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Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 <under IFRS>

May 7, 2020

Company name: World Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 3612
URL: http://corp.world.co.jp/
Representative: Kenji Kamiyama, Representative Director of the Board
President, Representative Managing Executive Officer
Inquiries: Keiichi Nakabayashi, Group Managing Executive Officer
TEL: +81-70-1256-0671
Scheduled date of ordinary general meeting of shareholders: June 23, 2020
Scheduled date to commence dividend payments: June 24, 2020
Scheduled date to file Securities Report: June 23, 2020
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Sales revenue		Core operating profit		Operating profit		Profit before income tax	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2020	236,265	(5.4)	13,073	(19.9)	12,314	(16.9)	11,401	(16.1)
Fiscal year ended March 31, 2019	249,861	1.6	16,320	2.5	14,827	12.1	13,596	22.0

	Profit		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2020	7,782	(15.2)	8,038	(12.6)	7,713	(16.4)
Fiscal year ended March 31, 2019	9,179	36.6	9,200	36.4	9,225	36.9

(Note) Core operating profit is Sales revenue less Cost of sales and Selling, general and administrative expenses.

	Basic earnings per share	Diluted earnings per share	Profit ratio to equity attributable to owners of parent	Profit before income tax / Total assets	Operating profit / Sales revenue
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2020	241.29	238.34	10.1	4.8	5.2
Fiscal year ended March 31, 2019	354.70	—	17.7	6.5	5.9

Reference: Share of profit (loss) of investments accounted for using equity method
For the fiscal year ended March 31, 2020: (318) million yen
For the fiscal year ended March 31, 2019: (37) million yen

(Note) Diluted earnings per share is not presented for the fiscal year ended March 31, 2019 as there were no potential shares. For the fiscal year ended March 31, 2020, diluted earnings per share is calculated by adjusting the effects of all dilutive potential shares.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	261,931	83,263	81,474	31.1	2,444.79
As of March 31, 2019	213,546	78,121	77,015	36.1	2,313.72

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Period-end cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2020	26,889	(7,941)	(18,235)	20,242
Fiscal year ended March 31, 2019	12,496	(17,218)	3,453	19,591

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2019	—	0.00	—	50.00	50.00
Fiscal year ended March 31, 2020	—	28.00	—	25.00	53.00
Fiscal year ending March 31, 2021 (Forecast)	—	0.00	—	59.00	59.00

	Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Equity attributable to owners of parent per share (Consolidated)
	Millions of yen	%	%
Fiscal year ended March 31, 2019	1,664	14.1	2.6
Fiscal year ended March 31, 2020	1,766	22.0	2.2
Fiscal year ending March 31, 2021 (Forecast)		—	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Percentages indicate year-on-year changes.)

	Sales revenue		Core operating profit		Operating profit		Profit before income tax	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ending September 30, 2020	67,996	(42.2)	(16,713)	—	(17,736)	—	(18,244)	—
Fiscal year ending March 31, 2021	199,000	(15.8)	(5,230)	—	(7,190)	—	(8,200)	—

	Profit		Profit for the year attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2020	(13,683)	—	(13,602)	—	(408.17)
Fiscal year ending March 31, 2021	(6,150)	—	(6,045)	—	(181.39)

(Notes) These forecasts were calculated under certain reasonable assumptions based on information available to the Company as of the end of April 2020 regarding the effects of the spread of infections of the novel coronavirus (COVID-19). Primarily for the shops in the Brand Business, a significant decrease in the number of customers visiting the shops due to the effects of shops closing temporarily, shops reducing their hours of operation, and customers refraining from going out is expected to continue through the first quarter, but a gradual recovery is assumed for the second quarter and thereafter as economic activity gradually restarts. However, these forecasts may change significantly depending on when the actual spread of infections is brought under control, the subsequent recovery speed of economic activities and other factors. Therefore, depending on the status of the spread or containment of infections of the novel coronavirus (COVID-19), if it becomes necessary to revise the forecasts considering the trends in business performance going forward, the Company will promptly disclose the revised forecasts.

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly included: 2 companies (Company name: Original Inc., Laxus Technologies Inc.)

Excluded: –

(2) Changes in accounting policies, changes in accounting estimates

a. Changes in accounting policies required by IFRS: Yes

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

(Note) For details, please refer to the section of "(6) Notes to consolidated financial statements" of "3. Consolidated financial statements and significant notes thereto" of the attached material.

(3) Number of issued shares (ordinary shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2020	34,390,965 shares
As of March 31, 2019	34,390,965 shares

b. Number of treasury shares at the end of the period

As of March 31, 2020	1,065,600 shares
As of March 31, 2019	1,104,900 shares

c. Average number of shares during the period

For the fiscal year ended March 31, 2020	33,313,983 shares
For the fiscal year ended March 31, 2019	25,937,652 shares

*** Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.**

*** Proper use of earnings forecasts, and other special matters**

(Caution regarding forward-looking statements and others)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to the section of "(4) Forecasts" of "1. Review of operating results and others" of the attached material.