

Financial Results Presentation

Q2 FY9/2024

(October 1, 2023 – March 31, 2024)

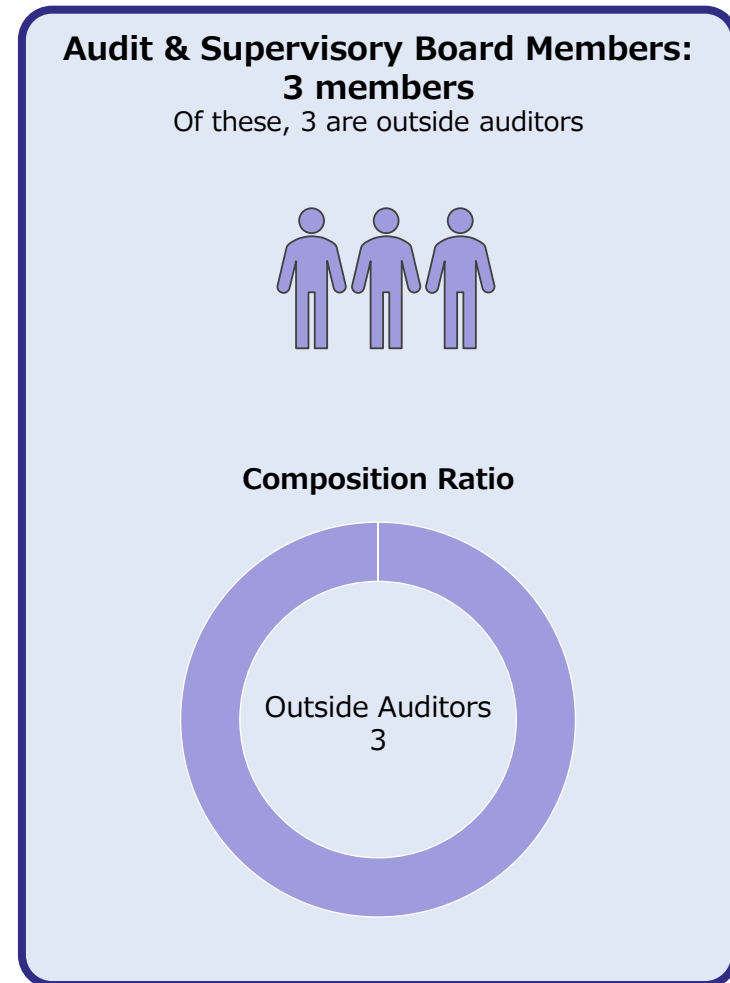
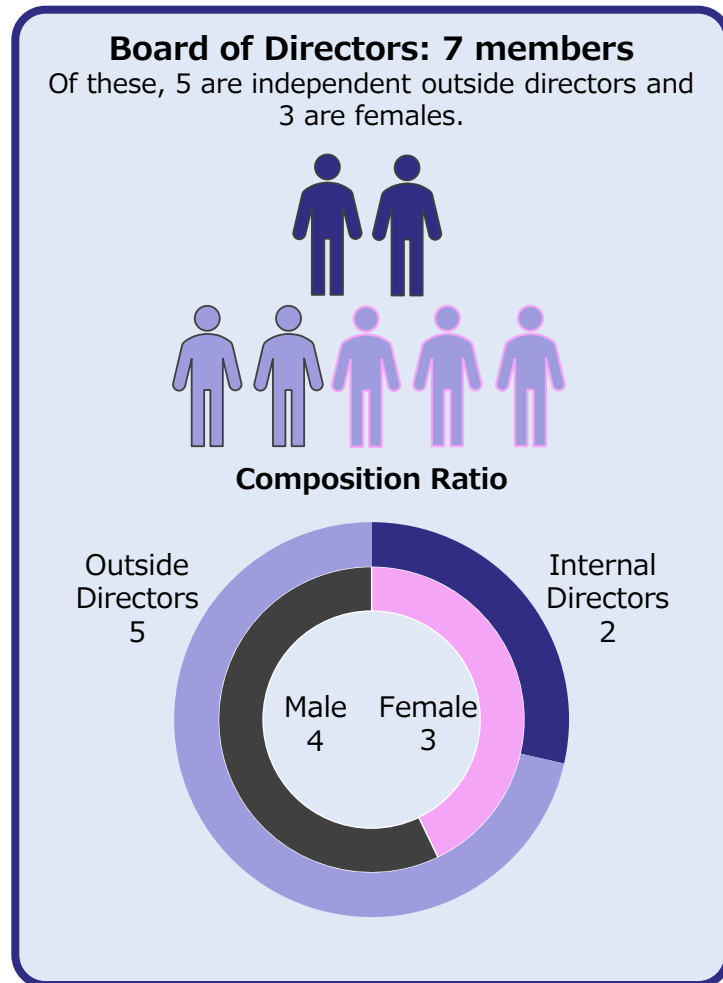


Financial Partners Group Co., Ltd.
(Prime Market of TSE, Code : 7148)

Embracing the future through finance

We will always be there to support our customers,
with the ultimate goal of being their Financial Partners
in embracing the future through finance.

- Our Board of Directors consists of seven members, five of whom are independent outside directors, and three of whom are female directors, ensuring high independence and diversity. In addition, all three members of the Audit & Supervisory Board Members are independent outside auditors.



1H Results

- Sales of the Leasing Fund Business, Domestic Real Estate Fund Business, and International Real Estate Fund Business have expanded, resulting in net sales reaching JPY 50.69 billion (an increase of JPY 18.33 billion, +56.7% YoY) and ordinary income of JPY 15.99 billion (an increase of JPY 4.76 billion, +42.5% YoY). Both figures significantly surpass the previous 1H records set in the same period of the last fiscal year.

Full-year Forecast & Shareholder Returns

- Based on the 1H performance, we announced an upward revision of the full-year earnings forecast on March 22.
- Annual dividend per share (forecast) has been upwardly revised to 88.0 yen, an increase of 15.0 yen from the previous year.
 - ✓ The interim dividend, starting this term, will be 38.75 yen, and the year-end dividend is expected to be 49.25 yen.
- The share buyback of up to 1 million shares or 2 billion yen was announced on April 26, together with the cancellation of 3.67 million treasury shares already held by the company as of the same date.

Q2 Topics

- Leasing Fund Business: Active arrangement centered on large-scale ship projects associated with transition finance for CO₂ reduction continues.
- Domestic Real Estate Fund Business: Acquired one floor of "GINZA SIX," which is one of the largest-scale projects to date, and the cumulative arrangement amount surpassed JPY 200 billion.
- Commenced sales of "Priority Air Tickets", Japan's first*¹ membership-based charter service*² for the private jet "HondaJet", targeted for high-net-worth individuals.

