



Financial Results
for the First Quarter of the Fiscal Year Ending
March 31, 2025

August 9, 2024

WILL GROUP, INC. (Tokyo Stock Exchange, Prime Market / Stock code: 6089)

Contents

1. Q1 FY2025 Results
2. Medium-term Management Plan (WILL-being 2026) Progress
3. FY2025 Earnings and Dividend Forecasts

In parts of these materials, “Domestic Working Business” and “Overseas Working Business” are abbreviated as “Domestic W” and “Overseas W,” respectively.



1

Q1 FY2025 Results

Q1 FY2025 Financial Highlights (Consolidated)

Consolidated

- Revenue increased due to expansion of the construction management engineer domain.
- Operating profit decreased due to the absence of one-time profit from the gain on sale of shares of subsidiaries and the impact of the consolidation exclusion of that subsidiary.
- Normalized operating profit declined as planned due to the Group investing in job advertisement and hiring expenses in Domestic W. (Domestic W, especially the construction management engineer domain, has been actively hiring and implementing promotional activities. The segment recognized upfront expenses in Q1)

(Billions of yen)

Revenue	Operating profit	EBITDA ^{*2}
35.05	0.17	0.68
(vs Q1 FY2024 +1.8%)	(vs Q1 FY2024 - 84.4%) (Normalized operating profit ^{*1} : vs Q1 FY2024 -28.8%)	(vs Q1 FY2024 - 58.6%)

*1 Normalized operating profit: Operating profit excluding the impacts of the corresponding previous period's temporary gain on sale of shares of subsidiaries and the impact of the consolidation exclusion of that subsidiary.

*2 EBITDA: Operating profit + depreciation and amortization + impairment losses

Q1 FY2025 Financial Highlights (Segment Performance)

Domestic Working Business

- Although the Domestic Working Business performance was flat, the construction management engineer domain performed well.
- Segment profit saw a decline as planned due to the Group investing in job advertisement and hiring expenses in the strategic investment domain.

(Billions of yen)

Revenue

20.46

(vs Q1 FY2024 +1.4%)

Segment profit

0.23

(vs Q1 FY2024 - 82.5%)

(Normalized segment profit: vs Q1 FY2024 -49.3%)

Overseas Working Business

- Revenue and profit increased year on year due to government subsidy income and the effect of foreign exchange, despite the ongoing difficult market conditions.

(Billions of yen)

Revenue

14.53

(vs Q1 FY2024 +2.5%)

Segment profit

0.57

(vs Q1 FY2024 + 25.8%)

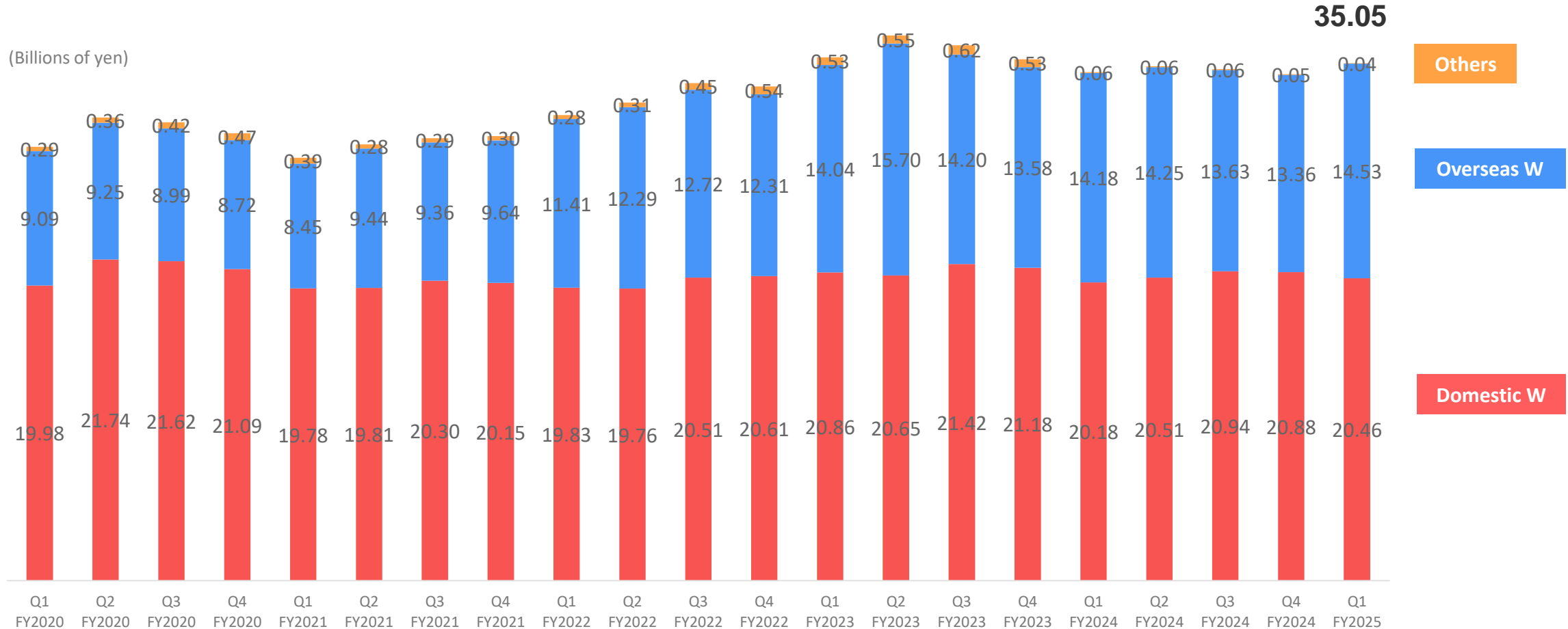
Q1 FY2025 Results

- Steady start in Q1, particularly in the strategic investment domain.

[Consolidated performance] (Billions of yen)	Q1 FY2024	Q1 FY2025	Change	% change
Revenue	34.43	35.05	+ 0.61	+ 1.8 %
Gross profit	7.55	7.26	- 0.29	- 3.9 %
(Gross margin)	(21.9 %)	(20.7 %)	(- 1.2 pt)	
Operating profit	1.13	0.17	- 0.95	- 84.4 %
(Operating margin)	(3.3 %)	(0.5 %)	(- 2.8 pt)	
Normalized operating profit	0.24	0.17	- 0.07	- 28.8 %
(Normalized operating margin)	(0.7 %)	(0.5 %)	(- 0.2 pt)	
Profit attributable to owners of parent	0.72	0.06	- 0.65	- 90.4 %
[KPI]	FY2025 (Plan)	Q1 FY2025	Progress rate	FY2024
Number of hires/year (construction management engineer domain)	1,200	804	67.0 %	1,424
Retention rate (construction management engineer domain)	71.3 %	73.6 %	+ 2.3 pt	71.2 %
Number of workers on assignment for permanent employee staffing (Domestic W [excluding the construction management engineer domain])	3,274	3,459	105.6 %	3,254
	(Vs. end of previous fiscal year: + 205)			
Number of foreign talent supported through the Foreign Talent Management Services (Domestic W)	2,900	2,495	86.0 %	2,341
	(Vs. end of previous fiscal year: + 154)			

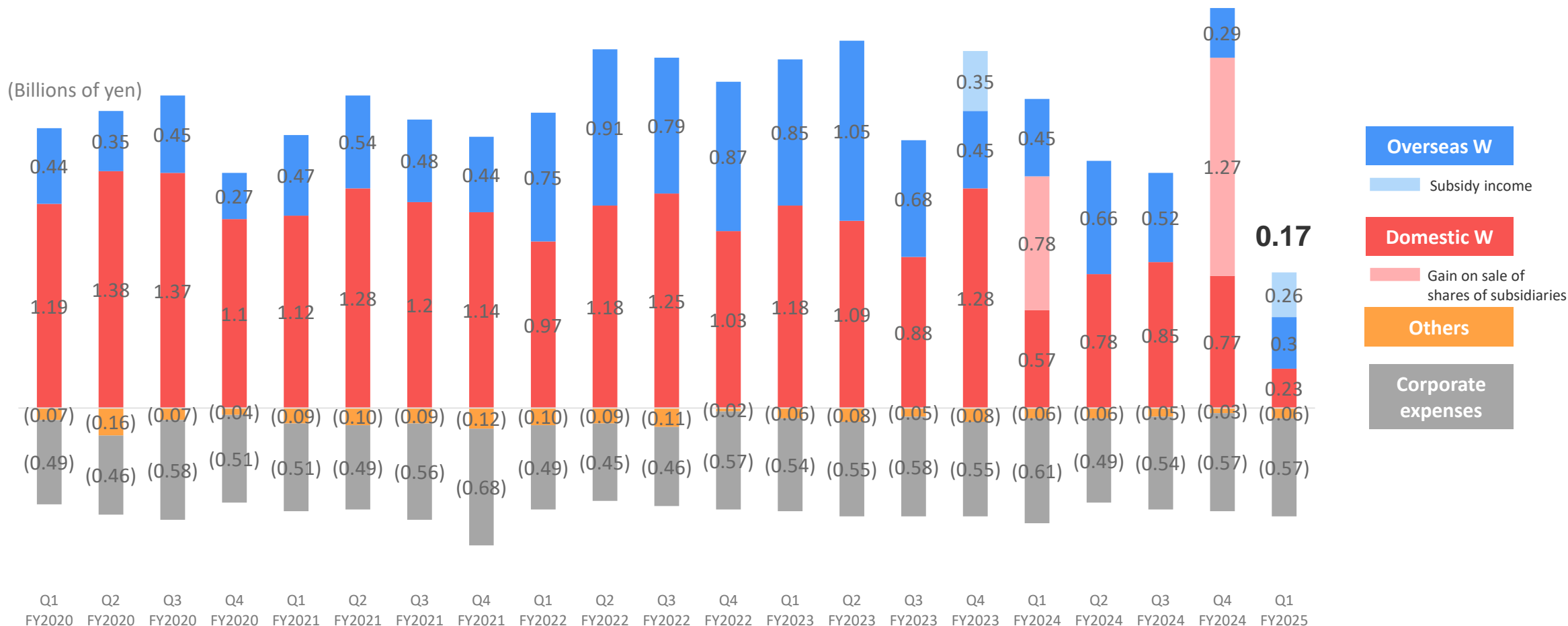
Consolidated Revenue

- Q1 increased by ¥0.75 billion compared to Q4 FY2024 (of which, forex impact: +¥1.21 billion, consolidation exclusion impact: -¥0.98 billion)
- Domestic W was flat. Overseas W experienced stagnant growth in both temporary staffing and permanent placement businesses.



