



Financial Results for Q2 FY2022 (ended November 30, 2022)

Weathernews Inc
December 28, 2022



1. Q2 FY2022 Results

2. FY2022 Full-year Forecast

Summary of financial results

【 Net sales】10,486 MJPY(+6.2% Y/Y)

Sales increased due to Mobile, Sea and Sky Planning.

【Operating profit】1,271 MJPY (+10.6% Y/Y)

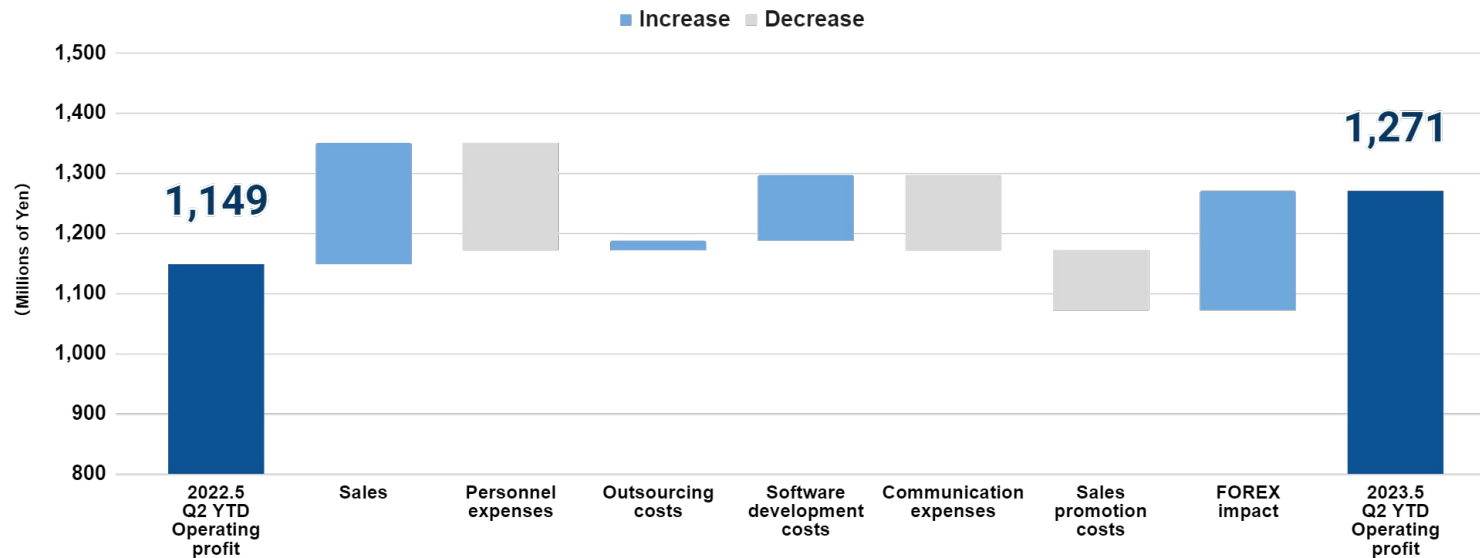
Profit increased due to decrease in software development costs (optimization of development structure)

(Millions of Yen)	2022.5 Q2 YTD Actual	2023.5 Q2 YTD Actual	Y/Y
Net sales	9,876	10,486	+6.2%
Operating profit	1,149	1,271	+10.6%
Margin(%)	11.6	12.1	+0.5Pt
Ordinary profit	1,128	1,310	+16.1%
Profit attributable to owners of parent	731	921	+26.0%
EPS (JPY)	66.6	83.7	+17.1JPY
FOREX Rates(JPY/USD)	110.6	138.2	+27.6JPY

Operating Profit Analysis (Y/Y)

- Increased sales promotion costs due to airing of TV commercials based on weather conditions.
- Promoted in-house development staff to improve development efficiency. Therefore personnel expenses increased and software development costs decreased.
- Increase in communication expenses associated with the shift to cloud-based service development, which is expected to have high sales scalability.
- Growth investment in overseas business promotion, climate tech business, etc.

