

**SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED**  
**INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**NINE MONTHS ENDED DECEMBER 31, 2022 and 2021**

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED BALANCE SHEETS  
December 31, 2022 and March 31, 2022

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	December 31, 2022	March 31, 2022	December 31, 2022
<b><u>Assets</u></b>			
<b>Current assets:</b>			
Cash and bank deposits	¥ 382,741	¥ 318,296	\$ 2,884,046
Installment sales receivable	699,701	564,835	5,272,408
Lease receivables and investment assets	2,121,315	2,172,294	15,984,595
Loans receivable	601,621	604,651	4,533,352
Short-term investment securities	364	2,017	2,748
Merchandise	8,761	6,553	66,018
Real estate for sale	127,441	93,339	960,300
Real estate for sale in process	4,576	3,846	34,486
Other	286,154	197,637	2,156,239
Allowance for doubtful accounts	(19,105)	(14,486)	(143,962)
Total current assets	4,213,572	3,948,987	31,750,230
<b>Property and equipment:</b>			
Leased assets	4,359,564	3,143,790	32,850,307
Allowance for loss on disposal of leased assets	(294)	(286)	(2,220)
Advances on purchases of leased assets	163,266	152,963	1,230,252
Other operating assets	95,174	77,764	717,161
Property and equipment for internal use	16,887	5,907	127,252
Total property and equipment	4,634,598	3,380,139	34,922,752
<b>Intangible assets:</b>			
Goodwill	61,489	66,553	463,334
Other	67,598	70,812	509,372
Total intangible assets	129,087	137,365	972,706
<b>Investments and other assets:</b>			
Investment securities	313,102	268,033	2,359,295
Long-term loans receivable	2	1	18
Delinquent receivables	39,111	28,242	294,717
Deferred tax assets	22,663	24,448	170,777
Net defined benefit asset	87	70	658
Other	27,293	20,781	205,665
Allowance for doubtful accounts	(15,283)	(12,111)	(115,162)
Total investments and other assets	386,978	329,466	2,915,968
Total assets	¥ 9,364,237	¥ 7,795,958	\$ 70,561,657

(Continued)

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED BALANCE SHEETS  
December 31, 2022 and March 31, 2022

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	December 31, 2022	March 31, 2022	December 31, 2022
<b><u>Liabilities and Net Assets</u></b>			
<b>Current liabilities:</b>			
Trade notes payable and accounts payable	¥ 116,971	¥ 91,145	\$ 881,405
Short-term loans	1,481,046	1,241,085	11,160,019
Long-term loans due within one year (Note 8)	544,364	481,290	4,101,913
Bonds due within one year	213,055	144,905	1,605,418
Commercial paper	1,060,700	959,700	7,992,615
Payables under securitization of lease receivables	600	2,600	4,521
Long-term payables under securitization of lease receivables due within one year	19,766	21,045	148,944
Lease obligations	12,209	13,694	91,999
Income taxes payable	9,562	7,529	72,056
Deferred profit on installment sales	26,729	20,125	201,412
Reserve for employee bonuses	1,587	2,296	11,960
Reserve for directors' bonuses	388	567	2,930
Asset retirement obligations	0	0	6
Other	185,130	147,384	1,395,003
Total current liabilities	<u>3,672,112</u>	<u>3,133,371</u>	<u>27,670,202</u>
<b>Non-current liabilities:</b>			
Bonds	634,941	754,855	4,784,429
Long-term loans (Note 8)	3,354,636	2,501,636	25,277,952
Long-term payables under securitization of lease receivables	28,770	41,461	216,791
Lease obligations	29,636	24,584	223,320
Deferred tax liabilities	83,459	63,248	628,885
Reserve for directors' retirement benefits	505	399	3,809
Net defined benefit liability	3,984	4,953	30,021
Guarantee deposits received	148,682	142,923	1,120,354
Asset retirement obligations	4,719	3,985	35,562
Other	187,891	102,997	1,415,802
Total non-current liabilities	<u>4,477,227</u>	<u>3,641,045</u>	<u>33,736,924</u>
Total liabilities	<u>8,149,339</u>	<u>6,774,417</u>	<u>61,407,126</u>
<b>Net assets (Note 6):</b>			
<b>Shareholders' equity:</b>			
Capital stock	15,000	15,000	113,028
Capital surplus	421,975	421,975	3,179,684
Retained earnings	451,189	402,421	3,399,814
Treasury stock	(73,313)	(73,313)	(552,434)
Total shareholders' equity	<u>814,851</u>	<u>766,083</u>	<u>6,140,092</u>
<b>Accumulated other comprehensive income:</b>			
Net unrealized holding gains or losses on securities	25,805	25,977	194,447
Deferred gains or losses on hedges	11,652	(11,069)	87,806
Foreign currency translation adjustments	81,723	48,969	615,803
Remeasurements of defined benefit plans	(623)	(805)	(4,695)
Total accumulated other comprehensive income	<u>118,557</u>	<u>63,072</u>	<u>893,361</u>
Stock acquisition rights	122	123	926
Non-controlling interests	281,365	192,262	2,120,152
Total net assets	<u>1,214,897</u>	<u>1,021,541</u>	<u>9,154,530</u>
Total liabilities and net assets	<u>¥ 9,364,237</u>	<u>¥ 7,795,958</u>	<u>\$ 70,561,657</u>

