

Consolidated Business Results for the First Quarter of the Fiscal Year Ending December 2025 (Jan.—Mar. 2025)

FULLCAST HOLDINGS CO., LTD. (4848) May 9, 2025

FULLCAST
HLDGS.

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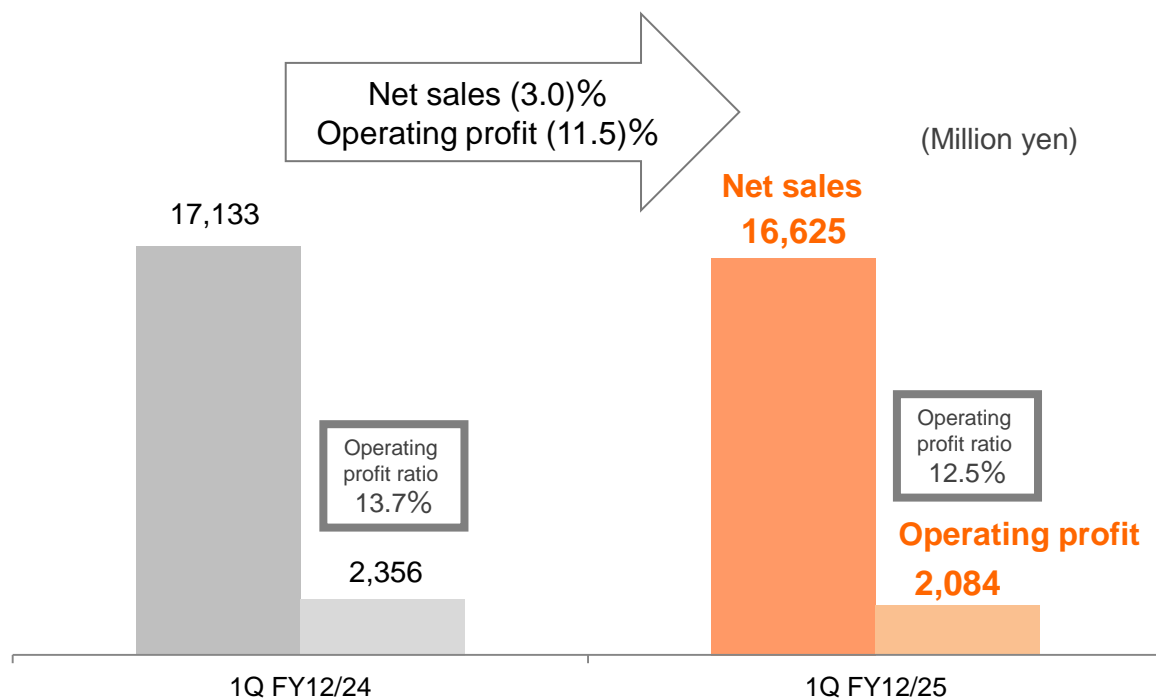
1Q FY12/25 Consolidated Business Highlights (Jan.–Mar. 2025)

Consolidated: 1Q FY12/25 Year-on-Year Comparison

Net sales decreased by 3.0% year-on-year, due to the exclusion of BOD Co., Ltd. from the scope of consolidation from the first half of the previous fiscal year, and despite the acquisition of the expanding customer demand leading to the growth of “Part-Time Work Payroll Management Outsourcing” and “Year-End Tax Adjustment Management,” in the mainstay “Placement” and “BPO” services within the “Short-Term Operational Support Business.”

Operating profit declined by 11.5% year-on-year (operating profit ratio declined by 1.2PT), due to the decline in net sales and the booking of costs related to strategic investments (226 million yen).

Organic net sales, gross profit, and operating profit, excluding BOD Co., Ltd. and strategic investments, all grew year-on-year.



Consolidated: 1Q FY12/25 Year-on-Year Comparison

Ordinary profit declined by 9.6% year-on-year, due to the same factors as operating profit.

Profit attributable to owners of parent decreased by 38.1% 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 previous fiscal year.

