

CORPORATE REPORT 2016



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Forward-Looking Statements

The strategies, plans, results, and other materials presented in this report contain future projections and forecasts. Such forward-looking statements reflect assessments made by the Group based on the information available at the time. Please note that actual results are influenced by a wide range of significant factors and may therefore differ considerably from the content of these statements.

Editorial Policy

With the aim of presenting its Group management and corporate activities to stakeholders in an accessible way, Mitsubishi UFJ Lease & Finance Company Limited is issuing the Corporate Report.

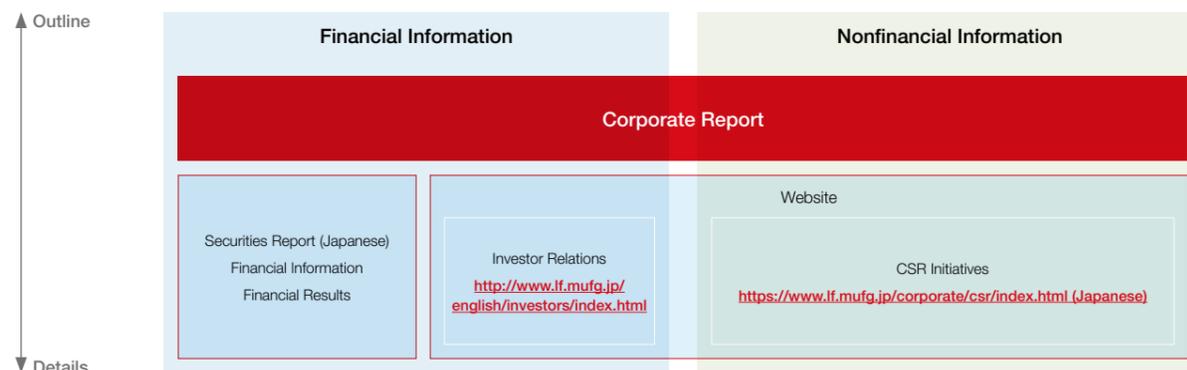
Corporate Report 2016, for the fiscal year ended March 31, 2016, is produced with reference to International Integrated Reporting Framework Ver. 1.0, a guideline issued by the International Integrated Reporting Council (IIRC).^{*} Accordingly, it presents a comprehensive overview of the Group's corporate activities and introduces its initiatives for the creation of sustainable corporate value.

The report contains information on the state of progress of **Limitless Evolution**, the Medium-Term Management Plan, now entering its last year, and on operations in the Group's key business areas. Meanwhile, the sections of the report devoted to nonfinancial activities reflect the approach of the ISO 26000 international standard for corporate social contribution.

Going forward, we will work to promote a better understanding of Group activities by continuing to develop the report as a tool linking the Group with its stakeholders.

^{*} The International Integrated Reporting Council (IIRC) is an international federal body composed of regulators, investors, corporations, standards bodies, accounting specialists, and nongovernmental organizations.

Reporting Systems of Mitsubishi UFJ Lease & Finance



The Corporate Report contains summaries of important information to deepen shareholder understanding of the Group. More detailed information is available on our website. The website also contains a company profile video and gallery of advertisements, among other informative content. The Company website can be viewed via the following link. <http://www.lf.mufig.jp/english/>

COVER STORY

We are a “Value Integrator”

The corporate signature phrase of the Mitsubishi UFJ Lease & Finance Group – “Value Integrator” – expresses our commitment to continuously creating new value through leasing and finance activities that integrate the existing value in diverse portfolios of tangible and intangible assets.

We share a set of values with the Mitsubishi UFJ Financial Group, expressed through common management visions and criteria for behaviors. By creating new business, we aim to contribute to customers' sustainable growth in corporate value and to the realization of a prosperous society.

WE HAVE DYNAMIC BUSINESS DOMAINS

Mitsubishi UFJ Lease & Finance— Blazing a New Trail through Finance

The Mitsubishi UFJ Lease & Finance Group plays a valuable role as a member of the Mitsubishi UFJ Financial Group, a world-leading comprehensive financial group. Through its core businesses of leasing and finance, the Group has cultivated a high level of speciality and expertise in products. Leveraging our unique strengths to their full potential, such as our flexibility and mobility as a nonbank finance company as well as our top-class external credit ratings among the industry, we will work to realize further growth going forward by continuously evolving and innovating our business models.

INTEGRATING FINANCE AND BUSINESS

Under the aim to gain new business opportunities that are not easily affected by the external business environment, we are working to develop new businesses, such as an energy-related asset management business and a real estate revitalization equity investment business, through the integration of finance and business.



Energy-related asset management business

BUSINESS PARTICIPATION

We draw on the expertise and network we have long cultivated through leasing and finance business to invest and participate in solar power projects, nursing care facility management, and other businesses in collaboration with our business partners. By involving ourselves in various businesses, we are further enhancing our expertise in each field.



Management of a long-term care facility with a business partner

GLOBAL ASSET BUSINESS



Aircraft leasing business

We are working to strengthen our global asset business, which deals in assets with high marketability and value in the global market. Comprising aircraft, aircraft engines, marine vessels, containers, freight cars, and automobiles, our global asset business offers a lineup of assets that is highly diverse.

CORE BUSINESS Leasing and Finance

We are expanding our business domains in Japan and overseas by leveraging our expertise and know-how in products.

HIGH-VALUE-ADDED SERVICES

We are responding to a wide range of customer needs through the provision of services that add significant value to leasing and finance, such as ESCO (Energy Service Company) that helps facilities conserve energy, and asset management services.



Rollout of ESCO business in China

SOCIAL INFRASTRUCTURE BUSINESS



Infrastructure business

While sharing and enhancing our knowledge related to domestic and overseas infrastructure businesses, we are actively promoting and expanding our social infrastructure business overseas, centered on such growth domains as electricity and rail.

SOLID FOUNDATION

| | |
|--|---|
| <p>Business network</p> <p>Approx. 185,000 Group corporate clients</p> <p>Expansive Network with manufacturers, financial institutions, and business partners</p> | <p>Background</p> <p>World-leading comprehensive financial group Mitsubishi UFJ Financial Group</p> <p>+</p> <p>Japan's representative general trading company Mitsubishi Corporation</p> <p>Mitsubishi UFJ Lease & Finance Group</p> |
|--|---|

UNIQUE STRENGTHS

| | |
|--|--|
| <p>Strengths as a nonbank</p> <p>Flexibility and Mobility in providing various services by innovating finance</p> <p>+</p> <p>Expertise cultivated through provision of services linked to products</p> | <p>Solid capability of fund procurement</p> <p>Top-Class external credit ratings among the industry</p> <p>Long-Term Issuer Rating (As of March 31, 2016)</p> <p>Moody's A3 JCR^{*2} AA-</p> <p>S&P^{*1} A R&I^{*3} A+</p> |
|--|--|

*1. S&P: Standard & Poor's
*2. JCR: Japan Credit Rating Agency
*3. R&I: Rating and Investment Information

WE STEADILY CREATE VALUE

Leaping toward Further Growth through the Creation of New Businesses

The Mitsubishi UFJ Lease & Finance Group was incorporated through the merger of Diamond Lease Company Limited and UFJ Central Leasing Co., Ltd., in April 2007. Going beyond the framework of leasing and finance, the Group has actively expanded its business, implementing nonorganic strategies such as carrying out acquisitions and business alliances. Through these strategies, the Group has achieved significant growth. Going forward, the Group aims to realize further sustainable growth by fully exercising its ability to create new businesses and continuously developing and securing new opportunities to generate profit.

at All Income Stages

Record High

FY3/2016: ¥92.6 billion

FY3/2008: ¥51.7 billion
(Recurring Income)

Net Income*1

5 Consecutive Years of Record High

FY3/2016: ¥54.6 billion

FY3/2008: ¥30.2 billion

Dividends per Share

17 Consecutive Years of Increases

FY3/2016: ¥12.3

FY3/2008: ¥4.2*2

*1. Net income attributable to parent company shareholders

*2. The Company carried out a 10-for-1 stock split on April 1, 2013. The figure for dividend per share for FY3/2008 is calculated under the assumption that this stock split was carried out retrospectively.

Aiming for sustainable growth by securing new opportunities to generate profit

Flexibility as a nonbank

High expertise in products

Strength to develop new businesses

April 2007

Merger of Diamond Lease and UFJ Central Leasing

Gross Profit
(billions of yen)

104.0

104.7

109.5

118.7

115.0

118.0

128.6

133.2

165.9

FY3/2008

FY3/2009

FY3/2010

FY3/2011

FY3/2012

FY3/2013

FY3/2014

FY3/2015

FY3/2016



Tadashi Shiraishi
President & CEO

Continuing to Tackle New Challenges to Accomplish Solid Growth

Business Performance for the Fiscal Year Ended March 31, 2016

—Transforming Our Business Model and Earnings Structure—

In the fiscal year ended March 31, 2016, our asset based businesses drove our overall business performance drawn by gains in sales of aircraft in the aircraft leasing business and an expansion in real estate-related dividend income, in addition to steady growth in the overall global asset business. As a result, we set new records at all stages of consolidated income, with gross profit rising 24.5% year on year, to ¥165.9 billion, and net income attributable to parent company shareholders up 24.0%, to ¥54.6 billion. Not only did we achieve record highs in net income attributable to parent company shareholders for the fifth consecutive year, we were also able to reach the target for consolidated net income adopted in our Medium-Term Management Plan **Limitless Evolution** a year ahead of schedule, reflecting the realization of steady profit growth.

One important point regarding our solid business performance was that profits grew at a significantly faster pace than the increases in the volume of new transactions and operating assets. This profit growth reflects the results of our efforts to innovate our business model from traditional leasing and finance businesses to asset businesses based on the value and profitability of products and also proves that our business model is genuinely transforming. Until now, our profit growth was supported by the expansion of our business size through the increase of operating assets; however, by placing greater emphasis on asset businesses that realize high profitability through the active rotation of portfolios, we are now able to generate profits at a level higher than ever before.

■ Financial Summary for the Fiscal Year Ended March 31, 2016

| | | |
|----------------------------|--|---|
| Total revenues | ¥825.8 billion (11.2% YoY increase) | ↗ |
| Gross profit | ¥165.9 billion (24.5% YoY increase) | ↗ |
| Recurring income | ¥92.6 billion (22.9% YoY increase) | ↗ |
| Net income* | ¥54.6 billion (24.0% YoY increase) | ↗ |
| Volume of new transactions | ¥1,536.7 billion (5.1% YoY increase) | ↗ |
| Dividends per share | ¥12.30 per share (¥2.80 YoY increase) | ↗ |
| Total equity | ¥642.3 billion (3.4% increase from FY3/2015) | ↗ |
| Operating assets | ¥4,626.4 billion (1.9% increase from FY3/2015) | ↗ |

* Net income attributable to parent company shareholders



Tackling the Issues at Hand

When I assumed the position of CEO of the Company in 2012, there were two points in particular I felt strongly about.

The first was the necessity of initiatives to change our mind-set on the front line. In the past, the main point of emphasis on the sales front line was to accumulate operating assets, and the level of awareness regarding profitability was not necessarily sufficient. When I became CEO, I advocated the importance of asset efficiency and, accordingly, we steadily began to allocate management resources to predominately asset businesses as well as fee businesses that take in profits without using assets. We have been achieving successful results in this effort, and the presence of these businesses has gradually increased in the Company. As such, our mind-set on the front line has begun to change. By generating these types of virtuous cycles and continually achieving success, going forward, we will accelerate the pace of change in our way of thinking toward profitability and asset efficiency.

The other point I felt strongly about was that as there continues to be no foreseeable expansion in the domestic lease market, which represents our main area of business, we are no longer able to secure further growth with a business structure that relies only on traditional leasing and finance businesses. To ensure sustainable growth, we need to innovate our conventional businesses and develop new business

domains. At the same time, we have to strengthen and diversify the foundation of our overseas business and secure new business opportunities on a global basis.

To respond to these issues, we acquired JSA International Holdings, L.P., with its U.S.-based major aircraft lessor Jackson Square Aviation, LLC (JSA), in 2013, thereby entering the aircraft leasing business on a global scale. JSA's unique business model enabled it to enhance its profitability and expand its presence, which in turn drives further our profit growth. Furthermore, in Japan, we have been making efforts to innovate our business model to incorporate the provision of high-value-added financial services as well as business participation, in addition to leasing and finance.

However, these efforts to innovate our business model do not in any way mean that we are stepping out from our leasing and finance businesses. These traditional businesses are our business foundation, and we clearly would not be able to ensure growth if they were to collapse. As such, we aim to generate future profit opportunities by creating new businesses in Japan and overseas, adding these new portfolios on to the steady growth of our core leasing and finance businesses. I believe this is precisely the course of action we need to take to grow in a sustainable manner over the medium-to-long term.

Progress under “Limitless Evolution”

At the core of our Medium-Term Management Plan **Limitless Evolution**, commenced in April 2014, lies a consistent awareness of the necessity of transforming our business model. Under **Limitless Evolution**, we are actively promoting two strategies, which are “evolving our business model” and “accelerating international business,” as main pillars, and steady progress has been made under these strategies thus far.