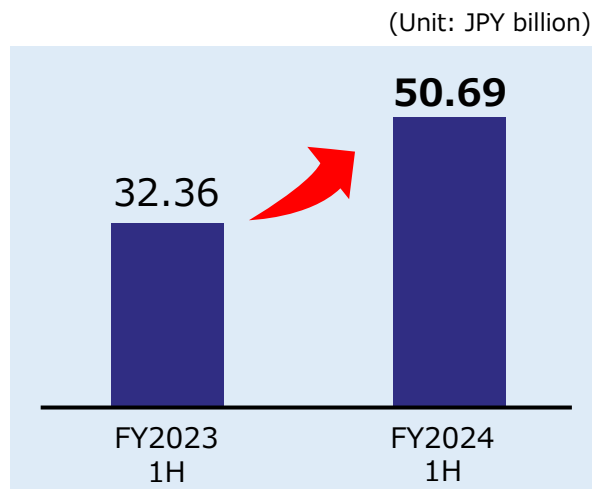
*1 The first in Japan as a service that sells priority air tickets for charter flights over a four-year period (2 days per year), with a fixed rate (actual expenses separate), targeting the HondaJet. (Based on our research)

*2 This service does not sell "membership rights", and there are no additional charges for membership fees or entrance fees.

- Significantly updated the record-highs in sales and profits for 1H, previously set in the same period of the last fiscal year.

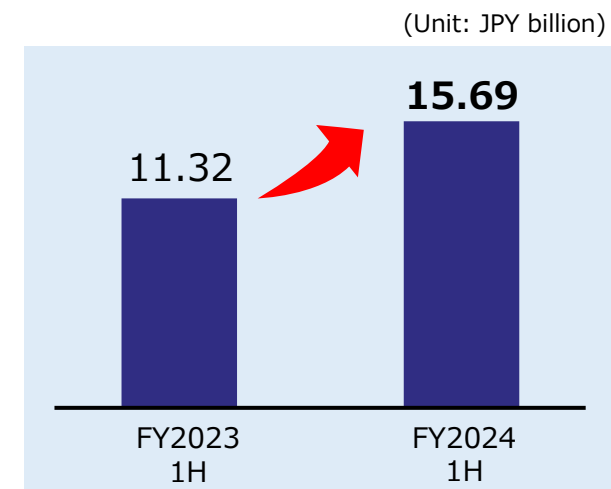
Net Sales

Appx. 1.6x



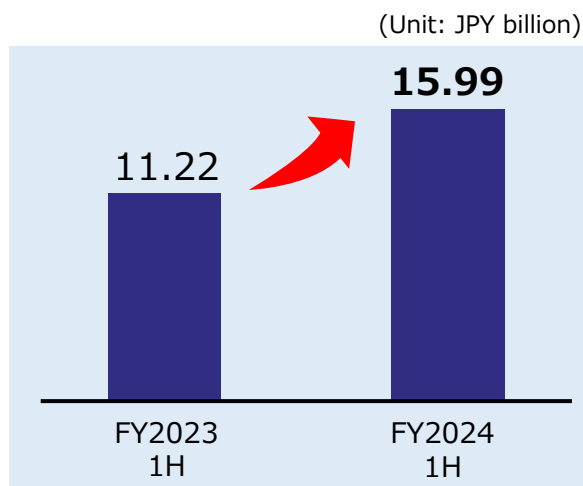
Operating Income

Appx. 1.4x



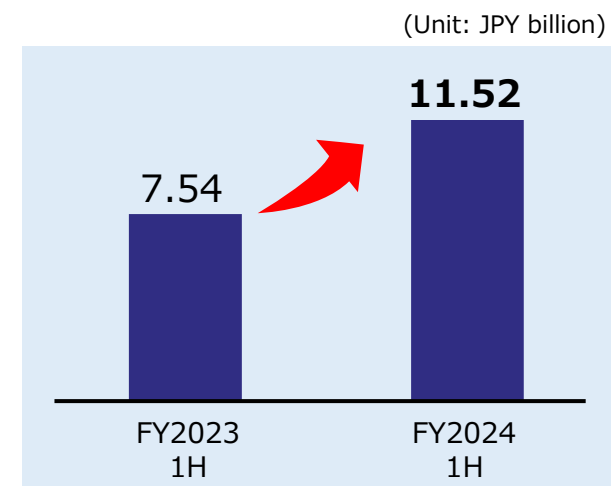
Ordinary Income

Appx. 1.4x



Net Profit*

Appx. 1.5x



* Profit attributable to owners of parent.

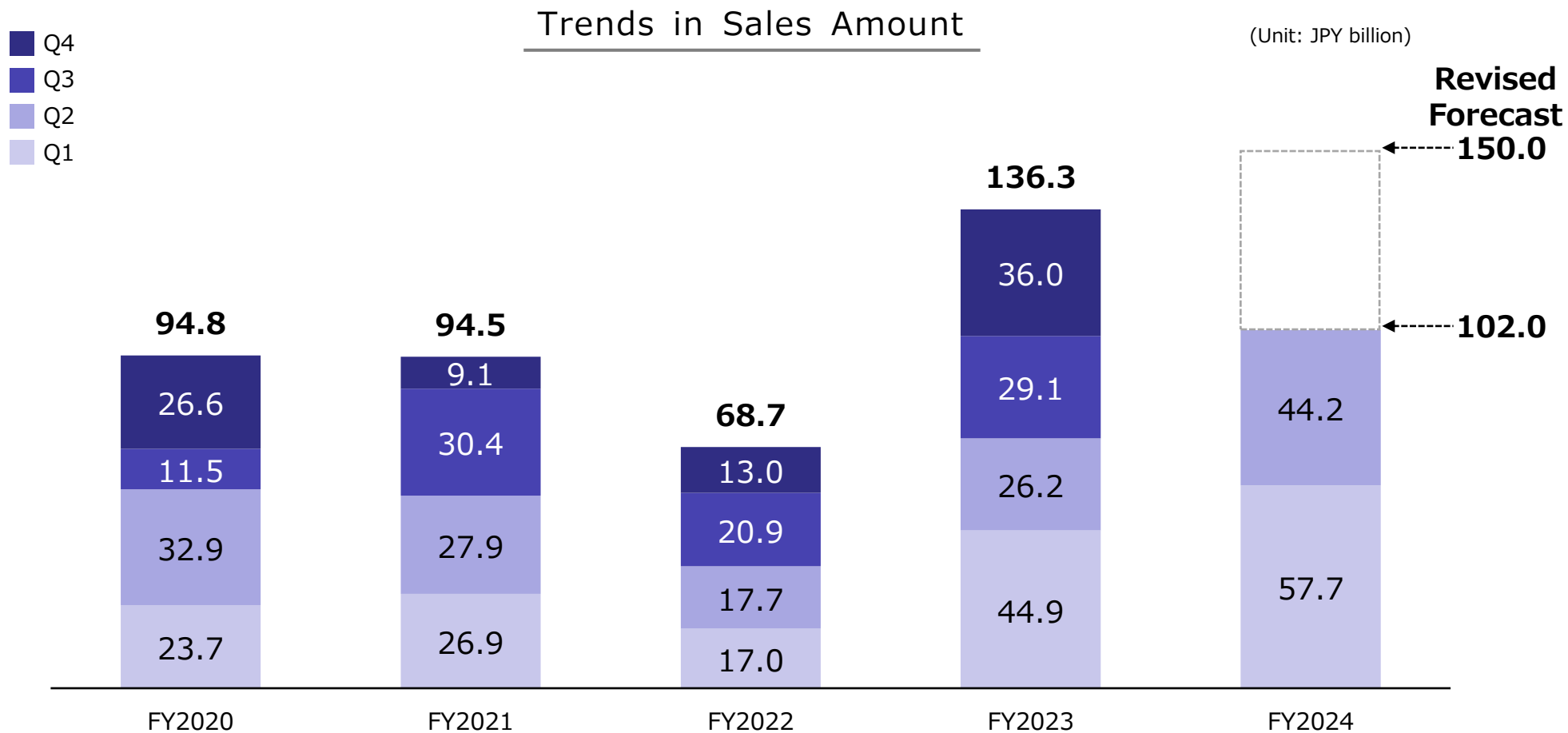
1H Results and Progress Rate

- Significantly updated the record-highs in sales and profits for 1H, previously set in the same period of the last fiscal year.
- Based on the 1H performance, we announced upward revisions to the full-year earnings forecast on March 22.

