

# **FY3-2015 1<sup>st</sup> Quarter Results**

**(Tokyo Stock Exchange / Nagoya Stock Exchange : 8593)**

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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 FY3/2015-1Q (Consolidated)

(billion yen)

	<b>FY3/2015 1Q</b>	YOY Change	FY3/2014 1Q
Total Revenues	<b>184.1</b>	+3.1%	178.6
Gross Profit	<b>32.1</b>	+4.2%	30.8
Operating Profit	<b>16.4</b>	+17.4%	14.0
Recurring Profit	<b>17.2</b>	+5.8%	16.2
Net Profit	<b>10.5</b>	+10.5%	9.5
New Transactions Volume	<b>284.2</b>	−20.1%	355.6

(billion yen)

	<b>FY3/2015 1Q</b>	Change From FY3/2014	FY3/2014
Total Equity	<b>540.1</b>	+1.1%	534.2
Total Assets	<b>4,427.6</b>	−1.6%	4,497.5

In FY3/2015-1Q, Total Revenues increased by 3.1% to 184.1bil yen.

Profit for each stage increased from the same period in previous fiscal year. Gross Profit increased by 4.2% to 32.1bil yen, Operating Profit increased by 17.4% to 16.4bil yen, Recurring Profit increased by 5.8% to 17.2bil yen and Net Profit increased by 10.5% to 10.5bil yen.

Decrease of New Transactions Volume by 20.1% reflected rebound by the consumption tax hike and our business operation to boost profitability.

Total Equity increased by 1.1% to 540.1bil yen. Total Assets decreased by 1.6% to 4,427.6bil yen.

