Consolidated Financial Results for the Year Ended January 31, 2025 [Japanese GAAP]

March 12, 2025

Company name: BESTERRA CO.,LTD
Listing: Tokyo
Securities code: 1433
URL: https://www.besterra.co.jp
Representative: Yutaka Honda — President and Representative Director
Inquiries: Shinya Ikeda — Executive Officer and Planning Manager
Telephone: +81-3-3630-5555

Scheduled date of annual general meeting of shareholders: April 24, 2025
Scheduled date to commence dividend payments: April 8, 2025
Scheduled date to file annual securities report: April 25, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

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

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2025	10,897	16.0	373	51.3	592	45.2	409	77.3
January 31, 2024	9,394	72.1	246	-	407	-	231	-

(Note) Comprehensive income: Fiscal year ended January 31, 2025: ¥ 935 million [-%]
Fiscal year ended January 31, 2024: ¥ (102) million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
January 31, 2025	46.25	-	9.2	5.4	3.4
January 31, 2024	26.08	-	5.5	4.2	2.6

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended January 31, 2025: ¥ - million
Fiscal year ended January 31, 2024: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
January 31, 2025	11,046	4,853	43.9	546.88
January 31, 2024	10,879	4,095	37.6	461.31

(Reference) Equity: As of January 31, 2025: ¥ 4,846 million
As of January 31, 2024: ¥ 4,087 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
January 31, 2025	(607)	1,482	(719)	1,599
January 31, 2024	(1,422)	24	1,503	1,444

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
January 31, 2024	-	10.00	-	10.00	20.00	177	76.7	4.2
January 31, 2025	-	10.00	-	10.00	20.00	177	43.2	4.0
Fiscal year ending January 31, 2026 (Forecast)	-	15.00	-	15.00	30.00		29.5	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending January 31, 2026 (February 1, 2025 to January 31, 2026)

(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
Full year	13,000	19.3	1,200	221.2	1,280	116.2	900	119.6	101.57

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
2) Changes in accounting policies due to other reasons: None
3) Changes in accounting estimates: None
4) Restatement: None

(3) Number of issued shares (common shares)

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

January 31, 2025: 8,990,200 shares
January 31, 2024: 8,990,200 shares

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

January 31, 2025: 129,035 shares
January 31, 2024: 129,035 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended January 31, 2025: 8,861,165 shares
Fiscal Year ended January 31, 2024: 8,861,165 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended January 31, 2025 (February 1, 2024 to January 31, 2025)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2025	9,069	19.8	510	161.8	560	77.7	499	133.3
January 31, 2024	7,567	70.0	194	-	315	-	214	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
January 31, 2025	56.36	-
January 31, 2024	24.15	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
January 31, 2025	10,503	4,860	46.2	547.69
January 31, 2024	9,998	4,012	40.1	451.99

(Reference) Equity: As of January 31, 2025: ¥ 4,853 million
As of January 31, 2024: ¥ 4,005 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of January 31, 2024	As of January 31, 2025
Assets		
Current assets		
Cash and deposits	1,444,088	1,599,484
Notes receivable, accounts receivable from completed construction contracts, contract assets and other	4,648,022	5,137,190
Costs on construction contracts in progress	94,520	56,117
Income taxes refund receivable	-	12,149
Other	110,794	330,644
Allowance for doubtful accounts	(4,679)	(5,219)
Total current assets	6,292,745	7,130,366
Non-current assets		
Property, plant and equipment		
Buildings and structures	196,740	202,223
Accumulated depreciation	(63,450)	(82,336)
Buildings and structures, net	133,289	119,887
Machinery, vehicles, tools, furniture and fixtures	231,468	194,793
Accumulated depreciation	(206,761)	(164,439)
Machinery, vehicles, tools, furniture and fixtures, net	24,707	30,354
Leased assets	2,979	-
Accumulated depreciation	(2,730)	-
Leased assets, net	248	-
Land	165,745	165,745
Construction in progress	-	463
Total property, plant and equipment	323,990	316,450
Intangible assets		
Goodwill	286,779	116,256
Leased assets	1,048	-
Other	14,402	9,592
Total intangible assets	302,230	125,848
Investments and other assets		
Investment securities	3,892,344	3,403,448
Deferred tax assets	5,536	561
Other	63,216	70,676
Allowance for doubtful accounts	(820)	(840)
Total investments and other assets	3,960,276	3,473,846
Total non-current assets	4,586,496	3,916,144
Total assets	10,879,242	11,046,511

