



Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 [IFRS]

February 7, 2025

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 commencement of dividend payment: –

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 Third Quarter of the Fiscal Year Ending March 31, 2025 (April 1, 2024 to December 31, 2024)

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

	Operating income		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter of fiscal year ending March 31, 2025	27,429	19.4	6,009	36.3	6,048	35.8	4,112	28.0	4,111	28.3
Third quarter of fiscal year ended March 31, 2024	22,975	24.0	4,408	24.7	4,455	(4.0)	3,212	(8.4)	3,203	(8.4)

	Total quarterly comprehensive income		Basic earnings per share	Diluted earnings per share
	Million yen	%	Yen	Yen
Third quarter of fiscal year ending March 31, 2025	4,335	30.5	108.39	107.46
Third quarter of fiscal year ended March 31, 2024	3,323	(6.4)	82.53	81.93

(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	%
Third quarter of fiscal year ending March 31, 2025	137,826	18,502	18,455	13.4
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 income		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)	Third quarter 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	Third quarter of fiscal year ending March 31, 2025	2,509,334 shares	Fiscal year ended March 31, 2024	2,584,309 shares
3) Average number of shares during period (quarter to date)	Third quarter of fiscal year ending March 31, 2025	37,929,622 shares	Third quarter of fiscal year ended March 31, 2024	38,817,176 shares

* Review of accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm:
None

* 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.

Financial results explanatory materials: <https://ir.premium-group.co.jp/en/library/presentation.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

The Japanese economy in the cumulative period through the third quarter of the consolidated fiscal year under review (April 1, 2024 to December 31, 2024) has been on a moderate recovery track due to improved employment and income environment as well as increased inbound demand.

Meanwhile, we believe it is necessary to be fully aware of the downside risk of overseas economic conditions due to global monetary tightening and uncertain international conditions, as well as the effects of soaring prices, fluctuations in financial and capital markets, and other factors.

In such an economic environment, the performance in the used vehicle market, the Company's main target, was slightly up from the previous year, with 3,946,159 vehicles registered in Japan from April 2024 through December 2024 (up 1.1% year-on-year), the total of ordinary passenger vehicles, compact passenger vehicles and mini four-wheeled passenger vehicles. (Source: Statistical data from the Japan Automobile Dealers Association and the Japan Mini Vehicle 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.

The status of each business in the cumulative period through the third quarter of the fiscal year under review is summarized below. The results shown exclude revenues from internal sales between segments. We have changed our reporting segments effective from the first quarter of this consolidated fiscal year; recalculated segment information for the third quarter of previous consolidated fiscal year by the same method applied for the third quarter 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 15,464 million yen (up 20.4% year-on-year) while operating profit was 4,335 million yen (up 32.0% year-on-year).

In the Automobile Warranty Business, although the growth rate of the previous year was restrained by the sluggish applications from 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 5,169 million yen (up 17.6% 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 768 million yen (up 70.6% year-on-year).

In the Automobility Services Business, operating revenue was 6,786 million yen (up 18.5% year-on-year) and operating profit was 928 million yen (up 31.0% year-on-year) as a result of stable growth in major businesses, 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 21,420 million yen (up 15.4% 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 third quarter of this consolidated fiscal year under review of 27,429 million yen (up 19.4% year-on-year); operating profit of 6,009 million yen (up 36.3% year-on-year); profit for the term before tax of 6,048 million yen (up 35.8% year-on-year); and profit for the term attributable to owners of the parent of 4,111 million yen (up 28.3% 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 third quarter of this consolidated fiscal year under review, total assets stood at 137,826 million yen, up 12,552 million yen from the end of the previous consolidated fiscal year. This was due mainly to an increase of 10,049 million yen in financial receivables and 2,597 million yen in insurance assets.

(Liabilities)

At the end of the third quarter of this consolidated fiscal year under review, total liabilities stood at 119,324 million yen, up 9,401 million yen from the end of the previous consolidated fiscal year. This was due mainly to an increase of 6,146 million yen in financial guarantee contracts and 1,828 million yen in borrowings.