## 2. Trend of Financial Performance (Consolidated)

### (1) Profit & Loss Statement

		million yen				
		Consolidated				
		FY3/11-1Q	FY3/12-1Q	FY3/13-1Q	FY3/14-1Q	FY3/15-1Q
		10/4~10/6	11/4~11/6	12/4~12/6	13/4~13/6	14/4~14/6
1	<b>Total Revenues</b>	182,687	179,567	181,308	178,634	<b>184,120</b>
	Changes	-1.4%	-1.7%	+1.0%	-1.5%	<b>+3.1%</b>
2	Leases	140,693	139,864	139,227	144,638	<b>149,439</b>
	Changes	+1.3%	-0.6%	-0.5%	+3.9%	<b>+3.3%</b>
3	Installment Sales	26,475	23,049	20,749	21,132	<b>22,206</b>
	Changes	-16.0%	-12.9%	-10.0%	+1.8%	<b>+5.1%</b>
4	Loans	9,377	8,752	8,728	8,614	<b>8,594</b>
	Changes	-3.8%	-6.7%	-0.3%	-1.3%	<b>-0.2%</b>
5	Others	6,141	7,900	12,603	4,248	<b>3,880</b>
	Changes	+18.9%	+28.6%	+59.5%	-66.3%	<b>-8.7%</b>
6	<b>Cost of Revenues</b>	153,124	149,372	144,574	147,755	<b>151,940</b>
	Changes	-4.1%	-2.5%	-3.2%	+2.2%	<b>+2.8%</b>
7	<b>COR / Revenues</b>	83.8%	83.2%	79.7%	82.7%	<b>82.5%</b>
	Changes	-2.4P	-0.6P	-3.5P	+3.0P	<b>-0.2P</b>
8	Leases, COR	119,978	119,090	118,141	119,808	<b>122,912</b>
	Changes	-0.9%	-0.7%	-0.8%	+1.4%	<b>+2.6%</b>
9	Installment Sales, COR	24,093	20,844	18,700	19,258	<b>20,359</b>
	Changes	-16.3%	-13.5%	-10.3%	+3.0%	<b>+5.7%</b>
10	Financial expenses	5,643	4,707	4,493	6,049	<b>6,616</b>
	Changes	-26.5%	-16.6%	-4.5%	+34.6%	<b>+9.4%</b>
11	Others, COR	3,408	4,730	3,238	2,638	<b>2,051</b>
	Changes	+58.8%	+38.8%	-31.5%	-18.5%	<b>-22.2%</b>
12	<b>Gross Profit</b>	29,563	30,194	36,734	30,879	<b>32,180</b>
	Changes	+15.8%	+2.1%	+21.7%	-15.9%	<b>+4.2%</b>
13	<b>Gross Profit / Revenues</b>	16.2%	16.8%	20.3%	17.3%	<b>17.5%</b>
	Changes	+2.4P	+0.6P	+3.5P	-3.0P	<b>+0.2P</b>
14	<b>SG&amp;A Expenses</b>	14,691	13,519	15,293	16,830	<b>15,686</b>
	Changes	-11.9%	-8.0%	+13.1%	+10.1%	<b>-6.8%</b>
15	Personnel Expenses	5,535	5,711	5,836	6,552	<b>6,863</b>
	Changes	+5.5%	+3.2%	+2.2%	+12.3%	<b>+4.7%</b>
16	Non-Personnel Expenses	6,118	6,222	6,543	7,266	<b>7,604</b>
	Changes	+6.5%	+1.7%	+5.1%	+11.0%	<b>+4.7%</b>
17	Expenses for Non-performing assets	3,038	1,584	2,913	3,011	<b>1,218</b>
	Changes	-46.6%	-47.9%	+83.9%	+3.4%	<b>-59.5%</b>
18	<b>Overhead Ratio</b>	39.4%	39.5%	33.7%	44.7%	<b>45.0%</b>
	(Overhead expenses divided by GP) Changes	-3.6P	+0.1P	-5.8P	+11.0P	<b>+0.3P</b>
19	<b>Operating Profit</b>	14,871	16,675	21,440	14,048	<b>16,493</b>
	Changes	+68.1%	+12.1%	+28.6%	-34.5%	<b>+17.4%</b>
20	<b>OP / Revenues</b>	8.1%	9.3%	11.8%	7.9%	<b>9.0%</b>
	Changes	+3.3P	+1.1P	+2.5P	-4.0P	<b>+1.1P</b>
21	<b>Recurring Profit</b>	15,200	18,195	23,829	16,273	<b>17,214</b>
	Changes	+65.1%	+19.7%	+31.0%	-31.7%	<b>+5.8%</b>
22	<b>Extraordinary Profit</b>	436	48	34	46	<b>748</b>
	Changes	+15.1%	-88.8%	-28.6%	+31.8%	<b>+1,524.3%</b>
23	<b>Extraordinary Cost</b>	921	464	298	3	<b>0</b>
	Changes	+872.8%	-49.6%	-35.8%	-98.8%	<b>-100.0%</b>
24	<b>Net Profit</b>	7,894	10,419	13,870	9,513	<b>10,510</b>
	Changes	+70.9%	+32.0%	+33.1%	-31.4%	<b>+10.5%</b>

