Annual Report 2012

For the fiscal year ended March 31, 2012

IBJ LEASING CO., LTD.

IBJ Leasing Company, Limited (the “Company”) was established in 1969 as a general leasing company under an initiative by The Industrial Bank of Japan, Ltd. (now Mizuho Corporate Bank, Ltd. and Mizuho Bank, Ltd.), with the participation of 16 major companies representing Japanese industries, including life insurance companies. The IBJ Leasing Group (the “Group”), which has developed its operations in the leasing and installment sales of equipment financing, operates as a multimodal financial services group that provides services for corporate clients with a focus on leasing in Japan and overseas.

In addition to financing related to capital expenditure, including industrial machinery and machine tools, construction equipment, medical equipment and vessels, we are expanding the scope of our business activities by proposing a wide range of solutions that meet clients’ increasingly diversified needs and enhancing our presence in the specialized financing area and through M&A activities.

In the coming years, we will continue to meet increasingly sophisticated and diversified financial needs, and earn the satisfaction and trust of our clients.


Photo: Siemens Japan K.K.

Contents

The IBJ Leasing Group Characteristics

The IBJ Leasing Group is a multimodal financial services group oriented toward corporate clients. We expand our business by leveraging five characteristic strengths.

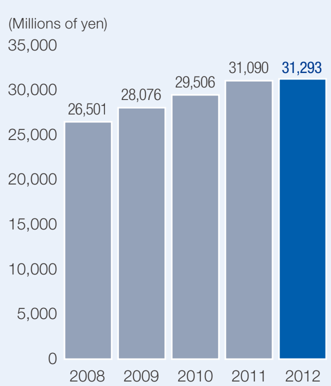
Consolidated Financial Highlights

IBJ Leasing Company, Limited and consolidated subsidiaries, years ended March 31

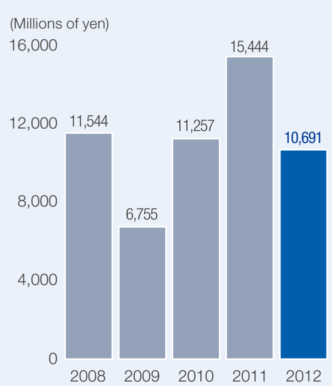
(Millions of yen)

	2008	2009	2010	2011	2012
Summary of income:					
Revenues	341,320	298,707	263,598	256,059	**270,066**
Gross profit	26,501	28,076	29,506	31,090	**31,293**
Operating income	11,544	6,755	11,257	15,444	**10,691**
Net income	7,799	3,348	7,019	9,025	**4,296**
Financial position:					
Operating assets	1,092,247	984,981	935,223	928,633	**1,211,268**
Total assets	1,195,336	1,076,150	1,017,099	1,028,020	**1,332,963**
Interest-bearing debt	1,057,295	927,454	868,631	877,629	**1,133,481**
Equity	57,428	55,994	63,342	69,392	**74,717**
Per share data: (Yen)					
Net income	212.23	91.90	193.91	249.33	**118.71**
Equity	1,534.45	1,509.00	1,709.86	1,889.18	**1,954.63**
Dividend	38.00	40.00	44.00	46.00	**48.00**
Key indicators: (%)					
ROE	14.2	6.0	12.0	13.9	**6.2**
Equity ratio	4.7	5.1	6.1	6.7	**5.3**

