

Engineer Support Company

Make Value



Q3 FY2025 Financial Summary Supplementary Explanation Material

December 9, 2024



— Create the Future —

ARTNER



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Financial Results Highlights for Q3 FY2025

- Net sales up **9.3%**, Operating profit up **16.0%**, Ordinary profit up **16.0%**, Profit up **15.9%**. Operating margin **16.4%**.

	Q3 FY2024		Q3 FY2025		Change from the previous year (million yen)	Change from the previous year (%)
	Result (million yen)	Percentage (%)	Result (million yen)	Percentage (%)		
Net sales	7,553	100.0	8,255	100.0	702	9.3
Cost of sales	4,871	64.5	5,175	62.7	304	6.3
Gross profit	2,682	35.5	3,079	37.3	397	14.8
SG&A expenses	1,516	20.1	1,726	20.9	210	13.9
Operating profit	1,166	15.4	1,353	16.4	187	16.0
Ordinary profit	1,176	15.6	1,364	16.5	188	16.0
Profit	820	10.9	951	11.5	131	15.9

- Number of engineers increased
- Utilization rate remained high
- The number of operative personnel increased
- Unit price of engineers rose

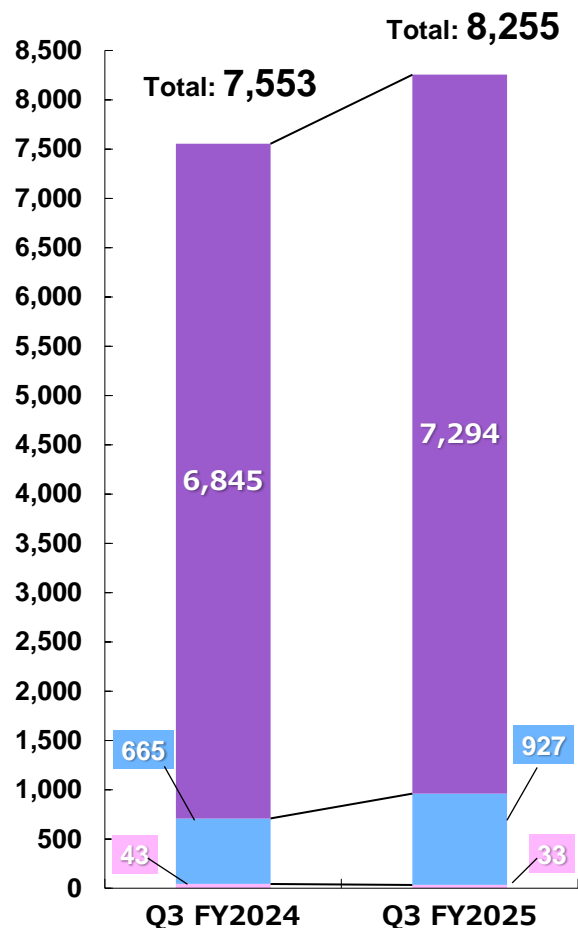
- The gross margin increased due to the rising unit price of engineers.

- Expenses were incurred from expanding the learning centers in East Japan (training facilities).
- Recruitment-related investment expenses increased.

Net Sales by Business for Q3 FY2025

■ Engineer dispatching up 6.6%
 ■ Contracting up 39.4% / Percentage 11.2%

Unit: million yen



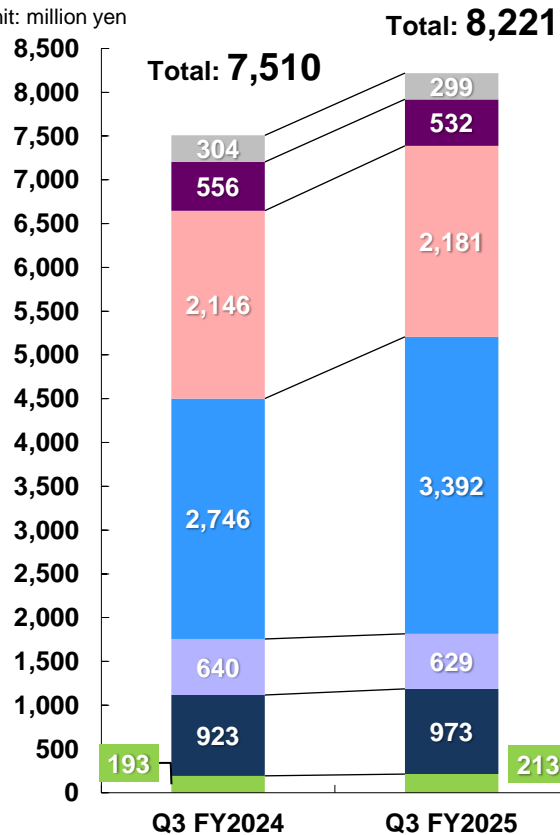
	Q3 FY2024		Q3 FY2025		Change from the previous year (%)	Percentage variance (pt)
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)		
Engineer dispatching	6,845	90.6	7,294	88.4	6.6	(2.3)
Contracting	665	8.8	927	11.2	39.4	2.4
Subtotal	7,510	99.4	8,221	99.6	9.5	0.2
Other	43	0.6	33	0.4	(22.0)	(0.2)
Total	7,553	100.0	8,255	100.0	9.3	—

