

# Business Results Summary for the First Quarter of Fiscal Year Ending December 31, 2010

May 10, 2010

WORLD INTEC CO., LTD.



JASDAQ(2429)

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# Business Results Summary for the First Quarter of Fiscal Year Ending December 31, 2010

# Consolidated Business Results Summary for 1Q FY12/10 (Year-on-Year)

## Net sales

Our Manufacturing Outsourcing Business picks up with increase in orders, while overseas sales continue to improve as well. In addition, rising sales generated by our Information Technology & Telecommunications Services, together with our Marketing Sales Services, businesses make significant contributions to net sales.

## Operating Income

Improvement a dividend of structural reforms

## Ordinary Income

Increase due to the government's employment adjustment subsidy

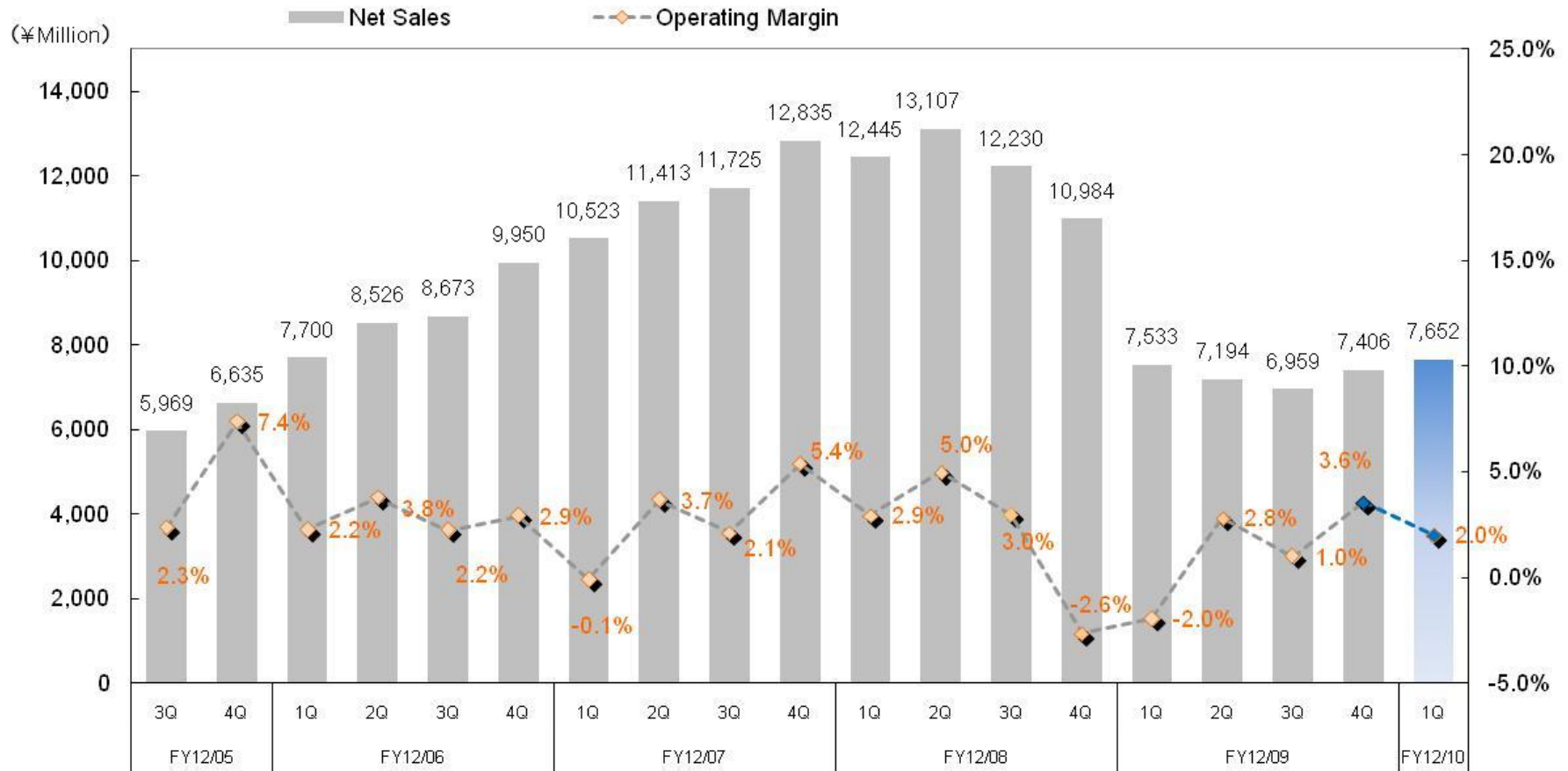
## 1Q Net Income

Despite an increase in gross income, net income for the quarter declines, hit by higher corporate income tax and other taxes

(Consolidated) (Unit:¥Million)	FY12/09 1Q(Jan.-Mar.) Actual	FY12/10 1Q(Jan.-Mar.) Actual	Year-on-Year Change	
			Amount	Percentage
Net Sales	7,533	7,652	118	1.6%
Operating Income	△147	154	302	—
Operating Margin	△2.0%	2.0%	—	—
Ordinary Income	△118	209	328	—
Ordinary Margin	△1.6%	2.7%	—	—
Net Income	△70	126	196	—
Net Margin	△0.9%	1.6%	—	—

# Consolidated Net Sales and Operating Income Margin

■ The number of workers placed onsite has continued to increase from April.



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

(Unit: ¥Million)		FY12/09 1Q(Jan.-Mar.) Actual	FY12/10 1Q(Jan.-Mar.) Actual	Year-on-Year Change	
				Amount	Percentage
Manufacturing Temporary Placement/Contracting	Net Sales	3,718	3,146	△571	△15.4%
	Operating Income	43	161	117	268.0%
	Operating Margin	1.2%	5.1%	—	—
