Overview of
Financial Results

Overview
First-Quarter Results for FY2015

August 6, 2015

IBJ Leasing Co., Ltd.

This document contains forecasts and other forward-looking statements that are based on information available at the time of preparation of this document. Actual business results may differ materially from those expressed or implied by such forward-looking statements due to various factors.

Consolidated P/L

- **Asset volume growth largely offset the decline in yield, limiting the fall in gross profit before write-offs and funding costs to just 0.2%.**
- **Credit costs remain low, enabling us to post a ¥0.1 billion reversal of loan loss reserves.**
- **Profits at each level were generally in line with plan.**

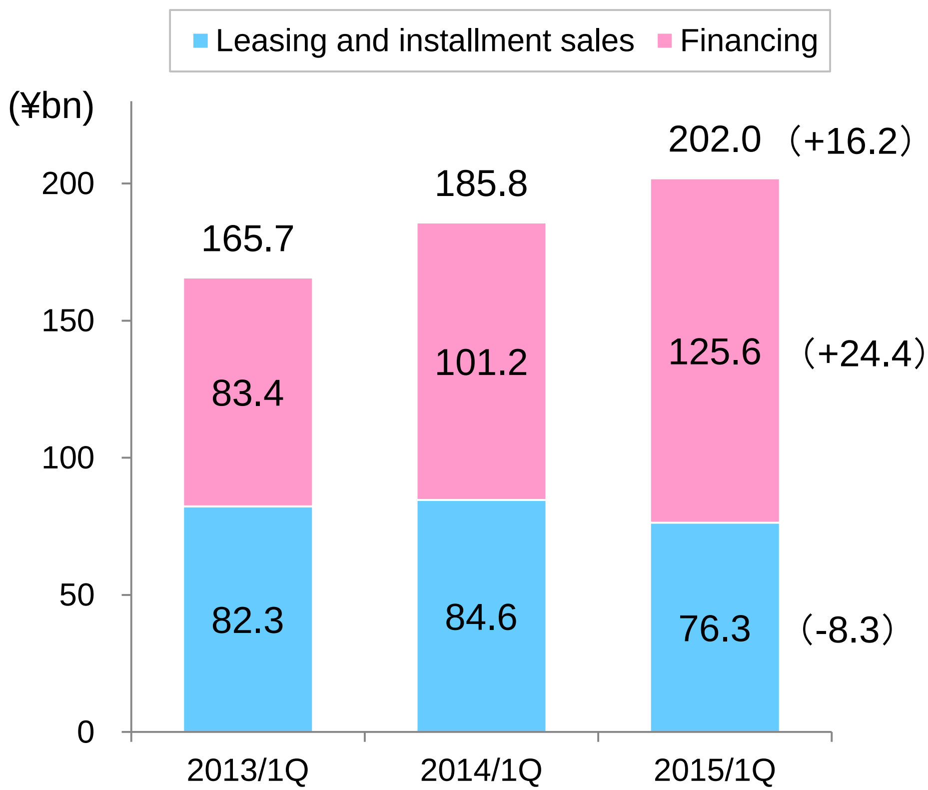
Consolidated P/L (¥bn)	FY13 1Q	FY14 1Q (A)	**FY15 1Q (B)**	Change (B)-(A)	Percentage Change (B)/(A)	FY15 Forecast <% progress>
Revenues	86.8	84.6	**80.7**	-3.9	-5%	<23%> 355.0
Gross profit before write-offs, funding costs	11.1	10.7	**10.6**	-0.1	-0%	—
(Funding costs)	(1.6)	(1.6)	**(1.6)**	(0)	(+2%)	—
Gross profit	9.6	9.1	**9.0**	-0.1	-1%	—
(General expenses)	(4.8)	(4.9)	**(4.9)**	(0)	(+1%)	—
Operating income	5.8	4.6	**4.1**	-0.5	-9%	<25%> 16.9
Ordinary income	6.0	4.8	**4.3**	-0.5	-9%	<25%> 17.6
(Ordinary income before write-offs)	(4.9)	(4.4)	**(4.3)**	(-0.1)	(-3%)	—
(Credit costs)	(-1.0)	(-0.4)	**(-0.1)**	(+0.3)	(+84%)	—
Net income	3.6	2.9	※ **2.7**	-0.2	-7%	<24%> 11.5
Operating Assets	1,257.2	1,326.9	**1,448.6**	+121.7	+9%	—

※Net Income Attributable to Owners of the Parent is shown.

