

# Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2022 (Japanese GAAP)(Summary)

July 29, 2022

Listed Company Name: **Financial Products Group Co., Ltd.** URL <https://www.fpg.jp/en/>  
 Listed Stock Exchange: Tokyo Stock Exchange Prime Market Code Number: 7148  
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 Expected date of quarterly report submission: August 10, 2022  
 Expected date of dividend payment: —  
 Supplementary 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, 2022 (October 1, 2021 — June 30, 2022)

(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, 2022	47,481	—	9,835	75.6	10,607	95.3	7,228	111.3
June 30, 2021	13,034	31.6	5,601	105.0	5,431	103.2	3,420	90.4

(Note) Comprehensive income: Nine months ended June 30, 2022: 7,315 million yen:(108.5%)  
 Nine months ended June 30, 2021: 3,508 million yen:(89.8%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended		
June 30, 2022	84.63	—
June 30, 2021	40.07	—

(Note)1. Diluted net income per share is not stated because there are no potential shares outstanding with dilutive effect.

(Note)2. The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. has been applied from the beginning of the first quarter of the current fiscal year. Accordingly, the figures for the third quarter of the term ending September 30, 2022, reflect the new accounting standard, etc. By the application of this accounting standard, 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. As a result of this matter, net sales increased significantly compared to the same quarter of the previous year, so the percentage year-on-year is not indicated. This change in the method of recording net sales has no impact on profits. The net sales for the third quarter of the fiscal year ended September 30, 2021, are from before the application of the Accounting Standard for Revenue Recognition, and if the same method were used for sales in the Real Estate Fund Business, net sales (consolidated) would be 26,218 million yen.

## (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	141,530	35,091	24.7
As of September 30, 2021	91,899	29,391	31.8

(Reference) Shareholders' equity: As of June 30, 2022: 34,984 million yen  
 As of September 30, 2021: 29,243 million yen

(Note) The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. has been applied from the beginning of the first quarter of the current fiscal year. Accordingly, the figures for the third quarter of the term ending September 30, 2022, reflect the new accounting standard, etc.

## 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, 2021	—	0.00	—	18.50	18.50
September 30, 2022	—	0.00	—		
Fiscal year ending September 30, 2022 (Forecast)				46.00	46.00

(Note) Revision to the latest dividend forecast: No

## 3. Forecast of consolidated financial results for the Fiscal Year Ending September 30, 2022

(October 1, 2021 — September 30, 2022)

(% 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	56,500	—	11,000	110.2	11,500	123.4	7,700	161.3	90.16

(Note) 1. Revision to the latest consolidated financial results forecast: No

(Note) 2. The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. has been applied from the beginning of the first quarter of the current fiscal year. Accordingly, the accounting method used for sales of real estate fractional ownership investment products in the Real Estate Fund Business has changed. As a result of this matter, net sales increased significantly compared to the same quarter of the previous year, so the percentage year-on-year is not indicated. If the same method were used for sales in the Real Estate Fund Business, the net sales (consolidated) for the fiscal year ended September 30, 2021, would be 33,584 million yen.

### \* 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 : Yes

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, 2022	89,073,600	As of September 30, 2021	89,073,600
b)	Number of treasury shares at the end of the period	As of June 30, 2022	3,667,241	As of September 30, 2021	3,664,831
c)	Average number of shares during the period	Nine months ended June 30, 2022	85,407,671	Nine months ended June 30, 2021	85,376,861

Quarterly consolidated financial statements

(1) Consolidated balance sheet

(Thousands of yen)

