

FY3-2011 – 1st Quarter Results

(Tokyo Stock Exchange / Nagoya Stock Exchange: 8593)

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Value Integrator

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Mitsubishi UFJ Lease & Finance's statements contained in this material of their current expectations are forward-looking statements subject to significant risks and uncertainties, and actual results may differ materially. Factors that could cause actual results to differ materially include, but are not limited to, changes in overall economic conditions, changes in market rates of interest and the effect of new legislation or government directives.

1. Financial Summary FY3/2011-1Q (Consolidated)

(Billion Yen)

	FY3/2011 1Q	YOY Change	FY3/2010 1Q
Operating Revenues	182.6	-1.4%	185.2
Gross Profit	29.5	+15.8%	25.5
Operating Profit	14.8	+68.1%	8.8
Recurring Profit	15.2	+65.1%	9.2
Net Profit	7.8	+70.9%	4.6
New Transaction Volume	306.5	-5.7%	324.9

	FY3/2011 1Q	Change From FY3/2010	FY3/2010
Net Asset	372.1	+1.4%	366.8
Total Asset	3,870.2	-0.4%	3,885.1

- In FY3/2011-1Q, Operating Revenues were decreased by 1.4% to 182.6bil yen. As a result of continuous efforts for low cost and stable funding as well as concentration on efficient business operation, Gross Profit was increased by 15.8% to 29.5bil yen.
- Mainly due to decrease amount of Expenses (credit cost) for non-performing assets, Operating Profit was increased by 68.1% to 14.8bil yen, Recurring Profit was increased by 65.1% to 15.2bil yen and Net Profit was increased by 70.9% to 7.8bil yen.

○Breakdown of Expenses for Non-performing asset in SG&A Expenses

(billion yen)

	Specific Provision	General Provision	Total
MUL	1.7	1.5	3.2
Subsidiaries	0.5	-0.7	-0.2
Total	2.2	0.8	3.0

2. Trend of Financial Performance (Consolidated)

◎ Profit & Loss Statement

million yen

	Consolidated				
	FY3/07-1Q	FY3/08-1Q	FY3/09-1Q	FY3/10-1Q	FY3/11-1Q
	06/4~06/6	07/4~07/6	08/4~08/6	09/4~09/6	10/4~10/6
1 Operating Revenues	128,150	246,333	213,826	185,265	182,687
	-0.3%	+92.2%	-13.2%	-13.4%	-1.4%
2 Leases	89,436	190,080	160,461	138,845	140,693
	-4.7%	+112.5%	-15.6%	-13.5%	+1.3%
3 Installment Sales	30,292	42,770	38,327	31,511	26,475
	+2.5%	+41.2%	-10.4%	-17.8%	-16.0%
4 Loans	3,678	8,529	9,220	9,743	9,377
	+25.2%	+131.8%	+8.1%	+5.7%	-3.8%
5 Others	4,743	4,953	5,816	5,164	6,141
	+115.6%	+4.4%	+17.4%	-11.2%	+18.9%
6 Cost of Revenues	114,035	219,582	187,393	159,744	153,124
	-1.0%	+92.6%	-14.7%	-14.8%	-4.1%
7 COR / Revenues	89.0%	89.1%	87.6%	86.2%	83.8%
	-0.7P	+0.1P	-1.5P	-1.4P	-2.4P
8 Leases, COR	79,326	168,673	141,209	121,125	119,978
	-5.3%	+112.6%	-16.3%	-14.2%	-0.9%
9 Installment Sales, COR	28,500	39,707	35,658	28,793	24,093
	+2.6%	+39.3%	-10.2%	-19.3%	-16.3%
10 Financial expenses	2,697	8,162	8,117	7,679	5,643
	+20.7%	+202.6%	-0.6%	-5.4%	-26.5%
11 Others, COR	3,511	3,039	2,408	2,146	3,408
	+142.5%	-13.4%	-20.8%	-10.9%	+58.8%
12 Gross Profit	14,115	26,750	26,433	25,520	29,563
	+6.2%	+89.5%	-1.2%	-3.5%	+15.8%
13 Gross Profit / Revenues	11.0%	10.9%	12.4%	13.8%	16.2%
	+0.7P	-0.1P	+1.5P	+1.4P	+2.4P
14 SG&A Expenses	5,170	12,859	14,478	16,673	14,691
	+2.9%	+148.7%	+12.6%	+15.2%	-11.9%
15 Personnel Expenses	2,570	5,455	5,433	5,244	5,535
	+1.4%	+112.2%	-0.5%	-3.5%	+5.5%
16 Non-Personnel Expenses	2,568	7,403	6,253	5,742	6,118
	+3.1%	+188.2%	-15.6%	-8.2%	+6.5%
17 Expenses for Non-performing assets	30	0	2,792	5,687	3,038
	-	-	-	+103.7%	-46.6%
18 Overhead Ratio	36.4%	48.1%	44.2%	43.0%	39.4%
(Overhead expenses divided by GP)	-1.4P	+11.7P	-3.9P	-1.2P	-3.6P
19 Operating Profit	8,945	13,891	11,955	8,846	14,871
	+8.2%	+55.3%	-13.9%	-26.0%	+68.1%
20 OP / Revenues	7.0%	5.6%	5.6%	4.8%	8.1%
	+0.6P	-1.4P	-0.0P	-0.8P	+3.3P
21 Recurring Profit	9,402	13,947	12,029	9,208	15,200
	+7.5%	+48.3%	-13.7%	-23.5%	+65.1%
22 Extraordinary Profit	1,196	786	465	379	436
	+360.0%	-34.3%	-40.7%	-18.6%	+15.1%
23 Extraordinary Cost	19	19	1,619	94	921
	+35.7%	-0.5%	+8,466%	-94.2%	+872.8%
24 Net Profit	6,482	8,085	5,886	4,618	7,894
	+9.7%	+24.7%	-27.2%	-21.5%	+70.9%