(Unit: JPY billion)

	1H				Full Year				
	FY2023	FY2024	YoY Change		FY2023	FY2024 Forecast	YoY Change		1H Progress Rate
			Amount	Rate			Amount	Rate	
Consolidated P/L									
Net sales	32.36	50.69	+18.33	+56.7%	71.14	78.20	+7.05	+9.9%	64.8%
Gross Profit	15.27	20.48	+5.21	+34.1%	26.30	-	-	-	-
Operating income	11.32	15.69	+4.36	+38.5%	18.26	20.80	+2.53	+13.9%	75.4%
Ordinary income	11.22	15.99	+4.76	+42.5%	17.98	21.00	+3.01	+16.7%	76.2%
Margin on sales	34.7%	31.6%	-	(3.1%)	25.3%	+26.9%	-	+1.6%	-
Profit attributable to owners of parent	7.54	11.52	+3.98	+52.8%	12.46	15.00	+2.53	+20.3%	76.8%
Margin on sales	23.3%	22.7%	-	(0.6%)	17.5%	+19.2%	-	+1.7%	-
Annual dividend per share (yen)	-	-	-	-	73.0	88.0	+15.0	-	-
Net Sales by Business									
Leasing Fund Business	12.79	15.63	+2.84	+22.2%	22.18	23.40	+1.21	+5.5%	66.8%
Domestic Real Estate Fund Business	17.77	33.18	+15.40	+86.7%	45.07	50.90	+5.82	+12.9%	65.2%
International Real Estate Fund Business	1.11	1.48	+0.37	+33.5%	2.82	2.90	+0.07	+2.7%	51.3%
Other Business	0.67	0.39	(0.28)	(42.2%)	1.06	1.00	(0.06)	(6.0%)	39.1%
Gross Profit by Business									
Leasing Fund Business	11.38	13.95	+2.56	+22.6%	17.43	-	-	-	-
Domestic Real Estate Fund Business	2.52	5.01	+2.48	+98.5%	5.79	-	-	-	-
International Real Estate Fund Business	0.97	1.21	+0.23	+24.1%	2.39	-	-	-	-
Other Business	0.38	0.30	(0.07)	(21.0%)	0.68	-	-	-	-

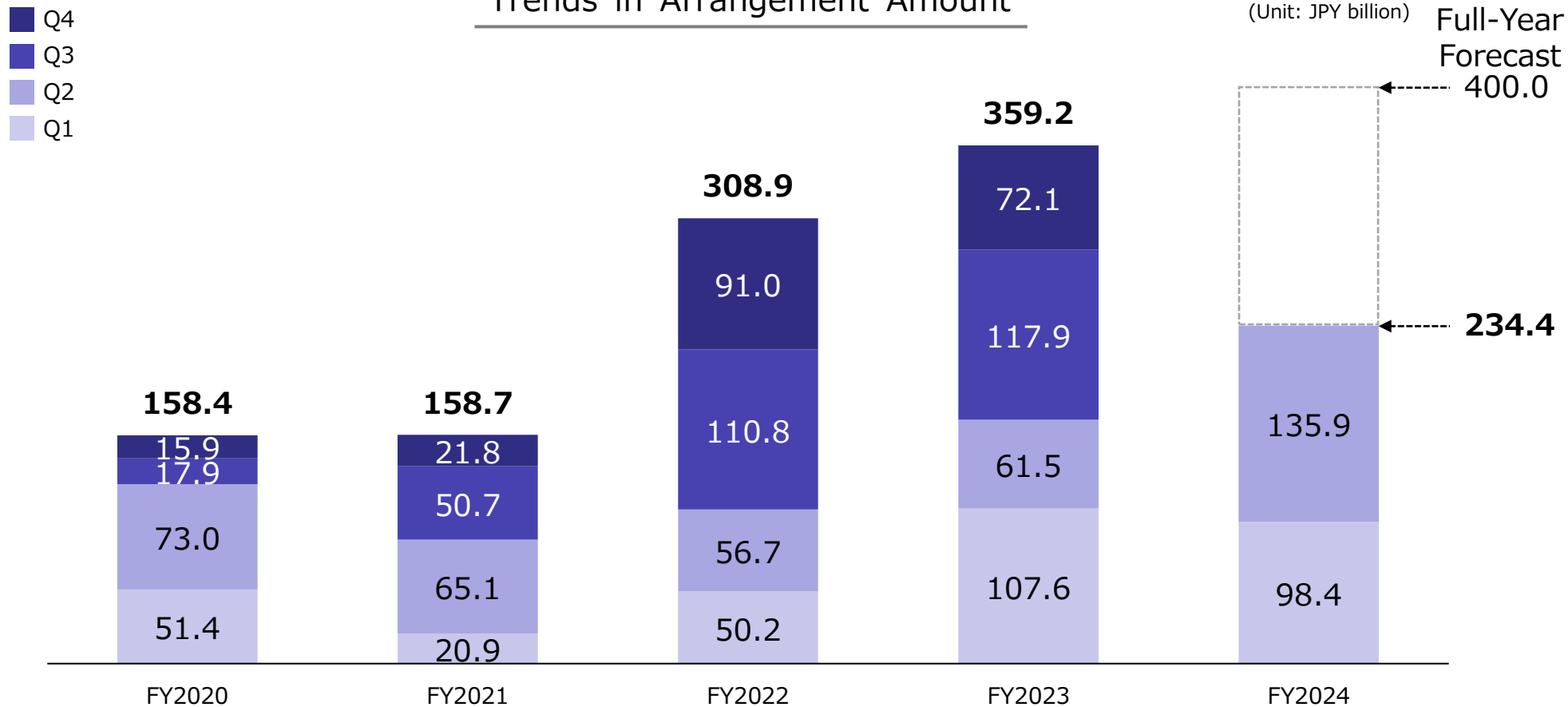
- As a result of aggressive sales promotion, the amount of equity placement sales reached a new record-high on a 1H basis*.
- The full-year sales forecast has been revised upward from JPY 140 billion to JPY150 billion.



* Previous record-high equity placement sales on a 1H basis: JPY 76.1 billion in FY9/2018.

- Progressing on-track towards the full-year forecast of JPY 400 billion, driven by continuous focus on the arrangement of ship projects.

