



FY2021 First Quarter Financial Result

Creating the Ways We Live

May 12, 2021 (Wed.)
WORLD HOLDINGS CO., LTD.
First Section of Tokyo Stock Exchange (2429)

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I. Summary of FY2021 First Quarter Financial Results

Summary of Financial Results

Overall summary

- Our mainstay Human Resources and Education Business performed well and led the entire Group, and sales and profit **exceeded the estimate**.
- Total sales dropped from last year, as the sales of the Real Estate Business decreased considerably because large-scale property was delivered in the first quarter of the previous term, but operating income and ordinary income grew considerably.

Summary of each business

Human Resources and Education Business

- **Performed well** especially thanks to the Factory Business, which is the main business, exceeding the estimate considerably.
[Factors for favorable performance]
 - ✓ Increase of transaction amount through linkage among “seamless” domains while taking advantage of a wide range of business areas.
 - ✓ Determination of focused areas such as 5G and logistics and the subsequent success of strategic investment.
 - ✓ Able to respond flexibly because we placed top priority on the “maintenance of employment” amid COVID-19 pandemic.
 - ✓ Some businesses benefited from special demand from COVID-19 pandemic due to appropriate sales strategies.

Real Estate Business

- **Continuing to conduct business operations carefully** during the real estate bubble.
- Prepare for the reversal of the market, save funds and conduct finance business.

Information and Telecommunications Business

- A major transformation period came again as the cell-phone distributors introduced their new plans in the wake of COVID-19 and the request from the Ministry of Internal Affairs and Communications to reduce the cell-phone bills.

Other

- The business of operation and management of agricultural parks recovered steadily, thanks to the appropriate promotion emphasizing that they are outdoor facilities where people can avoid “crowds.”

Overview of Business Results

- **Profit greatly exceeded the estimate thanks to the Human Resources and Education Business, which performed strongly.**
- The negative numbers in net sales indicated in “YoY” include the effect of delivery of large-scale property by the Real Estate Business in the first quarter of the previous term, while net income in the previous term includes the tax effect following the sale of subsidiaries.

(Unit: Million yen)

	2020/1Q actual	2021/1Q estimate	2021/1Q actual	Against estimate		YoY	
				Change	Pct. Change	Change	Pct. Change
Net sales	36,480	32,499	33,032	532	1.6%	-3,448	-9.5%
Operating income	1,358	1,053	1,682	628	59.7%	323	23.8%
Ordinary income	1,393	1,030	1,825	795	77.2%	432	31.0%
Net income attributable to owners of parent	1,640	727	1,324	596	81.9%	-316	-19.3%

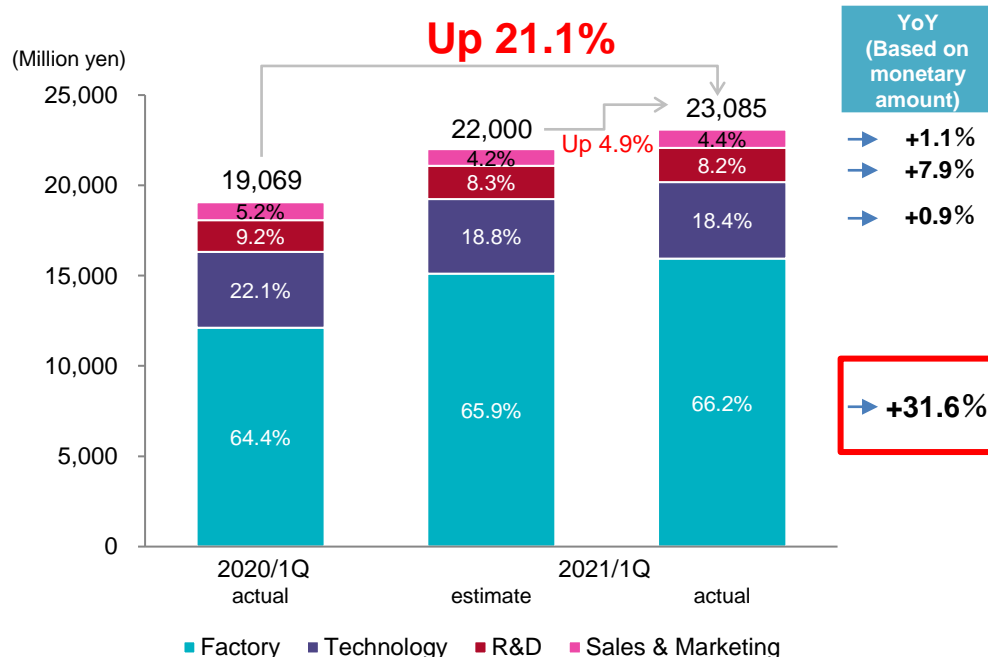
Overview of Business Results by Segment

(Unit: Million yen)			2020/1Q actual	2021/1Q estimate	2021/1Q actual	Against estimate		YoY	
						Change	Pct. Change	Change	Pct. Change
Human Resources and Education Business	Factory Business	Net sales	12,114	15,114	15,941	826	5.5%	3,826	31.6%
		Segment income	466	630	714	83	13.2%	247	53.1%
		(Prof it margin)	(3.9%)	(4.2%)	(4.5%)				
	Technology Business	Net sales	4,207	4,134	4,246	111	2.7%	38	0.9%
		Segment income	462	307	543	236	76.7%	81	17.6%
		(Prof it margin)	(11.0%)	(7.4%)	(12.8%)				
	R&D Business	Net sales	1,750	1,833	1,889	56	3.1%	139	7.9%
		Segment income	170	165	218	52	31.7%	47	27.9%
		(Prof it margin)	(9.8%)	(9.0%)	(11.6%)				
	Sales & Marketing Business	Net sales	997	918	1,008	90	9.9%	11	1.1%
		Segment income	8	-45	-12	32	-	-21	-
		(Prof it margin)	(0.9%)	-	-				
Total (reference)		Net sales	19,069	22,000	23,085	1,085	4.9%	4,016	21.1%
		Segment income	1,108	1,059	1,463	404	38.2%	355	32.1%
		(Prof it margin)	(5.8%)	(4.8%)	(6.3%)				
Real Estate Business	Real Estate Business	Net sales	14,238	7,567	6,783	-783	-10.4%	-7,454	-52.4%
		Segment income	861	667	740	73	11.0%	-120	-14.0%
		(Prof it margin)	(6.1%)	(8.8%)	(10.9%)				
Information and Telecommunications Business	Information and Telecommunications Business	Net sales	2,492	2,213	2,443	229	10.4%	-49	-2.0%
		Segment income	91	27	4	-23	-84.8%	-87	-95.5%
		(Prof it margin)	(3.7%)	(1.2%)	(0.2%)				
Other	Others	Net sales	679	718	719	1	0.2%	39	5.9%
		Segment income	-141	-120	-62	58	-	79	-
		(Prof it margin)	-	-	-				
Total		Net sales	36,480	32,499	33,032	532	1.6%	2,417	-9.5%
		Elimination or corporate	-560	-579	-464	114	-	96	-
		Operating income	1,358	1,053	1,682	628	59.7%	323	23.8%
		(Prof it margin)	(3.7%)	(3.2%)	(5.1%)				

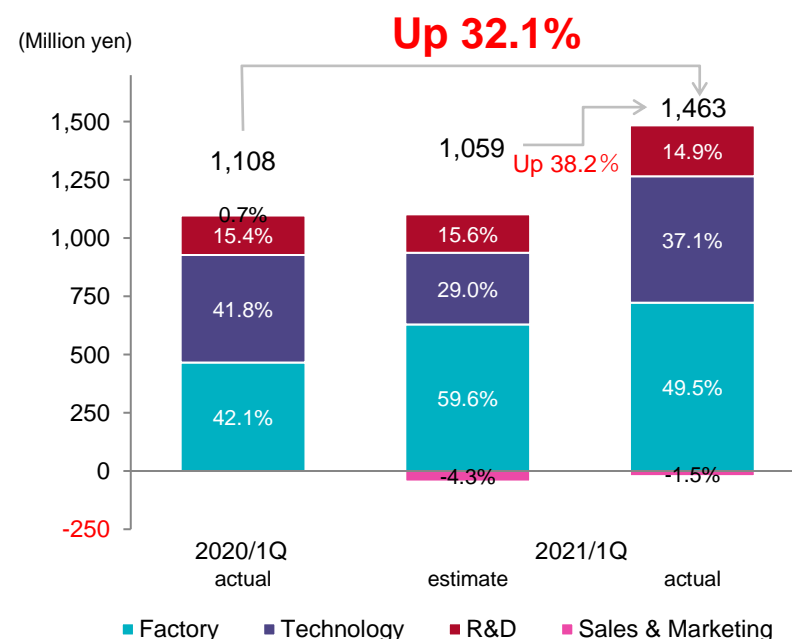
<Composition Ratio of Sales and Segment Income of Human Resources Segment>

- Factory Business, which is the main business, performed well and led the entire Group.
- Profit grew significantly, through the improvement of hiring methods, the reduction of SGA by decreasing costs, etc.
- We aim to differentiate ourselves from other competitors through linkage among seamless domains which can deal with multiple business areas.