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

## (2) Balance Sheet

million yen

		Consolidated				
		FY3/2011	FY3/2012	FY3/2013	FY3/2014	FY3/2015 1Q
1	<b>Total Equity</b>	389,802	420,864	468,061	534,250	<b>540,197</b>
	Changes	+6.2%	+8.0%	+11.2%	+14.1%	<b>+1.1%</b>
2	<b>Total Assets</b>	3,721,136	3,682,299	4,177,784	4,497,502	<b>4,427,661</b>
	Changes	-4.2%	-1.0%	+13.5%	+7.7%	<b>-1.6%</b>
3	<b>Operating Assets</b>	3,393,547	3,335,620	3,713,972	4,017,419	<b>3,990,697</b>
	Changes	-3.5%	-1.7%	+11.3%	+8.2%	<b>-0.7%</b>
4	Lease	1,673,572	1,667,454	2,053,955	2,357,220	<b>2,342,137</b>
	Changes	-0.2%	-0.4%	+23.2%	+14.8%	<b>-0.6%</b>
5	Installment Sales	242,147	222,433	216,700	227,318	<b>221,275</b>
	Changes	-18.5%	-8.1%	-2.6%	+4.9%	<b>-2.7%</b>
6	Loans	1,174,661	1,193,607	1,256,032	1,288,819	<b>1,283,172</b>
	Changes	-3.9%	+1.6%	+5.2%	+2.6%	<b>-0.4%</b>
7	Others	303,167	252,124	187,285	144,061	<b>144,111</b>
	Changes	-5.6%	-16.8%	-25.7%	-23.1%	<b>+0.0%</b>
8	<b>Impaired Assets</b>	40,921	49,451	46,066	33,223	<b>32,230</b>
	Changes	-11.7%	+20.8%	-6.8%	-27.9%	<b>-3.0%</b>
9	<b>Allowance</b>	9,335	15,533	15,921	12,494	<b>13,153</b>
10	<b>Net Balance of Impaired Assets</b>	31,586	33,918	30,145	20,729	<b>19,077</b>
	Changes	-16.6%	+7.4%	-11.1%	-31.2%	<b>-8.0%</b>
11	<b>Equity Ratio</b>	10.0%	10.9%	10.7%	11.4%	<b>11.7%</b>
	Changes	+0.9P	+0.9P	-0.2P	+0.7P	<b>+0.3P</b>
12	<b>Total Funding</b>	2,961,470	2,893,504	3,315,294	3,484,480	<b>3,476,054</b>
	Changes	-6.0%	-2.3%	+14.6%	+5.1%	<b>-0.2%</b>
13	Indirect Funding	1,614,526	1,631,959	1,892,132	1,952,985	<b>1,915,185</b>
	Changes	-7.3%	+1.1%	+15.9%	+3.2%	<b>-1.9%</b>
14	Direct Funding	1,346,944	1,261,545	1,423,162	1,531,494	<b>1,560,869</b>
	Changes	-4.3%	-6.3%	+12.8%	+7.6%	<b>+1.9%</b>
15	CP	866,000	719,300	806,200	762,300	<b>804,200</b>
	Changes	-0.7%	-16.9%	+12.1%	-5.4%	<b>+5.5%</b>
16	Securitization (Lease Receivables)	101,944	104,215	139,644	164,413	<b>152,870</b>
	Changes	-33.0%	+2.2%	+34.0%	+17.7%	<b>-7.0%</b>
17	Corporate Bond	379,000	438,030	477,317	604,781	<b>603,798</b>
	Changes	-1.1%	+15.6%	+9.0%	+26.7%	<b>-0.2%</b>
18	<b>Direct Funding Ratio</b>	45.5%	43.6%	42.9%	44.0%	<b>44.9%</b>
	Changes	+0.8P	-1.9P	-0.7P	+1.1P	<b>+0.9P</b>

### 3. Overview of Principal Domestic 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
<b>Revenues</b>	115,553	-0.5%	9,203	+2.5%	4,288	-1.3%
<b>Gross Profit</b>	15,659	-5.4%	830	-7.7%	391	-10.4%
<b>Operating Profit</b>	6,747	+23.5%	345	-22.7%	198	-34.4%
<b>Recurring Profit</b>	8,083	+22.5%	388	-15.0%	227	-26.4%
<b>Net Profit</b>	5,804	+46.1%	243	-10.7%	138	-27.0%

	Amounts	Change from FY3/2014	Amounts	Change from FY3/2014	Amounts	Change from FY3/2014
<b>Operating Asset</b>	2,823,504	+0.5%	99,445	-2.7%	50,511	+2.8%
<b>Total Asset</b>	3,285,874	-0.7%	102,728	-3.0%	52,143	+2.9%
<b>Total Equity</b>	394,379	+1.2%	12,718	+2.0%	9,831	+1.4%

