

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2021 (Japanese GAAP)(Summary)

July 30, 2021

Listed Company Name: **Financial Products Group Co.,Ltd.** URL <https://www.fpg.jp/en/>
 Listed Stock Exchange: Tokyo Stock Exchange 1st Section Code Number: 7148
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 Expected date of quarterly report submission: August 6, 2021
 Expected date of dividend payment: —
 Supporting material for quarterly results: Yes
 The briefing session of quarterly results: No

(Figures less than one million yen are rounded down.)

1. Consolidated financial results for the Third quarter of the Fiscal Year Ending September 30, 2021 (October 1, 2020 — June 30, 2021)

(1) Consolidated operating results (cumulative) (% figures show year-on-year change.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
June 30, 2021	13,034	31.6	5,601	105.0	5,431	103.2	3,420	90.4
June 30, 2020	9,905	(50.6)	2,731	(73.8)	2,672	(72.8)	1,797	(73.7)

(Note) Comprehensive income: Nine months ended June 30, 2021: 3,508 million yen:[(89.8%)]
 Nine months ended June 30, 2020: 1,848 million yen:[(72.2%)]

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended		
June 30, 2021	40.07	—
June 30, 2020	20.36	—

(Note) Diluted net income per share is not stated because there are no potential shares.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	105,138	29,978	28.3
As of September 30, 2020	132,850	27,484	20.5

(Reference) Shareholders' equity: As of June 30, 2021: 29,730 million yen
 As of September 30, 2020: 27,219 million yen

2. Dividends

	Dividend per share				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of fiscal year	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
September 30, 2020	—	0.00	—	11.50	11.50
September 30, 2021	—	0.00	—		
Fiscal year ending September 30, 2021 (Forecast)				18.50	18.50

(Note) Revision to the latest dividend forecast: Yes

3. Forecast of consolidated financial results for the Fiscal Year Ending September 30, 2021

(October 1, 2020 — September 30, 2021) (% figures show year-on-year change.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Annual	14,700	15.7	5,300	182.0	5,000	190.8	3,100	172.9	36.31

(Note) Revision to the latest consolidated financial results forecast: Yes

* Notes

- (1) Material changes in subsidiaries during this period
 (Changes in scope of consolidations resulting from change in subsidiaries) : No
- (2) Applying of specific accounting of the consolidated quarterly financial statements : No
- (3) Changes in accounting policies, accounting estimates and retrospective restatement
- a) Changes in accounting policies based on revisions of accounting standard : No
- b) Changes in accounting policies other than ones based on revisions of accounting standard : No
- c) Changes in accounting estimates : No
- d) Retrospective restatement : No
- (4) Number of issued and outstanding shares (ordinary shares)

a)	Number of issued and outstanding shares at the end of the period (including treasury shares)	As of June 30, 2021	89,073,600	As of September 30, 2020	89,073,600
b)	Number of treasury shares at the end of the period	As of June 30, 2021	3,663,291	As of September 30, 2020	3,720,200
c)	Average number of shares during the period	Nine months ended June 30, 2021	85,376,861	Nine months ended June 30, 2020	88,258,257

(Thousands of yen)

