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Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 10, 2024

Company name: Iyogin Holdings, Inc.

Stock exchange listing: Tokyo

Code number: 5830

URL: <https://www.iyogin-hd.co.jp/>

Representative: Kenji Miyoshi

Representative Director and President

Contact: Mitsuhiro Hayashi

General Manager, Corporate Planning Division

Phone: 089-907-1034

Scheduled date of Annual General Meeting of Shareholders: June 27, 2024

Scheduled date of commencing dividend payments: June 6, 2024

Scheduled date of filing annual securities report: June 28, 2024

Trading Accounts: No

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes(For Institutional Investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	192,758	11.5	58,579	38.1	39,464	41.5
March 31, 2023	172,954	-	42,415	-	27,899	-

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 94,189 million [129.4%]
Fiscal year ended March 31, 2023: ¥ 41,050 million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Ordinary profit to ordinary revenues ratio
Fiscal year ended March 31, 2024	Yen 128.91	Yen 128.84	% 4.9	% 0.7	% 30.4
March 31, 2023	89.13	89.08	3.8	0.5	24.5

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ - million
Fiscal year ended March 31, 2023: ¥ - million

(Note) The rate of change over the previous for the fiscal year ended March 31, 2023 is not stated, as the company was founded on October 3, 2022.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of March 31, 2024	Millions of yen 9,258,385	Millions of yen 843,027	% 9.1	Yen 2,781.71
March 31, 2023	8,550,778	759,838	8.9	2,462.02

(Reference) Equity: As of March 31, 2024: ¥ 842,619 million
As of March 31, 2023: ¥ 759,379 million

(Note) Capital adequacy ratio = (Net assets – Stock acquisition rights – Non-controlling interests) / Total assets
This ratio is not the capital adequacy ratio specified by the Notice on Capital Adequacy Ratio Regulations.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	296,372	(481,437)	(11,089)	1,168,668
March 31, 2023	(368,753)	234,070	(12,804)	1,364,804

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	-	-	-	9.00	9.00	2,785	10.1	0.4
March 31, 2024	-	10.00	-	20.00	30.00	9,159	23.3	1.1
Fiscal year ending								
March 31, 2025 (Forecast)	-	20.00	-	20.00	40.00		37.9	

(Note) 1. Figures for the first half of the fiscal year ended March 31, 2023 are not stated, as the company was founded on October 3, 2022.

2. Breakdown of Dividends: ¥1.00 per share at the end of March 2023 as commemorative dividend

3. For the fiscal year ended March 31, 2023, the Iyo Bank which became a wholly owned subsidiary of the company through a single share transfer, paid an interim dividend of 8 yen per share (total dividend of 2,507 million yen). When combined with the year-end dividend of the company, the annual dividend of the company is 17 yen per share, the total dividends is 5,292 million yen, the Payout ratio (consolidated) is 19.1%, and the Dividends to net assets (consolidated) is 0.7%.

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

(% indicates changes from the previous corresponding period.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Six months ending September 30, 2024	97,000	(2.8)	22,500	(39.8)	15,500	(37.3)	Yen 51.16
Full year	190,000	(1.4)	46,000	(21.5)	32,000	(18.9)	105.64

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2024: 313,408,831 shares

March 31, 2023: 313,408,831 shares

2) Number of treasury shares at the end of the period:

March 31, 2024: 10,495,316 shares

March 31, 2023: 4,971,956 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 306,139,314 shares

Fiscal Year ended March 31, 2023: 312,994,765 shares

(Note) The average number of shares of common stock during the fiscal year ended March 31, 2023 is calculated using the number of the Iyo Bank during the period from April 1, 2022 to October 2, 2022, which is the period before the incorporation of the company, and for the period from October 3, 2022 to March 31, 2023, using the number of the company.

※ This report is out of the scope of the audit by certified public accountants or independent audit firms.

※ Explanation for proper use of forecasts and other notes

The above forecasts are based on the information which is presently available and certain assumptions which are considered to be reasonable.

