



Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2021 [IFRS]

February 5, 2021

Company Name Premium Group Co., Ltd. Listed on the Tokyo Stock Exchange
 Stock Code 7199 URL <https://www.premium-group.co.jp/>
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 Contact (Title) Managing Executive Officer (Name) Tomohiro Kanazawa
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Scheduled date of quarterly report submission: February 12, 2021 Scheduled date of commencement of dividend payment: —

Preparation of supplementary material for quarterly financial results: Yes

Holding of quarterly 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, 2021 (April 1, 2020 to December 31, 2020)

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

	Operating income		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter of fiscal year ending March 31, 2021	12,788	25.7	2,799	(13.7)	1,847	(6.0)	1,835	(6.9)	1,875	(7.5)
Third quarter of fiscal year ended March 31, 2020	10,173	29.0	3,242	159.6	1,966	135.7	1,971	136.8	2,027	141.6

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Third quarter of fiscal year ending March 31, 2021	143.86	141.75
Third quarter of fiscal year ended March 31, 2020	149.77	147.08

(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, 2021	63,978	6,685	6,603	10.3
Fiscal year ended March 31, 2020	58,203	5,312	5,242	9.0

2 Dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2020	-	22.00	-	22.00	44.00
Fiscal year ending March 31, 2021	-	22.50	-		
Fiscal year ending March 31, 2021 (forecast)				22.50	45.00

Notes: Revisions to dividends forecast most recently announced: None

3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending March 31, 2021
(April 1, 2020 to March 31, 2021)

(% 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	17,300	23.4	3,300	26.7	2,170	49.4	2,150	46.7	168.46

Note: Revisions to financial forecast most recently announced: Yes

See "Premium Group Revises Forecasts of Results for Fiscal 2021" issued today (February 5, 2021) regarding the consolidated financial forecast.

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in scope of consolidation): Yes

(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, 2021	13,286,390 shares	Fiscal year ended March 31, 2020	13,274,500 shares
Third quarter of fiscal year ending March 31, 2021	525,933 shares	Fiscal year ended March 31, 2020	525,711 shares
Third quarter of fiscal year ending March 31, 2021	12,755,388 shares	Third quarter of fiscal year ended March 31, 2020	13,157,423 shares

2) Number of treasury shares at end of period

3) Average number of shares during period (fiscal year to date)

* Quarterly financial statements are not subject to quarterly 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 quarterly securities report to be released February 12.

Financial results explanatory materials: <http://ir.premium-group.co.jp/ja/library/presentation.html>

Quarterly securities report: <http://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.

3. Traditionally, the accounts and other amounts shown on our Summary Quarterly Consolidated Financial Statements have been denominated in units of thousands of yen. However, beginning with results for the second quarter of this consolidated fiscal year, and cumulative results through the second quarter of this consolidated fiscal year, we have switched to denominating these in units of millions of yen. For ease of comparison, the units of results for the previous consolidated fiscal year and cumulative results through the third quarter of the previous consolidated fiscal year have been switched to units of millions of yen as well.

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1. 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, 2020)	Third quarter of this consolidated fiscal year (December 31, 2020)
Assets		
Cash and cash equivalents	6,286	7,754
Financial receivables	20,011	22,266
Other financial assets	6,408	8,741
Property, plant, and equipment	3,092	3,305
Intangible assets	5,950	5,927
Goodwill	3,958	3,958
Investments accounted for using equity method	1,224	1,370
Deferred tax assets	-	38
Insurance assets	2,965	3,575
Other assets	8,309	7,045
Total assets	58,203	63,978
Liabilities		
Financial guarantee contracts	22,063	23,934
Borrowings	16,421	19,056
Other financial liabilities	6,340	5,218
Provisions	327	293
Income taxes payable	386	438
Deferred tax liabilities	1,355	1,569
Other liabilities	5,999	6,785
Total liabilities	52,891	57,293
Equity		
Equity attributable to owners of parent		
Capital	1,534	1,590
Share premium	1,260	1,267
Treasury shares	(1,201)	(1,201)
Retained earnings	3,587	4,855
Other components of equity	62	92
Total equity attributable to owners of parent	5,242	6,603
Non-controlling interests	70	82
Total equity	5,312	6,685
Total liabilities and equity	58,203	63,978

