Value Integrator

Mitsubishi UFJ Lease & Finance

Annual Report 2009

For the Fiscal Year Ended March 31, 2009

Management Philosophy

We will prove worthy of the trust of customers, shareholders, and employees as we contribute to realize a more prosperous society.

- **We will work to achieve sustained improvement in corporate value by offering the best solutions to customers.**
- **We aim to play a part in the development of regions and society by pursuing environmentally considerate corporate activities in compliance with laws and regulations.**
- **We will create a workplace environment that motivates each and every employee and in which they can take pride.**

Contents

Value Integrator

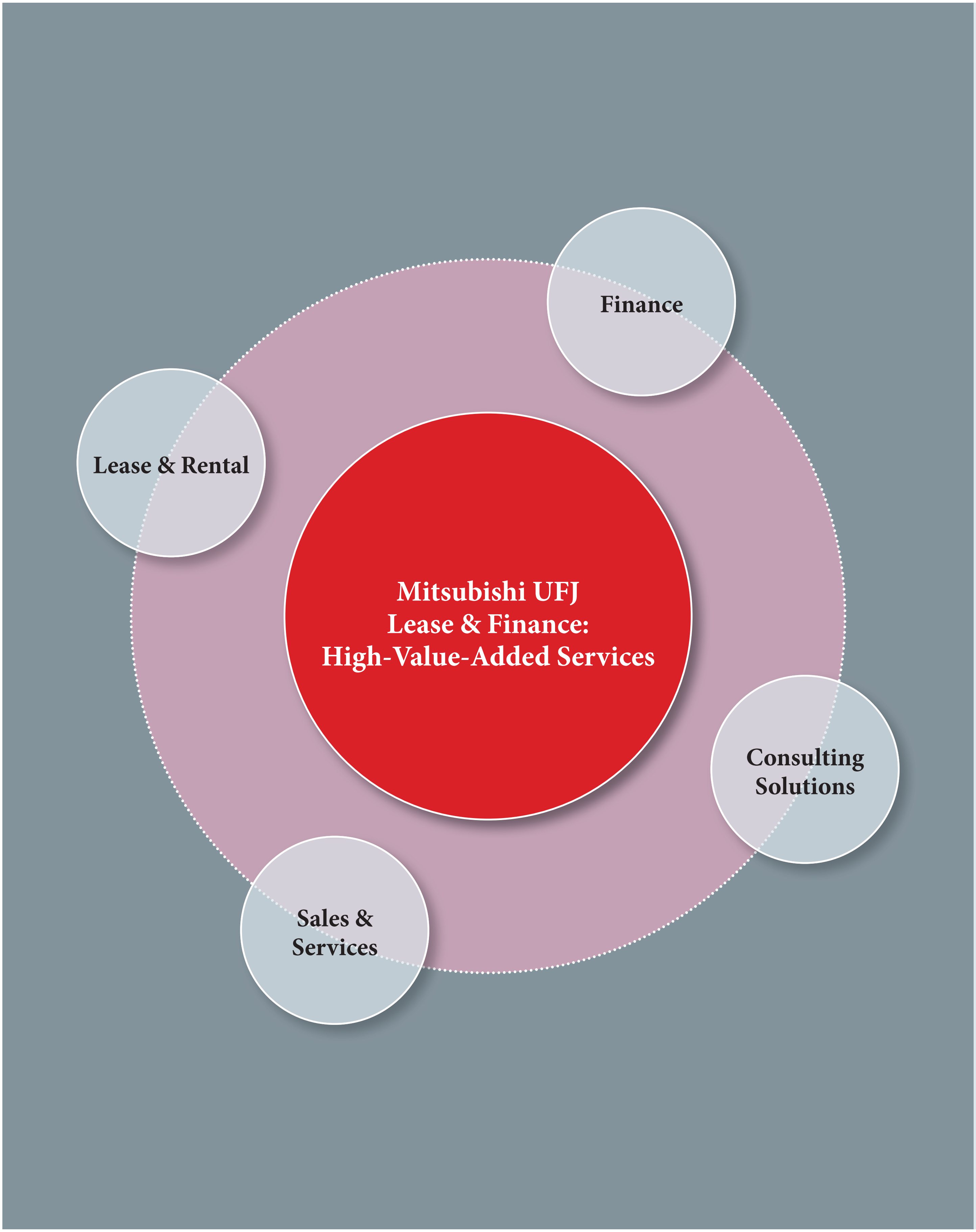
The phrase "Value Integrator" encapsulates Mitsubishi UFJ Lease & Finance's corporate philosophy of creating new value by using leasing and financing as the means to integrate the current values of its tangible and intangible assets.

Forward-Looking Statements
Future forecasts and estimations regarding management and financial information in connection with Mitsubishi UFJ Lease & Finance Company Limited that are stated in this Annual Report have been made at our own discretion on the basis of information that we were able to obtain at the time of preparing this document. Please be aware that these forecasts and estimations contain risks and uncertainties, and that actual results may differ as a result of economic circumstances or other changes.

Special Feature 1:

Robust Business Foundation:

Our Key Strength


Finance
Lease & Rental
Mitsubishi UFJ
Lease & Finance:
High-Value-Added Services
Consulting
Solutions
Sales &
Services

Amid ongoing convergence of financial services and the business value chain in the Japanese commercial finance market, Mitsubishi UFJ Lease & Finance offers customers a diverse array of products and services backed by a solid track record and a wealth of accumulated experience.

In the leasing business, we meet the needs of customers by providing a diversity of value-added products. For example, we offer ***Operating leases*** to customers seeking to avoid equipment obsolescence and reduce investment costs, while customers who want to use online services to improve asset management efficiency can take advantage of ***e-Leasing Direct***. Other offerings include ***SYMPHONY***, a real estate lease for customers endeavoring to minimize initial investment costs when opening stores.

Broad business scope and solutions capabilities

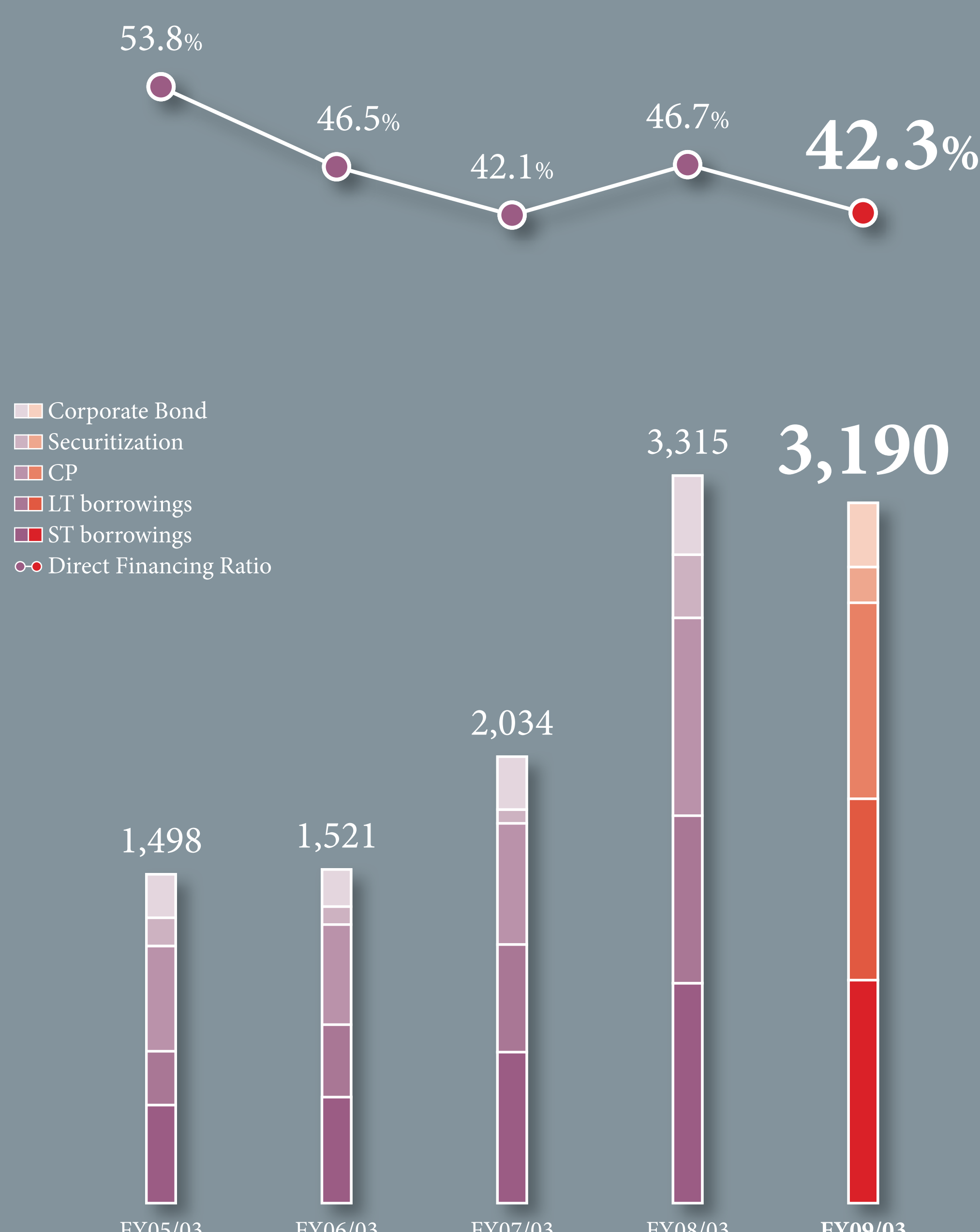
To address customers' ever-diversifying needs, we are expanding the scope of our operations beyond lease and finance services to include various new business frontiers.

For customers seeking timely equipment investments while restraining costs, or those wanting to sell equipment that has become redundant, we offer assessment, purchase and sales services via Group subsidiaries specializing in used equipment trading.

We also offer our ***ESCO*** (Energy Service Company) business for customers who want to improve the energy efficiency of their facilities. In addition, we launched a new carbon offset business to help address global warming, an issue of growing concern in recent years. In these and other ways, we are working to broaden our business scope while upgrading our solutions-related capabilities.

Funding Procurement Status

(¥ Billion/%)



Mitsubishi UFJ Lease & Finance has earned top-level ratings in its industry from reputable credit rating agencies. This reflects the high acclaim we have received for our broad business base and capital structure, as well as our ability to deliver diversified products and services and our strict risk management processes. Through our high credit rating, we are working to diversify our fund-raising sources and procure stable and low cost funding.

Sound financial base

We also employ asset liability management (ALM)* techniques to effectively control various risks, such as interest rate risk and currency risk, and thus build a sound financial base.

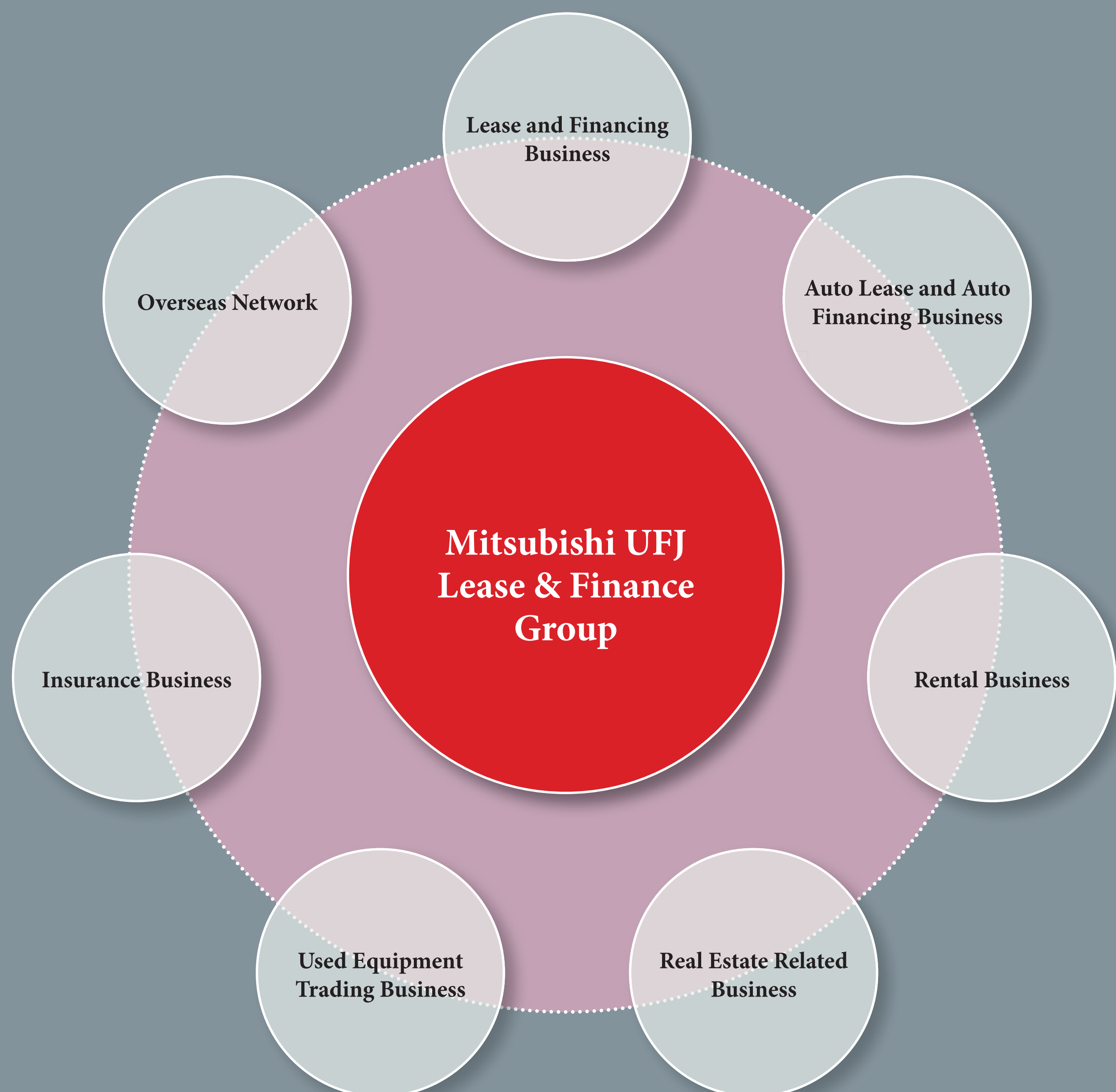
***Asset Liability Management (ALM)**

Our ALM committee convenes each month in connection with the procurement of funds. The committee analyzes conditions in financial markets, as well as our portfolio of assets and liabilities. We constantly use a wide variety of techniques to manage the risks associated with fluctuations in interest rates.

External Ratings

Rating Agency	Long-Term Rating	Short-Term Rating
JCR (Japan Credit Rating Agency, Ltd.)	**AA-** (Long-term preferential debt)	**J-1+**
R&I (Rating and Investment Information, Inc.)	**A+** (Issuer rating)	**a-1**
Moody's Investors Service	**A1** (Long-term issuer rating)	**P-1**

(as of July 1, 2009)


Lease and Financing Business
Auto Lease and Auto Financing Business
Rental Business
Real Estate Related Business
Used Equipment Trading Business
Insurance Business
Overseas Network
Mitsubishi UFJ Lease & Finance Group

By providing high-level, sophisticated business finance services, we serve as a coordinator that brings together products, services, information, capital and wealth. In this role, we deploy our comprehensive capabilities, which includes various specialized functions, to deliver optimal solutions that meet the diversified needs of customers.

Through our well-established program of active corporate acquisition we have gained a large number of unique subsidiaries operating in such fields as manufacturing, regional banking and specialist businesses. We utilize the wide-ranging knowledge and expertise provided by this network to address customers' needs.

In order to expedite business development, not only in Japan but globally, we have transformed our Chinese operation into a subsidiary for cultivating new markets. In the meanwhile, we opened an office in Vietnam, where there is considerable growth potential.

In addition to the major countries in Asia, we have broadened the geographical scope of our operations to include Europe, North America and emerging nations, providing timely, meticulous services to satisfy the needs of customers.

With a network of 83 subsidiaries (15 in Japan and 68 overseas) and 6 affiliates, we are expanding our service functions across the entire value chain through wide-ranging business development.

