

Translation

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**[Delayed]Summary of Consolidated Financial Results
for the Nine Months Ended May 31, 2021
(Based on Japanese GAAP)**

July 12, 2021

Company name: WITZ Corporation
 Stock exchange listing: Tokyo
 Stock code: 4440 URL <https://www.witz-inc.co.jp/>
 Representative: President Hiroyuki Hattori
 Inquiries: Executive Director Shuji Wakita TEL 052-220-1218
 Scheduled date to file Quarterly Securities Report: July 12, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the Nine Months ended May 31, 2021 (from September 1, 2020 to May 31, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended May 31, 2021	1,610	(2.3)	199	(10.5)	214	(12.4)	150	(5.8)
Nine months ended May 31, 2020	1,647	(6.6)	222	6.4	245	20.5	159	21.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended May 31, 2021	36.64		36.04	
Nine months ended May 31, 2020	39.29		38.39	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of May 31, 2021	2,592		2,058		78.5	
As of August 31, 2020	2,439		1,893		76.7	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
Year ended August 31, 2020	–	0.00	–	6.00	6.00
Year ending August 31, 2021	–	0.00	–		
Year ending August 31, 2021 (Forecast)				6.00	6.00

3. Forecast of consolidated financial results for the year ending August 31, 2021 (from September 1, 2020 to August 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full year	2,166	(2.6)	253	(19.3)	269	(18.8)	186	(16.2)	45.30

3. Notes

- (1) Changes in significant subsidiaries during the Nine months ended May 31, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: Yes
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of May 31, 2021	4,141,400 shares	As of August 31, 2020	4,054,000 shares
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Number of treasury shares at the end of the period

As of May 31, 2021	126 shares	As of August 31, 2020	30 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended May 31, 2021	4,094,401 shares	Nine months ended May 31, 2020	4,053,981 shares
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Quarterly Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of August 31, 2020	As of May 31, 2021
Assets		
Current assets		
Cash and deposits	1,794,855	2,026,840
Notes and accounts receivable - trade	197,135	108,305
Work in process	133,832	129,651
Other	35,776	42,942
Total current assets	2,161,599	2,307,740
Non-current assets		
Property, plant and equipment	29,803	29,232
Intangible assets	10,276	9,350
Investments and other assets		
Insurance funds	121,924	133,799
Other	115,561	112,735
Total investments and other assets	237,485	246,535
Total non-current assets	277,565	285,118
Total assets	2,439,164	2,592,859
Liabilities		
Current liabilities		
Accounts payable - trade	50,554	57,569
Current portion of long-term borrowings	1,008	884
Income taxes payable	68,901	25,557
Provision for bonuses	102,079	53,960
Provision for product warranties	2,960	3,896
Provision for loss on order received	2,155	—
Other	97,960	160,790
Total current liabilities	325,619	302,659
Non-current liabilities		
Long-term borrowings	632	—
Retirement benefit liability	126,500	139,042
Long-term accounts payable - other	91,495	91,495
Other	1,449	1,637
Total non-current liabilities	220,077	232,175
Total liabilities	545,697	534,834
Net assets		
Shareholders' equity		
Share capital	583,789	603,267
Capital surplus	518,278	537,757
Retained earnings	769,914	895,620
Treasury shares	(71)	(325)
Total shareholders' equity	1,871,910	2,036,320
Non-controlling interests	21,556	21,703
Total net assets	1,893,467	2,058,024
Total liabilities and net assets	2,439,164	2,592,859

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended May 31, 2020	Nine months ended May 31, 2021
Net sales	1,647,362	1,610,026
Cost of sales	1,081,392	1,039,778
Gross profit	565,970	570,247
Selling, general and administrative expenses	343,210	370,898
Operating profit	222,759	199,348
Non-operating income		
Surrender value of insurance policies	1,648	2,722
Commission for insurance office work	684	780
Commission income	674	114
Subsidy income	23,250	9,508
Other	155	2,375
Total non-operating income	26,413	15,500
Non-operating expenses		
Foreign exchange losses	14	99
Commission expenses	4,000	5
Other	52	12
Total non-operating expenses	4,067	117
Ordinary profit	245,105	214,732
Extraordinary income		
Gain on donation of non-current assets	–	4,073
Total extraordinary income	–	4,073
Extraordinary losses		
Loss on valuation of investment securities	6,530	–
Loss on retirement of non-current assets	–	923
Total extraordinary losses	6,530	923
Profit before income taxes	238,574	217,882
Income taxes	77,204	67,270
Profit	161,369	150,611
Profit attributable to non-controlling interests	2,091	581
Profit attributable to owners of parent	159,278	150,029

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended May 31, 2020	Nine months ended May 31, 2021
Profit	161,369	150,611
Comprehensive income	161,369	150,611
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	159,278	150,029
Comprehensive income attributable to non-controlling interests	2,091	581