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## Consolidated Financial Results for the First Three Quarters of Fiscal 2024 (Under Japanese GAAP)

August 9, 2024

Company name: FinTech Global Incorporated  
 Listing: Tokyo Stock Exchange  
 Securities code: 8789  
 URL: <https://www.fgi.co.jp/en/>  
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 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the first three quarters of fiscal 2024 (from October 1, 2023 to June 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenues		Operating income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First three quarters of fiscal 2024	9,578	38.6	2,206	93.0	2,108	94.4	1,469	88.0
First three quarters of fiscal 2023	6,911	2.4	1,142	661.0	1,084	851.1	781	—

Note: Comprehensive income For the first three quarters of fiscal 2024: ¥1,708 million [58.3%]  
 For the first three quarters of fiscal 2023: ¥1,079 million [—%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
First three quarters of fiscal 2024	7.34	7.31
First three quarters of fiscal 2023	3.88	3.87

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
First three quarters of fiscal 2024	21,069	10,666	44.9
Fiscal 2023	19,123	9,393	43.4

Reference: Equity

For the first three quarters of fiscal 2024: ¥9,451 million  
 For fiscal 2023: ¥8,292 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2023	—	0.00	—	0.00	0.00
Fiscal 2024	—	0.00	—		
Fiscal 2024 (Forecast)				1.50	1.50

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated financial forecasts for fiscal 2024 (October 1, 2023 – September 30, 2024)

(Percentages indicate year-on-year changes.)

	Revenues		Operating income		Ordinary profit		Profit attributable to owners of the parent		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2024	13,400	44.1	2,400	78.6	2,300	80.1	1,400	(12.7)	7.02

Note: Change from the latest consolidated financial forecasts: Yes

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly consolidated: 1 company (Pcon home service Incorporated)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2024	201,321,700 shares
As of September 30, 2023	201,305,200shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2024	3,607,420shares
As of September 30, 2023	20shares

(iii) Average number of shares outstanding during the period

(cumulative from the beginning of the fiscal year)

First three quarters of fiscal 2024	200,190,947shares
First three quarters of fiscal 2023	201,303,037shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements)

The forward-looking statements included in this summary of financial statements are based on the assumptions, forecasts, and plans of FinTech Global Incorporated (hereafter, "FGI" and "the Company") as of the date on which this document is made public. The Company's actual results may differ substantially from such statements due to various risks and uncertainties.

## 1. Qualitative Information on Business Results and Financial Position

### (1) Business Results

A priority area for the FGI Group in the investment banking business is to provide business succession solution services and private equity investment associated with business succession solution services wherein FinTech Global Incorporated (FGI) buys a business struggling with succession issues to help mitigate the situation.

Over the first three quarters—October 1, 2023 to June 30, 2024—of FGI’s fiscal 2024 consolidated accounting period ending September 30, 2024, the investment banking business made steady progress on multiple business succession projects and expanded its activities in the aviation business\*, contributing significantly to revenues of ¥9,578 million, which climbed 38.6% year on year, and gross profit of ¥5,589 million, which jumped 45.6%. Selling, general and administrative expenses rose 25.5%, to ¥3,383 million, reflecting higher personnel costs and payment fees, but the huge increase in gross profit underpinned a 93.0% improvement in operating income, to ¥2,206 million, and a 94.4% surge in ordinary profit, to ¥2,108 million. Profit attributable to owners of the parent leaped 88.0%, to ¥1,469 million, owing to the booking of ¥66 million gain on negative goodwill under extraordinary income.

\*The aircraft asset management was renamed the aviation business, and earnings from aircraft sales and leasing operations, previously included under asset investment, are now included under the aviation business.

(Unit: Millions of yen)

	First Three Quarters of Fiscal 2023	First Three Quarters of Fiscal 2024	YOY Change
Revenues	6,911	9,578	2,667
Investment banking business	5,081	7,743	2,661
Public management consulting business	248	313	65
Entertainment service business	1,796	1,800	4
Elimination	(214)	(278)	(63)
Gross profit	3,839	5,589	1,750
Investment banking business	3,541	5,111	1,570
Public management consulting business	136	200	63
Entertainment service business	258	415	156
Elimination	(98)	(138)	(40)
Operating income [Segment income/ (loss)]	1,142	2,206	1,063
Investment banking business	1,948	3,077	1,129
Public management consulting business	(41)	(16)	25
Entertainment service business	(224)	(198)	25
Elimination or corporate expenses	(539)	(657)	(117)
Ordinary profit	1,084	2,108	1,023
Income before income taxes	1,250	2,175	924
Profit attributable to owners of the parent	781	1,469	688

A breakdown of performance by business segment is presented below. Revenues include intersegment revenues and transfers.

