

FY2011 Third Quarter Supplementary Information

Situation in the Third Quarter

Situation of Each Business

Revisions to Full-Year Forecasts

November 2011
World Intec Co., Ltd.
JASDAQ (2429)

Overview of FY2011 Third Quarter (1); Results of Operations

- Upward revisions to full-year forecasts
 - Earnings increased due to recovery in sales of Human resources outsourcing business and reduced SG&A expenses
 - Earnings increased due to cut in Real estate business costs
 - Favorable sales of smartphones in the Information technology and telecommunications business contributed to increase in earnings
 - Reorganization of group companies' money-losing divisions and continued profitability contributed to increase in earnings

- Consolidated sales; ¥28,009 million (up 19.4% YoY)
 - Significant contribution of an increase of about ¥900 million in the Information technology & telecommunications business in addition to sales of ¥1.3 billion for selling real estates in 1H.

- Consolidated operating income; ¥493 million (up 106.0% YoY)
- Consolidated ordinary income; ¥633 million (up 97.5% YoY)
- Consolidated net income; ¥281 million (up 484.4% YoY)

Overview of FY2011 Third Quarter (2); Progress of Businesses

■ Human resources-related business ;

- The effect of the earthquake has almost settled down and the demand is increasing. In particular, we are stepping up recruitment to meet the demand for the Factory business because of the reconstruction demand in the Tohoku region. Although there are concerns about the effect of the flood damage in Thailand on the auto industry, the demand is increasing.
- Technology and R&D businesses are expanding steadily. Especially, in the R&D business, we are able to increase hires of employees as a result of research assistants entering into the general staffing domain.

■ Information technology & telecommunications business ;

- Steady growth in sales of smartphones boosted the total sales volume and sales substantially exceeded the previous sales. However, rise in cost rate and increase in agency commission lowered profit margin resulting in fall in profits YoY. We are committed to cost-cutting and improvement in profit margin.

■ Real estate business ;

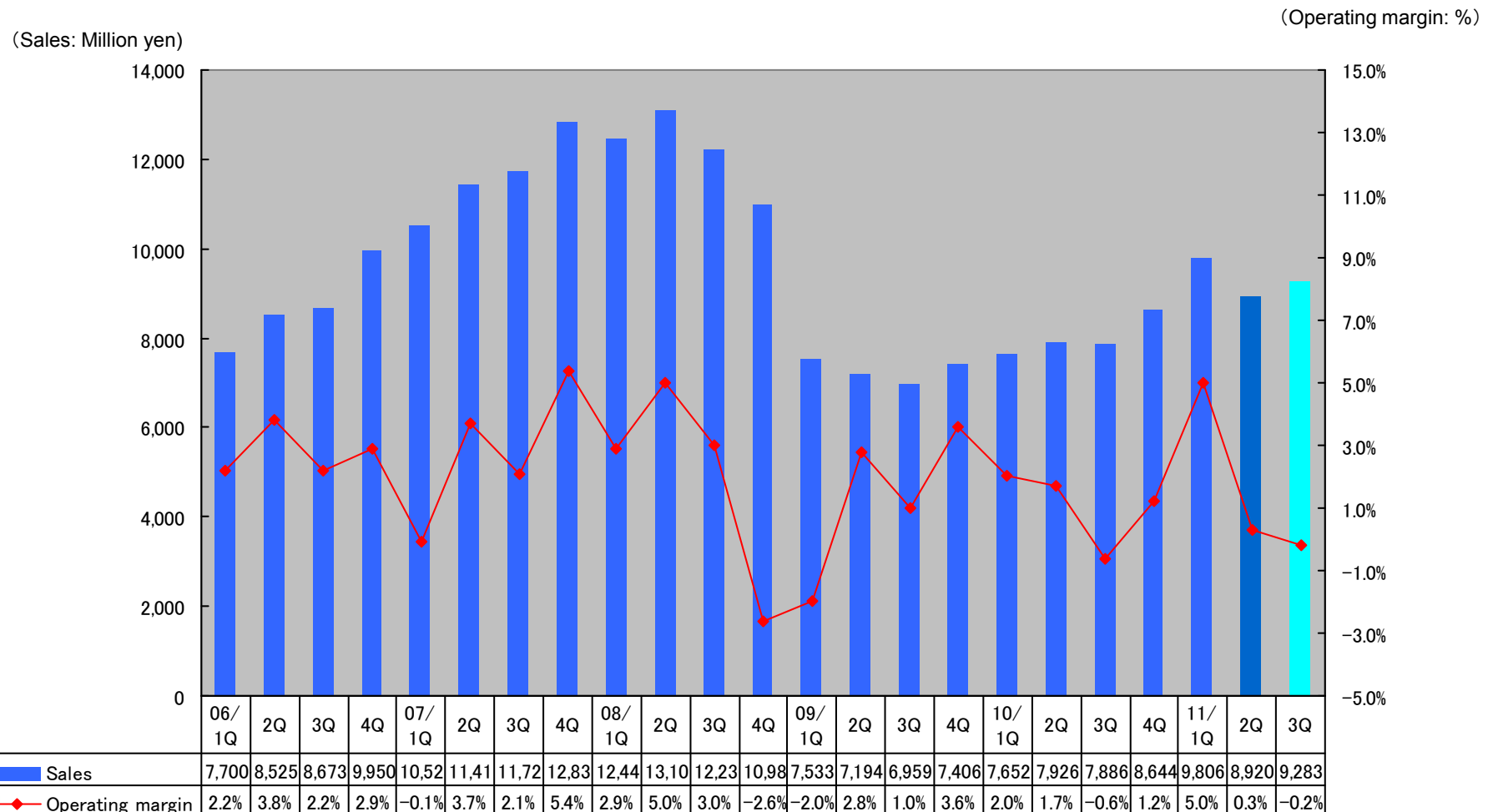
- Began sales of Residential series (“Ohanajaya” & “Kanamachi”) in 3Q. Plan to sign contracts from 4Q. The competition with major developers regarding the acquisition of land in the next fiscal year will be severe than expected. Promote the acquisition of properties without getting caught in a price war.

