



NISSO HOLDINGS Co., Ltd. (TSE Prime Market Code:9332)

**Financial Results Briefing Materials for the
First Quarter of FY 3/2025**

 **NISSO HOLDINGS**
August 7, 2024

1 Financial Results Summary (FY 3/2025 1Q)

2 Financial Results by Service (FY 3/2025 1Q)

3 Toward the Growth of the Nisso Group

4 Nisso Group Topics

5 Future Prospects (FY 3/2025)

6 Shareholder Return Policy

7 Financial Condition (FY 3/2025 1Q)

8 Glossary

1 Financial Results Summary (FY 3/2025 1Q)

FY 3/2025 1Q Results

- Achieved highest profits in 1Q since listing (including the listing period of NISSO CORPORATION)
- Consolidated net sales increased by 6.4% year-on-year, and consolidated operating profit increased by 75.4% year-on-year
- In addition to increasing unit-costs, operations at high-profit business partners recovered
- Revenue of the Engineering Human Resources Services increased due to the recovery of operations in the Semiconductor Industry and an increase in the number of enrolled engineers
- Although the Automotive Industry was affected by certification issues, the impact on business performance was limited
- Concluded a capital and business alliance agreement with TSUNAGU GROUP HD* (Securities Code: 6551) and made it an equity-method affiliate

*HD = Holdings

FY 3/2025 1Q Consolidated Financial Results Highlights

(Unit: Million yen)

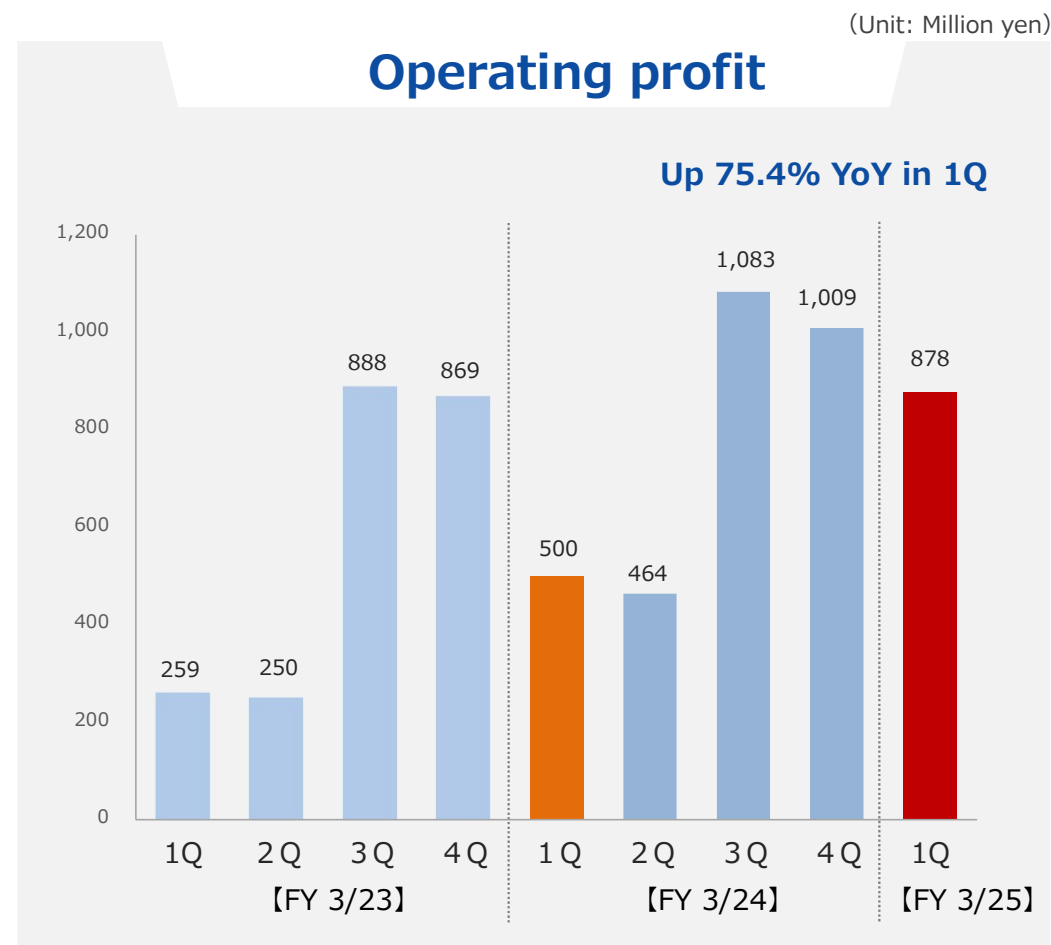
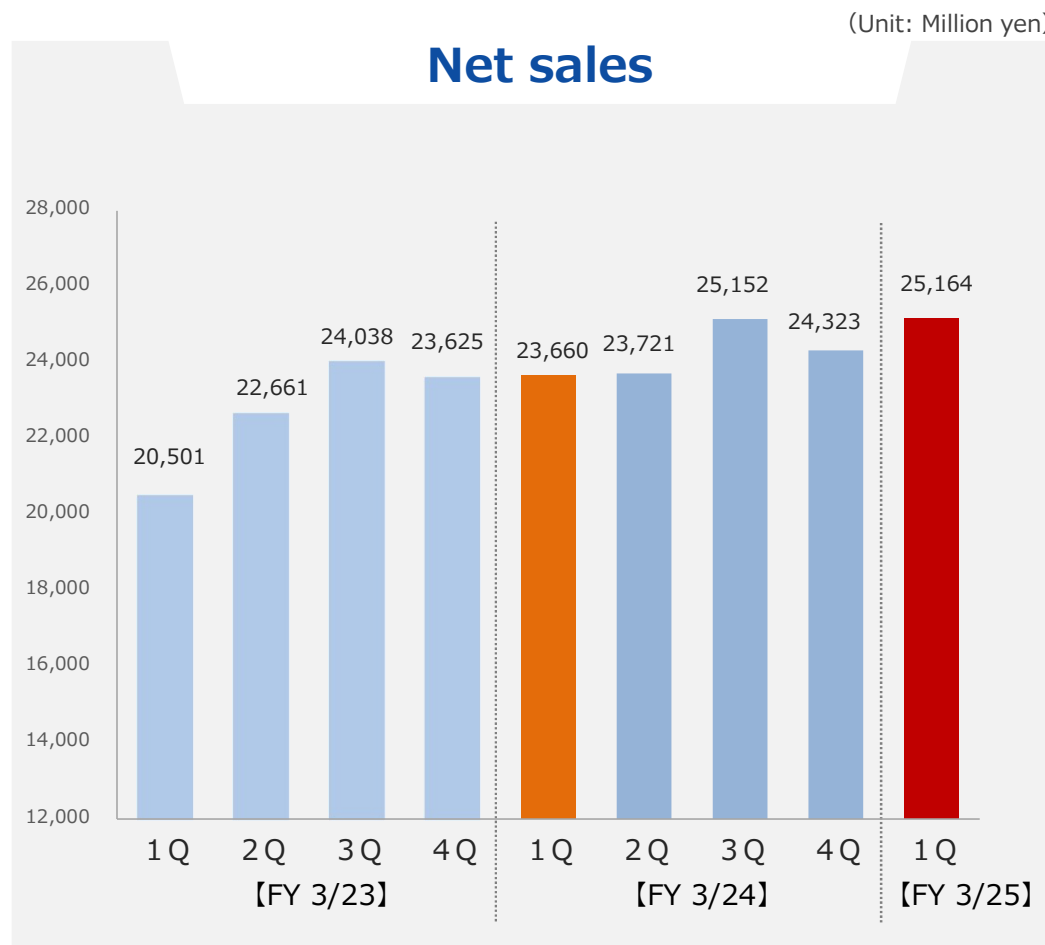
Points

Operating profit increased by 75.4% YoY

- Due in part to an increase in billing unit-costs and an increase in the number of enrolled staff in the focus industries, net sales increased by 6.4% YoY.
- The recovery in the Semiconductor Industry led to growth in the highly profitable Engineering Human Resources Services.
- In addition to net sales growth, the SG&A expense ratio decreased by 0.1 percentage points YoY due in part to the appropriate control of employee recruitment expenses.
- Nursing Care • Welfare Services increased revenue and decreased profits YoY.

