

Business Results for First Half of Fiscal Year Ending December 31, 2007

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WORLD INTEC CO., LTD.



WORLD INTEC

JASDAQ(2429)

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Business Results Summary of First Half, FY2007

Consolidated Business Results Summary of First Half, FY2007 (Year-on-Year)

Net Sales: Rose by 5,709 million yen year-on-year (+35.2%)

- Due to major transfer of projects (669 million yen) and new contracts (1,512 million yen), Manufacturing Temporary Placement/Contracting, Technology Oriented Placement and R&D Placement businesses grew steadily, posting combined increase of 4,770 million yen
- With start up of WORLD SEARCH & CONSULTING Co., LTD. and WITH COMMUNICATION CO., LTD., Marketing Sales Service business increased by a total of 209 million yen
- Information Technology & Telecommunications Services business posted steady growth due to expanding business of e-support,inc. Group. Total increase: 729 million yen

Operating Profit: Declined by 88 million yen year-on-year (-18.0%)

- Though gross profit rose with the increase in net sales (394 million yen), operating profit declined due to incurring of one-time expense (400 million yen)

Recurring Profit: Increased by 97 million yen year-on-year (+14.4%)

- Non-operating profit of subsidy (186 million yen) offset operating profit decline

(Millions of JPY)	1H FY12/2006 (Actual)	1H FY12/2007 (Actual)	YoY Change (Value)	YoY Change (%)	To Net Sales
Net Sales	16,226	21,936	5,709	35.2%	100.0%
Operating Profit	493	404	88	-18.0%	1.8%
Recurring Profit	676	773	97	14.4%	3.5%
Net Profit	248	256	7	3.1%	1.2%



Summary of Consolidated Business Results (Versus Revised Forecast)

Net Sales: Exceeded revised forecast by 133 million yen (+0.6%)

- Forecast virtually matches actual results

Operating Profit: Falls 110 million yen below revised forecast (-21.4%)

- Due to accounting change from asset to expense for in-house systems development cost (38 million yen) and higher than expected personnel retention costs (75 million yen) to meet large contract order

Recurring Profit: Falls 84 million yen short of revised forecast (-9.8%)

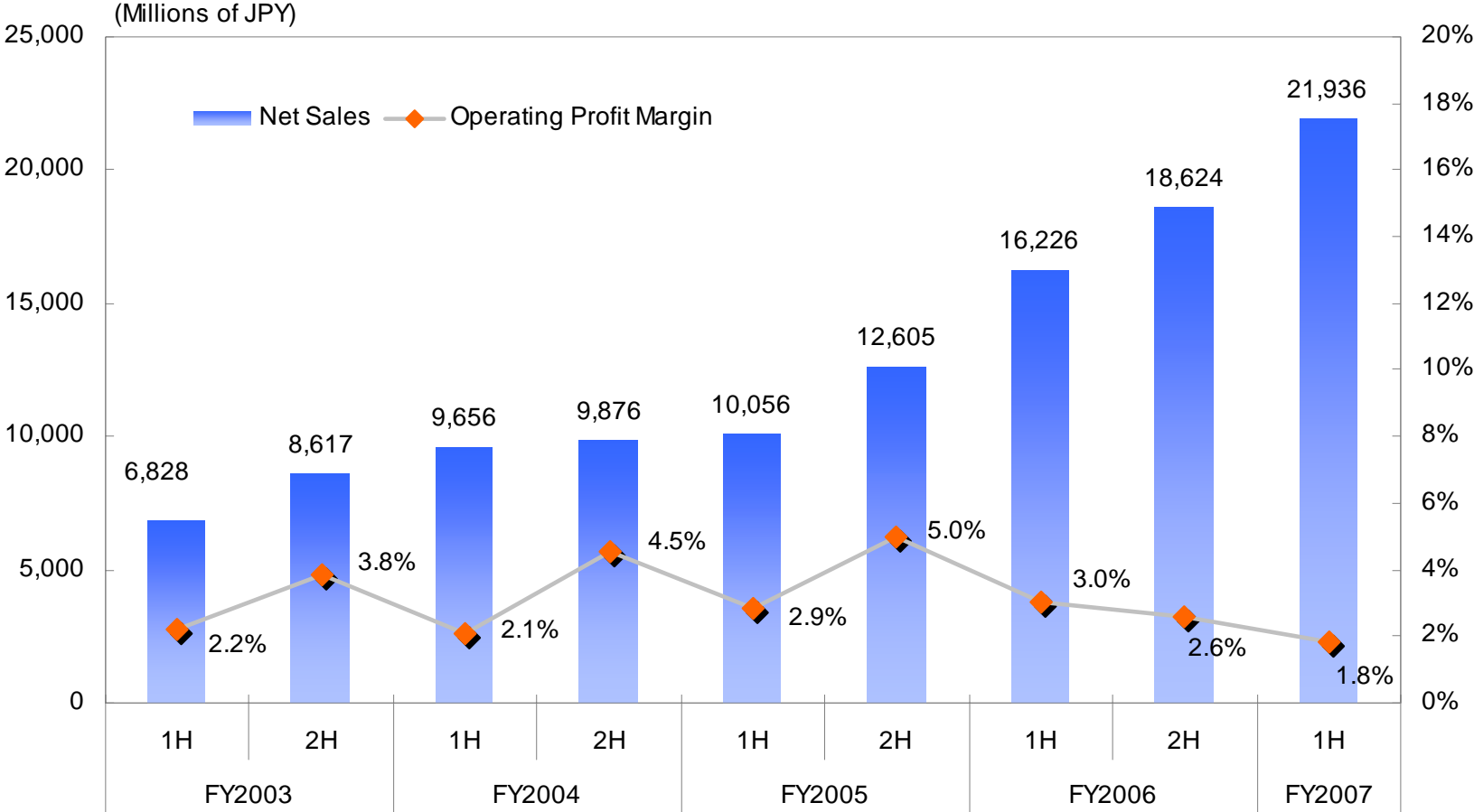
- Affected by cost of retaining personnel for large-scale order (75 million yen)