Trends in Arrangement Amount

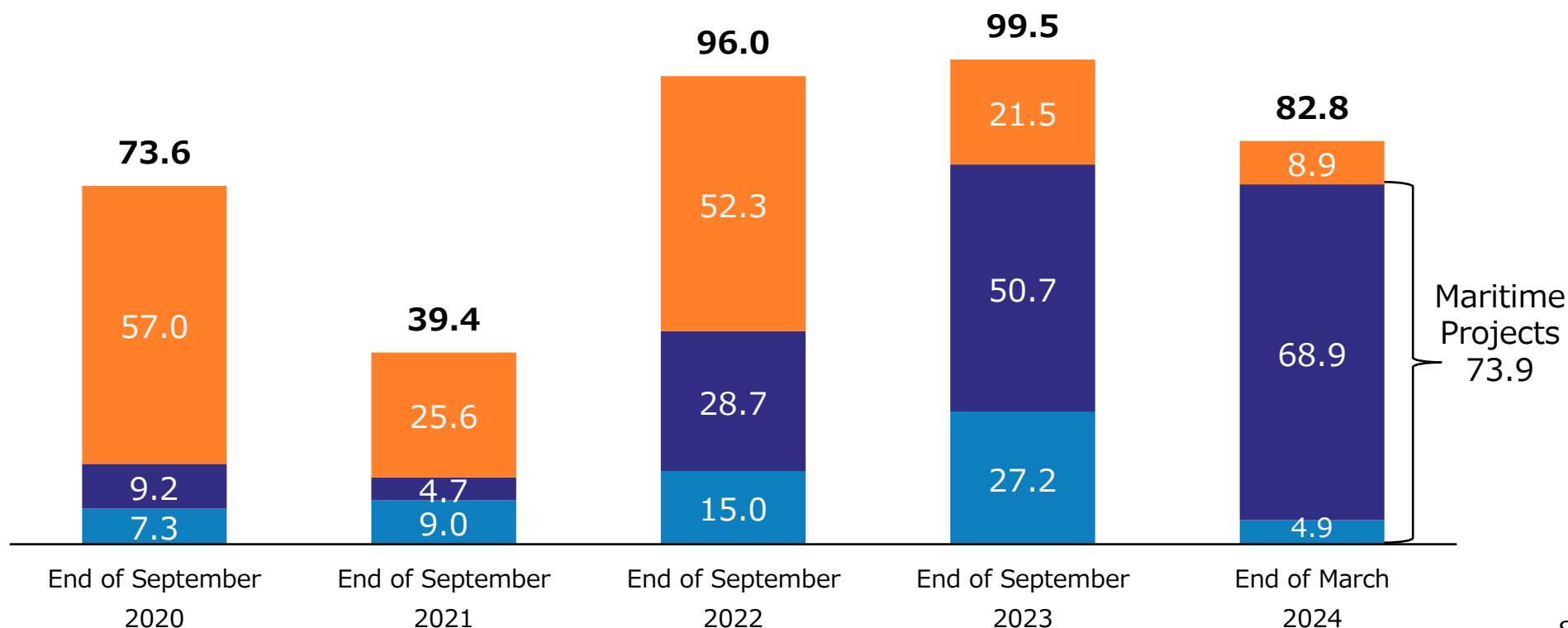


- Carrying on our policy of securing inventory for maritime projects, primarily through the promotion of the arrangement of large-scale ship projects associated with transition finance for CO₂ reduction*.
- Ample inventory is being secured, aimed not only at achieving this fiscal year's sales target but also in anticipation of growth for the next fiscal year.

Trends in Inventory

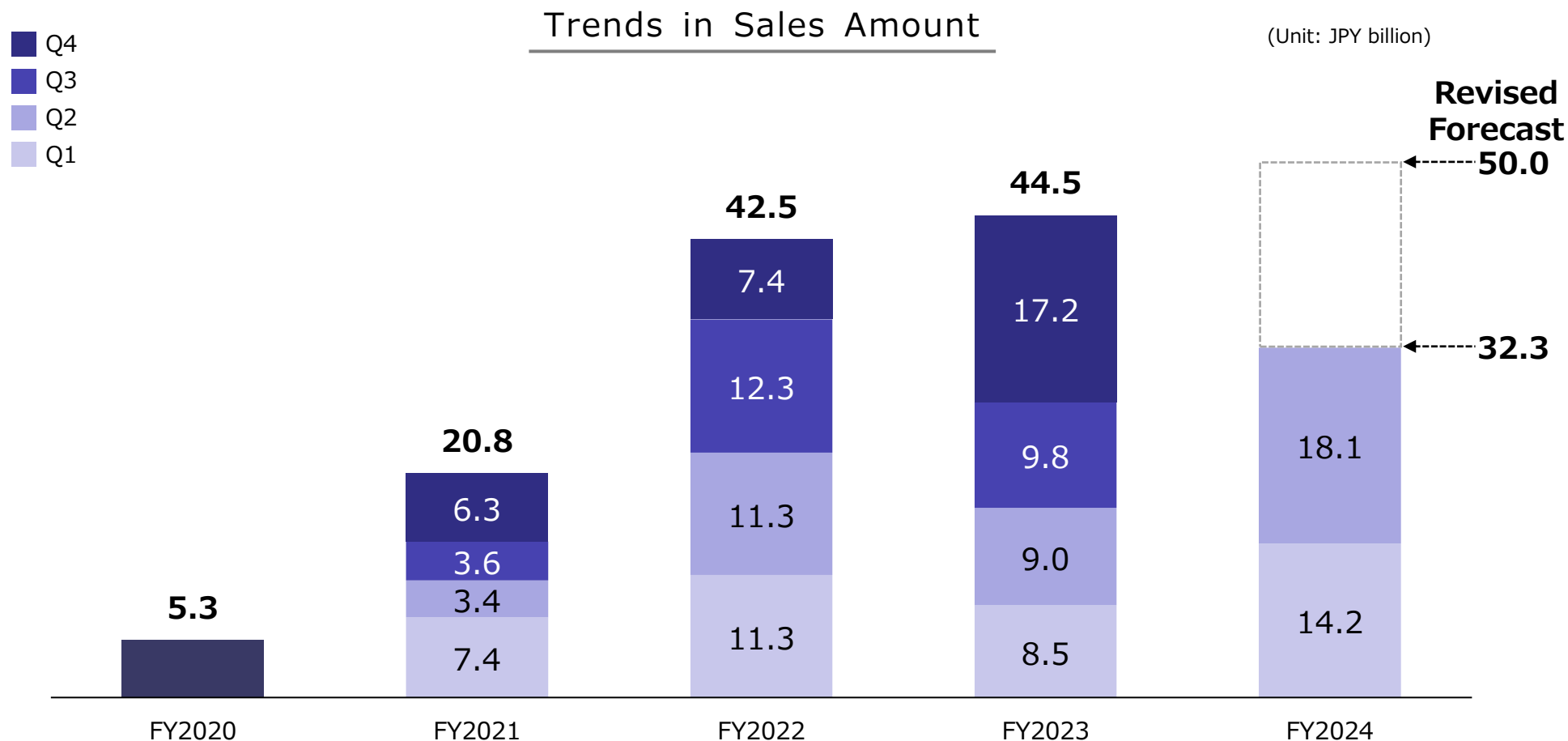
(Unit: JPY billion)

- Aircraft
- Ships
- Marine Containers



*Announced December 21, 2021 "Notice Regarding the Mandate of Large-Scale Project for "Transition Finance" Contributing to the Transition to a Decarbonized Society"
 Announced September 1, 2022 "Notice of Mandated Large-Scale "Transition Finance" Project Promoting the Transition to a Global Decarbonized Society"

- Against the backdrop of continued strong demand from investors, we have significantly updated record-high sales on a 1H basis*.
- The full-year sales forecast has been revised upward from JPY 45 billion to JPY 50 billion.
- Aiming for an annual sales amount of 100 billion yen in the medium term.

