



Financial Results
for the First Quarter of the Fiscal Year Ending
March 31, 2024

August 21, 2023

WILL GROUP, INC. (Tokyo Stock Exchange, Prime Market / Stock code: 6089)



Contents

1. Q1 FY2024 Results
2. FY2024 Earnings and Dividend Forecasts



1

Q1 FY2024 Results

Q1 FY2024 Results

Although Overseas W fell below the forecasts, Q1 provided a smooth start to fiscal year

	(Billions of yen)		
Revenue :	34.43	Vs. Q1 FY2023 % change :	-2.8%
Operating profit :	1.13	Vs. Q1 FY2023 % change :	-20.9%

Domestic W

Upfront investments for new Medium-term Management Plan countered by gain on sale of subsidiaries

Revenue :	20.18	Vs. Q1 FY2023 % change :	-3.3%
Operating profit :	1.36	Vs. Q1 FY2023 % change :	+15.0%
	(Of which, gain on sale of subsidiaries of ¥0.78 billion)		

Overseas W

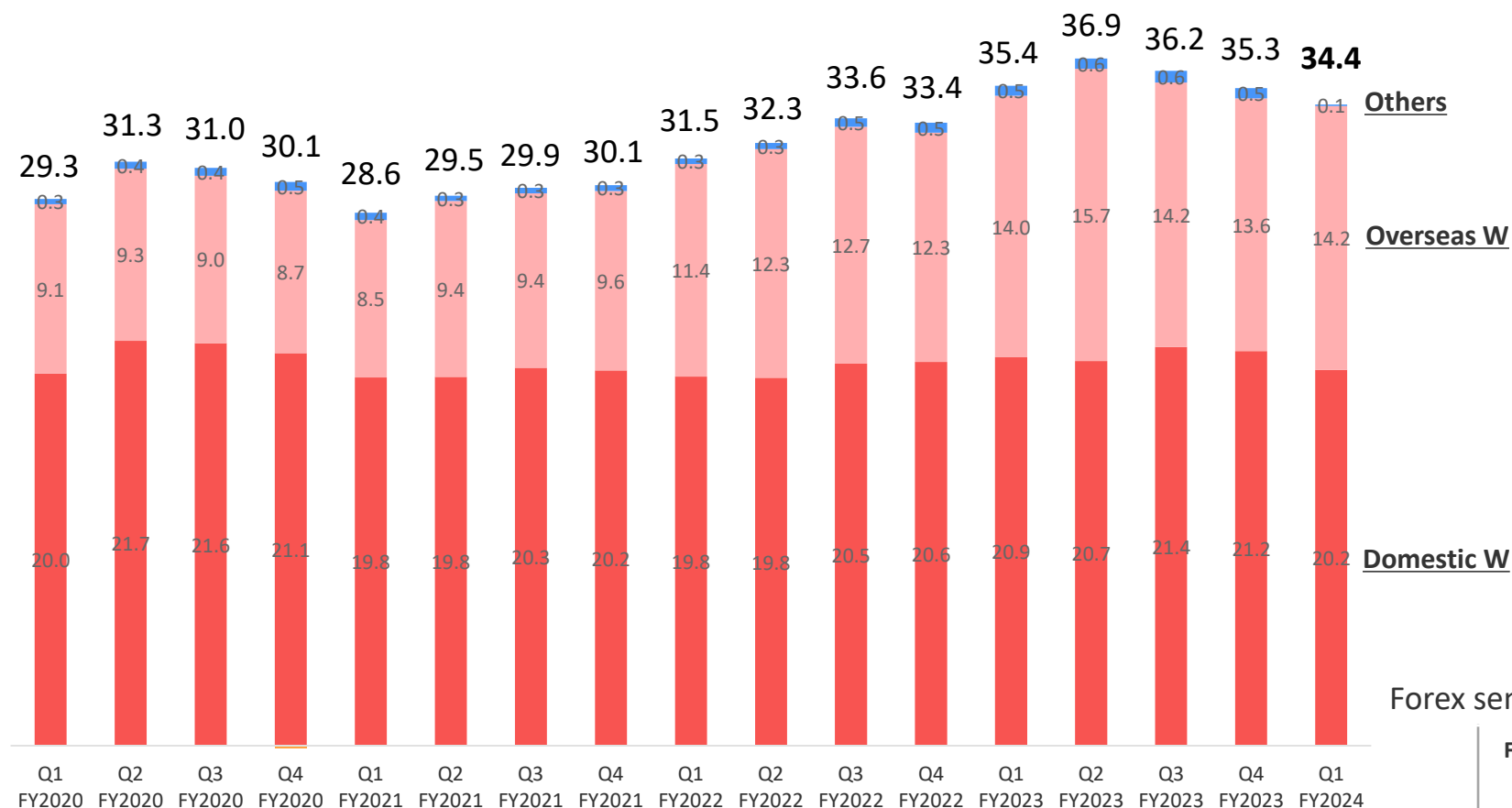
Reactionary decline following high permanent placement demand in the previous fiscal year

Revenue :	14.18	Vs. Q1 FY2023 % change :	+1.0%
Operating profit :	0.45	Vs. Q1 FY2023 % change :	-46.7%

1. Q1 FY2024 Results

Consolidated Revenue

(Billions of yen)



**Q1 FY2024 revenue was
¥0.8 billion
below Q4 FY2023**

(The effects of foreign exchange rate: +¥0.0 billion)
(Consolidation exclusion impact: -¥1.35 billion
of which, Domestic W: -¥0.89 billion
of which, Others: -¥0.46 billion)