■ Other businesses ;

- Human resources business in Taiwan and Procurement service in Southeast Asian regions slowed down than expected due to the global economic recession in 3Q.
- Geographic Information of Kyushu and other subsidiaries remain profitable.

Consolidated Business Results

- Showed steady recovery from June although the earthquake had an effect until the latter half of 2Q in May. There is a demand for human resources and invested money in recruitment but due to decrease in labor force, the recruitment situation is becoming severe. We are aggressively promoting recruiting activities by using a link with the government and our other strengths.



Consolidated Financial Summary for FY2011 Third Quarter (YoY)

Sales

▪ In addition to recovery trend in the Human resources business, sales of Real estate business and Information technology & telecommunications business in 1H were strong

Operating income

▪ Posted recruiting cost to strengthen recruitment but operating income in the Real estate business up to 1H and reduction of promotion cost in 3Q contributed

Ordinary income

▪ Posted non-operating income mainly for subsidies

Net income

▪ Due to increases in operating income and ordinary income

(Consolidated) (Million yen)	FY12/10 3Q (Jan.-Sept.) actual	FY12/11 3Q (Jan.-Sept.) actual	YoY	
			Change	Pct. change
Net sales	23,464	28,009	4,545	19.4%
Operating income	239	493	254	106.0%
Operating margin	1.0%	1.7%	-	-
Ordinary income	320	633	313	97.5%
Ordinary income margin	1.3%	2.2%	-	-
Net income	48	281	233	484.4%
Net income margin	0.2%	1.0%	-	-

FY2011 Third Quarter BS/CF

	End of Dec. '10	FY12/11 3Q	Change %	(Million yen) Comments
Current assets	11,505	15,221	32.3%	
Cash and deposits	3,162	4,090	29.3%	
Notes and accounts receivable	3,571	3,880	8.7%	
Real estate for sale in process	3,829	6,333	65.4%	Development properties
Others	942	916	-2.8%	
Fixed assets	1,861	1,718	-7.7%	
Tangible fixed assets	682	636	-6.7%	
Intangible fixed assets	121	138	14.0%	
Investments, other assets	1,057	942	-10.9%	
Total assets	13,367	16,939	26.7%	
Current liabilities	6,445	10,883	68.9%	
Notes and accounts payable	496	562	13.3%	
Short-term debt	2,397	6,714	180.1%	Real estate purchase/construction funds
Accrued expense	2,212	2,243	1.4%	
Accrued income tax	305	95	-68.9%	
Others	1,033	1,267	22.7%	
Fixed liabilities	2,077	996	-52.0%	
Long-term debt	1,761	630	-64.2%	Repayment and transfer within one year
Total net assets	4,843	5,060	4.5%	
Shareholders' equity ratio %	31.0%	25.6%	-	
Total liabilities and net assets	13,367	16,939	26.7%	

	(Million yen)	
	FY12/10 3Q	FY12/11 3Q
Operating cash flow	△ 2,557	△ 2,118
Investing cash flow	△ 216	△ 57
Free cash flow	△ 2,773	△ 2,175
Financing cash flow	2,085	3,115
Cash & cash equivalents at end of year	2,815	4,094