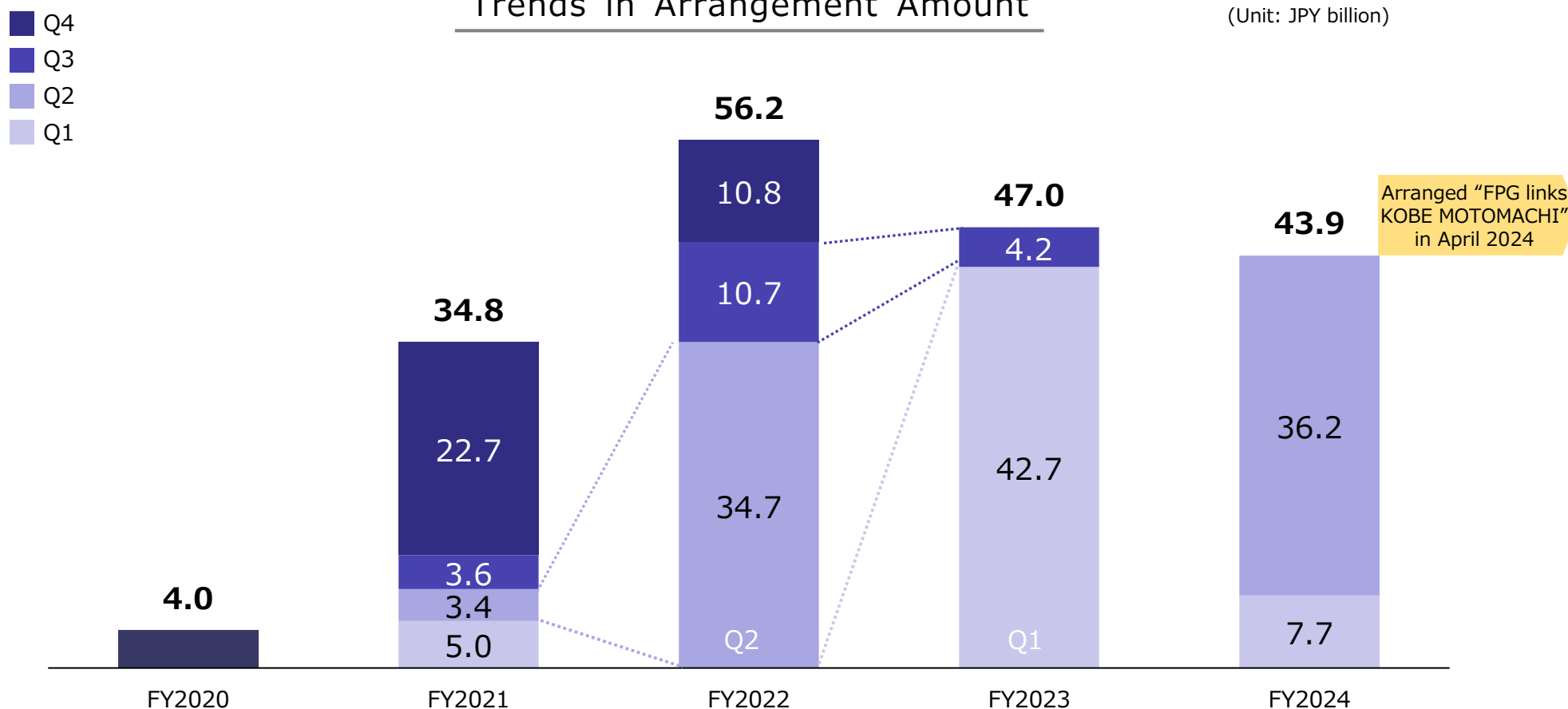


* Previous record-high sales amount on a 1H basis: JPY 22.7 billion in FY9/2022.

- In March 2024, we acquired one of the largest projects to date, one floor of “GINZA SIX,”*1 and the cumulative arrangement amount of our Domestic Real Estate Fund Business surpassed JPY 200 billion.
- To meet diverse demands, “FPG links KOBE MOTOMACHI”**2 has been arranged on April 23rd, marking our first project in the Kobe area.
- Looking ahead to further growth in the next fiscal year and beyond, we will continue to pursue proactive arrangements.

Trends in Arrangement Amount

(Unit: JPY billion)



*1 Announced March 29, 2024 “Notice Regarding Completion of Acquisition of Real Estate for the Real Estate Fractional Ownership Investment Project “Premium Asset Series.”

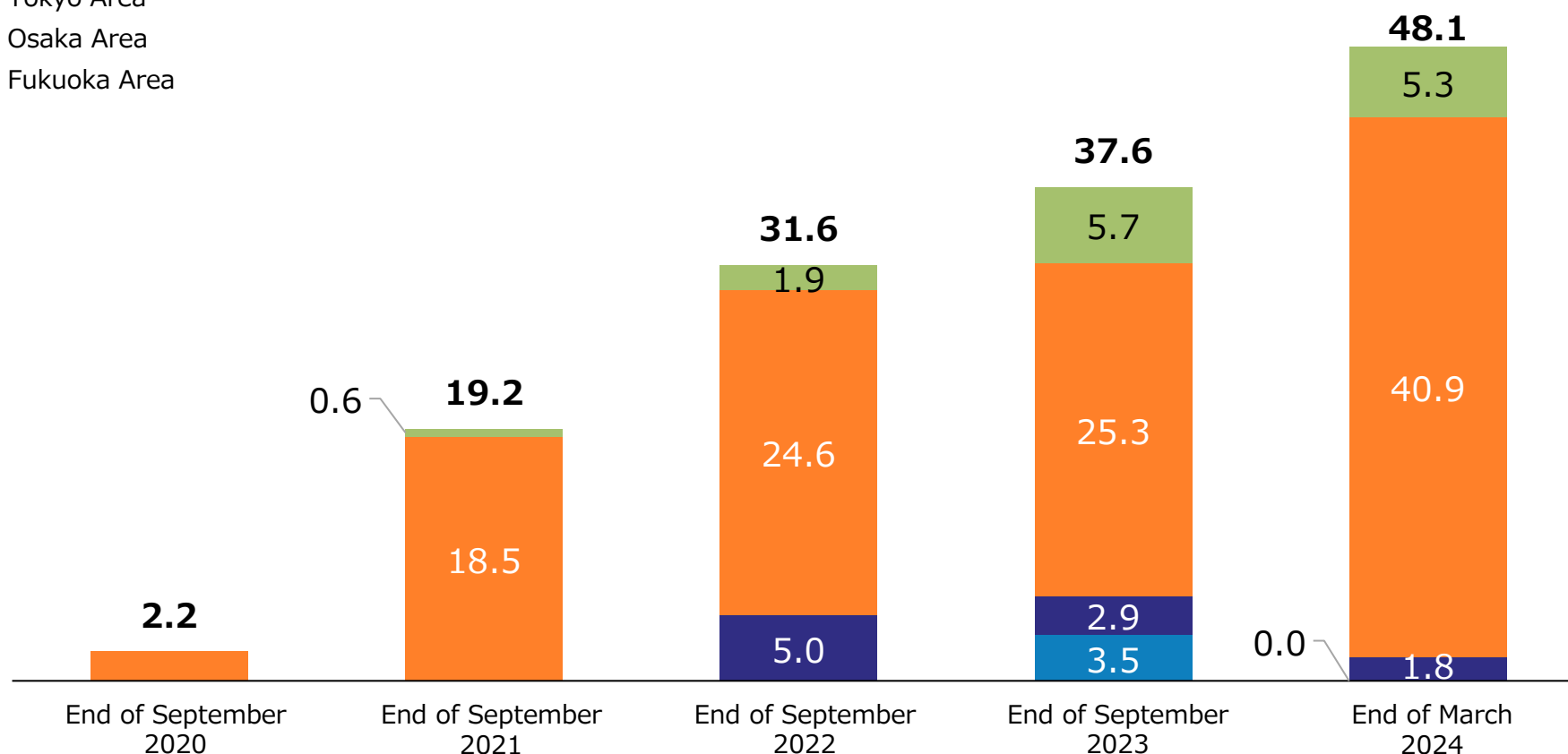
*2 Announced April 23, 2024 “Notice Regarding Completion of Acquisition of Real Estate for the Real Estate Fractional Ownership Investment Project “Premium Asset Series.”

