

Company Report

May 29, 2026

Strategy Advisors Inc.
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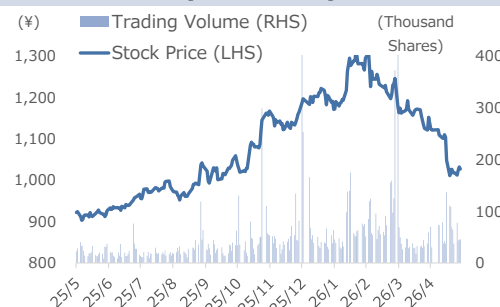
Profit Structure Reform Holds the Key to the New Medium-Term Management Plan

Will Group reported FY3/2026 full-year results on May 14, with revenue of ¥146.85 billion (+5.1% YoY) and operating profit of ¥3.27 billion (+40.2% YoY), exceeding the upwardly revised guidance announced at the Q2 results stage (revenue of ¥143.50 billion and operating profit of ¥3.10 billion). At the same time as the earnings announcement, the company also unveiled its new medium-term management plan. The FY3/2029 target for normalized operating profit, excluding one-off profit and loss items (government subsidy income in the Overseas Working Business), is ¥4.7 billion. This implies an increase of ¥1.7 billion from FY3/2026 normalized operating profit of ¥3 billion, of which the company plans to secure ¥1.87 billion from the Domestic Working Business.

Under the strategic theme of “expansion of permanent employee staffing and Foreign Talent Management Services” in the Domestic Working Business, the company indicated a policy of continuing to expand permanent employee staffing/consignment service and Foreign Talent Management Services, both of which were key strategies under the previous medium-term management plan, while also actively growing its permanent placement business. Expansion of the highly profitable permanent employee staffing and Foreign Talent Management Services businesses is expected to drive structural reform of the Group’s earnings profile.

The key driver of growth in the permanent placement business will be the operational know-how of HR CAREER, which the Company acquired on October 1, 2025. HR CAREER engages in permanent placement services specializing in nursery teachers, caregivers, nurses and nutritionists. It has achieved high growth despite entering the highly competitive permanent placement industry at a later stage. Compared with other industries, sectors such as nursery teachers and caregivers have relatively low annual salaries, resulting in lower fee unit prices. Consequently, each consultant must handle many projects and the Company has established highly productive operations. Leveraging this operational know-how to expand the permanent placement business in essential domains (nursing care, healthcare, construction, etc.) can be regarded as at the core of the new plan.

Stock Price & Trading Volumes (Past Year)



Source: Strategy Advisors

Key Indicators

Stock Price (5/28/26)	1,027
52-Week High (2/18/26)	1,310
52-Week Low (5/18/26)	1,011
10-Year High (2/2/18)	2,122
10-Year Low (8/8/16)	393
Shares on Issue (mn)	22.9
Market Capitalization (¥ bn)	23.5
EV (¥ bn)	21.5
Equity Ratio (3/26 Actual, %)	35.8
PER (3/27 CoE, x)	10.7
PBR (3/26 Actual, x)	1.2
Dividend Yield (3/27 CoE, %)	4.3

Source: Strategy Advisors

WILL GROUP, INC. | 6089 (TSE Prime)

The company's operating profit plan calls for ¥3.4 billion (+3.7%). Normalized operating profit is expected to continue posting double-digit growth, rising 13.1% YoY. In the Domestic Working Business, the company projects revenue of ¥93.85 billion (+6.3% YoY) and segment profit of ¥4.29 billion (+19.9% YoY). In addition to the construction management engineers domain, which achieved significant growth during the medium-term management plan period, full-year contributions from HR CAREER and growth in the IT engineers domain are expected to drive earnings growth.

The share price has declined by more than 20% following the earnings announcement. Investor disappointment likely stemmed from the Company guidance falling short of investor expectations and the FY3/2029 operating profit target of ¥4.7 billion under the medium-term management plan, which fell short of the ¥5.5 billion stock option exercise condition. On the other hand, following the share price decline, the PER has fallen to the 10x level and the stock has returned to an attractive investment level. As the company's first-half guidance assumes a decline in profit, the share price may continue to trend somewhat weakly until the Q2 results announcement. However, if profit momentum on a YoY basis recovers from the second half onward and expectations for upward revisions build, the share price may turn upward again.

IFRS Consolidated	Revenue	YoY	Operating Profit	YoY	Profit Before Tax	YoY	Net Profit	YoY	EPS	DPS
FY	(¥ mn)	(%)	(¥ mn)	(%)	(¥ mn)	(%)	(¥ mn)	(%)	(¥)	(¥)
FY3/23	143,932	9.8	5,318	-2.8	5,146	-2.8	3,236	-1.5	143.2	44
FY3/24	138,227	-4.0	4,525	-14.9	4,417	-14.2	2,778	-14.2	122.4	44
FY3/25	139,705	1.1	2,338	-48.3	2,177	-50.7	1,155	-58.4	50.6	44
FY3/26	146,856	5.1	3,279	40.2	3,139	44.2	2,314	100.3	101	44
FY3/27 CoE	157,000	6.9	3,400	3.7	3,191	1.6	2,208	-4.6	96.4	44

Source: Company Data. Compiled by Strategy Advisors.

1. FY3/2026 Results Achieved Strong Performance Befitting the Final Year of the Medium-Term Management Plan

Significant Profit Growth Driven by Strong Performance in the Construction Engineer Segment & Overseas Working Business

Will Group announced its FY3/2026 full-year results on May 14, reporting revenue of ¥146.85 billion (+5.1% YoY) and operating profit of ¥3.27 billion (+40.2% YoY), exceeding the upwardly revised guidance announced at the Q2 results stage (revenue of ¥143.5 billion and operating profit of ¥3.1 billion). Growth was driven by, 1) expanded profit contribution from the construction management engineers domain, 2) recovery in the Domestic Working Business excluding the construction management engineers domain and 3) expansion of permanent placement in the Overseas Working Business, resulting in significant earnings growth.

Q4 Profit Declined Due to Upfront Investments & Utilization Adjustments

Meanwhile, operating profit for Q4 alone was ¥420 million, down YoY. This was attributable to approximately ¥400 million in upfront investments, including promotional initiatives, such as taxi advertising and enhanced recruiting activities, as well as utilization adjustments in the construction management engineers domain in preparation for an increase in new hires from April onward.

Priority Strategies Continue to Drive Earnings Growth

FY3/2026 marked the final year of the medium-term management plan. Under the plan, the company targeted: 1) further growth in the Construction Management Engineers Domain and 2) renewed growth in the Domestic Working Business excluding the Construction Management Engineers Domain. Strategy Advisors positively evaluates the fact that the company was able to achieve growth largely in line with these objectives. Comparing FY3/2023 and FY3/2026, the gross profit margin of the Domestic Working Business improved from 18.5% to 21.7%, while the proportion of gross profit derived from the priority strategy areas (permanent employee staffing/consignment service and foreign worker employment support) expanded from 29.8% to 47.8%. Efforts to shift away from temporary staffing contributed to improved profitability.

Australia Remains Challenging, While Structural Reforms Aim to Restore Growth

On the other hand, challenges remain in the Overseas Working Business. Although yen-based performance remained firm due to the weaker yen, business conditions in Australia continued to be challenging following changes in government policy, resulting in another decline in revenue on a local currency basis this fiscal year. President Yuichi Sumi took the lead in restructuring the overseas business, but visible results were not achieved during the period of the medium-term management plan. That said, the characteristics of each Australian subsidiary now appear to have been reassessed and future issues have become clearer. In particular, u&u Holdings, headquartered in Brisbane, has continued to achieve revenue growth and the company intends to return to a growth trajectory centered on this subsidiary going forward. A transition is expected from a business model dependent on temporary staffing to a higher-profitability business model centered on permanent placement.

