

The following is an unofficial English translation of the 48th Annual General Meeting of Shareholders documents of RICOH LEASING COMPANY, LTD. (hereinafter referred to as the “Company”). The Company provides this translation for your reference and convenience only, without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

48th Annual General Meeting of Shareholders documents

(Matters relating to electronic provision measures that are not included in the document delivered upon request in accordance with law and the Articles of Incorporation)

Notes to Consolidated Financial Statements Notes to Nonconsolidated Financial Statements

(From April 1, 2023, to March 31, 2024)

RICOH LEASING COMPANY, LTD.

The above matters are not included in the documents to be delivered to shareholders who have requested the delivery of documents in accordance with law and the Articles of Incorporation.

Notes to Consolidated Financial Statements

1. Basis of preparing Consolidated Financial Statements

(1) Scope of consolidation

① Number of consolidated subsidiaries and names of subsidiaries

- Subsidiaries: 4 companies
- Names of subsidiaries TECHNORENT CO., LTD
Tokyo Business Rent Co., Ltd.
Enplus Inc.
Welfare Suzuran CO., LTD

SA-LL and SA-L, which were consolidated subsidiaries of the Company in the previous financial year, have been excluded from the scope of consolidation as they ceased to exist as a result of an absorption-type merger with the Company's consolidated subsidiary Welfare Suzuran CO., LTD.

② Non-consolidated subsidiaries

None

(2) Equity method

Not applicable

(3) Fiscal year-end of subsidiaries

The fiscal year-end for Welfare Suzuran Co., Ltd. is April 30.

In preparing the consolidated financial statements, provisional financial statements prepared as of 31 January were used and adjustments were made for significant transactions that occurred between the end of the consolidated financial year and the end of the consolidated financial year.

(4) Accounting policies and methods

① Measurement and valuation of significant assets

A. Securities

Other securities

Other than shares and other securities with no market price Stated at cost using fair value method (valuation differences are accounted for using the direct net asset method and the cost of sales is calculated using the moving average method).

Shares with no market price, etc. Stated at cost using the moving average method.

Investments in limited liability investment partnerships and similar partnerships (deemed securities under Article 2(2) of the Financial Instruments and Exchange Act) are based on the most recent financial statements available in accordance with the financial reporting date stipulated in the partnership agreement, and the net amount of equity interest is taken into account.

B. Derivative transactions Stated at cost using fair value method.

② Depreciation and amortization of significant depreciable assets

A. Property, plant and equipment

• Rental asset

Leased assets Mainly depreciated on a straight-line basis over the lease term, with the estimated disposal value at the end of the lease term being the residual value.

Rental asset Depreciated using the straight-line method based on a reasonable number of years of depreciation, taking into account economic and functional realities, with the main depreciation periods ranging from 2 to 5 years.

Other rental assets Depreciated using the straight-line method based on a reasonable number of years of depreciation, taking into account the useful life, etc. The main depreciation periods are 6-46 years.

- Company-owned assets The declining-balance method is mainly used. However, buildings and equipment acquired on or after 1 April 2016 and certain other company assets are depreciated using the straight-line method.
The main useful lives are as follows.

