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May 9, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: Prestige International Inc.
 Listing: Tokyo Stock Exchange Prime Market
 Securities code: 4290
 URL: <http://www.prestigein.com/>
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 Scheduled date of annual general meeting of shareholders: June 24, 2025
 Scheduled date to commence dividend payments: June 10, 2025
 Scheduled date to file quarterly securities report: June 23, 2025
 Preparation of supplementary material on quarterly financial results Yes
 Holding of quarterly financial results briefing: 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 March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	63,719	8.5	7,961	0.5	8,416	△ 0.5	4,870	△ 15.9
March 31, 2024	58,738	7.7	7,921	1.0	8,458	1.0	5,791	8.9

(Note) Comprehensive income For the Fiscal year ended March 31, 2025: ¥5,353 million [△ 28.7%]
 For the Fiscal year ended March 31, 2024: ¥7,507 million [18.1%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2025	38.28	38.19	10.8	12.1	12.5
March 31, 2024	45.34	45.20	13.9	13.2	13.5

Reference: Share of profit (loss) of entities accounted for using equity method
 For the Fiscal year ended March 31, 2025: ¥174 million
 For the Fiscal year ended March 31, 2024: ¥379 million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	71,590	49,641	64.3	363.03
March 31, 2024	67,836	47,224	64.9	345.65

Reference: Equity
 As of March 31, 2025 : ¥46,029 million
 As of March 31, 2024 : ¥44,021 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 end of period
As of	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	7,840	△ 3,869	△ 3,196	23,396
March 31, 2024	5,883	△ 2,614	△ 2,377	22,779

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Yen	%	%
Fiscal year ended March 31, 2024	—	6.00	—	6.00	12.00	1,532	26.5	3.7
Fiscal year ended March 31, 2025	—	12.00	—	12.00	24.00	3,051	62.7	6.8
Fiscal year ended March 31, 2026 (Forecast)	—	13.00	—	13.00	26.00		62.20	

(Note) Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending March 31, 2026

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Half year	34,100	10.8	3,800	1.9	3,980	0.5	2,300	3.1	18.14
Full year	70,000	9.9	8,500	6.8	8,900	5.7	5,300	8.8	41.80

(Note) Revision to the financial results forecast announced most recently: No

Note:

- (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 in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: Yes
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	128,676,300 shares
As of March 31, 2024	128,676,300 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2025	1,884,623 shares
As of March 31, 2024	1,319,308 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	127,224,455 shares
Fiscal year ended March 31, 2024	127,741,309 shares

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

*Proper use of earnings forecasts, and other special matters

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

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1. Summary of operating results

(1) Analysis of operating results

In the fiscal year 2025 (April 1, 2024 to March 31, 2025; hereinafter “FY2025.3”), the Japanese economy showed signs of a gradual recovery with an increase in personal consumption on the back of an improving employment and income environment. On the other hand, the global economy is expected to remain uncertain due to factors such as price increases caused by monetary policies in various countries and rising raw material costs, as well as the economic impact of U.S. tariffs.

In the domestic BPO market, against the backdrop of a shrinking labor force and the promotion of work style reforms at the majority of companies, fundamental business restructuring is underway, including the review of business operations and the reallocation of resources to core businesses and new businesses. As a result, the demand for outsourcing non-core businesses is increasing, and the market is growing steadily.

Under such fundamentals, the Group, which has its main business area in Japanese domestic market, issued overall strategy of “Creating business potential” stated in “Connecting Growth - Origin/Next 50”, the slogan of the 8th Medium-Term Business Plan. In the strategy refers to a focus on high-value-added business, such as “assistance services” where a competitive edge in service quality has been accumulated over the decades.

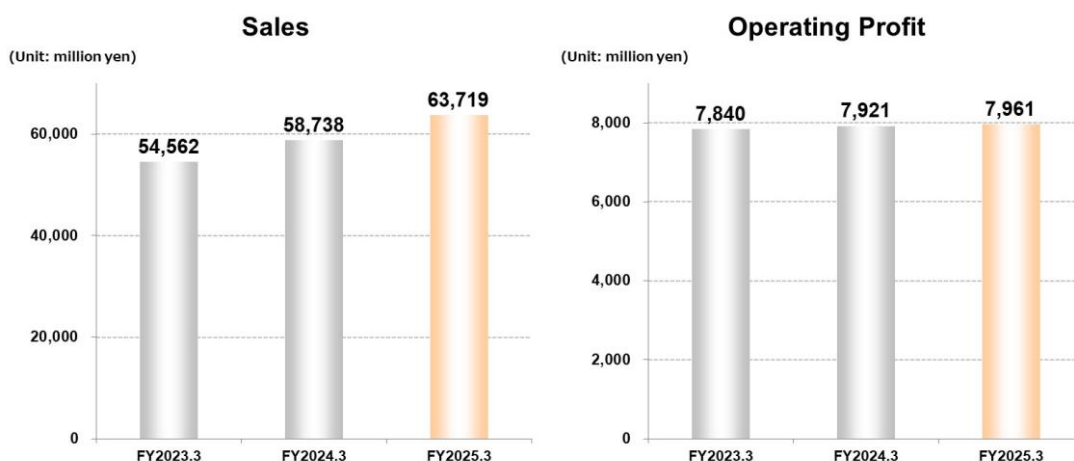
At the same time, we are working to improve the productivity of each individual by providing education and training to develop a highly skilled workforce and improving the workplace environment and benefits to retain them.

