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October 8, 2026

Consolidated Financial Results for the Three Months Ended August 31, 2026 (Under Japanese GAAP)

Company name: Weathernews Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 4825
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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 three months ended August 31, 2026 (from June 1, 2026 to August 31, 2026)

(1) Consolidated operating results (cumulative)

(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	%
Three months ended August 31, 2026	6,338	5.5	892	(2.2)	896	(2.1)	592	(11.9)
August 31, 2025	6,006	2.8	912	100.5	915	135.9	672	140.6

Note: Comprehensive income For the three months ended August 31, 2026: ¥628 million [(18.9)%]
 For the three months ended August 31, 2025: ¥774 million [118.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended August 31, 2026	13.34	13.33
August 31, 2025	15.17	15.15

Note: Weathernews Inc. (the “Company”) conducted a stock split on March 1, 2026, 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
	Millions of yen	Millions of yen	%
As of August 31, 2026	25,625	21,747	84.8
May 31, 2026	28,259	23,893	84.5

Reference: Equity
 As of August 31, 2026: ¥21,720 million
 As of May 31, 2026: ¥23,870 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, 2026	—	45.00	—	62.50	—
Fiscal year ending May 31, 2027	—				
Fiscal year ending May 31, 2027 (Forecast)		25.00	—	25.00	50.00

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

2. The Company conducted a stock split on March 1, 2026, whereby one common share was split into two shares. The figure stated for the second quarter-end dividend for the fiscal year ended May 31, 2026 is the actual amount of dividends paid before the stock split, and the figure stated for the fiscal year-end dividend for the fiscal year ended May 31, 2026 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, 2026 would consist of an ordinary dividend of 45 yen and a commemorative dividend of 80 yen, and the total annual dividends per share would be 170 yen.

3. Consolidated earnings forecasts for the fiscal year ending May 31, 2027 (from June 1, 2026 to May 31, 2027)

(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, 2027	25,800	5.4	5,400	3.0	5,500	0.8	3,850	1.1	85.78

Note: Revisions to the consolidated earnings forecasts most recently announced: None

* **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: 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 August 31, 2026	47,376,000 shares
As of May 31, 2026	47,376,000 shares

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

As of August 31, 2026	2,957,194 shares
As of May 31, 2026	2,955,814 shares

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

Three months ended August 31, 2026	44,419,151 shares
Three months ended August 31, 2025	44,327,175 shares

- Notes: 1. The Company conducted a stock split on March 1, 2026, whereby one common share was split into two shares. Average number of shares outstanding during the period has been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.
2. Commencing with the three months ended August 31, 2026, the Company has introduced a “Stock Grant ESOP Trust.” The number of treasury shares at the end of the period includes the Company’s shares held by the Stock Grant ESOP Trust (398,000 shares for the three months ended August 31, 2026; – shares for the fiscal year ended May 31, 2026). Additionally, the treasury shares that are excluded from the calculation of the average number of shares outstanding during the period include the average number of shares outstanding during the period of the Company’s shares held by the Stock Grant ESOP Trust (199,000 shares for the three months ended August 31, 2026; – shares for the three months ended August 31, 2025).

- * 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
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. The Company makes no promise regarding achievement of any content in the forward-looking statements. Moreover, actual results may differ significantly due to various factors. Please refer to “1. Qualitative Information on Quarterly Financial Results, (3) Explanation on consolidated earnings forecasts and other forward-looking statements” on page 4 of the attached materials for the suppositions that form the assumptions for the earnings forecasts and cautions regarding the use of the earnings forecasts.

Method of accessing supplementary material on financial results and contents of financial results briefing

The Company plans to hold an online briefing for institutional investors and analysts on Thursday, October 8, 2026. The materials on financial results to be used on the day and the video of the briefing will be posted on the Company’s website promptly after the briefing. Please note that the online briefing and the video to be posted later will be provided in Japanese only.

