



Create a Sustainable World.

FY2024 Financial Results

Second Quarter

August 9, 2024 (Fri.)

WORLD HOLDINGS CO., LTD.

TSE Prime Market (2429)

CONTENTS

01

Summary of FY2024
Second Quarter
Financial Results

P.3

02

Outlook for the Term
Ending December
2024

P.13

03

Appendix

P.29





01

Summary of FY2024 Second Quarter Financial Results

P.3

- P.4 Summary of Financial Results**
- P.5 Overview of Business Results**
- P.6 Overview of Business Results by Segment**
- P.8 Manufacturing Human Resources Business**
- P.9 Services Human Resources Business**
- P.10 Real Estate Business**
- P.11 Information and Telecommunications Business**
- P.12 Agricultural Park Business**

Summary of Financial Results

Overall summary

Although sales increased, operating profit decreased due to the continued stagnation in the semiconductor industry in the mainstay Human Resources and Education Business and fewer properties soled in the Real Estate Business compared to the same period last year. However, profits in particular fared significantly better than planned due to cost controls in the Human Resources and Education Business and increased rental income in the Real Estate Business.

Human Resources and Education Business

In the Manufacturing HR Business, profits decreased due to the continued stagnation in the semiconductor industry, as well as the impact of the Noto Peninsula earthquake at the beginning of the year and production suspensions in the automobile industry, but accurate cost control and the postponement of planned recruitment investments to the second half of the year meant that results were significantly higher than planned. In the Services HR Business, sales and profits increased thanks to steady growth in the logistics division, expansion of HR support operations, and contributions from Yamato Staff Supply, as well as favorable performance in the customer service sales division. In the Human Resources and Education Business as a whole, profits decreased YoY due to the harsh business environment, but sales and profits increased on a three-month basis.

Real Estate Business

The company takes cautious approach, considering the risk of high real estate prices and rising construction costs. In this environment, some sales of properties were brought forward to the previous fiscal year, resulting in fewer properties sold compared to the same period of the previous fiscal year, and sales and profits declined. On the other hand, rental income from properties purchased in prior years and rental income resulting from the continuing strategic acquisition of properties for the real estate sales business that are currently leased to tenants.

Contracts and sales of properties scheduled for delivery in the second half of the year are also progressing smoothly.

Information and Telecommunications Business

Sales and profits increased and exceeded the plan, mainly due to the fact that the company was able to take advantage of the rush demand opportunity created by the legal revision at the end of 2023.

Agricultural Park Business

Sales and profits increased YoY in part because of a mild winter with little rain and good weather during the Golden Week, and were far above the plan. Major renovations and upgrades of park facilities during 2023 are contributing to sales growth by increasing visitor satisfaction. Operations started in April as planned at five additional parks where this business has new management contracts.

Overview of Business Results

- While the first half results consists of a planned increase in sales and a decrease in profits, profits were far above the plan. In the 2Q, operating profit recovered to about the same as in the 2Q of 2023.
- In the Human Resources and Education Business, sales were up and profits were down mainly due to continued stagnation in the semiconductor industry. In the 2Q, sales and profits increased due to flexible personnel transfer and cost controls.
- In the Real Estate Business, profits decreased as the cautious stance of this business continues. Profits were well above the plan mainly because of income from leasing real estate for sale.

(Million yen)	FY2023 2Q	FY2024 2Q	FY2024 2Q	Against plan		YoY	
	Actual	Plan	Actual	Change	Pct. Change	Change	Pct. Change
Net sales	90,461	109,547	110,805	1,258	1.1%	20,343	22.5%
Operating profit	3,685	1,189	2,358	1,168	98.3%	-1,327	-36.0%
Ordinary profit	3,645	1,010	2,381	1,370	135.6%	-1,264	-34.7%
Profit attributable to owners of parent	2,013	254	737	483	190.4%	-1,275	-63.4%
EBITDA*	4,443	-	3,401	-	-	-1,041	-23.4%
Depreciation	453	-	501	-	-	48	10.7%
Amortization of goodwill	303	-	541	-	-	237	78.1%

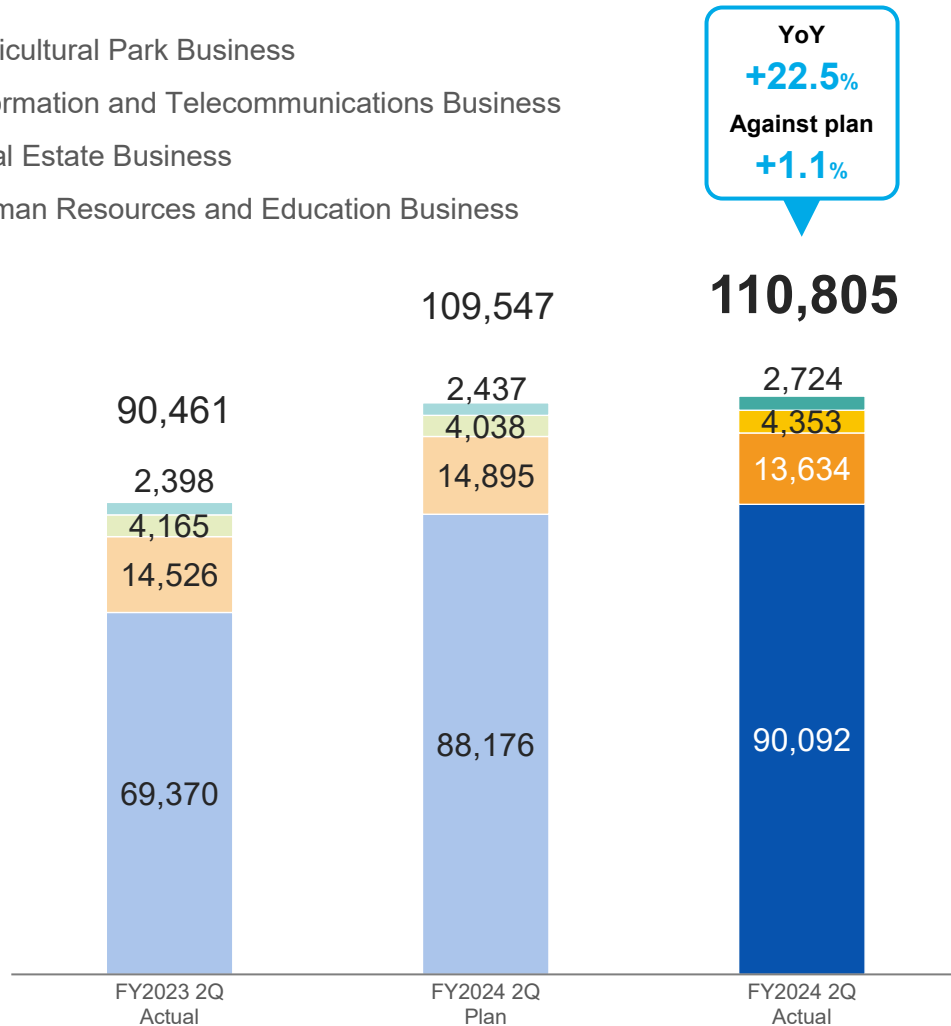
Overview of Business Results by Segment (1)

(Million yen)		FY2023 2Q	FY2024 2Q	FY2024 2Q	Against plan		YoY		
		Actual	Plan	Actual	Change	Pct. change	Change	Pct. change	
Human Resources and Education Business	Net sales	69,370	88,176	90,092	1,916	2.2%	20,721	29.9%	
	Segment profit	1,807	862	1,721	858	99.6%	-86	-4.8%	
	Profit margin	2.6%	1.0%	1.9%					
	Manufacturing Human Resources Business	Net sales	47,946	51,087	53,121	2,033	4.0%	5,174	10.8%
		Segment profit	1,650	636	1,175	538	84.6%	-475	-28.8%
		Profit margin	3.4%	1.2%	2.2%				
	Services Human Resources Business	Net sales	21,424	37,088	36,971	-117	-0.3%	15,546	72.6%
		Segment profit	156	225	545	320	141.7%	388	247.8%
		Profit margin	0.7%	0.6%	1.5%				
Real Estate Business	Net sales	14,526	14,895	13,634	-1,260	-8.5%	-891	-6.1%	
	Segment profit	1,264	-74	308	382	-	-956	-75.6%	
	Profit margin	8.7%	-0.5%	2.3%					
Information and Telecommunications Business	Net sales	4,165	4,038	4,353	314	7.8%	187	4.5%	
	Segment profit	15	38	97	59	153.1%	82	530.8%	
	Profit margin	0.4%	1.0%	2.2%					
Agricultural Park Business	Net sales	2,398	2,437	2,724	287	11.8%	326	13.6%	
	Segment profit	122	98	171	72	74.2%	48	39.4%	
	Profit margin	5.1%	4.0%	6.3%					
Total	Net sales	90,461	109,547	110,805	1,258	1.1%	20,343	22.5%	
	Elimination or corporate	475	264	60	-204	-77.3%	-415	-87.4%	
	Operating profit	3,685	1,189	2,358	1,168	98.3%	-1,327	-36.0%	
	Profit margin	4.1%	1.1%	2.1%					

Overview of Business Results by Segment (2)

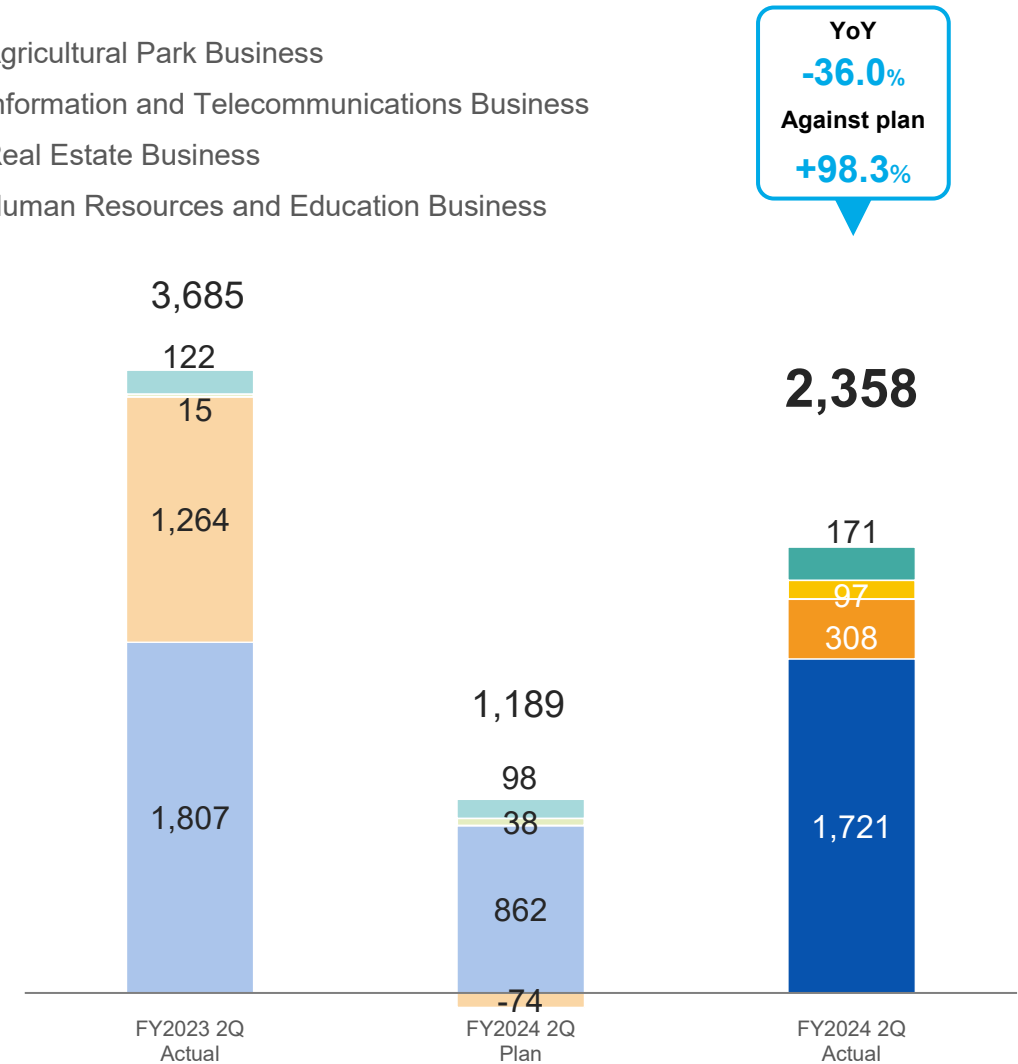
Net sales (Million yen)

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



Segment profit (Million yen)

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



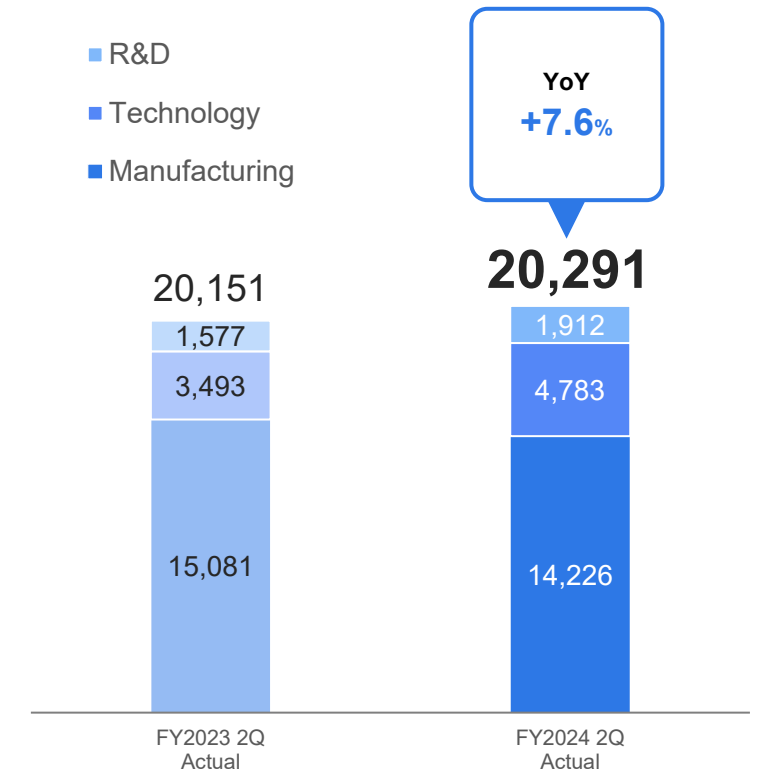
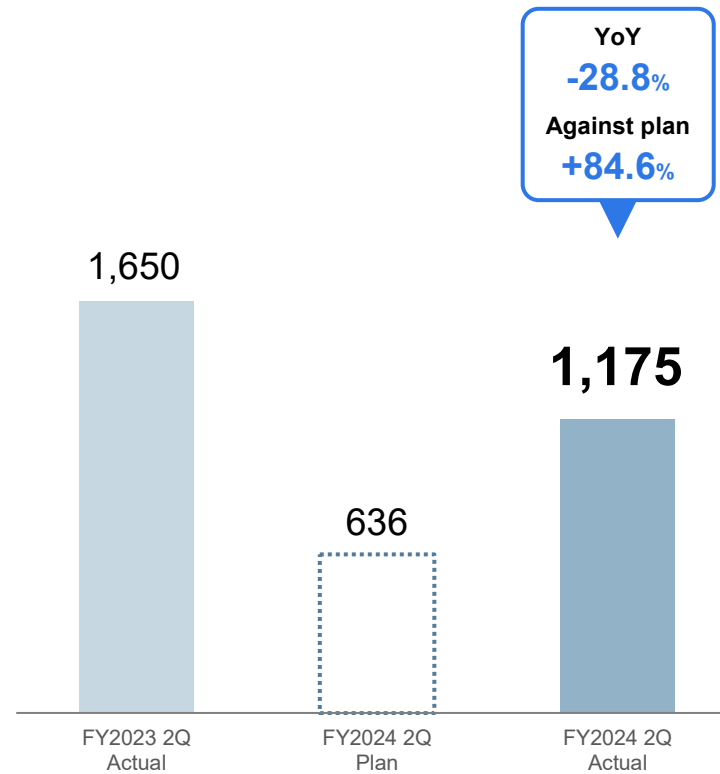
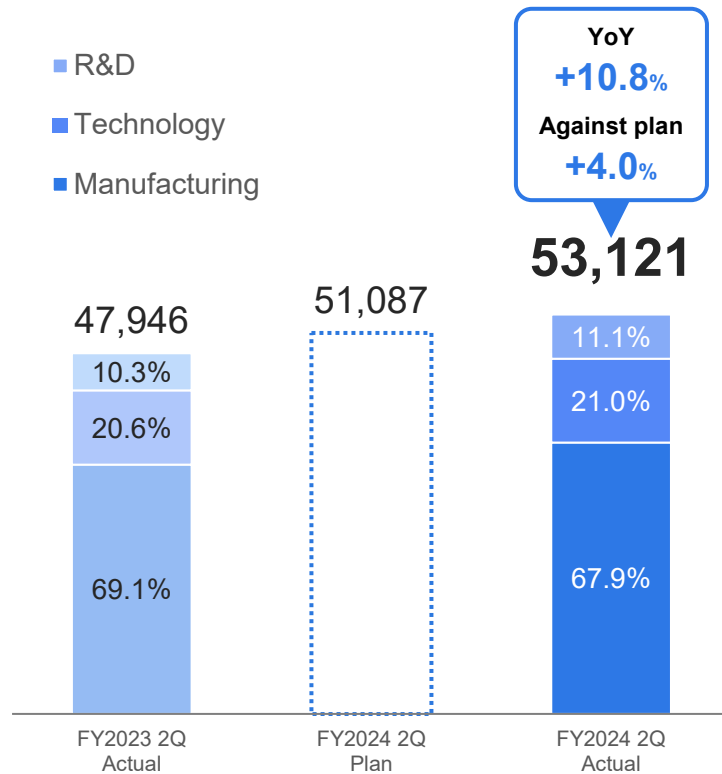
Manufacturing Human Resources Business

- Factors such as the continued stagnation in the semiconductor sector, the Noto Peninsula Earthquake, and the shutdowns in the automobile industry contributed to the adverse business climate as the first half started.
- By leveraging our strength in covering multiple industries and effectively shifting personnel across various industries, sales increased and exceeded the plan.
- Profits decreased because of the continued stagnation and the suspension of production above mentioned as well as one-time expenses caused by the completion of a large project. However, profits were much higher than the plan mainly due to cost controls and a temporary reduction in recruiting activities. During the second half, more expenditures for recruiting and training are planned to meet demand created by the expected recovery of the semiconductor industry.
- In the 2Q, sales and profits increased YoY due to the end of the impact of the Noto Peninsula Earthquake and the benefits of cost controls.