Net Sales by Industry Field for Q3 FY2025

- Electrical equipment up **1.6%** ■ Transportation equipment up **23.5%**
- Information and communications up **5.4%**

※Our clients' demand for engineers exceeds the number we can supply. Considering the balance of industry fields, engineers were rotated strategically with the aim of increasing the unit price of engineers and improving the level of their work.

Unit: million yen



	Q3 FY2024		Q3 FY2025		Change from the previous year (%)	Percentage variance (pt)
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)		
Steel, nonferrous materials and metals	304	4.0	299	3.6	(1.7)	(0.4)
Mechanical equipment	556	7.4	532	6.5	(4.2)	(0.9)
Electrical equipment	2,146	28.6	2,181	26.5	1.6	(2.1)
Transportation equipment	2,746	36.6	3,392	41.3	23.5	4.7
Precision equipment	640	8.5	629	7.7	(1.7)	(0.9)
Information and communications	923	12.3	973	11.8	5.4	(0.5)
Miscellaneous	193	2.6	213	2.6	10.2	0.0
Total	7,510	100.0	8,221	100.0	9.5	—

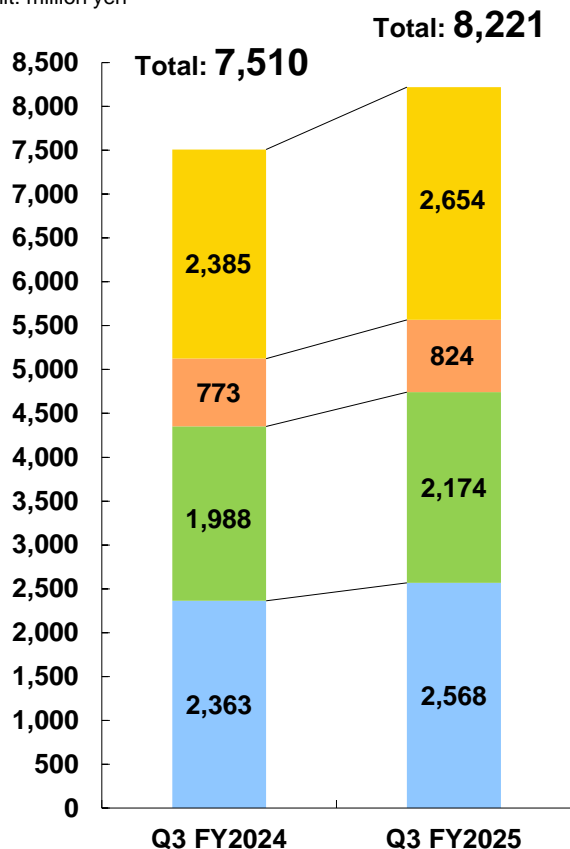
*Excludes sales from "Other" businesses.

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Net Sales by Technology Field for Q3 FY2025

- **Embedded / Model-Based up 11.3%** ■ **IT Solution up 6.6%**
- **Electronics up 9.3%** ■ **Machinery up 8.7%**

