Supplementary Materials
for the First Quarter of the Fiscal Year Ending March 31, 2021

August 7, 2020

WILL GROUP, INC. (Tokyo Stock Exchange, First Section / Stock code: 6089)

WILL GROUP

Contents

* In this material, the term “net sales” refers to either “net sales” under Japanese GAAP or “revenue” under IFRS, and “equity ratio” refers to either “equity ratio” under Japanese GAAP or “ratio of equity attributable to owners of parent to total assets” under IFRS.

I. 1Q FY3/21 Highlights

WILL GROUP

COVID-19 negatively affected performance, but the call center outsourcing and care support/nursery school sectors performed well

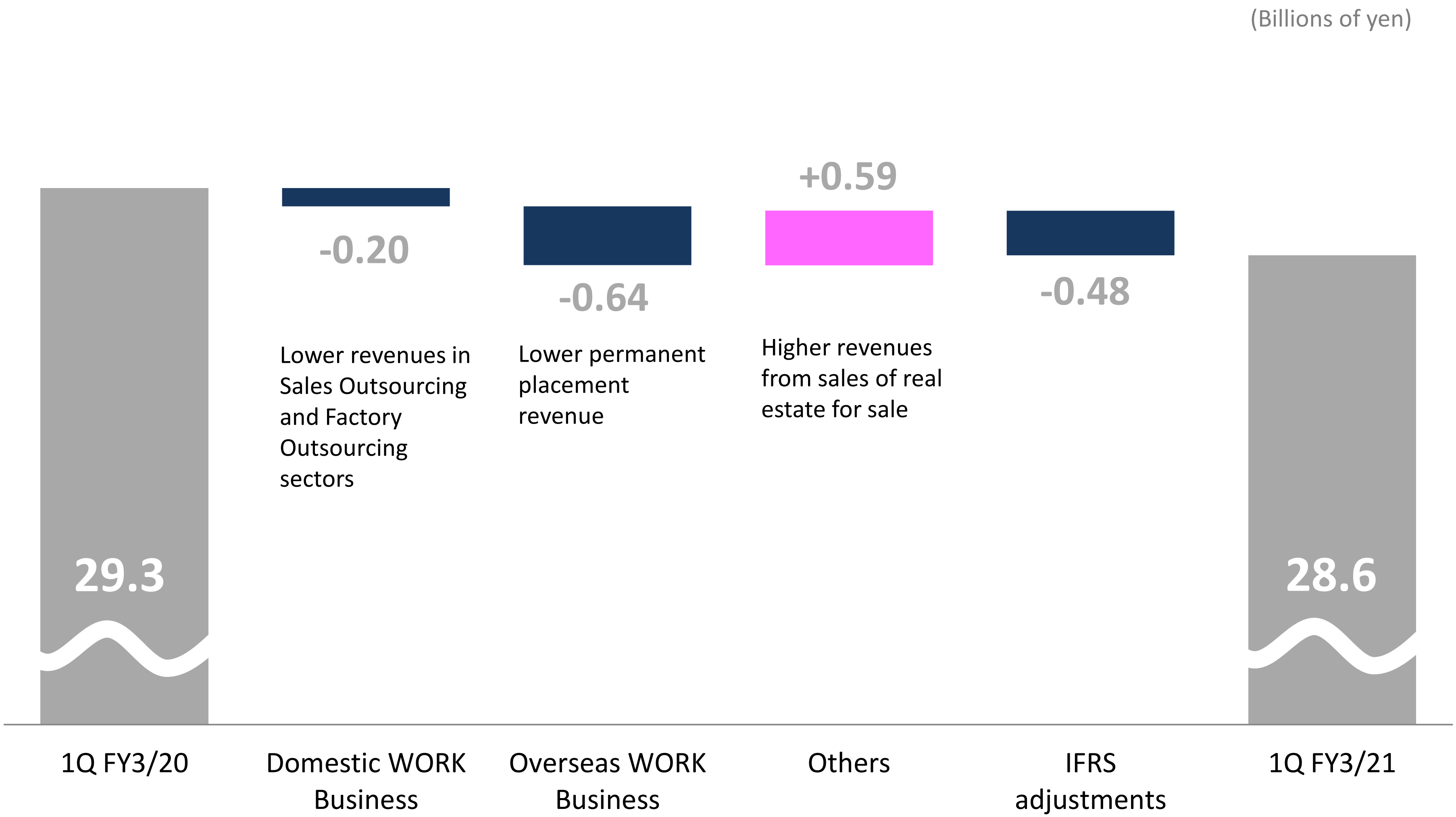
(Billions of yen)

	1Q FY3/20	1Q FY3/21	Vs. 1Q FY3/20 Change	Vs. 1Q FY3/20 % change
Revenue	29.37	**28.63**	-0.73	-2.5%
Gross profit (Gross margin)	6.23 (21.2%)	**5.86** **(20.5%)**	-0.37 (-0.7pt)	-5.9%
Operating profit (Operating margin)	1.06 (3.6%)	**0.98** **(3.5%)**	-0.07 (-0.2pt)	-7.0%
Profit before tax	1.03	**0.97**	-0.05	-5.6%
Profit attributable to owners of parent	0.62	**0.63**	+0.00	+0.6%
EBITDA (Operating profit + Depreciation and amortization	1.50	**1.51**	+0.00	+0.6%

Number of employees: 4,870
(+382 from the end of FY3/20)

1Q FY3/21 Revenue: Breakdown of Year-on-Year Changes

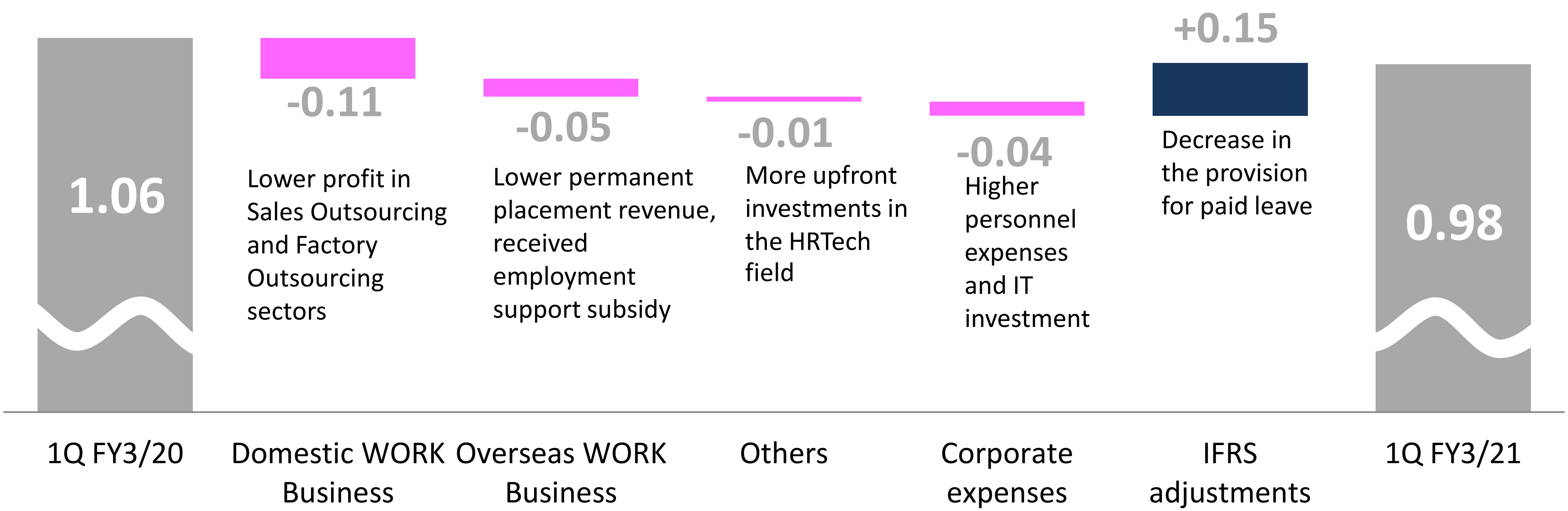
WILL GROUP



1Q FY3/21 Operating Profit: Breakdown of Year-on-Year Changes

WILL GROUP

(Billions of yen)



