

FY3/2017 1st Quarter Results

(Tokyo Stock Exchange / Nagoya Stock Exchange : 8593)

Results Announcement Date : August 3, 2016

Mitsubishi UFJ Lease & Finance Company Limited

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I

FY3/2017 1st Quarter Results

II

Appendix

(billion yen)

	FY3/2017 1Q	YOY Change	YOY Change (%)	FY3/2016 1Q	Reference
Total Revenues	201.0	+2.1	+1.1%	198.9	Profit & Loss Statement on p.12-13 (see p.8 for Net Credit Cost)
Gross Profit	38.8	-0.0	-0.0%	38.8	
Operating Income	22.6	+2.2	+11.0%	20.4	
Recurring Income	24.0	+2.3	+10.7%	21.7	
Net Income ※	15.6	+2.8	+22.6%	12.7	
New Transactions Volume	337.8	-43.7	-11.5%	381.6	p.4, 5

※Net income attributable to parent company shareholders

(billion yen)

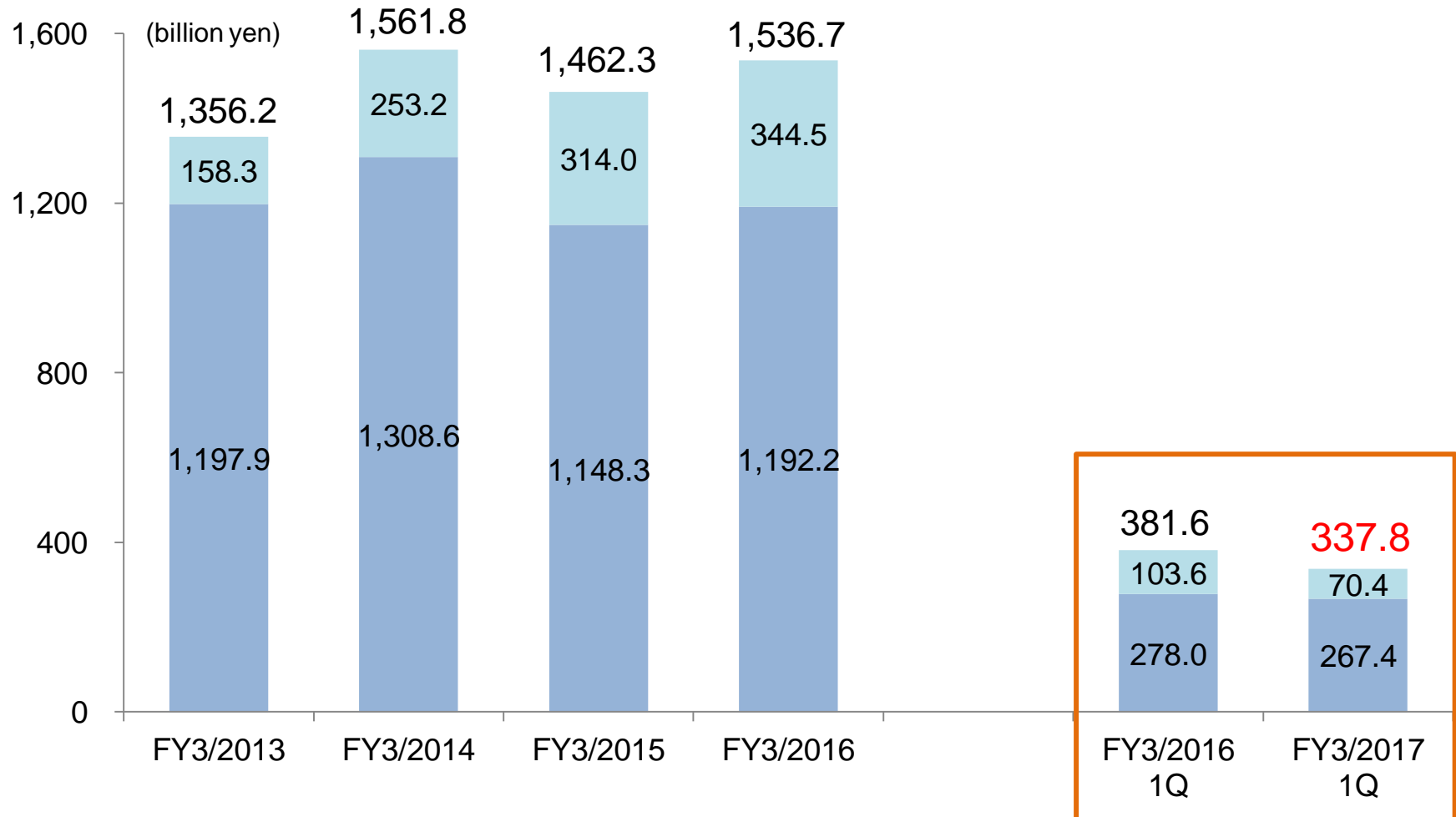
	FY3/2017 1Q	Change from FY3/2016	Change from FY3/2016(%)	FY3/2016	Reference
Total Equity	623.0	-19.2	-3.0%	642.3	Balance Sheet on p.14-15
Total Assets	5,008.7	-112.5	-2.2%	5,121.2	
Total Operating Assets	4,533.8	-92.6	-2.0%	4,626.4	p.6