Unit: million yen



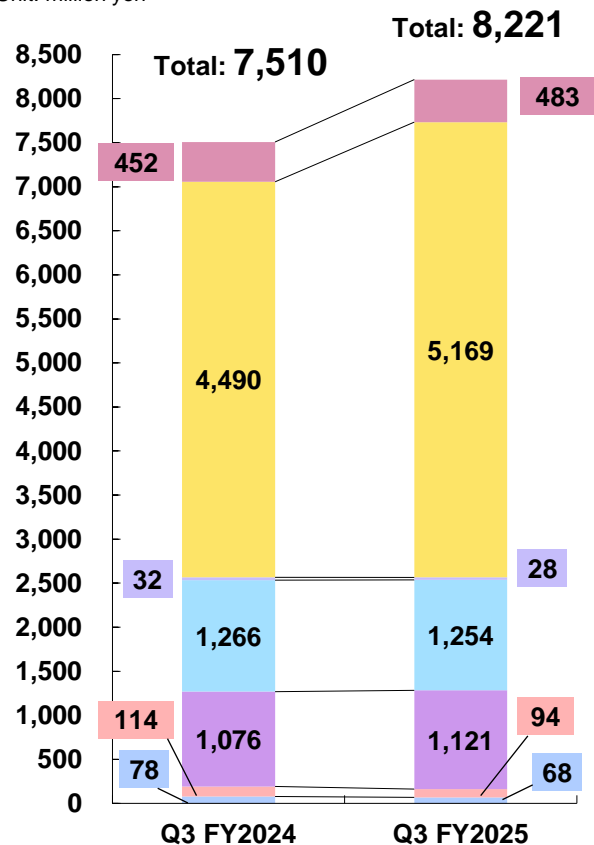
	Q3 FY2024		Q3 FY2025		Change from the previous year (%)	Percentage variance (pt)
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)		
Embedded / Model-Based	2,385	31.8	2,654	32.3	11.3	0.5
IT Solution	773	10.3	824	10.0	6.6	(0.3)
Electronics	1,988	26.5	2,174	26.4	9.3	(0.0)
Machinery	2,363	31.5	2,568	31.2	8.7	(0.2)
Total	7,510	100.0	8,221	100.0	9.5	—

*Excludes sales from "Other" businesses.

Net Sales by Region for Q3 FY2025

■ Kanto up 15.1%
 ■ Tokai down 0.9%
 ■ Kinki up 4.3%

Unit: million yen



	Q3 FY2024		Q3 FY2025		Change from the previous year (%)	Percentage variance (pt)
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)		
Tohoku	452	6.0	483	5.9	6.8	(0.1)
Kanto	4,490	59.8	5,169	62.9	15.1	3.1
Hokuriku	32	0.4	28	0.3	(12.6)	(0.1)
Tokai	1,266	16.9	1,254	15.3	(0.9)	(1.6)
Kinki	1,076	14.3	1,121	13.6	4.3	(0.7)
Chugoku	114	1.5	94	1.2	(17.4)	(0.4)
Kyushu	78	1.0	68	0.8	(12.3)	(0.2)
Total	7,510	100.0	8,221	100.0	9.5	—

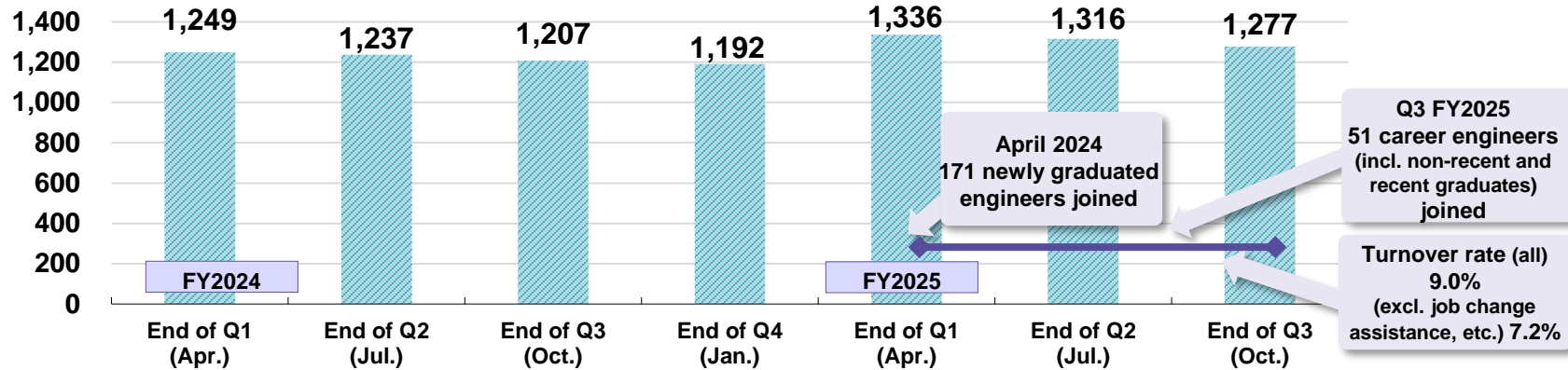
*Excludes sales from "Other" businesses.

