

FY3/2018 1st Quarter Results

(Tokyo Stock Exchange / Nagoya Stock Exchange : 8593)

Results Announcement Date : August 3, 2017

Mitsubishi UFJ Lease & Finance Company Limited

I**FY3/2018 1st Quarter Results**

- Financial Highlights 3
- New Transactions Volume 4-5
- Operating Assets 6
- Funding Structure 7
- Net Credit Cost 8
- Forecast for Financial Results of FY3/2018 9

II**Appendix**

- Profit & Loss Statement (Consolidated) 12-13
- Balance Sheet (Consolidated) 14-15
- Overview of Principal Consolidated Companies 16-17

I

FY3/2018 1st Quarter Results

II

Appendix

(billion yen)

	FY3/2018 1Q	YOY Change	YOY Change (%)	exchange rate effects of overseas subsidiaries	FY3/2017 1Q	Reference
Total Revenues	217.0	+15.9	+7.9%	-0.6	201.0	
Gross Profit	38.8	-0.0	-0.0%	-0.2	38.8	p.12, 13
Operating Income	20.4	-2.2	-9.7%	-0.1	22.6	(see p.8 for Credit Cost)
Recurring Income	22.4	-1.6	-7.0%	-0.1	24.0	
Net Income ※	14.8	-0.8	-5.3%	-0.0	15.6	
New Transactions Volume	354.3	+16.4	+4.9%	-1.7	337.8	p.4, 5
USD Exchange Rate (*1)	\$1:113.64 yen	-		-	\$1:115.48 yen	

※: Net income attributable to parent company shareholders

*1: Exchange rate applied to profit and loss statement of overseas subsidiaries

(billion yen)

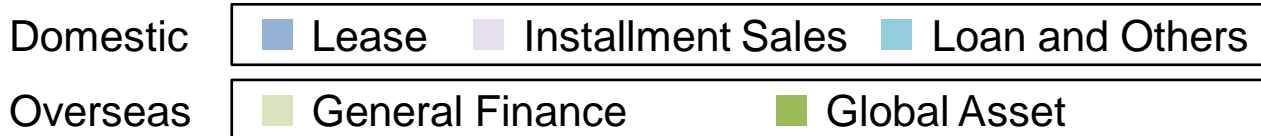
	FY3/2018 1Q	Change from FY3/2017	Change from FY3/2017(%)	exchange rate effects of overseas subsidiaries	FY3/2017	Reference
Total Equity	690.6	+4.2	+0.6%	-	686.3	p.14,15
Total Assets	5,394.6	+5.7	+0.1%	-	5,388.8	
Total Operating Assets	4,831.2	-45.2	-0.9%	-59.8	4,876.5	p.6
USD Exchange Rate (*2)	\$1:112.19yen	-		-	\$1:116.49yen	

