

***Breakthrough
for the Next Decade***

Mitsubishi UFJ Lease & Finance

FY3/2018 2nd Quarter Results

(Tokyo Stock Exchange / Nagoya Stock Exchange: 8593)

November 8, 2017

Mitsubishi UFJ Lease & Finance Company Limited

Value Integrator



FY3/2018 2nd Quarter Results



Forecast for FY3/2018



**Progress of
Medium-Term Management Plan**



Appendix

Overall results

Recurring income

- ◆ Greater track records at domestic subsidiaries which were established last year and higher revenue from the favorable aircraft business contributed to the recurring income. Increase in dividend income from electricity sales business and decrease in total credit cost have led to an increase of 6.1% year-on-year in recurring income.

New Transactions Volume

- ◆ Non-Japanese transactions with overseas customers and Global Asset business steadily increased. As a result, MUL was able to recover from the drop-off from large-sized real estate loans and solar power lease contracts which were executed in the same quarter a year ago, to increase 0.8% year-on-year.

Global Asset

- ◆ Aircraft and aircraft engines maintained favorable performance, with steady progress in portfolio turnover. However, there was a delay in the profit recovery in marine containers.

Topics

- ◆ In the Social Infrastructure Business, MUL contracted the second deal. JII* also received the first order. With better track records, brand recognition and pipelines in the industry are expanding.
- ◆ In the Global Asset Business, we established a foundation for future full-scale development of the railcar leasing business in North America (launched fully staffed office and invited external industry expert).

* Japan Infrastructure Initiative



FY3/2018 2nd Quarter Results



Forecast for FY3/2018



Progress of
Medium-Term
Management Plan



Appendix

						(billion yen)
		FY3/2018 2Q	YOY Change		YOY Change (%)	FY3/2017 2Q
			exchange rate effects			
1	Total Revenue	433.5	+29.7	+0.3	+7.4%	403.7
2	Gross Profit	79.1	+3.6	+0.1	+4.9%	75.5
3	Operating Income	43.0	+0.8	+0.0	+2.1%	42.2
4	Recurring Income	47.0	+2.6	+0.0	+6.1%	44.3
5	※ ¹ Net Income	31.6	+2.5	+0.0	+8.6%	29.1
6	New Transactions Volume	724.5	+5.8	+0.9	+0.8%	718.7
7	※ ² Interim Dividend	7.50 yen	+1.25 yen	-	-	6.25 yen
8	USD Exchange Rate (*1)	\$1:¥112.37	-			\$1:¥111.81

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

9	Total Operating Assets	4,861.6	※ ³ -14.8	-62.0	※ ³ -0.3%	※ ⁴ 4,876.5
10	USD Exchange Rate (*2)	\$1:¥112.00	-			\$1:¥116.49

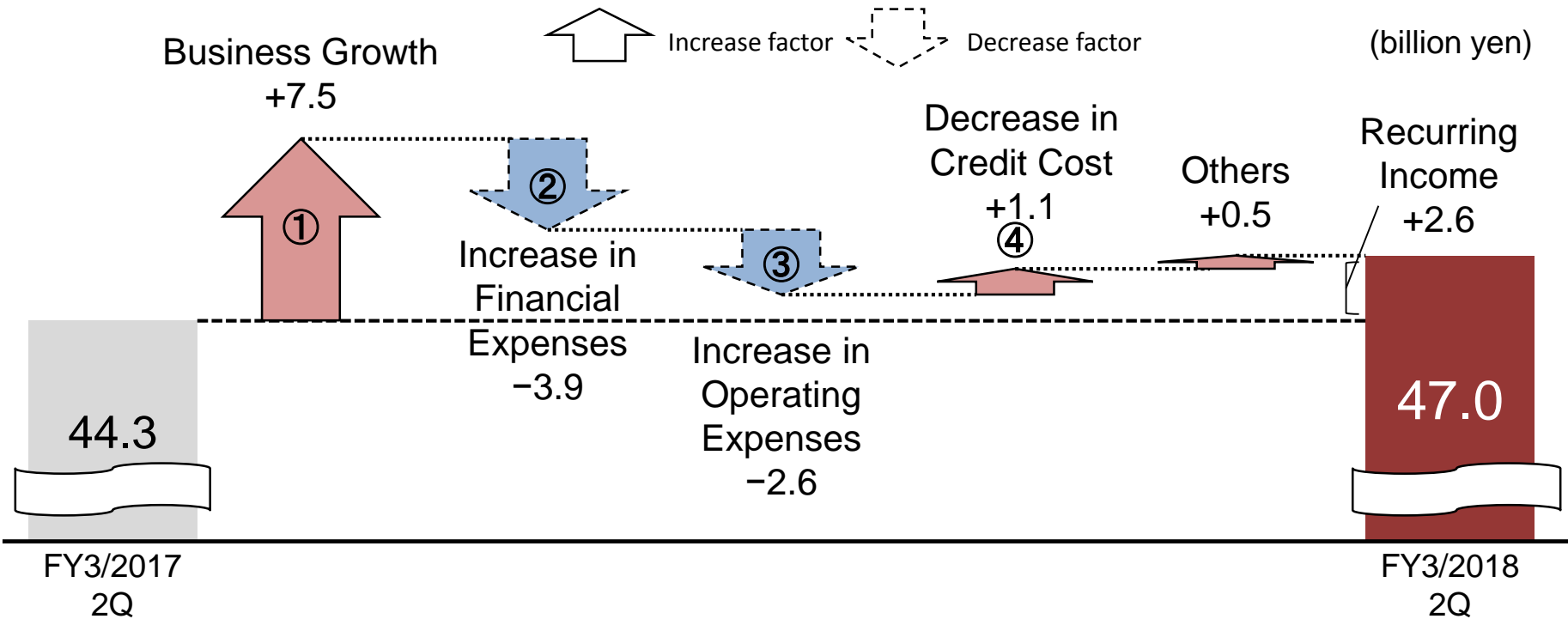
(*2): Exchange rate applied to balance sheet of overseas subsidiaries

※¹: Net income attributable to parent company shareholders

※³: Total operating assets is change from FY3/2017

※²: Interim dividend per share

※⁴: FY3/2017



① Business Growth	<ul style="list-style-type: none"> ✓ Profit of individual segments (MUL, domestic and overseas subsidiaries) grew year on year. ✓ No major change in the market environment for asset-related profit and loss for aircraft and real estate, and asset turnover progressed favorably. ✓ Delay in the profit recovery in container business compared with the initial outlook.
② Financial Expenses	<ul style="list-style-type: none"> ✓ Centering on those incurred in U.S. dollars, financial expenses increased.
③ Operating Expenses	<ul style="list-style-type: none"> ✓ With an increase in newly consolidated domestic subsidiaries and higher expenses in overseas subsidiaries, expenses increased year-on-year.
④ Credit Cost	<ul style="list-style-type: none"> ✓ Stable condition as a whole. ✓ Recorded 1.3 billion yen as reversal of domestic and vessels-related provisions.