Operating profit Analysis



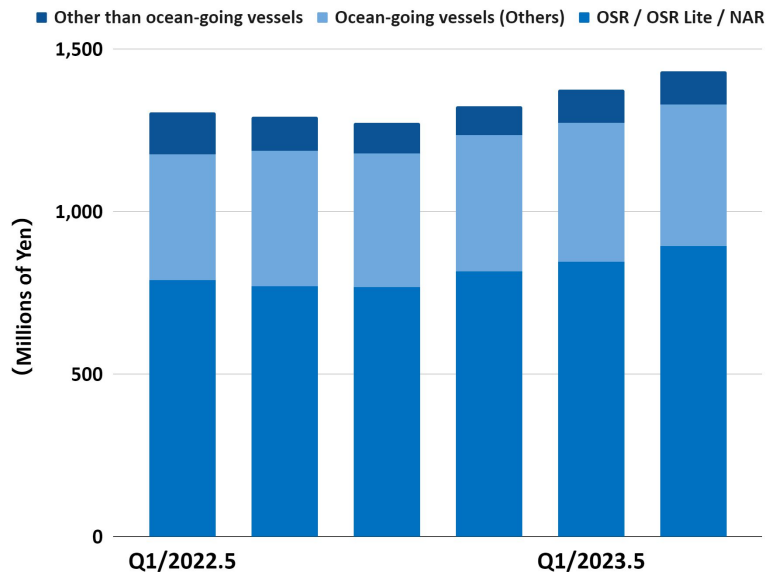
Sales by Segment

(Millions of Yen)	2022.5 2Q YTD Actual	2023.5 2Q YTD Actual	Y/Y (%)	Business environment and results
Sea Planning	2,599	2,810	+8.1	<ul style="list-style-type: none"> Port congestion improved to some extent, but the demand for cargo has weakened and cargo movements slowed down compared with that in the same period last year. The number of services provided decreased in Europe and increased in Asia & Japan. Overall sales increased due to the positive impact of exchange rates.
Sky Planning	445	645	+44.9	<ul style="list-style-type: none"> In airline market, domestic&international passenger traffic continues to recover due to the easing of movement restrictions. In the domestic helicopter market, we expanded sales of the movement management system to government agencies.
Land Planning	1,593	1,499	△5.9	<ul style="list-style-type: none"> Railroad and highway market conditions show a gradual recovery due to the easing of movement restrictions. Decreased Temporary themes / Decrease in sales of specific customers.
Environment Planning	422	474	+12.4	<ul style="list-style-type: none"> As energy demand increases, sales increased due to sales expansion to renewable energy power generation and new power retailers. In retail market, we expanded sales of new service called "Weathernews for Business" to new and existing customers.
Others BtoB	59	17	△70.3	<ul style="list-style-type: none"> Decreased in reaction to sales related to large-scale sports events in the previous fiscal year.
Mobile · Internet Planning	3,558	3,951	+11.1	<ul style="list-style-type: none"> In a situation where attention to weather topics increases, the number of app users increased by distributing information such as heavy rain and typhoons. Subscription sales and advertising revenue increased due to continued advertising investment.
Broadcast Planning	1,198	1,086	△9.3	<ul style="list-style-type: none"> Needs for disaster prevention information increase, but our sales decreased due to a reactionary drop in temporary sales in the previous fiscal year.

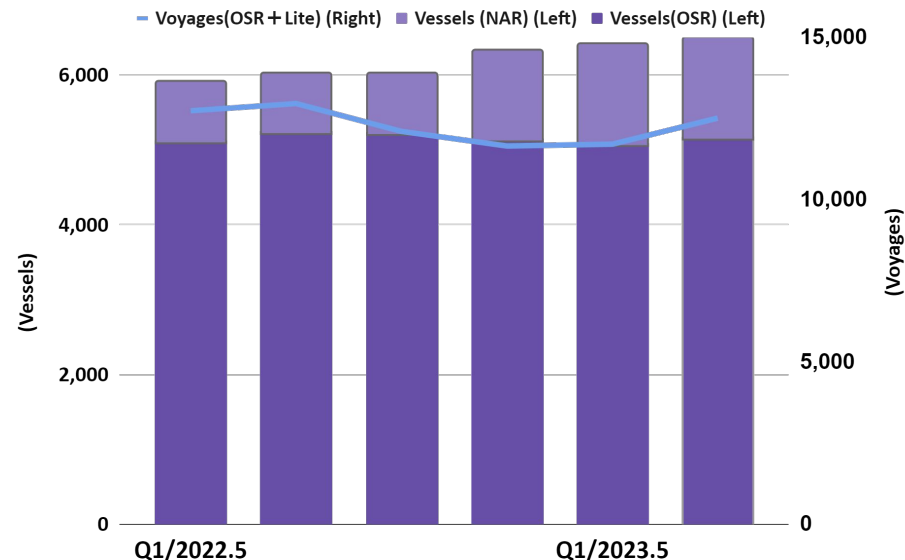
Sea Planning business

- The number of serviced vessels will increase to 6,500 mainly in Asia for OSR and Japan for NAR.
- Sales of entire Sea Planning business increased, due to the positive impact of exchange rates.