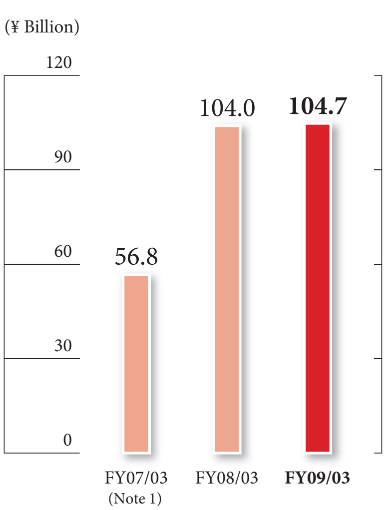
Broad network (globalization)

Financial Highlights

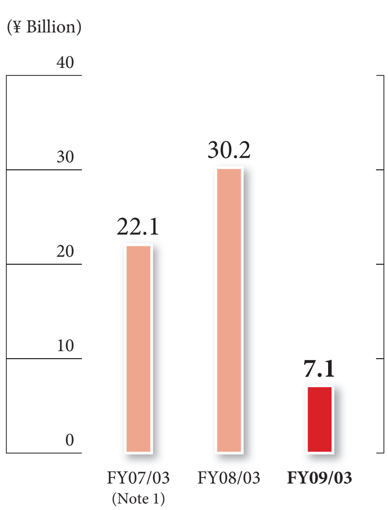
Years Ended March 31, 2009, 2008 and 2007

	Mitsubishi UFJ Lease & Finance Company Limited and its consolidated subsidiaries			
	Millions of Yen			Thousands of U.S. Dollars (Note 2)
	2009	2008	2007 (Note 1)	**2009**
For the year:				
Total revenues	**¥ 818,619**	¥ 987,056	¥ 517,430	**$ 8,353,255**
Gross profit	**104,715**	104,031	56,758	**1,068,520**
Net income	**7,146**	30,246	22,064	**72,918**
At year-end:				
Total assets	**¥3,909,077**	¥3,965,891	¥2,380,468	**$39,888,541**
Equity	**342,633**	312,352	154,268	**3,496,255**
Number of shares of common stock outstanding (thousands)	**89,557**	80,292	56,953	
	Yen			U.S. Dollars
Per share of common stock:				
Basic net income	**¥ 80.17**	¥ 376.70	¥ 387.41	**$ 0.82**
Cash dividends applicable to the year	**46.00**	42.00	40.00	**0.47**
	%			
Ratios:				
Return on equity (ROE)	**2.3**	13.6	15.9	
Return on assets (ROA)	**0.2**	1.0	1.0	
Equity ratio	**8.4**	7.5	6.2	

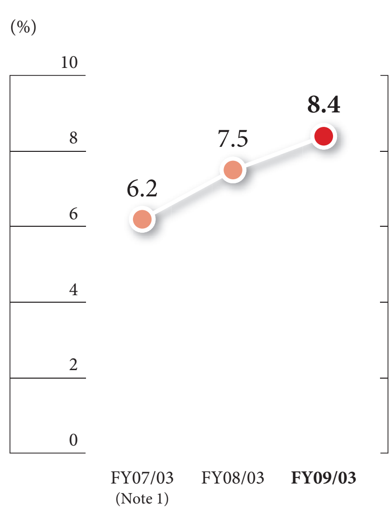
Gross Profit



Net Income



Equity Ratio



Notes: 1. Diamond Lease Company Limited merged with UFJ Central Leasing Co., Ltd. on April 1, 2007. The figures for fiscal 2007 were based on the former Diamond Lease Company Limited.

2. The U.S. Dollar amounts have been translated from the amounts stated in yen, solely for the convenience of readers, at the rate of ¥98=U.S.$1, the approximate exchange rate on March 31, 2009, which was the final business day of financial institutions in fiscal 2009.

In a Time of Change, We See Opportunities to Create Value and Activate Growth.

The Year in Review

In the year ended March 31, 2009, the financial markets deteriorated on a global scale and spilled over to affect the real economy, causing dramatic changes in the business environment. As the recession dragged on, it inflicted damage on the foundations of the Japanese economy, evidenced by languishing personal consumption and declining capital investments in the private sector.

Under these circumstances, we, Mitsubishi UFJ Lease & Finance sought to offer diverse products and services and upgrade our sales foundation in our role as a comprehensive finance company. We accelerated the various strategies outlined in our ***Vision 2010*** medium-term management plan, and worked to build a framework for sustained growth.

On the earnings front, we strove to raise profitability by delivering high-value-added services and procuring stable funds at low interest rates. As a result, gross profit edged up 0.7% year-on-year, to ¥104.7 billion. However, turbulent economic and financial conditions caused the business environment for corporate borrowers to deteriorate, leading to an increase in default-related expenses. Accordingly, operating income declined 47.0%, to ¥26.9 billion. In addition, the depression of stock markets caused devaluation of investment securities. As a result, net income for the year dropped 76.4%, to ¥7.1 billion.

We declared a year-end dividend of ¥23.00 per share for the year under review. Together with the interim dividend already paid, this brought total annual dividends to ¥46.00 per share, up ¥4.00 from the previous year, representing the 10th consecutive year of dividend increases.

Strategies and Policies

Although the year under review was one of dramatic change, we believe that various actions taken during the period were proper and sound. These actions were based on strategies stated in ***Vision 2010***, our medium-term management plan. We made particularly good progress in businesses positioned as priority fields, such as the operating lease business and the environment business. In these fields, we achieved steady growth by delivering value-added services that accurately reflect the needs of customers.

During the year, we established the Operating Lease Business Department as a dedicated entity for our operating lease business. By uncovering latent needs and strengthening our consulting capabilities, we achieved a ¥229.7 billion year-end balance of operating leases outstanding, a two-fold increase from the previous year. In the environment business, meanwhile, we globally expanded our energy-saving services and fully launched our carbon offset business. In these and other ways, we actively provided differentiated, value-added solutions to meet our customers' wide-ranging needs.

In the rapidly growing Chinese market, we reinforced the capabilities of our local operation by making it into a subsidiary. We also set up a local representative office in Vietnam, which has significant growth potential. In the process of accelerating global business expansion, we strove to build a stable foundation conducive to timely and elaborate responses to customer needs.

On the management side in general, we endeavored to improve sales productivity so that we can flexibly and swiftly adopt sharply changing business conditions. At the same time, we sought to reinforce our management, including by minimizing the various risks surrounding the Company. In addition, we took proactive steps to reform our corporate culture, with the aim of raising motivation of employees and productivity. These included reassessing our personnel evaluation system.

The Year Ahead

In this time of rapid and dynamic change in economic and financial conditions, our true capabilities as an aspiring comprehensive finance company will be severely tested. We have the advantage of solid customer relationships, a broad product and service lineup and expertise. In addition, we are able to procure stable funds, supported by our high credit ratings. Taking full advantage of these strengths, we will strive to meet the expectations of all stakeholders and thereby raise our corporate value. Meanwhile, we will remain focused on reinforcing our corporate governance system to improve our corporate foundations. We will also entrench legal compliance and endeavor to fulfill our environmental responsibilities, and thus contribute to the advance of local communities.

We look forward to your renewed support as we tackle the challenges ahead.

Naotaka Obata

Naotaka Obata
President & CEO

Special Feature 2:

Products and Services:

Seizing Opportunities

Proactive

Advanced

Diversity

Takeo Nakai
Operating Lease Business Department
General Manager

Proactive

Reducing Investment Cost Through Proprietary Residual Value Assessment

Operating Leases

Under operating leases, rent is calculated by deducting the estimated future value of leased equipment. This enables us to reduce total lease payments at levels lower than the equipment cost. Lease periods can be determined in a flexible manner according to customer needs, which means our clients can introduce new equipment as necessary. The Mitsubishi UFJ Lease & Finance Group has a number of unique companies, each specializing in a particular field. For example, U-Machine Inc. handles machine tools, Diamond Equipment, Inc. deals in semiconductor production equipment, M-CAST, Inc. handles medical equipment, and MUL Eco-Business Co., Ltd. specializes in personal computers. Deploying the know-how, databases and sales networks of these companies, we are able to accurately estimate future equipment value. This enables us to offer operating leases that deliver benefits to customers.

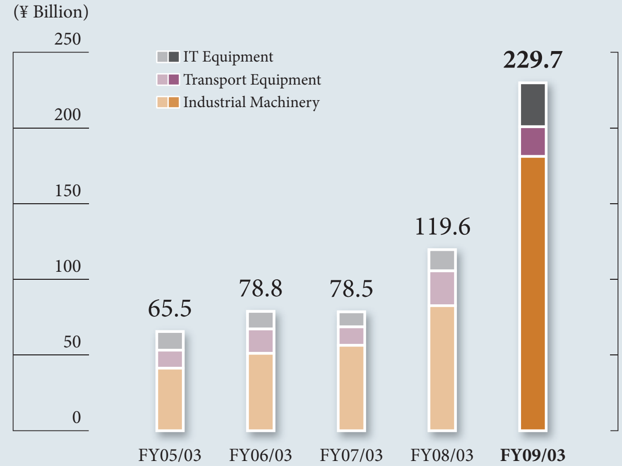
We have identified the operating lease business as a key strategic field under our medium-term management plan. To coincide with the start of the plan, we established the Operating Lease Business Department. Through this new entity and the aforementioned Group companies, we are striving to seek latent needs.

As of March 31, 2009, the balance of operating leases outstanding stood at ¥229.7 billion, a two-fold jump over the previous year. This reflects our ability to accurately address the needs of customers.

Going forward, we will continue actively allocating resources to our operating lease activities in order to expand this business.

Operating Leases Outstanding

(¥ Billion)



SYMPHONY

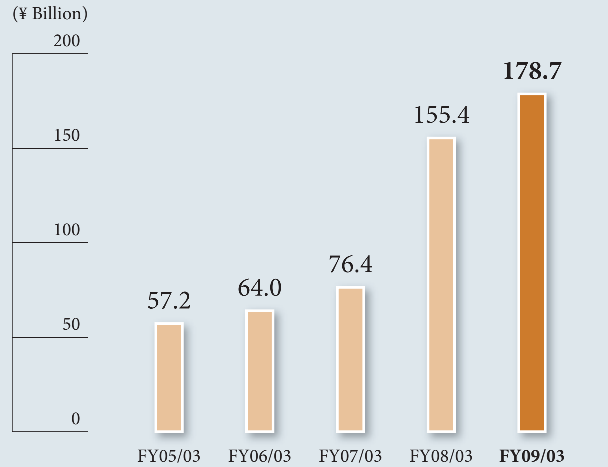
SYMPHONY is a real estate lease whereby we rent land from landowners under a commercial leasehold agreement, construct a building on the land according to the customer's specifications, and then lease that building to them. All construction and holding costs are included in the lease rent, which facilitates cost projections. And because we set such fees according to the lease period, customers can lower initial outgoings and spread their costs uniformly.

In the case of land with multiple landowners, we handle all negotiations on behalf of our customers. This lightens their burden with respect to cumbersome negotiations and related processes.

We led the industry in offering this type of service and have steadily built a strong track record. The types of leased facilities vary widely, ranging from large-scale shopping malls and multifunctional commercial facilities to logistics centers and showrooms.

Our SYMPHONY service continues to receive high acclaim from not only tenants but also developers and landowners.

SYMPHONY (Real Estate Lease) Outstanding



Reducing Initial Investment Burden

Michio Urisaka
Real Estate Project Department General Manager

Advanced

ESCO Business

Our ESCO (Energy Service Company) business is a comprehensive energy-saving support service covering buildings, factories, hotels, hospitals and other facilities. Under this service, we undertake energy-saving planning, work on behalf of the customer to coordinate renovations and handle subsequent operation and maintenance. We also offer quantitative verification of energy saved and even provide finance for the project. The initial expenditures associated with energy-saving upgrades are effectively covered by the resulting cost reductions, enabling customers to undertake energy-saving projects without major investment risks.

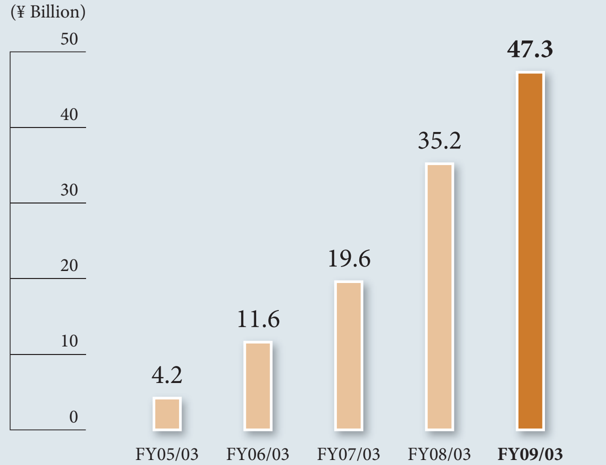
The Company was quick to grasp the potential of ESCO and entered the market at the initial stages of the business's introduction in Japan. As of March 31, 2009, Mitsubishi UFJ Lease & Finance has handled a total of 310 projects, making us a leading company in the field.

In June 2008, we established a dedicated organization to address the needs of customers wishing to make their overseas operations more energy-efficient. We now have a global framework in place to meet customers' energy-saving needs.

The Company continues to earn high acclaim for its energy-saving initiatives and business performance from public institutions and other entities. In February 2009, for example, our ESCO project received first prize as an Excellent ESCO Business from the Energy Conservation Center, Japan—the first company in the financial industry to do so.

ESCO Outstanding

(¥ Billion)



Promoting the Cost-Effectiveness of Environmental Investments

Kazuhiko Hayama
Eco-Finance Department General Manager

Sawako Makino
Vendor Lease Department
Carbon Offset Business Office
General Manager

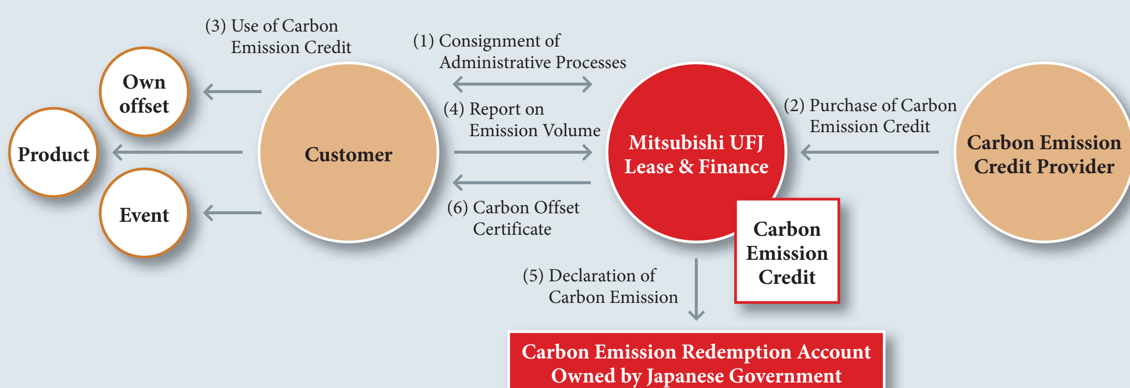
Responding to the Needs of a Low-Carbon Society

Carbon Offset Business

We launched our carbon offset business in 2008 ahead of many other firms to meet the needs of customers committed to promoting environmental activities through carbon offset. We have two main offerings. The first is the Carbon Natural Lease, which allocates carbon emission credit and offsets for CO_2 emitted by lease equipment in use.

The second is our Offset Partner Service, where we handle all processes, from purchase to deliver carbon emission credits, under contract on behalf of our customers. This is the first service of its type to be offered by a financial company in Japan. It includes full support across all processes, from procurement and management of emission rights to their final redemption in the government account. Accordingly, the service enables customers to easily utilize emission rights, irrespective of the volume involved, without having to engage in cumbersome administrative procedures. Although we have just launched the new service, we have already received good feedback from a wide range of customers across many sectors.

Offset Partner Service



Takaaki Murase
e-Commerce Promotion Department
General Manager

Pursuing Efficient Property Management

e-Leasing Direct

e-Leasing Direct is an asset management service in which the lease contract is completed online. Mitsubishi UFJ Lease & Finance was the first company in the industry to offer such a service, in which the entire range of lease transactions—from quotation to contract completion and asset management—are handled via the Internet.