	FY 3/2024 1Q		FY 3/2025 1Q		Year-on-Year	
	Results	% of Total	Results	% of Total	Increase (Decrease)	% Change
Net sales	23,660	100.0%	25,164	100.0%	1,503	6.4%
Gross profit	3,722	15.7%	4,266	17.0%	544	14.6%
SG&A expenses	3,221	13.6%	3,388	13.5%	166	5.2%
Operating profit	500	2.1%	878	3.5%	377	75.4%
Ordinary profit	511	2.2%	887	3.5%	376	73.6%
Profit attributable to owners of parent	316	1.3%	511	2.0%	195	61.6%

FY 3/2025 Quarterly Consolidated Financial Results



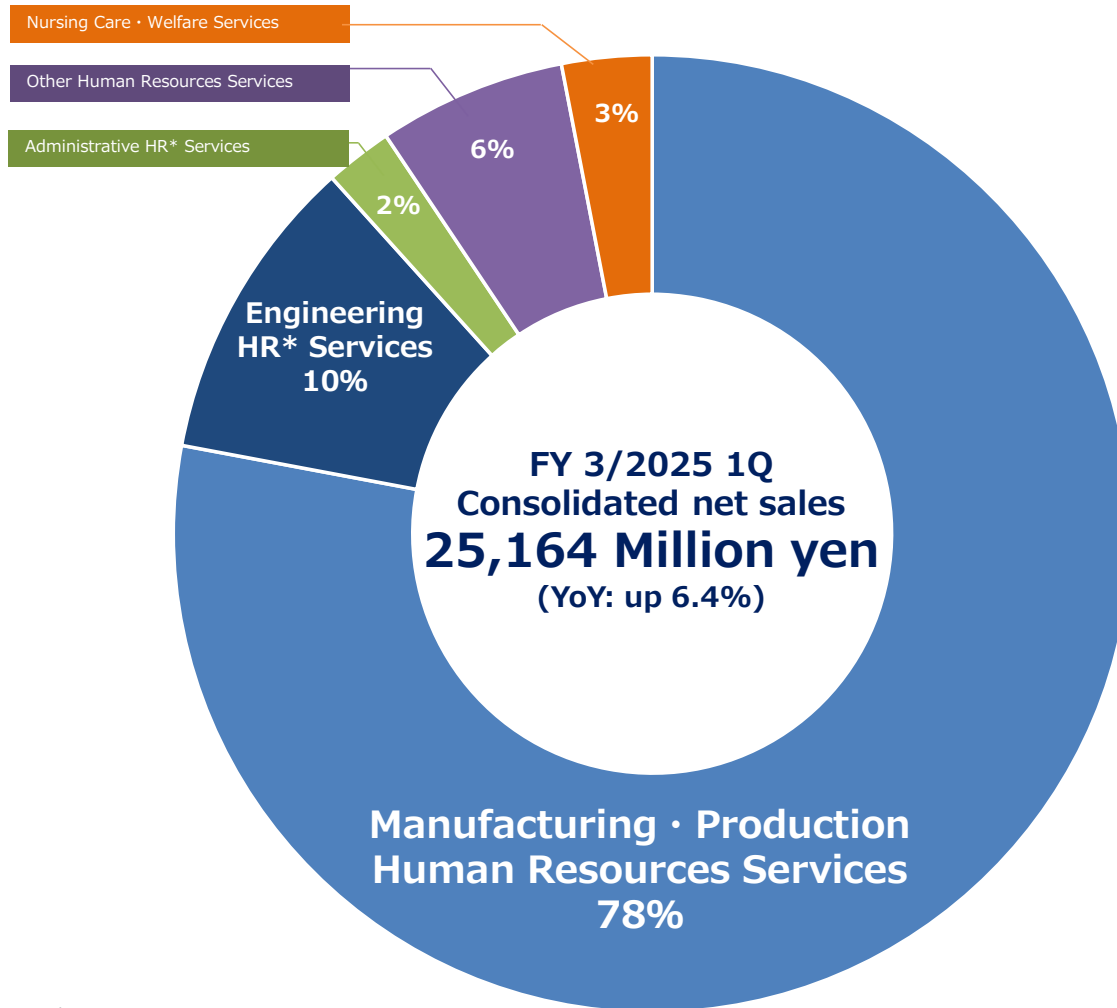
2 Financial Results by Service (FY 3/2025 1Q)

List of Group Companies

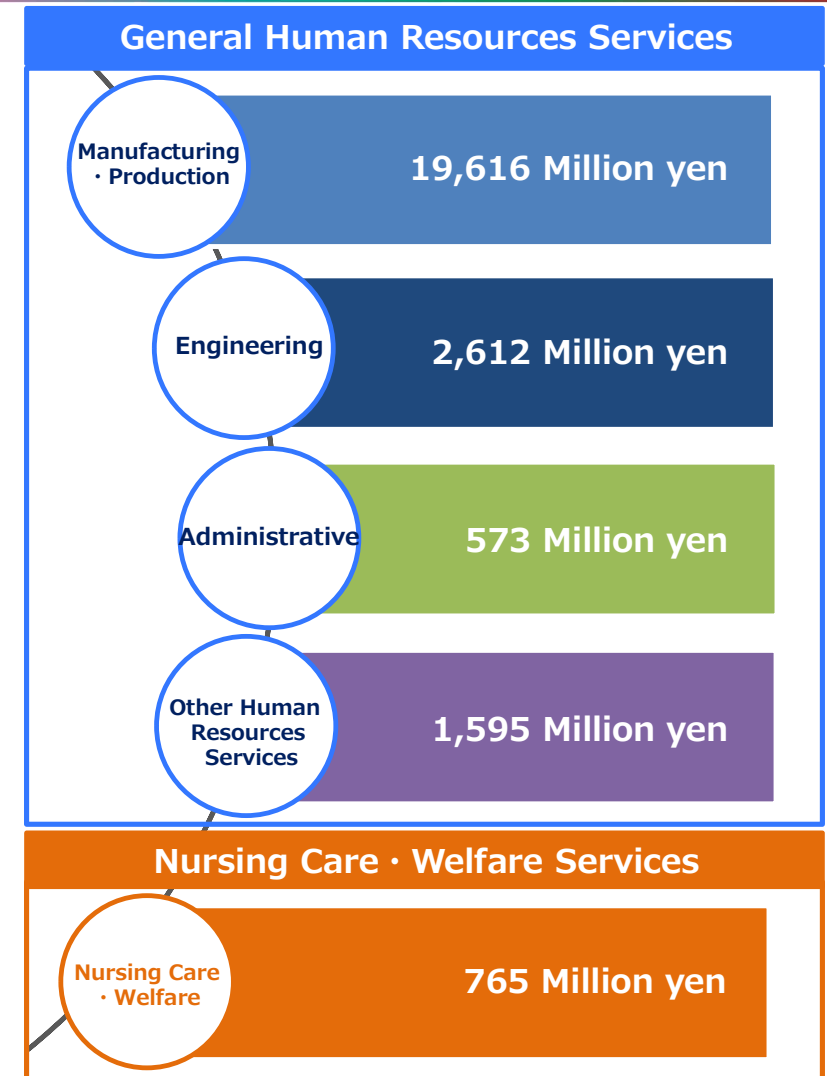
 NISSOホールディングス <small>NISSO HOLDINGS Co., Ltd.</small>		Our Company・Holding Company	NISSO HOLDINGS Co., Ltd.				
	 日総工産株式会社	Consolidated subsidiary	NISSO CORPORATION	Manufacturing dispatching・contracting, employment placement, etc.	Manufacturing・Production Human Resources Services	Engineering Human Resources Services	
	 Vector Shinwa	Consolidated subsidiary	Vector Shinwa Co., Ltd.	Manufacturing dispatching・contracting, etc.			
	 EYE'S <small>株式会社アイズ</small>	Consolidated subsidiary	EYE'S Co., Ltd.	Manufacturing dispatching, IT engineer dispatching, FA support, etc.			
	Nisso Brain <small>いつも「ありがとう」の心で。</small>	Consolidated subsidiary	Nisso Brain Co., Ltd.	Administrative dispatching, BPO, etc.	Administrative Human Resources Services		
	 <small>N-PRIME</small> 株式会社ニコン日総プライム	Consolidated subsidiary	Nikon Nisso Prime Corporation	Human resources dispatching, recruitment, etc.	Other Human Resources Services		
	 日総ぴゅあ株式会社	NISSO CORP.'s special-purpose subsidiary	Nisso Pure Co., Ltd.	Light work contracting, sale of goods, etc.			
	 Leaf NxT	Equity-method affiliate	Leaf NxT Inc.	Recruitment support, HR platform services, etc.			
	<small>日本の労働需給ギャップに、圧倒的な解決策を。</small>  TSUNAGU GROUP HOLDINGS Inc.	Equity-method affiliate	TSUNAGU GROUP HOLDINGS Inc.	RPO, personnel consulting, etc.			
	 <small>人と向き合い 人に寄り添う</small> 日総ニフティ株式会社	Consolidated subsidiary	Nisso Nifty Co., Ltd.	Facility nursing care, home-based nursing care, etc.	Nursing Care・Welfare Services		

