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July 10, 2023

Consolidated Financial Results for the Nine Months Ended May 31, 2023 (Under Japanese GAAP)

Company name: Watts Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 2735
 URL: <https://www.watts-jp.com/>
 Representative: Fumio Hiraoka, President and CEO
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 Scheduled date to file quarterly securities report: July 10, 2023
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the nine months ended May 31, 2023 (from September 1, 2022 to May 31, 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Sales		Operating profit		Recurring profit		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
May 31, 2023	44,431	2.2	370	-59.1	372	-62.3	306	-40.9
May 31, 2022	43,476	13.4	905	-37.8	988	-31.7	518	-48.4

Note: Comprehensive income For the nine months ended May 31, 2023: ¥306 million [-46.5%]
 For the nine months ended May 31, 2022: ¥571 million [-42.3%]

	Net income per share	Diluted net income per share
Nine months ended	Yen	Yen
May 31, 2023	22.55	-
May 31, 2022	38.44	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
May 31, 2023	25,739	12,045	46.8
August 31, 2022	25,600	11,931	46.6

Reference: Equity
 As of May 31, 2023: ¥12,034 million
 As of August 31, 2022: ¥11,927 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 August 31, 2022	-	0.00	-	15.00	15.00
Fiscal year ending August 31, 2023	-	0.00	-		
Fiscal year ending August 31, 2023 (Forecast)				15.00	15.00

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

3. Forecast of consolidated financial results for the year ending August 31, 2023 (from September 1, 2022 to August 31, 2023)

(Percentages indicate year-on-year changes.)

	Sales		Operating profit		Recurring Profit		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	59,000	1.1	400	-59.9	400	-65.2	150	-80.8	11.05

Note: Revisions to the forecast of cash dividends most recently announced: Yes

For details of the revisions to the consolidated business forecasts, please refer to the "Notice Concerning Revisions to Business Forecasts" announced on July 10, 2023.

* **Notes**

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

Excluded: 1 company (Ontsu F.RETAIL Co., Ltd.)

(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: None

(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 May 31, 2023	13,898,800 shares
As of August 31, 2022	13,898,800 shares

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

As of May 31, 2023	318,292 shares
As of August 31, 2022	323,487 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended May 31, 2023	13,579,034 shares
Nine months ended May 31, 2022	13,485,433 shares

Note: The Average number of shares outstanding during the period includes the Company's shares held by the share issuance trust for directors (FY8/23 Q3: - shares, FY8/22 Q3: 37,363 shares).

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

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.