(Millions of JPY)	1H FY2007 (Revised Forecast)	1H FY2007 (Actual)	vs. Revised Forecast	% to Revised Forecast	To Net Sales
Net Sales	21,803	21,936	133	0.6%	100.0%
Operating Profit	514	404	110	-21.4%	1.8%
Recurring Profit	857	773	84	-9.8%	3.5%
Net Profit	333	256	77	-23.1%	1.2%

(Note) Originally entered under net sales and operating profit in our revised forecast, the 126 million yen in equipment assistance for e-support,inc. was re-entered as non-operating income. The newly adjusted figures for the revised net sales and operating profit forecast have been posted above. Recurring profit remains unchanged.

Semi-Annual Consolidated Net Sales & Operating Profit Margin Trend

Earnings continue steady growth despite temporary squeeze on operating profit margin arising from large-scale transfers of projects



Summary of Business Results by Business Segment (Year-on-Year)

Manufacturing Temporary Placement/Contracting Business:

- Large-scale transfers etc. at the end of last year contributed to net sales increase from the beginning of this fiscal year. Operating profit rose by 99 million yen due to gross margin increase (197 million yen) despite higher one-time cost of approx. 80 million yen from large-scale transfers.

Technology Oriented Placement Business:

- A large-scale transfer order received in January contributed to 1H earnings. Gross margin increased by 112 million yen, although incurring one-time cost of 93 million yen due to the large-scale transfer. Operating profit grew by 30 million yen.

R&D Placement Business:

- Priority expansion of branch network resulted in sales increase. Gross profit increased by 29 million yen and operating profit rose by 27 million yen.

Marketing Sales Services Business:

- Expansion of sales branch network led to a net sales boost. Gross profit increased by 12 million yen while operating profit declined by 70 million yen due to increased start-up cost.

Information Technology & Telecommunications Services Business:

- Net sales rose due to introduction of number portability system. Gross profit increased by 44 million yen. Operating profit declined by 100 million yen due to upfront investment to open new outlets.

Unallocated Operating Expenses:

- In-house systems development cost rose, as did investment for personnel for placement overseas and other costs.

(Millions of JPY)	Net Sales					Operating Profit				
	1H FY12/2006 (Actual)	1H FY12/2007 (Actual)	YoY Change (Value)	YoY Change (%)	Composition Ratio	1H FY12/2006 (Actual)	1H FY12/2007 (Actual)	YoY Change (Value)	YoY Change (%)	Composition Ratio
Manufacturing Temporary Placement/Contracting	11,094	14,269	3,174	28.6%	65.1%	658	758	99	15.2%	187.6%
Technology Oriented Placement	1,930	3,356	1,425	73.9%	15.3%	114	144	30	26.5%	35.6%
R&D Placement	571	741	170	29.8%	3.4%	59	87	27	47.0%	21.5%
Marketing Sales Services	320	530	209	65.4%	2.4%	14	84	70	-493.5%	-20.8%
Information Technology & Telecommunications Services	2,309	3,038	729	31.6%	13.9%	101	0	100	-99.7%	0.0%
Unallocated Operating Expenses	—	—	—	—	—	425	501	75	-17.8%	-124.0%
Total	16,226	21,936	5,709	35.2%	100.0%	493	404	88	-18.0%	100.0%

(Note) The allocation method for business segments and operating expenses has been revised from this fiscal year. Figures for the previous fiscal year are adjusted under the new method for comparison.



Summary of Business Results by Business Segment (vs. Revised Forecast)

Manufacturing Temporary Placement/Contracting, Technology Oriented Placement Businesses: Slight increase in net sales while operating profit decline arose from workforce retention costs.

R&D Placement Business: Profit increase due to cost savings.

Information Technology & Telecommunications Services Business: Increase in outlet opening costs led to profit decline.

Operating Expense Incurred from Placement Opportunity Cost: Cost increase for in-house systems development led to profit decline.

(Millions of JPY)	Net Sales				Operating Profit			
	1H FY12/2007 (Revised Forecast)	1H FY12/2007 (Actual)	vs. Revised Forecast	% to Revised Forecast	1H FY12/2007 (Revised Forecast)	1H FY12/2007 (Actual)	vs. Revised Forecast	% to Revised Forecast
Manufacturing Temporary Placement/Contracting	14,208	14,269	61	0.4%	781	758	23	-2.9%
Technology Oriented Placement	3,330	3,356	26	0.8%	170	144	26	-15.3%
R&D Placement	740	741	1	0.1%	77	87	10	13.0%
Marketing Sales Services	512	530	18	3.5%	79	84	5	6.3%
Information Technology & Telecommunications Services	3,013	3,038	25	0.8%	21	0	21	-100.0%
Unallocated Operating Expenses	-	-	-	-	456	501	45	9.9%
Total	21,803	21,936	133	0.6%	514	404	110	-21.4%

(Note) The allocation method for business segments and operating expenses has been revised from this fiscal year. Figures for the revised forecast are adjusted under the new method for comparison.

