

JIA

Financial Results for FY2022

February 10, 2023

Japan Investment Adviser Co., Ltd.

Stock Code: 7172



<https://www.jia-ltd.com/en/>

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Guidance

Please use the archive of our disclosed figures that can be downloaded in Excel format.

Homepage / In the IR library

<https://www.jia-ltd.com/en/ir/library/>

IR Data archive



1. Company Overview

Always be a company contributing to society
by offering financial services.

For shareholders

We will contribute to the prosperity of our shareholders by increasing corporate value with an aim to achieve a steady and rapid growth on a sustainable basis.

For clients

We are dedicated to contributing to the prosperity of our corporate and individual clients by providing financial products and services that are backed by the support and trust of our clients.

For business partners


We aim to fulfill our social responsibility and achieve business growth together with our business partners empowered by their support and trust.

For our officers and employees

We will build a work environment to help each of our staff to develop professionalism and fully exercise their ability. We will foster an organization and a corporate culture that prioritize openness and creativity to encourage our staff to take on new challenges.



Corporate Profile



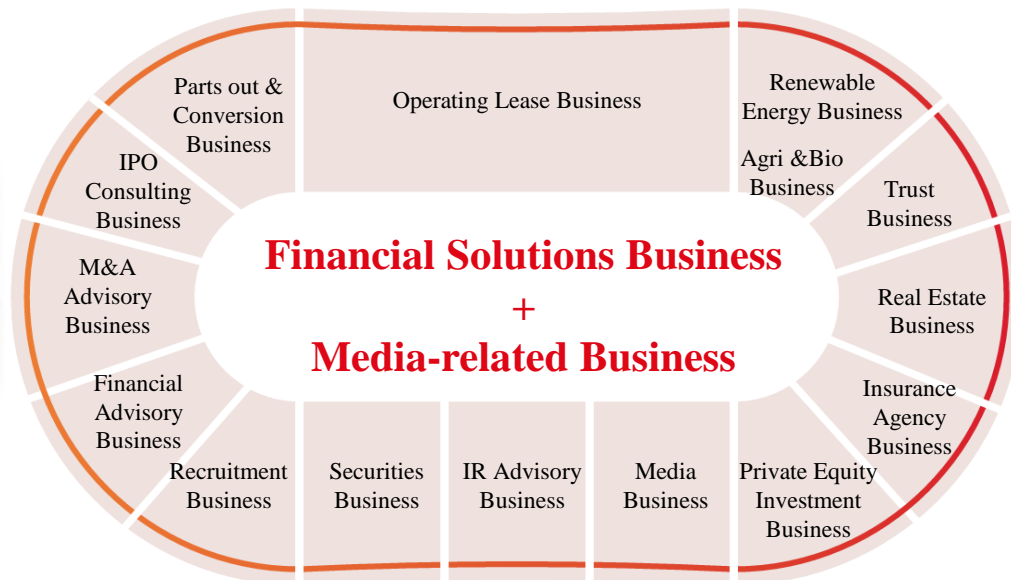
Company Name	Japan Investment Adviser Co., Ltd.
Head Office	Kasumigaseki Common Gate West Tower 3-2-1 Kasumigaseki Chiyoda-ku Tokyo
Representative	President, CEO Naoto Shiraiwa
Established	September 2006 (Fiscal Year-end: December 31)
Business	Financial solutions business, Media-related business
Paid-in Capital	¥11,679 million
Stock Exchange Listing	The Prime Market of the Tokyo Stock Exchange (Stock Code: 7172)
Employees	Non-consolidated: 159 ; Consolidated: 238
Financial Institutions	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd., Resona Bank, Limited., Sumitomo Mitsui Trust Bank, Limited, The Norinchukin Bank, The Chiba Bank, Ltd., Daishi Hokuetsu Bank. Ltd. and the other 53 companies
Major Shareholders	Top shareholders (66.3% shares, excluding treasury stock) as of December 31, 2022 KODO Holdings Co., Ltd. (24.5%) Naoto Shiraiwa (22.8%) Custody Bank of Japan, Ltd. (Trust account) (10.9%) Master Trust Bank of Japan.(Trust account) (5.2%) Teiji Ishikawa (1.5%) Yoshitaka Murata (1.5%)
Independent Auditor	Grant Thornton Taiyo LLC

as of December 31, 2022

Our Group Business

Our group core business is Operating Leases Business, which is the structuring and sale of unique financial products (Japanese Operating Leases, JOL/JOLCO) to investors, namely small and medium-sized enterprises (SMEs), through a nationwide network of banks, securities firms and other financial institutions, as well as public tax accounting firms and certified public accountants.

In addition to the Operating Lease Business, the Company provides comprehensive solution services to SMEs, including solutions to issues such as lack of human resources and successors, as well as financing and strategic planning support for sustainable growth.



Our Major Group Companies

Japan Investment Adviser Co., Ltd.	<ul style="list-style-type: none"> • Renewable Energy Business • M&A Advisory Business • Recruitment Business • Private Equity Investment Business 	<ul style="list-style-type: none"> • Financial Advisory Business • IPO Consulting Business • Real Estate Business
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| Subsidiary |

Company Name	Voting Rights Ratio	Business
JP Lease Products & Services Co., Ltd.	100%	<ul style="list-style-type: none"> <li style="width: 50%;">• Operating Lease Business <li style="width: 50%;">• Renewable Energy Business <li style="width: 50%;">• Part out & Conversion Business <li style="width: 50%;">• Insurance Agency Business
JLPS Ireland Limited	100%	<ul style="list-style-type: none"> • Operating Lease Business
Finspire Inc.	100%	<ul style="list-style-type: none"> • Operating Lease Business
JIA Trust Co., Ltd.	100%	<ul style="list-style-type: none"> • Trust Business
JIA Securities Co., Ltd.	100%	<ul style="list-style-type: none"> • Securities Business
Nihon Securities Journal Inc.	100%	<ul style="list-style-type: none"> <li style="width: 50%;">• Media Business <li style="width: 50%;">• IR Advisory Business

| Equity method affiliates |

Bleriot Aviation Leasing Designated Activity Company	25% [※]	<ul style="list-style-type: none"> • Joint venture with Airbus Group, etc. • Procurement of aircraft leasing for sale to investors <p>Note : New investors joined in December 2022</p>
JIA Aviation Finance G.K.	47.5%	<ul style="list-style-type: none"> • Finance Business for Aircraft
ADLER SOLAR WORKS Co., Ltd.	49.98%	<ul style="list-style-type: none"> • PV Plant Design, Design Evaluation, Inspection • PV Plant Operation and Maintenance Service, etc

As of Dec. 31, 2022

Our Group History

Establish

JIA 2006
Established Japan Investment Adviser Co., Ltd. and started an Operating Lease Business for maritime containers.

