

January 31, 2022

Company: Financial Products Group Co., Ltd.
 Representative: Hisanaga Tanimura, CEO & Founder
 (Code 7148 on the First Section of the Tokyo Stock Exchange)
 Inquiries: Hiroshi Sakurai, Executive Officer and General
 Manager, Corporate Planning Dept.
 (TEL. +81-3-5288-5691)

Notification of Revisions to the Financial Results Forecast and Dividend Forecast for the Fiscal Year Ending September 30, 2022

Financial Products Group Co., Ltd. (FPG) has revised its financial results and dividend forecasts for the fiscal year ending September 30, 2022, previously announced on October 29, 2021, based on the latest business performance trends.

1. Revision to the financial results forecast

Revision to the consolidated financial results forecast for the first half of the fiscal year ending September 30, 2022
 (From October 1, 2021 to March 31, 2022)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A)	24,225	2,070	2,120	1,400	16.39 yen
Revised forecast (B)	27,000	4,400	4,500	3,100	36.30 yen
Change (B – A)	2,775	2,330	2,380	1,700	
Rate of change (%)	11.5	112.6	112.3	121.4	
(Reference) Results for the first half of FY2021	8,657	3,614	3,226	2,168	25.40 yen

Note: Effective from the beginning of the fiscal year ending September 30, 2022, FPG has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29). As a result, the accounting method used for sales of real estate fractional ownership investment products in the Real Estate Fund Business has changed from recording relevant company profit (service fees) as net sales to recording relevant sales volume as net sales. This change in the method of recording net sales has no impact on profits. The net sales above for the first half of FY2021 are from before the application of the Accounting Standard for Revenue Recognition. If the same method were used for sales in the Real Estate Fund Business, net sales (consolidated) would be 18,569 million yen.

Revision to the consolidated financial results forecast for the fiscal year ending September 30, 2022
(From October 1, 2021 to September 30, 2022)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A)	41,000	5,400	5,600	3,700	43.32 yen
Revised forecast (B)	44,000	7,800	8,000	5,400	63.23 yen
Change (B – A)	3,000	2,400	2,400	1,700	
Rate of change (%)	7.3	44.4	42.9	45.9	
(Reference) Results for the FY2021	14,924	5,233	5,148	2,946	34.51 yen

Note: As with the first half results, the above sales figures for FY2021 are from before the application of the Accounting Standard for Revenue Recognition. If the same method were used for sales in the Real Estate Fund Business, net sales (consolidated) would be 33,584 million yen.

Reason for revision

First half of the fiscal year ending September 30, 2022, and the fiscal year ending September 30, 2022

Thanks to the remarkable recovery from the impact of COVID-19 in the Leasing Fund Business, FPG expects to achieve a significant increase in net sales and profits compared to the initial first half forecast. Meanwhile, business continues to grow in the Real Estate Fund Business due to expanding sales channels and increased product recognition.

In light of the above, FPG has decided to revise the forecast upward for the first half of the fiscal year ending September 30, 2022, as well as the full year forecast for the fiscal year ending September 30, 2022.

2. Revision to the dividend forecast

	Annual dividend per share			Payout ratio (consolidated)
	End of second quarter	End of fiscal year	Total	
Previous forecast (Announced on Oct. 29, 2021)	0.00 yen	22.00 yen	22.00 yen	50.8 %
Revised forecast	0.00 yen	32.00 yen	32.00 yen	50.6 %
Results for the fiscal year ending September 30, 2022				
Results for the fiscal year ended September 30, 2021	0.00 yen	18.50 yen	18.50 yen	53.6 %

Reason for revision

With our basic policy concerning shareholder returns being to provide continuous and stable dividends to shareholders while securing the internal reserves necessary for sustainable growth and increased corporate value, we have set a dividend payout ratio of 50% for the full year as our target. Based on this policy, FPG has decided to revise the dividend forecast to 32.0 yen per share in accordance with the upward revision to the financial results forecast for the fiscal year ending September 30, 2022.

Note: The above forecasts are based on judgments made in accordance with currently available information at the time of the announcement. Actual results and dividend may vary depending on various factors.