

**SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED**  
**INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**SIX MONTHS ENDED SEPTEMBER 30, 2024 and 2023**

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED BALANCE SHEETS  
September 30, 2024 and March 31, 2024

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	September 30, 2024	March 31, 2024	September 30, 2024
<b><u>Assets</u></b>			
<b>Current assets:</b>			
Cash and bank deposits (Note 6)	¥ 393,338	¥ 457,976	\$ 2,754,083
Installment sales receivable	595,594	616,144	4,170,244
Lease receivables and investment assets	1,814,895	1,928,155	12,707,576
Loans receivable	498,633	512,884	3,491,341
Short-term investment securities	0	0	0
Merchandise	16,004	18,217	112,059
Real estate for sale	373,301	240,837	2,613,792
Real estate for sale in progress	8,589	5,834	60,144
Other	329,830	310,242	2,309,414
Allowance for doubtful accounts	(9,711)	(11,032)	(68,000)
Total current assets	4,020,476	4,079,261	28,150,652
<b>Property and equipment:</b>			
Assets for lease	4,742,248	4,724,677	33,204,372
Allowance for loss on disposal of assets for lease	(278)	(286)	(1,948)
Advances on purchases of assets for lease	203,656	197,247	1,425,966
Other operating assets	193,693	137,380	1,356,205
Property and equipment for internal use	20,098	21,512	140,728
Total property and equipment	5,159,418	5,080,530	36,125,323
<b>Intangible assets:</b>			
Goodwill	43,490	48,189	304,511
Other	71,523	66,636	500,798
Total intangible assets	115,014	114,826	805,309
<b>Investments and other assets:</b>			
Investment securities	375,518	360,983	2,629,311
Long-term loans receivable	9	11	66
Delinquent receivables	34,883	38,200	244,250
Deferred tax assets	11,420	12,956	79,964
Net defined benefit asset	267	161	1,875
Other	26,167	27,209	183,218
Allowance for doubtful accounts	(13,502)	(18,083)	(94,542)
Total investments and other assets	434,764	421,440	3,044,142
Total assets	¥ 9,729,673	¥ 9,696,059	\$ 68,125,426

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SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED BALANCE SHEETS  
September 30, 2024 and March 31, 2024

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	September 30, 2024	March 31, 2024	September 30, 2024
<b><u>Liabilities and Net Assets</u></b>			
<b>Current liabilities:</b>			
Trade notes payable and accounts payable	¥ 51,506	¥ 56,646	\$ 360,638
Short-term loans	1,092,806	1,076,955	7,651,635
Long-term loans due within one year	642,090	601,953	4,495,805
Bonds due within one year	177,410	273,814	1,242,193
Commercial paper	684,000	659,000	4,789,245
Long-term payables under securitization of lease receivables due within one year	7,683	11,141	53,801
Lease obligations	7,944	9,141	55,626
Income taxes payable	17,442	21,177	122,127
Deferred profit on installment sales	34,288	35,224	240,081
Reserve for employee bonuses	3,172	3,131	22,210
Reserve for directors' bonuses	396	636	2,775
Other	200,606	234,337	1,404,609
Total current liabilities	2,919,347	2,983,159	20,440,745
<b>Non-current liabilities:</b>			
Bonds	1,214,240	993,680	8,501,897
Long-term loans	3,683,107	3,838,067	25,788,460
Long-term payables under securitization of lease receivables	21,747	22,627	152,273
Lease obligations	25,075	23,504	175,577
Deferred tax liabilities	99,498	95,596	696,672
Reserve for directors' retirement benefits	752	690	5,270
Net defined benefit liability	3,125	809	21,885
Guarantee deposits received	149,145	144,231	1,044,288
Asset retirement obligations	6,043	5,958	42,312
Other	220,852	209,814	1,546,370
Total non-current liabilities	5,423,590	5,334,979	37,975,005
Total liabilities	8,342,937	8,318,138	58,415,750
<b>Net assets (Note 7):</b>			
Shareholders' equity:			
Capital stock	15,000	15,000	105,027
Capital surplus	421,857	421,857	2,953,772
Retained earnings	557,555	544,739	3,903,903
Treasury stock	(73,313)	(73,313)	(513,328)
Total shareholders' equity	921,099	908,283	6,449,374
Accumulated other comprehensive income:			
Net unrealized holding gains or losses on securities	27,831	26,875	194,871
Deferred gains or losses on hedges	(4,288)	1,827	(30,025)
Foreign currency translation adjustments	108,549	113,091	760,045
Remeasurements of defined benefit plans	252	1,724	1,765
Total accumulated other comprehensive income	132,345	143,519	926,656
Stock acquisition rights	118	118	829
Non-controlling interests	333,172	325,999	2,332,816
Total net assets	1,386,735	1,377,920	9,709,676
Total liabilities and net assets	¥ 9,729,673	¥ 9,696,059	\$ 68,125,426
See accompanying notes.			(Concluded)

