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## Consolidated Financial Results for the Year Ended February 28, 2023 <under Japanese GAAP>

April 14, 2023

Company name: **RPA Holdings, Inc.**  
 Listing: Tokyo Stock Exchange  
 Stock code: 6572  
 URL: <https://rpa-holdings.com/en/>  
 Representative: Tomomichi Takahashi, Representative Director  
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 TEL: +81-3-5157-6388  
 Scheduled date of the ordinary general meeting of shareholders: May 26, 2023  
 Scheduled date of the commencement of dividend payment: –  
 Scheduled date of the submission of annual securities report: May 26, 2023  
 Preparation of supplementary materials on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

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

### 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 indicate year-on-year changes.)

Fiscal year ended	Net sales		EBITDA*		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2023	5,957	0.9	677	(38.4)	305	(13.8)	80	(73.1)	64	–
February 28, 2022	5,904	–	1,099	–	354	–	300	–	(1,186)	–

Note: Comprehensive income: Fiscal year ended February 28, 2023 ¥89 million [–%]  
 Fiscal year ended February 28, 2022 ¥(1,191) million [–%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Operating margin
	Yen	Yen	%	%	%
February 28, 2023	1.06	1.04	0.6	0.4	5.1
February 28, 2022	(19.36)	–	(9.6)	1.7	6.0

(Reference) Share of profit (loss) of entities accounted for using equity method:

Fiscal year ended February 28, 2023 ¥(122) million  
 Fiscal year ended February 28, 2022 ¥(5) million

\* EBITDA (Ordinary profit + Depreciation + Amortization of goodwill + Interest expenses)

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the current fiscal year, and each figure for the fiscal year ended February 28, 2022, is the figure after retrospectively applying the accounting standard and relevant ASBJ regulations. Accordingly, the percentages indicating the year-on-year changes for the fiscal year ended February 28, 2022, are not shown.

#### (2) Consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
February 28, 2023	18,467	11,514	62.2	189.75
February 28, 2022	17,720	11,600	65.4	189.92

(Reference) Equity capital: As of February 28, 2023 ¥11,492 million  
As of February 28, 2022 ¥11,583 million

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the current fiscal year, and each figure as of February 28, 2022, is the figure after retrospectively applying the accounting standard and relevant ASBJ regulations.

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended February 28, 2023	760	(2,646)	(3)	11,213
February 28, 2022	607	(973)	60	13,101

## 2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2022	–	0.00	–	0.00	0.00
Fiscal year ended February 28, 2023	–	0.00	–	0.00	0.00
Fiscal year ending February 29, 2024 (Forecast)	–	–	–	–	–

	Total annual dividends	Payout ratio (consolidated)	Dividends on net assets (consolidated)
	Millions of yen	%	%
Fiscal year ended February 28, 2022	–	–	–
Fiscal year ended February 28, 2023	–	–	–
Fiscal year ending February 29, 2024 (Forecast)		–	

Note: In its Articles of Incorporation, the Company has designated the last day of its second quarter and the last day of its fiscal year as dividend record dates, but it has not yet formulated a forecast of the dividends to which said record dates will apply.

## 3. Consolidated earnings forecasts for the fiscal year ending February 29, 2024 (from March 1, 2023 to February 29, 2024)

(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
Six months ending August 31, 2023	3,000	3.5	100	131.9	66	–	30	–	0.50
Fiscal year ending February 29, 2024	6,600	10.8	500	63.5	430	433.5	190	194.5	3.14

\* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes due to revision to accounting standards, etc.: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Number of issued shares as of the end of the period (including treasury shares)

As of February 28, 2023	61,995,000 shares
As of February 28, 2022	61,930,000 shares

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

As of February 28, 2023	1,428,405 shares
As of February 28, 2022	940,300 shares

(iii) Average number of shares outstanding during the period

For the fiscal year ended February 28, 2023	60,630,439 shares
For the fiscal year ended February 28, 2022	61,299,416 shares

**Reference: Summary of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended February 28, 2023  
(from March 1, 2022 to February 28, 2023)**

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
February 28, 2023	1,341	(15.5)	383	(41.5)	359	(47.2)	(112)	—
February 28, 2022	1,587	(3.4)	655	(5.0)	679	(7.9)	(1,464)	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
February 28, 2023	(1.85)	—
February 28, 2022	(23.88)	—

Note: The dividend income received by the Company from consolidated subsidiaries during the fiscal year under review decreased year on year. As a result, there were differences compared to the actual results for the previous fiscal year. Profit increased year on year due to a decrease in extraordinary losses related to loss on valuation of shares of subsidiaries and associates and shares of investee companies recorded in the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2023	15,270	11,365	74.4	187.56
February 28, 2022	15,336	11,633	75.8	190.66

(Reference) Equity capital: As of February 28, 2023 ¥11,360 million  
As of February 28, 2022 ¥11,628 million

**\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.**

**\* Proper use of earnings forecasts and other special items**

The forward-looking statements contained in these materials, including the earnings forecasts, are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual financial results may differ significantly from the forecasts for various reasons.

