

FY3-2014 2nd Quarter Results
(Tokyo Stock Exchange / Nagoya Stock Exchange : 8593)

Results announcement date : November 6, 2013

- Inquiries:
Corporate Communications Department
Tel: 81+3-6865-3002, Fax: 81+3-6895-5306

Visit us at
<http://www.lf.mufg.jp/> (Japanese)
<http://www.lf.mufg.jp/english/> (English)

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.

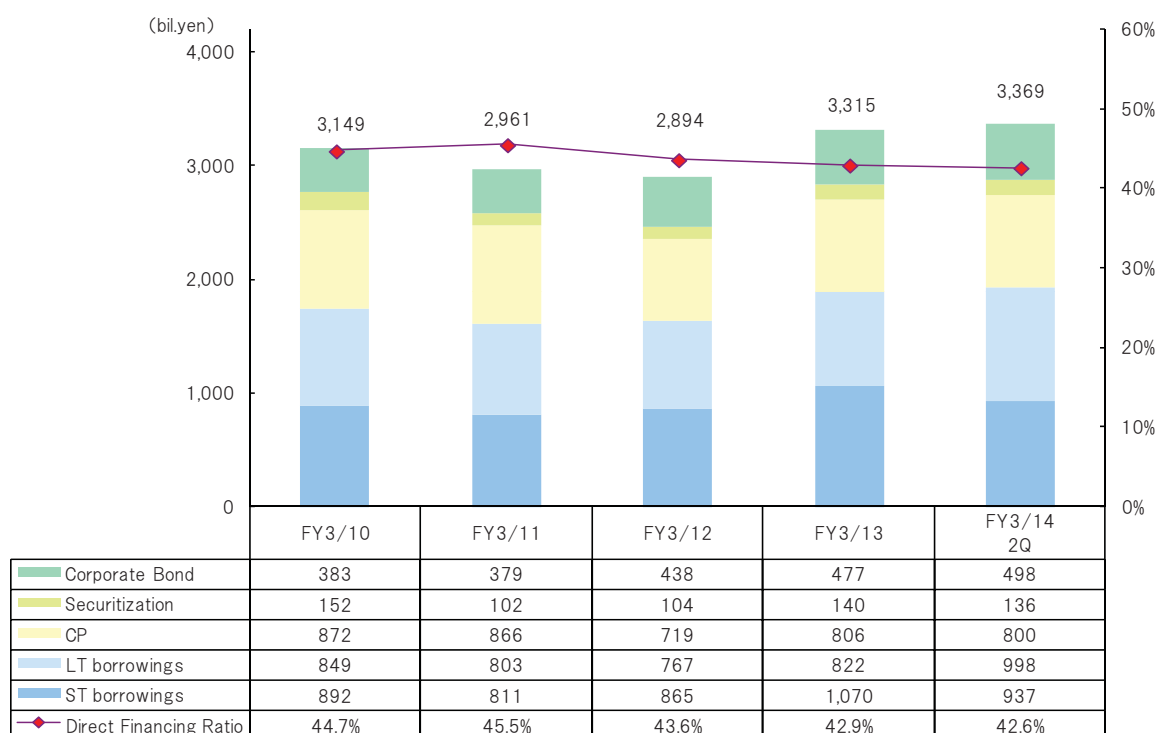
1. Trend of Financial Performance (Consolidated)	4
(1) Profit and Loss Statement	4
(2) Balance Sheet	5
2. Funding	6
3. Net Credit Cost	7
4. Overview of Principal Consolidated Companies	8
5. New Transactions	10
6. Business Performance	12
1) Operating Lease	12
2) Trading Used Equipment	12
3) e-Leasing Direct (Asset Management Service)	13
4) Auto Lease	13
5) ECO-related Service	14
6) Real Estate Finance	15
7) Symphony (Real Estate Lease)	15
8) PFI (Private Finance Initiative)	16
9) Factoring	16
7. Forecast for FY3/2014	17
8. Medium-Term Management Plan “ Vision 2013 ”	18

* Definition of abbreviation used in this material:

MUL: Mitsubishi UFJ Lease and Finance Company Limited

2. Funding

(1) Funding Structure



(2) Issued Straight Bonds (SB)

① Issued Domestic Straight Bonds in FY3/2014

Issued Date	Amount	Term	Interest Rate p.a.	Spread	
				SWAP plus	JGB plus
Jun-2013	20bil Yen	5yr	0.498%	-7.3bp	+15.0bp
Aug-2013	20bil Yen	3yr	0.278%	-8.3bp	+13.0bp

*"Swap plus" represents a difference between SB interest rate and SWAP rate which is corresponded to SB term.

*"JGB plus" represents a difference between SB interest rate and Japanese Government Bond.

② Recent Issued Foreign Currency Bonds

Issued Date	Amount	Term	Interest Rate p.a.	Spread
Feb-2013	500mil US Dollar	5yr	2.000%	UST + 125bp
Mar-2013	1,000mil Thai Baht	3yr	3.670%	T + 79bp
Oct-2013	500mil US Dollar	3yr	1.875%	UST + 130bp

*"UST" represents US Treasury Note.

