



YUMESHIN HOLDINGS CO., LTD.

Financial Results for the Year Ended **September** 30, 2012

N o v e m b e r 1 6 , 2 0 1 2

September.2012
Securities code

2362



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Highlights

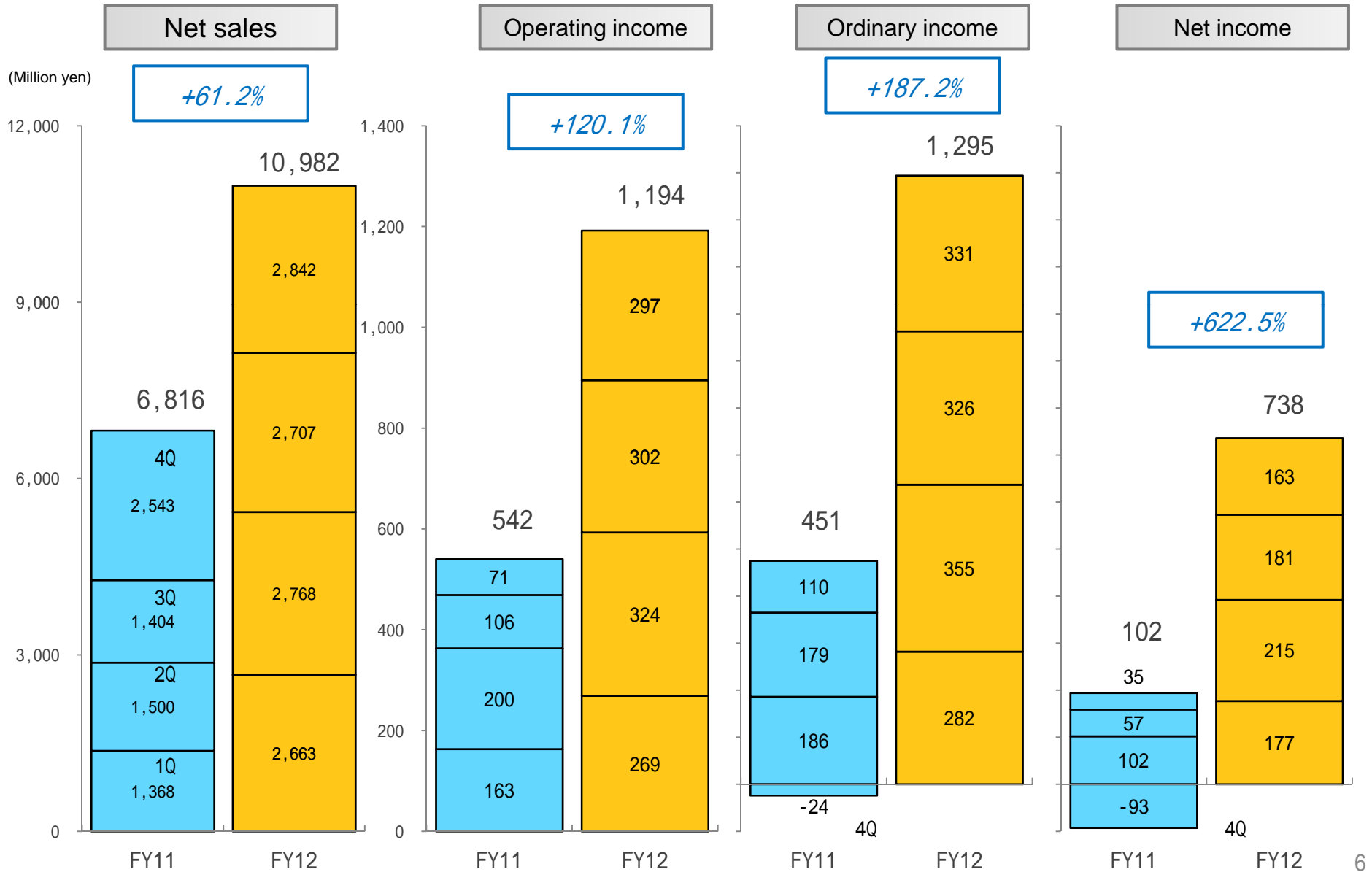
- 1 . 60% growth in net sales
- 2 . Achieved all-time high profits
- 3 . Number of engineers topped 1,000 people

Consolidated Financial Overview

Consolidated Financial Overview

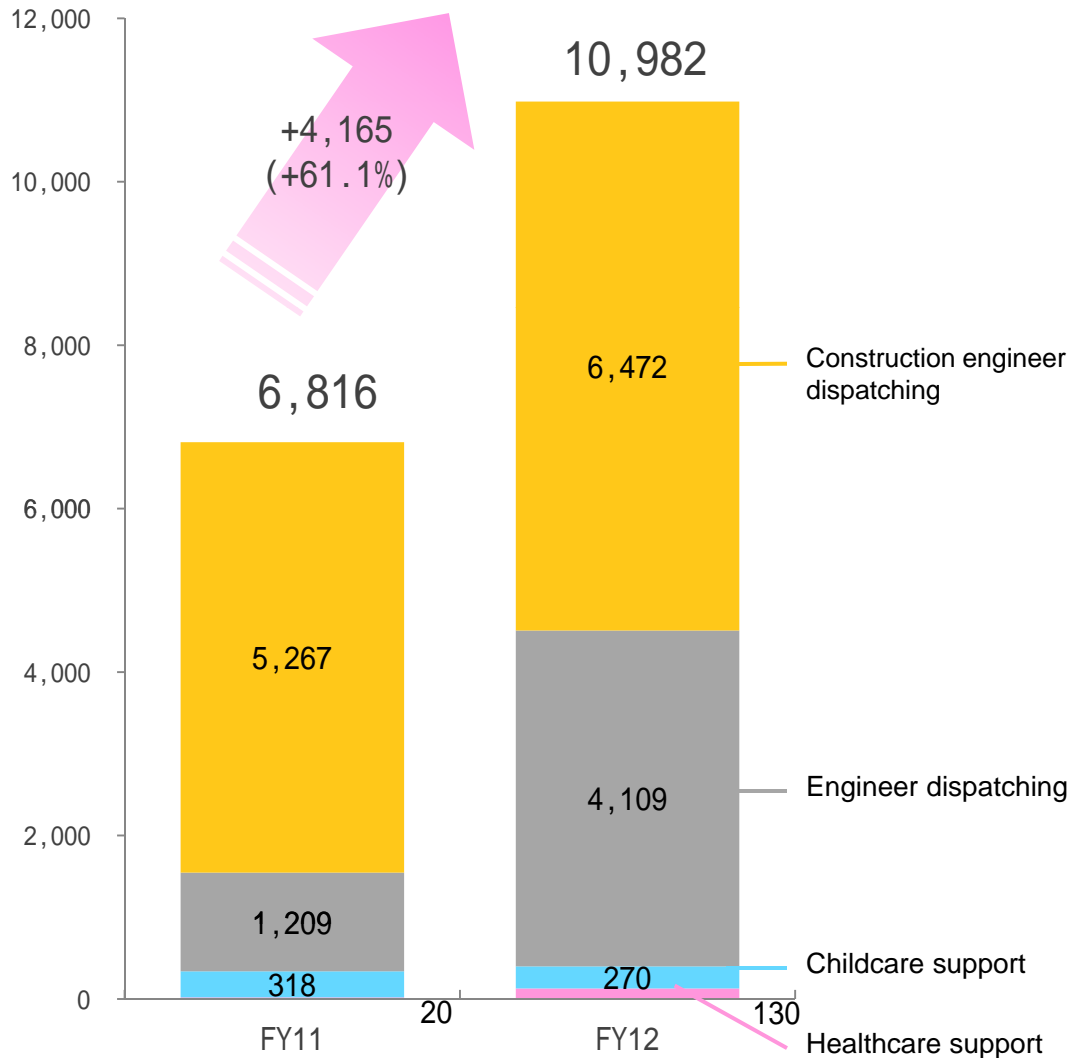
Consolidated P/L Statement

Consolidated P/L Statement



Consolidated P/L Statement (1) Net Sales

(Million yen)



【Major factors for increase/decrease】

Construction engineer dispatching +1,204 million

- Increase in engineers +215persons
- Rise in operating rate +1.4 pct. points

Engineer dispatching +2,899 million

- Yume Technology joined +2,757 million
- Increase in engineers +141million

Childcare support -47million

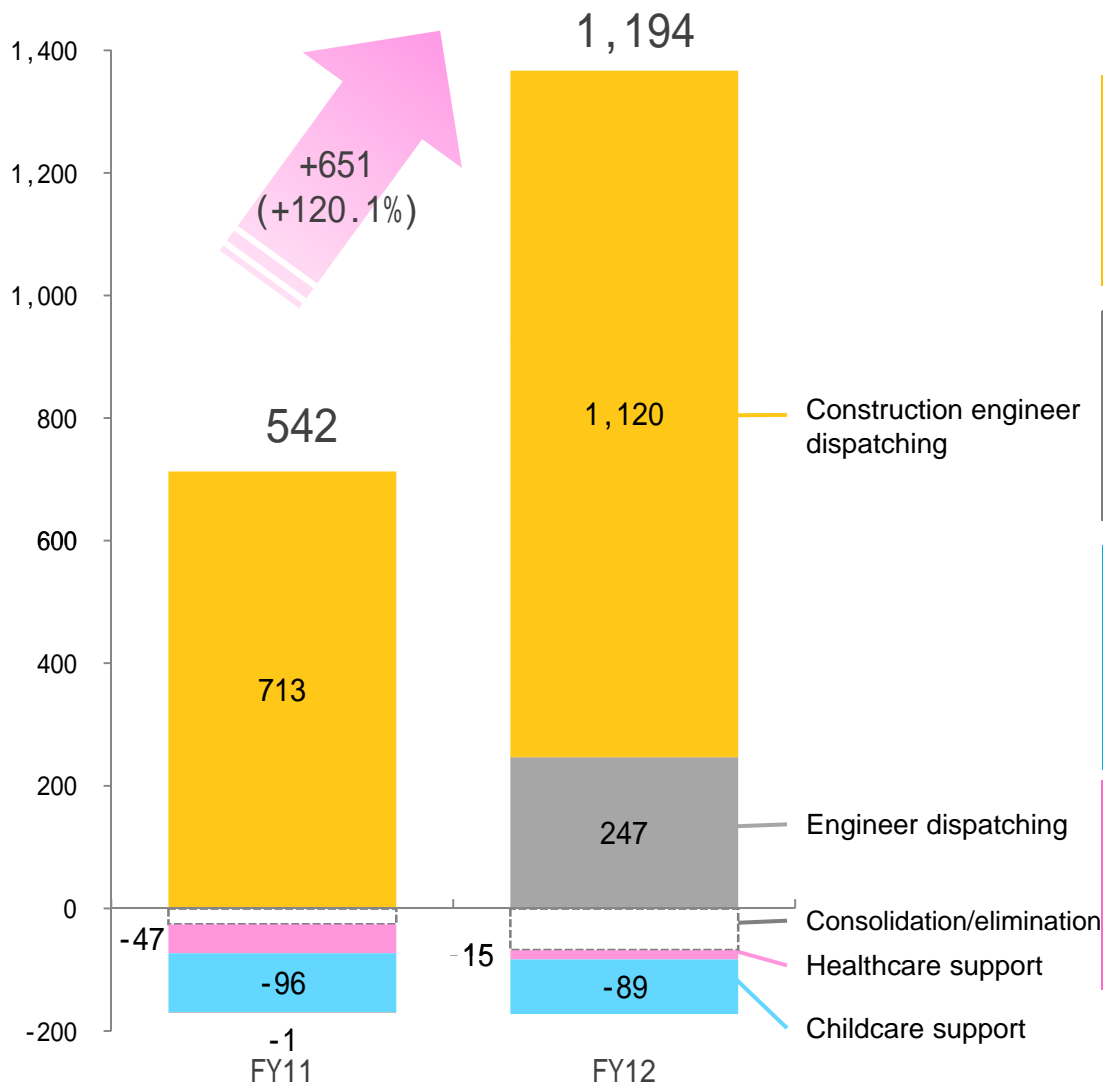
- Fall in revenues from nursery staff dispatching

Healthcare support +109 million

- Opening of day-care service facilities

Consolidated P/L Statement (2) Operating Income

(Million yen)



【 Major factors for increase/decrease 】

Construction engineer dispatching	+406 million
• Increase in net sales	+1,204 million
• Decrease in SG&A expense ratio	-2.0 pct. points

Engineer dispatching	+248million
• Increase in net sales	+2,899 million
• Yume Technology joined	

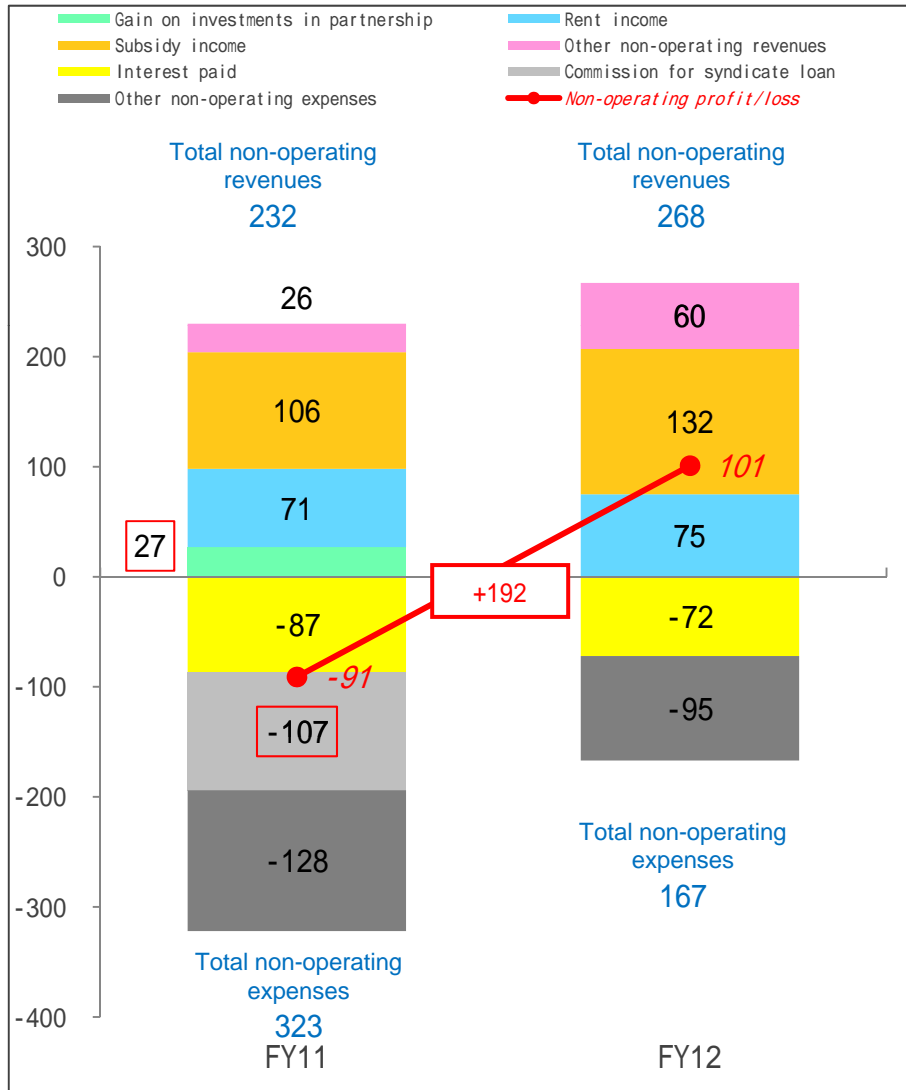
Childcare support	+6 million
• Decrease in net sales	-47million
• Increase in childcare center	

Healthcare support	+32 million
• Increase in net sales	+109million
• Opening of day-care service facilities	