Net sales (Million yen)

Segment profit (Million yen)

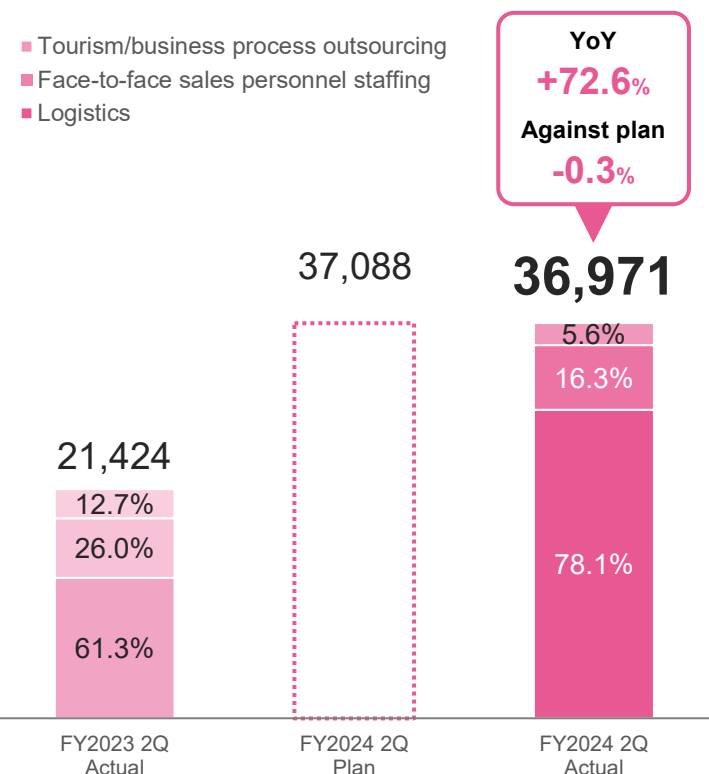
Temporary placement workforce (Persons) *3-month average



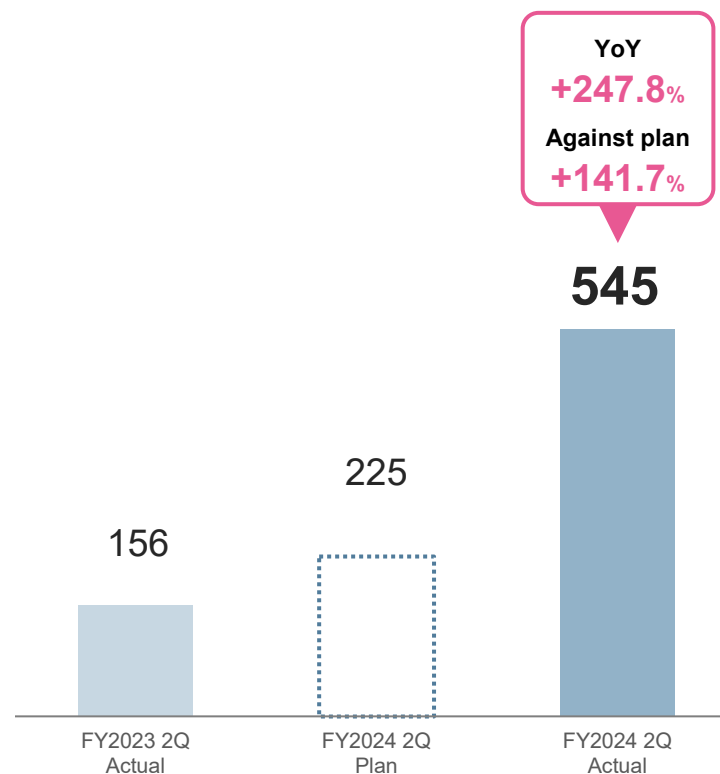
Services Human Resources Business

- Sales and profits increased and were higher than planned. In particular, profits were far above the plan.
- Consistent growth in the e-commerce logistics sector and the inclusion of the performance of Yamato Staff Supply, which joined the World Holdings Group in 2023, made a contribution to the strong performance.
- The HR Support and other new businesses that use labor management skills acquired from distribution warehouse subcontracting operations contributed to the growth of sales and profits.
- The face-to-face sales personnel staffing successfully seized business opportunities created by recovering sales to foreign tourists in Japan and the Valentine's Day selling period.

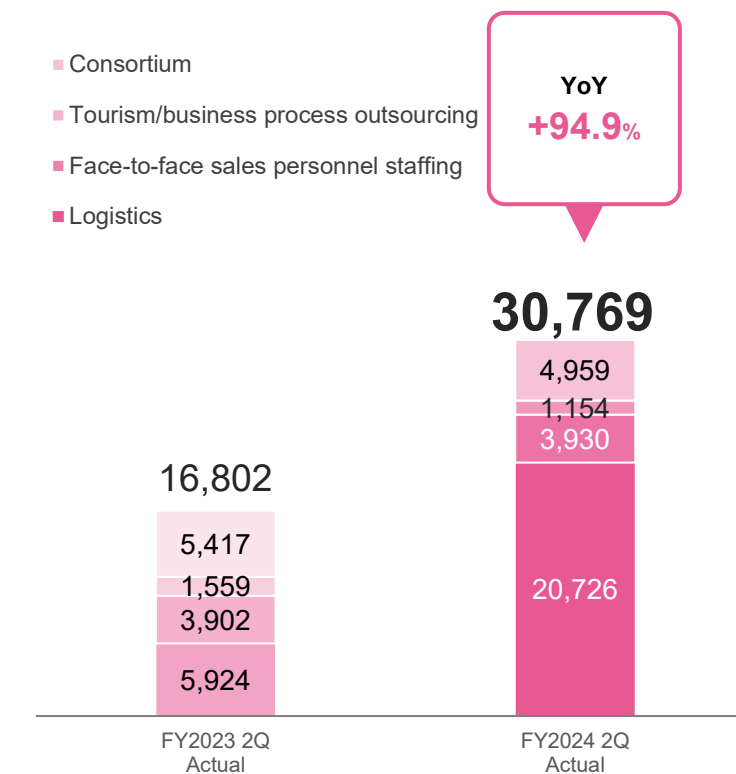
Net sales (Million yen)



Segment profit (Million yen)



Temporary placement workforce ^{*3-month average} (Persons)



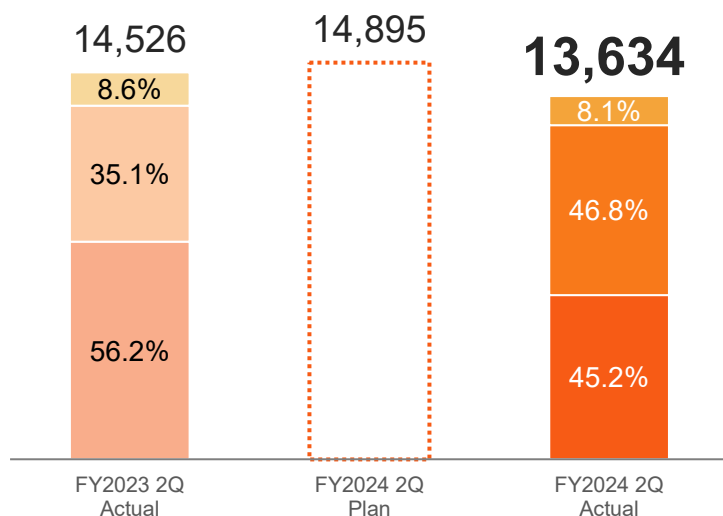
Real Estate Business

- We have been maintaining a cautious stance in order to ensure the optimum timing for both purchasing and sales, given the risk associated with persistently high real estate prices.
- Due to the deliveries brought forward to the previous fiscal year, fewer properties were sold compared to the same period last year, resulting in lower revenue and profits. On the other hand, profits were well above the initial plan mainly because of the growth of income from the strategic leasing of real estate for sale (increase in recurring revenue).
- The deliveries of properties for this year will be concentrated in the second half (especially in the fourth quarter), while contracts and sales have progressed smoothly.

Net sales (Million yen)

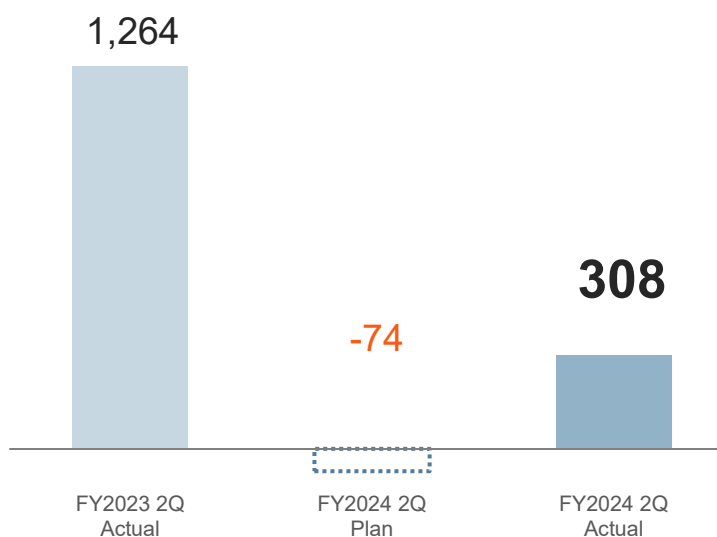
- Prefabricated house-related
- Renovation-related
- Developer-related

YoY
-6.1%
Against plan
-8.5%



Segment profit (Million yen)

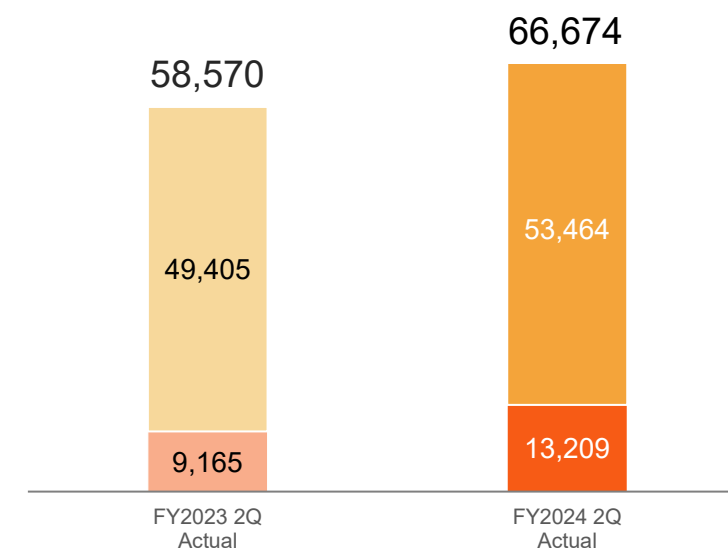
YoY
-75.6%
Against plan
-



Real estate for sale (Million yen)

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

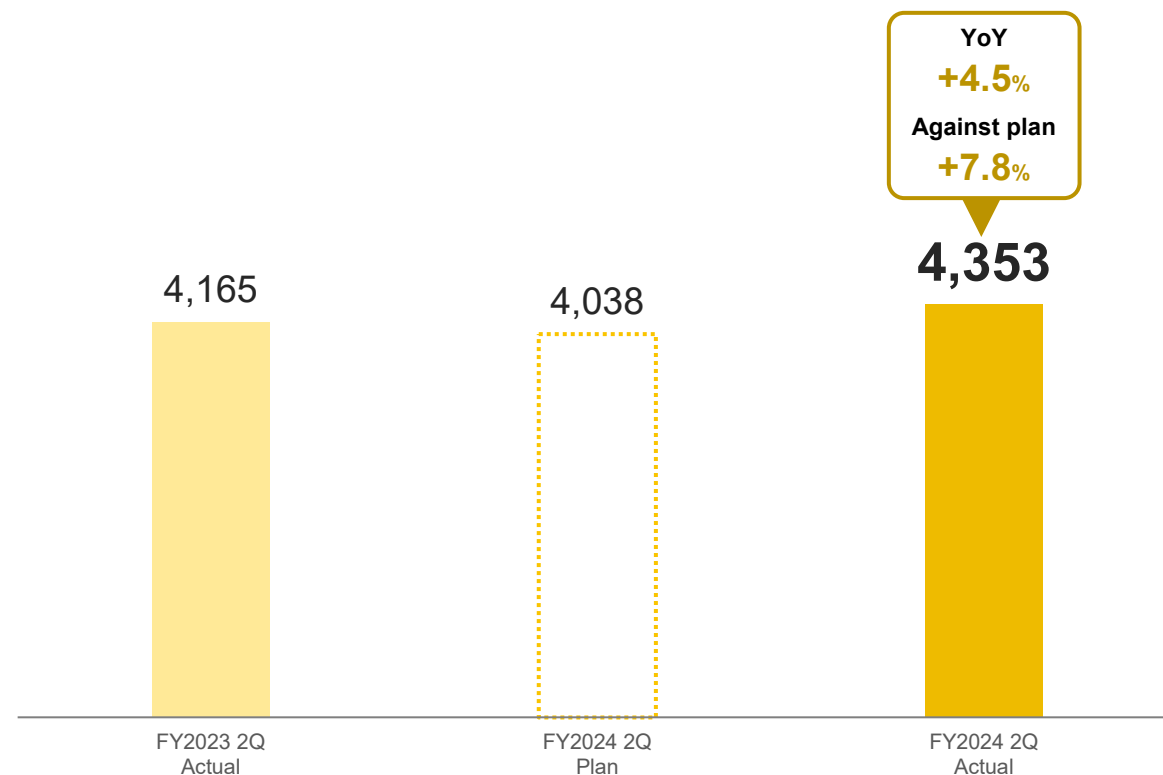
YoY
+13.8%



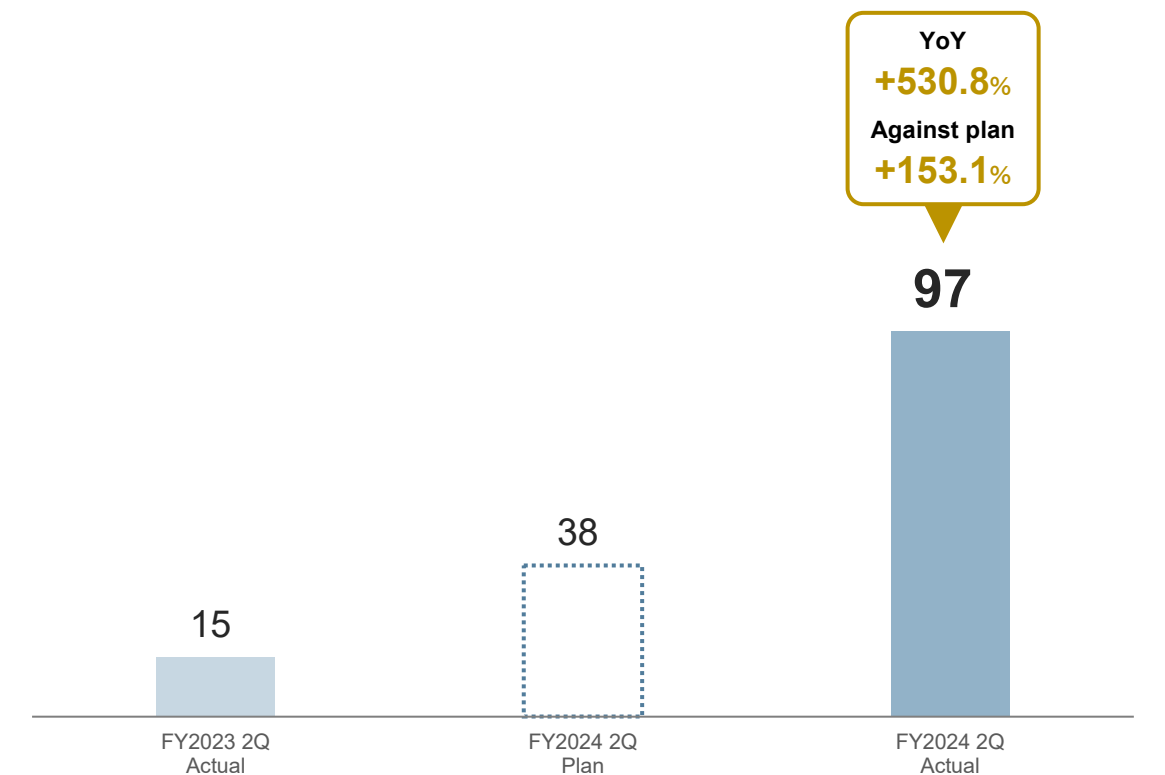
Information and Telecommunications Business

- Using a scrap-and-build approach for the mobile stores to improve efficiency amid the significant changes in Japan's mobile phone shop sector.
- Both sales and profit increased, and exceeded the plan, by taking advantage of the rush demand caused by the revision of the law at the end of 2023.
- We have been strengthening corporate sales teams in mobile phone shops by leveraging the existing strengths in the corporate solutions sector, resulting in more sales and installations of LED-related products.

Net sales (Million yen)



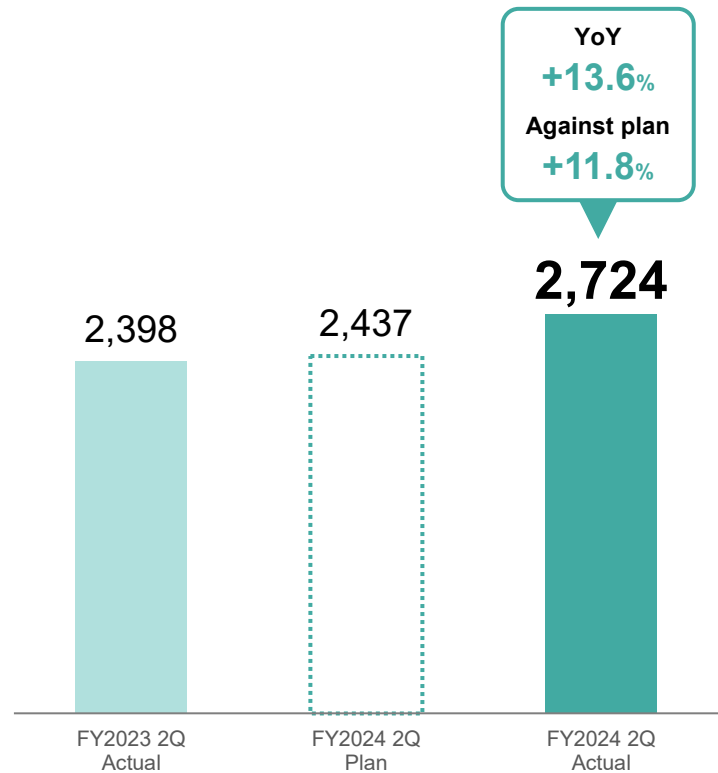
Segment profit (Million yen)



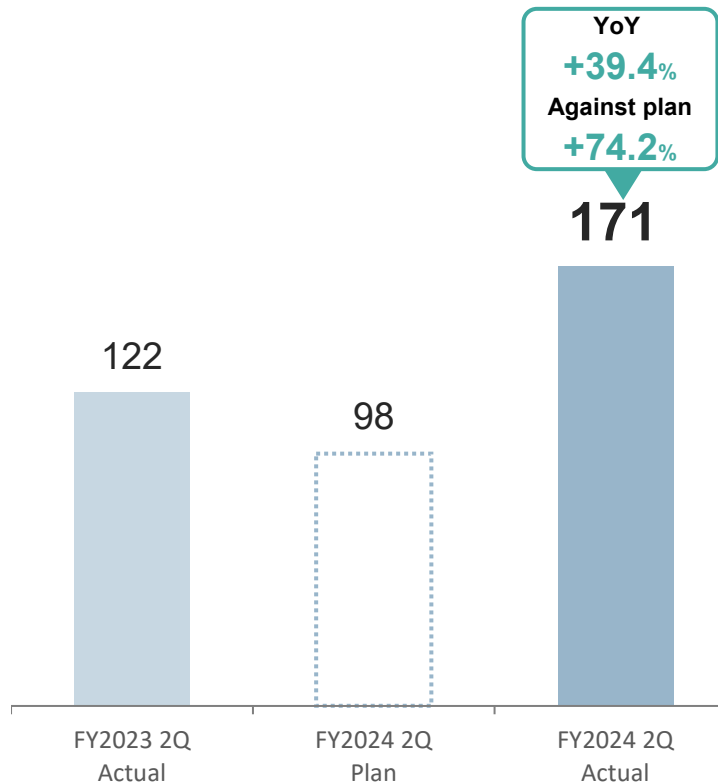
Agricultural Park Business

- Sales and profits increased and were higher than the plan because of mild winter weather with little rain and good weather during Golden Week.
- Another reason for profit growth is higher customer satisfaction following major upgrades of existing facilities during 2023.
- New projects starting in April: Saitama City Urban Park Group 8 and 10, Hyogo Prefectural Awaji Cultural Hall, Kobe Port Waterfront Area (Meriken Park - Harborland Square), and Rinrin Port Tsuchiura started smoothly.

