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7059

COPRO-Holdings

Company Name

COPRO-Holdings Co., Ltd.

Head Office

3-25-1, Nishiki, Naka-ku, Nagoya, Aichi

Listed On

Tokyo Stock Exchange, Prime Market

Fiscal Year-End

Mar

Established

2006-10-02

Exchange Listing

2019-03-19

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Research Coverage Report by **Shared Research Inc.**

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Executive summary

Business overview

Copro-Holdings Co., Ltd. (TSE Prime: 7059) primarily dispatches construction technicians to construction sites, as well as technicians to semiconductor fabrication plants and other manufacturing facilities. According to the company, Copro ranks second in Japan's construction technician dispatch industry by construction technician headcount. Dispatched technicians are responsible for practical construction management and serve as intermediaries between construction company supervisors and tradesmen performing on-site or subcontract work. As construction management personnel, Copro's employees oversee site operations, budgeting, safety, and administrative tasks, including paperwork for government agencies. Japan's Construction Business Act mandates that site supervisors must be employees of construction companies. However, Japan is facing a shortage of construction managers, who support these supervisors. In addition, the Act on Securing the Proper Operation of Worker Dispatching Businesses and Protecting Dispatched Workers prohibits the dispatch of tradesmen to perform actual construction work.

In FY03/26, Copro reported revenue of JPY36.7bn (+22.1% YoY) and operating profit of JPY3.6bn (+31.4% YoY). From FY03/18, the year before the company's public listing, through FY03/26, revenue grew at a CAGR of 19.3%, while operating profit grew at a CAGR of 19.1%. Increased demand for temporary technical personnel, fueled by labor shortages at construction sites as well as in semiconductor fabrication and other manufacturing plants, has driven Copro's earnings growth. The company operates in a single segment, Technician Dispatch, but discloses business performance in two categories: **construction technician dispatch** provided by Copro Construction Co., Ltd. and TRYT Engineering Inc., which Copro made a subsidiary in March 2026; and **mechanical, electrical, and semiconductor technician dispatch and contract work** provided by Copro Technology Co., Ltd.

In the technician dispatch business, revenue depends on the number of technicians dispatched (technician headcount × utilization rate) and the average contract rate per technician (fees paid by clients to the company). In **construction technician dispatch**, technicians available for dispatch totaled 7,220 at end-FY03/26 (+65.9% YoY, including 2,364 added through acquisition), the average utilization rate during the year was 92.3% (-1.5pp YoY), and average revenue per head during the year (average monthly revenue per technician) was JPY591,000 (+1.4% YoY). Of the 7,220 technicians in the construction technician dispatch business at end-FY03/26, 4,542 were on permanent contracts (+1,044 YoY), while 2,678 were on fixed-term contracts (+1,824 YoY). Technicians on permanent contracts fall under the permanent employee dispatch model*, which means they continue to receive wages even when they are not assigned to construction sites due to a lack of work. Copro provides proprietary training and works to improve retention, which supports higher contract rates as employees build proficiency, particularly from their third year onward. As of end-FY03/26, permanent employees accounted for 62.9% of technicians in the construction technician dispatch business, compared with 80.4% as of end-FY03/25. The decline reflected the consolidation of TRYT Engineering, where many experienced hires are on fixed-term contracts.

*Under the registered dispatch model, unlike the permanent employee dispatch model, the dispatching company enters into an employment contract with a worker only when a client submits a specific job request. When no such request exists, the worker does not receive any wages.

Due to a shortage of technical personnel at construction sites, demand for technician dispatching services within the construction industry exceeds supply. Accordingly, the main constraint on business growth for Copro and other construction technician dispatch companies is whether they can secure enough construction technicians for dispatch. To strengthen recruitment, Copro places ads on third-party job sites and operates its own recruitment site for the construction industry, Bscareer Construction. By making TRYT Engineering, which also recruits experienced personnel through its own website, a subsidiary, Copro is building digital marketing expertise while securing technicians.

Copro Construction focuses dispatch destinations on existing key clients, including the five major "super general contractors" such as Obayashi Corporation (TSE Prime: 1802), large general contractors, and major subcontractors. It aims to maintain a placement ratio of around 90% with these target companies. The company also uses team- and set-based dispatching models, assigning multiple technicians with different levels of experience to the same site. Through this approach, it aims to foster a stronger sense of belonging and collaboration among technicians, thereby improving

retention and sales efficiency. In Q4 FY03/26, technicians dispatched to target companies accounted for 90.4% of the total headcount, maintaining the target level (89.4% in FY03/25). The contract renewal rate was 78.4% (80.6% in FY03/25).

In FY03/26, Copro Construction had 509 clients (511 in FY03/25), and revenue per client was JPY62mn (JPY56mn in FY03/25). Copro Construction targets major general contractors in the Tokyo, Nagoya, and Osaka metropolitan areas, working to receive multiple orders from each client and dispatch multiple technicians to each site. According to Copro, TRYT Engineering, which it made a subsidiary in March 2026, has 3,600 clients and dispatches construction technicians to customers including medium-sized regional construction companies. Copro believes the two companies have little overlap in their client bases and business areas, and complement each other.

Cost of revenue includes wages and social insurance premiums for dispatched technicians. For client projects, Copro places technicians whose contract rates allow it to achieve a GPM of about 30%. As a result, GPM stayed at around 30% from FY03/18 to FY03/26. In FY03/26, GPM at Copro Construction was 29.1% (+0.4pp YoY).

Mechanical, electrical, and semiconductor technician dispatch and contract work is a business Copro added as part of its strategy to expand through M&A. The company aims to apply the technician dispatch expertise it developed in construction technician dispatch to other fields, and believes the group can grow by deploying its strengths in sales, recruitment, retention, and contract renewals outside the construction industry. Copro acquired Atmos Co., Ltd., which operates a mechanical, electrical, and semiconductor technician dispatch and contract work business, in April 2021, and Value Ark Consulting Co., Ltd., which operates an IT technician dispatch business, in September 2021, integrating both businesses under Copro Technology. In FY03/26, Copro Technology reported revenue of JPY3.7bn (+12.0% YoY) and an operating loss of JPY7mn (operating loss of JPY47mn in FY03/25). Copro sold the IT technician dispatch business in March 2026.

Amid Japan's declining birthrate and aging population, Copro is looking to attract workers from the ASEAN region. Its subsidiary in Vietnam, established in April 2021, will be working with local universities to recruit and train new workers. The company plans to expand into temporary staffing and job placement services for Japanese general contractors and other organizations operating in Vietnam. The company is also considering expanding its business into other ASEAN member states.

Industry peers include Open Up Group Inc. (TSE Prime: 2154), TechnoPro Holdings, Inc. (TSE Prime: 6028; delisted on December 9, 2025), Outsourcing Inc. (TSE Prime: 2427; delisted on June 6, 2024), and Nareru Group Inc. (TSE Growth: 9163). The industry has seen consolidation, including the April 2021 merger of BeNEXT Group Inc. and Yumeshin Holdings Co., Ltd. to form Open Up Group Inc. Copro also made TRYT Engineering a subsidiary in March 2026.

Earnings trends

In FY03/26, Copro reported revenue of JPY36.7bn (+22.1% YoY), operating profit of JPY3.6bn (+31.4% YoY), recurring profit of JPY3.7bn (+31.6% YoY), and net income attributable to owners of the parent of JPY2.9bn (+58.2% YoY). Revenue and all profit categories reached record highs. Following the consolidation of TRYT Engineering Inc. in March 2026, the number of technicians across the group increased 62.9% YoY to 7,629. In both construction technician dispatch and mechanical, electrical, and semiconductor technician dispatch and contract work, the number of hires fell short of initial targets, while the offer acceptance rate declined. As a result, the company views improving recruitment efficiency as a key issue, through measures such as a fundamental review of the selection process, improved matching accuracy, and a higher offer acceptance rate. The company also carved out the IT technician dispatch business.

For FY03/27, Copro forecasts revenue of JPY57.0bn (+55.5% YoY), operating profit of JPY3.0bn (-17.4% YoY), recurring profit of JPY2.6bn (-30.4% YoY), and net income attributable to owners of the parent of JPY1.7bn (-42.4% YoY). The company expects non-GAAP operating profit (operating profit before amortization) to increase 30.8% YoY to JPY5.5bn. It forecasts the number of technicians across the group at end-FY03/27 to reach 8,389 (+10.0% YoY), supporting revenue growth.

Copro had announced a medium-term management plan ending in FY03/27. However, partly due to the acquisition of TRYT Engineering Inc., the FY03/27 forecast announced with the FY03/26 results exceeds the targets in the current medium-term management plan. As its longer-term growth vision, the company targets FY03/30 revenue of JPY100.0bn and operating profit of JPY10.0bn. The FY03/30 targets break down as follows: deeper penetration of the construction technician dispatch market, with revenue of JPY60.0bn and operating profit of JPY6.0bn; expansion of plant technician dispatch, with revenue of JPY20.0bn and operating profit of JPY2.0bn; expansion of global operations, with revenue of

JPY10.0bn and operating profit of JPY1.0bn; and exploration of M&A and new business opportunities, with revenue of JPY10.0bn and operating profit of JPY1.0bn.

Strengths and weaknesses

Shared Research views the following attributes as Copro's strengths.

- ▶ By focusing on direct hiring, the company has kept its hiring cost per technician low.
- ▶ Compared with industry peers, the company has maintained a low turnover rate, an important driver of revenue growth.
- ▶ The company has achieved strong revenue growth through a top-down strategy and coordinated organizational execution.

Conversely, Shared Research sees the following attributes as weaknesses.

- ▶ Although labor shortages in Japan make overseas personnel essential, the company has been slower than competitors in developing its overseas business, reflecting its relatively short history in the industry.
- ▶ The company acquired a mechanical design technician dispatch firm and opened a training center, but larger competitors remain ahead in areas such as client proposals and training systems.
- ▶ Because the company does not provide bonuses to dispatched technicians under its contracts, its margin rates are lower than those of competitors.

For details, see the "Strengths and weaknesses" section below.

Key financial data

Income statement	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26	FY03/27
(JPYmn)	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Company forecast
Revenue	8,963	10,819	13,123	14,837	15,589	18,791	24,098	30,015	36,662	57,000
YoY	16.4%	20.7%	21.3%	13.1%	5.1%	20.5%	28.2%	24.6%	22.1%	55.5%
Gross profit	2,825	3,625	4,376	4,298	4,845	5,575	6,774	8,309	10,361	18,000
YoY	16.8%	28.3%	20.7%	-1.8%	12.7%	15.1%	21.5%	22.6%	24.7%	73.7%
Gross profit margin	31.5%	33.5%	33.3%	29.0%	31.1%	29.7%	28.1%	27.7%	28.3%	31.6%
Operating profit	895	1,345	1,593	1,438	1,621	1,322	2,142	2,764	3,633	3,000
YoY	-1.6%	50.3%	18.4%	-9.7%	12.8%	-18.5%	62.0%	29.1%	31.4%	-17.4%
Operating profit margin	10.0%	12.4%	12.1%	9.7%	10.4%	7.0%	8.9%	9.2%	9.9%	5.3%
Recurring profit	885	1,337	1,585	1,440	1,620	1,324	2,212	2,784	3,665	2,550
YoY	-1.8%	51.1%	18.6%	-9.2%	12.5%	-18.2%	67.0%	25.9%	31.6%	-30.4%
Recurring profit margin	9.9%	12.4%	12.1%	9.7%	10.4%	7.0%	9.2%	9.3%	10.0%	4.5%
Net income attributable to owners of the parent	608	939	1,084	1,009	963	865	1,463	1,821	2,880	1,658
YoY	12.4%	54.4%	15.5%	-6.9%	-4.6%	-10.2%	69.3%	24.4%	58.2%	-42.4%
Net margin	6.8%	8.7%	8.3%	6.8%	6.2%	4.6%	6.1%	6.1%	7.9%	2.9%
Per-share data (split-adjusted; JPY)										
Shares issued (year-end; '000)	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
EPS (JPY)	18.54	28.44	28.77	26.69	25.53	23.27	38.84	47.73	75.35	43.25
EPS (fully diluted; JPY)	-	27.81	28.19	26.18	25.21	23.02	37.20	47.09	74.64	
Dividend per share (JPY)	3.75	5.25	7.50	9.38	10.00	12.50	25.00	30.00	40.00	45.00
Book value per share (JPY)	82.44	124.54	145.52	164.14	176.06	189.42	211.16	216.67	258.11	
Balance sheet (JPYmn)										
Cash and cash equivalents	2,931	4,761	4,832	5,321	4,058	4,407	5,949	6,191	8,865	
Total current assets	4,394	6,486	6,898	7,408	6,748	7,752	9,890	10,778	16,820	
Tangible fixed assets	364	389	372	357	407	584	586	598	1,162	
Investments and other assets	544	524	648	589	687	672	600	811	1,287	
Intangible assets	92	75	113	161	999	988	1,075	870	28,202	
Total assets	5,394	7,475	8,031	8,514	8,841	9,995	12,151	13,057	47,471	
Short-term debt	267	270	186	85	-	-	-	-	29,253	
Total current liabilities	1,741	2,105	2,380	2,163	2,166	2,717	3,849	4,427	36,898	
Long-term debt	859	600	86	4	24	31	35	40	68	
Total non-current liabilities	949	677	163	79	101	166	185	230	648	
Total liabilities	2,690	2,782	2,543	2,242	2,266	2,883	4,034	4,658	37,546	
Shareholders' equity	2,704	4,693	5,488	6,272	6,539	7,041	8,059	8,252	9,892	
Total net assets	2,704	4,693	5,488	6,272	6,575	7,112	8,116	8,400	9,925	
Total liabilities and net assets	5,394	7,475	8,031	8,514	8,841	9,995	12,151	13,057	47,471	
Total interest-bearing debt	1,126	869	273	89	24	31	35	40	29,322	
Cash flow statement (JPYmn)										
Cash flows from operating activities	753	1,165	1,126	989	825	1,011	2,328	2,233	4,283	
Cash flows from investing activities	46	-123	-145	-83	-1,264	-292	-322	-351	-28,368	
Cash flows from financing activities	-731	761	-885	-417	-825	-372	-465	-1,644	27,977	
Financial ratios										
ROA (RP-based)	16.8%	20.8%	20.4%	17.4%	18.7%	14.1%	20.0%	22.1%	12.1%	
ROE	24.9%	25.4%	21.3%	17.2%	15.0%	12.7%	19.4%	22.3%	31.7%	
Equity ratio	50.1%	62.8%	68.3%	73.7%	74.0%	70.4%	66.3%	63.2%	20.8%	
Total asset turnover	169.8%	168.1%	169.3%	179.3%	179.6%	199.5%	217.6%	238.1%	121.1%	
Net margin	6.8%	8.7%	8.3%	6.8%	6.2%	4.6%	6.1%	6.1%	7.9%	

Source: Shared Research based on company materials

Notes: The company was listed on March 19, 2019.

The company conducted 2-for-1 splits of its common shares on April 1, 2021, October 1, 2023, and October 1, 2025.

Recent updates

Technicians on staff, dispatched technicians, and utilization rates (May 2026)

2026-06-15

Copro-Holdings Co., Ltd. released data as of end-May 2026 on the number of technicians on staff, the number of technicians dispatched, and utilization rates, as shown below. From April 2026, for construction technician dispatch, the company discloses the combined number of construction technicians at Copro Construction Co., Ltd. and TRYT Engineering Inc. For mechanical, electrical, and semiconductor technician dispatch and contract work, the figure continues to represent the number of technicians at Copro Technology Co., Ltd. as before. The number of technicians in IT technician dispatch (the systems engineering services business) at Copro Technology Co., Ltd., which the company disclosed through February 2026, is no longer included because the company sold the business in March 2026.

(Click [here](#) for the company's press release)

Group total

	2026										2027			Latest monthly data	
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YoY	MoM	
No. of technicians on staff	7,760	7,816											+2,655	+56	
No. of technicians dispatched	7,137	7,361											+2,587	+224	
Utilization rate	92.0%	94.2%											+1.7%pt	+2.2%pt	
Utilization rate (excluding technicians in training)	94.8%	94.7%											+1.1%pt	-0.1%pt	

	2025										2026			Latest monthly data	
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YoY	MoM	
No. of technicians on staff	5,083	5,161	5,184	5,222	5,318	5,402	5,433	5,438	5,422	5,406	5,412	7,629	+2,768	+2,217	
No. of technicians dispatched	4,598	4,774	4,819	4,823	4,912	4,937	5,000	5,018	5,026	5,006	5,041	7,194	+2,613	+2,153	
Utilization rate	90.5%	92.5%	93.0%	92.4%	92.4%	91.4%	92.0%	92.3%	92.7%	92.6%	93.1%	94.3%	+0.1%pt	+1.2%pt	
Utilization rate (excluding technicians in training)	94.0%	93.6%	94.0%	93.4%	93.9%	92.6%	93.5%	93.3%	93.1%	93.3%	93.9%	94.7%	-0.5%pt	+0.8%pt	

Note: Total for construction technician dispatch and mechanical, electrical, and semiconductor technician dispatch and contract work

Construction technician dispatch

	2026										2027			Latest monthly data	
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YoY	MoM	
No. of technicians on staff	7,317	7,365											+2,726	+48	
No. of technicians dispatched	6,765	6,968											+2,676	+203	
Utilization rate	92.5%	94.6%											+2.1%pt	+2.1%pt	
Utilization rate (excluding technicians in training)	94.8%	94.9%											+1.3%pt	+0.1%pt	

	2025										2026			Latest monthly data	
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YoY	MoM	
No. of technicians on staff	4,565	4,639	4,664	4,699	4,799	4,885	4,923	4,928	4,904	4,881	4,873	7,220	+2,868	+2,347	
No. of technicians dispatched	4,132	4,292	4,333	4,337	4,425	4,454	4,530	4,533	4,530	4,521	4,549	6,824	+2,725	+2,275	
Utilization rate	90.5%	92.5%	92.9%	92.3%	92.2%	91.2%	92.0%	92.0%	92.4%	92.6%	93.4%	94.5%	+0.3%pt	+1.1%pt	
Utilization rate (excluding technicians in training)	93.8%	93.6%	93.9%	93.3%	93.8%	92.3%	93.3%	93.0%	92.8%	93.0%	93.9%	94.8%	-0.3%pt	+0.9%pt	

Note: Total for construction technician dispatch at Copro Construction Co., Ltd. and TRYT Engineering Inc.

Mechanical, electrical, and semiconductor technician dispatch and contract work

	2026										2027			Latest monthly data	
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YoY	MoM	
No. of technicians on staff	443	451											+95	+8	
No. of technicians dispatched	372	393											+70	+21	
Utilization rate	84.0%	87.1%											-3.6%pt	+3.1%pt	
Utilization rate (excluding technicians in training)	95.6%	89.7%											-2.6%pt	-5.9%pt	

	2025										2026			Latest monthly data	
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YoY	MoM	
No. of technicians on staff	352	356	360	365	362	363	370	369	371	384	401	409	+77	+8	
No. of technicians dispatched	313	323	335	335	337	336	337	347	353	352	357	370	+64	+13	
Utilization rate	88.9%	90.7%	93.1%	91.8%	93.1%	92.6%	91.1%	94.0%	95.1%	91.7%	89.0%	90.5%	-1.7%pt	+1.5%pt	
Utilization rate (excluding technicians in training)	96.6%	92.3%	94.4%	94.4%	94.9%	94.6%	95.5%	95.6%	96.4%	95.9%	92.7%	93.4%	-1.3%pt	+0.7%pt	

Notes: Copro made TRYT Engineering Inc., a construction technician dispatch company, a consolidated subsidiary in March 2026 and included it in the aggregation scope.

Copro sold the systems engineering services business of Copro Technology Co., Ltd. in March 2026 and excluded that business from the aggregation scope.

Source: Shared Research based on company materials

Trends and outlook

Quarterly trends and results

Earnings (cumulative)		FY03/25				FY03/26				FY03/26	
(JPYmn)		Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4	(% of forecast)	FY forecast
Revenue		6,871	14,228	22,026	30,015	8,298	16,981	25,999	36,662	96.5%	38,000
YoY		27.1%	27.7%	25.9%	24.6%	20.8%	19.3%	18.0%	22.1%		26.6%
Gross profit		1,799	3,837	6,061	8,309	2,230	4,644	7,216	10,361	94.9%	10,921
YoY		24.8%	25.2%	24.2%	22.6%	23.9%	21.0%	19.1%	24.7%		31.4%
Gross profit margin		26.2%	27.0%	27.5%	27.7%	26.9%	27.3%	27.8%	28.3%		28.7%
SG&A expenses		1,381	2,600	3,913	5,545	1,611	3,163	4,767	6,729	94.5%	7,121
YoY		14.6%	11.7%	12.6%	19.7%	16.7%	21.7%	21.8%	21.4%		28.4%
SG&A ratio		20.1%	18.3%	17.8%	18.5%	19.4%	18.6%	18.3%	18.4%		18.7%
Operating profit		418	1,238	2,148	2,764	619	1,481	2,449	3,633	95.6%	3,800
YoY		77.2%	67.9%	52.8%	29.1%	48.0%	19.7%	14.0%	31.4%		37.5%
Operating profit margin		6.1%	8.7%	9.8%	9.2%	7.5%	8.7%	9.4%	9.9%		10.0%
Recurring profit		432	1,258	2,162	2,784	614	1,480	2,453	3,665	96.5%	3,800
YoY		40.2%	55.1%	46.0%	25.9%	42.0%	17.7%	13.5%	31.6%		36.5%
Recurring profit margin		6.3%	8.8%	9.8%	9.3%	7.4%	8.7%	9.4%	10.0%		10.0%
Net income attributable to owners of the parent		266	798	1,374	1,821	380	936	1,538	2,880	116.6%	2,470
YoY		39.0%	56.4%	46.7%	24.4%	42.9%	17.3%	11.9%	58.2%		35.7%
Net margin		3.9%	5.6%	6.2%	6.1%	4.6%	5.5%	5.9%	7.9%		6.5%
Earnings (quarterly)		FY03/25				FY03/26					
(JPYmn)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Revenue		6,871	7,357	7,798	7,990	8,298	8,683	9,018	10,663		
YoY		27.1%	28.4%	22.6%	21.0%	20.8%	18.0%	15.7%	33.5%		
Gross profit		1,799	2,038	2,224	2,247	2,230	2,414	2,572	3,145		
YoY		24.8%	25.5%	22.5%	18.7%	23.9%	18.4%	15.7%	39.9%		
Gross profit margin		26.2%	27.7%	28.5%	28.1%	26.9%	27.8%	28.5%	29.5%		
SG&A expenses		1,381	1,219	1,314	1,632	1,611	1,552	1,604	1,962		
YoY		14.6%	8.5%	14.6%	40.8%	16.7%	27.3%	22.1%	20.2%		
SG&A ratio		20.1%	16.6%	16.8%	20.4%	19.4%	17.9%	17.8%	18.4%		
Operating profit		418	819	911	616	619	862	968	1,183		
YoY		77.2%	63.5%	36.1%	-16.3%	48.0%	5.2%	6.3%	92.2%		
Operating profit margin		6.1%	11.1%	11.7%	7.7%	7.5%	9.9%	10.7%	11.1%		
Recurring profit		432	825	904	622	614	866	973	1,212		
YoY		40.2%	64.2%	35.0%	-14.9%	42.0%	5.0%	7.6%	94.8%		
Recurring profit margin		6.3%	11.2%	11.6%	7.8%	7.4%	10.0%	10.8%	11.4%		
Net income attributable to owners of the parent		266	532	577	446	380	556	602	1,342		
YoY		39.0%	66.7%	35.2%	-15.3%	42.9%	4.6%	4.4%	200.7%		
Net margin		3.9%	7.2%	7.4%	5.6%	4.6%	6.4%	6.7%	12.6%		

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

Construction technician dispatch

Hires and turnover		FY03/25				FY03/26				FY03/26	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	(% of forecast)	FY forecast
Number of hires		843	505	506	525	829	717	530	424	83.3%	3,000
New graduates		117	0	0	0	130	0	0	0		
Mid-career hires		726	505	506	525	699	717	530	424		
Number of turnovers		450	395	365	385	517	496	511	472	103.5%	1,928
Number of technicians at the end of the quarter		3,961	4,071	4,212	4,352	4,664	4,885	4,904	7,220	86.0%	5,424
Average utilization rate during the quarter (%)		91.2	93.7	95.3	94.7	92.0	91.9	92.1	93.1		94.6
Hiring cost per technician (excluding new graduates; JPY'000)		294	313	409	684	395	481	521			
Retention rate		FY03/25				FY03/26				FY03/26	
(%)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		FY forecast
Retention rate		89.8	91.2	92.0	91.9	90.0	90.8	90.6	91.1		
Retention rate (YTD)		89.4	82.8	77.3	72.7	90.0	82.8	76.3	70.9		73.8
Contract renewal rate		80.3	82.9	83.1	80.6	81.9	83.0	82.2	78.4		
Percentage of technicians dispatched to target companies		92.0	90.6	89.5	89.4	89.1	87.1	89.8	90.4		
Revenue per head		FY03/25				FY03/26					
(JPY'000/month)		Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4		
Revenue per head		585	583	583	582	578	586	589	591		
(Note) Revenue per head refers to the average monthly revenue per technician.											
Contract rate		FY03/25				FY03/26					

(JPY'000/month)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Contract rate by years of experience at the end of the quarter	527	523	526	529	524	539	543	547
1st year	439	434	441	444	438	454	458	467
2nd year	457	463	467	469	468	476	480	483
3rd year	↓	490	493	485	↓	497	500	506
4th–5th years (previously disclosed as 3rd–5th years)	523	541	535	530	501	539	538	533
6th–10th year	598	594	596	600	607	610	613	613
11th year or more	686	689	693	700	704	713	719	719
Revenue by region (cumulative)	FY03/25				FY03/26			
(JPYmn)	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4
Hokkaido	229	492	760	1,022	286	582	885	1,193
% of total	3.3%	3.5%	3.5%	3.4%	3.4%	3.4%	3.4%	3.3%
Tohoku	315	640	972	1,303	345	707	1,079	1,452
% of total	4.6%	4.5%	4.4%	4.3%	4.2%	4.2%	4.2%	4.0%
Kanto	2,710	5,670	8,813	12,053	3,410	7,088	11,005	15,007
% of total	39.4%	39.9%	40.0%	40.2%	41.1%	41.7%	42.3%	40.9%
Tokai and Hokuriku	1,062	2,189	3,335	4,507	1,228	2,503	3,802	5,068
% of total	15.5%	15.4%	15.1%	15.0%	14.8%	14.7%	14.6%	13.8%
Kansai	1,089	2,229	3,435	4,670	1,280	2,599	3,945	5,298
% of total	15.8%	15.7%	15.6%	15.6%	15.4%	15.3%	15.2%	14.5%
Chugoku and Shikoku	294	613	957	1,297	334	678	1,030	1,389
% of total	4.3%	4.3%	4.3%	4.3%	4.0%	4.0%	4.0%	3.8%
Kyushu	425	885	1,377	1,884	505	1,010	1,509	1,987
% of total	6.2%	6.2%	6.3%	6.3%	6.1%	5.9%	5.8%	5.4%
Revenue by industry (cumulative)	FY03/25				FY03/26			
(JPYmn)	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4
Construction	1,881	3,907	6,016	8,182	2,106	4,478	6,944	9,362
% of total	27.4%	27.5%	27.3%	27.3%	25.4%	26.4%	26.7%	25.5%
Civil engineering	862	1,793	2,767	3,737	937	1,970	3,066	4,167
% of total	12.5%	12.6%	12.6%	12.5%	11.3%	11.6%	11.8%	11.4%
Facilities construction	1,895	3,973	6,228	8,536	2,244	4,853	7,559	10,297
% of total	27.6%	27.9%	28.3%	28.4%	27.0%	28.6%	29.1%	28.1%
CAD operations	403	820	1,249	1,678	423	896	1,385	1,877
% of total	5.9%	5.8%	5.7%	5.6%	5.1%	5.3%	5.3%	5.1%
Plant construction	654	1,313	1,975	2,659	704	1,390	2,116	2,853
% of total	9.5%	9.2%	9.0%	8.9%	8.5%	8.2%	8.1%	7.8%
Construction administration	393	839	1,310	1,810	905	1,462	2,029	2,609
% of total	5.7%	5.9%	5.9%	6.0%	10.9%	8.6%	7.8%	7.1%
Staffing agency	35	68	101	131	69	117	153	225
% of total	0.5%	0.5%	0.5%	0.4%	0.8%	0.7%	0.6%	0.6%
Orders (cumulative)	FY03/25				FY03/26			
Number of orders	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4
Orders	9,994	23,727	37,463	63,431	18,396	37,462	55,639	70,635
YoY	0.4%	16.1%	22.6%	59.3%	84.1%	57.9%	48.5%	11.4%

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

The year-to-date (YTD) and last-twelve-months (LTM) retention rates, which were disclosed through FY03/25, are not included in the Q1 FY03/26 materials.