In Japan, we are participating in businesses within the fields of eco- and energy-related, real estate, and medical and long-term care. Moreover, we have commenced the full-scale development of new businesses under the “integrating finance and business” approach, which allows us to further evolve and develop in the business fields we participate in. As a specific example of accomplishments we have made until now, we have launched an energy-related asset management business and a real estate revitalization equity investment business. To follow after these businesses as the “third chapter” of the “integration of finance and business,” we are making preparations to launch a new business in the healthcare field. Meanwhile, in overseas operations, in addition

to the aircraft leasing business previously mentioned, we have acquired an aircraft engine leasing business, as well as a container leasing business. We have also made a full-scale entry into the freight-car leasing business in North America through a strategic alliance with a local business partner. In these ways, we have been working to further reinforce the foundation of our global asset business while actively promoting the overseas development of high-value-added services.

With the entry into new business domains and the expanded area of our international development that has accompanied the progress we are making under our growth strategy, the potential risks that we face have become more diversified. In response, we have engaged in concerted efforts to enhance our risk management in the past few years. As a result, we have made significant progress in revising the way we assess risks and dramatically improved our risk preparation. Two years have already passed since we launched **Limitless Evolution**, and I feel a good response regarding the accomplishments we have made under our growth strategy and business infrastructure reinforcement strategy.

Overview of the Medium-Term Management Plan “Limitless Evolution”

We aim to achieve sustainable growth through the implementation of five-point Growth Strategy and seven-point Business Infrastructure Reinforcement Strategy



Numerical Targets of Limitless Evolution (Target at FY3/2017)

Consolidated Net Income*1

Over ¥45 billion

Ratio of Overseas Operating Assets*2

30%

*1 Net income attributable to parent company shareholders

*2 Portion of operating assets booked by overseas subsidiaries to total operating assets on a consolidated basis

Looking toward the Next Medium-Term Management Plan

To be frank, there are still many tasks we have yet to accomplish. We need to accelerate the pace of development for the new businesses we launched under **Limitless Evolution** so that they may steadily contribute to our profits under the next medium-term management plan. At the same time, we need to continue our efforts to develop new business domains.

With an awareness of these tasks, we have decided to pursue the full-scale development of the social infrastructure business to act as our next growth domain overseas following the global asset business. As part of this pursuit, the Company, together with the Mitsubishi UFJ Financial Group, Inc., and the Bank of Tokyo-Mitsubishi UFJ, Ltd., has decided to execute a business alliance with Hitachi, Ltd., and Hitachi Capital Corporation.

The social infrastructure business, which is supported by the Japanese government, represents an extremely large market that exceeds 180 trillion yen a year. Through this five-company business alliance, we aim to establish an open platform that supports Japanese manufacturers with the export of infrastructure in a package from a financial perspective. At the same time, this alliance will allow us to secure new business opportunities.

Furthermore, we have agreed on a two-company business

alliance with Hitachi Capital. The Company and Hitachi Capital have very few business domains and functions that overlap. As such, by sharing and integrating our strengths and expertise as a financial leasing company with those of Hitachi Capital, a manufacturing leasing company, I believe we will be able to create new business domains in Japan and overseas.

The mission of our business is to continuously produce new knowledge. Without it, we cannot draw a path for sustainable growth. As such, we will pursue at an even higher level the originality and ingenuity it takes to add new value to existing businesses and launch into new business domains.

While we are currently moving forward with deliberations on formulating the next medium-term management plan, we will not stray significantly from the direction we pursued with **Limitless Evolution**. We will remain steadfast in our efforts to plant seeds for the future. As taking action following the commencement of the next medium-term management plan would be too slow of an approach, we will make efforts to connect the initiatives we take in the final year of **Limitless Evolution** with the initiatives of the new plan to ensure a seamless transition between the two plans. In this way, we will continue to enhance the various potential of our business going forward.



At the press conference announcing the capital and business alliance



Cultivating Human Resources That Will Lead Our Business Innovation

As we take on the challenge of entering into new business domains, an even greater need exists for us to cultivate human resources with knowledge and expertise to lead business innovation. To create genuinely unrivaled value amid the rapid diversification of customer needs, in addition to financial knowledge, developing human resources with the ability to provide new solutions that fully understand products and business is essential.

While we have assembled an outstanding group of human resources, if we remain stubborn in our existing approach and course of action, employees and also the Company as a whole will be unable to realize innovations. Going forward, we will promote an even more strategic approach to human resource cultivation to develop personnel that can adapt to the situation and environment in which they are placed in a flexible and mobile manner and that have a high level of capacity to adapt to execute new projects.

Ceaseless Efforts to Improve Sustainable Corporate Value

In a business environment that is less than favorable, I am renewing my resolve to engage in the necessary efforts to realize sustainable growth. I believe that continually taking on new challenges represents growth itself. If we cease our efforts for even a year, it will take many years to successfully regain the delay. By instilling a strong awareness of this reality with all employees, who represent the driving force of the

Company's evolution, we will further enhance a corporate culture of continuously taking on new challenges.

Bearing in mind the tough business environment we face, I believe it will take more time before the new efforts that we make bear fruit and begin to contribute to profits. However, I promise our stakeholders that we will relentlessly tackle new challenges and sustainably enhance our corporate value.

August 2016

Tadashi Shiraishi

President & CEO

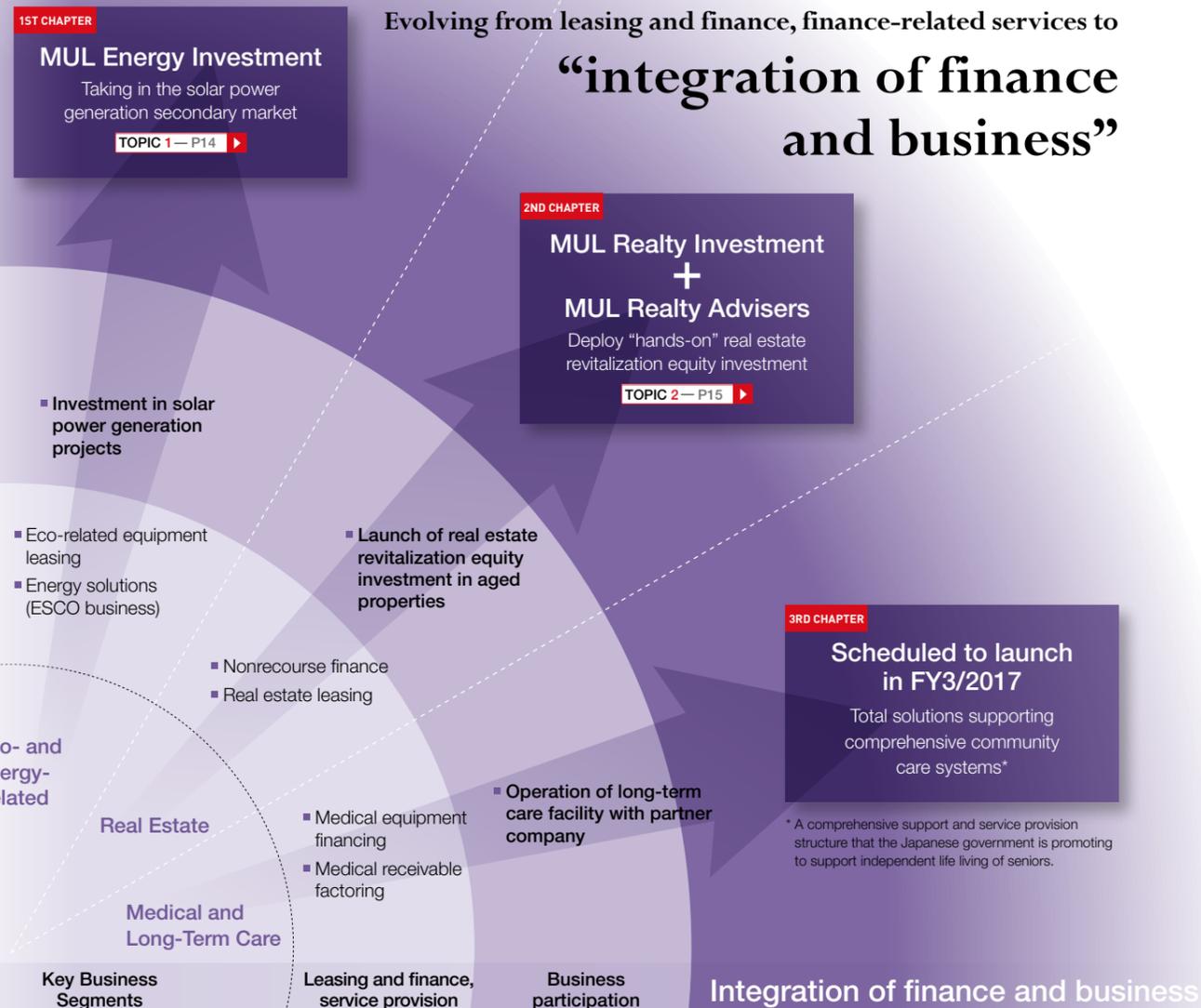
Initiatives under the Medium-Term Management Plan “Limitless Evolution”

Grasping New Earnings Opportunities by Evolving Business Models

Directives and Progress

We face a difficult operating environment in Japan due to factors such as a lack in strength in capital investment. Amidst this adversity, we aim to create new businesses in which we can expect stable demand growth and that are resilient to fluctuations in economic and capital investment trends. We will aim for sustainable growth by creating these businesses in tandem with steady development in the Group’s core leasing and finance businesses.

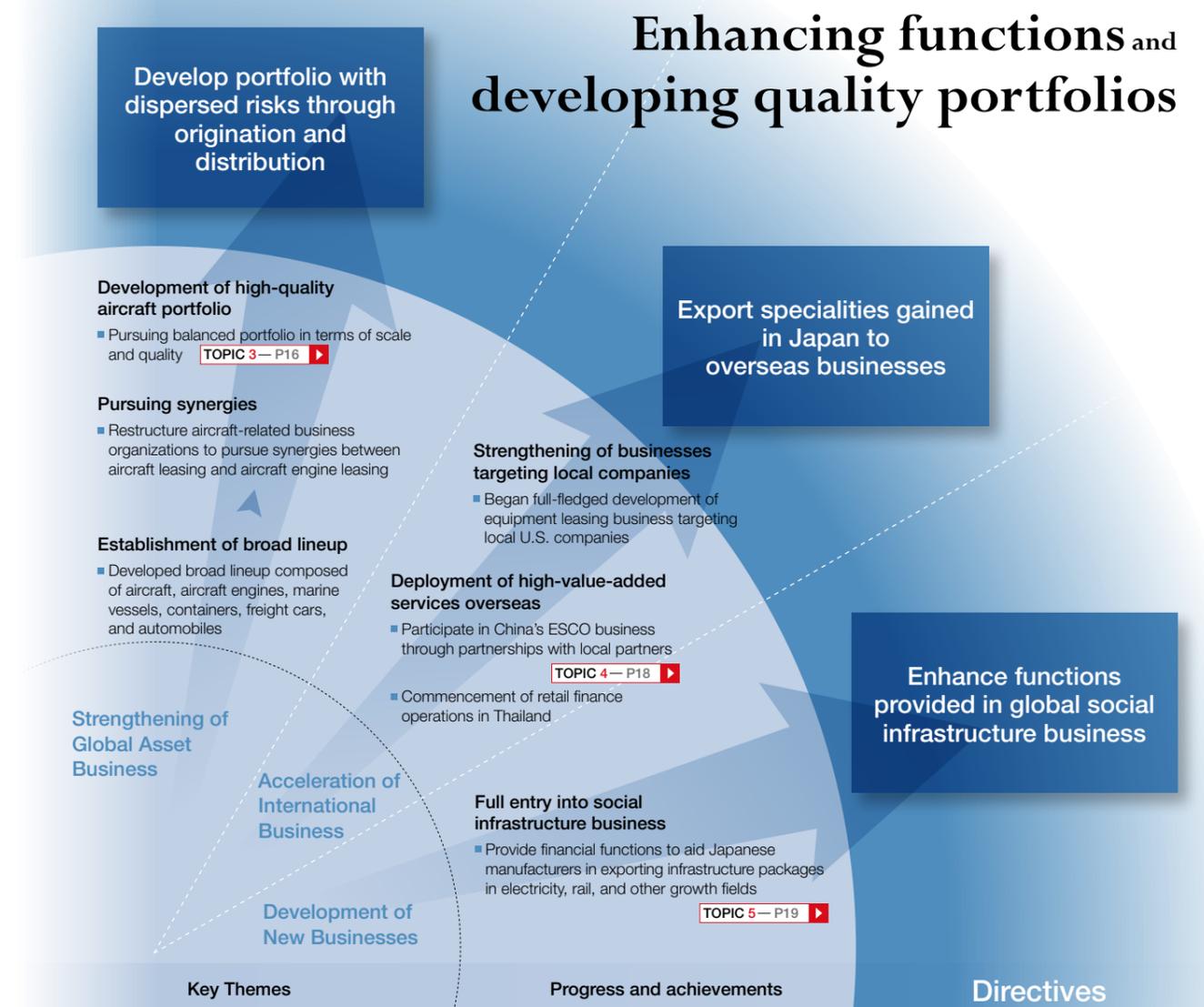
Until now, we have proceeded to utilize the insight gained through our leasing and finance businesses to participate in solar power generation projects, long-term care facility operation, and other businesses. Further evolving and building upon these efforts, we have commenced full-fledged participation in the energy-related asset management business and the real estate revitalization equity investment business, both new businesses representing our “integration of finance and business.” Going forward, we will continue to create new businesses and strive to cultivate these into core businesses of the Group.