【Operating cash flow】 △¥2,118mn

Income before income taxes ¥567mn

Increase in real estate for sale △¥2,455mn

【Investing cash flow】 △¥57mn

Acquisition of tangible fixed assets △¥56mn

Acquisition/sale of investment securities △¥50mn

Loan △¥91mn

【Financing cash flow】 ¥3,115mn

Increase of short-term debt ¥3,872mn

Decrease of long-term debt △¥686mn

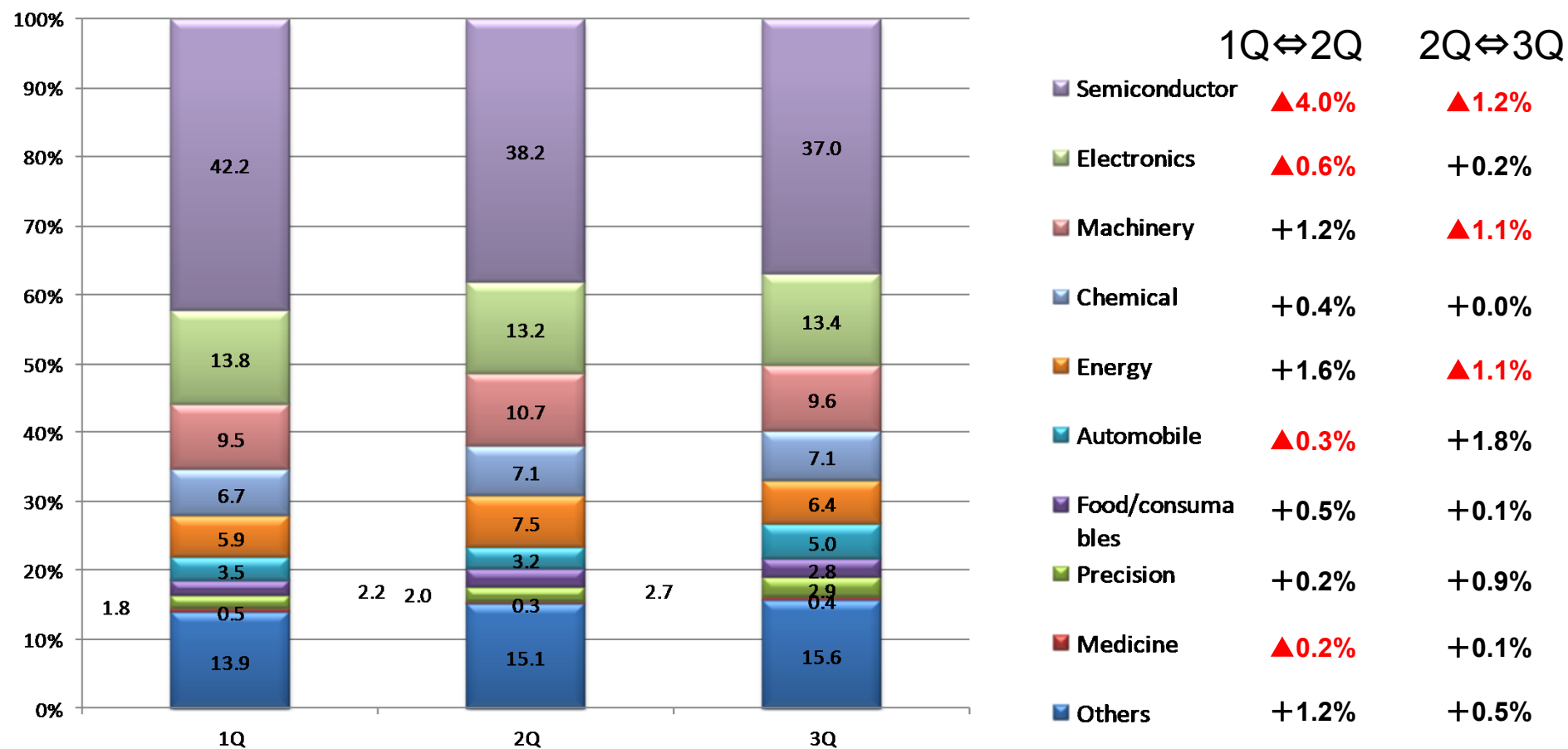
Dividends paid △¥72mn

Business Summary by Segment

(Million yen)		FY12/10 3Q (Jan.-Sept.) actual	FY12/11 (Jan.-Sept.) 3Q actual	YoY Change	Pct. change
Factory business	Net sales	10,212	11,742	1,529	15.0%
	Operating income	479	477	△2	△0.5%
	Operating margin	4.7%	4.1%	—	—
Technology business	Net sales	4,427	4,402	△24	△0.6%
	Operating income	243	282	38	15.8%
	Operating margin	5.5%	6.4%	—	—
R&D business	Net sales	1,535	1,814	279	18.2%
	Operating income	87	182	94	107.2%
	Operating margin	5.7%	10.0%	—	—
Information technology & telecommunications business	Net sales	5,878	6,736	858	14.6%
	Operating income	133	117	△16	△12.5%
	Operating margin	2.3%	1.7%	—	—
Real estate business	Net sales	31	1,386	1,355	—
	Operating income	-71	76	147	—
	Operating margin	--229.0%	5.5%	—	—
Other businesses (FY12/10=various services)	Net sales	1,379	1,927	547	39.7%
	Operating income	-14	43	58	—
	Operating margin	-1.0%	2.2%	—	—
Total	Net sales	23,464	28,009	4,545	19.4%
	Elimination or corporate	-618	-684	△66	—
	Operating income	239	493	254	106.3%
	Operating margin	1.0%	1.8%	—	—

Changes in Percentages of Sales by Category

Changes in pct. of sales by category in 1Q (Jan-Mar),
2Q (Apr-Jun) and 3Q (Jul-Sept) in the core Factory business



Situation of Each Business

Human Resources Outsourcing Business

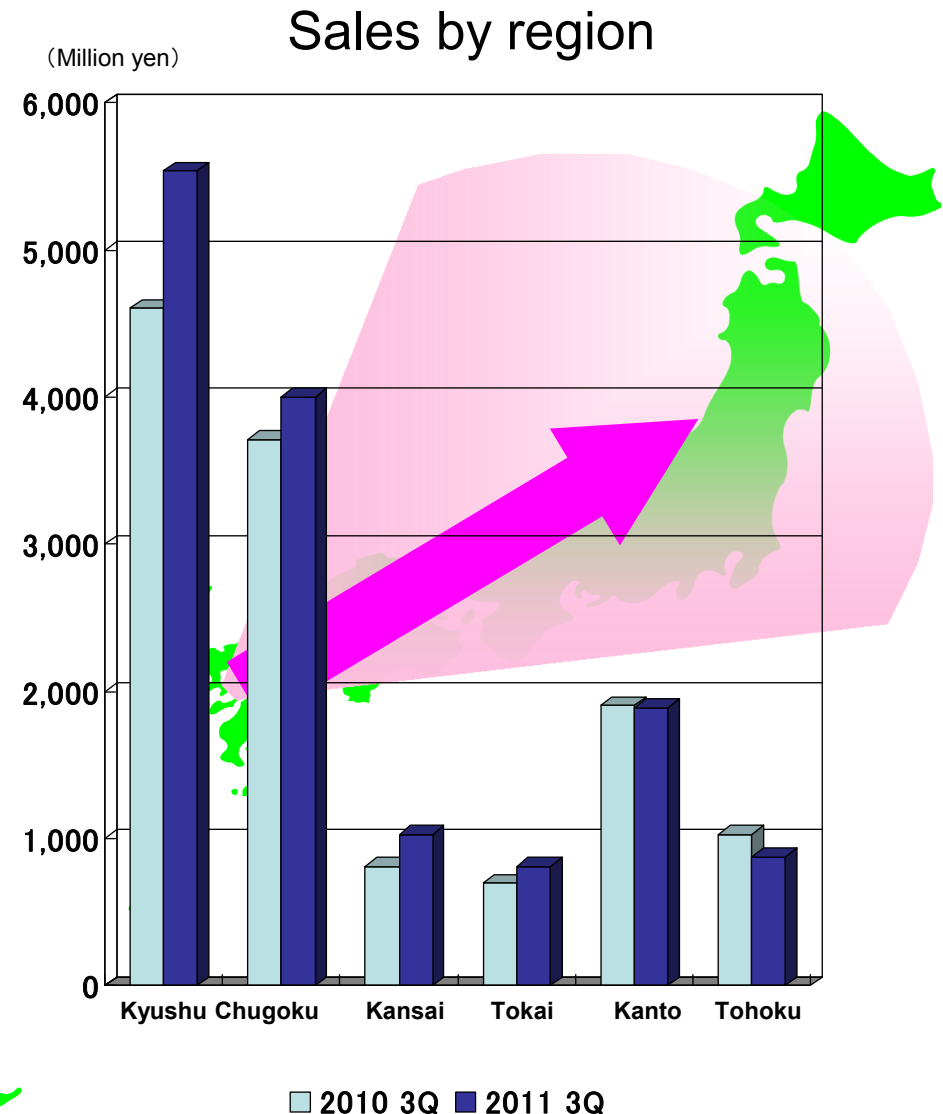
Information Technology & Telecommunications Business

Real Estate Business

Other Business

Human Resources Outsourcing Business; Larger Share!!