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED STATEMENTS OF INCOME  
Six Months Ended September 30, 2024 and 2023

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	Six Months Ended September 30,		
	2024	2023	2024
<b>Revenues</b>	¥ 976,088	¥ 1,046,088	\$ 6,834,397
<b>Costs and expenses</b>	820,986	910,727	5,748,400
Gross profit	155,102	135,360	1,085,997
<b>Selling, general and administrative expenses</b>	63,617	59,148	445,436
Operating income	91,484	76,212	640,561
<b>Other income (expenses):</b>			
Interest income	211	102	1,482
Dividend income	628	738	4,402
Interest expenses	(9,626)	(8,530)	(67,400)
Equity in earnings of affiliates	7,635	5,069	53,460
Foreign exchange losses	(33)	(576)	(233)
Amortization of bond issuance costs	(266)	(721)	(1,863)
Gain on step acquisitions	518	—	3,633
Gain on sales of investment securities	2,239	196	15,681
Gain on sale of business	747	—	5,231
Loss on sales of investment securities	(197)	(79)	(1,380)
Loss on valuation of investment securities	(17)	(187)	(123)
Loss on sales and retirement of property and equipment for internal use	(355)	(55)	(2,489)
Other—net	253	1,114	1,772
Total other income (expenses)—net	1,738	(2,929)	12,173
<b>Profit before income taxes</b>	93,223	73,283	652,734
<b>Income taxes</b>	24,068	18,006	168,526
<b>Profit</b>	69,154	55,276	484,207
<b>Profit attributable to non-controlling interests</b>	13,884	11,779	97,220
<b>Profit attributable to owners of parent</b>	¥ 55,269	¥ 43,496	\$ 386,988
	Yen		U.S. Dollars
<b>Per share of common stock (Note 14):</b>			
Basic earnings per share	¥ 632.71	¥ 497.93	\$ 4.43
Diluted earnings per share	628.85	—	4.40

See accompanying notes.

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
Six Months Ended September 30, 2024 and 2023

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	Six Months Ended September 30,		
	2024	2023	2024
<b>Profit</b>	¥ 69,154	¥ 55,276	\$ 484,207
<b>Other comprehensive income:</b>			
Net unrealized holding gains or losses on securities	1,013	5,798	7,093
Deferred gains or losses on hedges	(10,271)	8,884	(71,920)
Foreign currency translation adjustments	(18,706)	56,660	(130,980)
Remeasurements of defined benefit plans	(1,436)	87	(10,058)
Share of other comprehensive income of affiliates accounted for using equity method	1,056	3,109	7,396
Total other comprehensive income	(28,345)	74,541	(198,469)
<b>Comprehensive income</b>	¥ 40,809	¥ 129,817	\$ 285,738
<b>Comprehensive income attributable to:</b>			
Owners of parent	¥ 44,095	¥ 89,994	\$ 308,746
Non-controlling interests	(3,286)	39,823	(23,008)

See accompanying notes.

