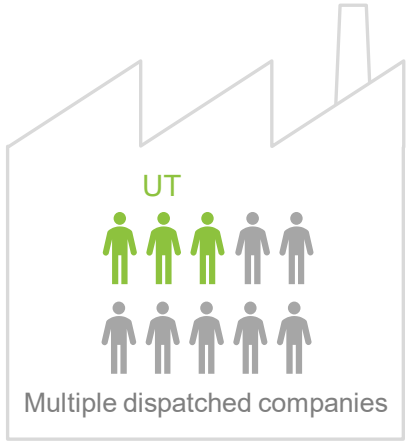
A strong relationship with clients results in receiving a lower impact of cancellations and reductions relative to that of peers.

High profit margin

More technical employees in a single factory means higher management efficiency.

Mechanism to expand factory share by the top share strategy

Normal production phase



It is difficult to increase UT's dispatched workers because a client factory that normally operates with 10 workers has no further demand for workers.

Production reduction phase



If the production volume decreases, the client starts reducing workers from dispatched companies having a lower share. Workers of UT (the top share) are not reduced.

Production recovery phase



For normal production, the client needs five workers which had been reduced and the share of UT, which has strength in hiring, will increase.

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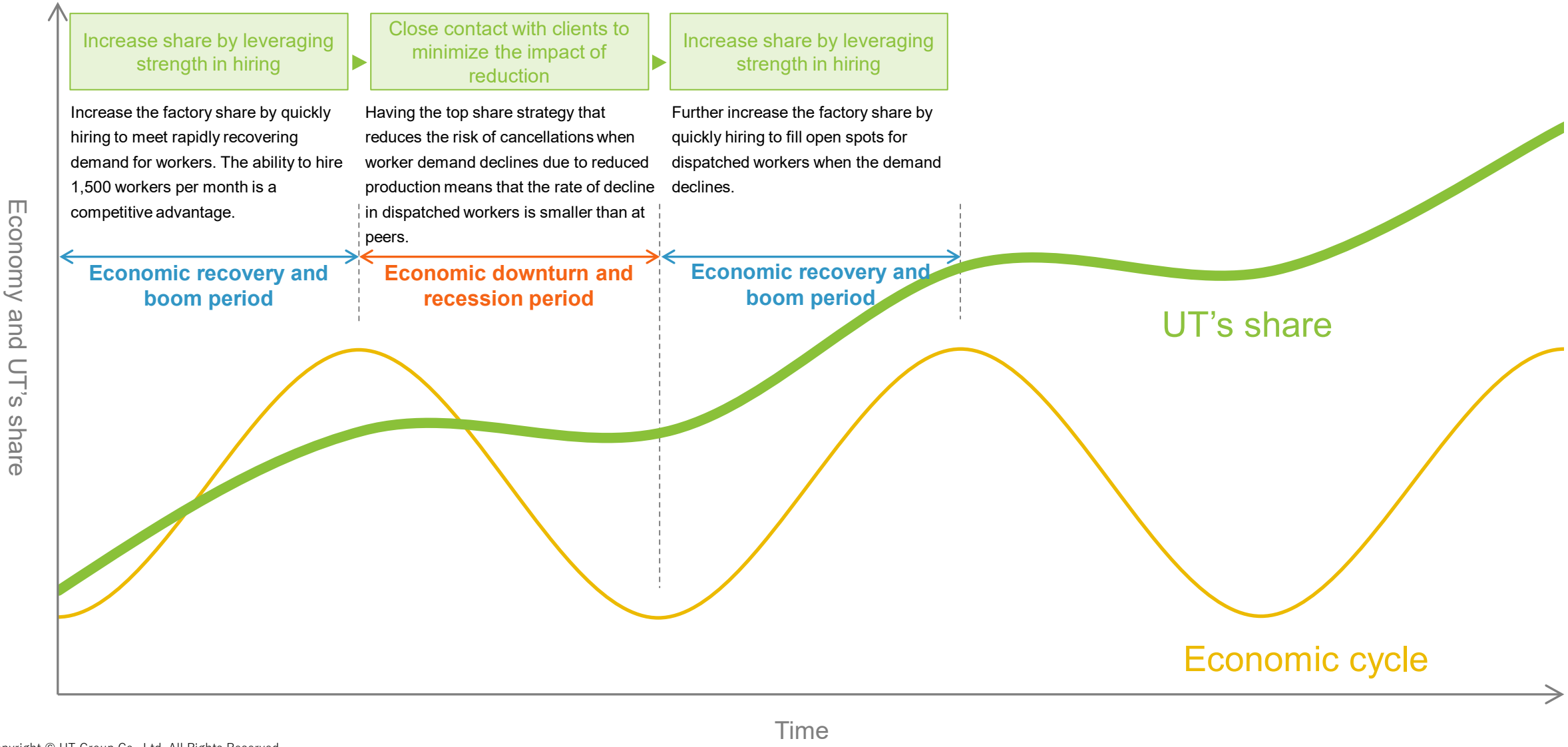
A strategy to capitalize on economic fluctuations and increase market share in client factories



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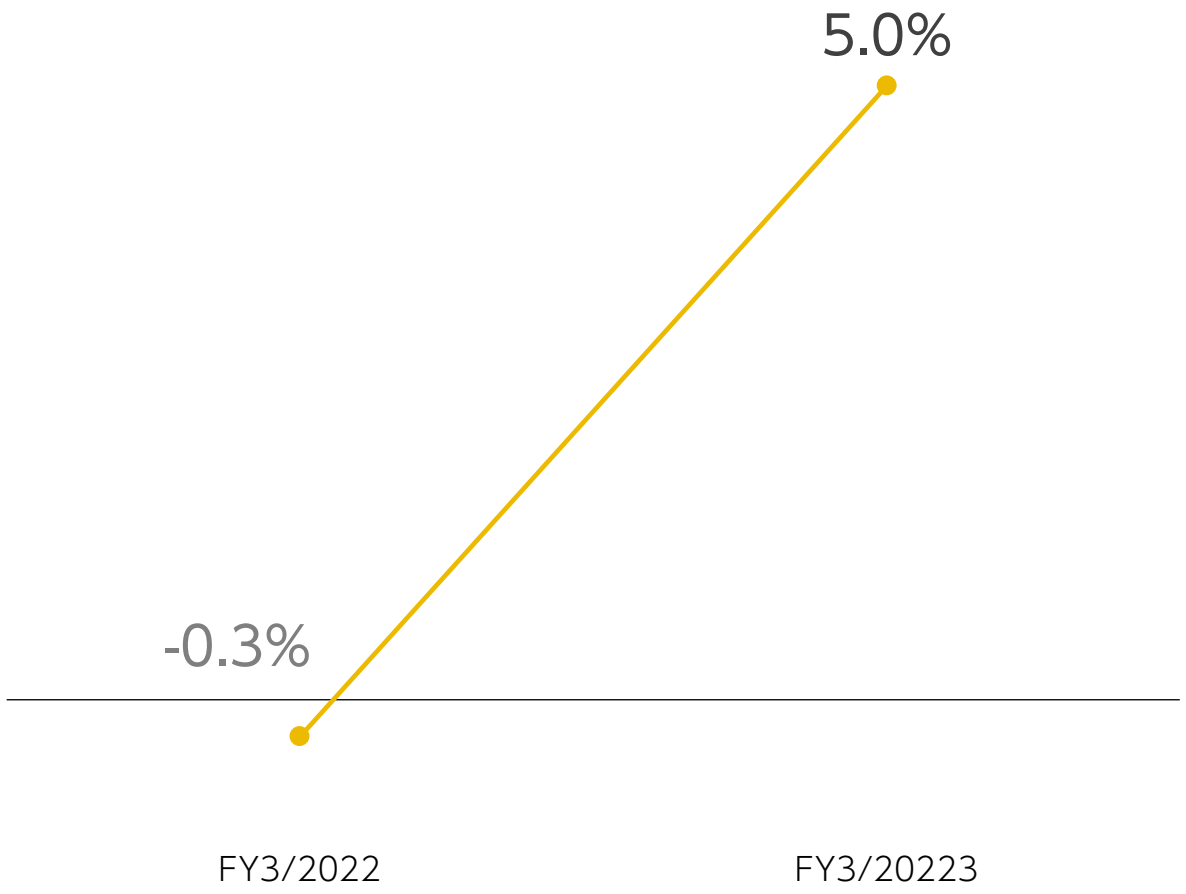
M&As to Expand Scale, Integrations to Increase Efficiency

Challenges for smaller dispatch companies	UT Group's strengths
Labor shortage and difficulty in hiring	Use of the Group's hiring capability
Added cost of coping with legal revisions	Coping with legal revisions by the Group
Business succession	M&A & PMI track record in the industry

- ✓ Expanding the business areas via M&As
- ✓ Improving profitability by integrating operating companies

EBITA margins before and after the business integration in the Area Business



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UT Characteristics: High Growth and High Efficiency (Compared to the four listed peers)

Growth

Sales growth (Five-year CAGR)

15.9%

A Co.	B Co.	C Co.	D Co.
24.5%	7.6%	8.9%	7.8%

EPS growth (Five-year CAGR)

20.6% ※

A Co.	B Co.	C Co.	D Co.
5.3%	-6.9%	4.7%	-14.0%

Efficiency

EBITDA margin

9.2%

A Co.	B Co.	C Co.	D Co.
5.1%	5.6%	2.9%	3.8%

EVA spread (ROIC-WACC)

14.6% ※

A Co.	B Co.	C Co.	D Co.
-2.2%	0.9%	-0.9%	0.4%

Stability

D/E ratio

0.7

A Co.	B Co.	C Co.	D Co.
2.4	1.6	1.0	9.3

Goodwill to equity ratio

24.1%

A Co.	B Co.	C Co.	D Co.
119.9%	11.4%	6.0%	0.0%

※ Calculated by using actual EPS or NOPAT, which excluded the impact of no cash-out stock-based compensation expenses

Source: Calculated by UT by using the Quick FACTSET figures of the recent fiscal year-end figures for each company

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Appendix/ Business Environment and Business Opportunities for UT Group

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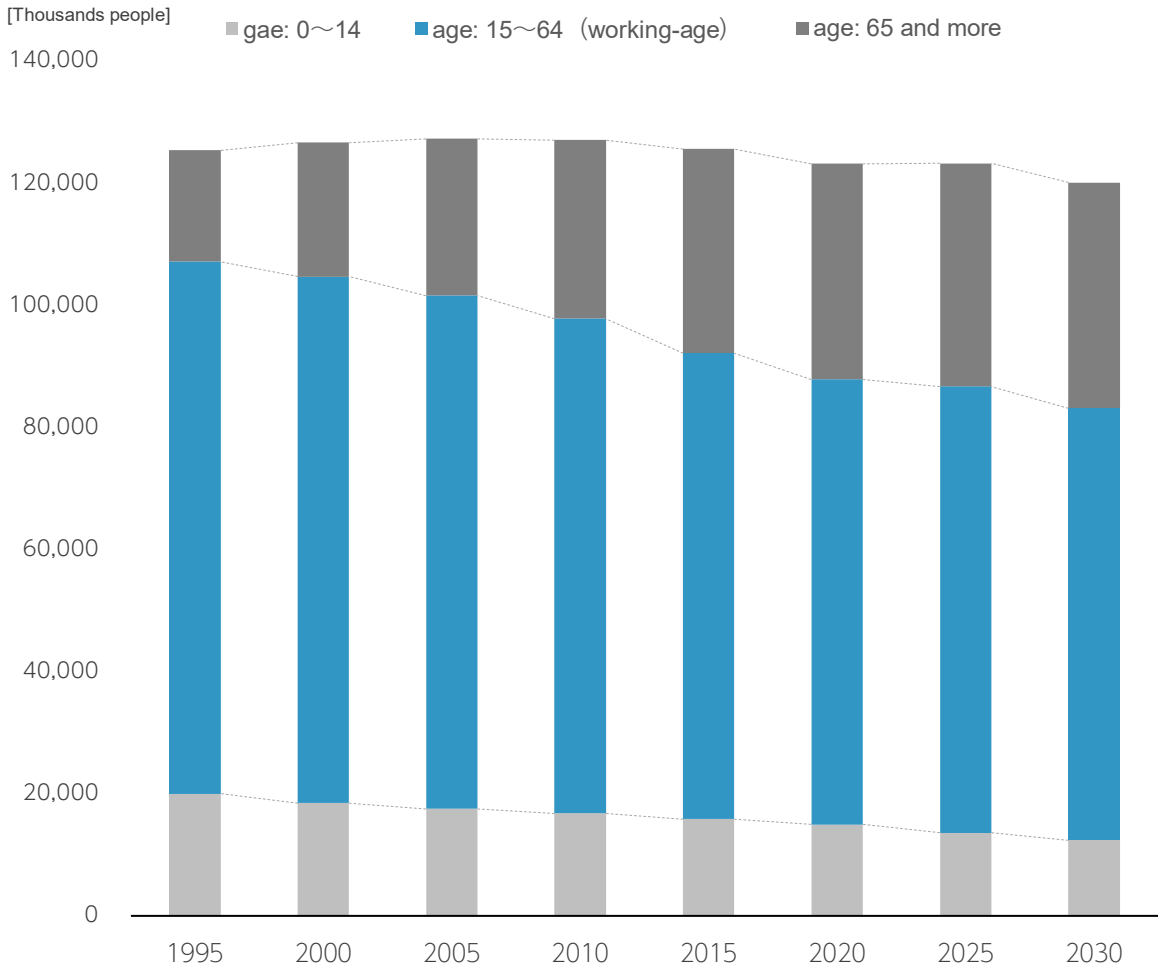
Decrease in working-age population due to declining birthrate and aging population