Figure 1. Segment Performance Trends (¥ mn)

	FY3/25				FY3/26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	35,052	35,270	35,030	34,351	35,207	36,322	37,097	38,228
YoY	1.8%	1.2%	1.1%	0.1%	0.4%	3.0%	5.9%	11.3%
Domestic Working	20,468	20,794	21,179	20,656	21,182	21,585	22,754	22,739
YoY	1.4%	1.4%	1.1%	-1.1%	3.5%	3.8%	7.4%	10.1%
Ratio to revenue	58.4%	59.0%	60.5%	60.1%	60.2%	59.4%	61.3%	59.5%
Overseas Working	14,534	14,435	13,815	13,662	14,001	14,716	14,319	15,463
YoY	2.5%	1.2%	1.4%	2.3%	-3.7%	1.9%	3.6%	13.2%
Ratio to revenue	41.5%	40.9%	39.4%	39.8%	39.8%	40.5%	38.6%	40.4%
Others	48	41	35	32	24	20	22	25
Ratio to revenue	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Operating profit	177	832	782	546	394	1,243	1,213	427
YoY	-84.4%	-6.1%	0.9%	-68.4%	122.6%	49.4%	55.1%	-21.8%
OP margin	0.5%	2.4%	2.2%	1.6%	1.1%	3.4%	3.3%	1.1%
Domestic Working	238	861	983	1,167	583	1,181	1,250	563
YoY	-82.6%	10.2%	15.6%	-42.8%	145.0%	37.2%	27.2%	-51.8%
OP margin	1.2%	4.1%	4.6%	5.7%	2.8%	5.5%	5.5%	2.5%
Overseas Working	573	543	392	-76	471	678	603	673
YoY	25.7%	-18.6%	-25.3%	-	-17.8%	24.9%	53.8%	-
OP margin	3.9%	3.8%	2.8%	-0.6%	3.4%	4.6%	4.2%	4.4%
Others	-60	-77	-59	-25	-74	-80	-59	-92
Adjustment	-574	-495	-533	-518	-586	-535	-580	-717

Source: Company Data. Compiled by Strategy Advisors.

2. Recovery in the Domestic Working Business Becoming More Evident

Domestic Working Business Achieved Double-Digit Earnings Growth

The Domestic Working Business reported revenue of ¥88.26 billion (+6.2% YoY) and segment profit of ¥3.57 billion (+10.1% YoY), posting solid double-digit earnings growth. Of the ¥5.16 billion increase in revenue in FY3/2026, the Construction Management Engineers Domain accounted for ¥3.11bn, while the other Domestic Working Business accounted for ¥2.04bn, with the Construction Management Engineers Domain continuing to drive growth.

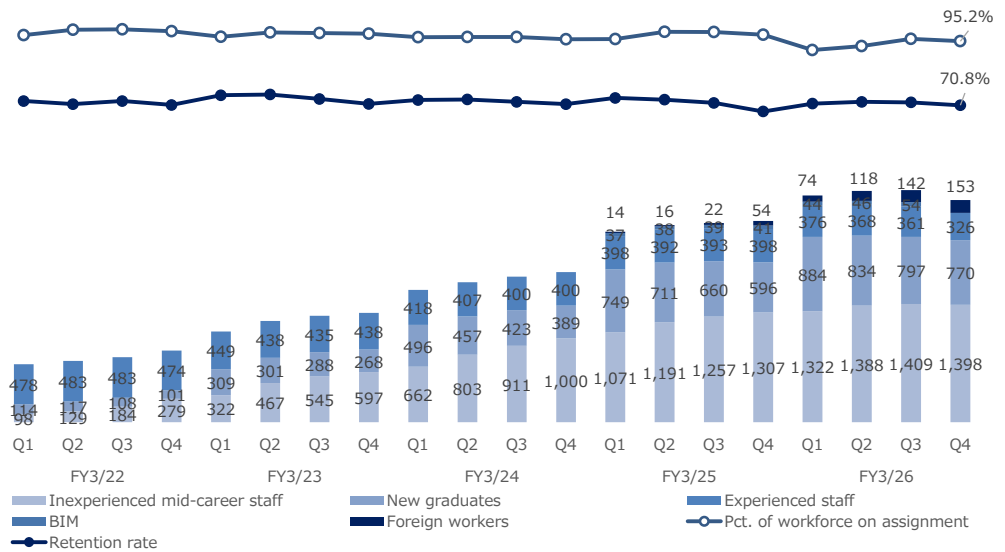
Construction Management Engineers Domain Continues to Drive Growth

Q4 revenue in the construction management engineers domain increased to ¥4.48 billion (+17.5% YoY), while operating profit increased to ¥470 million (+138.4% YoY). The number of hires in Q4 totaled 290 (-32 YoY). This was mainly due to hiring controls implemented from Q4, as the number of employees typically increases substantially in Q1 following the hiring of new graduates, and the company adjusted hiring to ensure smooth assignment of new employees to worksites in Q1. Meanwhile, the retention rate in Q4 improved to 70.8% (+2.4p.p. YoY). Improved accuracy in worksite matching and continuous follow-up interviews contributed to the improvement, which was a notable achievement in FY3/2026. Going forward, the declining ratio of inexperienced workers is also expected to contribute and retention rates are expected to continue improving.

Construction Management Engineers Domain Maintaining High Utilization Rates

The utilization rate in Q4 was 95.2%, recovering steadily from the level seen in Q1. In FY3/2026, the utilization rate temporarily declined due to the completion of facility construction related to Expo 2025 Osaka, Kansai, but recovered to previous levels over the course of the year, which provided reassurance. While labor shortages in the construction management engineers domain continue, high utilization rates are being maintained amid strong demand.

Figure 2. Trends in Major KPIs



Source: Company Data. Compiled by Strategy Advisors.

Recovery Trend Becoming More Evident Outside the Construction Management Engineers Domain

Q4 revenue in the Domestic Working Business excluding the construction management engineers domain increased 8.4% YoY, showing clearer signs of bottoming out and recovery, similar to Q3. While the call center outsourcing domain remained weak, with revenue declining 9.5% YoY, the Sales outsourcing domain drove growth, with revenue increasing 15.3% YoY against a backdrop of recovering orders from major telecommunications companies. In addition, the factory outsourcing domain, the care support domain and other businesses, including the consolidation effect of HR CAREER (October 2025), also performed steadily, resulting in overall solid business performance.

Sales Outsourcing Domain Also Continued Steady Expansion

In the sales outsourcing domain, areas other than telecommunications, including sales support and retail support, are also expanding. As the domain utilizes permanent employee staffing and enables temporary staffing on a team basis, the fact that businesses outside telecommunications have also returned to growth provided reassurance. Following the fading impact of COVID-19, real events have begun to recover, and continued steady expansion is expected going forward.

Figure 3. Business Sector Sales at Sales Outsourcing Domain (¥ mn)

Business sector revenue (¥ mn) (3 months)	FY3/25				FY3/26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Telecommunications (Sales outsourcing)	2,874	2,822	2,734	2,706	2,741	2,796	2,891	3,063
Apparel (Sales outsourcing)	579	550	604	564	621	620	691	656
Sales support (Sales outsourcing)	569	580	611	633	635	676	711	757
Other sales support (Sales outsourcing)	1,164	1,088	1,158	1,173	1,047	1,120	1,355	1,376

Source: Company Data. Compiled by Strategy Advisors.

