

SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED MARCH 31, 2020

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, 2020.

(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, 2020	368,055	4.7	65,819	(20.7)	45,000	(33.1)	37,487	(28.7)
Fiscal year ended March 31, 2019	351,411	4.3	83,037	15.6	67,277	20.2	52,548	12.6

	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, 2020	21,091	(66.7)	163.18	147.44
Fiscal year ended March 31, 2019	63,433	18.0	231.43	205.42

	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, 2020	8.3	1.2	17.9
Fiscal year ended March 31, 2019	11.9	1.7	23.6

(Note) Share of results of associates Fiscal year ended March 31, 2020: 6,527 million yen
Fiscal year ended March 31, 2019: 5,635 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, 2020	5,513,227	593,699	451,476	8.2	1,955.91
March 31, 2019	5,034,124	562,557	456,675	9.1	2,000.82

(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, 2020	26,849	(70,887)	181,626	843,755
Fiscal year ended March 31, 2019	(71,665)	(54,731)	407,746	713,974

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, 2019	—	20.00	—	80.00	100.00	22,984	43.2	5.1
Fiscal year ended March 31, 2020	—	20.00	—	80.00	100.00	23,077	61.3	5.1
Fiscal Year ending March 31, 2021 (forecast) (Note)	—	—	—	—	—		—	

(Note) Fiscal year ending March 31, 2021 forecast is to be determined.

3. Total number of shares outstanding (Common stock)

- (1) Number of shares outstanding (including treasury stock) : March 31, 2020 : 236,556,393shares
: March 31, 2019 : 236,556,393shares
- (2) Number of treasury stock : March 31, 2020 : 5,730,038shares
: March 31, 2019 : 8,312,501shares
- (3) Average number of shares outstanding : Year ended March 31, 2020 : 229,724,077shares
: Year ended March 31, 2019 : 227,057,550shares

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, 2020	31,937	16.9	12,947	62.9	9,498	365.6	10,938	100.4
Fiscal year ended March 31, 2019	27,330	(10.1)	7,949	(26.8)	2,040	(72.7)	5,457	(44.9)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2020	47.61	41.28
Fiscal year ended March 31, 2019	24.03	20.27

(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, 2020	894,301	351,074	39.1	1,515.98
March 31, 2019	780,508	358,446	45.8	1,565.37

(Note) Shareholders' equity

Fiscal year ended March 31, 2020: 349,927 million yen
 Fiscal year ended March 31, 2019: 357,285 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, 2020 were as follow. Revenue increased 4.7% year-on-year to ¥368,055 million, profit before income tax expense decreased 20.7% to ¥65,819 million, and profit attributable to owners of the Company decreased 28.7% to ¥37,487 million.

The results of operations for each reporting segment of the Group for the fiscal year ended March 31, 2020 were as follow.

SBI VC Trade Co., Ltd (former SBI Virtual Currencies Co., Ltd) and SBI Alpha Trading Co., Ltd, which were included in the Others until the previous reporting period, are now included in the Financial Services Business beginning with this fiscal year. Consequently, segment information for the year ended March 31, 2019, is restated in accordance with the new basis of segmentation.

	Revenue			Profit before income tax expense		
	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020		Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	
	Millions of Yen	Millions of Yen	%	Millions of Yen	Millions of Yen	%
Financial Services Business	230,458	246,753	7.1	66,864	53,379	(20.2)
Asset Management Business	118,631	115,767	(2.4)	51,107	35,165	(31.2)
Biotechnology-related Business	3,729	3,920	5.1	(19,179)	(11,431)	—
Total	352,818	366,440	3.9	98,792	77,113	(21.9)
Others	1,189	5,512	363.9	(7,208)	(1,771)	—
Elimination or Corporate	(2,596)	(3,897)	—	(8,547)	(9,523)	—
Consolidated Total	351,411	368,055	4.7	83,037	65,819	(20.7)

(% 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, 2020 were as follows. Revenue increased 7.1% year-on-year to ¥246,753 million, and profit before income tax expense decreased 20.2% to ¥53,379 million.

(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, 2020 were as follows. Revenue decreased 2.4% year-on-year to ¥115,767 million, and profit before income tax expense decreased 31.2% year-on-year to ¥35,165 million.

