



# Financial Results for H1 2024.5

(ended November 30, 2023)

Weathernews Inc  
December 28, 2023



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1. H1 2024.5 Results
  2. 2024.5 Full-year Forecast
  3. Initiative status for 2024.5

# Summary of financial results

**【Net sales】 11,150 MJPY(+6.3% Y/Y)**

Mobile, Land and Sea businesses drove sales growth.

**【Operating profit】 1,263 MJPY (Δ0.7% Y/Y)**

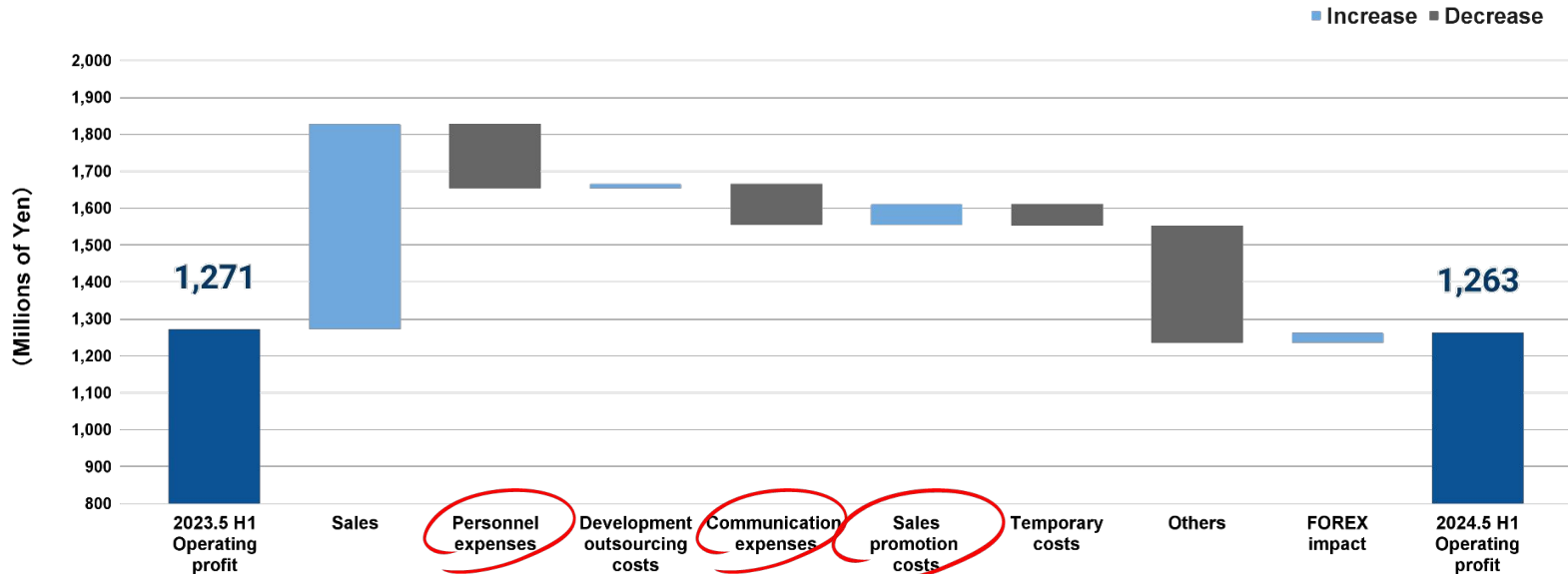
Despite temporary costs (outsourcing costs, etc.), operating profit remained flat.

(Millions of Yen)	2023.5 H1 Actual	2024.5 H1 Actual	Y/Y
Net sales	10,486	11,150	+6.3%
Operating profit	1,271	1,263	Δ0.7%
Margin(%)	12.1	11.3	Δ0.8Pt
Ordinary profit	1,310	1,284	Δ2.0%
Profit attributable to owners of parent	921	1,018	+10.4%
EPS (JPY)	83.7	92.2	+8.5JPY
FOREX Rates (JPY/USD)	139.8	145.8	+6.0JPY

# Operating Profit Analysis (Y/Y)

- Personnel expenses increased due to human resource strengthening for overseas business and IT development (including SaaS product development)
- Communication expenses increased due to expansion of cloud-based service development environment
- As a result of strategic advertising investments that identified the growing need for weather information, sales promotion expenses decreased compared to the previous FY.

