



Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2022 [IFRS]

February 1, 2022

Company Name Premium Group Co., Ltd. Listed on the Tokyo Stock Exchange
 Stock Code 7199 URL <https://www.premium-group.co.jp/>
 Representative (Title) President and CEO (Name) Yohichi Shibata
 Contact (Title) Director and Managing Executive Officer (Name) Tomohiro Kanazawa
 Tel. 03-5114-5708

Scheduled date of quarterly report submission: February 14, 2022 Scheduled date of commencement of dividend payment: —

Preparation of supplementary material for quarterly financial results: Yes

Holding of quarterly financial results meeting: No

(Amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2022 (April 1, 2021 to December 31, 2021)

(1) Consolidated Operating Results (fiscal year to date) (% change from the same period of the previous fiscal year)

	Operating income		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter of fiscal year ending March 31, 2022	15,331	19.9	2,920	4.3	2,060	11.5	2,047	11.5	2,033	8.4
Third quarter of fiscal year ended March 31, 2021	12,788	25.7	2,799	(13.7)	1,847	(6.0)	1,835	(6.9)	1,875	(7.5)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Third quarter of fiscal year ending March 31, 2022	159.75	157.80
Third quarter of fiscal year ended March 31, 2021	143.86	141.75

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent ratio
	Million yen	Million yen	Million yen	%
Third quarter of fiscal year ending March 31, 2022	71,823	8,795	8,703	12.1
Fiscal year ended March 31, 2021	68,156	7,291	7,211	10.6

2. Dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	22.50	-	23.50	46.00
Fiscal year ending March 31, 2022	-	25.00	-		
Fiscal year ending March 31, 2022 (forecast)				26.00	51.00

Notes: Revisions to dividends forecast most recently announced: Yes

The year-end dividend per share for the fiscal year ending March 2022 has been changed from 25.00 yen to 26.00 yen. For details, please refer the "Premium Group Announces Revisions to Forecasts of Business Results and Dividends for Fiscal 2022" issued today (February 1, 2022).

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2022
(April 1, 2021 to March 31, 2022)

(% change from the previous fiscal year)

	Operating income		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	21,446	20.3	3,900	12.6	2,751	15.0	2,734	14.7	204.84

Notes: Revisions to financial forecast most recently announced: Yes

For details, please refer the "Premium Group Announces Revisions to Forecasts of Business Results and Dividends for Fiscal 2022" issued today (February 1, 2022).

*Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in scope of consolidation): None

(2) Changes in accounting policies and accounting estimates

1) Changes in accounting policies required by IFRS : None

2) Changes in accounting policies for other reasons : None

3) Changes in accounting estimates : None

(3) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding at end of period (including treasury shares)

Third quarter of fiscal year ending March 31, 2022	13,346,990 shares	Fiscal year ended March 31, 2021	13,334,390 shares
Third quarter of fiscal year ending March 31, 2022	528,805 shares	Fiscal year ended March 31, 2021	528,293 shares
Third quarter of fiscal year ending March 31, 2022	12,812,918 shares	Third quarter of fiscal year ended March 31, 2021	12,755,388 shares

2) Number of treasury shares at end of period

3) Average number of shares during period (fiscal year to date)

* Quarterly financial statements are not subject to quarterly review by a certified public accountant or auditing firm.

* Note to ensure appropriate use of forecasts and other remarks

1. For additional information on financial results, also refer to the explanatory materials on financial results released today and the quarterly securities report to be released February 14.

Financial results explanatory materials: <http://ir.premium-group.co.jp/ja/library/presentation.html>

Quarterly securities report: <http://ir.premium-group.co.jp/ja/library/securities.html>

2. The forecasts above are based on information currently available and certain assumptions deemed reasonable by the Company as of the date of release of this document. Actual future results may differ from forecasts figures due to various factors.

