

# Consolidated Financial Results for the Fiscal Year ended September 30, 2023 (Japanese GAAP) (Summary)

October 31, 2023

Listed Company Name: **Financial Partners Group Co.,Ltd.** URL <https://www.fpg.jp/en/>

Listed Stock Exchange: Tokyo Stock Exchange Prime Market Code Number: 7148

Representative: Hisanaga Tanimura, CEO and Founder

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Scheduled date of ordinary general meeting of shareholders: December 22, 2023

Scheduled date of payment of year-end dividends: December 25, 2023

Expected date of annual securities report submission: December 25, 2023

Supporting material for financial results: Yes

The briefing session of financial results: Yes

(Figures less than one million yen are rounded down)

## 1. Consolidated financial results for the fiscal year ended September 30, 2023 (October 1, 2022 – September 30, 2023)

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

Fiscal Year ended	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2023	71,149	20.2	18,265	55.5	17,989	44.3	12,466	47.1
September 30, 2022	59,193	—	11,744	124.4	12,466	142.2	8,475	187.6

(Notes) Comprehensive income: Fiscal year ended September 30, 2023: 12,569 million yen (46.4%)

Fiscal year ended September 30, 2022: 8,584 million yen (182.3%)

Fiscal year ended	Net income per share	Fully diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
September 30, 2023	145.97	—	31.1	10.5	25.7
September 30, 2022	99.24	—	26.0	10.0	19.8

(Reference) Equity in earnings of affiliates:

Fiscal year ended September 30, 2023: 222million yen

Fiscal year ended September 30, 2022: 38million yen

(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), and other standards were applied from the beginning of the first quarter of the fiscal year ended September 30, 2022. 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 of the fiscal year ended September 30, 2022 increased significantly compared to the fiscal year ended September 30, 2021, so the year-on-year percentage change is not shown. This change in the method of recording net sales has no impact on profits.

### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	183,675	44,298	24.1	517.45
As of September 30, 2022	158,052	36,159	22.8	422.35

(Reference) Shareholders' equity:

As of September 30, 2023: 44,191 million yen

As of September 30, 2022: 36,070 million yen

### (3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
September 30, 2023	4,774	(9,359)	7,342	14,584
September 30, 2022	(50,872)	(552)	43,646	11,719

## 2. Dividends

	Annual Dividends per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Ratio of dividend to net assets (Consolidated)
	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	Millions of yen	%	%
September 30, 2022	—	0.00	—	50.00	50.00	4,270	50.4	13.1
September 30, 2023	—	0.00	—	73.00	73.00	6,234	50.0	15.5
Fiscal year ending September 30, 2024 (Forecast)	—	0.00	—	77.50	77.50		50.1	

## 3. Forecast of consolidated financial results for the year ending September 30, 2024 (October 1, 2023 – September 30, 2024) (% 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
First half	36,350	12.3	9,500	(16.1)	9,500	(15.4)	6,600	(12.5)	77.28
Annual	72,700	2.2	19,000	4.0	19,000	5.6	13,200	5.9	154.56

### \* Notes

#### (1) Material changes in subsidiaries during this period

(Changes in scope of consolidations resulting from change in subsidiaries) : No

#### (2) 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

#### (3) 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 September 30, 2023	89,073,600	As of September 30, 2022	89,073,600
b) Number of treasury shares at the end of the period	As of September 30, 2023	3,672,101	As of September 30, 2022	3,668,781
c) Average number of shares	Fiscal year ended September 30, 2023	85,402,483	Fiscal year ended September 30, 2022	85,407,100

### (Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Fiscal Year Ended September 30, 2023 (October 1, 2022 – September 30, 2023)

#### (1) Non-consolidated operating results

(% figures show year-on-year change.)

Fiscal Year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2023	68,519	19.6	17,980	58.1	17,956	40.7	12,189	35.6
September 30, 2022	57,307	—	11,369	129.1	12,760	130.6	8,989	149.5

	Net income per share	Fully diluted net income per share
Fiscal year ended	Yen	Yen
September 30, 2023	142.72	—
September 30, 2022	105.25	—

(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), and other standards were applied from the beginning of the first quarter of the fiscal year ended September 30, 2022. 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 of the fiscal year ended September 30, 2022 increased significantly compared to the fiscal year ended September 30, 2021, so the year-on-year percentage change is not shown. This change in the method of recording net sales has no impact on profits.

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
As of September 30, 2023	190,324	45,331	23.8	530.81
As of September 30, 2022	168,300	37,412	22.2	438.07

(Reference) Shareholders' equity: As of September 30, 2023: 45,331 million yen  
As of September 30, 2022: 37,412 million yen

\* This financial results report is not subject to the audit procedures.