* Thai Baht denominated bond was issued by our Subsidiary in Thailand.

*"T" represents Thai Baht Treasury Note.

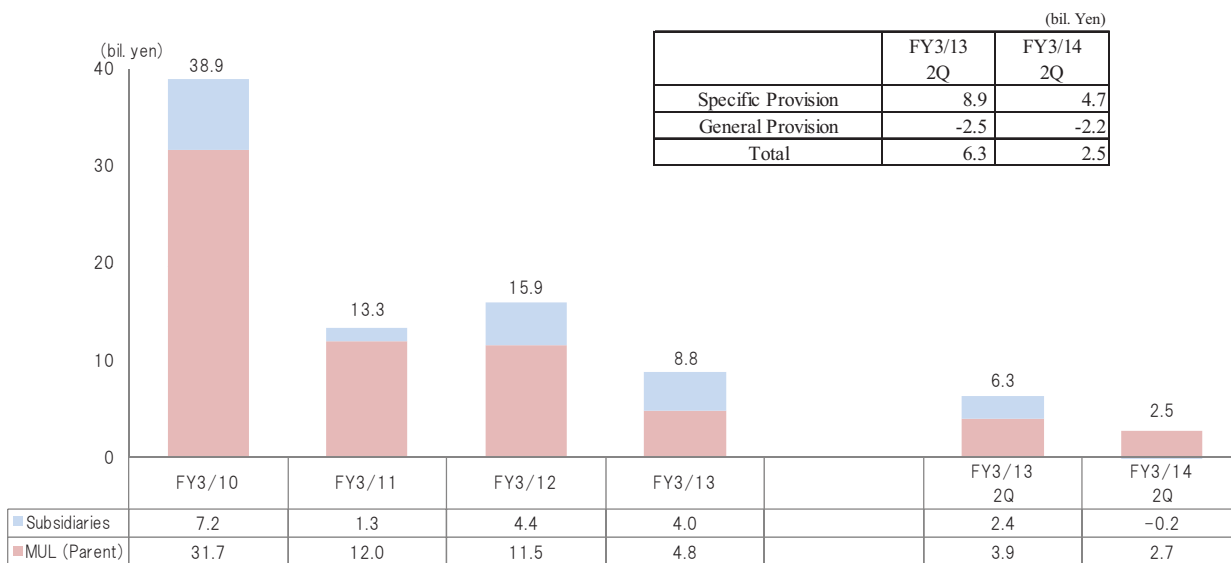
(3) Ratings (as of November 6, 2013)

Rating Agency	Long-Term	Short-Term
JCR	AA-	J-1+
R&I	A+	a-1
Moody's	A3	—
S&P	A	—

JCR = Japan Credit Rating Agency
R&I = Rating and Investment Information

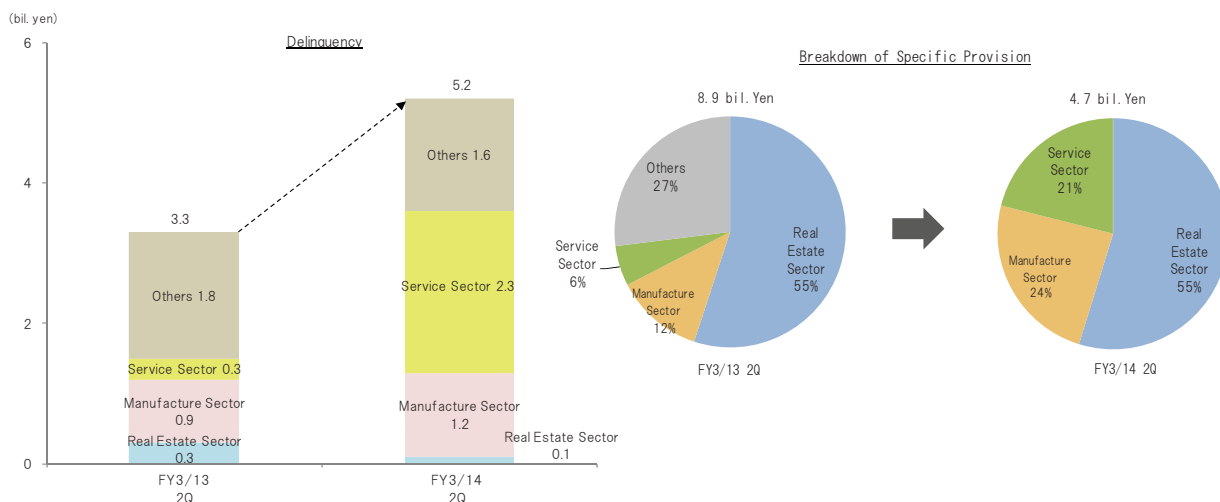
3. Net Credit Cost

(1) Net Credit Cost Historical Chart



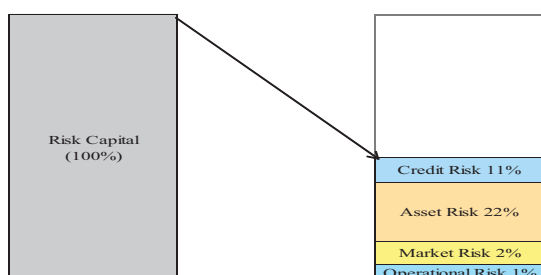
The above figures represent consolidated net credit cost, which includes all related credit cost of Cost of Revenue, SG&A expenses, Other income and Extraordinary items.

