

# Financial Results Presentation for FY Ended March 31, 2021

May 10, 2021

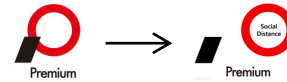
## **Summary of Financial Results for FY Ended March 31, 2021**

## **Earnings and Dividend Forecast for FY Ending March 31, 2022**

## **Appendix**

# Summary of Financial Results for FY Ended March 31, 2021

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# Highlights from FY Ended March 31, 2021

- ✓ Automobile market **recovered**
- ✓ Operating income saw **soaring growth** amid **rising revenue** for both loans and warranties and other revenue from subsidiaries

<b>Market</b>	<ul style="list-style-type: none"><li>■ <b>Number of new passenger vehicles registered</b> Full-year: <b>Down 8.7% YoY</b>; Q4 alone: <b>Up 2.2% YoY</b></li><li>■ <b>Number of used passenger vehicles registered</b> Full-year: <b>Up 0.9% YoY</b>; Q4 alone: <b>Up 2.3% YoY</b></li></ul> <p>Both the new and used passenger vehicle markets are recovering <small>(Statistical data from the Japan Automobile Dealers Association)</small></p>
<b>KPIs</b>	<ul style="list-style-type: none"><li>■ <b>YoY of total volume in core businesses</b> Total volume of new loans Full-year: <b>Down 6.2% YoY</b> (down 9.2% in Q1 alone, down 20.5% in Q2 alone, up 1.9% in 3Q alone and <b>up 5.3%</b> in Q4 alone) Total volume of new warranties Full-year: <b>Up 3.1%</b> (down 10.5% in Q1 alone, up 9.8% in Q2 alone, up 9.7% in Q3 alone and <b>up 3.6%</b> in Q4 alone)</li></ul>
<b>Performance</b>	<ul style="list-style-type: none"><li>■ <b>Operating income: ¥17,825 million (up 27.2% YoY)</b> Operating income was up 22.9% YoY for Q4 alone (¥4,722 million)</li><li>■ <b>Future expected earnings (deferred profit): ¥30,240 million stocked on B/S (up 14.6% YoY)</b> Credit finance business: ¥25,080 million Automobile warranty business: ¥4,880 million Other businesses: ¥280 million</li></ul>
<b>Topics</b>	<ul style="list-style-type: none"><li>■ <b>Announcement of Revision of Dividend Forecast for Fiscal Year Ended March 31, 2021 (Dividend Increase)</b></li><li>■ <b>Revisions to Medium-Term Management Plan “VALUE UP ↗ 2023”</b></li><li>■ <b>Announcement of Digital Transformation(DX) Strategy</b></li><li>■ <b>Announcement of ESG Report</b></li></ul> <p>May 13</p>

# Consolidated Performance for FY Ended March 31, 2021

(Graph/table unit: millions of yen)

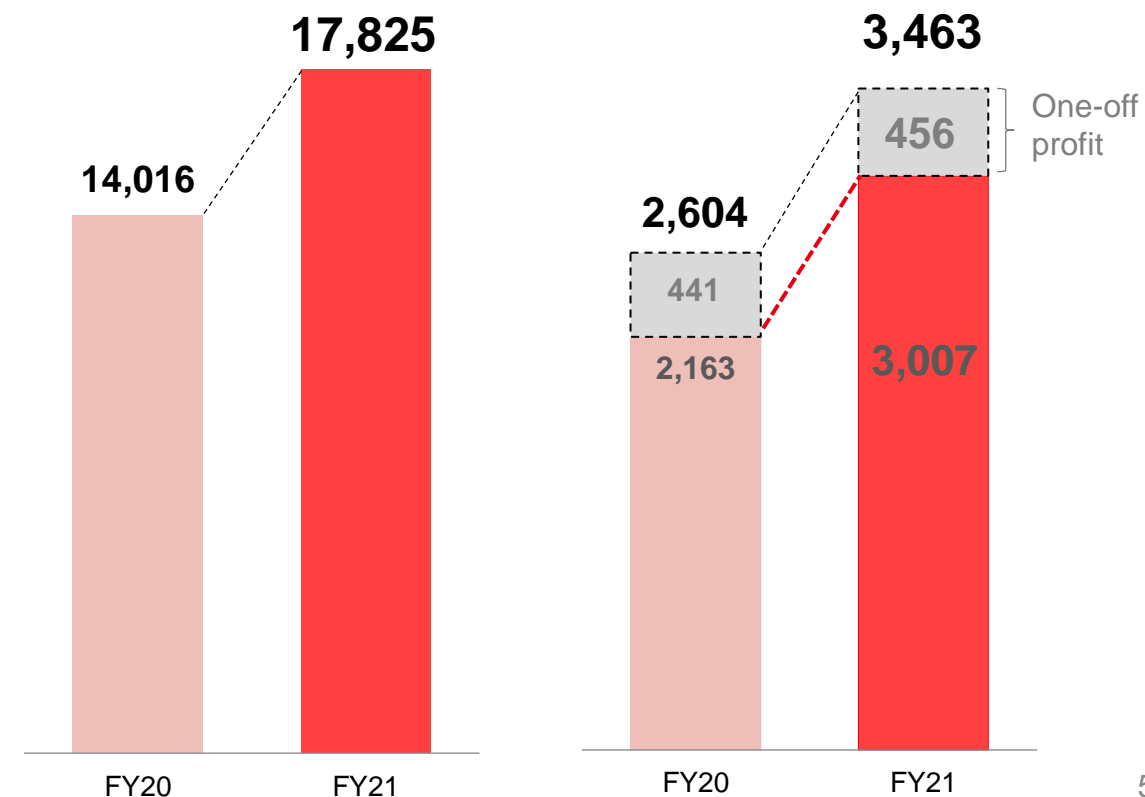


- ✓ Operating income totaled ¥17,825 million (up 27.2% YoY) on generation of stock (deferred profit) from business growth
- ✓ Profit before tax of core business excluding one-off factors totaled ¥3,007 million (up 39.0% YoY)

	FY20	FY21	YoY change
Operating income	14,016	17,825	+27.2%
Other income	2,110 Changes in accounting estimates	694 Gain on bargain purchase from the acquisition of shares	-67.1%
Profit before tax	2,604	3,463	+33.0%
Profit attributable to owners of parent	1,466	2,383	+62.6%
Basic earnings per share (yen)	112.33	186.74	+66.2%

