～Sustainable Growth 2030～

FY3/2020 Results

(Tokyo Stock Exchange / Nagoya Stock Exchange: 8593)

Mitsubishi UFJ Lease & Finance Company Limited
May 22, 2020

Mitsubishi UFJ Lease & Finance
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Thank you very much for taking the time today to attend the financial results briefing. By way of introduction, my name is Takahiro Yanai, President & CEO of Mitsubishi UFJ Lease & Finance.

I will explain in line with the presentation document titled **FY3/2020 Results**.

First, an overall picture of the results. Please turn to page 5.

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I. FY3/2020 Results

Summary

Key points

<FY3/2020 Results>

- Strong performance in the real estate, aviation and environment & energy businesses.
- As a result, gross profit and incomes each posted a record high by more than offsetting effects from the deconsolidation of some domestic subsidiaries, non-recurrence of gains on sales of strategic shareholdings recorded for FY3/2019, and impacts of a tax reform in the U.S., among other factors.

<Dividend>

- Annual dividend hike of 1.50 yen YOY, to 25.0 yen (payout ratio of 31.5%).

<New Transactions Volume>

- New transaction volume grew 8.8% YOY thanks to growing real estate-related businesses and increasing railway freight car transactions, plus the additional consolidation of U.S vendor finance company ENGS Holdings Inc. (ENGS) as a consolidated subsidiary, among other factors.

<Operating Assets>

- Operating assets increased 3.6% YOY as growing real estate-, logistics- and aviation-related businesses more than offset reduction factors caused by the deconsolidation of some domestic subsidiaries as well as effects from foreign exchange, among other factors.

Financial Highlight

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- Record gross profit and incomes posted for FY3/2020. Consolidated net income posted a record high for the third consecutive year.
- Increased dividend for the 21st consecutive year. Kept the payout ratio at the 30.0% level.

	(Billion Yen)	(a) FY3/2019	(b) FY3/2020	(c) YOY Change	(d) Exchange Rate Effects	(e) YOY Change (%)	(f) Published Full-year Forecast*4	(g) Progress Rate
1	Revenues	864.2	923.7	+59.5	-2.4	+6.9%	865.0	106.8%
2	Gross Profit	158.3	181.9	+23.6	-0.8	+14.9%	178.0	102.2%
3	Operating Income	80.3	91.8	+11.4	-0.5	+14.3%	87.0	105.6%
4	Recurring Income	87.6	94.3	+6.7	-0.5	+7.7%	94.0	100.4%
5	Net Income*1	68.7	70.7	+1.9	-0.4	+2.8%	70.0	101.1%
6	New Transactions Volume	1,729.6	1,881.7	+152.0	-7.1	+8.8%		
7	Dividend per Share*2	¥23.50	¥25.00	+¥1.50	-	-		
8	USD Exchange Rate*	$1=¥110.43	$1=¥109.05		-			

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

	(Billion Yen)	(a) FY3/2019	(b) FY3/2020	(c) YOY Change	(d) Exchange Rate Effects	(e) YOY Change (%)
9	Total Operating Assets	5,046.4	5,228.4	+181.9 *3	-19.9	+3.6% *3
10	USD Exchange Rate*	$1=¥111.00	$1=¥109.56		-	

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

*1 Net income attributable to owners of the parent
*2 Dividend per share for full year (interim dividend of 12.50 yen and year-end dividend of 12.50 yen)
*3 Total operating assets is change from FY3/2019
*4 Above figures are FY3/2020 forecasts announced as of May 15, 2019

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The numbers for FY3/2019 are shown in the grey-shaded column on the far left, labelled “a” on the upper left side of the table. And the numbers for FY3/2020 released today are shown in the orange-shaded “b” column to the right of it. Shown in the “c” and “e” columns are YoY changes and percentage changes as well as foreign exchange rate effects. The blue-shaded “g” column on the top-right side shows FY3/2020 rates of achievement versus our released forecasts displayed in the “f” column to the left of it.

Gross profit on the second line stood at 181.9 billion yen, an increase of 23.6 billion yen or 14.9% YoY.

Recurring income on the fourth line came to 94.3 billion yen, an increase of 6.7 billion yen or 7.7% YoY.

Net income on the fifth line totaled 70.7 billion yen, an increase of 1.9 billion yen or 2.8% YoY.

Gross profit and incomes each posted a record high and net income hit a record high for the third consecutive term.

The rates of achievement versus the released forecasts as shown in the blue-shaded line on the righthand side of the table in the “g” column exceeded 100% in all categories.

Next, please look at the sixth line. **New transaction volume** grew by 152.0 billion yen or 8.8% YoY to 1,881.7 billion yen. This was thanks to growing transactions related to real estate, logistics, and others, and helped by a 92.4 billion yen benefit from the additional consolidation of ENGS Holdings Inc. (ENGS) in December 2018.

Operating assets as shown on the ninth line increased by 181.9 billion yen or 3.6% YoY to 5,228.4 billion yen. This was because a growing transaction volume more than offset a 91.6 billion yen reduction factor caused by the deconsolidation of Shinko Lease following a July 2019 sale of all shares in it, as well as a 19.9 billion yen reduction factor caused by the yen appreciating by 1.44 yen, among other factors.

Now, please see **dividend per share** on the seventh line. We decided to pay an annual dividend per share of 25.00 yen, an increase of 1.50 yen YoY, given that our financial results had been strong. This will mean we have increased the dividend for the 21st consecutive year since FY3/2000. The payout ratio will be 31.5%, keeping a 30%-plus level, following 30.4% for FY3/2019.

Next, turn to page 6.

Increase/Decrease in Net Income Attributable to Owners of the Parent

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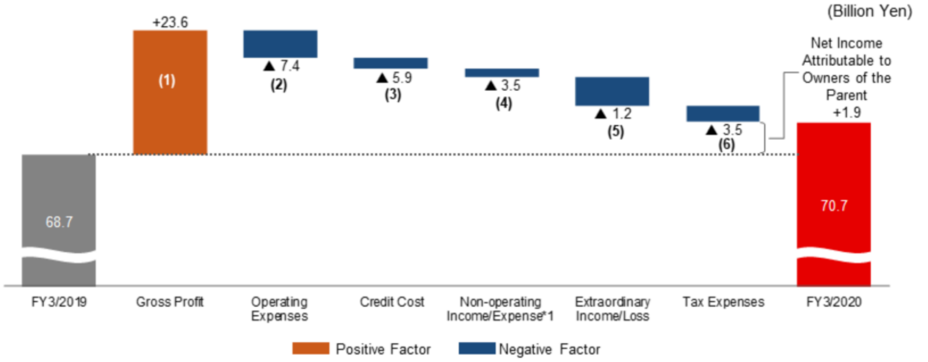

(1) Gross Profit	■ Increased earnings mainly due to gains on sales related to Real Estate, Aviation and Environment & Energy
(2) Operating Expenses	■ Fortifying the growth foundation in Domestic/Overseas Customers Business and priority industry domains, among other factors
(3) Credit Cost	■ Non-recurrence of reversals recorded in FY3/2019 and an increase in general credit cost, among other factors
(4) Non-operating Income/Expense*1	■ Increased interest payments related to funding activities and lower equity-method earnings, among other factors
(5) Extraordinary Income/Loss	■ Decrease on reaction to gains on sales of strategic shareholdings and shares of affiliates, among other factors
(6) Tax Expenses	■ Accumulation of profits and non-recurrence of effects of U.S. tax reform posted for FY3/2019, among other factors

*1 Credit cost in non-operating income/expense (bad-debt recovered etc.) excluded

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A waterfall chart is used to describe **increase/decrease in net income attributable to owners of the parent**.

