

Translation

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**[Delayed]Summary of Consolidated Financial Results
for the Three Months Ended November 30, 2021
(Based on Japanese GAAP)**

January 13, 2022

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 13, 2022
 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, 2021 (from September 1, 2021 to November 30, 2021)

(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, 2021	522	9.9	73	108.8	76	104.9	50	106.4
Three months ended November 30, 2020	475	(2.7)	35	11.9	37	(16.5)	24	(21.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2021	12.03	11.99
Three months ended November 30, 2020	5.98	5.83

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2021	2,705	2,159	78.9
As of August 31, 2021	2,651	2,123	79.2

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, 2021	–	0.00	–	6.00	6.00
Year ending August 31, 2022	–				
Year ending August 31, 2022 (Forecast)		0.00	–	8.00	8.00

3. Forecast of consolidated financial results for the year ending August 31, 2022 (from September 1, 2021 to August 31, 2022)

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	2,430	10.5	285	2.9	300	2.0	207	0.7	49.90

3. Notes

- (1) Changes in significant subsidiaries during the three months ended November 30, 2021
(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

(3) Number of issued shares (common shares)

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

As of November 30, 2021	4,160,400 shares	As of August 31, 2021	4,160,400 shares
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Number of treasury shares at the end of the period

As of November 30, 2021	126 shares	As of August 31, 2021	126 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, 2021	4,160,274 shares	Three months ended November 30, 2020	4,053,966 shares
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Quarterly Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of August 31, 2021	As of November 30, 2021
Assets		
Current assets		
Cash and deposits	2,046,548	2,082,395
Notes and accounts receivable - trade	166,559	—
Notes and accounts receivable - trade, and contract assets	—	176,791
Work in process	103,051	85,016
Other	39,989	49,199
Total current assets	2,356,149	2,393,402
Non-current assets		
Property, plant and equipment	26,924	26,459
Intangible assets	8,323	11,729
Investments and other assets		
Insurance funds	138,417	142,408
Other	121,464	131,317
Total investments and other assets	259,882	273,726
Total non-current assets	295,131	311,915
Total assets	2,651,280	2,705,318
Liabilities		
Current liabilities		
Accounts payable - trade	26,578	31,674
Current portion of long-term borrowings	632	380
Income taxes payable	55,064	31,124
Provision for bonuses	109,343	41,357
Provision for product warranties	1,190	1,171
Other	98,178	198,638
Total current liabilities	290,986	304,346
Non-current liabilities		
Retirement benefit liability	142,828	147,806
Long-term accounts payable - other	91,495	91,495
Other	2,668	2,668
Total non-current liabilities	236,991	241,969
Total liabilities	527,978	546,315
Net assets		
Shareholders' equity		
Share capital	606,925	606,925
Capital surplus	541,414	541,414
Retained earnings	951,760	986,897
Treasury shares	(325)	(325)
Total shareholders' equity	2,099,775	2,134,912
Non-controlling interests	23,526	24,090
Total net assets	2,123,302	2,159,002
Total liabilities and net assets	2,651,280	2,705,318

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, 2020	Three months ended November 30, 2021
Net sales	475,863	522,922
Cost of sales	324,354	316,028
Gross profit	151,509	206,893
Selling, general and administrative expenses	116,077	132,898
Operating profit	35,431	73,995
Non-operating income		
Surrender value of insurance policies	357	1,250
Commission for insurance office work	262	269
Commission income	28	13
Subsidy income - other	1,470	1,355
Other	11	51
Total non-operating income	2,129	2,940
Non-operating expenses		
Interest expenses	5	1
Foreign exchange losses	0	—
Total non-operating expenses	5	1
Ordinary profit	37,556	76,934
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
Total extraordinary losses	—	68
Profit before income taxes	37,556	77,405
Income taxes	12,828	26,470
Profit	24,727	50,934
Profit attributable to non-controlling interests	482	891
Profit attributable to owners of parent	24,245	50,043

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended November 30, 2020	Three months ended November 30, 2021
Profit	24,727	50,934
Comprehensive income	24,727	50,934
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	24,245	50,043
Comprehensive income attributable to non-controlling interests	482	891