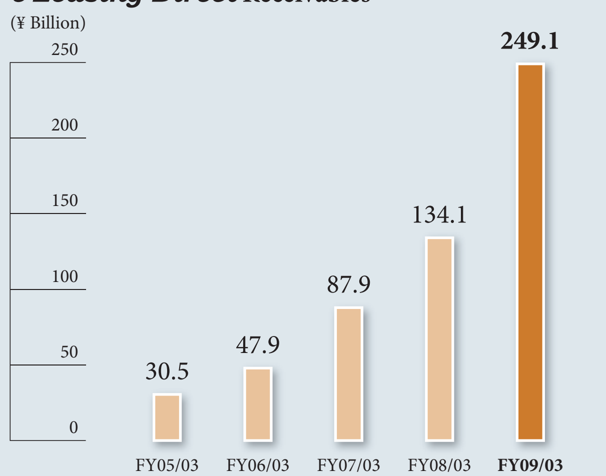
In addition to reductions in document storage costs, one benefit of digitization, ***e-Leasing Direct*** permits increased asset management efficiency with elimination of labor requirements. Moreover, ***e-Leasing Direct*** can be used for leases extended by other companies as well as those contracted with Mitsubishi UFJ Lease & Finance, giving the customer control of the asset management process.

Thanks to ***e-Leasing Direct***, customers can easily obtain monthly, quarterly, semiannual and annual financial data related to their leases. High-speed access to information enables customers to monitor the status of their assets in a timely manner, and we can also adjust lease statement reporting to suit the customer's requirements. In these ways, ***e-Leasing Direct*** provides accurate, swift responses to the demands of customers, and helps them manage their financial accounts and assets more efficiently.

This service has earned a particularly strong reputation from customers managing multiple properties. As of March 31, 2009, we had ***e-Leasing Direct*** contracts with more than 3,000 companies, and the balance of receivables was ¥249.1 billion, almost double the level of a year earlier.

Seeking to address the diversified and sophisticated needs of customers, we will continue upgrading our service functions and pursue further increases in added value.

e-Leasing Direct **Receivables**



Top-Tier Project Record

Diversity

Tetsuro Kato
Real Estate Project Department
Public Sector Section Chief Manager

PFI Business

Private finance initiative (PFI) utilizes the wide-ranging know-how of the private sector—from design and construction to maintenance, operation and fund-raising—for the benefit of public facilities. PFI involves a consortium of companies that specialize in various fields, such as construction, project management and financial services. This enables higher-quality management of projects with lower costs.

Since the enactment of the Act on Promotion of Private Finance Initiative in 1999, Mitsubishi UFJ Lease & Finance has been actively involved in PFI projects. In addition to simple finance services, we provide a comprehensive array of services, including acting as a representative to arrange and manage projects and offer advisory services.

Our PFI track record covers a variety of projects, including schools, public healthcare centers and child welfare facilities. In addition to basic finance, we serve as a consortium representative to create and manage successful projects. From the initial arrangement stage, for example, we fully consider the needs of the public sector and ensure that they are accurately reflected as the project evolves. By the end of the year under review, we had been involved in 34 successful PFI projects, making us a leading company in the PFI business field.

Major Projects

(Managed by the Mitsubishi UFJ Lease & Finance Group as a representative of a consortium)

Kyoto University Katsura Campus

Kobe City's Central Wholesale Market

Aichi Industrial & Labor Center

Fujimi Child Institution (Chiyoda-ku, Tokyo)

Healthcare Center (Toyohashi, Aichi)

Kousuke Katayama
Health and Welfare Business Department
General Manager

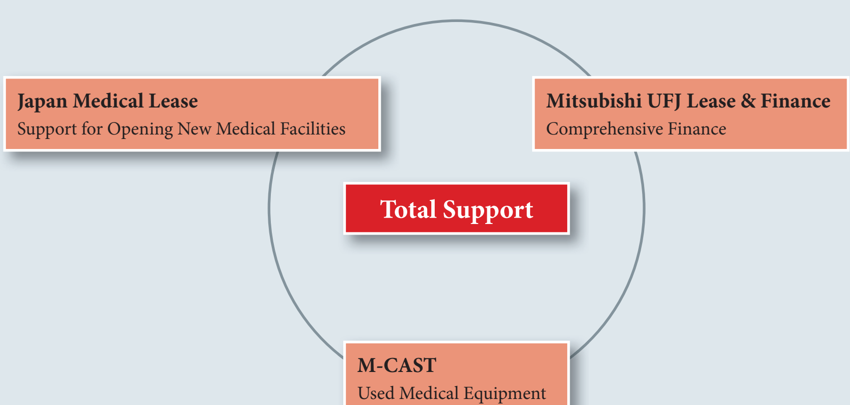
Discovering the Group's Full Potential

Medical Business

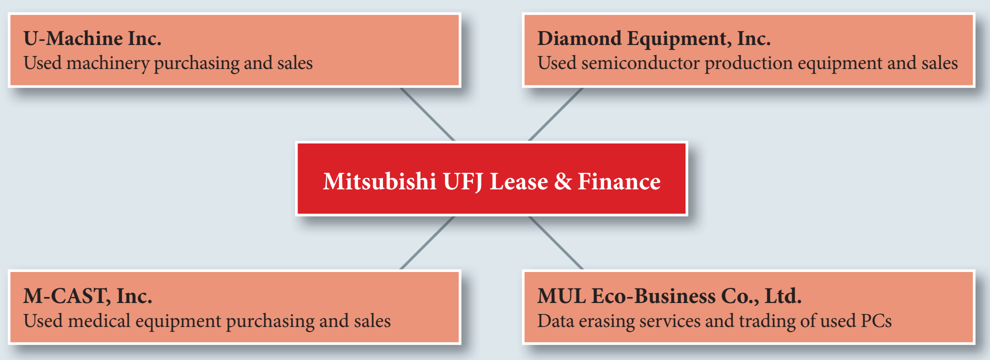
Mitsubishi UFJ Lease & Finance offers a variety of solutions to medical institutions, from financing support to purchase of medical equipment and cash flow enhancement.

We assist medical institutions in a number of ways, including extension of operating leases, support with acquiring used medical equipment and help with selling equipment that is no longer needed. For the purchase and sale of used medical equipment, M-CAST, Inc., a Group company specializing in this area, provides meticulous responses to customer needs. For customers opening new medical facilities, Japan Medical Lease Corporation, a Group company specializing in medical-related leases, has a solid performance record going back more than 30 years. Based on this record, the company provides total support, including help with real estate acquisition, financing advisory services and introduction of equipment, as well as assistance with staff procurement and all necessary processes. Demonstrating the wide-ranging strengths of our network and Group, we deliver optimal solutions to the various issues and needs in the medical sector.

In addition to finance, our medical business encompasses assistance from various perspectives. Working in alliance with other Group companies, we will promote this business nationwide and focus on providing services that contribute to regional medical advancement.



Trading and valuation of used equipment



Leveraging Valuation and Network Capabilities

Used Equipment Sales

The Mitsubishi UFJ Lease & Finance Group is actively involved in the purchase and sale of used machinery and equipment. Here, we seek to address the needs of customers wishing to purchase equipment in a timely manner and minimize investment risk, as well as those wanting to sell equipment that has become redundant.

We have a broad network and a wealth of expertise through leasing business. Deploying these strengths, we trade a wide range of used machinery and equipment, including machine tools, semiconductor production equipment, medical equipment and IT-related equipment.

The Group includes several used equipment trading companies, each specializing in a particular field. For example, U-Machine Inc. handles machine tools, Diamond Equipment, Inc. deals in semiconductor production equipment, M-CAST, Inc. handles medical equipment, and MUL Eco-Business Co., Ltd. specializes in personal computers. Through these companies, we address the needs of customers requiring purchase and sale of used equipment, not only in Japan but globally.

Corporate Social Responsibility

Mitsubishi UFJ Lease & Finance is engaged in a variety of CSR activities in its quest to earn the trust of all stakeholders, including customers, shareholders and other investors, and regional societies. Through these activities, we seek to help realize a sustainable society and thus fulfill our social responsibilities.

For Our Shareholders and Other Investors

Our Investor Relations Activities: Objectives and Basic Approach

The Company has formulated a set of fundamental IR policies. Guided by these policies, we pursue a range of activities that embody our basic IR approach. Specifically, we aim to earn the trust and fair evaluation of shareholders and other investors by continuously and actively providing precise, timely and fair disclosure of information about our management policies, business strategies, business activities, financial position and other topics.

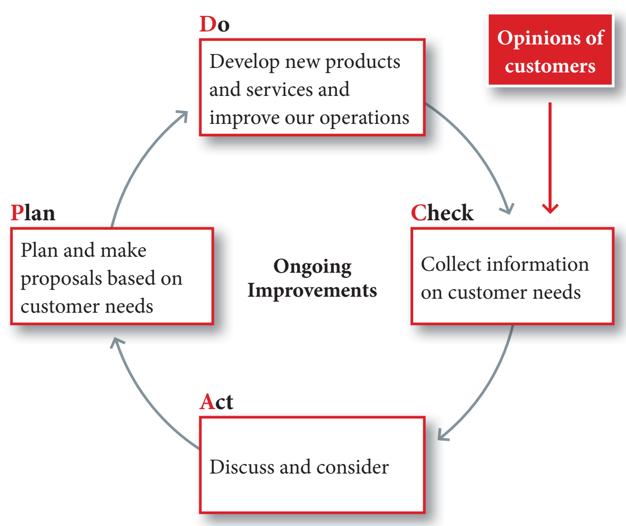
Moreover, we work to earn the greater understanding of shareholders and investors for the Company's activities as a whole through enhancing disclosure and improving the quality of disclosure.

For Our Customers

Improving Customer Satisfaction; PDCA Cycle

The Company has introduced a PDCA cycle in order to reflect the opinions of users and suppliers in its business activities and thus raise customer satisfaction. By implementing the ongoing cycle—Plan, Do, Check, Act—we strive constantly to develop new products and services and improve our operations in ways that accurately incorporate the needs of customers.

PDCA Cycle



For Our Employees

Childbirth and Child-Rearing Support System

Mitsubishi UFJ Lease & Finance is upgrading its childbirth and child-rearing support system, with the aims of creating an easy-to-work environment for employees giving birth and raising small children, and enabling employees to rear children and keep working in a comfortable manner. Under this system, 11 employees took special pre-childbirth leave and 22 took child-rearing leave during the year under review.

In addition to upgrading these systems, we strive to foster an environment and atmosphere that help employees use the systems. Our objective is to create workplaces in which male and female employees can work with peace of mind.

Main Support System

Special pre-childbirth leave	From 6 months before scheduled childbirth
Child-rearing leave	Until child turns two
Childbirth commemoration leave	Two-day leave for husbands of women giving birth
Shortened working hours	Working day shortened by up to two hours for pregnant employees, as well as male and female employees with children not yet in primary school
Nursing care leave	Up to 10 days per year

In-House Venture Business System

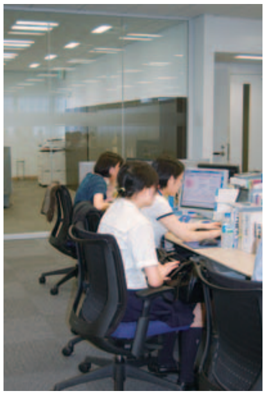
Seeking to foster an innovative corporate culture and create new business opportunities, in 2007 the Company launched an in-house venture business system. This system is for employees who come up with innovative business ideas and provides them with the platform and opportunity to realize those ideas. The main objective of the system is to engender a spirit of challenge among employees and encourage lively discussion about new businesses and reforms. To date, we have solicited new business ideas on two occasions under the system, which in July 2008 led to the birth of Global Asset Solution, our first in-house venture company.

For Local Communities

Job Shadow

On July 28, 2008, Mitsubishi UFJ Lease & Finance participated in the Job Shadow program as a joint initiative with Junior Achievement Japan and the Tokyo Metropolitan Government Board of Education. A total of 100 metropolitan high school students participated in Job Shadow programs across the entire MUFG Group, of whom nine visited the Company.

Job Shadow is an initiative of Junior Achievement, the world's largest economic education non-profit organization, headquartered in the United States. It is an educational program targeting junior and senior high school students, focusing on "job shadowing," or "watching people work."



Over a half-day period, students worked closely with our employees, giving positive feedback about the passion of our workers and the value of their experience.

For the Environment

The keywords for achieving a sustainable society are the "3 Rs": Reduce (reduce waste), Re-use (utilize second-hand market) and Recycle (recycle resources). By promoting the 3 Rs concept, we are working to minimize waste related to equipment whose leases have expired.

Reduce	Minimize waste by re-leasing or reselling equipment to extend their usage periods
Re-use	Re-lease or sell equipment in second-hand market
Recycle	Re-use items as raw materials

Message From the Chairman

Reinforcing Our Business Foundation: As a Trusted Company

Amid dramatically changing business conditions, Mitsubishi UFJ Lease & Finance, strives to advance its operations by providing a diverse array of financial services as a comprehensive finance company. Our most important task in this regard is to meet the expectations and earn the trust of all stakeholders.

We believe that conducting transparent and sound business operations is our eternal social responsibility. Based on this recognition, we are constantly reinforcing and enhancing the overall Group with respect to corporate governance, which underpins that responsibility.

The Company is working to strengthen corporate governance through clear separation of the management and business execution functions.

We seek to ensure multifaceted and highly transparent operations by actively embracing outside perspectives. To this end, we have welcomed four outside directors to the Board of Directors. The Audit Committee also has four outside members, each of whom conducts audits from an impartial perspective and thus helps us raise business transparency.

In our domestic and overseas sales operations, meanwhile, we are reinforcing our internal audit system while maintaining compliance and information security manuals. At the same time, we are striving to entrench and strengthen legal compliance through continuous training programs.

We are committed to earning the trust of customers, shareholders and employees and thus contributing to the realization of a prosperous society. As a comprehensive finance company, we will work to foster social advancement and meet the expectations of all stakeholders. In this quest, we will conduct ongoing reassessments in order to further reinforce our corporate governance system.

Kazuyoshi Tanaka,
Chairman

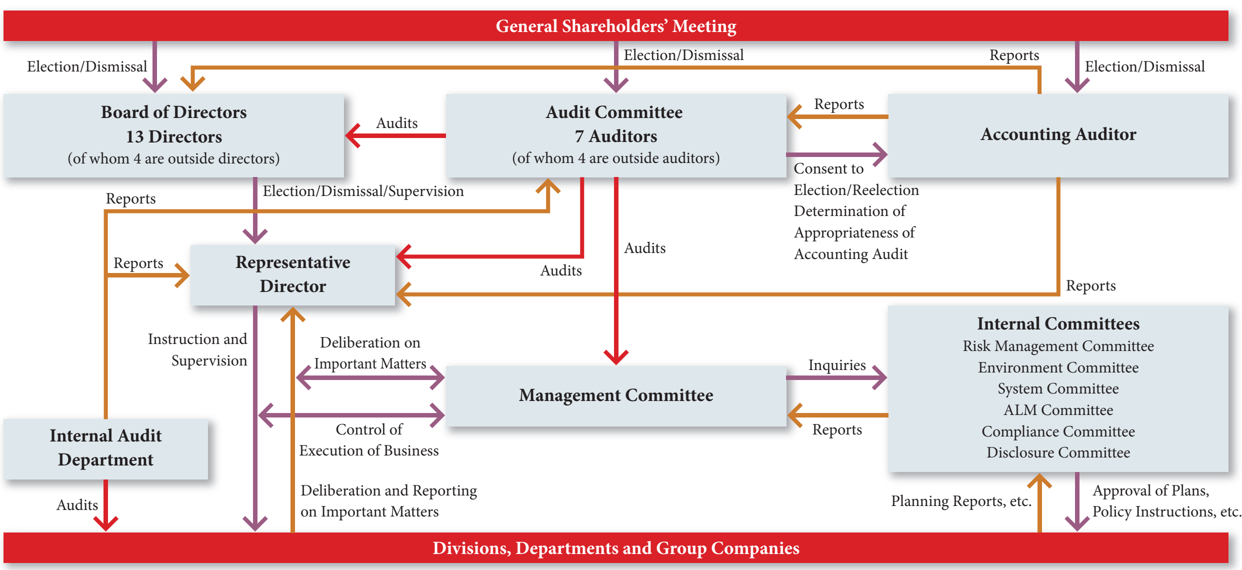
Corporate Governance

Mitsubishi UFJ Lease & Finance aims to continuously improve its corporate value through the execution of transparent and sound corporate management, and therefore considers enhancement of the corporate governance system a key management issue. The Company is constantly implementing and reviewing new initiatives, including further activating the Board of Directors, strengthening the functions of the Audit Committee and internal audit system, ensuring the timely disclosure of all necessary information, and bolstering investor relations. These actions ensure that the Company respects the rights and interests of all stakeholders and establishes satisfactory relations with them.

