

Engineer Support Company

Make Value



# Q1 FY2026 Financial Summary Supplementary Explanation Material

June 9, 2025



— Create the Future —

**ARTNER**



**1** Financial Summary for Q1 FY2026 **p. 3**

**2** Forecast of Financial Results and Dividends for FY2026 **p. 12**

**3** Reference **p. 16**

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**p. 3**

**2** **Forecast of Financial Results and Dividends for FY2026**

**p. 12**

**3** **Reference**

**p. 16**

## Market Environment

- Manufacturers in automobile-related industries are actively developing hybrid vehicles, electric vehicles, fuel cell vehicles, etc., with the aim of achieving “carbon neutrality”.
- Due to the rising demand for semiconductors, there is also strong demand for engineers from manufacturers of semiconductor manufacturing equipment.
- In the immediate term, there are signs of uncertainty due to the impact of U.S. trade policy, among other factors.

## State of Engineer Dispatching Business

- The number of operative personnel surpassed that of the same period of the preceding year.
  - Number of engineers increased. The utilization rate remained high.
- The unit price of engineers surpassed that of the same period of the preceding year.
  - A trend of engineer shortages and wage increases by companies.
  - Current engineers are strategically rotated between our clients to improve their work level.

## Contracting Business

- Net sales ratio 12.5%.
  - Aggressive sales activities led to an increasing number of engineers assigned to contracted projects.
  - Shifted from engineer dispatching to contracting projects in response to client needs.

## Profit

- While there were expenses related to recruitment investment and IT/DX investment as well as other expenses, these were absorbed by net sales growth, which led to increased profits.

# Financial Results Highlights for Q1 FY2026

- Net sales up **7.6%**, Operating profit up **9.1%**, Ordinary profit up **9.2%**, Profit up **9.1%**. Operating margin **18.2%**.

	Q1 FY2025		Q1 FY2026		Change from the previous year (million yen)	Change from the previous year (%)
	Result (million yen)	Percentage (%)	Result (million yen)	Percentage (%)		
Net sales	2,646	100.0	2,847	100.0	201	7.6
Cost of sales	1,601	60.5	1,728	60.7	127	7.9
Gross profit	1,044	39.5	1,118	39.3	74	7.2
SG&A expenses	568	21.5	600	21.1	32	5.6
Operating profit	475	18.0	518	18.2	43	9.1
Ordinary profit	476	18.0	519	18.3	43	9.2
Profit	330	12.5	360	12.7	30	9.1

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

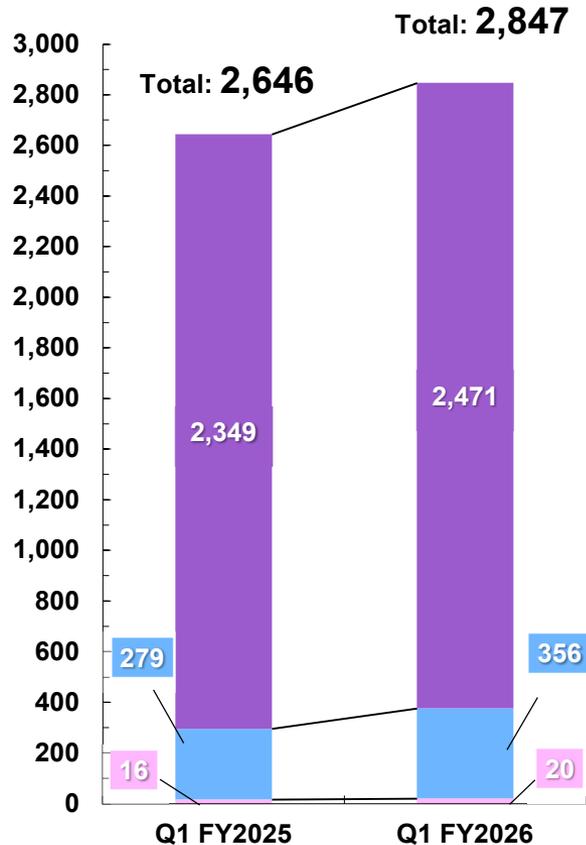
- The gross margin increased due to the rising unit price of engineers.

