

FY3-2014 1st Quarter Results

(Tokyo Stock Exchange / Nagoya Stock Exchange : 8593)

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- 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)

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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 FY3/2014-1Q (Consolidated)

(billion yen)

	FY3/2014 1Q	YOY Change	FY3/2013 1Q
Operating Revenues	178.6	-1.5%	181.3
Gross Profit	30.8	-15.9%	36.7
Operating Profit	14.0	-34.5%	21.4
Recurring Profit	16.2	-31.7%	23.8
Net Profit	9.5	-31.4%	13.8
New Transactions Volume	355.6	+16.0%	306.5

(billion yen)

	FY3/2014 1Q	Change From FY3/2013	FY3/2013
Net Asset	489.1	+4.5%	468.0
Total Asset	4,200.0	+0.5%	4,177.7

In FY3/2014-1Q, Operating Revenues were decreased by 1.5% to 178.6bil yen.

Gross Profit was decreased by 15.9% to 30.8bil yen, Operating Profit was decreased by 34.5% to 14.0bil yen, Recurring Profit was decreased by 31.7% to 16.2bil yen and Net Profit was decreased by 31.4% to 9.5bil yen.

New transactions volume was increased by 16.0% by way of promoting business activity in Japan and overseas to meet various customers needs.

Net Asset was increased by 4.5% to 489.1bil yen and Total Asset was increased by 0.5% to 4,200.0 bil yen.

2. Trend of Financial Performance (Consolidated)

(1) Profit & Loss Statement

		million yen				
		Consolidated				
		FY3/10-1Q	FY3/11-1Q	FY3/12-1Q	FY3/13-1Q	FY3/14-1Q
		09/4~09/6	10/4~10/6	11/4~11/6	12/4~12/6	13/4~13/6
1	Operating Revenues	185,265	182,687	179,567	181,308	178,634
	Changes	-13.4%	-1.4%	-1.7%	+1.0%	-1.5%
2	Leases	138,845	140,693	139,864	139,227	144,638
	Changes	-13.5%	+1.3%	-0.6%	-0.5%	+3.9%
3	Installment Sales	31,511	26,475	23,049	20,749	21,132
	Changes	-17.8%	-16.0%	-12.9%	-10.0%	+1.8%
4	Loans	9,743	9,377	8,752	8,728	8,614
	Changes	+5.7%	-3.8%	-6.7%	-0.3%	-1.3%
5	Others	5,164	6,141	7,900	12,603	4,248
	Changes	-11.2%	+18.9%	+28.6%	+59.5%	-66.3%
6	Cost of Revenues	159,744	153,124	149,372	144,574	147,755
	Changes	-14.8%	-4.1%	-2.5%	-3.2%	+2.2%
7	COR / Revenues	86.2%	83.8%	83.2%	79.7%	82.7%
	Changes	-1.4P	-2.4P	-0.6P	-3.5P	+3.0P
8	Leases, COR	121,125	119,978	119,090	118,141	119,808
	Changes	-14.2%	-0.9%	-0.7%	-0.8%	+1.4%
9	Installment Sales, COR	28,793	24,093	20,844	18,700	19,258
	Changes	-19.3%	-16.3%	-13.5%	-10.3%	+3.0%
10	Financial expenses	7,679	5,643	4,707	4,493	6,049
	Changes	-5.4%	-26.5%	-16.6%	-4.5%	+34.6%
11	Others, COR	2,146	3,408	4,730	3,238	2,638
	Changes	-10.9%	+58.8%	+38.8%	-31.5%	-18.5%
12	Gross Profit	25,520	29,563	30,194	36,734	30,879
	Changes	-3.5%	+15.8%	+2.1%	+21.7%	-15.9%
13	Gross Profit / Revenues	13.8%	16.2%	16.8%	20.3%	17.3%
	Changes	+1.4P	+2.4P	+0.6P	+3.5P	-3.0P
14	SG&A Expenses	16,673	14,691	13,519	15,293	16,830
	Changes	+15.2%	-11.9%	-8.0%	+13.1%	+10.0%
15	Personnel Expenses	5,244	5,535	5,711	5,836	6,552
	Changes	-3.5%	+5.5%	+3.2%	+2.2%	+12.3%
16	Non-Personnel Expenses	5,742	6,118	6,222	6,543	7,266
	Changes	-8.2%	+6.5%	+1.7%	+5.1%	+11.0%
17	Expenses for Non-performing assets	5,687	3,038	1,584	2,913	3,011
	Changes	+103.7%	-46.6%	-47.9%	+83.9%	+3.4%
18	Overhead Ratio	43.0%	39.4%	39.5%	33.7%	44.7%
	(Overhead expenses divided by GP) Changes	-1.2P	-3.6P	+0.1P	-5.8P	+11.0P
19	Operating Profit	8,846	14,871	16,675	21,440	14,048
	Changes	-26.0%	+68.1%	+12.1%	+28.6%	-34.5%
20	OP / Revenues	4.8%	8.1%	9.3%	11.8%	7.9%
	Changes	-0.8P	+3.3P	+1.1P	+2.5P	-4.0P
21	Recurring Profit	9,208	15,200	18,195	23,829	16,273
	Changes	-23.5%	+65.1%	+19.7%	+31.0%	-31.7%
22	Extraordinary Profit	379	436	48	34	46
	Changes	-18.6%	+15.1%	-88.8%	-28.6%	+31.8%
23	Extraordinary Cost	94	921	464	298	3
	Changes	-94.2%	+872.8%	-49.6%	-35.8%	-98.8%
24	Net Profit	4,618	7,894	10,419	13,870	9,513
	Changes	-21.5%	+70.9%	+32.0%	+33.1%	-31.4%

