

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on IFRS)

August 5, 2021

Company name: BUSINESS BRAIN SHOWA・OTA INC.  
 Stock exchange listing: Tokyo  
 Securities code: 9658 URL <https://www.bbs.co.jp>  
 Representative: President Kazuhiro Komiya  
 Director and Management Executive  
 Inquiries: Officer Management Department Hitoshi Uehara TEL 03-3507-1302  
 Scheduled date to file Quarterly Securities Report: August 12, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts are rounded off to the nearest million yen)

### 1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2021	7,372	5.6	556	5.4	574	1.7	357	5.3	342	1.9	358	0.9
Three months ended June 30, 2020	6,979	–	527	–	565	–	339	–	336	–	355	–

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	28.97		28.35	
Three months ended June 30, 2020	28.62		–	

#### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of June 30, 2021	22,104	11,255	10,837	49.0
As of March 31, 2021	22,786	11,043	10,630	46.7

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	–	15.00	–	15.00	30.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	16.00	–	16.00	32.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2021	14,500	–	850	–	850	–	500	–	500	–	42.47
Full year	31,000	6.3	2,100	(4.5)	2,100	(9.2)	1,350	(15.6)	1,350	(13.1)	114.68

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2021  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies and changes in accounting estimates  
Changes in accounting policies required by IFRS: No  
Changes in accounting policies due to other reasons: No  
Changes in accounting estimates: No

(3) Number of issued shares (ordinary shares)

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

As of June 30, 2021	16,000,000 shares	As of March 31, 2021	16,000,000 shares
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Number of treasury shares at end of period

As of June 30, 2021	4,168,414 shares	As of March 31, 2021	4,194,948 shares
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Average number of shares during period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	11,815,120 shares	Three months ended June 30, 2020	11,740,640 shares
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**Condensed quarterly consolidated financial statements**  
**Condensed quarterly consolidated statement of financial position**

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and cash equivalents	8,262,408	7,154,980
Trade and other receivables	4,310,966	3,189,482
Contract assets	1,545,148	2,435,134
Other financial assets	703,415	703,201
Inventories	151,330	190,918
Other current assets	993,024	1,174,685
Total current assets	15,966,291	14,848,400
Non-current assets		
Property, plant and equipment	347,884	355,187
Right-of-use assets	1,698,118	1,727,334
Goodwill	106,500	106,500
Intangible assets	424,092	418,317
Investments accounted for using equity method	101,853	95,538
Other financial assets	2,366,598	2,753,059
Deferred tax assets	1,754,325	1,779,460
Retirement benefit asset	13,942	14,046
Other non-current assets	6,057	6,563
Total non-current assets	6,819,369	7,256,004
Total assets	22,785,660	22,104,404

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	42,900	42,900
Lease liabilities	369,341	309,051
Trade and other payables	1,777,621	1,450,540
Other financial liabilities	198,979	378,399
Income taxes payable	743,450	230,106
Provisions	56,375	47,761
Contract liabilities	951,263	1,202,979
Other current liabilities	2,828,191	2,251,452
Total current liabilities	6,968,120	5,913,188
Non-current liabilities		
Borrowings	314,770	304,271
Lease liabilities	1,357,385	1,444,214
Other financial liabilities	62,976	62,976
Retirement benefit liability	2,348,876	2,329,182
Provisions	147,396	211,431
Liability for stock-based compensation	208,047	237,868
Other non-current liabilities	335,472	346,208
Total non-current liabilities	4,774,922	4,936,150
Total liabilities	11,743,042	10,849,338
Equity		
Share capital	2,233,490	2,233,490
Capital surplus	2,567,169	2,597,083
Retained earnings	6,836,104	7,000,985
Treasury shares	(1,092,091)	(1,081,481)
Other components of equity	85,352	86,677
Total equity attributable to owners of parent	10,630,024	10,836,754
Non-controlling interests	412,594	418,312
Total equity	11,042,618	11,255,066
Total liabilities and equity	22,785,660	22,104,404

**Condensed quarterly consolidated statements of income and condensed quarterly consolidated statements of comprehensive income**  
**Condensed quarterly consolidated statements of income**