Net Sales by Service

※Internal transactions have been eliminated



HR* = Human Resources



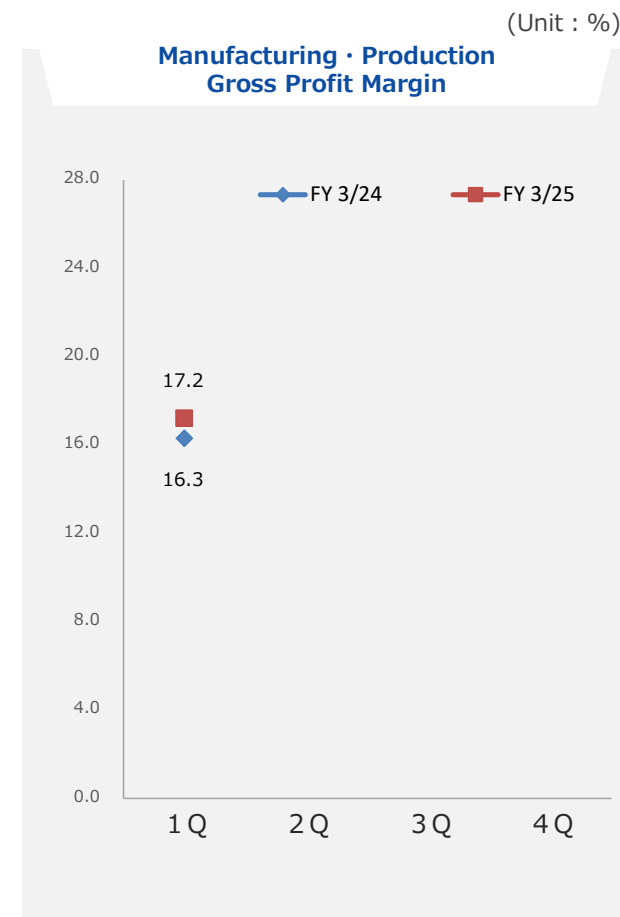
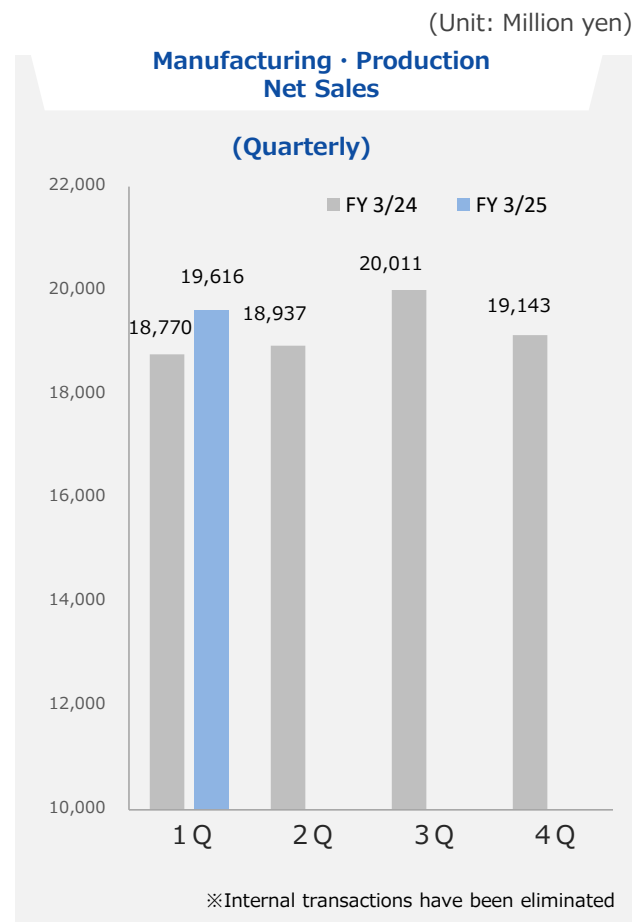
General Human Resources Services

Net Sales

In 1Q, manufacturing • production net sales increased by 4.5% YoY, partly due to an increase in the number of enrolled manufacturing • production staff and an increase in billing unit-costs.

Manufacturing • Production Gross Profit Margin

The manufacturing • production gross profit margin was 17.2%, an improvement of 0.9 percentage points YoY.



Manufacturing • Production Human Resources Services

Avg. Monthly Net Sales per Capita

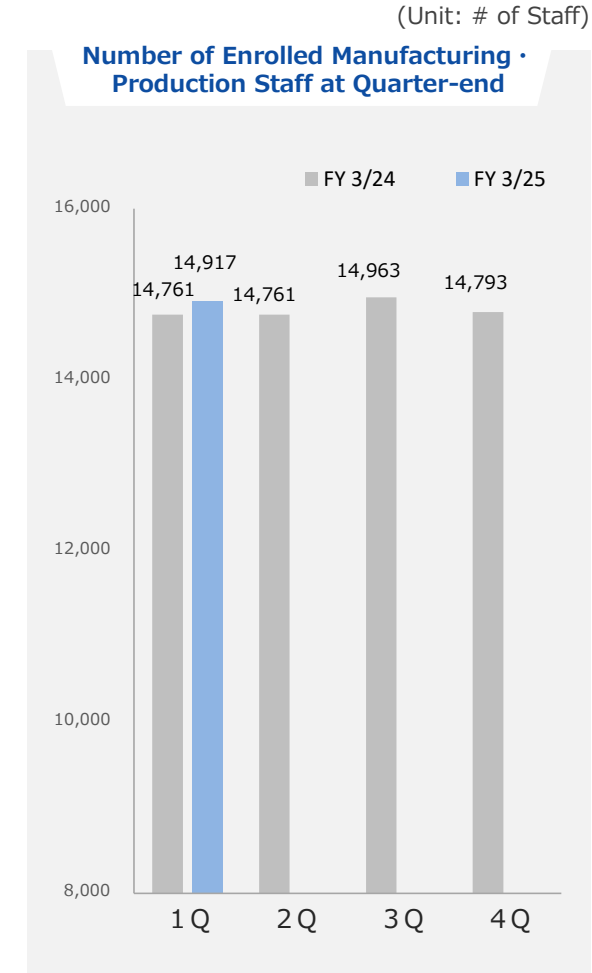
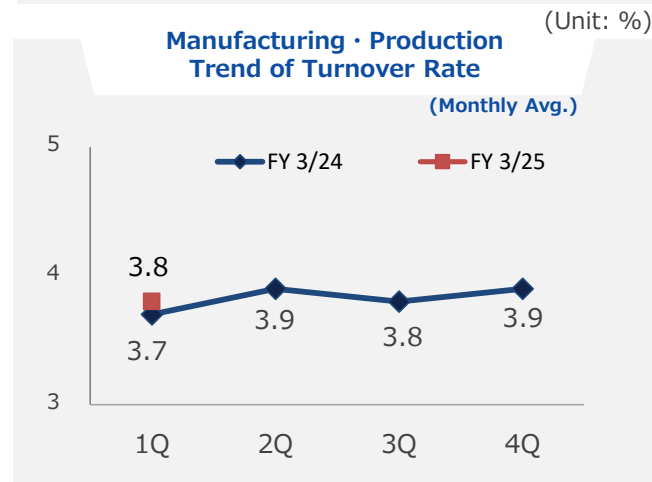
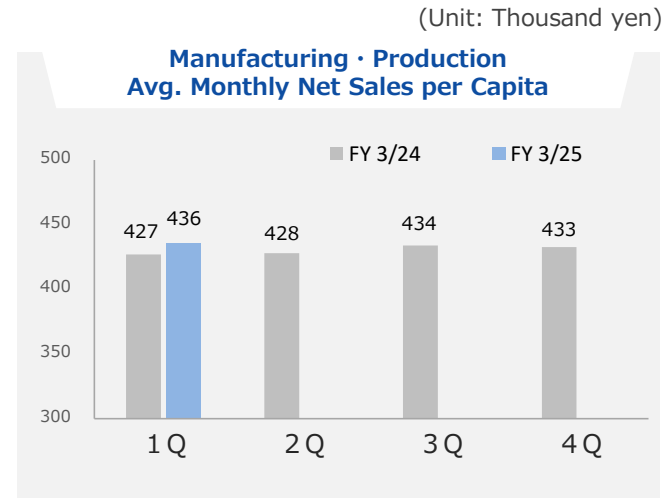
Manufacturing • production net sales per capita increased by 2.2% YoY.