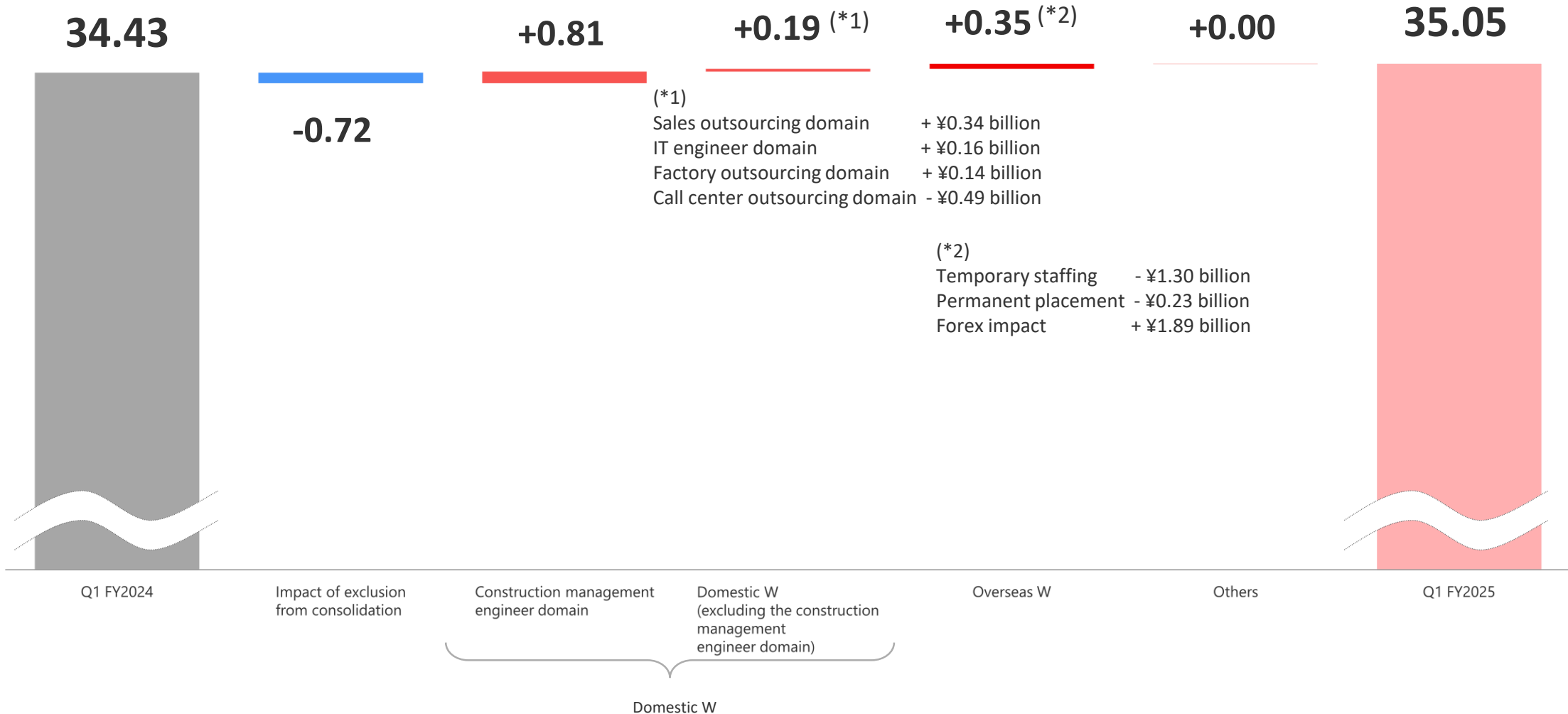
Consolidated Operating Profit

- Q1 decreased ¥0.96 billion compared to Q4 FY2024 (of which, forex impact: +¥0.02 billion)
- In Domestic W, upfront investment of ¥0.33 billion was made. (+¥0.12 billion compared to Q4 FY2024)
- Overseas W recorded ¥0.26 billion in government subsidy income.



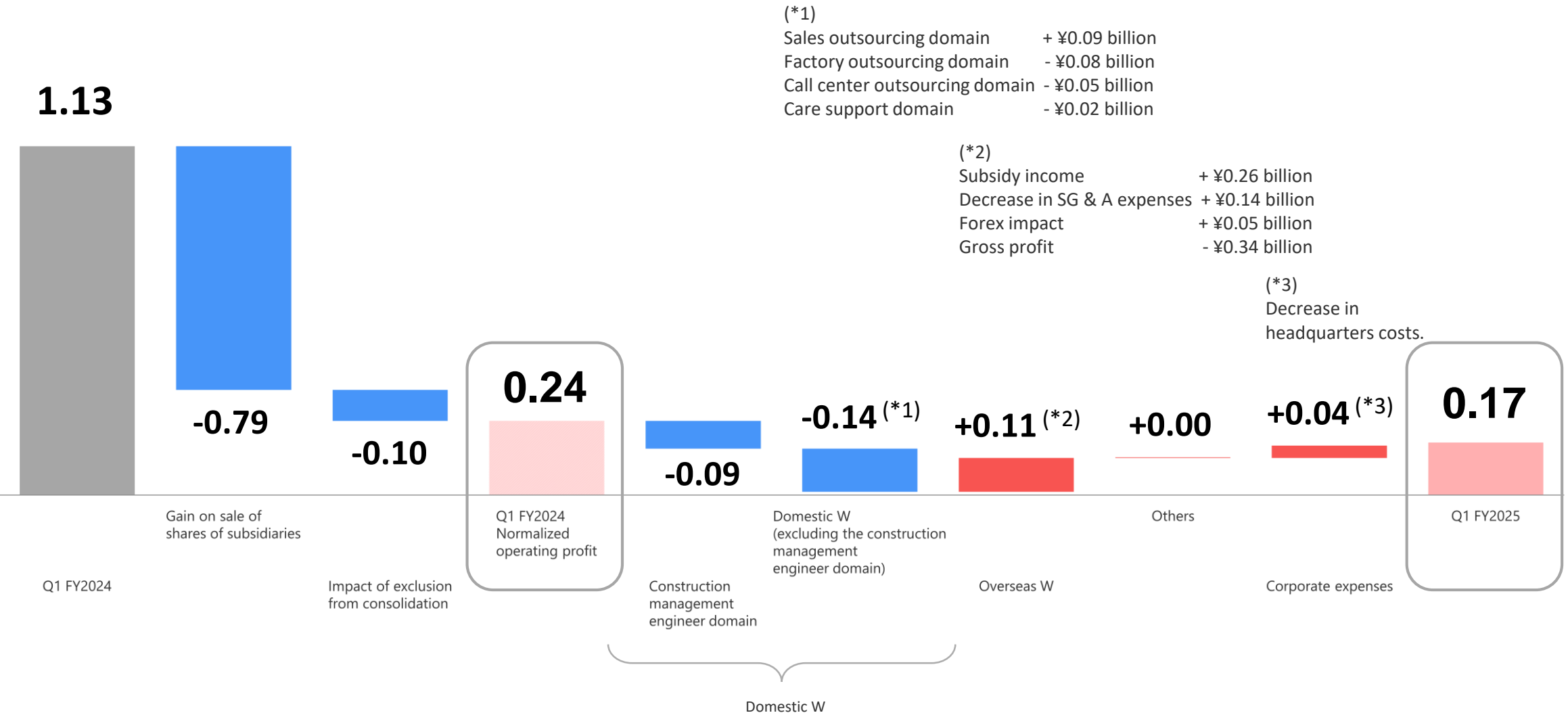
Q1 FY2025 Revenue (Breakdown of Year-on-Year Changes)

(Billions of yen)



Q1 FY2025 Operating Profit (Breakdown of Year-on-Year Changes)

(Billions of yen)