Buildings	10 to 15 years
Structures	15 years
Machinery and equipment	12 to 20 years
Vehicles	6 years
Tools and Furniture	3 to 20 years
- B. Intangible assets
 - Assets for lease The straight-line method is used, with the lease term as the depreciable life and the estimated disposal value at the end of the lease term as the residual value.
 - Software Software for internal use is amortized on a straight-line basis over the period of internal use (mainly five years).
- ③ Accounting for deferred assets
 - Bond issuance costs The entire amount is expensed at the time of expenditure.
- ④ Accounting for significant allowances and provisions
 - A. Allowance for doubtful accounts
The allowance for doubtful debts is provided at an estimated uncollectible amount based on the historical default rate for general receivables and on the financial condition assessment method or cash flow estimation method for specific doubtful receivables.
 - B. Provision for bonuses
To provide for the payment of bonuses to employees, an amount corresponding to the estimated amount to be paid is provided for in the current financial year.
 - C. Provision for bonuses for directors (and other officers)
To provide for the payment of bonuses to directors, the estimated amount of bonuses to be paid at the end of the financial year is provided for.
- ⑤ Accounting for retirement benefit
 - A. Method of attributing estimated retirement benefits to the period
The estimated amount of retirement benefits is attributed to the period up to the end of the financial year in accordance with the benefit calculation method.
 - B. Actuarial gains and losses and past service costs
Prior service costs are amortized on a straight-line basis over a fixed number of years (11 years) within the average remaining service period of employees at the time the costs are incurred.
Actuarial gains and losses are amortized on a straight-line basis over a fixed number of years (11 years) within the average remaining service period of employees at the time the gains or losses are recognized in the financial year following the year in which they arise.
- ⑥ Accounting for significant income and expenses
 - Accounting for sales and Lease payments are recognized as sales and cost of sales when they should
cost of sales for finance be received.
leases
- ⑦ Significant hedge accounting
 - A. Method of hedge accounting
The Company's hedge accounting method is based on deferred hedge accounting or exceptional treatment for interest rate swaps that meet the requirements for exceptional treatment for certain assets and liabilities of the Company, and on integrated treatment (exceptional treatment and allocation treatment) for interest rate swaps that meet the requirements for integrated treatment (exceptional treatment and allocation treatment).
 - B. Hedging instrument and hedged item

Hedging instrument:	Interest rate swap transactions
Hedged item:	Loan payable

C. Hedge policy

Interest rate swaps are used to hedge the risk of interest rate fluctuations associated with assets such as leases and installment transactions as well as with assets such as leases, installment transactions and loans, as well as with liabilities loans from financial institutions to a certain extent.

D. Methods of assessing hedge effectiveness

The effectiveness of hedging is assessed by comparing the cumulative changes in cash flows of the hedged item with the cumulative changes in cash flows of the hedging instrument on a quarterly basis. However, for interest rate swaps for which exceptional treatment is applied, the assessment of effectiveness is omitted.

E. Others

The Company's derivative transactions are executed and managed strictly in accordance with internal regulations. Derivative transactions are conducted by the Corporate Management Division and the executive officer in charge has approval authority within the scope of the internal regulations.

The status of derivative transactions, valuation gains/losses, risk amount, etc. are reported monthly at the ALM Committee, which consists of senior management.

With regard to the internal control system, the separation of those in charge of execution and those in charge of office administration is clearly defined within the Corporate Management Division. For each transaction, the office management staff checks the transaction details against the transaction report from the Executive Officer and the statement sent directly from the contracting party.

⑧ Goodwill

Goodwill is amortized evenly over a period of 20 years or less, based on estimates of the period over which the investment effect will be realized and the recovery period of the investment.

⑨ Other significant basic items for preparation of consolidated financial statements

A. Rental receivable

The balance of receivables at the time of the agreed termination of the old lease following the conclusion of a new lease agreement is shown as rental receivable. The amount of such receivables is collected over the term of the new lease agreement.

B. Other operating loan receivables and payables

Other operating loan receivables and payables underwritten are receivables and payables related to factoring.

2. NOTES TO CHANGES IN PRESENTATION

(1) Consolidated balance sheet

The presentation of the following items has been changed from the current financial year in order to be consistent with the disclosures in the Securities Report.