(Thousands of yen)

	As of January 31, 2024	As of January 31, 2025
Liabilities		
Current liabilities		
Accounts payable for construction contracts and other	1,631,120	1,186,800
Short-term borrowings	2,100,000	3,000,000
Current portion of long-term borrowings	602,192	79,260
Current portion of bonds payable	-	50,000
Income taxes payable	121,106	369,697
Provision for loss on construction contracts	105	1,733
Provision for shareholder benefit program	60,916	70,908
Other	470,430	534,830
Total current liabilities	4,985,870	5,293,229
Non-current liabilities		
Long-term borrowings	1,540,244	622,844
Bonds payable	50,000	-
Retirement benefit liability	69,785	76,857
Provision for retirement benefits for directors (and other officers)	5,670	14,034
Deferred tax liabilities	121,786	175,846
Other	10,620	10,143
Total non-current liabilities	1,798,106	899,725
Total liabilities	6,783,977	6,192,955
Net assets		
Shareholders' equity		
Share capital	843,176	843,176
Capital surplus	803,214	803,214
Retained earnings	3,091,398	3,323,981
Treasury shares	(200,362)	(200,362)
Total shareholders' equity	4,537,426	4,770,009
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(449,709)	75,999
Total accumulated other comprehensive income	(449,709)	75,999
Share acquisition rights	7,548	7,548
Total net assets	4,095,265	4,853,556
Total liabilities and net assets	10,879,242	11,046,511

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended January 31, 2024	For the fiscal year ended January 31, 2025
Net sales		
Net sales of completed construction contracts	9,136,731	10,595,014
Net sales in sideline businesses	258,096	302,459
Total net sales	9,394,828	10,897,474
Cost of sales		
Cost of sales of completed construction contracts	7,713,509	8,776,582
Cost of sales in sideline businesses	161,589	230,256
Total cost of sales	7,875,099	9,006,839
Gross profit		
Gross profit on completed construction contracts	1,423,221	1,818,432
Gross profit on sideline businesses	96,507	72,202
Total gross profit	1,519,729	1,890,634
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	127,062	135,084
Employees' salaries and allowances	298,477	377,302
Provision for bonuses	-	2,584
Retirement benefit expenses	5,676	9,156
Provision for bonuses for directors (and other officers)	-	2,874
Provision for retirement benefits for directors (and other officers)	5,682	8,364
Provision for shareholder benefit program	60,916	70,908
Depreciation	23,110	33,619
Other	751,896	877,107
Total selling, general and administrative expenses	1,272,822	1,517,001
Operating profit	246,906	373,633
Non-operating income		
Dividend income	107,034	97,053
Rental income from real estate	40,293	34,388
Distributions of profit or loss on silent partnerships	-	56,318
Surrender value of insurance policies	51,775	80,997
Other	8,493	6,559
Total non-operating income	207,596	275,318
Non-operating expenses		
Interest expenses	9,295	19,667
Rental expenses on real estate	30,859	26,060
Other	6,721	11,153
Total non-operating expenses	46,876	56,881
Ordinary profit	407,626	592,069
Extraordinary income		
Gain on sale of non-current assets	4,016	470
Gain on sale of investment securities	-	167,199
Insurance income for accident and damage	-	124,906
Total extraordinary income	4,016	292,576
Extraordinary losses		
Loss on retirement of non-current assets	-	2,755
Impairment losses	-	103,315
Loss on compensation for accident and damage	-	115,180
Loss on sale of golf club membership	4,084	-
Total extraordinary losses	4,084	221,251
Profit before income taxes	407,558	663,393
Income taxes - current	139,372	426,567
Income taxes - deferred	36,584	(172,979)
Total income taxes	175,956	253,587
Profit	231,601	409,806
Profit attributable to non-controlling interests	479	-
Profit attributable to owners of parent	231,122	409,806

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended January 31, 2024	For the fiscal year ended January 31, 2025
Profit	231,601	409,806
Other comprehensive income		
Valuation difference on available-for-sale securities	(334,232)	525,708
Total other comprehensive income	(334,232)	525,708
Comprehensive income	(102,630)	935,514
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(103,109)	935,514
Comprehensive income attributable to non-controlling interests	479	-

Consolidated Statements of Changes in Equity

For the fiscal year ended January 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	843,176	804,146	3,037,498	(200,362)	4,484,458
Changes during period					
Dividends of surplus			(177,223)		(177,223)
Profit attributable to owners of parent			231,122		231,122
Additional purchase of shares of consolidated subsidiaries		(931)			(931)
Net changes in items other than shareholders' equity					
Total changes during period	-	(931)	53,899	-	52,967
Balance at end of period	843,176	803,214	3,091,398	(200,362)	4,537,426