Consolidated P/L Statement (3) Non-operating Profit/Loss and Ordinary Income

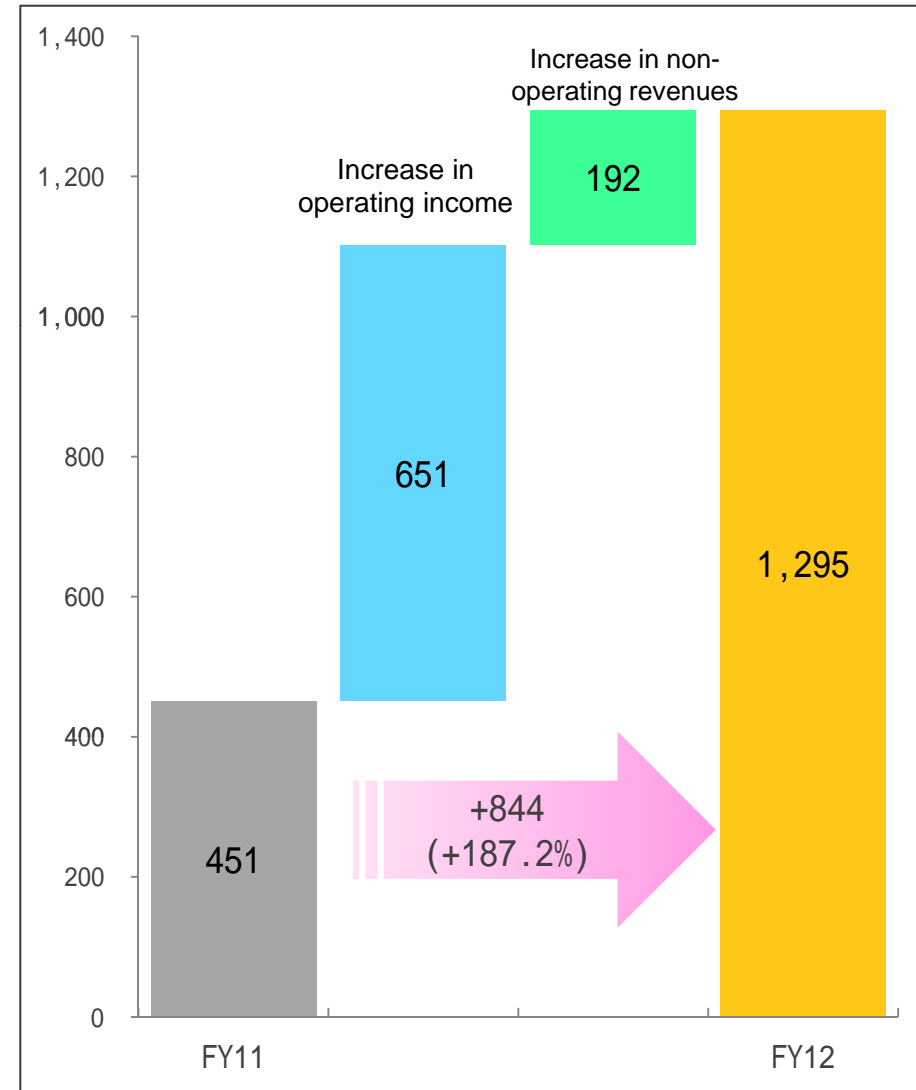
(Million yen)

Non-operating profit/loss



(Million yen)

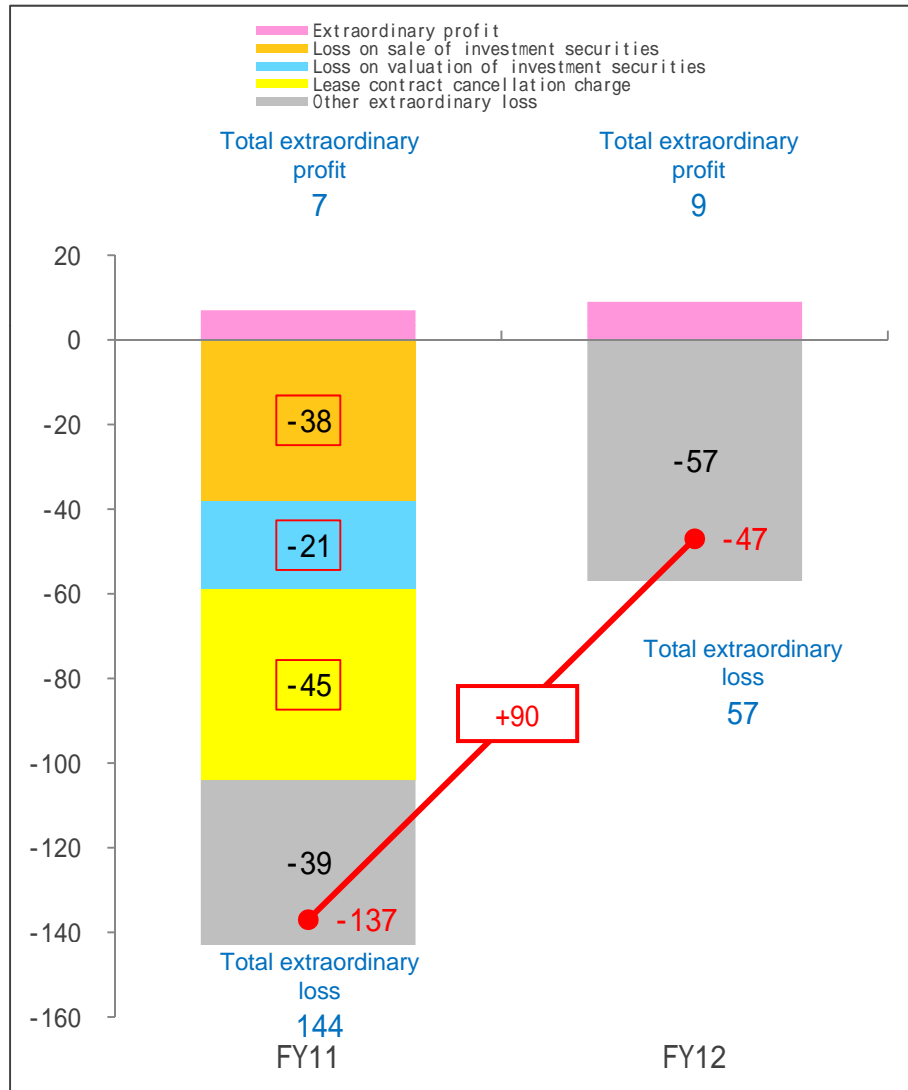
Ordinary income



Consolidated P/L Statement (4) Extraordinary Profit/Loss and Net Income

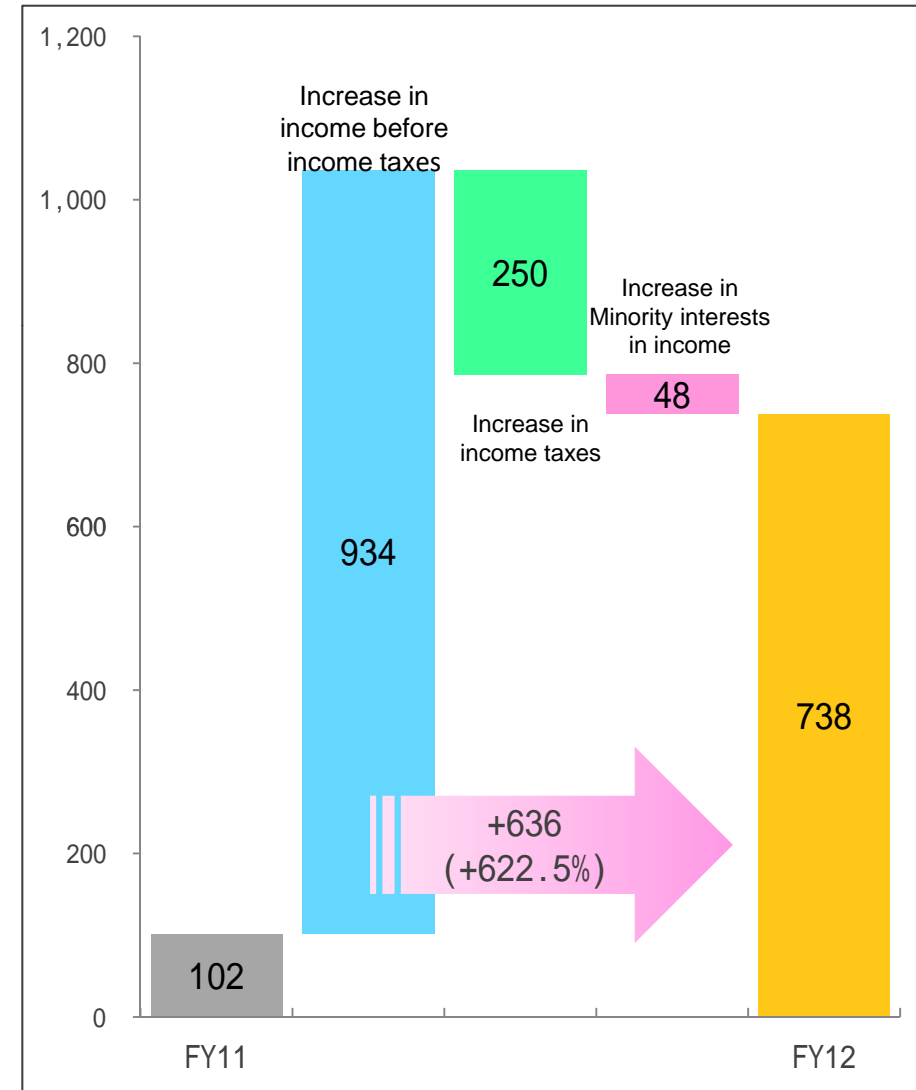
(Million yen)

Extraordinary profit/loss



(Million yen)

Net income



Summary of Consolidated P/L

(Million yen)

	FY2011	FY2012	Change	Pct. change
Net sales	6,816	10,982	4,165	61.1%
Gross profit	1,899 (27.9%)	3,158 (28.8%)	1,259	66.3%
SG&A expenses	1,356 (19.9%)	1,963 (17.9%)	607	44.8%
Operating income	542 (8.0%)	1,194 (10.9%)	651	120.1%
Ordinary income	451 (6.6%)	1,256 (11.8%)	844	187.2%
Net income	102 (1.5%)	738 (6.7%)	636	622.5%

() = Percentage of sales

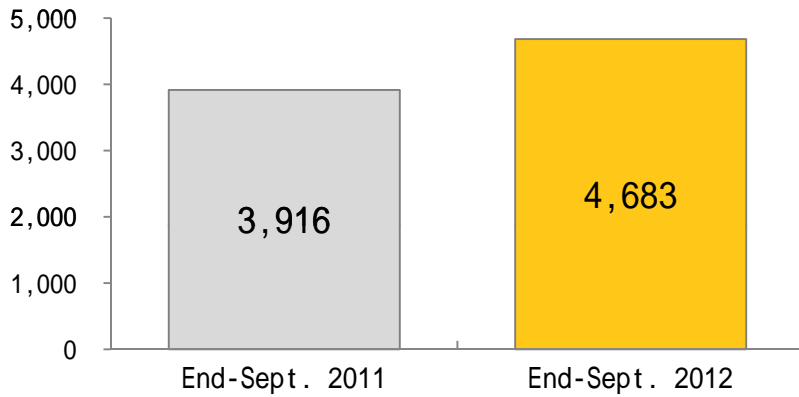
Consolidated Financial Overview

Consolidated B/S

Consolidated B/S

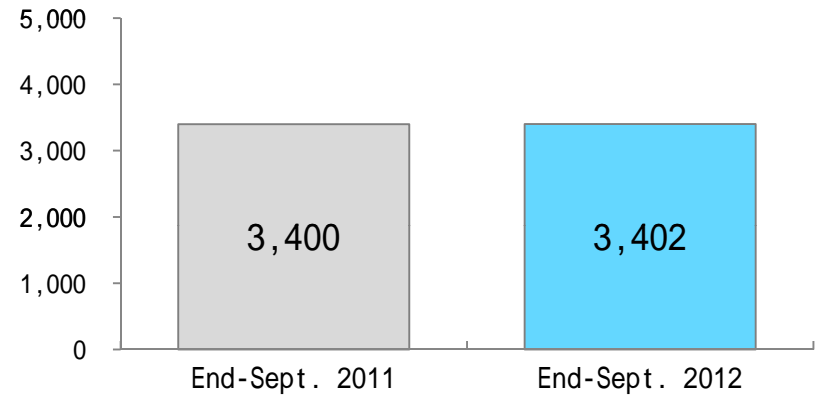
Current assets

(Million yen)



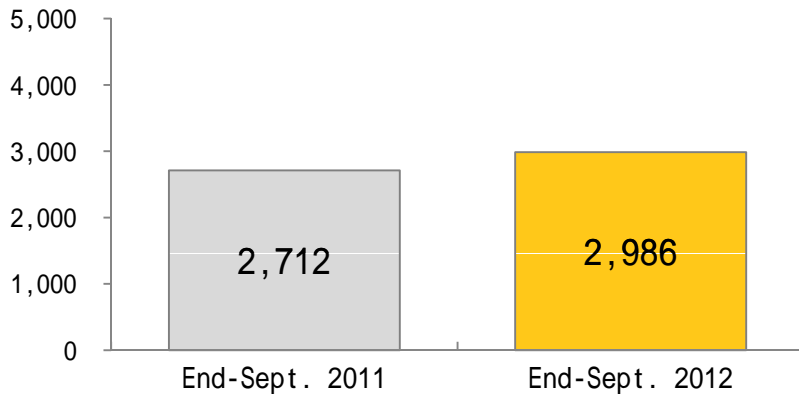
Current liabilities

(Million yen)



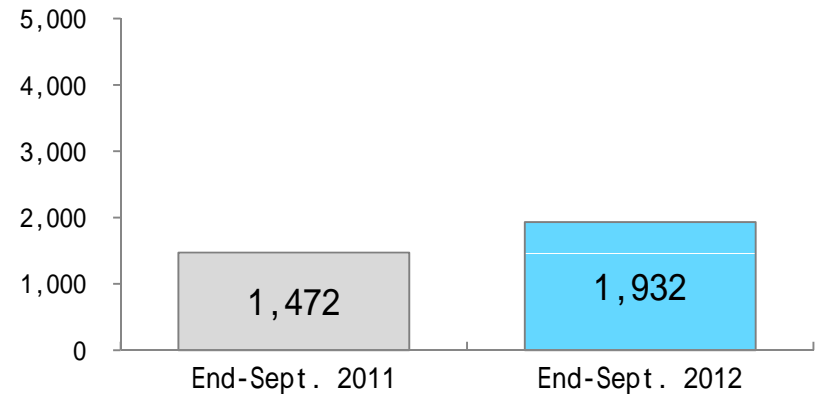
Fixed assets

(Million yen)



Fixed liabilities

(Million yen)



Consolidated B/S (1) Assets

(Million yen)

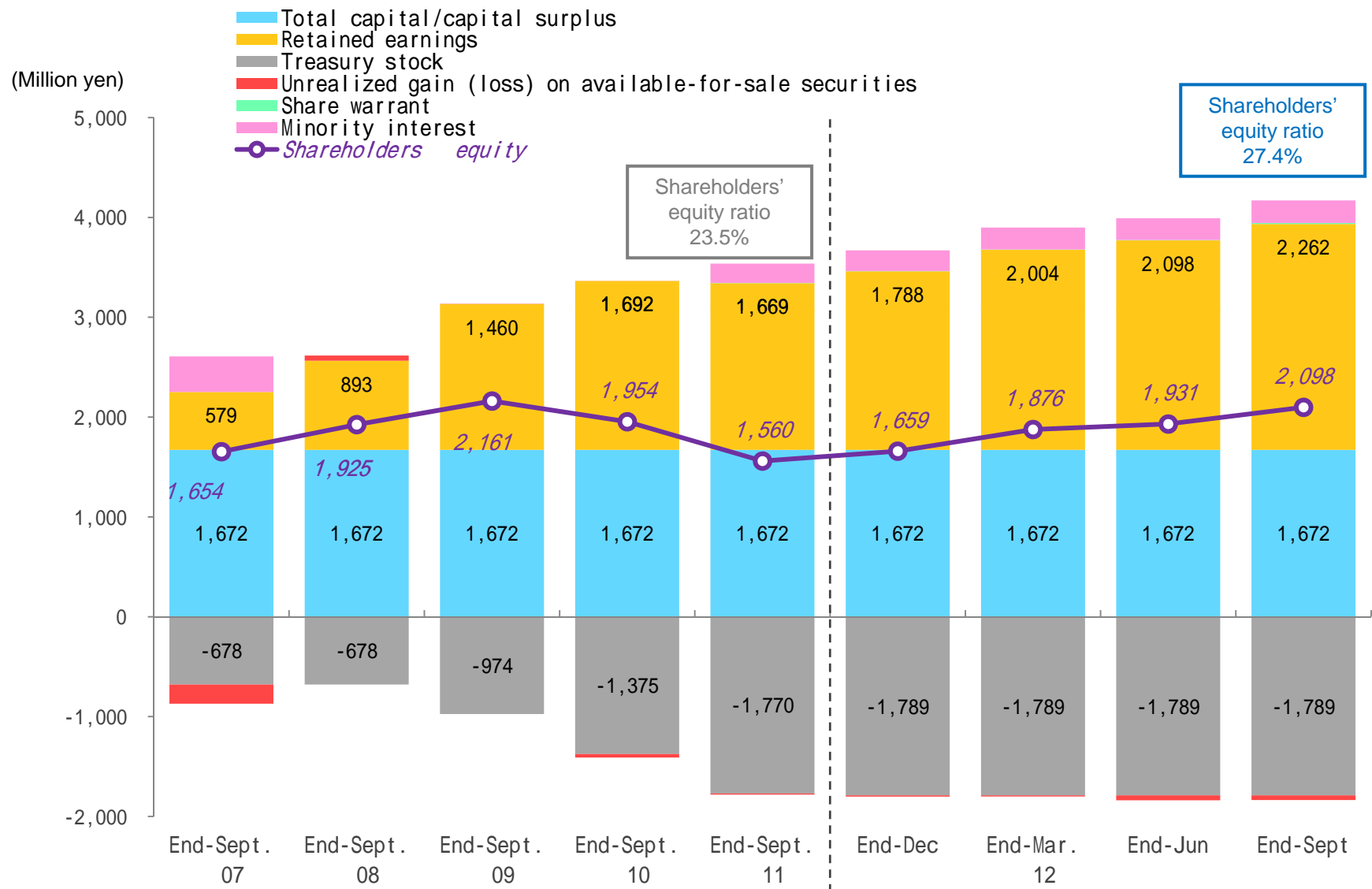
	End-Sept. 2011	End-Sept. 2012	Change	Remarks
Assets	6,629	7,669	1,040	
Current assets	3,916	4,683	766	
Cash and deposits	2,304	2,557	253	Increased due to operating activities
Notes and accounts receivable-trade	1,425	1,626	201	
Securities	0.7	105	104	
Deferred tax assets	51	63	12	
Fixed assets	2,712	2,986	273	
Tangible fixed assets	1,387	1,412	24	
Buildings and structures	761	738	22	
Land	577	577	0	
Lease assets	19	46	27	
Intangible fixed assets	759	666	92	
Goodwill	717	628	89	Decreased due to regular amortization
Investments and other assets	566	907	341	
Investment securities	293	688	395	
Others	239	244	5	
Allowance for doubtful accounts	47	86	38	