Changes in Japan's demographics structure (Figures after 2025 are estimates)



Source: National Institute of Population and Social Security Research

"2030 problem"

- Elderly to represent 1/3 of Japan's population
- Decrease in working-age population
- Labor shortage of 6.44 million people to the overall labor demand for 70.73 million* (estimate)

Worsening labor shortage

Source: "Labour Market Future Estimates 2030" (Persol Research Institute and Chuo University)

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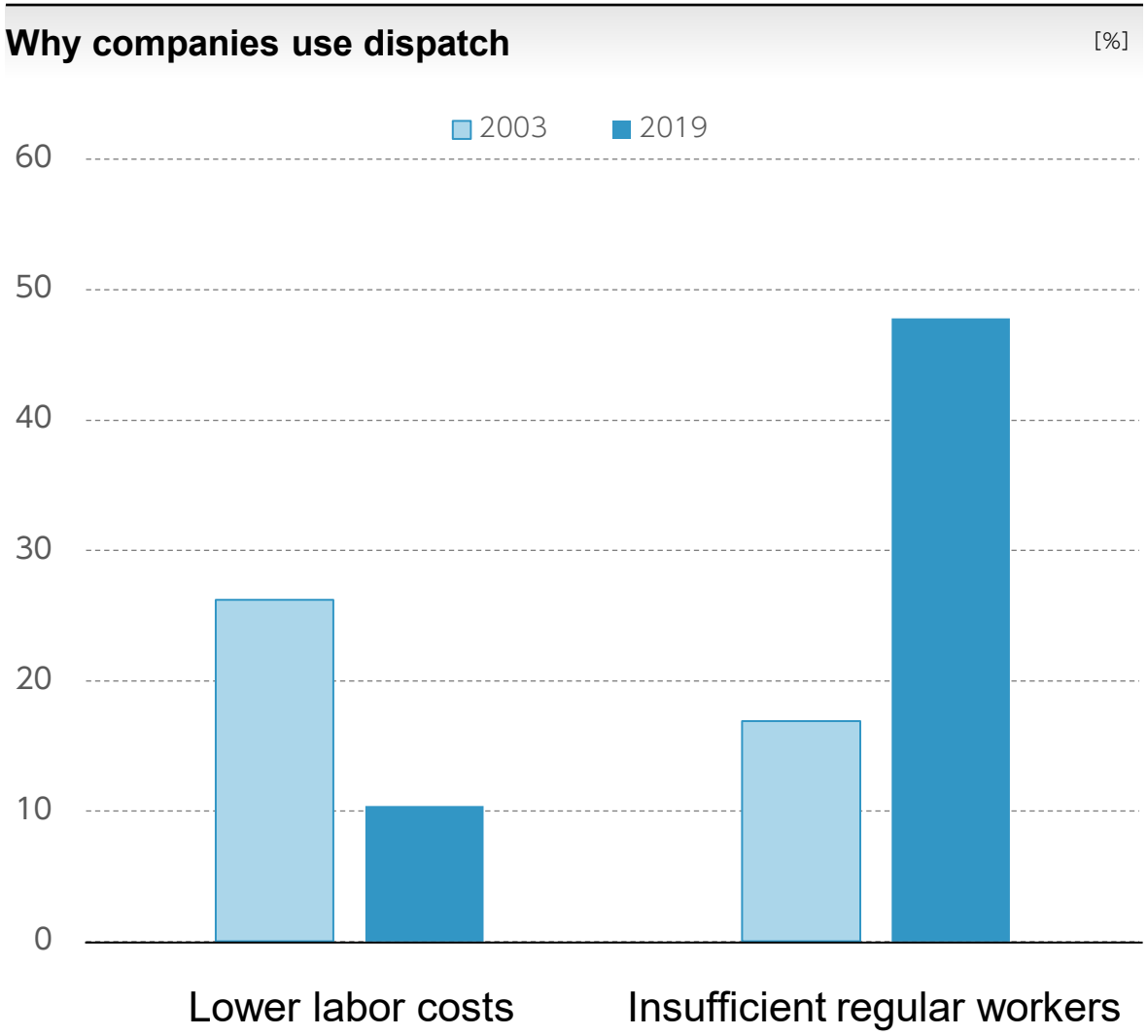
Labor Shortage Changes Demand for Dispatch Workers



Cause: Shift from temporary low-cost labor force to alternative labor force to regular employees

Result: Dispatch companies are required to have the ability to hire, retain and develop workers

Source: "Summary of the Comprehensive Survey on the Diversification of Employment Formats in 2019" (Ministry of Health, Labour and Welfare)

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UT Group's Competitive Advantage

Hiring

15,000 applicants/month

1,500 hires/month

UT's internal operation, from creating and producing recruitment ads to application processing, interviews, and assignments, can handle up to 1,500 hires per month.

Retaining

700 Career Partners across Japan

97% retention rate/month

UT has a high retention rate thanks to Career Partners who support each individual's career development while providing day-to-day consultation on work.

Developing

4 facilities to develop SME engineers across Japan

8% rise in median annual salary

UT has a system that raises salaries according to proficiency, supports career advancement to engineering positions, and develops workers needed by clients.

Producing

450 employees use the system for transfer to client companies

UT allows clients to directly hire UT's workers, if necessary, and addresses the human resource issues faced by clients.

UT supports growth of workers and client companies, leveraging UT's strengths in hiring, high retention rate, and HR development system.

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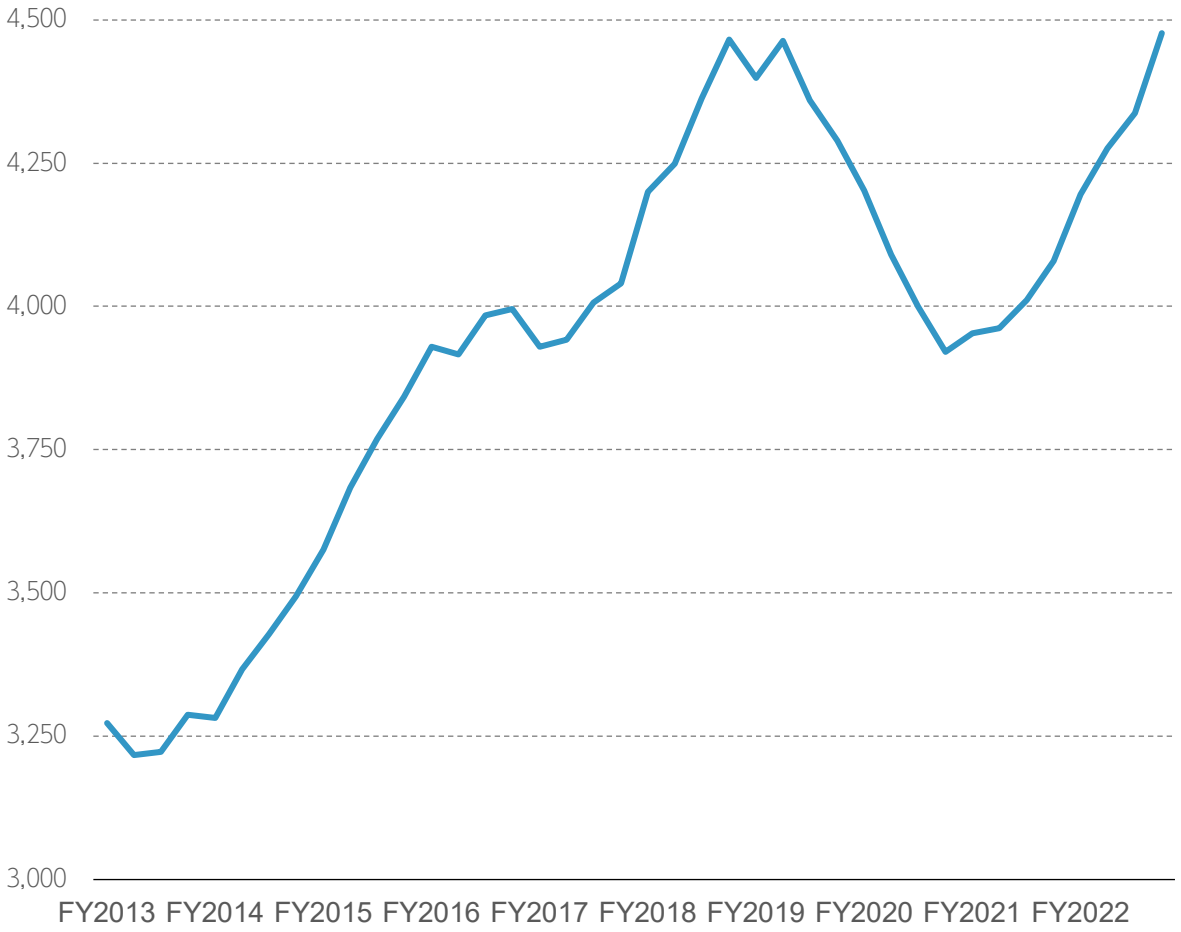
Japan’s Capex Growth Expanded the Manufacturing Dispatch Market

Capital expenditures of Japan’s manufacturing industry
(Four-quarter moving average)

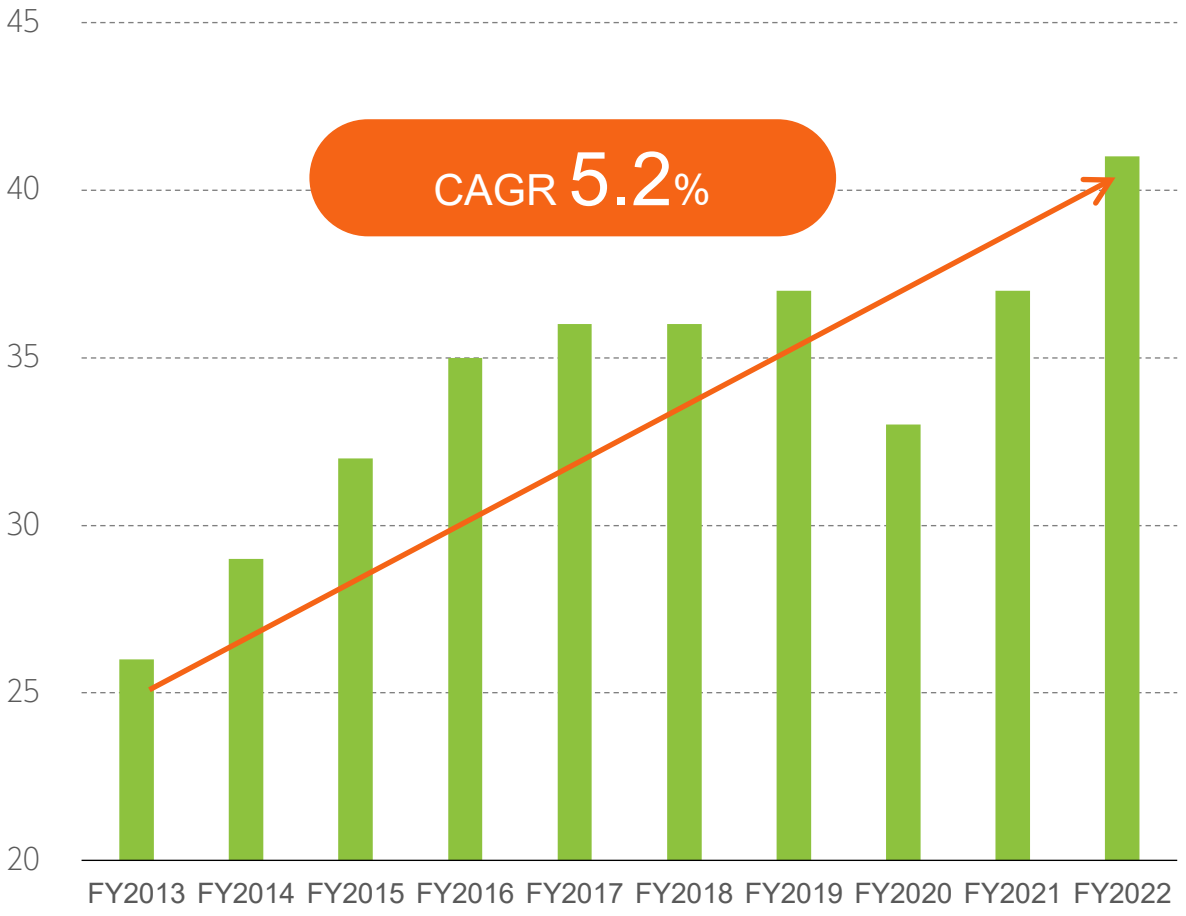
[10 billion yen]



