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Consolidated Financial Results for the Year Ended March 31, 2023 [Japanese GAAP]

May 12, 2023

Company name: Iyogin Holdings, Inc.

Stock exchange listing: Tokyo

Code number: 5830

URL: <https://www.iyogin-hd.co.jp/>

Representative: Kenji Miyoshi

Representative Director and President

Contact: Mitsuhiro Hayashi

General Manager, Corporate Planning Division

Phone: 089-907-1034

Scheduled date of Annual General Meeting of Shareholders: June 29, 2023

Scheduled date of commencing dividend payments: June 8, 2023

Scheduled date of filing annual securities report: June 30, 2023

Trading Accounts: No

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes(For Institutional Investors)

(Amounts of less than one millions of yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2023	172,954	-	42,415	-	27,899	-
March 31, 2022	-	-	-	-	-	-

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥ 41,050 million [-%]

Fiscal year ended March 31, 2022: ¥ - million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Ordinary profit to ordinary revenues ratio
Fiscal year ended March 31, 2023	Yen 89.13	Yen 89.08	% 3.8	% 0.5	% 24.5
March 31, 2022	-	-	-	-	-

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2023: ¥ - million

Fiscal year ended March 31, 2022: ¥ - million

(Note) Figures for the fiscal year ended March 31, 2022 and the rate of change over the previous period are not stated, as the company was founded on October 3, 2022.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of March 31, 2023	Millions of yen 8,550,778	Millions of yen 759,838	% 8.9	Yen 2,462.02
March 31, 2022	-	-	-	-

(Reference) Equity: As of March 31, 2023: ¥ 759,379 million

As of March 31, 2022: ¥ - million

(Note)1. Capital adequacy ratio = (Net assets – Stock acquisition rights – Non-controlling interests) / Total assets

This ratio is not the capital adequacy ratio specified by the Notice on Capital Adequacy Ratio Regulations.

2. Figures for the fiscal year ended March 31, 2022 are not stated, as the company was founded on October 3, 2022.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2023	(368,753)	234,070	(12,804)	1,364,804
March 31, 2022	-	-	-	-

(Note) Figures for the fiscal year ended March 31, 2022 are not stated, as the company was founded on October 3, 2022.

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2022	-	-	-	-	-	-	-	-
March 31, 2023	-	-	-	9.00	9.00	2,785	10.1	0.4
Fiscal year ending								
March 31, 2024 (Forecast)	-	10.00	-	10.00	20.00		24.2	

(Note)1. Figures for the fiscal year ended March 31, 2022, and first half of the fiscal year ended March 31, 2023 are not stated, as the company was founded on October 3, 2022.

2. Breakdown of Dividends: ¥1.00 per share at the end of March 2023 as commemorative dividend

3. For the fiscal year ended March 31, 2023, the Iyo Bank which became a wholly owned subsidiary of the company through a single share transfer, paid an interim dividend of 8 yen per share (total dividend of 2,507 million yen). When combined with the year-end dividend of the company, the annual dividend of the company is 17 yen per share, the total dividends is 5,292 million yen, the Payout ratio (consolidated) is 19.1%, and the Dividends to net assets (consolidated) is 0.7%.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	83,000	-	18,500	-	13,000	-	42.14
Full year	165,000	(4.6)	36,000	(15.1)	25,500	(8.6)	82.67

(Note) The rate of change over the previous quarter for the second quarter (cumulative) is not stated, as the company was founded on October 3, 2022.

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: Yes

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2023: 313,408,831 shares

March 31, 2022: - shares

2) Number of treasury shares at the end of the period:

March 31, 2023: 4,971,956 shares

March 31, 2022: - shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2023: 312,994,765 shares

Fiscal Year ended March 31, 2022: - shares

(Note)1. Figures for the fiscal year ended March 31, 2022 are not stated, as the company was founded on October 3, 2022.

2. The average number of shares of common stock during the period is calculated using the number of the Iyo Bank during the period from April 1, 2022 to October 2, 2022, which is the period before the incorporation of the company, and for the period from October 3, 2022 to March 31, 2023, using the number of the company.

※ This report is out of the scope of the audit by certified public accountants or independent audit firms.