Technology Oriented Placement	Net Sales	1,474	1,409	△65	△4.4%
	Operating Income	17	87	70	407.5%
	Operating Margin	1.2%	6.2%	—	—
R&D Placement	Net Sales	518	502	△15	△3.0%
	Operating Income	53	33	△19	△36.5%
	Operating Margin	10.2%	6.6%	—	—
Information Technology & Telecommunications Services	Net Sales	1,608	1,749	140	8.7%
	Operating Income	17	13	△4	△26.5%
	Operating Margin	1.1%	0.7%	—	—
Marketing Sales Services	Net Sales	213	844	630	295.4%
	Operating Income	△1	86	87	—
	Operating Margin	△0.5%	10.2%	—	—
Total	Net Sales	7,533	7,652	118	1.6%
	Elimination /All company	△278	△227	50	—
	Operating Income	△147	154	302	—
	Operating Margin	△2.0%	2.0%	—	—

# Summary of Consolidated Balance Sheets

(Consolidated) (¥Million)	FY12/09 1Q Actual	FY12/10 1Q Actual	Year-on-Year Change Amount
Total assets	10,536	9,419	△1,117
Current assets	8,153	7,664	△488
Cash and deposits	4,034	3,292	△741
Notes and accounts receivable-trade	3,124	3,472	348
Inventories	508	379	△129
Others	486	520	34
Noncurrent assets	2,383	1,754	△628
Property, plant and equipment	729	662	△66
Intangible assets	212	144	△68
Investments and other assets	1,441	947	△493
Total liabilities	6,022	4,570	△1,451
Current liabilities	5,027	4,106	△921
Notes and accounts payable-trade	438	663	224
Short-term loans payable	1,642	826	△816
Accrued expenses	1,847	1,663	△183
Income taxes payable	42	28	△14
Accrued consumption taxes	163	193	29
Others	893	731	△162
Noncurrent liabilities	994	463	△530
Long-term loans payable	767	188	△578
Provision for retirement benefits	204	237	32
Provision for directors' retirement benefits	20	23	2
Others	2	14	12
Total net assets	4,514	4,848	334
Capital stock	697	697	—
Capital surplus	860	860	—
Retained earnings	2,499	2,774	275
Treasury stock	△100	△100	—
Valuation and translation adjustments	△27	△15	12
Minority interests	586	632	45
Total liabilities and net assets	10,536	9,419	△1,117

