



## Consolidated Financial Results for the Second Quarter (First Half) of the Fiscal Year Ending March 31, 2025 [IFRS]

October 25, 2024

Company Name Premium Group Co., Ltd. Listed on the Tokyo Stock Exchange  
 Stock Code 7199 URL <https://www.premium-group.co.jp/en/>  
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Scheduled date of semiannual securities report submission: November 8, 2024

Scheduled date of commencement of dividend payment: December 5, 2024

Preparation of supplementary material for financial results: Yes

Holding of financial results meeting: No

(Amounts are rounded to the nearest million yen.)

### 1. Consolidated Financial Results for the Second Quarter (First Half) of the Fiscal Year Ending March 31, 2025 (April 1, 2024 to September 30, 2024)

#### (1) Consolidated Operating Results (fiscal year to date) (% change from the same period of the previous fiscal year)

	Operating revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First half of fiscal year ending March 31, 2025	18,092	20.2	4,050	46.6	4,076	44.3	2,772	33.9	2,771	34.3
First half of fiscal year ended March 31, 2024	15,056	25.7	2,763	16.4	2,824	(18.4)	2,070	(21.7)	2,064	(21.9)

	Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Million yen	%	Yen	Yen
First half of fiscal year ending March 31, 2025	2,877	32.8	73.09	72.53
First half of fiscal year ended March 31, 2024	2,166	(19.6)	53.04	52.67

#### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent ratio
	Million yen	Million yen	Million yen	%
First half of fiscal year ending March 31, 2025	134,198	17,748	17,702	13.2
Fiscal year ended March 31, 2024	125,274	15,351	15,310	12.2

### 2. Dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	13.00	-	15.00	28.00
Fiscal year ending March 31, 2025	-	20.00			
Fiscal year ending March 31, 2025 (forecast)			-	20.00	40.00

Note: Revisions to dividends forecast most recently announced: None

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% change from the previous fiscal year)

	Operating revenue		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	40,000	26.8	8,000	28.2	5,400	16.9	5,400	17.2	139.57

Note: Revisions to financial forecast most recently announced: None

\* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and accounting estimates

- 1) Changes in accounting policies required by IFRS : None
- 2) Changes in accounting policies for other reasons : None
- 3) Changes in accounting estimates : None

(3) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding at end of period (including treasury shares)	First half of fiscal year ending March 31, 2025	40,470,570 shares	Fiscal year ended March 31, 2024	40,470,570 shares
2) Number of treasury shares at end of period	First half of fiscal year ending March 31, 2025	2,509,309 shares	Fiscal year ended March 31, 2024	2,584,309 shares
3) Average number of shares during period (first half)	First half of fiscal year ending March 31, 2025	37,913,720 shares	First half of fiscal year ended March 31, 2024	38,909,358 shares

\* Second-quarter (first half) financial results are not subject to review by a certified public accountant or auditing firm.

\* Note to ensure appropriate use of forecasts and other remarks

1. For additional information on financial results, also refer to the explanatory materials on financial results released today and the semiannual securities report scheduled to be released on November 8.

Financial results explanatory materials (EN): <https://ir.premium-group.co.jp/en/library/presentation.html>

Semiannual securities report (JP): <https://ir.premium-group.co.jp/ja/library/securities.html>

2. The forecasts above are based on information currently available and certain assumptions deemed reasonable by the Company as of the date of release of this document. Actual future results may differ from forecasts figures due to various factors.

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## 1. Summary of business results

### (1) Summary of business results during the period under review

During the first half of this consolidated fiscal year under review (April 1, 2024 to September 30, 2024), the Japanese economy remained on a course of moderate recovery, with improved employment and income conditions and growth in inbound demand. Nevertheless, we believe we must remain fully aware of the risks posed by the overseas economic conditions generated by various events and factors, including global monetary tightening and geopolitical uncertainty, as well as of the effects of the soaring prices and fluctuations in financial and capital markets. In this environment, the used vehicle market, the Group's main target, saw a slight increase in number of vehicles registered in Japan from the previous year. The total of ordinary passenger vehicles, compact passenger vehicles, and mini four-wheeled passenger vehicles registered from April 2024 through September 2024 was 2,614,584 (up 1.0% year-on-year). (Source: Statistical data from the Japan Automobile Dealers Association and the Japan Light Motor Vehicle and Motorcycle Association)

Based on the assumption of thoroughgoing compliance tailored to changes in the external business environment, including regulatory changes, our Group seeks to realize our mission of contributing to establishing a prosperous society by providing top-level financing and services to the world and of fostering employees who are broadminded, have a positive outlook, and work assiduously to generate results. In addition to credit finance and automobile warranty services, to expand business interactions and accelerate growth in the scope of our operations and earnings, we provide a comprehensive line of automobility services that assist used vehicle dealers and auto repair shops, our major client base, in related vehicle procedures they undertake. We are also tackling the challenge of implementing various initiatives to realize a new growth model.

