

Translation

Notice: This document has been translated from the Japanese original for reference purposes. In the event of any discrepancy between this translated document and the Japanese original, the latter shall prevail.

Summary of Consolidated Financial Result for the Three Months Ended March 31, 2025 (Based on Japanese GAAP)

May 14, 2025

Company name: WILLs Inc.

Listing exchange: Tokyo Stock Exchange

Securities code: 4482

URL: <https://www.wills-net.co.jp/>

Representative: Mitsuo Sugimoto, President and CEO

Inquiries: Yasuyuki Hasumoto, Senior Managing Director and CFO

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Scheduled date for commencing dividend payments: —

Preparation of supplementary materials on financial results: Yes

Holding of financial results briefing session: No

(Amounts are rounded down to the nearest million yen, unless otherwise noted)

1. Consolidated Financial Results for the three months ended March 31, 2025 (from January 1, 2025 to March 31, 2025)

(1) Consolidated Operating Results (Cumulative) (Percentage figures represent 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 March 31, 2025	841	0.1	58	(43.3)	58	(46.9)	34	(49.3)
March 31, 2024	840	6.6	103	(15.4)	109	(11.2)	68	(20.4)

(Note) Comprehensive income: Three months ended March 31, 2025: 34 million yen (49.3)%

Three months ended March 31, 2024: 68 million yen (20.4)%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2025	1.70	—
March 31, 2024	3.30	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	millions of yen	millions of yen	%
As of March 31, 2025	3,645	1,970	53.7
December 31, 2024	4,264	2,140	50.0

Reference: Total shareholders' equity As of March 31, 2025: 1,959 million yen

As of December 31, 2024: 2,130 million yen

2. Cash Dividends

	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	—	5.50	—	5.50	11.00
Fiscal year ended December 31, 2025	—				
Fiscal year ending December 2025 (forecast)		6.50	—	6.50	13.00

(Note) Revisions to the forecast of dividends most recently announced: None

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2025

(from January 1, 2025 to December 31, 2025)

(Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	Yen
Fiscal year ending December 2025	5,580	10.0	1,155	11.6	1,150	10.6	750	11.9	36.31

(Note) Revisions to the forecast most recently announced: None

*Explanatory notes

- (1) Changes in significant subsidiaries during the fiscal year (changes in specified subsidiaries resulting in change in scope of consolidation): None
- (2) Application of Special Accounting for Preparing Quarterly Consolidated Financial Statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
 - (i) Changes in accounting policies due to amendment of accounting standards, etc.: Yes
 - (ii) Changes in accounting policies other than those in (i) above: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatements: None

(4) Number of issued shares (common shares)

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

As of March 31, 2025:	21,054,400 shares	As of December 31, 2024:	21,054,400 shares
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(ii) Number of treasury shares at end of period

As of March 31, 2025:	746,093 shares	As of December 31, 2024:	596,193 shares
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(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2025:	20,308,307 shares	Three months ended March 31, 2024:	20,713,207 shares
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* This summary of financial results is not subject to audit procedures by a public accountant or audit corporation.

* Explanation regarding appropriate use of earnings forecasts, and other notes

(Notes on forward-looking statements)

The earnings outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions that are thought to be reasonable by the Company. Accordingly, such statements should not be construed as a guarantee of achieving the results by the Company. Actual business performance and other results may differ materially due to various factors. For the conditions forming the assumptions on which earnings forecasts are based and explanatory notes for use of earnings forecasts, etc.

Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Unit: thousand yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	2,885,461	2,257,018
Notes and accounts receivable-trade	378,460	344,061
Electronically recorded monetary claims - operating	11,570	11,570
Merchandise	2,234	2,353
Work in process	4,698	4,614
Supplies	496	331
Other	47,494	38,006
Total current assets	3,330,415	2,657,957
Non-current assets		
Property, plant and equipment		
Total property, plant and equipment	49,791	48,195
Intangible assets		
Software	217,352	325,810
Software in progress	233,520	188,136
Goodwill	192,609	186,844
Customer-related assets	22,941	22,332
Other	281	270
Total intangible assets	666,706	723,394
Investments and other assets		
Other	217,298	216,448
Total investments and other assets	217,298	216,448
Total non-current assets	933,796	988,038
Total assets	4,264,211	3,645,995

(Unit: thousand yen)

	As of December 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	414,080	354,946
Short-term borrowings	324,152	266,665
Current portion of long-term borrowings	14,990	11,420
Accrued expenses	42,129	35,790
Income taxes payable	210,957	22,161
Contract liabilities	780,492	759,380
Provision for point card certificates	86,416	85,223
Provision for shareholder benefit program	49,203	48,504
Provision for bonuses	30,076	1,500
Provision for bonuses for directors	22,585	—
Other	124,308	67,731
Total current liabilities	2,099,394	1,653,323
Non-current liabilities		
Long-term borrowings	22,500	19,500
Asset retirement obligations	2,236	2,238
Total non-current liabilities	24,736	21,738
Total liabilities	2,124,130	1,675,061
Net assets		
Shareholders' equity		
Share capital	246,900	246,900
Capital surplus	246,447	246,447
Retained earnings	1,989,421	1,911,520
Treasury shares	(352,631)	(445,742)
Total shareholders' equity	2,130,136	1,959,126
Stock acquisition right	9,944	11,808
Total net assets	2,140,081	1,970,934
Total liabilities and net assets	4,264,211	3,645,995

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)

(Unit: thousand yen)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Net sales	840,565	841,192
Cost of sales	430,365	436,443
Gross profit	410,200	404,748
Selling, general and administrative expenses	306,814	346,110
Operating profit	103,386	58,637
Non-operating income		
Interest income	5,298	1,124
Subsidy income	1,158	1
Gain on forfeiture of unclaimed dividends	—	163
Miscellaneous income	1,417	70
Total non-operating income	7,874	1,360
Non-operating expenses		
Interest expenses	1,188	1,267
Commission fee	—	139
Other	198	230
Total non-operating expenses	1,386	1,638
Ordinary profit	109,873	58,360
Extraordinary losses		
Loss on retirement of non-current assets	—	256
Total extraordinary losses	—	256
Profit before income taxes	109,873	58,103
Income taxes	41,575	23,483
Net profit	68,298	34,619
Profit attributable to owners of parent	68,298	34,619

(Quarterly Consolidated Statements of Comprehensive Income)

(Unit: thousand yen)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Net profit	68,298	34,619
Comprehensive income	68,298	34,619
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	68,298	34,619
Comprehensive income attributable to non- controlling interests	—	—