### Operating profit Analysis



# 1. H1 2024.5 Results

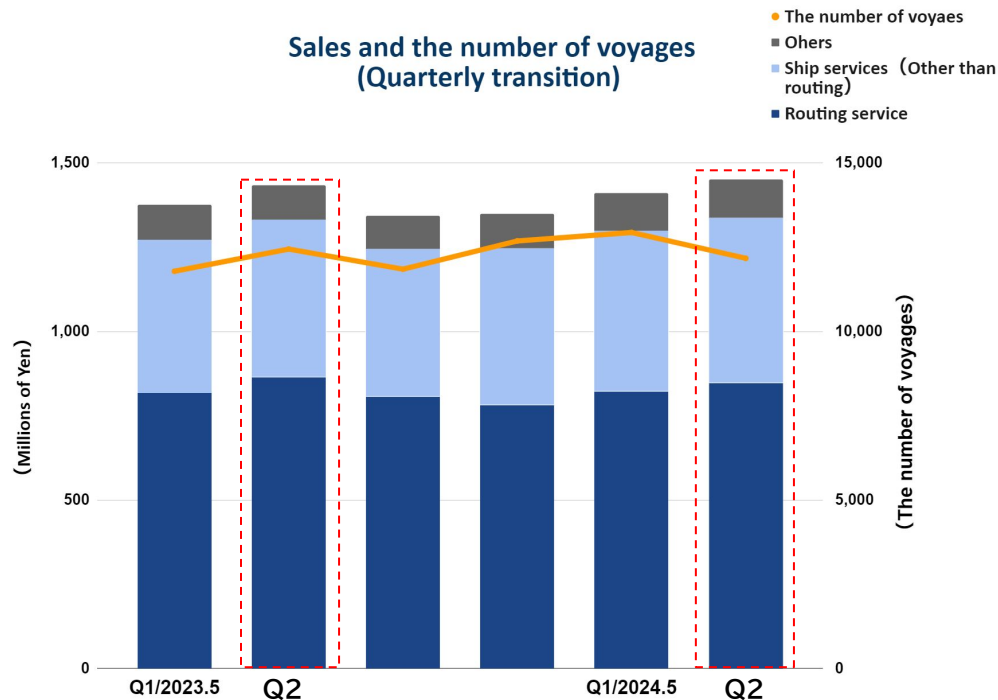
## Sales by Segment

Millions of Yen	2023.5 H1 Actual	2024.5 H1 Actual	Y/Y (%)	Business environment and results
Sea	2,810	2,863	1.9	Cargo movements remained weak due to sluggish demand in the bulk carrier market despite recovering in vessel supply, including the completion of new container ships. Although the number of services provided in Europe decreased, the sales increased due to expansion of OSR-e and the impact of exchange rates.
Sky	645	617	△4.4	Airline market conditions continue to recover on both domestic and international due to the end of border measures. Although our sales in airline markets also recovered, total sales decreased due to the temporary impact that occurred in Q1 of last FY.
Land	1,499	1,625	8.4	The need for extreme weather information increases from the perspective of ensuring safety in logistics. Especially in expressway market, the revenue increased by providing services that takes regional weather characteristics into account.
Environment	474	582	22.9	The need of weather information in energy market is increasing both in Japan and Global. Sales in Japan increased by expanding forecasting service regarding renewable energy and electricity demand.
Other BtoB	17	58	227.5	In Climate tech business, expand sales of climate change risk analysis service “Climate Impact” mainly to Japan companies.
Mobile·Internet	3,951	4,301	8.9	The number of app users has increased due to the investment in TV commercials and web advertising. As growing interest in weather, we increased sales by improving app user satisfaction and usage by enriching its content.
Broadcast	1,086	1,101	1.4	While our major customers such as broadcasting stations continue to review their costs based on structural changes in their business environment, the need of information about extreme weather is increasing. Our sales increased due to system updates for broadcasting stations.

