

SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED MARCH 31, 2022

The board of directors (the “Directors”) of SBI HOLDINGS, INC. (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended March 31, 2022.

(Amounts are rounded to the nearest million Japanese yen)

1. Consolidated Financial Results

(1) Consolidated Operating Results

(Percentages represent year-on-year changes)

	Revenue		Profit before income tax expense		Profit for the year		Profit attributable to owners of the Company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2022	763,618	41.1	412,724	194.0	355,724	264.8	366,854	352.4
Fiscal year ended March 31, 2021	541,145	47.0	140,380	113.3	97,512	116.7	81,098	116.3

	Total comprehensive income		Basic earnings per share attributable to owners of the Company	Diluted earnings per share attributable to owners of the Company
	Millions of yen	%	Yen	Yen
Fiscal year ended March 31, 2022	380,820	211.7	1,498.55	1,285.90
Fiscal year ended March 31, 2021	122,187	479.3	339.78	296.92

	Ratio of profit to equity attributable to owners of the Company	Ratio of profit before income tax expense to total assets	Ratio of operating income to operating revenue
	%	%	%
Fiscal year ended March 31, 2022	49.4	3.3	54.0
Fiscal year ended March 31, 2021	16.0	2.2	25.9

(Note) Share of results of associates Fiscal year ended March 31, 2022: 6,822 million yen
Fiscal year ended March 31, 2021: 9,458 million yen

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets	Equity per share attributable to owners of the Company
	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2022	17,838,200	1,583,258	924,603	5.2	3,770.84
March 31, 2021	7,208,572	717,095	562,116	7.8	2,297.87

(3) Consolidated Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2022	(314,046)	1,838,517	163,302	2,499,370
Fiscal year ended March 31, 2021	(178,403)	(82,071)	210,822	802,702

2. Dividends

(Declared date)	Dividend per share					Total dividend (annual)	Payout ratio (cons.)	Ratio of dividend to equity attributable to owners of the Company (cons.)
	End of 1 st Q	End of 2 nd Q	End of 3 rd Q	Year-end	Full year			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2021	—	20.00	—	100.00	120.00	29,324	35.3	5.6
Fiscal year ended March 31, 2022	—	30.00	—	120.00	150.00	36,770	10.0	4.9
Fiscal Year ending March 31, 2023 (forecast) (Note)	—	—	—	—	—		—	

(Note) Fiscal year ending March 31, 2023 forecast is to be determined.

3. Total number of shares outstanding (Common stock)

- (1) Number of shares outstanding (including treasury stock) : March 31, 2022 : 245,220,890 shares
: March 31, 2021 : 244,639,390 shares
- (2) Number of treasury stock : March 31, 2022 : 22,486 shares
: March 31, 2021 : 15,084 shares
- (3) Average number of shares outstanding : Year ended March 31, 2022 : 244,805,985 shares
: Year ended March 31, 2021 : 238,676,048 shares

The Group prepared the consolidated financial statements in accordance with IFRSs.

(Reference Information)
Non-consolidated Financial Results

(1) Non-consolidated Operating Results

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2022	77,081	(13.3)	50,226	(29.0)	30,493	(56.2)	36,694	56.2
Fiscal year ended March 31, 2021	88,901	178.4	70,786	446.7	69,573	632.5	23,499	114.9

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2022	149.89	127.18
Fiscal year ended March 31, 2021	98.46	84.11

(2) Non-consolidated Financial Position

	Total assets	Net assets	Ratio of shareholder's equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2022	1,278,754	387,238	30.1	1,571.37
March 31, 2021	1,085,970	392,485	36.0	1,598.81

(Note) Shareholders' equity

Fiscal year ended March 31, 2022: 385,297 million yen
 Fiscal year ended March 31, 2021: 391,107 million yen

The non-consolidated financial results were prepared in accordance with JGAAP.

This financial summary is not subject to audit.

1. BUSINESS RESULTS

(1) Overview of Business Results for the Fiscal Year

The Group's consolidated results of operations for the fiscal year ended March 31, 2022 were as follows. Revenue was ¥763,618 million yen (up ¥222,473 million, or 41.1% year-on-year), profit before income tax expense was ¥412,724 million (up ¥272,344 million, or 194.0% year-on-year), and profit attributable to owners of the Company was ¥366,854 million (up ¥285,756 million, or 352.4% year-on-year). The increase in revenue was mainly due to an increase in "Income arising from financial assets measured at FVTPL" recognized in investments in venture companies and an increase in "Income arising from financial assets measured at amortized cost" due to the inclusion of Shinsei Bank, Limited beginning with the nine months ended December 31, 2021. The increase in profit before income tax expense was mainly due to the inclusion of Shinsei Bank, Limited, resulting in a gain on bargain purchase of 263,847 million yen.