**Operating income**  
Up 27.2% YoY

**Profit before tax**  
Up 33.0% YoY  
Note: Excluding one-off profits up 39.0% (see page 6 for details)

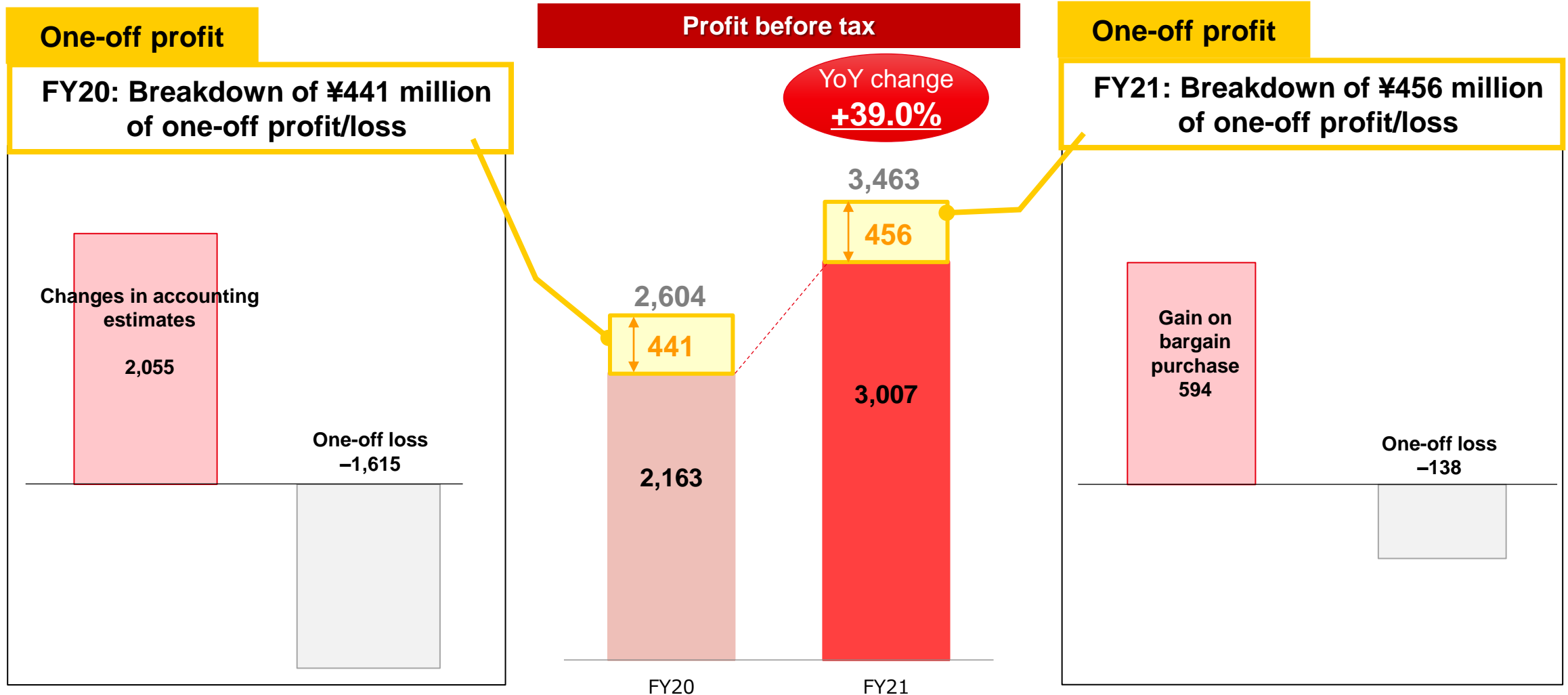


# About Profit before Tax of Core Business

(Graph unit: millions of yen)



- ✓ Booked one-off profits of ¥441 million in FY20 and ¥456 million for FY21
- ✓ Profit before tax of core business excluding one-off factors totaled ¥3,007 million (up 39.0% YoY)



# Credit Finance Business: Total Volume of New Loans

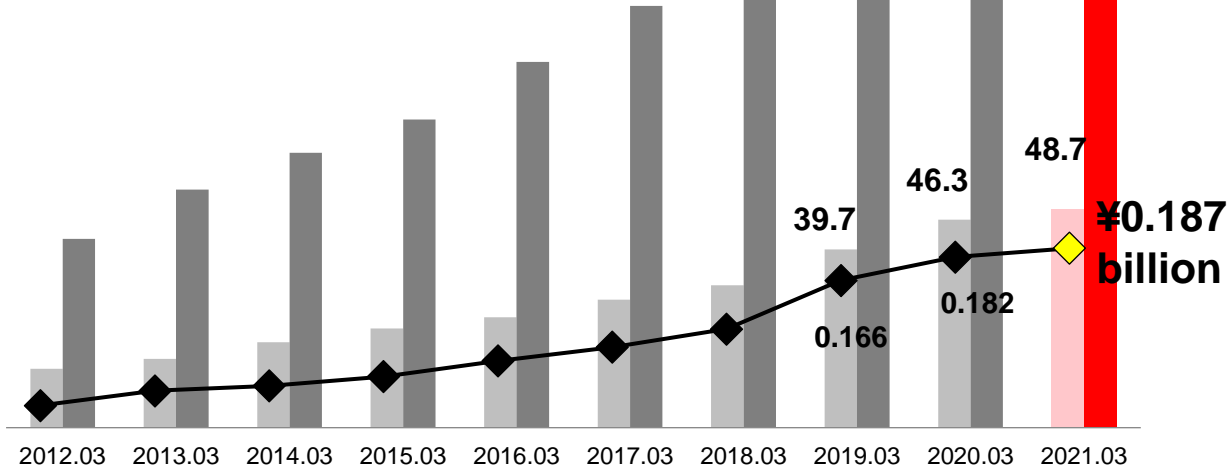
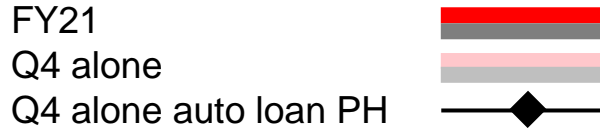


## Total volume of new loans

### Auto loan PH

Auto loan PH...The average monthly total volume of new loans per sales staff

(Billions of yen)



**¥166.4 billion**

**¥0.187 billion**

FY21  
Total volume of new loans

**Down  
6.2% YoY**

Q4 alone  
Total volume of new loans

**Up  
5.3% YoY**

FY21  
Credit profit

**Up 2.2% YoY**

### Factors driving change

- In 2H the market and volume recovered, but the impacts from the downturn in 1H resulted in full-year figures down 6.2% YoY
- Began initiatives in Q4 for expanding sales aimed at Q1 FY2022 (increased sales staff by two persons between Q3 and Q4)  
⇒Hiring is progressing steadily ahead of FY2022 (Hired five persons between January and April 30 assigned to sales)

### Strategy

- Building a 100-person sales staff for expansion
- Expanding sales area using a BIZ site format\* and appointing young managers

⇒Strive to boost motivation

\*BIZ site format refers to an approach to expand sales not by establishing branches in each sales area, but instead by setting up headquarters in major cities and assigning staff to sales areas as needed.

- Begin review for introducing AI-driven credit screening, seeking to further increase operational streamlining and improve convenience for individual customers
- Promote DX to improve convenience of network stores and efficiency of sales activities**

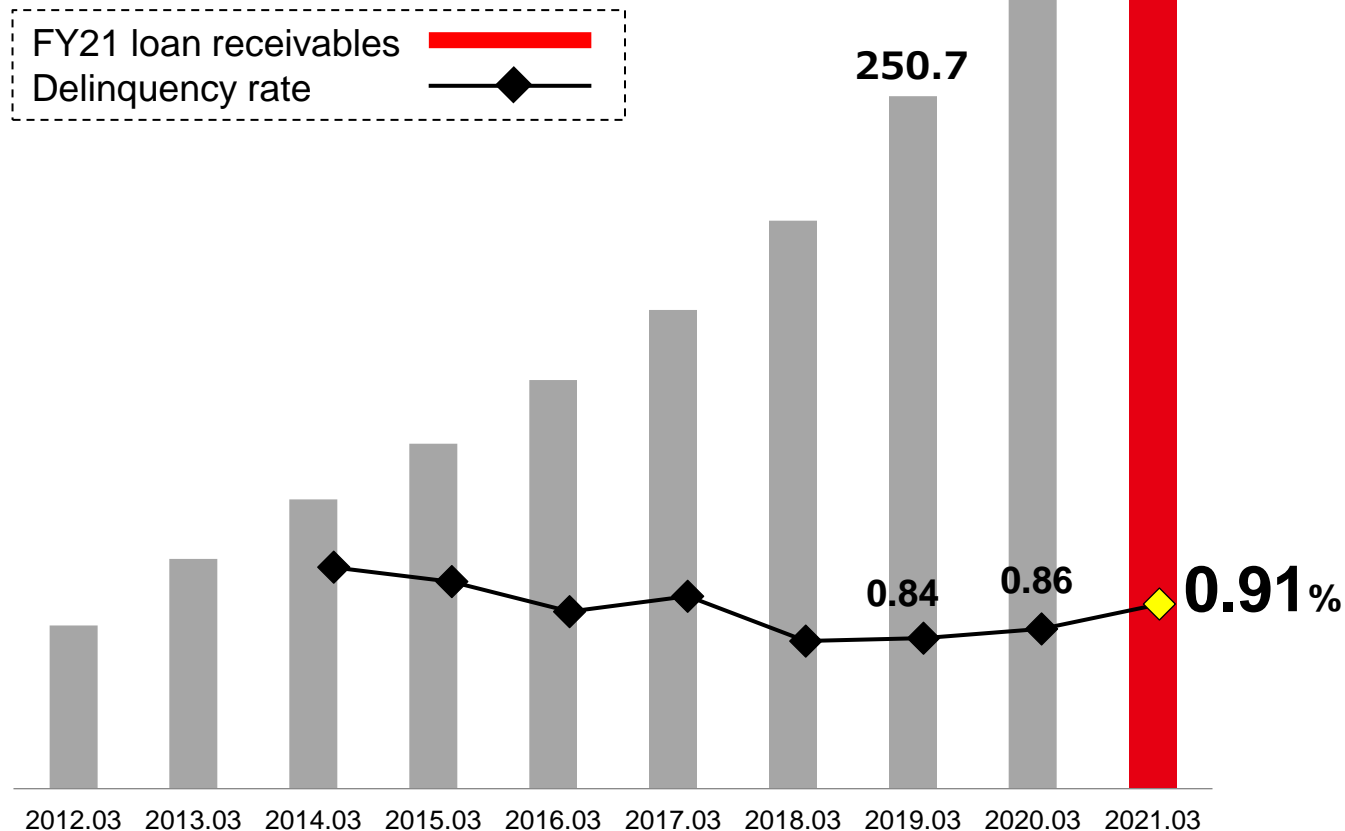
Notes: 1. "Total volume of new loans" refers to the total amount of credit and lease contracts newly signed in the period. The figures are inclusive of the total volume of new loans of products other than automotive credit financing (Ecology Credit, etc.), and are the actual results of Premium Co., Ltd.  
2. Credit profit is the amount from the split commission received from customers, minus costs for procuring sales promotion costs and advances, included in the total amount of credit contracts (total volume).  
3. "PH" stands for "Per Head," which refers to the average monthly total volume of new loans or warranties per sales staff. The monthly total volume of new loans refers to the total of the amount of credit contracts newly signed in a month. The amount of credit contracts refers to the total amount of the balance of charges for the product and the split commission. Furthermore, PH represents the actual results of Premium Co., Ltd.

