

SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

INTERIM RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED DECEMBER 31, 2018

Japan, January 31, 2019

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 nine months ended December 31, 2018.

(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 period		Profit attributable to owners of the Company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2018	254,586	3.0	62,906	24.3	45,302	10.1	38,718	6.2
Nine months ended December 31, 2017	247,125	27.7	50,623	51.5	41,142	88.1	36,465	45.1

	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
Nine months ended December 31, 2018	42,189	(19.6)	170.85	151.14
Nine months ended December 31, 2017	52,502	165.4	174.54	156.84

(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
	Millions of yen	Millions of yen	Millions of yen	%
December 31, 2018	5,014,224	543,864	447,253	8.9
March 31, 2018	4,535,964	493,824	427,815	9.4

2. Dividends

(Declared date)	Dividend per share				
	End of 1 st Q	End of 2 nd Q	End of 3 rd Q	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2018	—	15.00	—	70.00	85.00
Fiscal Year ending March 31, 2019	—	20.00	—		
Fiscal Year ending March 31, 2019 (forecast) (Note)				—	—

(Note) Fiscal year ending March 31, 2019 forecast is to be determined.

3. Total number of shares outstanding (Common stock)

(1) Number of shares outstanding (including treasury stock)	: December 31, 2018	: 236,556,393shares
	: March 31, 2018	: 224,561,761shares
(2) Number of treasury stock	: December 31, 2018	: 6,911,412shares
	: March 31, 2018	: 3,779,286shares
(3) Average number of shares outstanding	: Nine months ended December 31, 2018	: 226,619,595shares
	: Nine months ended December 31, 2017	: 208,919,606shares

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

This financial summary is exempt from quarterly review procedures required by Financial Instruments and Exchange Act.

1. BUSINESS RESULTS

(1) Results of Operations

The Group's consolidated results of operations for the nine months ended December 31, 2018 were as follow. Revenue increased 3.0% year-on-year to ¥254,586 million, profit before income tax expense increased 24.3% to ¥62,906 million, and profit attributable to owners of the Company increased 6.2% to ¥38,718 million.

The results of operations for each reporting segment of the Group for the nine months ended December 31, 2018 were as follow.

	Revenue			Profit before income tax expense		
	Nine months ended December 31, 2017	Nine months ended December 31, 2018		Nine months ended December 31, 2017	Nine months ended December 31, 2018	
	Millions of Yen	Millions of Yen	%	Millions of Yen	Millions of Yen	%
Financial Services Business	158,437	170,765	7.8	46,695	48,611	4.1
Asset Management Business	86,895	82,752	(4.8)	43,056	33,612	(21.9)
Biotechnology-related Business	3,658	2,454	(32.9)	(31,553)	(8,708)	—
Total	248,990	255,971	2.8	58,198	73,515	26.3
Others	419	1,271	203.4	(769)	(4,441)	—
Elimination	(2,284)	(2,656)	—	(6,806)	(6,168)	—
Consolidation	247,125	254,586	3.0	50,623	62,906	24.3

(% 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 nine months ended December 31, 2018 were as follows. Revenue increased 7.8% year-on-year to ¥170,765 million, and profit before income tax expense increased 4.1% to ¥48,611 million.

(Asset Management Business)

The Asset Management Business primarily consists of fund management and investment in Internet technology, biotechnology, and finance-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 nine months ended December 31, 2018 were as follows. Revenue decreased 4.8% year-on-year to ¥82,752 million, and profit before income tax expense decreased 21.9% year-on-year to ¥33,612 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 nine months ended December 31, 2018 were as follows. Revenue decreased 32.9% year-on-year to ¥2,454 million, and loss before income tax expense amounted to ¥8,708 million for the nine months ended December 31, 2018 (¥31,553 million of loss before income tax expense for the nine months ended December 31, 2017).

- * 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 radish shoots. ALA is also known as a chloroplastic substance in plants.