The results of operations for each reporting segment of the Group for the fiscal year ended March 31, 2022 were as follows.

SBI Estate Finance Co., Ltd. and SBI Guarantee Co., Ltd., which were included in the Asset Management Business until the previous reporting period, are now included in the Financial Services Business beginning with the six months ended September 30, 2021. Consequently, segment information for the year ended March 31, 2021, is restated in accordance with the new basis of segmentation. Also, Shinsei Bank, Limited is included in the Financial Services Business beginning with the nine months ended December 31, 2021.

	Revenue			Profit before income tax expense		
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022		Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	
	Millions of Yen	Millions of Yen	%	Millions of Yen	Millions of Yen	%
Financial Services Business	314,159	396,179	26.1	86,386	282,924	227.5
Asset Management Business	205,871	317,831	54.4	84,188	165,962	97.1
Biotechnology, Healthcare & Medical Informatics Business	5,627	9,920	76.3	(8,630)	(11,845)	—
Total	525,657	723,930	37.7	161,944	437,041	169.9
Others	21,733	44,293	103.8	(10,562)	(11,990)	—
Elimination or Corporate	(6,245)	(4,605)	—	(11,002)	(12,327)	—
Consolidated Total	541,145	763,618	41.1	140,380	412,724	194.0

(% represents year-on-year changes)

(Financial Services Business)

The Financial Services Business consists of a wide range of finance-related business, including securities brokerage business, banking services business and life, property and casualty insurance business.

The results of operations of the Financial Services Business for the fiscal year ended March 31, 2022 were as follows. Revenue increased 26.1% year-on-year to ¥396,179 million, and profit before income tax expense increased 227.5% to ¥282,924 million. This was mainly due to the inclusion of Shinsei Bank, Limited in the Financial Services Business beginning with the nine months ended December 31, 2021, resulting in a gain on bargain purchase of 263,847 million yen.

(Asset Management Business)

The Asset Management Business primarily consists of fund management and investment in Internet technology, fintech, blockchain, finance, and biotechnology-related venture companies in Japan and overseas, financial services business overseas, and asset management services business which provides financial products information.

The results of operations of the Asset Management Business for the fiscal year ended March 31, 2022 were as follows. Revenue increased 54.4% year-on-year to ¥317,831 million, and profit before income tax expense increased 97.1% year-on-year to ¥165,962 million. This was mainly due to an increase in "Income arising from financial assets measured at FVTPL" recognized in investments in companies.

(Biotechnology, Healthcare & Medical Informatics Business)

The Biotechnology, Healthcare & Medical Informatics Business represents development and distribution of pharmaceutical products, health foods, and cosmetics with 5-aminolevulinic acid (ALA*), a kind of amino acid which exists in vivo, research and development of antibody drugs and nucleic acid medicine in the field of cancer and immunology, the digitization of medical and health information, providing solutions and services that promote and the use of medical big data, and medical finance.

The results of operations of the Biotechnology, Healthcare & Medical Informatics Business for the fiscal year ended March 31, 2022 were as follows. Revenue increased 76.3% year-on-year to ¥9,920 million, and loss before income tax expense amounted to ¥11,845 million for the fiscal year ended March 31, 2022 (¥8,630 million of loss before income tax expense for the fiscal year ended March 31, 2021).

* Five-aminolevulinic acid (ALA) is an amino acid generated by mitochondria in the human body and an important substance used to produce heme or cytochrome, proteins to generate energy. The production of ALA in the human body decreases with age. ALA is included in food products, including slops of distilled spirits, red wine, and Asian ginseng. ALA is also known as a chloroplastic substance in plants.

