

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 3, 2023

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 file Quarterly Securities Report: August 8, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023 | 77,575 | 1.5 | 5,264 | (23.0) | 5,284 | (23.8) | 944 | (80.0) |
| Three months ended June 30, 2022 | 76,394 | 0.5 | 6,838 | 21.9 | 6,934 | 25.7 | 4,728 | 24.0 |

| | Earnings per share | | Diluted earnings per share | |
|----------------------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Three months ended June 30, 2023 | 30.65 | | – | |
| Three months ended June 30, 2022 | 153.41 | | – | |

(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, 2023 | 1,261,643 | 212,437 | 16.8 | 6,891.77 |
| As of March 31, 2023 | 1,236,921 | 211,701 | 17.1 | 6,867.91 |

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, 2023 | – | 65.00 | – | 80.00 | 145.00 |
| Year ending March 31, 2024 | – | – | – | – | – |
| Year ending March 31, 2024 (Forecast) | – | 75.00 | – | 75.00 | 150.00 |

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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 | 306,000 | 2.4 | 20,600 | (3.0) | 20,700 | (4.0) | 14,400 | (3.2) | 467.16 |

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2022
 (changes in specified subsidiaries resulting in the change in scope of consolidation): 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: No

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, 2023 | 31,243,223 shares | As of March 31, 2023 | 31,243,223 shares |
|---------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|---------------------|----------------|----------------------|----------------|
| As of June 30, 2023 | 418,481 shares | As of March 31, 2023 | 418,481 shares |
|---------------------|----------------|----------------------|----------------|

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

| | | | |
|----------------------------------|-------------------|----------------------------------|-------------------|
| Three months ended June 30, 2023 | 30,824,742 shares | Three months ended June 30, 2022 | 30,824,932 shares |
|----------------------------------|-------------------|----------------------------------|-------------------|

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

| | As of March 31, 2023 | As of June 30, 2023 |
|--|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 14,119 | 28,279 |
| Notes and accounts receivable - trade | 242 | 222 |
| Installment receivables | 181,611 | 175,388 |
| Lease payments receivable | 27,369 | 26,844 |
| Lease receivables and investments in leases | 509,737 | 507,093 |
| Accounts receivable - operating loans | 253,706 | 258,826 |
| Accounts receivable - other loans to customers | 31,198 | 32,204 |
| Other operating assets | 12,528 | 12,529 |
| Accounts receivable - lease | 13,406 | 13,696 |
| Other current assets | 45,537 | 48,925 |
| Allowance for doubtful accounts | (12,338) | (12,097) |
| Total current assets | 1,077,120 | 1,091,915 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Assets for lease | 69,141 | 75,826 |
| Own-used assets | 36,952 | 38,319 |
| Total property, plant and equipment | 106,094 | 114,145 |
| Intangible assets | | |
| Assets for lease | 42 | 31 |
| Other intangible assets | 7,014 | 8,126 |
| Total intangible assets | 7,057 | 8,158 |
| Investments and other assets | | |
| Investment securities | 31,234 | 31,259 |
| Distressed receivables | 602 | 603 |
| Other | 15,403 | 16,154 |
| Allowance for doubtful accounts | (592) | (591) |
| Total investments and other assets | 46,649 | 47,424 |
| Total non-current assets | 159,800 | 169,728 |
| Total assets | 1,236,921 | 1,261,643 |

(Millions of yen)

| | As of March 31, 2023 | As of June 30, 2023 |
|---|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 19,995 | 13,127 |
| Current portion of bonds payable | 30,000 | 65,000 |
| Current portion of long-term borrowings | 103,000 | 95,000 |
| Current portion of long-term payables under securitization of lease receivables | 14,577 | 13,517 |
| Commercial papers | 36,000 | 27,000 |
| Income taxes payable | 4,308 | 1,945 |
| Deferred profit on installment sales | 24,033 | 23,320 |
| Provision for bonuses | 1,364 | 824 |
| Provision for bonuses for directors (and other officers) | 65 | – |
| Other current liabilities | 60,379 | 65,018 |
| Total current liabilities | 293,724 | 304,753 |
| Non-current liabilities | | |
| Bonds payable | 85,000 | 85,000 |
| Long-term borrowings | 612,000 | 628,000 |
| Long-term payables under securitization of lease receivables | 21,017 | 17,962 |
| Retirement benefit liability | 764 | 768 |
| Asset retirement obligations | 1,132 | 1,161 |
| Other noncurrent liabilities | 11,580 | 11,561 |
| Total non-current liabilities | 731,495 | 744,453 |
| Total liabilities | 1,025,219 | 1,049,206 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 7,896 | 7,896 |
| Capital surplus | 10,159 | 10,159 |
| Retained earnings | 195,040 | 193,519 |
| Treasury shares | (1,680) | (1,673) |
| Total shareholders' equity | 211,416 | 209,903 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | (253) | 2,266 |
| Deferred gains or losses on hedges | 640 | 379 |
| Remeasurements of defined benefit plans | (102) | (112) |
| Total accumulated other comprehensive income | 285 | 2,534 |
| Total net assets | 211,701 | 212,437 |
| Total liabilities and net assets | 1,236,921 | 1,261,643 |

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, 2022 | Three months ended June 30, 2023 |
|--|-------------------------------------|-------------------------------------|
| Net sales | 76,394 | 77,575 |
| Cost of sales | 64,845 | 66,442 |
| Gross profit | 11,549 | 11,132 |
| Selling, general and administrative expenses | 4,711 | 5,868 |
| Operating profit | 6,838 | 5,264 |
| Non-operating income | | |
| Interest income | 0 | 0 |
| Dividend income | 107 | 165 |
| Other | 8 | 6 |
| Total non-operating income | 115 | 171 |
| Non-operating expenses | | |
| Interest expenses | 10 | 14 |
| Bond issuance costs | – | 118 |
| Other | 8 | 19 |
| Total non-operating expenses | 19 | 152 |
| Ordinary profit | 6,934 | 5,284 |
| Extraordinary losses | | |
| Loss on valuation of investment securities | – | 3,902 |
| Total extraordinary losses | – | 3,902 |
| Profit before income taxes | 6,934 | 1,382 |
| Income taxes - current | 2,222 | 1,723 |
| Income taxes - deferred | (17) | (1,285) |
| Total income taxes | 2,205 | 437 |
| Profit | 4,728 | 944 |
| Profit attributable to non-controlling interests | – | – |
| Profit attributable to owners of parent | 4,728 | 944 |

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

| | Three months ended June 30, 2022 | Three months ended June 30, 2023 |
|--|-------------------------------------|-------------------------------------|
| Profit | 4,728 | 944 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (1,559) | 2,520 |
| Deferred gains or losses on hedges | 151 | (261) |
| Remeasurements of defined benefit plans, net of tax | (12) | (9) |
| Total other comprehensive income | (1,421) | 2,248 |
| Comprehensive income | 3,307 | 3,193 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 3,307 | 3,193 |
| Comprehensive income attributable to non-controlling interests | — | — |