

Fiscal Year Ended March 31, 2021

Financial Results

May 10, 2021

UT Group Co., Ltd.

Securities Code: 2146(TSE)

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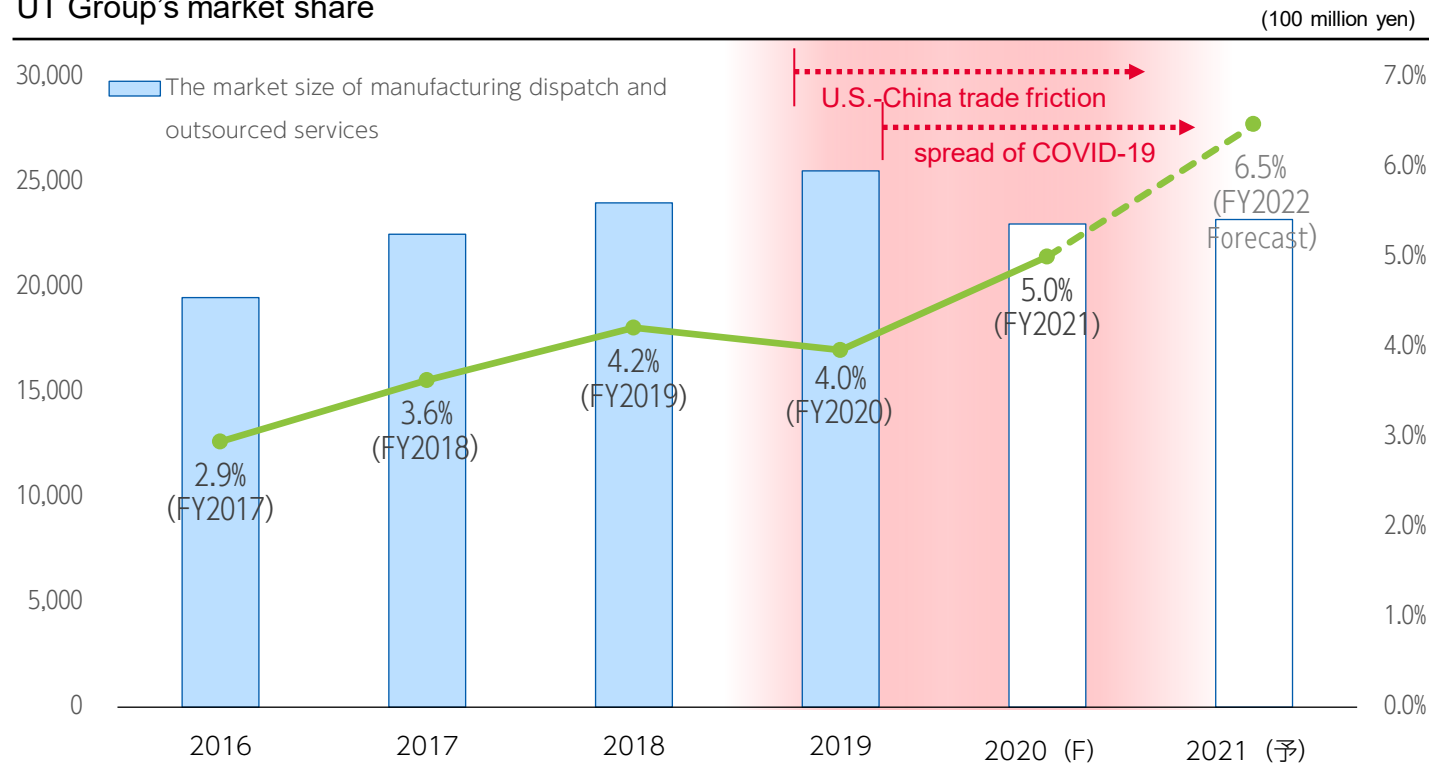
1. Highlights

1. Highlights

Steady rise in market share in the changing environment

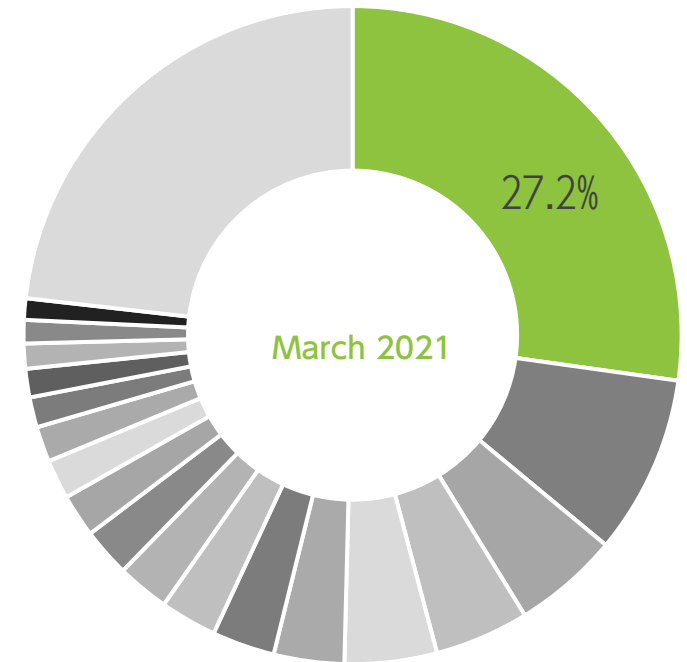
- Increased the market share even during the temporary downtrend in the manufacturing dispatch market.
- Captured the top market share and kept down the downside risk only to a temporary period and at a minimum.

The market size of manufacturing dispatch and outsourced services and UT Group's market share



* Source: Yano Research Institute; "Personnel Business Current Status and Outlook, 2000, Part 2 By Industry and Job Type. Personnel Service" (issued in the fall of 2020)
* The market size of manufacturing dispatch and outsourced services (based on operators' sales): Estimated by Yano Research Institute
* UT Group's market share: Calculated by UT Group based on the above data.

Ratio of UT Group's technical employees in the Manufacturing Business client companies' workplaces



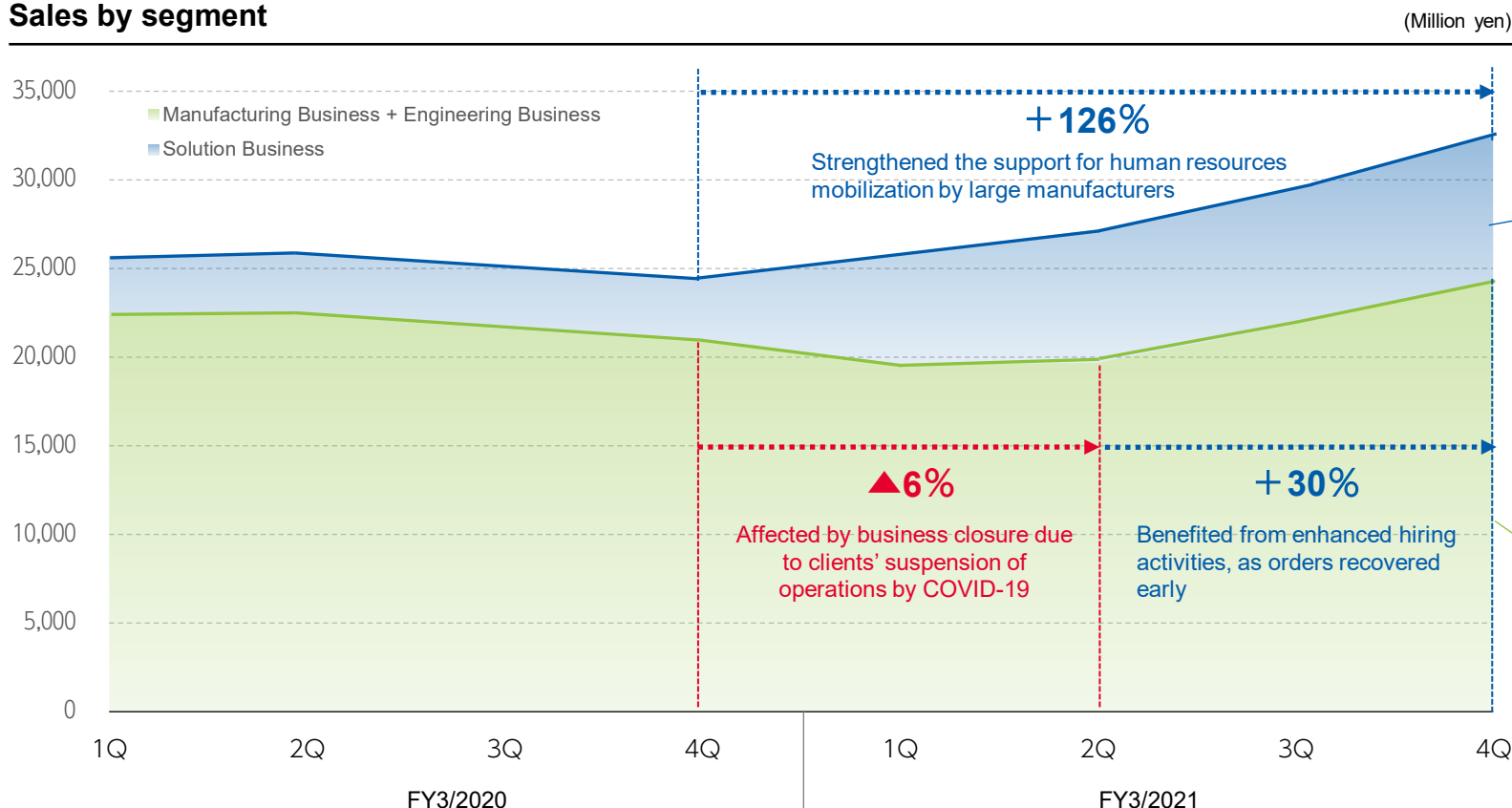
* Survey by UT Group
* [UT Group's technical employees dispatched to the Manufacturing Business client companies] divided by [the total number of dispatched workers to these companies]

1. Highlights

Steady growth with a strong business portfolio despite COVID-19

- The Solution Business complimented other businesses during the changes in the macro environment and an even stronger business base was established, supported by strong relations with major manufacturers.

Sales by segment



Solution Business

- 1Q: Consolidated three Toshiba Group companies
- 2Q: Consolidated one Hitachi Group company
- Sales increase by operating companies (UT Pabec, UTHP)

Manufacturing Business + Engineering Business

- 1Q: Affected by business closure due to clients' suspension of operations
- 2Q: Affected by reduction and cancellations due to clients' production adjustment
- 3Q: Recovery in orders due to production recovery by clients
- 4Q: Accelerated hiring due to growth in orders

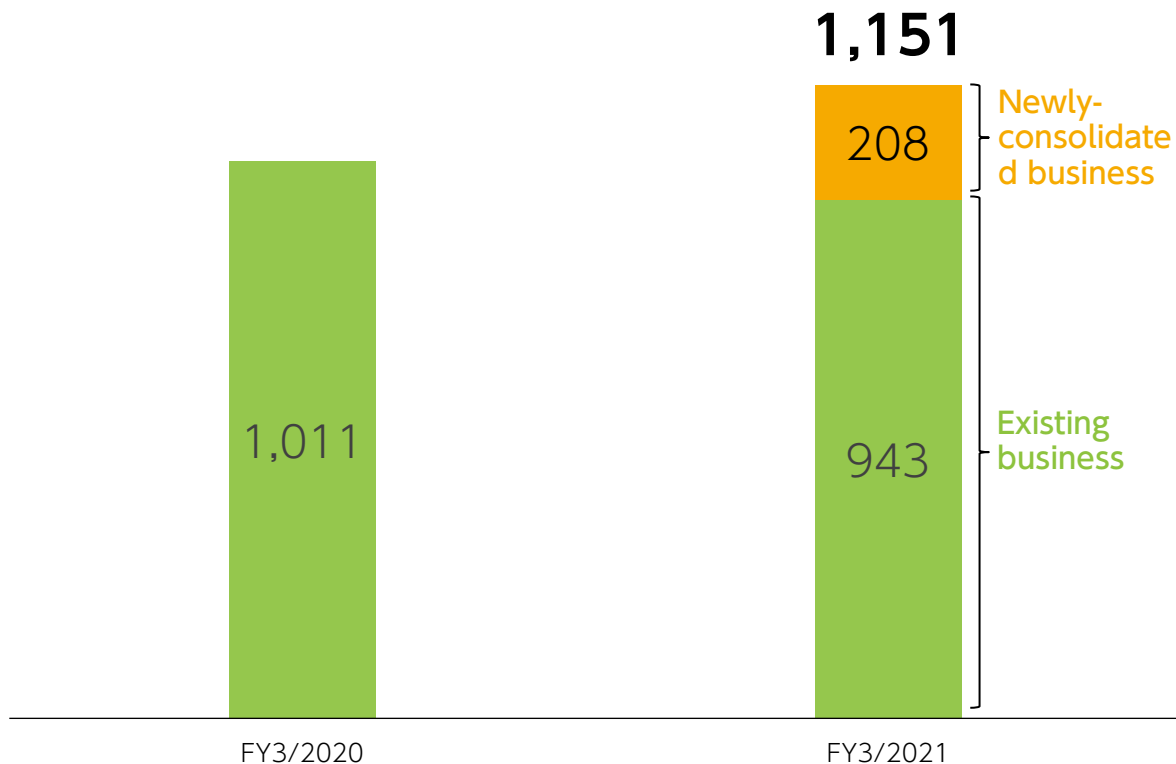
1. Highlights

Expanded area bases; strengthened relations with major manufacturers via M&As

- Expanded the area platforms, based on the "Area Platform Strategy"-- an important Business Plan strategy.
- Promoted the "Solution Strategy" to support human resource mobility of major manufacturers in keeping with their structural reform.

Breakdown of sales growth

(100 million yen)



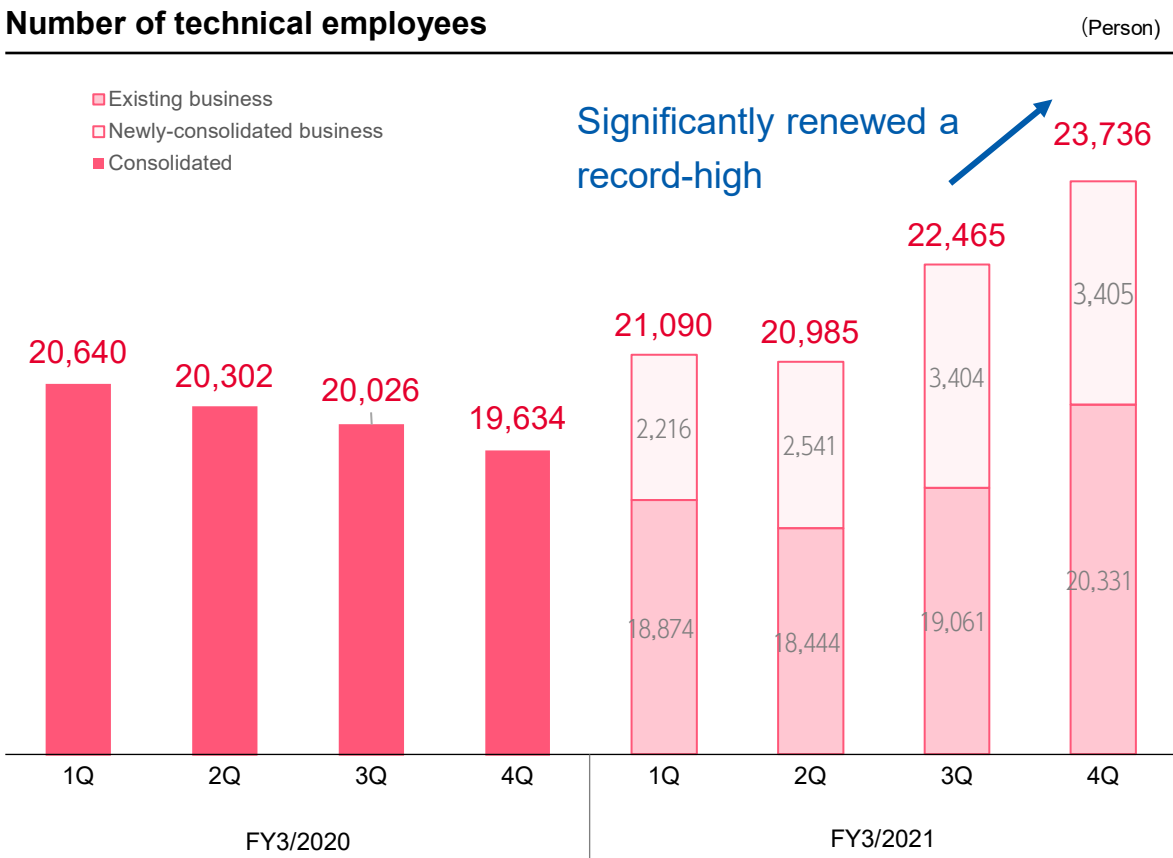
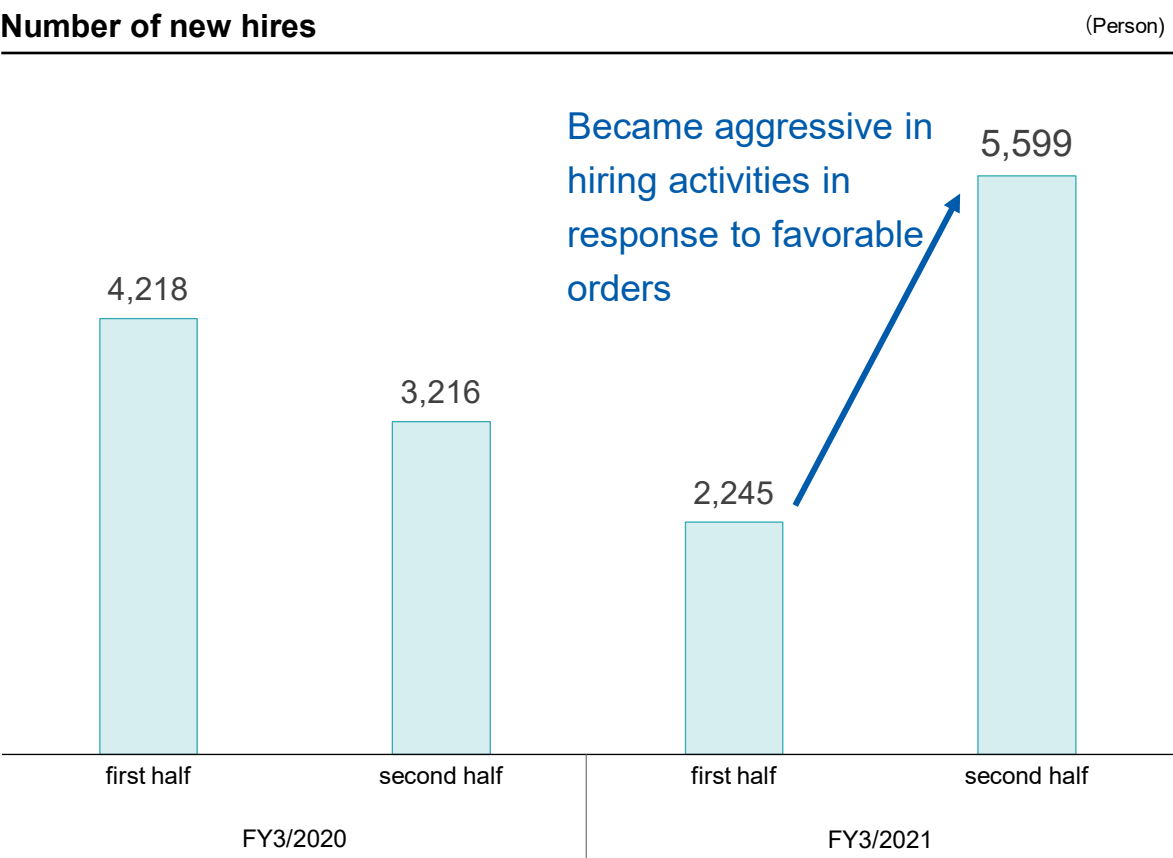
Newly-consolidated subsidiaries in FY3/2021

	Manufacturing Business	Solution Business
Previous 4Q	Support System 【Area Platform Strategy】	
1 Q		UT Toshiba + 2 companies (Toshiba Group) 【Solution Strategy】
2 Q		Mito Engineering Service (Hitachi Group) 【Solution Strategy】
3 Q	Seekel Co., Ltd. 【Area Platform Strategy】	
4 Q	Green Speed Co., Ltd (Vietnam)	

1. Highlights

Focused on hiring activities in 2H and succeeded in maximizing the number of technical employees at year-end

- Hired about 7,800 people in FY3/2021 even during the COVID-19, with 23,736 technical employees at the end of the fiscal year (up 4,102 from FY3/2020).