Summary of Consolidated Balance Sheets

Assets	(Millions of JPY)	1H FY2006	1H FY2007	Changes
Current assets		7,013	10,178	3,165
Cash and cash equivalents		2,912	4,163	1,250
Notes and accounts receivable		3,681	5,258	1,577
Others		419	757	337
Fixed assets		1,473	1,662	188
Property and equipment		162	481	319
Intangible fixed assets		390	343	46
Investments and other assets		278	202	75
Deposits and guarantee		546	515	31
Others		97	121	3
Total assets		8,486	11,841	3,354
Total liabilities and shareholders' equity		8,486	11,841	3,354
Current liabilities		4,837	7,138	2,300
Notes and accounts payable		301	513	211
Short-term borrowings		550	923	373
Others		3,985	5,701	1,715
Long-term liabilities		82	608	525
Long-term debt		-	494	494
Others		82	114	32
Total net assets		3,566	4,094	528
Common stock		692	696	4
Capital surplus		855	859	4
Retained earnings		1,684	2,038	354
Minority interest		333	495	162
Total liabilities and shareholders' equity		8,486	11,841	3,354

Cash flows increase due to profit increase

Increase due to rising e-support sales from an expanding outlet network and resultant costs (property, equipment, tools, fixtures, etc.)

Amortization of goodwill

Transfer and write-down of shares of subsidiary WORLD SEARCH & CONSULTING

Business transfer to a property management company progressing

Summary of Consolidated Statements of Cash Flows

(Millions of JPY)	1H FY12/2006	1H FY12/2007	YoY Change
Cash flows from operating activities	609	284	325
Income before income taxes and others	676	763	87
Depreciation	26	50	24
Decrease in notes and accounts receivable	733	1,090	357
Decrease in inventories	37	218	181
Others	936	1,043	106
Sub-total	868	548	319
Income taxes paid, etc.	258	264	5
Cash flows from investing activities	207	259	52
Expenditure for purchase of property and equipment	64	169	104
Expenditure for purchase of investment securities	146	-	146
Others	4	90	94
Cash flows from financing activities	623	526	1,149
Net increase/decrease in short-term borrowings	580	340	240
Net increase/decrease in long-term debt	12	937	950
Proceeds from issuing new shares	4	0	4
Dividends paid	35	72	36
Increase/decrease in cash and cash equivalents	222	552	774
Cash and cash equivalents at beginning of year	3,092	3,568	475
Cash and cash equivalents at end of year	2,870	4,120	1,250

Increase in fixed assets due to expansion of outlet network, etc.

Increase due to outlet renovations and expansion of outlet network

Due to accelerated debt repayment and restructuring of borrowings from short-term to long-term given interest rate

Business Forecast for FY2007 ending December 31, 2007

Consolidated Business Forecast for FY2007 ending December 31, 2007

(Millions of JPY)	FY12/2006 (Actual)	FY12/2007 (Forecast)	YoY Change (Value)	YoY Change (%)	To Net Sales
Net Sales	34,850	47,082	12,232	35.1%	100.0%
Operating Profit	978	1,379	401	40.9%	2.9%
Recurring Profit	1,172	1,716	544	46.4%	3.6%
Net Profit	418	798	380	90.6%	1.7%

Business Forecast for FY12/2007 by Segment (Year-on-Year)

(Millions of JPY)	Net Sales					Operating Profit				
	FY12/2006 (Actual)	FY12/2007 (Forecast)	YoY Change (Value)	YoY Change (%)	Composition Ratio	FY12/2006 (Actual)	FY12/2007 (Forecast)	YoY Change (Value)	YoY Change (%)	Composition Ratio
Manufacturing Temporary Placement/Contracting	24,248	31,048	6,800	28.0%	65.9%	1,525	1,911	386	25.3%	138.6%
Technology Oriented Placement	4,074	7,000	2,926	71.8%	14.9%	228	424	196	86.0%	30.7%
R&D Placement	1,227	1,600	373	30.4%	3.4%	123	152	29	23.6%	11.0%
Marketing Sales Services	754	1,365	611	81.0%	2.9%	106	83	23	-21.7%	-6.0%
Information Technology & Telecommunications Services	4,544	6,069	1,525	33.6%	12.9%	124	15	139	-112.1%	-1.1%
Unallocated Operating Expenses	-	-	-	-	-	917	1,010	93	10.1%	-73.2%
Total	34,850	47,082	12,232	35.1%	100.0%	978	1,379	401	40.9%	100.0%

(Note) The allocation method for business segments and operating expenses has been revised from this fiscal year. Figures for the previous fiscal year are adjusted under the new method for comparison.

