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Consolidated financial results for the Fiscal year ended February 28, 2023  
[IFRS]

April 12, 2023

Company name : BELLSYSTEM 24 Holdings, Inc. Stock exchange listing : Tokyo  
 Stock exchange code : 6183 URL : <https://www.bell24.co.jp/en/>  
 Representative : Shunsuke Noda, President and Chief Executive Officer  
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 Scheduled date of Ordinary General Meeting of Shareholders : May 26, 2023  
 Scheduled date of filing of annual securities reports : May 26, 2023  
 Scheduled date of start of dividend payment : May 29, 2023  
 Supplementary documents for financial results : Yes  
 Financial results briefing : Yes

(Figures are rounded to the nearest million yen)

1. Consolidated financial results for the Fiscal year ended February 28, 2023  
(From March 1, 2022 to February 28, 2023)

(1) Consolidated operating results

(Percentages represent year-on-year changes)

	Revenue		Operating income		Income before income taxes		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2023	156,054	6.5	14,917	12.7	14,157	5.1	9,586	4.9
Fiscal year ended February 28, 2022	146,479	7.9	13,234	12.2	13,463	19.1	9,138	24.4

	Net income attributable to owners of the parent		Total Comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal year ended February 28, 2023	9,330	4.3	9,888	6.2	126.82	126.00
Fiscal year ended February 28, 2022	8,943	23.3	9,311	29.5	121.65	120.77

	Ratio of Net income attributable to owners of the parent	Ratio of Income before income taxes to total assets	Ratio of operating income to revenue
	%	%	%
Fiscal year ended February 28, 2023	15.1	8.0	9.6
Fiscal year ended February 28, 2022	16.0	7.7	9.0

(Reference) Equity in earnings (losses) of affiliates

Fiscal year ended February 28, 2023 : (297) Million yen Fiscal year ended February 28, 2022 : 808 Million yen

(2) Consolidated financial position

	Total asset	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity per share attributable to owners of the parent
	Millions of yen	Millions of yen	Millions of yen	%	yen
As of February 28, 2023	176,250	64,911	64,224	36.4	873.05
As of February 28, 2022	178,312	59,489	58,986	33.1	801.91

(3) Consolidated Cash flows

	Operating activities	Investment activities	Financial activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended February 28, 2023	18,172	(1,803)	(15,583)	6,998
Fiscal year ended February 28, 2022	16,278	(2,431)	(13,181)	6,196

2. Dividend

	Dividend per share					Total dividends paid (annual)	Payout ratio (consolidated)	Ratio of dividends to equity attribute to owners of the parent (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended February 28, 2022	—	24.0	—	30.0	54.0	3,980	44.4	7.1
Fiscal year ended February 28, 2023	—	30.0	—	30.0	60.0	4,422	47.3	7.2
Fiscal year ended February 29, 2024 (planned)	—	30.0	—	30.0	60.0		50.2	

3 . Consolidated financial results forecast for the fiscal year ending February 29, 2024

(From March 1, 2023 to February 29, 2024)

(Percentages represent changes from the same period of previous fiscal year)

	Revenue		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 29, 2024	157,000	0.6	13,800	(7.5)	13,400	(5.3)	9,100	(5.1)	8,800	(5.7)	119.63

(Notes)

(1) Changes in status of significant subsidiaries during the period

(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No

(2) Changes in accounting policies and accounting estimates

- ① Changes in accounting policies required by IFRS : No  
② Changes in accounting policies other than ① above : No  
③ Changes in accounting estimates : No

(3) Number of issued shares (common share)

① Number of issued shares at the end of the period (including treasury shares):

As of February 28, 2023 : 73,715,734 shares

As of February 28, 2022 : 73,715,734 shares

② Number of treasury shares at the end of period:

As of February 28, 2023 : 154,106 shares

As of February 28, 2022 : 160,522 shares

③ Average number of shares:

Fiscal year ended February 28, 2023 : 73,560,459 shares

Fiscal year ended February 28, 2022 : 73,524,205 shares

## NON CONSOLIDATED FINANCIAL RESULTS

The non-consolidated financial results and financial position were prepared in accordance with generally accepted accounting principles in Japan ("JGAAP").