Category	Accounts presented in the previous financial year	Accounts presented in the current financial year	Amounts for the current financial year (million yen)
Current assets	Notes receivable - trade	Notes and accounts receivable	233
Current assets	Lease receivables	Lease receivables and investments in leases	51,760
Current assets	Investments in leases	Lease receivables and investments in leases	454,380
Current assets	Prepaid expenses	Other current assets	1,284
Current assets	Accrued revenue	Other current assets	288
Current assets	Accounts receivable - other	Other current assets	10,088
Own-used assets	Buildings	Other operating assets	969
Own-used assets	Vehicles	Other operating assets	25
Own-used assets	Equipment	Other operating assets	471
Own-used assets	Land	Other operating assets	4
Intangible assets	Software	Other intangible assets	6,889
Intangible assets	Other	Other intangible assets	2,675
Investments and other assets	Long-term prepaid expenses	Other	9,705
Current liabilities	Notes payable - trade	Notes and accounts payable - trade	168
Current liabilities	Accounts payable - trade	Notes and accounts payable - trade	21,399
Current liabilities	Accounts payable - other	Other current liabilities	4,548
Current liabilities	Accrued expenses	Other current liabilities	1,610
Current liabilities	Deposits received	Other current liabilities	35,949
Current liabilities	Unearned revenue	Other current liabilities	19

(2) Consolidated statements of income

“Interest and dividend income” under “Non-operating income,” which had been collectively presented until the previous financial year, is now separately presented as “Interest income” and “Dividend received” from the current financial year, in order to ensure consistency with the disclosures in the annual securities report.

3. NOTES ON ACCOUNTING ESTIMATES

Estimated allowance for doubtful accounts

(1) Amounts recorded in the consolidated financial statements for the current financial year

Allowance for doubtful accounts 12,640 million yen

(2) Other information that contributes to an understanding of the nature of the accounting estimates.

① Method of calculating the amounts recorded in the consolidated financial statements for the year under review

For general receivables, the amount is determined based on historical default rates, while for specific receivables, such as doubtful receivables, the amount of uncollectible receivables is determined on an individual basis using the financial statement assessment method or cash flow estimation method. Through these methods, the Group is prepared for losses that may arise from bad debts.

② Key assumptions used in the calculations.

Estimates are made based on the collection status of receivables and available information, and it is considered that sufficient amounts have been recorded to cover losses from bad debts.

③ Effect on the consolidated financial statements for the following financial year

Unforeseeable changes in assumptions and other factors may cause the expected collection of receivables to vary beyond our projections, in which case the Group may increase or reduce its allowance for doubtful debts.

4. NOTES TO CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(1) Accumulated depreciation of assets 60,809 million yen

(2) Other operating assets under current assets comprise subordinated trust beneficiary interests in securitized lease receivables.

5. NOTES TO CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(1) Total number of shares issued and outstanding

Type of shares	Number of shares at the beginning of FY2023	Number of shares increased in FY2023	Number of shares Decreased in FY2023	Number of shares at the end of FY2023
Common shares	31,243 thousand shares	—	—	31,243 thousand shares

(2) Dividends

① Dividends paid in the fiscal year ended March 31, 2024

A. The following was resolved at the 47th Annual General Meeting of Shareholders held on June 26, 2023.

- Total amount of dividends paid 2,465 million yen
- Cash dividends per share 80.00 yen
- Record date March 31, 2023
- Effective date June 27, 2023

B. The following was resolved by the Board of Directors on October 31, 2023.

- Total amount of dividends paid 2,311 million yen
- Cash dividends per share 75.00 yen
- Record date September 30, 2023
- Effective date December 1, 2023

② Dividends to be paid in the following fiscal year, for which the record date is within the fiscal year ended March 31, 2024

The following will be resolved at the 48th Annual General Meeting of Shareholders held on 24 June 2024.

- Total amount of dividends paid 2,311 million yen
- Cash dividends per share 75.00 yen
- Record date March 31, 2024
- Effective date June 25, 2024

6. FINANCIAL INSTRUMENTS

(1) Financial instruments - Overview

The Group procures the necessary funds in a timely and appropriate manner from the financial markets and financial institutions and uses them for its various businesses, including the Lease & Finance business. In relation to these businesses, the Group's policy is to engage in appropriate risk management and to maintain and expand quality assets through the acquisition of contracts or investments with profit margins commensurate with the risk.

With regard to funding from financial markets and financial institutions, the Group analyzes and examines trends in financial markets and the status of assets and liabilities, and strives to manage market risk (interest rate and other fluctuation risk) and liquidity risk related to funding appropriately. In addition, derivative transactions are undertaken for the purpose of hedging interest rate risks associated with assets and liabilities to a certain extent or within a certain range, and it is the policy of the Group not to enter into speculative transactions.