The grey bar on the far left shows 68.7 billion yen posted for FY3/2019 while the red bar on the far right shows 70.7 billon recorded for FY3/2020. Sandwiched in between are increase/decrease factors.

Item (1) **gross profit**, in orange color, grew by 23.6 billion yen YoY. Although funding costs rose by 10.3 billion yen due to growing assets, this was more than offset by higher gains on sales in the Real Estate, Aviation and Environment & Energy divisions.

Item (2) **operating expenses**, composed mainly of personnel and logistics expenses, grew by 7.4 billion yen YoY. We incurred operating expenses mainly to build and fortify our growth foundation in business domains in focus such as real estate, the environment & energy and global assets, coupled with effects from turning ENGS into a consolidated subsidiary.

Item (3) **credit cost** grew by 5.9 billion yen YoY. This was mainly attributable to: i) non-recurrence of big reversals for real estate transactions as well as reversals of net credit costs that had been posted for FY3/2019; as well as ii) a rise in general provision for loan losses for certain industries given the current situation.

Item (4) **non-operating income/expense**, excluding net credit costs, decreased by 3.5 billion yen YoY due to higher interest payments on frontloaded funding of necessary capital and lower equity-method earnings, among other factors. Details will follow in the coming pages.

Item (5) **extraordinary income/loss** declined by 1.2 billion yen. This was mainly due to the non-recurrence of sales of strategic shareholdings and related-company shares that had been posted for FY3/2019, among other factors.

Item (6) **tax expenses** grew by 3.5 billion yen due to increased income before income taxes and non-recurrence of effects of a U.S. tax reform that had been posted for FY3/2019.

Net income for the fiscal year under review, an aggregate of items (1) through (6) previously discussed, increased by 1.9 billion yen YoY to 70.7 billion yen.

Next, please turn to page 7.

Funding Status

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Our initiatives

- Increased efforts have been made heretofore to diversify funding methods and perform liquidity risk management as part of our Asset-Liability Management framework.
- Further sophistication of predictive risk management system has been pursued in the fiscal year ended March 2019 to enforce financial strategies adaptable to changes in financial environment by maintaining financial discipline at the same time. Based on these, sufficient liquidity for operating activities of our group have been secured following consideration on multiple possibilities. As a result, consolidated cash and cash equivalents as of March-end 2020 increased 270.3 billion yen to 466.2 billion yen.
- We have steadily and regularly raised funds directly from the capital market inside and outside Japan in addition to borrowings from financial institutions. We issued Japanese straight corporate bonds with a face value of 32.0 billion yen and U.S. dollar-denominated bonds with a face value of US$800 million in April 2020 as a move to lengthen debt maturities and secure liquidity in preparation for potential future difficulties.
- The total unused facility under commitment line contracts entered into in the past with multiple financial institutions amounted to 487.7 billion yen as of March 31, 2020.

Issuance of domestic straight corporate bonds (From April 2019 onwards)	
Issuance timing	Total value
April 2019	30.0 billion yen
July 2019	40.0 billion yen
September 2019	30.0 billion yen
January 2020	130.0 billion yen
April 2020	32.0 billion yen

Issuance of foreign currency-denominated corporate bonds (From September 2017 onwards)	
Issuance timing	Total value
September 2017	US$500 million
September 2018	US$500 million
February 2019	US$800 million
April 2020	US$800 million

Main financial indicators		
	FY3/2019	FY3/2020
Cash and cash equivalents	195.8 billion yen	466.2 billion yen
Net D/E ratio	5.63 times	5.74 times
Equity ratio	13.0%	12.4% (12.9%)[*2]

*1 Net debt-to-equity ratio = (interest bearing liabilities − cash and cash equivalents) / equity
*2 Computed according to an amount determined by subtracting from total assets an increase of 270.3 billion yen from FY3/2019 to FY3/2020 in cash and deposits.

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Let me describe our **funding status** given its importance under the current situation.

To date, we have been increasing our efforts to diversify funding methods and perform liquidity risk management as part of our Asset-Liability Management framework.

In addition, we have further sophisticated our predictive risk management system in FY3/2019 to enforce financial strategies adaptable to changes in financial environment by maintaining financial discipline at the same time. We have promptly responded to the change in market environment from the beginning of 2020 and have secured sufficient liquidity for operating activities of our group following consideration on multiple scenarios of financial landscape over the short and long term. As a result, consolidated cash and cash equivalents as of March-end 2020 increased 270.3 billion yen to 466.2 billion yen.

We have steadily and regularly raised funds directly from the capital market inside and outside Japan in addition to borrowings from financial institutions. Regardless of the current situation, we issued Japanese straight corporate bonds with a face value of 32.0 billion yen and U.S. dollar-denominated bonds with a face value of US$800 million in April 2020 in line with our initial capital funding schedule.

Although unmentioned in this document, we have issued relatively long-term commercial paper in Japan. Among various strategies, our financial management office in North America issued US$170 million of medium-term notes. As such, we have secured liquidity based on medium-to long-term scenarios and have been lengthening our debt maturities.

The total unused facility under commitment line contracts entered into in the past with multiple financial institutions amounted to 487.7 billion yen as of March 31, 2020.

Please have a look at the "**Main Financial indicators**" on your bottom right. As previously explained, we have increased cash and cash equivalents on consideration of the current situation as of March-end 2020, resulting in an equity ratio of 12.4%, declining by 0.6 percentage point YoY. Nevertheless, net debt-to-equity ratio came in at 5.74x and equity ratio would have been 12.9% assuming cash and cash equivalents would have remained unchanged YoY, retaining these two indexes at similar levels as the previous fiscal year. We intend to maintain our financial discipline going forward.

Next, please turn to page 8.

Looking Back at the Previous Medium-term Management Plan

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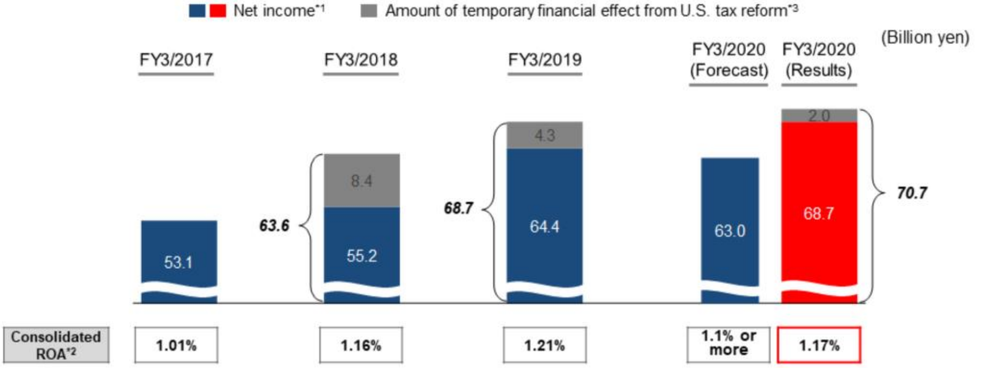
- Under its growth strategy, the Company improved its results by promoting asset-turnover businesses at its mainstay Aviation and Real Estate and reshuffled portfolio components in light of their growth potential and profitability.
  (Reorganization of domestic group companies and acquisition of and/or capital business tie-up with, ENGS Holdings Inc., MUL Railcars, Inc., and others)
- Under our business infrastructure reinforcement strategy, we strengthened our foreign currency funding capabilities by issuing inaugural U.S. dollar denominated bonds in a 144A/Regulation S format in the U.S. market. In addition, we built a PDCA process to handle full-scale business participation and operational businesses (establishment of the Investment Management Department).
  We implemented measures to build a worker-friendly workplace through revising our personnel system, introducing remote work, and using robotic process automation (RPA), among other steps.
- We achieved the targets for the final year of the previous Medium-term Management Plan (FY3/2020), namely, 63.0 billion yen or more in net income*1 and 1.1% or more in consolidated ROA*2 even with the exclusion of one-off effects from the U.S. tax reform.*3



*1 Net income attributable to owners of the parent
*2 On a net income attributable to owners of the parent basis
*3 Reversal of provision for deferred tax liabilities recorded along with the U.S. tax reform

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Here we **look back at the previous Medium-term Management Plan**, which got underway in April 2017 and ended in March 2020.

