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Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (under IFRS)

May 11, 2023

Company name: ARUHI Corporation (the “Company”)
 Listing: Tokyo Stock Exchange
 Securities code: 7198
 URL: <https://www.aruhi-group.co.jp/english>
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Scheduled date of annual general meeting of shareholders: June 21, 2023
 Scheduled date to commence dividend payments: June 23, 2023
 Scheduled date to file annual securities report: June 21, 2023
 Preparation of supplementary material on financial results: Yes
 Holding of financial results presentation meeting: Yes (for analysts)

(Millions of yen with fractional amounts rounded down, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Income before tax		Net income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2023	22,601	(10.3)	4,119	(33.0)	2,802	(33.7)	2,821	(33.5)
March 31, 2022	25,189	(6.1)	6,151	(20.6)	4,225	(18.4)	4,239	(18.1)

	Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Yen	Yen
Fiscal year ended				
March 31, 2023	2,802	(33.7)	79.64	79.40
March 31, 2022	4,225	(18.4)	119.78	119.02

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity attributable to owners of the parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2023	148,616	32,735	32,765	22.0	921.43
March 31, 2022	150,713	31,877	31,889	21.2	903.09

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2023	1,495	(712)	(5,846)	17,169
March 31, 2022	3,716	(698)	(18,189)	22,232

2. Cash dividends

	Annual dividends per share					Total amount of dividends (total)	Payout ratio (consolidated)	Ratio of dividends to equity attributable to owners of the parent (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2022	–	30.00	–	30.00	60.00	2,118	50.1	6.9
Fiscal year ended March 31, 2023	–	30.00	–	25.00	55.00	1,953	69.1	6.0
Fiscal year ending March 31, 2024 (Forecast)	–	20.00	–	20.00	40.00		69.1	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

	Operating revenue		Income before tax		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2024	21,000	(7.1)	3,000	(27.2)	2,050	(26.8)	2,050	(27.3)	57.87

- Notes:
- As the Company manages its business performance on an annual basis, consolidated earnings forecasts for the second quarter (cumulative) are omitted. For details, please see “(4) Future outlook” in “1. Overview of operating results, etc.” in the attached materials on page 3.
 - The forecast of the basic earnings per share is calculated based on the weighted-average number of shares during the fiscal year ended March 31, 2023.

* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
- Changes in accounting policies required by IFRS: Yes
 - Changes in accounting policies due to other reasons: None
 - Changes in accounting estimates: Yes

Note: For details, please see “(5) Notes to consolidated financial statements” in “3. Consolidated financial statements and significant notes thereto” in the attached materials on page 10.

- (3) Number of issued shares (ordinary shares)

- a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2023	36,080,600 shares
As of March 31, 2022	36,080,600 shares

- b. Number of treasury shares at the end of the period

As of March 31, 2023	520,860 shares
As of March 31, 2022	769,460 shares

- c. Weighted-average number of shares during the period (cumulative from the beginning of the fiscal year)

For the fiscal year ended March 31, 2023	35,426,041 shares
For the fiscal year ended March 31, 2022	35,396,976 shares

(Reference) Summary of Non-consolidated financial results for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

- (1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	19,505	(19.1)	1,181	(75.6)	1,227	(75.1)	455	(85.2)
March 31, 2022	24,120	(9.0)	4,846	(29.3)	4,937	(27.5)	3,081	(28.5)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	12.87	12.83
March 31, 2022	87.05	86.49

- (2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	93,074	20,663	21.8	571.34
March 31, 2022	102,486	22,148	21.2	616.65

(Reference) Equity capital: As of March 31, 2023 ¥20,316 million
As of March 31, 2022 ¥21,774 million

< Reason for differences from the non-consolidated financial results in the previous fiscal year >

Operating revenue underperformed year-on-year due to decline in loan execution revenue and finance revenue attributable to sluggish performance of Flat 35 housing loans. In addition, both ordinary income and net income decreased year-on-year due to the recognition of expenses related to the tender offer by the SBI Group, which resulted in the differences in financial results between the previous fiscal year and the fiscal year under review.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters
(Caution concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual business and other results may differ substantially from these forecasts due to various factors.

For details on the earnings forecasts, please see “(4) Future outlook” in “1. Overview of operating results, etc.” in the attached materials on page 3.