(2) Fair value of financial instruments

The amounts recorded in the consolidated balance sheet, the fair value and the difference between the two in the current financial year are as follows.

Notes have been omitted for cash and deposits, other operating loans receivable, payables assumed and commercial paper, as these items are either in cash or have a short maturity and their fair value approximates their carrying amount.

Investments in non-marketable shares and other securities and investments in partnerships are not included in the table below (See note 4) .

(Million yen)	Consolidated balance sheet amount	Fair value	Difference
Installment receivables (Note 1)	150,770		
Allowance for doubtful accounts (Note 2)	(1,604)		
	149,166	151,239	2,072
Rental receivables receivable	24,335		
Lease receivables and investments in leases (Note 3)	505,453		
Other operating assets	12,259		
Allowance for doubtful accounts (Note 2)	(3,600)		
	538,449	537,861	(587)
Accounts receivable - operating loans	260,176		
Allowance for doubtful account (Note 2)	(1,461)		
	258,715	260,360	1,644
Investment securities (Note 4)			
Available-for-sale securities	15,900	15,900	—
Total Asset	962,231	965,361	3,130
Current portion of bonds payable	50,000	49,999	(0)
Current portion of long-term borrowings	114,200	114,185	(14)
Current portion of long-term payables under securitization of lease receivables	11,434	11,448	14
Bonds payable	80,000	79,721	(278)
Long-term borrowings	621,300	619,313	(1,986)
Long-term payables under securitization of lease receivables	9,583	9,535	(47)
Total Liabilities	886,517	884,204	(2,312)
Derivative transactions (Note 5)			
① Transactions for which hedge accounting is not applied	—	—	—
② Transactions for which hedge accounting is applied	775	775	—
Total derivative transactions	775	775	—

Note 1: Unrealized profit on instalments is deducted from instalment receivables.

Note 2: The general and specific allowance for doubtful debts corresponding to each item of credit is deducted.

Note 3: Balance of lease receivables and investment in lease = “Lease receivables” + “Investment in lease” - “Estimated residual value portion”

Note 4: The consolidated balance sheet amounts of non-marketable shares and investments in partnerships are as follows, which are not included in “Investment securities.”

Category	Consolidated balance sheet amount (million yen)
Unlisted stocks	3,370
Investment in partnerships, etc.	15,859

Unlisted shares are classified as non-marketable shares, etc. and are not subject to fair value disclosure in accordance with paragraph 5 of the “Guidance on Disclosure of Fair Value of Financial Instruments” (ASBJ Guidance No. 19, 31 March 2020).

Investments in partnerships are not subject to fair value disclosure in accordance with paragraph 24-16 of the “Guidance on Accounting Standards for Calculating Fair Value” (ASBJ Guidance No. 31, 17 June 2021).

Note 5: Net receivables and payables arising from derivative transactions are shown at net value.

(3) Breakdown of Financial instruments

The level of fair value measurement in the Group is divided into the following three levels according to the observability in the market

Level 1: Fair value is measured by quoted prices in active markets

Level 2: Fair value is measured by using inputs other than Level 1 that are observable, either directly or indirectly

Level 3: Fair value is measured using unobservable inputs

Where multiple inputs are used that have a significant impact on the calculation of fair value, the fair value is classified to the level with the lowest priority in the calculation of fair value out of the levels to which each of these inputs belongs.

