

Translation

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**Summary of Consolidated Financial Result
for the Six Months Ended June 30, 2025
(Based on Japanese GAAP)**

August 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

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Scheduled date for second quarter report: August 14, 2025

Scheduled date for commencing dividend payments: September 16, 2025

Preparation of supplementary materials on financial results: Yes

Holding of financial results briefing session: Yes

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

1. Consolidated Financial Results for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 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	%
Six months ended June 30, 2025	2,421	12.0	526	5.6	524	4.0	351	1.7
June 30, 2024	2,162	5.3	498	0.4	504	1.6	345	2.4

(Note) Comprehensive income: Six months ended June 30, 2025: 351 million yen 1.7%

Six months ended June 30, 2024: 345 million yen 2.4%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2025	17.33	—
June 30, 2024	16.70	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	millions of yen	millions of yen	%
As of June 30, 2025	4,202	2,236	52.9
December 31, 2024	4,264	2,140	50.0

Reference: Total shareholders' equity As of June 30, 2025: 2,222 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
Fiscal year ended December 31, 2024	Yen —	Yen 5.50	Yen —	Yen 5.50	Yen 11.00
Fiscal year ended December 31, 2025	—	6.50	—	—	—
Fiscal year ending December 2025 (forecast)	—	—	—	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 2024	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 June 30, 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 June 30, 2025:	832,112 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)

Six months ended June 30, 2025:	20,306,188 shares	Six months ended June 30, 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 and Significant Notes Thereto

(1) Quarterly Consolidated Balance Sheets

(Unit: thousand yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	2,885,461	2,522,544
Notes receivable - trade	378,460	579,396
Electronically recorded monetary claims - operating	11,570	326
Merchandise	2,234	2,478
Work in process	4,698	12,477
Supplies	496	533
Other	47,494	37,953
Total current assets	<u>3,330,415</u>	<u>3,155,710</u>
Non-current assets		
Property, plant and equipment	49,791	46,599
Intangible assets		
Software	217,352	341,239
Software in progress	233,520	241,131
Goodwill	192,609	181,079
Customer-related assets	22,941	21,723
Other	281	258
Total intangible assets	<u>666,706</u>	<u>785,431</u>
Investments and other assets		
Other	217,298	214,334
Total investments and other assets	<u>217,298</u>	<u>214,334</u>
Total non-current assets	<u>933,796</u>	<u>1,046,365</u>
Total assets	<u>4,264,211</u>	<u>4,202,076</u>

(Unit: thousand yen)

	As of December 31, 2023	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	414,080	629,476
Short-term borrowings	324,152	—
Current portion of long-term borrowings	14,990	9,000
Accounts payable - other	42,129	36,700
Income taxes payable	210,957	171,129
Contract liabilities	780,492	898,954
Provision for point card certificates	86,416	83,229
Provision for shareholder benefit program	49,203	42,432
Provision for bonuses	30,076	15,259
Provision for bonuses for directors	22,585	—
Other	124,308	60,157
Total current liabilities	2,099,394	1,946,339
Non-current liabilities		
Long-term borrowings	22,500	17,250
Asset retirement obligations	2,236	2,239
Total non-current liabilities	24,736	19,489
Total liabilities	2,124,130	1,965,829
Net assets		
Shareholders' equity		
Share capital	246,900	246,900
Capital surplus	246,447	246,447
Retained earnings	1,989,421	2,228,784
Treasury shares	(352,631)	(499,557)
Total shareholders' equity	2,130,136	2,222,573
Stock acquisition right	9,944	13,673
Total net assets	2,140,081	2,236,246
Total liabilities and net assets	4,264,211	4,202,076

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

(Unit: thousand yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Net sales	2,162,451	2,421,762
Cost of sales	1,041,717	1,204,056
Gross profit	1,120,733	1,217,705
Selling, general and administrative expenses	622,276	691,111
Operating profit	498,457	526,594
Non-operating income		
Interest income	7,006	1,190
Subsidy income	2,577	1
Miscellaneous income	100	721
Total non-operating income	9,684	1,913
Non-operating expenses		
Interest expenses	2,471	2,535
Loss on investments in partnership	902	672
Other	417	697
Total non-operating expenses	3,790	3,905
Ordinary profit	504,350	524,601
Extraordinary losses		
Loss on retirement of non-current assets	—	256
Total extraordinary losses	—	256
Profit before income taxes	504,350	524,344
Income taxes	158,361	172,461
Net profit	345,989	351,883
Profit attributable to owners of parent	345,989	351,883

(Quarterly Consolidated Statements of Comprehensive Income)

(Unit: thousand yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Net profit	345,989	351,883
Comprehensive income	345,989	351,883
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	345,989	351,883
Comprehensive income attributable to non- controlling interests	—	—

(3) Consolidated Statement of Cash Flows

(Unit: thousand yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	504,350	524,344
Depreciation	44,318	52,515
Amortization of goodwill	11,529	11,529
Increase (decrease) in allowance for doubtful accounts	7	—
Increase (decrease) in provision for point card certificates	(3,600)	(3,186)
Increase (decrease) in provision for shareholder benefit program	(6,514)	(6,771)
Increase (decrease) in provision for bonuses	(14,236)	(14,817)
Increase (decrease) in provision for bonuses for directors (and other officers)	(21,190)	(22,585)
Interest and dividend income	(7,006)	(1,190)
Interest expenses	2,471	2,535
Loss on retirement of non-current assets	—	256
Decrease (increase) in trade receivables	(183,197)	(189,692)
Decrease (increase) in inventories	795	(8,060)
Increase (decrease) in trade payables	172,297	204,516
Increase (decrease) in accounts payable - other	(3,141)	(5,397)
Increase (decrease) in advances received	42,970	118,461
Increase (decrease) in accrued consumption taxes	(24,330)	(47,388)
Other	(19,279)	(17,570)
Subtotal	496,243	597,502
Interest and dividends received	7,006	1,190
Interest paid	(2,531)	(2,426)
Proceeds from subsidy income	—	4,431
Income taxes paid	(160,508)	(200,422)
Net cash provided by (used in) operating activities	340,210	400,275
Cash flows from investing activities		
Proceeds from withdrawal from time deposits	1,000,000	—
Purchase of property, plant and equipment	(1,777)	—
Purchase of intangible assets	(93,734)	(168,957)
Collection of investments in capital	—	635
Payments of leasehold and guarantee deposits	(105)	—
Purchase of golf club memberships	(24,150)	—
Net cash provided by (used in) investing activities	880,232	(168,321)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	37,000	(324,152)
Repayments of long-term borrowings	(11,640)	(11,240)
Purchase of treasury shares	—	(146,926)
Dividends paid	(124,279)	(112,551)
Net cash provided by (used in) financing activities	(98,919)	(594,870)
Net increase (decrease) in cash and cash equivalents	1,121,523	(362,916)
Cash and cash equivalents at beginning of period	1,412,497	2,885,461
Cash and cash equivalents at end of quarter	2,534,021	2,522,544