FY3/21 Forecasts Impact of COVID-19

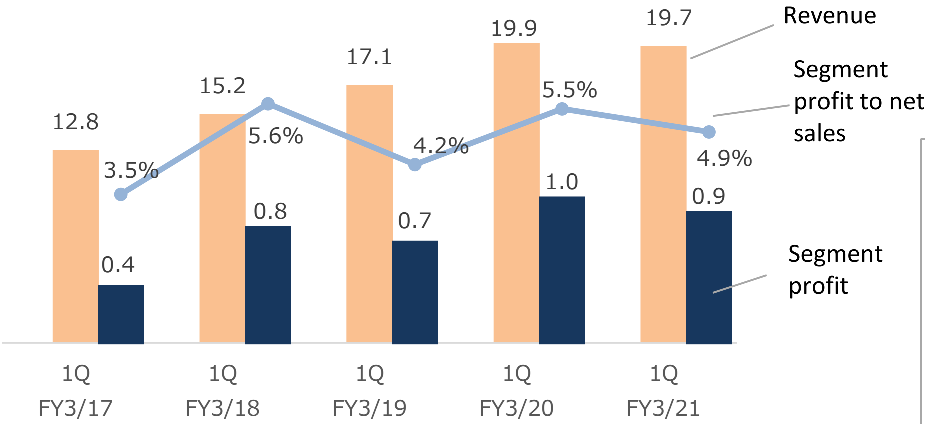
WILL GROUP

Segments	Sectors	COVID-19 assumptions for initial forecasts	First quarter COVID-19 impact and responses
Domestic WORK Business	Sales support	Sales down due to restrictions on store operations and sales promotion decline due to fewer special events. Lower gross profit due to increase in paid time off and payments to employees placed on leave.	The state of emergency ended in late May. Telecommunications sector demand was firm but market conditions remained challenging in the apparel and sales promotion categories. Increased sales activities in the stable telecommunications sector. The negative effect of furlough payments and other expenses on the gross profit was smaller than expected in the first quarter, partly because customers covered part of these expenses. Anticipate no effect during the remainder of the fiscal year.
	Call center	Decline in call center operations but some people continue to work from home. New orders are down. Lower gross profit due to increase in paid time off.	The number of people assigned to call centers declined due to social distancing but this sector performed well because of higher staffing rates. More paid leave expenses were expected to reduce gross profit, but these expenses were negligible.
	Factory	Only a small impact of COVID-19 in the food sector but a downturn in orders because of lower production in other sectors. Lower gross profit due to increase in paid time off and payments to employees placed on leave.	The food sector generally performed well but orders decreased due to lower output of food products for restaurants as people stayed home. In other sectors, orders were down because of declining production and the volume of new orders was low. Increased sales activities targeting current customers in food and other sectors that are performing well. Expect higher paid leave expenses to continue affecting gross profit until the end of the first half.
	Care support/ nursery schools	For new orders and recruiting, forecast higher sales and earnings because of inflows from other industries	No difficulties with recruiting people as applicants are shifting to this sector from other business categories. However, temporary staffing orders are declining due to more direct employment in these business sectors. More sales activities to add new customers.
	HR support for startups	The number of job openings is declining but there is still very strong demand for placement services for senior executives and engineers	Permanent placement orders in May were down 40% from one year earlier mainly because clients revised recruiting plans, but job openings and orders started recovering in June.
	Others	Temporary school closings are affecting assistant language teacher staffing; for construction management engineer staffing, new orders are down but no significant impact of COVID-19	Schools reopened after the end of the state of emergency in late May, so COVID-19 had no effect on assistant language teacher staffing. For construction management engineer staffing, increasing sales activities to add new customers because demand for these engineers remains strong and the recruiting environment is improving.
Overseas WORK Business	Singapore, etc. Australia	Expect a decline in permanent placements because of fewer orders from companies. For temporary staffing, only a small impact in major categories like the public sector, IT, financial services and legal services, but anticipate fewer orders in other market sectors.	Permanent placement orders were down as economic downturns, lockdowns and other effects of COVID-19 stagnated economic activity, but orders are expected to start recovering in July. Temporary staffing services are performing well and emphasis has shifted to measures for more growth of this business.

Domestic WORK Business

WILL GROUP

Revenue and segment profit (Billions of yen)

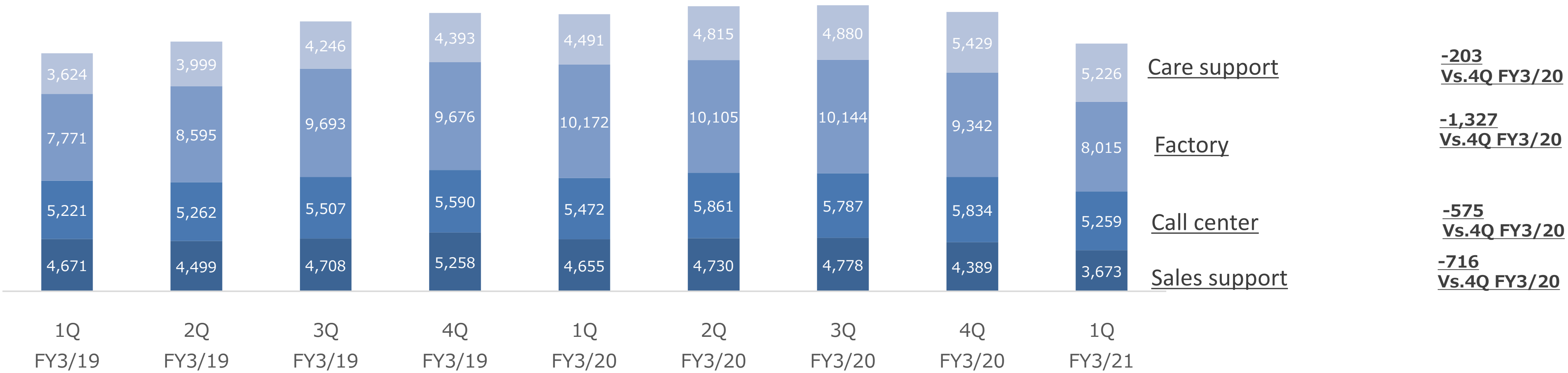


(Billions of yen)	1Q FY3/21 Results	1Q FY3/20 Results	Change
Revenue	19.78	19.98	-1.0%
Segment profit	0.97	1.09	-10.7%

Topics

- COVID-19 reduced revenue in the sales outsourcing and factory outsourcing sectors, but revenue was strong in the call center outsourcing and care support/nursery school sectors.
- Controlled recruiting expenses based on the level of new orders (down ¥120 million from 1Q FY3/20)