(2) Financial Positions and Cash Flows

As at December 31, 2018, total assets amounted to ¥5,014,224 million and increased by ¥478,260 million from total assets of ¥4,535,964 million as at March 31, 2018. The Group's equity increased by ¥50,040 million to ¥543,864 million from the fiscal year ended March 31, 2018. As at December 31, 2018, the Group's cash and cash equivalents amounted to ¥782,508 million and increased by ¥345,360 million from that of ¥437,148 million as at March 31, 2018. 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 ¥77,024 million in net cash outflows (¥5,927 million in net cash inflows for the nine months ended December 31, 2017). The net cash outflows were primarily due to a ¥141,418 million cash outflow from a decrease in assets/liabilities related to securities business, a ¥87,084 million cash outflow from an increase in trade and other accounts receivable and a ¥79,468 million cash outflow from an increase in operational investment securities, despite a ¥131,455 million cash inflow from an increase in customer deposits for banking business and a ¥79,668 million cash inflow from an increase in trade and other accounts payable.

(Investing Cash Flows)

Cash flows from investing activities amounted to ¥43,958 million in net cash outflows (¥166 million in net cash outflows for the nine months ended December 31, 2017). The net cash outflows were primarily due to a ¥120,346 million cash outflow from purchases of investment securities, despite a ¥93,134 million cash inflow from proceeds from sales or redemption of investment securities.

(Financing Cash Flows)

Cash flows from financing activities amounted to ¥470,463 million in net cash inflows (¥57,032 million in net cash outflows for the nine months ended December 31, 2017). The net cash inflows were primarily due to a ¥418,091 million cash inflow from an increase in short term loans payable and a ¥136,789 million cash inflow from proceeds from bond issuance, despite a ¥58,366 million cash outflow from repayment of long-term loans payable and a ¥53,884 million cash outflow from redemption of bonds payable.

2. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

(1) Interim Condensed Consolidated Statement of Financial Position

	As at March 31, 2018 Millions of Yen	As at December 31, 2018 Millions of Yen
Assets		
Cash and cash equivalents	437,148	782,508
Trade and other accounts receivable	570,466	641,825
Assets related to securities business		
Cash segregated as deposits	1,510,079	1,568,224
Margin transaction assets	832,410	599,588
Other assets related to securities business	493,953	584,585
Total assets related to securities business	2,836,442	2,752,397
Other financial assets	35,958	36,249
Operational investment securities	191,014	272,578
Other investment securities	173,316	194,767
Investments accounted for using the equity method	68,365	69,818
Investment properties	2,192	2,176
Property and equipment	14,382	16,543
Intangible assets	181,708	185,007
Other assets	24,392	59,604
Deferred tax assets	581	752
Total assets	4,535,964	5,014,224
Liabilities		
Bonds and loans payable	571,277	1,023,406
Trade and other accounts payable	67,806	147,378
Liabilities related to securities business		
Margin transaction liabilities	121,703	90,990
Loans payable secured by securities	689,107	533,237
Deposits from customers	757,179	743,427
Guarantee deposits received	707,380	747,099
Other liabilities related to securities business	395,444	330,637
Total liabilities related to securities business	2,670,813	2,445,390
Customer deposits for banking business	536,955	662,619
Insurance contract liabilities	142,260	139,129
Income tax payable	11,271	3,637
Other financial liabilities	16,335	16,061
Other liabilities	12,779	16,950
Deferred tax liabilities	12,644	15,790
Total liabilities	4,042,140	4,470,360
Equity		
Capital stock	81,681	92,018
Capital surplus	125,445	142,408
Treasury stock	(4,647)	(17,093)
Other components of equity	20,605	17,642
Retained earnings	204,731	212,278
Equity attributable to owners of the Company	427,815	447,253
Non-controlling interests	66,009	96,611
Total equity	493,824	543,864
Total liabilities and equity	4,535,964	5,014,224

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

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
	Millions of Yen	Millions of Yen
Revenue	247,125	254,586
Expense		
Financial cost associated with financial income	(13,450)	(15,500)
Operating cost	(81,966)	(91,042)
Selling, general and administrative expenses	(73,107)	(81,283)
Other financial cost	(2,638)	(2,047)
Other expenses	(27,157)	(3,903)
Total expense	(198,318)	(193,775)
Share of the profit of associates and joint ventures accounted for using the equity method	1,816	2,095
Profit before income tax expense	50,623	62,906
Income tax expense	(9,481)	(17,604)
Profit for the period	41,142	45,302
Profit for the period attributable to		
Owners of the Company	36,465	38,718
Non-controlling interests	4,677	6,584
Profit for the period	41,142	45,302
Earnings per share attributable to owners of the Company		
Basic (Yen)	174.54	170.85
Diluted (Yen)	156.84	151.14

