

The logo for FULLCAST HLDGS. features the word 'FULLCAST' in a large, bold, black sans-serif font with a small orange circle above the 'F'. Below it, 'HLDGS.' is written in a smaller, bold, black sans-serif font.

Consolidated Business Results for the First Three Quarters of the Fiscal Year Ending December 2024 (Jan.–Jun. 2024)

November 8, 2024

FULLCAST HOLDINGS CO., LTD. (4848)

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Agenda

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- 2 3Q FY12/24 Segment Highlights (Jan.–Sep. 2024)**
- 3 3Q FY12/24 Progress Relative to Business Forecast**

3Q FY12/24
Consolidated Business
Highlights
(Jan.–Sep. 2024)

Consolidated: 3Q FY12/24 Year-on-Year Comparison

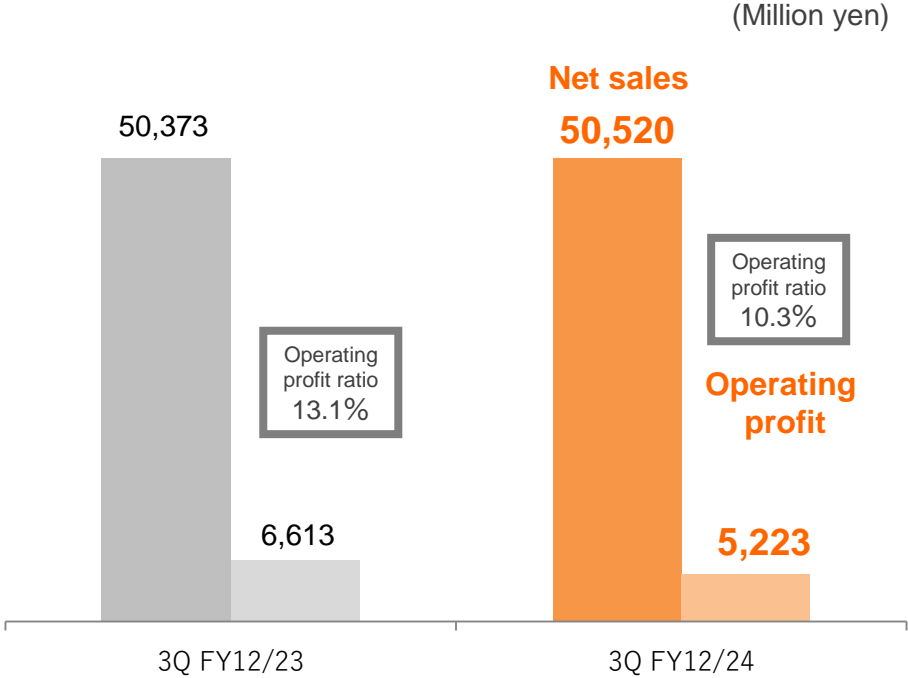
Net sales increased by 0.3% year-on-year due to the drop in COVID-19-related special demand and My-Number-related special demand, as expected, and the exclusion of BOD Co., Ltd. from the scope of consolidation from the first half of the current fiscal year, despite the inclusion of profit and loss from the “Restaurant Business” and the acquisition of the expanding customer demand related to the revitalization of economic and social activities as the impact from COVID-19 subsided leading to growth of the mainstay “Placement” service in the “Short-Term Operational Support Business.”

Operating profit declined by 21.0% year-on-year (operating profit ratio declined by 2.8PT) due to the booking of costs related to strategic investments (just under 1,400 million yen), in addition to a slight increase of net sales.

Organic gross profit, which excludes the impact of the “Restaurant Business,” COVID-19-related special demand, My-Number-related special demand and BOD Co., Ltd., continued to exceed that of the same period of the previous year.

Net sales
+ 0.3%

Operating profit
(21.0)%



Consolidated: 3Q FY12/24 Year-on-Year Comparison

Ordinary profit declined by 19.2% year-on-year, due to the same factors as operating profit.

Profit attributable to owners of parent decreased by 9.3% 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. in the first half of the current fiscal year.

(Million yen)

	3Q FY12/23	3Q FY12/24	Difference	Rate of change
Net sales	50,373	50,520	147	0.3%
Gross profit	16,713	17,986	1,273	7.6%
SG&A expenses	10,100	12,763	2,663	26.4%
Operating profit	6,613	5,223	(1,390)	(21.0)%
Operating Profit Ratio	13.1%	10.3%	-	(2.8)PT
Ordinary profit	6,590	5,324	(1,266)	(19.2)%
Profit attributable to owners of parent	4,566	4,140	(425)	(9.3)%

3Q FY12/24
Segment Highlights
(Jan.–Sep. 2024)