(2) Breakdown of Delinquency and Specific Provision



(3) Internal Capital Adequacy Assessment Processes

Risk Capital Allocation as of September 2013



MUL uses Internal Capital Adequacy Assessment Processes (“ICAAP”) which approaches to quantify various risks and enables to reinforce performance assessment by allocating risk-capital to strategic segments.

4. Overview of Principal Consolidated Companies

million yen

	Mitsubishi UFJ Lease & Finance (Parent)		Japan Medical Lease MUL's Share: 100%		DFL Lease MUL's Share: 95%	
	Amounts	YOY Change	Amounts	YOY Change	Amounts	YOY Change
Revenues	228,432	-2.4%	17,759	-0.8%	8,714	-0.2%
Gross Profit	32,557	-9.3%	1,793	-5.0%	912	-11.8%
Operating Profit	13,564	-20.1%	856	-8.3%	601	-8.7%
Recurring Profit	15,307	-20.7%	880	-18.3%	622	-8.5%
Net Profit	9,154	-19.0%	526	-18.3%	393	-6.8%

	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013
Operating Asset	2,738,882	+1.3%	93,029	+2.3%	45,895	+2.7%
Total Asset	3,186,950	+0.6%	96,390	+3.0%	47,390	+2.8%
Net Asset	383,633	+2.5%	12,064	+4.6%	9,396	+4.4%

million yen

	Shinko Lease MUL's Share: 80%		Casio Lease MUL's Share: 80%		Hirogin Lease MUL's Share: 80%	
	Amounts	YOY Change	Amounts	YOY Change	Amounts	YOY Change
Revenues	12,442	-6.7%	5,328	-16.5%	8,837	-5.6%
Gross Profit	1,040	-18.8%	574	-19.8%	1,037	-9.6%
Operating Profit	315	-50.2%	205	-47.0%	670	-20.1%
Recurring Profit	350	-46.8%	226	-45.6%	910	-1.5%
Net Profit	203	-47.0%	142	-43.6%	645	+17.8%

	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013
Operating Asset	108,351	+3.1%	28,389	+4.3%	54,343	+2.8%
Total Asset	112,523	+3.0%	29,271	+3.8%	57,189	+2.1%
Net Asset	6,994	+3.3%	11,229	+1.3%	9,676	+7.1%

million yen

	Shutoken Leasing MUL's Share: 76%		Chukyo General Lease MUL's Share: 70%		MMC Diamond Finance MUL's Share: 50%	
	Amounts	YOY Change	Amounts	YOY Change	Amounts	YOY Change
Revenues	12,932	+4.5%	3,462	-3.3%	10,443	+5.1%
Gross Profit	1,736	-0.7%	365	-8.8%	4,744	+8.0%
Operating Profit	760	-19.9%	251	-16.2%	1,429	+21.0%
Recurring Profit	961	-9.2%	280	-14.7%	1,695	+23.4%
Net Profit	584	-9.8%	173	-14.7%	1,055	+27.6%

	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013
Operating Asset	99,620	+1.1%	18,918	-3.1%	259,750	+1.3%
Total Asset	103,668	+1.8%	20,263	-2.4%	284,139	+1.6%
Net Asset	11,489	+4.2%	5,244	+3.4%	15,592	+7.3%

million yen

	Diamond Rental System MUL's Share: 100%		Diamond Asset Finance MUL's Share: 100%		Miyuki Building MUL's Share: 98%	
	Amounts	YOY Change	Amounts	YOY Change	Amounts	YOY Change
Revenues	12,367	+2.6%	3,939	-46.6%	3,239	+2.6%
Gross Profit	976	-21.7%	2,201	-5.2%	1,707	-3.0%
Operating Profit	184	-57.1%	1,526	+31.9%	1,456	-4.0%
Recurring Profit	185	-56.7%	1,734	+36.9%	1,043	-16.4%
Net Profit	113	-56.7%	1,716	+36.4%	635	-13.4%

