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(Member of Financial Accounting
Standards Foundation)



Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

May 12, 2026

Company name: Fuyo General Lease Co., Ltd.

Listing: Tokyo Stock Exchange

Securities code: 8424

URL: <https://www.fgl.co.jp/>

Representative: Hiroaki Oda, Representative Director, President & CEO

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Scheduled date of annual general meeting of shareholders : June 23, 2026

Scheduled date to commence dividend payments : June 24, 2026

Scheduled date to file annual securities report : June 19, 2026

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 Fiscal 2025 (April 1, 2025 - March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	(¥ millions)	%	(¥ millions)	%	(¥ millions)	%	(¥ millions)	%
FY2025	788,669	16.3	40,542	(37.4)	38,249	(44.6)	21,565	(52.4)
FY2024	678,395	(4.3)	64,760	7.9	69,036	1.0	45,277	(4.1)

Note: Comprehensive income FY2025 ¥ 46,233 million (22.8) % FY2024 ¥ 59,885 million (24.6) %

	Basic Earnings per Share	Diluted Earnings per Share	Return on Equity	Ratio of Ordinary Profit to Total Assets	Ratio of Operating Profit to Net Sales
	(¥)	(¥)	%	%	%
FY2025	239.13	238.88	4.4	1.0	5.1
FY2024	501.66	500.78	10.0	2.0	9.5

Reference: Share of profit of entities accounted for using equity method

FY2025 ¥ (1,737) million FY2024 ¥ 2,991 million

Note: On April 1, 2025, the Company conducted a 3-for-1 stock split of its common stock. Accordingly, “Basic earnings per share” and “Diluted earnings per share” are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
As of	(¥ millions)	(¥ millions)	%	(¥)
March 31, 2026	3,843,725	568,309	13.1	5,575.11
March 31, 2025	3,580,361	538,054	13.3	5,269.74

Reference: Shareholders' Equity

As of March 31, 2026 ¥ 502,883 million As of March 31, 2025 ¥ 475,365 million

Notes: 1. During the fiscal year ended March 31, 2026, the Company finalized the provisional accounting treatment for business combinations. As a result, figures for the fiscal year ended March 31, 2025 reflect the finalization of the provisional accounting treatment.

2. On April 1, 2025, the Company conducted a 3-for-1 stock split of its common stock. Accordingly, “Net assets per share” is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(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
	(¥ millions)	(¥ millions)	(¥ millions)	(¥ millions)
FY2025	(164,915)	1,170	171,763	79,911
FY2024	(136,377)	(35,657)	97,994	66,565

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			
	(¥)	(¥)	(¥)	(¥)	(¥)	(¥ millions)	%	%
FY2024	—	225.00	—	230.00	455.00	13,757	30.2	3.0
FY2025	—	79.00	—	79.00	158.00	14,339	66.1	2.9
FY2026 (Forecast)	—	86.00	—	86.00	172.00		32.3	

Note: On April 1, 2025, the Company conducted a 3-for-1 stock split of its common stock and the “Fiscal Year Ended March 31, 2025” shows the actual dividend amount before the stock split.

3. Forecast for Fiscal 2026 (April 1, 2026 – March 31, 2027)

(Percentage figures represent comparisons with fiscal 2025 full-year results)

	Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Basic Earnings per Share
	(¥ millions)	%	(¥ millions)	%	(¥ millions)	%	(¥)
Full Year	70,000	72.7	75,000	96.1	48,000	122.6	532.14

*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: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026 90,863,430 shares As of March 31, 2025 90,863,430 shares

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

As of March 31, 2026 661,949 shares As of March 31, 2025 656,730 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026 90,184,788 shares

Fiscal year ended March 31, 2025 90,256,182 shares

Note: On April 1, 2025, the Company conducted a 3-for-1 stock split of its common stock. Accordingly, “Number of shares outstanding at the end of the period,” “Number of treasury stock at the end of the period,” and “Average number of shares outstanding during the period” are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year. The Company has introduced Board Benefit Trust (BBT). Number of treasury shares includes the following Company’s shares held by Board Benefit Trust (BBT) 481,200 shares as of March 31, 2026 and 510,600 shares as of March 31, 2025. Furthermore, treasury shares that are deducted in the calculation of the average number of shares during the period include the following Company’s shares held by Board Benefit Trust (BBT) 483,624 shares for the fiscal year ended March 31, 2026, and 427,458 shares for the fiscal year ended March 31, 2025.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for Fiscal 2025 (April 1, 2025 - March 31, 2026)