Interim Condensed Consolidated Statement of Comprehensive Income

	Nine months ended December 31, 2017 Millions of Yen	Nine months ended December 31, 2018 Millions of Yen
Profit for the period	41,142	45,302
Items that will not be reclassified subsequently to profit or loss		
Fair value through other comprehensive income financial assets	757	(1,612)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	—	(202)
Items that may be reclassified subsequently to profit or loss		
Fair value through other comprehensive income financial assets	—	0
Currency translation differences	9,734	(1,779)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	869	480
Other comprehensive income, net of tax	11,360	(3,113)
 Total comprehensive income	 52,502	 42,189
 Total comprehensive income attributable to		
Owners of the Company	47,753	35,549
Non-controlling interests	4,749	6,640
Total comprehensive income	52,502	42,189

(3) Condensed Interim Consolidated Statement of Changes in Equity

Nine months ended December 31, 2017

	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	Millions of Yen	Millions of Yen
As at April 1, 2017	81,681	128,004	(23,801)	22,720	169,388	377,992	37,532	415,524
Profit for the period	—	—	—	—	36,465	36,465	4,677	41,142
Other comprehensive income	—	—	—	11,288	—	11,288	72	11,360
Total comprehensive income	—	—	—	11,288	36,465	47,753	4,749	52,502
Issuance of convertible bonds	—	1,716	—	—	—	1,716	—	1,716
Conversion of convertible bonds	—	4,111	25,889	—	—	30,000	—	30,000
Change in scope of consolidation	—	—	—	—	—	—	399	399
Dividends paid	—	—	—	—	(11,401)	(11,401)	(2,658)	(14,059)
Treasury shares purchased	—	—	(9,624)	—	—	(9,624)	—	(9,624)
Treasury shares sold	—	71	1,865	—	—	1,936	—	1,936
Share-based payment transactions	—	305	—	—	—	305	—	305
Changes of interests in subsidiaries without losing control	—	(6,514)	—	—	—	(6,514)	12,646	6,132
As at December 31, 2017	81,681	127,693	(5,671)	34,008	194,452	432,163	52,668	484,831

Nine months ended December 31, 2018

	Attributable to owners of the Company						Noncontrolling 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	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 accounting change	—	—	—	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 period	—	—	—	—	38,718	38,718	6,584	45,302
Other comprehensive income	—	—	—	(3,169)	—	(3,169)	56	(3,113)
Total comprehensive income	—	—	—	(3,169)	38,718	35,549	6,640	42,189
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	—	—	—	—	—	—	15	15
Dividends paid	—	—	—	—	(20,180)	(20,180)	(2,008)	(22,188)
Treasury shares purchased	—	—	(26,426)	—	—	(26,426)	—	(26,426)
Treasury shares sold	—	22	1,732	—	—	1,754	—	1,754
Share-based payment transactions	—	508	—	—	—	508	492	1,000
Changes of interests in subsidiaries without losing control	—	6,852	—	—	—	6,852	25,586	32,438
Transfer	—	—	—	(634)	634	—	—	—
As at December 31, 2018	92,018	142,408	(17,093)	17,642	212,278	447,253	96,611	543,864