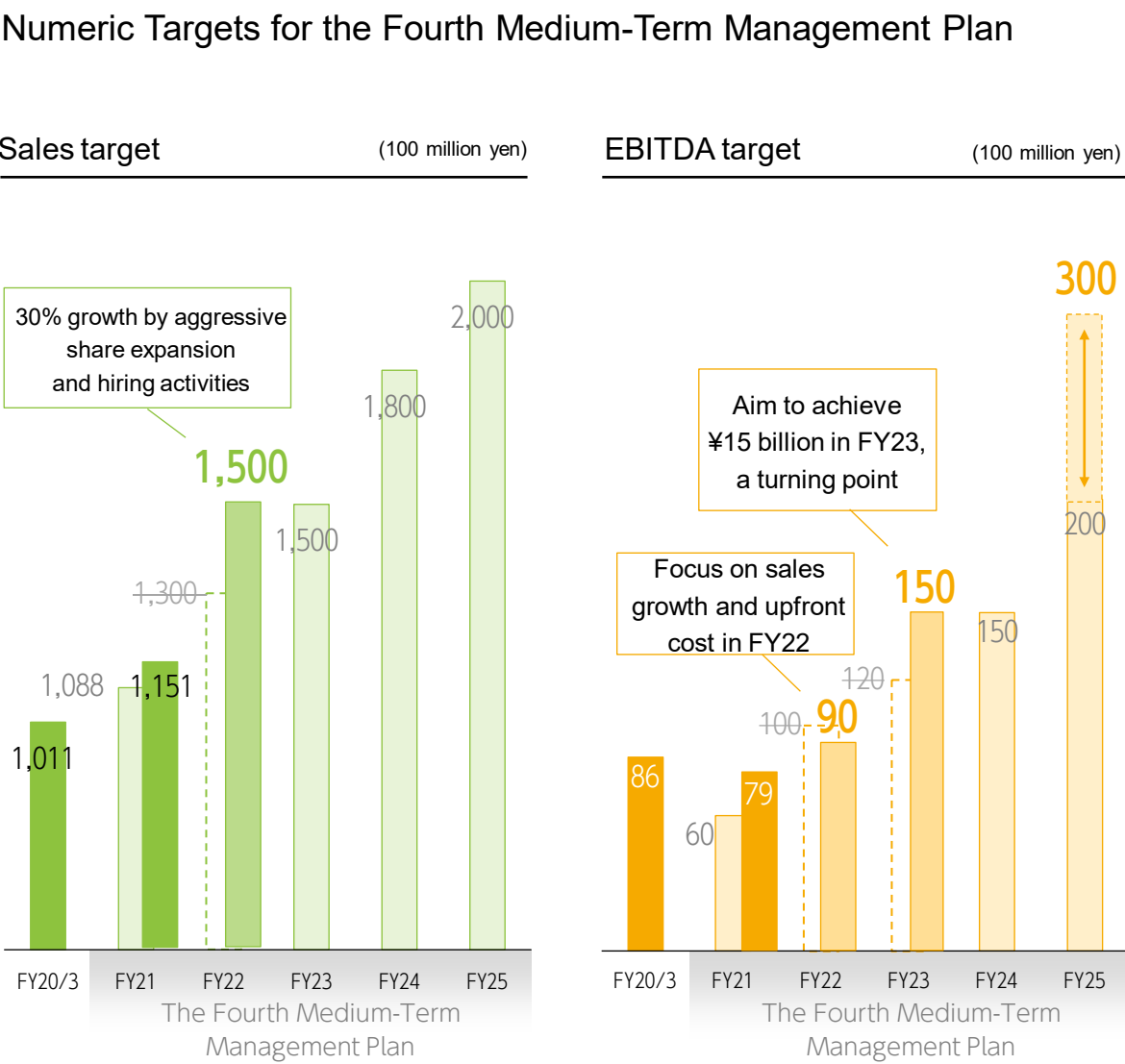


※ Domestic operations only (does not include number of employees in overseas operations)

Upward revision in FY3/2022 sales target toward achieving upper target limit

Focus on increasing technical employees and sales in FY3/2022, in order to achieve EBITDA of ¥15 billion in FY3/2023, a turning point of the 5-year plan.

- Will not miss opportunities to grow post-COVID-19 orders and become aggressive in share expansion in FY3/2022.
- Increase the budget for hiring expenses in order to hire 1,000 people a month and 12,000 people a year as a norm.
- Continue to promote alliances with and acquisitions of major local dispatch operators.
- Increase the number of technical employees as much as possible in the early stage of the Fourth Medium-term Business Plan so as to raise the probability of achieving the plan targets.



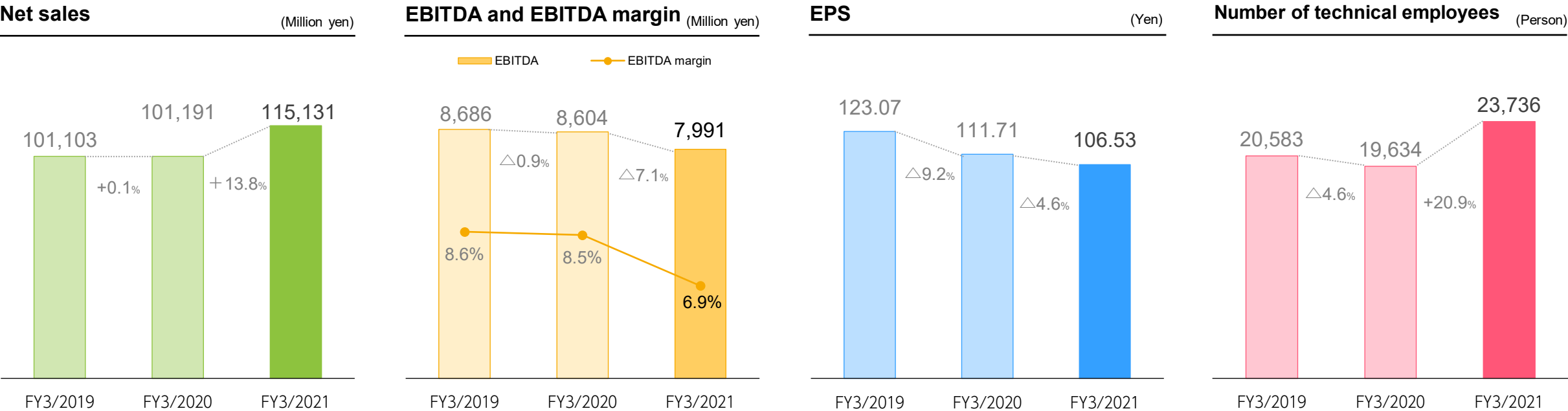
2. FY3/2021 Financial Results

Highlights of Consolidated Results

Renewed record-high sales thanks to improved order accepting situation and impacts of the recent acquisitions

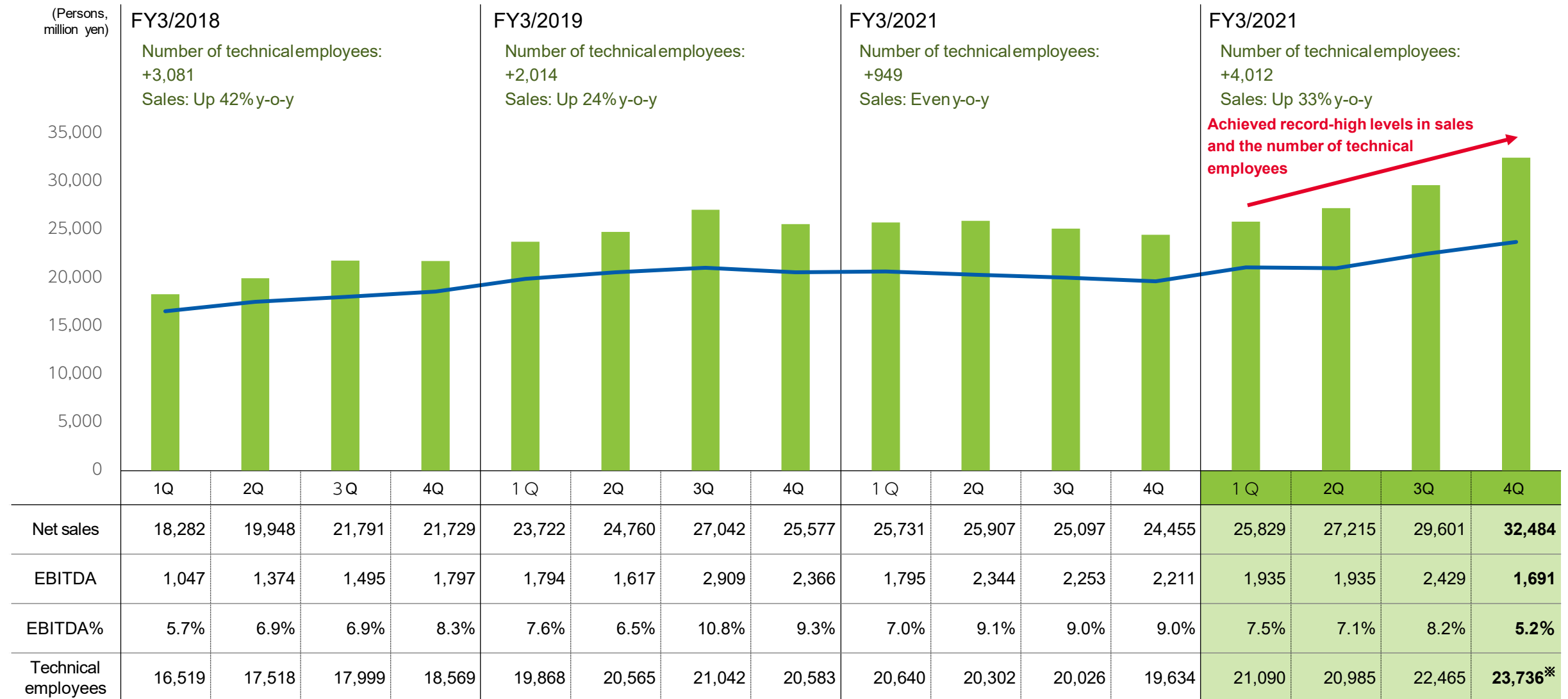
Focused on hiring activities in 2H and increased new hires
mainly in the semiconductor and electronic components, and automotive-related sectors

Significantly renewed a record-high in the number of technical employees, thanks to solid hiring activities and the acquisitions



2. FY3/2021 Financial Results

Quarterly Changes in Sales and Number of Technical Employees



※ Domestic operations only (does not include number of employees in overseas operations)

Summary of Statement of Income

(Million yen)

	FY3/2020		FY3/2021		Year-on-Year	
	Results	% to net sales	Results	% to net sales	Amount	Change
Net sales	101,191	100.0%	115,131	100.0%	13,940	13.8%
Gross profit	20,006	19.8%	21,602	18.8%	1,595	8.0%
Selling, general and administrative expenses	11,966	11.8%	14,438	12.5%	2,472	20.7%
Operating profit	8,040	7.9%	7,163	6.2%	△877	△10.9%
EBITDA	8,604	8.5%	7,991	6.9%	△613	△7.1%
Ordinary profit	8,113	8.0%	7,191	6.2%	△922	△11.4%
Net profit attributable to UT Group	4,509	4.5%	4,299	3.7%	△209	△4.6%
Technical employees(Persons)	19,634	—	23,736*	—	4,102	20.9%

* Domestic operations only (does not include number of employees in overseas operations)

Sales

- Sales increased due to favorable orders mainly in the semiconductor and electronics components sector and the automotive-related sector, and contribution by newly-consolidated companies.
- Sales in 4Q (Jan.-Mar. 2021) was 32,484 million yen and exceeded 30,000 million yen in quarterly sales for the first time.

Gross margin

- Sharp recovery from the bottom in 1Q when the business was most affected by the spread of COVID-19.

Operating profit and EBITDA

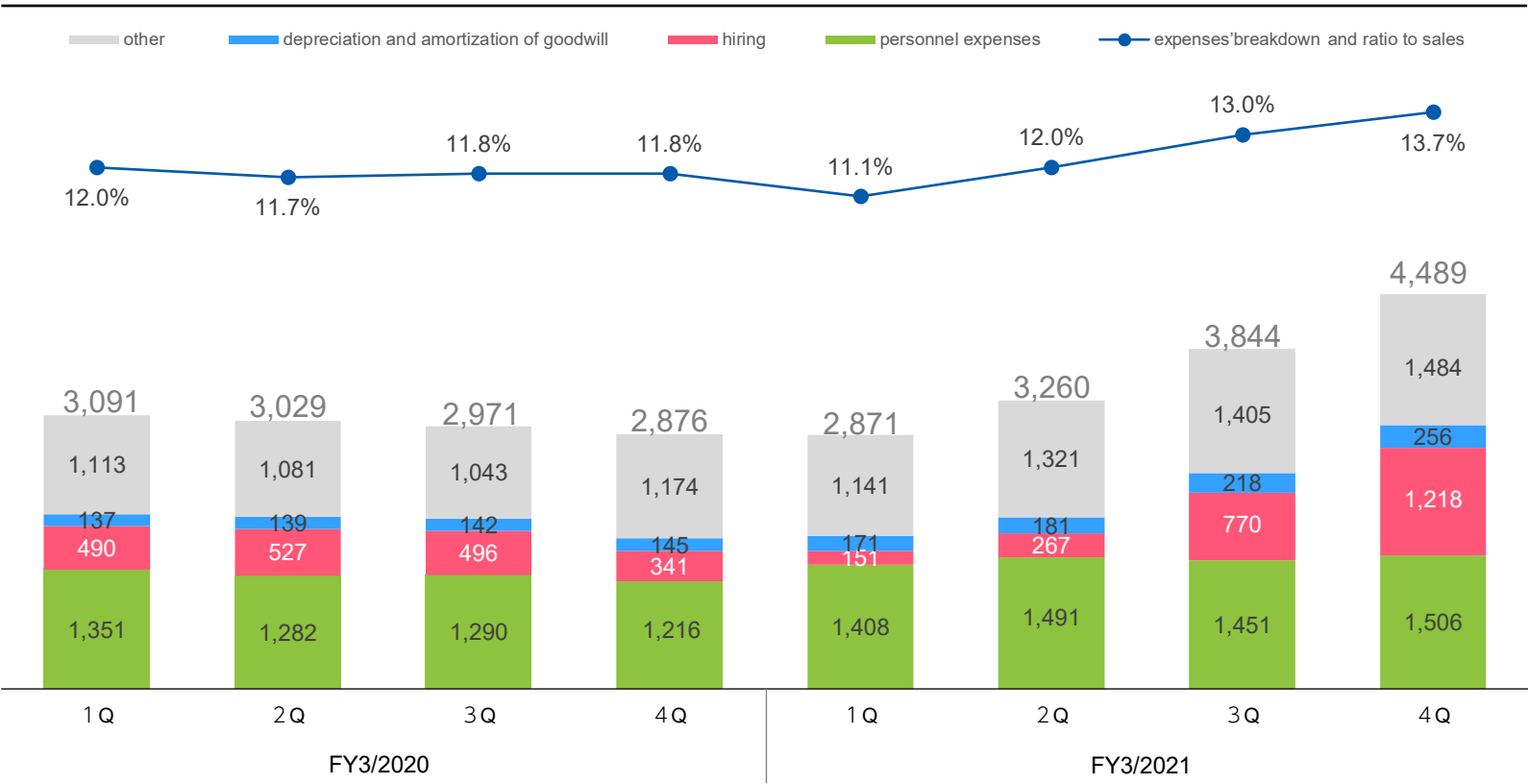
- Hiring expenses increased due to the enhanced hiring activities since 2H.
- Profit exceeded the forecast as a part of the anticipated M&A expenses for 2H was carried over.

Analysis of SG&A expenses

- Strategic increase in SG&A expenses (hiring and M&A-related expenses) when the impact of the COVID-19 pandemic went down.

SG&A expenses' breakdown and ratio to sales

(Million yen, % (RH))



Hiring expenses

- Hiring expenses increased due to the enhanced hiring activities since 2H, and was settled as planned.

Other

- A part of the expected large M&A expenses for 2H was carried over.

Summary of Balance Sheet

(Million yen)

	December 31, 2020		March 31, 2021		Quarter-on-Quarter	
	Results	% to net sales	Results	% to net sales	Amount	Change
Current assets	43,410	84.6%	43,979	83.5%	568	1.3%
Cash and deposits	26,382	51.4%	25,266	48.0%	△1,115	△4.2%
Notes and accounts receivable - trade	15,426	30.0%	16,762	31.8%	1,336	8.7%
Non-current assets	7,927	15.4%	8,687	16.5%	760	9.6%
Property, plant and equipment	374	0.7%	464	0.9%	89	23.8%
Intangible assets	5,563	10.8%	5,541	10.5%	△22	△0.4%
Goodwill	4,257	8.3%	4,005	7.6%	△252	△5.9%
Investments and other assets	1,988	3.9%	2,681	5.1%	693	34.9%
Total assets	51,337	100.0%	52,666	100.0%	1,329	2.6%
Current liabilities	20,915	40.7%	22,564	42.8%	1,648	7.9%
Short-term borrowings and current portion of long-term debts	2,537	4.9%	2,520	4.8%	△17	△0.7%
Long-term liabilities	10,869	21.2%	9,904	18.8%	△965	△8.9%
Long-term debts	9,860	19.2%	9,163	17.4%	△696	△7.1%
Net assets	19,552	38.1%	20,198	38.4%	645	3.3%
Shareholders' equity	18,634	36.3%	19,116	36.3%	481	2.6%
Total liabilities and net assets	51,337	100.0%	52,666	100.0%	1,329	2.6%
Gross debt/equity ratio	0.67	—	0.61	—	—	—

Cash and deposits

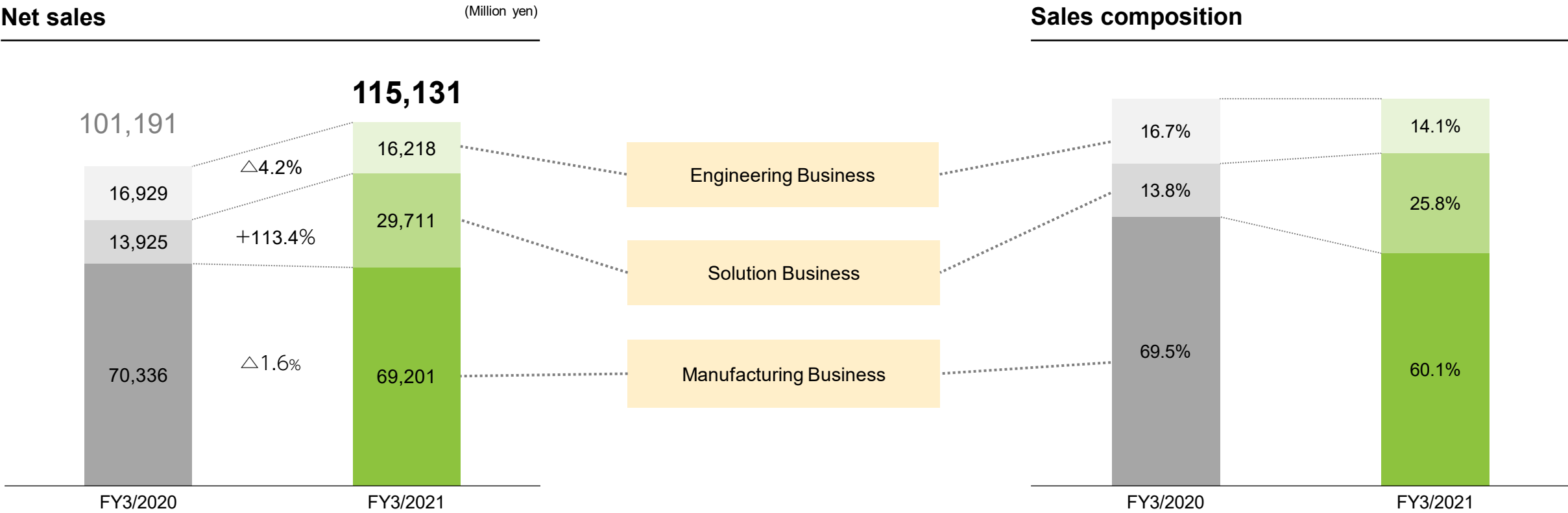
- Used for purchase of shares of affiliated companies and payments of long-term loans payable.