(1) Non-consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	(¥ millions)	%	(¥ millions)	%	(¥ millions)	%	(¥ millions)	%
FY2025	462,688	19.3	11,595	(68.7)	14,268	(66.0)	9,860	(67.7)
FY2024	387,874	(10.5)	37,045	(6.4)	41,906	(11.5)	30,571	(5.9)

	Basic earnings per share	Diluted earnings per share
	(¥)	(¥)
FY2025	109.25	109.13
FY2024	338.72	338.13

Note: On April 1, 2025, the Company conducted a 3-for-1 stock split of its common stock. Accordingly, “Basic earnings per share” and “Diluted earnings per share” are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	(¥ millions)	(¥ millions)	%	(¥)
As of				
March 31, 2026	2,915,864	337,598	11.6	3,738.01
March 31, 2025	2,756,606	325,072	11.8	3,601.46

Reference: Equity

As of March 31, 2026 ¥ 337,467 million As of March 31, 2025 ¥ 324,875 million

Note: On April 1, 2025, the Company conducted a 3-for-1 stock split of its common stock. Accordingly, “Net assets per share” is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

<Reasons for differences in non-consolidated financial results from actual results for the previous fiscal year>

For net sales, the increase in the sale of real estate-related lease transactions has led to differences between the actual results of the previous fiscal year and those of the current fiscal year. The same applies to operating profit, ordinary profit, and profit, due to the same reasons as those listed in “1. Review of consolidated operating results (1) Analysis of operating results for the period” on page 5 of the attached materials.

***Financial reports are exempt from audit conducted by certified public accountants or an audit firm.**

*** Proper use of earnings forecasts, and other special matters**

(Caution Concerning Forward-Looking Statements)

Earnings forecasts and other forward-looking statements in this report are based on certain assumptions that are deemed reasonable and information available to the Company at the time of this report’s preparation. Therefore, the Company does not guarantee the achievement of any projections. Actual results may differ significantly from these forecasts for a number of reasons.

(Method of Obtaining Supplementary Explanation Materials)

The materials are disclosed on the Timely Disclosure network (TDnet) on the same day as the date of this report.

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1. Review of consolidated operating results

(1) Analysis of operating results for Fiscal 2025

(i) Summary of Fiscal 2025

During the fiscal year ended March 31, 2026 (fiscal 2025), the Japanese economy was on a gradual recovery trend as consumer spending remained firm, backed by an improved employment and income environment, with capital investment showing signs of recovery. However, the outlook remains uncertain due to rising prices, interest rates associated with the normalization of monetary policy, uncertainty in overseas economies, and geopolitical risks.

In this environment, the Fuyo Lease Group is working on its five-year (FY2022-FY2026) medium-term management plan "Fuyo Shared Value 2026" that aims to achieve sustainable growth by resolving social issues through human growth and dialog while at the same time delivering economic value. In fiscal 2025, the fourth year of the medium-term management plan, aiming at achieving the target for the final fiscal year of the medium-term management plan, we made it our aim to become a corporate group that strongly pursues sustainable growth in drastically changing external environments, and we steadily implemented the business strategies and management strategies outlined in the plan.

As a result, newly executed contract volume in fiscal 2025 totaled ¥2,201,149 million, up 19.4% year on year. Consolidated operating assets (after subtracting the deferred profit on installment sales) as of March 31, 2026 totaled ¥3,253,070 million, up ¥180,926 million, or 5.9%, from the end of fiscal 2024 (March 31, 2025).

In terms of profits, net sales increased 16.3% year on year to ¥788,669 million, operating profit decreased 37.4% year on year to ¥40,542 million, ordinary profit decreased 44.6% year on year to ¥38,249 million, and profit attributable to owners of parent decreased 52.4% year on year to ¥21,565 million.

The Company has recorded losses due to the risk of uncollectible or delayed collection of receivables from our counterparties as below.

The counterparties related thereto are established for the purpose of raising funds for the development of renewable energy projects led by our alliance partners in Europe. It was discovered that among the multiple renewable energy projects being developed and funded by counterparties through project-specific holding companies, some projects in Spain have been delayed due to insufficient development funds.

In response, we examined the recoverability of our receivables against the counterparties related to separate renewable energy projects involving our alliance partners leading these projects. As a result, we determined that uncertainty exists regarding the amount and timing of collection for a portion of these receivables, and there is a risk that these receivables may be uncollectible or subject to collection delays.

Accordingly, in the fiscal year ended March 31, 2026, of the total amount of ¥28,278 million excluding the portion expected to be recovered through sale of the project to third parties, ¥1,176 million of accrued interest related to those receivables that arose in the fiscal year ended March 31, 2026 was not recorded (net sales were reversed), and the remaining balance excluding such accrued interest was recorded as cost of sales of ¥24,766 million, provision of allowance for doubtful accounts (selling, general and administrative expenses) of ¥2,301 million, and bad debt expenses (selling, general and administrative expenses) of ¥33 million.