Source: Ministry of Finance

Japan’s manufacturing dispatch market

[10,000 persons]



Source: Ministry of Internal Affairs and Communications

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Appendix/ Others

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Analysis of SG&A expenses

(million yen)

	FY3/2020					FY3/2021					FY3/2022					FY3/2023					FY3/2024				
	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year
personnel expenses	1,574	1,522	1,530	1,467	6,093	1,665	1,981	1,828	1,837	7,311	2,246	2,362	2,547	2,391	9,546	2,403	2,414	2,393	2, 510	9,720	2, 424	2,309			
ratio to sales	6.1%	5.9%	6.1%	6.0%	6.0%	6.4%	7.3%	6.2%	5.7%	6.4%	6.4%	6.3%	6.1%	5.6%	6.1%	5.8%	5.7%	5.5%	5.9%	5.7%	5.9%	5.6%			
Hiring expenses	490	527	496	341	1,854	151	267	770	1,218	2,406	1,215	1,608	1,575	1,719	6,117	877	1,041	817	812	3,549	886	1,030			
ratio to sales	1.9%	2.0%	2.0%	1.4%	1.8%	0.6%	1.0%	2.6%	3.7%	2.1%	3.5%	4.3%	3.8%	4.0%	3.9%	2.1%	2.4%	1.9%	1.9%	2.1%	2.1%	2.5%			
depreciation and amortization of goodwill	137	139	142	145	563	171	181	218	256	826	309	303	305	307	1,225	267	308	320	327	1,223	452	352			
ratio to sales	0.5%	0.5%	0.6%	0.6%	0.6%	0.7%	0.7%	0.7%	0.8%	0.7%	0.9%	0.8%	0.7%	0.7%	0.8%	0.6%	0.7%	0.7%	0.8%	0.7%	1.1%	0.9%			
Other	889	841	803	923	3,456	883	831	1,029	1,152	3,895	1,058	1,086	1,196	1,285	4,625	1,083	1,053	990	1,002	4,130	1,166	1,143			
ratio to sales	3.5%	3.2%	3.2%	3.8%	3.4%	3.4%	3.1%	3.5%	3.5%	3.4%	3.0%	2.9%	2.9%	3.0%	3.0%	2.6%	2.5%	2.3%	2.4%	2.4%	2.8%	2.8%			
SG&A Expenses	3,090	3,029	2,971	2,876	11,966	2,870	3,260	3,845	4,463	14,438	4,828	5,359	5,623	5,703	21,513	4,631	4,817	4,521	4,653	18,624	4,929	4,835			
ratio to sales	12.0%	11.7%	11.8%	11.8%	11.8%	11.1%	12.0%	13.0%	13.7%	12.5%	13.7%	14.3%	13.6%	13.3%	13.7%	11.1%	11.3%	10.3%	10.9%	10.9%	12.0%	11.8%			

Results for 3Q, 4Q and Full-year of FY3/2023 exclude the stock-based compensation expenses

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Actual Shareholder Returns

Basic policy on shareholders' return

UT Group's management aims at establishing a stable financial position and promoting aggressive business development to achieve high growth and ultimately raise sustainable corporate value. UT Group regards returning profits to shareholders as an important management issue and intends to make an appropriate return to shareholders based on a total return ratio of 30% or more by dividends and share buyback, which helps improve capital efficiency, and in consideration of stock price level, business environment, and other factors.

Total return ratio
(Dividends + share buyback) / Net profit≧30%

Total return ratio

(million yen)

	FY3/2018	FY3/2019	FY3/2020	FY3/2021	FY3/2022	FY3/2023
Net profit	3,534	4,968	4,562	4,299	3,140	3,831
Dividends paid	-	2,499	-	2,663	968	-
Amount of share buyback	1,060	-	-	-	-	2,816
Total return ratio	30.0%	50.3%	0.0%	62.0%	30.8%	73.5%

*In light of changes in the business environment and other factors, shareholder return in FY3/2019 was all in the form of dividend payment, including special dividend.
*Shareholder return for March 2020 was postponed in consideration of the impact of the spread of the new coronavirus.

*In FY3/2021, returns to shareholders were entirely in cash dividends. In addition to the ordinary dividend of 30% of net income, a special dividend (equivalent to 30% of net income for FY3/2020, payment of which had been forgone) was paid.
* In FY3/2023, UT Group acquired its own shares in an amount equivalent to 30% of net income attributable to owners of the parent, excluding the stock-based compensation expenses.

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Status of Share Buybacks and Cancellation

Objective and details of share buybacks

Objective

Implemented as the means of providing shareholder return in FY3/2023

Details

(1) Type of shares acquired: Common shares of the Company

(2) Total number of shares acquired: Up to 1.3 million shares.
(3.22% of the total number of outstanding shares (excluding treasury stock))

(3) Amount of acquisition: Up to 2,817 million yen.

(4) Period of acquisition: From May 16, 2023 to October 31, 2023

(5) Method of acquisition: Acquisition on the Tokyo Stock Exchange

(6) Other: According to the resolution of the Board of Directors pursuant to Article 178 of the Companies Act, the Company plans to cancel all of the treasury stock acquired through this repurchase, as this action is aimed as return to shareholders.

Funded by 30% of net income attributable to owners of the parent, excluding stock-based compensation expenses in FY3/2023

FY3/2023 total return ratio: 73.5%

Status of Stock Acquisition (Completed on August 25, 2023)

- Period of acquisition: May 16, 2023 to August 25, 2023
- Total number of shares acquired: 1,047,100 shares
- Amount of acquisition: 2,816,926,100 yen
- Total return ratio: 73.5%

Status of Cancellation

- Date of cancellation: October 10, 2023
- Total number of shares cancelled: 1,047,484 shares
- Ratio of cancellation to outstanding shares before cancellation: 2.59%

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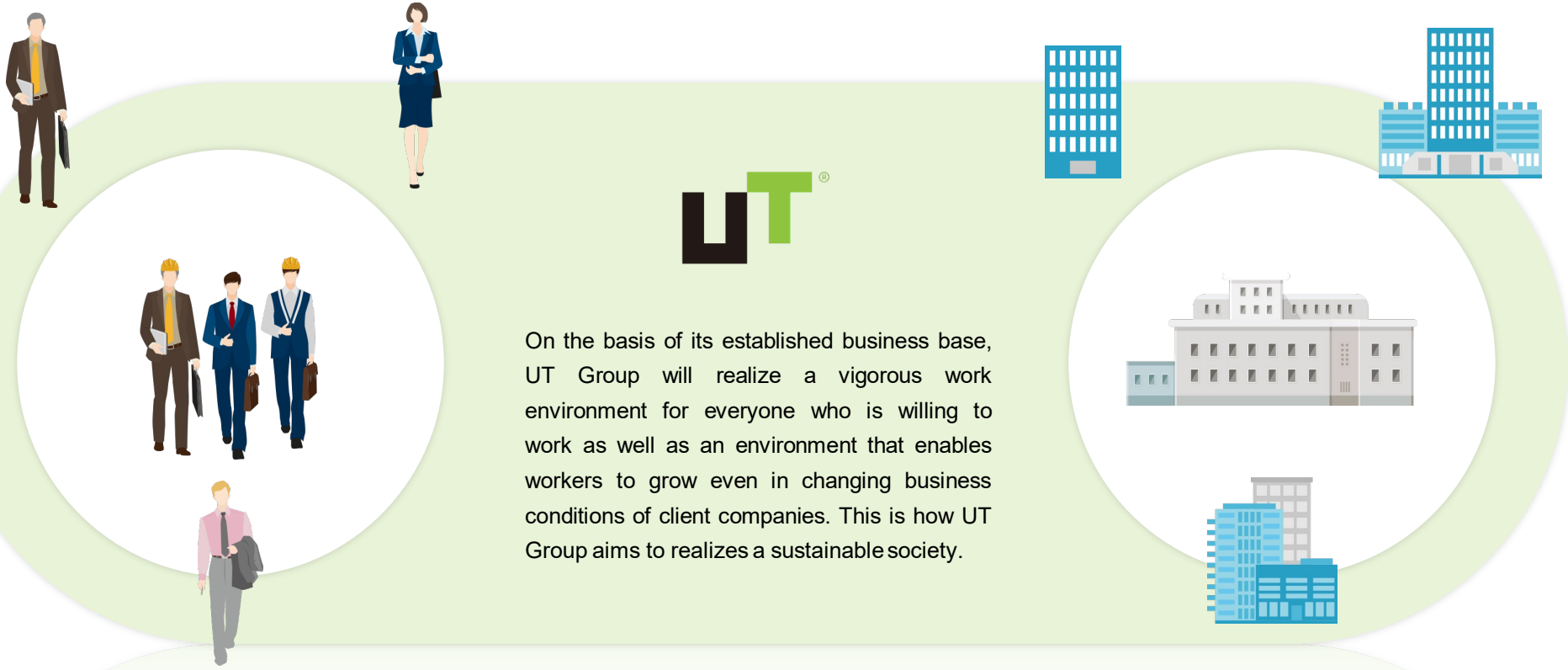
Medium-term business objective

Create a “diversity & inclusion” workstyle platform



On the basis of its established business base, UT Group will realize a vigorous work environment for everyone who is willing to work as well as an environment that enables workers to grow even in changing business conditions of client companies. This is how UT Group aims to realizes a sustainable society.

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Growth strategies

Prolonged implementation of the COVID-19 prevention measures and economic slowdown

Decline in consumption and production activities; depressed demand for personnel

Maintain employment to the extent possible and minimize a decline in technical employees	Smaller dispatched companies fall into financial distress	Increase in structural reform by large manufacturers
A new hiring/development base for manufacturers	M&As to accelerate industry consolidation	Accept workers from large companies
One-stop strategy for major manufacturers	**Area platform strategy**	**Solution strategy**

Create a “diversity & inclusion” workstyle platform

Measures for economic recovery are expected to produce a V-shaped recovery and enable UT Group to achieve its plans

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currently under review

Change in business segments corresponding to growth strategies

Segments to promote the growth strategies of the Fourth Medium-term Business Plan

Manufacturing Business

One-stop Strategy to Large Manufacturers

Development of manufacturing workers into effective workforce

Provide personnel services from hiring of personnel needed by large manufacturers to their retention and development into effective workforce. Aim to expand its share in the client workplace by one-stop provision of personnel, from workers in production process to engineers.

Area Business

Area Platform Strategy

Creation of jobs nationwide

Establish an employment base in various areas of Japan to respond to demand for local jobs. Raise workplace satisfaction and market shares in various parts of Japan by promoting alliances with large companies and acquisition of engineer dispatch companies, and integrate the business base to improve profitability.

Solution Business

Solution Strategy

Support to personnel mobilization aimed at enhancing corporate competitiveness

Support personnel mobilization by creating workplaces for excess workers of large corporate groups, which have personnel issues and demand for structural reform.

Segments to establish a business base from a longer-term perspective

Engineering Business

Development of high-skill engineers

Secure workers with hiring and the use of the intra-group transfer system One UT and develop those with no experience in the construction and IT sectors. Aim to enhance functions and establish a business base through alliances with large companies and acquisition of engineer dispatch companies.

