

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

January 31, 2023

Company name: WASEDA ACADEMY CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 4718 URL <https://www.waseda-ac.co.jp/corp/ir/>  
 Representative: Representative Director and President Yutaka Yamamoto  
 Director, Managing Executive  
 Inquiries: Officer, General Manager of Administration Yoko Kono TEL 03-3590-4011  
 Division  
 Scheduled date to file Quarterly Securities Report: February 6, 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 nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	22,379	7.9	1,643	31.9	1,668	32.0	1,035	33.8
Nine months ended December 31, 2021	20,738	11.7	1,246	61.3	1,263	59.2	773	93.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	54.89		–	
Nine months ended December 31, 2021	41.03		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	21,495	12,059	56.1
As of March 31, 2022	19,663	11,431	58.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	7.00	–	15.00	22.00
Year ending March 31, 2023	–	8.00	–		
Year ending March 31, 2023 (Forecast)				16.00	24.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 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	31,000	8.6	2,149	18.0	2,176	18.2	1,303	17.6	69.09

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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: No
- (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: 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 December 31, 2022	19,012,452 shares	As of March 31, 2022	19,012,452 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	143,784 shares	As of March 31, 2022	155,334 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	18,862,012 shares	Nine months ended December 31, 2021	18,857,118 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	5,207,200	5,460,870
Trade accounts receivable	1,894,820	2,978,074
Merchandise and finished goods	231,936	441,603
Raw materials and supplies	68,121	115,762
Prepaid expenses	476,640	552,236
Other	31,523	46,162
Allowance for doubtful accounts	(5,896)	(5,467)
<b>Total current assets</b>	<b>7,904,346</b>	<b>9,589,243</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	8,075,434	8,384,904
Accumulated depreciation	(4,408,727)	(4,705,751)
Buildings and structures, net	3,666,707	3,679,153
Land	1,093,541	1,093,541
Leased assets	1,235,904	1,187,859
Accumulated depreciation	(637,702)	(650,072)
Leased assets, net	598,202	537,787
Construction in progress	12,735	122,593
Other	934,647	962,374
Accumulated depreciation	(722,689)	(761,490)
Other, net	211,958	200,883
<b>Total property, plant and equipment</b>	<b>5,583,143</b>	<b>5,633,958</b>
<b>Intangible assets</b>		
Software	416,312	418,855
Software in progress	–	37,097
Goodwill	1,302,529	1,162,028
Other	45,465	42,259
<b>Total intangible assets</b>	<b>1,764,306</b>	<b>1,660,241</b>
<b>Investments and other assets</b>		
Investment securities	592,564	594,589
Deferred tax assets	849,762	750,116
Guarantee deposits	2,770,148	3,095,201
Other	209,893	181,646
Allowance for doubtful accounts	(10,400)	(9,700)
<b>Total investments and other assets</b>	<b>4,411,968</b>	<b>4,611,853</b>
<b>Total non-current assets</b>	<b>11,759,418</b>	<b>11,906,054</b>
<b>Total assets</b>	<b>19,663,765</b>	<b>21,495,297</b>

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	344,547	744,602
Accounts payable - other	741,852	1,066,871
Accrued expenses	1,027,772	1,131,433
Lease liabilities	223,343	214,720
Income taxes payable	637,761	204,491
Accrued consumption taxes	358,242	267,902
Advances received	851,704	1,873,238
Provision for bonuses	579,781	295,878
Provision for bonuses for directors (and other officers)	26,370	–
Provision for shareholder benefit program	61,118	106,583
Other	61,893	215,276
<b>Total current liabilities</b>	<b>4,914,387</b>	<b>6,120,998</b>
<b>Non-current liabilities</b>		
Lease liabilities	386,213	332,546
Retirement benefit liability	1,024,689	1,055,607
Asset retirement obligations	1,827,881	1,852,237
Provision for share awards for directors (and other officers)	43,373	43,373
Provision for share awards for employees	21,420	10,617
Other	14,151	20,748
<b>Total non-current liabilities</b>	<b>3,317,729</b>	<b>3,315,131</b>
<b>Total liabilities</b>	<b>8,232,117</b>	<b>9,436,130</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,014,172	2,014,172
Capital surplus	2,019,962	2,019,962
Retained earnings	7,447,532	8,045,586
Treasury shares	(140,229)	(129,418)
<b>Total shareholders' equity</b>	<b>11,341,437</b>	<b>11,950,302</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	91,347	92,925
Foreign currency translation adjustment	5,350	21,210
Remeasurements of defined benefit plans	(6,487)	(5,270)
<b>Total accumulated other comprehensive income</b>	<b>90,210</b>	<b>108,864</b>
<b>Non-controlling interests</b>	<b>–</b>	<b>–</b>
<b>Total net assets</b>	<b>11,431,648</b>	<b>12,059,167</b>
<b>Total liabilities and net assets</b>	<b>19,663,765</b>	<b>21,495,297</b>

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

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	20,738,527	22,379,492
Cost of sales	15,218,374	16,182,422
Gross profit	5,520,153	6,197,069
Selling, general and administrative expenses	4,274,077	4,553,850
Operating profit	1,246,075	1,643,219
Non-operating income		
Interest income	48	877
Dividend income	21,031	17,529
Rental income from real estate	8,263	9,730
Other	15,266	11,217
Total non-operating income	44,609	39,354
Non-operating expenses		
Interest expenses	9,534	5,762
Loss on retirement of non-current assets	15,295	7,754
Other	1,888	296
Total non-operating expenses	26,719	13,813
Ordinary profit	1,263,965	1,668,760
Profit before income taxes	1,263,965	1,668,760
Income taxes - current	372,816	528,023
Income taxes - deferred	117,506	105,397
Total income taxes	490,323	633,420
Profit	773,642	1,035,339
Profit attributable to		
Profit attributable to owners of parent	773,642	1,035,339
Profit attributable to non-controlling interests	–	–
Other comprehensive income		
Valuation difference on available-for-sale securities	(115,662)	1,577
Foreign currency translation adjustment	1,993	15,859
Remeasurements of defined benefit plans, net of tax	249	1,216
Total other comprehensive income	(113,419)	18,654
Comprehensive income	660,223	1,053,993
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	660,223	1,053,993
Comprehensive income attributable to non-controlling interests	–	–