See accompanying notes.



SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
Nine Months Ended December 31, 2022 and 2021

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	Nine Months Ended December 31,		
	2022	2021	2022
<b>Profit</b>	¥ 74,235	¥ 67,367	\$ 559,383
<b>Other comprehensive income:</b>			
Net unrealized holding gains or losses on securities	(262)	1,228	(1,975)
Deferred gains or losses on hedges	29,581	2,375	222,906
Foreign currency translation adjustments	43,469	18,574	327,551
Remeasurements of defined benefit plans	214	271	1,614
Share of other comprehensive income of affiliates accounted for using equity method	1,514	165	11,415
Total other comprehensive income	74,517	22,614	561,510
<b>Comprehensive income</b>	¥ 148,753	¥ 89,981	\$ 1,120,893
<b>Comprehensive income attributable to:</b>			
Owners of parent	¥ 116,734	¥ 73,576	\$ 879,618
Non-controlling interests	32,019	16,405	241,274
See accompanying notes.			

## **1. BASIS OF PRESENTATION**

The accompanying interim consolidated financial statements of Sumitomo Mitsui Finance and Leasing Company, Limited (the “Company”) and its consolidated subsidiaries (collectively, the “Group”) have been prepared in accordance with the provisions set forth in the Financial Instruments and Exchange Act of Japan and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan (“Japanese GAAP”), which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards (“IFRS”).

The accounting standard for quarterly financial statements requires companies to prepare a set of interim consolidated financial statements for each quarter comprised of the consolidated balance sheet as of the current quarter-end and the consolidated statements of income, comprehensive income, and cash flows for the year-to-date period. A statement of changes in net assets is not required, and the year-to-date consolidated statements of cash flows for the first quarter and the third quarter may be prepared at the company’s option but are not required. Therefore, the consolidated statements of changes in net assets and cash flows are not presented herein.

These interim consolidated financial statements have been restructured and translated into English from the interim consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan.

Some supplementary information included in the statutory Japanese language interim consolidated financial statements, but not necessarily required for fair presentation, is not presented in the accompanying interim consolidated financial statements.

The interim consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. As permitted by the Financial Instruments and Exchange Act of Japan, amounts less than one million yen have been omitted. As a result, the totals shown in the interim consolidated financial statements do not necessarily agree with the sums of the individual amounts.

The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan, using the prevailing exchange rate at December 31, 2022, which was ¥132.71 to US\$1. These translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at that rate.