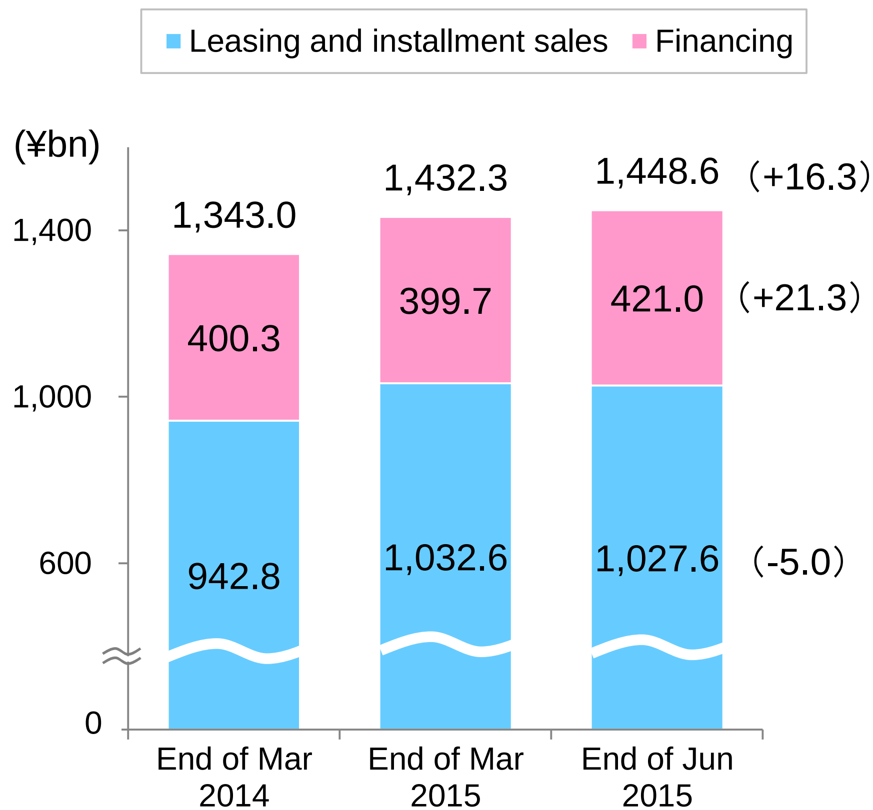
Sales

- Contract execution volume expanded 9% YoY on an increase in Financings.
- Operating assets reached a new all-time high, 1% higher than at end of the previous fiscal year.

Contract execution volume



Operating assets



Leasing and Installment Sales

- **Contract execution volume declined YoY owing to the absence of new Real estate leases in 1Q, but we achieved solid gains in nearly all other areas.**
  - Industrial and factory equipment was strong, as we captured capex related demand from large companies.
  - Information and communications equipment was up sharply as we won a contract from a major communications company.
  - Medical equipment rebounded sharply from the previous year's decline after the consumption tax hike.

Contract Execution Volume by Equipment Type

(¥bn)	FY13/1Q	FY14/1Q	**FY15/1Q**	Change(%)		% change for entire industry*
Industrial and factory	19.2	15.3	**18.2**	+2.9	(+19%)	(+75%)
Information and communications	27.1	10.2	**17.3**	+7.1	(+70%)	(+19%)
Transport	6.6	8.6	**10.7**	+2.1	(+25%)	(+14%)
Construction	8.3	10.2	**6.7**	-3.5	(-34%)	(-8%)
Medical	5.4	3.8	**6.7**	+2.9	(+77%)	(+58%)
Commerce and services	6.1	8.6	**7.8**	-0.8	(-9%)	(+9%)
Office equipment	3.0	2.3	**2.7**	+0.4	(+20%)	(+11%)
Other	6.6	25.7	**6.1**	-19.6	(-76%)	(+21%)
Real estate lease	0.4	19.8	**0.8**	-19.0	(-96%)	
Total	82.3	84.6	**76.3**	-8.3	(-10%)	(+22%)

