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July 7, 2025

## Consolidated Financial Results for the Fiscal Year Ended May 31, 2025 (Under Japanese GAAP)

Company name: Weathernews Inc.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4825  
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 Scheduled date of annual general meeting of shareholders: August 16, 2025  
 Scheduled date to commence dividend payments: August 18, 2025  
 Scheduled date to file annual securities report: August 26, 2025  
 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 fiscal year ended May 31, 2025 (from June 1, 2024 to May 31, 2025)

#### (1) Consolidated operating results

(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	%
Fiscal year ended								
May 31, 2025	23,505	5.7	4,517	38.1	4,468	33.7	3,115	27.8
May 31, 2024	22,242	5.3	3,270	0.4	3,341	1.7	2,437	1.7

Note: Comprehensive income For the fiscal year ended May 31, 2025: ¥3,091 million [20.3%]  
 For the fiscal year ended May 31, 2024: ¥2,570 million [3.8%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended					
May 31, 2025	140.77	140.47	15.1	18.3	19.2
May 31, 2024	110.42	110.14	12.8	15.2	14.7

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended May 31, 2025: —  
 For the fiscal year ended May 31, 2024: —

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	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
May 31, 2025	25,757	21,545	83.5	970.41
May 31, 2024	23,058	19,788	85.4	891.80

Reference: Equity

As of May 31, 2025: ¥21,503 million

As of May 31, 2024: ¥19,699 million

Note: The Company conducted a stock split on December 1, 2024, whereby one common share was split into two shares. Net assets per share have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

**(3) Consolidated cash flows**

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended May 31, 2025	4,427	(269)	(1,436)	16,970
May 31, 2024	3,385	(408)	(1,313)	14,311

**2. Cash dividends**

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended May 31, 2024	—	60.00	—	60.00	120.00	1,325	54.3	7.0
Fiscal year ended May 31, 2025	—	70.00	—	35.00	—	1,550	49.7	7.5
Fiscal year ending May 31, 2026 (Forecast)	—	45.00	—	45.00	90.00		57.0	

Note: 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 ended 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 ended May 31, 2025 is the amount after the stock split. For 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 ended May 31, 2025 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, 2026 (from June 1, 2025 to May 31, 2026)**

(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, 2026	25,000	6.4	5,000	10.7	5,000	11.9	3,500	12.4	157.88

## \* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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

## (3) Number of issued shares (common shares)

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

As of May 31, 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 May 31, 2025	1,529,152 shares
As of May 31, 2024	1,598,102 shares

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

Fiscal year ended May 31, 2025	22,130,844 shares
Fiscal year ended May 31, 2024	22,076,136 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.

**[Reference] Overview of non-consolidated financial results****1. Non-consolidated financial results for the fiscal year ended May 31, 2025 (from June 1, 2024 to May 31, 2025)****(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2025	23,233	5.4	4,374	41.0	4,351	33.6	3,028	27.6
May 31, 2024	22,033	5.4	3,103	(2.4)	3,255	1.6	2,374	2.7

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
May 31, 2025	136.85	136.56
May 31, 2024	107.55	107.27

Note: 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) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
May 31, 2025	24,342	20,465	83.9	922.23
May 31, 2024	21,845	18,776	85.6	846.30

Reference: Equity

As of May 31, 2025: ¥20,435 million  
As of May 31, 2024: ¥18,694 million

Note: The Company conducted a stock split on December 1, 2024, whereby one common share was split into two shares. Net assets per share have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

- \* Financial results reports are exempt from audits conducted by certified public accountants or an audit firm.
- \* Proper use of earnings forecasts, and other special matters

Cautions on forward-looking statements, etc.

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. Please refer to “1. Overview of Operating Results, Etc.” of the attached materials for the suppositions that form the assumptions for the earnings forecasts and cautions regarding the use of the earnings forecasts.