Expanding Business Opportunities Worldwide by Reinforcing Overseas Business Base

Directives and Progress

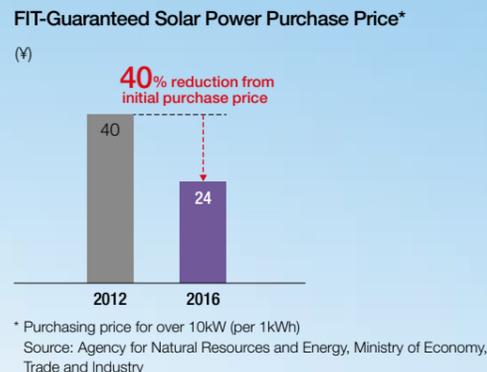
Overseas, we are strengthening our global asset business through acquisitions and alliances, and we have thereby established a broad lineup of offerings of aircraft, aircraft engines, marine vessels, containers, freight cars, and automobiles. We successfully developed our aircraft leasing business into a major driver of our earnings growth. Businesses such as engine and freight car leasing are also expected to further expand in the future. At the same time, realizing the importance of developing an asset portfolio in which risks are dispersed to prepare for future changes in operating environment, the Group is actively conducting asset rotation to improve asset efficiency in tandem with the expansion of its overall portfolio. We are also endeavoring to enhance the functions we provide to local overseas companies as well as Japanese companies operating abroad by deploying domestically grown high-value-added services overseas. We are also developing social infrastructure business and other new businesses in the overseas market. Seeking to expand business opportunities worldwide, we will continue working toward organic growth by strengthening our existing operations while pursuing nonorganic growth strategies.



TOPIC 1 ▶ **Energy-Related Asset Management Business**

Incorporation of the Solar Power Generation Secondary Market

The number of new solar power generation projects in Japan is expected to peak out after the reduction of the electricity purchase prices guaranteed under the feed-in tariff (FIT) schemes introduced in 2012. At the same time, however, the high burden of maintaining and managing generation projects as well as demand for encashment through the sale of projects is forecast to stimulate a rise in needs for outsourcing project management and also for sales of projects or rights under approved FIT. This trend is anticipated to drive the expansion of a secondary market for solar power generation in Japan similar to that in Europe, which was an early adopter of FIT schemes. Eyeing demand in this market, we established MUL Energy Investment Company Limited, in October 2015. This company is tasked with providing management services for solar power-related assets and with acquiring and selling power generation projects currently in operation.



Message from Senior Management

MUL Energy Investment Company Limited



Yoshio Uchida
President & CEO
MUL Energy Investment Company Limited

At MUL Energy Investment, we are offering management services for the assets held by solar power generation project operators while also investing in and acquiring projects. Furthermore, we are expanding our lineup by launching fund arrangement and operation services scheduled by the end of 2016. Through these business lineups, we provide total solutions ranging from the start of to the exit from solar power generation projects. The domestic solar power generation secondary market still has yet to mature, but we expect this market to grow substantially. Since our establishment, we have been consulted numerous times by generation project operators, engineering companies and other industry participants about selling projects and other matters, giving us confidence that we are addressing significant needs.

Mitsubishi UFJ Lease & Finance has accumulated a considerable amount of expertise and built a strong network in the process of amassing its portfolio of solar power assets, which is worth over 200 billion yen. Leveraging these strengths, we aim to become a leading company in the industry. In the future, we will position solar power generation projects as a platform and advance into other energy fields, such as biomass and wind power.

Developed industry-leading track record

Aggregate amount of solar power-related contracts*

* Total for lease, loan, and equity

Over ¥200 billion
(FY3/2016)

Approx. ¥150 billion (FY3/2015)

MUL Energy Investment

Target a diverse range of earnings opportunities including electricity sales revenues, fee revenues from asset management and fund businesses, and capital gains on project sales

Total portfolio of managed assets measured in tens of billions of yen by the end of FY3/2018

Deploy asset management business utilizing accumulated expertise and established networks

Evolution of solar power related business

Message from Partner Company

Kenedix, Inc.



Soushi Ikeda
Director, Head of Strategic Investment Department
Kenedix, Inc.

Kenedix is the largest independent asset management company for real estate in Japan, and we have proceeded to expand the scope of our business from the management of private real estate funds to Japanese real estate investment trusts. In the real estate market, potential for high returns is stimulating robust investment demand, but at the same time soaring construction prices are restricting opportunities to supply newly built properties. This situation, I believe, presents a chance to provide new value by renovating real estate properties with declined economic value so that they can once again be supplied to the market after being transformed into valuable properties.

This was the background for the union between Kenedix and Mitsubishi UFJ Lease & Finance. By combining our differing strengths—namely the real estate revitalization expertise born out of Kenedix’s asset management business and Mitsubishi UFJ Lease & Finance’s real estate securitization, energy solutions, and ESCO business insight—we will strive to realize even-more effective real estate revitalization through our joint-business operation.

The effective use of existing buildings not only contributes to the realization of a sustainable society but also helps breathe new life into communities by increasing real estate value.

TOPIC 2 ▶ **Real Estate Revitalization Equity Investment Business**

Deploy “Hands-On” Real Estate Revitalization Equity Investment

Japan is currently home to countless aged buildings that were constructed during the periods of high economic growth and the asset price bubble. As construction costs soar and environmental awareness rises, the focus is shifting from rebuilding properties to renovating them. Seeking to commence full-fledged participation in the real estate revitalization equity investment field, the Company established real estate investment company MUL Realty Investment Company Limited, which subsequently established MUL Realty Advisers Company Limited through joint investment with major independent asset management company Kenedix, Inc. In this field, we will fuse our energy-saving know-how for buildings with Kenedix’s expertise in changing the applications for which buildings can be used. Uniting these strengths, we will renovate and remodel buildings while pursuing enhancements in tenant recruitment capabilities and earnings capacity of the property.

MUL Realty Investment + MUL Realty Advisers

Combine equity investment and asset management service to conduct “hands-on” real estate revitalization investment in aim for exiting from projects at optimal times to maximize selling prices

Target of real estate assets managed of approximately ¥200 billion over next 5 years

Target high returns through strategic investments leveraging accumulated real estate revitalization expertise

Ratio of Office Building Ages in Tokyo



Source: 2015 Building Market Survey, Japan Building Owners and Managers Association

Shift from focus on debt to diverse financing methods including equity investment

Ratio of equity investment to total real estate financing balance*

* Mitsubishi UFJ Lease & Finance only (nonconsolidated)

28.2%
(FY3/2016)

10.5% when balance peaked
(FY3/2009)

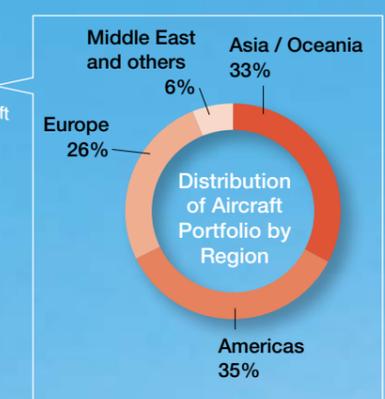
Evolution of real estate business



Improve profitability by boosting portfolio quality through active rotation of aircraft in conjunction with scale expansion

Strengthen aircraft leasing business with unique business model

Number of Aircraft Handled in Group's Aircraft Leasing Business
* Includes owned aircraft, undelivered contracted aircraft, and managed aircraft



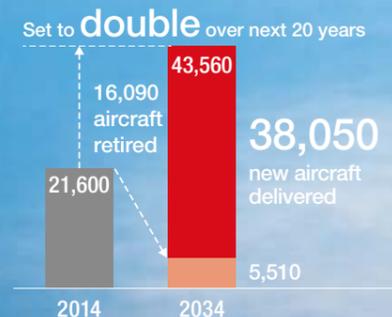
TOPIC 3 Aircraft Leasing Business

Development of High-Quality Aircraft Portfolio with Dispersed Risks

New markets are arising from the development of emerging countries and the growing presence of low-cost carriers, and the number of passengers traveling on airlines worldwide is increasing rapidly. Based on prominent market projections, it is expected that global aircraft demand will double from today's 22,000 aircraft, to 44,000 in 2034, and that 38,000 new aircraft will be delivered over this period.

Looking at current conditions, the falling price of oil has created an environment that is conducive to aggressive investments by airlines. In this environment, Jackson Square Aviation, LLC, which is our aircraft leasing business platform, has achieved a smooth expansion in its operations. Nevertheless, we still must prepare for environmental changes, such as potential demand drops resulting from event risks. For this reason, we will actively rotate our portfolio through replacements of fleets as we expand its scale to keep the average age of our aircraft young and fresh and thereby build a high-quality portfolio with dispersed risks.

Private-Sector Aircraft Demand Forecasts (Aircraft)



Source: "Long-Term Market, Current Market Outlook," The Boeing Company

Message from Senior Management

Jackson Square Aviation, LLC

Jackson Square Aviation's greatest strengths lie in its human resources, which boast specialized expertise in various fields such as sales, technologies, and legal affairs, as well as its high-quality aircraft portfolio. Jackson Square Aviation's portfolio consists primarily of narrow-bodied fleets that have high versatility and contain some of the youngest fleets in the industry, which mean they have among the longest-remaining leasable lives. This high-quality portfolio and the strong sales capacities born out of our exceptionally capable marketing team have earned an unrivaled reputation in the market.



Naoki Sato
Chairman
JSA International Holdings, L.P.
Managing Director, Mitsubishi UFJ Lease & Finance Company Limited

One of the key points of operating an aircraft leasing business is the ability to maintain a portfolio in a manner that will allow risks to be minimized when the market is in a down trend. For this reason, Jackson Square Aviation does not place speculative direct orders with aircraft manufacturers; instead, we focus on sale-and-leaseback transactions with prominent airlines while also selling some fleets in the secondary market and actively rotating its portfolio. This approach enables us to maintain a high level of resilience to market fluctuation risks and ensures a lower average age for our aircraft portfolio and prevents overconcentration on specific lessees. Through this unique business model, we will further improve asset efficiency and profitability and, in the future, pursue synergies with Engine Lease Finance Corporation, a Group company that conducts aircraft engine leases.



Participated as a panelist in International Society of Transport Aircraft Trading Asia 2016

TOPIC 4 ESCO Business in China

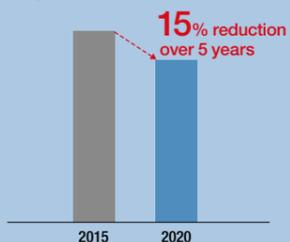
Export of ESCO Business Specialties Overseas

A January 2015 update to China's Environmental Protection Law instituted measures for encouraging reduced environmental impacts through stricter regulations and harsher penalties. Accordingly, implementing energy saving measures at factories and other facilities has become a pressing matter, and this also holds true for Japanese companies that are operating in China.

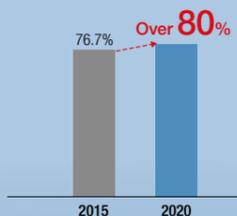
The Company has long been involved in the ESCO business in Japan. Aiming to utilize the know-how and insight accumulated through this involvement to energy saving businesses in China, we established DMC Energy Management Services (Shenzhen) Co., Ltd., in March 2015 as a joint company with Shenzhen Das Intellitech Co., Ltd., a Chinese company with a robust track record in the environmental field, and Chailease Group, Taiwan's largest nonbank finance company. We are the first Japanese leasing company to participate in the energy saving business in China. We expect this undertaking to create earnings in various forms, including eco-related equipment lease revenues and energy saving service fee revenues.

Energy Saving Targets by the Chinese Government

Energy Consumption versus Unit of GDP



Ratio of Days of Good-Moderate Air Quality in Cities at and above Prefecture Level



Source: "13th Five-Year Plan on National Economic and Social Development," Government of China



Inside of facility equipped with energy saving equipment

Message from Partner Company

Shenzhen Das Intellitech Co., Ltd.



Liu Bang

Chairman
Shenzhen Das Intellitech
Co., Ltd.

Shenzhen Das Intellitech is currently focused on the priority fields of energy saving and smart energy systems for buildings, hospitals, subways, and other facilities. We hope to always be a leading company in China's energy saving market, which is not only massive but is expected to continue growing. It was this passion that inspired us to partner with Mitsubishi UFJ Lease & Finance to jointly develop an energy saving business in China.