# Credit Finance Business: Loan Receivables

## Loan receivables

## Delinquency rate (more than 3 months)

(Billions of yen; %)



Loan receivables  
**+12.5% YoY**

Delinquency rate  
**0.91%**

### Topics related to delinquency rate

- **The nature of loans did not deteriorate**; rather the delinquency rate increased slightly because loan receivables did not increase following a temporary stoppage in sales activities during H1.
- **There is no impact on rising insurance rates for loan receivables, as the insurance rate will remain the same in the FY ending March 31, 2022.**

### Strategy

- Continue to focus on mitigating initial delinquencies to curtail long-term delinquencies
- Promote operational innovation using DX  
⇒ Began introducing IVR in collections from April 2021
- Began contracting out collections of medium- to long-term delinquencies **by utilizing the know-how of Central Servicer Corporation, which joined the Group in April 2020**

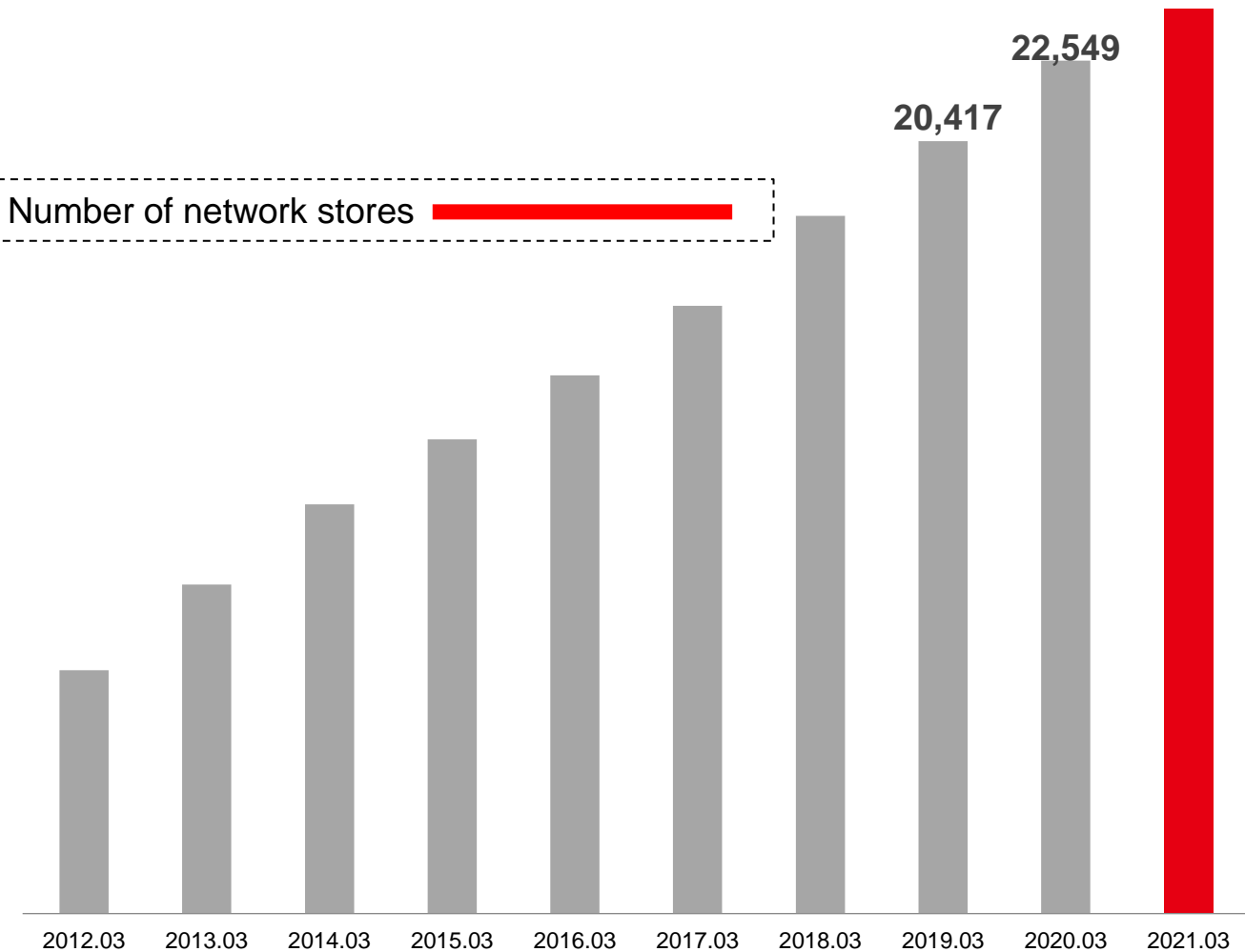
Notes: 1. "Loan receivables" refers to the total amount that has not been repaid or for which the warranty period has not elapsed at the end of the period out of the cumulative total volume of new loans from the commencement of operations to the end of the period. The figures are inclusive of the receivables balance of products other than automotive credit financing (Ecology Credit, etc.), and are the actual results of Premium Co., Ltd.  
2. "Delinquency rate" refers to the total amount of receivables that are more than 3 months in arrears and special loan receivables (with judicial intervention), expressed as a percentage of the loan receivables at the end of the period. Figures are the actual results for the periods subsequent to when the receivables collection index definition was revised in the fiscal year ended March 31, 2013, and are the actual results of Premium Co., Ltd.



# Credit Finance Business: Number of Network Stores

## Number of credit network stores

(Companies)



Number of network stores

Number of credit network stores

**+6.0% YoY**

### Factors driving change

- In FY ended March 31, 2021, focused on increasing share among existing network stores and promoting the utilization of newly tapped network stores

### Strategy

- Continue to focus on **tapping into new network stores and promoting their utilization**
- Simultaneously promote utilization of non-operating network stores using contact centers (outbound sales)
- Release P-Gate portal site for network stores and seek to maintain and increase share of Premium Co., Ltd. by **improving convenience for existing network stores**

