



# Create a Sustainable World.

FY2022 Financial Results

Second Quarter

August 18, 2022 (Thu.)  
WORLD HOLDINGS CO., LTD.  
TSE Prime Market (2429)

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# Summary of FY2022 Second Quarter Financial Results

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# Summary of Financial Results

## Overall summary

Sales and earnings up because of the strong performance of the Human Resources and Education Business

### Net sales

**¥86.2 billion**  
+32.5% YoY

### Operating profit

**¥4.6 billion**  
+88.8% YoY

## Human Resources and Education Business

Strong performance in all categories; received large orders for projects reflecting current market trends

### Net sales

**¥61.8 billion**  
+28.2% YoY

### Operating profit

**¥2.5 billion**  
+38.8% YoY

## Real Estate Business

Property sales were completed as expected; performance higher than planned despite majority of sales/earnings expected in 2H as some property sales were moved up to the first half

### Net sales

**¥17.5 billion**  
+67.4% YoY

### Operating profit

**¥1.5 billion**  
+296.5% YoY

## Information and Telecommunications Business

Fee income down as major changes take place in Japan's mobile phone shop sector

### Net sales

**¥4.5 billion**  
-7.1% YoY

### Operating profit

**¥70 million**  
-18.1% YoY

## Agricultural Park Business

A big increase in attendance; record-high sales/earnings after joining the World Holdings Group

### Net sales

**¥2.2 billion**  
+60.0% YoY

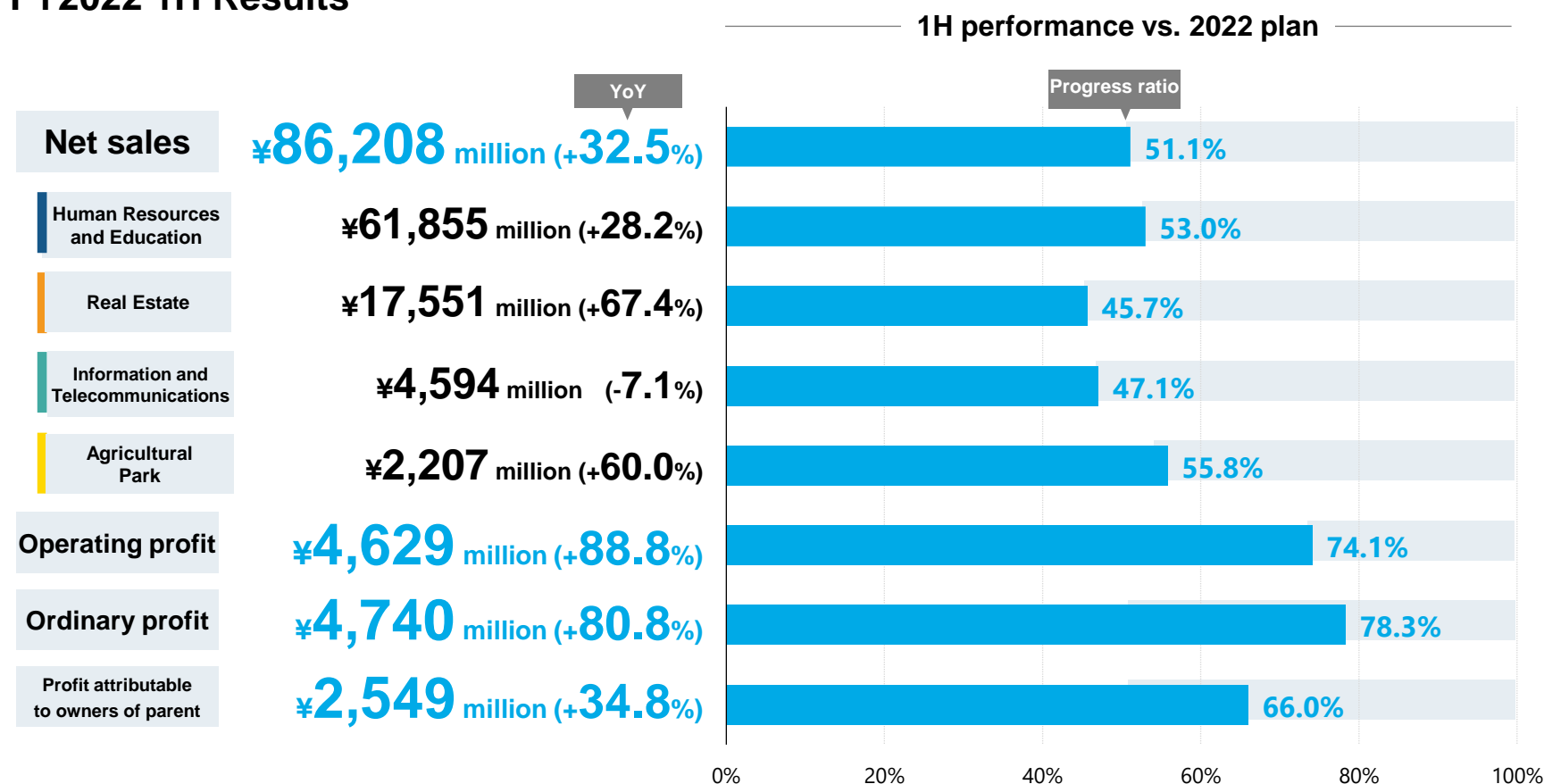
### Operating profit

**¥0.18 billion**  
- YoY

# First Half Performance vs. 2022 Plan

- Sales and earnings were higher than in the first half of 2021.
- Sales/earnings higher than planned in the core Human Resources and Education Business as accurate marketing activities resulted in large orders reflecting current market trends. In the Real Estate Business, property sales and deliveries were as expected with some closings moved up from the 2H to the 1H.

## FY2022 1H Results

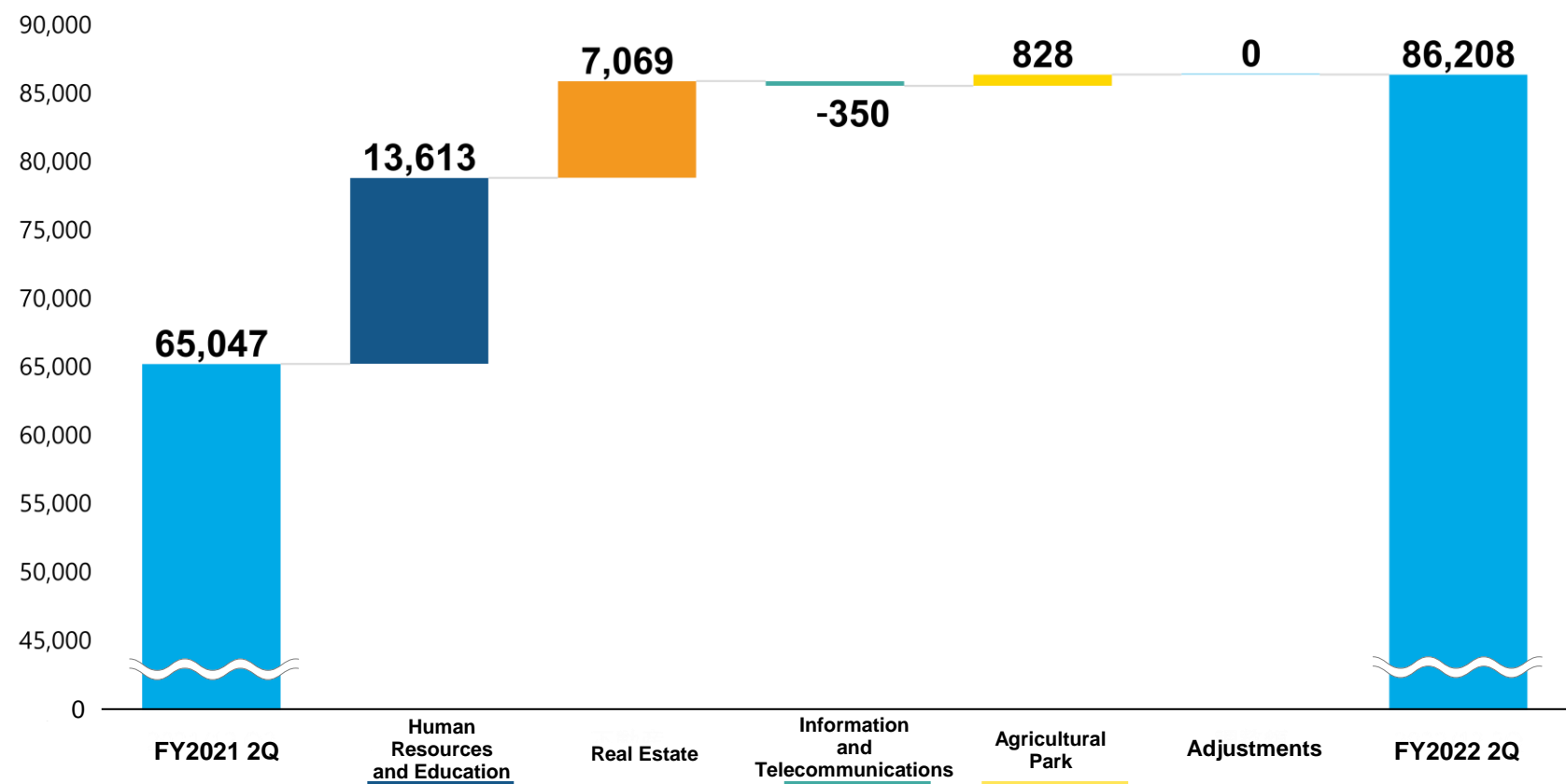


# Components of Change in Net Sales

- In the Human Resources and Education Business, sales were strong in the semiconductor, electronic component, logistics and other sectors; vaccination centers and other sources of extra demand also contributed to the big increase in sales.
- In the Real Estate Business, sales increased as property sales closed as planned.

## Net sales

(Million yen)

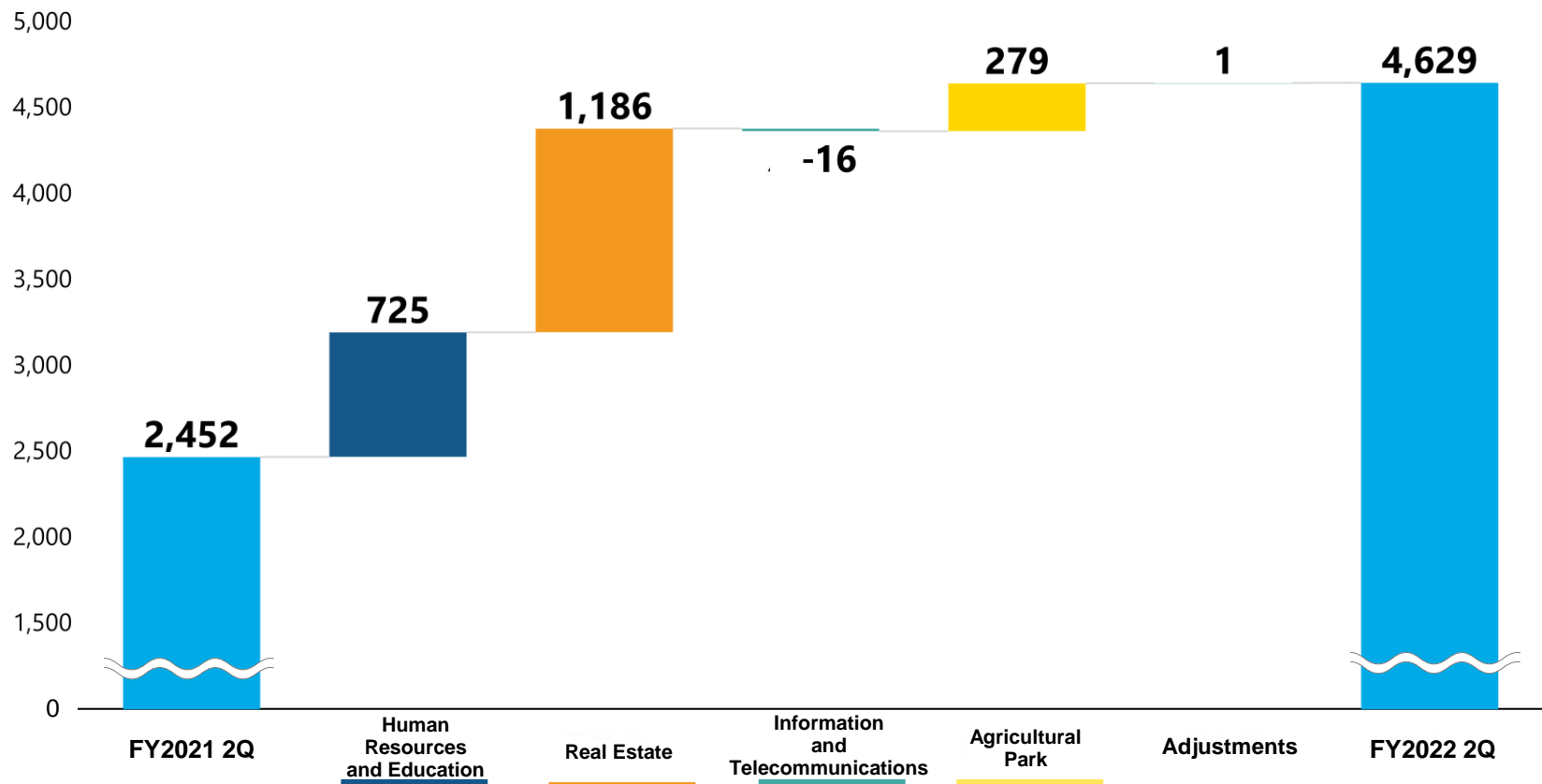


# Components of Change in Operating Profit

- In the Human Resources and Education Business, earnings increased because of the ability to handle large projects and progress with raising productivity, such as by using subcontracting contracts and providing training.
- In the Real Estate Business, closings of sales of high-margin properties contributed to earnings growth.

