

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 31, 2024

Company name: RICOH LEASING COMPANY, LTD.
 Stock exchange listing: Tokyo
 Stock code: 8566 URL <https://www.r-lease.co.jp/>
 Representative: President and Chief Executive Officer Tokuharu Nakamura
 Managing Executive Officer and General
 Inquiries: Hiroshi Osawa TEL 050-1702-4203
 Manager of Corporate Management Division
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2024	75,666	(2.5)	5,101	(3.1)	5,229	(1.0)	3,526	273.2
Three months ended June 30, 2023	77,575	1.5	5,264	(23.0)	5,284	(23.8)	944	(80.0)

Note : Comprehensive income for the three months ended June 30, 2024 : 3,301 Millions of yen 3.4%
 for the three months ended June 30, 2023 : 3,193 Millions of yen (3.4%)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	114.40		–	
Three months ended June 30, 2023	30.65		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	1,276,556	222,938	17.5	7,232.50
As of March 31, 2024	1,247,276	221,936	17.8	7,199.98

Reference : Shareholders' equity

As of June 30, 2024 : 222,938 Millions of yen As of March 31, 2024 : 221,936 Millions of yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	75.00	–	75.00	150.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	80.00	–	85.00	165.00

Note : Correction to the forecast of cash dividends most recently announced : No

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	315,000	2.2	21,100	0.4	21,200	(1.6)	14,700	30.3	476.89

Note : Correction to the forecast of financial results most recently announced : No

4. Notes

- (1) Significant changes in scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2024	31,243,223 shares	As of March 31, 2024	31,243,223 shares
---------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of June 30, 2024	418,659 shares	As of March 31, 2024	418,649 shares
---------------------	----------------	----------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	30,824,567 shares	Three months ended June 30, 2023	30,824,742 shares
----------------------------------	-------------------	----------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	4,956	3,530
Notes and accounts receivable - trade	233	221
Installment receivables	175,125	175,159
Lease payments receivable	24,335	23,476
Lease receivables and investments in leases	506,140	513,006
Accounts receivable - operating loans	260,176	262,713
Accounts receivable - other loans to customers	10,806	9,087
Other operating assets	12,259	11,620
Accounts receivable - lease	9,655	9,801
Other current assets	54,845	58,330
Allowance for doubtful accounts	(7,112)	(6,722)
Total current assets	1,051,425	1,060,224
Non-current assets		
Property, plant and equipment		
Assets for lease	89,456	106,961
Own-used assets	40,433	41,023
Total property, plant and equipment	129,890	147,984
Intangible assets		
Assets for lease	34	29
Other intangible assets	9,564	10,256
Total intangible assets	9,598	10,285
Investments and other assets		
Investment securities	35,129	35,231
Distressed receivables	5,939	5,896
Other	20,820	22,420
Allowance for doubtful accounts	(5,527)	(5,487)
Total investments and other assets	56,361	58,061
Total non-current assets	195,850	216,332
Total assets	1,247,276	1,276,556

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,567	11,946
Current portion of bonds payable	50,000	15,000
Current portion of long-term borrowings	114,200	120,200
Current portion of long-term payables under securitization of lease receivables	11,434	10,800
Commercial papers	25,000	65,000
Income taxes payable	2,411	2,060
Deferred profit on installment sales	24,354	24,559
Provision for bonuses	1,429	860
Provision for bonuses for directors (and other officers)	56	–
Other current liabilities	49,350	51,807
Total current liabilities	299,805	302,234
Non-current liabilities		
Bonds payable	80,000	110,000
Long-term borrowings	621,300	619,300
Long-term payables under securitization of lease receivables	9,583	7,162
Retirement benefit liability	614	618
Asset retirement obligations	1,455	1,528
Other noncurrent liabilities	12,580	12,774
Total non-current liabilities	725,534	751,383
Total liabilities	1,025,339	1,053,618
Net assets		
Shareholders' equity		
Share capital	7,896	7,896
Capital surplus	10,215	10,228
Retained earnings	201,540	202,754
Treasury shares	(1,674)	(1,674)
Total shareholders' equity	217,978	219,205
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,470	3,136
Deferred gains or losses on hedges	538	657
Remeasurements of defined benefit plans	(50)	(61)
Total accumulated other comprehensive income	3,957	3,733
Total net assets	221,936	222,938
Total liabilities and net assets	1,247,276	1,276,556

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	77,575	75,666
Cost of sales	66,442	64,390
Gross profit	11,132	11,276
Selling, general and administrative expenses	5,868	6,175
Operating profit	5,264	5,101
Non-operating income		
Interest income	0	70
Dividend income	165	205
Other	6	7
Total non-operating income	171	284
Non-operating expenses		
Interest expenses	14	29
Bond issuance costs	118	126
Other	19	0
Total non-operating expenses	152	156
Ordinary profit	5,284	5,229
Extraordinary losses		
Loss on valuation of investment securities	3,902	–
Total extraordinary losses	3,902	–
Profit before income taxes	1,382	5,229
Income taxes - current	1,723	1,892
Income taxes - deferred	(1,285)	(190)
Total income taxes	437	1,702
Profit	944	3,526
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	944	3,526

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	944	3,526
Other comprehensive income		
Valuation difference on available-for-sale securities	2,520	(333)
Deferred gains or losses on hedges	(261)	119
Remeasurements of defined benefit plans, net of tax	(9)	(10)
Total other comprehensive income	2,248	(224)
Comprehensive income	3,193	3,301
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,193	3,301
Comprehensive income attributable to non-controlling interests	—	—