



**Consolidated Business Results
for the First Quarter of the Fiscal Year
Ending December 2024 (Jan.–Mar. 2024)**

May 10, 2024

FULLCAST HOLDINGS CO., LTD. (4848)

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1Q FY12/24
Consolidated Business
Highlights (Jan.–Mar. 2024)

Consolidated: 1Q FY12/24 Year-on-Year Comparison

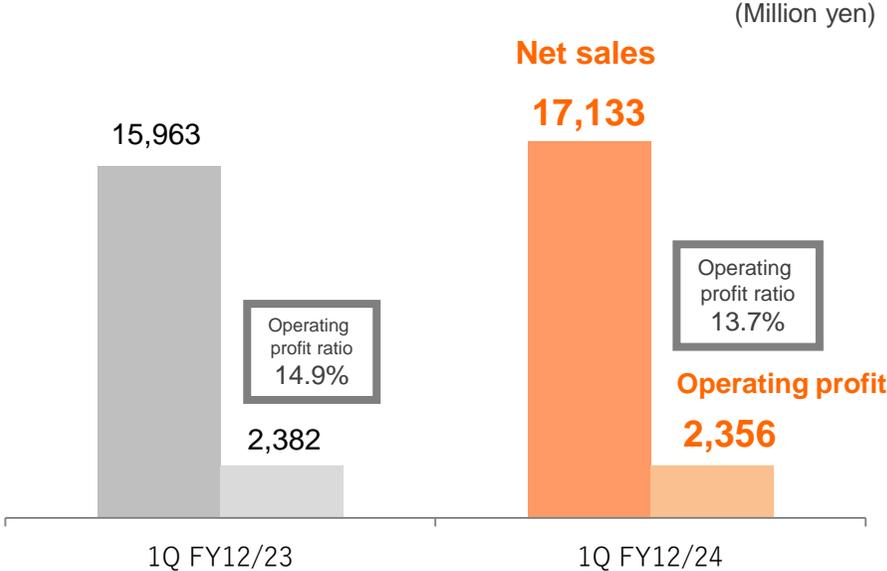
Net sales increased by 7.3% year-on-year, due to the inclusion of profit and loss from the “Restaurant Business.”

Operating profit however declined by 1.1% year-on-year (operating profit ratio declined by 1.2PT) due to the drop in COVID-19-related special demand as expected and in “My Number Management” special demand, despite the acquisition of the expanding customer demand related to the normalization of economic and social activities as the impact from COVID-19 subsided leading to growth in both “Placement” and “BPO” services in the “Short-Term Operational Support Business.”

Organic gross profit, which excludes the impact of the “Restaurant Business,” and COVID-19-related and “My Number Management” operations, exceeded that of the same period of the previous year.

In the first quarter of the current fiscal year, recorded expenses related to strategic investments factored into our forecasts were unsubstantial.

Net sales +7.3% **Operating profit (1.1)%**



Consolidated: 1Q FY12/24 Year-on-Year Comparison

Ordinary profit declined by 2.5% year-on-year, due to the same factors as operating profit.

In the first quarter of the current year, profit attributable to owners of parent increased by 39.5% year-on-year, due to the booking of a 1,295 million yen gain on sale of shares of subsidiaries as extraordinary income following the transfer of the consolidated subsidiary BOD Co., Ltd.

(Million yen)

	1Q FY12/23	1Q FY12/24	Difference	Rate of change
Net sales	15,963	17,133	1,170	7.3%
Gross profit	5,255	6,319	1,065	20.3%
SG&A expenses	2,872	3,963	1,091	38.0%
Operating profit	2,382	2,356	(26)	(1.1)%
Operating profit ratio	14.9%	13.7%	-	(1.2)PT
Ordinary profit	2,393	2,332	(61)	(2.5)%
Profit attributable to owners of parent	1,578	2,202	624	39.5%

1Q FY12/24
Segment Highlights
(Jan.–Mar. 2024)