*2: Exchange rate applied to balance sheet of overseas subsidiaries

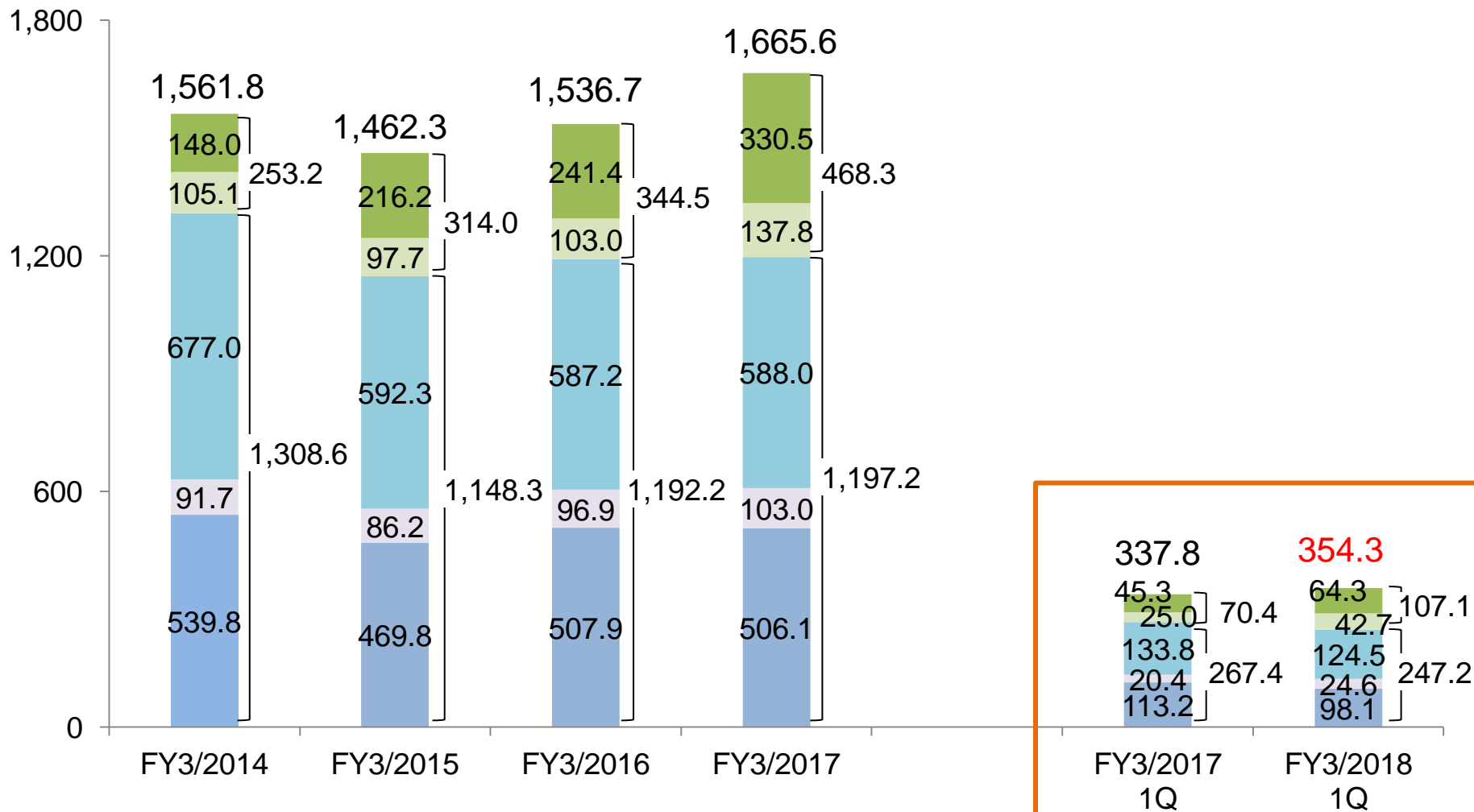
New Transactions Volume by Transaction Type

	(billion yen)		
	FY3/2017 1Q	FY3/2018 1Q	YOY Change(%)
1. Lease Transactions Volume	167.1	179.7	+7.6%
IT / Office Equipment	30.9	30.0	-2.9%
Industrial Machinery	23.5	25.4	+8.1%
Civil Eng. & Construction Machinery	6.7	8.6	+28.4%
Transportation Equipment	44.8	66.8	+49.2%
Medical Equipment	16.2	14.8	-8.7%
Commercial & Service Equipment	18.2	15.2	-16.9%
Others	26.4	18.6	-29.8%
2. Installment Sales Volume	20.4	24.6	+20.6%
IT / Office Equipment	0.3	0.2	-27.1%
Industrial Machinery	2.4	2.8	+15.0%
Civil Eng. & Construction Machinery	6.6	7.3	+9.8%
Transportation Equipment	1.4	1.1	-20.8%
Medical Equipment	1.9	2.5	+26.4%
Commercial & Service Equipment	3.2	6.2	+93.1%
Others	4.2	4.2	+0.9%
3. Loan and Other Transaction Volume	150.3	150.0	-0.2%
Factoring	51.1	47.2	-7.7%
Real Estate Finance	29.6	28.2	-4.6%
Others	69.5	74.4	+7.1%
Volume of All New Transactions	337.8	354.3	+4.9%

New Transactions Volume (Domestic / Overseas)