In addition, by locating our BPO centers, which are the core of our service delivery, in several regional cities, we are creating stable job opportunity, providing reliable services, and responding to the strong demand in the BPO market. With regard to “Flexible expansion of the sites”, as also stated in the 8th Medium-Term Business Plan, in addition to the 500-seat Iwate BPO Fortress opened in Ichinoseki, Iwate Prefecture in June 2024, we have opened a 100-seat site in Daisen, Akita Prefecture, in April 2024 and a 100-seat site in Misawa, Aomori Prefecture, in April 2025 as satellites connecting large BPO sites, with the aim of improving our resource capacity.

In terms of sales growth, the expansion of assistance services led to double-digit growth in the Property and Global Businesses, which contributed to increased sales in addition to the core Automotive Business. In addition, the Financial Guarantee Business also saw an increase in sales due to an increase in the number of contracts, resulting in consolidated net sales of 63,719 million yen (up 8.5% year on year), overcoming the impact of the completion of vaccine-related operations.

Operating profit increased to 7,961 million yen (up 0.5% year on year), as the decline in profit due to the completion of vaccine-related operations and increases in personnel and subcontractor expenses, mainly in the core Automotive Business, were offset by higher sales in segments that recorded increased sales. Ordinary profit was 8,416 million yen (down 0.5% year on year). Profit attributable to owners of parent decreased 4,870 million yen (down 15.9% year on year), mainly due to a decrease in extraordinary gains from the sale of investment securities in the previous fiscal year, the reduction of tax benefits from the liquidation of subsidiaries and a decrease in tax credits for a wage increase incentive system.

	FY2024.3	FY2025.3	
Sales	58,738 million yen	63,719 million yen	(YoY +8.5%, +4,981 million yen)
Operating profit	7,921 million yen	7,961 million yen	(YoY +0.5%, +39 million yen)
Ordinary profit	8,458 million yen	8,416 million yen	(YoY -0.5%, -41 million yen)
Profit attributable to owners of parent	5,791 million yen	4,870 million yen	(YoY -15.9%, -921 million yen)
Basic earnings per share	45.34 yen	38.28 yen	



- Automotive Business

The Automotive Business, which mainly provides roadside assistance services to non-life insurance companies and automobile manufacturers, increased sales due to an increase in the number of policies for automobile insurance, the expansion of business with a major client of the car accessories retailer, and the launch of roadside assistance services for a new major used car dealer.

Operating profit decreased marginally due to increased towing prices for partner companies, as well as time-lag on contract service fee increase for clients.

	FY2024.3	FY2025.3
Sales	25,300 million yen	27,254 million yen
Operating profit	3,542 million yen	3,448 million yen
	Change	YoY (%)
Sales	+1,953 million yen	+7.7%
Operating profit	-93 million yen	-2.6%

- Property Business

The Property Business, which provides repair services for condominiums, rental apartments, and detached houses, as well as maintenance services for coin-operated parking lots, increased sales due to the expansion of on-site support services for rental housing under the Home Assist service.

Operating profit also increased due to the rental housing on-site support services performing as planned.

	FY2024.3	FY2025.3
Sales	7,061 million yen	8,652 million yen
Operating profit	502 million yen	730 million yen
	Change	YoY (%)
Sales	+1,590 million yen	+22.5%
Operating profit	+228 million yen	+45.4%

- Global Business

The Global Business, which provides overseas travel insurance claims agent services and medical support service for expatriates (Healthcare Program), increased sales due to an increase in the number of membership through acquisition of new clients and expansion of the service area for existing clients in the mainstay Healthcare Program.

In addition, profit increased further due to the contribution of improved earnings through contract service fee increase.

	FY2024.3	FY2025.3
Sales	8,105 million yen	8,934 million yen
Operating profit	805 million yen	1,138 million yen
	Change	YoY (%)
Sales	+829 million yen	+10.2%
Operating profit	+332 million yen	+41.3%

- Customer Business

The Customer Business, which provides customer support services, faced the decline in sales and profit due to completion of vaccine-related operations, which was a one-time factor in the previous fiscal year, as well as the termination of existing clients, which partially offset with expansion of the existing businesses.