Overseas Business

Establishment of the environment for non-Japanese workers to work vigorously

Plan to establish an overseas personnel service business through overseas alliances and acquisition in order to create workplaces where foreign interns in Japan can work empowered back at their home country.

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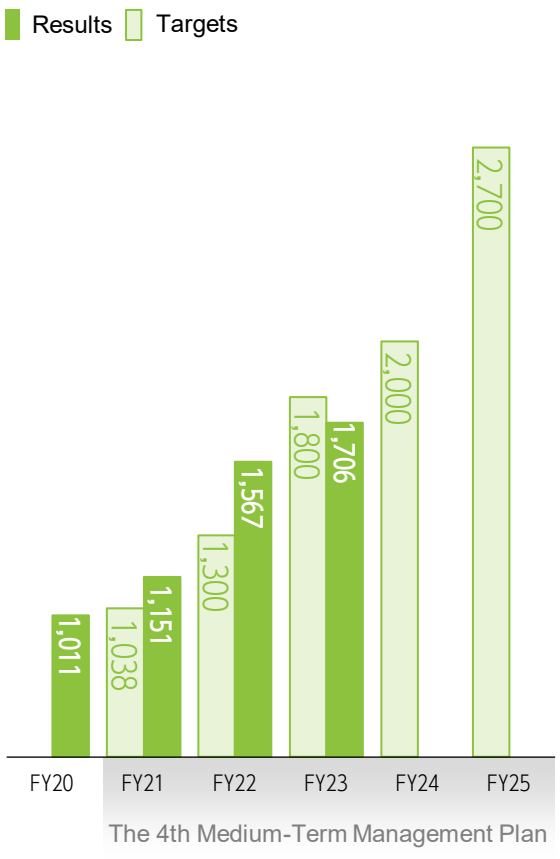
currently under review

Numeric Targets and Commitments

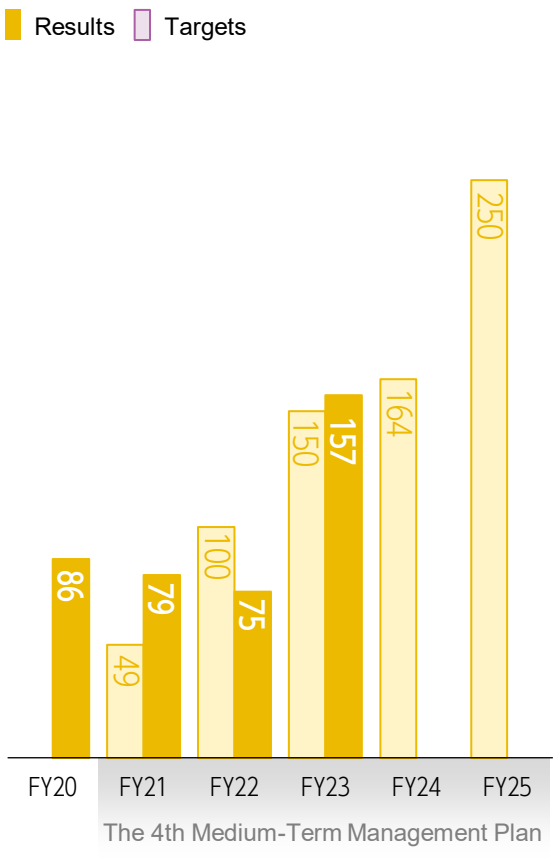
As sales target for FY3/2023 was realized one year ahead of schedule in FY3/2022, we revised earning targets of FY3/2023 - FY3/2025 (announced May 13, 2022).

We are determined to achieve M&A-driven growth and financial stability, and to ensure return to shareholders.

Sales target [100 million yen]



EBITDA※ target [100 million yen]



Commitments

EBITDA growth rate: 30% or more (CAGR starting from FY3/2021)

The UT Group emphasizes earnings growth as much as sales growth by business expansion. The Fourth Medium-term Business Plan includes strategic M&A activities aimed at formation of a long-term business base. We therefore use EBITDA to show our commitment in earnings growth and set 30% or more CAGR in EBITDA for the period starting from FY3/2021.

Total return ratio: 30% or more

The UT Group recognizes return to shareholders as an important management priority. We intend to achieve a corporate growth through strategic investment as well as return to shareholders. We are committed to a total return ratio of 30% or more by dividend payment and share buyback.

Gross D/E ratio: 1.0 or less (at the end of FY3/2025)

We intend to achieve both a high growth and a stable financial position by balancing debts with shareholders' equity, which stems from efficient business operation and capital policy.

Total return ratio
The total return ratio represents the proportion of shareholder return to net profit.
Total return ratio = (Dividends + Shares bought back) / Net profit after tax

Gross D/E ratio
The gross debt/equity ratio indicates the ratio of interest-bearing debt to shareholders' equity of the fund
sources of a company. A ratio of 1.0 or less is generally regarded as indicating a healthy financial position.

※EBITDA = Operating profit + Depreciation (Property, plant and equipment, and Intangible assets) + Amortization + Stock-based compensation expenses

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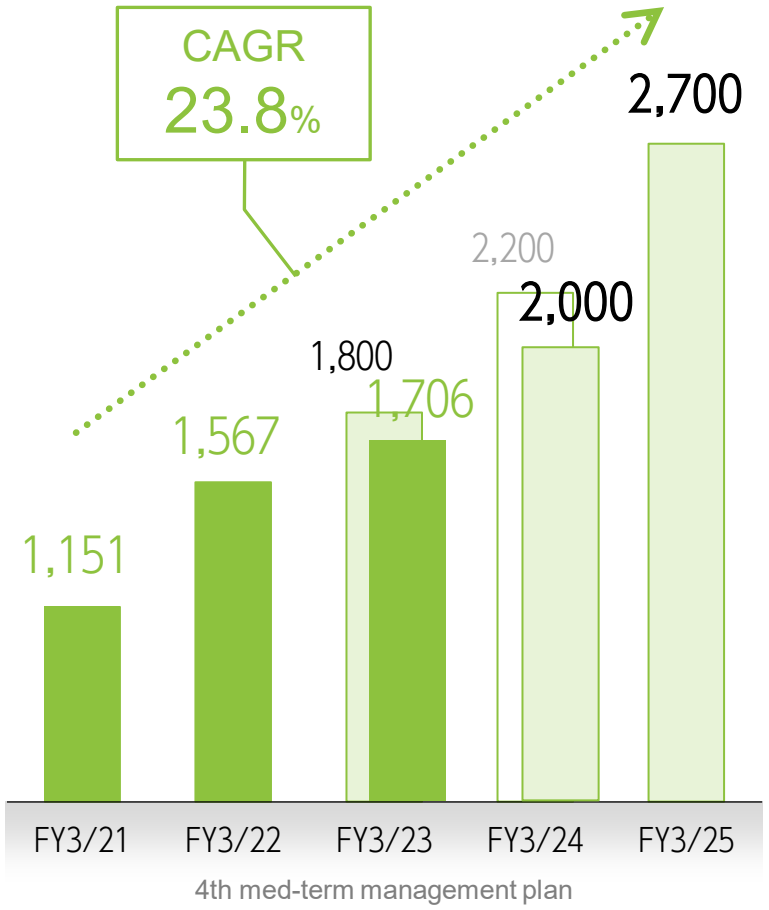
currently under review

Target of the 4th Medium-Term Business Plan

Sales target

[0.1 Billions of yen]

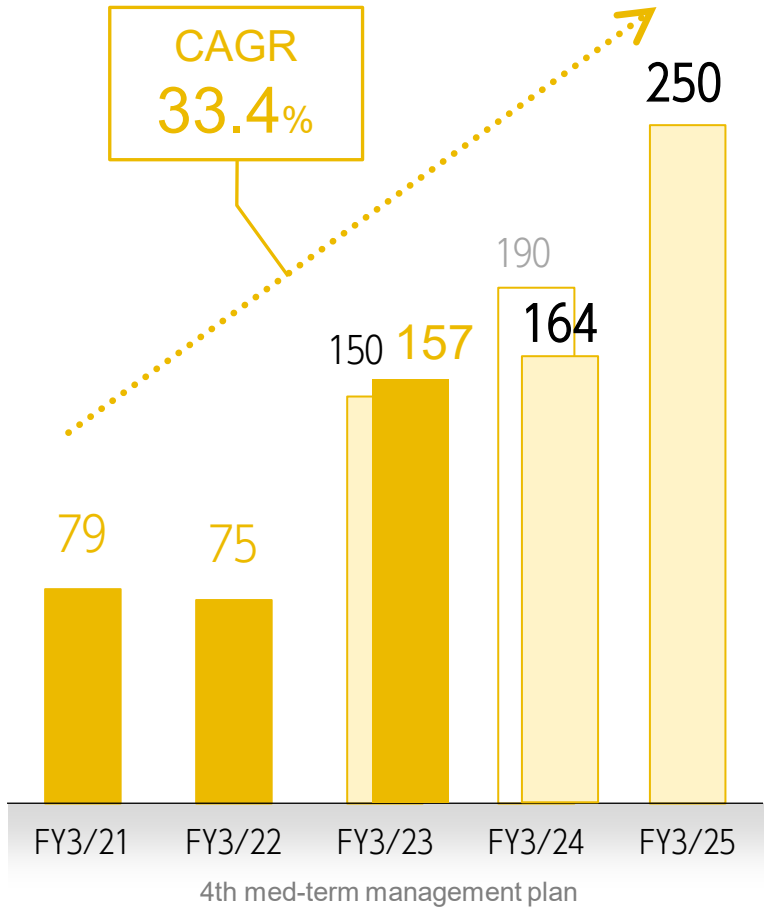
Proven Goals



EBITDA targets*1

[0.1 Billions of yen]

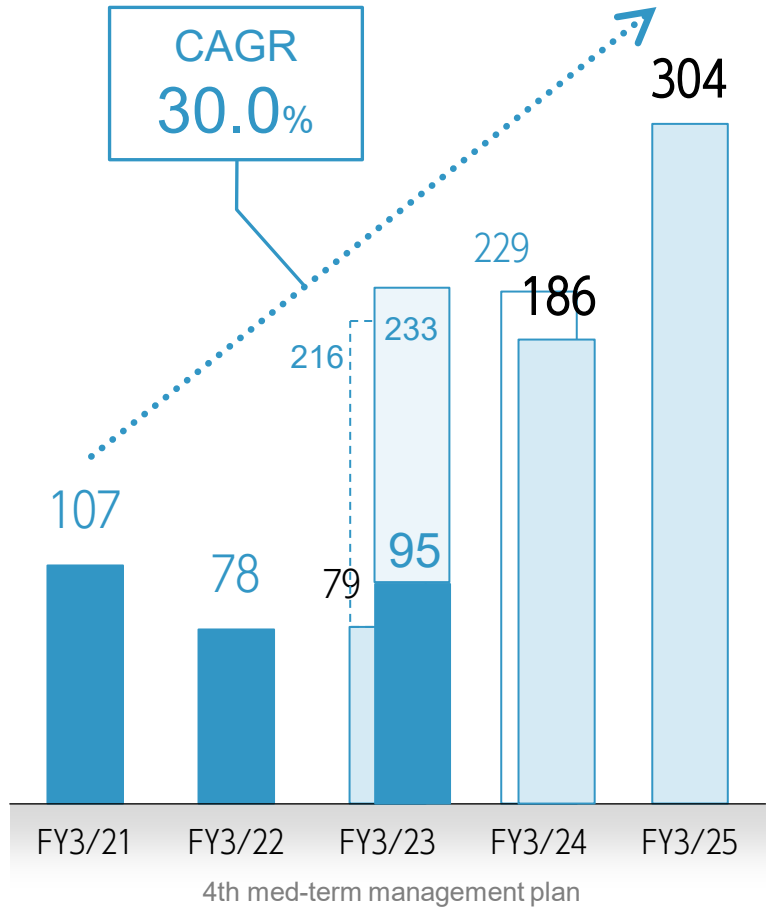
Proven Goals



EPS targets*2

[Yen]

Proven Goals EPS excl. stock compensation expenses



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*1 EBITDA: Operating profit + depreciation (property, plant and equipment + intangible assets) + amortization of goodwill + stock compensation expenses

2 EPS for FY3/2024 and FY3/2025 are fully diluted

Performance-linked stock acquisition rights

Overview of the performance-linked stock acquisition rights

Resolved by the Board of Directors (2020/5/20)

Objective

to strengthen our commitment to pursuit of expanding corporate value of the Company in the medium- to long-term.