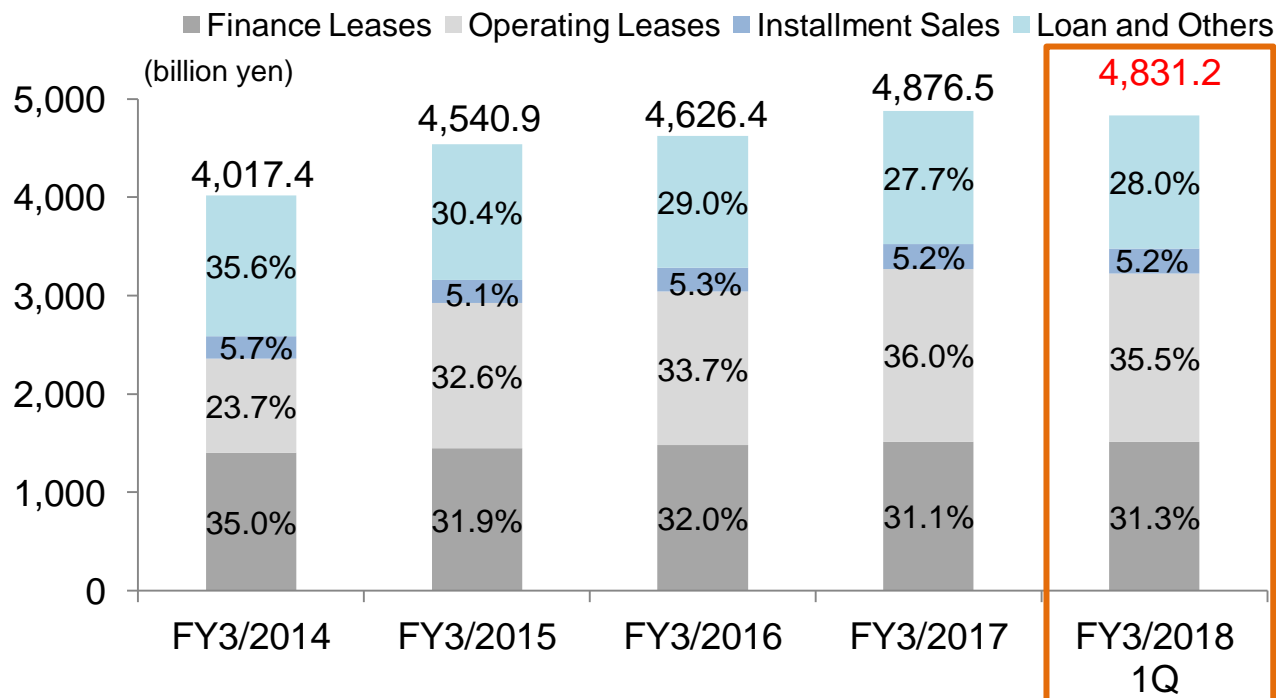


(billion yen)



(billion yen)

	FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 1Q	Change from FY3/2017
Finance Leases	1,405.7	1,447.6	1,480.3	1,514.7	1,511.7	-0.2%
Operating Leases	951.5	1,478.2	1,560.4	1,757.2	1,714.8	-2.4%
Installment Sales	227.3	234.0	245.8	252.9	253.1	+0.1%
Loan and Others	1,432.8	1,381.0	1,339.7	1,351.6	1,351.5	-0.0%
Total Operating Assets	4,017.4	4,540.9	4,626.4	4,876.5	4,831.2	-0.9%

