

The Businesses of the Mitsubishi UFJ Lease & Finance Group

The Mitsubishi UFJ Lease & Finance Group promotes the global expansion of a diverse array of businesses centered on its core leasing and finance businesses.



1 Leasing and Finance

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

2 Rental

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

3 Used Equipment Trading

Utilizing the expertise in products acquired through our extensive 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.

4 Other Services

We offer sales support financing and asset management services as well as consulting services for a wide variety of insurance types to meet diverse customer needs.

5 Aviation

In addition to leasing aircraft and aircraft engines, we provide a wide variety of services, including parts-out services and Japanese Operating Leases (JOL).

6 Real Estate

We offer a wide range of services, including real estate leasing for properties built to customer specifications; securitization financing for offices, commercial facilities, residences, logistics facilities, and other profit-generating real estate; hands-on real estate revitalization investment for raising the value of aged buildings; private REITs; and real estate asset management.

7 Logistics

We utilize our Group network and cooperate with other companies to provide asset financing services such as marine container leasing, railcar leasing, ship financing, and mobility services focused on automobiles.

8 Environment & Energy

We offer a broad range of environmental solutions that combine a variety of functions, such as financing and investment for multiple types of renewable energy businesses—with solar power generation as our primary focus—development of a solar power purchase agreement (PPA) model for rooftops as a new form of solar power generation for home use, and participation in a pilot project to create a virtual power plant (VPP), a next-generation energy management system.

9 Healthcare

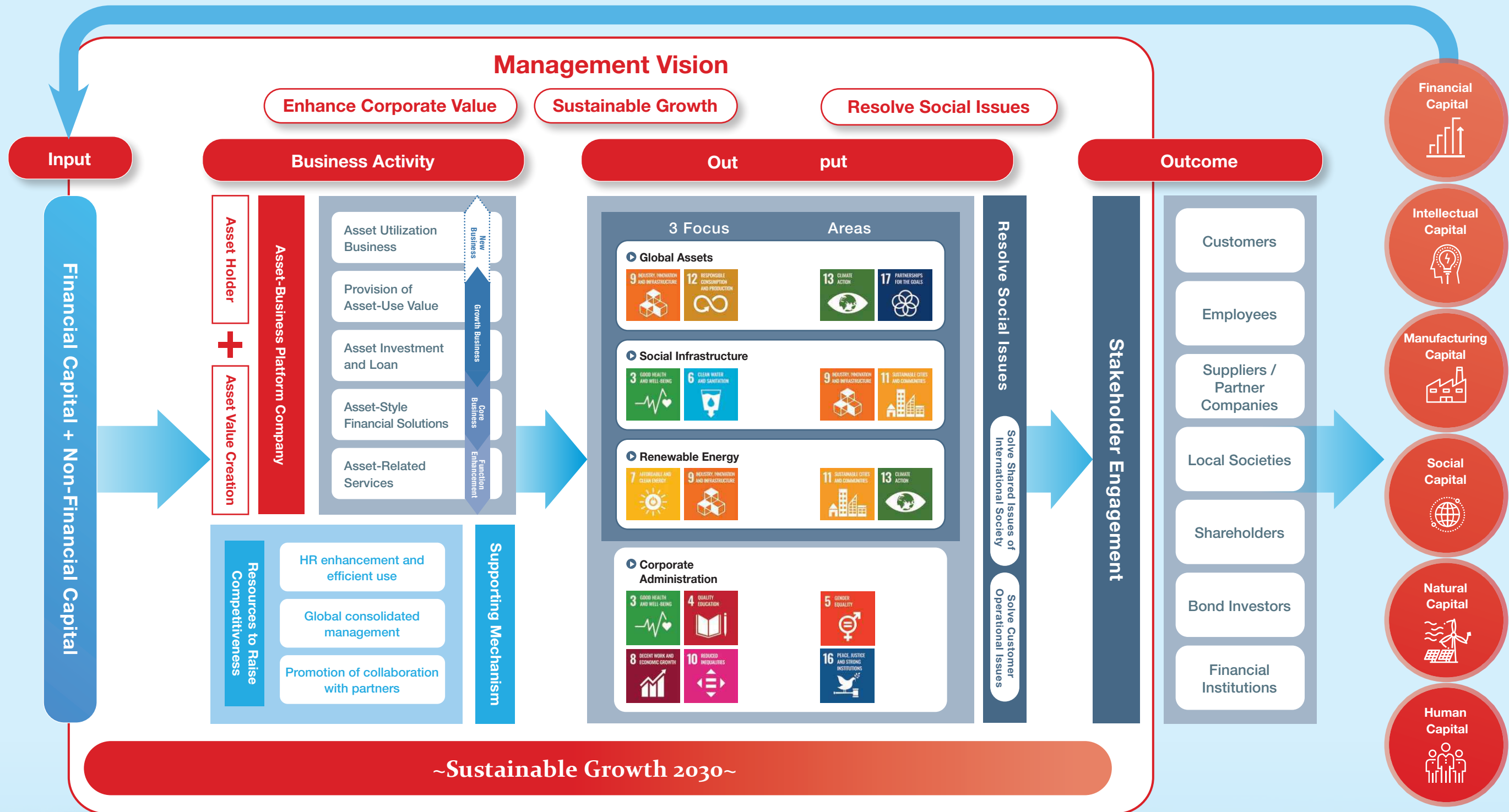
We offer a full spectrum of integrated services, ranging from asset financing to operational support, that includes medical equipment leasing, assistance with regard to the opening of hospitals and clinics, medical factoring, consulting for medical equipment installation and operation, sales of used medical equipment, and operation of healthcare complexes.