Term-end Engineer Count / Utilization Rate for Q3 FY2025

Term-end Engineer Count

Q3 FY2024 (average)	Q3 FY2025 (average)	Change from the previous year (people)	Change from the previous year (%)
1,213	1,285	72	5.9

Unit: people

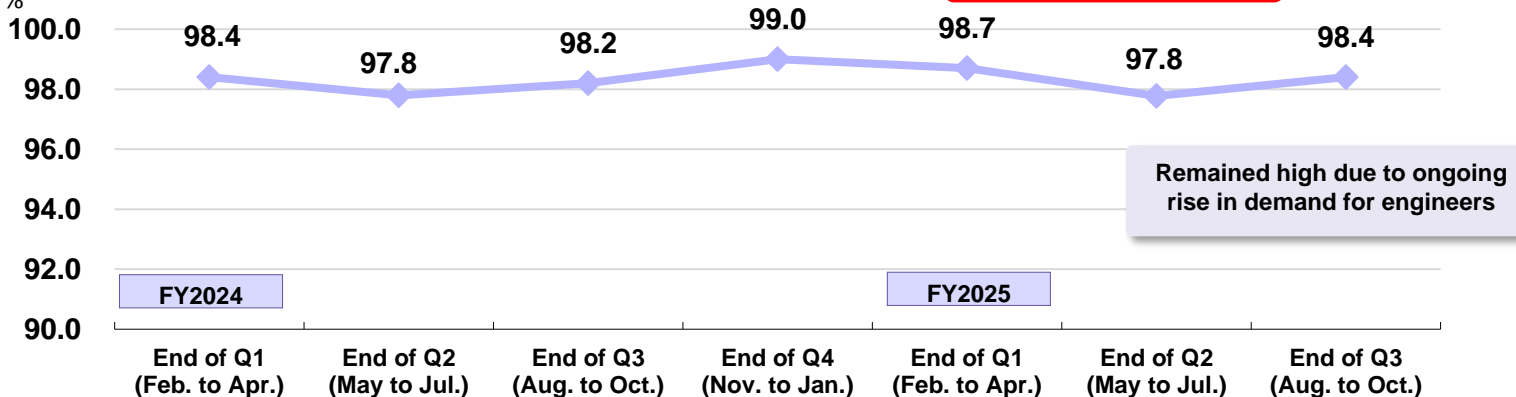


Utilization Rate

*Based on the number of dispatched engineers

Q3 FY2024 (average)	Q3 FY2025 (average)	Change from the previous year (pt)
98.1	98.3	0.2

Unit: %



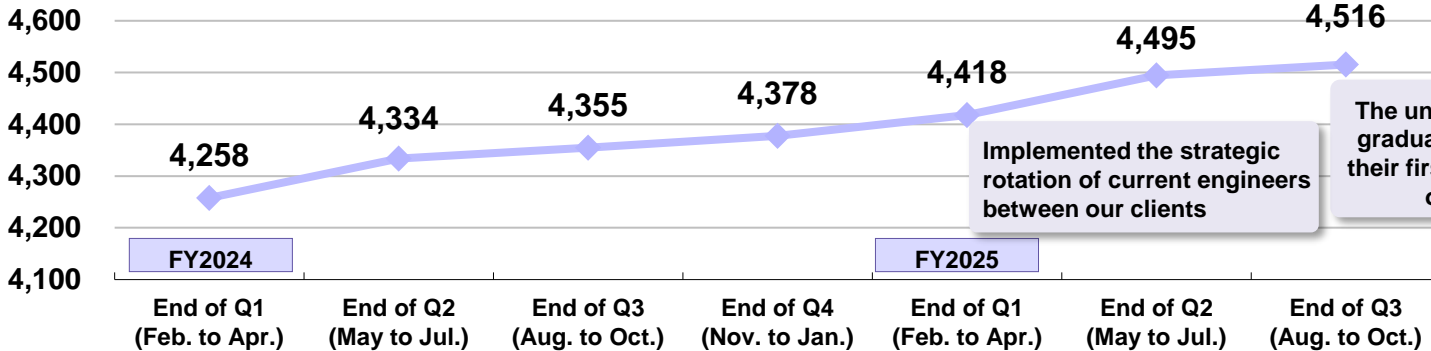
*New employees and others who joined the Company mid-year are not included in the utilization rate until after they are dispatched to their assignments.