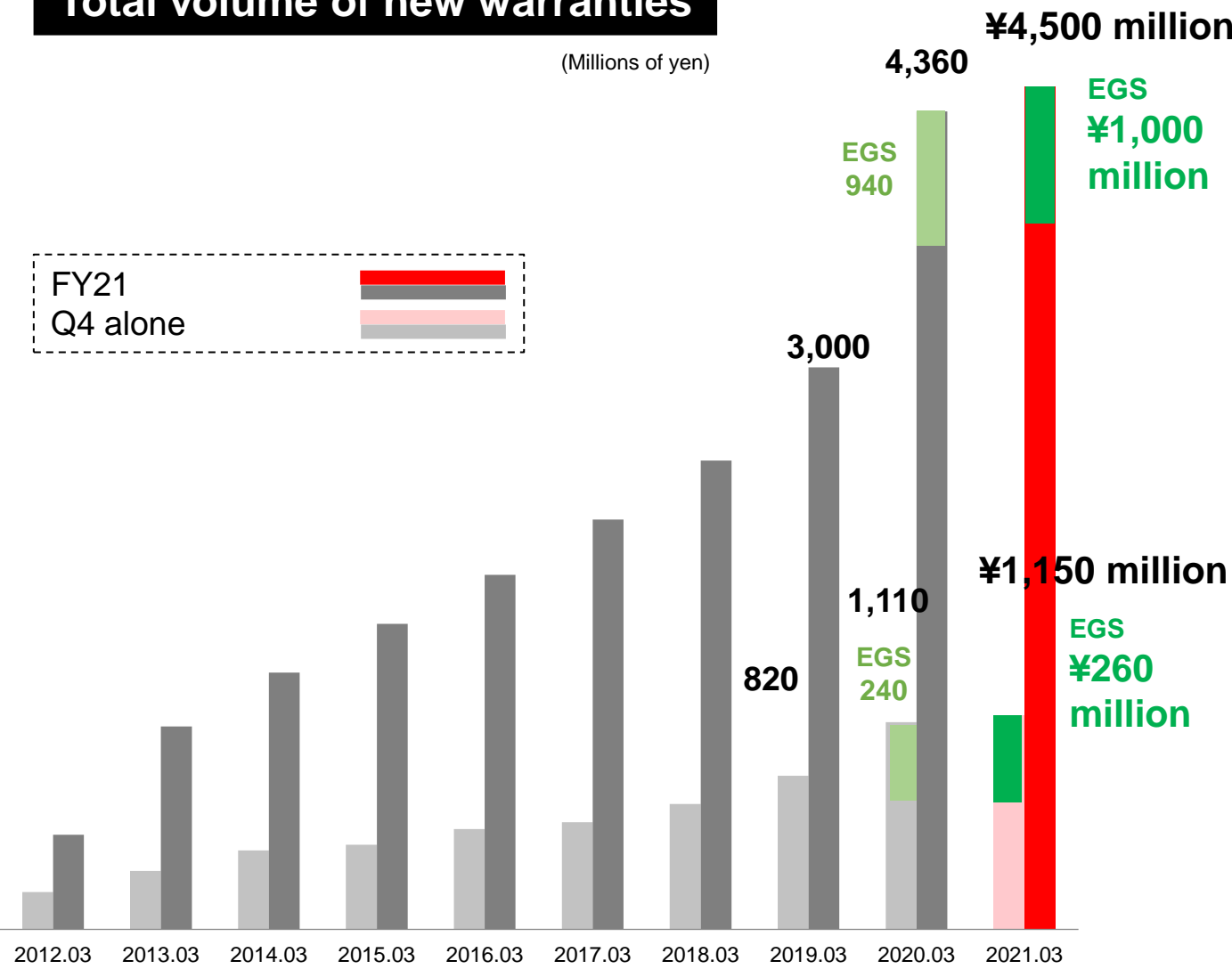
Note: "Number of network stores" refers to the number of companies that have signed a network store contract, counting company as one network store even if that company has several stores, and are the actual results of Premium Co., Ltd. The figures are the actual results for the periods subsequent to when the Group's ERP system was renewed in the fiscal year ended March 31, 2010.

# Automobile Warranty Business: Total Volume of New Warranties



## Total volume of new warranties

(Millions of yen)



FY21  
Q4 alone

Automobile warranty: total volume of new warranties

**+3.1% YoY**

Total volume of Premium Group: +2.1% YoY\*  
Total volume of EGS: +6.6% YoY\*

\* FY ended March 31, 2021

### Factors driving change

- Total volume recovered buoyed by the recovery
- YoY growth was only in the single digit range due to a shortfall in in-person sales activities, despite the success of sales activities using video presentations of our products during the COVID-19 pandemic

### Strategy

- Lower cost of sales by repairing vehicles at maintenance facilities within the Group's network.  
⇒ Focus on reducing cost of sales ratio. (Reduced by 1.9 points YoY in the FY ended March 31, 2021)
- Continue recruitment for PFS Premium Club membership service for automobile dealers. Promote cross-selling.
- Focus on sales of high margin original products.

Notes: 1. EGS is a new company established in October 2020. Premium Warranty Service outsources its sales operations.  
2. Premium Warranty Service also outsources sales to Premium Co., Ltd. in order to promote cross-selling across the Group.  
3. "Total volume of new warranties" refers to the total amount of warranty contracts newly signed in the period. The actual results of Premium Co., Ltd. includes EGS from April 2019.

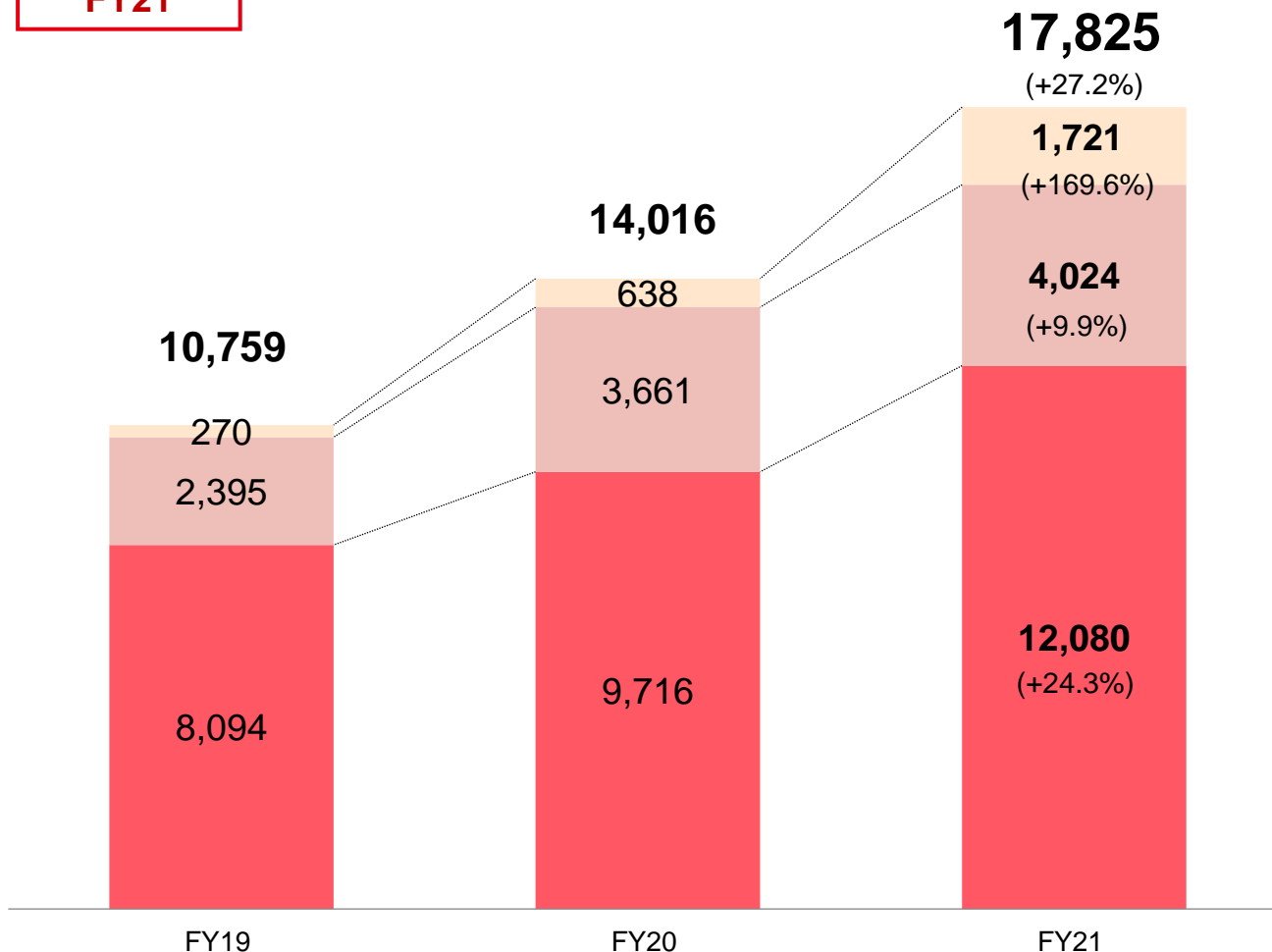
# Operating Income (P/L) by Segment

(Graph unit: millions of yen)  
(Figures in parentheses in graph indicate YoY change)



- ✓ Operating income hit ¥17,825 million (up 27.2% YoY)
- ✓ In addition to rising revenue from the finance and automobile warranty segments, the new auto mobility services segment also recorded strong growth

FY21



## Profit characteristics of each segment

- The finance and automobile warranty segments are asset businesses building balances
  - (1) Stable profits
  - (2) Less susceptible to economy and seasonality
 Future expected earnings: ¥30,240 million stocked on B/S  
 Credit finance business: ¥25,080 million, automobile warranty business: ¥4,880 million, and other businesses: ¥280 million)
- The new auto mobility segment experienced revenue growth driven by sales of parts and software

- Finance segment (credit, lease, servicer etc.)
- Automobile warranty segment
- Auto mobility segment (Parts sales, software sales, automobile maintenance etc.)