JIA 2007
Started M&A Advisory Business.

Fins 2007
Established CAIJ Inc. (currently Finspire Inc.)
※JV of leasing business of maritime containers that utilized portfolio of CAI International, Inc. in U.S.A.

JLPS 2011
Established JP Lease Products & Services Co., Ltd. (JLPS) and started an Operating Lease Business for aircraft.

JLPS 2014
Started structuring and selling the No. 1 Fund of solar power generation business.

JIA 2014
Got listed on Tokyo Stock Exchange Mothers Section.

NSJ 2015
Acquired all shares of Nihon Securities Journal Inc. and started Media & IR Advisory Business.

JIA 2015
Started Private Equity Investment Business.
※The first IPO (Bank of Innovation, Inc.: Stock Code: 4393)

JIA 2016
Started IPO Consulting Business.

Fins 2016
Acquired all shares of CAIJ Inc. (currently Finspire Inc.) (made into a wholly owned subsidiary company)

100 billion yen

List 1st Section (currently Prime) of TSE

Fins 2017
Started Insurance Agency Business.

JLPS 2019
Succeeded the Insurance Agency Business of Finspire Inc.

JLPS 2019
Annual sales of equity underwritten in Operating Lease Business exceeded 100 billion yen.

JLPS-Ire 2019
Head office was established in Shannon, Ireland, and began full-scale operations.

JIA 2020
Changed to the First Section of Tokyo Stock Exchange.

Bleriot 2020
Established a joint venture with Airbus Group as an equity-method affiliate. (Bleriot Aviation Leasing Designated Activity Company)

JIA 2021
Acquired J-Adviser qualification and started Listing Support Business for TOKYO PRO Market.

JIA-Sec 2021
Acquired all shares of Sankyo Securities Co., Ltd., changed its name to JIA Securities Co., Ltd., and then launched Securities Business.

JIA-Trust 2022
JIA Trust Co.,Ltd. obtained a license as an investment-based trust company, and started Trust Business.

JAF 2022
JIA Aviation Finance LLC, a joint venture company that conducts aviation finance business, started business in July.

List
MOTHERS

FY2022

2. Business Overview

Ordinary income and net income increased due to gain on foreign exchange stemming from the continuous depreciation of the yen.

- In the Operating Lease Business, an asset impairment and operational expense were incurred in aircrafts owned by JIA Group with lease contracts before the creation of financial instruments due to worsening of earnings due to the rise in interest rates. As a result, operating income declined sharply.
- The delay in creation of financial instruments due to the stagnation of supply chain was also a factor in not achieving the plan.

(Millions of yen)	FY2021	FY2022			FY2022 forecast announced on July 21	
	Result	Result	Change	Change(%)	Fiscal Year	Achievement rate
Net Sales	14,105	18,045	3,940	27.9%	19,400	93.0%
Operating profit	3,773	1,298	(2,474)	(65.6%)	3,000	43.3%
Ordinary profit	4,704	5,897	1,193	25.4%	7,900	74.7%
Profit attributable to owners of parent	2,921	4,412	1,491	51.0%	6,400	68.9%
Total amount of equity sales [※]	49,475	50,188	712	1.4%	56,000	89.6%

Note : Transfer of equity interest in special-purpose companies(SPC) as defined in Article 2, Paragraph 2-5 of the Financial Instruments and Exchange Act

Summary for the FY2022

- ① **Temporary losses in the Operating Lease Business. In addition, the creation of financial instruments was delayed due to the stagnation of the supply chain. On the other hand, products to be sold steadily increase.**

◆ **Temporary losses in aircraft owned by JIA Group before the creation of financial instruments**

- i Losses of evaluation due to worsening of earnings due to the rise in interest rates. (442 Million yen / cost of sales)
ii Incurred unexpected operational expense before the creation of financial instruments (942 Million yen / cost of sales)

◆ **Products to be sold in 2023 will increase**

- i Due to the stagnation of the supply chain, the delivery of aircraft was delayed, so the creation of financial instruments for sale during FY2022 did not progress as planned and we became short of financial instruments to sell.
ii We secured balance of equities underwritten to the pre-pandemic level. In FY2023, we expect that performance will be better in the second half.

■ **Variation in balance of equities underwritten**

(Millions of yen)	FY2018	FY2019	FY2020	FY2021	FY2022
Consolidated	51,063	83,372	28,431	20,111	46,587
Bleriot	—	—	1,794	14,654	20,514
Total	51,063	82,372	30,225	34,765	67,101

- ② **Recording 5,484 million yen in non-operating gain on foreign exchange, stemming from the rapid depreciation of the yen (January to December)**

- ◆ Gain on foreign exchange consists mainly of settlement of receivables in foreign currency (advance payments related to products to be sold) and revaluation based on the exchange rate at the end of the term.
◆ While the balance of receivables and payables in foreign currency has decreased, the timing of liquidating the foreign exchange position is currently undecided.
◆ To reduce foreign exchange losses due to the reversal of the strong yen, we implemented measures to reduce foreign exchange exposure through forward exchange contracts, etc.

