



**TSE Prime Section: 7199 Premium Group Co., Ltd.**

# **Financial Results Presentation for 1H of FY Ending March 31, 2024**

**October 27, 2023**



- 1. Financial Highlights**
- 2. Summary of Financial Results**
- 3. Car Premium**
- 4. Finance Segment**
- 5. Automobile Warranty Segment**
- 6. Auto Mobility Segment**
- 7. Sustainability**
- 8. Appendix**



# 1. Financial Highlights

# Highlights from 1H of FY Ending March 31, 2024 (1)



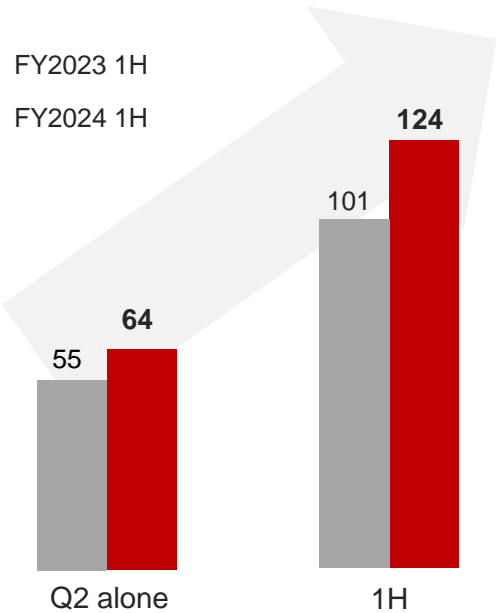
- Used vehicle prices **remain elevated** despite signs of normalization Used vehicle market (vehicles registered) **recovered slightly**
- **Steady results** in credit finance and automobile warranty Double digit topline (volume) growth
- In terms of rising interest rates, we have been able to **pass these on to consumers** with little to no impact (long-term prime rate was 1.3% at end Q1 and at 1.45% at end of Q2)

## Market

### Number of new vehicles sold

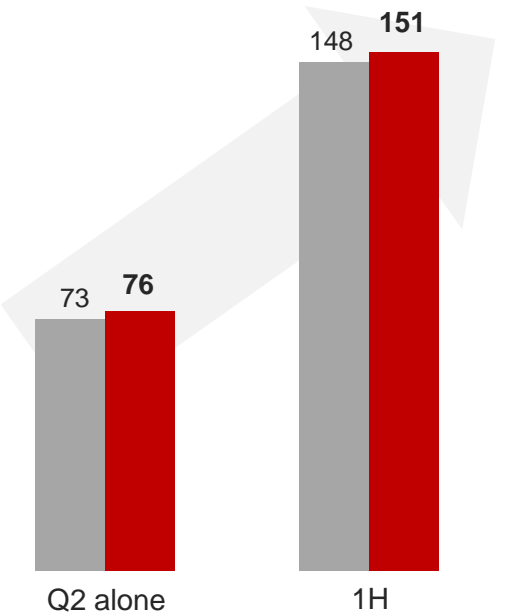
YoY change  
Q2 alone 1H  
**Up 16.3%** **Up 22.7%**

■ FY2023 1H  
■ FY2024 1H



### Number of used passenger vehicles registered

(Millions of units)  
YoY change  
Q2 alone 1H  
**Up 3.3%** **Up 2.1%**

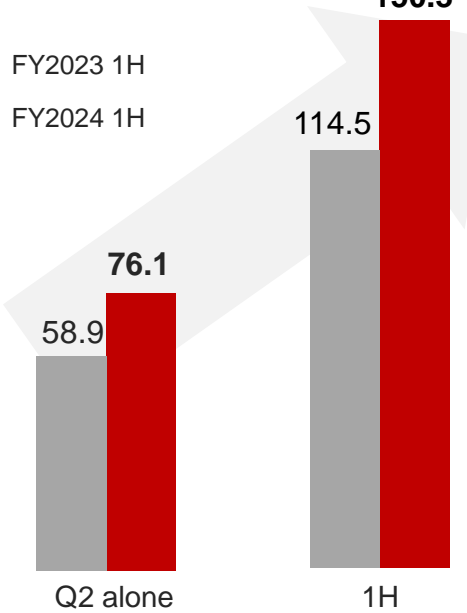


## Volume of new loans (KPIs)

### Total volume of new loans

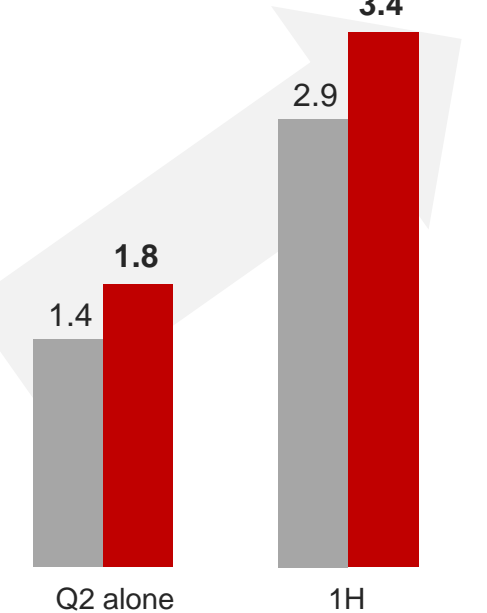
(Billions of yen)  
YoY change  
Q2 alone 1H  
**Up 29.2%** **Up 31.2%**

■ FY2023 1H  
■ FY2024 1H



### Total volume of automobile warranties

(Billions of yen)  
YoY change  
Q2 alone 1H  
**Up 24.0%** **Up 19.2%**



# Highlights from 1H of FY Ending March 31, 2024 (2)



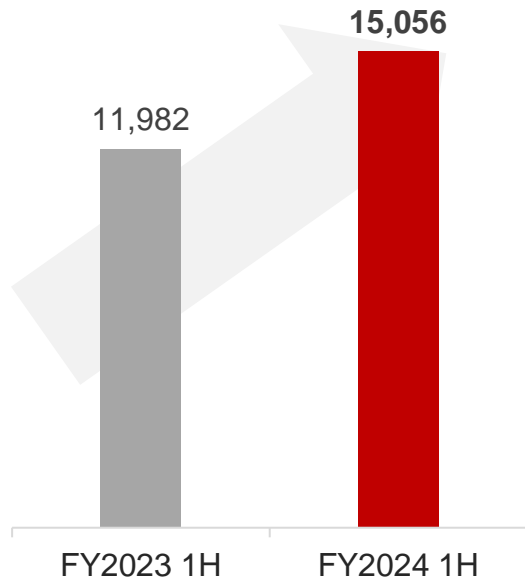
- Each business segment is **growing steadily**, with both operating revenue and operating profit posting double-digit growth
- Future expected earnings also **grew steadily**. Stable earnings in the next FY and beyond to be stocked on BS (¥49.5 billion)
- Operating profit was **up 21.5% YoY** and profit before tax was **up 19.2% YoY when excluding the impacts of one-off profit** posted in 1H FY2023.

## Performance

(Millions of yen)

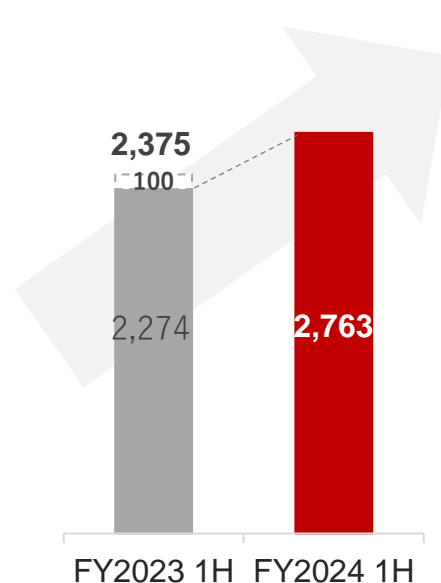
### Operating revenue

Up **25.7%** YoY



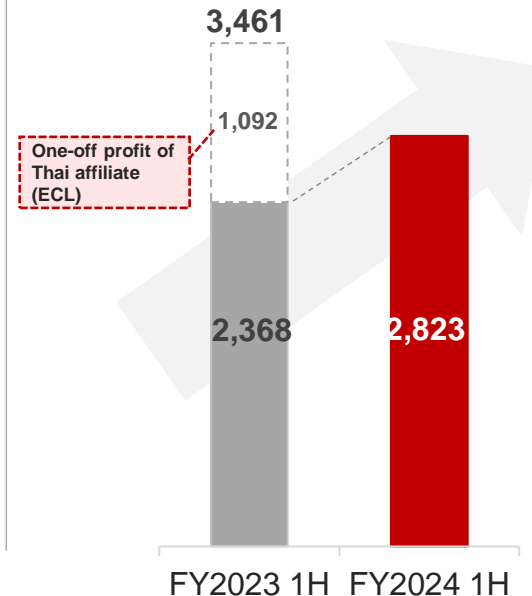
### Operating profit

Up **16.4%** YoY  
Profit excluding one-off profit  
(+21.5%)



### Profit before tax

Down **18.4%**  
Profit excluding one-off profit  
(+19.2%)



## Future expected earnings (deferred profit)

### Whole Group

¥49,500 million  
Up **25.6%** YoY

### Finance

¥42,200 million  
Up **26.7%** YoY

### Automobile warranty

¥6,700 million  
Up **17.6%** YoY

Software ·  
Car Premium Club  
membership fee

¥600 million  
Up **53.1%** YoY

# Highlights from 1H of FY Ending March 31, 2024 (3)



## Progress of Medium-Term Management Plan, ONE & ONLY 2026

Promoting initiatives to establish the Car Premium business model

- Expanding services for Car Premium Club\*<sub>1</sub> members
- Completed revisions to Car Premium Club\*<sub>1</sub> membership fees

### Car Premium Club Memberships

Car Premium Dealer Progress: **46.3%**

2,317

FY2026 target  
**5,000**

Car Premium Garage Progress: **34.8%**

522

FY2026 target  
**1,500**

## Other Topics



### Approved share buybacks (disclosed on Oct. 27, 2023)

- ✓ Intended to increase shareholder return and capital efficiency
- ✓ Carry out an agile capital management policy in response to changes in the business environment
- ✓ Maximum of ¥3 billion



### Strategic investment in fintech company (SGP)

- ✓ Has **AI scoring system**
- ✓ **Gain know-how** in individual loan business
- ✓ Investments from Marubeni and SBI Holdings



循環型社会  
形成への貢献

### Membership in the BACE Consortium\*<sub>2</sub>

- ✓ **Increase value of used EVs and promote spread of EVs**
- ✓ **Build platform/ecosystem** with companies developing leading diagnostic technologies, etc.
- ✓ **First** company providing auto credit and warranty services to join

\*<sub>1</sub> A general term for Car Premier Dealer, the Group's membership organization for automobile dealerships, and Car Premier Garage, the Group's membership organization for automobile maintenance facilities.

