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May 13, 2025

**Consolidated Financial Results
for the Fiscal Year Ended March 31, 2025
(Under Japanese GAAP)**

Company name:	Orient Corporation
Listing:	Tokyo Stock Exchange
Securities code:	8585
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Scheduled date of annual general meeting of shareholders:	June 25, 2025
Scheduled date to commence dividend payments:	June 26, 2025
Scheduled date to file annual securities report:	June 20, 2025
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results		(Percentages indicate year-on-year changes.)							
		Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended		Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025		245,270	7.1	12,344	(23.4)	12,344	(23.4)	13,943	10.9
March 31, 2024		229,054	0.6	16,118	(30.1)	16,118	(30.1)	12,571	(34.0)

Note: Comprehensive income For the fiscal year ended March 31, 2025 ¥7,959 million [(56.1)%]
For the fiscal year ended March 31, 2024 ¥18,127 million [(0.6)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to operating revenue
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	81.45	81.45	5.8	0.4	5.0
March 31, 2024	73.30	73.29	5.4	0.6	7.0

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended March 31, 2025 ¥847 million
For the fiscal year ended March 31, 2024 ¥1,235 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	2,881,698	246,559	8.3	1,397.90
March 31, 2024	3,147,783	245,683	7.6	1,388.79

Reference: Equity
As of March 31, 2025 ¥239,328 million
As of March 31, 2024 ¥238,205 million

Note: During the six months ended September 30, 2024, the Company finalized accounting treatment pertaining to a business combination, and each figure for the fiscal year ended March 31, 2024 reflects the finalization of the provisional accounting treatment.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended March 31, 2025	Millions of yen 2,619	Millions of yen (13,305)	Millions of yen (252,030)	Millions of yen 216,805
March 31, 2024	(43,465)	(44,483)	221,627	479,360

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2024	Yen —	Yen 0.00	Yen —	Yen 40.00	Yen 40.00	Millions of yen 6,874	% 54.7	% 2.9
Fiscal year ended March 31, 2025	—	0.00	—	40.00	40.00	6,874	49.3	2.9
Fiscal year ending March 31, 2026 (Forecast)	—	0.00	—	40.00	40.00		57.3	

3. Consolidated financial results forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	250,000	1.9	12,000	(2.8)	12,000	(2.8)	12,000	(13.9)	70.10

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

Note: For details, please refer to “Basis of Preparation of Consolidated Financial Statements” on page 20 of the attached document.

(3) Number of issued shares (common stock)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	171,882,620 shares
As of March 31, 2024	171,882,370 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	677,100 shares
As of March 31, 2024	362,740 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	171,190,177 shares
Fiscal year ended March 31, 2024	171,520,845 shares

Note: The number of treasury shares at the end of the period includes the Company’s shares held by the Board Benefit Trust (BBT-RS and BBT) (654,113 shares as of March 31, 2025 and 341,660 shares as of March 31, 2024). The Company’s shares held by BBT are included in the number of treasury shares to be deducted in the calculation of the average number of shares outstanding during the period.

- * Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.
- * Proper use of earnings forecasts, and other special matters
 1. Forecasts of the financial results and other forward-looking statements included in this report are based on information available to the Company as of the release date of this report. Actual financial results may differ from these forecasts due to various factors in the future.
 2. Supplementary material on the financial results will be posted on the Company’s website on May 13, 2025.

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1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Fiscal Year Under Review

(i) Overview of Financial Results

During the fiscal year ended March 31, 2025, the Japanese economy showed a moderate recovery trend against the backdrop of an improved employment and income environment and an increase in inbound demand. However, the economic outlook remains uncertain due to the impact of continued price hikes on personal consumption through a downturn in consumer confidence and other factors, as well as concerns about the impact of the U.S. policy actions, such as tariff hikes, on the economies of each country. We also recognize the need to pay attention to financial market fluctuations and other trends.

Under these circumstances, we adopted the slogan of “Transformation Now! (to the financial service group in a new era that creates the value from the customer’s perspective)” for the fiscal year ended March 31, 2025, which is the final year of the Medium-Term Management Plan. We have thoroughly implemented an approach based on four business strategies: (1) Cultivating priority markets and exploring new businesses fields, (2) Establishing market-oriented sales based on customer needs, (3) Creating new service by collaborating with advanced companies among different industries, and (4) Delving into process innovation.

In light of the severe business environment, we have been further upgrading our business portfolio management based on risk-return and cost-return principles, and striving to build a solid earnings base to establish a growth trajectory that can be sustained even when exposed to changes in the environment such as rising interest rates. However, we failed to achieve all of the management targets (ordinary profit, ROE and ratio of general expenses to operating revenues) in the previous Medium-Term Management Plan. The main factors include the increase in bad debt-related expenses in the overseas business, which has been identified as a priority market, and the inability to curb the decline in profitability due to delays in business structural reforms, all while facing the headwind of rising interest rates.

On the other hand, we can see the blossoming of promising services that contribute to solving social issues, with an approach on being green, being digital, and being open innovation. Specifically, we have released new products and services that contribute to solving social issues, such as digital cards and digital installment payments utilizing performance-based credit, as well as Akikatsu Loans and OBS (Orico Business payment for SME) leveraging open innovation. Furthermore, in addition to our collaboration with Mizuho Bank, Ltd., we are successively establishing partnerships and cooperative relationships with companies that have their own economic zone, such as AEON Financial Service Co., Ltd. and Rakuten Group, Inc. Going forward, we will expand our business foundation by leveraging the growth of these new products and services, as well as our unique economic zone.

In terms of management foundation and financial discipline, we have further enhanced our governance system by transitioning from a company with an audit & supervisory board to a company with an audit and supervisory committee in June 2022 and increasing the ratio of Independent Outside Directors in the Board of Directors to more than one-third. We also have formulated our new Corporate Philosophy and strengthened initiatives by positioning sustainability as a top-level management theme. As a result, we have been recognized as an A-list company, ranking in the top 2% of participating companies worldwide, by CDP, an international NGO that evaluates corporate initiatives to take environmental and climate change countermeasures, in recognition of our efforts and disclosures toward decarbonization. In addition, we have also been included in ESG indices, which are widely used for the creation and evaluation of sustainable investment funds and other financial products. Specifically, we have been included in two indices from FTSE's global ESG index series, the FTSE4Good Developed Index and the FTSE4Good Japan Index, as well as in five out of the six ESG indices adopted by the GPIF.

In our human resources strategy, we aim to maximize employee engagement by establishing a mutually beneficial relationship where the Company and employees can grow together (Win-Win relationship). To become a company where all Orico employees can flourish in their own unique way through their work, we are revising our human resources systems with a focus on supporting the autonomous career development of employees, a mission-based human resources system, and creating a comfortable working environment. This includes eliminating involuntary relocation transfers and introducing a job-

posting system. Additionally, in terms of financial discipline, our funding base has stabilized as our external credit rating has improved to A+.

Operating results in the fiscal year under review were as follows.

Operating revenue increased ¥16.2 billion year on year to ¥245.2 billion due to the growth in the priority areas such as the settlement and guarantee business, as well as the contributions to revenues from the three companies (Orico Auto Leasing Co., Ltd., Orico Business Leasing Co., Ltd., and Orico Product Finance Co., Ltd.) that became consolidated subsidiaries.

For details by business segment, please refer to “(ii) Status of Major Businesses.”

Operating expenses increased ¥19.9 billion year on year to ¥232.9 billion, mainly due to an increase in general expenses from the three companies that became consolidated subsidiaries and an increase in financial expenses from the impact of rising interest rates.