Short-Term: 1Q FY12/24 Year-on-Year Comparison

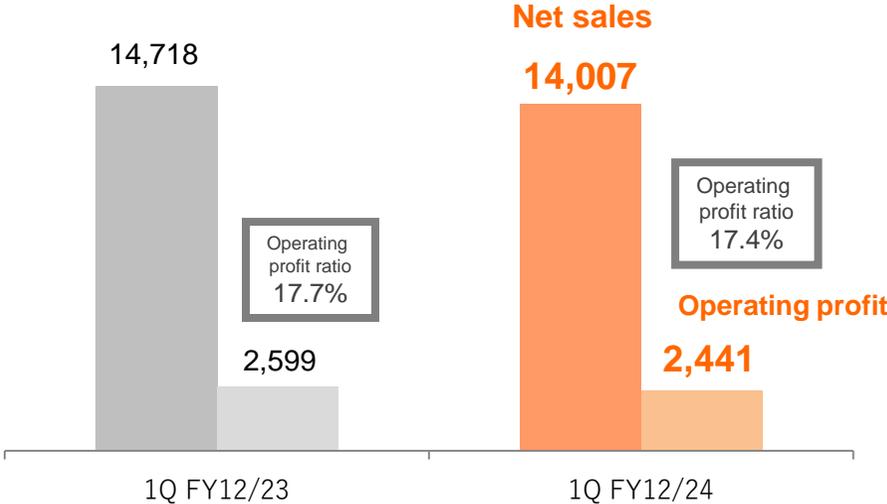
Net sales decreased by 4.8% due to the drop in COVID-19-related special demand as expected and “My Number Management” special demand, despite the acquisition of the expanding customer demand related to the normalization of economic and social activities as the impact from COVID-19 subsided leading to growth of the mainstay “Placement” and “BPO” services in the “Short-Term Operational Support Business.”

Operating profit decreased by 6.1% year-on-year (and operating profit margin decreased by 0.2PT) mainly due to the decrease in net sales.

Organic gross profit, which excludes the impact of the COVID-19-related and “My Number Management” operations, exceeded that of the same period of the previous year.

Net sales (4.8)% **Operating profit** (6.1)%

(Million yen)



Short-Term: 1Q FY12/24

Year-on-Year Comparison

(By Service Category)

[Placement and BPO]

Gross profit in the mainstay “Placement” and “BPO” services increased, due to the capture of customer demand related to re-openings.

[Dispatching]

In “Dispatching,” net sales and gross profit decreased by 7.3% and 3.5% year-on-year, respectively, mainly due to a fall in public sector projects related to COVID-19-related operations.

[Outsourcing]

Net sales and gross profit decreased in “Outsourcing,” mainly due to a fall in public sector projects related to COVID-19-related operations and "My Number Management" operations. Excluding these effects, gross profit in “Outsourcing” remains at a similar level as the same period the previous year.

(Million yen)

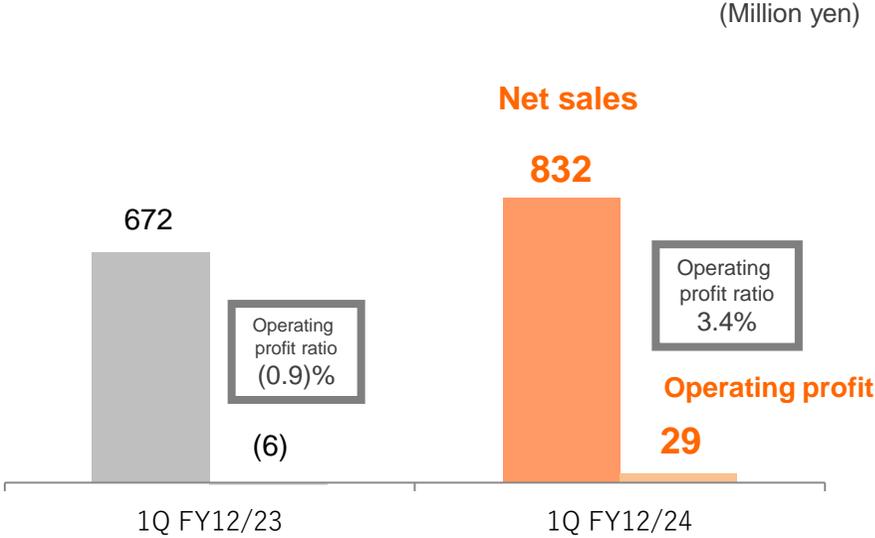
	1Q FY12/23	1Q FY12/24	Difference	Rate of change
Net sales	14,718	14,007	(710)	(4.8)%
Placement	1,581	2,016	435	27.5%
BPO	2,569	2,536	(33)	(1.3)%
Dispatching	8,553	7,927	(626)	(7.3)%
Outsourcing	2,015	1,529	(486)	(24.1)%
Gross profit	4,948	5,096	148	3.0%
Placement	1,545	1,968	423	27.4%
BPO	1,757	1,789	33	1.9%
Dispatching	897	865	(32)	(3.5)%
Outsourcing	749	473	(276)	(36.8)%

Sales Support : 1Q FY12/24 Year-on-Year Comparison

In sales of Internet access, which is a mainstay business, **net sales increased by 23.9% year-on-year** due to the good performance of sales of telecommunications products using a network of agents.

