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Mitsubishi UFJ Lease & Finance

FY3/2016 3rd Quarter Results

(Tokyo Stock Exchange / Nagoya Stock Exchange : 8593)

Results Announcement Date : February 4, 2016

Mitsubishi UFJ Lease & Finance Company Limited

Value Integrator

I**FY3/2016 3rd Quarter Results**

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I **FY3/2016 3rd Quarter Results**

II Appendix

(billion yen)

	FY3/2016 3Q	YOY Change	YOY Change (%)	FY3/2015 3Q	Reference
Total Revenues	610.9	+63.5	+11.6%	547.4	Profit & Loss Statement on p.12-13 (see p.8 for Net Credit Cost)
Gross Profit	124.8	+26.7	+27.3%	98.0	
Operating Income	68.4	+14.9	+28.0%	53.4	
Recurring Income	71.6	+16.1	+29.1%	55.5	
Net Income ※	44.6	+11.2	+33.7%	33.3	
New Transactions Volume	1,110.4	+146.7	+15.2%	963.7	p.4, 5

※Net income attributable to parent company shareholders

(billion yen)

	FY3/2016 3Q	Change from FY3/2015	Change from FY3/2015(%)	FY3/2015	Reference
Total Equity	648.6	+27.2	+4.4%	621.3	Balance Sheet on p.14-15
Total Assets	5,083.5	+47.8	+1.0%	5,035.6	
Total Operating Assets	4,552.8	+11.9	+0.3%	4,540.9	p.6

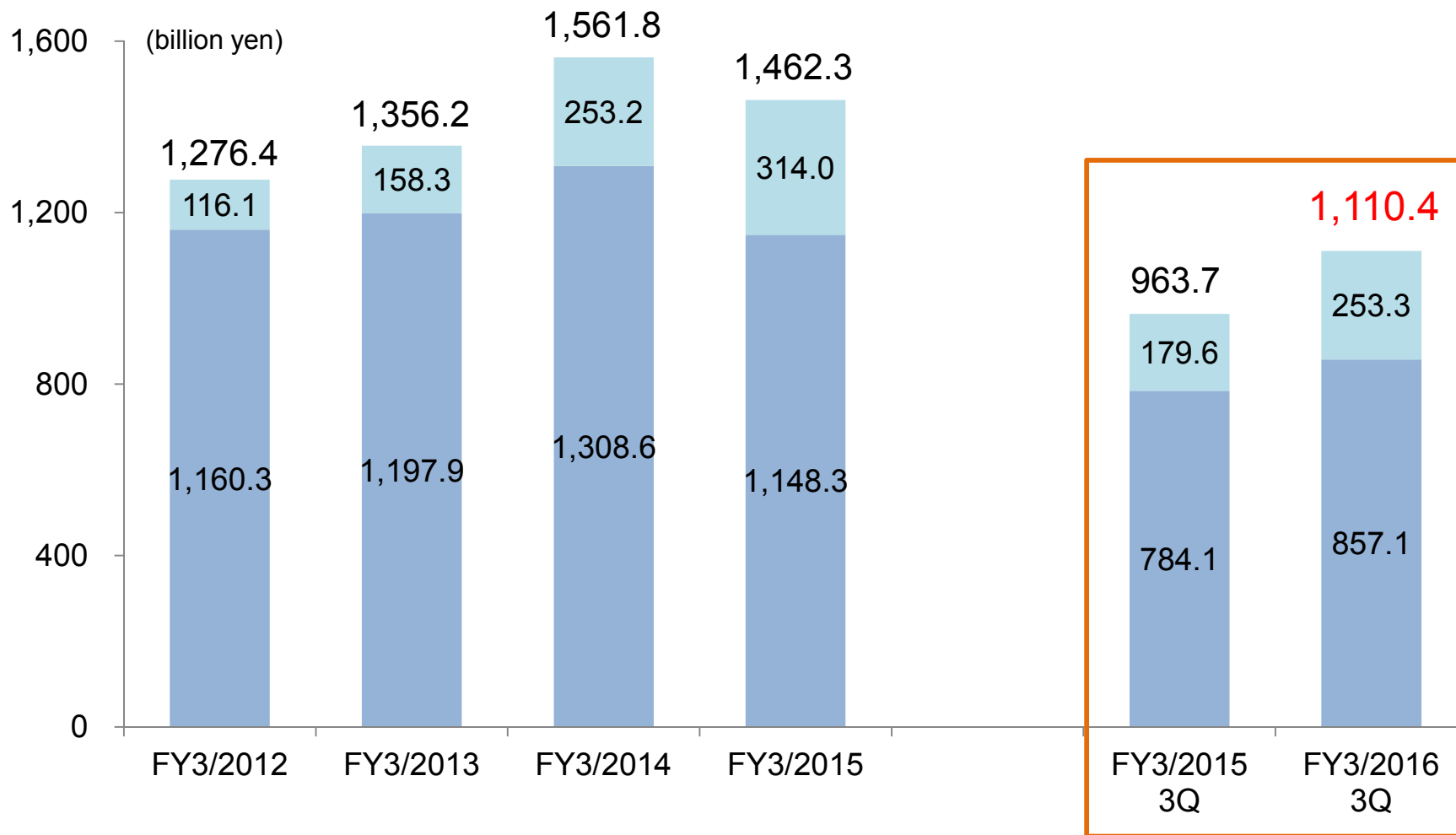
New Transactions Volume by Transaction Type