## **2. CHANGES IN SCOPE OF CONSOLIDATION OR SCOPE OF APPLICATION OF THE EQUITY METHOD**

### **(1) Significant changes in scope of consolidation**

Goshawk Management Limited and its 188 subsidiaries became consolidated subsidiaries of the Company mainly because SMBC Aviation Capital Limited, the Company’s consolidated subsidiary, acquired the shares of Goshawk Management in the nine months ended December 31, 2022.

SMFL MIRAI Partners Investment 2 Co., Ltd. was excluded from the scope of consolidation since it was dissolved following the merger with SMFL MIRAI Partners Co., Ltd. in the nine months ended December 31, 2022.

### **(2) Significant change in scope of application of the equity method**

SMBC Leasing (UK) Limited was newly included in the scope of equity method due to the acquisition of shares in the nine months ended December 31, 2022.

### 3. SIGNIFICANT ACCOUNTING POLICIES

Substantially the same accounting policies have been followed in these interim consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended March 31, 2022, except for the following new accounting policies and such policies as specifically allowed and adopted for interim accounting periods described below.

#### Application of Implementation Guidance on Accounting Standard for Fair Value Measurement

The Company and its domestic consolidated subsidiaries started to apply the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (Accounting Standards Board of Japan (“ASBJ”) Guidance No. 31, June 17, 2021) at the beginning of the first quarter of the year ending March 31, 2023, and have prospectively applied the new accounting policies prescribed by ASBJ Guidance No. 31 in accordance with the transitional provision in paragraph 27-2 of ASBJ Guidance No. 31. The effects on the interim consolidated financial statements were immaterial.

#### Application of Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System

The Company and some of its domestic consolidated subsidiaries started to apply the group tax sharing system instead of the consolidated taxation system at the beginning of the first quarter of the year ending March 31, 2023. Accordingly, the Company and such subsidiaries have accounted for and disclosed the corporation tax and the local corporation tax and deferred taxes in accordance with the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (ASBJ Practical Issues Task Force (“PITF”) No. 42, August 12, 2021). In addition, based on paragraph 32 (1) of ASBJ PITF No. 42, the Company deemed that there was no effect of changes in accounting policies due to the application of ASBJ PITF No. 42.

#### Calculation of income tax expenses

The Company and some of its domestic consolidated subsidiaries calculated their income tax expenses by multiplying profit before income taxes by an effective tax rate that was reasonably estimated by applying tax effect accounting to estimated profit before income taxes for the fiscal year that includes the nine months ended December 31, 2022. The amount of income taxes includes deferred income taxes.

### 4. CONTINGENT LIABILITIES

	Millions of Yen		Thousands of U.S. Dollars	
	December 31, 2022	March 31, 2022	December 31, 2022	
7,360 (7,825 at March 31, 2022) guarantees of obligations for business (including commitments to guarantee obligations).....	¥ 49,842	¥ 53,763	\$ 375,571	
Loan guarantees to affiliates .....	5,113	1,339	38,528	
Loan guarantees to employees (housing loans, etc.)	4	5	30	

Note: ¥100 million (\$754 thousand) and ¥100 million at December 31, 2022 and March 31, 2022, respectively, of the above guarantees of obligations for business are guaranteed by other third parties.

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
Nine Months Ended December 31, 2022 and 2021

**5. CASH FLOW INFORMATION**

The interim consolidated statements of cash flows for the nine months ended December 31, 2022 and 2021 have not been prepared. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill were as follows:

	Millions of Yen		Thousands of U.S. Dollars	
	Nine Months Ended December 31,			
	2022	2021	2022	
Depreciation.....	¥ 103,187	¥ 102,286	\$ 777,537	
Amortization of goodwill.....	7,177	7,583	54,080	

**6. NET ASSETS**

**Dividends paid in the nine months ended December 31, 2022 and 2021**

2022						
Class of Stock	Total dividends		Dividend per share		Record date	Effective date
	Millions of Yen	Thousands of U.S. Dollars	Yen	U.S. Dollars		
Common stock	¥ 12,491	\$ 94,123	¥ 143	\$ 1.08	March 31, 2022	June 27, 2022

Notes: 1. Resolved at the ordinary general meeting of shareholders held on June 24, 2022  
2. The dividends were paid out from retained earnings.