Mechanical, electrical, and semiconductor technician dispatch and contract work

Hires and turnover	FY03/25				FY03/26				FY03/26	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	(% of forecast)	FY forecast
Number of hires	36	59	52	45	49	37	38	60	62.0%	297
New graduates	15	0	0	0	17	0	0	0	81.0%	21
Mid-career hires	21	59	52	45	32	37	38	60	60.5%	276
Number of turnovers	18	27	15	23	21	34	30	22	102.9%	104
Number of technicians at the end of the quarter	241	273	310	332	360	363	371	409	68.6%	525
Average utilization rate during the quarter (%)	92.4	90.2	89.8	90.9	90.9	92.5	93.4	90.4		92.9
Retention rate	FY03/25				FY03/26				FY03/26	
(%)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	(% of forecast)	FY forecast
Retention rate	93.1	91.0	95.4	93.5	94.7	91.4	92.5	94.9		
Retention rate (YTD)	85.1	87.6	82.7	79.1	94.7	86.8	81.4	79.3		83.5
Contract renewal rate	85.6	80.6	89.3	85.5	88.0	87.8	90.0	89.6		
Technician dispatch and contract work	FY03/25				FY03/26					
(JPYmn)	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4		
Dispatched	261	546	855	1,230	419					
Contract work	143	293	457	611	151					
Mechanical and electrical technicians		751	1,102	1,463		746	1,149	1,501		
Semiconductor technicians		87	209	378		417	646	943		
Total revenue	404	839	1,312	1,842	570	1,164	1,796	2,444		
Revenue per head	FY03/25				FY03/26					
(JPY'000/month)	Q1	Q1-Q2	Q1-Q3	Q1-Q4	Q1	Q1-Q2	Q1-Q3	Q1-Q4		
Revenue per head			605	601			595	596		
Revenue per dispatched technician	606	598	565	561	577	573				
Hourly rate	FY03/25				FY03/26					
(JPY/hour)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Average hourly contract rate at the end of the quarter	3,546	3,427	3,360	3,388	3,571	3,568	3,570	3,348		

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

IT technician dispatch

Hires and turnover	FY03/25				FY03/26				FY03/26	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	(% of forecast)	FY forecast
Number of hires	32	27	44	37	22	33	21		30.8%	247
Number of turnovers	22	37	20	22	39	39	28		103.9%	102
Number of technicians at the end of the quarter	148	138	162	177	160	154	147		49.7%	322
Utilization rate at the end of the quarter (%)	97.8	99.3	98.4	98.6	94.1	95.5	96.7			98.7
Retention rate (%)	89.1	92.1	94.6	91.0	93.4	84.5	89.0			78.3

Source: Shared Research based on company materials

Note: The company sold the IT technician dispatch business during Q4 FY03/26.

Figures may differ from company materials due to differences in rounding methods.

Full-year FY03/26 results

Results summary

- Revenue: JPY36.7bn (+22.1% YoY; 96.5% of the full-year forecast)
- Operating profit: JPY3.6bn (+31.4% YoY; 95.6%)
- Recurring profit: JPY3.7bn (+31.6% YoY; 96.5%)
- Net income attributable to owners of the parent: JPY2.9bn (+58.2% YoY; 116.6%)

In FY03/26, Copro reported consolidated revenue of JPY36.7bn (+22.1% YoY), operating profit of JPY3.6bn (+31.4% YoY), recurring profit of JPY3.7bn (+31.6% YoY), and net income attributable to owners of the parent of JPY2.9bn (+58.2% YoY). Revenue and all profit categories reached record highs on a full-year consolidated basis. Revenue and operating profit reached 96.5% and 95.6% of their full-year targets, respectively.

Full-year GPM was 28.3%, up 0.6pp YoY. Although SG&A expenses increased 21.4% YoY due to continued strategic investment in technician recruitment, revenue growth and the improvement in GPM absorbed the increase, and the SG&A ratio declined 0.1pp YoY. As a result, operating profit rose 31.4% YoY, and OPM improved 0.7pp YoY to 9.9%.

The group had 7,629 technicians (+62.9% YoY). The consolidation of TRYT Engineering Inc. in March 2026 added 2,364 technicians. The group had 7,220 technicians in construction technician dispatch (+2,868 YoY, +65.9% YoY), including

technicians at TRYT Engineering. In construction technician dispatch, Copro hired 2,500 technicians, up 5.1% YoY, but this figure fell short of its initial target of 3,000. The company attributes the shortfall to a decline in the offer acceptance rate in 2H. It intends to fundamentally review its selection framework and optimize recruitment efficiency by improving matching accuracy and the offer acceptance rate.

In mechanical, electrical, and semiconductor technician dispatch and contract work, technician headcount increased to 409 (+77, +23.2% YoY). Copro hired 184 technicians, down 4.2% YoY, falling short of its initial target of 297. The company attributes the shortfall to lower recruitment efficiency through job advertisement media, caused by mismatches with the specialized skills and work conditions required by major clients. The company plans to shift the formation of its recruitment candidate pool, which serves as the foundation for hiring, mainly toward staffing agencies and improve its framework to reliably secure personnel aligned with target segments. At the same time, the company plans to increase the fulfillment rate for projects in key areas and at major clients while improving the offer acceptance rate and optimizing recruitment costs.

In IT technician dispatch, Copro decided to carve out the systems engineering services (SES) business and sold it to Japaniace Co., Ltd. (TSE Growth: 9558) through an absorption-type company split. The company aims to concentrate management resources on its core businesses—construction technician dispatch and mechanical, electrical, and semiconductor technician dispatch and contract work—to strengthen competitiveness and achieve sustainable growth.

The dividend per share for FY03/26 was JPY40.0 after adjusting for the stock split, representing a payout ratio of 53.1%.

Copro Construction

- Revenue: JPY31.4bn (+17.4% YoY)
- Gross profit: JPY9.1bn (+19.1% YoY)
- Operating profit: JPY4.9bn (+21.5% YoY)

At Copro Construction, operating profit increased 21.5% YoY, as revenue growth absorbed higher SG&A expenses.

Hiring, departures, and hiring costs

In Copro Construction's construction technician dispatch business, hires totaled 2,500, falling short of the initial target of 3,000. Departures totaled 1,996, exceeding the initial projection of 1,928. Hires fell short of the target because competition in the market for inexperienced workers intensified, leading to lower offer acceptance and joining rates among applicants and interviewees. The company also noted applicant traffic from some external job media was weaker than expected. In FY03/26, hiring cost per technician increased to JPY474,000 (+14.5% YoY). Copro Construction is working to improve joining rates by raising the skills of interviewees, but notes motivating job seekers to enter the construction industry remains a challenge when hiring inexperienced personnel.

Utilization, retention, contract renewal rate, and percentage of technicians dispatched to target companies

The full-year utilization rate for construction technicians was 92.3% (-1.5pp YoY). According to the company, multiple large projects overlapped among clients, reducing the efficiency of construction technician dispatch. Another factor for the decline was a delay versus plan in expanding the sales team, which left the company unable to secure enough dispatch destinations. Copro believes the decline in utilization also led to an increase in departures.

The full-year retention rate in FY03/26 was 70.9% (-2.3pp YoY). By quarter, the retention rate was 90.0% in Q1, 90.8% in Q2, 90.6% in Q3, and 91.1% in Q4. Although the retention rate improved in Q4, it declined YoY on a full-year basis.

The contract renewal rate in Q4 was 78.4% (-2.2pp YoY). By quarter, the rate was 81.9% in Q1, 83.0% in Q2, 82.2% in Q3, and 78.4% in Q4, declining at year-end compared with midyear. Technicians dispatched to target companies accounted for 90.4% (+1.0pp YoY) of the total headcount. According to the company, increasing the percentage of technicians dispatched to target companies also led to more technicians on standby and contributed to the decline in utilization.

Revenue per head

Full-year revenue per head increased to JPY591,000, up from JPY582,000 in FY03/25. Copro is working to improve retention among first- and second-year employees, thereby increasing the number of technicians in their third year or

later, when contract rates rise. In April 2025, the company opened the Kantoku no Tane Tokyo Training Center, where it provides in-person, practical training, and is measuring the impact on construction technician retention.

TRYT Engineering

- Revenue: JPY1.6bn (March 2026 only)
- Gross profit: JPY471mn (March 2026 only)
- Operating profit: JPY13mn (March 2026 only)

Copro's FY03/26 consolidated results include only one month of TRYT Engineering's performance, for March 2026, after Copro made it a consolidated subsidiary. When Copro announced the acquisition, it disclosed TRYT Engineering's FY12/24 results: revenue of JPY18.1bn and operating profit of JPY1.8bn.

The consolidation of TRYT Engineering added 2,364 construction technicians to the group. In addition to temporary staffing, Copro positions job placement services as a pillar of its growth strategy. In FY03/26, TRYT Engineering completed 267 job placements.

Copro Technology

- Revenue: JPY3.7bn (+12.0% YoY)
- Gross profit: JPY741mn (+17.8% YoY)
- Operating loss: JPY7mn (operating loss of JPY47mn in FY03/25)

The operating loss narrowed as revenue expanded. Results include the performance of the IT technician dispatch business, or systems engineering services (SES) business, which Copro sold in March 2026.

Hiring and departures

In Copro Technology's mechanical, electrical, and semiconductor technician dispatch and contract work business, hires totaled 184 (192 in FY03/25), departures totaled 107 (83), and technicians numbered 409 at end-FY03/26 (332 at end-FY03/25). The initial targets were 297 hires, 104 departures, and 525 technicians at year-end. Hires fell short of the target, departures exceeded the projection, and technician headcount missed the target. In this business, dispatch destinations include regional semiconductor plants, resulting in less straightforward matching between open positions and job seekers than in Copro Construction's construction technician dispatch business, where dispatch destinations are concentrated in major metropolitan areas. Copro is working to improve matching, mainly through recruitment via staffing agencies. However, it notes both job seekers and open positions remain limited. The company is working to expand its client base so it can dispatch technicians more flexibly.

Retention and utilization

The full-year retention rate was 79.3% (-0.7pp YoY), while the utilization rate was 91.8% (+1.0pp YoY). Copro believes retention and utilization among hired technicians are high because Copro Technology provides training at facilities such as its Semicon Techno Lab, including sessions taught by technicians from client companies.

IT technician dispatch business (SES business)

Copro Technology sold its IT technician dispatch business, or systems engineering services (SES) business, to Japaniace Co., Ltd. (TSE Growth: 9558) at end-March 2026. Centered on its owned media platform Bscareer IT, the business matched IT technicians with client projects and provided staffing services. However, changes in the operating environment had become more apparent, including Japan's aging population and shrinking workforce, intensifying competition to secure IT technicians, and more sophisticated skill requirements from clients. As a result, differences had emerged between this business and the group's strategy of training and dispatching inexperienced personnel, mainly construction technicians, creating a management issue.

From a medium- to long-term perspective, Copro decided to sell the IT technician dispatch business so Copro Technology can concentrate management resources on mechanical, electrical, and semiconductor technician dispatch, with the aim of strengthening competitiveness and achieving sustainable growth.

Company forecast for FY03/27

(JPYmn)	FY03/25			FY03/26			FY03/27		
	1H results	2H results	FY results	1H results	2H results	FY results	1H forecast	2H forecast	FY forecast
Revenue	14,228	15,787	30,015	16,981	19,681	36,662	27,500	29,500	57,000
YoY	27.7%	21.8%	24.6%	19.3%	24.7%	22.1%	61.9%	49.9%	55.5%
Cost of revenue	10,390	11,316	21,706	12,337	13,963	26,300			39,000
Gross profit	3,837	4,472	8,309	4,644	5,718	10,361			18,000
Gross profit margin	27.0%	28.3%	27.7%	27.3%	29.1%	28.3%			31.6%
SG&A expenses	2,600	2,945	5,545	3,163	3,566	6,729			15,000
SG&A ratio	18.3%	18.7%	18.5%	18.6%	18.1%	18.4%			26.3%
Operating profit	1,238	1,526	2,764	1,481	2,151	3,633	900	2,100	3,000
YoY	67.9%	8.7%	29.1%	19.7%	41.0%	31.4%	-39.2%	-2.4%	-17.4%
Operating profit margin	8.7%	9.7%	9.2%	8.7%	10.9%	9.9%	3.3%	7.1%	5.3%
Recurring profit	1,258	1,527	2,784	1,480	2,185	3,665	670	1,880	2,550
YoY	55.1%	9.0%	25.9%	17.7%	43.1%	31.6%	-54.7%	-14.0%	-30.4%
Recurring profit margin	8.8%	9.7%	9.3%	8.7%	11.1%	10.0%	2.4%	6.4%	4.5%
Net income attributable to owners of the parent	798	1,023	1,821	936	1,944	2,880	436	1,222	1,658
YoY	56.4%	7.3%	24.4%	17.3%	90.0%	58.2%	-53.4%	-37.1%	-42.4%
Net margin	5.6%	6.5%	6.1%	5.5%	9.9%	7.9%	1.6%	4.1%	2.9%

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

- Revenue: JPY57.0bn (+55.5% YoY)
- Operating profit: JPY3.0bn (-17.4% YoY)
- Recurring profit: JPY2.6bn (-30.4% YoY)
- Net income attributable to owners of the parent: JPY1.7bn (-42.4% YoY)

For FY03/27, Copro forecasts revenue of JPY57.0bn (+55.5% YoY), operating profit of JPY3.0bn (-17.4% YoY), recurring profit of JPY2.6bn (-30.4% YoY), and net income attributable to owners of the parent of JPY1.7bn (-42.4% YoY).

The company intends to focus on continuously strengthening its sales and recruitment frameworks. In recruitment, it plans to build a framework to reliably secure job seekers both with and without industry experience, while improving retention and utilization rates, mainly among young technicians, and maximizing human capital. It will also continue strengthening the foundations of its sales, recruitment, and head office functions, which support business growth.

The company also plans to fully begin strengthening collaboration with TRYT Engineering Inc., which became a consolidated subsidiary in March 2026, and intermediate holding company TE-Holdings Co., Ltd. Copro positions FY03/27 as an important period for integrating group entities and building its business foundation. Toward the full-scale creation of synergies during the next medium-term management plan period, which it plans to announce in May 2027, the company plans to consolidate recruitment strategy functions and promote initiatives such as sharing human resources and training expertise.

Copro targets 8,389 technicians (+10.0% YoY) at end-FY03/27. Based on this target, the company forecasts revenue growth of 55.5% YoY, including the acquisition effect. It also forecasts operating profit before amortization of JPY5.5bn (+30.8% YoY). The company is preparing to voluntarily adopt International Financial Reporting Standards (IFRS) from its FY03/27 annual securities report, scheduled for release in June 2027.

For FY03/27, Copro plans to pay an annual dividend of JPY45 per share, with a projected payout ratio of 104.0% (53.1% in FY03/26). The company projects a payout ratio of 43.7% based on EPS before goodwill amortization.

Initial company forecasts versus historical performance

Initial forecast vs. results	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26	FY03/27
(JPYmn)	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Company forecast
Revenue (initial forecast)	13,137	15,398	16,943	17,854	24,298	30,000	38,000	57,000
Revenue (results)	13,123	14,837	15,589	18,791	24,098	30,015	36,662	
Initial forecast vs. results	-0.1%	-3.6%	-8.0%	5.3%	-0.8%	0.1%	-3.5%	
Operating profit (initial forecast)	1,493	1,670	1,655	1,024	1,800	2,700	3,800	3,000
Operating profit (results)	1,593	1,438	1,621	1,322	2,142	2,764	3,633	
Initial forecast vs. results	6.7%	-13.9%	-2.0%	29.1%	19.0%	2.4%	-4.4%	
Recurring profit (initial forecast)	1,489	1,669	1,657	1,024	1,870	2,714	3,800	2,550
Recurring profit (results)	1,585	1,440	1,620	1,324	2,212	2,784	3,665	
Initial forecast vs. results	6.5%	-13.7%	-2.2%	29.3%	18.3%	2.6%	-3.5%	
Net income (initial forecast)	975	1,148	1,077	604	1,167	1,755	2,470	1,658
Net income (results)	1,084	1,009	963	865	1,463	1,821	2,880	
Initial forecast vs. results	11.2%	-12.1%	-10.6%	43.1%	25.4%	3.7%	16.6%	

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

Medium-term management plan

Revision of final-year targets in the medium-term management plan (announced May 15, 2025)

On May 13, 2022, Copro announced its medium-term management plan, Copro Group Build the Future 2027, covering the period from FY03/23 to FY03/27. With FY03/25—the midpoint of the plan—now completed, the company has released its FY03/26 forecast and revised its performance targets for FY03/27, the final year of the plan, as shown below.

Upward revision of final-year targets in the medium-term management plan

(JPYmn)	FY03/23		FY03/24		FY03/25		FY03/26		FY03/27 (final year of medium-term plan)		
	Medium-term plan targets	Actual	Medium-term plan targets	Actual	Medium-term plan targets	Actual	Medium-term plan targets	Actual	Medium-term plan targets	FY03/25 revision	Forecast
Revenue	17,854	18,791	21,870	24,098	26,800	30,015	33,000	36,662	40,000	47,000	57,000
Operating profit		1,322		2,142		2,764		3,633		5,600	3,000
Operating profit margin		7.0%		8.9%		9.2%		9.9%		11.9%	5.3%
Non-GAAP operating profit	1,334	1,606	1,995	2,437	2,750	3,328	3,900	4,204	5,000	6,200	5,500
Non-GAAP operating profit margin	7.5%	8.5%	9.1%	10.1%	10.3%	11.1%	11.8%	11.5%	12.5%	13.2%	9.6%
No. of technicians		3,036		3,929		4,864		7,629	6,200	8,000	8,389

Source: Shared Research based on company materials

Note: Among the FY03/27 figures, the FY03/25 revision refers to the targets revised at the time of the FY03/25 results announcement. The forecast refers to the FY03/27 forecast announced at the time of the FY03/26 results announcement.

Key points of the medium-term management plan (out May 13, 2022)

The plan's business portfolio policy is to make growth investments to further expand market share in the core construction technician dispatch business, while developing a second core business and source of earnings by investing in the high growth potential human resource services domain, which focuses on high-value-added technicians.

The strategy is as follows.

- ▶ Construction technician dispatch: Expand dispatching of experienced technicians together with inexperienced technicians, improve matching accuracy, and enhance follow-up support to improve on-site quality and working environment and win the trust of both client companies and technicians.
- ▶ Mechanical design technician dispatch: Enter new areas where demand is expected and cultivate existing clients in the first half of the medium-term management plan. Aim to achieve dramatic growth by capturing top manufacturers and significantly expanding recruitment in the second half of the plan.
- ▶ Systems engineering services (SES): Expand both freelance and temporary human resources and improve the number of dispatched workers through dispatching of experienced workers together with inexperienced workers in the first half of the medium-term management plan. Expand the business by increasing human resources through alliances

- ▶ with educational institutions and by expanding the number of orders through cultivation of new areas in the second half of the plan.
- ▶ Global business: Partner with educational institutions in Southeast Asia to provide basic education to human resources willing to work in Japan. Then dispatch these personnel to Japanese companies in the construction, mechanical design, and IT fields that are suffering from labor shortages. After returning from Japan, dispatch these personnel to Japanese companies with local presences as well.
- ▶ M&A policy and investment strategy: Achieve financial targets in the medium-term plan ahead of schedule by aggressively pursuing M&A for rapid growth and securing high organic growth in existing businesses, especially core businesses. Expect to invest JPY150–200mn per annum (FY03/23–FY03/24) for the creation of a technician support platform, innovation through digital transformation, and to support other initiatives.

The company plans to raise the ratio of hiring costs to revenue, which was 1.5–2.0% until FY03/22, to 3.5–4.0% during the period covered by the medium-term management plan (FY03/23–FY03/27) as it seeks to secure talents.

Long-term growth vision

Under its long-term vision, Copro targets FY03/30 revenue of JPY100.0bn and operating profit of JPY10.0bn. The company plans to take the following steps to achieve these targets.

- ▶ Step 1: Further development of the construction technician dispatch market: revenue of JPY60.0bn and operating profit of JPY6.0bn
- ▶ Step 2: Expansion of the plant technician dispatch business: revenue of JPY20.0bn and operating profit of JPY2.0bn
- ▶ Step 3: Advancement of the global business: revenue of JPY10.0bn and operating profit of JPY1.0bn
- ▶ Step 4: Strategies for M&A and the development of new businesses: revenue of JPY10.0bn and operating profit of JPY1.0bn

As of May 2022, the company was viewing its plant technician dispatching as its second business pillar next to its construction technician dispatching. Although demand for plant construction personnel is strong, in many cases, dispatched plant technicians struggle to perform their duties continuously due to the harsh working environments of factory districts and other such locations. Accordingly, starting with FY03/24, the company will adopt a fundamental policy of not assigning inexperienced workers to plant technician positions.

Business

Business overview

Copro operates in a single segment, Technician Dispatch. Its businesses are divided into construction technician dispatch, handled by consolidated subsidiaries Copro Construction Co., Ltd. and TRYT Engineering Inc. (7,220 technicians as of end-March 2026), and mechanical, electrical, and semiconductor technician dispatch and contract work, handled by Copro Technology Co., Ltd. (409 technicians). Construction technician dispatch has been Copro's core business since its founding. With the addition of TRYT Engineering to the group in March 2026, the company ranks second in the industry by construction technician headcount. The mechanical, electrical, and semiconductor technician dispatch and contract work was added through an acquisition in 2021. In March 2026, Copro sold the IT technician dispatch business, or systems engineering services (SES) business, which had been operated by Copro Technology through FY03/26.

Construction technician dispatch

Copro Construction and TRYT Engineering are responsible for the construction technician dispatch business. In FY03/26, Copro Construction reported revenue of JPY31.4bn (+17.4% YoY) and operating profit of JPY4.9bn (+21.5% YoY). TRYT Engineering, which became a consolidated subsidiary in March 2026, contributed revenue of JPY1.6bn and operating profit of JPY13mn to FY03/26 results.

Copro Construction and TRYT Engineering hire construction technicians as their own employees under the Worker Dispatching Act, provide them with training, and then dispatch them to client companies such as construction firms, where they work at construction sites. The main role of dispatched technicians is to manage construction work, acting as intermediaries between construction company supervisors and various tradesmen. Construction company supervisors are responsible for overall management of construction sites, while tradesmen, including scaffolders and plasterers, are responsible for on-site or subcontract work. The Worker Dispatching Act prohibits the dispatch of tradesmen.

The main tasks of dispatched technicians include managing construction processes, safety, quality, and costs.

Construction process management entails creating process charts after considering the construction workflow, the type and number of pieces of heavy equipment necessary for the work, and how they will be used. It also requires monitoring progress against the plan and making any necessary adjustments.

Safety management involves creating and maintaining a safe work environment and providing guidance to prevent accidents at work sites, which can be inherently dangerous.

Quality management involves conducting inspections to ensure that construction standards are being met.

Cost management entails making adjustments so that projects remain within budget and generate profits.

According to Bscareer Construction, the company's recruitment website, the characteristics of people suited to construction management positions include the following.

- ▶ **Good communication skills:** The construction manager must be able to effectively communicate with the tradesmen, workers, and construction companies working on the project. To earn the trust of experienced tradesmen, a construction manager must accurately convey his or her opinions and gain an understanding of tradesmen. Moreover, when meeting with the construction company, the construction manager needs to precisely understand the needs of that party.
- ▶ **Strong leadership:** Given the responsibilities inherent in the position, construction managers must have strong leadership skills to give instructions at a construction site. To ensure the project moves forward as planned, they also need to be well skilled in planning.
- ▶ **Crisis management skills:** Construction sites can be dangerous, so safety management is crucial to prevent accidents. The ability to discern potential danger before an accident occurs is vital for construction managers.

On the other hand, characteristics of people unfit for the position (and who are more likely to quit) include the following.

- ▶ Lack of physical strength: In addition to outdoor work, including progress checks at multiple construction sites and meetings with tradesmen, construction management also involves desk work and other indoor work. A certain degree of physical strength is required for the daily responsibilities of the position.
- ▶ Inability to explain aspects of the job: Since the tradesmen are working on only one part of the overall project, it is important for the construction manager to effectively explain the entire process to them. The manager accordingly needs strong communication skills, and those without the ability to provide accurate explanations are likely to cause work delays, errors, and other disruptions.
- ▶ Inability to multitask: Construction managers must perform a variety of tasks simultaneously, making the job difficult for those who cannot multitask. It is common for unexpected situations to arise in multiple locations at a single construction site, so rather than focusing on only one task, the manager needs to be aware of conditions at all times in several areas.