New Transactions Volume by Transaction Type

(billion yen)

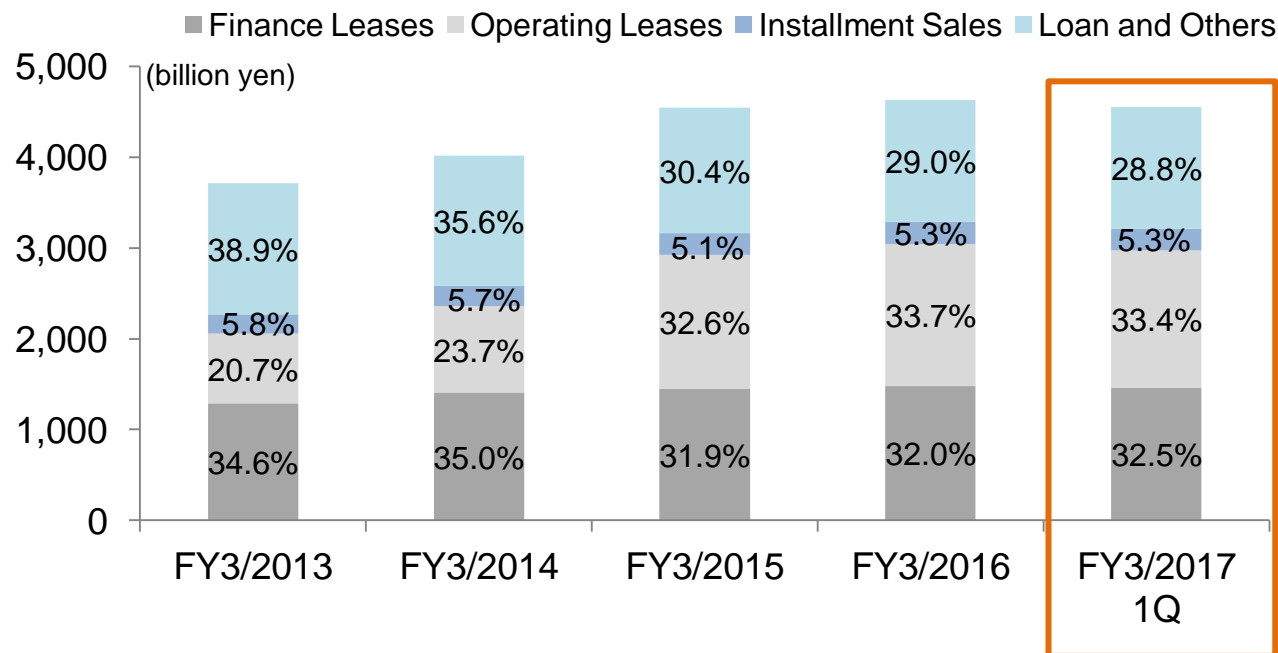
	FY3/2016 1Q	FY3/2017 1Q	YOY Change(%)
1. Lease Transactions Volume	191.8	167.1	-12.9%
IT / Office Equipment	35.5	30.9	-12.9%
Industrial Machinery	28.6	23.5	-17.8%
Civil Eng. & Construction Machinery	5.6	6.7	+20.5%
Transportation Equipment	70.7	44.8	-36.6%
Medical Equipment	12.7	16.2	+27.3%
Commercial & Service Equipment	17.4	18.2	+5.1%
Others	21.1	26.4	+25.1%
2. Installment Sales Volume	21.6	20.4	-5.8%
IT / Office Equipment	0.4	0.3	-21.7%
Industrial Machinery	2.5	2.4	-4.1%
Civil Eng. & Construction Machinery	6.2	6.6	+6.2%
Transportation Equipment	0.9	1.4	+48.3%
Medical Equipment	1.4	1.9	+39.9%
Commercial & Service Equipment	6.2	3.2	-48.0%
Others	3.6	4.2	+14.5%
3. Loan and Other Transaction Volume	168.1	150.3	-10.6%
Factoring	54.7	51.1	-6.5%
Real Estate Finance	20.9	29.6	+41.2%
Others	92.4	69.5	-24.7%
Volume of All New Transactions	381.6	337.8	-11.5%