## Attachment Contents

### Index

1. Overview of Operating Results, Etc. ....	2
(1) Overview of operating results for the fiscal year under review.....	2
(2) Overview of financial position for the fiscal year under review .....	4
(3) Overview of cash flows for the fiscal year under review .....	4
(4) Outlook.....	4
2. Management Policies .....	5
(1) Basic policy .....	5
(2) Targeted management indicators .....	5
(3) Issues to be addressed (mid-term management plan).....	5
3. Basic Approach to Selection of Accounting Standards.....	5
4. Consolidated Financial Statements and Significant Notes Thereto .....	6
(1) Consolidated balance sheet .....	6
(2) Consolidated statement of income and consolidated statement of comprehensive income .....	8
(3) Consolidated statement of changes in equity .....	10
(4) Consolidated statement of cash flows .....	12
(5) Notes to consolidated financial statements.....	14
(Notes to premise of going concern) .....	14
(Notes on changes in accounting policies) .....	14
(Notes to consolidated statement of income) .....	14
(Notes to segment information, etc.) .....	14
(Notes to per share information).....	15
(Subsequent events).....	15

# 1. Overview of Operating Results, Etc.

## (1) Overview of operating results for the fiscal year under review

### 1) Business environment

We provide weather services to corporations and individuals, including infrastructure companies in the land, sea, and air domains for corporations, and to the general public through our apps and media platforms for individuals.

Of our corporate business, the Sea Domain operates globally, and its main service is to support large vessels on long voyages across countries and regions. The Sky Domain provides services for airlines, primarily in Japan and Asia. The Land Domain and the Internet Domain, which is a business targeting individuals, operate mainly in Japan. The Land Domain provides services to various industries, including infrastructure companies such as roads and railroads, while revenues of the Internet Domain consist of subscription service sales and advertising revenues from its app “Weathernews.”

In this business environment, for the fiscal year under review, consolidated net sales increased 5.7% year over year to ¥23,505 million. In the Sea Domain, revenue increased due to strengthened customer success, up-selling to some large customers, and the impact of foreign exchange rates. In the Land Domain, revenue increased due to the increased sales in the expressway market and sales expansion of SaaS-type products in the energy and retail markets. In the Internet Domain, subscription sales and advertising revenues increased through advertising investments and improvements and new additions to our content, while sales to a certain mobile carrier continued to decline.

In terms of expenses, the increase in personnel expenses was smaller than initially expected due to progress in improving operational efficiency through the use of AI. One-time expenses were lower year on year, mainly due to reduced outsourcing costs following a revision of the development and operation system and the reactionary impact of outsourcing expenses that were recorded in the previous fiscal year.

As a result, operating profit increased 38.1% year over year to ¥4,517 million. Ordinary profit increased 33.7% year over year to ¥4,468 million and profit attributable to owners of parent increased 27.8% year over year to ¥3,115 million.

### 2) Business overview by business field

#### <Sea Domain>

Sales increased mainly in the European market through strengthened customer success. The increase was also due to up-selling at some large customers and the impact of foreign exchange rates.

#### <Sky Domain>

Revenues increased in the domestic helicopter market and the Asian airline market.

#### <Land Domain>

The number of customers in the expressway market increased. In addition, revenue increased due to expanded sales for the WxTech services (SaaS-type products) in the energy and retail markets.

## &lt;Internet Domain&gt;

Advertising investments and improvements and new additions to content increased the number of users, leading to higher app-subscription sales and advertising revenue. Although sales to a certain mobile carrier were sluggish, sales increased overall for the Domain.

Business domain		Fiscal year ended May 31, 2024 (Millions of yen)	Fiscal year ended May 31, 2025 (Millions of yen)	Rate of change (%)
	Sea	5,813	6,139	5.6
	Sky	1,210	1,319	9.0
	Land	6,301	6,749	7.1
	Internet	8,082	8,281	2.5
Total recurring sales		21,407	22,490	5.1
Non-recurring sales		835	1,015	21.5
Total		22,242	23,505	5.7

Note: Recurring sales: Sales continually generated in the form of consideration for the provision of services

Non-recurring sales: Sales from one-time investigations and system sales

## (Reference) Net sales by region

Regional segment		Fiscal year ended May 31, 2024 (Millions of yen)	Fiscal year ended May 31, 2025 (Millions of yen)	Rate of change (%)
	Japan	16,788	17,713	5.5
	Asia	3,073	3,138	2.1
	Europe	1,984	2,263	14.1
	Americas	397	390	(1.9)
Total		22,242	23,505	5.7

## (2) Overview of financial position for the fiscal year under review

At the end of the fiscal year under review, total assets increased by ¥2,699 million compared with the end of the previous fiscal year to ¥25,757 million, reflecting increases in cash and deposits, and other items. Liabilities increased by ¥942 million compared with the end of the previous fiscal year to ¥4,212 million, reflecting increases in income taxes payable, and other items.