(2) Summary Quarterly Consolidated Statement of Profit and Loss

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2019 to December 31, 2019)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2020 to December 31, 2020)
Operating income	10,173	12,788
Other finance income	9	3
Share of profit of investments accounted for using equity method	-	56
Other income	2,099	653
Total income	12,281	13,498
Operating expense	8,954	10,602
Other finance cost	34	82
Share of loss of investments accounted for using equity method	15	-
Other expense	35	15
Total expense	9,039	10,700
Profit for the term before tax	3,242	2,799
Income tax expense	1,277	952
Profit for the term	1,966	1,847
Attributable to		
Owners of parent	1,971	1,835
Non-controlling interests	(5)	12
Profit	1,966	1,847
Attributable to owners of parent		
Earnings per share		
Basic earnings per share (yen)	149.77	143.86
Diluted earnings per share (yen)	147.08	141.75

(3) Summary Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2019 to December 31, 2019)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2020 to December 31, 2020)
Profit for the term	1,966	1,847
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	60	28
Other comprehensive income (net of tax)	61	28
Comprehensive income	2,027	1,875
Attributable to:		
Owners of parent	2,031	1,863
Non-controlling interests	(5)	12
Comprehensive income	2,027	1,875

(4) Summary Quarterly Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent				
	Capital	Share premium	Treasury shares	Retained earnings	Other components of equity
					Exercise of warrants
Balance as of April 1, 2019	227	2,412	(1)	2,693	9
Comprehensive income					
Profit	-	-	-	1,971	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	1,971	-
Transactions with owners, etc.					
Purchase of treasury shares	-	(0)	(1,058)	-	-
Dividends	-	-	-	(571)	-
Capital transactions with non-controlling interests	-	(1)	-	-	-
Share-based payment transactions	104	1	-	-	2
Transfers from share premium to capital	1,165	(1,165)	-	-	-
Total transactions with owners, etc.	1,269	(1,165)	(1,058)	(571)	2
Balance as of December 31, 2019	1,495	1,247	(1,058)	4,092	11

(Millions of yen)

	Equity attributable to owners of parent					
	Other components of equity					
	Share of other comprehensive income of investments accounted for using equity method	Exchange differences on translation of foreign operations	Total	Total	Non-controlling interests	Total equity
Balance as of April 1, 2019	123	1	133	5,464	65	5,529
Comprehensive income						
Profit	-	-	-	1,971	(5)	1,966
Other comprehensive income	60	1	61	61	0	61
Total comprehensive income	60	1	61	2,031	(5)	2,027
Transactions with owners, etc.						
Purchase of treasury shares	-	-	-	(1,058)	-	(1,058)
Dividends	-	-	-	(571)	-	(571)
Capital transactions with non-controlling interests	-	-	-	(1)	18	17
Share-based payment transactions	-	-	2	106	-	106
Transfers from share premium to capital	-	-	-	-	-	-
Total transactions with owners, etc.	-	-	2	(1,524)	18	(1,506)
Balance as of December 31, 2019	183	1	196	5,971	79	6,050

(Millions of yen)

	Equity attributable to owners of parent				
	Capital	Share premium	Treasury shares	Retained earnings	Other components of equity
					Exercise of warrants
Balance as of April 1, 2020	1,534	1,260	(1,201)	3,587	10
Comprehensive income					
Profit	-	-	-	1,835	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	1,835	-
Transactions with owners, etc.					
Issuance of new shares	0	0	-	-	-
Purchase of treasury shares	-	-	(0)	-	-
Dividends	-	-	-	(568)	-
Share-based payment transactions	56	7	-	-	2
Total transactions with owners, etc.	56	7	(0)	(568)	2
Balance as of December 31, 2020	1,590	1,267	(1,201)	4,855	12