(ii) Segment information

Consolidated results for each business segment for fiscal 2025 are as follows. Please note that net sales for each segment are "revenue from external customers" and segment profit is the amount shown in reportable segments.

Lease and Installment Sales

Newly executed contract volume in the Lease and Installment Sales segment increased 8.2% year on year to ¥571,164 million and segment operating assets increased 1.5% from the end of fiscal 2024 to ¥1,958,493 million. Segment net sales increased 16.0% year on year to ¥677,005 million and segment profit increased 2.0% year on year to ¥44,627 million.

Financing

Newly executed contract volume in the Financing segment increased 24.0% year on year to ¥1,629,640 million, and segment operating assets increased 14.0% from the end of fiscal 2024 to ¥1,264,512 million. Segment net sales increased 16.8% year on year to ¥45,571 million, and segment profit decreased 95.7% year on year to ¥1,086 million.

Other

Newly executed contract volume in the Other segment decreased 72.8% year on year to ¥344 million, and segment operating assets decreased 8.5% from the end of fiscal 2024 to ¥30,064 million. Segment net sales increased 18.6% year on year to ¥66,093 million, and segment profit decreased 2.2% year on year to ¥11,179 million.

(2) Analysis of financial position for Fiscal 2025

As of the end of fiscal 2025, operating assets totaled ¥3,253,070 million, up 5.9% from the end of fiscal 2024. Total assets amounted to ¥3,843,725 million, up 7.4% from the end of fiscal 2024. At the end of fiscal 2025, indirect procurement increased 5.5% from the end of fiscal 2024 to ¥2,198,055 million, mainly due to increases in long-term borrowings and current portion of long-term borrowings, and direct procurement increased 11.7% from the end of fiscal 2024 to ¥808,556 million, mainly due to increases in commercial papers and payables under securitization of lease receivables despite a decrease in the issuance of bonds payable. As a result, the outstanding balance at the end of fiscal 2025 increased 7.1% from the end of fiscal 2024 to ¥3,006,611 million. The direct procurement ratio was 26.9%, an increase of 1.1 points from the end of fiscal 2024.

Total shareholders' equity rose 1.9% from the end of fiscal 2024 to ¥391,259 million mainly due to an increase in retained earnings. Total net assets as of the end of fiscal 2025 totaled ¥568,309 million, up ¥30,254 million, or 5.6%, from the end of fiscal 2024.

(3) Analysis of cash flows for Fiscal 2025

Cash and cash equivalents at the end of fiscal 2025 totaled ¥79,911 million. The breakdown of cash flows is as follows.

Cash flows from operating activities

Operating activities in fiscal 2025 used net cash of ¥164,915 million, compared with net cash used of ¥136,377 million in fiscal 2024. The main variable factors were an increase in loss on retirement of assets for lease and cost of property for lease sales, an increase in purchase of assets for lease, and an increase in decrease (increase) in operating loans.

Cash flows from investing activities

Investing activities in fiscal 2025 provided net cash of ¥1,170 million, compared with net cash used of ¥35,657 million in fiscal 2024. The main variable factors were a decrease in purchase of shares of subsidiaries resulting in change in scope of consolidation and an increase in proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation.

Cash flows from financing activities

Financing activities in fiscal 2025 provided net cash of ¥171,763 million, compared with net cash provided of ¥97,994 million in fiscal 2024. The main variable factors in indirect financing were an increase in proceeds from long-term borrowings and a decrease in net increase (decrease) in short-term borrowings, while in direct financing there was an increase in net increase (decrease) in commercial papers and an increase in redemption of bonds.

(4) Outlook

Concerning the economic outlook going forward, although the impact of rising prices will remain, a gradual recovery is expected to continue, backed by improvements in the employment and income

environment. On the other hand, it is also important to bear in mind the effects of the situation in the Middle East, fluctuations in the financial capital markets, and other such factors, as the outlook is clouded by a sense of uncertainty.

In this environment the Fuyo Lease Group aims to achieve continuous growth as a corporate Group amid the dramatically changing external environment by realizing solutions to social issues and simultaneously increasing corporate value through the practice of CSV, which is the creation of shared value with society and the Company through business activities.

For the fiscal year ending March 31, 2027, we forecast consolidated operating profit of ¥70,000 million (up 72.7% year on year), ordinary profit of ¥75,000 million (up 96.1% year on year), and profit attributable to owners of parent of ¥48,000 million (up 122.6% year on year).