\*<sub>2</sub> The Battery Circular Ecosystem (BACE) Consortium, established in October 2020 by The Japan Research Institute, Limited, conducts research on data utilization technologies and business models necessary for improving the added value for the reuse and recycling of EV batteries and establishing a cyclical structure.



## 2. Summary of Financial Results

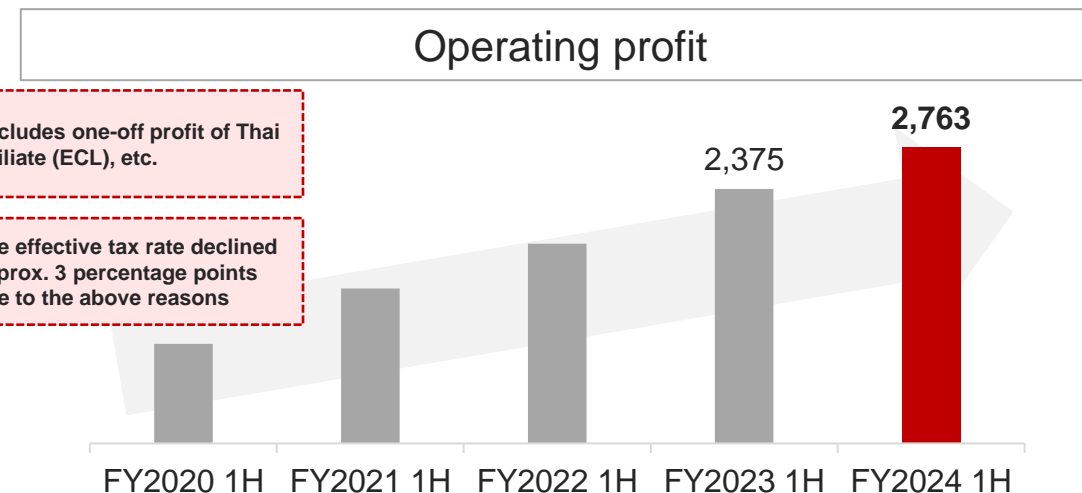
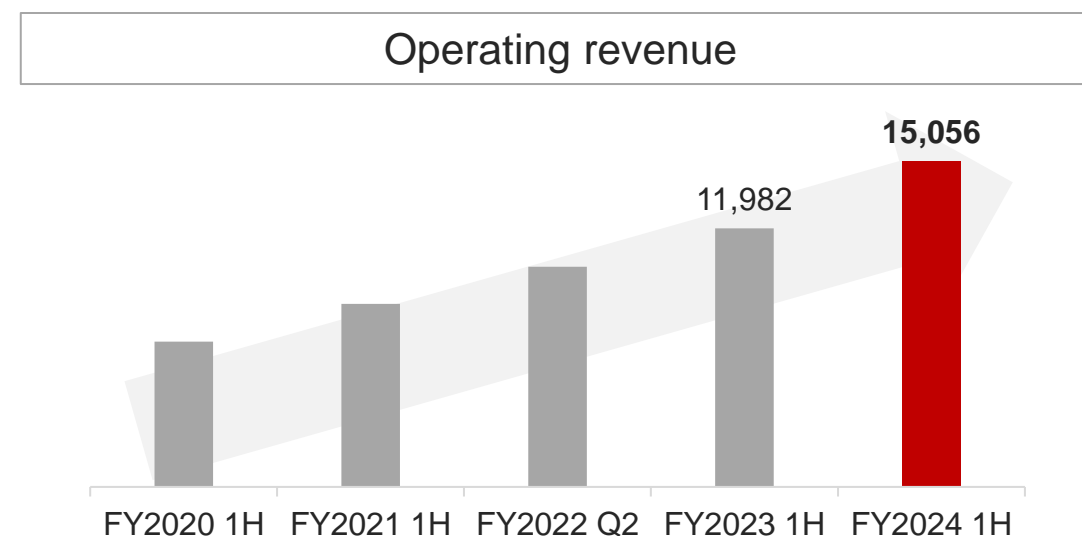
# Consolidated Performance



(Millions of yen)

- **Operating revenue rose 25.7% YoY to ¥15,056 million** owing to the strong growth of each segment
- **Operating profit was up 16.4% YoY to ¥2,763 million and profit before tax was up 19.2% YoY when excluding one-off losses**

	FY2023 1H	FY2024 1H	YoY change
Operating revenue	11,982	15,056	+25.7%
Operating expenses	9,608	12,293	+27.9%
Operating profit	2,375	2,763	+16.4%
Profit before tax	3,461	2,824	-18.4%
Profit before tax (Excluding one-off profit)	2,368	2,824	+19.2%
Profit attributable to owners of parent	2,641	2,064	-21.9%
Basic earnings per share (yen)	68.32	53.04	-22.4%



Notes: 1. Operating revenue and operating expenses for FY2023 have been partially reclassified due to a change in accounting policies.

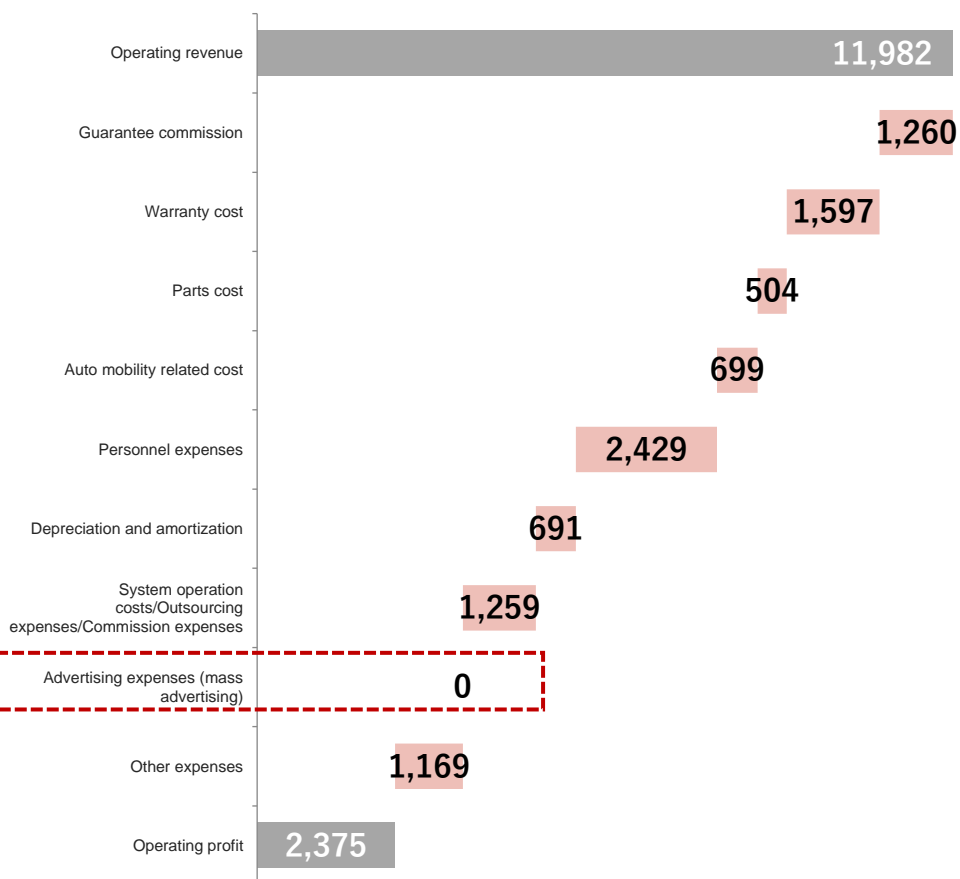
2. Gain on valuation of insurance assets (FY2020) and gain on bargain purchase (FY2021) due to a change in accounting estimates are not included in operating profit as they are non-recurring items.