Consolidated B/S (2) Liabilities and Net Assets

(Million yen)

	End-Sept. 2011	End-Sept. 2012	Change	Remarks
Liabilities	4,872	5,334	461	
Current liabilities	3,400	3,402	1	
Short-term debt	26	975	949	Borrowed due to bond redemption
Current portion of bonds	1,240			Decreased due to bond redemption
Current portion of long-term debt	929	850	78	
Fixed liabilities	1,472	1,932	459	
Long-term debt	1,088	1,509	420	Long-term operating funds
Net assets	1,757	2,335	578	
Shareholders' equity	1,572	2,144	572	
Capital	805	805	0	
Capital surplus	867	867	0	
Retained earnings	1,669	2,262	592	Increased due to net income
Treasury stock	1,770	1,789	19	
Accumulated other comprehensive income	11	46	34	
Unrealized gain (loss) on available-for-sale securities	11	46	34	
Share warrant	3	10	7	
Share warrant	193	226	33	

Consolidated B/S (3) Shareholders' Equity

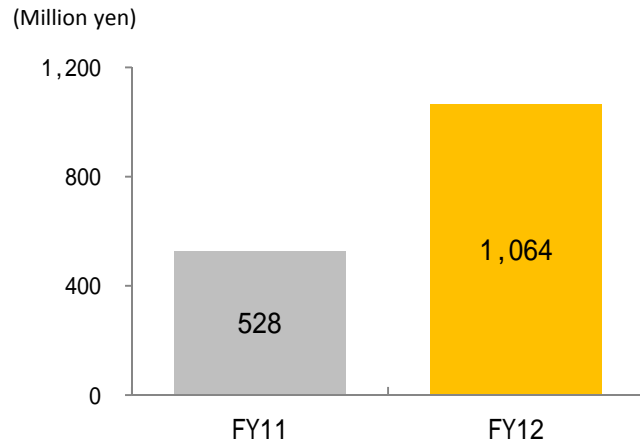


Shareholders' equity = Net assets - Minority interest - Share warrant

Consolidated C/F

Consolidated C/F (1)

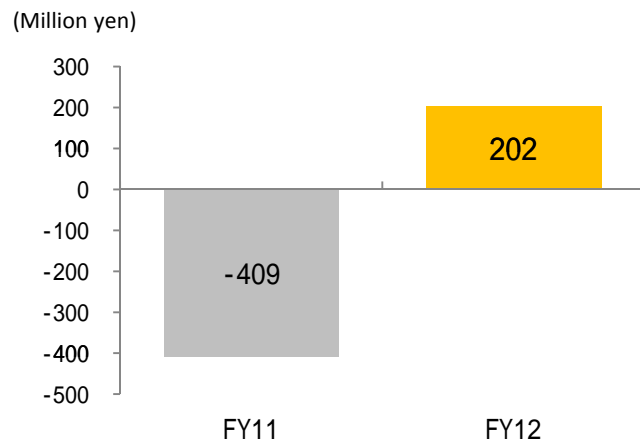
Operating CF



(Million yen)

FY2011		FY2012	
Income before income taxes	313	Income before income taxes	1,248
Increase/decrease in reserve for bonuses	97	Amortization of goodwill	92
Interest paid	87	Interest paid	72
		Decrease (increase) in trade receivables	208

Investing CF



(Million yen)

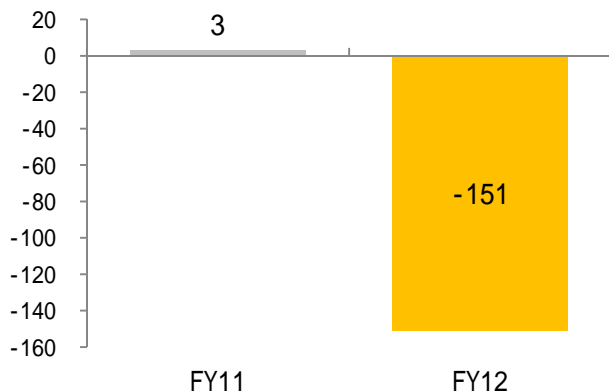
FY2011		FY2012	
Payments for acquisition of investment securities	212	Decrease (increase) in time deposits	748
Proceeds from sale of investment securities	258	Payments for acquisition of investment securities	660
Payments for acquisition of shares of subsidiaries due to changes in scope of consolidation	451	Proceeds from sale of investment securities	155

Major items in the consolidated cash flow statements are presented.

Consolidated C/F (2)

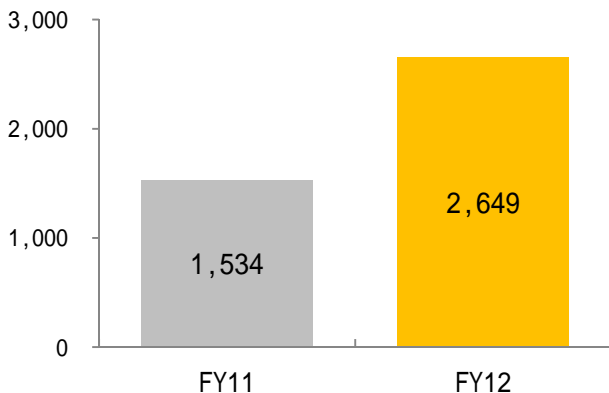
Financing CF

(Million yen)



Cash and cash equivalents at end of year

(Million yen)



(Million yen)

FY2011		FY2012	
Proceeds from long-term debt	1,000	Net increase (decrease) in short-term debt	949
Repayment of long-term debt	1,182	Proceeds from long-term debt	1,550
Proceeds from issuance of bond	870	Repayment of long-term debt	1,207
Payments for acquisition of treasury stock	398	Payments for redemption of bond	1,255
Dividends paid	122	Dividends paid	147

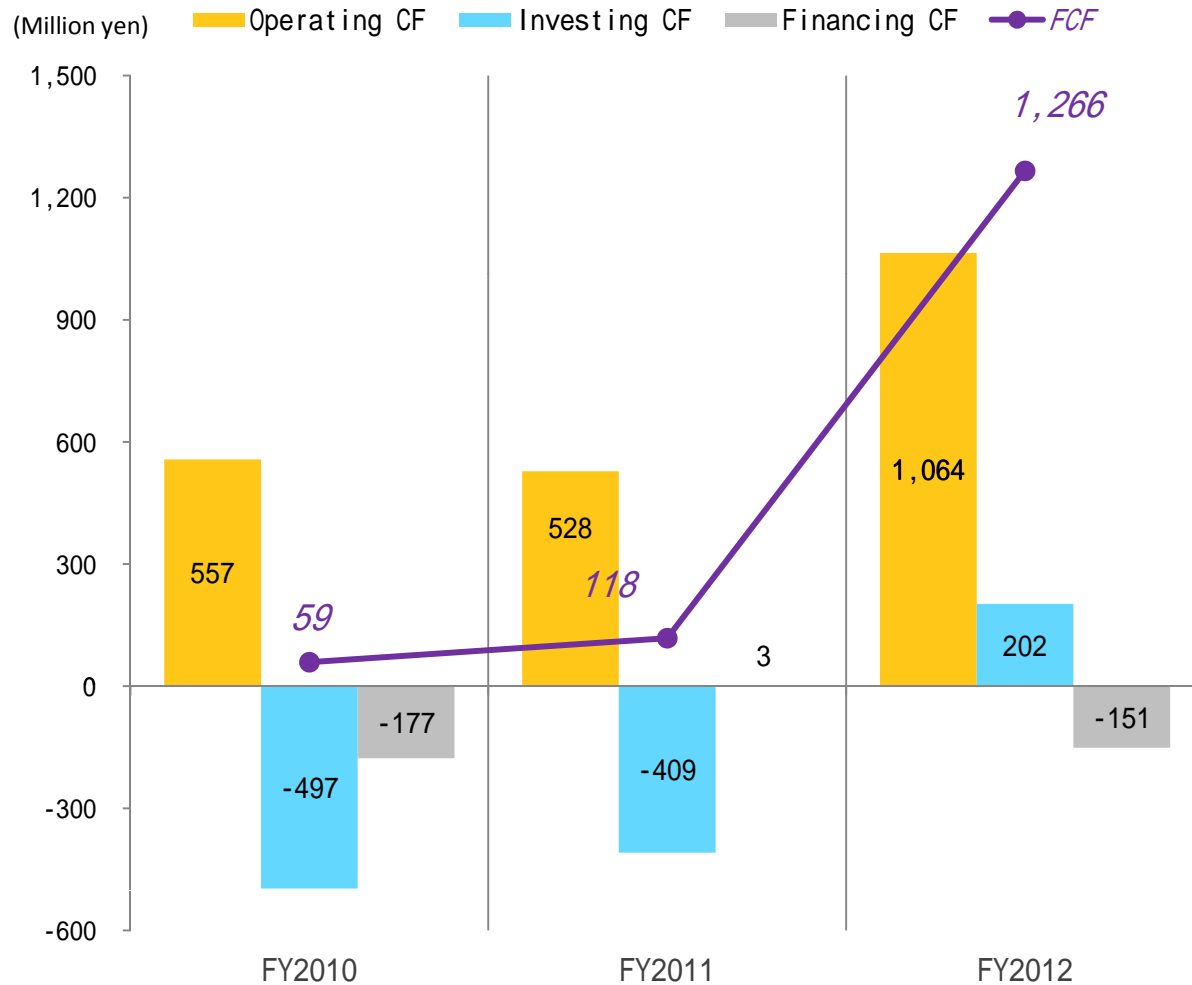
(Million yen)

	FY2011	FY2012
Effect of exchange rate changes on cash and cash equivalents	0.3	0.2
Increase (decrease) in cash and cash equivalents	122	1,114
Cash and cash equivalents at beginning of year	1,341	1,534
Increase in cash and cash equivalents due to newly consolidated subsidiaries	70	

Major items in the consolidated cash flow statements are presented.