**Domestic W virtually remained at
the same level.
For Overseas W, temporary staffing
was strong.**

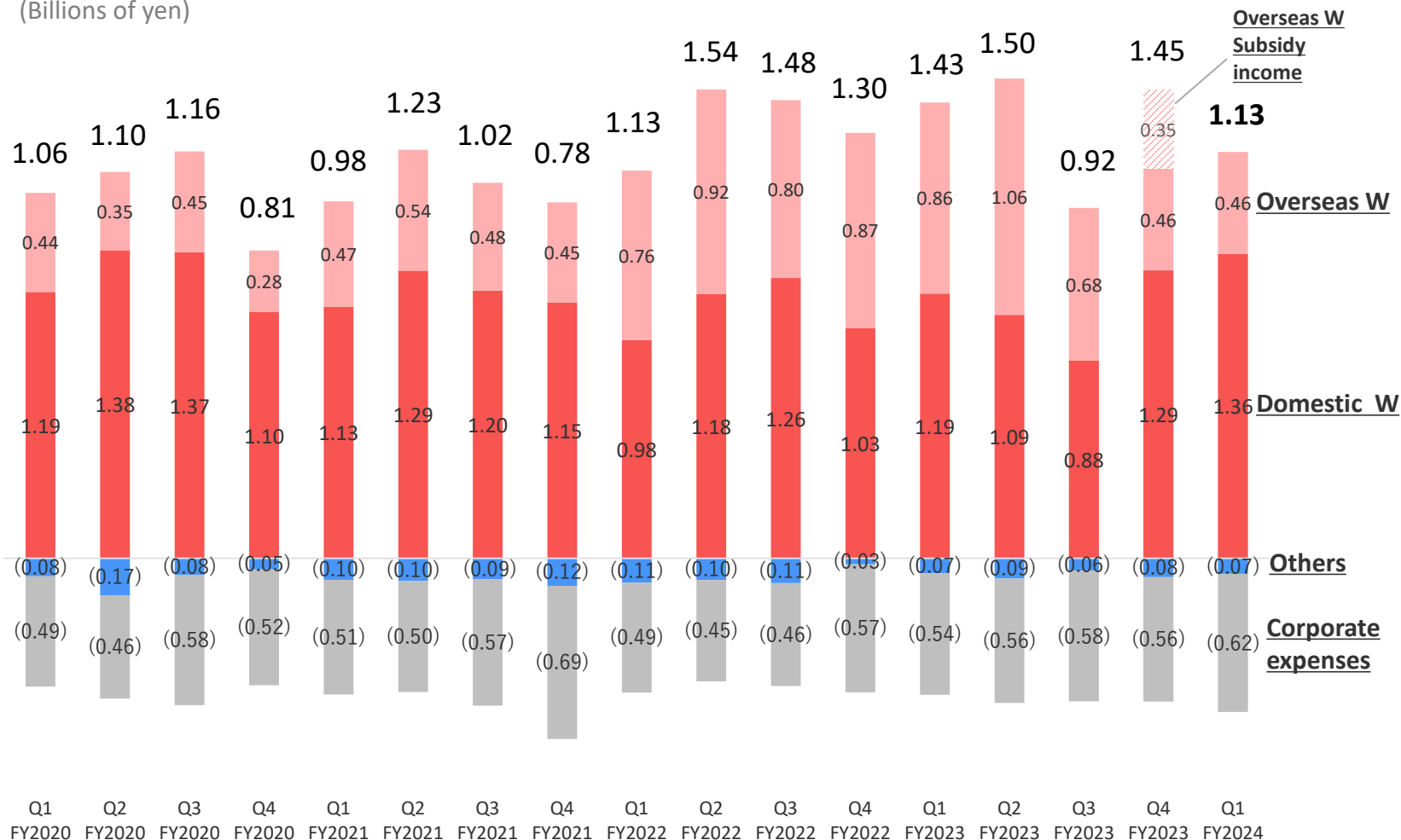
Forex sensitivity

	FY2024 Plan	Q1 FY2024 Results	Q1 FY2023 Results	Change for ¥1 difference/y	
				Revenue	Profit
AUD	¥86	¥92	¥93	¥470 million	¥0 million
SGD	¥94	¥103	¥94	¥140 million	¥10 million

1. Q1 FY2024 Results

Consolidated Operating Profit

(Billions of yen)



Q1 FY2024 operating profit was ¥0.3 billion below Q4 FY2023

(The effects of foreign exchange rate: +¥0.0 billion)

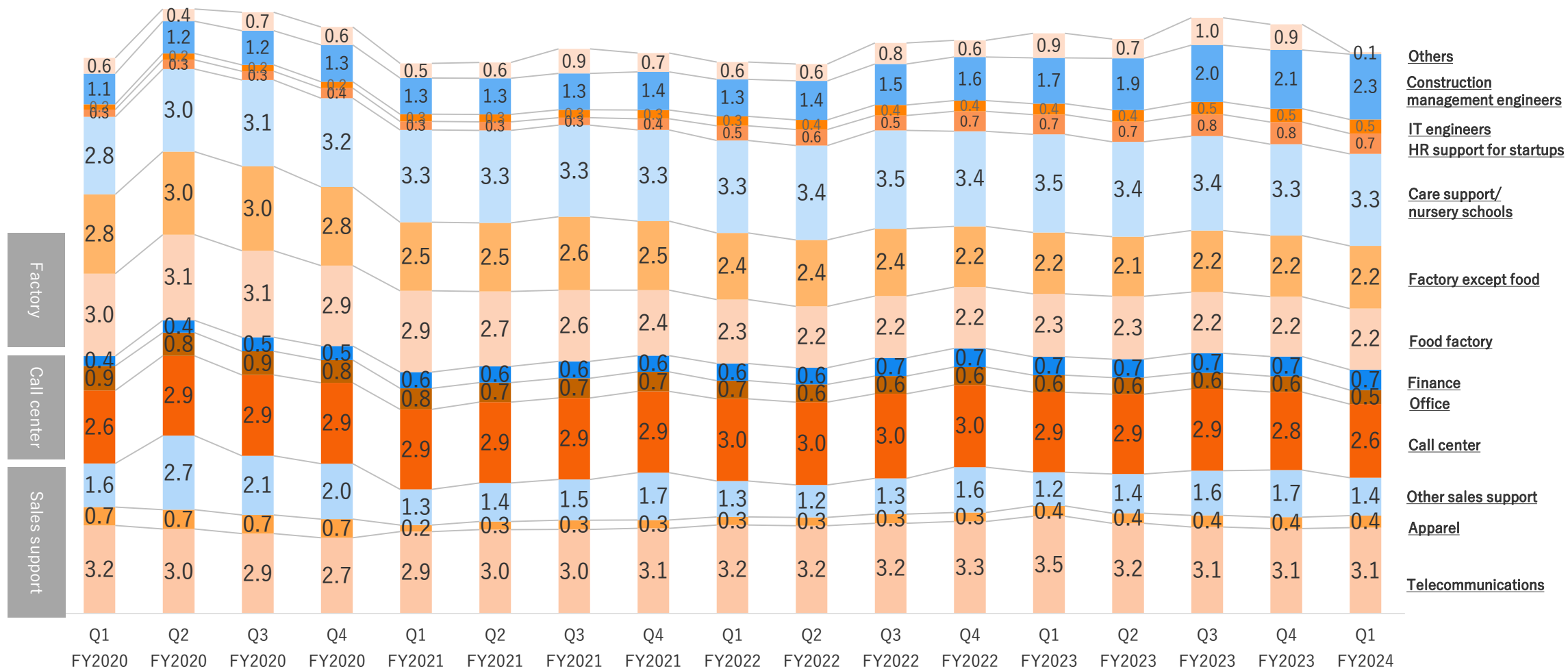
In Domestic W, gain on sale of subsidiaries of ¥0.78 billion was recorded despite upfront investments of ¥0.16 billion. Overseas W remained at the same level after excluding the impact of subsidies in the previous Q4.