# Summary of Consolidated Cash Flows

(Consolidated) (Unit: ¥Million)	FY12/09	FY12/10	Year-on-Year
	1Q(Jan.-Mar.) Actual	1Q(Jan.-Mar.) Actual	Change Amount
Cash flows provided by (used in) operating activities	△834	△46	787
Income before income taxes	△118	209	328
Depreciation and amortization	31	25	△6
Decrease (increase) in notes and accounts receivable-trade	1,018	△407	△1,426
Decrease (increase) in inventories	38	165	126
Increase (decrease) in notes and accounts payable-trade	12	191	178
Increase (decrease) in accrued expenses	△1,302	△143	1,159
Increase (decrease) in accrued consumption taxes	△237	22	259
Others	△90	22	112
Interest and dividends income received	1	0	0
Interest expenses paid	△10	△3	6
Income taxes paid	△177	△128	49
Cash flows provided by (used in) investing activities	102	△30	△132
Payments into time deposits	△42	△82	△40
Proceeds from withdrawal of time deposits	42	82	40
Purchase of investment securities	△64	—	64
Proceeds from sales of investment securities	164	—	△164
Purchase of intangible assets	—	△11	△11
Purchase of property, plant and equipment	—	△17	△17
Decrease (increase) in lease and guarantee deposits	16	△0	△17
Others	△14	△1	13
Cash flows provided by (used in) financing activities	1,014	△214	△1,228
Net increase (decrease) in short-term loans payable	899	33	△866
Proceeds from long-term loans payable	400	—	△400
Repayment of long-term loans payable	△196	△187	8
Others	△88	△60	28
Effect of exchange rate change on cash and cash equivalents	2	1	△1
Net increase (decrease) in cash and cash equivalents	285	△289	△575
Cash and cash equivalents, beginning of term	3,717	3,510	△206
Cash and cash equivalents, end of term	4,002	3,220	△781