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
<b>Revenues</b>	7,612	+18.4%	2,750	+3.9%	4,183	-6.3%
<b>Gross Profit</b>	672	+24.8%	287	-1.0%	515	-4.4%
<b>Operating Profit</b>	318	+94.8%	92	-23.1%	275	-13.3%
<b>Recurring Profit</b>	334	+71.5%	111	-16.2%	290	-46.5%
<b>Net Profit</b>	195	+72.9%	68	-18.5%	183	-55.2%

	Amounts	Change from FY3/2014	Amounts	Change from FY3/2014	Amounts	Change from FY3/2014
<b>Operating Asset</b>	104,503	-2.5%	30,960	-0.5%	54,790	-3.4%
<b>Total Asset</b>	108,926	-2.3%	31,915	-1.4%	57,458	-3.2%
<b>Total Equity</b>	7,359	+2.1%	11,450	+0.6%	10,245	+1.9%

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
<b>Revenues</b>	6,536	+1.9%	1,666	-7.1%	5,447	+5.0%
<b>Gross Profit</b>	838	-2.7%	161	-11.6%	2,572	+7.8%
<b>Operating Profit</b>	422	-5.3%	76	+21.7%	860	+12.9%
<b>Recurring Profit</b>	439	-29.9%	85	+2.6%	1,055	+13.5%
<b>Net Profit</b>	280	-26.7%	54	+5.6%	671	+14.2%

	Amounts	Change from FY3/2014	Amounts	Change from FY3/2014	Amounts	Change from FY3/2014
<b>Operating Asset</b>	105,272	-2.2%	18,875	-2.3%	272,207	+0.1%
<b>Total Asset</b>	108,274	-2.5%	20,042	-1.9%	297,962	+0.1%
<b>Total Equity</b>	12,238	+1.9%	5,385	+1.0%	17,356	+4.0%

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
<b>Revenues</b>	6,824	+11.1%	1,871	-17.6%	1,539	-3.1%
<b>Gross Profit</b>	590	+19.8%	1,083	-7.6%	855	-6.4%
<b>Operating Profit</b>	180	+124.3%	760	-4.8%	731	-8.5%
<b>Recurring Profit</b>	179	+118.5%	790	-12.1%	616	-3.6%
<b>Net Profit</b>	114	+130.4%	504	-43.8%	389	+0.1%