1. Q1 FY2024 Results

Domestic Working Business (Business sector revenue)

Although the domains of sales and call centers stagnated, the construction management engineer domain was steady.

(Billions of yen)

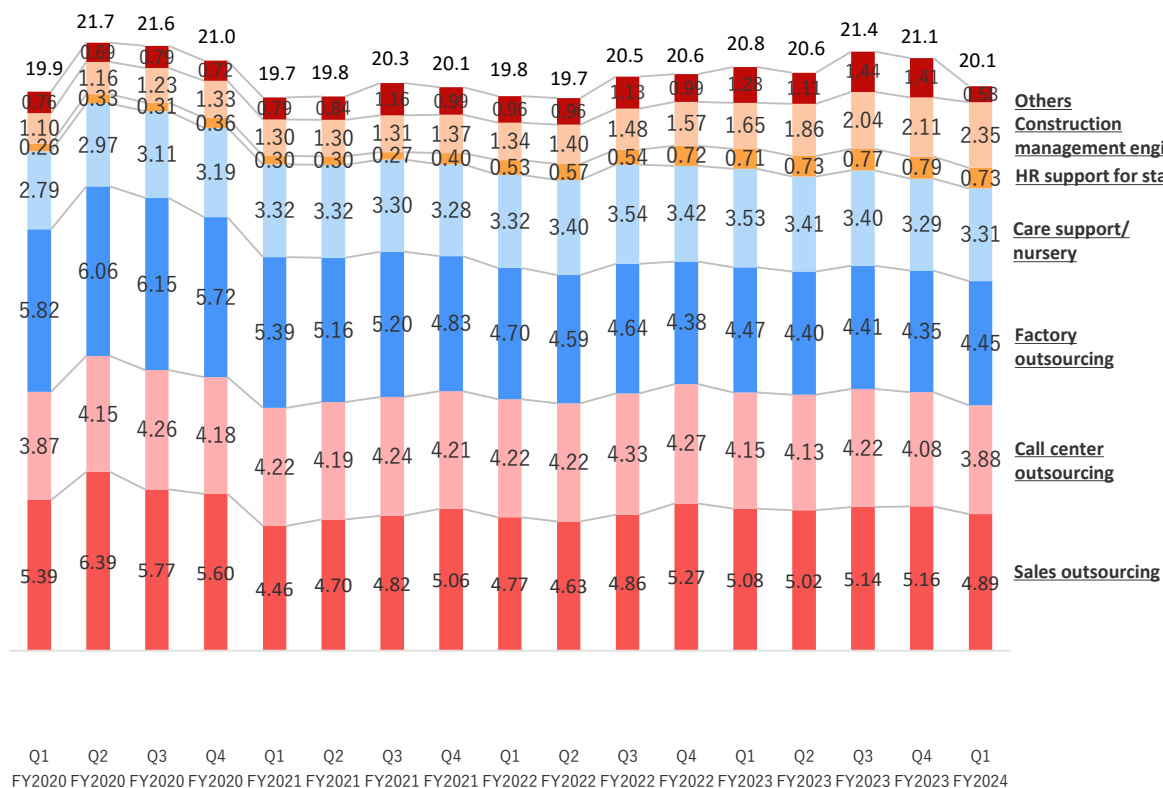


1. Q1 FY2024 Results

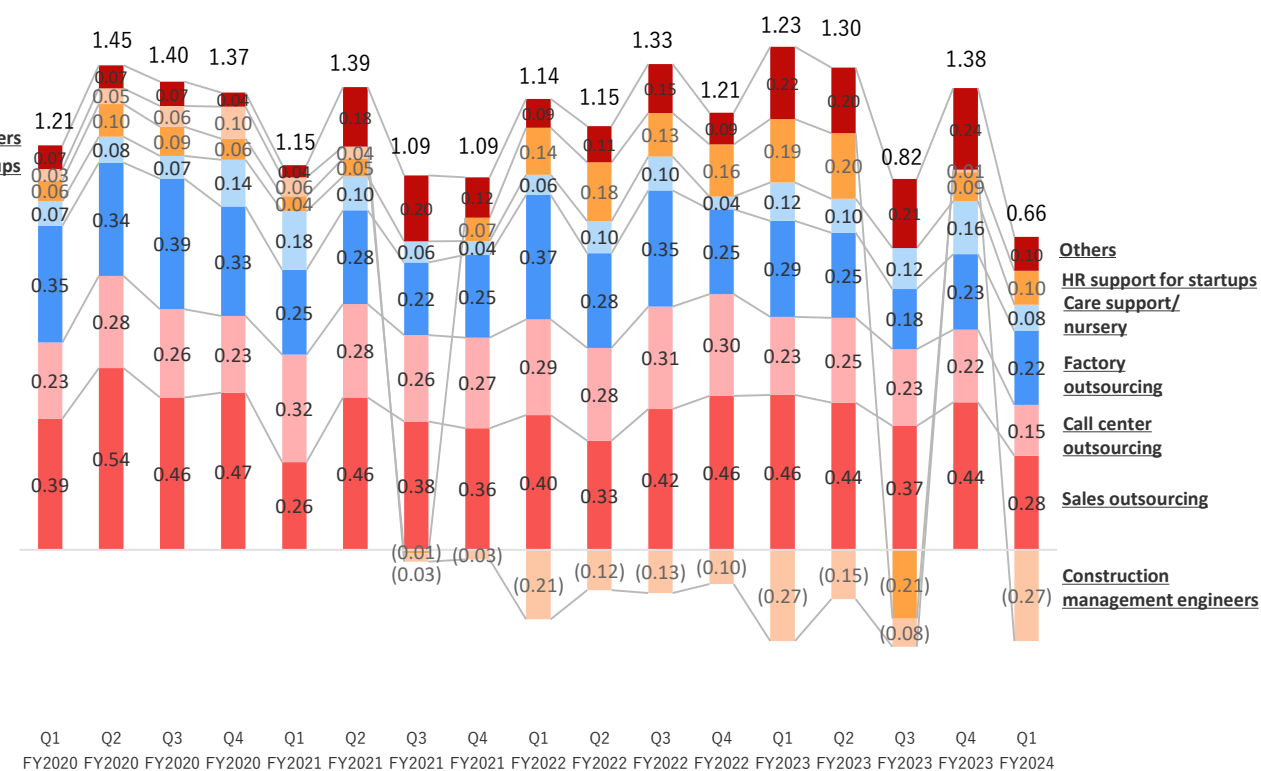
Domestic Working Business (Revenue and operating profit by sector)