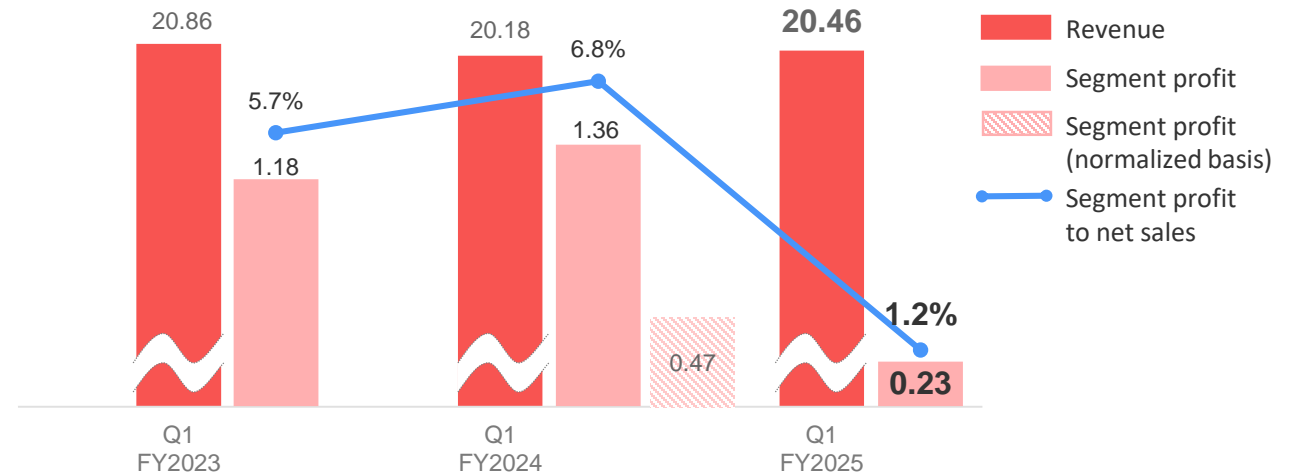


Domestic Working Business

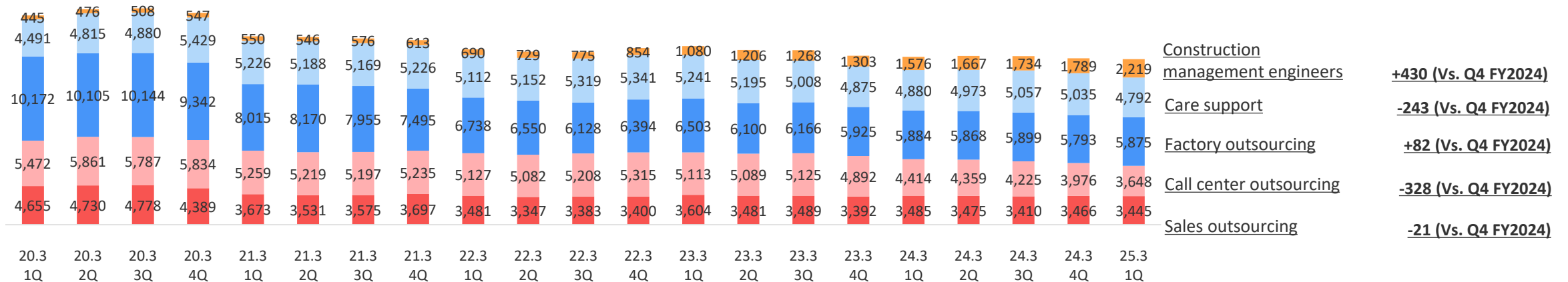
- Despite a decrease in the total number of workers on assignment by about 80 workers compared to Q4 FY2024, the number of workers on assignment steadily increased in the strategic investment domain.
- In June, we ran TV commercial for WILLOF in metropolitan area, following West Japan area in last year.

-Revenue and segment profit (Billions of yen)-

	Q1 FY2024	Q1 FY2025	Vs. Q1 FY2024 % change
Revenue	20.18	20.46	+ 1.4%
Segment profit	1.36	0.23	- 82.5%
Segment profit (normalized basis)	0.47	0.23	- 49.3%

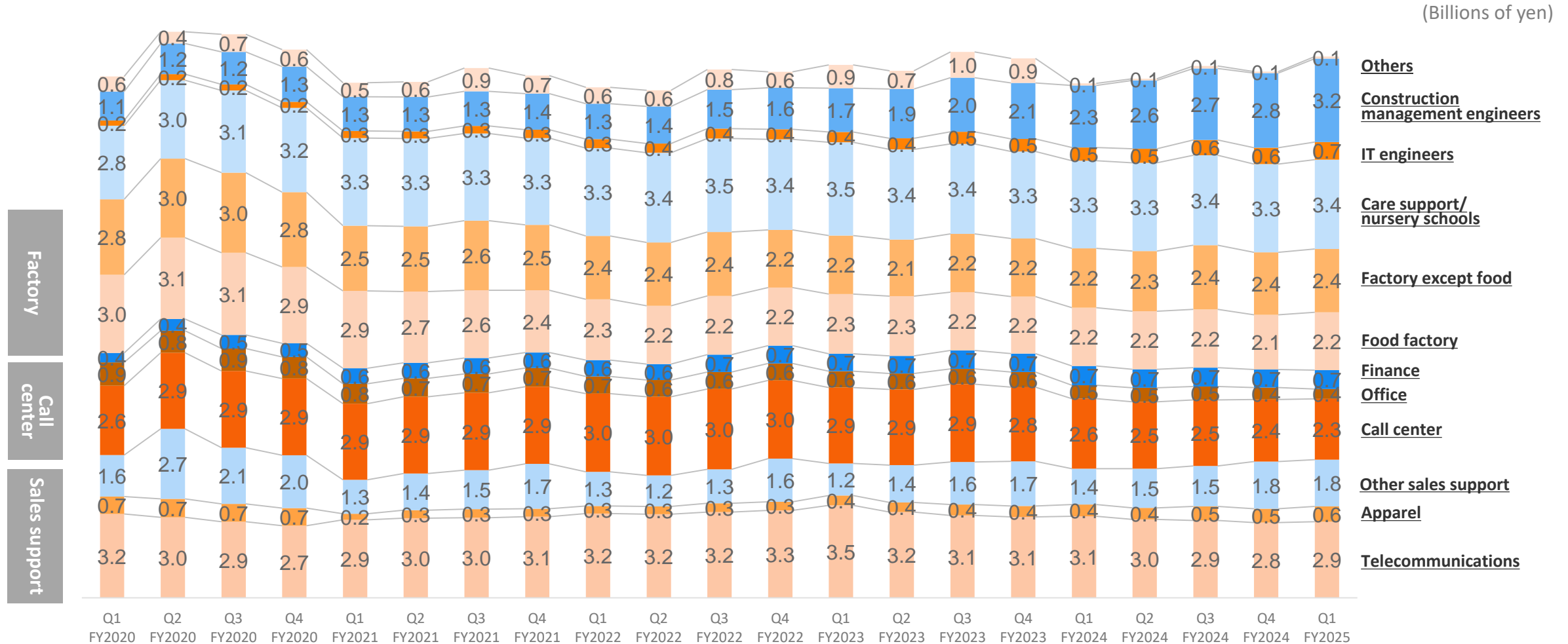


-Number of workers on assignment (headcount)-



Domestic Working Business (Business sector revenue)

- Although the call center domain continued to be stagnant, the construction management engineer and IT engineer domains have progressed steadily.

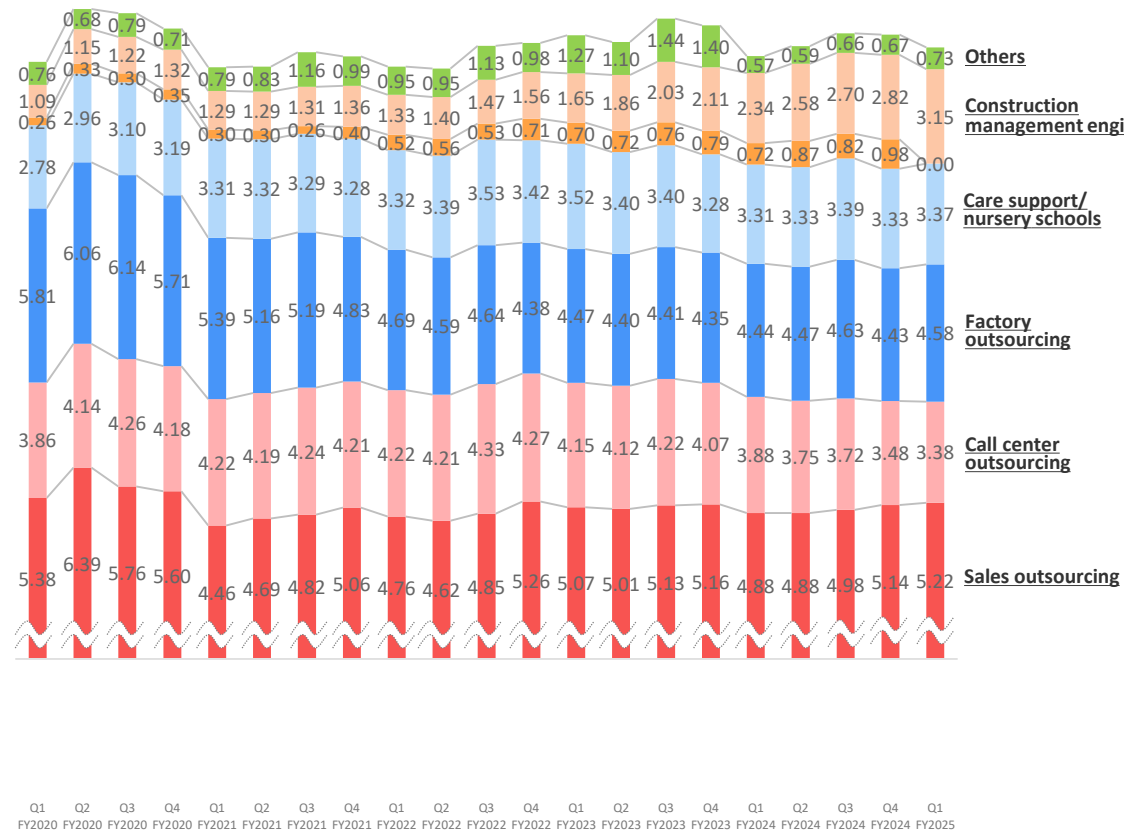


Domestic Working Business (Revenue and operating profit by sector)