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

(2) Balance Sheet

million yen

		Consolidated				
		FY3/2010	FY3/2011	FY3/2012	FY3/2013	FY3/2014 1Q
1	Net Assets	366,891	389,802	420,864	468,061	489,165
	Changes	+7.1%	+6.2%	+8.0%	+11.2%	+4.5%
2	Total Assets	3,885,161	3,721,136	3,682,299	4,177,784	4,200,043
	Changes	-0.6%	-4.2%	-1.0%	+13.5%	+0.5%
3	Operating Assets	3,517,982	3,393,547	3,335,620	3,713,972	3,752,125
	Changes	+0.6%	-3.5%	-1.7%	+11.3%	+1.0%
4	Lease	1,677,155	1,673,572	1,667,454	2,053,955	2,105,733
	Changes	+7.1%	-0.2%	-0.4%	+23.2%	+2.5%
5	Installment Sales	297,051	242,147	222,433	216,700	216,585
	Changes	-19.4%	-18.5%	-8.1%	-2.6%	-0.1%
6	Loans	1,222,770	1,174,661	1,193,607	1,256,032	1,256,885
	Changes	-0.4%	-3.9%	+1.6%	+5.2%	+0.1%
7	Others	321,005	303,167	252,124	187,285	172,920
	Changes	-4.3%	-5.6%	-16.8%	-25.7%	-7.7%
8	Impaired Assets	46,351	40,921	49,451	46,066	43,271
	Changes	-3.4%	-11.7%	+20.8%	-6.8%	-6.1%
9	Allowance	8,487	9,335	15,533	15,921	17,009
10	Net Balance of Impaired Assets	37,863	31,586	33,918	30,145	26,262
	Changes	-14.5%	-16.6%	+7.4%	-11.1%	-12.9%
11	Equity Ratio	9.1%	10.0%	10.9%	10.7%	11.2%
	Changes	+0.7P	+0.9P	+0.9P	-0.2P	+0.5P
12	Total Funding	3,148,926	2,961,470	2,893,504	3,315,294	3,346,980
	Changes	-1.3%	-6.0%	-2.3%	+14.6%	+1.0%
13	Indirect Funding	1,740,993	1,614,526	1,631,959	1,892,132	1,893,185
	Changes	-5.5%	-7.3%	+1.1%	+15.9%	+0.1%
14	Direct Funding	1,407,932	1,346,944	1,261,545	1,423,162	1,453,794
	Changes	+4.4%	-4.3%	-6.3%	+12.8%	+2.2%
15	CP	872,400	866,000	719,300	806,200	825,100
	Changes	-2.3%	-0.7%	-16.9%	+12.1%	+2.3%
16	Securitization (Lease Receivables)	152,256	101,944	104,215	139,644	125,963
	Changes	-6.6%	-33.0%	+2.2%	+34.0%	-9.8%
17	Corporate Bond	383,276	379,000	438,030	477,317	502,731
	Changes	+31.1%	-1.1%	+15.6%	+9.0%	+5.3%
18	Direct Funding Ratio	44.7%	45.5%	43.6%	42.9%	43.4%
	Changes	+2.4P	+0.8P	-1.9P	-0.7P	+0.5P