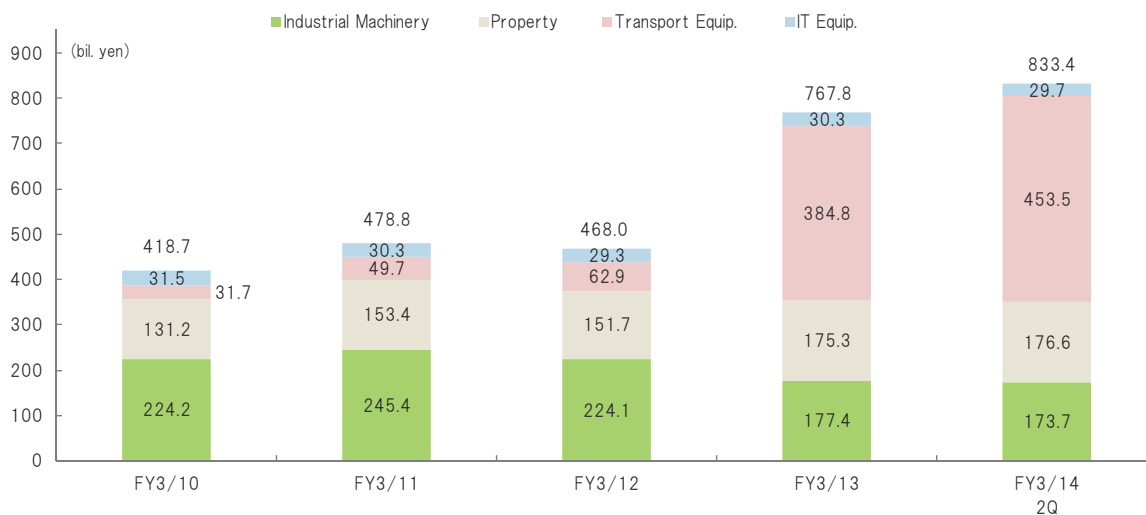
	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013
Operating Asset	60,230	+6.0%	186,704	+2.2%	59,538	-0.7%
Total Asset	62,453	+5.6%	190,554	+1.1%	63,273	+0.8%
Net Asset	4,625	+2.5%	20,651	+9.1%	20,945	+3.0%

6. Business Performance

1) Operating Lease

Operating Lease involves industrial machinery, machine tools and other equipments over periods corresponding to customer's production schedules. By reflecting the projected asset value remaining (residual value) at the end of lease period to the rent, Operating Lease enables customers to reduce their total rent.

Operating Lease Outstanding



2) Trading Used Equipment

MUL Group is trading broad range of used machinery and equipments which are supported by extensive track record for operating lease and machinery market. MUL Group can meet various customers' needs through offering used equipments.

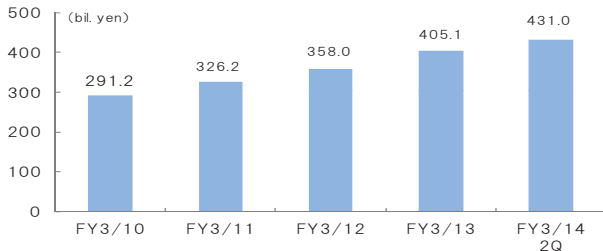
MUL Group Network

<p>U-Machine</p> 		<p>U-Machine is a major used industrial machinery trading company which owns 5 warehouses and trades more than 5,000 used machineries in Japan. Also, U-Machine established the business office in Thailand in 2012.</p>	<p>M-Cast</p> 	<p>M-Cast, a major used medical equipment trading company, deals with various medical products. M-Cast takes ISO 9001 (Quality Management Standard) and provides high-quality products and services to customers.</p>
<p>MUL Eco-Business</p> 	<p>MUL Eco-Business deals lease-up PCs with approx. 320 thousands p.a.. MUL Eco-Business promotes PC re-use and recycle after the date eraser.</p>	<p>Diamond Equipment</p> 	<p>Diamond Equipment ("DE") trades used semiconductor production equipments. DE has worldwide network and provides equipments trade information to global customers.</p>	<p>Global Asset Solution</p>  <p>Global Asset Solution (GAS) buys and sells the used equipment globally. GAS is specialized in the large-scale, customized equipments.</p>

3) e-Leasing Direct - Asset Management service -

e-Leasing Direct enables customers to perform an entire range of leasing procedures via internet, including requesting and viewing estimates as well as completing lease contracts and certificates of completion of lease inspections. Customers can also verify transaction details online during lease periods.

e-Leasing Direct Outstanding



- ✓ Adaptable to Multi-language
- ✓ Capable of registration in principal currencies

Principal Transactions



New concept asset management service “e-Leasing Direct Platinum” has started since October 2012. “e-Leasing Direct Platinum” is the platform for asset management and customers can manage the variety of information about their all assets from introduction to disposal (“Asset Life Log”).



4) Auto Lease

Our auto lease and finance business are mainly operating through two affiliates, Mitsubishi Auto Leasing and MMC Diamond Finance. MUL Group deals with various types of vehicles and rationalizes vehicle management operations by constructing optimal vehicle management systems that reduce costs, clarify cost structures, save labor and achieve other goals.

As of September 2013, MUL group operates 277 thousands vehicles in Japanese market.

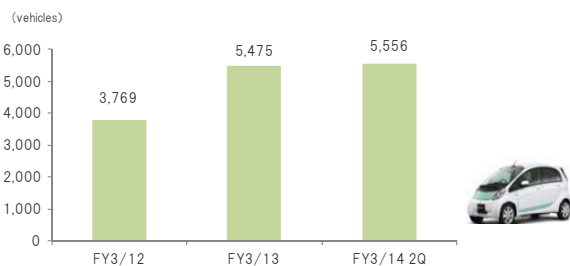
Auto Finance Service Network

Mitsubishi UFJ Lease & Finance Company Ltd.