Short-Term: 3Q FY12/24 Year-on-Year Comparison

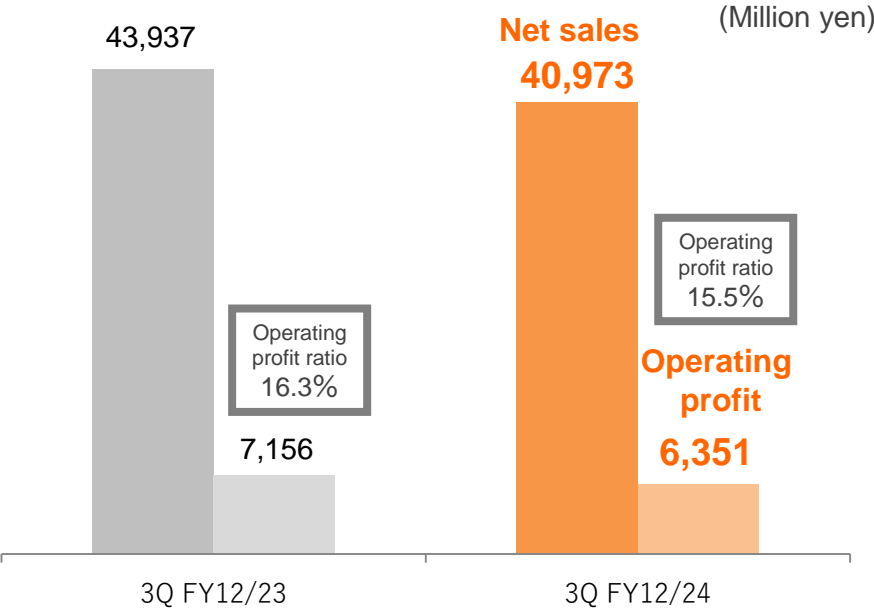
Net sales decreased by 6.7% year-on-year due to the drop in COVID-19-related special demand and My-Number-related special demand, as expected, and the exclusion of BOD Co., Ltd. from the scope of consolidation from the first half of the current fiscal year, despite the acquisition of the expanding customer demand related to the revitalization of economic and social activities as the impact from COVID-19 subsided leading to growth of the mainstay “Placement” service in the “Short-Term Operational Support Business.”

Operating profit declined by 11.3% year-on-year (operating profit ratio decreased by 0.8PT) mainly due to the decrease in net sales and the booking of costs related to strategic investments (just under 400 million yen).

Organic gross profit, which excludes the impact of the COVID-19-related special demand, My-Number-related special demand and BOD Co., Ltd., continued to exceed that of the same period of the previous year.

Net sales (6.7)%

Operating profit (11.3)%



Short-Term: 3Q FY12/24 Year-on-Year Comparison (By Service Category)

[Placement and BPO]

Following the first half of the current fiscal year, gross profit in the mainstay “Placement” services continued to increase due to the capture of customer demand related to re-openings.

With the exclusion of BOD Co., Ltd. from the scope of consolidation from the first half of the current fiscal year, net sales and gross profit of the “BPO” services decreased.

Excluding BOD Co., Ltd., gross profit of the “BPO” services increased.

[Dispatching]

In “Dispatching,” net sales and gross profit decreased by 3.9% and 2.3% mainly due to a fall in COVID-19-related special demand, in addition to a fall in My-Number-related special demand.

Excluding these effects, gross profit of the “Dispatching” services increased.

[Outsourcing]

In “Outsourcing,” net sales and gross profit decreased mainly due to falls in COVID-19-related special demand and My-Number-related special demand. Excluding these effects, gross profit in “Outsourcing” remains roughly at a similar level as the same period the previous year.

(Million yen)

	3Q FY12/23	3Q FY12/24	Difference	Rate of change
Net sales	43,937	40,973	(2,964)	(6.7)%
Placement	4,848	5,942	1,094	22.6%
BPO	6,459	4,737	(1,721)	(26.7)%
Dispatching	25,521	24,524	(998)	(3.9)%
Outsourcing	7,109	5,769	(1,340)	(18.8)%
Gross profit	14,428	14,212	(216)	(1.5)%
Placement	4,754	5,797	1,043	21.9%
BPO	4,408	3,975	(433)	(9.8)%
Dispatching	2,873	2,807	(66)	(2.3)%
Outsourcing	2,393	1,633	(759)	(31.7)%

Sales:

3Q FY12/24 Year-on-Year Comparison

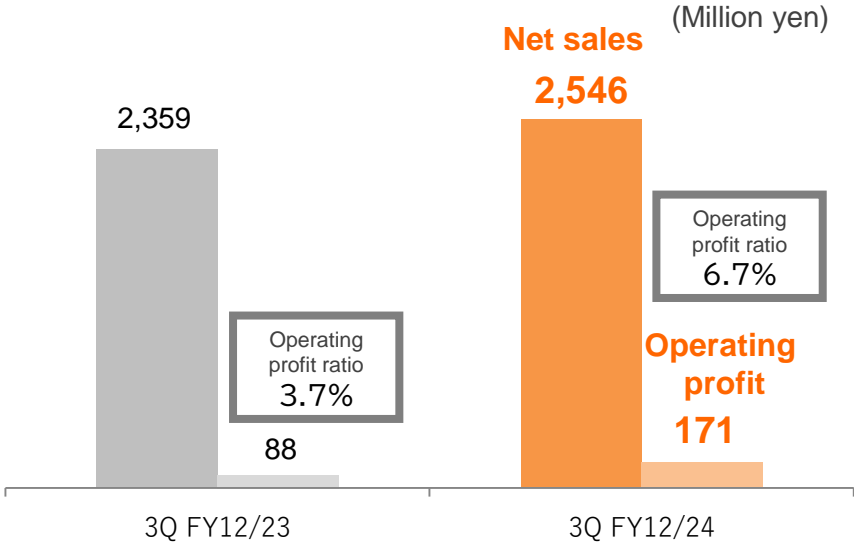
In sales of Internet access, which is a mainstay business, net sales increased by 7.9% year-on-year due to the continued good performance of sales of telecommunications products using a network of agents, in line with the first half of the current fiscal year.

Operating profit increased by 94.6% year-on-year (operating profit ratio improved by 3.0PT) due to the growth in net sales.

※ On September 30, 2024, our Group acquired minority interests in F-PLAIN Corporation, which constitutes the “Sales Support Business,” making this company and its subsidiaries wholly owned subsidiaries.

Net sales
+7.9%

Operating profit
+94.6%



Restaurant: 3Q FY12/24 Year-on-Year Comparison

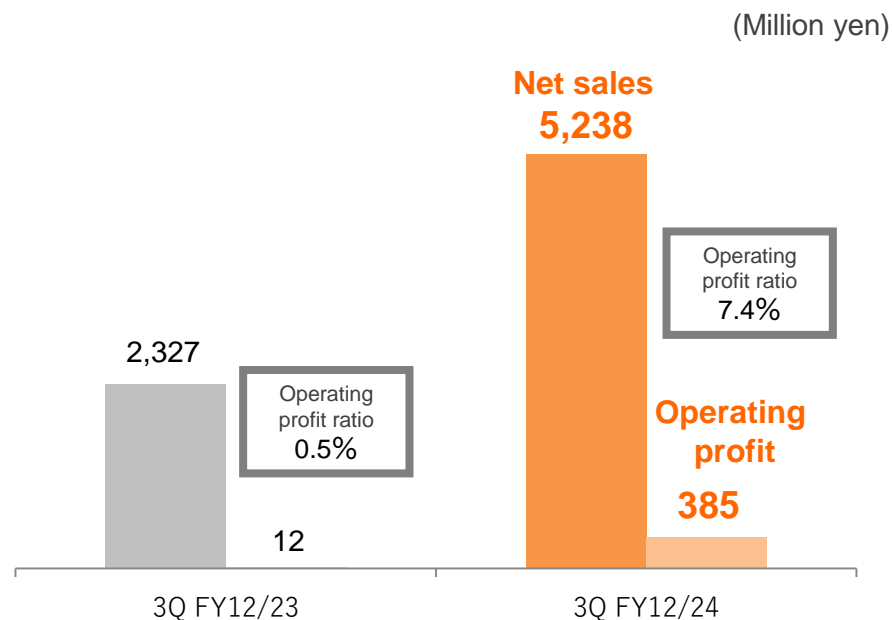
Net sales increased by 125.1% year-on-year due to the inclusion of results for the full financial period this time, compared to five months in the previous period, in addition to the actively renovating stores and the revising various menus (including alcohol and beverages) in the domestic business.

Operating profit increased by 3,243.7% year-on-year due to the increase in net sales and the effect of cuts in SG&A expenses.

- ※ The new segment "Restaurant Business" was created in the first half of the fiscal year ended December 31, 2023.
- ※ The first three quarters of the fiscal year ended December 31, 2023, the comparative period, contained five months of profits and losses of the "Restaurant Business."