Construction companies benefit from using dispatched technicians because the construction industry operates on a made-to-order basis. This means the volume of work fluctuates over time, and when work declines, labor costs for surplus workers can put downward pressure on profits. Using dispatched technicians allows these companies to adjust the number of workers according to the level of work at the time. One advantage of working as a technician under a dispatching arrangement is that the system can accommodate workers with different values and preferences. For example, technicians working under this arrangement can choose a schedule in line with their personal needs, including one with little or no overtime, or one that allows them to care for family members.

As of end-FY03/26, Copro Construction had nine branches and sales offices based out of its Tokyo and Nagoya headquarters: the Sapporo sales office, Sendai sales office, Tokyo branch, Omiya sales office, Yokohama sales office, Nagoya branch, Osaka branch, Hiroshima sales office, and Fukuoka sales office. Dispatched technicians serve as construction managers and computer-aided design (CAD) operators for construction, civil engineering, facilities construction, and plant construction projects. Details regarding work in each of these project categories are shown below.

- ▶ Construction: Construction work management and design assistance for new construction and repair operations at high-rise buildings, condominiums, commercial facilities, and factories.
- ▶ Civil engineering: Construction work management and design assistance for road, levee, reclamation, tunnel, and bridge projects.
- ▶ Facilities construction: Construction work management and design assistance for facility work involving air conditioning, sanitation, and electrical systems as part of new construction and repair operations at high-rise buildings, condominiums, commercial facilities, and factories.
- ▶ Plant construction: Construction work management and design assistance for new construction and repair operations at steel, chemical, textile, and other plants.
- ▶ CAD: CAD operations for construction, civil engineering, facilities construction, and plant construction projects.
- ▶ Other: Administrative operations in construction, civil engineering, facilities construction, and plant construction projects.

TRYT Engineering, which became a subsidiary in March 2026, has headquarters in Tokyo and Osaka. It also has branches in Sapporo, Morioka, Sendai, Mito, Takasaki, Omiya, Chiba, Yokohama, Kanazawa, Shizuoka, Nagoya, Hiroshima, Takamatsu, Fukuoka, and Okinawa. As of end-FY03/26, it operated from 17 locations, including headquarters and branches. While Copro Construction has established locations primarily in the Tokyo, Nagoya, and Osaka metropolitan areas, TRYT Engineering has a different business policy and maintains a broad nationwide location network. Kosuke Kiyokawa, Copro's president and CEO, also serves as president and CEO of TRYT Engineering. For the time being, the company plans to allow the two companies to develop their businesses independently based on their respective track records, without integrating business strategies or locations.

In FY03/26, Copro Construction reported revenue of JPY31.4bn (+17.4% YoY), including JPY9.4bn (+14.4% YoY) from construction, JPY4.2bn (+11.5% YoY) from civil engineering, JPY10.3bn (+20.6% YoY) from facilities construction, JPY2.9bn (+7.3% YoY) from plant construction, JPY1.9bn (+11.8% YoY) from CAD operations, and JPY2.8bn (+45.9% YoY)

from other operations. While technicians can transfer between different industries, switching between construction management and CAD operations is difficult because the work differs substantially, including whether it is performed indoors or outdoors.

Revenue by business category

Revenue by business category (JPYmn)	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Construction	3,690	4,188	4,496	4,771	5,510	7,091	8,182	9,362
YoY	13.0%	13.5%	7.4%	6.1%	15.5%	28.7%	15.4%	14.4%
% of total	31.9%	31.9%	30.3%	32.2%	31.4%	32.4%	30.6%	29.8%
Civil engineering	1,954	2,287	2,745	2,600	2,483	2,971	3,737	4,167
YoY	15.6%	17.0%	20.0%	-5.3%	-4.5%	19.7%	25.8%	11.5%
% of total	17.4%	17.4%	18.5%	17.5%	14.1%	13.6%	14.0%	13.3%
Facilities construction	2,707	3,263	3,698	3,462	4,914	6,477	8,536	10,297
YoY	31.9%	20.5%	13.3%	-6.4%	41.9%	31.8%	31.8%	20.6%
% of total	24.9%	24.9%	24.9%	23.3%	28.0%	29.6%	31.9%	32.8%
Plant construction	1,080	1,883	2,202	2,169	2,455	2,052	2,659	2,853
YoY	69.3%	74.4%	16.9%	-1.5%	13.2%	-16.4%	29.6%	7.3%
% of total	14.3%	14.3%	14.8%	14.6%	14.0%	9.4%	9.9%	9.1%
CAD operations	1,054	1,135	1,208	1,232	1,378	1,959	1,678	1,877
YoY	3.1%	7.7%	6.4%	2.0%	11.9%	42.2%	-14.3%	11.9%
% of total	8.6%	8.6%	8.1%	8.3%	7.9%	9.0%	6.3%	6.0%
Other	331	364	485	594	807	1,330	1,944	2,837
YoY	14.1%	10.0%	33.2%	22.5%	35.9%	64.8%	46.2%	45.9%
% of total	2.8%	2.8%	3.3%	4.0%	4.6%	6.1%	7.3%	9.0%
Construction administration				525	730	1,260	1,810	2,609
YoY				-	39.0%	72.6%	43.7%	44.1%
% of total				3.5%	4.2%	5.8%	6.8%	8.3%
Staffing agency				68	76	68	131	255
YoY				-	11.8%	-10.5%	92.6%	94.7%
% of total				0.5%	0.4%	0.3%	0.5%	0.8%
Total	10,819	13,123	14,837	14,831	17,550	21,883	26,739	31,396
YoY	20.7%	21.3%	13.1%	0.0%	18.3%	24.7%	22.2%	17.4%

Source: Shared Research based on company materials

Notes: Figures in the table indicate revenue by industry for Copro Construction.

Figures may differ from company materials due to differences in rounding methods.

In FY03/26, Copro Construction recorded revenue by region of JPY1.2bn (+16.7% YoY) in Hokkaido, JPY1.5bn (+11.4% YoY) in Tohoku, JPY15.0bn (+24.5% YoY) in Kanto, JPY5.1bn (+12.4% YoY) in Tokai and Hokuriku, JPY5.3bn (+13.4% YoY) in Kansai, JPY1.4bn (+7.1% YoY) in Chugoku and Shikoku, and JPY2.0bn (+5.5% YoY) in Kyushu.

Revenue by region

Revenue by region (JPYmn)	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Hokkaido	659	712	640	744	845	1,022	1,193
YoY	-	8.0%	-10.2%	16.3%	13.5%	21.0%	16.7%
% of total	5.0%	4.8%	4.3%	4.2%	3.9%	3.8%	3.8%
Tohoku	877	1,075	1,142	1,306	1,289	1,303	1,452
YoY	-	22.6%	6.2%	14.4%	-1.3%	1.1%	11.4%
% of total	6.7%	7.2%	7.7%	7.4%	5.9%	4.9%	4.6%
Kanto	5,483	5,665	5,552	6,909	9,356	12,053	15,007
YoY	-	3.3%	-2.0%	24.4%	35.4%	28.8%	24.5%
% of total	41.8%	38.2%	37.4%	39.4%	42.8%	45.1%	47.8%
Tokai and Hokuriku	2,437	2,978	3,129	3,306	3,743	4,507	5,068
YoY	-	22.2%	5.1%	5.6%	13.2%	20.4%	12.4%
% of total	18.6%	20.1%	21.1%	18.8%	17.1%	16.9%	16.1%
Kansai	1,854	2,175	2,111	2,763	3,790	4,670	5,298
YoY	-	17.3%	-2.9%	30.9%	37.2%	23.2%	13.4%
% of total	14.1%	14.7%	14.2%	15.7%	17.3%	17.5%	16.9%
Chugoku and Shikoku	843	1,083	918	1,051	1,176	1,297	1,389
YoY	-	28.5%	-15.2%	14.5%	11.9%	10.3%	7.1%
% of total	6.4%	7.3%	6.2%	6.0%	5.4%	4.9%	4.4%
Kyushu	966	1,144	1,336	1,469	1,681	1,884	1,987
YoY	-	18.4%	16.8%	9.9%	14.5%	12.1%	5.5%
% of total	7.4%	7.7%	9.0%	8.4%	7.7%	7.0%	6.3%
Total	13,112	14,836	14,831	17,550	21,883	26,739	31,396
YoY	-	13.1%	0.0%	18.3%	24.7%	22.2%	17.4%

Source: Shared Research based on company materials

Notes: Figures in the table indicate revenue by region for Copro Construction.

Figures may differ from company materials due to differences in rounding methods.

Key performance indicators (KPIs)

Copro views technician headcount, the foundation of its technician dispatch business, as an important management indicator. It therefore uses hires, departures, retention rate, and utilization rate as KPIs. Revenue per head, which is linked to contract rates, is also a key indicator. Because Copro Construction mainly serves major general contractors in large metropolitan areas, it also emphasizes the percentage of technicians dispatched to target companies and the contract renewal rate for this customer base. The company uses these indicators to measure capabilities in areas such as sales, recruitment, and retention.

KPIs for construction technician dispatch

Construction technician dispatch	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.
Hires		800	1,063	865	834	1,472	2,024	2,379	2,500
Departures		407	682	829	859	812	1,233	1,595	1,996
Increase/decrease due to M&A						122			2,364
Technicians on staff	1,297	1,591	1,984	2,020	1,995	2,777	3,568	4,352	7,220
Retention rate		75.9%	74.8%	70.9%	69.9%	80.1%	74.3%	73.2%	70.9%
Utilization rate (including technicians in training)		98.0%	98.1%	95.8%	96.9%	96.3%	94.6%	93.8%	92.3%
Revenue per head (average during the fiscal year, JPY'000)			629	630	643	644	611	582	591
Contract renewal rate (Q4)				67.3%	78.6%	82.4%	82.5%	80.6%	78.4%
Percentage of technicians dispatched to target companies (Q4)				82.8%	87.4%	89.0%	93.4%	89.4%	90.4%

Source: Shared Research based on company materials

Note: The company may add or remove KPIs as needed.

Sales capabilities

To strengthen its sales capabilities, Copro Construction has adopted a policy since FY03/22 of defining target clients and increasing the number of contracts per client. Its targets are existing key clients, including the five major "super general contractors," such as Obayashi Corporation (TSE Prime: 1802), large general contractors, and major subcontractors. The aim is to dispatch technicians to multiple sites operated by large-scale clients. These target clients understand how to work with Copro and its dispatched technicians. By winning multiple projects from the same clients, Copro can also place dispatched technicians in positions suited to their experience. Through this focus on selected clients, Copro expects to improve technician retention and raise contract renewal rates with client companies.

Focusing on selected clients also improves sales productivity. For dispatched technicians, this approach also provides the benefit of stable, longer-term assignments. Copro Construction aims to keep the percentage of technicians dispatched to target companies at 90% or higher. In Q4 FY03/26, technicians dispatched to target companies accounted for 90.4% (+1.0pp YoY) of the total headcount.

Sales personnel regularly visit client companies, and when clients have staffing needs, the company receives orders for the following month. Sales activities take place before a technician is placed, which occurs on the first day of the subsequent month.

In FY03/26, Copro Construction had 509 clients, down two YoY, and revenue per client was JPY62mn. The company has clients operating in a wide range of industries, and Shared Research believes its business model is less affected by the performance of individual construction companies and more by the level of construction-related investment in Japan and the ratio of dispatched technicians as a percentage of total construction workers. (For additional information, see the "Market and value chain" section.)

Customer count and revenue per customer

	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Customer count (No. of companies)	490	544	622	605	415	441	511	509
YoY	-	11.0%	14.3%	-2.7%	-31.4%	6.3%	15.9%	-0.4%
Revenue per customer (JPYmn)	-	25	25	24	34	51	56	62
YoY	-	-	0.3%	-5.0%	42.3%	48.6%	9.9%	9.6%

Source: Shared Research based on company materials

Notes: Customer count in the table indicates the number of customers for Copro Construction.

Figures may differ from company materials due to differences in rounding methods.

TRYT Engineering, which joined the group in March 2026, operates under a different sales policy. Copro Construction hires inexperienced personnel, provides education and training, and dispatches multiple technicians as teams to multiple projects at target companies. By contrast, TRYT Engineering mainly hires experienced personnel and dispatches technicians based on client needs, including to regional companies, while also providing job placement services when necessary. For the time being, Copro plans to maintain separate sales activities under the Copro and TRYT brands, based on each company's track record. The company indicates cannibalization is unlikely because the two companies have little overlap in their client bases and sales areas.

Recruitment capabilities

Copro Construction hires dispatched technicians directly rather than relying primarily on external staffing agencies. It advertises on paid external job media to attract job seekers and handles interviews and other recruitment activities itself. The company also operates Bscareer Construction, its own recruitment site specializing in the construction industry. One advantage of using its own site is that Copro can post jobs quickly after projects arise. Through the Bscareer Construction website, the company can provide support in everything from job postings to employment and post-employment counseling throughout Japan. The company also rolls out advertising campaigns when necessary to boost visitors to its Bscareer Construction website. Copro believes it is important to convey the appeal of working at the company to its target audience, and uses role-playing in its training program to improve the skills of its recruiters. The company also uses other recruiting channels, including acquaintance referrals and staffing agencies.

Copro Construction has increased the share of inexperienced hires since shifting its sales policy toward increasing the percentage of technicians dispatched to target companies and dispatching technicians in teams. Extensive in-house education and training, together with the presence of experienced technicians from the same dispatching company at the same site, help inexperienced hires become productive sooner.

In FY03/26, Copro Construction hired 2,500 individuals, comprising 130 new graduates and 2,370 mid-career hires. New graduates are hired in April and assigned to their positions collectively in May following a one-month training period. This approach places an intense strain on marketing activities, but clients also have quotas for new graduates, so demand remains consistently high. On the other hand, during the one-month training period, the company does not generate revenue from these new graduates, recording only corresponding costs.

Hiring costs

In FY03/26, hiring cost per mid-career hire was JPY474,000 (+14.5% YoY). Copro has historically focused on direct hiring without using staffing agencies. The company can hire directly because it has accumulated expertise in breaking down the process from recruitment to sales into detailed steps, managing them daily, and improving each management target. Such management requires considerable effort and also depends heavily on recruiter skills. This approach has enabled Copro to continuously improve process management and hire efficiently as it expands hiring. According to the company, its hiring cost per mid-career hire is the lowest among listed companies in the construction industry, versus an industry average of JPY500,000–600,000.

In FY03/26, however, Copro Construction hired 2,500 technicians against its target of 3,000, and the shortfall in hires became a constraint on business expansion. The company is working to improve the skills of internal recruiters, but competition to secure personnel has intensified as it has increased hiring of inexperienced workers. Copro also believes that as it has become a major employer with the second-largest technician headcount in the industry, hiring under the single Copro brand is beginning to reach its limit. Shared Research understands the March 2026 acquisition of TRYT Engineering was partly intended to address the limitations of recruitment under the Copro brand alone.

For future recruitment, Copro Construction plans to use staffing agencies and other channels, reflecting rising direct hiring costs and intensifying competition for inexperienced hires. TRYT Engineering, meanwhile, recruits experienced personnel through digital marketing centered on its own recruitment site, Sekou Kanri Job. According to Copro, TRYT Engineering has accumulated more digital marketing expertise than Copro Construction has with its own site, giving it an advantage in hiring experienced personnel. Copro Construction also plans to use TRYT Engineering's digital marketing expertise while both companies continue their respective recruitment activities.

Employment

In Japan, worker dispatch arrangements are generally divided into registered dispatch and permanent employee dispatch. Under the registered dispatch model, individuals who wish to work as dispatched workers register in advance, and when a dispatch assignment arises, the dispatching company signs a fixed-term employment contract with one of these registered individuals and dispatches the worker as a fixed-term dispatched employee. Permanent employee

dispatch is a model in which the dispatching company assigns workers from among those it employs on a permanent basis. Copro Construction's construction technician dispatch business has historically relied mainly on registered dispatch based on fixed-term employment contracts, but as it steps up hiring of inexperienced technicians, it is shifting toward permanent employee dispatch. By contrast, TRYT Engineering, which mainly hires experienced personnel, primarily uses a registration-based staffing model and signs employment contracts on a project-by-project basis.

Of the 7,220 technicians employed by Copro Construction and TRYT Engineering at end-FY03/26 (4,352 at end-FY03/25), 4,542 (3,498) were on permanent contracts and 2,678 (854) were on fixed-term contracts. Since FY03/23, Copro Construction has encouraged employees on fixed-term contracts to switch to permanent contracts to improve retention rates. The company converts fixed-term employees to permanent status if technicians who meet certain internally established criteria request the change. Mid-career hires join on fixed-term contracts, with the understanding that they will be converted to permanent status after six months provided no issues arise. New graduates, by contrast, join as permanent employees from the outset. With the consolidation of TRYT Engineering in FY03/26, the group added 2,364 construction technicians at year-end. Because many of these technicians are on fixed-term contracts, the number of fixed-term employees increased for the group as a whole.

Technicians on permanent contracts are classified under the permanent employee dispatch model and become regular employees of Copro. Based on worker dispatch agreements with the company, clients can have these employees work under their direct supervision for as long as needed. However, Copro signs open-ended employment contracts with construction technicians regardless of whether they are currently assigned to a client, so it must continue paying salaries even during standby periods between the end of one assignment and the start of the next. In contrast, under the registered dispatch model, the company signs an employment contract for each individual assignment and has no obligation to pay wages while workers are only registered and waiting for their next assignment. At the same time, registered workers remain free to pursue other opportunities, including registering with competing dispatch agencies.

Number of employees with permanent contracts and fixed-term contracts

	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Number of technicians	1,591	1,984	2,020	1,995	2,777	3,568	4,352	7,220
Permanent contracts	251	257	414	415	1,165	1,840	3,498	4,542
YoY	-	2.4%	61.1%	0.2%	180.7%	57.9%	90.1%	29.8%
% of total	15.8%	13.0%	20.5%	20.8%	42.0%	51.6%	80.4%	62.9%
Fixed-term contracts	1,340	1,727	1,606	1,580	1,612	1,728	854	2,678
YoY	-	28.9%	-7.0%	-1.6%	2.0%	7.2%	-50.6%	213.6%
% of total	84.2%	87.0%	79.5%	79.2%	58.0%	48.4%	19.6%	37.1%

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

Contract renewal rate

The company calculates its contract renewal rate by dividing the number of contract extensions reported for a given period by the number of contracts that reached their end-dates during the same period. The company uses its contract renewal rate as a key indicator because it prioritizes trust-based relationships with its clients. Copro maintains that clients must view both Copro and its dispatched technicians favorably if its contract renewal rate is to increase. When the company's contract renewal rate rises, sales personnel can work more productively because they spend less time searching for suitable personnel and introducing these individuals to clients. The company aims to use labor cost savings generated through growth in its contract renewal rate to advertise for its Bscareer Construction recruitment website and achieve further growth.

The dispatch contract period between technicians and construction companies is generally around three months. However, the duration of each project varies depending on the scale of the project, ranging from six months to a year for small condominiums, to two to three years or more for large projects such as commercial facilities.

In Q4 FY03/26, the company's contract renewal rate was 78.4% (-2.2pp YoY).

Retention rate

The company is working to bolster its retention rate by focusing on follow-up support for dispatched technicians. After technicians are dispatched to client companies, Copro's sales representatives visit their locations each month to speak with them regarding their health and other issues. In FY03/22, the company integrated its sales department with the department charged with follow-up support so that a single department handles both sales activities and follow-up

support. The company believes this change will allow its sales staff to effectively monitor both customers and dispatched technicians.

Copro is taking measures to increase the percentage of technicians dispatched to target companies, improve the contract renewal rate, and promote the conversion of employees to permanent contracts. The company's FY03/26 retention rate declined 2.3pp YoY to 70.9%.

Retention rates

(%)	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Retention rate (Q4)					92.0	92.5	91.9	91.1
Retention rate (full year)					77.4	74.3	73.2	70.9
Retention rate (LTM)	75.9	73.9	69.1	69.4	74.4	72.1	72.7	

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

Retention rate = number of technicians on staff at the end of the current term (quarter) ÷ (number of technicians at the end of the previous term [quarter] + number of hires in the current term [quarter]) × 100

Retention rate (cumulative for the term) = The percentage of technicians on staff at the end of the previous term who are still on staff at the end of this term.

Retention rate (LTM) = The percentage of technicians on staff at the end of the quarter one year ago who are still on staff at the end of the corresponding quarter a year later.

Educational and training system

With the aim of improving the quality of its technicians, Copro has established two Kantoku no Tane educational facilities, in Tokyo and Nagoya. The facilities offer training programs for new graduates, inexperienced mid-career hires, and CAD operators. Specialist instructors are assigned to each facility to provide career support centered on practical training, in line with each technician's proficiency level. All training and educational programs are produced in-house.

The training period lasts one month for new graduates and starts with instruction on basic business manners. The training period for inexperienced mid-career hires is 10 days. Experienced hires are not required to take a training course. The company covers training and associated personnel expenses during the training period. In addition to improving construction-related skills, the programs also aim to improve technicians' communication skills, as well as the reporting, contact, and consultation skills necessary to ensure the smooth execution of work. These programs are based on the idea that technicians will interact at construction sites with a wide range of people, including construction company employees and tradesmen.

The company believes each technician needs to develop what it calls "human strength." The term does not have a precise definition, but the company generally uses it to mean self-awareness, especially regarding one's own abilities. Individuals should take an objective view of themselves; they may feel they are performing well, while others may see things differently, so technicians need to stay humble and continually review their own performance. Because the technician dispatch business rests on human resources, the company expects each technician to strive to build this "human strength."

Focusing on the development of human resources

When the company was founded in 2006, it hired experienced workers and assigned them to sites where they could best make use of their experience. However, as the shortage of human resources in the construction industry became increasingly acute after Tokyo was selected in 2013 to host the 2020 Summer Olympic and Paralympic Games, the company began hiring inexperienced applicants in FY03/13 and new graduates in FY03/16. Since then, the company has focused on establishing a training system to promote the development of new graduate and inexperienced hires.

Business alliance with SpiderPlus & Co. (TSE Growth: 4192)

On November 14, 2022, Copro announced it had entered a business alliance with SpiderPlus & Co., which is involved in the digital transformation of Japan's construction industry. Major general contractors and other clients need dispatched technicians who can use SPIDERPLUS, a construction site DX app provided by SpiderPlus. Copro expects training technicians to use SPIDERPLUS to help differentiate it from competitors, boosting the number of technicians dispatched and supporting higher contract rates.

Acquisition of the TRYT Engineering business

Business acquisition

At its Board of Directors meeting on January 15, 2026, Copro decided to acquire TRYT Inc.'s staffing and recruitment services for the construction industry to strengthen its construction technician dispatch business. TRYT was owned by an investment fund and delisted on September 24, 2025 (formerly TSE Growth: 9164). The share acquisition was completed on March 1, 2026. By bringing TRYT Inc. (now TE-Holdings Co., Ltd.) and its subsidiary TRYT Engineering Inc. into the group, Copro aims to secure the technician headcount underpinning its growth, deepen relationships with client companies as its scale expands, improve contract renewal rates, and enhance technician compensation and working conditions. The company positions the acquisition as an important step toward its goal of becoming the clear No. 1 player in Japan's construction technician dispatch industry and as a foundation for taking a leading role in further industry consolidation.

The share acquisition price for TE-Holdings and TRYT Engineering was JPY29.2bn. Copro funded the acquisition with cash on hand and bank borrowings. After the transaction, TE-Holdings sits alongside Copro Construction and Copro Technology under Copro-Holdings, the pure holding company. TRYT Engineering, the operating company responsible for construction technician dispatch, is a wholly owned subsidiary of TE-Holdings.

According to the company's presentation materials, TRYT Engineering reported revenue of JPY19.2bn and operating profit of JPY2.2bn for the 12-month period from October 2024 to September 2025, and had 2,443 construction technicians as of January 5, 2026. As of end-March 2026, the consolidation of TRYT Engineering added 2,364 construction technicians to the group.

Strategic rationale

Copro classifies the significance of bringing TRYT Engineering into the group into three categories. First, the company aims to secure the technicians that underpin business growth. TRYT Engineering had 2,364 construction technicians as of end-March 2026, bringing the total to 7,220 when combined with Copro Construction. This combined total brings the Copro group close to the scale of industry leader Open Up Group Inc. (TSE Prime: 2154), which had 8,503 technicians as of end-March 2026. The company aims to use the acquisition as a stepping stone toward its goal of becoming the clear No. 1 player in Japan's construction technician dispatch industry.

While the construction market in Japan remains firm, supported by redevelopment and demand for upgrades to social infrastructure, the industry continues to face chronic structural shortages of technicians. To meet customer needs for a stable and ample supply of technicians and higher retention, Copro aims to further strengthen its staffing services by combining TRYT Engineering's strengths—high-quality construction technicians, a network of locations and customers, and mid-career recruiting capabilities leveraging digital marketing—with its own operations.

Second, Copro aims to generate scale benefits. By leveraging both Copro Construction and TRYT Engineering, the company aims to raise contract rates by strengthening relationships with client companies and improve construction technicians' working conditions through better contract terms.

Third, Copro aims to lay the groundwork for further industry consolidation. The company positions the acquisition as the first step toward realizing its vision of becoming the clear No. 1 player in the industry. By becoming a leading company and leveraging its competitive advantages, it aims to create value for all stakeholders, including society, customers, employees, and shareholders. The company also aims to build a solid foundation in the industry and establish a track record that will position it to take a leading role in further consolidation of Japan's construction technician dispatch industry.

Near-term strategy

According to Copro, TRYT Engineering differentiates itself through strengths that include a broad customer base, including regional and small and medium-sized construction companies; recruitment of experienced personnel; and a talent database built using digital technologies, which helps improve utilization rates while minimizing bench time. In addition to construction technician dispatch, TRYT Engineering also provides recruitment placement services. These strengths differ from Copro's, which include low-cost hiring of inexperienced personnel through its in-house recruitment website, Bscareer Construction; expansion focused on major metropolitan areas such as the Chukyo and Kanto regions; and a strategy centered on major general contractors, with the five leading general contractors as its core target customers. Recognizing these differences, the company plans to operate the Copro and TRYT brands in parallel for the

time being. While sharing the talent database and other resources, it expects to differentiate the two brands according to customer needs and characteristics.