○ Contents of Attachments

1. Summary Quarterly Consolidated Financial Statements and Major Notes	4
(1) Summary Quarterly Consolidated Statement of Financial Position.....	4
(2) Summary Quarterly Consolidated Statement of Profit and Loss	5
(3) Summary Quarterly Consolidated Statement of Comprehensive Income.....	6
(4) Summary Quarterly Consolidated Statement of Changes in Equity	7
(5) Summary Quarterly Consolidated Statement of Cash Flows	9
(6) Notes on the Summary Quarterly Consolidated Financial Statements	10
(Notes concerning the going-concern assumption).....	10
(Changes in accounting policies)	10
(Changes in accounting estimates).....	10
(Segment information).....	11
(Important subsequent events)	12

1. Summary Quarterly Consolidated Financial Statements and Major Notes
 (1) Summary Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2021)	Third quarter of this consolidated fiscal year (December 31, 2021)
Assets		
Cash and cash equivalents	8,054	6,859
Financial receivables	23,394	25,736
Other financial assets	9,829	13,176
Property, plant, and equipment	3,644	3,419
Intangible assets	5,768	6,055
Goodwill	3,958	3,958
Investments accounted for using equity method	1,434	1,432
Deferred tax assets	2	2
Insurance assets	3,111	3,588
Other assets	8,961	7,598
Total assets	68,156	71,823
Liabilities		
Financial guarantee contracts	25,079	28,597
Borrowings	19,641	18,618
Other financial liabilities	6,703	5,838
Provisions	302	310
Income taxes payable	648	397
Deferred tax liabilities	1,404	1,425
Other liabilities	7,087	7,843
Total liabilities	60,865	63,028
Equity		
Equity attributable to owners of parent		
Capital	1,612	1,678
Share premium	1,281	1,287
Treasury shares	(1,201)	(1,201)
Retained earnings	5,403	6,828
Other components of equity	116	112
Total equity attributable to owners of parent	7,211	8,703
Non-controlling interests	79	92
Total equity	7,291	8,795
Total liabilities and equity	68,156	71,823

(2) Summary Quarterly Consolidated Statement of Profit and Loss

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2020 to December 31, 2020)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2021 to December 31, 2021)
Operating income	12,788	15,331
Other finance income	3	8
Share of profit of investments accounted for using equity method	56	109
Other income	653	49
Total income	13,498	15,496
Operating expense	10,602	12,494
Other finance cost	82	77
Other expense	15	6
Total expense	10,700	12,576
Profit for the term before tax	2,799	2,920
Income tax expense	952	860
Profit for the term	1,847	2,060
Attributable to:		
Owners of parent	1,835	2,047
Non-controlling interests	12	13
Profit	1,847	2,060
Attributable to owners of parent		
Earnings per share		
Basic earnings per share (yen)	143.86	159.75
Diluted earnings per share (yen)	141.75	157.80

(3) Summary Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2020 to December 31, 2020)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2021 to December 31, 2021)
Profit for the term	1,847	2,060
Other comprehensive income		
Items that may be reclassified to net profit or loss		
Exchange differences on translation of foreign operations	(1)	(1)
Share of other comprehensive income of investments accounted for using equity method	28	(26)
Other comprehensive income (net of tax)	28	(26)
Comprehensive income	1,875	2,033
Attributable to:		
Owners of parent	1,863	2,021
Non-controlling interests	12	12
Comprehensive income	1,875	2,033

(4) Summary Quarterly Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent				
	Capital	Share premium	Treasury shares	Retained earnings	Other components of equity
					Exercise of warrants
Balance as of April 1, 2020	1,534	1,260	(1,201)	3,587	10
Comprehensive income					
Profit	-	-	-	1,835	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	1,835	-
Transactions with owners, etc.					
Issuance of new shares	0	0	-	-	-
Purchase of treasury shares	-	-	(0)	-	-
Dividends	-	-	-	(568)	-
Share-based payment transactions	56	7	-	-	2
Total transactions with owners, etc.	56	7	(0)	(568)	2
Balance as of December 31, 2020	1,590	1,267	(1,201)	4,855	12

(Millions of yen)