(Biotechnology-related Business)

The Biotechnology-related 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, and research and development of antibody drugs and nucleic acid medicine in the field of cancer and immunology.

The results of operations of the Biotechnology-related Business for the fiscal year ended March 31, 2020 were as follows. Revenue increased 5.1% year-on-year to ¥3,920 million, and loss before income tax expense amounted to ¥11,431 million for the fiscal year ended March 31, 2020 (¥19,179 million of loss before income tax expense for the fiscal year ended March 31, 2019).

* 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, 2020, total assets amounted to ¥5,513,227 million and increased by ¥479,103 million from total assets of ¥5,034,124 million as at March 31, 2019. The Group's equity increased by ¥31,142 million to ¥593,699 million from the fiscal year ended March 31, 2019. As at March 31, 2020, the Group's cash and cash equivalents amounted to ¥843,755 million and increased by ¥129,781 million from that of ¥713,974 million as at March 31, 2019. 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 ¥26,849 million in net cash inflows (¥71,665 million in net cash outflows for the year ended March 31, 2019). The net cash inflows were primarily due to a ¥139,580 million cash inflow from an increase in customer deposits in the banking business, a ¥78,095 million cash inflow from a decrease in assets/liabilities related to securities business and a ¥65,819 million cash inflow from a profit before income tax expense, despite a ¥146,427 million cash outflow from an increase in trade and other accounts receivables and a ¥114,172 million cash outflow from an increase in operational investment securities.

(Investing Cash Flows)

Cash flows from investing activities amounted to ¥70,887 million in net cash outflows (¥54,731 million in net cash outflows for the year ended March 31, 2019). The net cash outflows were primarily due to a ¥50,303 million cash outflow from payments of loans receivable and a ¥36,885 million cash outflow from purchases of investment securities, despite a ¥39,404 million cash inflow from proceeds from sales or redemption of investment securities.

(Financing Cash Flows)

Cash flows from financing activities amounted to ¥181,626 million in net cash inflows (¥407,746 million in net cash inflows for the year ended March 31, 2019). The net cash inflows were primarily due to a ¥179,889 million cash inflow from proceeds from issuance of bonds payable and a ¥58,043 million cash inflow from proceeds from long-term loans payable, despite a ¥46,626 million cash outflow from 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, 2019	As at March 31, 2020
	Millions of Yen	Millions of Yen
Assets		
Cash and cash equivalents	713,974	843,755
Trade and other accounts receivable	689,713	822,131
Assets related to securities business		
Cash segregated as deposits	1,603,159	1,726,040
Margin transaction assets	674,878	495,997
Other assets related to securities business	471,555	576,501
Total assets related to securities business	2,749,592	2,798,538
Other financial assets	36,740	40,994
Operational investment securities	282,616	394,923
Other investment securities	188,900	180,444
Investments accounted for using the equity method	68,371	63,657
Property and equipment	15,100	51,857
Intangible assets	184,816	190,278
Other assets	97,046	116,765
Deferred tax assets	7,256	9,885
Total assets	5,034,124	5,513,227
Liabilities		
Bonds and loans payable	962,965	1,149,050
Trade and other accounts payable	60,639	76,977
Liabilities related to securities business		
Margin transaction liabilities	166,145	150,699
Loans payable secured by securities	494,718	351,701
Deposits from customers	781,232	959,773
Guarantee deposits received	730,838	819,838
Other liabilities related to securities business	373,567	392,347
Total liabilities related to securities business	2,546,500	2,674,358
Customer deposits for banking business	659,361	734,221
Insurance contract liabilities	139,098	141,898
Income tax payable	7,367	11,373
Other financial liabilities	19,566	23,083
Other liabilities	60,339	88,925
Deferred tax liabilities	15,732	19,643
Total liabilities	4,471,567	4,919,528
Equity		
Capital stock	92,018	92,018
Capital surplus	142,094	139,993
Treasury stock	(20,128)	(13,874)
Other components of equity	16,977	(6,385)
Retained earnings	225,714	239,724
Equity attributable to owners of the Company	456,675	451,476
Non-controlling interests	105,882	142,223
Total equity	562,557	593,699
Total liabilities and equity	5,034,124	5,513,227