※ Percentage ("%") and Point ("P") in the lower line represent yoy change.

◎ Balance Sheet

million yen

		Consolidated				
		FY3/2007	FY3/2008	FY3/2009	FY3/2010	FY3/2011 1Q
1	Net Assets	154,267	312,352	342,633	366,891	372,177
		+18.5%	+102.5%	+9.7%	+7.1%	+1.4%
2	Total Assets	2,380,467	3,965,891	3,909,077	3,885,161	3,870,218
		+30.4%	+66.6%	-1.4%	-0.6%	-0.4%
3	Operating Assets	2,185,763	3,630,737	3,497,071	3,517,982	3,515,777
		+32.3%	+66.1%	-3.7%	+0.6%	-0.1%
4	Leases	820,541	1,794,936	1,565,325	1,677,155	1,692,598
		-1.2%	+118.8%	-12.8%	+7.1%	+0.9%
5	Installment Sales	288,129	431,143	368,467	297,051	281,777
		-3.6%	+49.6%	-14.5%	-19.4%	-5.1%
6	Loans	901,858	1,145,939	1,227,716	1,222,770	1,222,751
		+96.3%	+27.1%	+7.1%	-0.4%	-0.0%
7	Others	175,233	258,719	335,562	321,005	318,649
		+174.9%	+47.6%	+29.7%	-4.3%	-0.7%
8	Impaired Assets	4,474	6,382	47,983	46,351	42,110
		-52.0%	+42.6%	+651.8%	-3.4%	-9.2%
9	Allowance	1,043	2,014	3,694	8,487	7,397
10	Net Balance of Impaired Assets	3,431	4,368	44,288	37,863	34,712
		-56.4%	+27.3%	+913.9%	-14.5%	-8.3%
11	Equity Ratio	6.2%	7.5%	8.4%	9.1%	9.2%
		-0.9P	+1.3P	+0.9P	+0.7P	+0.1P
12	Total Funding	2,033,869	3,314,673	3,190,431	3,148,926	3,137,529
		+33.7%	+63.0%	-3.7%	-1.3%	-0.4%
13	Indirect Funding	1,177,464	1,765,716	1,842,291	1,740,993	1,727,445
		+44.7%	+50.0%	+4.3%	-5.5%	-0.8%
14	Direct Funding	856,404	1,548,957	1,348,139	1,407,932	1,410,084
		+21.1%	+80.9%	-13.0%	+4.4%	+0.2%
15	CP	552,300	900,800	892,900	872,400	882,200
		+21.0%	+63.1%	-0.9%	-2.3%	+1.1%
16	Securitization (Lease Receivables)	63,004	288,108	162,959	152,256	140,384
		-22.8%	+357.3%	-43.4%	-6.6%	-7.8%
17	Corporate Bond	241,100	360,049	292,280	383,276	387,500
		+42.7%	+49.3%	-18.8%	+31.1%	+1.1%
18	Direct Funding Ratio	42.1%	46.7%	42.3%	44.7%	44.9%
		-4.4P	+4.6P	-4.4P	+2.4P	+0.2P