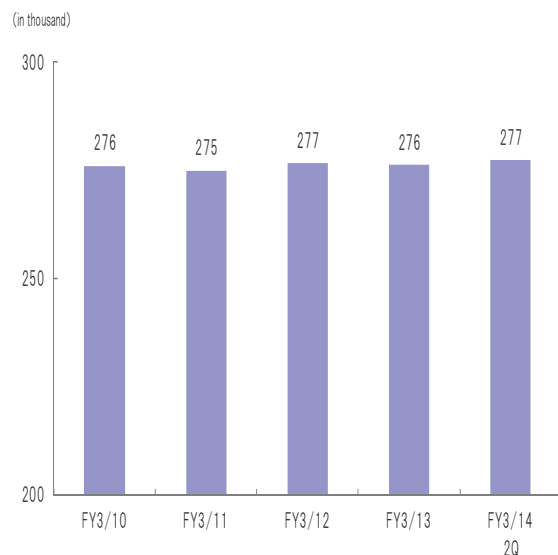
Mitsubishi Auto Leasing Corporation

MMC Diamond Finance Corporation

Number of Electric Vehicles



Number of Vehicles

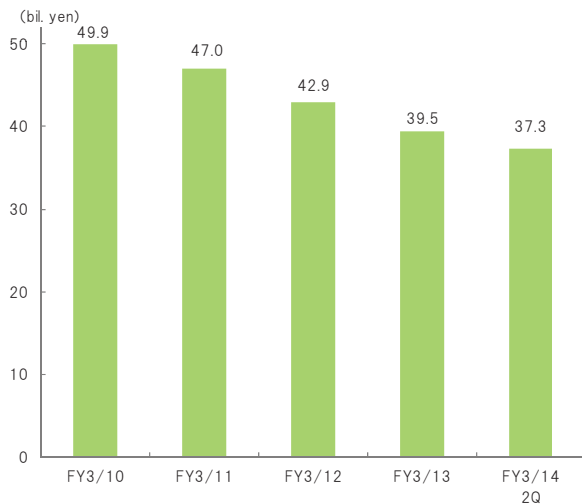


5) ECO-related Service

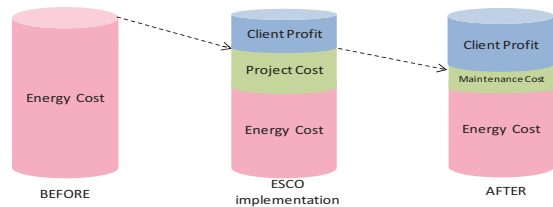
i) ESCO (Energy Service Company) Business

ESCO business is an energy-saving contractual activity. We are offering comprehensive energy-related services (consultation, design, maintenance, lease, inspection, etc.). ESCO enables customers to achieve low-cost and high efficient operation. We have remarkable track records (total 425 transactions). Our ESCO business is expanding its field not only in Japan but also overseas.

ESCO Outstanding



ESCO Structure (Image)



【TOPICS】

ESCO Transactions of LED lights to municipalities

We provided the ESCO transactions for exchanging LED lights from incandescent lights to municipalities. Through this transactions, we helped to reduce their electricity cost, CO₂ consumption etc..



LED lights in Myoko city, Niigata Pref.

ii) Carbon Offset Business

Our main products in this area are Carbon Natural Lease (“CNL”) and Offset Partner Service (“OPS”). CNL is lease transaction allotted carbon emission credit. Therefore, customer (lessee) can use carbon-free[※] lease equipments. OPS is carbon trade support service. We are offering wide-range carbon trade related services. Additionally, we offer carbon credit production service which is originated by energy saving equipment.

([※]) by way of offset all or part of carbon emission brought by lease equipment

Principal Transactions



Forklift



Sports Event



Catalog

iii) ECO-related Finance

MUL provides the various finance methods, such as small, medium-size project finance, for constructing the waste treatment facilities, wind farms and mega-solar plants etc..

Especially, on solar power projects, we can provide a wide range of service, not only financing but also promoting its project.

【TOPICS】

Contract for project finance for the megawatt-class solar power project invested by public-private fund

We made contracts for project finance for the megawatt-class solar power project invested by public-private infrastructure fund. We provided the finance to solar power projects in Akita and Saga Pref. for approximately 16 years.

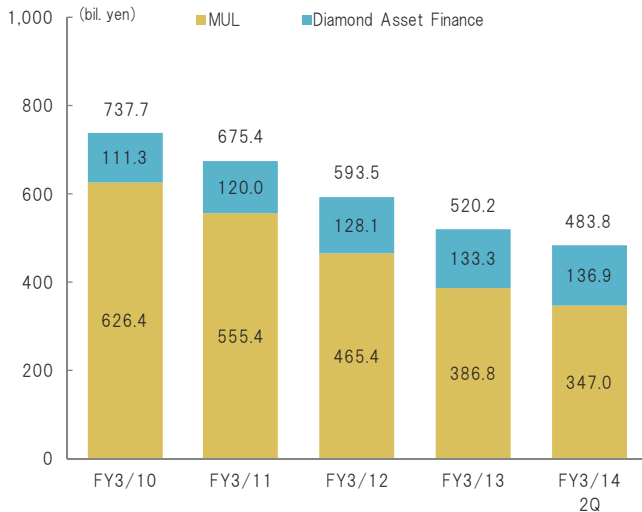


Solar power generation system (Saga Pref.)