(billion yen)

<By Transaction Type>		FY3/2018 2Q	YOY Change (%)	FY3/2017 2Q	Comments
1	Leases	359.1	+6.2%	338.0	✓ Both finance leases and operating leases were driven by transportation equipment. ✓ Lease transactions for industrial machine tools and civil engineering & construction machinery remained strong.
2	Finance Leases	233.4	+0.5%	232.4	
3	Operating Leases	125.6	+19.0%	105.6	
4	Installment Sales	48.7	+6.3%	45.7	✓ Loan transactions decreased year on year due to a base effect coming from the fact that large-sized real estate finance and general loans were provided domestically in the same quarter a year ago.
5	Loans and Others	316.6	-5.4%	334.8	
6	Factoring	94.6	-1.8%	96.3	
7	Real Estate Finance	50.4	-11.3%	56.8	
8	Others	171.5	-5.5%	181.6	
9	Volume of All New Transactions	724.5	+0.8%	718.7	
<Domestic/Overseas>					
10	Domestic	535.9	-7.7%	580.6	✓ Overall domestic transactions decreased mainly due to a drop-off of Loans and Others (real estate related). ✓ Lease decreased due to disappearance of large-sized transactions for mainly energy-related projects including solar panels in the previous corresponding period.
11	Leases	229.0	-3.3%	236.9	
12	Installment Sales	48.7	+6.3%	45.7	
13	Loan and Others	258.2	-13.3%	297.8	
14	Overseas	188.5	+36.5%	138.0	✓ Global Asset transactions such as for aircraft lease remained strong. ✓ Initiatives for non-Japanese customers were successful, with the number of contracts rising steadily in General Finance.
15	General Finance	92.4	+58.7%	58.2	
16	Global Assets	96.0	+20.4%	79.8	
17	Volume of All New Transactions	724.5	+0.8%	718.7	

(billion yen)

<By Transaction Type>		FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 2Q	Change from FY3/2017 (%)
1	Leases	2,357.2	2,925.8	3,040.8	3,272.0	3,244.2	-0.8%
2	Finance Leases	1,405.7	1,447.6	1,480.3	1,514.7	1,518.7	+0.3%
3	Operating Leases	951.5	1,478.2	1,560.4	1,757.2	1,725.5	-1.8%
4	Installment Sales	227.3	234.0	245.8	252.9	253.2	+0.1%
5	Loans and Others	1,432.8	1,381.0	1,339.7	1,351.6	1,364.1	+0.9%
6	Total Operating Assets	4,017.4	4,540.9	4,626.4	4,876.5	4,861.6	-0.3%

<Domestic/Overseas>

7	Domestic	3,160.1	3,118.1	3,147.4	3,208.5	3,208.5	-0.0%
8	Leases	1,726.9	1,752.9	1,814.5	1,855.9	1,848.2	-0.4%
9	Installment Sales	227.3	234.0	245.8	252.9	253.2	+0.1%
10	Loans and Others	1,205.7	1,130.9	1,086.9	1,099.6	1,107.0	+0.7%
11	Overseas	857.3	1,422.8	1,479.0	1,668.0	1,653.1	-0.9%
12	General Finance	216.3	245.4	226.5	258.1	294.7	+14.2%
13	Global Assets	641.0	1,177.4	1,252.5	1,409.9	1,358.3	-3.7%
14	Total Operating Assets	4,017.4	4,540.9	4,626.4	4,876.5	4,861.6	-0.3%

- ✓ Stable condition as a whole, with reversal increase of 0.3 billion yen year-on-year.
- ✓ MUL recorded reversal of specific provisions.
- ✓ Reversal occurred in vessel-related transactions in overseas subsidiaries.

(billion yen)

<MUL/Subsidiaries>		FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2017 2Q	FY3/2018 2Q	YOY Change
1	MUL	4.3	-2.8	2.6	-2.9	-2.4	-1.1	+1.3
2	Domestic Subsidiaries	1.1	0.1	2.3	0.4	0.1	0.4	+0.3
3	Overseas Subsidiaries	-0.6	1.9	4.5	2.1	1.3	-0.6	-1.9
4	Total Net Credit Cost	4.8	-0.8	9.4	-0.4	-0.9	-1.3	-0.3

<Specific/General>		FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2017 2Q	FY3/2018 2Q	YOY Change
5	Specific Provision	7.5	1.7	9.5	0.0	-0.2	-0.9	-0.7
6	Real Estate Sector	5.1	-1.6	2.9	-0.6	-0.1	-0.3	-0.2
7	Manufacturing Sector	1.4	0.8	-0.1	-0.1	-0.9	-0.4	+0.5
8	Transportation Sector	-1.2	0.7	3.1	1.6	1.3	-0.4	-1.7
9	Others	2.2	1.8	3.6	-0.9	-0.5	0.2	+0.7
10	General Provision	-2.7	-2.5	-0.1	-0.4	-0.7	-0.4	+0.3
11	Total Net Credit Cost	4.8	-0.8	9.4	-0.4	-0.9	-1.3	-0.3

- ✓ Issued U.S. dollar-denominated notes under Rule 144A and Regulation S for the first time to strengthen dollar procurement, gaining the ability to offer securities to U.S. investors.
- ✓ Enhancing ability to raise foreign currency funding for the purpose of expanding overseas business.