# Earning Forecast for FY12/10

# Consolidated Earnings Forecast Summary for FY12/10

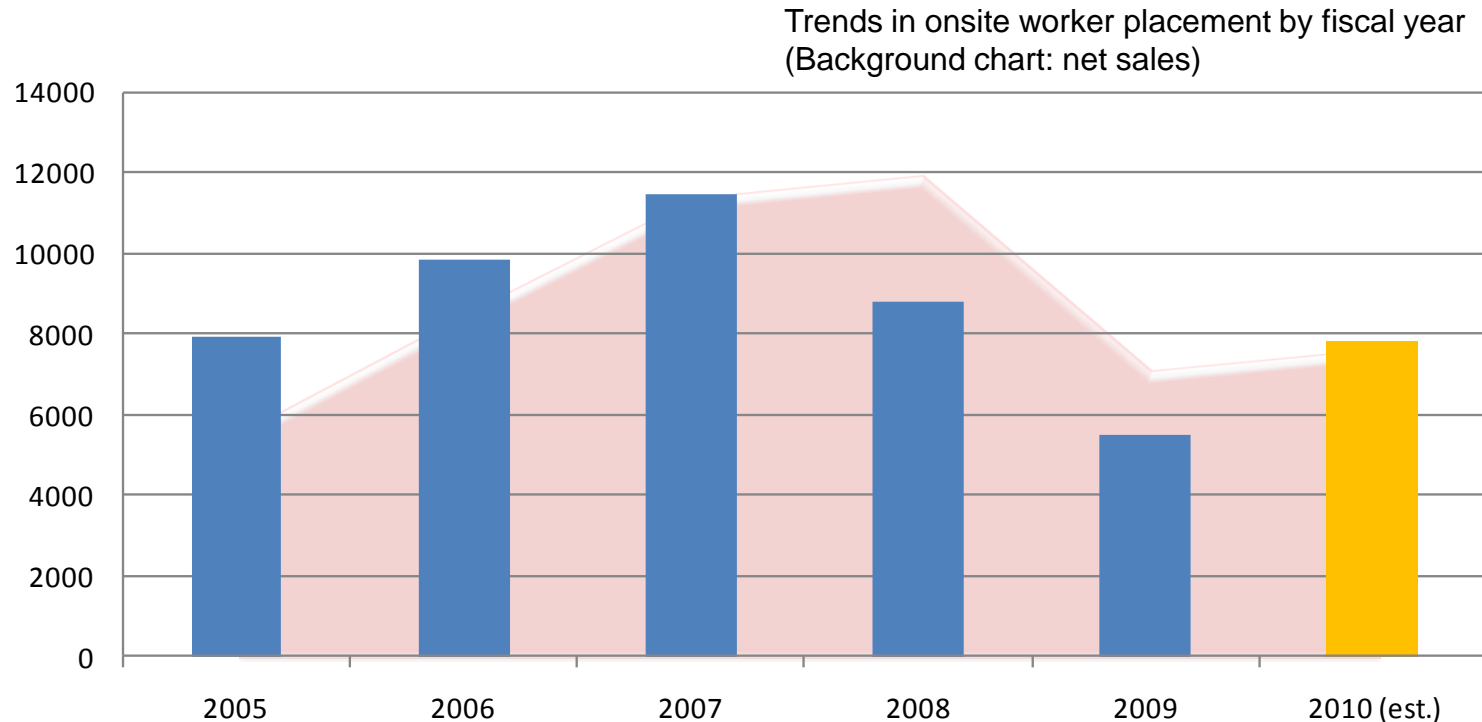
(Consolidated) (¥Million)	FY12/09 Actual	FY12/10 1Q(Jan.-Mar.) Actual	FY10/12 Full Year Forecast	Year-on-Year Change	
				Amount	Percentage
Net Sales	29,094	7,652	31,300	2,205	7.6%
Operating Income	389	154	690	300	77.0%
Operating Margin	1.3%	2.0%	2.2%	—	—
Ordinary Income	537	209	700	162	30.1%
Ordinary Margin	1.8%	2.7%	2.2%	—	—
Net Income	149	126	240	90	60.8%
Net Margin	0.5%	1.6%	0.8%	—	—

# Earnings Forecast Summary by Segment for FY12/10

(Unit: ¥Million)		FY12/09 Actual	FY12/10 1Q(Jan.-Mar) Actual	FY12/10 Forecast	Year-on-Year Change	
					Amount	Percentage
Manufacturing Temporary Placement/Contracting	Net Sales	13,221	3,146	15,200	1,979	15.0%
	Operating Income	775	161	890	115	14.8%
	Operating Margin	5.9%	5.1%	5.9%	—	—
Technology Oriented Placement	Net Sales	5,707	1,409	6,000	293	5.1%
	Operating Income	357	87	440	83	23.2%
	Operating Margin	6.3%	6.2%	7.3%	—	—
R&D Placement	Net Sales	1,967	502	2,200	233	11.8%
	Operating Income	137	33	200	63	46.0%
	Operating Margin	7.0%	6.6%	9.1%	—	—
Information Technology & Telecommunications Services	Net Sales	7,200	1,749	6,600	△600	△8.3%
	Operating Income	141	13	120	△21	△14.9%
	Operating Margin	2.0%	0.7%	1.8%	—	—
Marketing Sales Services	Net Sales	996	844	1,300	304	30.5%
	Operating Income	△95	86	0	95	—
	Operating Margin	△9.5%	10.2%	0.2%	—	—
Total	Net Sales	29,094	7,652	31,300	2,206	7.6%
	Elimination /All Company	△926	△227	△960	△34	—
	Operating Income	389	154	690	301	77.0%
	Operating Margin	1.3%	2.0%	2.2%	—	—