[FX rate]	FY2022 Jan.-Mar.	FY2022 Apr.-Jun.	FY2022 Jul.-Sep.	FY2022 Oct.-Dec..
Beginning rate(A) 1USD=	115.02JPY	122.39JPY	136.68JPY	144.81JPY
End-of-quarter rate(B) 1USD=	122.39JPY	136.68JPY	144.81JPY	132.70JPY
Change(B)-(A)	7.37JPY	14.29JPY	8.13JPY	(12.11)JPY
Foreign exchange gains (Millions of yen)	1,708	2,545	1,234	(4)
(C)÷(B-A) (Millions of yen)	231	178	151	0.34

FY2022 Consolidated Income Statement Summary

(Millions of yen)	FY2021	FY2022		
	Result	Result	YoY Change	YoY change(%)
Net Sales	14,105	18,045	3,940	27.9%
Costs of sales	5,445	11,018	5,572	102.3%
Gross profit *1	8,659	7,027	(1,632)	(18.9%)
SG&A expenses*2	4,886	5,728	841	17.2%
Operating profit	3,773	1,298	(2,474)	(65.6%)
Non-operating income *3	2,840	6,543	3,702	130.3%
Non-operating expenses	1,909	1,944	35	1.9%
Ordinary Profit	4,704	5,897	1,193	25.4%
Profit attributable to owners of parent	2,921	4,412	1,491	51.0%

Point

Note.1 Gross profit

(FY2022) GP margin was 38.9% (2021 – 61.4%)
(Oct.-Dec.) GP margin was 47.7% (2021 – 52.9%)

[Reason of the decline]

- Impact of selling the “portfolio fund,” which was established by integrating 14 solar power plants owned as “merchandise” in our account, in the second quarter, and posting the sales of total assets.
- Impact of temporary losses up aircrafts owned by JIA Group with lease contracts before the creation of financial instruments

Note.2 SG&A expenses

An increase of 841 million yen

- Increase of 363 million yen in labor cost.
- Increase of 68 million yen in commission fee.

Note.3 Non-operating income

An increase of 3,702 million yen

- Increase of 3,635 million yen in foreign exchange gain.
- Recorded 300 million yen in profit of affiliates.
(Recorded 413 million yen in loss of affiliates in the previous fiscal year.)

Business Segment (FY2022)

Notable growth of sales in businesses other than the core business in step with the success of initiatives for expanding the business portfolio

- Conclusion of the contract for a large-scale project for the solar power plant business fund in the second quarter
- Revenues increased in the Part Out & Conversion Business and Consulting Businesses

Business units (Millions of yen)	FY2021	FY2022			
	Result	Result	YoY change	YoY change(%)	
Operating Lease Business	11,199	8,976	(2,223)	(19.8%)	
Renewable Energy Business	1,521	7,214	5,692	374.1%	
Aircraft Part-Out & Conversion Business	728	1,042	314	43.1%	
Other Financial Solution Business	Securities Business / Trust Business				
	M&A Advisory Business / Financial Advisory Business				
	Private Equity Investment Business	424	558	134	31.7%
	IPO Consulting Business / Insurance Agency Business				
Recruitment Business					
Media- related Business	231	253	21	9.2%	
Total	14,105	18,045	3,940	27.9%	

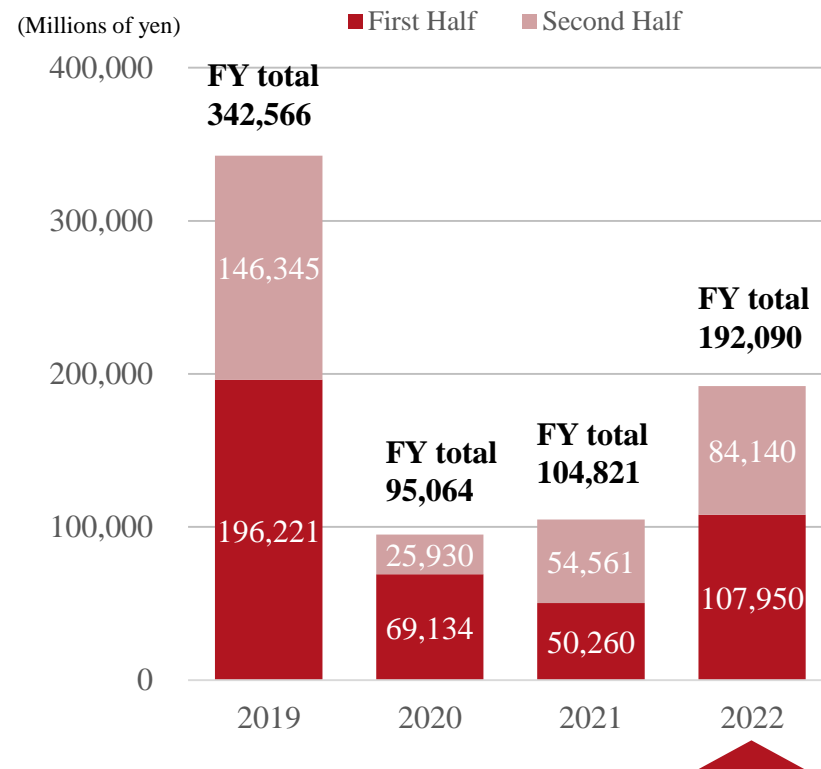
Deals Structured

(Operating Lease Business, Renewable Energy Business)

Deals Structured by Type of Asset

(Millions of yen)	FY2021	FY2022
Aircraft	93,425 (16 deals)	185,463 (28 deals)
Vessel	0 (0 deal)	0 (0 deal)
Container box	4,877 (4 deals)	6,626 (1 deal)
Solar photovoltaic generation	6,517 (1 deal)	0 (0 deal)
Total	104,821 (21 deals)	192,090 (29 deals)

