

# Summary of Business Results for the Third Quarter Ended May 31, 2022

## [Japan GAAP] (Consolidated)

July 11, 2022

Company **Watts Co., Ltd.** Listed on the TSE  
 Stock Code 2735 URL: <https://www.watts-jp.com/>  
 Representative Fumio Hiraoka, President and CEO  
 Contact Hidehito Mori, Executive Managing Director, Head of Corporate Planning Office TEL: +81-6-4792-3236  
 Expected date of filing of quarterly report: July 11, 2022 Expected starting date of dividend payment: -  
 Preparation of quarterly supplementary financial document: None  
 Quarterly results briefing: None

(Rounded down to million yen)

### 1. Consolidated business results for the nine months ended May 2022 (September 1, 2021 through May 31, 2022)

#### (1) Consolidated results of operations

(% change from the previous corresponding period)

	Sales		Operating profit		Recurring profit		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended May 2022	43,476	13.4	905	-37.8	988	-31.7	518	-48.4
Nine months ended May 2021	38,348	-3.2	1,456	17.4	1,446	19.7	1,004	107.8

(Note) Comprehensive income

Nine months ended May 2022: 571 million yen (-42.3%)

Nine months ended May 2021: 991 million yen (123.3%)

	Net income per share		Diluted net income per share	
	Yen	Yen	Yen	Yen
Nine months ended May 2022	38.44	-	-	-
Nine months ended May 2021	74.96	-	-	-

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of May 2022	25,282	11,633	46.0
As of Aug. 2021	21,340	11,222	52.6

(Reference) Shareholders' equity

As of May 2022: 11,631 million yen

As of August 2021: 11,222 million yen

### 2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Aug. 2021	-	0.00	-	22.00	22.00
Year ending Aug. 2022	-	0.00	-	-	-
Year ending Aug. 2022 (forecast)	-	-	-	15.00	15.00

(Note) Revisions to dividend forecast for the current quarter: None

### 3. Forecast of consolidated business results for the fiscal year ending August 2022 (September 1, 2021 through August 31, 2022)

(% change from the previous corresponding period)

	Sales		Operating profit		Recurring profit		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending Aug. 2022	58,000	14.4	1,100	-34.1	1,150	-27.5	830	-14.1	61.55

(Note) Revisions to business forecast for the current quarter: Yes

For details of the revisions to the consolidated business forecasts, please refer to the "Notice Concerning Revisions to Business Forecasts" announced on July 11, 2022.

**\*Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): Yes

Newly included: 1 (Ontsu F.RETAIL Co., Ltd.)

(2) Application of accounting procedures specific to preparation of the consolidated quarterly financial statements:  
None

(3) Changes in accounting policies, accounting estimates and restatement

- |  |        |
|--|--------|
| ① Changes in accounting policies associated with revision of accounting standards: | : Yes  |
| ② Changes in accounting policies other than ①                                      | : None |
| ③ Changes in accounting estimates  | : None |
| ④ Restatement  | : None |

(4) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)

As of May 2022 13,898,800 shares

As of August 2021 13,958,800 shares

② Treasury stock at the end of period

As of May 2022 322,887 shares

As of August 2021 560,874 shares

③ Average number of stock during period (quarterly cumulative period)

Nine months ended May 2022 13,485,433 shares

Nine months ended May 2021 13,397,926 shares

(Note) The number of treasury stock at the end of period includes the Company's shares held by the share issuance trust for directors (FY8/22 3Q: - shares, FY8/21: 60,000 shares). In addition, the Company's shares owned by the share issuance trust for directors are included in treasury stock deducted for calculation of the average number of shares during period (FY8/22 3Q: 37,363 shares, FY8/21 3Q: 60,000 shares).

**\*Quarterly financial summary is not subject to the quarterly review procedures by certified public accountants or auditing firms.**

**\* Explanation regarding appropriate use of business forecasts and other special instructions**

(Caution concerning forward-looking statements)

The forward-looking statements regarding future performance in this material are based on information currently available to the company and certain assumptions that the company deems to be reasonable at the time this report was prepared. Therefore, the company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.