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
Revenues	116,140	-1.6%	8,978	-0.5%	4,347	+0.1%
Gross Profit	16,546	-12.4%	900	-5.8%	436	-14.5%
Operating Profit	5,464	-42.4%	447	+1.9%	303	-13.7%
Recurring Profit	6,599	-39.3%	457	-19.3%	308	-13.0%
Net Profit	3,972	-37.1%	272	-19.7%	190	-9.9%

	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013
Operating Asset	2,724,975	+0.8%	91,849	+1.0%	45,683	+2.2%
Total Asset	3,172,876	+0.1%	95,084	+1.6%	47,263	+2.5%
Net Asset	377,479	+0.8%	11,809	+2.4%	9,193	+2.1%

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	6,429	-9.8%	2,647	-19.2%	4,465	-6.9%
Gross Profit	538	-26.4%	290	-19.6%	539	-11.4%
Operating Profit	163	-56.7%	120	-41.3%	317	-21.2%
Recurring Profit	194	-49.4%	132	-39.4%	543	+20.6%
Net Profit	112	-43.6%	84	-36.0%	409	+47.8%

	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013
Operating Asset	107,831	+2.6%	27,051	-0.7%	54,603	+3.3%
Total Asset	112,287	+2.8%	27,955	-0.8%	57,658	+3.0%
Net Asset	6,893	+1.8%	11,170	+0.8%	9,443	+4.5%

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	6,414	+4.9%	1,795	+0.7%	5,187	+4.4%
Gross Profit	861	-2.7%	183	+0.6%	2,386	+8.7%
Operating Profit	446	+3.2%	63	-9.9%	762	+29.6%
Recurring Profit	627	+24.5%	83	-3.9%	929	+26.7%
Net Profit	382	+24.2%	51	-4.3%	588	+31.0%

	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013
Operating Asset	98,303	-0.2%	19,032	-2.5%	256,634	+0.1%
Total Asset	102,287	+0.4%	20,251	-2.4%	279,125	-0.2%
Net Asset	11,350	+2.9%	5,118	+0.9%	15,125	+4.1%

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	6,143	+1.6%	2,272	-29.6%	1,588	+1.4%
Gross Profit	492	-18.7%	1,172	+4.0%	914	-2.1%
Operating Profit	80	-56.1%	798	+6.0%	798	-2.0%
Recurring Profit	82	-54.8%	899	+7.7%	639	-9.0%
Net Profit	49	-54.5%	897	+7.7%	389	-9.0%

