



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

February 19, 2024

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



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Q3 (Cumulative) FY2024 Results

1. Q3 (Cumulative) FY2024 Results

Q3 FY2024 Financial Highlights

Q3 FY2024 Results

Both Domestic Working Business and Overseas Working Business experienced stagnant growth. (Billions of yen)

Revenue :	103.91	Vs. Q3 FY2023 % change :	-4.3%
Operating profit :	2.79	Vs. Q3 FY2023 % change :	-27.7%

Domestic W

Despite overall flat trend, the construction management engineer domain performed well.

Revenue :	61.64	Vs. Q3 FY2023 % change :	-2.1%
Operating profit :	2.99 (Of which, gain on sale of subsidiaries of ¥0.78 billion)	Vs. Q3 FY2023 % change :	-5.2%

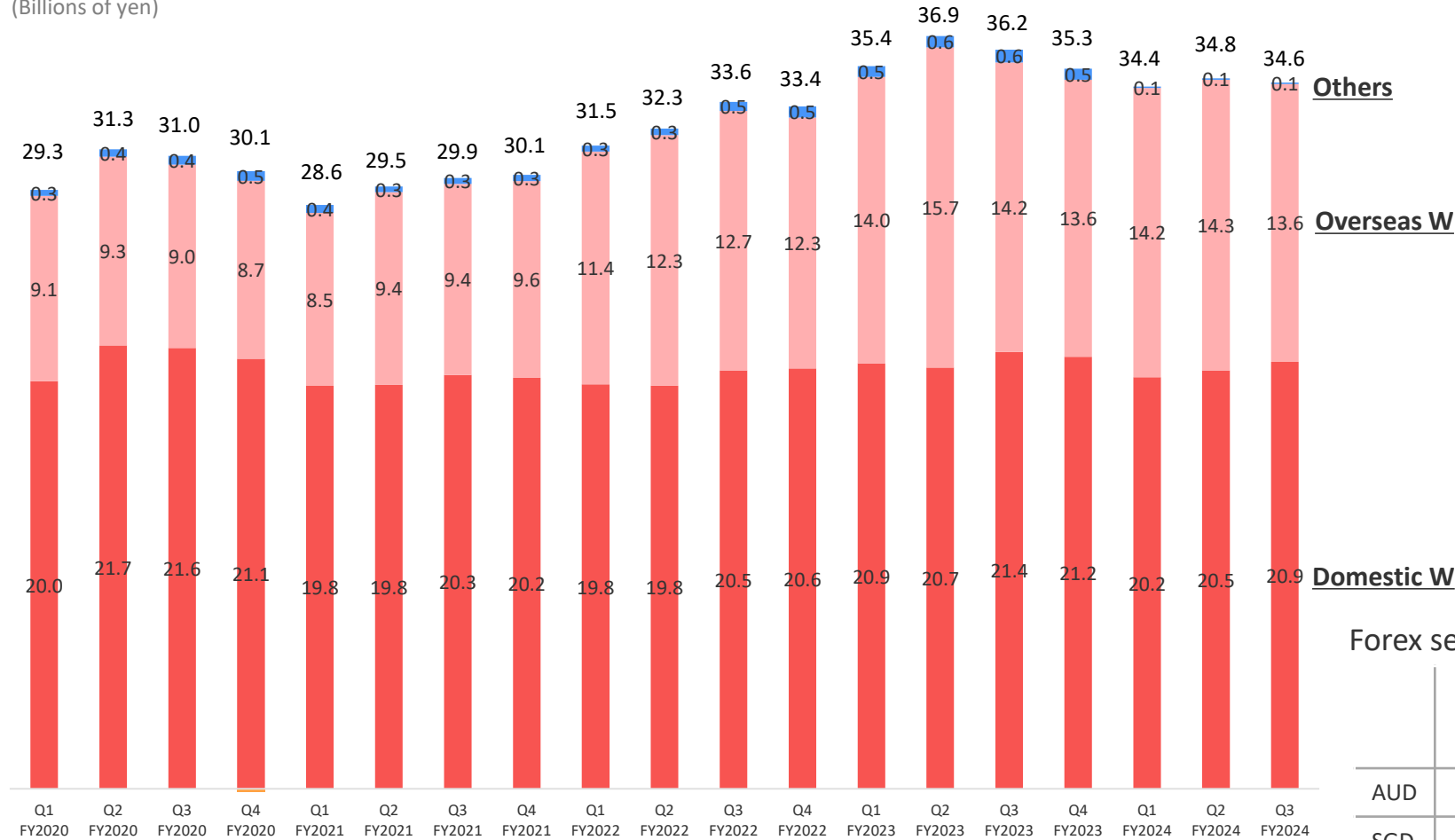
Overseas W

Slower progress towards target due to declines in revenue in both temporary staffing and permanent placement.

Revenue :	42.07	Vs. Q3 FY2023 % change :	-4.3%
Operating profit :	1.64	Vs. Q3 FY2023 % change :	-36.7%

1. Q3 (Cumulative) FY2024 Results Consolidated Revenue

(Billions of yen)



**Q3 FY2024 revenue was
¥0.2 billion below
Q2 FY2024**

(The effects of foreign exchange rate: +¥0.1 billion)