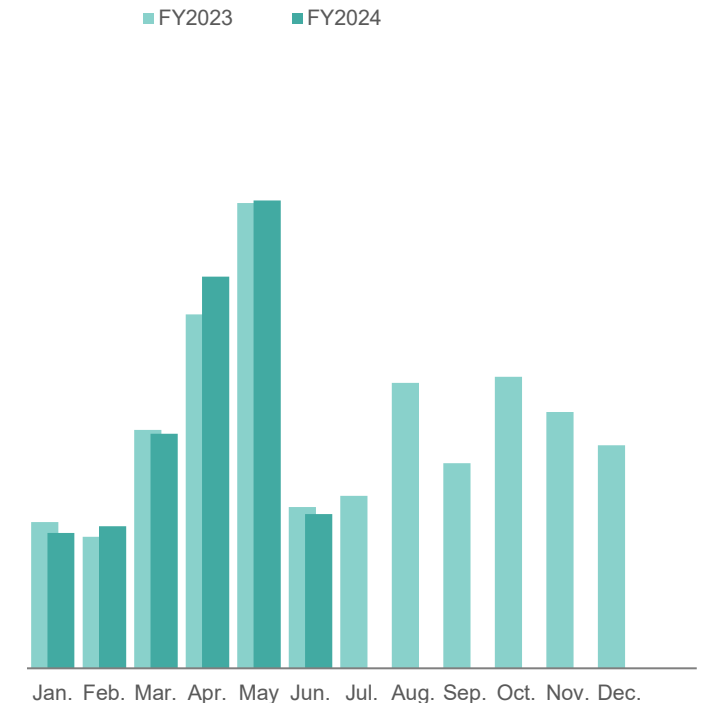
Net sales (Million yen)



Segment profit (Million yen)



Number of visitors (Ten thousand)





02

Outlook for the Term Ending December 2024

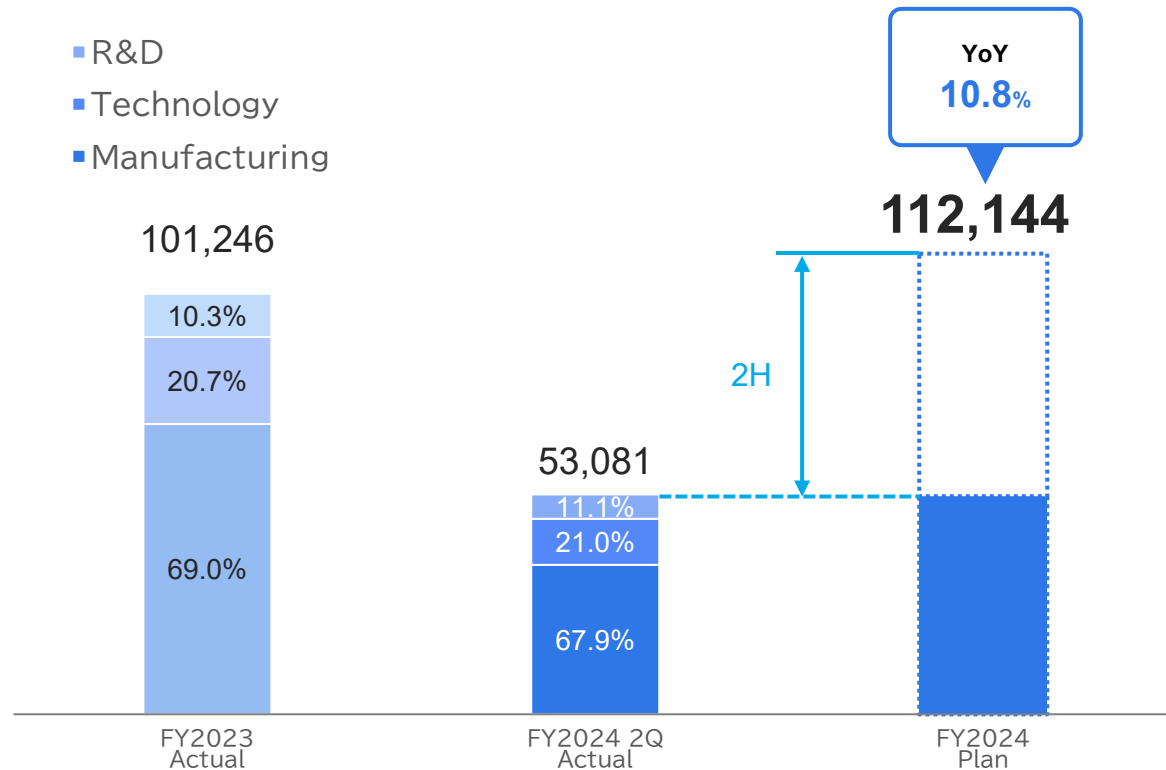
P.13

- P.14 Manufacturing Human Resources Business**
- P.17 Services Human Resources Business**
- P.21 Real Estate Business**
- P.25 FY2024 Outlook**
- P.26 Outlook by Business Segment**
- P.27 2022-2024 Quarterly Performance and Forecasts**
- P.28 Shareholder Distributions**

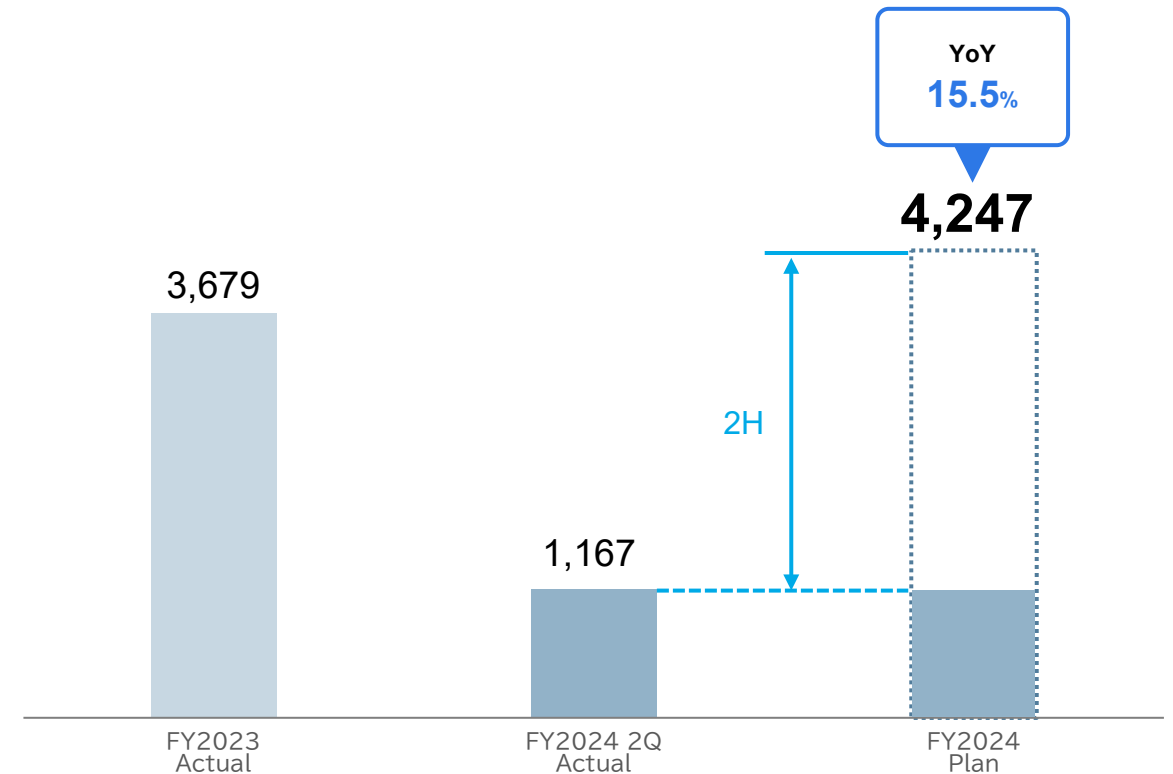
Manufacturing Human Resources Business

- Forecast sales up 10.8% to ¥112.1 billion and operating profit up 15.5% to ¥4.2 billion due to the expected recovery of the semiconductor industry in the second half of 2024.
- Strengthen our investment in human resources to develop semiconductor-related personnel for the expected recovery and the further growth of the semiconductor industry.

Net sales (Million yen)



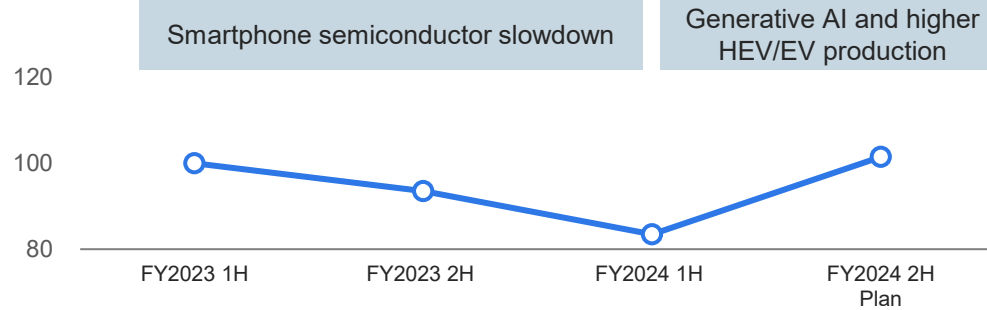
Segment profit (Million yen)



Manufacturing Human Resources Business

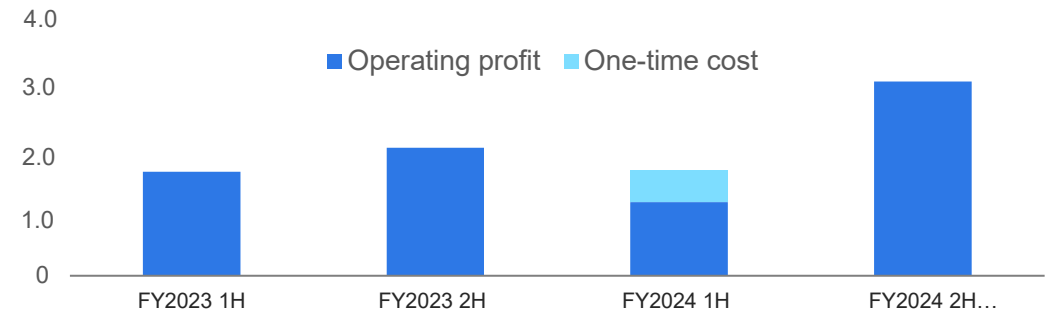
- We expect higher profit in the second half profits due to the expected recovery of the semiconductor and semiconductor manufacturing equipment sectors and the end of one-time costs that occurred during the first half.

Semiconductor and Machinery Sector Sales (FY2023 1H = 100)



Change in Manufacturing Human Resources Business semiconductor/machinery sales (FY2023 1H = 100)

Operating Profit in the Manufacturing HR (Billion yen)



FY2024 1H

Sales

- Delay in the semiconductor recovery, mainly memory devices
- Softness also in the machinery sector (machine tools, semiconductor manufacturing equipment, etc.)
- Some factories suspended production due to parts shortages caused by the Noto Peninsula Earthquake
- In the automobile sector, suspensions of production of some models reduced sales

Profits

- Higher expenses for shifting people from weak to strong industries
- Expenses for employee housing contract terminations, employee relocations and other items associated with the end of a large project

One-time cost: About ¥500 million

FY2024 2H

Semiconductor sector recovery

+

Profit recovery

- Increasing capacity utilization for semiconductor memory devices
- Recovery of utilization rates of semiconductor manufacturing equipment
- Start of operations of semiconductor fabs in Kyushu

End of one-time costs

Semiconductor Skill Training Programs

- The planned Kumamoto Technical Center in Ozu-machi, Kumamoto Prefecture will provide semiconductor skill training by using the most advanced semiconductor manufacturing equipment.
- As more semiconductor manufacturers of Japan and other countries are constructing fabs in Kumamoto Prefecture, we will strengthen the development of semiconductor-related personnel in Kumamoto Prefecture.

Kumamoto Technical Center (artist's rendering)



Profile of Kumamoto Technical Center

Name	Kumamoto Technical Center
Completion	December 2024 (Plan)
Location	1285-1, Ozu, Ozu-machi, Kikuchi-gun, Kumamoto
Total floor area	544.05m ² (Light steel frame, 2 stories)
Training capacity	500 people/year

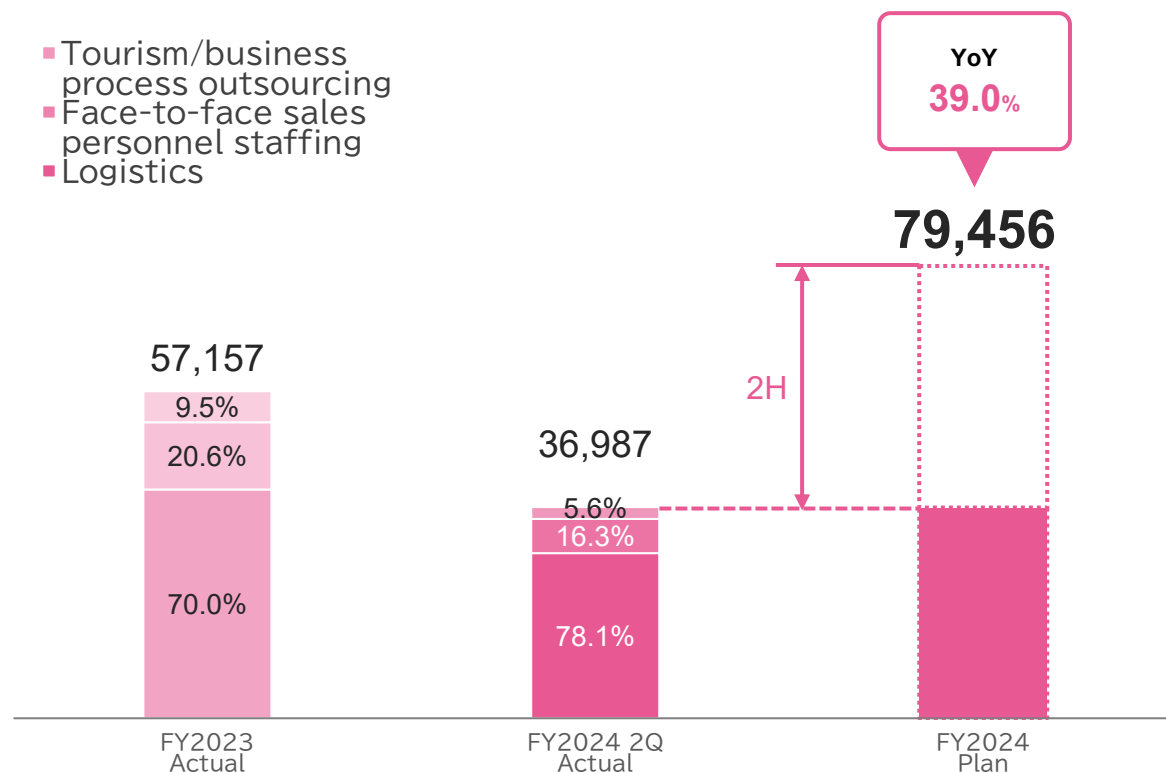
- Made a decision to construct the Kumamoto Technical Center in Ozu-machi, Kumamoto Prefecture to give people skills required in the semiconductor industry.
- Classroom lessons as well as practical training using state-of-the-art equipment will produce many engineers with maintenance, assembly and assessment skills.
- Some of the training spaces are open not only for our employees but also for our suppliers' employees, contributing to human resource development in the semiconductor industry.
- The World Holdings Group has participated in the Kyushu Semiconductor Human Resources Development Consortium (established by the Kyushu Bureau of Economy, Trade and Industry and Kyushu Semiconductor & Digital Innovation Association (SIIQ)) since its inception and will continue to play a role in training semiconductor personnel and the growth of industries in Kyushu.

Services Human Resources Business

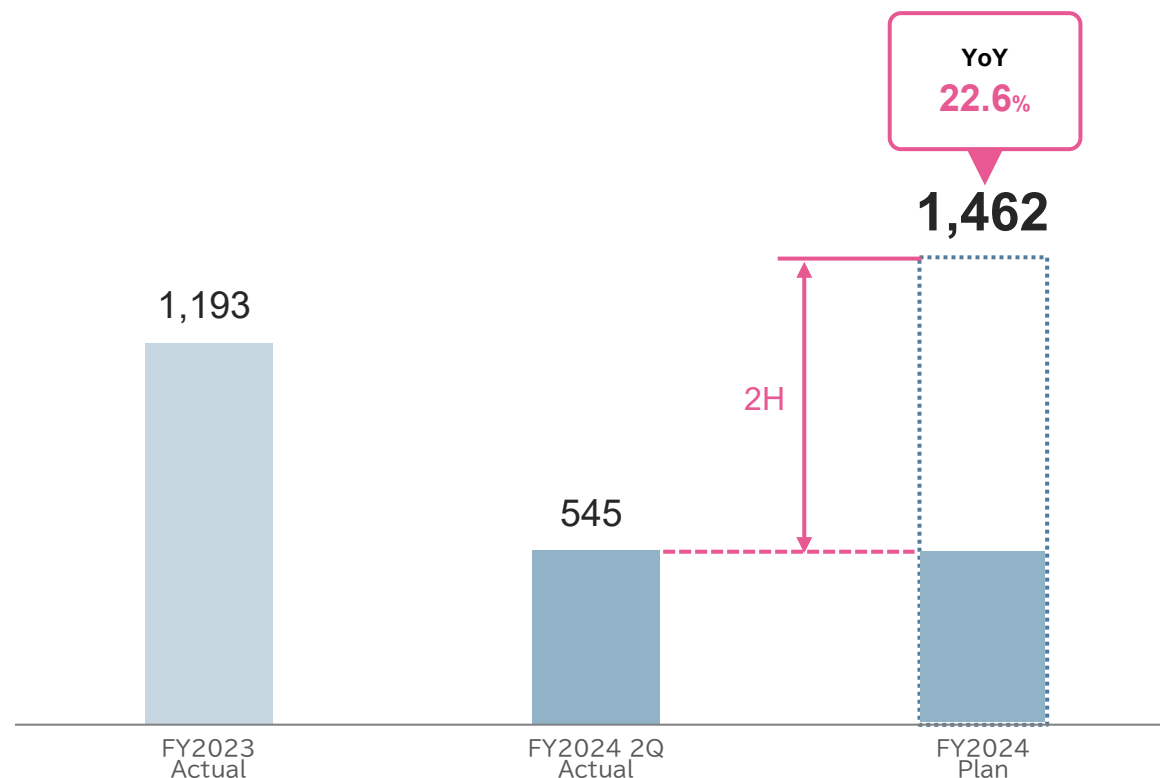
- Forecast sales up 39.0% to ¥79.4 billion and operating profit up 22.6% to ¥1.4 billion.
- Forecast second half sales and profit growth by consistently using seasonal changes in logistics, face-to-face sales personnel staffing and other categories as opportunities to capture new orders.
- Yamato Staff Supply, which joined the World Holdings Group in September 2023, made a full-year contribution to the performance.
- Expect steady progress of launching new businesses, including HR Support, by using expertise in labor management and operations acquired from distribution warehouse subcontracting operations.