(billion yen)

		FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 2Q	Change from FY3/2017 (%)
1	Borrowing	1,952.9	2,218.0	2,169.4	2,395.1	2,405.5	+0.4%
2	Yen	1,447.5	1,430.9	1,418.9	1,449.4	1,423.0	-1.8%
3	Foreign Currency	505.4	787.1	750.4	945.7	982.5	+3.9%
4	CP (Commercial Paper)	762.3	830.0	853.6	835.9	880.5	+5.3%
5	Securitization	164.4	173.5	168.8	137.4	131.1	-4.6%
6	Corporate Bonds	604.7	688.7	716.8	773.5	862.2	+11.5%
7	Yen	453.1	397.5	385.0	452.0	479.6	+6.1%
8	Foreign Currency	151.6	291.2	331.8	321.5	382.6	+19.0%
9	Total Funding	3,484.4	3,910.3	3,908.7	4,142.0	4,279.5	+3.3%
10	Direct Funding Ratio *1	44.0%	43.3%	44.5%	42.2%	43.8%	+1.6%
11	Foreign Currency Funding Ratio *2	18.9%	27.6%	27.7%	30.6%	31.9%	+1.3%

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

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



FY3/2018 2nd Quarter Results



Forecast for FY3/2018



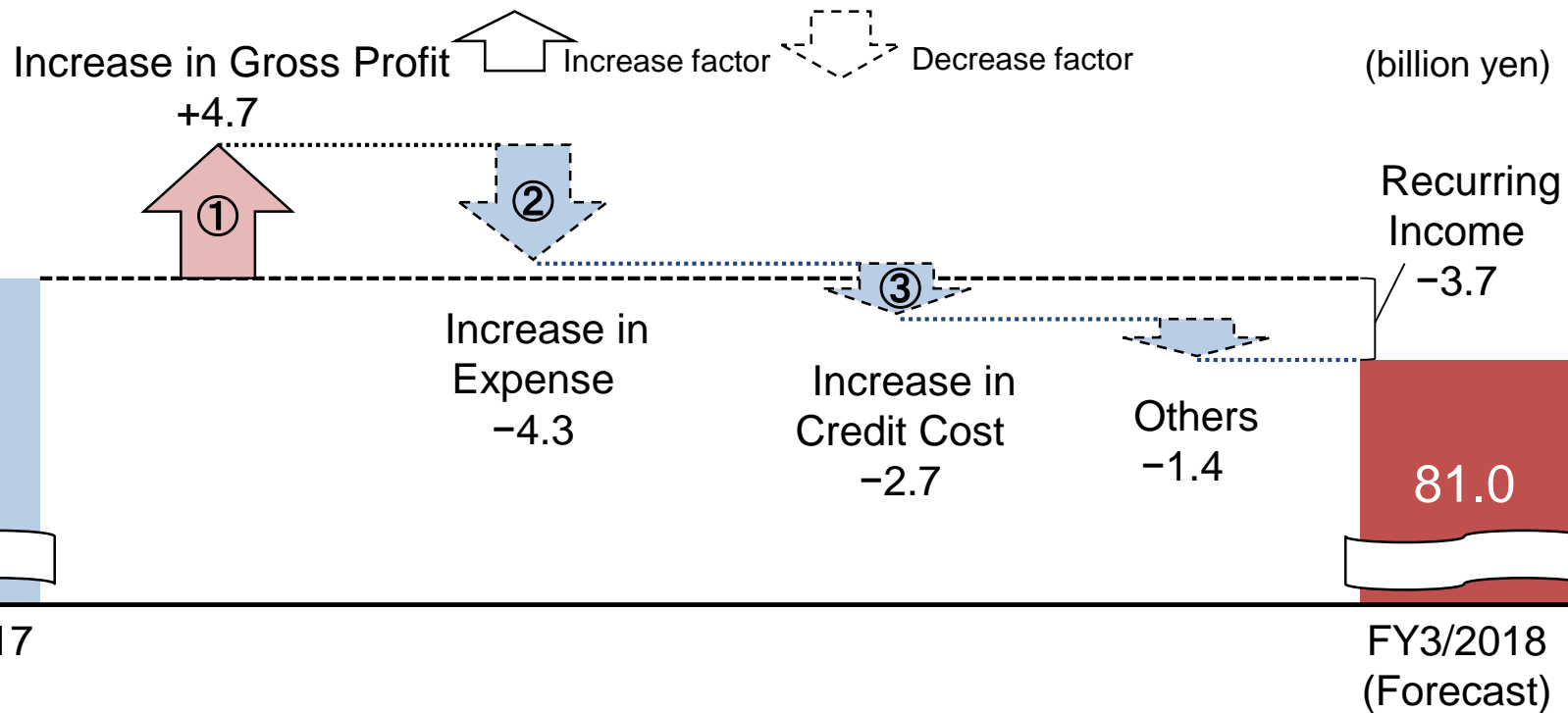
Progress of
Medium-Term
Management Plan



Appendix

(billion yen)

		FY3/2018	YOY Change	YOY Change (%)	FY3/2017
1	Total Revenue	830.0	-8.8	-1.1%	838.8
2	Gross Profit	155.0	+4.8	+3.2%	150.2
3	Operating Income	79.0	-0.1	-0.1%	79.1
4	Recurring Income	81.0	-3.7	-4.4%	84.7
5	Net Income Attributable to Parent Company Shareholders	53.5	+0.4	+0.6%	53.1
6	Interim Dividend	15.00 yen	+2.00 yen	-	13.00 yen



①Gross Profit	<p>< Factors for Upward ></p> <ul style="list-style-type: none"> ✓ Income contribution from newly established domestic group companies and income expansion of global asset subsidiaries. <p>< Factors for Downward ></p> <ul style="list-style-type: none"> ✓ Decrease in asset-related profit and Drop in profit at MUL.
②Expense	<ul style="list-style-type: none"> ✓ Increase in cost associated with the full fiscal year consolidation for newly established domestic group companies. ✓ Increase in personnel expenses at global asset subsidiaries located overseas (mainly rewards).
③Credit Cost	<ul style="list-style-type: none"> ✓ Unchanged from the provision value in the period-start forecast.



FY3/2018 2nd Quarter Results



Forecast for FY3/2018



**Progress of
Medium-Term
Management Plan**



Appendix

Overall Policy

1. "Integration of Finance and Business"