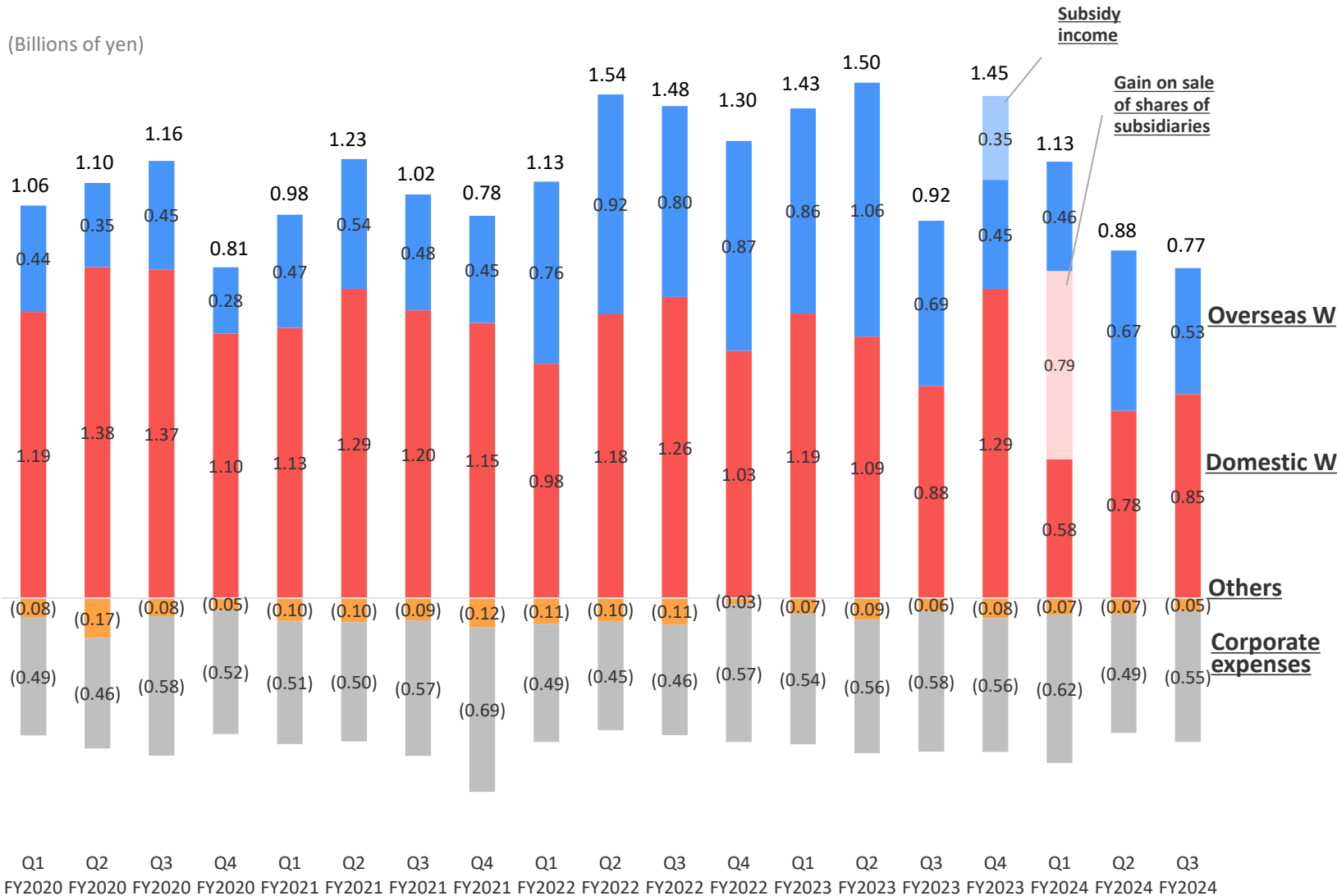
Domestic W remained at the same level.

Overseas W experienced declines in revenue from both temporary staffing and permanent placement.

Forex sensitivity

	FY2024 Plan	Q3 FY2024 Results	Q3 FY2023 Results	Change for ¥1 difference/y	
				Revenue	Profit
AUD	¥86	¥94	¥93	¥420 million	¥10 million
SGD	¥94	¥106	¥98	¥140 million	¥0 million

1. Q3 (Cumulative) FY2024 Results Consolidated Operating Profit



Q3 FY2024 operating profit was ¥0.1 billion below Q2 FY2024

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

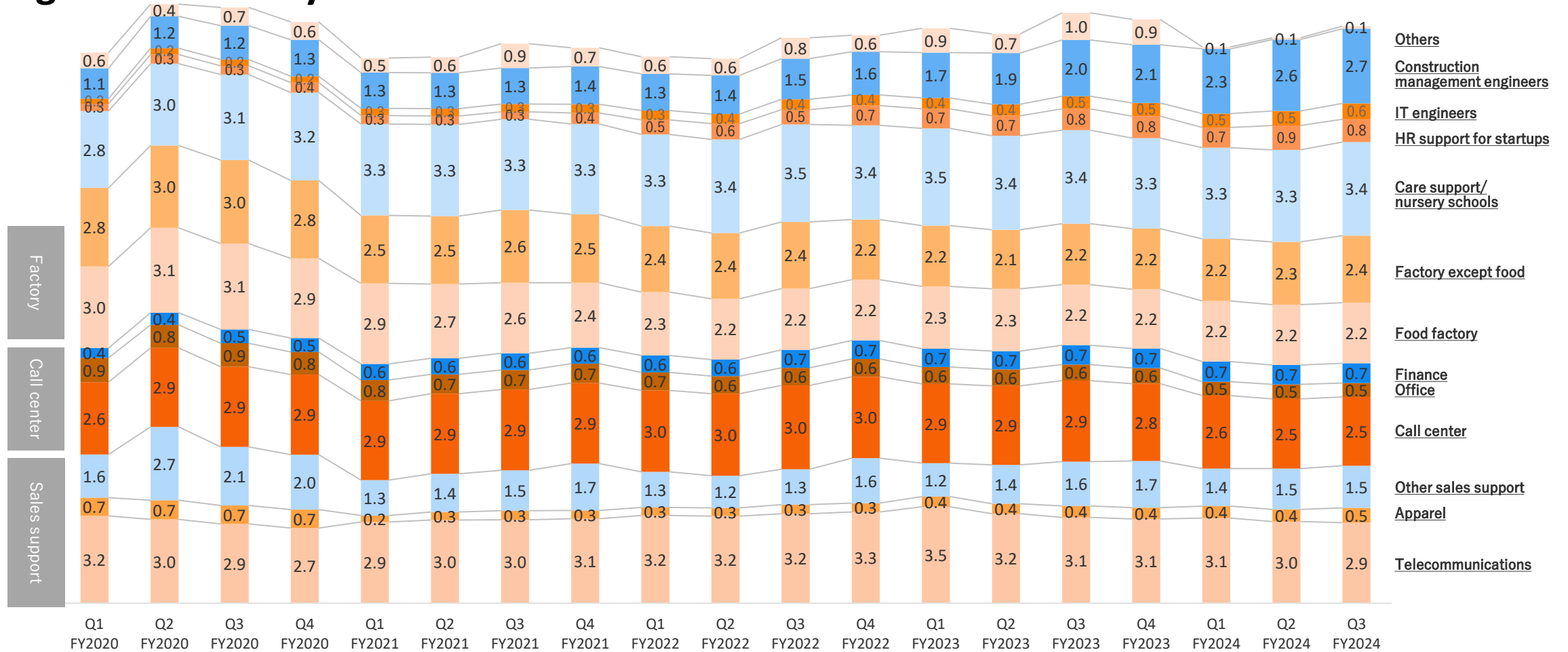
In Domestic W, upfront investment of ¥0.12 was made in Q3. (¥0.18 billion below Q2)

In Overseas W, operating profit was ¥0.14 billion below Q2 due to a decrease in revenue.