Unit Price of Engineers / Total Work Person-hours for Q3 FY2025

Unit Price of Engineers	Q3 FY2024 (average)	Q3 FY2025 (average)	Change from the previous year (yen)	Change from the previous year (%)
	4,315	4,477	162	3.7

*Figures for dispatched engineers *Per person

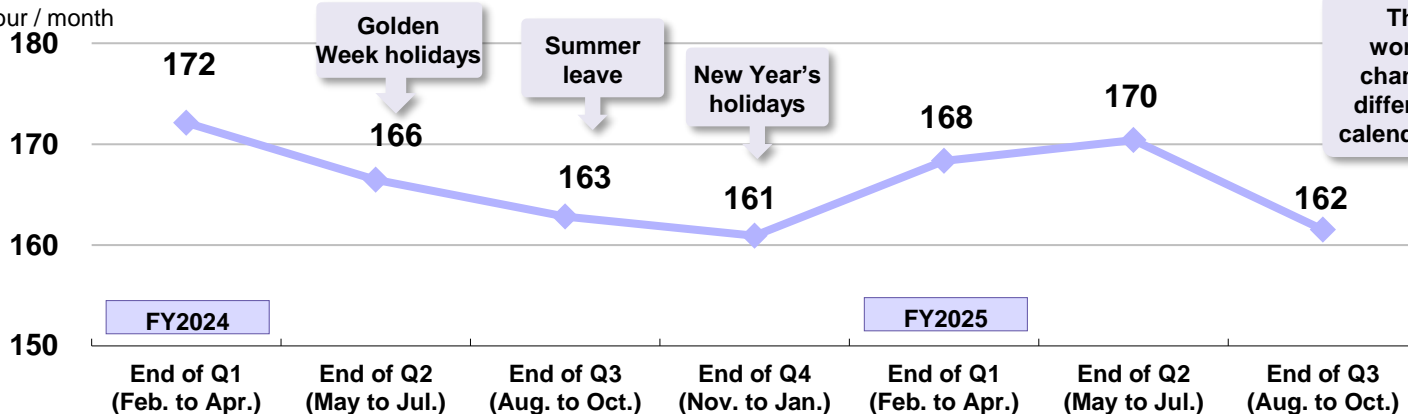
Unit: yen / hour



Total Work Person-hours	Q3 FY2024 (average)	Q3 FY2025 (average)	Change from the previous year (h)	Change from the previous year (%)
	167	167	0	(0.2)

*Figures for dispatched engineers *Per person

Unit: hour / month



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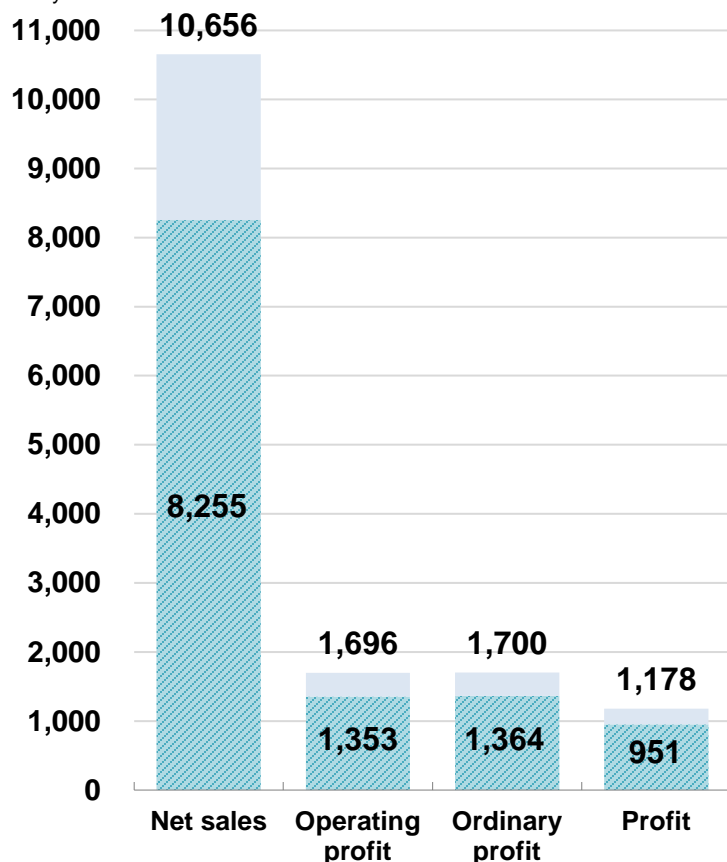
Progress of the Forecast of Financial Results for Q3 FY2025

Progress in this Q3 against the full financial year forecast is:

Net sales 77.5%, Operating profit 79.7%, Ordinary profit 80.2%, Profit 80.7%

*In Q3, net sales and profit exceeded projections due to the higher than forecast number of operative personnel and unit price of engineers. Results are on track to achieve the forecast of financial results (full year).