Summarized below is the status of each business during the first half of this consolidated fiscal year under review. The results shown exclude operating revenues from internal sales between segments. We have changed our reporting segments effective from the first half of this consolidated fiscal year, recalculated segment information for the first half of previous consolidated fiscal year by the same method applied for the first half of this consolidated fiscal year to the extent practicable, and accordingly updated and restated the segment information for the preceding year.

In the Finance Business, loan volume continued to exceed that of the previous year due to steady progress in efforts to attract automobile dealers to become paid members, as well as improvements in the support system in line with the increase in back-office staff and improvements in the operating ratio of existing affiliated dealers. As a result, operating revenue was 10,245 million yen (up 21.7% year-on-year) while operating profit was 3,020 million yen (up 42.2% year-on-year).

In the Automobile Warranty Business, Although the growth rate of the previous year was restrained by the sluggish performance of major OEM customers due to the impact of the mandatory gross amount labeling, the aggressive promotion of the paid memberships was successful, and the automobile warranty transaction volume continued to exceed that of the previous year, resulting in operating revenue of 3,398 million yen (up 18.5% year-on-year). Additionally, due to the increase in sales of high-margin in-house automobile warranty and steady measures to reduce costs such as increasing the use of used parts, the operating profit was 475 million yen (up 85.2% year-on-year).

In the Automobility Services Business, operating revenue was 4,441 million yen (up 18.0% year-on-year) and operating profit was 582 million yen (up 49.5% year-on-year) as a result of stable growth in each business, in addition to our focus on steadily increasing the number of the paid members and enriching the services for the paid members.

Operating expenses were 14,042 million yen (up 14.2% year-on-year) due to successful efforts to reduce expenses, such as by DX promotion and cost reduction in the Automobile Warranty Business. This success helped offset the increase in expenses associated with business expansion.

These factors resulted in operating revenue during the cumulative period through the first half of this consolidated fiscal year under review of 18,092 million yen (up 20.2% year-on-year); operating profit of 4,050 million yen (up 46.6% year-on-year); profit for the term before tax of 4,076 million yen (up 44.3% year-on-year); and profit for the term attributable to owners of the parent of 2,771 million yen (up 34.3% year-on-year).

(2) Summary of financial position during the period under review

1) Status of assets, liabilities and equity

(Assets)

At the end of the first half of this consolidated fiscal year under review, total assets stood at 134,198 million yen, up 8,924 million yen from the end of the previous consolidated fiscal year. This was due mainly to an increase of 5,708 million yen in financial receivables and 2,181 million yen in property, plant, and equipment.

(Liabilities)

Total liabilities stood at 116,449 million yen, up 6,526 million yen from the end of the previous consolidated fiscal year. This was due mainly to an increase of 4,469 million yen in financial guarantee contracts and 1,836 million yen in other financial liabilities.

(Equity)

Total equity stood at 17,748 million yen, up 2,398 million yen from the end of the previous consolidated fiscal year. This was due mainly to an increase of 2,203 million yen in retained earnings. Total equity attributable to owners of parent grew 2,392 million yen from the end of the previous consolidated fiscal year to 17,702 million yen.

2) Status of cash flows

A look at cash flow during the first half of this consolidated fiscal year under review shows revenue of 103 million yen from operating activities (vs. revenue of 2,447 million yen in the same period of previous consolidated fiscal year), expenditure of 1,269 million yen from investing activities (vs. expenditure of 1,473 million yen in the same period of the previous consolidated fiscal year), and expenditure of 1,714 million yen from financing activities (vs. expenditure of 300 million yen in the same period of the previous consolidated fiscal year). As a result, at the end of the first half of this consolidated fiscal year under review, cash and cash equivalents (“funds” hereinafter) stood at 18,264 million yen.

The status of each cash flow and contributing factors during the first half of this consolidated fiscal year under review are as follows.

(Cash flow from operating activities)

Funds acquired through sales activities during the first half of this consolidated fiscal year under review totaled 103 million yen. Major revenues from operating activities included 4,076 million yen in profit for the term before tax and an increase of 4,470 million yen in financial guarantee contracts. Major expenditures included an increase of 5,710 million yen in financial receivables and an increase of 2,839 million yen in other assets.