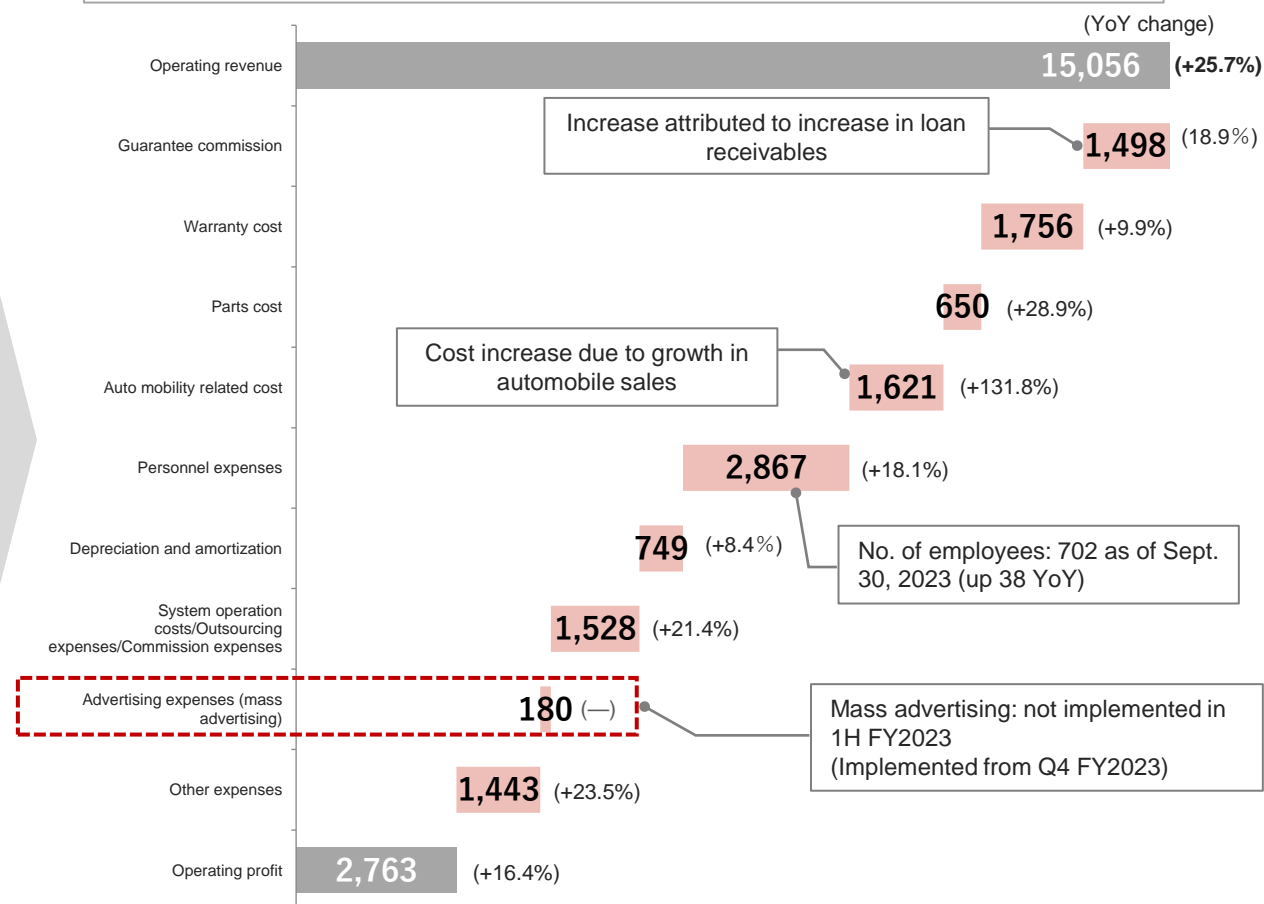
# Operating Expenses (Breakdown)

- **Despite expenses such as personnel expenses increased associated with sales expansion, total operating expenses roughly the same as the growth rate of operating revenues.**
- **The mass advertising carried out in Q4 FY2023 will be carried out throughout the year in FY2024**

FY23 1H Operating expenses  
¥9,608 million



FY24 1H Operating expenses  
¥12,293 million (up 27.9% YoY)

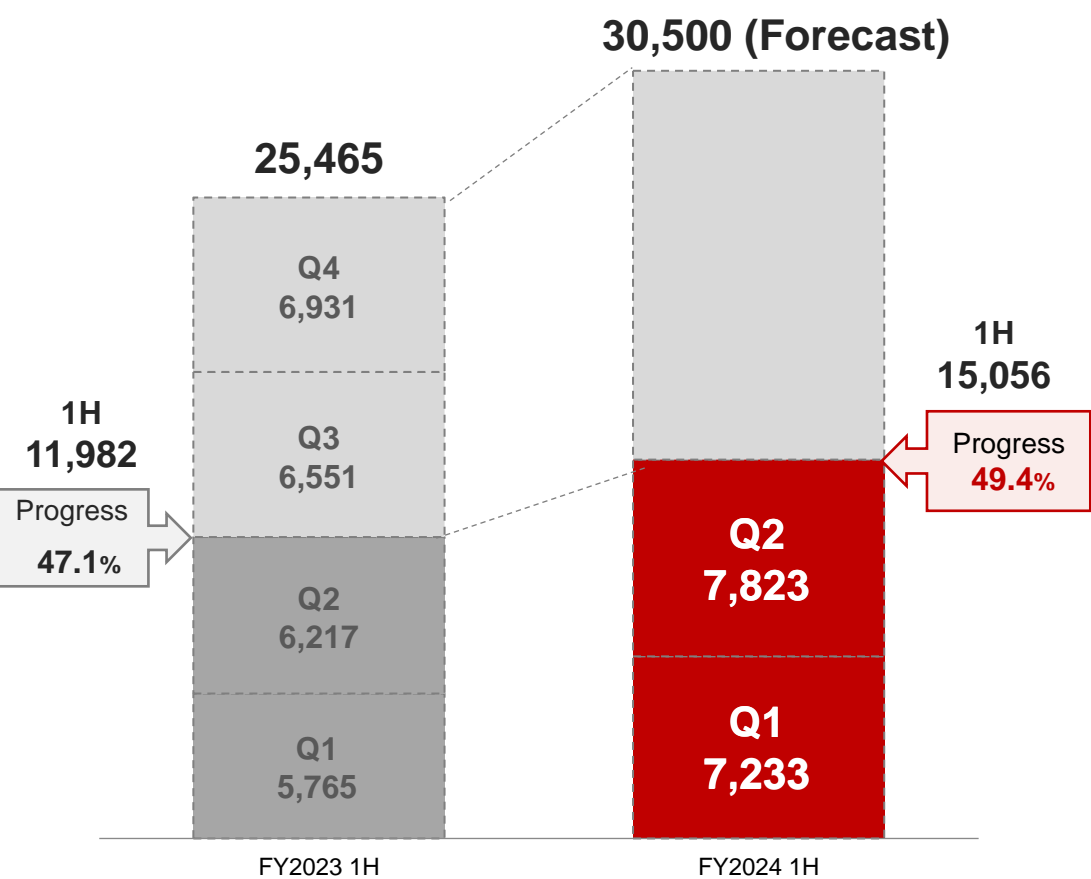


Notes: 1. Operating revenue and operating expenses for FY2023 have been partially reclassified due to a change in accounting policies.  
 2. Since it is a preliminary value, we will promptly notify you on our website when any corrections or changes occur.

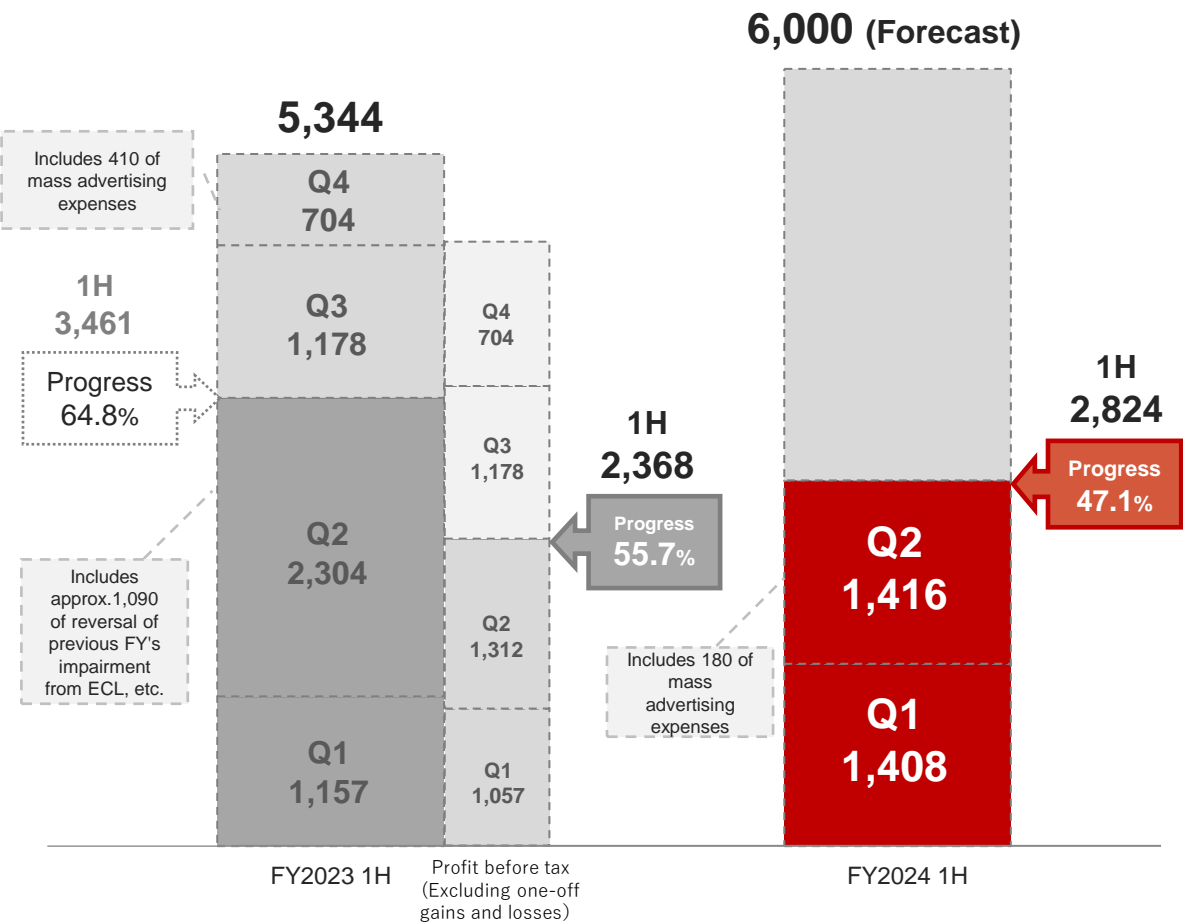
# Full-Year Performance Outlook

- Operating revenue, profit before tax, and progress rate are **according to full-year forecast**
- Quarterly performance set to **increase gradually from the** further accumulation of loan receivables/automobile warranties