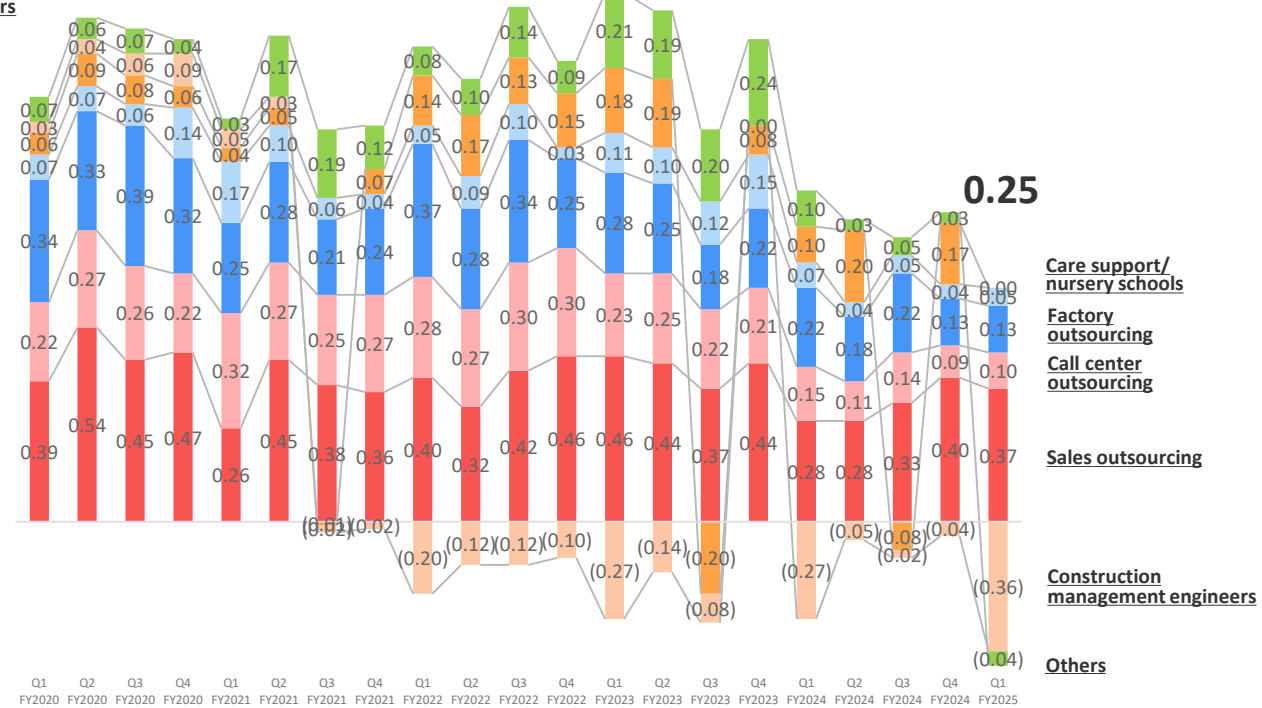
- The construction management engineer domain is expected to turn into a surplus in this fiscal year.
- Upfront investment of ¥0.33 billion was made to facilitate the progress of key strategies in the Medium-term Management Plan.

-Revenue by sector (Billions of yen)-

20.46



-Operating profit by sector (Billions of yen)-



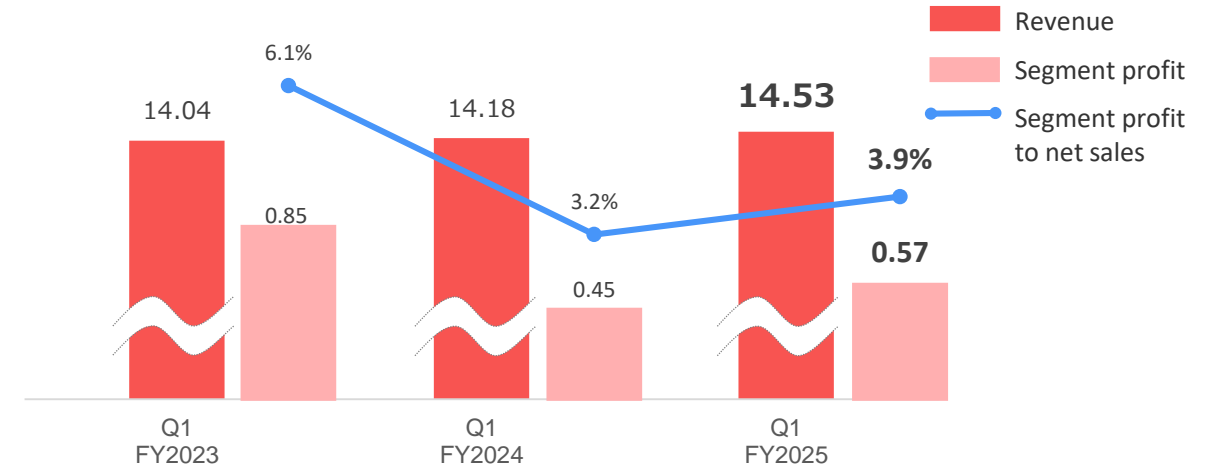
*Intra-segment consolidation adjustments are not included.

Overseas Working Business

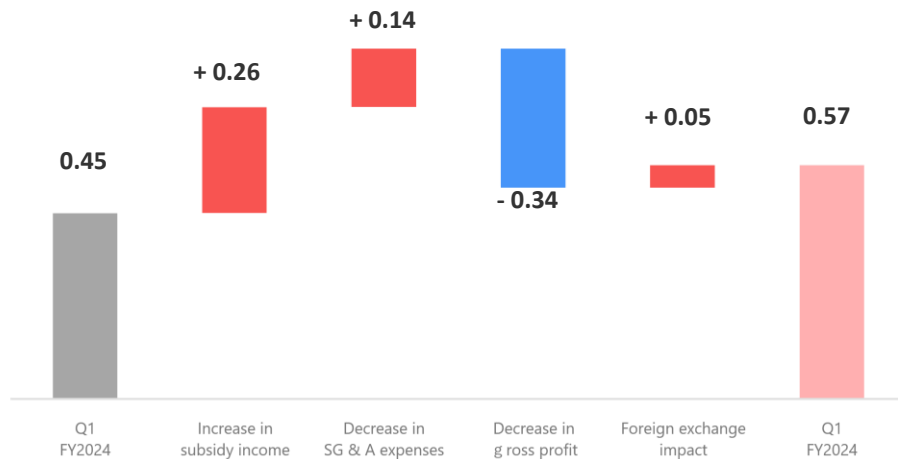
- Both temporary staffing and permanent placement performance remained stagnant with continued reduction in hiring due to weak demand for manpower.
- Forex impact compared to Q1 FY2024 was +¥1.89 billion in revenue and +¥0.05 billion in operating profit.

-Revenue and segment profit (Billions of yen)-

	Q1 FY2024	Q1 FY2025	Vs. Q1 FY2024 % change
Revenue	14.18	14.53	+ 2.5%
Segment profit	0.45	0.57	+ 25.8%



-Major components of changes in segment profit (Billions of yen)-



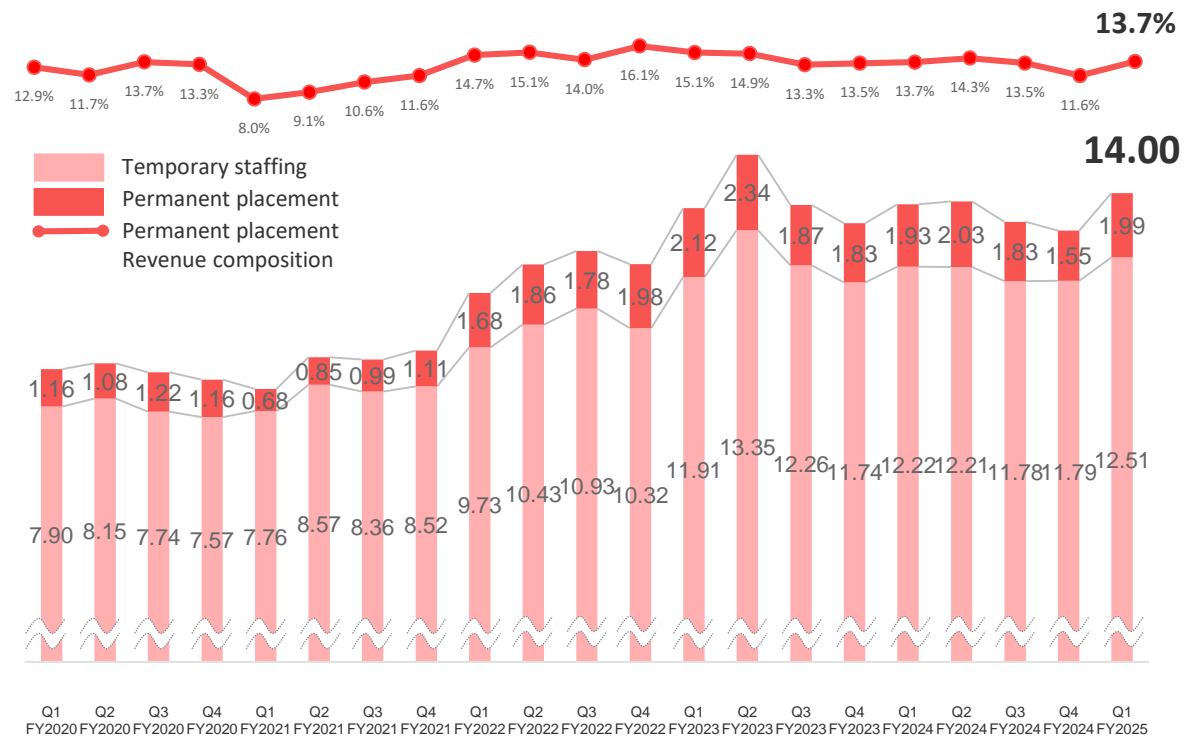
-Forex sensitivity-

	FY2025 Plan	Q1 FY2025 Results	Q1 FY2024 Results	Change for ¥1 difference/y	
				Revenue	Profit
AUD	¥91	¥103	¥92	¥560 million	¥20 million
SGD	¥104	¥115	¥103	¥220 million	¥20 million