To date, the company has grown exclusively under the Copro brand. However, as the number of construction technicians has expanded, making it the second-largest player in the industry, the company has identified challenges in broadening customer coverage and diversifying the profiles of dispatched technicians. On the recruiting side as well, relying solely on the Copro brand is no longer sufficient as hiring needs have grown, and signs have emerged that the company may struggle to secure enough hires. By bringing TRYT into the group, the company aims to address these issues and build its next growth strategy.

Characteristics of TRYT Engineering and differences from Copro Construction

According to Copro, Copro Construction and TRYT Engineering differ in several notable ways in the technician dispatch business. In recruitment, Copro Construction conducts low-cost hiring mainly through paid job media, while TRYT Engineering specializes in digital marketing through its own recruitment site, Sekou Kanri Job. Their hiring targets also differ. Copro Construction mainly hires inexperienced personnel and has developed an extensive in-house education and training system. TRYT Engineering, by contrast, mainly hires experienced personnel and also provides job placement services in response to client needs.

The two companies also operate in different regions. Copro Construction concentrates its business in major metropolitan areas centered on Tokyo, Nagoya, and Osaka, while TRYT Engineering has locations nationwide. Their client attributes also differ. Copro Construction mainly targets large construction companies and aims to maintain the percentage of technicians dispatched to target companies at 90% or higher, while TRYT Engineering dispatches experienced personnel to regional construction companies.

Copro sees the two companies as highly complementary. It expects benefits including securing technicians, expanding the business nationwide, cross-selling and greater sales efficiency through the two-brand structure, and lower administrative costs. For the time being, both companies will continue operating independently, while exploring potential collaboration in areas such as digital marketing to secure technicians.

Mechanical, electrical, and semiconductor technician dispatch and contract work

Copro Technology is responsible for mechanical, electrical, and semiconductor technician dispatch and contract work. Copro acquired these businesses in 2021 and positions them as the next pillar after construction technician dispatch. In FY03/26, Copro Technology reported revenue of JPY3.7bn (+12.0% YoY) and an operating loss of JPY7mn (operating loss of JPY47mn in FY03/25). These results include contributions through February 2026 from the IT technician dispatch business, or systems engineering services (SES) business, which Copro sold.

Mechanical, electrical, and semiconductor technician dispatch and contract work

The manufacturing process for machinery includes ordering, planning, development, design, construction, assembly, and operation and maintenance. The main duties of dispatched technicians are in the upstream areas of development and design, including preliminary development, component development, structural design, and electrical design in the product development stage. Once the development and design stages are completed, technicians engage in mass production and assist in creating maintenance manuals for products brought to market.

In FY03/26, revenue was JPY2.4bn (+32.7% YoY), comprising JPY1.5bn (+2.5% YoY) from mechanical and electrical technician dispatch and JPY943mn (+149.5% YoY) from semiconductor technician dispatch. At end-FY03/26, the mechanical, electrical, and semiconductor technician dispatch and contract work business had 409 technicians, up 77 YoY, comprising 222 mechanical and electrical technicians (+30 YoY) and 187 semiconductor technicians (+47 YoY). Following the opening of a semiconductor technician training center in February 2024, Copro is shifting the focus of this business from conventional mechanical and electrical technician dispatch toward semiconductor technician dispatch.

Industry peers include Meitec Corporation (TSE Prime: 9744) and TechnoPro Inc. (a subsidiary of TechnoPro Holdings). Copro Technology's average hourly contract rate was JPY3,348 in Q4 FY03/26, below Meitec's JPY6,159 in FY03/26 and Meitec subsidiary Meitec Fielders' JPY4,239 in FY03/26. Based on Meitec's FY03/26 briefing materials, the industry average for that year was about JPY4,000. Copro attributes its relatively low rate to its client base in the mechanical and electrical field, which consists mainly of partner companies rather than listed companies. Even so, it maintained a

technician retention rate of 79.3% in FY03/26 and a contract renewal rate of 85.6%, indicating that clients place a high value on the technical expertise of its employees. The company intends to further strengthen its hiring and training programs.

► Establishment of a semiconductor technician training center

In February 2024, the company launched Semicon TechnoLab, a training center focused on developing technicians for semiconductor manufacturing equipment maintenance and inspection, marking its entry into a new business area. Against the backdrop of advancing domestic semiconductor production in response to economic security risks, the company aims to address the shortage of technicians at semiconductor device and equipment manufacturers by training personnel in machinery maintenance and field engineering. The center brings in personnel from major semiconductor manufacturers as instructors and conducts training using equipment equivalent to the work environment at assigned workplaces, aiming to make inexperienced personnel immediately productive.

IT technician dispatch

Copro sold its IT technician dispatch business (SES business)—originating from Value Ark Consulting Co., Ltd., which it acquired and made a wholly owned subsidiary in September 2021—to Japaniace Co., Ltd. (TSE Growth: 9558) through an absorption-type company split effective March 27, 2026. Centered on its owned media platform Bscareer IT, the IT technician dispatch business provided staffing services by matching IT technicians with customer projects on a case-by-case basis. In this business, changes in the operating environment—including a decline in Japan's workforce due to an aging and shrinking population, intensifying competition to secure IT technicians, and rising skill requirements from customers—have become increasingly pronounced. As a result, the gap between this business and the group's core strengths—training and dispatching inexperienced personnel, primarily in construction technician dispatch—has become clearer and emerged as a management issue.

From a longer-term perspective, Copro decided to sell the IT technician dispatch business to concentrate management resources on its core construction technician dispatch business and its mechanical, electrical, and semiconductor technician dispatch business, aiming to strengthen competitiveness and achieve sustainable growth.

Strategy for business expansion

Copro's approach to M&A (expanding the scope of business)

Copro intends to aggressively pursue M&A opportunities. The company believes it can grow further as a group by leveraging its strengths in sales, recruitment, retention, and contract renewal in areas beyond construction. Based on this policy, it made Atmos Co., Ltd. a subsidiary in April 2021 and Value Ark Consulting Co., Ltd. in September of the same year. Atmos primarily engaged in mechanical design technician dispatch, while Value Ark Consulting mainly operated a systems engineering services (SES) business, providing labor services to clients on a contract basis. The SES business is conducted under quasi-mandate agreements, where clients have no right of command. The company expects these acquisitions to generate synergies by allowing technicians to switch jobs (e.g., from construction to mechanical design) within the group, thereby improving the turnover rate, particularly among young workers. It also sees industry expansion as a way to widen the pool of talent it can recruit from in the ASEAN region.

On October 1, 2023, the company merged Atmos Co., Ltd. and Value Ark Consulting Co., Ltd., renaming the new entity Copro Technology Co., Ltd. The merger aimed to unify sales and recruitment systems and centralize management functions under Copro Holdings. Copro Technology has also strengthened its in-house recruitment platforms by launching Bscareer IT, a job posting site for IT technicians, in March 2023, and Bscareer Mechanical and Electrical in November 2023.

Overseas development (market expansion)

As Japan's birthrate declines and its population ages, the company is looking to attract workers from the ASEAN region. With this in mind, the company established Copro Globals Pte. Ltd. in Singapore in April 2020 as an intermediary holding company focused on market research, information gathering, and exploration of business models in Southeast Asia. In April 2021, Copro Globals established a subsidiary (a second-tier subsidiary of Copro) in Vietnam as Copro's first overseas business location. The Vietnamese subsidiary will work with local universities and engage in the hiring of human resources. Specifically, it will advance the hiring and training of workers in Vietnam as well as the dispatching and placement of these workers to construction companies in Japan. Moving forward, the company aims to expand its

business in Vietnam to include the dispatching and placement of workers at Japanese general contractors and other similar outfits operating in the country.

Copro is also considering expanding its business to other ASEAN countries in the future, with an eye in particular on the Philippines, Thailand, Malaysia, Indonesia, and India.

The company's policy is to cover the travel expenses of its overseas employees. The company expects three months for minimum training period for these workers in respective countries, with training expenses to be borne by either the company or the participant. While this means the initial expenses will be more than for Japanese workers, the company aims for profitability over the long term by reflecting these expenses in contract rates and dispatching these individuals to Japanese companies once they return to their countries of origin. One of the reasons the company decided to launch an overseas business was the strong need for technicians among Japanese general contractors expanding into the Southeast Asian market. While profitability in the near term appears somewhat unlikely, the company views the development of its overseas business as a preparatory effort for ten years hence, in light of the ongoing decline in the working population in Japan.

Medium- to long-term outlook

Copro's goal is to transform itself from a temporary staffing service provider into a technician support platform company. The traditional temporary staffing business followed a business model in which the staffing company found jobs that its technicians were suitable for, selected technicians who matched the needs of client companies, and then dispatched the technicians to fill the position. However, the company is also looking to move toward a business model that creates human resources with higher aspiration. To achieve this business model, it aims to support its technicians to acquire skills through education and training, improve their performance, and advance their careers.

Business model analysis

The following business model analysis outlines Copro's core business of construction technician dispatch. Essentially the same model also applies to mechanical, electrical, and semiconductor technician dispatch and contract work, as well as IT technician dispatch.

Revenue

Revenue is based on the number of technicians dispatched (number of technicians × utilization rate) and the average monthly contract rate per technician, with the latter calculated by eight hours per day × 20 business days and based on the skills and years of experience of the technician.

At end-FY03/26, the average monthly contract rate per technician was JPY547,000 (+3.4% YoY). Contract rates rise with years of experience: JPY467,000 per month (+5.2% YoY) for first-year technicians, JPY483,000 (+3.0% YoY) for second-year technicians, JPY506,000 (+4.3% YoY) for third-year technicians, JPY533,000 (+0.6% YoY) for those in their fourth to fifth year, JPY613,000 (+2.2% YoY) for those in their sixth to tenth year, and JPY719,000 (+2.7% YoY) for technicians with at least eleven years of experience.

Contract rate per technician based on years of experience

(JPY'000/month)	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Contract rate per technician based on years of experience	545	542	546	560	537	530	529	547
YoY	-	-0.6%	0.7%	2.6%	-4.1%	-1.3%	-0.2%	3.4%
1st year		446	444	444	427	449	444	467
YoY	-	-	-0.4%	0.0%	-3.8%	5.2%	-1.1%	5.2%
2nd year		452	469	464	464	455	469	483
YoY	-	-	3.8%	-1.1%	0.0%	-1.9%	3.1%	3.0%
3rd year					498	498	485	506
YoY					0.0%	-2.6%	4.3%	
4th–5th year (formerly 3rd–5th year)		500	498	507	536	538	530	533
YoY	-	-	-0.4%	1.8%	5.7%	0.4%	-1.5%	0.6%
6th–10th year		548	550	582	577	594	600	613
YoY	-	-	0.4%	5.8%	-0.9%	2.9%	1.0%	2.2%
11th year or more		622	628	646	654	675	700	719
YoY	-	-	1.0%	2.9%	1.2%	3.2%	3.7%	2.7%

Source: Shared Research based on company materials

Notes: Figures may differ from company materials due to differences in rounding methods.

Starting in FY03/21, the definition of the number of years of experience was changed from the number of years at the company to the number of years of experience, including years of service prior to joining the company.

The contract rate per technician is based on an eight-hour working day, while revenue per technician reflects the contract rate plus overtime pay. Compared with industry peers, Copro's revenue per head, or average monthly revenue per technician, was higher at JPY591,000 in FY03/26, versus JPY519,000 at Nareru Group's Construction Solutions business in FY10/25.

In the construction technician dispatch market, companies traditionally dispatched experienced personnel, but in recent years, the model has changed significantly. Copro and its peers now hire inexperienced technicians, provide about one month of training, and then dispatch them. The company is working to improve retention among technicians in their first and second years, when contract rates tend to be low, and to retain them through their third year and beyond, when contract rates improve. To this end, it mainly targets major general contractors as clients, where working conditions are relatively well established, and conducts sales activities aimed at maintaining the percentage of technicians dispatched to these companies at around 90%. It also promotes dispatching technicians in pairs or teams to the same worksites so that dispatched technicians can work together and provide each other with advice and support.

Cost of revenue

Cost of revenue includes wages and social insurance premiums for dispatched technicians. When dispatching technicians, the company places technicians whose contract rates allow it to achieve its GPM target of about 30%. The company explains GPMs do not differ significantly depending on technicians' years of experience or the industries in which they are placed.

In FY03/26, permanent employees accounted for 62.9% of technicians in the construction technician dispatch business. Under this employment model, technicians are paid a salary even when no work is available and they are not dispatched to construction sites. Copro Construction pays technicians under this arrangement 60% of their base salary while on standby. The company's utilization rate, calculated as the number of technicians dispatched to construction sites divided by the total number of technicians, averaged 92.3% in FY03/26.

Utilization rate

(%)	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Utilization rate (average during the fiscal year)				96.9	96.3	94.6	93.8	92.3
Utilization rate (year-end)	98.0	98.1	95.8	96.7	95.0			

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

Method of determining wages

With the goal of eliminating unreasonable differences in how full-time employees and non-full-time employees, including dispatched workers, are treated at companies and organizations, the Ministry of Health, Labour and Welfare (MHLW) implemented new rules stipulating equal pay for equal work in April 2020. The Japanese government hopes these new rules will contribute to more diverse and flexible working styles by allowing employees to continue working

with satisfaction in their jobs, regardless of the type of employment they choose. Under the revised Worker Dispatching Act, a business operating in the temporary staffing (dispatching) business must ensure the fair treatment of dispatched workers by either ensuring equal and balanced treatment in line with that of workers at the client companies or ensuring treatment in line with a given set of criteria based on a labor-management agreement. The company adheres to the latter, following the conditions set out by MHLW, under which the company is required to pay equal or higher wages than those of regular workers at the client companies engaged in the same type of work.

SG&A expenses

SG&A expenses

SG&A expenses	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
(JPYmn)	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.
SG&A expenses	1,930	2,280	2,783	2,860	3,223	4,253	4,633	5,545	6,729
Directors' compensation	268	289	342	294	271	263	247	239	
Salaries	489	630	804	969	1,000	1,211	1,338	1,481	
Rent	217	261	283	358	419	398	407	433	
Provision for bonuses	24	37	47	53	41	79	33	100	
Hiring costs					297	728	974	1,286	
Other	932	1,063	1,308	1,187	1,195	1,575	1,634	2,006	

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

SG&A expenses in FY03/26 totaled JPY6.7bn, representing 18.4% (-0.1pp YoY) of revenue. Major items included salaries for non-technician managers, directors' compensation, rent, and hiring costs. In FY03/25, these items accounted for 4.9%, 0.8%, 1.4%, and 4.3% of revenue, respectively. The SG&A ratio declined as higher revenue diluted the impact of fixed costs such as hiring costs, although the ratio of hiring costs to revenue rose 0.3pp YoY.

Market and value chain

Market conditions

Construction industry

Structure of the construction industry in Japan

The Japanese construction industry comprises multiple layers of subcontracting, making it relatively unique globally. In essence, general contractors secure projects and then act primarily as construction managers by entering into agreements with subcontractors that carry out the actual construction work. Employees of general contractors do not perform construction work on site. Instead, the work is carried out by workers employed by subcontractors.

A general contractor is a company that receives construction project orders directly from the ordering party. Companies fitting this description include Taisei Corporation (TSE Prime: 1801), Obayashi Corporation (TSE Prime: 1802), Shimizu Corporation (TSE Prime: 1803), Kajima Corporation (TSE Prime: 1812), and Takenaka Corporation (unlisted). A subcontractor, on the other hand, is a company that undertakes a portion of the work from the primary contractor (general contractor).

Subcontractors include the major facilities construction companies such as Kanden Co., Ltd. (TSE Prime: 1942), Kinden Corporation (TSE Prime: 1944), and Takasago Thermal Engineering Co., Ltd. (TSE Prime: 1969). These major facilities construction companies can sometimes operate as the prime contractor on a project. In addition to facilities construction, other types of work include carpentry, reinforced steel work, and interior decoration. Some subcontractors employ workers to perform the actual construction work, but in many cases, they subcontract out that work to smaller subcontractors, thus creating a multi-tiered subcontracting structure in the Japanese construction market.

The main responsibility of construction management technicians dispatched by Copro is to work between the managers of the general contractor (primary contractor such as major general contractors) and on-site workers of the subcontractors. In this capacity, the construction management technicians communicate and provide support to both sides to ensure the smooth completion of the project.

Construction investment as a key revenue source for construction companies

Construction investment in Japan has been declining since peaking at JPY84tn in FY1992. Following revisions to the Building Standards Law in 2007 and the industry slump after the 2008 global financial crisis, investment fell to about JPY42tn in FY2010, roughly half the FY1992 level. However, construction investment has since started to trend higher, supported by recovery-related projects following the Great East Japan Earthquake in 2011 and other factors. In addition to rebuilding demand driven by an increase in homes more than 40 years old and demand for seismic reinforcement in preparation for earthquakes, demand for repairs and upgrades related to aging social infrastructure has also emerged. The government enacted the Basic Act for National Resilience in 2013 and implemented a five-year acceleration package from FY2021 to FY2025. It has also formulated the 1st Mid-term Plan for the Implementation of National Resilience, covering the period from FY2026 to FY2030.

The 1st Mid-term Plan for the Implementation of National Resilience sets out the following five priorities:

- Development and management of disaster prevention infrastructure to protect people's lives and property
- Strengthening of lifelines such as transportation, communications, and energy infrastructure that underpin economic development
- Advancement of national resilience measures through the use of digital and other new technologies
- Strengthening of public-private partnerships, including securing business continuity during disasters
- Enhancement of regional disaster prevention capabilities

The government has indicated the business scale over the next five years will exceed JPY20tn. It has also stated the budget formulation process will appropriately reflect the impact of higher materials prices, personnel expenses, and other factors. When the five-year acceleration package for FY2021 to FY2025 was formulated, the assumed business scale was around JPY15tn. Compared with that package, the business scale of the 1st Mid-term Plan for the Implementation of National Resilience is roughly 33% larger, representing an increase of JPY5tn.

Construction investment

(JPYbn)	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
Private sector	33,094	30,923	30,237	31,996	32,594	33,532	30,750	31,434	25,030	23,946
YoY	-8.7%	-6.6%	-2.2%	5.8%	1.9%	2.9%	-8.3%	2.2%	-20.4%	-4.3%
Government	28,193	25,917	23,451	20,828	18,974	17,797	16,946	16,718	17,935	17,982
YoY	-5.9%	-8.1%	-9.5%	-11.2%	-8.9%	-6.2%	-4.8%	-1.3%	7.3%	0.3%
Total construction investment	61,288	56,840	53,688	52,825	51,568	51,328	47,696	48,152	42,965	41,928
YoY	-7.4%	-7.3%	-5.5%	-1.6%	-2.4%	-0.5%	-7.1%	1.0%	-10.8%	-2.4%

(JPYbn)	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Private sector	25,782	26,400	29,931	28,884	36,442	37,754	39,545	40,236	39,848	38,893
YoY	7.7%	2.4%	13.4%	-3.5%	26.2%	3.6%	4.7%	1.7%	-1.0%	-2.4%
Government	16,332	16,050	18,368	18,610	20,205	20,986	21,780	21,591	22,480	24,085
YoY	-9.2%	-1.7%	14.4%	1.3%	8.6%	3.9%	3.8%	-0.9%	4.1%	7.1%
Total construction investment	42,114	42,449	48,300	47,494	56,647	58,740	61,325	61,827	62,328	62,978
YoY	0.4%	0.8%	13.8%	-1.7%	19.3%	3.7%	4.4%	0.8%	0.8%	1.0%

(JPYbn)	FY2021	FY2022	FY2023 (estimate)	FY2024 (estimate)	FY2025 (forecast)
Private sector	41,654	43,956	47,060	48,170	50,360
YoY	7.1%	5.5%	7.1%	2.4%	4.5%
Government	23,512	23,892	24,410	25,040	25,210
YoY	-2.4%	1.6%	2.2%	2.6%	0.7%
Total construction investment	65,166	67,848	71,470	73,210	75,570
YoY	3.5%	4.1%	5.3%	2.4%	3.2%

Source: Shared Research based on the Ministry of Land, Infrastructure, Transport and Tourism's Construction Investment Forecast for each fiscal year

Note: Figures for FY2023 and FY2024 are estimates, while those for FY2025 are forecasts. The Construction Investment Forecast is updated annually in August.

Construction industry workers

During Japan's rapid economic growth period from 1955 to around 1973, the construction industry expanded by hiring a large number of full-time employees. However, following the collapse of the bubble economy, public works projects declined and lower capital investment led to a sudden drop in construction-related demand, prompting construction companies to refrain from hiring new employees. As a result, the number of construction industry workers declined by 1.47mn, or 23%, over the 20 years from 2001 to 2021. In the 2020s, the number of construction industry workers has fluctuated around 4.8mn. In addition, the number of new graduates entering the construction industry began to decline after reaching 78,000 in 1995, falling to 29,000 in 2009 before recovering. Since 2013, the number has remained around 40,000, standing at 39,000 in 2025.

Construction industry workers, new graduates entering the construction industry workforce

('000)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Construction industry workers	6,320	6,180	6,040	5,840	5,680	5,600	5,540	5,410	5,220	5,040
YoY	-3.2%	-2.2%	-2.3%	-3.3%	-2.7%	-1.4%	-1.1%	-2.3%	-3.5%	-3.4%
Of which, new graduates	42	40	35	33	33	33	33	31	29	31
YoY	-10.6%	-5.5%	-11.4%	-6.1%	-1.4%	1.3%	-0.1%	-5.2%	-6.9%	7.8%

('000)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Construction industry workers	5,020	5,030	5,000	5,070	5,030	4,950	4,990	5,050	5,000	4,940
YoY	-0.4%	0.2%	-0.6%	1.4%	-0.8%	-1.6%	0.8%	1.2%	-1.0%	-1.2%
Of which, new graduates	31	34	38	41	41	39	41	41	40	42
YoY	0.3%	7.5%	11.6%	8.5%	0.8%	-4.3%	3.6%	-0.5%	-0.8%	3.0%

('000)	2021	2022	2023	2024	2025
Construction industry workers	4,850	4,790	4,830	4,770	4,780
YoY	-1.8%	-1.2%	0.8%	-1.2%	0.2%
Of which, new graduates	44	43	40	38	39
YoY	5.8%	-2.4%	-6.7%	-4.7%	3.1%

Source: Shared Research based on the Ministry of Internal Affairs and Communications' Labour Force Survey and the Ministry of Education, Culture, Sports, Science and Technology's School Basic Survey

The construction industry's workforce has continued to age, with workers aged 55 or older accounting for 36.6% of the industry's workforce in 2025, compared with 32.8% for all industries. Moreover, as fewer young people enter the workforce, those aged 29 or under accounted for just 11.9% of all construction workers, compared with 17.0% for all industries. As a result, the construction industry faces chronic labor shortages, an aging workforce, and difficulties securing successors.

Breakdown of workers by age bracket

(%)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Age 29 or younger (construction industry)	19.6	19.1	17.7	16.1	15.5	15.0	13.8	13.0	12.8	11.6
Age 29 or younger (all industries)	22.3	21.5	20.9	20.2	19.7	19.4	18.8	18.3	17.8	17.5
Age 55 or older (construction industry)	23.9	24.8	26	28.1	29.4	30.2	31.3	32.2	32.5	33.0
Age 55 or older (all industries)	23.1	23.7	24.6	25.6	26.5	27.0	27.9	28.2	28.4	28.5
(%)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Age 29 or younger (construction industry)	11.8	11.2	10.2	10.7	10.8	11.4	11.0	11.2	11.6	11.8
Age 29 or younger (all industries)	17.3	16.7	16.6	16.4	16.3	16.4	16.2	16.5	16.6	16.6
Age 55 or older (construction industry)	32.8	33.4	34.2	34.2	33.9	33.9	34.4	35.1	35.3	36.0
Age 55 or older (all industries)	28.6	28.7	28.7	28.9	29.2	29.3	29.9	30.2	30.5	31.1
(%)	2021	2022	2023	2024	2025					
Age 29 or younger (construction industry)	13.7	11.7	11.6	11.7	11.9					
Age 29 or younger (all industries)	18.0	16.4	16.7	16.9	17.0					
Age 55 or older (construction industry)	33.1	35.9	36.6	36.9	36.6					
Age 55 or older (all industries)	27.9	31.5	31.9	32.4	32.8					

Source: Shared Research based on the Labour Force Survey from the Ministry of Internal Affairs and Communications

Employment breakdown at major construction companies

According to the Labour Force Survey released by Japan's Ministry of Internal Affairs and Communications, the number of individuals employed in the nation's construction industry has been gradually declining over the past decade, amounting to 4.78mn in 2025. This downward trend is particularly evident among skilled on-site workers; shortages of these workers have become more acute amid rising construction volumes. According to construction industry activity studies covering 53 major construction companies—released by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) through 2022—employee headcounts had been increasing. Nevertheless, growth in dispatched workers has also been observed as companies seek to address persistent labor shortages.

Number of employees in major construction companies and number of temporary employees (through 2022)

('000)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Engineers	107	105	104	113	113	115	115	118	121	121	123
Technicians	14	14	16	13	13	13	14	14	15	16	15
Administration staff	37	38	37	37	39	39	40	39	39	40	40
Other	2	2	2	1	1	1	2	2	2	2	2
Total employees	161	159	159	165	166	169	171	174	177	180	180
YoY	-1.7%	-0.7%	0.0%	3.3%	1.0%	1.4%	1.5%	1.7%	1.8%	1.4%	0.4%
Temporary workers	17	17	18	20	21	24	26	29	28	29	27
YoY	37.2%	0.2%	8.1%	8.1%	7.9%	11.6%	10.9%	9.5%	-1.3%	2.7%	-8.2%

Source: Shared Research based on the Ministry of Land, Infrastructure, Transport and Tourism's survey on construction industry activity targeting 53 major construction companies

Note: Years displayed refer to the years in which corresponding surveys were conducted. The Ministry of Land, Infrastructure, Transport and Tourism has not released its survey on construction industry activity for 2023 or later.

Construction worker headcount trends indicated by labor force surveys

('000)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Total construction workers	4,950	4,990	5,050	5,000	4,940	4,850	4,790	4,830	4,770	4,780
YoY	-1.6%	0.8%	1.2%	-1.0%	-1.2%	-1.8%	-1.2%	0.8%	-1.2%	0.2%
Managers	210	200	200	180	180	170	180	200	170	180
Engineers	310	310	330	360	370	360	370	380	390	410
Administration staff	780	790	840	850	820	830	850	870	860	870
Sales staff	260	270	280	270	280	270	250	240	230	250
Technicians	3,330	3,380	3,350	3,310	3,260	3,190	3,100	3,110	3,070	3,030
YoY	-1.5%	1.5%	-0.9%	-1.2%	-1.5%	-2.1%	-2.8%	0.3%	-1.3%	-1.3%
Other	60	40	50	30	30	30	40	30	50	40

Source: Shared Research based on the Labour Force Survey from the Ministry of Internal Affairs and Communications

Note: Manual laborers and other on-site construction workers have been classified as "technicians." Job classifications follow the standards used by the Japan Federation of Construction Contractors.