As a result of these factors, ordinary profit decreased ¥3.7 billion year on year to ¥12.3 billion. Profit attributable to owners of parent increased ¥1.3 billion year on year to ¥13.9 billion due to the recording of extraordinary income.

(ii) Status of Major Businesses

Operating revenues increased 6.5% year on year to ¥231.6 billion, and the breakdown is as follows:

(Reference) Breakdown of operating revenues by business

(Billions of yen, rounded down to one decimal place)

Business	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Year-on-year changes (%)
Settlement and guarantee	22.0	25.0	13.8
Overseas	14.3	14.9	4.0
Credit cards and cash loans	71.3	69.9	(1.9)
[Of which: credit card shopping]	[53.5]	[53.5]	[0.2]
Installment credit	68.5	78.2	14.1
Bank loan guarantee	33.5	35.0	4.5
Other	7.8	8.4	8.0
Total	217.5	231.6	6.5

■ Settlement and guarantee business

In the settlement and guarantee business, transaction volume increased year on year due to growth in rent settlement guarantees and accounts receivable settlement guarantees.

In the rent settlement guarantees, the market is expanding due to the increase in the number of single-person households, and the improvement of electronic applications contributed to the growth. In the accounts receivable settlement guarantees, in addition to growth in transaction volume for existing member merchants, the number of new partners expanded steadily due to strengthened cooperation with Mizuho Bank, Ltd.

As a result, operating revenues in the settlement and guarantee business increased 13.8% year on year to ¥25.0 billion.

■ Overseas business

In the overseas business, the transaction volume of the three overseas subsidiaries in total decreased year on year due mainly to a decrease in the transaction volume of the Thai subsidiary, but operating revenues increased due mainly to changes in the product composition of the Indonesian subsidiary. Although the business environment remains difficult due to the prolonged domestic economic slump in Thailand and Indonesia, we will continue to strive to accumulate high-quality loans by strengthening our collection system and tightening our credit standards, as well as to achieve thorough reinforcement of our governance system.

As a result, operating revenues in the overseas business increased 4.0% year on year to ¥14.9 billion.

■Credit cards and cash loans business

In the credit cards and cash loans business, transaction volume for credit card shopping increased year on year due to wider consumer adoption of cashless payments and strong growth in usage at large partners amid an expanding market. Loan balances decreased year on year due mainly to a decline in new transaction volume.

As a result, operating revenues in the credit card shopping increased 0.2% year on year to ¥53.5 billion, and operating revenues from cash loans decreased 8.1% year on year to ¥16.3 billion. Total operating revenues in the credit cards and cash loans business decreased 1.9% year on year to ¥69.9 billion.

■Installment credit business

In the installment credit business, transaction volume for auto loans and shopping credit increased year on year due to making Orico Product Finance Co., Ltd. a consolidated subsidiary. With respect to Orico Product Finance Co., Ltd. we will accelerate the PMI (Post Merger Integration) to maximize the effect of consolidation and transform the business structure to be able to generate stable earnings.

As a result, operating revenues in the installment credit business increased 14.1% year on year to ¥78.2 billion.

■Bank loan guarantee business

In the bank loan guarantee business, we are committed to providing financial products and services according to regional challenges, as a result, the balance of guarantees increased from the end of the previous fiscal year, marking a turnaround on the back of steady growth in the transaction volume of certificate loans.

As a result, operating revenues in the bank loan guarantee business increased 4.5% year on year to ¥35.0 billion.

(iii) Outlook for the Next Fiscal Year

Regarding the business environment surrounding the Company, the future outlook remains uncertain due to the current trend of rising interest rates and the impact of U.S. policy management on the economies of various countries. Looking ahead over the next five years, we are at a major turning point, with a declining birthrate, an aging population, a return to a world with interest rates, progress in digitization and cashless transactions, and an accelerating shift from ownership to usage. In particular, the rapid development of generative AI and other technologies is expected to bring about game-changing developments, including the emergence of infrastructure and services that are currently unimaginable.

Based on our basic policy of solving social issues and enhancing corporate value, we have redefined our “vision for the society we aim to achieve in 10 years” and have set the final year of the new medium-term management plan as the year in which we will “establish a unique financial model for Orico.” This means “to establish a competitive business foundation that is synonymous with Orico, based on the resolution of materiality (high-priority issues)”. Orico will refine its strengths in credit screening, collections, and operations through the power of technology, and by shifting to a business model that truly focuses on the customer, Orico aims to become “an advanced company that creates new financial scenes through credit screening X technology”.

The duration of the new medium-term management plan is set for five years. In the first three years, we aim to complete structural reforms promptly, redirecting the resources generated towards growth areas and solidifying the foundation of our businesses with competitive advantages by leveraging the results of the previous medium-term management plan, including installment payment, business-to-

business settlement, In the last two years, we will accelerate market share expansion and revenue acquisition, with the goal of achieving a PBR of over 1.0 by the final year of the plan.

To achieve this, we have formulated four business strategies, four management foundation strategies and management objectives.

Strategic Outline

[Business strategies]

1. To complete business structural reforms
2. To strengthen engagement with customers by providing new experiential value
3. To grant credit for and support productivity improvement of SMEs, etc.
4. To cultivate the circular economy market

[Management foundation strategies]

Focusing on enhancing the essential management foundations necessary for promoting business strategies

1. To thoroughly expand digital technology and AI utilization
2. To upgrade corporate governance, risk management, and ALM
3. To further evolve human capital management and human resources strategy, and to transform work styles
4. To change culture to become a “leading company that creates new financial scenes”

[Management objectives]

In order to achieve a PBR of over 1.0, the Company has established the following financial management objectives.

	Fiscal year ending March 31, 2028	Fiscal year ending March 31, 2030
Ordinary profit	Over 25.0 billion yen	Over 50.0 billion yen
ROE	7.5% or higher	12.0% or higher
Ratio of general expenses to operating revenues	Below 60.0%	Below 55.0%

Against this backdrop, the consolidated financial forecast for the next fiscal year is as follows.

Operating revenue is expected to increase due to growth in all businesses except for overseas business.

As for operating expenses, although bad debt-related expenses are expected to decrease, overall operating expenses are expected to increase due to investment in growth businesses and an increase in financial expenses due to rising interest rates.

As a result of the above, the Group projects operating revenue of 250.0 billion (up ¥4.7 billion year on year), ordinary profit of ¥12.0 billion (down ¥0.3 billion), and profit attributable to owners of parent of ¥12.0 billion (down ¥1.9 billion).

(2) Summary of Financial Position for the Fiscal Year Under Review

As for the status of assets, total assets decreased ¥266.0 billion from ¥3,147.7 billion at the end of the previous fiscal year to ¥2,881.6 billion. This was mainly due to a decrease in cash and deposits resulting from repayment of interest-bearing debt.

As for the status of liabilities, total liabilities decreased ¥266.9 billion from ¥2,902.0 billion at the end of the previous fiscal year to ¥2,635.1 billion. This was mainly due to a decrease in interest-bearing debt.

As for net assets, total net assets increased ¥0.8 billion from ¥246.5 billion at the end of the previous fiscal year to ¥245.6 billion. This was mainly due to an increase in retained earnings resulting from the accumulation of profit attributable to owners of parent.

The status of cash flows and its factors are as follows:

Cash Flows from Operating Activities

Net cash provided by operating activities for the fiscal year under review amounted to ¥2.6 billion, an increase of ¥46.0 billion from the previous fiscal year.