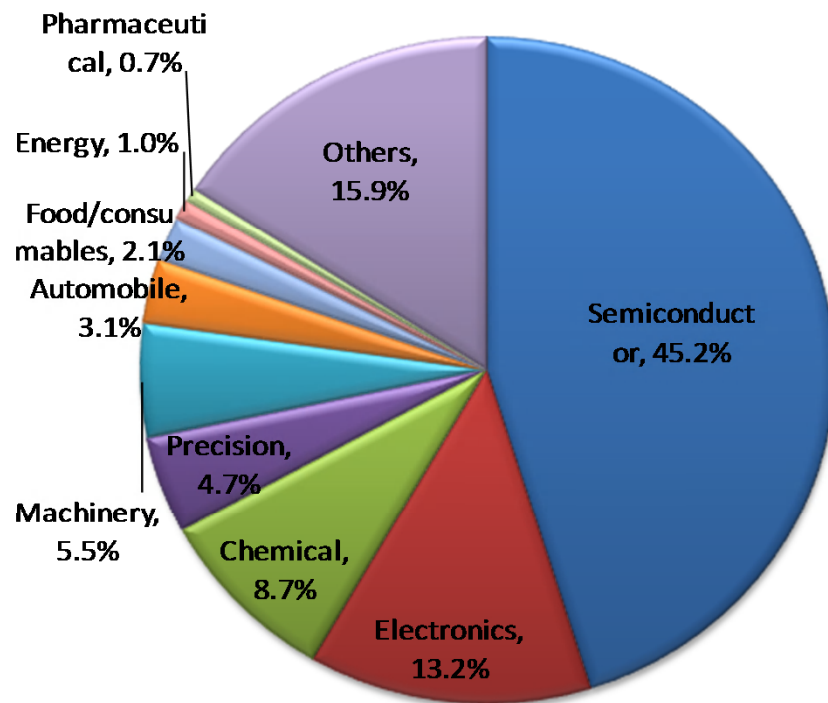
- Larger share in the Factory business
 - Cultivated environmental energy field including solar panel and companies related to next-generation products including smartphones
 - Obtained special procurement demand for reconstruction
- Rise in the no. of workers and operating rates of technology/R&D
 - Research assistants entering temporary staffing business
 - Higher unit price due to skill improvement
 - Expansion of scale by stepping up recruitment
- Focused on compliance, continued to obtain employment promotion business in cooperation with the government and social contribution



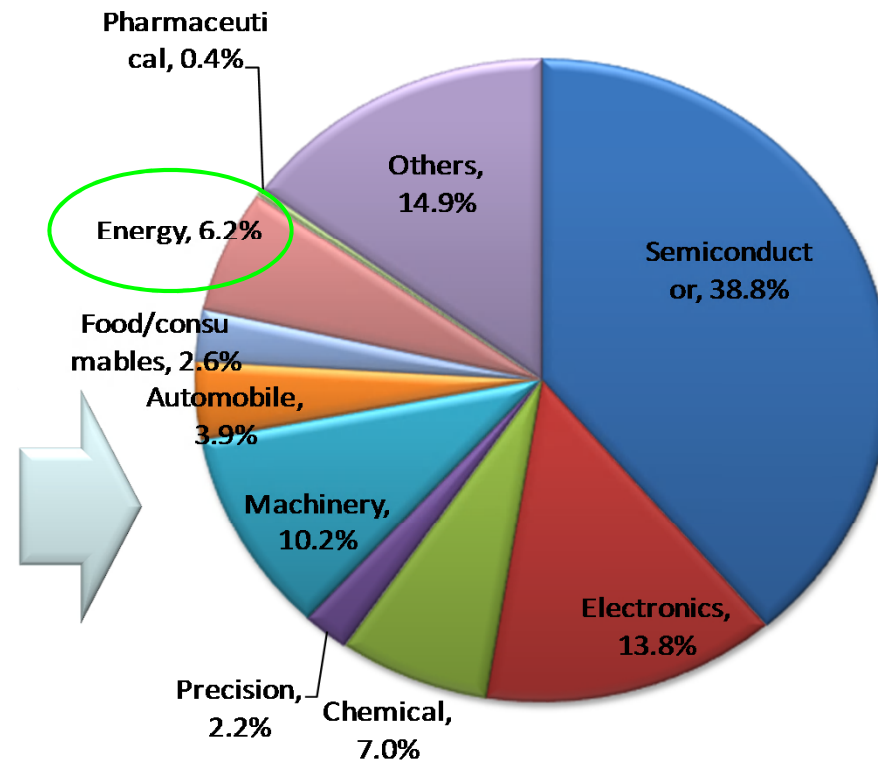
Human Resources Outsourcing Business; Factory Business

Successful in environmental energy field, such as solar panel, and in the field of machinery and automotive field YoY

《Pct. of sales (FY2010 Jan.-Sept. actual)》



《Pct. of sales (FY2011 Jan.-Sept. actual)》



Human Resources Outsourcing Business; Factory Business

- Unexpectedly struggled in 3Q although focused on recruitment toward expansion in the next fiscal year.
- The business is on a recovery trend due to reconstruction demand as a result of supply chain recovery following the earthquake. However, there are concerns about global economic recession triggered by the European financial turmoil and flood damage in Thailand over the next fiscal year.