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

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Millions of Yen	Millions of Yen
Revenue (Interest income of ¥112,054 million and ¥118,779 million included for the year ended March 31, 2019 and 2020, respectively)	351,411	368,055
Expense		
Financial cost associated with financial income	(21,394)	(25,186)
Provision for credit losses	(22,260)	(31,567)
Operating cost	(99,811)	(110,696)
Selling, general and administrative expenses	(111,075)	(132,226)
Other financial cost	(4,680)	(5,140)
Other expenses	(14,789)	(3,948)
Total expense	(274,009)	(308,763)
Share of the profit of associates and joint ventures accounted for using the equity method	5,635	6,527
Profit before income tax expense	83,037	65,819
Income tax expense	(15,760)	(20,819)
Profit for the year	67,277	45,000
Profit for the year attributable to		
Owners of the Company	52,548	37,487
Non-controlling interests	14,729	7,513
Profit for the year	67,277	45,000
Earnings per share attributable to owners of the Company		
Basic (Yen)	231.43	163.18
Diluted (Yen)	205.42	147.44

Consolidated Statement of Comprehensive Income

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Millions of Yen	Millions of Yen
Profit for the year	67,277	45,000
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Equity instruments measured at FVTOCI	(1,202)	(639)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(411)	(384)
	<u>(1,613)</u>	<u>(1,023)</u>
Items that may be reclassified subsequently to profit or loss		
Debt instruments measured at FVTOCI	527	349
Currency translation differences	(3,204)	(19,807)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	446	(3,428)
	<u>(2,231)</u>	<u>(22,886)</u>
Other comprehensive income, net of tax	(3,844)	(23,909)
Total comprehensive income	<u>63,433</u>	<u>21,091</u>
Total comprehensive income attributable to		
Owners of the Company	48,320	13,519
Non-controlling interests	15,113	7,572
Total comprehensive income	<u>63,433</u>	<u>21,091</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, 2018	81,681	125,445	(4,647)	20,605	204,731	427,815	66,009	493,824
Cumulative effect of change in accounting policy	—	—	—	840	(11,625)	(10,785)	(123)	(10,908)
Restated balance as at April 1, 2018	81,681	125,445	(4,647)	21,445	193,106	417,030	65,886	482,916
Profit for the year	—	—	—	—	52,548	52,548	14,729	67,277
Other comprehensive income	—	—	—	(4,228)	—	(4,228)	384	(3,844)
Total comprehensive income	—	—	—	(4,228)	52,548	48,320	15,113	63,433
Issuance of convertible bonds	—	2,904	—	—	—	2,904	—	2,904
Conversion of convertible bonds	10,337	6,677	12,248	—	—	29,262	—	29,262
Change in scope of consolidation	—	—	—	—	—	—	(4,775)	(4,775)
Dividends paid	—	—	—	—	(20,180)	(20,180)	(2,018)	(22,198)
Treasury shares purchased	—	—	(29,461)	—	—	(29,461)	—	(29,461)
Treasury shares sold	—	22	1,732	—	—	1,754	—	1,754
Share-based payment transactions	—	677	—	—	—	677	455	1,132
Changes of interests in subsidiaries without losing control	—	6,369	—	—	—	6,369	31,221	37,590
Transfer	—	—	—	(240)	240	—	—	—
As at March 31, 2019	92,018	142,094	(20,128)	16,977	225,714	456,675	105,882	562,557
Profit for the year	—	—	—	—	37,487	37,487	7,513	45,000
Other comprehensive income	—	—	—	(23,968)	—	(23,968)	59	(23,909)
Total comprehensive income	—	—	—	(23,968)	37,487	13,519	7,572	21,091
Conversion of convertible bonds	—	(1,496)	4,821	—	—	3,325	—	3,325
Change in scope of consolidation	—	—	—	—	—	—	(4,476)	(4,476)
Dividends paid	—	—	—	—	(22,871)	(22,871)	(13,701)	(36,572)
Treasury shares purchased	—	—	(16)	—	—	(16)	—	(16)
Treasury shares sold	—	(514)	1,449	—	—	935	—	935
Share-based payment transactions	—	225	—	—	—	225	583	808
Changes of interests in subsidiaries without losing control	—	(316)	—	—	—	(316)	46,363	46,047
Transfer	—	—	—	606	(606)	—	—	—
As at March 31, 2020	92,018	139,993	(13,874)	(6,385)	239,724	451,476	142,223	593,699