Value Integrator

(billion yen)

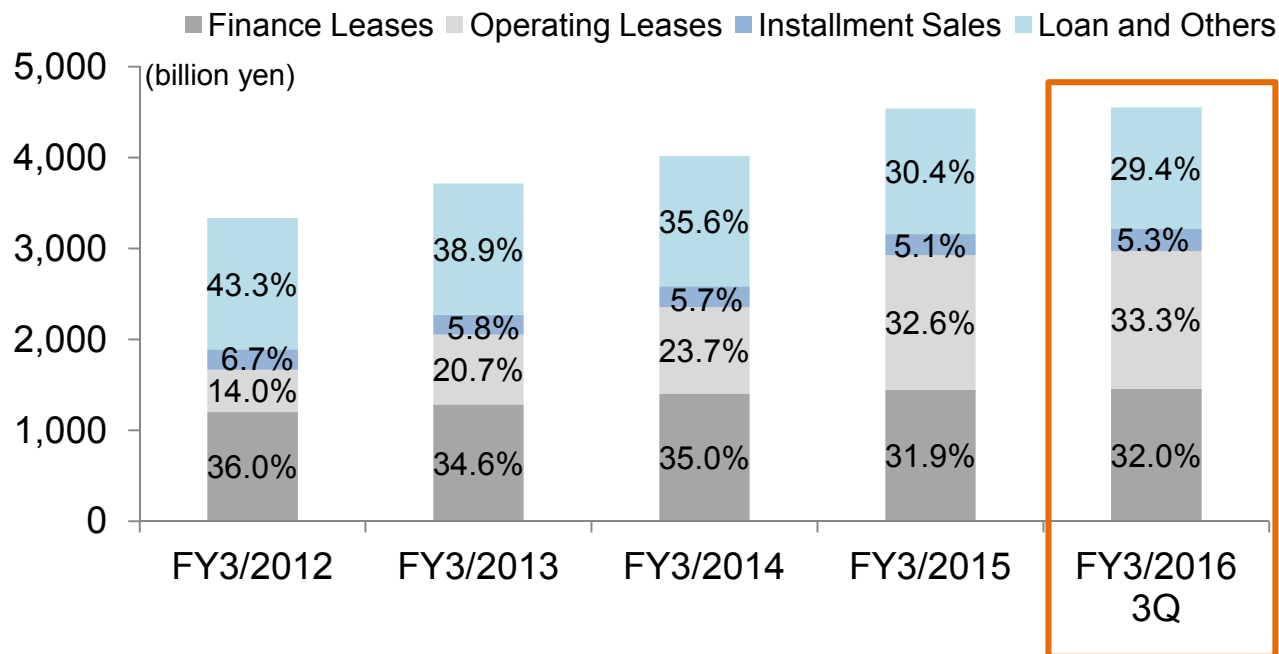
	FY3/2015 3Q	FY3/2016 3Q	YOY Change(%)
1. Lease Transactions Volume	462.1	562.8	+21.8%
IT / Office Equipment	81.8	98.5	+20.4%
Industrial Machinery	87.5	95.3	+8.8%
Civil Eng. & Construction Machinery	23.5	23.1	-1.4%
Transportation Equipment	107.1	167.4	+56.3%
Medical Equipment	31.7	37.0	+16.9%
Commercial & Service Equipment	51.1	56.0	+9.6%
Others	79.2	85.1	+7.4%
2. Installment Sales Volume	58.1	71.5	+23.1%
IT / Office Equipment	3.2	2.8	-11.8%
Industrial Machinery	6.7	8.7	+30.2%
Civil Eng. & Construction Machinery	16.5	19.5	+18.4%
Transportation Equipment	2.8	3.2	+13.1%
Medical Equipment	4.4	7.6	+71.2%
Commercial & Service Equipment	13.6	17.6	+29.1%
Others	10.6	11.8	+11.3%
3. Loan and Other Transaction Volume	443.4	476.1	+7.4%
Factoring	157.2	168.2	+7.0%
Real Estate Finance	82.2	65.3	-20.6%
Others	203.9	242.5	+19.0%
Volume of All New Transactions	963.7	1,110.4	+15.2%