<No. of workers in the Factory business>

Enrollment	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Dispatch of manufacturers	3,977	4,120	4,150	4,132	4,129	4,174	4,166	4,185	4,274
Contract for manufacturing	705	686	595	526	529	512	510	531	589
Total	4,682	4,806	4,745	4,658	4,658	4,686	4,676	4,716	4,863

Human Resources Outsourcing Business; Technology/R&D Businesses

- In the Technology business, number of workers increased and secured operating rate due to strengthening of recruitment and early placement backed by favorable orders

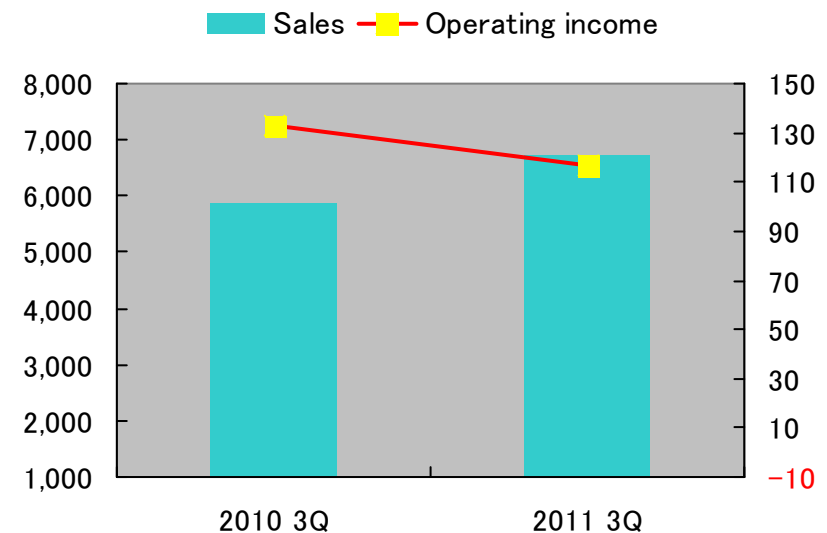
Enrollment	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Production technology field	855	870	869	898	900	892	911	908	910
Design development field	265	264	251	267	264	261	270	266	269
Total	1,120	1,134	1,120	1,165	1,164	1,153	1,181	1,174	1,179
Operating rate	97.2%	97.6%	97.5%	94.3%	96.1%	98.8%	97.6%	98.7%	98.1%

- In the R&D business, orders in biotechnology, chemical and clinical fields were favorable. Full-scale entry into the general staffing business domain by research assistants from 2H raised the number of workers (big improvement in profit margin)

Enrollment	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
R&D	397	403	416	445	449	449	465	473	481
Operating rate	96.2%	96.0%	79.6%	90.0%	91.7%	92.6%	97.3%	97.1%	97.0%

Information Technology & Telecommunications Business

- Operated by a consolidated subsidiary e-support group
 - Kyushu's largest seller of mobile phones (au, SoftBank)
 - Smartphone sales are strong
 - Rise in purchase cost reduced profit margin