- Recruitment-related investment expenses increased.
- Increase in IT/DX investment expenses

# Net Sales by Business for Q1 FY2026

■ Engineer dispatching up 5.2% ■ Contracting up 27.5% / Percentage 12.5%

Unit: million yen



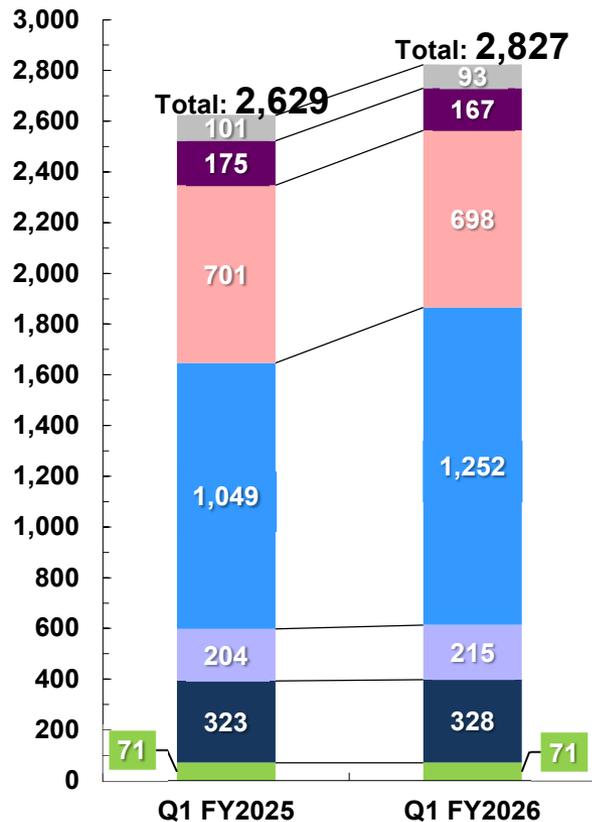
	Q1 FY2025		Q1 FY2026		Change from the previous year (%)	Percentage variance (pt)
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)		
Engineer dispatching	2,349	88.8	2,471	86.8	5.2	(2.0)
Contracting	279	10.6	356	12.5	27.5	2.0
Subtotal	2,629	99.4	2,827	99.3	7.6	(0.1)
Other	16	0.6	20	0.7	18.9	0.1
<b>Total</b>	<b>2,646</b>	<b>100.0</b>	<b>2,847</b>	<b>100.0</b>	<b>7.6</b>	<b>—</b>

# Net Sales by Industry Field for Q1 FY2026

- Electrical equipment down 0.5%
- Transportation equipment up 19.4%
- Information and communications up 1.3%

※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



	Q1 FY2025		Q1 FY2026		Change from the previous year (%)	Percentage variance (pt)
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)		
Steel, nonferrous materials and metals	101	3.9	93	3.3	(7.6)	(0.5)
Mechanical equipment	175	6.7	167	5.9	(4.7)	(0.8)
Electrical equipment	701	26.7	698	24.7	(0.5)	(2.0)
Transportation equipment	1,049	39.9	1,252	44.3	19.4	4.4
Precision equipment	204	7.8	215	7.6	5.3	(0.2)
Information and communications	323	12.3	328	11.6	1.3	(0.7)
Miscellaneous	71	2.7	71	2.5	(0.3)	(0.2)
<b>Total</b>	<b>2,629</b>	<b>100.0</b>	<b>2,827</b>	<b>100.0</b>	<b>7.6</b>	<b>—</b>

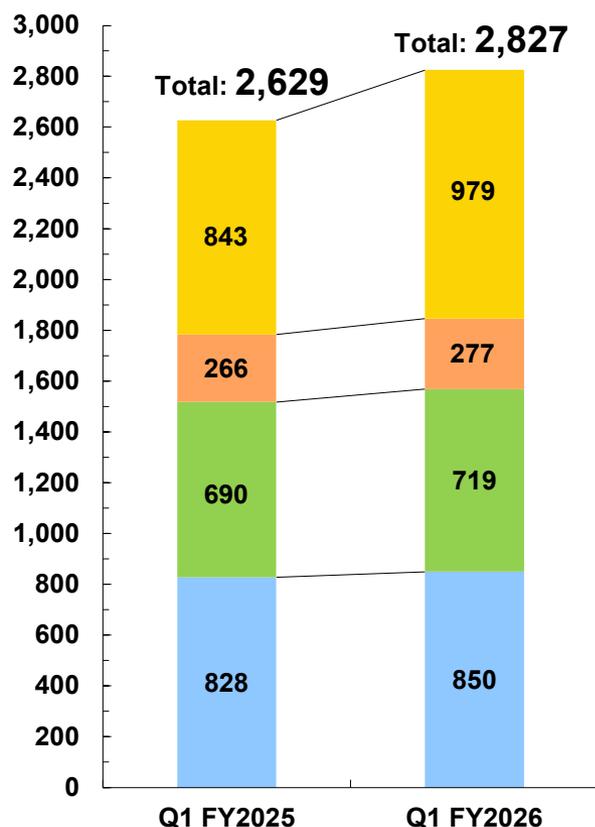
\*Excludes sales from "Other" businesses.