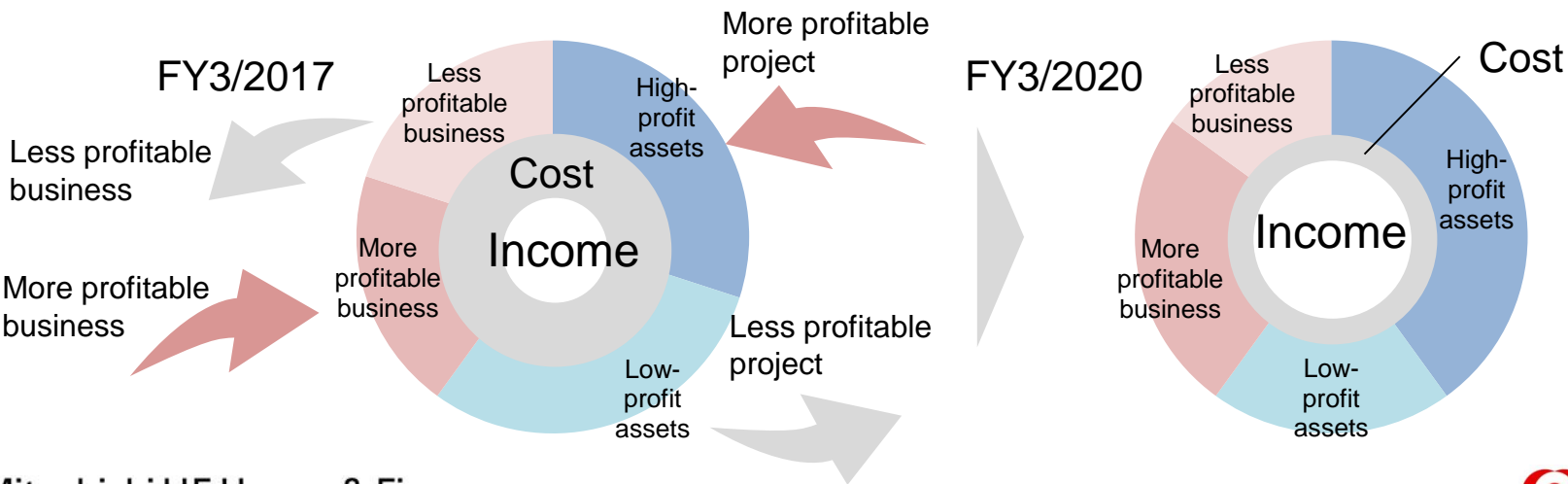
By integrating finance and business, aim to address social issues while improving profitability at the same time.

Evolution of business model	Corporate finance	Asset finance	Provision of services	Business participation	Business operation
Overview	Provide flexible finance as a non-bank	Promote operating leases based on value of assets	Provide services related to growth in value of customers' assets	Share business risks with partners, and earn investment income from dividends	Coordinate diverse functions, etc., and enhance customers' business value
Method	Finance lease, factoring, loan, etc.	Global asset, real estate securitization, etc.	Rental, used equipment trading, asset management businesses, etc.	Renewable energy generation, social infrastructure investment, etc.	Businesses such as real estate revitalization/ regional energy supply

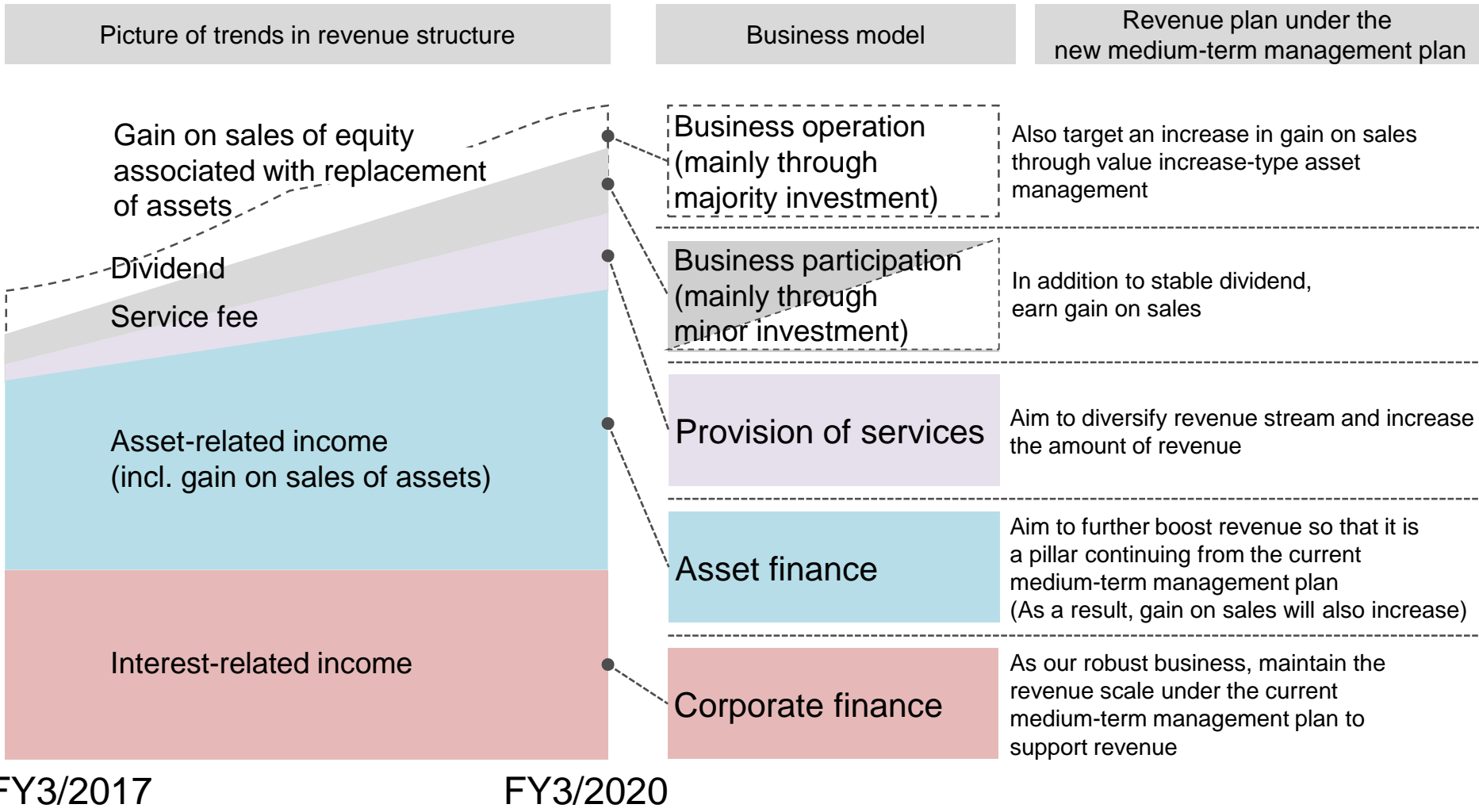
2. Value both "Top-line Management ※" and "Efficient Management"

※Management policy targeting a boost in operating income

Beyond the concept of "increasing profits by expanding assets," aim to increase profits, save costs and enhance asset efficiency and risk-return at the same time by effectively utilizing assets.