**a. Investment Banking Business**

The investment banking business recorded a year-on-year increase in revenues from arrangement transaction services for business succession projects and formation and management of financial products and from investment income from exits on private equity investments. In asset management, the balance of assets under management grew 33.9% from the end of fiscal 2023, on September 30, 2023, hitting ¥149.6 billion, buoyed by investment by overseas investors in residences, and the foundation for stock-type earnings—that is, recurring fee revenues—was further reinforced. In asset investment, the segment recorded an increase in the sale of small-lot products utilizing real estate trust beneficiary rights, and in the aviation business, demand for technical services and aircraft registration services was brisk. Signs of a change in demand for technical services appeared, as the pandemic wound down, but demand from other directions expanded the revenue base, mainly through the start of leasing services for aircraft and other modes of transportation.

As a result, investment banking revenues jumped 52.4% year on year, to ¥7,743million, and segment income grew 57.9%, to ¥3,077 million.

**b. Public Management Consulting Business**

The public management consulting business, which hinges on Public Management Consulting Corporation (PMC), provides solutions, including support extended to local public entities to prepare financial documents and manage public facilities. PMC continued to receive inquiries from large local governments, driven by sustained demand for outsourced services for preparing financial documents and reinforced by the company's expertise. Currently, the number of prefectures receiving contract services for the fiscal year running from April 2024 to March 2025 is 10, up one from the previous fiscal year, while the number of ordinance-designated cities and special zones receiving contract services stands at 12, down one from the previous fiscal year. In support services for public facility management, PMC encountered rising demand reflecting a need for help on individual facility plans that specify maintenance, management and upgrades on a facility basis as well as plans and research on ways to extend the service life of facilities, restructure and relocate. Support for local public entities extends across many areas, including childcare and measures to promote good health, and efforts to increase the number of consultants have successfully translated into a wider market response.

Given the above, segment revenues reached ¥313 million, up 26.4% year on year, and while still showing a segment loss, at ¥16 million, the red was a much lighter shade at ¥25 million less than at the third-quarter mark a year ago.

**c. Entertainment Service Business**

In the entertainment service business, the emphasis was on attracting guests to Moominvalley Park with appealing events, such as “Winter Wonderland in Moominvalley Park 2023” and “Winter Fireworks in Moominvalley,” from November 2023, promotional activities to celebrate Moominvalley Park's fifth anniversary and “Spring Festival 2024,” from March 2024, and “Moominvalley and Umbrellas,” from April 2024. Along with crowd-drawing events, the park upgraded existing facilities to enhance the attraction factor still further. The number of visitors to Metsä, which comprises Metsä Village and Moominvalley Park, slipped 3.8% year on year, to 490,000. But spending per guest was up, a positive consequence of increased time spent on-site to enjoy evening events and fireworks over the lake and also due to price revisions.

As a result, segment revenues edged up 0.3% year on year, to ¥1,800 million, reflecting higher park entrance fees and higher sales of merchandise and food and beverages. Costs

continued to drop, reflecting a review of issues that impact expenses, such as business outsourcing and merchandise and food and beverage purchasing, along with price revisions and steps to strengthen sales of original goods. The cost of sales ratio improved 8.7 points year on year, to 76.9%. As a result, the segment's loss position settled at ¥198 million or ¥25 million less than the red line at the end of the third quarter in fiscal 2023.

Of note, Moominvalley Park celebrated its fifth anniversary on March 16, 2024, and a concerted effort was made to enrich site contents and develop promotional campaigns to maximize the crowd-drawing potential of this operating milestone. In July, the park opened a new area, "Cove Terrace," where a new water-soaked fun event called "Water Play at Moominvalley" took place. Also, between July 27 and September 30, the park promoted a one-day, standardized-price pass for children, including high school students who normally fall into the adult price category, at the special rate of ¥500 under the "Child Support Campaign," and endeavored to boost the guest count through price revisions matched to age group.

## **(2) Consolidated Financial Position**

### ***Assets***

Total assets at the end of the third quarter of fiscal 2024 stood at ¥21,069 million, up 10.2% from the end of fiscal 2023 on September 30, 2023. Key increases were ¥1,596 million in cash and time deposits, ¥528 million in real estate for sale reflecting the completion of real estate development projects, and ¥533 million in other under noncurrent assets following acquisition of lease assets at the start of the operating lease business as well as the installation of solar power generation facilities at Metsä. These increases offset key decreases of ¥341 million in notes and accounts receivable, trade, and contract assets, paralleling collection of accounts receivable in the public management consulting business and the aviation business, and ¥389 million in operational investment securities, through a drop in trust beneficiary rights paralleling the sale of small-lot products utilizing real estate.