10 Infrastructure & Investment

We provide financing and solutions to infrastructure businesses in Japan and overseas and utilize our private finance initiative businesses, which involve leveraging our private-sector funding expertise, to construct and operate public facilities. In addition, we are developing a corporate investment business to take advantage of the knowledge and experience we have accumulated thus far.

Value Creation Process for the Mitsubishi UFJ Lease & Finance Group

As an asset-business platform company, our goal is to foresee medium-to-long term changes in the external environment and solve a wide range of social issues, including issues common throughout global society and operational issues that affect customers, by focusing on value creation in terms of financial capital and non-financial capital. By doing so, we will enhance corporate value, achieve sustainable growth, and help resolve social issues.



Business Development for the Mitsubishi UFJ Lease & Finance Group

A Solid Growth Trajectory Plotted by Aggressive Business Development and Driven by Our Management Plan

The Mitsubishi UFJ Lease & Finance Group was created through the merger of Diamond Lease Company Limited and UFJ Central Leasing Co., Ltd., in April 2007. Since its inception, the Group has actively expanded its business beyond the boundaries of leasing and finance while implementing non-organic strategies, such as carrying out acquisitions and forming business alliances. Through these strategies, the Group has achieved significant growth. As the next step, the New Medium-term Management Plan~Sustainable Growth 2030~comprises the first three years of a long-term strategy incorporating changes in the external environment over a 10-year time frame, and is directed toward sustainable growth.

Management Goals and Achievements

Net Income attributable to owners of the parent:
over **¥45.0 billion** ➡ achieved **¥53.1 billion**

Share of overseas operating assets to total operating assets:
30% ➡ achieved **34.2%**

Management Goals and Achievements

Net Income attributable to owners of the parent:
¥63.0 billion or more ➡ achieved **¥70.7 billion**

ROA:
1.1% or higher ➡ achieved **1.2%**

Management Goals

Net Income attributable to owners of the parent:
¥85.0 billion or more:
ROA:
Approximately 1.3%

Medium-Term Management Plan Vision 2010 (fiscal 2008–fiscal 2010)

- Provision of unique Mitsubishi UFJ Lease & Finance services that leverage various asset risks and operational risk taking to expand the value chain
- Acceleration of global business expansion
- Reinforcement of contact with customers
- Promotion of external growth strategy

Medium-Term Management Plan Vision 2013 (fiscal 2011–fiscal 2013)

Medium-Term Management Plan Limitless Evolution (fiscal 2014–fiscal 2016)

- Evolution of business models
- Acceleration of international business
- Showcase of Group synergies
- Continuous creation of new businesses
- Promotion of non-organic growth strategy

Medium-Term Management Plan Breakthrough for the Next Decade (fiscal 2017–fiscal 2019)

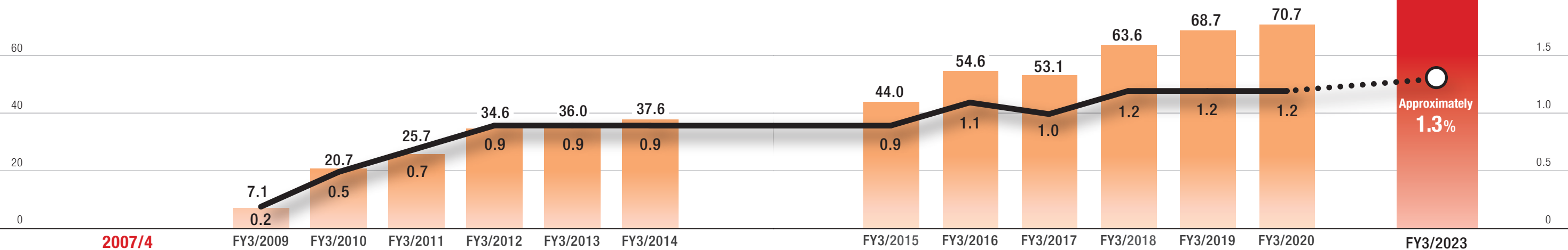
- Integration of finance and business (business geared toward resolving social issues, participation in businesses by evolving business models, develop toward business management)
- Balancing of top-line management and efficient management