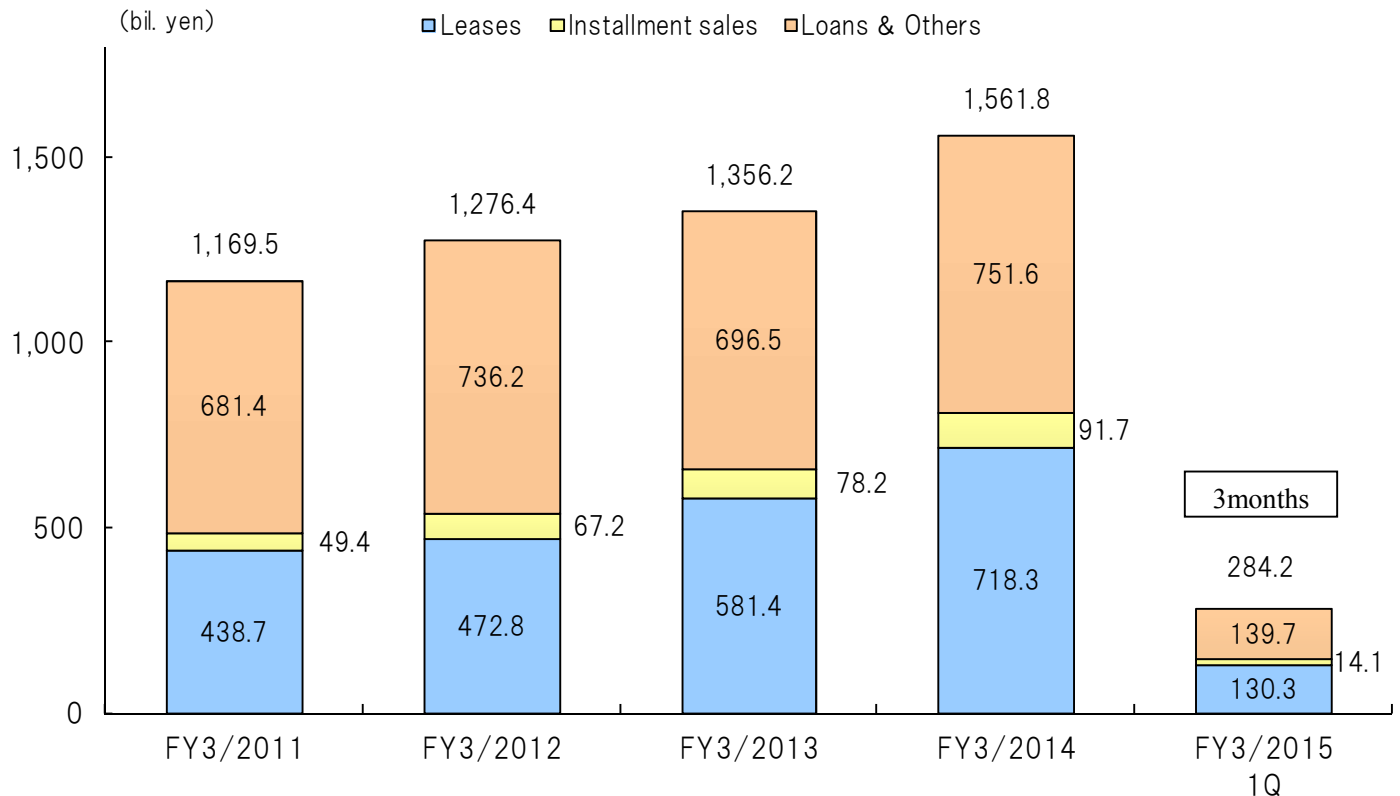
	Amounts	Change from FY3/2014	Amounts	Change from FY3/2014	Amounts	Change from FY3/2014
<b>Operating Asset</b>	65,672	-2.6%	194,041	+1.5%	59,868	-0.3%
<b>Total Asset</b>	67,717	-3.1%	197,241	+1.4%	64,133	-0.1%
<b>Total Equity</b>	4,959	+2.4%	21,992	+2.3%	21,866	+1.7%

## 4. New Transactions

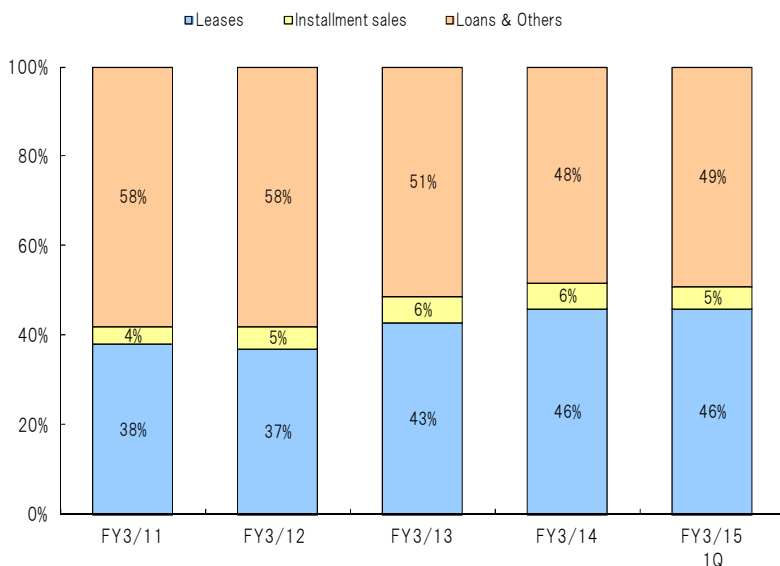
New Transactions Volume (consolidated) entered in FY3/2015-1Q decreased by 20.1% (year-on-year) to 284.2 billion yen. By segment, lease volume decreased by 16.5%, installment sales decreased by 35.9%, and loans and other business decreased by 21.2%.