	FY2024.3	FY2025.3
Sales	7,949 million yen	6,743 million yen
Operating profit	1,218 million yen	797 million yen
	Change	YoY (%)
Sales	-1,205 million yen	-15.2%
Operating profit	-421 million yen	-34.6%

- Financial Guarantee Business

The Financial Guarantee Business, which provides financial guarantee services related to daily living activities such as rent and medical care, increased sales due to an increase in the number of contracts for the Property Rent Guarantee Business operated by Entrust Inc., a group subsidiary, as well as an increase in the proportion mix of business models with optional debt guarantees, and growth in the Medical Care Expense Guarantee Business and the Eldercare Expense Guarantee Business.

Operating profit increased due to higher sales, which offset an increase in the provision reserve.

	FY2024.3	FY2025.3
Sales	8,971 million yen	10,572 million yen
Operating profit	2,073 million yen	2,336 million yen
	Change	YoY (%)
Sales	+1,601 million yen	+17.8%
Operating profit	+262 million yen	+12.7%

- IT Business

In the IT Business, which provides IT solutions, sales increased due to steady growth in consignment development of supply chain management systems.

Operating profit decreased due to upfront expenses incurred to increasing personnel to strengthen the IT development structure in overseas offshore operations.

	FY2024.3	FY2025.3
Sales	665 million yen	865 million yen
Operating profit	133 million yen	114 million yen
	Change	YoY (%)
Sales	+199 million yen	+30.0%
Operating profit	-19 million yen	-14.3%

- Social Business

The social business, which operates the women's sports team Aranmare, childcare services, and regional revitalization projects, increased sales due to an increase in sponsorship income as a result of improved awareness of the Aranmare women's sports team and the opening of a new in-office day care center.

Operating profit decreased due to an increase in personnel expenses for the purpose of enhancing the competitiveness of team and capabilities of the sports business, as well as an increase in personnel expenses due to an increase in the number of children enrolled in the childcare business.

	FY2024.3	FY2025.3
Sales	683 million yen	697 million yen
Operating profit	-366 million yen	-578 million yen
	Change	YoY (%)
Sales	+13 million yen	+2.0%
Operating profit	-212 million yen	—

- Regional Segments

The Company is organized into three regional segments based on contact centers: Japan, the Americas and Europe, and Asia and Oceania. Sales and profit or loss for each regional segment are shown on page 16.

(2) Summary of Financial Position

Assets: 71,590 million yen, an increase of 3,754 million yen compared to the balance of the previous fiscal year. Within current assets, advances paid increased by 1,157 million yen and cash and deposits increased by 617 million yen, resulting in a total increase of 1,483 million yen compared to the balance of the previous fiscal year, reaching 42,224 million yen. Within non-current assets, buildings and structures increased by 3,375 million yen and construction in progress decreased by 1,752 million yen, resulting in an increase of 2,270 million yen compared to the end of the previous fiscal year, reaching 29,366 million yen.

Liabilities: Other current liabilities increased by 372 million yen, and provision for bonuses increased by 348 million yen. As a result, total liabilities increased by 1,337 million yen compared to the end of the previous fiscal year, reaching 21,948 million yen.

Equity: Despite dividends payments and the share repurchase of treasury stock were recorded, profit attributable to owners of the parent was 4,870 million yen, an increase of 2,417 million yen compared to the end of the previous fiscal year, resulting in 49,641 million yen.

(3) Consolidated Statement of Cash Flows

Operating activities: Income amounted to 7,840 million yen. The main positive factors were profit before income tax of 8,405 million yen, depreciation of 2,288 million yen, and an increase in allowance for doubtful accounts of 712 million yen. The main negative factors were income taxes paid of 2,803 million yen, an increase in advances paid of 1,030 million yen, and an increase in trade receivables of 432 million yen.

Investment activities: Expenditures amounted to 3,869 million yen.

The main factors were expenditures of 3,443 million yen for the purchase of property, plant and equipment and intangible assets, expenditures of 1,541 million yen for the purchase of investment securities, incomes of proceeds from redemption of investment securities of 916 million yen, and income of proceeds from subsidies of 106 million yen.

Financial activities: Expenditures amounted to 3,196 million yen. The main factors were dividend paid of 2,293 million yen, purchase of treasury shares of 499 million yen, dividend paid to non-controlling interests of 209 million yen, and repayments of long-term borrowings of 125 million yen. As a result of the above, cash and cash equivalents at the end of the current consolidated fiscal year increased by 617 million yen compared to the end of the previous consolidated fiscal year to 23,396 million yen.

(4) Future outlook

The economic environment surrounding the Group is undergoing significant changes, including recruitment challenges due to a shrinking labor force caused by the declining birthrate and aging population, rapid wage increases, and inflation price hikes. In addition, the global economy remains uncertain due to the U.S. tariff policies, requiring companies to fundamentally review their supply chain systems and reduce costs. Against a backdrop of the economic situation, there is a growing momentum toward one-stop outsourcing demand, including core operations.