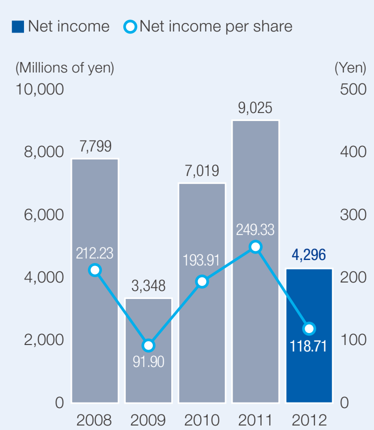
Gross Profit



Operating Income



Net Income/Net Income per Share



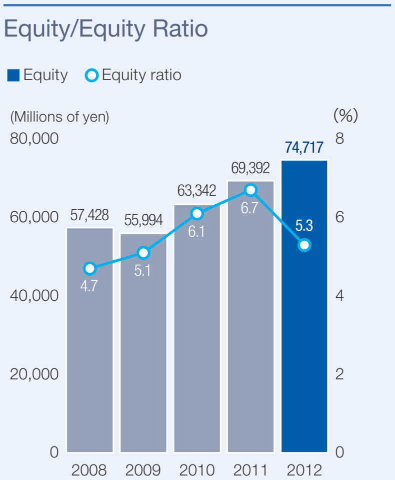
Fiscal 2011 Highlights

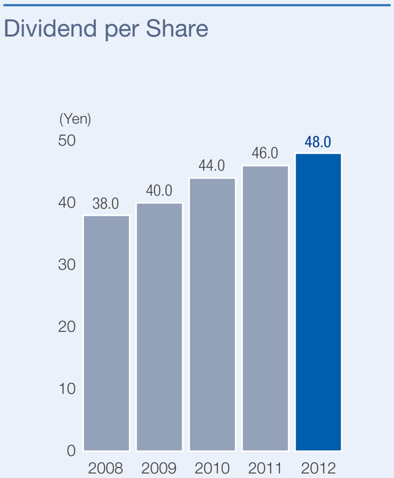
>> We conducted M&A activities to substantially expand our business domains and client base, taking the IBJ Leasing Group to a new stage of growth.

>> Operating assets increased in each segment—leasing, installment sales and loans—rising to ¥1,211.3 billion.

>> Net income amounted to ¥4.3 billion, as credit costs increased and the Group posted temporary expenses in line with M&A activities.

>> The annual dividend per share increased for the 10th consecutive year.





■ A Message from the President

Economic Environment in Fiscal 2011

In fiscal 2011, the year ended March 31, 2012, the economic environment overseas was characterized by deceleration of the European and U.S. economies, against a backdrop of financial instability stemming from the protracted European financial crisis. Affected by the rapid downturn in Europe, the pace of growth also slowed in China and other emerging markets, resulting in a sluggish global economy. Meanwhile, the Japanese economy was affected by supply chain disruptions caused by the Great East Japan Earthquake and the 2011 Thailand floods, as well as extended yen appreciation. These factors caused production to stagnate, while exports failed to expand, and corporate earnings languished, particularly for manufacturers. In this economic environment, although demand for restoration and reconstruction following the earthquake prompted domestic capital investment, the economy fell short of staging a full-fledged recovery, and lackluster performance continued. The leasing industry experienced an increase in demand for certain equipment—notably construction and transportation equipment—due to reconstruction-related demand. These conditions caused the decline in overall lease transaction volume to end at last, and leasing demand for the fiscal year as a whole was essentially flat year on year.

Fiscal 2011 a Key Year in Terms of Reinforcing Our Business Infrastructure for Future Growth

The IBJ Leasing Group launched its three-year Third Medium-Term Management Plan in fiscal 2011. Operating in an environment characterized by tumultuous change since the Lehman Brothers collapse, including the financial crisis, this plan reaffirms the Group's strengths, as well as the issues it faces, setting forth a core objective: to "step up as a multimodal financial services group offering services for corporate clients." We have established five priority initiatives to achieve the plan's objective, namely to capitalize on our client base and solutions capabilities, expand specialty finance business, step up overseas operations, cultivate new business domains and utilize M&As. We have focused the Group's energies on achieving these goals.