Net sales (Million yen)

- Tourism/business process outsourcing
- Face-to-face sales personnel staffing
- Logistics



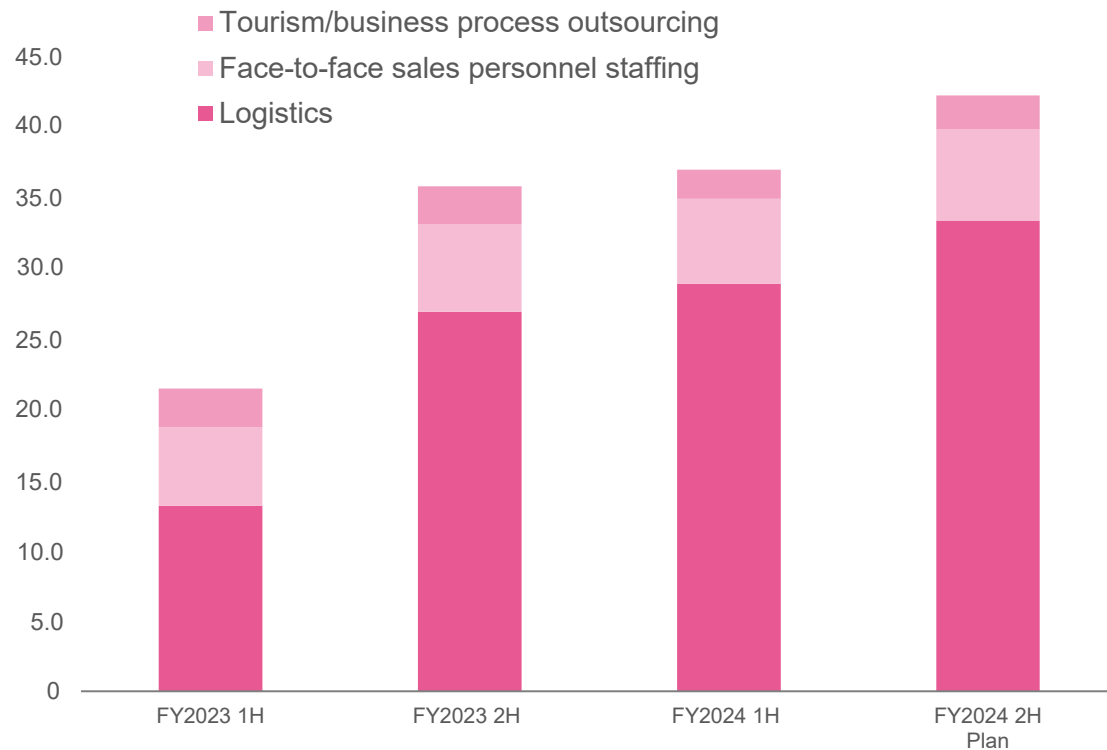
Segment profit (Million yen)



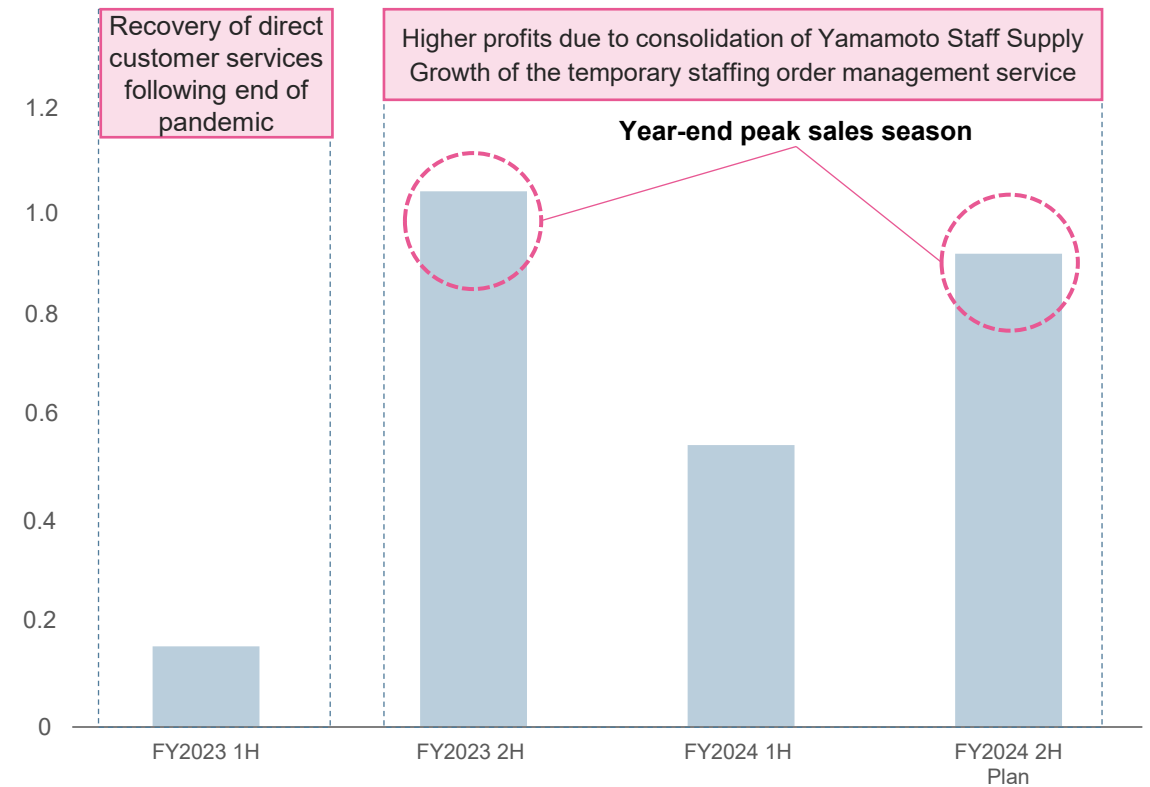
Services Human Resources Business

- In the logistics and face-to-face sales personnel staffing categories, we aim to target seasonal demand, such as during the year-end peak sales period in the second half, to receive new orders.
- Planning on higher sales and profits because of the first full-year inclusion of the recently consolidated Yamamoto Staff Supply and the expansion of the temporary staffing order and management services developed in the business alliance with Yamato Holdings.
- In the second half, we have a slightly cautious outlook on profits due to new developments such as rented warehouses that we operate by ourselves.

Net sales in the Services HR (Billion yen)

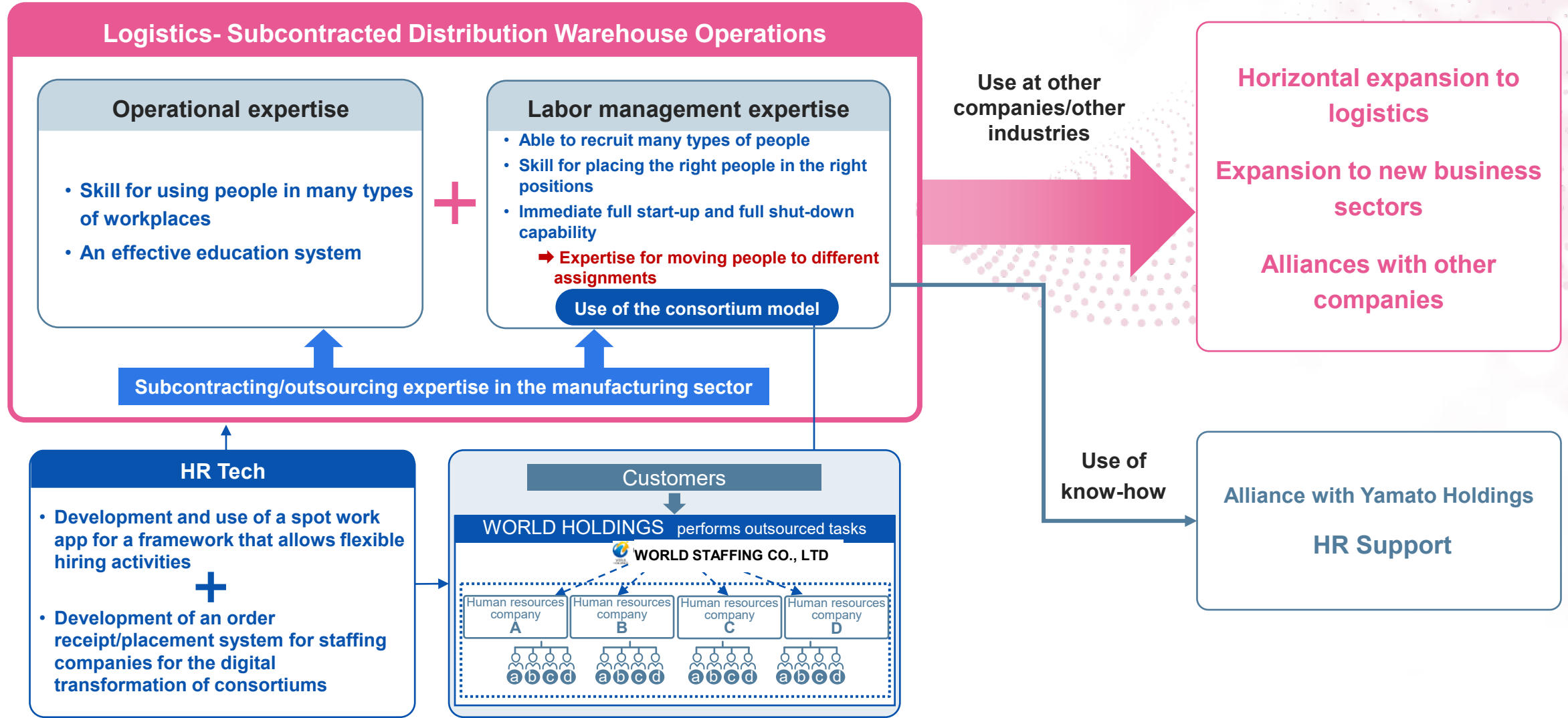


Operating profit in the Services HR (Billion yen)



Horizontal development of know-how

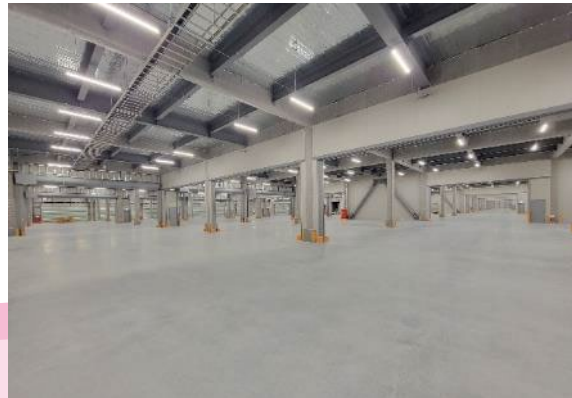
- The goal is further growth by using the horizontal expansion of know-how acquired in the logistics sector involving the full warehouse operation subcontracting and labor management.



Evolved Form of Full Warehouse Operation Subcontracting WORLD HOLDINGS

- For further expansion of logistics sector, we have rented the third and fourth floors of a logistics warehouse in Ogori City, Fukuoka Prefecture.
- By full warehouse operation subcontracting in the warehouses we operate, we will seek to further expand businesses with existing customers and to take full subcontracting from new customers and different industries.

Fukuoka Ogori Warehouse



Full warehouse operation subcontracting for expansion to different business sectors

Subcontracted distribution warehouse operations

- Operational expertise
- Labor management expertise
- Consortium model



Warehouse operated by World Holdings

- Larger volume of outsourced service orders from current customers
- Opportunities for business with other companies and other industries

Name	Fukuoka Ogori Warehouse
Start	September 2024
Location	923-12, Ogori, Fukuoka
Site area	12,254 tsubo (3rd and 4th floors of a 4-story building)

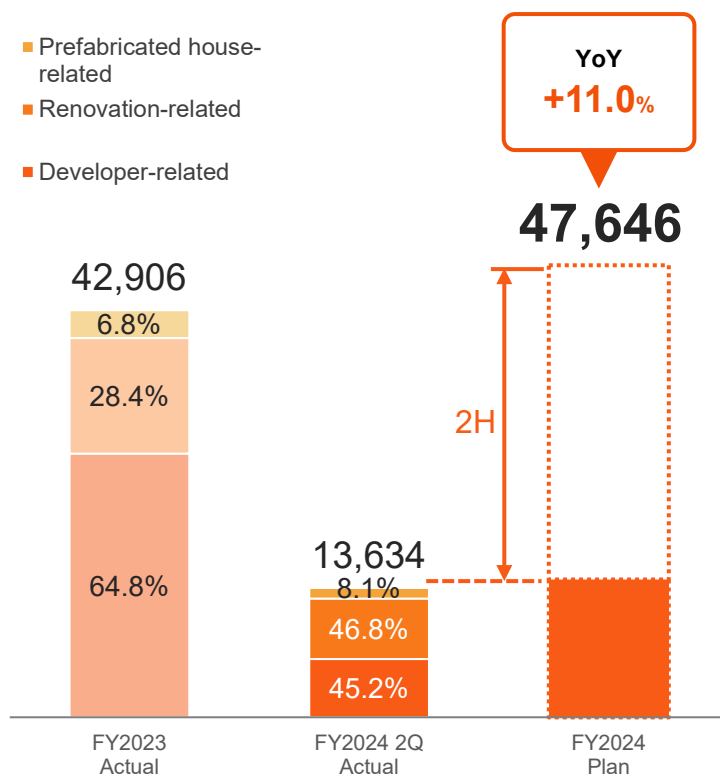
Real Estate Business

- Retaining a cautious stance in the second half because of the risk created by high real estate prices. Purchasing and selling properties with the best timing while receiving income from leasing properties.
- The delivery plan of properties for this year will be concentrated in the second half (especially in the fourth quarter), while contracts have progressed smoothly.

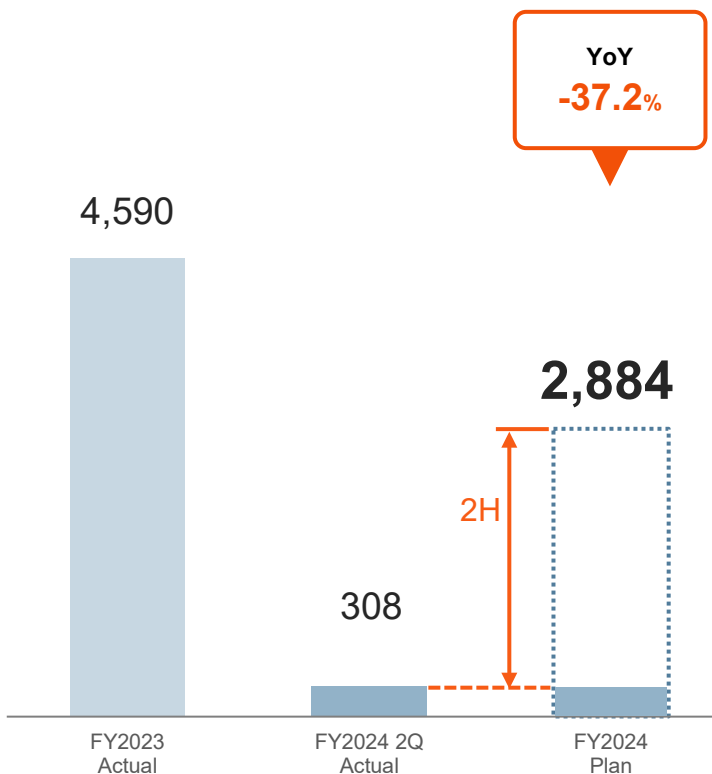
Major condominium projects to be completed in 2024: Residential Ojikamiya (Tokyo), ASUTO RESIDENTIAL THE TOWER (joint venture with Nomura Real Estate Development Co., Ltd.) (Miyagi), Residential Midosuji Abiko (Osaka) / Office buildings: BIZIA KOKURA (Fukuoka), etc.

Net sales (Million yen)

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

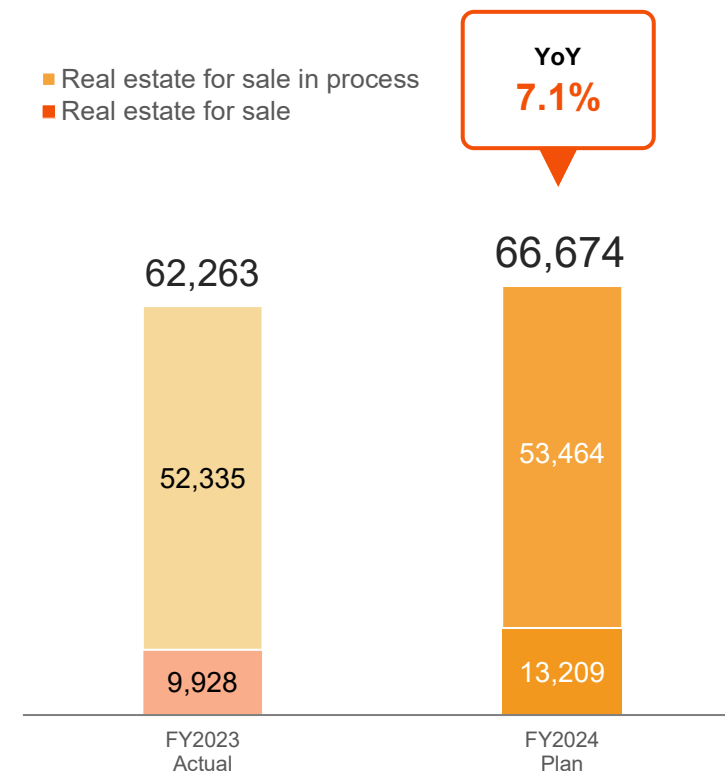


Segment profit (Million yen)



Real estate for sale (Million yen)

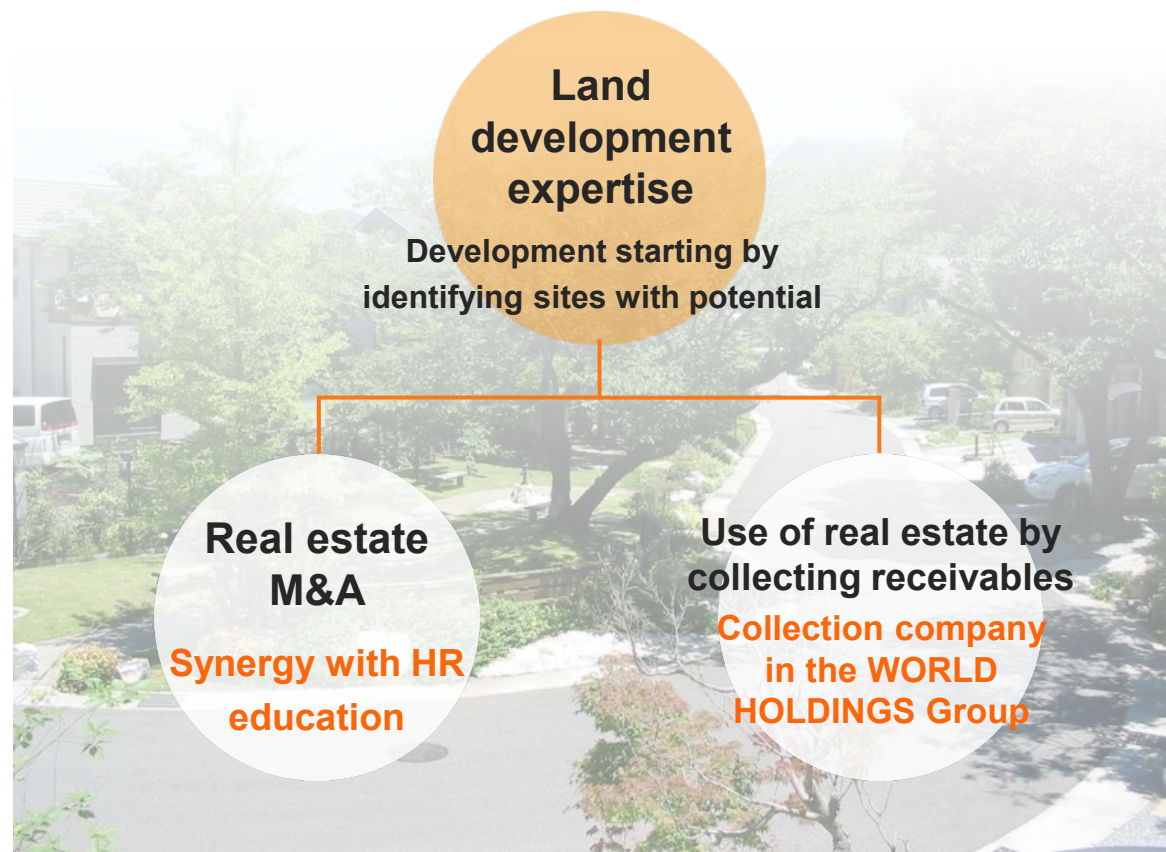
- Real estate for sale in process
- Real estate for sale