(2) Overview of Financial Conditions for the Fiscal Year

As at March 31, 2022, total assets amounted to ¥17,838,200 million and increased by ¥10,629,628 million from total assets of ¥7,208,572 million as at March 31, 2021. The Group's equity increased by ¥866,163 million to ¥1,583,258 million from the fiscal year ended March 31, 2021. As at March 31, 2022, the Group's cash and cash equivalents amounted to ¥2,499,370 million and increased by ¥1,696,668 million from that of ¥802,702 million as at March 31, 2021. The changes of cash flows for each activity and the reasons for changes are as follows:

(Operating Cash Flows)

Cash flows from operating activities amounted to ¥314,046 million in net cash outflows (¥178,403 million in net cash outflows for the year ended March 31, 2021). The net cash outflows were primarily due to a ¥373,371 million cash outflow from an increase in trade and other accounts receivables, a ¥263,847 million cash outflow from a gain on bargain purchase, a ¥165,985 million cash outflow from a decrease in payables under securities lending transactions, and a ¥164,644 million cash outflow from an increase in operational investment securities, despite a ¥412,724 million cash inflow from a profit before income tax expense, and a ¥184,308 million cash inflow from an increase in customer deposits for banking business.

(Investing Cash Flows)

Cash flows from investing activities amounted to ¥1,838,517 million in net cash inflows (¥82,071 million in net cash outflows for the year ended March 31, 2021). The net cash inflows were primarily due to a ¥1,734,730 million cash inflow from an acquisition of subsidiaries, net of cash and cash equivalents acquired.

(Financing Cash Flows)

Cash flows from financing activities amounted to ¥163,302 million in net cash inflows (¥210,822 million in net cash inflows for the year ended March 31, 2021). The net cash inflows were primarily due to a ¥541,125 million cash inflow from proceeds from issuance of bonds payable, despite a ¥257,418 million cash outflow from a decrease in short term loans payable, and a ¥158,994 million cash outflow from a redemption of bonds payable.

2. THE BASIC CONCEPT REGARDING SELECTION OF ACCOUNTING STANDARDS

The Group applied IFRS from the fiscal year ended March 31, 2013 in order to improve the international comparability of financial information in the capital markets.

3. CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

(1) Consolidated Statement of Financial Position

	As at March 31, 2021	As at March 31, 2022
	Millions of Yen	Millions of Yen
Assets		
Cash and cash equivalents	802,702	2,499,370
Trade and other accounts receivable	1,183,896	8,399,588
Assets related to securities business		
Cash segregated as deposits	2,292,743	2,361,620
Margin transaction assets	972,573	929,730
Other assets related to securities business	631,305	615,967
Total assets related to securities business	<u>3,896,621</u>	<u>3,907,317</u>
Other financial assets	58,715	471,607
Operational investment securities	528,154	607,802
Other investment securities (includes ¥247,299 million pledged as collateral as at March 31, 2022)	209,545	1,076,780
Investments accounted for using the equity method	103,807	129,141
Investment properties	-	34,868
Property and equipment	64,290	123,737
Intangible assets	225,607	293,086
Other assets	123,071	277,016
Deferred tax assets	12,164	17,888
Total assets	<u><u>7,208,572</u></u>	<u><u>17,838,200</u></u>
Liabilities		
Bonds and loans payable	1,394,137	3,364,860
Trade and other accounts payable	189,729	487,846
Liabilities related to securities business		
Margin transaction liabilities	269,152	254,345
Loans payable secured by securities	602,921	599,159
Deposits from customers	1,277,808	1,375,599
Guarantee deposits received	961,651	997,678
Other liabilities related to securities business	410,270	449,551
Total liabilities related to securities business	<u>3,521,802</u>	<u>3,676,332</u>
Customer deposits for banking business	1,042,132	7,673,324
Insurance contract liabilities	150,123	155,216
Income tax payable	20,125	13,351
Other financial liabilities	30,333	538,512
Other liabilities	107,301	287,577
Deferred tax liabilities	35,795	57,924
Total liabilities	<u><u>6,491,477</u></u>	<u><u>16,254,942</u></u>
Equity		
Capital stock	98,711	99,312
Capital surplus	147,753	151,390
Treasury stock	(40)	(62)
Other components of equity	18,197	42,865
Retained earnings	297,495	631,098
Equity attributable to owners of the Company	<u>562,116</u>	<u>924,603</u>
Non-controlling interests	154,979	658,655
Total equity	<u><u>717,095</u></u>	<u><u>1,583,258</u></u>
Total liabilities and equity	<u><u>7,208,572</u></u>	<u><u>17,838,200</u></u>