Call Center Outsourcing Domain Shifting Business Model

Meanwhile, in the call center outsourcing domain, which remains a key issue, difficult conditions continue in the call center temporary staffing field as client companies continue to internalize operations. The company continues to prioritize profitability by strengthening consignment service and areas requiring a certain degree of expertise, such as finance, whilst also expanding new services. The number of active personnel in the domain totaled 2,807 (as of the end of FY3/2026). Going forward, the company plans to actively promote reallocation to other domains, while expanding comprehensive HR services at regional offices and new services such as DX staffing, to shift to a business model that does not depend on call center staffing.

Permanent Employee Staffing & Foreign Talent Management Services Exceeded Plan

Permanent employee staffing, which is also a priority measure under the medium-term management plan, remained firm. The number of active permanent employee staffing personnel at the end of Q4 totaled 4,031 (+581 YoY), exceeding the planned level of 3,500, driven mainly by the sales outsourcing domain, factory outsourcing domain and IT engineers domain.

Meanwhile, the number of foreign talent supported through the Foreign Talent Management Services also exceeded plan, similar to permanent employee staffing. The number of foreign talent supported through the Foreign Talent Management Services totaled 4,626 at the end of Q4, significantly exceeding the initial plan of 3,500 at the beginning of the fiscal year. All domains performed steadily and business expansion continued steadily despite headwinds such as yen depreciation.

Looking at the number of hires in Q4, the care support domain exceeded the factory outsourcing domain, which had previously driven growth. HR CAREER, acquired by the Company, is a permanent placement company specializing in the care support domain. Looking forward, its operational know-how is expected to contribute not only to permanent placement, but also to cross-selling with Foreign Talent Management Services.

Figure 4. Performance Trends by Business Area for Domestic Working Business (¥ mn)

	FY3/24				FY3/25				FY3/26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue												
Domestic Working	20,186	20,514	20,940	20,886	20,468	20,794	21,179	20,656	21,182	21,585	22,754	22,739
Sales outsourcing	4,866	4,867	4,968	5,130	5,187	5,042	5,108	5,078	5,046	5,214	5,650	5,854
Call center outsourcing	3,883	3,753	3,720	3,482	3,387	3,296	3,278	2,986	2,986	2,891	2,846	2,702
Factory outsourcing	4,448	4,473	4,630	4,435	4,586	4,634	4,774	4,543	4,693	4,675	4,827	4,638
Care support	3,311	3,338	3,398	3,339	3,379	3,442	3,448	3,366	3,442	3,516	3,582	3,570
Construction management engineers	2,346	2,586	2,709	2,823	3,159	3,585	3,727	3,818	4,094	4,357	4,470	4,485
Others	599	614	687	689	767	792	841	862	919	929	1,377	1,488
Operating profit	-	-	-	-	-	-	-	-	-	-	-	-
Domestic Working	663	808	712	847	259	909	1,153	945	643	1,314	1,309	755
Sales outsourcing	281	284	337	405	375	293	357	338	294	370	426	326
Call center outsourcing	152	114	143	97	103	96	143	85	134	121	60	-12
Factory outsourcing	221	180	229	134	139	195	289	179	245	276	295	79
Care support	77	48	54	46	59	82	84	91	92	119	94	9
Construction management engineers	-273	-59	-20	-47	-369	279	275	198	-129	429	563	472
Others	101	36	52	32	-49	-39	3	52	5	-2	-130	-120

Source: Company Data. Compiled by Strategy Advisors.

3. Overseas Working Business Enhancing Profitability with a Focus on Productivity

Q4 of the Overseas Working Business Achieved Significant Earnings Growth

Overseas Working Business posted Q4 revenue of ¥15.46 billion (+13.2% YoY) and operating profit of ¥670 million (vs. operating loss of ¥70 million YoY) representing a substantial YoY increase in profit of ¥750 million. The main factors were the weaker yen versus the assumed exchange rates (AUD/JPY: 91, SGD/JPY: 104), with actual rates at 100 and 117 respectively, as well as the recording of subsidy income (¥210 million). Excluding FX effects and on a local currency basis, Australia posted a 4.9% YoY revenue decline, while Singapore recorded 11.4% YoY revenue growth. In Australia, the decline in temporary staffing demand from government and public sector clients has continued.

Profitability Improvement in Overseas Working Business Progressing

Profitability in the Overseas Working Business is improving and the benefits of initiatives such as cost controls through revisions to consultant compensation and productivity improvements through order sharing among subsidiaries are becoming evident. In Q4, simple comparison was difficult due to the subsidy income as well as impairment losses recorded in the same period of the previous fiscal year. However, comparing operating margins in Q2 and Q3, excluding these factors, margins improved by approximately 1% YoY.

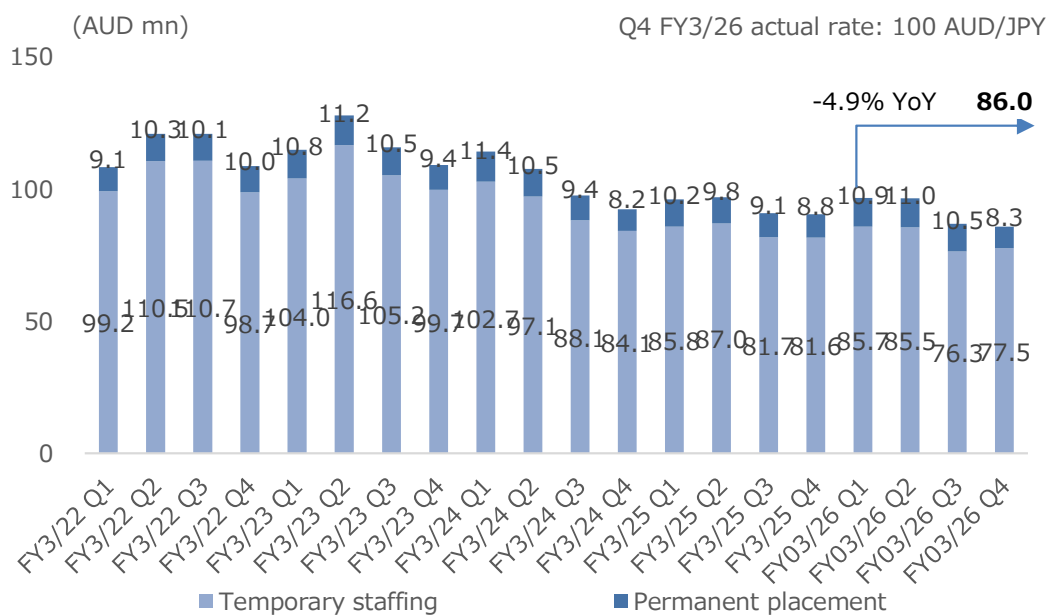
u&u Holdings Driving Earnings in Australia

In addition, Brisbane-based u&u Holdings continued to achieve revenue growth despite sluggish market conditions overall and generated approximately 70% of total profit in Australia. The fact that there remains ample room for business expansion through operational improvements was a major achievement in FY3/2026. Going forward, the company is expected to focus on u&u Holdings, actively recruit capable consultants, expand operations into larger cities such as Melbourne and Sydney and clarify the roles of each subsidiary, which should also contribute to improved profitability.

Strong Temporary Staffing in Singapore; Permanent Placement Expanding

Singapore continues to perform solidly, led by temporary staffing. Growth has been driven by government and public sector demand, and firm demand is expected to continue going forward. On the other hand, as in Australia, there is a possibility that performance could deteriorate due to changes in government policy, and attention should be paid to whether the company can also expand its permanent placement business. Notably, the permanent placement revenue ratio in the Overseas Working Business was 12% in Q4. In addition to expanding temporary staffing, increasing this ratio is expected to improve profitability and transform the business into a leaner cost structure.

Figure 5. Australia Revenue Trend on a Local Currency Basis (AUD/JPY= 100)



Source: Company Data. Compiled by Strategy Advisors.