- Through the continuation of proactive arrangements, we secured inventory that anticipates growth in the next fiscal year and beyond.
- Among development projects, the sale of the entire building of “FPG links JIYUGAOKA” was completed in January 2024*.

Trends in Inventory

(Unit: JPY billion)

- Development Projects
- Tokyo Area
- Osaka Area
- Fukuoka Area



*Announced January 16, 2024 “Notice of Sale of Proprietary Development Property (Sale of Entire Building)”

- We arranged premium properties for two consecutive months in one of the premier shopping areas favored by global luxury brands in both Eastern and Western Japan.



Arranged in March 2024
One of the largest project to date

“GINZA SIX” one floor

- One floor of office space in Ginza's largest integrated complex facility.
- Located in the heart of Ginza facing Chuo Street, accessible by multiple train lines.
- High-grade office equipped with large plates, flexible layout, state-of-the-art security system, and top-grade earthquake resistance.
- The commercial area from the second basement to the sixth floor houses a variety of domestic and international brands, led by some of the world's leading luxury brands.



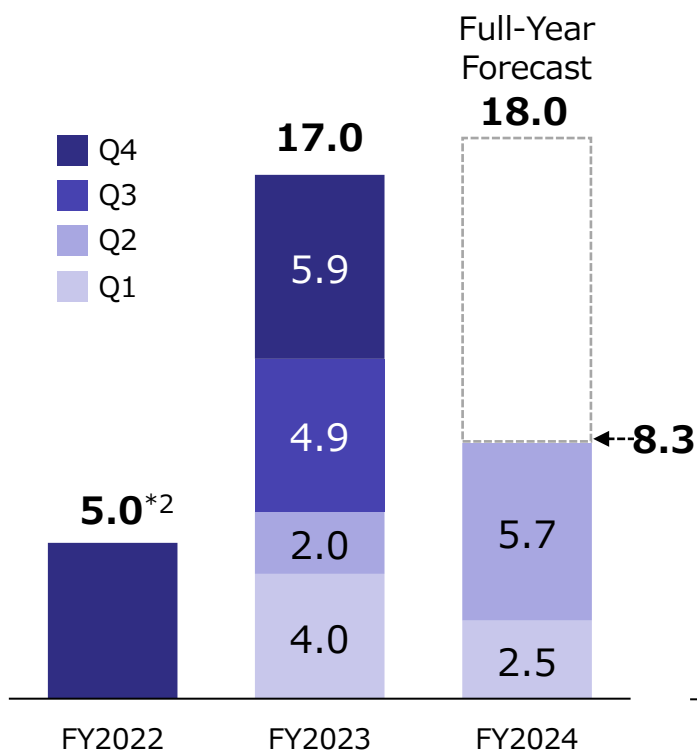
Arranged in April 2024 (to be recorded in Q3 of FY9/2024)
Our first project in Kobe area

FPG links KOBE MOTOMACHI

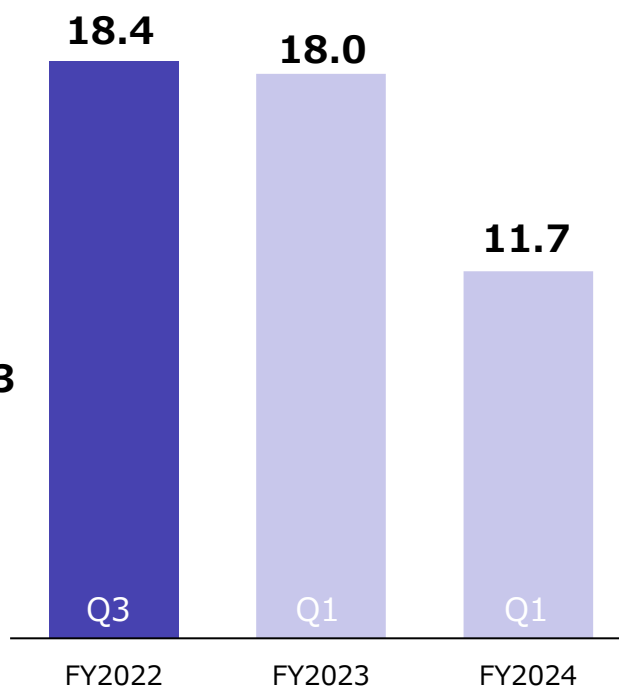
- A shopping area where many brands gather, located in the historic streets known as the former settlement area that developed with the opening of Kobe port.
- The exterior features a metallic curtain wall, complementing the luxurious streetscape while offering rarity and competitiveness.
- Entire building occupied by a single global luxury brand.
- Completed in July 2017.

- The sale of the large-scale multifamily housing complex project in Texas, U.S.A.*¹, which was arranged and commenced in Q1 of FY9/2024, has accelerated, surpassing the record-high 1H sales amount recorded in the previous fiscal year.
- We plan to acquire the 4th and 5th projects in the second half of the FY9/2024.