◆Sales composition



◆Segment income

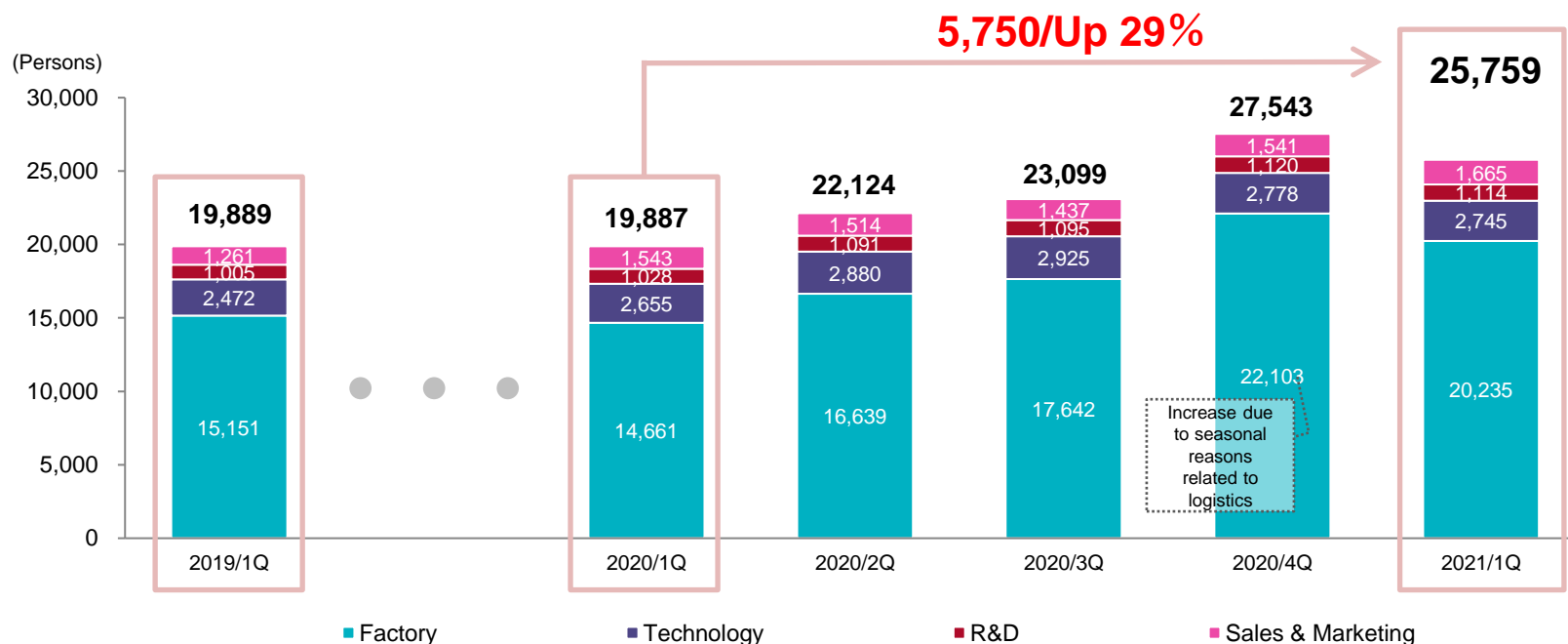


<The Number of Staff Members of Overall Human Resources Segment>

Workers in the Factory Business, which is the main business, increased considerably from the previous term.

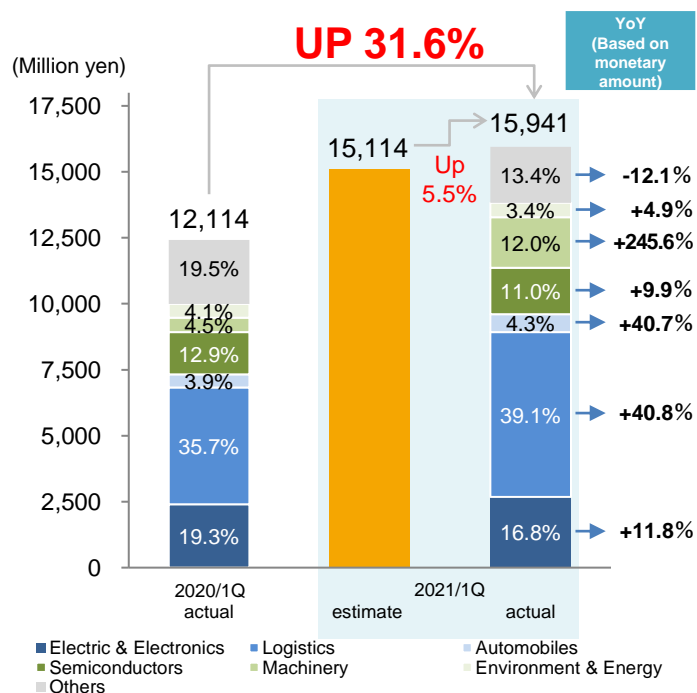
- The number of enrollments increased significantly due to the cultivation of new logistics-related bases.
- 5G-related business was strong and semiconductor/machine-related business also increase

◆Variation in the number of staff (3-month average)*

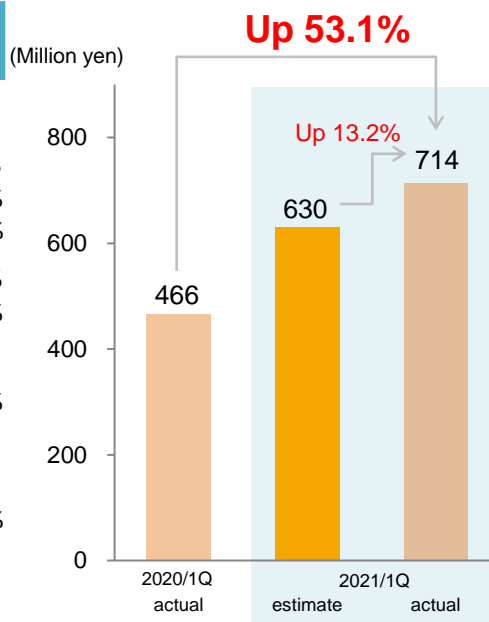


- 5G and semiconductor-related business performance remained healthy, and all domains, including the automotive one, recovered remarkably from COVID-19, so sales and profit grew significantly.
- Increased operational capacity in the logistics segment following the opening of new logistics-related bases last year.
- On-site capability improved by placing top priority on the maintenance of employment and continually implementing training even amid the COVID-19 pandemic

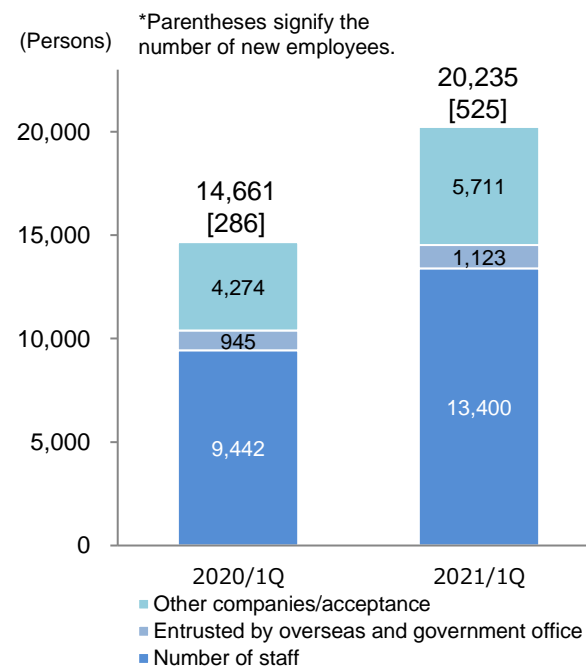
◆Sales composition



◆Segment income



◆Variation in the number of staff (3-month average)*



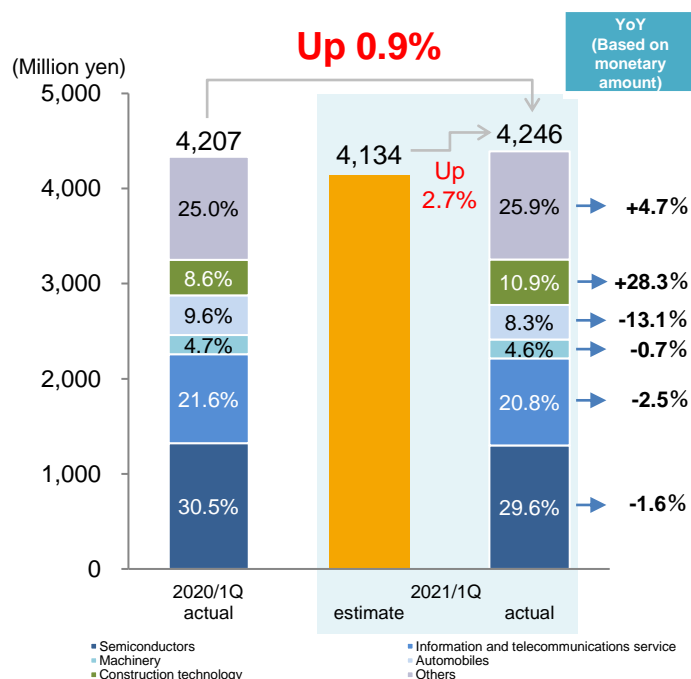
*We have not disclosed the estimate by segment.