Purchasing Skills and Thorough Risk Management

- Retaining a conservative outlook regarding risk management
- Converted some real estate for sale into rental properties as we wait for the proper timing to sell these properties

Strength in land development



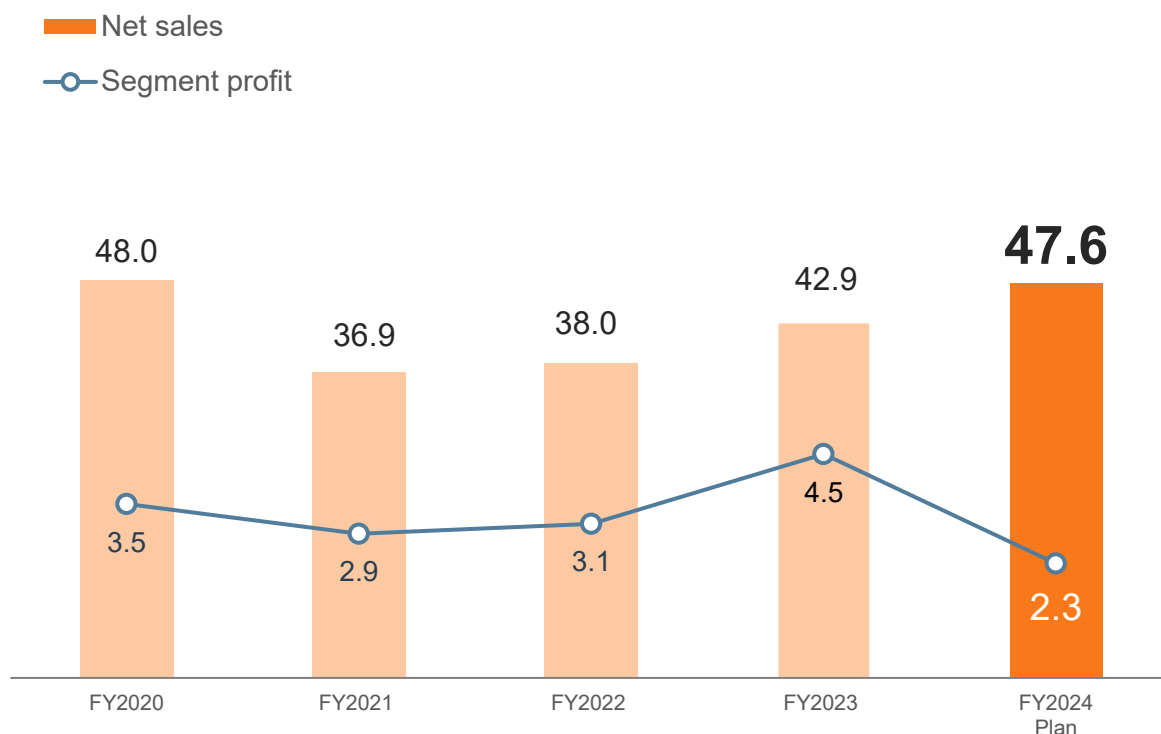
Thorough Risk Management



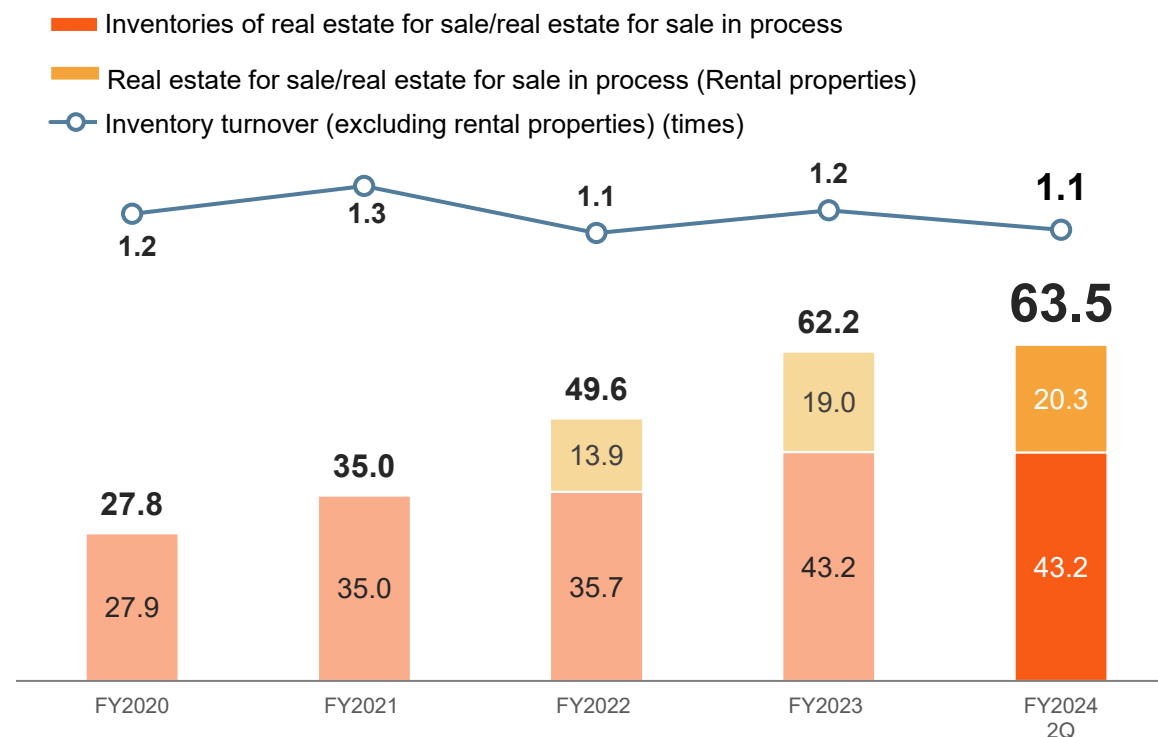
Sustainable Growth Due to Thorough Risk Management

- This business is using prudent management of operations for sustainable growth while minimizing risk exposure.
- Purchasing carefully selected high-quality properties while retaining a cautious stance about real estate acquisitions; managing operations with emphasis on high inventory turnover
- Leasing a part of properties purchased in prior years and continuing strategic acquisition of properties for the real estate sales business that are currently leased to tenants in order to wait for the best possible timing for sale.

Net sales and segment profit (Billion yen)



Real estate for sale / real estate for sale in process / inventory turnover (Billion yen)



Inventory turnover = Real Estate Business sales / Real estate for sale and real estate for sale in process (excluding rental properties) at the end of the previous year

BIZIA KOKURA completed

- WORLD HOLDINGS constructed an office building in Kokurakita-ku, Kitakyushu City in cooperation with the city, which will contribute for the revitalization of the surrounding area. A completion ceremony was held on July 23 and the grand opening is planned in October.
- The first project for creating a new neighborhood that leads to the realization of the “SDGs Future City” concept of the city of Kitakyushu.

The BIZIA Kokura building completed in July 2024

Exterior view



Completion Ceremony
(July 23, 2024)

From left, Mayor of Kitakyushu City Takeuchi
World Holdings Chairman Iida
Mikuni Corporation Chairman Yamada



Communication Floor

Contributing to revitalization of the city of Kitakyushu

- The 13-story building has 9,854㎡ of floor area, making it the largest office building developed by the World Holdings Group.
- The first project of the Kokura Kurosaki Rebitation (Rebuild + Invitation) redevelopment concept of the city of Kitakyushu for the JR Kokura Station area and other areas. The goal is to attract IT companies and other suitable tenants and to create a neighborhood that can be part of a city of the future that helps accomplish the Sustainable Development Goals.
- The name BIZIA expresses the building’s role as “a place for business” and “a place where people gather.” The first level has a public open space for events to emphasize coexistence with the local community, and the second level has a communication area for the tenants. The plan is to have office floors occupied by IT companies and other suitable tenants that contribute to revitalization of the city of Kitakyushu.
- Several companies, including IBM Japan, have already decided to become tenants, and further preparations are underway for the grand opening in October.
- The Real Estate Business is dedicated to participating in many regional revitalization projects, including condominium developments, that result in progress for the areas where projects are located and the growth of this business.

FY2024 Outlook

- Although the first-half result exceeded the plan, the full-year outlook remains unchanged from the initial plan, as we plan to strengthen recruitment investments in Manufacturing HR in the second half.
- Forecast higher sales and profits based on factors including the outlook for semiconductor sectors recovery starting in the second half and the first full-year inclusion of Yamato Staff Supply's performance in Human Resources and Education.
- Forecast lower profits primarily due to a reactionary decline related to the real estate sales that had been completed ahead of schedule in 2023.

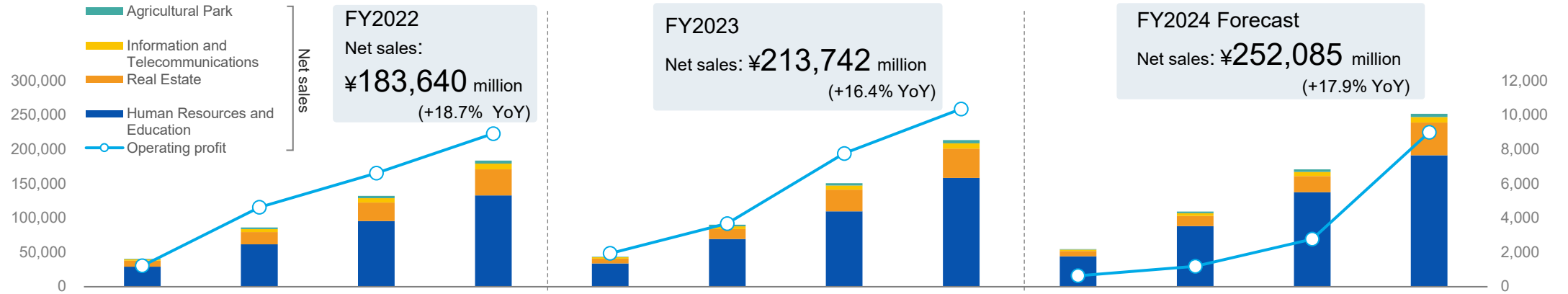
(Million yen)	Actual for the term ended Dec. 2023	Plan for the term ending Dec. 2024	YoY	
			Change	Pct. change
Net sales	213,742	252,085	38,343	17.9%
Operating profit	10,365	9,003	-1,361	-13.1%
Ordinary profit	10,251	8,622	-1,628	-15.9%
Profit attributable to owners of parent	6,204	4,738	-1,466	-23.6%
EBITDA	12,146	11,087	-1,059	-8.7%
Net income per share (Yen)	353.61	269.64	-83.97	-23.7%
Dividend per share (Yen)	106.00	80.90	-25.10	-23.7%

Outlook by Business Segment

(Million yen)			Actual for the term ended Dec. 2023	Plan for the term ending Dec. 2024	YoY	
					Change	Pct. change
Human Resources and Education Business	Human Resources and Education Business	Net sales	158,403	191,601	33,197	21.0%
		Segment profit	4,872	5,710	838	17.2%
		Profit margin	3.1%	3.0%		
	Manufacturing Human Resources Business	Net sales	101,246	112,144	10,898	10.8%
		Segment profit	3,679	4,247	568	15.5%
		Profit margin	3.6%	3.8%		
	Services Human Resources Business	Net sales	57,157	79,456	22,299	39.0%
		Segment profit	1,193	1,462	269	22.6%
		Profit margin	2.1%	1.8%		
Real Estate Business	Net sales	42,906	47,646	4,739	11.0%	
	Segment profit	4,590	2,884	-1,705	-37.2%	
	Profit margin	10.7%	6.1%			
Information and Telecommunications Business	Net sales	7,710	7,976	265	3.4%	
	Segment profit	4	81	76	-	
	Profit margin	0.1%	1.0%			
Agricultural Park Business	Net sales	4,721	4,861	140	3.0%	
	Segment profit	101	160	59	58.0%	
	Profit margin	2.2%	3.3%			
Total	Net sales	213,742	252,085	38,343	17.9%	
	Elimination or corporate	796	166	-629	-79.1%	
	Operating profit	10,365	9,003	-1,361	-13.1%	
	Profit margin	4.8%	3.6%			

2022-2024 Quarterly Performance and Forecasts

Net Sales and Operating Profit (Million yen)

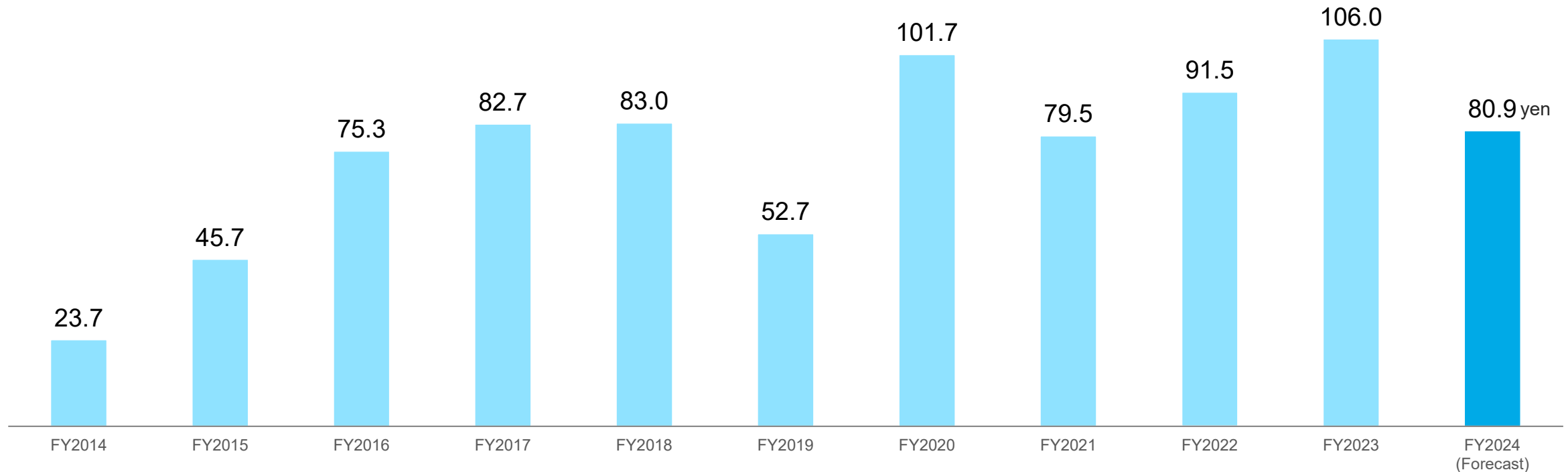


		FY2022 1Q	FY2022 1H	FY2022 First nine months	FY2022 Full year	FY2023 1Q	FY2023 1H	FY2023 First nine months	FY2023 Full year	FY2024 1Q	FY2024 1H	FY2024 First nine months	FY2024 Full year
Net sales	Manufacturing HR	19,938	41,203	64,386	88,598	23,450	47,946	74,130	101,246	25,658	53,081	80,411	112,144
	Services HR	9,174	20,651	31,330	44,282	10,484	21,424	35,580	57,157	18,456	36,987	57,429	79,456
	Human Resources and Education	29,113	61,855	95,716	132,880	33,934	69,370	109,711	158,403	44,114	90,068	137,840	191,600
	Real Estate	8,735	17,551	26,889	38,044	7,027	14,526	31,859	42,906	7,768	13,669	23,480	47,646
	Information and Telecommunications	2,157	4,594	6,476	8,399	1,948	4,165	5,856	7,710	2,018	4,373	5,960	7,976
	Agricultural Park	704	2,207	3,264	4,314	813	2,398	3,549	4,721	919	2,713	3,689	4,861
	Total	40,711	86,208	132,346	183,640	43,724	90,461	150,976	213,742	54,821	110,825	170,970	252,085
Segment profit	Manufacturing HR	887	1,901	3,206	4,054	918	1,650	2,728	3,679	248	1,167	2,102	4,247
	Services HR	392	695	880	1,125	14	156	425	1,193	118	546	683	1,462
	Human Resources and Education	1,280	2,597	4,087	5,179	932	1,807	3,153	4,872	367	1,714	2,785	5,709
	Real Estate	-57	1,587	2,078	3,181	906	1,264	3,841	4,590	491	309	-192	2,884
	Information and Telecommunications	-37	76	53	125	-69	15	-19	4	-42	103	50	81
	Agricultural Park	-89	184	145	158	-117	122	100	101	-114	171	134	160
	Operating profit	1,214	4,629	6,621	8,929	1,934	3,685	7,769	10,365	636	2,350	2,778	9,003

(Forecast)

Shareholder Distributions

- The basic policy for profit distributions is to distribute profits in a manner that reflects results of operations while retaining sufficient profits 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.
- The FY2024 dividend forecast is ¥80.9 based on the forecast for a temporary decline in profits caused by a cautious stance involving real estate operations.





03

Appendix

P.29

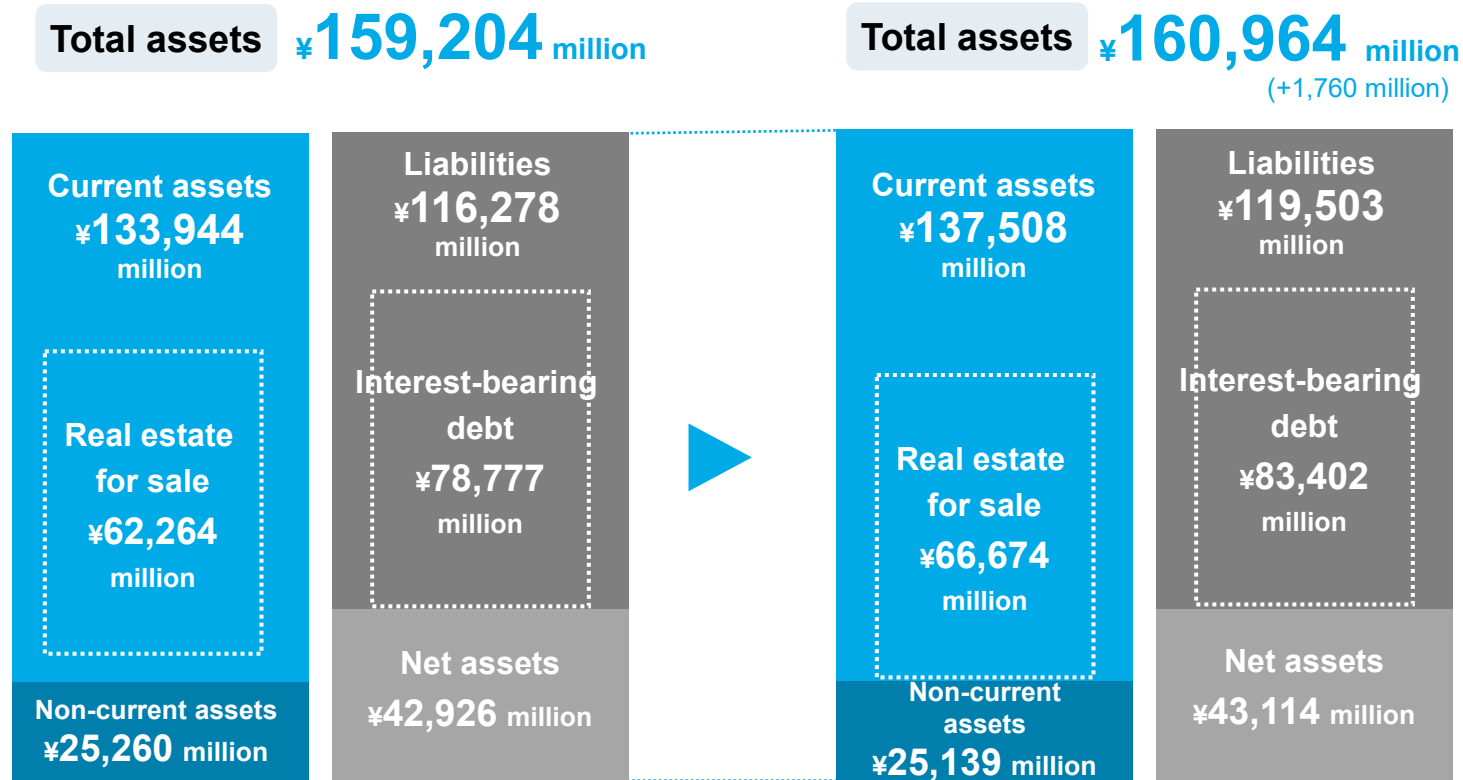
- P.30 Financial Condition B/S**
- P.31 Cash Flows**
- P.32 The Purpose of the WORLD HOLDINGS Group**
- P.34 Sustainability Initiatives**
- P.35 History**
- P.36 Main Group Companies**
- P.37 Business Portfolio**
- P.39 Human Resources and Education Business**
- P.44 Real Estate Business**
- P.45 Information and Telecommunications Business**
- P.46 Agricultural Park Business**
- P.47 Business Performance Trend**
- P.48 Medium-term Management Plan**
- P.49 Actions for Management with Priority on the Cost of Capital and Stock Price**
- P.50 Inquiries**

Financial Condition B/S

- Total assets increased mainly due to increase of a ¥ 4.4 billion increase in real estate for sale. A portion of the real estate was leased in order to wait for optimal sales timing.
- On the other hand, interest-bearing debt increased ¥4.6 billion in line with the increase in the real estate for sale.
- Equity ratio was 24.8%, down 0.5 points from the end of the previous period.