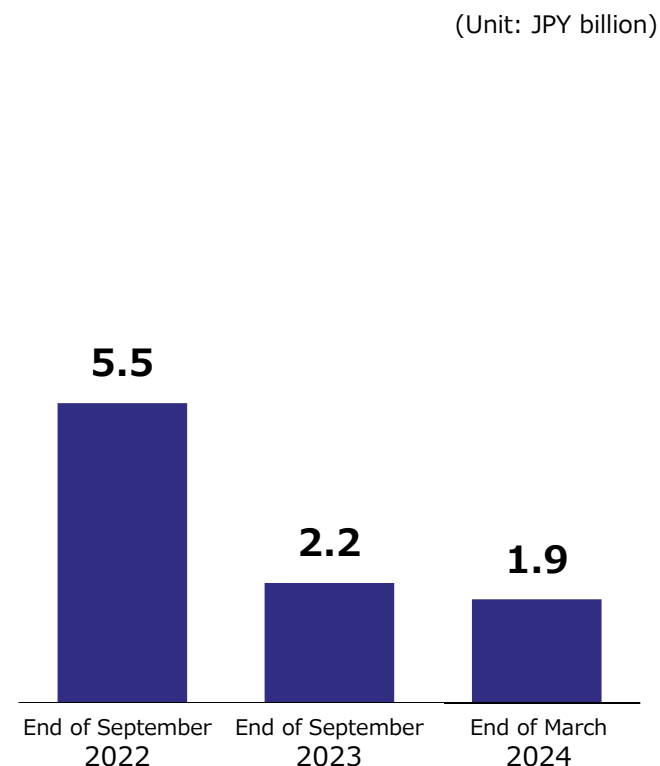
Trends in Sales Amount



Trends in Arrangement Amount



Trends in Inventory



*1 Announced October 10, 2023 "Notice Regarding the Acquisition of Real Estate for Arrangement of the International Real Estate Collective Investment Project"

*2 Commenced sale of international real estate investment product from June 2022.

- The large-scale multifamily housing complex project in Austin, Texas, arranged and commenced sales in October 2023, has already sold out. We plan to acquire the 4th and 5th projects in the second half of the FY9/2024.

SOLD OUT

The 3rd Project

(Total equity placement sales amount: JPY 8.0 billion)

Onyx183

Location : Austin, Texas, U.S.A.

Number of units : 390 units in 20 buildings

Year of completion : 1995

Net rentable area : 336,094 ft² (Approx. 31,224 m²)

Structure : Wooden construction

Purpose : Multifamily housing

The 1st Project

Total equity placement sales amount:
JPY 10.51 billion

Elmsford, New York, U.S.A.

The View on Nob Hill

SOLD OUT

The 2nd Project

Total equity placement sales amount:
JPY 13.8 billion

Honolulu, Hawaii, U.S.A.

Queen Kapiolani Hotel

SOLD OUT

The 4th & 5th Project

**COMING
SOON**

Appendix

FY9/2024 Earnings Forecast

(Unit: JPY billion)

	FY9/2023	FY9/2024 Forecast*	YoY	
			Amount	Rate
Net sales	71.14	78.20	+7.05	+9.9%
Operating income	18.26	20.80	+2.53	+13.9%
Ordinary income	17.98	21.00	+3.01	+16.7%
Margin on sales	25.3%	26.9%	+1.6%	
Profit attributable to owners of parent	12.46	15.00	+2.53	+20.3%
Margin on sales	17.5%	19.2%	+1.7%	
Annual dividend per share (yen)	73.00	88.00	+15.00	

* Revised forecast announced on March 22, 2024

FY9/2024 Earnings Forecast Sales Breakdown by Business & KPI

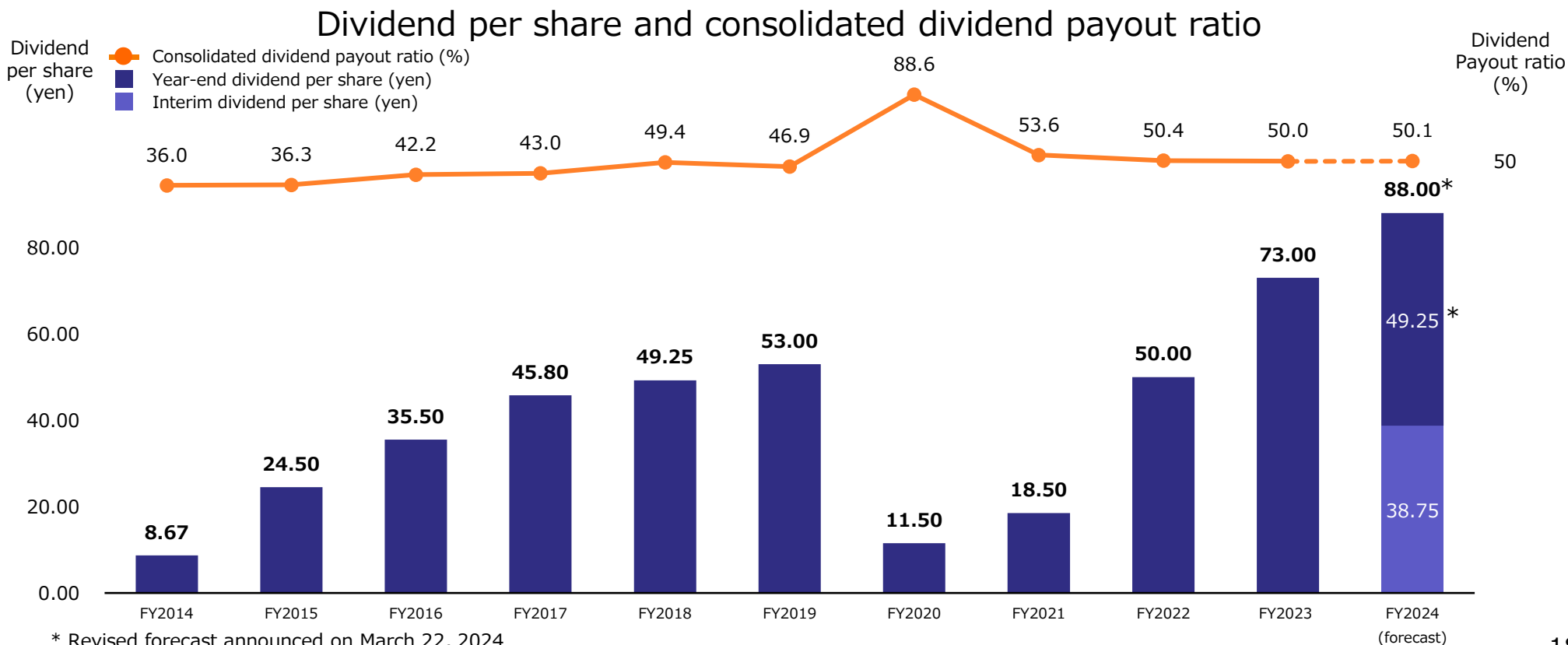
(Unit: JPY billion)

Sales Breakdown by Business		FY9/2023	FY9/2024 Forecast* ¹	YoY	
				Amount	Rate
Leasing Fund Business		22.18	23.40	+1.21	+5.5%
Domestic Real Estate Fund Business		45.07	50.90	+5.82	+12.9%
International Real Estate Fund Business		2.82	2.90	+0.07	+2.7%
Other Business		1.06	1.00	(0.06)	(6.0%)
Total		71.14	78.20	+7.05	+9.9%
Leasing Fund Business	Equity Placement Sales amount	136.33	150.00	+13.66	+10.0%
	Arrangement amount	359.21	400.00* ²	+40.78	+11.4%
Domestic Real Estate Fund Business	Sales amount	44.57	50.00	+5.43	+12.2%
International Real Estate Fund Business	Sales amount	17.03	18.00* ²	+0.97	+5.7%

*1 Revised forecast announced on April 26, 2024

*2 Initial forecast announced on October 31, 2023

- **Basic Policy:** Continue to pay stable dividends while securing the internal reserves necessary for maintaining growth and increasing corporate value.
Began interim dividend from FY9/2024.
- **Dividend payout ratio :** Aim for a consolidated dividend payout ratio of 50%
 - ✓ Annual Dividend for the FY9/2023 : 73.00 yen per share
 - ✓ Annual Dividend for the FY9/2024 (forecast) : 88.00 yen per share* (an increase of 15.00 yen YoY)



