



**カ-プレミア**

# Financial Results Presentation

for Q3 of FY Ending March 31, 2023

February 3, 2023  
TSE Prime Section: 7199  
Premium Group Co., Ltd.



**カープレミア**

1. Summary of Financial Results for Q3 of FY Ending March 31, 2023
2. Finance Segment
3. Automobile Warranty Segment
4. Auto Mobility Segment
5. Car Premium Segment
6. Appendix

Access videos of our financial results presentations on our IR website at <https://ir.premium-group.co.jp/en/library/movie.html>.

## Market Environment

- **Severe market conditions** persist amid **declining** used vehicle inventories and rising unit prices
- Even if interest rates continue rising, our operations will only be affected **minimally**  
For details, see p.4

## Our KPIs and Performance

- Credit finance and automobile warranty both hit **record double-digit growth**
- Performance remains steady as operating profit, an indicator of core business profitability, was **up 25.7% YoY**

## Progress of Medium-Term Management Plan (MTP) “VALUE UP 2023”

- **Focus on building** Car Premium Club (membership organization)
- **Launched the Car Premium website for customers**, building the foundations for achieving the platform concept
- Currently preparing a **new MTP** as FY2023 is the final year of the current MTP

## Future Strategy

- **Sustainable growth** in the finance and automobile warranty segments and expansion of new businesses (**mobility/Car Premium**)
- Focus on encouraging conversion of network stores to **paid memberships** and **enhancing services for members**
- **Mass marketing of the Car Premium brand to increase visibility** For details, see p.24

- **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

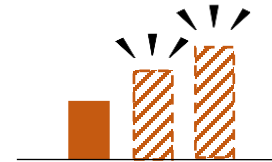
> Loans **under contract**



Loan receivables

**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**



# 1. Summary of Financial Results for Q3 of FY Ending March 31, 2023

# Highlights from Q3 of FY Ending March 31, 2023 (1)

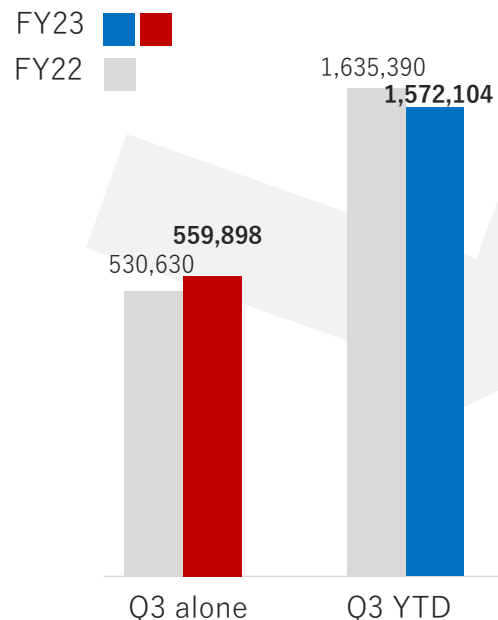


- **New vehicle production was up** in Q3, but **the market remains severe**
- **Growth** in volume of new loans for both credit finance and automobile warranty

## Market

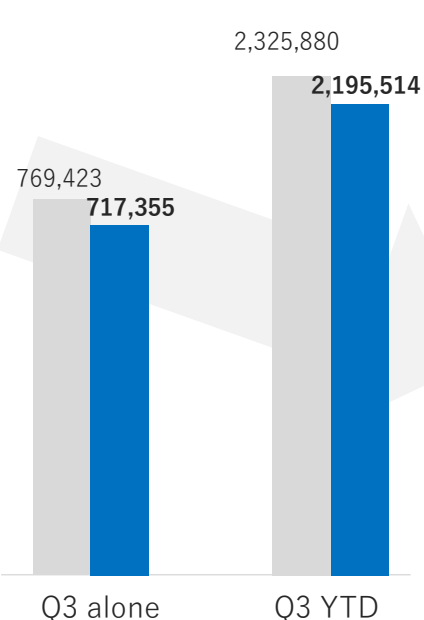
### Number of new vehicles sold

Q3 alone **Up 5.5%** YoY  
 Q3 YTD **Down 3.9%** YoY



### Number of used passenger vehicles registered

Q3 alone **Down 6.8%** YoY  
 Q3 YTD **Down 5.6%** YoY

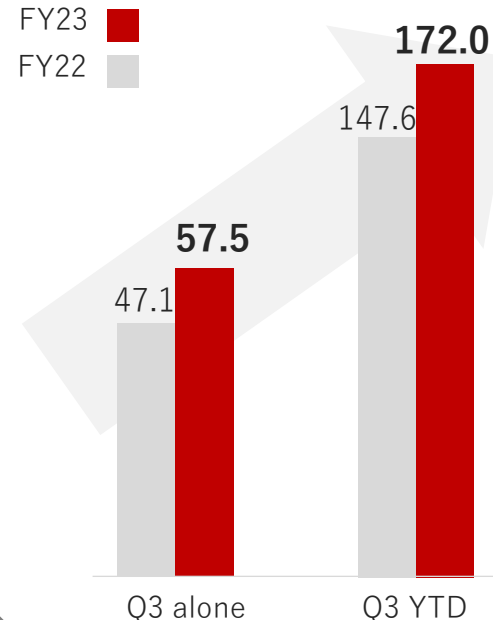


## KPIs

(Billions of yen)

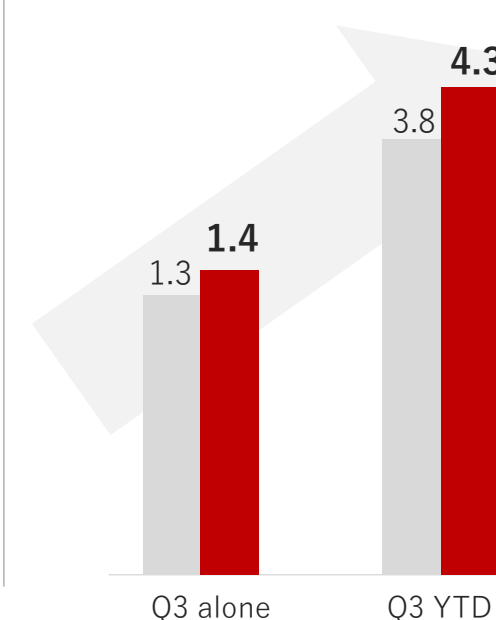
### Total volume of new loans

Q3 alone **Up 22.0%** YoY  
 Q3 YTD **Up 16.6%** YoY



### Total volume of automobile warranties

Q3 alone **Up 9.0%** YoY  
 Q3 YTD **Up 12.0%** YoY



(Note) New vehicle sales fell largely in Q3 FY22.

In Q3 FY22, new vehicle sales was 530,000 units on quarterly basis (down 18.5% YoY), and YTD total was 1,640,000 units (down 5.5%)

# Highlights from Q3 of FY Ending March 31, 2023 (2)



- **Higher profits and sales**, future expected earnings(deferred profit)**¥41.5 billion** stocked on BS
- Performance of our four businesses remains steady as operating profit, an indicator of core business profitability, was **up 25.7% YoY**

## Performance

### Operating income

Up 19.7% YoY

15,362

18,386

FY22 Q3

FY23 Q3

### Operating profit

Up 25.7% YoY

2,812

3,536

FY22 Q3

FY23 Q3

### Profit before tax

Up 58.9% YoY

2,919

4,639

3,687

FY22 Q3

FY23 Q3

(Millions of yen)

#### (Breakdown)

- Thai affiliate (ECL)
- Impairment loss reversal: 871 Q2 FY2023
- Gain on derivative valuation: 82

## Future expected earnings (deferred profit)

### Whole Group

¥41,464 million

Up 20.6% YoY

### Finance

¥34,674 million

Up 21.3% YoY

### Automobile warranty

¥6,399 million

Up 16.6% YoY

### Other

¥391 million

Up 26.7% YoY

## ■ Implemented various stakeholder measures for **medium- to long-term growth**

### Main Topics

#### Car Premium

Implemented measures to increase brand



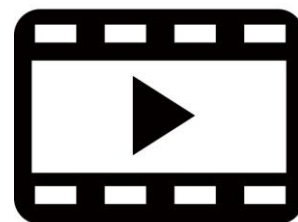
Placed mass advertisements to **increase** Car Premium's **brand visibility**.

Aim to **increase sales** of each business and drive customer traffic to Car Premium website.

For details, see p.24

#### Car Premium

Established official YouTube channel



**Established official channel** for consumers to learn about vehicles.

Videos feature stores of Car Premium Club members to **provide exposure** and **create benefits for membership**.

<https://www.youtube.com/@carpremium1202/featured>

#### ESG

Sponsored Yaima SDGs symposium



Sponsored because of the importance of addressing the **SDGs** and **environmental pollution** as well as our commitment to **enrich people's lives with mobility services**.

<https://www.yaimasdgs.com/>

#### ESG

Held seminar for high school students



Helped **increase financial literacy** among young people and **providing opportunities to learn** about the economy and finance.