*The number of staff is a three-month average. External staff members accepted from other companies are included.

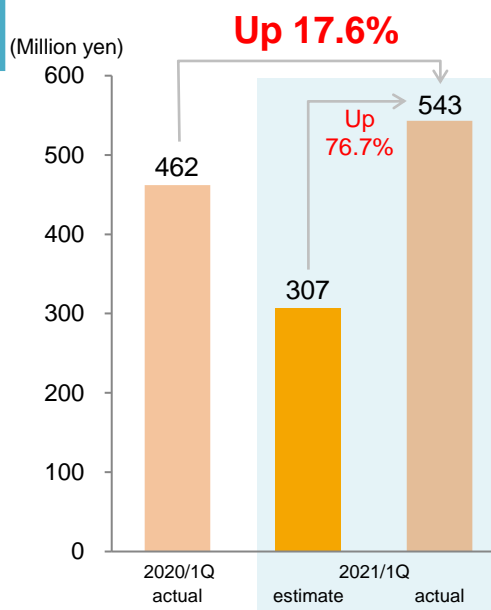
*Number of staff included only staff members who are engaged in on-site operation work.

- After the outbreak of COVID-19, all sectors are on a recovery trend.
- For the automotive business, we have established a system for developing personnel versed in control technology in response to the growth of demand for CASE-related technologies.
- We aim to provide technological capabilities with higher quality by reviewing the hiring methods and accelerating the improvement of skills and advancement of careers of existing employees through human resource development.

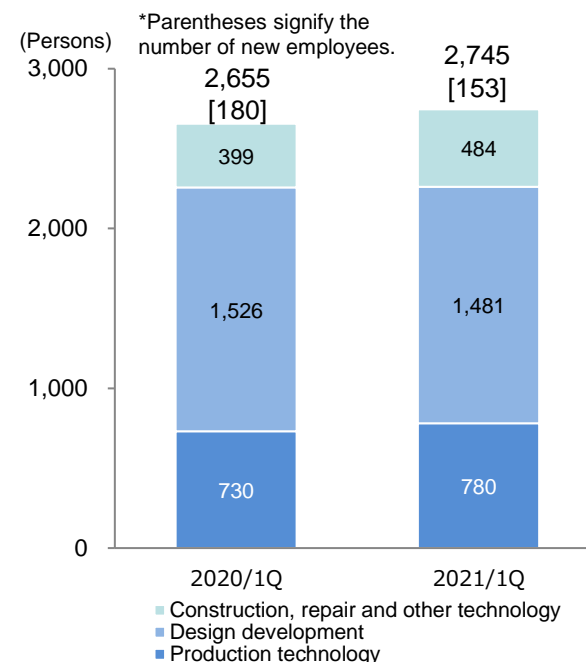
◆Sales composition



◆Segment income



◆Variation in the number of staff (3-month average)*



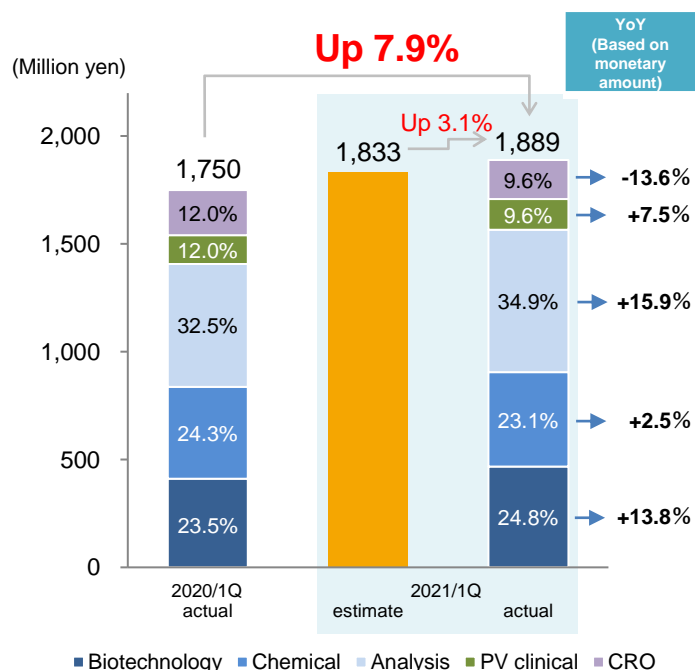
*The number of staff is a three-month average.

*Number of staff included only staff members who are engaged in on-site operation work.

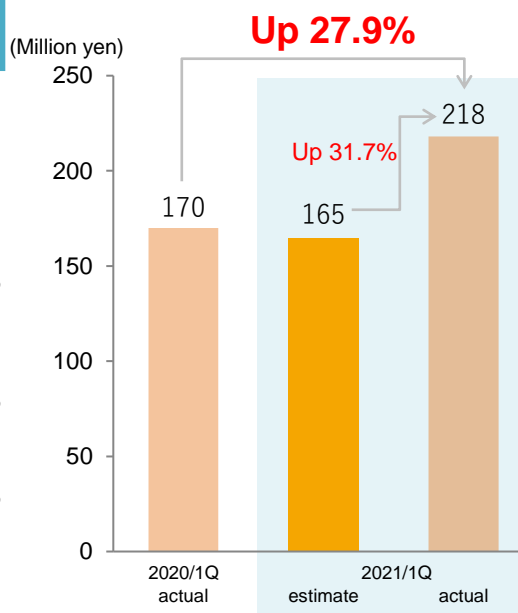
*We have not disclosed the estimate by segment.

- The researcher dispatch section saw the growth of sales and profit, as the existing business sections performed well and transactions in new field increased.
- This segment benefited from special demand from COVID-19 pandemic such as PCR testing and vaccines.
- Recruitment progressed smoothly, as our personnel development program is fulfilling. For further growth, we will prepare for investment in recruitment.

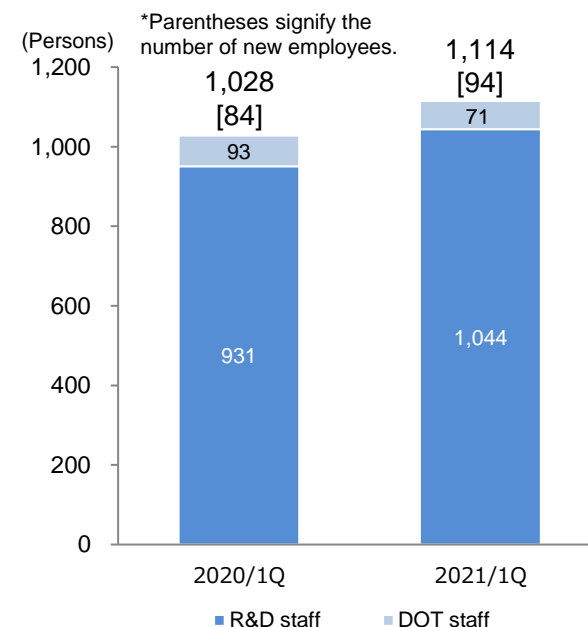
◆Sales composition



◆Segment income



◆Variation in the number of staff (3-month average)*



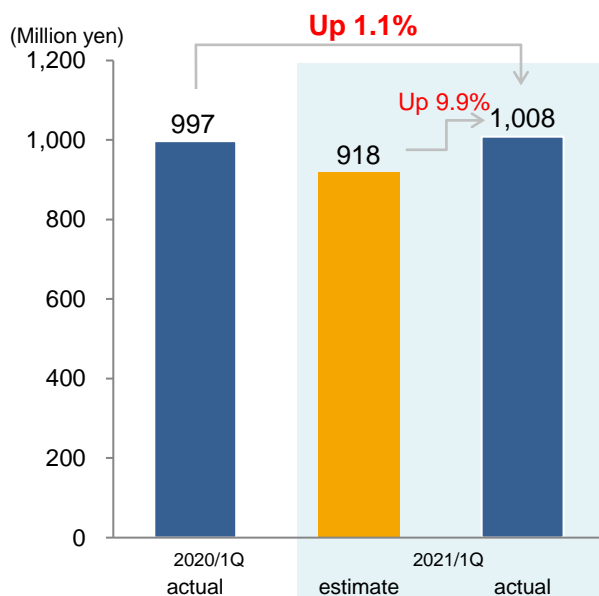
*We have not disclosed the estimate by segment.