Investments and other assets

- Increased in shares of affiliated companies, as SURI-EMU Corp. became an equity-method affiliate.

Results by Segment: Segment Sales and Their Ratios to Total Sales

- The Manufacturing Business was negatively affected in 1H but recovered in 2H, reducing a magnitude of sales decline to the minimum.
- The Solution Business increased sales, contributed by consolidation of three Toshiba-affiliated companies and one Hitachi-affiliated company, and by solid performance of the existing operating companies.
- The Engineering Business decreased sales due to a sale of an IT-related company.

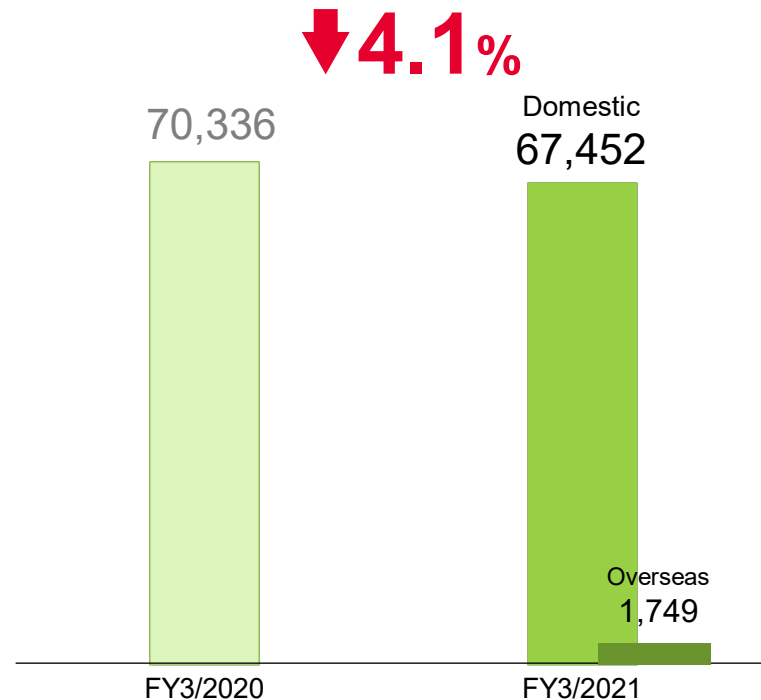


Results by Segment: Manufacturing Business (Domestic and Overseas)

- [Domestic] Personnel demand mainly in the automobile-related, and semiconductors and electronic components sectors recovered and a magnitude of sales decline was reduced.
- [Domestic] Increased hiring-related expenses as forward investment and focused on increasing the number of technical employees as much as possible.
- [Domestic] The number of technical employees increased by 2,636 from the previous year and significantly renewed a record-high.

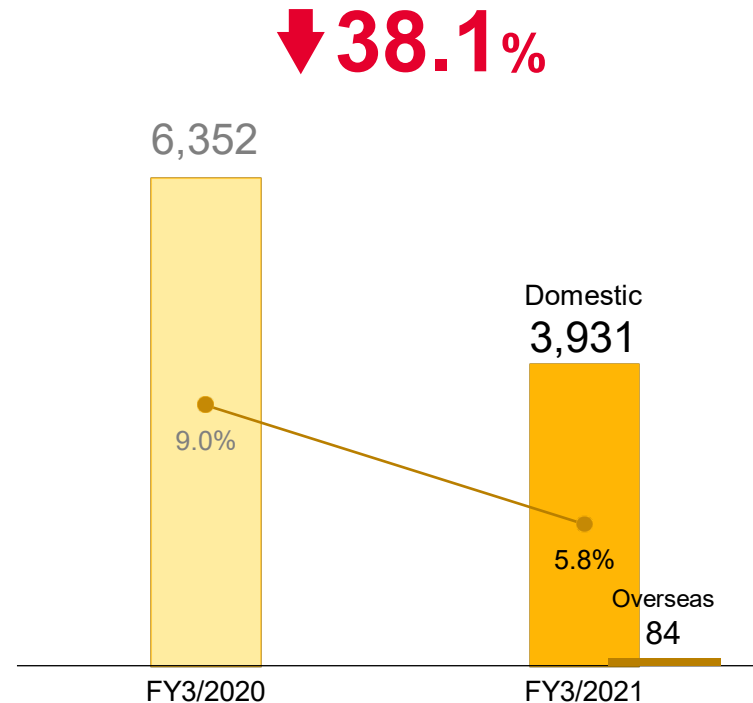
Sales

(Million yen)



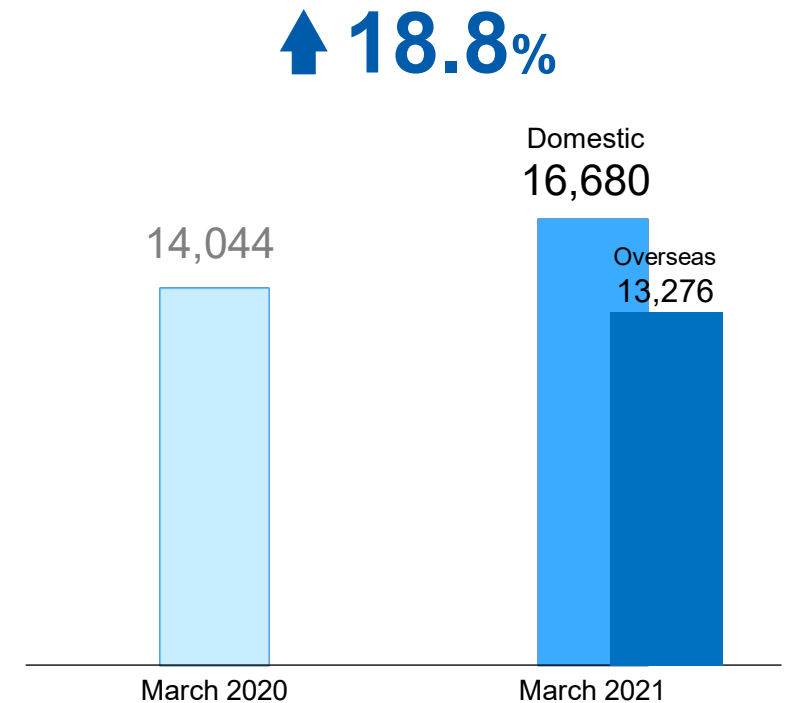
EBITDA and EBITDA margin

(Million yen)



Technical employees

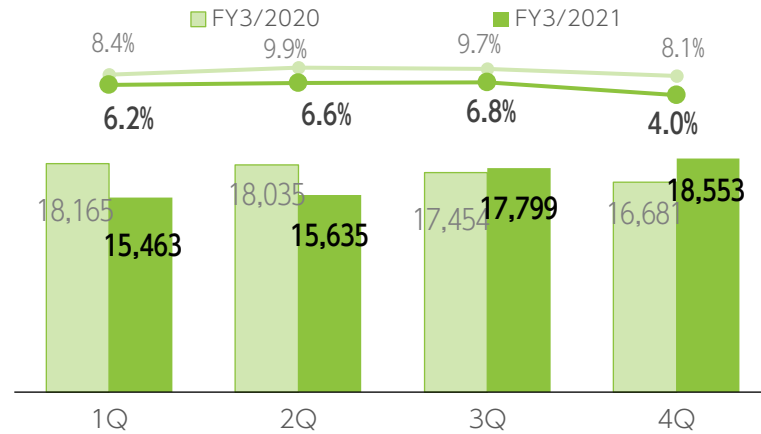
(Person)



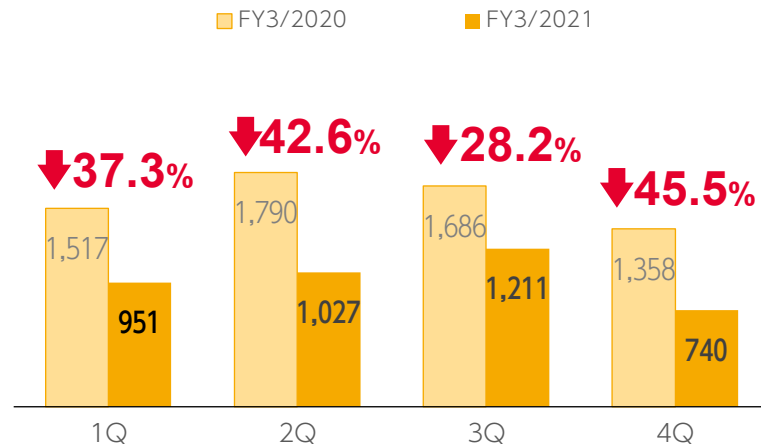
2. FY3/2021 Financial Results

Results by Segment: Manufacturing Business (excl. overseas business)

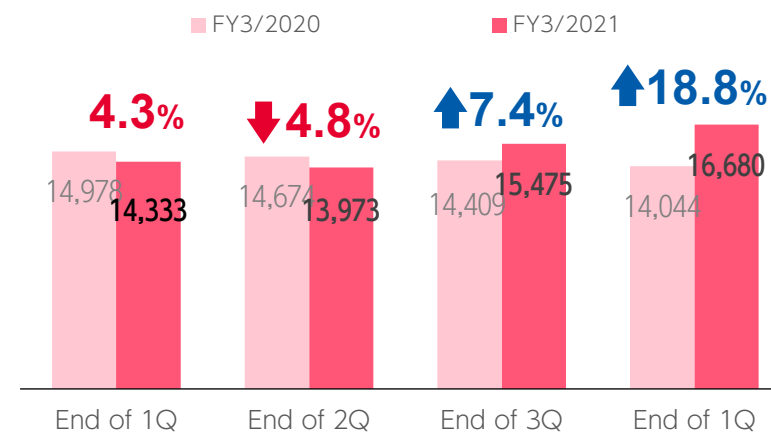
Sales and EBITDA margin (Million yen)



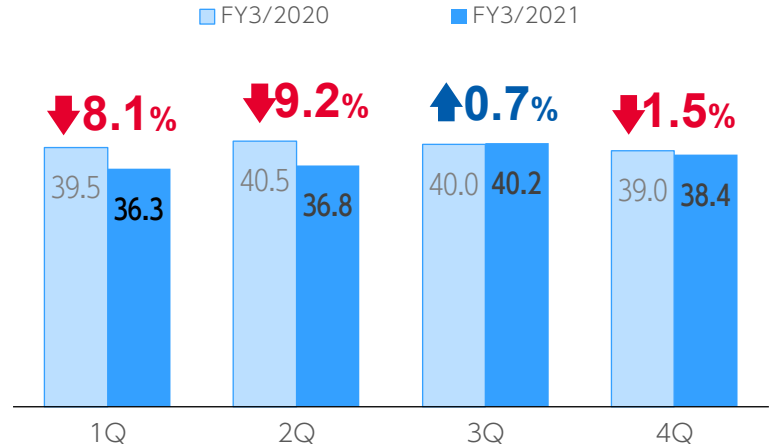
EBITDA (Million yen)



Technical employees (Person)



Monthly sales per capita (ten thousand yen)



- Monthly sales per capita was calculated by dividing quarterly sales by the quarterly average number of technical employees.

Sales and technical employees

- Net sales increased by 4.2% QoQ and 11.2% YOY.
- Net increase of 2,707 employees compared to the end of 2Q, up 19.4%, due to intensified recruitment activities from the second half.

EBITDA

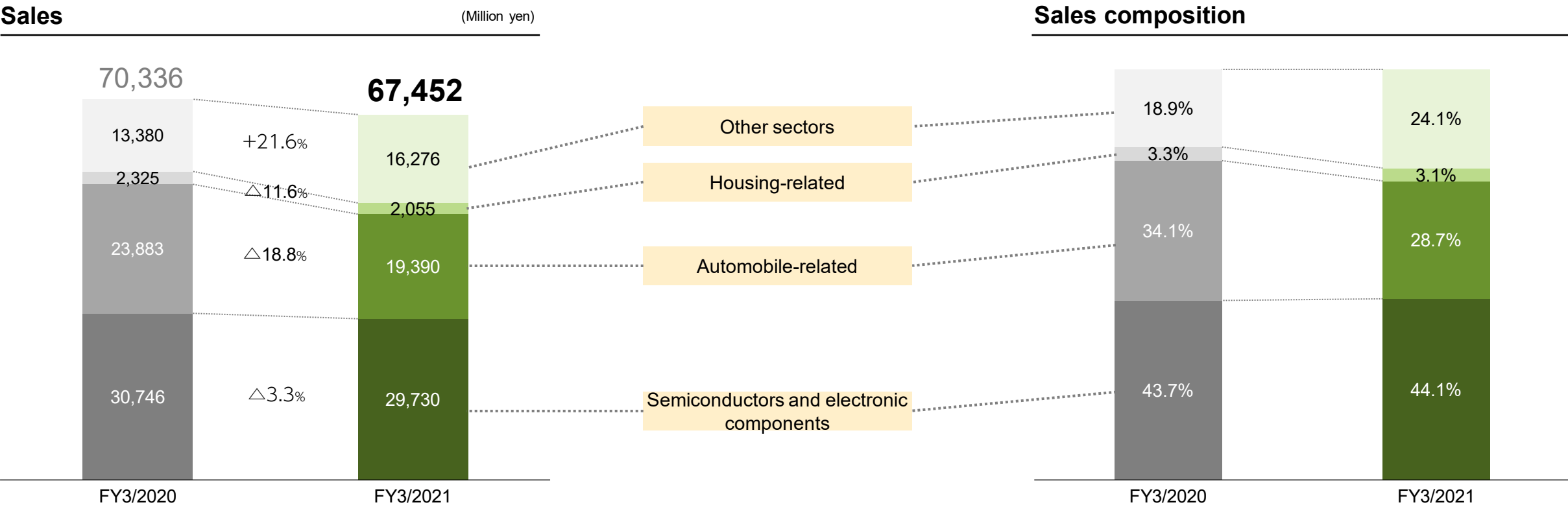
- EBITDA decreased q-o-q due to an increase in hiring expenses caused by enhanced hiring activities as forward investment. (The segment roughly accounted for ¥1.1 billion of ¥1.2 billion hiring expenses of the 4Q).

Monthly sales per capita

- The number of operating days declined in 4Q in the automotive-related sector.

Results by Segment: Manufacturing Business (excl. overseas business)

- The semiconductors and electronic components sector had solid demand for personnel, thanks to growth in 5G-related demand.
- Demand for personnel in the automobile-related sector sharply recovered as client companies' production recovered.
- Other sectors increased sales thanks to the recent acquisitions based on the Area Platform Strategy.

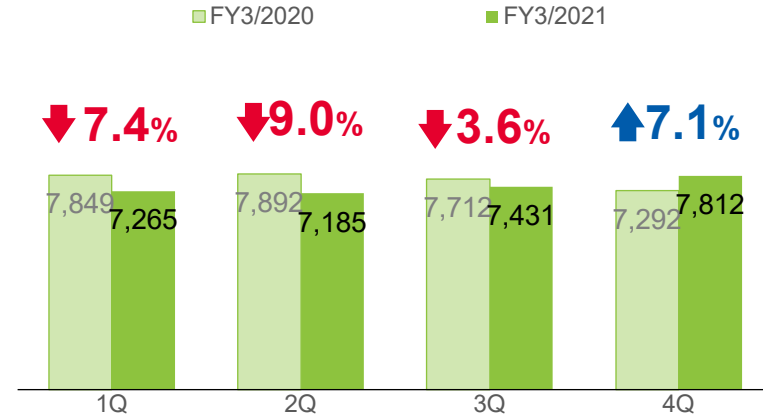


2. FY3/2021 Financial Results

Results by Segment: Manufacturing Business (excl. overseas business)

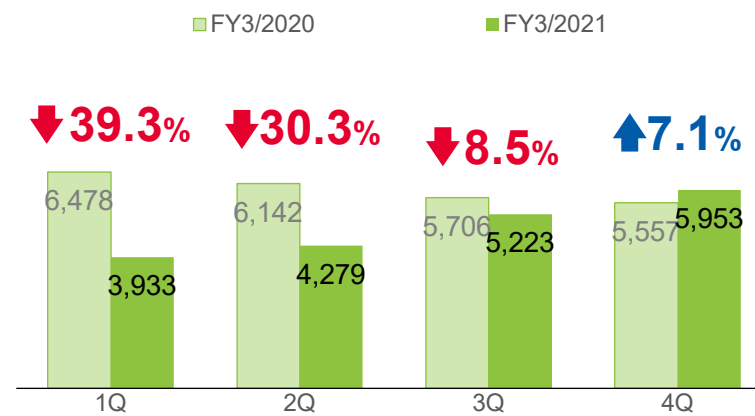
Semiconductors and electronic components

(Million yen)



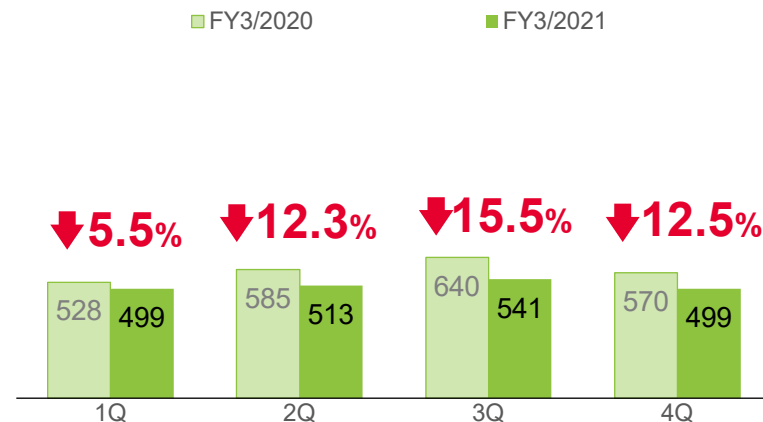
Automobile-related

(Million yen)



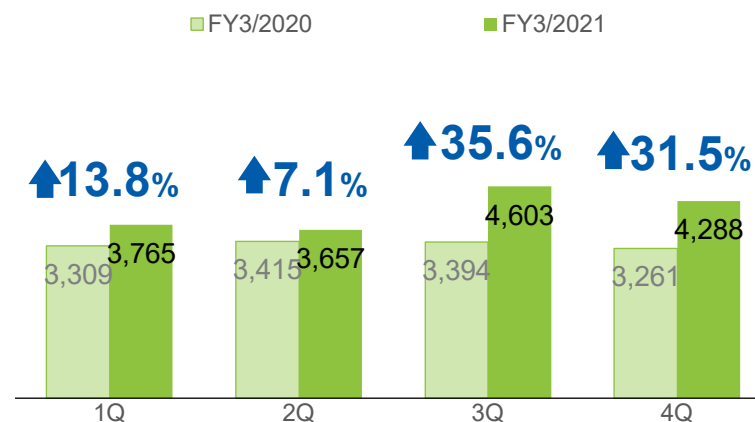
Housing-related

(Million yen)



Other sectors

(Million yen)



Semiconductors and electronic components

- Sales increased mainly for semiconductor manufacturing equipment and semiconductors, in 4Q
- Overtime hours increased.