As a Japanese leasing company, Mitsubishi UFJ Lease & Finance has unparalleled strength and a substantial track record in the energy solutions field as well as a wealth of finance expertise and strong fund procurement capabilities. In addition, this company has an extensive network of Japanese companies operating in China. We could not hope for a better partner than Mitsubishi UFJ Lease & Finance. Our joint company DMC Energy Management Services is garnering attention from a number of Chinese and Japanese companies as well as from industry peers and other related parties. While combining our long-developed insight and expertise with that of Mitsubishi UFJ Lease & Finance and Chailease Group, we will take a sincere and committed stance toward this project to ensure its success.

TOPIC 5 Social Infrastructure Business

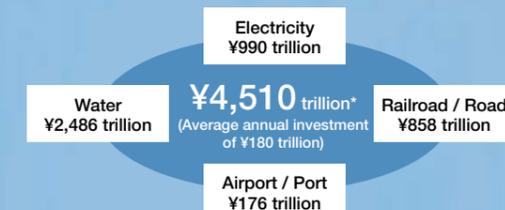
Deploy High-Potential Global Social Infrastructure Business

Mitsubishi UFJ Lease & Finance has been deeply involved in infrastructure businesses in Japan, as visible in our leading track record in domestic private finance initiative (PFI) projects, which involve utilizing private-sector funding expertise to construct public facilities and operate public infrastructure.

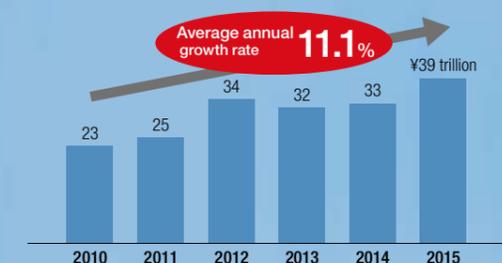
Leveraging the expertise and insight gained through our experience in this field, we commenced our participation in the global social infrastructure business in earnest with the April 2016 establishment of the Infrastructure Business Office. In this business, which is expected to show robust growth of over 10% a year and maintain a massive scale with average annual investments of 180 trillion yen, we will focus our operations in growth fields, such as electricity and railroad infrastructure.

Recently, in the social infrastructure businesses overseas, it is becoming essential not only to supply superior products but also to provide total solutions that include post-introduction support and other diverse services. As a nonbank finance company, we have great flexibility in developing our business as well as proficiency in creating new solutions. By exercising these strengths, we aim to incorporate the growth of global infrastructure businesses to further the development of the Company.

Global Infrastructure Market Scale and Growth Rates



* Based on total global infrastructure investment over period from 2005 to 2030 as projected by Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.



Theme 1 Initiatives toward the Environment and Society through Business

Mitsubishi UFJ Lease & Finance views preserving the global environment and the development of social community as an important social responsibility. We are deeply involved in related issues through services linked to products offered through our leasing and finance business. Going forward, the Company will continue to actively contribute to reduced environmental footprints and sustainable communities as it grows through its diverse business activities.

FOCUS Support the Development of Regional Medicine and Long-Term Care

With demographic aging progressing rapidly in Japan, the situation has inspired the Japanese government to step in with measures to enhance medical and long-term care services through the establishment of regional medical systems and the spread of comprehensive community care systems.

In light of the pressing need to expand and enhance facilities for seniors, we have partnered with Misawa Homes Co., Ltd., a company with more than 30 years of experience and a robust track record in the long-term care field, to establish the joint company Trinity Care Co., Ltd. Tasked with the development and operation of long-term care facilities, this company opened Brand New Sugunami Takaido, the first of its nursing care facilities, in May 2016. By coordinating with local hospitals, Brand New Sugunami Takaido actively accepts residents requiring extensive care or those with dementia.

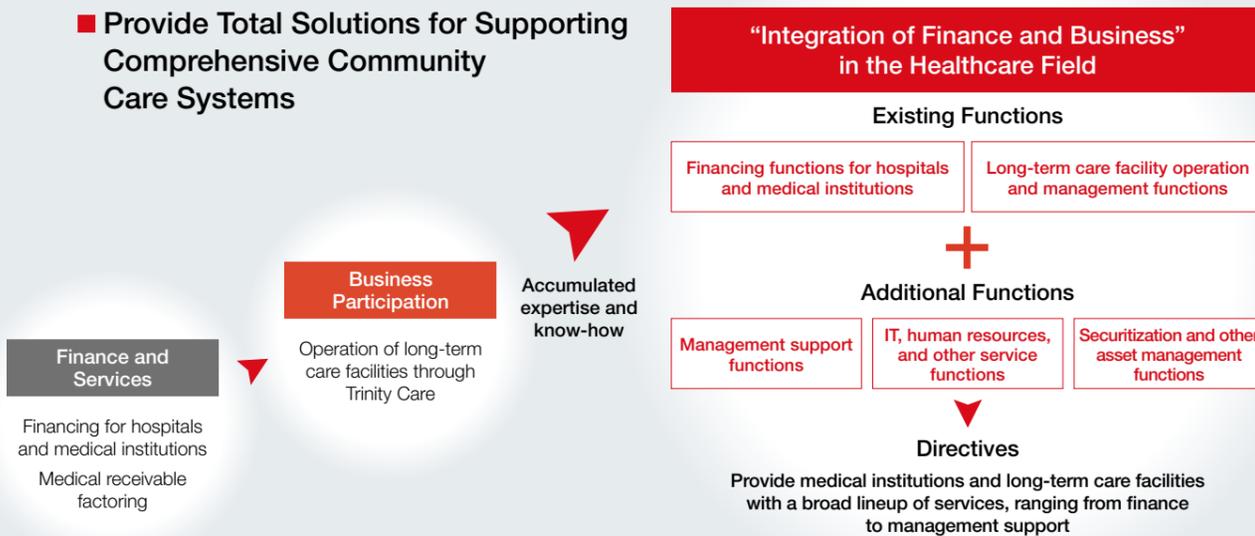
Also, in this business field, Mitsubishi UFJ Lease & Finance is seeking to establish a new business that will cater to the needs of hospitals, medical institutions, and long-term care facilities. By adding service and asset



Exterior of Brand New Sugunami Takaido

management functions to our existing finance expertise and the know-how accumulated through the operation of long-term care facilities via Trinity Care, we will seek to provide such facilities with a broad, integrated lineup of services, ranging from finance to management support. Through this new business, which is scheduled to be launched in fiscal 2016, we aim to supply total solutions for supporting Japan's comprehensive community care systems.

■ Provide Total Solutions for Supporting Comprehensive Community Care Systems



FOCUS Community Revitalization through Tea Leaf Cultivation Business

Progress toward the enactment of the Trans-Pacific Partnership (TPP) has turned attention toward Japan's agricultural industry. However, the average age of agricultural workers in Japan is rising, and the trend of the younger generation moving to urban areas has led to a lack of successors in the traditional field of Japanese tea leaf cultivation.

Our Group company Shutoken Leasing Co., Ltd., commenced cultivation of Sayama Tea, a brand-name tea of Saitama Prefecture that holds a prominent position as one of the "big three" Japanese teas alongside Shizuoka Tea and Uji Tea. As part of this undertaking, Shutoken Leasing established Shutoken agri farm Co., Ltd. This company rents tea plantations from farmers who have chosen to leave the business due to a lack of successors and uses this land to cultivate Sayama Tea, all of which is sold to a major Japanese beverage manufacturer.

One goal of our participation in the tea leaf cultivation business is to uncover new business opportunities through our engagement in agriculture. At the same time, we hope our succession of this business will help revitalize the Sayama Tea brand and subsequently the community.



Tea plantation operated by Shutoken agri farm Co., Ltd.

FOCUS Carbon Offset-related Initiatives

The Paris Agreement was instituted at the 21st session of the Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC) with the aim of effectively reducing greenhouse gas emissions to zero in the latter half of the 21st century in order to keep the increase in global average temperature to well below 2°C. Accordingly, it can be expected that awareness with regard to emission reductions will grow going forward. Mitsubishi UFJ Lease & Finance has been providing carbon offset services

since 2008. These services help customers track emissions of greenhouse gases and assist them in using emission credits to offset those emissions that cannot be eliminated through reduction initiatives. Over the years, we have provided various credits through these services based on customer needs.

As one example of its carbon offset initiatives, the Company has been performing carbon offset procedures related to the activities of the Chichibunomiya Cup Japan Inter-University Ekiden Championship relay marathon event each year since 2009. This event was the first sporting event to receive carbon offset certification from Japan's Ministry of the Environment and was also presented with an Encouragement Award at the 2014 Carbon Offset Awards. In addition, in 2014 we were contracted to undertake the process of offsetting the greenhouse gas emissions from the site of the general meeting of shareholders for Shiseido Company, Limited, which is one example of our efforts to support the greenhouse gas emission reduction activities of companies.



Chichibunomiya Cup Japan Inter-University Ekiden Championship

Photograph provided by the Asahi Shimbun Company

■ Initiatives for Environmental Preservation

Eco Policy

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. We meet economic targets through our leasing business, and promote environmental protection in all our business activities. 2. We work to continuously improve systems by setting environmental aims and targets, management review, and other measures. 3. We strive to prevent pollution through the following measures. | <ol style="list-style-type: none"> (1) We promote resource saving, energy saving, waste reduction, and other objectives to improve efficiency and reduce costs. (2) We emphasize waste volume reduction, resource recycling, and reuse when handling lease-up assets. 4. We comply with relevant laws and regulations and other requirements. |
|---|--|

ISO 14001 Certification

We acquired certification in 2001 under ISO 14001, the international standard for environmental management systems. In 2015, the registration renewal was approved for the fifth time.

■ Business sites certified under ISO 14001:

Mitsubishi UFJ Lease & Finance Company Limited, Head Office
 MUL Business Company Limited, Head Office
 MUL Eco-Business Co., Ltd., Tokyo Office



Biodiversity and Recycling Initiatives

To contribute to preserving biodiversity, Mitsubishi UFJ Lease & Finance has put in place a set of Biodiversity Guidelines, composed of business-based initiatives and office-based initiatives. We are advancing various activities in line with these guidelines.

Key Environmental Aims and Targets (Summary)

| Objective | Division | Medium-to-long-term target |
|--------------------------------------|-------------------------|--|
| Resource saving and energy saving | Office-based activities | (1) Switch to low-pollution vehicles and promote eco-friendly driving (2) Summarize and control green procurement (paper, stationery) |
| | Sales | (3) Save on photocopying, paper, and electricity (4) Reduce energy consumption |
| Lease-up asset handling | | Promote reduced energy consumption in line with the revised Energy Conservation Law |
| | | (1) Strict enforcement of day-to-day management, improvement and review in response to operational performance, etc. (2) Efficient use of water resources |
| Compliance | | (1) Appropriate operations in line with the Waste Management and Public Cleansing Law (2) Strict application of the waste treatment operator evaluation checklist and procedural manual, establishing good relationships with best-practice waste treatment operators |
| | | (3) Appropriate operations in line with the Home Appliance Recycling Law, Fluorocarbons Emission Restraining Law, and other laws and regulations (4) Appropriate management and operation of assets that are difficult to dispose of, and prevention of pollution |
| Waste reduction (promotion of reuse) | | (1) Research and implementation of effective methods of asset sale to reduce waste volume (2) Promotion of a recycling and reuse system through effective manual disassembly |
| | Sales | (1) Contribute to reducing environmental impact through eco-related businesses (2) Develop abilities and skills for selecting assets with a high resale value and high rate of successful re-leasing to secure secondary profit and promote reduction of waste volume |

Target and Results of Environmental Preservation / Environmental Accounting

■ Environmental data

| Item | Unit | Baseline value | FY3/2014 results | FY3/2015 results | FY3/2016 results | FY3/2017 target |
|--|--|----------------|------------------|------------------|------------------|--|
| Total energy input ^{*1} | Per m ² (kW-h) | 107.0 | 80.4 | 76.1 | 75.9 | 10% reduction from baseline value ^{*2} |
| Photocopy paper consumption | Per person (sheets) | 1,849 | 1,078 | 1,023 | 1,018 | 10% reduction from baseline value ^{*2} |
| Paper consumption | Per person (sheets) | 10,382 | 9,414 | 9,308 | 9,235 | 3% reduction from baseline value ^{*2} |
| CO ₂ emissions from electricity consumption | Per m ² (kg-CO ₂) | 43.15 | 42.74 | 40.52 | 38.96 | 10% reduction from baseline value ^{*2} |
| CO ₂ emissions from gasoline | Per vehicle (kg-CO ₂) | 2,414.75 | 1,911.26 | 1,741.17 | 1,599.19 | No higher than the baseline value ^{*3} |
| Company vehicle fuel consumption | km/ℓ | 11.7 | 14.1 | 15.1 | 16.3 | Fuel economy improvement to baseline value ^{*3} |
| Share of green procurement | % | — | 87.5 | 87.3 | 88.0 | Promotion of green procurement |

^{*1}. Total electricity consumption

^{*2}. FY3/2009–FY3/2011 average

^{*3}. FY3/2010–FY3/2011 average

Note: Figures include Group companies co-certified under ISO 14001 (MUL Eco-Business Co., Ltd., MUL Business Company Limited).