*The number of staff is a three-month average.

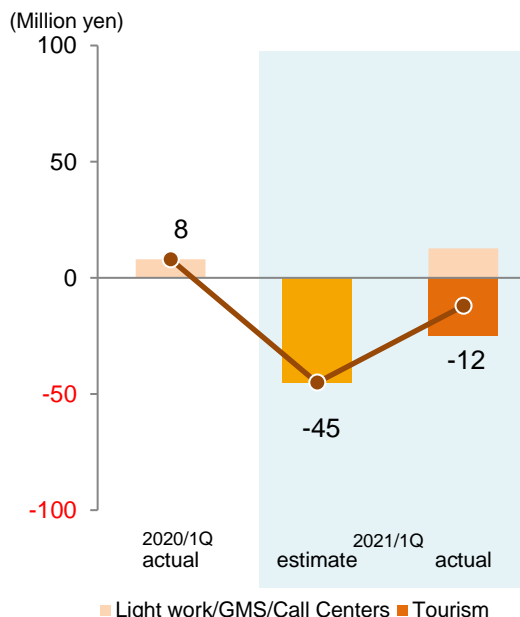
*Number of staff included only staff members who are engaged in on-site operation work.

- Amid COVID-19, apparel-related business performance declined, but call center-related business performed well, thanks to the increase of orders due to the special demand amid the pandemic.
- For light work, we aim to expand our business by undertaking tasks, etc. and will make preparations for future growth.
- While the tourism industry is struggling amid COVID-19, we joined the “resources sharing (transfer of personnel to other businesses)” project organized by JTB Okinawa and Okinawa Cellular Telephone in Okinawa Prefecture.

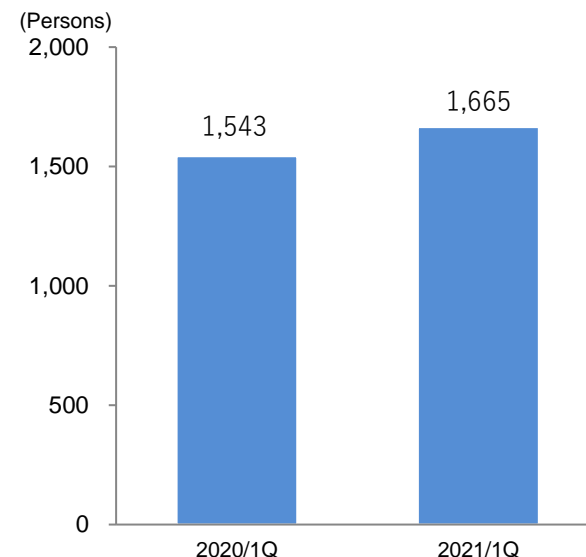
◆Sales composition



◆Segment income



◆Variation in the number of staff (3-month average)*

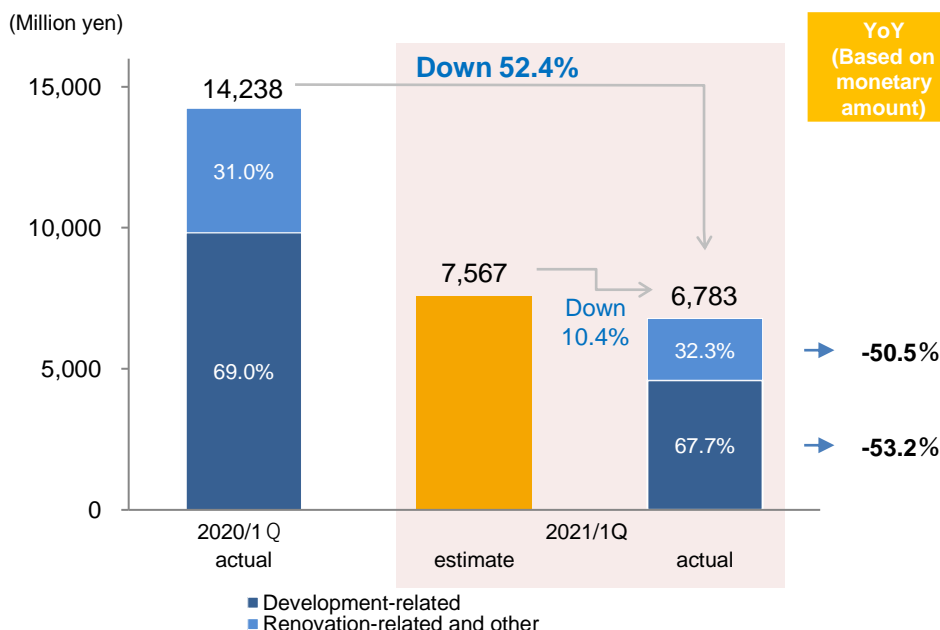


*The number of staff is a three-month average.

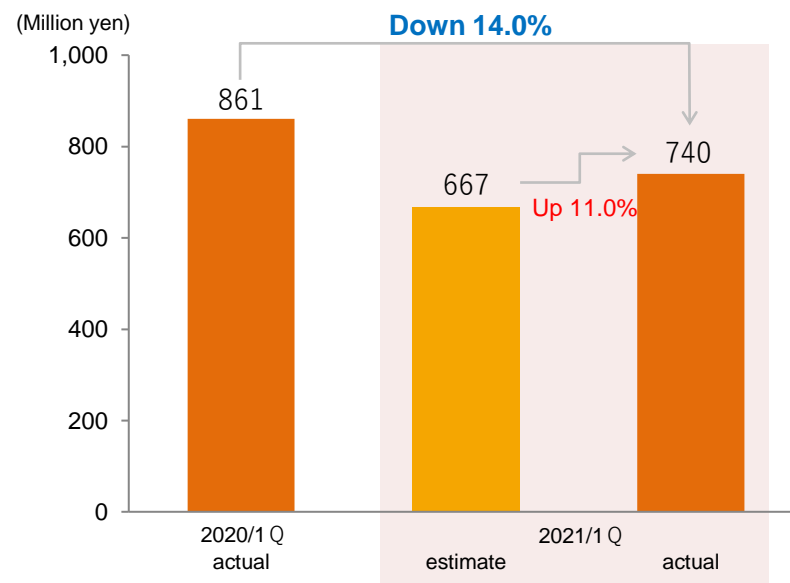
*Number of staff included only staff members who are engaged in on-site operation work.

- While the real estate bubble is lingering, we operated business carefully, and in the development-related business, which is our mainstay, we procured excellent properties by utilizing the commitment line set last year.
- The business progressed almost as planned, as the delivery of highly profitable properties progressed thanks to meticulous marketing.
- Sales dropped considerably year on year, as large-scale property was delivered in the first quarter of the previous term.

