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Consolidated Financial Results for the First Three-Month Period of the Fiscal Year Ending March 31, 2026 (under IFRS)

August 4, 2025

Company name: SBI ARUHI Corporation (the "Company")
Listing: Tokyo Stock Exchange
Securities code: 7198
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (for analysts)

(Millions of yen with fractional amounts rounded down, unless otherwise noted)

1. Consolidated financial results for the first three-month period of the fiscal year ending March 31, 2026 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Operating revenue		Income before tax		Net income		Net income attributable to owners of the parent	
Three-month period ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	5,470	(0.2)	437	(45.0)	296	(43.9)	300	(43.3)
June 30, 2024	5,479	19.0	795	77.2	528	73.4	531	70.8

	Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three-month period ended	Millions of yen	%	Yen	Yen
June 30, 2025	296	(43.9)	6.78	6.78
June 30, 2024	528	73.4	11.99	11.98

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2025	205,898	41,568	41,424	20.1
March 31, 2025	205,679	42,151	42,003	20.4

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 year ended March 31, 2025	–	20.00	–	20.00	40.00
Fiscal year ending March 31, 2026	–				
Fiscal year ending March 31, 2026 (Forecast)		20.00	–	20.00	40.00

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

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenue		Income before tax		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	23,000	3.2	2,500	3.0	1,700	(10.4)	1,700	(10.7)	38.36

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

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

Newly included: –

Excluded: 1 company: ARUHI Homebuying Concierge Corporation

(2) Changes in accounting policies and changes in accounting estimates

a. Changes in accounting policies required by IFRS: Yes

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

Note: For details, please see "(5) Notes to condensed quarterly consolidated financial statements" in "2. Condensed quarterly consolidated financial statements and significant notes thereto" in the attached materials.

(3) Number of issued shares (ordinary shares)

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

As of June 30, 2025	44,712,170 shares
As of March 31, 2025	44,712,170 shares

b. Number of treasury shares at the end of the period

As of June 30, 2025	358,960 shares
As of March 31, 2025	359,360 shares

c. Weighted-average number of shares during the period (cumulative from the beginning of the fiscal year)

For the three-month period ended June 30, 2025	44,353,012 shares
For the three-month period ended June 30, 2024	44,277,465 shares

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

* Proper use of earnings forecasts, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual business and other results may differ substantially from these forecasts due to various factors.

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1. Overview of operating results

(1) Overview of operating results for the first three-month period

Operating revenue for the three-month period ended June 30, 2025 decreased 0.2% year on year to ¥5,470 million, the same level as the same period of the previous fiscal year. Although the number of loans executed for "Flat 35," our main product, increased year on year against the backdrop of the narrowing gap between fixed and variable interest rates, origination-related revenue decreased 9.5% year on year due to sluggish growth in the number of variable interest rate loans executed. Recurring revenue increased 16.6% year on year, due to strong sales from insurance and rent guarantees, as well as higher loan servicing fee revenue resulting from the acquisition of servicing business from several companies. Asset and other revenue decreased 3.8% year on year, due to the impact of the significant increase in the fair value of beneficiary rights in the same period of the previous fiscal year, while interest income increased due to the steady accumulation of real estate collateralized loans outstanding.

Operating expenses increased 7.8% year on year to ¥5,031 million, due to a one-time factor of ¥137 million decrease in share-based payment expenses in the same period of the previous fiscal year, as well as the impact of an increase of finance costs due to higher funding rates. While operating revenue remained flat, income before tax decreased 45.0% year on year to ¥437 million due to an increase in operating expenses. As a result of the above, net income decreased 43.9% year on year to ¥296 million and net income attributable to owners of the parent decreased 43.3% year on year to ¥300 million.

Segment information has been omitted as the SBI ARUHI Group (the "Group") operates in a single segment, namely, the housing finance business.

(2) Overview of financial position as of June 30, 2025

As of June 30, 2025, total assets were ¥205,898 million, an increase of ¥218 million compared with March 31, 2025. This was primarily due to a decrease of ¥625 million in accounts receivable and an increase of ¥942 million in cash and cash equivalents.