The breakdown of ¥0.16 billion in Q1 upfront investments is as follows: ¥0.02 billion in sales outsourcing domain, ¥0.03 billion in factory outsourcing domain, ¥0.01 billion in nursing care domain, and ¥0.10 billion in construction management engineer domain.

-Revenue by sector (Billions of yen)-



-Operating profit by sector (Billions of yen)-



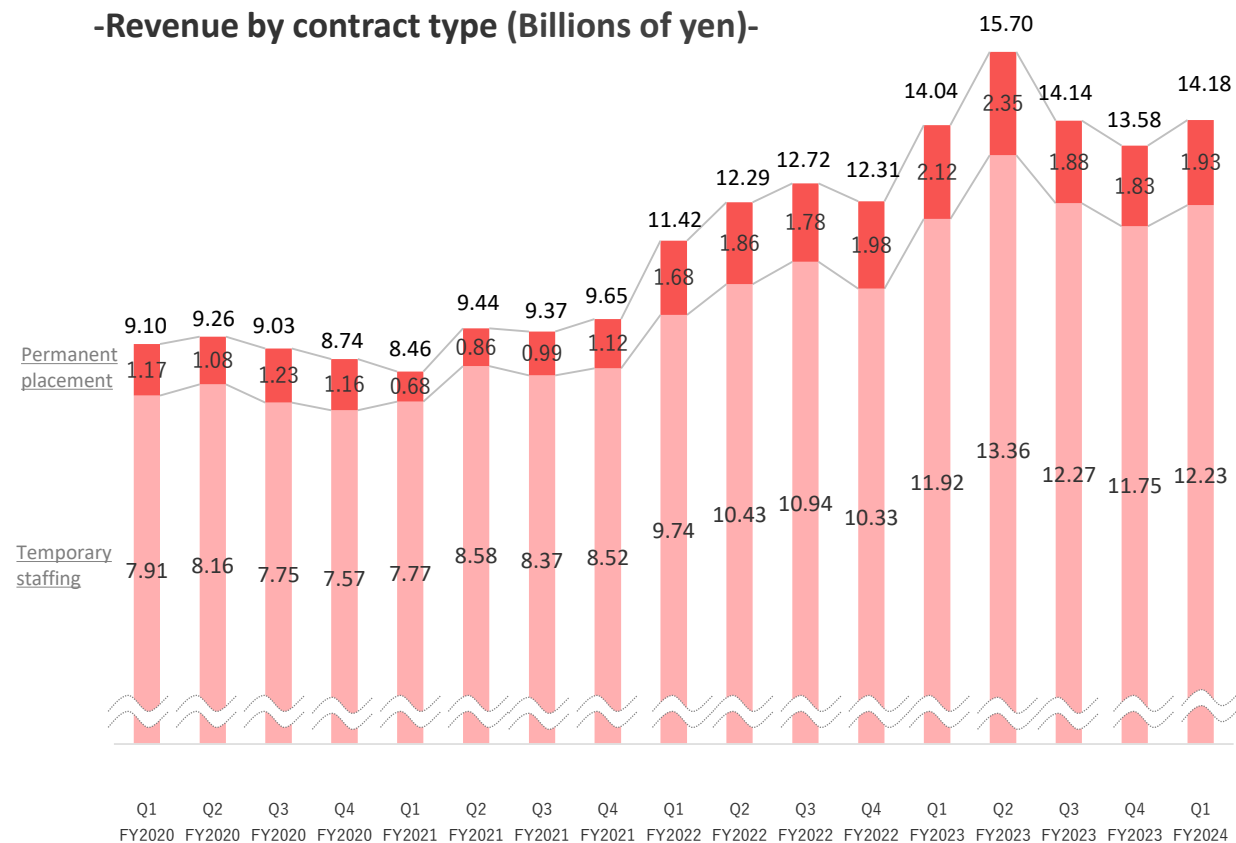
*Intra-segment consolidation adjustments are not included.