This was mainly due to a decrease in the balance of trade receivables.

Cash Flows from Investing Activities

Net cash used in investing activities for the fiscal year under review amounted to ¥13.3 billion, a decrease of ¥31.1 billion from the previous fiscal year.

This was due to the acquisition of intangible assets (software) as a result of strategic system investments that contribute to the Company's growth.

Cash Flows from Financing Activities

Net cash used in financing activities for the fiscal year under review amounted to ¥252.0 billion, an increase of ¥473.6 billion from the previous fiscal year.

This was mainly due to the redemption of commercial papers and the repayments of short-term borrowings.

As a result, cash and cash equivalents as of the end of the fiscal year under review were ¥216.8 billion, a decrease of ¥262.5 billion compared to the end of the previous fiscal year.

(3) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Under Review and the Next Fiscal Year

The Company has established a basic principle of its capital policy to "achieve an optimal balance between financial soundness, shareholder returns, and capital efficiency," and regarding basic policy on returning profits to shareholders, the Company has decided to "distribute dividends based on stable and continuous shareholder returns, with a target consolidated dividend payout ratio of 30%."

Based on this shareholder return policy, the Company declared a year-end dividend of ¥40 per share for the fiscal year under review, as forecasted at the beginning of the fiscal year.

Under the new Medium-Term Management Plan starting in the fiscal year ending March 31, 2026, the Company will make it a basic policy of its capital policy to "achieve an optimal balance between

financial soundness, growth investment, and shareholder returns,” and regarding basic policy on returning profits to shareholders, the Company has decided that shareholder returns shall be “implemented primarily through dividends,” and that its dividend policy is to be “based on a progressive dividend approach, with a target consolidated dividend payout ratio of 30% to 40%.” from the next fiscal year.

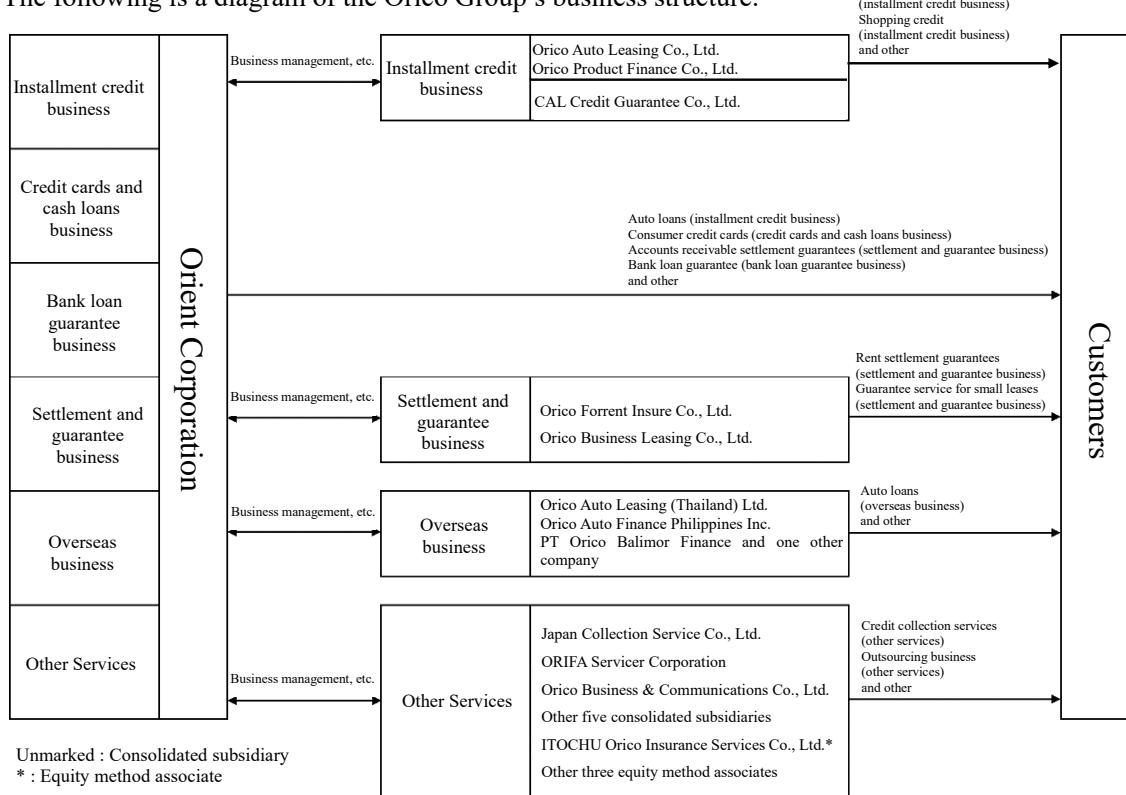
Based on the new shareholder return policy, the Company plans to pay a year-end dividend of ¥40 per share for the next fiscal year.

2. Status of the Corporate Group

The Orico Group as a corporate group consists of the Company and its 22 affiliated companies (18 consolidated subsidiaries and four equity method associates).

The Orico Group's main businesses include the settlement and guarantee business, overseas business, credit cards and cash loans business, installment credit business, and bank loan guarantee business, and the Group also provides a wide range of other services to meet customer needs, including credit management and collection services.

The following is a diagram of the Orico Group's business structure.



3. Basic Approach to the Selection of Accounting Standards

Since most of the Group's stakeholders are domestic shareholders, creditors and business partners, the Company has adopted Japanese GAAP for accounting standards.

It is the Company's policy to appropriately respond to the application of International Financial Reporting Standards (IFRS) in light of domestic and international circumstances.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	479,360	216,805
Notes and accounts receivable - trade	333	588
Accounts receivable - installment	1,375,352	1,373,091
Beneficiary certificates retained for receivable securitization	709,547	715,677
Lease receivables and investments in leases	284,975	288,081
Short-term loans receivable	188	55
Other	126,227	125,544
Allowance for doubtful accounts	(133,860)	(135,216)
Total current assets	2,842,125	2,584,626
Non-current assets		
Property, plant and equipment		
Buildings and structures	53,573	54,620
Accumulated depreciation	(34,437)	(35,689)
Buildings and structures, net	19,135	18,930
Machinery, equipment and vehicles	285	273
Accumulated depreciation	(125)	(130)
Machinery, equipment and vehicles, net	159	143
Land	59,982	60,127
Leased assets	1,783	1,678
Accumulated depreciation	(994)	(947)
Leased assets, net	788	731
Construction in progress	1,064	1,651
Other	10,568	11,089
Accumulated depreciation	(5,669)	(5,755)
Other, net	4,898	5,333
Total property, plant and equipment	86,029	86,917
Intangible assets		
Goodwill	3,759	4,247
Other	90,445	83,837
Total intangible assets	94,205	88,085
Investments and other assets		
Investment securities	24,938	21,921
Long-term loans receivable	11,489	10,601
Long-term loans receivable from employees	10	9
Retirement benefit asset	21,223	23,681
Deferred tax assets	36,282	33,359
Other	30,806	31,802
Total investments and other assets	124,750	121,376
Total non-current assets	304,985	296,379
Deferred assets		
Bond issuance costs	672	691
Total deferred assets	672	691
Total assets	3,147,783	2,881,698