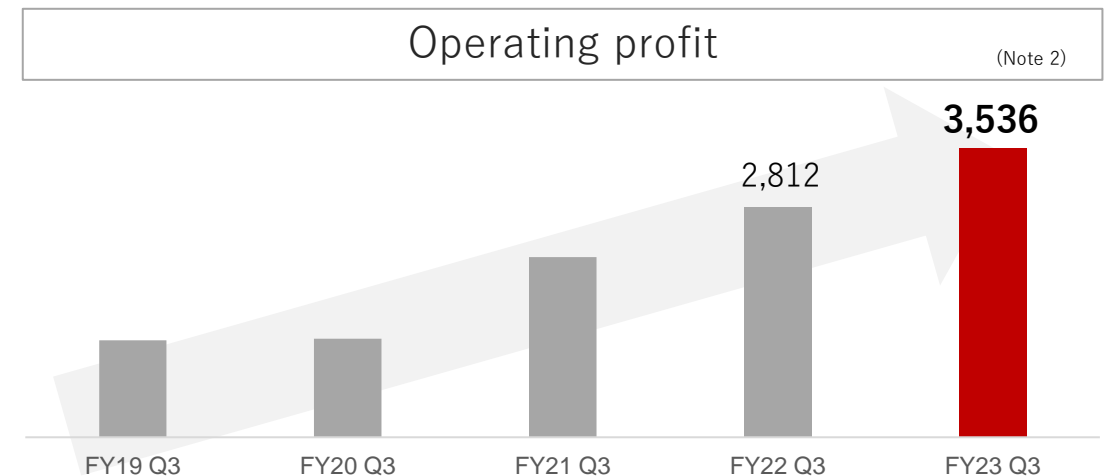
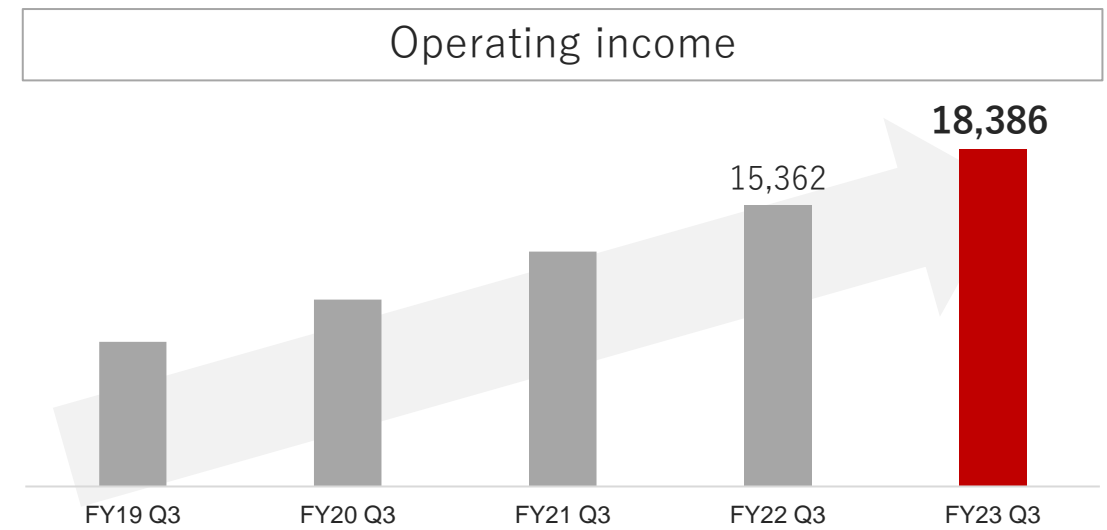
# Consolidated Performance



(Millions of yen)

- **Operating income of ¥18,386 million, up 19.7% YoY**
- **Operating profit was up 25.7% amid growth in operating income and minimized operating expenses**

	FY22 Q3	FY23 Q3	YoY change
Operating income	15,362	18,386	+19.7%
Operating expenses	12,549	14,850	+18.3%
Operating profit	2,812	3,536	+25.7%
Profit before tax	2,920	4,640	+58.9%
Profit attributable to owners of parent	2,047	3,498	+70.9%
Basic earnings per share (yen)	53.25	90.40	+69.8%



Notes: 1. Operating income and operating expenses for the previous fiscal year have been partially reclassified due to a change in presentation methods.  
 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.  
 3. The Company conducted a 3-for-1 stock split of common shares effective September 1, 2022, and basic earnings per share for FY2022 Q3 is calculated assuming that the stock split had taken place.

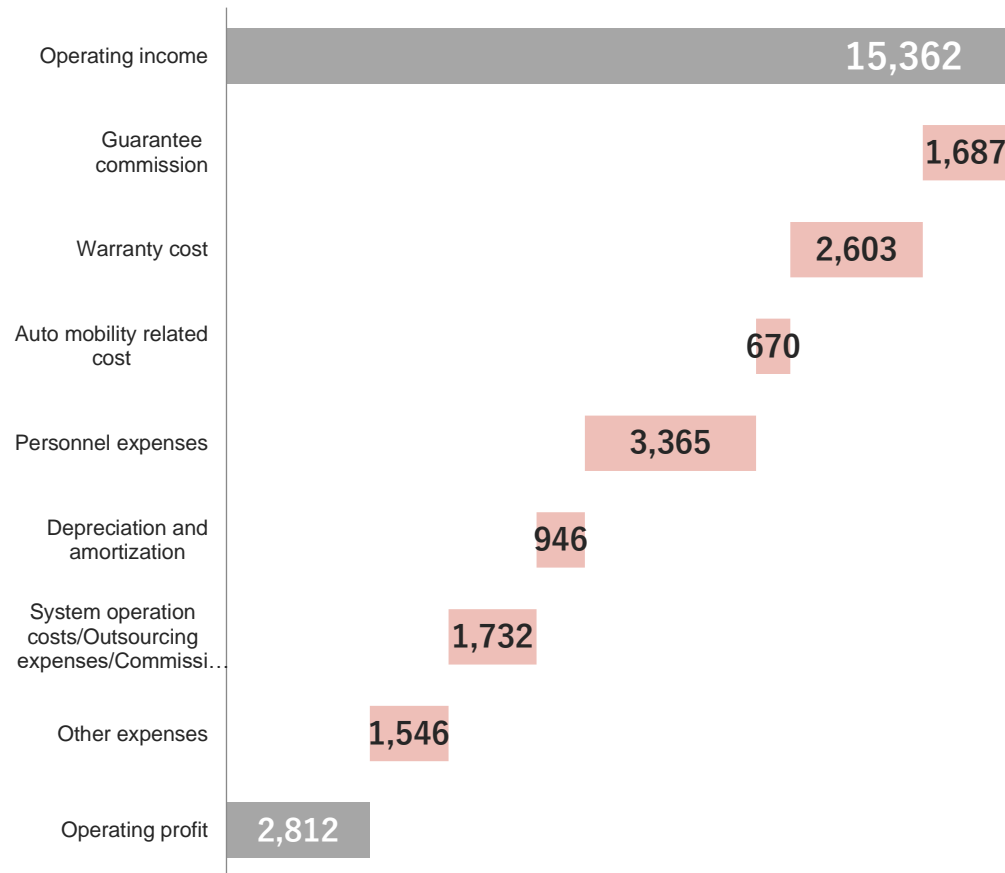
# Operating Expenses (Breakdown)



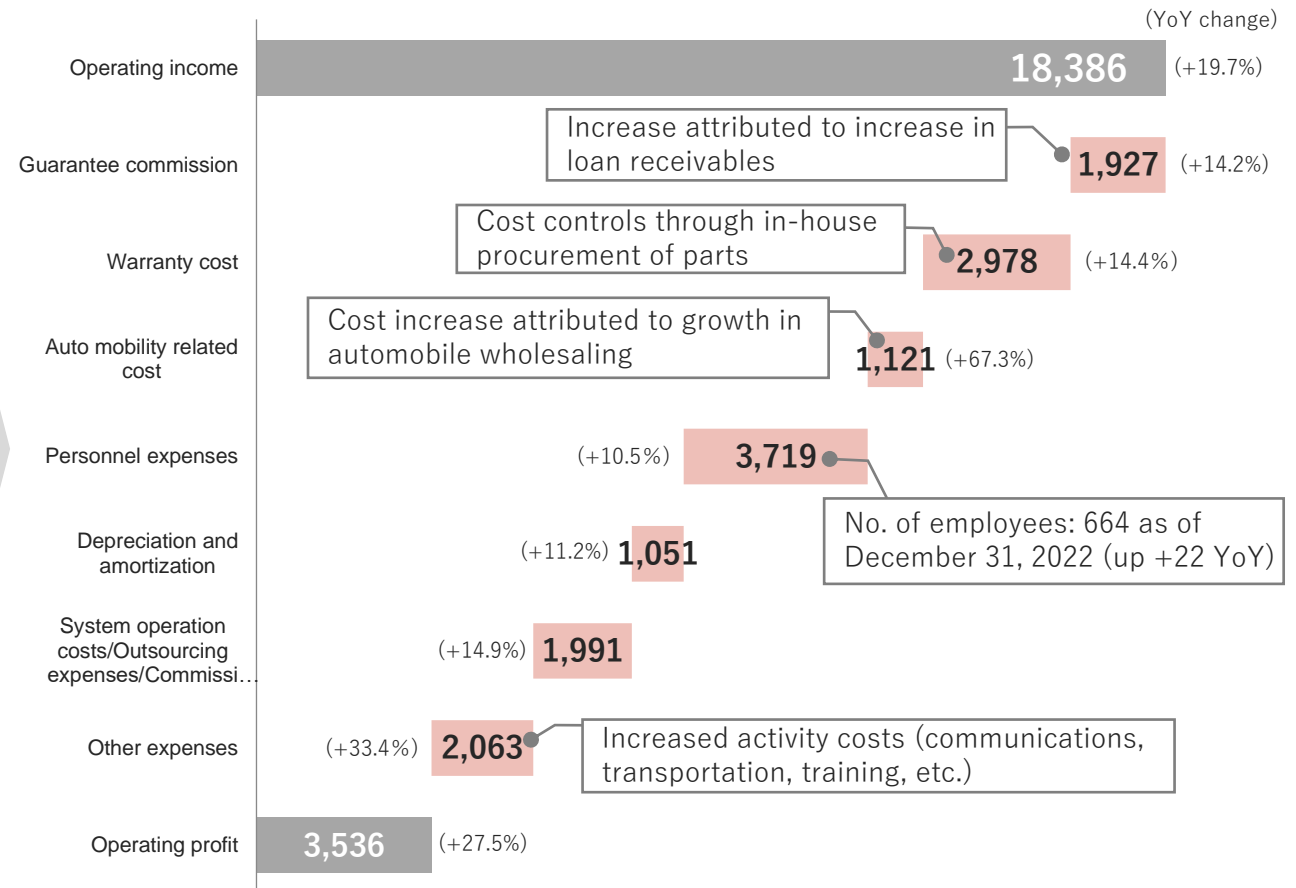
(Millions of yen)

## ■ Lower growth in operating expenses versus growth in operating income (+19.7%)

FY22 Q3 Operating expenses  
¥12,549 million



FY23 Q3 Operating expenses  
¥14,850 million (up 18.3% YoY)



Notes: 1. Operating income and operating expenses for the previous fiscal year have been partially reclassified due to a change in presentation methods.  
2. Since it is a preliminary value, we will promptly notify you on our website when any corrections or changes occur.