Under these circumstances, in the first year of our medium-term business plan, we have focused on three measures: creating business potential, developing a service platform-based revenue model, and flexible expansion of the BPO sites. In particular, to enhance our outsourcing capabilities, we have established the Iwate BPO Fortress, a 500-seat facility in Ichinoseki, Iwate Prefecture, in June 2024; a 100-seat satellite facility in Daisen, Akita Prefecture, in April 2024; and a 100-seat satellite facility in Misawa, Aomori Prefecture, in April 2025. We are also investing in the expansion of our dispatch location points for roadside assistance and home assistance services, and will continue to expand our bases and investments in the future.

On the other hand, while there has been a growing trend to pass on price increases due to recent inflation and wage increases, it is often difficult for companies to agree and accept on price increases. As a result, there is growing demand for services that add value through DX initiatives, including AI, improved business efficiency, and other measures. In light of this, we will strengthen our development capabilities and increase investment in IT-related areas, including AI.

Regarding the shareholder returns, the Company has decided to double the dividend per share from 12 yen to 24 yen (12 yen interim dividend and 12 yen year-end dividend) for the fiscal year ended March 2025. In addition, the Company repurchased of approximately 500 million yen worth of its own stock. For the fiscal year ending March 2026, the Company plans to pay a dividend of 26 yen per share (13 yen interim dividend and 13 yen final dividend) in accordance with its medium-term business plan, and will also implement the repurchase of treasury stock announced today in a separate document, with the aim of returning profits to shareholders. Going forward, the Company will continue to strive to improve its profitability and returns to shareholders in order to remain an attractive investment opportunity for investors.

Based on the above, the consolidated earnings forecast for the fiscal year ending March 2026 is as follows.

	FY2025.3 (actual)	FY2026.3 (forecast)
Sales	63,719 million yen	70,000million yen
Operating profit	7,961 million yen	8,500million yen
Ordinary profit	8,416 million yen	8,900million yen
Net income attributable to owners of the parent	4,870 million yen	5,300million yen

The earnings forecasts are forward-looking statements made on the basis of information available at the time forecasts are made and other certain assumptions deemed reasonable. Therefore, actual earnings may differ from such forward-looking statements for a variety of reasons.

2. Basic Approach to the Selection of Accounting Standards

Our group aims to prepare consolidated financial statements based on Japanese accounting standards, considering the comparability of periods within the consolidated financial statements and the comparability between companies. For the time being, we will continue with this policy. Regarding the application of International Financial Reporting Standards (IFRS), we plan to respond appropriately, taking into account various domestic and international circumstances.

3. Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	22,790,034	23,407,674
Accounts receivable - trade	6,404,633	6,485,910
Advances paid	9,572,807	10,730,598
Merchandise and finished goods	84,253	106,111
Work in process	306,370	671,391
Raw materials and supplies	83,194	129,093
Other	3,362,494	3,409,399
Allowance for doubtful accounts	(1,863,430)	(2,716,165)
Total current assets	40,740,357	42,224,013
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,104,362	19,479,752
Accumulated depreciation	(5,111,295)	(5,835,109)
Buildings and structures, net	10,993,067	13,644,642
Machinery, equipment and vehicles	1,494,203	1,764,401
Accumulated depreciation	(1,197,889)	(1,384,749)
Machinery, equipment and vehicles, net	296,313	379,652
Tools, furniture and fixtures	3,696,692	4,277,866
Accumulated depreciation	(2,400,099)	(2,753,775)
Tools, furniture and fixtures, net	1,296,592	1,524,091
Land	118,653	118,653
Leased assets	333,612	350,208
Accumulated depreciation	(205,168)	(151,430)
Leased assets, net	128,443	198,777
Construction in progress	2,108,378	355,652
Total property, plant and equipment	14,941,449	16,221,469
Intangible assets		
Goodwill	105,000	180,816
Other	2,029,738	2,138,782
Total intangible assets	2,134,738	2,319,598
Investments and other assets		
Investment securities	8,886,910	9,592,066
Long-term loans receivable	28,153	45,556
Deferred tax assets	253,428	289,564
Other	919,571	972,812
Allowance for doubtful accounts	(68,183)	(74,394)
Total investments and other assets	10,019,880	10,825,606
Total non-current assets	27,096,068	29,366,674
Total assets	67,836,426	71,590,688