(1) Non-consolidated Operating Results (From March 1, 2022 to February 28, 2023)

	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2023	16,420	(15.1)	2,180	(58.8)	2,253	(55.2)	174	(94.1)
Fiscal year ended February 28, 2022	19,351	(6.6)	5,292	(22.2)	5,025	(23.9)	2,947	233.1

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Fiscal year ended February 28, 2023	2.36		2.34	
Fiscal year ended February 28, 2022	40.10		39.81	



Condensed Interim Consolidated Financial Statements

( 1 ) Condensed Interim Consolidated Statement of Financial Position (Unaudited)

	As of February 28, 2022	(Millions of yen) As of February 28, 2023
Assets		
Current assets		
Cash and cash equivalents	6,196	6,998
Trade and other receivables	21,181	21,232
Other financial assets	289	944
Other current assets	1,143	1,499
Total current assets	28,809	30,673
Non-current assets		
Property, plant and equipment	40,067	37,007
Goodwill	94,900	94,900
Intangible assets	2,064	1,668
Investments accounted for using the equity method	2,641	2,181
Deferred tax assets	2,806	2,985
Other financial assets	6,940	6,509
Other non-current assets	85	327
Total non-current assets	149,503	145,577
Total assets	178,312	176,250

	As of February 28, 2022	(Millions of yen) As of February 28, 2023
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	6,691	7,634
Borrowings	37,481	16,600
Income taxes payable	2,222	2,775
Liabilities for employee benefits	12,005	11,473
Other financial liabilities	6,095	5,375
Other current liabilities	2,909	2,381
Total current liabilities	<u>67,403</u>	<u>46,238</u>
Non-current liabilities		
Borrowings	21,971	38,221
Provisions	2,211	2,520
Liabilities for employee benefits	652	715
Deferred tax liabilities	8	—
Other financial liabilities	26,569	23,624
Other non-current liabilities	9	21
Total non-current liabilities	<u>51,420</u>	<u>65,101</u>
Total liabilities	<u>118,823</u>	<u>111,339</u>
Equity		
Common stock	27,079	27,079
Capital surplus	3,478	1,268
Other components of equity	(57)	325
Retained earnings	28,783	35,837
Treasury shares	(297)	(285)
Total equity attributable to owners of the parent	<u>58,986</u>	<u>64,224</u>
Non-controlling interest	503	687
Total equity	<u>59,489</u>	<u>64,911</u>
Total liabilities and equity	<u><u>178,312</u></u>	<u><u>176,250</u></u>

## ( 2 ) Condensed Interim Consolidated Statement of Income (Unaudited)

	(Millions of yen)	
	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Revenue	146,479	156,054
Cost of sales	(116,222)	(124,092)
Gross profit	30,257	31,962
Selling, general and administrative expenses	(16,571)	(17,231)
Other income	304	262
Other expenses	(756)	(76)
Operating income	13,234	14,917
Share of profit(loss) of investments accounted for using the equity method	808	(297)
Financial income	50	94
Financial costs	(629)	(557)
Income before income taxes	13,463	14,157
Income taxes	(4,325)	(4,571)
Net income	9,138	9,586
Net income attributable to:		
Owners of the parent	8,943	9,330
Non-controlling interest	195	256
Net income	9,138	9,586
Earnings per share		
(attributable to the parent)		(yen)
Basic	121.65	126.82
Diluted	120.77	126.00

## (3) Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited)

	(Millions of yen)	
	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Net income	9,138	9,586
Other comprehensive income, net of tax		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	98	182
Share of other comprehensive income of investments accounted for using equity method	—	(24)
Total items that will not be reclassified to profit or loss	98	158
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	10	12
Share of other comprehensive income of investments accounted for using equity method	65	132
Total Items that may be reclassified to profit or loss	75	144
Total other comprehensive income, net of tax	173	302
Total comprehensive income	9,311	9,888
Comprehensive income attributable to :		
Owner of the parent	9,116	9,632
Non-controlling interest	195	256
Total comprehensive income	9,311	9,888