4. Further Progress in Profitability Structure Reform to be Key to the New Medium-Term Management Plan

Announcement of New Medium-Term Management Plan “WILL-being 2029”

The company announced its new medium-term management plan simultaneously with the earnings release. The target for normalized operating profit in FY3/2029 is ¥4.7 billion. This implies an increase of ¥1.7 billion from ¥3 billion in FY3/2026, of which the company plans to secure ¥1.87 billion from the Domestic Working Business. The strategic theme for Domestic Working Business is “expansion of permanent employee staffing and Foreign Talent Management Services”. While continuing to expand permanent employee staffing/consignment service and Foreign Talent Management Services, which were also key strategies under the previous medium-term management plan, the company also plans to aggressively expand permanent placement. Expansion of the high-margin permanent employee staffing and Foreign Talent Management Services is expected to drive reform of the group-wide profit structure.

Domestic Working Business: The Permanent Placement Business (HR CAREER) Will Be the Key to Profitability Structure Reform

Strategy Advisors believes that the key to profitability structure reform lies in the operational know-how of HR CAREER, which was acquired on October 1, 2025. HR CAREER operates a permanent placement business specializing in nursery teachers, caregivers, nurses and nutritionists. Despite being a late entrant in the highly competitive permanent placement industry, the firm has achieved high growth. Its strength lies in superior operations and the company has achieved high growth even in areas where annual salaries are relatively low compared with other industries such as nursery teachers and caregivers resulting in lower fees earned per consultant. Because fees per placement are low, each consultant is required to handle many projects and as a result the company has established highly productive operations. Leveraging this operational know-how to expand the permanent placement business in essential domains (care support, nursing, construction, etc.) can be regarded as at the core of the new plan.

The company aims to secure gross profit of more than ¥25 billion in Domestic Working Business by FY3/2029. Gross profit increased by approximately ¥3.6 billion during the previous medium-term management plan period, while under the new medium-term management plan, the Company aims to increase gross profit by more than ¥5.9 billion, with additional contributions from expansion of permanent placement attracting attention.

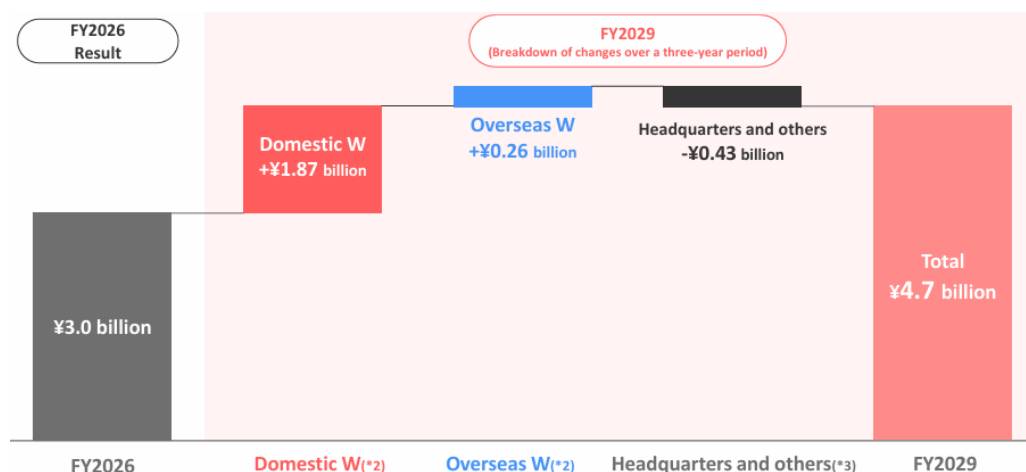
Overseas Working Business Aims for Profit Growth Through Selection and Concentration

For Overseas Working Business, the strategic theme is “strengthening earnings power with a focus on productivity” from which the company plans to secure ¥260 million in profit growth by FY3/2029. The company will continue to emphasize productivity, focus on competitive domains centered on u&u Holdings and promote cost structure reform through integration of back-office and middle-office functions across group subsidiaries. In addition, as new areas, the company plans to explore expansion into new countries and into domains where substitution by AI is difficult and high specialization is expected.

Probability of Achieving Medium-Term Management Plan Targets Viewed as High

The new medium-term management plan is simple, has a high probability of target achievement and based on results through FY3/2026, we believe the plan is sufficiently achievable. Strategy Advisors highly values the expected improvement in profitability through expansion of permanent placement, centered on HR CAREER, while maximizing synergies with existing businesses. Attention will focus on whether the Company can establish a unique permanent placement business by maximizing synergies with Will Group in difficult areas where competitors face barriers to entry.

Figure 6. Breakdown of Profit Plan



Source: Company Materials.

5. Share Price Declines on Disappointing Guidance, But Undervaluation Becomes Apparent Again

Solid Growth Expected Despite Missing Market Expectations

Following the earnings announcement, the share price declined sharply. The main factor was that the company’s FY3/2027 operating profit guidance of ¥3.4 billion implied a 3.7% YoY increase, falling short of market expectations. Excluding one-off gains and losses (government subsidy income in Overseas Working Business), normalized operating profit is expected to increase 13.1% YoY, with normalized operating profit expected to continue double-digit growth.

Domestic Working Business to Achieve Profit Growth Through Expansion of High-Margin Permanent Employee Staffing and Foreign Talent Management Services Businesses

Domestic Working Business is expected to post revenue of ¥93.85 billion (+6.3% YoY) and segment profit of ¥4.29 billion (+19.9% YoY). According to Strategy Advisors' discussions with the company, revenue growth is expected to be driven by the construction management engineers domain, which achieved significant growth during the previous medium-term management plan period, as well as full-year contributions from HR CAREER and growth in the IT engineers domain.

In addition, the company expects the call center outsourcing domain, which remains a challenge, to remain flat. The company plans to conduct upfront investments this fiscal year in the construction management engineers domain and the factory outsourcing domain. For the former, the company will strengthen recruitment expenses, while for the latter, it will expand manufacturing temporary staffing. Despite these upfront investments, the company is still forecasting profit growth, suggesting that the outlook incorporates not only steady expansion in permanent employee staffing/consignment service and Foreign Talent Management Services, but also a certain degree of expansion in the high-margin permanent placement business centered on HR CAREER.

Overseas Working Business Expected to Achieve Revenue Growth on a Local Currency Basis

Overseas Working Business is expected to post revenue of ¥62.94 billion (+7.6% YoY) and operating profit of ¥2.18 billion (-10.2% YoY). Both permanent placement and temporary staffing are expected to achieve revenue growth on a local currency basis. In addition, the FY3/2027 FX assumptions (AUD/JPY: 105, SGD/JPY: 121) also assume a weaker yen versus the FY3/2026 actual rates, and revenue is therefore expected to remain solid. On the other hand, the company is forecasting a decline in profit as the outlook does not incorporate the impact of government subsidy income.