1. Q1 FY2024 Results

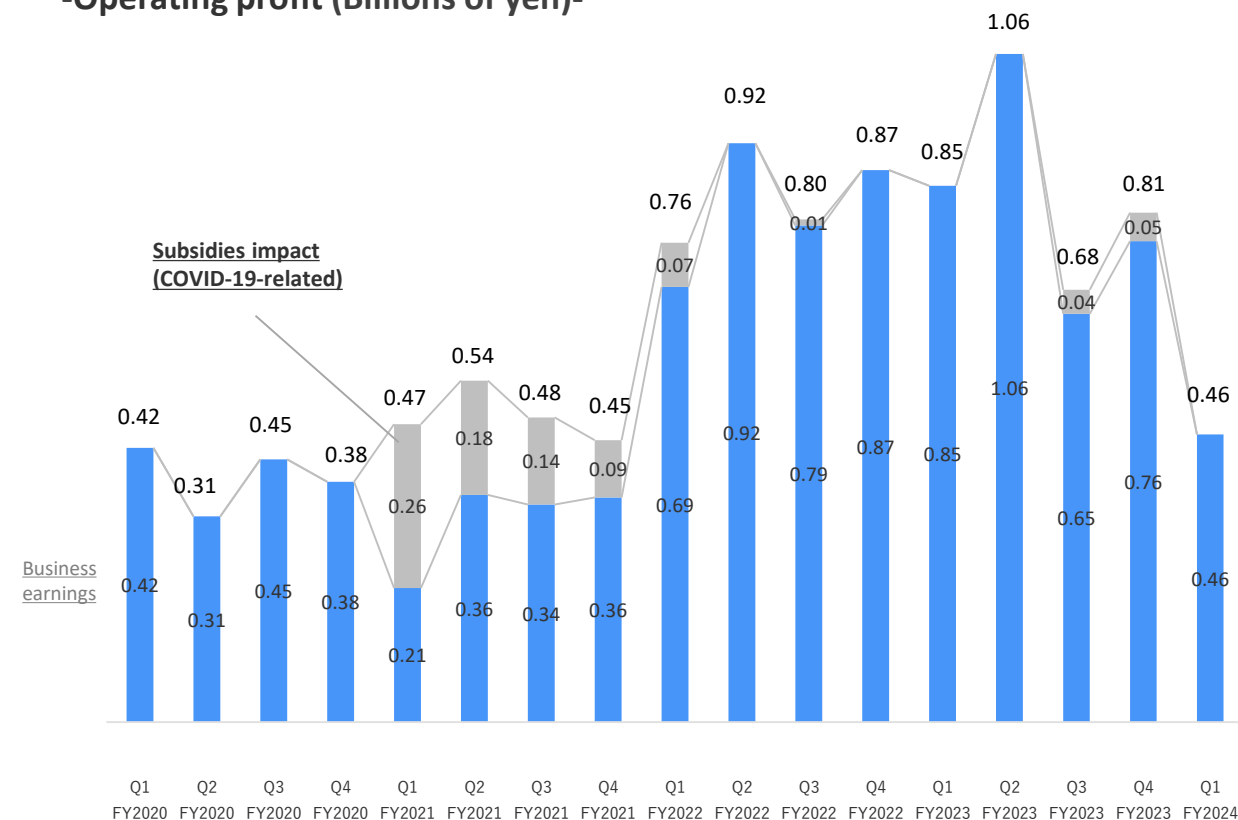
Overseas Working Business (Revenue by contract type and operating profit)

Although the post-COVID-19 surge in permanent placement demand moderated in the previous fiscal year, permanent placement performed strongly on a quarterly basis. Operating profit decreased as SG&A expenses, such as personnel expenses, increased (+¥0.3 billion compared to the previous Q1). We will manage SG&A expenses by looking at how it progresses going forward.

-Revenue by contract type (Billions of yen)-



-Operating profit (Billions of yen)-



Progress of KPI

It was steady in the construction management engineer domain, which is being focused on the most.

Key strategies			KPI				Evaluation
			Indicator	Plan	Results	Progress rate for Q1	
Domestic W	Strategy I	Realizing further growth and monetization in the construction management engineer domain	Number of hires/year	1,270	563	44%	○
			Retention rate	71%	73%	-	○
	Strategy II	Renewed growth in Domestic W (excluding the construction management engineer domain)	Increase in number of workers on assignment for permanent employee staffing	600	148	25%	○
			Increase in number of foreigners for whom employment was supported	1,100	132	12%	△
Overseas W	Strategy III	Stable growth in Overseas W	Permanent placement revenue composition	16%	14%	-	△

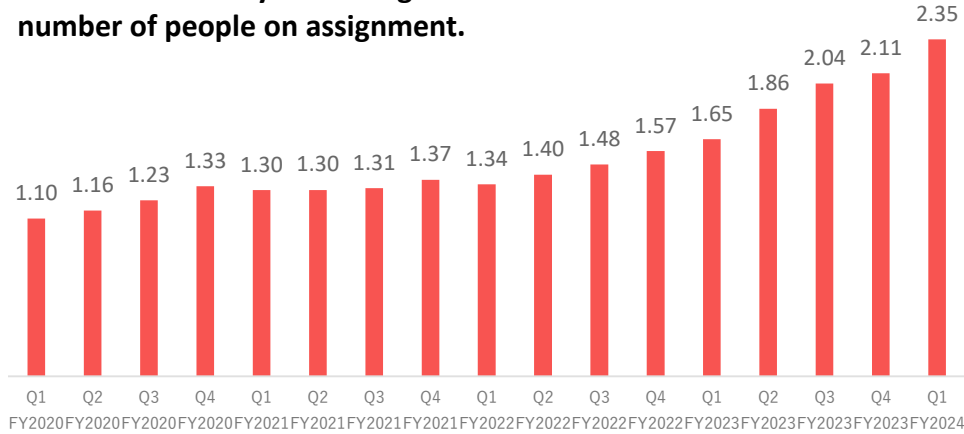
1. Q1 FY2024 Results

Progress in the Construction Management Engineer Temporary Staffing Business

Quarterly Revenue

(Billions of yen)