## Operating Profit

(Million yen)



# Overview of Business Results by Segment

- The core Human Resources and Education Business surpassed the plan backed by growth of both the Products HR and Services HR businesses.
- In the Real Estate Business, performance exceeded the plan as some closings of property sales were moved up from the 2H to the 1H.
- In the Agricultural Park Business, performance exceeded the plan as the success of numerous measures resulted in a larger number of visitors than initially planned.

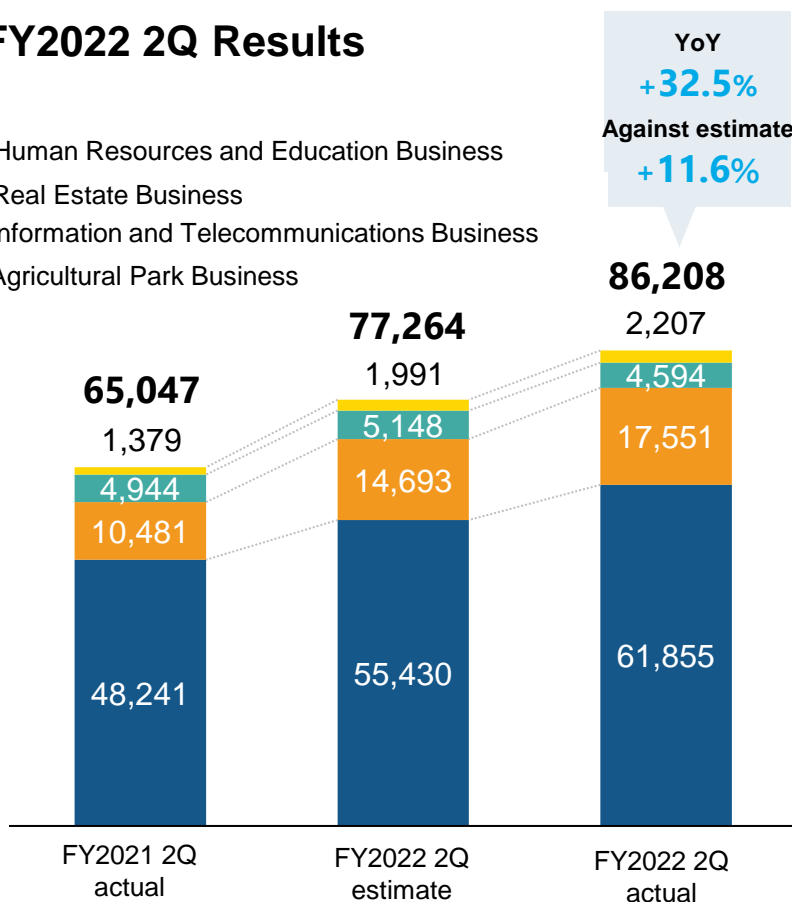
(Million yen)		2021/2Q actual	2022/2Q estimate	2022/2Q actual	Against estimate		YoY	
					Change	Pct. Change	Change	Pct. Change
<b>Human Resources and Education Business</b>	Net sales	48,241	55,430	61,855	6,424	11.6%	13,613	28.2%
	Segment profit	1,871	839	2,597	1,757	209.3%	725	38.8%
	Profit margin	3.9%	1.5%	4.2%				
<b>Products Human Resources Business</b>	Net sales	32,864	37,980	41,203	3,223	8.5%	8,338	25.4%
	Segment profit	1,468	665	1,901	1,236	185.7%	433	29.5%
	Profit margin	4.5%	1.8%	4.6%				
<b>Services Human Resources Business</b>	Net sales	15,377	17,450	20,651	3,201	18.3%	5,274	34.3%
	Segment profit	402	174	695	521	299.7%	292	72.7%
	Profit margin	2.6%	1.0%	3.4%				
<b>Real Estate Business</b>	Net sales	10,481	14,693	17,551	2,857	19.4%	7,069	67.4%
	Segment profit	400	-480	1,587	2,068	-	1,186	296.5%
	Profit margin	3.8%	-	9.0%				
<b>Information and Telecommunications Business</b>	Net sales	4,944	5,148	4,594	-553	-10.8%	-350	-7.1%
	Segment profit	93	137	76	-60	-43.9%	-16	-18.1%
	Profit margin	1.9%	2.7%	1.7%				
<b>Agricultural Park Business</b>	Net sales	1,379	1,991	2,207	216	10.9%	828	60.0%
	Segment profit	-95	115	184	69	60.3%	279	-
	Profit margin	-	5.8%	8.4%				
<b>Total</b>	Net sales	65,047	77,264	86,208	8,944	11.6%	21,160	32.5%
	Elimination or corporate	181	522	183	-339	-64.9%	1	1.0%
	Operating profit	2,452	1,133	4,629	3,495	308.4%	2,177	88.8%
	Profit margin	3.8%	1.5%	5.4%				

# Overview of Net Sales by Segment

- Sales in the Human Resources and Education Business were supported by accurate marketing activities and a larger than planned number of large orders associated with current market trends.
- Sales in the Real Estate Business were strong, including the contribution of some 1H closings of sales that were planned for the 2H.

## FY2022 2Q Results

- Human Resources and Education Business
- Real Estate Business
- Information and Telecommunications Business
- Agricultural Park Business



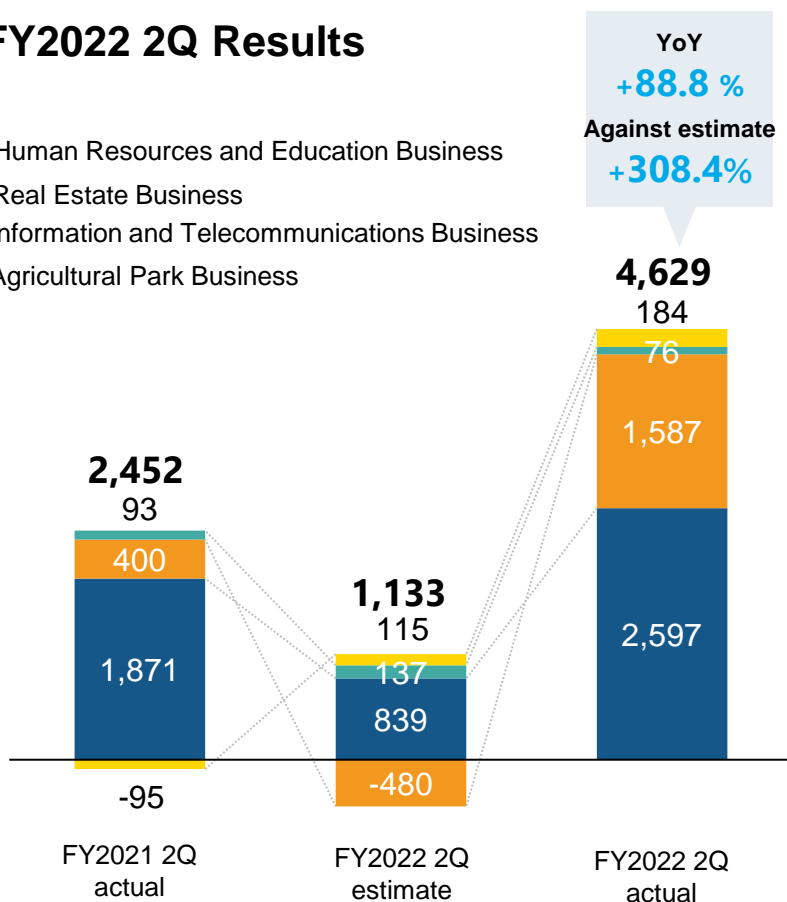
	2021/2Q actual	2022/2Q estimate	2022/2Q actual
Human Resources and Education Business	48,241	55,430	61,855
Real Estate Business	10,481	14,693	17,551
Information and Telecommunications Business	4,944	5,148	4,594
Agricultural Park Business	1,379	1,991	2,207
Total	65,047	77,264	86,208

# Overview of Operating Profit by Segment

- Higher earnings in the Human Resources and Education Business because of the use of subcontracting and teams, higher productivity due to the DX and other measures, and orders associated with extra sources of demand
- Earlier than planned sales of some high-margin properties raised earnings in the Real Estate Business.

## FY2022 2Q Results

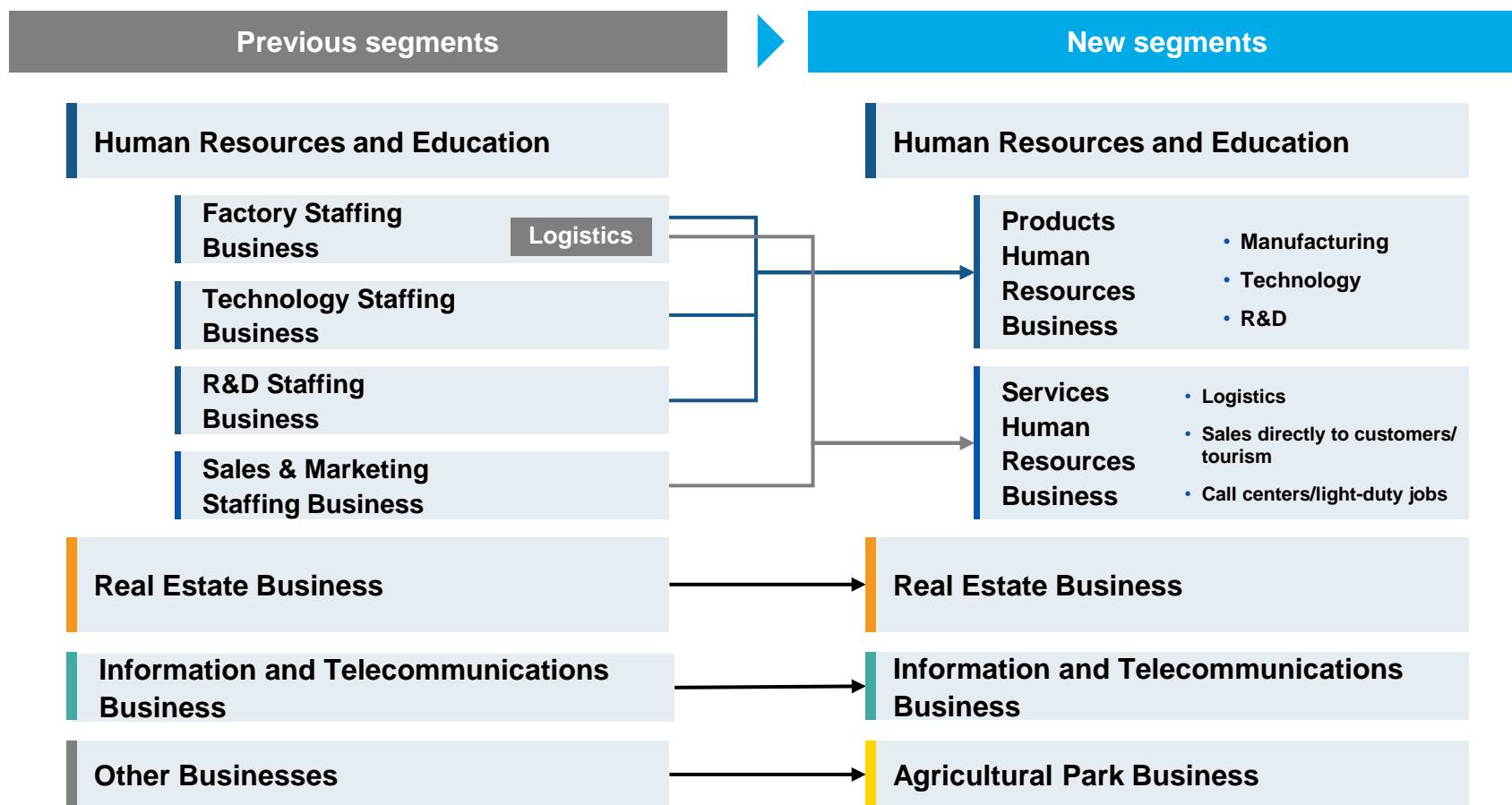
- Human Resources and Education Business
- Real Estate Business
- Information and Telecommunications Business
- Agricultural Park Business