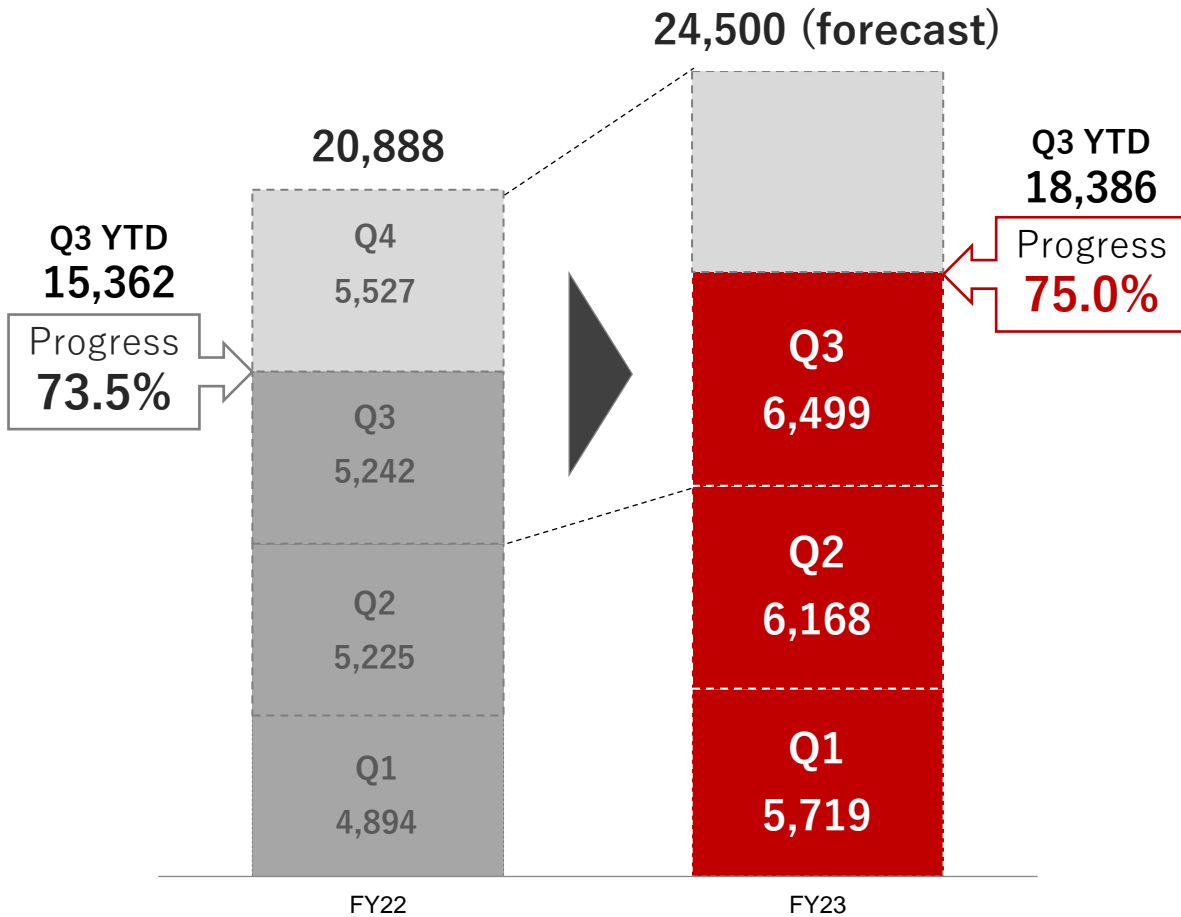
# Full-Year Performance Outlook



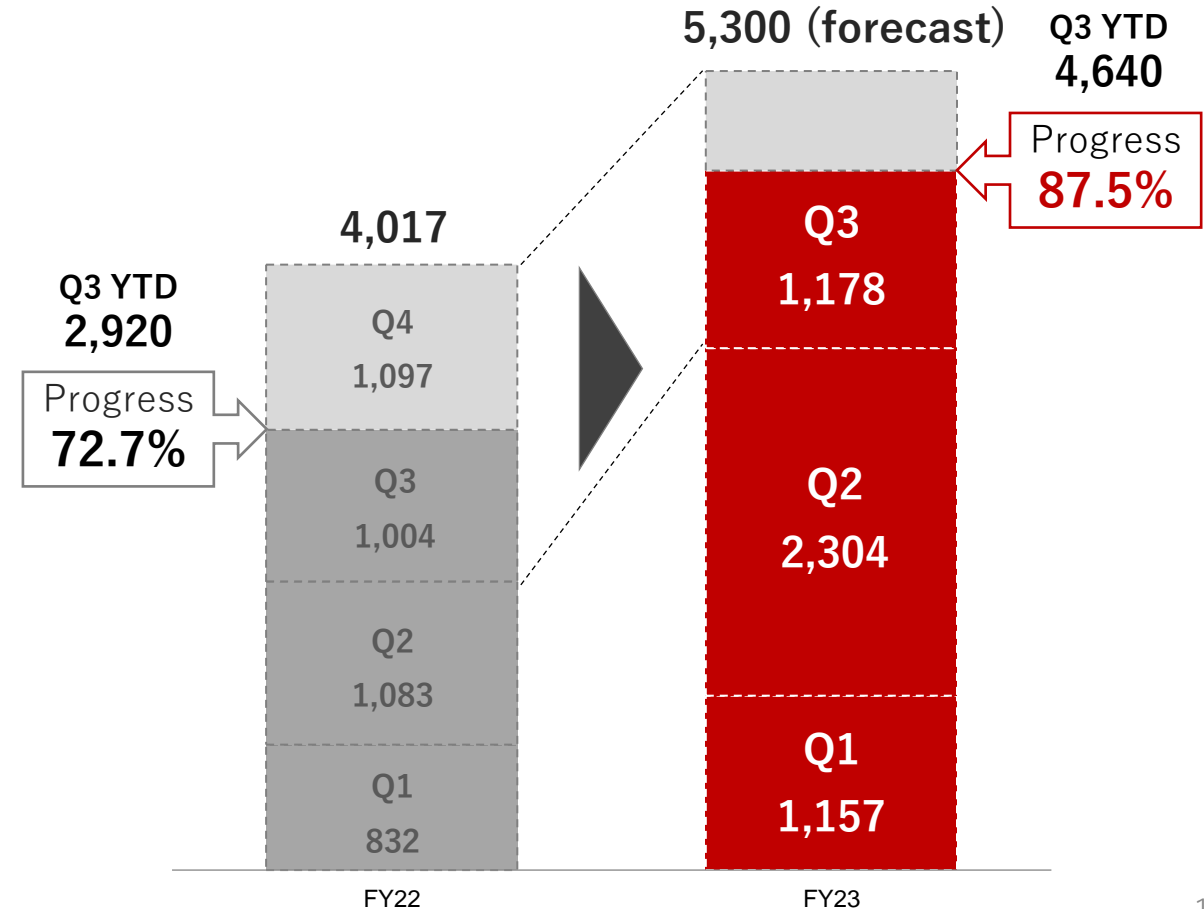
(Millions of yen)

- **Quarterly performance** is to **increase gradually** from the further accumulation of loan receivables
- Furthermore, we plan to post **mass advertising expenses (around ¥400 million)** in Q4 for increasing visibility of the Car Premium brand

Operating income



Profit before tax



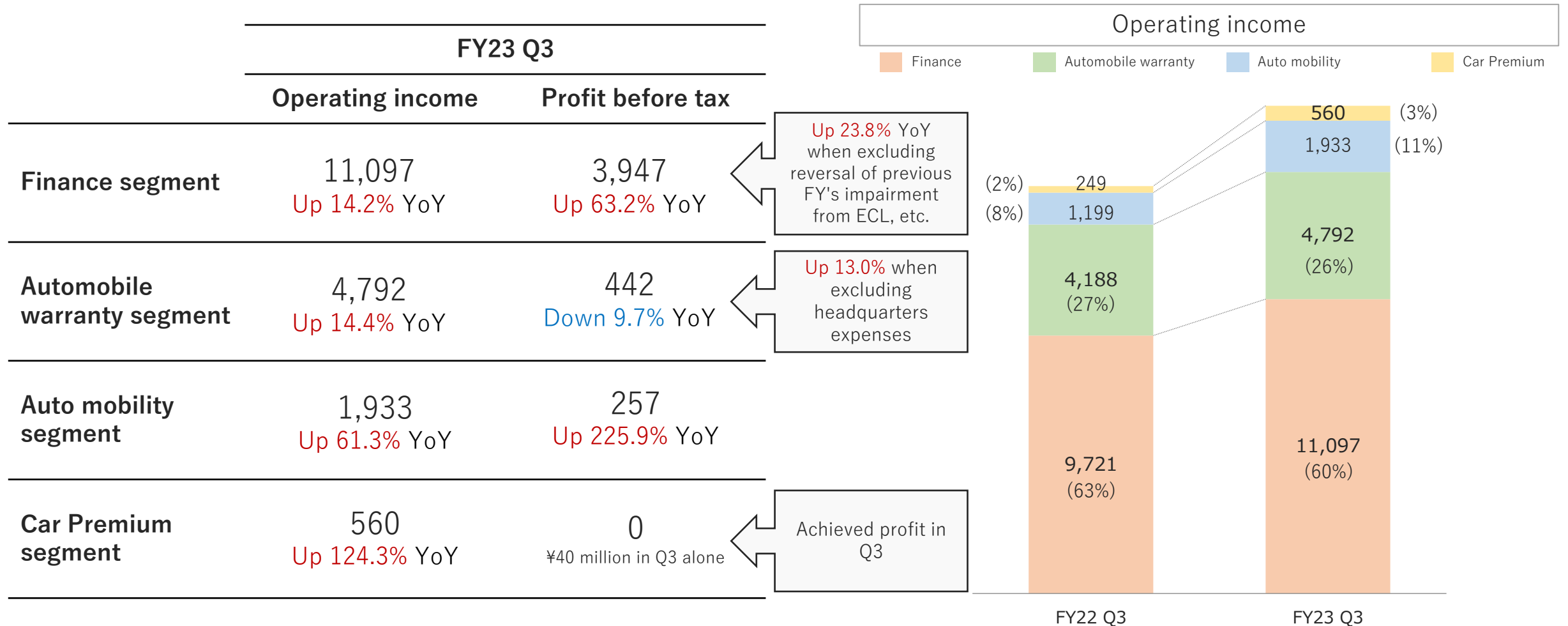
Note: Operating income for the previous fiscal year has been partially reclassified due to a change in presentation methods.