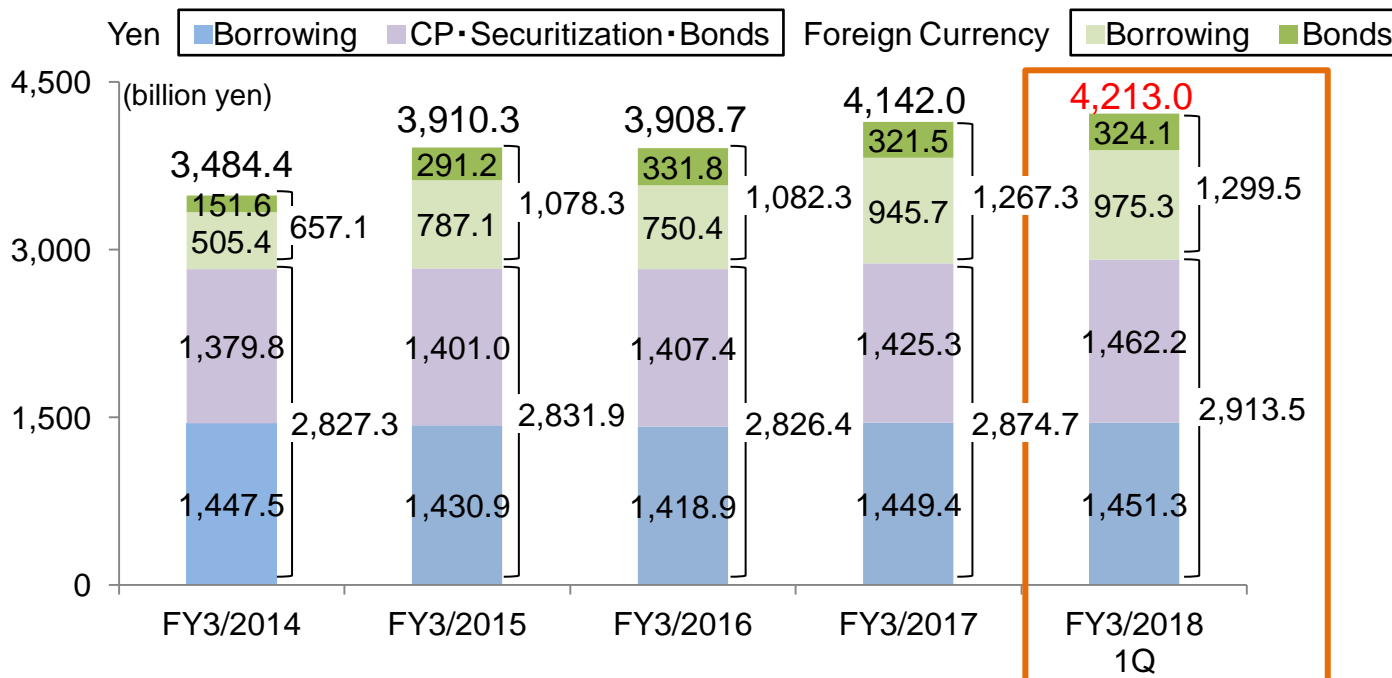


(billion yen)