	2021/2Q actual	2022/2Q estimate	2022/2Q actual
Human Resources and Education Business	1,871	839	2,597
Real Estate Business	400	-480	1,587
Information and Telecommunications Business	93	137	76
Agricultural Park Business	-95	115	184
Total	2,452	1,133	4,629

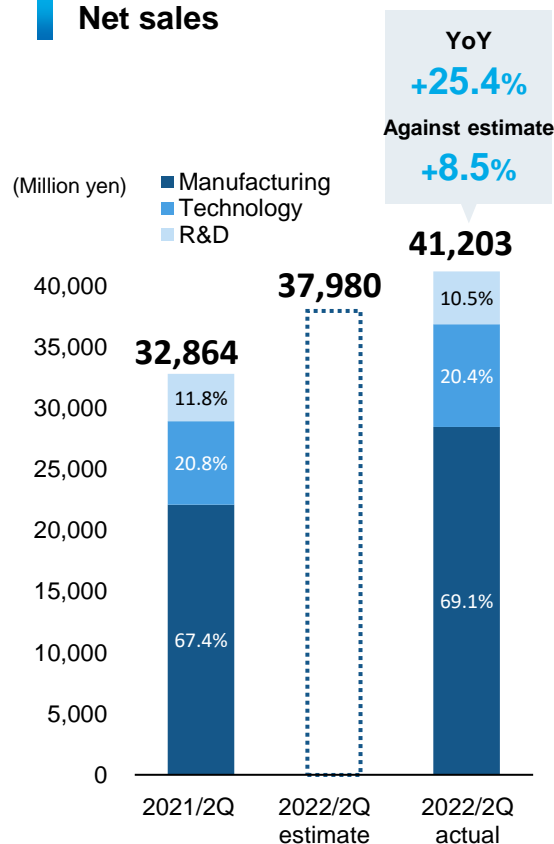
# Changes in Segment Classification

- The core Human Resources and Education Business has been divided into the Products and Services segments with the goal of developing services into another core business alongside manufacturing (products).
- The Agricultural Parks Business has become an independent segment to provide a framework for strengthening this business, which is an environmentally responsible business that plays an important role in society.

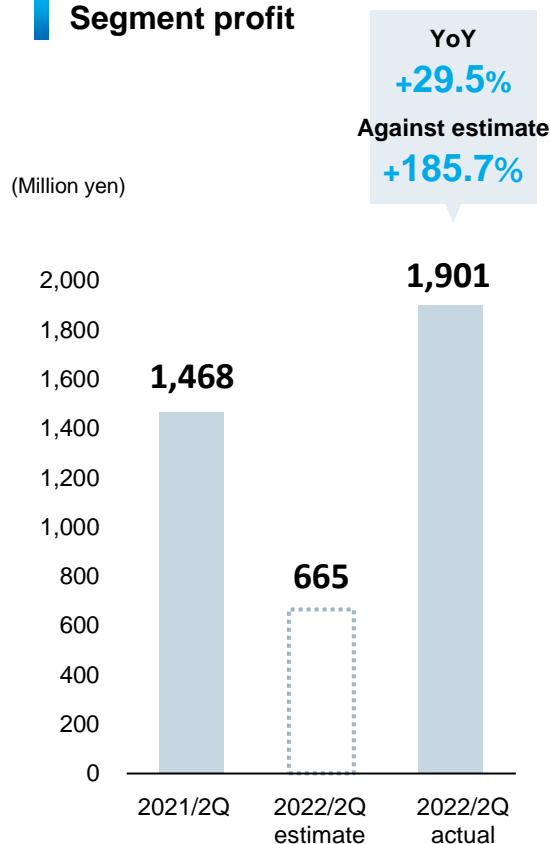
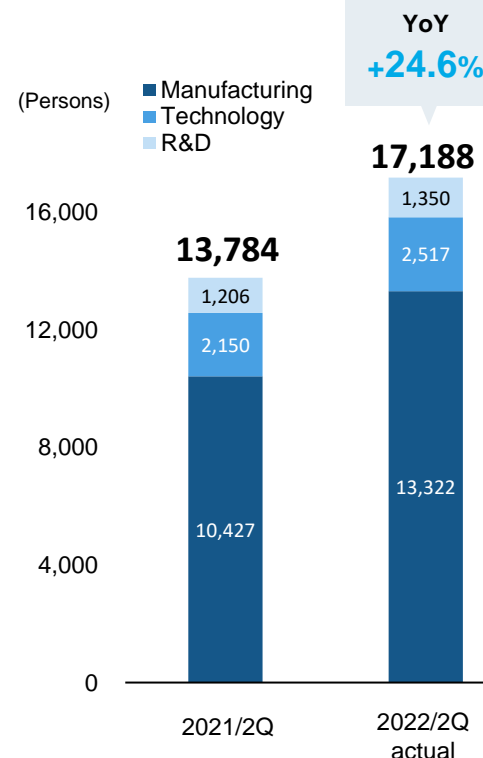


- Strong performances in the manufacturing, technology and R&D categories because of accurate marketing activities
- Semiconductor and electronic components categories remained strong; new orders for large projects and extensions; manager training, DX and other measures for higher productivity; and a shift to projects with higher rates
- Invested in Cloud Staffing as part of measures to establish an industry-standard platform.

## Net sales



## Segment profit

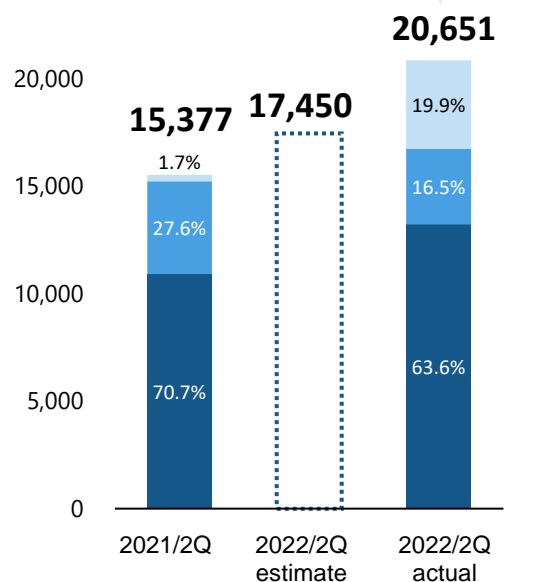
Temporary Placement Workforce  
\*3-month average

- In the core logistics category, new locations are performing as planned and activities are continuing to add more sales and customer service bases in this business sector.
- In the light-duty work and customer service categories, orders for large projects were higher than planned in the public sector, vaccination center category and other categories.
- This business is using the outstanding hospitality skills of new group member Dimples Co., Ltd. to strengthen staffing for face-to-face sales to customers and capture synergies with existing businesses.

## Net sales

(Million yen)

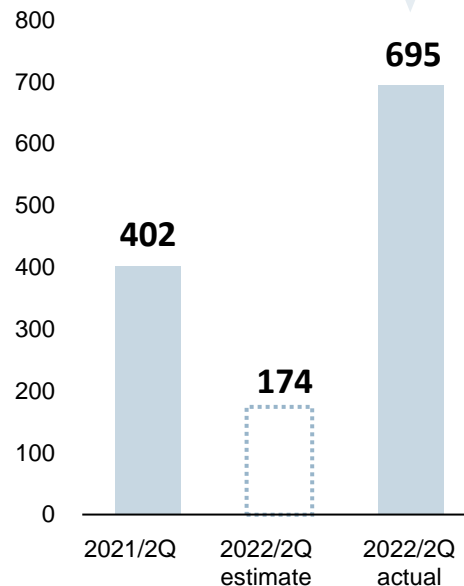
- Logistics
- Call centers/light-duty jobs
- Sales directly to customers/tourism



## Segment profit

(Million yen)

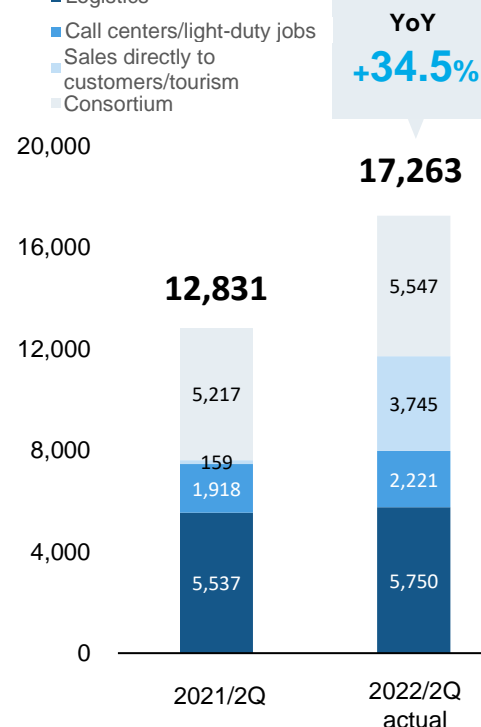
**YoY +72.7%**  
**Against estimate +299.7%**



## Temporary Placement Workforce \*3-month average

(Persons)

- Logistics
- Call centers/light-duty jobs
- Sales directly to customers/tourism
- Consortium



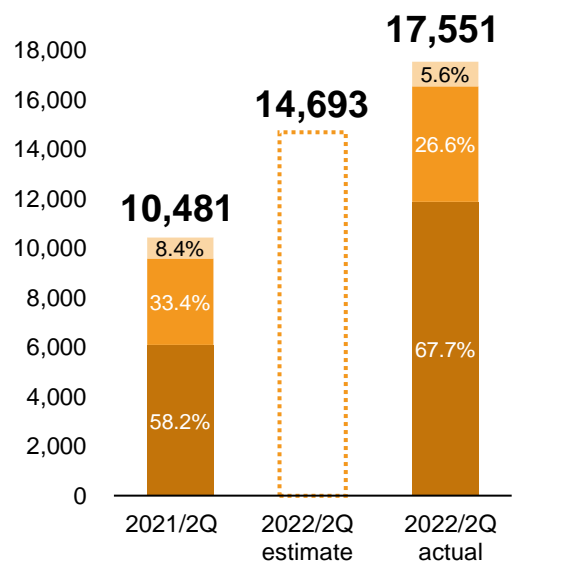
# Real Estate Business

- A solid performance including closings of some sales originally scheduled for the 2H
- Retaining a cautious stance because prices of real estate are remaining high while making steady progress with purchasing real estate by utilizing real estate M&A and the creation of sites for commercial use, which are key strengths of this business.
- Sales are in line with the outlook; closings of most major sales are planned for the 2H of 2022.