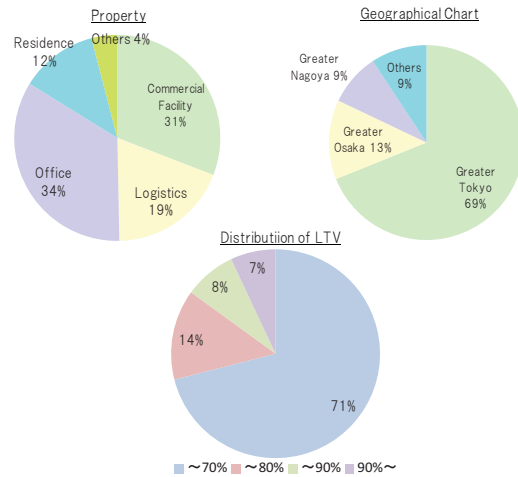
6) Real Estate Finance - Real Estate related service -

We go beyond leasing operations to provide various types of structured finance to meet market needs related to the opening and relocation of stores, office buildings, logistic centers, residences, and other facilities. Particularly, we enlarge non-recourse loan under strict risk control. Additionally, Diamond Asset Finance (DAF), our group company, deals with the project finance and the owner loan. We offer valuable services to meet various customers' needs in real estate related field.

Real Estate Finance Outstanding



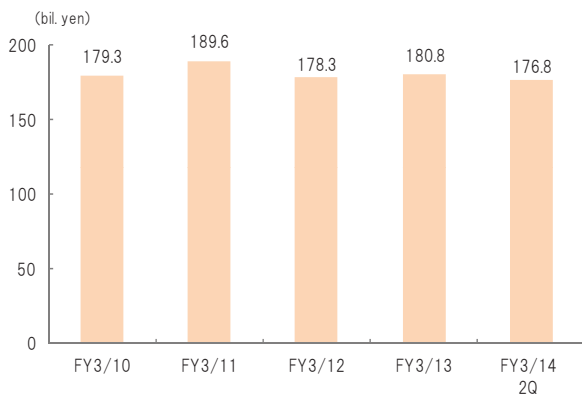
Property Breakdown and Distribution of LTV (MUL Portion) as of September 2013



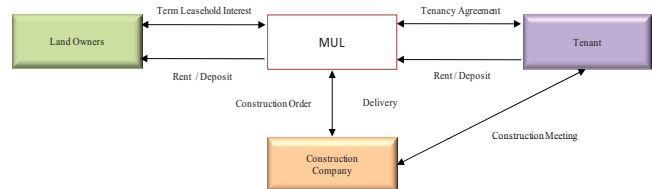
7) Symphony - Real Estate related service -

“Symphony” (Real estate lease) involves an arrangement where (i) we lease land from landowners through commercial leaseholds, (ii) construct buildings and facilities with specifications designed by tenants, and (iii) sublease the property to the tenant (e.g. chain-store). This arrangement enables tenants to open stores with small initial investment. Our Symphony is providing optimal solution for tenants, constructors and landowners.

Symphony (Real Estate Lease) Outstanding



Symphony Transaction Structure



Principal Merit

- ✓ Reduction of Initial Cost
- ✓ Visible Cashflow
- ✓ Relief Ownership Administration
- ✓ No need to negotiate Land Owners

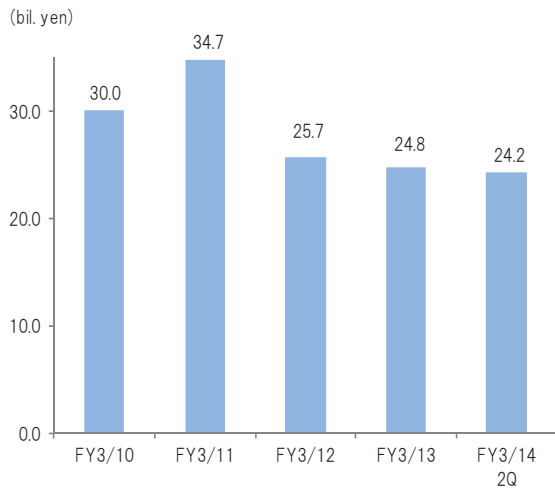
Principal Transactions



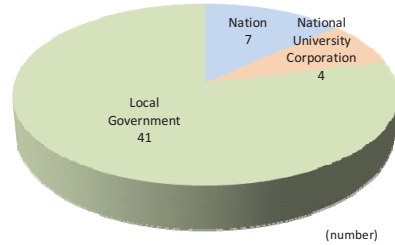
8) PFI (Private Finance Initiative)

The PFI business makes use of private-sector funds and management expertise to develop and operate public infrastructure. We are acting as not only debt provider but also representative company of consortiums. We have entered into 52 transactions (including 15 transactions acting as representative company).