We undertook such strategies as reshuffling of portfolio components, development of the PDCA processes for investment projects, introduction of a remote work system, and utilization of robotic process automation (RPA).

Please look at the mid-level graph. On the number front, as shown by the second bar from the far left, we achieved 63.0 billion yen in net income and 1.1% or more in ROA for FY3/2018, the first year of the previous Medium-term Management Plan. We were also helped partly by an 8.4 billion yen one-off financial effect from a reversal of deferred tax liabilities thanks to the U.S. tax reform shown in grey. Thereafter, we were able to achieve a record profit for three consecutive fiscal years.

We solidly grew income in the form of posting 64.4 billion yen in net income for FY3/2019 and 68.7 billion yen in net income for FY3/2020 even with the exclusion of a one-off financial effect from the U.S. tax reform, which is shown as the grey parts of the bars.

Next, turn to page 10.

II. Divisional Updates

Divisional Earnings / Assets

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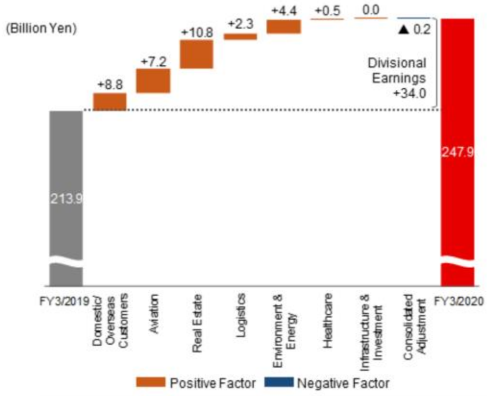
Divisional Earnings: gross profit (prior to allocation of financial expenses) plus equity-method earnings and dividend income of each division
Divisional Assets[*1]: operating assets plus equity method investments



Increase/Decrease in Divisional Earnings			
(Billion Yen)	Increase/ Decrease	Main Factor	Divisions and Businesses Involved
Domestic/ Overseas Customers	+8.8	Increased earnings following the inclusion of ENGS to consolidated accounts, amongst other factors	Departments and subsidiaries in Japan responsible for Domestic Customers, and overseas bases responsible for Overseas Customers
Aviation	+7.2	Gains on sales of aircraft and increased lease revenues of aircraft and engines	Aviation Business Department, JSA, ELF
Real Estate	+10.8	Gain on sales of real estate in Japan and overseas; increased lease and interest revenues	Real Estate Business Department, MULP, MURI,DAF, Miyuki Building, others
Logistics	+2.3	Increased lease revenues from marine containers and railway freight cars	Logistics Business Department, Ship Finance Department, Mobility Service Business Department, BIL, MULR, MAL, others
Environment & Energy	+4.4	Gains on sales of solar-related assets and increased revenues from electricity power sales	Environment & Energy Business Department, MEI, Solar Energy SPC, others
Healthcare	+0.5	Earnings growth of group companies	Healthcare Business Department, Japan Medical Lease, others
Infrastructure & Investment	0.0	Earnings growth at invested businesses	Infrastructure Business Department, Investment Business Department, JII, invested businesses

(Note) Please refer to P11 to P15 for details of subsidiaries.

(Billion Yen)			Domestic/ Overseas Customers	Aviation	Real Estate	Logistics	Environment & Energy	Healthcare	Infrastructure & Investment	Consolidated Adjustment	Consolidated Total
1	FY3/2020	Divisional Earnings	88.1	74.9	47.1	17.6	11.1	5.0	3.5	0.4	247.9
2		Divisional Assets[*1]	2,315.3	1,101.7	976.1	510.8	184.3	152.2	75.1	2.5	5,318.4
3	FY3/2019	Divisional Earnings	79.2	67.6	36.3	15.3	6.6	4.5	3.4	0.6	213.9
4		Divisional Assets[*1]	2,441.2	1,044.5	828.8	448.9	140.6	146.2	76.8	1.5	5,128.9

*1 Parts of some assets that generate divisional earnings (such as strategic holdings and small-scale infrastructure related equity investments) are not included.

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Let me describe **<u>divisional earnings / assets</u>**. We began to release **divisional earnings** starting in the second quarter of FY3/2019. In addition, we newly disclose here **divisional assets**.

Please look at the top-left part of the page. **Divisional earnings** are calculated by taking gross profit before deducting financial expenses and combining it with equity-method income and dividend income. Returns on investments in related companies made in the infrastructure and environment & energy divisions are classified into equity-method income. Returns from such investments that have an equity investment of less than 20% are classified as dividend income. Thus, divisional earnings are presented as such in order to make divisional earnings better reflect their actual amounts.

Divisional assets, is an aggregation of operating assets and equity-method investments, as we intend to present the numbers to reflect the actual asset scale of each division under a similar concept as that of divisional earnings. Nevertheless, parts of some assets that generate divisional earnings such as strategic holdings and small-scale infrastructure related equity investments cannot be categorized into division. Accordingly, please be aware that divisional assets do not include these assets for the time being.

Shown in the waterfall graph below at the upper left of the page are changes in divisional earnings by division. While each division grew its profits, earnings were driven by particularly the real estate and aviation divisions as well as the domestic/overseas customers business, helped by making ENGS a new consolidated subsidiary.

The table on the right outlines factors causing an increase/decrease in divisional earnings as well as departments/branches and subsidiaries composing business divisions.

Let me give an outline on a division-by-division basis. Please move on to page 11.

Domestic/Overseas Customers Business ~Sustainable Growth 2030~

Divisional Earnings and Assets (Billion yen)

	FY3/2019	FY3/2020	YOY*1
Divisional Earnings	79.2	88.1	+8.8
Divisional Assets	2,441.2	2,315.3	-125.8

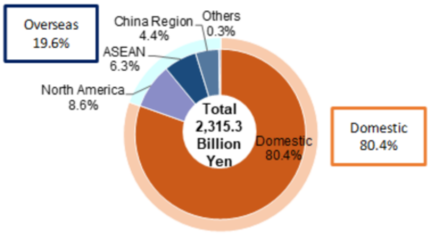
*1 Divisional assets as compared with March 31, 2019

Breakdown of Divisional Assets (Billion yen)

	FY3/2019	FY3/2020	Change from FY3/2019
Total	2,441.2	2,315.3	-125.8
Domestic	2,006.9	1,862.5	-144.4
Overseas	434.2	452.8	+18.5
North America	173.1	199.1	+26.0
ASEAN	139.3	144.5	+5.2
China Region	111.0	102.1	-8.9
Others*2	10.8	6.9	-3.8

*2 Includes head office accounts

Divisional Assets by Region (FY3/2020)



Principal Companies

Region	Company	Ownership ratio*3	Main business
Japan	Mitsubishi UFJ Lease & Finance (domestic branches)	-	Lease, etc.
Japan	DFL Lease	80.0%	Lease, etc.
Japan	Hirogin Lease	80.0%	Lease, etc.
Japan	Shutoken Leasing	70.7%	Lease, etc.
Japan	DRS	100.0%	Rental and lease, etc.
North America	Mitsubishi UFJ Lease & Finance (U.S.A.)	100.0%	Lease, etc.
North America	ENGS Commercial Finance*4	100.0%	Vendor finance, etc.
ASEAN	Bangkok Mitsubishi UFJ Lease	44.0%	Lease, etc.