2. Basic views on selection of accounting standards

Considering the comparability between consolidated financial statements over different accounting periods and of different companies, the Fuyo Lease Group prepares its consolidated financial statements in accordance with Japanese accounting standards.

Furthermore, regarding the adoption of International Financial Reporting Standards (IFRS), the Fuyo Lease Group intends to deal with the issue appropriately, taking into account various conditions in Japan and overseas.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheets

(¥ millions)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	66,598	79,950
Installment receivables	54,901	57,904
Lease receivables and investments in leases	851,478	871,432
Operating loans	382,529	498,982
Accounts receivable - other loans to customers	145,419	147,751
Operational investment securities	548,116	590,745
Other operating assets	32,016	25,485
Accounts receivable - lease	31,447	36,725
Other	104,834	105,964
Allowance for doubtful accounts	(2,158)	(2,475)
Total current assets	2,215,183	2,412,466
Non-current assets		
Property, plant and equipment		
Assets for lease		
Assets for lease	1,024,537	1,030,726
Advances for purchase of assets for lease	13,988	43,448
Total assets for lease	1,038,525	1,074,174
Other operating assets	32,841	30,064
Own-used assets	16,664	16,709
Total property, plant and equipment	1,088,031	1,120,948
Intangible assets		
Assets for lease	75	93
Other intangible assets		
Goodwill	39,184	36,948
Other	34,246	32,461
Total other intangible assets	73,431	69,409
Total intangible assets	73,506	69,503

(¥ millions)

	As of March 31, 2025	As of March 31, 2026
Investments and other assets		
Investment securities	155,675	193,030
Distressed receivables	30	1,867
Retirement benefit asset	2,582	4,617
Deferred tax assets	4,635	6,948
Other	40,477	34,182
Allowance for doubtful accounts	(6)	(3)
Total investments and other assets	203,395	240,643
Total non-current assets	1,364,933	1,431,095
Deferred assets		
Organization expenses	2	1
Business commencement expenses	243	161
Total deferred assets	245	163
Total assets	3,580,361	3,843,725

(¥ millions)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,454	46,457
Short-term borrowings	608,320	598,425
Current portion of bonds payable	94,496	81,600
Current portion of long-term borrowings	441,624	528,503
Commercial papers	213,000	292,000
Payables under securitization of lease receivables	3,500	9,600
Current portion of long-term payables under securitization of lease receivables	3,555	3,673
Lease liabilities	4,555	4,092
Income taxes payable	9,011	14,114
Deferred profit on installment sales	1,319	1,662
Provision for bonuses	3,596	3,865
Provision for bonuses for directors (and other officers)	285	291
Provision for share awards for directors (and other officers)	99	66
Provision for loss on guarantees	50	601
Other	56,212	69,369
Total current liabilities	1,476,083	1,654,323
Non-current liabilities		
Bonds payable	407,470	414,323
Long-term borrowings	1,034,488	1,071,126
Long-term payables under securitization of lease receivables	1,794	7,360
Lease liabilities	32	26
Long-term income taxes payable	41	-
Deferred tax liabilities	34,700	40,344
Retirement benefit liability	2,677	2,913
Provision for retirement benefits for directors (and other officers)	280	300
Provision for share awards for directors (and other officers)	912	1,060
Provision for maintenance costs	925	3,998
Provision for loss on guarantees	221	196
Asset retirement obligations	5,706	6,194
Other	76,972	73,249
Total non-current liabilities	1,566,224	1,621,092
Total liabilities	3,042,307	3,275,416

(¥ millions)

	As of March 31, 2025	As of March 31, 2026
Net assets		
Shareholders' equity		
Share capital	10,532	10,532
Capital surplus	1,902	1,887
Retained earnings	373,265	380,676
Treasury shares	(1,709)	(1,836)
Total shareholders' equity	383,991	391,259
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	55,417	77,192
Deferred gains or losses on hedges	(9,815)	(15,161)
Foreign currency translation adjustment	45,306	49,218
Remeasurements of defined benefit plans	466	374
Total accumulated other comprehensive income	91,374	111,623
Share acquisition rights	197	131
Non-controlling interests	62,491	65,295
Total net assets	538,054	568,309
Total liabilities and net assets	3,580,361	3,843,725

(2) Consolidated statements of income and statements of comprehensive income

Consolidated statements of income

(¥ millions)

