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Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 06, 2022

Company name: J-LEASE CO.,LTD.

Stock exchange listing: Tokyo

Code number: 7187

URL: <https://www.j-lease.jp>

Representative: Hiraku Nakashima

Representative Director Chairman, President & CEO

Contact: Shigeharu Nakashima

Senior Managing Director

Phone: 03-5909-1245

Scheduled date of Annual General Meeting of Shareholders: June 23, 2022

Scheduled date of commencing dividend payments: June 24, 2022

Scheduled date of filing annual securities report: June 24, 2022

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	9,162	20.5	1,971	108.8	1,946	113.6	1,340	142.5
March 31, 2021	7,601	12.7	943	506.8	911	759.9	552	-

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 1,340 million [142.5%]
Fiscal year ended March 31, 2021: ¥ 552 million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	150.95	148.57	74.9	22.9	21.5
March 31, 2021	62.65	61.36	59.6	11.4	12.4

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ - million
Fiscal year ended March 31, 2021: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	8,832	2,372	26.9	266.02
March 31, 2021	8,154	1,205	14.8	136.38

(Reference) Equity: As of March 31, 2022: ¥ 2,372 million
As of March 31, 2021: ¥ 1,205 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	1,339	(288)	(1,131)	1,022
March 31, 2021	847	(123)	(599)	1,103

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	0.00	-	5.00	5.00	44	8.0	4.8
March 31, 2022	-	15.00	-	25.00	40.00	356	26.5	19.9
Fiscal year ending March 31, 2023 (Forecast)	-	25.00	-	25.00	50.00		30.1	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2022	4,950	13.3	990	12.1	970	11.7	650	11.6	72.87
Full year	10,450	14.0	2,200	11.6	2,170	11.5	1,480	10.4	165.92

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- New - (Company name:)
- Exclusion: - (Company name:)
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
- March 31, 2022: 8,920,000 shares
- March 31, 2021: 8,839,200 shares
- 2) Total number of treasury shares at the end of the period:
- March 31, 2022: 147 shares
- March 31, 2021: 60 shares
- 3) Average number of shares during the period:
- Fiscal Year ended March 31, 2022: 8,878,424 shares
- Fiscal Year ended March 31, 2021: 8,819,673 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	9,089	20.6	1,991	106.4	1,964	112.4	1,358	139.8
March 31, 2021	7,538	13.4	964	505.6	924	764.5	566	-

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	153.06	150.65
March 31, 2021	64.25	62.91

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2022	8,711	2,406	27.6	269.80
March 31, 2021	8,111	1,220	15.0	138.07

(Reference) Equity: As of March 31, 2022: ¥ 2,406 million
As of March 31, 2021: ¥ 1,220 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	1,103,317	1,022,308
Accrued guarantee	919,340	1,129,067
Accounts receivable commission	42,302	50,039
Advances paid of subrogation	4,991,217	4,715,199
Advances paid of collection	1,069,894	1,389,066
Supplies	11,999	15,528
Other	304,745	344,765
Allowance for doubtful accounts	(2,341,200)	(2,066,900)
Total current assets	6,101,616	6,599,073
Non-current assets		
Property, plant and equipment		
Buildings and structures	102,606	225,115
Accumulated depreciation	(43,250)	(44,008)
Buildings and structures, net	59,355	181,107
Machinery, equipment and vehicles	37,331	-
Accumulated depreciation	(31,623)	-
Machinery, equipment and vehicles, net	5,708	-
Land	43,799	100,014
Leased assets	188,495	193,849
Accumulated depreciation	(60,261)	(98,941)
Leased assets, net	128,234	94,907
Other	68,763	99,116
Accumulated depreciation	(53,644)	(55,617)
Other, net	15,118	43,499
Total property, plant and equipment	252,216	419,528
Intangible assets		
Software	326,271	274,385
Software in progress	1,760	770
Leased assets	1,853	1,086
Other	10	10
Total intangible assets	329,894	276,251
Investments and other assets		
Investment securities	640	80,176
Deferred tax assets	1,247,238	1,265,574
Other	446,564	500,754
Allowance for doubtful accounts	(224,015)	(308,903)
Total investments and other assets	1,470,427	1,537,601
Total non-current assets	2,052,538	2,233,382
Total assets	8,154,155	8,832,455

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Liabilities		
Current liabilities		
Short-term borrowings	2,750,000	1,800,000
Current portion of long-term borrowings	60,048	66,480
Lease liabilities	41,621	43,466
Accounts payable of collection	800,643	828,446
Accounts payable - other	465,546	546,062
Income taxes payable	379,335	414,108
Advances received	1,925,944	2,194,254
Provision for bonuses	99,400	111,095
Other	215,729	243,861
Total current liabilities	6,738,269	6,247,775
Non-current liabilities		
Long-term borrowings	59,808	88,324
Lease liabilities	102,104	63,707
Provision for retirement benefits for directors (and other officers)	5,015	4,597
Asset retirement obligations	42,598	53,826
Other	882	1,333
Total non-current liabilities	210,408	211,789
Total liabilities	6,948,677	6,459,564
Net assets		
Shareholders' equity		
Share capital	714,558	717,103
Capital surplus	289,558	292,103
Retained earnings	201,447	1,363,964
Treasury shares	(49)	(179)
Total shareholders' equity	1,205,514	2,372,992
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(37)	(101)
Total accumulated other comprehensive income	(37)	(101)
Total net assets	1,205,477	2,372,891
Total liabilities and net assets	8,154,155	8,832,455

