

July 17, 2024

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## Notice of the Revision to the Consolidated Earnings Forecast

Considering the recent trend of business performance, etc., Japan Investment Adviser Co., Ltd. (hereinafter referred to as “JIA”) has revised the consolidated earnings forecast for the cumulative second quarter of the fiscal year ending December 2024 and the full-year consolidated earnings forecast, which were announced on February 9, 2024, as described below.

### 1. Revision of Consolidated Earnings Forecasts

Revision of consolidated earnings forecasts for the first half of the fiscal year ending December 31, 2024  
 (January 1, 2024 to June 30, 2024)

	Net Sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
The Previous Forecast (A)	14,550	4,850	4,000	2,720	51.17
<b>Current announced forecast (B)</b>	14,970	6,100	8,170	5,520	91.27
Amount of change (B – A)	420	1,250	4,170	2,800	
Percentage change (%)	2.9%	25.8%	104.3%	102.9%	
(For reference) Result for the 1H of the Previous Year	8,938	3,200	2,611	1,969	28.06

Revision of consolidated earnings forecasts for the fiscal year ending December 31, 2024  
 (January 1, 2024 to December 31, 2024)

	Net Sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
The Previous Forecast (A)	27,780	8,120	6,300	4,300	75.65
<b>Current forecast (B)</b>	28,900	10,500	10,900	7,100	117.39
Amount of change (B – A)	1,120	2,380	4,600	2,800	
Percentage change (%)	4.0%	29.3%	73.0%	65.1%	
(For reference) Result for the Full-year of the Previous Year	21,818	5,492	3,668	2,359	39.05

(Note) On January 17, 2024, JIA allocated share acquisition rights to shareholders based on commitment-type rights offering, and issued new shares through the exercise of said share acquisition rights. Net profit per share were calculated under the assumption that the payment for said rights offering was made at the beginning of the previous fiscal year.

## 2. Reasons for the Revision of Consolidated Earnings Forecasts

The performance in the cumulative second quarter of the fiscal year ending December 2024 is expected to exceed the forecast considerably as mentioned above, thanks to:

- (1) the healthy performance of the Operating Lease Business, and
- (2) the posting of exchange gain due to the rapid yen depreciation.

Regarding the full-year earnings forecast, too, JIA has revised the forecasts of sales and all kinds of profits upwardly, considering the steady creation of products in this business and the balance of equities underwritten remaining high.

### (1) Healthy performance of the Operating Lease Business

| In terms of sales |

In the cumulative second quarter of the consolidated fiscal year ending December 2024, equity sales were 61,384 million yen, hitting a record high.

When the activities for creating products were stagnant during the coronavirus pandemic, JIA procured properties and sold properties that were posted as assets temporarily. These properties were procured at low cost when the yen was stronger and exchange gain was recorded, so profit margin was high.

#### 【Trends in equity sales】

(Millions of yen)	Term	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Forecast(*)
Equity Sales	1 <sup>st</sup> Half	53,074	23,289	28,541	33,568	61,384
	Fiscal Year	79,301	49,475	50,188	77,331	(Revision) 115,000

(\*) Initial forecast for Equity sales for the first half of 2024 : 50,300 million yen.

Initial forecast for full year 2024 : 100,000 million yen

| In terms of product creation |

The product creation in the cumulative second quarter of the consolidated fiscal year ending December 2024 progressed steadily. JIA are expected to procure properties, in accordance with the sales plan for 2025, which is the second year of JIA's medium-term management plan.

(Millions of yen)	FY2025 (in Three-year Business Plan 2024 - 2026)	FY2026 (in Three-year Business Plan 2024 - 2026)
Equity Sales	130,000	150,000
Net Sales (Consolidated)	38,500	69,400
Net Profit (Consolidated)	10,500	25,000

【Variation in Deals Structured】

(Millions of yen)	Period	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Forecast(*)
Asset Underwritten (Debt+Equity)	1 <sup>st</sup> Half	69,134	50,259	107,950	123,244	116,691
	Fiscal Year	95,064	104,821	192,090	259,702	(undisclosed)

【Variation in Equity Underwritten】

(Millions of yen)	Dec 31, 2020	Dec 31, 2021	Dec 31, 2022	Dec 31, 2023	June 30, 2024
Equity Underwritten	28,431	18,871	46,587	94,266	<b>95,603</b>

**(2) Posting of exchange gain**

The yen weakened at an accelerated pace until the end of June, so the exchange rate as of the end of the second quarter of the fiscal year ending December 2024 was 1 US dollar = 161.07 yen, indicating that the yen weakened by 19.24 yen from the end of the previous fiscal year. Accordingly, JIA are expected to post a non-operating exchange gain of about 2.2 billion yen.

JIA's full-year forecast is based on the assumption that the exchange rate will be 1 US dollar = 155 yen at the end of the fiscal year.

【Changes in Year-end dollar-yen exchange rate】

(Yen)	Term	FY2022 Actual	FY2023 Actual	FY2024 Forecast(*)	Note
Year-end dollar-yen exchange rate	1 <sup>st</sup> Half	136.68	144.99	161.07	Revised plan is estimated based on the assumption of a gradual shift toward a stronger yen toward the end of the fiscal year.
	Fiscal Year	132.70	141.83	(Revision) 155.00	

(\*) Assumed dollar-yen conversion rate for 1<sup>st</sup> Half and full year of 2024 : 141.83 yen.

【Changes in non-operating foreign exchange gains/losses】

(Millions of yen)	Term	FY2022 Actual	FY2023 Actual	FY2024 Forecast(*)	Note
non-operating foreign exchange gains/losses	1 <sup>st</sup> Half	4,254	(176)	2,200	Exposure to dollar-denominated assets is gradually declining
	Fiscal Year	5,484	(601)	(Revision) 1,700	

(\*) Initial forecast of operating foreign exchange gains/losses for 1<sup>st</sup> Half and full year of 2024 : ±0 yen.

**3. Revision of Dividend Forecasts**

Separately from this disclosed material, JIA have announced the upward revision to the dividend forecast today by issuing “Notice of the Revision to the Dividend Forecast (Dividend Increase)”

(Note) Cautionary Statement concerning Earnings Forecasts

The forecasts above are based on information currently available. Actual performance may differ from the forecasts due to various factors.

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