Fiscal 2011, the first year of the plan, was an important year in terms of reinforcing our business infrastructure, and we undertook a number of measures that I believe will serve as steppingstones to significant future growth. On the sales front, we undertook M&A activities in February 2012 through which we acquired two companies. The first was IBJL-TOSHIBA Leasing Company, Limited, which was the succeeding company in a corporate split of the corporate business division of Toshiba Finance Corporation, the Toshiba Group financing company. The second was Toshiba Medical Finance Co., Ltd. These acquisitions enabled us to create a structure that paves the way for new Group developments. We also expanded our business structure in preparation for future growth overseas, including the establishment of an overseas base. In credit management, however, credit costs increased as precautionary reserves were provided against large-scale bankruptcies and debtors at risk of bankruptcy, brought on by yen appreciation. Furthermore, we recorded temporary expenses due to our M&A activities. These moves had a substantial effect on income, causing net income to fall 52.4% during the year, to ¥4.3 billion.

Aiming to Create a Robust Business Structure to Facilitate Sustained Growth and Bolster Group Profitability

In fiscal 2012, the second year of our Third Medium-Term Management Plan, we aim to create a robust business structure to facilitate sustained growth and bolster Group profitability. We will make further strides and accelerate our developments involving the plan's key measures. At the same time, we will enhance Group management, including that of the two newly acquired companies, pursuing business operational synergy and improvements on the sales and management fronts.

First of all, on the sales front we will accelerate deployment of the key measures in our medium-term management plan. We will focus on four initiatives, to (1) develop business in areas slated for growth and profitability, (2) aggressively expand business through sales to

Japanese companies in Asia, (3) accelerate initiatives in new and growth fields and (4) expand the specialty financing business. Of these, we believe that cooperation with the two companies we have acquired will contribute substantially to the first three of these initiatives, augmenting our business domains and client base through collaboration with Group companies. The addition of the two new companies will also contribute to our efforts to expand the specialty financing business by augmenting our sales base in the equipment financing business. This should help us advance initiatives in the specialty finance business—one of our areas of strength. Through these efforts, we will expand our client base and business domains, including overseas, thereby leading to future growth as a Group.

We will also endeavor to support our earning capacity on the cost front. To raise groupwide cost competitiveness, we will pursue synergies in the areas of funding, credit and management costs. We believe that particular opportunities for synergy exist in terms of funding and management costs, including with the two newly acquired companies. Specifically, by adding these two to the IBJ Leasing Group, we should be able to take better advantage of commercial paper and improve funding costs by securing more stable funding partners. We expect to improve management costs through more efficient business operations, such as by eliminating overlaps in back-office administration.

Promoting CSR through Social Contributions and Dynamic Organizational Operation

The IBJ Leasing Group considers enhancing corporate governance to be one of its topmost management priorities, in terms of building upon its existing infrastructure toward sustained growth as a company. In line with our fundamental policy of having robust internal management structures, we are working to construct and operate an effective and appropriate internal control system to ensure thorough compliance and put in place a crisis management structure that will enable us to respond to disasters and other unexpected events. We also believe that ensuring such a system requires dynamic and sound organizational operation. To this end, we are enhancing our system for supporting personnel development, building a secure and rewarding workplace. We are also concentrating on employees' work-life balance by embracing diverse working styles.

The IBJ Leasing Group believes that its core corporate social responsibility (CSR) is to contribute to society at large through its business activities and to grow and develop in step with society.

One primary objective of our medium-term management plan, whose implementation coincided with the March 2011 earthquake, is to provide financial functions that will aid in reconstruction of the Japanese economy. During the past year, the Company has put every effort into supporting reconstruction in a manner that befits a leasing company, supplying the construction equipment to conduct reconstruction work, and responding to the emergency with transport trailers, helicopters and passenger aircraft. In this sense, we reacted promptly to provide transportation equipment for which public needs were high. Going forward, the IBJ Leasing Group will continue endeavoring to maximize its various functions in order to achieve reconstruction as quickly as possible.

To Our Stakeholders

In fiscal 2011, we continued to increase shareholder returns by raising the dividend by ¥2 to ¥48 per share, the 10th consecutive year of dividend increases.

Since the listing of the Company’s shares in fiscal 2004, our basic policy has been to pay dividends in accordance with business performance while striving to increase ROE. Taking into account the Company’s basic earnings potential and medium- to long-term growth strategy, and the fact that the distinctive characteristics of the financial services industry make a strong shareholders’ equity position key to increasing corporate value, we intend to pay dividends while maintaining a balance between shareholder returns and enhancement of shareholders’ equity. We will continue to strive to increase corporate value by using retained earnings to reinforce our business infrastructure.