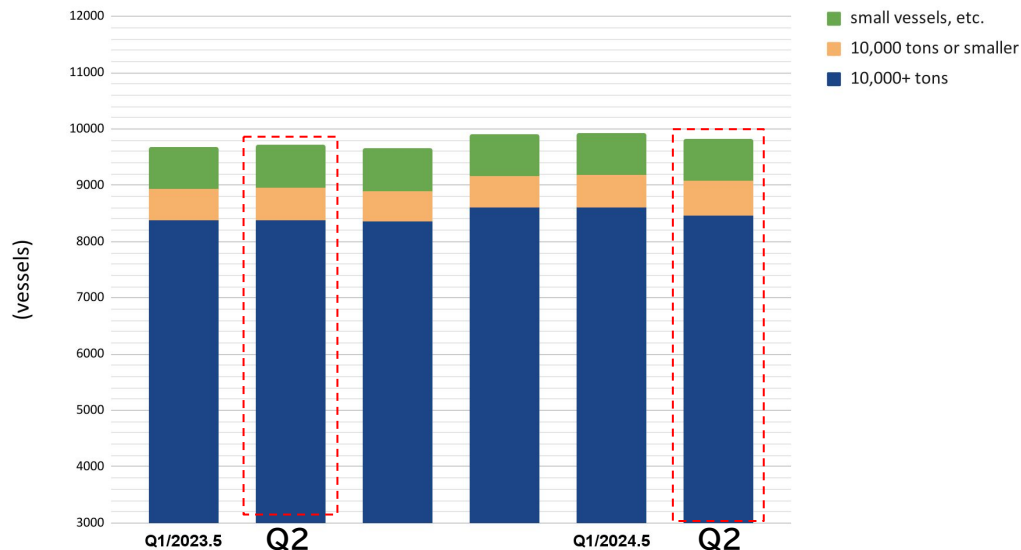
# 1. H1 2024.5 Results

## Sea business

- Cargo movements remain weak due to recovery in vessel supply and sluggish demand.
- Despite a partial decrease in the number of services provided to European customers in this Q2, sales increased due to expansion of OSR-e which supports eco friendly voyage and the impact of FOREX rates.

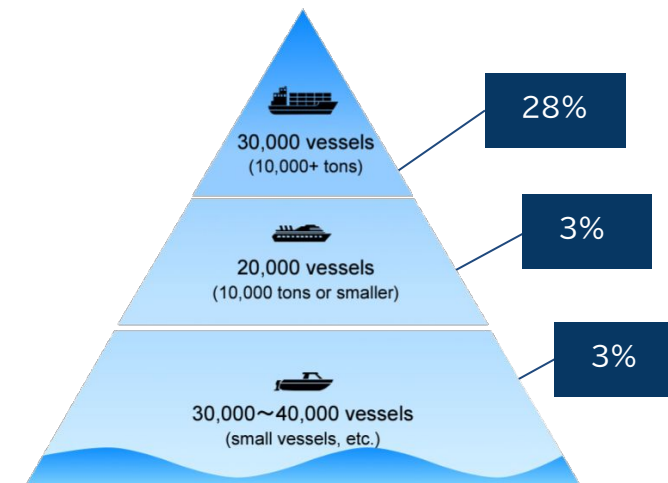


### Number of vessels provided the service (Quarterly transition)



Number of vessels using our services  
(counts as one vessel even when using multiple services)

### TAM of Sea planning business and Our occupancy rate (as of 2023.5 Q2)



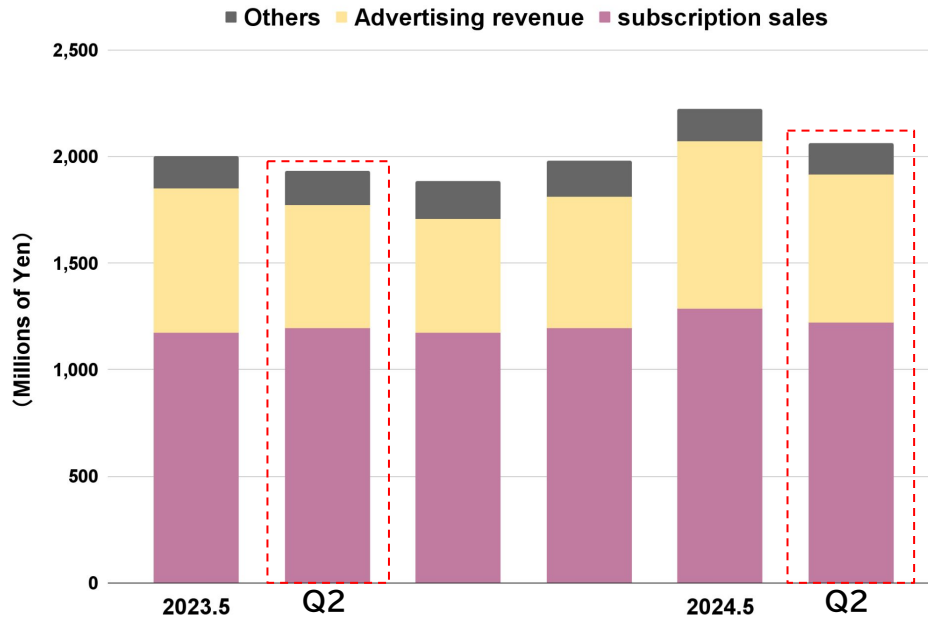
The number of vessels by TAM  
shown in Mid-term management plan