Principal Companies

Region	Company	Ownership ratio*3	Main business
ASEAN	Mitsubishi UFJ Lease (Singapore)	100.0%	Lease, etc.
ASEAN	Mitsubishi UFJ Lease & Finance Indonesia	100.0%	Lease, etc.
ASEAN	Takari Kokoh Sejahtera	75.0%	Auto lease, etc.
China Region	Mitsubishi UFJ Lease & Finance (China)	100.0%	Lease, etc.
China Region	Mitsubishi UFJ Lease & Finance (Hong Kong)	100.0%	Lease, etc.
Others	Mitsubishi UFJ Lease & Finance (Ireland)	100.0%	Finance, etc.

*3 Includes indirect ownership portions *4 Vendor finance entity of ENGS Holdings Inc.

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First of all, the **Domestic/Overseas Customers Business**. Please look at the upper-left part of the page.

Divisional assets decreased by 125.8 billion yen compared with FY3/2019-end, affected by such factors as the deconsolidation of affiliated companies. Divisional earnings grew by 8.8 billion yen YoY, in part affected by a profit reduction effect from deconsolidation of an affiliated company. But this was more than offset by ENGS, whose profit/loss began to be incorporated from FY3/2020, as well as growth of existing overseas customers offices.

Please move on to page 12.

Aviation

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Divisional Earnings and Assets (Billion yen)

	FY3/2019	FY3/2020	YOY[*1]
Divisional Earnings	67.6	74.9	+7.2
Divisional Assets	1,044.5	1,101.7	+57.1

*1 Divisional assets as compared with March 31, 2019

Breakdown of Divisional Assets (Billion yen)

	FY3/2019	FY3/2020	Change from FY3/2019
Total	1,044.5	1,101.7	+57.1
Aircraft lease	791.5	841.6	+50.0
Engine lease	245.7	253.3	+7.6
Others	7.3	6.7	-0.5

Owned Aviation-related Assets

	FY3/2019	FY3/2020	YOY
Number of Aircrafts	160	170	+10
Number of Aircraft Purchased[*2]	27	24	-3
Number of Aircraft Sold[*2]	10	14	+4
Number of Aircraft Engines	300	309	+9

*2 After consolidated adjustment
(do not match with sales profits/losses for aircraft numbers recognized on the P/L)

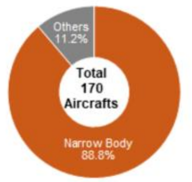
Principal Companies

Company	Ownership Ratio[*3]	Main Business
MUL (Aviation Business Department)	-	Japanese operating lease
Jackson Square Aviation (JSA)	100.0%	Aircraft lease
Engine Lease Finance (ELF)	100.0%	Aircraft engine lease, part-out business

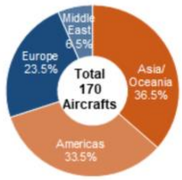
*3 Includes indirect ownership portions

Aircraft Ownership Breakdown (FY3/2020)

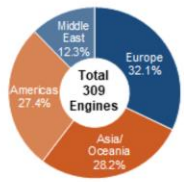
1. By Asset Type



2. By Region



Regional Breakdown of Engine Ownership (FY3/2020)



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Next comes **Aviation.** Please look at the upper-left part of the page. Divisional earnings increased 7.2 billion yen compared with FY3/2019 and divisional assets rose 57.1 billion yen compared with FY3/2019-end. As indicated in the two boxes below showing our owned aviation related assets, we recorded 24 aircraft purchases and 14 aircraft sold underlying our steady progress in new accumulation as well as sales of assets.

Please look at the right hand side of the page. Highly liquid narrow body aircrafts account for 88.8% of our aircraft leasing business and the geographic breakdown for aircrafts and aircraft engines unveil the well-diversified characteristics of our portfolio.

Please move on to page 13 which explains about **Real Estate.**

Real Estate

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Divisional Earnings and Assets (Billion yen)

	FY3/2019	FY3/2020	YOY*1
Divisional Earnings	36.3	47.1	+10.8
Divisional Assets	828.8	976.1	+147.3

*1 Divisional assets as compared with March 31, 2019

Breakdown of Divisional Assets (Billion yen)

	FY3/2019	FY3/2020	Change from FY3/2019
Total	828.8	976.1	+147.3
Real estate lease	237.6	268.4	+30.7
Securitization finance	142.7	174.2	+31.5
Domestic	125.2	148.8	+23.6
Debt	93.3	108.1	+14.7
Equity	31.8	40.7	+8.9
Overseas	17.5	25.3	+7.8
Real estate rental business	104.2	107.6	+3.3
Real estate revitalization investment	111.1	170.3	+59.2
Other real estate finance	233.0	255.4	+22.3

Principal Companies

Company	Ownership Ratio*2	Main Business
MUL (Real Estate Business Department)	-	Real estate finance, real estate lease
MUL Property (MULP)	100.0%	Real estate lease
MUL Realty Investments (MRI)	100.0%	Securitization finance
Diamond Asset Finance (DAF)	100.0%	Real estate rental and other real estate finance
Miyuki Building	98.3%	Real estate rental
MUL Realty Investment (MURI)	100.0%	Real estate revitalization investment
MUL Realty Advisers Company (MURA)	66.6%	Real estate asset management

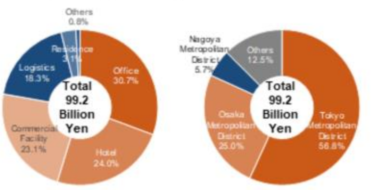
*2 Includes indirect ownership portions

[Reference] Amount of equity contribution for real estate financing*3*4 (Billion yen)

	FY3/2019	FY3/2020	Change from FY3/2019
Total	92.9	99.2	+6.3
Domestic securitization finance	31.9	32.3	+0.3
Real estate revitalization investment	60.9	66.9	+6.0

[Reference] Ratio of amount of equity contribution for real estate financing*3*4 (FY3/2020)

1. By Asset Type
2. By Region



*3 Management accounting value (total equity contribution value in domestic securitization financing and real estate revitalization investments) does not match equity among divisional assets as some investments were turned into consolidated subsidiaries with investments and capital being offset and eliminated in financial accounting processes.
*4 Divisional assets corresponding to domestic securitization finance amounted to 31.8 billion yen for FY3/2019 and 40.7 billion yen for FY3/2020 while those corresponding to real estate revitalization investments came to 111.1 billion yen for FY3/2019 and 170.3 billion yen for FY3/2020.

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Real Estate consists of real estate finance such as real estate lease and securitization finance and of real estate business such as real estate rental business and real estate revitalization investment.

Divisional earnings from Real Estate for FY3/2020 grew by 10.8 billion yen YoY, supported by rising revenues from real estate sales posted by engaging in asset-turnover businesses.

Divisional assets grew by 147.3 billion yen YoY to 976.1 billion yen due to strong performances of new transactions for real estate revitalization investments, securitization finance and real estate leases.

For reference, the right hand side of the page shows the equity contribution of securitization finance in Japan and real estate revitalization investments, which is the core of asset turnover business at the real estate division, to retain consistency between former disclosures. These numbers are indicated as the actual contribution value rather than financial accounting value. The pie chart on the bottom right reveals that we have built a portfolio resistant to market conditions by: i) including, as investment targets, logistics and residential properties in a well-balanced manner in addition to offices, hotels and urban shopping facilities; and ii) making diversified investments mainly in the Tokyo metropolitan area in consideration of market sizes and future potential.