■ Domestic ■ Overseas



(billion yen)

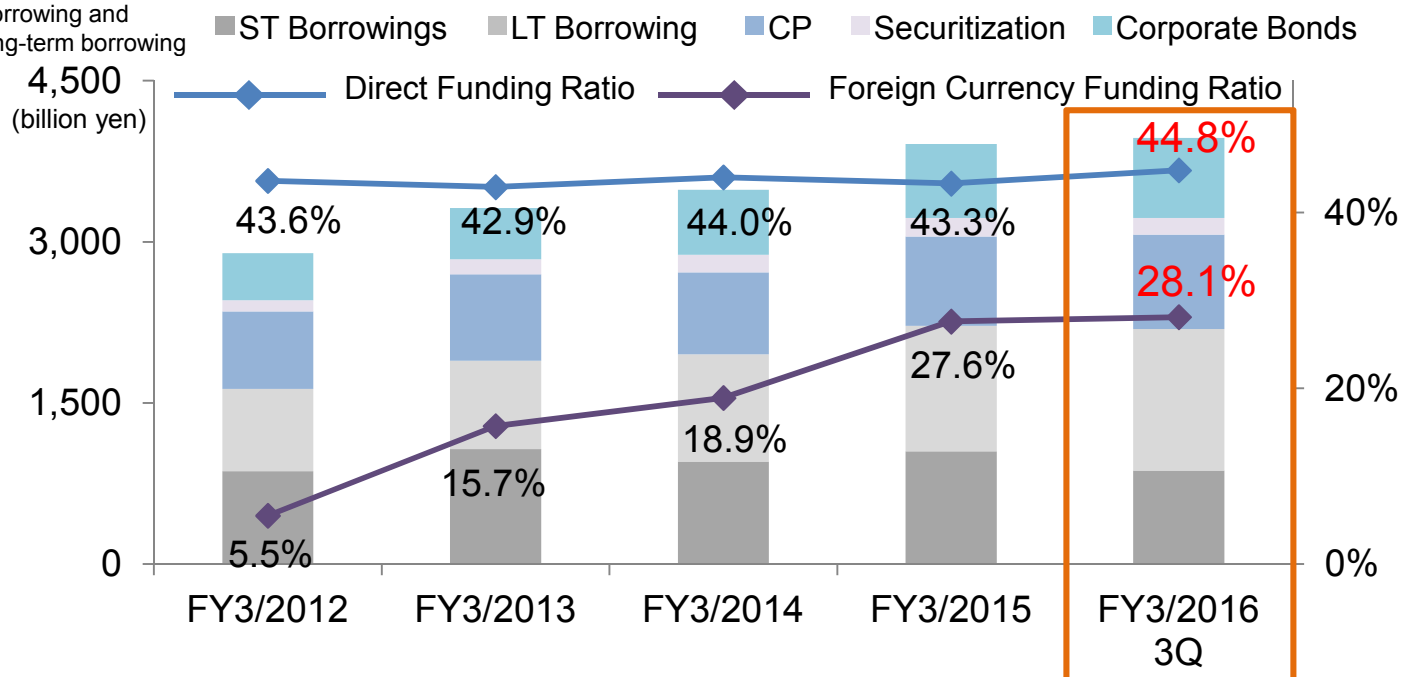
	FY3/2012	FY3/2013	FY3/2014	FY3/2015	FY3/2016 3Q	Change from FY3/2015
Finance Leases	1,199.4	1,286.1	1,405.7	1,447.6	1,459.3	+0.8%
Operating Leases	467.9	767.8	951.5	1,478.2	1,513.9	+2.4%
Installment Sales	222.4	216.7	227.3	234.0	241.2	+3.1%
Loan and Others	1,445.7	1,443.3	1,432.8	1,381.0	1,338.3	-3.1%
Total Operating Assets	3,335.6	3,713.9	4,017.4	4,540.9	4,552.8	+0.3%