Operating revenue



Profit before tax



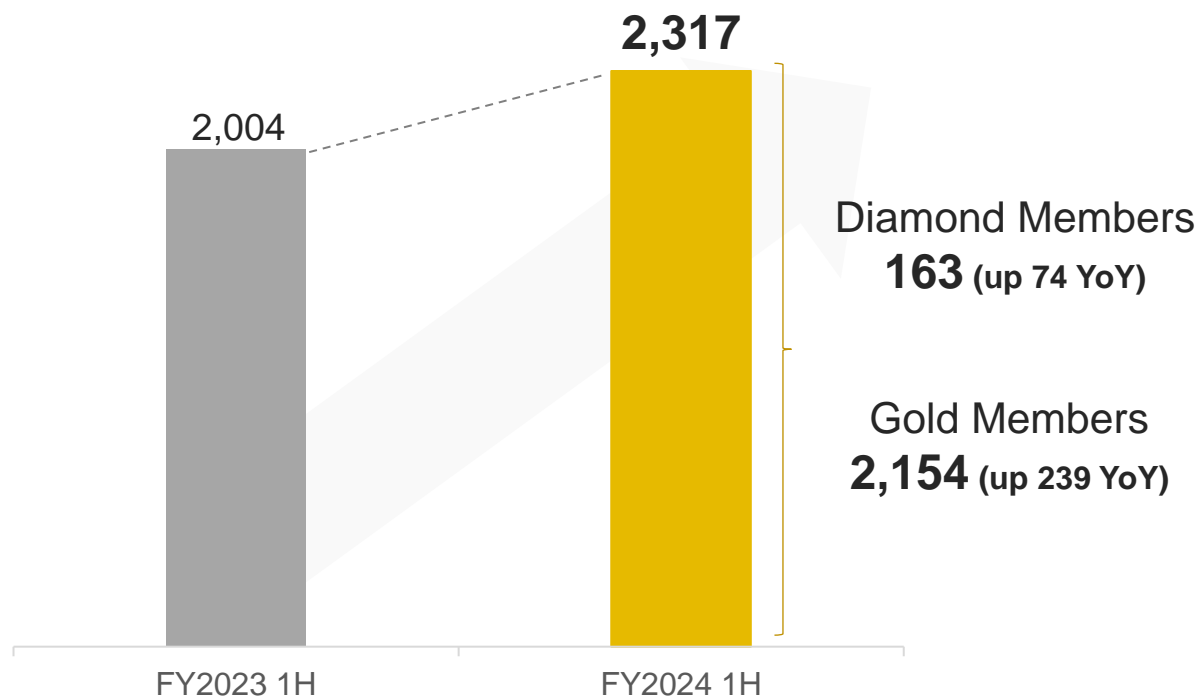
Note: Operating revenue for FY2023 has been partially restated due to a change in accounting policies.



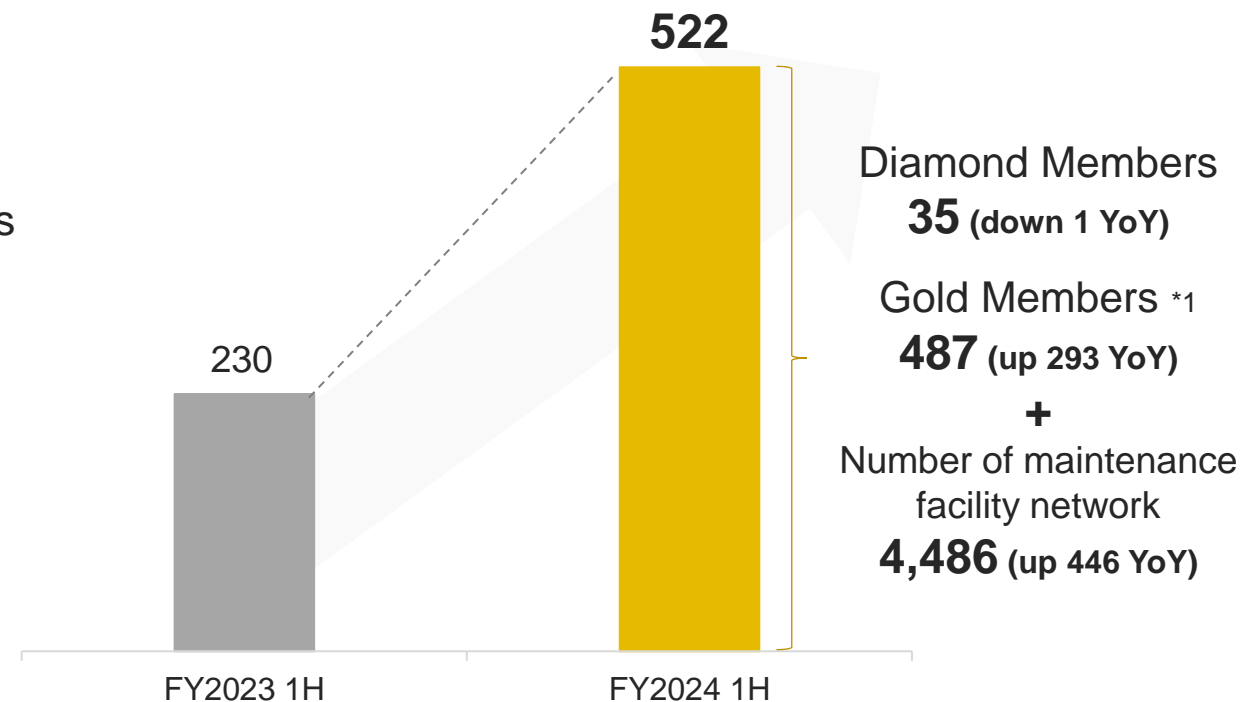
### 3. Car Premium

- **Steady progress in building** Car Premium Club, a paid membership organization for car dealers and maintenance facilities
- Aim to **upsell to paid memberships, increase membership growth and boost membership fee revenue**
- Planning a steady expansion of services and **completed membership fee revisions for existing members** (revised from October 1, 2023)

Car Premium Dealer

Up **313** YoY

Car Premium Garage

Up **292** YoY

\*1 A general term for Car Premier Dealer, the Group's membership organization for automobile dealerships, and Car Premier Garage, the Group's membership organization for automobile maintenance facilities.

\*2 Silver Member category eliminated as of September 30, 2023 following organizational restructuring

# Initiatives for ethical practices in the used car industry



- **Distrust and anxiety** toward the used car industry due to fraudulent insurance claims by major used car dealers  
→ **Restore trust** from customers and create an environment where customers can purchase used cars with **peace of mind**



\*1 A general term for Car Premier Dealer, the Group's membership organization for automobile dealerships and Car Premier Garage, the Group's membership organization for automobile maintenance facilities.

\*2 "Anshin" means "peace of mind" in Japanese.

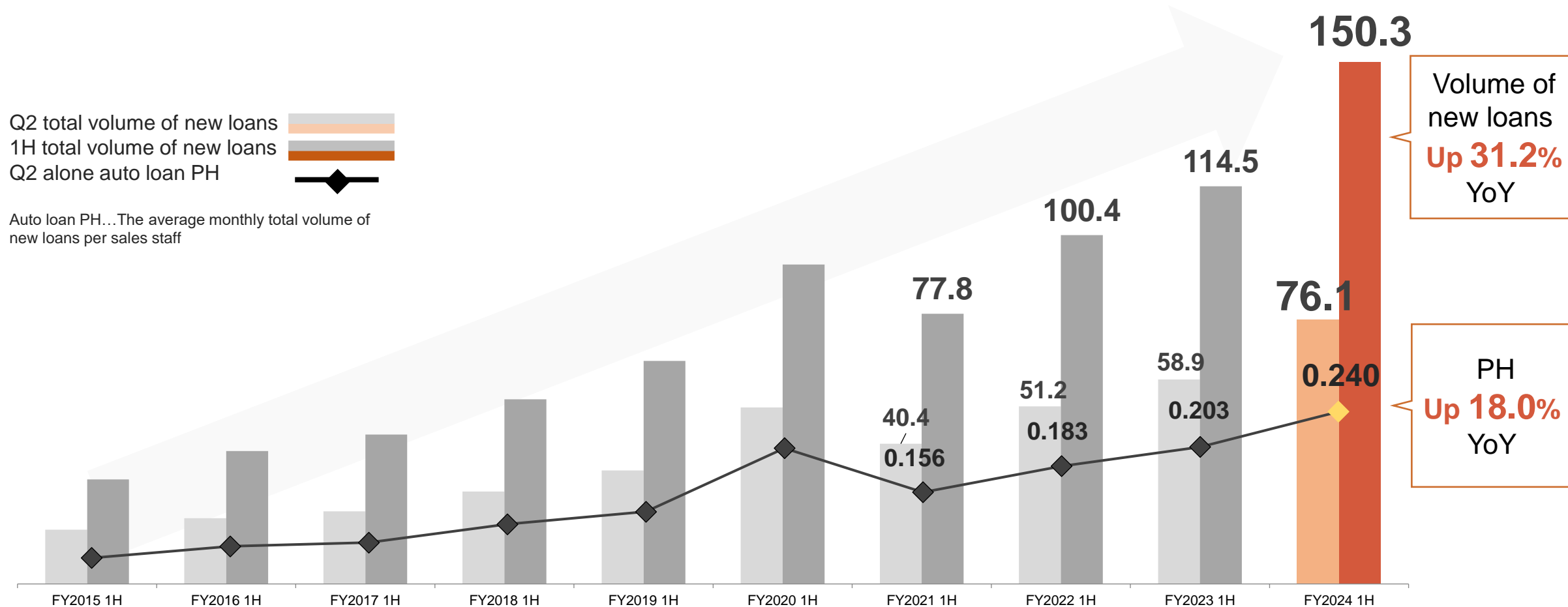


## 4. Finance Segment

- Used car market recovered only slightly, but our Car Premium strategy has been a success

→ Volume was **up 31.2%** and Auto PH maintained **¥200 million** level will continue to promote Car Premium strategy