# Trends in Number of Workers Placed Onsite(Nonconsolidated)

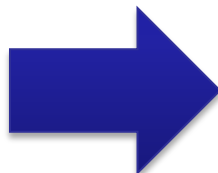
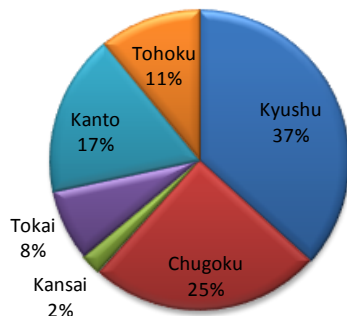
The number of workers placed onsite for WITC (which the Manufacturing Temporary Placement/Contracting, R&D Placement, Technology Oriented Placement and Coordinator Bank businesses constitute) at the end of 2009 was just half that posted in the peak of the end of 2007. However, that figure is projected to recover to the level reached in January 2006 by the end of this fiscal year.



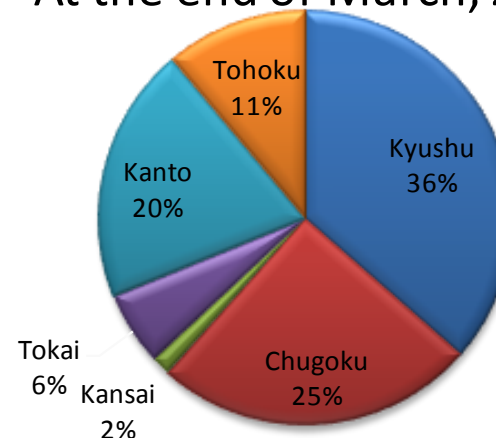
# Ratio by Region and Industry

## Sales Ratio by Region

At the of end of March, 2009



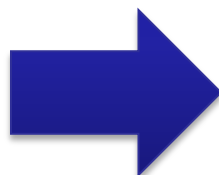
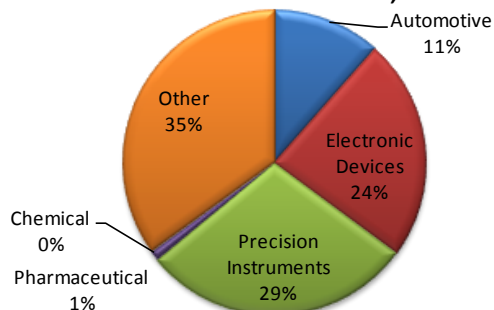
At the end of March, 2010



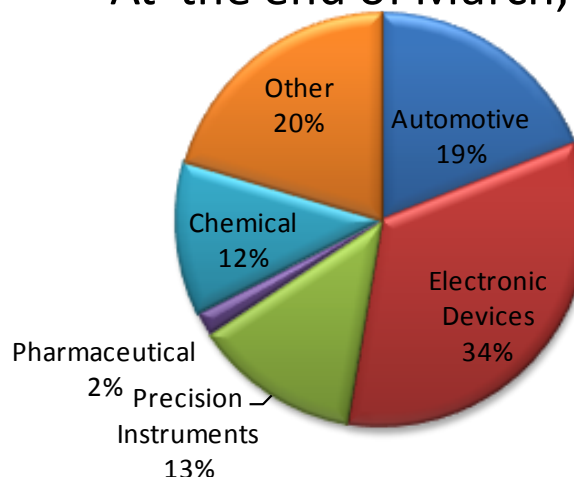
Given no significant decline in business by region, no major change in regional balance

## Sales Ratio by Industry

At the end of March, 2009



At the end of March, 2010



While the ratio by industry is shifting on a year-on-year basis, demand in precision instruments, including automobiles and semiconductors, grew in 1Q. In addition, orders generated overseas grew as the performance of the Taiwan operation proved significant.



## Contact Information

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