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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

January 30, 2024

Company name: eGuarantee,Inc. Stock exchange listing: Tokyo

Code number: 8771

URL: https://www.eguarantee.co.jp/ Representative: Masanori Eto

Representative: Masanori Eto President and Chief Executive Officer
Contact: Nozomu Murai Director, General Manager of Corporate Administration Dept.

Phone: +81-3-6327-3609

Scheduled date of filing quarterly securities report: February 9, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2023	6,821	8.3	3,631	14.5	3,652	12.9	2,408	8.9
December 31, 2022	6,298	7.4	3,172	12.5	3,235	15.1	2,211	20.2

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 2,554 million [9.5%] Nine months ended December 31, 2022: ¥ 2,333 million [18.0%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	50.66	49.72
December 31, 2022	46.89	45.53

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2023	28,664	23,273	74.1	446.66
March 31, 2023	27,997	21,998	72.7	428.68

(Reference) Equity: As of December 31, 2023: \cup{Y} 21,246 million As of March 31, 2023: \cup{Y} 20,347 million

2. Dividends

	Annual dividends				
	1st 2nd 3rd quarter-end quarter-end Year-end				Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	34.00	34.00
Fiscal year ending March 31, 2024	-	0.00	-		
Fiscal year ending March 31, 2024 (Forecast)				35.00	35.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2024:

Commemorative dividend - yen Special dividend - yen

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.)

				(/	o marcates ena	anges m	om me previo	us corres	sponding period.)
	Net sale	s	Operating 1	profit	Ordinary p	orofit	Profit attribu		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	9,500	11.8	4,800	15.6	4,900	15.8	3,200	11.7	67.41

(Note) Revision to the financial results forecast announced most recently: No

- * Notes:
- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New 1 (Company name: Credit Guarantee V II)
Exclusion: - (Company name:)

- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2023: 47,570,100 shares March 31, 2023: 47,467,700 shares

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

December 31, 2023: 1,570 shares March 31, 2023: 1,570 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 47,541,903 shares Nine months ended December 31, 2022: 47,160,214 shares

(5) Guarantee liabilities for guarantee services against sales credit

Guarantee liabilities for guarantee services against sales credit 769.9 billion yen

		(Thousands of yen)
	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	17,527,388	13,407,910
Accounts receivable - trade	81,606	76,199
Securities	-	800,000
Prepaid expenses	1,189,873	1,620,523
Accounts receivable - other	61,592	182,831
Other	176,860	286,606
Total current assets	19,037,321	16,374,071
Non-current assets		
Property, plant and equipment	1,777,488	1,881,509
Intangible assets	134,574	147,412
Investments and other assets		
Investment securities	6,412,113	9,611,261
Deferred tax assets	206,318	206,318
Other	430,081	443,942
Total investments and other assets	7,048,512	10,261,522
Total non-current assets	8,960,575	12,290,445
Total assets	27,997,897	28,664,510
Liabilities		
Current liabilities		
Accounts payable - trade	25,104	31,785
Income taxes payable	738,568	464,867
Advances received	4,301,368	4,156,480
Provision for settlement	436,519	309,623
Provision for bonuses	173,000	70,200
Deposits received	35,123	64,07
Other	174,282	178,410
Total current liabilities	5,883,967	5,275,44
Non-current liabilities		
Long-term accounts payable - other	115,282	115,282
Total non-current liabilities	115,282	115,282
Total liabilities	5,999,249	5,390,729
Net assets		
Shareholders' equity		
Share capital	3,781,341	3,833,729
Capital surplus	3,191,341	3,243,729
Retained earnings	13,375,959	14,170,462
Treasury shares	(964)	(964
Total shareholders' equity	20,347,678	21,246,950
Share acquisition rights	162,771	161,685
Non-controlling interests	1,488,198	1,865,145
Total net assets	21,998,648	23,273,787
Total liabilities and net assets	27,997,897	28,664,516

Quarterly Consolidated Statements of Income and Comprehensive Income Quarterly Consolidated Statements of Income (For the nine months)

		(Thousands of yen)
	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	6,298,706	6,821,092
Cost of sales	1,234,690	1,219,227
Gross profit	5,064,015	5,601,865
Selling, general and administrative expenses	1,891,705	1,970,606
Operating profit	3,172,309	3,631,258
Non-operating income		
Interest income	17,472	32,800
Share of profit of entities accounted for using equity method	43,569	-
Other	1,967	2,421
Total non-operating income	63,009	35,221
Non-operating expenses		
Share of loss of entities accounted for using equity method	-	13,861
Miscellaneous losses	250	533
Other	-	49
Total non-operating expenses	250	14,444
Ordinary profit	3,235,068	3,652,035
Extraordinary income		
Gain on sale of investment securities	26,012	-
Total extraordinary income	26,012	-
Extraordinary losses		
Loss on retirement of non-current assets	10,626	5,405
Total extraordinary losses	10,626	5,405
Profit before income taxes	3,250,454	3,646,629
Income taxes	916,460	1,091,689
Profit	2,333,994	2,554,940
Profit attributable to non-controlling interests	122,603	146,589
Profit attributable to owners of parent	2,211,390	2,408,351

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

		(Thousands of yen)
	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	2,333,994	2,554,940
Comprehensive income	2,333,994	2,554,940
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,211,390	2,408,351
Comprehensive income attributable to non-controlling interests	122,603	146,589