

# Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (Under Japanese GAAP)

May 15, 2023

Company name: TOMONY Holdings, Inc.  
 Stock exchanging listing: Tokyo (code: 8600)  
 URL: <https://www.tomony-hd.co.jp/>  
 Representative: Takeshi Nakamura, Representative Director, President and CEO  
 For inquiry: Hitomi Fujii, Managing Director, General Manager of Corporate Planning Department  
 Tel: +81-87-812-0102  
 Scheduled date of annual general meeting of shareholders: June 27, 2023  
 Scheduled date to file annual securities report: June 27, 2023  
 Scheduled date to commence dividend payment: June 28, 2023  
 Trading accounts: None  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

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

## 1. Consolidated highlights for fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

### (1) Results of operations

(%: Changes from the previous fiscal year)

Fiscal year ended	Ordinary income		Ordinary profits		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%
March 31, 2023	79,854	13.5	20,679	8.0	14,168	8.4
March 31, 2022	70,335	(0.4)	19,132	32.0	13,062	30.8

(Note) Comprehensive income: March 31, 2023: ¥3,299 million [(19.1)%]; March 31, 2022: ¥4,080 million [(83.0)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profits to total assets	Ordinary profits to ordinary income
	yen	yen	%	%	%
March 31, 2023	87.71	86.04	5.8	0.4	25.8
March 31, 2022	81.53	79.81	5.4	0.4	27.2

### (2) Financial conditions

As of	Total assets	Total net assets	Equity-to-asset ratio	Total net assets per share
	million yen	million yen	%	yen
March 31, 2023	4,551,361	247,356	5.3	1,506.76
March 31, 2022	4,596,057	245,730	5.2	1,506.59

(Reference) Equity: March 31, 2023: ¥244,183 million; March 31, 2022: ¥242,116 million

(Note) "Equity-to-asset ratio" is calculated as follows: (Total net assets - Subscription rights to shares - Non-controlling interests) / Total assets × 100

### (3) Cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	million yen	million yen	million yen	million yen
March 31, 2023	(201,412)	37,476	(2,564)	366,324
March 31, 2022	47,910	(27,436)	(2,375)	532,813

## 2. Cash dividends for shareholders

Fiscal year	Annual cash dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividend to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
ended March 31, 2022	-	4.50	-	4.50	9.00	1,454	11.0	0.5
ended March 31, 2023	-	5.00	-	5.00	10.00	1,620	11.4	0.6
ending March 31, 2024 (Forecast)	-	5.00	-	5.00	10.00		15.0	

## 3. Earnings forecasts for fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(%: Changes from the previous fiscal year)

Six months ending	Ordinary profits		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	yen
September 30, 2023	8,150	(14.5)	5,600	(18.2)	34.5
Fiscal year ending March 31, 2024	15,950	(22.8)	10,800	(23.7)	66.6

**Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatements
  - (i) Changes in accounting policies due to revisions of accounting standards and other regulations: Yes
  - (ii) Changes in accounting policies due to reasons other than (i): None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatements: None

- (3) Issued shares of common shares

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2023	163,728,911 shares	As of March 31, 2022	163,728,911 shares
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- (ii) Number of treasury shares at the end of the period

As of March 31, 2023	1,671,069 shares	As of March 31, 2022	3,024,704 shares
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- (iii) Average number of outstanding shares

Fiscal year ended March 31, 2023	161,528,725 shares	Fiscal year ended March 31, 2022	160,215,201 shares
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\*This “Consolidated Financial Results” is outside the scope of the audit.

\*Notes for using forecasted information etc.

The description of future performance of this report is based on information which is presently available and certain assumptions, which are considered to be reasonable, and it does not guarantee future performance. Please take note that future performance may differ from forecasts depending on various future factors.

**Consolidated financial statements**

## (1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Cash and due from banks	537,955	371,140
Trading securities	436	478
Money held in trust	1,327	1,108
Securities	727,889	691,510
Loans and bills discounted	3,229,950	3,395,321
Foreign exchanges	7,247	4,923
Lease receivables and investments in leases	10,023	10,545
Other assets	52,559	45,010
Tangible fixed assets	35,967	35,743
Buildings, net	18,092	17,926
Land	15,766	15,692
Leased assets, net	376	208
Construction in progress	183	479
Other tangible fixed assets	1,548	1,437
Intangible fixed assets	1,369	1,114
Software	1,240	963
Other intangible fixed assets	129	151
Retirement benefit asset	5,860	6,358
Deferred tax assets	163	3,463
Customers' liabilities for acceptances and guarantees	7,309	7,108
Allowance for loan losses	(22,003)	(22,466)
<b>Total assets</b>	<b>4,596,057</b>	<b>4,551,361</b>
<b>Liabilities</b>		
Deposits	3,948,642	4,018,219
Negotiable certificates of deposit	113,501	128,635
Call money and bills sold	-	23,000
Cash collateral received for securities lent	-	8,656
Borrowed money	243,775	80,822
Foreign exchanges	23	29
Other liabilities	33,771	35,810
Provision for bonuses	328	341
Provision for bonuses for directors (and other officers)	106	98
Retirement benefit liability	148	148
Provision for reimbursement of deposits	188	130
Provision for contingent loss	137	128
Provision for loss on guarantees	213	-
Deferred tax liabilities	1,372	67
Deferred tax liabilities for land revaluation	808	808
Acceptances and guarantees	7,309	7,108
<b>Total liabilities</b>	<b>4,350,327</b>	<b>4,304,004</b>