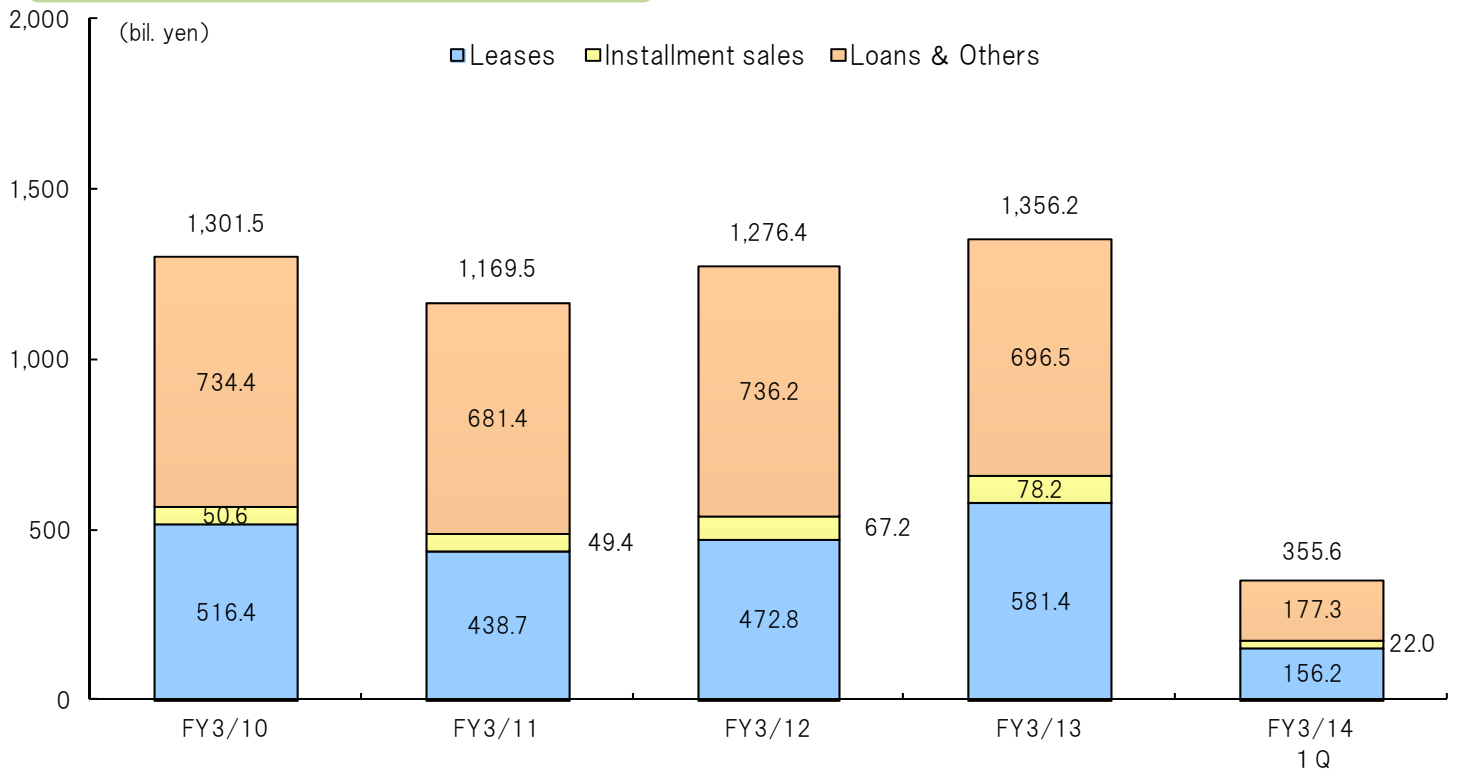
	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013	Amounts	Change from FY3/2013
Operating Asset	58,013	+2.1%	185,281	+1.4%	59,734	-0.4%
Total Asset	60,010	+1.5%	189,354	+0.5%	63,343	+0.9%
Net Asset	4,561	+1.1%	19,832	+4.7%	20,695	+1.7%