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,422,748	1,433,897
Current portion of long-term borrowings	125,000	125,000
Lease liabilities	30,815	47,305
Income taxes payable	1,423,114	1,510,790
Contract liabilities	4,246,490	4,461,263
Provision for bonuses	646,265	911,489
Reserve for fulfillment of guarantees	477,670	826,395
Other	9,406,762	9,779,016
Total current liabilities	17,778,867	19,095,157
Non-current liabilities		
Long-term borrowings	125,000	—
Lease liabilities	100,391	149,154
Deferred tax liabilities	516,359	450,485
Retirement benefit liability	17,291	22,784
Asset retirement obligations	1,956,459	2,126,178
Other	117,255	104,993
Total non-current liabilities	2,832,757	2,853,597
Total liabilities	20,611,624	21,948,755
Net assets		
Shareholders' equity		
Share capital	1,601,210	1,601,210
Capital surplus	2,857,631	2,822,256
Retained earnings	37,043,690	39,619,190
Treasury shares	(899,087)	(1,278,859)
Total shareholders' equity	40,603,444	42,763,797
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	849,893	722,996
Foreign currency translation adjustment	2,568,197	2,542,454
Total accumulated other comprehensive income	3,418,090	3,265,451
Share acquisition rights	278,778	262,652
Non-controlling interests	2,924,487	3,350,032
Total net assets	47,224,801	49,641,933
Total liabilities and net assets	67,836,426	71,590,688

(2) Consolidated Statement of Income and Comprehensive Income
(Consolidated Statement of Income)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	58,738,723	63,719,802
Cost of sales	44,981,265	49,682,136
Gross profit	13,757,458	14,037,666
Selling, general and administrative expenses	5,835,950	6,076,517
Operating profit	7,921,507	7,961,148
Non-operating income		
Interest income	12,227	23,904
Interest on securities	279,254	299,855
Dividend income	31,047	6,814
Share of profit of entities accounted for using equity method	379,031	174,888
Other	62,770	44,581
Total non-operating income	764,330	550,044
Non-operating expenses		
Interest expenses	2,450	4,156
Foreign exchange losses	134,295	26,751
Provision of allowance for doubtful accounts	16,292	15,136
Loss on retirement of non-current assets	9,152	17,814
Commission expenses	10,068	12,484
Other	55,166	17,988
Total non-operating expenses	227,425	94,331
Ordinary profit	8,458,412	8,416,861
Extraordinary income		
Gain on sale of non-current assets	3,045	3,985
Subsidy income	12,211	106,449
Gain on sale of investment securities	675,570	16,806
Total extraordinary income	690,827	127,241
Extraordinary losses		
Loss on sale of non-current assets	—	0
Loss on retirement of non-current assets	24,997	30,662
Loss on tax purpose reduction entry of non-current assets	12,211	106,449
Loss on sale of investment securities	18,972	—
Other	—	1,582
Total extraordinary losses	56,181	138,694
Profit before income taxes	9,093,058	8,405,408
Income taxes - current	2,724,657	2,922,458
Income taxes - deferred	(10,299)	(32,055)
Total income taxes	2,714,358	2,890,403
Profit	6,378,700	5,515,005
Profit attributable to non-controlling interests	587,423	644,962
Profit attributable to owners of parent	5,791,276	4,870,043

(Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	6,378,700	5,515,005
Other comprehensive income		
Valuation difference on available-for-sale securities	266,844	(135,585)
Foreign currency translation adjustment	861,850	(25,743)
Total other comprehensive income	1,128,694	(161,328)
Comprehensive income	7,507,395	5,353,677
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,911,887	4,717,403
Comprehensive income attributable to non-controlling interests	595,508	636,273

(3) Consolidated Statement of Changes to Shareholders' Equity
 Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,570,641	2,840,271	32,788,867	(418,158)	36,781,620
Changes during period					
Issuance of new shares	30,568	30,568			61,137
Dividends of surplus			(1,536,453)		(1,536,453)
Profit attributable to owners of parent			5,791,276		5,791,276
Purchase of treasury shares				(499,996)	(499,996)
Disposal of treasury shares		(13,209)		19,068	5,859
Net changes in items other than shareholders' equity					
Total changes during period	30,568	17,359	4,254,823	(480,928)	3,821,823
Balance at end of period	1,601,210	2,857,631	37,043,690	(899,087)	40,603,444

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	591,133	1,706,346	2,297,480	249,802	2,488,934	41,817,838
Changes during period						
Issuance of new shares						61,137
Dividends of surplus						(1,536,453)
Profit attributable to owners of parent						5,791,276
Purchase of treasury shares						(499,996)
Disposal of treasury shares						5,859
Net changes in items other than shareholders' equity	258,759	861,850	1,120,610	28,976	435,553	1,585,139
Total changes during period	258,759	861,850	1,120,610	28,976	435,553	5,406,963
Balance at end of period	849,893	2,568,197	3,418,090	278,778	2,924,487	47,224,801