* Source: IBJ Leasing, based on the data published by Japan Leasing Association

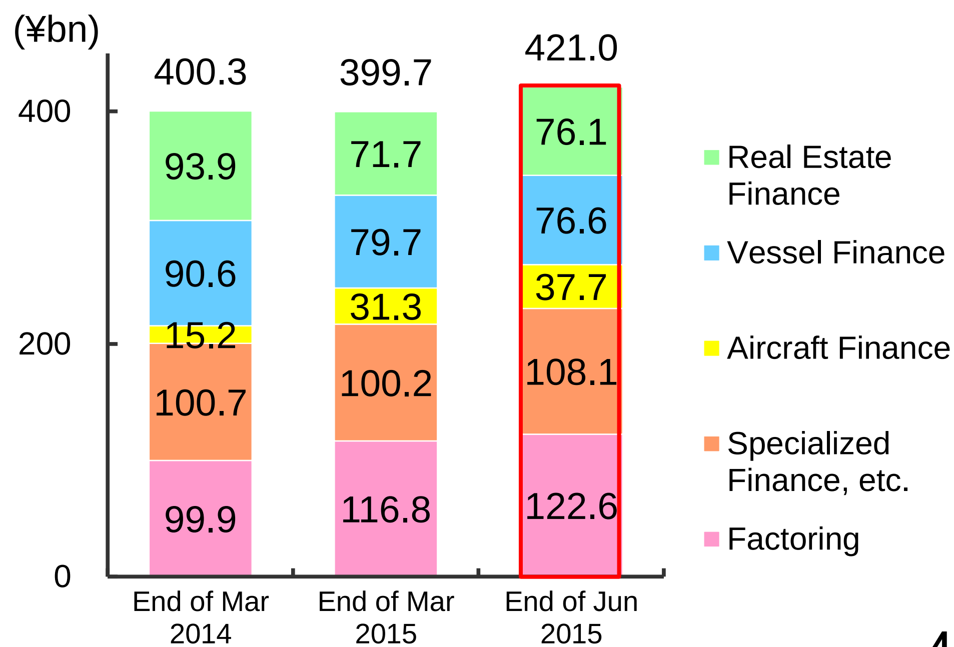
Financing

- **Contract execution volume and operating assets both increased as we met diverse customer financing needs**
  - Factoring and Specialized Finance contracts increased solidly as we met needs of large companies.
  - Aircraft Finance expanded as we strengthened relationship management with aircraft sourcing routes.
  - Real Estate Finance included bridge loans for a major real estate company as we focused efforts on a more select customer group.

Contract execution volume

(¥bn)	FY13 1Q	FY14 1Q	**FY15 1Q**	Change (%)
Factoring	63.3	81.5	**95.4**	+13.9 (+17%)
Specialized Finance, etc.	13.3	9.1	**13.4**	+4.3 (+47%)
Aircraft Finance	2.1	5.2	**6.6**	+1.4 (+27%)
Real Estate Finance	0.9	2.2	**7.6**	+5.4 (+246%)
Vessel Finance	3.9	3.1	**2.5**	-0.6 (-18%)
Total	83.4	101.2	**125.6**	+24.4 (+24%)