## Net sales

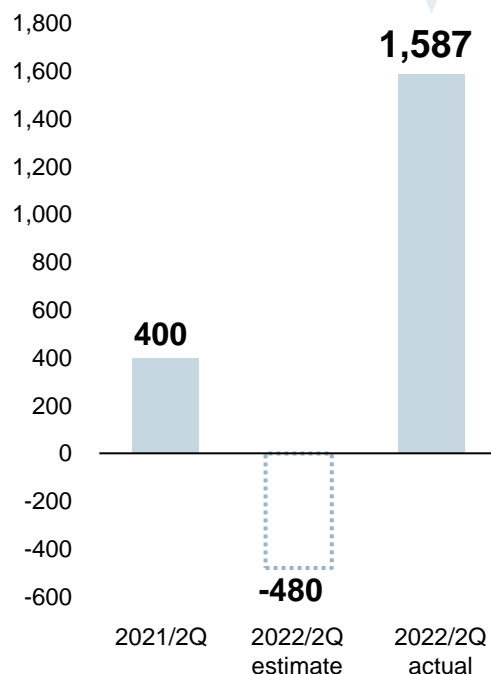
(Million yen)

- Developer-related
- Renovation-related
- Prefabricated house-related



## Segment profit

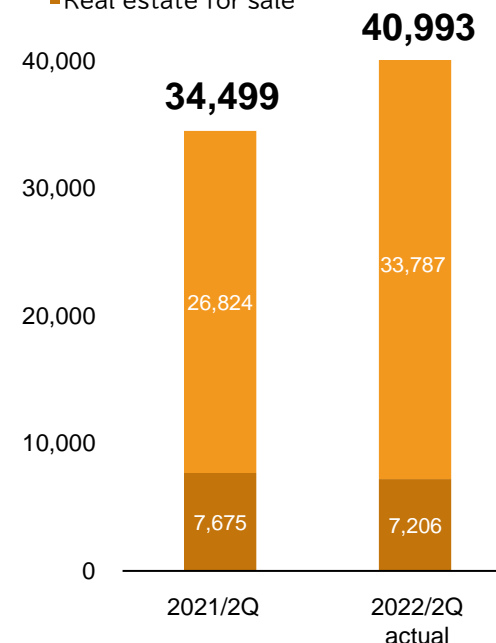
(Million yen)



## Real estate for sale

(Million yen)

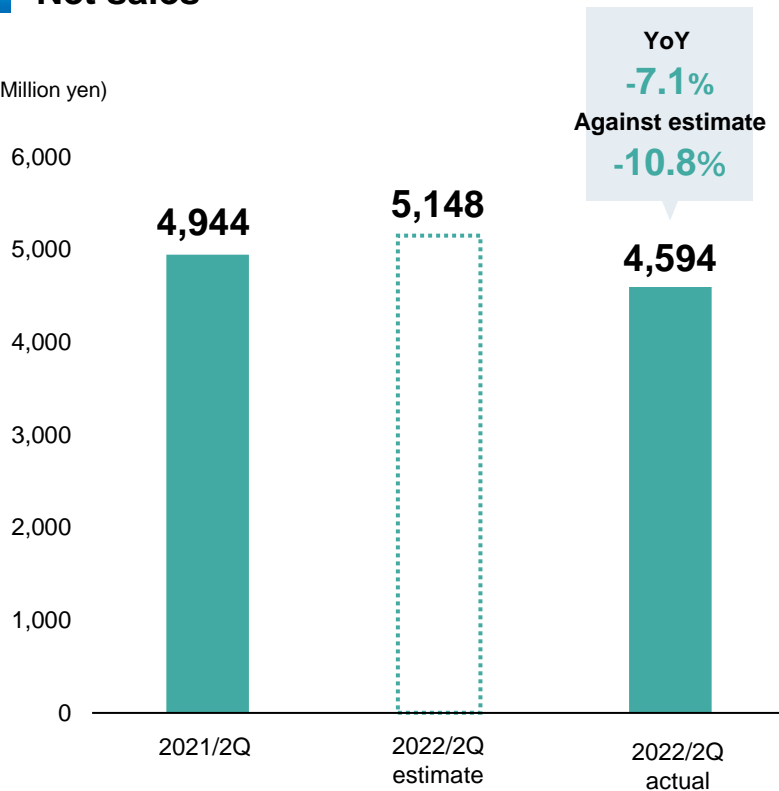
- Real estate for sale in process
- Real estate for sale



- Another period of major changes in Japan's mobile phone shop sector because all carriers are lowering the cost of service plans and launching new plans solely for internet access. Fee income is decreasing as rates decline and for other reasons.
- To receive benefits as one of the surviving mobile phone shop operators, this business is building a network of competitive stores with close ties to the areas they serve and creating a powerful portfolio of businesses.

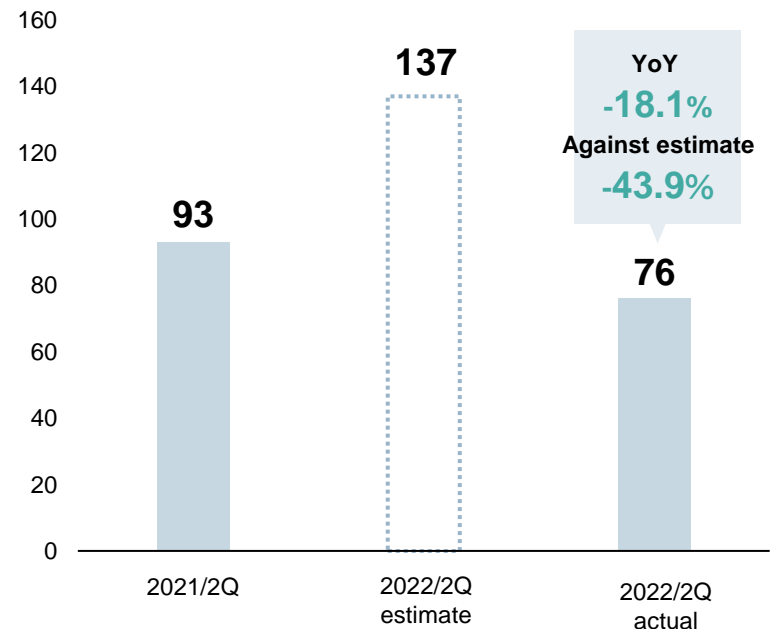
## Net sales

(Million yen)



## Segment profit

(Million yen)

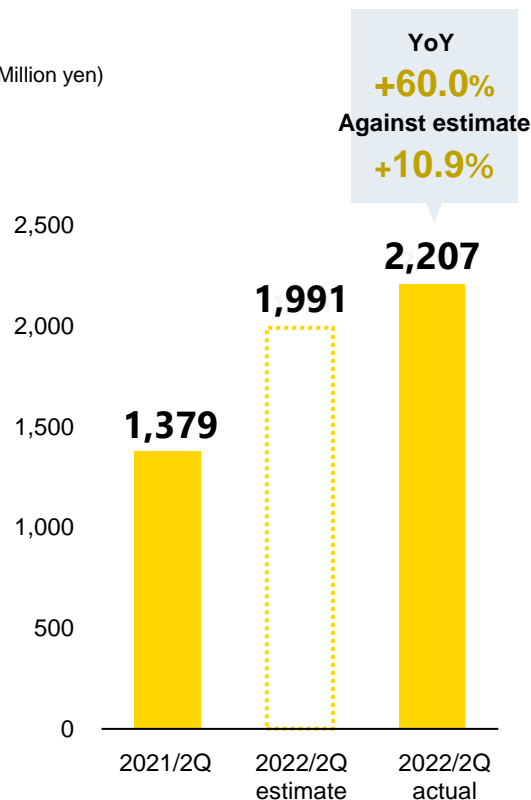


# Agricultural Park Business

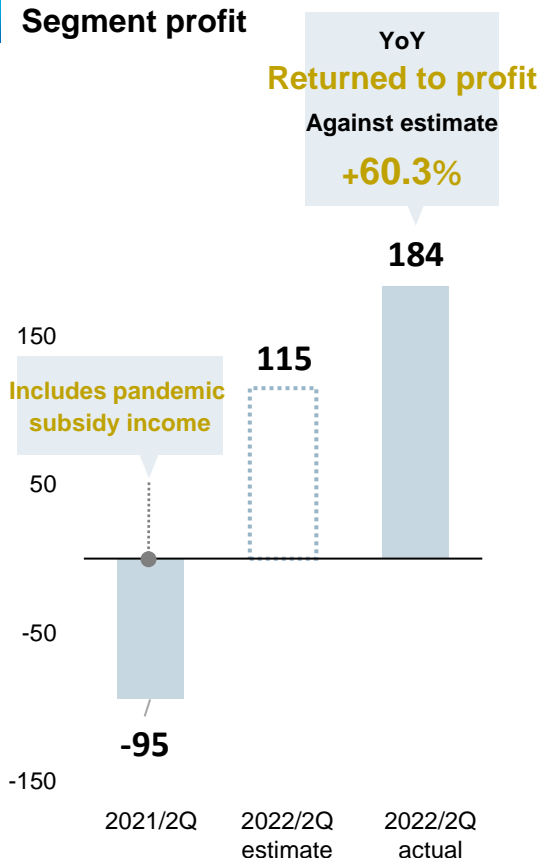
- Attendance in February was down YoY due to record-setting cold weather but was higher YoY in every other month. The number of 2Q visitors was a new all-time high.
- In April, this business became the contract manager of Ohashi Kogen International Exchange Village in the city of Mimasaka in Okayama prefecture.

## Net sales

(Million yen)



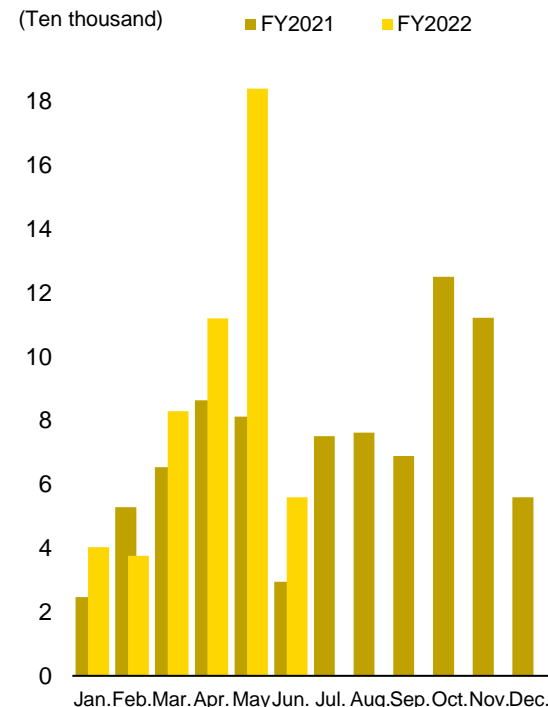
## Segment profit



## Number of visiting customers

\*Total of direct managed facilities

(Ten thousand)

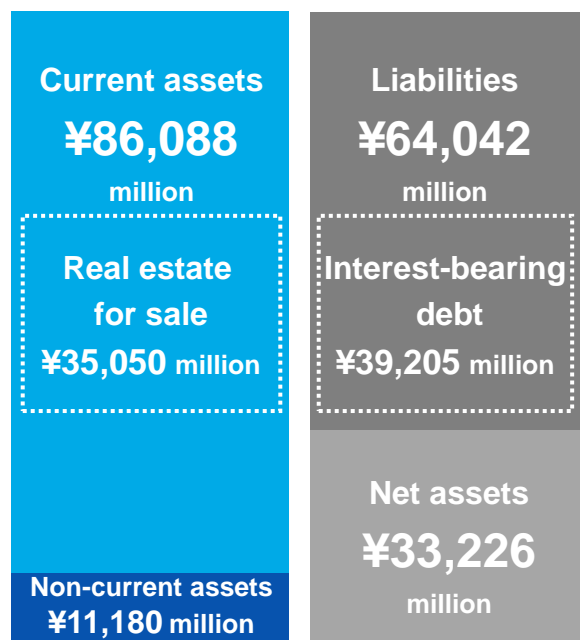


# Financial Condition B/S

- Current assets increased ¥8,562 million to ¥94,650 million mainly because of an increase in real estate for sale.
- Liabilities increased ¥12,275 million to ¥76,317 million mainly because of an increase in debt.
- Non-current assets increased mainly because of a ¥3,801 million increase in goodwill resulting from a new consolidated subsidiary.