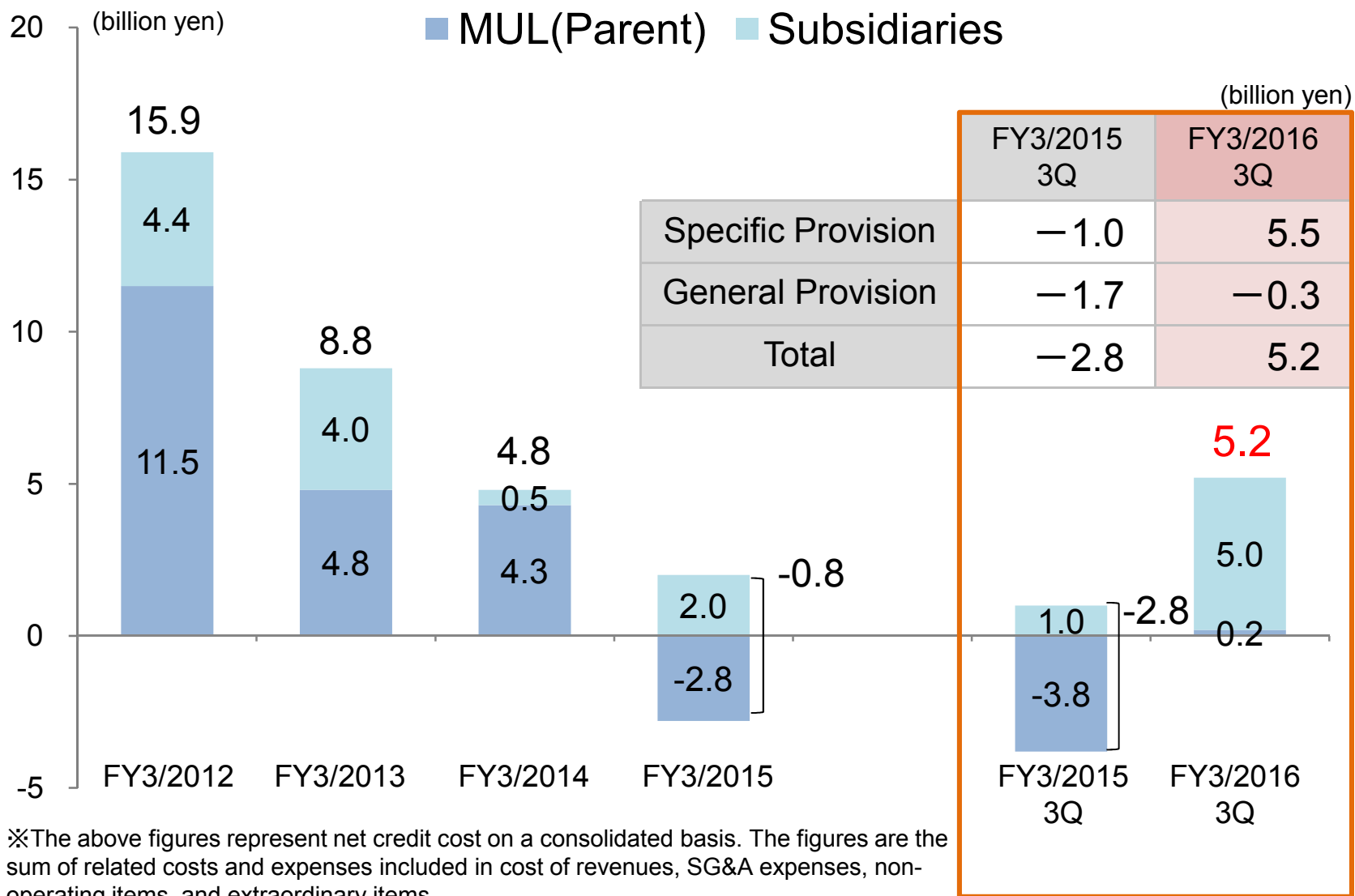


(billion yen)

	FY3/2012	FY3/2013	FY3/2014	FY3/2015	FY3/2016 3Q	Change from FY3/2015
ST Borrowing ※	865.3	1,069.9	953.2	1,049.7	869.3	-17.2%
LT Borrowing	766.6	822.1	999.6	1,168.3	1,318.8	+12.9%
CP	719.3	806.2	762.3	830.0	877.6	+5.7%