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# Net Sales by Technology Field for Q1 FY2026

- Embedded / Model-Based up **16.1%**
- IT Solution up **4.1%**
- Electronics up **4.2%**
- Machinery up **2.7%**

Unit: million yen

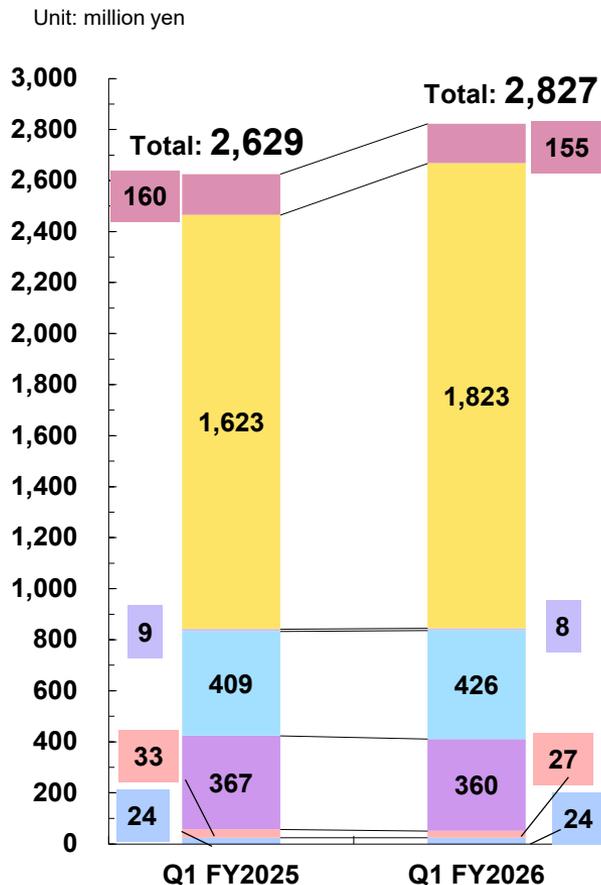


	Q1 FY2025		Q1 FY2026		Change from the previous year (%)	Percentage variance (pt)
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)		
Embedded / Model-Based	843	32.1	979	34.6	16.1	2.6
IT Solution	266	10.1	277	9.8	4.1	(0.3)
Electronics	690	26.3	719	25.4	4.2	(0.8)
Machinery	828	31.5	850	30.1	2.7	(1.4)
<b>Total</b>	<b>2,629</b>	<b>100.0</b>	<b>2,827</b>	<b>100.0</b>	<b>7.6</b>	<b>—</b>

\*Excludes sales from "Other" businesses.