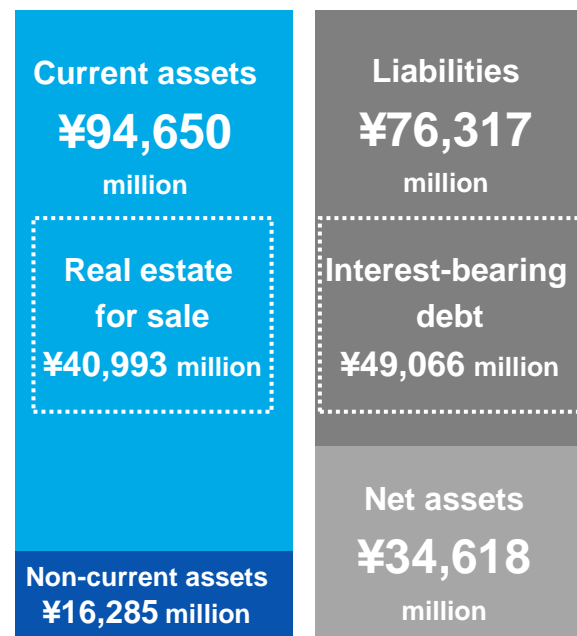
## End of December 2021

Total assets **¥97,269** million



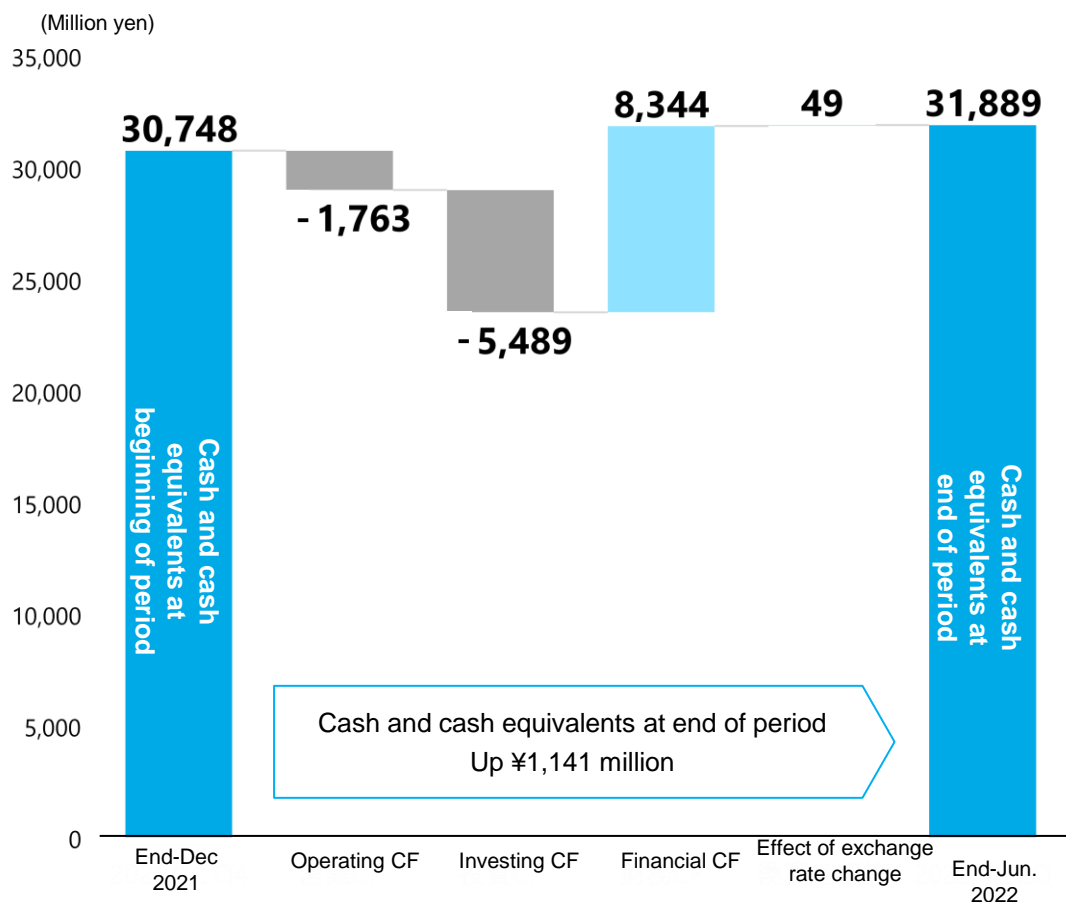
## End of June 2022

Total assets **¥110,936** million  
(+¥13,667 million)



\*Real estate for sale is the sum of real estate for sale and real estate for sale in process.

- Negative operating cash flows because of the increase in real estate for sale
- Negative investing cash flows resulting from a new consolidated subsidiary
- Positive financing cash flows because of long-term borrowings



## Summary of 1H 2022 cash flows

### Cash flows from operating activities

Profit before income taxes	¥4,740 million
Increase in real estate for sale	¥4,182 million
Increase in advances received	¥600 million
Increase in accrued expenses	¥1,788 million
Decrease in other current liabilities	¥3,176 million
Income taxes paid	¥-1,411 million

### Cash flows from investing activities

Purchase of property, plant and equipment	¥-1,145 million
Loan advances	¥-100 million
Purchase of investments in consolidated subsidiary	¥-4,165 million

### Cash flows from financing activities

Net decrease in short-term borrowings	¥3,762 million
Proceeds from long-term borrowings	¥14,184 million
Repayments of long-term borrowings	¥-675 million
Dividends paid	¥-1,388 million



## Outlook for the Term Ending Dec. 2022

- 20. Revisions to Forecasts for FY2022**
- 21. Outlook by Business Segment**
- 22. Shareholder Distributions**

# Revisions to Forecasts for FY2022

- The 2022 sales and earnings forecasts have been increased because of the strong performance of the core Human Resources and Education Business and the larger than planned number of closings of real estate sales.
- Forecasting record-high sales, operating profit and ordinary profit

Unit: Million yen, %	Results for the term ended Dec. 2021	Initial plan for the term ending Dec. 2022	Revisions to estimates for the term ending Dec. 2022	YoY	
				Change	Pct. change
Net sales	154,704	168,828	<b>180,000</b>	25,296	<b>16.4%</b>
Operating profit	7,481	6,244	<b>8,400</b>	918	<b>12.3%</b>
Ordinary profit	7,738	6,053	<b>8,200</b>	461	<b>6.0%</b>
Profit attributable to owners of parent	4,626	3,862	<b>4,600</b>	-26	<b>-0.6%</b>
Net income per share (Yen)	265.02	221.22	<b>263.38</b>	-1.64	<b>-0.6%</b>
Dividend per share (Yen)	79.50	66.40	<b>*80.00</b>	0.50	<b>0.6%</b>

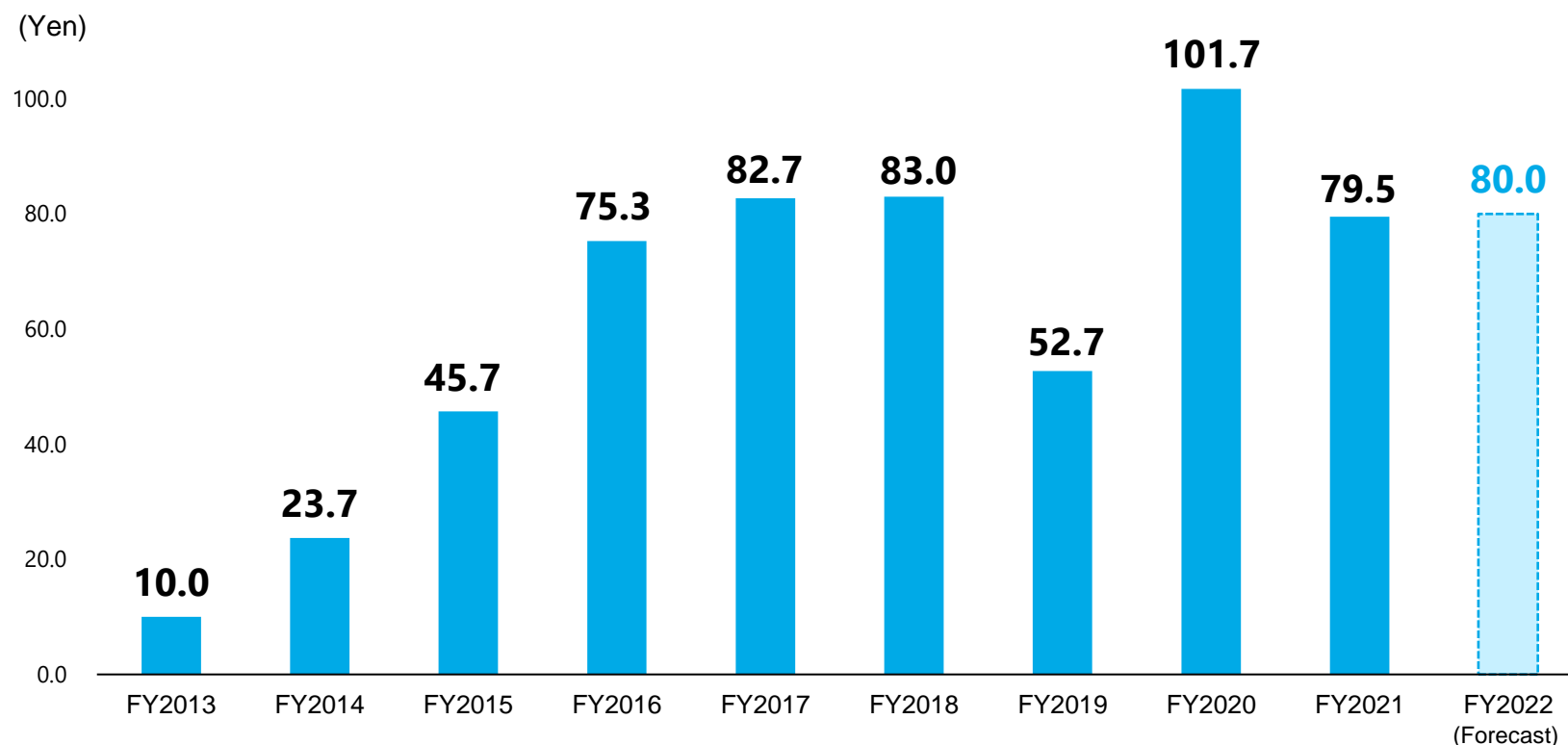
\*Revised the dividend forecast on May 12, 2022

# Outlook by Business Segment

- In the Human Resources and Education Business, the sales and earnings plans were increased because strength in the semiconductor and electronic components categories and higher productivity due to the use of subcontracting and teams.
- In the Real Estate Business, the sales and earnings plans are higher because performance is exceeding the original plan, partly due to earlier than scheduled closings of some sales.

(Million yen)		FY2021		FY2022		YoY	
		Actual	(Profit margin)	Estimate	(Profit margin)	Change	Pct. Change
Human Resources and Education Business	Net sales	104,993		129,449		24,456	23.3%
	Segment profit	4,001	(3.8%)	5,152	(4.0%)	1,151	28.8%
Products Human Resources Business	Net sales	70,668		84,801		14,133	20.0%
	Segment profit	3,088	(4.4%)	4,155	(4.9%)	1,067	34.6%
Services Human Resources Business	Net sales	34,325		44,648		10,323	30.1%
	Segment profit	913	(2.7%)	996	(2.2%)	84	9.2%
Real Estate Business	Net sales	36,978		37,868		891	2.4%
	Segment profit	2,978	(8.1%)	2,840	(7.5%)	-138	-4.6%
Information and Telecommunications Business	Net sales	9,367		8,517		-850	-9.1%
	Segment profit	118	(1.3%)	182	(2.1%)	63	53.4%
Agricultural Park Business	Net sales	3,367		4,166		798	23.7%
	Segment profit	-21	-	226	(5.4%)	246	-
Total	Net sales	154,705		180,000		25,296	16.4%
	Elimination or corporate	406		2		-404	-99.6%
	Operating profit	7,481	(4.8%)	8,400	(4.7%)	918	12.3%

- The basic policy for profit distributions is to distribute profits in a manner that reflects results of operations while retaining sufficient earnings for future business operations and for making business operations stronger. For dividends, the goal is to stably and consistently increase the dividend while using a consolidated payout ratio of 30% as the guideline for dividends.