### ***Liabilities***

Total liabilities at the end of the third quarter of fiscal 2024 reached ¥10,402 million, up 6.9% from the end of fiscal 2023 on September 30, 2023. The change is, despite a ¥550 million decrease in long-term loans payable, primarily a reflection of increases of ¥853 in short-term loans payable, associated with loans taken to acquire operating capital and lease assets (helicopters) and ¥146 million in current portion of long-term loans payable.

### ***Net assets***

Net assets at the end of the third quarter of fiscal 2024 came to ¥10,666 million, up 13.6% from the end of fiscal 2023 on September 30, 2023. The change reflects higher retained earnings through the booking of ¥1,469 million in quarterly profit attributable to owners of the parent, which completely offset a decrease of ¥298 million from the repurchase of treasury shares.

### (3) Information on Forward-Looking Statements, including Consolidated Performance Forecast

Management revised the consolidated performance forecast for fiscal 2024 announced on May 10, 2024, based on the most recent performance trends. The new forecast is presented below.

(Millions of yen, %)

	Revenue	Operating income	Ordinary income	Profit attributable to owners of the parent	Net income per share (yen)
Previous forecast (A)	11,400	2,200	2,000	1,400	7.01
Current forecast (B)	13,400	2,400	2,300	1,400	7.02
Change (B-A)	2,000	200	300	0	—
Increase (%)	17.5	9.1	15.0	0.0	—
Reference: Previous fiscal year (ended September 30, 2023)	9,302	1,343	1,277	1,603	7.97

Private equity investment associated with business succession solution services as well as other services offered by the investment banking business are showing favorable movement, encouraging management to upwardly revise consolidated revenue, operating income and ordinary income from earlier estimates. There is no change to the forecast for profit attributable to owners of the parent because, while Metsä is gearing up for its fifth anniversary with enriched contents and updates to facilities, a review of existing assets will likely lead to the retirement of some fixed assets so the net impact on profit attributable to owners of the parent is negligible.

Note that the consolidated performance forecast is based on information currently available to management and certain assumptions deemed reasonable. Actual results may differ substantially from expectations for a variety of reasons.

## 2. Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheets

	<b>Fiscal 2023</b> (As of September 30, 2023)	<b>First Three Quarters of Fiscal 2024</b> (As of June 30, 2024)
(Unit: Thousands of yen)		
<b>Assets</b>		
Current assets		
Cash and time deposits	2,918,561	4,515,417
Notes and Accounts receivable - trade, and contract assets	1,355,231	1,013,333
Operational investment securities	2,848,142	2,459,051
Loans receivable, trade	346,365	336,015
Real estate for sale	4,095,967	4,624,843
Merchandise	160,768	146,264
Other	883,381	1,023,875
Allowance for doubtful accounts	(131,170)	(138,798)
<b>Total current assets</b>	<b>12,477,247</b>	<b>13,980,003</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,379,191	5,372,879
Accumulated depreciation	(902,259)	(1,028,852)
Buildings and structures, net	4,476,932	4,344,027
Other	1,053,136	1,586,594
<b>Total property, plant and equipment</b>	<b>5,530,068</b>	<b>5,930,622</b>
Intangible fixed assets		
Goodwill	105,272	89,842
Other	25,987	47,670
<b>Total intangible fixed assets</b>	<b>131,260</b>	<b>137,512</b>
Investments and other assets		
Investments in securities	535,327	548,333
Long-term loans receivable	16,672	10,423
Deferred tax assets	140,877	103,591
Other	292,531	393,359
Allowance for doubtful accounts	(30)	(34,461)
<b>Total investments and other assets</b>	<b>985,377</b>	<b>1,021,245</b>
<b>Total noncurrent assets</b>	<b>6,646,706</b>	<b>7,089,379</b>
<b>Total assets</b>	<b>19,123,953</b>	<b>21,069,382</b>