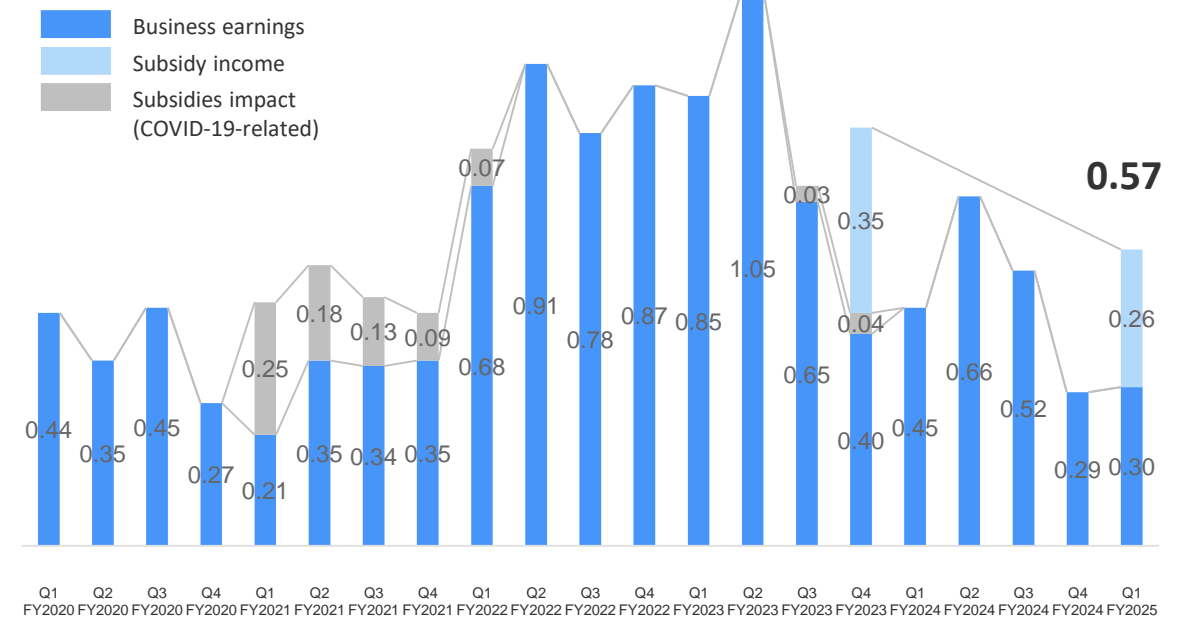
Overseas Working Business (Revenue by contract type and operating profit)

- Each subsidiary has initiated cost reduction measures to reduce its workforce in line with the stagnant business performance caused by the deterioration of macroeconomic situations.
- ¥0.26 billion of government subsidy income from the Singapore government was recorded.

-Revenue by contract type (Billions of yen)-

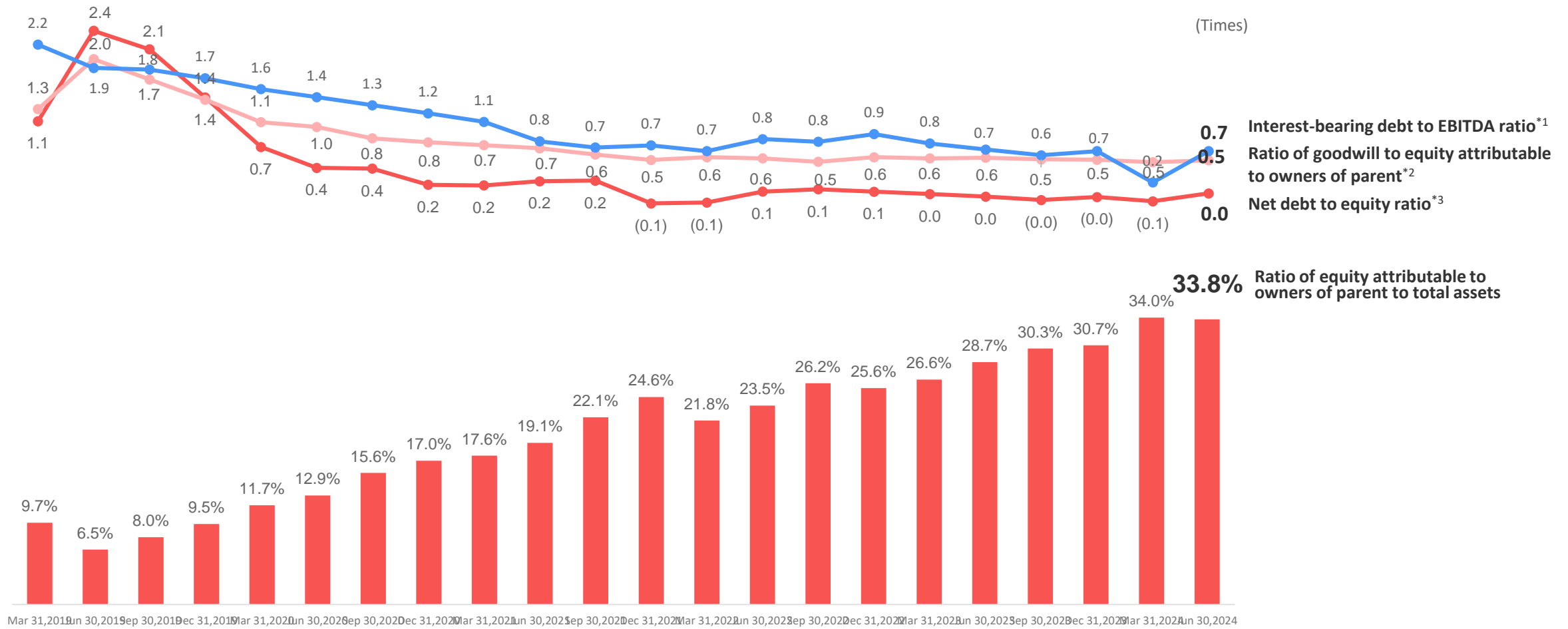


-Operating profit (Billions of yen)-



Financial Indicators

- The ratio of equity attributable to owners of parent to total assets was 33.8% at the end of Q1. Each financial indicator is on a trend of improvement.



*1 : Interest-bearing debt (excluding short-term borrowings) / EBITDA
 *2 : Goodwill outstanding / Equity attributable to owners of parent
 *3 : (Interest-bearing debt - Cash and deposits) / Equity attributable to owners of parent

Medium-term Management Plan (WILL-being 2026) Progress



Progress of KPI

- Steady progress in all KPIs.
- In the construction management engineer domain, 804 people were hired, including 453 new graduates.

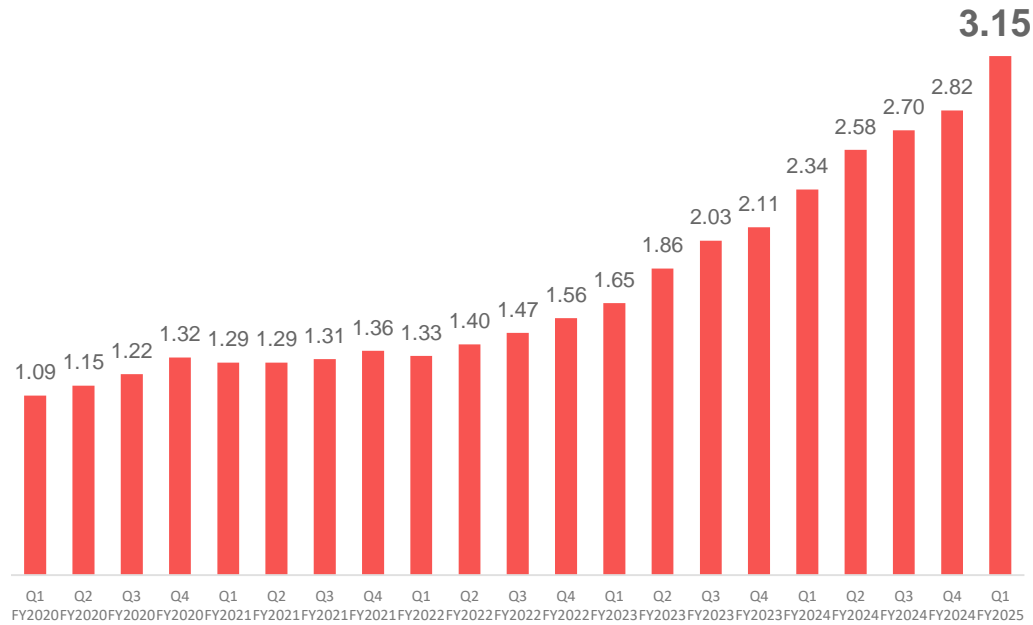
Key strategies		KPI	Plan	Results	Vs. Plan	Evaluation	
Domestic W	Strategy I	Realizing further growth and monetization in the construction management engineer domain	Number of hires/year	1,200	804	67.0 %	Good
			Retention rate	71.3 %	73.6 %	+ 2.3 pt	Good
	Strategy II	Renewed growth in Domestic W (excluding the construction management engineer domain)	Number of workers on assignment for permanent employee staffing	3,274 (Vs. end of previous fiscal year:	3,459 + 205)	105.6 %	Good
			Number of foreign talent supported through the Foreign Talent Management Services	2,900 (Vs. end of previous fiscal year:	2,495 + 154)	86.0 %	Good

Progress in the Construction Management Engineer Temporary Staffing Business ①

- Revenue is performing steadily with the increase in the number of people on assignment.
- Steady performance with regard to the target for the fiscal year of hiring 1,200 people. (Includes new graduate recruitment: 453 (previous fiscal year: 260))