Total number of stock acquisition rights:

80,592 units (equivalent to 20% of issued shares) * At the issuance

Conditions for exercise of stock acquisition rights

If any of (A), (B), and (C) below is fulfilled (one time only

Condition achieved in FY3/2023

A： EBITDA of ¥15 billion or more in any of FY3/2021-FY3/2024

~~B： EBITDA of ¥20 billion or more in any of FY3/2021-FY3/2025~~

~~C： EBITDA of ¥30 billion or more in any of FY3/2021-FY3/2027~~

Exercise period

May 1, 2021 to April 30, 2028

The exercise condition is a profit growth of 1.7-2.9 times EBITDA in FY3/2020, even though dilution of up to 20% will occur.

When to recognize stock-based compensation expenses

Because the condition A was met in FY3/2023, stock-based compensation expenses of about ¥5.5 bn was recorded in 1Q.

Due to the adoption of the accounting treatment of the paid stock option since April 2018, the stock-based compensation expenses are considered as compensation for labor when its performance conditions are achieved and the expenses are to be recorded as expenses (SG&A expenses).

The stock-based compensation expenses of ¥5.5 billion has been recognized as expense for accounting purposes, do not involve cash-out, and do not affect cash and deposits.

When all the rights are exercised, cash will increase and be transferred to stated capital and additional paid-in capital.

※EBITDA = Operating profit + Depreciation (Property, plant and equipment, and Intangible assets) + Amortization + Stock-based compensation expenses

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Corporate Outline

Corporate Outline

As of Sep. 30, 2023

Corporate name:	UT Group Co., Ltd.
Founded:	April 2, 2007
Capital:	693 million yen
Listing:	TSE Prime Market (Securities code: 2146)
Representative:	President, Representative Director & CEO Yoichi Wakayama
Location:	1-11-15 Higashi-Gotanda, Shinagawa-ku, Tokyo
Number of issued and outstanding shares :	40,368,067 shares
Number of shareholders:	7,455

Group Companies

As of Sep. 30, 2023

UT Aim
Manufacturing personnel services

UT Connect
General personnel dispatch and outsourcing

UT SURI-EMU
General personnel dispatch and outsourcing

FUJITSU UT
General personnel dispatch and outsourcing

UT Toshiba
General personnel dispatch and outsourcing

UT FSAS Creative
Office work and IT personnel dispatch and outsourcing of operations system management and help desks

UT MESC
Elevator/escalator manufacturing outsourced work and dispatch of design engineers

UT Technology
IT engineer outsourcing

UT Construction
Construction engineer outsourcing

Green Speed Joint Stock Company
General personnel dispatch and outsourcing in Vietnam

UT Life Support
Internal benefit program management

UT Heartful
Special subsidiary company

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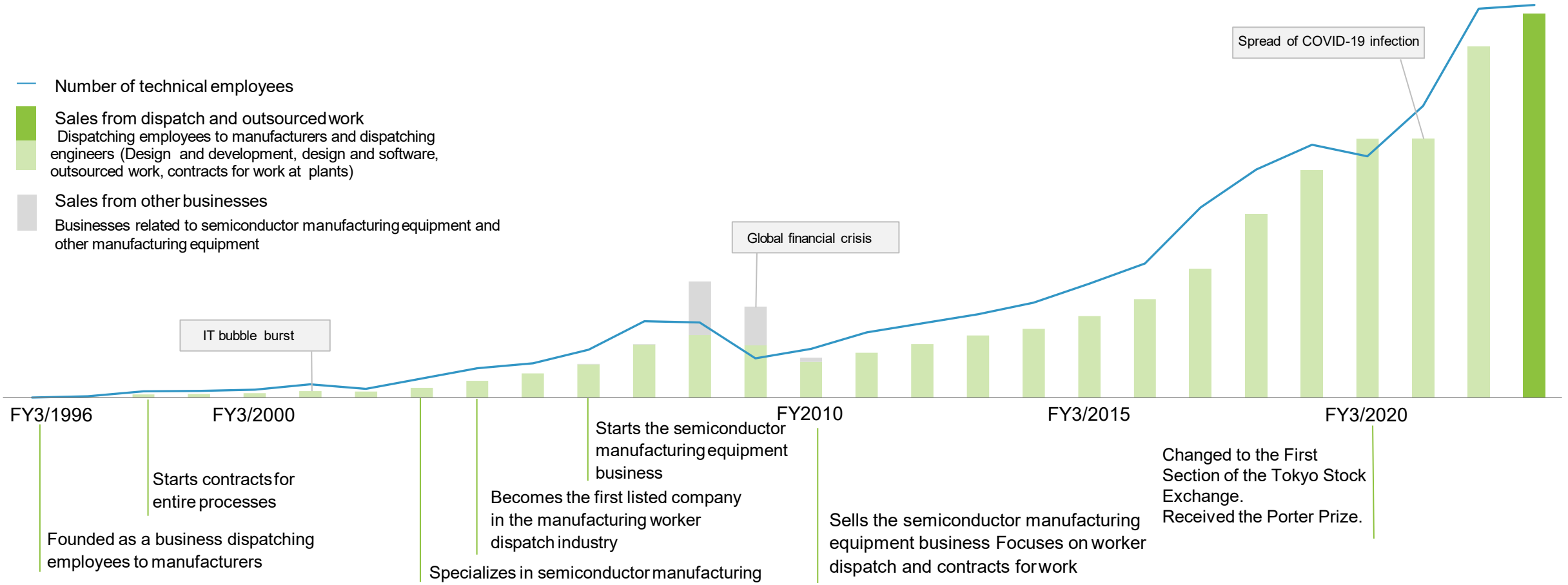
The Leading Company in Manufacturing Dispatch Industry

Creating vigorous workplaces empowering workers.

Adopting the twin customer strategy that identifies both workers and companies as clients,
UT Group transformed the process of manufacturing worker dispatch into a sustainable business model that facilitates growth by both workers and companies.
Create a “diversity & inclusion” workstyle platform.

FY3/2023
Domestic Technical employees
31,936
Consolidated sales
¥170.6bn



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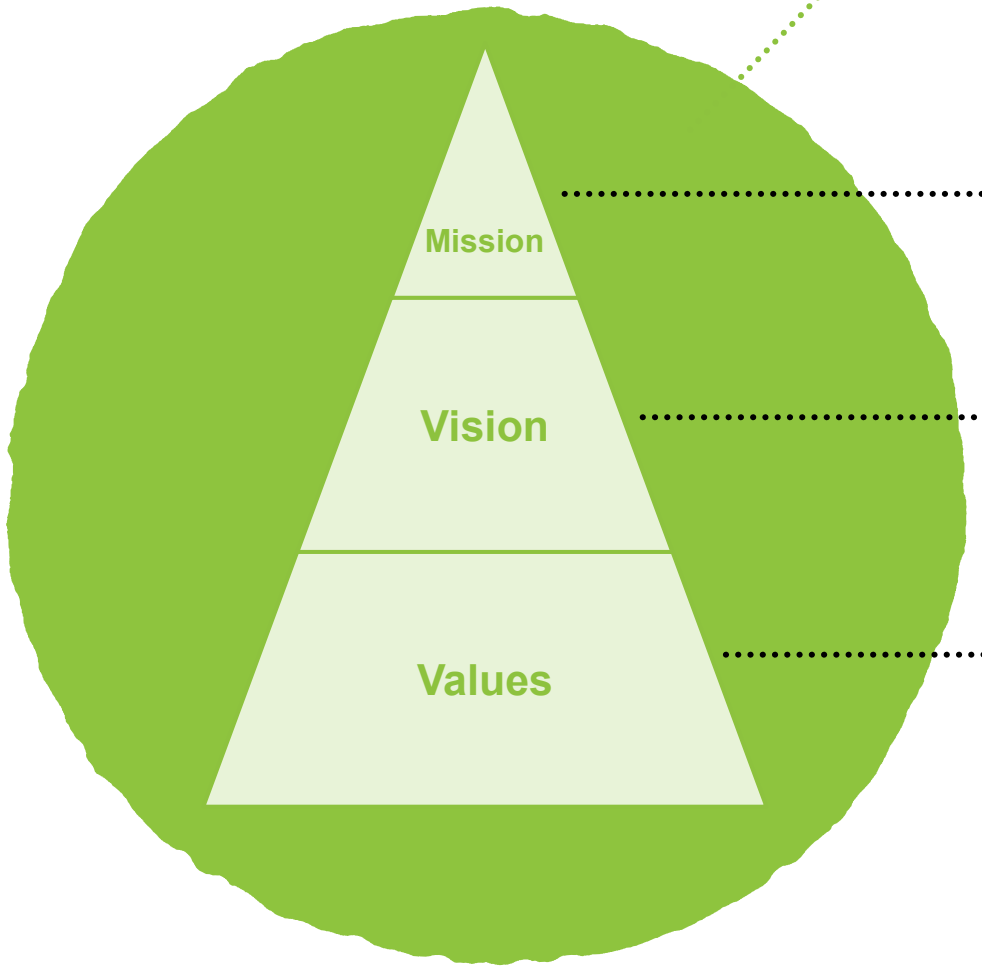
UT group's Mission, Vision and Values



Purpose

We at UT Group aim to realize a society in which all people who are willing to work are equally given opportunities for skill development and career formation, and are treated fairly

Creating vigorous workplaces empowering workers

UT VISION 2030

Becoming the company with a future workstyle platform

We stand by people and stay face to face with them

- Challenging
- Fairness
- All for one
- Expanding possibilities

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UT Group’s growth = The sum of vigorous work of its people