				(Million yen)
	1Q FY12/24	1Q FY12/25	Difference	Rate of change
Net sales	17,133	16,625	(508)	(3.0)%
Gross profit	6,319	6,326	7	0.1%
SG&A expenses	3,963	4,242	278	7.0%
Operating profit	2,356	2,084	(272)	(11.5)%
Operating profit ratio	13.7%	12.5%	-	(1.2)PT
Ordinary profit	2,332	2,107	(225)	(9.6)%
Profit attributable to owners of parent	2,202	1,363	(839)	(38.1)%

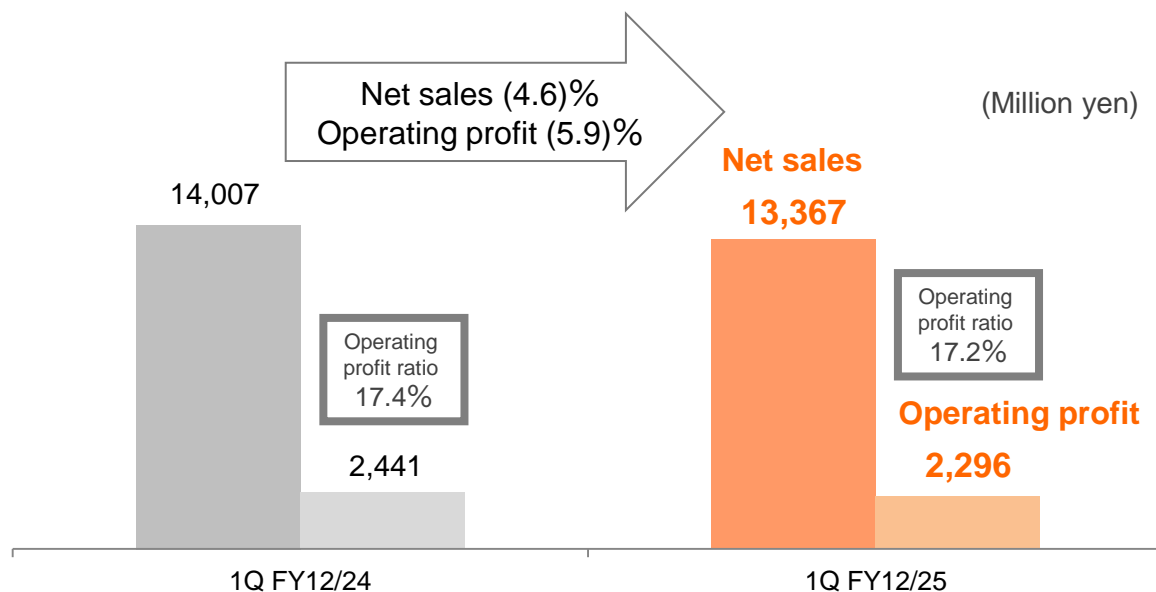
1Q FY12/25 Segment Highlights (Jan.–Mar. 2025)

Short-Term: 1Q FY12/25 Year-on-Year Comparison

Net sales declined by 4.6% year-on-year, due to the exclusion of BOD Co., Ltd. from the scope of consolidation from the first half of the previous fiscal year, and despite the acquisition of the expanding customer demand leading to the growth of “Part-Time Work Payroll Management Outsourcing” and “Year-End Tax Adjustment Management,” in the mainstay “Placement” and “BPO” services within the “Short-Term Operational Support Business.”

Operating profit declined by 5.9% year-on-year (operating profit ratio decreased by 0.2PT), due to a decrease in net sales and the booking of costs related to strategic investments (93 million yen).

Organic net sales, gross profit, and operating profit, excluding BOD Co., Ltd. and strategic investments, all grew year-on-year.



Short-Term: 1Q FY12/25 Year-on-Year Comparison (By Service Category)

(Million yen)

[Placement and BPO]

Gross profit in the mainstay “Placement” service increased due to the capture of customer demand.

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

[Dispatching]

In “Dispatching” service, net sales increased by 2.0% year-on-year owing to our successful adaptation to capturing long-term human resource needs of the market. However, gross profit decreased by 2.5% year-on-year, mainly due to decline in special demand arising from COVID-19-related operations and My-Number-related operations, which have relatively high gross margin.