Change in Amount of Deals Structured



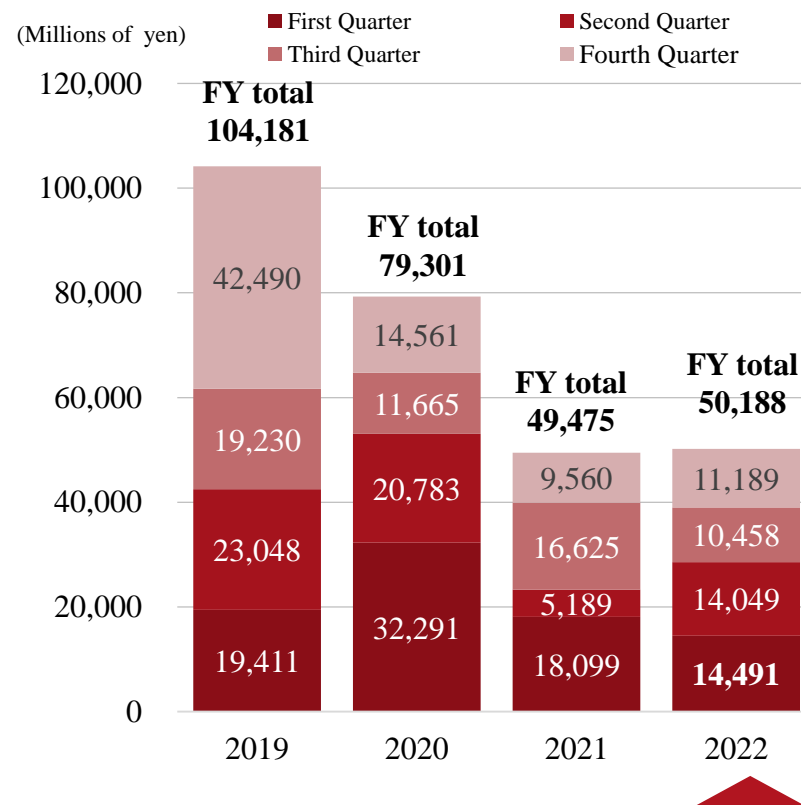
Equity Sales

(Operating Lease Business, Renewable Energy Business)

Equity Sales by Type of Asset

(Millions of yen)	FY2021	FY2022
Aircraft	47,362	45,466
Vessel	0	0
Container box	2,112	3,482
Solar photovoltaic generation	0	1,240
Total	49,475	50,188

Change in Amount of Equity Sales



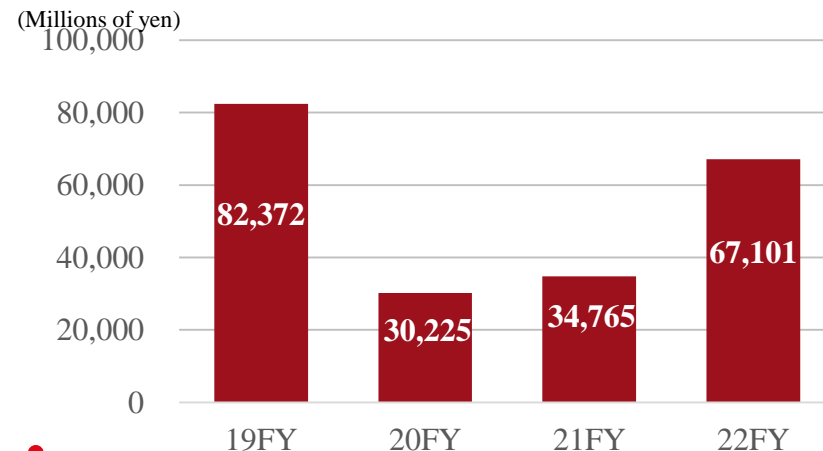
Equity underwritten etc.

(Operating Lease Business, Renewable Energy Business)

Equity underwritten etc. at the end of the term by Type of Asset

(Millions of yen)	Q4 FY2021	Q4 FY2022
Aircraft	15,389 (7 deals)	43,517 (18 deals)
Vessel	0 (0 deal)	0 (0 deal)
Container box	3,482 (2 deals)	3,070 (1 deal)
Subtotal	18,871 (9 deals)	46,587 (19 deals)
Solar photovoltaic generation	1,240	0
Investment in Bleriot	14,654	20,514 (※)
Total	34,765	67,101

Balance of Equity underwritten at the end of the term



(Note : Inclusion of Bleriot's investment balance in Equity underwritten)

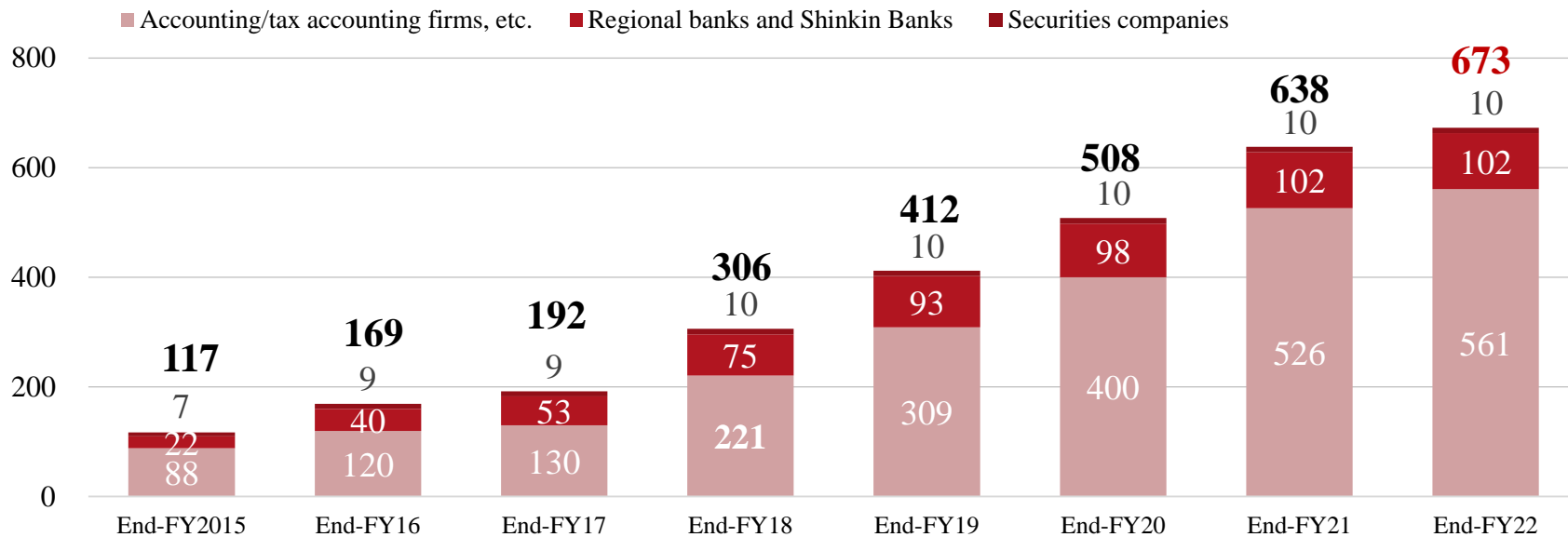
Balance of equity underwritten in Bleriot, an equity-method affiliate.