(Equity)

At the end of the third quarter of this consolidated fiscal year under review, total equity stood at 18,502 million yen, up 3,151 million yen from the end of the previous consolidated fiscal year. This was due mainly to an increase of 2,784 million yen in retained earnings. Total equity attributable to owners of parent grew 3,145 million yen from the end of the previous consolidated fiscal year to 18,455 million yen.

2) Status of cash flows

A look at cash flow during the cumulative period through the third quarter of this consolidated fiscal year under review shows expenditure of 1,308 million yen from operating activities (vs. revenue of 361 million yen in the same period of the previous consolidated fiscal year), expenditure of 1,495 million yen from investing activities (vs. expenditure of 2,513 million yen in the same period of the previous consolidated fiscal year), and expenditure of 212 million yen from financing activities (vs. revenue of 8,581 million yen in the same period of the previous consolidated fiscal year). As a result, at the end of the third quarter of this consolidated fiscal year under review, cash and cash equivalents (“funds” hereinafter) stood at 18,135 million yen. The status of each cash flow and their factors in the cumulative period through the third quarter of the fiscal year under review are as follows.

(Cash flow from operating activities)

Funds diverted to sales activities during the cumulative period through the third quarter of the consolidated fiscal year under review totaled 1,308 million yen. Major revenues from operating activities included 6,048 million yen in profit for the term before tax and an increase of 6,146 million yen in financial guarantee contracts. Major expenditures included an increase of 10,050 million yen in financial receivables and an increase of 1,792 million yen in other assets.

(Cash flow from investing activities)

Funds diverted to investments during the cumulative period through the third quarter of the consolidated fiscal year under review totaled 1,495 million yen. Major expenditures included 810 million yen on the purchase of intangible assets, 400 million yen on the purchase of property, plant, and equipment, and 389 million yen on the provision of guarantee deposits.

(Cash flow from financing activities)

Funds diverted to financing activities during the cumulative period through the third quarter of the consolidated fiscal year under review totaled 212 million yen. Major revenues from financing activities included 10,197 million yen in long-term loans, while major expenditures included 8,378 million yen in repayments of long-term loans, 1,305 million yen in payment of dividends, and 743 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 Quarterly Consolidated Financial Statements and Major Notes
(1) Summary Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	Previous consolidated fiscal year (March 31, 2024)	Third quarter of this consolidated fiscal year December 31, 2024
Assets		
Cash and cash equivalents	21,150	18,147
Financial receivables	56,419	66,467
Other financial assets	7,524	8,670
Property, plant, and equipment	2,837	4,744
Intangible assets	8,914	9,182
Goodwill	3,958	3,958
Investments accounted for using equity method	3,173	3,447
Deferred tax assets	14	48
Insurance assets	6,893	9,490
Other assets	14,393	13,671
Total assets	125,274	137,826
Liabilities		
Financial guarantee contracts	45,726	51,871
Unearned revenue on automobile warranties	7,184	7,990
Borrowings	42,333	44,161
Other financial liabilities	8,063	8,543
Provisions	383	436
Income taxes payable	1,164	839
Deferred tax liabilities	1,236	1,604
Other liabilities	3,835	3,880
Total liabilities	109,923	119,324
Equity		
Equity attributable to owners of parent		
Capital	1,700	1,700
Share premium	1,534	1,559
Retained earnings	14,626	17,409
Treasury shares	(3,109)	(3,057)
Other components of equity	559	843
Total equity attributable to owners of parent	15,310	18,455
Non-controlling interests	40	47
Total equity	15,351	18,502
Total liabilities and equity	125,274	137,826