Consolidated Income Statement Summary

(Unit: JPY billion)

	FY2023 1H	FY2024 1H	YoY	
			Amount	Rate
Net sales	32.36	50.69	+18.33	+56.7%
① Cost of sales	17.08	30.21	+13.12	+76.8%
Gross profit	15.27	20.48	+5.21	+34.1%
SG&A Cost	3.94	4.79	+0.85	+21.6%
Operating income	11.32	15.69	+4.36	+38.5%
② Non-operating income	1.45	1.53	+0.08	+5.5%
③ Non-operating expenses	1.55	1.22	(0.32)	(21.0%)
Ordinary income	11.22	15.99	+4.76	+42.5%
Income before income taxes	10.83	16.55	+5.71	+52.8%
Total income taxes	3.28	5.00	+1.71	+52.2%
Profit attributable to owners of parent	7.54	11.52	+3.98	+52.8%

① Cost of sales
Includes real estate acquisition cost, arrangement cost for Leasing Fund Business projects and commission paid for customer refers.

② Non-operating income
Includes advance interest collected when selling equity placement to investors and gain on investments in money held in trust in the Leasing Fund Business.

③ Non-operating expenses
Includes interest paid on commission fees and interest expenses related to fund procurement.

Consolidated Balance Sheet Summary

(Unit: JPY billion)

Assets	FY2023	FY2024 1H	YoY
Current assets	168.29	162.31	(5.97)
Cash and deposit	15.98	17.53	+1.55
① Equity underwritten	83.40	75.87	(7.53)
② Money held in trust (Aircraft for Arrangement)	18.38	8.91	(9.47)
③ Real estate for arrangement	37.63	48.14	+10.51
Non-current assets	15.38	7.48	(7.89)
Total assets	183.67	169.80	(13.87)
Liabilities and Net assets	FY2023	FY2024 1H	YoY
Current liabilities	120.99	90.87	(30.12)
Short-term debt	94.90	67.39	(27.50)
④ Contract liability	13.71	14.04	+0.33
Non-current liabilities	18.37	29.27	+10.89
Long-term debt	18.03	28.69	+10.65
Total liabilities	139.37	120.14	(19.22)
Total net assets	44.29	49.65	+5.35
Total liabilities and net assets	183.67	169.80	(13.87)

① Equity underwritten

Temporary advances in the Leasing Fund Business and International Real Estate Fund Business before selling to equity investors.

② Money held in trust (Aircraft for Arrangement)

Temporary inventory of trust beneficiary right of operating lease for aircraft using a trust function.

③ Real estate for arrangement

Inventory of the Domestic Real Estate Fund Business.

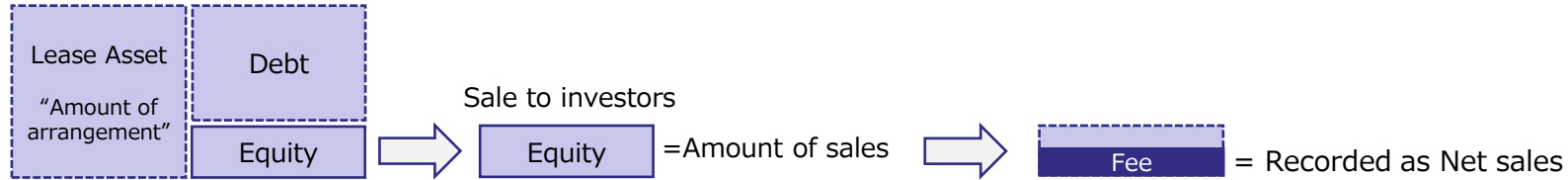
④ Contract liability

Including advances of commission fees related to Leasing Fund Business and Real Estate Fund Business (International Real Estate Investment Product).

■ FPG’s business is divided into the following four categories in this document.

Leasing Fund Business

The Leasing Fund Business provides arrangement and management services for operating leases for aircraft, ships and marine containers. It also sells equity interests in the silent partnership “Tokumei Kumiai,” general partnership “Nini Kumiai” and trust beneficiary rights for operating leases to investors. Net sales include arrangement fees for arrangement in the operating lease business, sales commissions received on the sale of silent partnership interests to investors, etc. Sales of partnership interests and trust beneficiary rights to investors are not recorded as net sales.

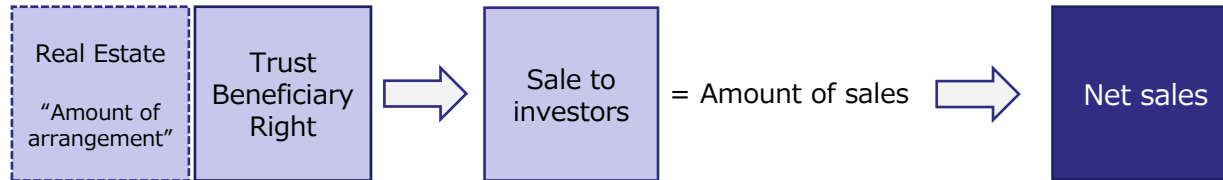


Domestic Real Estate Fund Business

Real Estate Fractional Ownership Investment Product

Arranges and sells to investors real estate fractional ownership investment products, using the trust function of FPG Trust.

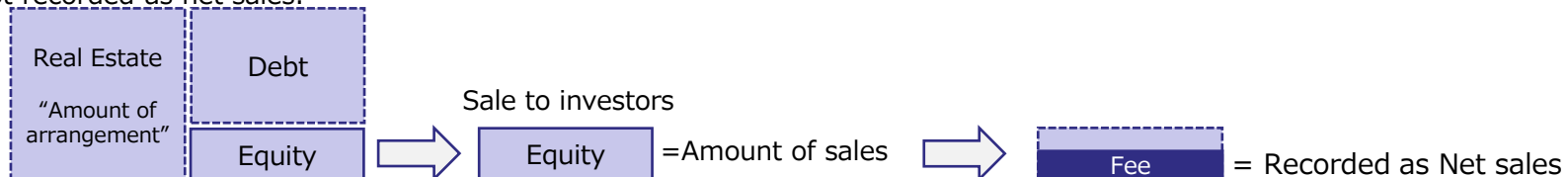
The total amount of sales to investors is recorded as net sales.



International Real Estate Fund Business

International Real Estate Investment Product

The Real Estate Fund Business arranges and manages collective investment projects targeting international real estate, and sells equity stakes in the general partnership “Nini Kumiai.” Net sales include arrangement fees for the arrangement of collective investment projects and commissions received on the sale of general partnership stakes to investors, among other sources. However, sales of general partnership stakes to investors are not recorded as net sales.



Other Business

Other Business Insurance Sales Business, M&A Business and Aviation Business, etc. Net sales include commission income in the Insurance Sales Business and M&A Business, and sale of services such as transport in the Aviation Business.

Projected results described in these presentation slides are based on the information available to the Company at the time of preparing, as well as certain assumptions judged by the Company to be reasonable, and, therefore, actual results could be different from these projections because of various risks and uncertain factors.

Financial Partners Group Co., Ltd.

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