Medium-Term Management Plan ~Sustainable Growth 2030~ (fiscal 2020–fiscal 2022)

P12, P20

Net income attributable to owners of the parent

(Billions of yen)



Major Initiatives

2007/4

Diamond Lease Company Limited and UFJ Central Leasing Co., Ltd., merged to form Mitsubishi UFJ Lease & Finance Company Limited

2013/11

Acquired major share of PT. Takari Kokoh Sejahtera

2013/1

Acquired all interests of JSA International Holdings, L.P., which owns aircraft leasing companies such as Jackson Square Aviation, LLC

2015/10

Established MUL Energy Investment Company Limited

2014/5

Formed strategic business alliance with The Greenbrier Companies, Inc., of the United States

2014/11

Acquired all of the outstanding shares of Engine Lease Finance Corporation

Acquired all of the equity interests of Beacon Intermodal Leasing, LLC

2016/4

Established MUL Realty Investment Company Limited

Established MUL Realty Advisers Company Limited

Formed capital and business alliance with Hitachi Capital Corporation

2016/12

Established MUL HEALTHCARE CO., LTD.

2017/6

Commenced participation in a submarine power transmission project for offshore wind power plants in Germany

Entered into the aircraft engine parts-out business

2018/5

Established MUL Utility Innovation Company Limited

Invested in South Staffordshire Plc, a U.K.-based water supply company

Acquired stake in U.K. offshore wind farm

Acquired ENGS Holdings Inc., a U.S.-based vendor finance company

MUL Realty Advisers Company Limited began operations of MUL Private REIT, Inc.

2019/5

Established PT. Balai Lelang Caready, an auto auction business, as a joint venture with Indonesia's largest taxi operating company, PT. Blue Bird Tbk.

Invested in GOJEK, Southeast Asia's leading digital platform

Invested in Electricity North West Limited, a U.K.-based electricity distribution operating company

Invested in marine research affiliate for offshore wind power generation in Taiwan

The Continuing Evolution of the Mitsubishi UFJ Lease & Finance Group's Businesses

Utilization of Our Asset-Based Knowledge to Expand Business Domains in Japan and Overseas

The Mitsubishi UFJ Lease & Finance Group has accumulated a wealth of asset-related knowledge and know-how through its core businesses of leasing and financing and is utilizing this strength to expand into a wide range of businesses.

Used Equipment Trading



Solar Power Generation Business



Fiscal 2014–Fiscal 2016
Medium-Term Management Plan

Limitless Evolution

Expand Opportunities

to Generate Profits

- Accelerate international development
- Engage in business participation

Fiscal 2011–Fiscal 2013
Medium-Term Management Plan

Vision 2013

Expand Value Chain Functions

- Accelerate development of the global asset business
- Provide value-added services

Operating Leases



Real Estate Leasing



Fiscal 2017–Fiscal 2019
Medium-Term Management Plan

Breakthrough for the Next Decade

New Value Creation

- Promote asset-turnover businesses
- Create an optimal business management model