Operating profit increased by 35 million yen year-on-year due to the growth in net sales.

Net sales +23.9% **Operating profit +35 million yen**



Restaurant: 1Q FY12/24

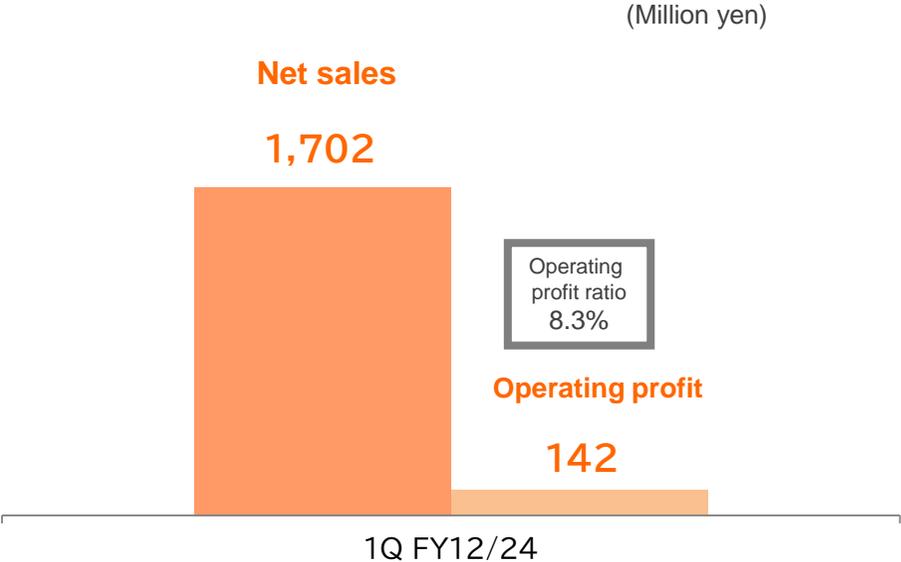
Year-on-Year Comparison

Net sales were 1,702 million yen due to the continued recovery of demand in the domestic business.

Operating profit was 142 million yen due to booking of net sales of 1,702 million yen and the effect of cuts in SG&A expenses.

We are also continuing to extend business hours, renovate some stores and revise our menus.

※ Since results of the previous period are not disclosed, only results for the first quarter of the fiscal year ending December 31, 2024 are stated.

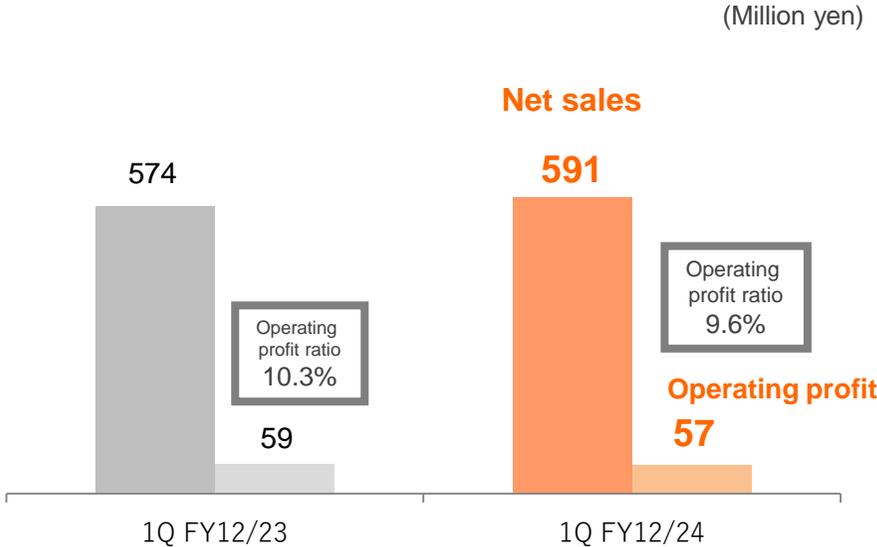


Security, Other : 1Q FY12/24 Year-on-Year Comparison

Net sales increased by 3.0% year-on-year, mainly due to the acquisition of permanent security projects, despite a decrease in the number of temporary security projects related to COVID-19.