	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Net sales	678,395	788,669
Cost of sales	558,764	685,445
Gross profit	119,630	103,223
Selling, general and administrative expenses	54,870	62,680
Operating profit	64,760	40,542
Non-operating income		
Interest income	341	426
Dividend income	2,934	3,734
Foreign exchange gains	429	—
Gain on investments in investment partnerships	65	122
Share of profit of entities accounted for using equity method	2,991	—
Recoveries of written off receivables	72	127
Reversal of allowance for doubtful accounts	715	1,143
Reversal of provision for loss on guarantees	32	—
Other	662	589
Total non-operating income	8,243	6,142
Non-operating expenses		
Interest expenses	2,942	4,320
Bond issuance costs	69	43
Foreign exchange losses	—	1,076
Loss on investments in investment partnerships	248	597
Distributions of profit or loss on silent partnerships	401	459
Share of loss of entities accounted for using equity method	—	1,737
Other	306	201
Total non-operating expenses	3,967	8,436
Ordinary profit	69,036	38,249
Extraordinary income		
Gain on sale of investment securities	33	1,424
Gain on bargain purchase	—	1,040
Compensation income for damage	—	100
Other	—	88
Total extraordinary income	33	2,654

(¥ millions)

	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Extraordinary losses		
Loss on sale of investment securities	—	238
Loss on valuation of investment securities	161	347
Impairment losses	14	255
Loss on disposal of non-current assets	21	28
System failure response costs	—	62
Other	8	—
Total extraordinary losses	206	933
Profit before income taxes	68,863	39,970
Income taxes - current	16,608	23,397
Income taxes - deferred	4,726	(8,276)
Total income taxes	21,335	15,120
Profit	47,527	24,849
Profit attributable to non-controlling interests	2,249	3,283
Profit attributable to owners of parent	45,277	21,565

Consolidated statements of comprehensive income

(¥ millions)

	FY2024 (April 1, 2024 – March 31, 2025)	FY2025 (April 1, 2025 – March 31, 2026)
Profit	47,527	24,849
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,343)	21,790
Deferred gains or losses on hedges	2,066	(5,303)
Foreign currency translation adjustment	17,224	3,488
Remeasurements of defined benefit plans, net of tax	(72)	274
Share of other comprehensive income of entities accounted for using equity method	(517)	1,134
Total other comprehensive income	12,357	21,384
Comprehensive income	59,885	46,233
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	58,148	41,814
Comprehensive income attributable to non-controlling interests	1,736	4,418

(3) Consolidated statements of changes in equity

FY2024 (From April 1, 2024 to March 31, 2025)

(¥ millions)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,532	1,902	342,268	(1,532)	353,171
Changes during period					
Dividends of surplus			(14,205)		(14,205)
Profit attributable to owners of parent			45,277		45,277
Purchase of treasury shares				(499)	(499)
Disposal of treasury shares			(75)	322	246
Net changes in items other than shareholders' equity					
Total changes during period	—	—	30,997	(177)	30,819
Balance at end of period	10,532	1,902	373,265	(1,709)	383,991

	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	61,773	(11,953)	28,268	415	78,504	289	45,362	477,326
Changes during period								
Dividends of surplus								(14,205)
Profit attributable to owners of parent								45,277
Purchase of treasury shares								(499)
Disposal of treasury shares								246
Net changes in items other than shareholders' equity	(6,356)	2,138	17,037	51	12,870	(91)	17,129	29,907
Total changes during period	(6,356)	2,138	17,037	51	12,870	(91)	17,129	60,727
Balance at end of period	55,417	(9,815)	45,306	466	91,374	197	62,491	538,054

FY2025 (From April 1, 2025 to March 31, 2026)

(¥ millions)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,532	1,902	373,265	(1,709)	383,991
Changes during period					
Dividends of surplus			(14,123)		(14,123)
Profit attributable to owners of parent			21,565		21,565
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares			(30)	176	146
Change in scope of equity method				(302)	(302)
Purchase of shares of consolidated subsidiaries		(15)			(15)
Net changes in items other than shareholders' equity					
Total changes during period	—	(15)	7,411	(127)	7,268
Balance at end of period	10,532	1,887	380,676	(1,836)	391,259

	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	55,417	(9,815)	45,306	466	91,374	197	62,491	538,054
Changes during period								
Dividends of surplus								(14,123)
Profit attributable to owners of parent								21,565
Purchase of treasury shares								(1)
Disposal of treasury shares								146
Change in scope of equity method								(302)
Purchase of shares of consolidated subsidiaries								(15)
Net changes in items other than shareholders' equity	21,775	(5,345)	3,912	(92)	20,249	(66)	2,803	22,986
Total changes during period	21,775	(5,345)	3,912	(92)	20,249	(66)	2,803	30,254
Balance at end of period	77,192	(15,161)	49,218	374	111,623	131	65,295	568,309