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	187,598	168,282
Short-term borrowings	509,609	193,396
Current portion of bonds payable	40,000	40,000
Current portion of long-term borrowings	389,926	400,720
Current portion of long-term debt for receivable securitization	–	19,351
Commercial papers	367,500	310,700
Lease liabilities	366	368
Income taxes payable	2,420	4,095
Deposits received	201,911	201,715
Provision for bonuses	4,317	4,247
Provision for bonuses for directors (and other officers)	129	164
Provision for share awards for directors (and other officers)	–	97
Provision for point program	2,485	1,635
Provision for loss on guarantees	2,798	2,809
Deferred installment income	70,875	68,049
Other	32,608	30,029
Total current liabilities	1,812,546	1,445,661
Non-current liabilities		
Bonds payable	195,000	210,000
Long-term borrowings	856,164	863,482
Long-term debt for receivable securitization	11,489	94,334
Lease liabilities	602	517
Provision for retirement benefits for directors (and other officers)	24	32
Provision for share awards for directors (and other officers)	416	69
Provision for point program	3,390	3,407
Provision for loss on interest repayment	12,759	9,569
Retirement benefit liability	754	880
Other	8,951	7,184
Total non-current liabilities	1,089,553	1,189,477
Total liabilities	2,902,099	2,635,138
Net assets		
Shareholders' equity		
Share capital	150,075	150,075
Capital surplus	932	932
Retained earnings	72,843	79,912
Treasury shares	(498)	(794)
Total shareholders' equity	223,353	230,126
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,175	469
Deferred gains or losses on hedges	(179)	(553)
Foreign currency translation adjustment	1,110	1,083
Remeasurements of defined benefit plans	12,745	8,202
Total accumulated other comprehensive income	14,851	9,201
Share acquisition rights	8	7
Non-controlling interests	7,469	7,223
Total net assets	245,683	246,559
Total liabilities and net assets	3,147,783	2,881,698

**(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
(Consolidated Statement of Income)**

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Operating revenue		
Operating revenues	217,587	231,645
Financial revenue		
Interest and dividend income	214	368
Other financial revenue	1,465	852
Total financial revenue	1,679	1,220
Other operating revenue	9,787	12,404
Total operating revenue	229,054	245,270
Operating expenses		
Selling, general and administrative expenses	196,372	207,030
Financial expenses		
Interest expenses	13,294	20,417
Other financial expenses	942	916
Total financial expenses	14,236	21,333
Other operating expenses	2,326	4,562
Total operating expenses	212,935	232,926
Operating profit	16,118	12,344
Ordinary profit	16,118	12,344
Extraordinary income		
Gain on sale of investment securities	1,479	1,644
Gain on step acquisitions	3,045	–
Gain on revision of retirement benefit plan	–	9,434
Gain on return of assets from retirement benefits trust	141	705
Gain on liquidation of investment securities	107	–
Compensation for damages received	98	–
Total extraordinary income	4,871	11,785
Extraordinary losses		
Loss on sale of property, plant and equipment	4	–
Loss on retirement of property, plant and equipment	46	13
Loss on retirement of software	868	155
Loss on sale of investment securities	–	1
Impairment losses	1,179	–
Loss on valuation of investments in capital	511	–
Restructuring cost	–	166
Loss on valuation of investment securities	292	666
Loss on valuation of other investments	49	–
Total extraordinary losses	2,954	1,004
Profit before income taxes	18,036	23,124
Income taxes - current	3,719	5,309
Income taxes - deferred	1,764	4,322
Total income taxes	5,484	9,631
Profit	12,551	13,493
Loss attributable to non-controlling interests	(19)	(450)
Profit attributable to owners of parent	12,571	13,943

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	12,551	13,493
Other comprehensive income		
Valuation difference on available-for-sale securities	(677)	(706)
Deferred gains or losses on hedges	(427)	(391)
Foreign currency translation adjustment	622	102
Remeasurements of defined benefit plans, net of tax	6,055	(4,538)
Share of other comprehensive income of entities accounted for using equity method	1	(0)
Total other comprehensive income	5,575	(5,533)
Comprehensive income	18,127	7,959
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	17,910	8,293
Comprehensive income attributable to non-controlling interests	216	(333)

(3) Consolidated Statement of Changes in Net Assets

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	150,075	932	67,146	(502)	217,652
Changes during period					
Issuance of new shares - exercise of share acquisition rights	–	–			–
Dividends of surplus			(6,874)		(6,874)
Profit attributable to owners of parent			12,571		12,571
Purchase of treasury shares				(8)	(8)
Disposal of treasury shares		(0)		12	12
Transfer from retained earnings to capital surplus		0	(0)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	5,696	4	5,701
Balance at end of period	150,075	932	72,843	(498)	223,353

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,850	260	700	6,700	9,512	8	2,601	229,775
Changes during period								
Issuance of new shares - exercise of share acquisition rights								—
Dividends of surplus								(6,874)
Profit attributable to owners of parent								12,571
Purchase of treasury shares								(8)
Disposal of treasury shares								12
Transfer from retained earnings to capital surplus								—
Net changes in items other than shareholders' equity	(675)	(440)	410	6,044	5,338	—	4,868	10,207
Total changes during period	(675)	(440)	410	6,044	5,338	—	4,868	15,908
Balance at end of period	1,175	(179)	1,110	12,745	14,851	8	7,469	245,683

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	150,075	932	72,843	(498)	223,353
Changes during period					
Issuance of new shares - exercise of share acquisition rights	0	0			0
Dividends of surplus			(6,874)		(6,874)
Profit attributable to owners of parent			13,943		13,943
Purchase of treasury shares				(615)	(615)
Disposal of treasury shares		(0)		318	318
Transfer from retained earnings to capital surplus		0	(0)		—
Net changes in items other than shareholders' equity					
Total changes during period	0	0	7,069	(296)	6,773
Balance at end of period	150,075	932	79,912	(794)	230,126

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,175	(179)	1,110	12,745	14,851	8	7,469	245,683
Changes during period								
Issuance of new shares - exercise of share acquisition rights								0
Dividends of surplus								(6,874)
Profit attributable to owners of parent								13,943
Purchase of treasury shares								(615)
Disposal of treasury shares								318
Transfer from retained earnings to capital surplus								—
Net changes in items other than shareholders' equity	(706)	(374)	(27)	(4,542)	(5,650)	(0)	(246)	(5,897)
Total changes during period	(706)	(374)	(27)	(4,542)	(5,650)	(0)	(246)	875
Balance at end of period	469	(553)	1,083	8,202	9,201	7	7,223	246,559