Please move on to page 14.

Logistics

Divisional Earnings and Assets (Billion yen)	FY3/2019	FY3/2020	YOY*1
Divisional Earnings	15.3	17.6	+2.3
Divisional Assets	448.9	510.8	+61.9

*1 Divisional assets as compared with March 31, 2019

Breakdown of Divisional Assets (Billion yen)	FY3/2019	FY3/2020	Change from FY3/2019
Total	448.9	510.8	+61.9
Marine containers	215.0	219.2	+4.1
Railway freight cars	94.5	170.7	+76.1
Shipping	139.3	120.9	-18.4

Owned Logistics-related Assets	FY3/2019	FY3/2020	YOY
Marine Container Fleet (TEU 1,000) *2	1,300	1,368	+68
Number of Railway/ Freight Cars	10,594	16,544	+5,950

*2 TEU: Twenty Feet Equivalent Unit converted into 20ft. containers)

Principal Companies: Company	Ownership Ratio*3	Main Business
MUL (Logistics Business Department)	-	Ship finance
Beacon Intermodal Leasing (BIL)	100.0%	Marine container lease
MUL Railcars (MULR)	100.0%	Railway and railcar lease
Mitsubishi Auto Leasing (MAL)	50.0%	Auto lease

*3 Includes indirect ownership portions

Environment & Energy

Divisional Earnings and Assets (Billion yen)	FY3/2019	FY3/2020	YOY*1
Divisional Earnings	6.6	11.1	+4.4
Divisional Assets	140.6	184.3	+43.6

Breakdown of Divisional Assets (Billion yen)	FY3/2019	FY3/2020	Change from FY3/2019
Total	140.6	184.3	+43.6
Debt	46.6	59.8	+13.1
Equity	19.5	30.1	+10.5
<Power Generation Business Assets>	67.3	82.9	+15.6
Others*4*5	7.0	11.3	+4.2
(Reference) Output count for contributions for which operation has begun*6	393MW	541MW	+148MW

*4 Includes equity-method investments
*5 Solar power-related leases were recorded in domestic and overseas customers business
*6 Management accounting values

Principal Companies: Company	Ownership Ratio*3	Main Business
MUL (Environment & Energy Business Department)	-	Renewable-energy business, energy-saving devices leasing
MUL Energy Investment (MEI)	100.0%	Operation and asset management of renewable energy businesses
MUL Utility Innovation (MUI)	100.0%	Development of energy-related businesses

Value Integrator

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Logistics shown on the left side of the page. Divisional earnings grew by 2.3 billion yen YoY. Meanwhile, divisional assets climbed by 61.9 billion yen compared with March 31, 2019 thanks to expansion in the railway freight car lease service.

The container lease business, being on a revival track, achieved profitability as returns kept improving steadily and we further recovered past bad debts.

Looking at the freight car lease business, freight car holdings rose to 16,544 units, up from about 6,000 units in September 2017 at launch. This was as a result of our continued effort to expand the business through placing production orders and buying pre-owned freight cars under lease contract from the secondary market.

Please look at **Environment & Energy** on the right side of the page. Environment & Energy includes the renewable energy business mainly for solar power generation.

Divisional earnings grew by 4.4 billion YoY. This was due to higher electricity sales revenues as solar power plants previously under construction came into operation one by one, as well as to revenues from selling a business. Divisional assets grew by 43.6 billion yen compared with March 31, 2019 to 184.3 billion yen as solar power plants were completed and came into operation steadily.

Please move on to page 15.

Healthcare

Divisional Earnings and Assets (Billion yen)	FY3/2019	FY3/2020	YOY[1]
Divisional Earnings	4.5	5.0	+0.5
Divisional Assets	146.2	152.2	+5.9

*1 Business assets as compared with March 31, 2019

Breakdown of Divisional Assets (Billion yen)	FY3/2019	FY3/2020	Change from FY3/2019
Total	146.2	152.2	+5.9
Leases and installment sales[2]	104.3	106.9	+2.6
Factoring	24.9	24.8	-0.1
Healthcare-related Loans and investments	16.9	20.4	+3.4

*2 Leases and installment sales to medical institutions and care homes recorded in the domestic customers business excluded.

(Reference) Healthcare-related assets under management[3] (Billion yen)	FY3/2019	FY3/2020	Change from FY3/2019
Assets under management (AUM)	15.8	20.3	+4.5

*3 Management accounting values

Principal Companies		
Company	Ownership Ratio[4]	Main Business
MUL (Healthcare Business Department)	-	Medical equipment lease and medical fee factoring
Japan Medical Lease	100.0%	Medical equipment and real estate lease
MUL Healthcare	100.0%	Support service for installment of medical equipment and medical institution consulting
Healthcare Management Partners (HMP)	66.0%	Healthcare-related of asset management business

*4 Includes indirect ownership portions

Infrastructure & Investment

Divisional Earnings and Assets (Billion yen)	FY3/2019	FY3/2020	YOY[1]
Divisional Earnings	3.4	3.5	0.0
Divisional Assets	76.8	75.1	-1.7

Performance of Overseas Infrastructure Investment Projects		
Booking Party	Project Overview	Remarks
MUL	Submarine Power Transmission Business in Germany	In operation
MUL	Wind Power Business in Ireland	In operation
MUL	Water Supply Business in the UK	Investment complete
MUL	Offshore Wind Farm Project in the UK	Scheduled to start operating in 2022
MUL	Power Distribution Project in the UK	Investment complete
MUL	Distributed Solar Power Generation Project in the US	In operation
JII	Rail Infrastructure Initiative in the UK	In operation
JII	Optical Cable Initiative	Scheduled for completion in 1H 2020
JII	Railway Freight Car Maintenance and Lease Initiative in the UK	In operation
JII	Passenger Railcar lease and Maintenance Initiative in the UK	Scheduled to start operating in 2022
JII	Toll Highway Operating Company in India	Investment committed

Principal Companies		
Company	Ownership Ratio[4]	Main Business
MUL (Infrastructure Business Department)	-	Infrastructure investment, PFI initiatives
MUL (Investment Business Department)	-	Corporate investment
Japan Infrastructure Initiative (JII)	47.6%	Infrastructure investment

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Shown on the left side of the page is **Healthcare.** Healthcare provides a medical equipment lease service and real estate lease service for medical malls, and handles investment funds for medical institutions and care homes.

