

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on IFRS)

July 29, 2022

Company name: BUSINESS BRAIN SHOWA・OTA INC.  
 Stock exchange listing: Tokyo  
 Securities code: 9658 URL <https://www.bbs.co.jp>  
 Representative: President Kazuhiro Komiya  
 Senior Executive Officer  
 Inquiries: General Manager Hitoshi Uehara TEL 03-3507-1302  
 Administration Division  
 Scheduled date to file Quarterly Securities Report: August 10, 2022  
 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, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	8,406	14.0	488	(12.1)	481	(16.2)	289	(19.2)	252	(26.4)	282	(21.3)
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

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	21.13		20.51	
Three months ended June 30, 2021	28.97		28.35	

(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, 2022	27,499	14,006	12,871	46.8
As of March 31, 2022	28,296	14,042	12,892	45.6

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, 2022	–	16.00	–	29.00	45.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	22.00	–	23.00	45.00

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

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, 2022	17,000	13.1	1,300	11.4	1,300	7.9	850	7.6	770	2.4	59.84
Full year	36,000	11.3	3,000	9.3	3,000	7.4	2,000	10.5	1,800	2.0	151.70

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2022  
(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: Yes  
 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, 2022	12,725,000 shares	As of March 31, 2022	12,725,000 shares
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Number of treasury shares at end of period

As of June 30, 2022	784,776 shares	As of March 31, 2022	814,066 shares
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Average number of shares during period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	11,923,796 shares	Three months ended June 30, 2021	11,815,120 shares
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**Condensed quarterly consolidated financial statements**  
**Condensed quarterly consolidated statement of financial position**

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and cash equivalents	8,638,501	8,609,059
Trade and other receivables	5,618,471	3,651,860
Contract assets	2,285,913	3,098,209
Other financial assets	403,411	408,122
Inventories	133,804	195,638
Other current assets	1,372,443	1,547,712
Total current assets	18,452,543	17,510,600
Non-current assets		
Property, plant and equipment	953,856	908,729
Right-of-use assets	3,726,122	3,576,758
Goodwill	311,214	527,380
Intangible assets	453,061	466,064
Investments accounted for using equity method	115,141	125,009
Other financial assets	2,494,721	2,468,002
Deferred tax assets	1,773,261	1,901,139
Retirement benefit asset	8,921	8,429
Other non-current assets	7,062	7,315
Total non-current assets	9,843,359	9,988,825
Total assets	28,295,902	27,499,425

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	56,024	160,196
Lease liabilities	687,952	693,844
Trade and other payables	2,328,388	1,963,469
Other financial liabilities	325,648	569,464
Income taxes payable	905,507	253,515
Provisions	80,225	55,982
Contract liabilities	1,185,536	1,569,326
Other current liabilities	3,117,247	2,634,691
Total current liabilities	8,686,527	7,900,487
Non-current liabilities		
Borrowings	308,522	327,254
Lease liabilities	3,076,269	2,923,729
Other financial liabilities	68,131	119,273
Retirement benefit liability	1,303,792	1,377,021
Provisions	238,931	240,620
Non-Current liability for stock benefit	234,942	256,091
Other non-current liabilities	337,099	348,836
Total non-current liabilities	5,567,686	5,592,824
Total liabilities	14,254,213	13,493,311
Equity		
Share capital	2,233,490	2,233,490
Capital surplus	2,524,396	2,585,951
Retained earnings	8,232,240	8,138,385
Treasury shares	(196,795)	(186,066)
Other components of equity	98,589	98,962
Total equity attributable to owners of parent	12,891,920	12,870,722
Non-controlling interests	1,149,768	1,135,392
Total equity	14,041,689	14,006,114
Total liabilities and equity	28,295,902	27,499,425

**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, 2021	Three months ended June 30, 2022
Revenue	7,372,318	8,405,843
Cost of sales	5,700,623	6,516,488
Gross profit	1,671,695	1,889,355
Selling, general and administrative expenses	1,123,163	1,406,102
Other income	7,212	5,277
Other expenses	140	334
Operating profit	555,604	488,196
Finance income	29,459	14,541
Finance costs	4,598	31,369
Share of profit (loss) of investments accounted for using equity method	(6,315)	9,869
Profit before tax	574,150	481,237
Income tax expense	217,150	192,607
Profit	357,000	288,630
Profit attributable to		
Owners of parent	342,317	251,945
Non-controlling interests	14,683	36,685
Profit	357,000	288,630
Earnings per share		
Basic earnings per share	28.97	21.13
Diluted earnings per share	28.35	20.51

## Condensed quarterly consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	357,000	288,630
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	192	(10,911)
Total of items that will not be reclassified to profit or loss	192	(10,911)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,133	4,408
Total of items that may be reclassified to profit or loss	1,133	4,408
Other comprehensive income, net of tax	1,325	(6,503)
Comprehensive income	358,325	282,127
Comprehensive income attributable to		
Owners of parent	343,642	252,318
Non-controlling interests	14,683	29,809
Comprehensive income	358,325	282,127

## Condensed quarterly consolidated statement of changes in equity

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
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	0	1,325
Comprehensive income	1,325	343,642	14,683	358,325
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

Three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	2,233,490	2,524,396	8,232,240	(196,795)	3,363	95,227
Profit			251,945			
Other comprehensive income					4,668	(4,295)
Comprehensive income	–	–	251,945	–	4,668	(4,295)
Purchase of treasury shares				(63)		
Disposal of treasury shares				23,938		
Dividends			(345,417)			
Share-based payment transactions		35,736		(13,146)		
Changes in ownership interest in subsidiaries		25,791				
Other		28	(383)			
Total transactions with owners	–	61,555	(345,800)	10,729	–	–
Balance at June 30, 2022	2,233,490	2,585,951	8,138,385	(186,066)	8,031	90,932

	Equity attributable to owners of parent		Non-controlling interests	Total
	Other components of equity	Total		
	Total			
Balance at April 1, 2022	98,589	12,891,920	1,149,768	14,041,689
Profit	–	251,945	36,685	288,630
Other comprehensive income	373	373	(6,876)	(6,503)
Comprehensive income	373	252,318	29,809	282,127
Purchase of treasury shares	–	(63)		(63)
Disposal of treasury shares	–	23,938		23,938
Dividends	–	(345,417)	(22,868)	(368,285)
Share-based payment transactions	–	22,590	4,829	27,419
Changes in ownership interest in subsidiaries	–	25,791	(26,500)	(709)
Other	–	(355)	354	(2)
Total transactions with owners	–	(273,516)	(44,185)	(317,702)
Balance at June 30, 2022	98,962	12,870,722	1,135,392	14,006,114