In fiscal 2012, we believe that post-earthquake restoration and reconstruction efforts will commence in earnest, and expectations are high that the economy will rebound as public-sector investment fuels potential internal demand. Meanwhile, overseas economies remain sluggish, and crude oil prices continue to be high partly as a result of the highly charged situation in the Middle East. Concerns exist that closing down the nation’s nuclear reactors could result in electricity shortages, and ongoing yen appreciation is likely to put downward pressure on the economy. This multitude of uncertainties makes it likely that the outlook for the business environment will remain opaque.

Even amid this difficult business environment, the IBJ Leasing Group will continue to augment and accelerate the implementation of the key measures to attain the goals expressed in the Third Medium-Term Management Plan. In these ways, we will strive to realize sustained growth, thereby satisfying the expectations of our stakeholders and ensuring their trust. We ask for the continued understanding and support of our stakeholders in the coming years.

President and CEO

Tsutomu Abe

State of Progress on the Third Medium-Term Management Plan (Fiscal 2011 to Fiscal 2013)

Through the medium-term management plan covering the three-year period that began in fiscal 2011, the IBJ Leasing Group aims to “step up as a multimodal financial services group offering services for corporate clients.”

Third Medium-Term Management Plan Overview

<Assumptions about the Business Environment>

When formulating our medium-term management plan, we made the following assumptions about the business environment.

First, although recovery from the Great East Japan Earthquake is expected to gradually gain impetus, Japan’s economy will likely take considerable time to normalize. Furthermore, protracted yen appreciation is accelerating the trend toward overseas development, with Japanese companies focused on mainland Asia, and we doubt that domestic leasing demand will recover any time soon. In the leasing industry, although competition among leasing companies and with companies in other industries is likely to further intensify, the IBJ Leasing Group expects expansion of business opportunities as full-scale changes in the IFRS, Basel III, and other international regulatory systems result in the emergence of various financing needs as companies seek to cope with changes in the external business environment.

<Five Priority Initiatives>

Based on these assumptions, we decided to work steadily toward five priority initiatives to reach the goals of the medium-term management plan.

<Basic Objectives>

“Step up as a multimodal corporate financial services group”

- Capture clients’ needs quickly and accurately by improving proposal capabilities and expertise
- Contribute to revival and development of Japanese economy by providing financing functions

<Numerical Targets>

Through these measures, by the final year of the plan, fiscal 2013, **our consolidated numerical targets are operating assets of ¥1.2 trillion, net income of ¥10 billion and ROE of 10% or higher.**

Fiscal 2011 Results

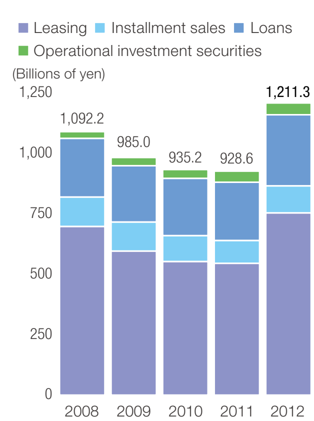
During fiscal 2011, the first year for the medium-term management plan, we made progress on a number of measures.

(1) Utilize M&As

Through M&A activity in February 2012, we acquired two companies: IBJL-TOSHIBA Leasing Company, Limited, which was the succeeding company in a corporate split of the corporate business division of Toshiba Finance Corporation, the Toshiba Group financing company; and Toshiba Medical Finance Co., Ltd. These acquisitions enabled us to create a structure that paves the way for new Group developments.

As the result of acquiring these two companies and including them in the scope of consolidation, our balance of operating assets grew to ¥1,211.3 billion as of March 31, 2012, up ¥282.7 billion from the end of the preceding fiscal year. Our sales base expanded particularly in the field of equipment financing.