Actual results may differ materially from those forecasts depending on various future factors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Cash and due from banks	1,367,081	1,169,948
Call loans and bills bought	-	8,478
Cash collateral provided for securities borrowed	50,085	-
Monetary claims bought	5,606	4,599
Trading securities	492	232
Money held in trust	6,647	6,416
Securities	1,493,078	2,073,496
Loans and bills discounted	5,304,319	5,645,392
Foreign exchanges	40,407	7,281
Lease receivables and investment assets	29,391	31,527
Other assets	132,971	164,827
Tangible fixed assets	71,400	74,832
Buildings, net	16,774	16,996
Land	48,232	48,146
Leased assets, net	1,497	1,915
Construction in progress	246	3,401
Other tangible fixed assets	4,649	4,372
Intangible fixed assets	11,775	14,835
Software	9,077	8,883
Other intangible fixed assets	2,697	5,951
Retirement benefit asset	41,859	51,538
Deferred tax assets	268	279
Customers' liabilities for acceptances and guarantees	30,696	40,068
Allowance for loan losses	(35,302)	(35,370)
Total assets	8,550,778	9,258,385
Liabilities		
Deposits	6,167,148	6,482,018
Negotiable certificates of deposit	629,191	443,063
Call money and bills sold	-	5,299
Securities sold under repurchase agreements	-	91,460
Cash collateral received for securities lent	77,501	327,936
Borrowed money	684,070	757,237
Foreign exchanges	3,680	332
Borrowed money from trust account	1,045	1,205
Other liabilities	92,636	137,519
Provision for bonuses	1,793	1,793
Retirement benefit liability	10,146	8,761
Provision for reimbursement of deposits	845	592
Provision for contingent loss	1,100	1,209
Provision for share-based compensation	430	514
Allowance for demolition of non-current assets	885	818
Reserves under special laws	4	6
Deferred tax liabilities	80,291	106,158
Deferred tax liabilities for land revaluation	9,472	9,361
Acceptances and guarantees	30,696	40,068
Total liabilities	7,790,940	8,415,357

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Net assets		
Share capital	20,000	20,000
Capital surplus	27,698	27,700
Retained earnings	483,166	516,974
Treasury shares	(3,792)	(8,900)
Total shareholders' equity	527,072	555,773
Valuation difference on available-for-sale securities	202,105	250,412
Deferred gains or losses on hedges	1,611	2,664
Revaluation reserve for land	18,977	18,765
Remeasurements of defined benefit plans	9,612	15,002
Total accumulated other comprehensive income	232,307	286,845
Share acquisition rights	149	119
Non-controlling interests	309	289
Total net assets	759,838	843,027
Total liabilities and net assets	8,550,778	9,258,385

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Ordinary income	172,954	192,758
Interest income	96,158	133,862
Interest on loans and discounts	66,236	89,471
Interest and dividends on securities	27,123	40,950
Interest on call loans and bills bought	158	310
Interest income on securities purchased under resale agreements	-	(0)
Interest on deposits with banks	1,880	1,747
Other interest income	759	1,381
Trust fees	5	7
Fees and commissions	14,531	15,710
Other ordinary income	54,044	35,576
Other income	8,214	7,601
Reversal of allowance for loan losses	656	-
Recoveries of written off receivables	3,016	374
Other	4,541	7,226
Ordinary expenses	130,538	134,179
Interest expenses	20,822	50,917
Interest on deposits	5,362	12,379
Interest on negotiable certificates of deposit	61	87
Interest on call money and bills sold	81	715
Interest expenses on securities sold under repurchase agreements	382	2,142
Interest expenses on cash collateral received for securities lent	1,771	6,887
Interest on borrowings and rediscounts	3,949	9,380
Other interest expenses	9,214	19,325
Fees and commissions payments	4,852	5,141
Other ordinary expenses	46,619	20,792
General and administrative expenses	50,546	52,848
Other expenses	7,697	4,479
Provision of allowance for loan losses	-	2,192
Other	7,697	2,286
Ordinary profit	42,415	58,579
Extraordinary income	6	48
Gain on disposal of non-current assets	6	48
Extraordinary losses	1,923	558
Loss on disposal of non-current assets	337	373
Impairment losses	699	182
Provision of reserve for financial instruments transaction liabilities	1	1
Provision for demolition of non-current assets	885	-
Profit before income taxes	40,497	58,069
Income taxes - current	11,332	14,610
Income taxes - deferred	839	4,019
Total income taxes	12,171	18,630
Profit	28,326	39,438
Profit (loss) attributable to non-controlling interests	426	(25)
Profit attributable to owners of parent	27,899	39,464

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	28,326	39,438
Other comprehensive income	12,723	54,750
Valuation difference on available-for-sale securities	11,625	48,307
Deferred gains or losses on hedges	458	1,053
Remeasurements of defined benefit plans, net of tax	639	5,389
Comprehensive income	41,050	94,189
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	40,671	94,215
Comprehensive income attributable to non-controlling interests	378	(25)

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,948	20,289	468,487	(4,871)	504,854
Changes during period					
Changes by share transfer	(948)	948			-
Dividends of surplus			(5,051)		(5,051)
Profit attributable to owners of parent			27,899		27,899
Purchase of treasury shares				(6,098)	(6,098)
Disposal of treasury shares		11		135	147
Cancellation of treasury shares		(7,335)		7,041	(293)
Transfer from retained earnings to capital surplus		8,251	(8,251)		-
Reversal of revaluation reserve for land			80		80
Purchase of shares of consolidated subsidiaries		5,533			5,533
Net changes in items other than shareholders' equity					
Total changes during period	(948)	7,408	14,678	1,078	22,217
Balance at end of period	20,000	27,698	483,166	(3,792)	527,072