(Cash flow from investing activities)

Funds diverted to investments during the first half of this consolidated fiscal year under review totaled 1,269 million yen. Major expenditures included 572 million yen on the purchase of intangible assets, 380 million yen on the purchase of property, plant, and equipment, and 295 million yen on payments for guarantee deposits.

(Cash flow from financing activities)

Funds diverted to financing activities during the first half of this consolidated fiscal year under review totaled 1,714 million yen. Major revenue from financing activities included 4,959 million yen in long-term loans. Major expenditures included 5,612 million yen in repayments of long-term loans, 568 million yen in payment of dividends, and 505 million yen in repayments of lease liabilities.

(3) Explanation of forward-looking information, including consolidated earnings forecasts

Consolidated earnings forecasts are based on the information currently available, and actual results may differ from forecasts due to various factors in the future. At this time, the full-year earnings forecasts published in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [IFRS]” on April 26, 2024, remain unchanged.

2. Summary Interim Consolidated Financial Statements and Major Notes  
(1) Summary Interim Consolidated Statement of Financial Position

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2024)	First half of this consolidated fiscal year (September 30, 2024)
<b>Assets</b>		
Cash and cash equivalents	21,150	18,276
Financial receivables	56,419	62,127
Other financial assets	7,524	8,194
Property, plant, and equipment	2,837	5,018
Intangible assets	8,914	9,105
Goodwill	3,958	3,958
Investments accounted for using equity method	3,173	3,303
Deferred tax assets	14	27
Insurance assets	6,893	8,278
Other assets	14,393	15,913
<b>Total assets</b>	<b>125,274</b>	<b>134,198</b>
<b>Liabilities</b>		
Financial guarantee contracts	45,726	50,195
Unearned revenue on automobile warranties	7,184	7,749
Borrowings	42,333	41,685
Other financial liabilities	8,063	9,899
Provisions	383	433
Income taxes payable	1,164	1,219
Deferred tax liabilities	1,236	1,376
Other liabilities	3,835	3,894
<b>Total liabilities</b>	<b>109,923</b>	<b>116,449</b>
<b>Equity</b>		
Equity attributable to owners of parent		
Capital	1,700	1,700
Share premium	1,534	1,559
Retained earnings	14,626	16,828
Treasury shares	(3,109)	(3,087)
Other components of equity	559	702
<b>Total equity attributable to owners of parent</b>	<b>15,310</b>	<b>17,702</b>
Non-controlling interests	40	47
<b>Total equity</b>	<b>15,351</b>	<b>17,748</b>
<b>Total liabilities and equity</b>	<b>125,274</b>	<b>134,198</b>

## (2) Summary Interim Consolidated Statement of Profit and Loss

(Millions of yen)

	First half of the previous consolidated fiscal year (From April 1, 2023 to September 30, 2023)	First half of this consolidated fiscal year (From April 1, 2024 to September 30, 2024)
Operating revenue	15,056	18,092
Operating expense	12,293	14,042
Operating profit	2,763	4,050
Share of profit of investment accounted for using equity method	100	42
Other finance income	5	33
Other finance cost	45	48
Profit for the term before tax	2,824	4,076
Income tax expense	753	1,304
Profit for the term	2,070	2,772
Attributable to:		
Owners of parent	2,064	2,771
Non-controlling interests	7	1
Profit for the term	2,070	2,772
Attributable to owners of parent earnings per share		
Basic earnings per share (yen)	53.04	73.09
Diluted earnings per share (yen)	52.67	72.53

(3) Summary Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	First half of the previous consolidated fiscal year (From April 1, 2023 to September 30, 2023)	First half of this consolidated fiscal year (From April 1, 2024 to September 30, 2024)
Profit for the term	2,070	2,772
Other comprehensive income		
Items that may be reclassified to net profit or loss		
Exchange differences on translation of foreign operations	(1)	(1)
Share of other comprehensive income of investments accounted for using equity method	96	106
Other comprehensive income (net of tax)	95	105
Comprehensive income for the term	2,166	2,877
Attributable to:		
Owners of parent	2,159	2,870
Non-controlling interests	6	6
Comprehensive income for the term	2,166	2,877