1. Q3 (Cumulative) FY2024 Results Domestic Working Business (Business sector revenue)

Construction management engineer domain and HR support for start ups domain have progressed steadily.

(Billions of yen)



1. Q3 (Cumulative) FY2024 Results

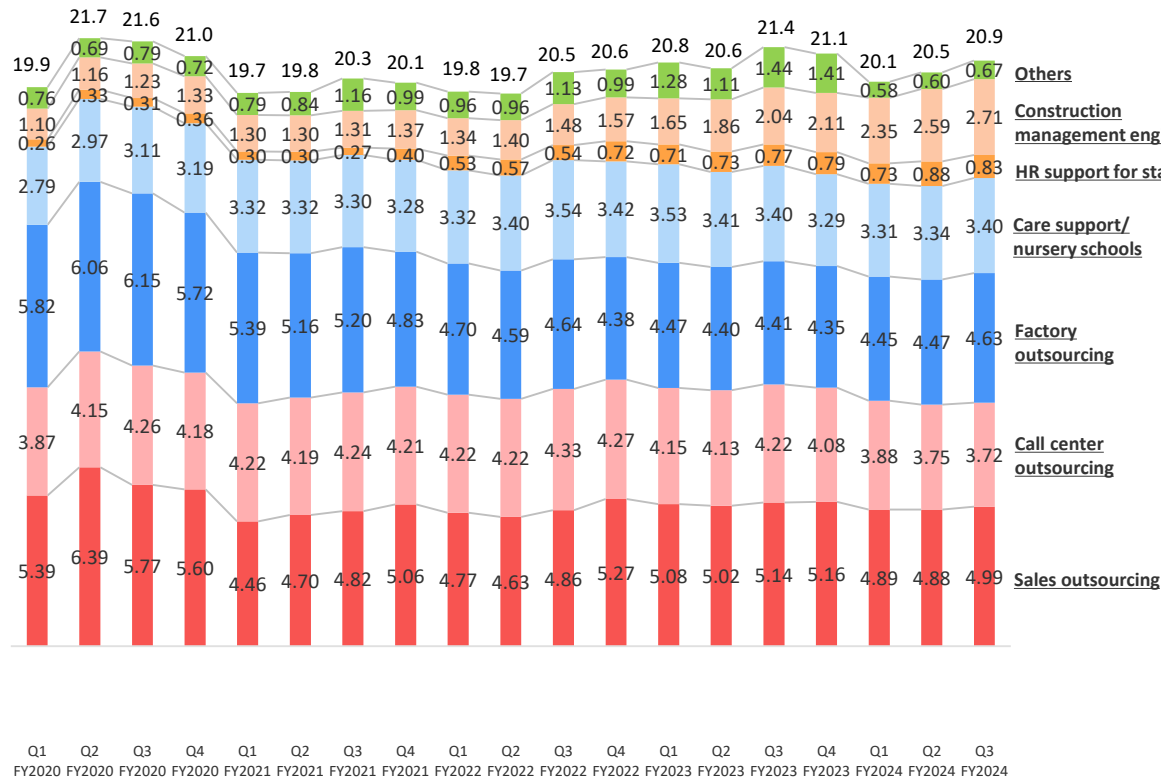
Domestic Working Business (Revenue and operating profit by sector)

As revenue growth continues to remain flat, SG&A expenses will be controlled by adjusting upfront investments.

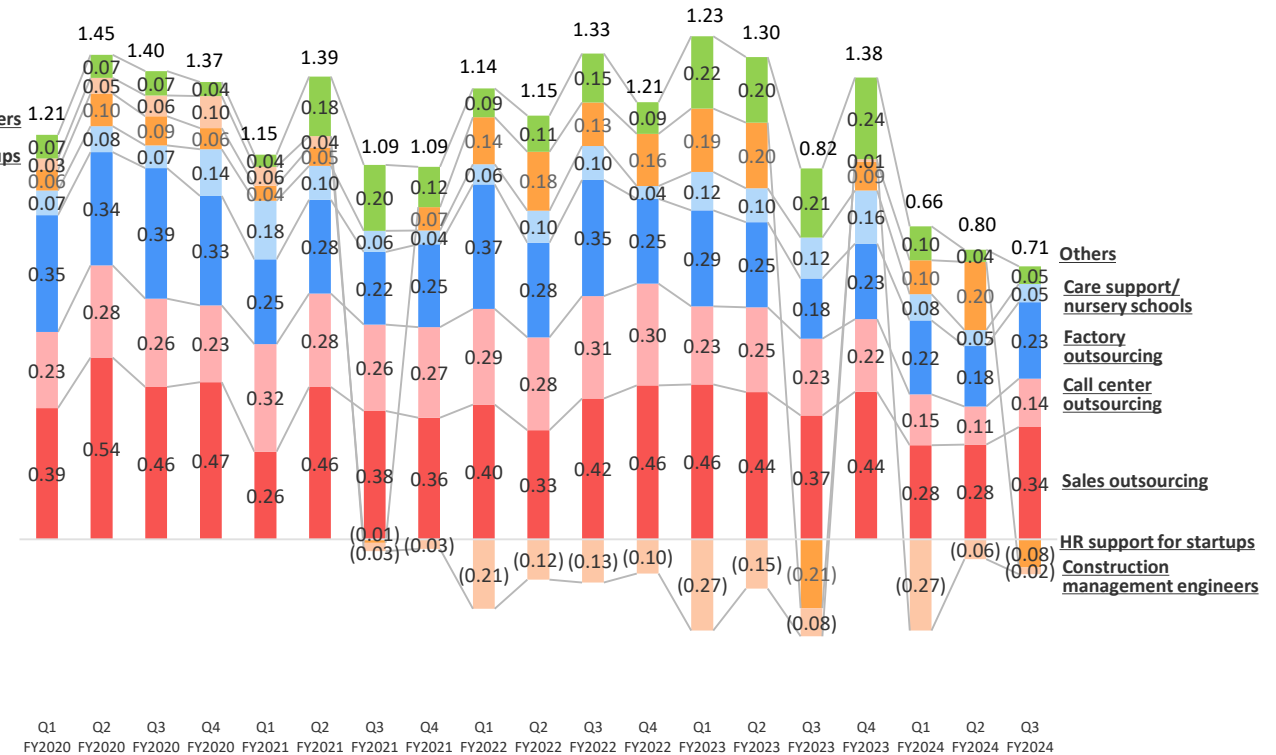
The breakdown of upfront investments (Q1: ¥0.16 billion, Q2: ¥0.30 billion, Q3: ¥0.12 billion)