2021						
Class of Stock	Total dividends		Dividends per share		Record date	Effective date
	Millions of Yen	Thousands of U.S. Dollars	Yen	U.S. Dollars		
Common stock	¥ 12,666	\$ 94,123	¥ 145	\$ 1.08	March 31, 2021	June 29, 2021

Notes: 1. Resolved at the ordinary general meeting of shareholders held on June 28, 2021  
2. The dividends were paid out from retained earnings.



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7. SEGMENT INFORMATION

(1) Information about revenues and profit or loss by reportable segment

Nine Months Ended December 31, 2022	Millions of Yen					
	Reportable Segment				Adjustments (*1)	Consolidated (*3)
	Domestic Leasing	Real Estate	Trans- portation	Overseas		
Revenues						
Lease sales .....	¥ 512,046	¥ 264,203	¥ 265,482	¥ 26,796	¥ -	¥ 1,068,528
Installment sales .....	328,363	-	6,278	54,285	-	388,927
Finance revenue .....	6,674	1,347	7,753	2,076	-	17,851
Other revenues (*2) .....	25,322	57,185	7,835	1,416	-	91,760
Revenues from external customers .....	872,406	322,736	287,349	84,575	-	1,567,068
Intersegment revenues or transfers .....	6,892	1,155	5,514	124,533	(138,095)	-
Total revenues .....	879,298	323,892	292,863	209,108	(138,095)	1,567,068
Segment profit .....	¥ 30,830	¥ 35,048	¥ 33,669	¥ 4,801	¥ (7,628)	¥ 96,722

Notes:

- \*1. "Adjustments" for "segment profit" of ¥(7,628) million include amortization of goodwill of ¥(6,455) million which was not allocated to the reportable segments.
- \*2. "Other revenues" include revenue from contracts with customers.
- \*3. "Segment profit" was reconciled to ordinary income, which is calculated as operating income plus non-operating income minus non-operating expenses in the interim consolidated statement of income as shown below. Ordinary income is required to be presented under Japanese GAAP and is widely used as key financial data in Japan.

Nine Months Ended December 31, 2021	Millions of Yen					
	Reportable Segment				Adjustments (*1)	Consolidated (*3)
	Domestic Leasing	Real Estate	Trans- portation	Overseas		
Revenues						
Lease sales .....	¥ 502,365	¥ 133,453	¥ 181,785	¥ 26,173	¥ -	¥ 843,777
Installment sales .....	258,579	-	760	50,015	-	309,355
Finance revenue .....	4,907	1,326	5,440	816	-	12,491
Other revenues (*2) .....	22,965	46,695	7,368	1,053	-	78,082
Revenues from external customers .....	788,818	181,475	195,354	78,058	-	1,243,707
Intersegment revenues or transfers .....	5,821	413	2,564	86,384	(95,183)	-
Total revenues .....	794,639	181,888	197,919	164,443	(95,183)	1,243,707
Segment profit .....	¥ 29,189	¥ 34,478	¥ 21,193	¥ 3,685	¥ (8,656)	¥ 79,891

Notes:

- \*1. "Adjustments" for "segment profit" of ¥(8,656) million include amortization of goodwill of ¥(6,860) million which was not allocated to the reportable segments.
- \*2. "Other revenues" include revenue from contracts with customers.
- \*3. "Segment profit" was reconciled to ordinary income, which is calculated as operating income plus non-operating income minus non-operating expenses in the interim consolidated statement of income as shown below. Ordinary income is required to be presented under Japanese GAAP and is widely used as key financial data in Japan.