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	(115,477)	(115,477)	7,548	2,589	4,379,118
Changes during period					
Dividends of surplus					(177,223)
Profit attributable to owners of parent					231,122
Additional purchase of shares of consolidated subsidiaries				(2,589)	(3,520)
Net changes in items other than shareholders' equity	(334,232)	(334,232)			(334,232)
Total changes during period	(334,232)	(334,232)	-	(2,589)	(283,853)
Balance at end of period	(449,709)	(449,709)	7,548	-	4,095,265

For the fiscal year ended January 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	843,176	803,214	3,091,398	(200,362)	4,537,426
Changes during period					
Dividends of surplus			(177,223)		(177,223)
Profit attributable to owners of parent			409,806		409,806
Additional purchase of shares of consolidated subsidiaries		-			-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	232,582	-	232,582
Balance at end of period	843,176	803,214	3,323,981	(200,362)	4,770,009

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	(449,709)	(449,709)	7,548	-	4,095,265
Changes during period					
Dividends of surplus					(177,223)
Profit attributable to owners of parent					409,806
Additional purchase of shares of consolidated subsidiaries				-	-
Net changes in items other than shareholders' equity	525,708	525,708			525,708
Total changes during period	525,708	525,708	-	-	758,291
Balance at end of period	75,999	75,999	7,548	-	4,853,556

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended January 31, 2024	For the fiscal year ended January 31, 2025
Cash flows from operating activities		
Profit before income taxes	407,558	663,393
Loss (gain) on sale of golf club membership	4,084	-
Insurance income for accident and damage	-	(124,906)
Loss on compensation for accident and damage	-	115,180
Gain on sales of investment securities	-	(167,199)
Loss on retirement of non-current assets	-	2,755
Gain on sale of non-current assets	(4,016)	(470)
Share of gain or loss on silent partnership	-	(56,318)
Depreciation	23,989	35,399
Amortization of goodwill	51,779	75,770
Increase (decrease) in allowance for doubtful accounts	2,482	560
Interest and dividend income	(107,180)	(97,155)
Surrender value of insurance policies	(51,775)	(80,997)
Increase (decrease) in provision for loss on construction contracts	(3,872)	1,627
Increase (decrease) in provision for shareholder benefit program	26,386	9,992
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(179,317)	8,364
Increase (decrease) in retirement benefit liability	3,379	7,072
Interest expenses	9,295	19,667
Impairment losses	-	103,315
Decrease (increase) in trade receivables	(2,749,539)	(489,168)
Decrease (increase) in costs on construction contracts in progress	29,186	33,820
Increase (decrease) in accounts payable - other	-	52,082
Increase (decrease) in trade payables	690,691	(444,320)
Other, net	181,370	(172,291)
Subtotal	(1,665,500)	(503,825)
Interest and dividends received	107,180	97,155
Interest paid	(9,448)	(21,203)
Proceeds from accident damage insurance income	-	124,906
Payments of accident damage compensation	-	(102,914)
Income taxes refund (paid)	145,428	(201,589)
Net cash provided by (used in) operating activities	(1,422,340)	(607,470)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	5,738	4,809
Purchase of property, plant and equipment	(14,830)	(30,760)
Purchase of intangible assets	(5,755)	(225)
Proceeds from sale of investment securities	-	1,414,079
Proceeds from cancellation of insurance funds	106,265	31,185
Proceeds from withdrawal of investments in silent partnerships	-	56,318
Purchase of shares of subsidiaries	(105,135)	-
Proceeds from collection of loans receivable	48,600	-
Other, net	(10,055)	6,598
Net cash provided by (used in) investing activities	24,828	1,482,006
Cash flows from financing activities		
Proceeds from short-term borrowings	1,812,000	900,000
Proceeds from long-term borrowings	206,900	30,000
Repayments of long-term borrowings	(331,853)	(1,470,332)
Repayments of lease liabilities	(1,926)	-
Dividends paid	(177,127)	(177,195)
Other, net	(4,000)	(1,612)
Net cash provided by (used in) financing activities	1,503,993	(719,139)
Net increase (decrease) in cash and cash equivalents	106,481	155,396
Cash and cash equivalents at beginning of period	1,337,606	1,444,088
Cash and cash equivalents at end of period	1,444,088	1,599,484