Automobile-related

- The automobile-related sector had a slight decrease in the number of operating days compared to FY3/2020.

Other sectors

- Other sectors increased sales due to positive contribution by newly-consolidated Support System and Seekel.

2. FY3/2021 Financial Results

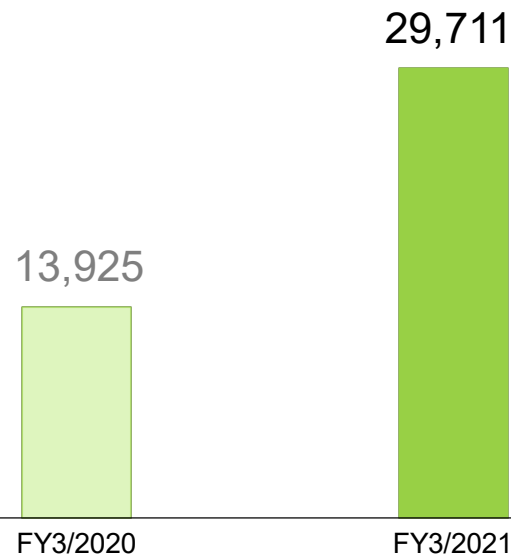
Results by Segment: Solution Business

- Impacts of production adjustment by some client companies due to the COVID-19 spread have eased.
- A rise in unit price, associated with adherence to equal pay for equal work, contributed.
- Sales increased y-o-y, contributed by consolidation of three Toshiba-affiliated companies in April and one Hitachi-affiliated company in July, and by solid performance of the existing operating companies.

Sales

(Million yen)

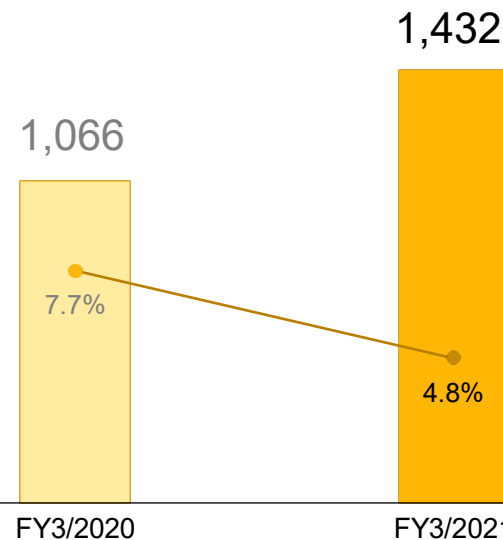
↑113.4%



EBITDA and EBITDA margin

(Million yen)

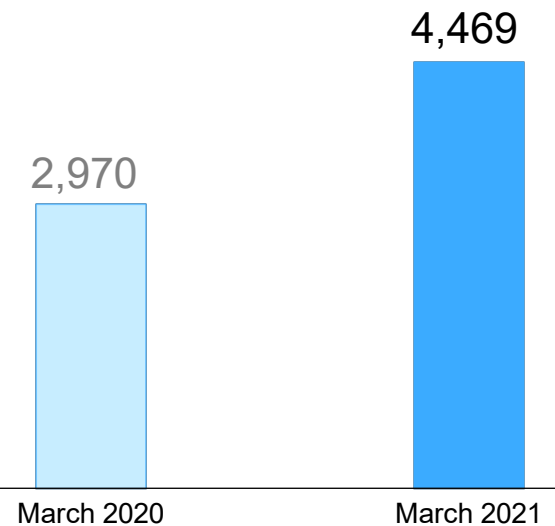
↑34.4%



Technical employees

(Person)

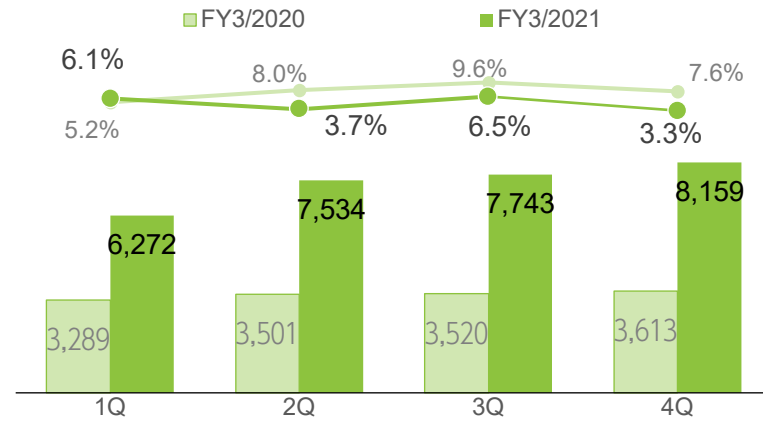
↑50.5%



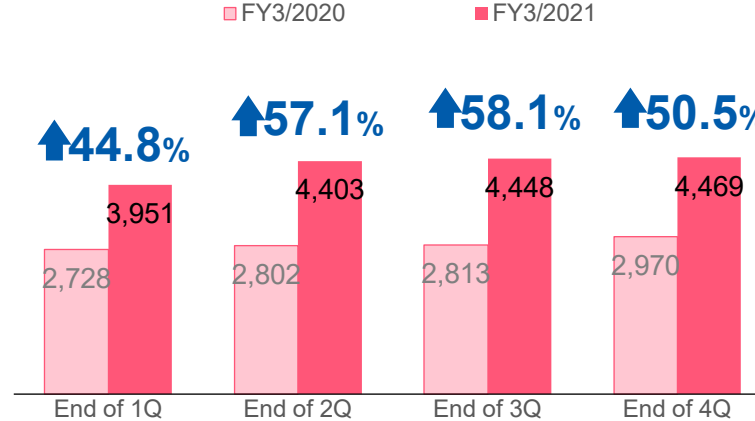
2. FY3/2021 Financial Results

Results by Segment: Solution Business

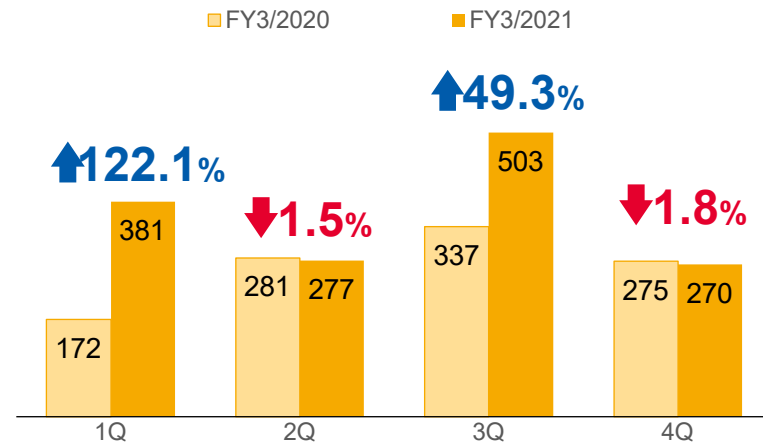
Sales and EBITDA margin (Million yen)



Technical employees (Person)



EBITDA (Million yen)



Sales and technical employees

- While UT Toshiba, Mito Engineering Service, and other companies made significant contributions to the consolidated results, sales of other existing companies also increased steadily, mainly at UT Pabec and UTHP.

EBITDA

- EBITDA decreased q-o-q in 4Q due to system-related expenses as integration cost of UT Toshiba.

Results by Segment: Solution Business

UT PabecCo., Ltd.
Battery assembly; manufacturing dispatch and outsourced work

UTHP Co., Ltd.
Manufacturing dispatch and outsourced work

FUJITSU UT Co., Ltd.
Manufacturing dispatch and outsourced work

UT Toshiba Co., Ltd.
Manufacturing dispatch and outsourced work

UTBusinessServiceCo.,Ltd.
Manufacturing dispatch and outsourced work

UT System Products Co., Ltd.
Sale of office supplies

MitoEngineeringServiceCo.,Ltd.
Elevator/escalator manufacturing outsourced work and dispatch of design engineers

Consolidated 3 Toshiba Group companies

April 2020 (1Q)

- Enhanced relationship with the Toshiba Group
- Established the working environment for women and the elderly
- Expanded a business field
- Reorganized a function to provide after-retirement workplace for Toshiba Group employees

Number of technical employees (June 30): 1,085

Consolidated a Hitachi Group company

July 2020 (2Q)

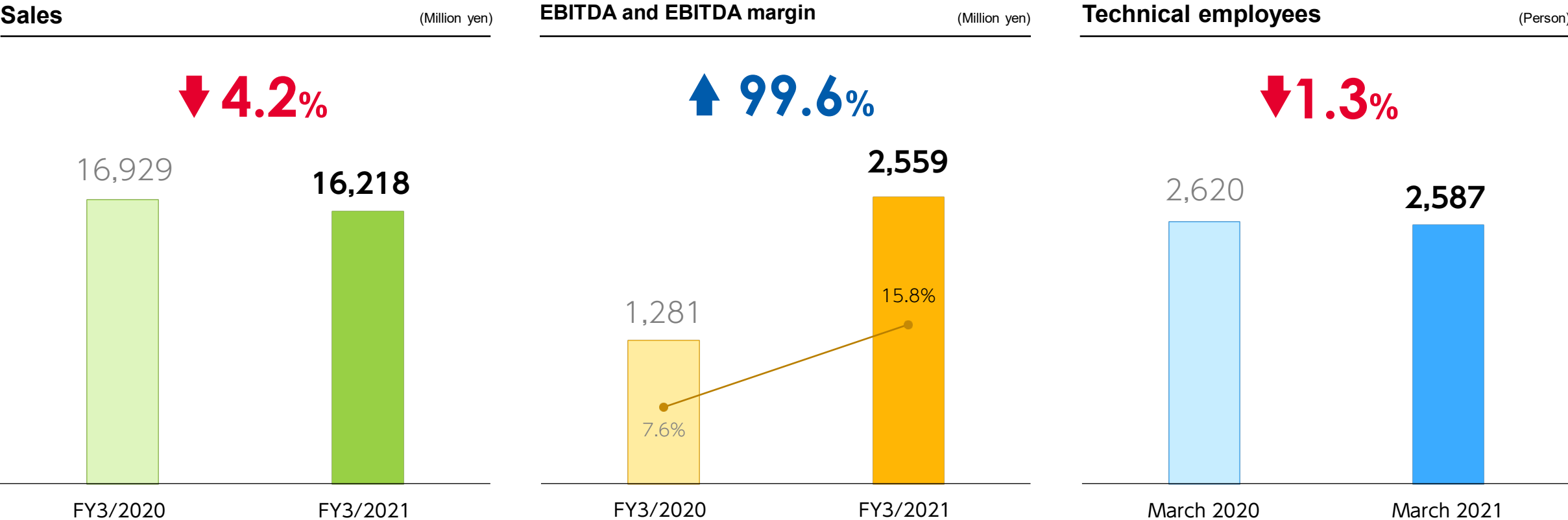
- Enhanced relationship with the Hitachi Group
- Expanded a field for dispatched engineers
- Improved local workplaces, mainly in Ibaraki Pref

Number of technical employees (July 1):390

UTHP and newly-consolidated Seekelalike have a strong foothold in Ibaraki Prefecture. By coordinating their business and client bases, they aim at deepening and expanding the area platform.

Results by Segment: Engineering Business

- Business of field engineers and equipment maintenance operators was solid mainly for clients in the manufacturing field.
- The number of technical employees and sales decreased due to sale of an operating company, following the business strategy review and difficulty in implementing One UT* under conditions imposed by the COVID-19 pandemic.
- Operating margin improved significantly, with a contribution from improved operating efficiency, driven by the reorganization of operating companies and higher operating rate, and the improvement of the support and placement system for new hires.

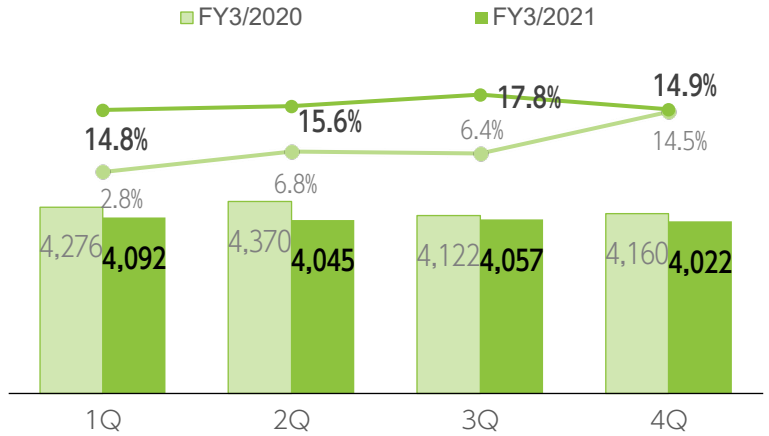


* : An internal system that encourages employee status transfer from manufacturing operators to engineers

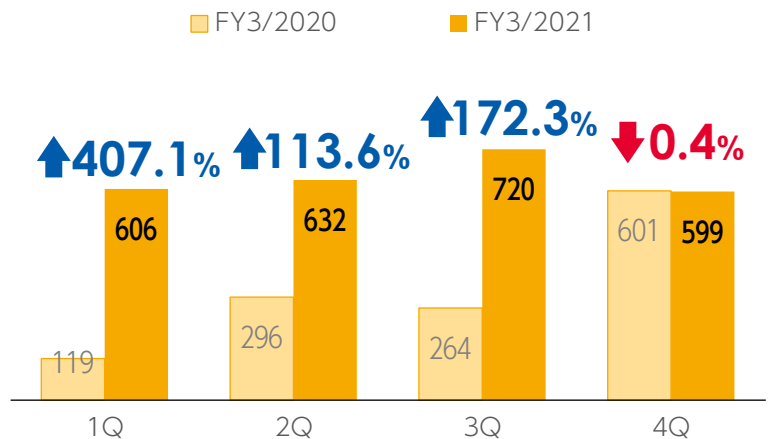
2. FY3/2021 Financial Results

Results by Segment: Engineering Business

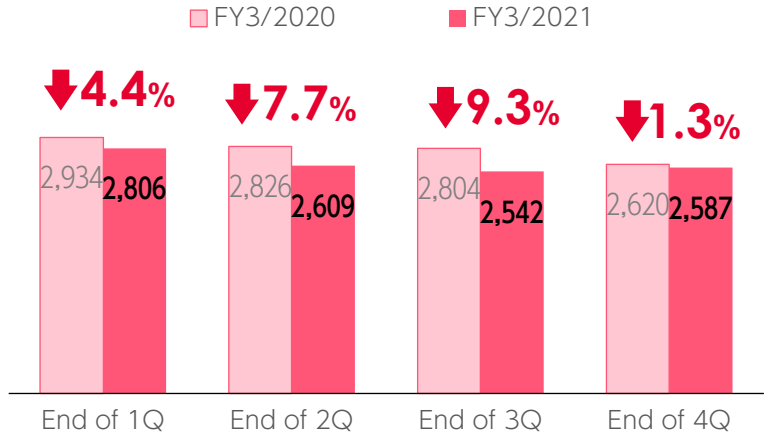
Sales and EBITDA margin (Million yen)



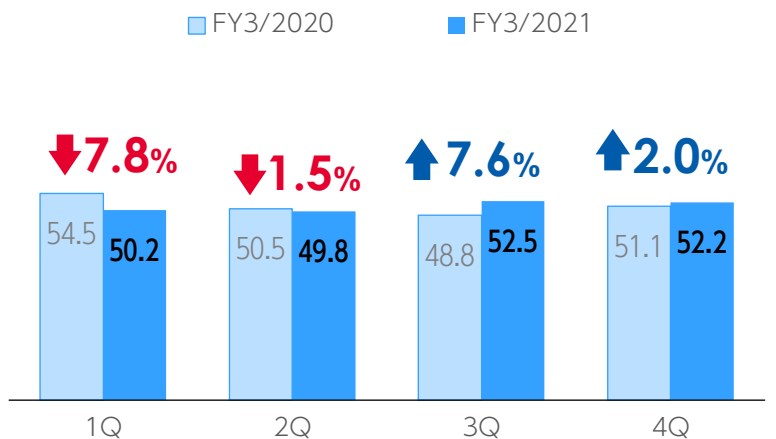
EBITDA (Million yen)



Technical employees (Person)



Monthly sales per capita (ten thousand yen)



* Monthly sales per capita was calculated by dividing quarterly sales by the quarterly average number of technical employees.

Sales and technical employees

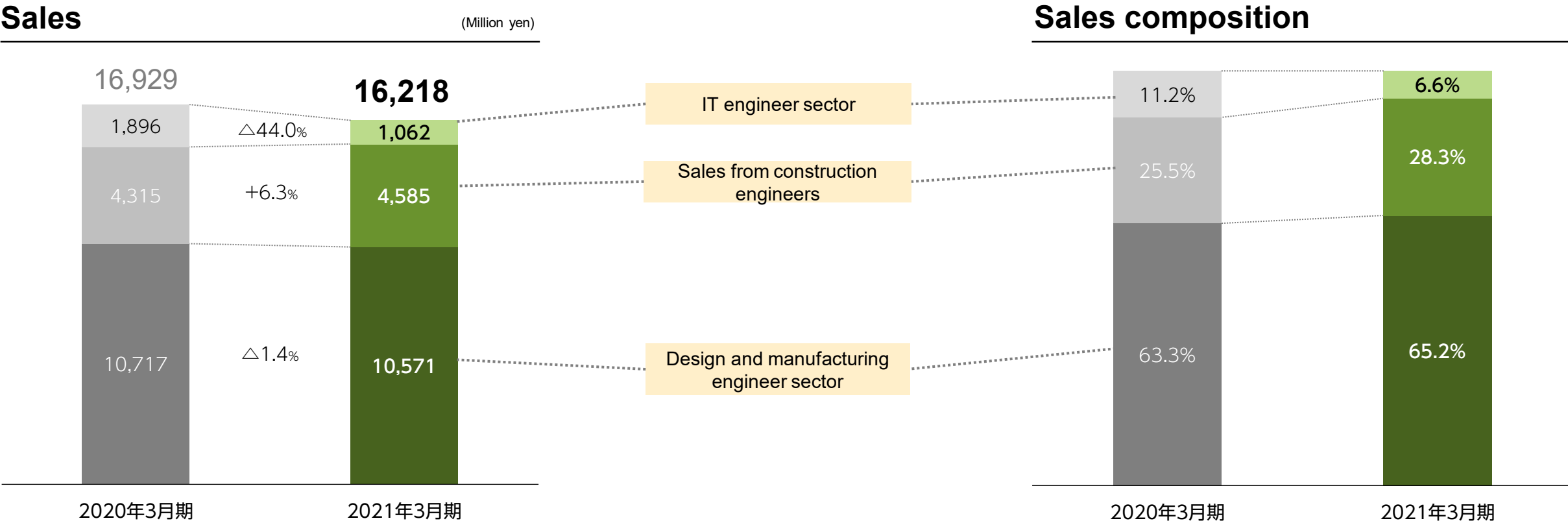
- Decrease in the number of engineering staff and revenue due to the sale of the business in the IT engineer field and the inability to operate "One UT" throughout the year.
- Narrowed the decrease in the number of engineering staff in 4Q.

EBITDA

- The EBITDA margin was maintained at a high level.
- The impact of the sale of the business in Jan. 2020 has turned around.