(4) Consolidated statements of cash flows

(¥ millions)

	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	68,863	39,970
Depreciation of assets for lease	49,039	60,119
Loss on retirement of assets for lease and cost of property for lease sales	37,204	190,065
Depreciation of other operating assets	3,205	3,096
Depreciation	3,539	4,717
Amortization of goodwill	1,747	2,463
Gain on bargain purchase	—	(1,040)
Impairment losses	14	255
Increase (decrease) in allowance for doubtful accounts	(1,074)	332
Increase (decrease) in provision for bonuses and bonuses for directors (and other officers)	264	259
Increase (decrease) in provision for retirement benefits for directors (and other officers)	26	(37)
Increase (decrease) in provision for share awards for directors (and other officers)	171	114
Increase (decrease) in provision for maintenance costs	(96)	3,097
Increase (decrease) in provision for loss on guarantees	(32)	525
Increase (decrease) in retirement benefit liability	75	599
Loss (gain) on valuation of short-term and long-term investment securities	161	347
Interest and dividend income	(3,275)	(4,161)
Capital costs and interest expenses	33,160	42,020
Loss (gain) on investments in investment partnerships and silent partnerships	183	475
Share of loss (profit) of entities accounted for using equity method	(2,991)	1,737
Loss (gain) on sale of short-term and long-term investment securities	(33)	(1,186)
Loss (gain) on disposal of non-current assets	21	28
Decrease (increase) in installment receivables	(3,655)	(2,660)
Net decrease (increase) in lease receivables and investments in leases	16,626	(19,513)
Decrease (increase) in accounts receivable - lease	1,911	(4,940)

(¥ millions)

	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Decrease (increase) in operating loans	(37,181)	(116,631)
Decrease (increase) in accounts receivable - other loans to customers	(13,334)	(2,308)
Decrease (increase) in investment securities for sale	(54,604)	(45,583)
Purchase of assets for lease	(156,964)	(282,729)
Purchase of other operating assets	(1,396)	(344)
Decrease (increase) in retirement benefit asset	(406)	(2,034)
Decrease (increase) in distressed receivables	(0)	(1,837)
Decrease (increase) in guarantee deposits	3,168	7,011
Increase (decrease) in trade payables	(1,064)	9,690
Increase (decrease) in lease obligations	(645)	(1,160)
Increase (decrease) in guarantee deposits received	(1,567)	(3,978)
Other, net	(34,697)	13,664
Subtotal	(93,636)	(109,553)
Interest and dividends received	5,314	4,944
Interest paid	(33,131)	(41,505)
Income taxes refund (paid)	(14,924)	(18,801)
Net cash provided by (used in) operating activities	(136,377)	(164,915)
Cash flows from investing activities		
Purchase of own-used assets	(3,428)	(3,427)
Proceeds from sale of own-used assets	17	-
Purchase of investment securities	(6,350)	(17,552)
Proceeds from sale and redemption of investment securities	3,621	12,859
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(29,448)	(1,323)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	10,537
Other, net	(69)	75
Net cash provided by (used in) investing activities	(35,657)	1,170

(¥ millions)

	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	41,303	(10,823)
Net increase (decrease) in commercial papers	(63,000)	79,000
Proceeds from long-term borrowings	526,947	610,704
Repayments of long-term borrowings	(453,637)	(491,765)
Net increase (decrease) in payables under securitization of lease receivables	(9,500)	6,100
Proceeds from securitization of lease receivables	—	10,000
Repayments of payables under securitization of lease receivables	(2,905)	(4,316)
Proceeds from issuance of bonds	109,520	84,308
Redemption of bonds	(35,000)	(95,736)
Purchase of treasury shares	(499)	(1)
Proceeds from disposal of treasury shares	246	146
Dividends paid	(14,205)	(14,123)
Dividends paid to non-controlling interests	(884)	(1,408)
Other, net	(391)	(319)
Net cash provided by (used in) financing activities	97,994	171,763
Effect of exchange rate change on cash and cash equivalents	(67)	5,327
Net increase (decrease) in cash and cash equivalents	(74,108)	13,346
Cash and cash equivalents at beginning of period	140,674	66,565
Cash and cash equivalents at end of period	66,565	79,911

(5) Notes to the consolidated financial statements

Note on the going-concern assumption

Not applicable

Notes on segment information, etc.

1. Overview of reportable segments

The Fuyo Lease Group's reportable segments are components of the Fuyo Lease Group for which separate financial information is available. These segments are subject to periodic examinations undertaken to enable the Board of Directors of the Fuyo Lease Group to make decisions on allocating resources and to evaluate performance.

