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3. Consolidated Forecasts for Fiscal Year ending March 31, 2024

(% is comparison to the same period of previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Earnings per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY ending March 31, 2024	126,500	6.2	17,400	5.7	17,400	5.2	11,900	(2.9)	151.74

(Note) Revision of performance forecast from recent forecast: None

Notes to Financial Statements

- (1) Significant changes involving subsidiaries during the term: Yes
(Changes in specific subsidiaries that affected the scope of consolidation)
Newly consolidated: 1 (MEITEC CORPORATION)

(Note) The business name changed from MEITEC SPLIT PREPARATORY COMPANY to MEITEC CORPORATION on October 1, 2023.

- (2) Adoption of special accounting treatment for preparing quarterly consolidated financial statements: Yes

- (3) Changes in accounting policies, changes in accounting estimates, and restatements
- i. Change in accounting policies: None
 - ii. Changes not relating to i.: None
 - iii. Changes in accounting estimates: None
 - iv. Restatements: None

- (4) Number of shares issued (common stock)
- i. Number of shares issued at the fiscal year end (including treasury shares)
 - 3rd quarter ended December 31, 2023: 82,500,000
 - FY ended March 31, 2023: 82,500,000
 - ii. Number of treasury shares at the fiscal year end
 - 3rd quarter ended December 31, 2023: 4,722,407
 - FY ended March 31, 2023: 4,078,400
 - iii. Average number of shares outstanding during the period (first quarter cumulative)
 - 3rd quarter ended December 31, 2023: 78,360,674
 - 3rd quarter ended December 31, 2022: 79,990,680

(Note) The Company conducted a share split with a ratio of three shares for one share of common stock on July 1, 2022. Number of shares issued at the fiscal year end, number of treasury shares at the fiscal year end, and average number of shares outstanding during the period have been calculated assuming the share split to have been conducted at the start of the previous fiscal year.

*** This report is not included in the scope of the audit or the certified public accountant.**

*** Advice relating to appropriate use of financial forecasts and other relevant information**

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable, and it is not intended to promise its achievement. Actual results may therefore differ materially from these statements for various reasons. Some important factors that might have an effect on business performance pertain to Business Risks stated in the Company's annual securities report and other information already released, but factors influencing business performance are not limited to those released.

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1. Qualitative Information on the Consolidated Results for the 3rd Quarter

During the first three quarters of the current fiscal year (the nine months from April 1, 2023 to December 31, 2023), the legal status of COVID-19 was downgraded to Category V, economic and social activity normalizing, and business conditions gradually recovering. However, the economic outlook remained uncertain due to factors including a tense international situation and increases in the prices of resources.

The Company transitioned to a holding company structure on October 1, 2023 and changed its business name to Meitec Group Holdings Inc. Also, on the same date, the Engineering Solutions Business was inherited by the successor company MEITEC CORPORATION (the business name changed from MEITEC SPLIT PREPARATORY COMPANY on the same date).

MEITEC (MT) and MEITEC Fielders (MF), which are responsible for the Engineering Solutions Business that accounts for more than 90% of the Group's consolidated net sales, saw orders remain strong as leading manufacturers that constitute the Group's major clients invested in technological development focused on the next generation of products. Furthermore, as a result of continuing proactive recruitment with an eye on medium and long-term growth, the number of engineers (total for MT and MF) as of December 31, 2023, was 12,407 (up 393, or 3.3% compared to December 31, 2022), including 824 (MT: 459, MF: 365) new employees joining them in April 2023. In addition, as a result of promoting assignments of both new and existing employees in response to orders, the two companies achieved both an increase in the number of engineers assigned to clients and improvement in the utilization ratio. Note that working hours decreased slightly year on year, mainly due to a decrease in overtime work.