## Medium-term Management Plan

- 24. Medium-term Management Plan**
- 25. Strategies of the Human Resources and Education Business**
- 26. New Initiatives**
- 27. Agricultural Park Business**
- 28. Growth of the Agricultural Park Business**

## 2026 Targets

Net sales

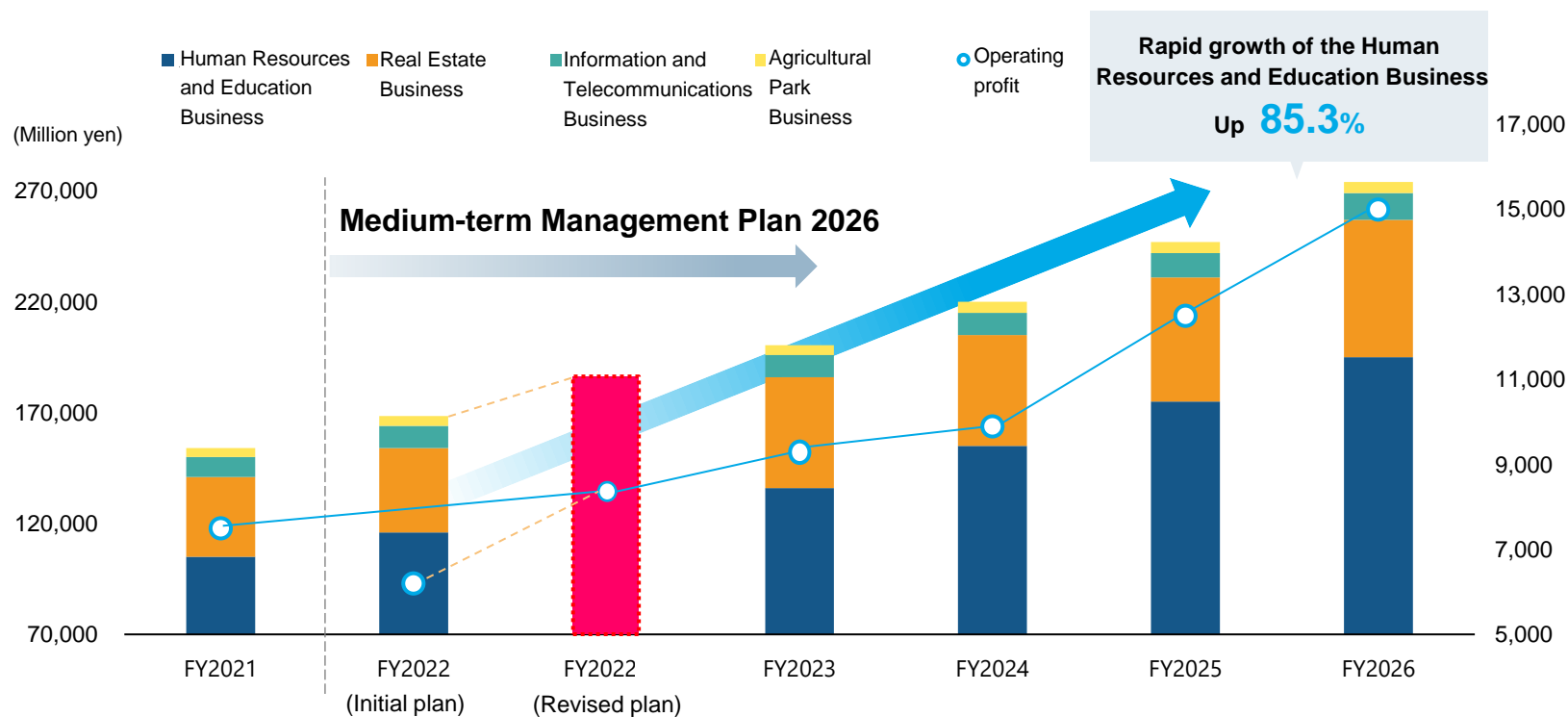
¥275.0 billion  
(+77.8%)

Operating profit

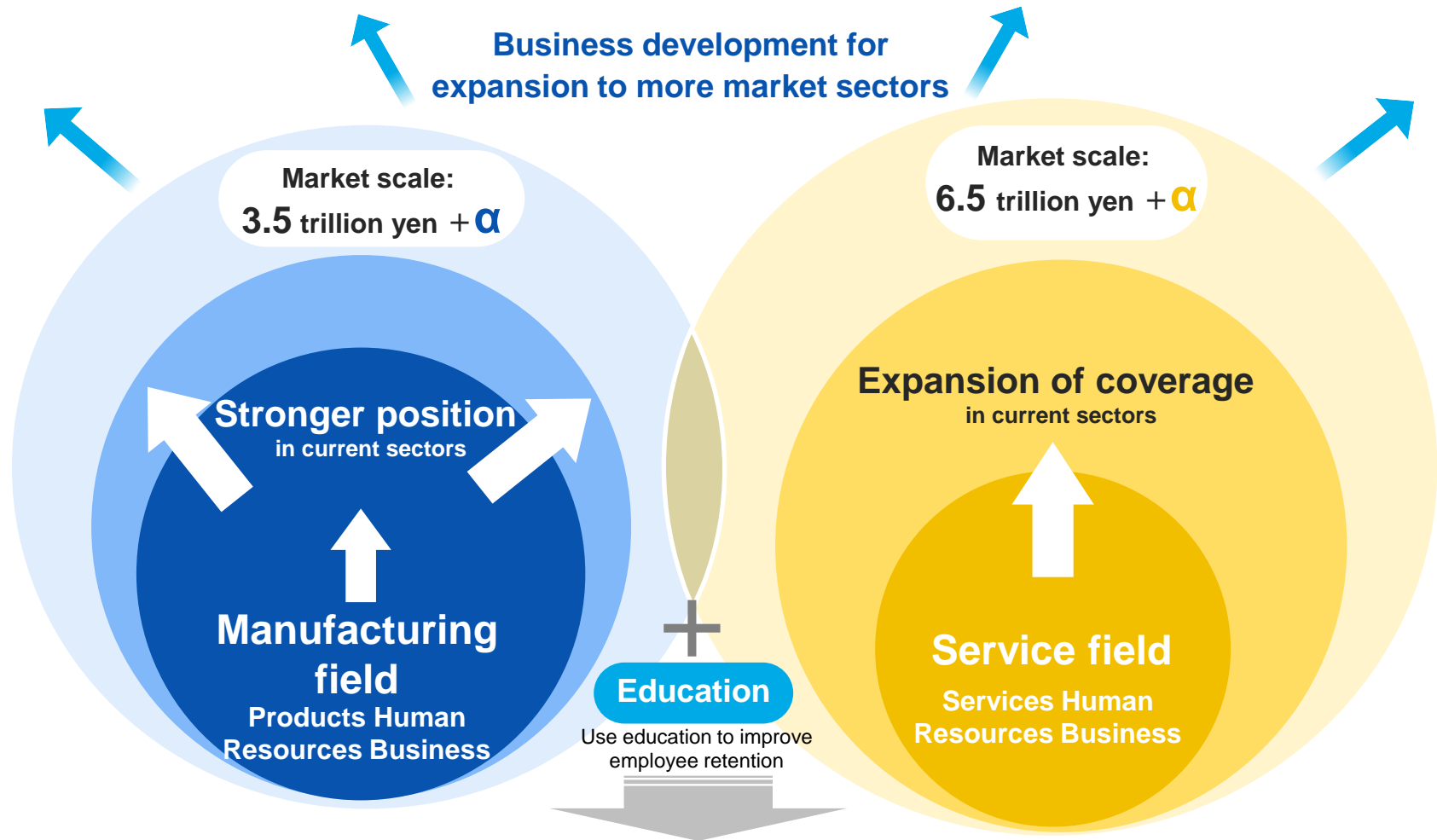
¥15.0 billion  
(+100.5%)

Payout ratio

30%



More growth by using two core business categories to cover a broad spectrum of market sectors



## Acquisition of Dimples and Expansion of the Service Category

- Dimples Co., Ltd. is engaged in the temporary and permanent placements of people with outstanding hospitality skills who work directly with customers and performs outsourced data-related tasks. By serving department store companies for many years, Dimples has acquired considerable expertise involving sales activities with direct customer contact. The company is guided by the vision of “providing many places for people who can use a smile to make others happy.”

The registered workforce of Dimples includes large numbers of career-path people in their 20s with a commitment to providing outstanding hospitality and in their 30s with a high level of communication skills. Dimples uses these human resources to provide accurate matching to meet the human resources requirements of about 7,500 client companies.

### Annual registrations



About **9,500** people

\*FY2021 results

### Gender composition



Women

**85%**

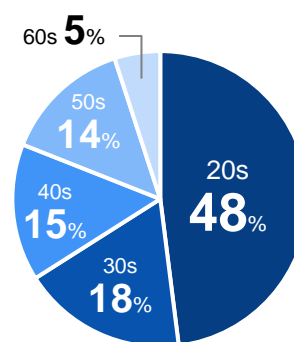
\*As of October 2021



Men

**15%**

### Age composition



\*As of October 2021

### Cumulative client companies



About **7,500**

\*As of May 2021

## “The Ways We Live” in the Agricultural Park Business



### Nature

#### Manager of 15 agricultural parks

Agricultural parks create new “ways we live” by using interactions between people and nature to be a source of happiness.



### Region

#### Close ties with communities

Agricultural parks work with local governments where they are located, providing jobs and functioning as an integral part of the local economy and agriculture sector.



### Children

#### An ideal educational environment for children

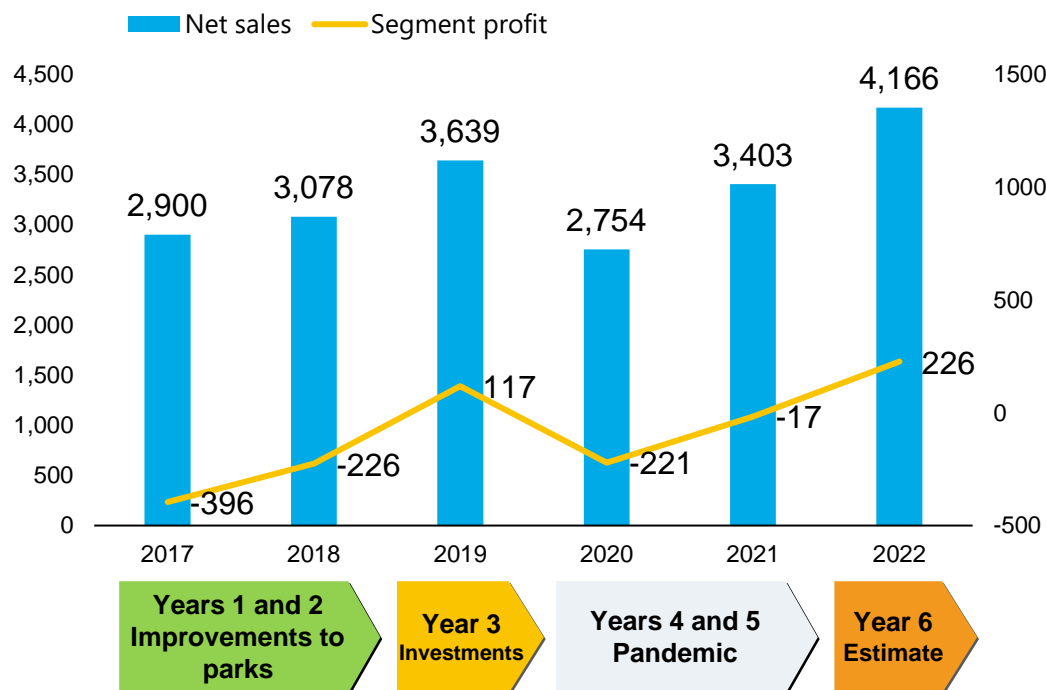
Agricultural parks use new approaches to enable children learn more about nature, culture and history in the regions where the parks are located.