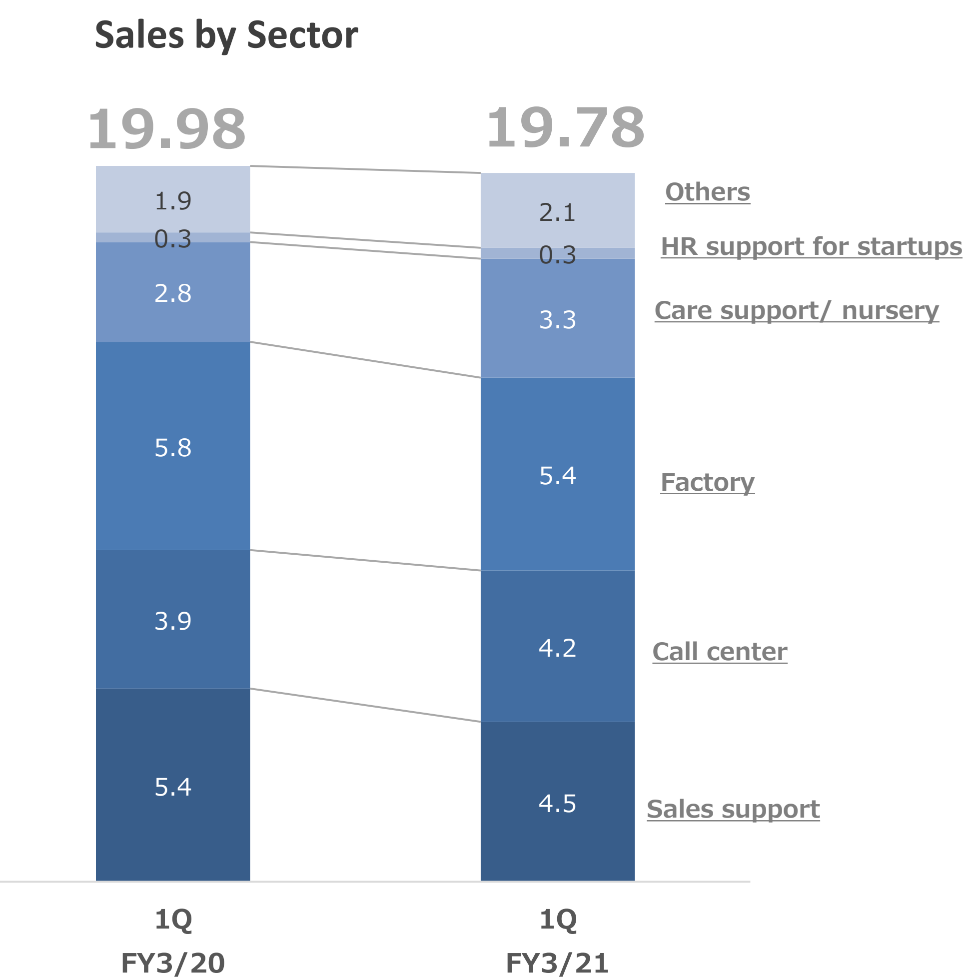
Number of workers on assignments (person)

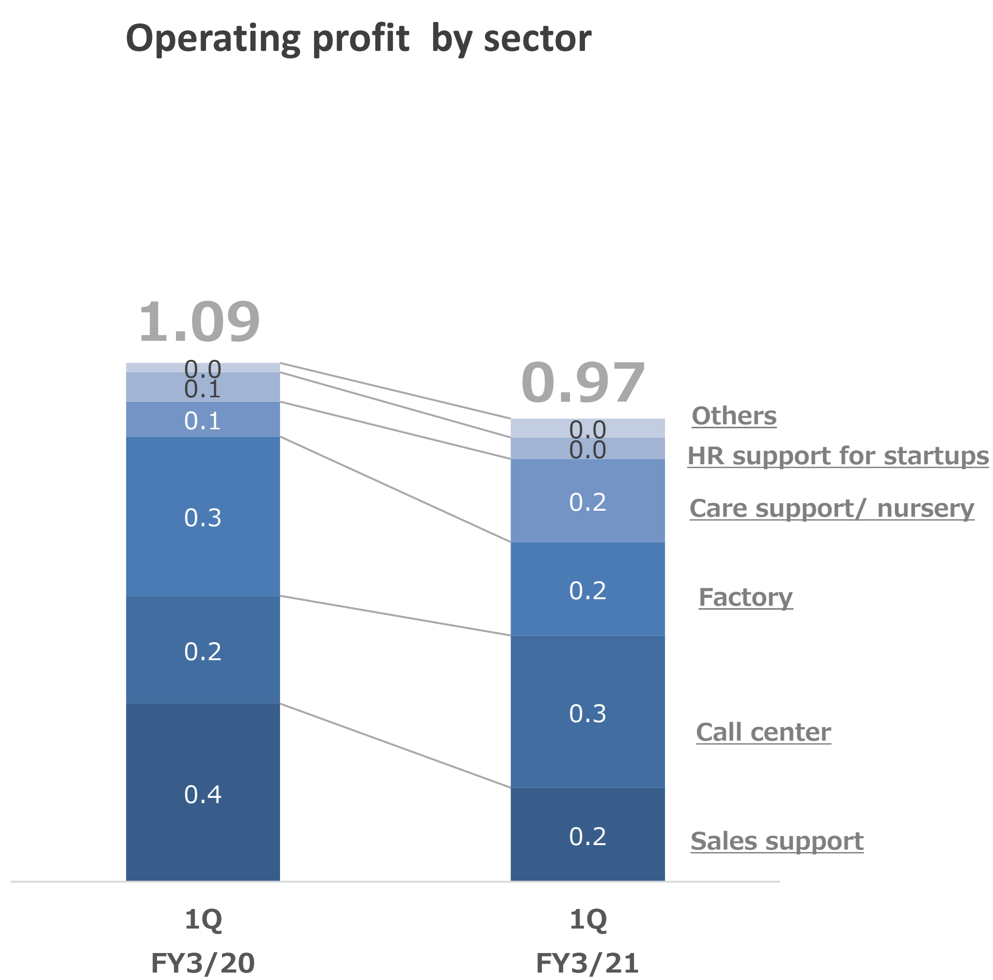


WILL GROUP

The call center outsourcing and care support/nursery school sectors performed well

(Billions of yen)