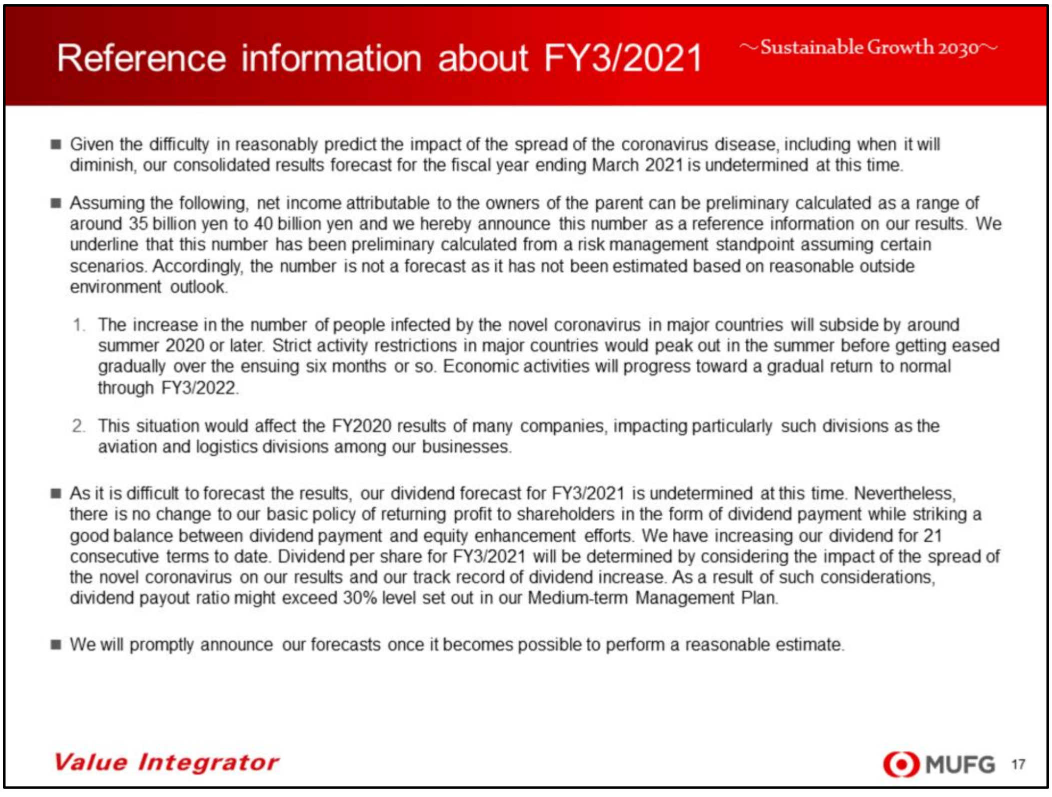
Divisional earnings for the fiscal year under review grew by 0.5 billion yen YoY and divisional assets climbed by 5.9 billion yen YoY.

Shown on the right side of the page is **Infrastructure & Investment**. Infrastructure & Investment mainly makes business investment in overseas infrastructure and participates in domestic PFI projects. Divisional earnings grew marginally YoY as we recorded advance expenses for business investments. This is an area we pin high hopes on although it will take some time before it contributes to earnings as some projects have yet to come into operation.

Divisional assets decreased by 1.7 billion yen YoY due to progressing recoveries in the corporate investment business while investment targets expanded in the overseas infrastructure business.

Please turn to page 17, which is about FY3/2021.

(Reference) About FY3/2021



Since we cannot reasonably predict the impact of the spread of the coronavirus disease, including when it will diminish, our consolidated results forecast for FY3/2021 is undetermined at this time.

Based on the two assumptions indicated in this page, net income attributable to the owners of the parent can be preliminary calculated as a range of around 35 billion yen to 40 billion yen and we hereby announce this number as a reference information on our results. We underline that this number has been preliminary calculated from a risk management standpoint assuming certain scenarios. Accordingly, the number is not a forecast as it has not been estimated based on reasonable outside environment outlook.

The assumptions are as follows:

1. The increase in the number of people infected by the novel coronavirus in major countries will subside by around summer 2020 or later. Strict activity restrictions in major countries would peak out in the summer before getting eased gradually over the ensuing six months or so. Economic activities will progress toward a gradual return to normal through FY3/2022.
2. This situation would affect the FY2020 results of many companies, impacting particularly such divisions as the aviation and logistics divisions among our businesses.

As it is difficult to forecast the results, our dividend forecast for FY3/2021 is undetermined at this time. Nevertheless, there is no change to our basic policy of returning profit to shareholders in the form of dividend payment while striking a good balance between dividend payment and equity enhancement efforts. We have been increasing our dividend for 21 consecutive terms to date even during the Lehman crisis. Dividend per share for FY3/2021 will be determined by considering the impact of the spread of the novel coronavirus on our results and our track record of dividend increase. As a result of such considerations, dividend payout ratio might exceed 30% level set out in our Medium-term Management Plan. We will promptly announce the dividend forecast once it becomes possible to perform a reasonable estimate.

Please turn to page 18.

Measures for FY3/2021 by Division

~Sustainable Growth 2030~

		Measures by division
Customers business	Domestic	■ Accumulate assets with high profitability and quality by jointly creating sustainable businesses through functionally collaborating with partner companies in specified sectors (automobile and auto parts manufacturers, information-communication & electronics and living & services). ■ Downsize low profitability assets in a planned manner by refraining from entering into transactions with relatively low profitability such as loans and installment sales.
	Overseas	■ For our existing overseas offices, reinforce their management infrastructure by reviewing their operational scopes and streamlining their operations on an office-by-office basis. ■ For ENGS (U.S. subsidiary), focus on vendor finance service for important industry axes while discreetly observing market developments. ■ For emerging nations, develop markets by working closely with local partners.
Aviation		■ Retain and upgrade high-quality portfolios with effective customer diversification for aviation and engine assets, and manage risk more rigorously. ■ Seek to expand revenue bases and business infrastructure by capturing new demand as a response to the changing market environment and diversifying product lineup.
Real Estate		■ Improve profitability of domestic finance business. Reinforce investment, development, renovation, asset management, and other functions. ■ For overseas real estate investments and loans, develop and reinforce the operational platform in the form of shifting to a manned office format for U.S. subsidiary MRI.
Logistics		■ For mobility service, seek to expand businesses in and outside Japan while leveraging collaboration with partners by tapping into our strengths. ■ For rail cars, seek to grow and diversify portfolios in consideration of changing market conditions and aim to contribute to earnings in the long term. ■ For marine containers, establish high-quality portfolios by making discreet investments while closely watching changing market conditions. Enhance the resale platform.
Environment & Energy		■ Expand renewable energy business investments with a focus on the solar power generation business. Begin to engage in offshore wind power projects. ■ Continue the rooftop placement PPA*1 project in Japan and Thailand.
Healthcare		■ Expand finance and other services in relation to a revamp in hospital beds mainly aimed at expanding rehabilitation function. ■ Increase the value of loans and investments for funds managed by Healthcare Management Partners (HMP).
Infrastructure & Investment		■ For overseas infrastructure, continue to collaborate with leading partners and develop platforms actively and inactively while reinforcing expertise and workforce in priority fields. ■ For company investments, continue to reinforce buyout mezzanines and collaborate with partners.

*1. Power Purchase Agreement

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Measures for FY3/2021 by division are outlined.

As announced on March 12, 2020, the new Medium-term Management Plan got underway in FY3/2021. We have developed the Medium-term Management Plan as the initial three-year portion of our medium- to long-term strategy for which a direction has been set based on changes in the external environment, changes in the business environment, and mega global trends over the next 10-year time span.

Unforeseen situations, such as the spread of novel coronavirus infection, are occurring, and they have caused major economic setbacks inside and outside Japan. While we are unable to tell when and how this situation will end, we believe that efforts made by medical experts, each government, and its citizens will help restore calmness eventually, and the Japanese and global economy will be back on cruising speed. Therefore, we are projecting that there will be no major change in the mega global trends from a perspective of 10 years, and thus the group's medium- to long-term direction remains unchanged. In addition, we will promptly capture issues and demand of the society as well as customers in a world with and after coronavirus and make solid progress in exercising our asset value creation, which is a theme of our Medium-term Management Plan, by leveraging our strength in customer base, financial base, and asset business insights.

Each division's key initiatives for FY3/2021 which have been developed based on the Medium-term Management Plan themes and current situations have been summed up on page 18.

This ends my presentation. Thank you for your attention.