■ Domestic ■ Overseas



(billion yen)

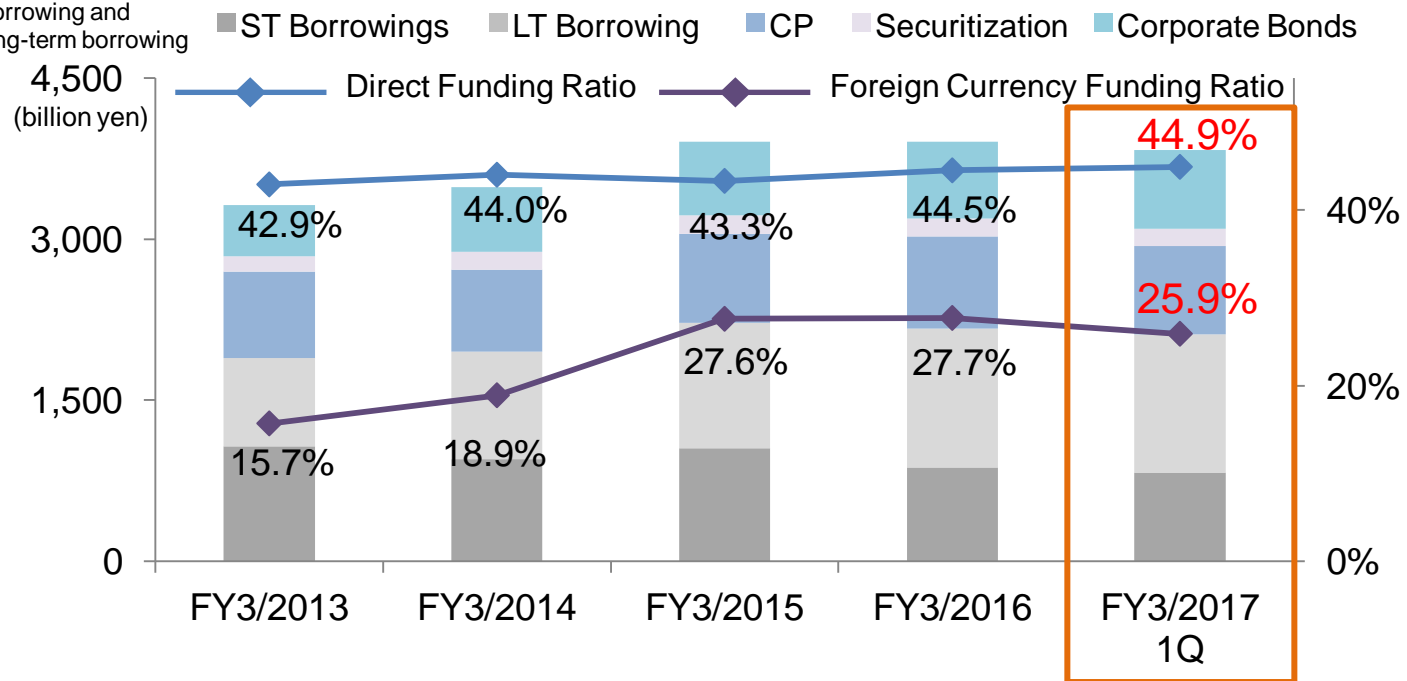
	FY3/2013	FY3/2014	FY3/2015	FY3/2016	FY3/2017 1Q	Change from FY3/2016
Finance Leases	1,286.1	1,405.7	1,447.6	1,480.3	1,472.6	-0.5%
Operating Leases	767.8	951.5	1,478.2	1,560.4	1,514.5	-2.9%
Installment Sales	216.7	227.3	234.0	245.8	242.8	-1.2%
Loan and Others	1,443.3	1,432.8	1,381.0	1,339.7	1,303.8	-2.7%
Total Operating Assets	3,713.9	4,017.4	4,540.9	4,626.4	4,533.8	-2.0%