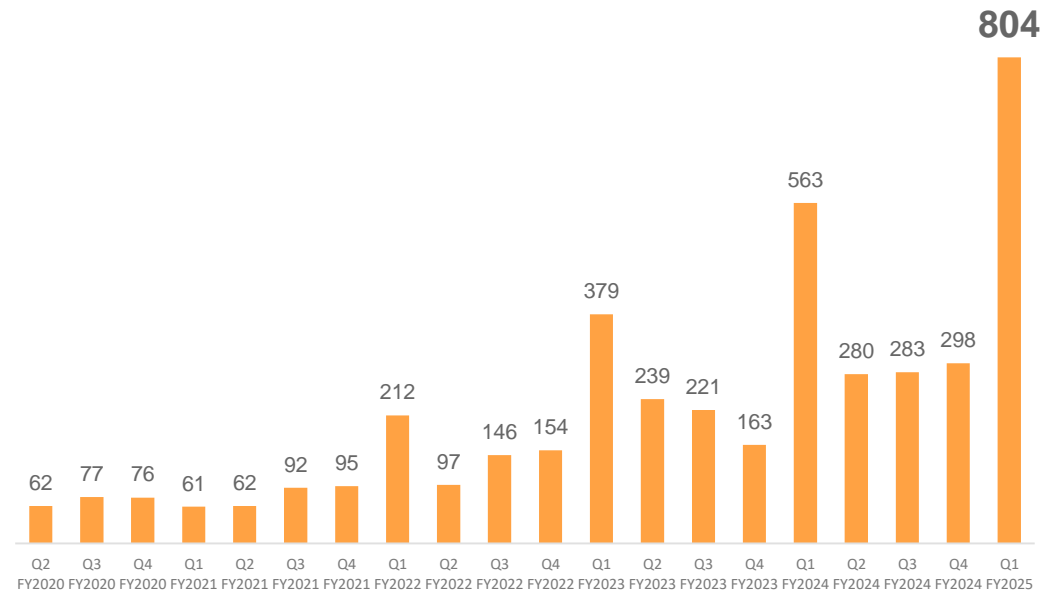
-Quarterly Revenue-

(Billions of yen)



-Headcount Hired-

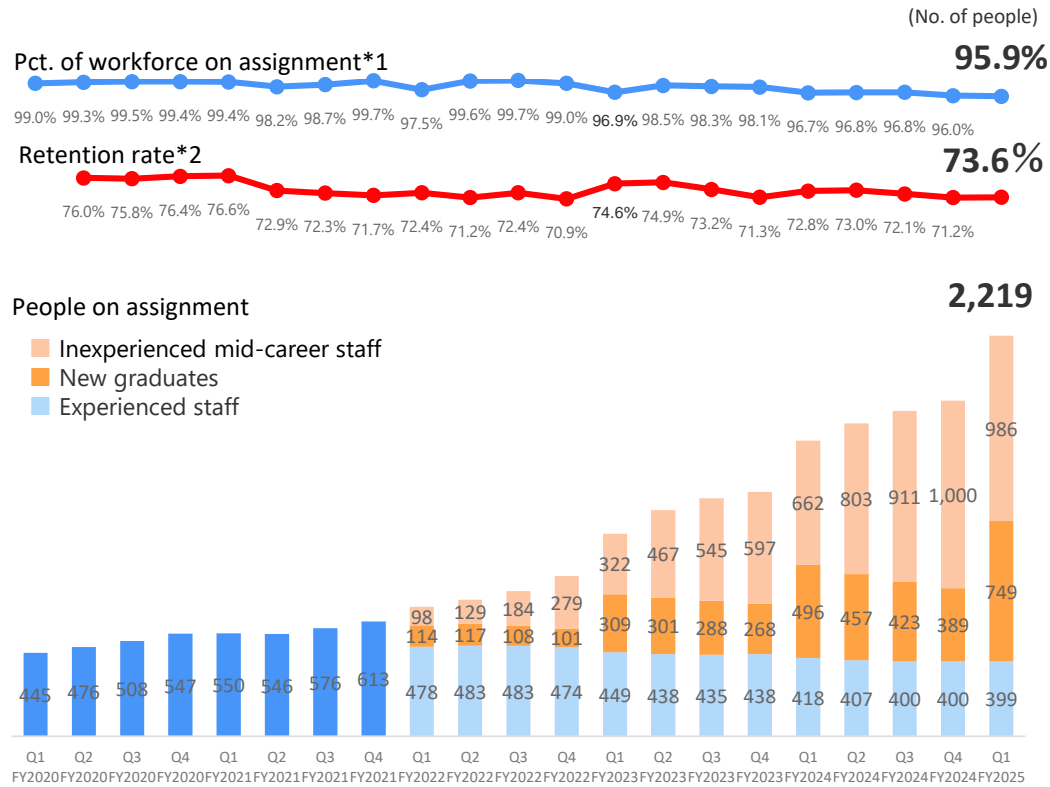
(No. of people)



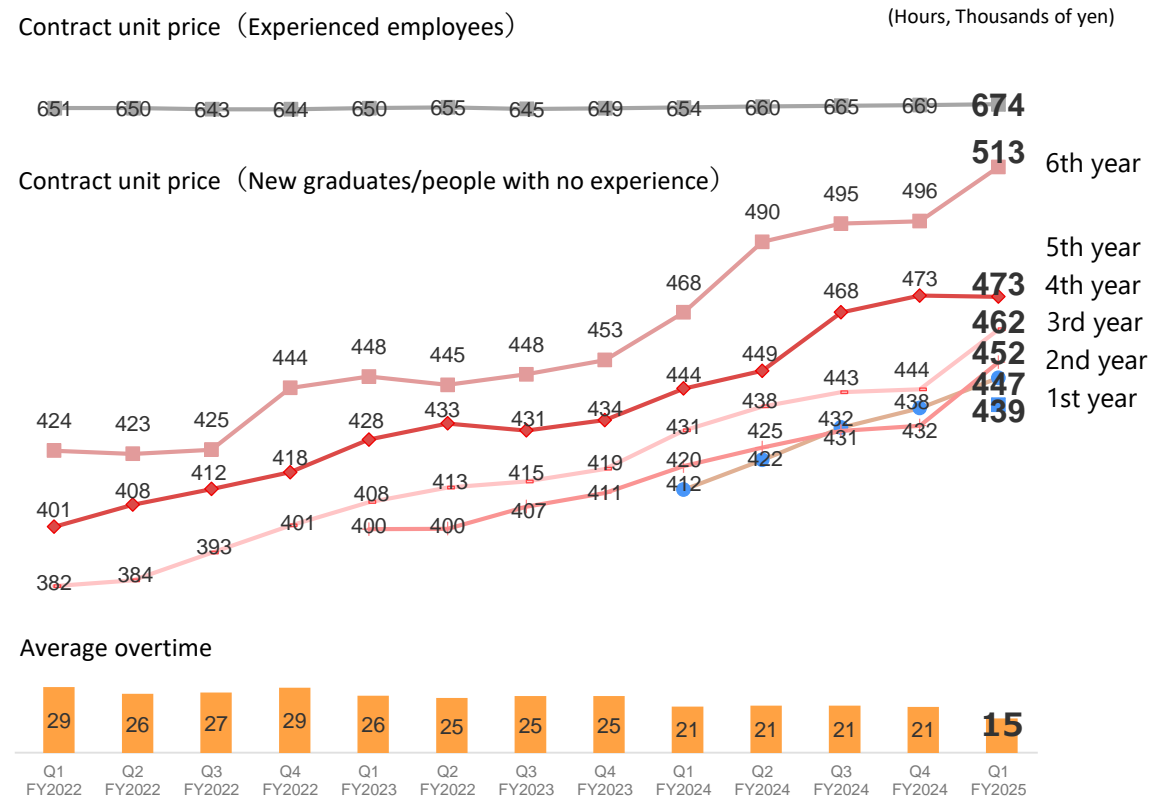
Progress in the Construction Management Engineer Temporary Staffing Business ②

- Percentage of workforce on assignment remained at a high level. The Group will continue to work on improving retention rates.
- Average contract unit price for new graduates and non-experienced staff rose 8% compared to Q1 FY2024 as a result of negotiations with customers on raising fees.

- People on Assignment, Pct. of Workforce on Assignment, and Retention Rate -



- Average contract unit price, average overtime (monthly) -

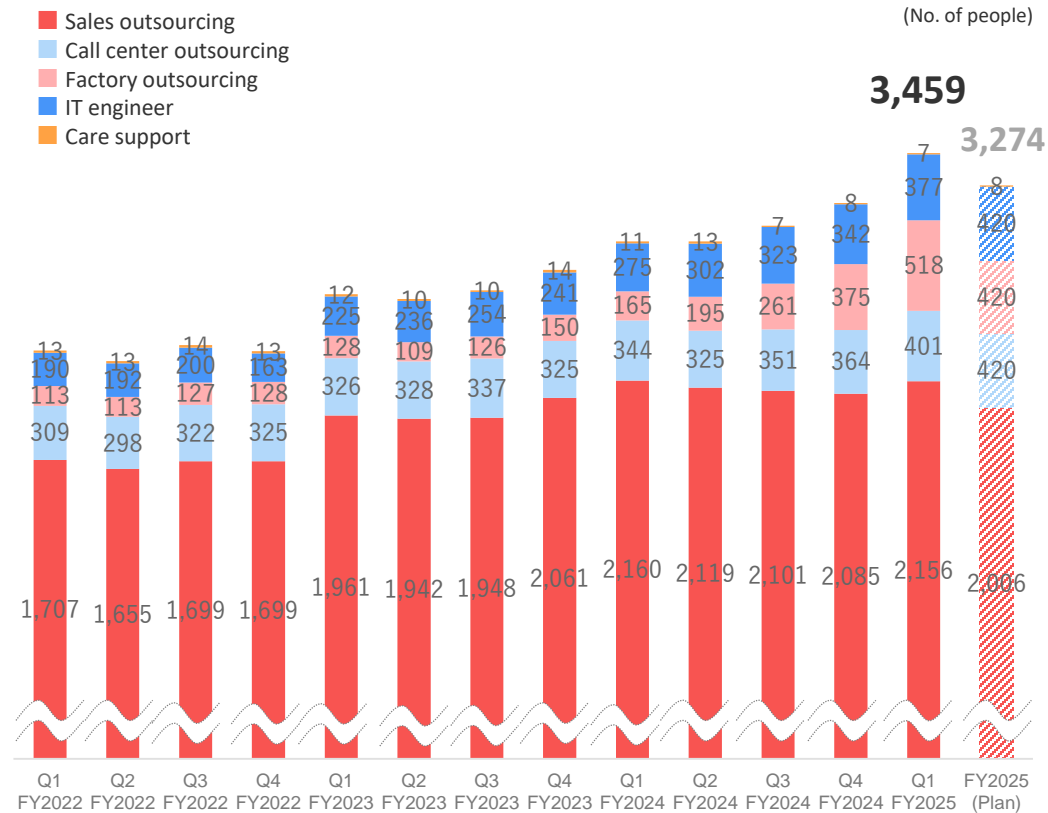


*1 : Percentage of workforce on assignment in Q1 is for the month of June only, after excluding impact of training for new graduates.
 *2 : (Total workforce divided by the sum of the workforce one year earlier and people hired during the past year) / 100