※ Explanation for proper use of forecasts and other notes

The above forecasts are based on the information which is presently available and certain assumptions which are considered to be reasonable.

Actual results may differ materially from those forecasts depending on various future factors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

As of March 31, 2023

Assets	
Cash and due from banks	1,367,081
Cash collateral provided for securities borrowed	50,085
Monetary claims bought	5,606
Trading securities	492
Money held in trust	6,647
Securities	1,493,078
Loans and bills discounted	5,304,319
Foreign exchanges	40,407
Lease receivables and investment assets	29,391
Other assets	132,971
Tangible fixed assets	71,400
Buildings, net	16,774
Land	48,232
Leased assets, net	1,497
Construction in progress	246
Other tangible fixed assets	4,649
Intangible fixed assets	11,775
Software	9,077
Other intangible fixed assets	2,697
Retirement benefit asset	41,859
Deferred tax assets	268
Customers' liabilities for acceptances and guarantees	30,696
Allowance for loan losses	(35,302)
Total assets	8,550,778
Liabilities	
Deposits	6,167,148
Negotiable certificates of deposit	629,191
Cash collateral received for securities lent	77,501
Borrowed money	684,070
Foreign exchanges	3,680
Borrowed money from trust account	1,045
Other liabilities	92,636
Provision for bonuses	1,793
Retirement benefit liability	10,146
Provision for reimbursement of deposits	845
Provision for contingent loss	1,100
Provision for share-based compensation	430
Allowance for demolition of non-current assets	885
Reserves under special laws	4
Deferred tax liabilities	80,291
Deferred tax liabilities for land revaluation	9,472
Acceptances and guarantees	30,696
Total liabilities	7,790,940

(Millions of yen)

As of March 31, 2023

Net assets	
Share capital	20,000
Capital surplus	27,698
Retained earnings	483,166
Treasury shares	(3,792)
Total shareholders' equity	527,072
Valuation difference on available-for-sale securities	202,105
Deferred gains or losses on hedges	1,611
Revaluation reserve for land	18,977
Remeasurements of defined benefit plans	9,612
Total accumulated other comprehensive income	232,307
Share acquisition rights	149
Non-controlling interests	309
Total net assets	759,838
Total liabilities and net assets	8,550,778

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023
Ordinary income	172,954
Interest income	96,158
Interest on loans and discounts	66,236
Interest and dividends on securities	27,123
Interest on call loans and bills bought	158
Interest on deposits with banks	1,880
Other interest income	759
Trust fees	5
Fees and commissions	14,531
Other ordinary income	54,044
Other income	8,214
Reversal of allowance for loan losses	656
Recoveries of written off receivables	3,016
Other	4,541
Ordinary expenses	130,538
Interest expenses	20,822
Interest on deposits	5,362
Interest on negotiable certificates of deposit	61
Interest on call money and bills sold	81
Interest expenses on securities sold under repurchase agreements	382
Interest expenses on cash collateral received for securities lent	1,771
Interest on borrowings and rediscounts	3,949
Other interest expenses	9,214
Fees and commissions payments	4,852
Other ordinary expenses	46,619
General and administrative expenses	50,546
Other expenses	7,697
Other	7,697
Ordinary profit	42,415
Extraordinary income	6
Gain on disposal of non-current assets	6
Extraordinary losses	1,923
Loss on disposal of non-current assets	337
Impairment losses	699
Provision of reserve for financial instruments transaction liabilities	1
Provision for demolition of non-current assets	885
Profit before income taxes	40,497
Income taxes - current	11,332
Income taxes - deferred	839
Total income taxes	12,171
Profit	28,326
Profit attributable to non-controlling interests	426
Profit attributable to owners of parent	27,899

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023
Profit	28,326
Other comprehensive income	12,723
Valuation difference on available-for-sale securities	11,625
Deferred gains or losses on hedges	458
Remeasurements of defined benefit plans, net of tax	639
Comprehensive income	41,050
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	40,671
Comprehensive income attributable to non-controlling interests	378