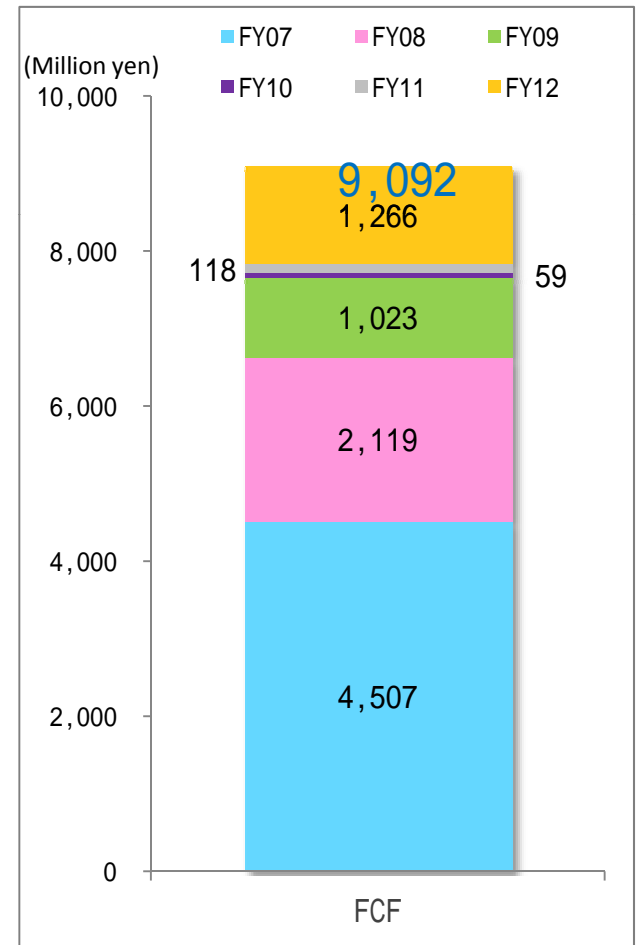
Consolidated C/F (3) FCF

Cash flows



Free cash flow (FCF) = Operating CF + Investing CF

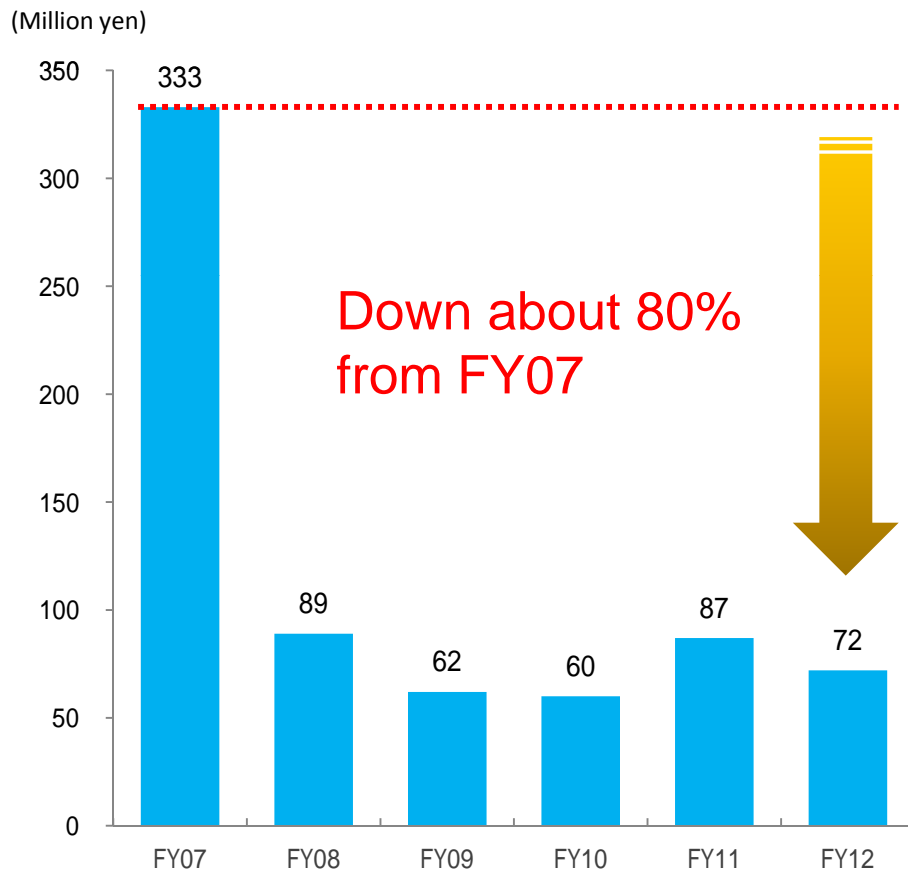
Increased FCF



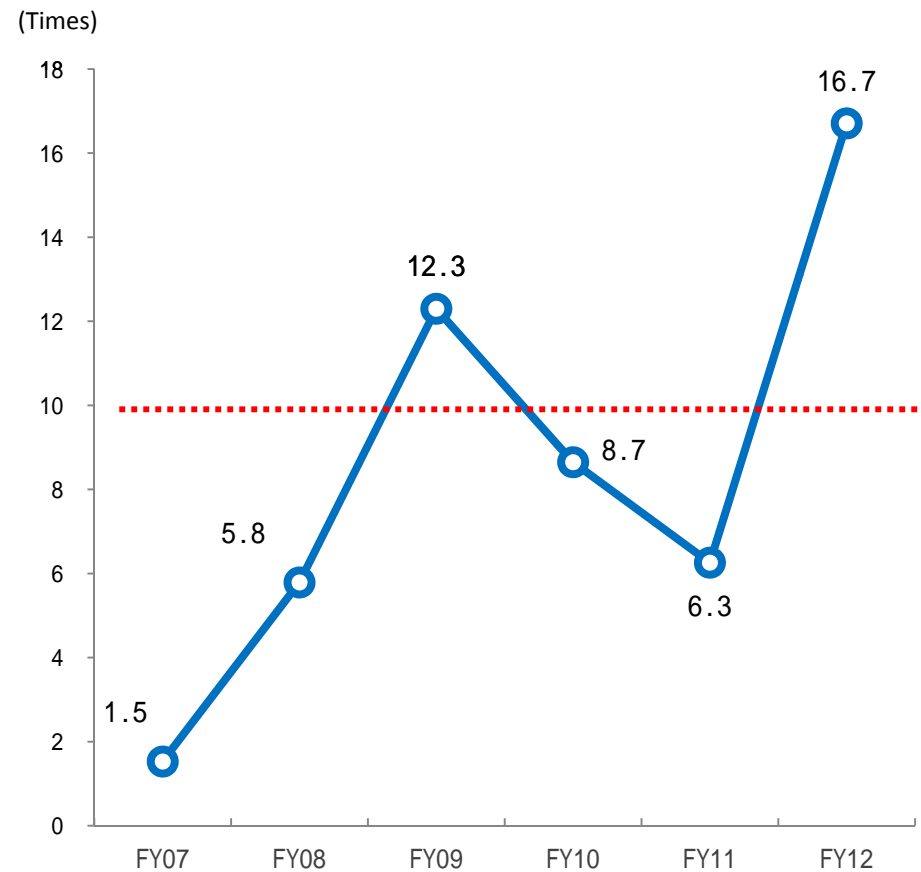
Safety Index

Safety Index (1) Interest Paid and ICR

Interest paid



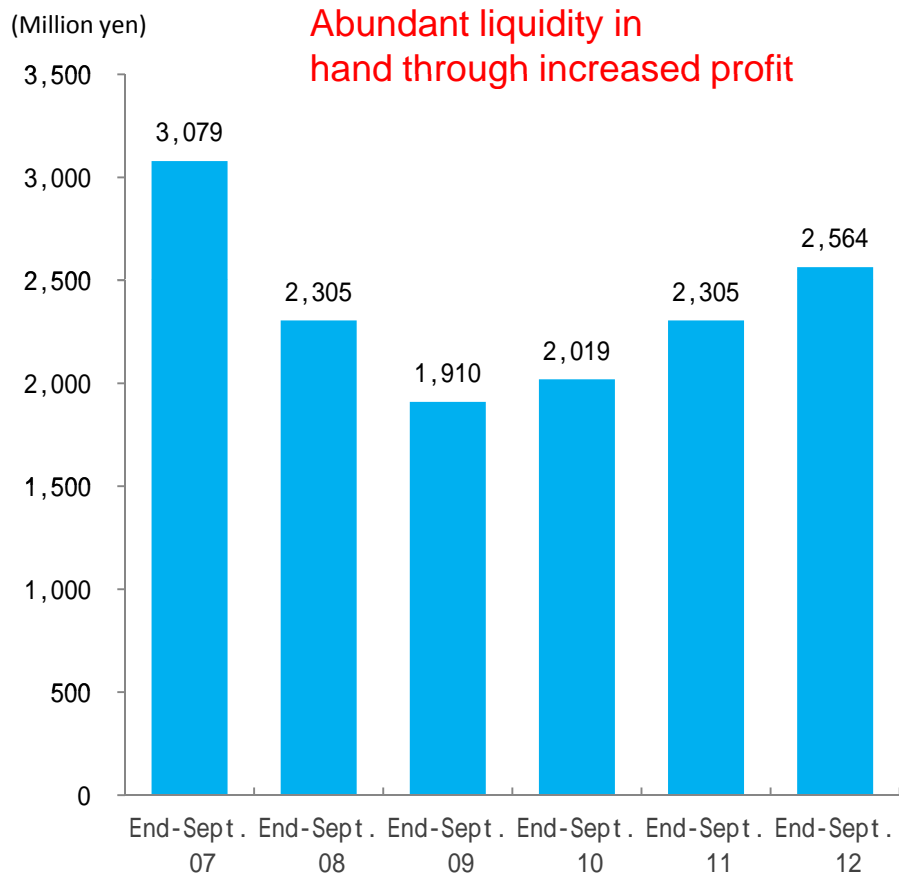
ICR



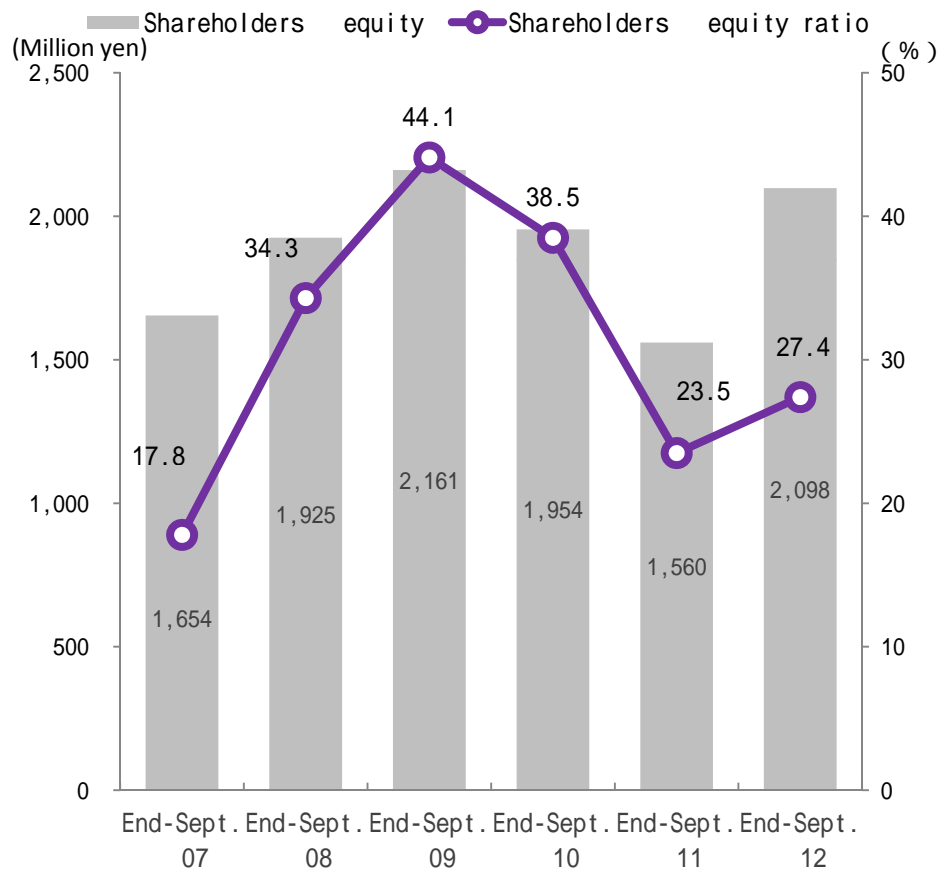
1. Instant coverage ratio (ICR) = Net operating profit ÷ Interest paid
2. Net operating profit = Operating income+ Interest received+ Investment profit on equity method

Safety Index (2) Liquidity in Hand and Shareholders' Equity

Liquidity in hand



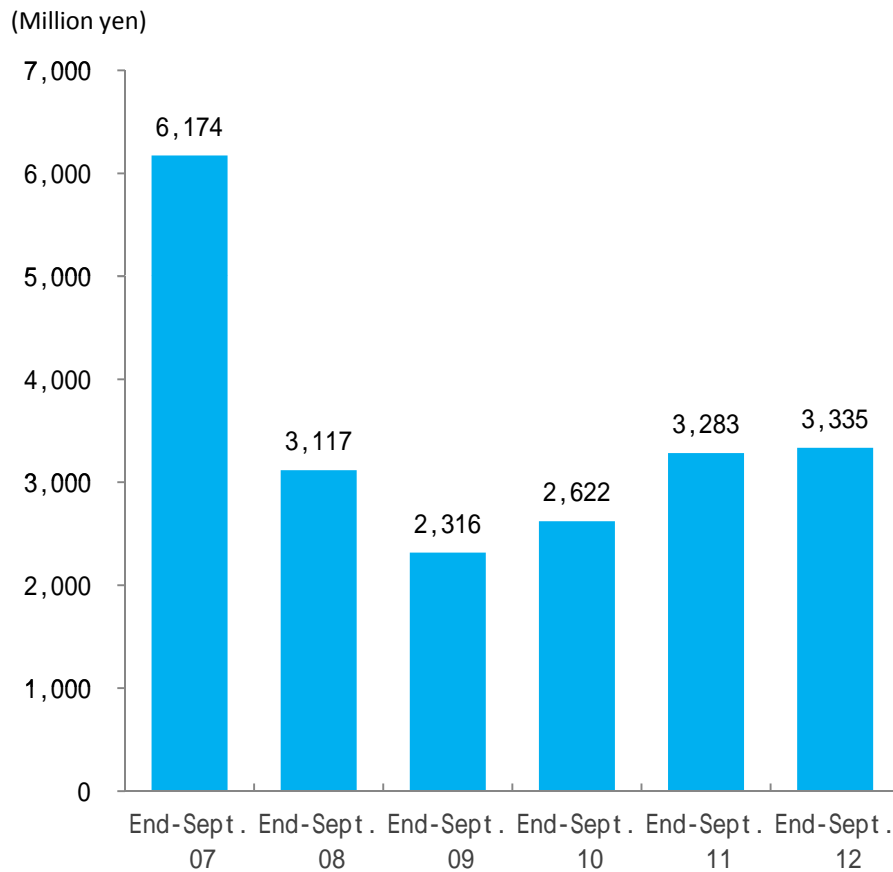
Shareholders' equity ratio



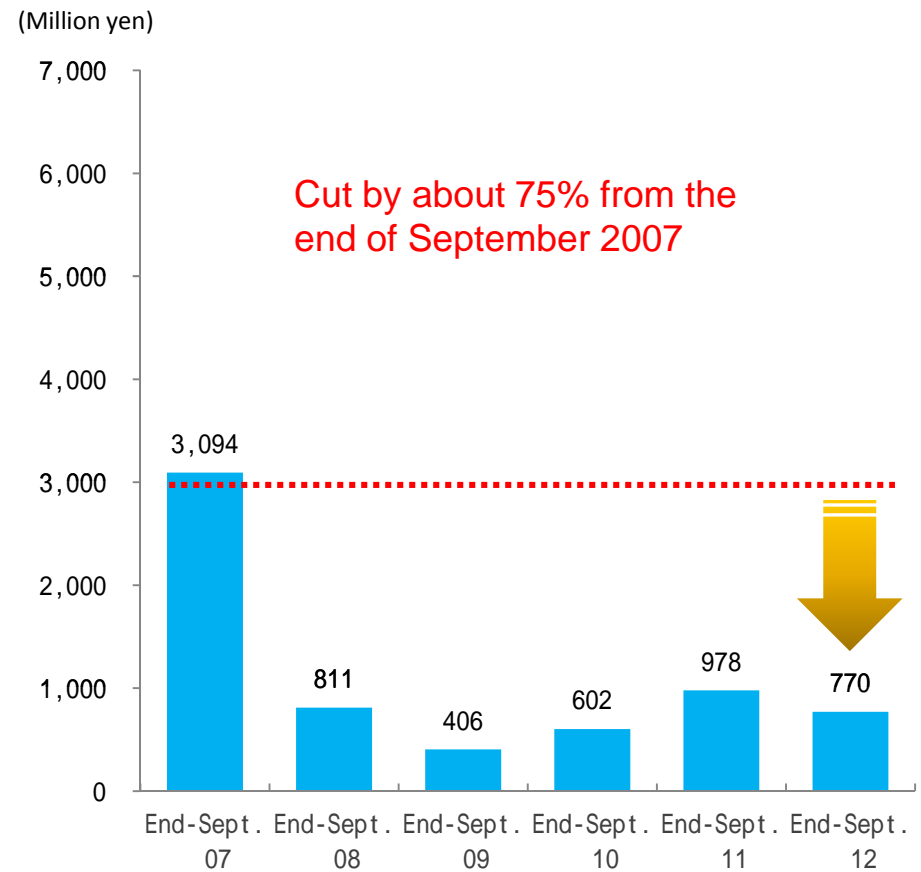
1. Liquidity in hand = Cash and deposits+ Securities included in current assets
2. Shareholders' equity = Net assets - Minority interest - Share warrant
3. Shareholders' equity ratio = Shareholders' equity ÷ Total assets

Safety Index (3) Interest-bearing Debt

Interest-bearing debt



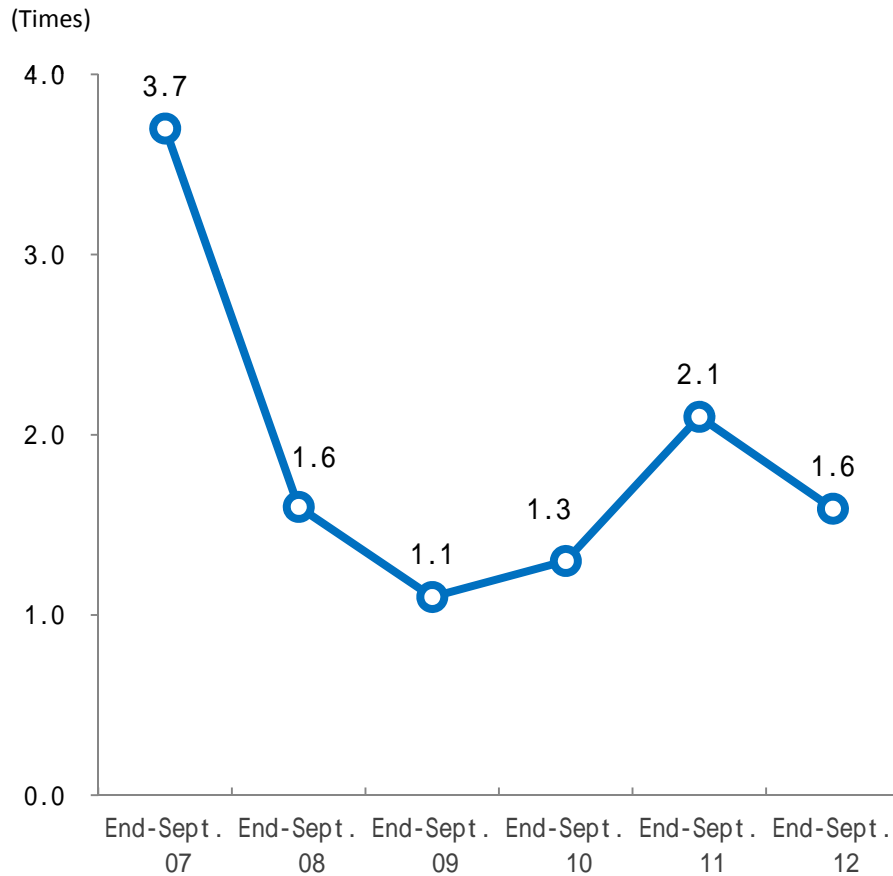
Net interest-bearing debt



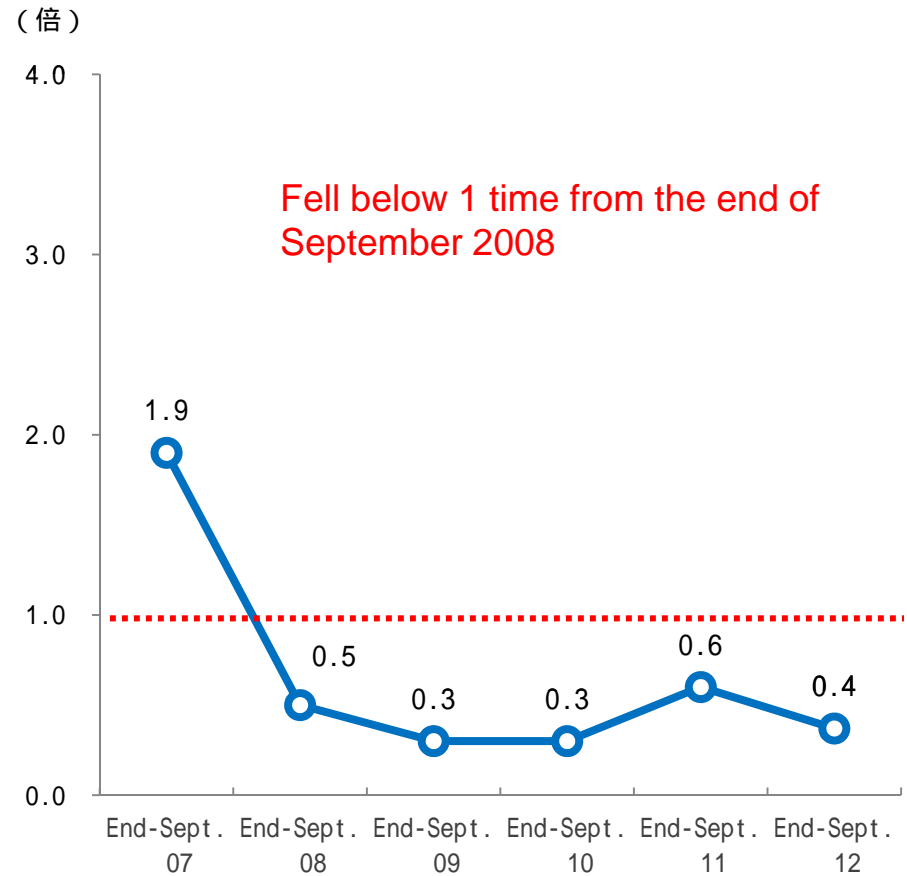
1. Net interest-bearing debt = Interest-bearing debt - Liquidity in hand
2. Interest-bearing debt = Short-term debt+ Long-term debt+ Current portion of long-term debt+ Bond (lease liability not included)
3. Liquidity in hand = Cash and deposits+ Securities including current assets

Safety Index (4) D/E Ratio

D/E ratio



Net D/E ratio



1. Net D/E ratio = Net interest-bearing debt ÷ Shareholders' equity
2. D/E ratio = Interest-bearing debt ÷ Shareholders' equity
3. Net interest-bearing debt = Interest-bearing debt - Liquidity in hand
4. Interest-bearing debt = Short-term debt + Long-term debt + Current portion of long-term debt + Bond (lease liability not included)
5. Liquidity in hand = Cash and deposits + Securities including current assets

Summary of Consolidated B/S

(Million yen)