Note: Since it is a preliminary value, we will promptly notify you on our website when any corrections or changes occur.

# Trends in Operating Expenses (P/L)

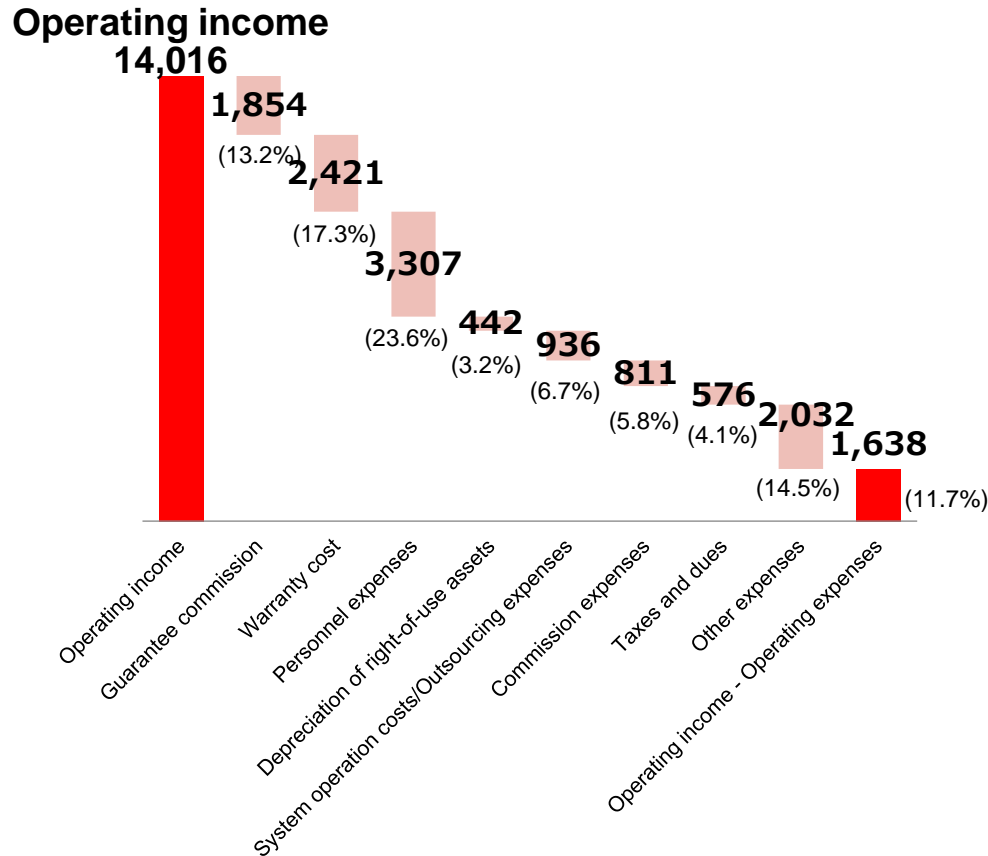
(Graph unit: millions of yen)  
(Parentheses in graph indicate percentage versus operating income)



✓ Operating expenses totaled ¥14,857 million (up 19.3% YoY)  
⇒ YoY growth slowed compared to normal years due to cutbacks in sales activities caused by COVID-19 and reduced expenses

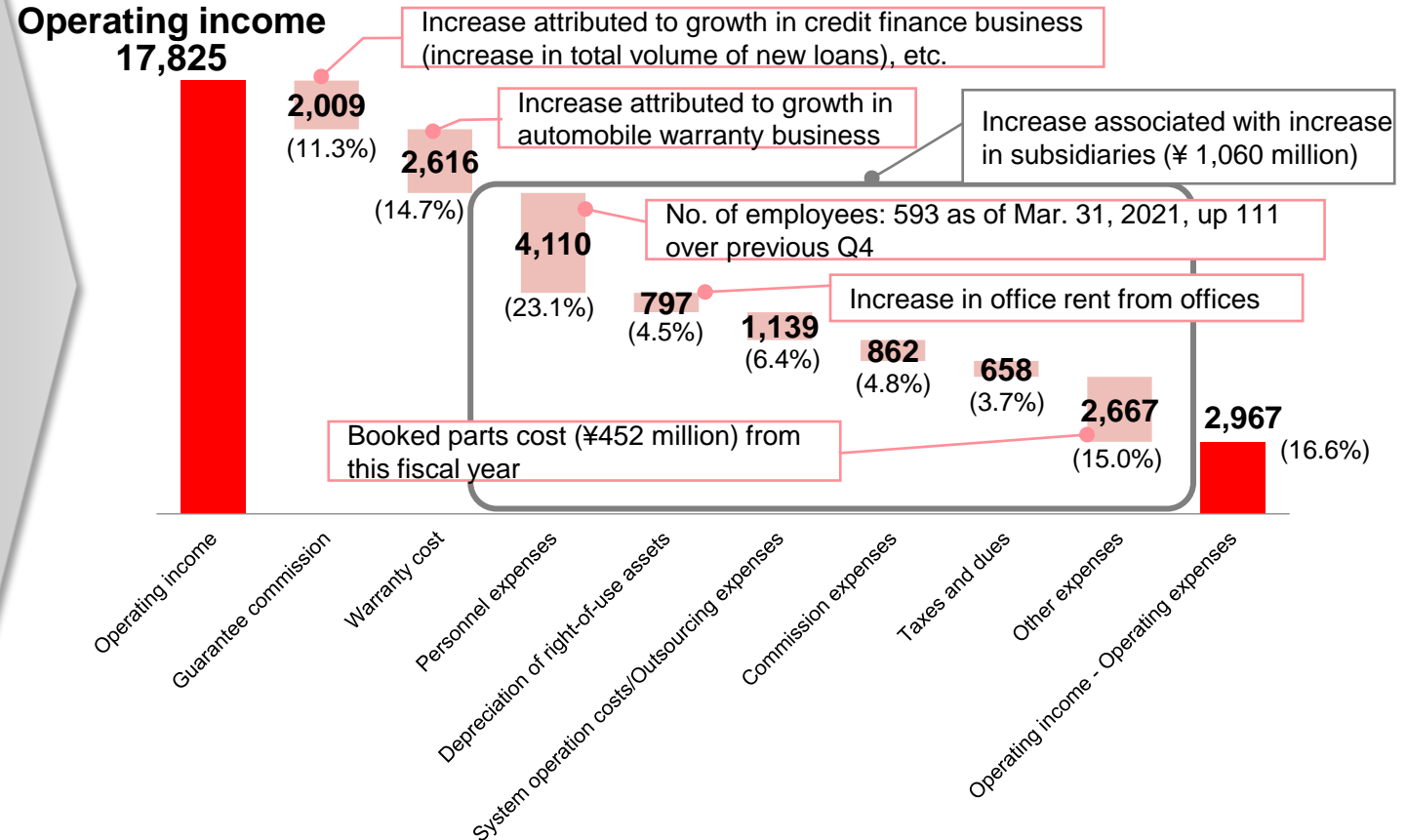
**FY20**

**Operating expenses ¥12,458 million**



**FY21**

**Operating expenses ¥14,857 million (up 19.3% YoY)**



Note: Since it is a preliminary value, we will promptly notify you on our website when any corrections or changes occur.