※ Percentage ("%") and Point ("P") in the lower line represent yoy ratio.

3. Overview of Principal Consolidated Companies

million yen

	Mitsubishi UFJ Lease & Finance (Parent)		DFL Lease MUL's Share : 95%	
	Amounts	YOY Change	Amounts	YOY Change
Revenues	126,550	-3.1%	4,928	-9.5%
Gross Profit	20,323	+15.2%	569	+0.5%
Operating Profit	9,842	+47.0%	317	+289.3%
Recurring Profit	10,847	+53.6%	323	+290.8%
Net Profit	5,421	+53.0%	306	+75.1%
	Amounts	Change from FY3/2010	Amounts	Change from FY3/2010
Operating Asset	2,897,369	+0.4%	49,699	-4.9%
Total Asset	3,241,521	+0.1%	51,586	-4.8%
Net Asset	329,430	+0.6%	6,129	+5.3%

	Japan Medical Lease MUL's Share : 100%		Shinko Lease MUL's Share : 80%	
	Amounts	YOY Change	Amounts	YOY Change
Revenues	7,939	+9.5%	7,514	-6.9%
Gross Profit	874	+15.7%	588	-1.7%
Operating Profit	335	+30.9%	219	+69.0%
Recurring Profit	349	+30.6%	236	+80.2%
Net Profit	199	+27.8%	129	+68.9%
	Amounts	Change from FY3/2010	Amounts	Change from FY3/2010
Operating Asset	91,164	+1.0%	105,662	-2.4%
Total Asset	94,451	+1.4%	109,770	-6.1%
Net Asset	8,410	+2.4%	5,460	+1.7%

	Casio Lease MUL's Share : 80%		Hirogin Lease MUL's Share : 80%	
	Amounts	YOY Change	Amounts	YOY Change
Revenues	4,556	-5.3%	5,785	-7.3%
Gross Profit	443	+16.7%	647	+11.7%
Operating Profit	335	+198.9%	422	+22.8%
Recurring Profit	335	+198.1%	423	+22.9%
Net Profit	210	+382.5%	283	+5.0%
	Amounts	Change from FY3/2010	Amounts	Change from FY3/2010
Operating Asset	39,133	-1.3%	59,726	-3.5%
Total Asset	40,200	-1.0%	63,147	-2.9%
Net Asset	9,525	+2.3%	6,304	+4.5%