Upper limits on overtime (effective April 2024)

Long working hours have been a serious issue in Japan's construction industry. According to the Ministry of Health, Labour and Welfare's Monthly Labour Survey, monthly working hours in the construction industry were 163.5 hours in 2022 (final figures), above 136.1 hours for all surveyed industries. The number of monthly working days was also higher, at 20.0 days versus 17.6 days for all surveyed industries. Given these working conditions, overtime work limits were applied to the construction industry from April 2024. As a result, monthly working hours in the construction industry declined to 159.8 hours in 2025, down 3.7 hours, or 2.3%, from 2022. This decrease was larger than the decline for all surveyed industries, where monthly working hours fell by 1.0 hour, or 0.7%, to 135.1 hours in 2025. Monthly working days were 19.6 days in the construction industry, compared with 17.4 days for all surveyed industries. Following the introduction of overtime work limits, monthly working hours in the construction industry decreased by 3.7 hours and monthly working days by 0.4 days.

These regulations, intended to correct long working hours, were introduced in April 2019 for industries other than those subject to a grace period, such as construction. The regulations set upper limits on overtime work at, in principle, 45 hours per month and 360 hours per year, or 720 hours per year even with a labor-management agreement. They also set the upper limit on overtime work in a single month at 100 hours, with fines imposed on companies in violation. The construction industry, where long working hours had become common, was given a five-year grace period. The application of these regulations has reduced working time at construction sites by roughly 0.4 days per month. Meanwhile, if the time required for construction work remains unchanged, this reduction will contribute to longer construction periods. For construction companies, longer construction periods mean fewer projects can be completed each year, which could reduce revenue. Accordingly, companies need to respond by increasing staffing and improving productivity through digital transformation and other initiatives.

Digital transformation (DX) in the construction industry

Digital transformation in the construction industry means incorporating digital technologies into planning, design, and construction to help reduce overall labor, increase speed, and improve the sophistication of construction operations. The advancement of DX in the construction industry will likely reduce demand for some tradesmen, although construction project management will continue to be necessary. At the same time, the company notes that as DX progresses, younger workers without extensive experience will find it easier to manage construction projects effectively.

i-Construction

The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) is promoting i-Construction, an initiative aimed at improving productivity in the overall construction and production systems and making construction sites more attractive through the extensive use of information and communication technology (ICT) at those sites.

Implementing the increased use of automation and robotics as in the manufacturing industry has been difficult at construction sites, largely due to the following reasons: items (e.g., buildings) are produced on an individual basis based on the specifications of customers at different locations; on-site, outdoor production, where workers must contend with a variety of different geographical, topographical, and weather conditions; and the labor-intensive nature of construction, which involves a large number of workers with different skills, including at specialized construction companies, with various materials, equipment, and construction methods. That being said, the introduction of IoT to construction sites offers the potential to improve productivity in a way similar to that seen in manufacturing. As a specific example, the introduction of more efficient supply chain management systems can optimize operations at factories and worksites, including in regard to procuring raw materials, manufacturing components, transporting materials and equipment, and assembling components.

In addition, the introduction of 3D data in each construction and production process—from surveying and measurement to design, construction, inspection, maintenance, and upgrading—will allow the use of the newest technologies, including ICT construction equipment. To achieve these goals, in FY2016 MLIT introduced 15 new standards, including manuals for public surveys and standards for supervision and inspection. MLIT also launched new cost standards that included leasing charges for ICT construction equipment.

Market size for construction technician dispatch

According to Yano Research Institute, the market for staffing services in the construction industry is estimated to have expanded from JPY540bn in 2020 to JPY640bn in 2025, representing a CAGR of 3.5%. The institute expects market expansion to be driven by a shortage of technicians as the average age of workers in the construction industry rises, continued growth in the use of dispatched personnel in the industry, and changing attitudes toward work styles.

Estimated market size for construction technician dispatch

(JPYbn)	2020	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Actual	Actual	Estimate
	540	530	560	580	620	640
YoY		-1.9%	5.7%	3.6%	6.9%	3.2%

Source: Shared Research based on Yano Research Institute's press releases

Trends in the worker dispatch market

The Worker Dispatching Act, under the jurisdiction of the Ministry of Health, Labour and Welfare (MHLW), requires dispatching business operators to submit reports to MHLW on their operating status as of June 1 each year. MHLW compiles and publishes data on the number of dispatched workers covered by agreements under Article 30-4, Paragraph 1 of the Act. According to the compiled data, the number of dispatched workers in Japan as of June 1, 2025 was 2,009,000 (+5.0% YoY), of which 875,000 were permanent dispatched workers, or dispatched workers regularly employed by dispatching business operators (+7.0% YoY). For dispatched technicians related to Copro's businesses in the manufacturing and construction industries, there were 47,000 architecture, civil engineering, and surveying technicians (+20.3% YoY), 86,000 manufacturing technicians (+15.5% YoY), 197,000 information processing and telecommunications technicians (+7.3% YoY), and 54,000 other technicians (-2.7% YoY).

In Japan, the largest category of dispatched workers is general clerical workers, at 404,000, accounting for 20.1% of all dispatched workers. This is followed by product manufacturing and processing workers, or workers assigned to manufacturing lines and similar operations, at 287,000, or 14.3%. In technician dispatch, information processing and telecommunications technicians account for the largest number, representing 9.8% of all dispatched workers. Architecture, civil engineering, and surveying technicians, which include construction technician dispatch, Copro's mainstay business, account for 2.3% of all dispatched workers. According to MHLW statistics, fixed-term dispatched workers account for more than half of all dispatched workers overall, but permanent dispatched workers account for more than half of dispatched technicians. Shared Research understands this trend reflects the fact that, in technician dispatch, dispatching business operators regularly employ technicians, provide education and training, and assign them to client companies after they have acquired a certain level of skills.

Dispatched workers in Japan

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Number of dispatched workers										
Total										
Permanent dispatched workers	340,042	397,528	389,674	550,625	610,683	676,861	746,661	791,293	817,688	874,747
Fixed-term dispatched workers	966,734	1,163,134	945,684	1,015,174	951,407	1,009,836	1,114,913	1,133,162	1,095,958	1,134,347
Total	1,306,776	1,560,662	1,335,358	1,565,799	1,562,090	1,686,697	1,861,574	1,924,455	1,913,646	2,009,094
YoY		19.4%	-14.4%	17.3%	-0.2%	8.0%	10.4%	3.4%	-0.6%	5.0%
Manufacturing technicians										
Permanent dispatched workers	33,206	39,622	35,530	45,286	50,141	47,787	54,669	47,854	62,745	70,532
Fixed-term dispatched workers	15,168	24,519	16,103	13,598	11,779	11,942	12,122	12,700	12,091	15,933
Total	48,374	64,141	51,633	58,884	61,920	59,729	66,791	60,554	74,836	86,465
YoY		32.6%	-19.5%	14.0%	5.2%	-3.5%	11.8%	-9.3%	23.6%	15.5%
% of total	3.7%	4.1%	3.9%	3.8%	4.0%	3.5%	3.6%	3.1%	3.9%	4.3%
Architecture, civil engineering, and surveying technicians										
Permanent dispatched workers	13,901	18,222	16,409	19,620	20,700	20,927	22,383	26,075	25,872	33,023
Fixed-term dispatched workers	8,763	10,489	9,570	9,538	11,226	9,649	11,755	12,826	13,059	13,792
Total	22,664	28,711	25,979	29,158	31,926	30,576	34,138	38,901	38,931	46,815
YoY		26.7%	-9.5%	12.2%	9.5%	-4.2%	11.6%	14.0%	0.1%	20.3%
% of total	1.7%	1.8%	1.9%	1.9%	2.0%	1.8%	1.8%	2.0%	2.0%	2.3%
Information processing and telecommunications technicians										
Permanent dispatched workers	95,451	106,257	102,266	116,257	127,198	135,793	146,694	156,382	160,236	169,018
Fixed-term dispatched workers	29,786	31,149	20,667	24,850	23,959	24,538	25,751	26,319	23,747	28,407
Total	125,237	137,406	122,933	141,107	151,157	160,331	172,445	182,701	183,983	197,425
YoY		9.7%	-10.5%	14.8%	7.1%	6.1%	7.6%	5.9%	0.7%	7.3%
% of total	9.6%	8.8%	9.2%	9.0%	9.7%	9.5%	9.3%	9.5%	9.6%	9.8%
Other technicians										
Permanent dispatched workers	27,980	30,982	33,022	36,529	39,843	42,489	44,702	45,391	47,471	46,596
Fixed-term dispatched workers	9,558	10,337	7,751	7,493	7,622	7,115	8,255	7,850	8,514	7,871
Total	37,538	41,319	40,773	44,022	47,465	49,604	52,957	53,241	55,985	54,467
YoY		10.1%	-1.3%	8.0%	7.8%	4.5%	6.8%	0.5%	5.2%	-2.7%
% of total	2.9%	2.6%	3.1%	2.8%	3.0%	2.9%	2.8%	2.8%	2.9%	2.7%

Source: Shared Research based on the Report on Worker Dispatching Business from the Ministry of Health, Labour and Welfare

Competitive environment

Construction technician dispatch

Barriers to entry

Yano Research Institute estimated the size of the construction technician dispatch market in 2025 at JPY640bn. Using this estimate and total revenue for the relevant businesses at the four major companies in their most recent fiscal years, Shared Research calculates that these companies account for about 21% of the market on a combined basis. The leading players are Copro, Open Up Group's Construction business, TechnoPro Holdings' Construction Management Outsourcing business, and Nareru Group's Construction Solutions business. Barriers to entry in the construction technician dispatch market are low, and the industry has many small and medium-sized companies. However, it is not easy to hire inexperienced workers, provide them with a certain level of education and training, and then dispatch them to major construction companies while continuously maintaining customer trust. Shared Research understands becoming a major provider with ongoing transactions with major general contractors is not necessarily easy.

One of the key characteristics of the construction industry is that it operates on a made-to-order basis, and production only begins once an order is placed. Customers can only determine whether the requested quality and performance have been achieved once the project is completed. As such, reliability based on past performance and trust-based relationships with customers, including developers, are extremely important in the industry. The same applies to the company and its customers in the construction industry. Accordingly, Shared Research believes that while barriers to entry are not particularly high, only a few companies—specifically those that can build a proven track record and trust-based relationships—are likely to emerge as leading players.

Industry peers

Copro is not affiliated with any general contractor, whereas many of its competitors are subsidiaries of major general contractors, such as Act Technical Support Inc. (a subsidiary of Kajima Corporation) and Taisei Staff Service Co., Ltd. (a subsidiary of Taisei Corporation). Shared Research assumes these subsidiaries dispatch workers exclusively to their parent general contractors and either do not or cannot dispatch them to destinations that might compete with the parent. As such, Shared Research believes companies such as Copro, which maintain a neutral position among general contractors, play an important role in the industry.

Listed non-affiliated competitors in the construction technician dispatch business include Open Up Group and Nareru Group. Among companies previously regarded as Copro's peers in construction technician dispatch, Outsourcing was taken private through an MBO in June 2024, and TechnoPro Holdings was also taken private through an MBO in December 2025. Accordingly, Shared Research understands the comparable construction technician dispatch businesses in the most recent fiscal years are Copro's construction technician dispatch business, Open Up Group's Construction business, TechnoPro Holdings' Construction Management Outsourcing business, and Nareru Group's Construction Solutions business.

Recent revenue for these four players was as follows. On a consolidated basis, Copro generated revenue of JPY36.7bn (+22.1% YoY) in FY03/26, with Copro Construction's revenue at JPY31.4bn (+17.4% YoY). Open Up Group's Construction business recorded revenue of JPY56.9bn (+26.5% YoY) in FY06/25, TechnoPro Holdings' Construction Management Outsourcing business recorded revenue of JPY25.6bn (+9.8% YoY) in FY06/25, and Nareru Group's Construction Solutions business recorded revenue of JPY21.6bn (+11.9% YoY) in FY10/25.

Comparison of four leading construction technician dispatching companies

Revenue (JPYmn)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	2-year CAGR	5-year CAGR
	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26		
Copro Holdings	14,837	15,589	18,791	24,098	30,015	36,662		
YoY	13.1%	5.1%	20.5%	28.2%	24.6%	22.1%	23.3%	19.8%
	FY06/21	FY06/22	FY06/23	FY06/24	FY06/25	FY06/26		
TechnoPro Holdings	161,316	178,756	199,851	219,218	238,966			
YoY	1.8%	10.8%	11.8%	9.7%	9.0%		9.3%	8.6%
Open Up Group	98,887	148,573	150,697	173,225	187,954			
YoY	-	50.2%	1.4%	14.9%	8.5%		11.7%	
	FY10/21	FY10/22	FY10/23	FY10/24	FY10/25	FY10/26		
Nareru Group	12,125	14,541	17,995	21,609	24,158			
YoY	-	19.9%	23.8%	20.1%	11.8%	-	15.9%	
Total of four companies	287,165	357,459	387,334	438,150	481,093			
YoY	-	24.5%	8.4%	13.1%	9.8%	-		
Operating profit (JPYmn)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	2-year CAGR	5-year CAGR
	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26		
Copro Holdings	1,438	1,621	1,322	2,142	2,764	3,633		
YoY	-9.7%	12.8%	-18.5%	62.0%	29.1%	31.4%	30.2%	20.4%
	FY06/21	FY06/22	FY06/23	FY06/24	FY06/25	FY06/26		
TechnoPro Holdings	19,461	20,641	21,838	21,918	23,844			
YoY	23.4%	6.1%	5.8%	0.4%	8.8%		4.5%	8.6%
Open Up Group	-25,220	10,103	12,164	14,293	16,244			
YoY	-	-	20.4%	17.5%	13.7%		15.6%	
	FY10/21	FY10/22	FY10/23	FY10/24	FY10/25	FY10/26		
Nareru Group	1,758	2,040	2,469	3,111	2,827			
YoY	-	16.0%	21.1%	26.0%	-9.1%	-	7.0%	
Total of four companies	-2,563	34,405	37,793	41,464	45,679			
YoY	-	-	9.8%	9.7%	10.2%	-		
Operating profit margin							Average of past two years	Average of past five years
Copro Holdings	9.7%	10.4%	7.0%	8.9%	9.2%	9.9%	9.6%	9.1%
TechnoPro Holdings	12.1%	11.5%	10.9%	10.0%	10.0%		10.0%	10.7%
Open Up Group	-	6.8%	8.1%	8.3%	8.6%		8.4%	
Nareru Group	14.5%	14.0%	13.7%	14.4%	11.7%		13.0%	13.7%
Total of four companies	-	9.6%	9.8%	9.5%	9.5%		9.5%	
Revenue from construction technician dispatch business (JPYmn)	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	2-year CAGR	5-year CAGR
	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26		
Copro (Copro Construction)	14,837	14,831	17,550	21,883	26,739	31,396		
YoY	13.1%	0.0%	18.3%	24.7%	22.2%	17.4%	19.8%	16.2%
	FY06/21	FY06/22	FY06/23	FY06/24	FY06/25	FY06/26		
TechnoPro (Construction Management Outsourcing business)	19,670	20,311	21,642	23,291	25,564			
YoY	-0.6%	3.3%	6.6%	7.6%	9.8%		8.7%	5.3%
Open Up (Construction business)	8,720	36,921	40,121	44,994	56,904			
YoY	-	323.4%	8.7%	12.1%	26.5%		19.1%	
	FY10/21	FY10/22	FY10/23	FY10/24	FY10/25	FY10/26		
Nareru (Construction Solutions business)	10,988	13,033	16,045	19,347	21,643			
YoY	-	18.6%	23.1%	20.6%	11.9%		16.1%	
Total of four companies	54,214	85,096	95,358	109,515	130,850			
YoY	-	57.0%	12.1%	14.8%	19.5%		17.1%	

Source: Shared Research based on materials from various companies

Notes: TechnoPro Holdings has used the International Financial Reporting Standards (IFRS) since FY2013 (FY06/14), Open Up Group since FY2021 (FY06/22), and Nareru Group since FY2021 (FY10/22). The company uses the Japanese generally accepted accounting principles (J-GAAP). Results at Open Up Group in FY2020 (FY06/21) were affected by a business integration.

Because operating profit includes both segment results and company-wide eliminations, comparing profitability by segment is not straightforward. Given that Copro's core business is dispatching technicians to construction sites, Shared Research compares its operations with Nareru Group, whose business composition most closely resembles Copro's. In FY03/26, Copro's OPM was 9.9%, or 11.5% before goodwill amortization. By comparison, Nareru Group's OPM was 11.7% in FY10/25.

Copro amortizes goodwill under Japanese GAAP, while Nareru Group has voluntarily adopted IFRS and does not amortize goodwill. Shared Research estimates that if the JPY14.1bn in goodwill capitalized by Nareru Group were amortized evenly over eight years, annual amortization would be JPY1.8bn, equivalent to 7.3% of revenue, and its OPM would be 4.4%. If the goodwill were amortized evenly over 20 years, annual amortization would be JPY704mn, equivalent to 2.9% of revenue, and Shared Research estimates its OPM would be 8.8%. Even under IFRS, companies must conduct an impairment test on the recoverable amount of goodwill at each fiscal year-end. Copro also plans to voluntarily adopt IFRS from its FY03/27 annual securities report, scheduled for release in June 2027.

Main differences in accounting standards

	J-GAAP	IFRS
Amortization of goodwill	Recorded under SG&A expenses	Not recorded as expenses
Employment adjustment subsidy	Recorded under non-operating income	Recorded under other income
Provision for paid annual leave	Not recorded as expenses	Mainly recorded as cost of revenue
Impairment losses	Recorded under extraordinary losses	Recorded under other expenses
Hiring and training expenses	Recorded under SG&A expenses	Recorded under cost of revenue

Source: Shared Research based on materials from various companies

Copro records hiring costs (JPY1.3bn in FY03/25) under SG&A expenses, while Nareru Group does not disclose this figure. If these expenses are reclassified to cost of revenue, Copro's GPM for FY03/25 comes to 23.4%, below Nareru Group's 25.8% in FY10/25. One contributing factor may be Copro's lower margin rate* compared with Nareru Group. Based on disclosures under the Worker Dispatching Act, Shared Research estimates Copro Construction's margin rate at 41.3% in FY03/25, whereas Nareru Group's World Corporation recorded a margin rate of 43.5% in FY10/25. Copro's margin rate disclosed under the Worker Dispatching Act is lower than Nareru Group's.

Copro's contracts with dispatched technicians do not include bonuses; instead, bonus-equivalent amounts are incorporated into monthly salaries. Other companies, including Nareru Group, provide bonuses. Copro assumes many dispatched technicians in the industry leave their jobs after relatively short periods, meaning companies often record monthly bonus provisions but later reverse these provisions when employees leave before bonuses are paid. This reversal ultimately raises the margin rate. Copro also states that its margin rate is lower because it prioritizes assigning technicians to major general contractors and subcontractors, where retention rates are high, rather than to clients with high margin rates.

Margin rate: Under the 2012 amendment to the Worker Dispatching Act, companies are required to publicly disclose their margin rate through the Internet or other means, allowing workers to verify the metric and thereby choose a more appropriate staffing agency. The margin rate is calculated as "1 - (worker wage ÷ dispatch fee)", and it includes not only the profit earned by the staffing company, but also social insurance fees, training expenses, and other costs it incurs. According to the Ministry of Health, Labour and Welfare, a lower margin rate is not necessarily more favorable because the metric includes social insurance fees, training expenses, and other items. The ministry says it is important to comprehensively evaluate the margin rate in conjunction with other information.

Margin rate of Copro (Copro Construction)

Copro Construction	Number of dispatched technicians	Number of assignment locations	Dispatch fee (JPY) (a) (average per eight-hour working day)	Worker wages (JPY) (b) (average per eight-hour working day)	Margin rate (a-b)/a
Tokyo head office	1,362	812	30,798	16,969	44.9%
Sapporo branch	137	150	26,456	15,576	41.1%
Sendai branch	150	280	27,542	15,971	42.0%
Omiya branch	436	290	26,892	16,649	38.1%
Yokohama branch	497	410	29,473	17,924	39.2%
Nagoya branch	793	660	27,967	16,705	40.3%
Osaka branch	842	720	26,495	16,278	38.6%
Hiroshima branch	189	215	25,856	15,476	40.1%
Fukuoka branch	297	321	27,036	15,827	41.5%
Total for headcount and assignment locations; weighted average for fees and wages	4,703	3,858	28,382	16,668	41.3%

Source: Shared Research based on company materials (April 2024–March 2025)

Margin rate of Nareru Group (World Corporation)

World Corporation	Number of dispatched technicians	Number of assignment locations	Dispatch fee (JPY) (a) (average per eight-hour working day)	Worker wages (JPY) (b) (average per eight-hour working day)	Margin rate (a-b)/a
Tokyo head office	2,358	750	26,625	15,005	43.6%
Hokkaido branch	108	80	23,598	12,662	46.3%
Tohoku branch	134	74	25,840	13,244	48.7%
Chubu branch	234	150	24,348	13,869	43.0%
Kansai branch	514	233	23,179	13,742	40.7%
Kyushu branch	171	106	25,861	14,313	44.7%
Total for headcount and assignment locations; weighted average for fees and wages	3,519	1,393	25,810	14,572	43.5%

Source: Shared Research based on data from included companies (November 2024–October 2025)

Copro Construction had an average utilization rate of 93.6% over the past three years, exceeding the 93.5% reported by Nareru Group's World Corporation. Copro has historically maintained a high utilization rate due to a lower proportion of inexperienced workers in its overall workforce, resulting in fewer non-billable days for training and other reasons. However, Shared Research understands that, in recent years, the proportion of inexperienced technicians has increased, and the difference versus peers is narrowing.

Copro's turnover rate, based on year-end figures and calculated as one minus the retention rate, averaged 27.5% over the past three years, compared with 30.1% for Nareru Group's World Corporation. Based on the turnover rate calculated by Shared Research, defined as the number of employees who left divided by the sum of technicians at the end of the previous fiscal year and hires during the current fiscal year, Copro's three-year average was 27.2%, compared with 29.5% for Nareru Group. In both calculations, Copro's turnover rate is lower than Nareru Group's. Shared Research attributes Copro's lower turnover rate to its focus on raising the percentage of technicians dispatched to target companies, such as major general contractors and subcontractors, dispatching technicians in teams or sets to the same job sites, and providing follow-up support to dispatched technicians.

In March 2026, Copro made TRYT Engineering a subsidiary, adding 2,364 construction technicians as of end-FY03/26. Starting in April 2026, the company plans to disclose construction technician dispatch figures on a combined basis for Copro Construction and TRYT Engineering. In addition, because TRYT Engineering mainly hires experienced technicians and also provides job placement services, Shared Research believes trends in the utilization rate and other indicators may change from FY03/27 onward.

Comparison of utilization and turnover rates

Company	Copro (Copro Construction and TRYT Engineering)			Nareru Group (World Corporation)		
	FY03/24	FY03/25	FY03/26	FY10/23	FY10/24	FY10/25
Construction technician dispatch business						
Number of technicians on staff at the end of the fiscal year	3,568	4,352	7,220	2,696	3,239	3,687
Utilization rate (average during the fiscal year)	94.6%	93.8%	92.3%	93.8%	94.2%	92.6%
Number of new hires	2,024	2,379	2,500	1,559	1,805	1,985
Number of departures	1,233	1,595	1,996	1,125	1,284	1,589
Turnover rate (year-end figure)	27.9%	27.3%	27.3%	30.2%	29.1%	31.1%
Turnover rate (Shared Research estimate)	25.7%	26.8%	29.1%	29.6%	28.5%	30.4%
Hires minus departures	791	784	504	434	521	396
Contract price per head (JPY'000/month, average during the fiscal year)	611	582	591	487	510	519

Source: Shared Research based on materials from various companies

Notes: Copro made TRYT Engineering a subsidiary in March 2026. As a result, the number of technicians increased by 2,364 separately from hires. For contract price per head, Copro uses revenue per head, while Nareru Group uses the average contract price for all dispatched employees.

Copro's turnover rate is calculated as one minus the retention rate. The turnover rate calculated by Shared Research is the number of employees who left during the current fiscal year divided by the sum of technical employees at the end of the previous fiscal year and hires during the current fiscal year.

Mechanical, electrical, and semiconductor technician dispatch and contract work

Peers in mechanical, electrical, and semiconductor technician dispatch and contract work include TechnoPro Holdings, Meitec, and Altech Corporation (TSE Prime: 4641). TechnoPro Holdings, which also competes in construction technician dispatch, reported revenue of JPY187.1bn (+11.6% YoY) in its R&D Outsourcing segment in FY06/25, segment profit of JPY23.1bn (+19.9% YoY), and a segment profit margin of 12.3%.

Meitec was established in 1974 and is a major provider of technician dispatch services for the manufacturing industry. In FY03/26, it reported revenue of JPY137.7bn, operating profit of JPY19.9bn, and an OPM of 14.5%. Altech, another industry peer, began operations in 1968 as an individual design office, was incorporated as a limited company in 1971, and was reorganized as a joint-stock company in 1981. In FY12/25, Altech reported revenue of JPY52.6bn (+5.6% YoY), operating profit of JPY5.4bn (+4.6% YoY), and an OPM of 10.3%. Copro Technology, which handles Copro's mechanical, electrical, and semiconductor technician dispatch and contract work, reported revenue of JPY3.7bn (+12.0% YoY) in FY03/26 and an operating loss of JPY7mn.

Strengths and weaknesses

Strengths

By focusing on direct hiring, the company has kept its hiring cost per technician low.

In FY03/26, Copro reported mid-career hiring costs per technician of JPY474,000 (+14.5% YoY). The company is focused on hiring technicians directly, rather than using recruiting firms. One reason it can hire technicians in this way is that it breaks down the process from recruitment to sales into smaller steps, manages them daily, and takes measures to improve each management target along the way. The company says this type of management is extremely time-consuming, so it has taken the time to build up expertise, which has enabled it to continually improve process management and hire efficiently even as the number of hires grows. According to Copro, its mid-career hiring costs per technician are the lowest among listed companies in the construction industry, versus an industry average of JPY500,000–600,000.

Compared with industry peers, the company has maintained a low turnover rate, an important driver of revenue growth.

