

その夢の、一歩先へ  
Open the Future with You



May 10, 2024

To whom it may concern:

Company Name: Orient Corporation  
Representative: Tetsuo Imori  
President and Representative Director  
(Code No.: 8585, TSE Prime)  
Inquiries: Takahiro Nishida  
General Manager, Investor Relations Office,  
Finance Dept.  
(TEL. +81-3-5877-1111)

## Change in the Accounting Policy Concerning Guarantee Transactions

The Company hereby announces that its Board of Directors, at a meeting held today, resolved to change its accounting policy concerning guarantee transactions from this consolidated fiscal year (ending March 2024) with retroactive application to the previous consolidated fiscal year, as described below.

### Note:

#### 1. Change in the Accounting Policy Concerning “Accounts receivable (installment sales, credit guarantee)” and “Accounts payable (credit guarantee)”

The Company’s credit guarantee transactions consist of “guarantees that only guarantee debts” and “guarantees that collect debts” in addition to debt guarantees, and of these, for “guarantees that collect debts”, the guarantees outstanding used to be recorded as “accounts receivable (installment sales, credit guarantee)” and “accounts payable (credit guarantee)” on the consolidated balance sheet in accordance with industry practice. As a result of considering the unification of group accounting policies once again after Orico Product Finance Co.,Ltd. (former AEON Product Finance) became a consolidated subsidiary during the fourth quarter of this fiscal period, the Company has changed its method to not recording them on the consolidated balance sheet, but instead noting them as contingent liabilities from this consolidated fiscal year.

This is because we have determined that, in the situation where the Company’s Group is making a progressive departure from the conventional credit sales model and is moving forward with initiatives in overseas and new businesses and the Company’s stakeholders are also becoming more diverse, changing the method to noting them as contingent liabilities instead of recording them on the consolidated balance sheet would make it easier to compare financial statements with other companies and enable the Company to provide more useful information about its financial position to various domestic and overseas users of financial statements.

#### 2. Impacts on the Previous Consolidated Fiscal Year (Ending March 2023) and This Consolidated Fiscal Year (Ending March 2024)

The relevant change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year are the ones after the retrospective application. As a result, compared to those before the retrospective application, total assets and total liabilities for the previous consolidated fiscal year decreased by 1,257,772 million yen respectively, and the corresponding allowance for doubtful accounts of 1,693 million yen has been transferred to the provision for loss on guarantees, and the provision of allowance for doubtful accounts of -97 million yen has been transferred to the provision of allowance for loss on guarantees.

In addition, as for this consolidated fiscal year, total assets and total liabilities decreased by 903,105 million yen respectively, and the corresponding allowance for doubtful accounts of 1,426 million yen has been transferred to the provision for loss on guarantees, and the provision of allowance for doubtful accounts of 222 million yen has been transferred to the provision of allowance for loss on guarantees.

End of Notice

### **DISCLAIMER**

This English translation is only for reference purpose. When there are any discrepancies between the original Japanese version and the English translation version, the original Japanese version always prevails.