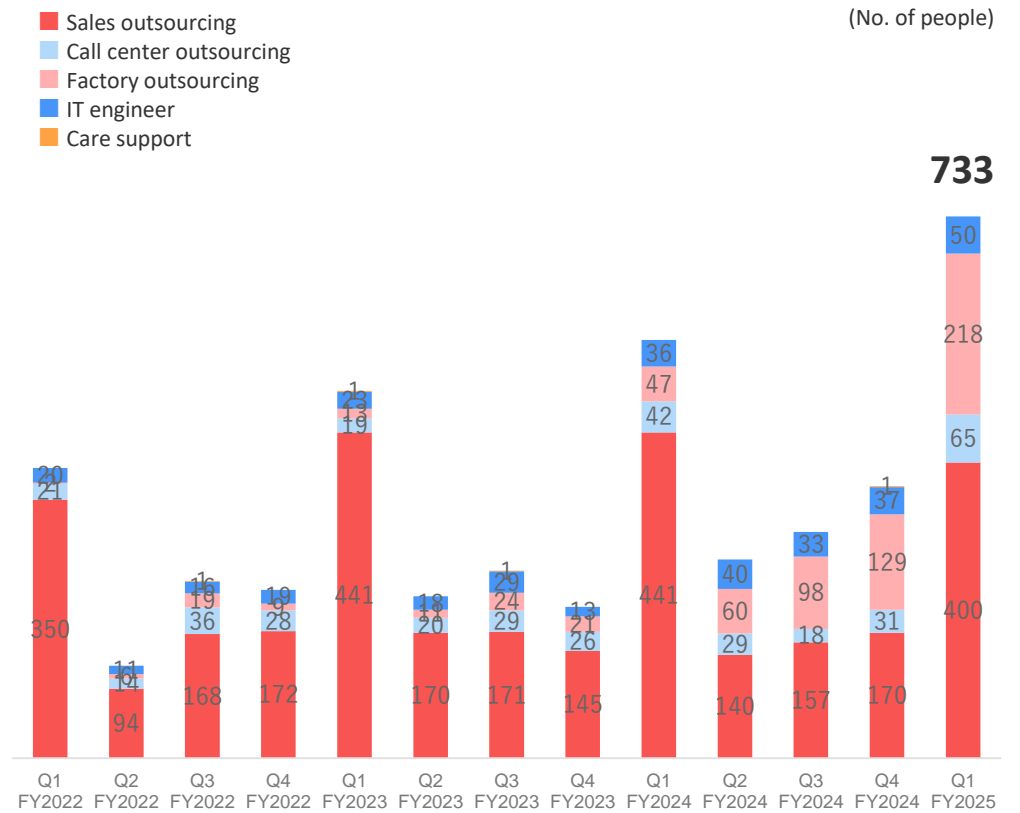
Progress of Permanent Employee Staffing

- Including approximately 240 new graduates in the sales domain, there is steady hiring in the factory and IT engineer domains.
- The number of workers on assignment for permanent employee staffing reached a record high on a quarterly basis as a result of an increase in the number of hires.

-Number of workers on assignment for permanent employee staffing-



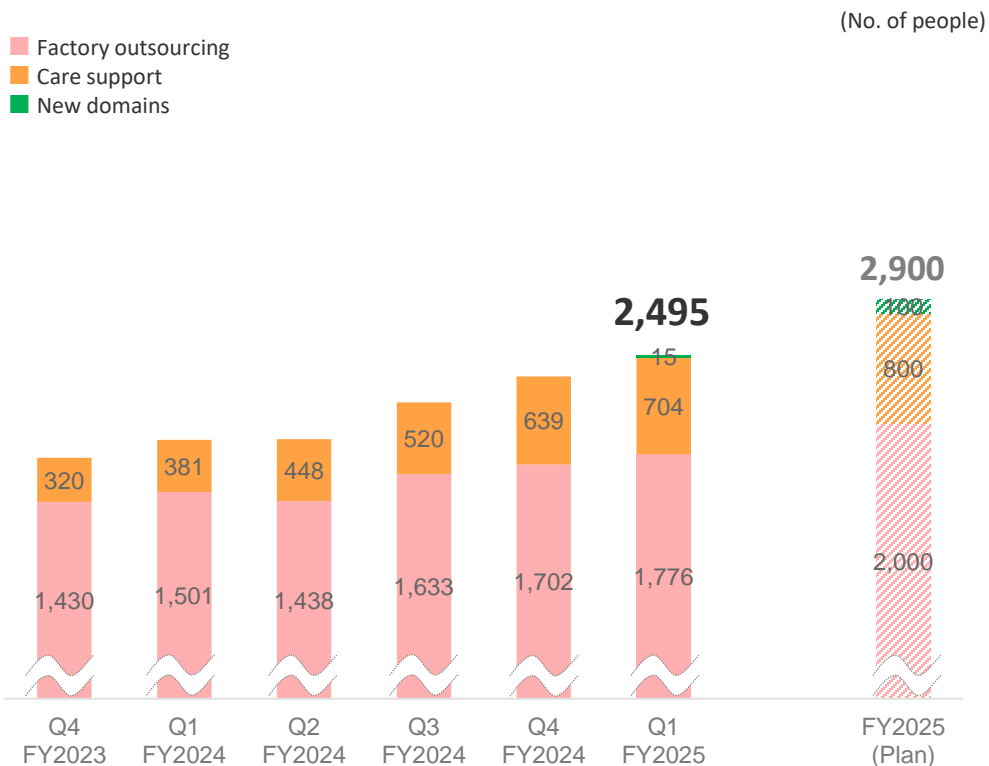
- Number of permanent employee staffing hires -



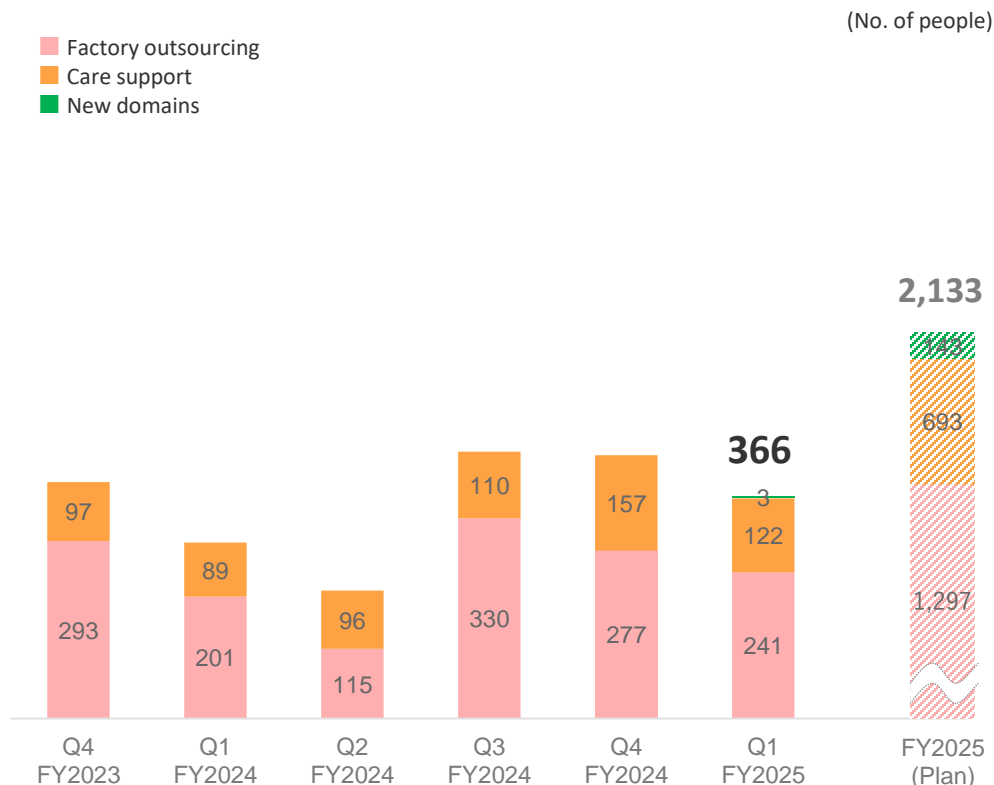
Progress of Foreigners Supported Through the Foreign Talent Management Services

- Although the number of foreigners supported was a little behind the internal plans for the factory outsourcing and nursing care domains, it maintained a robust level compared to Q1 FY2024.
- Although the number of orders from clients increased steadily, we struggled to increase the number of new employees.
- We will continue to focus on increasing orders related to new foreign jobseekers entering Japan, which usually have a higher conversion rate, and orders that have high unit prices.