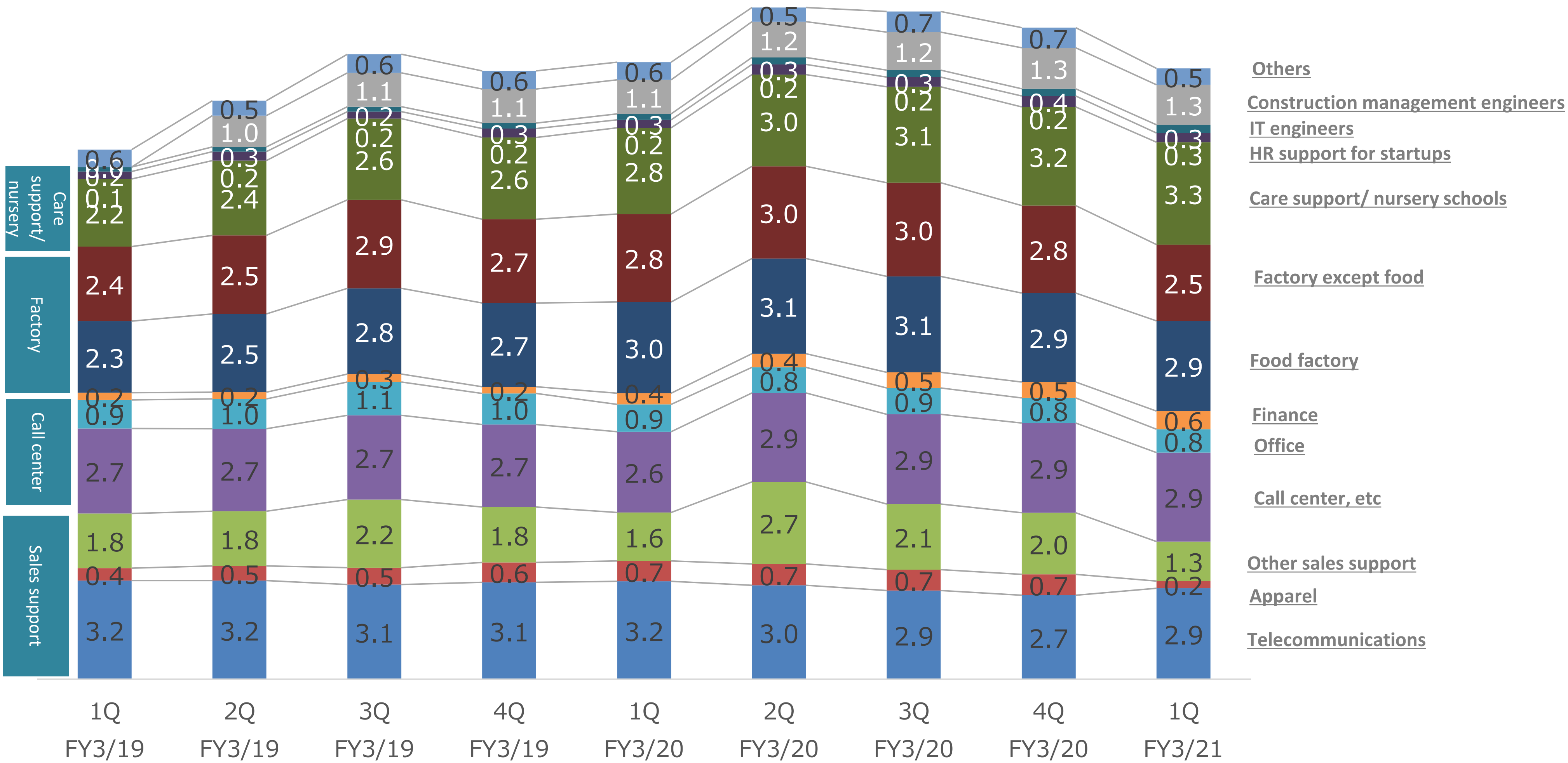




WILL GROUP

COVID-19 negatively affected the apparel, other sales support and factory (except food) sectors

(Billions of yen)

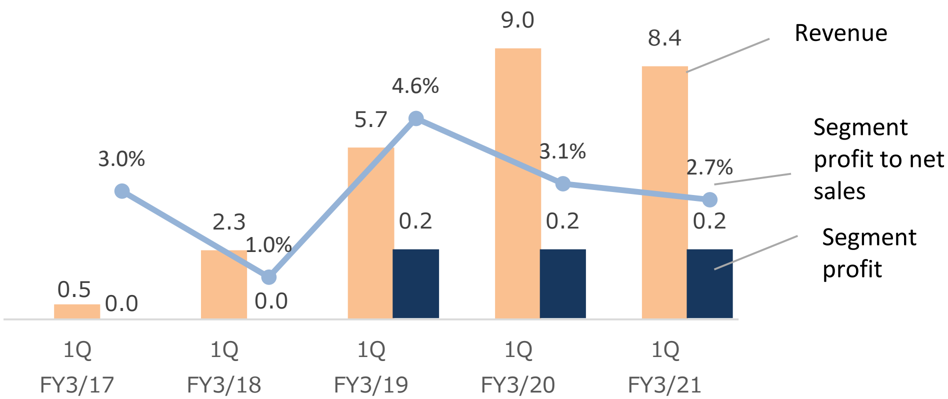


	1Q FY3/19	2Q FY3/19	3Q FY3/19	4Q FY3/19	1Q FY3/20	2Q FY3/20	3Q FY3/20	4Q FY3/20	1Q FY3/21
Others	0.6	0.5	0.6	0.6	0.6	0.5	0.7	0.7	0.5
Construction management engineers		1.0	1.1	1.1	1.1	1.2	1.2	1.3	1.3
IT engineers	0.2	0.3	0.2	0.3	0.3	0.3	0.3	0.4	0.3
HR support for startups	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3
Care support/ nursery schools	2.2	2.4	2.6	2.6	2.8	3.0	3.1	3.2	3.3
Factory except food	2.4	2.5	2.9	2.7	2.8	3.0	3.0	2.8	2.5
Food factory	2.3	2.5	2.8	2.7	3.0	3.1	3.1	2.9	2.9
Finance	0.2	0.2	0.3	0.2	0.4	0.4	0.5	0.5	0.6
Office	0.9	1.0	1.1	1.0	0.9	0.8	0.9	0.8	0.8
Call center, etc	2.7	2.7	2.7	2.7	2.6	2.9	2.9	2.9	2.9
Other sales support	1.8	1.8	2.2	1.8	1.6	2.7	2.1	2.0	1.3
Apparel	0.4	0.5	0.5	0.6	0.7	0.7	0.7	0.7	0.2
Telecommunications	3.2	3.2	3.1	3.1	3.2	3.0	2.9	2.7	2.9

Overseas WORK Business

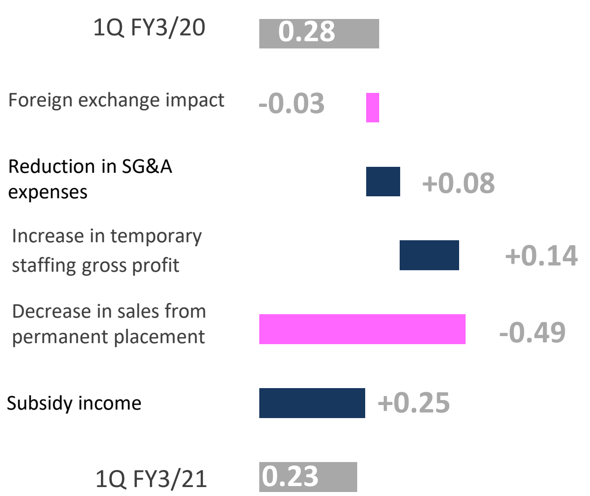
WILL GROUP

Revenue and segment profit (Billions of yen)



	1Q FY3/21 Results	1Q FY3/20 Results	Change
Revenue	8.45	9.09	-7.0%
Segment profit	0.23	0.28	-18.2%

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



Topics
- Permanent placement was lower but temporary staffing remained solid in Australia and Singapore
- Received an employment support subsidy (approx. ¥250 million) as a countermeasure against COVID-19 in Singapore