(The Group accounts for its 60% investment in Bleriot in the "Investment securities".)

- Bleriot, a JV with Airbus Group, etc., procures and pools high-quality aircraft leasing projects through "equity according to the investment ratio of each investor" and "loan from BNP PARIBAS, etc." on the assumption that they will be sold to investors.
- Depending on the needs of investors (timing, structure, etc.), the Group will sell these investments as financial instruments and convert them into cash.
- As a result, the nature of this account is similar to that of the conventional "equity underwritten".

Sales Network (Business Matching Partners)

Number of business matching contracts



- During FY 2022, the number of business matching partners, which match investors with JIA Group, increased by 35 to a total of 673.
- In addition to the channel of banks and Shinkin banks, which has been one of our strengths, In recent years, we have increased contracts with tax accountant offices and accounting firms.
→It will become a strong advantage in marketing activities after the COVID-19 pandemic subsides.

FY2022 Consolidated Balance Sheet Summary (1)

(Millions of yen)	Dec 31, 2021	Dec 31, 2022		
		Result	YoY change	YoY change(%)
Cash and deposits	12,314	20,906	8,591	69.8%
Accounts receivable – trade	7,420	4,593	(2,826)	(38.1%)
Merchandise *1	9,817	38,643	28,826	293.6%
Equity underwritten *2	18,871	46,587	27,715	146.9%
Costs on uncompleted – trade	281	999	717	254.8%
Advance payments-trade *3	13,191	10,583	(2,607)	(19.8%)
Advances paid*4	8,568	6,204	(2,363)	(27.6%)
Other	6,222	8,444	2,221	35.7%
Current assets	76,687	136,963	60,275	78.6%
Tangible fixed assets	355	460	105	29.6%
Intangible fixed assets	360	425	64	17.9%
Investment and other assets *5	24,253	37,926	13,672	56.4%
Non-current assets	24,969	38,812	13,842	55.4%
Deferred assets	106	101	(5)	(5.2%)
Total assets	101,764	175,876	74,112	72.8%

Point

*1 Merchandise

Mainly,

- The aircraft trust beneficiary rights to be sold
- The inventory in the Part Out & Conversion Business
- The inventory after exercise of purchase option in solar power generation business fund

*2 Equity underwritten

Investment in silent partnership to be sold in the future in the Operating Lease Business

*3 Advance payments-trade

Mainly for purchase of aircraft to develop investment products.

- ※ Plans to transfer all the balance to equity underwritten.
- ※ The company may sell aircraft.

*4 Advances paid

Mainly temporary advances paid etc. before sale to investors for the Operating Lease Business and for the Renewable Energy Business.

*5 Investments and other assets

Including the outstanding balance of money invested in Bleriot (an equity-method affiliate): 12,308 million yen (equivalent to 60% of the equity)

→ To pool leased aircraft and structure deals according to the needs from lease companies and investors (about timing and structures)

FY2022 Consolidated Balance Sheet Summary (2)

(Millions of yen)	Dec 31, 2021	Dec 31, 2022		
		Result	YoY change	YoY change(%)
Accounts payable - trade	270	452	182	67.6%
Short-term loans payable *1	43,305	94,861	51,556	119.1%
Unearned revenue *2	1,164	—	4,345	373.1%
Contract liabilities *2	—	5,510		
Other	3,569	6,066	2,496	69.9%
Current liabilities	48,310	106,890	58,580	121.3%
Non-current liabilities*1	11,775	22,190	10,415	88.5%
Total liabilities	60,085	129,080	68,995	114.8%
Capital stock	11,679	11,679	0	0.0%
Capital surplus	11,621	11,624	3	0.0%
Retained earnings	19,011	22,457	3,445	18.1%
Treasury shares	(1,470)	(1,470)	0	0.0%
Shareholders' equity *3	40,842	44,291	3,449	8.4%
Other	836	2,504	1,667	199.2%
Total net assets	41,679	46,795	5,116	12.3%

*1. Interest-bearing debt

• **Short-term loans payable** are mainly used by the Group to temporarily underwrite special-purpose companies (SPC) investments on the premise that the status will be transferred to investors.

• **Long-term debts and corporate bonds** are utilized as funds for long-term projects of the Part Out & Conversion Business, etc. From the viewpoint of contributing to society, we issued more donation-type private placement bonds

*2. Unearned revenue ⇒ Contract liabilities

• Changed to “Contract liabilities,” through the application of Accounting Standards for Revenue Recognition (new revenue recognition standards).

• Of the business consignment fees received from SPC, the amount for the period before the transfer to investors.

*3. Equity ratio

Equity ratio decreased due to a Short-term loans payable increased with the increase in Equity underwritten.