million yen

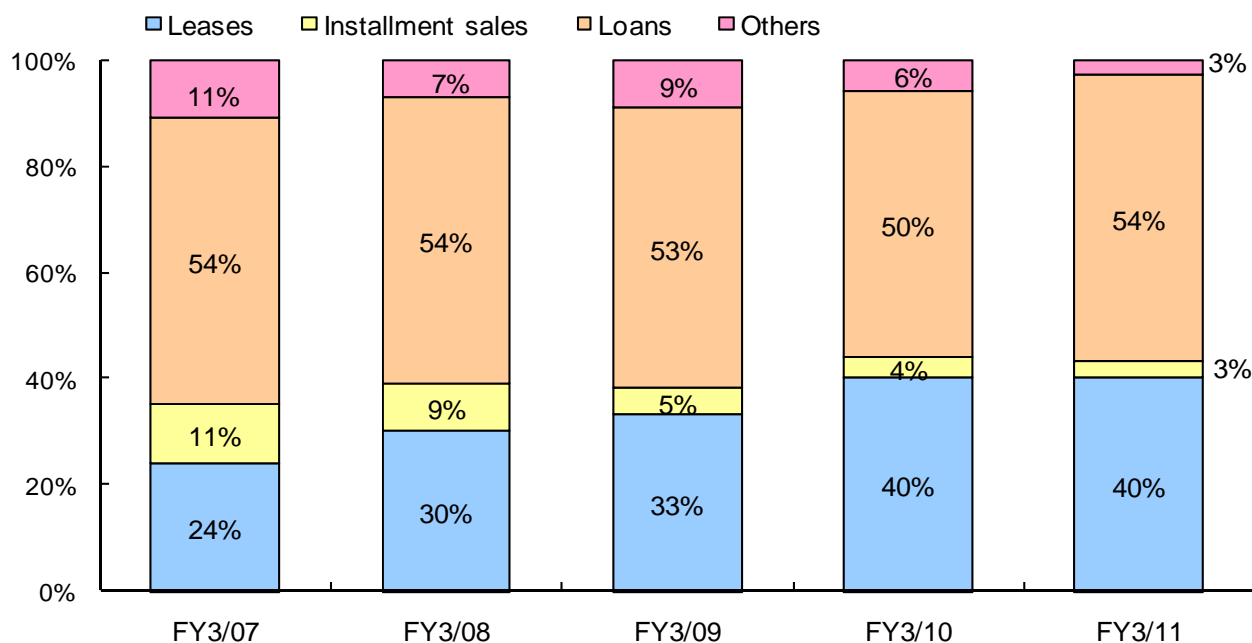
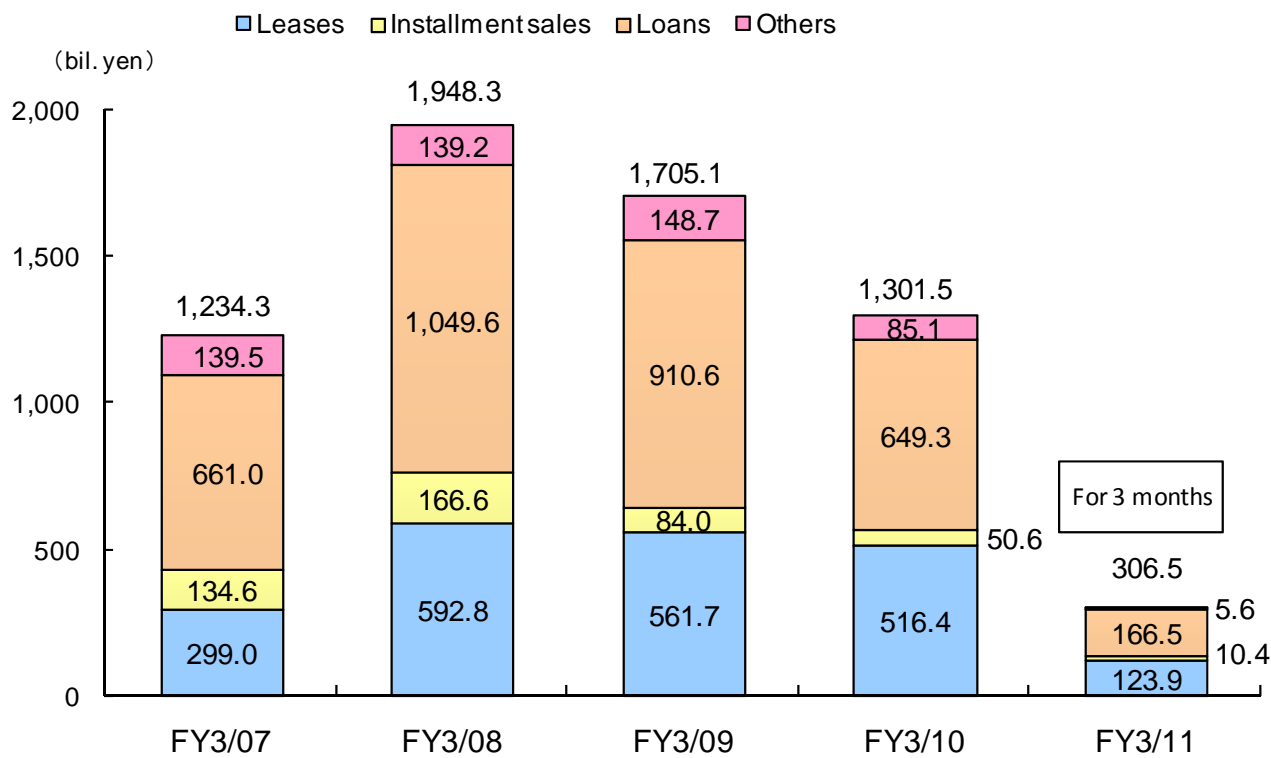
	Shutoken Leasing MUL's Share : 76%		Chukyo General Lease MUL's Share : 70%	
	Amounts	YOY Change	Amounts	YOY Change
Revenues	6,051	-13.1%	1,849	-4.2%
Gross Profit	923	-33.5%	214	+18.3%
Operating Profit	502	+92.5%	-110	-286.0%
Recurring Profit	521	+93.5%	-108	-276.0%
Net Profit	340	+91.0%	-21	-141.9%
	Amounts	Change from FY3/2010	Amounts	Change from FY3/2010
Operating Asset	98,968	-0.6%	17,764	-2.6%
Total Asset	102,394	-0.5%	18,664	-2.0%
Net Asset	8,519	+3.2%	4,397	-0.6%