Sales outsourcing domain (Q1: ¥0.02 billion, Q2: ¥0.00 billion, Q3: ¥0.00 billion), Factory outsourcing domain (Q1: ¥0.03 billion Q2: ¥0.04 billion, Q3: ¥0.04 billion), Nursing care domain (Q1: ¥0.01 billion, Q2: ¥0.02 billion, Q3: ¥0.00 billion), Construction management engineer domain (Q1: ¥0.10 billion, Q2: ¥0.11 billion, Q3: ¥0.08 billion), promotional expenses (Q1: ¥0.00 billion, Q2: 0.13 billion, Q3: ¥0.00 billion)

-Revenue by sector (Billions of yen)-



-Operating profit by sector (Billions of yen)-



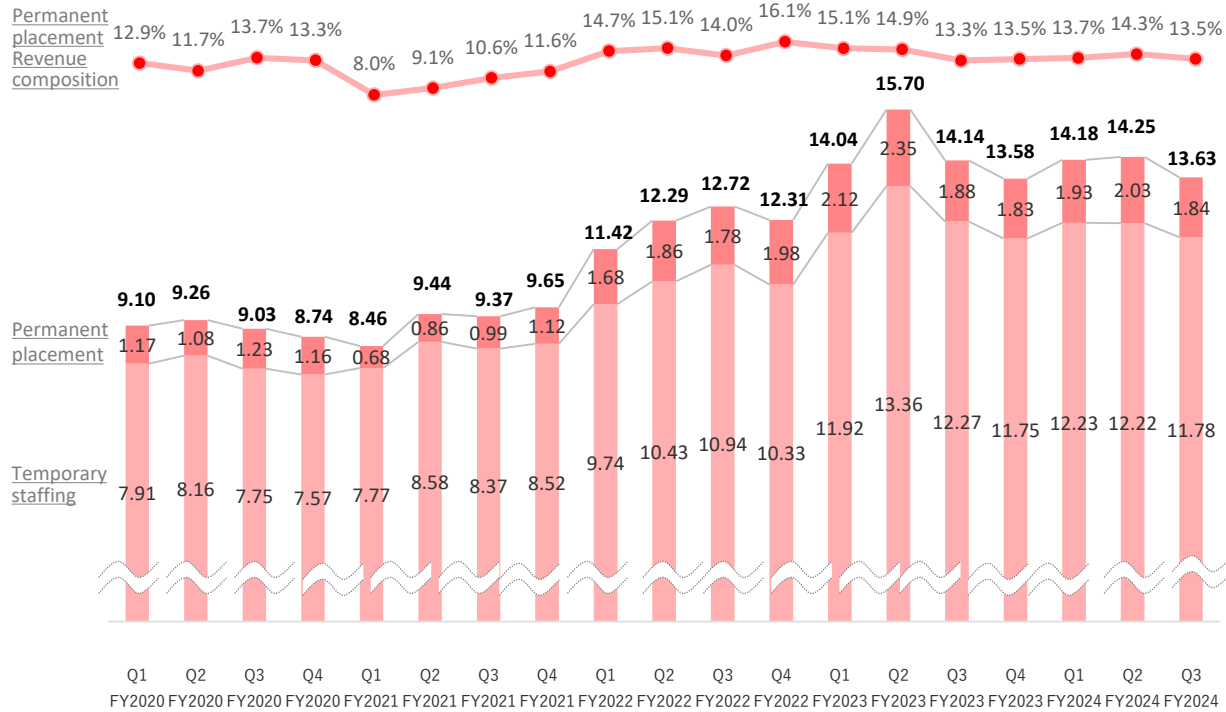
*Intra-segment consolidation adjustments are not included.

1. Q3 (Cumulative) FY2024 Results

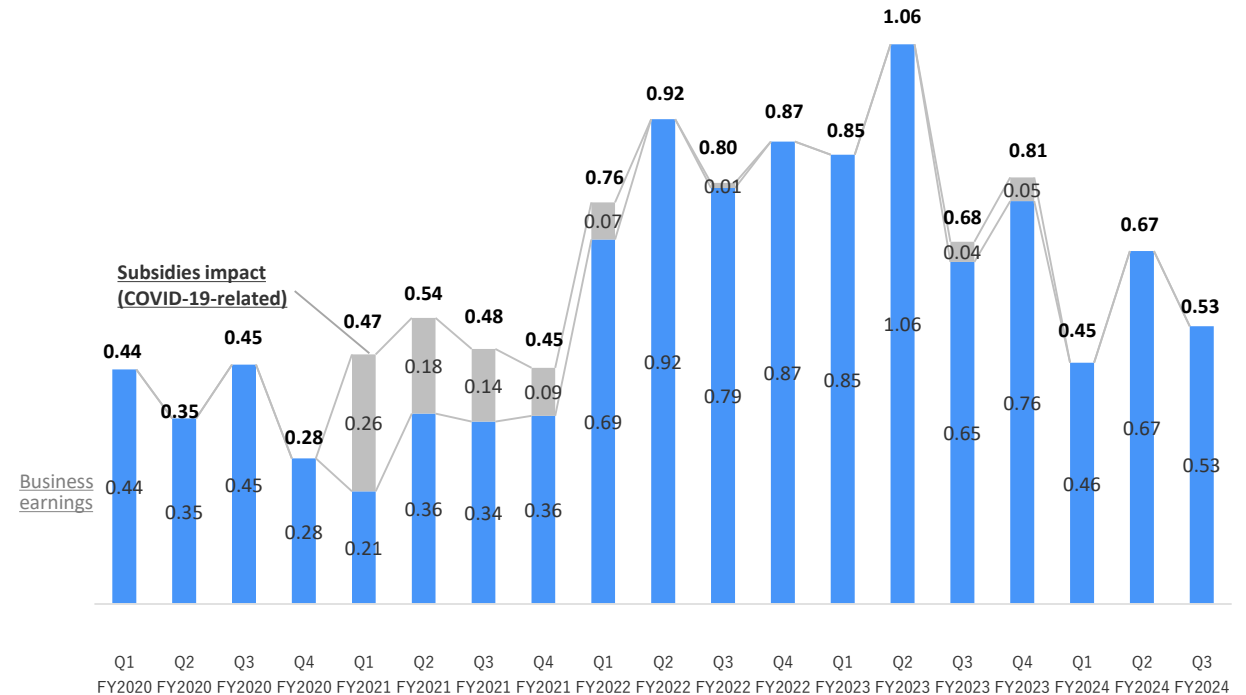
Overseas Working Business (Revenue by contract type and operating profit)