	End-Sept. '11	End-Sept. '12	Change
Shareholders' equity	1,563	2,098	534
Shareholders' equity ratio	23.6%	27.4%	3.8pt.
Liquidity in hand	2,305	2,564	259
Net interest-bearing debt	978	770	207
ICR	6.3times	16.7times	
Net D/E ratio	0.6times	0.4times	

Segment Overview

26dW6UR 0A6LA16M

Segment Overview

Construction Engineer
Dispatching Business

Four Indicators of Sales

No. of engineers

×

Operating rate

×

Operating time

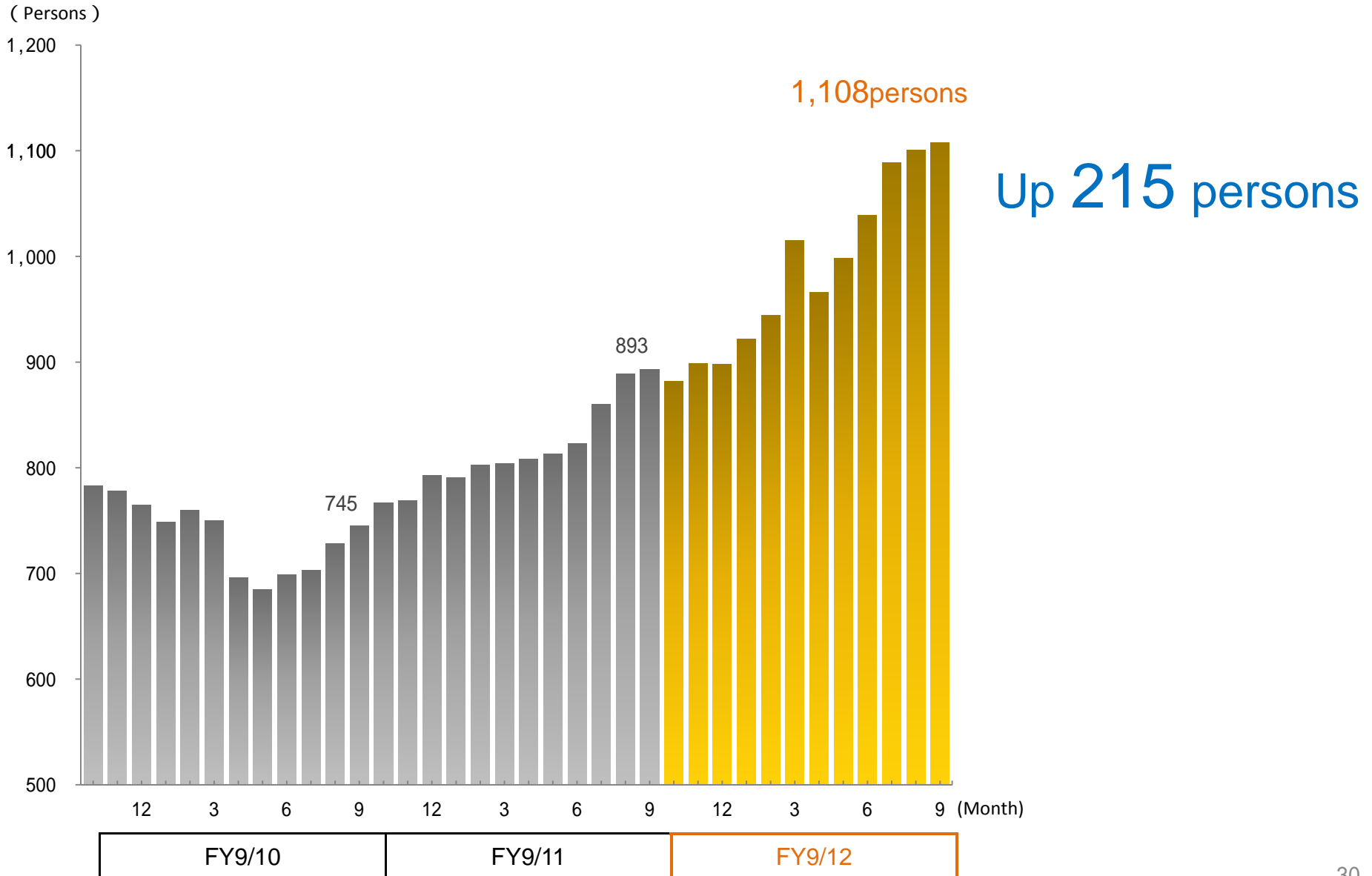
×

Unit cost of
dispatching



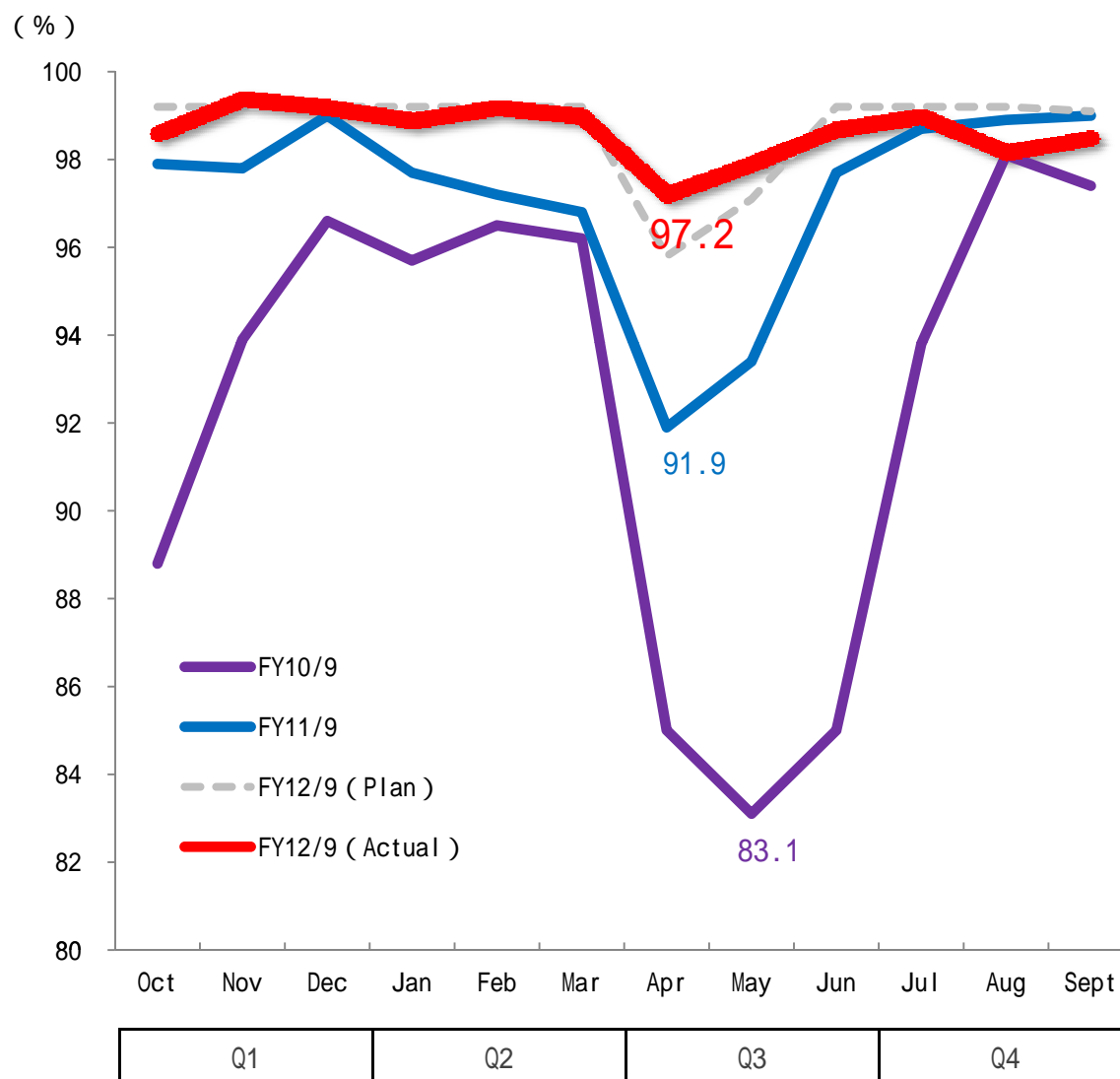
Sales

Management Indicator (1) Number of Engineers



Number of engineers at the end of month

Management Indicator (2) Operating rate

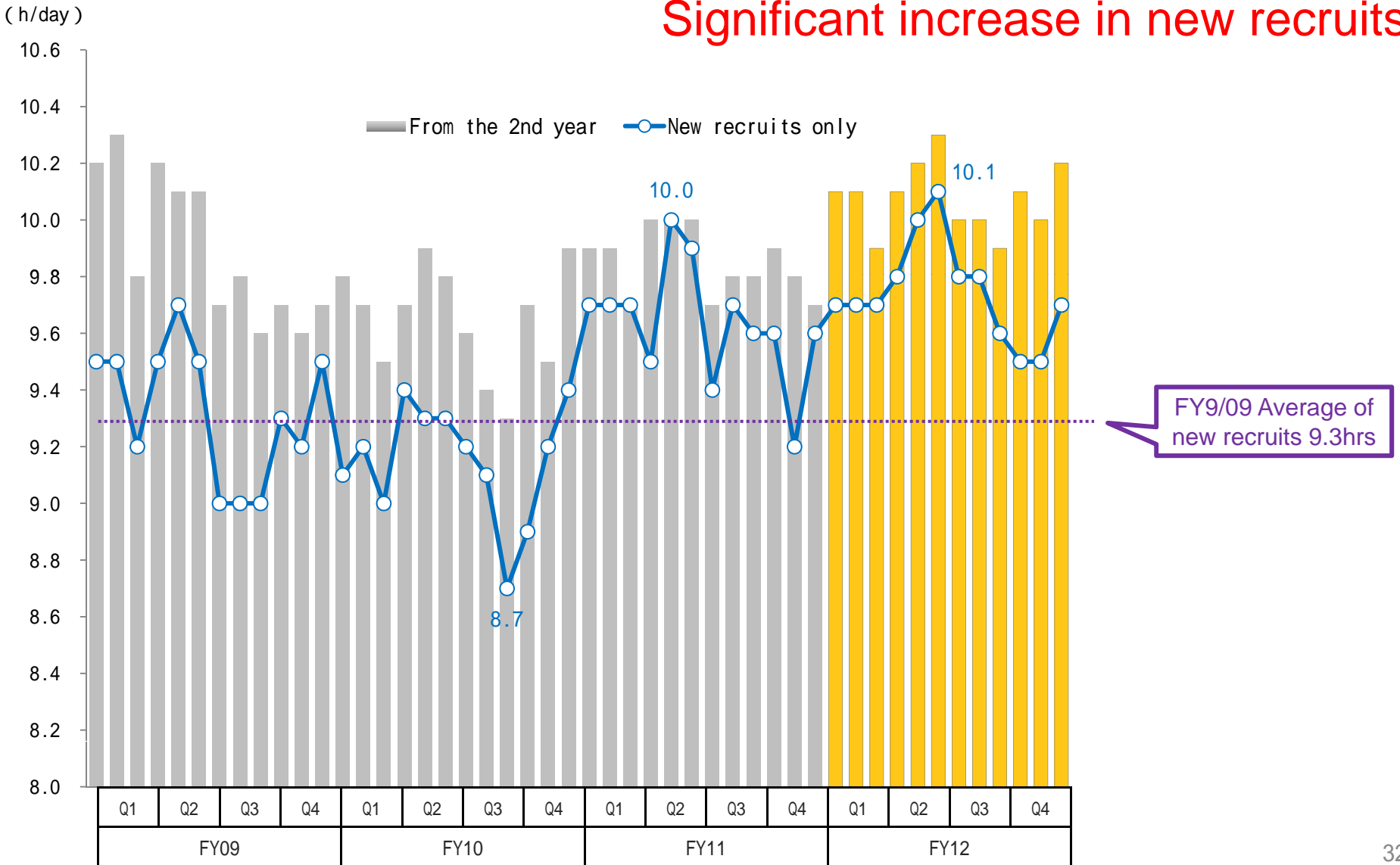


FY9/12

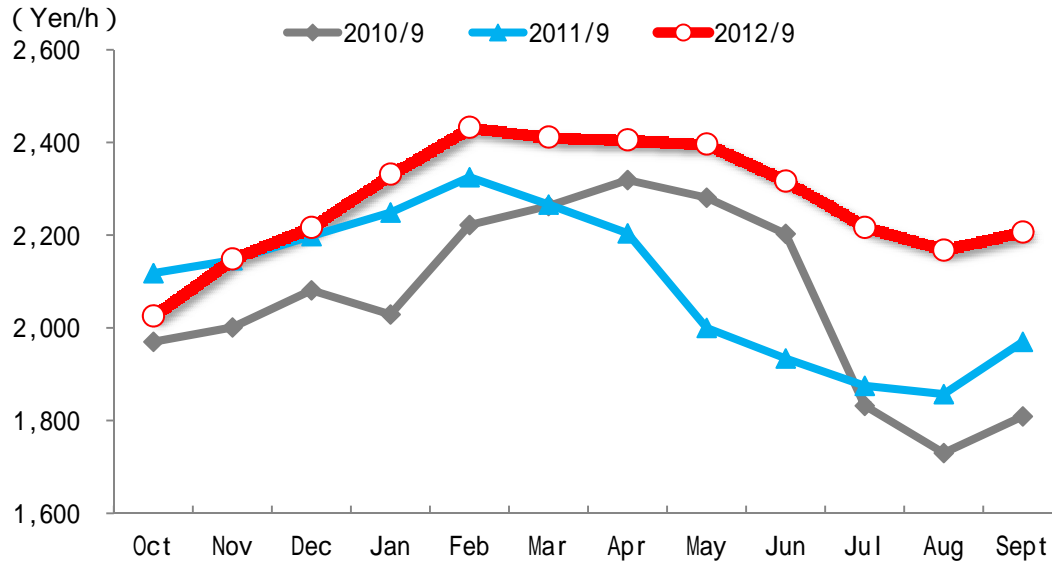
Average of **98.6%**

Management Indicator (3) Operating time

Significant increase in new recruits

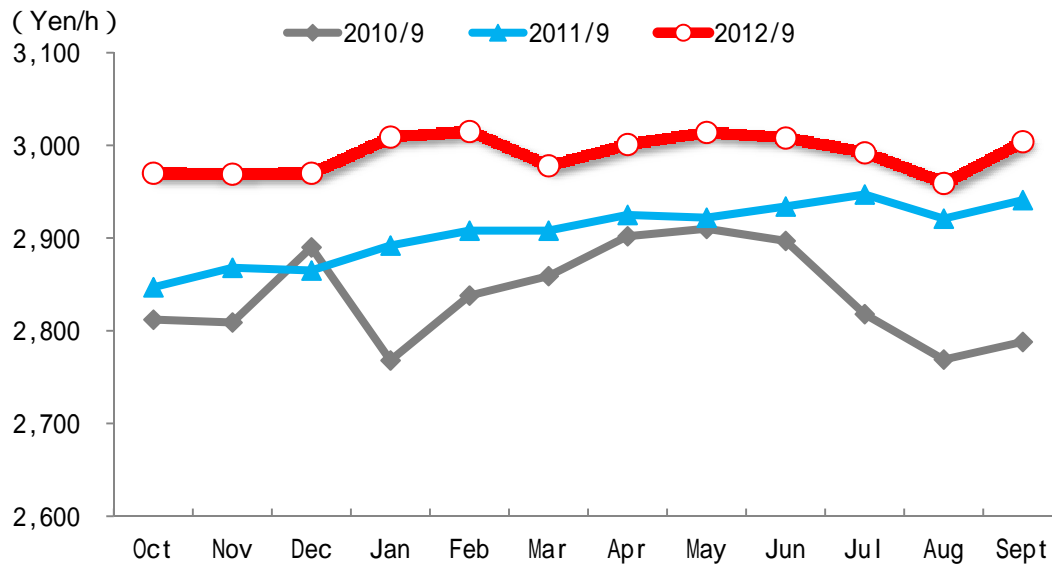


Management Indicator (4) Unit cost of dispatching



New recruits only

Up 12% YoY
(September 2012)



From the 2nd year

Aim for recovery through aggressive operations

Summary of Four Indicators of Sales

As of September 30, 2012

	FY2011	FY2012	Change
No. of engineers	893persons	1,108persons	215persons
Operating rate	97.2%	98.6%	1.4pt.
Operating time	9.9h/day	10.1h/day	0.2h
Unit cost of dispatching	2,907yen/h	2,991yen/h	84yen

All indicators increased

1. All figures represent yearly average.

2. Operating time and unit cost of dispatching are figures from the 2nd year.

Summary of P/L Statement

(Million yen)

	FY2011	FY2012	Change	Pct. change
Net sales	5,459	6,472	1,012	18.6%
Gross profit	1,738 (31.9%)	2,205 (34.1%)	466	26.8%
SG&A expenses	1,010 (18.5%)	1,085 (16.8%)	74	7.3%
Operating income	728 (13.3%)	1,120 (17.3%)	392	53.9%
Ordinary income	535 (9.8%)	1,089 (16.8%)	553	103.4%
Net income	244 (4.5%)	645 (10.0%)	401	164.7%