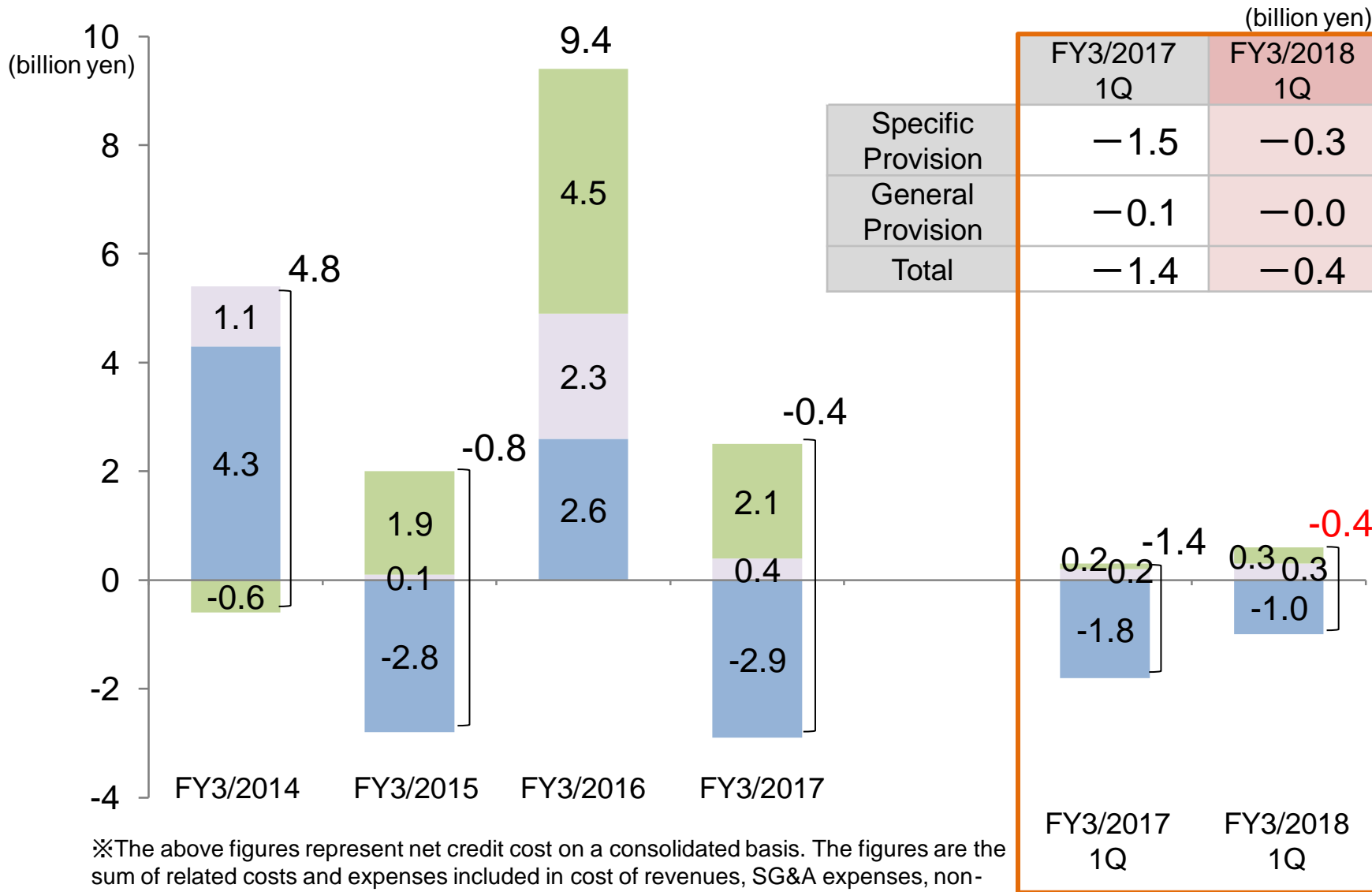
	FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018	Change from FY3/2017
Borrowing	1,952.9	2,218.0	2,169.4	2,395.1	2,426.6	+1.3%
CP (Commercial Paper)	762.3	830.0	853.6	835.9	889.0	+6.4%
Securitization	164.4	173.5	168.8	137.4	126.0	-8.3%
Corporate Bonds	604.7	688.7	716.8	773.5	771.3	-0.3%
Total Funding	3,484.4	3,910.3	3,908.7	4,142.0	4,213.0	+1.7%
Direct Funding Ratio※1	44.0%	43.3%	44.5%	42.2%	42.4%	+0.2%
Foreign Currency Funding Ratio※2	18.9%	27.6%	27.7%	30.6%	30.8%	+0.2%

※1: Proportion of CPs, securitization and corporate bonds among total funding

※2: Proportion of foreign currency-based funding among total funding



■ MUL(Parent) ■ Subsidiaries(Domestic) ■ Subsidiaries(Overseas)



※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.

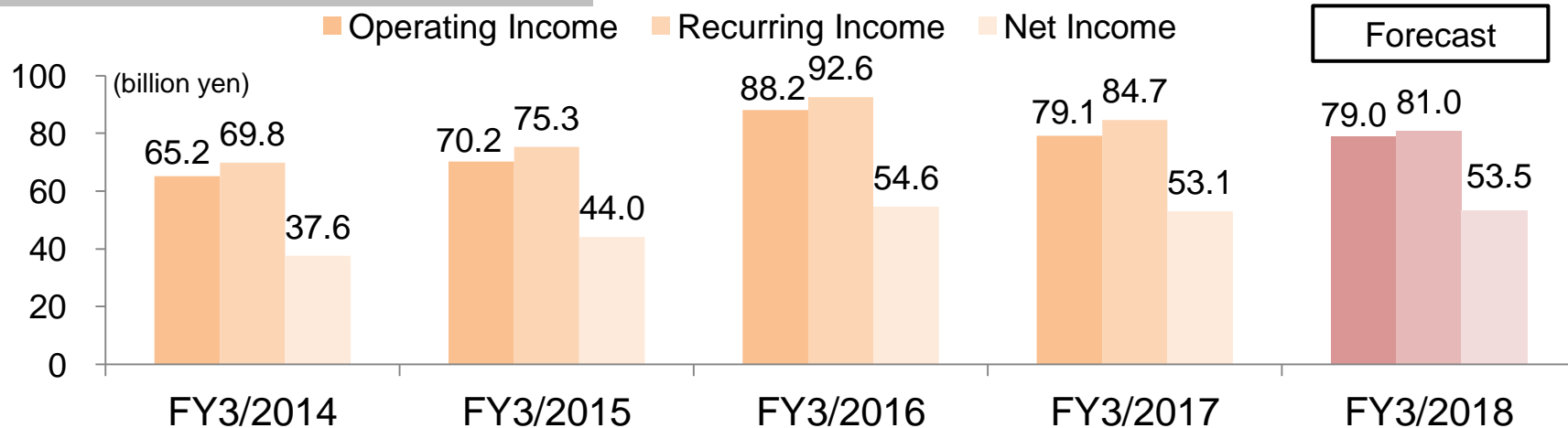
(billion yen)