(4) Consolidated Statement of Cash flows

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Millions of Yen	Millions of Yen
Cash flows from operating activities		
Profit before income tax expense	83,037	65,819
Depreciation and amortization	10,082	15,904
Share of profits of associates and joint ventures accounted for using the equity method	(5,635)	(6,527)
Interest and dividend income	(117,244)	(123,412)
Interest expense	26,074	30,318
Increase in operational investment securities	(88,404)	(114,172)
Increase in trade and other accounts receivables	(127,521)	(146,427)
(Decrease) Increase in trade and other accounts payable	(5,754)	5,711
(Increase) decrease in assets/liabilities related to securities business	(37,586)	78,095
Increase in customer deposits in the banking business	136,284	139,580
Others	(13,765)	775
Subtotal	(140,432)	(54,336)
Interest and dividend income received	117,222	125,116
Interest paid	(23,355)	(28,214)
Income taxes paid	(25,100)	(15,717)
Net cash (used in) generated from operating activities	(71,665)	26,849
Cash flows from investing activities		
Purchases of intangible assets	(8,332)	(14,250)
Purchases of investment securities	(125,359)	(36,885)
Proceeds from sales or redemption of investment securities	107,157	39,404
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(3,572)	(10,077)
Proceeds from sales of subsidiaries, net of cash and cash equivalents disposed of	(2)	—
Payments of loans receivable	(21,396)	(50,303)
Collection of loans receivable	4,527	24,431
Others	(7,754)	(23,207)
Net cash used in investing activities	(54,731)	(70,887)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Millions of Yen	Millions of Yen
Cash flows from financing activities		
Increase in short term loans payable	373,059	26,604
Proceeds from long-term loans payable	45,650	58,043
Repayment of long-term loans payable	(59,077)	(37,948)
Proceeds from issuance of bonds payable	168,187	179,889
Redemption of bonds payable	(102,268)	(46,626)
Proceeds from stock issuance to non-controlling interests	8,622	5,354
Contributions from non-controlling interests in consolidated investment funds	22,151	35,646
Cash dividends paid	(20,169)	(22,860)
Cash dividends paid to non-controlling interests	(819)	(718)
Distributions to non-controlling interests in consolidated investment funds	(1,309)	(13,008)
Purchase of treasury stock	(29,461)	(14)
Proceeds from sale of interests in subsidiaries to non-controlling interests	4,105	302
Payments for purchase of interests in subsidiaries from non-controlling interests	(450)	(50)
Others	(475)	(2,988)
Net cash generated from financing activities	<u>407,746</u>	<u>181,626</u>
Net increase in cash and cash equivalents	281,350	137,588
Cash and cash equivalents at the beginning of the year	437,148	713,974
Effect of changes in exchange rate on cash and cash equivalents	(4,524)	(7,807)
Cash and cash equivalents at the end of the year	<u><u>713,974</u></u>	<u><u>843,755</u></u>

(5) Notes to Consolidated Financial Statements

1. Changes in Accounting Policy

Except for the following standard that has been newly applied, the accounting policies adopted in the consolidated financial statements for the fiscal year ended March 31, 2019, are applied consistently in the preparation of these consolidated financial statements.

Statement of standards	Summary of new standards and amendments
IFRS 16 Leases	Amendment with regard to the definition and the accounting treatment of lease

IFRS 16 Leases

The Group has applied IFRS 16 "Leases" from the year ended March 31, 2020. At the date of initial application, the Group recognizes the cumulative effect of applying this standard and a right-of-use asset has been measured at an amount equal to the lease liability adjusted by any prepaid lease payments. For the assessment of whether a contract that was entered into during or prior to the previous fiscal year is a lease, or contains a lease, the Group has applied the practical expedient of maintaining the judgments made under IAS 17 "Leases" and IFRIC 4 "Determining whether an Arrangement Contains a Lease". In adopting IFRS 16 to lease transactions which were previously classified as operating leases, the Group has applied recognition exemptions which allows the lessee not to recognize right-of-use assets and lease liabilities on leases with remaining lease terms of 12 months or less.