End of December 2023

End of Q2 2024

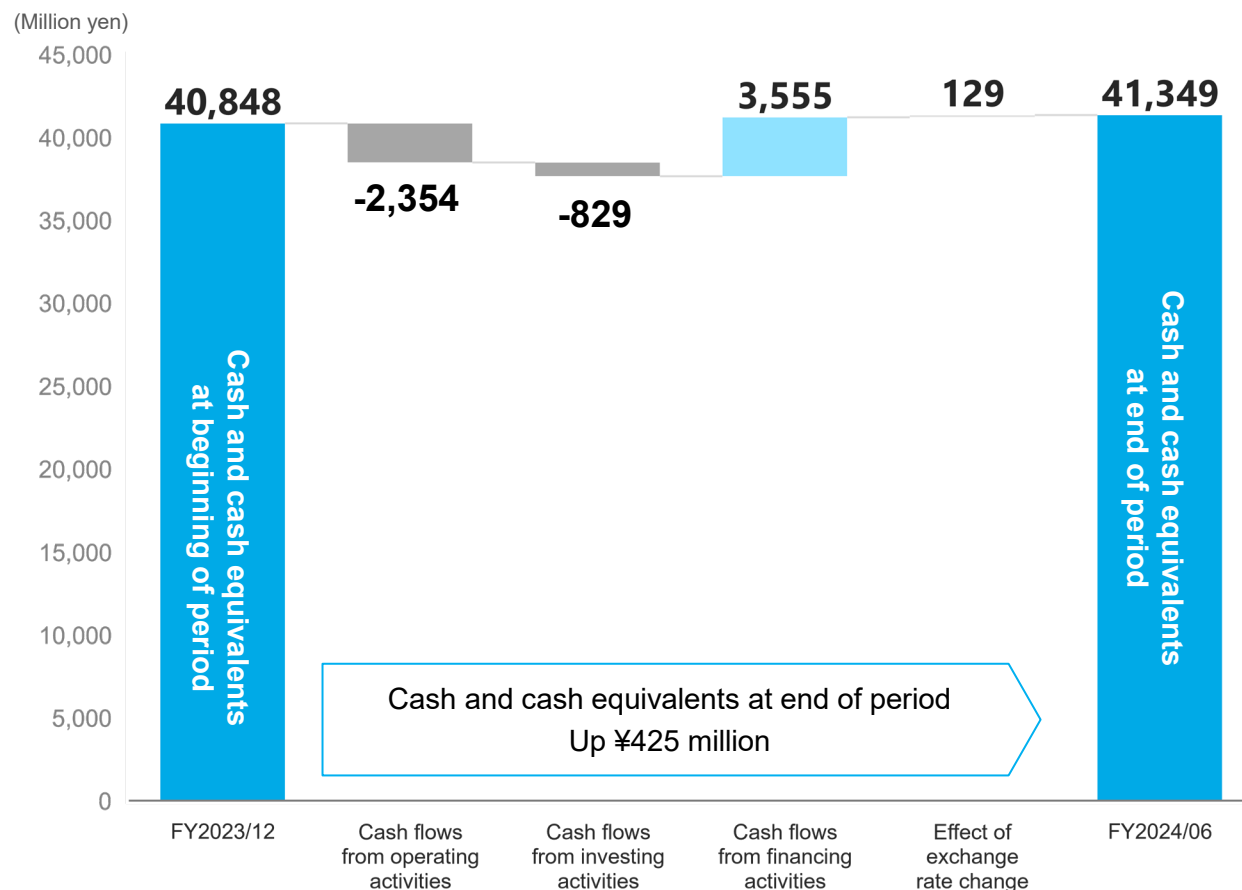


Major Components

Current assets	(Million yen)	
Cash and deposits	40,848	→ 41,377
Notes and accounts receivable-trade	25,148	→ 23,667
Real estate for sale	62,264	→ 66,674
Non-current assets		
Property, plant and equipment	9,714	→ 9,640
Goodwill	9,210	→ 8,669
Liabilities		
Interest-bearing debt	78,777	→ 83,402

Cash Flows

- Net income and loans were the main sources of funds for purchases of real estate for sale, real estate for sale in process and properties, plants and equipments, and other activities.
- Negative operating cash flows because of an increase in real estate for sale and real estate for sale in process.
- Negative investing cash flows resulting from purchase of property, plant and equipment, etc.
- Positive financing cash flows because of short-term borrowings.



Summary of FY2023 cash flows

Cash flows from operating activities		(Million yen)
Profit before income taxes		2,381
Depreciation/Amortization of goodwill		1,043
Increase in real estate for sale		-4,409
Increase in trade receivables		1,509
Cash flows from investing activities		
Purchase of property, plant and equipment		-354
Net decrease in lease and guarantee deposits		-245
Cash flows from financing activities		
Net increase in short-term borrowings		5,590
Proceeds from long-term borrowings		5,144
Repayments of long-term borrowings		-6,115
Dividends paid		-1,862

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.



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.

Human Resources and Education



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.

Information and Telecommunications



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.

Real Estate



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.

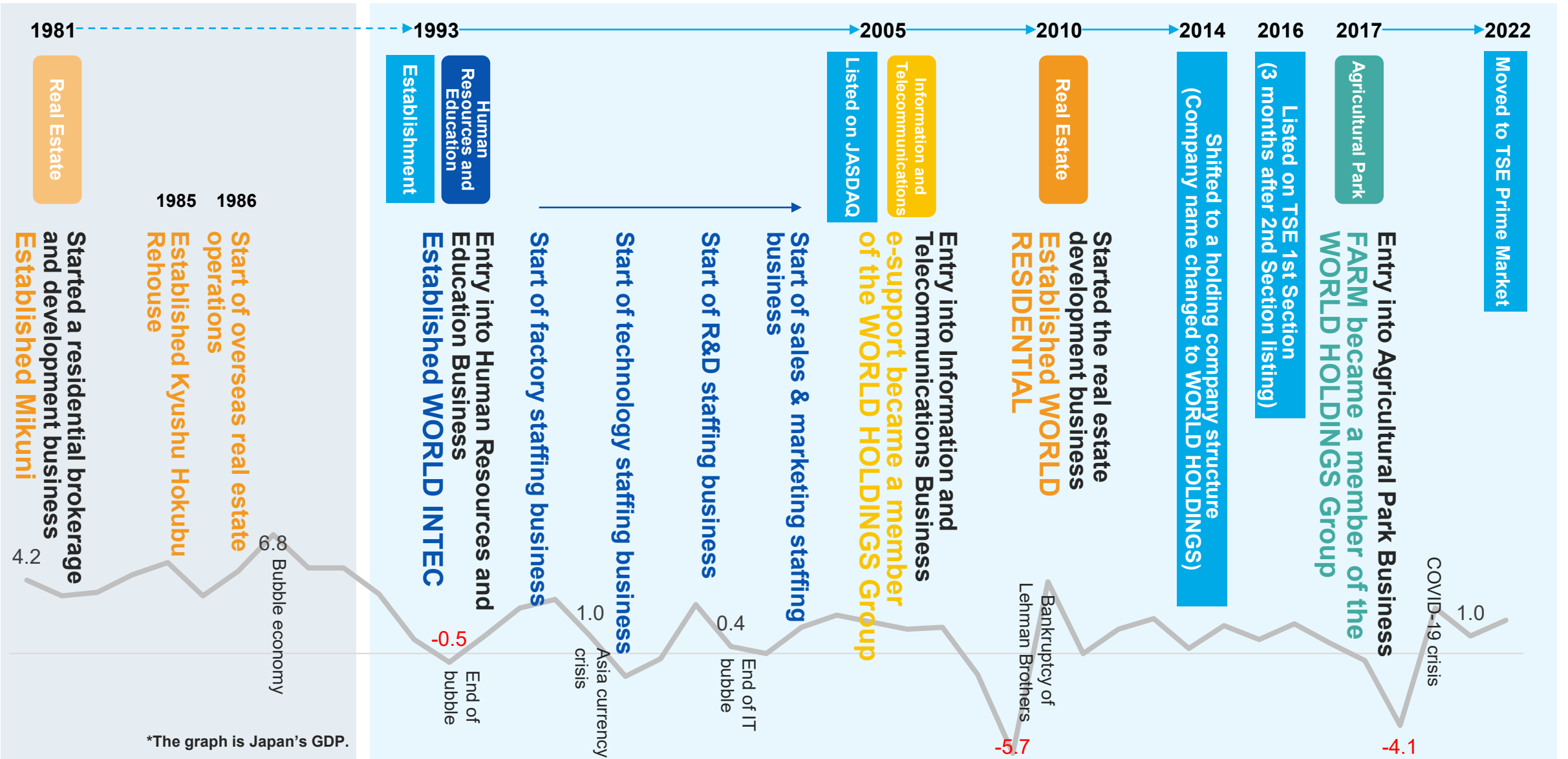
Agricultural Park



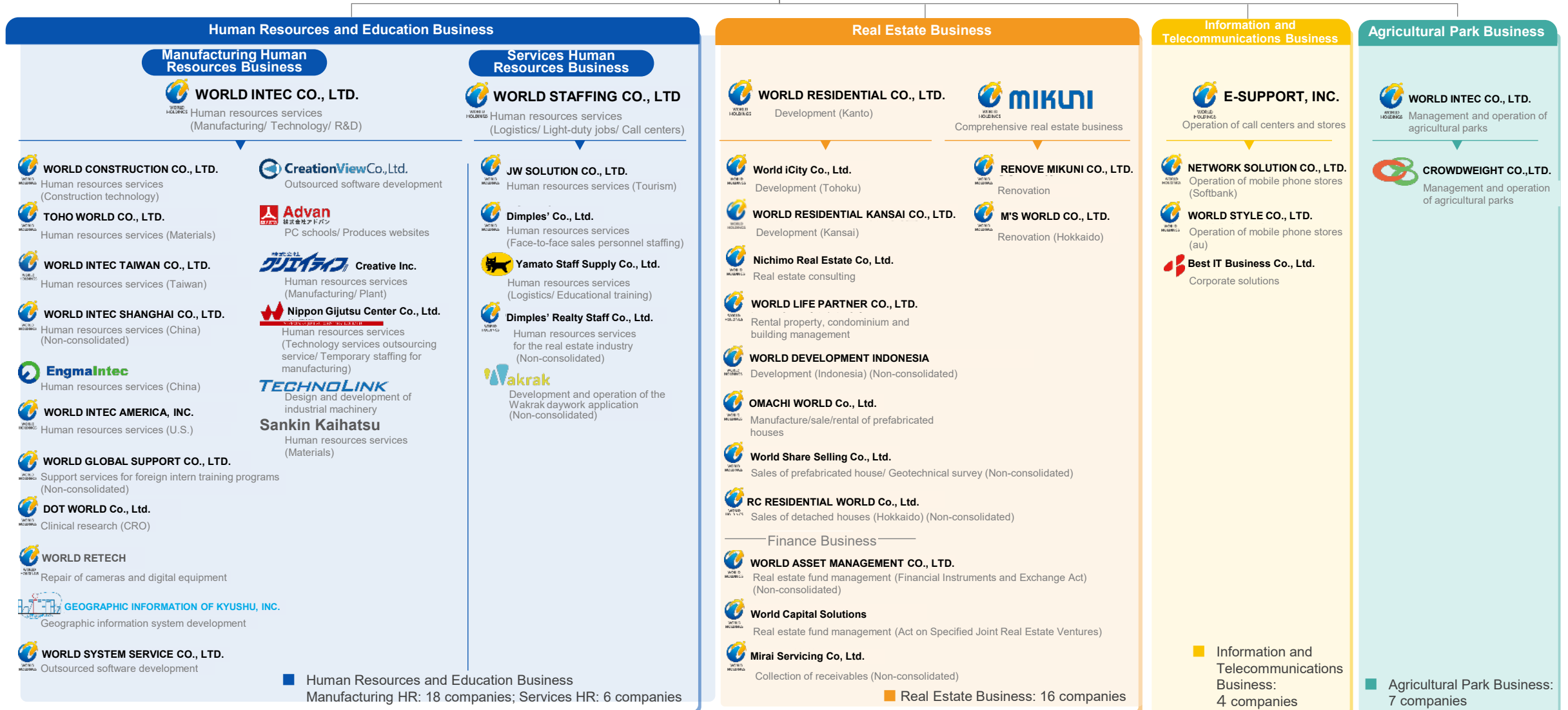
	Materiality (important issue)	Value creation	Purpose
Human Resources and Education	<ul style="list-style-type: none"> Support the sustainable advancement of society by providing many jobs. Use high-quality training programs to develop the skills of employees in order to enable people to realize their full potential, increase motivation and contribute to economic growth. Support the manufacturing and service sectors worldwide by providing human resources and create a base for technological progress by maintaining a workforce of highly skilled people. Provide workplaces where all employees, regardless of gender, can perform their jobs to the best of their ability. 		<h3>Create the ways we work</h3> <p>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.</p>
Real Estate	<ul style="list-style-type: none"> Provide products and home facilities where people can enjoy their lives and play a role in creating communities where people can live with confidence. Create communities that are environmentally responsible, conserve resources and prosper together with the areas where they are located. Use the sustainable development of land to contribute to protecting the environment of regions where projects are located. 		<h3>Create the ways we create communities</h3> <p>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.</p>
Information and Telecommunications	<ul style="list-style-type: none"> Build a base for technological progress and create safe and pleasant communities by increasing the use of IT infrastructures and other sources of convenience in society. 		<h3>Create the ways we provide convenience and safety</h3> <p>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.</p>
Agricultural Park	<ul style="list-style-type: none"> Maintain an environment that protects nature, conserves resources and contributes to enable children to grow up in a sound and healthy manner. Combat climate change and protect natural resources by utilizing land responsibly and seeking more ways to create and utilize renewable energy. 		<h3>Create the ways we look to the future</h3> <p>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.</p>
Business Revitalization	<ul style="list-style-type: none"> Protect companies, employees and their families by maintaining financial soundness in order to prevent bankruptcies. Increase added value by revitalizing businesses, create rewarding employment opportunities, and contribute to economic growth. Responsible production and consumption. Encourage people to have an entrepreneurial spirit and give people opportunities to take on new challenges as entrepreneurs after a failure. 		<h3>Create the ways we operate businesses</h3> <p>Revitalize businesses in order to maintain the soundness of society and increase added value with the objective of being a company that contributes to providing pleasant and rewarding employment opportunities.</p>

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

History



Main Group Companies



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

Manufacturing Human Resources Business

Manufacturing domain

R&D, design/development, manufacturing and after-sales service

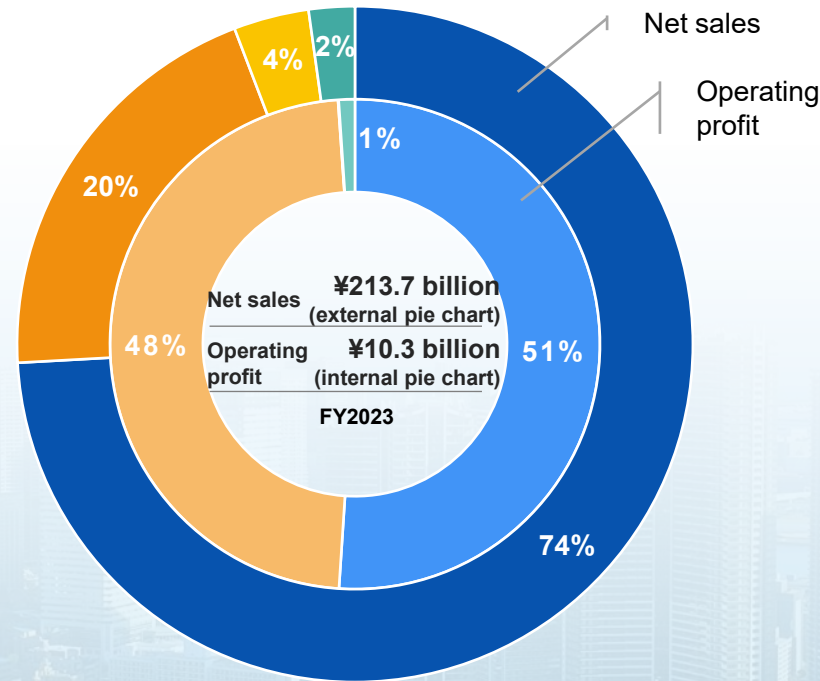
This business provides services concerning human resources for all manufacturing processes from upstream to downstream. Client companies, mainly major multinational manufacturers, are in the semiconductor, electric/electronic components, automobile, machinery, IT systems, pharmaceutical, biotechnology, chemicals and many other industries. Companies can rely on this business for subcontracting, temporary staffing, HR consulting and other services involving R&D, product design/development, production, repairs and all other processes involving manufacturing.

Services Human Resources Business

Service domain

Logistics, face-to-face sales and tourism

This business provides services concerning human resources for companies in the service sector. Core strengths are services involving logistics, tourism and face-to-face sales. Operations include distribution warehouses for major e-commerce companies, and face-to-face sales at department stores and high-volume retailers as well as for tourism operations such as hotels and sightseeing locations. Companies use this business for subcontracting business tasks, temporary staffing, HR consulting and other services.



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

Diversification of business

Decentralization

One-time revenue business

Recurring revenue business

Real Estate Business

Development and renovation

The main activities of this business are real estate development, renovations, brokerage, rental management, the production, sale and rental of prefabricated houses, and other operations.

As a developer for midsize family-type condominiums, its activities are deeply rooted in each area where this business operates: Tokyo, Tohoku, Kinki and Kyushu. Renovation operations cover all areas of Japan.

Information and Telecommunications Business

Operation of mobile phone stores

Mobile phone stores are the main operation of this business, which operates 30 SoftBank, au and other shops in northern Kyushu, primarily Fukuoka. Operations also include cost reduction solutions for companies and other services.