Copro Construction's turnover rate, based on year-end figures, averaged 27.5% over the past three years, compared with 30.1% for Nareru Group's World Corporation. This turnover rate is calculated as one minus the retention rate, which is cumulative for the current fiscal year. Copro's average turnover rate over the past three years, as estimated by Shared Research, was 27.2%, compared with 29.5% for Nareru Group. The turnover rate calculated by Shared Research is the number of employees who left during the current fiscal year divided by the sum of technical employees at the end of the previous fiscal year and hires during the current fiscal year. In both calculations, Copro's turnover rate is lower than Nareru Group's. Shared Research attributes Copro's lower turnover rate to the company's enhanced education and training for dispatched technicians, its commitment to follow-up support for dispatched technicians, and its higher proportion of experienced workers, who have a low turnover rate, than inexperienced workers. Inexperienced workers have a high turnover rate, primarily due to the gap between actual work assignments and their expectations.

Because the company's revenue is a function of the number of technicians dispatched (number of technicians × utilization rate) and the average monthly contract rate per technician, the turnover rate has a major impact on revenue growth. If the turnover rate continues to rise, the company may struggle to grow its workforce even if it steps up hiring, which in turn can lead to missed revenue opportunities due to an inability to deploy skilled technicians in a timely and appropriate manner. In such a case, investments in recruitment and training are wasted and erode profit margins.

The company has achieved strong revenue growth through a top-down strategy and coordinated organizational execution.

Shared Research believes that Copro, under the strong leadership of President Kosuke Kiyokawa, has achieved high growth by clarifying sales policies, establishing strategies quickly, and executing them through a well-coordinated organizational structure. Over the past three years, the company has focused sales efforts on major clients such as leading general contractors, expanded team- and set-based dispatching of experienced technicians together with less-experienced ones, and strengthened recruitment and training of new graduates to increase the number of permanent employees. These efforts have helped expand its market and improve the quality of technicians available for dispatch. By not relying solely on the abilities of individual sales representatives, and instead leveraging top management's sound understanding of the business environment and flexible strategy setting, the company has established an organizational approach that has propelled growth surpassing that of its peers.

In March 2026, Copro made TRYT Engineering, a peer company with a track record in experienced technician dispatch, a subsidiary, while also deciding to withdraw from the SES business. These decisions demonstrate the company's ability to concentrate management resources on selected businesses. Shared Research recognizes top-down, rapid decision-making, from daily operations to M&A, as one of the company's strengths.

Weaknesses

Although labor shortages in Japan make overseas personnel essential, the company has been slower than competitors in developing its overseas business, reflecting its relatively short history in the industry.

As Japan's birthrate declines and its population ages, the shortage of human resources in the construction industry is expected to become even more serious. Salaries of dispatched workers in the construction industry tend to be higher than in the food service and other industries. Nevertheless, Shared Research believes it is not easy to secure workers for dispatch. Given the need to secure overseas workers to offset the labor shortage in Japan, the company is looking to the ASEAN region as a source of labor. However, dispatching foreign nationals requires recruiting workers in their respective countries and providing Japanese language training. With the goal of building a framework for its overseas human resources business, the company established a second-tier subsidiary in Vietnam in April 2021.

TechnoPro Holdings, on the other hand, has been developing its overseas business since 2013. In addition to dispatching technicians in China, TechnoPro Holdings dispatches overseas workers to locations in Japan and conducts training for these foreign nationals. Goodwill Group Inc., TechnoPro Holdings' predecessor, was established in 1995. Copro was established in 2006, and Shared Research believes that, as a relative newcomer to the industry, the company is lagging in the development of its overseas business.

The company acquired a mechanical design technician dispatch firm and opened a training center, but larger competitors remain ahead in areas such as client proposals and training systems.

TechnoPro Holdings is the leader in mechanical design technician dispatch. In addition to providing human resources to its customers, TechnoPro Holdings identifies customer issues and proposes related solutions. It is working to strengthen technician development, including through education and training systems and career planning advice. TechnoPro Holdings' R&D Outsourcing business recorded revenue of JPY187.1bn in FY06/25. By contrast, Copro Technology's revenue was JPY3.7bn in FY03/26, equivalent to only 2% of TechnoPro Holdings' segment revenue. Other large companies also have a head start on Copro in terms of their education and training systems and their ability to make attractive proposals to customers.

In February 2024, Copro launched Semicon TechnoLab, a training center focused on developing technicians for semiconductor manufacturing equipment maintenance and inspection, marking its entry into a new business area. Against the backdrop of advancing domestic semiconductor production in response to economic security risks, the company aims to address the shortage of technicians at semiconductor device and equipment manufacturers by training personnel in machinery maintenance and field engineering. The center brings in personnel from major semiconductor manufacturers as instructors and conducts training using equipment equivalent to the work environment at assigned workplaces, aiming to make inexperienced personnel immediately productive. By providing training at the center, the company aims to expand the business.

However, at this stage, the number of customers is limited. In particular, semiconductor-related factories are concentrated in regional areas, and business expansion has lagged the company's expectations. Shared Research understands the company is still in the process of securing a diverse customer base and the technicians needed to meet customer needs.

Because the company does not provide bonuses to dispatched technicians under its contracts, its margins are lower than those of competitors.

Given that Copro's core business is dispatching technicians to construction sites, Shared Research compares its operations with Nareru Group, whose business composition most closely resembles Copro's. In FY03/26, Copro's OPM was 9.9%, or 11.5% before goodwill amortization. By comparison, Nareru Group's OPM was 11.7% in FY10/25. The company applies Japanese GAAP, while Nareru Group applies IFRS. Nareru Group has capitalized JPY14.1bn in goodwill, and Shared Research estimates that if this goodwill were amortized evenly over eight years, its OPM would be 4.4%, or 8.8% if amortized evenly over 20 years. In any case, excluding the difference in accounting standards, there is no major difference in OPMs.

Meanwhile, Copro's GPM was 28.3% in FY03/26, compared with 25.8% for Nareru Group in FY10/25. Copro records hiring costs (JPY1.3bn in FY03/25) under SG&A expenses, while Nareru Group does not disclose this figure. If these expenses are reclassified to cost of revenue, Copro's GPM for FY03/25 comes to 23.4%, below Nareru Group's 25.8% in

FY10/25. This calculation uses FY03/25 figures because the breakdown of SG&A expenses is disclosed in the annual securities report.

Based on disclosures under the Worker Dispatching Act, Shared Research estimates Copro Construction's margin rate at 41.3% in FY03/25, whereas Nareru Group's World Corporation recorded a margin rate of 43.5% in FY10/25. Copro's margin rate disclosed under the Worker Dispatching Act is lower than Nareru Group's. Copro's contracts with dispatched technicians do not include bonuses; instead, bonus-equivalent amounts are incorporated into monthly salaries. Other companies, including Nareru Group, provide bonuses. Copro assumes many dispatched technicians in the industry leave their jobs after relatively short periods, meaning companies often record monthly bonus provisions but later reverse these provisions when employees leave before bonuses are paid. This reversal ultimately raises the margin rate. Copro also states that its margin rate is lower because it prioritizes assigning technicians to major general contractors and subcontractors, where retention rates are high, rather than to clients with high margin rates.

Historical performance and financial statements

Income statement

Income statement (JPYmn)	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25
	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.
Revenue	8,963	10,819	13,123	14,837	15,589	18,791	24,098	30,015
YoY	16.4%	20.7%	21.3%	13.1%	5.1%	20.5%	28.2%	24.6%
Cost of revenue	6,138	7,194	8,747	10,539	10,744	13,216	17,324	21,706
Gross profit	2,825	3,625	4,376	4,298	4,845	5,575	6,774	8,309
Gross profit margin	31.5%	33.5%	33.3%	29.0%	31.1%	29.7%	28.1%	27.7%
SG&A expenses	1,930	2,280	2,783	2,860	3,223	4,253	4,633	5,545
SG&A ratio	21.5%	21.1%	21.2%	19.3%	20.7%	22.6%	19.2%	18.5%
Operating profit	895	1,345	1,593	1,438	1,621	1,322	2,142	2,764
YoY	-1.6%	50.3%	18.4%	-9.7%	12.8%	-18.5%	62.0%	29.1%
Operating profit margin	10.0%	12.4%	12.1%	9.7%	10.4%	7.0%	8.9%	9.2%
Non-operating income	5	2	2	5	1	4	73	23
Interest income	0	0	0	0	0	0	0	3
Rental income	1	1	1	1	1	1	1	1
Other	4	1	0	4	0	3	72	19
Non-operating expenses	15	10	9	3	3	2	3	3
Interest expenses	5	4	2	1	0	0	0	0
Guarantee commission	5	4	2	1			-	
Other	5	3	5	1	3	2	3	2
Recurring profit	885	1,337	1,585	1,440	1,620	1,324	2,212	2,784
YoY	-1.8%	51.1%	18.6%	-9.2%	12.5%	-18.2%	67.0%	25.9%
Recurring profit margin	9.9%	12.4%	12.1%	9.7%	10.4%	7.0%	9.2%	9.3%
Extraordinary gains	2		18	91	62	0	1	0
Extraordinary losses	6	2	36	92	126	5	-	0
Loss on retirement of fixed assets	3	2	36	4	0	5		
Impairment losses				87	125			
Other	3						0	0
Income taxes	273	396	483	430	593	454	750	964
Implied tax rate	30.9%	29.7%	30.8%	29.9%	38.1%	34.5%	33.9%	34.6%
Net income attributable to non-controlling interests								
Net income attributable to owners of the parent	608	939	1,084	1,009	963	865	1,463	1,821
YoY	12.4%	54.4%	15.5%	-6.9%	-4.6%	-10.2%	69.3%	24.4%
Net margin	6.8%	8.7%	8.3%	6.8%	6.2%	4.6%	6.1%	6.1%

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

Balance sheet

Balance sheet (JPYmn)	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25
	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.
Assets								
Cash and deposits	2,931	4,761	4,832	5,321	4,058	4,407	5,949	6,191
Notes and accounts receivable	1,262	1,526	1,856	1,880	2,227	2,900	3,525	4,140
Other	205	199	210	207	464	445	416	447
Allowance for doubtful accounts	-4	-0	-0	-0	-0	-	-	-
Total current assets	4,394	6,486	6,898	7,408	6,748	7,752	9,890	10,778
Buildings and structures	262	294	271	273	328	454	445	395
Construction in progress	40	20	41	28				74
Other	63	75	60	56	79	130	141	128
Total tangible fixed assets	364	389	372	357	407	584	586	598
Lease assets	69	49	28	8				
Goodwill					781	675	656	556
Other	23	27	85	153	218	313	418	314
Total intangible assets	92	75	113	161	999	988	1,075	870
Investment securities								
Deferred tax assets	134	104	130	118	139	171	140	230
Other	410	420	518	471	548	501	476	581
Investments and other assets	544	524	648	589	687	672	600	811
Total fixed assets	1,000	988	1,133	1,107	2,093	2,243	2,261	2,279
Total assets	5,394	7,475	8,031	8,514	8,841	9,995	12,151	13,057
Liabilities								
Accounts payable—other	883	1,057	1,145	1,130	1,328	1,728	2,287	2,512
Short-term debt	267	270	186	85	-	-	-	-
Income taxes payable	165	209	310	159	375	218	464	707
Consumption taxes payable		254	429	450	238	488	718	885
Asset retirement obligations	2	1	8	28	23	1	5	
Provision for bonuses	75	96	121	53	52	103	75	166
Other	349	219	181	258	149	179	299	156
Total current liabilities	1,741	2,105	2,380	2,163	2,166	2,717	3,849	4,427
Long-term debt	859	600	86	4	24	31	35	40
Asset retirement obligations	72	77	77	74	75	124	133	175
Other	18				1	11	18	15
Total non-current liabilities	949	677	163	79	101	166	185	230
Total liabilities	2,690	2,782	2,543	2,242	2,266	2,883	4,034	4,658
Net assets								
Capital stock	30	30	30	30	30	30	30	30
Capital surplus		1,170	1,173	1,231	1,238	1,239	1,326	1,377
Retained earnings	2,679	3,494	4,287	5,013	5,619	6,112	6,922	7,695
Treasury stock	-5	-1	-1	-1	-349	-345	-224	-855
Accumulated other comprehensive income				0	2	5	5	5
Total net assets	2,704	4,693	5,488	6,272	6,575	7,112	8,116	8,400
Total liabilities and net assets	5,394	7,475	8,031	8,514	8,841	9,995	12,151	13,057
Working capital	379	469	711	750	899	1,172	1,238	1,628
Total interest-bearing debt	1,126	869	273	89	24	31	35	40
Net debt	-1,805	-3,892	-4,559	-5,232	-4,034	-4,376	-5,914	-6,151

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

Cash flow statement

Cash flow statement (JPYmn)	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25
	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.
Cash flows from operating activities (1)	753	1,165	1,126	989	825	1,011	2,328	2,233
Pre-tax profit	881	1,335	1,567	1,439	1,556	1,319	2,213	2,784
Depreciation	68	80	86	93	121	148	188	341
Impairment losses				87	125	-	-	
Loss (gain) on sale or retirement of fixed assets	4	2	36	4	-1	5	-	1
Gain on sale of fixed assets						-0	-	0
Loss on retirement of fixed assets						5	-	1
Change in working capital	43	-79	-284	-1	-54	-350	-11	-381
Change in trade receivables	-208	-265	-330	-24	-134	-673	-625	-615
Change in inventories								
Increase (decrease) in accounts payable–other	251	186	46	23	79	323	614	234
Cash flows from investing activities (2)	46	-123	-145	-83	-1,264	-292	-322	-351
Purchase of intangible/tangible fixed assets	-189	-84	-87	-228	-155	-289	-417	-236
Purchase of tangible fixed assets						-217	-51	-159
Purchase of intangible assets						-71	-367	-77
Proceeds from sale of intangible/tangible fixed assets	3				14	3	-	1
Free cash flow (1+2)	798	1,043	981	905	-439	719	2,006	1,882
Cash flows from financing activities	-731	761	-885	-417	-825	-372	-465	-1,644
Net change in short-term borrowings	-300							
Net change in long-term borrowings	-	-	-	-	-40	-	-	-
Proceeds from long-term borrowings								
Repayments of long-term borrowings					-40			
Proceeds from issuance of, and redemption of, bonds	-308	-244	-571	-160	-70	-	-	-
Issuance of bonds								
Redemption of bonds	-308	-244	-571	-160	-70	-	-	-
Dividends paid	-94	-123	-292	-283	-357	-372	-655	-1,047
Net income attributable to owners of the parent (NI)	608	939	1,084	1,009	963	865	1,463	1,821
Depreciation and amortization (A)	68	80	86	93	121	148	188	341
Capital expenditures (B)	-189	-84	-87	-228	-155	-289	-417	-236
Change in working capital (C)	-43	79	284	1	54	350	11	381
Simple FCF (NI+A+B-C)	531	856	798	874	875	374	1,223	1,545
Other (change in forex, other)				0	2	2	1	3
Change in cash and cash equivalents	68	1,804	96	489	-1,263	349	1,542	241

Source: Shared Research based on company materials

Note: Figures may differ from company materials due to differences in rounding methods.

Cash flows from operating activities

Backed by positive pre-tax profit, the company maintained cash inflows from operating activities from FY03/18 to FY03/23.

Cash flows from investing activities

Cash outflows from investing activities reflect expenditures for the acquisition of tangible fixed assets and intangible assets. Cash inflows from investing activities in FY03/18 were largely due to JPY336mn in proceeds from the withdrawal of time deposits.

Cash flows from financing activities

Cash flows from financing activities mainly reflect the payment of dividends. The company redeemed bonds every fiscal year from FY03/18 to FY03/22, but held no bonds payable as of FY03/23.

Historical performance

Cumulative Q3 FY03/26 results

Results summary

- Revenue: JPY26.0bn (+18.0% YoY; 68.4% of the full-year forecast)
- Operating profit: JPY2.4bn (+14.0% YoY; 64.5%)
- Recurring profit: JPY2.5bn (+13.5% YoY; 64.6%)
- Net income attributable to owners of the parent: JPY1.5bn (+11.9% YoY; 62.3%)

In cumulative Q3 FY03/26, Copro reported consolidated revenue of JPY26.0bn (+18.0% YoY), operating profit of JPY2.4bn (+14.0% YoY), recurring profit of JPY2.5bn (+13.5% YoY), and net income attributable to owners of the parent of JPY1.5bn (+11.9% YoY). Revenue and all profit categories reached record highs for the nine-month period. Progress toward the company's full-year targets came to 68.4% for revenue and 64.5% for operating profit. Copro cited the cumulative Q3 results as evidence of sustained strong growth and left its full-year forecast unchanged.

GPM in cumulative Q3 was 27.8%, up 0.3pp YoY. While the company continued streamlining operations to reduce SG&A expenses, it maintained strategic spending, including hiring technicians, which pushed the SG&A ratio up 0.5pp YoY. As a result, OPM fell 0.4pp YoY to 9.4%.

The group's technician headcount increased to 5,422 (+15.8% YoY), driving revenue growth. In construction technician dispatch, hiring in cumulative Q3 totaled 2,076 (+12.0% YoY), helping the company catch up after lagging behind its full-year hiring pace in Q1. Copro is reallocating and expanding its hiring and sales staff to boost hiring and improve the utilization rate.

In construction technician dispatch, the number of technicians on the roster was 4,904 (+692, or +16.4% YoY). Copro is working to deepen relationships with target companies and dispatch technicians in teams or pairs to the same worksites. In Q3 FY03/26, the ratio of assignments to target companies was 89.8%, up from 87.1% in Q2. The company is tightening its placement rules for non-target clients and stepping up its sales approach to major clients. It is also reinforcing same-site and team-based dispatch to improve the technician retention rate. Copro defines team-based dispatch as assigning five or more technicians to a single worksite and is revising the incentive program for sales staff to encourage additional placements at the same worksite, building a team-dispatch model that supports a higher retention rate.

In mechanical, electrical, and semiconductor technician dispatch and contract work, the technician headcount increased to 371 (+61, +19.7% YoY). This total included 156 semiconductor technicians (+35 YoY) and 215 mechanical design technicians (+26 YoY). The company is streamlining and optimizing its screening process by updating recruiting tools and enhancing interviewer training.

Copro left its full-year forecast for FY03/26 unchanged. Through Q3, progress toward the full-year targets for revenue and each profit line item remained below the company's projections. However, the company believes the shortfall remains recoverable, including expected contributions from TRYT from March 2026 onward. The company also left its dividend policy unchanged. Under its current medium-term management plan, it has a policy of not reducing dividends. For FY03/26, it plans to pay a year-end dividend of JPY25 per share, bringing the annual dividend to JPY40 per share.

Acquisition of the TRYT business

Business acquisition

At its Board of Directors meeting on January 15, 2026, Copro decided to acquire TRYT Inc.'s staffing and recruitment services for the construction industry to strengthen its construction technician dispatch business. TRYT was owned by an investment fund and was delisted on September 24, 2025 (formerly TSE Growth: 9164). The share transfer was completed on March 1, 2026. By bringing TRYT into the group, Copro aims to secure the technician headcount underpinning its growth, deepen relationships with client companies as its scale expands, improve contract renewal rates, and enhance technician compensation and working conditions. The company positions the acquisition as an important step toward its goal of becoming the clear No. 1 player in Japan's construction technician dispatch industry and as a foundation for taking a leading role in further industry consolidation.

The purchase price for TRYT and its subsidiary, TRYT Engineering Inc., is JPY29.2bn. Copro plans to fund the acquisition with cash on hand and bank borrowings. After the transaction, TRYT will sit alongside Copro Construction and Copro

Technology under Copro, the group's pure holding company. TRYT Engineering, the operating unit responsible for construction technician dispatch, is a wholly owned subsidiary of TRYT.

According to the company's presentation materials, TRYT Engineering reported revenue of JPY19.2bn and operating profit of JPY2.2bn for the 12-month period from October 2024 to September 2025, and had 2,443 construction technicians as of January 5, 2026.

Strategic rationale

Copro classifies the significance of bringing TRYT into the group into three categories. First, the company aims to secure technicians that underpin business growth. TRYT Engineering had 2,443 construction technicians as of January 5, 2026, according to the company, bringing the total to 7,328 when combined with Copro Construction. This combined total brings the Copro group close to the scale of industry leader Open Up Group Inc. (TSE Prime: 2154), which had 8,757 technicians as of January 5, 2026, and the company aims to use the acquisition as a stepping stone toward its goal of becoming the clear No. 1 player in Japan's construction technician dispatch industry.

While the construction market in Japan remains firm, supported by redevelopment and demand for upgrades to social infrastructure, the industry continues to face chronic structural shortages of technicians. To meet customer needs for a stable and ample supply of technicians and higher retention, Copro aims to further strengthen its staffing services by combining TRYT Engineering's strengths—high-quality construction technicians, a network of locations and customers, and mid-career recruiting capabilities leveraging digital marketing—with its own operations.

Second, Copro aims to generate scale benefits. By leveraging both Copro Construction and TRYT Engineering, the company aims to raise contract rates by strengthening relationships with client companies and improve construction technicians' working conditions through better contract terms.

Third, Copro aims to lay the groundwork for further industry consolidation. The company positions the acquisition as the first step toward realizing its vision of becoming the clear No. 1 player in the industry. By becoming a leading company and leveraging its competitive advantages, it aims to create value for all stakeholders, including society, customers, employees, and shareholders. The company also aims to build a solid foundation in the industry and establish a track record that will position it to take a leading role in further consolidation of Japan's construction technician dispatch industry.

Near-term strategy

According to Copro, TRYT and TRYT Engineering differentiate themselves through strengths that include serving a broad customer base, including regional and small and medium-sized construction companies, by leveraging experienced-hire recruiting, and improving utilization rates while minimizing bench time through a talent database built using digital technologies. In addition to construction technician dispatch, they also provide recruitment placement services. These strengths differ from Copro's, which include low-cost hiring of inexperienced personnel through its in-house recruitment website, Bscareer Construction, expansion focused on major metropolitan areas such as the Chukyo and Kanto regions, and a strategy centered on major general contractors, with the five leading general contractors as its core target customers. Recognizing these differences, the company plans to operate the Copro and TRYT brands in parallel for the time being. While sharing the talent database and other resources, it expects to differentiate the two brands according to customer needs and characteristics.

To date, the company has grown exclusively under the Copro brand. However, as the number of construction technicians has expanded, making it the second-largest player in the industry, the company has identified challenges in broadening customer coverage and diversifying the profiles of dispatched technicians. On the recruiting side as well, relying solely on the Copro brand is no longer sufficient as hiring needs have grown, and signs have emerged that the company may struggle to secure enough hires. By bringing TRYT into the group, the company aims to address these issues and build its next growth strategy.

The company will begin post-merger integration (PMI) initiatives after the business transfer on March 1, 2026. Investors will need to wait for the company's further disclosure on its future business policy and specific strategies.

Sale of the IT technician dispatch business

In IT technician dispatch, or systems engineering services (SES), the number of technicians on the roster at end-December 2025 was 147, down 15 YoY, and down 30 from end-FY03/25, leaving the company short of its full-year target

of 322 (+145 YoY) for FY03/26. Historically, Copro dispatched freelance IT technicians on a project-by-project basis, but market demand has been stronger for technicians directly employed by the company. In response to these market conditions, the company decided at a Board of Directors meeting on January 15, 2026 to carve out its IT technician dispatch business. It will sell the SES business to Japaniace Co., Ltd. (TSE Growth: 9558) through an absorption-type company split to concentrate management resources on its core businesses—construction technician dispatch and mechanical, electrical, and semiconductor technician dispatch and contract work—with the aim of strengthening competitiveness and achieving sustainable growth.

Copro Technology's SES business originated from Value Ark Consulting Co., Ltd., which the company acquired and made a wholly owned subsidiary in September 2021. Centered on its owned media platform, Bscareer IT, the business has provided IT staffing services by matching freelance IT technicians with customer projects on a case-by-case basis. In the IT technician dispatch industry, changes in the business environment—including a decline in Japan's working-age population due to an aging population, intensifying competition to secure IT technicians, and rising skill requirements from customers—have led customers to prefer staffing models based on full-time employment with specialized expertise. Meanwhile, Copro has built its strengths around training and dispatching inexperienced personnel, drawing on the capabilities it developed in construction technician dispatch, while in IT technician dispatch it has pursued a strategy focused mainly on dispatching freelance IT technicians. This mismatch had increasingly become a management issue.

In addition, particularly at IT worksites, technological advances such as generative AI have driven greater polarization in the types of talent required, raising the possibility that AI could increasingly replace inexperienced technicians and those with limited industry experience. This trend also supported the company's decision.

Performance by subsidiary

Copro Construction

- Revenue: JPY23.3bn (+18.3% YoY)
- Operating profit: JPY3.4bn (+12.7% YoY)

In its construction technician dispatch business, the number of technicians on the roster totaled 4,904 (+692, or +16.4% YoY). Copro Construction hired 2,076 technicians through Q3, reaching 69.2% of its full-year hiring target of 3,000. Meanwhile, cumulative departures totaled 1,524, representing 79.0% of the full-year projected departures of 1,928. As a result, the number of technicians on the roster at end-December 2025 reached 86.0% of the year-end target of 5,424. Hiring fell short of the target, while departures increased, delaying growth in the technician base. As labor shortages intensified across industries in Japan, not only in construction, the company, which hires inexperienced candidates, noted that job seekers were increasingly drawn to other companies and other types of businesses, resulting in more cases in which candidates were lost even after interviews. The company is working to strengthen talent acquisition by improving interviewer skills and taking other measures.

While the company's core hiring approach centers on low-cost recruitment through its in-house recruitment website, it also uses recruitment agencies to make up for shortfalls in construction technician hiring. Hiring through recruitment agencies carries a higher cost per hire than direct hiring. As a result, cost per hire in Q3 FY03/26 (October–December 2025) was JPY521,000, up JPY112,000 YoY.

In cumulative Q3, the retention rate for construction technicians was 76.3% (-1.4pp YoY), while the utilization rate was 92.0% (-1.4pp YoY). Copro Construction has stepped up account development with major client companies, focusing on large general contractors. It has also strengthened repeat placements at the same worksite and team-based dispatching to improve retention. As a result, the retention rate has remained around 90%. Meanwhile, the company believes it has not secured enough dispatch assignments, leaving some technicians on the bench and weighing on the utilization rate. This imbalance reflects slower growth in sales headcount than in the number of technicians, and the company is working to improve sales productivity.

The company relocated Copro Construction's sales base to Tokyo in April 2025. As a result, revenue in the Kanto area rose steadily, increasing 25.8% YoY in Q1, 24.2% YoY in Q2, and 24.6% YoY in Q3. Revenue in other areas increased 16.6% YoY in Q1, 12.9% YoY in Q2, and 10.0% YoY in Q3. By capturing growing dispatch demand in the Kanto area, Japan's largest market, the company offset slower growth in other areas.