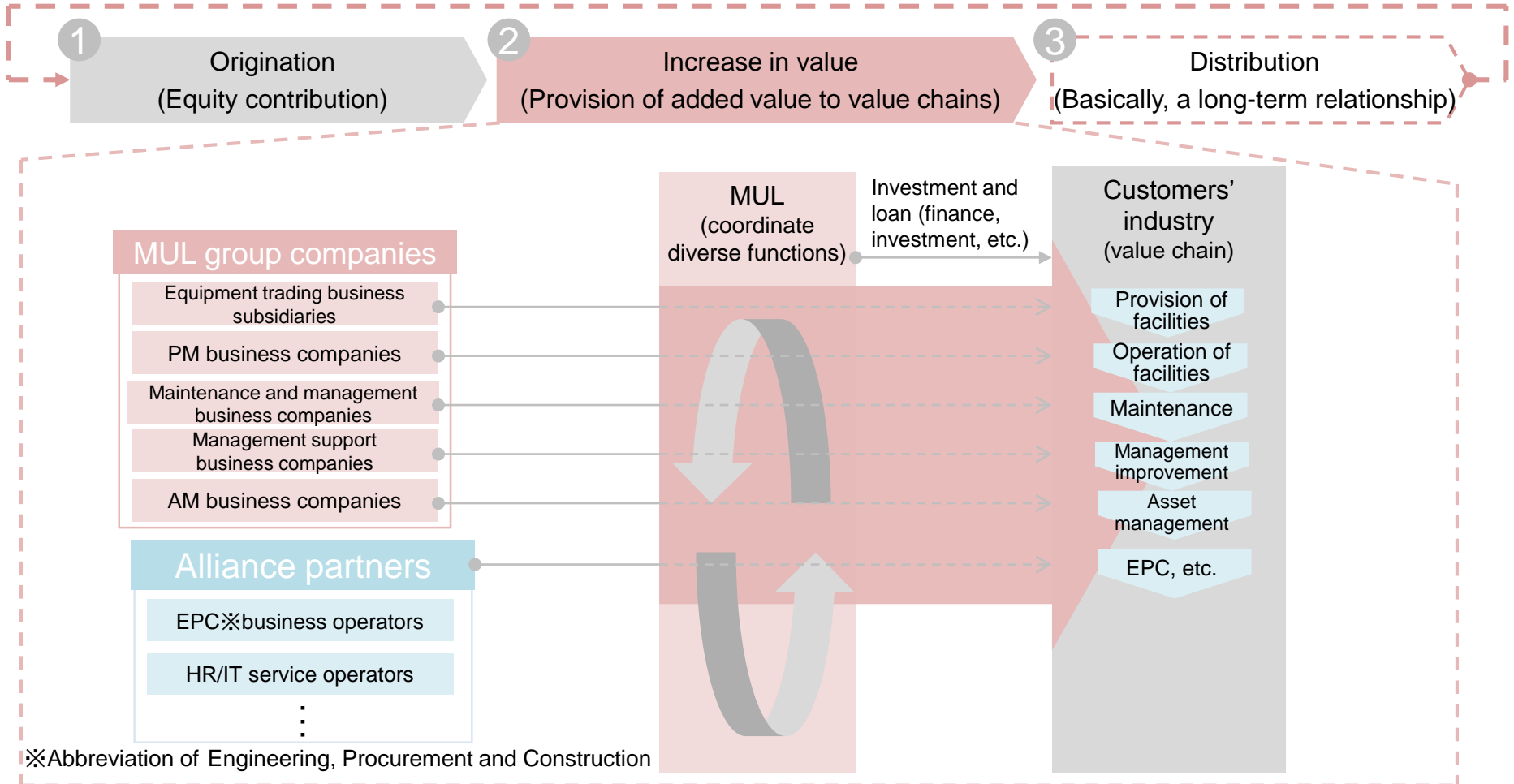


Maintain the corporate finance business that is a robust business for MUL. Aim to further increase income through, in addition to asset finance and provision of services, business participation and business operation.

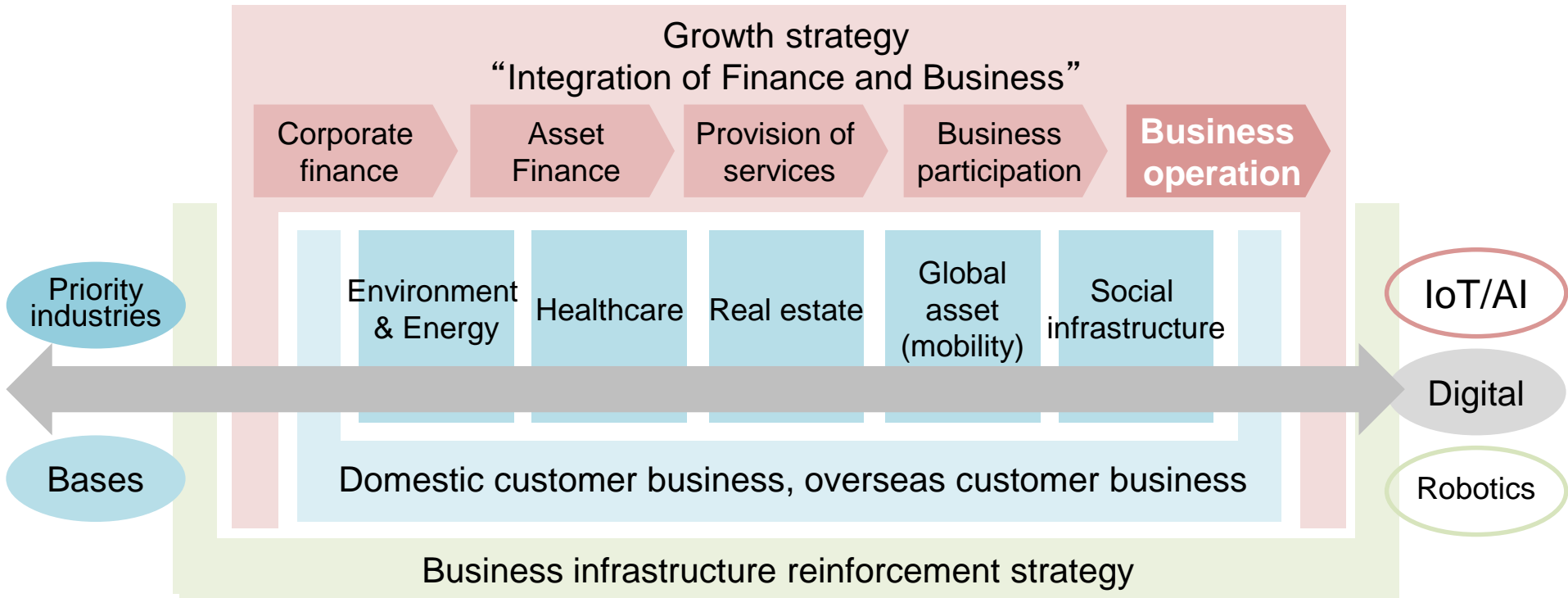


Coordinate diverse functions and know-how that MUL group companies and alliance partners have and get intimately involved in enhancing business values of value chains in customers' industries.