# Net Sales by Region for Q1 FY2026

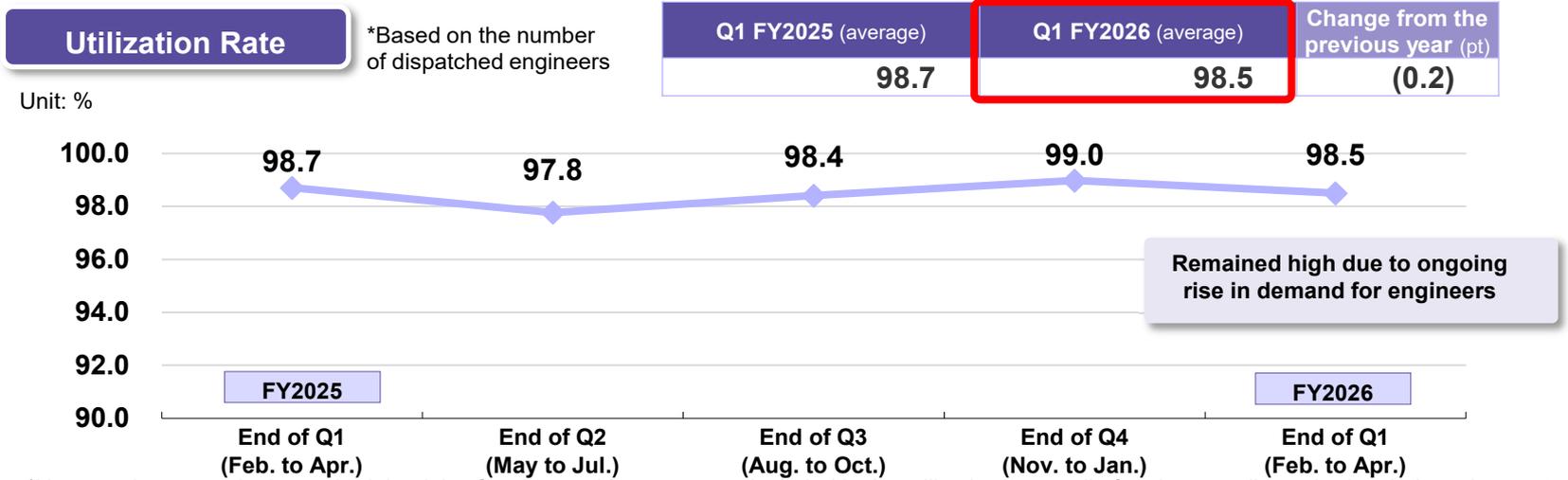
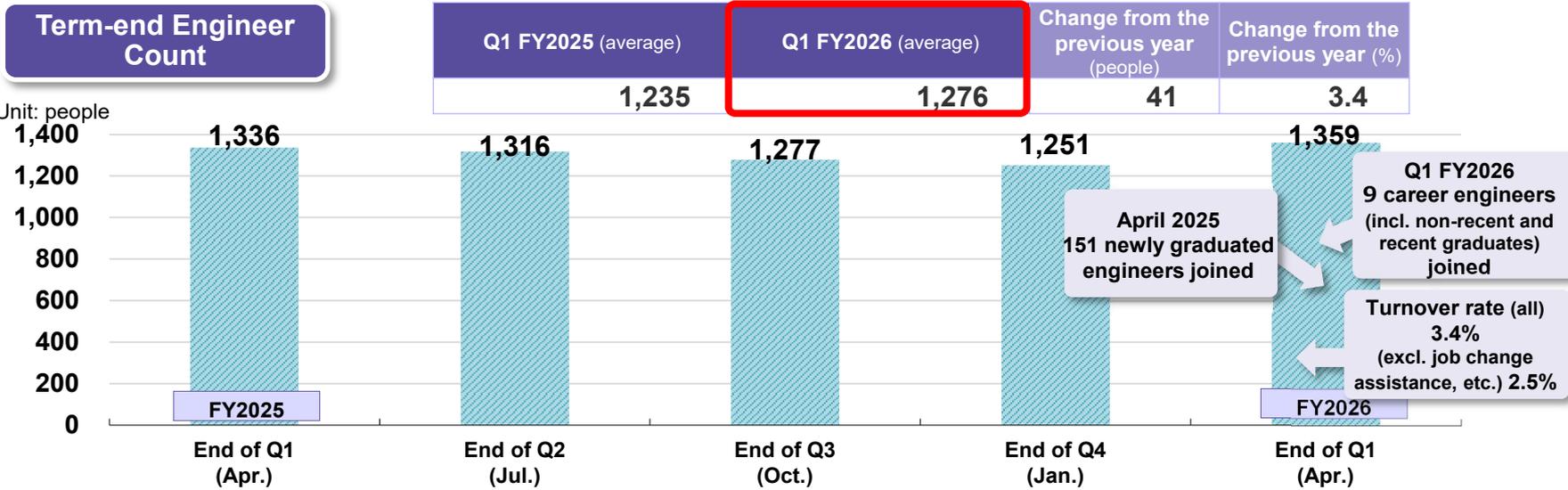
■ Kanto up 12.3% 
 ■ Tokai up 4.2% 
 ■ Kinki down 2.0%