Composition of transaction type: Leases 46%, Installment sales 5%, Loans and Others 49%.

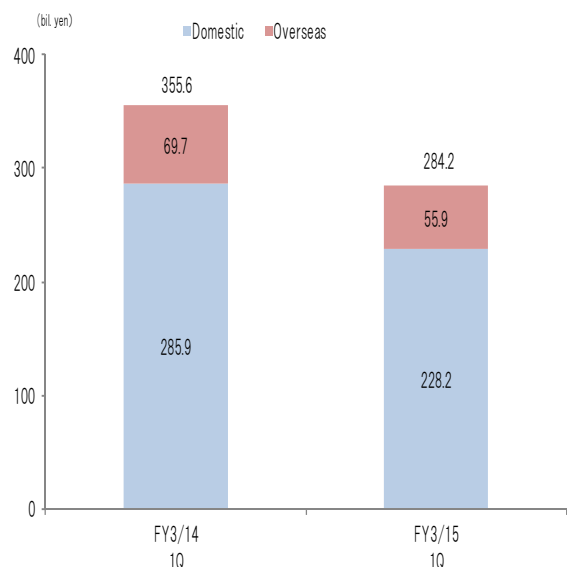
### Trends of New Transactions Volume by Type



### Trends of New Transactions Component by Type



### Trends of New Transactions by Region (Domestic / Overseas)





### Breakdown of New Lease Transactions

(bil.yen)

	FY3/14 1Q	FY3/15 1Q	yoy change
IT / Office Equip.	32.0	23.0	-28.1%
Industrial Machinery	30.3	22.8	-24.5%
Civil Eng. & Construction Machinery	8.3	7.0	-15.3%
Transport Equip.	32.3	33.3	+2.9%
Medical Equip.	14.1	6.1	-56.3%
Commercial & Service Equip.	17.5	15.7	-10.5%
Others	21.4	22.2	+3.4%
<b>Total</b>	<b>156.2</b>	<b>130.3</b>	<b>-16.5%</b>

### Breakdown of New Installment Sales Transactions

(bil.yen)

	FY3/14 1Q	FY3/15 1Q	yoy change
IT / Office Equip.	1.7	0.3	-77.6%
Industrial Machinery	3.4	1.5	-54.0%
Civil Eng. & Construction Machinery	5.0	3.3	-35.0%
Transport Equip.	0.6	0.7	+20.8%
Medical Equip.	2.3	0.9	-59.0%
Commercial & Service Equip.	4.6	3.5	-23.9%
Others	4.1	3.5	-14.2%
<b>Total</b>	<b>22.0</b>	<b>14.1</b>	<b>-35.9%</b>

### Breakdown of New Loan and other business Transactions

(bil.yen)

	FY3/14 1Q	FY3/15 1Q	yoy change
Factoring	44.7	48.7	+8.9%
Real estate financing	22.5	15.3	-32.1%
Others	110.1	75.7	-31.3%
<b>Total</b>	<b>177.3</b>	<b>139.7</b>	<b>-21.2%</b>