Temporary staffing revenue decreased due to the dip in hiring by certain clients in Australia.
 Permanent placement revenue has remained flat since Q3 FY2023.
 The Group will continue to manage its SG&A expenses while monitoring progress.

-Revenue by contract type (Billions of yen)-



-Operating profit (Billions of yen)-



1. Q3 (Cumulative) FY2024 Results

Progress of KPI

Construction management engineer domain, the Group's key focus area, performed well. For areas behind schedule, we will continue to work on improving performance.

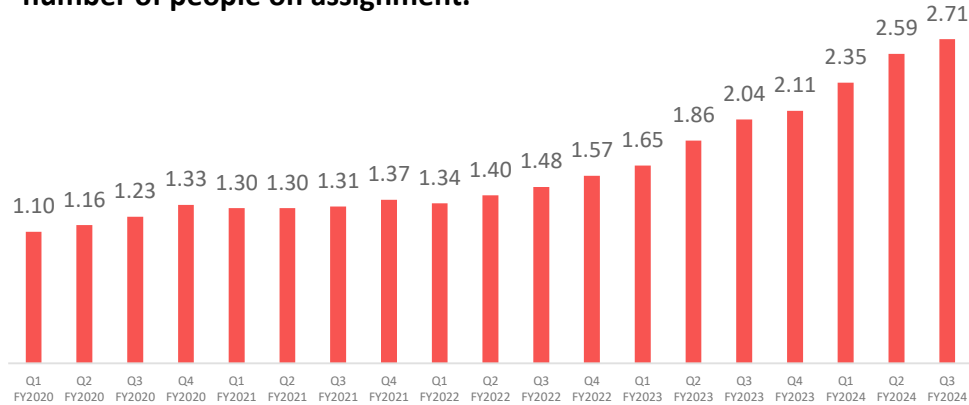
Key strategies			KPI				Evaluation
			Indicator	Plan	Q3 Results	Progress rate	
Domestic W	Strategy I	Realizing further growth and monetization in the construction management engineer sector	Number of hires/year	1,270	1,126	89%	Good
			Retention rate	71%	72%	-	Good
	Strategy II	Restoring growth in Domestic W (excluding the construction management engineer domain)	Increase in number of workers on assignment for permanent employee staffing	600 <small>(Number of workers on assignment at the end of the fiscal year: 3,052)</small>	233 <small>(Number of workers on assignment at the end of Q3: 2,685)</small>	39%	Poor
			Increase in number of foreign talent supported through the Foreign Talent Management Services	1,100 <small>(Number of foreigners supported through the Foreign Talent Management Services at the end of the fiscal year: 2,850)</small>	403 <small>(Number of foreigners supported through the Foreign Talent Management Services at the end of Q3: 2,153)</small>	37%	Poor
Overseas W	Strategy III	Stable growth in Overseas W	Permanent placement revenue composition	16%	14%	-	Unsatisfactory

1. Q3 (Cumulative) FY2024 Results Progress in the Construction Management Engineer Temporary Staffing Business

■ Quarterly Revenue

(Billions of yen)

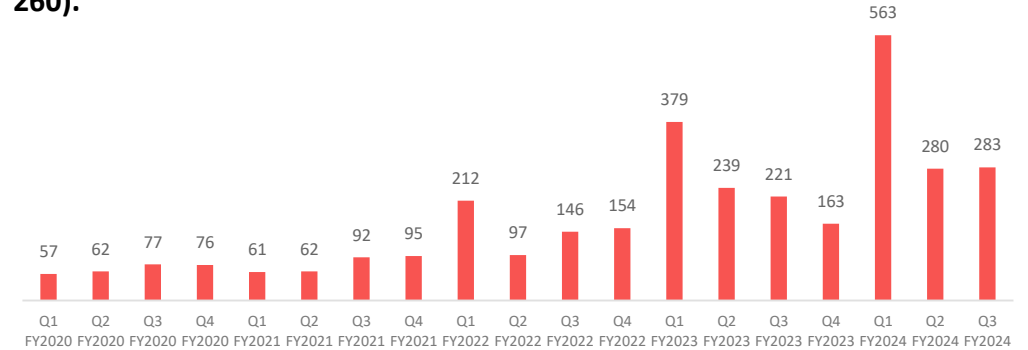
Revenue is steadily increasing with the increase in the number of people on assignment.



■ Number of People Hired

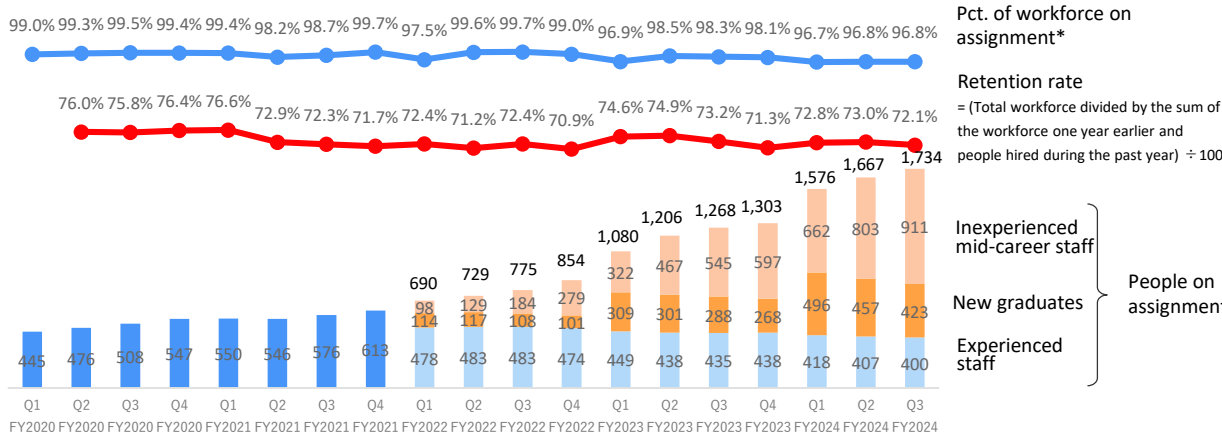
(No. of people)

Strong performance in Q3 with a cumulative result of 1,126 people against the target of 1,270 people for this fiscal year. (progress rate: 88%).
*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. The Group will continue to work on improving retention rates.