① Financial assets and liabilities with fair value in the consolidated balance sheet

Category	Fair value (million yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	12,888	—	—	12,888
Share acquisition rights	—	—	12	12
Bonds	—	—	3,000	3,000
Total Assets	12,888	—	3,012	15,900
Derivative transactions				
Interest rate related	—	775	—	775
Total derivative transactions	—	775	—	775

② Financial assets and liabilities not recognized in the consolidated balance sheet at fair value

Category	Fair value (million yen)			
	Level 1	Level 2	Level 3	Total
Installment receivables	—	—	151,239	151,239
Rental receivables receivable				
Lease receivables and investments in leases				
Other operating assets				
	—	—	537,861	537,861
Operating loans	—	—	260,360	260,360
Total Assets	—	—	949,461	949,461
Current portion of bonds payable	—	49,999	—	49,999
Current portion of long-term borrowings	—	114,185	—	114,185
Current portion of long-term payables under securitization of lease receivables	—	11,448	—	11,448
Bonds	—	79,721	—	79,721
Long-term borrowings	—	619,313	—	619,313
Long-term payables under securitization of lease receivables	—	9,535	—	9,535
Total Liabilities	—	884,204	—	884,204

Notes 1. Description of valuation techniques and inputs used in the calculation of market value.

Investment securities

Investment securities include listed shares, which are valued using quoted market prices on the stock exchange. As listed shares are traded in active markets, their fair value is classified as Level 1 fair value.

The fair value of share options (relating to unlisted shares) and bonds is classified as Level 3 fair value because the fair value is calculated using unobservable inputs for the calculation of fair value.

Derivative transactions, Current portion of bonds payable, Current portion of long-term borrowings, Current portion of long-term payables under securitization of lease receivables, Bonds, Long-term borrowings and Long-term payables under securitization of lease receivables

The present value of these liabilities is calculated mainly by discounting the total principal and interest at an interest rate that takes into account the remaining period and funding costs.

Both market values are classified as Level 2 market values.

Installment receivables, Rental receivables receivable, Lease receivables and investments in leases and Other operating assets

The fair value of these assets is calculated by discounting the present value by the interest rate that would be applicable if the assets were newly executed in each of the industries classified for credit management purposes. The fair value of such receivables approximates the balance sheet amount less estimated bad debts, and is therefore used as the fair value of such receivables.

Both market values are classified as Level 3 market value.

Accounts receivable - operating loans

The fair value of operating loans with variable interest rates is deemed to approximate their carrying amount, as they reflect market interest rates in a short period of time, unless the credit status of the borrower has changed significantly since the loan was made.

For loans with a fixed interest rate, the present value is calculated by discounting the total principal and interest by the interest rate assumed for a similar new loan, for each category based

on the type and term of the loan. For doubtful receivables, the fair value approximates the balance sheet amount less estimated bad debts, and is therefore used as the fair value.

Both market values are classified as Level 3 market value.

2. Information on the fair value of level 3 financial assets and liabilities with fair value in the consolidated balance sheet

(1) Reconciliation of opening balances to closing balances, valuation gains and losses recognized in profit or loss for the period

(Million yen)

	Balance at the beginning of the period	Profit or loss for the year or other comprehensive income		Net purchases, sales, issues and settlements	Level 3 transfers to market value	Transfer from level 3 market value	Balance at end of year	Unrealized gains/losses on financial assets and liabilities held at the balance sheet date of amounts recognized in profit or loss for the year
		Recognized in profit or loss	Recognized in other comprehensive income					
Investment securities								
Available-for-sale securities								
Share acquisition rights	—	—	—	12	—	—	12	—
Bonds	2,300	—	—	700	—	—	3,000	—

(2) Description of the market value assessment process

The Group calculates fair value in accordance with its policy on the calculation of fair value in the responsible department. The calculated fair value is verified for the appropriateness of the valuation techniques and inputs used to calculate fair value and the appropriateness of the classification of the level of fair value.

In calculating the market value, valuation models are used that most appropriately reflect the nature, characteristics and risks of individual assets.

7. PER SHARE INFORMATION

(1) Equity per share attributable to owners of the parent 7,199.98 yen

(2) Earnings per share attributable to owners of the parent 365.89 yen

8. OTHERS

Figures less than 1 million yen are rounded down to the nearest million yen.

Notes to Nonconsolidated Financial Statements

1. MATTERS RELATED TO SIGNIFICANT ACCOUNTING POLICIES

(1) Valuation basis and method for assets

① Securities

A. Investment securities in subsidiaries

Stated at cost using the moving average method.