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	190,431	1,152	19,058	8,973	219,616	208	7,119	731,798
Changes during period								
Changes by share transfer								
Dividends of surplus								(5,051)
Profit attributable to owners of parent								27,899
Purchase of treasury shares								(6,098)
Disposal of treasury shares								147
Cancellation of treasury shares								(293)
Transfer from retained earnings to capital surplus								
Reversal of revaluation reserve for land								80
Purchase of shares of consolidated subsidiaries								5,533
Net changes in items other than shareholders' equity	11,673	458	(80)	639	12,690	(58)	(6,809)	5,822
Total changes during period	11,673	458	(80)	639	12,690	(58)	(6,809)	28,039
Balance at end of period	202,105	1,611	18,977	9,612	232,307	149	309	759,838

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,000	27,698	483,166	(3,792)	527,072
Changes during period					
Dividends of surplus			(5,868)		(5,868)
Profit attributable to owners of parent			39,464		39,464
Purchase of treasury shares				(5,226)	(5,226)
Disposal of treasury shares		1		117	119
Reversal of revaluation reserve for land			212		212
Net changes in items other than shareholders' equity					
Total changes during period	-	1	33,808	(5,108)	28,701
Balance at end of period	20,000	27,700	516,974	(8,900)	555,773

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	202,105	1,611	18,977	9,612	232,307	149	309	759,838
Changes during period								
Dividends of surplus								(5,868)
Profit attributable to owners of parent								39,464
Purchase of treasury shares								(5,226)
Disposal of treasury shares								119
Reversal of revaluation reserve for land								212
Net changes in items other than shareholders' equity	48,307	1,053	(212)	5,389	54,538	(30)	(20)	54,487
Total changes during period	48,307	1,053	(212)	5,389	54,538	(30)	(20)	83,189
Balance at end of period	250,412	2,664	18,765	15,002	286,845	119	289	843,027

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	40,497	58,069
Depreciation	6,141	6,379
Impairment losses	699	182
Increase (decrease) in allowance for loan losses	(2,298)	68
Increase (decrease) in provision for bonuses	11	(0)
Decrease (increase) in retirement benefit asset	(4,016)	(9,679)
Increase (decrease) in retirement benefit liability	(566)	(1,384)
Increase (decrease) in provision for reimbursement of deposits	(330)	(252)
Increase (decrease) in provision for contingent loss	218	109
Increase (decrease) in provision for share-based compensation	16	83
Increase (decrease) in allowance for demolition of non-current assets	885	(67)
Increase (decrease) in reserves under special laws	1	1
Interest income	(96,158)	(133,862)
Interest expenses	20,822	50,917
Loss (gain) related to securities	37	(14,952)
Loss (gain) on money held in trust	43	76
Foreign exchange losses (gains)	(28,137)	(24,594)
Loss (gain) on disposal of non-current assets	331	325
Net decrease (increase) in loans and bills discounted	(257,322)	(341,072)
Net increase (decrease) in deposits	145,298	314,869
Net increase (decrease) in negotiable certificates of deposit	24,916	(186,128)
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(66,232)	73,167
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	224	996
Net decrease (increase) in call loans	602	(7,472)
Net decrease (increase) in cash collateral provided for securities borrowed	(50,085)	50,085
Net increase (decrease) in call money	(81,575)	96,759
Net increase (decrease) in cash collateral received for securities lent	(62,397)	250,435
Net decrease (increase) in foreign exchanges - assets	(29,096)	33,125
Net increase (decrease) in foreign exchanges - liabilities	1,843	(3,348)
Net decrease (increase) in lease receivables and investments in leases	600	(2,135)
Net increase (decrease) in borrowed money from trust account	490	160
Interest received	97,924	130,433
Interest paid	(16,781)	(46,821)
Other, net	(4,647)	13,552
Subtotal	(358,037)	308,027
Income taxes paid	(10,715)	(11,654)
Net cash provided by (used in) operating activities	(368,753)	296,372
Cash flows from investing activities		
Purchase of securities	(1,524,202)	(2,557,770)
Proceeds from sale of securities	1,711,722	2,011,547
Proceeds from redemption of securities	55,726	77,235
Increase in money held in trust	(857)	(30)
Decrease in money held in trust	60	370
Purchase of tangible fixed assets	(2,691)	(6,269)
Proceeds from sale of tangible fixed assets	28	433
Purchase of intangible fixed assets	(5,715)	(6,953)
Net cash provided by (used in) investing activities	234,070	(481,437)

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from financing activities		
Proceeds from share issuance to non-controlling shareholders	97	5
Repayments to non-controlling shareholders	(50)	-
Dividends paid	(5,051)	(5,868)
Dividends paid to non-controlling interests	(2)	-
Purchase of treasury shares	(6,098)	(5,226)
Proceeds from sale of treasury shares	0	0
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,699)	-
Net cash provided by (used in) financing activities	(12,804)	(11,089)
Effect of exchange rate change on cash and cash equivalents	32	17
Net increase (decrease) in cash and cash equivalents	(147,455)	(196,136)
Cash and cash equivalents at beginning of period	1,512,259	1,364,804
Cash and cash equivalents at end of period	1,364,804	1,168,668