Fiscal 2020–Fiscal 2022
Medium-Term Management Plan

~Sustainable Growth 2030~

Evolve into Asset-Business Platform Company

Rental and Sharing Services



Project Finance



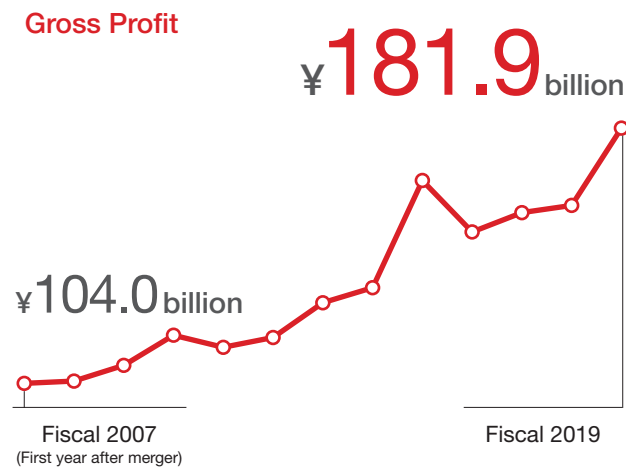
Core Business
Leasing

2007/4

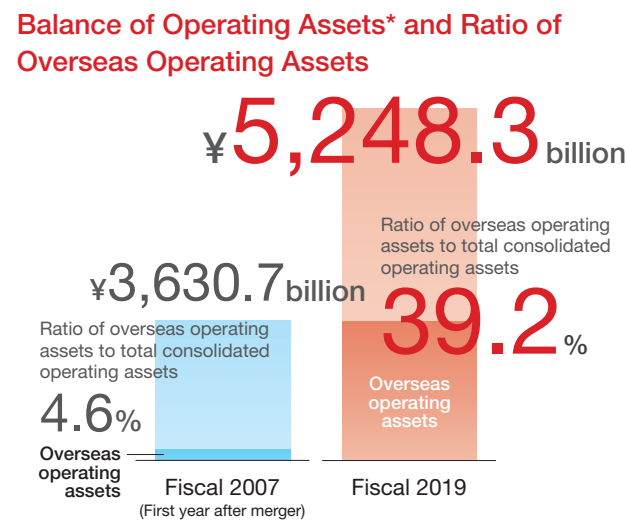
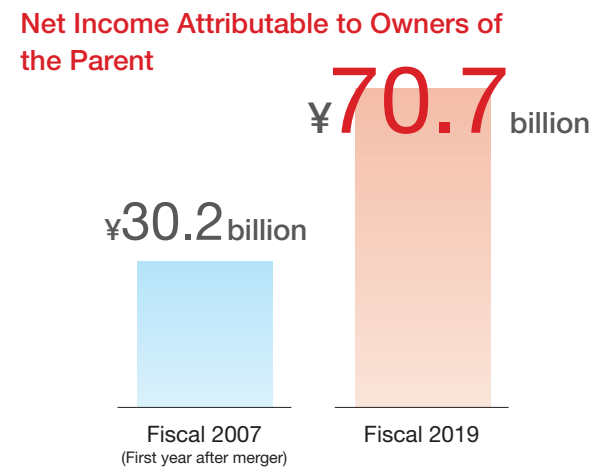
The Birth of Mitsubishi UFJ Lease & Finance Company Limited

Financial and Non-Financial Highlights

Financial Highlights



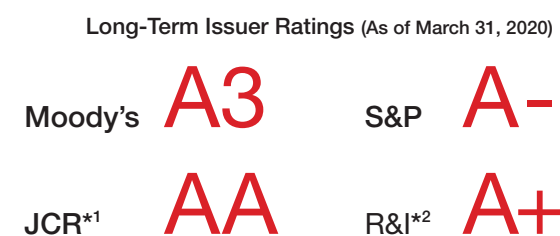
As the business model of Mitsubishi UFJ Lease & Finance evolves, branching out from a business centered on corporate finance to include asset finance, provision of services, business participation, and business operation, the Company's business domains continue to expand, which in turn is boosting profitability. Compared with fiscal 2007, gross profit in fiscal 2019 was 1.7 times higher and net income attributable to owners of the parent was 2.3 times higher.



Through the augmentation of our portfolio, which includes aircraft, aircraft engines, vessels and marine containers, and railcars, the amount of overseas operating assets has grown 12.4 times since fiscal 2007. At the same time, the ratio of overseas operating assets to total consolidated operating assets has risen from 4.6% to 39.2%.

* Due to changes in the definition of terms that took place in the first quarter of fiscal 2020, the figures given here may be different from those stated in "FY3/2020 Results," the financial summary for fiscal 2019.

External Credit Ratings

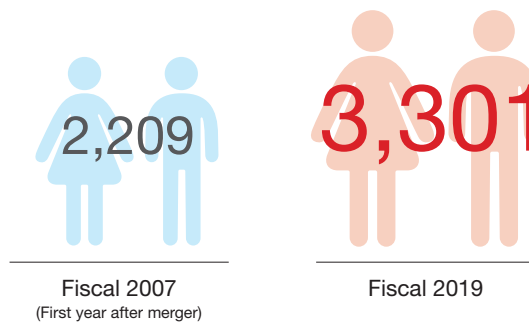


Mitsubishi UFJ Lease & Finance receives credit ratings from the four rating institutions listed to the left in order to evaluate its creditability, and we have consistently been among the most highly rated companies in the industry. The Company strives to improve its ability to procure funds for supporting its competitiveness as it seeks to further grow its operations.