Number of Enrolled Staff

The number of enrolled manufacturing • production staff increased by 156 YoY.

Turnover Rate

The manufacturing • production turnover rate increased by 0.1 percentage points YoY, but remained below 4%.



Engineering Human Resources Services

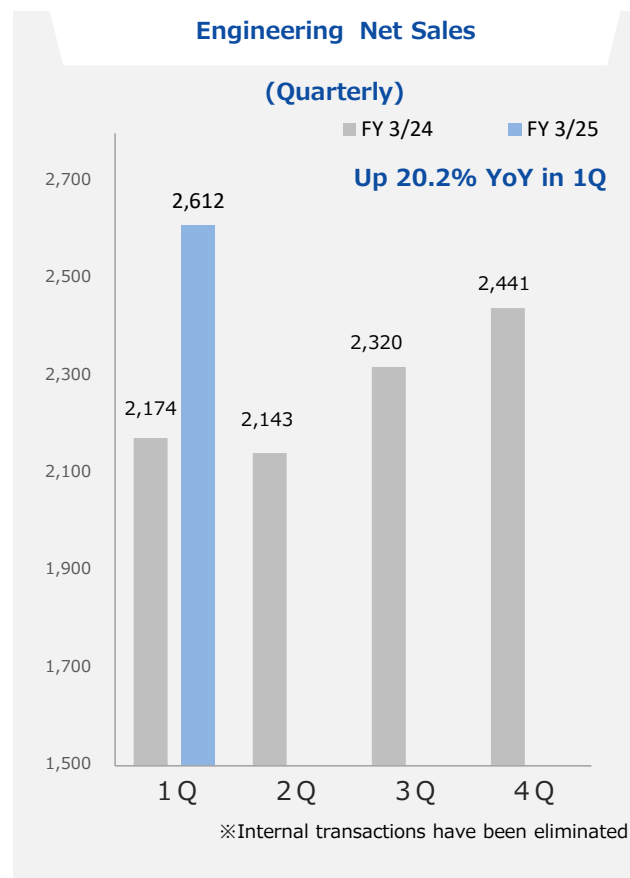
Net Sales

In 1Q, engineering net sales increased by 20.2% YoY, partly due to an increase in the number of enrolled engineers and the recovery of operations in the Semiconductor Industry.

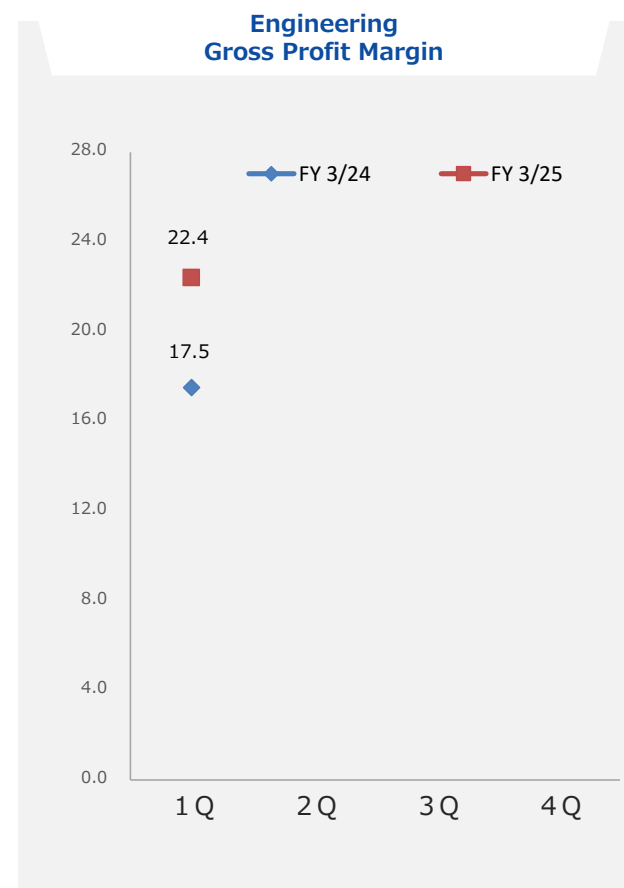
Gross Profit Margin

The engineering gross profit margin improved by 4.9 percentage points YoY and was more than 20%, which was 5.2 percentage points higher than that of manufacturing • production.

(Unit: Million yen)



(Unit : %)



Engineering Human Resources Services

Avg. Monthly Net Sales per Capita

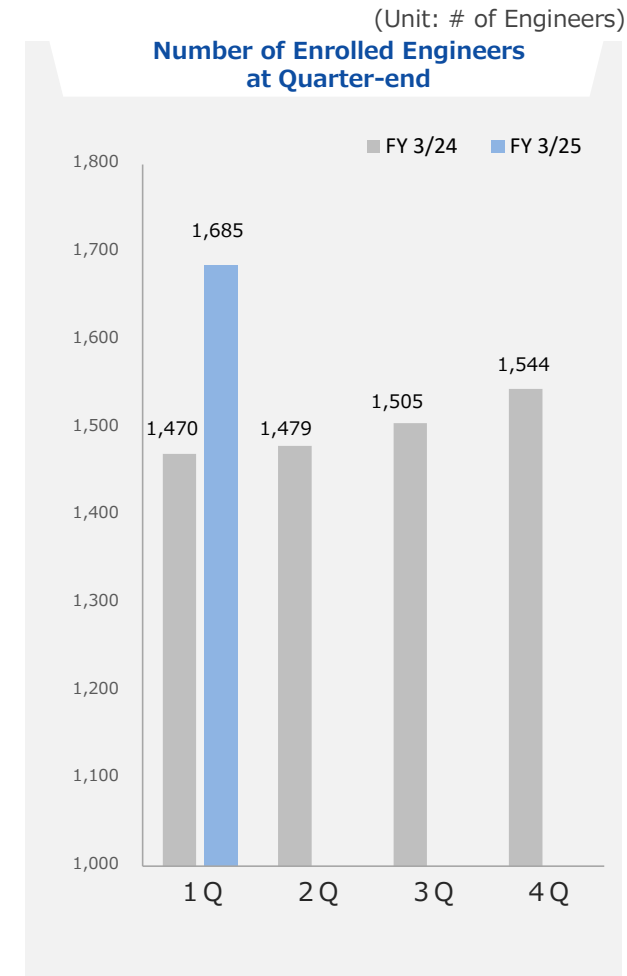
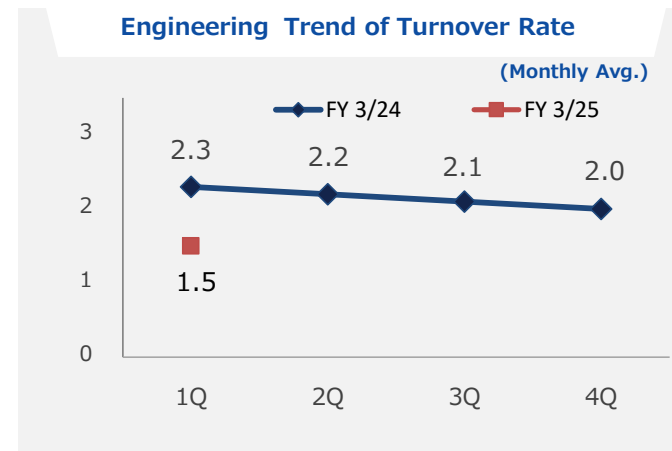
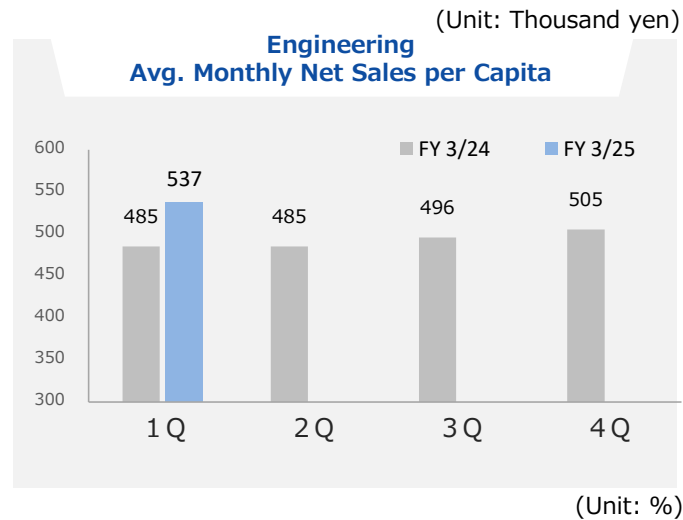
Engineering net sales per capita increased by 10.6% YoY, partly due to the recovery of operations in the Semiconductor Industry.