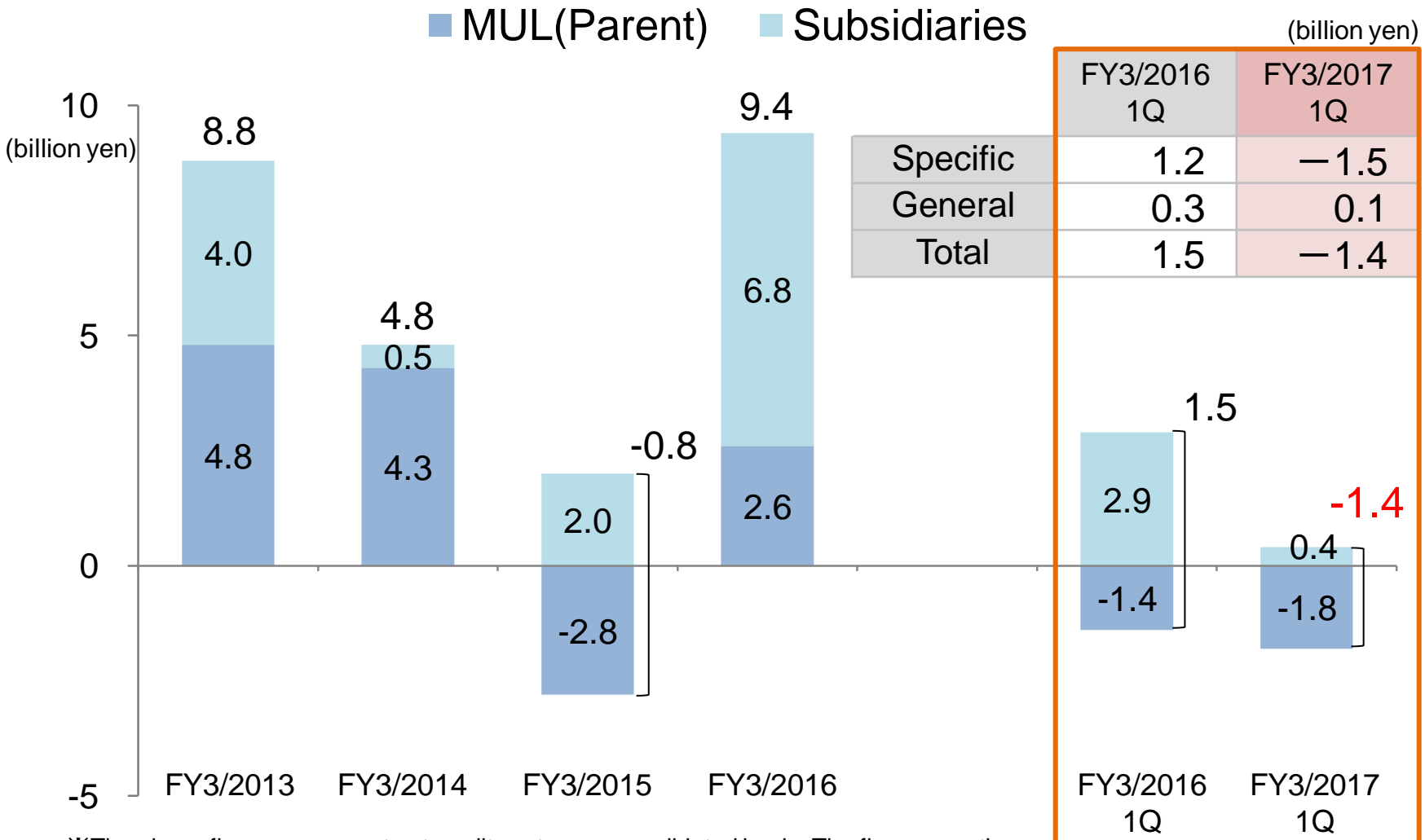


(billion yen)

	FY3/2013	FY3/2014	FY3/2015	FY3/2016	FY3/2017 1Q	Change from FY3/2016
ST Borrowing ※	1,069.9	953.2	1,049.7	874.3	827.0	-5.4%
LT Borrowing	822.1	999.6	1,168.3	1,295.1	1,284.8	-0.8%
CP	806.2	762.3	830.0	853.6	826.3	-3.2%
Securitization	139.6	164.4	173.5	168.8	158.3	-6.2%
Corporate Bonds	477.3	604.7	688.7	716.8	733.1	+2.3%
Total Funding	3,315.2	3,484.4	3,910.3	3,908.7	3,829.8	-2.0%

※Sum of short-term borrowing and current maturities of long-term borrowing