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

[Outsourcing]

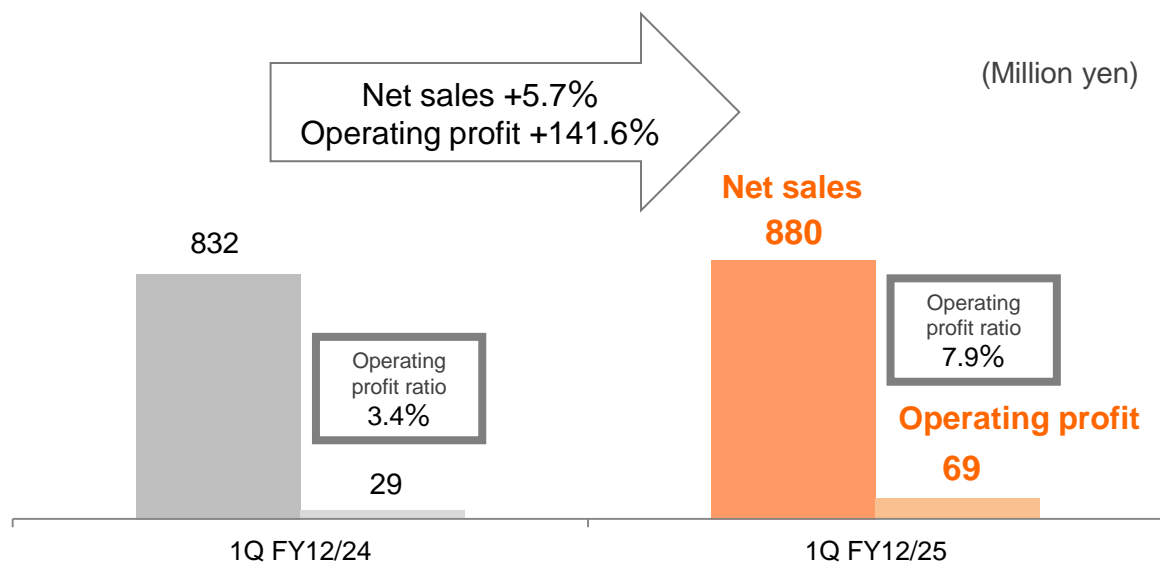
Net sales and gross profit decreased in “Outsourcing,” mainly due to a fall in the special demand arising from COVID-19-related operations. Excluding this aforementioned effect, gross profit of the “Outsourcing” service increased.

	1Q FY12/24	1Q FY12/25	Difference	Rate of change
Net sales	14,007	13,367	(641)	(4.6)%
Placement	2,016	2,092	77	3.8%
BPO	2,536	1,719	(816)	(32.2)%
Dispatching	7,927	8,082	155	2.0%
Outsourcing	1,529	1,473	(56)	(3.7)%
Gross profit	5,096	5,031	(65)	(1.3)%
Placement	1,968	2,040	72	3.7%
BPO	1,789	1,711	(78)	(4.4)%
Dispatching	865	844	(21)	(2.5)%
Outsourcing	473	436	(38)	(8.0)%

Sales Support : 1Q FY12/25 Year-on-Year Comparison

Net sales increased by 5.7% year-on-year, due to the continued favorable sales of telecommunications products and services using a network of agents, in sales of Internet access, which is a mainstay business.

Operating profit increased by 141.6% year-on-year (operating profit ratio improved by 4.4PT), due to the growth in net sales.