B. Other securities

Securities with market prices

Stated at fair value. Unrealized holding gains and losses are excluded from earnings and reported in a separate component of net assets. The cost of securities sold is determined based on the average cost of all shares of such security held at the time of sale.

Securities without market prices

Stated at average cost. Investments in limited liability investment partnerships and similar partnerships (deemed securities under Article 2(2) of the Financial Instruments and Exchange Act) are based on the most recent financial statements available in accordance with the financial reporting date stipulated in the partnership agreement, and the net amount of equity interest is taken into account.

② Derivative transaction Stated at fair value.

(2) Depreciation method of fixed assets

① Tangible fixed assets

A. Assets for lease

Leased assets

Mainly depreciated on a straight-line basis over the lease term, with the estimated disposal value at the end of the lease term being the residual value.

Rental asset

Depreciated using the straight-line method based on a reasonable number of years of depreciation, taking into account economic and functional realities, with the main depreciation periods ranging from 2 to 5 years.

Other rental assets

Depreciated using the straight-line method based on a reasonable number of years of depreciation, taking into account the useful life, etc. The main depreciation periods are 6-46 years.

B. Own-used assets

The declining-balance method is mainly used. However, buildings and equipment acquired after April 1, 2016 and certain other company assets are depreciated using the straight-line method.

The main useful lives are as follows.

Buildings	10 to 15 years
Structures	15 years
Machinery and equipment	12 to 20 years
Vehicles	6 years
Tools and Furniture	3 to 20 years

② Intangible fixed assets

A. Assets for lease

The straight-line method is used, with the lease term as the depreciable life and the estimated disposal value at the end of the lease term as the residual value.

B. Software

Depreciation of internal-use software is based on the estimated useful life in the Company (5 years).

(3) Deferred charges

Bond issuance costs

Charged to expenses when incurred

(4) Allowance and provisions

① Allowance for doubtful receivables

The allowance for doubtful debts is provided at an estimated uncollectible amount based on the historical default rate for general receivables and on the financial condition assessment method or cash flow estimation method for specific doubtful receivables.

② Provision for bonuses

To provide for the payment of bonuses to employees, an amount corresponding to the estimated amount to be paid is provided for in the financial year under review.

③ Provision for bonuses for directors (and other officers)

To provide for the payment of bonuses to directors, the estimated amount of bonuses to be paid at the end of the current financial year is provided for.

④ Provision for retirement benefits

The estimated amount of retirement benefits is attributed to the period up to the end of the current financial year on the basis of the benefit calculation method. Past service costs are amortized on a straight-line basis over a fixed number of years (11 years) within the average remaining service period of the employees at the time the costs are incurred. Actuarial gains and losses are amortized on a straight-line basis over a fixed number of years (11 years) within the average remaining service period of employees in each financial year in which they arise. The treatment of unrecognized actuarial gains and losses and unrecognized past service costs in the balance sheet differs from that in the consolidated balance sheet.

(5) Revenue and expense

① Accounting for leasing transactions

Sales and cost of sales of finance leases are recognized at the time the lease payments should be received.

② Revenue recognition method for individual mediation transactions

For individual mediation transactions, the full contract amount is recognized as an instalment receivable at the time of delivery of the goods, and the total amount of commission, divided proportionally by the number of installments, is recognized as income each time a payment is due. Unrealized profit on installment receivables corresponding to installment receivables whose due dates have not yet arrived is deferred.

③ Methods of recording finance expenses

Finance expenses are classified into finance expenses corresponding to operating revenues and other finance expenses. The classification method is based on the classification of total assets into assets based on operating transactions and other assets, and the balance of the assets is used as the basis for recording finance expenses corresponding to operating assets as cost of funds in cost of sales and finance expenses corresponding to other assets in non-operating expenses. The cost of funds is recorded as finance charges on operating assets less interest income and other income on the corresponding deposits.