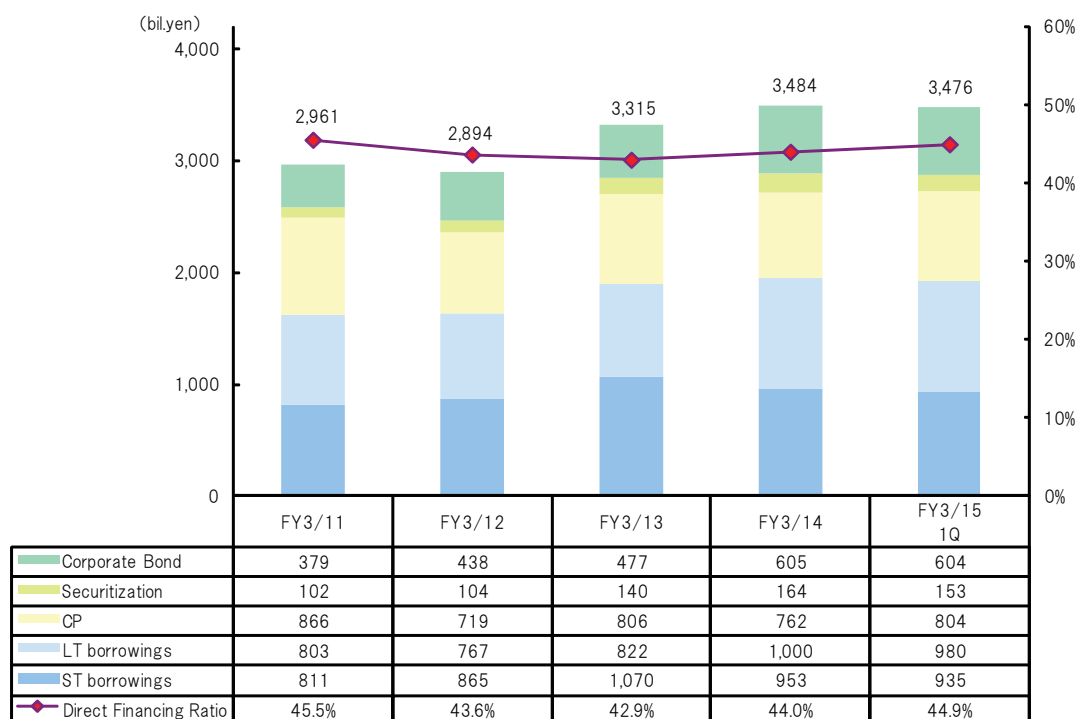
### Volume of All New Transactions

(bil.yen)

	FY3/14 1Q	FY3/15 1Q	yoy change
<b>Total</b>	<b>355.6</b>	<b>284.2</b>	<b>-20.1%</b>

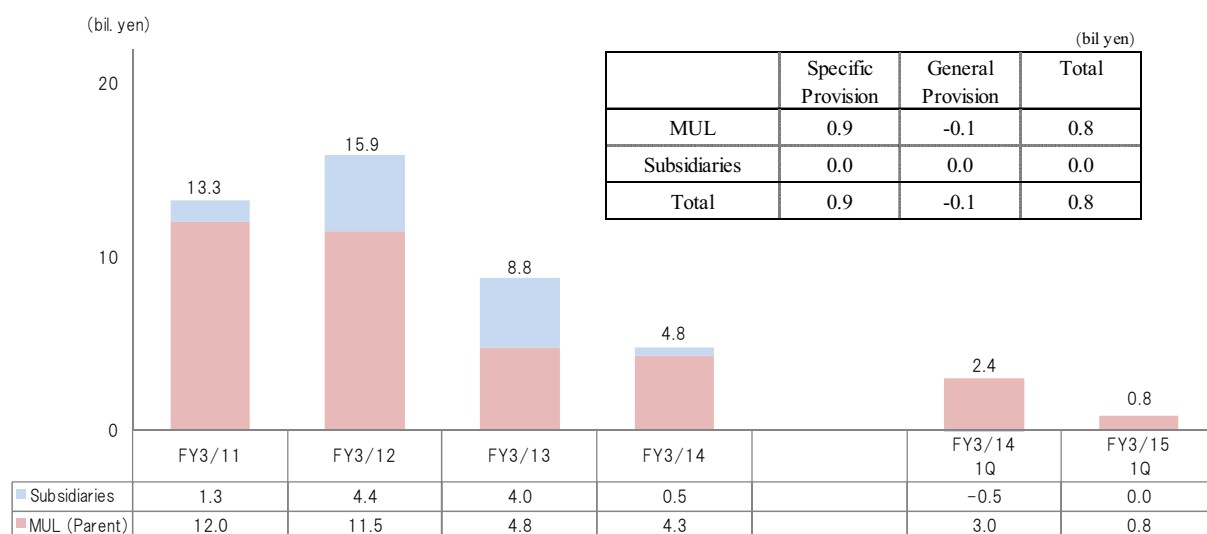
## 5. Funding

### Funding Structure



## 6. Net Credit Cost

### Net Credit Cost Historical Chart



The figures on the above graph represent consolidated net credit cost, which include all related credit costs such as Cost of Revenues, SG&A expenses and Other incomes.