# Performance by Segment



(Millions of yen)

- Each segment steadily setting **new record highs for operating income**
- **Auto mobility and Car Premium segments providing greater share of operating income**



Note: Segment classification was changed from FY23. Profits and losses for each segment in FY22 is reflected only to the extent practicable.



## 2. Finance Segment

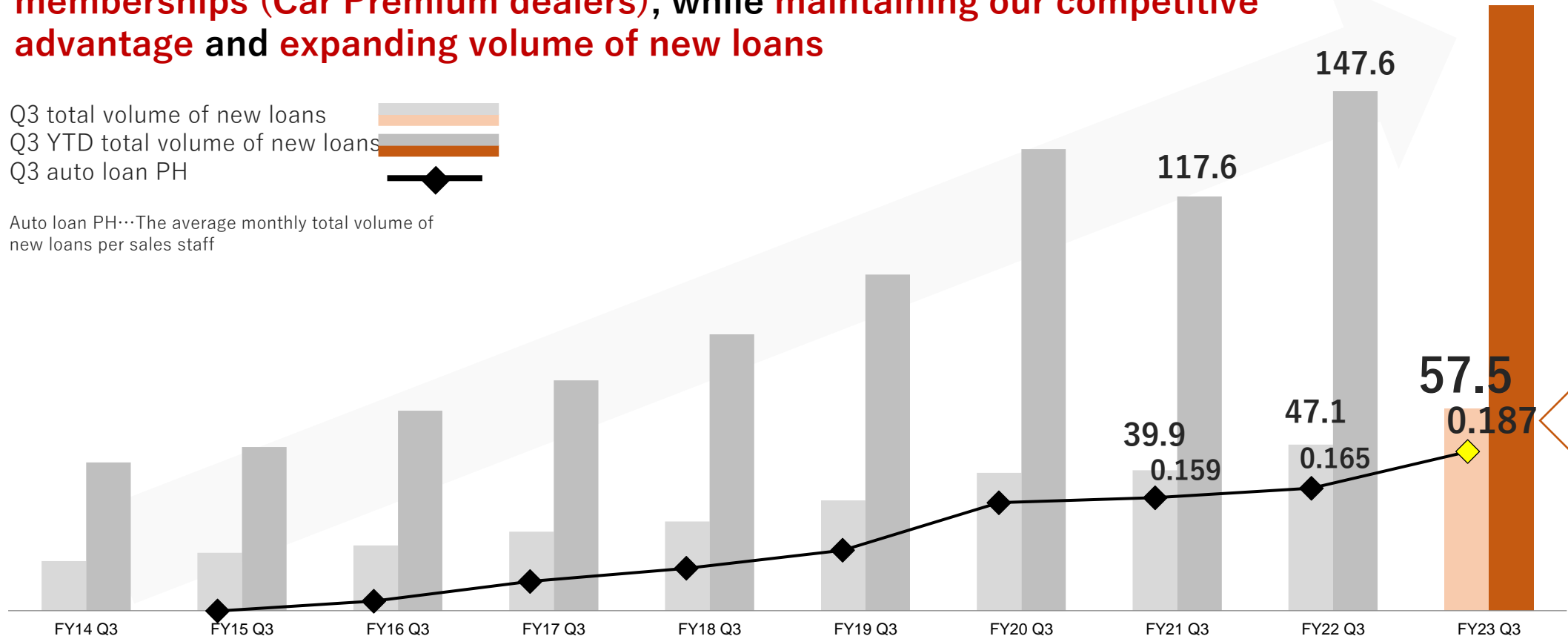
- Despite a challenging market environment, **volume of new loans grew, up 16.6% YoY**
- Further sales **efficiency** resulted in **auto loan PH rising 13.5% YoY**
- Continue with measures to **retain dealers** through conversion to **paid memberships (Car Premium dealers)**, while maintaining our competitive **advantage** and **expanding volume of new loans**

Volume of new loans  
**Up 16.6% YoY**

**172.0**

Q3 total volume of new loans  
Q3 YTD total volume of new loans  
Q3 auto loan PH

Auto loan PH...The average monthly total volume of new loans per sales staff





PH  
**Up 13.5% YoY**

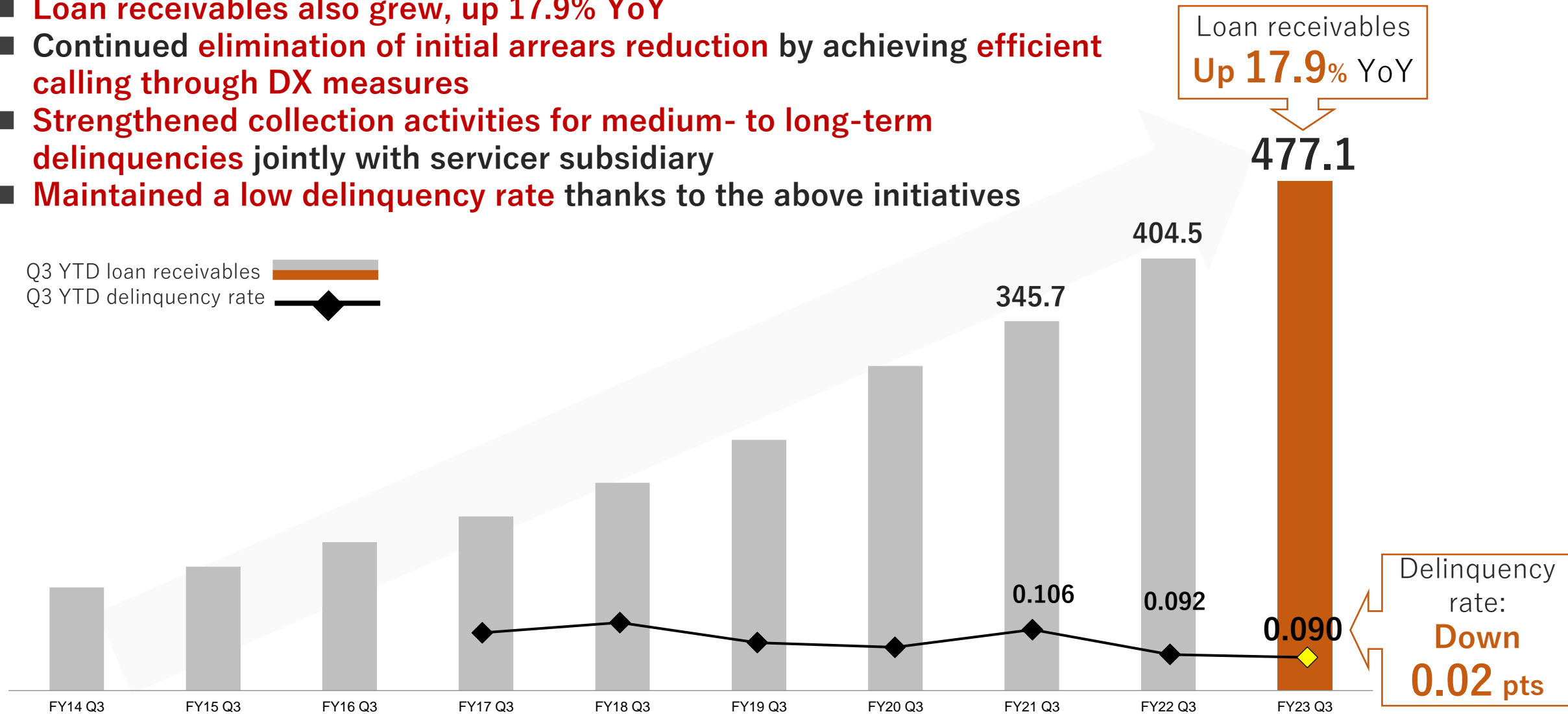
Notes: 1. "Total volume of new loans" refers to the total amount of credit and lease contracts newly signed in the period. The figures are inclusive of the total volume of new loans of products other than automotive credit financing (Ecology Credit, etc.), and are the actual results of Premium Co., Ltd.

2. "PH" stands for "Per Head," which refers to the average monthly total volume of new loans or warranties per sales staff. The monthly total volume of new loans refers to the total of the amount of credit contracts newly signed in a month. The amount of credit contracts refers to the total amount of the balance of charges for the product and the split commission. Furthermore, PH represents the actual results of Premium Co., Ltd.



- **Loan receivables also grew, up 17.9% YoY**
- **Continued elimination of initial arrears reduction by achieving efficient calling through DX measures**
- **Strengthened collection activities for medium- to long-term delinquencies jointly with servicer subsidiary**
- **Maintained a low delinquency rate thanks to the above initiatives**

Q3 YTD loan receivables   
 Q3 YTD delinquency rate 



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.