※The above figures represent net credit cost on a consolidated basis. The figures are the sum of related costs and expenses included in cost of revenues, SG&A expenses, non-operating items, and extraordinary items.

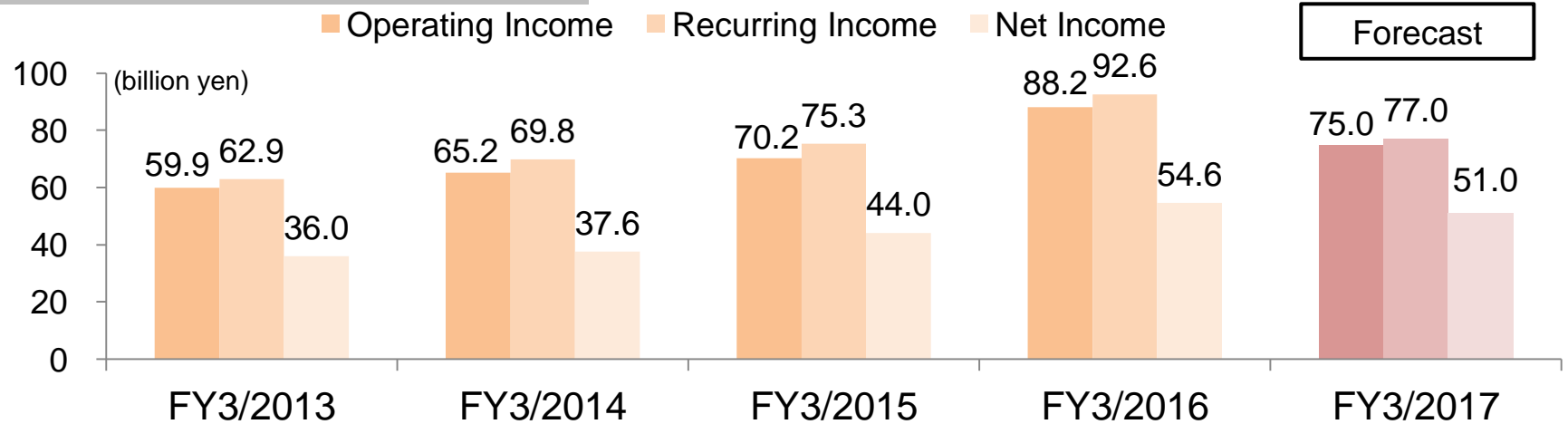
(billion yen)

	FY3/2017	YOY Change
Total Revenues	830.0	+0.5%
Gross Profit	152.0	-8.4%
Operating Income	75.0	-15.0%
Recurring Income	77.0	-16.9%
Net Income ※	51.0	-6.6%
Dividend per Share	12.50 yen	+0.20 yen