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	7,601,361	9,162,927
Cost of sales	1,692,877	2,095,510
Gross profit	5,908,483	7,067,417
Selling, general and administrative expenses	4,964,518	5,096,173
Operating profit	943,965	1,971,243
Non-operating income		
Interest income	416	18
Dividend income	10	10
Commission income	-	2,400
Subsidy income	2,940	350
Equipment rent	103	195
Reversal of deposits received	388	264
Recoveries of written off receivables	1,245	1,130
Other	3,585	859
Total non-operating income	8,690	5,229
Non-operating expenses		
Interest expenses	32,443	27,384
Loss on assignment of receivables	6,011	-
Share issuance costs	1,576	1,755
Other	1,374	1,176
Total non-operating expenses	41,406	30,317
Ordinary profit	911,249	1,946,154
Extraordinary income		
Refund of surcharges	573	-
Gain on sale of non-current assets	-	337
Total extraordinary income	573	337
Extraordinary losses		
Impairment losses	13,496	-
Loss on retirement of non-current assets	3,803	1,260
Total extraordinary losses	17,300	1,260
Profit before income taxes	894,522	1,945,232
Income taxes - current	469,025	623,406
Income taxes - deferred	(127,096)	(18,336)
Total income taxes	341,929	605,070
Profit	552,593	1,340,162
Profit attributable to owners of parent	552,593	1,340,162

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit	552,593	1,340,162
Other comprehensive income		
Valuation difference on available-for-sale securities	72	(64)
Total other comprehensive income	72	(64)
Comprehensive income	552,665	1,340,098
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	552,665	1,340,098

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2021

(Thousand yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	713,348	288,348	(351,146)	(49)	650,501	(109)	(109)	650,392
Changes during period								
Issuance of new shares	1,209	1,209	-	-	2,419	-	-	2,419
Dividends of surplus - other capital surplus	-	-	-	-	-	-	-	-
Profit attributable to owners of parent	-	-	552,593	-	552,593	-	-	552,593
Purchase of treasury shares	-	-	-	-	-	-	-	-
Net changes in items other than shareholders' equity	-	-	-	-	-	72	72	72
Total changes during period	1,209	1,209	552,593	-	555,012	72	72	555,084
Balance at end of period	714,558	289,558	201,447	(49)	1,205,514	(37)	(37)	1,205,477

For the fiscal year ended March 31,2022

(Thousand yen)

	Shareholders' equity					Accumulated other comprehensive income		Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income	
Balance at beginning of period	714,558	289,558	201,447	(49)	1,205,514	(37)	(37)	1,205,477
Changes during period								
Issuance of new shares	2,545	2,545	-	-	5,090	-	-	5,090
Dividends of surplus - other capital surplus	-	-	(177,646)	-	(177,646)	-	-	(177,646)
Profit attributable to owners of parent	-	-	1,340,162	-	1,340,162	-	-	1,340,162
Purchase of treasury shares	-	-	-	(129)	(129)	-	-	(129)
Net changes in items other than shareholders' equity	-	-	-	-	-	(64)	(64)	(64)
Total changes during period	2,545	2,545	1,162,516	(129)	1,167,477	(64)	(64)	1,167,413
Balance at end of period	717,103	292,103	1,363,964	(179)	2,372,992	(101)	(101)	2,372,891

Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from operating activities		
Profit before income taxes	894,522	1,945,232
Depreciation	167,609	175,144
Impairment losses	13,496	-
Increase (decrease) in allowance for doubtful accounts	463,616	(189,411)
Interest and dividend income	(426)	(28)
Interest expenses	32,443	27,384
The administrative fine	(573)	-
Loss on retirement of non-current assets	3,803	1,260
Loss (gain) on sale of non-current assets	-	(337)
Decrease (increase) in trade receivables	(177,207)	(211,919)
Increase (decrease) in advances paid of subrogation	128,605	185,584
Increase (decrease) in advances paid of collection	(522,802)	(319,171)
Decrease (increase) in inventories	(159)	(3,528)
Increase (decrease) in advances received	164,239	268,310
Increase (decrease) in provision for bonuses	4,879	11,695
Increase (decrease) in provision for retirement benefits for directors (and other officers)	1,950	(418)
Increase (decrease) in accounts payable of collect	(77,420)	27,802
Share issuance costs	1,576	1,755
Other, net	81,918	41,834
Subtotal	1,180,071	1,961,188
Interest and dividends received	426	28
Interest paid	(32,187)	(27,105)
Payments for penalty	(44,206)	-
Income taxes paid	(256,723)	(594,379)
Net cash provided by (used in) operating activities	847,379	1,339,732
Cash flows from investing activities		
Purchase of property, plant and equipment	(26,380)	(206,992)
Proceeds from sale of property, plant and equipment	-	4,224
Purchase of investment securities	-	(79,600)
Purchase of intangible assets	(51,698)	(40,332)
Other, net	(45,299)	33,913
Net cash provided by (used in) investing activities	(123,379)	(288,786)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(500,000)	(950,000)
Proceeds from long-term borrowings	-	100,000
Repayments of long-term borrowings	(60,048)	(65,052)
Proceeds from issuance of shares	842	3,334
Purchase of treasury shares	-	(129)
Dividends paid	-	(177,646)
Repayments of finance lease liabilities	(40,536)	(42,462)
Net cash provided by (used in) financing activities	(599,742)	(1,131,954)
Net increase (decrease) in cash and cash equivalents	124,258	(81,009)
Cash and cash equivalents at beginning of period	979,058	1,103,317
Cash and cash equivalents at end of period	1,103,317	1,022,308