Securitization	104.2	139.6	164.4	173.5	155.4	-10.4%
Corporate Bonds	438.0	477.3	604.7	688.7	744.7	+8.1%
Total Funding	2,893.5	3,315.2	3,484.4	3,910.3	3,966.0	+1.4%

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





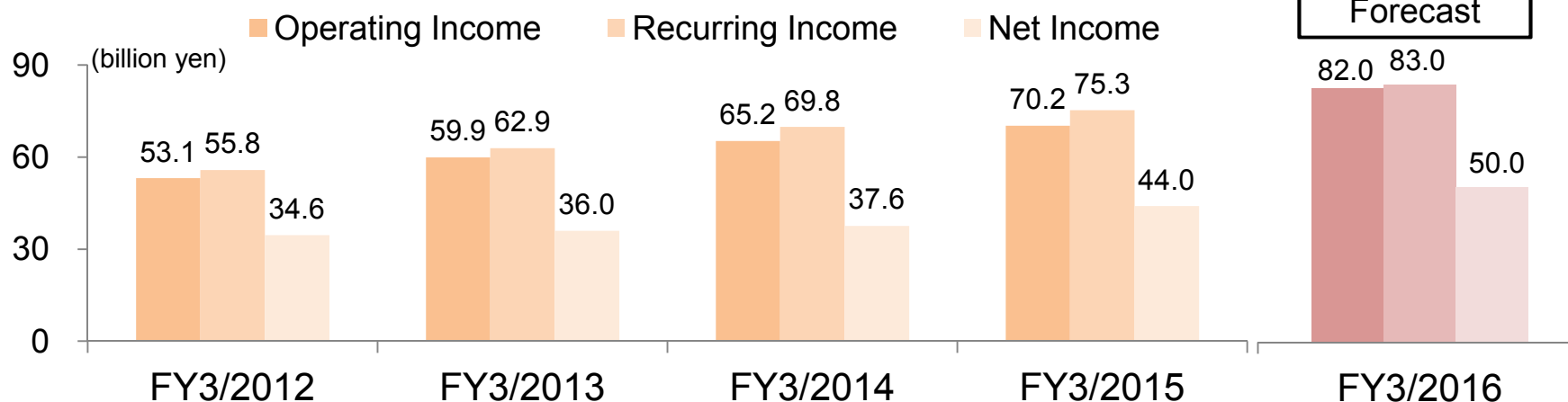
(billion yen)