(2) Summary Quarterly Consolidated Statement of Profit and Loss

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2023 to December 31, 2023)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2024 to December 31, 2024)
Operating income	22,975	27,429
Operating expense	18,567	21,420
Operating profit	4,408	6,009
Share of profit of investments accounted for using equity method	112	6
Other financial revenue	7	58
Other finance cost	73	25
Profit for the term before tax	4,455	6,048
Income tax expense	1,243	1,935
Profit for the term	3,212	4,112
Attributable to:		
Owners of parent	3,203	4,111
Non-controlling interests	9	1
Profit for the term	3,212	4,112
Attributable to owners of parent earnings per share		
Basic earnings per share (yen)	82.53	108.39
Diluted earnings per share (yen)	81.93	107.46

(3) Summary Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2023 to December 31, 2023)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2024 to December 31, 2024)
Profit for the term	3,212	4,112
Other comprehensive income		
Items that may be reclassified to net profit or loss		
Exchange differences on translation of foreign operations	(1)	(2)
Share of other comprehensive income of investments accounted for using equity method	111	224
Other comprehensive income (net of tax)	110	222
Comprehensive income for the term	3,323	4,335
Attributable to:		
Owners of parent	3,314	4,328
Non-controlling interests	8	7
Comprehensive income for the term	3,323	4,335

(4) Summary Quarterly 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	–	–	3,203	–	–
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the term	–	–	3,203	–	–
Transactions with owners, etc.					
Purchase of treasury shares	–	(0)	–	(1,250)	–
Dividends	–	–	(934)	–	–
Share-based payment transactions	–	67	–	41	73
Total transactions with owners, etc.	–	67	(934)	(1,209)	73
Balance as of December 31, 2023	1,700	1,482	13,221	(2,297)	178

(Millions of yen)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity			Total	Total		
	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	–	–	–	3,203	9	3,212	
Other comprehensive income	111	(1)	111	111	(0)	110	
Total comprehensive income for the term	111	(1)	111	3,314	8	3,323	
Transactions with owners, etc.							
Purchase of treasury shares	–	–	–	(1,250)	–	(1,250)	
Dividends	–	–	–	(934)	–	(934)	
Share-based payment transactions	–	–	73	181	–	181	
Total transactions with owners, etc.	–	–	73	(2,003)	–	(2,003)	
Balance as of December 31, 2023	341	8	527	14,633	40	14,672	

(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	–	–	4,111	–	–
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the term	–	–	4,111	–	–
Transactions with owners, etc.					
Purchase of treasury shares	–	–	–	(0)	–
Dividends	–	–	(1,328)	–	–
Share-based payment transactions	–	24	–	52	67
Total transactions with owners, etc.	–	24	(1,328)	52	67
Balance as of December 31, 2024	1,700	1,559	17,409	(3,057)	262

(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	–	–	–	4,111	1	4,112
Other comprehensive income	224	(8)	217	217	6	222
Total comprehensive income for the term	224	(8)	217	4,328	7	4,335
Transactions with owners, etc.						
Purchase of treasury shares	–	–	–	(0)	–	(0)
Dividends	–	–	–	(1,328)	–	(1,328)
Share-based payment transactions	–	–	67	144	–	144
Total transactions with owners, etc.	–	–	67	(1,184)	–	(1,184)
Balance as of December 31, 2024	582	(1)	843	18,455	47	18,502