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1. Qualitative Information on Quarterly Financial Results

(1) Operating results

1) Business environment

■ Corporate mission (Dream)

The Company is engaged in the weather and climate businesses to achieve the dream of “Saving the lives of sailors. Saving the future of our planet too.” We provide weather services to corporations and individuals, including infrastructure companies in the land, sea, and sky domains for corporations, and to the general public through our apps and media platforms for individuals.

■ Service overview and target market for each business domain

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 airline and helicopter markets, 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.”

■ Promoting a shift towards high-margin products and automating customer service operations using AI. Significant improvement in gross profit margin through strategic reallocation of personnel to boost sales growth rate

During the fiscal year under review, as the first year of the Mid-Term Vision 2026, we are advancing our key initiative, “Evolution into an AI fusion company and company-wide transformation.” As one of these initiatives, we are promoting the automation of customer service operations using AI. Furthermore, progress in shifting towards high-margin products resulted in a significant improvement in the gross profit margin during the three months ended August 31, 2026.

2) Business overview by business field

<Sea Domain>

Up-selling to existing customers and acquisition of new customers in Europe progressed, and revenue increased, also supported by favorable exchange rates.

<Sky Domain>

Revenue increased due to the rise in the number of service-adopted aircrafts among existing customers in the domestic helicopter market.

<Land Domain>

Revenue increased due to a large order for Weathernews for business and expanded sales of WxTech Data.

<Internet Domain>

The DAU (Daily Active Users) during the three months ended August 31, 2026 reached a new record high, and revenue increased for both advertising and subscriptions. Overall revenue increased only slightly due to the impact of services for carriers, etc.

As a result, consolidated net sales increased 5.5% year over year to ¥6,338 million. Please refer to pages 3 and 4 for net sales by domain and net sales by region.

In terms of profits, communication and weather data expenses increased due to the promotion of research and development and productization of AI services, and promotion expenses increased due to aggressive advertising investments. However, the gross profit margin improved significantly.

The improvement in gross profit margin can be attributed to the following factors. Firstly, we made progress in encouraging existing customers to shift towards high-margin products, while also expanding sales efforts to acquire new customers. Additionally, we continued to promote AI automation in existing customer service operations, aligning with our key initiative “Evolution into an AI fusion company” as outlined in the Mid-Term Vision. Furthermore, from the three months ended August 31, 2026, we ramped up the launch of our customer success function. This was part of the strategy to strengthen sales capabilities to accelerate sales growth, building on the significant improvement in operating profit margin in relation to profitability improvement highlighted in the previous mid-term management plan.

Against this backdrop, staff from the cost department who were previously responsible for customer service were strategically reassigned to departments primarily focused on sales and other related activities, resulting in a significant reduction in cost-related personnel expenses. As a result, the gross profit margin reached 54.8% (an increase of 8.6 percentage points compared to the same period last year). Note that this reorganization will not have a significant impact on the level of operating profit itself.

As a result, operating profit decreased 2.2% year over year to ¥892 million, ordinary profit decreased 2.1% year over year to ¥896 million and profit attributable to owners of parent decreased 11.9% year over year to ¥592 million.

Business domain		Three months ended August 31, 2025	Three months ended August 31, 2026	Rate of change
		(Millions of yen)	(Millions of yen)	(%)
	Sea	1,369	1,478	7.9
	Sky	360	401	11.4
	Land	1,787	1,928	7.9
	Internet	2,278	2,288	0.4
Total recurring sales		5,796	6,096	5.2
Non-recurring sales		210	242	15.4
Total		6,006	6,338	5.5

- Notes: 1. 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.
2. In line with a review of our sales system aimed at further accelerating sales activities, we have reclassified and presented our figures based on the new classification system starting from the three months ended August 31, 2026. Accordingly, we have also included retroactively revised figures for the three months ended August 31, 2025. The main changes are as follows:
- 1) Sea Domain: To focus on sales to ocean-going vessels, which are a growth driver, sales of small and medium-sized vessels have been transferred to the Land Domain.
 - 2) Internet Domain: The sales system related to the advertising business has been specialized, and related revenue from each domain has been consolidated into the Internet Domain.