	FY3/2016	YOY Change
Total Revenues	800.0	+7.8%
Gross Profit	154.0	+15.5%
Operating Income	82.0	+16.7%
Recurring Income	83.0	+10.1%
Net Income ※	50.0	+13.5%
Dividend per Share	10.40 yen	+0.90 yen

The above figures represent consolidated forecast for FY3/2016 as of February 4, 2016.

※Net Income attributable to parent company shareholders

Consolidated Financial Performance





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I FY3/2016 3rd Quarter Results

II **Appendix**

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

(million yen)

		FY3/2012 3Q	FY3/2013 3Q	FY3/2014 3Q	FY3/2015 3Q	FY3/2016 3Q
		11/4~11/12	12/4~12/12	13/4~13/12	14/4~14/12	15/4~15/12
1	Total Revenues	541,735	522,165	530,867	547,443	610,989
		-0.9%	-3.6%	+1.7%	+3.1%	+11.6%
2	Leases	418,006	408,834	431,062	444,173	497,988
		-0.8%	-2.2%	+5.4%	+3.0%	+12.1%
3	Installment Sales	70,101	63,809	61,373	62,462	64,080
		-8.3%	-9.0%	-3.8%	+1.8%	+2.6%
4	Loans	26,728	26,101	25,922	25,253	25,605
		-4.7%	-2.3%	-0.7%	-2.6%	+1.4%
5	Others	26,898	23,419	12,510	15,554	23,315
		+29.6%	-12.9%	-46.6%	+24.3%	+49.9%
6	Cost of Revenues	454,597	430,258	437,776	449,361	486,110
		-0.5%	-5.4%	+1.7%	+2.6%	+8.2%
7	COR / Revenues	83.9%	82.4%	82.5%	82.1%	79.6%
		+0.3P	-1.5P	+0.1P	-0.4P	-2.5P
8	Leases, COR	358,961	349,490	356,170	364,781	391,398
		-0.3%	-2.6%	+1.9%	+2.4%	+7.3%
9	Installment Sales, COR	63,701	57,878	55,937	57,104	59,003
		-8.5%	-9.1%	-3.4%	+2.1%	+3.3%
10	Financial expenses	13,464	12,972	18,542	19,459	28,839
		-14.9%	-3.7%	+42.9%	+4.9%	+48.2%
11	Others, COR	18,469	9,916	7,126	8,015	6,868
		+61.3%	-46.3%	-28.1%	+12.5%	-14.3%
12	Gross Profit	87,138	91,906	93,091	98,081	124,879
		-3.0%	+5.5%	+1.3%	+5.4%	+27.3%
13	Gross Profit / Revenues	16.1%	17.6%	17.5%	17.9%	20.4%
		-0.3P	+1.5P	-0.1P	+0.4P	+2.5P

(million yen)