◆Sales composition



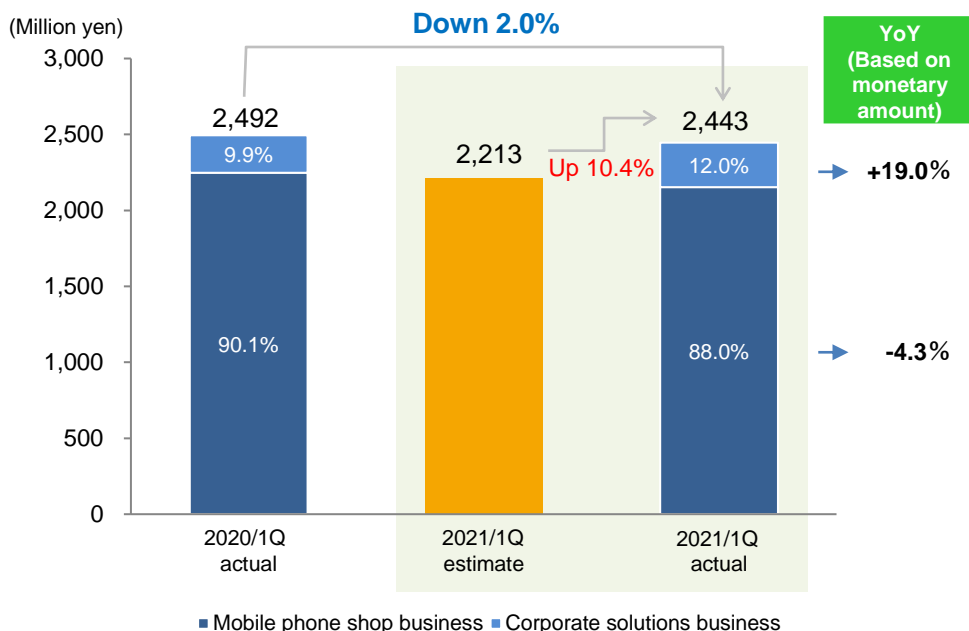
◆Segment income



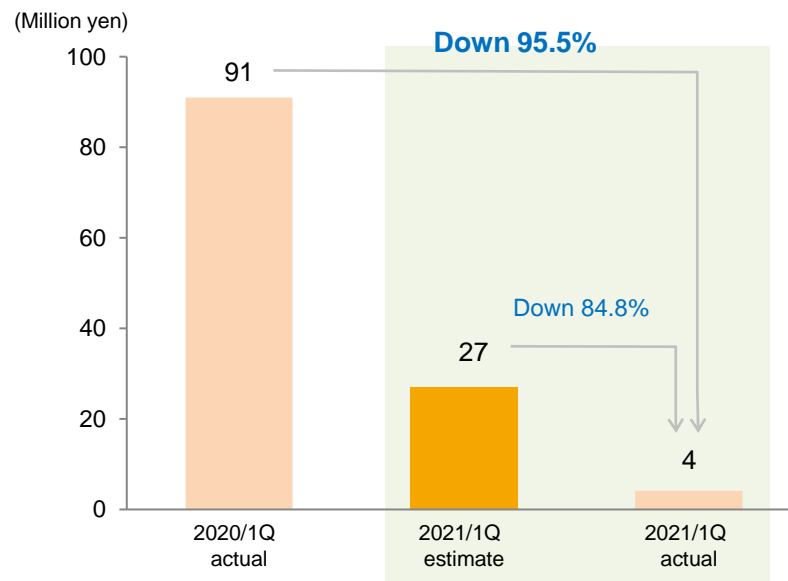
*We have not disclosed the estimate by segment.

- A major transformation period came again in the industry as the cell-phone distributors introduced their new plans which are available only online.
- Profit considerably decreased temporarily due to scrap and build for constructing an excellent store network, implementation of sales promotion measures and upfront investment for human resource development.
- We will continuously promote dominant strategies as well as measures to enjoy the profit of the remaining players.

◆ Sales composition



◆ Segment income

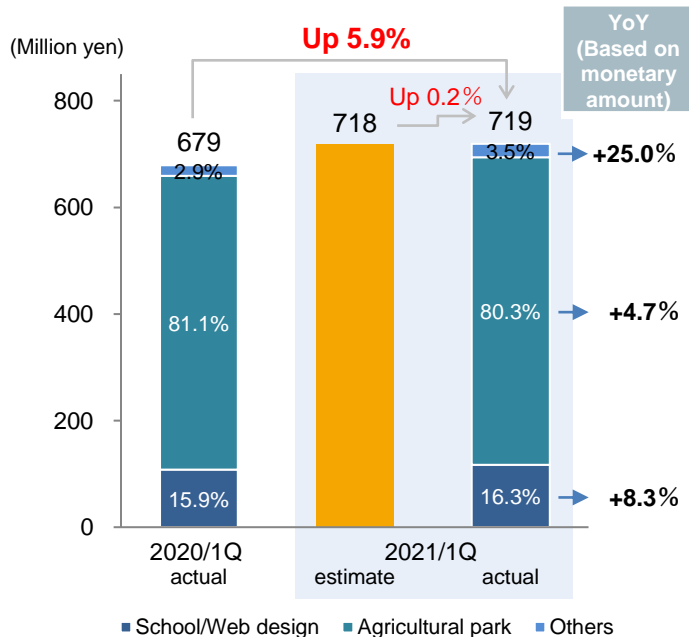


*We have not disclosed the estimate by destination.

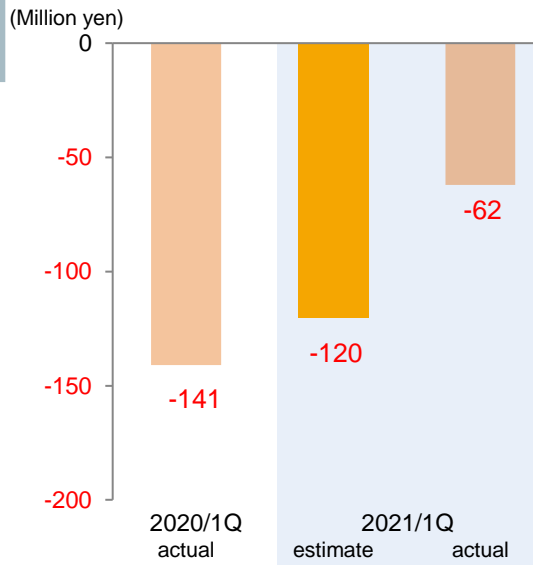


- Regarding the operation and management of agricultural parks, the number of visitors to the parks recovered healthily, exceeding that of the early pandemic level, as people became aware that the parks are outdoor facilities where they can avoid crowds and we implement appropriate promotional measures utilizing that favorable feature.