Net sales +125.1%

Operating profit +3,243.7%



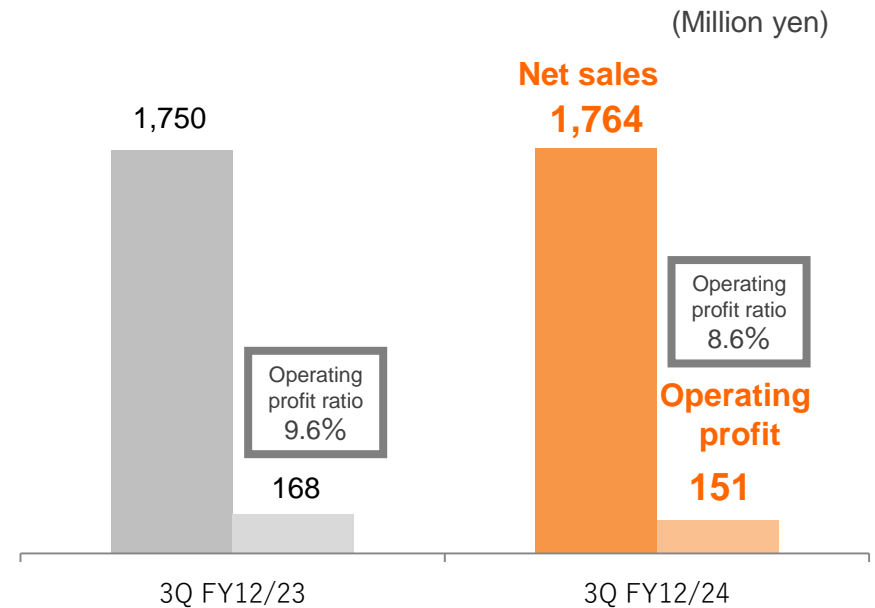
Security, Other: 3Q FY12/24 Year-on-Year Comparison

Net sales increased by 0.8% year-on-year, mainly due to the acquisition of permanent security projects, despite a decrease in the number of temporary security projects concerning COVID-19-related operations.

Despite an increase in net sales, operating profit decreased by 9.9% year-on-year (operating profit ratio decreased by 1.0 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
+0.8%

Operating profit
(9.9)%



3Q FY12/24
Progress Relative to
Business Forecast

Consolidated: 3Q FY12/24 Progress Relative to Business Forecast

Our business forecasts for the current fiscal year incorporate expenses for strategic investments concentrated in the second half of the fiscal year, and costs related to strategic investments were booked during the third quarter as expected. For these reasons, consolidated results are progressing largely in line with our forecasts.

Since our consolidated business results for the full year, made up of our results for the first three quarters of the fiscal year added to our forecast for the fourth quarter, have progressed to a level that does not require revisions to our business forecasts, our Company does not revise the business forecasts for the full year ending December 31, 2024.

(Million yen)

		Results for 3Q FY12/24	Fiscal year business forecasts for FY12/24	Rate of progress
Net sales		50,520	70,500	71.7%
Gross profit		17,986	25,030	71.9%
Operating profit		5,223	7,200	72.5%
Ordinary profit		5,324	7,233	73.6%
Profit attributable to owners of parent		4,140	5,045	82.1%
Short-Term Operational Support Business	Net sales	40,973	58,565	70.0%
	Placement	5,942	8,695	68.3%
	BPO	4,737	6,976	67.9%
	Dispatching	24,524	35,493	69.1%
	Outsourcing	5,769	7,402	77.9%
Sales Support Business	Net sales	2,546	3,121	81.6%
Restaurant Business	Net sales	5,238	6,428	81.5%
Security, Other Businesses	Net sales	1,764	2,387	73.9%

■ Basic Stance on Capital Policy

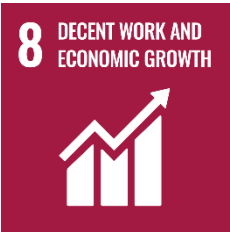
The Fullcast Group maintains a basic policy of maximizing capital efficiency and securing financial soundness to achieve sustained improvement in corporate value.

- 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

The 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		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; the "Part-Time Worker Placement" service, Hayfield inc.'s staffing service specializing in the real estate industry and Imple Group's job search application service are referred to as "Placement"; and the "Part-Time Worker Payroll Management" services, as well as other personnel and labor-related business process outsourcing (BPO) services such as the "My Number Management" and "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. Furthermore, our Group transferred all its shares of its consolidated subsidiary BOD Co., Ltd. on March, 29, 2024. As a result, our Group includes three months of profits and losses of this company and its subsidiaries in our results. 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

- Our Group implemented an absorption-type merger with Imple, Inc. as the surviving company and App X, Inc. as the absorbed company on September 1, 2024.
- The "Part-Time Worker Payroll Management" services, as well as other personnel and labor-related business process outsourcing (BPO) services such as the "My Number Management" and "Year-End Tax Adjustment Management," and the back office BPO services of BOD Group are included under the category of "BPO." Furthermore, our Group transferred all its shares of its consolidated subsidiary BOD Co., Ltd. on March, 29, 2024. As a result, our Group includes three months of profits and losses of this company and its subsidiaries in our results.
- 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

- On September 30, 2024, our Group acquired additional shares of F-PLAIN Corporation., making this company and its subsidiaries wholly owned subsidiaries.
- 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 first half of the fiscal year ended December 31, 2023.

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

[Inquiries]

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