**Consolidated Financial Statements****(1) Consolidated balance sheet**

(Thousands of yen)

	As of February 28, 2022	As of February 28, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	12,623,491	11,213,927
Accounts receivable - trade	1,771,357	2,443,758
Work in process	12,016	13,720
Prepaid expenses	201,412	180,812
Other	788,375	226,076
Total current assets	15,396,652	14,078,295
Non-current assets		
Property, plant and equipment		
Buildings	56,624	56,624
Accumulated depreciation	(9,401)	(14,307)
Buildings, net	47,222	42,317
Tools, furniture and fixtures	126,937	143,823
Accumulated depreciation	(55,181)	(77,721)
Tools, furniture and fixtures, net	71,756	66,101
Total property, plant and equipment	118,978	108,418
Intangible assets		
Goodwill	570,397	363,222
Software	659,772	487,415
Software in progress	68,951	145,803
Other	72	72
Total intangible assets	1,299,193	996,514
Investments and other assets		
Investment securities	392,241	2,886,933
Leasehold deposits	227,645	211,886
Deferred tax assets	286,220	185,520
Total investments and other assets	906,107	3,284,340
Total non-current assets	2,324,280	4,389,273
Total assets	17,720,933	18,467,569

(Thousands of yen)

	As of February 28, 2022	As of February 28, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	1,342,354	1,885,011
Short-term borrowings	1,500,000	1,500,000
Current portion of bonds payable	324,000	424,000
Current portion of long-term borrowings	287,196	279,296
Accounts payable - other	193,701	227,619
Income taxes payable	185,388	154,083
Provision for bonuses	68,218	89,700
Other	727,446	804,070
Total current liabilities	4,628,304	5,363,781
Non-current liabilities		
Bonds payable	752,000	1,128,000
Long-term borrowings	740,143	460,847
Total non-current liabilities	1,492,143	1,588,847
Total liabilities	6,120,447	6,952,628
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,900,441	5,902,391
Capital surplus	6,036,560	6,038,918
Retained earnings	(32,648)	31,870
Treasury shares	(321,260)	(499,650)
Total shareholders' equity	11,583,093	11,473,530
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-	18,816
Total accumulated other comprehensive income	-	18,816
Share acquisition rights	5,263	5,263
Non-controlling interests	12,129	17,330
Total net assets	11,600,485	11,514,940
Total liabilities and net assets	17,720,933	18,467,569

(2) Consolidated statement of income and comprehensive income  
**Consolidated statement of income**

(Thousands of yen)

	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Net sales	5,904,674	5,957,823
Cost of sales	2,184,669	2,268,622
Gross profit	3,720,005	3,689,200
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	130,600	137,048
Salaries and allowances	813,124	795,872
Outsourcing expenses	577,708	603,290
Provision for bonuses	67,120	89,220
Amortization of goodwill	405,383	195,062
Other	1,371,416	1,562,857
Total selling, general and administrative expenses	3,365,353	3,383,351
Operating profit	354,651	305,849
Non-operating income		
Interest and dividend income	2,332	122
Foreign exchange gains	840	1,214
Gain on sale of investment securities	–	3,205
Other	647	1,068
Total non-operating income	3,821	5,611
Non-operating expenses		
Interest expenses	21,378	17,514
Commission expenses	993	2,332
Loss on investments in investment partnerships	19,648	65,084
Share of loss of entities accounted for using equity method	5,255	122,496
Bond issuance costs	7,632	12,264
Other	3,376	11,164
Total non-operating expenses	58,284	230,857
Ordinary profit	300,188	80,603
Extraordinary income		
Gain on sale of businesses	40,000	–
Gain on change in equity	–	466,460
Total extraordinary income	40,000	466,460
Extraordinary losses		
Impairment losses	649,847	132,462
Loss on valuation of investment securities	601,105	49,999
Total extraordinary losses	1,250,953	182,462
Profit (loss) before income taxes	(910,764)	364,601
Income taxes - current	282,436	192,775
Income taxes - deferred	(1,337)	100,699
Total income taxes	281,099	293,475
Profit (loss)	(1,191,864)	71,126
Profit (loss) attributable to non-controlling interests	(5,261)	6,607
Profit (loss) attributable to owners of parent	(1,186,603)	64,519

**Consolidated statement of comprehensive income**

(Thousands of yen)

	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Profit (loss)	(1,191,864)	71,126
Other comprehensive income		
Valuation difference on available-for-sale securities	–	18,816
Total other comprehensive income	–	18,816
Comprehensive income	(1,191,864)	89,942
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,186,603)	83,335
Comprehensive income attributable to non-controlling interests	(5,261)	6,607