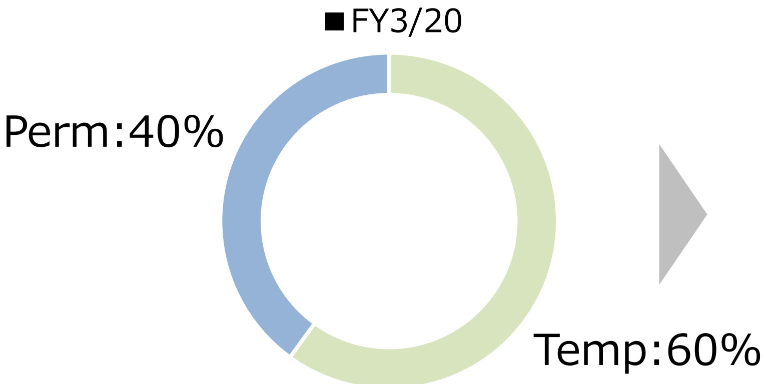
Forex sensitivity	Initially assumed	1Q FY3/21 Results	1Q FY3/20 Results	Change for ¥1 difference/y	
				Revenue	Profit
AUD	¥70	¥70	¥76	¥380 mln	¥10 mln
SGD	¥75	¥76	¥80	¥90 mln	¥0 mln

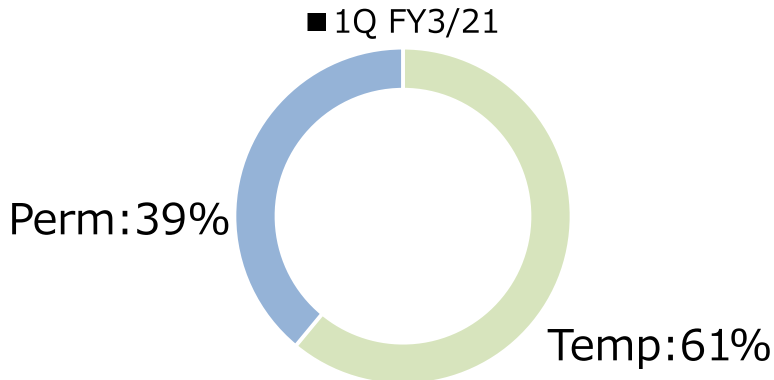
Business Portfolio Changes in Japan and Overseas

WILL GROUP

Domestic WORK Business Portfolio (Gross profit basis)

Final year of New Medium-term Management Plan →:Temp:40% Perm:60%

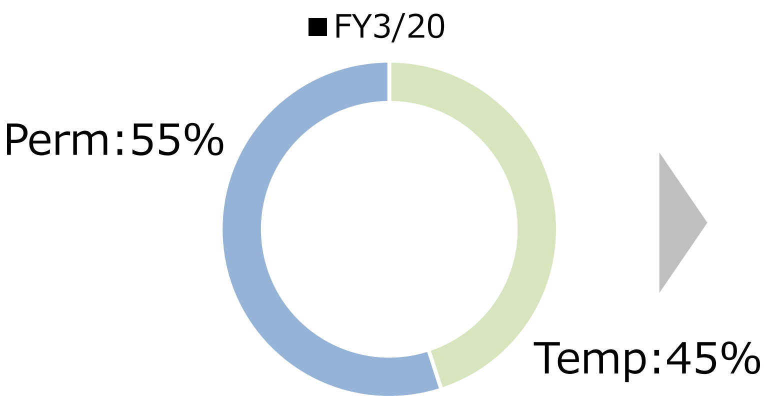


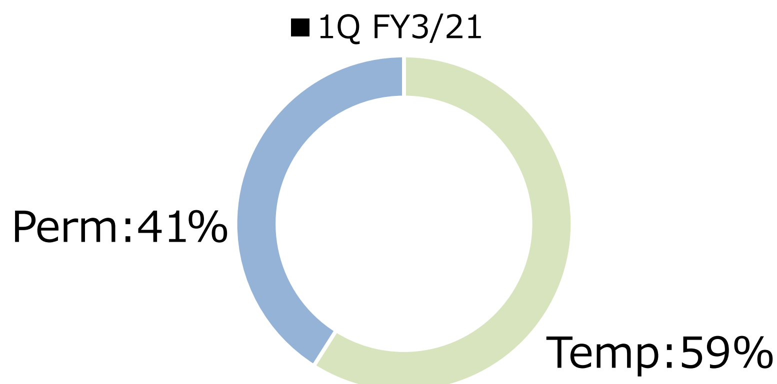


Difficulties in the permanent placement sector

Overseas WORK Business Portfolio (Gross profit basis)

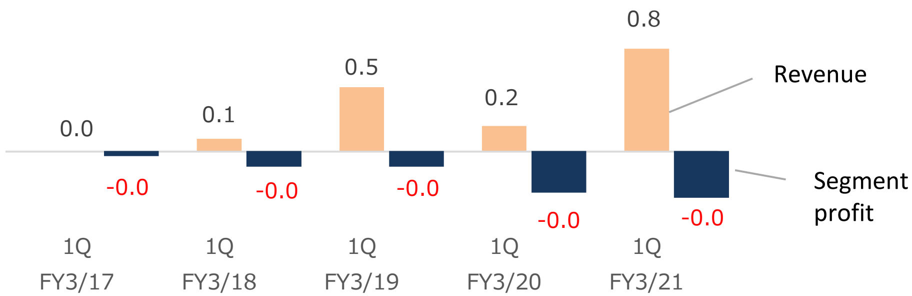
Final year of New Medium-term Management Plan →:Temp:60% Perm:40%





Permanent placements down about 30% from 1Q FY3/20 but the stable temporary staffing sector continues to perform well despite the COVID-19 pandemic

Revenue and segment profit (Billions of yen)



	1Q FY3/21 Results	1Q FY3/20 Results	Change
Revenue	0.88	0.29	+205.3%
Segment profit	(0.09)	(0.08)	-

Topics

- Higher revenue due to the sale of real estate for sale
- Upfront investments (¥130 million) in the HRTech field

Other business activities

Organic

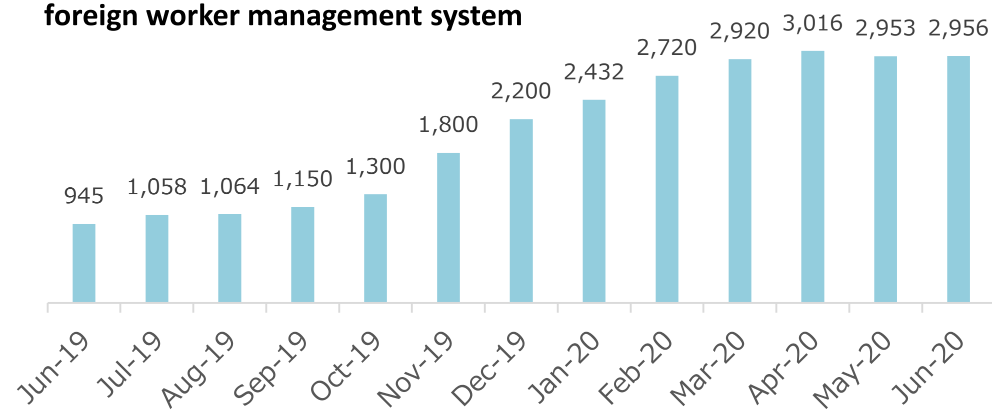
HRTech

- デイワク by WILLOF (Daywak)
- ビザマネ (Visamane)
- アワマネ (Hourmane)
- ENPORT

M&A

Investment funds (HRTech)

■ **Number of stores using the Visamane foreign worker management system**



WILL GROUP

All financial indicators are improving on an adjusted equity basis*

	End of June 2019	End of September 2019	End of December 2019	End of March 2020	End of June 2020
Adjusted ratio of equity attributable to owners of parent to total assets	14.6%	16.4%	18.1%	19.3%	20.9%
Adjusted net debt to equity ratio (Interest-bearing debt - Cash and deposits) / Adjusted equity attributable to owners of parent	1.1 times	1.0 times	0.8 times	0.4 times	0.3 times
Ratio of goodwill to adjusted equity attributable to owners of parent Goodwill outstanding / Adjusted equity attributable to owners of parent	0.9 times	0.8 times	0.7 times	0.7 times	0.6 times
EBITDA Adjusted interest-bearing debt to EBITDA ratio Interest-bearing debt (excluding short-term borrowings) / Forecast EBITDA	-	-	-	1.6 times	2.0 times

*Adjusted equity represents total equity, net of written put option.