	Q1 FY2025		Q1 FY2026		Change from the previous year (%)	Percentage variance (pt)
	Result (million yen)	Ratio (%)	Result (million yen)	Ratio (%)		
Tohoku	160	6.1	155	5.5	(3.5)	(0.6)
Kanto	1,623	61.8	1,823	64.5	12.3	2.7
Hokuriku	9	0.4	8	0.3	(6.6)	(0.0)
Tokai	409	15.6	426	15.1	4.2	(0.5)
Kinki	367	14.0	360	12.8	(2.0)	(1.2)
Chugoku	33	1.3	27	1.0	(17.4)	(0.3)
Kyushu	24	0.9	24	0.9	1.5	(0.1)
<b>Total</b>	<b>2,629</b>	<b>100.0</b>	<b>2,827</b>	<b>100.0</b>	<b>7.6</b>	<b>—</b>

\*Excludes sales from "Other" businesses.

# Term-end Engineer Count / Utilization Rate for Q1 FY2026



\*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.

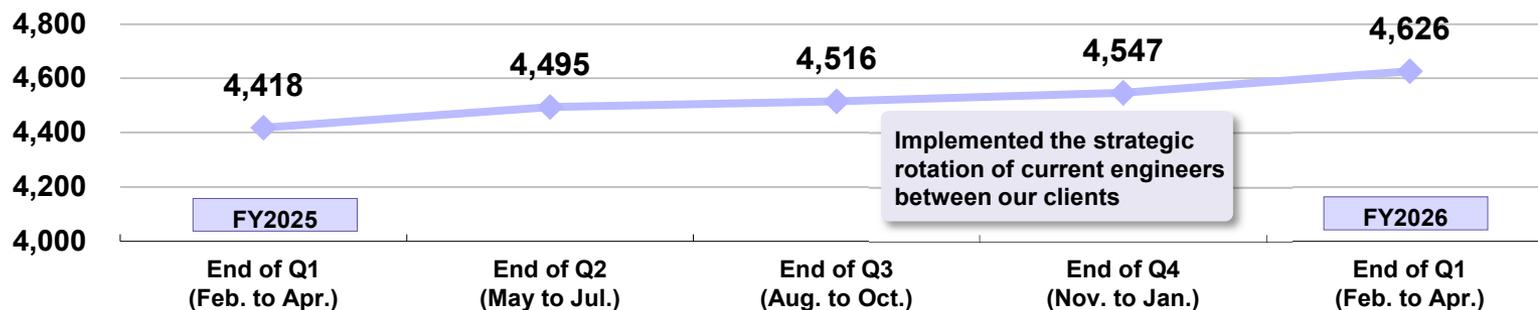
# Unit Price of Engineers / Total Work Person-hours for Q1 FY2026

## Unit Price of Engineers

Q1 FY2025 (average)	Q1 FY2026 (average)	Change from the previous year (yen)	Change from the previous year (%)
4,418	4,626	208	4.7