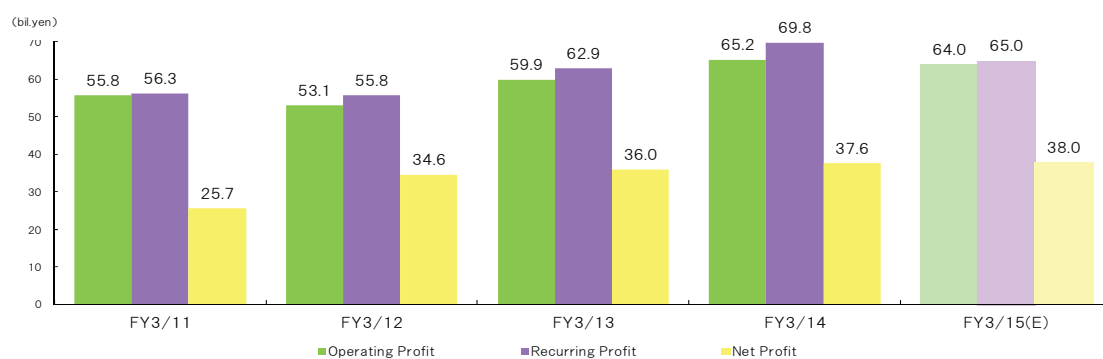
## 7. Forecast for FY3/2015

### Forecast for FY3/2015

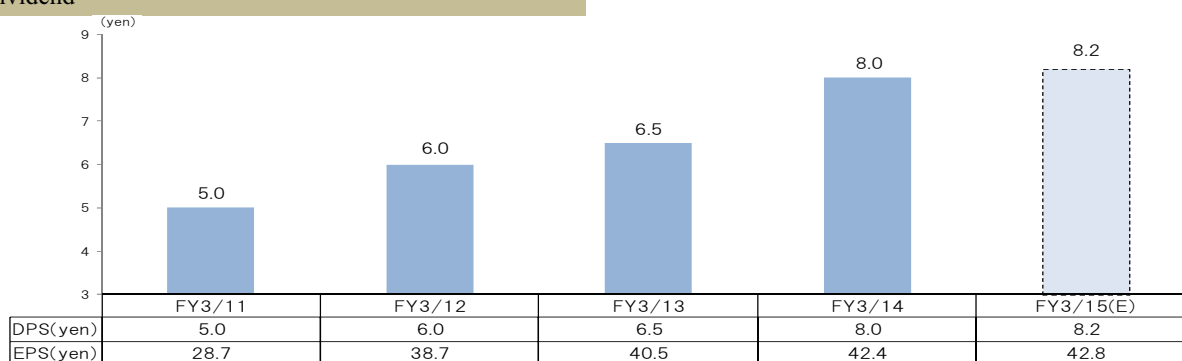
	Consolidated	
	Amount (bil. yen)	Year on Year Change
Total Revenues	740.0	+3.1%
Gross Profit	130.0	+1.0%
Operating Profit	64.0	-2.0%
Recurring Profit	65.0	-6.9%
Net Profit	38.0	+0.9%
Dividend per Share	8.20 yen	+0.2 yen

Consolidated Forecast for FY3/2015 announced on May 14, 2014

### Consolidated Financial Performance



### Dividend



On April 1, 2013, MUL split each share of its common stock, which were held by shareholders stated or recorded in the register of shareholders as of March 31, 2013, into ten (10) shares. "DPS" and "EPS" have been retrospectively adjusted to reflect the stock split for all periods presented.



*Value Integrator*