Consolidated Balance Sheet

WILL GROUP

(Billions of yen)	March 31, 2020	**June 30, 2020**	Change
Current assets	22.0	22.1	**+0.0**
Non-current assets	22.5	22.8	**+0.2**
Total assets	44.6	44.9	**+0.3**
Current liabilities	21.5	22.7	**+1.2**
Non-current liabilities	15.9	14.4	**-1.4**
Total liabilities	37.4	37.2	**-0.2**
Total equity	7.1	7.7	**+0.6**
Total liabilities and equity	44.6	44.9	**+0.3**
Ratio of equity attributable to owners of parent to total assets	11.7%	**12.9%**	+1.2pt

(Billions of yen)

Major components of changes

● **Total assets**

• Cash and cash equivalents	+0.8
• Trade and other receivables	-0.8
• Right-of-use assets	-0.1
• Goodwill	+0.2
• Other intangible assets	+0.3
• Other non-current assets	+0.1

● **Total liabilities**

• Other financial liabilities (current)	+2.0
• Income taxes payable	-0.6
• Borrowings (non-current)	-0.5
• Other financial liabilities (non-current)	-0.9

● **Total equity**

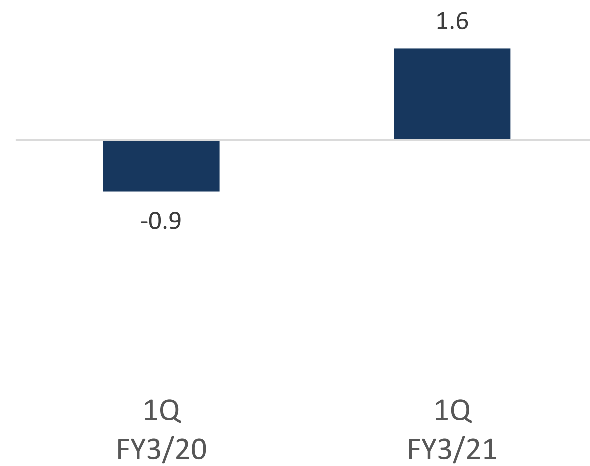
• Capital surplus	-0.2
• Exchange differences on translation of foreign operations	+0.5
• Retained earnings	+0.1

Consolidated Statement of Cash Flows

WILL GROUP

(Billions of yen)	1Q FY3/20	1Q FY3/21	(Major Components)
Profit before tax	1.0	0.9	
Depreciation and amortization	0.4	0.5	
Income taxes paid	(0.8)	(0.8)	
Other	0.1	0.6	
Net cash provided by (used in) operating activities	0.8	1.2	**Decrease in trade receivables**
Purchase and sales of property, plant and equipment, etc.	(0.2)	(0.1)	
Purchase and sales of shares of subsidiaries	(1.5)	0.0	
Other	0.0	0.5	
Net cash provided by (used in) investing activities	(1.7)	0.3	**Decrease in M&A investments**
Net increase (decrease) in interest-bearing debt	1.7	(0.7)	
Purchase and sales of shares of subsidiary not resulting in changes in the scope of consolidation	(0.8)	0.0	
Dividends paid	(0.3)	(0.4)	
Other	0.0	0.4	
Net cash provided by (used in) financing activities	0.4	(0.8)	**Decrease in acquisition of additional shares of consolidated subsidiaries**
Effect of exchange rate changes	0.0	0.1	
Net increase (decrease) in cash and cash equivalents	(0.4)	0.8	
Cash and cash equivalents at end of period	6.3	6.8	
Free cash flows (Operating activities + Investing activities)	**(0.9)**	**1.6**	

Free Cash Flows (Billions of yen)



II. FY3/21 Earnings and Dividend Forecasts

FY3/21 Forecast

WILL GROUP

The forecast uses conservative assumptions because of the uncertain outlook, including the risk of a second wave of COVID-19 during the remainder of the fiscal year

(Billions of yen)	FY3/20	FY3/21 (Initial forecast)	FY3/21 (Revised forecast)	Difference
Revenue	121.91	120.00	**120.00**	**0.0**
Domestic WORK Business	84.43	83.62	**82.69**	**-0.93**
Overseas WORK Business	36.07	34.87	**35.97**	**+1.09**
Others	1.54	1.50	**1.82**	**+0.32**
IFRS adjustments	(0.14)	-	**(0.48)**	**-0.48**
Operating profit(Operating margin)	4.14 (3.4%)	2.00 (1.7%)	**2.50 (2.1%)**	**+0.50**
Domestic WORK Business	5.06	3.50	**3.83**	**+0.33**
Overseas WORK Business*	0.97	0.79	**0.88**	**+0.09**
Others	(0.35)	(0.41)	**(0.42)**	**-0.00**
Adjustments	(1.86)	(2.46)	**(2.38)**	**+0.07**
IFRS adjustments*	0.33	0.58	**0.59**	**+0.00**
Profit attributable to owners of parent	2.38	1.00	**1.25**	**+0.25**
EBITDA	6.13	4.00	**4.50**	**+0.50**

* In the initial forecast, the overseas employment support subsidy income as a countermeasure against COVID-19 used an IFRS adjustment. But the subsidy has been changed to the Overseas WORK Business and the initial forecast has been revised accordingly.

Revised FY3/21 Forecast (Segments and Sectors)

WILL GROUP

(Billions of yen)

Segments	Sectors	FY3/20 Upper: Net sales Lower: Operating profit	FY3/21 (Initial forecast) Upper: Net sales Lower: Operating profit	FY3/21 (Revised forecast) Upper: Net sales Lower: Operating profit	Change (%) Upper: Net sales Lower: Operating profit
Domestic WORK Business	Sales support	23.14	19.70	19.70	0.0%
		1.79	1.23	1.28	+3.5%
	Call center	16.45	16.40	16.69	+1.8%
		0.99	0.89	1.10	+22.9%
	Factory	23.74	23.48	22.33	-4.9%
		1.34	0.96	0.75	-21.2%
	Care support/ nursery	12.05	13.25	13.66	+3.1%
		0.36	0.42	0.58	+37.4%
	HR support for startups	1.26	-	0.30 (Only 1Q result)	-
		0.30	-	0.04 (Only 1Q result)	-
	Others	7.72	10.00	10.00	0.0%
		0.25	(0.01)	0.07	-
Overseas WORK Business	Singapore, etc. Australia	36.07	34.87	35.97	+3.2%
		0.97	0.79	0.88	+11.4%