## (4) Summary Interim Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent				
	Capital	Share premium	Retained earnings	Treasury shares	Other components of equity
					Exercise of warrants
Balance as of April 1, 2023	1,700	1,415	10,952	(1,088)	105
Comprehensive income for the term					
Profit for the term	-	-	2,064	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the term	-	-	2,064	-	-
Transactions with owners, etc.					
Purchase of treasury shares	-	-	-	(0)	-
Dividends	-	-	(428)	-	-
Share-based payment transactions	-	52	-	18	48
Total transactions with owners, etc.	-	52	(428)	18	48
Balance as of September 30, 2023	1,700	1,467	12,588	(1,070)	152

(Millions of yen)

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total equity
	Share of other comprehensive income of investments accounted for using equity method	Exchange differences on translation of foreign operations	Total			
Balance as of April 1, 2023	230	8	343	13,322	31	13,353
Comprehensive income for the term						
Profit for the term	-	-	-	2,064	7	2,070
Other comprehensive income	96	(1)	96	96	(0)	95
Total comprehensive income for the term	96	(1)	96	2,159	6	2,166
Transactions with owners, etc.						
Purchase of treasury shares	-	-	-	(0)	-	(0)
Dividends	-	-	-	(428)	-	(428)
Share-based payment transactions	-	-	48	118	-	118
Total transactions with owners, etc.	-	-	48	(310)	-	(310)
Balance as of September 30, 2023	326	8	486	15,171	38	15,208

(Millions of yen)

	Equity attributable to owners of parent				
	Capital	Share premium	Retained earnings	Treasury shares	Other components of equity
					Exercise of warrants
Balance as of April 1, 2024	1,700	1,534	14,626	(3,109)	195
Comprehensive income for the term					
Profit for the term	-	-	2,771	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the term	-	-	2,771	-	-
Transactions with owners, etc.					
Dividends	-	-	(568)	-	-
Share-based payment transactions	-	24	-	22	43
Total transactions with owners, etc.	-	24	(568)	22	43
Balance as of September 30, 2024	1,700	1,559	16,828	(3,087)	238

(Millions of yen)

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total equity
	Share of other comprehensive income of investments accounted for using equity method	Exchange differences on translation of foreign operations	Total			
Balance as of April 1, 2024	357	7	559	15,310	40	15,351
Comprehensive income for the term						
Profit for the term	-	-	-	2,771	1	2,772
Other comprehensive income	106	(6)	100	100	6	105
Total comprehensive income for the term	106	(6)	100	2,870	6	2,877
Transactions with owners, etc.						
Dividends	-	-	-	(568)	-	(568)
Share-based payment transactions	-	-	43	89	-	89
Total transactions with owners, etc.	-	-	43	(479)	-	(479)
Balance as of September 30, 2024	463	1	702	17,702	47	17,748

## (5) Summary Interim Consolidated Statement of Cash Flows

(Millions of yen)

	First half of the previous consolidated fiscal year (From April 1, 2023 to September 30, 2023)	First half of this consolidated fiscal year (From April 1, 2024 to September 30, 2024)
Cash flow from operating activities		
Profit for the term before tax	2,824	4,076
Depreciation and amortization expense	749	869
Other loss (profit)	162	230
Decrease (increase) in financial receivables	(5,586)	(5,710)
Increase (decrease) in financial guarantee contracts	5,419	4,470
Decrease (increase) in other financial assets	(621)	(424)
Increase (decrease) in other financial liabilities	(520)	39
Decrease (increase) in other assets	(290)	(2,839)
Increase (decrease) in other liabilities	674	642
Share of loss (profit) of investments accounted for using equity method	(100)	(42)
Other	136	107
Subtotal	2,845	1,418
Interest received	1	3
Interest paid	(144)	(239)
Dividends received	119	52
Income tax paid	(576)	(1,172)
Income tax refunded	203	41
Cash flow from (used in) operating activities	2,447	103
Cash flow from investing activities		
Purchase of investment securities	(148)	(0)
Purchase of property, plant, and equipment	(182)	(380)
Proceeds from sales of property, plant, and equipment	3	1
Purchase of intangible assets	(986)	(572)
Payments for loans receivable	(7)	(188)
Collection of loans receivable	11	13
Payments for guarantee deposits	(263)	(295)
Proceeds from collection of guarantee deposits	99	151
Other	(0)	(0)
Cash flow from (used in) investing activities	(1,473)	(1,269)
Cash flow from financing activities		
Repayments of short-term loans	(1,000)	-
Proceeds from long-term loans	5,856	4,959
Repayments of long-term loans	(4,320)	(5,612)
Repayment of lease liabilities	(429)	(505)
Payments for purchase of treasury shares	(0)	-
Dividends paid	(428)	(568)
Other	21	11
Cash flow from financing activities	(300)	(1,714)
Net increase (decrease) in cash and cash equivalents	675	(2,881)
Cash and cash equivalents at beginning of period	14,848	21,139
Effect of exchange rate changes on cash and cash equivalents	3	6
Cash and cash equivalents at end of term	15,526	18,264