Number of Enrolled Engineers

The number of enrolled engineers increased by 215 YoY.

Turnover Rate

The engineering turnover rate improved by 0.8 percentage points YoY, and remained at a low level of less than 2%.



Administrative • Other Human Resources Services

Administrative Human Resources Services

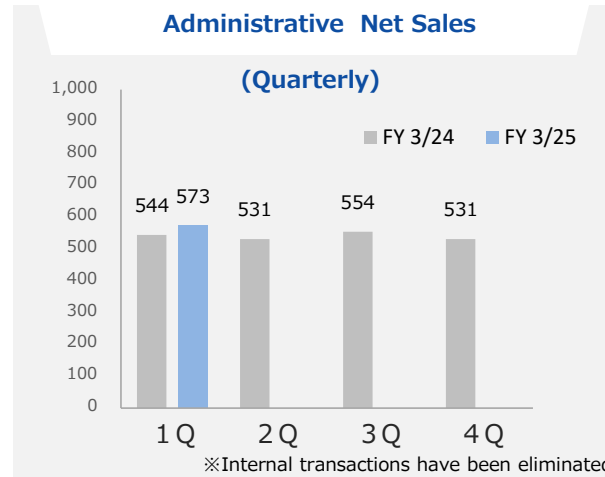
In 1Q, administrative net sales increased by 5.3%, partly due to an increase in the number of enrolled administrative staff.

Other Human Resources Services

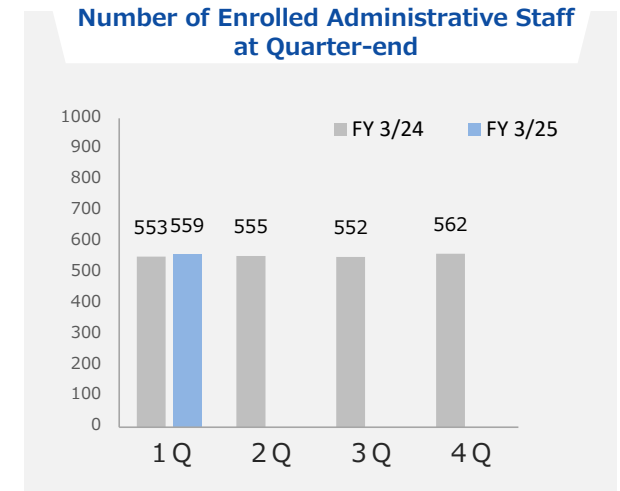
- Nikon Nisso Prime Corporation supports the active participation of Prime employees, and the number of Prime employees in 1Q was 721.
- Nisso Pure Co., Ltd. has created a workplace environment where diverse human resources can flourish, and the number of employees with disabilities in 1Q was 252.

※Prime employees: Senior employees

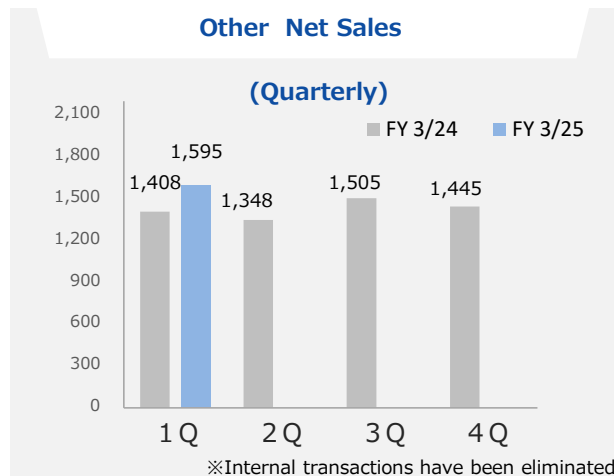
(Unit: Million yen)



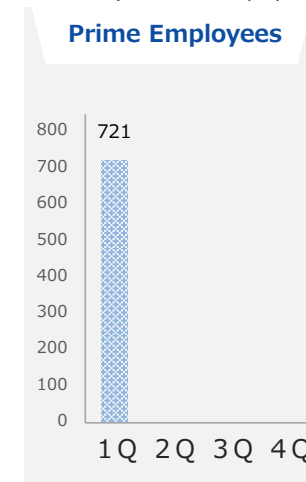
(Unit: # of Staff)



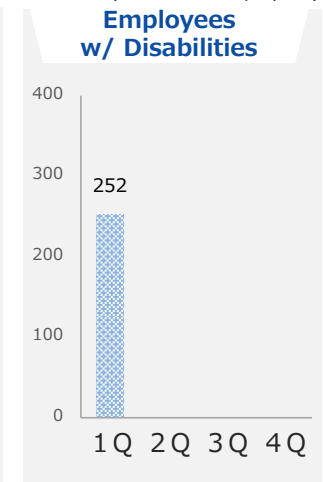
(Unit: Million yen)



(Unit: # of Employees)



(Unit: # of Employees)



Achievements of Industry Strategy for Expansion of General Human Resources Services

Toward the Expansion of General Human Resources Services (Industry Strategy)

Expanding Manufacturing · Production and Engineering Human Resources Services by responding to the human resources needs of Japan's leading industries, such as Automotive, Semiconductor, and Electronics



Industry Strategy Industries driving Society 5.0



Automotive Industry

Automobiles/
EV-related



Semiconductor Industry

Semiconductors/
semiconductor
manufacturing
equipment















Electronics Industry

Communication
equipment/
electronic components

We also actively participate in industry-government-academia collaborations, and are currently participating in 5 educational consortiums nationwide to promote the improvement of the quality of education.