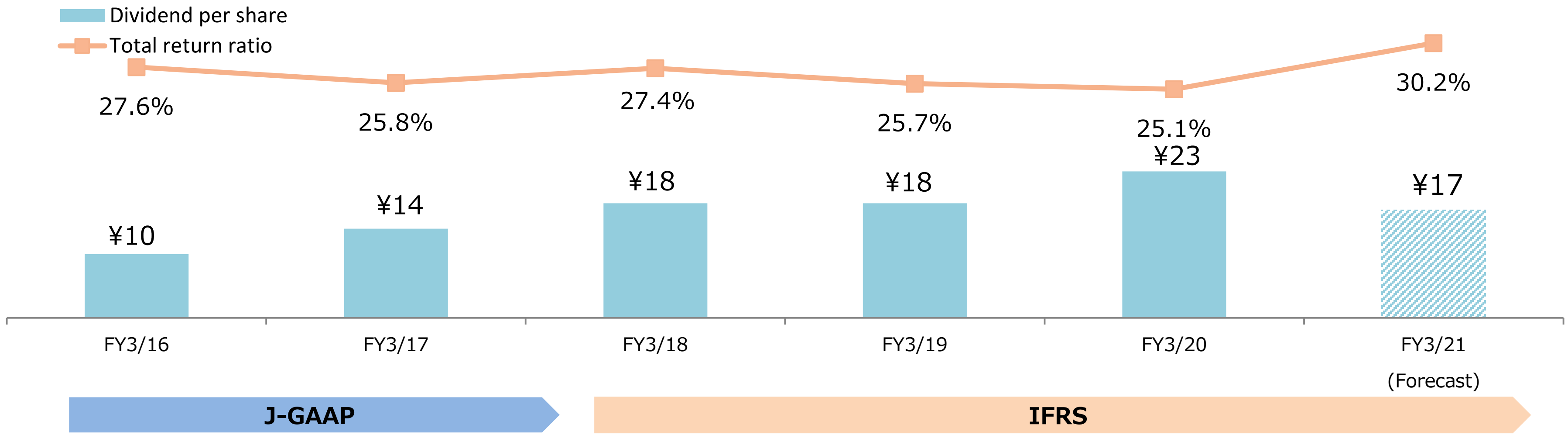
WILL GROUP

Due to the higher earnings forecast, the dividend forecast has been raised by ¥3 per share for consistency with the total return ratio target of 30%

	FY3/20	FY3/21 (Initial forecast)	FY3/21 (Revised forecast)
Year-end dividend	¥23 per share	**¥14 per share**	**¥17 per share**
Total return ratio*	25.1%	**31.1%**	**30.2%**

Total return ratio: The sum of dividends and the cost of share repurchases divided by profit attributable to owners of parent

■ **Dividend per share and total return ratio**



The dividend per share has been adjusted to reflect a 2-for-1 stock split on December 1, 2016.

III. Reference

WILL GROUP

Current Actions

Employees

- Encouraging people to work at home, limiting face-to-face meetings, frequent use of online and conference call meetings

Business

- Retain employees to be prepared for the return to normal business after the end of this crisis. Shift workers to operations less affected by the spread of COVID-19

- Partial reviewing new investment plans in order to remain profitable and maintain financial soundness

→ **Responding with speed and flexibility to this crisis while closely monitoring changes in the current "with-corona" business conditions and looking ahead to the post-corona world**

Segment Results

WILL GROUP

Domestic WORK Business

(Millions of yen)

Revenue

	1Q	2Q	3Q	4Q
FY3/19	17,149	18,734	20,242	19,702
FY3/20	19,984	21,752	21,628	21,098
FY3/21	19,782			

Segment profit

	1Q	2Q	3Q	4Q
FY3/19	715	913	1,226	1,210
FY3/20	1,091	1,360	1,341	1,279
FY3/21	974			

Overseas WORK Business

Revenue

	1Q	2Q	3Q	4Q
FY3/19	5,798	6,286	6,959	7,197
FY3/20	9,098	8,944	9,308	8,723
FY3/21	8,457			

Segment profit

	1Q	2Q	3Q	4Q
FY3/19	268	208	101	-149
FY3/20	250	-7	496	232
FY3/21	232			

Others

Revenue

	1Q	2Q	3Q	4Q
FY3/19	578	264	286	422
FY3/20	297	375	434	483
FY3/21	885			

Segment profit

	1Q	2Q	3Q	4Q
FY3/19	-37	-55	-13	42
FY3/20	-84	-134	-72	-80
FY3/21	-98			

Geographic (Overseas) Segment Results

Geographic (Overseas) Segments

(Millions of yen)

■ Revenue (Asia)

	1Q	2Q	3Q	4Q
FY3/19	1,338	1,412	1,442	1,700
FY3/20	1,923	1,967	1,999	2,070
FY3/21	1,276			

■ Revenue (Australia)

	1Q	2Q	3Q	4Q
FY3/19	4,468	4,881	5,523	5,508
FY3/20	7,184	7,299	7,014	6,672
FY3/21	7,181			

Overseas (Australia, Singapore) Macro Environment

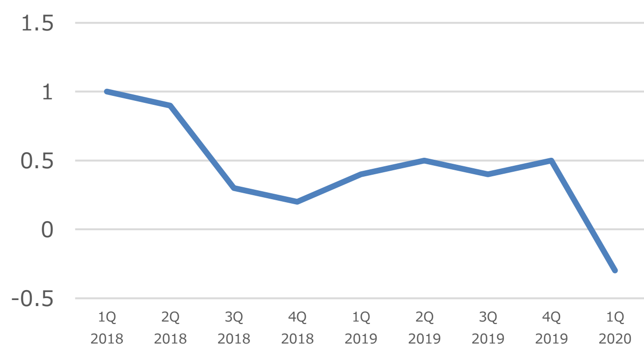
WILL GROUP

	Market conditions for WILL GROUP	Economic indicators

Permanent placement orders are declining because of slowing economic growth and COVID-19 but a recovery is expected to start in July. Temporary staffing orders are firm due to steady demand in the public sector, IT, financial services and legal services sectors.

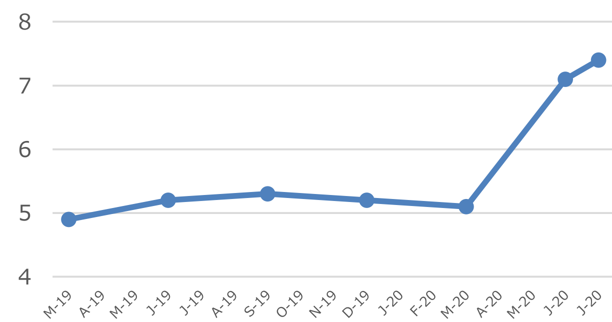
■ Real GDP growth rate (YoY change)

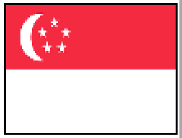
*Source: Australian Bureau of Statistics



■ Unemployment rate

*Source: Australian Bureau of Statistics

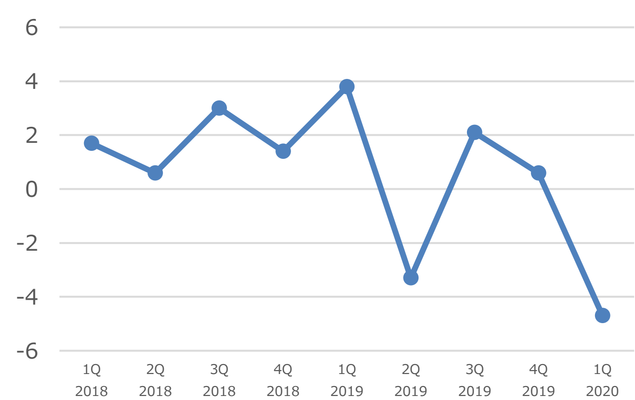




Permanent placement services are down from FY3/20 because of slowing economic growth and COVID-19 is making this decline even larger. Operations are shifting to temporary staffing services because there is still certain demand for hiring people even during this economic downturn.