- Working to **promote utilization and increase share** among existing network stores while continuing to develop new network stores
- No plan to significantly increase sales staff in FY2023  
Aiming to increase the volume of new loans by **establishing mechanisms and making sales activities more efficient**

## Number of network stores

Up **6.3%** YoY**26,938**Of which, Car Premium  
dealers/share  
2,268/8.4%

- Continuing to develop new network stores
- Striving to **promote utilization and expand share**

## Number of sales staff

Up **8** YoY**102**

- Growing volume of new loans by **converting to paid memberships and establishing mechanisms in the platform concept**

## Paperless introduction rate

Up **12.7 pts** YoY**95.3%**

- Achieving **more efficient sales activities** through ongoing efforts to promote going paperless

## AI credit screening introduction rate

Up **21.1 pts** YoY**37.5%**

- Partial review of screening system in Q3
- Increasing screening **accuracy** and **increasing** cases where AI credit screening is applicable



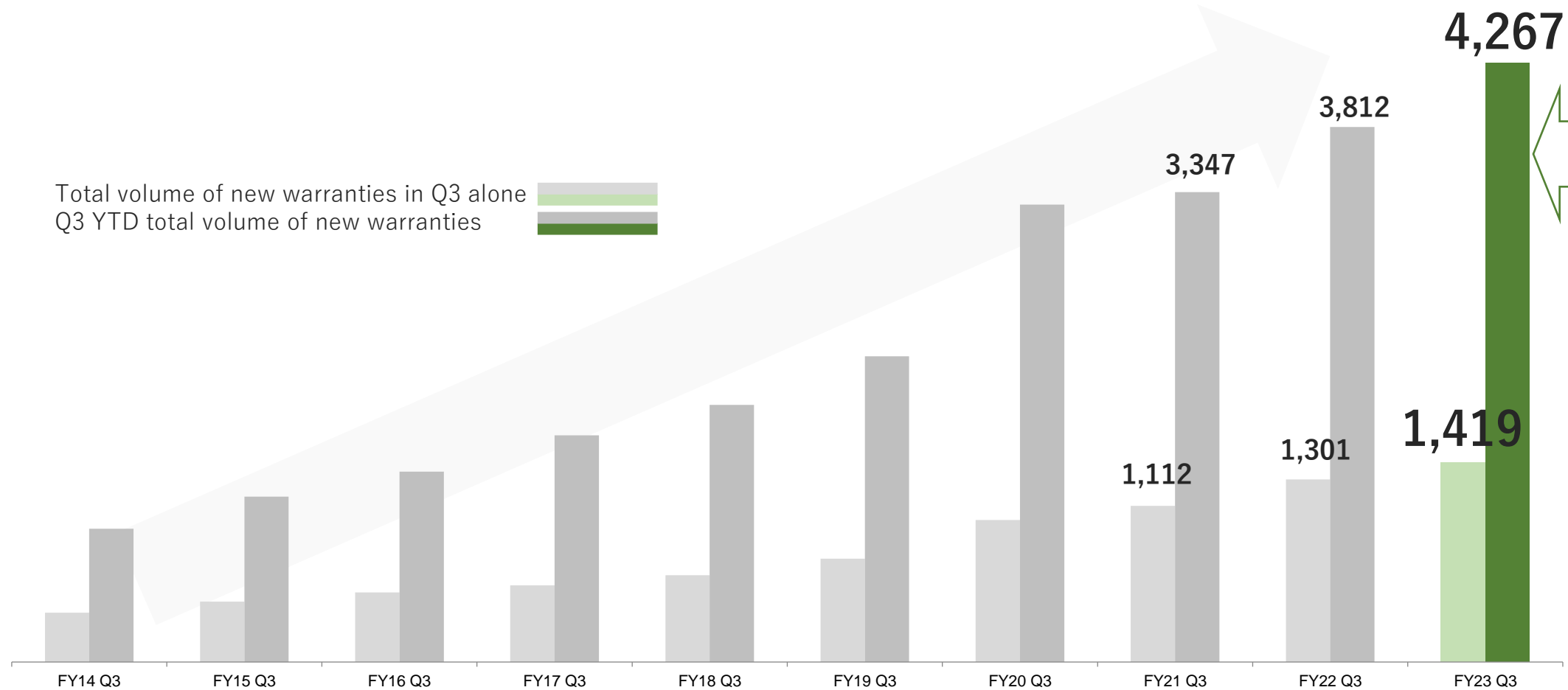


### 3. Automobile Warranty Segment

- Despite the severe market, the total volume of new warranties was up 11.9% YoY
- Volume for products developed in-house continues growth, up 24.7% YoY
- Expanded new clients and sales organization, aiming to increase volume

Product volume  
Up 11.9% YoY

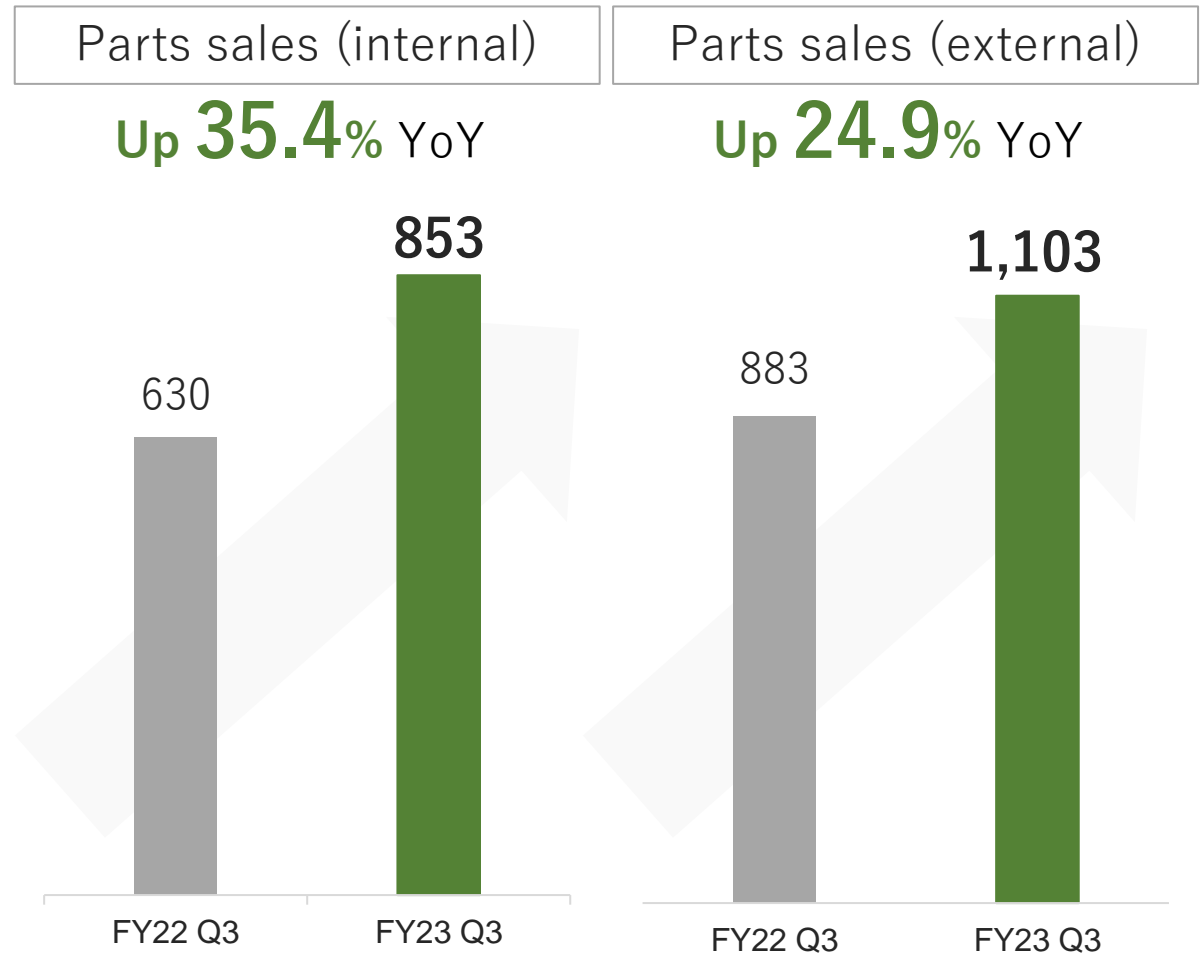
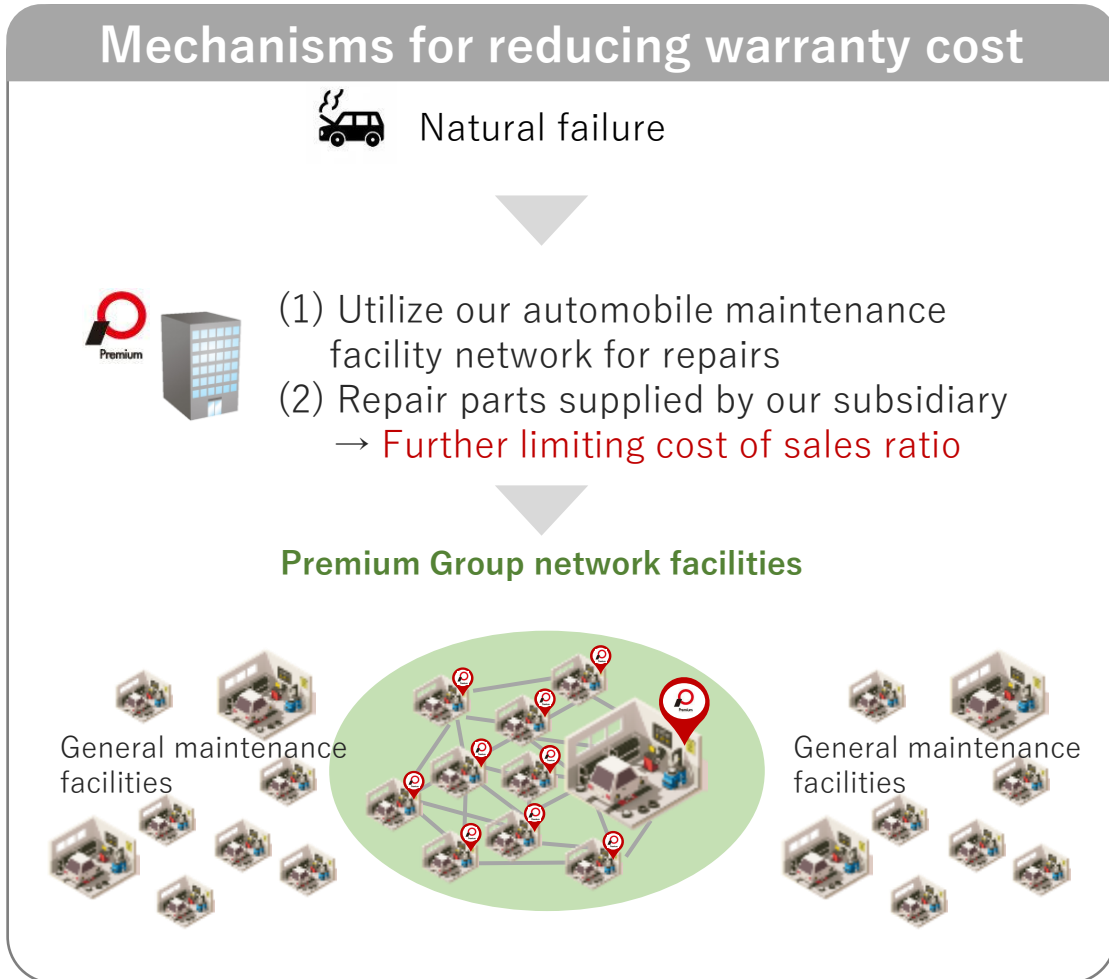
Products developed in-house  
Up 24.7% YoY



