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Consolidated Financial Results for the Three Months Ended April 30, 2024 [Japanese GAAP]

June 7, 2024

Company name: BESTERRA CO.,LTD	
Stock exchange listing: Tokyo	
Code number: 1433	
URL: https://www.besterra.co.jp	
Representative: Yutaka Honda	President and Representative Director
Contact: Shinya Ikeda	Executive Officer and Planning Manager
Phone: +81-3-3630-5555	
Scheduled date of filing quarterly securities report:	June 14, 2024
Scheduled date of commencing dividend payments:	-
Availability of supplementary briefing material on quarterly financial results:	Yes
Schedule of quarterly financial results briefing session:	No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended April 30, 2024 (February 1, 2024 to April 30, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	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 April 30, 2024	2,958	92.4	17	-	15	-	(29)	-
April 30, 2023	1,537	(8.6)	(35)	-	(37)	-	(31)	-

(Note) Comprehensive income:	Three months ended April 30, 2024:	¥	11 million	[-0%	
	Three months ended April 30, 2023:	¥	(499) million	[-0%	

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
April 30, 2024	(3.34)	-
April 30, 2023	(3.60)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
April 30, 2024	11,258	4,017	35.6
January 31, 2024	10,879	4,095	37.6

(Reference) Equity:	As of April 30, 2024:	¥	4,010 million
	As of January 31, 2024:	¥	4,087 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended January 31, 2024	-	10.00	-	10.00	20.00
Fiscal year ending January 31, 2025	-				
Fiscal year ending January 31, 2025 (Forecast)		10.00	-	10.00	20.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending January 31, 2025 (February 1, 2024 to January 31, 2025)

(% indicates changes from the previous corresponding period.)

	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 July 31, 2024	5,500	65.3	100	-	150	-	100	-	11.29
Full year	11,000	17.1	500	102.5	600	47.2	400	73.1	45.14

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the three months ended April 30, 2024

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

April 30, 2024: 8,990,200 shares

January 31, 2024: 8,990,200 shares

2) Number of treasury shares at the end of the period:

April 30, 2024: 129,035 shares

January 31, 2024: 129,035 shares

3) Average number of shares outstanding during the period:

Three months ended April 30, 2024: 8,861,165 shares

Three months ended April 30, 2023: 8,861,165 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of January 31, 2024	As of April 30, 2024
Assets		
Current assets		
Cash and deposits	1,444,088	2,170,704
Notes receivable accounts receivable from completed construction contracts contract assets and other	4,648,022	4,253,911
Costs on construction contracts in progress	94,520	72,523
Other	110,794	133,085
Allowance for doubtful accounts	(4,679)	(4,280)
Total current assets	6,292,745	6,625,944
Non-current assets		
Property, plant and equipment	323,990	330,387
Intangible assets		
Goodwill	286,779	267,836
Other	15,450	14,093
Total intangible assets	302,230	281,930
Investments and other assets		
Investment securities	3,892,344	3,951,391
Other	68,752	69,375
Allowance for doubtful accounts	(820)	(840)
Total investments and other assets	3,960,276	4,019,927
Total non-current assets	4,586,496	4,632,245
Total assets	10,879,242	11,258,189

(Thousands of yen)

	As of January 31, 2024	As of April 30, 2024
Liabilities		
Current liabilities		
Accounts payable for construction contracts	1,631,120	1,291,775
Short-term borrowings	2,100,000	3,400,000
Current portion of long-term borrowings	602,192	305,138
Current portion of bonds payable	-	50,000
Income taxes payable	121,106	18,795
Provision for bonuses for directors (and other officers)	-	4,942
Provision for bonuses	-	52,186
Provision for shareholder benefit program	60,916	19,925
Provision for loss on construction contracts	105	59,166
Other	470,430	315,752
Total current liabilities	4,985,870	5,517,682
Non-current liabilities		
Long-term borrowings	1,540,244	1,463,804
Bonds payable	50,000	-
Retirement benefit liability	69,785	73,203
Provision for retirement benefits for directors (and other officers)	5,670	7,761
Deferred tax liabilities	121,786	167,167
Other	10,620	10,620
Total non-current liabilities	1,798,106	1,722,557
Total liabilities	6,783,977	7,240,239
Net assets		
Shareholders' equity		
Share capital	843,176	843,176
Capital surplus	803,214	803,214
Retained earnings	3,091,398	2,973,157
Treasury shares	(200,362)	(200,362)
Total shareholders' equity	4,537,426	4,419,185
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(449,709)	(408,783)
Total accumulated other comprehensive income	(449,709)	(408,783)
Share acquisition rights	7,548	7,548
Total net assets	4,095,265	4,017,949
Total liabilities and net assets	10,879,242	11,258,189

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Thousands of yen)

	For the three months ended April 30, 2023	For the three months ended April 30, 2024
Net sales		
Net sales of completed construction contracts	1,475,461	2,887,282
Net sales in sideline businesses	62,261	71,652
Total net sales	1,537,722	2,958,935
Cost of sales		
Cost of sales of completed construction contracts	1,274,237	2,514,147
Cost of sales in sideline businesses	45,263	52,538
Total cost of sales	1,319,500	2,566,686
Gross profit		
Gross profit on completed construction contracts	201,224	373,135
Gross profit on sideline businesses	16,998	19,114
Total gross profit	218,222	392,249
Selling, general and administrative expenses	253,860	375,230
Operating profit (loss)	(35,638)	17,018
Non-operating income		
Rental income from real estate	10,073	10,073
Other	923	1,501
Total non-operating income	10,996	11,575
Non-operating expenses		
Interest expenses	1,833	4,047
Rental expenses on real estate	7,509	7,705
Other	3,520	1,429
Total non-operating expenses	12,864	13,183
Ordinary profit (loss)	(37,505)	15,410
Extraordinary income		
Gain on sale of non-current assets	3,463	-
Total extraordinary income	3,463	-
Extraordinary losses		
Loss on retirement of non-current assets	-	2,816
Total extraordinary losses	-	2,816
Profit (loss) before income taxes	(34,042)	12,593
Income taxes - current	1,738	13,455
Income taxes - deferred	(4,375)	28,767
Total income taxes	(2,636)	42,223
Loss	(31,405)	(29,629)
Profit attributable to non-controlling interests	479	-
Loss attributable to owners of parent	(31,885)	(29,629)

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Thousands of yen)

	For the three months ended April 30, 2023	For the three months ended April 30, 2024
Loss	(31,405)	(29,629)
Other comprehensive income		
Valuation difference on available-for-sale securities	(468,511)	40,925
Total other comprehensive income	(468,511)	40,925
Comprehensive income	(499,917)	11,296
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(500,396)	11,296
Comprehensive income attributable to non-controlling interests	479	-