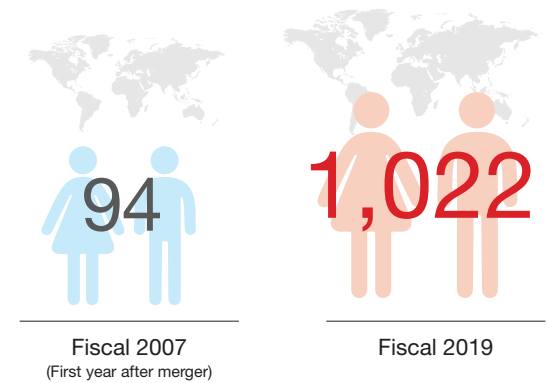
*1 Japan Credit Rating Agency, Ltd.
*2 Rating and Investment Information, Inc.

Non-Financial Highlights

Total Number of Group Employees

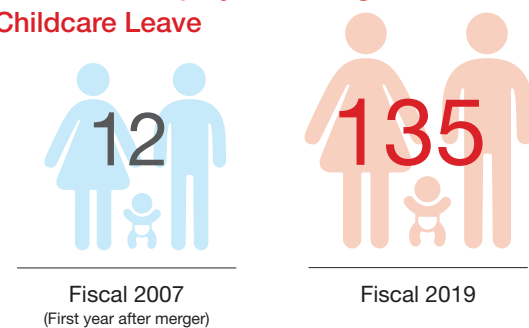


Total Number of Overseas Employees



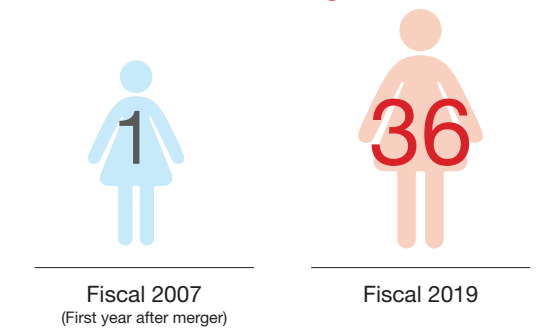
In the course of expanding its business domains, the Mitsubishi UFJ Lease & Finance Group has increased its number of employees 150% from fiscal 2007. The increase has been most apparent in regard to the number of overseas employees, which is 10.8 times higher than in fiscal 2007 as a result of our proactive overseas expansion. The Group prides itself on its diverse base of employees with highly specialized skills in Japan and overseas. Going forward, we will continue striving to resolve the issues faced by our customers and society as a united team.

Number of Employees Taking Childcare Leave



The Company is cultivating a workplace environment that is conducive to diverse workstyles. As a result of these efforts, male employees have increasingly been taking childcare leave, and the total number of employees taking childcare leave in fiscal 2019 was 11.2 times higher than in fiscal 2007.

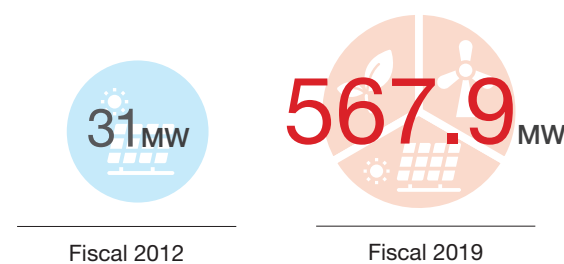
Number of Female Managers



The number of female managers at the Company is growing as a result of training programs and other efforts aimed at empowering female employees.

Total Renewable Energy Generated*

* Total output of projects that have begun operations (values are proportionate to contribution rates)



We are dedicated to the realization of a sustainable, eco-friendly environment through our business. Accordingly, the amount of renewable energy generated was 18.3 times higher in fiscal 2019 than in fiscal 2012. Renewable energy generated is primarily solar power, but also includes biomass and wind power.

Evaluations from External Institutions

FTSE Russell
The Company has been selected for inclusion in an index component of the FTSE Blossom Japan Index, an index developed by the global index provider FTSE Russell, which reflects the performance of Japanese companies that demonstrate strong environmental, social, and governance (ESG) practices. In addition, the Company has been included in the FTSE4Good Index Series, a world-leading socially responsible investment (SRI) index, every year since 2006.

MSCI
The Company has been included in an SRI index component of the MSCI Japan ESG Select Leaders Index and the MSCI Japan Empowering Women Index, which were developed by Morgan Stanley Capital International (MSCI) for companies with particularly strong ESG initiatives. Moreover, the internationally recognized index MSCI ESG Leaders Index Series* has been consecutively including us every year since 2007, the year of its inception.
* Former MSCI Global Sustainability Index Series