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total equity
	Share of other comprehensive income of investments accounted for using equity method	Exchange differences on translation of foreign operations	Total			
Balance as of April 1, 2020	53	(1)	62	5,242	70	5,312
Comprehensive income						
Profit	-	-	-	1,835	12	1,847
Other comprehensive income	28	(0)	28	28	(1)	28
Total comprehensive income	28	(0)	28	1,863	12	1,875
Transactions with owners, etc.						
Issuance of new shares	-	-	-	0	-	0
Purchase of treasury shares	-	-	-	(0)	-	(0)
Dividends	-	-	-	(568)	-	(568)
Share-based payment transactions	-	-	2	65	-	65
Total transactions with owners, etc.	-	-	2	(502)	-	(502)
Balance as of December 31, 2020	82	(1)	92	6,603	82	6,685

(Millions of yen)

	Equity attributable to owners of parent				
	Capital	Share premium	Treasury shares	Retained earnings	Other components of equity
					Exercise of warrants
Balance as of April 1, 2021	1,612	1,281	(1,201)	5,403	10
Comprehensive income					
Profit	-	-	-	2,047	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	2,047	-
Transactions with owners, etc.					
Issuance of new shares	0	0	-	-	(0)
Purchase of treasury shares	-	-	(1)	-	-
Dividends	-	-	-	(621)	-
Share-based payment transactions	66	6	-	-	21
Total transactions with owners, etc.	66	6	(1)	(621)	21
Balance as of December 31, 2021	1,678	1,287	(1,201)	6,828	31

(Millions of yen)

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total equity
	Share of other comprehensive income of investments accounted for using equity method	Exchange differences on translation of foreign operations	Total			
Balance as of April 1, 2021	108	(2)	116	7,211	79	7,291
Comprehensive income						
Profit	-	-	-	2,047	13	2,060
Other comprehensive income	(26)	(0)	(26)	(26)	(0)	(26)
Total comprehensive income	(26)	(0)	(26)	2,021	12	2,033
Transactions with owners, etc.						
Issuance of new shares	-	-	(0)	0	-	0
Purchase of treasury shares	-	-	-	(1)	-	(1)
Dividends	-	-	-	(621)	-	(621)
Share-based payment transactions	-	-	21	93	-	93
Total transactions with owners, etc.	-	-	21	(529)	-	(529)
Balance as of December 31, 2021	83	(2)	112	8,703	92	8,795

(5) Summary Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2020 to December 31, 2020)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2021 to December 31, 2021)
Cash flow from operating activities		
Profit for the term before tax	2,799	2,920
Depreciation and amortization expense	922	946
Other finance income and finance costs	146	135
Decrease (increase) in financial receivables	(1,469)	(2,329)
Increase (decrease) in financial guarantee contracts	1,871	3,518
Decrease (increase) in other financial assets	(2,355)	(3,199)
Increase (decrease) in other financial liabilities	(702)	(783)
Decrease (increase) in other assets	753	829
Increase (decrease) in other liabilities	473	676
Share of loss (profit) of investments accounted for using equity method	(56)	(109)
Other	(530)	50
Subtotal	1,853	2,654
Interest received	2	1
Dividends received	-	98
Interest paid	(118)	(117)
Income taxes paid	(940)	(1,175)
Income taxes refunded	325	181
Cash flow from (used in) operating activities	1,122	1,641
Cash flow from investing activities		
Purchase of investment securities	(0)	(0)
Purchase of property, plant, and equipment	(575)	(226)
Purchase of intangible assets	(218)	(301)
Payments for loans receivable	(19)	(11)
Collection of loans receivable	11	13
Payments for guarantee deposits	(85)	(233)
Proceeds from collection of guarantee deposits	179	70
Cash flow from acquisition of subsidiary (After deducting proceeds in cash upon acquisition)	(94)	-
Acquisition of affiliates	(48)	-
Other	110	(14)
Cash flow from (used in) investing activities	(740)	(703)
Cash flow from financing activities		
Proceeds from short-term loans	11,874	14,000
Repayments of short-term loans	(8,359)	(14,000)
Proceeds from long-term loans	3,151	3,514
Repayments of long-term loans	(4,474)	(4,543)
Repayments of lease obligations	(600)	(594)
Payments for purchase of treasury shares	(0)	(1)
Dividends paid	(566)	(620)
Other	58	112
Cash flow from financing activities	1,084	(2,131)
Net increase (decrease) in cash and cash equivalents	1,467	(1,193)
Cash and cash equivalents at beginning of period	6,286	8,054
Effect of exchange rate changes on cash and cash equivalents	1	(1)
Cash and cash equivalents at end of period	7,754	6,859