FY 3/2025 Industry Strategy Trends

※NISSO HOLDINGS' own forecasts (Changes from the previous version: Red)

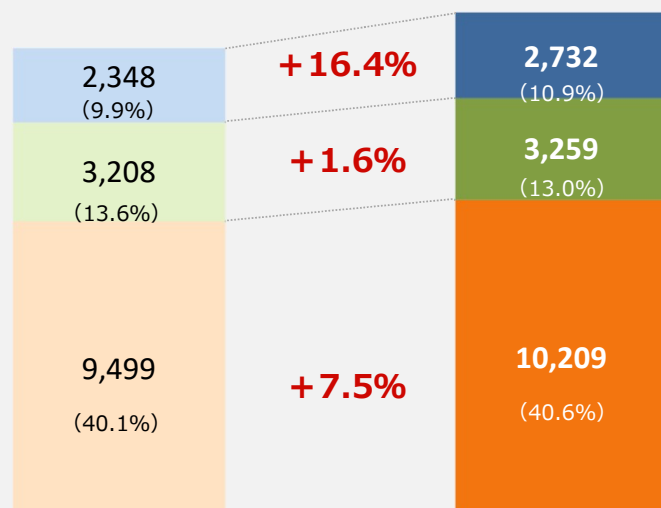
	Automotive Industry (Automobile manufacturing · EV-related manufacturing industry)		Semiconductor Industry (Semiconductor manufacturing industry)		Electronics Industry (Electronic equipment manufacturing industry)	
Capital Investment	Clear & sunny 	Will expand	晴 	Will expand	Sunny 	Will gradually expand
Production Trends	Cloudy, then sunny 	Will increase gradually Will be busy in 2H	Cloudy & sometimes sunny 	Manufacturing equipment · memory will recover Power semiconductors will be strong Will watch for variables	Cloudy & sometimes sunny 	Will increase gradually
Operational Trends	Sunny 	Will normalize Will be busy in 2H	Sunny 	Will normalize Will be busy in 2H	Cloudy, then sunny 	Will normalize
Personnel Trends	Clear & sunny 	Will be vigorous	Sunny 	Will recover Will be busy in 2H	Sunny 	Will recover

FY 3/2025 1Q Net Sales by Industry

(Unit: Million yen)

Consolidated Net Sales Composition Ratios

Automotive Semiconductor Electronics



※ () = % of consolidated net sales, Red = % of Year-on-Year growth

		Automotive Industry (Automobile manufacturing · EV-related manufacturing industry)	Semiconductor Industry (Semiconductor manufacturing industry)	Electronics Industry (Electronic equipment manufacturing industry)
1ST QUARTER TRENDS	NET SALES	Up 7.5% YoY	Up 1.6% YoY	Up 16.4% YoY
	OPERATIONAL	Although affected by certification issues, etc., improved gradually and remained at the same level YoY	Increased YoY	Slightly increased YoY
	PERSONNEL	Increased YoY		

Nursing Care • Welfare Services

Nursing Care · Welfare Services are centered on facility nursing care and home-based nursing care

Facility Nursing Care

In Yokohama, Kanagawa, we operate 6 fee-based nursing homes for the elderly and provide nursing care services to residents.
With the motto of providing high-quality services, the occupancy rate at the facilities remain at a high level.

Sweetpea Shin Yokohama



Sweetpea Konandai mio



Sweetpea Kanazawa Hakkei



Sweetpea Honmoku Sankeien



Sweetpea Mitsukyo



Sweetpea Higashi Totsuka



Home-based Nursing Care

We have 1 nursing care station in Yokohama, Kanagawa, 2 in Iwaki City, Fukushima, and 2 outpatient care facilities in Iwaki City, Fukushima.

Topics

Nisso Nifty Co., Ltd. concluded an agreement with Yokohama National University, a national university corporation, for joint research on environmental adaptation of residents in facilities for the elderly.
4 "Sweetpea" facilities were provided as demonstration fields for the research.

Points

- The overall occupancy rate of nursing care facilities remained at a high level of 94.8%.
- Net sales increased by 0.5% YoY.
- Gross profit decreased by 8.8% YoY, partly due to an increase in personnel expenses, etc.

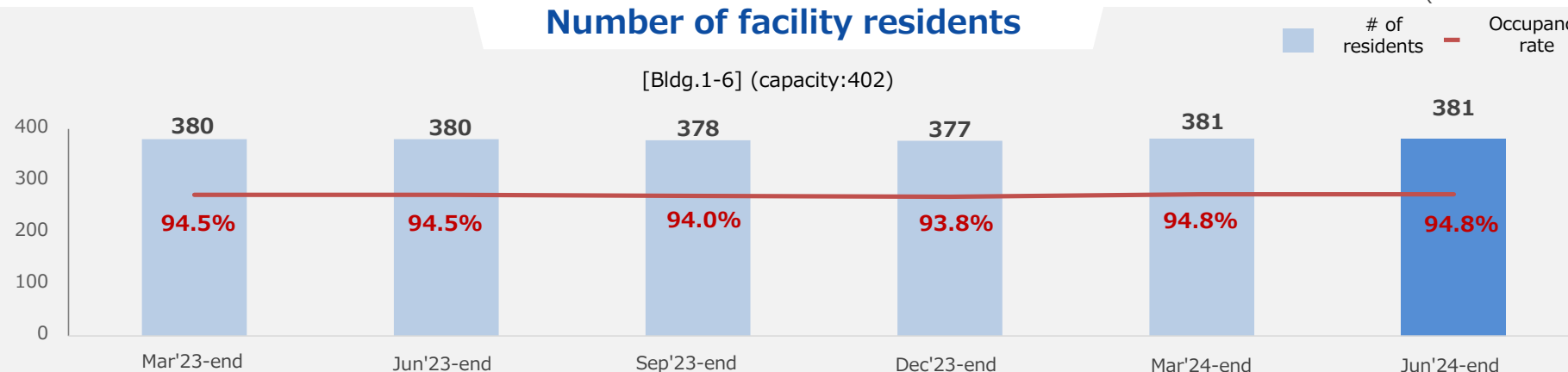
● Results of Nursing Care · Welfare Services

※Internal transactions have been eliminated
(Unit: Million yen)

	FY 3/24 1Q	FY 3/25 1Q	Year-on-Year	
	Results	Results	Increase (Decrease)	% Change
Net sales	761	765	4	0.5%
Gross profit	94	86	(8)	(8.8%)