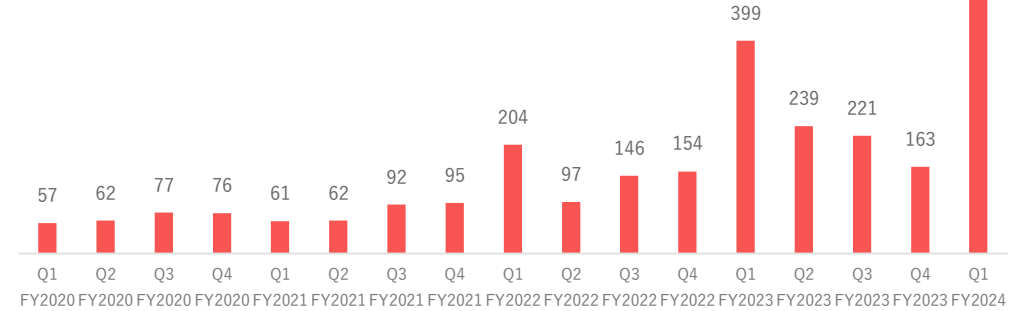
Revenue is steadily increasing with the increase in the number of people on assignment.



Number of People Hired

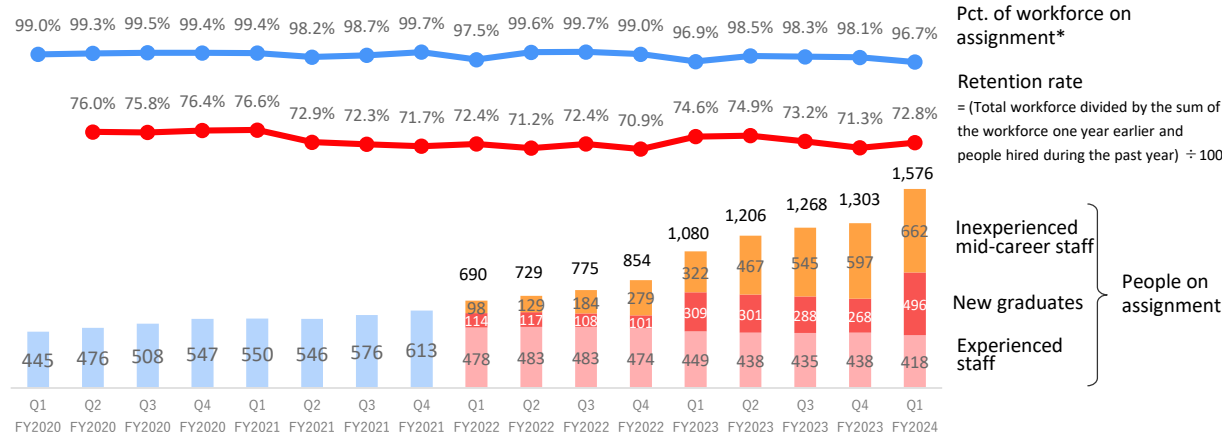
(No. of people)

Steady performance with regard to the target for the fiscal year of 1,270 people. *Q1 includes new graduate recruitment (previous fiscal year: 236, this fiscal year: 260).



People on Assignment, Pct. of Workforce on Assignment, and Retention Rate

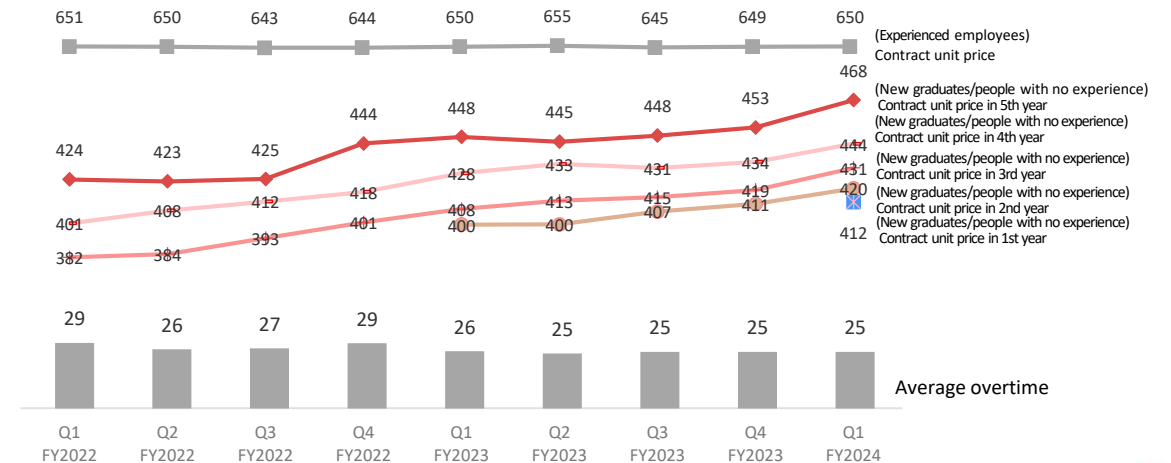
Percentage of workforce on assignment remained at a high level. We will continue to work to improve retention rates.



Average contract unit price, average overtime (monthly)

(Hours, Thousands of yen)

Average contract unit price for new graduates and people with no experience has been rising 3%-5% yearly due to negotiations with customers on raising fees. Overtime hours have remained flat.