End of	FY2021	40.8%
End of	FY2022	26.0%

3. Forecasts for FY2023

Earnings Forecasts for FY2023

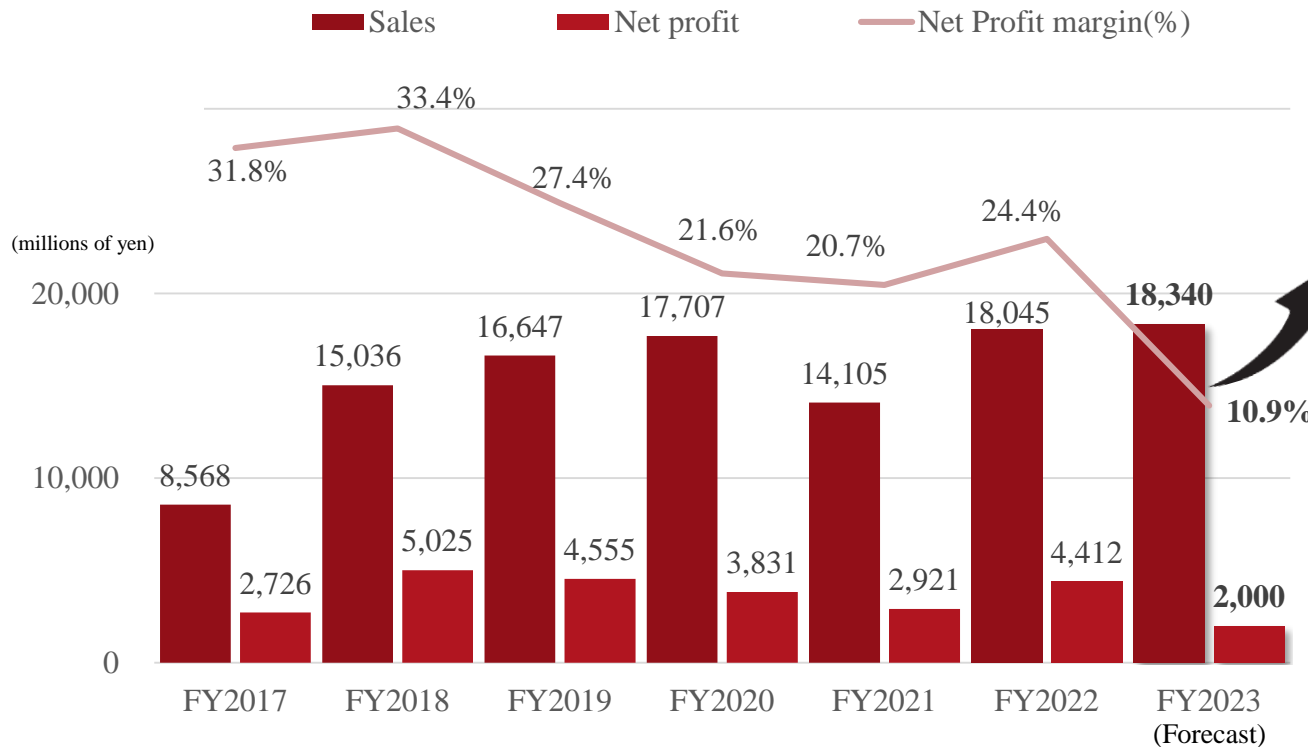
Full-fledged recovery of business performance from the second half of FY2023

- The delivery of aircraft was delayed due to the stagnation of the supply chain, many products will be available for sale after the second half of FY2023. Accordingly, in FY2023, we expect that performance will be better in the second half.
- Ordinary and net profit decreased due to the movement in foreign exchange gains (5,484 million yen) from the sharp depreciation of the yen in the previous period.

(Millions of yen)	FY2023					
	1 st half		2 nd half		Fiscal year	
	Forecast	YoY Change	Forecast	YoY Change	Forecast	Change
Net Sales	6,870	(5,657)	11,470	5,952	18,340	294
Operating profit	1,260	(241)	2,740	2,943	4,000	2,701
Ordinary profit	540	(6,165)	1,720	2,527	2,260	(3,637)
Profit attributable to owners of parent	500	(4,823)	1,500	2,411	2,000	(2,412)
Total amount of equity sales [※]	12,600	(15,941)	52,400	30,752	65,000	14,811

Note: Transfer of equity interest in special-purpose companies(SPC) as defined in Article 2, Paragraph 2-5 of the Financial Instruments and Exchange Act

Development of the business base for returning to the high-growth model in the post-COVID-19 pandemic era.



In FY2022

The impairment losses on aircraft and operational expense were incurred in aircrafts owned by JIA Group with lease contracts before the creation of financial instruments due to worsening of earnings due to the rise in interest rates. (Net income increased due to foreign exchange gains of 5,484 million yen resulting from yen depreciation)

From the Second half of 2023
Realization of the effect of the partnership built during the COVID-19 pandemic.
Operating lease business to recover.
Diversification through business portfolio expansion.

4. Growth Strategy

Main strategic points for 2023 and beyond.

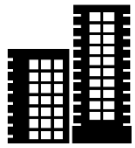
1 To diversify the Operating Lease Business

2 To build a foundation for the Real Estate Business

3 To expand business portfolio

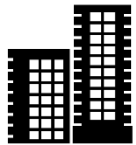
To diversify the Operating Lease Business(1)

Value chains evolve by building partnerships



To improve procurement capacity of aircrafts with lease contract

Bleriot (JV with the Airbus Group and others)



To improve senior debt financing capacity at origination

JIA Aviation Finance
(JV with a world-class fund and others)



To improve product diversity

Conversion Business
(Partnership with EFW, JV of ST Aerospace and Airbus Group)

To improve ability to originate and sell
JOL/JOLCO



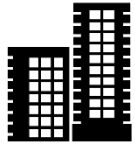
Our strength in procurement capacity of "used equipment" will be combined with our ability to procure "new equipment"



JOL/JOLCO of aircraft converted from a passenger aircraft to a cargo aircraft

To diversify the Operating Lease Business(2)

- **Trading aircraft with lease contract alongside the conventional silent partnership equity sales**
 - The improvement in the ability to procure aircraft enables the use of sales strategies other than the silent partnership equity sales method.
 - JIA Group, which has strengths in Japanese operating lease (JOL) without purchase options, will demonstrate its capabilities through its extensive experience of selling aircraft after the end of the lease.