Copro Technology

- Revenue: JPY2.7bn (+15.5% YoY)

- Operating profit: JPY19mn (operating loss of JPY51mn in cumulative Q3 FY03/25)

In mechanical, electrical, and semiconductor technician dispatch and contract work, the technician headcount increased to 371 (+61, or +19.7% YoY). This total included 156 semiconductor technicians (+35 YoY) and 215 mechanical design technicians (+26 YoY). The company is streamlining and optimizing its screening process by updating recruiting tools and enhancing interviewer training.

In mechanical, electrical, and semiconductor technician dispatch and contract work, cumulative hires through Q3 totaled 124, reaching 41.8% of the full-year target, while cumulative departures came to 85, or 81.7% of the full-year projection, bringing the number of technicians to 371. Hiring is particularly difficult in semiconductor technician dispatch compared with construction technician dispatch, as client semiconductor plants are often located in regional areas and typically operate 24 hours a day. In addition, Copro Technology remains in the business development phase in semiconductor technician dispatch, and its customer base is limited and concentrated in specific regions. As a result, expanding dispatch destinations is also a challenge. Meanwhile, the utilization rate for dispatched technicians rose to 92.3% (+1.6pp YoY).

In IT technician dispatch, cumulative hires totaled 76, or 30.8% of the full-year target, while cumulative departures came to 106, or 103.9% of the full-year projection, leaving the number of technicians at 147 at end-December 2025 (-15 YoY). Although the company announced the carve-out of the IT technician dispatch business in January 2026, it did not reduce headcount ahead of the carve-out. The company attributes the decline to limited progress in customer development, as well as a mismatch between customers' preference for dispatching full-time employees with advanced technical skills and the company's IT technician dispatch model, which centers on freelancers. As noted above, the company plans to carve out this business effective March 27, 2026.

1H FY03/26 results

Results summary

- Revenue: JPY17.0bn (+19.3% YoY; 97.3% of the 1H forecast; 44.7% of the full-year forecast)
- Operating profit: JPY1.5bn (+19.7% YoY; 96.2%; 39.0%)
- Recurring profit: JPY1.5bn (+17.7% YoY; 96.2%; 39.0%)
- Net income attributable to owners of the parent: JPY936mn (+17.3% YoY; 93.5%; 37.9%)

In 1H FY03/26, Copro reported consolidated revenue of JPY17.0bn (+19.3% YoY), operating profit of JPY1.5bn (+19.7% YoY), recurring profit of JPY1.5bn (+17.7% YoY), and net income attributable to owners of the parent of JPY936mn (+17.3% YoY). Revenue and all profit categories hit record highs for 1H. Revenue and operating profit reached 97.3% and 96.2% of their respective 1H targets. Progress toward full-year targets was 44.7% for revenue and 39.0% for operating profit. Copro noted that 1H consolidated results fell short of the KPIs for its core construction technician dispatch business but believes it will recover the shortfall in 2H. The company kept its full-year forecast unchanged, citing its sustained high growth.

The group's technician headcount increased to 5,402 (+20.5% YoY), driving revenue growth. In construction technician dispatch, 1H hiring totaled 1,546 (+198, or +14.7% YoY), helping the company catch up after lagging behind its full-year hiring pace in Q1. Copro is reallocating and expanding its hiring and sales staff to increase hiring and improve the utilization rate, aiming to regain momentum in 2H. By contrast, the company hired 86 technicians (-9, or -9.5% YoY) for mechanical, electrical, and semiconductor technician dispatch and contract work, and 55 technicians (-4, or -6.8% YoY) for IT technician dispatch, as difficulty in securing new client sites for dispatch limited hiring growth.

Copro has identified two factors behind the shortfall in its 1H consolidated results versus its initial forecast for both revenue and all profit levels. The first is a shortage of technicians. The second is insufficient matching of technicians with client companies. Although demand for construction technicians and for mechanical, electrical, semiconductor, and IT technicians remains strong, the company has not been able to place the right personnel at the right client sites. Because it did not adequately match technicians with client sites, the utilization rate declined.

Based on this analysis, Copro plans to address the first factor, the shortage of technicians, by enhancing the effectiveness of its hiring process. As hiring of inexperienced technicians increases, the company intends to step up support for applicants from the interview stage onward and improve recruiter skills so they can prevent applicants from withdrawing and new hires from leaving. For the second factor, the company plans to strengthen sales capabilities toward client companies, including raising the proportion of target companies in its client base and improving the retention rate through team-based dispatch, which will require more detailed negotiations with clients. To this end, the company is increasing the number of sales staff and revising its incentive program for sales representatives. Although these

initiatives will take time to show results, the company aims to resolve these issues by strengthening its internal organization and expects to begin seeing tangible results in Q3.

In 1H FY03/26, the GPM improved 0.3pp YoY. While the company continued efforts to streamline operations and reduce SG&A expenses, it also maintained strategic investment in technician hiring, pushing the SG&A ratio up 0.3pp YoY. As a result, the OPM was unchanged YoY at 8.7%.

Full-year outlook

Copro left its full-year forecast for FY03/26 unchanged. The company recognizes it has set ambitious targets for FY03/26 considering the current conditions in the technician dispatch market, and says this is because these targets are designed to achieve the medium-term management plan goals for FY03/27. Nonetheless, the company aims to meet the FY03/26 targets as a step toward delivering the medium-term targets for FY03/27. It believes it can achieve the initial FY03/26 forecast by implementing the aforementioned measures to reinforce hiring and strengthen sales activities.

Performance by subsidiary

Copro Construction

- Revenue: JPY15.2bn (+19.3% YoY)
- Operating profit: JPY2.1bn (+14.3% YoY)

In construction technician dispatch, Copro Construction hired 829 technicians in Q1 FY03/26 (April–June) and 717 in Q2, compared with 843 and 505 a year earlier. These results brought total 1H hiring to 1,546 technicians (1,348 in 1H FY03/25). However, the company believes progress toward its full-year hiring target of 3,000 technicians is slightly behind schedule. During the same period, 1,013 technicians left the company (845 a year earlier), resulting in a net increase of 533 technicians (503 a year earlier). The company forecasts 1,928 resignations for the full year, so attrition is currently running ahead of its projection. As a result, construction technician headcount at end-Q2 FY03/26 rose to 4,885 (+20.0% YoY). However, the utilization rate (average for the period) declined to 91.9% from 92.5%, and revenue increased 19.3% YoY. The retention rate for construction technicians was unchanged YoY at 82.8%, and revenue per head edged up to JPY586,000 from JPY583,000 (+0.5% YoY).

In 1H, the share of construction technicians dispatched to target companies—such as the five major general contractors and other major construction companies—declined to 87.1%, from 89.4% at end-FY03/25. As the utilization rate of construction technicians fell, the company dispatched more technicians to construction sites of non-target companies. Because construction technicians are employed as the company's own regular employees, any decline in the utilization rate represents a lost business opportunity. The company aims to improve the retention rate by dispatching technicians to target companies, which it regards as high-quality clients, but is concerned that a lower share of dispatches to these companies could increase the risk of resignations.

In construction technician dispatch, Copro Construction is working to deepen relationships with target companies and dispatch technicians in pairs or teams to the same worksites. In light of conditions through Q2, the company plans to tighten placement rules for non-target clients and strengthen its sales approach to major clients. It is also reinforcing same-site and team-based dispatch to improve the technician retention rate. The company defines team-based dispatch as assigning five or more technicians to a single site and is revising its incentive program for sales staff to encourage additional placements at the same site, building a team-based dispatch model that delivers a higher retention rate.

Copro Construction differentiates itself by focusing on low-cost direct hiring and limiting the use of recruitment agencies. Even so, in a tight labor market, hiring-related costs are rising. The cost per mid-career hire was JPY395,000 in Q1 (April–June) and JPY481,000 in Q2 (July–September), up from JPY294,000 and JPY313,000 a year earlier. While largely in line with the internal budget, these costs increased YoY. Although the company uses recruitment agencies to secure essential personnel, most hiring is handled in-house by its recruiters, including via its own job site, Bscareer Construction. The company believes intensifying labor market competition has lowered the conversion rate of job seekers and is working to improve recruiter skills.

In April 2025, Copro relocated the sales headquarters for its construction technician dispatch business from Nagoya to Tokyo to boost its market share and strengthen talent acquisition in the key Kanto region. However, the company believes this shift had not yet produced meaningful results by Q2. In 1H, it secured a sufficient number of construction technicians for dispatch in Kanto, but sales staff were unable to secure enough client sites, which caused the utilization rate to decline. Heading into 2H, the company plans to increase its sales headcount.

Copro Technology

- Revenue: JPY1.8bn (+20.0% YoY)
- Operating loss: JPY9mn (operating loss of JPY38mn in 1H FY03/25)

Copro Technology is responsible for mechanical, electrical, and semiconductor technician dispatch and contract work, as well as IT technician dispatch. Revenue at Copro Technology grew 20.0% YoY, but the company still recorded an operating loss.

In mechanical, electrical, and semiconductor technician dispatch and contract work, Copro Technology hired 86 technicians in 1H (95 a year earlier), while 55 technicians left the company (45 a year earlier), resulting in a net increase of 31 technicians. Technician headcount rose to 363 (+90, or +33.0% YoY), including 147 semiconductor technicians (+67 YoY) and 216 mechanical design technicians (+23 YoY). The utilization rate (average for the period) improved 0.5pp YoY to 91.7%, and the retention rate increased to 86.8% from 85.8%. The company is streamlining and optimizing its screening process by updating recruiting tools and enhancing interviewer training.

Technician dispatch to semiconductor plants differs significantly from construction technician dispatch, where projects are concentrated in urban areas. Semiconductor plants are typically located in regional areas and operate around the clock, so technicians face very different living environments and working conditions. Because semiconductor technician dispatch is a relatively new business for the company and the client base is still small, Copro Technology can offer fewer placement options to job seekers, which makes securing technicians more difficult than in construction technician dispatch. The company notes that candidates decline job offers more frequently than in construction technician dispatch and sees upgrading recruiters' negotiation skills and other capabilities as a key challenge.

In IT technician dispatch, Copro Technology hired 55 technicians in 1H (59 a year earlier), while 78 technicians left the company (59 a year earlier). As a result, technician headcount at end-Q2 was 154, up 16 YoY but down 23 from end-FY03/25. The company has set a target of 322 technicians by end-FY03/26, but progress remains behind schedule. IT technician dispatch is a relatively new business for the company, and it has limited experience both in identifying the profiles of IT technicians that clients require and in building the expertise needed to recruit them. The company believes it has yet to fully capture client needs and that its hiring process is less efficient than in its construction technician dispatch business.

Historically, Copro Technology has mainly dispatched freelance technicians on a project-by-project basis in its IT technician dispatch business. However, the company has come to recognize that client companies increasingly prefer technicians who are directly employed by Copro Technology. Following the lead of industry peers, it plans to convert freelance technicians to regular employees and capture more of the demand for technician dispatch from IT companies.

Q1 FY03/26 results

Results summary

- Revenue: JPY8.3bn (+20.8% YoY; 21.8% of the full-year forecast)
- Operating profit: JPY619mn (+48.0% YoY; 16.3%)
- Recurring profit: JPY614mn (+42.0% YoY; 16.2%)
- Net income attributable to owners of the parent: JPY380mn (+42.9% YoY; 15.4%)

In Q1 FY03/26, Copro reported revenue of JPY8.3bn (+20.8% YoY), operating profit of JPY619mn (+48.0% YoY), recurring profit of JPY614mn (+42.0% YoY), and net income attributable to owners of the parent of JPY380mn (+42.9% YoY). Revenue and all profit categories hit record highs for Q1. Compared with the company's projections, revenue reached 47.6% of the 1H target and 21.8% of the full-year target, while operating profit reached 40.2% and 16.3%, respectively. Copro views Q1 performance as a solid start toward achieving its full-year forecast, even with slower-than-expected progress in hiring technicians and meeting other KPIs.

The number of group technicians increased to 5,184 (+19.2% YoY), supporting revenue growth. In construction technician dispatch, the utilization rate had declined in Q1 FY03/25 due to a rise in hiring, but in Q1 FY03/26, stronger sales operations kept utilization stable, pushing it up 0.8pp YoY. As a result, the GPM for construction technician dispatch improved 1.0pp YoY, while the consolidated GPM rose 0.7pp YoY. While continuing to invest strategically in technician recruitment, the company streamlined other SG&A expenses, reducing the SG&A ratio by 0.7pp YoY and lifting the OPM by 1.4pp YoY.

Copro Construction, a consolidated subsidiary engaged in construction technician dispatch, hired 130 new graduates (117 in Q1 FY03/25) and 699 mid-career technicians (726), for a total of 829 hires (843). After 517 resignations (450 in Q1 FY03/25), headcount at end-Q1 FY03/26 stood at 4,664 (3,961 at end-Q1 FY03/25). Hiring fell short of the company's target, but from Q2 onward it plans to close the gap by reallocating recruitment budgets and personnel from other regions to the Kanto area, where demand is strong. The average utilization rate in Q1 was 92.0% (91.2% in Q1 FY03/25), with no drop in utilization from large-scale hiring as in Q1 FY03/25, thanks to improved sales operations. The technician retention rate was 90.0%, up 0.2pp YoY.

In construction technician dispatch, Copro is working to deepen relationships with target companies and dispatch technicians in teams or pairs to the same worksites. The ratio of assignments to target companies in Q1 FY03/26 was 89.1%, broadly matching the 89.4% at end-FY03/25, in line with plan. To expand market share and secure talent, the company relocated its sales headquarters to Tokyo, the largest construction market, in April 2025. Starting in Q2, it plans to further strengthen operations by reallocating recruitment budgets and personnel from other regions to the Kanto area.

At Copro Technology, a consolidated subsidiary engaged in dispatching mechanical, electrical, and semiconductor technicians as well as contract work, technician headcount increased to 360 (241 at end-Q1 FY03/25), up 119 (+49.4% YoY). Of this total, semiconductor technicians rose by 120 to 158, while mechanical design technicians declined by one to 202. The average utilization rate in Q1 was 90.9% (92.4% in Q1 FY03/25), down 1.5pp YoY. In IT technician dispatch, headcount rose to 160 from 148 at end-Q1 FY03/25 but fell by 17 from 177 at end-March 2025, ending the quarter below the company's target.

The company maintained its FY03/26 full-year forecast and its shareholder return policy.

Copro Construction

- Revenue: JPY7.4bn (+20.7% YoY)
- Operating profit: JPY959mn (+30.1% YoY)

At Copro Construction, revenue rose 20.7% YoY and operating profit climbed 30.1% YoY. Along with higher revenue, improved GPM boosted OPM.

Number of technicians, utilization rate, and other indicators

Number of hires

Copro Construction hired 829 construction technicians in Q1 FY03/26, below the 843 hired in Q1 FY03/25. The company acknowledges it is behind its full-year hiring target of 3,000. The total included 130 new graduates (117 in Q1 FY03/25) and 699 mid-career hires (726). While new graduate hiring exceeded last year's level, mid-career hiring is falling short of the target. By region, hiring in the Tokyo area was insufficient to meet demand, highlighting the need for reinforcement. In contrast, in the Nagoya and Osaka areas, hiring progressed in line with projections, but sales efforts could not secure enough demand, leaving some technicians on stand-by. Starting in Q2, the company plans to curb hiring in the Nagoya and Osaka areas, reallocate recruitment staff to Tokyo, and strengthen its sales structure to secure demand.

The company cites a tighter labor market in Tokyo, where jobseekers have more options, as the main reason for weak hiring. Although it receives a certain number of applications, some candidates withdraw before interviews and other hiring processes begin. From Q2 onward, the company intends to shift recruitment resources from Osaka and Nagoya to Tokyo and conduct hiring activities more proactively and earlier—before candidates withdraw.

According to Copro Construction, applicants' expectations have also risen, lowering the efficiency of hiring activities. In response, the company aims to prevent further inefficiency not by simply increasing recruitment expenses or per-hire costs, but by carefully selecting job boards and other media for exposure and expanding outreach through social media. Copro Construction differentiates itself by focusing on low-cost direct hiring rather than using recruitment agencies. Its policy is to secure sufficient hires through cost-effective direct hiring while flexibly selecting media. The company also notes that, while peers often use costly recruitment agencies to attract candidates aspiring to become construction technicians, its direct approach helps keep costs low. The company also acknowledges that this may attract more applicants with weaker motivation.

Cost per hire

The cost per hire in Q1 was JPY395,000 (JPY294,000 in Q1 FY03/25). Although lower than in Q3 (JPY409,000) and Q4 (JPY684,000) of FY03/25, it was about JPY100,000 higher YoY due to rising hiring costs amid labor shortages. Still, the

level remained within the company's budget and consistent with its expectations.

For construction technicians, revenue per head (JPY578,000) and the contract rate (JPY524,000) were both within the expected range, with no notable deviations.

Turnover

In Q1, 517 technicians left the company (450 in Q1 FY03/25), bringing the number of technicians on staff to 4,664 at end-Q1 FY03/26 (3,961 at end-Q1 FY03/25) after accounting for hires. While hiring is progressing below the annual target of 3,000, the pace of resignations has already surpassed the annual forecast of 1,928. The company therefore intends to prioritize securing personnel for construction technician dispatch in Q2 and beyond.

Average utilization rate

The average utilization rate of construction technicians in Q1 was 92.0%, up 0.8pp from 91.2% in Q1 FY03/25. In Q1 FY03/25, excessive hiring had pushed up the proportion of technicians on stand-by. In Q1 FY03/26, however, better coordination between hiring and sales activities—particularly in the Tokyo area—raised the utilization rate.

Retention rate

The retention rate of construction technicians in Q1 was 90.0% (89.8% in Q1 FY03/25). As part of efforts to improve retention among first- and second-year employees, the company has focused on assignments to target clients. In Q1, the assignment ratio to these clients was 89.1%, remaining close to the company's target of around 90%. The ratio of team- and set-based dispatching—assigning experienced technicians together with less-experienced ones to the same site—rose to 52.7% (+3.9pp QoQ), showing progress but still falling short of expectations. With technicians on stand-by in the Osaka and Nagoya areas, the company plans to strengthen in-depth sales efforts, such as assigning technicians to target clients and promoting team- and set-based dispatching.

The retention rate of first- and second-year technicians, identified as a key issue, was 89.1%, up 1.3pp from 87.9% in Q1 FY03/25. In contrast, the rate for technicians in their third year or later was 91.0%, down 2.8pp from 93.8% a year earlier. Although resignations typically rise in Q1 due to seasonality after March, Japan's fiscal year-end, the decline in Q1 FY03/26 was more pronounced than in Q1 FY03/25. The company attributes this decline mainly to higher resignations among senior technicians, and recognizes it as a challenge since such experienced personnel could have been reassigned to other sites.

Copro Technology

- Revenue: JPY904mn (+21.6% YoY)
- Operating loss: JPY3mn (operating loss of JPY23mn in Q1 FY03/25)

At Copro Technology, revenue increased 21.6% YoY while the operating loss narrowed. Mechanical, electrical, and semiconductor technician dispatch and contract work performed steadily, driven mainly by dispatch to semiconductor plants. In contrast, IT technician dispatch continues to face major sales challenges, with hired technicians not being dispatched appropriately.

Mechanical, electrical, and semiconductor technician dispatch and contract work

The company hired 49 technicians for mechanical, electrical, and semiconductor technician dispatch and contract work (36 in Q1 FY03/25), consisting of 17 new graduates (15) and 32 mid-career hires (21). With 21 technicians leaving the company (18), the number of technicians on staff at end-Q1 FY03/26 rose to 360 (241), up 119 (+49.4% YoY), with semiconductor technicians increasing by 120. Training at Semicon TechnoLab, the semiconductor technician training center established in February 2024, has taken hold, making dispatch to semiconductor plants the mainstay of this business.

The average utilization rate of technicians in mechanical, electrical, and semiconductor technician dispatch and contract work was 90.9% (92.4% in Q1 FY03/25), down YoY. Although utilization declined YoY due to the launch of training at Semicon TechnoLab, it remained at the same level as in Q4 FY03/25. The retention rate of technicians in Q1 FY03/26 was 94.7% (93.1% in Q1 FY03/25), improving YoY. According to the company, while training for semiconductor technician dispatch is now firmly established, hiring still falls short of plan. Recruiting is more challenging than for construction technicians, as semiconductor plants are often located in regional areas and operate around the clock, while demand for construction technicians is concentrated in urban areas.

IT technician dispatch

Copro Technology hired 22 IT technicians for dispatch in Q1 (32 in Q1 FY03/25), while 39 left the company (22), bringing the number of technicians on staff at end-Q1 FY03/26 to 160 (148 at end-Q1 FY03/25). The average utilization rate in Q1 was 94.1% (97.8%), and the retention rate was 93.4% (89.1%). IT technician dispatch continues to face difficulties in acquiring clients. Although the company aims to dispatch technicians to major IT firms or their partner companies, in practice it often receives contracts for demanding work within a multilayered subcontracting structure. As a result, the company believes it has not been able to apply to IT technician dispatch the expertise it has developed in construction technician dispatch, such as dispatching teams of personnel to target clients. The company therefore faces challenges on two fronts: securing sufficient hires and cultivating new clients.

Full-year FY03/25 results

Results summary

- Revenue: JPY30.0bn (+24.6% YoY; 100.1% of the full-year forecast)
- Operating profit: JPY2.8bn (+29.1% YoY; 102.4%)
- Recurring profit: JPY2.8bn (+25.9% YoY; 102.6%)
- Net income attributable to owners of the parent: JPY1.8bn (+24.4% YoY; 103.7%)

In FY03/25, Copro reported revenue of JPY30.0bn (+24.6% YoY), operating profit of JPY2.8bn (+29.1% YoY), recurring profit of JPY2.8bn (+25.9% YoY), and net income attributable to owners of the parent of JPY1.8bn (+24.4% YoY). Revenue and all profit categories reached record highs. The number of technicians across the group increased 23.7% YoY to 4,861, driving revenue growth.

Copro Construction Co., Ltd., a consolidated subsidiary engaged in construction technician dispatch, promoted its low-cost hiring strategy by conducting in-house recruitment without relying on external staffing agencies. As a result, new hires increased 17.5% YoY and contributed to revenue growth. Although the utilization rate of construction technicians declined in 1H due to a large number of hires at the beginning of the fiscal year (91.2% in Q1 and 93.7% in Q2), it recovered to the FY03/24 level in 2H (95.3% in Q3 and 94.7% in Q4). The company acknowledges the need to improve technician retention, as the full-year retention rate declined slightly from 74.3% in FY03/24 to 73.2% in FY03/25.

At Copro Technology Co., Ltd., a consolidated subsidiary responsible for dispatching mechanical, electrical, and semiconductor technicians and handling contract work, revenue growth was driven by technicians who completed training at the Semicon TechnoLab, a semiconductor technician training center established in February 2024. Technician headcount rose 48.9% YoY to 332 at end-FY03/25, including 140 semiconductor technicians. In the IT technician dispatch business, Bscareer IT, a job posting site for IT technicians, contributed to a 45.6% YoY increase in applicants. However, due to a shortage of assignment opportunities at client companies, the number of IT technicians grew only 28.3% YoY.

Copro Construction

- Revenue: JPY26.7bn (+22.2% YoY)
- Gross profit: JPY7.7bn (+23.8% YoY)
- SG&A expenses: JPY3.6bn (+24.7% YoY)
- Operating profit: JPY4.1bn (+22.9% YoY)

Copro Construction Co., Ltd. is responsible for operating the company's core construction technician dispatch services. In FY03/25, it generated JPY26.7bn in revenue (+22.2% YoY) and JPY4.1bn in operating profit (+22.9% YoY). Due to tighter regulations on overtime work for construction laborers, labor shortages at job sites have become increasingly severe, driving demand for construction technician dispatch services. In response, Copro Construction has narrowed its dispatch focus to target companies (primarily major clients) and increased the deployment of female and inexperienced technicians by adopting a team- and set-based dispatching model, under which multiple technicians are assigned to the same site. As a result, the share of first- and second-year technicians increased, which has led to a decline in revenue per head and average contract rate. Nevertheless, the company has achieved growth in both client count and order volume. Looking ahead, Copro Construction projects improvement in retention and contract renewal rates will drive business performance achieved through technicians in their third year or later, when contract rates increase.

Order volume

In FY03/25, Copro Construction received 63,431 orders (+59.3% YoY), while its customer count reached 511 (+15.9% YoY) as of end-FY03/25. As a result, average annual orders per client (orders ÷ customer count) rose 43.2% YoY, from 93.0 in FY03/24 to 133.3 in FY03/25. Driving this growth were expansion in demand for construction technician dispatch services, the company's strategic focus on intensifying technician placements at target companies through in-depth sales activities, and the adoption of a team- and set-based dispatching approach, under which multiple technicians are assigned to the same worksite.

Recruitment, attrition, and technician count

In FY03/25, Copro Construction hired 2,379 new technicians—an essential driver of project acquisition growth—exceeding both its initial projection of 2,299 and the FY03/24 figure by 355. This total included 117 new graduates (down 37 YoY) and 2,262 mid-career recruits (up 392 YoY). Meanwhile, 1,595 technicians left the company, which also outpaced the initial forecast of 1,438 and exceeded the FY03/24 figure by 362. As a result, the number of construction technicians at end-FY03/25 stood at 4,352, up 784 (+22.0%) YoY.

Copro Construction is proactively hiring technicians to support revenue growth. Toward this end, the company is leveraging low-cost recruitment tools such as its in-house job site, Bscareer Construction, along with a job application management system and automated interview scheduling. In FY03/25, the company hired 726 mid-career personnel in Q1, 505 in Q2, 506 in Q3, and 525 in Q4. The surge in Q1 hiring was primarily due to increased recruitment spending in Q4 FY03/24 (JPY404,000 per hire), which boosted intake in the following quarter. In FY03/25, the company once again ramped up recruitment spending in Q4 (JPY684,000 per hire) in anticipation of workload expansion during FY03/26. To further optimize hiring costs, the company is stepping up its recruitment of inexperienced personnel, who represented 77.5% of total hires in FY03/25 (compared to 80.8% of 2,024 hires in FY03/24).

Although Copro Construction expanded its workforce of technicians, attrition also increased, and the company was unable to keep personnel departures within its initially projected range. Due to accelerated recruitment, roughly 70% of the workforce now consists of young professionals in their first or second year of employment. However, the company indicates retention among these young employees has remained stable, with no significant deterioration. Copro attributes this stability to a broad range of sales, recruitment, and training initiatives. At the same time, the company recognizes its strategic focus on assigning technicians to new clients has delayed follow-up support for technicians dispatched to existing client sites. The company intends to urgently address this issue moving forward.