Concept of Business Operation



Breakthrough for the Next Decade



Numerical Target

**Consolidated net income
63.0 billion yen or more**

**Consolidated ROA
(based on net income)
1.1% or higher**

Key Business Segments	Major Progress
Environment & Energy	<ul style="list-style-type: none"> ◆ Develop solar power generation business ⇒ The track record in large-sized transactions with leading partners is improving. ◆ Expand asset management / fund businesses ⇒ Greater track record in initiatives at MUL Energy Investment. Built up asset management ability and know-how in business operations through the initiatives.
Healthcare	<ul style="list-style-type: none"> ◆ Provide comprehensive solutions in cooperation with group companies ⇒ Launched initiatives of real estate transactions for medical and nursing facilities in cooperation with subsidiaries. ◆ Provide integrated investment and loan solution ⇒ Launched full-scale No. 3 fund (Trinity Healthcare II Fund).
Real Estate	<ul style="list-style-type: none"> ◆ Strengthen initiatives on large-sized logistical infrastructure development transactions and real estate revitalization business ⇒ Launched multi-tenant logical infrastructure and large-sized hotel redevelopment business. ◆ Develop overseas real estate finance ⇒ Initiatives for real estate business in the U.S. are proceeding.
Global Asset	<ul style="list-style-type: none"> ◆ Initiatives for aircraft-related business ⇒ Entered parts out business for aircraft engines and expanded the aircraft business areas. ◆ Expand the railcar leasing business in North America ⇒ Established manned location as a platform (MUL Railcars) aimed at future business expansion.
Social Infrastructure	<ul style="list-style-type: none"> ◆ Steady track record in overseas social infrastructure business ⇒ Germany: Participated in submarine power transmission business; Ireland: participated in wind power generation business. ◆ Japan Infrastructure Initiative ⇒ U.K.: Contracted the first investment transaction for railway infrastructure business.

Progress in railcar leasing business in North America:
Established MUL Railcars (MULR) office

- ◆ Established fully staffed office as a platform for railcar leasing business in North America aimed at future full-scale development.
- ◆ Invited Mr. James T. Sharp as President & CEO of MULR, someone who is well experienced in railcar leasing business in North America, and we are strengthening sales system.



Prepare steadily on business foundation aimed at becoming top 10 railcar leasing operator in North America

Entered parts out business for aircraft engines:
Established joint venture company with INAV Group (INAV)

- ◆ Established joint venture company with the MUL group company Engine Lease Finance (ELF) and INAV, a company that engages in parts out business for aircraft engines.
- ◆ With ELF’s integrated management with the joint venture company, we are expanding business areas and working to strengthen relationships with maintenance companies and airlines.



Expand business areas in value chains of the aircraft business

Initiatives for MUL’s social infrastructure business

Participation in MUL’s first overseas power generation business

- ◆ Invested in the wind power company Evalair Limited with Sojitz group and Kansai Electric Power group (MUL’s investment ratio: 6.7%) .
- ◆ Initiative which could expect stable profit over the long term based on feed-in tariff scheme in Ireland.



With greater track record, brand recognition of MUL group in infrastructure industry is rising, leading to substantial increase in transaction pipelines.

September 2017 Contracted the first transaction with JII*
Participated in operation/maintenance businesses of major high-speed railroad lines and stations in the U.K

* Japan Infrastructure Initiative

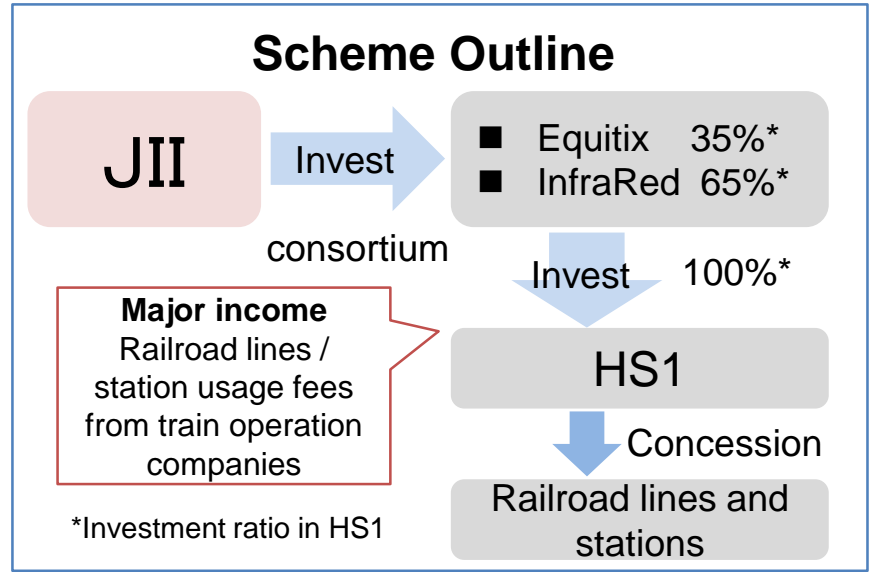
July 2017 Contracted the second transaction
With Sojitz group and Kansai Electric Power group, jointly participated in wind power generation business in Ireland

April 2017 Contracted the first transaction
With Chubu Electric Power, jointly participated in submarine power transmission business for offshore wind power plants in Germany

April 2016
Established Infrastructure
Business Office

Achievements at Japan Infrastructure Initiative (JII):
Contracted the first transaction

Content	Investment in railway infrastructure business in the U.K.
Invested by	High Speed 1 (HS1*) *Concession company which operates 109km of railway track and four railway stations between London and the Channel Tunnel
Invested amount	75 million pounds
Investment date	September 2017



St Pancras International Station



Domestic Route



Enhance presence within the industry and expand MUL group's social infrastructure business



