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April 7, 2025

Consolidated Financial Results for the Nine Months Ended February 28, 2025 (Under Japanese GAAP)

Company name: Weathernews Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 4825
 URL: <https://global.weathernews.com/>
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended February 28, 2025 (from June 1, 2024 to February 28, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2025	17,428	4.6	3,137	37.1	3,094	32.4	2,155	23.2
February 29, 2024	16,658	5.4	2,287	(8.9)	2,337	(9.3)	1,749	(3.0)

Note: Comprehensive income For the nine months ended February 28, 2025: ¥2,205 million [21.6%]
 For the nine months ended February 29, 2024: ¥1,814 million [(2.7) %]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
February 28, 2025	97.43	97.20
February 29, 2024	79.25	79.05

Note: Weathernews Inc. (the “Company”) conducted a stock split on December 1, 2024, whereby one common share was split into two shares. Basic earnings per share and diluted earnings per share have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
February 28, 2025	23,494	20,658	87.8
May 31, 2024	23,058	19,788	85.4

Reference: Equity
 As of February 28, 2025: ¥20,619 million
 As of May 31, 2024: ¥19,699 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2024	—	60.00	—	60.00	120.00
Fiscal year ending May 31, 2025	—	70.00	—		
Fiscal year ending May 31, 2025 (Forecast)				35.00	—

Notes: 1. Revisions to the forecast of cash dividends most recently announced: None

2. The Company conducted a stock split on December 1, 2024, whereby one common share was split into two shares. The figures stated for the fiscal year ended May 31, 2024 and the second quarter-end dividend for the fiscal year ending May 31, 2025 are the actual amounts of dividends paid before the stock split, and the figure stated for the fiscal year-end dividend for the fiscal year ending May 31, 2025 (forecast) is the amount after the stock split. For the forecast of the total annual dividends per share, “—” is shown because the stock split makes it impossible to calculate a simple total of the dividend amounts. Based on the basis of shares existing before the stock split, the fiscal year-end dividend for the fiscal year ending May 31, 2025 (forecast) would be 70 yen and the total annual dividends per share would be 140 yen.

3. Consolidated earnings forecasts for the fiscal year ending May 31, 2025 (from June 1, 2024 to May 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending May 31, 2025	23,500	5.7	4,200	28.4	4,200	25.7	2,900	19.0	131.09

Note: 1. Revisions to the consolidated earnings forecasts most recently announced: Yes

Concerning consolidated earnings forecasts for the fiscal year ending May 31, 2025, the Company has upwardly revised its forecasts for each profit item from operating profit onward due to better-than-expected progress in initiatives to improve the profit margin using AI operation models as set forth in the mid-term management plan.

2. The Company conducted a stock split with a record date of November 30, 2024 (effective date December 1, 2024), whereby one common share was split into two shares. The figure stated for basic earnings per share in the forecast for the fiscal year ending May 31, 2025 considers the effect of the stock split. Based on the basis of shares existing before the stock split, basic earnings per share for the fiscal year ending May 31, 2025 would be 262.18 yen.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of February 28, 2025	23,688,000 shares
As of May 31, 2024	23,688,000 shares

- (ii) Number of treasury shares at the end of the period

As of February 28, 2025	1,530,352 shares
As of May 31, 2024	1,598,102 shares

- (iii) Average number of shares outstanding during the period

Nine months ended February 28, 2025	22,122,563 shares
Nine months ended February 29, 2024	22,071,778 shares