	FY3/2018	YOY Change
Total Revenues	830.0	-1.1%
Gross Profit	155.0	+3.2%
Operating Income	79.0	-0.1%
Recurring Income	81.0	-4.4%
Net Income ※	53.5	+0.6%
Dividend per Share	15.00 yen	+2.00yen

Consolidated forecast for FY3/2018 as of August 3, 2017

※Net Income attributable to parent company shareholders

Consolidated Financial Performance





Inquiries:
Corporate Communications Department
Tel: 81+3-6865-3002



Website
<http://www.lf.mufg.jp/english/>



FY3/2018 1st Quarter Results



Appendix

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

(million yen)

		FY3/2014 1Q	FY3/2015 1Q	FY3/2016 1Q	FY3/2017 1Q	FY3/2018 1Q
		13/4~13/6	14/4~14/6	15/4~15/6	16/4~16/6	17/4~17/6
1	Total Revenues	178,634	184,120	198,985	201,096	217,018
		-1.5%	+3.1%	+8.1%	+1.1%	+7.9%
2	Leases	144,638	149,439	164,194	166,637	179,076
		+3.9%	+3.3%	+9.9%	+1.5%	+7.5%
3	Installment Sales	21,132	22,206	21,031	22,432	23,661
		+1.8%	+5.1%	-5.3%	+6.7%	+5.5%
4	Loans	8,614	8,594	8,439	8,271	8,554
		-1.3%	-0.2%	-1.8%	-2.0%	+3.4%
5	Others	4,248	3,880	5,320	3,754	5,725
		-66.3%	-8.7%	+37.1%	-29.4%	+52.5%
6	Cost of Revenues	147,755	151,940	160,103	162,223	178,162
		+2.2%	+2.8%	+5.4%	+1.3%	+9.8%
7	COR / Revenues	82.7%	82.5%	80.5%	80.7%	82.1%
		+3.0P	-0.2P	-2.0P	+0.2P	+1.4P
8	Leases, COR	119,808	122,912	129,749	130,871	143,178
		+1.4%	+2.6%	+5.6%	+0.9%	+9.4%
9	Installment Sales, COR	19,258	20,359	19,341	20,826	22,042
		+3.0%	+5.7%	-5.0%	+7.7%	+5.8%
10	Financial expenses	6,049	6,616	8,911	8,531	10,045
		+34.6%	+9.4%	+34.7%	-4.3%	+17.7%
11	Others, COR	2,638	2,051	2,100	1,995	2,896
		-18.5%	-22.2%	+2.4%	-5.0%	+45.2%
12	Gross Profit	30,879	32,180	38,882	38,872	38,855
		-15.9%	+4.2%	+20.8%	-0.0%	-0.0%
13	Gross Profit / Revenues	17.3%	17.5%	19.5%	19.3%	17.9%
		-3.0P	+0.2P	+2.0P	-0.2P	-1.4P

(million yen)