Results by Segment: Engineering Business (Sales by Sector)

- Due to reorganization of operating companies, the design and manufacturing engineer sector is collaborating with the Manufacturing Business and enhancing capability to make proposals on business of field engineers and equipment maintenance, mainly to clients in manufacturing.
- The IT engineer sector posted a decline in sales due to a sale of an operating company.

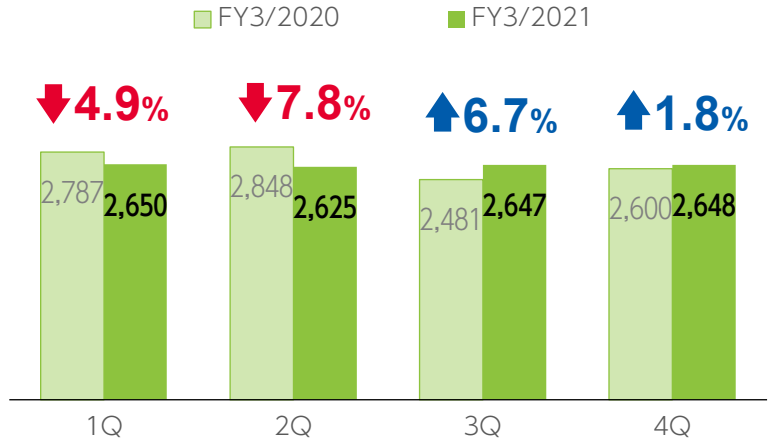


Note: Effective from the fiscal year ending March 31, 2021, we have partially changed the name of each business field, changing "Design Engineers" to "Design and Manufacturing Engineers" and "Software Development Engineers" to "IT Engineers".

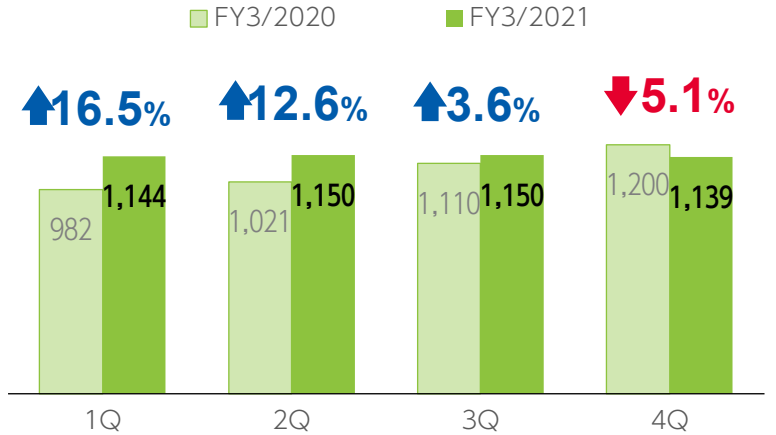
2. FY3/2021 Financial Results

Results by Segment: Engineering Business (Sales by Sector)

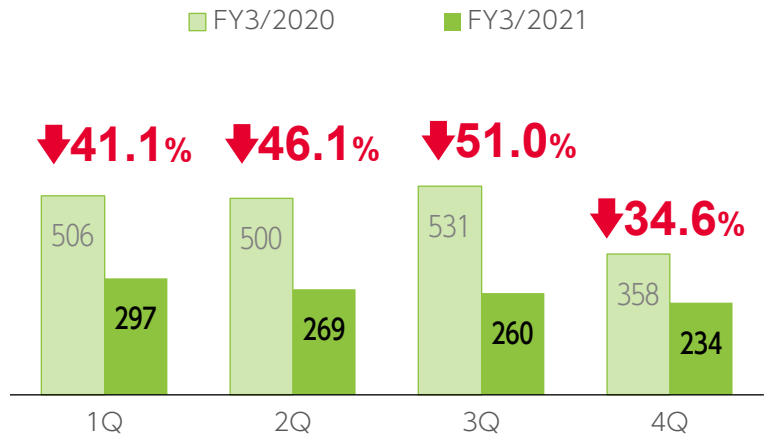
Design and manufacturing engineer sector (Million yen)



Construction engineer sector (Million yen)



IT engineer sector (Million yen)



Design and manufacturing engineer sector

- Personnel demand, mainly of manufacturing engineers, remained high. Launch of the Technology Skill Development Centers contributed to an increase in technical employees, which had been on a gradual downtrend.

Construction engineer sector

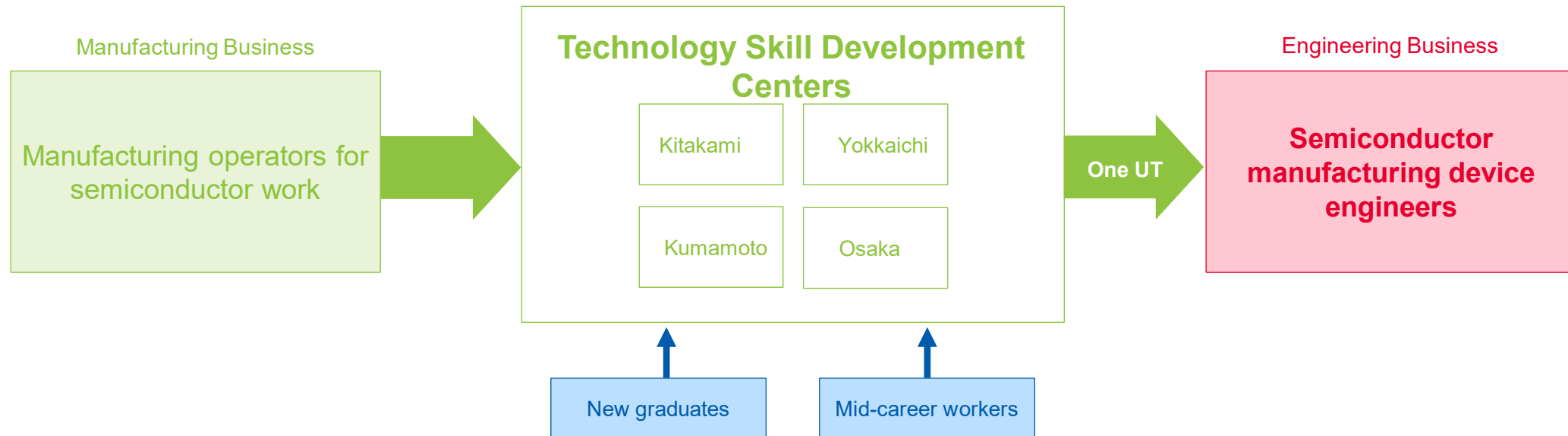
- Sales decreased in 4Q due to a slight drop in operating rate, caused by the spread of COVID-19.

IT engineer sector

- The IT engineer sector posted a decline in sales due to a sale of an operating company. However, the sector improved its organization with an aim to improve profitability.

Establishment of the Technology Skill Development Centers

- Established four facilities to train manufacturing engineers in the semiconductor field.
(Kitakami City, Iwate Prefecture in December 2020, Yokkaichi City, Mie Prefecture and Kumamoto City, Kumamoto Prefecture in March 2021, and Kadoma City, Osaka Prefecture in May 2021)
- Enhance the manufacturing engineering domain and strongly promote the one-stop strategy for large manufacturers' personnel.



**Aim at fostering development of
3,000 semiconductor device engineers in 3 years**

3. FY3/2022 Earnings Forecasts and Outlook

3. FY3/2022 Earnings Forecasts and Outlook

FY3/2022 Earnings Forecasts

- Focus on expanding shares and sales in FY3/2022 in order to achieve ¥15 billion in EBITDA one year ahead.
- Increase hiring-related expenses to hire 1,000 persons per month as a norm.
- Continue to promote alliances and acquisitions based on the Area Platform Strategy and the Solution Strategy.

(100 million yen)

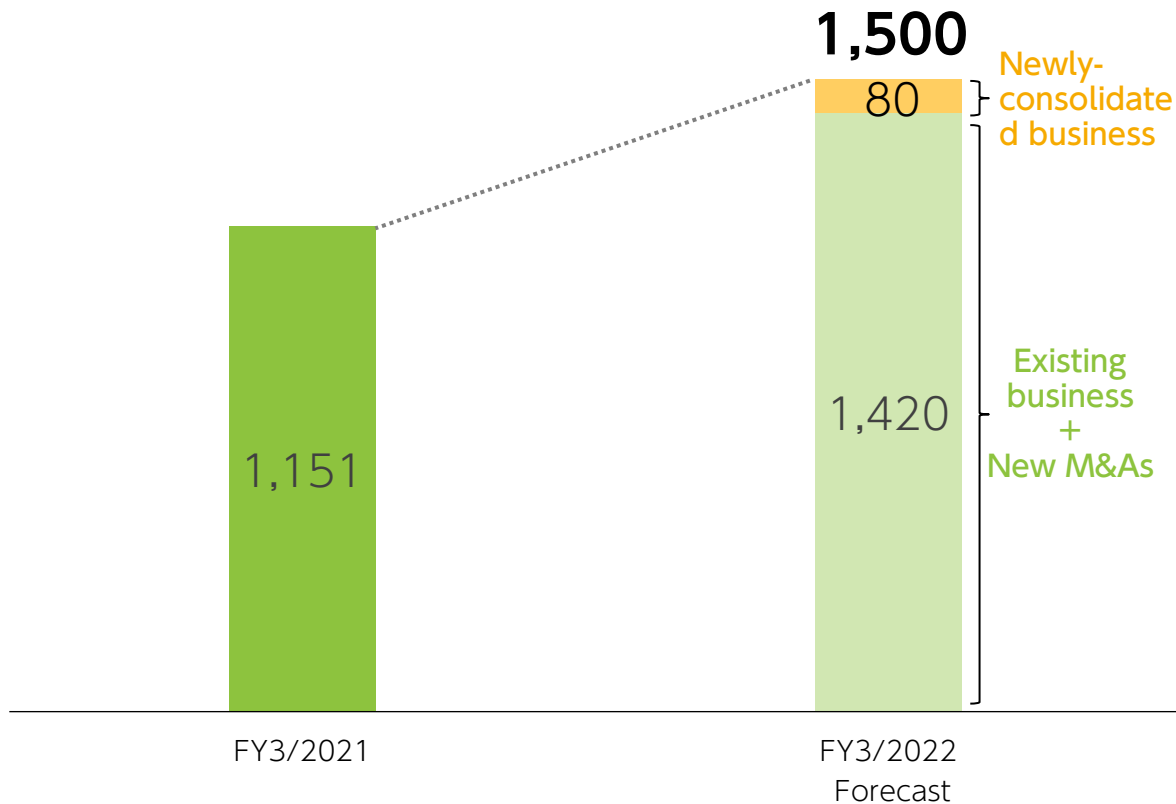
	FY3/2021 Results		FY3/2022 Forecasts		Increase /decrease Amount	Change y-o-y
	Results	% of total	Forecasts	% of total		
Net sales	1,151	100%	1,500	100%	348	30.3%
EBITDA	79	6.9%	90	6.0%	10	12.6%
Operating profit	71	6.2%	80	5.3%	8	11.7%
Ordinary profit	71	6.2%	80	5.3%	8	11.2%
Net profit attributable to UT Group	42	3.6%	48	3.2%	5	11.6%
EPS (yen)	106.53	—	118.92	—	12.39	—

Detailed FY3/2022 Earnings Forecasts

- Sales growth is accelerating as we continue to strengthen our recruiting activities.
- Incorporate contribution by companies, which will be newly consolidated companies based on the Area Platform Strategy and the Solution Strategy.

Sales growth details

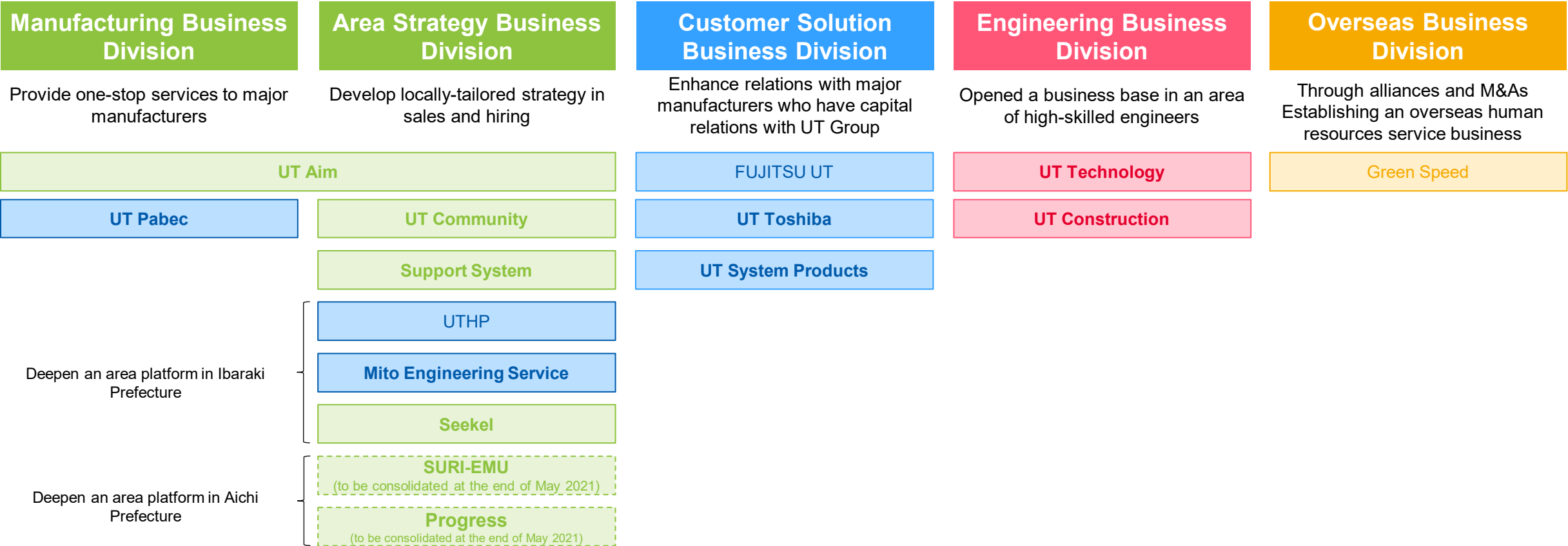
(100 million yen)



- Contribution from a new consolidated company that has already been decided.
- Increase in sales at existing companies.
- Annual contributions from Mito Engineering Services, Seekel, and Green Speed.

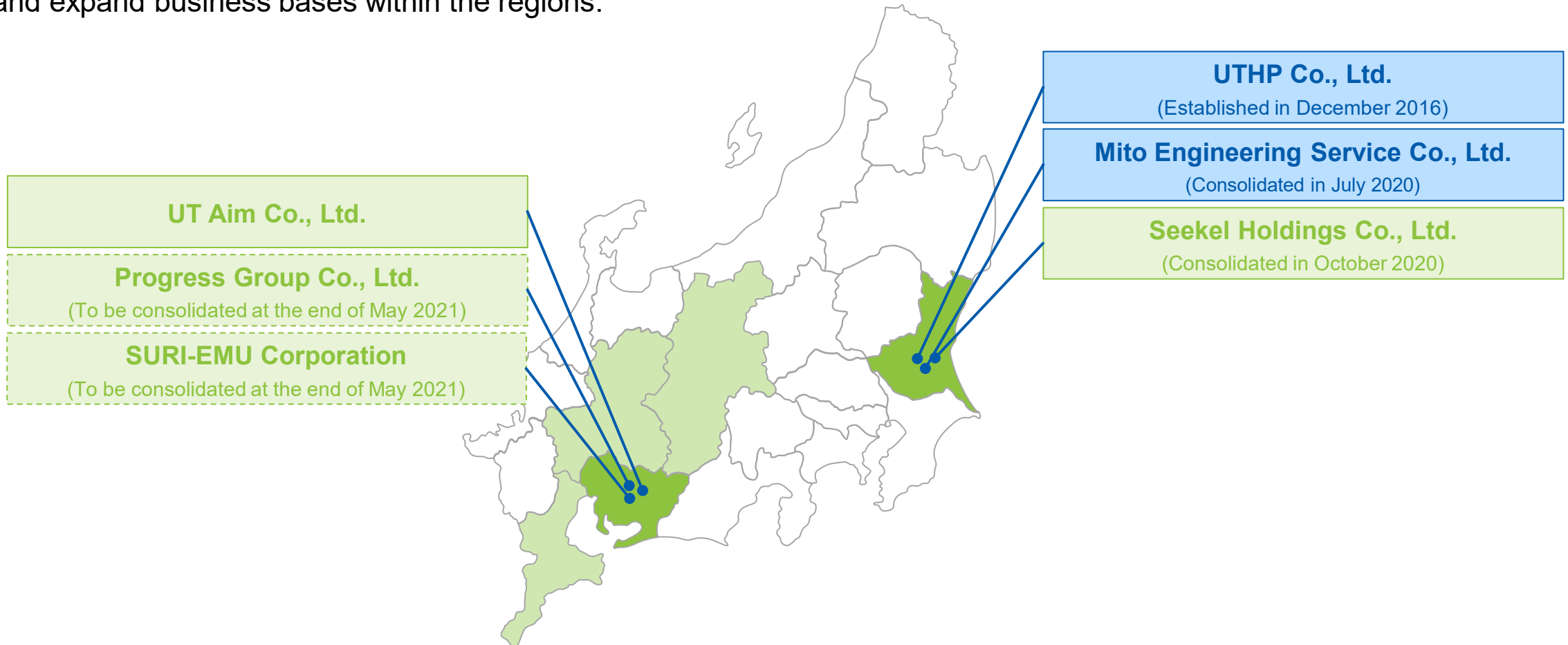
Organization change to Achieve the Medium-Term Management Plan (from April 2021)

- Reorganized to a corporate structure of business divisions, in order to respond to diversified business models and expansion of business areas.
- Aim to be an organization where each business division takes initiative in its management in sales, hiring, and personnel development.



Deepening of Area Platforms

- Established an organization focused only on Ibaraki Prefecture in April 2021.
- Newly consolidated two local dispatch companies, mainly in Aichi Prefecture, in May 2021.
- Will enhance collaboration in hiring, sales, and management of three operating companies with different business models, and expand business bases within the regions.