	As of September 30, 2020	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	27,158,454	29,980,793
Accounts receivable - trade	490,535	666,552
Operational investment securities	626,553	712,754
Aircraft for sales	14,665,370	—
Supplies	16,987	14,527,561
Equity underwritten	39,616,233	12,500,435
Money held in trust (Aircraft for arrangement)	34,038,201	30,074,125
Real estate for arrangement	2,213,422	4,845,854
Guarantee deposits	212,700	—
Other	7,425,987	5,797,174
Total current assets	126,464,446	99,105,250
Non-current assets		
Property, plant and equipment	462,861	477,266
Intangible assets		
Goodwill	1,403,568	953,490
Other	41,217	69,344
Total intangible assets	1,444,786	1,022,835
Investments and other assets		
Deferred tax assets	2,481,187	2,328,332
Other	1,997,299	2,204,793
Total investments and other assets	4,478,486	4,533,125
Total non-current assets	6,386,134	6,033,227
Total assets	132,850,581	105,138,477
Liabilities		
Current liabilities		
Accounts payable - trade	218,402	355,506
Short-term borrowings	62,913,672	23,425,499
Commercial papers	4,500,000	10,000,000
Current portion of long-term borrowings	5,466,270	5,191,698
Current portion of long-term nonrecourse loans payable	1,405,861	2,396,639
Income taxes payable	314,704	646,291
Advances received	5,458,555	2,219,333
Provision for bonuses	365,663	313,529
Guarantee deposits received	749,000	—
Other	1,825,874	2,185,792
Total current liabilities	83,218,003	46,734,290
Non-current liabilities		
Bonds payable	1,000,000	1,000,000
Long-term borrowings	8,202,950	14,538,332
Long-term nonrecourse loans payable	12,543,279	12,391,741
Asset retirement obligations	107,523	118,758
Retirement benefit liability	24,449	27,374
Other	269,659	349,971
Total non-current liabilities	22,147,861	28,426,178
Total liabilities	105,365,865	75,160,468

(Thousands of yen)

	As of September 30, 2020	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	3,095,874	3,095,874
Capital surplus	3,045,874	2,999,433
Retained earnings	23,686,052	26,111,553
Treasury shares	△2,498,720	△2,457,126
Total shareholders' equity	27,329,079	29,749,734
Accumulated other comprehensive income		
Foreign currency translation adjustment	△109,010	△18,635
Valuation difference on available-for-sale securities	△767	△924
Total accumulated other comprehensive income	△109,777	△19,559
Non-controlling interests	265,414	247,834
Total net assets	27,484,716	29,978,009
Total liabilities and net assets	132,850,581	105,138,477

(Thousands of yen)

	Nine months ended June 30, 2020	Nine months ended June 30, 2021
Net sales	9,905,611	13,034,779
Cost of sales	2,563,172	2,584,260
Gross profit	7,342,438	10,450,518
Selling, general and administrative expenses	4,610,740	4,849,243
Operating profit	2,731,698	5,601,275
Non-operating income		
Interest income	549,090	378,621
Gain on investments in money held in trust	789,393	916,744
Rental income from real estate	52,083	61,547
Gain on reversal of loss on valuation of supplies	—	525,576
Share of profit of entities accounted for using equity method	236,351	179,892
Other	150,472	111,694
Total non-operating income	1,777,392	2,174,077
Non-operating expenses		
Interest expenses	698,660	600,633
Bond issuance costs	18,668	—
Commission expenses	593,478	714,411
Foreign exchange losses	277,302	818,951
Rental expenses on real estate	13,878	8,801
Depreciation	212,748	192,122
Other	21,447	9,363
Total non-operating expenses	1,836,185	2,344,283
Ordinary profit	2,672,906	5,431,068
Extraordinary income		
Gain on sales of non-current assets	4,277	—
Total extraordinary income	4,277	—
Extraordinary losses		
Impairment loss	—	289,732
Loss on retirement of non-current assets	8,886	1,988
Loss on valuation of shares of subsidiaries and associates	7,643	21,646
Business transfer loss	—	241,700
Total extraordinary losses	16,530	555,067
Profit before income taxes	2,660,653	4,876,001
Income taxes - current	927,174	1,361,940
Income taxes - deferred	△91,169	112,116
Total income taxes	836,005	1,474,056
Profit	1,824,648	3,401,944
Profit (loss) attributable to non-controlling interests	27,514	△18,947
Profit attributable to owners of parent	1,797,134	3,420,892

(Thousands of yen)

	Nine months ended June 30, 2020	Nine months ended June 30, 2021
Profit	1,824,648	3,401,944
Other comprehensive income		
Valuation difference on available-for-sale securities	△14,611	△156
Foreign currency translation adjustment	39,354	88,162
Share of other comprehensive income of entities accounted for using equity method	△576	18,751
Total other comprehensive income	24,166	106,757
Comprehensive income	1,848,814	3,508,702
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,814,188	3,511,110
Comprehensive income attributable to non-controlling interests	34,626	△2,408