■ Promotion of Brand-Building

RESIDENTIAL



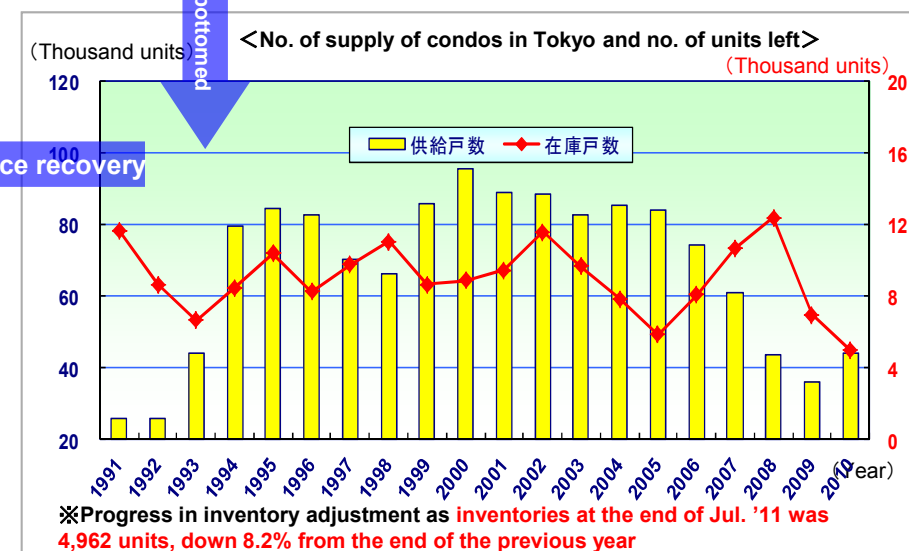
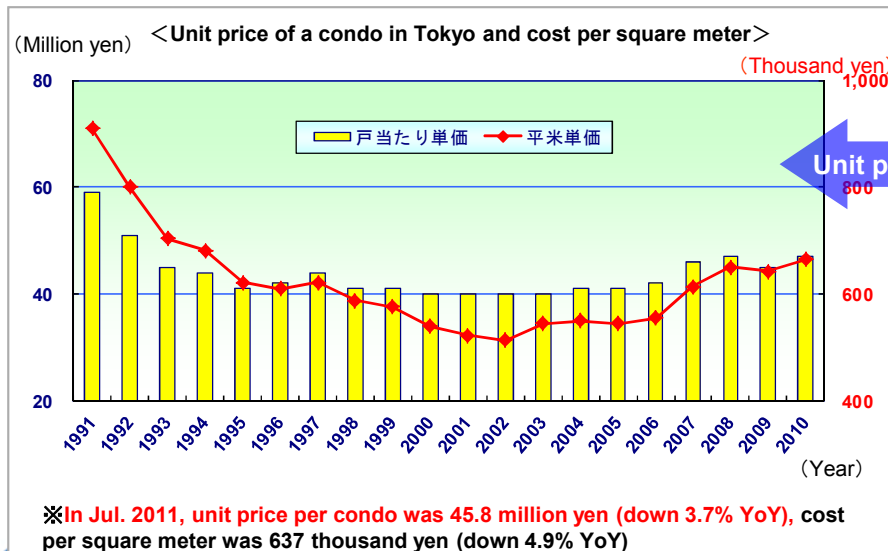
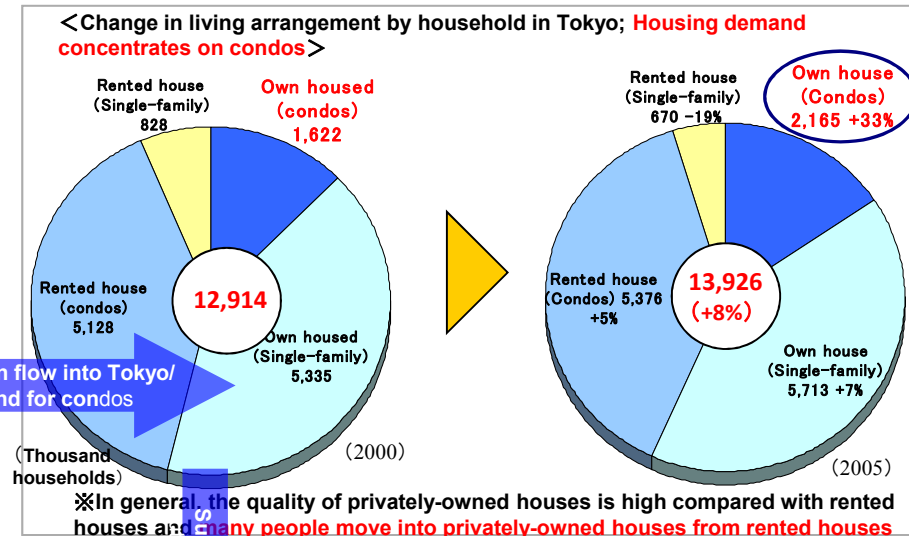
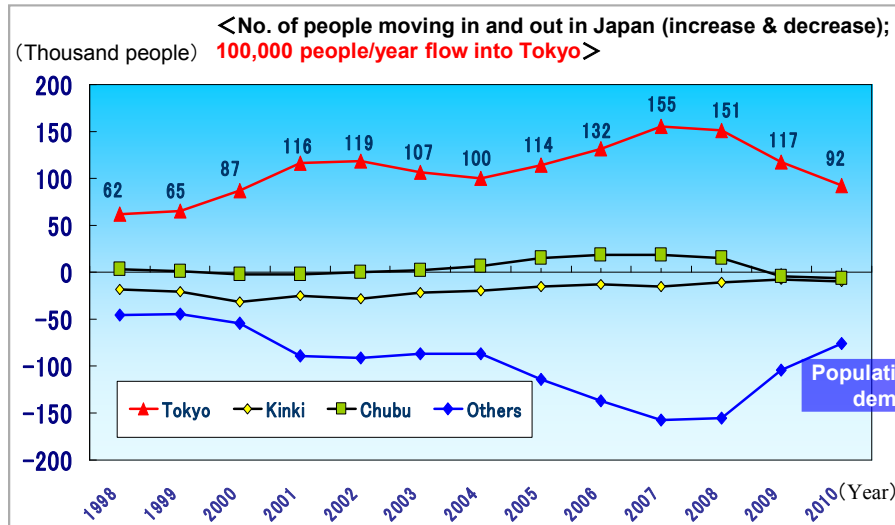
WORLD INTEC
GROUP

World Residential



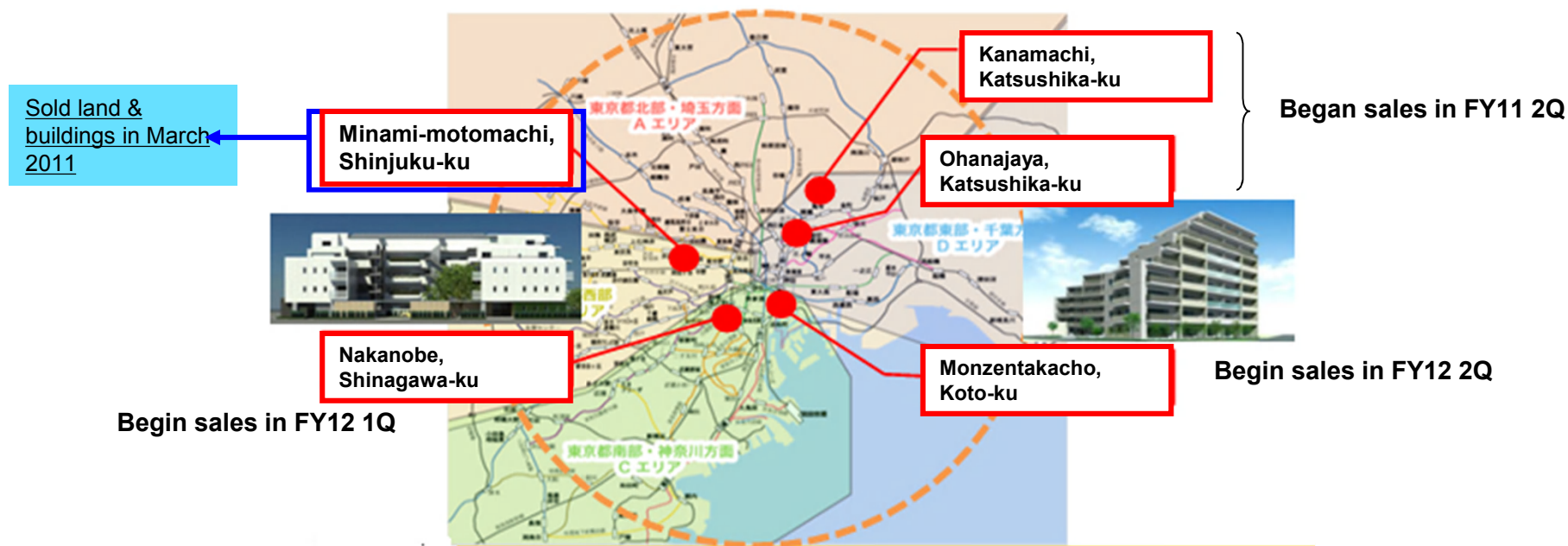
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Real Estate Business (1); Macroenvironment Recognition (Following Wind for External Environment)