(Reference) Net sales by region

Regional segment		Three months ended August 31, 2025	Three months ended August 31, 2026	Rate of change
		(Millions of yen)	(Millions of yen)	(%)
	Japan	4,525	4,797	6.0
	Asia	833	831	(0.2)
	Europe	581	661	13.8
	Americas	66	48	(27.1)
	Total	6,006	6,338	5.5

(2) Financial position

Assets, liabilities and net assets

As of August 31, 2026, total assets decreased by ¥2,633 million compared with the end of the previous fiscal year to ¥25,625 million, reflecting decreases in cash and deposits, and other items. Total liabilities decreased by ¥487 million compared with the end of the previous fiscal year to ¥3,878 million, reflecting decreases in income taxes payable and other items. Total net assets decreased by ¥2,146 million compared with the end of the previous fiscal year to ¥21,747 million. This decrease was due to recording profit attributable to owners of parent, while distributing dividends at the end of the previous fiscal year, among other factors.

As a result of these factors, equity-to-asset ratio was 84.8%.

(3) Explanation on consolidated earnings forecasts and other forward-looking statements

In terms of sales, we expect growth in each Domain. In the Sea Domain, we plan to expand sales of high-value-added services centered around SeaNavigator; in the Sky Domain, to expand sales of SkyAviators in the Asian aviation market; in the Land Domain, to expand sales of core product groups through advertising investments and strengthening customer success functions; and in the Internet Domain, to strengthen the position of the No. 1 app in Japan through continuous advertising investments and to increase advertising revenues.

For investments, we plan to invest in the AI integration of forecasting technology, service operations, and product development; in the acquisition of weather data from countries around the world and non-weather data that enhances business value; and in marketing, including advertising in each Domain.

As a result of the above, the Company expects to achieve consolidated net sales of ¥25,800 million, operating profit of ¥5,400 million, ordinary profit of ¥5,500 million, and profit attributable to owners of parent of ¥3,850 million for the fiscal year ending May 31, 2027. The exchange rate is assumed to be ¥150 per U.S. dollar.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	As of May 31, 2026	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	18,835,727	15,667,539
Accounts receivable - trade	3,831,219	3,817,386
Contract assets	1,058,648	604,931
Work in process	57,827	68,051
Supplies	201,283	222,863
Other	738,535	923,875
Allowance for doubtful accounts	(26,586)	(39,895)
Total current assets	24,696,655	21,264,752
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	761,692	734,913
Tools, furniture and fixtures, net	268,564	261,207
Land	413,062	413,062
Construction in progress	8,372	9,044
Other, net	136,073	128,902
Total property, plant and equipment	1,587,764	1,547,130
Intangible assets		
Software	128,181	125,115
Software in progress	3,882	7,162
Other	4,696	5,323
Total intangible assets	136,760	137,601
Investments and other assets		
Investment securities	212,120	213,099
Deferred tax assets	903,070	876,126
Long-term time deposits	–	1,000,000
Other	729,108	593,576
Allowance for doubtful accounts	(6,372)	(6,635)
Total investments and other assets	1,837,926	2,676,167
Total non-current assets	3,562,451	4,360,900
Total assets	28,259,107	25,625,652

(Thousands of yen)

	As of May 31, 2026	As of August 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	100,371	99,386
Accounts payable - other	536,723	1,063,927
Income taxes payable	1,067,935	278,778
Contract liabilities	679,950	611,913
Other	1,470,855	1,342,593
Total current liabilities	3,855,836	3,396,599
Non-current liabilities		
Asset retirement obligations	409,318	389,578
Other	100,521	92,307
Total non-current liabilities	509,839	481,886
Total liabilities	4,365,676	3,878,485
Net assets		
Shareholders' equity		
Share capital	1,706,500	1,706,500
Capital surplus	1,842,330	2,567,088
Retained earnings	20,647,190	18,463,523
Treasury shares	(791,557)	(1,516,315)
Total shareholders' equity	23,404,463	21,220,797
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40,603	41,294
Foreign currency translation adjustment	425,449	458,527
Total accumulated other comprehensive income	466,052	499,822
Share acquisition rights	5,539	7,109
Non-controlling interests	17,375	19,438
Total net assets	23,893,431	21,747,166
Total liabilities and net assets	28,259,107	25,625,652