Internal Control Systems

The Company is working to establish and properly manage internal control systems in order to promote compliance with all necessary laws and regulations and to conduct transparent and fair corporate activities. Important matters regarding corporate management are decided by the Board of Directors. In order to increase management transparency, four members of the 13-member Board are elected from outside the Company. Further, the Management Committee deliberates on and decides matters related to management control of the business that the Board of Directors decides to execute. The Audit Committee comprises seven members, four of whom are from outside the Company. In collaboration with the Accounting Auditor and the Internal Audit Department, the Audit Committee conducts audits of execution of business from a multifaceted perspective. In order to separate management decision-making and supervisory functions from business execution functions and clarify their respective roles and

Organization of Corporate Governance



Internal Committees

To ensure the appropriate operation of internal control systems, the following internal committees, which are independent of line management, have been established.

- **Risk Management Committee:**
  Receives up-to-date reports on various risks from departments and branches, and checks countermeasures, policies and so forth against them
- **Environment Committee:**
  Administers the environmental management system based on ISO 14001
- **System Committee:**
  Checks efficiency of information systems and implements appropriate measures
- **ALM (Asset Liability Management) Committee:**
  Manages market risks, such as interest rate risk, assesses current status and issues, and deliberates on countermeasures
- **Compliance Committee:**
  Regularly reviews and assesses compliance with laws, regulations and rules, and ensures improvements to and establishment of the compliance system
- **Disclosure Committee:**
  Deliberates on the adequacy of information disclosure and internal controls in relation to disclosure

responsibilities, the Company employs an executive officer system, and promotes increased efficiency and speed in business execution. Furthermore, as part of the effort to enhance the corporate governance system, the Company has built a systematic framework for ensuring that business is executed in an appropriate manner.

- Framework for information disclosure: Mitsubishi UFJ Lease & Finance has established various internal rules in order to ensure timely and appropriate disclosure of information in accordance with accounting standards and various laws and regulations, as well as the Disclosure Committee, which performs checks to ensure the appropriateness of information disclosure and related processes.
- Framework for internal audits: The Internal Audit Department conducts systematic internal audits based on the annual audit plan, and makes comments and offers guidance for improvements as necessary. The Department also confirms the results of audits by reporting on the outcomes of improvements.

Compliance

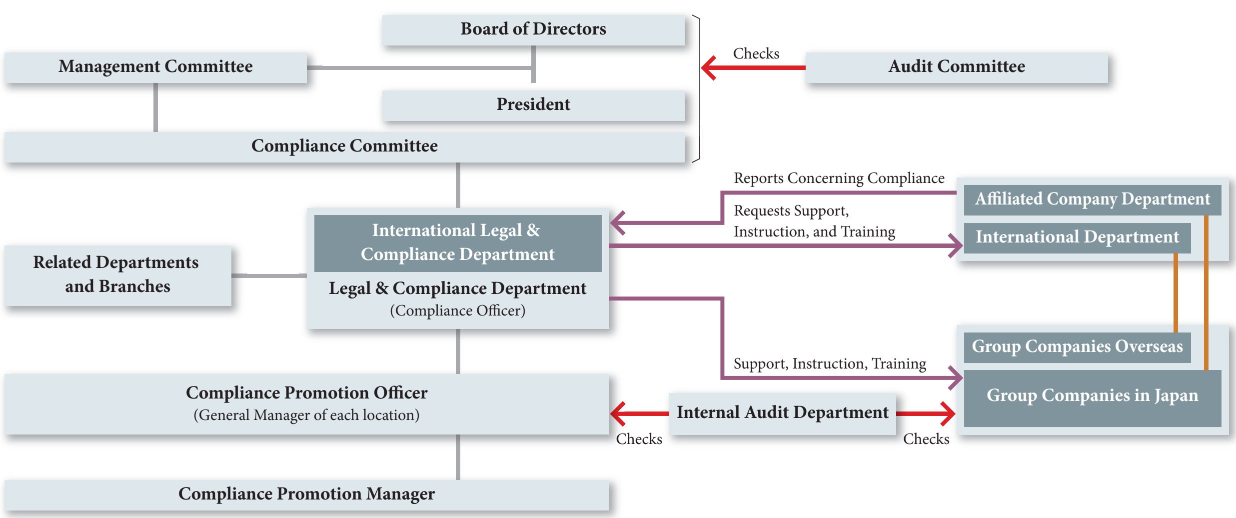
Compliance System

Compliance is regarded as one of the most important issues for management. Mitsubishi UFJ Lease & Finance therefore places top priority on strict legal and regulatory compliance in order to gain the trust of stakeholders.

The Compliance Committee, consisting of the president, chairman and corporate executive officers, was established as an internal advisory body of the Management Committee. The Compliance Committee meets every three months to review and assess current compliance practices and discuss improvement of the compliance system. Reports are made to the Management Committee.

The Compliance Rules were formulated as the core internal document clarifying the Company's overall compliance framework, including roles and responsibilities of directors, general managers, employees and others, as well as reporting lines. We also appointed a Chief Compliance Officer as the person in charge of legal companywide compliance activities, and one Compliance Promotion Manager has been appointed to provide education and guidance for each branch and department. The Company provides regular, ongoing compliance-related education in programs.

Compliance Structure



To reinforce the internal checking system, a compliance hotline has been set up to facilitate reporting and consulting on compliance concerns under the "Rules for Compliance Hotline."

The Company seeks to ensure proper compliance-oriented management in its future global business development in line with its international business expansion. To this end, in April 2008 we established the International Legal & Compliance Department, which is in charge of introducing compliance systems at our overseas operations. It also keeps track of international transactions from a legal standpoint.

To raise compliance-related awareness among all executives and employees, we formulated the Mitsubishi UFJ Lease & Finance Group Code of Ethics and Code of Conduct as a set of fundamental guidelines for Group members. The Code specifies basic values and ethical standards to be shared throughout the Mitsubishi UFJ Lease & Finance Group. In addition, all items necessary for proper compliance are unified and embodied in the Group's Compliance Manual, which is designed to entrench awareness among all executives and employees.

To ensure proper compliance with laws and other regulations in response to constantly changing social conditions, we are building a Compliance Risk Map to keep us attuned to newly emerging compliance risks, as well as existing risks with changing profiles. The Compliance Risk Map is subject to regular updates, the results of which are reported to the Compliance Committee.

Systems Related to Risk Management

Fully recognizing the need for a process to control the various risks associated with our business operations, the Risk Management Committee meets every three months to regularly assess risk. The Committee receives reports from departments and branches on the current status of (i) overall risk management, (ii) quantified integrated risk management, (iii) credit risk including country risk, (iv) market risk, (v) liquidity risk of funds, (vi) asset risk, (vii) operational risk, and (viii) other risks that impact management, and discusses countermeasures, as well as other matters.

Group Management

In cooperation with companies throughout the Group, Mitsubishi UFJ Lease & Finance has created a Group Management System with the aim of improving the corporate value of the entire Group and ensuring a basic shared set of values and sense of ethics. While preserving the autonomy of each company, this system manages Group companies appropriately by means of such tools as reporting, consultations, monitoring, and audits, enabling integrated Group business operations.

Code of Ethics

The Mitsubishi UFJ Lease & Finance Group has established a Code of Ethics to serve as basic guidelines for the Group's directors and employees.

(1) Establishing trust
(2) Taking a customer-first approach
(3) Strict compliance with laws and regulations
(4) Respect for human rights and the environment
(5) Confront anti-social forces

Board of Directors, Corporate Auditors and Executive Officers

(as of July 1, 2009)

Board of Directors

Chairman	Kazuyoshi Tanaka
President & CEO	Naotaka Obata*
Deputy Presidents	Ryuichi Murata*
	Tetsuo Komori*
Senior Managing Directors	Kazuo Momose*
	Yoshio Hirata*
Managing Directors	Takashi Miura*
	Hideki Urushibata*
	Koichi Sakamoto*
Directors	Tadashi Ishikawa Chairman of Toyota Industries Corporation
	Hideshi Takeuchi Executive Vice President of Mitsubishi Corporation
	Katsumi Yoneda Managing Executive Officer of Meiji Yasuda Life Insurance Company
	Takami Matsubayashi Executive Vice-President of Nagoya Railroad Co., Ltd.

Notes: 1. * indicate concurrent posts of Director and Executive Officer.
2. Messrs. Tadashi Ishikawa, Hideshi Takeuchi, Katsumi Yoneda and Takami Matsubayashi are outside directors defined in Article 2, Item 15 of the Corporation Act.

Corporate Auditors

Corporate Auditors	Tamotsu Naito
	Kuniaki Takahashi
	Shigeyuki Murai
Corporate Auditors	Tatsunori Imagawa Corporate Auditor of The Bank of Tokyo-Mitsubishi UFJ, Ltd.
	Syoji Tokumitsu President of Chukyo TV. Broadcasting Co., Ltd.
	Shinichiro Hayakawa Professor of University of Tokyo, Graduate School of Arts and Sciences
	Shigeru Tsuburaya President of M U Trust Apple Planning Company, Ltd.

Note: Messrs. Tatsunori Imagawa, Syoji Tokumitsu, Shinichiro Hayakawa and Shigeru Tsuburaya are outside auditors defined in Article 2, Item 16 of the Corporation Act.

Executive Officers

Senior Managing Executive Officer	Masakazu Okabayashi
Managing Executive Officers	Makoto Tsuji
	Koji Saimura
	Nobuyoshi Ishii
	Kiyohiko Kohama
	Akio Wada
Executive Officers	Hiromichi Kawai
	Tokutaro Yasuda
	Takao Tomoto
	Hiroshi Kato
	Tetsuro Nishi
	Hiromasa Oda
	Masami Tozaki
	Masaaki Yokote
	Hiroyuki Kimijima
	Osamu Miki
	Kiyoshi Tada

Note: Excluding Executive Officers concurrently serving as Directors (eight people)

Financial Information

Management's Discussion and Analysis

Business Results

The impact of the global economic recession has spread to Japan's real economy, rapidly transforming the environment in which Mitsubishi UFJ Lease & Finance operates at a speed and scale greater than envisioned. Based on Vision 2010, the Company's medium-term management plan, during the fiscal year ended March 31, 2009 Mitsubishi UFJ Lease & Finance worked aggressively to develop business by providing a wide selection of high-value-added products and services. However, due to factors such as the drop in capital expenditures resulting from the sudden economic downturn, the consolidated volume of new transactions fell by 12.5% year on year, to ¥1,705.1 billion.

By segment, the number of new contracts in the leasing business fell 5.2% year on year to ¥561.7 billion, installment sales declined 49.6% to ¥84.0 billion, the loans business was down 13.2% to ¥910.6 billion, and other businesses rose 6.8% year on year to ¥148.7 billion. Consequently, consolidated operating results for the fiscal year ended March 31, 2009 are as follows.

Consolidated total revenues were ¥818.6 billion, down 17.1% compared with the previous year due to a change in lease accounting standards. The breakdown of revenues is as follows: revenues from the leasing business were down 19.7% to ¥613.7 billion; revenues from installment sales were down 14.7% to ¥140.2 billion; revenues from loans were up 3.3% to ¥38.4 billion; and revenues from other business were up 22.0% to ¥26.3 billion.

In terms of earnings, the rapid changes in economic and financial conditions surrounding our clients worsened. Under these circumstances, Mitsubishi UFJ Lease & Finance recognized ¥31.7 billion for credit costs related to doubtful debt (including general provision for loan losses), resulting in a 47.0% decline in operating income to ¥26.9 billion. Moreover, the Company recognized an extraordinary loss of approximately ¥1.5 billion as a result of changes in lease accounting standards, in addition to a loss of ¥7.5 billion on devaluation of investment securities due to stagnation in the domestic stock markets. As a result, net income was down 76.4% from the previous year, to ¥7.1 billion.

Financial Position

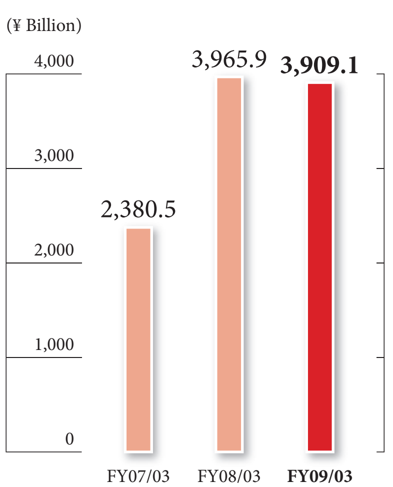
At March 31, 2009, total assets stood at ¥3,909.1 billion, representing a drop of ¥56.8 billion (1.4%) year on year.

As a result of a change in lease accounting standards, treatment of lease receivable securitizations with certain conditions has been changed and dealt with off-balance sheet. Consequently, total assets at fiscal year-end were down ¥226.5 billion at the beginning of the fiscal year.

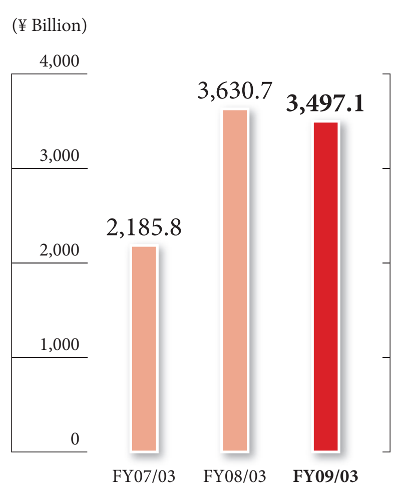
Consolidated net assets were up ¥30.2 billion (9.7%) from the previous fiscal year-end to ¥342.6 billion, and the equity ratio was 8.4%, up 0.9 points year on year.

Cash and cash equivalents (hereafter "cash") totaled ¥54.7 billion, an increase of ¥44.6 billion (448.6%), compared with previous fiscal year-end.

Total Assets



Operating Assets



Operating activities used net cash of ¥103.2 billion, compared with ¥109.6 billion in the previous fiscal year-end. Operating cash flows included cash outflows of ¥109.9 billion for purchases of leased assets and ¥214.3 billion associated with increases in loans and marketable securities. This compared with cash inflows of ¥17.3 billion from income before income taxes and minority interests and ¥70.6 billion from non-cash expenses relating to leased assets, specifically depreciation and amortization, and disposal and sale of assets.

Investing activities used net cash of ¥32.2 billion, compared with ¥13.1 billion in the previous fiscal year. This was due to purchases of property and equipment of ¥6.2 billion and purchases of investment securities of ¥24.9 billion.

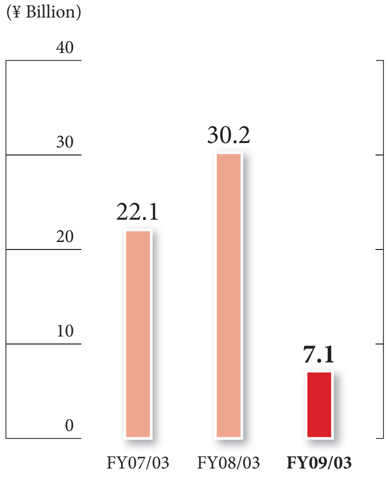
Financing activities provided net cash of ¥180.9 billion, compared with ¥117.4 billion in the previous year. This was largely as a result of cash inflows of ¥49.2 billion from direct financing and ¥103.0 billion from indirect financing.