## (4) Condensed Interim Consolidated Statement of Change in Equity (Unaudited)

Fiscal year ended February 28, 2022

	Equity attributable to owner of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Other components of equity	Retained earnings	Treasury shares	total		
As of March 1, 2021	27,049	3,448	(235)	23,148	(297)	53,113	397	53,510
Net income	—	—	—	8,943	—	8,943	195	9,138
Other comprehensive income	—	—	173	—	—	173	—	173
Total comprehensive income	—	—	173	8,943	—	9,116	195	9,311
Share-based payments	—	—	19	—	—	19	—	19
Exercise of share acquisition rights	30	30	(14)	—	—	46	—	46
Dividends paid	—	—	—	(3,308)	—	(3,308)	(89)	(3,397)
Total transaction with owners	30	30	5	(3,308)	—	(3,243)	(89)	(3,332)
As of February 28, 2022	27,079	3,478	(57)	28,783	(297)	58,986	503	59,489

Fiscal year ended February 28, 2023

	Equity attributable to owner of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Other components of equity	Retained earnings	Treasury shares	total		
As of March 1, 2022	27,079	3,478	(57)	28,783	(297)	58,986	503	59,489
Net income	—	—	—	9,330	—	9,330	256	9,586
Other comprehensive income	—	—	302	—	—	302	—	302
Total comprehensive income	—	—	302	9,330	—	9,632	256	9,888
Share-based payments	—	—	11	—	—	11	—	11
Dividends paid	—	(2,207)	—	(2,207)	—	(4,414)	(170)	(4,584)
Transfer from other components of equity to retained earnings	—	—	69	(69)	—	—	—	—
Disposal of treasury shares	—	(3)	—	—	12	9	—	9
Transactions with non-controlling interests	—	—	—	—	—	—	98	98
Total transaction with owners	—	(2,210)	80	(2,276)	12	(4,394)	(72)	(4,466)
As of February 28, 2023	27,079	1,268	325	35,837	(285)	64,224	687	64,911

## (5) Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

	(Millions of yen)	
	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Cash flows from operating activities:		
Income before income taxes	13,463	14,157
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	7,291	7,719
amortization	951	731
Impairment losses	496	—
Loss on disposal or sales of property, plant and equipment	208	49
Share of (profit) loss of investments accounted for using the equity method	(808)	297
Financial income	(50)	(94)
Financial cost	629	557
Decrease (increase) in trade and other receivables	(1,537)	(50)
Increase (decrease) in trade and other payable	487	721
Increase (decrease) in payable for consumption tax	(970)	(448)
Other, net	1,472	(972)
Sub total	21,632	22,667
Interest and dividends received	127	399
Interest paid	(567)	(475)
Income taxes paid	(4,914)	(4,419)
Net cash provided by (used in) operating activities	16,278	18,172
Cash flows from investing activities:		
Purchase of property, plant and equipment	(1,654)	(1,408)
Purchase of intangible assets	(418)	(363)
Purchase of securities	(106)	(531)
Proceeds from sale of investment securities	26	1,440
Transfer to escrow account	—	(717)
Payments for guarantee deposits	(542)	(253)
Proceeds from guarantee deposits	257	49
Payments for asset retirement obligations	(139)	—
Other, net	145	(20)
Net cash used in investing activities	(2,431)	(1,803)

	(Millions of yen)	
	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Cash flows from financial activities		
Increase (decrease) in short-term borrowings	(800)	5,100
Proceeds from long-term borrowings	12,000	24,000
Repayment of long-term borrowings	(14,936)	(33,781)
Dividends paid	(3,308)	(4,414)
Dividends paid to non-controlling interests	(89)	(170)
Capital contribution from non-controlling interests	—	98
Proceeds from issuance of shares	44	—
Proceeds from sale of treasury shares	—	5
Repayments of Lease liability	(6,092)	(6,421)
Net cash provided by (used in) financial activities	<u>(13,181)</u>	<u>(15,583)</u>
Effect of exchange rate change on cash and cash equivalents	12	16
Net increase (decrease) in cash and cash equivalents	<u>678</u>	<u>802</u>
Cash and cash equivalents at the beginning of the period	<u>5,518</u>	<u>6,196</u>
Cash and cash equivalents at the end of the period	<u><u>6,196</u></u>	<u><u>6,998</u></u>