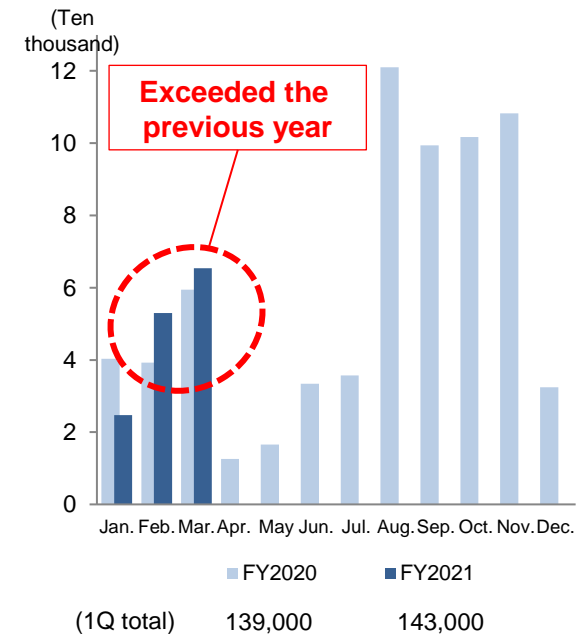
◆ Sales composition



◆ Segment income



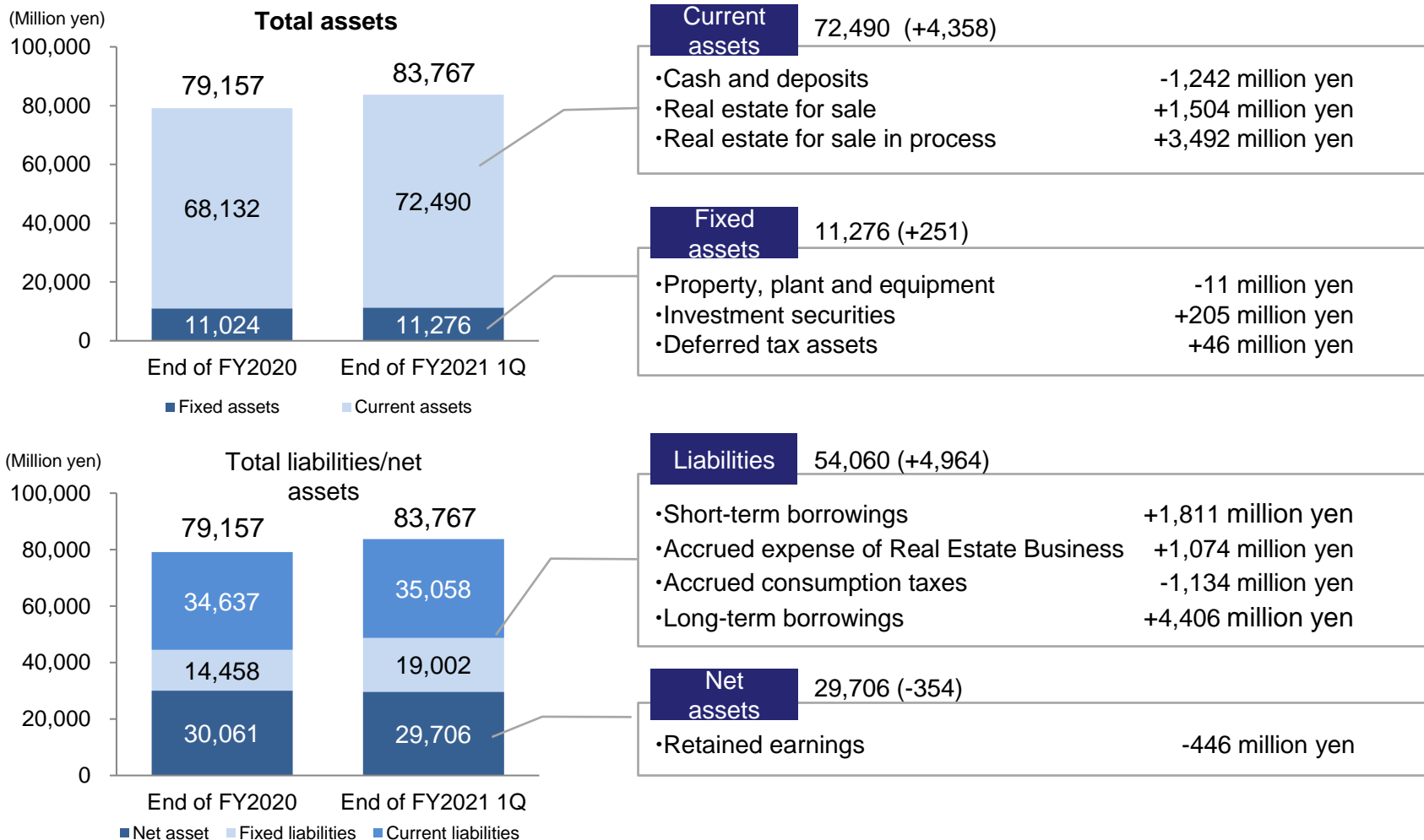
◆ Number of visiting customers



*We have not disclosed the estimate by segment.

Financial Condition B/S

- Total assets increased as we procured real estate property.





II. Outlook for the Term Ending Dec. 2021

FY2021 Business Forecast

- Amid fears about the re-expansion in COVID-19 infections and growing uncertainty about the future, we expect **an increase in revenue and operating income**.
- COVID-19-related subsidy recorded in non-operating income in the previous term is not included in the forecast for this term.
- Net income attributable to owners of parent in the previous term includes the impact from the review of deferred tax assets due to the sale and merger of subsidiaries.

Unit: Million yen, %	Results for the term ended Dec. 2020	Forecast for the term ending Dec. 2021	YoY	
			Change	Pct. Change
Net sales	143,571	150,194	6,623	4.6%
Operating income	6,251	6,465	214	3.4%
Ordinary income	6,786	6,388	-397	-5.9%
Net income attributable to owners of parent	5,913	4,573	-1,340	-22.7%
EPS (yen)	341.35	262.02	-79.33	-23.2%
Dividend per share (yen)	101.7	78.7	-23	-22.6%

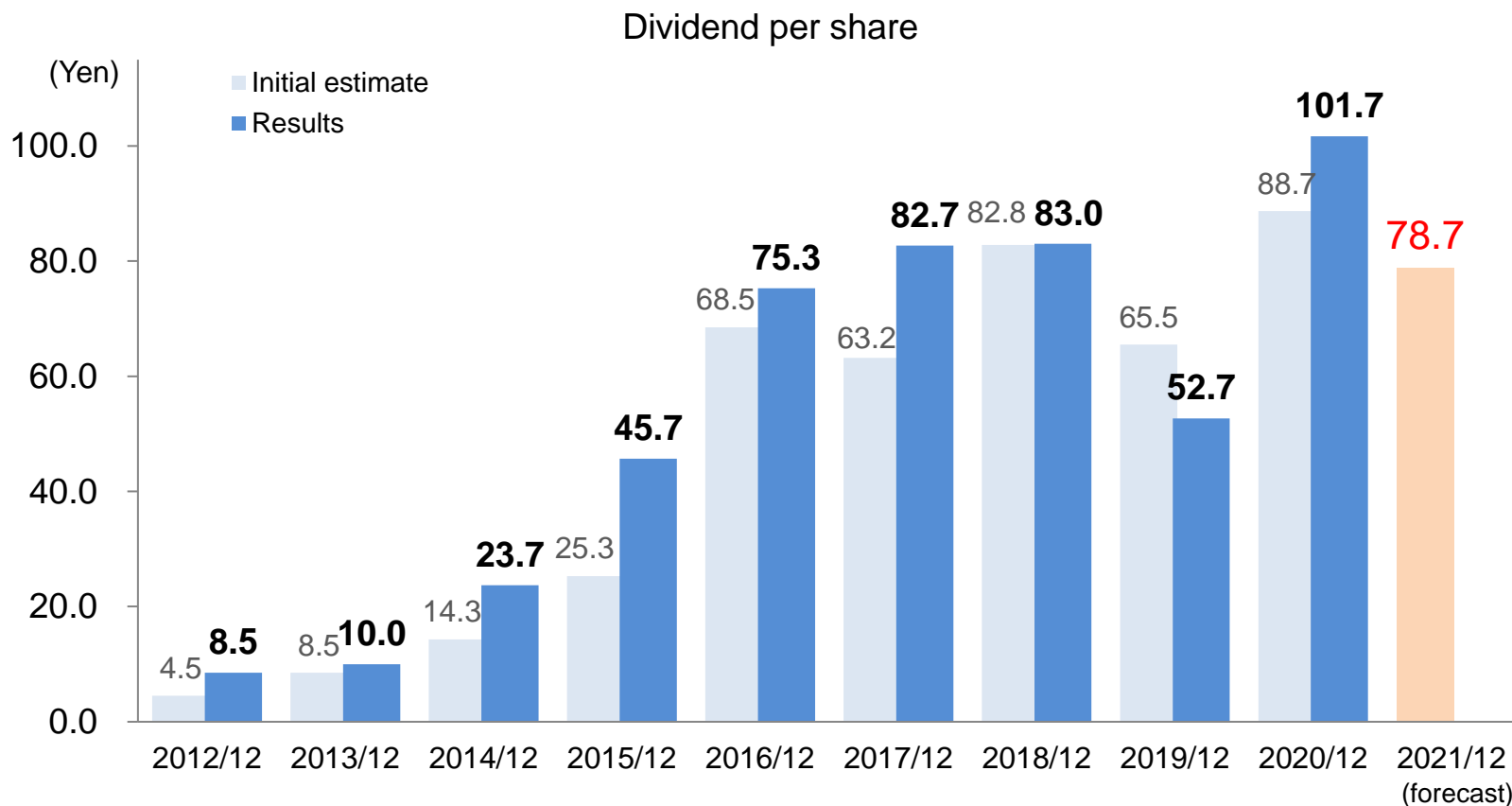
FY2021 Full-year Business Forecast by Segment

- Steady growth with portfolio strengths in multiple industries and a focus on growth areas in our mainstay Human Resources and Education Business (growth in the Factory Business in particular).
- While market conditions remain difficult to predict in the Real Estate Business, we will continue to take a cautious attitude and look for future investment opportunities.

Unit: Million yen, %			Results for the term ended Dec. 2020	(Profit margin)	Forecast for the term ending Dec. 2021	(Profit margin)	YoY	
							Change	Pct. Change
Human Resources and Education Business	Factory Business	Net sales	55,102		65,964		10,861	19.7%
		Segment income	2,632	(4.8%)	3,476	(5.3%)	843	32.0%
	Technology Business	Net sales	17,003		18,135		1,132	6.7%
		Segment income	2,019	(11.9%)	1,908	(10.5%)	-110	-5.5%
	R&D Business	Net sales	7,200		7,876		675	9.4%
		Segment income	843	(11.7%)	849	(10.8%)	5	0.6%
	Sales & Marketing Business	Net sales	3,835		4,849		1,013	26.4%
		Segment income	18	(0.5%)	-23	(-)	-42	(-)
Total (reference)		Net sales	83,142		96,825		13,683	16.5%
		Segment income	5,515	(6.6%)	6,210	(6.4%)	695	12.6%
Real Estate Business	Real Estate Business	Net sales	48,081		40,363		-7,717	-16.1%
		Segment income	3,550	(7.4%)	2,167	(5.4%)	-1,382	-38.9%
Information and Telecommunications Business	Information and Telecommunications Business	Net sales	9,133		8,769		-364	-4.0%
		Segment income	240	(2.6%)	190	(2.2%)	-50	-20.8%
Other	Others	Net sales	3,214		4,236		1,022	31.8%
		Segment income	-200	(-)	170	(4.0%)	370	(-)
Total		Net sales	143,571		150,194		6,623	4.6%
		Elimination or corporate	-2,854		-2,274		(-)	(-)
		Operating income	6,251	(4.4%)	6,465	(4.3%)	214	3.4%

Shareholder Returns

We aim to increase dividends stably and continuously, and achieve a payout ratio of 30%.