This consolidated fiscal year (from April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,601,210	2,857,631	37,043,690	(899,087)	40,603,444
Changes during period					
Dividends of surplus			(2,294,543)		(2,294,543)
Profit attributable to owners of parent			4,870,043		4,870,043
Capital increase of consolidated subsidiaries		4,344			4,344
Change in ownership interest of parent due to transactions with non-controlling interests		38			38
Purchase of treasury shares				(499,969)	(499,969)
Disposal of treasury shares		(39,757)		120,196	80,438
Net changes in items other than shareholders' equity					
Total changes during period	—	(35,374)	2,575,499	(379,772)	2,160,352
Balance at end of period	1,601,210	2,822,256	39,619,190	(1,278,859)	42,763,797

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	849,893	2,568,197	3,418,090	278,778	2,924,487	47,224,801
Changes during period						
Dividends of surplus						(2,294,543)
Profit attributable to owners of parent						4,870,043
Capital increase of consolidated subsidiaries						4,344
Change in ownership interest of parent due to transactions with non-controlling interests						38
Purchase of treasury shares						(499,969)
Disposal of treasury shares						80,438
Net changes in items other than shareholders' equity	(126,896)	(25,743)	(152,639)	(16,126)	425,544	256,778
Total changes during period	(126,896)	(25,743)	(152,639)	(16,126)	425,544	2,417,131
Balance at end of period	722,996	2,542,454	3,265,451	262,652	3,350,032	49,641,933

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	9,093,058	8,405,408
Depreciation	1,974,694	2,288,532
Amortization of goodwill	30,000	39,619
Increase (decrease) in allowance for doubtful accounts	565,324	712,164
Increase (decrease) in provision for bonuses	△103,144	265,343
Increase (decrease) in Reserve for fulfillment of guarantees	225,278	254,783
Interest and dividend income	△322,528	△330,574
Interest expenses	2,450	4,156
Foreign exchange losses (gains)	71,345	△1,284
Share of loss (profit) of entities accounted for using equity method	△379,031	△174,888
Subsidy income	△12,211	△106,449
Loss on tax purpose reduction entry of non-current assets	12,211	106,449
Loss (gain) on sale of property, plant and equipment and intangible assets	△3,045	△3,985
Loss (gain) on sale of investment securities	△656,598	△16,806
Loss (gain) on valuation of investment securities	△1,108	496
Loss on retirement of property, plant and equipment and intangible assets	34,150	48,477
Decrease (increase) in trade receivables	△1,020,512	△90,578
Decrease (increase) in inventories	△166,721	△432,778
Decrease (increase) in advances paid	△2,643,241	△1,030,524
Decrease (increase) in other assets	△139,385	11,046
Increase (decrease) in trade payables	△7,755	18,483
Increase (decrease) in contract liabilities	△1,667,520	52,770
Increase (decrease) in other liabilities	3,481,157	38,473
Increase (decrease) in accrued consumption taxes	△178,259	193,981
Other, net	116,286	83,649
Subtotal	8,304,892	10,335,964
Income taxes paid	△2,711,199	△2,803,657
Interest and dividends received	292,591	312,478
Interest paid	△2,327	△4,031
Net cash provided by (used in) operating activities	5,883,956	7,840,754

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	△3,140,108	△3,443,944
Proceeds from sale of property, plant and equipment and intangible assets	4,369	26,549
Purchase of investment securities	△825,793	△1,541,999
Proceeds from sale of investment securities	894,705	48,570
Proceeds from redemption of investment securities	146,210	916,459
Loan advances	△23,460	△35,847
Proceeds from collection of loans receivable	11,174	15,991
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	90,987
Payments of guarantee deposits	△76,676	△64,749
Proceeds from refund of guarantee deposits	19,918	15,151
Subsidies received	368,428	106,349
Payments into time deposits	△15,239	△5,420
Proceeds from withdrawal of time deposits	24,843	4,963
Other, net	△2,606	△2,718
Net cash provided by (used in) investing activities	△2,614,235	△3,869,658
Cash flows from financing activities		
Repayments of long-term borrowings	△125,000	△125,000
Purchase of treasury shares	△499,996	△499,969
Purchase of treasury shares of subsidiaries	—	△5,453
Dividends paid	△1,533,423	△2,293,637
Repayments of lease liabilities	△69,409	△80,100
Dividends paid to non-controlling interests	△159,955	△209,636
Proceeds from exercise of employee share options	10,400	17,264
Net cash provided by (used in) financing activities	△2,377,383	△3,196,532
Effect of exchange rate change on cash and cash equivalents	235,431	△157,086
Net increase (decrease) in cash and cash equivalents	1,127,769	617,476
Cash and cash equivalents at beginning of period	21,651,741	22,779,510
Cash and cash equivalents at end of period	22,779,510	23,396,986

(5) Notes on Consolidated Financial Statements
(Notes Relating to Assumptions for the Going Concern)
There are no relevant matters.