- (6) Notes on the Summary Interim Consolidated Financial Statements  
(Notes concerning the going-concern assumption)  
Not applicable

(Segment information)

(1) General information on reporting segments

The Group's reporting segments consist of the Group's constituent units for which separate financial information is available and subject to periodic review by the Board of Directors for decisions related to allocating management resources and evaluating business performance.

The Group reports in three segments: the Finance Business, Automobile Warranty Business, and Automobility Services Business.

A summary of each reporting segment is provided below.

The Finance Business consists mainly of the Credit Finance Business and Auto Leasing Business, which provide financing services to enable customers to pay for purchases of products and services in installments, and the debt collection services.

The Automobile Warranty Business consists of automobile warranty services that enable customers who choose to add automobile warranty plans when they purchase vehicles through Group partners to obtain repairs free of charge, within the scope specified in advance, for mechanical problems affecting their purchased vehicles, in exchange for payment of a fixed warranty fee.

The Automobility Services Business is made up chiefly of automobility services, which are multiple services useful in operating the automobile distribution business (e.g., the membership-based network business, auto leasing business, vehicle wholesaling, and automotive parts and software sales).

The Group does not allocate assets and liabilities to the business segments employed by the Board of Directors.

(2) Profit or loss by reporting segment

The Group's figures for profit or loss by segment are, in principle, prepared using the same standards as those for consolidated financial statements. Adjustments include elimination entries for internal transactions between segments. Prices of internal transactions between segments are based on actual market prices.

Due to changes in the classification of performance evaluations by the Board of Directors following the reorganization of business units, the Group includes the automobile parts sales business, previously included under the Automobile Warranty Business, in the Automobility Services Business in the first half of this consolidated fiscal year under review. Additionally, since the end of the previous consolidated fiscal year, operating profit instead of profit before tax has been used as reporting segment profit. This is because we have started to make reports to the Company's Board of Directors based on performance management using operating profit which reflects the results of major operating activities.

Where feasible, segment information for the first half of the previous consolidated fiscal year has been restated based on calculations by segment made by the same method applied to the first half of this consolidated fiscal year.

First half of the previous consolidated fiscal year (From April 1, 2023 to September 30, 2023)

	(Millions of yen)						Consolidated
	Reporting segment				Other *1	Adjustments and Companywide *2	
	Finance	Automobile Warranty	Automobility Services	Total			
Revenues							
Revenues from external customers	8,420	2,867	3,764	15,051	5	0	15,056
Segment profit/loss							
Operating profit (loss)	2,123	257	389	2,769	33	(40)	2,763

First half of this consolidated fiscal year (From April 1, 2024 to September 30, 2024)

	(Millions of yen)						Consolidated
	Reporting segment				Other *1	Adjustments and Companywide *2	
	Finance	Automobile Warranty	Automobility Services	Total			
Revenues							
Revenues from external customers	10,245	3,398	4,441	18,084	8	0	18,092
Intersegment revenue	198	2	978	1,179	84	(1,263)	-
Total	10,444	3,401	5,419	19,263	92	(1,263)	18,092
Segment profit/loss							
Operating profit (loss)	3,020	475	582	4,078	9	(37)	4,050
Other items							
Finance income*3	8,217	-	432	8,648	-	(161)	8,488
Interest cost	80	-	149	229	-	-	229
Depreciation and amortization expenses	517	126	205	848	5	16	869

\*1 "Other" refers to business segments not included in reporting segments and mainly consists of the computer systems business.

\*2 "Adjustments and Companywide" consists mainly of elimination entries for internal transactions between segments.

\*3 Finance Business, Automobility Services Business, and Adjustments and Companywide include interest income of 936 million yen, 432 million yen, and -8 million yen, respectively.

Reconciliation of operating profit to profit for the term before tax

	(Millions of yen)	
	First half of the previous consolidated fiscal year	First half of this consolidated fiscal year
	(From April 1, 2023 to September 30, 2023)	(From April 1, 2024 to September 30, 2024)
Operating profit	2,763	4,050
Share of profit of investments accounted for using equity method	100	42
Other finance income	5	33
Other finance cost	45	48
Profit for the term before tax	2,824	4,076