() = Percentage of sales

Segment Overview

Engineer Dispatching Business

Highlights

1 . Efficiency of Management Resources

2 . Average operating rate of 96%

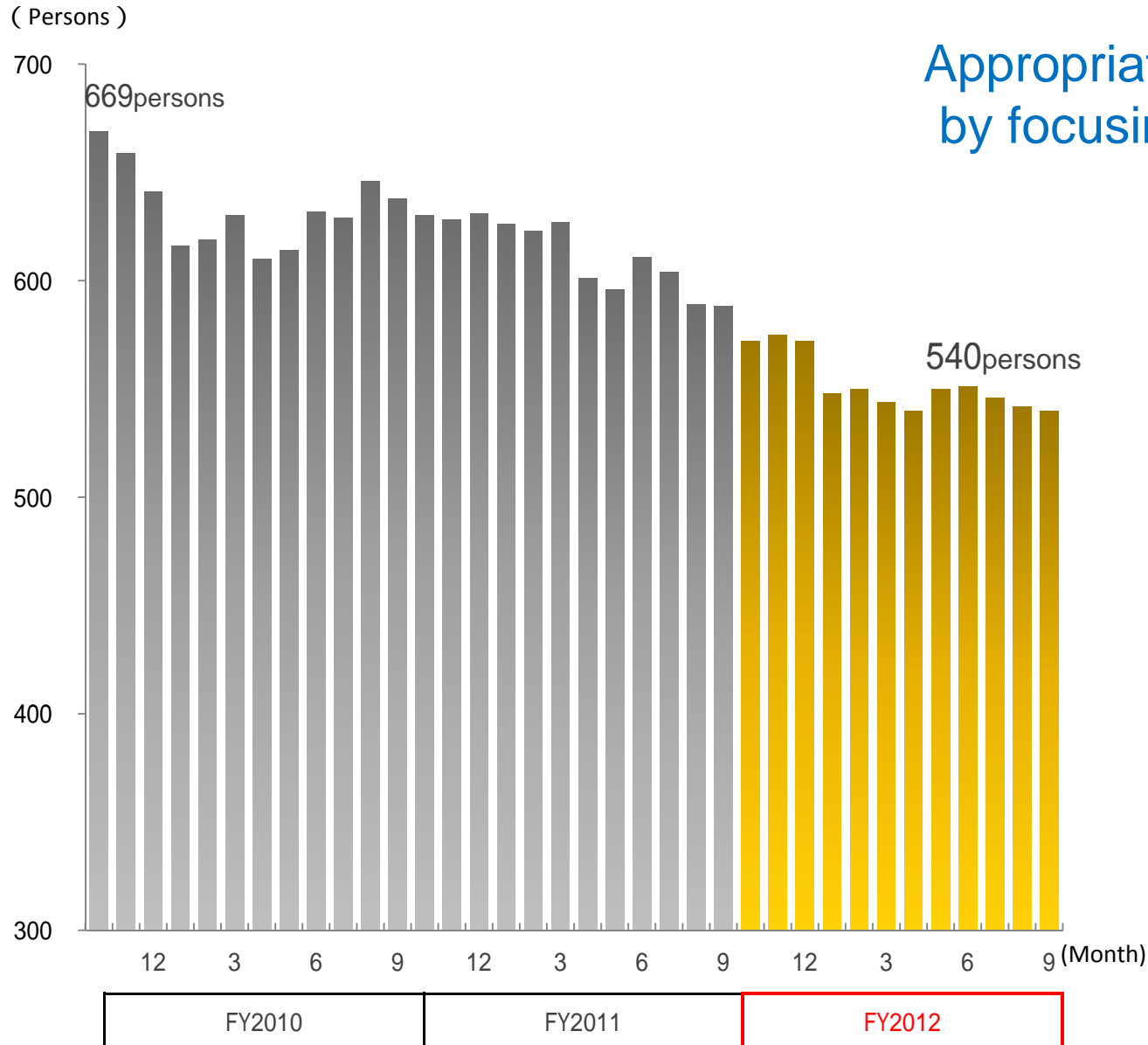
3 . Threefold increase in sales

Efficiency of Management Resources

Measures	Remarks	Effects
Integration of bases/dormitories	Abolished Mizonokuchi/Okazaki dormitories Shared the head office/Osaka/Fukuoka with Yumeshin Holdings	Cut ¥35 million/year
Consolidate administrative works	Reduction of overtime work	Cut ¥70 million/year
Cut in transportation costs	Abolition of branch manager meetings Cut in unnecessary business trips	Cut ¥10 million/year
Cut in communication costs	Change in communication method Review of unnecessary servers	Cut ¥5 million/year
Cut in waiting costs	Increase in operating rate	Cut ¥50 million/year
Review of payments	Review of purchase, etc.	Cut ¥20 million/year
Review of in-house system	Pay the cost of travelling to work for 6 months Review of dormitory system	Cut ¥35 million/year

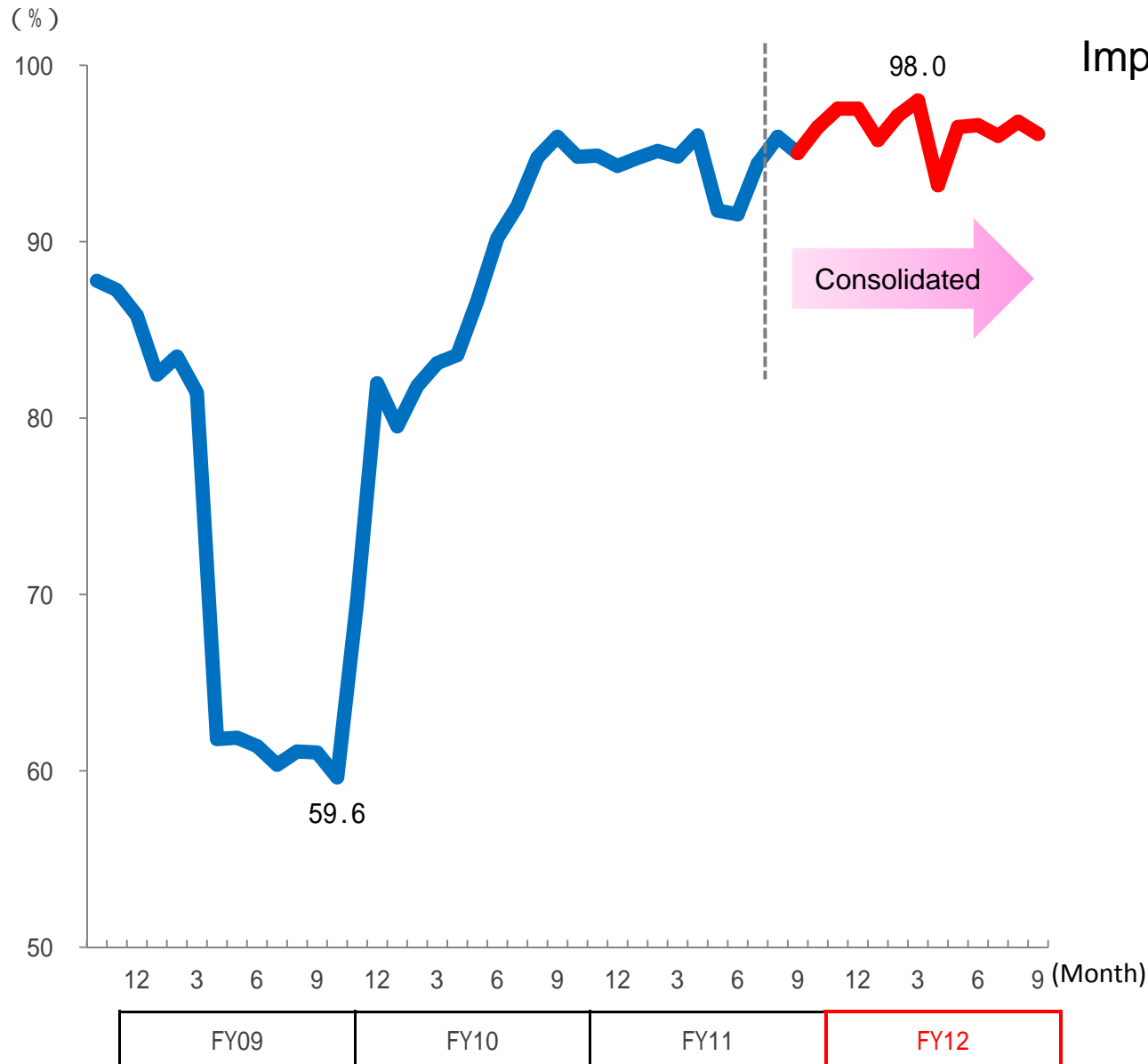
Reduction of 220 million yen a year

Number of Engineers



Appropriate number of people
by focusing on operating rate

Operating Rate



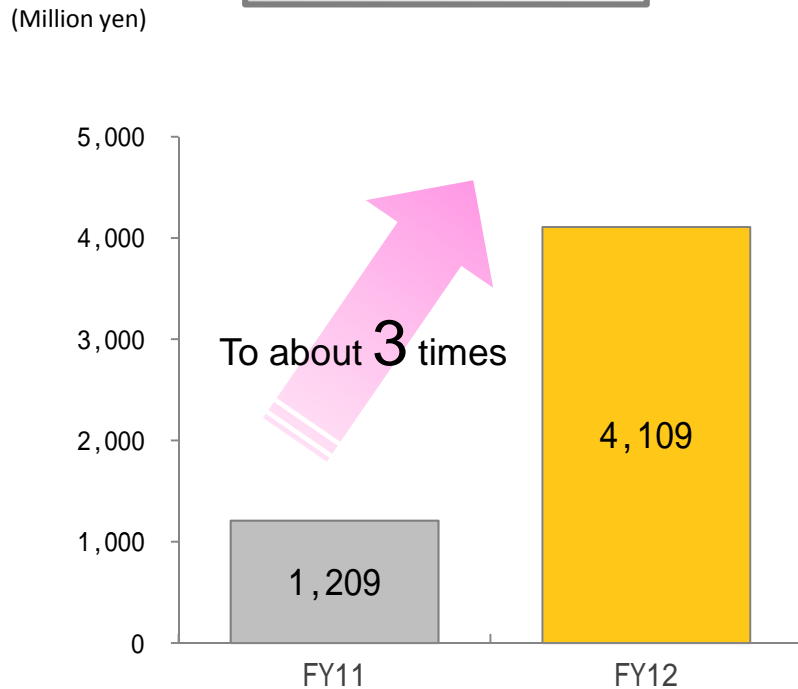
Improvement in operating rate

Average of **96%**

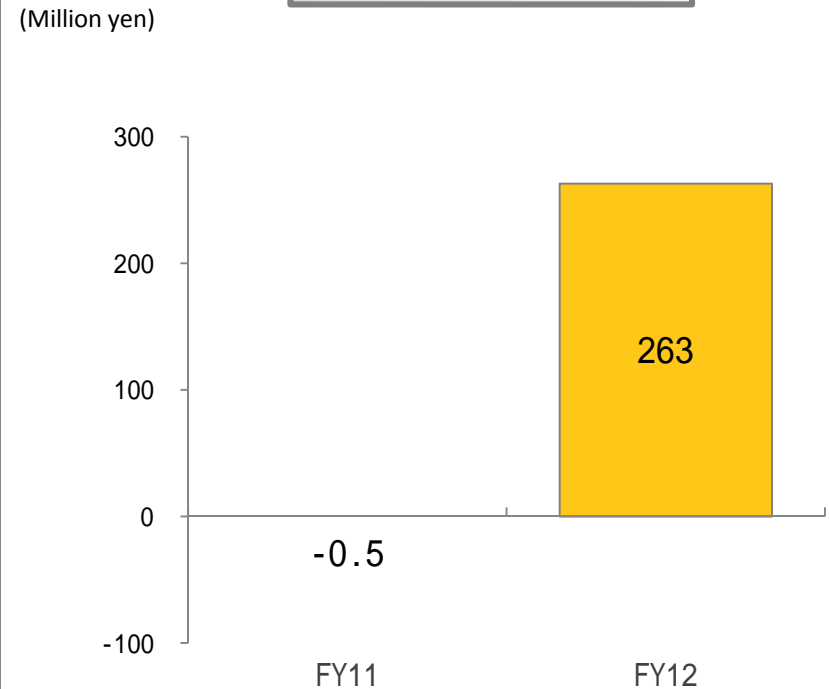
Summary of Business Results

Expanded as a result of Yume Technology joining the company

Sales



Ordinary income

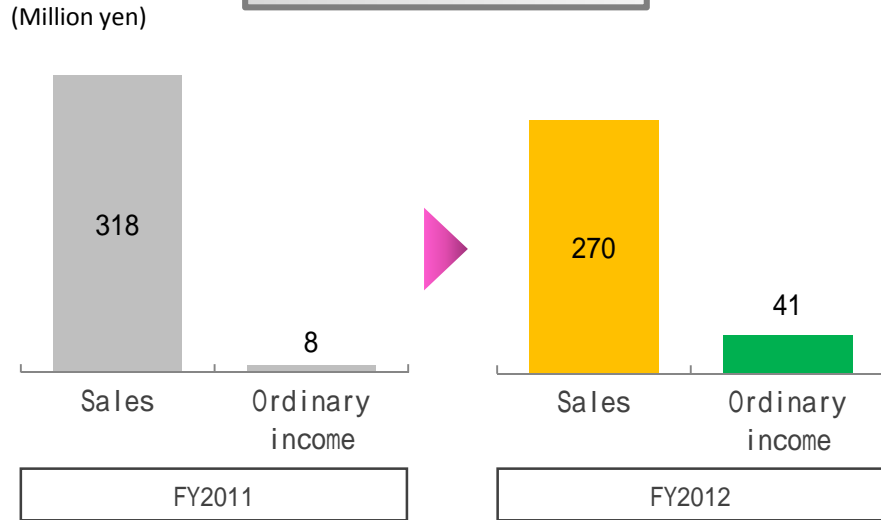


Segment Overview

Childcare Support Business
Healthcare Support Business

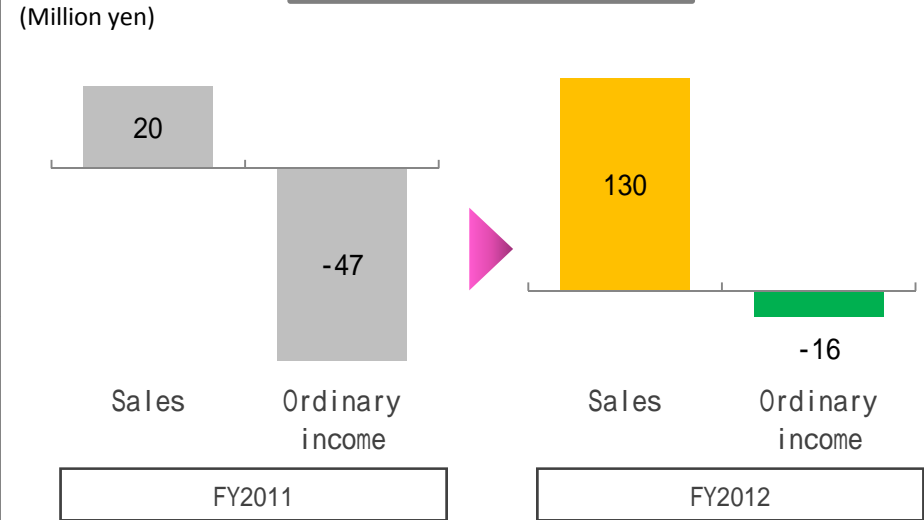
Childcare Support Business and Healthcare Support Business