	(Unit: Thousands of yen)	
	Fiscal 2023 (As of September 30, 2023)	First Three Quarters of Fiscal 2024 (As of June 30, 2024)
<b>Liabilities</b>		
Current liabilities		
Accounts payable, trade	308,710	263,903
Short-term loans payable	77,954	931,285
Current portion of long-term loans payable	6,082,038	6,228,415
Income taxes payable	125,884	277,195
Lease obligations	149,086	34,437
Accrued employee bonuses	257,626	279,773
Other	879,363	1,162,594
Total current liabilities	7,880,663	9,177,605
Noncurrent liabilities		
Long-term loans payable	1,290,817	740,350
Lease obligations	50,723	27,852
Deferred tax liabilities	97,175	16,616
Retirement benefit liability	126,297	147,058
Other	284,955	293,429
Total noncurrent liabilities	1,849,970	1,225,306
Total liabilities	9,730,633	10,402,911
<b>Net assets</b>		
Shareholders' equity		
Common stock	5,372,574	5,373,336
Capital surplus	974,443	968,642
Retained earnings	1,794,907	3,264,643
Treasury shares	(0)	(298,037)
Total shareholders' equity	8,141,924	9,308,585
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	67,416	39,145
Foreign currency translation adjustment	83,266	103,809
Total accumulated other comprehensive income	150,683	142,954
Stock acquisition rights	77,299	101,497
Non-controlling interests	1,023,412	1,113,433
Total net assets	9,393,319	10,666,471
Total liabilities and net assets	19,123,953	21,069,382

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income  
Quarterly Consolidated Statements of Income

	(Unit: Thousands of yen)	
	<b>First Three Quarters of Fiscal 2023</b>	<b>First Three Quarters of Fiscal 2024</b>
	(From October 1, 2022 to June 30, 2023)	(From October 1, 2023 to June 30, 2024)
Revenues	6,911,192	9,578,972
Cost of revenues	3,072,185	3,989,291
Gross profit	3,839,006	5,589,681
Selling, general and administrative expenses	2,696,087	3,383,580
Operating income	1,142,918	2,206,100
Non-operating income		
Interest income	3,216	11,104
Foreign exchange gains	—	5,123
Share of profit of entities accounted for using equity method	33,940	27,857
Subsidy income	26,774	2,990
Other	2,340	8,020
Total non-operating income	66,271	55,096
Non-operating expenses		
Interest expense	96,953	127,054
Loss on valuation of investment securities	—	14,970
Foreign exchange losses	20,228	—
Other	7,536	10,724
Total non-operating expenses	124,718	152,749
Ordinary profit	1,084,472	2,108,447
Extraordinary income		
Gain on sale of investment securities	8,000	—
Gain on bargain purchase	190,025	66,531
Other	369	511
Total extraordinary income	198,394	67,043
Extraordinary losses		
Loss on retirement of noncurrent assets	32,369	—
Total extraordinary loss	32,369	—
Income before income taxes	1,250,497	2,175,490
Income taxes - current	250,403	501,366
Income taxes - deferred	1,749	(26,946)
Total income taxes	252,153	474,420
Profit	998,344	1,701,070
Profit attributable to non-controlling interests	216,613	231,334
Profit attributable to owners of the parent	781,731	1,469,736

Quarterly Consolidated Statements of Comprehensive Income

(Unit: Thousands of yen)

	<b>First Three Quarters of Fiscal 2023</b> (From October 1, 2022 to June 30, 2023)	<b>First Three Quarters of Fiscal 2024</b> (From October 1, 2023 to June 30, 2024)
Profit	998,344	1,701,070
Other comprehensive income (loss)		
Valuation difference on available-for-sale securities	60,259	(34,322)
Foreign currency translation adjustment	20,619	41,637
Total other comprehensive income	80,879	7,315
Comprehensive income	1,079,224	1,708,386
Comprehensive income attributable to		
Owners of the parent	853,112	1,462,008
Non-controlling interests	226,111	246,378

(3) Notes to Quarterly Consolidated Financial Statements  
(Assumption of Going Concern)  
Not applicable.

(Significant Change in Shareholders' Equity)

For the nine months ended June 30, 2023 (From October 1, 2022 to June 30, 2023)

1. Cash dividends paid

Not applicable.

2. Significant changes in shareholders' equity

Pursuant to a resolution of the 28th Ordinary General Meeting of Shareholders held on December 22, 2022, the Company reduced common stock, legal capital surplus and legal retained earnings, as well as appropriated surplus on January 27, 2023.

As a result, common stock decreased by ¥1,098,930 thousand, legal capital surplus decreased by ¥4,036,488 thousand, with these amounts transferred to other capital surplus. The ¥47,303 thousand decrease in legal retained earnings was transferred to retained earnings brought forward.

The ¥5,135,419 thousand in other capital surplus generated through by decreasing common stock and legal capital surplus was transferred to retained earnings brought forward and used to compensate for current deficit.