Appendix

New Transactions Volume

~Sustainable Growth 2030~

By Transaction Type				
	(Billion Yen)	FY3/2020	YOY Change (%)	FY3/2019
1	Leases	912.3	+0.8%	904.9
2	Finance Leases	516.3	-0.3%	517.6
3	Operating Leases	395.9	+2.2%	387.2
4	Installment Sales	73.0	-18.3%	89.3
5	Loans and Others	896.3	+21.9%	735.3
6	Factoring	350.6	+10.0%	318.7
7	Real Estate Finance	207.3	+74.3%	118.9
8	Others	338.3	+13.7%	297.5
9	Volume of All New Transactions	1,881.7	+8.8%	1,729.6

Domestic/Overseas				
	(Billion Yen)	FY3/2020	YOY Change (%)	FY3/2019
10	Domestic	1,169.6	+5.2%	1,111.4
11	Leases	500.7	-2.2%	511.9
12	Installment Sales	73.0	-18.3%	89.3
13	Loan and Others	595.9	+16.8%	510.1
14	Overseas	712.0	+15.2%	618.1
15	Customer Finance	371.2	+22.7%	302.5
16	Others	340.7	+8.0%	315.6
17	Volume of All New Transactions	1,881.7	+8.8%	1,729.6

Details of New Transactions Volume by Transaction Type

～Sustainable Growth 2030～

By Transaction Type					
(Billion Yen)		FY3/2020	YOY Change	YOY Change (%)	FY3/2019
1	Leases	912.3	+7.3	+0.8%	904.9
2	IT/Office Equipment	146.5	+0.4	+0.3%	146.0
3	Industrial Machinery	92.0	-12.3	-11.8%	104.3
4	Civil Eng. & Construction Machinery	36.9	-2.8	-7.1%	39.7
5	Transportation Equipment	363.2	+26.7	+8.0%	336.4
6	Medical Equipment	52.4	-0.5	-1.0%	53.0
7	Commercial & Service Equipment	56.5	-11.0	-16.3%	67.5
8	Others	164.5	+6.8	+4.3%	157.7
9	Installment Sales	73.0	-16.3	-18.3%	89.3
10	IT/Office Equipment	2.0	-0.3	-16.2%	2.4
11	Industrial Machinery	10.2	-0.6	-6.2%	10.9
12	Civil Eng. & Construction Machinery	24.0	-8.1	-25.3%	32.2
13	Transportation Equipment	4.0	-0.9	-19.1%	5.0
14	Medical Equipment	9.1	0.0	-0.1%	9.2
15	Commercial & Service Equipment	10.3	-2.0	-16.6%	12.3
16	Others	13.0	-4.0	-23.8%	17.0
17	Loans and Others	896.3	+161.0	+21.9%	735.3
18	Factoring	350.6	+31.8	+10.0%	318.7
19	Real Estate Finance	207.3	+88.3	+74.3%	118.9
20	Others	338.3	+40.7	+13.7%	297.5
21	Volume of All New Transactions	1,881.7	+152.0	+8.8%	1,729.6

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Operating Assets

～Sustainable Growth 2030～

By Transaction Type

	(Billion Yen)	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020	Change from FY3/2019 (%)
1	Leases	3,040.8	3,272.0	3,269.6	3,473.8	3,609.2	+3.9%
2	Finance Leases	1,480.3	1,514.7	1,543.9	1,579.8	1,583.6	+0.2%
3	Operating Leases	1,560.4	1,757.2	1,725.7	1,893.9	2,025.6	+7.0%
4	Installment Sales	245.8	252.9	255.5	249.5	214.5	-14.0%
5	Loans and Others	1,339.7	1,351.6	1,384.0	1,323.1	1,404.6	+6.2%
6	Total Operating Assets	4,626.4	4,876.5	4,909.2	5,046.4	5,228.4	+3.6%

Domestic/Overseas

	(Billion Yen)	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020	Change from FY3/2019 (%)
7	Domestic	3,147.4	3,208.5	3,260.1	3,134.0	3,179.9	+1.5%
8	Leases	1,814.5	1,855.9	1,852.1	1,902.5	1,925.8	+1.2%
9	Installment Sales	245.8	252.9	255.5	249.5	214.5	-14.0%
10	Loans and Others	1,086.9	1,099.6	1,152.5	982.0	1,039.5	+5.9%
11	Overseas	1,479.0	1,668.0	1,649.0	1,912.3	2,048.4	+7.1%
12	Customer Finance	226.5	258.1	310.2	427.6	455.6	+6.5%
13	Others	1,252.5	1,409.9	1,338.8	1,484.7	1,592.8	+7.3%
14	Total Operating Assets	4,626.4	4,876.5	4,909.2	5,046.4	5,228.4	+3.6%

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Credit Cost

～Sustainable Growth 2030～

MUL/Subsidiaries

	(Billion Yen)	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020	YOY Change
1	MUL	2.6	-2.9	-0.0	-1.8	2.2	+4.1
2	Domestic Subsidiaries	2.3	0.4	1.5	0.9	0.6	-0.2
3	Overseas Subsidiaries	4.5	2.1	0.9	2.1	4.2	+2.0
4	Total Net Credit Cost	9.4	-0.4	2.4	1.1	7.1	+5.9

By Sector

	(Billion Yen)	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020	YOY Change
5	Real Estate Sector	2.9	-0.6	0.7	-1.2	-0.0	+1.2
6	Manufacturing Sector	-0.1	-0.1	0.4	1.3	1.2	0.0
7	Transportation Sector	3.1	1.6	0.7	-1.0	0.9	+1.8
8	Others*1	3.5	-1.3	0.6	2.0	4.9	+2.8
9	Total Net Credit Cost	9.4	-0.4	2.4	1.1	7.1	+5.9

*1 Includes general credit cost calculated based on the historical rate of credit loss and ENGS credit costs

Funding Structure

～Sustainable Growth 2030～

	(Billion Yen)	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020	Change from FY3/2019 (%)
1	**Borrowing**	2,169.4	2,395.1	2,444.7	2,492.0	2,863.2	+14.9%
2	**Yen**	1,418.9	1,449.4	1,470.6	1,352.2	1,425.5	+5.4%
3	**Foreign Currency**	750.4	945.7	974.1	1,139.8	1,437.6	+26.1%
4	**CP (Commercial Paper)**	853.6	835.9	807.4	742.2	762.1	+2.7%
5	**Securitization**	168.8	137.4	165.8	145.8	135.7	-6.9%
6	**Corporate Bonds**	716.8	773.5	833.7	1,060.3	1,169.5	+10.3%
7	**Yen**	385.0	452.0	496.0	583.5	763.3	+30.8%
8	**Foreign Currency**	331.8	321.5	337.7	476.8	406.2	-14.8%
9	**Total Funding**	3,908.7	4,142.0	4,251.7	4,440.3	4,930.6	+11.0%
10	**Direct Funding Ratio***1	44.5%	42.2%	42.5%	43.9%	41.9%	-2.0P
11	**Foreign Currency Funding Ratio***2	27.7%	30.6%	30.9%	37.0%	37.4%	+0.4P

*1 CPs, securitization and corporate bonds as a proportion of total funding
*2 Foreign-currency loans and CBs as a proportion of total funding

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Financial Performance: Profit & Loss Statement