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	18,036	23,124
Depreciation	21,895	20,518
Impairment losses	1,179	—
Loss on sales and retirement of property, plant and equipment and intangible assets	918	175
Loss (gain) on sale of property, plant and equipment and intangible assets	—	(0)
Increase (decrease) in allowance for doubtful accounts	3,340	904
Increase (decrease) in provision for loss on guarantees	(325)	11
Increase (decrease) in provision for bonuses	(168)	(78)
Increase (decrease) in provision for bonuses for directors (and other officers)	3	35
Increase (decrease) in provision for share awards for directors (and other officers)	164	69
Increase (decrease) in retirement benefit liability	(141)	(1,258)
Increase (decrease) in provision for loss on interest repayment	(1,854)	(3,190)
Interest and dividend income	(214)	(368)
Interest expenses	13,294	20,417
Gain on return of assets from retirement benefits trust	(141)	(705)
Gain on revision of retirement benefit plan	—	(9,434)
Compensation for damages received	(98)	—
Loss (gain) on step acquisitions	(3,045)	—
Gain on liquidation of investment securities	(107)	—
Decrease (increase) in trade receivables	(98,403)	(2,322)
Decrease (increase) in inventories	(1,689)	57
Increase (decrease) in trade payables	57,419	(19,349)
Increase (decrease) in deferred installment income	(14,256)	(4,370)
Decrease (increase) in other assets	(16,338)	5,381
Increase (decrease) in other liabilities	(6,088)	(6,378)
Other, net	(540)	394
Subtotal	(27,163)	23,631
Interest and dividends received	1,023	717
Interest paid	(13,258)	(20,371)
Compensation for damages received	98	—
Return of assets from retirement benefits trust	165	2,318
Income taxes paid	(4,331)	(3,677)
Net cash provided by (used in) operating activities	(43,465)	2,619
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(13,664)	(14,821)
Proceeds from sale of property, plant and equipment and intangible assets	166	345
Purchase of investment securities	(6,707)	(1,047)
Purchase of shares of associates	—	(283)
Proceeds from sale of investment securities	1,910	5,859
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(23,875)	(1,563)
Proceeds from settlement of contingent acquisition consideration	—	463
Long-term loan advances	(4,600)	(1,800)
Proceeds from collection of long-term loans receivable	4,845	2,820
Purchase of long-term prepaid expenses	(1,145)	(1,632)
Other, net	(1,411)	(1,647)
Net cash provided by (used in) investing activities	(44,483)	(13,305)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	141,094	(321,372)
Net increase (decrease) in commercial papers	76,000	(56,800)
Proceeds from long-term borrowings	406,142	416,254
Repayments of long-term borrowings	(403,971)	(399,079)
Proceeds from issuance of bonds	49,757	54,720
Redemption of bonds	(40,000)	(40,000)
Proceeds from long-term debt receivable securitization	4,600	243,545
Repayments of long-term debt receivable securitization	(4,681)	(141,349)
Repayments of finance lease liabilities	(437)	(452)
Purchase of treasury shares	(8)	(615)
Dividends paid	(6,868)	(6,883)
Other, net	0	0
Net cash provided by (used in) financing activities	221,627	(252,030)
Effect of exchange rate change on cash and cash equivalents	473	161
Net increase (decrease) in cash and cash equivalents	134,152	(262,555)
Cash and cash equivalents at beginning of period	339,884	479,360
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	5,364	-
Cash and cash equivalents at end of period	479,360	216,805

Notes

(Notes on Premise of Going Concern)

Not applicable.

(Basis of Preparation of Consolidated Financial Statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 18

Names of main consolidated subsidiaries:

Orico Business & Communications Co., Ltd.
Japan Collection Service Co., Ltd.
ORIFA Servicer Corporation
CAL Credit Guarantee Co., Ltd.
Orico Auto Leasing Co., Ltd.
Orico Business Leasing Co., Ltd.
Orico Auto Leasing (Thailand) Ltd.
Orico Forrent Insure Co., Ltd.
Orico Auto Finance Philippines Inc.
PT Orico Balimor Finance
Orico Product Finance Co., Ltd.
Seven other companies

Changes: (Newly included) One company

(2) Non-consolidated subsidiaries

Not applicable.

2. Application of equity method

(1) Non-consolidated subsidiaries accounted for using equity method

Not applicable.

(2) Number of associates accounted for using equity method: 4

Names of main associates accounted for using equity method:

ITOCHU Orico Insurance Services Co., Ltd.
Three other companies

Changes: (Newly included) One company

(3) For entities accounted for using equity method whose fiscal year-end dates differ from that for the consolidation, the financial statements as of their respective fiscal year-end dates are used.

3. Fiscal year of consolidated subsidiaries

The fiscal year-end date of PT Orico Balimor Finance is the last day of December, and the fiscal year-end date of Orico Product Finance Co., Ltd. is the last day of February. In preparing the consolidated financial statements, the financial statements as of their respective fiscal year-end dates are used.

However, adjustments necessary for consolidation are made for significant transactions that occurred between their respective fiscal year-end dates and that for consolidation.

Other consolidated subsidiaries have the same fiscal year-end date as that for the consolidation.

4. Accounting policies

(1) Valuation basis and methods for significant assets

1) Securities

- Available-for-sale securities

Securities other than securities without market values:

Stated at fair value (valuation differences are booked directly in a separate component of net assets, and cost of securities sold is determined by the moving average method)

Securities without market values: Stated at cost determined by the moving average method

2) Derivatives

Stated at fair value. Hedge accounting is applied to certain transactions for hedging purposes.

(2) Depreciation and amortization methods for significant depreciable assets

1) Property, plant and equipment (excluding leased assets)

- Buildings and structures: Straight-line method

(Note that certain facilities attached to buildings and structures acquired on or before March 31, 2016 are depreciated using the declining-balance method.)

- Property, plant and equipment other than buildings and structures: Declining-balance method

2) Intangible assets

- Software: Straight-line method (period of internal use by the Company: 5 to 15 years)

3) Leased assets

- Finance leases that do not transfer ownership: Straight-line method

(3) Accounting for deferred assets

Bond issuance costs are amortized by the straight-line method over the maturity period.

(4) Accounting policy for significant provisions

1) Allowance for doubtful accounts

To prepare for loss from bad debts on accounts receivable - installment and other accounts, the Company records an allowance for doubtful accounts at the amount expected to be uncollectable taking into account the collectability, using expected loss ratios based on a statistical technique in the light of historical bad debts for normal receivables and receivables that require special management (receivables that are three months or more overdue), and on an individual basis for specific receivables.

2) Provision for bonuses

To prepare for payment of bonuses to employees, the amount expected to be paid is recorded.

3) Provision for bonuses for directors (and other officers)

To prepare for payment of bonuses to directors (excluding outside directors) and executive officers (collectively, the “Directors, etc.”), the Company records the amount expected to be paid.

4) Provision for point program

To prepare for expenses arising from the use of points granted to credit cardholders and credit card customers, the Company records the amount estimated to be used in the future at the end of the current fiscal year.

5) Provision for loss on guarantees

To prepare for loss related to debt guarantee, etc., the Company records provision for loss on guarantees at the expected loss amount, using expected loss ratios based on a statistical technique in the light of historical loss experience.

6) Provision for retirement benefits for directors (and other officers)

To prepare for payment of retirement benefits to directors and corporate auditors in consolidated subsidiaries, the amount expected to be required to pay, in accordance with the rules, if all eligible directors and corporate auditors retired at the end of the current fiscal year, is recorded.

7) Provision for share awards for directors (and other officers)

To prepare for share-based payment to Directors, etc., the Company records the expected amount of obligations at the end of the current fiscal year.

8) Provision for loss on interest repayment

To prepare for claims for repayment of interest in excess of the maximum interest rate under the Interest Rate Restriction Act, the Company records the estimated amount of claims for repayment at the end of the current fiscal year, taking into consideration the actual repayments in the past and the recent status of repayments.

(5) Accounting methods for retirement benefits

1) Method of attributing expected retirement benefits to periods

In determining retirement benefit obligations, the benefit formula basis is used for the method of attributing expected retirement benefits to periods up to the end of the current fiscal year.

2) Accounting treatment for actuarial gains and losses and past service costs

Past service costs of the Company are recognized in profit or loss by the straight-line method over a certain period (13 years), which is within the average remaining years of service of the employees. Actuarial gains and losses are recognized in profit or loss by the straight-line method over certain periods (13 years for the Company and five years for a consolidated subsidiary), which are within the average remaining years of service of the employees, commencing from the following fiscal year.