Pct. of workforce on assignment*

Retention rate
= (Total workforce divided by the sum of the workforce one year earlier and people hired during the past year) ÷ 100

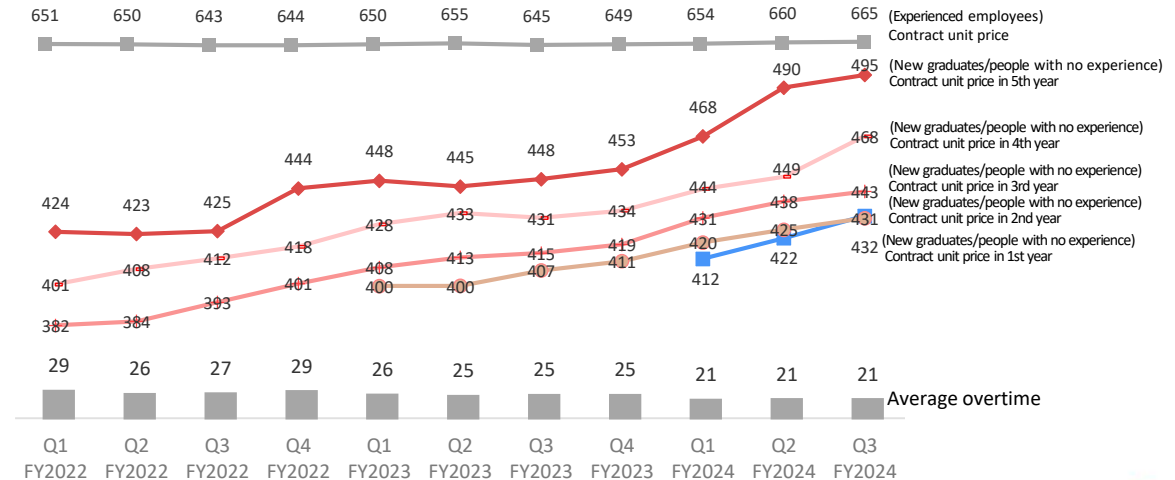
People on assignment
Experienced staff
New graduates
Inexperienced mid-career staff

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

■ Average contract unit price, average overtime (monthly)

(Hours, Thousands of yen)

Average contract unit price for new graduates and non-experienced staff has been rising 5% yearly due to negotiations with customers on raising fees. Overtime hours have remained flat.

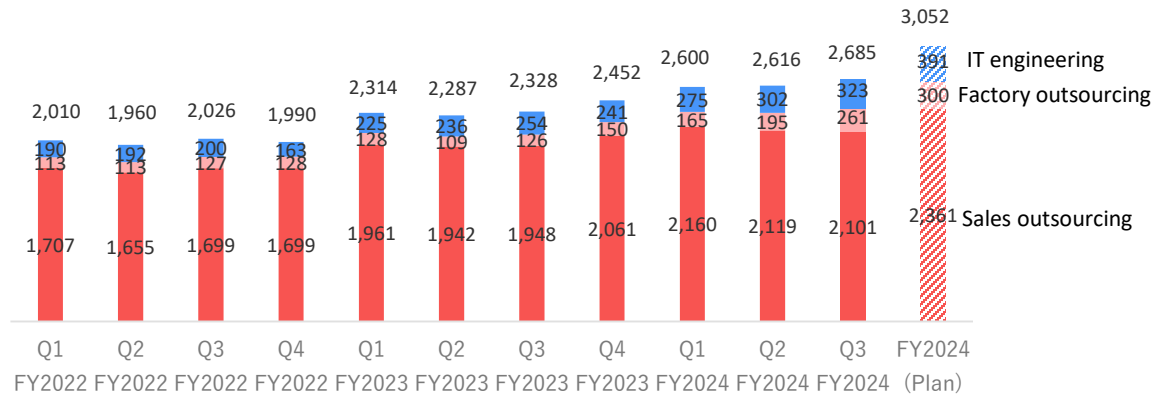


1. Q3 (Cumulative) FY2024 Results

Progress of Permanent Employee Staffing and Foreigners Supported Through the Foreign Talent Management Services

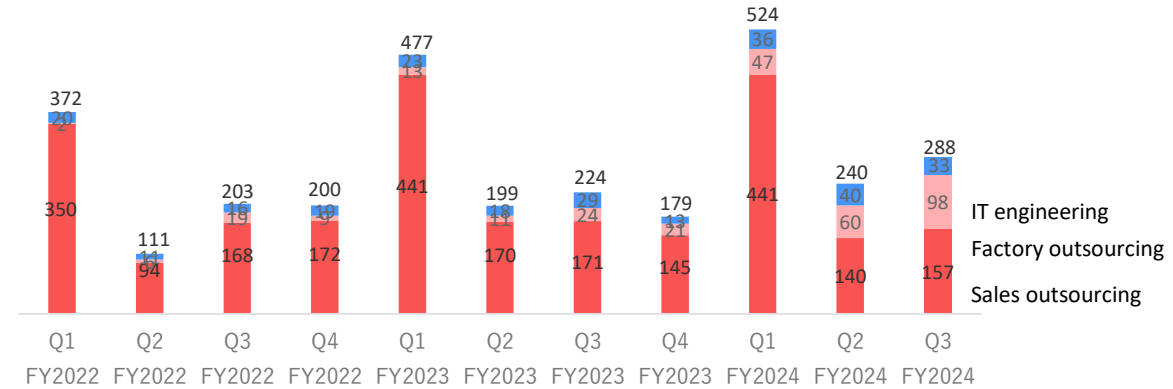
Number of workers on assignment for permanent employee staffing (No. of people)

Lower than target due to the slower-than-expected progress in hiring mid-career candidates in the sales outsourcing domain.