Figure 7. FY3/2027 Earnings Forecasts

(Billions of yen)	1H				Full year			
	1H FY2026	1H FY2027 (Forecasts)	Vs. 1H FY2026 (Change)	Vs. 1H FY2026 (% change)	FY2026	FY2027 (Forecasts)	Vs. FY2026 (Change)	Vs. FY2026 (% change)
Revenue	71.53	78.20	+6.67	+9.3%	146.85	157.00	+10.14	+6.9%
Domestic Working Business	42.76	46.82	+4.05	+9.5%	88.26	93.85	+5.59	+6.3%
Overseas Working Business	28.71	31.33	+2.61	+9.1%	58.50	62.94	+4.44	+7.6%
Others	0.04	0.05	+0.00	+17.0%	0.09	0.19	+0.10	+112.2%
Gross profit	15.36	18.38	+3.02	+19.7%	32.39	37.20	+4.80	+14.8%
(Gross margin)	(21.5 %)	(23.5 %)	+2.0pt		(22.1 %)	(23.7 %)	+1.6pt	
Operating profit	1.63	1.58	-0.05	-3.2%	3.27	3.40	+0.12	+3.7%
(Operating margin)	(2.3 %)	(2.0 %)	-0.3pt		(2.2 %)	(2.2 %)	±0.0pt	
Domestic Working Business	1.76	1.91	+0.14	+8.3%	3.57	4.29	+0.71	+19.9%
Overseas Working Business	1.15	1.16	+0.01	+1.1%	2.42	2.18	-0.24	-10.2%
Others	(0.15)	(0.23)	-0.07	—	(0.30)	(0.41)	-0.10	—
Adjustments	(1.12)	(1.25)	-0.13	—	(2.42)	(2.66)	-0.24	—
Profit attributable to owners of parent	1.14	1.15	+0.00	+0.4%	2.31	2.20	-0.10	-4.6%
EBITDA	2.61	3.05	+0.44	+17.2%	5.63	6.44	+0.81	+14.4%
							Change for ¥1 difference/y	
							Revenue	Profit
Exchange rate								
AUD					¥100	¥105	¥3.6 billion	¥0.1 billion
SGD					¥117	¥121	¥1.6 billion	¥0.1 billion

Source: Company Material.

Sharp Share Price Decline Enhances Investment Appeal Again

The share price declined by more than 20% following the earnings announcement. This was likely driven by several factors, including the FY3/2027 company plan, which fell slightly short of expectations despite solid progress in FY3/2026, as well as the FY3/2029 final-year operating profit target of ¥4.7 billion, which is below the stock option exercise condition (¥5.5 billion). On the other hand, following the share price decline, PER has fallen to the low-teens level, making valuation appear attractive again. As the company's 1H FY3/2027 plan assumes a decline in profit, the share price may remain somewhat weak until the Q2 results. However, from 2H onward, as YoY profit momentum is expected to recover and expectations for upward revisions emerge, the share price could potentially shift back to an upward trend.

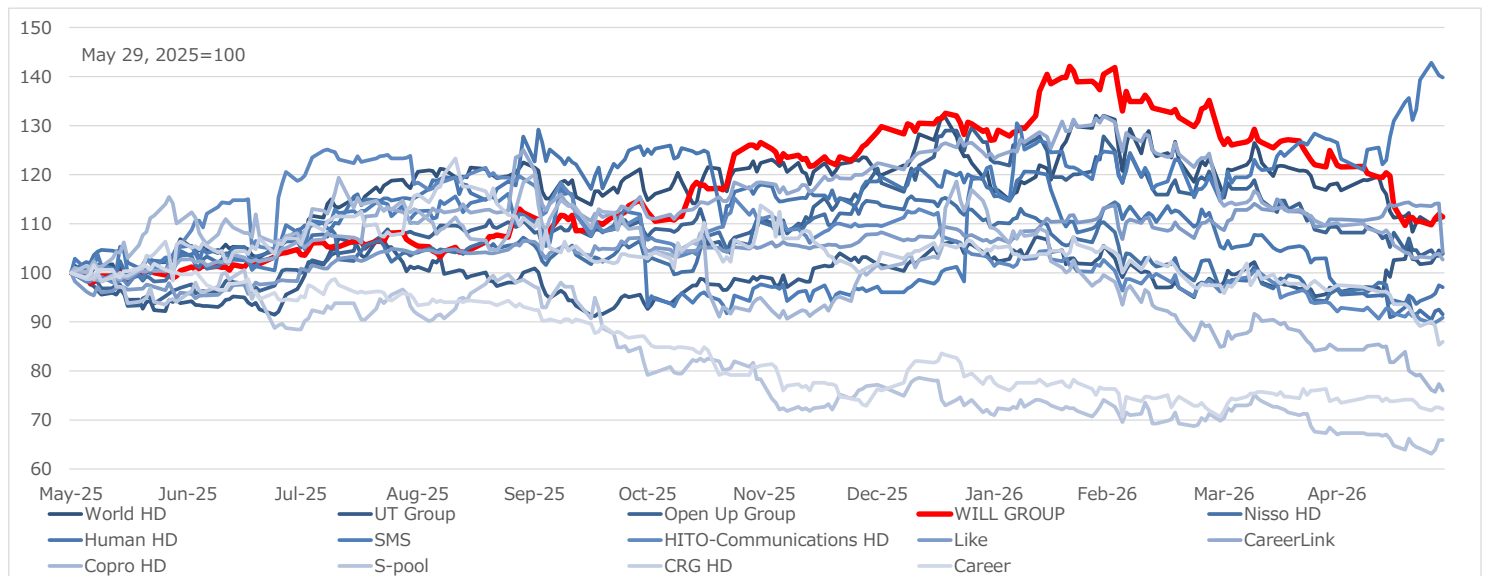
For FY3/2027, the company plans for gross profit margin to improve by 1.6% to 23.7%. If the market begins to incorporate value creation through a shift away from temporary staffing with fixed-term contracts, expansion of permanent employee staffing and Foreign Talent Management Services, as well as growth in permanent placement; the company may be able to secure a relatively higher valuation versus peers.

Figure 8. Valuation Overview

Company name	Stock code	FY	Stock price (May 28) (¥)	Mkt cap (May 28) (¥ mn)	PER CoE (Times)	PBR Actual (Times)	ROE Actual (%)	Dividend Yield CoE (%)	1-Year Return (%)	3-Year of Return (%)
WILL GROUP	6089	25-Mar	1,027	23,743	10.7	1.2	10.9%	4.3%	11.4%	0.0%
World HD	2429	24-Dec	2,407	43,359	6.2	0.9	14.1%	5.7%	11.4%	-11.8%
UT Group	2146	25-Mar	175	105,209	16.4	4.0	24.2%	5.8%	4.2%	-3.4%
Nisso HD	9332	25-Mar	574	19,530	9.2	1.0	11.2%	4.4%	-8.5%	-
Open Up Group	2154	25-Jun	1,884	171,110	13.9	2.1	15.0%	4.5%	4.5%	-3.3%
Copro HD	7059	25-Mar	753	30,120	17.4	2.9	16.8%	6.0%	-24.7%	68.0%
Human HD	2415	25-Mar	1,575	16,345	6.7	0.8	12.5%	4.5%	-4.0%	59.1%
Career	6198	25-Sep	229	1,975	27.7	1.1	4.0%	0.0%	-28.4%	-26.1%
SMS	2175	25-Mar	1,966	172,146	26.2	6.1	23.3%	1.6%	41.2%	-32.6%
HITO-Communications HD	4433	25-Aug	853	15,268	11.8	0.9	7.5%	4.4%	-9.4%	-42.7%
Like	2462	25-May	1,486	30,411	10.4	1.6	15.5%	4.0%	-2.0%	-20.5%
S-pool	2471	24-Nov	234	18,488	11.0	1.8	16.2%	4.3%	-33.5%	-60.7%
CRG HD	7041	25-Sep	269	1,500	14.9	0.5	3.4%	0.0%	-14.1%	-55.0%
CareerLink	6070	25-Mar	2,187	27,569	9.2	1.6	17.6%	5.5%	2.7%	-23.9%
Average					13.7	1.9	13.7%	3.9%	-3.5%	-11.8%

Note: Will Group, Open Up Group, and S-pool use IFRS accounting standards; others use Japanese standards.
 NISSO Holdings listed on October 2, 2023; SMS has not disclosed its dividend forecast.
 Source: SPEEDA. Compiled by Strategy Advisors.

Figure 9. Relative Share Price Performance Over the Past 12 Months



Source: SPEEDA. Compiled by Strategy Advisors.