Consolidated forecast for FY3/2017 as of August 3, 2016

※Net Income attributable to parent company shareholders

Consolidated Financial Performance





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FY3/2017 1st Quarter Results



Appendix

Financial Performance – Profit & Loss Statement (1) *Value Integrator*

(million yen)

		FY3/2013 1Q	FY3/2014 1Q	FY3/2015 1Q	FY3/2016 1Q	FY3/2017 1Q
		12/4~12/6	13/4~13/6	14/4~14/6	15/4~15/6	16/4~16/6
1	Total Revenues	181,308	178,634	184,120	198,985	201,096
		+1.0%	-1.5%	+3.1%	+8.1%	+1.1%
2	Leases	139,227	144,638	149,439	164,194	166,637
		-0.5%	+3.9%	+3.3%	+9.9%	+1.5%
3	Installment Sales	20,749	21,132	22,206	21,031	22,432
		-10.0%	+1.8%	+5.1%	-5.3%	+6.7%
4	Loans	8,728	8,614	8,594	8,439	8,271
		-0.3%	-1.3%	-0.2%	-1.8%	-2.0%
5	Others	12,603	4,248	3,880	5,320	3,754
		+59.5%	-66.3%	-8.7%	+37.1%	-29.4%
6	Cost of Revenues	144,574	147,755	151,940	160,103	162,223
		-3.2%	+2.2%	+2.8%	+5.4%	+1.3%
7	COR / Revenues	79.7%	82.7%	82.5%	80.5%	80.7%
		-3.5P	+3.0P	-0.2P	-2.0P	+0.2P
8	Leases, COR	118,141	119,808	122,912	129,749	130,871
		-0.8%	+1.4%	+2.6%	+5.6%	+0.9%
9	Installment Sales, COR	18,700	19,258	20,359	19,341	20,826
		-10.3%	+3.0%	+5.7%	-5.0%	+7.7%
10	Financial expenses	4,493	6,049	6,616	8,911	8,531
		-4.5%	+34.6%	+9.4%	+34.7%	-4.3%
11	Others, COR	3,238	2,638	2,051	2,100	1,995
		-31.5%	-18.5%	-22.2%	+2.4%	-5.0%
12	Gross Profit	36,734	30,879	32,180	38,882	38,872
		+21.7%	-15.9%	+4.2%	+20.8%	-0.0%
13	Gross Profit / Revenues	20.3%	17.3%	17.5%	19.5%	19.3%
		+3.5P	-3.0P	+0.2P	+2.0P	-0.2P

Financial Performance – Profit & Loss Statement (2) *Value Integrator*

(million yen)

		FY3/2013 1Q	FY3/2014 1Q	FY3/2015 1Q	FY3/2016 1Q	FY3/2017 1Q
		12/4~12/6	13/4~13/6	14/4~14/6	15/4~15/6	16/4~16/6
14	SG&A Expenses	15,293	16,830	15,686	18,451	16,198
		+13.1%	+10.1%	-6.8%	+17.6%	-12.2%
15	Personnel Expenses	5,836	6,552	6,863	7,950	8,243
		+2.2%	+12.3%	+4.7%	+15.8%	+3.7%
16	Non-Personnel Expense	6,543	7,266	7,604	8,613	8,203
		+5.1%	+11.0%	+4.7%	+13.3%	-4.8%
17	Expenses for Non-performing Assets	2,913	3,011	1,218	1,887	-248
		+83.9%	+3.4%	-59.5%	+54.8%	-
18	Overhead Ratio	33.7%	44.7%	45.0%	42.6%	42.3%
	(Overhead expenses divided by GP)	-5.8P	+11.0P	+0.3P	-2.4P	-0.3P
19	Operating Income	21,440	14,048	16,493	20,431	22,673
		+28.6%	-34.5%	+17.4%	+23.9%	+11.0%
20	Operating Income / Revenues	11.8%	7.9%	9.0%	10.3%	11.3%
		+2.5P	-4.0P	+1.1P	+1.3P	+1.0P
21	Recurring Income	23,829	16,273	17,214	21,767	24,093
		+31.0%	-31.7%	+5.8%	+26.4%	+10.7%
22	Extraordinary Income	34	46	748	0	1,717
		-28.6%	+31.8%	+1,524.3%	-	-
23	Extraordinary Cost	298	3	0	0	30
		-35.8%	-98.8%	-	-	-
24	Net Income ※	13,870	9,513	10,510	12,765	15,649
		+33.1%	-31.4%	+10.5%	+21.4%	+22.6%