(Note on Changes in Accounting Policies)
(Application of "Accounting Standards for Corporate Income Tax, Inhabitant Tax, and Business Tax")

The "Accounting Standards for Corporate Income Tax, Inhabitant Tax, and Business Tax" (Accounting Standard No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standards") has been applied from the beginning of the current consolidated fiscal year. The amendments concerning the classification of corporate income tax, etc. (taxation on other comprehensive income) are being applied in accordance with the transitional treatment stipulated in the proviso to paragraph 20-3 of the 2022 Revised Accounting Standards and the transitional treatment specified in the "Application Guidance for Accounting Standards Related to Tax Effects" (Application Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Application Guidance") in paragraph 65-2 (2) proviso. Furthermore, there is no impact on the consolidated financial statements due to this change in accounting policy.

In addition, regarding the amendments related to the review of the treatment of deferred gains and losses for tax purposes resulting from the sale of shares in subsidiaries between consolidated companies, the 2022 Revised Application Guidance has been applied from the beginning of the current consolidated fiscal year. This change in accounting policy will be applied retroactively, and the consolidated financial statements for the previous consolidated fiscal year have been prepared in accordance with this retroactive application. Notably, there is no impact on the consolidated financial statements for the previous consolidated fiscal year due to this change in accounting policy.

(Note on Changes in Accounting Estimates)

Our group has recorded expected future losses related to performance guarantees based on anticipated additional advances and incurred costs for surety contracts that have incurred advances as of the end of the consolidated fiscal year. However, as the number of surety contracts increased, it became necessary to recognize performance guarantee provisions for contracts that had not incurred advances as of the end of the consolidated fiscal year, taking into account the potential for additional advances. Upon reviewing this, we completed the analysis and standardization of actual performance data related to guarantees by the end of the current consolidated fiscal year, which enabled us to recognize provisions for expected future losses from the performance of guarantees on contracts that had not incurred advances.

As a result of this change in estimate, the performance guarantee provision as of the end of the current consolidated fiscal year increased by 349,367 thousands yen, leading to a decrease of the same amount in operating profit, ordinary profit, and net profit before tax adjustments for the current fiscal year.

(Note on Segment Information)

1. Overview of Reporting Segments

Our reporting segments are defined as those units within our organization for which separate financial information is available and which the Board of Directors regularly reviews to make decisions on resource allocation and performance evaluation.

Our group operates globally in several businesses, including the Automotive Business, Property Business, Global Business, Customer Business, Financial Guarantee Business, IT Business, and Social Business. Each of these segments provides services such as customer contact operations, assistance services, after-sales services, payment and billing operations, loss investigation operations, and payment operations to client companies, including property and casualty insurance companies, automakers, real estate management companies, and credit card companies. The primary locations for these services are contact centers, with the Akita BPO Main Campus serving as the core, supported by overseas locations in the United States, the United Kingdom, Singapore, Australia, Hong Kong, and others.

Therefore, our company is composed of geographically-based segments centered around contact centers, and we have designated three reporting segments: "Japan," "Americas and Europe," and "Asia and Oceania."

2. Calculation Method for Revenues, Profits or Losses, Assets, and Other Items by Reporting Segment

The accounting treatment for the reported segments is consistent with the description in the "Key Matters Underlying the Preparation of Consolidated Financial Statements."

The profit for the reporting segments is based on operating profit figures.

Internal revenues and transfers between segments are based on market prevailing prices.

3. Information on Revenues, Profits or Losses by Reporting Segment

Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Reportable segments				Reconciling items	Per consolidated financial statements
	Japan	America and Europe	Asia and Oceania	Reportable segments		
Sales						
Revenues from external customers	54,527,559	3,028,386	1,182,778	58,738,723	—	58,738,723
Transactions with other segments	339,617	627,235	733,940	1,700,792	(1,700,792)	—
Net sales	54,867,176	3,655,621	1,916,718	60,439,516	(1,700,792)	58,738,723
Operating profit (loss)	7,945,337	490,847	349,609	8,785,795	(864,287)	7,921,507
Assets	45,551,680	4,179,542	6,695,183	56,426,406	11,410,020	67,836,426
Other items						
Depreciation	1,837,348	9,092	87,360	1,933,801	40,893	1,974,694
Amortization of goodwill	30,000	—	—	30,000	—	30,000
Increase in property, plant and equipment and intangible assets	3,168,463	4,396	140,421	3,313,281	61,312	3,374,593