(6) Notes on the Summary Quarterly Consolidated Financial Statements

(Notes concerning the going-concern assumption)

Not applicable

(Changes in accounting policies)

Not applicable

(Changes in accounting estimates)

Not applicable

(Segment information)

(1) General information on reporting segments

The Group's reporting segments consist of the Group's constituent units for which separate financial information is available and subject to periodic review by the Board of Directors for decisions related to allocating management resources and evaluating business performance.

Throughout the previous consolidated fiscal year, the Credit-related Business was the Group's only reporting segment. However, revenues from businesses other than Credit Finance have since grown. Accordingly, starting from the first quarter of this consolidated fiscal year, the Group began organizing management by business segment, including management of business results, by reporting them to the Board of Directors by business segment. In doing so, we employ three reporting segments—Finance Business, Automobile Warranty Business, and Automotive Mobility Services Business—based on the business areas that had been used previously in management by business service.

A summary of each reporting segment is provided below.

The Finance Business consists mainly of the Credit Finance Business and Auto Leasing Business, which provide financing services to enable customers to pay for purchases of products and services in installments, and the debt collection services.

The Automobile Warranty Business consists of automobile warranty services that enable customers who choose to add automobile warranty plans when purchasing vehicles through the Group's partners to receive repairs free of charge, within the scope specified in advance, for mechanical problems with their purchased vehicles, in exchange for payment of a fixed warranty charge.

The Automotive Mobility Services Business is made up chiefly of automotive mobility services, which provide multiple services needed for the automobile distribution business (such as the sale of auto parts, wholesale vehicles, and software).

The Group does not allocate assets and liabilities to the business segments employed by the Board of Directors.

(2) Profit or loss by reporting segment

The Group's figures on profit or loss by segment are prepared using the same standards as those for consolidated financial statements. Adjustments and companywide figures include profit and loss not allocated to specific business segments and elimination entries for internal transactions between segments. Prices of internal transactions between segments are based on actual market prices.

Beginning in the first quarter of the consolidated fiscal year, the Group changed the units used in evaluations of business results by the Board of Directors to the three business segments of the Finance Business, Automobile Warranty Business, and Automotive Mobility Services Business. Since the Group has managed profit and loss by segment since the first quarter of this consolidated fiscal year, segment information for the cumulative period through the third quarter of the previous consolidated fiscal year has been calculated, to the extent practical, using the same methods as those for the cumulative period through the third quarter of this consolidated fiscal year. Only revenues from external customers have been restated.

Cumulative period through the third quarter of the previous consolidated fiscal year (April 1 to December 31, 2020)

	Reporting segment				Other *1	Adjustments and company-wide figures *2	Consolidated
	Finance	Automobile	Automotive Mobility Services	Total			
Revenues							
Revenues from external customers	8,764	2,988	1,036	12,788	-	-	12,788

Cumulative period through the third quarter of this consolidated fiscal year (April 1 to December 31, 2021)

	Reporting segment				Other *1	Adjustments and company-wide figures *2	Consolidated
	Finance	Automobile	Automotive Mobility Services	Total			
Revenues							
Revenues from external customers	9,997	3,298	2,037	15,331	1	-	15,331
Segment profit/loss							
Profit for the term before tax	2,283	389	46	2,719	17	184	2,920

*1 "Other" refers to business segments not included in reporting segments and mainly consists of the computer systems business.

*2 "Adjustments and companywide figures" consists mainly of elimination entries for internal transactions between segments and companywide figures not allocated to business segments.

(Important subsequent events)
Not applicable