(3) Consolidated statement of changes in equity  
Fiscal year ended February 28, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,888,936	6,025,055	1,222,858	–	13,136,851
Cumulative effects of changes in accounting policies			(68,903)		(68,903)
Restated balance	5,888,936	6,025,055	1,153,955	–	13,067,947
Changes during period					
Issuance of new shares - exercise of share acquisition rights	11,505	11,505			23,010
Loss attributable to owners of parent			(1,186,603)		(1,186,603)
Purchase of treasury shares				(321,260)	(321,260)
Disposal of treasury shares					–
Purchase of shares of consolidated subsidiaries					–
Net changes in items other than shareholders' equity					
Total changes during period	11,505	11,505	(1,186,603)	(321,260)	(1,484,853)
Balance at end of period	5,900,441	6,036,560	(32,648)	(321,260)	11,583,093

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Accumulated other comprehensive income			
Balance at beginning of period	–	–	5,263	–	13,142,114
Cumulative effects of changes in accounting policies					(68,903)
Restated balance	–	–	5,263	–	13,073,210
Changes during period					
Issuance of new shares - exercise of share acquisition rights					23,010
Loss attributable to owners of parent					(1,186,603)
Purchase of treasury shares					(321,260)
Disposal of treasury shares					–
Purchase of shares of consolidated subsidiaries					–
Net changes in items other than shareholders' equity	–	–	–	12,129	12,129
Total changes during period	–	–	–	12,129	(1,472,724)
Balance at end of period	–	–	5,263	12,129	11,600,485

Fiscal year ended February 28, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,900,441	6,036,560	(32,648)	(321,260)	11,583,093
Changes during period					
Issuance of new shares - exercise of share acquisition rights	1,950	1,950			3,900
Profit attributable to owners of parent			64,519		64,519
Purchase of treasury shares				(183,936)	(183,936)
Disposal of treasury shares		(508)		5,547	5,038
Purchase of shares of consolidated subsidiaries		916			916
Net changes in items other than shareholders' equity					
Total changes during period	1,950	2,357	64,519	(178,389)	(109,562)
Balance at end of period	5,902,391	6,038,918	31,870	(499,650)	11,473,530

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Accumulated other comprehensive income			
Balance at beginning of period	–	–	5,263	12,129	11,600,485
Changes during period					
Issuance of new shares - exercise of share acquisition rights					3,900
Profit attributable to owners of parent					64,519
Purchase of treasury shares					(183,936)
Disposal of treasury shares					5,038
Purchase of shares of consolidated subsidiaries					916
Net changes in items other than shareholders' equity	18,816	18,816	–	5,201	24,017
Total changes during period	18,816	18,816	–	5,201	(85,545)
Balance at end of period	18,816	18,816	5,263	17,330	11,514,940

## (4) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(910,764)	364,601
Depreciation	372,503	384,268
Amortization of goodwill	405,383	195,062
Impairment losses	649,847	132,462
Loss (gain) on valuation of investment securities	601,105	49,999
Loss (gain) on change in equity	–	(466,460)
Increase (decrease) in provision for bonuses	(15,050)	21,482
Increase (decrease) in variable compensation	(72,585)	–
Interest and dividend income	(2,332)	(122)
Interest expenses	21,378	17,514
Bond issuance costs	7,632	12,264
Foreign exchange losses (gains)	(840)	(1,214)
Share of loss (profit) of entities accounted for using equity method	5,255	122,496
Loss (gain) on investments in investment partnerships	19,648	65,084
Decrease (increase) in trade receivables	(278,809)	(672,401)
Decrease (increase) in inventories	(2,363)	(1,704)
Increase (decrease) in trade payables	319,799	546,441
Increase (decrease) in accounts payable - other	35,366	33,918
Other, net	(4,457)	133,586
Subtotal	1,150,717	937,280
Interest received	2,332	122
Interest paid	(20,667)	(17,697)
Income taxes paid	(620,303)	(354,740)
Income taxes refund	95,789	195,757
Net cash provided by (used in) operating activities	607,868	760,723
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(10,738)	(16,885)
Purchase of intangible assets	(417,421)	(385,453)
Purchase of investment securities	(924,399)	(2,164,138)
Proceeds from sale of investment securities	801,904	6,206
Proceeds from distributions from investment partnerships	–	14,143
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(348,039)	–
Purchase of shares of subsidiaries and associates	(74,500)	(100,000)
Payments of leasehold deposits	(1,688)	(1,444)
Proceeds from refund of leasehold deposits	1,514	879
Net cash provided by (used in) investing activities	(973,370)	(2,646,692)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	500,000	–
Proceeds from issuance of bonds	392,367	787,735
Redemption of bonds	(244,000)	(324,000)
Repayments of long-term borrowings	(289,029)	(287,196)
Proceeds from share issuance to non-controlling shareholders	490	–
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(490)
Proceeds from issuance of shares	23,010	3,900
Purchase of treasury shares	(321,967)	(183,936)
Net cash provided by (used in) financing activities	60,871	(3,987)

(Thousands of yen)

	Fiscal year ended February 28, 2022	Fiscal year ended February 28, 2023
Effect of exchange rate change on cash and cash equivalents	954	2,360
Net increase (decrease) in cash and cash equivalents	(303,675)	(1,887,596)
Cash and cash equivalents at beginning of period	13,405,199	13,101,523
Cash and cash equivalents at end of period	13,101,523	11,213,927