(4) Interim Condensed Consolidated Statement of Cash flows

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
	Millions of Yen	Millions of Yen
Net cash generated from (used in) operating activities		
Profit before income tax expense	50,623	62,906
Depreciation and amortization	8,247	7,235
Share of profits of associates and joint ventures accounted for using the equity method	(1,816)	(2,095)
Interest and dividend income	(78,705)	(88,305)
Interest expense	16,088	17,547
Increase in operational investment securities	(45,054)	(79,468)
Increase in trade and other accounts receivable	(46,293)	(87,084)
Increase in trade and other accounts payable	87,119	79,668
Decrease in assets/liabilities related to securities business	(67,271)	(141,418)
Increase in customer deposits for banking business	19,434	131,455
Others	13,853	(26,578)
Subtotal	(43,775)	(126,137)
Interest and dividend income received	77,494	88,571
Interest expense paid	(14,890)	(15,485)
Income taxes paid	(12,902)	(23,973)
Net cash generated from (used in) operating activities	5,927	(77,024)
Net cash used in investing activities		
Purchases of intangible assets	(5,193)	(3,907)
Purchases of investment securities	(32,692)	(120,346)
Proceeds from sales or redemption of investment securities	37,114	93,134
Acquisition of subsidiaries, net of cash and cash equivalents acquired	33	(3,050)
Proceeds from sales of subsidiaries, net of cash and cash equivalents disposed of	870	(2)
Payments of loans receivable	(10,593)	(7,749)
Collection of loans receivable	6,552	2,515
Others	3,743	(4,553)
Net cash used in investing activities	(166)	(43,958)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
	Millions of Yen	Millions of Yen
Net cash (used in) generated from financing activities		
(Decrease) increase in short term loans payable	(129,834)	418,091
Proceeds from long-term loans payable	10,373	43,450
Repayment of long-term loans payable	(1,411)	(58,366)
Proceeds from bond issuance	86,580	136,789
Redemption of bonds payable	(4,906)	(53,884)
Contributions from non-controlling interests in consolidated investment funds	50	8,370
Proceeds from stock issuance to non-controlling interests	6,097	21,341
Cash dividend paid	(11,350)	(20,113)
Cash dividend paid to non-controlling interests	(409)	(819)
Distributions to non-controlling interests in consolidated investment funds	(2,249)	(1,298)
Purchase of treasury stock	(9,624)	(26,426)
Proceeds from sale of interests in subsidiaries to non-controlling interests	218	4,093
Payments for purchase of interests in subsidiaries from non-controlling interests	(156)	(422)
Others	(411)	(343)
Net cash (used in) generated from financing activities	(57,032)	470,463
Net (decrease) increase in cash and cash equivalents	(51,271)	349,481
Cash and cash equivalents at the beginning of the period	391,572	437,148
Effect of changes in exchange rate on cash and cash equivalents	2,963	(4,121)
Cash and cash equivalents at the end of the period	343,264	782,508

(5) Notes to Condensed Interim Consolidated Financial Statements

Changes in Accounting Policy

Except for the following standards that have been newly applied, the accounting policies adopted in the consolidated financial statements for the year ended March 31, 2018, are applied consistently in the preparation of these interim condensed consolidated financial statements.

The Group adopted the following new and revised standards and interpretations beginning with the preparation of the interim condensed consolidated financial statements for the nine months ended December 31, 2018.

Statement of standards		Summary of new standards and amendments
IFRS 9	Financial Instruments	Amendment with regard to hedge accounting, impairment accounting, and classification and measurement of financial instruments
IFRS 15	Revenue from Contracts with Customers	Amendment with regard to the accounting of revenue recognition

IFRS 9 Financial Instruments

The Group had applied IFRS 9 “Financial Instruments” (published in November 2009 and revised in October 2010 and December 2011) until the previous fiscal year. Beginning with the nine-month period ended December 31, 2018, the Group has prospectively applied IFRS 9 “Financial Instruments” published in July 2014 (“IFRS9 (as revised in 2014)”). The Group has not applied IFRS 9 (as revised in 2014) retrospectively to its consolidated financial statements for the previous fiscal year as permitted under transitional provisions.

The details of the changes and their effects are as follows.

Following the application of IFRS 9 (as revised in 2014), a new classification “debt instruments measured at fair value through other comprehensive income” was introduced.

(a) Classification of financial assets

Financial assets held by the Group are classified into the following designated categories when they are initially recognized on the basis of the Group’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

- Financial assets measured at amortized cost
- Debt instruments measured at fair value through other comprehensive income (hereinafter “debt instruments measured at FVTOCI”)
- Equity instruments measured at fair value through other comprehensive income (hereinafter “equity instruments measured at FVTOCI”)
- Financial assets measured at fair value through profit or loss (hereinafter “financial assets measured at FVTPL”)

(b) Subsequent measurement of financial assets

(i) Financial assets measured at amortized cost

Financial assets are subsequently measured using the effective interest method at amortized cost less accumulated impairment loss if both of the following conditions are met: (i) the financial assets are held within the business model whose objective is to hold financial assets in order to

collect contractual cash flows and (ii) the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instruments measured at FVTOCI

Financial assets are measured at fair value and changes in the difference between the fair value and the amortized cost of financial assets, excluding expected credit losses, are recognized in other comprehensive income if both of the following conditions are met: (i) the financial assets are held within the business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and (ii) the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Upon derecognition of debt instruments measured at FVTOCI, the amount accumulated in other comprehensive income is reclassified to profit or loss.