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Nine Months Ended December 31, 2022	Thousands of U.S. Dollars					
	Reportable Segment				Adjustments (*1)	Consolidated (*3)
	Domestic Leasing	Real Estate	Trans- portation	Overseas		
Revenues						
Lease sales .....	\$3,858,383	\$ 1,990,830	\$ 2,000,467	\$ 201,914	\$ -	\$ 8,051,601
Installment sales .....	2,474,290	-	47,306	409,050	-	2,930,653
Finance revenue .....	50,290	10,150	58,421	15,643	-	134,511
Other revenues (*2).....	190,807	430,902	59,039	10,670	-	691,432
Revenues from external customers .....	6,573,777	2,431,889	2,165,240	637,292	-	11,808,217
Intersegment revenues or transfers.....	51,933	8,703	41,549	938,384	(1,040,577)	-
Total revenues .....	6,625,710	2,440,600	2,206,789	1,575,676	(1,040,577)	11,808,217
Segment profit.....	\$ 232,311	\$ 264,095	\$ 253,704	\$ 36,177	\$ (57,479)	\$ 728,824

Notes:

- \*1. “Adjustments” for “segment profit” of \$(57,479) thousand include amortization of goodwill of \$(48,640) thousand which was not allocated to the reportable segments.
- \*2. “Other revenues” include revenue from contracts with customers.
- \*3. “Segment profit” was reconciled to ordinary income, which is calculated as operating income plus non-operating income minus non-operating expenses in the interim consolidated statement of income as shown below. Ordinary income is required to be presented under Japanese GAAP and is widely used as key financial data in Japan.

Operating income in the interim consolidated statements of income was reconciled to ordinary income as follows:

	Millions of Yen		Thousands of U.S. Dollars	
	Nine Months Ended December 31,			
	2022	2021	2022	
Operating income.....	¥ 92,736	¥ 77,007	\$ 698,778	
Interest income .....	85	73	644	
Dividend income.....	1,281	873	9,660	
Interest expenses.....	(4,311)	(2,640)	(32,489)	
Equity in earnings of affiliates .....	7,604	5,718	57,305	
Foreign exchange gains (losses) .....	(867)	(937)	(6,540)	
Amortization of bond issuance cost.....	(100)	(232)	(756)	
Other—net .....	293	29	2,210	
Ordinary income .....	¥ 96,722	¥ 79,891	\$ 728,824	

**(2) Information about assets by reportable segment**

The amount of assets of the “Transportation” segment as of December 31, 2022 increased by ¥1,153,457 million (\$8,691,561 thousand) compared with that at the end of the year ended March 31, 2022 mainly because Goshawk Management Limited and its 188 subsidiaries became consolidated subsidiaries of SMBC Aviation Capital Limited, the Company’s consolidated subsidiary, during the three months ended December 31, 2022.

**(3) Information about impairment loss on fixed assets, goodwill, etc. by reportable segment**

*Nine months ended December 31, 2022*

Goodwill arose in the “Transportation” segment as Goshawk Management Limited and its 188 subsidiaries became consolidated subsidiaries of SMBC Aviation Capital Limited, the Company’s consolidated subsidiary. Goodwill increased by ¥2,102 million (\$15,839 thousand) due to the acquisition as at December 31, 2022. The goodwill that arose from the acquisition was provisionally accounted for based on reasonable information available as of February 13, 2023 because the purchase price allocation had not yet been completed.

*Nine months ended December 31, 2021*

In the “Transportation” segment, an impairment loss on leased assets whose profitability significantly declined was recognized in costs and expenses. The amount of the impairment loss was ¥6,098 million.

**8. FINANCIAL INSTRUMENTS**

Long-term loans is significant for the Group’s operations and significantly increased compared with those at the end of the year ended March 31, 2022.

Millions of Yen					
December 31, 2022					
Account	Carrying amount		Fair value		Difference
Long-term loans	¥	3,899,001	¥	4,031,255	¥ 132,254

Millions of Yen					
March 31, 2022					
Account	Carrying amount		Fair value		Difference
Long-term loans	¥	2,982,927	¥	3,099,364	¥ 116,437

Thousands of U.S. Dollars					
December 31, 2022					
Account	Carrying amount		Fair value		Difference
Long-term loans	\$	29,379,864	\$	30,376,422	\$ 996,564

**9. SECURITIES**

There were no significant changes in the Group’s securities compared with those at the end of the year ended March 31, 2022.