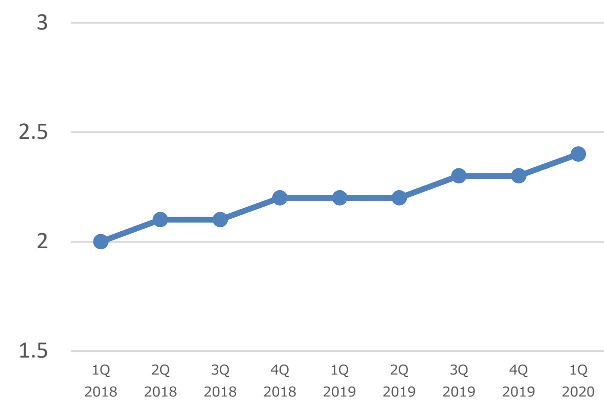
■ Real GDP growth rate (YoY change)

*Source: Singapore Department of Statistics



■ Unemployment rate

*Source: Singapore Department of Statistics



Performance of Major Overseas Subsidiaries

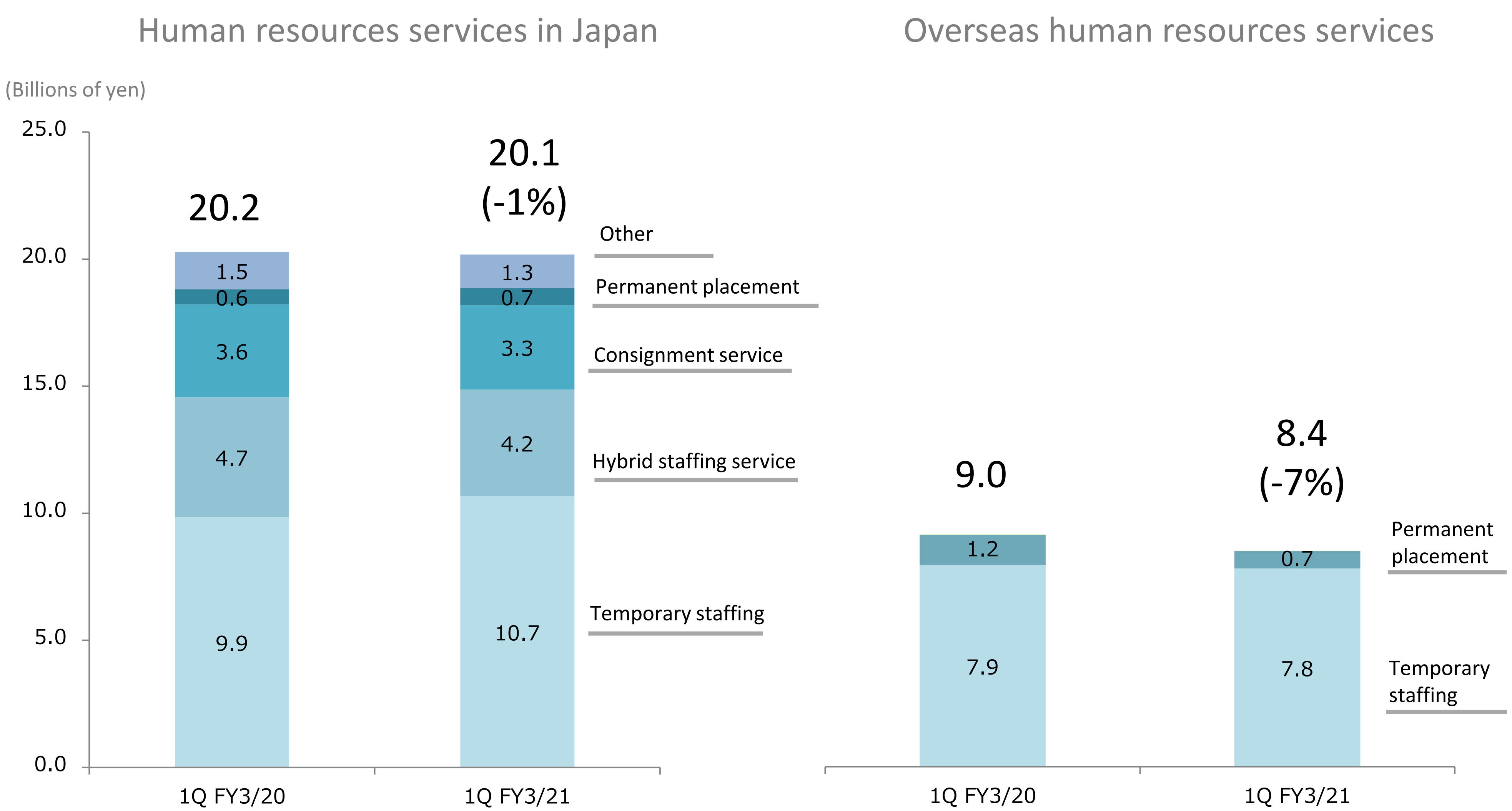
(Billions of yen)

	Primary location	Business activities	Consolidated since (WILL GROUP ownership)	Investment *1	*2	1Q FY3/20	1Q FY3/21	YoY change
ChapmanCG	Singapore	Providing permanent placement and consulting services focused on HR primarily in Singapore, through wholly-owned subsidiaries in Hong Kong, Japan, U.S., China, Australia and UK.	Jan. 2019 (51%)	1.48	Sales	0.33	0.24	-26.2%
					Profit *3	0.10	0.04	-58.6%
u&u. RECRUITMENT PARTNERS	Brisbane	Providing temporary staffing and permanent placement services to government agencies and major corporations in Australia	Apr. 2019 (60%)	1.46	Sales	1.55	1.51	-2.6%
					Profit	0.09	0.14	+58.4%
dfp Recruitment THINKING PEOPLE	Melbourne	Providing temporary staffing and permanent placement services for office work and call center operations to agencies and companies in various sectors such as the government, telecommunications, resources and appliance manufacturing in Australia.	Jan. 2018 (80%)	0.83	Sales	2.88	3.07	+6.7%
					Profit	0.10	0.07	-29.7%

*1 The investment in each company includes goodwill and identifiable intangible assets.
*2 Sales and profit are for the April-June consolidated fiscal year regardless of the timing of consolidated disclosures.
Converted to yen at the rates of ¥75/SGD and ¥70/AUD in order to eliminate the effects of foreign exchange rate movements.
*3 Profit is profit before tax after the amortization of identifiable intangible assets, internal transactions and one-time expenses.

Breakdown of Revenue by Region/Contract Type

WILL GROUP



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

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

■ IR Contact:

WILL GROUP, INC. Financial Department

Tel: +81-3-6859-8880