Total volume of new warranties in Q3 alone  
Q3 YTD total volume of new warranties

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.

- **Expanded lineup of parts handled and increased** parts provided for warranty repair (internal parts sales) and encouraged use of our automobile maintenance facility network, **reducing cost of sales ratio**
- Continued **growth** in parts sales outside of inter-Group transactions (outside parts sales) by **expanding parts lineup**



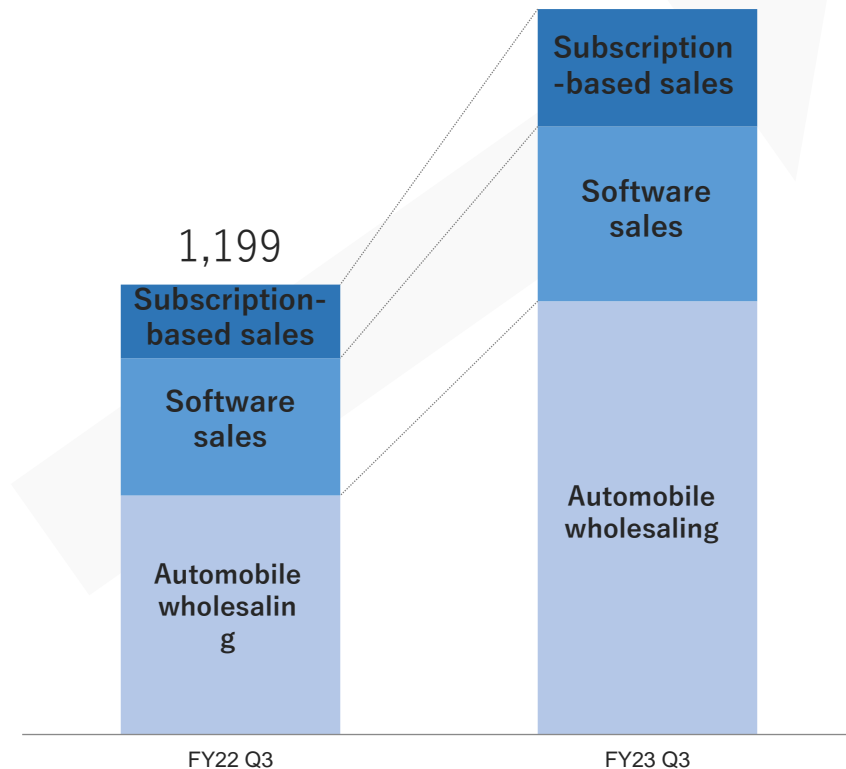


## 4. Auto Mobility Segment

- Focused on **developing services for Car Premium Club** and **creating new businesses**
- Software sales to **Premium network stores** and **vehicle wholesaling contributing to increased sales**

Auto Mobility Segment Operating Income

Up **61.3%** YoY  
1,933



## Subscription-based sales (Lease)

Up **60.2%** YoY

- Expand sales of leases developed in-house by **strengthening sales** and **increasing** the number of Car Premium Club members

## Software sales

Up **26.9%** YoY

- Expanded sales targets by **strengthening relationships** with finance sales
- Stepping up **human resources development**

## Automobile wholesaling

Up **81.4%** YoY

- Due to increasing repossession rate of vehicles, **Group-internal distribution volume grew** and sales expanded



## 5. Car Premium Segment



- **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** by reinforcing services

Car Premium Dealer

Up **1,087** YoY  
**2,268**

1,181

FY22 Q3

FY23 Q3

Diamond Members  
**81 companies**  
(down 7 YoY)

Gold Members  
**2,187** (up 1,094 YoY)

Car Premium Garage

Up **486** YoY  
**756**

270

FY22 Q3

FY23 Q3

Diamond Members  
**36 stores**  
(down 3 YoY)

Gold Members  
**224** (up 11 YoY)

Silver Members  
**496** (up 478 YoY)

+

Number of maintenance  
facility network  
**4,168** (up 927 YoY)

To build **even stronger relationships**, we intend to **review our service lineup** and **narrow down** the number of Silver members, eventually eliminating the Silver Member category altogether

- Appointed celebrities to increase exposure and **expand the visibility** of the **Car Premium** brand  
→ **Increase online traffic** and **grow paid membership organizations** by **fostering the Car Premium brand**

## Celebrity appointment



### Appointed **GENERATIONS from EXILE TRIBE**

Never losing the spirit of challenge and adventure,  
and a desire for adventure  
matches the corporate image we aim for

Increasing visibility using  
both **online and real** advertising

Created TV commercial, online commercial, and  
posters for public transportation  
Utilizing collaborative merchandise





## 6. Appendix

# Company Profile



<b>Name</b>	Premium Group Co., Ltd.
<b>Securities Code / Exchange</b>	7199 / Prime Market of Tokyo Stock Exchange
<b>Established</b>	May 25, 2015 Note: 2007 Established Premium Co., Ltd. (Former name: G-ONE Credit Services Co., Ltd.)
<b>Head Office</b>	The Okura Prestige Tower, 2-10-4 Toranomom, Minato-ku, Tokyo
<b>President and Representative Director</b>	Yohichi Shibata
<b>Number of Issued Shares</b>	40,184,970 (As of December 31, 2022)
<b>Capital</b>	¥1,668 million (non-consolidated: as of December 31, 2022)
<b>Number of Employees</b>	664 (consolidated; as of December 31, 2022) Note: Number of persons employed by the Group excluding temporary workers
<b>Main Shareholders</b>	<ul style="list-style-type: none"> <li>• Nomura Securities Co., Ltd. (Nomura Asset Management Co., Ltd. and Nomura International PLC): 7.67%</li> <li>• Coupland Cardiff Asset Management: 6.99%</li> <li>• BNY Mellon Investment Management Japan Limited: 4.95%</li> <li>• Sumitomo Mitsui Trust Asset Management Co., Ltd. and Nikko Asset management Co.,Ltd.: 4.13%</li> </ul> <p>(As of November 20, 2022; referencing the report on changes in large volume holdings, etc.)</p>
<b>Description of Business</b>	<ul style="list-style-type: none"> <li>• Finance</li> <li>• Automobile warranty</li> <li>• Auto mobility</li> <li>• Car Premium (Building a membership organization of auto dealers and garages)</li> <li>• Finance, automobile warranty, auto mobility overseas (Thailand, Indonesia, the Philippines)</li> </ul>

Premium Group is an **auto mobility company** offering customers a vibrant car life alongside our network of car dealers and garages.

