

## FY2025 Q3 One-on-One Meetings

### Key Questions and Answers

(Some parts of the contents have been added or modified for easier understanding.)

Q: Why do clients accept dispatch engineers from Artner rather than hire their own?

A: In 1945, Japan experienced a severe recession induced by an oil crisis. Up to that point, Japanese companies had developed their businesses while by and large hiring only permanent employees as a matter of practice. Since then, in order to flexibly utilize talent depending on economic conditions, companies started utilizing external employees in addition to their own. In conclusion, companies currently make active use of external talent to hedge their business risk.

Q: Why have client-side R&D costs increased in the past three years (from 2022 to 2024)?

A: In the current environment surrounding the Japanese manufacturing industry, business development efforts are centered on automobiles. Additionally, in the automobile industry, “carbon neutrality” is a significant medium- to long-term theme. For that reason, development costs are rising every year. Regarding Japanese industries, which are driven by the automobile industry, automobile manufacturers aim to finish development sometime between 2035 and 2040. Accordingly, we believe that R&D costs will increase until 2035 at the very least. Also, at Artner, we are actively recruiting necessary students and mid-career individuals in order to participate in carbon neutrality projects.