MITSUBISHI HC CAPITAL UK PLC

Mitsubishi HC Capital UK PLC

Consolidated Income Statement

For the six months ended

£m	30-Sep-24	30-Sep-23	% change
Interest income	172.9	136.5	26.7%
Finance lease income	48.0	41.6	15.4%
Operating lease rental income	355.8	311.3	14.3%
Operating lease maintenance income	71.7	60.6	18.3%
Sale of operating leased assets	207.1	185.4	11.7%
Other operating income	35.7	29.6	20.6%
Revenue	**891.2**	**765.0**	16.5%
Finance costs	(180.3)	(127.7)	41.2%
Depreciation and impairment of operating leased assets	(259.4)	(225.4)	15.1%
Maintenance expense on operating leased vehicles	(54.6)	(49.4)	10.6%
Disposal of operating leased assets	(183.1)	(152.3)	20.2%
Other cost of sales	(24.3)	(21.4)	13.5%
Cost of sales	**(701.7)**	**(576.2)**	**21.8%**
Gross Profit	**189.5**	**188.8**	**0.4%**
Impairment losses on credit exposures	(17.9)	(14.4)	24.3%
Administrative expenses	(122.9)	(119.3)	3.0%
Operating profit	**48.7**	**55.1**	**(11.6%)**
Fair value gain/ (loss) on derivative financial instruments	(0.4)	0.2	(300.0%)
Profit before tax	**48.3**	**55.3**	**(12.7%)**
Income tax expense	(13.2)	(14.4)	(8.3%)
Profit after tax	**35.1**	**40.9**	**(14.2%)**

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Consolidated Income Statement trend

For the three months ended

£m	31-Dec-23	31-Mar-24	30-Jun-24	30-Sep-24
Interest income	79.4	77.9	84.6	88.3
Finance lease income	24.6	23.0	23.6	24.4
Operating lease rental income	167.0	155.0	176.7	179.1
Operating lease maintenance income	32.2	37.8	35.4	36.3
Sale of operating leased assets	90.4	110.1	105.8	101.3
Other operating income	14.5	28.3	17.1	18.6
Revenue	**408.1**	**432.1**	**443.2**	**448.0**
Finance costs	(78.0)	(83.7)	(88.7)	(91.6)
Depreciation and impairment of operating leased assets	(115.5)	(92.2)	(128.9)	(130.5)
Maintenance expense on operating leased vehicles	(20.3)	(35.5)	(27.2)	(27.4)
Disposal of operating leased assets	(76.0)	(106.5)	(92.3)	(90.8)
Other cost of sales	(16.2)	(8.6)	(14.6)	(9.7)
Cost of sales	**(306.0)**	**(326.5)**	**(351.7)**	**(350.0)**
Gross Profit	**102.1**	**105.6**	**91.5**	**98.0**
Impairment losses on credit exposures	(7.1)	(4.8)	(8.9)	(9.0)
Administrative expenses	(61.6)	(61.0)	(60.7)	(62.2)
Operating profit	**33.4**	**39.8**	**21.9**	**26.8**
Fair value gain/ (loss) on derivative financial instruments	(0.9)	(1.6)	0.3	(0.7)
Profit before tax	**32.5**	**38.2**	**22.2**	**26.1**
Income tax expense	(8.9)	(10.1)	(6.0)	(7.2)
Profit after tax	**23.6**	**28.1**	**16.2**	**18.9**

£m	31-Dec-22	31-Mar-23	30-Jun-23	30-Sep-23
Interest income	55.6	61.2	64.6	71.9
Finance lease income	22.5	17.6	20.7	20.9
Operating lease rental income	143.6	143.9	152.4	158.9
Operating lease maintenance income	28.1	29.4	29.8	30.8
Sale of operating leased assets	66.0	82.5	96.5	88.9
Other operating income	15.1	15.3	13.4	16.2
Revenue	**330.9**	**349.9**	**377.4**	**387.6**
Finance costs	(46.9)	(50.7)	(57.9)	(69.8)
Depreciation and impairment of operating leased assets	(105.0)	(77.4)	(115.0)	(110.4)
Maintenance expense on operating leased vehicles	(21.8)	(28.1)	(24.3)	(25.1)
Disposal of operating leased assets	(52.4)	(67.9)	(78.5)	(73.8)
Other cost of sales	(12.2)	(27.0)	(10.2)	(11.2)
Cost of sales	**(238.3)**	**(251.1)**	**(285.9)**	**(290.3)**
Gross Profit	**92.6**	**98.8**	**91.5**	**97.3**
Impairment losses on credit exposures	(10.5)	(4.1)	(6.8)	(7.6)
Administrative expenses	(62.8)	(67.0)	(59.4)	(59.9)
Operating profit	**19.3**	**27.7**	**25.3**	**29.8**
Fair value gain/ (loss) on derivative financial instruments	0.8	(0.2)	0.8	(0.6)
Parent integration costs	-	(2.4)	-	-
Share of profit of joint venture	-	(0.1)	-	-
Gain / (loss) on discontinuation of equity method	-	-	-	-
Profit before tax	**20.1**	**25.0**	**26.1**	**29.2**
Income tax expense	(4.3)	(12.0)	(7.1)	(7.3)
Profit after tax	**15.8**	**13.0**	**19.0**	**21.9**