	MMC Diamond Finance MUL's Share : 50%		Diamond Rental System MUL's Share : 100%	
	Amounts	YOY Change	Amounts	YOY Change
Revenues	4,046	+0.0%	6,189	-1.1%
Gross Profit	1,661	+21.2%	625	+9.7%
Operating Profit	337	+73.5%	146	+64.4%
Recurring Profit	340	+74.3%	144	+66.1%
Net Profit	251	+47.8%	80	+42.0%
	Amounts	Change from FY3/2010	Amounts	Change from FY3/2010
Operating Asset	192,349	+3.7%	49,679	-2.0%
Total Asset	202,265	+3.8%	52,372	-1.6%
Net Asset	11,114	+2.3%	3,337	+2.5%

	Diamond Asset Finance MUL's Share : 100%		Miyuki Building MUL's Share : 97%	
	Amounts	YOY Change	Amounts	YOY Change
Revenues	3,280	+26.9%	1,543	-
Gross Profit	1,206	+22.2%	905	-
Operating Profit	819	+41.2%	789	-
Recurring Profit	822	+33.7%	626	-
Net Profit	877	+123.3%	338	-
	Amounts	Change from FY3/2010	Amounts	Change from FY3/2010
Operating Asset	160,060	+3.4%	52,336	-0.3%
Total Asset	171,686	+2.0%	56,681	+0.8%
Net Asset	11,194	+8.5%	16,813	+2.0%

4. Business Performance (New Transaction)

- FY3/2011-1Q, new transaction volume (consolidated) decreased by 5.7% year-on-year, to ¥306.5billion.
- By segment, leases were decreased by 18.8%, installment sales were decreased by 41.9%, loans and other business were increased by 11.5%.
- Composition of transaction type: Leases 40%, Installment sales 3%, Loans 54%, Others 3%.



Breakdown of transactions

Leases (new transactions in volume)

(bil.yen)

	FY3/10 1Q	FY3/11 1Q	yoy change
IT / Office Equip.	37.0	27.9	-24.5%
Industrial Machinery	51.1	43.7	-14.5%
Civil Eng. & Construction Machinery	6.2	2.3	-62.2%
Transport Equip.	9.3	5.6	-39.3%
Medical Equip.	11.6	10.6	-8.9%
Commercial & Service Equip.	15.8	12.3	-22.5%
Others	21.3	21.2	-0.3%
Total	152.6	123.9	-18.8%

Installment sales (new transactions in volume)

(bil.yen)

	FY3/10 1Q	FY3/11 1Q	yoy change
IT / Office Equip.	1.5	1.4	-2.9%
Industrial Machinery	4.1	0.9	-75.9%
Civil Eng. & Construction Machinery	1.6	1.1	-33.6%
Transport Equip.	0.7	0.7	+3.8%
Medical Equip.	1.7	1.3	-23.9%
Commercial & Service Equip.	2.7	2.7	+0.1%
Others	5.3	1.9	-63.4%
Total	17.9	10.4	-41.9%