Operating Assets Balance



(2) Step Up Overseas Operations

We opened a branch in Guangzhou, China, which will be an important part of future efforts to expand our business infrastructure at overseas bases.

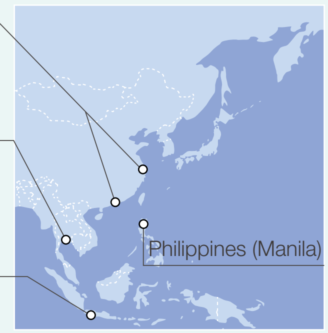
[Developing Overseas Sales]

- Built the internal and external structures necessary to strengthen the overseas sales promotion function
- Made steady progress in determining the capital investment needs of Japanese companies operating in Asia
- Worked aggressively to cultivate business in Asia with the Toshiba Group

China (Shanghai and Guangzhou)
- In addition to construction equipment, focused on financing capital investment
- Expanded business infrastructure further by opening the Guangzhou branch and increasing capital

Thailand (Bangkok)
- Made steady progress in determining capital investment needs, centering on the automotive sector
- Although flooding brought business activities to a temporary standstill, currently recovering

Indonesia (Jakarta)
- Focused on cultivating clients through cooperation with the domestic sales departments



(3) Cultivate New Business Domains

Growth is forecast for the medical and environmental sectors. In these areas, we mounted aggressive sales development efforts and focused on cultivating business.

Sales Developments in the Medical Field

Through cooperation between our department specializing in the medical field and regional bases, we aggressively developed sales throughout the country, introducing diagnostic imaging systems and electronic medical records and taking part in other large-scale projects. We are also stepping up our ability to respond to financial needs involving the expansion and renovation of hospitals and nursing care facilities.

Sales Development in the Environment and Energy Fields

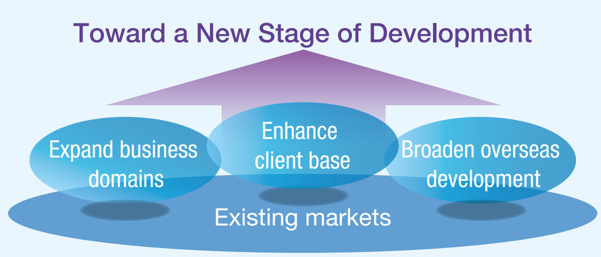
We undertook proactive proposal-based sales involving solar power generation systems, storage batteries (ELIIY Power, etc.), generators and LED lighting, taking advantage of subsidy and tax incentive systems offered by the national government and regional government bodies. We established the Environmental Sales Promotion Office and accelerated efforts to cultivate business through a nationwide structure. We also sought to expand our business domains through business-matching exercises with the Toshiba Group and other entities.

Policies for Fiscal 2012

Through collaboration with the two former Toshiba Group companies that we acquired, we will undertake multifaceted sales development, including overseas. At the same time, we will reinforce consolidated management, thereby pursuing Group synergies and enhancing our value as a corporate group.

<Synergies on the Sales Front>

- Develop business in areas slated for growth and profitability
- Aggressively expand business through sales to Japanese companies in Asia
- Accelerate initiatives in new and growth fields
- Expand the specialty financing business



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<Synergistic Effects on the Cost Front>

Funding costs
- Secure stable funding at low rates of interest
- Promote agile ALM operations

Credit costs
- Ensure thorough risk management in preparation for changes in the environment
- Respond to increasingly diverse risks

Management costs
- Promote increasingly efficient business operations by realizing Group synergies

Fiscal 2013

Realize Medium-Term Management Plan Objectives Early, and Move on to Further Growth

Business Overview

The IBJ Leasing Group comprises IBJ Leasing, 24 consolidated subsidiaries and three equity-method affiliates (as of March 31, 2012). Centered on this structure, we provide wide-ranging financial services including leasing, installment sales and loans by utilizing its extensive financial expertise and understanding of equipment.

In addition to Japan, the IBJ Leasing Group meets the diverse needs of clients overseas, centering on Asia, with Group companies cooperating to offer the best solutions.