Bleriot



To improve procurement capacity of aircrafts with lease contract



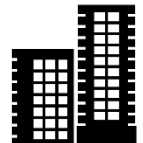
Investor who buys one aircraft

Responding to the needs of business owners and others



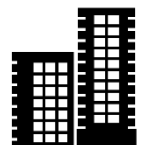
Leasing company

Matching our arrangement capabilities with well-funded leasing companies



Airline company

Responding to needs with our ability to procure popular models

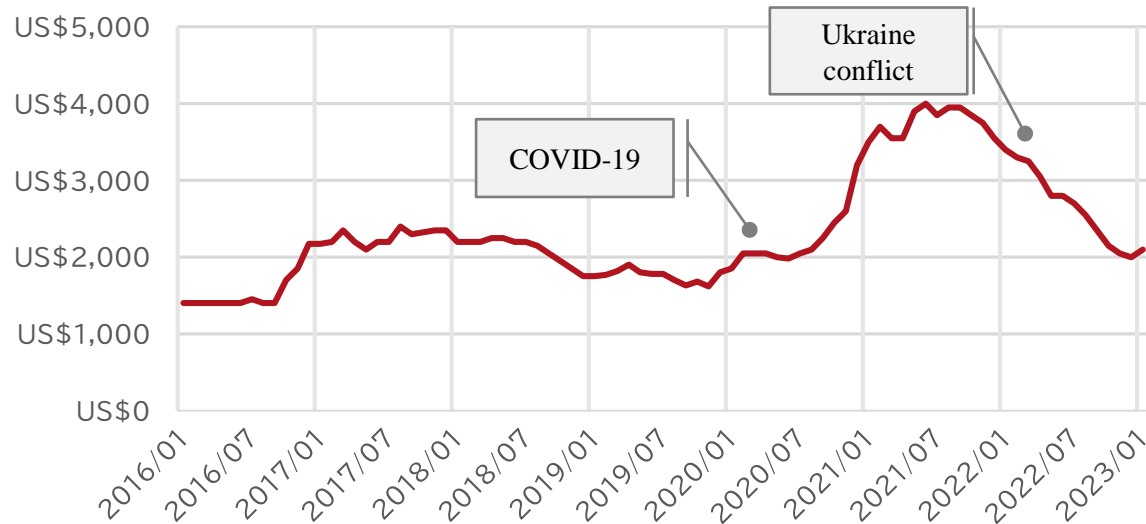


To diversify the Operating Lease Business(3)

Focusing again on JOL/JOLCO for shipping containers and vessels

- We have been cautiously working on JOL/JOLCO for shipping containers and vessels due to the soaring prices of shipping containers and other shipping-related markets caused by the COVID-19 pandemic, the Ukraine conflict, and other factors.
- At the timing when the market returns to pre-COVID-19 levels, Focusing again on JOL/JOLCO for shipping containers and vessels.

■ 20-foot shipping container new construction price trends



Source: EF International / Container market report

<https://www.ef-international.com/category/container-market-report/>

To build a foundation for the Real Estate Business

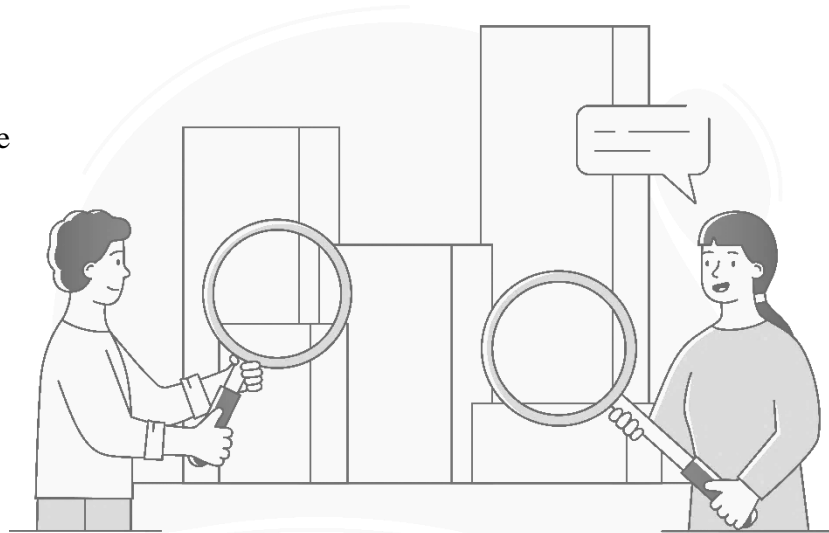
Started handling small-lot real estate products and approached individual customers

- Customers of the aircraft operating lease business are small and medium-sized enterprises nationwide.
- We will expand customer channels to approach individuals, such as the owners of existing client companies and wealthy people.
- We envision mainly a trust beneficiary right scheme. We operate through our subsidiary JIA Trust.

JIA 信託
TRUST

Envision a trust
beneficiary right scheme

T
R
U
S
T



Individual investor

Responding to fund
management needs,
inheritance needs, etc.



Expansion of new customer channels



To expand business portfolio(1)



Establishment of new Renewable Energy Business

Maintenance and operation of solar power plants, and consultation

Acquisition and financial commercialization of existing power plants

※ Collaboration with Adler Solar Works,
an equity method affiliate



To improve management skills

Undertaking of operations for existing properties utilizing management skills, such as maintenance of solar power plants

Financial commercialization

- Commercialization of retail financial instruments for solar power plants
- Creation of a large-scale portfolio fund for multiple power plants

**Photovoltaic rooftop installation
PPA Business**



To improve management skills

Comprehensive sales as one of the solution services for corporate management issues

PPA introduction fee

- Implementation of optimal planning.
- Supporting corporate PPA introduction by selecting optimal materials

Developed and commercialized new power sources such as wood biomass

※ Commercialization of research utilizing fast-growing trees with Tokyo University of Agriculture and Technology

- Creation of new forestry
- Stable supply of domestic wood biomass energy
- Advanced use of components to be shared



Research of fast-growing trees

Establishment of forest operation and management methods for raising seedlings, afforestation, and nurturing of fast-growing trees with excellent biomass production

Monetization of biomass power generation business

- Income from biomass energy sales
- Sales of domestic biomass fuel
- Arrangement fee from biomass power generation projects

To expand business portfolio(2)

Customer-oriented solution proposals with an extensive service lineup

M&A Advisory



M&A Advisory

Sales, acquisition, privatization,
business revitalization, etc.