**10. DERIVATIVE TRANSACTIONS**

There were no significant changes in the Group’s derivatives compared with those at the end of the year ended March 31, 2022.

## 11. BUSINESS COMBINATION

### *Three months ended December 31, 2022*

(Acquisition of Goshawk Management Limited by SMBC Aviation Capital Limited)

SMBC Aviation Capital Limited (“SMBC Aviation Capital”), the Company’s consolidated subsidiary, acquired the businesses of Goshawk Management Limited, which is an aircraft leasing company, through transactions including purchase of all the shares of Goshawk Management Limited from Chow Tai Fook Enterprises Limited and NWS Holdings Limited under the share purchase agreement executed on May 16, 2022.

(1) Outline of the business combination

(a) Name of acquired company and its business

Name: Goshawk Management Limited  
Business: Aircraft leasing business

(b) Major reason for the business combination

The purpose of the business combination is to achieve the sustainable growth of the Group’s aircraft leasing business. As a result of the business combination, SMBC Aviation Capital became the world’s second largest aircraft leasing company with approximately 1,000 owned, managed and ordered aircrafts, which enables it to provide aircraft leasing services to a wider range of airlines than ever before and offer investment opportunities that leverage the benefits provided by economies of scale to domestic and overseas aircraft investors.

(c) Date of the business combination

December 21, 2022

(d) Legal form of the business combination

Acquisition of shares and businesses

(e) Name of the company after the business combination

Sumitomo Mitsui Finance and Leasing Company, Limited

(f) Ratio of voting rights acquired

100%\*

\* Acquisition through SMBC Aviation Capital (ratio of voting rights: 68%)

(g) Basis for determining the acquirer

It is based on the fact that the Group obtained majority voting rights in the company in (a) above in exchange for cash.

(2) The period for which the operating results of the acquired company are included in the interim consolidated statement of income for the nine months ended December 31, 2022

From December 21, 2022 through December 31, 2022

(3) Acquisition cost of the acquired company and each class of consideration

Consideration for acquisition:	Cash	¥219,626 million (\$1,654,932 thousands)
Total acquisition cost		¥219,626 million (\$1,654,932 thousands)

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(4) Amount of and reasons for goodwill arising from the business combination, and method and period of amortization

(a) Amount of goodwill arising from the business combination

¥2,102 million (\$15,839 thousand)

The amount of goodwill was provisionally accounted for based on reasonable information available as of February 13, 2023 because the purchase price allocation has not yet been completed at December 31, 2022.

(b) Reasons for goodwill arising from the business combination

Goodwill arose because the acquisition cost exceeded the Company's share of the fair value of the acquired company's net assets.

(c) Method and period of amortization

The goodwill is amortized on a straight-line basis over the reasonably estimated useful life. The amortization period will be determined based on the result of the purchase price allocation.

## 12. REVENUE RECOGNITION

Disclosures of revenue recognition have been omitted since the amount of revenue from contracts with customers was immaterial.

## 13. PER SHARE DATA

Nine Months Ended December 31,	Yen		U.S. Dollars	
	2022	2021	2022	
Basic earnings per share.....	¥ 701.15	¥ 651.55	\$	5.28

Notes: 1. Diluted earnings per share is not disclosed because there were no dilutive potential shares.

2. Basic earnings per share were calculated based on the following:

Nine Months Ended December 31,	Millions of Yen		Thousands of U.S. Dollars	
	2022	2021	2022	
Profit attributable to owners of parent .....	¥ 61,248	¥ 56,915	\$	461,522
Amount not attributable to common shareholders ....	—	—		—
Profit attributable to owners of parent related to common stock.....	61,248	56,915		461,522
Average number of shares of common stock during the period (thousands of shares).....	87,354	87,354		
Overview of potential shares that were not included in the calculation of diluted earnings per share because they have no dilutive effect and that significantly changed compared with those at the end of the previous fiscal year .....	—	—		

**14. SUBSEQUENT EVENTS**

There were no items to be reported.