Net assets increased by ¥1,757 million compared with the end of the previous fiscal year to ¥21,545 million, as a result of recording profit attributable to owners of parent of ¥3,115 million, while distributing dividends of ¥1,437 million in total at the end of the previous fiscal year and at the end of the current interim period. As a result of these factors, the equity-to-asset ratio at the end of the fiscal year under review was 83.5%.

## (3) Overview of cash flows for the fiscal year under review

Net cash provided by operating activities was ¥4,427 million (net cash of ¥3,385 million provided in the previous fiscal year), reflecting the payment of income taxes of ¥1,078 million and recording profit before income taxes of ¥4,468 million, among other reasons.

Net cash used in investing activities amounted to ¥269 million (net cash of ¥408 million used in the previous fiscal year), mainly reflecting the purchase of property, plant and equipment and intangible assets.

Net cash used in financing activities amounted to ¥1,436 million (net cash of ¥1,313 million used in the previous fiscal year), mainly as a result of distributing dividends.

Cash and cash equivalents at the end of the fiscal year under review were ¥16,970 million (¥14,311 million at the end of the previous year), as a result of subtracting the effect of exchange rate change on cash and cash equivalents of ¥62 million.

## (Reference) Trends in cash flow indicators

	Fiscal year ended May 31, 2021	Fiscal year ended May 31, 2022	Fiscal year ended May 31, 2023	Fiscal year ended May 31, 2024	Fiscal year ended May 31, 2025
Equity-to-asset ratio (%)	86.8	87.6	87.3	85.4	83.5
Equity-to-asset ratio on market value basis (%)	330.0	386.0	351.0	213.6	342.8
Interest-bearing debt to cash flow ratio (%)	—	2.3	2.2	0.4	3.6
Interest coverage ratio (times)	168.8	220.0	190.9	328.1	313.4

## (4) Outlook

In terms of sales, we expect growth in each Domain. In the Sea Domain, we plan to increase revenues through the market launch of new products and the promotion of a customer success system; in the Sky Domain, by expanding sales in the domestic helicopter market and the Asian aviation market; in the Land Domain, by expanding sales of WxTech services through strengthening customer success and enhancing sales; and in the Internet Domain, by growing subscription service sales and advertising revenues through establishing a dominant position as a weather media company.

For investments, we plan to invest in product development expenses, data, and cloud environments based on our SaaS-type business expansion strategy, in global weather data acquisition, and in advertising in each Domain.

As a result of the above, the Company expects to achieve consolidated net sales of ¥25,000 million, operating profit of ¥5,000 million, ordinary profit of ¥5,000 million, and profit attributable to owners of parent of ¥3,500 million for the fiscal year ending May 31, 2026. The exchange rate is assumed to be ¥150 per U.S. dollar.



## 2. Management Policies

### (1) Basic policy

In pursuit of its corporate dream “Saving the lives of sailors. Saving the future of our planet too.,” the Group’s basic concept is to become a “Weather Content Maker” that responds to social risks related to weather and the environment by providing the most comprehensive, fastest, and most up-to-date weather content services together with its supporters. As a frontrunner in the weather content market, it aims for “Supporter Value Creation” and corporate value maximization while innovatively creating new markets.

In addition, in order to realize this concept, it recognizes that its mission is to become a Full Service “Weather & Climate” Company, considering its core competence to be “the world’s largest database, the industry’s No. 1 forecast accuracy, and serving communities in every market.”

### (2) Targeted management indicators

The Company uses net sales, operating profit margin, and ROE as key management indicators. In the growing weather content market, the Company believes it can link net sales growth with corporate growth by realizing expanding sales of services that generate continuous sales (stock sales).

### (3) Issues to be addressed (mid-term management plan)

The Company has formulated a mid-term management plan for the three years beginning June 2023, and is working on new measures to further scale up its business. As a specific initiative during these three years, the Company aims to shift to a SaaS-type business model that can support more companies. At the same time, the Company will improve operational productivity by converting the function of risk communication by humans into content through an AI-based operation model. Also, the Company aims to create synergy between BtoB and BtoS by leveraging the BtoS network of supporters to provide public relations and marketing support to BtoB as well. In addition, the Company will reconfigure its overseas sales structure to accelerate global business development. Also, as a new measure for business expansion, the Company will not only grow its business but also contribute to the global environment by contributing to CO<sub>2</sub> reduction through services in Sea Business Division and developing climate change-responsive services in Climate Tech Business Division.