		FY3/2012 3Q	FY3/2013 3Q	FY3/2014 3Q	FY3/2015 3Q	FY3/2016 3Q
		11/4~11/12	12/4~12/12	13/4~13/12	14/4~14/12	15/4~15/12
14	SG&A Expenses	41,156	44,653	47,027	44,604	56,413
		-17.6%	+8.5%	+5.3%	-5.2%	+26.5%
15	Personnel Expenses	17,241	17,580	19,787	20,535	24,384
		+3.4%	+2.0%	+12.6%	+3.8%	+18.7%
16	Non-Personnel Expense	18,788	19,491	22,084	22,877	25,823
		+3.7%	+3.7%	+13.3%	+3.6%	+12.9%
17	Expenses for Non-performing Assets	5,126	7,582	5,156	1,191	6,204
		-66.2%	+47.9%	-32.0%	-76.9%	+420.7%
18	Overhead Ratio (Overhead expenses divided by GP)	41.3%	40.3%	45.0%	44.3%	40.2%
		+2.6P	-1.0P	+4.7P	-0.7P	-4.1P
19	Operating Income	45,981	47,253	46,063	53,477	68,465
		+15.3%	+2.8%	-2.5%	+16.1%	+28.0%
20	Operating Income / Revenues	8.5%	9.0%	8.7%	9.8%	11.2%
		+1.2P	+0.5P	-0.3P	+1.1P	+1.4P
21	Recurring Income	48,579	49,952	49,119	55,505	71,677
		+17.6%	+2.8%	-1.7%	+13.0%	+29.1%
22	Extraordinary Income	571	250	83	820	98
		-80.5%	-56.2%	-66.6%	+880.3%	-88.0%
23	Extraordinary Cost	465	373	4	8	80
		-80.9%	-19.7%	-98.8%	+92.0%	+861.1%
24	Net Income ※	26,157	29,374	28,754	33,384	44,633
		+14.6%	+12.3%	-2.1%	+16.1%	+33.7%

※Net Income Attributable to Parent Company Shareholders

(million yen)

		FY3/2012	FY3/2013	FY3/2014	FY3/2015	FY3/2016 3Q
1	Total Equity	420,864	468,061	534,250	621,344	648,610
		+8.0%	+11.2%	+14.1%	+16.3%	+4.4%
2	Total Assets	3,682,299	4,177,784	4,497,502	5,035,676	5,083,547
		-1.0%	+13.5%	+7.7%	+12.0%	+1.0%
3	Operating Assets	3,335,620	3,713,972	4,017,419	4,540,920	4,552,865
		-1.7%	+11.3%	+8.2%	+13.0%	+0.3%
4	Leases	1,667,454	2,053,955	2,357,220	2,925,880	2,973,302
		-0.4%	+23.2%	+14.8%	+24.1%	+1.6%
5	Installment Sales	222,433	216,700	227,318	234,023	241,245
		-8.1%	-2.6%	+4.9%	+2.9%	+3.1%
6	Loans	1,193,607	1,256,032	1,288,819	1,257,593	1,232,817
		+1.6%	+5.2%	+2.6%	-2.4%	-2.0%
7	Others	252,124	187,285	144,061	123,423	105,499
		-16.8%	-25.7%	-23.1%	-14.3%	-14.5%
8	Impaired Assets	49,451	46,066	33,223	33,434	32,693
		+20.8%	-6.8%	-27.9%	+0.6%	-2.2%
9	Allowance	15,533	15,921	12,494	14,134	18,109
10	Net Balance of Impaired Assets	33,918	30,145	20,729	19,300	14,583
		+7.4%	-11.1%	-31.2%	-6.9%	-24.4%

(million yen)

		FY3/2012	FY3/2013	FY3/2014	FY3/2015	FY3/2016 3Q
11	Equity Ratio	10.9%	10.7%	11.4%	11.8%	12.2%
		+0.9P	-0.2P	+0.7P	+0.4P	+0.4P
12	ROE	8.9%	8.5%	7.9%	8.0%	-
		+1.8P	-0.4P	-0.6P	+0.1P	-
13	ROA	0.9%	0.9%	0.9%	0.9%	-
		+0.2P	-0.0P	-0.0P	+0.0P	-
14	Total Funding	2,893,504	3,315,294	3,484,480	3,910,324	3,966,067
		-2.3%	+14.6%	+5.1%	+12.2%	+1.4%
15	Indirect Funding	1,631,959	1,892,132	1,952,985	2,218,009	2,188,268
		+1.1%	+15.9%	+3.2%	+13.6%	-1.3%
16	Direct Funding	1,261,545	1,423,162	1,531,494	1,692,314	1,777,798
		-6.3%	+12.8%	+7.6%	+10.5%	+5.1%
17	CP	719,300	806,200	762,300	830,000	877,600
		-16.9%	+12.1%	-5.4%	+8.9%	+5.7%
18	Securitization (Lease Receivables)	104,215	139,644	164,413	173,539	155,427
		+2.2%	+34.0%	+17.7%	+5.6%	-10.4%
19	Corporate Bond	438,030	477,317	604,781	688,774	744,771
		+15.6%	+9.0%	+26.7%	+13.9%	+8.1%
20	Direct Funding Ratio	43.6%	42.9%	44.0%	43.3%	44.8%
		-1.9P	-0.7P	+1.1P	-0.7P	+1.5P