# 1. H1 2024.5 Results

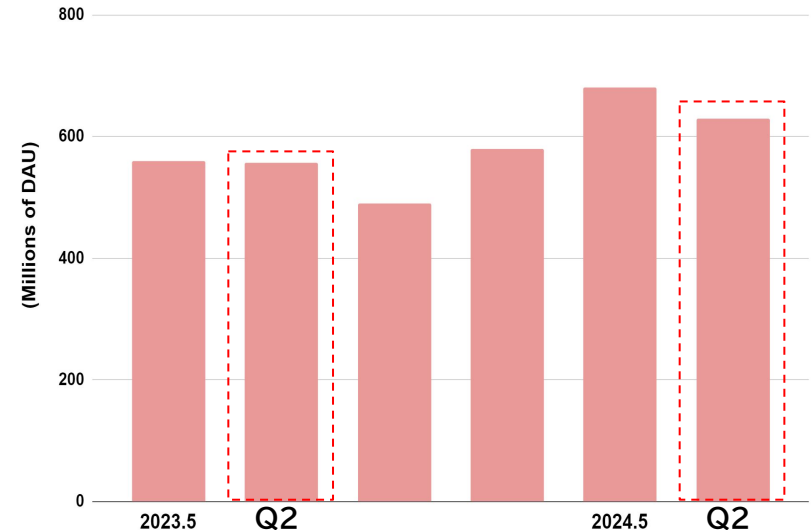
## Mobile/ Internet business

- Subscription sales and advertising revenue increased due to raised awareness and high forecast accuracy through advertising investment.
- Cumulative DAU increased compared to previous FY due to content enhancement and UI improvements.

### Sales (Quarterly Transition)



### Cumulative DAU (Quarterly Transition)





## 2. 2024.5 Full-year Forecast

# Summary of Financial plan

**[Net sales]22,500 MJPY(+6.6% Y/Y)**

- Plans to increase sales by continuous growth of Mobile business and expanding existing BtoB businesses.

**[Operating profit]3,500 MJPY(+7.5% Y/Y)**

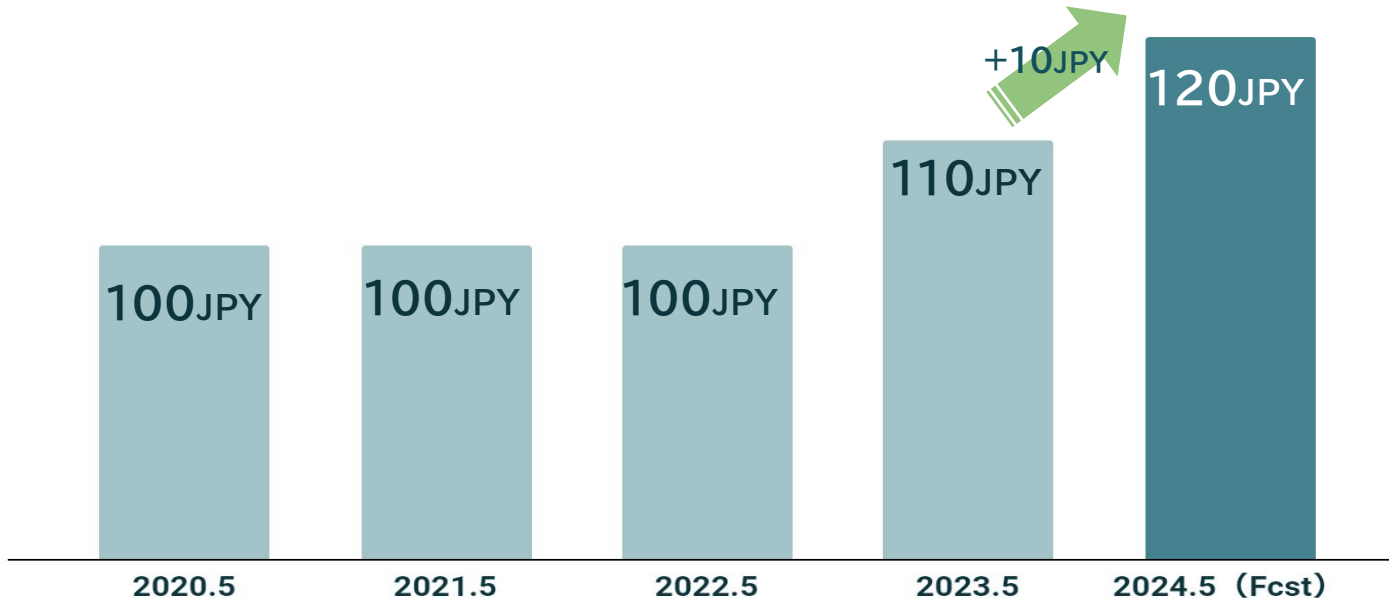
- Continue to invest in advertising, overseas expansion, and data/cloud.