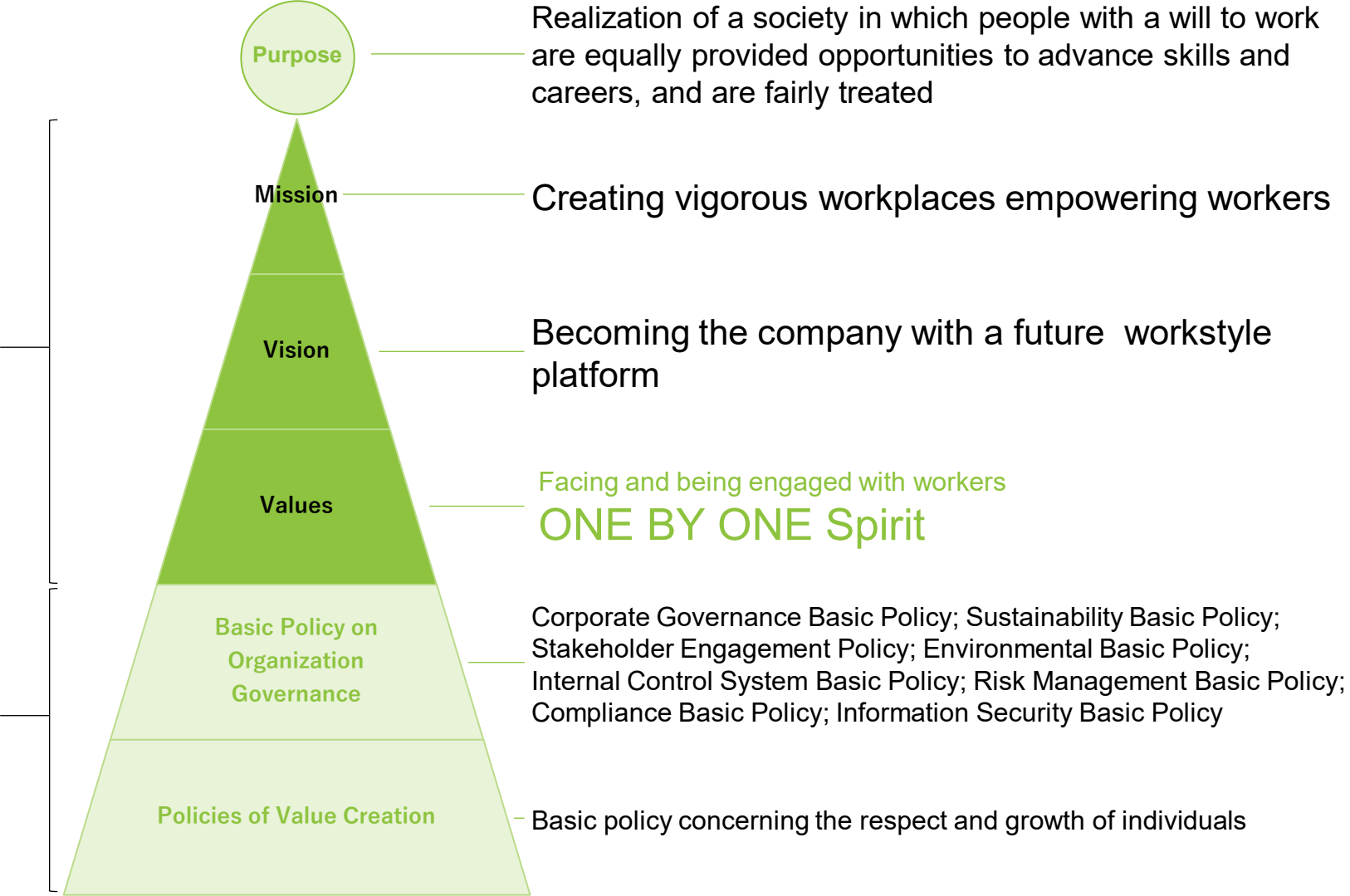


4. Sustainability Policy

Reestablished a corporate philosophy system supporting consistency

Extracted UT Group’s management backbones in order to define corporate philosophy

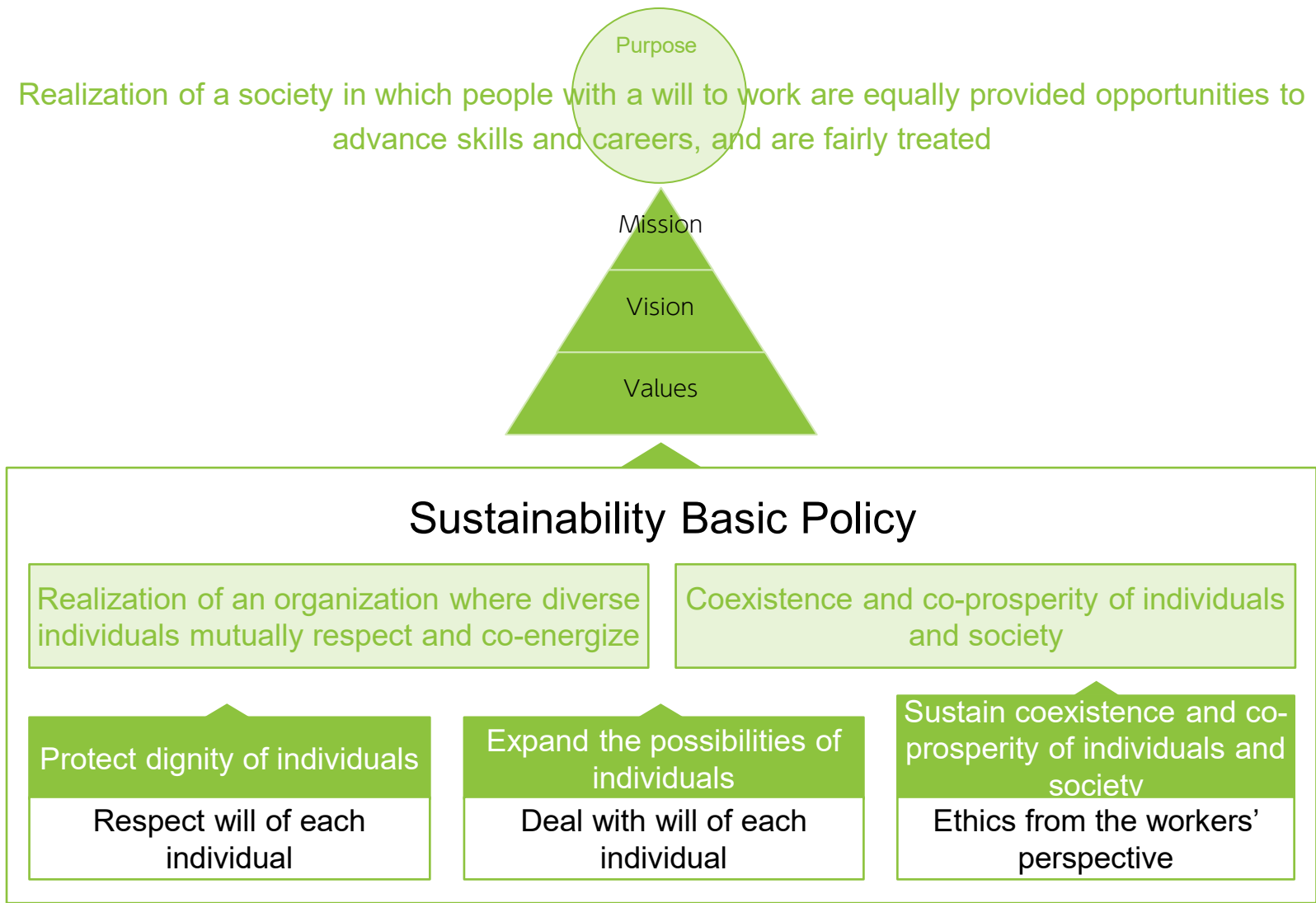
Established basic policy derived from UT Group’s philosophy



Development of Sustainability Basic Policy

UT Group’s sustainability management aims to establish a business, based on worker-centric viewpoint and in harmony with society.

The ultimate goal is a sustainable society where individuals’ dignity is protected, their possibilities are expanded, and both individuals and companies can grow.



Materiality Map

Process to identify materiality



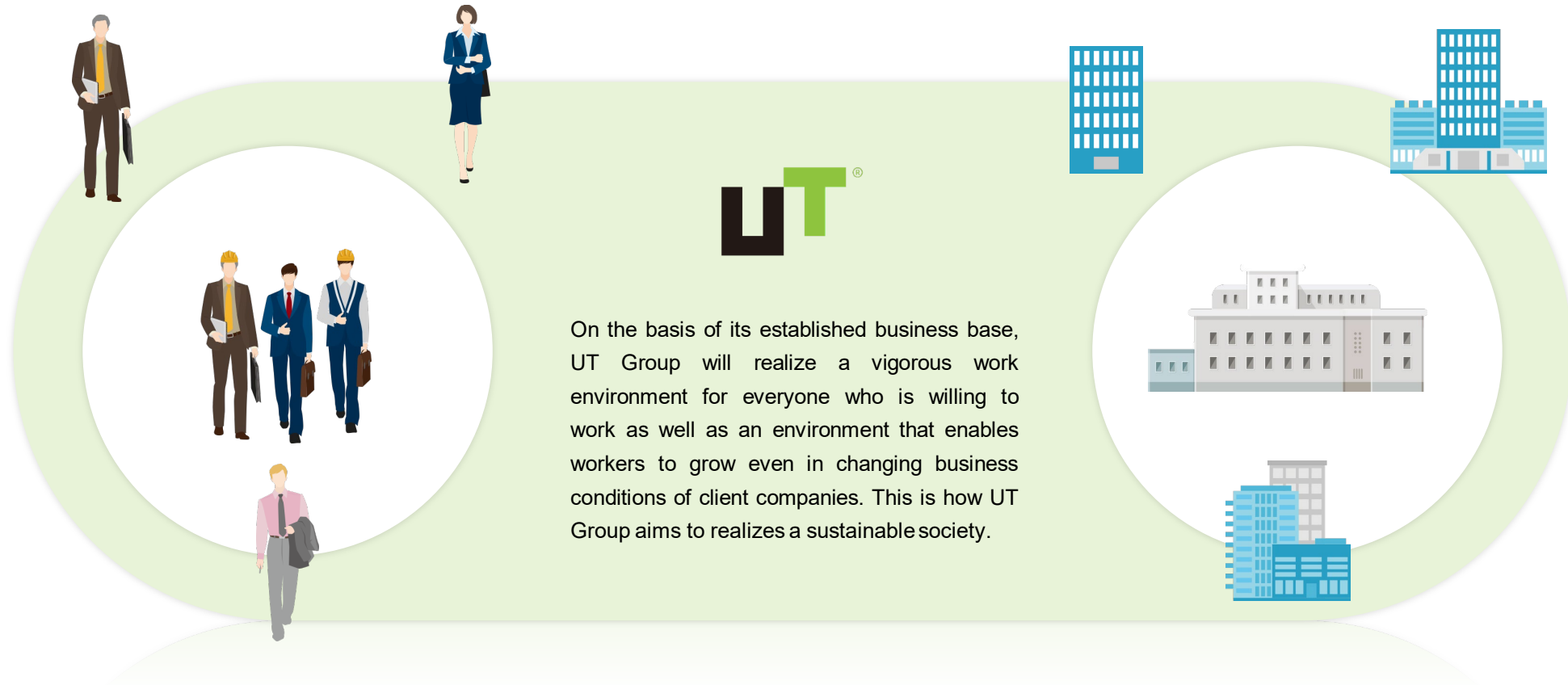
UT Group’s Materiality (Priority Issues)

Value-creating activities to realize the missions	Expand the possibilities of individuals Continue to create an environment where each and every employee respects and is engaged with each other, and is empowered.	Development of human resources
		Securing and maintenance of capable human resources
		Diversity & inclusion
Organization control and business base that support the value-creating activities	Continually enhance business base Continue to lead the staffing industry by being unconventional and with the viewpoint of workers.	Appropriate labor practices
		Health and safety of employees
		Data security
	Fair, transparent organization control Respect each and everyone in a corporate culture and keep an open, fair corporate attitude.	Business ethics
		Corporate governance
		Code of conduct
Environmentally-friendly, sustainable business management	Consideration to the environment Be aware of the impact to the natural environment and adequately control it.	Planning of an environmental policy and establishment of environmental management

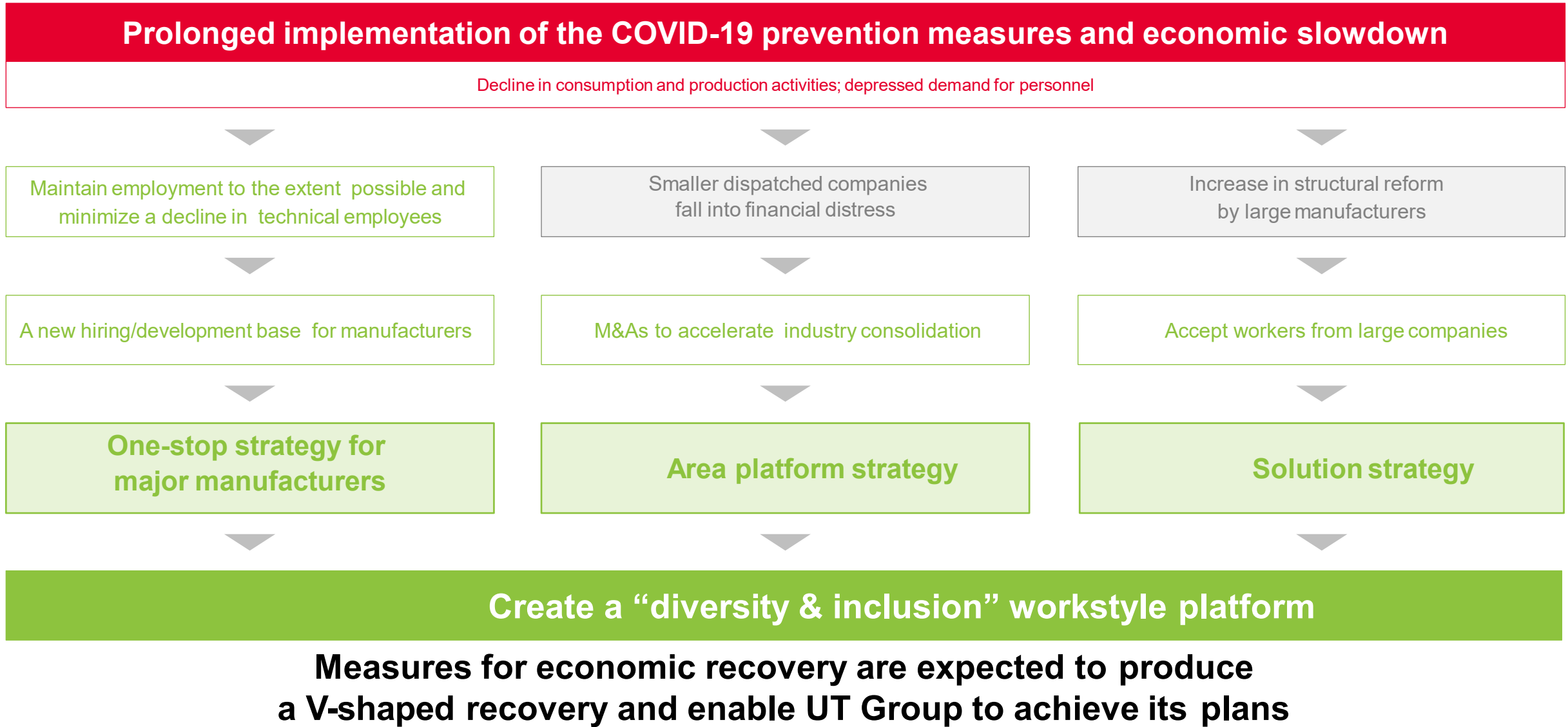
5. The Fourth Medium-Term Business Plan (Repost)

Medium-term business objective

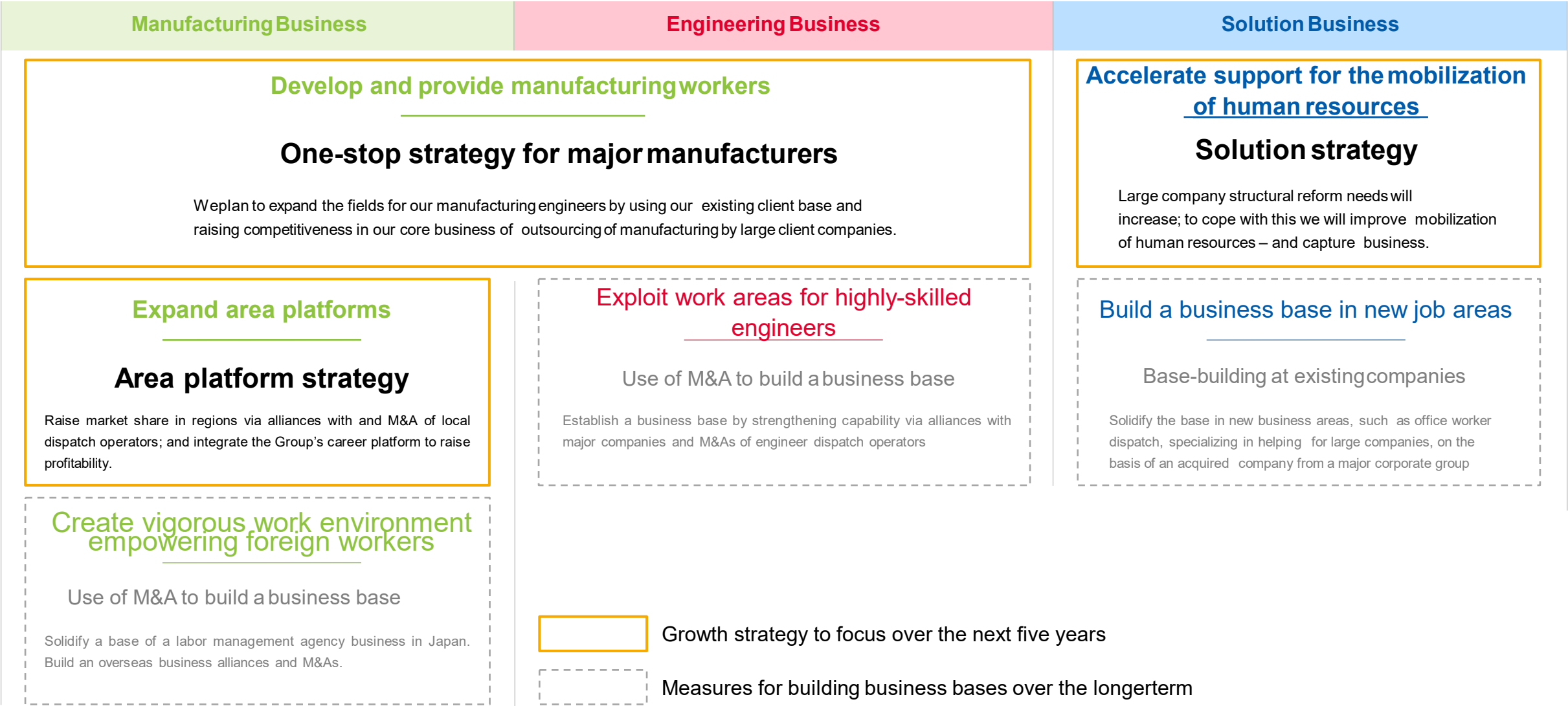
Create a “diversity & inclusion” workstyle platform



Growth strategy



Basic policy by segment

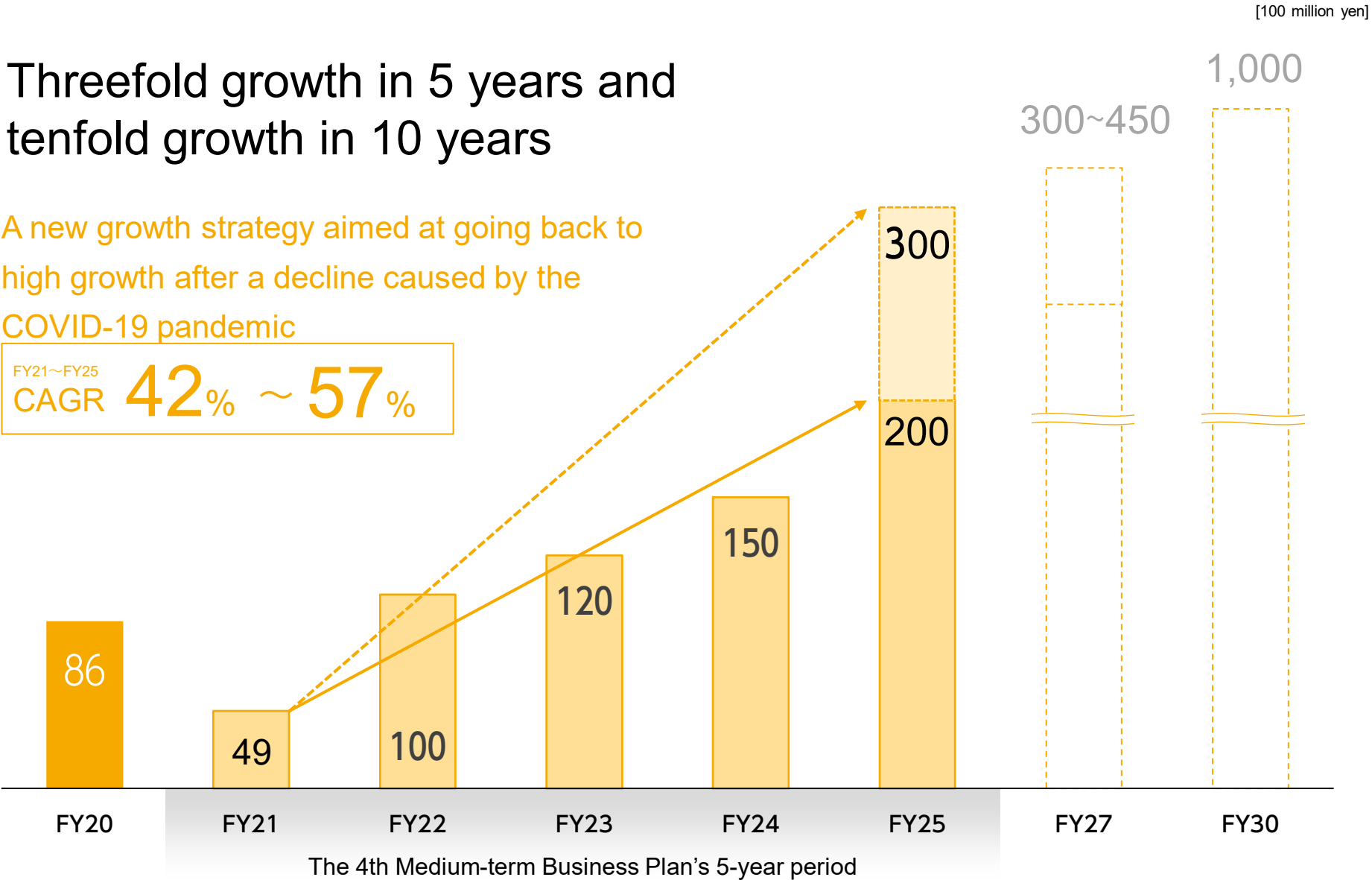


Numerical targets (EBITDA)