*The forecast and dividend estimated are based on the information that the Company has and a certain assumption that is considered reasonable. There is a possibility that the actual results may largely differ based on various factors.

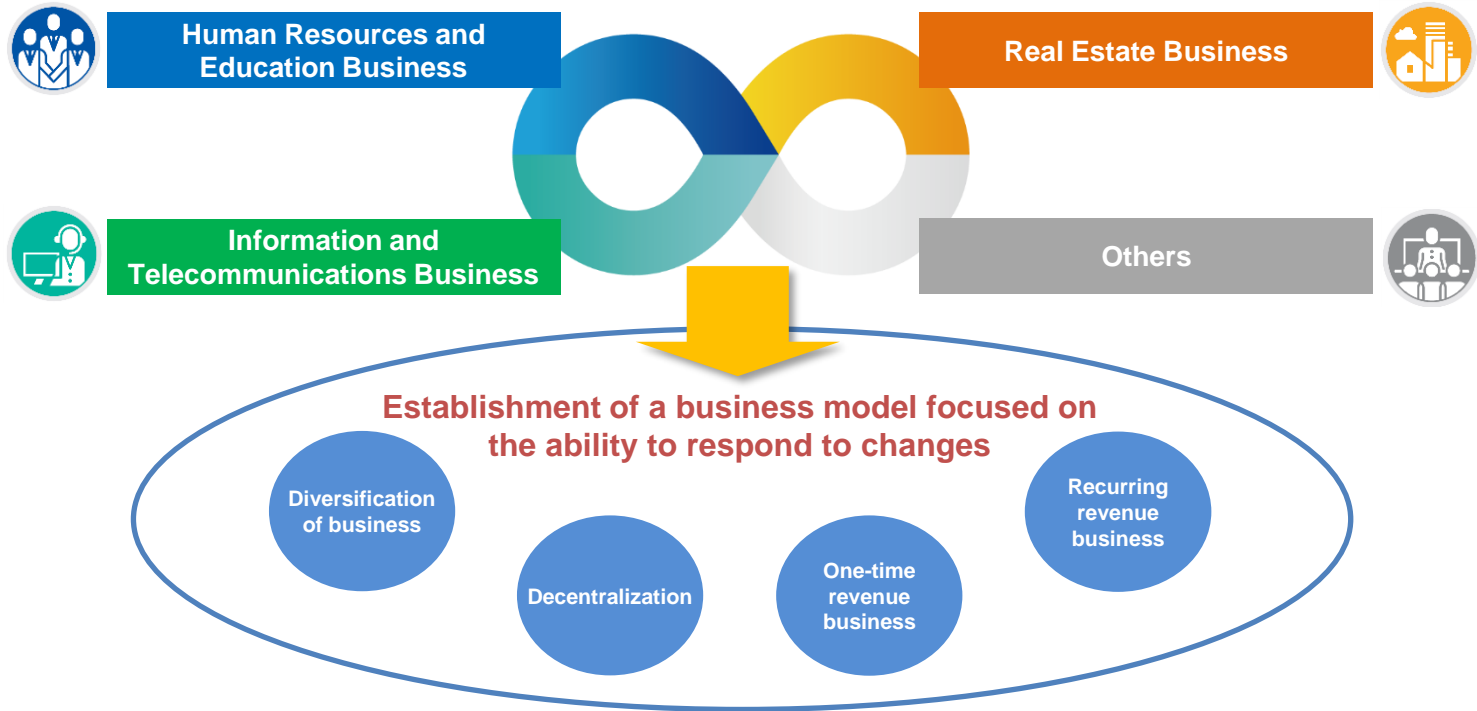


III. Appendix

Profile of World Holdings

Overall Picture of the Growth Strategies

Develop in multiple business/industries and build a well-balanced stable management base



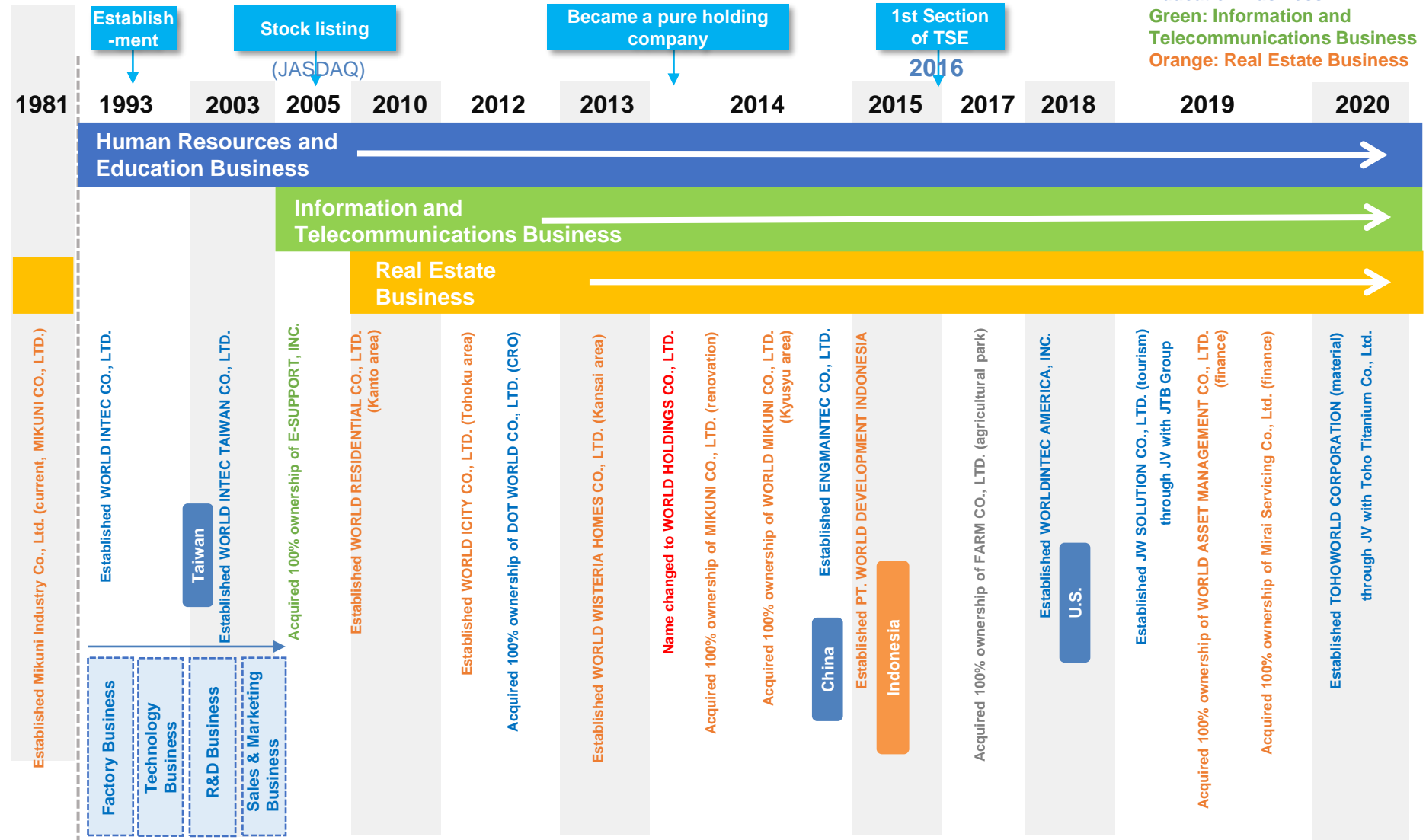
Amid fears about the re-expansion in COVID-19 infections and growing uncertainty about the future,

Ascertain changes in the times and accurately grasp market needs to achieve growth

History

We have not engaged in M&As to expand size before. We have mainly engaged in M&As and revitalized companies to cultivate new business.

Blue: Human Resources and Education Business
Green: Information and Telecommunications Business
Orange: Real Estate Business



Main Subsidiaries and Associates

Human Resources and Education Business

Connecting people to jobs a new ways of working



WORLD INTEC CO., LTD.



WORLD STAFFING CO., LTD.



WORLD CONSTRUCTION CO., LTD.



WORLD NEXT CO., LTD.



DOT WORLD CO., LTD.



JW SOLUTION CO., LTD.



TOHOWORLD



WORLD INTEC TAIWAN CO., LTD.



WORLD INTEC AMERICA



EngmaIntec



GEOGRAPHIC INFORMATION OF KYUSHU, INC.