(Millions of yen)

	Equity attributable to owners of parent					
	Other components of equity				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	Total		
Balance as of April 1, 2020	53	(1)	62	5,242	70	5,312
Comprehensive income						
Profit	-	-	-	1,835	12	1,847
Other comprehensive income	28	(0)	28	28	(1)	28
Total comprehensive income	28	(0)	28	1,863	12	1,875
Transactions with owners, etc.						
Issuance of new shares	-	-	-	0	-	0
Purchase of treasury shares	-	-	-	(0)	-	(0)
Dividends	-	-	-	(568)	-	(568)
Share-based payment transactions	-	-	2	65	-	65
Total transactions with owners, etc.	-	-	2	(502)	-	(502)
Balance as of December 31, 2020	82	(1)	92	6,603	82	6,685

(5) Summary Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Cumulative third quarter of the previous consolidated fiscal year (From April 1, 2019 to December 31, 2019)	Cumulative third quarter of this consolidated fiscal year (From April 1, 2020 to December 31, 2020)
Cash flow from operating activities		
Profit for the term before tax	3,242	2,799
Depreciation and amortization expense	591	922
Other finance income and finance costs	105	146
Decrease (increase) in financial receivables	(4,157)	(1,469)
Increase (decrease) in financial guarantee contracts	3,611	1,871
Decrease (increase) in other financial assets	(2,143)	(2,355)
Increase (decrease) in other financial liabilities	(216)	(702)
Decrease (increase) in other assets	(1,121)	753
Increase (decrease) in other liabilities	(126)	473
Share of loss (profit) of investments accounted for using equity method	15	(56)
Other	(3)	(530)
Subtotal	(201)	1,853
Interest received	2	2
Interest paid	(95)	(118)
Dividends received	0	-
Income taxes paid	(890)	(940)
Income taxes refunded	413	325
Cash flow from (used in) operating activities	(771)	1,122
Cash flow from investing activities		
Purchase of investment securities	(12)	(0)
Purchase of property, plant, and equipment	(323)	(575)
Purchase of intangible assets	(251)	(218)
Payments for loans receivable	(5)	(19)
Collection of loans receivable	14	11
Payments for guarantee deposits	(463)	(85)
Proceeds from collection of guarantee deposits	50	179
Cash flow from acquisition of subsidiary (After deducting proceeds in cash upon acquisition)	(221)	(94)
Acquisition of affiliates	-	(48)
Other	-	110
Cash flow from (used in) investing activities	(1,210)	(740)
Cash flow from financing activities		
Proceeds from short-term loans	44,445	11,874
Repayments of short-term loans	(42,099)	(8,359)
Proceeds from long-term loans	4,595	3,151
Repayments of long-term loans	(2,457)	(4,474)
Repayments of lease obligations	(249)	(600)
Proceeds from issue of stock	8	-
Payments for purchase of treasury shares	(1,058)	(0)
Dividends paid	(570)	(566)
Other	28	58
Cash flow from financing activities	2,643	1,084
Net increase (decrease) in cash and cash equivalents	662	1,467
Cash and cash equivalents at beginning of period	6,186	6,286
Effect of exchange rate changes on cash and cash equivalents	0	1
Cash and cash equivalents at end of period	6,848	7,754

(6) Notes on the Summary Quarterly Consolidated Financial Statements

(Notes concerning the going-concern assumption)

Not applicable

(Changes in accounting policies)

Not applicable

(Changes in accounting estimates)

Not applicable

(Segment information)

(1) Overview of reporting segments

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

The Group develops comprehensive strategies and implements business activities for all services at the head office. The Credit Finance Business is the Group's reporting segment.

In addition to the Group's main services (Credit Business and Automobile Warranty Business), the Credit Finance Business segment includes Other Businesses (the Auto Mobility Business and International Businesses).

(2) Operating income and profit for reporting segment

Information on operating income and profit for reporting segment is omitted because the Group has only one reporting segment (the Credit Finance Business).

(Important subsequent events)

Not applicable