Real Estate Business (2); Residential Series

- Carry out “Ohanajaya” and “Kanamachi” contracts from 4Q after a two-month delay
- Plan sales of 4 buildings in fiscal 2011 (post sales in fiscal 2012)
 - Ohanajaya: Began sales in FY11 2Q 67 units (Katsushika-ku, Keisei line)
 - Kanamachi: Began sales in FY11 2-3Q 44 units (Katsushika-ku, Keisei line & JR)
 - Ebaranakanobu: Begin sales in FY12 1Q 42 units (Shinagawa-ku, Tokyu)
 - Monzennakacho: Begin sales in FY12 2Q 24 units (Koto-ku, Tokyo Metro)



Real Estate Business (3); Residential Series

- Safe, secure, energy saving and convenient series
- Retained horizontal strength resistant to earthquake 1.1 times (usually 1.0 times)

※ Compared with the required retained horizontal strength presented in Article 82-3 of the Building Standards Law Enforcement

【 Ohanajaya appearance (rendering) 】



Can cook rice in an emergency



参考イメージ

Portaloo



参考イメージ

Drinking water refinery in an emergency



参考イメージ

Security camera/EV monitor



参考イメージ

Motion sensor



参考イメージ

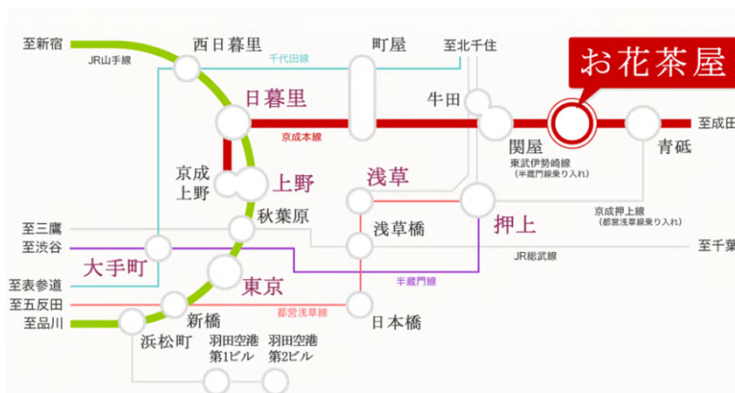
Wall door



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Real Estate Business (3); Residential Series



【 Kanamachi appearance (rendering) 】



【 Ebaranakanobu appearance (rendering) 】



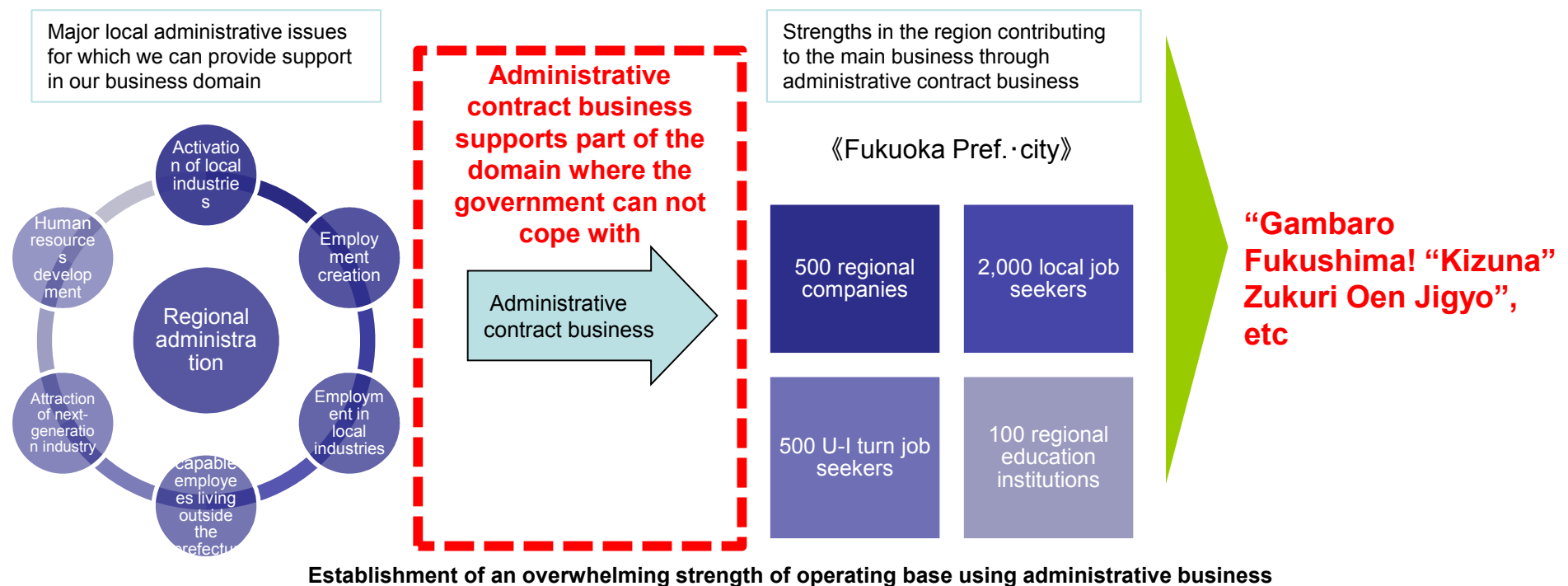
【 Monzennakacho appearance (rendering) 】

Other Business; Administrative Contract Business

- “Gambaro Fukushima! “Kizuna” Zukuri Oen Jigyo” in Fukushima Prefecture, linked with the employment promotion business in collaboration with the government, which is our strength, made good progress. Currently in operation to carry on with the business in the next fiscal year.