The details of the change and the impact amounts are as follows.

Leases (lessee)

At the inception of the contract, the Group determines whether the contract is, or contains, a lease. Lease liability in a lease transaction is initially measured as the present value of unpaid lease payments discounted using an interest rate implicit in the lease at the commencement date of the contract. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate. The right-of-use asset is measured at the acquisition cost, which is initially measured at the amount of lease liability adjusted by initial direct cost and prepaid lease payments, and is depreciated on a systematic basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. With regard to a lease that has a lease term of 12 months or less or a lease of low-value assets, the right-of-use assets and lease liabilities are not recognized and lease payments on such lease are recognized as expenses over the lease term.

As a result of the above changes, right-of-use assets and lease liabilities increased by ¥12,913 million and ¥12,702 million, respectively, in the consolidated statement of financial position at the beginning of the year. In the consolidated statement of financial position, the right-of-use assets are included in property and equipment and lease liabilities are included in trade and other accounts payable. There is no significant impact from applying this standard on the consolidated financial statements for the year ended March 31, 2020.

2. 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-related Business", which is anticipated to be a growth industry in the 21st century, 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-related Business"

The Biotechnology-related 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, and research and development of antibody drugs and nucleic acid medicine in the field of cancer and immunology.

"Others" includes the real estate business, digital asset-related businesses and other businesses, but they did not meet the quantitative criteria to be defined as reportable segments for the fiscal year ended March 31, 2020.

"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 VC Trade Co., Ltd (former SBI Virtual Currencies Co., Ltd) and SBI Alpha Trading Co., Ltd, which were included in the Others until the previous reporting period, are now included in the Financial Services Business beginning with this fiscal year. Consequently, segment information for the year ended March 31, 2019, is restated in accordance with the new basis of segmentation.

For the fiscal year ended March 31, 2019

	Financial Services Business	Asset Management Business	Biotechnology-related 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	230,458	118,631	3,729	352,818	1,189	(2,596)	351,411
Profit (loss) before income tax expense	66,864	51,107	(19,179)	98,792	(7,208)	(8,547)	83,037

For the fiscal year ended March 31, 2020

	Financial Services Business	Asset Management Business	Biotechnology-related 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	246,753	115,767	3,920	366,440	5,512	(3,897)	368,055
Profit (loss) before income tax expense	53,379	35,165	(11,431)	77,113	(1,771)	(9,523)	65,819

3. Revenue

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
	Millions of yen	Millions of yen
Financial income		
Interest income		
Income arising from financial assets measured at amortized cost (Note 1)	111,240	117,992
Income arising from debt instruments measured at FVTOCI (Note 2)	814	787
Income arising from financial assets measured at FVTPL	63,186	48,723
Others	82	184
Total financial income	175,322	167,686
Revenue arising on insurance contracts	77,562	87,517
Revenue from contracts with customers		
Revenue from rendering of services	79,107	83,187
Revenue from sales of goods	3,159	6,014
Others	16,261	23,651
Total revenue	351,411	368,055

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

(Note 2) Interest income arising from bonds in the insurance business.

4. 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, 2019	Fiscal year ended March 31, 2020
	Millions of yen	Millions of yen
Earnings		
Profit attributable to owners of the Company	52,548	37,487
Dilutive effect: Convertible bonds	339	374
Profit attributable to owners of the Company after dilutive effect	<u>52,887</u>	<u>37,861</u>
Shares	Shares	Shares
Basic weighted average number of ordinary shares	227,057,550	229,724,077
Dilutive effect: Stock options	2,781,002	1,969,058
Dilutive effect: Convertible bonds	27,623,150	25,094,962
Weighted average number of ordinary shares after the dilutive effect	<u>257,461,702</u>	<u>256,788,097</u>
Earnings per share attributable to owners of the Company	Yen	Yen
Basic	231.43	163.18
Diluted	205.42	147.44

5. Events after the Reporting Period

There was no significant event after the reporting period.