The Fuyo Lease Group is primarily engaged in leasing and installment sales, and its operations are divided into three reportable segments based on the major types of transactions handled, namely the Lease and Installment Sales segment, the Financing segment, and the Other segment.

The Lease and Installment Sales segment conducts leasing of IT and office equipment, industrial machinery, and other assets (includes the sale of off-lease assets upon lease expiration or termination) and leasing of real estate, and sells commercial/service equipment, production facilities, medical devices, and other assets on an installment basis. The Financing segment is mainly engaged in commercial lending, investment in marketable securities for financial income and forming *tokumei-kumiai* (silent partnership) arrangements. The Other segment primarily engages in environmental-related businesses, fee handling, and BPO and mobility business, etc.

2. Calculation of net sales, profit/loss, assets, liabilities, and other items by reportable segment

Methods of accounting for reportable business segments are the same as those disclosed in "Basis of preparing consolidated financial statements." Profit of reportable business segments is based on operating profit. Intersegment revenue and transfers are based on prevailing market prices.

The segment information for the fiscal year ended March 31, 2025 is presented using figures reflecting material changes to the initial allocation of acquisition costs, which arose due to the finalization of the provisional accounting treatment for business combinations.

3. Disclosure of sales, profit (loss), asset, liability, and other items for each reportable segment
FY2024 (From April 1, 2024 to March 31, 2025)

(¥ millions)

	Lease and Installment Sales	Financing	Other	Total
Sales				
Revenues from external customers	583,677	39,003	55,714	678,395
Transactions with other segments	660	8,999	3,255	12,915
Net sales	584,337	48,002	58,969	691,310
Segment profit	43,744	25,090	11,429	80,265
Segment assets	1,922,658	1,401,269	141,174	3,465,101
Other items				
Depreciation	49,417	—	3,737	53,155
Amortization of goodwill	321	324	1,101	1,747
Investments in entities accounted for using equity method	—	—	—	—
Increase in property, plant and equipment and intangible assets	156,964	—	1,396	158,361

FY2025 (From April 1, 2025 to March 31, 2026)

(¥ millions)

	Lease and Installment Sales	Financing	Other	Total
Sales				
Revenues from external customers	677,005	45,571	66,093	788,669
Transactions with other segments	634	10,158	2,984	13,777
Net sales	677,639	55,729	69,077	802,446
Segment profit	44,627	1,086	11,179	56,892
Segment assets	2,010,223	1,588,907	142,517	3,741,648
Other items				
Depreciation	61,414	—	3,623	65,038
Amortization of goodwill	910	324	1,228	2,463
Investments in entities accounted for using equity method	—	—	—	—
Increase in property, plant and equipment and intangible assets	282,729	—	344	283,073

4. Description of nature of differences between amounts of reportable segments total and consolidated financial statements

Net sales (¥ millions)	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Reportable segments total	691,310	802,446
Eliminations	(12,915)	(13,777)
Net sales reported on the consolidated statements of income	678,395	788,669

Profit (¥ millions)	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Reportable segments total	80,265	56,892
Eliminations	(1,502)	(1,628)
Corporate expenses (Note)	(14,002)	(14,720)
Operating profit reported on the consolidated statements of income	64,760	40,542

Note:

Corporate expenses are mainly selling, general and administrative expenses that are not attributable to any reportable segment.

Assets (¥ millions)	As of March 31, 2025	As of March 31, 2026
Reportable segments total	3,465,101	3,741,648
Corporate assets (Note)	115,260	102,077
Total assets reported on the consolidated balance sheets	3,580,361	3,843,725

Note:

Corporate assets include surplus funds (cash and deposits, etc.), long-term investment funds (investment in securities) and assets related to administrative divisions that are not attributable to any reportable segment.

Other items (¥ millions)	Reportable segments total		Adjustment		Amounts reported on the consolidated financial statements	
	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025
Depreciation	53,155	65,038	2,628	2,894	55,784	67,933
Amortization of goodwill	1,747	2,463	—	—	1,747	2,463
Investments in entities accounted for using equity method	—	—	49,412	62,025	49,412	62,025
Increase in property, plant and equipment and intangible assets	158,361	283,073	3,428	3,427	161,790	286,501

Notes:

1. Depreciation adjustments mainly represent depreciation on own-used assets.
2. Adjustments for investments in entities accounted for using equity method mainly represent the amount of funds invested in entities accounted for using equity method.
3. Adjustments on increase in property, plant and equipment and intangible assets mainly represent capital investment in own-used assets.