4. New Transactions

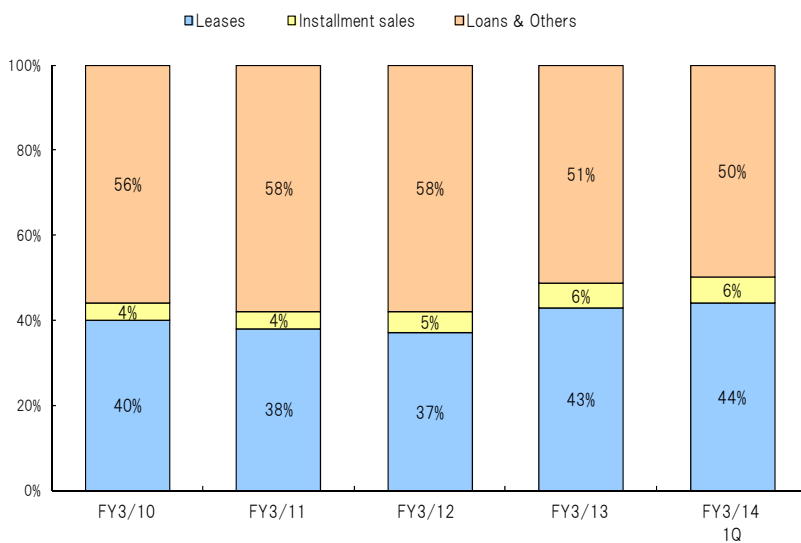
New transactions volume (consolidated) entered in FY3/2014-1Q increased by 16.0% (year-on-year) to 355.6 billion yen. By segment, lease volume increased by 20.5%, installment sales increased by 17.5%, and loans and other business increased by 12.1%.

Composition of transaction type: Leases 44%, Installment sales 6%, Loans and Others 50%.

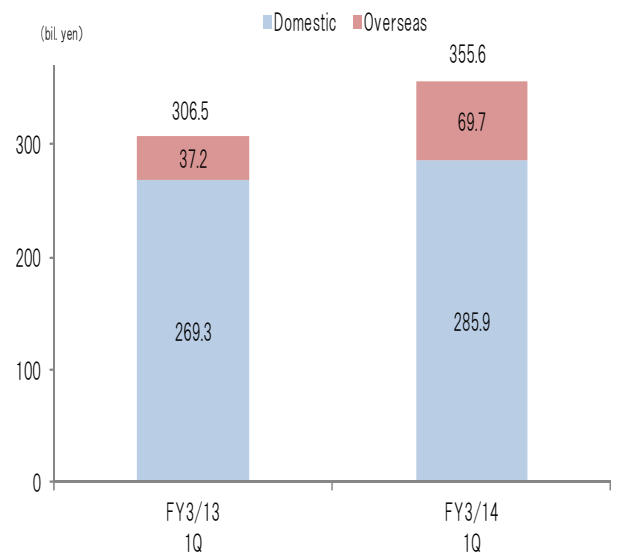
Trends of New Transactions Volume by Type



Trends of New Transactions Component by Type



Trends of New Transactions by Domestic / Overseas



Leases

(bil.yen)

	FY3/13 1Q	FY3/14 1Q	yoy change
IT / Office Equip.	33.6	32.0	-4.7%
Industrial Machinery	34.4	30.3	-12.1%
Civil Eng. & Construction Machinery	7.1	8.3	+15.4%
Transport Equip.	6.7	32.3	+377.0%
Medical Equip.	12.0	14.1	+17.5%
Commercial & Service Equip.	18.3	17.5	-4.3%
Others	17.1	21.4	+25.3%
Total	129.6	156.2	+20.5%

Installment Sales

(bil.yen)

	FY3/13 1Q	FY3/14 1Q	yoy change
IT / Office Equip.	0.3	1.7	+360.9%
Industrial Machinery	1.9	3.4	+74.0%
Civil Eng. & Construction Machinery	3.2	5.0	+57.7%
Transport Equip.	1.6	0.6	-60.5%
Medical Equip.	0.7	2.3	+234.6%
Commercial & Service Equip.	5.7	4.6	-19.6%
Others	5.0	4.1	-18.1%
Total	18.7	22.0	+17.5%

Loans and other business

(bil.yen)

	FY3/13 1Q	FY3/14 1Q	yoy change
Factoring	59.7	44.7	-25.2%
Real estate financing	24.6	22.5	-8.4%
Others	73.8	110.1	+49.2%
Total	158.2	177.3	+12.1%

