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February 12, 2025

## Consolidated Financial Results for the Three Months Ended December 31, 2024 (Under Japanese GAAP)

Company name: Needs Well Inc.  
 Listing: Tokyo Stock Exchange  
 Securities code: 3992  
 URL: <https://www.needswell.com/>  
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 Scheduled date of filing quarterly securities report: February 12, 2025  
 Scheduled date of commencing dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: No

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

### 1. Consolidated Financial results for the three months ended December 31, 2024 (from October 1, 2024 to December 31, 2024)

#### (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								
December 31, 2024	2,510	4.9	352	1.2	351	0.6	225	△10.3
December 31, 2023	2,392	18.5	348	45.7	349	45.8	250	56.0

Note: Comprehensive income For the three months ended December 31, 2024: ¥262 million (△1.8%)  
 For the three months ended December 31, 2023: ¥267 million (72.5%)

	Profit per share	Diluted earnings per share
Three months ended	Yen	Yen
December 31, 2024	5.94	–
December 31, 2023	6.57	–

Notes: The Company conducted a stock split on June 1, 2024 at a ratio of 2 shares per share of ordinary shares. The profit per share have been calculated based on the assumption that this stock split was conducted at the beginning of the previous fiscal year.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
December 31, 2024	5,520	4,150	75.0
September 30, 2024	5,653	4,230	74.6

Reference: Equity  
 As of December 31, 2024: ¥4,140 million  
 As of September 30, 2024: ¥4,219 million

## 2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended/ending	Yen	Yen	Yen	Yen	Yen
September 30, 2024	–	0.00	–	9.00	9.00
September 30, 2025	–				
Fiscal year ending September 30, 2025 (Forecast)		0.00	–	12.00	12.00

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

## 3. Consolidated financial results forecast for the fiscal year ending September 30, 2025 (October 1, 2024 to September 30, 2025)

(Percentages indicate 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
Second quarter (cumulative)	5,100	5.7	712	2.1	712	0.1	490	△3.6	12.95
Full year	10,600	11.0	1,400	18.1	1,400	15.9	943	16.4	24.89

Note: Revisions to the forecast of financial results most recently announced: None

\* **Notes**

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

Newly included: – companies (Company name) –

Excluded: – companies (Company name) –

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(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 (ordinary shares)

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

As of December 31, 2024	40,699,200 shares
As of September 30, 2024	40,699,200 shares

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

As of December 31, 2024	2,809,914 shares
As of September 30, 2024	2,798,514 shares

(iii) Average number of shares during the period (cumulative)

Three months ended December 31, 2024	37,891,236 shares
Three months ended December 31, 2023	38,175,484 shares

Note: The Company conducted a stock split on June 1, 2024 at a ratio of 2 shares per share of ordinary shares. The “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 during the period” have been calculated based on the assumption that this stock split was conducted at the beginning of the previous fiscal year.

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts, and other special matters

(Notes on forward-looking statements)

Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors.

## 2. Quarterly consolidated financial statements and major notes

### (1) Quarterly consolidated balance sheet

(Unit: thousands of yen)

	As of September 30, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	2,095,660	1,669,766
Notes and accounts receivable - trade, and contract assets	1,889,463	2,165,097
Merchandise	2,827	2,327
Prepaid expenses	59,146	75,490
Other	8,121	7,232
Allowance for doubtful accounts	△2,341	△2,233
Total current assets	4,052,879	3,917,680
Non-current assets		
Property, plant and equipment		
Buildings and structures	55,536	55,536
Accumulated depreciation	△12,930	△13,899
Buildings and structures, net	42,605	41,636
Furniture and Fixtures	50,136	53,783
Accumulated depreciation	△31,049	△33,429
Furniture and Fixtures, net	19,086	20,354
Land	10,347	10,347
Total property, plant and equipment	72,039	72,338
Intangible assets		
Software	43,247	39,680
Software in progress	3,800	4,160
Goodwill	316,068	302,531
Customer-related intangible assets	352,775	343,570
Other	429	426
Total intangible assets	716,321	690,369
Investments and other assets		
Investment securities	418,893	471,098
Long-term prepaid expenses	70,709	62,956
Deferred tax assets	98,962	82,976
Leasehold and guarantee deposits	143,408	142,361
Insurance funds	76,546	76,546
Other	3,673	3,673
Total investments and other assets	812,193	839,612
Total non-current assets	1,600,555	1,602,320
Total assets	5,653,434	5,520,001

