

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

**[Delayed] Summary of Consolidated Financial Results
for the Three Months Ended November 30, 2022
(Based on Japanese GAAP)**

January 12, 2023

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: January 12, 2023
 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 Three Months ended November 30, 2022 (from September 1, 2022 to November 30, 2022)

(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	%
Three months ended November 30, 2022	627	19.9	71	(2.8)	78	1.9	55	10.7
Three months ended November 30, 2021	522	9.9	73	108.8	76	104.9	50	106.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2022	13.29	13.27
Three months ended November 30, 2021	12.03	11.99

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2022	2,900	2,306	78.6
As of August 31, 2022	2,855	2,295	79.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended August 31, 2022	–	0.00	–	8.00	8.00
Year ending August 31, 2023	–				
Year ending August 31, 2023 (Forecast)		0.00	–	8.00	8.00

3. Forecast of consolidated financial results for the year ending August 31, 2023 (from September 1, 2022 to August 31, 2023)

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	2,500	6.6	160	(32.4)	190	(28.4)	125	(28.9)	29.97

4. Notes

- (1) Changes in significant subsidiaries during the three months ended November 30, 2022
(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: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of November 30, 2022	4,171,000 shares	As of August 31, 2022	4,171,000 shares
-------------------------	------------------	-----------------------	------------------

Number of treasury shares at the end of the period

As of November 30, 2022	12,026 shares	As of August 31, 2022	126 shares
-------------------------	---------------	-----------------------	------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended November 30, 2022	4,169,145 shares	Three months ended November 30, 2021	4,160,274 shares
--------------------------------------	------------------	--------------------------------------	------------------

Quarterly Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of August 31, 2022	As of November 30, 2022
Assets		
Current assets		
Cash and deposits	2,058,795	1,882,282
Notes and accounts receivable - trade, and contract assets	202,348	214,013
Work in process	78,452	79,958
Other	49,687	252,616
Total current assets	2,389,283	2,428,871
Non-current assets		
Property, plant and equipment	41,751	39,297
Intangible assets		
Goodwill	96,853	94,304
Other	26,885	34,716
Total intangible assets	123,738	129,021
Investments and other assets		
Insurance funds	146,909	151,978
Other	153,701	151,575
Total investments and other assets	300,611	303,554
Total non-current assets	466,101	471,873
Total assets	2,855,385	2,900,744
Liabilities		
Current liabilities		
Accounts payable - trade	36,888	36,931
Income taxes payable	52,010	26,214
Provision for bonuses	116,207	53,250
Provision for product warranties	958	939
Other	109,145	227,936
Total current liabilities	315,209	345,272
Non-current liabilities		
Retirement benefit liability	150,640	155,532
Long-term accounts payable - other	91,495	91,495
Other	2,094	2,094
Total non-current liabilities	244,230	249,122
Total liabilities	559,440	594,395
Net assets		
Shareholders' equity		
Share capital	611,561	611,561
Capital surplus	546,050	546,050
Retained earnings	1,112,681	1,134,709
Treasury shares	(325)	(12,032)
Total shareholders' equity	2,269,968	2,280,289
Non-controlling interests	25,975	26,059
Total net assets	2,295,944	2,306,349
Total liabilities and net assets	2,855,385	2,900,744

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended November 30, 2021	Three months ended November 30, 2022
Net sales	522,922	627,229
Cost of sales	316,028	387,753
Gross profit	206,893	239,475
Selling, general and administrative expenses	132,898	167,556
Operating profit	73,995	71,919
Non-operating income		
Subsidy income - subsidy for research and development	—	1,901
Subsidy income - other	1,355	3,976
Surrender value of insurance policies	1,250	51
Commission for insurance office work	269	257
Commission income	13	13
Other	51	407
Total non-operating income	2,940	6,607
Non-operating expenses		
Commission for purchase of treasury shares	—	97
Interest expenses	1	9
Other	—	20
Total non-operating expenses	1	126
Ordinary profit	76,934	78,400
Extraordinary income		
Gain on receipt of donated non-current assets	539	—
Total extraordinary income	539	—
Extraordinary losses		
Loss on retirement of non-current assets	68	—
Loss on valuation of investment securities	—	325
Total extraordinary losses	68	325
Profit before income taxes	77,405	78,075
Income taxes	26,470	22,153
Profit	50,934	55,921
Profit attributable to non-controlling interests	891	526
Profit attributable to owners of parent	50,043	55,395

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended November 30, 2021	Three months ended November 30, 2022
Profit	50,934	55,921
Comprehensive income	50,934	55,921
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	50,043	55,395
Comprehensive income attributable to non-controlling interests	891	526