UT Group’s human capital

Diversity

×

Market value

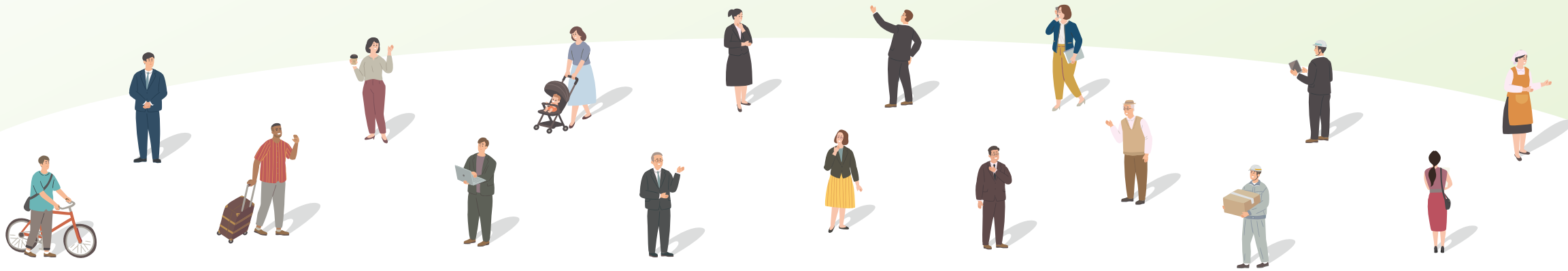
×

Engagement

According to their own values and life stages,

develop their skills and careers, and

keep engaged and empowered on platform of UT Group



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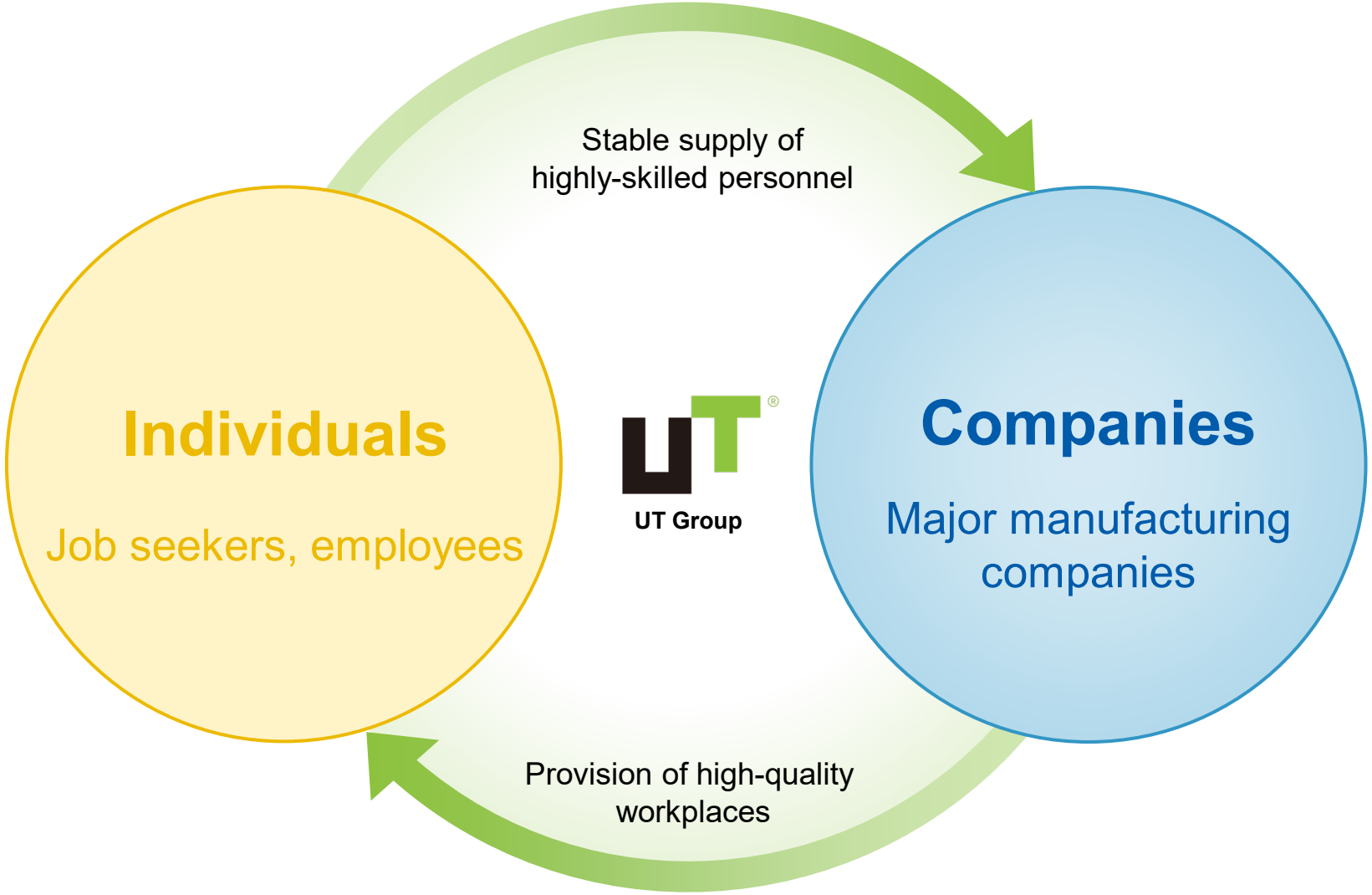
Twin-Customer Strategy and Career Platform



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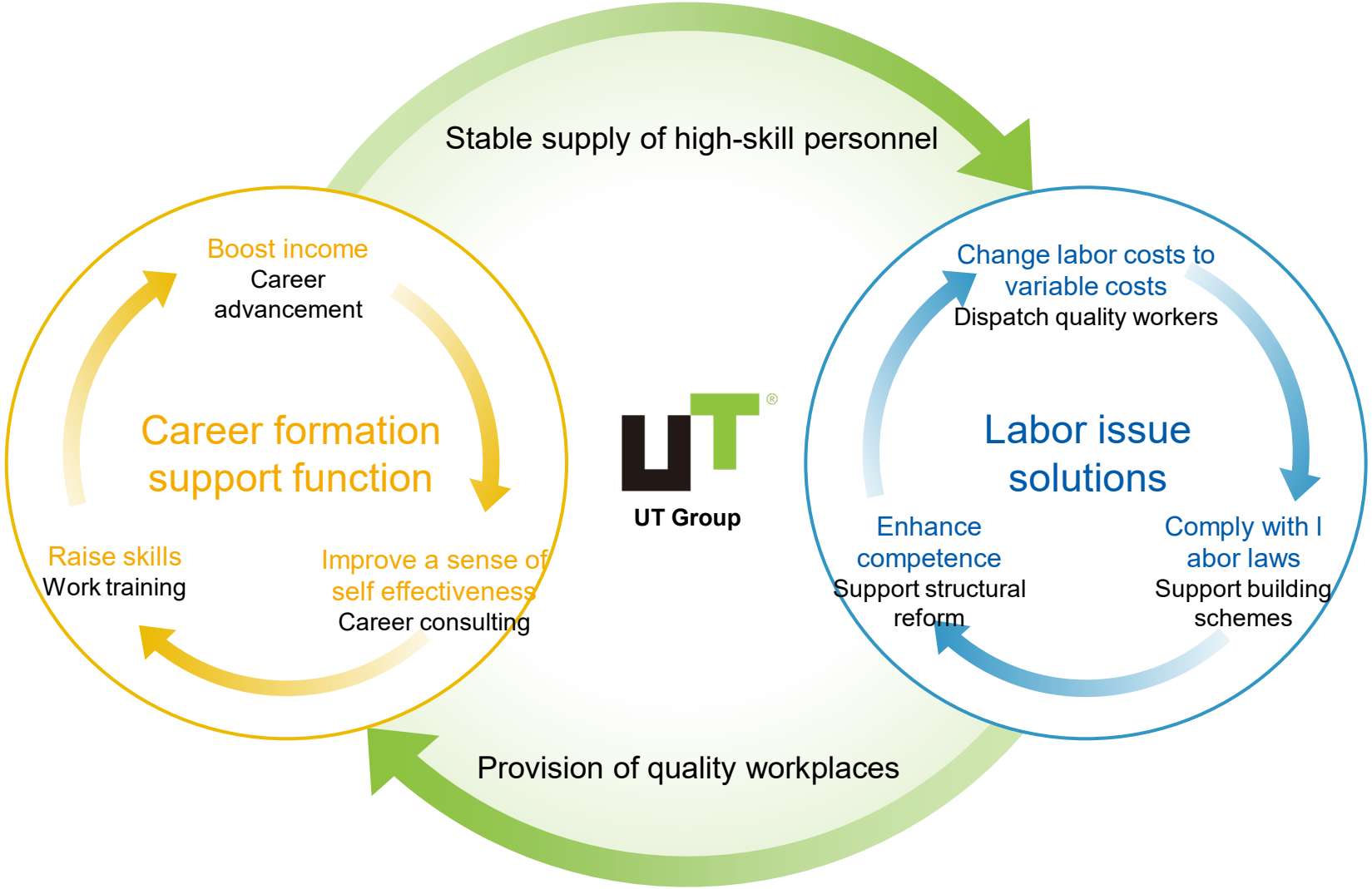
Twin-Customer Strategy and Career Platform



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Enhancement of the systems that enable technical employees to advance their careers

Good Job

A system that allows manufacturing operators and engineers to freely choose a workplace

(Own workplaces can be selected)

One UT
STEP UT

A system that supports career changes from manufacturing operators to engineering jobs at Group companies. Provides opportunities to build various careers within the Group.

(Intra-group transfers)

Next UT

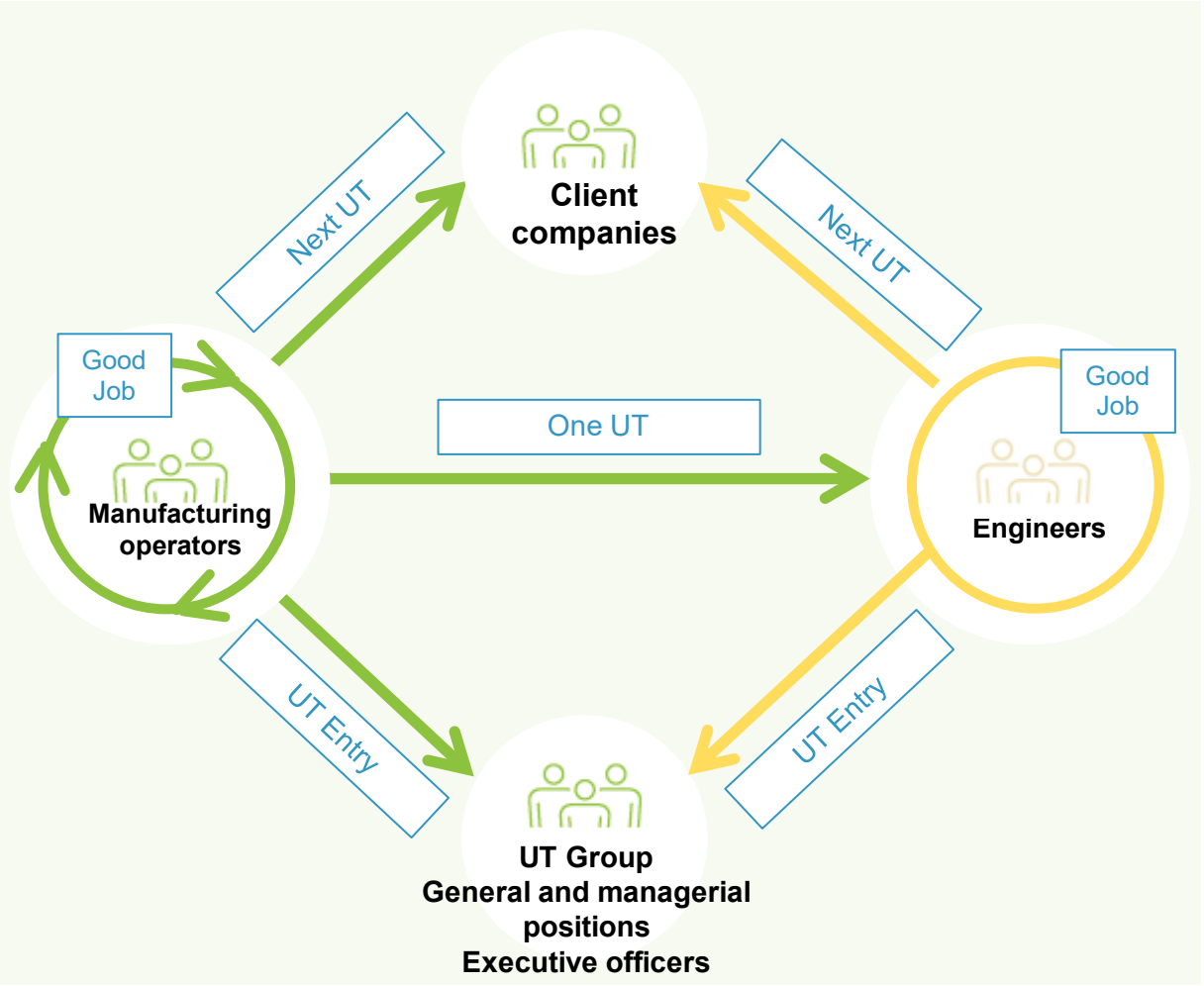
A system that supports the transfer to a client company (mainly major manufacturers). Expand career path options to motivate employees.

(Transfer from UT's dispatched worker status to being a client company's full-time employee)

UT Entry

A voluntary nomination system to a manager or an executive. The industry's first system that provides all employees with a fair career opportunity regardless of their years of service, experience, or age.