Dividend Information and Basic Policy on the Distribution of Profits

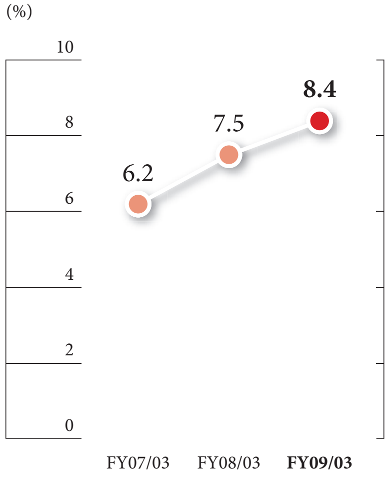
To aggressively address broad-based customer needs, Mitsubishi UFJ Lease & Finance focuses on strengthening its financial foundation. At the same time, the Company will consistently and stably distribute dividends in balance with its policy of strengthening equity capital, in order to meet the expectations of our shareholders. Going forward, the Company will effectively make use of internal reserves by using them as capital for investments in strategic fields, applying them to the purchase of prime business assets, and other uses.

The year-end dividend payment for the year under review was set at ¥23 per share. The total annual dividend, including the interim dividend increased by ¥4 year on year to ¥46, meaning the Company has increased dividends for ten years in a row.

Net Income



Equity Ratio



Consolidated Balance Sheets

Mitsubishi UFJ Lease & Finance Company Limited and Consolidated Subsidiaries
March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009
Assets			
Current assets:			
Cash and cash equivalents	¥ 54,653	¥ 9,962	$ 557,684
Time deposits other than cash equivalents	4,568	21	46,612
Marketable securities (Note 4)	68,292	35,079	696,857
Receivables (Note 16):			
Lease	15,747	38,434	160,684
Installment sales	421,816	485,628	4,304,245
Loans (Note 9)	1,227,717	1,145,939	12,527,724
Lease receivables and investments in lease (Notes 6 and 9)	1,335,578		13,628,347
Inventories (Note 5)	7,098	3,185	72,428
Deferred tax assets (Note 17)	8,495	8,248	86,684
Prepaid expenses and other	62,735	47,277	640,153
Allowance for doubtful receivables	(17,827)	(5,940)	(181,908)
Total current assets	3,188,872	1,767,833	32,539,510
Leased assets — at cost	357,406	3,818,387	3,647,000
Accumulated depreciation	(127,659)	(2,023,450)	(1,302,643)
Net leased assets	229,747	1,794,937	2,344,357
Advances for purchases of leased assets	4,872	8,928	49,715
Total leased assets (Note 7)	234,619	1,803,865	2,394,072
Investments and other assets:			
Investment securities (Notes 4 and 9)	292,972	247,144	2,989,510
Investments in unconsolidated subsidiaries and associated companies	23,486	17,194	239,653
Investment in equity other than capital stock	11,004	16,270	112,286
Goodwill (Note 8)	49,740	52,734	507,551
Long-term receivables	47,984	6,383	489,633
Deferred tax assets (Note 17)	15,143	6,961	154,520
Other	38,540	39,101	393,265
Allowance for doubtful receivables	(3,695)	(2,015)	(37,704)
Total investments and other assets	475,174	383,772	4,848,714
Property and equipment — at cost	16,138	15,295	164,674
Accumulated depreciation	(5,726)	(4,874)	(58,429)
Net property and equipment	10,412	10,421	106,245
Total	¥3,909,077	¥ 3,965,891	$39,888,541

See notes to consolidated financial statements.

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009
Liabilities and Equity			
Current liabilities:			
Short-term borrowings (Notes 10 and 16)	¥1,737,417	¥1,708,679	$17,728,745
Current maturities of long-term debt (Notes 6, 9, 10 and 16)	370,377	503,938	3,779,357
Payables — trade:			
Notes	13,588	23,600	138,653
Accounts	96,431	94,466	983,990
Accrued expenses	25,734	15,851	262,592
Income taxes payable	3,409	13,571	34,786
Deposits from customers	11,779	16,843	120,194
Deferred profit on installment sales	53,348	54,484	544,367
Other (Notes 16 and 17)	60,335	57,879	615,663
Total current liabilities	2,372,418	2,489,311	24,208,347
Long-term liabilities:			
Long-term debt, less current maturities (Notes 6, 9, 10 and 16)	1,125,564	1,102,056	11,485,347
Liability for retirement benefits (Note 11)	2,597	2,419	26,500
Deferred tax liabilities (Note 17)	1,664	2,370	16,980
Other (Note 9)	64,201	57,383	655,112
Total long-term liabilities	1,194,026	1,164,228	12,183,939
Commitments and contingent liabilities (Notes 12, 18 and 19)			
Equity (Notes 13, 14, 16 and 21):			
Common stock — authorized, 320,000,000 shares in 2009 and 2008; issued, 89,583,416 shares in 2009 and 80,318,416 shares in 2008	33,196	16,440	338,735
Capital surplus	166,789	150,034	1,701,929
Retained earnings	139,858	136,458	1,427,122
Net unrealized loss on available-for-sale securities	(5,105)	(1,992)	(52,092)
Deferred loss on derivatives under hedge accounting	(618)	(719)	(6,306)
Foreign currency translation adjustments	(5,082)	(1,617)	(51,857)
Treasury stock — at cost, 26,870 shares in 2009 and 26,817 shares in 2008	(74)	(74)	(755)
Sub-total	328,964	298,530	3,356,776
Minority interests	13,669	13,822	139,479
Total equity	342,633	312,352	3,496,255
Total	¥3,909,077	¥3,965,891	$39,888,541

Consolidated Statements of Income

Mitsubishi UFJ Lease & Finance Company Limited and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009
Revenues:			
Lease (Note 16)	¥613,717	¥763,990	$6,262,418
Installment sales (Note 16)	140,159	164,293	1,430,194
Loans (Note 16)	38,393	37,177	391,765
Other	26,350	21,596	268,878
Total revenues	818,619	987,056	8,353,255
Costs:			
Lease	539,425	684,595	5,504,337
Installment sales	129,785	152,173	1,324,337
Interest (Note 16)	34,533	34,608	352,378
Other	10,161	11,649	103,683
Total costs	713,904	883,025	7,284,735
Gross profit	104,715	104,031	1,068,520
Selling, general and administrative expenses (Note 15)	77,829	53,307	794,173
Operating income	26,886	50,724	274,347
Other income (expenses):			
Dividend income	763	790	7,786
Interest expense — Net of interest income of ¥134 million ($1,367 thousand) in 2009 and ¥168 million in 2008 (Note 16)	(2,278)	(1,899)	(23,245)
Loss on revaluation of investments in securities	(7,482)	(1,817)	(76,347)
Other — Net	(575)	6,021	(5,868)
Income before income taxes and minority interests	17,314	53,819	176,673
Income taxes (Note 17):			
Current	17,043	26,287	173,908
Deferred	(7,087)	(3,824)	(72,316)
Total	9,956	22,463	101,592
Minority interests in net income	212	1,110	2,163
Net income	¥ 7,146	¥ 30,246	$ 72,918

	Yen		U.S. Dollars
	2009	2008	2009
Amounts per share of common stock (Note 2. p):			
Basic net income	¥80.17	¥376.70	$0.82
Cash dividends applicable to the year	46.00	42.00	0.47

See notes to consolidated financial statements.

Consolidated Statements of Changes in Equity

Mitsubishi UFJ Lease & Finance Company Limited and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

	Thousands of Shares		Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009	2008	2009
Common stock					
Beginning balance	80,318	56,980	¥ 16,440	¥ 16,440	$ 167,755
Issuance of common stocks (Note 14)	9,265		16,756		170,980
Increase by merger (Note 3)		23,338			
Ending balance	89,583	80,318	¥ 33,196	¥ 16,440	$ 338,735
Capital surplus					
Beginning balance			¥150,034	¥ 17,051	$1,530,959
Issuance of common stocks (Note 14)			16,755		170,970
Increase by merger (Note 3)				132,983	
Ending balance			¥166,789	¥150,034	$1,701,929
Retained earnings					
Beginning balance			¥136,458	¥107,127	$1,392,429
Adjustment of retained earnings for newly consolidated subsidiaries				4	
Net income			7,146	30,246	72,918
Cash dividends paid			(3,746)	(2,825)	(38,225)
Adjustment of retained earnings of previous period				1,906	
Ending balance			¥139,858	¥136,458	$1,427,122
Net unrealized loss on available-for-sale securities					
Beginning balance			¥ (1,992)	¥ 6,546	$ (20,327)
Net change in the year			(3,113)	(8,538)	(31,765)
Ending balance			¥ (5,105)	¥ (1,992)	$ (52,092)
Deferred loss on derivatives under hedge accounting					
Beginning balance			¥ (719)	¥ 444	$ (7,337)
Net change in the year			101	(1,163)	1,031
Ending balance			¥ (618)	¥ (719)	$ (6,306)
Foreign currency translation adjustments					
Beginning balance			¥ (1,617)	¥ (1,052)	$ (16,500)
Net change in the year			(3,465)	(565)	(35,357)
Ending balance			¥ (5,082)	¥ (1,617)	$ (51,857)
Treasury stock					
Beginning balance	(27)	(27)	¥ (74)	¥ (74)	$ (755)
Ending balance	(27)	(27)	¥ (74)	¥ (74)	$ (755)
Minority interests					
Beginning balance			¥ 13,822	¥ 7,786	$ 141,041
Net change in the year			(153)	6,036	(1,562)
Ending balance			¥ 13,669	¥ 13,822	$ 139,479

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Mitsubishi UFJ Lease & Finance Company Limited and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009
Operating activities:			
Income before income taxes and minority interests	¥ 17,314	¥ 53,819	$ 176,673
Adjustment for:			
Income taxes-paid	(27,112)	(28,358)	(276,653)
Depreciation and amortization	56,497	580,719	576,500
Amortization of negative goodwill	(25)	(25)	(255)
Provision (reversal) of allowance for doubtful receivables	10,666	(582)	108,837
Cost of disposal and sales on leased up assets	21,033	64,916	214,622
Loss on revaluation of investment securities	7,482	1,817	76,347
Provision for liability for retirement benefits	210	84	2,143
Changes in assets and liabilities			
Increase in trade receivables	(80,855)	(137,114)	(825,051)
Decrease in lease receivables and investments in lease	74,534		760,551
Decrease in trade payables	(4,929)	(27,213)	(50,296)
Increase in interest payable	784	836	8,000
Purchases of leased assets	(109,880)	(587,639)	(1,121,224)
Other — net	(68,869)	(30,867)	(702,745)
Total adjustments	(120,464)	(163,426)	(1,229,224)
Net cash used in operating activities	(103,150)	(109,607)	(1,052,551)
Investing activities:			
Purchases of property and equipment	(6,153)	(5,176)	(62,786)
Purchases of investment securities	(24,879)	(17,568)	(253,867)
Proceeds from sales/redemption of investment securities	3,471	7,331	35,418
Payments for transfers of consolidated subsidiary	(157)		(1,602)
Proceeds from sales of consolidated subsidiaries		936	
Payments into time deposits	(4,551)		(46,439)
Other — net	23	1,348	235
Net cash used in investing activities	(32,246)	(13,129)	(329,041)
Financing activities:			
Repayments of long-term debt	(558,285)	(575,369)	(5,696,785)
Proceeds from long-term debt	670,218	717,781	6,838,959
Net increase (decrease) in short-term borrowings	40,329	(22,096)	411,520
Cash dividends paid	(3,746)	(2,825)	(38,224)
Proceeds from issuance of common stocks (Note 14)	33,288		339,673
Other — net	(936)	(66)	(9,551)
Net cash provided by financing activities	180,868	117,425	1,845,592
Foreign currency translation adjustments on cash and cash equivalents	(781)	(124)	(7,969)
Cash and cash equivalents increased by merger		2,869	
Net increase (decrease) in cash and cash equivalents	44,691	(2,566)	456,031
Cash and cash equivalents of newly consolidated subsidiaries, beginning of year		3,911	
Cash and cash equivalents, beginning of year	9,962	8,617	101,653
Cash and cash equivalents, end of year	¥ 54,653	¥ 9,962	$ 557,684

See notes to consolidated financial statements.

a. Noncash investing and financing activity
Increase in assets and liabilities due to the merger with UFJ Central Leasing Co., Ltd. (Note 3):

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009
Current assets		¥ 324,654	
Fixed assets		1,128,028	
Current liabilities		899,320	
Fixed liabilities		415,183	

b. The company excluded Central Auto Leasing Co., Ltd., that was consolidated subsidiary, from consolidated group, because the Central Auto Leasing Co., Ltd. was merged into Mitsubishi Auto Leasing Corporation that is associated company and that the Company applies the equity method to the investment in. Assets and liabilities of Central Auto Leasing Co., Ltd., the proceeds concerning this merger, and the payments for transfers of consolidated subsidiary on the date of exclusion were as follows:

	Millions of Yen	Thousands of U.S. Dollars (Note 1)
	2009	2009
Current assets	¥36,744	$374,939
Fixed assets	20,587	210,072
Current liabilities	30,488	311,102
Fixed liabilities	25,720	262,449
Gain on change in equity	379	3,867
Part of continuous investment	379	3,867
Proceeds concerning the merger	1,881	19,194
Cash and cash equivalents	2,038	20,796
Difference: payments for transfers	(157)	(1,602)

The Company accounted this merger as cash merger, because the company transferred stock of Mitsubishi Auto Leasing Holdings Corporation that is parent company of Mitsubishi Auto Leasing Corporation on the premise that the Company acquire an equal number of stock of Mitsubishi Auto Leasing Holdings Corporation in accordance with the contracts concerning this merger.

Notes to Consolidated Financial Statements

Mitsubishi UFJ Lease & Finance Company Limited and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of Mitsubishi UFJ Lease & Finance Company Limited (the "Company") and its consolidated subsidiaries (together, the "Companies") have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2008 financial statements to conform to the classifications used in 2009.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥98=US$1.00, the approximate rate of exchange at March 31, 2009.

Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. Summary of Significant Accounting Policies

a. Consolidation — The consolidated financial statements as of March 31, 2009 include the accounts of the Company and its 83 (83 in 2008) significant subsidiaries.

Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Companies have the ability to exercise significant influence are accounted for by the equity method.

Investments in six (five in 2008) associated companies are accounted for by the equity method.

Investments in the remaining unconsolidated subsidiaries and associated companies are stated at cost. If the equity method of accounting had been applied to the investments in these companies, the effect on the accompanying consolidated financial statements would not be material.

The excess or less of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary at the date of acquisition is shown as "Goodwill" or "Negative goodwill" in "Investments and other assets" or "Long-term liabilities". Goodwill and Negative goodwill are amortized using the straight-line method over a period of 15 or 20 years.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Companies is eliminated.

b. Business Combination — In October 2003, the Business Accounting Council (the "BAC") issued a Statement of Opinion, "Accounting for Business Combinations", and on December 27, 2005, the Accounting Standards Board of Japan (the "ASBJ") issued ASBJ Statement No. 7, "Accounting Standard for Business Divestitures" and ASBJ Guidance No. 10, "Guidance for Accounting Standard for Business Combinations and Business Divestitures". These new accounting pronouncements were effective for fiscal years beginning on or after April 1, 2006.

The accounting standard for business combinations allows companies to apply the pooling of interests method of accounting only when certain specific criteria are met such that the business combination is essentially regarded as a uniting-of-interests.

For business combinations that do not meet the uniting-of-interests criteria, the business combination is considered to be an acquisition and the purchase method of accounting is required. This standard also prescribes the accounting for combinations of entities under common control and for joint ventures.

c. Cash Equivalents — Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value.

Cash equivalents include time deposits and commercial paper, all of which mature or become due within three months of the date of acquisition.

d. Lease Accounting — On March 30, 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions," which revised the previous accounting standard for lease transactions issued on June 17, 1993. The revised accounting standard for lease transactions is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted for fiscal years beginning on or after April 1, 2007.

Lessee — Finance leases that deem to transfer ownership of the leased property to the lessee are capitalized. However, under the previous accounting standard, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if capitalized" information was disclosed in the notes to the lessee's financial statements. In principal, the revised accounting standard requires that all finance lease transactions should be capitalized to recognize lease assets and lease obligations in the balance sheet but it permits leases which exist at the transition date and do not transfer ownership of the leased property to the lessee to be accounted for as operating lease transactions.

The Company and its consolidated domestic subsidiaries applied the revised accounting standard effective April 1, 2008 but the Company and its consolidated domestic subsidiaries accounted for leases which existed at the transition date and did not transfer ownership of the leased property to the lessee as operating lease transactions.

The leased assets are initially recorded at their acquisition costs and depreciated over the term of the lease on a straight-line basis.