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Management Plan



Appendix

<By Transaction Type>		(billion yen)		
		FY3/2018 2Q	YOY Change (%)	FY3/2017 2Q
1	Leases	359.1	+6.2%	338.0
2	IT / Office Equipment	59.0	-5.4%	62.3
3	Industrial Machinery	57.2	+8.1%	52.9
4	Civil Eng. & Construction Machinery	19.4	+30.6%	14.8
5	Transportation Equipment	100.4	+22.5%	82.0
6	Medical Equipment	26.6	-4.5%	27.9
7	Commercial & Service Equipment	34.1	-14.4%	39.8
8	Others	62.2	+7.1%	58.1
9	Installment Sales	48.7	+6.3%	45.7
10	IT / Office Equipment	1.0	+9.2%	0.9
11	Industrial Machinery	5.4	+8.1%	5.0
12	Civil Eng. & Construction Machinery	15.6	-2.3%	16.0
13	Transportation Equipment	2.5	+6.2%	2.4
14	Medical Equipment	4.1	+1.5%	4.1
15	Commercial & Service Equipment	11.1	+35.7%	8.2
16	Others	8.7	-4.0%	9.0
17	Loans and Others	316.6	-5.4%	334.8
18	Factoring	94.6	-1.8%	96.3
19	Real Estate Finance	50.4	-11.3%	56.8
20	Others	171.5	-5.5%	181.6
21	Volume of All New Transactions	724.5	+0.8%	718.7

(million yen)

		FY3/2014 2Q	FY3/2015 2Q	FY3/2016 2Q	FY3/2017 2Q	FY3/2018 2Q
		13/4–13/9	14/4–14/9	15/4–15/9	16/4–16/9	17/4–17/9
1	Total Revenue	355,762	368,040	403,832	403,766	433,510
		+0.8%	+3.5%	+9.7%	-0.0%	+7.4%
2	Leases	288,876	298,749	332,186	331,537	354,996
		+5.5%	+3.4%	+11.2%	-0.2%	+7.1%
3	Installment Sales	40,945	42,276	42,060	46,017	47,185
		-4.1%	+3.3%	-0.5%	+9.4%	+2.5%
4	Loans	17,373	17,382	17,249	16,699	17,282
		+0.5%	+0.1%	-0.8%	-3.2%	+3.5%
5	Others	8,566	9,630	12,335	9,513	14,047
		-55.0%	+12.4%	+28.1%	-22.9%	+47.7%
6	Cost of Revenue	292,579	303,307	323,759	328,257	354,339
		+1.5%	+3.7%	+6.7%	+1.4%	+7.9%
7	COR/Revenue	82.2%	82.4%	80.2%	81.3%	81.7%
		+0.5P	+0.2P	-2.2P	+1.1P	+0.4P
8	Leases, COR	237,987	245,812	261,306	264,033	283,255
		+1.9%	+3.3%	+6.3%	+1.0%	+7.3%
9	Installment Sales, COR	37,261	38,674	38,732	42,775	44,000
		-3.7%	+3.8%	+0.2%	+10.4%	+2.9%
10	Financial expenses	12,350	13,224	19,199	17,146	21,071
		+41.9%	+7.1%	+45.2%	-10.7%	+22.9%
11	Others, COR	4,979	5,595	4,520	4,302	6,011
		-32.3%	+12.4%	-19.2%	-4.8%	+39.7%
12	Gross Profit	63,183	64,732	80,072	75,508	79,171
		-2.3%	+2.5%	+23.7%	-5.7%	+4.9%
13	Gross Profit/Revenue	17.8%	17.6%	19.8%	18.7%	18.3%
		-0.5P	-0.2P	+2.2P	-1.1P	-0.4P

		(million yen)				
		FY3/2014 2Q	FY3/2015 2Q	FY3/2016 2Q	FY3/2017 2Q	FY3/2018 2Q
		13/4–13/9	14/4–14/9	15/4–15/9	16/4–16/9	17/4–17/9
14	Number of Employees	2,439	2,628	2,825	2,938	3,102
15	GP per Employee (Annualized... × 2)	51.8	49.3	56.7	51.4	51.0
		-4.4%	-4.9%	+15.1%	-9.3%	-0.7%
16	SG&A Expenses	31,452	30,204	34,649	33,304	36,092
		-0.3%	-4.0%	+14.7%	-3.9%	+8.4%
17	Personnel Expenses	13,055	13,589	15,867	16,436	17,843
		+12.6%	+4.1%	+16.8%	+3.6%	+8.6%
18	Non-Personnel Expense	14,720	15,380	17,405	16,313	17,567
		+14.7%	+4.5%	+13.2%	-6.3%	+7.7%
19	Expenses for Non-performing Assets	3,676	1,234	1,375	554	681
		-48.2%	-66.4%	+11.5%	-59.7%	+22.7%
20	Overhead Ratio (Overhead expenses divided by GP)	44.0%	44.8%	41.6%	43.4%	44.7%
		+6.2P	+0.8P	-3.2P	+1.8P	+1.4P
21	Operating Income	31,730	34,528	45,423	42,204	43,078
		-4.3%	+8.8%	+31.6%	-7.1%	+2.1%
22	Operating Income/Revenue	8.9%	9.4%	11.2%	10.5%	9.9%
		-0.5P	+0.5P	+1.8P	-0.7P	-0.6P
23	Recurring Income	35,336	37,357	47,961	44,327	47,012
		-3.8%	+5.7%	+28.4%	-7.6%	+6.1%
24	Extraordinary Income	83	805	98	3,122	2,673
		-64.2%	+861.6%	-87.8%	+3,068.9%	-14.4%
25	Extraordinary Cost	4	4	-	10	20
		-98.9%	+1.6%	-	-	+106.3%
26	Net Income *	20,892	22,523	28,930	29,173	31,682
		-1.4%	+7.8%	+28.4%	+0.8%	+8.6%

* Net Income Attributable to Parent Company Shareholders

(million yen)

		FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 2Q
1	Total Equity	534,250	621,344	642,366	686,378	707,379
		+14.1%	+16.3%	+3.4%	+6.9%	+3.1%
2	Total Assets	4,497,502	5,035,676	5,121,253	5,388,844	5,512,712
		+7.7%	+12.0%	+1.7%	+5.2%	+2.3%
3	Operating Assets	4,017,419	4,540,920	4,626,455	4,876,553	4,861,686
		+8.2%	+13.0%	+1.9%	+5.4%	-0.3%
4	Leases	2,357,220	2,925,880	3,040,849	3,272,018	3,244,280
		+14.8%	+24.1%	+3.9%	+7.6%	-0.8%
5	Installment Sales	227,318	234,023	245,882	252,907	253,261
		+4.9%	+2.9%	+5.1%	+2.9%	+0.1%
6	Loans	1,288,819	1,257,593	1,241,831	1,245,555	1,241,263
		+2.6%	-2.4%	-1.3%	+0.3%	-0.3%
7	Others	144,061	123,423	97,892	106,072	122,881
		-23.1%	-14.3%	-20.7%	+8.4%	+15.8%
8	Impaired Assets	33,223	33,434	27,921	34,144	35,259
		-27.9%	+0.6%	-16.5%	+22.3%	+3.3%
9	Allowance	12,494	14,134	16,302	16,365	15,174
10	Net Balance of Impaired Assets	20,729	19,300	11,618	17,779	20,084
		-31.2%	-6.9%	-39.8%	+53.0%	+13.0%