- February 2021** **Launched a used car search engine site called “Premium—the place for cars and financing”** **DX**

With the utility of automobiles being revisited in the midst of the COVID-19 pandemic, we launched a new used car search engine site that covers the total buying experience, including searches for desired cars, proposed ways of buying them, and after-sales.
- February 2021** **Entered the automobile warranty business in the Philippines**

We established Premium Warranty Services Philippines, Inc. to provide automobile warranty services in the Philippines, together with GT Mobility Ventures, Inc., an operating company established through the joint investment of Mitsui & Co., Ltd. and GT Capital Auto Dealership Holdings, Inc.
- March 2021** **Commenced initiative for food trucks to support restaurants impacted by the pandemic**

PAS Co., Ltd., our subsidiary, and Synchro Food Co., Ltd. concluded a business partnership agreement and commenced food truck initiatives. Synchro Food will provide a package of services combining launch support, vehicle rentals, and launch locations to restaurants via Mobimaru, its food truck sharing and matching website, while PAS will be responsible for vehicle rentals along with the manufacture and marketing of rental vehicles.
- April 2021** **Implemented organizational reforms for women's advancement and promoted young up-and-coming employees to managerial positions**

The Company's first female executive officer was appointed on April 1, 2021. In addition, we announced that our subsidiary Premium Co., Ltd. will expand its BIZ site locations from 4 currently to 11. This same company is actively promoting young, up-and-coming employees to managerial positions, including the youngest general manager so far (5th year with the company since graduating university).
- April 2021** **Finalized plans to use AI-driven solution for credit screening** **DX**

Our subsidiary Premium Co., Ltd. has decided to introduce AI-driven automated credit screening with the goal of shortening credit screening response time, further improving convenience and streamlining business processes as a result. This solution will be expanded gradually in the future, with the aim of using automated credit screening on all loans after three years.
- April 2021** **Released “Online Estimate Service” for automobile parts** **DX**

Our subsidiary Premium Auto Parts Co., Ltd. rolled out online estimates for its automobile parts sales service. By shifting estimates, which it had taken by fax previously, to an online format, the company will seek to speed up its response.
- April 2021** **Released “Choisuma” for automobile lease**

Our subsidiary, Premium Mobility Service Co., Ltd. has started offering a new product called "Choisuma" that allows customers to choose the car they want to drive, the period of time they want to drive it, and the after-sales service. Compared to existing auto lease products, this product focuses on after-sales service with warranty.

\*DX  
Digital  
Transformation

# Initiatives for FY ending March 31, 2022 (progress)

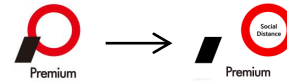
			Progress to date
1	<b>Build 100-person sales staff for core business eyeing FY2022</b>	<b>Actively recruit sales staff</b> for loans and warranties in order to regain high growth rate <b>Aim to increase market share by eliminating regions without sales coverage</b> using our proprietary BIZ site format, without opening new physical offices.	<ul style="list-style-type: none"><li>• Already hired <b>five</b> sales staff (January 2021 to present)</li><li>• Announced increase in BIZ sites to <b>11</b></li><li>• <b>Total volume of new loans in April was up 24.3% YoY, signaling a shift once again toward growth from FY2021</b></li></ul>
2	<b>Reinforce and expand auto mobility segment</b>	<b>Further expand the FIXMAN Club network</b> by providing contents to our unique network of maintenance facilities Focus on expanding into automobile logistics-related businesses with an eye toward M&A ⇒ Through these efforts, <b>aim to increase share of operating income to 20% next fiscal year</b> and secure a profit margin of 10%	<ul style="list-style-type: none"><li>• Number of FIXMAN Club members <b>as of March 31, 2021: 38 companies</b></li><li>• PFS Premium Club membership: <b>62 companies are diamond</b> and <b>353 companies are gold</b></li></ul>
3	<b>Increase profit contributions by promoting DX (operational innovations)</b>	<b>Focus on recruiting and developing specialists</b> in various fields aimed at building a platform <b>Announce the Group's DX strategy</b> in order to clarify our strategy related to DX and aim for selection as a DX company	<ul style="list-style-type: none"><li>• Announced the Group's <b>DX strategy</b> today (May 13, 2021) (Visit "Management Policy" on our IR website for details)</li></ul>
4	<b>Take a non-asset approach to expanding overseas business</b>	Given rising demand for automobile warranties in Thailand and Indonesia, <b>promote expansion of automobile warranty business mainly in Asia</b> Also, <b>expand export business centered on used automobile parts</b> targeting Africa and Latin America	<ul style="list-style-type: none"><li>• In February 2021, launched the automobile warranty business in <b>the Philippines</b> by establishing a joint venture with Mitsui &amp; Co., Ltd. and GT Mobility Ventures, Inc., which is based in the Philippines. and</li></ul>

Notes: 1. BIZ site format refers to an approach to expand sales not by establishing branches in each sales area, but instead by setting up headquarters in major cities and assigning staff to sales areas as needed.

2. Proprietary network refers to locations regularly contracted to perform repair work on automobiles under warranty, which differs from partners that accept spot repair requests.

# Earnings and Dividend Forecast for FY Ending March 31, 2022

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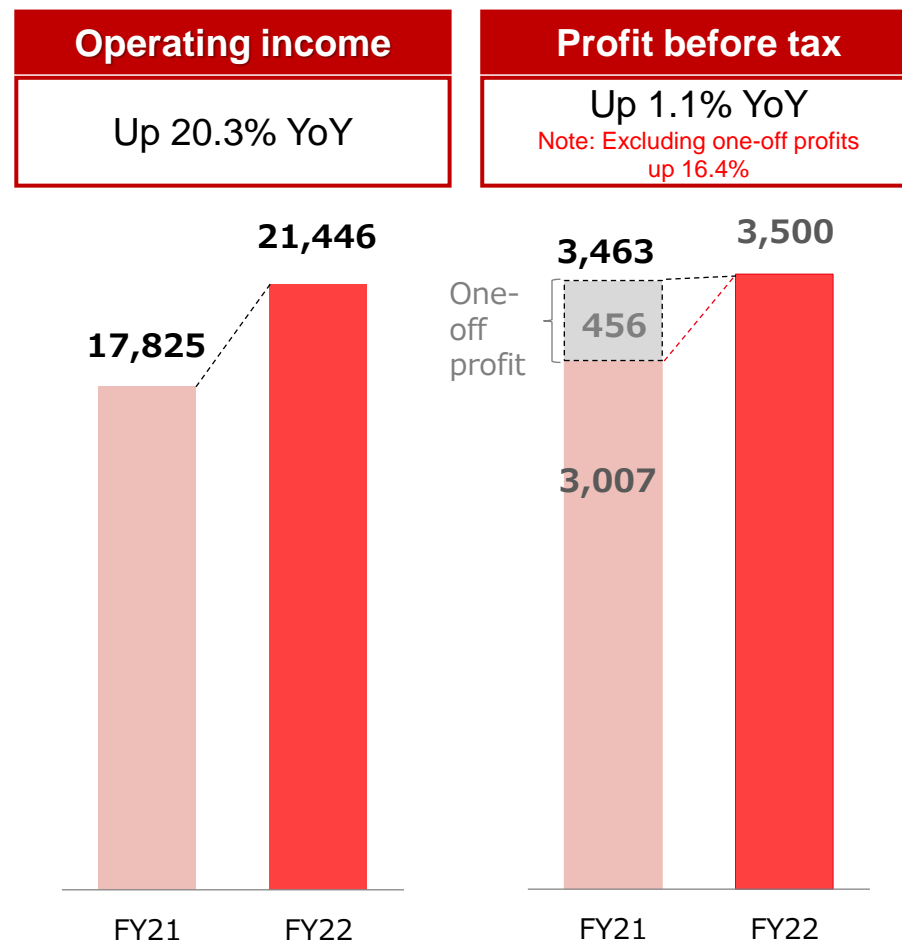


# Earnings Forecast for FY Ending March 31, 2022

- ✓ Operating income is expected to be more than **+10.0% YoY** in each three segments
- ✓ Profit before tax (Excluding One-off profit) is expected to be **+16.4% YoY**
- ✓ Annual dividend is expected to be **+4 yen YoY**

( unit: millions of yen )

	Results for FY ended March 31, 2021	Forecast for FY ending March 31, 2022		
			YoY net Change	YoY Change (%)
Operating income	17,825	<b>21,446</b>	<b>3,622</b>	<b>120.3%</b>
Profit before tax (Excluding One-off profit)	3,463 (3,007)	<b>3,500</b>	<b>37</b> (493)	<b>101.1%</b> (116.4%)
Profit attributable to owners of parent	2,383	<b>2,409</b>	<b>26</b>	<b>101.1%</b>
Basic earnings per share (yen)	186.74	<b>186.99</b>	<b>0.25</b>	<b>100.1%</b>
Annual dividend (yen)	46 (yoy +2)	<b>50</b>	<b>+4</b>	<b>108.7%</b>

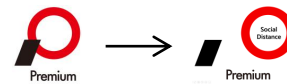


\*The dividend amount for the fiscal year ended March 31, 2021 (to be resolved on May 27, 2021) has been revised from the forecast disclosed on February 5, 2021. For details, please refer to "Revision of Dividend Forecast for Fiscal Year Ended March 31, 2021 (Dividend Increase)" disclosed on May 10, 2021.