Equipment Financing (Leasing + Installment Sales)

Finance Leasing, Operating Leasing, Auto Leasing, Other

The leasing business is a financial service by which the Company purchases machineries and equipment that clients have selected, and leases them to clients.

We provide structured leases and other high-value-added leases to satisfy the sophisticated and diverse requirements of clients.

Installment Sales

Installment sales are a financial service provided for articles unsuited to leasing and items that have a statutory service life extending over many years. As with leasing, the Company purchases machinery and equipment that clients have selected and sells them on an installment basis over the term of the contract.

Products and Services

Leasing
- Finance Leasing
- Operating Leasing
- Leasing with an Option to Buy
- Vendor Leasing
- Structured Leases
- Real Estate Leasing

Auto Leasing
Rental
Installment Sales
Environmental Solutions

Financing (Loans + Operational Investment Securities)

Specialized Financing, Corporate Finance, Other

We provide a range of services, including specialized financing to deliver cash flow through vessels, real estate, aircraft and other items, as well as factoring, business finance and other types of corporate financing, to meet the diverse financing requirements of clients.

Products and Services

Vessel Financing
Real Estate-Related Financing
Factoring
General Loans
Liquidization of Occupancy Guarantee Deposits
Liquidization of Medical Fee Reimbursement Receivables
Entrusted Payments

Support for Overseas Expansion

Overseas Leasing and Installment Sales

We provide equipment financing and financial support for business partners who are moving into overseas markets and developing their businesses there.

By leveraging the expertise of the IBJ Leasing Group and taking full advantage of our overseas networks, we meet the overseas capital investment financing needs of our business partners by proposing optimal financial services.

Products and Services

Overseas Leasing and Installment Sales
Domestic Contracts + Extension to Overseas Entities
Leasing and Installment Sales between Overseas Subsidiaries
Cross-Border Financing
Overseas Sales Financing Services

Fee Businesses

Used Equipment Sales, Life Insurance Sales, Other

As one means of accommodating diverse client equipment requirements, the Company serves as an intermediary in the purchase and sale of used machinery and other equipment.

The Company sells life insurance, non-life insurance and investment products to satisfy client needs for the mitigation of business risk.

Products and Services

Used Equipment Sales
Life Insurance Solicitation
Investment Management Services
Sales of Commercial Paper
Guarantor Services

■ Review of Operations

Aim for Further Growth by Developing Distinctive Businesses and Pursuing Synergies

In fiscal 2011, an increase in demand related to post-earthquake reconstruction halted the decline in overall leasing transactions for the industry as a whole, but capital investment demand weakened in tandem with the ongoing sluggishness of the Japanese economy. Industrywide transaction volumes for the year were around ¥4.6 trillion, only around 60% of their fiscal 2005 level of ¥7.9 trillion. Furthermore, competition within the industry is intensifying, and ongoing monetary easing is encouraging more stringent competition from other quarters, including banks looking for investments. Thus the business environmental remains problematic.

Against this backdrop, the IBJ Leasing Group is moving forward with its Third Medium-Term Management Plan, which calls for further expansion of the business infrastructure. In fiscal 2011, the first year of the plan, we made a certain amount of progress on the sales front. Notably, through M&A activity we acquired two Toshiba Group financing companies, which boosted our operating assets to ¥1,211.3 billion as of March 31, 2012, up a robust ¥282.7 billion (30%) from a year earlier.

We made inroads in sales, as well. We augmented vendor finance by working with Toshiba Group manufacturers and sales companies in the Toshiba Group in the fields of information and communications, and medical equipment. This development helps to balance the IBJ Leasing Group's hallmark strength in industrial and factory equipment, and construction equipment. Going forward, we intend to carefully monitor demand trends to spot needs in business categories and for specific equipment in line with changes in the business environment, as we aim for stable growth.