\* Explanation of the proper use of performance forecast and other notes

Performance forecasts and other forward-looking statements presented in this report are based on information currently available to the Company and certain assumptions deemed to be reasonable, and actual performance may differ substantially due to various factors.

## Consolidated financial statements

## (1) Consolidated balance sheet

(Millions of yen)

	As of September 30, 2022	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	13,119	15,984
Accounts receivable - trade	480	546
Operational investment securities	494	647
Supplies	18	17
Equity underwritten	80,689	83,400
Money held in trust (Aircraft for arrangement)	20,868	18,386
Real estate for arrangement	31,632	37,630
Other	5,433	11,678
<b>Total current assets</b>	<b>152,737</b>	<b>168,290</b>
Non-current assets		
Property, plant and equipment		
Buildings, net	241	112
Tools, furniture and fixtures, net	97	56
Rent assets, net	—	7,928
Other	218	1,405
<b>Total property, plant and equipment</b>	<b>557</b>	<b>9,502</b>
Intangible assets		
Goodwill	693	367
Other	54	35
<b>Total intangible assets</b>	<b>747</b>	<b>403</b>
Investments and other assets		
Investment securities	0	0
Shares of subsidiaries and associates	1,786	1,808
Deferred tax assets	1,677	3,008
Leasehold and guarantee deposits	499	530
Other	47	130
Allowance for doubtful accounts	△2	—
<b>Total investments and other assets</b>	<b>4,010</b>	<b>5,478</b>
<b>Total non-current assets</b>	<b>5,315</b>	<b>15,384</b>
<b>Total assets</b>	<b>158,052</b>	<b>183,675</b>

(Millions of yen)

	As of September 30, 2022	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	355	1,074
Short-term borrowings	72,842	75,372
Commercial papers	9,000	9,000
Current portion of long-term borrowings	4,516	10,163
Current portion of long-term nonrecourse loans payable	—	371
Income taxes payable	2,176	5,485
Contract liabilities	12,932	13,713
Provision for bonuses	440	601
Other	5,596	5,214
Total current liabilities	107,859	120,997
Non-current liabilities		
Bonds payable	1,100	1,100
Long-term borrowings	12,389	11,531
Long-term nonrecourse loans payable	—	5,407
Asset retirement obligations	119	122
Retirement benefit liability	29	4
Other	394	213
Total non-current liabilities	14,032	18,379
Total liabilities	121,892	139,377
Net assets		
Shareholders' equity		
Share capital	3,095	3,095
Capital surplus	2,805	2,671
Retained earnings	32,526	40,723
Treasury shares	△2,457	△2,457
Total shareholders' equity	35,970	44,033
Accumulated other comprehensive income		
Foreign currency translation adjustment	100	158
Total accumulated other comprehensive income	100	158
Non-controlling interests	88	106
Total net assets	36,159	44,298
Total liabilities and net assets	158,052	183,675

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

## Consolidated statement of income

(Millions of yen)

	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023
Net sales	59,193	71,149
Cost of sales	40,564	44,841
Gross profit	18,628	26,307
Selling, general and administrative expenses	6,883	8,041
Operating profit	11,744	18,265
Non-operating income		
Interest income	234	779
Gain on investments in money held in trust	797	208
Foreign exchange gains	143	—
Rental income from real estate	634	1,735
Aircraft rental income	—	544
Share of profit of entities accounted for using equity method	38	222
Other	25	4
Total non-operating income	1,874	3,495
Non-operating expenses		
Interest expenses	413	1,064
Bond issuance costs	1	—
Commission expenses	569	727
Foreign exchange losses	—	1,574
Rental expenses on real estate	114	250
Depreciation	—	128
Other	53	25
Total non-operating expenses	1,152	3,771
Ordinary profit	12,466	17,989
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	—	284
Gain on sale of non-current assets	—	0
Gain on sale of businesses	—	10
Total extraordinary income	—	294
Extraordinary losses		
Impairment losses	74	357
Loss on retirement of non-current assets	15	14
Loss on valuation of shares of subsidiaries and associates	92	55
Total extraordinary losses	182	427
Profit before income taxes	12,284	17,856
Income taxes - current	2,957	6,720
Income taxes - deferred	886	△1,363
Total income taxes	3,844	5,356
Profit	8,439	12,499
Profit (loss) attributable to non-controlling interests	△36	33
Profit attributable to owners of parent	8,475	12,466

## Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023
Profit	8,439	12,499
Other comprehensive income		
Valuation difference on available-for-sale securities	0	—
Foreign currency translation adjustment	74	81
Share of other comprehensive income of entities accounted for using equity method	70	△11
Total other comprehensive income	145	70
Comprehensive income	8,584	12,569
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,609	12,524
Comprehensive income attributable to non-controlling interests	△24	45