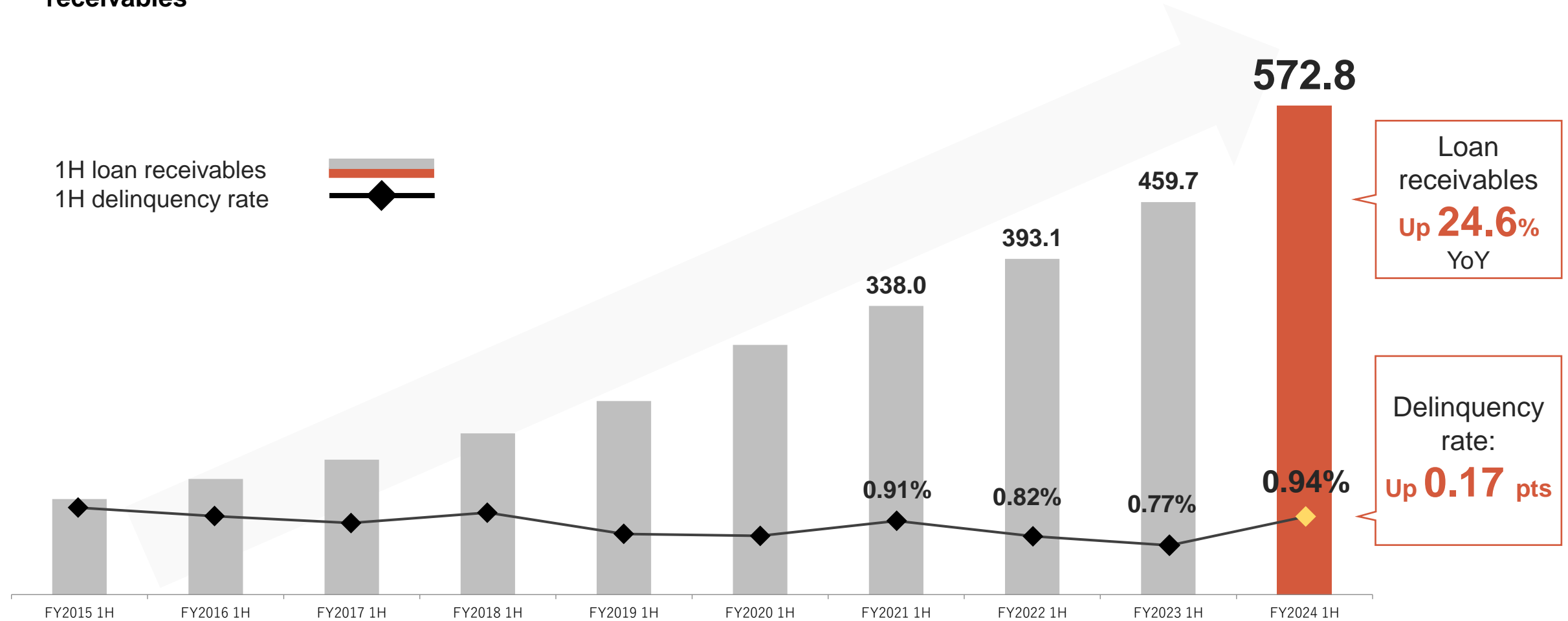
\* Please see page 31 for details of Car Premium strategy



Notes: 1. "Total volume of new loans" refers to the total amount of credit and lease contracts newly signed in the period. The figures are inclusive of the total volume of new loans of products other than automotive credit financing (Ecology Credit, etc.), and are the actual results of Premium Co., Ltd.

2. In the FY ended March 31, 2021, the volume of new loans temporarily decreased due to voluntary restraint of sales operations amid the COVID-19 pandemic.

- Loan receivables also grew, **up 24.6% YoY**
- Delinquency rate will remain **stable at a low level**
- **Bolster headcount, DX measures (auto calling), collaborate with servicer subsidiary, and increase collection of delinquent receivables**



Notes: 1. "Loan receivables" refers to the total amount of credit and lease contracts that has not been repaid or for which the warranty period has not elapsed from the end of the period. The figures are inclusive of the receivables balance of products other than automotive credit financing (Ecology Credit, etc.), and are the actual results of Premium Co., Ltd.

2. "Delinquency rate" refers to the total amount of receivables that are more than 3 months in arrears and special loan receivables (with judicial intervention), expressed as a percentage of the loan and lease receivables at the end of the period.



- Prioritized Car Premier Club\* membership fee revisions → Refocusing on acquiring new members from the Q3 onward
- Not planning to increase sales staff significantly but rising PH (establishing mechanisms and making **sales activities more efficient**)

## Car Premium Dealer auto loan share

Up **7.0 pts** YoY**38.6%**

Intend to continue increasing in the future **given the increase in Car Premier Club memberships**

## Number of sales staff

Up **8** YoY**106**

Prioritizing **conversion** of existing network stores **to paid memberships**

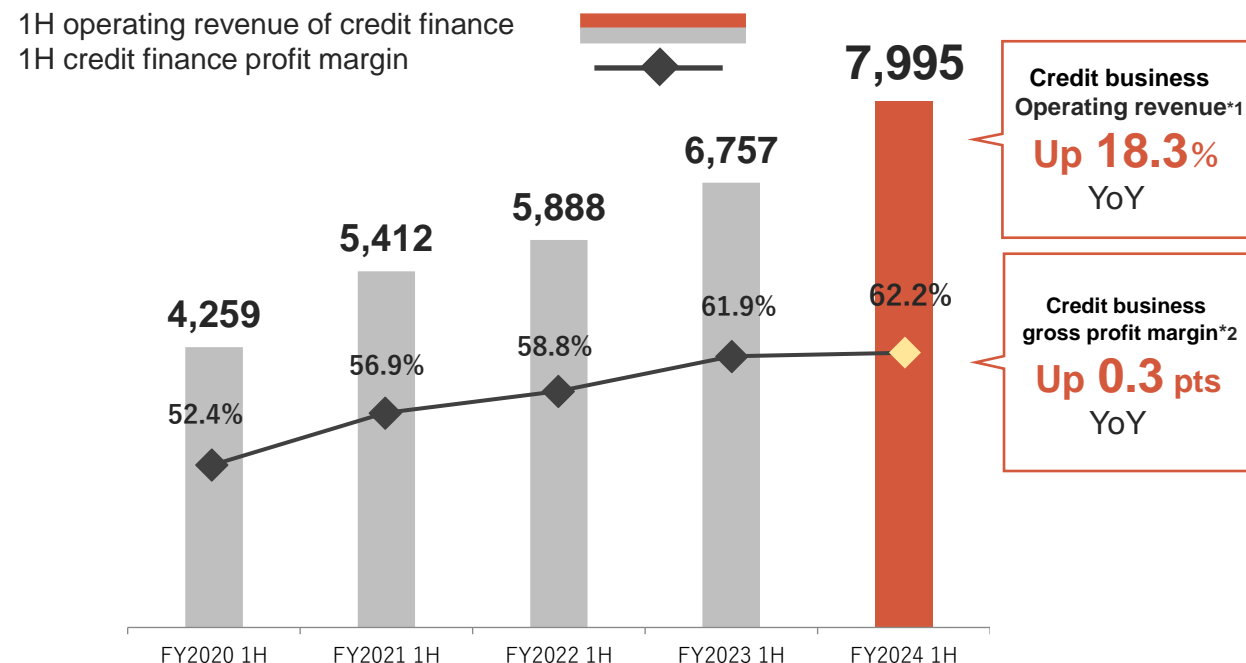
## AI credit screening rate

Up **2.6 pts** YoY**40.1%**

Further increase screening **accuracy** to reduce screening time and standardize screening decisions

- Steady growth in **sales and profit** in the core credit business
- Interest rates have been on an upward trend since the previous fiscal year, but the Company flexibly passed the upward trend on to interest rates and other charges. Credit gross profit margin\*2 remains high
- Profit before tax excluding one-time profit was **up 8.5% YoY**, but considering the upfront investment in mass advertising, it was roughly **in line with the YoY change** in operating revenue

	FY2023 1H	FY2024 1H	YoY Change
Operating revenue	7,282	8,420	+15.6%
Profit before tax	3,020	2,136	-29.3%
Profit before tax (Excluding one-off profit)	1,969	2,136	+8.5%



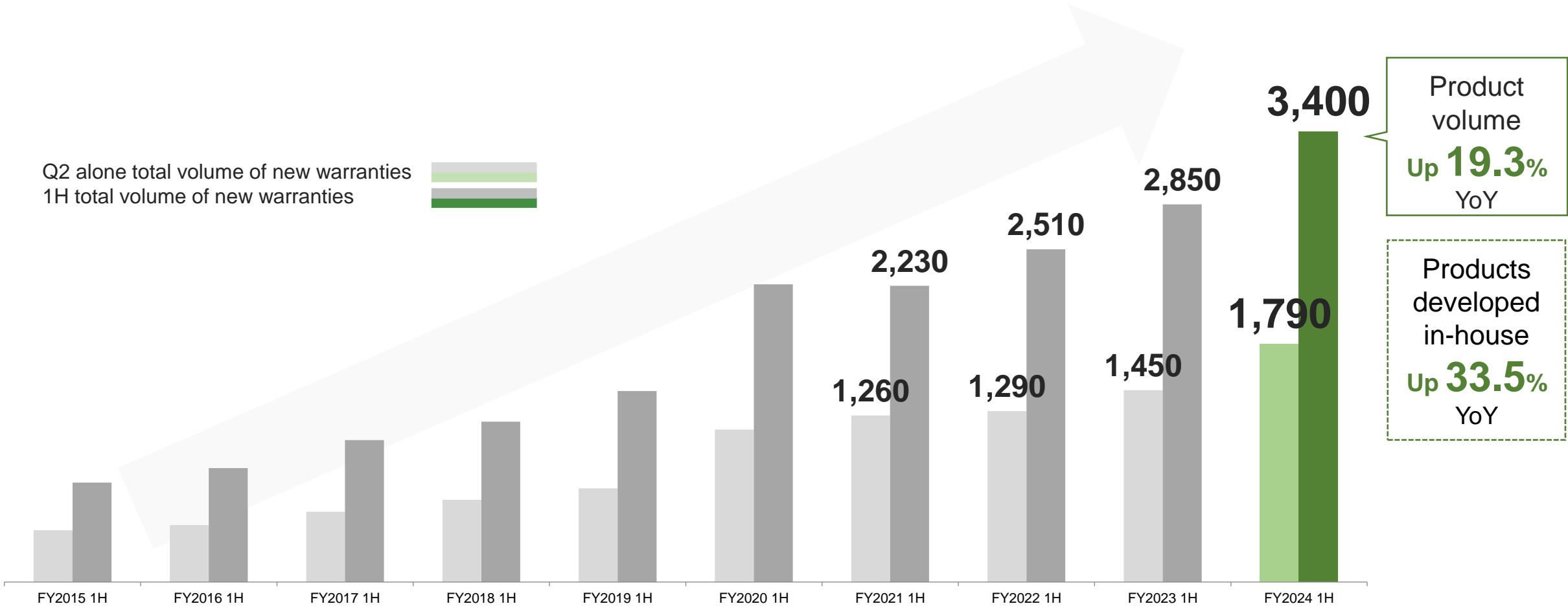
\*1 Credit operating revenue is aggregation of operating revenue related to credit services.