Lessor — Finance leases that deem to transfer ownership of the leased property to the lessee are to be treated as sales. However, under the previous accounting standard, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if sold" information was disclosed in the notes to the lessor's financial statements. The revised accounting standard requires that all finance leases that deem to transfer ownership of the leased property to the lessee should be recognized as "lease receivables", and all finance leases that deem not to transfer ownership of the leased property to the lessee should be recognized as "investments in lease."

The Company and its consolidated domestic subsidiaries applied the revised accounting standard effective April 1, 2008. For the finance lease contracts which existed on adoption and did not transfer ownership of the leased property to the lessee, the appropriate book value of the leased assets (after deducting accumulated depreciation) at adoption is used as the beginning value of the investments in lease. Interest revenues of these finance lease contracts are calculated by straight-line method over the remaining lease period, instead of the interest method. Consequently interest revenue for the period is ¥47,218 million ($481,816 thousand) smaller than the amount calculated by interest method.

Due to the adoption of revised accounting standards, operating income and income before income taxes and minority interests increased by ¥2,509 million ($25,602 thousand) compared with the previous accounting treatment as operating lease. The Company and its consolidated domestic subsidiaries recorded allowance for doubtful receivables of ¥3,033 million ($30,949 thousand) on newly recognized lease receivables and investments in lease at the beginning of the current consolidated fiscal year. In addition, as to the transfer of lease credit obligations previously treated as financial transactions, the right to receive future lease payments included in lease credit obligations transferred are accounted for as sales transactions in revised accounting standard, so long as they satisfy off-balance requirements of financial assets. Due to these changes on adoption, other income of ¥1,542 million ($15,735 thousand) was recorded.

e. Installment Sales — The Companies record revenues and profits from installment sales at the due date of each receipt.

The Companies follow the industry practice of including installment receivables due after one year in current assets. Receivables due after one year amounted to ¥305,826 million ($3,120,673 thousand) in 2009 and ¥347,369 million in 2008, respectively.

f. Marketable and Investment Securities — All securities are classified as available-for-sale securities. Marketable available-for-sale securities are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity. The cost of securities sold is determined based on the moving average method.

Non-marketable available-for-sale securities are stated at cost determined by the moving average method.

The Company reviews the fair value of its available-for-sale securities on a regular basis to determine if the fair value of any individual security has declined below its cost and if such decline is other than temporary. If the decline in value is judged to be other than temporary, the security is written down to fair value. The resulting realized loss is included in the consolidated statements of income in the period in which the decline was deemed to be other than temporary.

Investments in limited partnership for investment, which are considered securities under Article 2, Clause 2 of the Japanese Financial Instrument and Exchange Act, are recorded under the equity method and based on the latest financial statements available on the reportable date ruled by the partnership contracts.

g. Inventories —Inventories held for sale in the ordinary course of business are stated at the lower of cost, which is determined by the average method, or net selling value, which is defined as the selling price less additional estimated manufacturing costs and estimated direct selling expenses. The replacement cost may be used in place of the net selling value, if appropriate.

h. Property and Equipment — Property and equipment held for the Companies' own use are stated at cost. Depreciation is computed based on the estimated useful lives of the assets under the declining-balance method while the straight-line method is applied to buildings acquired after April 1, 1998 for assets held by the Company and consolidated domestic subsidiaries, and for assets held by consolidated foreign subsidiaries.

The range of estimated useful lives of the assets is principally as follows:

Buildings: 2 to 50 years

Furniture and equipment: 2 to 20 years

i. Long-lived Assets — The Company and its consolidated domestic subsidiaries review their long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

j. Retirement and Pension Plans

Employees' Retirement Benefits — The Company has non-contributory funded pension plans for employees. Additionally, certain consolidated domestic subsidiaries have unfunded retirement benefit plans.

The liability for retirement benefits of the Company is computed based on projected benefit obligations and plan assets at the balance sheet date, while the liability for retirement benefits of the subsidiaries is provided at 100% of the amount which would be required if all employees had retired at the balance sheet date.

Retirement Allowances for Directors and Corporate Auditors — Retirement allowances for directors and corporate auditors are recorded to state the liability at the amount that would be required if all directors and corporate auditors retired at the balance sheet date.

k. Bonuses to Directors and Corporate Auditors — Bonuses to directors and corporate auditors are accrued at the year end to which such bonuses are attributable.

l. Income Taxes — The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

m. Appropriations of Retained Earnings — Appropriations of retained earnings at each year end are reflected in the financial statements for the following year upon resolutions of the Board of Directors.

n. Translation of Foreign Currency Accounts

Foreign Currency Transactions — All short-term and long-term monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date or, for hedged transactions, the applicable exchange rates. The foreign exchange gains and losses from translation are recognized in the consolidated statements of income to the extent that they are not hedged.

Foreign Currency Financial Statements — The balance sheet accounts and revenue and expense accounts of the consolidated foreign subsidiaries are translated into Japanese yen at the current exchange rate as of the balance sheet date except for equity, which is translated at the historical rate. Differences arising from such translation are shown as "Foreign currency translation adjustments" in a separate component of equity.

o. Derivative and Hedging Activities — The Companies utilize derivative financial instruments, including foreign exchange forward contracts, currency option contracts and currency swap contracts, to hedge foreign exchange risk associated with certain assets and liabilities denominated in foreign currencies. The Companies also enter into interest rate swap contracts and cap contracts to manage their interest rate risk exposures on certain assets and liabilities. The Companies do not enter into derivatives for trading or speculative purposes.

Derivative financial instruments are classified and accounted for as follows:

a) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the consolidated statements of income and b) for derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions.

The foreign exchange forward contracts, currency option contracts and currency swap contracts are utilized to hedge foreign exchange risk. Certain assets and liabilities denominated in foreign currencies are translated at the contracted rates if the contracts qualify for hedge accounting.

The interest rate swaps and caps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value. Instead the differential paid or received under the swap agreements is recognized and included in interest expense or income. Other interest rate swaps and caps which qualify for hedge accounting are measured at market value at the balance sheet date and the unrealized gains or losses are deferred until maturity as other liabilities or assets.

p. Per Share Information — Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Diluted net income per share is not disclosed because it is anti-dilutive.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years including dividends to be paid after the end of the year.

q. New Accounting Pronouncements

Asset Retirement Obligations — On March 31, 2008, the ASBJ published a new accounting standard for asset retirement obligations, ASBJ Statement No. 18 "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21 "Guidance on Accounting Standard for Asset Retirement Obligations." Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and the normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an increase or a decrease in the carrying amount of the liability and the capitalized amount of the related asset retirement cost. This standard is effective for fiscal years beginning on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or before March 31, 2010.

Business Combinations — On December 26, 2008, the ASBJ issued a revised accounting standard for business combinations, ASBJ Statement No.21, "Accounting Standard for Business Combinations." Major accounting changes under the revised accounting standard are as follows;
(1) The current accounting standard for business combinations allows companies to apply the pooling of interests method of accounting when certain specific criteria are met such that the business combination is essentially regarded as a uniting-of-interests. The revised standard requires to account for such business combination by the purchase method and the pooling of interests method of accounting is no longer allowed.
(2) The current accounting standard accounts for a bargain purchase gain (negative goodwill) to be systematically amortized within 20 years. Under the revised standard, the acquirer recognizes a bargain purchase gain in profit or loss on the acquisition date after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed with a review of such procedures used.

This standard is applicable to business combinations undertaken on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or after April 1, 2009.

Unification of Accounting Policies Applied to Foreign Associated Companies for the Equity Method — The current accounting standard requires to unify accounting policies within the consolidation group. However, the current guidance allows to apply the equity method for the financial statements of its foreign associated company which have been prepared in accordance with generally accepted accounting principles in their respective jurisdictions without unification of accounting policies.

On December 26, 2008, the ASBJ issued ASBJ Statement No.16 (Revised 2008), "Revised Accounting Standard for Equity Method of Accounting for Investments". The new standard requires adjustments to be made to conform the associate's accounting policies for similar transactions and events under similar circumstances to those of the parent company when the associate's financial statements are used in applying the equity method unless it is impracticable to determine adjustments. In addition, financial statements prepared by foreign associated companies in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States tentatively may be used in applying the equity method if the following items are adjusted so that net income is accounted for in accordance with Japanese GAAP unless they are not material: 1) amortization of goodwill; 2) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in the equity; 3) expensing capitalized development costs of R&D; 4) cancellation of the fair value model accounting for property, plant, and equipment and investment properties and incorporation of the cost model accounting; 5) recording the prior years' effects of changes in accounting policies in the income statement where retrospective adjustments to the financial statements have been incorporated; and 6) exclusion of minority interests from net income, if contained.

This standard is applicable to equity method of accounting for investments effective on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or after April 1, 2009.

3. Business Combination

a. On April 1, 2007, the Company merged with UFJ Central Leasing Co., Ltd., and changed its name to Mitsubishi UFJ Lease & Finance Company Limited.

The following summarizes the descriptions of the merger.

(1) The Company was the surviving company.

(2) The Company issued 23,338,416 shares of common stock and allotted them to shareholders of UFJ Central Leasing Co., Ltd. at the rate of 1 share of the Company in exchange for 1 share of common stock of UFJ Central Leasing Co., Ltd. The amount of money delivered due to merger was not paid.

(3) Following the merger there was no increase of common stock but there was an increase of capital surplus of ¥132,983 million.

(4) The accounting followed the purchase method, with the Company as the acquiring company.

(5) The total cost of the acquisition was ¥133,347 million.

(6) Goodwill in connection with the merger was ¥42,713 million.

(7) The related goodwill is amortized using the straight-line method over 20 years.

b. On February 1, 2009, Mitsubishi Auto Leasing Corporation, an associated company that the Company applies the equity method to, merged with Central Auto Leasing Co., Ltd., a consolidated subsidiary. The purpose of the merger was to improve customer satisfaction through developing and providing new services by making the best of skills of two companies. The Company acquired the stock of Mitsubishi Auto Leasing Holdings Corporation, parent company of Mitsubishi Auto Leasing Corporation as consideration for this merger.

The share of Central Auto Leasing Co., Ltd. was transferred on February 1, 2009. Therefore the ten-month statement of income of Central Auto Leasing Co., Ltd. is consolidated. The summary of the ten-month statement of income is as follows:

	Millions of Yen	Thousands of U.S. Dollars
Revenues	**¥24,593**	**$250,949**
Operating income	**¥ 75**	**$ 765**

4. Marketable and Investment Securities

Marketable and investment securities as of March 31, 2009 and 2008 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	**2009**
Current:			
Debt securities	**¥ 51,972**	¥ 20,396	**$ 530,326**
Trust fund investments and other	**16,320**	14,683	**166,531**
Total	**¥ 68,292**	¥ 35,079	**$ 696,857**
Non-current:			
Equity securities	**¥ 24,676**	¥ 30,257	**$ 251,796**
Debt securities	**176,651**	128,491	**1,802,561**
Trust fund investments and other	**91,645**	88,396	**935,153**
Total	**¥292,972**	¥247,144	**$2,989,510**

The carrying amounts and aggregate fair values of marketable and investment securities at March 31, 2009 and 2008 were as follows:

	Millions of Yen			
March 31, 2009	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	**¥19,426**	**¥1,850**	**¥4,330**	**¥16,946**
Debt securities	**11,603**	**1**	**2,217**	**9,387**
Trust fund investments	**4,021**		**1,816**	**2,205**

	Millions of Yen			
March 31, 2008	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥24,644	¥3,040	¥5,175	¥22,509
Debt securities	15,590	9	464	15,135
Trust fund investments	4,021		645	3,376

	Thousands of U.S. Dollars			
March 31, 2009	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	**$198,224**	**$18,878**	**$44,184**	**$172,918**
Debt securities	**118,398**	**10**	**22,622**	**95,786**
Trust fund investments	**41,031**		**18,531**	**22,500**

Available-for-sale securities whose fair value is not readily determinable as of March 31, 2009 and 2008 were as follows:

	Carrying amount		
	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	**2009**
Available-for-sale:			
Equity securities	**¥ 7,730**	¥ 7,748	**$ 78,877**
Debt securities	**219,236**	133,752	**2,237,102**
Other	**105,760**	99,703	**1,079,184**
Total	**¥332,726**	¥241,203	**$3,395,163**

Proceeds from sales of available-for-sale securities for the years ended March 31, 2009 and 2008 were ¥1,034 million ($10,551 thousand) and ¥5,992 million, respectively. Gross realized gains and losses on these sales, computed on the moving average cost basis, were ¥419 million ($4,276 thousand) and ¥33 million ($337 thousand), respectively, for the year ended March 31, 2009 and ¥3,390 million and ¥520 million, respectively, for the year ended March 31, 2008.

The carrying values of debt securities and trust fund investments by contractual maturities for securities classified as available-for-sale at March 31, 2009 are as follows:

	Millions of Yen	Thousands of U.S. Dollars
Due after one year through five years	¥229,788	$2,344,776
Due after five years through ten years	18,392	187,673
Due after ten years	1,429	14,582
Total	¥249,609	$2,547,031

The total carrying values of perpetuity bonds are not included in the above table.

5. Inventories

Inventories at March 31, 2009 and 2008 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Merchandise	¥4,609	¥2,862	$47,030
Real estate held for resale	2,489	323	25,398
Total	¥7,098	¥3,185	$72,428

6. Lease Receivables and Investments in Lease

Lease receivables at March 31, 2009 consisted of the following:

	Millions of Yen	Thousands of U.S. Dollars
Gross lease receivables	¥90,393	$922,378
Unearned interest income	(6,935)	(70,766)
Total	¥83,458	$851,612

The aggregate annual maturities of the future rentals on lease receivables as of March 31, 2009 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
2010	¥27,532	$280,939
2011	23,000	234,694
2012	15,151	154,602
2013	11,864	121,061
2014	6,248	63,755
Thereafter	6,598	67,327
Total	¥90,393	$922,378

Investments in lease at March 31, 2009 consisted of the following:

	Millions of Yen	Thousands of U.S. Dollars
Gross investments in lease	**¥1,521,631**	**$15,526,847**
Residual values	**80,707**	**823,541**
Unearned interest income	**(350,218)**	**(3,573,653)**
Total	**¥1,252,120**	**$12,776,735**

The aggregate annual maturities of the future rentals on investments in lease as of March 31, 2009 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
2010	¥ 408,379	$ 4,167,132
2011	313,231	3,196,235
2012	240,781	2,456,949
2013	168,672	1,721,143
2014	101,827	1,039,051
Thereafter	288,741	2,946,337
Total	¥1,521,631	$15,526,847

As discussed in Note 2.d, the Company and its consolidated domestic subsidiaries applied the revised accounting standard effective April 1, 2008. Due to this change, interests of finance lease contracts that do not transfer ownership of the leased property to the lessee and conclude before the transition date are recorded under the straight-line method over the remaining lease period. Income before income taxes and minority interests recorded by the straight-line method was ¥47,218 million ($481,816 thousand) smaller than would be recorded by the interest method from the beginning of transaction date.

Sublease contracts, including those that aiming to disperse the credit risks, amounts of balance sheet accounts including interest as of March 31, 2009 are as follows:

	Millions of Yen	Thousands of U.S. Dollars
Lease receivables	¥19,114	$195,041
Investments in lease	23,372	238,490
Lease obligations	42,914	437,898

7. Leased Assets

Leased assets as of March 31, 2009 and 2008 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	**2009**
Computers and office equipment	**¥ 28,966**	¥ 552,198	**$ 295,571**
Industrial and construction machinery	**118,066**	560,243	**1,204,755**
Other	**82,715**	682,496	**844,031**
Total	**¥229,747**	¥1,794,937	**$2,344,357**
Advances for purchases of leased assets	**4,872**	8,928	**49,715**
Total leased assets	**¥234,619**	¥1,803,865	**$2,394,072**

The minimum future rentals on lease contracts as of March 31, 2009 and 2008 were ¥147,881 million ($1,508,990 thousand) and ¥1,783,732 million, respectively.