(million yen)

		FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 2Q
11	Equity Ratio	11.4%	11.8%	12.0%	12.2%	12.3%
		+0.7P	+0.4P	+0.2P	+0.2P	+0.1P
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	4,279,534
		+5.1%	+12.2%	–0.0%	+6.0%	+3.3%
15	Indirect Funding	1,952,985	2,218,009	2,169,456	2,395,158	2,405,587
		+3.2%	+13.6%	–2.2%	+10.4%	+0.4%
16	Direct Funding	1,531,494	1,692,314	1,739,279	1,746,914	1,873,946
		+7.6%	+10.5%	+2.8%	+0.4%	+7.3%
17	CP	762,300	830,000	853,600	835,900	880,500
		–5.4%	+8.9%	+2.8%	–2.1%	+5.3%
18	Securitization (Lease Receivables)	164,413	173,539	168,869	137,484	131,169
		+17.7%	+5.6%	–2.7%	–18.6%	–4.6%
19	Corporate Bonds	604,781	688,774	716,809	773,530	862,277
		+26.7%	+13.9%	+4.1%	+7.9%	+11.5%
20	Direct Funding Ratio	44.0%	43.3%	44.5%	42.2%	43.8%
		+1.1P	–0.7P	+1.2P	–2.3P	+1.6P

(million yen)

FY3/2018 2Q	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
Revenue	235,008	+1.1%	18,419	+0.3%	10,534	+6.7%
Gross Profit	32,688	+2.2%	1,474	-0.4%	868	-1.6%
Operating Income	16,362	-4.2%	378	-19.0%	401	-12.5%
Recurring Income	14,408	-10.5%	407	-19.1%	409	-12.1%
Net Income	11,011	-16.3%	260	-20.1%	283	-11.2%
FY3/2018 2Q	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017
Operating Assets	2,952,176	-0.1%	97,964	-1.3%	66,404	+1.8%
Total Assets	3,983,504	+3.2%	100,869	-1.0%	68,191	+1.2%
Total Equity	446,627	+1.1%	14,162	+1.9%	11,834	+2.4%

(million yen)

FY3/2018 2Q	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
Revenue	15,046	+3.5%	5,724	+2.7%	8,423	+1.4%
Gross Profit	1,066	+4.7%	493	+4.4%	840	-4.8%
Operating Income	399	+14.4%	142	+58.8%	368	-17.7%
Recurring Income	408	+4.0%	164	+40.6%	379	-18.2%
Net Income	256	-8.5%	109	+42.6%	259	-18.6%
FY3/2018 2Q	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017
Operating Assets	88,227	-1.4%	32,180	-2.0%	59,236	+0.9%
Total Assets	94,380	-1.1%	33,091	-2.4%	61,573	+0.4%
Total Equity	8,977	+2.5%	12,080	+0.9%	11,928	+2.2%

(million yen)

FY3/2018 2Q	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
Revenue	15,115	+6.9%	3,494	-3.7%	8,716	-17.1%
Gross Profit	1,889	+14.3%	278	-9.7%	4,714	-7.0%
Operating Income	919	-0.0%	36	-62.7%	1,507	-22.1%
Recurring Income	960	-2.1%	49	-55.4%	1,866	-17.1%
Net Income	658	-3.2%	32	-55.4%	1,280	-17.4%

FY3/2018 2Q	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017
Operating Assets	140,270	+3.7%	18,025	-3.7%	239,142	-2.2%
Total Assets	144,887	+3.7%	18,980	-3.6%	259,506	-2.4%
Total Equity	16,188	+4.5%	5,823	+0.7%	26,275	+5.1%

(million yen)

FY3/2018 2Q	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
Revenue	13,064	-3.5%	3,748	+13.4%	3,443	+0.7%	22,838	+197.7%
Gross Profit	1,131	+0.8%	2,293	+9.1%	1,842	+8.3%	1,585	-2.2%
Operating Income	254	+14.6%	1,485	+14.2%	1,573	+10.0%	1,023	-19.5%
Recurring Income	253	+11.6%	1,529	+12.0%	1,433	+14.5%	1,056	-18.9%
Net Income	171	+11.3%	1,052	+12.9%	938	+14.5%	731	-19.9%

FY3/2018 2Q	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017	Amount	Change from FY3/2017
Operating Assets	49,007	-0.9%	209,916	+2.9%	66,047	+5.2%	110,811	-3.8%
Total Assets	51,463	-0.1%	212,102	+2.9%	69,259	+3.7%	162,700	-1.4%
Total Equity	6,389	+2.8%	31,419	+3.5%	26,688	+3.5%	11,813	+6.6%

◆ Cumulative total asset volume contracted for solar projects (billion yen)

	FY3/2015	FY3/2016	FY3/2017	FY3/2018 2Q
Total	146.5	202.5	248.6	271.1
Lease	101.7	124.3	139.8	147.9
Debt	35.3	48.9	57.3	62.5
Equity	9.5	29.3	51.4	60.6
Equity ratio*	6.5%	14.5%	20.7%	22.4%

*Equity ratio: Proportion of equity among total solar power assets

◆ Balance of real estate-related finance

(billion yen)

	FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 2Q
Total *1	263.3	176.1	129.0	156.6	154.4
Debt	218.1	125.0	92.6	90.5	83.6
Equity	45.2	51.1	36.3	66.1	70.8
Equity ratio *2	17.2%	29.0%	28.2%	42.2%	45.9%

*1: Total of MUL and MUL Realty Investment (MURI)

*2: Equity ratio: Proportion of equity among total real estate finance assets

◆ Number of aircraft and turnover ratio of aircraft lease related

	FY3/2014	FY3/2015	FY3/2016	FY3/2017	FY3/2018 2Q
Number of aircraft *1	123	140	149	169	176
Turnover ratio *2	10.1%	13.5%	15.5%	19.2%	—

*1: Total number of aircraft handled by Jackson Square Aviation and MUL, including owned aircraft and undelivered contracted aircraft

*2: (Number of aircraft purchased + sold during the fiscal year) / (Number of owned aircraft at the beginning + end of the fiscal year)



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Mitsubishi UFJ Lease & Finance

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