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS  
Six Months Ended September 30, 2024 and 2023

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	Six Months Ended September 30,		
	2024	2023	2024
<b>Cash flows from operating activities:</b>			
Profit before income taxes	¥ 93,223	¥ 73,283	\$ 652,734
Depreciation and other amortization	88,446	100,709	619,287
Impairment loss	1,821	4,358	12,756
Amortization of goodwill	4,704	4,721	32,937
Increase (decrease) in allowance for doubtful accounts	(6,545)	(3,140)	(45,828)
Increase (decrease) in other reserves	(145)	15	(1,020)
Increase (decrease) in net defined benefit liability	239	105	1,674
Loss (gain) on disposal of property and equipment for internal use	355	55	2,489
Loss (gain) on valuation of investment securities	17	187	123
Loss (gain) on liquidation of investment securities	1	7	14
Loss on valuation of golf club membership	10	0	70
Interest income and dividend income	(840)	(840)	(5,883)
Interest expenses	81,874	85,119	573,268
Amortization of bond issuance costs	266	721	1,863
Loss (gain) on step acquisitions	(518)	—	(3,633)
Equity in losses (earnings) of affiliates	(7,635)	(5,069)	(53,460)
Loss (gain) on disposal of assets for lease	(11,010)	(11,582)	(77,093)
Loss (gain) on sales of investment securities	(2,042)	(116)	(14,301)
Loss (gain) on sale of business	(747)	—	(5,231)
Decrease (increase) in installment sales receivable	28,079	19,907	196,604
Net decrease (increase) in lease receivables and investment assets	127,800	46,799	894,835
Decrease (increase) in loans receivable	12,743	(13,488)	89,228
Decrease (increase) in operational investment securities	(12,392)	(13,865)	(86,772)
Decrease (increase) in delinquent receivables	4,365	3,855	30,567
Decrease (increase) in real estate for sale	(52,264)	(34,035)	(365,943)
Decrease (increase) in real estate for sale in progress	(2,755)	(102)	(19,292)
Purchase of assets for lease	(366,698)	(229,268)	(2,567,560)
Proceeds from sales of assets for lease	133,587	154,533	935,355
Decrease (increase) in advances on purchases of assets for lease	(15,444)	(13,891)	(108,138)
Purchase of other operating assets	(5,436)	(7,061)	(38,063)
Increase (decrease) in trade notes payable and accounts payable	(6,115)	(30,265)	(42,817)
Other—net	(65,301)	(4,434)	(457,231)
	21,642	127,218	151,535
Interest and dividends received	4,607	4,442	32,262
Interest paid	(89,163)	(78,878)	(624,307)
Income taxes paid	(16,941)	(15,489)	(118,621)
Net cash provided by (used in) operating activities	(79,855)	37,292	(559,131)

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SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS  
Six Months Ended September 30, 2024 and 2023

	Thousands of U.S. Dollars (Note 1)	
	Millions of Yen	
	Six Months Ended September 30,	
	2024	2023
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment for internal use	(10,236)	(6,179)
Proceeds from sales of property and equipment for internal use	4	5
Purchase of investment securities	(4,082)	(7,157)
Proceeds from sales and redemption of investment securities	3,138	632
Decrease (increase) in time deposits	—	(2,770)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(15,158)	—
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	3,160	—
Proceeds from sale of business	1,996	—
Other—net	102	(4)
Net cash provided by (used in) investing activities	(21,075)	(15,473)
<b>Cash flows from financing activities:</b>		
Net increase (decrease) in short-term loans	11,385	(10,877)
Net increase (decrease) in commercial paper	25,000	(45,500)
Proceeds from long-term loans	342,145	708,561
Repayments of long-term loans	(444,390)	(915,558)
Proceeds from securitization of lease receivables	1,990	—
Repayments of payables under securitization of lease receivables	(6,327)	(35,611)
Proceeds from issuance of bonds	296,063	438,875
Redemption of bonds	(132,973)	(146,990)
Repayments of lease obligations	(297)	(1,030)
Decrease (increase) in pledged deposits	(4,884)	—
Increase (decrease) in cash collateral received	(9,582)	(6,312)
Cash dividends paid	(42,454)	(25,332)
Cash dividends paid to non-controlling interests	(274)	(3,668)
Repayments to non-controlling interests	—	(33)
Net cash provided by (used in) financing activities	35,400	(43,477)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(4,284)	13,551
<b>Net increase (decrease) in cash and cash equivalents</b>	(69,814)	(8,107)
<b>Cash and cash equivalents at the beginning of the period</b>	454,813	297,872
<b>Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation</b>	—	(43)
<b>Cash and cash equivalents at the end of the period</b>	¥ 384,999	¥ 289,720
See accompanying notes.		\$ 2,695,694
		(Concluded)

## 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 semi-annual financial statements requires companies to prepare a set of interim consolidated financial statements comprised of the consolidated balance sheet as of the period-end and the consolidated statements of income, comprehensive income, and cash flows for the period. A statement of changes in net assets is not required. Therefore, the consolidated statement of changes in net assets is 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 September 30, 2024, which was ¥142.82 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 AND SCOPE OF APPLICATION OF EQUITY METHOD

### (1) Significant change in scope of consolidation

#### *For the six months ended September 30, 2024*

There were no changes in the scope of consolidation in the six months ended September 30, 2024.