The ways we look to the  
future

## Increasing the importance of agricultural parks as an outdoor recreation and education facility

- The Agricultural Park Business became profitable three years after becoming part of the World Holdings Group.
- During the pandemic in 2020-2021, marketing and other activities to raise awareness of parks and attract visitors resulted in consistent progress with reinforcing the role of these parks as recreation and education facilities that are needed by communities.

## Sales and Profit after Becoming a World Holdings Group Business



Comorebi Ibaraido Forest  
Sylvanian Park



A swing at Okayama Forest Park  
– German Forest



Blumen Hugel, Shiga Agriculture Park  
Alps Gym



Many visitors on a  
holiday in May

# IV

## Appendix

- 30. The Purpose of the World Holdings Group**
- 31. The Ways We Live**
- 32. Sustainability**
- 33. Business Portfolio**
- 34. Main Group Companies**
- 35. History**
- 36. Business Domains of the Human Resources and Education Business**
- 37. Business Domains of the Real Estate Business**
- 38. Information and Telecommunications Business**
- 39. Agricultural Park Business**
- 40. Business Performance Trend**

## Contribute to happiness and a sustainable society through the creation of a variety of **ways we live** worldwide

Enabling people worldwide to enjoy even more energetic and fulfilling lives will create happiness and contribute to progress in many ways, thereby helping to make the world better.

Our mission is to play a role in the creation of an energetic and stimulating society where people can enjoy their lives.



## Human Resources and Education

### The ways we work

We want to help people of all kinds find jobs that best match their skills and goals in order to enable them to experience the joy and satisfaction of work. By providing training, we give people the skills to achieve their full potential, which supports the growth and advancement of businesses.



## Real Estate

### The ways we create communities

Pleasant communities are essential for people to lead enjoyable and fulfilling lives. By designing these communities, we provide an environment for vibrant and satisfying lifestyles. Activities place priority on preserving the environment and natural resources in order to be a responsible member of society.



## The Ways We Live



## Information and Telecommunications

### The ways we provide convenience and safety

We are dedicated to creating the use of today's advanced information technology infrastructure for being a source of convenience and for establishing an environment where people can enjoy their lives with convenience and confidence.











## Agricultural Parks



### The ways we look to the future

Agricultural parks help protect the environment and conserve the earth's resources while giving children a place where they can grow. By operating these parks, we are playing a role in sustainable social progress.



Real Estate	Agricultural Parks	Provide products that make houses environmentally responsible and pleasant as well as play a role in creating communities where people can live with confidence		
Real Estate	Agricultural Parks	Help protect the environment and conserve the earth's resources and give children a place where they can grow while enjoying healthy and educational outdoor activities		

Human Resources and Education	Reduce poverty by establishing a stable base for people's lives by providing suitable jobs for people of all kinds				
Human Resources and Education	Enable people of all kinds to achieve their full potential by providing training and high-quality educational programs				
Human Resources and Education	Maintain workplaces where everyone, regardless of gender, can perform their jobs to the best of their ability				
Human Resources and Education	Provide jobs that match the characteristics of each individual and create workplace environments where people can experience the joy and satisfaction of work; realizing the full potential of people contributes to economic growth too				
Human Resources and Education	Information and Telecommunications			Use education as a foundation for progress in the manufacturing sector and expand the utilization of the IT infrastructure as a base for technological innovation	
Human Resources and Education	Information and Telecommunications			Real Estate	Play a role in the constant advancement of society by using ties with a broad spectrum of industries, the consortium model and other activities

Stronger governance	Upgrade the fairness, transparency and speed of governance of the World Holdings Group Rigorous compliance program/Even stronger risk management		
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## Create a Sustainable World.

Use a well-balanced business portfolio for rapid growth and activities that help create a sustainable world

### Human Resources and Education Business



Products Human Resources Business

Services Human Resources Business



私たちは持続可能な開発目標(SDGs)を支援しています

### The “Ways We Live”



### Real Estate Business



Real Estate

### Information and Telecommunications Business



Information and Telecommunications

### Agricultural Park Business



Agricultural Parks

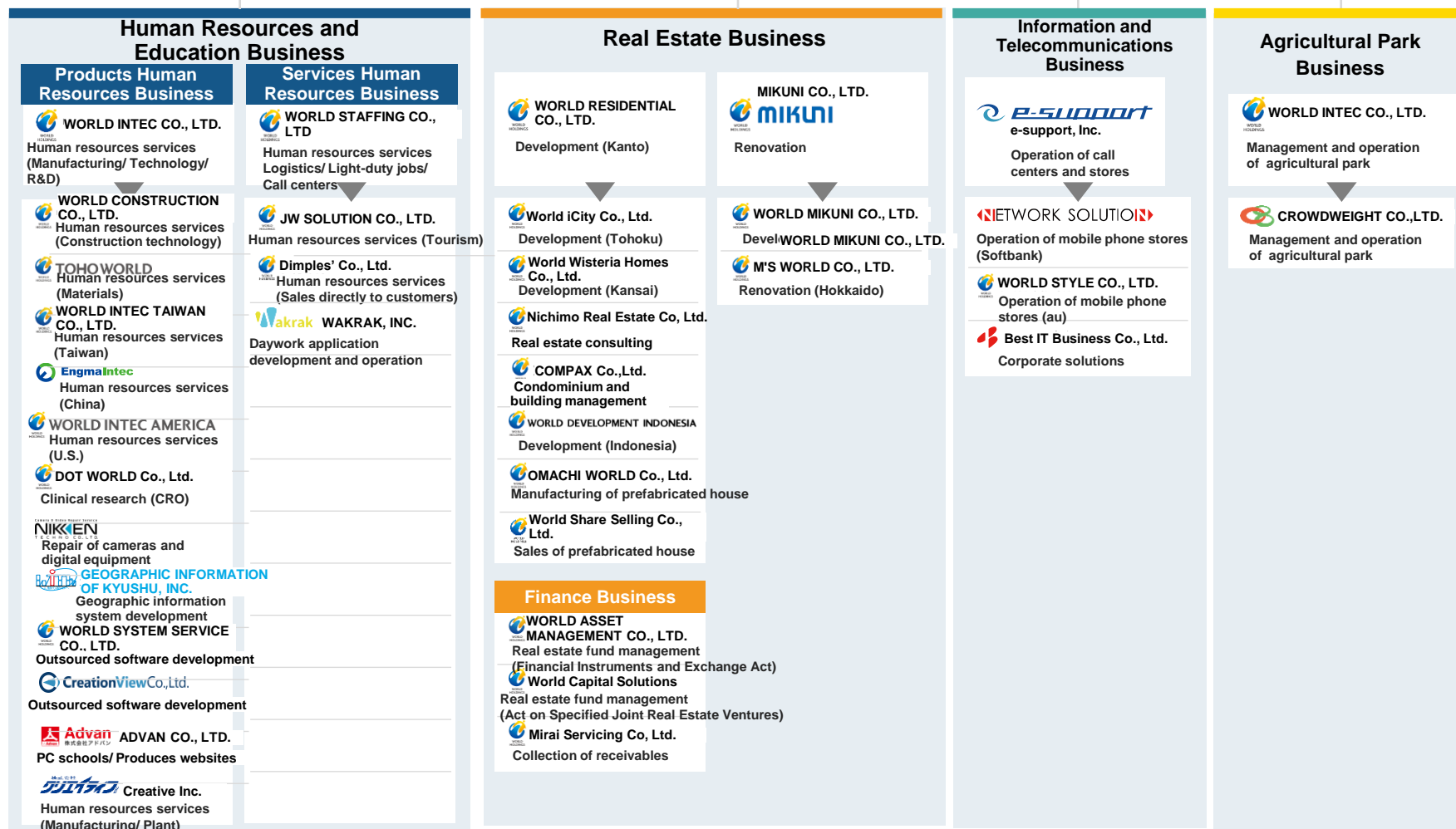
Establishment of a business model focused on the ability to respond to changes