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Revenue	6,979,278	7,372,318
Cost of sales	5,513,189	5,700,623
Gross profit	1,466,089	1,671,695
Selling, general and administrative expenses	943,642	1,123,163
Other income	4,678	7,212
Other expenses	191	140
Operating profit	526,934	555,604
Finance income	38,952	29,459
Finance costs	8,147	4,598
Share of profit (loss) of investments accounted for using equity method	7,037	(6,315)
Profit before tax	564,776	574,150
Income tax expense	225,619	217,150
Profit	339,157	357,000
Profit attributable to		
Owners of parent	336,061	342,317
Non-controlling interests	3,096	14,683
Profit	339,157	357,000
Earnings per share		
Basic earnings per share	28.62	28.97
Diluted earnings per share	–	28.35

## Condensed quarterly consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	339,157	357,000
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	21,911	192
Total of items that will not be reclassified to profit or loss	21,911	192
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(5,854)	1,133
Total of items that may be reclassified to profit or loss	(5,854)	1,133
Other comprehensive income, net of tax	16,057	1,325
Comprehensive income	355,214	358,325
Comprehensive income attributable to		
Owners of parent	351,810	343,642
Non-controlling interests	3,404	14,683
Comprehensive income	355,214	358,325

## Condensed quarterly consolidated statement of changes in equity

Three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(Thousands of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
Balance at April 1, 2020	2,233,490	2,470,366	5,627,212	(1,111,177)	3,801	42,047
Profit			336,061			
Other comprehensive income					(5,662)	21,411
Comprehensive income	–	–	336,061	–	(5,662)	21,411
Purchase of treasury shares				(28)		
Disposal of treasury shares				18,121		
Dividends			(170,850)			
Share-based payment transactions		24,454		(12,732)		
Other			(206)			
Total transactions with owners	–	24,454	(171,056)	5,361	–	–
Balance at June 30, 2020	2,233,490	2,494,820	5,792,217	(1,105,816)	(1,861)	63,458

	Equity attributable to owners of parent		Non-controlling interests	Total
	Other components of equity	Total		
	Total			
Balance at April 1, 2020	45,848	9,265,739	325,203	9,590,942
Profit	–	336,061	3,096	339,157
Other comprehensive income	15,749	15,749	308	16,057
Comprehensive income	15,749	351,810	3,404	355,214
Purchase of treasury shares	–	(28)		(28)
Disposal of treasury shares	–	18,121		18,121
Dividends	–	(170,850)	(6,540)	(177,390)
Share-based payment transactions	–	11,722	38	11,760
Other	–	(206)	204	(2)
Total transactions with owners	–	(141,241)	(6,298)	(147,539)
Balance at June 30, 2020	61,597	9,476,308	322,309	9,798,617

Three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(Thousands of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
Balance at April 1, 2021	2,233,490	2,567,169	6,836,104	(1,092,091)	(712)	86,065
Profit			342,317			
Other comprehensive income					1,300	25
Comprehensive income	–	–	342,317	–	1,300	25
Purchase of treasury shares						
Disposal of treasury shares				20,174		
Dividends			(177,076)			
Share-based payment transactions		29,786		(9,564)		
Other		128	(360)			
Total transactions with owners	–	29,914	(177,436)	10,610	–	–
Balance at June 30, 2021	2,233,490	2,597,083	7,000,985	(1,081,481)	588	86,090

	Equity attributable to owners of parent		Non-controlling interests	Total
	Other components of equity	Total		
	Total			
Balance at April 1, 2021	85,352	10,630,024	412,594	11,042,618
Profit	–	342,317	14,683	357,000
Other comprehensive income	1,325	1,325		1,325
Comprehensive income	1,325	343,642	14,683	358,325
Purchase of treasury shares	–	–		–
Disposal of treasury shares	–	20,174		20,174
Dividends	–	(177,076)	(11,151)	(188,227)
Share-based payment transactions	–	20,223	247	20,470
Other	–	(232)	1,939	1,707
Total transactions with owners	–	(136,912)	(8,965)	(145,877)
Balance at June 30, 2021	86,677	10,836,754	418,312	11,255,066