## (3) Consolidated statement of changes in equity

Fiscal year ended September 30, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,095	2,999	25,638	△2,457	29,277
Cumulative effects of changes in accounting policies			△7		△7
Restated balance	3,095	2,999	25,631	△2,457	29,269
Changes during period					
Dividends of surplus			△1,580		△1,580
Profit attributable to owners of parent			8,475		8,475
Change in ownership interest of parent due to transactions with non-controlling interests		△194			△194
Net changes in items other than shareholders' equity					
Total changes during period	—	△194	6,895	—	6,701
Balance at end of period	3,095	2,805	32,526	△2,457	35,970

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	△32	△0	△33	147	29,391
Cumulative effects of changes in accounting policies					△7
Restated balance	△32	△0	△33	147	29,383
Changes during period					
Dividends of surplus					△1,580
Profit attributable to owners of parent					8,475
Change in ownership interest of parent due to transactions with non-controlling interests					△194
Net changes in items other than shareholders' equity	132	0	133	△59	74
Total changes during period	132	0	133	△59	6,776
Balance at end of period	100	—	100	88	36,159



Fiscal year ended September 30, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,095	2,805	32,526	△2,457	35,970
Changes during period					
Dividends of surplus			△4,270		△4,270
Profit attributable to owners of parent			12,466		12,466
Change in ownership interest of parent due to transactions with non-controlling interests		△134			△134
Change in scope of consolidation			0		0
Net changes in items other than shareholders' equity					
Total changes during period	—	△134	8,196	—	8,062
Balance at end of period	3,095	2,671	40,723	△2,457	44,033

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	100	—	100	88	36,159
Changes during period					
Dividends of surplus					△4,270
Profit attributable to owners of parent					12,466
Change in ownership interest of parent due to transactions with non-controlling interests					△134
Change in scope of consolidation					0
Net changes in items other than shareholders' equity	58	—	58	18	76
Total changes during period	58	—	58	18	8,138
Balance at end of period	158	—	158	106	44,298

## (4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended September 30, 2022	Fiscal year ended September 30, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	12,284	17,856
Depreciation	145	254
Impairment losses	74	357
Amortization of goodwill	163	67
Loss (gain) on sale of property, plant and equipment	—	△0
Loss on valuation of shares of subsidiaries and associates	92	55
Loss on retirement of non-current assets	15	14
Increase (decrease) in provision for bonuses	△28	137
Loss (gain) on sale of shares of subsidiaries and associates	—	△284
Interest and dividend income	△234	△779
Interest expenses	413	1,064
Commission expenses	569	727
Loss (gain) on sale of businesses	—	△10
Foreign exchange losses (gains)	220	476
Share of loss (profit) of entities accounted for using equity method	△38	△222
Bond issuance costs	1	—
Decrease (increase) in trade receivables	538	△80
Decrease (increase) in operational investment securities	△22	△152
Increase(decrease) in equity underwritten	△59,823	△2,710
Increase(decrease)in money held in trust(Aircraft for arrangement)	△2,332	2,481
Increase(decrease) in real estates for arrangement	△12,404	△5,998
Decrease (increase) in guarantee deposits	△1	△299
Increase (decrease) in trade payables	94	723
Increase (decrease) in contract liability	8,182	766
Other, net	3,143	△6,251
<b>Subtotal</b>	<b>△48,945</b>	<b>8,196</b>
Interest and dividends received	367	1,184
Interest paid	△409	△1,051
Income taxes paid	△1,884	△3,554
<b>Net cash provided by (used in) operating activities</b>	<b>△50,872</b>	<b>4,774</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△250	△9,360
Proceeds from sale of property, plant and equipment	—	0
Purchase of intangible assets	△37	△7
Purchase of shares and payments for investments in capital of subsidiaries and associates	△254	△345
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	355
Payments of leasehold and guarantee deposits	△13	△44
Proceeds from refund of leasehold and guarantee deposits	2	5
Proceeds from liquidation of subsidiaries	—	18
Proceeds from sale of businesses	—	10

Other payments	△0	△3
Other proceeds	0	11
Net cash provided by (used in) investing activities	△552	△9,359
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	43,622	2,581
Proceeds from long-term borrowings	10,050	24,600
Repayments of long-term borrowings	△12,148	△19,811
Proceeds from long-term nonrecourse loans payable	—	5,517
Repayments of long-term nonrecourse loans payable	—	△260
Net increase (decrease) in commercial papers	4,500	—
Proceeds from issuance of bonds	98	—
Dividends paid	△1,580	△4,270
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	△228	△161
Commission fee paid	△588	△795
Other payments	△78	△57
Net cash provided by (used in) financing activities	43,646	7,342
Effect of exchange rate change on cash and cash equivalents	84	94
Net increase (decrease) in cash and cash equivalents	△7,694	2,853
Cash and cash equivalents at beginning of period	19,414	11,719
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	11
Cash and cash equivalents at end of period	11,719	14,584