

Translation

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**[Delayed]Summary of Consolidated Financial Results
for the Three Months Ended November 30, 2023
(Based on Japanese GAAP)**

January 12, 2024

Company name: WITZ Corporation
 Stock exchange listing: Tokyo
 Stock code: 4440 URL <https://www.witz-inc.co.jp/>
 Representative: President Hiroyuki Hattori
 Inquiries: Director Shuji Wakita TEL 052-220-1218
 Scheduled date to file Quarterly Securities Report: January 12, 2024
 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, 2023 (from September 1, 2023 to November 30, 2023)

(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, 2023	700	11.6	44	(38.6)	52	(33.6)	32	(42.0)
Three months ended November 30, 2022	627	19.9	71	(2.8)	78	1.9	55	10.7

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2023	7.86	7.85
Three months ended November 30, 2022	13.29	13.27

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2023	3,014	2,321	75.7
As of August 31, 2023	2,923	2,311	78.1

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, 2023	–	0.00	–	8.00	8.00
Year ending August 31, 2024	–				
Year ending August 31, 2024 (Forecast)		0.00	–	8.00	8.00

3. Forecast of consolidated financial results for the year ending August 31, 2024 (from September 1, 2023 to August 31, 2024)

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	2,800	15.1	190	1.5	210	(6.6)	145	8.6	35.51

4. Notes

- (1) Changes in significant subsidiaries during the three months ended November 30, 2023
(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: 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, 2023	4,176,000 shares	As of August 31, 2023	4,176,000 shares
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Number of treasury shares at the end of the period

As of November 30, 2023	92,464 shares	As of August 31, 2023	92,464 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended November 30, 2023	4,083,536 shares	Three months ended November 30, 2022	4,169,145 shares
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Quarterly Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of August 31, 2023	As of November 30, 2023
Assets		
Current assets		
Cash and deposits	1,918,611	1,762,434
Notes and accounts receivable - trade, and contract assets	179,612	216,559
Work in process	101,518	118,108
Other	56,988	160,140
Total current assets	2,256,730	2,257,243
Non-current assets		
Property, plant and equipment	42,098	36,934
Intangible assets		
Goodwill	86,658	84,109
Other	13,309	25,070
Total intangible assets	99,967	109,180
Investments and other assets		
Investment securities	201,652	202,182
Insurance funds	158,781	163,059
Other	163,983	246,090
Total investments and other assets	524,417	611,332
Total non-current assets	666,483	757,447
Total assets	2,923,214	3,014,691
Liabilities		
Current liabilities		
Accounts payable - trade	44,897	60,158
Income taxes payable	31,309	23,656
Provision for bonuses	132,949	63,144
Provision for product warranties	105	99
Other	141,683	280,403
Total current liabilities	350,944	427,461
Non-current liabilities		
Retirement benefit liability	165,516	170,531
Long-term accounts payable - other	91,495	91,495
Other	3,474	3,474
Total non-current liabilities	260,486	265,501
Total liabilities	611,431	692,963
Net assets		
Shareholders' equity		
Share capital	612,524	612,524
Capital surplus	547,159	547,159
Retained earnings	1,212,801	1,212,237
Treasury shares	(88,879)	(88,879)
Total shareholders' equity	2,283,605	2,283,041
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(305)	62
Total accumulated other comprehensive income	(305)	62
Non-controlling interests	28,483	38,624
Total net assets	2,311,783	2,321,727
Total liabilities and net assets	2,923,214	3,014,691

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, 2022	Three months ended November 30, 2023
Net sales	627,229	700,250
Cost of sales	387,753	461,380
Gross profit	239,475	238,870
Selling, general and administrative expenses	167,556	194,697
Operating profit	71,919	44,172
Non-operating income		
Subsidy income - subsidy for research and development	1,901	6,083
Subsidy income - other	3,976	18
Surrender value of insurance policies	51	473
Commission for insurance office work	257	244
Commission income	13	13
Other	407	1,128
Total non-operating income	6,607	7,961
Non-operating expenses		
Commission for purchase of treasury shares	97	—
Interest expenses	9	—
Commission expenses	20	73
Total non-operating expenses	126	73
Ordinary profit	78,400	52,061
Extraordinary losses		
Loss on valuation of investment securities	325	—
Total extraordinary losses	325	—
Profit before income taxes	78,075	52,061
Income taxes	22,153	18,406
Profit	55,921	33,654
Profit attributable to non-controlling interests	526	1,550
Profit attributable to owners of parent	55,395	32,104

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended November 30, 2022	Three months ended November 30, 2023
Profit	55,921	33,654
Other comprehensive income		
Valuation difference on available-for-sale securities	—	367
Total other comprehensive income	—	367
Comprehensive income	55,921	34,022
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	55,395	32,471
Comprehensive income attributable to non-controlling interests	526	1,550