(Millions of Yen)	2023.5 Actual	2024.5 Forecast	Y/Y
Net sales	21,114	22,500	+6.6%
Operating profit	3,256	3,500	+7.5%
Margin (%)	15.4	15.6	+0.2Pt
Ordinary profit	3,284	3,500	+6.6%
Profit attributable to owners of parent	2,398	2,500	+4.3%
EPS (JPY)	217.7	226.5	+8.8JPY
ROE (%)	13.7	13.2	△0.5Pt
FOREX Rates (JPY/USD)	135.5	130.0	△5.5JPY

## 2. 2024.5 Full-year Forecast

# Dividend Guidance

- Based on the concept of *high contribution, high profit, and high distribution*; we prioritize strategic business investments that promote mid-long business, and set a dividend on equity ratio of around 3% as a standard for long-term stable dividends.
- Dividends are determined by comprehensively considering the optimal level of equity capital, the investment environment, profits, etc.
- We plan to pay an annual dividend per share of 120 yen for 2024.5.



# APPENDIX

# Consolidated Balance Sheet

(Millions of Yen)	2023.5 Q2 Actual	2023.5 Actual	2024.5 Q2 Actual
Current assets	15,877	17,377	17,460
Non-current assets	3,603	3,602	3,591
Total assets	19,481	20,979	21,052
Current Liabilities	1,846	2,300	1,803
Non-current liabilities	107	278	254
Total Liabilities	1,954	2,579	2,058
Total net assets	17,527	18,400	18,994
Equity-to-asset ratio (%)	89.5	87.3	89.8
Net assets per share (JPY)	1,582.2	1,661.2	1,711.9

# Appendix Consolidated Profit and Loss Statement (Q2 2023.5 vs Q2 2024.5)

(Millions of Yen)	2023.5 Q2 Actual	2024.5 Q2 Actual	Y/Y
Net sales	5,261	5,570	+5.9%
Operating profit	799	847	+6.1%
Margin (%)	15.2	15.2	+0.0Pt
Ordinary profit	784	840	+7.2%
Profit attributable to owners of parent	552	589	+6.7%
EPS (JPY)	50.1	53.4	+3.2JPY
FOREX Rates (JPY/USD)	144.3	149.1	+4.8JPY

## Sales by Segment (Q2 2023.5 vs Q2 2024.5)

(Millions of Yen)	2023.5 Q2 Actual	2024.5 Q2 Actual	Y / Y
Sea	1,432	1,452	+1.4%
Sky	311	316	+1.6%
Land	765	823	+7.6%
Environment	249	296	+18.9%
Others BtoB	10	36	+260.0%
Mobile•Internet	1,940	2,072	+6.8%
Broadcast	554	576	+4.0%

## Sales by Segment (Quarterly transition)

(Millions of Yen)	2023.5 Actual				2024.5 Actual	
	Q1	Q2	Q3	Q4	Q1	Q2
Sea	1,378	1,432	1,342	1,351	1,411	1,452
Sky	334	311	301	289	301	316
Land	734	765	908	795	802	823
Environment	225	249	300	270	286	296
Others BtoB	7	10	11	22	22	36
Mobile·Internet	2,011	1,940	1,891	1,987	2,229	2,072
Broadcast	532	554	564	597	525	576



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