(5) Summary Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2023 to December 31, 2023)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2024 to December 31, 2024)
Cash flow from operating activities		
Profit for the term before tax	4,455	6,048
Depreciation and amortization expense	1,153	1,339
Other finance income and finance costs	290	320
Decrease (increase) in financial receivables	(8,247)	(10,050)
Increase (decrease) in financial guarantee contracts	6,772	6,146
Decrease (increase) in other financial assets	(1,934)	(920)
Increase (decrease) in other financial liabilities	(475)	(1,109)
Decrease (increase) in other assets	(1,640)	(1,792)
Increase (decrease) in other liabilities	980	839
Share of loss (profit) of investments accounted for using equity method	(112)	(6)
Other	179	170
Subtotal	1,421	985
Interest received	2	5
Interest paid	(225)	(367)
Dividends received	119	58
Income taxes paid	(1,158)	(2,031)
Income taxes refunded	203	41
Cash flow from (used in) operating activities	361	(1,308)
Cash flow from investing activities		
Purchase of investment securities	(246)	(0)
Purchase of property, plant, and equipment	(277)	(400)
Proceeds from sale of property, plant, and equipment	11	1
Purchase of intangible assets	(1,450)	(810)
Payments for loans receivable	(9)	(198)
Collection of loans receivable	15	32
Payments for guarantee deposits	(348)	(389)
Proceeds from collection of guarantee deposits	147	172
Proceeds from acquisition of subsidiary	18	–
Payments for acquisition of investments accounted for using equity method	(373)	–
Other	(0)	96
Cash flow from (used in) investing activities	(2,513)	(1,495)
Cash flow from financing activities		
Repayments of short-term loans	(1,000)	–
Proceeds from long-term loans	19,026	10,197
Repayments of long-term loans	(6,711)	(8,378)
Repayments of lease obligations	(671)	(743)
Payments for purchase of treasury shares	(1,250)	(0)
Dividends paid	(932)	(1,305)
Other	117	18
Cash flow from financing activities	8,581	(212)
Net increase (decrease) in cash and cash equivalents	6,428	(3,016)
Cash and cash equivalents at beginning of period	14,848	21,139
Effect of exchange rate changes on cash and cash equivalents	4	12
Cash and cash equivalents at end of period	21,280	18,135

(6) Notes on the Summary Quarterly 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, which provides financing services that allow customers to pay for products and services in installments, and 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 quarter of 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 cumulative third quarter of the previous consolidated fiscal year has been restated based on calculations by segment by the same method applied to the cumulative third quarter of this consolidated fiscal year.

Cumulative period through the third quarter of the previous consolidated fiscal year (April 1, 2023 to December 31, 2023)

	Reporting segment				Other ^{*1}	Adjustments and company-wide figures ^{*2}	Consolidated
	Finance	Automobile Warranty	Auto mobility Services	Total			
Revenues							
Revenues from external customers	12,848	4,395	5,724	22,967	8	1	22,975
Segment profit/loss							
Operating profit (loss)	3,285	450	708	4,444	50	(86)	4,408

Cumulative period through the third quarter of this consolidated fiscal year (April 1, 2024 to December 31, 2024)

	Reporting segment				Other ^{*1}	Adjustments and company-wide figures ^{*2}	Consolidated
	Finance	Automobile Warranty	Automobility Services	Total			
Revenues							
Revenues from external customers	15,464	5,169	6,786	27,418	11	0	27,429
Intersegment revenue	311	4	1,465	1,780	142	(1,922)	–
Total	15,774	5,173	8,251	29,198	153	(1,921)	27,429
Segment profit/loss							
Operating profit (loss)	4,335	768	928	6,031	40	(62)	6,009
Other items							
Finance income ^{*3}	12,547	–	681	13,228	–	(257)	12,971
Interest cost	117	–	235	352	–	–	352
Depreciation and amortization expenses	825	183	300	1,307	8	24	1,339

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

*2 Adjustments and companywide figures consist mainly of elimination entries for internal transactions between segments.

*3 Finance Business, Automobility Services Business, and Adjustments and Companywide include interest income of 1,457 million yen, 681 million yen, and -11 million yen, respectively.

Reconciliation of operating profit to profit for the term before tax

	Cumulative period through the third quarter of the previous consolidated fiscal year (From April 1, 2023 to December 31, 2023)	Cumulative period through the third quarter of this consolidated fiscal year (From April 1, 2024 to December 31, 2024)
Operating profit	4,408	6,009
Share of profit of investments accounted for using equity method	112	6
Other finance income	7	58
Other finance cost	73	25
Profit for the term before tax	4,455	6,048