Unit: million yen



	Q3 FY2025		Progress (%) of the Forecast of financial results for FY2025
	Result (million yen)	Percentage (%)	
Net sales	8,255	100.0	77.5
Operating profit	1,353	16.4	79.7
Ordinary profit	1,364	16.5	80.2
Profit	951	11.5	80.7

	Forecast of Financial results for FY2025	
	Full year (million yen)	Percentage (%)
Net sales	10,656	100.0
Operating profit	1,696	15.9
Ordinary profit	1,700	16.0
Profit	1,178	11.1

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Forecast of Dividends for FY2025

Payout Ratio

Based on **50%**

FY2025 (forecast) **72.1%**

■ The interim dividend for this period is ¥40, the same as the dividend forecast. Our planned year-end dividend is ¥40. Our planned annual dividend is ¥80.

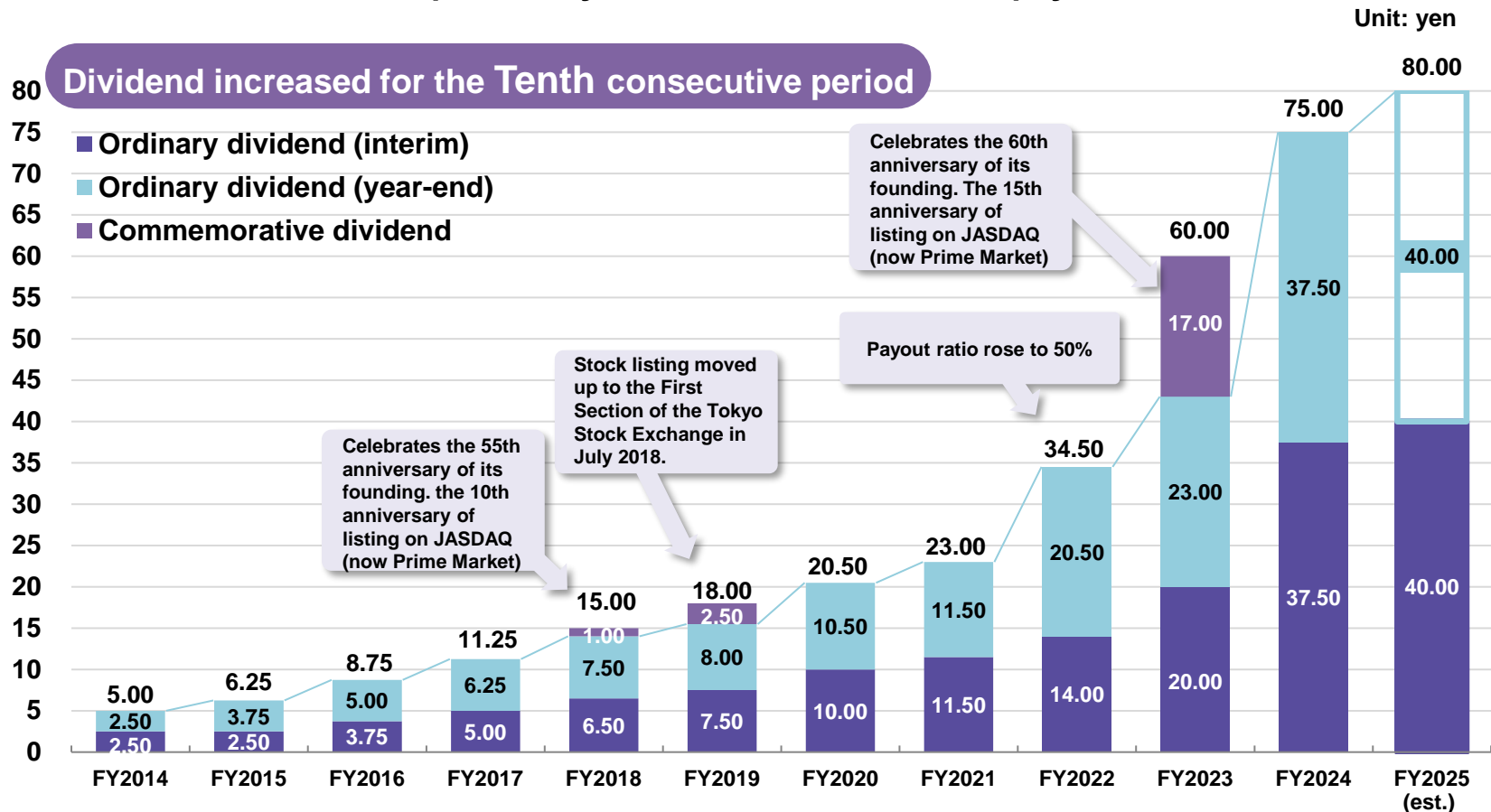
	Annual dividends per share (yen)			Dividend yield (%)	Payout ratio (%)	Dividend on equity ratio (DOE) (%)
	Second quarter-end	Fiscal year-end	Total			
FY2024	37.50	37.50	75.00	3.39	75.8	19.2
FY2025 (forecast)	40.00	40.00	80.00	4.51	72.1	