\*2 The credit business gross margin ratio is the actual operating income on credit divided by the operating revenue on credit. Operating expenses in the calculation of credit gross margin ratio are expenses directly incurred to obtain credit (interest, guarantee fees, labor costs, ground rent, etc.).



## 5. Automobile Warranty Segment

- Automobile warranty **volume up 19.3%** YoY despite the used vehicle market recovering only slightly
- Volume of **products developed in-house** continued to grow, **up 33.5%** YoY
- Began offering **Car Premium warranties**, aiming to increase volume of warranty services

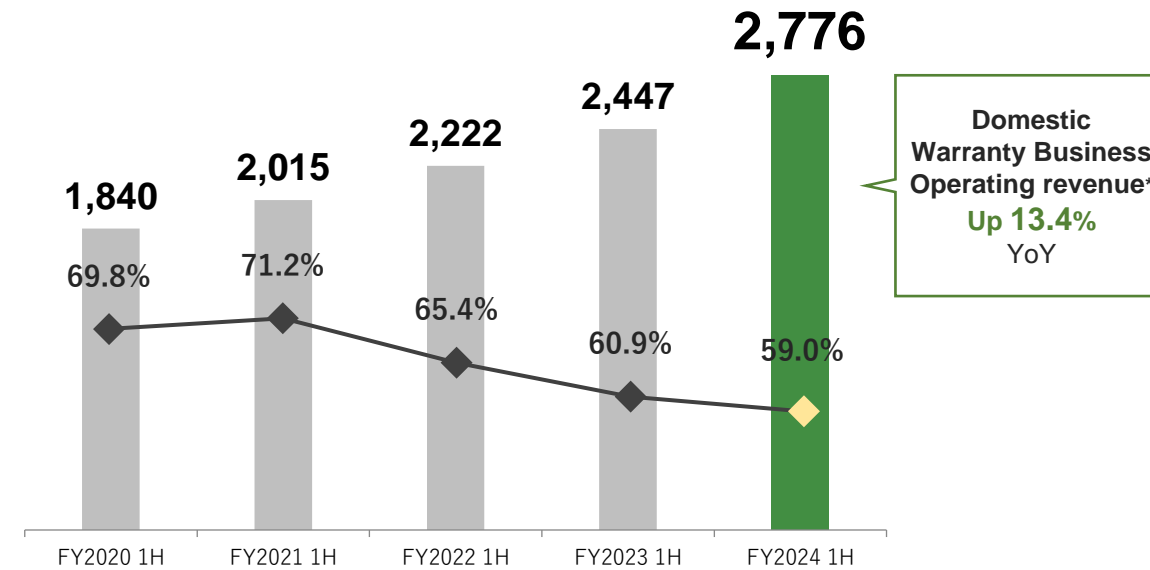


Notes: 1. "Total volume of new warranties" refers to the total amount of warranty contracts newly signed in the period.  
2. The aggregation criteria for volume of certain products were reviewed in Q3 of FY2022. Figures presented here were calculated using the new criteria.

- Proactive sales and cost reduction activities in each business paid off, and **performance grew steadily**
- **Continuous cost reduction activities** were successful, and the cost of sales ratio gradually decreased  
(= gross profit margin increased)
- Despite expenses such as **personnel expenses increased** associated with sales expansion, profit before tax was up 8.6% YoY

	FY2023 1H	FY2024 1H	YoY change
Operating revenue	3,261	3,743	+ 14.8%
Profit before tax	320	348	+ 8.6%

1H Domestic Warranty Business Operating revenue  
1H cost of sales ratio



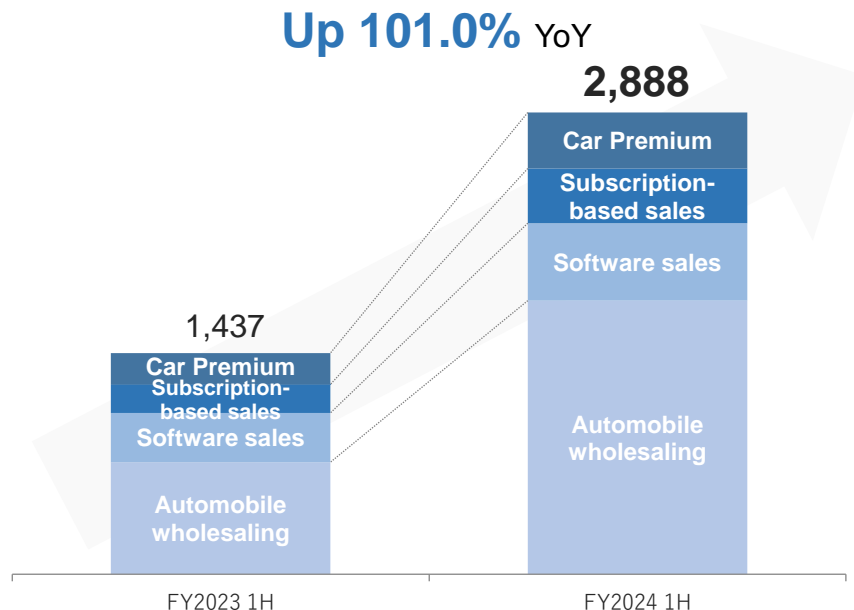


## 6. Auto Mobility Segment

- Focused on developing **services for Car Premium Club\*** and creating **new businesses**.  
**Increased largely** in unison with each service

	FY23 1H	FY24 1H	YoY change
Operating revenue	1,437	2,888	+101.0%
(Of which, Car Premium)	277	809	+192.5%
Profit before tax	137	348	+154.9%
(Of which, Car Premium)	-41	44	+84

Auto Mobility Segment Operating Revenue



## Car Premium Club\*

Up 79.8%  
YoYIncreased Car Premium membership fee income from the **growing** number of members

## Subscription-based sales (leasing)

Up 93.2%  
YoYIncreased operating revenue from original lease products by **boosting** Car Premium Club memberships

## Software sales

Up 56.4%  
YoYIncreased operating revenue by **bolstering sales** to Premium network stores

## Automobile wholesaling

Up 144.5%  
YoYCar Premium internal **distribution volume grew** and **operating revenue expanded**



## 7. Sustainability

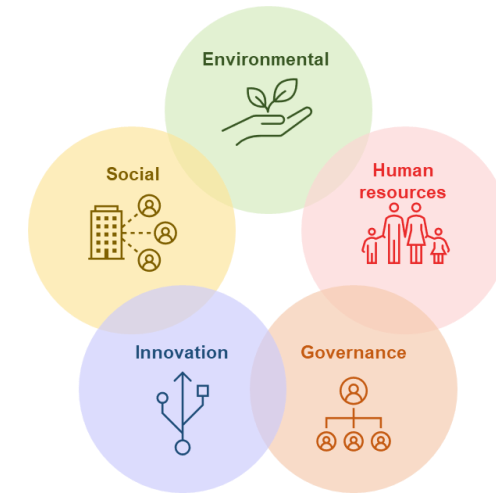


# Initiatives for Sustainable Growth



## Publication of Integrated Report 2023

- First integrated report published (September 2023) after the start of the new medium-term management plan
- Promotion of ethical practices in the used car industry (Message from the President)
- About strengthening governance system (Outside Director Roundtable Discussion)



## Other initiatives



Received first prize and awarded in individual category at the 5th Woman's Value Award

- ✓ **First prize** in sustainability category
- ✓ Received **individual award** as a role model for women's empowerment  
(Leader of the women's empowerment division)



Joined the Human Capital Management Consortium

- ✓ Enhancing **human capital management**  
(Improving in terms of both implementation and disclosure)
- ✓ Increasing employee **well-being**
- ✓ Fostering an environment where employees can utilize their skills



Established research project for co-creation of the future with Ishigaki City (jointly with Ishigaki Municipal Government and The Graduate School of Project Design)

- ✓ Purpose is **human resources development and new business creation** to resolve local issues faced by Ishigaki City
- ✓ Initiatives to strengthen industry–government–academia collaboration
- ✓ Utilization of **corporate version of Hometown Tax Donation Program** (tax system for supporting regional revitalization)



## 8. Appendix

# Company Profile



Name	Premium Group Co., Ltd.
Securities Code / Exchange	7199 / Prime Market of Tokyo Stock Exchange
Established	May 25, 2015 <small>Note: 2007: Established Premium Co., Ltd. (Former name: G-ONE Credit Services Co., Ltd.)</small>
Head Office	The Okura Prestige Tower, 2-10-4 Toranomon, Minato-ku, Tokyo
President and Representative Director	Yohichi Shibata
Number of Issued Shares	40,327,770 (As of September 30, 2023)
Capital	¥1,674 million (non-consolidated: as of September 30, 2023)
Number of Employees	702 (consolidated; as of September 30, 2023) <small>(Note) Number of persons employed by the Group excluding temporary workers</small>
Major Shareholders	<ul style="list-style-type: none"><li>• Coupland Cardiff Asset Management: 5.97%</li><li>• Nomura Securities Co., Ltd. (Nomura Asset Management Co., Ltd. and Nomura International PLC): 5.96%</li><li>• Sumitomo Mitsui Trust Asset Management Co., Ltd. and Nikko Asset management Co.,Ltd.: 4.13%</li></ul> (As of June 7, 2023; referencing the report on changes in large volume holdings, etc.)
Description of Business	Businesses in Japan and overseas <ul style="list-style-type: none"><li>• Car Premium (Building a membership organization of auto dealers and garages)</li><li>• Finance</li><li>• Automobile warranty</li><li>• Auto mobility</li></ul> Overseas (Thailand, Indonesia, Philippines)