■ Introduction of low-pollution vehicles

| FY3/2015 results | FY3/2016 results | FY3/2017 target |
|---|---|--|
| All Company vehicles are low-pollution vehicles (157) | All Company vehicles are low-pollution vehicles (158) | |
| Breakdown | Breakdown | |
| • Low-emission vehicles: 60 | • Low-emission vehicles: 42 | Promotion of introduction of hybrid vehicles |
| • Hybrid vehicles: 94 | • Hybrid vehicles: 113 | |
| • Electric vehicles: 3 | • Electric vehicles: 3 | |

■ Environmental conservation costs

(Millions of yen)

| Category | Content of key initiatives | FY3/2016 results |
|-------------------------------|---|------------------|
| Costs within business area | Pollution prevention (eco-vehicle leasing fees) | ¥ 88 |
| Upstream and downstream costs | Disposal costs of lease-up assets | ¥375 |
| Management activity costs | Environmental management system operation costs, Corporate Report costs, etc. | ¥ 14 |

■ Economic benefit from environmental protection

(Millions of yen)

| Content of key initiatives | FY3/2016 results |
|---|------------------|
| Revenue from sale of used components (MUL Eco-Business Co., Ltd.) | ¥56 |

■ Initiatives for Social Contribution

Supporting the Education of Future Generations

Scholarship Program

With the aim of supporting the education of the next generation at the global level, since 2012 we have operated an overseas scholarship program for students at overseas universities who are studying Japanese language and culture.



Scholarship award ceremony at Darma Persada University

■ Scholarships awarded to 140 students up to FY3/2016 studying at the following universities

China: Fudan University and Shanghai International Studies University
 Thailand: Chulalongkorn University and Thammasat University
 Indonesia: University of Indonesia and Darma Persada University

In addition, we established a new scholarship program for Ritsumeikan Asia Pacific University (APU) in 2015, through which we provide scholarships to students participating in the APU training program offered by the Company. (See page 27 for details.)

Rooms for Exchange Students in Company Dormitories

We are participating in a program for placing exchange students in Company dormitories spearheaded by the Association for Promoting Corporate Support for Exchange Students, which was established based on a proposal by the Japan Association of Corporate Executives. Accordingly, we offer rooms in Company dormitories to exchange students.

The TOMODACHI Initiative

Since 2012, we have joined with companies of the Mitsubishi UFJ Financial Group to take part in an exchange program organized by the U.S. government and the U.S.–Japan Council. This program allows Japanese students affected by the Great East Japan Earthquake and U.S. students to interact with each other through cultural exchange activities.



Participants of the program

Supporting Post-Earthquake Reconstruction

Support for Recovery following the Great East Japan Earthquake

- Donation of lease-up computers

We donate lease-up PCs to educational institutions and other recipients in the area affected by the disaster through Japan Leasing Association.

■ Total donation of 205 units from FY3/2012 to FY3/2016

- IPPO IPPO NIPPON Project

We have been active in the IPPO IPPO NIPPON Project conducted by the Japan Association of Corporate Executives since its launch. Specific activities include providing educational institutions in the area affected by the disaster with training equipment, funding for disaster science research, or donations for regeneration of coastal forests.

Donation and Sponsorship

In Thailand, our local subsidiary Bangkok Mitsubishi UFJ Lease Co., Ltd., takes part in the Child Sponsorship program of the nongovernmental organization World Vision, which offers support for education and everyday living to children from economically poor backgrounds.

Evaluation from External Institutions

Mitsubishi UFJ Lease & Finance has been included in the FTSE4Good Global Index, a globally recognized socially responsible investment (SRI) index, for 11 consecutive years. This index is compiled by FTSE Russell, a wholly owned subsidiary of the London Stock Exchange Group plc. Comprising companies selected from among more than 2,000 medium-to-large-scale firms, based on market capitalization, from 24 developed countries, the FTSE4Good Global Index serves as an important standard for investment decisions among investors interested in SRI.



FOCUS Development and Promotion of Skilled Individuals in Japan and Overseas

Two of the central growth strategies defined in the Group's Medium-Term Management Plan **Limitless Evolution** are "evolve business models" and "accelerate international business." Guided by these strategies, we are expanding our business scope beyond the framework of leasing and finance and reinforcing our overseas business bases.

Our business is currently undergoing a substantial change in direction, branching out from traditional finance to asset-based businesses and business participation. Accordingly, the range of opportunities is expanding for individuals that are highly knowledgeable in products and businesses and that support the Company's evolution.

The Company is promoting training and development of human resources to cultivate individuals that have skills and specialties in specific fields while at the same time actively hiring people in the middle of their careers from a wide variety of industries. In addition, we have introduced a Specialist Certification System as a human resource measure aimed at stepping up the promotion of individuals with superior skills and specialties. We provide an environment in which specialized human resources can feel motivated and build upon their knowledge while offering such individuals compensation that matches their skills and career level. [▶ See Column 1](#)

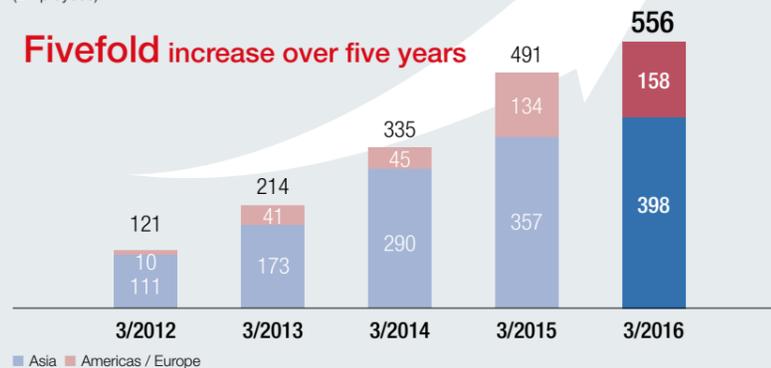
Recently, we also have been actively acquiring overseas companies and expanding operations abroad. As such, the number of overseas employees has grown to represent roughly 20% of all employees.

Furthermore, we are actively promoting local employees overseas, as we expand our global asset business and strengthen efforts targeting local companies alongside our capital investment support services for Japanese companies.

Going forward, we will continue to pursue the proactive development and promotion of skilled and knowledgeable individuals overseas as well as in Japan.

Employees of Overseas Subsidiaries

(Employees)



Column 1

Specialist Certification System

The Company introduced the Specialist Certification System in fiscal 2014. This system has been instituted in key business segments under the growth strategies of the Group's Medium-Term Management Plan **Limitless Evolution** including the eco- and energy-related, medical and long-term care, and real estate businesses, as well as aircraft, ship, and other global asset business divisions. We later expanded this system to corporate divisions, such as accounting, legal, and systems divisions, which are core to the reinforcement of our management base.

In each of these areas, we will aspire to provide human resources with superior skills and specialties a compensation amount that is suited to the level of their expertise. This system classifies employees into three categories based on their work achievements and expertise: executive expert (equivalent to a general manager), senior expert (equivalent to a chief manager), and chief expert (equivalent to a manager).

| Category Name | Category Scope |
|---|-------------------------------|
| Executive Expert (Specialist General Manager) | Equivalent to general manager |
| Senior Expert (Specialist Chief Manager) | Equivalent to chief manager |
| Chief Expert (Specialist Manager) | Equivalent to manager |

Employees Supporting the Company's Evolution

(Mid-Career Hire) Contributing to Evolving Business Model with Skills from Previous Job

In my previous job at an engineering company, I was responsible for designing air-conditioning systems for office buildings and hospitals, and I also took part in ESCO (Energy Service Company) operations that entailed renovating equipment to be more eco-friendly and realize energy savings. Utilizing the engineering knowledge and insight gained through this work, I have been helping advance ESCO and other energy solution businesses since joining Mitsubishi UFJ Lease & Finance.

The Company's corporate culture based on leasing and finance encourages the active creation of new businesses through the expansion of service offerings and coordination with partner companies. For example, we have launched a new real estate revitalization equity investment business combining our real estate securitization insight and ESCO business expertise.

While building upon my finance skills in addition to my engineering skills through participation in such new businesses, I will pursue coordination with other business fields in the hopes of further contributing to the evolution of the Company's business models.



Naoko Oriuchi
Assistant Manager
Environment & Energy Business Department

(Certified Specialist) Striving to Become a Reliable Specialist

In medical and long-term care business, the Mitsubishi UFJ Lease & Finance Group is undertaking a massive expansion in the scope of its business, branching out from previous medical equipment financing and used medical equipment trading to take part in fund business and long-term care facility operations. Our involvement in these areas is making it even more important for us to increase our speciality with regard to the operation of medical institutions as well as the healthcare business itself in addition to our finance skills.

I was seconded to a medical consulting company for two years in the past. Drawing on this experience, I have engaged in the establishment and operation of healthcare funds as well as the development of new businesses. Since acquiring certification as a chief expert, I have come to be seen as a specialist in medical management among people both inside and outside the Company, a development that has sparked my desire to further enhance my expertise and made it easier to envision my future career plan. Going forward, I will strive to become a reliable specialist consultant capable of helping resolve the various management issues faced by medical institutions and long-term care business operators.



Kappei Doi
Chief Expert
Health & Welfare Business Department

(Local Overseas Staff) Developing Overseas Business with Accounting Knowledge

I am a certified public accountant (CPA), of which there are around 11,000 in Thailand. Leasing businesses involve many accounting and taxation issues, and I feel it is one of the specific business domains that will give me the best opportunity to further develop my skills. The main scope of my job description at Bangkok Mitsubishi UFJ Lease, is to make financial reports and prepare business plans for management and also for related government institutions in a timely and accurately manner.

As the International Financial Reporting Standards (IFRS) have been frequently revised by the International Accounting Standards Board (IASB), resulting in subsequent revisions to the Thai Financial Reporting Standards (TFRS), accounting standards are becoming more and more complex. Bangkok Mitsubishi UFJ Lease can not only offer customers leasing services but also be their financial advisor and provide total service utilizing the expertise that we have in accounting and taxation. I hope I can be part of the development of Bangkok Mitsubishi UFJ Lease by using the best of my skills and knowledge in accounting.



Surachet Lertsapsuree
Senior Manager of Accounting
Bangkok Mitsubishi UFJ Lease Co., Ltd.

FOCUS Empowerment of Female Employees

The Mitsubishi UFJ Lease & Finance Group respects the individuality and values of all employees, regardless of their nationality, age, or gender, and views promoting the contributions of a diverse range of human resources as an important task for management. In particular, the empowerment of female employees, who represent more than 30% of our employee base, is absolutely essential to the future growth of the Group. For this reason, we are enhancing

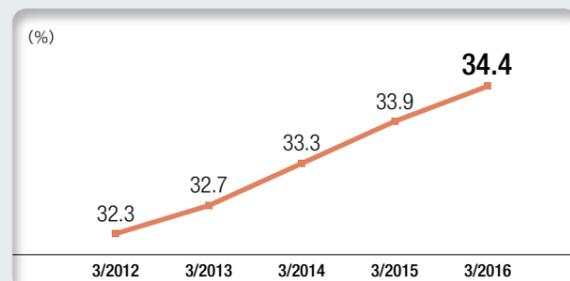
our range of various support and training programs to create a workplace environment that will help female employees grow and excel.

Furthermore, we have defined the goal of increasing the ratio of female managers to total managers from the level of roughly 5% in 2015 to more than 10% by 2020 to propel us forward in the empowerment of female employees.