#### *For the six months ended September 30, 2023*

There were no changes in the scope of consolidation in the six months ended September 30, 2023.

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

#### *For the six months ended September 30, 2024*

Circular LinX CO., LTD. was included in the scope of equity method since a consolidated subsidiary of the Company established Circular LinX in the six months ended September 30, 2024.

#### *For the six months ended September 30, 2023*

LCI Investments Limited was included in the scope of equity method since the Company acquired the shares in LCI Investments in the six months ended September 30, 2023.

### 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, 2024, except for such policies as specifically allowed and adopted for interim accounting periods described below and the matters described in Note 4.

#### **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 six months ended September 30, 2024. The amount of income taxes includes deferred income taxes.

### 4. CHANGES IN ACCOUNTING POLICIES

#### ***For the six months ended September 30, 2024***

##### **Application of Accounting Standard for Current Income Taxes and other standard and guidance**

The Company and its domestic consolidated subsidiaries started to apply the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 27, revised on October 28, 2022; the “Standard” in this section) and other standard and guidance at the beginning of the six months ended September 30, 2024.

The revision on where to record income tax expense (taxation on other comprehensive income) was accounted for in accordance with the transitional provision in the proviso to paragraph 20-3 of the Standard and the transitional provision in the proviso to paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, revised on October 28, 2022; the “Guidance” in this section). These changes in accounting policies had no effect on the interim consolidated financial statements.

For the revision related to the review of the treatment in consolidated financial statements when gains or losses on sales arising from the sale of subsidiaries’ stocks and others among consolidated companies are deferred for tax purposes, the Company and its domestic consolidated subsidiaries started to apply the Guidance at the beginning of the six months ended September 30, 2024. This change in accounting policy has been accounted for retrospectively, and the interim consolidated financial statements for the six months ended September 30, 2023 and the consolidated financial statements for the year ended March 31, 2024 reflect the retrospective application. This change in accounting policy had no effect on the interim consolidated statements for the six months ended September 30, 2023 or the consolidated financial statements for the year ended March 31, 2024.

##### **Application of Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules**

The Company and its domestic consolidated subsidiaries started to apply the “Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules” (Practical Solution No. 46, issued on March 22, 2024) at the beginning of the six months ended September 30, 2024. There were insignificant effects on the interim consolidated statements.

#### ***For the six months ended September 30, 2023***

There were no changes in accounting policies in the six months ended September 30, 2023.

## 5. CONTINGENT LIABILITIES

	Millions of Yen		Thousands of U.S. Dollars
	September 30, 2024	March 31, 2024	September 30, 2024
7,451 (7,365 at March 31, 2024) guarantees of obligations for business (including commitments to guarantee obligations).....	¥ 70,019	¥ 61,656	\$ 490,260
Loan guarantees to affiliates .....	4,705	4,863	32,944
Loan guarantees to employees (housing loans, etc.)	2	3	14
Note: ¥100 million (\$700 thousand) and ¥100 million at September 30, 2024 and March 31, 2024, respectively, of the above guarantees of obligations for business are guaranteed by other third parties.			

## 6. CASH FLOW INFORMATION

### (1) Reconciliation of cash and bank deposits in the consolidated balance sheets to cash and cash equivalents in the consolidated statements of cash flows

As of September 30,	Millions of Yen		Thousands of U.S. Dollars
	2024	2023	2024
Cash and bank deposits.....	¥ 393,338	¥ 292,891	\$ 2,754,083
Time deposits with maturities exceeding three months .....	(3,454)	(3,170)	(24,184)
Pledged deposits .....	(4,884)	—	(34,197)
Cash and cash equivalents .....	¥ 384,999	¥ 289,720	\$ 2,695,694

### (2) Increase/decrease in other reserves

Increase/decrease in other reserves consists of increases/decreases in allowance for loss on disposal of assets for lease, reserve for employee bonuses, reserve for directors' bonuses, and reserve for directors' retirement benefits.