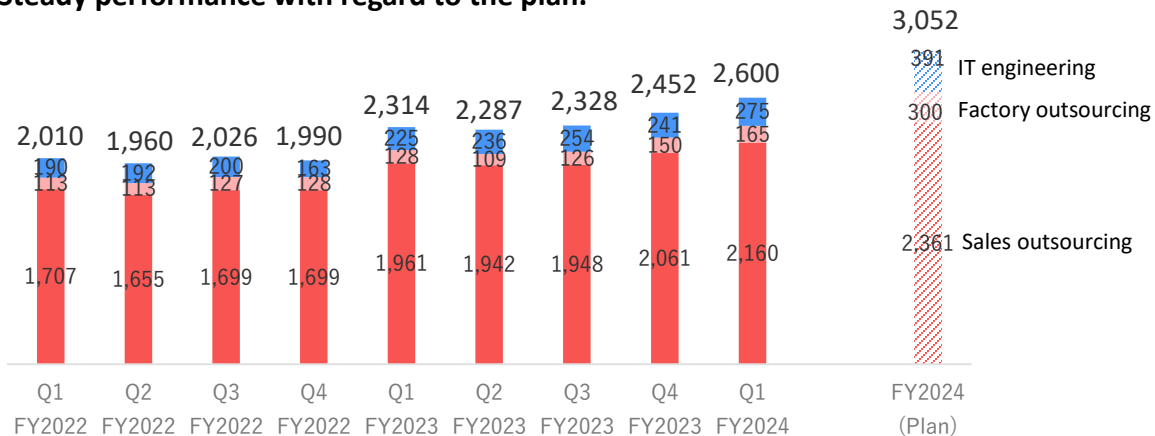
* Percentage of workforce on assignment in Q1 is for the month of June only, after excluding impact of training for new graduates.

1. Q1 FY2024 Results

Progress of Permanent Employee Staffing and Foreign Workers Under Consigned Management

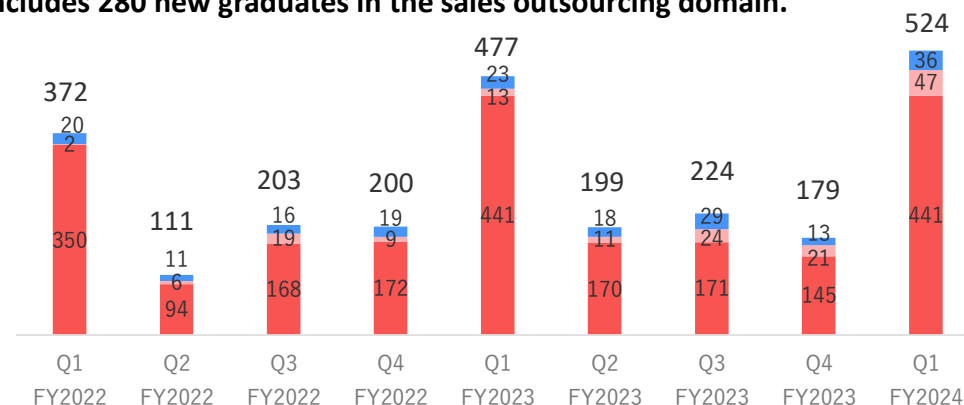
Number of workers on assignment for permanent employee staffing (No. of people)

Steady performance with regard to the plan.



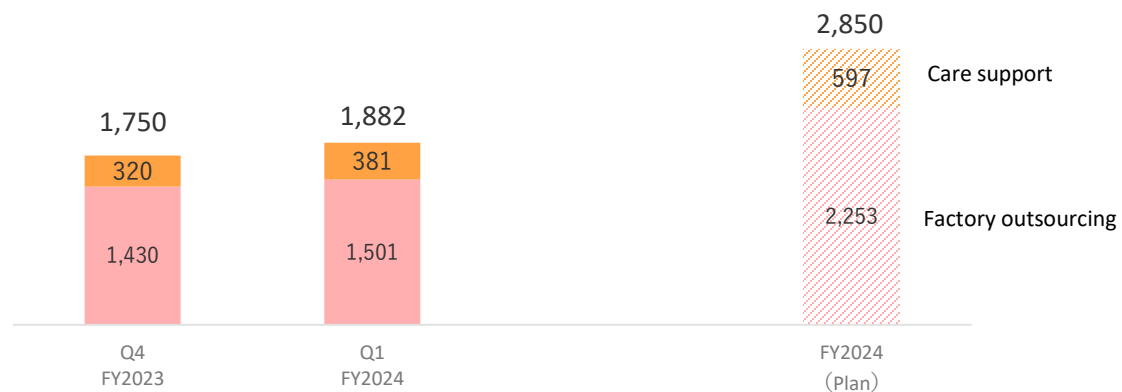
Number of permanent employee staffing hires (No. of people)

In Q1, hit a record for number of hires on a quarterly basis, which includes 280 new graduates in the sales outsourcing domain.



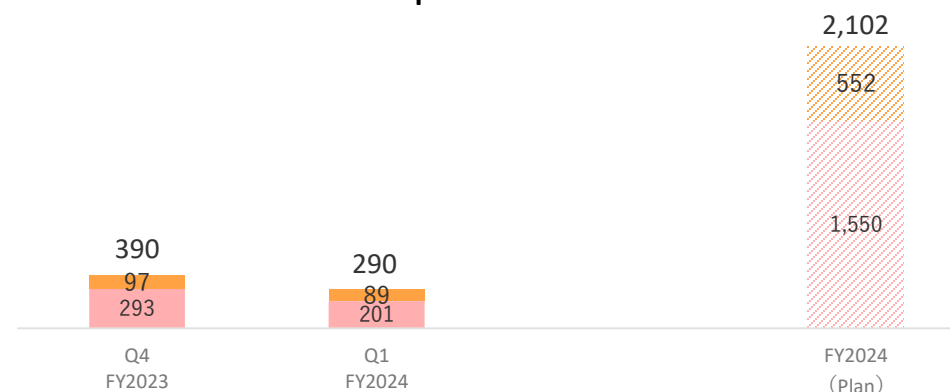
Number of foreign workers under consigned management (No. of people)

Although the nursing care domain was steady, there were delays in breaking ground with new projects in the factory domain.



Number of new foreign workers under consigned management (No. of people)

Although the number of orders from companies progressed steadily, we were unable to build up the expected number of orders due to a low number of orders for overseas personnel.



As a method of brand promotion to strengthen our brand, we began airing TV commercials in some regions (West Japan area, Okinawa, etc.) from July 2023. After airing them, the numbers of searches of owned media and job placements increased gradually.