# Appendix

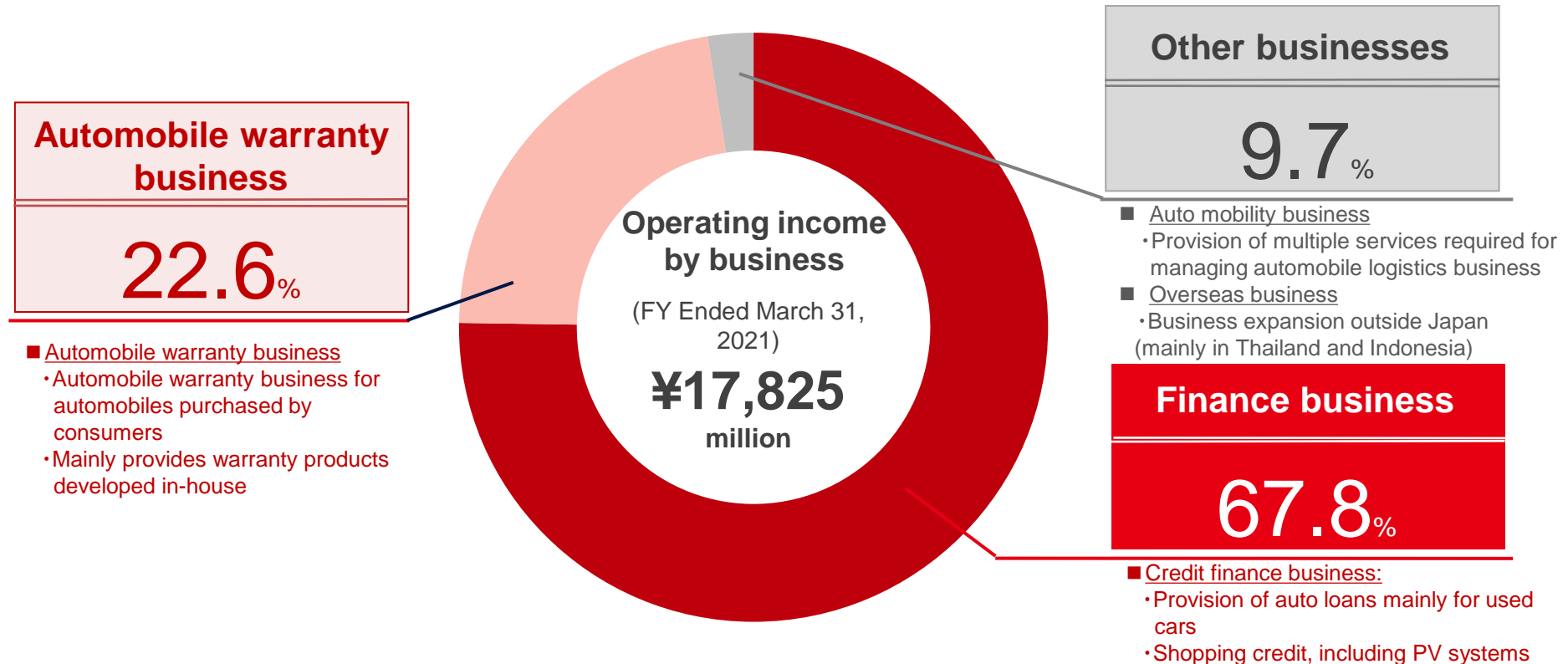
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# Company Profile

<b>Name</b>	Premium Group Co., Ltd.
<b>Securities Code / Exchange</b>	7199 / First Section of Tokyo Stock Exchange
<b>Established</b>	May 25, 2015 Note: G-ONE Credit Services Co., Ltd. (currently, Premium Co., Ltd.) was established in 2007.
<b>Head Office</b>	The Okura Prestige Tower, 2-10-4 Toranomom, Minato-ku, Tokyo
<b>President and Representative Director</b>	Yohichi Shibata
<b>Number of Issued Shares</b>	13,334,390 (As of March 31, 2021)
<b>Capital</b>	¥1,640 million (Non-consolidated; as of March 31, 2021)
<b>Number of Employees</b>	593 (consolidated; as of March 31, 2021) (Note) Number of persons employed by the Group excluding temporary workers
<b>Main Shareholders</b>	<ul style="list-style-type: none"><li>• BNY Mellon Investment Management Japan Limited: 7.59%</li><li>• Coupland Cardiff Asset Management: 6.99%</li><li>• Nomura Securities Co., Ltd. (Nomura Asset Management Co., Ltd. and Nomura International PLC): 6.98%</li><li>• Sumitomo Mitsui Trust Asset Management Co., Ltd.: 5.05%</li></ul> (As of April 7, 2021; referencing the report on changes in large volume holdings, etc.)
<b>Description of Business</b>	<ul style="list-style-type: none"><li>• Finance in Japan</li><li>• Development and marketing of automotive warranty products</li><li>• Provision of auto mobility services</li><li>• Credit consulting business and automobile warranty business outside Japan (Thailand, Indonesia, the Philippines, etc.)</li></ul>

# Overview of Premium Group



## Stock-type business

Stock-type profit structure for both credit finance and automobile warranty businesses where profit is deferred

**Business model expected to see consistent growth**

## Cash rich

Stable cash position for both credit finance and automobile warranty businesses underpinned by “lump-sum advance” of funds and guarantee commission payments

**Business model with robust cash flows**

	FY20 (As of March 31, 2020)	Q1_FY21 (As of June 30, 2020)	Q2_FY21 (As of September 30, 2020)	Q3_FY21 (As of December 31, 2020)	FY21 (As of March 31, 2021)	YoY	QoQ
<b>Assets</b>							
Cash and cash equivalents	6,286	10,236	9,468	7,754	8,024	127.7%	103.5%
Financing receivables	20,011	21,551	21,554	22,266	23,394	116.9%	105.1%
Other financial assets	6,408	7,321	7,905	8,741	9,859	153.8%	112.8%
Property, plant and equipment	3,092	3,551	3,464	3,305	3,644	117.8%	110.3%
Intangible assets	5,950	5,988	5,950	5,927	5,768	96.9%	97.3%
Goodwill	3,958	3,958	3,958	3,958	3,958	100.0%	100.0%
Investments accounted for using equity method	1,224	1,297	1,262	1,370	1,434	117.2%	104.7%
Deferred tax assets	-	9	22	38	2	-	4.2%
Other assets	2,965	3,289	3,334	3,575	3,111	104.9%	87.0%
Insurance assets	8,309	6,039	6,624	7,045	8,961	107.9%	127.2%
<b>Total assets</b>	<b>58,203</b>	<b>63,239</b>	<b>63,541</b>	<b>63,978</b>	<b>68,156</b>	<b>117.1%</b>	<b>106.5%</b>
<b>Liabilities</b>							
Financial guarantee contracts	22,063	22,534	23,088	23,934	25,079	113.7%	104.8%
Borrowings	16,421	20,892	19,618	19,056	19,641	119.6%	103.1%
Other financial liabilities	6,340	5,724	5,488	5,218	6,703	105.7%	128.5%
Provisions	327	293	293	293	302	92.6%	103.1%
Income taxes payable	386	207	561	438	648	167.8%	148.0%
Deferred tax liabilities	1,355	1,580	1,505	1,569	1,404	103.6%	89.5%
Other liabilities	5,999	6,134	6,591	6,785	7,087	118.1%	104.5%
<b>Total liabilities</b>	<b>52,891</b>	<b>57,365</b>	<b>57,144</b>	<b>57,293</b>	<b>60,865</b>	<b>115.1%</b>	<b>106.2%</b>
<b>Equity</b>							
<b>Equity attributable to owners of parent</b>							
Share capital	1,534	1,549	1,569	1,590	1,612	105.1%	101.4%
Capital surplus	1,260	1,266	1,267	1,267	1,281	101.7%	101.1%
Treasury shares	△ 1,201	△ 1,201	△ 1,201	△ 1,201	△ 1,201	100.0%	100.0%
Retained earnings	3,587	4,090	4,620	4,855	5,403	150.6%	111.3%
Other components of equity	62	104	65	92	116	187.5%	126.0%
<b>Total equity attributable to owners of parent</b>	<b>5,242</b>	<b>5,810</b>	<b>6,320</b>	<b>6,603</b>	<b>7,211</b>	<b>137.6%</b>	<b>109.2%</b>
Non-controlling interests	70	65	77	82	79	113.5%	97.3%
<b>Total equity</b>	<b>5,312</b>	<b>5,874</b>	<b>6,397</b>	<b>6,685</b>	<b>7,291</b>	<b>137.2%</b>	<b>109.1%</b>
<b>Total liabilities and equity</b>	<b>58,203</b>	<b>63,239</b>	<b>63,541</b>	<b>63,978</b>	<b>68,156</b>	<b>117.1%</b>	<b>106.5%</b>

Note: Since it is a preliminary value, we will promptly notify you on our website when any corrections or changes occur.