Despite the increase in net sales, operating profit decreased by 4.3% year-on-year (operating profit margin decreased by 0.7 PT), mainly due to the acquisition of temporary security projects concerning COVID-19-related operations with a relatively high gross margin in the previous fiscal year.

Net sales **Operating profit**
+3.0% **(4.3)%**



1Q FY12/24
Progress Relative to
Business Forecasts

Consolidated: 1Q FY12/24 Progress Relative to Business Forecasts

Our consolidated business performance is trending steadily centered on the mainstay “Short-Term Operational Support Business” within the assumptions estimated at the beginning of the fiscal year.

Since our Group’s consolidated business performance during the first quarter was progressing at a level which does not require a revision of the business forecast, and since strategic investments will generate costs from the second quarter onward, our Company does not revise the business forecasts for the second quarter of the current fiscal year and for the full year ending December 31, 2024.

(Million yen)

		1Q FY12/24 Results	Business forecasts for 1H FY12/24	Rate of progress	Business forecasts for FY12/24	Rate of progress
Net sales		17,133	34,756	49.3%	70,500	24.3%
Gross profit		6,319	12,292	51.4%	25,030	25.2%
Operating profit		2,356	4,200	56.1%	7,200	32.7%
Ordinary profit		2,332	4,202	55.5%	7,233	32.2%
Profit attributable to owners of parent		2,202	2,906	75.8%	5,045	43.7%
Short-Term Operational Support Business	Net sales	14,007	—	—	58,565	23.9%
	Placement	2,016	—	—	8,695	23.2%
	BPO	2,536	—	—	6,976	36.3%
	Dispatching	7,927	—	—	35,493	22.3%
	Outsourcing	1,529	—	—	7,402	20.7%
Sales Support Business	Net sales	832	—	—	3,121	26.7%
Restaurant Business	Net sales	1,702	—	—	6,428	26.5%
Security, Other Businesses	Net sales	591	—	—	2,387	24.8%

Transfer of shares related to changes in subsidiaries

Transfer of shares related to changes in subsidiaries

➤ Transfer of BOD Co., Ltd.

(1) Reason for the share transfer

Because it was determined that it will contribute to further improvement of its corporate value of BOD Co., Ltd. to make prompt decisions and proceed with its business operations, without being influenced by our Group's consolidated management policies and income expenditure plans.

(2) Name of the counterparty to the share transfer BOD POWER Co., Ltd.

(3) Date of the share transfer March 29, 2024

(4) Overview of the subsidiary BOD Co., Ltd. and its subsidiaries mentioned below
HR Management Co., Ltd./Progress, Inc./BPC, Inc.

(5) Number of shares to be transferred, transfer price, profit and loss from transfer and equity ratio after transfer

1) Number of shares to be transferred 255

2) Transfer price 1,963.5 million yen

3) Equity ratio after transfer -%

(6) Outline of the accounting treatment to be applied

The difference of 1,295 million yen between the consolidated book value of our company to be transferred and the transfer price will be recorded as extraordinary income.

The results of BOD Co., Ltd. are recorded in the financial statements for the first quarter of the fiscal year ending December 31, 2024.

■ Basic Stance on Capital Policy

The Fullcast Group maintains a basic policy of maximizing capital efficiency and securing financial soundness to achieve sustained improvement in corporate value.

- Maintaining a total return ratio of 50% relative to shareholders as an indicator to support sustained improvement in corporate value and to maximize capital efficiency.**
- Our goal of enhancing corporate value is to maintain an ROE of 20% or greater.**
- We will maintain a maximum D/E ratio of 1.0x in order to enhance corporate value and to maintain financial soundness.**

(Reference) Sustainability Policy

We endorse all 17 goals of SDGs.

In addition, we consider contributing to the following the goals of SDGs by implementing and promoting our corporate philosophy of “Providing the best place for people to bring out their best” as a core value of our Company.



8. Decent Work and Economic Growth

Our Group will constantly offer employment opportunities to job seekers and a workforce to hiring companies by continually providing matching opportunities for short-term positions to job seekers and hiring companies. Thereby, we will contribute to providing decent work for job seekers and economic growth for hiring companies.



5. Gender Equality

We will contribute to gender equality by providing job seekers with employment opportunities not tied to age, gender or attribution.