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

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of Yen	Millions of Yen
Revenue (includes ¥143,364 million and ¥209,419 million of interest income)	541,145	763,618
Expense		
Financial cost associated with financial income	(26,773)	(33,603)
Provision for credit losses	(41,147)	(99,489)
Operating cost	(142,519)	(221,822)
Selling, general and administrative expenses	(163,326)	(229,834)
Other financial cost	(5,803)	(8,555)
Other expenses	(30,655)	(28,260)
Total expense	(410,223)	(621,563)
Gain on bargain purchase	-	263,847
Share of the profit of associates and joint ventures accounted for using the equity method	9,458	6,822
Profit before income tax expense	140,380	412,724
Income tax expense	(42,868)	(57,000)
Profit for the year	97,512	355,724
Profit for the year attributable to		
Owners of the Company	81,098	366,854
Non-controlling interests	16,414	(11,130)
Profit for the year	97,512	355,724
Earnings per share attributable to owners of the Company		
Basic (Yen)	339.78	1,498.55
Diluted (Yen)	296.92	1,285.90

Consolidated Statement of Comprehensive Income

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of Yen	Millions of Yen
Profit for the year	97,512	355,724
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Equity instruments measured at FVTOCI	(18)	(493)
Changes in own credit risk on financial liabilities	-	234
Remeasurement of defined benefit plans	-	(1,091)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	109	130
	<u>91</u>	<u>(1,220)</u>
Items that may be reclassified subsequently to profit or loss		
Debt instruments measured at FVTOCI	(168)	(4,692)
Currency translation differences	23,871	30,241
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	881	767
	<u>24,584</u>	<u>26,316</u>
Other comprehensive income, net of tax	24,675	25,096
Total comprehensive income	<u>122,187</u>	<u>380,820</u>
Total comprehensive income attributable to		
Owners of the Company	105,680	390,080
Non-controlling interests	16,507	(9,260)
Total comprehensive income	<u>122,187</u>	<u>380,820</u>

(3) Consolidated Statement of Changes in Equity

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Treasury stock	Other components of equity	Retained earnings	Total		
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen		
As at April 1, 2020	92,018	139,993	(13,874)	(6,385)	239,724	451,476	142,223	593,699
Profit for the year	-	-	-	-	81,098	81,098	16,414	97,512
Other comprehensive income	-	-	-	24,582	-	24,582	93	24,675
Total comprehensive income	-	-	-	24,582	81,098	105,680	16,507	122,187
Issuance of new shares	2,652	2,271	-	-	-	4,923	-	4,923
Issuance of convertible bonds	-	2,756	-	-	-	2,756	-	2,756
Conversion of convertible bonds	4,041	(484)	12,805	-	-	16,362	-	16,362
Change in scope of consolidation	-	-	-	-	-	-	(9,788)	(9,788)
Dividends paid	-	-	-	-	(23,327)	(23,327)	(15,018)	(38,345)
Treasury shares purchased	-	-	(39)	-	-	(39)	-	(39)
Treasury shares sold	-	(378)	1,068	-	-	690	-	690
Share-based payment transactions	-	799	-	-	-	799	(5)	794
Changes of interests in subsidiaries without losing control	-	2,796	-	-	-	2,796	21,060	23,856
As at March 31, 2021	98,711	147,753	(40)	18,197	297,495	562,116	154,979	717,095
Profit for the year	-	-	-	-	366,854	366,854	(11,130)	355,724
Other comprehensive income	-	-	-	23,226	-	23,226	1,870	25,096
Total comprehensive income	-	-	-	23,226	366,854	390,080	(9,260)	380,820
Issuance of new shares	601	482	-	-	-	1,083	-	1,083
Change in scope of consolidation	-	-	-	-	-	-	496,303	496,303
Dividends paid	-	-	-	-	(31,809)	(31,809)	(15,001)	(46,810)
Treasury shares purchased	-	-	(23)	-	-	(23)	-	(23)
Treasury shares sold	-	0	1	-	-	1	-	1
Share-based payment transactions	-	682	-	-	-	682	(731)	(49)
Changes of interests in subsidiaries without losing control	-	2,473	-	-	-	2,473	32,365	34,838
Transfer	-	-	-	1,442	(1,442)	-	-	-
As at March 31, 2022	99,312	151,390	(62)	42,865	631,098	924,603	658,655	1,583,258