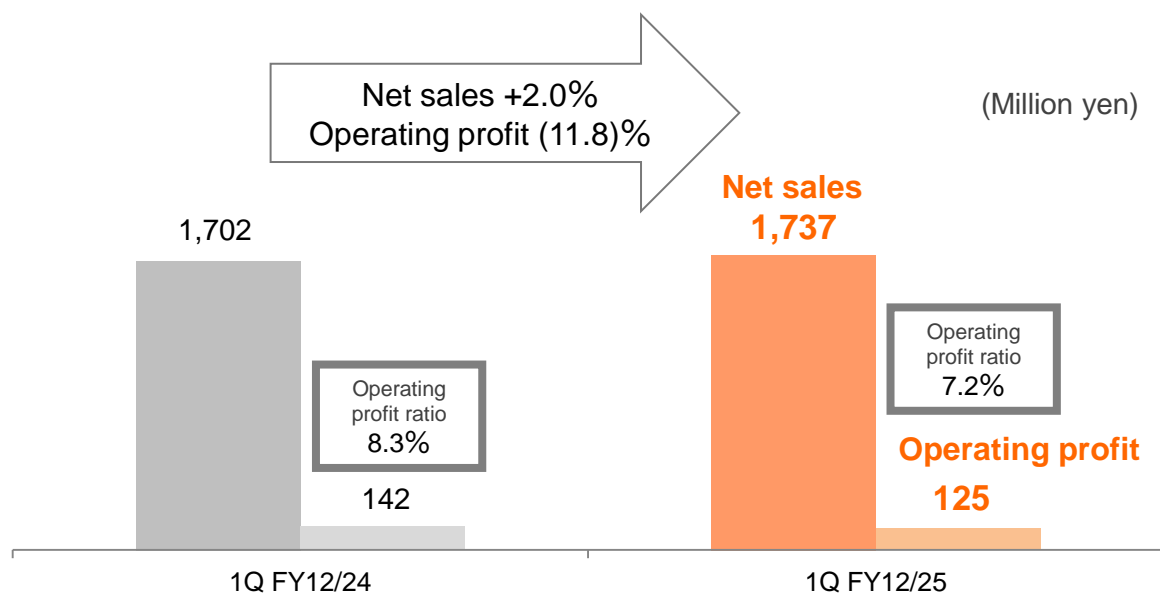


Restaurant: 1Q FY12/25 Year-on-Year Comparison

Net sales increased by 2.0% year-on-year, due to stronger customer traffic driven by the active renovation of stores and the revision of various menus in the domestic business.

Despite the increase in net sales, operating profit declined by 11.8% year-on-year (operating profit ratio decreased by 1.1PT), mainly due to a sharper-than-expected rise in food ingredient costs and other expenses.

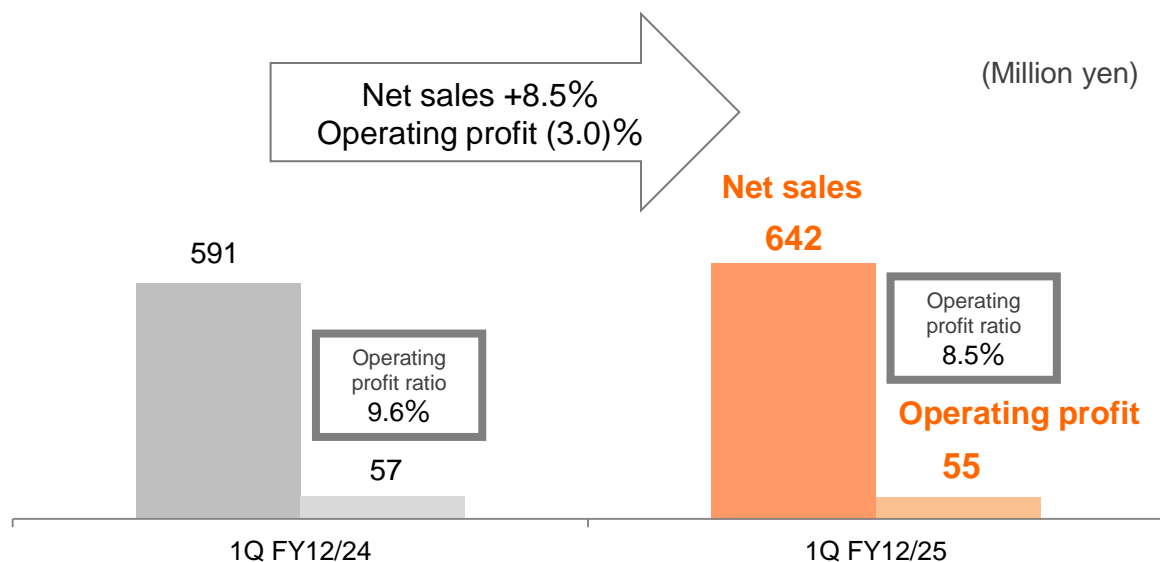
※ The accounting period for GLOBEAT JAPAN INC. in the “Restaurant Business” segment was changed from the previous consolidated fiscal year. This change in accounting period led to the incorporation of 13 months of results of the “Restaurant Business” segment in the fiscal year ended December 31, 2024, from December 1, 2023 to December 31, 2024.



Security, Other : 1Q FY12/25 Year-on-Year Comparison

Net sales increased by 8.5% year-on-year, mainly due to the acquisition and stable operation of permanent security projects.