New Mid-term Business Plan Progress Report

Summary of New Mid-term Business Plan (Consolidated Net Sales and Operating Profit)

[Net Sales]

(Millions of JPY)	FY12/2006 (Actual)	FY12/2007 (Plan)	FY12/2008 (Plan)	FY12/2009 (Plan)	% of Change FY06-FY09
Manufacturing Temporary Placement/Contracting	24,248	31,048	39,225	46,446	91.5%
Technology Oriented Placement	4,074	7,000	8,500	10,500	157.7%
R&D Placement	1,227	1,600	2,100	3,000	144.5%
Marketing Sales Services	754	1,365	2,118	2,857	278.9%
Information Technology & Telecommunications Services	4,544	6,069	6,362	6,816	50.0%
Total	34,850	47,082	58,305	69,619	99.8%

[Operating Profit]

(Millions of JPY)	FY12/2006 (Actual)	FY12/2007 (Plan)	FY12/2008 (Plan)	FY12/2009 (Plan)	% of Change FY06-FY09
Manufacturing Temporary Placement/Contracting (OPM)	1,525 (6.3%)	1,911 (6.2%)	2,688 (6.9%)	3,248 (7.0%)	113.0%
Technology Oriented Placement (OPM)	228 (5.6%)	424 (6.1%)	685 (8.1%)	885 (8.4%)	288.2%
R&D Placement (OPM)	123 (10.0%)	152 (9.5%)	225 (10.7%)	380 (12.7%)	208.9%
Marketing Sales Services (OPM)	106 (14.1%)	83 (6.1%)	82 (3.9%)	249 (8.7%)	334.9%
Information Technology & Telecommunications Services (OPM)	124 (2.7%)	15 (0.2%)	362 (5.7%)	549 (8.1%)	342.7%
Unallocated Operating Expenses	917	1,010	1,410	1,650	79.9%
Total (OPM)	978 (2.8%)	1,379 (2.9%)	2,632 (4.5%)	3,661 (5.3%)	274.3%

(Note) The allocation method for business segments and operating expenses has been revised from this fiscal year. Figures for the New Mid-term Business Plan are also adjusted under the new method for comparison.



“Selective Targeting”

Net Sales Breakdown by Product (Parent)

Growth prospects for electrical machinery, pharmaceutical industries look good

Manufacturing Temporary Placement/Contracting Business:

Based on outlook of client-manufacturers, proactively targeting PC, smart-phone and liquid crystal device manufacturing sites for potential contracting order increases

Technology Oriented Placement Business:

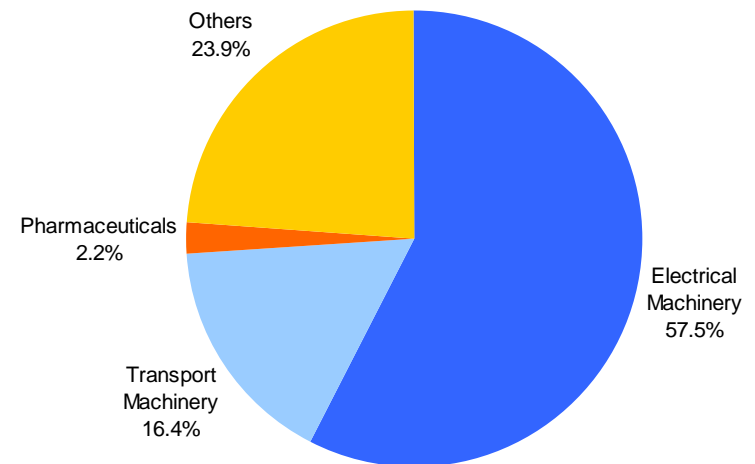
Keying on maintenance and evaluation work processes in semiconductor, automotive and consumer electronics industries

Reinforce human resource development investment to train engineers to promote contracting businesses

First Half of FY12/2007 (Actual)

(Millions of JPY)	Nat Sales	Composition	% of Change Jan-Jun
Electrical Machinery	10,287	57.5%	19.0%
Transport Machinery	2,928	16.4%	8.6%
Pharmaceuticals	402	2.2%	16.1%
Others	4,278	23.9%	28.5%
Total	17,895	100.0%	19.3%

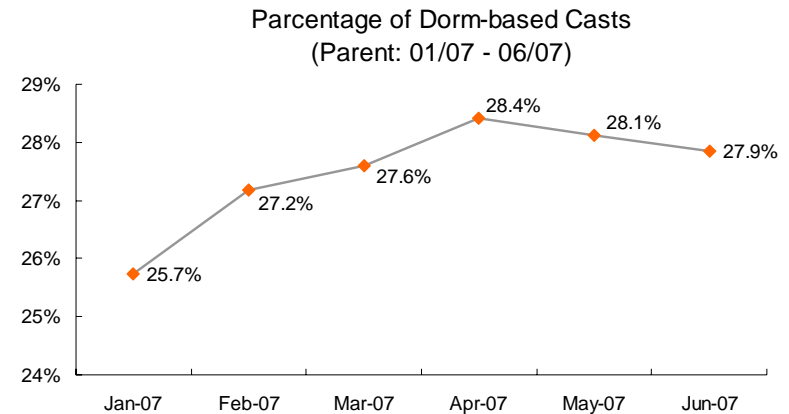
Composition of Products
(Parent; 1H FY12/2007 Actual)



Changes in Number of Cast Members Recruited on Inter-regional Basis (Parent)

Downward trend for dorm-based casts since April is clear

While the number of dorm-based casts is rising as a result of large-scale transfers, the ratio is declining. As a result of recruiting more casts on an inter-regional basis, the ratio is expected to decline even further.