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Net assets		
Share capital	25,000	25,000
Capital surplus	25,972	25,890
Retained earnings	182,386	195,000
Treasury shares	(1,142)	(595)
Total shareholders' equity	232,216	245,295
Valuation difference on available-for-sale securities	7,730	(3,251)
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	1,406	1,423
Remeasurements of defined benefit plans	763	716
Total accumulated other comprehensive income	9,900	(1,111)
Share acquisition rights	1,215	1,005
Non-controlling interests	2,398	2,167
Total net assets	245,730	247,356
Total liabilities and net assets	4,596,057	4,551,361

(2) Consolidated statements of income and consolidated statements of comprehensive income  
(Consolidated statements of income)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Ordinary income	70,335	79,854
Interest income	48,023	56,086
Interest on loans and discounts	39,573	42,896
Interest and dividends on securities	7,776	12,482
Interest on call loans and bills bought	(0)	(8)
Interest on deposits with banks	657	681
Other interest income	17	34
Fees and commissions	10,453	11,186
Other ordinary income	9,108	8,120
Other income	2,750	4,460
Recoveries of written off receivables	637	397
Other	2,112	4,063
Ordinary expenses	51,203	59,174
Interest expenses	1,148	1,269
Interest on deposits	1,062	987
Interest on negotiable certificates of deposit	15	21
Interest on call money and bills sold	(4)	(27)
Interest expenses on cash collateral received for securities lent	-	221
Interest on borrowings and rediscounts	68	52
Other interest expenses	6	14
Fees and commissions payments	4,019	4,006
Other ordinary expenses	8,420	17,073
General and administrative expenses	34,041	32,951
Other expenses	3,573	3,873
Provision of allowance for loan losses	1,361	1,675
Other	2,211	2,197
Ordinary profit	19,132	20,679
Extraordinary income	437	28
Gain on disposal of non-current assets	220	28
Compensation for forced relocation	217	-
Extraordinary losses	805	337
Loss on disposal of non-current assets	416	287
Impairment losses	175	46
Provision for loss on guarantees	213	-
Loss on guarantees	-	3
Profit before income taxes	18,764	20,371
Income taxes - current	5,127	5,693
Income taxes - deferred	388	304
Total income taxes	5,515	5,997
Profit	13,248	14,374
Profit attributable to non-controlling interests	186	205
Profit attributable to owners of parent	13,062	14,168

(Consolidated statements of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	13,248	14,374
Other comprehensive income	(9,168)	(11,074)
Valuation difference on available-for-sale securities	(9,146)	(11,028)
Deferred gains or losses on hedges	(1)	0
Remeasurements of defined benefit plans, net of tax	(20)	(47)
Comprehensive income	4,080	3,299
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,951	3,140
Comprehensive income attributable to non-controlling interests	128	159

## (3) Consolidated statements of changes in equity

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	25,000	25,808	170,751	(1,515)	220,043
Cumulative effects of changes in accounting policies			(49)		(49)
Restated balance	25,000	25,808	170,701	(1,515)	219,994
Changes during period					
Dividends of surplus			(1,374)		(1,374)
Profit attributable to owners of parent			13,062		13,062
Purchase of treasury shares				(202)	(202)
Disposal of treasury shares		(2)		576	574
Change in ownership interest of parent due to transactions with non-controlling interests		166			166
Reversal of revaluation reserve for land			(3)		(3)
Net changes in items other than shareholders' equity					
Total changes during period	-	164	11,684	373	12,222
Balance at end of period	25,000	25,972	182,386	(1,142)	232,216

	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	16,819	1	1,402	784	19,007	1,224	2,907	243,183
Cumulative effects of changes in accounting policies							(48)	(98)
Restated balance	16,819	1	1,402	784	19,007	1,224	2,858	243,084
Changes during period								
Dividends of surplus								(1,374)
Profit attributable to owners of parent								13,062
Purchase of treasury shares								(202)
Disposal of treasury shares								574
Change in ownership interest of parent due to transactions with non-controlling interests								166
Reversal of revaluation reserve for land								(3)
Net changes in items other than shareholders' equity	(9,089)	(1)	3	(20)	(9,107)	(8)	(460)	(9,576)
Total changes during period	(9,089)	(1)	3	(20)	(9,107)	(8)	(460)	2,645
Balance at end of period	7,730	0	1,406	763	9,900	1,215	2,398	245,730