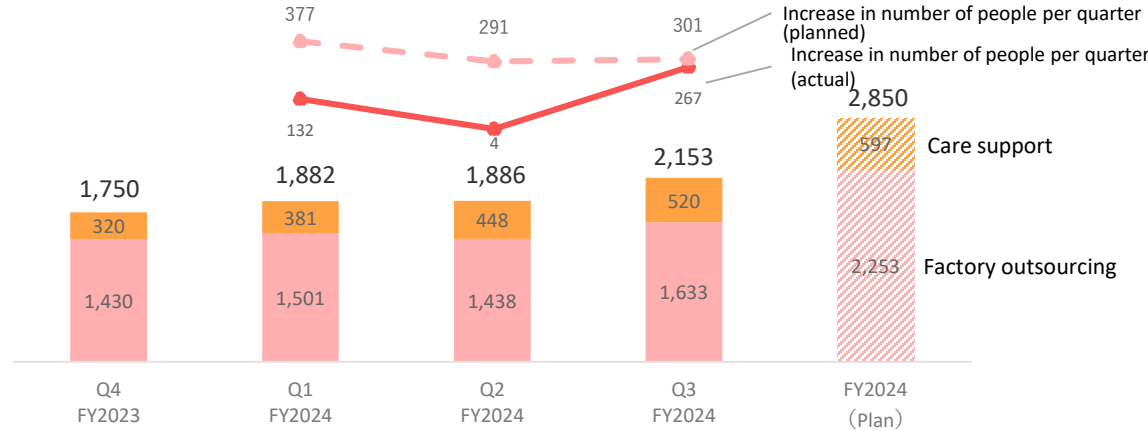
Number of permanent employee staffing hires (No. of people)

Steady hiring in the factory outsourcing and IT engineer domains. *Q1 includes 280 new graduates in the sales outsourcing domain.



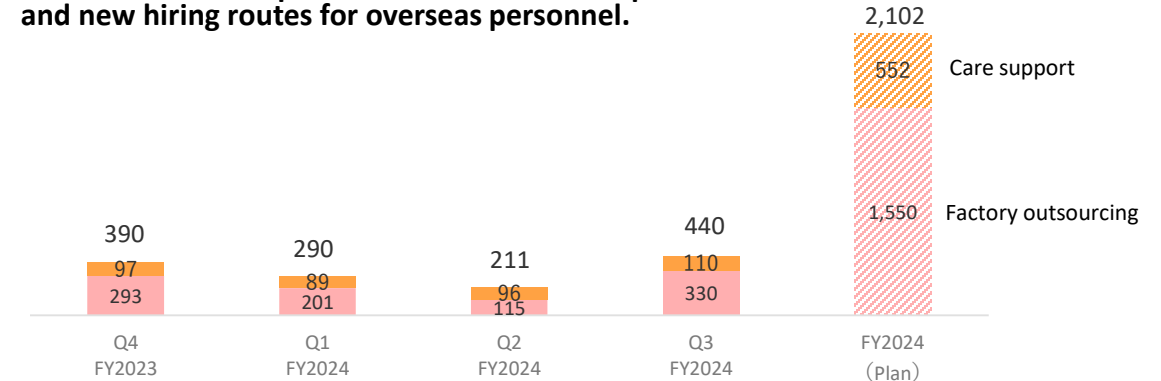
Number of foreigners supported through the Foreign Talent Management Services (No. of people)

The nursing care domain made steady progress. In the factory domain, the number of people consigned in Q3 increased. As a result, the increase in number of people per quarter progressed at the planned level.



Number of new foreigners supported through the Foreign Talent Management Services (No. of people)

Although the number of orders from clients increased steadily, we were unable to build up the number of foreign talents that we support through our Foreign Talent Management Services. Orders related to new foreign talent starting work in Japan, which in general has a higher conversion rate, were lesser than expected. We will work to expand the number of orders and new hiring routes for overseas personnel.