For details, please refer to the mid-term management plan material on the Company’s website:

<https://global.weathernews.com/irinfo/management/plan/>

## 3. Basic Approach to Selection of Accounting Standards

The Company currently applies Japanese generally accepted accounting principles to its consolidated financial statements. The Company constantly examines the application of optimal accounting standards with a view toward the future while paying due attention to trends surrounding the various accounting standards available to us.

#### 4. Consolidated Financial Statements and Significant Notes Thereto

##### (1) Consolidated balance sheet

(Thousands of yen)

	As of May 31, 2024	As of May 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	14,313,310	16,979,356
Notes receivable - trade	—	57,752
Accounts receivable - trade	3,428,022	3,282,286
Contract assets	724,552	1,169,647
Work in process	28,447	48,001
Supplies	209,876	244,063
Other	704,703	611,068
Allowance for doubtful accounts	(16,132)	(19,644)
Total current assets	19,392,781	22,372,531
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,006,442	883,639
Tools, furniture and fixtures, net	360,409	341,162
Land	413,062	413,062
Construction in progress	61,046	20,039
Other, net	18,461	162,750
Total property, plant and equipment	1,859,422	1,820,654
Intangible assets		
Software	396,389	217,778
Software in progress	3,574	3,612
Other	26,244	5,499
Total intangible assets	426,208	226,890
Investments and other assets		
Investment securities	199,960	190,368
Deferred tax assets	770,537	828,116
Other	432,384	325,550
Allowance for doubtful accounts	(22,915)	(6,350)
Total investments and other assets	1,379,967	1,337,684
Total non-current assets	3,665,597	3,385,229
Total assets	23,058,378	25,757,761

(Thousands of yen)

	As of May 31, 2024	As of May 31, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	65,758	128,604
Accounts payable - other	342,297	487,871
Income taxes payable	620,463	950,321
Contract liabilities	576,088	667,617
Provision for loss on litigation	38,866	38,589
Other	1,074,758	1,297,263
Total current liabilities	2,718,233	3,570,268
Non-current liabilities		
Asset retirement obligations	551,268	512,540
Other	568	129,367
Total non-current liabilities	551,837	641,908
Total liabilities	3,270,070	4,212,176
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,706,500	1,706,500
Capital surplus	1,570,590	1,685,673
Retained earnings	16,937,920	18,615,607
Treasury shares	(858,808)	(819,518)
Total shareholders' equity	19,356,202	21,188,262
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	32,627	28,009
Foreign currency translation adjustment	311,040	287,027
Total accumulated other comprehensive income	343,668	315,037
Share acquisition rights	81,304	30,202
Non-controlling interests	7,134	12,082
Total net assets	19,788,308	21,545,584
<b>Total liabilities and net assets</b>	<b>23,058,378</b>	<b>25,757,761</b>

**(2) Consolidated statement of income and consolidated statement of comprehensive income****Consolidated statement of income**

(Thousands of yen)

	Fiscal year ended May 31, 2024	Fiscal year ended May 31, 2025
Net sales	22,242,915	23,505,624
Cost of sales	12,832,169	12,631,601
Gross profit	9,410,745	10,874,023
Selling, general and administrative expenses	6,140,189	6,356,723
Operating profit	3,270,555	4,517,299
Non-operating income		
Interest income	2,488	6,131
Dividend income	500	500
Dividend income of insurance	12,182	12,789
Subsidy income	23,024	27,043
Foreign exchange gains	52,420	–
Gain on forfeiture of unclaimed dividends	1,828	1,663
Other	9,077	6,234
Total non-operating income	101,521	54,361
Non-operating expenses		
Commitment line expenses	9,687	9,674
Foreign exchange losses	–	90,132
Provision for loss on litigation	20,868	–
Other	42	3,718
Total non-operating expenses	30,599	103,524
Ordinary profit	3,341,478	4,468,136
Extraordinary losses		
Loss on liquidation of subsidiaries and associates	*	4,249
Total extraordinary losses	4,249	–
Profit before income taxes	3,337,228	4,468,136
Income taxes - current	1,009,213	1,404,477
Income taxes - deferred	(108,450)	(56,219)
Total income taxes	900,763	1,348,257
Profit	2,436,465	3,119,878
Profit (loss) attributable to non-controlling interests	(1,355)	4,515
Profit attributable to owners of parent	2,437,821	3,115,362