▶ Commercial introduction website: https://willob.jp/shigoto_update/

▼“WILLOF Job Update: Skills” (30 seconds)



<https://youtu.be/kc-2y4QhOa0>

▼“WILLOF Job Update: Conditions” (30 seconds)

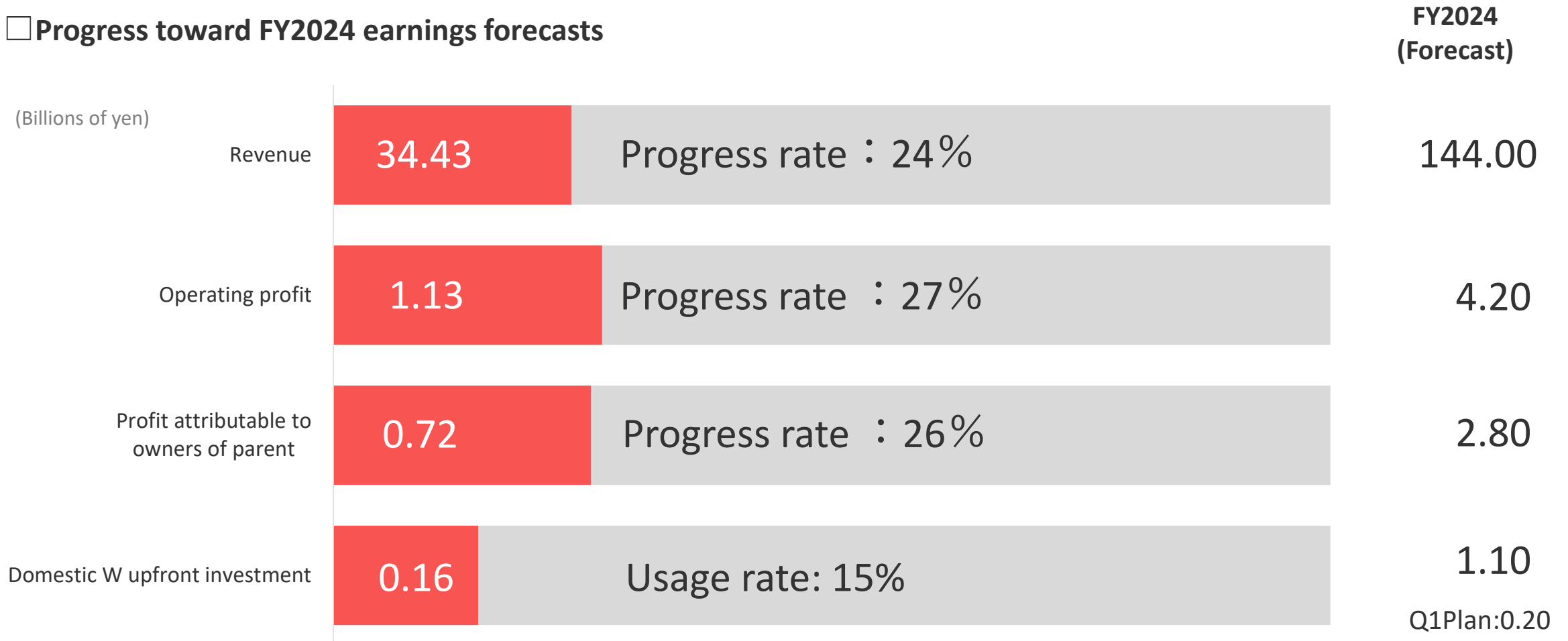


<https://youtu.be/eKhYOWqRGYI>

FY2024 Earnings and Dividend Forecasts

Steady start against forecasts in Q1. Domestic W upfront investments are generally progressing as planned.

□ Progress toward FY2024 earnings forecasts



FY2024 Dividend Forecast

Based on our shareholder return policy, for our FY2024 dividends, we plan to pay the same 44 yen per share as in the previous fiscal year.

Shareholder return policy in the previous Medium-term Management Plan (FY2021–FY2023).

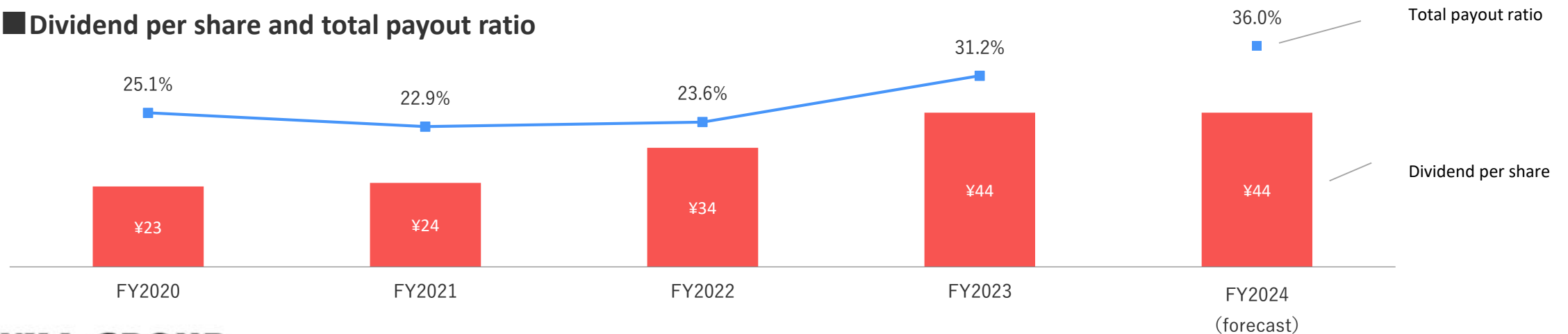
- Target total payout ratio of 30% (versus earnings forecasts at the start of the fiscal year)



Shareholder return policy in the Medium-term Management Plan (FY2024–FY2026)

- **Progressive dividends**
In principle, increase or maintain and do not reduce dividends
- **Total payout ratio of 30% or higher**
Evaluate flexible treasury share acquisitions as needed based on performance progress during the period

■ Dividend per share and total payout ratio





Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the Will Group's management at the time the materials were prepared, but are not promises by the Will Group regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons.

This report is an English translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between the original Japanese version and this translated version, the Japanese version shall prevail.

■ IR Contact:

WILL GROUP, INC. IR Group

Tel: + 81-3-6859-8880

Mail: ir@willgroup.co.jp