One distinguishing characteristic of the IBJ Leasing Group is its ability to capitalize on its client base and solutions capabilities. We moved proactively on proposal-based operations in the financing arena to existing clients, centering on equipment transactions. We increased the scope of our transactions by steadily uncovering clients' diverse financial needs, such as for factoring and corporate lending. We also focused on cultivating new clients, concentrating on medium-sized and large companies, thereby expanding our client base. In addition to our own sales development efforts, we collaborated on sales efforts with megabanks, regional banks and other financial institutions, as well as prominent manufacturers and sales companies involved in construction equipment and information equipment. Going forward, we will continue cultivating new clients that have the potential to deliver ongoing business.

As Japanese companies are taking their businesses global at a rapid pace, we focused our overseas sales efforts in Asia. The IBJ Leasing Group's domestic sales units are working closely with clients to acquire information related to overseas development. We are also augmenting our solutions capabilities involving overseas projects. In many cases, the overseas capital investment process at Japanese companies involves a Japan-based decision-making process, from planning through to implementation, which affords our domestic sales units with opportunities to share information with overseas bases and work together on sales initiatives. Leveraging this process, we are steadily increasing our transaction volumes by recognizing clients' future capital investment needs.

In fiscal 2012, we expect the business environment to remain difficult, both in Japan and overseas. Nevertheless, our stated sales policy is to "build a portfolio with earning capacity," and to achieve the objectives of our medium-term management plan we will accelerate the implementation of key measures. Going forward, as well, the IBJ Leasing Group will develop its business by leveraging its distinguishing characteristics. Simultaneously, we will pursue Group synergies to expand our business domains as a multimodal financial services group and work toward sustained growth.

Deputy President
Shinichiro Nagashima

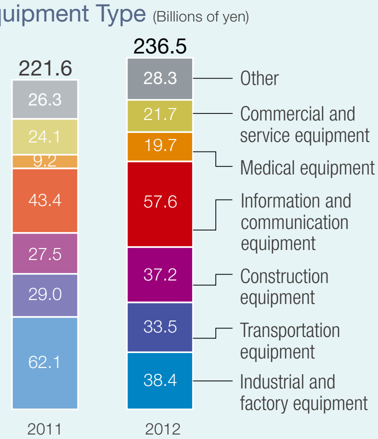
Equipment Financing

In fiscal 2011, domestic capital investment remained sluggish, as post-earthquake reconstruction failed to fully gain traction. In the leasing industry, too, although reconstruction-related demand increased for some types of equipment, leasing demand was lackluster for the year as a whole, with industry-wide lease transactions rising only 1.0% year on year.

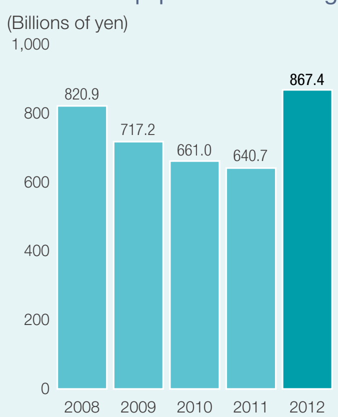
Under these conditions, the IBJ Leasing Group continued to concentrate on accumulating prime assets, as well as acquiring two Toshiba Group financing companies. Accordingly, the amount of contracts executed in the equipment financing business rose 6.7% year on year, to ¥236.5 billion, and operating assets surged ¥226.7 billion, to ¥867.4 billion.

By equipment type, the amount of contracts executed for industrial and factory equipment declined, as protracted yen appreciation and supply chain disruption resulting from the earthquake caused capital investment to slow, particularly in the automotive sector. On the other hand, the amount increased for transportation equipment and construction equipment, with business expanding as we moved nimbly to respond to clients' post-earthquake restoration and reconstruction needs. For construction equipment in particular, transactions increased in China, as well as Japan. In information and communication equipment, and medical equipment, we worked proactively on proposal-based operations targeting clients with strong capital investment intentions, as well as increasing our vendor finance sales base through M&A activity. These moves caused transactions to grow substantially. Operating assets increased significantly as a result of including the two companies we acquired in the scope of consolidation. Looking at these assets by type of equipment, IBJL-TOSHIBA Leasing is strong in information and communications, while Toshiba Medical Finance's sales forte is in the medical field. Consequently, the percentage of assets comprising information and communication equipment rose from 17.6% to 20.2%, and medical equipment from 5.3% to 10.2%. This helped to even out the IBJ Leasing Group's traditional strength in industrial and factory equipment, and construction equipment, creating a more balanced Group portfolio in terms of types of equipment handled. This arrangement will allow us to develop sales on a broader scale by carefully monitoring demand strengths and weakness in different industries and equipment types resulting from changes in the operating environment. Consequently, we look forward to enhancing our operations further, through stable transaction growth in the equipment financing business.