The aggregate annual maturities of the minimum future rentals on lease contracts as of March 31, 2009 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
2010	¥ 42,645	$ 435,153
2011	32,533	331,969
2012	24,690	251,939
2013	18,072	184,408
2014	12,894	131,572
Thereafter	17,047	173,949
Total	¥147,881	$1,508,990

8. Goodwill

Goodwill at March 31, 2009 and 2008 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Goodwill in connection with the merger	**¥38,442**	¥40,578	**$392,265**
Consolidation goodwill	**11,298**	12,156	**115,286**
Total	**¥49,740**	¥52,734	**$507,551**

9. Pledged Assets

As of March 31, 2009 the following assets were pledged as collateral for long-term debt and other long-term liabilities.

	Millions of Yen	Thousands of U.S. Dollars
Lease receivables and investment in lease	¥186,362	$1,901,653
Receivables-loans	47,199	481,622
Investment securities	113	1,153

The liabilities secured by the foregoing assets were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Loans from the securitization of the minimum future rentals on lease contracts	¥ 49,064	$ 500,653
Loans from the banks and other financial institutions	162,960	1,662,857
Other long-term liabilities	1,896	19,347

In addition to the pledged assets above, the Company gave option to provide minimum future rentals on lease contracts and others for collateral pledged for long-term debt including current maturities of ¥7,271 million ($74,194 thousand).

10. Short-term Borrowings and Long-term Debt

Short-term borrowings as of March 31, 2009 and 2008 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Short-term loans from banks and other financial institutions with interest rates ranging:			
2009 — from 0.54% to 15.50%	¥ 844,517		$ 8,617,520
2008 — from 0.21% to 10.83%		¥ 807,879	
Commercial paper with interest rates ranging:			
2009 — from 0.26% to 1.85%	892,900		9,111,225
2008 — from 0.69% to 0.96%		900,800	
Total	¥1,737,417	¥1,708,679	$17,728,745

Substantially all of the Company's short-term bank loans are made under agreements, as is customary in Japan, which provide that, at the request of such banks, the Company will provide additional collateral or guarantors with respect to the loan. As of March 31, 2009, the Company has not received any such request.

Long-term debt as of March 31, 2009 and 2008 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Bonds			
Straight bonds and floating-rate bonds due 2009 with interest rates ranging from 0.50% to 1.10%		¥ 176,600	
Straight bonds and floating-rate bonds due 2010 with interest rates ranging from 0.84% to 6.52%	¥ 119,620	66,266	$ 1,220,612
Straight bonds and floating-rate bonds due 2011 with interest rates ranging from 0.79% to 4.88%	47,060	43,583	480,204
Straight bonds and floating-rate bonds due 2012 with interest rates ranging from 0.89% to 1.51%	56,600	7,600	577,551
Straight bonds and floating-rate bonds due 2013 with interest rates ranging from 0.89% to 1.74%	64,000	64,000	653,061
Straight bonds and floating-rate bonds due 2014 with interest rates ranging from 0.94% to 1.50%	4,000		40,816
Straight bonds due 2015 with interest rate of 2.22%	1,000	1,000	10,204
Straight bonds due 2018 with interest rate of 2.17%		1,000	
Loans from the securitization of the minimum future rentals on lease contracts with interest rates ranging:			
from 0.77% to 2.62%, due through 2016	156,103	262,897	1,592,888
Floating-rate, due through 2012	6,857	25,211	69,969
Lease obligations included fixed interests, due though 2023	42,926		438,021
Loans from the banks and other financial institutions, partially collateralized with interest rates ranging:			
from 0.38% to 8.06%, due through 2020		957,837	
from 0.48% to 6.80%, due through 2024	997,775		10,181,378
Total	1,495,941	1,605,994	15,264,704
Less current maturities	(370,377)	(503,938)	(3,779,357)
Long-term debt, less current maturities	¥1,125,564	¥1,102,056	$11,485,347

Annual maturities of long-term debt as of March 31, 2009 for the next five years and thereafter were as follows:

Year Ending March 31	Millions of Yen	Thousands of U.S. Dollars
2010	¥ 370,377	$ 3,779,357
2011	289,743	2,956,561
2012	265,906	2,713,327
2013	270,732	2,762,571
2014	180,019	1,836,929
Thereafter	119,164	1,215,959
Total	¥1,495,941	$15,264,704

The Company had loan commitment agreements as of March 31, 2009 and 2008 amounting to ¥275,000 million ($2,806,122 thousand) and ¥275,000 million, respectively, of which ¥245,000 million ($2,500,000 thousand) and ¥275,000 million were unused, respectively.

11. Retirement and Pension Plans

The Company has non-contributory funded pension plans for employees. Certain consolidated domestic subsidiaries have non-contributory funded pension plans for employees or unfunded retirement benefit plans.

Under most circumstances, employees terminating their employment are entitled to retirement benefits that are determined based on the rate of pay at the time of termination, years of service and certain other factors. Such retirement benefits are made in the form of a lump-sum severance payment from the Company or from its domestic subsidiaries and annuity payments from a trustee. If the termination is involuntary, such as when caused by retirement at the mandatory retirement age or caused by death, the employee is entitled to a larger payment than in the case of voluntary termination.

The liability for retirement benefits for directors and corporate auditors at March 31, 2009 and 2008 was ¥420 million ($4,286 thousand) and ¥468 million, respectively. The retirement benefits for directors and corporate auditors are paid subject to the approval of the shareholders.

The liability for employees' retirement benefits at March 31, 2009 and 2008 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	**2009**
Projected benefit obligation	**¥15,148**	¥12,110	**$154,571**
Fair value of plan assets	**(8,005)**	(8,269)	**(81,684)**
Unrecognized prior service cost	**(2,075)**	131	**(21,173)**
Unrecognized actuarial loss	**(3,083)**	(2,171)	**(31,459)**
Net liability	**1,985**	1,801	**20,255**
Prepaid pension cost	**(192)**	(150)	**(1,959)**
Accrued liability	**¥ 2,177**	¥ 1,951	**$ 22,214**

The components of net periodic benefit costs for the years ended March 31, 2009 and 2008 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Service cost	¥ 927	¥ 775	$ 9,459
Interest cost	223	178	2,276
Expected return on plan assets	(133)	(143)	(1,357)
Amortization of prior service cost	168	(15)	1,714
Recognized actuarial loss	183	104	1,867
Additionally paid retirement benefits	5	1	51
Net periodic benefit costs	¥1,373	¥ 900	$14,010

Assumptions used for the years ended March 31, 2009 and 2008 are set forth as follows:

	2009	2008
Discount rate	1.5 to 1.7%	1.5 to 1.9%
Expected rate of return on plan assets	1.5 to 1.7%	1.5 to 1.9%
Amortization period of prior service cost	13 to 14 years	14 years
Recognition period of actuarial gain/loss	10 to 20 years	13 to 20 years

12. Commitments and Contingent Liabilities

As of March 31, 2009, the Companies have commitments for the purchase of assets for leasing and installment sales, at a cost of approximately ¥121,579 million ($1,240,602 thousand).

The Companies are contingently liable as of March 31, 2009 as guarantor or co-guarantor for borrowings and others of ¥9,100 million ($92,857 thousand) for their unconsolidated subsidiaries and others.

The Companies have entered into various interest rate swaps, caps, cross-currency interest rate swaps, currency option and foreign exchange forward in the ordinary course of business (Note 19).

13. Equity

Since May 1, 2006, Japanese companies have been subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders' meeting. For companies that meet certain criteria such as; (1) having the Board of Directors, (2) having independent auditors, (3) having the Board of Corporate Auditors, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. The Company meets all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to a certain limitation and additional requirements. Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitation on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

Moreover, the additional dividend restriction that is restricted by the consolidated retained earnings applies to the Company.

(b) Increases/decreases and transfer of common stock, reserve and surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

(c) Treasury stock and treasury stock acquisition rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula.

Under the Companies Act, stock acquisition rights are now presented as a separate component of equity. The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

14. Capital Increase

The Company issued 9,265,000 shares (issue price per share: ¥3,617) of common stock of the Company as private placement to Mitsubishi Corporation on April 18, 2008. As a result of these new issuances of shares, the Company recorded increases of common stock account and additional paid-in capital account of ¥16,756 million ($170,980 thousand) and ¥16,755 million ($170,970 thousand), respectively.

15. Selling, General and Administrative Expenses

Selling, general and administrative expenses for the years ended March 31, 2009 and 2008 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Provision for doubtful receivables	¥31,789	¥ 4,220	$324,377
Employees' salaries, bonuses and allowances	13,400	14,545	136,735
Others	32,640	34,542	333,061
Total	¥77,829	¥53,307	$794,173

16. Related Party Transactions

The transactions with associates and a principal shareholder for the years ended March 31, 2009 and 2008 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Interest expense	¥ 4,813	¥ 3,667	$ 49,112
Revenue			
Lease		15,760	
Installment sales		3,791	
Loans	23	173	235
Capital increase	33,512		341,959

Amounts due from and to associates and a principal shareholder as of March 31, 2009 and 2008 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Receivables:			
Lease		¥ 233	
Installment sales		8,827	
Loans	¥ 16,000	2,000	$ 163,265
Minimum future rentals on lease contracts		33,433	
Short-term borrowings	242,714	185,000	2,476,673
Other current liabilities		374	
Long-term debt including current maturities	188,165	142,335	1,920,051

17. Income Taxes

The Company and its domestic subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 40.7% for the years ended March 31, 2009, and 2008.

The tax effects of significant temporary differences which resulted in deferred tax assets and liabilities at March 31, 2009 and 2008 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Deferred tax assets:			
Allowance for doubtful receivables	¥15,199	¥ 5,069	$155,092
Tax effect on deficit of the subsidiary	3,465	3,231	35,357
Advances received-lease	2,999	2,499	30,602
Other	16,812	20,271	171,551
Total	¥38,475	¥31,070	$392,602
Less valuation allowance	6,602	5,055	67,367
Less deferred tax liabilities	8,235	10,806	84,031
Net deferred tax assets	¥23,638	¥15,209	$241,204

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Deferred tax liabilities:			
Difference in assets and liabilities between purchase method and tax basis	¥5,562	¥ 9,440	$ 56,755
Other	4,435	3,754	45,256
Total	¥9,997	¥13,194	$102,011
Less deferred tax assets	8,235	10,806	84,031
Net deferred tax liabilities	¥1,762	¥ 2,388	$ 17,980

The difference between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statements of income for the year ended March 31, 2008 is not significant.

The reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statements of income for the year ended March 31, 2009 is as follows:

	2009
Normal effective statutory tax rate	40.7%
Increase in valuation allowance	11.0
Amortization of goodwill in connection with the merger, consolidation goodwill and negative goodwill	6.9
Provision for loss on liquidation of foreign subsidiaries	3.5
Dividend income and others not taxable	(5.2)
Other	0.6
Actual effective tax rate	57.5%

18. Leases

The Companies lease certain equipment and other assets under finance leases. Total rental expenses under such leases for the years ended March 31, 2009 and 2008 were ¥52 million ($531 thousand) and ¥109 million, respectively.

As discussed in Note 2.d, the Companies account for leases which existed at the transition date and do not transfer ownership of the leased property to the lessee as operating lease transactions.

Pro forma information of leased property, such as acquisition cost, accumulated depreciation, obligations under finance lease, depreciation expense and other information for finance leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis, for the years ended March 31, 2009 and 2008 were as follows:

	As of March 31, 2009		
	Millions of Yen		
	Property and equipment	Other (Software)	Total
Acquisition cost	¥ 71	¥ 24	¥ 95
Accumulated depreciation	(52)	(20)	(72)
Net leased property	¥ 19	¥ 4	¥ 23

	As of March 31, 2008		
	Millions of Yen		
	Property and equipment	Other (Software)	Total
Acquisition cost	¥131	¥ 202	¥ 333
Accumulated depreciation	(98)	(152)	(250)
Net leased property	¥ 33	¥ 50	¥ 83

	As of March 31, 2009		
	Thousands of U.S. Dollars		
	Property and equipment	Other (Software)	Total
Acquisition cost	$ 725	$ 245	$ 970
Accumulated depreciation	(531)	(204)	(735)
Net leased property	$ 194	$ 41	$ 235

Depreciation expense, which is not reflected in the accompanying consolidated statements of income, computed by the straight-line method, for the years ended March 31, 2009 and 2008 were ¥52 million ($531 thousand) and ¥109 million, respectively.

The future minimum payments for such non-cancelable financing leases, including the imputed interest, and operating leases as lessee at March 31, 2009 and 2008 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2009	2008	2009
Obligations under finance leases			
Due within one year	¥ 16	¥ 1,504	$ 163
Due after one year	7	2,200	72
Total	¥ 23	¥ 3,704	$ 235
Obligations under operating leases			
Due within one year	¥1,530	¥ 1,531	$15,612
Due after one year	2,530	3,504	25,816
Total	¥4,060	¥ 5,035	$41,428

Obligations under finance leases excluded the amounts of sublease contracts at 2009, included at 2008.

19. Derivatives

The Companies enter into foreign exchange forward contracts, currency option contracts and cross-currency interest rate swap contracts to hedge foreign exchange risk associated with certain assets and liabilities denominated in foreign currencies. The Companies also enter into interest rate swap contracts and cap contracts to manage their interest rate exposures on certain assets and liabilities.

All derivative transactions are entered into to hedge interest and foreign currency exposures incorporated within their businesses. Accordingly, market risk in these derivatives is basically offset by opposite movements in the value of hedged assets or liabilities. The Companies do not hold or issue derivatives for trading purposes. Because the counterparties to these derivatives are limited to major international financial institutions, the Companies do not anticipate any losses arising from credit risk. Derivative transactions entered into by the Companies have been made in accordance with internal policies which regulate the authorization and credit limit amounts.

The Companies had the following derivatives contracts outstanding at March 31, 2009 and 2008:

	Millions of Yen					
			2009			2008
	Contract Amount	Fair Value	Unrealized Gain/Loss	Contract Amount	Fair Value	Unrealized Gain/Loss
Cross-currency interest rate swap contracts:						
U.S. Dollar payment, Yen receipt	¥ 3,955	¥ 5	¥ 5			
Baht payment, Yen receipt	350	65	65			
Currency option contracts:						
Buying, call U.S. Dollar	¥ 17	¥ 0	¥ (0)			
Foreign exchange forward contracts:						
Selling				¥ 148	¥ 4	¥ 4
Buying	¥ 17	¥ 0	¥ 0	795	(1)	(1)
Interest rate swap contracts:						
Floating rate payment, fixed rate receipt	¥ 1,142	¥ 39	¥ 39	¥ 1,323	¥ (47)	¥ (47)
Fixed rate payment, floating rate receipt	4,869	(210)	(210)	17,787	(231)	(231)
Floating rate payment, floating rate receipt	13,000	89	89	13,000	100	100
Interest rate cap						
Buying	¥ 2,340	¥ 6	¥ (32)	¥ 342		¥ (4)

	Thousands of U.S. Dollars		
			2009
	Contract Amount	Fair Value	Unrealized Gain/Loss
Cross-currency interest rate swap contracts:			
U.S. Dollar payment, Yen receipt	$ 40,357	$ 51	$ 51
Baht payment, Yen receipt	3,571	663	663
Currency option contracts:			
Buying, call U.S. Dollar	$ 173	$ 0	$ (0)
Foreign exchange forward contracts:			
Buying	$ 173	$ 0	$ 0
Interest rate swap contracts:			
Floating rate payment, fixed rate receipt	$ 11,653	$ 398	$ 398
Fixed rate payment, floating rate receipt	49,684	(2,143)	(2,143)
Floating rate payment, floating rate receipt	132,653	908	908
Interest rate cap			
Buying	$ 23,878	$ 61	$ (327)

Derivative contracts which qualify for hedge accounting are assigned to the associated assets and liabilities and recorded in the consolidated balance sheets at March 31, 2009 and 2008. They are excluded from the disclosure of market value information.

The interest rate swaps which qualify for hedge accounting and meet specific matching criteria are excluded from the disclosure of market value information.

The contract amounts of derivatives which are shown in the above table do not represent the amounts exchanged by the parties and do not measure the Companies' exposure to credit or market risk.