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,948	20,289	468,487	(4,871)	504,854
Changes during period					
Changes by share transfer	(948)	948			-
Dividends of surplus			(5,051)		(5,051)
Profit attributable to owners of parent			27,899		27,899
Purchase of treasury shares				(6,098)	(6,098)
Disposal of treasury shares		11		135	147
Cancellation of treasury shares		(7,335)		7,041	(293)
Transfer from retained earnings to capital surplus		8,251	(8,251)		-
Reversal of revaluation reserve for land			80		80
Purchase of shares of consolidated subsidiaries		5,533			5,533
Net changes in items other than shareholders' equity					
Total changes during period	(948)	7,408	14,678	1,078	22,217
Balance at end of period	20,000	27,698	483,166	(3,792)	527,072

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	190,431	1,152	19,058	8,973	219,616	208	7,119	731,798
Changes during period								
Changes by share transfer								
Dividends of surplus								(5,051)
Profit attributable to owners of parent								27,899
Purchase of treasury shares								(6,098)
Disposal of treasury shares								147
Cancellation of treasury shares								(293)
Transfer from retained earnings to capital surplus								
Reversal of revaluation reserve for land								80
Purchase of shares of consolidated subsidiaries								5,533
Net changes in items other than shareholders' equity	11,673	458	(80)	639	12,690	(58)	(6,809)	5,822
Total changes during period	11,673	458	(80)	639	12,690	(58)	(6,809)	28,039
Balance at end of period	202,105	1,611	18,977	9,612	232,307	149	309	759,838

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023
Cash flows from operating activities	
Profit before income taxes	40,497
Depreciation	6,141
Impairment losses	699
Increase (decrease) in allowance for loan losses	(2,298)
Increase (decrease) in provision for bonuses	11
Decrease (increase) in retirement benefit asset	(4,016)
Increase (decrease) in retirement benefit liability	(566)
Increase (decrease) in provision for reimbursement of deposits	(330)
Increase (decrease) in provision for contingent loss	218
Increase (decrease) in provision for share-based compensation	16
Increase (decrease) in allowance for demolition of non-current assets	885
Increase (decrease) in reserves under special laws	1
Interest income	(96,158)
Interest expenses	20,822
Loss (gain) related to securities	37
Loss (gain) on money held in trust	43
Foreign exchange losses (gains)	(28,137)
Loss (gain) on disposal of non-current assets	331
Net decrease (increase) in loans and bills discounted	(257,322)
Net increase (decrease) in deposits	145,298
Net increase (decrease) in negotiable certificates of deposit	24,916
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(66,232)
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	224
Net decrease (increase) in call loans	602
Net decrease (increase) in cash collateral provided for securities borrowed	(50,085)
Net increase (decrease) in call money	(81,575)
Net increase (decrease) in cash collateral received for securities lent	(62,397)
Net decrease (increase) in foreign exchanges - assets	(29,096)
Net increase (decrease) in foreign exchanges - liabilities	1,843
Net decrease (increase) in lease receivables and investments in leases	600
Net increase (decrease) in borrowed money from trust account	490
Interest received	97,924
Interest paid	(16,781)
Other, net	(4,647)
Subtotal	(358,037)
Income taxes paid	(10,715)
Net cash provided by (used in) operating activities	(368,753)

(Millions of yen)

For the fiscal year
ended March 31, 2023

Cash flows from investing activities	
Purchase of securities	(1,524,202)
Proceeds from sale of securities	1,711,722
Proceeds from redemption of securities	55,726
Increase in money held in trust	(857)
Decrease in money held in trust	60
Purchase of tangible fixed assets	(2,691)
Proceeds from sale of tangible fixed assets	28
Purchase of intangible fixed assets	(5,715)
Net cash provided by (used in) investing activities	234,070
Cash flows from financing activities	
Proceeds from share issuance to non-controlling shareholders	97
Repayments to non-controlling shareholders	(50)
Dividends paid	(5,051)
Dividends paid to non-controlling interests	(2)
Purchase of treasury shares	(6,098)
Proceeds from sale of treasury shares	0
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,699)
Net cash provided by (used in) financing activities	(12,804)
Effect of exchange rate change on cash and cash equivalents	32
Net increase (decrease) in cash and cash equivalents	(147,455)
Cash and cash equivalents at beginning of period	1,512,259
Cash and cash equivalents at end of period	1,364,804