**Consolidated statement of comprehensive income**

(Thousands of yen)

	Fiscal year ended May 31, 2024	Fiscal year ended May 31, 2025
Profit	2,436,465	3,119,878
Other comprehensive income		
Valuation difference on available-for-sale securities	12,272	(4,617)
Foreign currency translation adjustment	121,991	(23,581)
Total other comprehensive income	134,264	(28,198)
Comprehensive income	2,570,730	3,091,680
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,572,265	3,086,732
Comprehensive income attributable to non-controlling interests	(1,535)	4,948

**(3) Consolidated statement of changes in equity**

Fiscal year ended May 31, 2024

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income
Balance at beginning of period	1,706,500	1,458,226	15,824,357	(882,415)	18,106,668	20,354	188,869	209,223
Changes during period								
Dividends of surplus			(1,324,258)		(1,324,258)			
Profit attributable to owners of parent			2,437,821		2,437,821			
Disposal of treasury shares		112,363		23,607	135,970			
Net changes in items other than shareholders' equity						12,272	122,171	134,444
Total changes during period	—	112,363	1,113,562	23,607	1,249,533	12,272	122,171	134,444
Balance at end of period	1,706,500	1,570,590	16,937,920	(858,808)	19,356,202	32,627	311,040	343,668

(Thousands of yen)

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	84,332	—	18,400,224
Changes during period			
Dividends of surplus			(1,324,258)
Profit attributable to owners of parent			2,437,821
Disposal of treasury shares			135,970
Net changes in items other than shareholders' equity	(3,027)	7,134	138,550
Total changes during period	(3,027)	7,134	1,388,084
Balance at end of period	81,304	7,134	19,788,308

Fiscal year ended May 31, 2025

	Shareholders' equity					Accumulated other comprehensive income		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income
Balance at beginning of period	1,706,500	1,570,590	16,937,920	(858,808)	19,356,202	32,627	311,040	343,668
Changes during period								
Dividends of surplus			(1,437,675)		(1,437,675)			
Profit attributable to owners of parent			3,115,362		3,115,362			
Purchase of treasury shares				(140)	(140)			
Disposal of treasury shares		115,083		39,429	154,513			
Net changes in items other than shareholders' equity						(4,617)	(24,013)	(28,630)
Total changes during period	—	115,083	1,677,687	39,289	1,832,059	(4,617)	(24,013)	(28,630)
Balance at end of period	1,706,500	1,685,673	18,615,607	(819,518)	21,188,262	28,009	287,027	315,037

(Thousands of yen)

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	81,304	7,134	19,788,308
Changes during period			
Dividends of surplus			(1,437,675)
Profit attributable to owners of parent			3,115,362
Purchase of treasury shares			(140)
Disposal of treasury shares			154,513
Net changes in items other than shareholders' equity	(51,101)	4,948	(74,784)
Total changes during period	(51,101)	4,948	1,757,275
Balance at end of period	30,202	12,082	21,545,584

**(4) Consolidated statement of cash flows**

(Thousands of yen)