## Main Business

### Finance

▷ **Main business**

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

▷ **Main business connection**

- Used car dealer

### Auto Mobility

▷ **Main business**

- Sales of software
- Wholesale of automobiles
- Auto lease

▷ **Main business connection**

- Garage

### Automobile Warranty

▷ **Main business**

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

▷ **Main business connection**

- Used car dealer, garage

### Car Premium

▷ **Main business**

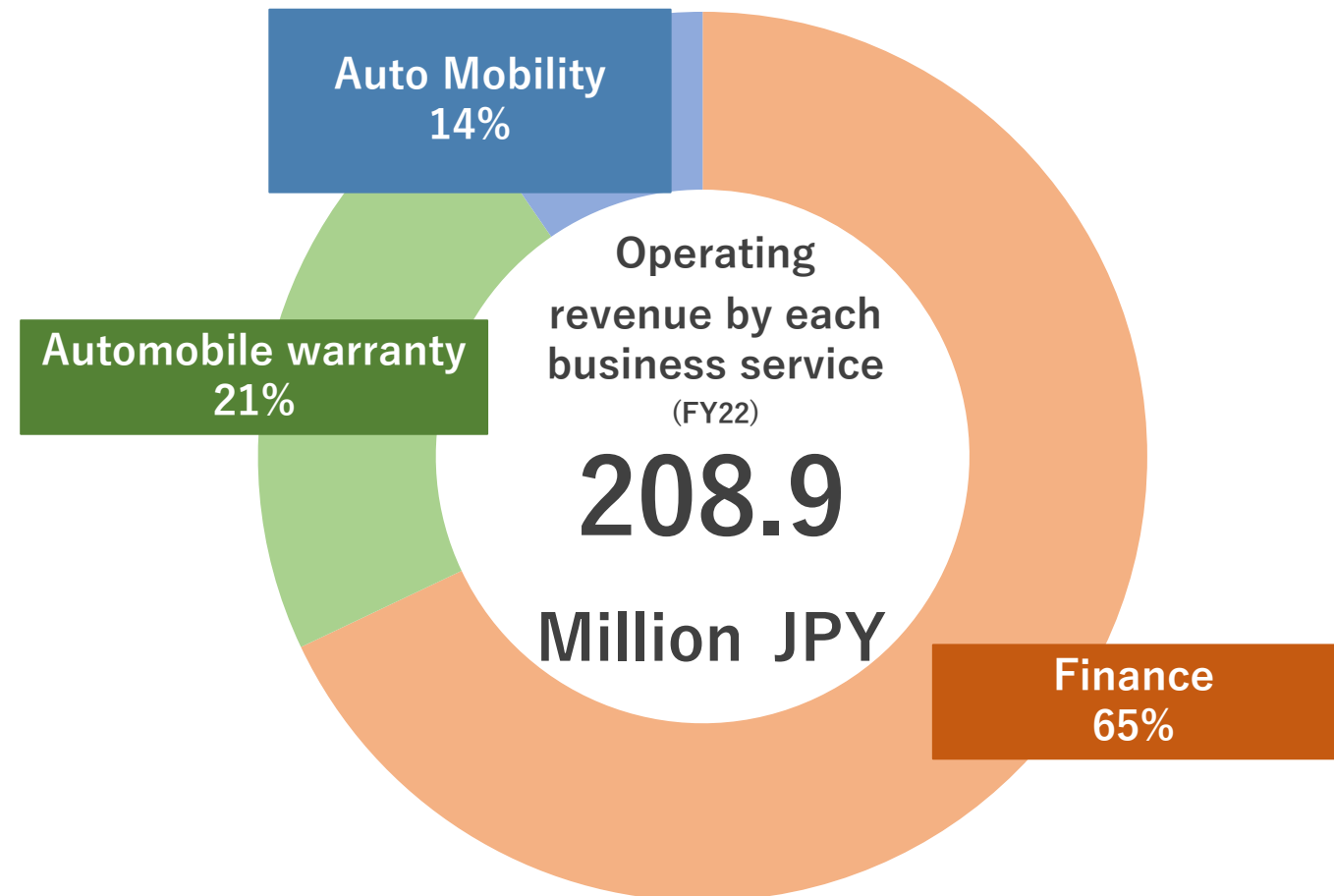
- Building a membership organization
- Operating in-house garages

▷ **Main business connection**

- Used car dealer, garage

Launched on April 1, 2022

## Diversified Business Portfolio as an Independent Company



(注) FY22の営業収益は表示方法の変更により、一部組替をしております。

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

## Achieving our DX Vision

June 2022

Selected as a **Noteworthy DX Company 2022** by the Ministry of Economy, Trade and Industry

April 2022

Updated the **P-Gate** portal site for network stores

May 2022

Certified as a **DX Certified Business Operator** by the Ministry of Economy, Trade and Industry

May 2021

Formulated **DX strategy**

## DX for end-users

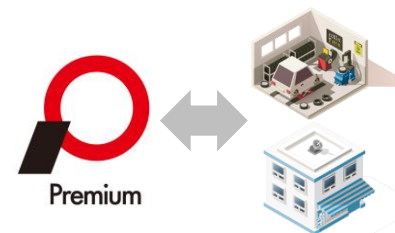


Website for individual customers launches on July 22, 2022

▼ 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 December 31, 2022

- All network stores: 92.6%
- Car Premium Dealer: 72.5%

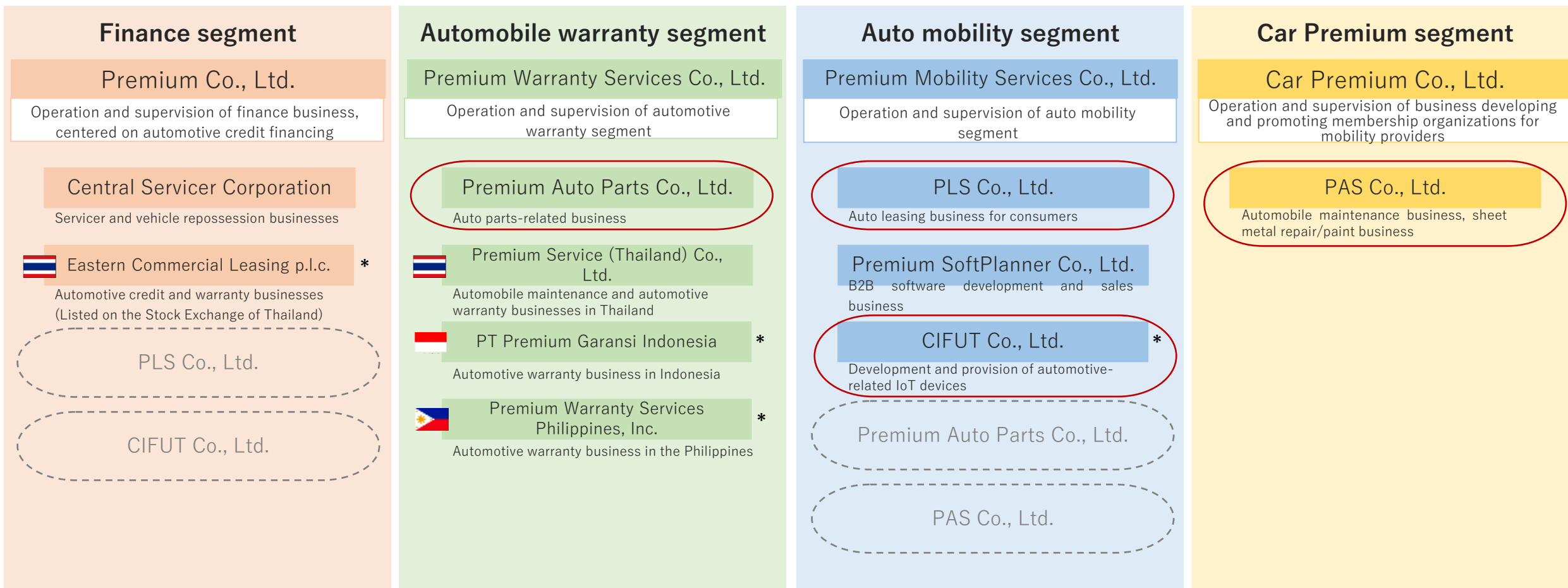
→ Functions as a tool for communication with dealers

\*The method of calculating the login rate has been partially changed since October 2022.

# (FY23.1Q) Segment Reorganization



Reclassified reporting segments due to the rising importance of the Car Premium Club, the generation of greater Group synergy, and expanding our business

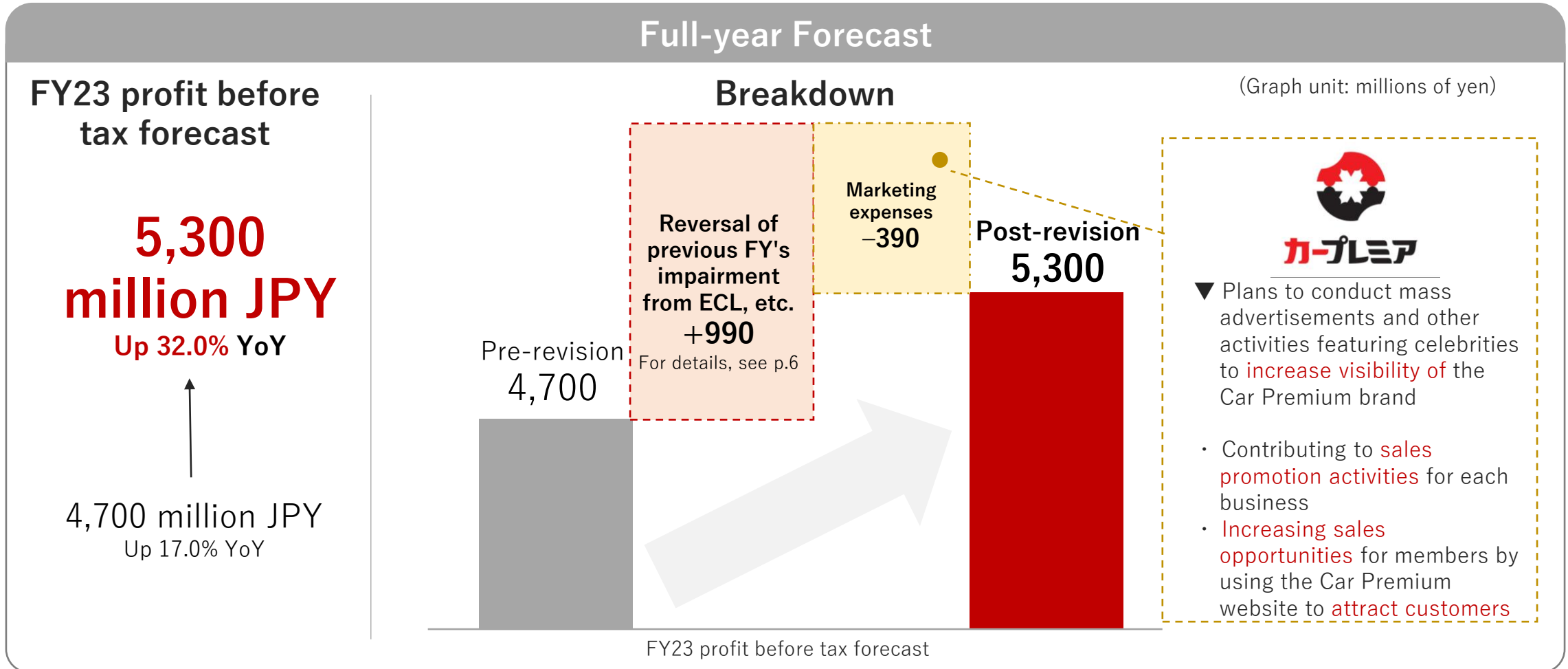


Note: \*\* indicates an affiliate.