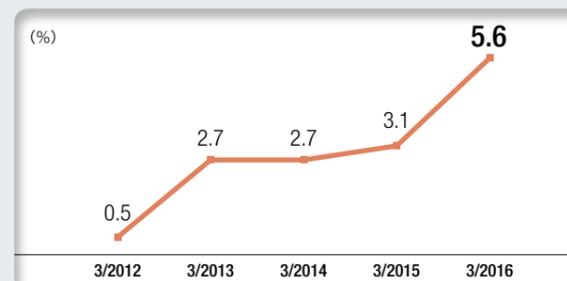
Main Support and Training Programs

| | |
|---|--|
| Maternity leave | Leave available starting 6 months prior to expected delivery date |
| Childcare leave | Leave available until child becomes 2 years old (10 days paid) |
| Shortened working hours | System allowing daily work hours to be shortened by as much as two hours available to pregnant women as well as men or women raising children that are or under third grade of elementary school |
| Childcare expenses support system | Support measure through which the Company pays for one-half of childcare expenses (up to ¥30,000 per month) for employees returning to work after childcare leave or for two-income households |
| Late-arrival / early-leave system | System allowing employees to arrive late or leave early from work as necessary for circumstances related to children (for employees raising children that are or under third grade of elementary school) |
| Lending of support tools when on leave | Lending of iPads to female employees on maternity or childcare leave |
| Career switch system | System that enables employees to change their line of work based on their skills and aptitudes |
| Career development support | Training programs to help employees plan career paths, classes for cultivating managerial candidates, and other programs |

Ratio of Female Employees to Total Employees



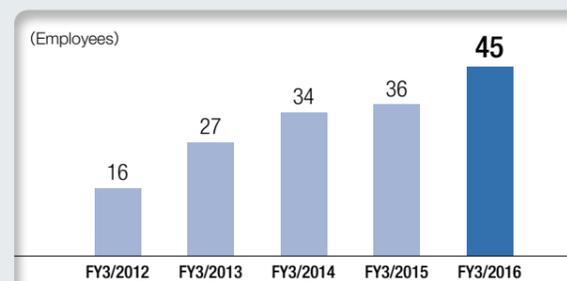
Ratio of Female Managers to Total Managers



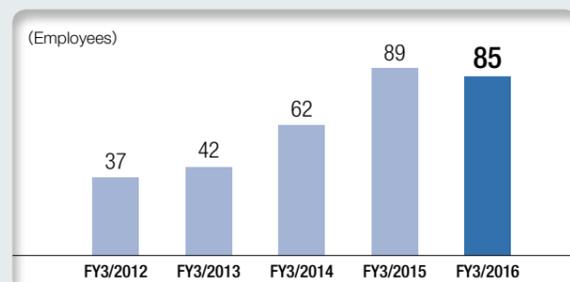
Average Years of Service for Female Employees



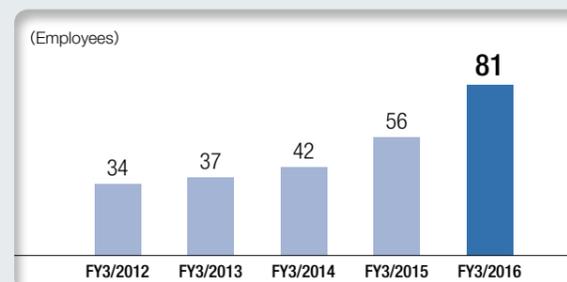
Maternity Leave Usage



Childcare Leave Usage



Shortened Working Hour System Usage



Human Resource Initiatives

Diversity Initiatives

Mitsubishi UFJ Lease & Finance has drawn up an action plan in response to government legislation to support child-rearing and formulated a policy to promote work opportunities for women. Policies and initiatives across the full range of human rights are implemented by our Diversity Promotion Office, a unit dedicated to promoting the benefits of a diverse human resources profile.

Support for Employees with Child-Rearing Responsibilities

To support employees in balancing work with child-rearing, we set up a dedicated website on the corporate intranet to help employees improve their knowledge and understanding of this area by reading about other employees' experiences of childcare leave and returning to work. In addition, staff on childcare leave are issued with tablet-type terminals. We also conduct consultations with staff before they go on childcare leave and before they return to work, and organize discussion groups for staff taking childcare leave to help employees smoothly manage their return to work.



Acquisition of "Kurumin" Mark

The Company was awarded the "Kurumin" mark for companies supporting the development of the next generation of children by the Tokyo Labor Bureau in 2011 after meeting all the requirements for certification under this program. We continue to move forward with efforts to create an environment that helps employees with children balance their work and home lives.



Support for Staff with Nursing Care Responsibilities

We have put in place systems to support nursing care.

- Support systems** Nursing care leave: Up to one year
- Nursing care allowance: Up to five days per year
- Shortened working hours: Up to two hours per day

Employment of People with Disabilities and Retired Staff

Among other areas we focus on to promote a more diverse human resources profile are the employment of people with disabilities and the reemployment of retired staff.

Human Resource Development Initiatives

To improve staff knowledge and skills, we implement a range of training systems specific to different staff grades, from junior and mid-level staff to the managerial level. To support career development, we operate a career switch system and an internal job posting system through which employees can take on the challenge of working in a new field of operations. Forms of training are provided for employees recruited by our overseas local subsidiaries, known as national staff, to promote an understanding of the Group's corporate culture and business operations and to stimulate active intercultural communication.

Development of Globally Competent Human Resources

APU Training Program

Ritsumeikan Asia Pacific University (APU) is a leader in global education that attracts students from 84 countries and regions across the globe. Each year, the Company holds the APU training program, a concentrated education program conducted entirely in English. Company employees from Japan, local employees from overseas subsidiaries, and APU students gather at this event, which utilizes case studies, discussions, and debates based on themes such as overseas expansion by Japanese companies.



APU training program

Human Rights Initiatives

Mitsubishi UFJ Lease & Finance seeks to create a workplace where people respect each other's character and individuality and where each employee can work with motivation and pride. Guided by a fundamental spirit of respect for humanity, we take a clear stance against the violation of human rights and against discrimination on the grounds of ethnicity, nationality, creed, religion, gender, or other criterion. We appoint a Human Rights Awareness Promotion Officer in each corporate division and promote an accurate understanding and a deeper awareness of human rights issues among all employees.

FOCUS Risk Management System Enhancement

The Company is actively advancing the core growth strategies of “evolve business models” and “accelerate international business,” thereby greatly expanding the scope of its business and its overseas operations. As a result, the risks faced in our business are growing more diverse and more complex, increasing the importance of appropriate risk management based on an accurate understanding of potential risks.

In its risk management efforts, the Company has adopted

an approach of classifying risks into categories, such as credit risk, market risk, and asset risk, and periodically monitoring these risk categories to quantify risks. In addition, to further strengthen risk capital management, we introduced a new risk capital management framework in fiscal 2015. We are also sequentially developing risk measurement models based on the specific risks and characteristics of each business and otherwise working to enhance our risk management systems.

Risk Categories

Credit risk

Credit risk is the risk of incurring loss when deterioration in the financial situation of a debtor institution or other event causes a decrease or loss of the value of its assets (including off-balance-sheet assets). This includes country risk.

Market risk

Market risk is the risk of incurring a loss through change in the value of a company’s assets and liabilities (including off-balance-sheet assets and liabilities) due to fluctuation in interest rates, securities prices, exchange rates, and a range of other market risk factors.

Liquidity risk

Liquidity risk is the risk of incurring a loss when, through deterioration in market conditions or other events, a company is unable to secure the required capital and experiences funding difficulties or is required to pay much higher interest rates than usual to procure funds.

Asset risk

Asset risk is the risk of incurring loss through a change in the value of lease properties or other operational assets.

Operational risk

Operational risk is the risk of incurring a loss arising from inappropriate or dysfunctional internal processes, personnel arrangements, or systems, or from external events.

FOCUS Reinforcement of Corporate Governance Systems

While emphasizing initiatives to achieve sustainable corporate growth and a medium-to-long-term improvement in corporate value, Mitsubishi UFJ Lease & Finance recognizes that it has a social responsibility to ensure transparent and sound management. Respecting the rights and interests of all stakeholders—shareholders and investors, customers, local communities, and employees—we work to meet the

trust they place in us, aspiring to contribute to a more prosperous society. To this end, we engage in continuous initiatives to enhance corporate governance by boosting the activity of the Board of Directors, reinforcing the Audit & Supervisory Board and the internal audit system, undertaking appropriate and timely disclosure, and improving investor relations (IR) and related functions.

Basic Policies on Corporate Governance

Protection of Shareholder Rights and Equality

We take steps to ensure that the rights of shareholders are protected and can be exercised effectively, including furnishing the necessary environment for that exercise,

and guarantee the fair treatment of minority shareholders, foreign shareholders, and all other shareholders.

Appropriate Collaboration with All Stakeholders

In accordance with our management philosophy, which guides all of our activities, and the Mitsubishi UFJ Lease & Finance Group Code of Ethics and Code of Behavior, which serves as the standard for decisions and behavior for all employees, we strive to ensure appropriate

collaboration with our various stakeholders. In addition, we are fostering a corporate culture that encourages respect for the diversity of stakeholders as well as for their rights and perspectives and for sound corporate ethics.

Appropriate and Transparent Disclosure

The Company strives to be trusted and properly evaluated by every one of its stakeholders. To this end, we conduct proactive disclosure on an ongoing basis, having established systems to facilitate the swift and impartial disclosure of

accurate information, which are appropriately operated. In addition to legally mandated information disclosure, we actively disclose nonfinancial information that has been deemed valuable to shareholders voluntarily.

Responsibilities of Board of Directors

Outside directors and all other members of the Board of Directors call upon their experience and insight as they engage in free and open discussion, contributing to active meeting proceedings. They thereby fulfill their duties and

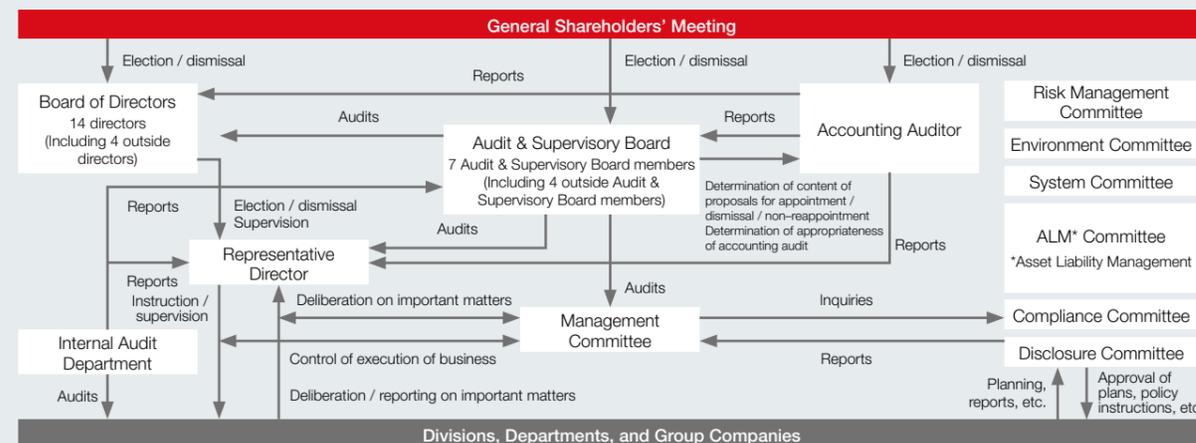
responsibilities of facilitating the ongoing growth of the Company, medium-to-long-term improvement of corporate value, and enhancement of earnings capacity and capital efficiency.

Shareholder Interactions

Through its financial results briefings and other domestic and overseas investor relations events, the Company pursues proactive and constructive interactions with shareholders. We thereby seek to gain an understanding

with regard to the Company’s management strategies and other aspects of operations while addressing shareholders in an appropriate manner based on an understanding of their perspective.

Corporate Governance Structure



Composition of the Board of Directors

The Board of Directors is composed of fourteen directors, of whom four are outside directors and one of whom has been designated as an independent director as stipulated by the Tokyo Stock Exchange. All outside directors, regardless of whether or not they are specified as independent directors, call upon their experience and insight to engage in free and open discussion, contributing to active Board of Directors meetings. We therefore recognize that the outside directors are effectively fulfilling their duties and responsibilities.

Measures for Governance Reinforcement

Revision and Verification of Policies for Cross-Shareholdings

The Company engages in cross-shareholdings for purposes such as building stable, long-term relationships with business partners and promoting sales, and it maintains these holdings under a policy of emphasizing medium-to-long-term improvements in its corporate value. Each fiscal year, individual

holdings are evaluated based on their profitability, among other factors, and the policies for these holdings are revised. Regarding holdings that have been deemed to be of particular importance, the policy of continuing these holdings is verified after reporting this decision to the Board of Directors.

Enhancement of Criteria for Determining Independence of Outside Directors

In addition to the criteria for independent directors stipulated by the Tokyo Stock Exchange and other domestic financial instrument exchanges, the Company determines the independence of individual outside directors based on an objective and practical approach by identifying their applicability under items (1) to (6) below or had applicability in any of the previous three fiscal years.

- (1) A major shareholder of the Company (with more than 10% of total voting rights) or a person involved in the operation*1 of a major shareholder
- (2) A person involved in the operation of a lender of amounts exceeding a predefined scale*2
- (3) A person involved in the operation of a business partner with which transactions exceed a predefined scale*3

- (4) A consultant, lawyer, certified public accountant, or other provider of specialized services receiving amounts of monetary payments or other financial assets from the Company in addition to compensation as a director, Audit & Supervisory Board member, or executive officer that exceed 10 million yen in a given fiscal year
- (5) A representative or other employee of the accounting auditor
- (6) An individual affiliated with an organization that receives donations exceeding a predefined amount*4

*1. An executive director, executive officer, or employee with operational execution responsibilities

*2. A lender from which borrowings account for more than 2% of the Company's consolidated total assets

*3. A business partner with which transactions account for more than 2% of the total revenues of the business partner or of the Company

*4. Donations exceeding 10 million yen in a given fiscal year

Analysis and Evaluation of Board of Directors Effectiveness

As a venue for incorporating outside opinions into management, we hold forums for the exchange of opinions between the representative director and Audit & Supervisory Board members as well as the outside director that has been designated as an independent director and other outside officers. Matters related to the Board of Directors are also discussed, and the members perform analyses and evaluations of the effectiveness of the Board of Directors. The following is an overview of the fiscal 2015 Board of Directors evaluation results.

1. The Board of Directors is being operated in a sound, appropriate, and effective manner while pursuing improvements.
2. In order to further enhance discussions at the meetings of the Board of Directors, it would be desirable for improvements to be made with regard to constructing meeting materials and explaining agenda items, including the provision of better overviews and explanations of the background of items.

