

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 7, 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 file Quarterly Securities Report: February 9, 2024
 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 nine months ended December 31, 2023 (from April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	234,998	4.6	17,015	(3.4)	17,292	(3.5)	8,272	(33.0)
Nine months ended December 31, 2022	224,683	(2.8)	17,620	2.7	17,920	3.7	12,338	3.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	268.39		—	
Nine months ended December 31, 2022	400.29		—	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	1,229,403	217,716	17.7	7,063.06
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	—	75.00	—	—	—
Year ending March 31, 2024 (Forecast)	—	—	—	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 nine months ended December 31, 2023
 (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 December 31, 2023	31,243,223 shares	As of March 31, 2023	31,243,223 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	418,575 shares	As of March 31, 2023	418,481 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	30,824,709 shares	Nine months ended December 31, 2022	30,824,880 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	14,119	6,956
Notes and accounts receivable - trade	242	240
Installment receivables	181,611	171,435
Lease payments receivable	27,369	25,185
Lease receivables and investments in leases	509,737	499,214
Accounts receivable - operating loans	253,706	256,008
Accounts receivable - other loans to customers	31,198	16,715
Other operating assets	12,528	12,491
Accounts receivable - lease	13,406	9,427
Other current assets	45,537	53,134
Allowance for doubtful accounts	(12,338)	(6,551)
Total current assets	1,077,120	1,044,260
Non-current assets		
Property, plant and equipment		
Assets for lease	69,141	84,494
Own-used assets	36,952	39,407
Total property, plant and equipment	106,094	123,901
Intangible assets		
Assets for lease	42	39
Other intangible assets	7,014	9,212
Total intangible assets	7,057	9,252
Investments and other assets		
Investment securities	31,234	30,171
Distressed receivables	602	6,079
Other	15,403	21,405
Allowance for doubtful accounts	(592)	(5,667)
Total investments and other assets	46,649	51,989
Total non-current assets	159,800	185,143
Total assets	1,236,921	1,229,403

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,995	12,093
Short-term borrowings	–	2,500
Current portion of bonds payable	30,000	45,000
Current portion of long-term borrowings	103,000	131,700
Current portion of long-term payables under securitization of lease receivables	14,577	11,998
Commercial papers	36,000	30,000
Income taxes payable	4,308	2,280
Deferred profit on installment sales	24,033	24,383
Provision for bonuses	1,364	851
Provision for bonuses for directors (and other officers)	65	–
Other current liabilities	60,379	54,383
Total current liabilities	293,724	315,191
Non-current liabilities		
Bonds payable	85,000	85,000
Long-term borrowings	612,000	585,300
Long-term payables under securitization of lease receivables	21,017	12,196
Retirement benefit liability	764	742
Asset retirement obligations	1,132	1,513
Other noncurrent liabilities	11,580	11,744
Total non-current liabilities	731,495	696,496
Total liabilities	1,025,219	1,011,687
Net assets		
Shareholders' equity		
Share capital	7,896	7,896
Capital surplus	10,159	10,159
Retained earnings	195,040	198,535
Treasury shares	(1,680)	(1,673)
Total shareholders' equity	211,416	214,918
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(253)	2,519
Deferred gains or losses on hedges	640	410
Remeasurements of defined benefit plans	(102)	(131)
Total accumulated other comprehensive income	285	2,798
Total net assets	211,701	217,716
Total liabilities and net assets	1,236,921	1,229,403

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	224,683	234,998
Cost of sales	192,311	200,477
Gross profit	32,371	34,520
Selling, general and administrative expenses	14,750	17,504
Operating profit	17,620	17,015
Non-operating income		
Interest income	50	68
Dividend income	211	293
Gain on investments in investment partnerships	85	148
Other	23	21
Total non-operating income	371	531
Non-operating expenses		
Interest expenses	34	46
Commission expenses	10	–
Bond issuance costs	–	160
Other	26	47
Total non-operating expenses	71	254
Ordinary profit	17,920	17,292
Extraordinary losses		
Loss on valuation of investment securities	–	5,248
Total extraordinary losses	–	5,248
Profit before income taxes	17,920	12,044
Income taxes - current	6,109	5,718
Income taxes - deferred	(527)	(1,946)
Total income taxes	5,581	3,711
Profit	12,338	8,272
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	12,338	8,272

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	12,338	8,272
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,298)	2,772
Deferred gains or losses on hedges	813	(230)
Remeasurements of defined benefit plans, net of tax	(37)	(29)
Total other comprehensive income	(523)	2,513
Comprehensive income	11,815	10,786
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,815	10,786
Comprehensive income attributable to non-controlling interests	—	—