This consolidated fiscal year (from April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Reportable segments				Reconciling items	Per consolidated financial statements
	Japan	America and Europe	Asia and Oceania	Reportable segments		
Sales						
Revenues from external customers	59,149,647	3,064,968	1,505,187	63,719,802	—	63,719,802
Transactions with other segments	1,084,496	652,186	802,484	2,539,167	(2,539,167)	—
Net sales	60,234,143	3,717,154	2,307,671	66,258,970	(2,539,167)	63,719,802
Operating profit (loss)	8,541,132	578,328	458,028	9,577,489	(1,616,341)	7,961,148
Assets	49,057,423	4,753,080	6,950,546	60,761,050	10,829,637	71,590,688
Other items						
Depreciation	2,131,022	3,662	108,956	2,243,641	44,891	2,288,532
Amortization of goodwill	39,619	—	—	39,619	—	39,619
Increase in property, plant and equipment and intangible assets	3,694,569	7,786	140,181	3,842,537	76,270	3,918,807

4. Differences Between Total Amounts of Reporting Segments and Amounts Recorded in Consolidated Financial Statements, and Main Contents of Such Differences (Matters Related to Adjustment of Differences)

(Thousands of yen)

Sales	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Reportable segments	60,439,516	66,258,970
Elimination of inter-segment transactions	△1,700,792	△2,539,167
Sales in consolidated financial statements	58,738,723	63,719,802

(Thousands of yen)

Profit	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Reportable segments	8,785,795	9,577,489
Elimination of inter-segment transactions	△44,656	△715,533
Company-wide expenses	△819,630	△900,808
Operating profit in consolidated financial statements	7,921,507	7,961,148

(Note) Corporate expenses are expenses related to the administrative department.

(Thousands of yen)

Assets	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Reportable segments	56,426,406	60,761,050
Elimination of inter-segment transactions	△3,223,623	△3,876,314
Company assets	14,633,643	14,705,952
Total assets in consolidated financial statements	67,836,426	71,590,688

(Note) Corporate assets are mainly head office assets that do not belong to any reportable segment.

(Thousands of yen)

Other items	Reportable segments		Elimination of inter-segment transactions		Amount recorded in consolidated financial statements	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Depreciation	1,933,801	2,243,641	40,893	44,891	1,974,694	2,288,532
Amortization of goodwill	30,000	39,619	—	—	30,000	39,619
Increase in tangible and intangible fixed assets	3,313,281	3,842,537	61,312	76,270	3,374,593	3,918,807

(Notes on per share information)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Net assets per share	345.65 yen	363.03 yen
Basic earnings per share	45.34 yen	38.28 yen
Diluted earnings per share	45.20 yen	38.19 yen

(Note) Base for calculating profit per share and diluted profit per share

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit per share		
Profit attributable to owners of parent (Thousands of yen)	5,791,276	4,870,043
Amount not attributable to common shareholders (Thousands of yen)	—	—
Profit attributable to owners of parent related to common shares (Thousands of yen)	5,791,276	4,870,043
Average number of common shares during the term (shares)	127,741,309	127,224,455
Diluted profit per share		
Adjustment of profit attributable to owners of parent (Thousands of yen)	729	832
(Adjustment for potential shares of consolidated subsidiaries (thousand yen))	(729)	(832)
Increase in the number of common shares (shares)	372,737	280,196
(Of the increase, the number of share acquisition rights) (shares)	(372,737)	(280,196)
Outline of potential shares that are not included in the calculation of the diluted profit per share because they do not have any diluting effects	Stock acquisition rights based on the February 17, 2021 Board of Directors resolution Number of stock acquisition rights: 5,287 units (Common stock: 528,700 shares)	Stock acquisition rights based on the February 17, 2021 Board of Directors resolution Number of stock acquisition rights: 5,063 units (Common stock: 506,300 shares)

(Significant Subsequent Event)

(Repurchase of treasury stock)

The Company decided to repurchase shares of its common stock pursuant to Article 156 of the Companies Act of Japan (the “Companies Act”) as applied pursuant to Article 165, Paragraph 3 of the Companies Act, at the meeting of the Board of Directors held on May 9, 2025.

(1) Reason for the share repurchase

Improve shareholder returns through implementing flexible capital policies and improving capital efficiency.

(2) Details of the decision of the Board of Directors regarding the repurchase of treasury stock

1. Class of shares to be repurchased
Common stock
2. Total number of shares to be repurchased
750,000 shares (maximum)
3. Period of repurchase
June 2, 2025 – September 22, 2025
4. Total purchase price for repurchase of shares
JPY 500 million (maximum)
5. Method of repurchase
Purchases from the market on the Tokyo Stock Exchange based on a discretionary trading agreement

(Retirement of treasury stock)

The Company decided the retirement of treasury stock pursuant to Article 178 of the Companies Act, at the meeting of the Board of Directors held on May 9, 2025.

- | | |
|--|------------------|
| (1) Class of shares to be retired | Common stock |
| (2) Total number of shares to be retired | 1,500,000 shares |
| (3) Scheduled date of retirement | May 30, 2025 |

Reference: Total number of common stock issued after retirement 127,176,300 shares

4. Other

No applicable items.