(6) Accounting policy for revenue

The Group's main businesses include the settlement and guarantee business, overseas business, credit cards and cash loans business, installment credit business, and bank loan guarantee business, and we recognize revenues from membership fees received from users such as those of auto loans and card shopping through the sum-of-the-months' digits method and the declining-balance method. In addition, the Group recognizes revenues from lease transactions in accordance with the lease accounting standard.

In addition, revenue for merchant fees and credit card annual membership fees is recognized at the amount expected to be received in exchange for the service, since the performance obligations are deemed to have been fulfilled when control of the service is transferred to the customer, based on accounting standards for revenue recognition.

Major revenues are recorded by the following method.

1) Membership fees

Business revenues are recorded using the following methods when the monthly installments become due in principle.

Settlement and guarantee	Sum-of-the-months' digits method and declining-balance method
Overseas	Declining-balance method
Credit cards and cash loans	Sum-of-the-months' digits method and declining-balance method
Installment credit	Sum-of-the-months' digits method and declining-balance method
Bank loan guarantee	Declining-balance method

Note: The following is a summary of the revenue recording methods.

Sum-of-the-months' digits method: The total amount of commissions is divided proportionately by the sum of the months' digits, which is recorded as revenue when the monthly installment becomes due.

Declining-balance method: Commission is calculated by multiplying the principal balance by a flat percentage, which is recorded as revenue when the monthly installment becomes due.

2) Merchant fees

The amount is recorded as revenue at the time of fulfillment of the contract for replacement payment with the member merchants.

3) Credit card annual membership fees

The amount is recorded as revenue over the period the service is provided pursuant to Credit card membership agreement.

4) Income related to finance lease transactions

The amount is recorded as revenue by allocating the amount equivalent to interest income to each period.

(7) Accounting policy for translation of significant foreign currency assets or liabilities into Japanese yen

Asset and liability items of foreign consolidated subsidiaries are translated into yen at the rate of exchange in effect at the balance sheet date. Revenue and expense items are translated at the average rate of exchange in effect during the year. Differences arising from the translation are presented as foreign currency translation adjustments and non-controlling interests under net assets section.

(8) Method of significant hedge accounting

1) Method of hedge accounting

Deferred hedge accounting is adopted. The special treatment is applied to the interest rate swaps that meet certain criteria.

2) Hedging instruments and hedged items

Hedging instruments: Derivative transactions (Interest rate swap transactions and interest option transactions, currency swap transactions)

Hedged items: Fluctuations in interest rates on borrowings and currency exchange (Factors that cause cash flows to fluctuate due to changes in market interest rates, etc. and foreign exchange rates)

3) Hedging policy

Each hedge transaction is conducted in order to avoid interest rate and exchange rate fluctuation risks in future.

4) Method of assessing hedge effectiveness

The Company assesses the effectiveness of its hedging activities by seeking the correlation of the fluctuation ranges of the benchmark interest rate and exchange rate between the hedging instruments and the related hedged items.

5) Risk management system

The Company established internal rules for derivative transactions which were determined by the President and Director or Board of Directors and defined the policies for initiatives concerning these transactions, standards of treatment, management method and reporting structure.

The execution of derivative transactions is to be approved by the President and Director or the Board of Directors, and the execution and management will be mutually checked.

(9) Amortization method and amortization period of goodwill

Goodwill is amortized by the straight-line method over 20 years or less.

(10) Scope of funds in the consolidated statement of cash flows

Funds consist of cash on hand, deposits that can be withdrawn on demand and short-term investments with maturities of three months or less at the time of acquisition that are readily convertible into cash and are exposed to only an insignificant risk of fluctuations in value.

(Changes in Accounting Policies)

(Application of the “Accounting Standard for Current Income Taxes,” Etc.)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) and other relevant ASBJ regulations from the beginning of the fiscal year ended March 31, 2025.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). This has no impact on the consolidated financial statements.

In addition, for revisions related to the review of the treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Company has applied the Revised Guidance of 2022 from the beginning of the fiscal year ended March 31, 2025. The change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis. This has no impact on the consolidated financial statements for the previous fiscal year.

(Accounting Policies and Procedures Adopted in Cases Where the Relevant Provisions Set Forth in Accounting Standards and Other Regulations Are Not Clear)

The following are the major items that the Group has accounted for in accordance with accounting principles and procedures that are regarded as industry practices.

• Presentation method of the consolidated statement of income

The breakdown of operating revenues is presented as “Operating revenues” and “Financial revenue,” which are the revenues of our main businesses. In addition, the breakdown of operating expenses is presented as “Selling, general and administrative expenses” and “Financial expenses.”

• Method of recording operating revenue

As described in “4. Accounting policies (6) Accounting policy for revenue,” in principle, the Company recognizes revenue by business segment on a due date basis.

(Additional Information)

(Transition of retirement benefit plans)

The Company transferred a portion of its defined benefit corporate pension plan to a defined contribution pension plan on October 1, 2024. As a result, the Company adopted the “Accounting for Transfer between Retirement Benefit Plans” (ASBJ Guidance No. 1, December 16, 2016) and “Practical Solution on Accounting for Transfer between Retirement Benefit Plans” (PITF No. 2, February 7, 2007) and partially terminated the retirement benefit plan for the portion transferred to the defined contribution plan.

As a result, gain on revision of retirement benefit plan of ¥9,434 million was recorded as an extraordinary income in the current fiscal year.

(Notes to Consolidated Balance Sheet)

1. “Beneficiary certificates retained for receivable securitization” represents the beneficial interests in trust and other receivables held in association with securitization of accounts receivable - installment, etc.
2. “Long-term debt for receivable securitization” is mainly debt arising from financing through asset-based lending (ABL) from financial institutions, backed by beneficial interests in trust set up by securitization of accounts receivable - installment.
3. Contingent liabilities

1) Operating guarantee obligations

	(Previous fiscal year)	(Current fiscal year)	(Unit: Millions of yen)
Guarantee of loans, etc. to customers by affiliated financial institutions	2,180,575	2,247,452	

2) The Company guarantees the following obligations for loans extended by financial institutions to other companies.

	(Previous fiscal year)	(Current fiscal year)	(Unit: Millions of yen)
PT Honest Financial Technologies	—	1,872	

(Notes to Consolidated Statement of Income)

1. Breakdown of operating revenues

	(Previous fiscal year)	(Unit: Millions of yen) (Current fiscal year)
Settlement and guarantee	22,003	25,041
Overseas	14,355	14,924
Credit cards and cash loans	71,344	69,984
Installment credit	68,556	78,233
Bank loan guarantee	33,514	35,021
Other	7,812	8,441

* Revenues from each business include the following revenues from the securitization of accounts receivable - installment, etc.

	(Previous fiscal year)	(Unit: Millions of yen) (Current fiscal year)
Settlement and guarantee	—	862
Credit cards and cash loans	27,342	27,760
Installment credit	44,086	46,805
Other	224	(8)
Total	71,653	75,420

2. Breakdown of selling, general and administrative expenses

	(Previous fiscal year)	(Unit: Millions of yen) (Current fiscal year)
Provision of allowance for doubtful accounts	48,881	50,277
Employees' salaries and allowances	29,473	34,307
Retirement benefit expenses	592	(105)
Provision for bonuses	3,886	3,811
Provision for bonuses for directors (and other officers)	125	160
Provision for share awards for directors (and other officers)	168	78
Provision for point program	3,199	2,925
Provision for loss on guarantees	220	18
Provision for loss on interest repayment	5,811	2,519
Office expenses related to computing figures	41,323	42,895

3. Impairment losses

Fiscal year ended March 31, 2024

In the fiscal year ended March 31, 2024, the Company has grouped the idle assets individually and recognized impairment losses on the following idle assets.