	As of September 30, 2021	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	20,814,054	12,990,095
Accounts receivable - trade	994,012	860,004
Operational investment securities	472,033	503,512
Supplies	17,579	18,022
Equity underwritten	20,866,895	66,859,988
Money held in trust (Aircraft for arrangement)	18,535,667	21,419,547
Real estate for arrangement	19,227,283	28,589,041
Other	4,854,781	5,008,920
<b>Total current assets</b>	<b>85,782,307</b>	<b>136,249,133</b>
Non-current assets		
Property, plant and equipment	416,918	575,792
Intangible assets		
Goodwill	908,106	758,570
Other	50,459	58,317
<b>Total intangible assets</b>	<b>958,566</b>	<b>816,888</b>
Investments and other assets		
Deferred tax assets	2,566,811	1,590,312
Other	2,174,801	2,297,892
<b>Total investments and other assets</b>	<b>4,741,612</b>	<b>3,888,205</b>
<b>Total non-current assets</b>	<b>6,117,098</b>	<b>5,280,886</b>
<b>Total assets</b>	<b>91,899,405</b>	<b>141,530,019</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	260,962	802,274
Short-term borrowings	28,998,957	54,742,000
Commercial papers	4,500,000	10,000,000
Current portion of long-term borrowings	5,270,868	6,312,918
Income taxes payable	1,025,253	1,520,820
Advances received	4,723,106	—
Contract liabilities	—	11,658,830
Provision for bonuses	452,222	312,482
Other	2,048,494	5,657,548
<b>Total current liabilities</b>	<b>47,279,865</b>	<b>91,006,874</b>
Non-current liabilities		
Bonds payable	1,000,000	1,100,000
Long-term borrowings	13,734,165	13,797,914
Asset retirement obligations	118,887	119,278
Retirement benefit liability	30,416	28,093
Other	345,033	386,018
<b>Total non-current liabilities</b>	<b>15,228,503</b>	<b>15,431,303</b>
<b>Total liabilities</b>	<b>62,508,368</b>	<b>106,438,178</b>

(Thousands of yen)

	As of September 30, 2021	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	3,095,874	3,095,874
Capital surplus	2,999,433	2,980,927
Retained earnings	25,638,905	31,279,122
Treasury shares	△2,457,126	△2,457,126
Total shareholders' equity	29,277,086	34,898,797
Accumulated other comprehensive income		
Foreign currency translation adjustment	△32,781	86,129
Valuation difference on available-for-sale securities	△974	—
Total accumulated other comprehensive income	△33,755	86,129
Non-controlling interests	147,706	106,914
Total net assets	29,391,037	35,091,841
Total liabilities and net assets	91,899,405	141,530,019

## (2) Consolidated statement of income and consolidated statement of comprehensive income

## Consolidated statement of income (cumulative)

(Thousands of yen)

	Nine months ended June 30, 2021	Nine months ended June 30, 2022
Net sales	13,034,779	47,481,921
Cost of sales	2,584,260	32,573,524
Gross profit	10,450,518	14,908,397
Selling, general and administrative expenses	4,849,243	5,073,072
Operating profit	5,601,275	9,835,324
Non-operating income		
Interest income	378,621	181,272
Gain on investments in money held in trust	916,744	577,597
Rental income from real estate	61,547	420,038
Gain on reversal of loss on valuation of supplies	525,576	—
Share of profit of entities accounted for using equity method	179,892	34,692
Foreign exchange gains	—	310,703
Other	111,694	24,959
Total non-operating income	2,174,077	1,549,263
Non-operating expenses		
Interest expenses	600,633	281,815
Bond issuance costs	—	1,409
Commission expenses	714,411	364,174
Foreign exchange losses	818,951	—
Rental expenses on real estate	8,801	76,201
Depreciation	192,122	—
Other	9,363	53,843
Total non-operating expenses	2,344,283	777,443
Ordinary profit	5,431,068	10,607,143
Extraordinary losses		
Impairment losses	289,732	47,873
Loss on retirement of non-current assets	1,988	2,474
Loss on valuation of shares of subsidiaries and associates	21,646	35,956
Business transfer loss	241,700	—
Total extraordinary losses	555,067	86,304
Profit before income taxes	4,876,001	10,520,839
Income taxes - current	1,361,940	2,361,146
Income taxes - deferred	112,116	975,105
Total income taxes	1,474,056	3,336,252
Profit	3,401,944	7,184,586
Loss attributable to non-controlling interests	△18,947	△43,522
Profit attributable to owners of parent	3,420,892	7,228,108

## Consolidated statement of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended June 30, 2021	Nine months ended June 30, 2022
Profit	3,401,944	7,184,586
Other comprehensive income		
Valuation difference on available-for-sale securities	△156	974
Foreign currency translation adjustment	88,162	71,035
Share of other comprehensive income of entities accounted for using equity method	18,751	58,461
Total other comprehensive income	106,757	130,471
Comprehensive income	3,508,702	7,315,058
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,511,110	7,347,993
Comprehensive income attributable to non-controlling interests	△2,408	△32,935