Note: The Company conducted a stock split on December 1, 2024, whereby one common share was split into two shares. Total number of issued shares at the end of the period, number of treasury shares at the end of the period and average number of shares outstanding during the period have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Forward-looking statements in this material, including earnings forecasts, are based on information currently available to the Company and on certain assumptions deemed reasonable. Actual results may differ significantly due to various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	As of May 31, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	14,313,310	14,552,773
Notes receivable - trade	–	6,380
Accounts receivable - trade	3,428,022	3,349,198
Contract assets	724,552	1,229,945
Work in process	28,447	109,761
Supplies	209,876	200,821
Other	704,703	659,728
Allowance for doubtful accounts	(16,132)	(20,602)
Total current assets	19,392,781	20,088,005
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,006,442	882,118
Tools, furniture and fixtures, net	360,409	300,643
Land	413,062	413,062
Construction in progress	61,046	99,181
Other, net	18,461	179,024
Total property, plant and equipment	1,859,422	1,874,029
Intangible assets		
Software	396,389	264,668
Software in progress	3,574	3,799
Other	26,244	26,093
Total intangible assets	426,208	294,561
Investments and other assets		
Investment securities	199,960	189,374
Deferred tax assets	770,537	745,165
Other	432,384	325,487
Allowance for doubtful accounts	(22,915)	(21,912)
Total investments and other assets	1,379,967	1,238,115
Total non-current assets	3,665,597	3,406,707
Total assets	23,058,378	23,494,713

(Thousands of yen)

	As of May 31, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	65,758	100,723
Accounts payable - other	342,297	289,403
Income taxes payable	620,463	424,374
Contract liabilities	576,088	148,761
Provision for loss on litigation	38,866	39,266
Other	1,074,758	1,177,829
Total current liabilities	2,718,233	2,180,357
Non-current liabilities		
Asset retirement obligations	551,268	510,742
Other	568	145,488
Total non-current liabilities	551,837	656,231
Total liabilities	3,270,070	2,836,588
Net assets		
Shareholders' equity		
Share capital	1,706,500	1,706,500
Capital surplus	1,570,590	1,684,570
Retained earnings	16,937,920	17,655,853
Treasury shares	(858,808)	(820,161)
Total shareholders' equity	19,356,202	20,226,762
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	32,627	27,686
Foreign currency translation adjustment	311,040	364,879
Total accumulated other comprehensive income	343,668	392,566
Share acquisition rights	81,304	30,400
Non-controlling interests	7,134	8,394
Total net assets	19,788,308	20,658,124
Total liabilities and net assets	23,058,378	23,494,713

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income (cumulative)

(Thousands of yen)

	Nine months ended February 29, 2024	Nine months ended February 28, 2025
Net sales	16,658,226	17,428,389
Cost of sales	9,537,180	9,280,045
Gross profit	7,121,045	8,148,343
Selling, general and administrative expenses	4,833,495	5,011,315
Operating profit	2,287,550	3,137,028
Non-operating income		
Interest income	1,675	2,168
Dividend income	500	500
Dividend income of insurance	12,182	12,789
Subsidy income	1,750	26,808
Foreign exchange gains	31,064	–
Gain on forfeiture of unclaimed dividends	1,828	1,661
Other	8,375	3,584
Total non-operating income	57,376	47,512
Non-operating expenses		
Commitment line expenses	7,256	7,240
Foreign exchange losses	–	79,009
Other	31	3,716
Total non-operating expenses	7,288	89,966
Ordinary profit	2,337,638	3,094,573
Extraordinary losses		
Loss on liquidation of subsidiaries and associates	4,249	–
Total extraordinary losses	4,249	–
Profit before income taxes	2,333,389	3,094,573
Income taxes - current	612,931	909,709
Income taxes - deferred	(28,908)	28,846
Total income taxes	584,023	938,555
Profit	1,749,366	2,156,017
Profit attributable to non-controlling interests	–	409
Profit attributable to owners of parent	1,749,366	2,155,608

Quarterly consolidated statement of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended February 29, 2024	Nine months ended February 28, 2025
Profit	1,749,366	2,156,017
Other comprehensive income		
Valuation difference on available-for-sale securities	8,227	(4,940)
Foreign currency translation adjustment	56,906	54,690
Total other comprehensive income	65,134	49,749
Comprehensive income	1,814,500	2,205,767
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,814,622	2,204,507
Comprehensive income attributable to non-controlling interests	(122)	1,260