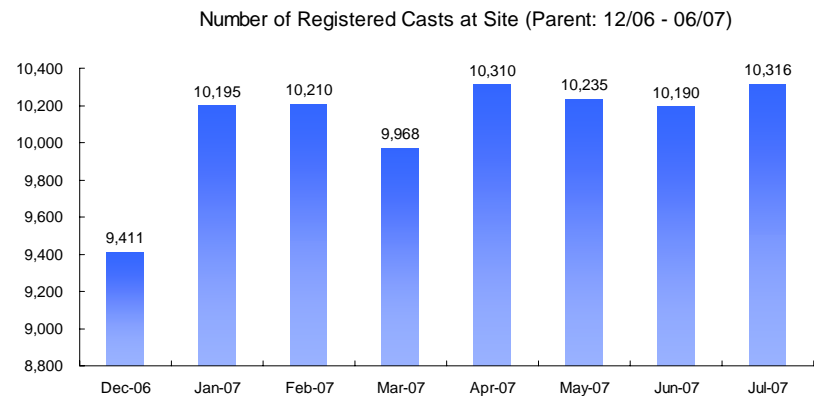


Changes in Number of Registered Casts at Site (Parent)

Cast membership expands as result of large-scale transfer of projects

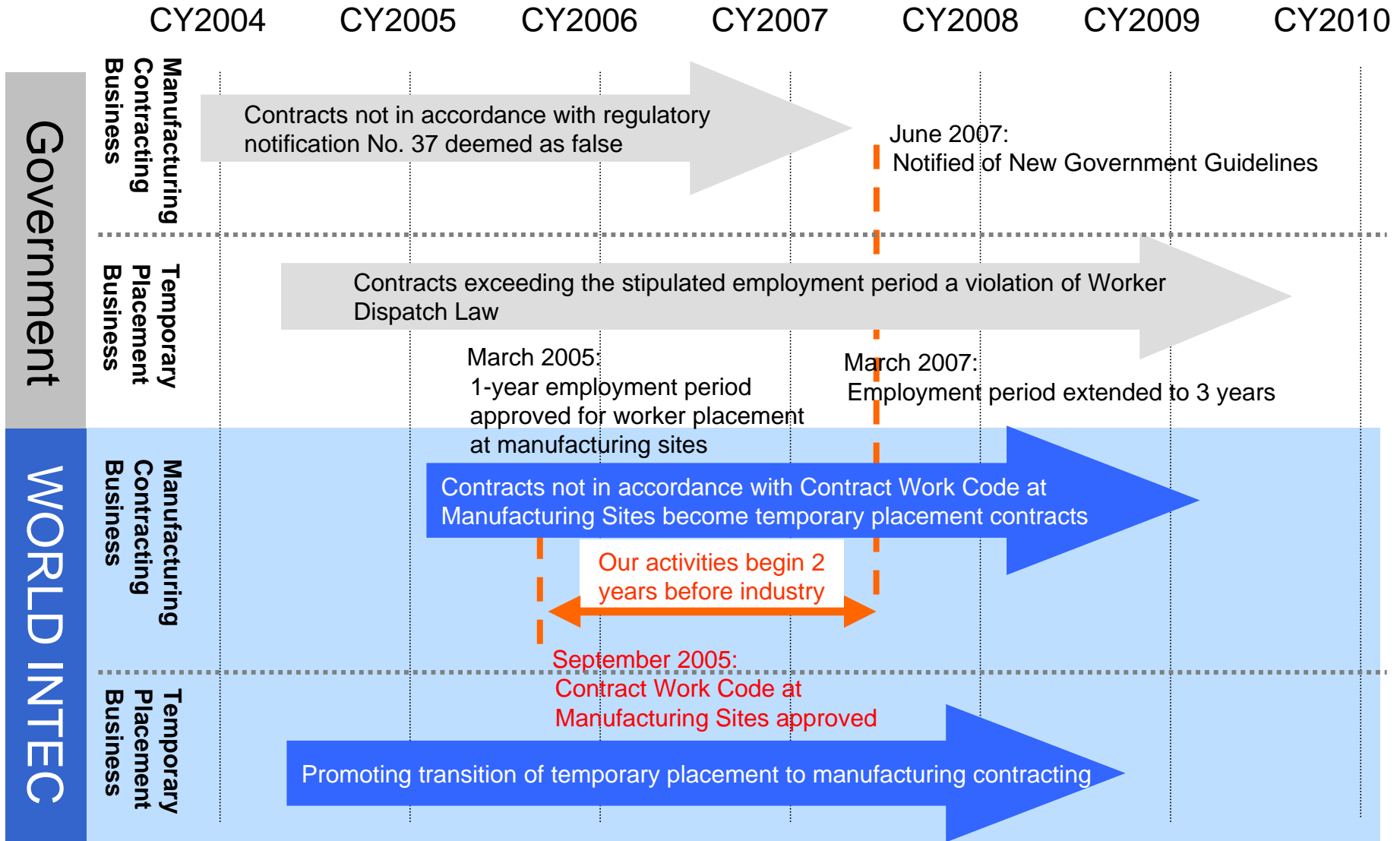
Although the recruitment rate is slowing due to a shortage of qualified workers, our pool of registered cast members remains steady.

Meanwhile, new recruitment initiatives are being developed to meet the expanding and diversifying needs of clients.