Consulting regarding
business succession
Financial Advisory
Insurance Agency
Recruitment



Offering optimal
solutions based on a
neutral position with
no bias

**Comprehensive support
of business succession**

Capital policy, reorganization
Succession planning (referrals,
support)
Insurance selection

IPO Consulting

TOKYO PRO Market
J-Advisor

IR Advisory



TOKYO PRO Market

As a J-Advisor, Realization of
IPO of client companies

5. Shareholder Returns

Focusing on stable dividends, forecasting the same amount as FY2022

Our basic policy is to pay dividends based on a balance between performance-linked and stable dividends, while taking into consideration the balance between the expansion of the financial base and human investment to improve business performance.

	Dividends(JPY)			Amount of dividends	Payout Ratio	DOE
	Interim	Year-end	Annual	(Millions of yen)	(%)	(%)
FY2018	5.5	9.5	15.0	446	8.3	1.9
FY2019	9.5	12.5	22.0	655	14.4	1.9
FY2020	16.0	16.0	32.0	959	25.0	2.6
FY2021	16.0	16.0	32.0	963	33.0	2.4
FY2022 (※)	16.0	16.0	32.0	966	21.9	2.2
FY2023 (forecast)	16.0	16.0	32.0	966	48.3	2.0

Note: The amount of the year-end dividend for the fiscal year ending December 31, 2022 will be fixed after the resolution of the general meeting of shareholders.

Shareholder Returns (Incentives)

[Partial change in shareholder benefits at the end of December 2022]

- ✓ The incentive plan for shareholders to encourage more shareholders to maintain their investment loyalty over the medium- to long-term period. (Continued from end of FY2015.)
- ✓ We have changed the menu to take into account the balance of the number of shares held and the holding period, due to an increase in the number of shareholders who hold their shares for a long period of time,



Unlimited reading of back issues



The next day's newspaper will be released at noon.



Use of sophisticated tools such as chart analysis

Nihon Securities Journal

Search

Continuous holding period \ Continuous holding share	100 or more and less than 200 shares		200 or more and less than 2,000 shares		2,000 shares or more	
	subscription to the Nihon Securities Journal Digital	Quo Card	subscription to the Nihon Securities Journal Digital	Quo Card	subscription to the Nihon Securities Journal Digital	Quo Card
Less than 1 year	3-months (9,000 yen value)	—	3-months (9,000 yen value)	500 yen	6-months (18,000 yen value)	1,000 yen
1 year or more but less than 2 years	3-months (9,000 yen value)	500 yen	6-months (18,000 yen value)	1,000 yen	12-months (36,000 yen value)	3,000 yen
2 years or more but less than 3 years	6-months (18,000 yen value)	1,000 yen	12-months (36,000 yen value)	3,000 yen		5,000 yen
3 years or more	12-months (36,000 yen value)	3,000 yen		5,000 yen		10,000 yen

Note: For details, please refer to the "Shareholder Benefits" section of our website at <https://www.jia-ltd.com/en/ir/dividend/>

6. Topics

Started of solicitation of own solicitation fund ” JIA No.1 Investment Limited Liability Association“.

Fund name	JIA No.1 Investment limited liability association
Recruitment amount	About 1,300 million yen
Recruitment period	October 11-31, 2022
Fund period	December 31, 2028
Investment target	<ul style="list-style-type: none"> ✓ PRE-IPO venture company scheduled to be listed within 2 years after investment ✓ Growth venture company scheduled to be listed within 4 years after investment
Examples of investment target	<ul style="list-style-type: none"> ✓ DX (digital transformation) field ✓ SX(Sustainability transformation) field

Feature of the fund

- ✓ Utilizing the judgment and know-how of the PE investment business that the JIA Group has been working on so far (So far, four companies in which we have invested have achieved IPOs.)



- ✓ This fund is type of investing in middle and later stage companies. The risk/return is mild compared to investments in early stage companies, but short-term payback can be expected.



Invested in Nyle as a New PE Investment

Company Name	: Nyle Inc.
Establishment	: January 15, 2007
Business	: Marketing DX Business Automotive industry DX business
Homepage	: https://nyle.co.jp/

Nyle operates “Marketing DX Business,” in which they support digital marketing, including SEO consulting, and operate “Automobile Industry DX Business,” in which they offer the most affordable automotive subscription service in Japan, and so on.

Main service sites developed by Nyle



【Outline of Private Equity Investment Business.】

<https://www.jia-ltd.com/en/business/privateequity/>

➤ We have realized the IPOs of 4 companies so far.

Topics3 (Issuance of donation-type private placement bonds)

To contribute to building a sustainable society together with financial institutions

- JIA Group proactively uses donation-type private placement bonds in order to fulfill capital needs for the growth strategies in the post-COVID-19 pandemic society.
- A portion of the issuance fee was donated to local governments, local medical organizations, organizations working to reduce food loss , and School attendance support



◆ List of private placement bonds (donation-type) issued by the Group in 2022 (We have issued a total of 5.8 billion yen since 2019)

Underwriter	Name / (Donation recipients)	Issue Amount (million yen)
Bank of Iwate	SDGs Private placement bonds (“Iwate Manabino Kibou Fund”)	200
Bank of Fukui	SDGs Private placement bonds (Fukui Prefectural Hospital)	100
Bank of Shikoku	SDGs Private placement bonds (Chikamori Hospital)	100
Bank of Simizu	Regional Revitalization Private placement bonds (Univercity of Shizuoka)	300
MUFG Bank	Private placement bonds (empowering a brighter future) (the World Food Programme)	2,000
Keiyo Bank	SDGs Private placement bonds for forest (Chiba prefecture forest cooperate)	100

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This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in managerial circumstances.

For further information...

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