As of end-FY03/25, the company had 4,352 construction technicians (up 784 YoY). Of this total, 3,498 were employed on permanent contracts (up 1,658 YoY), representing 80.4% of the total headcount (versus 51.6% as of end-FY03/24). Although mid-career recruits undergo a six-month probationary period, the company hires them as permanent employees from the outset. As a result, the company's expanded recruitment efforts have led to an increase in the proportion of its workforce on permanent contracts.

Retention, contract renewal rate, and percentage of technicians dispatched to target companies

The annual retention rate for FY03/25 was 72.7% (+0.6pp YoY), while the Q4 retention rate stood at 91.9% (-0.6pp YoY). In Q4, the contract renewal rate was 80.6% (-1.9pp YoY), and 89.4% (-4.0pp YoY) of technicians were dispatched to target companies.

To reduce employee turnover, the company is focusing on improving its retention rate. In Q4 FY03/25, the retention rate for first- and second-year personnel was 90.0%, which was lower than the 95.6% reported for personnel in their third or subsequent years. Due to the company's expanded recruitment, about 70% of currently employed technicians are young employees in their first or second year. The company is striving to raise retention among these young workers to ensure they remain until their third or subsequent years, when they generate higher contract rates.

Accordingly, the company is undertaking in-depth sales activities focused on target companies, while pushing forward with team- and set-based dispatching. Although the percentage of technicians dispatched to target companies fell YoY, it remained close to the company's target level of 90%. Dispatching technicians to target major general contractors handling multiple large-scale projects improves working conditions for these personnel while enabling team- and set-based dispatching to the worksites managed by these contractors. These clients also serve as promising assignment destinations for inexperienced workers—such as new graduates, whose recruitment is increasing—and female technicians, thereby generating a synergistic effect on the sales front.

The company has developed a technician support platform to enhance basic training programs for new graduates and inexperienced mid-career hires. It is also strengthening study support for employees seeking to become licensed construction management engineers or obtain other national certifications. As one of its initial initiatives for FY03/26, the company launched a new training center in Shinagawa, Tokyo, in April 2025. The facility offers practical, hands-on instruction using real equipment.

Revenue per head and contract rates

In FY03/25, revenue per head (average monthly revenue per technician) was JPY852,000 (-4.7% YoY). This decline was primarily due to the growing proportion of first- and second-year technicians in the workforce, who are associated with lower contract rates. In Q4 FY03/25, average monthly contract rates by experience level were as follows: JPY444,000 for first-year technicians (down JPY5,000 YoY), JPY469,000 for second-year technicians (up JPY14,000 YoY), JPY504,000 for third- to fifth-year technicians (down JPY18,000 YoY), JPY600,000 for sixth- to tenth-year technicians (up JPY4,000 YoY), and JPY700,000 for technicians with eleven or more years of experience (up JPY23,000 YoY). Although average contract rates vary by experience level, they generally rise along with length of tenure. These averages have recently edged up, reflecting overall wage growth.

Utilization rate

The average technician utilization rate in FY03/25 was 93.8% (-0.8pp YoY). By quarter, utilization rates were 91.2% in Q1, 93.7% in Q2, 95.3% in Q3, and 94.7% in Q4. The decline in Q1 was attributed to the unexpectedly high number of new hires (843), which caused a temporary mismatch between staffing levels and sales capacity. From Q2 onward, dispatching activity picked up, and by Q4, the utilization rate had nearly returned to YoY levels—down just 0.2pp compared to 94.9% in Q4 FY03/24.

Labor shortages in the construction industry remain severe, and demand for the company's dispatching services is high. In response, the company is narrowing its focus to specific target clients and adopting a team- and set-based dispatching approach to improve sales efficiency and increase utilization rates.

Gross profit and operating profit

Copro Construction recorded a GPM of 28.7% (+0.3pp YoY). Gross profit rose along with revenue, supported by growth in dispatched technicians, stable retention, and improved utilization in 2H. In Q4, the company stepped up recruitment efforts, investing an additional JPY101mn when it realized performance would exceed projections. In contrast with Q4 FY03/24, recruitment was well aligned with sales efforts, so the company projects the utilization rate for technicians hired in Q1 FY03/26 will remain stable. Absorbing this cost growth, Copro Construction achieved a 22.9% increase in operating profit.

Copro Technology

- Revenue: JPY3.3bn (+47.9% YoY)
- Gross profit: JPY628mn (+10.4% YoY)
- SG&A expenses: JPY676mn (+16.5% YoY)
- Operating loss: JPY47mn (YoY loss expansion of JPY36mn)

Copro Technology posted an operating loss for FY03/25 but recorded an operating profit of JPY4mn in Q4. The company dispatched technicians trained at Semicon Techno Lab—a semiconductor technician training center opened in February 2024—to semiconductor fabrication plants and other facilities in Japan, where they contributed to business growth.

Mechanical, electrical, and semiconductor technician dispatching and contracting

In FY03/25, the company hired 192 mechanical, electrical, and semiconductor technicians (up 74 YoY), while 83 left the company (up 29 YoY), bringing the total technician headcount to 332 (up 109 YoY). This figure included 140 semiconductor technicians. The average technician utilization rate in FY03/25 was 90.8% (versus 97.0% in FY03/24), while the retention rate stood at 79.1% (-3.2pp YoY). Copro acquired its mechanical, electrical, and semiconductor technician dispatching and contracting operations and brought them under group company control in 2021. Currently, the company is striving to strengthen these operations by applying expertise accumulated through its construction technician dispatch business. However, it has yet to meet its internal targets for recruitment, training, retention, and utilization. Unlike construction technicians, who are typically assigned to urban areas and change worksites roughly every six months, semiconductor technicians are assigned to factories located in rural areas, and their assignments tend to be longer. These structural differences impact both recruitment and retention outcomes.

Copro has trained technicians using the Semicon Techno Lab, which opened in February 2024, and has since begun assigning greater numbers of them to leading memory chip manufacturers and semiconductor packaging companies in Iwate and Gifu prefectures. The company designated FY03/25 as a year focused on client expansion. Accordingly, it concentrated on acquiring talent and broadening its customer base.

IT technician dispatch (system engineering services [SES])

Among the 3,829 applicants for IT technician positions (2,630 in FY03/24), Copro Technology hired 140 (72 in FY03/24), while 101 left the company (42 in FY03/24), bringing the total IT technician headcount to 177 as of end-FY03/25 (138 at end-FY03/24). The average utilization rate for IT technicians in FY03/25 was 98.6%, and the retention rate stood at 91.0% (+3.3pp YoY).

The Bscareer IT project introduction site for IT technicians has gained traction, generating YoY growth of 45.6% in applicants. However, Copro Technology's project acquisition efforts did not keep pace, limiting YoY growth in technician headcount to 28.3%. Many of the company's IT technicians are dispatched to lower-tier firms within the multi-layered subcontracting structures of major electronics and automotive manufacturers, and sales efforts targeting higher-tier clients have not been successful. Consequently, unlike construction technician dispatching, work orders are often issued on a per-project basis. Due to these circumstances, the company faces difficulty defining long-term target clients and establishing stable, renewable contracts.

Other information

History

Mr. Kosuke Kiyokawa, CEO and founder of the company, joined Nikko CSS Co., Ltd. (currently TechnoPro Construction, Inc., a subsidiary of TechnoPro Holdings) in 1999. He was appointed president in 2004, and in 2006 he became president of Crystal Staff Co., Ltd. (the business was transferred to TechnoPro Holdings in 2012). With his family business a construction company, he started off his career by working to learn the construction business, but decided to go independent in 2006 because he saw an opportunity in addressing the labor shortage in the construction industry and other issues facing Japan. Copro was listed on the Mothers section of the Tokyo Stock Exchange (TSE) and the Centrex section of the Nagoya Stock Exchange (NSE) in 2019. The company changed its listings to the TSE 1st section and NSE 1st section in 2020. It changed its listing again in 2022 to TSE Prime and NSE Premier.

Year	
Oct 2006	Established Trusty Crew Co., Ltd. in Nagoya as a dispatching and placement services company
Mar 2008	Company name changed to Copro-Engineerd Co., Ltd.
Oct 2013	Established Copro Dining Service Co., Ltd. with the goal of entering the restaurant services business
Nov 2013	Acquired all shares in GIP Co., Ltd. and changed its name to Copro Solutions Co., Ltd. to consign payroll calculation and social insurance payment
May 2015	Company name changed to Copro-Holdings Co., Ltd. (to present) to shift to a holding company structure
May 2015	Simultaneously established Copro-Engineerd Co., Ltd. (now a consolidated subsidiary) as a wholly owned subsidiary through a corporate split, to which the group's mainstay dispatching and placement services businesses were transferred
Jan 2017	Dissolved Copro Solutions in accordance with the reorganization of the group
Apr 2017	Dissolved Copro Dining Service in accordance with the reorganization of the group
Mar 2019	Listed on the Mothers section of the Tokyo Stock Exchange and the Centrex section of the Nagoya Stock Exchange
Apr 2020	Established Copro Globals Pte. Ltd. in Singapore
Sep 2020	Changed listings to the TSE 1st section and the NSE 1st section
Apr 2021	Established Copro Vietnam Co., Ltd. in the Socialist Republic of Vietnam
Apr 2021	Acquired all shares in Atmos Co., Ltd., making it a consolidated subsidiary
Sep 2021	Acquired all shares in Value Ark Consulting Co., Ltd., making it a consolidated subsidiary
Apr 2022	Copro-Engineerd Co., Ltd. took over the worker dispatch and paid job placement business spun off from Hucoss Co., Ltd. through an absorption-type split Moved to the Prime market of the Tokyo Stock Exchange and the Premier market of the Nagoya Stock Exchange
Oct 2023	Copro-Engineerd Co., Ltd. was renamed Copro Construction Co., Ltd., and Atmos Co., Ltd. and Value Ark Consulting Co., Ltd. merged to form Copro Technology Co., Ltd.
Feb 2024	Copro Technology Co., Ltd. opened Semicon TechnoLab, a training center for semiconductor technicians; liquidated Copro Globals Pte. Ltd.
Apr 2025	Opened Copro Construction Co., Ltd.'s Tokyo head office
Mar 2026	Acquired all shares of TE-Holdings Co., Ltd. (formerly TRYT Inc.) and made it a subsidiary Sold Copro Technology Co., Ltd.'s IT technician dispatch business and systems engineering services (SES) business involving quasi-mandate contracts

Source: Shared Research based on company materials

Top management

CEO: Kosuke Kiyokawa (born October 16, 1977)

Kosuke Kiyokawa is the founder and CEO of the company.

Apr 1998	Joined Kenso Kogyo Co., Ltd.
May 1999	Joined Nikko CSS Co., Ltd. (currently TechnoPro Construction, Inc.)
May 2004	President, Nikko CSS Co., Ltd.
May 2006	President, Crystal Staff Co., Ltd.
Oct 2006	Established Trusty Crew Co., Ltd. (now Copro-Holdings Co., Ltd.); assumed office of president (to present)
May 2015	President, Copro-Engineerd Co., Ltd. (newly established, split-off company; now Copro Construction Co., Ltd.)
Apr 2020	President, Copro Globals Pte. Ltd. (subsidiary in Singapore)
Apr 2021	President, Copro Vietnam Co., Ltd. (subsidiary in Vietnam) (to present); director, Atmos Co., Ltd. (now Copro Technology Co., Ltd.) (to present)
Oct 2021	President, Value Ark Consulting Co., Ltd. (merged into Copro Technology Co., Ltd.)
Jun 2024	Director, Copro Construction Co., Ltd. (to present)
Mar 2026	President, TE-Holdings Co., Ltd. (to present) President, TRYT Engineering Inc. (to present)

Managing Director of Copro-Holdings and President of Copro Construction: Yusuke Koshikawa (born October 15, 1985)

Apr 2006	Joined Style Factory KABES Co., Ltd.
Mar 2008	Joined Trusty Crew Co., Ltd. (currently Copro-Holdings Co., Ltd.)
Feb 2011	Nagoya branch manager
May 2013	Tokyo metropolitan area manager
Jan 2016	General Manager of Recruitment Strategy Headquarters, Copro-Engineerd Co., Ltd. (newly established, split-off company; now Copro Construction Co., Ltd.)
Jun 2016	Executive Officer and Manager of Recruitment Strategy Headquarters
Nov 2016	Executive Officer and General Manager of Recruitment Strategy Headquarters
Mar 2017	Director and General Manager of Recruitment Strategy Headquarters Director, Copro-Engineerd Co., Ltd.
Apr 2020	Director and General Manager of Human Resources Strategy Headquarters
Apr 2021	Director Director and General Manager of Sales Headquarters, Copro-Engineerd Co., Ltd.
Jun 2024	Managing Director (to present) President, Copro Construction Co., Ltd. (to present)

Corporate Governance (as of June 20, 2025)

Form of organization and capital structure	
Form of organization	Company with Audit & Supervisory Board
Controlling shareholder and parent company	Kosuke Kiyokawa
Parent company	None
Foreign shareholding	Less than 10%
Directors and Audit & Supervisory Board members	
Number of directors under Articles of Incorporation	10
Number of directors	5
Directors' terms under Articles of Incorporation	2 years
Chairman of the Board of Directors	President
Number of outside directors	2
Number of independent outside directors	2
Number of members of Audit & Supervisory Board under Articles of Incorporation	4
Number of members of Audit & Supervisory Board	4
Number of outside members of Audit & Supervisory Board	2
Number of independent outside members of Audit & Supervisory Board	2
Other	
Participation in electronic voting platform	Yes
Providing convocation notice in English	Yes
Implementation of measures regarding director incentives	Performance-linked compensation system, stock option program, other
Eligible for stock option	Inside directors, outside directors, inside and outside members of Audit & Supervisory Board, directors of subsidiaries, employees of the company and its subsidiaries
Disclosure of individual director's compensation	Individual disclosure of compensation of some directors
Policy on determining amount of compensation and calculation methodology	In place
Corporate takeover defenses	None

Source: Shared Research based on company materials

Dividend policy

During a meeting held on May 15, 2023, the company's Board of Directors announced the company will not reduce dividends during the period of its current medium-term management plan (FY03/23–FY03/27) and will aim for consolidated dividend payout ratios of 50% or more. In FY03/26, the consolidated dividend payout ratio was 53.1%.

Payout ratio

Payout ratio	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.	Cons.
Payout ratio	20.2%	18.5%	26.1%	35.1%	39.2%	53.7%	64.4%	62.9%	53.1%
Dividend per share (JPY)	3.75	5.25	7.50	9.38	10.00	12.50	25.00	30.00	40.00
EPS (JPY)	18.54	28.44	28.77	26.69	25.53	23.27	38.84	47.73	75.35

Source: Shared Research based on company materials

Note: Per-share indicators have been adjusted for stock splits.

Major shareholders

Ritameko Co., Ltd., the largest shareholder of the company, is an asset management company owned by CEO Kosuke Kiyokawa.

Major shareholders (as of March 31, 2026)

Top 10 shareholders	Shares held ('000)	Shareholding ratio (%)
Ritameko Co., Ltd.	16,800	43.84
Kosuke Kiyokawa	5,260	13.73
Kyoichi Kageyama	2,000	5.22
Atsuhiko Morizane	800	2.09
Custody Bank of Japan, Ltd. (Trust account)	606	1.58
Masashi Fujimaki	360	0.94
NOMURA PB NOMINESS LIMITED OMNIBUS-MARGIN (CASHPB) (Standing proxy: Nomura Securities Co., Ltd.)	300	0.78
Yusuke Koshikawa	244	0.64
Yoshihiro Tokura	240	0.63
Rakuten Securities, Inc. (Joint account)	237	0.62
Total	26,848	70.06

Source: Shared Research based on company materials

Note: As of March 31, 2026; shareholding ratios are calculated based on the total number of shares issued, excluding 1,675,922 treasury shares.

Employees

	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Employees (consolidated)	1,788	2,242	2,280	2,377	3,301	4,189	5,154	8,402
Employees (parent company)	45	48	60	84	82	66	58	61
Average age	33.1	33.4	36.2	34.9	33.5	33.4	34.2	34.0
Average years of service	1.5	1.9	2.1	3.3	3.1	3.6	3.2	3.6
Average annual salary (JPY'000)	4,038	4,055	4,185	4,397	4,504	4,738	4,836	

Source: Shared Research based on company materials

By the way

Origin of the company's name

The company's name is based on the idea of "responsive professionals" (the "co" is from "cotaeru," the Japanese for "responsive"). Mr. Kosuke Kiyokawa, the company's founder, named the company Copro because he wanted the company, first and foremost its technicians, to embody the concept of responsive professionals capable of meeting the expectations of society.

News and topics

Copro acquires TRYT shares, transfers SES business, and voluntarily adopts IFRS

2026-01-15

At a Board of Directors meeting held on January 15, 2026, Copro-Holdings Co., Ltd. (TSE Prime: 7059) resolved three items. First, the company will acquire all shares of TRYT Inc., which owns all shares of TRYT Engineering Inc., making TRYT Inc. a wholly owned subsidiary. Second, the company will transfer the system engineering services (SES) business of its consolidated subsidiary, Copro Technology Co., Ltd., to Japaniace Co., Ltd. (TSE Growth: 9558) via an absorption-type company split. Third, beginning with the consolidated financial statements included in its annual securities report for FY03/27, the company will voluntarily adopt International Financial Reporting Standards (IFRS) in place of Japanese GAAP. (Click [here](#), [here](#), and [here](#) for the company's press releases.)

Acquisition of TRYT shares

The company resolved to acquire all shares of TRYT, which owns all shares of TRYT Engineering, and finance the acquisition through borrowings. TRYT Engineering provides staffing and recruitment services for the construction industry.

Reason for the acquisition

Copro aims to become the clear No. 1 player in Japan's construction technician dispatch industry in both scale and quality. The industry continues to face a chronic technician shortage. To meet strong demand in Japan's construction market for services that combine a stable supply of talent with high expertise, the company has considered strengthening its business foundation through M&A as a way to expand its scale.

Meanwhile, TRYT Engineering has strengths in efficiently attracting registered job seekers—mainly experienced industry professionals—through digital marketing via its in-house recruitment website, Sekoukanri Job. With a nationwide network of offices, it provides staffing and recruitment services to a broad range of construction industry customers.

Through the acquisition of TRYT, Copro aims to combine TRYT Engineering's strengths and customer base with the expertise and customer foundation it has built to broaden its customer coverage across Japan and expand order opportunities. The company also expects to secure a diverse pool of high-quality technicians for dispatch. In addition, by integrating its education and training capabilities with management frameworks and further differentiating itself on quality, the company aims to improve satisfaction among technicians and customers. It also intends to leverage scale benefits to strengthen relationships with client companies and enhance its ability to recruit technicians (including improved working conditions). Through these efforts, Copro aims to deliver sustainable earnings growth.

Acquisition structure and process

1. TRYT, a group company of TRYT Career Inc.—a special purpose company of the US investment fund Carlyle (renamed from TCG2505 on January 7, 2026)—will transfer all businesses other than its construction technician dispatch business (including all shares of its wholly owned subsidiaries, TRYT Career Inc. and bright vie Inc.) to its ultimate parent, TRYT Career Inc. (formerly TCG2505), via an absorption-type company split.
2. After TRYT transfers these businesses, Copro will acquire all issued shares of TRYT and make TRYT and TRYT Engineering wholly owned subsidiaries.
3. Following the acquisition, Kosuke Kiyokawa, CEO of Copro, is scheduled to become CEO of TRYT Engineering.

Financials of TRYT Engineering

JPYmn	FY12/22	FY12/23	FY12/24
Net assets	1,284	1,582	2,061
Total assets	4,418	5,177	5,290
Revenue	13,151	16,288	18,072
Operating profit	804	1,335	1,814
Recurring profit	865	1,354	1,832
Net income attributable to owners of the parent	572	933	1,412

Overview and timeline of the acquisition

- Seller: TRYT Career Inc. (formerly TCG2505 Co., Ltd.; 100% owned by Carlyle)
- Target company: TRYT Inc. (100% owned by TRYT Career Inc.)
- Number of shares to be acquired: 540,005 (zero shares held before the transaction)
- Voting rights held after the transaction: 100% (0% before the transaction)
- Total acquisition cost: Approximately JPY29.4bn, consisting of JPY29.2bn for common shares and JPY174mn for advisory fees and other costs
- Borrowings: JPY29.2bn (Copro will borrow from a financial institution to fund the acquisition)
- Lender: Sumitomo Mitsui Banking Corporation
- Interest rate: Base rate plus a spread
- Drawdown date: March 1, 2026 (scheduled to be the same date as the share transfer closing)
- Loan term: Eight months
- Collateral and guarantees: None
- Board resolution date: January 15, 2026
- Share transfer agreement date: January 15, 2026
- Effective date of the absorption-type company split: March 1, 2026
- Share transfer date: March 1, 2026 (scheduled)

Outlook

The company is currently assessing the impact of this transaction on its full-year consolidated earnings forecast for FY03/26. It will promptly disclose any matters requiring disclosure as they arise.

Transfer of the SES business

Consolidated subsidiary Copro Technology resolved to transfer its system engineering services (SES) business to Japaniace via an absorption-type company split. The SES business centers on IT technician dispatch and SES arrangements under quasi-mandate agreements, with the Bscareer IT job site serving as its main platform.

Purpose of the business transfer

Copro Technology's SES business originated from Value Ark Consulting Co., Ltd., which Copro acquired and made a wholly owned subsidiary in September 2021. Centered on its owned media platform, Bscareer IT, the business has provided IT talent services by matching IT technicians with customer projects. However, management challenges became evident due to changes in the business environment—including declining birthrates and an aging population, a shrinking labor force, intensifying competition to secure IT technicians, and increasingly advanced customer requirements—as well as a mismatch with the Copro group's strategy, which focuses on training and dispatching inexperienced personnel primarily for construction roles. From a longer-term perspective, Copro aims to strengthen competitiveness and achieve sustainable growth by concentrating management resources on its core dispatch businesses for construction technicians and for mechanical, electrical, and semiconductor technicians.

Key terms and timeline

- Structure: Absorption-type company split, with Copro Technology as the splitting company and Japaniace as the successor company
- Consideration: JPY730mn (scheduled)
- Board resolution date: January 15, 2026
- Company split agreement date: January 15, 2026 (scheduled)
- Effective date: March 27, 2026 (scheduled)

Overview of the business division to be split

- Business: System engineering services (SES) business
- Revenue: JPY1.5bn (FY03/25)
- Total assets: JPY35mn (book value; as of November 30, 2025); the business has no liabilities.

Outlook

Copro is currently assessing the impact of this transaction on its full-year consolidated earnings forecast for FY03/26. It will promptly disclose any matters requiring disclosure as they arise.

Voluntary adoption of IFRS

At its Board of Directors meeting held on January 15, 2026, Copro resolved to voluntarily adopt International Financial Reporting Standards (IFRS) in place of Japanese GAAP, starting with the consolidated financial statements included in its annual securities report for FY03/27.

The company aims to enhance corporate value through the voluntary adoption of IFRS, driven mainly by two factors. First, it seeks to improve investment returns from M&A through more rigorous impairment testing of goodwill and intangible assets. Second, it intends to enhance comparability for market participants.

Following the change in accounting standards, goodwill under Japanese GAAP will no longer be amortized once the company adopts IFRS. The company expects the resulting decline in goodwill amortization expense to lift profit.

Copro will continue to disclose results under Japanese GAAP through the earnings summary and consolidated financial statements for Q4 FY03/27. It will then disclose results under IFRS starting with its annual securities report for FY03/27.

Stock split, partial amendment to Articles of Incorporation, and revision of dividend forecast due to stock split

2025-07-14

Copro-Holdings Co., Ltd. (TSE Prime: 7059) announced a stock split, a partial amendment to its Articles of Incorporation, and a revision to its dividend forecast in connection with the stock split. (Click [here](#) for the company's press release)

Purpose of the stock split

The company aims to lower the per-investment unit price of its shares through the stock split, thereby creating a more accessible investment environment, broadening its investor base, and improving share liquidity.

Overview of the stock split

Copro will conduct a 2-for-1 stock split of its common shares, with Tuesday, September 30, 2025 set as the record date. Shareholders recorded in the shareholder register at the end of that day will receive two shares for each share held. The stock split will not affect the company's capital.

The number of shares will change as follows:

1. Shares outstanding before the split: 20,000,000
2. Increase in shares due to the split: 20,000,000
3. Shares outstanding after the split: 40,000,000
4. Authorized shares after the split: 160,000,000

Schedule of the stock split

1. Record date announcement: Friday, September 12, 2025 (scheduled)
2. Record date: Tuesday, September 30, 2025
3. Effective date: Wednesday, October 1, 2025

Adjustment to exercise prices of stock acquisition rights

Following the stock split, the exercise prices of stock acquisition rights exercisable on or after October 1, 2025 will be adjusted as follows.

Stock acquisition rights	Exercise price before split (JPY)	Exercise price after split (JPY)
2nd stock acquisition rights	338	169
3rd stock acquisition rights	642	321
4th stock acquisition rights	481	241
5th stock acquisition rights	481	241
6th stock acquisition rights	1,259	630
7th stock acquisition rights	1,644	822
8th stock acquisition rights	1,644	822

Partial amendment to the Articles of Incorporation

In accordance with Article 184, Paragraph 2 of the Companies Act, Copro will amend Article 6 of its Articles of Incorporation to reflect the increase in authorized shares, effective October 1, 2025.

Current Article	Revised Article
Article 6 (Total Number of Authorized Shares) The total number of authorized shares of company stock shall be 80 million shares.	Article 6 (Total Number of Authorized Shares) The total number of authorized shares of company stock shall be 160 million shares.

The amendment will take effect on Wednesday, October 1, 2025.

Revision of dividend forecast

In light of the stock split, the company revised its dividend forecast for FY03/26, originally disclosed in the "Summary of Consolidated Financial Results for the Year ended March 31, 2025 (Based on Japanese GAAP)" dated May 15, 2025. The revision reflects the effect of the stock split and does not represent a substantive change to the per-share dividend amount.

	Annual dividend forecast per share for FY03/26		
	Interim	Year-end	Annual
Previous forecast (as of May 15, 2025)	JPY30.00	JPY50.00	JPY80.00
Revised forecast (converted to pre-split basis)	JPY30.00 (JPY30.00)	JPY25.00 (JPY50.00)	— (JPY80.00)
Dividend paid for FY03/25	JPY20.00	JPY40.00	JPY60.00


Note: Due to the impact of the stock split, the revised annual dividend forecast per share is not shown, as it cannot be calculated through a simple summation.

About Shared Research Inc.

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