(iii) Equity instruments measured at FVTOCI

Upon initial recognition, the Group designates as a financial asset measured at fair value through other comprehensive income an investment in an equity instrument that is held for a purpose other than trading. This is an irrevocable election and changes in the fair value of such financial instruments are recognized in other comprehensive income. Dividends from the above-mentioned equity instruments are recognized in profit or loss. At derecognition of equity instruments measured at FVTOCI or when a significant decline in fair value below the initial cost is other than temporary, the recognized amount of changes in fair value accumulated in other comprehensive income is reclassified to retained earnings.

(iv) Financial assets measured at FVTPL

Financial assets, other than those subsequently measured at amortized cost and those measured at fair value through other comprehensive income, are subsequently measured at fair value, and all changes in fair value are recognized in profit or loss.

- Following the application of IFRS 9 (as revised in 2014), the Group has applied the impairment requirements for financial assets as follows:

(c) Impairment of financial assets

The Group estimates expected credit losses for financial assets other than financial assets measured at FVTPL and equity instruments measured at FVTOCI at the end of the reporting period and recognizes the amount of such expected credit losses as a loss allowance. If the Group determines that the credit risk of financial instruments has increased significantly since initial recognition, the loss allowance is measured at an amount equal to the lifetime expected credit losses; in the event that the Group determines that the credit risk of financial instruments has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to the 12-month expected credit losses.

The assessment of whether there has been a significant increase in credit risk is based on changes in the probability of a default occurring.

Meanwhile, as for trade receivables, etc. that do not contain a significant financing component, lifetime expected credit losses are measured on the basis of historical credit losses, etc. using a simplified approach, regardless of whether there has been an increase or decrease in credit risk.

Amounts of expected credit losses or reversals are recognized in profit or loss as impairment loss or reversals of impairment loss.

As a result of the above changes, trade and other accounts receivable and retained earnings decreased by ¥11,679 million and ¥11,625 million, respectively, while other investment securities and other components of equity increased by ¥1,167 million and ¥840 million, respectively, in the interim condensed consolidated statement of financial position at the beginning of the period, compared with those under the previous accounting standards.

The impact of the changes on the interim condensed consolidated statement of income for the nine months ended December 31, 2018 is a loss of 1,947 million yen.

IFRS 15 Revenue from Contracts with Customers

The Group has applied IFRS 15 “Revenue from Contracts with Customers” from the beginning with the nine-month period ended December 31, 2018. For application of IFRS 15, the Group, as permitted under transitional provisions in this standard, recognizes the cumulative effect of applying this standard at the date of initial application.

Following the application of IFRS 15, the Group recognizes revenue by applying the following 5-step approach.

Step 1: Identify the contract(s) with the customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

There is no significant impact from applying said standard on the interim condensed consolidated financial statements for the nine months ended December 31, 2018.

Revenue

	Nine months ended December 31, 2017
	Millions of yen
Financial income	
Interest income (Note)	75,503
Dividends received	2,944
Income arising from financial assets at FVTPL	39,147
Gain from trading	13,017
Others	100
Total financial income	130,711
Revenue arising on insurance contracts	47,276
Revenue from rendering of services	59,411
Others	9,727
Total revenue	247,125

(Note) Interest income in financial income arises from financial assets measured at amortized cost.

	Nine months ended December 31, 2018
	Millions of yen
Financial income (Note 1)	
Interest income	
Income arising from financial assets measured at amortized cost (Note 2)	84,167
Income arising from debt instruments measured at FVTOCI (Note 3)	138
Income arising from financial assets measured at FVTPL	38,376
Others	82
Total financial income	122,763
Revenue arising on insurance contracts	59,742
Revenue from contracts with customers (Note1)	
Revenue from rendering of services	62,248
Revenue from sales of goods	2,308
Others	7,525
Total revenue	254,586

(Note 1) Beginning with the nine-month period ended December 31, 2018, the Company changed the method of presentation due to the application of IFRS 9 (as revised in 2014) and IFRS15.

(Note 2) Interest income arising from loans in the banking and securities businesses.

(Note 3) Interest income arising from policy reserve matching bonds in the insurance business.

Events after the Reporting Period

There were no significant subsequent events noted.