Threefold growth in 5 years and
tenfold growth in 10 years

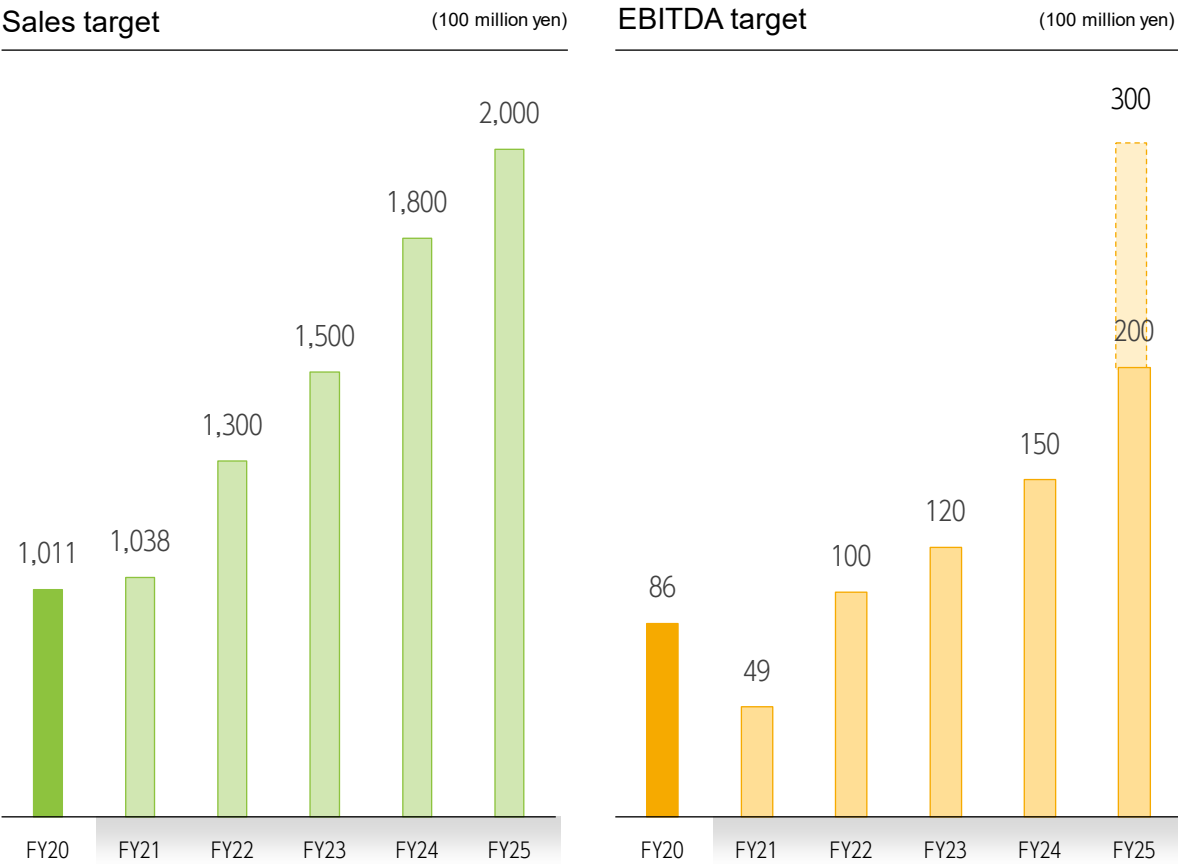
A new growth strategy aimed at going back to
high growth after a decline caused by the
COVID-19 pandemic

FY21~FY25
CAGR **42% ~ 57%**



Numeric Targets and Commitments

We are determined to achieve M&A-driven growth and financial stability,
and to ensure return to shareholders.



Commitments

EBITDA growth rate: 30% or more (CAGR starting from FY3/2021)

The UT Group emphasizes earnings growth as much as sales growth by business expansion. The Fourth Medium-term Business Plan includes strategic M&A activities aimed at formation of a long-term business base. We therefore use EBITDA to show our commitment in earnings growth and set 30% or more CAGR in EBITDA for the period starting from FY3/2021.

Total return ratio: 30% or more

The UT Group recognizes return to shareholders as an important management priority. We intend to achieve a corporate growth through strategic investment as well as return to shareholders. We are committed to a total return ratio of 30% or more by dividend payment and share buyback.

Gross D/E ratio: 1.0 or less (at the end of FY3/2025)

We intend to achieve both a high growth and a stable financial position by balancing debts with shareholders' equity, which stems from efficient business operation and capital policy.

Total return ratio

The total return ratio represents the proportion of shareholder return to net profit.
Total return ratio = (Dividends + Shares bought back) / Net profit after tax

Gross D/E ratio

The gross debt/equity ratio indicates the ratio of interest-bearing debt to shareholders' equity of the fund sources of a company. A ratio of 1.0 or less is generally regarded as indicating a healthy financial position.

Note: FY2021 target is the initial forecast at the time of formulation in May 2020.

6 . About UT Group

Corporate Outline

Corporate Outline

As of April 30, 2021

Corporate name: UT Group Co., Ltd.
Founded: April 2, 2007
Capital: 680 million yen
Listing: TSE 1st Section(Securities code: 2146)
Representative: President, Representative Director & CEO Yoichi Wakayama
Location: 1-11-15 Higashi-Gotanda, Shinagawa-ku, Tokyo

Group Companies

As of April 30, 2021

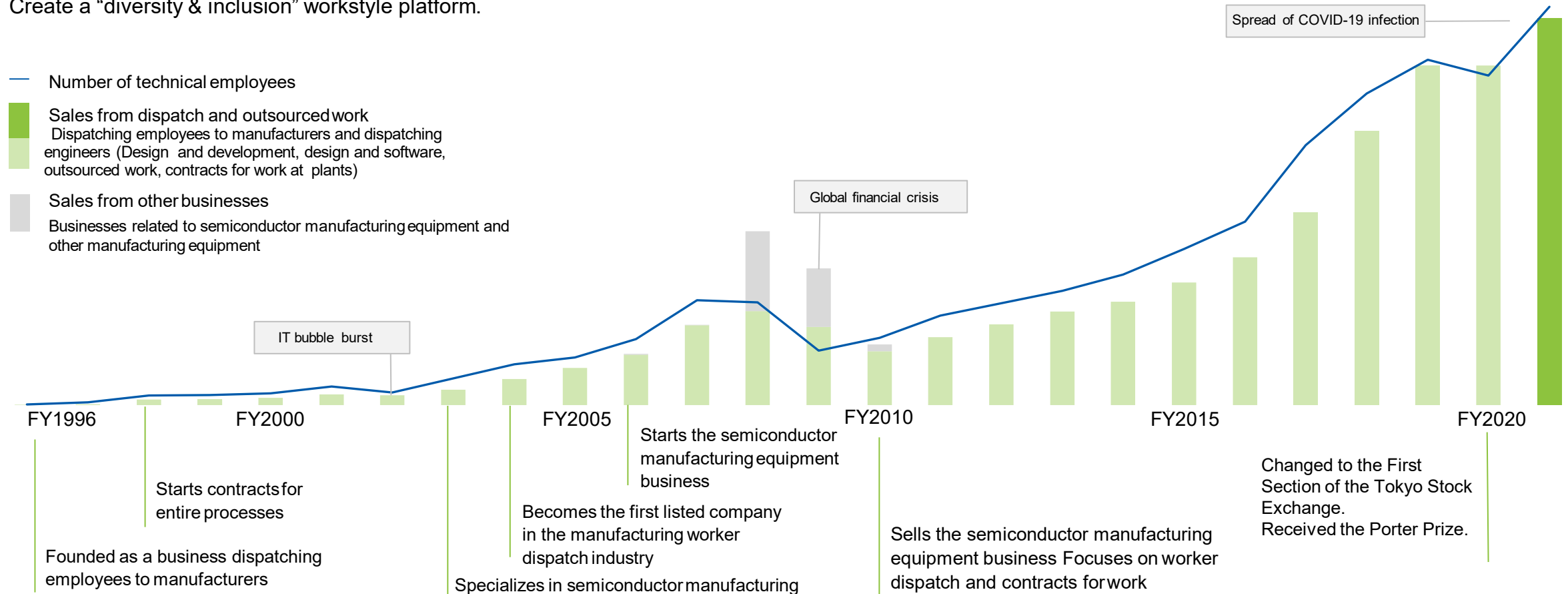
Manufacturing Business	Engineering Business	Solution Business	Other Business
<div>UT Aim</div> <div>Manufacturing personnel services</div> <div>UT Community</div> <div>General personnel dispatch and outsourcing</div> <div>Support System</div> <div>General personnel dispatch and outsourcing</div> <div>Seekel Holdings</div> <div>General personnel dispatch and outsourcing</div> <div>Green Speed Joint Stock Company</div> <div>General personnel dispatch and outsourcing in Vietnam</div>	<div>UT Technology</div> <div>IT engineer outsourcing</div> <div>UT Construction</div> <div>Construction engineer outsourcing</div>	<div>UT Pabec</div> <div>Battery manufacturing outsourcing</div> <div>UTHP</div> <div>Manufacturing personnel dispatch and outsourcing</div> <div>FUJITSU UT</div> <div>General personnel dispatch and outsourcing</div> <div>UT Toshiba</div> <div>General personnel dispatch and outsourcing</div> <div>UT System Products</div> <div>Sales of information system equipment</div> <div>Mito Engineering Service</div> <div>Elevator/escalator manufacturing outsourced work and dispatch of design engineers</div>	<div>UT Life Support</div> <div>Internal benefit program management</div> <div>UT Heartful</div> <div>Special subsidiary company</div>

Facilitating the healthy birth of the next workstyle platform

Creating vigorous workplaces empowering workers.

Adopting the twin customer strategy that identifies both workers and companies as clients,
UT Group transformed the process of manufacturing worker dispatch into a sustainable business model that
facilitates growth by both workers and companies.
Create a “diversity & inclusion” workstyle platform.

FY3/2021
Domestic Technical employees
23,736
Consolidated sales
¥115.1bn



Business Segment

Manufacturing Business

Staffing service in production processes

¥69.2 billion

60.1%

Solution Business

Structural reform support and BPO services

¥29.7 billion

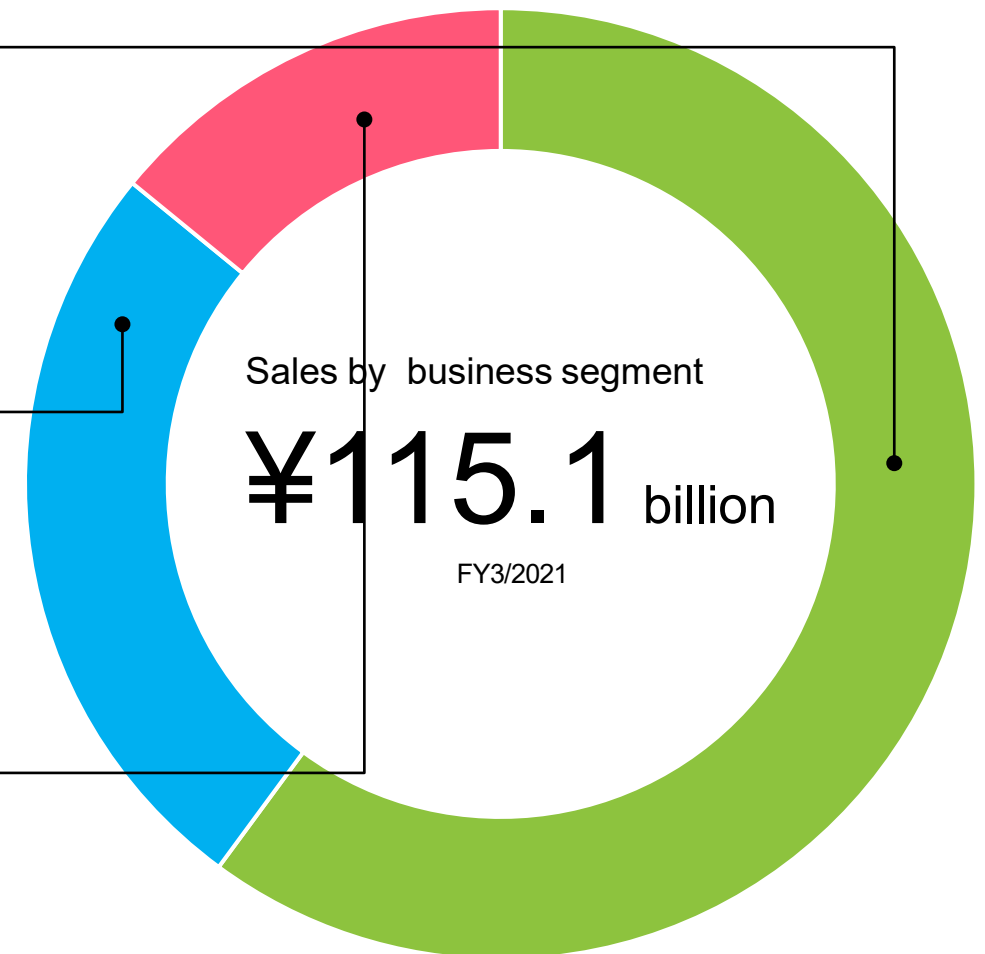
25.8%

Engineering Business

Dispatching of design, development and IT engineers

¥16.2 billion

14.1%



UT Group's Mission and Vision

Mission

Create vigorous workplaces empowering workers.

UT Group gives opportunities to its entire workforce to take on challenges.

We believe that bravely taking on a challenge to achieve a high goal helps a person grow and brings joy to that person.

We further believe that such a vigorous work attitude results in a better response to client expectations and in contributing to a better future for Japan.

Strategy to make workers vigorous and empowered

Job security and stability

- Regular employment (open-ended employment)
- Company housing all over the country
- Fulfilling welfare benefits



Team dispatch and support for career development

- Start-to-finish outsourced production service
- Cultivation of inexperienced employees by teams
- Career consulting



Developing motivation

- Entry system for positions
- Job change within the group (One UT)
- Engineer development program
- Management training



Executive officers



Managers
(Head of workplace)