(Unit: thousands of yen)

As of September 30, 2024 As of December 31, 2024

Liabilities		
Current liabilities		
Accounts payable - trade	351,629	408,115
Current portion of long-term borrowings	7,740	7,909
Accounts payable - other	160,583	211,095
Accrued expenses	8,774	10,719
Income taxes payable	232,086	140,563
Accrued consumption taxes	130,956	156,068
Contract liabilities	6,598	6,790
Deposits received	46,086	122,274
Provision for bonuses	298,967	140,744
Provision for bonuses for directors (and other officers)	11,740	2,883
Other	546	131
Total current liabilities	1,255,709	1,207,294
Non-current liabilities		
Long-term borrowings	30,304	28,369
Retirement benefit liability	14,958	14,958
Deferred tax liabilities	122,025	118,841
Total non-current liabilities	167,287	162,168
Total liabilities	1,422,997	1,369,463
Net assets		
Shareholders' equity		
Share capital	908,446	908,446
Capital surplus	794,386	794,386
Retained earnings	3,212,165	3,096,090
Treasury shares	△803,404	△803,404
Total shareholders' equity	4,111,594	3,995,518
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	108,362	144,582
Total accumulated other comprehensive income	108,362	144,582
Non-controlling interests	10,480	10,436
Total net assets	4,230,436	4,150,537
Total liabilities and net assets	5,653,434	5,520,001

(2) Quarterly consolidated statement of income and Quarterly consolidated statement of comprehensive income  
(Quarterly consolidated statement of income)  
(Three Months Ended December 31)

(Unit: thousands of yen)

	Three months ended December 31, 2023 (from October 1, 2023 to December 31, 2023)	Three months ended December 31, 2024 (from October 1, 2024 to December 31, 2024)
Net sales	2,392,995	2,510,233
Cost of sales	1,835,263	1,929,156
Gross profit	557,732	581,077
Selling, general and administrative expenses	209,218	228,269
Operating profit	348,513	352,807
Non-operating income		
Interest income	4	—
Dividend income	—	2,312
Reversal of allowance for doubtful accounts	994	—
Miscellaneous income	384	119
Total non-operating income	1,384	2,431
Non-operating expenses		
Interest expenses	190	108
Loss on extinguishment of Share-based remuneration expenses	—	3,477
Miscellaneous losses	10	8
Total non-operating expenses	200	3,594
Ordinary profit	349,697	351,645
Profit before income taxes	349,697	351,645
Income taxes	98,062	125,524
Profit	251,635	226,121
Profit attributable to non-controlling interests	654	1,090
Profit attributable to owners of parent	250,980	225,030

(Quarterly consolidated statement of comprehensive income)  
(Three Months Ended December 31)

(Unit: thousands of yen)

	Three months ended December 31, 2023 (from October 1, 2023 to December 31, 2023)	Three months ended December 31, 2024 (from October 1, 2024 to December 31, 2024)
Profit	251,635	226,121
Other comprehensive income		
Valuation difference on available-for-sale securities	15,613	36,219
Total other comprehensive income	15,613	36,219
Comprehensive income	267,249	262,341
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	266,594	261,250
Comprehensive income attributable to non-controlling interests	654	1,090

(3) Notes to quarterly consolidated financial statements

(Notes on accounting treatment specific to the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

Tax expenses are reasonably determined based on the amount of profit before income taxes for the three months ended December 31, 2024, and multiplied by the effective tax rate after applying tax effect accounting, estimated for the entire fiscal year ending September 30, 2025.

(Notes on segment information, etc)

This information is omitted because the Group operates a single segment, the information service business, which primarily involves software development and related auxiliary services.

(Notes in the event of significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes to quarterly consolidated statement of cash flows)

Quarterly consolidated statement of cash flows for the three months ended December 31, 2024 has not been prepared. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended December 31, 2024 are as follows.

(Unit: thousands of yen)

	Three months ended December 31, 2023 (from October 1, 2023 to December 31, 2023)	Three months ended December 31, 2024 (from October 1, 2024 to December 31, 2024)
Depreciation	18,996	18,920
Amortization of goodwill	13,537	13,537