(4) Consolidated Statement of Cash flows

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of Yen	Millions of Yen
Cash flows from operating activities		
Profit before income tax expense	140,380	412,724
Depreciation and amortization	24,291	32,207
Gain on bargain purchase	-	(263,847)
Share of profits of associates and joint ventures accounted for using the equity method	(9,458)	(6,822)
Interest and dividend income	(150,325)	(222,612)
Interest expense	32,573	42,553
Increase in operational investment securities	(131,448)	(164,644)
Increase in trade and other accounts receivables	(246,508)	(373,371)
Increase in trade and other accounts payable	88,237	25,653
(Increase) decrease in assets/liabilities related to securities business	(221,904)	145,057
Increase in customer deposits for banking business	220,081	184,308
Decrease in bonds and loans payable in banking business	-	(26,148)
Decrease in payables under securities lending transactions	-	(165,985)
Others	(17,223)	(69,182)
Subtotal	(271,304)	(450,109)
Interest and dividend income received	145,959	218,586
Interest paid	(29,281)	(37,551)
Income taxes paid	(23,777)	(44,972)
Net cash used in operating activities	(178,403)	(314,046)
Cash flows from investing activities		
Purchases of intangible assets	(15,419)	(25,965)
Purchases of investment securities	(77,392)	(321,150)
Proceeds from sales or redemption of investment securities	40,735	512,343
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(8,026)	1,734,730
Proceeds from sales of subsidiaries, net of cash and cash equivalents disposed of	-	718
Payments of loans receivable	(70,172)	(95,491)
Collection of loans receivable	49,860	65,181
Others	(1,657)	(31,849)
Net cash (used in) generated from investing activities	(82,071)	1,838,517

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of Yen	Millions of Yen
Cash flows from financing activities		
Increase (decrease) in short term loans payable	69,808	(257,418)
Proceeds from long-term loans payable	54,936	154,290
Repayment of long-term loans payable	(21,953)	(84,387)
Proceeds from issuance of bonds payable	228,124	541,125
Redemption of bonds payable	(112,576)	(158,994)
Proceeds from issuance of shares	4,923	693
Proceeds from stock issuance to non-controlling interests	6,356	5,008
Contributions from non-controlling interests in consolidated investment funds	15,572	27,262
Cash dividends paid	(23,313)	(31,795)
Cash dividends paid to non-controlling interests	(763)	(1,372)
Distributions to non-controlling interests in consolidated investment funds	(14,243)	(13,610)
Purchase of treasury stock	(39)	(23)
Proceeds from sale of interests in subsidiaries to non-controlling interests	9,223	3,182
Payments for purchase of interests in subsidiaries from non-controlling interests	(155)	(11,507)
Others	(5,078)	(9,152)
Net cash generated from financing activities	<u>210,822</u>	<u>163,302</u>
Net (decrease) increase in cash and cash equivalents	(49,652)	1,687,773
Cash and cash equivalents at the beginning of the year	843,755	802,702
Effect of changes in exchange rate on cash and cash equivalents	8,599	8,895
Cash and cash equivalents at the end of the year	<u><u>802,702</u></u>	<u><u>2,499,370</u></u>

(5) Notes to Consolidated Financial Statements

1. Segment Information

The Group engages in a wide range of business activities, primarily online financial service businesses and investment activities in Japan and overseas. Based on the similarities or economic characteristics of business or nature of services, "Financial Services Business", "Asset Management Business", and "Biotechnology, Healthcare & Medical Informatics Business", which is anticipated to be a growth industry, are determined as reportable segments.

The reportable segments of the Group represent businesses activities for which separate financial information of the Group's components is available and reviewed regularly by the board of directors for the purpose of allocation of financial resources and performance evaluation.

The following is a description of business activities for the reporting segments.

"Financial Services Business"

The Financial Services Business consists of a wide range of finance-related business, including securities brokerage business, banking services business, and life, property and casualty insurance business.

"Asset Management Business"

The Asset Management Business primarily consists of fund management and investment in Internet technology, fintech, blockchain, finance, and biotechnology-related venture companies in Japan and overseas, financial services business overseas, and asset management services business which provides financial products information.

"Biotechnology, Healthcare & Medical Informatics Business"

The Biotechnology, Healthcare & Medical Informatics Business represents development and distribution of pharmaceutical products, health foods, and cosmetics with 5-aminolevulinic acid (ALA*), a kind of amino acid which exists in vivo, research and development of antibody drugs and nucleic acid medicine in the field of cancer and immunology, the digitization of medical and health information, providing solutions and services that promote and the use of medical big data, and medical finance.