		FY3/2014 1Q	FY3/2015 1Q	FY3/2016 1Q	FY3/2017 1Q	FY3/2018 1Q
		13/4~13/6	14/4~14/6	15/4~15/6	16/4~16/6	17/4~17/6
14	SG&A Expenses	16,830	15,686	18,451	16,198	18,383
		+10.1%	-6.8%	+17.6%	-12.2%	+13.5%
15	Personnel Expenses	6,552	6,863	7,950	8,243	8,909
		+12.3%	+4.7%	+15.8%	+3.7%	+8.1%
16	Non-Personnel Expense	7,266	7,604	8,613	8,203	8,859
		+11.0%	+4.7%	+13.3%	-4.8%	+8.0%
17	Expenses for Non-performing Assets	3,011	1,218	1,887	-248	614
		+3.4%	-59.5%	+54.8%	-	-
18	Overhead Ratio (Overhead expenses divided by GP)	44.7%	45.0%	42.6%	42.3%	45.7%
		+11.0P	+0.3P	-2.4P	-0.3P	+3.4P
19	Operating Income	14,048	16,493	20,431	22,673	20,472
		-34.5%	+17.4%	+23.9%	+11.0%	-9.7%
20	Operating Income / Revenues	7.9%	9.0%	10.3%	11.3%	9.4%
		-4.0P	+1.1P	+1.3P	+1.0P	-1.8P
21	Recurring Income	16,273	17,214	21,767	24,093	22,400
		-31.7%	+5.8%	+26.4%	+10.7%	-7.0%
22	Extraordinary Income	46	748	0	1,717	1,370
		+31.8%	+1,524.3%	-	-	-20.2%
23	Extraordinary Cost	3	0	0	30	0
		-98.8%	-	-	-	-
24	Net Income ※	9,513	10,510	12,765	15,649	14,815
		-31.4%	+10.5%	+21.4%	+22.6%	-5.3%

※Net Income Attributable to Parent Company Shareholders

(million yen)

		FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 1Q
1	Total Equity	534,250	621,344	642,366	686,378	690,617
		+14.1%	+16.3%	+3.4%	+6.9%	+0.6%
2	Total Assets	4,497,502	5,035,676	5,121,253	5,388,844	5,394,638
		+7.7%	+12.0%	+1.7%	+5.2%	+0.1%
3	Operating Assets	4,017,419	4,540,920	4,626,455	4,876,553	4,831,267
		+8.2%	+13.0%	+1.9%	+5.4%	-0.9%
4	Leases	2,357,220	2,925,880	3,040,849	3,272,018	3,226,573
		+14.8%	+24.1%	+3.9%	+7.6%	-1.4%
5	Installment Sales	227,318	234,023	245,882	252,907	253,128
		+4.9%	+2.9%	+5.1%	+2.9%	+0.1%
6	Loans	1,288,819	1,257,593	1,241,831	1,245,555	1,238,319
		+2.6%	-2.4%	-1.3%	+0.3%	-0.6%
7	Others	144,061	123,423	97,892	106,072	113,245
		-23.1%	-14.3%	-20.7%	+8.4%	+6.8%
8	Impaired Assets	33,223	33,434	27,921	34,144	34,075
		-27.9%	+0.6%	-16.5%	+22.3%	-0.2%
9	Allowance	12,494	14,134	16,302	16,365	15,861
10	Net Balance of Impaired Assets	20,729	19,300	11,618	17,779	18,214
		-11.1%	-31.2%	-39.8%	+53.0%	+2.4%

(million yen)

		FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 1Q
11	Equity Ratio	11.4%	11.8%	12.0%	12.2%	12.2%
		+0.7P	+0.4P	+0.2P	+0.2P	+0.0P
12	ROE	7.9%	8.0%	9.0%	8.4%	-
		-0.6P	+0.1P	+1.0P	-0.7P	-
13	ROA	0.9%	0.9%	1.1%	1.0%	-
		-0.0P	+0.0P	+0.2P	-0.1P	-
14	Total Funding	3,484,480	3,910,324	3,908,736	4,142,073	4,213,020
		+5.1%	+12.2%	-0.0%	+6.0%	+1.7%
15	Indirect Funding	1,952,985	2,218,009	2,169,456	2,395,158	2,426,608
		+3.2%	+13.6%	-2.2%	+10.4%	+1.3%
16	Direct Funding	1,531,494	1,692,314	1,739,279	1,746,914	1,786,412
		+7.6%	+10.5%	+2.8%	+0.4%	+2.3%
17	CP	762,300	830,000	853,600	835,900	889,000
		-5.4%	+8.9%	+2.8%	-2.1%	+6.4%
18	Securitization (Lease Receivables)	164,413	173,539	168,869	137,484	126,033
		+17.7%	+5.6%	-2.7%	-18.6%	-8.3%
19	Corporate Bond	604,781	688,774	716,809	773,530	771,378
		+26.7%	+13.9%	+4.1%	+7.9%	-0.3%
20	Direct Funding Ratio	44.0%	43.3%	44.5%	42.2%	42.4%
		+1.1P	-0.7P	+1.2P	-2.3P	+0.2P