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

Quarterly consolidated statement of income

(Thousands of yen)

	Three months ended August 31, 2025	Three months ended August 31, 2026
Net sales	6,006,611	6,338,449
Cost of sales	3,233,679	2,867,479
Gross profit	2,772,931	3,470,969
Selling, general and administrative expenses	1,860,144	2,578,162
Operating profit	912,787	892,806
Non-operating income		
Interest income	5,011	9,596
Dividend income	500	500
Gain on forfeiture of unclaimed dividends	869	625
Insurance claim income	–	10,000
Other	1,421	2,419
Total non-operating income	7,802	23,140
Non-operating expenses		
Commitment line expenses	2,439	–
Foreign exchange losses	2,349	13,233
Other	21	6,156
Total non-operating expenses	4,809	19,389
Ordinary profit	915,780	896,558
Profit before income taxes	915,780	896,558
Income taxes - current	198,185	274,606
Income taxes - deferred	44,606	27,357
Total income taxes	242,791	301,963
Profit	672,988	594,594
Profit attributable to non-controlling interests	371	1,999
Profit attributable to owners of parent	672,617	592,594

Quarterly consolidated statement of comprehensive income

(Thousands of yen)

	Three months ended August 31, 2025	Three months ended August 31, 2026
Profit	672,988	594,594
Other comprehensive income		
Valuation difference on available-for-sale securities	102,847	691
Foreign currency translation adjustment	(1,328)	33,141
Total other comprehensive income	101,519	33,833
Comprehensive income	774,508	628,427
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	774,020	626,364
Comprehensive income attributable to non-controlling interests	488	2,062

(3) Notes to quarterly consolidated financial statements**(Notes to premise of going concern)**

Not applicable

(Notes on significant changes in the amount of shareholders' equity)

At the Board of Directors meeting held on July 9, 2026, the Company resolved to dispose of 398,000 shares of treasury shares through a third-party allocation in conjunction with the introduction of an employee stock incentive plan, "Stock Grant ESOP Trust." On July 29, 2026, The Master Trust Bank of Japan, Ltd. (Stock Grant ESOP Trust Account) acquired 398,000 shares of the Company's shares. The Company's shares remaining in the trust are recorded as treasury shares.

As a result, capital surplus and treasury shares each increased by ¥724,758 thousand during the three months ended August 31, 2026, and as of August 31, 2026, capital surplus was ¥2,567,088 thousand and treasury shares were ¥1,516,315 thousand.

(Additional Information)

(Stock Grant ESOP Trust)

In July 2026, the Company introduced an employee stock incentive plan, the "Stock Grant ESOP Trust" (hereinafter referred to as "the Plan"), for the Company's employees (hereinafter referred to as "eligible employees").

1. Overview of the Plan

The Plan is an employee incentive plan modeled after the U.S. ESOP system, in which the ESOP trust will distribute and provide company shares it has acquired, as well as the equivalent amount of proceeds from the sale of those shares, to eligible employees who meet certain requirements, based on predetermined share distribution regulations. Furthermore, since the entire amount of funds for acquiring the Company's shares through this trust will be contributed by the Company, there will be no burden on the eligible employees. In conjunction with the introduction of the Plan, the Company has allocated 398,000 shares (¥831,422 thousand) of treasury shares to this trust.

2. Shares of the Company remaining in the trust

Shares of the Company that remain in the trust are recorded as treasury shares under net assets at their carrying amount in the trust (excluding the amount of incidental expenses). The carrying amount and number of treasury shares in question are ¥831,422 thousand and 398,000 shares, respectively, as of August 31, 2026.

(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 quarterly consolidated statement of cash flows)

Quarterly consolidated statement of cash flows is not prepared for the period under review. The amounts of depreciation (including amortization related to intangible assets) for the three months ended August 31, 2025 and 2026 are as follows.

	(Thousands of yen)	
	Three months ended August 31, 2025	Three months ended August 31, 2026
Depreciation	123,797	89,625