# (FY23.2Q) About the Upward Revision to Full-Year Forecast



- **Reversal** of last year's **impairment loss on our Thai affiliate (ECL)** results in **990 million JPY** in profit before taxes
- Spent **390 million JPY in marketing expenses** as strategic investment for Car Premium
- Full-year profit before tax **revised upward to 5.3 billion JPY**



(Millions of yen)

	FY22 (As of March 31, 2022)	Q2.FY23 (As of September 30, 2022)	Q3.FY23 (As of December 31, 2022)	Compared to the end of the previous fiscal	QoQ
<b>Assets</b>					
Cash and cash equivalents	11,433	11,796	10,437	△8.7%	△11.5%
Financing receivables	35,733	39,301	41,190	+15.3%	+4.8%
Other financial assets	5,786	6,306	6,586	+13.8%	+4.4%
Property, plant and equipment	3,648	3,439	3,282	△10.0%	△4.6%
Intangible assets	6,279	7,108	7,586	+20.8%	+6.7%
Goodwill	3,958	3,958	3,958	+0.0%	+0.0%
Investments accounted for using equity method	1,600	2,497	2,546	+59.2%	+2.0%
Deferred tax assets	3	4	3	△18.4%	△28.3%
Insurance assets	3,284	3,776	4,432	+35.0%	+17.4%
Other assets	10,075	9,293	9,485	△5.9%	+2.1%
<b>Total assets</b>	<b>81,800</b>	<b>87,477</b>	<b>89,505</b>	<b>+9.4%</b>	<b>+2.3%</b>
<b>Liabilities</b>					
Financial guarantee contracts	30,065	33,342	34,675	+15.3%	+4.0%
Borrowings	23,759	23,236	24,498	+3.1%	+5.4%
Other financial liabilities	7,248	7,352	6,359	△12.3%	△13.5%
Provisions	366	373	363	△0.8%	△2.7%
Income taxes payable	720	607	293	△59.4%	△51.7%
Deferred tax liabilities	1,238	1,453	1,484	+19.9%	+2.2%
Other liabilities	8,590	8,860	9,053	+5.4%	+2.2%
<b>Total liabilities</b>	<b>71,987</b>	<b>75,223</b>	<b>76,724</b>	<b>+6.6%</b>	<b>+2.0%</b>
<b>Equity</b>					
Equity attributable to owners of parent					
Share capital	1,700	1,700	1,700	+0.0%	+0.0%
Capital surplus	1,295	1,359	1,371	+5.9%	+0.9%
Retained earnings	7,722	10,029	10,498	+35.9%	+4.7%
Treasury shares	△ 1,201	△ 1,129	△ 1,100	△8.4%	△2.6%
Other components of equity	194	268	281	+45.1%	+4.7%
<b>Total equity attributable to owners of parent</b>	<b>9,710</b>	<b>12,228</b>	<b>12,751</b>	<b>+31.3%</b>	<b>+4.3%</b>
Non-controlling interests	103	27	30	△70.6%	+14.4%
<b>Total equity</b>	<b>9,814</b>	<b>12,254</b>	<b>12,781</b>	<b>+30.2%</b>	<b>+4.3%</b>
<b>Total liabilities and equity</b>	<b>81,800</b>	<b>87,477</b>	<b>89,505</b>	<b>+9.4%</b>	<b>+2.3%</b>

# P/L (Consolidated cumulative period)



(Millions of yen)

(April 1 - December 31)	Q1-Q3.FY22 (April 1,2021-December 31,2021)	FY22 (April 1,2021-March 31,2022)	Q1-Q3.FY23 (April 1,2022-December 31,2022)	YoY	Compared to the and of previous fiscal year
Operating income	15,362	20,888	18,386	+19.7%	△12.0%
Operating expenses	12,549	17,024	14,850	+18.3%	△12.8%
Operating profit	2,812	3,864	3,536	+25.7%	△8.5%
Share of profit of investments accounted for using equity method	109	213	1,024	+842.6%	+380.8%
Other finance income	26	3	103	+296.0%	+3496.1%
Other finance costs	27	63	22	△17.3%	△64.5%
Profit (loss) before tax	2,920	4,017	4,640	+58.9%	+15.5%
Income tax expense	860	1,053	1,134	+31.9%	+7.8%
Profit (loss)	2,060	2,964	3,505	+70.2%	+18.3%
Profit (loss) attributable to:					
Owners of parent	2,047	2,941	3,498	+70.9%	+18.9%
Non-controlling interests	13	23	8	△39.1%	△66.2%



# P/L (Operating income/Operating expenses)



(Millions of yen)

(April 1 - December 31)	Q1-Q3.FY22 (April 1,2021-December 31,2021)	FY22 (April 1,2021-March 31,2022)	Q1-Q3.FY23 (April 1,2022-December 31,2022)	YoY	Compared to the and of previous fiscal year
Operating income					
Finance income	7,837	10,615	9,274	+18.3%	△12.6%
Impairment gain on financial assets	379	435	285	△24.9%	△34.6%
Warranty revenue	4,177	5,595	4,740	+13.5%	△15.3%
Other commission sales	1,571	2,099	1,681	+7.0%	△19.9%
Automobility-related sales	1,007	1,482	1,630	+61.8%	+10.0%
Revenue from the exercise of insurance policies	109	224	121	+10.9%	-
Other	281	438	655	+132.9%	+49.4%
Total	15,362	20,888	18,386	+19.7%	△12.0%

(April 1 - December 31)	Q1-Q3.FY22 (April 1,2021-December 31,2021)	FY22 (April 1,2021-March 31,2022)	Q1-Q3.FY23 (April 1,2022-December 31,2022)	YoY	Compared to the and of previous fiscal year
Operating expenses					
Finance costs	110	149	141	+28.1%	△5.6%
Guarantee commission	1,687	2,282	1,927	+14.2%	△15.6%
Warranty cost	2,603	3,407	2,978	+14.4%	△12.6%
Automobility-related costs	670	995	1,121	+67.3%	+12.7%
Employee benefit expenses	3,365	4,591	3,619	+7.5%	△21.2%
System operation costs	609	801	595	△2.3%	△25.8%
Depreciation	946	1,294	1,051	+11.2%	△18.8%
Taxes and dues	516	686	606	+17.4%	△11.8%
Commission expenses	702	959	867	+23.5%	△9.6%
Rent expenses on land and buildings	36	47	44	+23.7%	△6.3%
Outsourcing expenses	421	577	529	+25.6%	△8.3%
Other operating expenses	884	1,233	1,372	+55.1%	+11.2%
Total	12,549	17,024	14,850	+18.3%	△12.8%

# P/L (Consolidated cumulative period)



(Millions of yen)

(October 1 - December 31)	Q3.FY22	Q2.FY23	Q3.FY23	YoY	QoQ
	(October 1,2021-December 31,2021)	(July 1,2022-September 30,2022)	(October 1,2022-December 31,2022)		
Operating income	5,242	6,168	6,499	+24.0%	+5.4%
Operating expenses	4,292	4,896	5,338	+24.4%	+9.0%
Operating profit	950	1,272	1,161	+22.2%	△8.7%
Share of profit of investments accounted for using equity method	31	936	25	△20.3%	△97.4%
Other finance income	25	122	△ 21	△183.4%	△116.8%
Other finance costs	2	26	△ 13	△951.7%	△149.9%
Profit (loss) before tax	1,004	2,304	1,178	+17.3%	△48.9%
Income tax expense	309	504	318	+2.9%	△36.8%
Profit (loss)	695	1,801	860	+23.8%	△52.2%
Profit (loss) attributable to:					
Owners of parent	689	1,801	856	+24.3%	△52.4%
Non-controlling interests	6	△ 0	4	△38.3%	△1428.4%

# P/L (Operating income/Operating expenses)



(Millions of yen)

(October 1 - December 31)	Q3.FY22	Q2.FY23	Q3.FY23	YoY	QoQ
	(October 1,2021-December 31,2021)	(July 1,2022-September 30,2022)	(October 1,2022-December 31,2022)		
Operating income					
Finance income	2,742	3,080	3,231	+17.8%	+4.9%
Impairment gain on financial assets	77	117	112	+45.2%	△4.3%
Warranty revenue	1,420	1,594	1,615	+13.7%	+1.3%
Other commission sales	508	559	579	+14.0%	+3.7%
Automobility-related sales	384	531	656	+71.0%	+23.4%
Revenue from the exercise of insurance policies	-	121	-	-	-
Other	111	165	306	+176.0%	+84.7%
Total	5,242	6,168	6,499	+24.0%	+5.4%
Operating expenses					
Finance costs	34	46	48	+40.0%	+4.1%
Guarantee commission	582	643	667	+14.6%	+3.8%
Warranty cost	841	1,042	1,025	+21.9%	△1.6%
Automobility-related costs	241	343	473	+95.8%	+37.9%
Employee benefit expenses	1,202	1,225	1,274	+6.0%	+4.0%
System operation costs	192	195	201	+4.9%	+3.3%
Depreciation	328	340	361	+10.0%	+6.0%
Taxes and dues	174	189	198	+14.4%	+4.9%
Commission expenses	237	301	291	+22.9%	△3.2%
Rent expenses on land and buildings	11	14	16	+48.3%	+15.4%
Outsourcing expenses	133	177	182	+37.4%	+3.1%
Other operating expenses	317	381	601	+89.7%	+57.6%
Total	4,292	4,896	5,338	+24.4%	+9.0%



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