Operating assets



Profitability

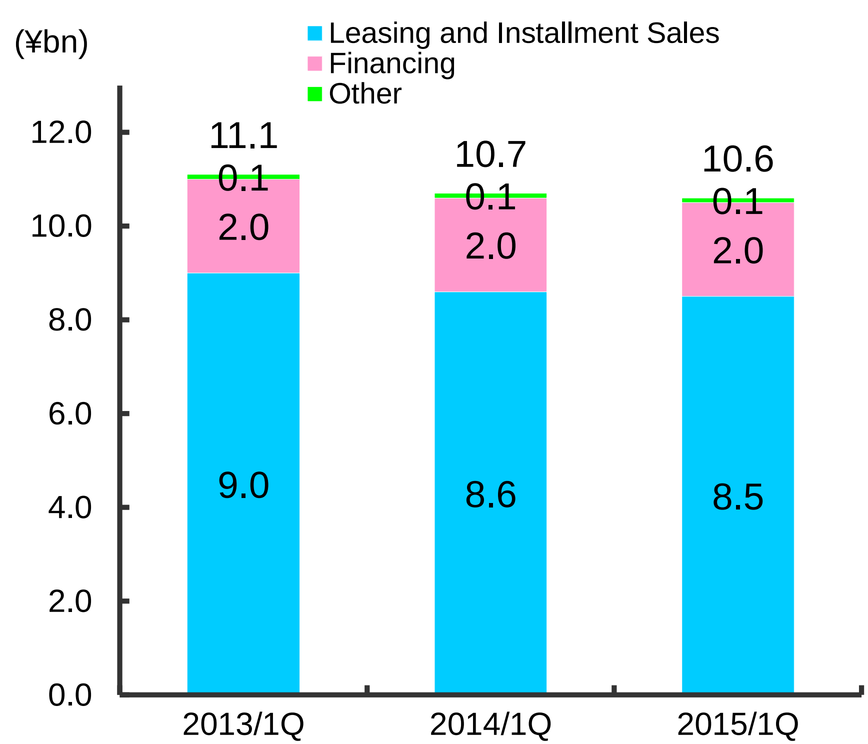
- **Gross profit before write-offs and funding costs was ¥10.6 billion, down slightly from 1Q FY14 as the steady increase in operating assets largely offset the drop in gross profit margin.**

Yield

	FY13	FY14	**FY15 1Q**	Change (%)
Gross profit margin before write-offs and funding costs	3.30%	3.00%	**2.95%**	-0.05pt
CoF Ratio	0.49%	0.46%	**0.45%**	-0.01pt
Gross Profit Margin	2.81%	2.54%	**2.50%**	-0.04pt
Operating assets (average balance, ¥bn)	1,303.1	1,387.7	**1,440.5**	+52.8

Note） FY15/1Q ratios are annualized values
Gross profit margin before write-offs and funding costs
=Gross profit before write-offs and funding costs/Operating assets (average balance)
Gross profit margin = Gross profit / Operating assets (average balance)
CoF ratio = Cost of funding / Operating assets (average balance

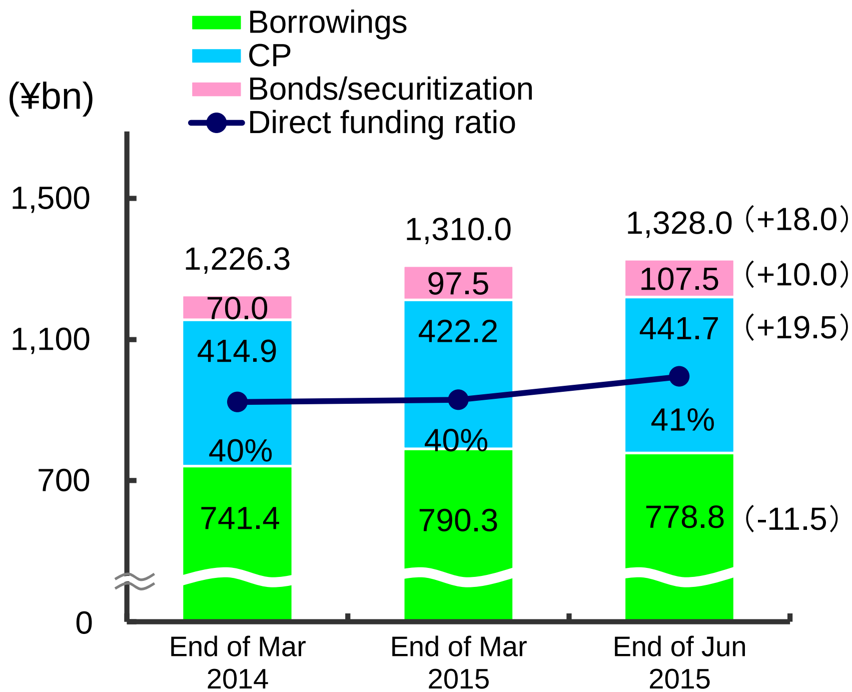
Gross profit before write-offs, funding costs