# P/L (Consolidated cumulative period)

(Millions of yen)



	FY20 (As of March 31, 2020)	FY21 (As of March 31, 2021)	YoY
Operating income	14,016	<b>17,825</b>	127.2%
Other finance income	5	<b>9</b>	160.2%
Share of profit of investments accounted for using equity method	-	<b>59</b>	-
Other income	2,110	<b>694</b>	32.9%
Total income	16,132	<b>18,586</b>	115.2%
Operating expenses	12,458	<b>14,857</b>	119.3%
Share of loss of investments accounted for using equity method	844	-	-
Other finance costs	151	<b>98</b>	64.7%
Other expenses	75	<b>168</b>	223.0%
Total expenses	13,528	<b>15,123</b>	111.8%
Profit (loss) before tax	2,604	<b>3,463</b>	133.0%
Income tax expense	1,152	<b>1,070</b>	92.9%
Profit (loss)	1,452	<b>2,393</b>	164.8%
Profit (loss) attributable to:			
Owners of parent	1,466	<b>2,383</b>	162.6%
Non-controlling interests	△ 14	<b>10</b>	△75.2%

Note: Since it is a preliminary value, we will promptly notify you on our website when any corrections or changes occur.

# P/L (Consolidated cumulative period)

(Millions of yen)



	FY20 (As of March 31, 2020)	FY21 (As of March 31, 2021)	YoY
Operating income			
Finance income	8,158	<b>9,428</b>	115.6%
Warranty revenue	3,661	<b>4,024</b>	109.9%
Other commission sales	1,300	<b>1,922</b>	147.8%
Automobility-related sales	289	<b>1,281</b>	442.6%
Software sales	349	<b>441</b>	126.2%
Revenue from the exercise of insurance pc	189	<b>171</b>	90.1%
Impairment gain on financial assets	-	<b>388</b>	-
Other	69	<b>172</b>	250.1%
<b>Total</b>	<b>14,016</b>	<b>17,825</b>	<b>127.2%</b>

	FY20 (As of March 31, 2020)	FY21 (As of March 31, 2021)	YoY
Operating expenses			
Finance costs	102	<b>119</b>	116.9%
Guarantee commission	1,854	<b>2,009</b>	108.4%
Impairment loss on financial assets	79	-	-
Employee benefit expenses	3,307	<b>4,110</b>	124.3%
Warranty cost	2,421	<b>2,616</b>	108.1%
Automobility-related costs	190	<b>910</b>	479.3%
System operation costs	611	<b>698</b>	114.3%
Depreciation	151	<b>219</b>	145.5%
Amortization	262	<b>300</b>	114.3%
Right-of-use asset depreciation	442	<b>797</b>	180.3%
Taxes and dues	576	<b>658</b>	114.2%
Commission expenses	811	<b>862</b>	106.2%
Rent expenses on land and buildings	38	<b>54</b>	142.2%
Outsourcing expenses	325	<b>440</b>	135.5%
Other operating expenses	1,289	<b>1,065</b>	82.6%
<b>Total</b>	<b>12,458</b>	<b>14,857</b>	<b>119.3%</b>

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# P/L (Consolidated accounting period)

(Millions of yen)



	4Q_FY20 (January 1, 2020 - March 31, 2020)	1Q_FY21 (April 1, 2020 - June 30, 2020)	2Q_FY21 (July 1, 2020 - September 30, 2020)	3Q_FY21 (October 1, 2020 - December 31, 2020)	4Q_FY21 (January 1, 2021 - March 31, 2021)	YoY	QoQ
Operating income	3,843	4,022	4,365	4,401	4,722	122.9%	107.3%
Other finance income	0	38	1	5	6	1846.1%	128.7%
Share of profit of investments accounted for using equity method	-	13	-	68	4	-	5.2%
Other income	11	613	12	27	41	375.1%	151.6%
Total income	3,855	4,686	4,377	4,501	4,773	123.8%	106.0%
Operating expenses	3,504	3,484	3,460	3,658	3,940	112.5%	107.7%
Share of loss of investments accounted for using equity method	828	-	25	-	-	-	-
Other finance costs	121	19	63	41	16	13.0%	38.5%
Other expenses	40	3	8	5	153	381.1%	3353.9%
Total expenses	4,493	3,506	3,556	3,704	4,109	91.4%	110.9%
Profit (loss) before tax	△ 639	1,180	822	797	664	△104.0%	83.3%
Income tax expense	△ 125	401	279	271	118	△94.6%	43.6%
Profit (loss)	△ 514	779	542	526	546	△106.3%	103.8%
Profit (loss) attributable to:							
Owners of parent	△ 505	784	530	522	548	△108.5%	105.0%
Non-controlling interests	△9	△ 5	12	5	△ 2	21.3%	△40.1%

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# P/L (Consolidated accounting period)

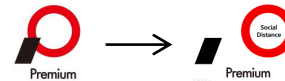
(Millions of yen)



	4Q_FY20 (January 1, 2020 - March 31, 2020)	1Q_FY21 (April 1, 2020 - June 30, 2020)	2Q_FY21 (July 1, 2020 - September 30, 2020)	3Q_FY21 (October 1, 2020 - December 31, 2020)	4Q_FY21 (January 1, 2021 - March 31, 2021)	YoY	QoQ
Operating income							
Finance income	2,164	2,350	2,375	2,365	2,338	108.0%	98.9%
Warranty revenue	945	957	988	1,018	1,060	112.2%	104.2%
Other commission sales	364	455	480	454	532	146.2%	117.4%
Automobility-related sales	163	-	-	388	517	317.4%	133.1%
Software sales	87	71	152	95	123	141.8%	130.2%
Revenue from the exercise of insurance policies	88	-	88	-	83	94.7%	-
Impairment gain on financial assets	-	-	-	-	388	-	-
Other	33	188	282	82	△ 5	△14.6%	△5.9%
<b>Total</b>	<b>3,843</b>	<b>4,022</b>	<b>4,365</b>	<b>4,401</b>	<b>5,037</b>	<b>131.1%</b>	<b>114.5%</b>
Operating expenses							
Finance costs	28	36	32	21	30	106.1%	138.3%
Guarantee commission	503	486	495	512	515	102.4%	100.5%
Impairment loss on financial assets	24	△ 40	△ 175	△ 99	315	1319.1%	△316.9%
Employee benefit expenses	903	991	1,020	1,030	1,070	118.5%	103.8%
Warranty cost	595	644	716	655	602	101.1%	91.9%
Automobility-related costs	126	-	-	297	405	321.3%	136.2%
System operation costs	160	170	179	171	273	170.6%	159.9%
Depreciation	40	64	65	49	51	127.8%	105.8%
Amortization	67	65	69	75	80	120.3%	107.2%
Right-of-use asset depreciation	157	186	166	183	262	167.3%	143.5%
Taxes and dues	197	173	174	166	145	73.4%	87.1%
Commission expenses	218	206	211	202	243	111.5%	120.1%
Rent expenses on land and buildings	3	13	16	12	13	415.3%	108.1%
Outsourcing expenses	96	79	96	117	54	55.8%	45.9%
Other operating expenses	387	411	396	267	199	51.4%	74.5%
<b>Total</b>	<b>3,504</b>	<b>3,484</b>	<b>3,460</b>	<b>3,658</b>	<b>4,255</b>	<b>121.5%</b>	<b>116.3%</b>

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