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Condensed Consolidated Balance Sheet

As at

£m	30-Sep-23	30-Dec-23	31-Mar-24	30-Jun-24	30-Sep-24
Assets:					
Intangible assets	62.7	61.3	59.7	57.7	55.6
Investment accounted for under the equity method	-	-	0.1	0.1	0.1
Property, plant and equipment under operating lease	2,478.9	2,613.4	2,689.5	2,749.0	2,769.4
Other property, plant, equipment and right of use assets	30.0	31.9	31.8	31.4	30.9
Loans and advances to customers	5,414.1	5,437.4	5,580.5	5,576.2	5,656.4
Financial instruments at fair value through profit or loss	70.8	68.0	66.3	63.3	65.0
Equity instruments at Fair Value through Other Comprehensive Income	40.7	41.3	37.9	37.9	33.0
Derivative financial instruments	143.2	85.7	73.3	69.4	48.8
Deferred tax assets	3.7	3.5	-	1.7	1.7
Retirement benefit asset	1.6	5.6	5.4	5.4	5.4
Inventories	28.9	33.8	35.9	27.9	26.5
Current tax asset	0.3	0.5	1.6	3.5	3.7
Trade and other receivables	176.5	193.3	184.1	177.3	183.3
Cash and cash equivalents	77.7	288.4	59.3	65.1	414.5
Total assets	**8,529.1**	**8,864.1**	**8,825.4**	**8,865.9**	**9,294.3**
Equity and liabilities:					
Equity and reserves attributable to equity holders:					
Share capital	116.1	116.2	116.2	116.2	116.2
Share premium	43.7	43.6	43.6	43.6	43.6
Retained earnings	838.6	862.0	890.0	869.1	887.9
Other reserves	67.7	21.6	22.6	21.7	(6.1)
Equity attributable to owners of the company	**1,066.1**	**1,043.4**	**1,072.4**	**1,050.6**	**1,041.6**
Non-controlling interests	0.2	(0.0)	-	-	-
Total equity	**1,066.3**	**1,043.4**	**1,072.4**	**1,050.6**	**1,041.6**
Non current liabilities:					
Interest bearing borrowings	3,329.9	3,701.5	3,674.1	3,951.4	4,798.8
Derivative financial instruments	197.9	175.8	207.5	250.6	194.0
Trade and other payables	134.3	136.0	119.4	121.1	121.2
Provisions	1.3	1.3	1.3	1.3	1.3
Deferred tax liability	53.3	38.0	44.5	45.6	34.7
	3,716.7	**4,052.6**	**4,046.8**	**4,370.0**	**5,150.0**
Current liabilities:					
Bank overdrafts	9.0	10.0	19.4	23.3	31.4
Interest bearing borrowings	3,137.6	3,206.8	3,097.2	2,812.0	2,497.5
Derivative financial instruments	142.4	100.9	128.1	178.8	137.1
Current tax liability	11.0	12.9	11.0	4.1	4.0
Trade and other payables	428.7	420.1	439.7	418.9	425.7
Provisions	17.4	17.4	10.8	8.2	7.0
	3,746.1	**3,768.1**	**3,706.2**	**3,445.3**	**3,102.7**
Total liabilities	**7,462.8**	**7,820.7**	**7,753.0**	**7,815.3**	**8,252.7**
Total equity and liabilities	**8,529.1**	**8,864.1**	**8,825.4**	**8,865.9**	**9,294.3**