As a result, common stock stood at ¥5,372,574 thousand, capital surplus stood at ¥974,443 thousand and retained earnings stood at ¥973,209 thousand as of June 30, 2024.

These changes have no effect on the total amount of shareholders' equity.

For the nine months ended June 30, 2024 (From October 1, 2023 to June 30, 2024)

1. Cash dividends paid

Not applicable.

2. Significant changes in shareholders' equity

Not applicable.

(Segment Information)

I. Nine months ended June 30, 2023 (October 1, 2022 to June 30, 2023)

**1. Information about the amount of revenues, profits or losses pursuant to each reporting segment**

(Thousands of yen)

	Reporting Segments				Adjustment (Note 1)	Consolidated (Note 2)
	Investment Banking Business	Public Management Consulting Business	Entertainment Service Business	Total		
Revenues						
Revenues to third party	4,933,244	239,225	1,738,721	6,911,192	—	6,911,192
Inter-segment revenues and transfers	148,414	9,000	57,283	214,697	(214,697)	—
Total	5,081,658	248,225	1,796,005	7,125,889	(214,697)	6,911,192
Segment income (loss)	1,948,781	(41,896)	(224,690)	1,682,194	(539,275)	1,142,918

Notes:

1. Adjustment of segment income (loss), at ¥ (539,275) thousand, includes elimination of transactions among segments of ¥177,893 thousand and corporate expenses of ¥ (717,169) thousand, which are not allocatable to reporting segments. Corporate expenses are mainly general and administrative expenses, which do not belong to any reporting segments.
2. Segment income (loss) is reconciled with operating income in the quarterly consolidated statements.

**2. Information about impairment loss on noncurrent assets or goodwill, etc. pursuant to each reporting segment**

(Significant gain on bargain purchase)

Gain on bargain purchase was recognized in the Investment Banking Business segment as the Company acquired shares of Trinity Japan co., Ltd. and consolidated it as a subsidiary company from the first two quarters of the current fiscal year. The recorded amount of gain on bargain purchase resulting from this event is ¥190,025 thousand. Note that gain on bargain purchase is not included in segment income as it is extraordinary income.

II. Nine months ended June 30, 2024 (October 1, 2023 to June 30, 2024)

**1. Information about the amount of revenues, profits or losses pursuant to each reporting segment**

(Thousands of yen)

	Reporting Segments				Adjustment (Note 1)	Consolidated (Note 2)
	Investment Banking Business	Public Management Consulting Business	Entertainment Service Business	Total		
Revenues						
Revenues to third party	7,601,197	304,642	1,673,132	9,578,972	—	9,578,972
Inter-segment revenues and transfers	142,201	9,000	127,427	278,629	(278,629)	—
Total	7,743,398	313,642	1,800,560	9,857,601	(278,629)	9,578,972
Segment income (loss)	3,077,956	(16,036)	(198,778)	2,863,142	(657,041)	2,206,100

Notes:

1. Adjustment of segment income, at ¥ (657,041) thousand, includes elimination of transactions among segments of ¥208,282 thousand and corporate expenses of ¥ (865,323) thousand, which are not allocatable to reporting segments. Corporate expenses are mainly general and administrative expenses, which do not belong to any reporting segments.
2. Segment income (loss) is reconciled with operating income in the quarterly consolidated statements.

**2. Information about impairment loss on noncurrent assets or goodwill, etc. pursuant to each reporting segment**

(Significant gain on bargain purchase)

Gain on bargain purchase was recognized in the Investment Banking Business segment as the Company acquired shares of Pcon home service Incorporated and consolidated it as a subsidiary company from the first two quarters of the current fiscal year. The recorded amount of gain on bargain purchase resulting from this event is ¥66,531 thousand. The amount of the gain on bargain purchase was tentatively calculated as the allocation of the acquisition cost had not been completed as of the end of the first three quarters of the current fiscal year. Note that gain on bargain purchase is not included in segment income as it is extraordinary income.

(Notes to quarterly consolidated statements of cash flows)

Quarterly consolidated statements of cash flows were not prepared for the first three quarters of the current fiscal year. “Depreciation” (including amortization of intangible fixed assets other than goodwill) and “Amortization of goodwill” for the first three quarters of the fiscal 2023 and 2024 were as follows:

(Thousands of yen)

	First Three Quarters of Fiscal 2023 (From October 1, 2022 to June 30, 2023)	First Three Quarters of Fiscal 2024 (From October 1, 2023 to June 30, 2024)
Depreciation	332,915	331,426
Amortization of goodwill	16,733	19,023

(Significant subsequent event)

Not applicable.