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	25,000	25,972	182,386	(1,142)	232,216
Changes during period					
Dividends of surplus			(1,537)		(1,537)
Profit attributable to owners of parent			14,168		14,168
Purchase of treasury shares				(158)	(158)
Disposal of treasury shares		(10)		705	694
Change in ownership interest of parent due to transactions with non-controlling interests		(71)			(71)
Reversal of revaluation reserve for land			(16)		(16)
Net changes in items other than shareholders' equity					
Total changes during period	-	(82)	12,614	546	13,078
Balance at end of period	25,000	25,890	195,000	(595)	245,295

	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	7,730	0	1,406	763	9,900	1,215	2,398	245,730
Changes during period								
Dividends of surplus								(1,537)
Profit attributable to owners of parent								14,168
Purchase of treasury shares								(158)
Disposal of treasury shares								694
Change in ownership interest of parent due to transactions with non-controlling interests								(71)
Reversal of revaluation reserve for land								(16)
Net changes in items other than shareholders' equity	(10,981)	0	16	(47)	(11,011)	(209)	(231)	(11,452)
Total changes during period	(10,981)	0	16	(47)	(11,011)	(209)	(231)	1,626
Balance at end of period	(3,251)	0	1,423	716	(1,111)	1,005	2,167	247,356



## (4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	18,764	20,371
Depreciation	2,028	2,050
Impairment losses	175	46
Increase (decrease) in allowance for loan losses	(118)	462
Increase (decrease) in provision for bonuses	12	12
Increase (decrease) in provision for bonuses for directors (and other officers)	2	(7)
Decrease (increase) in retirement benefit asset	(376)	(398)
Increase (decrease) in retirement benefit liability	(6)	(0)
Increase (decrease) in provision for reimbursement of deposits	(81)	(58)
Increase (decrease) in provision for contingent loss	(9)	(8)
Increase (decrease) in provision for loss on guarantees	213	(213)
Interest income	(48,023)	(56,086)
Interest expenses	1,148	1,269
Loss (gain) related to securities	(842)	327
Loss (gain) on money held in trust	40	42
Foreign exchange losses (gains)	(11,729)	(13,230)
Loss (gain) on disposal of non-current assets	196	258
Net decrease (increase) in loans and bills discounted	(146,242)	(165,370)
Net increase (decrease) in deposits	121,350	69,576
Net increase (decrease) in negotiable certificates of deposit	44,522	15,134
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	41,557	(162,352)
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	298	325
Net increase (decrease) in call money	(23,000)	23,000
Net increase (decrease) in cash collateral received for securities lent	-	8,656
Net decrease (increase) in foreign exchanges - assets	(739)	2,323
Net increase (decrease) in foreign exchanges - liabilities	5	6
Net decrease (increase) in lease receivables and investments in leases	(363)	(522)
Interest received	48,237	56,001
Interest paid	(1,298)	(1,314)
Other, net	6,508	4,340
Subtotal	52,232	(195,358)
Income taxes paid	(4,322)	(6,054)
Net cash provided by (used in) operating activities	47,910	(201,412)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Cash flows from investing activities</b>		
Purchase of securities	(239,965)	(178,337)
Proceeds from sale of securities	109,454	140,254
Proceeds from redemption of securities	101,607	77,227
Increase in money held in trust	(5,545)	(12,272)
Decrease in money held in trust	8,029	12,445
Purchase of tangible fixed assets	(1,442)	(1,558)
Proceeds from sale of tangible fixed assets	735	101
Purchase of intangible assets	(309)	(188)
Payments for retirement of non-current assets	-	(194)
Net cash provided by (used in) investing activities	(27,436)	37,476
<b>Cash flows from financing activities</b>		
Repayments of subordinated borrowings	(600)	(600)
Dividends paid	(1,370)	(1,532)
Dividends paid to non-controlling interests	(2)	(2)
Purchase of treasury shares	(202)	(158)
Proceeds from disposal of treasury shares	322	289
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(420)	(459)
Repayments of lease liabilities	(101)	(100)
Net cash provided by (used in) financing activities	(2,375)	(2,564)
Effect of exchange rate change on cash and cash equivalents	9	11
Net increase (decrease) in cash and cash equivalents	18,108	(166,489)
Cash and cash equivalents at beginning of period	514,705	532,813
Cash and cash equivalents at end of period	532,813	366,324