※Net Income Attributable to Parent Company Shareholders

(million yen)

		FY3/2013	FY3/2014	FY3/2015	FY3/2016	FY3/2017 1Q
1	Total Equity	468,061	534,250	621,344	642,366	623,091
		+11.2%	+14.1%	+16.3%	+3.4%	-3.0%
2	Total Assets	4,177,784	4,497,502	5,035,676	5,121,253	5,008,744
		+13.5%	+7.7%	+12.0%	+1.7%	-2.2%
3	Operating Assets	3,713,972	4,017,419	4,540,920	4,626,455	4,533,847
		+11.3%	+8.2%	+13.0%	+1.9%	-2.0%
4	Leases	2,053,955	2,357,220	2,925,880	3,040,849	2,987,177
		+23.2%	+14.8%	+24.1%	+3.9%	-1.8%
5	Installment Sales	216,700	227,318	234,023	245,882	242,820
		-2.6%	+4.9%	+2.9%	+5.1%	-1.2%
6	Loans	1,256,032	1,288,819	1,257,593	1,241,831	1,216,430
		+5.2%	+2.6%	-2.4%	-1.3%	-2.0%
7	Others	187,285	144,061	123,423	97,892	87,419
		-25.7%	-23.1%	-14.3%	-20.7%	-10.7%
8	Impaired Assets	46,066	33,223	33,434	27,921	26,871
		-6.8%	-27.9%	+0.6%	-16.5%	-3.8%
9	Allowance	15,921	12,494	14,134	16,302	15,034
10	Net Balance of Impaired Assets	30,145	20,729	19,300	11,618	11,837
		-11.1%	-31.2%	-6.9%	-39.8%	+1.9%

(million yen)

		FY3/2013	FY3/2014	FY3/2015	FY3/2016	FY3/2017 1Q
11	Equity Ratio	10.7%	11.4%	11.8%	12.0%	11.9%
		-0.2P	+0.7P	+0.4P	+0.2P	-0.1P
12	ROE	8.5%	7.9%	8.0%	9.0%	-
		-0.4P	-0.6P	+0.1P	+1.0P	-
13	ROA	0.9%	0.9%	0.9%	1.1%	-
		-0.0P	-0.0P	+0.0P	+0.2P	-
14	Total Funding	3,315,294	3,484,480	3,910,324	3,908,736	3,829,812
		+14.6%	+5.1%	+12.2%	-0.0%	-2.0%
15	Indirect Funding	1,892,132	1,952,985	2,218,009	2,169,456	2,111,946
		+15.9%	+3.2%	+13.6%	-2.2%	-2.7%
16	Direct Funding	1,423,162	1,531,494	1,692,314	1,739,279	1,717,866
		+12.8%	+7.6%	+10.5%	+2.8%	-1.2%
17	CP	806,200	762,300	830,000	853,600	826,300
		+12.1%	-5.4%	+8.9%	+2.8%	-3.2%
18	Securitization (Lease Receivables)	139,644	164,413	173,539	168,869	158,372
		+34.0%	+17.7%	+5.6%	-2.7%	-6.2%
19	Corporate Bond	477,317	604,781	688,774	716,809	733,193
		+9.0%	+26.7%	+13.9%	+4.1%	+2.3%
20	Direct Funding Ratio	42.9%	44.0%	43.3%	44.5%	44.9%
		-0.7P	+1.1P	-0.7P	+1.2P	+0.4P

Overview of Principal Consolidated Companies (1) *Value Integrator*

(million yen)