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
Six Months Ended September 30, 2024 and 2023

**7. NET ASSETS**

**Dividends paid in the six months ended September 30, 2024 and 2023**

For the Six Months Ended September 30, 2024

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	¥ 42,454	\$ 297,257	¥ 486	\$ 3.40	March 31, 2024	June 26, 2024

Notes: 1. Resolved at the ordinary general meeting of shareholders held on June 25, 2024  
2. The dividends were paid out from retained earnings.

For the Six Months Ended September 30, 2023

Class of Stock	Total Dividends		Dividend per Share		Record Date	Effective Date
	Millions of Yen		Yen			
Common stock	¥ 25,332		¥ 290		March 31, 2023	June 28, 2023

Notes: 1. Resolved at the ordinary general meeting of shareholders held on June 27, 2023  
2. The dividends were paid out from retained earnings.

SUMITOMO MITSUI FINANCE AND LEASING COMPANY, LIMITED  
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
Six Months Ended September 30, 2024 and 2023

**8. SEGMENT INFORMATION**

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

	Millions of Yen						
	Reportable Segment						
For the six months ended September 30, 2024	Domestic Leasing	Environ- mental and Energy	Real Estate	Trans- portation	Overseas	Adjustments (*1)	Consolidated (*3)
Revenues:							
Lease sales .....	¥ 353,453	¥ 981	¥ 99,273	¥ 242,299	¥ 16,694	¥ –	¥ 712,702
Installment sales .....	131,226	–	–	142	39,064	–	170,432
Finance revenue .....	4,306	227	753	4,954	3,340	–	13,582
Other revenues (*2) .....	11,131	9,773	52,527	4,692	1,246	–	79,371
Revenues from external customers .....	500,117	10,983	152,555	252,088	60,344	–	976,088
Intersegment revenues or transfers .....	4,770	20,692	1,943	12,992	81,882	(122,281)	–
Total revenues .....	¥ 504,888	¥ 31,675	¥ 154,498	265,080	142,227	(122,281)	976,088
Segment profit .....	¥ 20,265	¥ 4,489	¥ 28,700	¥ 39,720	¥ 519	¥ (3,428)	¥ 90,268

For the six months ended September 30, 2023	Millions of Yen						
	Reportable Segment					Adjustments (*1)	Consolidated (*3)
	Domestic Leasing	Environ- mental and Energy	Real Estate	Trans- portation	Overseas		
Revenues:							
Lease sales .....	¥ 329,002	¥ 1,452	¥ 132,951	¥ 241,643	¥ 17,983	¥ –	¥ 723,034
Installment sales .....	202,345	–	–	140	40,504	–	242,989
Finance revenue .....	5,291	335	884	4,712	2,121	–	13,345
Other revenues (*2) .....	11,359	9,412	41,927	2,775	1,244	–	66,718
Revenues from external customers .....	547,997	11,201	175,762	249,271	61,854	–	1,046,088
Intersegment revenues or transfers .....	6,139	22,035	724	15,831	91,855	(136,585)	–
Total revenues .....	¥ 554,137	¥ 33,236	¥ 176,487	265,103	153,709	(136,585)	1,046,088
Segment profit .....	¥ 19,075	¥ 3,380	¥ 24,725	¥ 27,771	¥ 1,282	¥ (2,804)	¥ 73,431

For the six months ended September 30, 2024	Thousands of U.S. Dollars						
	Reportable Segment					Adjustments (*1)	Consolidated (*3)
	Domestic Leasing	Environ- mental and Energy	Real Estate	Trans- portation	Overseas		
Revenues:							
Lease sales .....	\$ 2,474,814	\$ 6,869	\$ 695,092	\$ 1,696,534	\$ 116,888	\$ –	\$ 4,990,211
Installment sales .....	918,821	–	–	994	273,519	–	1,193,334
Finance revenue .....	30,150	1,589	5,272	34,687	23,386	–	95,099
Other revenues (*2) .....	77,937	68,429	367,785	32,853	8,724	–	555,741
Revenues from external customers .....	3,501,729	76,901	1,068,163	1,765,075	422,518	–	6,834,397
Intersegment revenues or transfers .....	33,399	144,882	13,605	90,968	573,323	(856,190)	–
Total revenues .....	\$ 3,535,135	\$ 221,783	\$ 1,081,767	\$ 1,856,043	\$ 995,848	(856,190)	\$ 6,834,397
Segment profit .....	\$ 141,892	\$ 31,431	\$ 200,952	\$ 278,112	\$ 3,634	\$ (24,002)	\$ 632,040