*Dividend yield (%) = individual dividend per share (total) ÷ share price (year-end, closing price) × 100

Closing price at ending of FY2024 (January 31, 2024) 2,211 yen / Closing price at ending of Q3 FY2025 (October 31, 2024) 1,775 yen

Dividend Per Share

■ We intend to increase our profit every year and determine a dividend amount that will not fall below the previous year's amount, based on a payout ratio of 50%.



Dividends per share were retroactively revised to factor in the impact of stock splits conducted as follows.
February 1, 2017 (2-for-1 stock split) • April 1, 2018 (2-for-1 stock split)

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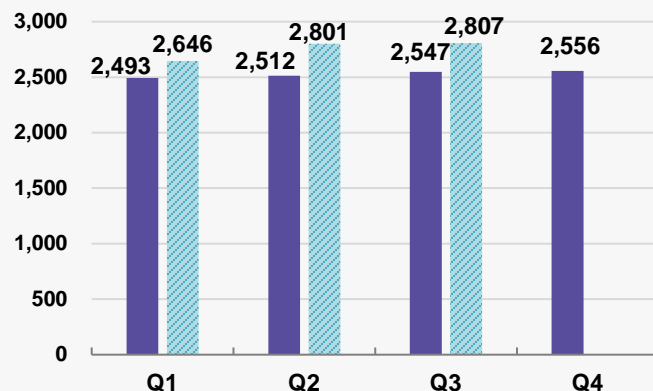
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Quarterly (accounting period) Financial Results