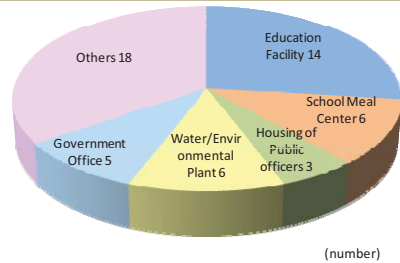
Operating Asset of PFI related



Type of Public Sector



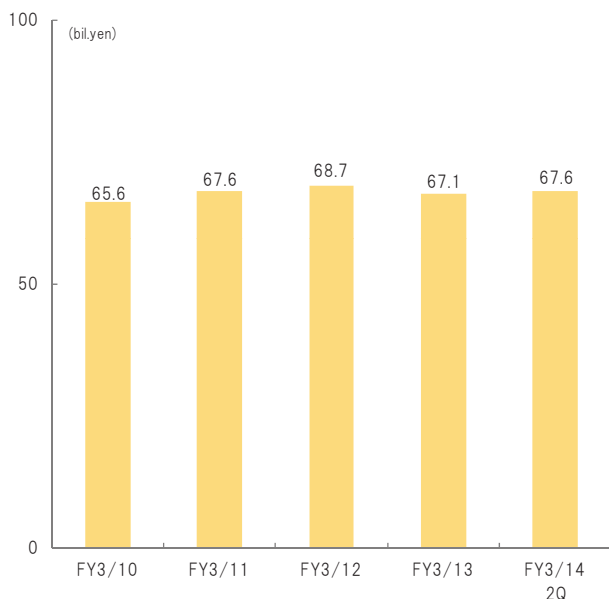
Type of Facility



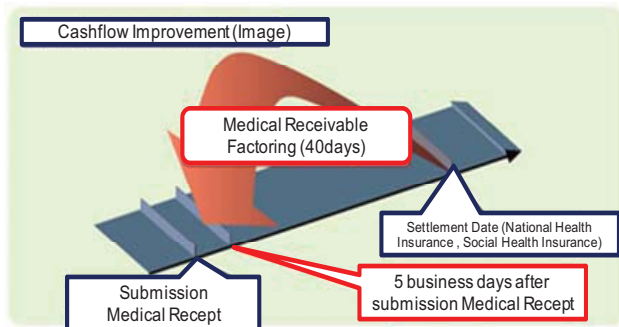
9) Factoring

Main target of Factoring is for Sales Receivables and Medical Receivables. Customers can capitalize such receivables before settlement date by assigning to MUL and utilize for financial strategy.

Receivable Factoring Average Outstanding



Medical Receivable (Image)



Principal Merits

- Convert into cash before settlement date
- Diversification Funding Method
- Improvement Balance Sheet

7. Forecast for FY3/2014

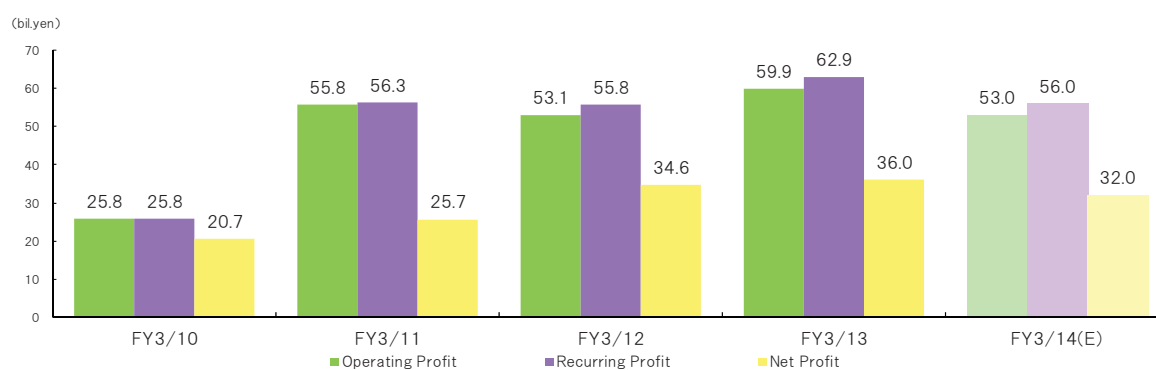
Forecast for FY3/2014

	Consolidated	
	Amount (bil. yen)	Year on Year Change
Revenues	710.0	+1.7%
Gross Profit	120.0	+1.7%
Operating Profit	53.0	-11.6%
Recurring Profit	56.0	-11.1%
Net Profit	32.0	-11.2%
Dividend per Share	6.70 yen	+0.2 yen