	Fiscal year ended May 31, 2024	Fiscal year ended May 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	3,337,228	4,468,136
Depreciation	600,318	606,485
Share-based payment expenses	104,397	154,414
Increase (decrease) in allowance for doubtful accounts	(5,497)	(12,362)
Increase (decrease) in provision for loss on litigation	20,868	—
Interest and dividend income	(2,988)	(6,631)
Dividend income of insurance	(12,182)	(12,789)
Subsidy income	(23,024)	(27,043)
Commitment line expenses	9,687	9,674
Loss (gain) on liquidation of subsidiaries and associates	4,249	—
Decrease (increase) in trade receivables	199,564	79,326
Decrease (increase) in contract assets	(317,355)	(445,094)
Decrease (increase) in inventories	38,485	(58,418)
Increase (decrease) in trade payables	(71,075)	62,898
Increase (decrease) in accounts payable - other	13,936	147,530
Increase (decrease) in accrued consumption taxes	(140,978)	88,690
Increase (decrease) in accrued expenses	12,692	207,767
Increase (decrease) in advances received	18,791	(35,674)
Increase (decrease) in contract liabilities	465,069	92,152
Increase (decrease) in deposits received	(29,638)	(48,376)
Other, net	30,675	195,923
<b>Subtotal</b>	<b>4,253,225</b>	<b>5,466,607</b>
Interest and dividends received	2,971	2,972
Dividend income of insurance	12,182	12,789
Subsidies received	23,024	27,043
Payments for commitment line expenses	(3,105)	(3,099)
Income taxes paid	(902,743)	(1,078,724)
<b>Net cash provided by (used in) operating activities</b>	<b>3,385,553</b>	<b>4,427,587</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(261,700)	(218,502)
Proceeds from sale of property, plant and equipment	46	—
Purchase of intangible assets	(113,859)	(38,776)
Payments for asset retirement obligations	(15,823)	(16,090)
Payments of leasehold and guarantee deposits	(10,410)	(10,914)
Proceeds from refund of leasehold and guarantee deposits	5,432	30,678
Purchase of insurance funds	(10,401)	(10,401)
Other, net	(1,492)	(5,608)
<b>Net cash provided by (used in) investing activities</b>	<b>(408,208)</b>	<b>(269,614)</b>



(Thousands of yen)

	Fiscal year ended May 31, 2024	Fiscal year ended May 31, 2025
Cash flows from financing activities		
Dividends paid	(1,322,209)	(1,435,902)
Proceeds from sale of treasury shares	1	29
Purchase of treasury shares	—	(140)
Proceeds from share issuance to non-controlling shareholders	8,670	—
Net cash provided by (used in) financing activities	(1,313,538)	(1,436,013)
Effect of exchange rate change on cash and cash equivalents	127,997	(62,586)
Net increase (decrease) in cash and cash equivalents	1,791,804	2,659,373
Cash and cash equivalents at beginning of period	12,519,256	14,311,060
Cash and cash equivalents at end of period	14,311,060	16,970,434

**(5) Notes to consolidated financial statements**

**(Notes to premise of going concern)**

Not applicable

**(Notes on changes in accounting policies)**

Application of the Accounting Standard for Current Income Taxes, etc.

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”), etc. from the beginning of the fiscal year ended May 31, 2025.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022). This change has no impact on the consolidated results.

**(Notes to consolidated statement of income)**

\* Loss on liquidation of subsidiaries and associates

Fiscal year ended May 31, 2024

The loss on liquidation of subsidiaries and associates recognized in the consolidated statement of income is the loss resulting from the liquidation of Weathernews India Pvt. Ltd., the Company’s consolidated subsidiary.

Fiscal year ended May 31, 2025

Not applicable

**(Notes to segment information, etc.)**

The Company and its consolidated subsidiaries engage in the provision of comprehensive content centered on weather information as referred to as the description of the business thereof, which constitutes a single business segment. Therefore, segment information is omitted.

**(Notes to per share information)**

(Yen)

	Fiscal year ended May 31, 2024	Fiscal year ended May 31, 2025
Net assets per share	891.80	970.41
Basic earnings per share	110.42	140.77
Diluted earnings per share	110.14	140.47

- Notes: 1. The Company conducted a stock split on December 1, 2024, whereby one common share was split into two shares. Net assets per share, 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. The basis used for calculating basic earnings per share and diluted earnings per share is as follows:

	Fiscal year ended May 31, 2024	Fiscal year ended May 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (Thousands of yen)	2,437,821	3,115,362
Profit not attributable to common shareholders (Thousands of yen)	—	—
Profit attributable to owners of parent pertaining to common shares (Thousands of yen)	2,437,821	3,115,362
Average number of outstanding common shares during the period (Shares)	22,076,136	22,130,844
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (Thousands of yen)	—	—
Increase in number of shares of common shares (Shares)	28,850	46,754
[of which subscription rights to shares (Shares)]	(28,850)	(46,754)
Overview of dilutive shares that are not included in the calculation of diluted earnings per share as they have no dilutive effects	—	

**(Subsequent events)**

Not applicable