Childcare Support



Operate 3 certified childcare centers

Healthcare Support



Operate 2 daycare service facilities and an additional facility

Steady growth

FY13

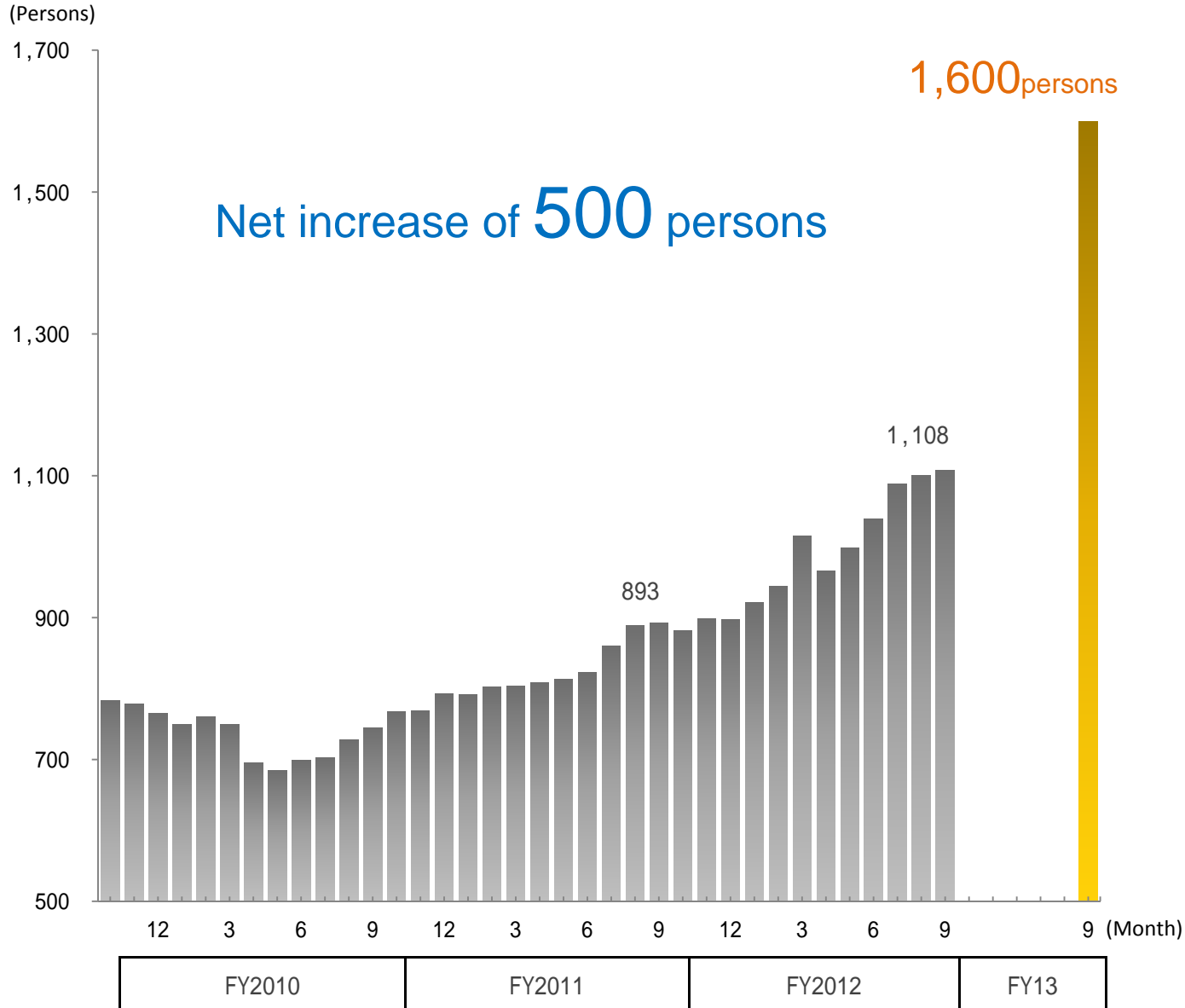
Business Forecasts

BUSINESS FORECASTS

Management Strategy

- 1 . Recruit 800 construction engineers
- 2 . Nationwide operation of Yume Tansaku Café
- 3 . Review of unit cost of dispatching

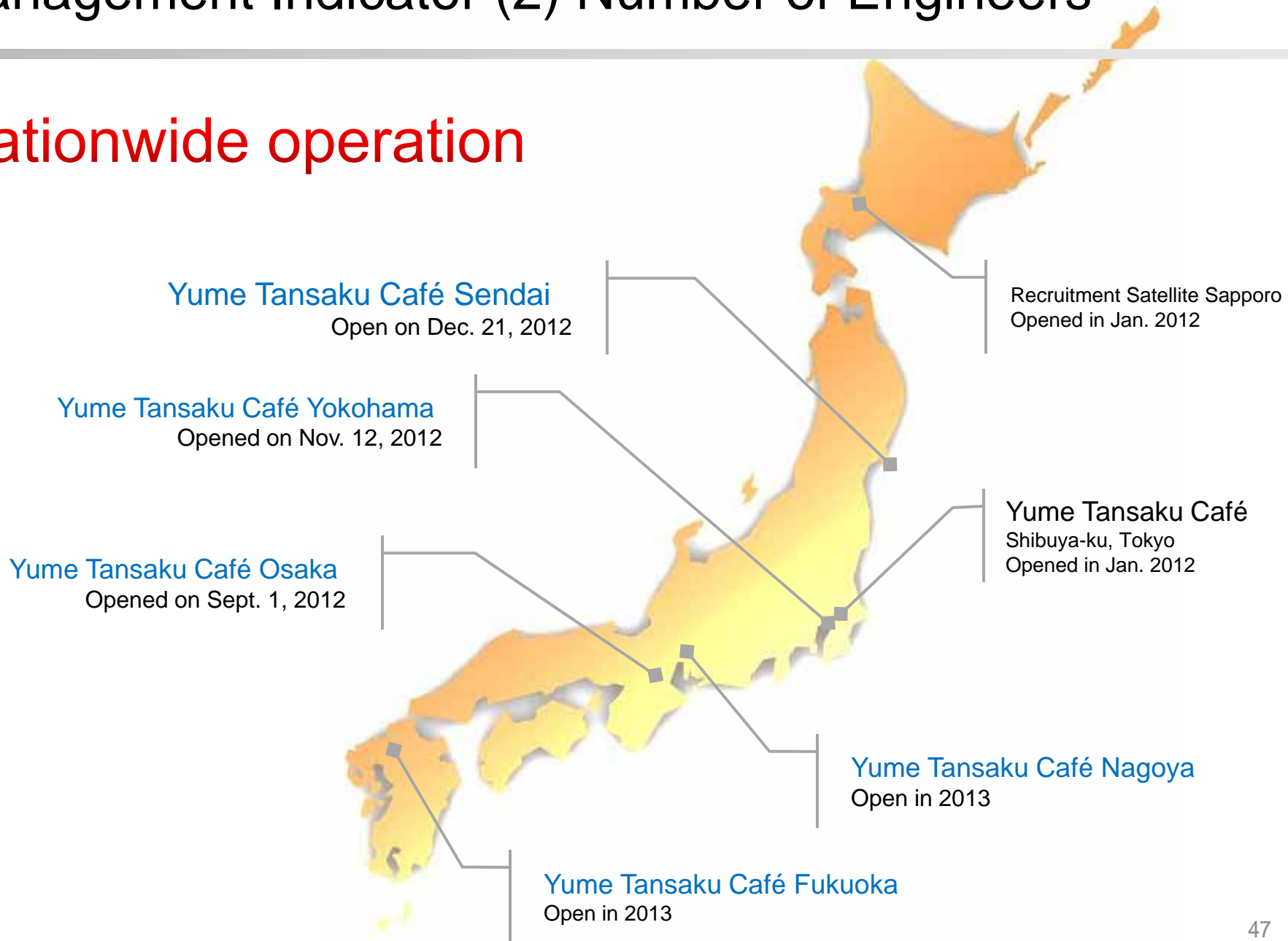
Management Indicator (1) Number of Engineers



Number of engineers at the end of month

Management Indicator (2) Number of Engineers

Nationwide operation



Consolidated Business Forecasts

(Million yen)

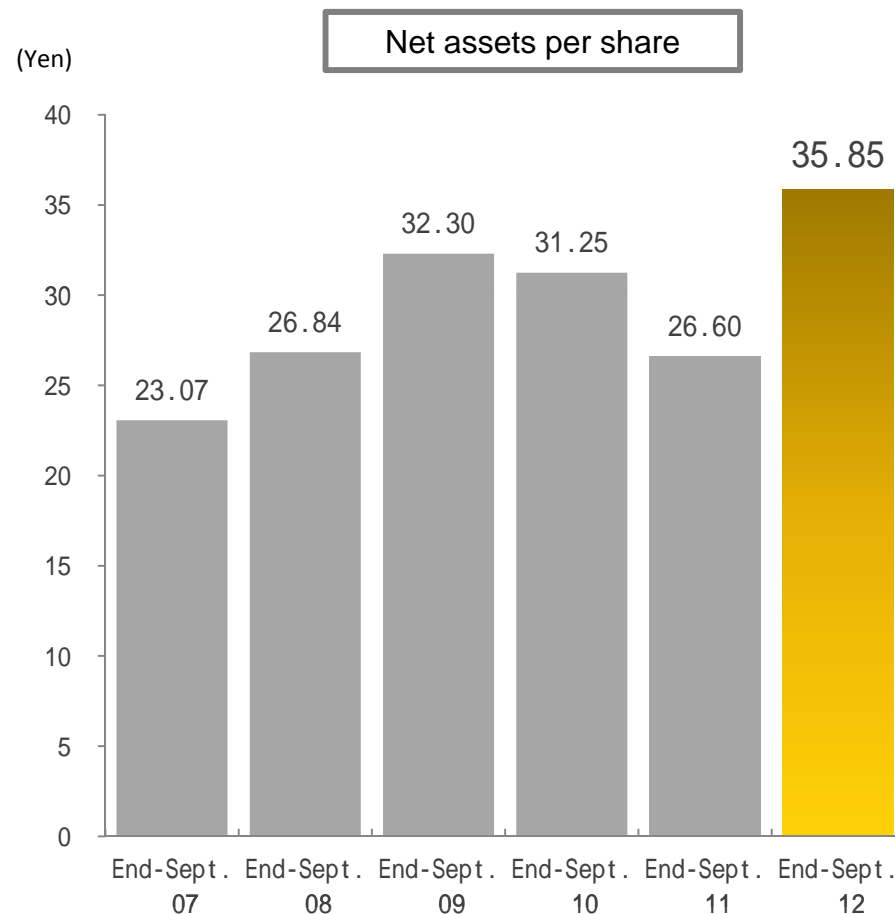
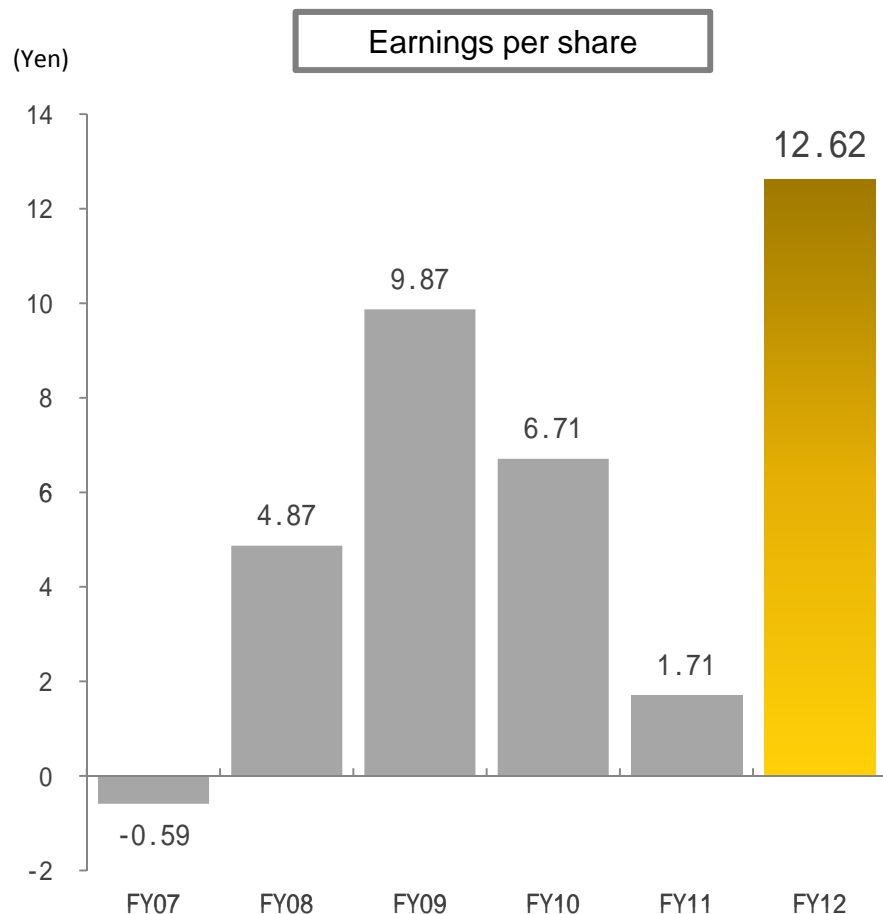
	2 nd quarter			Full-year		
	FY12 Actual	FY13 Forecast	Pct. change	FY12 Actual	FY13 Forecast	Pct. change
Sales	5,432	6,400	17.8%	10,982	13,500	22.9%
Operating income	594	950	59.8%	1,194	2,100	75.8%
Ordinary income	638	970	51.9%	1,295	2,200	69.8%
Net income	393	550	39.7%	738	1,300	76.0%

Shareholder Return

2016-2017 KERN

Earnings Per Share/Net Assets

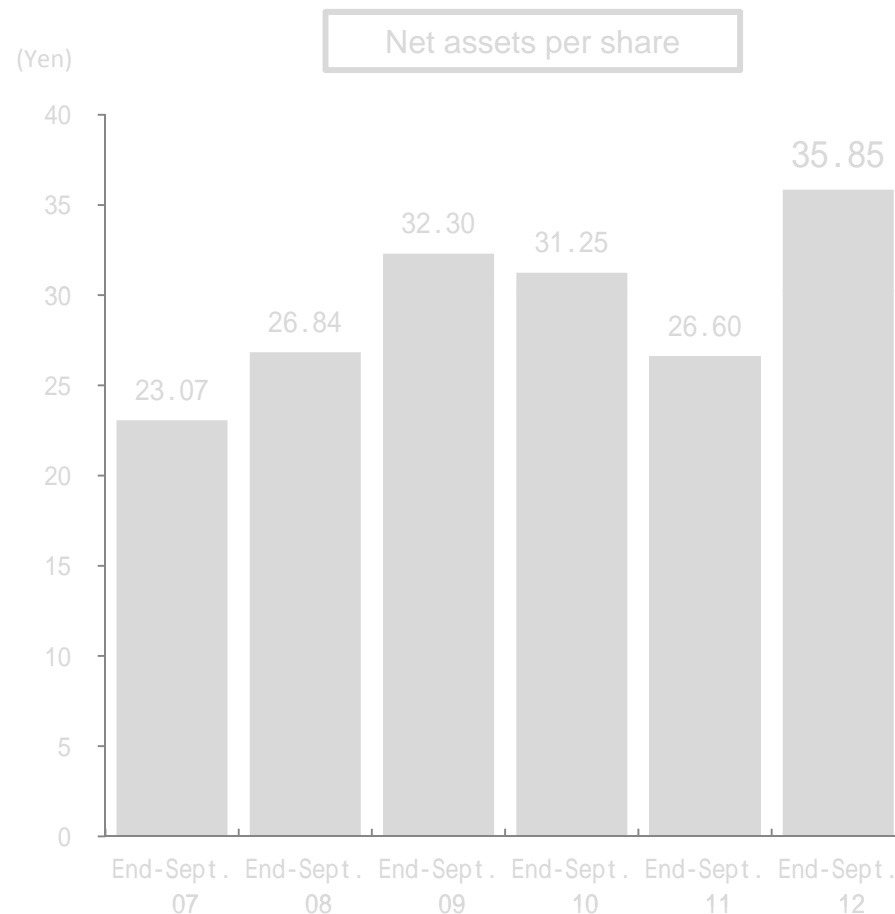
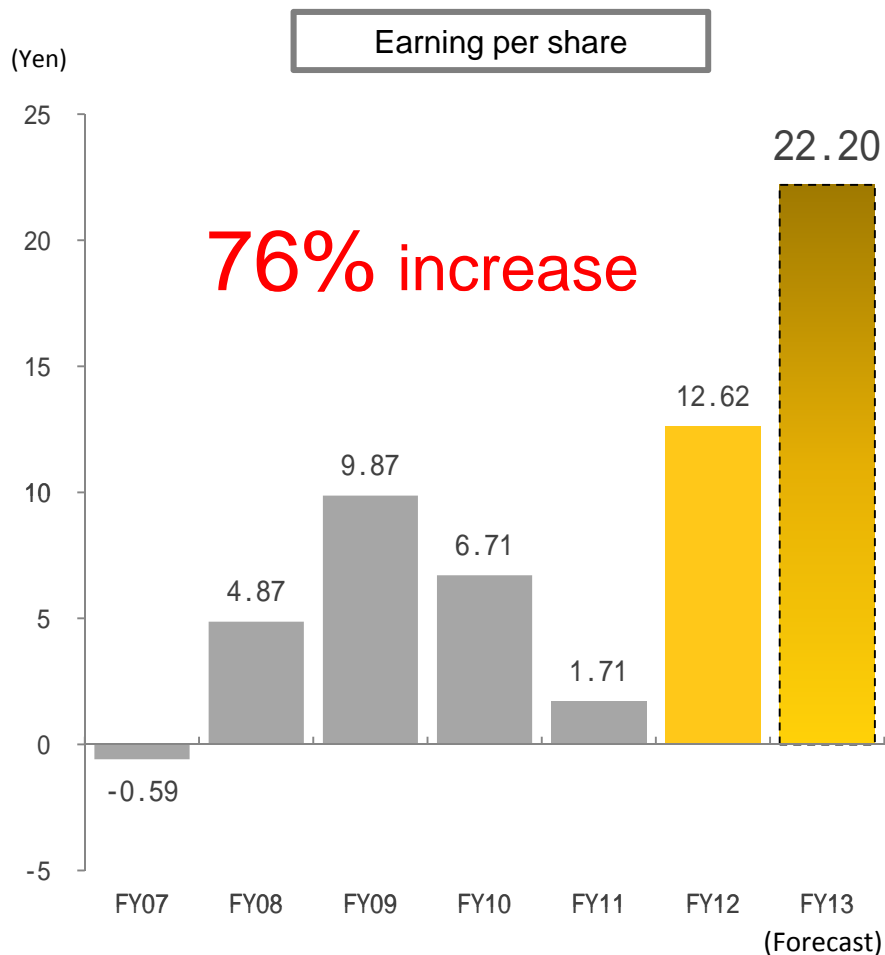
Both net income and net assets to growth phase