Figure 10. Consolidated Statement of Income (¥ mn)

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26	FY3/27 CoE
Revenue	118,249	131,080	143,932	138,227	139,705	146,856	157,000
YoY	-3.0%	10.9%	9.8%	-4.0%	1.1%	5.1%	6.9%
Cost of sales	94,192	102,314	112,194	107,781	110,321	114,464	
YoY	-2.4%	8.6%	9.7%	-3.9%	2.4%	6.2%	
Cost of sales ratio	79.7%	78.1%	77.9%	78.0%	79.0%	77.9%	
Gross profit	24,056	28,765	31,737	30,446	29,383	32,392	37,200
YoY	-5.3%	19.6%	10.3%	-4.1%	-3.5%	10.2%	14.8%
Gross profit margin	20.3%	21.9%	22.0%	22.0%	21.0%	22.1%	23.7%
SG&A	20,463	23,585	27,169	28,314	27,270	29,510	
YoY	-4.5%	15.3%	15.2%	4.2%	-3.7%	8.2%	
SG&A ratio to revenue	17.3%	18.0%	18.9%	20.5%	19.5%	20.1%	
Operating profit	4,030	5,472	5,318	4,525	2,338	3,279	3,400
YoY	-2.8%	35.8%	-2.8%	-14.9%	-48.3%	40.2%	3.7%
OP margin	3.4%	4.2%	3.7%	3.3%	1.7%	2.2%	2.2%
Profit before tax	3,788	5,293	5,146	4,417	2,177	3,139	3,191
YoY	-6.6%	39.7%	-2.8%	-14.2%	-50.7%	44.2%	1.6%
Pretax profit margin	3.2%	4.0%	3.6%	3.2%	1.6%	2.1%	2.0%
Profit attributable to owners of parent	2,363	3,286	3,236	2,778	1,155	2,314	2,208
YoY	-0.7%	39.1%	-1.5%	-14.2%	-58.4%	100.3%	-4.6%
NP margin	2.0%	2.5%	2.2%	2.0%	0.8%	1.6%	1.4%
EBITDA	6,259	7,556	7,456	6,810	4,896	5,632	6,440
YoY	2.0%	20.7%	-1.3%	-8.7%	-28.1%	15.0%	14.3%
EBITDA margin	5.3%	5.8%	5.2%	4.9%	3.5%	3.8%	4.1%

Source: Company Data. Compiled by Strategy Advisors.

Figure 11. Key Indicators

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26
Stock indicators						
Number of shares outstanding at year-end ('000 shares)	22,554	22,852	22,944	22,999	23,095	23,118
Number of treasury shares at year-end ('000 shares)	290	284	284	212	212	206
EPS (¥)	106.4	147.0	143.2	122.4	50.6	101.0
EPS (Diluted, ¥)	104.6	144.8	142.0	121.6	50.4	101.0
PER (Times)	10.7	8.7	7.6	8.9	18.8	13.3
DPS (¥)	24.0	34.0	44.0	44.0	44.0	44.0
Payout ratio (%)	22.6	23.1	30.7	36.0	86.9	43.6
Dividend payout ratio (%)	22.9	23.6	31.2	36.4	87.9	0.4
DOE (%)	7.9	7.8	7.6	6.2	5.8	5.4
BPS (¥)	370.1	505.1	646.0	768.4	760.1	883.4
Profitability indicators						
Gross profit margin (%)	20.3	21.9	22.0	22.0	21.0	22.1
EBITDA (¥ mn)	6,259	7,556	7,456	6,810	4,896	5,632
EBITDA margin (%)	5.3	5.8	5.2	4.9	3.5	3.8
Operating profit margin (%)	3.4	4.2	3.7	3.3	1.7	2.2
Owners of parent profit margin (%)	2.0	2.5	2.2	2.0	0.8	1.6
Financial indicators						
Ratio of pretax profit to total asset (%)	8.3	10.7	9.6	8.3	4.3	5.9
Ratio of profit to equity attributable to owners of parent (%)	35.1	33.5	24.9	17.3	6.6	12.3
Ratio of equity attributable to owners of parent to total asset (%)	17.6	21.8	26.6	34.0	34.8	35.8
ROE (% , continuing operations)	35.1	33.5	24.9	17.3	6.6	12.3
Cash and cash equivalents (¥ mn)	7,455	8,973	9,590	7,106	6,936	7,974
Interest-bearing debt (¥ mn)	15,194	15,448	17,091	5,930	6,605	5,980
Net Debt (¥ mn)	7,739	6,475	7,501	-1,176	-331	-1,994
Net DE ratio	0.94	0.57	0.51	-0.07	-0.02	-0.10
Net Debt/operating EBITDA	1.24	0.86	1.01	-0.17	-0.07	-0.35
Total Short & Long-Term Debt	8,788	7,988	10,146	5,930	6,605	5,980
Net Debt (¥ mn)	1,333	-985	556	-1,176	-331	-1,994
Net DE Ratio	0.2	-0.1	0.0	-0.1	0.0	-0.1
Net Debt/EBITDA	0.2	-0.1	0.1	-0.2	-0.1	-0.4
Invested capital (¥ mn, gross IC)	17,028	19,386	24,784	23,438	23,997	26,220
NOPAT (NOPLAT, ¥ mn)	2,849	3,984	3,576	2,948	1,226	2,301
ROIC (% , gross IC)	17.8	21.9	16.2	12.2	5.2	9.2
ROIC (% , company disclosed)	-	-	12.6	10.3	5.6	7.6
Efficiency indicators						
Working capital (¥ mn)	934	2,161	1,777	1,027	1,180	204
Working capital turnover (Times)	126.6	60.7	81.0	134.6	118.4	719.9
Current ratio (%)	95.1	92.9	100.9	106.5	105.3	106.2
Quick ratio (%)	92.1	90.5	97.3	101.1	100.3	101.1

Source: Company Data. Compiled by Strategy Advisors.

Figure 12. Performance Trends by Segment (¥ mn)

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26	FY3/27
Revenue	118,249	131,080	143,932	138,227	139,705	146,856	157,000
YoY	-3.0%	10.9%	9.8%	-4.0%	1.1%	5.1%	6.9%
Domestic Working	80,050	80,726	84,135	82,528	83,099	88,262	93,850
YoY	-	0.8%	4.2%	-1.9%	0.7%	6.2%	6.3%
Ratio to revenue	67.7%	61.6%	58.5%	59.7%	59.5%	60.1%	59.8%
Overseas Working	36,920	48,746	57,537	55,432	56,448	58,501	62,940
YoY	-	32.0%	18.0%	-3.7%	1.8%	3.6%	7.6%
Ratio to revenue	31.2%	37.2%	40.0%	40.1%	40.4%	39.8%	40.1%
Others	1,278	1,607	2,258	266	157	92	190
Ratio to revenue	1.1%	1.2%	1.6%	0.2%	0.1%	0.1%	0.1%
Operating profit	4,030	5,472	5,318	4,525	2,338	3,279	3,400
YoY	-2.8%	35.8%	-2.8%	-14.9%	-48.3%	40.2%	3.7%
OP margin	3.4%	4.2%	3.7%	3.3%	1.7%	2.2%	2.2%
Domestic Working	4,763	4,448	4,451	5,038	3,251	3,579	4,290
YoY	-	-6.6%	0.1%	13.2%	-35.5%	10.1%	19.9%
OP margin	6.0%	5.5%	5.3%	6.1%	3.9%	4.1%	4.6%
Overseas Working	1,942	3,348	3,406	1,946	1,432	2,427	2,180
YoY	-	72.4%	1.7%	-42.9%	-26.4%	69.5%	-10.2%
OP margin	5.3%	6.9%	5.9%	3.5%	2.5%	4.1%	3.5%
Others	-413	-342	-296	-225	-223	-306	-410
Adjustment	-2,262	-1,981	-2,243	-2,235	-2,121	-2,420	-2,660

Source: Company Data. Compiled by Strategy Advisors.