Camera & Video Repair Service
NIKKEN
TECHNO CO., LTD.



SAINS



Information and Telecommunications Business

Bring people together through new styles of communications with information technologies



BEST IT BUSINESS CO., LTD.

Others



CROWDWEIGHT CO., LTD.



ADVAN CO., LTD.

Real Estate Business

Connecting people with homes shaping the way we live through home creation



WORLD RESIDENTIAL CO., LTD.



WORLD ICITY CO., LTD.



WORLD WISTERIA HOMES CO., LTD.



NICHIMO REAL ESTATE CO., LTD.



COMPAX CO., LTD.



WORLD DEVELOPMENT INDONESIA



MIKUNI



WORLD MIKUNI CO., LTD.



M'S WORLD CO., LTD.



OMACHI WORLD CO., LTD.

Finance



WORLD ASSET MANAGEMENT CO., LTD.

MIRAI SERVICING CO., LTD.

Main Subsidiaries and associates: 36

<Consolidated: 32/Non-consolidated: 4>

Domains of the Human Resources and Education Segment



We cover a broad range of domains centered around manufacturing with our seamless services.



R&D

R&D Business

Design/ Development

Technology
Business

Manufacturing

Factory Business

Logistics

Factory Business

Sale

Sales &
Marketing Business

After-sales Service

Technology Business

For clients

**Our capability of meeting
needs in any field all by
ourselves**

Value

For workers

A wide range of job vacancies and
plenty of opportunities to improve skills
and develop careers

Growth potential

R&D Business

Biotechnology/Chemical
Researcher at CRO
About 1,100

Technology Business

Design/Development
Engineer
About 2,750

Factory Business

Manufacturing/Logistics
Operator
About 20,200

Sales & Marketing Business

Sales and light work
About 1,650

About **25,700** workers in service

*As of the end of March 2021



Outsourcing market
expansion against the
backdrop of COVID-19

Market scale: 3.5 trillion yen + α

No. 1 brand

Manufacturing
field



Creation of
unprecedented
markets

Market scale: 6.5 trillion yen + α

Cultivation

Service field

To become No.1 in the manufacturing field

+

To cultivate business in the service field

Domains of the Real Estate Segment

Real estate for investment

Development

Condominiums/Detached houses

Commercial land development

Conduct business mainly in major cities of the Tohoku, Tokyo Metropolitan, Kinki and Kyushu areas



Residential Kamiitabashi Park Gate (Tokyo)

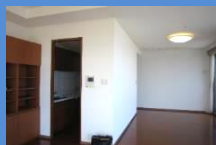
Real estate revitalization

Renovation

Redevelopment

Conduct real estate revitalization business, such as renovation, around Japan.

Before



After



Distribution
Brokerage
property management

Real estate finance

Collection of receivables

Asset management



One-time revenue business

Recurring revenue business

Stabilization by combining one-time revenue business and recurring revenue business and by combining areas with different business cycles

Appropriately expand scale in the real estate for investment field and achieve growth in real estate finance

Domains of the Information and Telecommunications Segment



Mobile phone shop

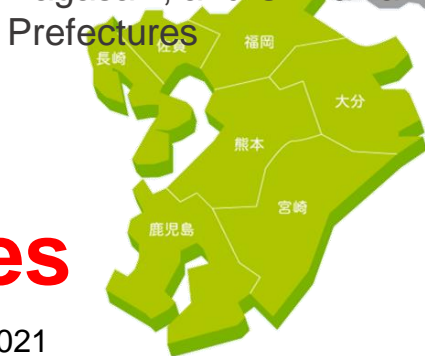
The largest network of stores in Kyushu

Cell phone shops in Fukuoka, Saga, Oita, Kumamoto, Nagasaki, and Okinawa Prefectures

- Softbank Shop
- au Shop
- Y! Mobile Shop

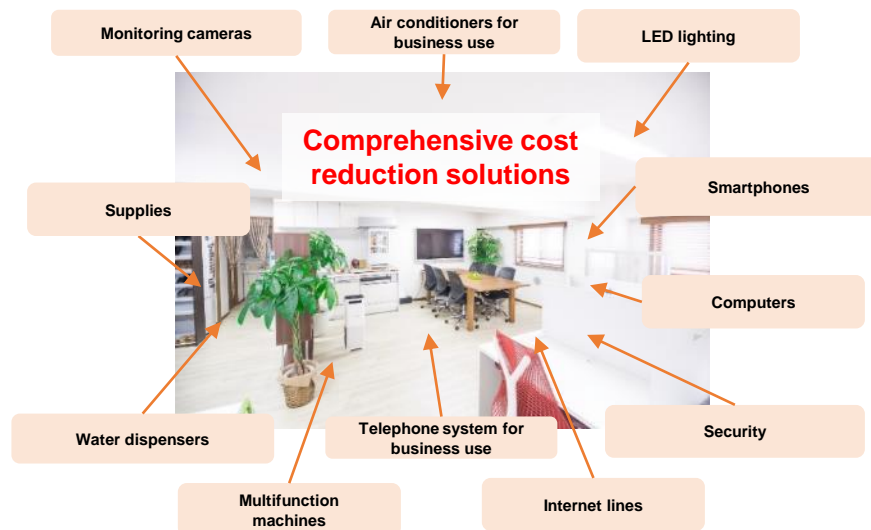
36 stores

As of March 2021



Corporate solutions

We propose the reduction of costs for electric power, communications, etc. by selling our products to corporations.



Call center

Sale of various products for individuals and corporations



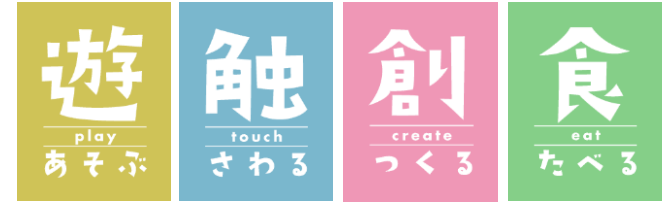
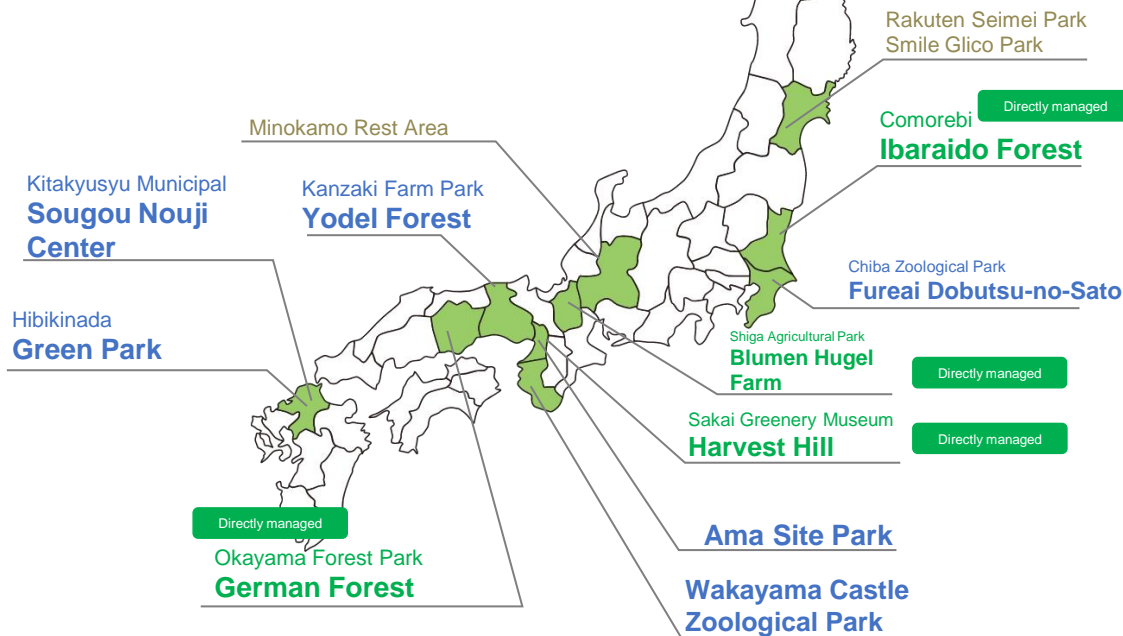
Operation and Management of Agricultural Parks, Etc.

Other



Operation of nature-rich agricultural parks, etc. at 12 locations around Japan

Operation of a total of 12 facilities, including 4 directly managed facilities and other entrusted facilities



We also produce and sell homemade sausages, confectionery, beers, etc.

Group synergy

Job creation and regional development

To create a broad range of jobs for local communities and vitalize and develop each region

The “Ways We Live”



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