As a result, consolidated net sales for the period under review increased ¥6,800 million, or 7.7%, from a year earlier to ¥95,497 million. Consolidated cost of sales increased ¥4,696 million, or 7.3%, from a year earlier to ¥68,877 million, due mainly to an increase in labor expenses associated with growth in the number of engineers, and consolidated selling, general and administrative expenses increased ¥162 million, or 1.3%, from a year earlier to ¥12,292 million. As a result, consolidated operating profit increased ¥1,941 million, or 15.7%, from a year earlier to ¥14,327 million. Consolidated ordinary profit increased ¥1,887 million, or 15.2%, from a year earlier to ¥14,335 million, while profit attributable to owners of parent increased ¥1,313 million, or 15.5%, from a year earlier to ¥9,804 million.

For details, please refer to the "Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2024" released today on the Tokyo Stock Exchange's Timely Disclosure network (TDnet) and the Company's website.

2. Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Millions of Yen)

	Fiscal year ended Mar. 31, 2023	The 3rd Quarter ended Dec. 31, 2023
Assets		
Current assets		
Cash and deposits	51,028	45,481
Notes and accounts receivable - trade	17,354	17,726
Work in process	172	262
Other	928	3,378
Total current assets	69,484	66,848
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,124	3,040
Other, net	1,661	1,670
Total property, plant and equipment	4,785	4,710
Intangible assets		
Other	369	423
Total intangible assets	369	423
Investments and other assets		
Deferred tax assets	8,994	8,954
Other	944	1,387
Allowance for doubtful accounts	(2)	(7)
Total investments and other assets	9,935	10,333
Total non-current assets	15,091	15,467
Total assets	84,576	82,315
Liabilities		
Current liabilities		
Income taxes payable	2,694	2,103
Provision for bonuses for directors (and other officers)	181	130
Provision for bonuses	9,955	5,235
Other	7,993	11,109
Total current liabilities	20,824	18,579
Non-current liabilities		
Retirement benefit liability	17,032	17,334
Total non-current liabilities	17,032	17,334
Total liabilities	37,856	35,913
Net assets		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	1,259	1,259
Retained earnings	49,207	50,620
Treasury shares	(7,795)	(9,616)
Total shareholders' equity	47,671	47,263
Accumulated other comprehensive income		
Revaluation reserve for land	(662)	(662)
Remeasurements of defined benefit plans	(289)	(198)
Total accumulated other comprehensive income	(951)	(860)
Total net assets	46,719	46,402
Total liabilities and net assets	84,576	82,315

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statements of Income)

(Millions of Yen)

	The 3rd Quarter ended Dec. 31, 2022	The 3rd Quarter ended Dec. 31, 2023
Net sales	88,696	95,497
Cost of sales	64,180	68,877
Gross profit	24,515	26,619
Selling, general and administrative expenses	12,130	12,292
Operating profit	12,385	14,327
Non-operating income		
Interest income	0	0
Subsidy income	57	19
Other	10	11
Total non-operating income	68	31
Non-operating expenses		
Commitment fees	2	2
Commission expenses	3	2
Other	0	18
Total non-operating expenses	6	23
Ordinary profit	12,447	14,335
Extraordinary losses		
Loss on retirement of non-current assets	0	2
Impairment losses	—	3
Total extraordinary losses	0	6
Profit before income taxes	12,447	14,329
Income taxes	3,956	4,525
Profit	8,490	9,804
Profit attributable to owners of parent	8,490	9,804

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	The 3rd Quarter ended Dec. 31, 2022	The 3rd Quarter ended Dec. 31, 2023
Profit	8,490	9,804
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	119	90
Total other comprehensive income	119	90
Comprehensive income	8,610	9,895
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,610	9,895

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(3) Notes to Quarterly Financial Statements

(3)-1 Notes to Financial Statements Regarding Going Concern: None

(3)-2 Significant changes in shareholders' equity: None

(3)-3 Application of special accounting for preparing quarterly consolidated financial statements

Tax expenses

Tax expenses are calculated by multiplying the profit before income taxes by the reasonably estimated effective tax rates after the application of tax effect accounting to the profit before income taxes for the fiscal year including the third quarter ended December 31, 2023.

(3)-4 Additional Information

There has been no material change in the assumptions regarding the impact of the spread of COVID-19 stated in (Additional Information) of the Company's annual securities report for the fiscal year ended March 31, 2023.