Operating profit decreased by 3.0% year-on-year (operating profit ratio decreased by 1.0PT), mainly due to the increase in personnel hiring and the rise of costs related to equipment preparation and training efforts to respond to projects related to the Expo 2025 being held in Osaka, Japan, despite the increase in net sales.



1Q FY12/25 Progress Relative to Business Forecasts

Consolidated: 1Q FY12/25 Progress Relative to Business Forecasts

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

Since our Group’s consolidated business performance during the current consolidated first quarter was progressing at a level which does not require revisions to our business forecasts, our Company will not revise its business forecast for both the first half of the current fiscal year and the full year ending December 31, 2025.

		(Million yen)				
		1Q FY12/25 Results	Business forecasts for 1H FY12/25	Rate of progress	Business forecasts for FY12/25	Rate of progress
Net sales		16,625	35,312	47.1%	73,020	22.8%
Gross profit		6,326	13,062	48.4%	26,743	23.7%
Operating profit		2,084	4,219	49.4%	8,325	25.0%
Ordinary profit		2,107	4,284	49.2%	8,529	24.7%
Profit attributable to owners of parent		1,363	2,754	49.5%	5,482	24.9%
Short-Term Operational Support Business	Net sales	13,367	-	-	58,762	22.7%
	Placement	2,092	-	-	9,602	21.8%
	BPO	1,719	-	-	5,357	32.1%
	Dispatching	8,082	-	-	35,817	22.6%
	Outsourcing	1,473	-	-	7,987	18.4%
Sales Support Business	Net sales	880	-	-	3,453	25.5%
Restaurant Business	Net sales	1,737	-	-	7,673	22.6%
Security, Other Businesses	Net sales	642	-	-	3,131	20.5%

(Reference) Basic Stance on Capital Policy

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
	Fullcast Business Support Co., Ltd.	Consolidates and conducts various intra-Group operations on behalf of our Group
	Fullcast Co., Ltd.	Provides short-term human resource services in various business sectors
	Top Spot Co., Ltd.	Community-based brand, provides short-term human resource services focused on specific Regions
	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
	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
	Fullcast Senior Works Co., Ltd.	Provides human resource services for active seniors focused on the Tokyo metropolitan area (Tokyo City and three prefectures)
	Fullcast Porter Co., Ltd.	Provides human resource services with an exclusive focus on drivers
	Otetsudai Networks Inc.	Operates “Otetsudai Networks,” short-term human resource services that utilize location information
	Fullcast Global Co., Ltd.	Provides human resources services focused on foreign nationals
	Fullcast International Co., Ltd.	Provides human resource placement services for placement of foreign nationals with specified skill visas who are ready to work immediately
	Minimaid Service Co., Ltd.	Provides housekeeping services
	Hayfield inc.	Human resource placement specializing in the real estate industry
	Imple, Inc. Releasebase Inc.	Job search application services, software development
	Tuclicks Inc.	Development and sales of internet software
	F-PLAIN Corporation.	
	M's Line Co., Ltd.	Operates the sales agency service business for IT and telecommunications products utilizing call centers and a distributor agency network
	FSP Co., Ltd.	
	GLOBEAT JAPAN INC.	
	GLOBEAT INTERNATIONAL INC.	Restaurant chains businesses
	GLOBEAT EUROPE GmbH	
	Beat Co., Ltd.	Provides comprehensive human resource outsourcing services, mainly business process outsourcing
	Deli Art Co., Ltd.	Provides human resource outsourcing services
	Advancer Global Limited	Provides human resource services for foreign national workers, focused on Southeast Asia

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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 provided 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 for the fiscal year ending December 2024. 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

- 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 provided by 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 earnings of this company and its subsidiaries in our results for the fiscal year ending December 2024.
- On January 31, 2025, our Company acquired shares of Tuclicks Inc, and made it a consolidated subsidiary.
- 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 accounting period for GLOBEAT JAPAN INC. in the "Restaurant Business" segment was changed from the previous consolidated fiscal year. This change in accounting period led to the incorporation of 13 months of results of the "Restaurant Business" segment in the fiscal year ended December 31, 2024, from December 1, 2023 to December 31, 2024.

Business Forecasts for FY12/25

- 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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