(Location)	(Use)	(Type)
Osaka and other (total 3 assets)	Idle assets	Buildings and land

In the fiscal year ended March 31, 2024, for the company owned apartments which were not expected to be used in the future and determined as idle assets, the Company reduced the book value to its recoverable amount, and posted the reduced amount as impairment loss (¥1,179 million) under extraordinary losses. The impairment loss consists of ¥361 million for buildings and ¥818 million for land.

The recoverable amount of the group is the net selling price, which is calculated by deducting the estimated cost of disposal from the market value.

Fiscal year ended March 31, 2025

Not applicable.

(Notes to Consolidated Statement of Changes in Net Assets)

Fiscal year ended March 31, 2024

1. Classes and total numbers of issued shares and classes and numbers of treasury shares

		(Thousands of shares)			
		Number of shares at the beginning of the fiscal year	Number of shares increased in the fiscal year	Number of shares decreased in the fiscal year	Number of shares at the end of the fiscal year
Issued shares					
Common stock		171,882	–	–	171,882
	Total	171,882	–	–	171,882
Treasury shares					
Common stock (Notes 1 and 2)		364	8	9	362
	Total	364	8	9	362

Notes: 1. The number of treasury shares increased by 8 thousand due to the purchase of shares less than one unit and decreased by 9 thousand due to benefit of Company's shares through the Company's Board Benefit Trust (BBT) (9 thousand shares) and the additional purchase of shares less than one unit (0 thousand shares).
 2. The number of treasury shares at the end of the fiscal year includes the Company's shares owned by the Company's Board Benefit Trust (BBT) (341 thousand shares).

2. Share acquisition rights

Company	Description of share acquisition rights	Class of stock underlying share acquisition rights	Number of shares underlying share acquisition rights				Balance at the end of the fiscal year (millions of yen)
			Beginning of the fiscal year	Increase in the fiscal year	Decrease in the fiscal year	End of the fiscal year	
Filing company (parent company)	Share acquisition rights as share options	–	–	–	–	–	8

3. Dividends

(1) Dividends paid

Resolution	Class of stock	Source of dividends	Total dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Annual general meeting of shareholders on June 27, 2023	Common stock	Retained earnings	6,874	40.00	March 31, 2023	June 28, 2023

Note: Total dividends by the resolution at the annual general meeting of shareholders held on June 27, 2023 include dividends on the Company's shares held by the Company's Board Benefit Trust (BBT) of ¥14 million.

(2) Dividends with the record date in the fiscal year and the effective date in the following fiscal year

Resolution	Class of stock	Source of dividends	Total dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Annual general meeting of shareholders on June 25, 2024	Common stock	Retained earnings	6,874	40.00	March 31, 2024	June 26, 2024

Note: Total dividends by the resolution at the annual general meeting of shareholders held on June 25, 2024 include dividends on the Company's shares held by the Company's Board Benefit Trust (BBT) of ¥13 million.

Fiscal year ended March 31, 2025

1. Classes and total numbers of issued shares and classes and numbers of treasury shares

(Thousands of shares)				
	Number of shares at the beginning of the fiscal year	Number of shares increased in the fiscal year	Number of shares decreased in the fiscal year	Number of shares at the end of the fiscal year
Issued shares				
Common stock (Note 1)	171,882	0	–	171,882
Total	171,882	0	–	171,882
Treasury shares				
Common stock (Notes 2, 3 and 4)	362	589	275	677
Total	362	589	275	677

Notes:

1. The total number of issued shares of common stock increased by 0 thousand since shares of common stock were delivered upon exercise of share acquisition rights (share options).
2. The number of treasury shares increased by 589 thousand shares due to the acquisition of the Company's shares by the Company's Board Benefit Trust (BBT) (588 thousand shares) and the purchase of shares less than one unit (1 thousand shares).
3. The number of treasury shares decreased by 275 thousand shares due to the grant of the Company's shares by the Company's Board Benefit Trust (BBT-RS) (275 thousand shares) and the additional purchase of shares less than one unit (0 thousand shares).
4. The number of treasury shares at the end of the fiscal year includes the Company's shares owned by the Company's Board Benefit Trust (BBT-RS) (654 thousand shares).

2. Share acquisition rights

Company	Description of share acquisition rights	Class of stock underlying share acquisition rights	Number of shares underlying share acquisition rights				Balance at the end of the fiscal year (millions of yen)
			Beginning of the fiscal year	Increase in the fiscal year	Decrease in the fiscal year	End of the fiscal year	
Filing company (parent company)	Share acquisition rights as share options	–	–	–	–	–	7

3. Dividends

(1) Dividends paid

Resolution	Class of stock	Source of dividends	Total dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Annual general meeting of shareholders on June 25, 2024	Common stock	Retained earnings	6,874	40.00	March 31, 2024	June 26, 2024

Note: Total dividends by the resolution at the annual general meeting of shareholders held on June 25, 2024 include dividends on the Company's shares held by the Company's Board Benefit Trust (BBT-RS) of ¥13 million.

(2) Dividends with the record date in the fiscal year and the effective date in the following fiscal year

Resolution (planned)	Class of stock	Source of dividends	Total dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Annual general meeting of shareholders on June 25, 2025	Common stock	Retained earnings	6,874	40.00	March 31, 2025	June 26, 2025

Note: Total dividends by the resolution at the annual general meeting of shareholders held on June 25, 2025 include dividends on the Company's shares held by the Company's Board Benefit Trust (BBT-RS) of ¥26 million.

(Notes to Consolidated Statement of Cash Flows)

Reconciliations between cash and cash equivalents at the end of the period and amounts of the accounts recorded in the consolidated balance sheet

	(Unit: Millions of yen)	
	(Previous fiscal year)	(Current fiscal year)
Cash and deposits	479,360	216,805
Cash and cash equivalents	479,360	216,805

(Business Combinations)

(Finalization of provisional treatment for business combinations)

The provisional accounting treatment applied in the fiscal year ended March 31, 2024 to the business combination with Orico Product Finance Co., Ltd. on March 25, 2024 (deemed acquisition date: February 29, 2024) was finalized in the fiscal year ended March 31, 2025. The contingent acquisition consideration has likewise been finalized.

With the finalization of this provisional accounting treatment, the comparative information included in the consolidated financial statements for the fiscal year ended March 31, 2025 reflects a significant revision of the initial allocation of acquisition costs.

As a result, the goodwill amount, which was tentatively calculated at ¥401 million, increased by ¥421 million to ¥822 million. The increase in goodwill was due to a ¥346 million increase in accounts receivable - installment, a ¥77 million increase in beneficiary certificates retained for receivable securitization, and a ¥140 million increase in other (current liabilities), while investments and other assets decreased by ¥704 million. Also, goodwill decreased by ¥463 million due to the finalization of a contingent acquisition consideration.

The goodwill is amortized over eight years.

(Business combination through acquisition)

On February 28, 2025, the Company entered into a share transfer agreement to acquire shares of DeNA SOMPO Carlife, which operates a leasing business for individuals, and completed the share acquisition on March 31, 2025 to make it a consolidated subsidiary.

1. Overview of the business combination

(1) Name and business of the acquired company

Name of the acquired company	DeNA SOMPO Carlife
Business of the acquired company	Leasing business for individuals

(2) Main reason of the business combination

Amid the declining birthrate and aging population in Japan and the long-term declining trend in automobile sales volume, the auto leasing market for individuals is expected to grow in the future due to the shift from ownership to services in automobiles and the diversification and increased recognition of products and services.