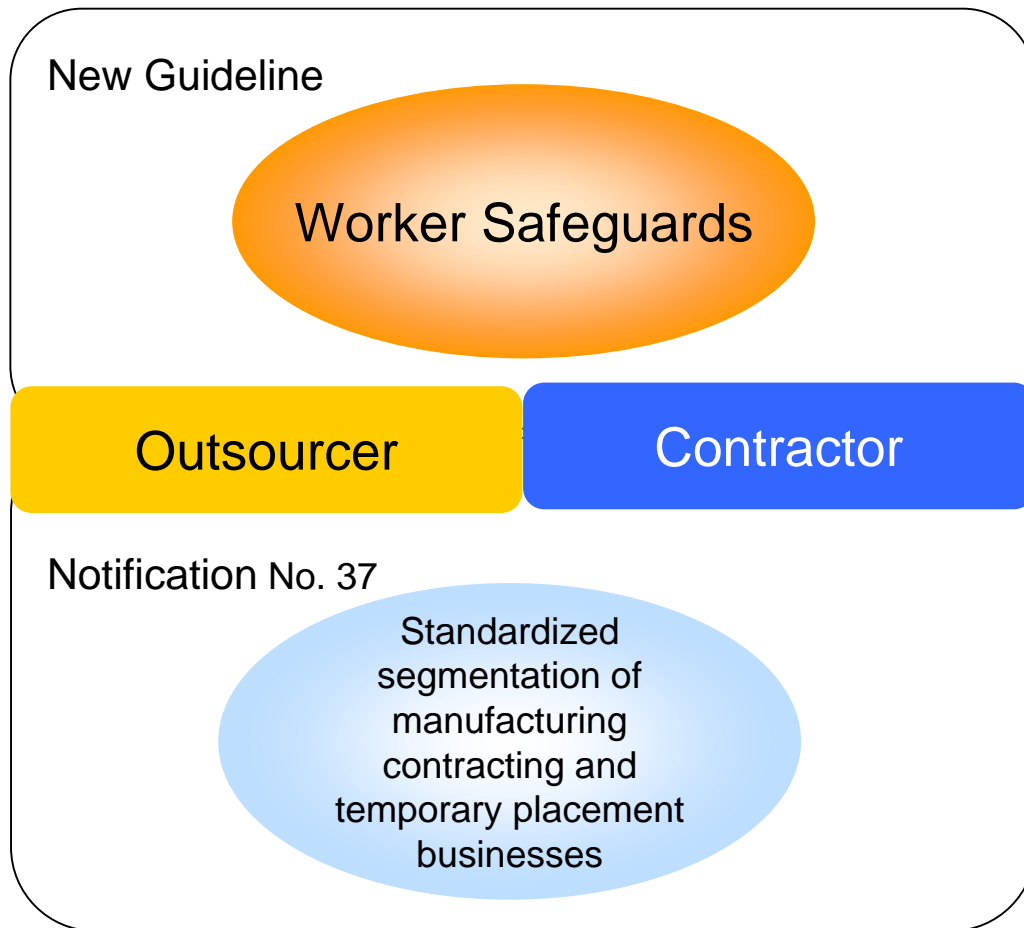


To Become the Best in the Manufacturing
Contracting Business

Recent Changes in the Industry and World Intec's Initiatives



What are the New Government Guidelines?



New Guidelines:

The newly implemented set of government regulations primarily calls for contractor and outsourcer to work together so that a worker's skill set may be fully utilized and developed for the future. It also seeks to enhance and codify appropriate employment management.

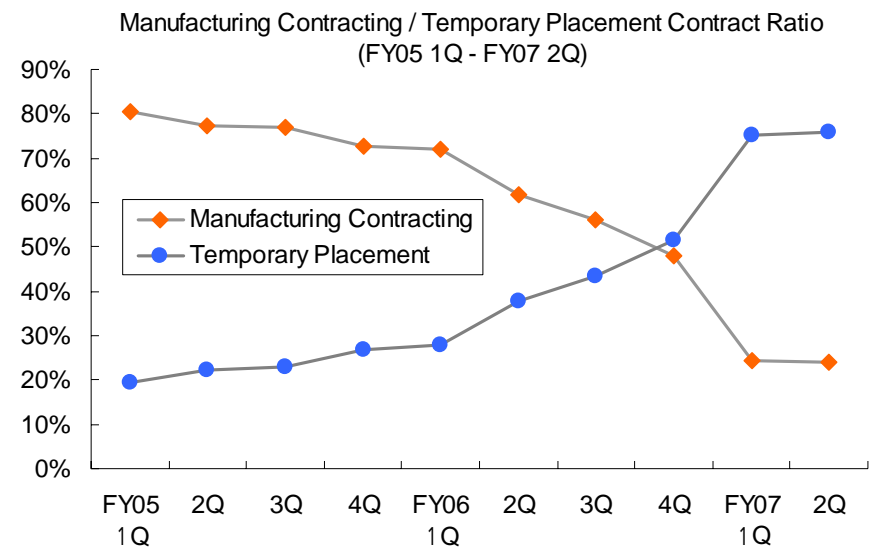
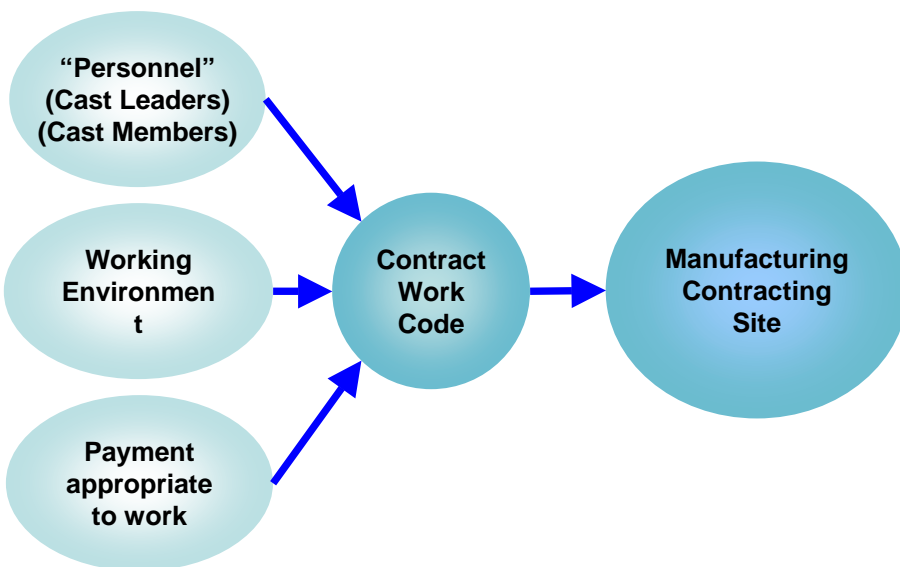
Notification No. 37:

Standardizes segmentation of manufacturing contracting and temporary placement, as well as ensures manufacturing contracts meet legal requirements.

We embraced Notification No. 37 two years earlier than the rest of the industry as a strategic initiative

Changes in Manufacturing Contracting / Temporary Placement Contract Ratio

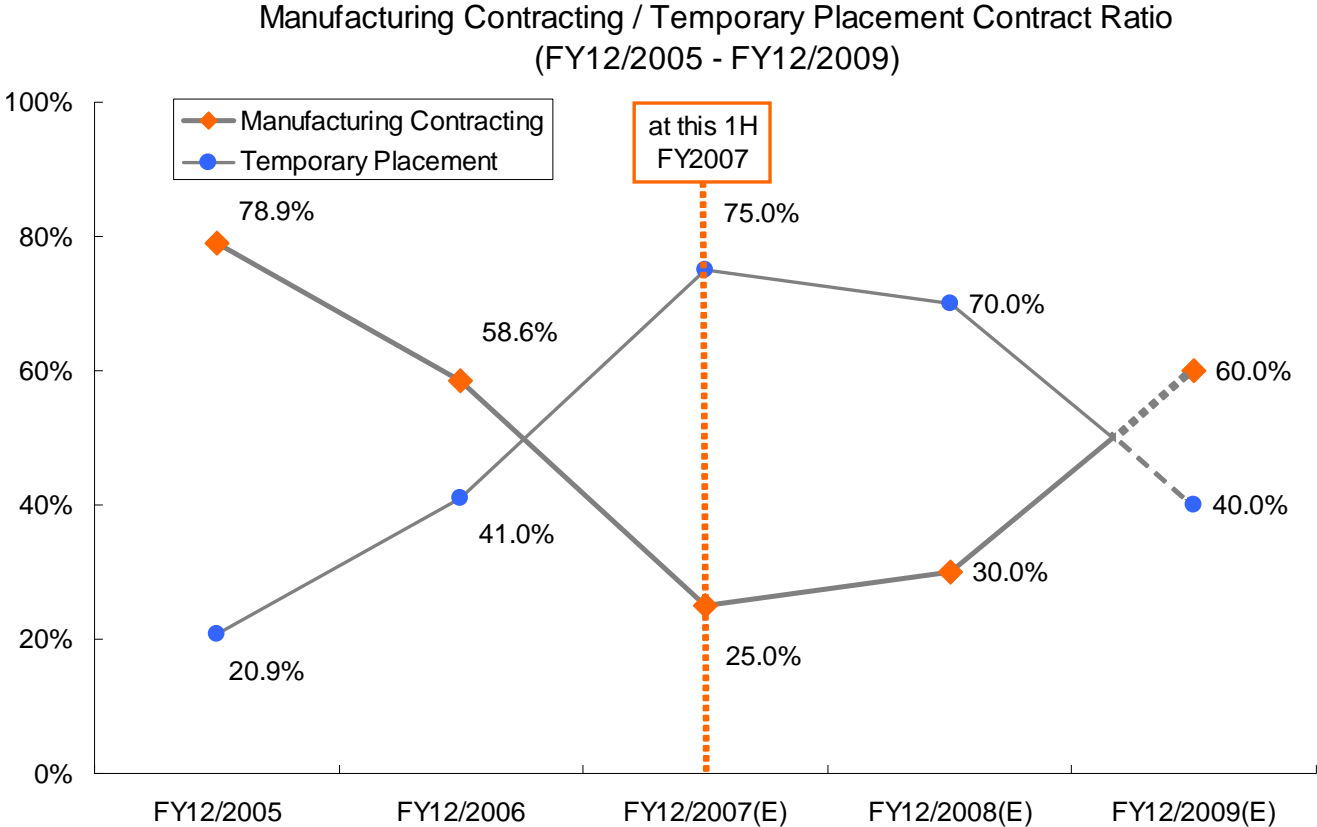
We are working on two fronts to improve World Intec's manufacturing contracting ratio—to establish work sites that fully implement the requirements stipulated under the Contract Work Code at Manufacturing Sites, and to educate and train cast members for that purpose. From 2007 to 2008, our primary focus will be on building such work sites and training the appropriate personnel—and from 2009, we plan to complete the transition to the manufacturing contracting business.



Future Initiatives to Promote Manufacturing Contracting Business

Outlook for Manufacturing Contracting / Temporary Placement Businesses

We believe only a select number of companies will be able to accept comprehensive manufacturing contracting services that fully meet regulatory compliance requirements.