(Voluntary nomination to the position of a manager or an executive)



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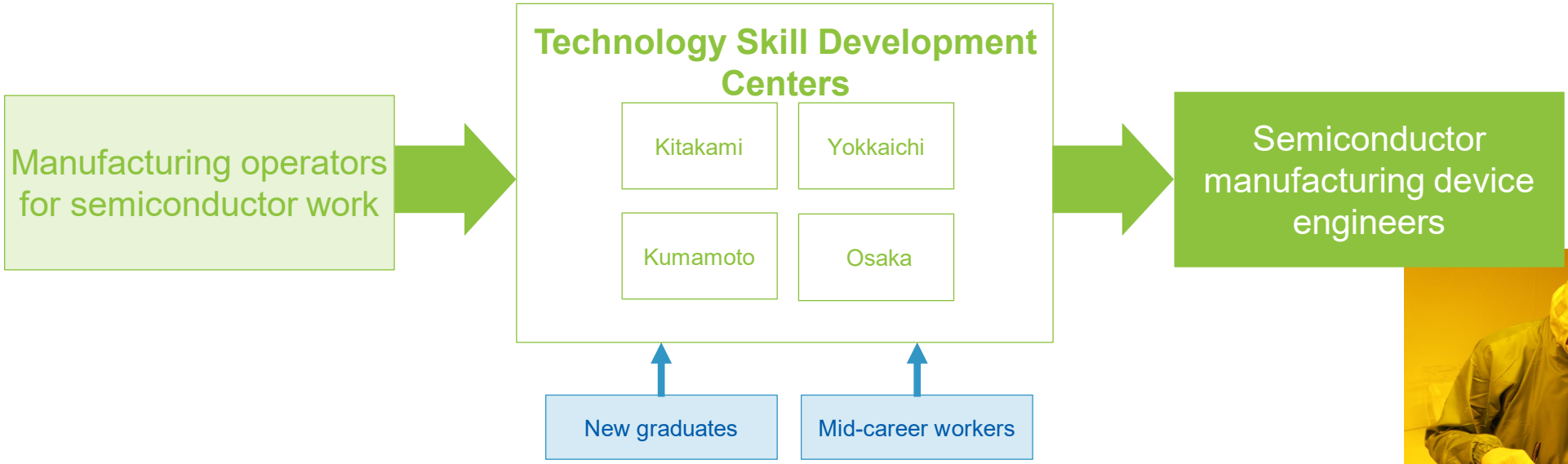
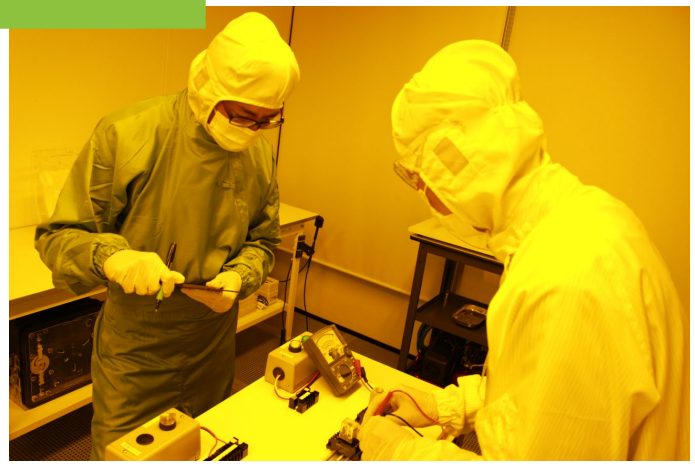
Strongly promote SME engineer development

- Established four technology skill development centers for manufacturing engineers in the semiconductor field (Dec. 2020: Kitagami City in Iwate; March 2021: Yokkaichi City in Mie and Kumamoto City in Kumamoto; May 2021 Osaka City in Osaka)
- Targeting to produce 5,000 engineers in FY3/2022 – FY3/2025.





Practical training in a clean room

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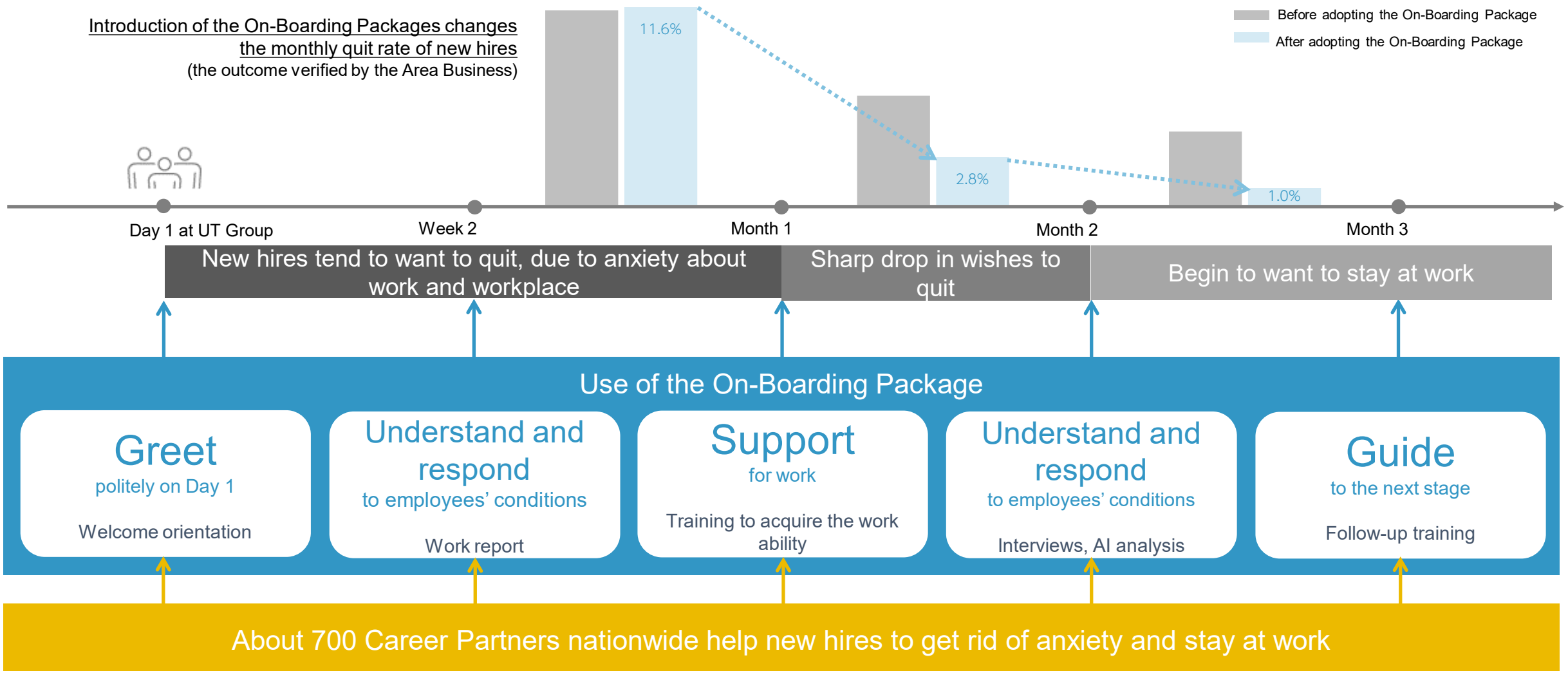
Restrain new hires from quitting by consistent support for their growth

- The Area Business introduces in stages the On-Boarding Package, which removes factors to quit and creates factors to stay



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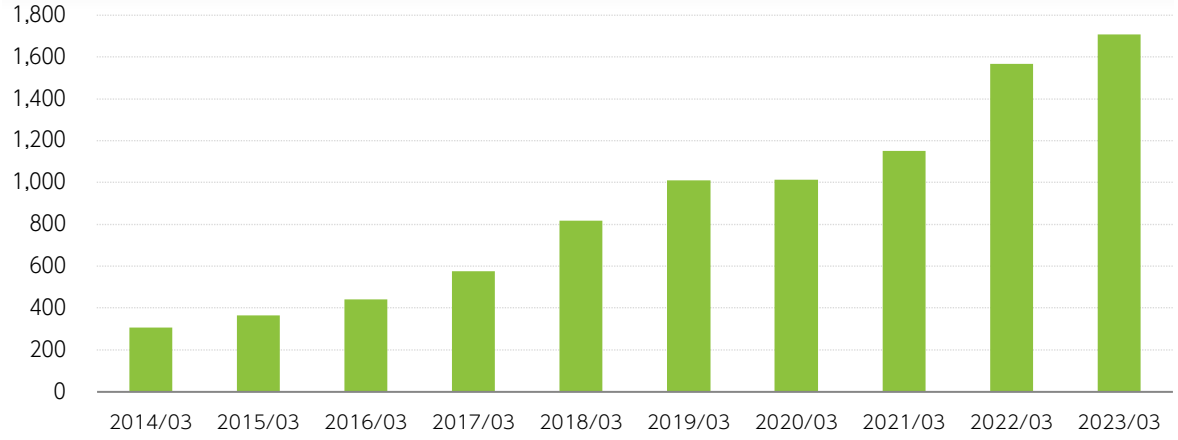
Trends of Business Results

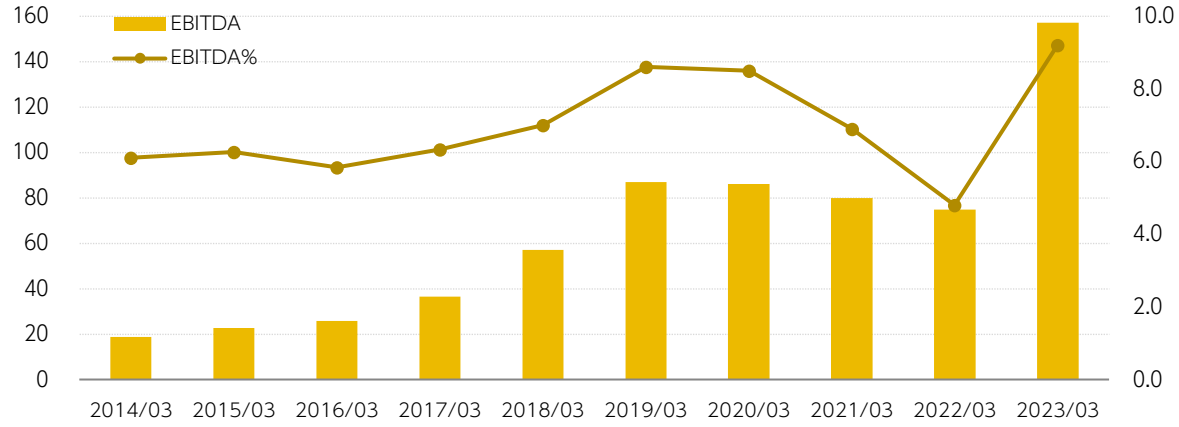
Net sales

(100 million yen)



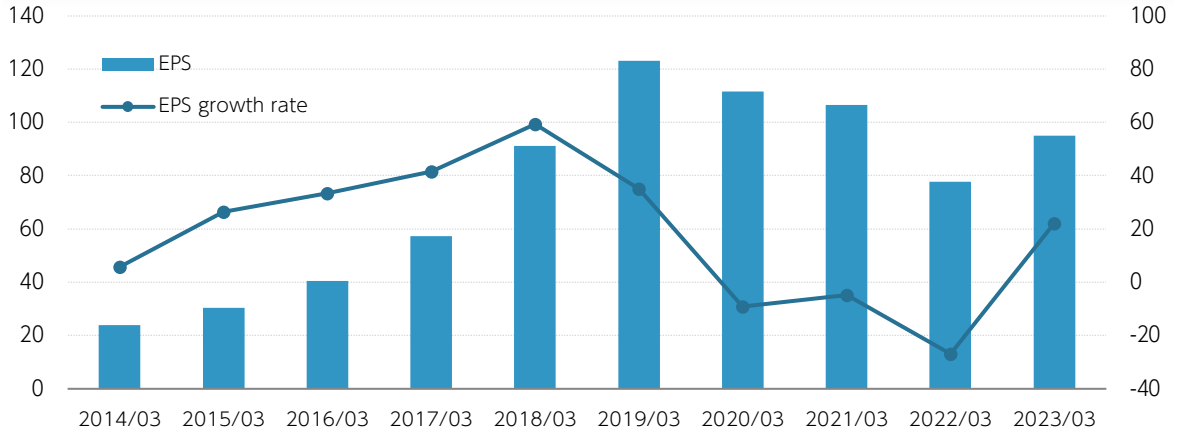
EBITDA(LH) and EBITDA% (RH)

(100 million yen, %)



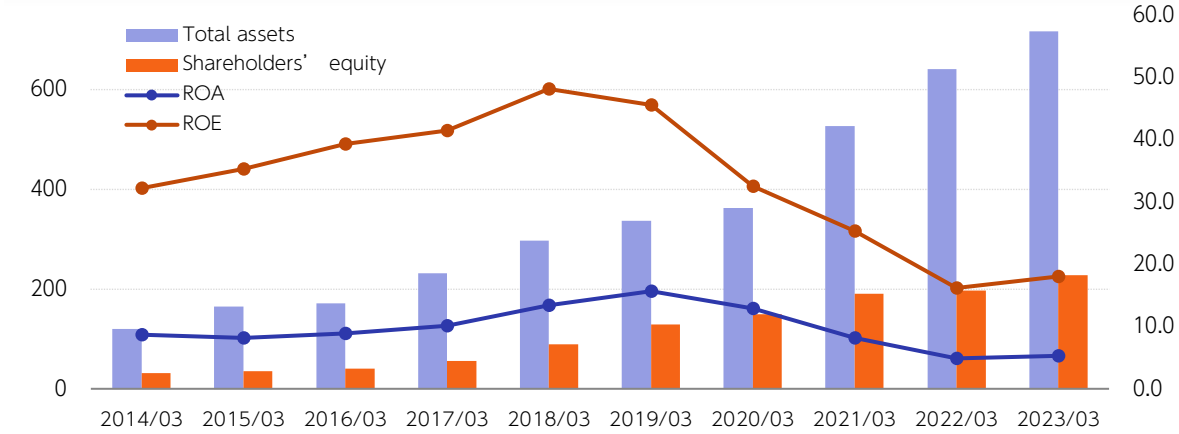
EPS and EPS growth rate

(Yen, %)