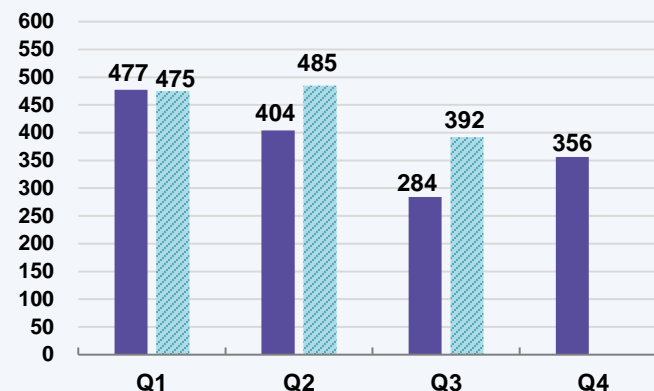
Net sales

■ FY2024 ■ FY2025 Unit: million yen



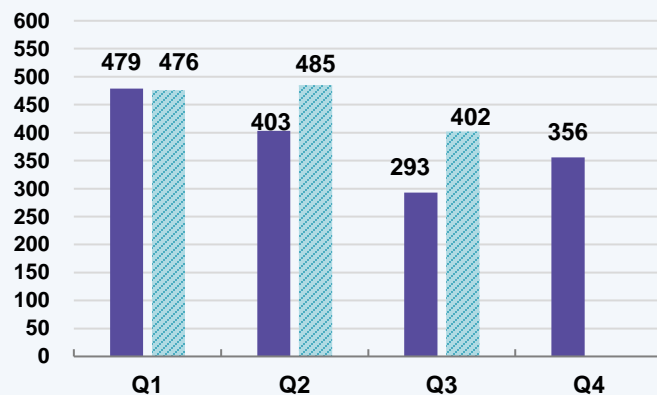
Operating profit

■ FY2024 ■ FY2025 Unit: million yen



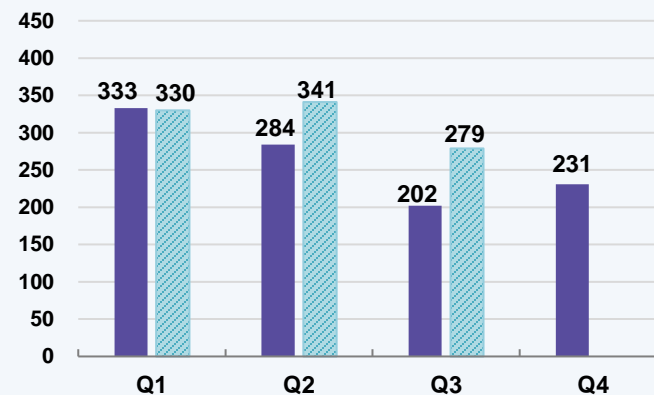
Ordinary profit

■ FY2024 ■ FY2025 Unit: million yen



Profit

■ FY2024 ■ FY2025 Unit: million yen



Quarterly (accounting period) Financial Results, Numerical Data

FY2025

	Q1(Feb. to Apr.)				Q2(May to Jul.)				Q3(Aug. to Oct.)				Q4(Nov. to Jan.)				full-year		
	Result (million yen)	Percent -age (%)	YOY (%)	*(1) (%)	Result (million yen)	Percent -age (%)	YOY (%)	*(1) (%)	Result (million yen)	Percent -age (%)	YOY (%)	*(1) (%)	Result (million yen)	Percent -age (%)	YOY (%)	*(1) (%)	Result (million yen)	Percent -age (%)	YOY (%)
Net sales	2,646	100.0	6.1	24.8	2,801	100.0	11.5	26.3	2,807	100.0	10.2	26.3					10,656	100.0	5.4
Cost of sales	1,601	60.5	4.8		1,716	61.3	8.2		1,857	66.2	5.8								
Gross profit	1,044	39.5	8.2		1,084	38.7	17.2		950	33.8	20.0								
SG&A expenses	568	21.5	16.8		599	21.4	14.9		557	19.9	10.0								
Operating profit	475	18.0	(0.6)	28.0	485	17.3	20.1	28.6	392	14.0	38.0	23.1					1,696	15.9	11.4
Ordinary profit	476	18.0	(0.6)	28.0	485	17.3	20.4	28.6	402	14.3	37.2	23.7					1,700	16.0	10.9
Profit	330	12.5	(0.7)	28.1	341	12.2	19.9	28.9	279	10.0	37.9	23.7					1,178	11.1	12.1

*(1) Quarterly composition of forecast of financial results (full year)

FY2024

	Q1(Feb. to Apr.)				Q2(May to Jul.)				Q3(Aug. to Oct.)				Q4(Nov. to Jan.)				full-year		
	Result (million yen)	Percent -age (%)	YOY (%)	*(2) (%)	Result (million yen)	Percent -age (%)	YOY (%)	*(2) (%)	Result (million yen)	Percent -age (%)	YOY (%)	*(2) (%)	Result (million yen)	Percent -age (%)	YOY (%)	*(2) (%)	Result (million yen)	Percent -age (%)	YOY (%)
Net sales	2,493	100.0	11.7	24.7	2,512	100.0	9.7	24.9	2,547	100.0	7.5	25.2	2,556	100.0	8.8	25.3	10,110	100.0	9.4
Cost of sales	1,528	61.3	10.2	23.3	1,587	63.2	5.6	24.2	1,755	68.9	5.4	26.7	1,699	66.5	5.5	25.9	6,571	65.0	6.5
Gross profit	965	38.7	14.2	27.3	925	36.8	17.6	26.2	791	31.1	12.7	22.4	856	33.5	15.9	24.2	3,539	35.0	15.1
SG&A expenses	487	19.5	4.3	24.2	521	20.8	10.0	25.9	507	19.9	10.2	25.2	500	19.6	4.6	24.8	2,016	19.9	7.3
Operating profit	477	19.2	26.4	31.4	404	16.1	29.2	26.5	284	11.2	17.4	18.7	356	13.9	36.6	23.4	1,522	15.1	27.5
Ordinary profit	479	19.2	26.4	31.3	403	16.1	29.1	26.3	293	11.5	17.2	19.1	356	13.9	36.6	23.3	1,532	15.2	27.4
Profit	333	13.4	26.5	31.7	284	11.3	31.5	27.1	202	8.0	16.9	19.3	231	9.0	(4.4)	22.0	1,051	10.4	17.5

*(2) Quarterly composition of full-year financial results

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