20. Segment Information

Information about industry segments for the years ended March 31, 2009 and 2008 is as follows:

Industry segments

Year Ended March 31, 2009	Lease	Installment Sales	Loans	Other	Eliminations or Corporate	Consolidated
	Millions of Yen					
(1) Operating income						
Revenue from customers	¥ 613,717	¥140,159	¥ 38,393	¥ 26,350		¥ 818,619
Intersegment revenue	187		4,505	2,038	¥ (6,730)	
Total revenues	613,904	140,159	42,898	28,388	(6,730)	818,619
Operating expenses	588,221	138,038	37,653	17,789	10,032	791,733
Operating income	¥ 25,683	¥ 2,121	¥ 5,245	¥ 10,599	¥ (16,762)	¥ 26,886
(2) Total assets, depreciation and capital expenditures						
Total assets	¥1,647,095	¥426,531	¥1,659,346	¥348,940	¥(172,835)	¥3,909,077
Depreciation	49,660				3,662	53,322
Capital expenditures	106,162				6,167	112,329

Year Ended March 31, 2008	Lease	Installment Sales	Loans	Other	Eliminations or Corporate	Consolidated
	Millions of Yen					
(1) Operating income						
Revenue from customers	¥ 763,990	¥164,293	¥ 37,177	¥ 21,596		¥ 987,056
Intersegment revenue	590		4,274	1,561	¥ (6,425)	
Total revenues	764,580	164,293	41,451	23,157	(6,425)	987,056
Operating expenses	726,475	159,624	23,075	16,571	10,587	936,332
Operating income	¥ 38,105	¥ 4,669	¥ 18,376	¥ 6,586	¥ (17,012)	¥ 50,724
(2) Total assets, depreciation and capital expenditures						
Total assets	¥1,902,899	¥491,805	¥1,567,481	¥281,206	¥(277,500)	¥3,965,891
Depreciation	572,983				4,617	577,600
Capital expenditures	586,108				5,176	591,284

Year Ended March 31, 2009	Lease	Installment Sales	Loans	Other	Eliminations or Corporate	Consolidated
	Thousands of U.S. Dollars					
(1) Operating income						
Revenue from customers	$ 6,262,418	$1,430,194	$ 391,765	$ 268,878		$ 8,353,255
Intersegment revenue	1,908		45,970	20,796	$ (68,674)	
Total revenues	6,264,326	1,430,194	437,735	289,674	(68,674)	8,353,255
Operating expenses	6,002,255	1,408,551	384,214	181,521	102,367	8,078,908
Operating income	$ 262,071	$ 21,643	$ 53,521	$ 108,153	$ (171,041)	$ 274,347
(2) Total assets, depreciation and capital expenditures						
Total assets	$16,807,092	$4,352,357	$16,932,102	$3,560,612	$(1,763,622)	$39,888,541
Depreciation	506,735				37,367	544,102
Capital expenditures	1,083,286				62,928	1,146,214

As discussed in Note 2. d, the Company and its consolidated domestic subsidiaries applied the revised accounting standard effective April 1, 2008. The effect of this change was to increase operating income of lease segment by ¥2,509 million ($25,602 thousand).

Revenues and total assets of the Company and its domestic subsidiaries for the year ended March 31, 2009 and 2008, represented more than 90% of consolidated revenues and total assets of each respective year. Accordingly, geographic segments are not required to be disclosed.

Revenues from foreign customers for the years ended March 31, 2009 and 2008 represented less than 10% of consolidated revenues of each respective year. Accordingly, revenues from foreign customers are not required to be disclosed.

21. Subsequent Event

a. On May 19, 2009, the Board of Directors declared the appropriation of retained earnings as follows:

	Millions of Yen	Thousands of U.S. Dollars
Appropriations:		
Cash dividends of ¥23 ($0.23) per share	**¥2,060**	**$21,020**

b. The Company issued common corporate bond on June 11, 2009 as below.

Security name	Series 6 Unsecured corporate bond
Total amount of transfer corporate bond	¥45,000 million yen ($459,184 thousand)
Issued price	¥100 ($1.02) per face value ¥100 ($1.02)
Issued date	June 11, 2009
Term and redemption method	The principal of the Series 6 Unsecured corporate bond shall be redeemed in a lump sum on June 11, 2012.
Interest rate	1.28 % per annum
Collateral and guarantees	The Series 6 Unsecured corporate bond is neither secured by any collateral nor guaranteed, and there is no particular assets reserved for the payment of the Series 6 Unsecured corporate bond.
Funds purpose	Will be provided as circulating fund and funds to purchase the assets for lease and installment sales.

c. On May 19, 2009, the Board of Directors of the Company resolved to abolish providing retirement and severance benefits to directors and corporate statutory auditors as of the stockholders' meeting on June 26, 2009. At that stockholders' meeting, the Company approved payment of the accumulated retirement and severance benefits accrued until June 26, 2009 to the directors and the corporate statutory auditors.

On June 26, 2009, the Board of Directors of the Company resolved to abolish providing retirement and severance benefits to the officers, and the Company approved payment of the accumulated retirement and severance benefits accrued until June 26, 2009 to the officers.

d. At the stockholders' meeting on June 26, 2009, the Company approved the stock option plan for directors and officers. The plan provides for granting options to directors and officers to purchase the Company's common stock. The options will be granted at an exercise price that is ¥1 ($0.01) at the date of option grant.

Independent Auditors' Report

Deloitte.

Deloitte Touche Tohmatsu
MS Shibaura Building
4-13-23 Shibaura
Minato-ku, Tokyo 108-8530
Japan
Tel: +81 (3) 3457 7321
Fax: +81 (3) 3457 1694
www.deloitte.com/jp

To the Board of Directors of
Mitsubishi UFJ Lease & Finance Company Limited:

We have audited the accompanying consolidated balance sheets of Mitsubishi UFJ Lease & Finance Company Limited (the "Company") and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of income, changes in equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and consolidated subsidiaries as of March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

As discussed in Note 2.d to the consolidated financial statements, the Company and its consolidated domestic subsidiaries applied the ASBJ Statement No.13, "Accounting Standard for Lease Transactions" effective April 1, 2008.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 26, 2009

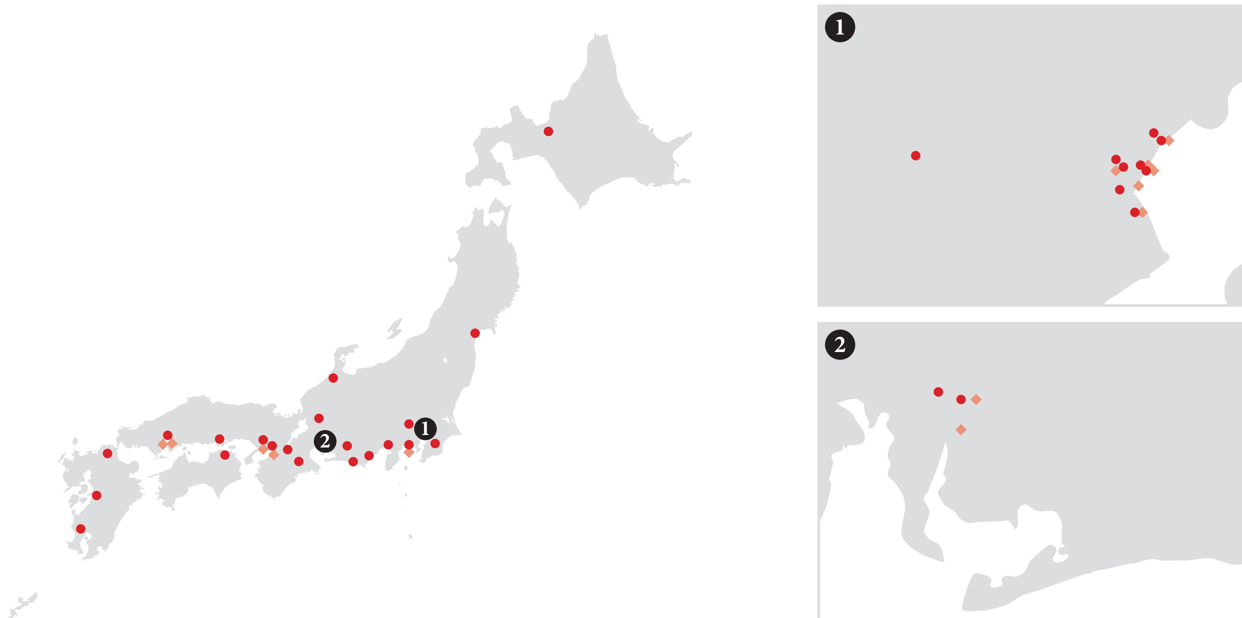
Member of
Deloitte Touche Tohmatsu

Group Network

(as of July 1, 2009)

Overseas Network

◆ Mitsubishi UFJ Lease & Finance (Hong Kong) Limited	402 Far East Finance Centre, 16 Harcourt Road, Hong Kong Phone: 852-2527-7620
◆ Mitsubishi UFJ Lease & Finance (China) Co. Ltd.	Unit 2302, Azia Center, 1233 Lujiazui Ring Road, Pudong, Shanghai, P.R.C. Phone: 86-21-6888-0050
◆ Bangkok Mitsubishi UFJ Lease Co., Ltd.	8th FL Sethiwan Tower, 139 Pan Road, Silom, Bangrak Bangkok 10500, Thailand Phone: 66-2-266-6040
◆ PT. Mitsubishi UFJ Lease & Finance Indonesia	MIDPLAZA 1, 10th Floor, Jalan Jendral Sudirman Kav. 10-11, Jakarta 10220, Indonesia Phone: 62-21-573-5905
◆ Mitsubishi UFJ Lease (Singapore) Pte. Ltd.	80 Raffles Place #30-21, UOB Plaza 2, Singapore 048624 Phone: 65-6220-2515
◆ Mitsubishi UFJ Lease & Finance (U.S.A.) Inc.	7300 Turfway Road, Suite 510, Florence, KY 41042, U.S.A. Phone: 1-859-594-4380
◆ Mitsubishi UFJ Lease & Finance (Ireland) Limited	AIB International Centre, IFSC, Dublin 1, Ireland Phone: 353-1-670-1822
◆ New York Representative Office	100 Park Avenue, Suite 1656, New York, NY 10017, U.S.A. Phone: 1-212-880-2652
◆ Ho Chi Minh City Representative Office	9th Floor Sun Wah Tower, 115 Nguyen Hue Boulevard, District 1, Ho Chi Minh City, Vietnam Phone: 84-8-3821-9090



Domestic Network

- Head office
  Shin-Marunouchi Building, 5-1,
  Marunouchi 1-chome, Chiyoda-ku,
  Tokyo 100-6525, Japan
  Phone: +81-3-6865-3000
- Nagoya head office
  24-15, Sakae 1-chome, Naka-ku,
  Nagoya City, Aichi 460-8407
  Phone: +81-52-221-1531
- Shinkawa office
- Otemachi office
- Shinjyuku Business Department
- Sapporo Branch
- Tohoku Branch
- Omiya Branch
- Chiba Branch
- Ueno Branch
- Gotanda Branch
- Ikebukuro Branch
- Tachikawa Branch
- Yokohama Branch
- Kariya Business Department
- Hokuriku Branch
- Gifu Branch
- Hamamatsu Branch
- Shizuoka Business Office
- Numazu Branch
- Yokkaichi Branch
- Osaka Office
- Kyoto Branch
- Kobe Branch
- Okayama Branch
- Shikoku Branch
- Hiroshima Branch
- Kyusyu Branch
- Kumamoto Business Office
- Minami Kyusyu Business Office

Domestic Subsidiaries and Affiliates

Lease and financing business
- DFL Lease Company Limited
- Japan Medical Lease Corporation
- 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 financing business
- MMC Diamond Finance Corporation
- Hirogin Auto Lease Co. Ltd.
- Mitsubishi Auto Leasing Holdings Corporation
- Mitsubishi Auto Leasing Corporation
- Just Automobile Leasing Co., Ltd.

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

Real estate-related business
- Central Compass Co., Ltd.
- Diamond Asset Finance Company Limited
- Diamond Asset Service Company Limited

Insurance business
- MUL Insurance Company Limited

Used equipment trading business
- MUL Eco-Business Co., Ltd.
- Diamond Equipment, Inc.
- U-Machine Inc.
- M-CAST, Inc.
- Compass Inc.

Others
- MUL Business Company Limited
- CL Solution Management Co., Ltd.
- Global Asset Solution Company Limited
- MUL Principal Investments Company Limited

Corporate History

History of the former Diamond Lease (DL)

April 1971	Established by Mitsubishi Group companies
March 1985	Listed on the Second Section of the Tokyo Stock Exchange
September 1988	Listed on the First Section of the Tokyo Stock Exchange
December 1998	Acquired Minami-Kyusyu Diamond Lease Company Limited
October 1999	Merged with Ryoshin Leasing Corporation
August 2000	Acquired 80% equity stake in The Casio Lease Co., Ltd.
January 2001	Acquired ISO 14001 certification
March 2002	Acquired 80% equity stake in Hirogin Lease Co. Ltd.
December 2002	Acquired 100% equity stake in Meiji-seimei Leasing Co., Ltd.
March 2003	Acquired 45% equity stake in Mitsubishi Electric Credit Co., Ltd.
January 2004	Acquired 95% equity stake in The Daiwa Factor and Leasing Co., Ltd. (renamed DFL Lease Co. Ltd.)
August 2006	Acquired 100% equity stake in Kyocera Leasing Company Limited (renamed Diamond Asset Finance Company Limited)
February 2007	Acquired 50% equity stake in MMC Diamond Finance Corporation
March 2007	Established Mitsubishi Auto Leasing Holdings Corporation with Mitsubishi Corporation, as a holding company for Diamond Auto Lease Co., Ltd. and Mitsubishi Auto Leasing Corporation

History of the former UFJ Central Leasing (UFJCL)

May 1969	Established as Central Leasing Co., Ltd., the first leasing operator in Japan's Chubu region
November 1989	Listed on the Second Section of the Nagoya Stock Exchange
March 2000	Acquired 80% equity stake in Shinko Lease Co., Ltd. Raised equity stake in Japan Medical Lease Corporation to 38.95%
March 2001	Acquired 100% equity stake in Techno Rent Co., Ltd. (30% as of March 2009) Raised equity stake in Japan Medical Lease Corporation to 53.95% (92.95% as of March 2009)
November 2002	Acquired ISO 14001 certification
March 2003	Raised equity stake in Chukyo General Lease Co., Ltd. to 70% Acquired 20% equity stake in Just Automobile Leasing Co., Ltd.
February 2004	Acquired 75.37% equity stake in Asahigin Leasing Co., Ltd. (renamed Shutoken Leasing Co., Ltd.; 75.63% as of March 2009)
April 2004	Integrated the leasing division of UFJ Business Finance Co., Ltd. (renamed Mitsubishi UFJ Factors Limited) and changed corporate name to UFJ Central Leasing Co., Ltd.
April 2004	Listed on the First Section of the Tokyo and Nagoya Stock Exchanges

MUFG Mitsubishi UFJ Lease & Finance Company Limited

April, 2007	The former DL and the former UFJCL merged to form Mitsubishi UFJ Lease & Finance Company Limited
October, 2007	Mitsubishi Auto Leasing Corporation merged with Diamond Auto Lease Co., Ltd.
February, 2009	Mitsubishi Auto Leasing Corporation merged with Central Auto Leasing Co., Ltd. Company Name: Mitsubishi Auto Leasing Corporation

Corporate Data

(as of March 31, 2009)

Company Name Mitsubishi UFJ Lease & Finance Company Limited

URL http://www.lf.mufg.jp/english/

Head Office Shin-Marunouchi Building, 5-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-6525, Japan
Phone: +81-3-6865-3000

Date of Establishment April 12, 1971

Paid in Capital ¥33,196,047,500

Stock Information Number of Authorized Shares: 320,000,000
Number of Issued Shares: 89,583,416
Number of Shareholders: 7,468

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

Number of Employees Consolidated: 2,122, Parent: 1,117

Fiscal Year April 1 to March 31

Transfer Agent Mitsubishi UFJ Trust and Banking Corporation

Auditor Deloitte Touche Tohmatsu

Principal Shareholders

Shareholder Name	Number of Shares Held (thousands)	Ownership (%)
Mitsubishi Corporation	17,918	20.0
Mitsubishi UFJ Financial Group, Inc.	8,267	9.2
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	5,448	6.1
Japan Trustee Services Bank, Ltd. (trust account 4G)	4,313	4.8
Meiji Yasuda Life Insurance Company	3,177	3.5

Mitsubishi UFJ Lease & Finance Company Limited

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