"Others" includes the digital asset-related business, the real estate business, the renewable energy business and other businesses, but they did not meet the quantitative criteria to be defined as reportable segments for the fiscal year ended March 31, 2022.

"Elimination or Corporate" includes profit or loss that is not allocated to certain business segments and the elimination of the inter-company transactions within the Group, at a price based on the actual market price.

The following represents segment information of the Group:

SBI Estate Finance Co., Ltd. and SBI Guarantee Co., Ltd., which were included in the Asset Management Business until the previous reporting period, are now included in the Financial Services Business beginning with the six months ended September 30, 2021. Consequently, segment information for the year ended March 31, 2021, is restated in accordance with the new basis of segmentation.

Also, Shinsei Bank, Limited is included in the Financial Services Business beginning with the nine months ended December 31, 2021.

For the year ended March 31, 2021

	Financial Services Business	Asset Management Business	Biotechnology, Healthcare & Medical Informatics Business	Total	Others	Elimination	Consolidated Total
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Revenue	314,159	205,871	5,627	525,657	21,733	(6,245)	541,145
Profit (loss) before income tax expense	86,386	84,188	(8,630)	161,944	(10,562)	(11,002)	140,380

For the year ended March 31, 2022

	Financial Services Business	Asset Management Business	Biotechnology, Healthcare & Medical Informatics Business	Total	Others	Elimination	Consolidated Total
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Revenue	396,179	317,831	9,920	723,930	44,293	(4,605)	763,618
Profit (loss) before income tax expense	282,924	165,962	(11,845)	437,041	(11,990)	(12,327)	412,724

2. Revenue

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of yen	Millions of yen
Financial income		
Interest income		
Income arising from financial assets measured at amortized cost (Note 1)	142,628	208,079
Income arising from debt instruments measured at FVTOCI (Note 2)	736	1,340
Income arising from financial assets measured at FVTPL	133,532	173,744
Income arising from financial liabilities designated at FVTPL	-	5,475
Others	576	8,331
Total financial income	<u>277,472</u>	<u>396,969</u>
Revenue arising on insurance contracts	96,301	112,630
Revenue from contracts with customers		
Revenue from rendering of services	105,431	130,403
Revenue from sales of goods	14,898	37,939
Others	47,043	85,677
Total revenue	<u><u>541,145</u></u>	<u><u>763,618</u></u>

(Note 1) Interest income arising from loans and bonds in the banking and securities businesses.

(Note 2) Interest income arising from bonds in the banking and insurance businesses.

3. Earnings per Share

The basic and diluted earnings per share attributable to owners of the Company are calculated based on the following information.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Millions of yen	Millions of yen
Earnings		
Profit attributable to owners of the Company	81,098	366,854
Dilutive effect: Convertible bonds	664	757
Profit attributable to owners of the Company after dilutive effect	<u>81,762</u>	<u>367,611</u>
Shares	Shares	Shares
Basic weighted average number of ordinary shares	238,676,048	244,805,985
Dilutive effect: Stock options	2,244,040	2,256,409
Dilutive effect: Convertible bonds	34,445,617	38,816,665
Weighted average number of ordinary shares after the dilutive effect	<u>275,365,705</u>	<u>285,879,059</u>
Earnings per share attributable to owners of the Company	Yen	Yen
Basic	339.78	1,498.55
Diluted	296.92	1,285.90

4. Events after the Reporting Period

There was no significant event after the reporting period.

5. Other Information

The Group conducted a Tender Offer for the Shares of Shinsei Bank, Limited (the "Target Company") to establish and reinforce a business alliance relationship between the Group and the Target Company. Based on the results of the Tender Offer, the Target Company became a consolidated subsidiary of the Company as of December 17, 2021 (the commencement date of settlement for the Tender Offer). As a result of the above business combination, total assets increased by ¥10,260,501 million in the Consolidated Statement of Financial Position, and a gain on bargain purchase of ¥263,754 million was recognized in the Consolidated Statement of Income. The loss recognized in the Consolidated Statement of Income from the acquisition date to the end of the reporting period of the Target Company was ¥56,421 million. This was mainly due to the recognition of expected credit losses on loans. With respect to the above business combination, the initial accounting for the acquired identifiable assets, liabilities assumed, non-controlling interests and gain on bargain purchase has not been completed, and the measurement has been made on a provisional basis based on currently available information, since it takes time to organize and analyze information mainly on loans, unlisted stocks, and customer deposits for banking business.