## Business Segment

### Finance

▷ Main business

- Auto credit
- Ecology credit
- Shopping credit
- Collection Agency

▷ Main business partners

- Used car dealer

### Automobile Warranty

▷ Main business

- Automobile warranty
- Overseas expansion of automobile warranty (Thailand, Indonesia, Philippines)
- Sales of used parts to domestic and overseas

▷ Main business partners

- Used car dealer, garage

### Auto Mobility

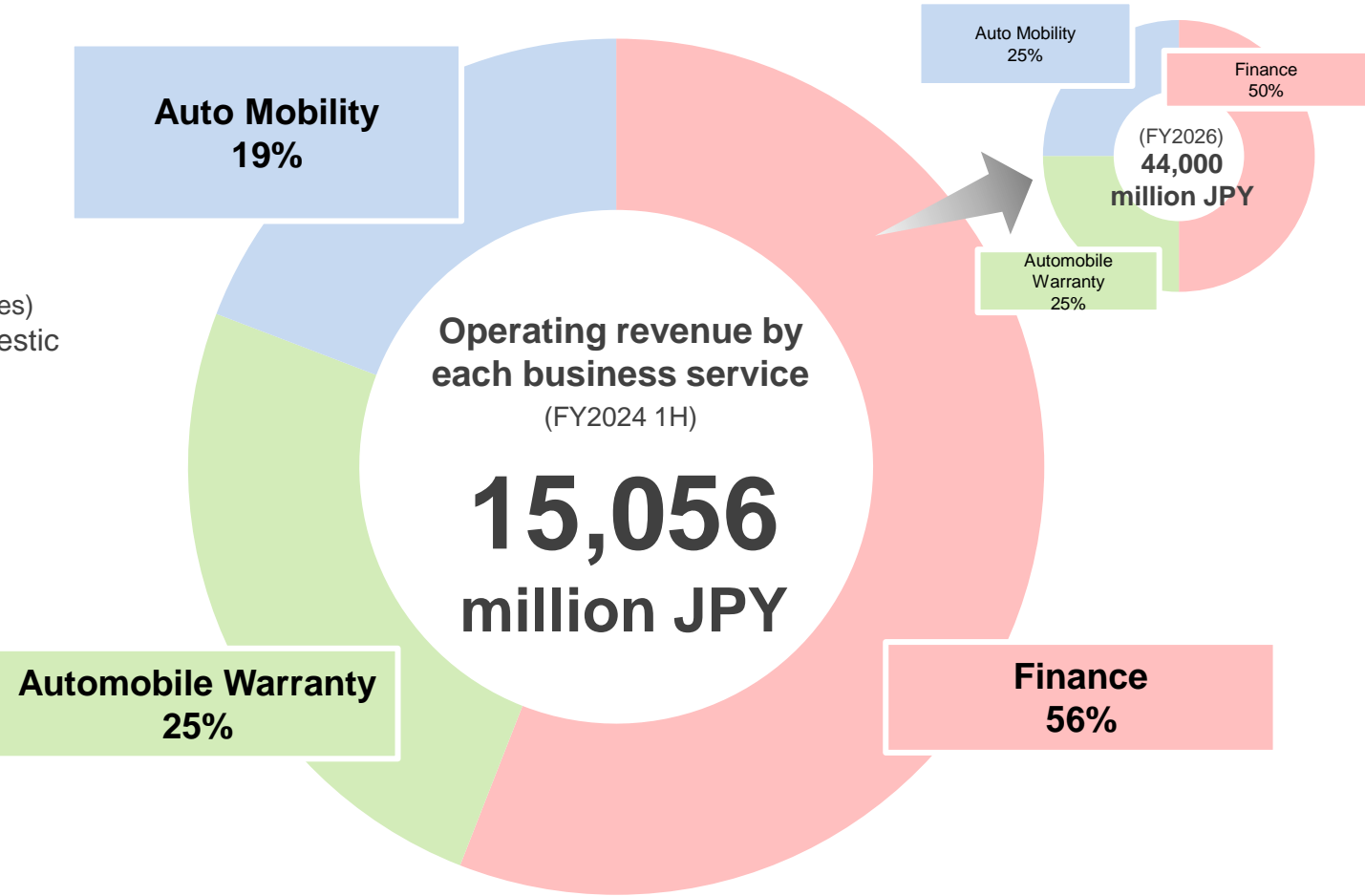
▷ Main business

- Operation of Car Premium Club membership organization
- Automobile wholesaling
- Sales of software
- Subscription-based sales (leasing)
- Operating garages

▷ Main business partners

- Used car dealer, garage

## Portfolio by Segment

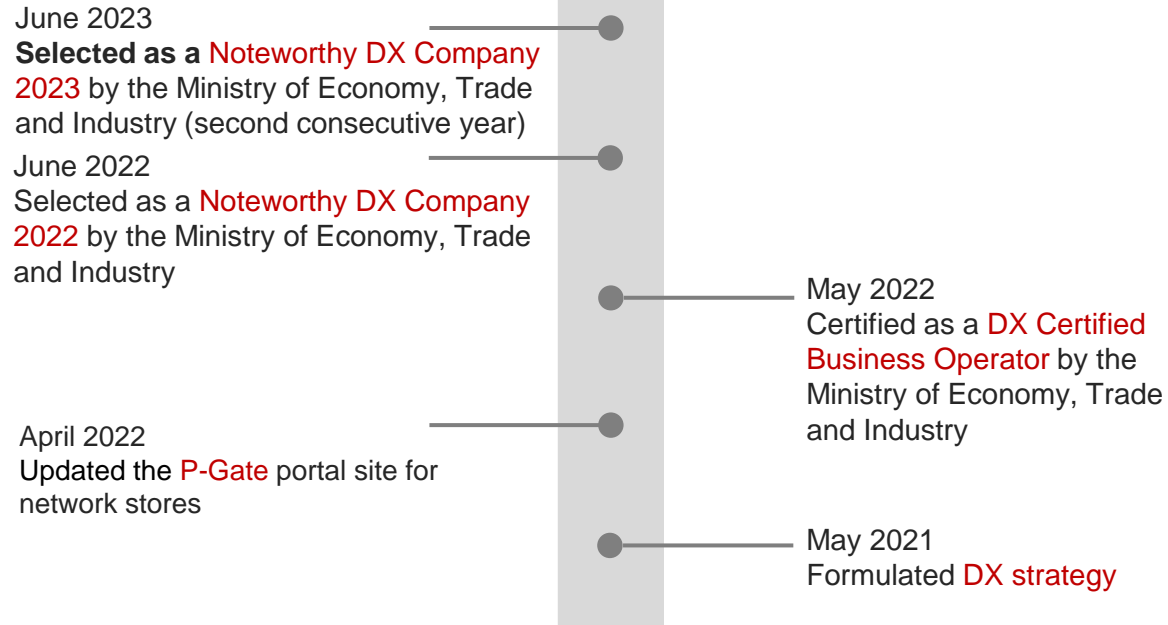


# Our DX Strategy



- In approximately one year from formulating our DX strategy, we **built our DX initiative platform** internally and externally and were recognized as **Noteworthy DX Company** two straight years in **2022 and 2023** and became a **DX Certified Business Operator** in 2022
- Seeking to **realize our concept as a platform provider** of connecting end-users and mobility providers

## Achieving our DX Vision



### DX for end-users

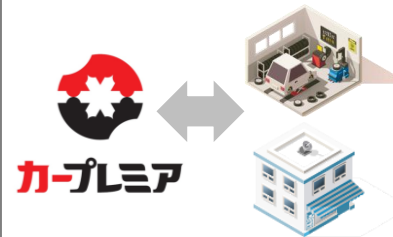


Website for individual customers launches on July 22, 2022

This site offers:

- Options to get the best out of our customers' cars using our wide range of services
- Extensive after-sales support

### DX for auto mobility providers



Login rates for mobility provider portal sites:

As of September 30, 2023

- All network stores: 67.9%
- Car Premium Dealer: 99.6%

→ Functions as a tool for communication with dealers

# Establishing the Car Premium business model, seeking to become the ONE & ONLY auto mobility company

Operating revenue	Profit before tax	Profit attributable to owners of parent	ROE	Market cap
¥44.0 billion vs. FY23: +74.6%	¥10.2 billion vs. FY23: +91.0%	¥7.0 billion vs. FY23: +75.0%	30-39% FY23 results: 34.7%	¥140–175 billion vs. FY23: 204-255%



## Car Premium

- Expanding the Car Premium Club
- Establishing the Car Premium brand
- Strengthening ability to attract in-person/online customers



### Finance

- Expanding Car Premium Dealers
- Increasing transaction volume per network store



### Automobile warranty

- Expanding third-party warranties market
- Expanding sales focused on products developed in-house
- Reducing repair costs



### Auto mobility services

- Enhancing auto mobility services
- Expanding scale of each auto mobility business
- Developing differentiated products

- Expanding volume
- Strengthening DX talent
- Ongoing investment in DX

↓

- Using DX promotion to streamline operations and save labor



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- Expanding sales focused on products developed in-house
- Reducing repair costs

# (Q4 FY23) Segments in FY2024



Segments will be reorganized to establish the **Car Premium business model**  
Auto mobility and Car Premium segments will be merged to create further **Group synergies**



## Car Premium

### Finance

#### Premium Co., Ltd.

Operation and supervision of finance business,  
centered on automotive credit financing

#### Central Servicer Corporation

Servicer and vehicle repossession businesses



#### Eastern Commercial Leasing p.l.c. \*

Automotive credit and warranty businesses  
(Listed on the Stock Exchange of Thailand)

### Automobile Warranty

#### Premium Warranty Services Co., Ltd.

Operation and supervision of automotive warranty  
segment

#### Premium Auto Parts Co., Ltd.

Auto parts-related business



#### Premium Service (Thailand) Co., Ltd.

Automobile maintenance and automotive  
warranty businesses in Thailand



#### PT Premium Garansi Indonesia \*

Automotive warranty business in Indonesia



#### Premium Warranty Services Philippines, Inc. \*

Automotive warranty business in the Philippines

### Auto Mobility

#### Premium Mobility Services Co., Ltd.

Operation and supervision of auto mobility segment

#### PLS Co., Ltd.

Auto leasing business for consumers

#### Premium SoftPlanner Co., Ltd.

B2B software development and sales business

#### CIFUT Co., Ltd. \*

Development and provision of automotive-related  
IoT devices

#### Car Premium Co., Ltd.

Development and operation of membership  
organizations for mobility providers

#### PAS Co., Ltd.

Automobile maintenance business, body  
work/paint business

# (Q3 FY23) Our Actions to Address Changes in the External Environment



- **Exchange rates**: Very small number of transactions in foreign currency
  - **Agilely responding to rising interest rates and inflation**
- ➡ **Little to no impact on earnings**

## (1) FX fluctuations



**Small number** of transactions denominated in foreign currency  
→ **Little to no** impact

## (2) Inflation



**Agilely modify** commissions and product pricing  
→ **Little to no** impact

## (3) Rising interest rates

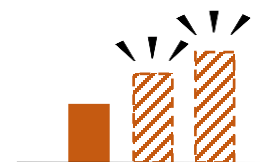
Interest rates for funding auto loans

> **Loans under contract**



**Fixed rates** for both funding and loans  
→ **No impact**

> **New** loans to be contracted



**Agilely pass on** higher interest rates  
→ **Little to no** impact

Financial strategy



- Increase share of **fixed rate** funding
- Promote **diversification** of funding methods (Accounts receivable securitization, corporate bonds, commercial paper, etc.)