1. $EPS = \text{Net income} \div (\text{Shares outstanding} - \text{Treasury stock}) \times 100$
2. $EPS = \text{Shareholders' equity} \div (\text{Shares outstanding} - \text{Treasury stock at end of year}) \times 100$
3. $\text{Shareholders' equity} = \text{Net assets} - \text{Minority interest} - \text{Share warrant}$

Earnings Per Share and Net Assets

Both net income and net assets to growth phase



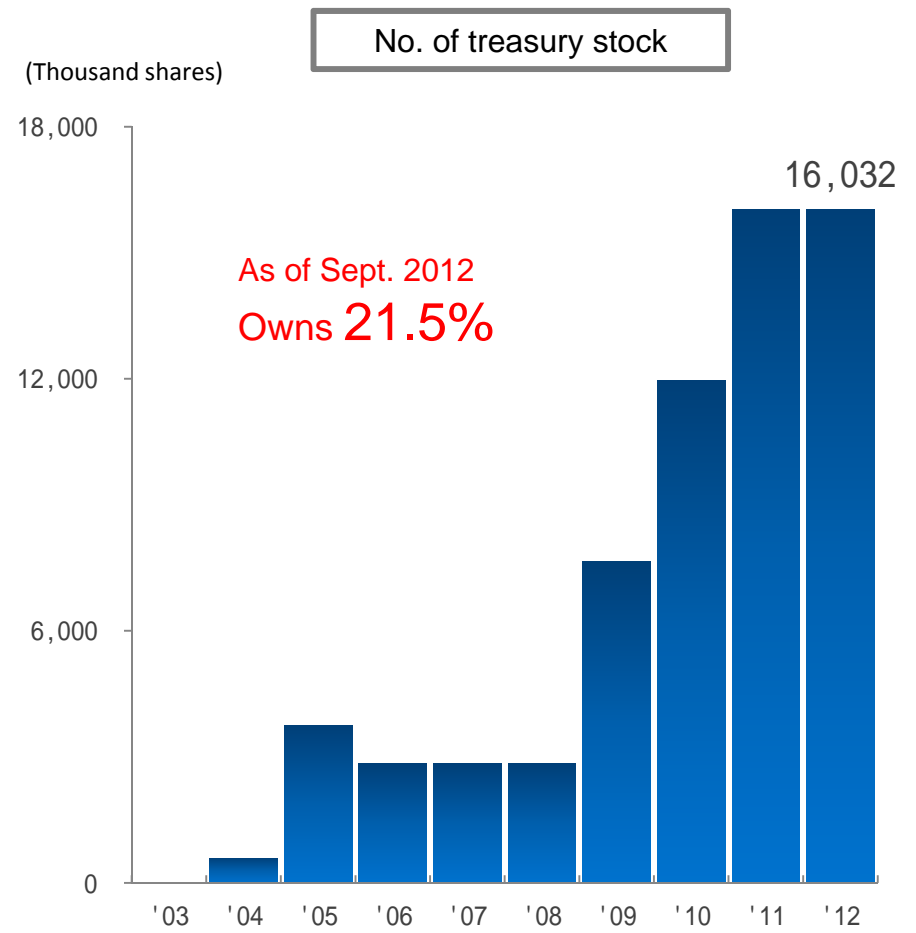
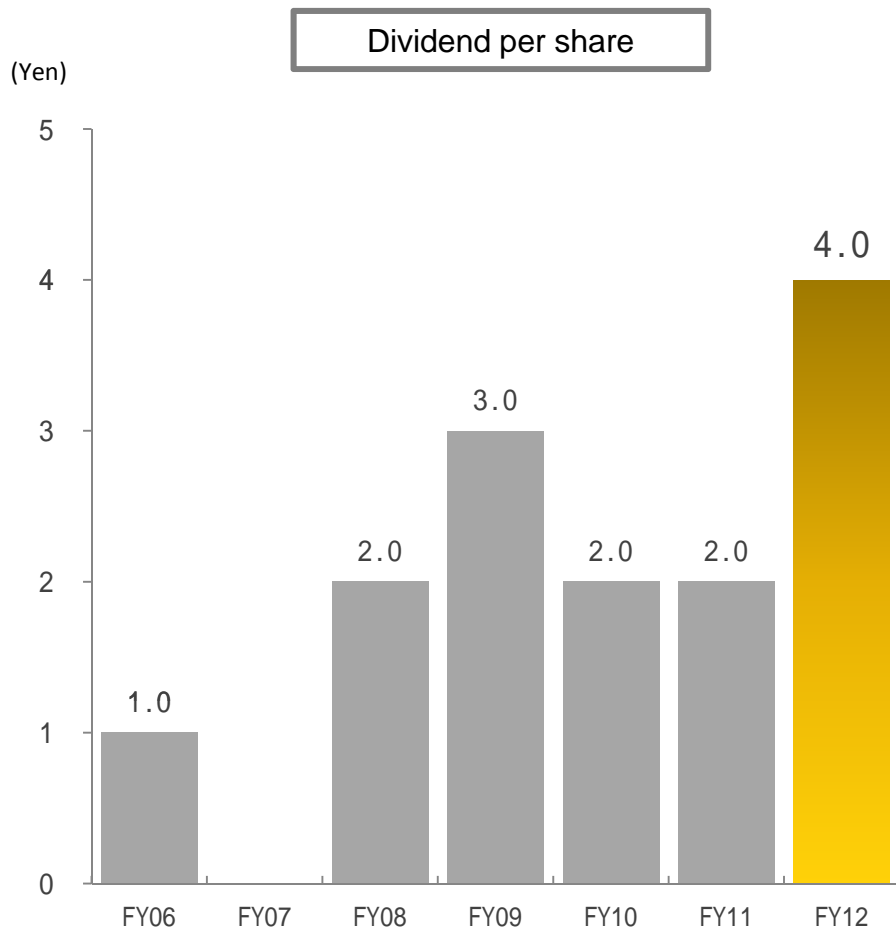
1. $EPS = \frac{\text{Net income}}{\text{Shares outstanding} - \text{Treasury stock}} \times 100$

2. $EPS = \frac{\text{Shareholders' equity}}{\text{Shares outstanding} - \text{Treasury stock at end of year}} \times 100$

3. $\text{Shareholders' equity} = \text{Net assets} - \text{Minority interest} - \text{Share warrant}$

Dividends and Treasury Stock

Performance-linked profit allocation and flexible acquisition of treasury stock

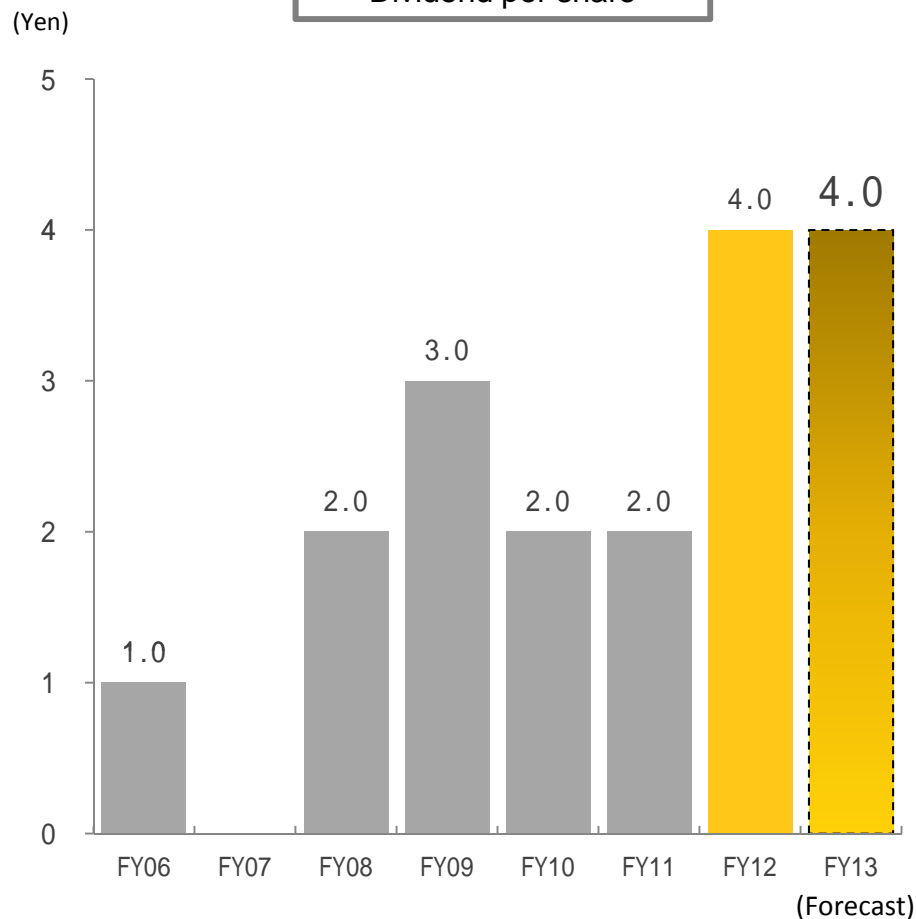


Ratio of treasury stock owned is calculated based on 74,573,440 shares.

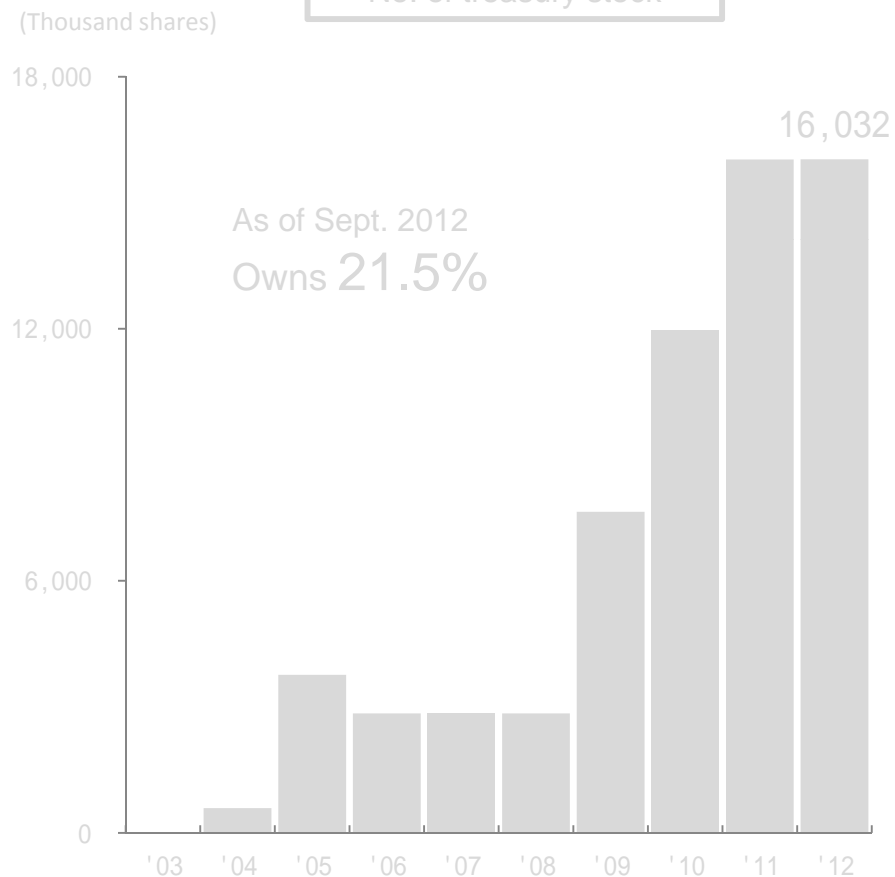
Dividends and Treasury Stock

Performance-linked profit allocation and flexible acquisition of treasury stock

Dividend per share



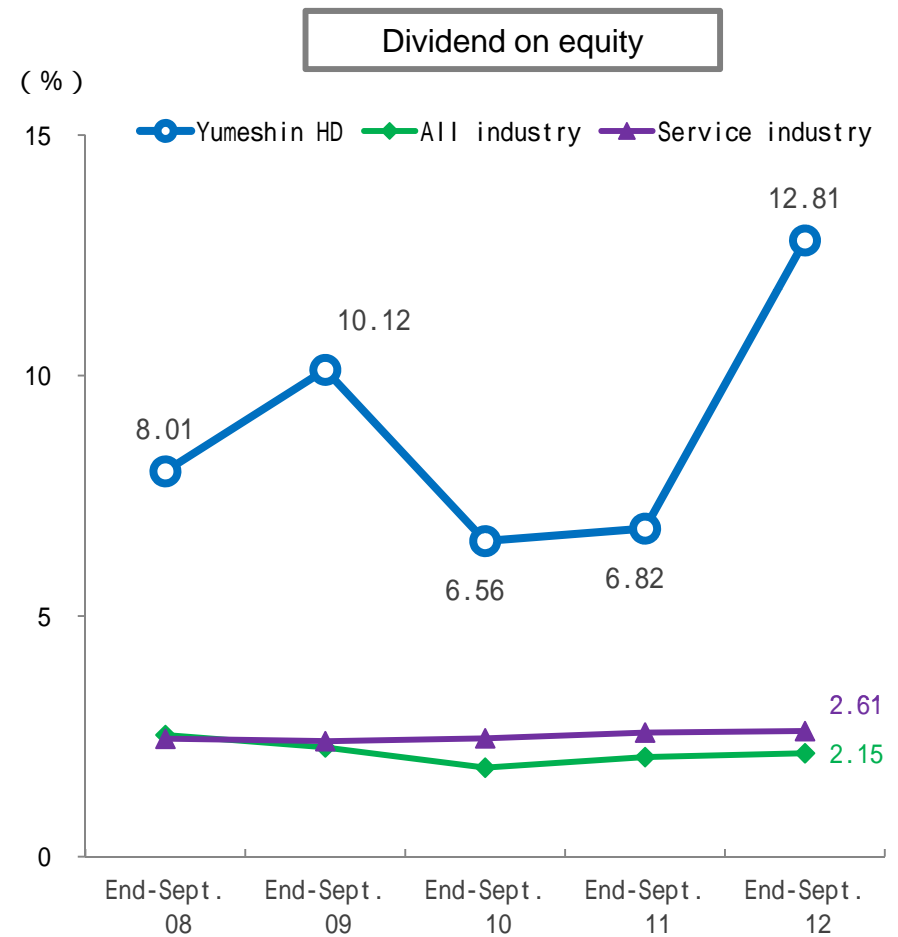
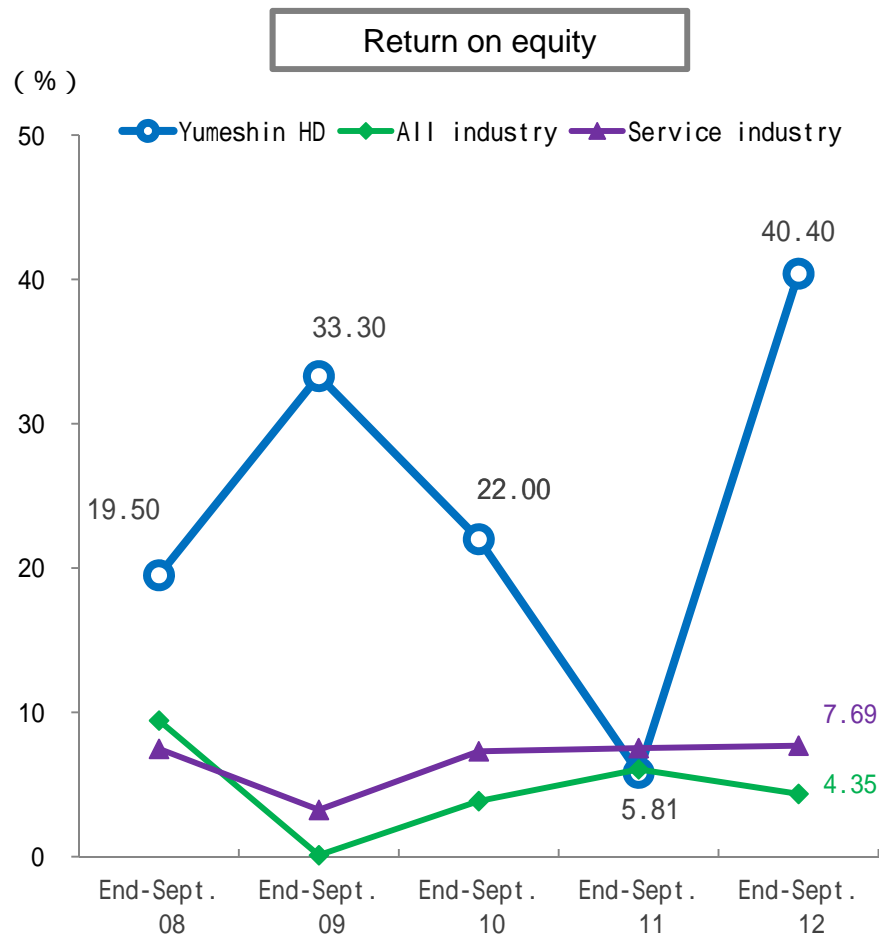
No. of treasury stock



Ratio of treasury stock owned is calculated based on 74,573,440 shares.

Return on Equity and Dividend on Equity

High capital efficiency compared with all industry and service industry



1. ROE= Net income ÷ Shareholders' equity (average during period) × 100
2. DOE= Dividend payout ratio × ROE
3. All industry and service industry belong to TSE 1st section



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Disclaimer

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JASDAQ

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