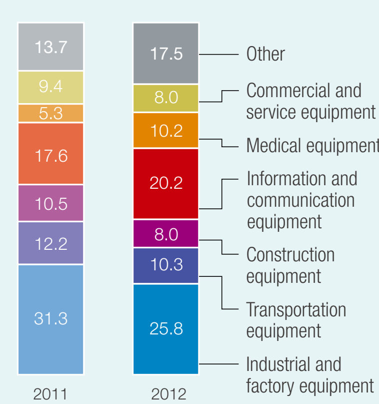
Amount of Contracts Executed by Equipment Type (Billions of yen)



Trends in the Balance of Operating Assets in Equipment Financing



Operating Assets by Equipment Type (%)



Financing

In fiscal 2011, the amount of contracts executed in the financing category amounted to ¥189.4 billion, up ¥52.7 billion, year on year, and the balance increased ¥56.0 billion, to ¥343.9 billion.

In the past, most business with large companies or quality medium-sized companies has involved equipment financing. Targeting these companies, we aggressively stepped up proposal-based efforts of various financial services and worked to understand their varied financing needs. As a result, in factoring, corporate lending and other corporate financing, the amount of contracts executed rose ¥61.1 billion, to ¥126.5 billion, and the balance surged ¥42.8 billion, to ¥139.4 billion. The growth in factoring was particularly pronounced, as our acquisition of IBJL-TOSHIBA Leasing enabled us to increase business with Toshiba and its group companies.

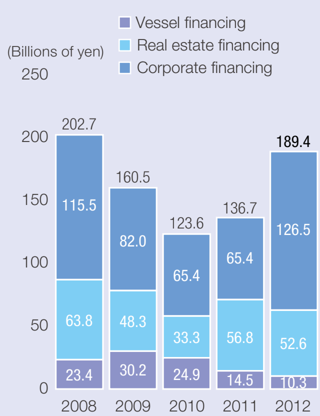
With regard to specialized finance for vessels and real estate, we continued to monitor each of these markets carefully from the beginning of the fiscal year.

Vessel financing involves cash flow financing for large shipping companies based on their charter agreements. However, charter payments are U.S. dollars, so yen-denominated loans expose ship owners to the risk of exchange rate fluctuations. Protracted yen appreciation has had a negative effect on cash flow for some ship owners. In these cases, we look carefully at exchange rate and market trends before responding cautiously on new projects. For existing contracts, we meet with charterees, building up precautionary reserves as necessary. As a result of these activities, the amount of contracts executed and their balance decreased year on year.

In real estate financing, we provide non-recourse financing on urban office buildings, but as a consequence of our careful ongoing monitoring of real estate leasing market trends, our balance in this area decreased. However, for corporate risk-based financing projects, as management of industrial conglomerates and large real estate companies tends to be extremely stable, we worked aggressively to meet their financing needs. Our balance for corporate and risk-based financing grew ¥18.6 billion, to ¥37.4 billion, as a result.

We also sought to expand our specialty finance business to clients outside the categories of vessels and real estate. In the area of aircraft finance, we endeavored to clarify the driving force in this area through structural reform, and we renamed our sales department the Financial Service & Aircraft Finance Department. Through these measures, we are working to increase the amount of new transactions.

Value of Financing Contracts Executed



Trend in the Balance of Operating Assets in Financing