Achieve funding at even **lower** interest rate and with more **stability**



	FY2023 (As of March 31, 2023)	FY2024.Q1 (As of June 30, 2023)	FY2024.Q2 (As of September 30, 2023)	Compared to previous quarter	QoQ
<b>Assets</b>					
Cash and cash equivalents	14,857	12,792	15,536	+4.6%	+21.4%
Financing receivables	45,003	48,233	50,818	+12.9%	+5.4%
Other financial assets	6,281	6,522	6,900	+9.9%	+5.8%
Property, plant and equipment	3,074	2,961	2,822	△8.2%	△4.7%
Intangible assets	7,930	8,317	8,606	+8.5%	+3.5%
Goodwill	3,958	3,958	3,958	+0.0%	+0.0%
Investments accounted for using equity method	2,624	2,716	2,728	+4.0%	+0.4%
Deferred tax assets	5	81	93	+1880.4%	+14.7%
Insurance assets	4,465	5,529	5,889	+31.9%	+6.5%
Other assets	13,234	12,619	11,949	△9.7%	△5.3%
<b>Total assets</b>	<b>101,431</b>	<b>103,728</b>	<b>109,300</b>	<b>+7.8%</b>	<b>+5.4%</b>
<b>Liabilities</b>					
Financial guarantee contracts	36,818	39,468	42,237	+14.7%	+7.0%
Deferred warranty revenue	6,030	6,355	6,711	+11.3%	+5.6%
Borrowings	31,682	31,740	32,234	+1.7%	+1.6%
Other financial liabilities	7,855	6,854	6,904	△12.1%	+0.7%
Provisions	363	364	363	△0.2%	△0.2%
Income taxes payable	603	350	905	+50.1%	+158.5%
Deferred tax liabilities	1,360	1,489	1,366	+0.5%	△8.3%
Other liabilities	3,367	2,957	3,370	+0.1%	+14.0%
<b>Total liabilities</b>	<b>88,078</b>	<b>89,577</b>	<b>94,091</b>	<b>+6.8%</b>	<b>+5.0%</b>
<b>Equity</b>					
Equity attributable to owners of parent					
Share capital	1,700	1,700	1,700	+0.0%	+0.0%
Capital surplus	1,415	1,455	1,467	+3.7%	+0.8%
Retained earnings	10,952	11,596	12,588	+14.9%	+8.6%
Treasury shares	△ 1,088	△ 1,088	△ 1,070	△ 1.7%	△ 1.7%
Other components of equity	343	454	486	+41.8%	+7.0%
<b>Total equity attributable to owners of parent</b>	<b>13,322</b>	<b>14,117</b>	<b>15,171</b>	<b>+13.9%</b>	<b>+7.5%</b>
Non-controlling interests	31	35	38	+20.5%	+9.0%
<b>Total equity</b>	<b>13,353</b>	<b>14,151</b>	<b>15,208</b>	<b>+13.9%</b>	<b>+7.5%</b>
<b>Total liabilities and equity</b>	<b>101,431</b>	<b>103,728</b>	<b>109,300</b>	<b>+7.8%</b>	<b>+5.4%</b>

# P/L (Consolidated cumulative period)



(Millions of yen)

(April 1 - September 30)	FY2023.Q1-Q2	FY2024.Q1-Q2	YoY
	(April 1, 2022 - September 30, 2022)	(April 1, 2022 - September 30, 2022)	
Operating revenue	11,982	15,056	+25.7%
Operating expenses	9,608	12,293	+27.9%
Operating profit	2,375	2,763	+16.4%
Share of profit of investments accounted for using equity methc	999	100	△90.0%
Other finance income	123	5	△95.8%
Other finance costs	35	45	+26.8%
Profit (loss) before tax	3,461	2,824	△18.4%
Income tax expense	816	753	△7.7%
Profit (loss)	2,645	2,070	△21.7%
Profit (loss) attributable to:			
Owners of parent	2,641	2,064	△21.9%
Non-controlling interests	4	7	+71.9%

# P/L (Operating income/Operating expenses)



(Millions of yen)

(April 1 - September 30)	FY2023.Q1-Q2 (April 1, 2022 - September 30, 2022)	FY2024.Q1-Q2 (April 1, 2022 - September 30, 2022)	YoY
Operating revenue			
Finance income	6,042	7,178	+18.8%
Warranty revenue	2,487	2,842	+14.3%
Automobility-related sales	1,266	2,523	+99.3%
Other commission sales	1,102	1,221	+10.9%
Automotive parts sales	736	878	+19.2%
Impairment gain on financial assets	172	81	△53.3%
Revenue from the exercise of insurance policies	121	136	+12.7%
Other	56	197	+250.2%
Total	11,982	15,056	+25.7%

(April 1 - September 30)	FY2023.Q1-Q2 (April 1, 2022 - September 30, 2022)	FY2024.Q1-Q2 (April 1, 2022 - September 30, 2022)	YoY
Operating expenses			
Finance costs	93	141	+52.0%
Warranty cost	1,597	1,756	+9.9%
Automobility-related costs	699	1,621	+131.8%
Guarantee commission	1,260	1,498	+18.9%
Cost of automotive parts external sales	504	650	
Employee benefit expenses	2,348	2,749	+17.1%
Depreciation	691	749	+8.4%
Commission expenses	572	657	+14.8%
Taxes and dues	407	471	+15.7%
System operation costs	394	493	+25.3%
Outsourcing expenses	293	378	+29.1%
Other operating expenses	749	1,129	+50.7%
Total	9,608	12,293	+27.9%

# P/L (Consolidated accounting period )



(Millions of yen)

(July 1 - September 30)	FY2023.Q2	FY2024.Q1	FY2024.Q2	YoY	QoQ
	(July 1, 2022 - September 30, 2022)	(April 1, 2023 - July 30, 2023)	(July 1, 2023 - September 30, 2023)		
Operating revenue	6,217	7,233	7,823	+25.8%	+8.2%
Operating expenses	4,945	5,868	6,424	+29.9%	+9.5%
Operating profit	1,272	1,365	1,399	+9.9%	+2.5%
Share of profit of investments accounted for using equity method	936	60	41	△95.7%	△32.1%
Other finance income	122	4	2	△98.6%	△52.5%
Other finance costs	26	20	25	△4.8%	+22.4%
Profit (loss) before tax	2,304	1,408	1,416	△38.5%	+0.6%
Income tax expense	504	332	421	△16.4%	+26.6%
Profit (loss)	1,801	1,075	995	△44.7%	△7.4%
Profit (loss) attributable to:					
Owners of parent	1,801	1,072	992	△44.9%	△7.4%
Non-controlling interests	△ 0	4	3	△1189.7%	△11.0%

# P/L (Operating income/Operating expenses)



(Millions of yen)

(July 1 - September 30)	FY2023.Q2 (July 1, 2022 - September 30, 2022)	FY2024.Q1 (April 1, 2023 - July 30, 2023)	FY2024.Q2 (July 1, 2023 - September 30, 2023)	YoY	QoQ
Operating revenue					
Finance income	3,080	3,495	3,683	+19.6%	+5.4%
Warranty revenue	1,262	1,387	1,455	+15.3%	+4.9%
Automobility-related sales	677	1,207	1,316	+94.5%	+9.1%
Other commission sales	559	605	617	+10.4%	+1.9%
Automotive parts sales	383	422	456	+19.1%	+8.1%
Impairment gain on financial assets	117	70	11	△90.7%	△84.4%
Revenue from the exercise of insurance policies	121	-	136	+12.7%	-
Other	19	48	149	+682.6%	+209.0%
Total	6,217	7,233	7,823	+25.8%	+8.2%
(July 1 - September 30)	FY2023.Q2 (July 1, 2022 - September 30, 2022)	FY2024.Q1 (April 1, 2023 - July 30, 2023)	FY2024.Q2 (July 1, 2023 - September 30, 2023)	YoY	QoQ
Operating expenses					
Finance costs	46	68	73	+58.6%	+8.2%
Warranty cost	859	822	934	+8.6%	+13.6%
Automobility-related costs	369	779	841	+128.3%	+8.0%
Guarantee commission	643	729	769	+19.7%	+5.6%
Cost of automotive parts external sales	258	305	346		
Employee benefit expenses	1,228	1,420	1,394	+13.5%	△1.9%
Depreciation	340	367	382	+12.3%	+4.2%
Commission expenses	299	303	354	+18.4%	+17.0%
Taxes and dues	189	238	233	+23.2%	△2.0%
System operation costs	195	230	263	+35.0%	+14.3%
Outsourcing expenses	149	187	192	+28.8%	+2.7%
Other operating expenses	370	422	643	+73.7%	+52.6%
Total	4,945	5,868	6,424	+29.9%	+9.5%



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