～Sustainable Growth 2030～

	(Million Yen)	FY3/2016 15/4~16/3	FY3/2017 16/4~17/3	FY3/2018 17/4~18/3	FY3/2019 18/4~19/3	FY3/2020 19/4~20/3
1	Revenues	825,845	838,886	869,948	864,224	923,768
		+11.2%	+1.6%	+3.7%	-0.7%	+6.9%
2	Leases	674,118	692,125	706,615	700,982	740,085
		+11.6%	+2.7%	+2.1%	-0.8%	+5.6%
3	Installment Sales	85,673	92,232	94,668	89,451	75,099
		+2.7%	+7.7%	+2.6%	-5.5%	-16.0%
4	Loans	34,162	33,655	35,018	29,597	40,356
		+0.8%	-1.5%	+4.1%	-15.5%	+36.4%
5	Others*1	31,890	20,872	33,646	44,193	68,227
		+51.2%	-34.5%	+61.2%	+31.3%	+54.4%
6	Cost of Revenues	659,846	688,655	713,779	705,904	741,804
		+8.3%	+4.4%	+3.6%	-1.1%	+5.1%
7	COR/Revenues (Cost of Goods Sold Ratio)	79.9%	82.1%	82.0%	81.7%	80.3%
		-2.1P	+2.2P	-0.0P	-0.4P	-1.4P
8	Leases, COR	532,530	555,521	563,429	549,214	569,153
		+7.8%	+4.3%	+1.4%	-2.5%	+3.6%
9	Installment Sales, COR	78,931	85,766	88,132	83,308	69,615
		+3.6%	+8.7%	+2.8%	-5.5%	-16.4%
10	Financial Expenses	38,991	35,703	43,722	49,494	59,865
		+38.0%	-8.4%	+22.5%	+13.2%	+21.0%
11	Others, COR*1	9,392	11,663	18,494	23,886	43,169
		-14.0%	+24.2%	+58.6%	+29.2%	+80.7%
12	Gross Profit	165,998	150,231	156,169	158,320	181,964
		+24.5%	-9.5%	+4.0%	+1.4%	+14.9%
13	Gross Profit/Revenues (Gross Profit Margin)	20.1%	17.9%	18.0%	18.3%	19.7%
		+2.1P	-2.2P	+0.0P	+0.4P	+1.4P

(Note) The bottom percentage figures with P (point) show year-on-year percentage change
*1 Includes purchase and sales of used machinery, dividends from real estate investment and sales of electric power

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Financial Performance: Profit & Loss Statement (Cont'd)

～Sustainable Growth 2030～

	(Million Yen)	FY3/2016 15/4~16/3	FY3/2017 16/4~17/3	FY3/2018 17/4~18/3	FY3/2019 18/4~19/3	FY3/2020 19/4~20/3
14	Number of Employees	2,828	2,969	3,126	3,217	3,301
15	GP per Employee	58.7	50.6	49.9	49.2	55.1
		+20.2%	-13.8%	-1.3%	-1.5%	+12.0%
16	SG&A Expenses	77,726	71,119	76,883	77,949	90,110
		+23.3%	-8.5%	+8.1%	+1.4%	+15.6%
17	Personnel Expenses	32,232	33,790	36,453	36,899	40,601
		+15.6%	+4.8%	+7.9%	+1.2%	+10.0%
18	Non-personnel Expense	34,873	33,461	35,482	37,689	41,465
		+10.0%	-4.1%	+6.0%	+6.2%	+10.0%
19	Allowance	10,619	3,867	4,946	3,360	8,043
		+206.2%	-63.6%	+27.9%	-32.1%	+139.4%
20	Overhead Ratio (Overhead Expenses Divided by GP)	40.4%	44.8%	46.1%	47.1%	45.1%
		-4.3P	+4.3P	+1.3P	+1.0P	-2.0P
21	Operating Income	88,272	79,112	79,285	80,371	91,853
		+25.7%	-10.4%	+0.2%	+1.4%	+14.3%
22	Operating Income/Revenue (Operating Income Margin)	10.7%	9.4%	9.1%	9.3%	9.9%
		+1.2P	-1.3P	-0.3P	+0.2P	+0.6P
23	Recurring Income	92,672	84,731	86,177	87,605	94,376
		+22.9%	-8.6%	+1.7%	+1.7%	+7.7%
24	Extraordinary Income	663	4,257	2,926	7,086	5,030
		-41.2%	+541.6%	-31.3%	+142.1%	-29.0%
25	Extraordinary Loss	3,236	2,517	836	1,136	308
		+4,921.1%	-22.2%	-66.8%	+35.8%	-72.8%
26	Net Income Attributable to Owners of the Parent	54,631	53,157	63,679	68,796	70,754
		+24.0%	-2.7%	+19.8%	+8.0%	+2.8%

(Note) The bottom percentage figures with P (point) show year-on-year percentage change

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Financial Performance: Balance Sheet

～Sustainable Growth 2030～

(Million Yen)		FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020
1	Total Equity	642,366	686,378	731,124	778,582	798,820
		+3.4%	+6.9%	+6.5%	+6.5%	+2.6%
2	Total Assets	5,121,253	5,388,844	5,552,712	5,790,929	6,285,966
		+1.7%	+5.2%	+3.0%	+4.3%	+8.5%
3	Operating Assets	4,626,455	4,876,553	4,909,279	5,046,490	5,228,461
		+1.9%	+5.4%	+0.7%	+2.8%	+3.6%
4	Leases	3,040,849	3,272,018	3,269,679	3,473,810	3,609,275
		+3.9%	+7.6%	-0.1%	+6.2%	+3.9%
5	Installment Sales	245,882	252,907	255,553	249,500	214,540
		+5.1%	+2.9%	+1.0%	-2.4%	-14.0%
6	Loans	1,241,831	1,245,555	1,233,218	1,114,470	1,136,398
		-1.3%	+0.3%	-1.0%	-9.6%	+2.0%
7	Others	97,892	106,072	150,827	208,708	268,247
		-20.7%	+8.4%	+42.2%	+38.4%	+28.5%
8	Impaired Assets	27,921	34,144	34,892	27,286	24,693
		-16.5%	+22.3%	+2.2%	-21.8%	-9.5%
9	Allowance	16,302	16,365	15,658	15,103	13,831
10	Net Balance of Impaired Assets	11,618	17,779	19,234	12,183	10,862
		-39.8%	+53.0%	+8.2%	-36.7%	-10.8%

(Note) The bottom percentage figures with P (point) show year-on-year percentage change from the end of the previous fiscal year

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Financial Performance: Balance Sheet (Cont'd)

～Sustainable Growth 2030～

	(Million Yen)	FY3/2016	FY3/2017	FY3/2018	FY3/2019	FY3/2020
11	Equity Ratio	12.0%	12.2%	12.7%	13.0%	12.4%
		+0.2P	+0.2P	+0.5P	+0.3P	-0.6P
12	ROE	9.0%	8.4%	9.3%	9.4%	9.2%
		+1.0P	-0.6P	+0.9P	+0.1P	-0.2P
13	ROA	1.1%	1.0%	1.2%	1.2%	1.2%
		+0.2P	-0.1P	+0.2P	+0.0P	-0.0P
14	Total Funding	3,908,736	4,142,073	4,251,769	4,440,352	4,930,692
		0.0%	+6.0%	+2.6%	+4.4%	+11.0%
15	Indirect Funding	2,169,456	2,395,158	2,444,766	2,492,008	2,863,257
		-2.2%	+10.4%	+2.1%	+1.9%	+14.9%
16	Direct Funding	1,739,279	1,746,914	1,807,002	1,948,344	2,067,434
		+2.8%	+0.4%	+3.4%	+7.8%	+6.1%
17	CP	853,600	835,900	807,400	742,200	762,100
		+2.8%	-2.1%	-3.4%	-8.1%	+2.7%
18	Securitization (Lease Receivables)	168,869	137,484	165,897	145,842	135,781
		-2.7%	-18.6%	+20.7%	-12.1%	-6.9%
19	Corporate Bonds	716,809	773,530	833,705	1,060,302	1,169,553
		+4.1%	+7.9%	+7.8%	+27.2%	+10.3%
20	Direct Funding Ratio	44.5%	42.2%	42.5%	43.9%	41.9%
		+1.2P	-2.3P	+0.3P	+1.4P	-2.0P

(Note) The bottom percentage figures with P (point) show year-on-year percentage change from the end of the previous fiscal year

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