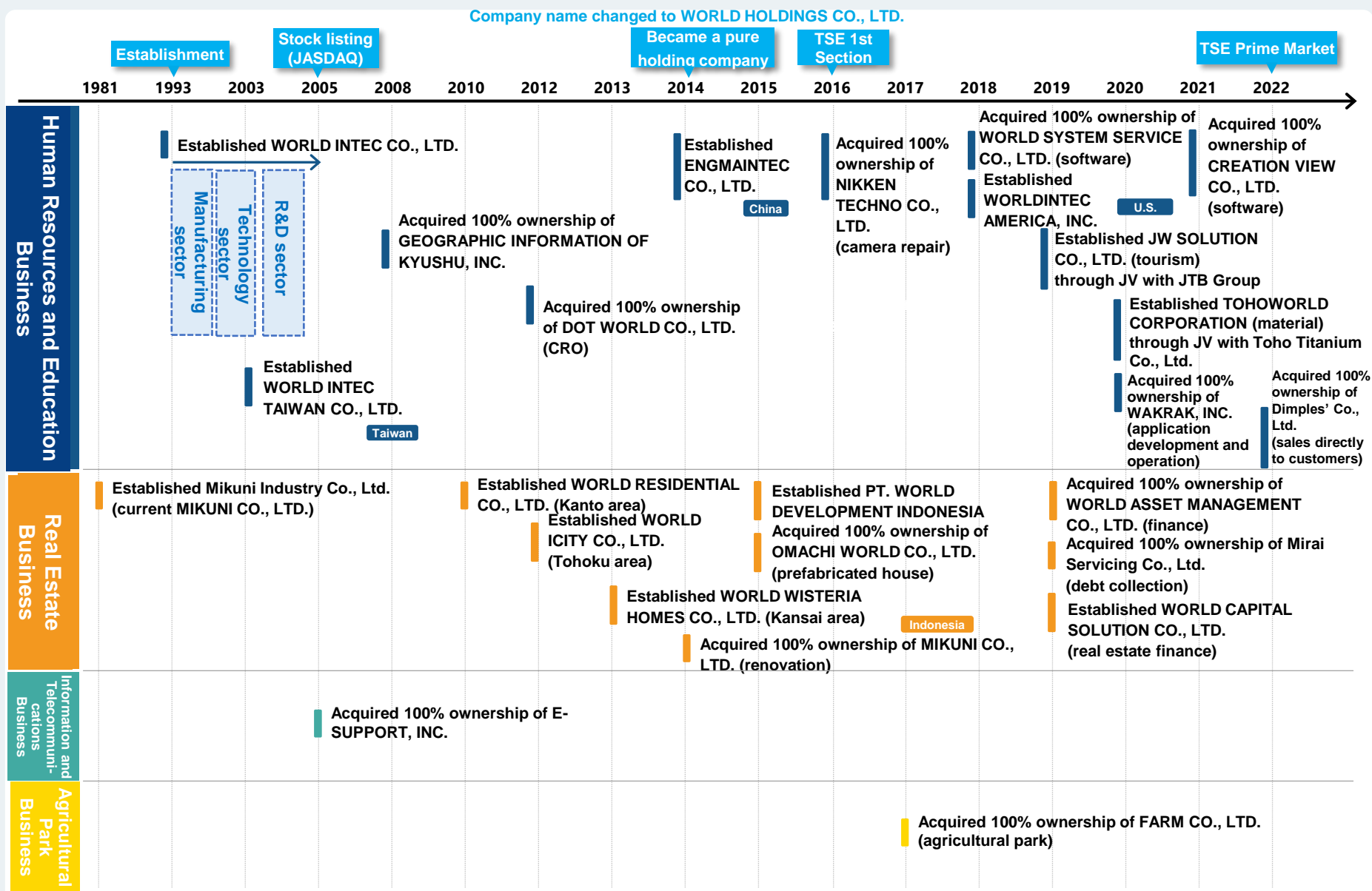
Diversification of business

Decentralization

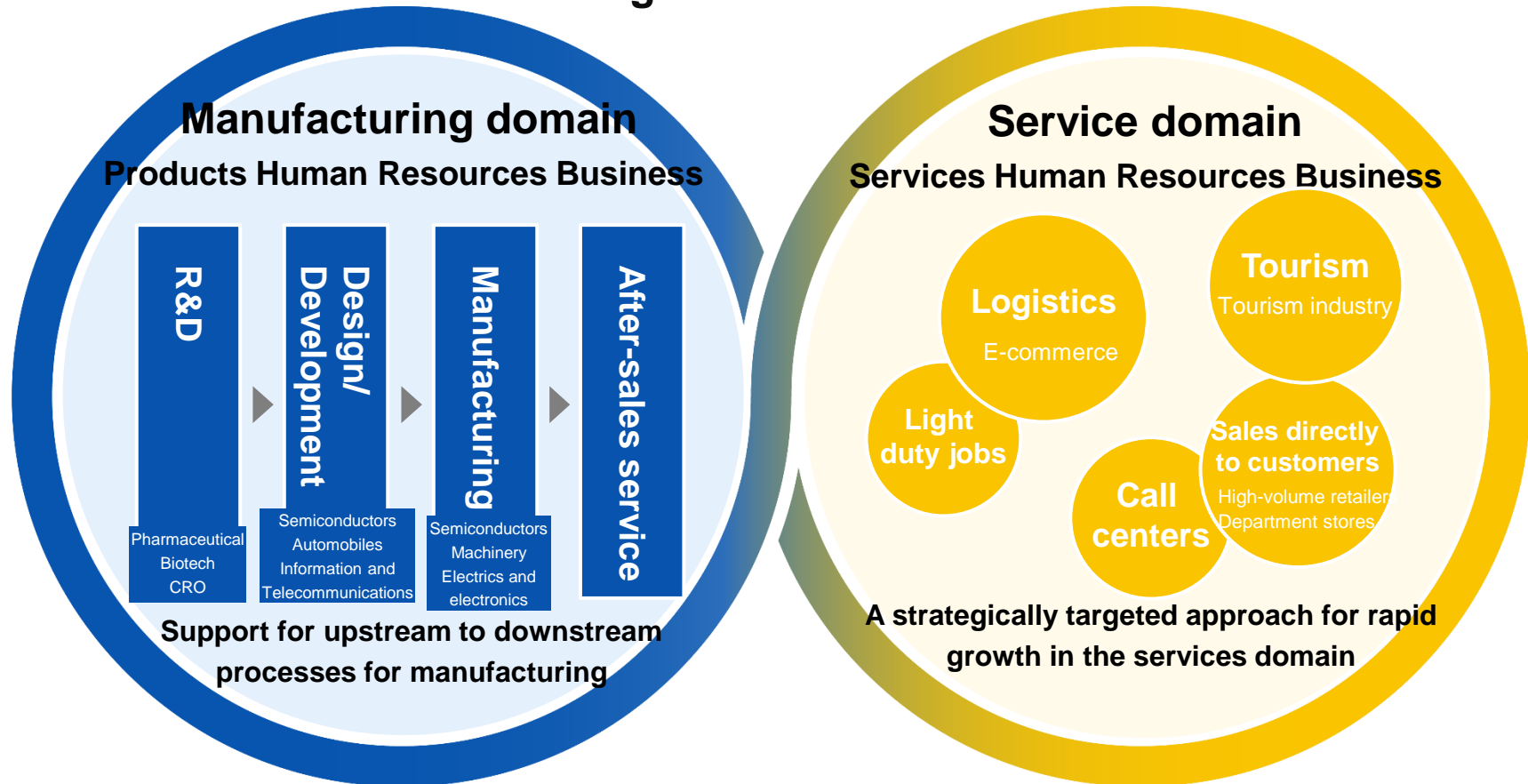
One-time revenue business

Recurring revenue business





Business process outsourcing and staffing services that seamlessly cover a broad range of business domains



About **34,450** workers in service

\*As of June 2022

## Building an infrastructure able to adapt to any change in the business climate

### 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 Aobahirosegawa  
(Sendai, Miyagi)

#### Real estate revitalization

**Renovation**

**Redevelopment**

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



Examples of renovation



### Real estate trust beneficiary rights

#### Real estate Finance

**Asset management**

Real estate fund management



BIZIA Koujimachi Building

## 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

**34** stores

As of March 2022



## Corporate solutions

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

### Comprehensive cost reduction solutions



### Call center

Sale of various products  
for individuals and corporations



# Agricultural Park Business

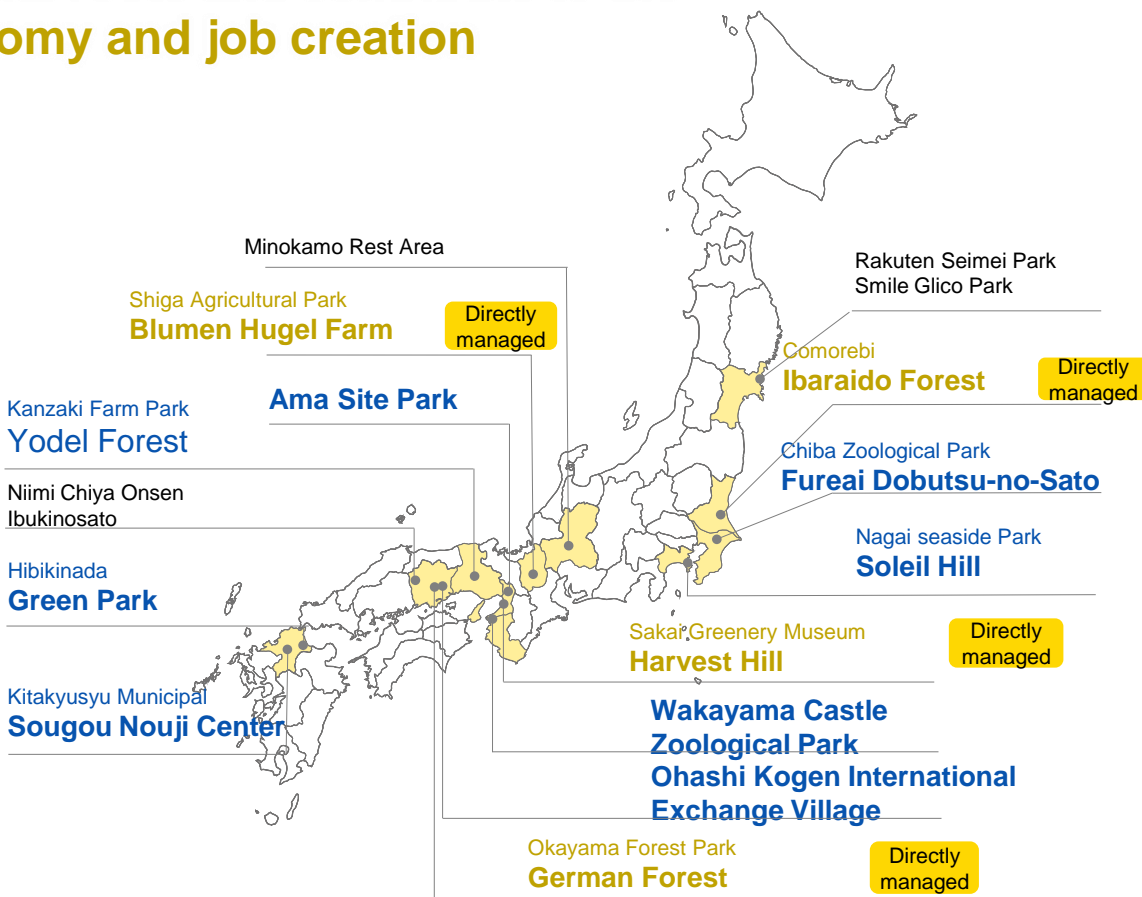
## Operation of nature-rich agricultural parks, etc. at 15 locations around Japan

Operation of a total of 15 facilities, including 4 directly managed facilities and other entrusted facilities

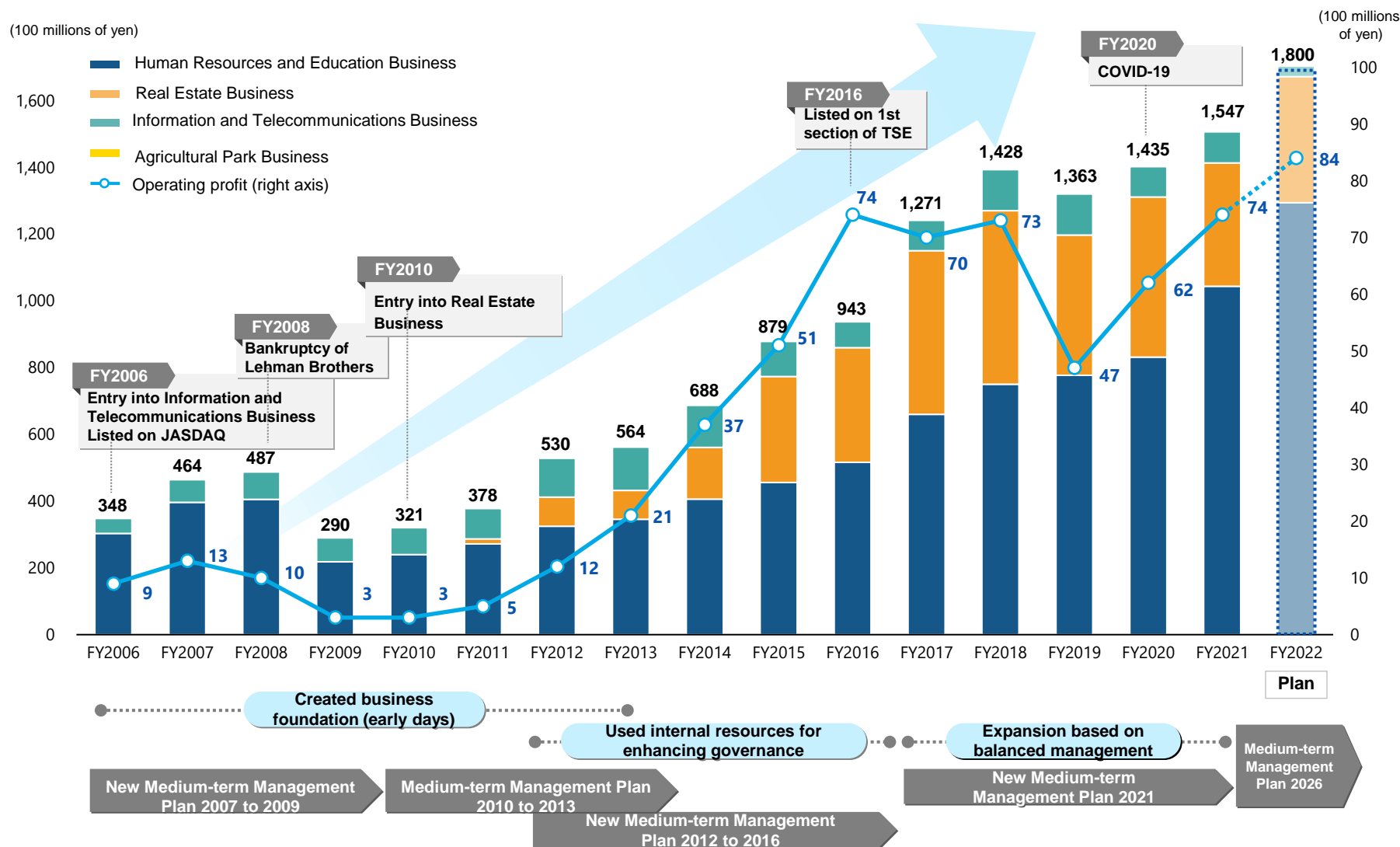
Deepen regional roots and contribute to the regional economy and job creation



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



# Business Performance Trend



Note: The former segments had been used until FY2021, and the new segments are used for the plan for FY2022.

## The “Ways We Live”



No information in this presentation is provided for the purpose of soliciting purchases or sales of our stock.

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We do not guarantee the accuracy of this information and may revise this

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