\*Figures for dispatched engineers \*Per person

Unit: yen / hour

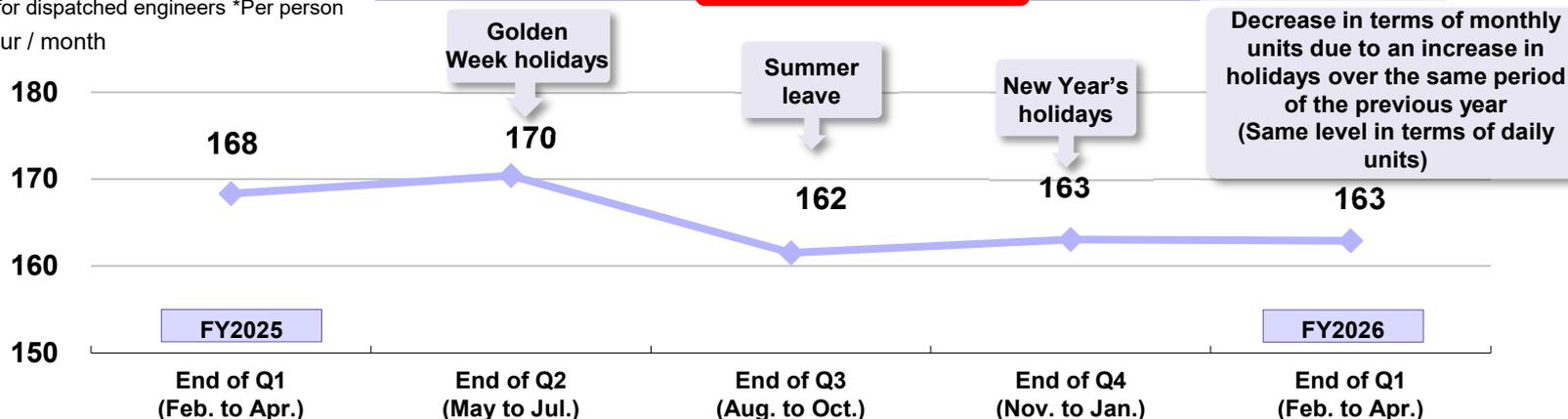


## Total Work Person-hours

Q1 FY2025 (average)	Q1 FY2026 (average)	Change from the previous year (h)	Change from the previous year (%)
168	163	(5)	(3.2)

\*Figures for dispatched engineers \*Per person

Unit: hour / month



**1** Financial Summary for Q1 FY2026 **p. 3**

**2** Forecast of Financial Results and Dividends for FY2026 **p. 12**

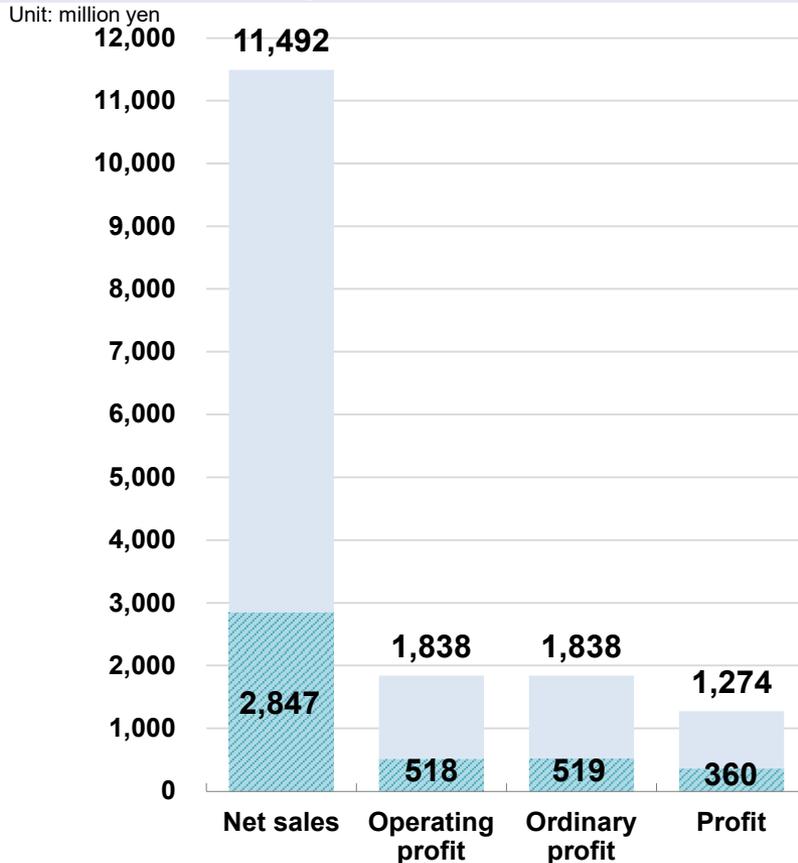
**3** Reference **p. 16**

# Progress of the Forecast of Financial Results for Q1 FY2026

■ Progress in this Q1 against the full financial year forecast is:

**Net sales 24.8%, Operating profit 28.2%, Ordinary profit 28.3%, Profit 28.3%**

\*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).



	Q1 FY2026		
	Result (million yen)	Percentage (%)	Progress (%) of the Forecast of financial results for FY2026
Net sales	2,847	100.0	24.8
Operating profit	518	18.2	28.2
Ordinary profit	519	18.3	28.3
Profit	360	12.7	28.3

	Forecast of Financial results for FY2026	
	Full year (million yen)	Percentage (%)
Net sales	11,492	100.0
Operating profit	1,838	16.0
Ordinary profit	1,838	16.0
Profit	1,274	11.1

# Risks at the Time of Forecast for FY2026

## Market Environment

Currently, the risk of a downward swing in market conditions due to the impact of U.S. trade policy and other factors is growing.