Total assets and Shareholders' equity (LH) ROA and ROE (RH)

(100 million yen, %)



ROA = [Net profit attributable to owners of the parent] / [Total assets] (fiscal year average)
ROE = [Net profit attributable to owners of the parent] / [Shareholders' equity] (fiscal year average)

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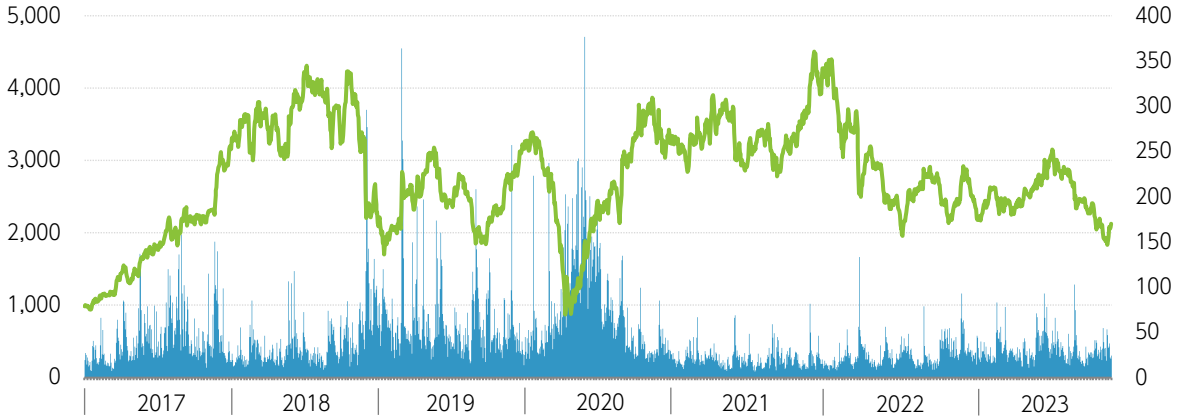
Trends of Stock Price

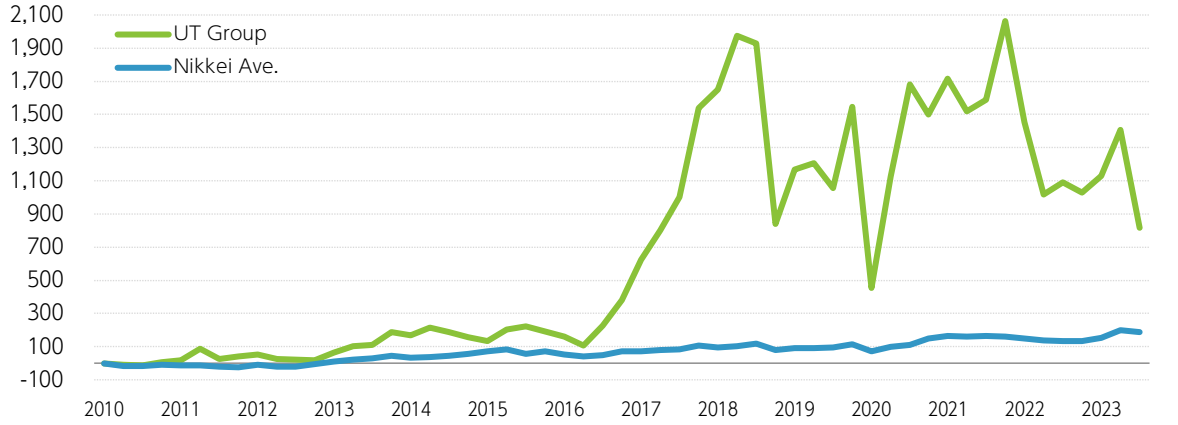
Stock price (LH) and **trading volume** (RH)

(Yen / 10,000 shares)



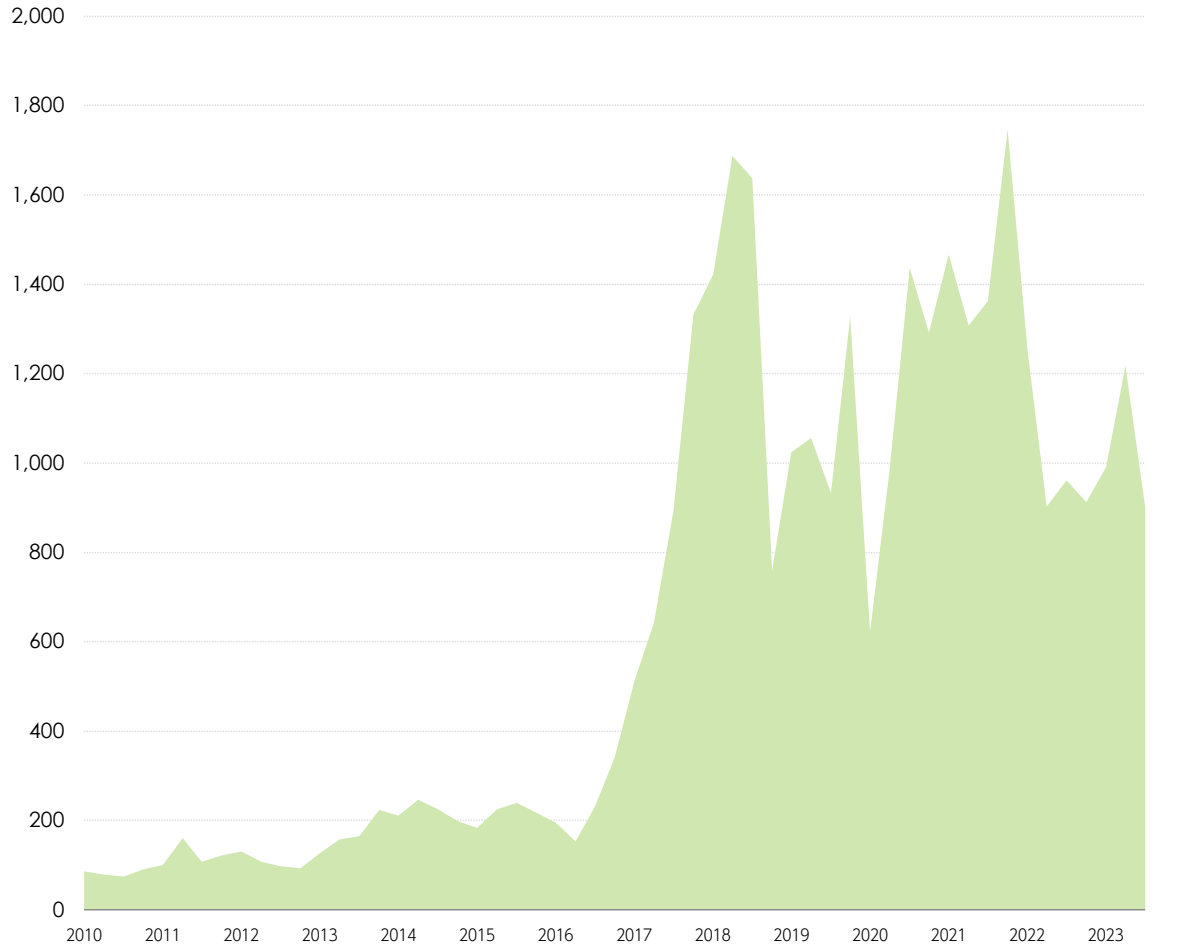
Changes in stock price
(compared with the level on March 31, 2010)

(%)



Market capitalization

(100 million yen)



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INTEGRATED REPORT 2023 was released (Sep. 2023)



What will be "human capital management that is unique to UT Group"?

Non-regular workers account for about 40% of the workforce in Japan, and their workstyles are diversifying. Now, how can we expand the opportunities for non-regular workers to play an active role and how can we create a foundation for them to become a competitive force? This is an urgent issue for Japan, where the working-age population is decreasing.

In keeping with our Mission, namely to “Create vigorous workplaces empowering workers,” UT Group is committed to “realizing a society in which all people who are willing to work are equally given opportunities for skill development and career formation, and are treated fairly.” This is our Purpose.

Currently, UT Group has approximately 32,000 technical employees in Japan, and we continue to support their individual skill and career development, by means that include building a foundation that meets the needs of their diversifying workstyles. We believe that increasing the overall sum of individuals’ empowerment leads to improving our corporate value and sustainable performance growth.

We have been producing an Integrated Report since FY3/2021. The third Integrated Report for 2023 has been compiled based on how we think about “human capital management that is unique to the UT Group,” along with continually monitoring the Japanese labor market and our compliance with UT Group’s vision. We hope many stakeholders read the report. Related information is also available in the Sustainability Data Book 2023, which summarizes our sustainability initiatives and data, on our website.

Please download the Integrated Report from here:
https://ssl4.eir-parts.net/doc/2146/ir_material4/214561/00.pdf

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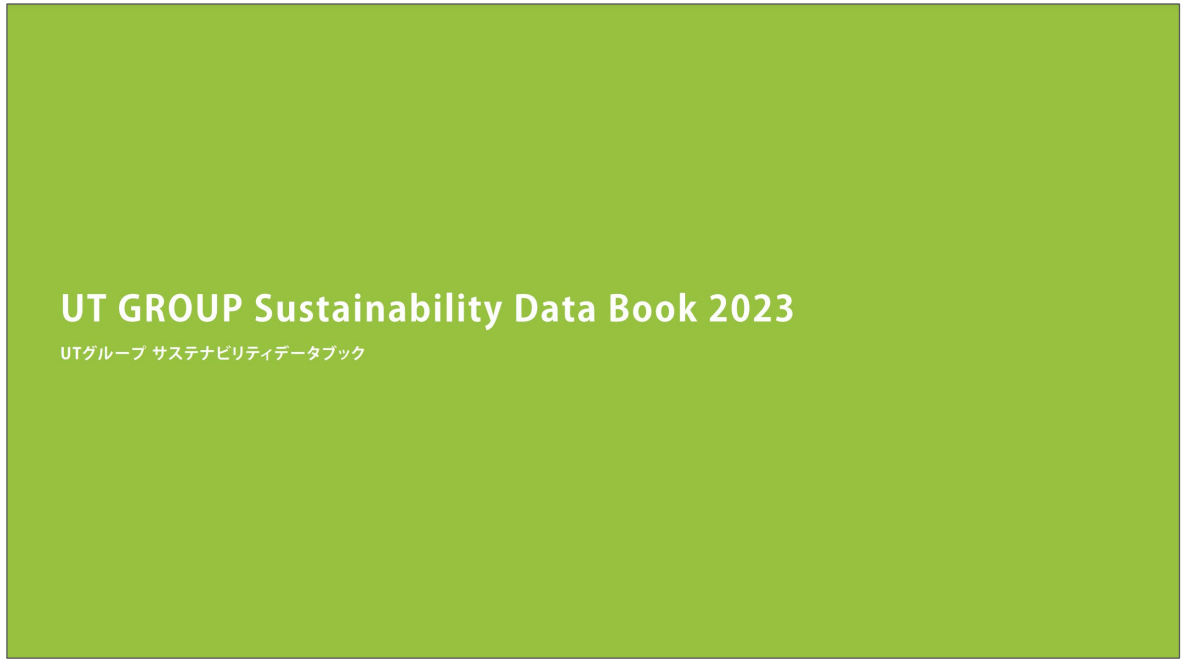
Sustainability Data Book 2023 was released（Mar. 2023）



The "UT Group Sustainability Data Book 2023" explains our thoughts, initiatives, indicators, etc. regarding sustainability that are not included in the Integrated Reports. The contents are categorized according to the Company's four key themes, and a wide range of information and data are included so that stakeholders can better understand the Company's activities.

Please download the Sustainability Data Book from here:
https://ssl4.eir-parts.net/doc/2146/ir_material14/203418/00.pdf

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Create vigorous workplaces empowering workers.

Upward Together

UT Group Co., Ltd.

Disclaimer

This document has been prepared solely for the purpose of providing information regarding the Company's business forecasts. The forward-looking comments and forecasts expressed in this document are the plans based on the Company's judgment based on information available at the time of its preparation and are subject to change without notice. Actual results may differ from the above forecasts, due to various factors.

[Inquiries]

UT Group Co., Ltd.

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