Figure 13. Domestic Working Business Details (¥ mn)

		FY3/21	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26
Domestic Working		80,050	80,726	84,135	82,528	83,099	88,262
Sales outsourcing		19,046	19,517	20,395	19,832	20,416	21,765
	YoY	-17.7%	2.5%	4.5%	-2.8%	2.9%	6.6%
Call center outsourcing		16,866	17,041	16,582	14,840	12,949	11,427
	YoY	2.5%	1.0%	-2.7%	-10.5%	-12.7%	-11.8%
Factory outsourcing		20,585	18,316	17,639	17,988	18,540	18,835
	YoY	-13.3%	-11.0%	-3.7%	2.0%	3.1%	1.6%
Care support		13,218	13,677	13,620	13,388	13,637	14,111
	YoY	9.6%	3.5%	-0.4%	-1.7%	1.9%	3.5%
HR support for startups		1,273	2,348	2,998	3,420	-	-
	YoY	0.8%	84.4%	27.7%	14.1%	-	-
Construction management engineers		5,273	5,785	7,665	10,466	14,291	17,407
	YoY	9.7%	9.7%	32.5%	36.5%	36.5%	21.8%
IT engineers		3,789	4,042	5,234	2,594	3,266	4,717
	YoY	329.1%	6.7%	29.5%	-50.4%	25.9%	44.4%
Domestic Working		4,710	4,823	4,734	3,032	3,268	4,023
Sales outsourcing		1,468	1,614	1,717	1,308	1,365	1,417
Call center outsourcing		1,130	1,175	935	507	429	304
Factory outsourcing		1,000	1,258	947	765	803	897
Care support		381	295	497	227	319	316
HR support for startups		158	603	267	400	-	-
Construction management engineers		38	-559	-496	-400	384	1,335
Others		535	437	867	225	-32	-246
Domestic Working		5.9%	6.0%	5.6%	3.7%	3.9%	4.6%
Sales outsourcing		7.7%	8.3%	8.4%	6.6%	6.7%	6.5%
Call center outsourcing		6.7%	6.9%	5.6%	3.4%	3.3%	2.7%
Factory outsourcing		4.9%	6.9%	5.4%	4.3%	4.3%	4.8%
Care support		2.9%	2.2%	3.6%	1.7%	2.3%	2.2%
HR support for startups		12.4%	25.7%	8.9%	11.7%	-	-
Construction management engineers		0.7%	-9.7%	-6.5%	-3.8%	2.7%	7.7%
Others		14.1%	10.8%	16.6%	8.7%	-1.0%	-5.2%

Source: Company Data. Compiled by Strategy Advisors.

Figure 14. Consolidated Balance Sheet (¥ mn)

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26
Assets						
Cash and cash equivalents	7,455	8,973	9,590	7,106	6,936	7,974
Trade and other receivables	14,694	17,458	17,928	17,512	18,136	20,305
Other financial assets	690	129	138	171	213	249
Other current assets	729	728	1,009	1,338	1,265	1,414
Current assets	23,570	27,289	28,666	26,129	26,551	29,944
Property, plant and equipment	1,082	1,223	1,139	1,275	1,109	1,405
Right-to-use assets	5,715	6,809	6,349	5,071	4,391	4,897
Goodwill	6,155	6,514	8,120	8,737	8,166	9,856
Other intangible assets	6,049	6,154	5,996	6,109	5,605	6,381
Investment accounted for using equity method	495	477	456	431	-	-
Other financial assets	1,151	1,208	1,475	1,158	2,160	1,690
Deferred tax assets	1,678	1,850	1,953	1,888	1,851	2,322
Other non-current assets	863	822	782	741	86	53
Non-current assets	23,190	25,061	26,272	25,413	23,371	26,608
Total assets	46,760	52,350	54,939	51,543	49,923	56,552
Liabilities						
Trade and other payables	13,760	15,297	16,151	16,485	16,956	20,101
Short-term borrowings	4,865	5,786	6,761	2,490	4,003	3,356
Other financial liabilities	3,600	5,245	1,364	2,115	1,426	1,450
Income taxes payable	514	1,195	1,027	1,005	523	909
Other current liabilities	2,048	1,836	3,109	2,437	2,297	2,390
Current liabilities	24,790	29,361	28,414	24,533	25,208	28,208
Long-term borrowings	3,923	2,202	3,385	3,440	2,602	2,624
Others financial liabilities	6,563	6,285	5,950	4,837	3,636	3,873
Deferred tax liabilities	1,289	1,202	1,127	1,006	935	1,126
Other non-current liabilities	166	177	184	206	181	551
Non-current liabilities	11,943	9,867	10,648	9,490	7,354	8,175
Total liabilities	36,733	39,228	39,062	34,024	32,563	36,384
Net assets						
Share capital	2,089	2,163	2,187	2,198	2,217	2,222
Capital surplus	-1,786	-2,266	-1,923	-2,045	-2,068	-2,096
Treasury shares	-279	-274	-274	-204	-204	-198
Other components of equity	-343	464	890	2,032	1,912	3,460
Retained earnings	8,559	11,310	13,758	15,528	15,536	16,852
Equity attributable to owners of parent	8,240	11,398	14,638	17,508	17,392	20,240
Non-controlling interests	1,786	1,723	1,238	10	-32	-72
Total equity	10,027	13,121	15,877	17,518	17,359	20,168
Total liabilities and equity	46,760	52,350	54,939	51,543	49,923	56,552

Source: Company Data. Compiled by Strategy Advisors.

Figure 15. Consolidated Cash Flow Statement (¥ mn)

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26
Cash flows from operating activities (1)	4,316	4,350	4,816	3,828	1,806	4,957
Profit before tax	3,788	5,293	5,146	4,417	2,177	3,139
Depreciation and amortization	2,229	2,084	2,137	2,285	2,084	2,352
Depreciation losses and impairment loss reversals	-	-	-	-	473	-
Share-based payment expenses	85	65	107	104	59	11
Decrease (increase) in trade receivables	1,488	-2,494	-223	42	-591	-1,258
Increase (decrease) in trade payables	72	580	969	1,031	-615	1,254
Other	-1,312	-4	-839	-2,489	127	181
Subtotal	6,351	5,525	7,297	5,390	3,715	5,681
Interests and dividends received	7	9	17	124	43	38
Interest paid	-86	-79	-88	-120	-152	-168
Income taxes paid	-1,956	-1,104	-2,409	-1,565	-1,800	-594
Cash flows from investing activities (2)	-433	-306	-1,761	-575	-695	-1,354
Purchase of property, plant and equipment, and intangible assets	-589	-741	-396	-802	-361	-567
Purchase of investments accounted for using equity method	-350	-	-	-	-	-
Purchase of investment securities	-46	-63	-	-	-299	-
Proceeds from sales of investment securities	374	22	-	-	-	253
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-	-1,757	-	-	-815
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	-	1,009	811	-	-
Expenditures from loans	-	-	-	-	-300	-
Other	179	475	-617	-584	265	-224
Free Cash Flow (1+2)	3,883	4,044	3,055	3,253	1,111	3,603
Cash flows from financing activities	-2,646	-2,959	-2,783	-6,232	-1,233	-3,119
Net increase (decrease) in short-term	1,890	1,000	1,590	-3,245	1,365	-619
Proceeds from long-term borrowings	270	1,165	4,383	1,500	800	2,460
Repayments of long-term borrowings	-3,080	-2,965	-3,367	-2,470	-1,566	-2,945
Repayments of lease liabilities	-1,302	-1,310	-1,333	-1,335	-1,324	-1,340
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-798	-1,969	-3,746	-	-	-
Proceeds from sale of shares of subsidiaries not resulting in change in scope of	-	1,360	-	-	-	-
Dividends paid to non-controlling interests	-362	-281	-373	-	-	-
Dividends paid	-511	-540	-776	-1,008	-1,011	-1,016
Proceeds from government grants	1,273	361	524	190	539	329
Other	-25	222	316	137	-35	13
Effect of exchange rate changes on cash and cash equivalents	274	432	345	494	-46	554
Net increase (decrease) in cash and cash equivalents	1,511	1,517	617	-2,484	-169	1,038
Cash and cash equivalents at the beginning of the period	5,944	7,455	8,973	9,590	7,106	6,936
Cash and cash equivalents at the end of the period	7,455	8,973	9,590	7,106	6,936	7,974

Source: Company Data. Compiled by Strategy Advisors.