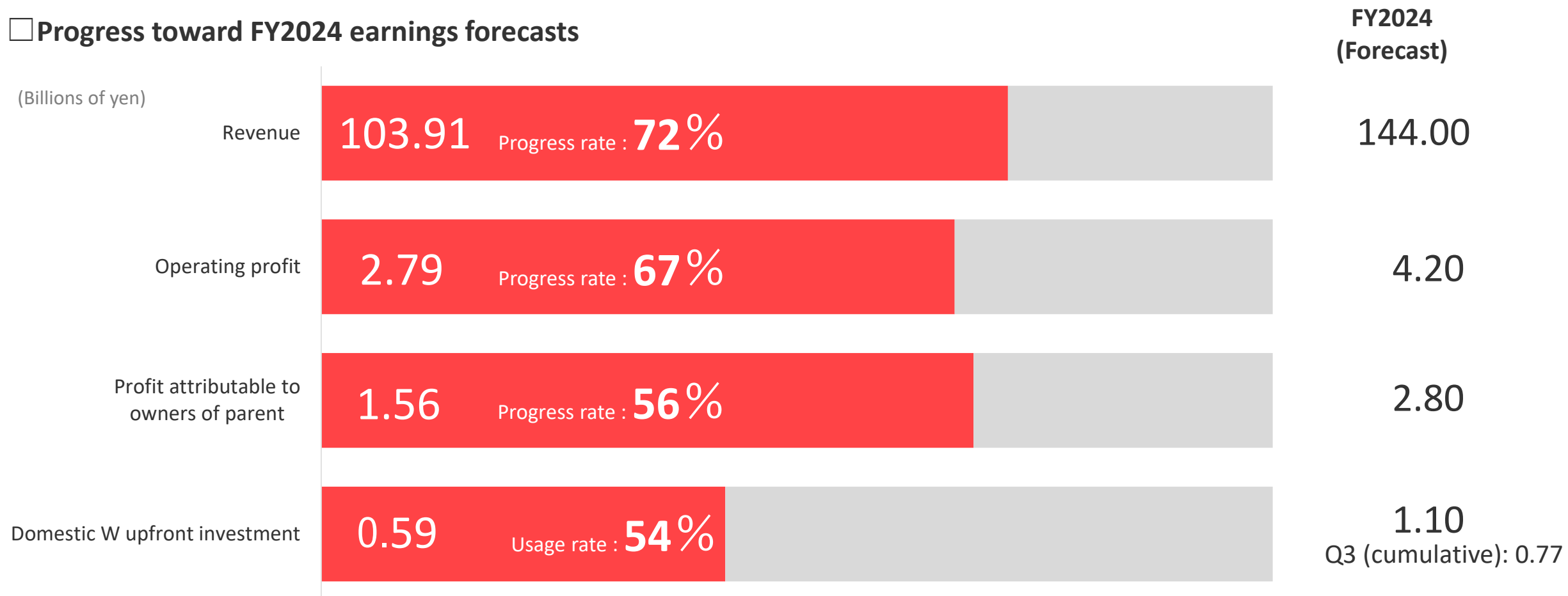
FY2024 Earnings and Dividend Forecasts

2. FY2024 Earnings and Dividend Forecasts

FY2024 Consolidated Earnings Forecasts

**Domestic W and Overseas W performances are both below the forecast.
The Group will work to control SG&A expenses across the entire Group.**

□ Progress toward FY2024 earnings forecasts



2. FY2024 Earnings and Dividend Forecasts (Reference) FY2024 Consolidated Earnings Forecasts

(Billions of yen)	FY2023	FY2024 (Forecasts)	Vs. FY2023		Q3 (cumulative) FY2024	
			Change	% change	Actual	Progress rate
Revenue	143.93	144.00	+0.06	+0.0%	103.91	72%
Domestic Working Business	84.13	85.80	+1.66	+2.0%	61.64	72%
Overseas Working Business	57.53	57.85	+0.32	+0.6%	42.07	73%
Others	2.25	0.33	-1.91	-85.0%	0.20	60%
Gross profit	31.73	33.45	+1.71	+5.4%	23.10	69%
Gross margin	22.1%	23.2%	+1.2pt	-	22.2%	-
Operating profit	5.31	4.20	-1.11	-21.0%	2.79	67%
Operating margin	3.7%	2.9%	-0.7pt	-	2.7%	-
Domestic Working Business	4.45	3.78	-0.66	-15.0%	2.99	79%
Overseas Working Business	3.40	3.33	-0.07	-2.1%	1.64	49%
Others	(0.29)	(0.31)	-0.02	-	(0.19)	-
Adjustments	(2.24)	(2.59)	-0.35	-	(1.65)	-
Profit attributable to owners of parent	3.23	2.80	-0.43	-13.5%	1.54	56%
EBITDA	7.45	6.29	-1.16	-15.6%	4.41	70%
Exchange rate			Change for ¥1 difference/y			
			Revenue	Profit		
AUD	¥93	¥86	¥420 million	¥10 million	¥94	-
SGD	¥98	¥94	¥140 million	¥0 million	¥106	-

2. FY2024 Earnings and Dividend Forecasts (Reference) FY2024 Consolidated Earnings Forecasts (by Domestic W Sector)

We will execute upfront investment in the construction management engineer domain and brand promotion as planned, but in other areas, we will monitor the situation and invest accordingly.

(Billions of yen)

Sectors		FY2023	FY2024 (Forecast)	Change	Upfront investment framework	Upfront investment details	Q3 (cumulative) FY2024		
							Actual	Progress rate	Upfront investment amount
Sales	Revenue	20.39	21.01	+0.61	-		14.75	70%	-
	Operating profit	1.71	1.48	-0.23	0.1	Recruitment cost for full-time employees and temporary employees.	0.90	61%	0.02
Call center	Revenue	16.58	16.73	+0.15	-		11.35	68%	-
	Operating profit	0.93	0.66	-0.27	-		0.41	62%	-
Factory	Revenue	17.64	18.49	+0.85	-		13.55	73%	-
	Operating profit	0.94	0.78	-0.16	0.1	Recruitment cost for full-time employees and temporary employees, increased sales staff for foreigners supported through the Foreign Talent Management Services.	0.63	81%	0.11
Care support	Revenue	13.62	13.02	-0.60	-		10.04	77%	-
	Operating profit	0.49	0.13	-0.36	0.1	Increased sales staff for foreigners supported through the Foreign Talent Management Services	0.18	136%	0.03
HR support for startups	Revenue	2.99	3.30	+0.30	-		2.43	74%	-
	Operating profit	0.26	0.37	+0.09	-		0.22	60%	-
Construction management engineers	Revenue	7.66	10.57	+2.90	-		7.64	72%	-
	Operating profit	(0.49)	(0.49)	+0.00	0.5	Recruitment cost for new graduates/people with no experience, increased sales staff and follow-up personnel.	(0.35)	-	0.28

FY2024 Dividend Forecast

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

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

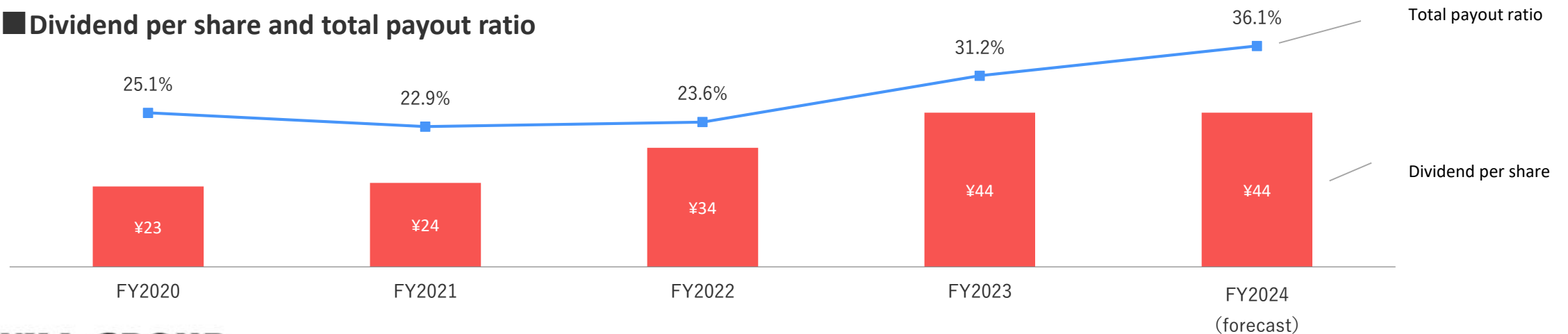
- Target total payout ratio of 30% (versus earnings forecasts at the start of the fiscal year)



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.

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