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

(million yen)

FY3/2018 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	117,099	+1.4%	9,182	+1.3%	5,247	+6.9%
Gross Profit	15,617	-3.0%	749	+1.9%	423	+1.0%
Operating Income	7,598	-12.9%	220	+9.1%	195	+2.1%
Recurring Income	7,200	-21.0%	248	+8.4%	200	+2.9%
Net Income	5,208	-29.0%	160	+8.5%	139	+0.5%

FY3/2018 1Q	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017
Operating Assets	2,971,637	+0.5%	98,531	-0.7%	65,930	+1.1%
Total Assets	3,921,398	+1.6%	101,598	-0.3%	67,812	+0.7%
Total Equity	444,015	+0.5%	14,062	+1.2%	11,690	+1.2%

(million yen)

FY3/2018 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	6,994	-6.1%	2,838	+2.2%	4,404	+9.4%
Gross Profit	489	-0.8%	237	+3.1%	428	-7.6%
Operating Income	126	-20.2%	55	+44.4%	208	-12.1%
Recurring Income	129	-31.9%	72	+49.7%	216	-11.7%
Net Income	80	-44.8%	47	+53.6%	146	-13.0%

FY3/2018 1Q	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017
Operating Assets	88,141	-1.5%	32,514	-1.0%	58,253	-0.8%
Total Assets	93,999	-1.5%	33,597	-0.9%	60,705	-1.0%
Total Equity	8,796	+0.5%	12,018	+0.4%	11,821	+1.3%

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

(million yen)

FY3/2018 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	7,441	+5.7%	1,802	+2.0%	4,354	-9.7%
Gross Profit	933	+12.0%	137	-5.8%	2,380	-7.8%
Operating Income	427	+2.5%	-1	-102.5%	768	-23.3%
Recurring Income	461	+2.3%	5	-90.2%	971	-17.9%
Net Income	316	-0.2%	3	-90.2%	671	-17.9%
FY3/2018 1Q	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017
Operating Assets	136,117	+0.7%	18,331	-2.1%	240,621	-1.6%
Total Assets	140,610	+0.6%	19,349	-1.7%	261,404	-1.7%
Total Equity	15,772	+1.8%	5,791	+0.1%	25,666	+2.7%

(million yen)

FY3/2018 1Q	DRS MUL's Share : 100%		Diamond Asset Finance MUL's Share : 100%		Miyuki Building MUL's Share : 98%		MUL Property MUL's Share : 100%	
	Amount	YOY Change	Amount	YOY Change	Amount	YOY Change	Amount	YOY Change
Revenues	6,478	-4.7%	2,120	+24.5%	1,681	+0.2%	13,713	+268.9%
Gross Profit	538	-3.6%	1,239	+1.6%	988	+24.0%	634	-16.5%
Operating Income	84	-33.2%	839	+0.2%	863	+30.2%	340	-42.1%
Recurring Income	81	-37.6%	864	-1.3%	801	+39.7%	374	-39.8%
Net Income	54	-38.9%	594	-1.5%	524	+39.7%	259	-41.0%
FY3/2018 1Q	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017
Operating Assets	50,014	+1.2%	207,776	+1.9%	62,648	-0.2%	106,150	-7.8%
Total Assets	52,384	+1.7%	210,187	+2.0%	67,833	+1.6%	155,674	-5.7%
Total Equity	6,271	+0.9%	30,961	+2.0%	26,274	+1.9%	11,341	+2.3%

This document contains forward-looking statements that are based on our opinions and information available to us at the time of publication. Mitsubishi UFJ Lease & Finance does not guarantee the accuracy or completeness of the information. The information is subject to change without notice. Actual results may differ significantly from those in the forward-looking statements due to various factors.



Mitsubishi UFJ Lease & Finance