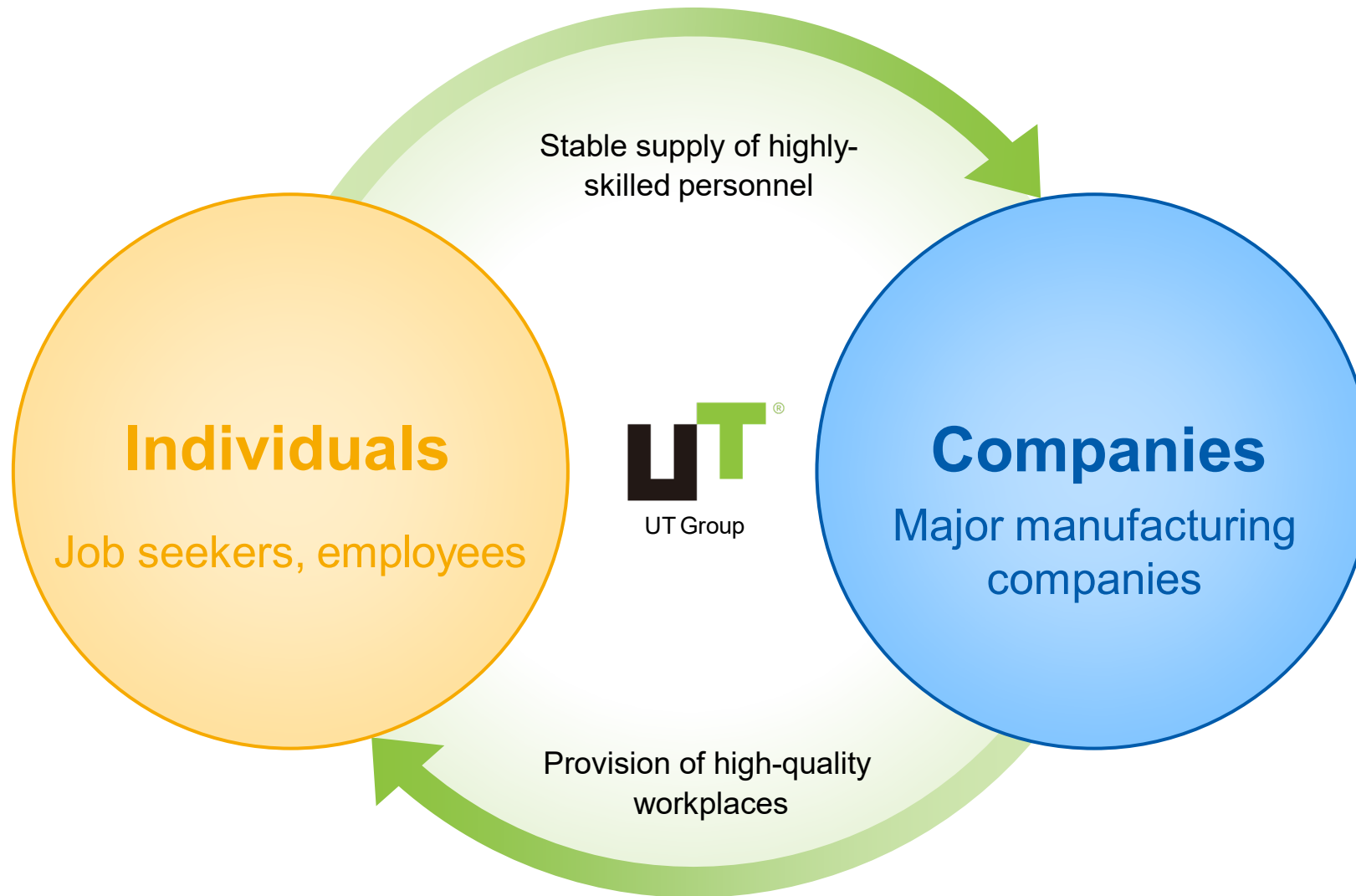
Employees in workplace

Share profit from enhanced corporate value with employees

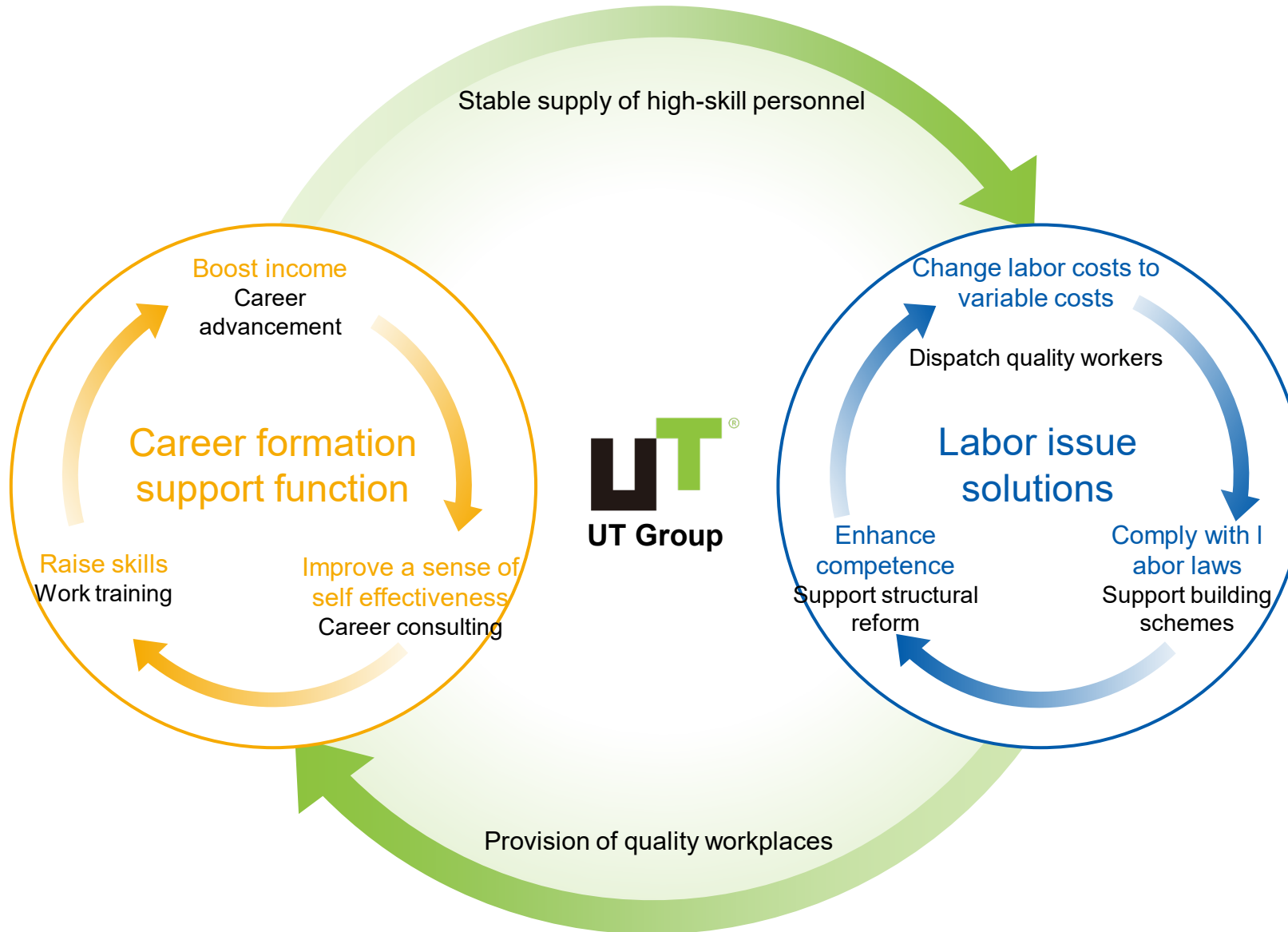
- Measures to encourage employees to become shareholders



Twin-Customer Strategy and Career Platform



Twin-Customer Strategy and Career Platform



Basic Policy on Shareholders' Return

Basic policy on shareholders' return

UT Group's management aims at establishing a stable financial position and promoting aggressive business development to achieve high growth and ultimately raise sustainable corporate value. UT Group regards returning profits to shareholders as an important management issue and intends to make an appropriate return to shareholders based on a total return ratio of 30% or more by dividends and share buyback, which helps improve capital efficiency, and in consideration of stock price level, business environment, and other factors

UT Group forwent return to shareholders in FY3/2020, given consideration to the impact of the COVID-19 pandemic.

Total return ratio

$(\text{Dividends} + \text{share buyback}) / \text{Net profit} \geq 30\%$

Total return ratio

(Thousand yen)

	FY3/2017	FY3/2018	FY3/2019	FY3/2020	FY3/2021
Net profit	2,033,027	3,534,596	4,968,446	4,562,294	4,299,825
Dividends paid	-	-	2,499,281	-	2,663,952
Amount of share buyback	609,862	1,060,818	-	-	-
Total return ratio	30.0%	30.0%	50.3%	0.0%	62.0%

* In light of changes in the business environment and other factors, shareholder return in FY3/2019 is all in the form of dividend payment, including special dividend.

* Shareholder return for March 2020 has been postponed in consideration of the impact of the spread of the new coronavirus.

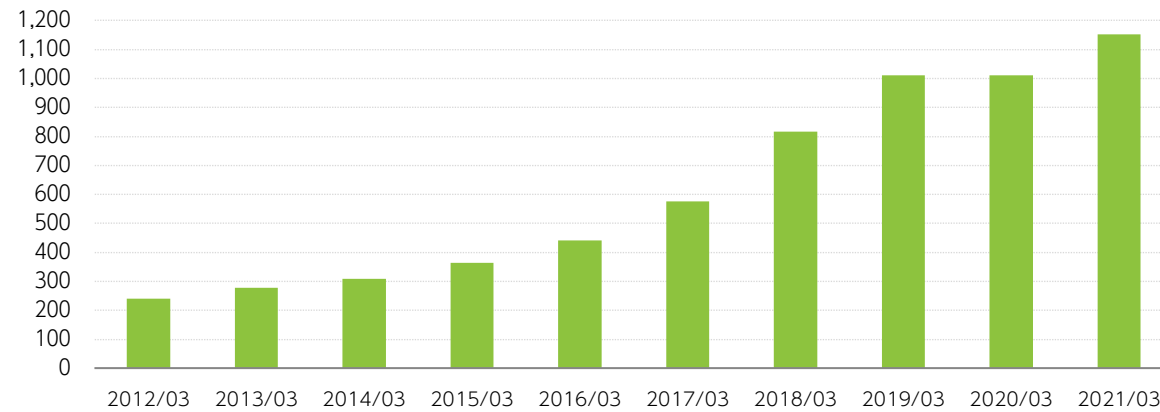
For the fiscal year ending March 31, 2021, we will pay a dividend of 32 yen per share, which is 30% of net income.

In addition, the company will pay a special dividend of 34 yen per share, equivalent to 30% of net income for the fiscal year ending March 2020, for a total dividend return of 66 yen per share.

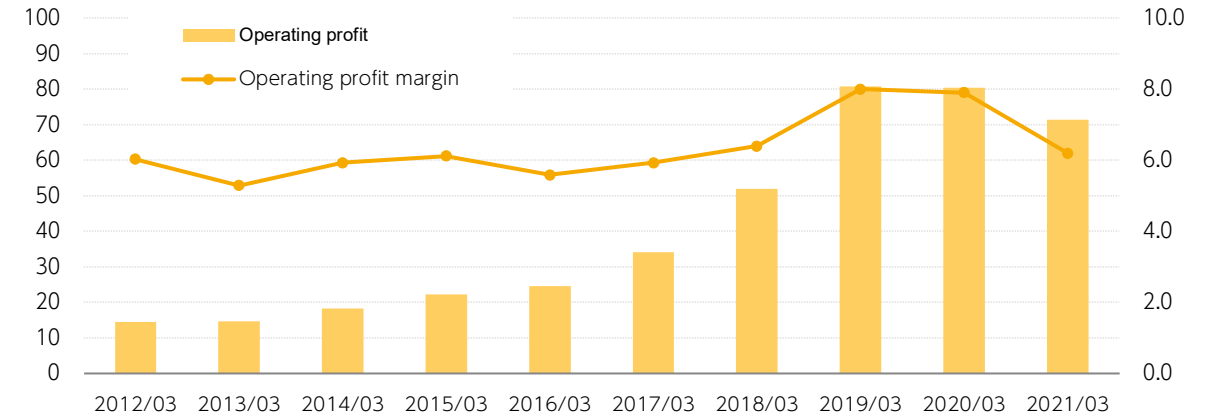
Trends of Business Results

Net sales

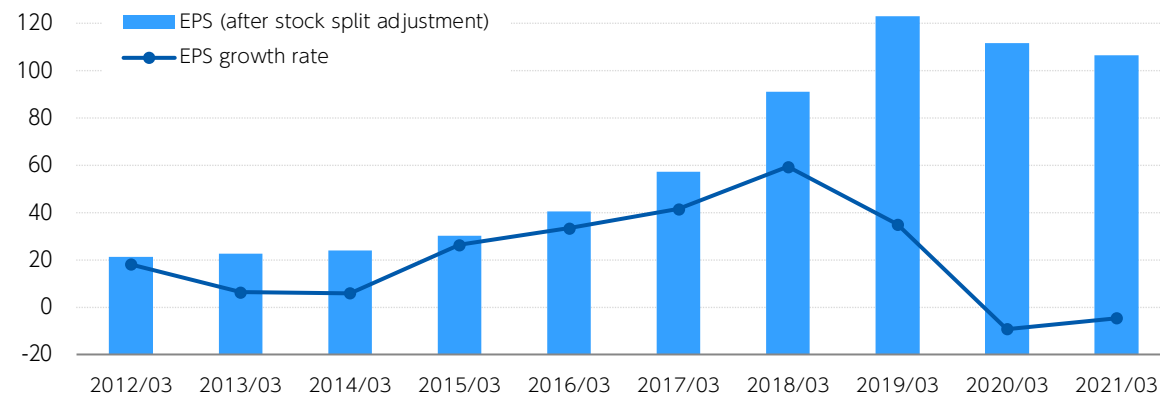
(100 million yen)


Operating profit (LH) and Operating profit margin (RH)

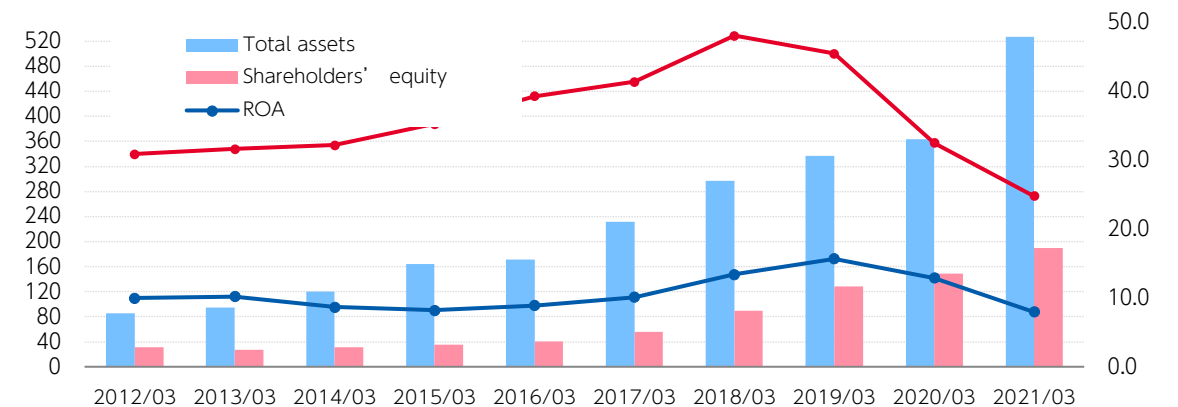
(100 million yen, %)


EPS and EPS growth rate

(Yen, %)


Total assets and Shareholders' equity (LH) ROA and ROE (RH)

(100 million yen, %)

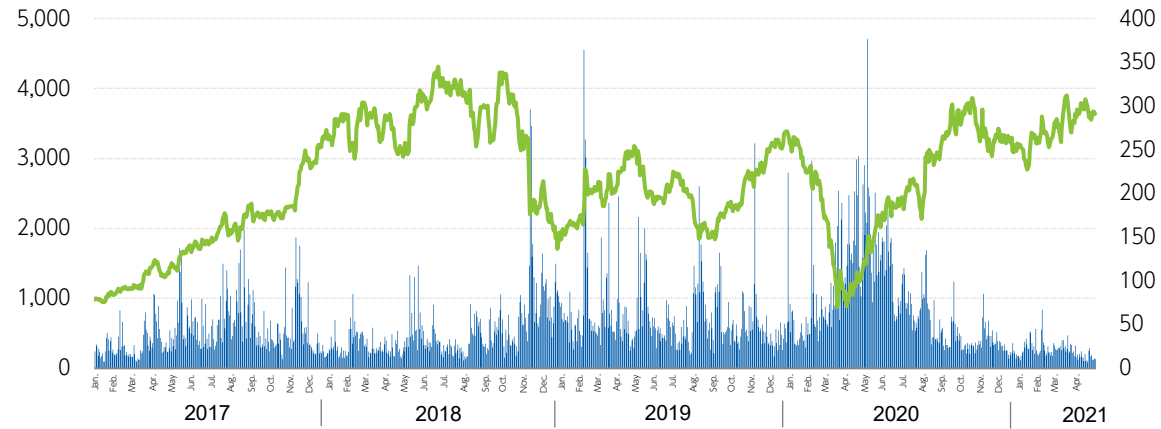


ROA = [Net profit attributable to owners of the parent] / [Total assets] (fiscal year average)
 ROE = [Net profit attributable to owners of the parent] / [Shareholders' equity] (fiscal year average)

Trends of Stock Price

Stock price (LH) and trading volume (RH)

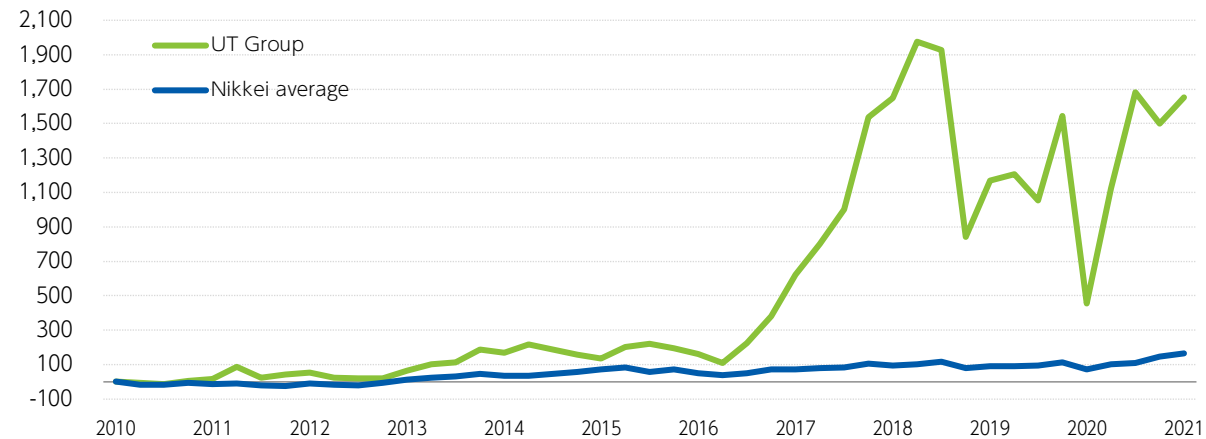
(Yen / 10,000 shares)



Changes in stock price

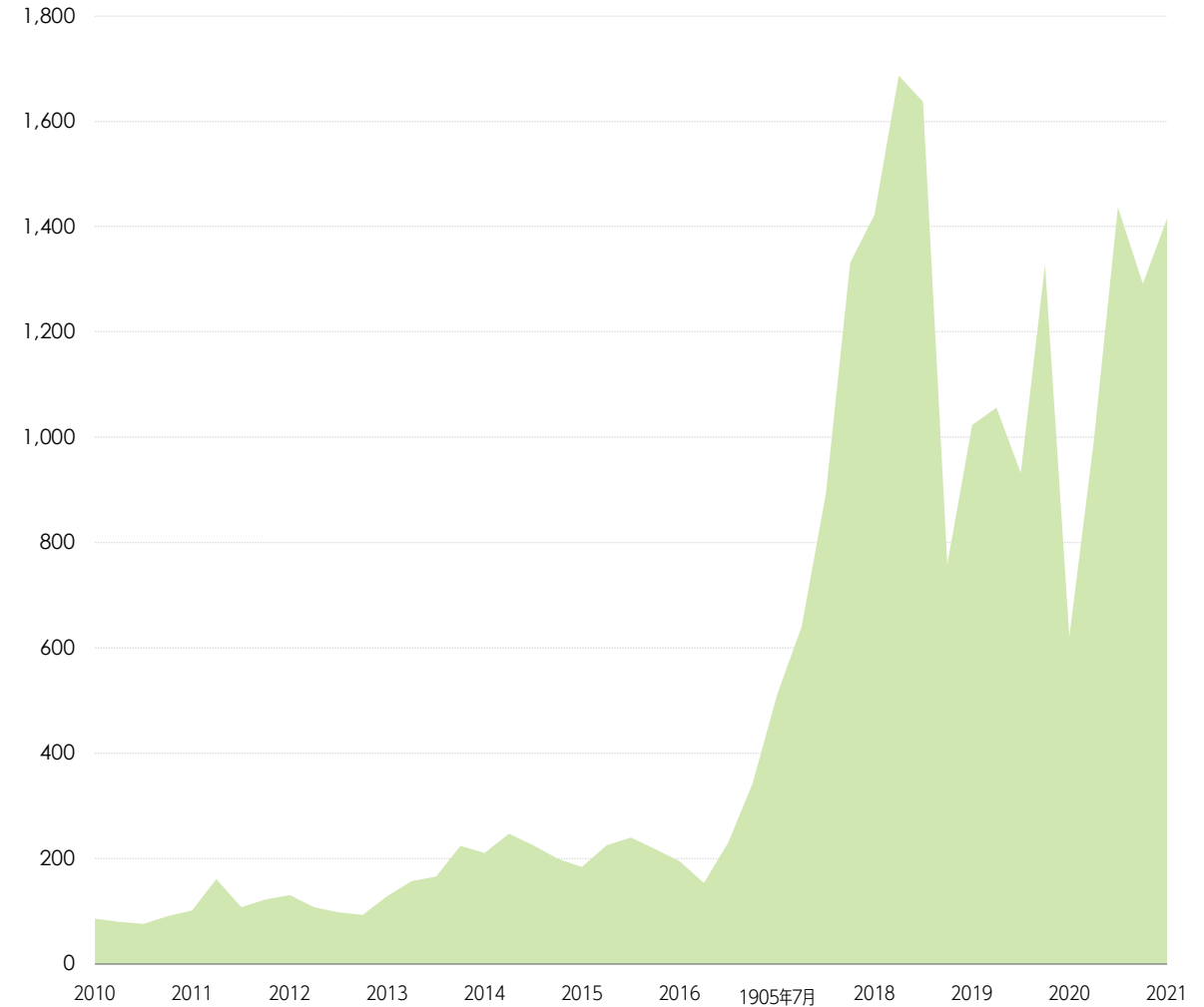
(compared with the level on March 31, 2010)

(%)



Market capitalization

(100 million yen)



Create vigorous workplaces empowering workers.



Upward **Together**

UT Group Co., Ltd.

Disclaimer

This document has been prepared solely for the purpose of providing information regarding the Company's business forecasts. The forward-looking comments and forecasts expressed in this document are the plans based on the Company's judgment based on information available at the time of its preparation and are subject to change without notice. Actual results may differ from the above forecasts, due to various factors.

[Inquiries]

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