-Number of foreigners supported through the Foreign Talent Management Services-

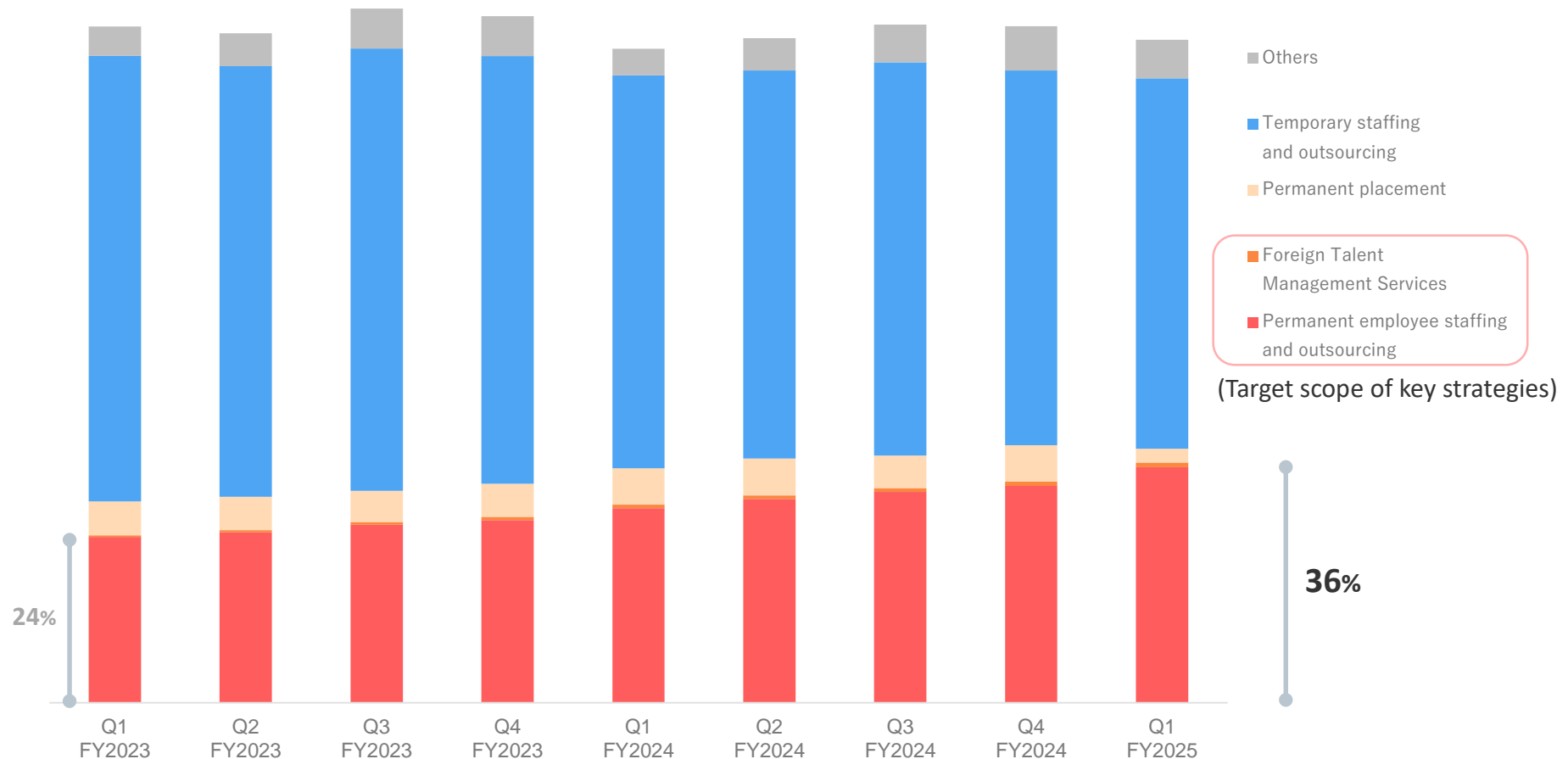


-Number of new foreigners supported through the Foreign Talent Management Services-



Revenue Composition by Service in the Domestic Working Business

- The revenue composition for the target scope of the key strategies (permanent employee staffing and outsourcing, and Foreign Talent Management Services) is steadily increasing from approximately 24% in Q1 FY2023 (final fiscal year of the previous Medium-term Management Plan) to approximately 36% in Q1 FY2025.

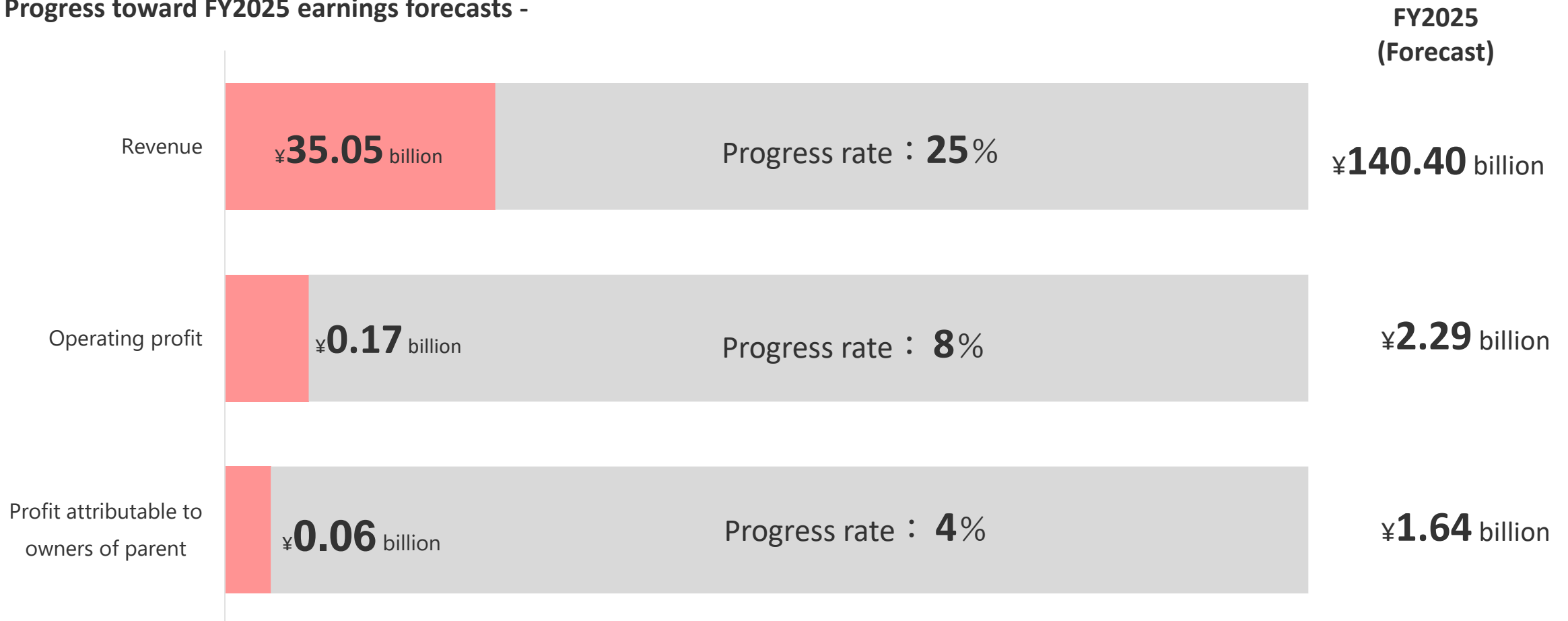


FY2025 Earnings and Dividend Forecasts

FY2025 Consolidated Earnings Forecasts

- In the forecast of 1H FY2025 financial results, we expect revenue and operating profit to overshoot the previous forecast by ¥5.0 billion and ¥0.2 billion, respectively, due to the forex impact and subsidy income, etc. However, after taking into account our actual earnings, we have decided not to revise the full-year forecasts.

- Progress toward FY2025 earnings forecasts -

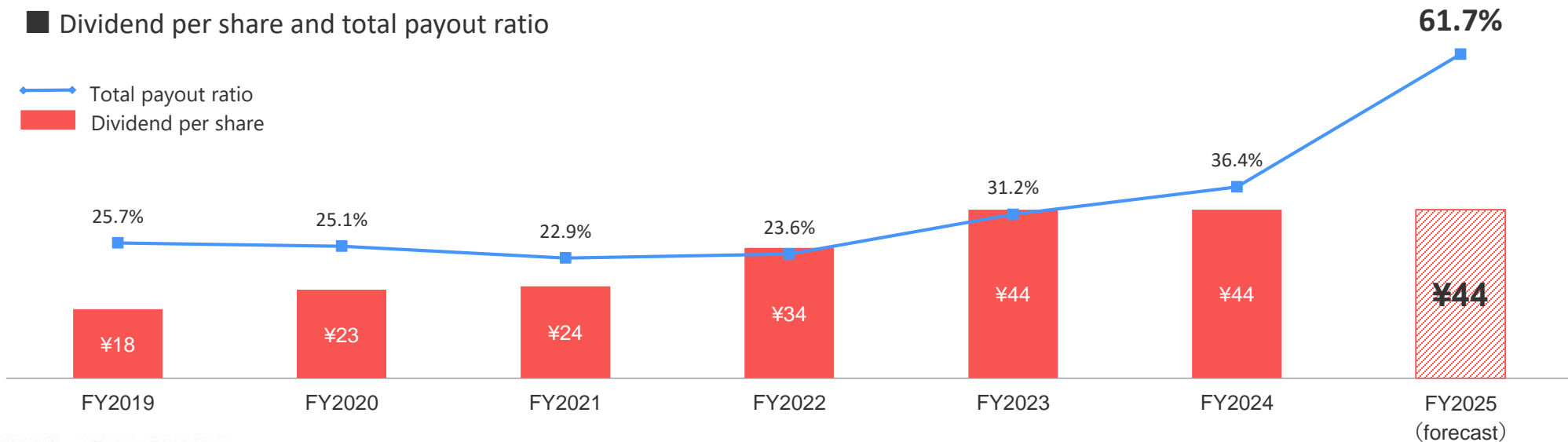


FY2025 Dividend Forecast

- The FY2025 dividend forecast is based on our shareholder return policy and set at the same as the previous fiscal year (¥44 per share).
- As a result, a forecast total payout ratio is 61.7%.

Shareholder return policy in the Medium-term Management Plan (FY2024–FY2026)

- **Progressive dividends**
In principle, increase or maintain and do not reduce dividends
- **Total payout ratio of 30% or higher**
Evaluate flexible treasury share acquisitions as needed based on performance progress during the period





Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the Will Group's management at the time the materials were prepared, but are not promises by the Will Group regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons.

This report is an English translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between the original Japanese version and this translated version, the Japanese version shall prevail.

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