Sales (Quarterly transition)



Number of vessels provided the service and the number of voyages (Quarterly transition)

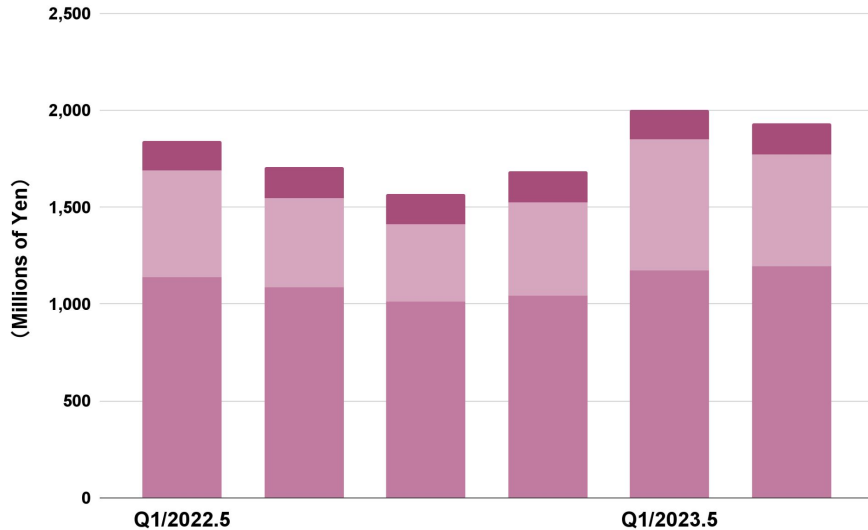


Mobile/ Internet Planning business

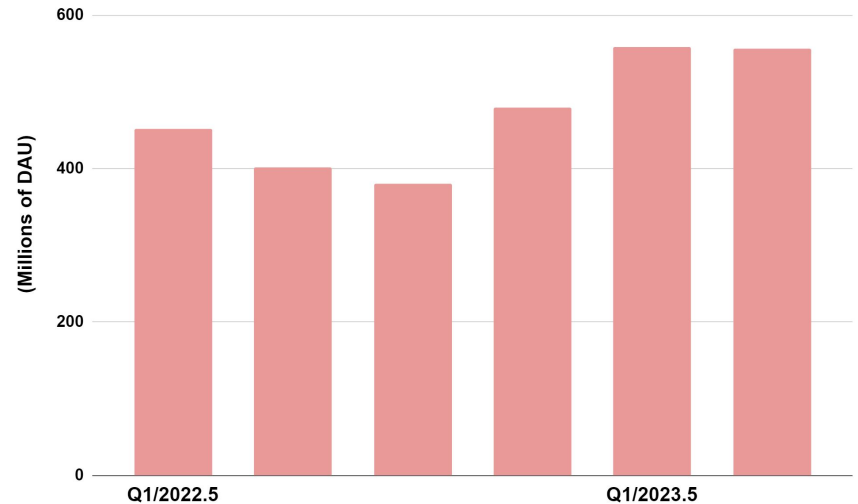
- Increased number of app downloads and cumulative DAU due to increased investment in advertising such as TV commercials.
- In the situation that the frequency of app usage increases as interest in weather topics, subscription sales and advertising revenue increased as a result of continuous improvement of forecast accuracy and expand original content in the app.

Sales (Quarterly Transition)

Others Advertising revenue subscription sales



Cumulative DAU (Quarterly Transition)



Summary of Financial plan

■ No change from initial plan

【Net sales】21,000MJPY(+6.9% Y/Y)

Expected to increase sales due to continued growth of Mobile planning and recovery of voyage/ aviation market conditions

【Operating profit】3,200MJPY(+10.2% Y/Y)

Investment related to advertising, overseas business, and efficiency improvement of development system are expected to continue.