FY3/2017 1Q	Mitsubishi UFJ Lease & Finance (Parent)		Japan Medical Lease MUL's Share : 100%		DFL Lease MUL's Share : 95%	
	Amount	YOY Change	Amount	YOY Change	Amount	YOY Change
Revenues	115,457	+0.0%	9,061	-1.2%	4,908	+3.7%
Gross Profit	16,098	-7.5%	735	-4.5%	419	+2.4%
Operating Income	8,722	-16.0%	202	-	191	-9.3%
Recurring Income	9,109	-7.5%	229	-	194	-9.9%
Net Income	7,333	+14.6%	147	-	138	-2.9%
FY3/2017 1Q	Amount	Change from FY3/2016	Amount	Change from FY3/2016	Amount	Change from FY3/2016
Operating Assets	2,878,557	-0.9%	100,630	-0.5%	59,886	+2.4%
Total Assets	3,711,294	-1.1%	103,819	-0.7%	61,723	+2.2%
Total Equity	442,466	+3.4%	13,508	+1.1%	11,067	+1.3%

(million yen)

FY3/2017 1Q	Shinko Lease MUL's Share : 80%		Casio Lease MUL's Share : 80%		Hirogin Lease MUL's Share : 80%	
	Amount	YOY Change	Amount	YOY Change	Amount	YOY Change
Revenues	7,448	+20.0%	2,777	+0.7%	4,026	+0.8%
Gross Profit	492	-7.5%	230	-8.8%	463	-1.2%
Operating Income	158	-17.2%	38	+17.1%	236	-5.2%
Recurring Income	190	-6.0%	48	-3.9%	245	-7.0%
Net Income	146	+15.4%	30	-6.1%	168	-2.6%
FY3/2017 1Q	Amount	Change from FY3/2016	Amount	Change from FY3/2016	Amount	Change from FY3/2016
Operating Assets	86,590	-3.9%	32,440	-0.5%	58,284	-2.1%
Total Assets	91,316	-3.7%	33,532	-0.3%	60,727	-2.3%
Total Equity	8,326	+0.3%	11,852	+0.3%	11,169	+1.4%

Overview of Principal Consolidated Companies (2) *Value Integrator*

(million yen)

FY3/2017 1Q	Shutoken Leasing MUL's Share : 76%		Chukyo General Lease MUL's Share : 70%		MMC Diamond Finance MUL's Share : 50%	
	Amount	YOY Change	Amount	YOY Change	Amount	YOY Change
Revenues	7,039	+2.5%	1,767	+7.9%	4,822	-24.7%
Gross Profit	833	-5.8%	146	+3.7%	2,582	-0.6%
Operating Income	417	-0.3%	45	+8.8%	1,002	+11.1%
Recurring Income	450	+1.8%	52	+0.4%	1,183	+9.8%
Net Income	317	+7.9%	34	+1.3%	817	+15.1%

FY3/2017 1Q	Amount	Change from FY3/2016	Amount	Change from FY3/2016	Amount	Change from FY3/2016
Operating Assets	124,772	+0.1%	19,695	-1.0%	258,040	-3.1%
Total Assets	128,854	+0.1%	20,765	-2.0%	281,832	-3.1%
Total Equity	14,311	+1.7%	5,663	+0.4%	22,796	+3.7%

(million yen)

FY3/2017 1Q	Diamond Rental System MUL's Share : 100%		Diamond Asset Finance MUL's Share : 100%		Miyuki Building MUL's Share : 98%	
	Amount	YOY Change	Amount	YOY Change	Amount	YOY Change
Revenues	6,800	-0.3%	1,703	+2.6%	1,678	+4.5%
Gross Profit	558	-1.5%	1,220	+3.8%	796	+1.7%
Operating Income	126	-20.0%	838	-0.6%	663	+0.2%
Recurring Income	130	-17.2%	876	+1.9%	574	+3.7%
Net Income	88	-13.9%	603	+5.3%	375	+4.5%

FY3/2017 1Q	Amount	Change from FY3/2016	Amount	Change from FY3/2016	Amount	Change from FY3/2016
Operating Assets	55,434	-3.1%	214,575	+0.9%	63,123	-0.4%
Total Assets	57,616	-3.2%	218,027	+1.4%	66,447	+0.5%
Total Equity	5,873	+1.5%	28,129	+2.2%	24,469	+1.4%

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