- \*1. “Adjustments” for “segment profit” of ¥(3,428) million (\$24,002 thousand) and ¥(2,804) million for the six months ended September 30, 2024 and 2023 include amortization of goodwill of ¥(4,210) million (\$29,478 thousand) and ¥(4,210) million and equity in earnings of affiliates of ¥4,747 million (\$33,238 thousand) and ¥4,155 million which were 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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Operating income in the interim consolidated statements of income was reconciled to ordinary income as follows:

For the six months ended September 30,	Millions of Yen		Thousands of U.S. Dollars
	2024	2023	2024
Operating income.....	¥ 91,484	¥ 76,212	\$ 640,561
Interest income .....	211	102	1,482
Dividend income.....	628	738	4,402
Interest expenses.....	(9,626)	(8,530)	(67,400)
Equity in earnings of affiliates .....	7,635	5,069	53,460
Foreign exchange losses .....	(33)	(576)	(233)
Amortization of bond issuance costs .....	(266)	(721)	(1,863)
Other—net .....	233	1,136	1,631
Ordinary income .....	¥ 90,268	¥ 73,431	\$ 632,040

**(2) Changes in reportable segments**

The Group made an organizational change as of April 1, 2024 to strengthen its structure to promote the environmental energy business and established the “Environmental and Energy Business Unit.” Accordingly, the “Environmental and Energy Business” was separated from the “Domestic Leasing Business” and became a newly reportable segment, and the Group changed its segmentation to the reportable segments of “Domestic Leasing Business,” “Environmental and Energy Business,” “Real Estate Business,” “Transportation Business,” and “Overseas Business.”

Segment information for the six months ended September 30, 2023 has been prepared on the new basis of segmentation.

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

***For the six months ended September 30, 2024***

There were no items to be reported.

***For the six months ended September 30, 2023***

There were no items to be reported.

**9. FINANCIAL INSTRUMENTS**

There were no significant changes in the Group’s financial instruments compared with those at the end of the year ended March 31, 2024.

**10. SECURITIES**

There were no significant changes in the Group’s securities compared with those at the end of the year ended March 31, 2024.

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# 11. DERIVATIVE TRANSACTIONS

There were no significant changes in the Group's derivatives compared with those at the end of the year ended March 31, 2024.

# 12. BUSINESS COMBINATION

There were no items to be reported.

# 13. REVENUE RECOGNITION

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

# 14. PER SHARE DATA

For the six months ended September 30,	Yen		U.S. Dollars	
	2024	2023	2024	
Basic earnings per share.....	¥ 632.71	¥ 497.93	\$ 4.43	
Diluted earnings per share .....	628.85	—	4.40	

Notes: 1. Diluted earnings per share for the six months ended September 30, 2023 is not disclosed because there were no dilutive potential shares.

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

For the six months ended September 30,	Millions of Yen		Thousands of U.S. Dollars	
	2024	2023	2024	
Basic earnings per share:				
Profit attributable to owners of parent .....	¥ 55,269	¥ 43,496	\$ 386,988	
Amount not attributable to common shareholders	—	—	—	
Profit attributable to owners of parent related to common stock.....	55,269	43,496	386,988	
Average number of shares of common stock during the period (thousands of shares) .....	87,354	87,354		
Diluted earnings per share:				
Adjustment for profit attributable to owners of parent.....	(336)	—	(2,353)	
Adjustment of dilutive shares issued by consolidated subsidiary.....	(336)	—	(2,353)	
Increase in number of shares of common stock (thousands of shares) .....	—	—		
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 .....	—	—		

**15. SUBSEQUENT EVENT**

There were no items to be reported.