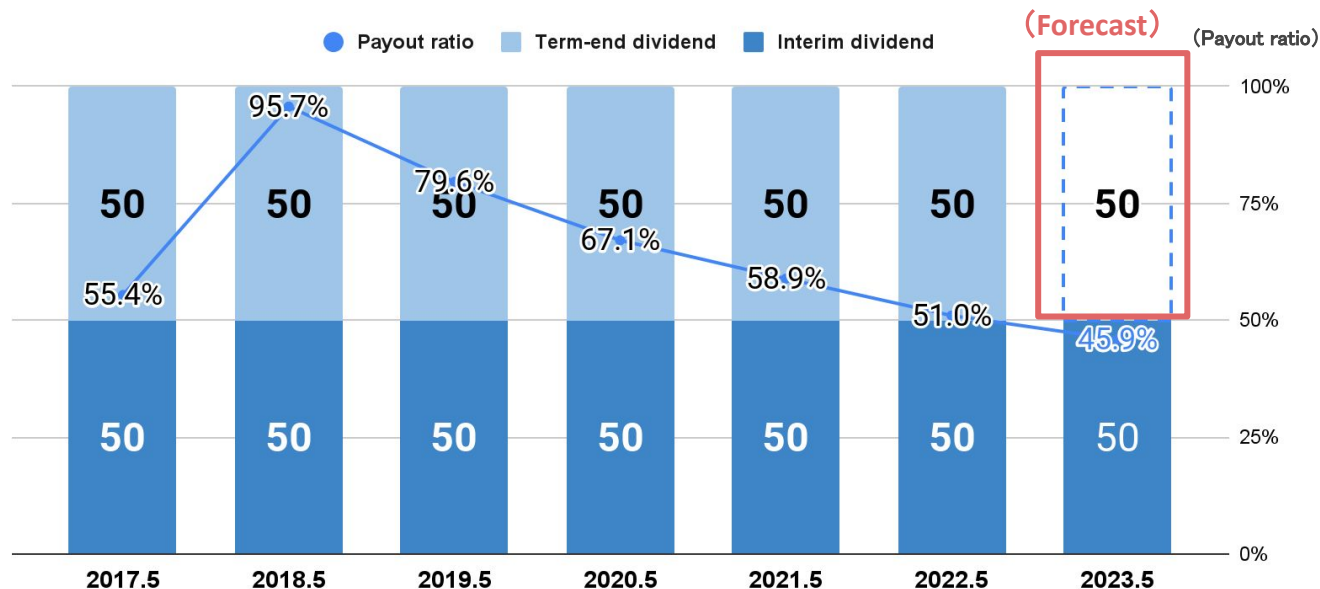
(Millions of Yen)	2022.5 Actual	2023.5 Plan	Y/Y
Net sales	19,650	21,000	+6.9%
Operating profit	2,904	3,200	+10.2%
Margin (%)	14.8	15.2	+0.4Pt
Ordinary profit	3,063	3,300	+7.7%
Profit attributable to owners of parent	2,157	2,400	+11.3%
EPS (JPY)	196.3	202.6	+6.3JPY
ROE (%)	13.4	13.8	+0.4Pt
FOREX Rates (JPY/USD)	113.9	120.0	+6.1JPY

2. FY2022 Full-year Forecast

Dividend Guidance

<Dividend policy>

Based on the policy of “high contribution, high profit, and high distribution”, the annual dividend per share will be 100 yen, taking into consideration business performance, capital efficiency, dividend yield, etc., with a dividend payout ratio of 50% as a guide.



※The year-end dividend for 2023.5 is scheduled to be resolved at the Ordinary General Meeting of Shareholders in August 2023.

APPENDIX

Consolidated Balance Sheet

(Millions of Yen)	2022.5 Q2 Actual	2022.5 Actual	2023.5 Q2 Actual
Current assets	13,781	15,314	15,877
Non-current assets	4,091	3,812	3,603
Total assets	17,872	19,127	19,481
Current Liabilities	1,872	2,163	1,846
Non-current liabilities	126	119	107
Total Liabilities	1,998	2,283	1,954
Total net assets	15,873	16,843	17,527
Equity-to-asset ratio (%)	88.3	87.6	89.5
Net assets per share (JPY)	1,435.3	1,523.3	1,582.3

Consolidated Profit and loss Statement(Q2 2022.5 vs Q2 2023.5)

(Millions of Yen)	2022.5 Q2 Actual	2023.5 Q2 Actual	Y/Y
Net sales	4,889	5,261	+7.6%
Operating profit	623	799	+28.1%
Margin (%)	12.8	15.2	+2.4Pt
Ordinary profit	611	784	+28.3%
Profit attributable to owners of parent	376	552	+47.0%
EPS (JPY)	34.2	50.2	+16.0JPY
ROE (%)	-	-	-
FOREX Rates(JPY/USD)	110.8	142.7	+31.9JPY

Sales by Segment (Q2 2022.5 vs Q2 2023.5)

(Millions of Yen)	2022.5 Q2 Actual	2023.5 Q2 Actual	Y / Y
Sea Planning	1,293	1,432	+10.8%
Sky Planning	224	311	+38.8%
Land Planning	802	765	△4.6%
Environment Planning	219	249	+13.7%
Others BtoB	25	10	△60.0%
Mobile · Internet Plannig	1,712	1,940	+13.3%
Broadcast Planning	611	554	△9.3%

Sales by Segment (Quarterly transition)

(Millions of Yen)	2022.5 Actual				2023.5 Actual	
	1Q	2Q	3Q	4Q	1Q	2Q
Sea Planning	1,306	1,293	1,273	1,330	1,378	1,432
Sky Planning	221	224	241	248	334	311
Land Planning	790	802	897	773	734	765
Environment Planning	202	219	240	233	225	249
Others BtoB	34	25	2	4	7	10
Mobile · Internet Plannig	1,845	1,712	1,572	1,692	2,011	1,940
Broadcast Planning	586	611	608	665	532	554



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