Figure 16. Quarterly Performance Trends (¥ mn)

	FY3/25				FY3/26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	35,052	35,270	35,030	34,351	35,207	36,322	37,097	38,228
YoY	1.8%	1.2%	1.1%	0.1%	0.4%	3.0%	5.9%	11.3%
Cost of sales	27,792	27,741	27,722	27,064	27,813	28,356	28,499	29,794
YoY	3.4%	2.8%	2.9%	0.3%	0.1%	2.2%	2.8%	10.1%
Cost of sales ratio	79.3%	78.7%	79.1%	78.8%	79.0%	78.1%	76.8%	77.9%
Gross profit	7,260	7,528	7,307	7,286	7,394	7,965	8,597	8,433
YoY	-3.9%	-4.2%	-5.1%	-0.7%	1.8%	5.8%	17.7%	15.7%
Gross profit margin	20.7%	21.3%	20.9%	21.2%	21.0%	21.9%	23.2%	22.1%
SG&A	7,387	6,745	6,584	6,553	7,040	6,788	7,395	8,285
YoY	1.8%	-3.9%	-6.2%	-6.6%	-4.7%	0.6%	12.3%	26.4%
SG&A ratio to revenue	21.1%	19.1%	18.8%	19.1%	20.0%	18.7%	19.9%	21.7%
Operating profit	177	832	782	546	394	1,243	1,213	427
YoY	-84.4%	-6.1%	0.9%	-68.4%	122.6%	49.4%	55.1%	-21.8%
OP margin	0.5%	2.4%	2.2%	1.6%	1.1%	3.4%	3.3%	1.1%
Profit before tax	125	742	824	484	329	1,227	1,186	397
YoY	-89.5%	-16.7%	30.4%	-71.5%	163.2%	65.4%	43.9%	-18.0%
Pretax profit margin	0.4%	2.1%	2.4%	1.4%	0.9%	3.4%	3.2%	1.0%
Profit attributable to owners of parent	69	437	610	38	281	866	831	335
YoY	-90.5%	-35.6%	278.9%	-96.9%	307.2%	98.2%	36.2%	781.6%
NP margin	0.2%	1.2%	1.7%	0.1%	0.8%	2.4%	2.2%	0.9%

Source: Company Data. Compiled by Strategy Advisors.

Figure 17. Quarterly Performance Trends by Segment (¥ mn)

	FY3/25				FY3/26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	35,052	35,270	35,030	34,351	35,207	36,322	37,097	38,228
YoY	1.8%	1.2%	1.1%	0.1%	0.4%	3.0%	5.9%	11.3%
Domestic Working	20,468	20,794	21,179	20,656	21,182	21,585	22,754	22,739
YoY	1.4%	1.4%	1.1%	-1.1%	3.5%	3.8%	7.4%	10.1%
Ratio to revenue	58.4%	59.0%	60.5%	60.1%	60.2%	59.4%	61.3%	59.5%
Overseas Working	14,534	14,435	13,815	13,662	14,001	14,716	14,319	15,463
YoY	2.5%	1.2%	1.4%	2.3%	-3.7%	1.9%	3.6%	13.2%
Ratio to revenue	41.5%	40.9%	39.4%	39.8%	39.8%	40.5%	38.6%	40.4%
Others	48	41	35	32	24	20	22	25
Ratio to revenue	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Operating profit	177	832	782	546	394	1,243	1,213	427
YoY	-84.4%	-6.1%	0.9%	-68.4%	122.6%	49.4%	55.1%	-21.8%
OP margin	0.5%	2.4%	2.2%	1.6%	1.1%	3.4%	3.3%	1.1%
Domestic Working	238	861	983	1,167	583	1,181	1,250	563
YoY	-82.6%	10.2%	15.6%	-42.8%	145.0%	37.2%	27.2%	-51.8%
OP margin	1.2%	4.1%	4.6%	5.7%	2.8%	5.5%	5.5%	2.5%
Overseas Working	573	543	392	-76	471	678	603	673
YoY	25.7%	-18.6%	-25.3%	-	-17.8%	24.9%	53.8%	-
OP margin	3.9%	3.8%	2.8%	-0.6%	3.4%	4.6%	4.2%	4.4%
Others	-60	-77	-59	-25	-74	-80	-59	-92
Adjustment	-574	-495	-533	-518	-586	-535	-580	-717

Source: Company Data. Compiled by Strategy Advisors.

Figure 18. Domestic Working Business Quarterly Details (¥ mn)

	FY3/25				FY3/26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue								
Domestic Working	20,468	20,794	21,179	20,656	21,182	21,585	22,754	22,739
Sales outsourcing	5,187	5,042	5,108	5,078	5,046	5,214	5,650	5,854
Call center outsourcing	3,387	3,296	3,278	2,986	2,986	2,891	2,846	2,702
Factory outsourcing	4,586	4,634	4,774	4,543	4,693	4,675	4,827	4,638
Care support	3,379	3,442	3,448	3,366	3,442	3,516	3,582	3,570
Construction management engineers	3,159	3,585	3,727	3,818	4,094	4,357	4,470	4,485
Others	767	792	841	862	919	929	1,377	1,488
Operating profit								
Domestic Working	259	909	1,153	945	643	1,314	1,309	755
Sales outsourcing	375	293	357	338	294	370	426	326
Call center outsourcing	103	96	143	85	134	121	60	-12
Factory outsourcing	139	195	289	179	245	276	295	79
Care support	59	82	84	91	92	119	94	9
Construction management engineers	-369	279	275	198	-129	429	563	472
Others	-49	-39	3	52	5	-2	-130	-120

Source: Company Data. Compiled by Strategy Advisors.

Figure 19. Overseas Working Business Quarterly Details (¥ mn)

	FY3/25				FY3/26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Overseas Working Revenue	14,534	14,435	13,815	13,662	14,001	14,716	14,319	15,463
YoY	2.5%	1.2%	1.4%	2.3%	-3.7%	1.9%	3.6%	13.2%
Breakdown of Revenue by Contract Type								
Temporary staffing	12,514	12,472	12,079	12,050	12,182	12,754	12,273	13,578
Permanent placement	1,993	1,943	1,702	1,591	1,776	1,933	2,030	1,851
Other	27	18	34	21	42	28	15	33
Breakdown of Revenue by Region								
Australia	9,887	9,698	9,044	8,676	8,956	9,324	8,848	9,397
Asia	4,647	4,736	4,770	4,986	5,044	5,392	5,470	6,065
Overseas Working	573	543	392	-76	471	678	603	673
YoY	25.7%	-18.6%	-25.3%	-	-17.8%	24.9%	53.8%	-
OP margin	3.9%	3.8%	2.8%	-	3.4%	4.6%	4.2%	4.4%

Source: Company Data. Compiled by Strategy Advisors.

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