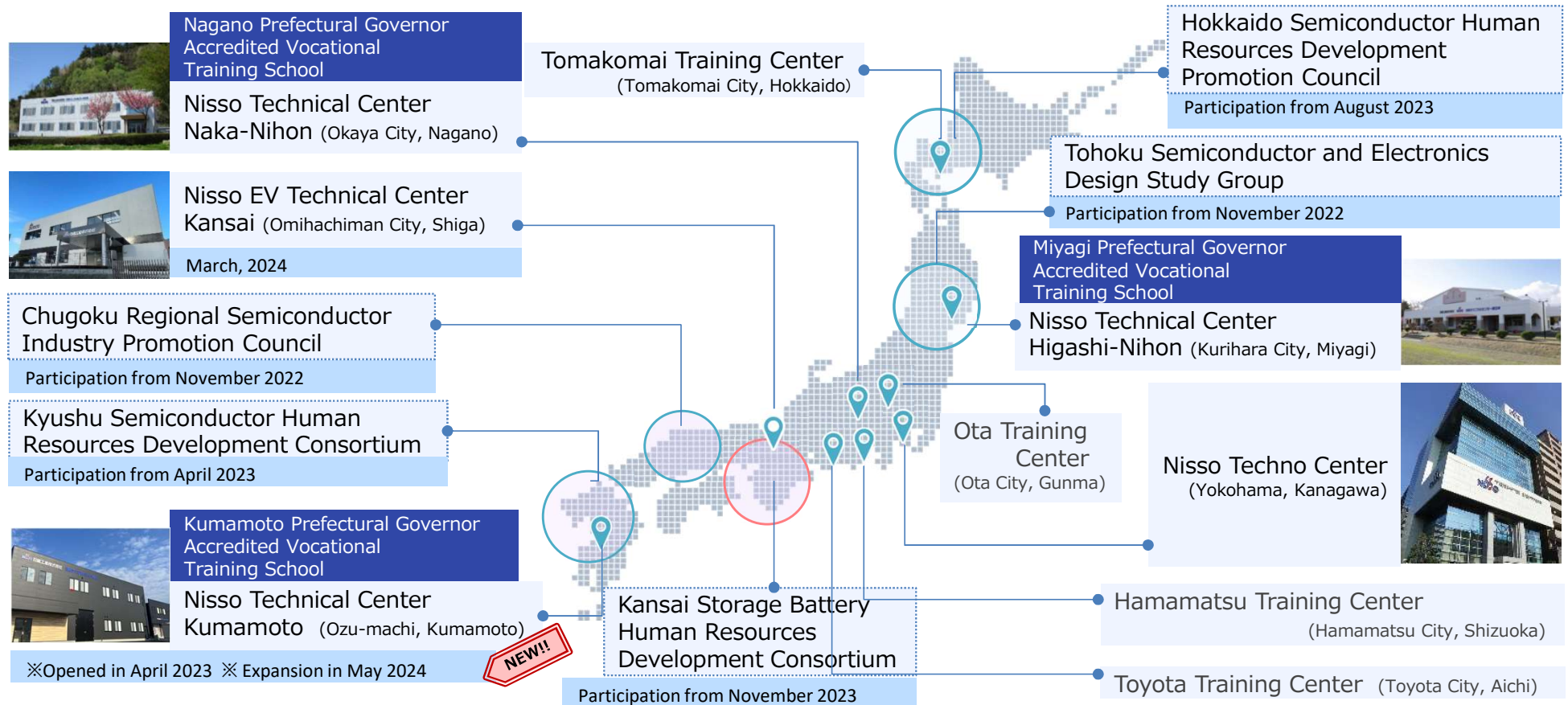
Number of facility residents

(Unit: # of residents)



Human Resources Development of the Nisso Group

Development Strategy Nationwide Network of Training Bases NISSO HOLDINGS



In order to meet the human resources needs of each industry, we will open new educational facilities and further promote industry-government-academia collaboration

Nisso Group's Educational Achievements

Points

- We aim to provide high value-added services and expand educational opportunities for the entire Nisso Group.
- The number of participants for engineer training increased YoY, partly due to the recovery in the Semiconductor Industry.
※ YoY: 402 (last FY)
- In nursing care • welfare training, the educational curriculum has been expanded with the aim of improving service levels.
- The external employee training functions have been expanded and released as the "NISSO HR Development Service", and its demand is steadily growing.
※YoY: 91 (last FY)
※Released on June 3, 2024
<https://www.Nisso-hd.com/news/859/>
(in Japanese only)

● FY 3/2025 1Q Educational achievements (total # of participants)

Classification	Training content	FY 3/25 1Q
(Direct) Engineer training	Manufacturing equipment maintenance • manufacturing equipment technology Mechanical design • production technology Special education for industrial robots, etc.	534
(Direct) Manufacturing • production training	<i>MONOZUKURI</i> (manufacturing) education Foreman education Hazard simulation education, etc.	3,676
(Direct) Other training	Regular compliance education Career support training Qualification (enhancement) training, etc.	402
Nursing care • welfare training	Elder abuse prevention • physical restraint abolition training Accident prevention risk management training Infectious disease • food poisoning prevention training, etc.	782
Total		5,394
External employee training (Entrusted)	Fundamentals of mechanical maintenance Fundamentals of manufacturing equipment Hazard simulation education, etc.	139

3 Toward the Growth of the Nisso Group

Toward the Realization of the Nisso Group Growth Cycle

Measure	FY 3/2024	FY 3/2025
Flexible M&A	Invested in APB Corporation Made EYES Co., Ltd. a subsidiary	
Capital and business alliances to enhance synergies		Formed capital and business alliance with TSUNAGU GROUP HOLDINGS Inc. (Securities Code: 6551)
Acquisition of new points of contact	Exhibited at Manufacturing World Japan Exhibited at Kumamoto Industrial Revitalization Expo	Released the "NISSO HR Development Service" Exhibited at Manufacturing World Japan
Collaboration with other industries	Seconded engineer to Interstellar Technologies Inc., a rocket development company	
Responding to human resources mobility		Concluded agreements and letters of intent with foreign educational institutions regarding employment in Japan
Active industry-government-academia collaboration	Participated in the Kyushu Semiconductor Human Resources Development Consortium, the Kansai Storage Battery Human Resources Development Consortium, and the Hokkaido Semiconductor Human Resources Development Promotion Council	
Strengthening of recruitment structures	Established a recruitment consortium Increased awareness of the of our recruitment site (Aired TV commercials)	Enhanced the efficiency of the recruitment consortium Increased awareness of the of our recruitment site (Continued airing of TV commercials)

4 Nisso Group Topics

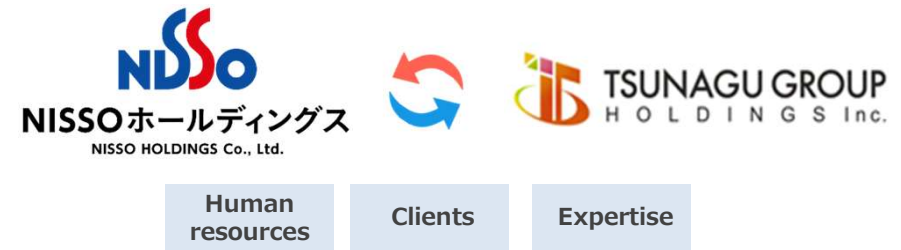
Capital and Business Alliance with TSUNAGU GROUP HOLDINGS

Establishing a collaborative sales structure by
sharing the client bases of both companies



- Collaboration on recruitment projects of both companies
- Joint support for client personnel (HR) departments
- Collaboration in the global area

**Integrating the assets of both companies
and maximizing the services provided**



*HD = Holdings

Nisso Group Topics



Completion · inauguration ceremony of Nisso Technical Center Kumamoto Building 2

- The completion and inauguration ceremony of Nisso Technical Center Kumamoto Building 2 was held on May 30, 2024
- The facility also accommodates the "NISSO HR Development Service", our entrusted external employee training service, and focuses on the development of external human resources
- The facility will expand its functions as a training base with influence in Kumamoto Prefecture and the entire Kyushu region, and approximately triple its human resources development capabilities



Conclusion of agreements and letters of intent with educational institutions in Vietnam

- Concluded agreements and letters of intent with 2 educational institutions regarding human resources development, including Japanese language education
- A scheme where students come to Japan after a 4-6 month training period
- Considering assignments mainly in engineering positions in industries where demand is expected to be high, such as semiconductors and storage batteries

Nisso Group Topics

2024 | Apr.

2024 | May

- Announced the Financial Results for FY 3/2024
- Capital and business alliance with TSUNAGU GROUP HD* Inc. (Securities Code: 6551)
- Expansion of Nisso Technical Center Kumamoto
- NISSO CORPORATION concluded agreements and letters of intent with foreign educational institutions regarding employment in Japan



2024 | Aug.

- 2024.08.07 To announce the Financial Results for the First Quarter of FY 3/2025
- To announce the Medium-term Management Plan



2024 | Oct.

- 2024.10.23~10.25 To exhibit at NEPCON NAGOYA

2024 | Dec.

Apr.

May

Jun.

Jul.

Aug.

Sep.

Oct.

Nov.

Dec.

- Decision made to introduce a share incentive system for employee shareholding association
- Nisso Nifty signed joint research agreement with Yokohama National University

2024 | Jul.

2024 | Sep.

- NISSO CORPORATION expanded its entrusted external employee training service, and released the "NISSO HR Development Service"
- 2024.06.19~06.21 Exhibited at Manufacturing World (Tokyo)

2024 | Jun.



2024 | Nov.

- 2024.11.07 To announce the Financial Results for the First Six Months of FY 3/2025 (Scheduled)

*HD = Holdings

5 Future Prospects (FY 3/2025)

FY 3/2025 Full-year Consolidated Forecasts

In the full-year consolidated (earnings) forecast, in our core General Human Resources Services Business, we expect revenue and profits to increase, based on the assumption that in addition to the recovery of operations in automobiles, the semiconductor memory field, etc., will remain strong, and demand for components related to PCs and communications equipment will also recover.