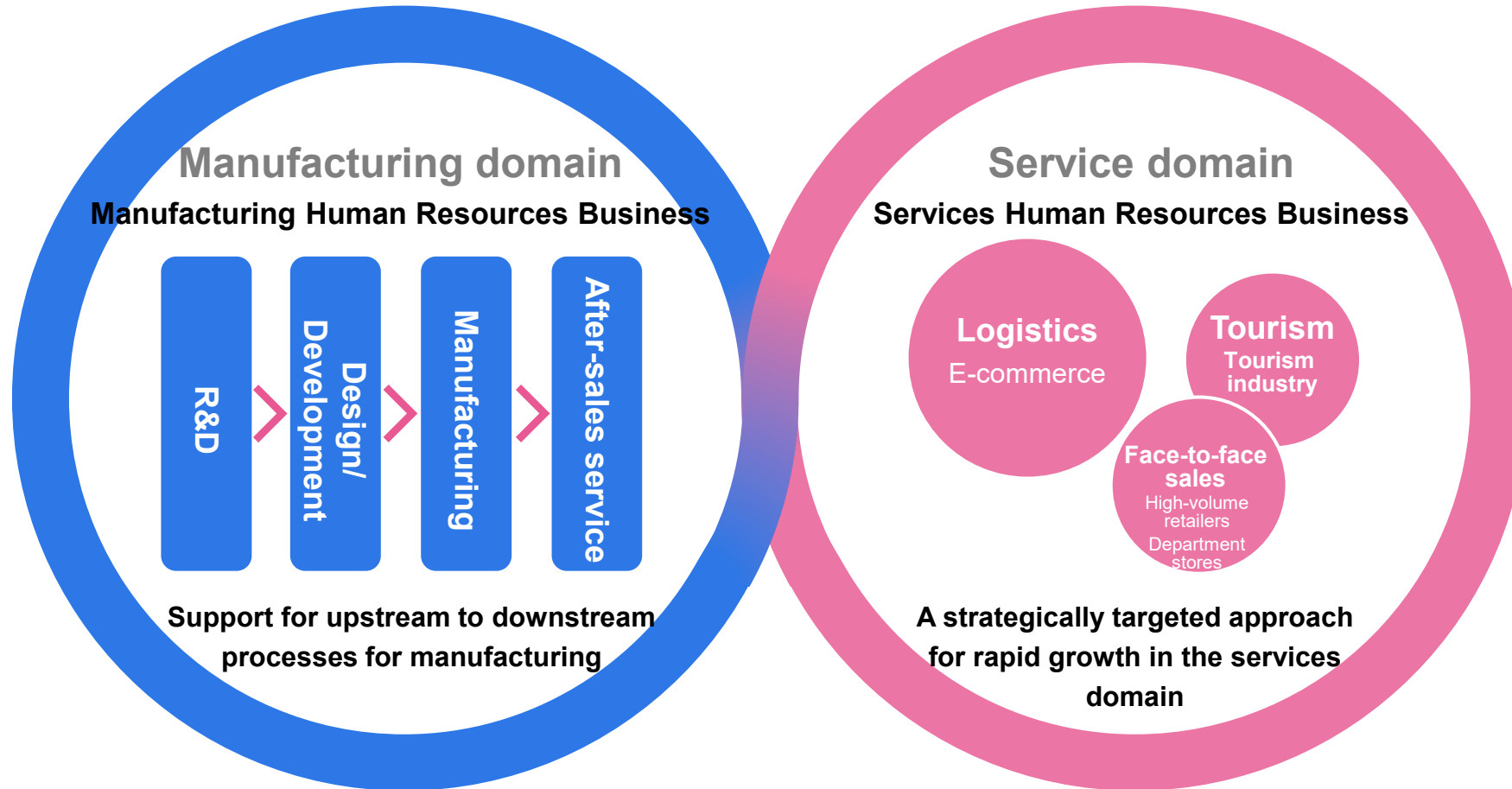
Agricultural Park Business

Operation and management of Agricultural Parks

This business manages 21 agricultural and other parks and facilities in Japan. The four locations that are directly operated give visitors the opportunity to interact with nature and learn about the local culture too. This business uses knowledge acquired from managing these parks to manage 17 urban parks, hot springs and other public-sector facilities.

Human Resources and Education Business

**Business process outsourcing and staffing services that seamlessly cover a broad range of business domains
Labor management is a key strength**



About **51,000** workers in service

*As of the end of Q2 2024

Training Programs

- Continue upgrading and expanding leadership, technology and other training programs and provide support for employees to advance their careers or change career paths.
- Establish a nationwide network of 11 training centers for upgrading technological skills of employees.
- In the semiconductor sector, a major strength of WORLD HOLDINGS, a Technical Center will open in Ozu, Kumamoto Prefecture in 2024 to prepare for the expected growth of subcontracting/outsourcing contracts. Increasing the number of skilled semiconductor workers is a priority.

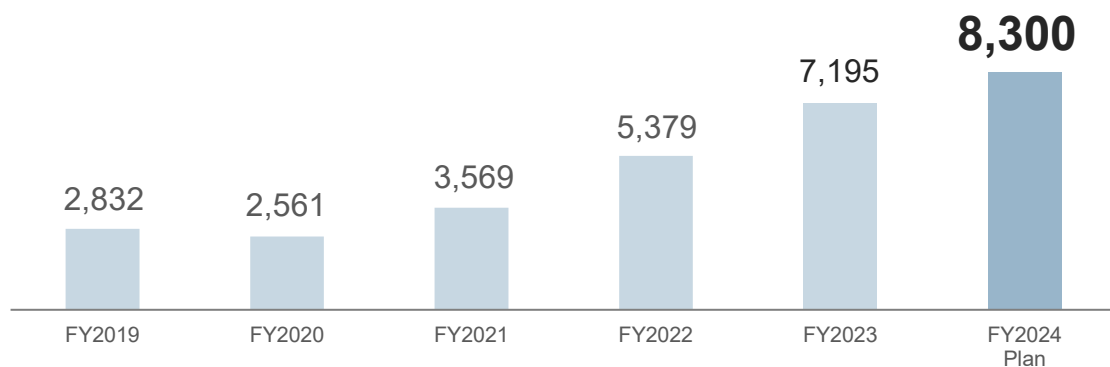
Upgrade leader training and technology training

- Leadership training, training for people to become the next office managers
- Training for people to become the next leaders
- Project manager training
- Mechanical design/production technology training
- IT engineering technology training



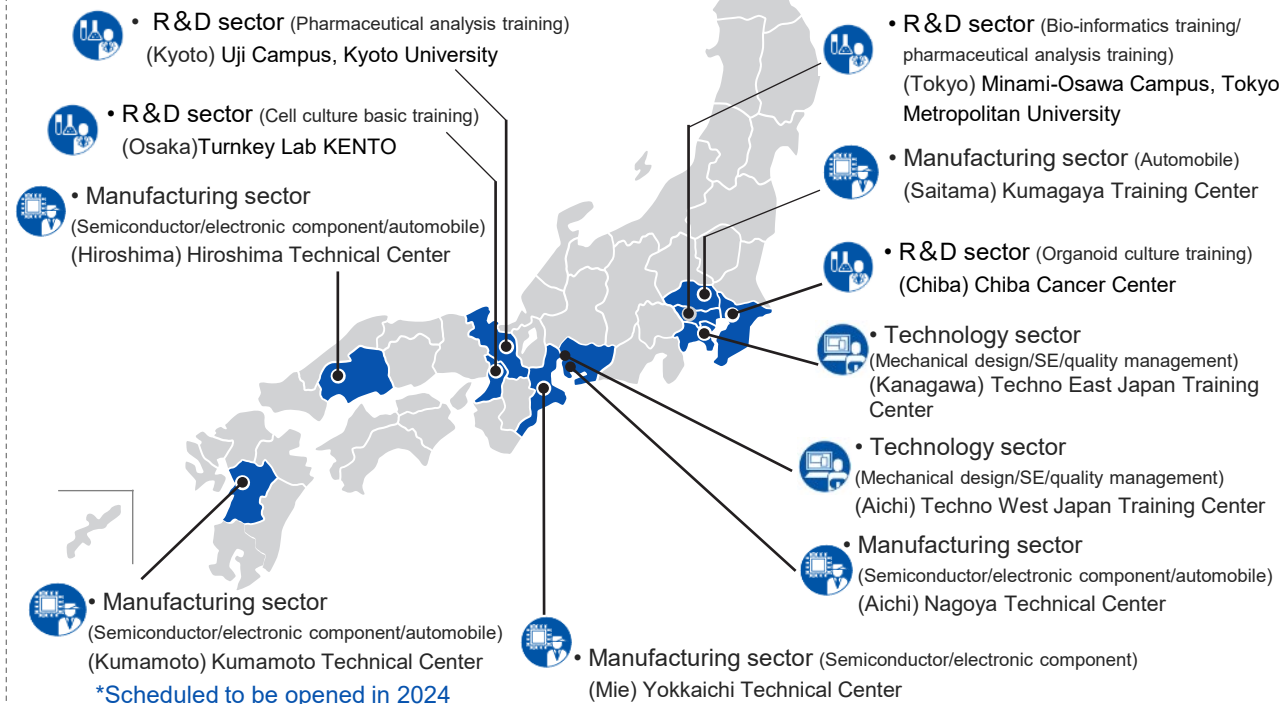
etc.

Participants in Training Programs (Persons)



Training locations

- Training centers in 11 locations nationwide
- Employee training programs and on-the-job training at subcontracting/outsourcing client companies

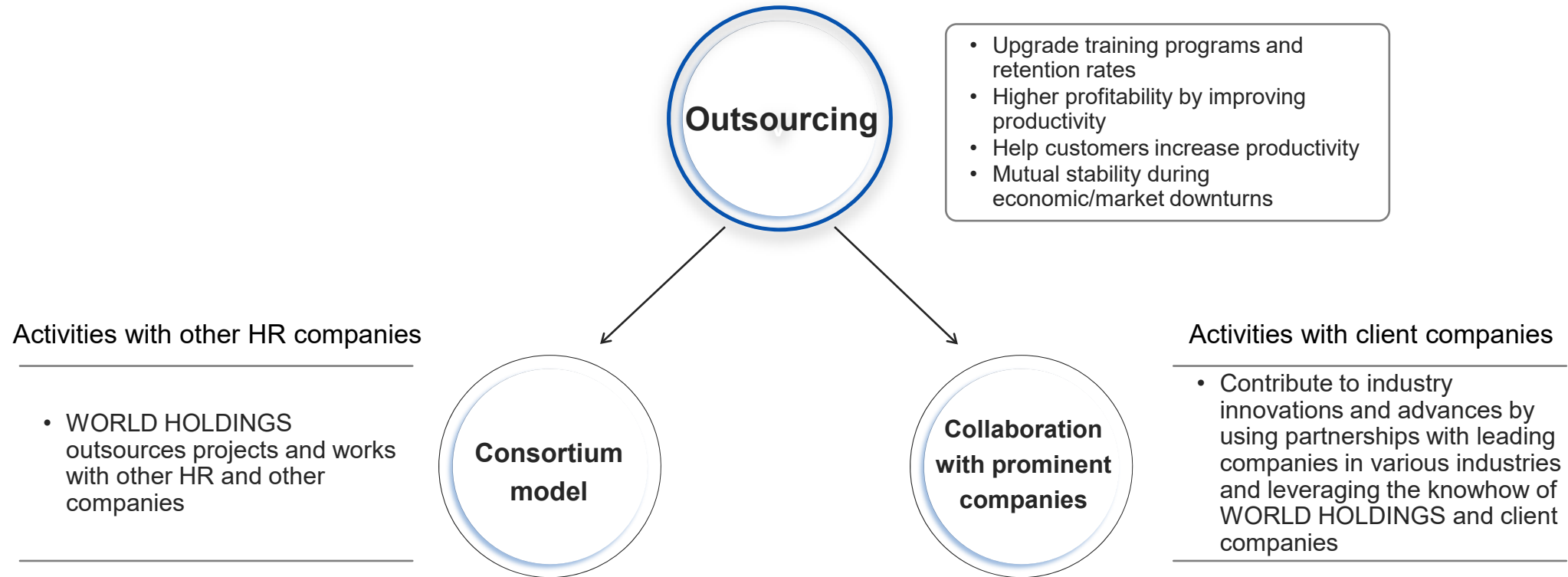


Consortium Collaboration Centered on Outsourcing

- Our goal is sustainable growth by using collaboration with other human resources companies and partnerships with clients, all centered on outsourcing.

Co-sourcing

A higher level of outsourcing by working even more closely with customers as a good partner and receiving the benefits of joint activities together



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

Use of the Consortium Model

- Customers outsource tasks to WORLD HOLDINGS, which then performs work jointly with local human resources companies and by collaborating with partner companies of client companies.
- Horizontal utilization of knowhow in the logistics sector at JW SOLUTION, TOHO WORK and other companies

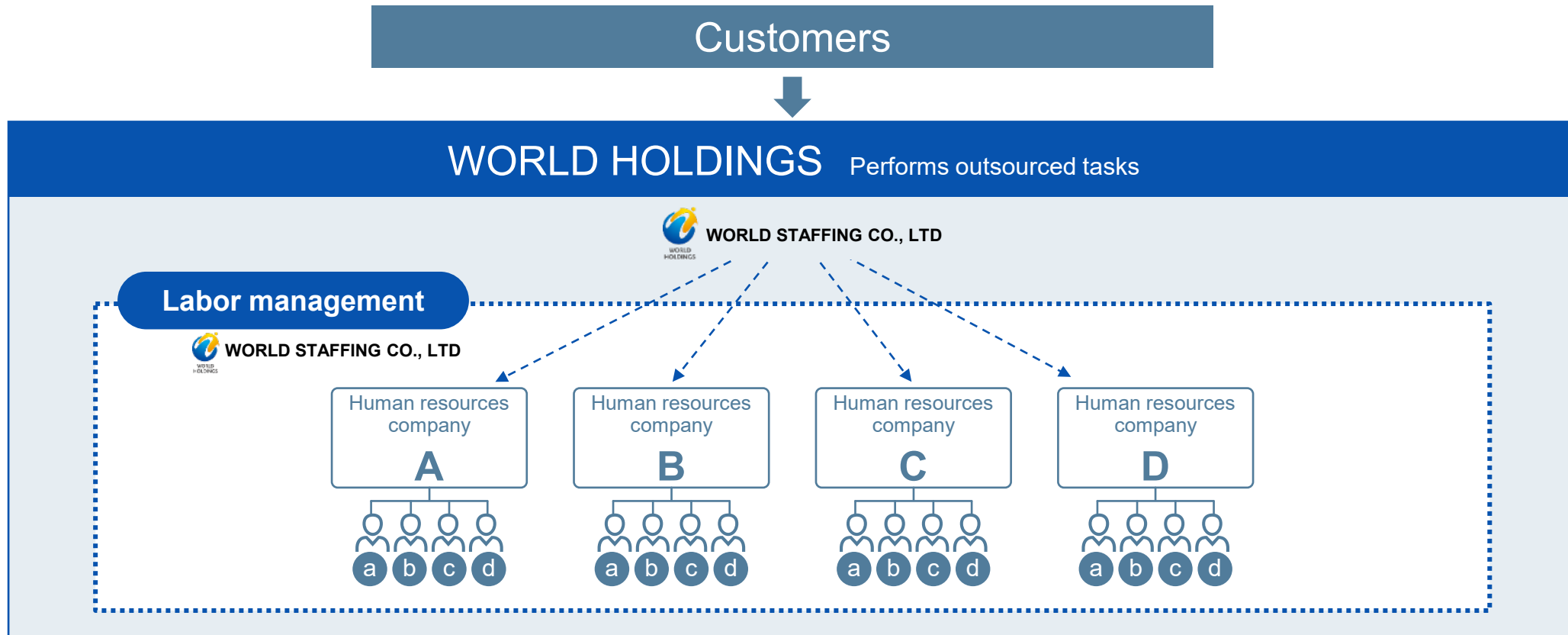
Collaboration with local human resources companies

(Example)



WORLD STAFFING CO., LTD (logistics sector)

Received contract to operate several logistics warehouses of a large foreign e-commerce company



Collaboration with Prominent Companies (1)

- Alliances with prominent companies in other industries are used to play a role in industry reforms and innovation and in making improvements at alliance partners. Growth of WORLD HOLDINGS is another goal.

For tourism industry progress and dealing with the labor shortage



Outsourcing and temporary staffing services for hotels, tourism destinations, venues for large events and other locations

Assistance concerning the shortage of face-to-face salespeople



Relationships with more than 7,500 companies involving face-to-face retail operations, the provision of information and other sales activities

Assist with passing on basic materials technologies and skills to younger people and with progress in this industry



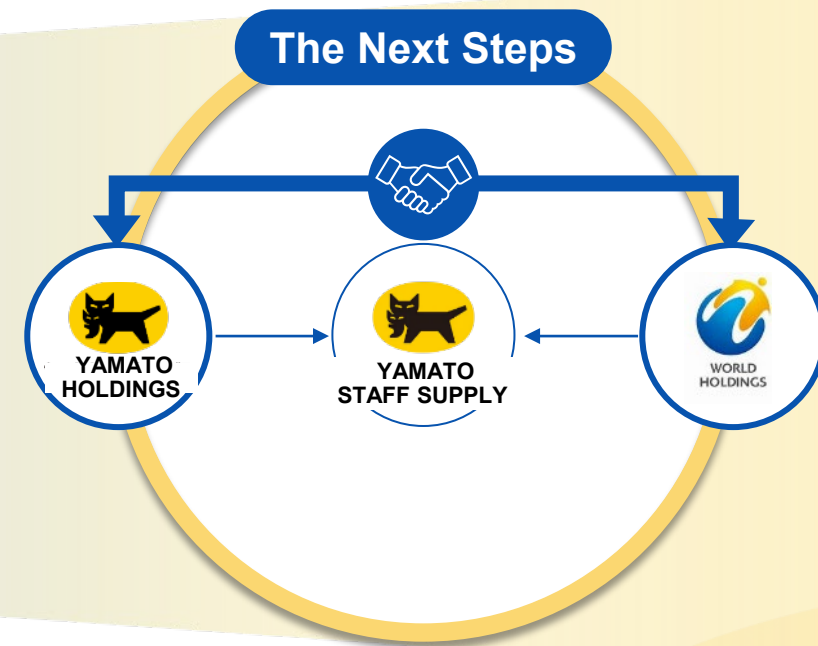
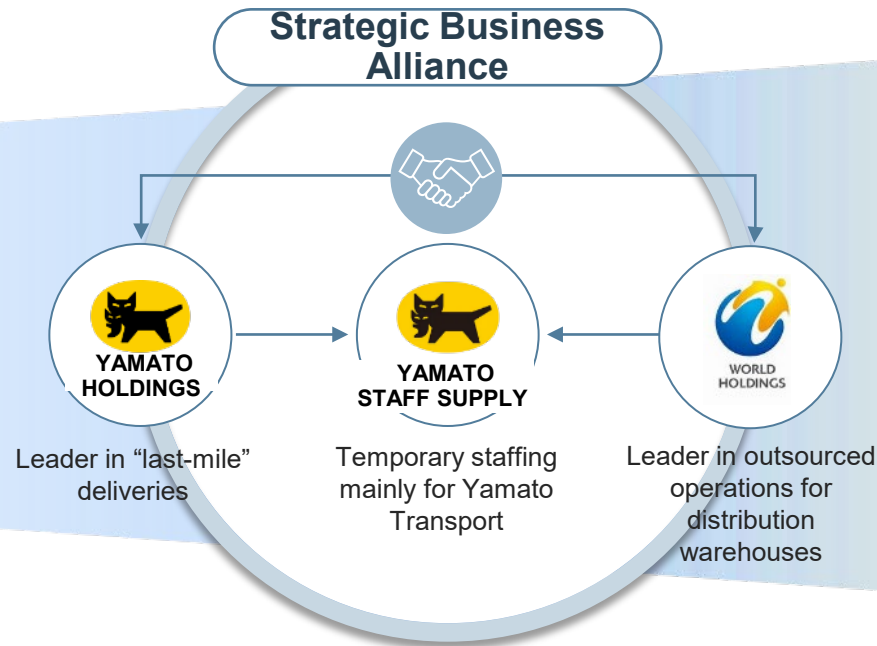
Handling outsourced manufacturing and other activities through the centralization of the external resources of Toho Titanium