Directors, Audit & Supervisory Board Members, and Executive Officers (As of June 29, 2016)

| | | | | | |
|----------------------------------|---------------------|--|---------------------|---------------------------|-------------------|
| Chairman | Ryuichi Murata | Audit & Supervisory Board Members | Kaoru Matsumoto | Executive Officers | Kazuo Shibayama |
| President & CEO | Tadashi Shiraishi* | | Naohito Suzuki | | Naoki Matsumuro |
| Senior Managing Directors | Yasuyuki Sakata* | | Kazuhide Yamauchi | | Masashi Nakano |
| | Tsuyoshi Nonoguchi* | Outside Audit & Supervisory Board Members | Shoji Tokumitsu | | Masaki Mizutani |
| Managing Directors | Hideki Kobayakawa* | | Shota Yasuda | | Osamu Muramoto |
| | Naoki Sato* | | Shigeru Tsuburaya | | Yoshiaki Kaji |
| | Katsuhiko Aoki* | | Shinichiro Hayakawa | | Kazuhiko Takeuchi |
| | Akira Hane* | Managing Executive Officers | Yuzuru Suzuki | | Satoru Sera |
| | Hiroto Yamashita* | | Hideya Takaishi | | Yuji Suzuki |
| | Takeo Kudo* | | Jun Utsuki | | Susumu Nozaki |
| Outside Directors | Teruyuki Minoura | | Yoshiaki Yamamoto | | Tsutomu Kugasa |
| | Toshio Haigou | | Takatoshi Haruna | | Takeo Nakai |
| | Tadashi Kuroda | | Masaki Komoro | | Yukio Maruyama |
| | Shinya Yoshida | | Hiroaki Odajima | | |
| | | | Hiroshi Mii | | |
| | | | Shuji Miake | | |
| | | | Hiroshi Nishikita | | |

* Indicates concurrent posts of director and executive officer

Investor Relations

Basic Policy on Information Disclosure

To promote the disclosure of corporate information in a way that is suitably prompt, accurate, and impartial, Mitsubishi UFJ Lease & Finance has established a set of regulations for handling information disclosure. In line with our IR Policy, meanwhile, we work to ensure fair and timely disclosure and two-way communication, engaging in proactive IR initiatives to gain the trust of shareholders and investors and assist them in reaching an accurate evaluation of the Company.

IR Policy

1. Objectives and basic approach to IR activities
2. Disclosure standards
3. Disclosure methods
4. Forward-looking statements
5. Material confidential information
6. Quiet periods

Communication with Shareholders and Investors

■ For Analysts and Institutional Investors

- We hold year-end and intermediate financial results briefings at which members of top management give presentations outlining financial results and management strategies, progress of management plans, and other data.
- To further promote two-way communication with investors and analysts, in fiscal 2015 we held IR meeting sessions with institutional investors and analysts at which members of top management serve as the speakers.
- We take part in conferences and other events organized by stock exchanges and securities companies. We also hold an active program of individual meetings.

■ For Overseas Institutional Investors

- At least once every year, we visit major investors in the United States and countries in Europe and Asia, where we hold individual meetings and participate in a range of IR conferences.

■ For Individual Investors

- We participate in various conferences, events, and seminars organized by stock exchanges and securities companies. In July 2015, we exhibited at the Nagoya Stock Exchange Expo 2015, the Chubu region's largest IR event, which is organized by the Nagoya Stock Exchange.



Exhibition booth

Compliance / Internal Control

Compliance Committee and Improvement of Employee Awareness

The Compliance Committee is chaired by the chief compliance officer, a post with company-wide coordinating responsibility that is occupied by the executive officer in charge of the Legal & Compliance Department. The committee meets on a quarterly basis and carries out continuous inspections, audits, and checks of compliance status. Additionally, each employee receives grade-specific training and is subject to a self-check process based on e-learning to promote improved employee awareness.

Compliance Hotline

We operate a Compliance Hotline through which employees can anonymously report compliance issues and thereby strive to quickly identify violations and respond appropriately.

Basic Policy on Antisocial Organizations

We have established a basic policy on antisocial organizations and take measures to ensure that it is strictly complied with and enforced by all corporate officers and employees.

Initiatives on Internal Control

To ensure the appropriate conduct of operations, Mitsubishi UFJ Lease & Finance works to continuously enhance and strengthen the internal control system. Each year, we review and expand the range of operations covered by the system. The relevant corporate departments, branches, and domestic and overseas Group companies report on the implementation status of internal control to the Accounting Department. Following an audit by the Internal Audit Department, this department presents an internal control implementation plan and a report evaluating the effectiveness of internal control to the Disclosure Committee on a quarterly basis. These documents are also submitted to the accounting auditor.

Additionally, employees receive a copy of the Internal Controls Handbook to ensure full compliance with the standards of behavior under the internal control system.

Action on Information Security

In the area of information management, we have put in place a set of information security management rules and produce a range of manuals. Together, these regulate areas including the use, management, and disposal of information, creating a strict security system. We also recognize that it is our social responsibility to handle customers' personal information appropriately, and we have established a personal information protection policy as part of measures to ensure stringent control.

- Personal information protection policy
- Personal information protection rules
- Personal information protection manual for employee education

We also hold regular information security audits and carry out awareness checks on all employees.

Company Information

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Business Results and Financial Position

■ Overview of Financial Results

In the fiscal year ended March 31, 2016, the economic environment continued to be characterized by overall uncertainty, due to the slowdown in China and other emerging economies and the strength of the yen from the beginning of 2016.

In response to these conditions, the Mitsubishi UFJ Lease & Finance Group vigorously pursued the strategies set out in **Limitless Evolution**, the Medium-Term Management Plan it launched in April 2014, taking proactive measures under the plan to develop new businesses based on its accumulated expertise in specialized fields and to further strengthen its business base in Japan and overseas.

As a result, the Group set new records at all levels of consolidated income in the fiscal year ended March 31, 2016, and marked a record-high net income attributable to parent company shareholders for the fifth consecutive year.

■ Revenues and Profit

Total revenues for the fiscal year ended March 31, 2016, increased ¥83.3 billion year on year, or 11.2%, to ¥825.8 billion. Gross profit expanded ¥32.7 billion, or 24.5%, to ¥165.9 billion, and selling, general and administrative expenses increased ¥14.6 billion, or 23.3%, to ¥77.7 billion. As a result, operating income grew ¥18.0 billion, or 25.7%, to ¥88.2 billion, and net income attributable to parent company shareholders rose ¥10.5 billion, or 24.0%, to ¥54.6 billion, setting a new record for the fifth consecutive year.

■ Volume of New Transactions

On the sales front, the volume of new transactions during the fiscal year ended March 31, 2016, grew 5.1% year on year, to ¥1,536.7 billion, driven by robust demand in the domestic market and other factors including the contribution of overseas subsidiaries acquired during the fiscal year ended March 31, 2015.

By business segment, the volume of new transactions posted a 9.2% year-on-year increase in the leasing business, reaching ¥787.4 billion, and a 12.4% increase in the installment sales business, to ¥96.9 billion, while the loans business experienced a 0.2% decline, to ¥613.4 billion, and other businesses registered a decline of 4.1%, to ¥38.8 billion.

■ Financial Position

As of March 31, 2016, the total assets of Mitsubishi UFJ Lease & Finance Group stood at ¥5,121.2 billion, an increase of ¥85.5 billion from the previous fiscal year-end. Due among other factors to the increase in net income attributable to parent company shareholders, total equity expanded ¥21.0 billion from the previous fiscal year-end, to ¥642.3 billion, driving the equity ratio up 0.2 percentage point, to 12.0%. The balance of interest-bearing debt fell ¥1.5 billion from the previous fiscal year-end, to ¥3,908.7 billion.

■ Cash Flows

Cash flows from operating activities resulted in a net cash outflow of ¥36.8 billion, compared with a net outflow of ¥56.2 billion in the previous fiscal year. Investing activities used net cash of ¥5.1 billion, compared with a net outflow of ¥31.4 billion in the previous fiscal year. Financing activities provided net cash of ¥50.7 billion, compared with a net inflow of ¥65.3 billion in the previous fiscal year. As a result, cash and cash equivalents as of March 31, 2016, stood at ¥111.0 billion, an increase of ¥8.2 billion or 8.1%, from the previous fiscal year-end.

■ Basic Policy of Profit Distribution and Dividend

Our basic policy on profit distribution is to provide continuous and stable dividend payouts while seeking to maintain adequate equity reserves.

Based on this policy, we set the dividend for the fiscal year ended March 31, 2016, at ¥12.30 per share (interim dividend of ¥5.20 and year-end dividend of ¥7.10), an increase of ¥2.80 from the previous fiscal year and the seventeenth consecutive year of dividend growth if the effect of the 10-for-1 stock split carried out on April 1, 2013, is applied retrospectively.

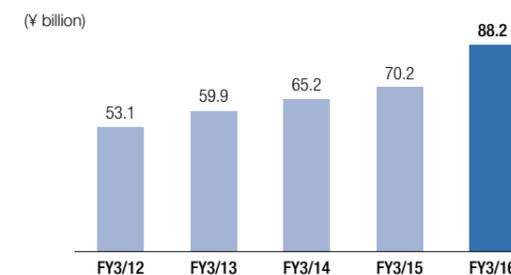
Consolidated Financial Highlights

| Years ended March 31 | FY3/2012 | FY3/2013 | FY3/2014 | FY3/2015 | FY3/2016 |
|--|-----------|-----------|-----------|-----------|------------------|
| Business Results | | | | | |
| Total revenues | 724,611 | 698,155 | 717,760 | 742,452 | 825,845 |
| Leases | 562,878 | 546,625 | 579,753 | 604,062 | 674,118 |
| Installment sales | 92,533 | 85,021 | 83,270 | 83,408 | 85,673 |
| Loans | 35,611 | 35,592 | 35,068 | 33,892 | 34,162 |
| Others | 33,587 | 30,914 | 19,667 | 21,089 | 31,890 |
| Cost of revenues | 609,533 | 580,121 | 589,086 | 609,172 | 659,846 |
| Gross profit | 115,078 | 118,033 | 128,673 | 133,279 | 165,998 |
| Selling, general, and administrative expenses | 61,921 | 58,045 | 63,395 | 63,042 | 77,726 |
| Operating income | 53,156 | 59,987 | 65,278 | 70,237 | 88,272 |
| Net income*1 | 34,640 | 36,038 | 37,675 | 44,068 | 54,631 |
| Comprehensive income | 38,060 | 46,018 | 74,253 | 84,690 | 35,357 |
| Profitability (%) | | | | | |
| Cost of revenues to total revenues | 84.1 | 83.1 | 82.1 | 82.0 | 79.9 |
| Gross profit margin | 15.9 | 16.9 | 17.9 | 18.0 | 20.1 |
| Overhead ratio | 41.9 | 42.4 | 44.0 | 44.7 | 40.4 |
| Return on equity (ROE) | 8.9 | 8.5 | 7.9 | 8.0 | 9.0 |
| Return on assets (ROA) | 0.9 | 0.9 | 0.9 | 0.9 | 1.1 |
| Sales Performance | | | | | |
| Volume of new transactions | 1,276,464 | 1,356,270 | 1,561,842 | 1,462,319 | 1,536,731 |
| Leases | 472,899 | 581,479 | 718,390 | 720,868 | 787,463 |
| Installment sales | 67,293 | 78,259 | 91,755 | 86,263 | 96,969 |
| Loans & others | 736,271 | 696,531 | 751,696 | 655,187 | 652,297 |
| Financial Position | | | | | |
| Total assets | 3,682,299 | 4,177,784 | 4,497,502 | 5,035,676 | 5,121,253 |
| Operating assets | 3,335,620 | 3,713,972 | 4,017,419 | 4,540,920 | 4,626,455 |
| Total equity | 420,864 | 468,061 | 534,250 | 621,344 | 642,366 |
| Interest-bearing debt | 2,893,504 | 3,315,294 | 3,484,480 | 3,910,324 | 3,908,736 |
| Equity ratio (%) | 10.9 | 10.7 | 11.4 | 11.8 | 12.0 |
| Cash Flows | | | | | |
| Net cash provided by (used in) operating activities | 87,941 | (63,407) | (41,776) | (56,296) | (36,819) |
| Net cash provided by (used in) investing activities | (7,631) | (102,372) | 8,739 | (31,453) | (5,105) |
| Net cash provided by (used in) financing activities | (68,631) | 183,560 | 77,729 | 65,384 | 50,736 |
| Net increase (decrease) in cash and cash equivalents | 11,582 | 18,766 | 47,585 | (17,942) | 8,298 |
| Cash and cash equivalents, end of year | 51,765 | 72,954 | 120,540 | 102,773 | 111,071 |
| Per Share Information*2 (Yen) | | | | | |
| Net income per share | 38.72 | 40.56 | 42.40 | 49.58 | 61.45 |
| Cash dividends per share | 6.0 | 6.5 | 8.0 | 9.5 | 12.3 |
| Number of employees | | | | | |
| | 2,275 | 2,402 | 2,511 | 2,729 | 2,828 |

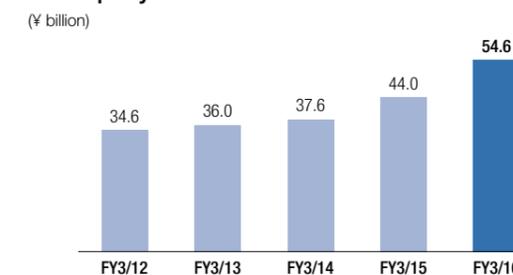
*1 Net income attributable to parent company shareholders.