## Trends in Our Clients and Impact on Artner

An impact on the performance of clients is envisioned to a considerable degree.

However, societal issues addressed by automobile-related manufacturers, including reducing CO<sub>2</sub> emissions, are predicted to fall outside the scope of significant R&D cost cuts.

At Artner, due to the high placement ratio of engineers in the R&D and design & development domains, no impact on the company's businesses has manifested itself at this time.

- This April's revisions in unit prices in agreements with our clients overall, including manufacturers in automobile-related industries, led to higher prices than in the previous year.
- Engineer staffing agreements are automatically renewed every three months. There were almost no visible cases of agreements terminating between the months of April and June.

### Risk of agreement renewal for engineers in mid-placement

- Renewals for the period between July and September and those for the period between October and December are expected to be finalized at the end of May and the end of August, respectively
- Should agreements be terminated due to an impact on the performance of our clients, as a time lag is expected, the risk of agreement termination is envisioned to arise at the end of August.

### Placement risk for newly graduated engineers joined Artner in April 2025

- Should current engineers (experienced engineers) have their agreements terminated, because our clients have greater needs for individuals with experience than for those without it, there is a risk of delays in the placement of newly graduated engineers who joined Artner in April 2025.

Artner will continue to respond at an early stage while closely monitoring risk.

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# Forecast of Dividends for FY2026

**Payout Ratio**

Based on **50%**

FY2026 (forecast) **70.0%**

- Expected annual dividend **84 yen** (interim **42 yen**, year-end **42 yen**).  
(Up **2 yen** year-on-year)

	Annual dividends per share (yen)			Dividend yield (%)	Payout ratio (%)	Dividend on equity ratio (DOE) (%)
	Second quarter-end	Fiscal year-end	Total			
FY2025	40.00	42.00	82.00	4.43	69.1	19.4
FY2026 (forecast)	42.00	42.00	84.00	4.48	70.0	

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

Closing price at ending of FY2025 (January 31, 2025) **1,850 yen** / Closing price at ending of Q1 FY2026 (April 30, 2025) **1,876 yen**