As of June 30, 2025, total liabilities were ¥164,329 million, an increase of ¥801 million compared with March 31, 2025. This was primarily due to decreases of ¥4,545 million in borrowings and ¥1,032 million in deposits received, and an increase of ¥6,969 million in bonds payable.

As of June 30, 2025, equity was ¥41,568 million, a decrease of ¥583 million compared with March 31, 2025. This was primarily due to the recording of net income of ¥296 million, which was offset by a decrease of ¥887 million in retained earnings due to dividend payments.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

There is no revision to the consolidated earnings forecasts for the fiscal year ended March 31, 2025 announced on "Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (under IFRS)" released on May 8, 2025.

2. Condensed quarterly consolidated financial statements and significant notes thereto

(1) Condensed quarterly consolidated statement of financial position

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Cash and cash equivalents	20,149	21,091
Trade receivables	1,632	1,283
Operating loans receivable	111,977	111,984
Beneficiary rights	32,322	32,498
Deposits paid	131	137
Accounts receivable	956	330
Other financial assets	1,033	971
Other assets	2,286	2,419
Property, plant and equipment	3,987	4,067
Goodwill	24,464	24,464
Intangible assets	6,560	6,441
Deferred tax assets	176	208
Total assets	205,679	205,898
Liabilities		
Deposits received	5,671	4,639
Lease liabilities	604	524
Bonds payable	3,500	10,469
Borrowings	105,773	101,227
Provisions	203	203
Income taxes payable	418	146
Other financial liabilities	44,533	44,589
Other liabilities	2,526	2,205
Deferred tax liabilities	296	323
Total liabilities	163,527	164,329
Equity		
Share capital	3,471	3,471
Share premium	17,613	17,620
Treasury shares	(579)	(578)
Retained earnings	21,497	20,911
Equity attributable to owners of the parent	42,003	41,424
Non-controlling interests	148	144
Total equity	42,151	41,568
Total liabilities and equity	205,679	205,898

(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of comprehensive income

Condensed quarterly consolidated statement of profit or loss

Three-month period ended June 30, 2025

(Millions of yen)

	Three-month period ended June 30, 2024	Three-month period ended June 30, 2025
Operating revenue	5,479	5,470
Operating expenses		
Finance costs	(1,095)	(1,485)
Selling, general and administrative expenses	(3,404)	(3,423)
Other expenses	(168)	(123)
Total operating expenses	(4,669)	(5,031)
Other income and expenses		
Other income	6	6
Other expenses	(20)	(7)
Total other income and expenses	(14)	(0)
Income before tax	795	437
Income tax expenses	(267)	(141)
Net income	528	296
Net income attributable to:		
Owners of the parent	531	300
Non-controlling interests	(2)	(4)
Net income	528	296
Earnings per share (Attributable to owners of the parent)		
Basic earnings per share (Yen)	11.99	6.78
Diluted earnings per share (Yen)	11.98	6.78

Condensed quarterly consolidated statement of comprehensive income

Three-month period ended June 30, 2025

(Millions of yen)

	Three-month period ended June 30, 2024	Three-month period ended June 30, 2025
Net income	528	296
Comprehensive income	528	296
Comprehensive income attributable to:		
Owners of the parent	531	300
Non-controlling interests	(2)	(4)
Comprehensive income	528	296

(3) Condensed quarterly consolidated statement of changes in equity

Three-month period ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Retained earnings	Total		
Balance as of April 1, 2024	3,471	17,888	(712)	21,364	42,012	(58)	41,953
Net income	–	–	–	531	531	(2)	528
Total comprehensive income	–	–	–	531	531	(2)	528
Disposal of treasury shares	–	(20)	32	–	11	–	11
Dividends	–	–	–	(885)	(885)	–	(885)
Share acquisition rights	–	(137)	–	–	(137)	–	(137)
Restricted share-based remuneration	–	32	–	–	32	–	32
Total transactions with owners	–	(126)	32	(885)	(978)	–	(978)
Balance as of June 30, 2024	3,471	17,762	(679)	21,010	41,564	(61)	41,503