Notes on per share information

	FY2024 (April 1, 2024 – March 31, 2025)	FY2025 (April 1, 2025 – March 31, 2026)
Net assets per share	¥5,269.74	¥5,575.11
Basic earnings per share	¥501.66	¥239.13
Diluted earnings per share	¥500.78	¥238.88

Notes:

- On April 1, 2025, the Company conducted a 3-for-1 stock split of its common stock. Accordingly, net assets per share, basic earnings per share and diluted earnings per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.
- Treasury shares, which is deducted when calculating the number of common shares as of the fiscal year-end, used in the computation of the net assets per share, includes the Company's shares owned by the Board Benefit Trust (BBT). The number of treasury shares owned by the Board Benefit Trust (BBT) as of the fiscal year-end is 510,600 shares for the fiscal year ended March 31, 2025 and 481,200 shares for the fiscal year ended March 31, 2026.
- Treasury shares, which is deducted when calculating the average number of shares during the period, used in the computation of the basic earnings per share, includes the Company's shares owned by the Board Benefit Trust (BBT). The average number of treasury shares owned by the Board Benefit Trust (BBT) during the period is 427,458 shares for the fiscal year ended March 31, 2025 and 483,624 shares for the fiscal year ended March 31, 2026.
- Calculation basis of net assets per share is as follows.

	As of March 31, 2025	As of March 31, 2026
Total net assets (¥ millions)	538,054	568,309
Amounts excluded from total net assets (¥ millions)	62,688	65,426
Of which, share acquisition rights	197	131
Of which, non-controlling interests	62,491	65,295
Net assets attributable to common shares (¥ millions)	475,365	502,883
Number of common shares as of the fiscal year-end used in the calculation of net assets per share (thousands shares)	90,206	90,201

5. Calculation basis of basic earnings per share and diluted earnings per share is as follows.

	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (¥ millions)	45,277	21,565
Amount not attributable to common shareholders (¥ millions)	—	—
Profit attributable to owners of parent attributable to common shares (¥ millions)	45,277	21,565
Average number of shares during the period (thousands shares)	90,256	90,184
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (¥ millions)	—	—
Increase in the number of common shares (thousands shares)	158	94
Residual securities that are not dilutive and not included in the calculation of diluted earnings per share	—————	—————

Notes on subsequent events

Not applicable

4. Newly executed contracts, operating assets

(1) Executed contracts volume

Segment by Business		FY2024 (April 1, 2024 – March 31, 2025)		FY2025 (April 1, 2025 – March 31, 2026)		Net Change	
		Executed contracts volume (¥ millions)	Composition (%)	Executed contracts volume (¥ millions)	Composition (%)	Amount (¥ millions)	Pct. (%)
Lease and installment sales	Finance leases	287,670	15.6	283,305	12.9	(4,365)	(1.5)
	Operating leases	210,559	11.4	254,982	11.6	44,422	21.1
	Total leases	498,230	27.0	538,287	24.5	40,057	8.0
	Installment sales	29,827	1.6	32,877	1.5	3,049	10.2
	Lease and installment sales total	528,058	28.6	571,164	26.0	43,106	8.2
Financing		1,314,656	71.3	1,629,640	74.0	314,984	24.0
Other		1,267	0.1	344	0.0	(923)	(72.8)
Total		1,843,981	100.0	2,201,149	100.0	357,167	19.4

Notes:

- Operating leases are recorded at the acquisition costs of lease assets. The executed volume of re-lease transactions is not included.
- The figures for the lease segment are the purchase prices of lease assets acquired during each respective fiscal year. The figures for the installment sales segment are the installment receivables net of the deferred profit on installment sales on an execution basis.

(2) Operating assets

Segment by Business		As of March 31, 2025		As of March 31, 2026		Net Change	
		Balance (¥ millions)	Composition (%)	Balance (¥ millions)	Composition (%)	Amount (¥ millions)	Pct. (%)
Lease and installment sales	Finance leases	851,478	27.7	871,432	26.8	19,953	2.3
	Operating leases	1,024,612	33.4	1,030,819	31.7	6,207	0.6
	Total leases	1,876,091	61.1	1,902,251	58.5	26,160	1.4
	Installment sales	53,582	1.7	56,241	1.7	2,659	5.0
	Lease and installment sales total	1,929,673	62.8	1,958,493	60.2	28,820	1.5
Financing		1,109,628	36.1	1,264,512	38.9	154,884	14.0
Other		32,841	1.1	30,064	0.9	(2,777)	(8.5)
Total		3,072,143	100.0	3,253,070	100.0	180,926	5.9

Note:

The figures for the installment sales segment are installment receivables net of the deferred profit on installment sales.