Interest-bearing Debt and Net Assets

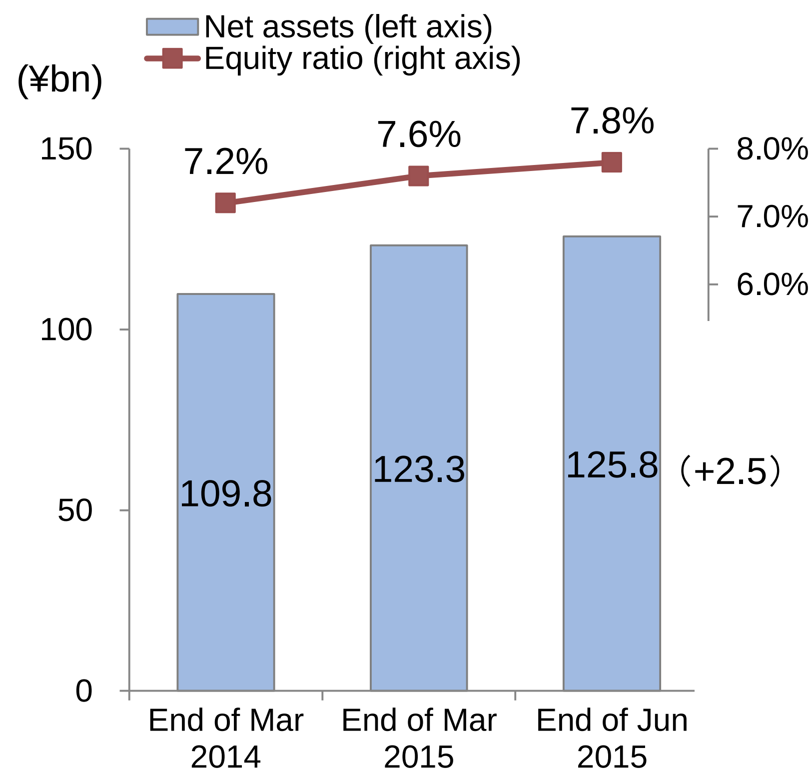
- **Held down funding costs by securing high-quality funds via CP and bond issuance**
  - Issued ¥10 billion 6th issuance of corporate bonds (3-year bonds with coupon rate of 0.151%)
- **Accumulation of net income and other factors boosted net assets by ¥2.5 billion, pushing up the equity ratio to 7.8%**

Interest-bearing debt



(¥bn)	14/1Q	15/1Q
Funding costs	1.6	1.6

Net assets / Equity ratio



Full Year Forecast

- **1Q results were largely in line with plan. Both contract volume and profits made a good start to achieve our full-year targets.**
- **Plan to raise annual dividend for the 14th straight year, to ¥60/share in FY15, a ¥4 increase.**

(¥bn)	FY2014 (Results) (A)	**FY2015 (Forecast) (B)**			Change (B)-(A)	Percentage change (B)/(A)
			1Q	**Progress rate**		
Revenues	353.7	**355.0**	**80.7**	**23%**	+1.3	+0%
Operating income	17.9	**16.9**	**4.1**	**25%**	-1.0	-6%
Ordinary income	19.0	**17.6**	**4.3**	**25%**	-1.4	-7%
Net income	11.1	※ **11.5**	※ **2.7**	**24%**	+0.4	+3%

	FY2014	FY2015	Change
Annual dividend	¥56	¥60	+¥4
Interim dividend	¥28	¥30	+¥2
Year-end dividend	¥28	¥30	+¥2

	FY2014	FY2015
Dividend payout ratio	21.4%	22.3%

※Net Income Attributable to Owners of the Parent is shown.