Three-month period ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Retained earnings	Total		
Balance as of April 1, 2025	3,471	17,613	(579)	21,497	42,003	148	42,151
Net income	–	–	–	300	300	(4)	296
Total comprehensive income	–	–	–	300	300	(4)	296
Disposal of treasury shares	–	(0)	0	–	0	–	0
Dividends	–	–	–	(887)	(887)	–	(887)
Restricted share-based remuneration	–	6	–	–	6	–	6
Total transactions with owners	–	6	0	(887)	(880)	–	(880)
Balance as of June 30, 2025	3,471	17,620	(578)	20,911	41,424	144	41,568

(4) Condensed quarterly consolidated statement of cash flows

(Millions of yen)

	Three-month period ended June 30, 2024	Three-month period ended June 30, 2025
Cash flows from operating activities		
Income before tax	795	437
Depreciation and amortization expenses	400	275
Amortization expenses of servicing assets	63	173
Interest income	(582)	(797)
Net gain or loss (gain) arising on financial instruments as at FVTPL	(434)	(234)
Interest expenses	191	347
Revenue related to liquidation of loans receivable	(411)	(382)
Decrease (increase) in trade receivables	60	349
Decrease (increase) in operating loans receivable	5,235	(79)
Decrease (increase) in beneficiary rights	517	474
Decrease (increase) in deposits paid	0	(5)
Decrease (increase) in accounts receivable	6	625
Decrease (increase) in other financial assets	(152)	(12)
Decrease (increase) in other assets	(68)	98
Increase (decrease) in deposits received	(731)	(1,032)
Increase (decrease) in provisions	0	0
Increase (decrease) in other financial liabilities	(85)	(84)
Increase (decrease) in other liabilities	(169)	(320)
Other	262	(213)
Subtotal	4,899	(381)
Interest received	677	937
Interest paid	(158)	(333)
Income taxes paid	(408)	(422)
Net cash provided by (used in) operating activities	5,009	(199)
Cash flows from investing activities		
Purchase of intangible assets	(106)	(265)
Other	83	(34)
Net cash used in investing activities	(22)	(300)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(9,881)	(5,700)
Increase (decrease) in borrowings accompanying the liquidation	(0)	(0)
Proceeds from issuance of bonds	1,000	6,969
Proceeds from non-current borrowings	1,500	5,500
Repayments of non-current borrowings	(666)	(4,332)
Repayments of lease liabilities	(136)	(119)
Proceeds from exercise of share options	11	0
Dividends paid	(873)	(876)
Net cash provided by (used in) financing activities	(9,045)	1,442
Increase (decrease) in cash and cash equivalents	(4,059)	942
Cash and cash equivalents at beginning of period	20,416	20,149
Cash and cash equivalents at end of period	16,357	21,091

(5) Notes to condensed quarterly consolidated financial statements

(Note on assumption of going concern)
Not applicable.

(Changes in accounting policies)
The material accounting policies applied to the condensed quarterly consolidated financial statements are identical to the accounting policies applied to the consolidated financial statements in the previous fiscal year except for the following items.
Income tax expenses for the three-month period ended June 30, 2025, were calculated based on the estimated annual effective tax rate.

IFRS accounting standards		Outline of new standards and amendments
IAS 21	The Effects of Changes in Foreign Exchange Rates	Clarification of requirements when a currency is not exchangeable into another currency

The adoption of above standards does not have a significant effect on the condensed quarterly consolidated financial statements.

(Segment information)

(1) General information

The Group's housing finance business consists of the execution and collection of long-term and fixed rate housing loans such as "Flat 35," variable rate or fixed and variable rate mixed-type housing loans, and the sale of insurance products incidental to these loans, etc. As such, the Group has a single reportable segment since there are no separable operating segments.

(2) Information about services

(Millions of yen)

	Three-month period ended June 30, 2024	Three-month period ended June 30, 2025
Origination-related revenue	2,504	2,267
Recurring revenue	1,673	1,950
Assets and other revenue	1,301	1,252
Total operating revenue	5,479	5,470