*2 On April 1, 2013, Mitsubishi UFJ Lease & Finance split each share of its common stock, held by shareholders stated or recorded in the register of shareholders as of March 31, 2013, into 10 shares. Net income per share and cash dividends per share have been retrospectively adjusted to reflect the stock split for all periods presented.

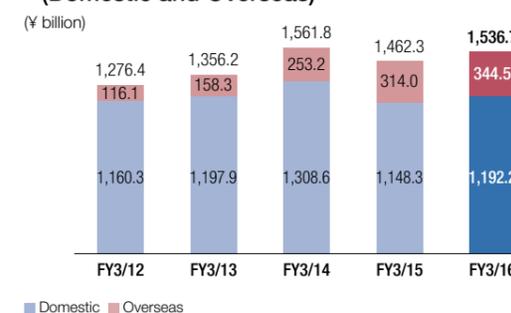
Operating Income



Net Income Attributable to Parent Company Shareholders



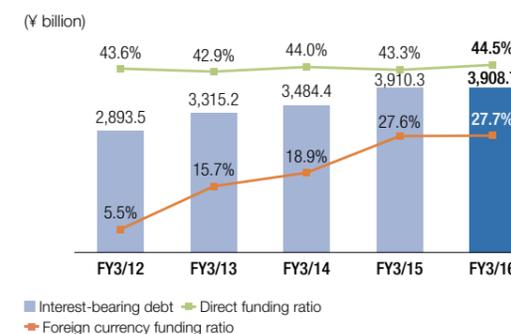
Volume of New Transactions (Domestic and Overseas)



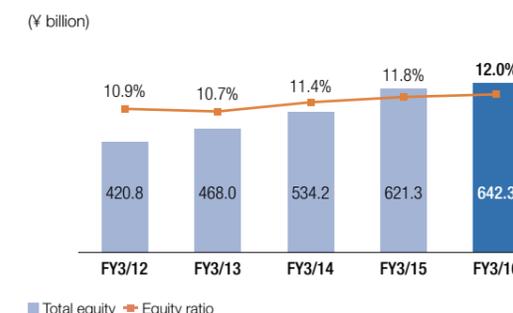
Operating Assets (Domestic and Overseas)



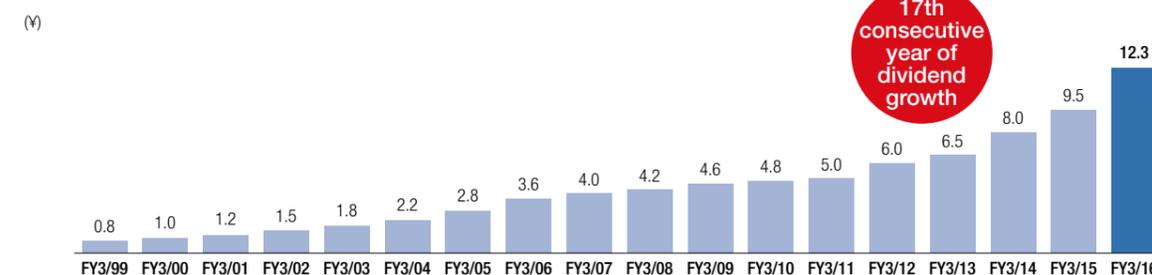
Interest-Bearing Debt



Total Equity / Equity Ratio



Cash Dividends per Share*



* On April 1, 2013, Mitsubishi UFJ Lease & Finance split each share of its common stock held by shareholders stated or recorded in the register of shareholders as of March 31, 2013, into 10 shares. Cash dividends per share has been retrospectively adjusted to reflect the stock split for all periods presented.

Domestic Network



Domestic Group Network

Leasing and Finance Business

- Japan Medical Lease Corporation
- DFL Lease Company Limited
- Shinko Lease Co., Ltd.
- The Casio Lease Company Limited
- Hirogin Lease Co. Ltd.
- Shutoken Leasing Co., Ltd.
- Chukyo General Lease Co., Ltd.
- Mitsubishi Electric Credit Corporation

Auto Lease and Auto Finance Business

- MMC Diamond Finance Corporation
- Hirogin Auto Lease Co. Ltd.
- Mitsubishi Auto Leasing Holdings Corporation
- Mitsubishi Auto Leasing Corporation

Rental Business

- Diamond Rental System Company Limited
- Techno Rent Co., Ltd.

Real Estate-Related Business

- MUL Property Co., Ltd.
- Diamond Asset Finance Company Limited
- Miyuki Building Co., Ltd.
- MUL Realty Investment Company Limited
- MUL Realty Advisers Company Limited

Used Equipment Trading Business

- MUL Eco-Business Co., Ltd.
- Global Asset Solution Company Limited
- U-Machine Inc.
- M-cast, Inc.

Other Businesses

- MUL Insurance Company Limited
- MUL Business Company Limited
- CL Solution Management Co., Ltd.
- MUL Principal Investments Company Limited
- MUL Energy Investment Company Limited
- Trinity Care Co., Ltd.

Global Network



Overseas Group Network

Leasing and Finance Business

- Mitsubishi UFJ Lease & Finance (China) Co. Ltd.
- DMC Energy Management Services (Shenzhen) Co., Ltd.
- Mitsubishi UFJ Lease & Finance (Hong Kong) Limited
- DFL-Shutoken Leasing (Hong Kong) Company Limited
- Bangkok Mitsubishi UFJ Lease Co., Ltd.
- MUL (Thailand) Co., Ltd.
- Mitsubishi UFJ Lease (Singapore) Pte. Ltd.
- Kobelco Lease Singapore Pte. Ltd.
- PT. Mitsubishi UFJ Lease & Finance Indonesia <Head Office>
- PT. Mitsubishi UFJ Lease & Finance Indonesia <Surabaya Branch>
- Mitsubishi UFJ Lease & Finance (U.S.A.) Inc. <Head Office>
- Mitsubishi UFJ Lease & Finance (U.S.A.) Inc. <Los Angeles Branch>
- Mitsubishi UFJ Lease & Finance (U.S.A.) Inc. <New York Branch>
- Mitsubishi UFJ Lease & Finance (U.S.A.) Inc. <San Diego Branch>
- Mitsubishi UFJ Lease & Finance (U.S.A.) Inc. <Atlanta Office>
- Mitsubishi UFJ Lease & Finance (U.S.A.) Inc. <Boston Office>
- Mitsubishi UFJ Lease & Finance (Ireland) Limited

Auto Lease and Auto Finance Business

- PT. Takari Kokoh Sejahtera

Used Equipment Trading Business

- U-Machine (Thailand) Co., Ltd.

Global Asset Business

- Jackson Square Aviation, LLC
- Jackson Square Aviation Ireland Limited
- Engine Lease Finance Corporation
- Beacon Intermodal Leasing, LLC

Other Businesses

- PT. Manajemen Unggul Lestari
- Ho Chi Minh City Representative Office

Business Operated by the Mitsubishi UFJ Lease & Finance Group

The Mitsubishi UFJ Lease & Finance Group operates a diverse range of businesses on a global basis centered on its core leasing and finance business. Merging our inherent flexibility and mobility as a nonbank finance company with the insight in products and strength to create new businesses that we have accumulated throughout our long experience, we go beyond the framework of leasing and finance into service provision, business participation, and further into “integration of finance and business” by evolving our business models.



1 Leasing and Finance Business

We support customers' capital investments by offering finance leases and operating leases for factory machine tools and heat-source facilities as well as store equipment. We also provide asset management and other related services to assist customers with their administrative procedure outsourcing and other needs.

2 Global Asset Business

We are working to strengthen our global asset business, which deals in assets with high marketability and value in the global market, such as aircraft, aircraft engines, marine vessels, containers, and freight cars.

3 Real Estate-related Business

Our wide range of real estate-related businesses includes real estate leasing for properties such as commercial facilities, hotels, logistics facilities, and other buildings; nonrecourse financing, which is linked to the property's earnings capacity; and real estate revitalization investment, which targets aged buildings.

4 Rental Business

We meet a diverse range of rental needs, including those for IT equipment, machine tools, testing devices, and measurement equipment.

5 Used Equipment Trading Business

Utilizing the expertise in products acquired through our long experience in the leasing business, we trade in high-quality used machine tools, medical equipment, and IT equipment through Group companies that are highly specialized in this sector.

6 Medical and Long-Term Care Business

We provide financial support for hospitals and other medical institutions for starting up operations, expanding or renovating facilities, or purchasing high-tech equipment. We also offer total solutions in this field that include the operation of long-term care facilities by a Group company.

7 Eco- and Energy-related Business

We supply energy solutions for realizing facility energy savings as well as services related to carbon offset and other emissions credits. In addition, in the solar power field, we lease solar panels and participate in power generation businesses, while a Group company is engaged in acquiring and trading of solar power generation projects.

8 Infrastructure Business

We develop social infrastructure operations in Japan and overseas. The Company has one of the most extensive track records in Japan in private finance initiative (PFI) projects, which involve utilizing private-sector funding expertise to construct public facilities and operate public infrastructure.

9 Auto Lease and Auto Finance Business

In addition to financing and maintenance services, we offer optimal vehicle management services that lighten the burden of vehicle management procedures, reduce costs, and increase safety while supporting the enhancement of vehicle eco-initiatives.

International Business

Taking advantage of our vast global network extending to Asia, the Americas, and Europe, we support customers in conducting capital investment as part of their overseas business expansion. We also deploy domestically grown high-value-added services overseas, including asset management and energy-related services.

Other Businesses

We provide a diverse range of services in response to customer needs, including various insurance and business-matching services.

■ Corporate Profile (As of March 31, 2016)

Company Name

Mitsubishi UFJ Lease & Finance Company Limited

Head Office

Shin-Marunouchi Building, 5-1, Marunouchi 1-chome,
Chiyoda-ku, Tokyo 100-6525, Japan

Date of Establishment

April 12, 1971

Paid-in Capital

¥33,196,047,500

Number of Employees

Consolidated: 2,828; Parent: 1,289

Business Activities

Leasing of assets
Installment sales of assets
Financing activities
International business
Other activities

Fiscal Year

April 1 to March 31

Credit Ratings

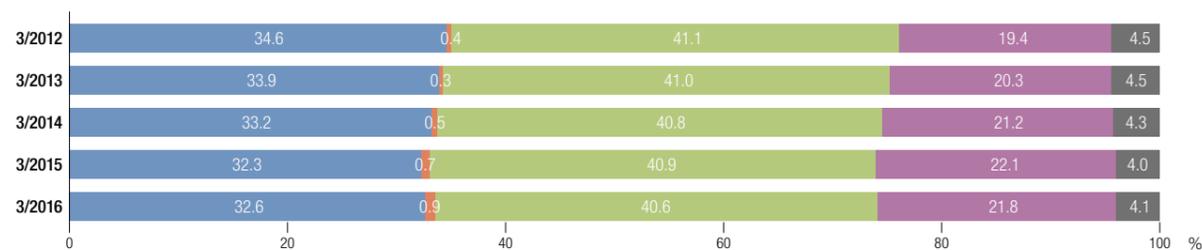
| Rating agency | Long-term | Short-term |
|---------------|-----------|------------|
| Moody's | A3 | – |
| S&P*1 | A | – |
| JCR*2 | AA– | J–1+ |
| R&I*3 | A+ | a–1 |

*1. Standard & Poor's

*2. Japan Credit Rating Agency

*3. Rating and Investment Information

Distribution of Shareholders



■ Financial institutions ■ Securities companies ■ Other companies ■ Foreign investors ■ Private investors, etc.*

* "Private investors, etc." includes treasury stock.

■ Stock Information (As of March 31, 2016)

Stock Numbers

Number of authorized shares: 3,200,000,000
Number of issued shares: 895,834,160
Number of shares per unit: 100

Stock Listing

First Section of the Tokyo Stock Exchange (TSE)
First Section of the Nagoya Stock Exchange (NSE)
Security code: 8593

Transfer Agent

Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-chome, Chiyoda-ku,
Tokyo 100-8212, Japan

Accounting Auditor

Deloitte Touche Tohmatsu LLC

Principal Shareholders

Mitsubishi Corporation
Mitsubishi UFJ Financial Group, Inc.
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Meiji Yasuda Life Insurance Company
Mitsubishi UFJ Trust and Banking Corporation

Published

August 2016

Scope of Report

This report covers the activities of Mitsubishi UFJ Lease & Finance Company Limited and its Group companies.

Period Covered

Fiscal year ended March 31, 2016
(Information on some activities from other periods is also included.)

Contact

Corporate Communications Department
Mitsubishi UFJ Lease & Finance Company Limited
Shin-Marunouchi Building, 5-1, Marunouchi
1-chome, Chiyoda-ku, Tokyo 100-6525, Japan
Tel: +81-3-6865-3002