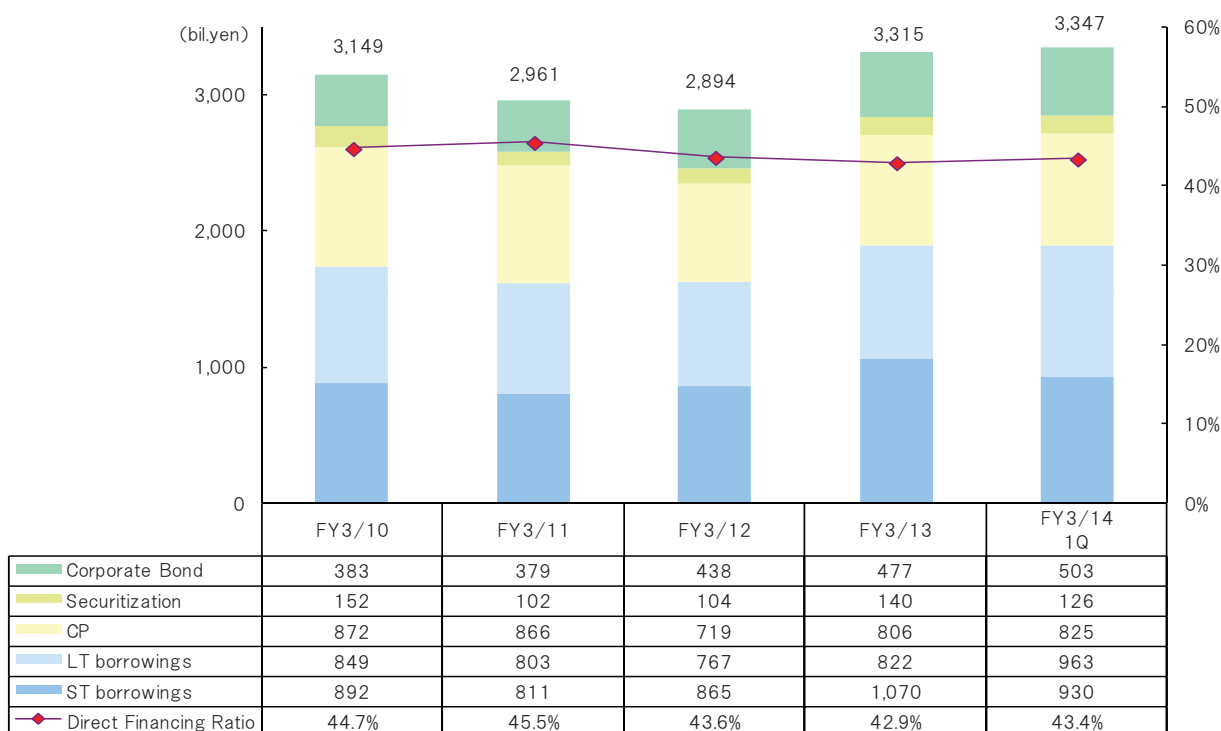
All New Transactions

(bil.yen)