10. Reduced Inequalities

We will contribute to reducing inequalities by providing job seekers with employment opportunities not tied to region or nationality.



9. Industry, Innovation and Infrastructure

In response to Japan's labor environment, which is experiencing a declining workforce, we will contribute to industrial growth and building infrastructures for technological innovation by providing matching services for short-term positions to companies seeking growth or innovation, thus expanding their workforce in the process.

(Reference) Group Companies List

	Fullcast Holdings Co., Ltd.	Optimizes Group-wide resources and strategies, as well as directing the business operations of group companies		Minimaid Service Co., Ltd.	Provides housekeeping services
	Fullcast Business Support Co., Ltd.	Consolidates and conducts various intra-Group operations on behalf of our Group		Hayfield inc.	Human resource placement specializing in the real estate industry
	Fullcast Co., Ltd.	Provides short-term human resource services in various business sectors		App X, Inc. Imple, Inc. Releasebase Inc.	Job search application services, software development
	Top Spot Co., Ltd.	Community-based brand, provides short-term human resource services focused on specific Regions		F-PLAIN Corporation.	
	Fullcast Advance Co., Ltd.	Provides business process outsourcing, including construction, repairs, and event planning and management, human resource services for reception and information services, and security services, including permanent security, crowd control, and traffic security		M's Line Co., Ltd.	Operates the sales agency service business for IT and telecommunications products utilizing call centers and a distributor agency network
	Work & Smile Co., Ltd.	Provides “prompt” and “reliable” services centered on the Tokyo metropolitan area to meet the human resource needs that arise in various industries and business sectors		FSP Co., Ltd.	
	Fullcast Senior Works Co., Ltd.	Provides human resource services for active seniors focused on the Tokyo metropolitan area (Tokyo City and three prefectures)		GLOBEAT JAPAN INC.	Restaurant chains businesses
	Fullcast Porter Co., Ltd.	Provides human resource services with an exclusive focus on drivers		Beat Co., Ltd.	Provides comprehensive human resource outsourcing services, mainly business process outsourcing
	Otetsudai Networks Inc.	Operates “Otetsudai Networks,” short-term human resource services that utilize location information		Deli Art Co., Ltd.	Provides human resource outsourcing services
	Fullcast Global Co., Ltd.	Provides human resources services focused on foreign nationals		Advancer Global Limited	Provides human resource services for foreign national workers, focused on Southeast Asia
	Fullcast International Co., Ltd.	Provides human resource placement services for placement of foreign nationals with specified skill visas who are ready to work immediately			

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Notes

About this Document

- In this document, the "Short-Term Operational Support Business" is referred to as "Short-Term", the "Sales Support Business" is referred to as "Sales," the "Restaurant Business" as "Restaurant," and the "Security, Other Businesses" as "Security, Other" in some parts.
- In this document, names of services are written in an abbreviated form; "Part-Time Worker Placement" service, Hayfield inc.'s staffing service specializing in the real estate industry and job search application service by App X Group are referred to as "Placement"; and "Part-Time Worker Payroll Management", "My Number Management", "Year-End Tax Adjustment Management", and the back office BPO services by BOD Group are referred to as "BPO" in the "Short-Term Operational Support Business", which were launched along with the implementation of the Revised Worker Dispatching Act on October 1, 2012. In addition, "Long-Term Dispatching" services with a contract period of 31 days or longer, which has been conducted after the implementation of the Revised Worker Dispatching Act, is referred to as "Dispatching."

Short-Term Operational Support Business

- "BPO" services represent the aggregated total of "Part-Time Worker Payroll Management", "My Number Management", "Year-End Tax Adjustment Management", and the back office BPO services by BOD Group.
- The figures for each service category of the "Short-Term Operational Support Business" segment represent reference figures and have not been audited by our accounting auditor.

Sales Support Business

- The "Sales Support Business" segment is mainly comprised of the "call center", "online", "alliance", and "entertainment" businesses.
- The "call center", "online" and "alliance" businesses each involve the sale of Internet access.

Restaurant Business

- The new segment "Restaurant Business" was created in the second quarter of the fiscal year ended December 31, 2023. Moreover, since there are no results for the previous fiscal year, which would allow comparisons, only results for the first quarter of the fiscal year ending December 31, 2024 are disclosed without year-on-year comparisons.

Business Forecasts for FY12/24

- The business forecasts of the first half for segment net sales has not been disclosed.

**Providing the best place for
people to bring out their best.**

[Inquiries]

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