(6) Significant hedge accounting

① Hedge accounting methods

The Company's hedge accounting method is based on deferred hedge accounting or exceptional treatment for interest rate swaps that meet the requirements for exceptional treatment for certain assets and liabilities of the Company, and on integrated treatment (exceptional treatment and allocation treatment) for interest rate swaps that meet the requirements for integrated treatment (exceptional treatment and allocation treatment).

② Hedging instruments and hedged items

Hedging instruments...Interest rate swap transactions
Hedged items...Loan payable

③ Hedging policy

Interest rate swaps are used to hedge the risk of interest rate fluctuations associated with assets such as leases and installment transactions and loans and liabilities such as loans from financial institutions to a certain or certain extent.

④ Methods of assessing hedge effectiveness

The effectiveness of hedging is assessed by comparing the cumulative changes in cash flows of the hedged item with the cumulative changes in cash flows of the hedging instrument on a quarterly basis. However, for interest rate swaps for which exceptional treatment is applied, the assessment of effectiveness is omitted.

⑤ Others

The Company's derivative transactions are executed and managed strictly in accordance with internal regulations. Derivative transactions are conducted by the Corporate Management Division and the executive officer in charge has approval authority within the scope of the internal regulations.

The status of derivative transactions, valuation gains/losses, risk amount, etc. are reported monthly at the ALM Committee, which consists of senior management.

With regard to the internal control system, there is a clear separation between those in charge of execution and those in charge of office management within the Corporate Management Division. For each transaction, the business administration staff checks the transaction details by reconciling the transaction report from the execution staff with the details sent directly from the contracting party.

(7) Other significant accounting policies for nonconsolidated financial statements

① Rental receivables receivable

The balance of receivables at the time of the agreed termination of the old lease following the conclusion of a new lease agreement is shown as rental receivables receivable. The amount of such receivables is collected over the term of the new lease agreement.

② Accounts receivable - other loans to customers and payables underwritten

Other loans to customers and payables underwritten are receivables and payables related to factoring.

2. NOTES TO CHANGES IN PRESENTATION

Balance Sheet

"Accrued income" and "Accounts receivable" under "Current assets," which were separately presented until the previous financial year, have been included in "Other current assets" under "Current assets" from the current financial year, as they are not significant.

In the previous year, "Accrued revenue" and "Accounts receivable" amounted to 204 million yen and 9,800 million yen, respectively.

3. NOTES ON ACCOUNTING ESTIMATES

Estimation of allowance for doubtful accounts

(1) Amounts recorded in the financial statements for the current financial year

Allowance for doubtful accounts	12,629 million yen
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(2) Other information that contributes to an understanding of the nature of the accounting estimates

Identical to the information stated in the notes to the consolidated financial statements.

4. NOTES TO NONCONSOLIDATED BALANCE SHEET

(1) Accumulated depreciation of property, plant and equipment 28,061 million yen

(2) Notes held in custody relating to trade receivables

Lease receivables and investments in leases	370 million yen
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Installment receivables	1,668 million yen
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- (3) Trade receivables due after more than one year (excluding sublease transactions)
- | | |
|-----------------------------|---------------------------|
| Lease receivables | 34,900 million yen |
| Investments in leases | 316,127 million yen |
| Installment receivables | 135,445 million yen |
| Loans to customers | 240,117 million yen |
| Operating lease receivables | <u>12,777 million yen</u> |
| Total | 739,368 million yen |
- (4) Monetary receivables from and payables to subsidiaries and affiliates other than those separately stated are as follows
- | | |
|-----------------------------------|--------------------|
| ① Short-term monetary claims | 16,956 million yen |
| ② Short-term monetary liabilities | 19 million yen |
- (5) Other operating assets under current assets comprise subordinated trust beneficiary interests in securitized lease receivables.