● FY 3/2025 Full-year Consolidated Forecast (April 1, 2024 ~ March 31, 2025)

(Unit: Million yen)

	FY 3/24 Results		FY 3/25 Forecast		Year-on-Year	
	Results	% of Total	Forecast	% of Total	Increase (Decrease)	% Change
Net sales	96,858	100.0%	106,000	100.0%	9,141	9.4%
Operating profit	3,058	3.2%	3,800	3.6%	741	24.3%
Ordinary profit	3,056	3.2%	3,800	3.6%	743	24.3%
Profit attributable to owners of parent	1,952	2.0%	2,400	2.3%	447	22.9%

6 Shareholder Return Policy

Shareholder Return Policy

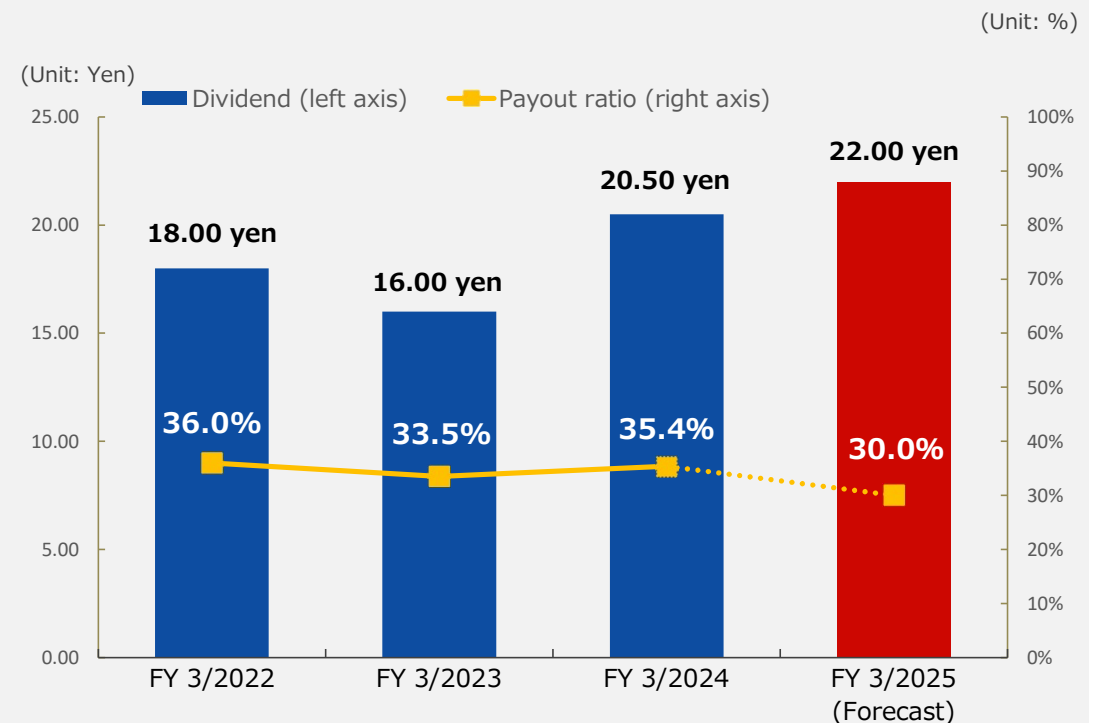
Basic Policy

NISSO HOLDINGS considers the redistribution of profits to shareholders and the enhancement of corporate value as key management issues. In addition, by setting the consolidated dividend payout ratio of 30% or more as a general standard, NISSO HOLDINGS' basic policy is to continue to steadily redistribute profits to all of our shareholders.

FY 3/2025 Dividend Forecast

NISSO HOLDINGS expects to pay a dividend of 22.00 yen per share (consolidated dividend payout ratio of 30.0%).

Dividend and Payout Ratio



※Until FY 3/2023, the figures for NISSO CORPORATION before the holding company structure are presented.

7 Financial Condition (FY 3/2025 1Q)

Consolidated Balance Sheet

(Unit: Million yen, %)

Point

① Increase due to expansion of operating personnel

Due to the expansion of operating personnel in the manufacturing-related human resources services, "notes and accounts receivable (trade)" of current assets and "accrued expenses" of current liabilities increased.

② Tax payments

"Income taxes payable" of current liabilities decreased due to the payment of income taxes and other taxes.

③ Bonus payments

Due to the payment of summer bonuses, "provision for bonuses" of current liabilities decreased.

④ Dividends

Shareholders' equity decreased due to dividend payments.

⑤ Overall

As a result of the above, total assets decreased by 2.8%, total liabilities decreased by 4.5%, and total net assets decreased by 1.1%, resulting in an equity ratio of 48.9% compared to the end of the previous fiscal year.

	Mar. 2024-end		Jun. 2024-end		Increase (Decrease)
	Amount	% of Total	Amount	% of Total	
Current assets	21,899	69.8	19,793	65.0	(2,106)
Cash and deposits	9,641	30.7	6,459	21.2	(3,181)
Notes and accounts receivable - trade	11,238	35.8	12,135	39.8	896
Non-current assets	9,455	30.2	10,679	35.0	1,224
Property, plant and equipment	5,072	16.2	5,226	17.2	154
Intangible assets	1,611	5.1	1,564	5.1	(47)
Investments and other assets	2,771	8.8	3,889	12.8	1,117
Total assets	31,354	100.0	30,472	100.0	(881)
Current liabilities	13,360	42.6	12,759	41.9	(600)
Accrued expenses	6,553	20.9	7,021	23.0	467
Income taxes payable	795	2.5	61	0.2	(734)
Provision for bonuses	1,479	4.7	816	2.7	(662)
Non-current liabilities	2,660	8.5	2,546	8.4	(114)
Long-term loans payable	1,550	4.9	1,422	4.7	(128)
Total liabilities	16,021	51.1	15,306	50.2	(715)
Shareholders' equity	14,939	47.6	14,779	48.5	(159)
Non-controlling interests	275	0.9	272	0.9	(3)
Total net assets	15,333	48.9	15,166	49.8	(166)
Total liabilities and net assets	31,354	100.0	30,472	100.0	(881)



8 Glossary

Glossary

Word/Term	Explanation
Manufacturing dispatching	Manufacturing dispatching is conducted in accordance with the "Act for Securing the Proper Operation of Worker Dispatching Undertakings and Protection of Dispatched Workers", and dispatching services are provided to manufacturers including automobiles manufacturing, semiconductor manufacturing, and electronic equipment manufacturing. The right to instruct and order the work lies with the manufacturer, which is the dispatching destination, and the employer is the dispatching company. Procedures related to labor management, such as recruitment and payroll, are carried out by the employer, the dispatching company.
Manufacturing contracting	Manufacturing contracting provides services to manufacturers including automobiles manufacturing, semiconductor manufacturing, and electronic equipment manufacturing. The contracting company uses part or all of the manufacturer's processes・equipment to establish production, quality control, labor management, and workplace management systems. In response to orders from the ordering party (manufacturers), the contracting company conducts manufacturing, processing and inspections under a management system, and delivers the finished products (deliverables) to the ordering party upon completion.
Industry Strategy	A strategy for proactively and speedily responding to the needs of each industry that the Nisso Group focuses on, in order to expand our General Human Resources Services business.
Turnover rate	The cumulative (YTD) number of resignations divided by the total average number of enrolled staff each month. It represents the average withdrawal rate for the relevant period.
(Nisso) Technical Centers	Large-scale education and training facilities that educate highly specialized technical staff in various industries such as automobiles, electricity, and semiconductors. The Technical Centers provide a wider range of education than the Training Centers, and can also provide contracted training services.
(Nisso) Training Centers	Education and training facilities that provide specialized skills education for specific industries. Education and training are provided on the premise of assignment to specific manufacturers.
Recruitment consortium	A platform to increase the number of options for workers and facilitate matching by creating networks among human resources companies and sharing their job opportunities. By cooperating with companies participating in the consortium, it is possible to improve the efficiency of recruitment and job offers for both employers and job seekers.

働きものを、幸せものに。
Making hardworking people, happy.



The forward-looking statements and performance forecasts contained in this document are forecasts determined by NISSO HOLDINGS based on information available at the time of preparation, and include potential risks and uncertainties. Therefore, please be aware that the actual results may differ greatly from the forward-looking statements described due to changes in various factors.

〈For future IR-related inquiries〉

IR Division, NISSO HOLDINGS Co., Ltd.

TEL 045-777-7630

E-mail ir@nisso-ir.com

URL <https://www.nisso-hd.com>