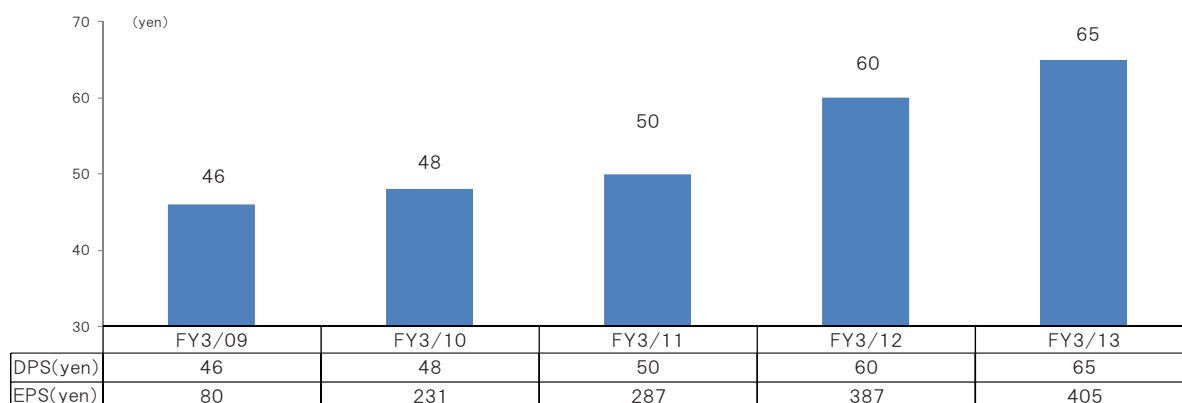
Consolidated Forecast for FY3/2014 as of November 6, 2013

MUL split each share of common stock into 10 shares and changed the number of shares constituting one unit from 10 to 100 shares effective on 1st of April 2013, and this forecast for Dividend per Share is after this stock split.

Consolidated Financial Performance



Dividend



DPS(yen)	46	48	50	60	65
EPS(yen)	80	231	287	387	405

8. Medium Term Management Plan “ Vision 2013 ”

1. Outline of Vision 2013

Growth Strategy	Strategy to Strengthen Management Base
<ol style="list-style-type: none"> 1. Offering unique MUL services for expanding value chain <ul style="list-style-type: none"> · Core Business (Lease) · Energy Saving, ECO-related Business · International Business · Global Asset · Used Equipment Trade, Appraisal · Asset Management · Medical/ Nursing Care 2. Accelerating global business expansion 3. Strengthening contact with customers 4. Promoting external growth strategy 	<ol style="list-style-type: none"> 1. Enhancing the management infrastructure 2. Strengthening sales methods 3. Improving efficiency 4. Strengthening IT Strategy 5. Fostering a new corporate culture 6. Reforming human resources management 7. Establish credibility



2. Progress of Vision 2013

1) Expansion of ECO-related Business

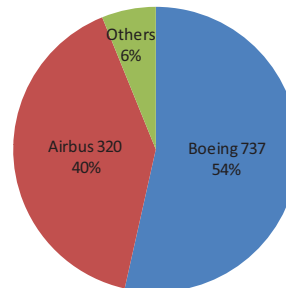
To realize the energy-saving and power generation business utilizing solar power and wind power, we provide the wide range of functions, not only finance but also offer various functions such as consulting and participating project, to respond to diverse customers' needs.



2) Strengthening Global Asset Business

Aircraft

We operate aircraft leasing business globally through our three bases, Japan, Ireland and USA. We lease over 100 aircrafts, most of which are narrow body with high utility and marketability, to the airlines all over the world.



Type of Aircraft
As of Sep. 2013

Principal Global Assets

Aircraft Engine



Vehicle

Container



Vessel

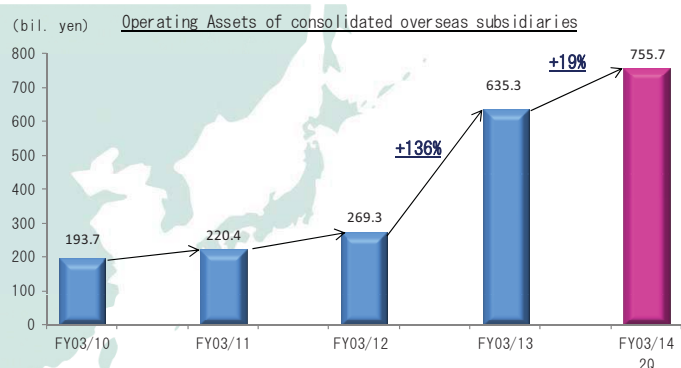
3) Accelerating Overseas Business

We operate our overseas business aggressively especially in Asia, its market is expanding rapidly. We provide various services and solutions beyond lease and finance.

◆ **Diversification of Funding**
Issuing foreign currencies bonds, such as USD, RMB, Thai Baht.

◆ **Expanding Eco-related business**
Expanding energy-saving and renewable energy business with utilizing our experience and expertise in Japan to overseas.

◆ **Starting the Used Equipments Trade**
Providing well-conditioned used equipments in developing countries with strong demand.



◆ **Expanding Lease & Finance of Construction Machinery**
Supporting to purchase the construction machinery of local enterprises with our business partner.



Used equipments stock yard near Bangkok (U-Machine, one of our group company)



Construction Machinery operating at mining site in Indonesia



Value Integrator