Loan transactions (new transactions in volume)

(bil.yen)

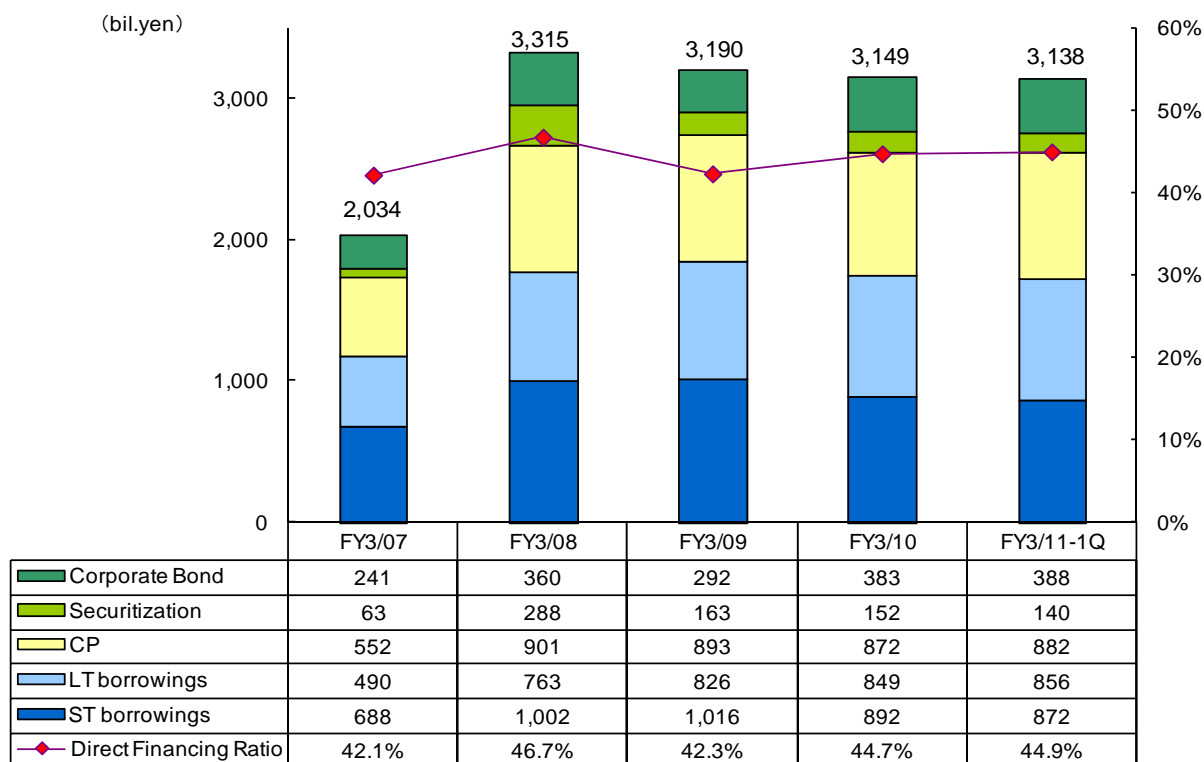
	FY3/10 1Q	FY3/11 1Q	yoy change
Factoring	51.6	76.3	+47.9%
Real estate financing	46.1	31.5	-31.7%
Others	56.5	64.2	+13.7%
Total	154.3	172.1	+11.5%

Total (all transactions)

(bil.yen)

	FY3/10 1Q	FY3/11 1Q	yoy change
Total	324.9	306.5	-5.7%

5. Funding



6. Net Balance of Credit Cost



The above chart represents historical figures of net credit cost. Net credit cost composes of Expenses for Non Performing assets and all related credit cost/profit.

7. Forecast for FY3/2011

	Consolidated	
	Amounts(bil.yen)	YOY change
Revenues	740.0	-0.9%
Gross Profit	110.0	+0.4%
Operating Profit	44.0	+70.5%
Recurring Profit	44.0	+70.4%
Net Profit	23.5	+13.4%
Dividend per Share	50 yen	+2 yen

The above forecast is as of August 4, 2010 (Announced on May 12, 2010).