Under such circumstances, the Company decided to acquire the target company's shares with the aim of creating synergy with its consolidated subsidiary Orico Auto Leasing Co., Ltd., further developing the auto leasing market, and increasing customer recognition.

The target company was established in 2019 and is engaged in car leasing brokerage business, etc. mainly through Sompo Japan Insurance Inc.'s insurance agencies as an associates of Sompo

Holdings, Inc. and DeNA Co., Ltd. The target company has a sales network through Sompo Japan Insurance Inc.'s insurance agencies expanding nationwide and non-face-to-face sales know-how.

By leveraging the capabilities of the target company and the resources of the Orico Group, Orico will provide consistent services from vehicle procurement to sales through auto leasing to meet the diversifying needs of customers, such as subscription car sharing and ride-sharing that auto manufacturers are focusing on. In addition, the Orico Group's product design know-how will enable Sompo Japan Insurance Inc.'s insurance agencies to handle car leasing products that meet a wider range of customer needs.

(3) Date of the business combination

March 31, 2025

(4) Legal form of the business combination

Acquisition of shares

(5) Company name after the business combination

Orico Car Life Co., Ltd.

(6) Percentage of voting rights acquired

90%

(7) Main reason for determining the acquiring company

The Company acquires shares for cash-based consideration.

2. Period of results of the acquired company included in the consolidated financial statements

Since only the balance sheet is consolidated for the fiscal year ended March 31, 2025, the results of the acquired company are not included in the consolidated financial statements.

3. Acquisition cost of the acquired company and breakdown by type of consideration

Consideration for the acquisition	Cash	¥2,420 million
Acquisition cost		¥2,420 million

4. Breakdown and amount of major acquisition-related expenses

Fees and commissions for advisory services	¥53 million
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5. Amount of goodwill incurred, reason for incurrence, amortization method and amortization period

(1) Amount of goodwill incurred

¥1,637 million

(2) Reason for incurrence

Goodwill arose because the acquisition costs of acquired companies exceeded the business combination date fair value of their net assets.

(3) Amortization method and amortization period

The goodwill will be amortized on a straight-line basis over a period of time for which the investments' effect lasts. The Company is currently in the process of determining the amortization period.

6. Amounts of assets received and liabilities assumed on the date of business combination and their breakdown

Current assets	¥1,617 million
Non-current assets	¥13 million
<hr/>	
Total assets	¥1,631 million

Current liabilities	¥761 million
<hr/>	
Total liabilities	¥761 million

7. Estimated amount and calculation method of the effect of the business combination on the consolidated statement of income for the fiscal year under review as if the business combination had been completed at the beginning of the fiscal year

The information is omitted as it is insignificant.

(Segment Information)

1. Overview of reportable segments

The reportable segments of the Company are components for which separate financial information is available and whose operating results are regularly reviewed by the Board of Directors to assess their business performance and make decisions about resources allocation.

The Group consists of the five reportable segments of “settlement and guarantee,” “overseas,” “credit cards and cash loans,” “installment credit,” and “bank loan guarantee.”

The brief overview of the businesses is as follows:

(1) Settlement and guarantee:	Rent settlement guarantee and accounts receivable, guarantee service for small leases, and collection agent service
(2) Overseas:	Auto loans
(3) Credit cards and cash loans:	Credit card shopping, cash advances, and consumer loans service
(4) Installment credit:	Auto loans, auto leasing and shopping credit
(5) Bank loan guarantee:	Guarantee service for personal loans provided by affiliated financial institutions

2. Calculation method for the amounts of sales, profit, assets, liabilities and other items for each reportable segment

Accounting methods for reported business segments are the same as those described in “Basis of Preparation of Consolidated Financial Statements.” Inter-segment sales or transfers are based on the prevailing market prices.

3. Information on the amounts of sales, profit or loss, assets, liabilities and other items for each reportable segment and disaggregation of revenue

(Unit: Millions of yen)

	Reportable segments						Other (Note 1)	Total
	Settlement and guarantee	Overseas	Credit cards and cash loans	Installment credit	Bank loan guarantee	Total		
Operating revenue								
Revenues from contracts with customers	5,347	–	41,829	5,211	107	52,495	3,032	55,528
Other revenues	19,694	14,924	28,154	73,021	34,914	170,708	5,408	176,117
Operating revenue from external customers	25,041	14,924	69,984	78,233	35,021	223,204	8,441	231,645
Inter-segment sales or transfers	0	–	–	2	–	3	7,183	7,186
Total	25,042	14,924	69,984	78,236	35,021	223,208	15,624	238,832
Segment profit (loss)	11,621	(4,550)	58,090	39,831	19,327	124,321	4,053	128,374
Segment assets (Note 2)	149,577	160,065	594,031	4,091,210	1,348,033	6,342,919	74,209	6,417,128

Notes: 1. “Other” represents business segments that are not included in the reportable segments and includes a service business.
2. Segment assets include the balance of receivables that have been securitized and guarantee obligations that are not recorded in the consolidated balance sheet.

4. Difference between the total amount of reportable segments and the amount recorded in the consolidated financial statements, and the main details of such difference

(Matters concerning difference adjustment)

(Unit: Millions of yen)

Operating revenue	Amount
Total reportable segments	223,208
Other business segments	15,624
Corporate revenues	13,625
Inter-segment eliminations	(7,186)
Operating revenue on the consolidated financial statements	245,270

(Unit: Millions of yen)

Profit	Amount
Total reportable segments	124,321
Other business segments	4,053
Corporate expenses (Note)	(109,945)
Other	(6,084)
Operating profit on the consolidated financial statements	12,344

Note: Corporate expenses represent mainly selling, general and administrative expenses excluding provision of allowance for doubtful accounts and provision for loss on guarantees.

(Unit: Millions of yen)	
Assets	Amount
Total reportable segments	6,342,919
Other business segments	74,209
Corporate assets	1,103,191
Securitized accounts receivable - installment	(2,380,466)
Guarantee obligations not recorded in the consolidated balance sheet	(2,250,262)
Other	(7,893)
Total assets on the consolidated financial statements	2,881,698

(Notes on Per Share Information)

Net assets per share ¥1,397.90

Basic earnings per share ¥81.45

Diluted earnings per share ¥81.45

Notes: 1. The bases for calculating basic earnings per share and diluted earnings per share are as follows:

Basic earnings per share

Profit attributable to owners of parent	¥13,943 million
Profit attributable to owners of parent related to common stock	¥13,943 million
Average number of outstanding shares of common stock during the period	171,190 thousand shares

Diluted earnings per share

Profit adjustment attributable to owners of parent	—
Increase in shares of common stock (Of which: share acquisition rights)	5 thousand shares 5 thousand shares

Summary of dilutive shares not included in the calculation of diluted earnings per share due to the absence of dilutive effects

Not applicable.

2. The number of the Company's shares owned by Custody Bank of Japan, Ltd. in the Company's Board Benefit Trust (BBT-RS) was included in the number of treasury shares that was deducted from the total number of outstanding shares at the end of the current fiscal year for calculating net assets per share. The number of such treasury shares deducted was 654 thousand shares at the end of the current fiscal year.

For calculating basic earnings per share and diluted earnings per share, the number of such shares was included in the number of treasury shares that was deducted in calculating the average number of shares during the period. The average number of such treasury shares deducted was 670 thousand shares during the current fiscal year.

(Significant Subsequent Events)

Not applicable.