**1**

**Financial Summary for Q1 FY2026**

**p. 3**

**2**

**Forecast of Financial Results and Dividends for FY2026**

**p. 12**

**3**

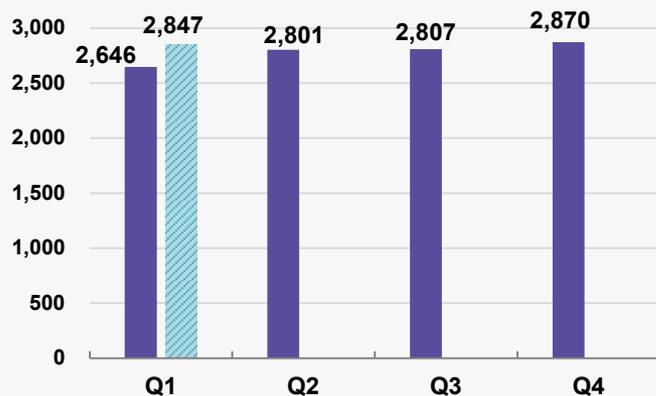
**Reference**

**p. 16**

# Quarterly (accounting period) Financial Results

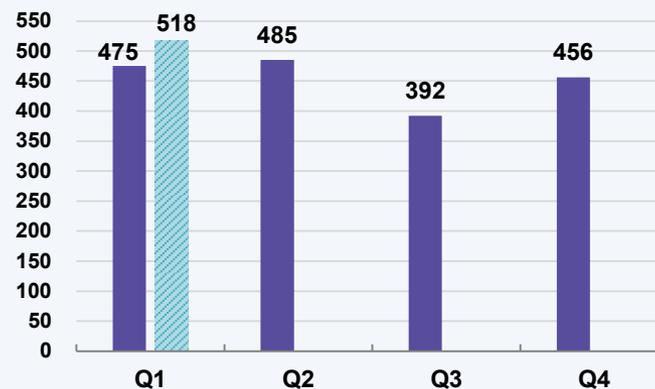
## Net sales

■ FY2025 ■ FY2026 Unit: million yen



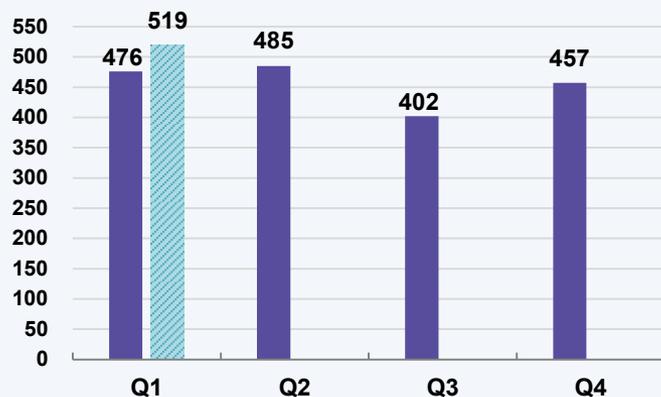
## Operating profit

■ FY2025 ■ FY2026 Unit: million yen



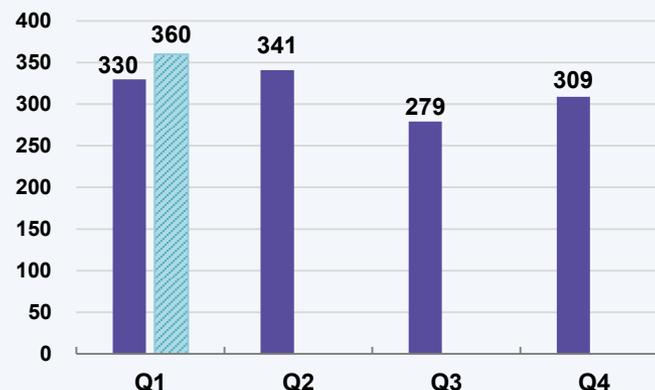
## Ordinary profit

■ FY2025 ■ FY2026 Unit: million yen



## Profit

■ FY2025 ■ FY2026 Unit: million yen



# Quarterly (accounting period) Financial Results, Numerical Data

## FY2026

	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 (%)												
Net sales	2,847	100.0	7.6	24.8													11,492	100.0	3.3
Cost of sales	1,728	60.7	7.9																
Gross profit	1,118	39.3	7.2																
SG&A expenses	600	21.1	5.6																
Operating profit	518	18.2	9.1	28.2													1,838	16.0	1.6
Ordinary profit	519	18.3	9.2	28.3													1,838	16.0	0.9
Profit	360	12.7	9.1	28.3													1,274	11.1	1.1

## 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 (%)	*(2) (%)	Result (million yen)	Percent -age (%)	YOY (%)												
Net sales	2,646	100.0	6.1	23.8	2,801	100.0	11.5	25.2	2,807	100.0	10.2	25.2	2,870	100.0	12.3	25.8	11,125	100.0	10.0
Cost of sales	1,601	60.5	4.8	22.8	1,716	61.3	8.2	24.5	1,857	66.2	5.8	26.5	1,837	64.0	8.1	26.2	7,013	63.0	6.7
Gross profit	1,044	39.5	8.2	25.4	1,084	38.7	17.2	26.4	950	33.8	20.0	23.1	1,033	36.0	20.6	25.1	4,112	37.0	16.2
SG&A expenses	568	21.5	16.8	24.7	599	21.4	14.9	26.0	557	19.9	10.0	24.2	576	20.1	15.3	25.0	2,302	20.7	14.2
Operating profit	475	18.0	(0.6)	26.3	485	17.3	20.1	26.8	392	14.0	38.0	21.7	456	15.9	28.2	25.2	1,810	16.3	18.9
Ordinary profit	476	18.0	(0.6)	26.1	485	17.3	20.4	26.7	402	14.3	37.2	22.1	457	15.9	28.3	25.1	1,821	16.4	18.9
Profit	330	12.5	(0.7)	26.2	341	12.2	19.9	27.1	279	10.0	37.9	22.2	309	10.8	33.7	24.5	1,260	11.3	19.8

In Q1, the operating margin tends to become higher due to labor expenses for newly graduated engineers being recorded in April only

Quarterly composition of full-year financial results

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

<https://www.artner.co.jp/en/>

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