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A cautionary note on forward-looking statements:

This material contains forward-looking statements on the Company and its future business performance. The forecasts are developed from a broad base of information collected and collated by the Company as of the day the business results are announced. Actual results, however, may differ materially from those projected. Neither the Company nor provider of the information contained herein may be held liable or responsible for any loss or damages resulting from investment decisions based on the content of this presentation.



Reference

Reference: Summary of Group Companies Business Performance

Performance is steady for all Group companies

Year-on-Year	(Millions of JPY)	% of Hold	Segment	Net Sales			Operating Profit		
				1H FY12/2006 (Actual)	1H FY12/2007 (Actual)	YoY (%)	1H FY12/2006 (Actual)	1H FY12/2007 (Actual)	YoY (%)
	WORLD EXPERTS CO., LTD.	100.0	Manufacturing Placement/Contracting	231	212	-8.2%	15	8	-46.7%
	WORLD INTEC TAIWAN CO., LTD.	100.0	Manufacturing Placement/Contracting	271	352	29.9%	13	2	-84.6%
	WORLD COORDINATOR BANK INC.	100.0	Marketing Sales Services	229	318	38.9%	17	18	5.9%
	WORLD SEARCH & CONSULTING Co., LTD.	100.0	Temp-to-perm Transition Specializes in Manufacturing	-	20	-	-	55	-
	WITH COMMUNICATION CO., LTD.	100.0	Marketing Sales Services	-	99	-	-	2	-
	e-support,inc	51.0	IT & Telecom Services	2,309	3,038	31.6%	103	2	-98.1%

vs. Revised Forecast	(Millions of JPY)	% of Hold	Segment	Net Sales			Operating Profit		
				1H FY12/2006 (Revised Forecast)	1H FY12/2007 (Actual)	% to Revised Forecast	1H FY12/2006 (Revised Forecast)	1H FY12/2007 (Actual)	% to Revised Forecast
	WORLD EXPERTS CO., LTD.	100.0	Manufacturing Placement/Contracting	193	212	9.8%	15	8	-46.7%
	WORLD INTEC TAIWAN CO., LTD.	100.0	Manufacturing Placement/Contracting	345	352	2.0%	4	2	-50.0%
	WORLD COORDINATOR BANK INC.	100.0	Marketing Sales Services	383	318	-17.0%	9	18	-100.0%
	WORLD SEARCH & CONSULTING Co., LTD.	100.0	Marketing Sales Services	21	20	-4.8%	65	55	-15.4%
	WITH COMMUNICATION CO., LTD.	100.0	Marketing Sales Services	105	99	-5.7%	3	2	-33.3%
	e-support,inc	51.0	IT & Telecom Services	3,013	3,038	0.8%	21	2	-90.5%

Reference: Group Companies Business Forecast

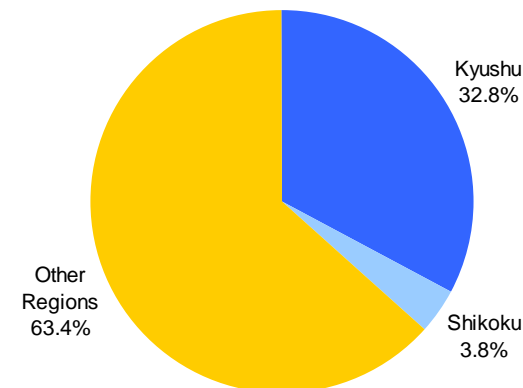
(Millions of JPY)	% of Hold	Segment	Net Sales			Operating Profit		
			1H FY12/2006 (Actual)	1H FY12/2007 (Actual)	YoY (%)	1H FY12/2006 (Actual)	1H FY12/2007 (Actual)	YoY (%)
WORLD EXPERTS CO., LTD.	100.0	Manufacturing Placement/Contracting	406	343	-15.5%	23	32	39.1%
WORLD INTEC TAWAN CO., LTD.	100.0	Manufacturing Placement/Contracting	594	705	18.7%	39	35	-10.3%
WORLD COORDINATOR BANK INC.	100.0	Marketing Sales Services	525	982	87.0%	23	12	-152.2%
WORLD SEARCH & CONSULTING Co., LTD.	100.0	Temp-to-perm Transition Specializes in Manufacturing	2	123	6050.0%	69	90	30.4%
WITH COMMUNICATION CO., LTD.	100.0	Marketing Sales Services	53	247	366.0%	6	3	-50.0%
e-support,inc	51.0	IT & Telecom Services	4,544	6,069	33.6%	124	15	-112.1%

Changes in Inter-regional Cast Membership (Parent)

We aim to strengthen the inter-regional placement of cast members, while creating stronger worker-client bonds at work environments

(Millions of JPY)	1H FY12/2006 (Actual)	Composition	1H FY12/2007 (Actual)	Composition	YoY (%)
Kyushu	4,351	33.0%	5,869	32.8%	34.9%
Shikoku	526	4.0%	672	3.8%	27.8%
Other Regions	8,309	63.0%	11,354	63.4%	36.6%
Total	13,186	100.0%	17,895	100.0%	35.7%

Sales Breakdown by Region
(Parent: 1H FY12/2007 Actual)



Changes in Retention Ratio (Manufacturing Temporary Placement/Contracting Business)

By focusing on engagement management, we aim to create work environments with high worker retention rates

Retention Ratio in Manufacturing Temporary Placement/
Contracting Business (01/07 - 06/07)