《Purpose of administrative contract business》

Increases in business with regional companies, local employees, recruitment of technical students, technical U-I turn employments



Revisions to Full-Year Forecasts

Upward Revisions to Full-Year Performance

- Human resources outsourcing business :

Sales slightly decreased by about ¥200 million YoY. Despite increase in recruiting cost, operating income is within budget. Ordinary income has been raised by about ¥180 million due to increase in sundry income.

- Information technology & telecommunications business :

Sales have been raised by about ¥2 billion due to favorable sales of smartphones.

- Real estate business :

Delay in real estate market following the earthquake slightly delayed the promotion of our properties which led to the reduction of sales promotion expense (reduced about ¥130 million). This contributed to increase in earnings.

- Other business :

As planned

Summary of FY2011 Consolidated Business Forecasts

- Recovery of Human resources outsourcing business in Japan
- Reduction of sales promotion expenses for Real estate business

(Consolidated) (Million yen)	FY12/10 actual	FY12/11 1H actual	Previous full- year forecasts	Revised full- year forecasts	Adjustments	
					Change	Pct. change
Net sales	32,109	18,726	36,095	37,810	1,715	4.8%
Operating income	344	515	439	510	71	16.2%
Operating margin	1.1%	2.8%	1.2%	1.3%	—	—
Ordinary income	487	668	465	644	179	38.5%
Ordinary income margin	1.5%	3.6%	1.3%	1.7%	—	—
Net income	58	364	50	155	105	210%
Net income margin	0.2%	1.9%	0.1%	0.4%	—	—

Summary of FY2011 Business Forecasts by Segment

(Million yen)		FY12/10 actual	FY12/11 1H actual	FY12/11 2H forecasts	FY12/11 forecasts	YoY	
						Change	Pct. change
Factory business	Net sales	14,134	7,687	7,945	15,632	1,498	10.6%
	Operating income	704	341	292	633	△71	△10.1%
	Operating margin	5.0%	4.4%	3.7%	4.0%	—	—
Technology business	Net sales	5,964	2,855	3,039	5,894	△70	△1.2%
	Operating income	369	203	191	394	25	6.8%
	Operating margin	6.2%	7.1%	6.3%	6.7%	—	—
R&D business	Net sales	2,082	1,157	1,343	2,500	418	20.1%
	Operating income	131	108	151	259	128	97.7%
	Operating margin	6.3%	9.3%	11.2%	10.4%	—	—
Information technology & telecommunications business	Net sales	8,046	4,434	4,880	9,314	1,268	15.8%
	Operating income	165	66	149	215	50	30.3%
	Operating margin	2.1%	1.4%	3.1%	2.3%	—	—
Real estate business	Net sales	52	1,350	55	1,405	1,353	—
	Operating income	△160	238	△400	△162	△2	—
	Operating margin	△308%	17.6%	—	△11.5%	—	—
Other businesses (FY12/10=various services)	Net sales	1,828	1,240	1,823	3,063	1,235	67.6%
	Operating income	19	21	138	159	140	736.8%
	Operating margin	1.0%	1.6%	7.6%	5.2%	—	—
Total	Net sales	32,109	18,726	19,084	37,810	5,701	17.8%
	Elimination or corporate	△884	△464	△649	△1,113	△229	—
	Operating income	344	515	△5	510	166	48.3%
	Operating margin	1.1%	2.8%	—	1.3%	—	—

World Intec Group



World Intec Co., Ltd.

《 Human resources-related business 》

《 Procurement service 》

Factory business.....Dispatch of manufacturers,
contract work

Technology business.....Dispatch of engineers

R&D business..... Dispatch of researchers

CB business..... Dispatch of sales personnel

Construction business...Dispatch of construction
managing engineers



《 Information technology &
telecommunications business 》

e-support, inc

Network Solution Co., Ltd.

WORLD ONLINE CO., LTD.

Mobile Service Co., Ltd.

• OA equipment sales

• Mobile phone sales

• Call center

Electronics And Ecology Co., Ltd.

《 Repair business 》 《 Human resources-
related business 》

• Repair service • Dispatch service

• Contract work

World Residential Co., Ltd.

《 Real estate business 》

• Condominium business • Condominium

Management business

• Real estate consulting business • Contract
business



Advan Co., Ltd.

《 Education business 》

• PC school operations



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GROUP

FY12/11 3Q

Consolidated sales ¥28,009 million



GEOGRAPHIC INFORMATION OF KYUSHU, INC.

《 Software development business 》

• Map information sales • Customized
development of software

Nichimo Real Estate Co., Ltd.

《 Real estate business 》

• Condominium business • Condominium

Management business

• Real estate consulting business • Contract
business

WORLDEXPERTS Inc.

《 Human resources-related business 》

• Dispatch service • Contract work



WORLD INTEC TAIWAN CO., LTD.

《 Human resources-related business 》

• Dispatch of manufacturers



WORLD INTEC SHANGHAI CO., LTD.

《 Human resources-related business 》

《 Consulting 》

• Comprehensive human resources service

• Business consulting • Education consulting

At the time of
founding



Mikuni Sangyo Co., Ltd. 《 Real estate business 》



WORLD INTEC

For more information

Akihiko Omoto
Public Relations and Investor Relations Department
Corporate Planning Division
World Intec Co., Ltd.

Tel: 093-533-0540
E-mail: irinfo@witc.co.jp
URL: <http://www.witc.co.jp/>

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