Started a new business by purchasing the majority of the equity of Sankin Kaihatsu, which was previously a wholly owned subsidiary of Mitsui Mining & Smelting

Collaboration with Prominent Companies (2)

- Established a strategic business alliance with Yamato Holdings Co., Ltd.
- Yamato Staff Supply joins the WORLD HOLDINGS Group



Support for optimization of logistics operations

- Optimization of use of human resources by performing the management of temporary staffing orders for Yamato Transport
- Opportunities for Yamato Staff Supply personnel to work in new fields and receive reskilling training
- Support for second careers for postal service personnel of Yamato Transport

Establishment of a dynamic HR portfolio

- Use of outsourced distribution warehouse operation knowhow to raise the productivity of warehouse tasks
- Placement of people in the most suitable jobs by using the visualization of the movements of personnel and of equipment and shipments
- Horizontal expansion of outsourced distribution warehouse tasks for a dynamic HR portfolio that can contribute to sustainable growth of the logistics industry

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

Real estate for investment

Real estate trust beneficiary rights

Development

Real estate revitalization

Real estate finance

Condominiums/Detached houses Commercial land development

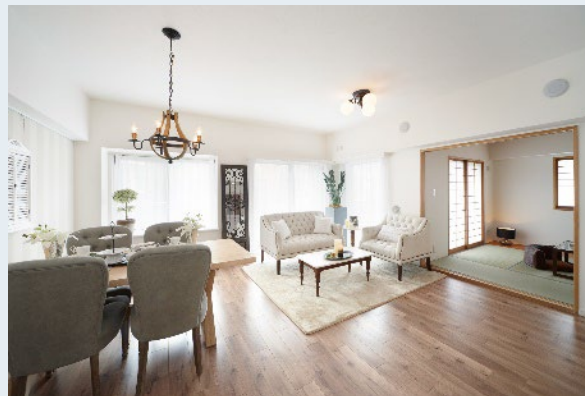
Conduct business mainly in major cities of the Tohoku, Tokyo Metropolitan, Kinki and Kyushu areas



Residential Aoba Hirosegawa
(Sendai, Miyagi)

Renovation Conversion

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



Examples of renovation



Asset management

Real estate fund management

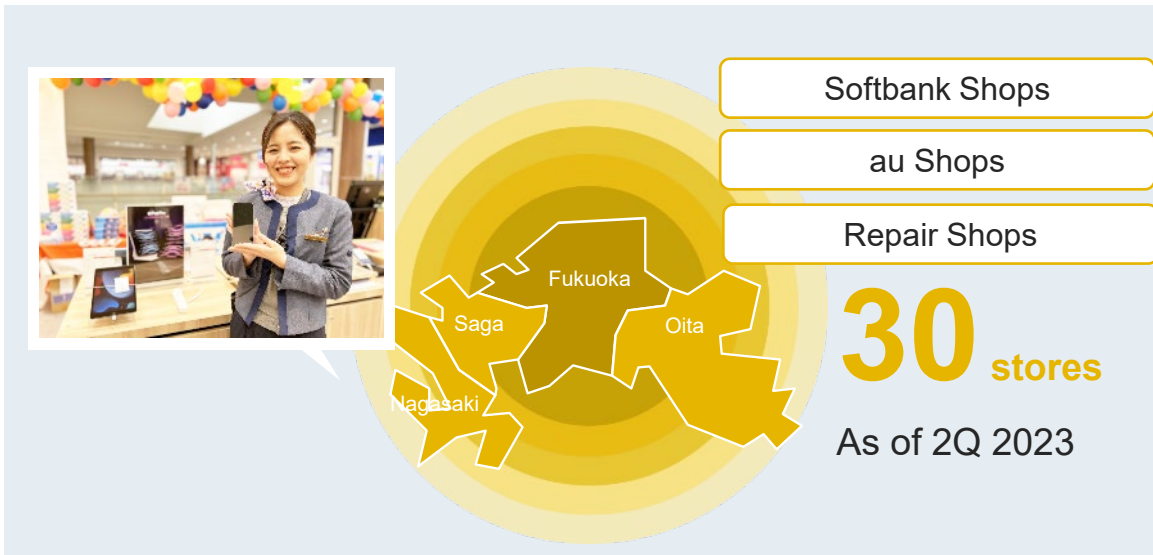


BIZIA Kojimachi Building

Mobile phone shop

The largest network of stores in Kyushu

Mobile phone shops in Fukuoka, Saga, Oita and Nagasaki Prefectures



Corporate Solutions

■ Total cost reduction solution

We offer cost reduction proposals for electricity, communication, etc. to corporations through the sale of various products.

■ Call Center

We handle a wide range of services from sales marketing to customer support.

Growing with Communities

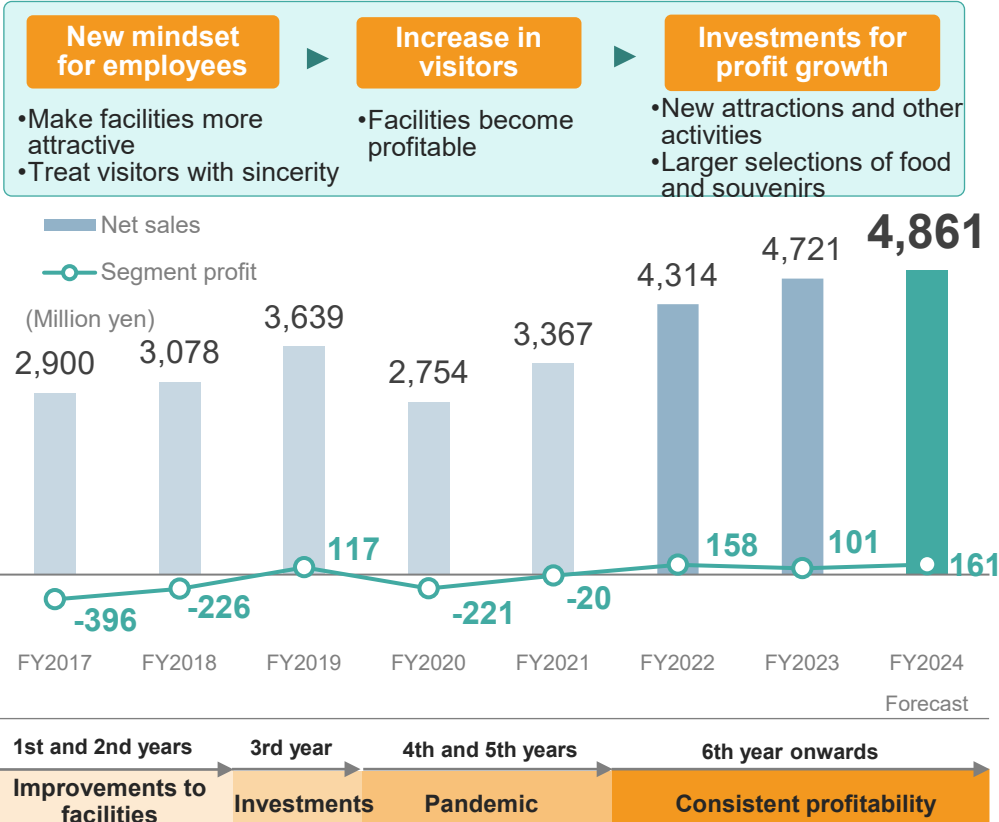
Supporting local safety and security through our business
By providing a wide range of products and opportunities, we aim to become indispensable bases for local life.



Agricultural Park Business

- WORLD HOLDINGS plans to increase profits of managed facilities by utilizing revitalization and profitability know-how acquired at the four directly managed facilities in the designated management business.
- Operating more facilities as the designated manager for the owners will create win-win relationships with local governments and other organizations that own these facilities. This will also enable WORLD HOLDINGS to help invigorate regional economies and create jobs.
- Received contracts as the designated manager or other position at five agricultural parks in 2023; operations started in April 2024 at four of these locations.

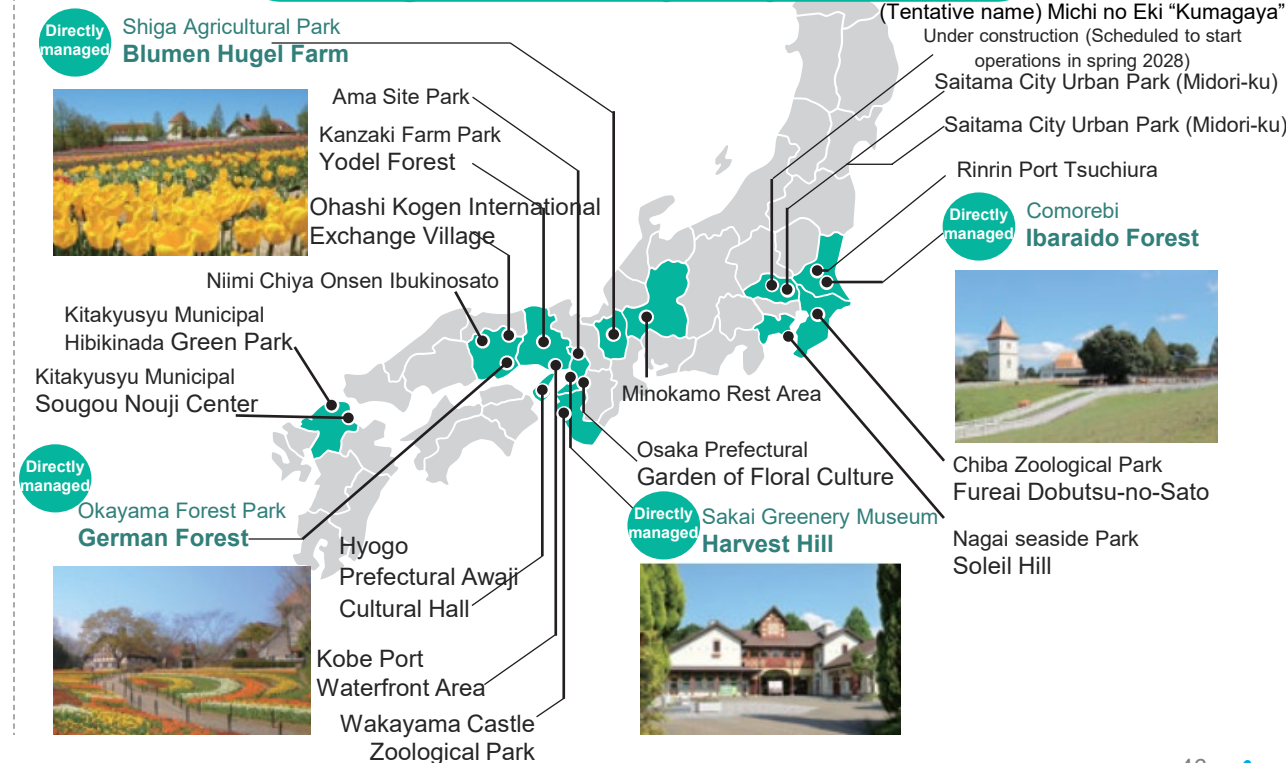
Revitalization know-how acquired at 4 directly managed facilities



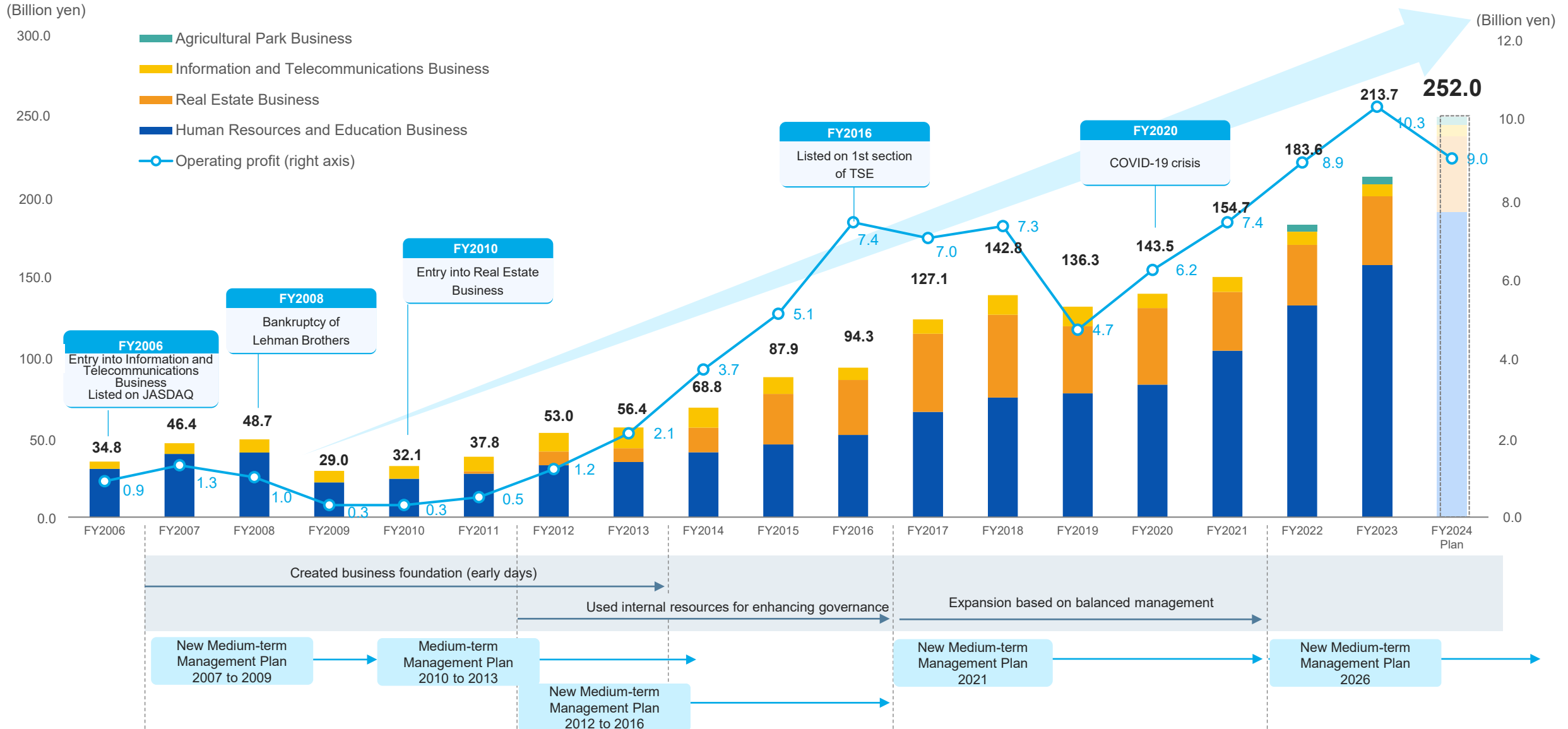
Operation of nature-rich agricultural parks, etc. at 21 locations around Japan

Operation of a total of 17 facilities, including 4 directly managed facilities and other entrusted facilities

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



Business Performance Trend



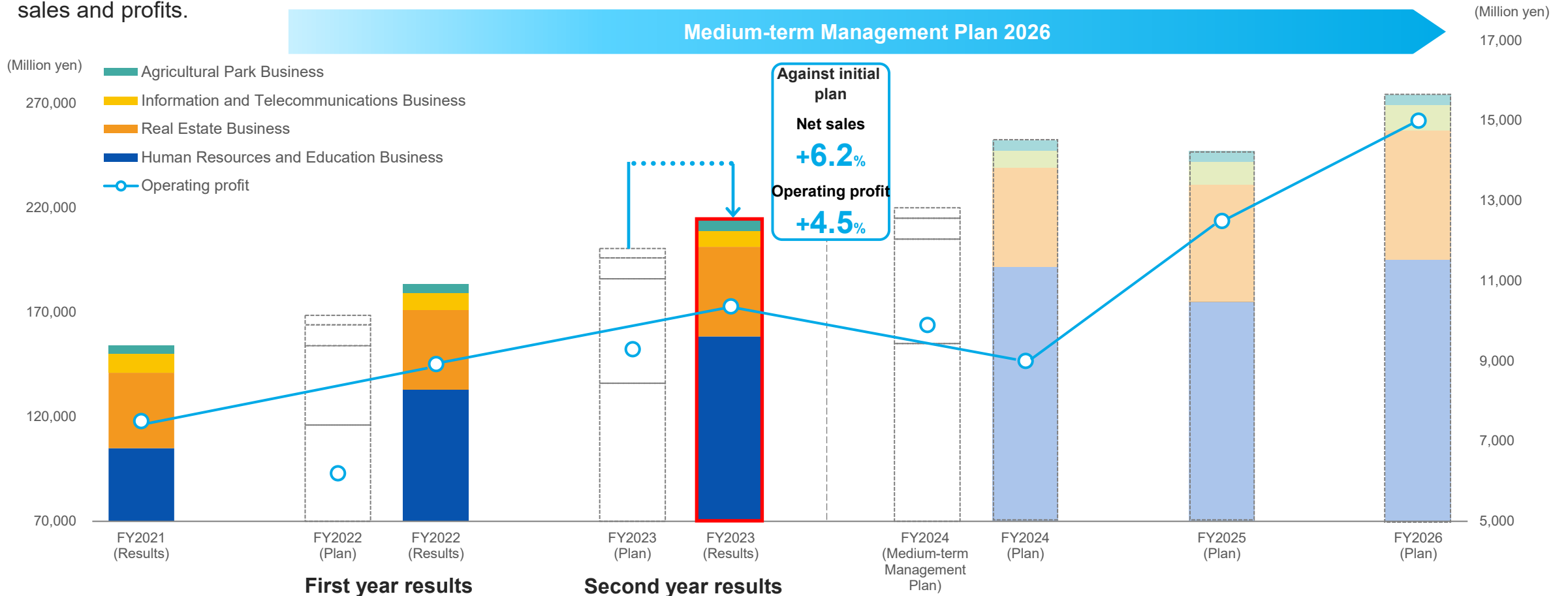
Note: The former segments had been used until FY2021, and the new segments are used thereafter.

Medium-term Management Plan

First half of the plan was building a sound base, second half is using this base for growth

- During the first two years, growth of the education business and expansion of subcontracting/outsourcing to more industries along with M&A and other activities established a sound base for growth.
- During the last three years, this base will be used for the growth of sales and profits.

FY2026 Targets		
Net sales	Operating profit	Payout ratio
¥275.0 billion	¥15.0 billion	30%



Actions for Management with Priority on the Cost of Capital and Stock Price

- The FY2023 ROE was 16.4%, which is higher than the FY2026 ROE forecast of 16.2%. The plan is to maintain the ROE at this level.
- Regarding PBR, the goal is to earn an even higher PBR by increasing profits while maintaining a high ROE.

Maintain and increase the ROE

Maintain/increase net income/sales ratio

Use medium-term management plan goals for net income growth and a high or even higher net income/sales ratio

- By achieving the FY2026 operating profit goal of ¥15 billion (50% higher than in FY2023), increase sales and keep the net income/sales ratio high or even higher
 - ✓ Sustainable growth of Manufacturing Human Resources Business by adding more outsourcing clients and further diversifying the industries of client companies
 - ✓ Use consortiums and collaboration involving Services Human Resources Business to expand operations to more logistics sectors and establish a stronger position in the face-to-face sales and tourism categories
 - ✓ Sustainable growth of the Real Estate Business by carefully managing risk

High or even higher asset turnover

Use sales growth in the Human Resources and Education Business to increase the overall asset turnover

- Increase company-wide total asset turnover through sales growth in the asset-efficient Human Resources and Education Business
- Continue to thoroughly manage risk exposure in the Real Estate Business and manage operations with emphasis on asset turnover

Maintain a sound level of financial leverage

Maintain financial soundness with risk management that includes monitoring the debt/equity ratio

- Pay a dividend during the medium-term management plan with a 30% payout ratio as the guideline to distribute profits to shareholders while increasing equity
- Maintain a sufficient equity ratio for the financial soundness
- Base real estate operations on thorough risk management that includes the debt/equity ratio and avoid excessive leverage due to loans



**WORLD
HOLDINGS**




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