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

(million yen)

FY3/2016 3Q	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	350,828	+2.6%	27,608	+2.1%	14,189	+5.0%
Gross Profit	57,076	+15.7%	2,263	-6.5%	1,223	-2.3%
Operating Income	30,868	+17.2%	-118	-112.9%	639	-9.3%
Recurring Income	28,432	+4.8%	-85	-108.6%	651	-13.7%
Net Income	18,942	+6.3%	-45	-107.3%	428	-12.4%
FY3/2016 3Q	Amount	Change from FY3/2015	Amount	Change from FY3/2015	Amount	Change from FY3/2015
Operating Assets	2,918,043	+1.2%	101,589	-0.0%	58,008	+8.4%
Total Assets	3,749,161	+2.1%	105,076	-0.0%	59,809	+7.6%
Total Equity	410,900	+2.0%	13,273	-0.3%	10,750	+4.2%

(million yen)

FY3/2016 3Q	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	19,814	+0.9%	8,379	-0.2%	12,030	-1.8%
Gross Profit	1,600	-6.7%	742	-10.0%	1,328	-4.4%
Operating Income	617	-13.7%	126	-52.2%	638	-20.4%
Recurring Income	642	-13.3%	196	-34.9%	667	-19.1%
Net Income	391	-9.4%	126	-32.5%	439	-21.1%
FY3/2016 3Q	Amount	Change from FY3/2015	Amount	Change from FY3/2015	Amount	Change from FY3/2015
Operating Assets	89,304	-8.5%	32,462	+5.6%	56,827	-2.9%
Total Assets	94,396	-7.6%	33,467	+5.4%	59,546	-2.8%
Total Equity	8,188	+4.3%	11,763	+1.1%	11,193	+4.2%

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

(million yen)

FY3/2016 3Q	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	20,638	+2.4%	4,995	+1.8%	18,220	+8.0%
Gross Profit	2,445	-4.4%	427	-9.3%	7,761	+0.0%
Operating Income	1,192	-10.6%	134	-28.1%	2,858	+6.5%
Recurring Income	1,235	-10.7%	164	-26.0%	3,249	+6.7%
Net Income	818	-8.2%	108	-24.1%	2,148	+11.1%
FY3/2016 3Q	Amount	Change from FY3/2015	Amount	Change from FY3/2015	Amount	Change from FY3/2015
Operating Assets	119,877	+5.1%	19,116	-0.1%	263,106	-3.3%
Total Assets	123,909	+5.2%	20,237	-0.6%	288,075	-3.5%
Total Equity	13,901	+5.0%	5,626	+1.4%	21,291	+11.2%

(million yen)

FY3/2016 3Q	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	20,567	+2.2%	6,797	-6.9%	4,907	+4.7%
Gross Profit	1,750	+1.8%	3,680	+11.0%	2,388	+2.2%
Operating Income	517	+5.7%	2,662	+5.2%	2,006	+3.0%
Recurring Income	516	+5.7%	2,745	-13.5%	1,696	+4.5%
Net Income	340	+9.7%	1,832	-10.0%	1,101	+7.4%
FY3/2016 3Q	Amount	Change from FY3/2015	Amount	Change from FY3/2015	Amount	Change from FY3/2015
Operating Assets	59,220	-4.0%	209,545	+2.1%	60,896	-1.3%
Total Assets	61,564	-3.9%	212,058	+1.9%	64,944	+0.4%
Total Equity	5,632	+6.4%	26,796	+7.3%	23,812	+4.7%

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