5. NOTES TO NONCONSOLIDATED STATEMENT OF INCOME

- (1) Related-party transactions with subsidiaries and associated companies

① Sales	1,399 million yen
② Purchase of goods	1,842 million yen
③ Other operating transactions	370 million yen
④ Transactions from non-operating transactions	2 million yen

- (2) Breakdown of cost of funds

① Interest expenses	2,001 million yen
② Interest income	0 million yen

6. NOTES TO NONCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The number of treasury stocks

Type of shares	Number of shares at the beginning of the current financial year	Number of shares increased in the current financial year	Number of shares decreased in the current financial year	Number of shares at the end of the current financial year
common stock	418,481 shares	168 shares	—	418,649 shares

Note: The 95,900 shares of the Company held by the Trust Account for the share remuneration scheme are treated as treasury stocks in the financial statements, but are not included in the “Number of shares at the end of the current financial year” above.

7. TAX EFFECT ACCOUNTING

Major components of liabilities deferred tax assets and deferred tax liabilities

Deferred tax assets		
Allowance for doubtful accounts		3,523 million yen
Bad debt write-offs denied		937 million yen
Provision for bonuses		445 million yen
Unpaid business tax		142 million yen
Provision for retirement benefits		76 million yen
Depreciation in excess of depreciation		79 million yen
Others		1,874 million yen
Total		<u>7,080 million yen</u>
Deferred tax liabilities		
Valuation difference on available-for-sale securities	(1,531) million yen	
Deferred gains or losses on hedges	(237) million yen	
Special provisions for calculating the amount of income and expenses from lease transfers.	(1,265) million yen	
Total	<u>(3,034) million yen</u>	
Net deferred tax assets		<u>4,046 million yen</u>

8. RELATED-PARTY TRANSACTIONS

(1) Parent company and major corporate shareholders

Category	Name of company	Address	Capital or investments	Business or occupation	Proportion of voting power	Relationship with related party	Transactions	Transaction amount	Account name	As of March 31, 2024
Other affiliated companies	RICOH COMPANY, LTD.	Ota-ku, Tokyo	135,364 million yen	Development, production, sales, services and other activities in Digital Services, Digital Products, Graphic Communications, Industrial Solutions and Others.	Directly Owned 33.7%	Factorings	Factorings	26,724 million yen	Other operating loan receivables	1,398 million yen

(2) Other subsidiaries of affiliated companies, etc.

Category	Name of company	Address	Capital or investments	Business or occupation	Proportion of voting power	Relationship with related party	Transactions	Transaction amount	Account name	As of March 31, 2024
Other subsidiaries of affiliated companies	Ricoh Japan Co., Ltd.	Minato-ku, Tokyo	2,517 million yen	Sale of office equipment and supplies	—	Leasing transactions Purchases of leased property Interlocking directorships	Purchases of leased property	67,405 million yen	Accounts payable	5,790 million yen

Note: Terms and conditions of transactions, etc.

The above transactions are usually carried out on a market-based transaction basis.

9. Notes to per share information

(1) Net assets per share	7,040.46 yen
(2) Earnings per share	355.88 yen

10. Notes to lease transactions

(1) Finance leases

(Lessor)

① Breakdown of Lease receivables and Investments in leases (million yen)

	Lease receivables	Investments in leases
Amount of claims	54,285	495,442
Estimated residual value portion	—	686
Receive considerable interest	(2,525)	(43,325)
Total	51,760	452,803

② Breakdown by collection date of the amount of the lease receivable and the portion of the lease receivable relating to lease investment assets

	Lease receivables (million yen)	Lease receivable portion of investment in leased assets (million yen)
Within 1 year	17,817	151,018
Over 1 year and within 2 years	14,506	124,740
Over 2 year and within 3 years	10,989	93,618
Over 3 year and within 4 years	6,527	64,252
Over 4 year and within 5 years	2,755	33,753
Over 5 years	1,689	28,059
Total	54,285	495,442

Note: Figures ① and ② above exclude amounts relating to sub-lease transactions.

(2) Operating lease transactions

(Lessee)

Future minimum lease payments

Short term	1,360 million yen
Long term	4,678 million yen
Total	6,039 million yen

(Lessor)

Future minimum lease payments

Short term	7,084 million yen
Long term	12,777 million yen
Total	19,862 million yen

11. OTHERS

Figures less than 1 million yen are rounded down to the nearest million yen.