	FY3/13 1Q	FY3/14 1Q	yoy change
Total	306.5	355.6	+16.0%

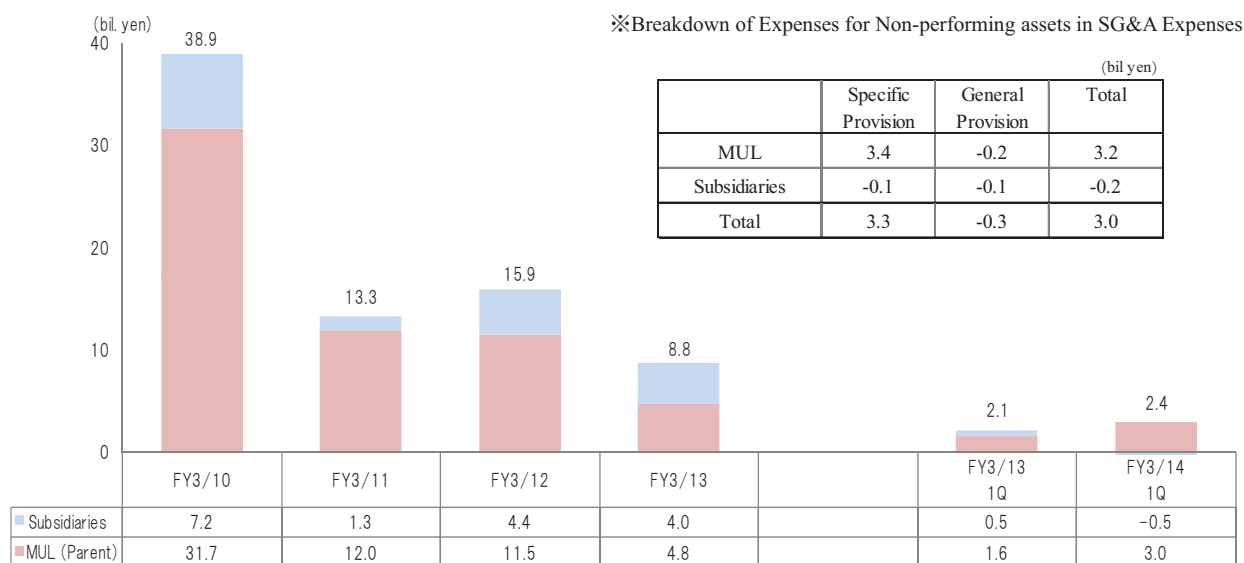
5. Funding

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, Other income and Extraordinary items.

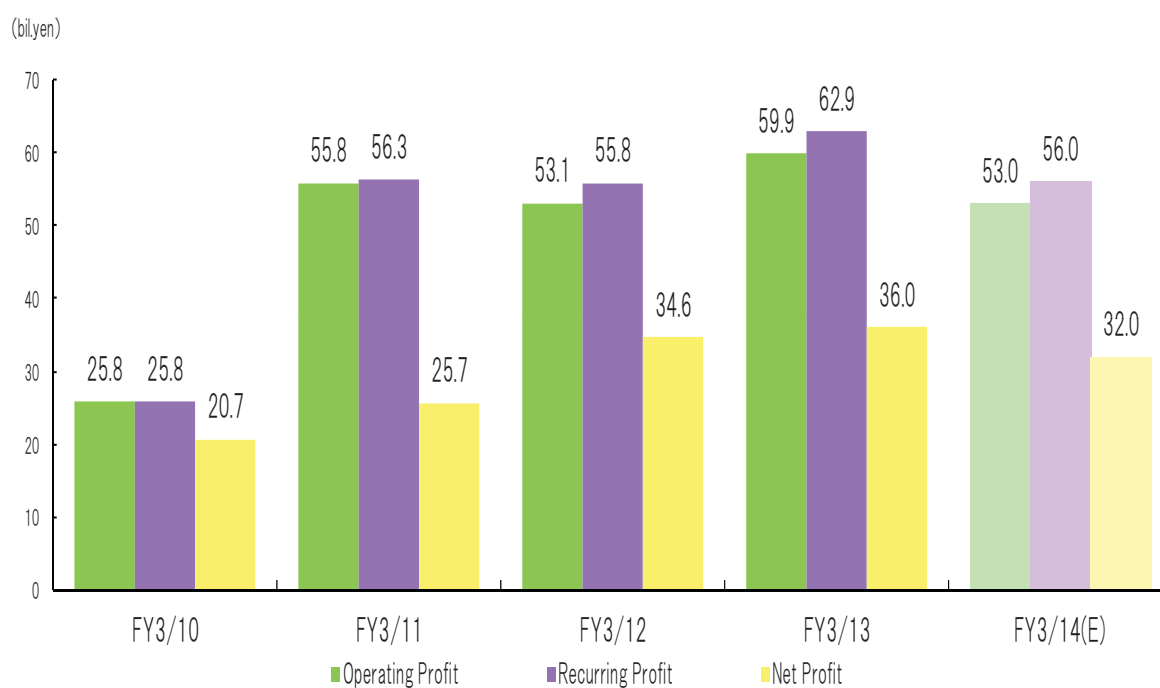
7. Forecast for FY3/2014

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	6.7yen	+ 0.2yen

Consolidated Forecast for FY3/2014 announced on May 15, 2013

Consolidated Financial Performance





Value Integrator