Overview of
Financial Results

Overview Results for FY2014

May 11, 2015

IBJ Leasing Co., Ltd.

This document is 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 statement due to various factors.
This document is for informational purposes only, and is not intended as a solicitation for transactions.

The Fourth Mid-term Management Plan（Year 2014－2016）

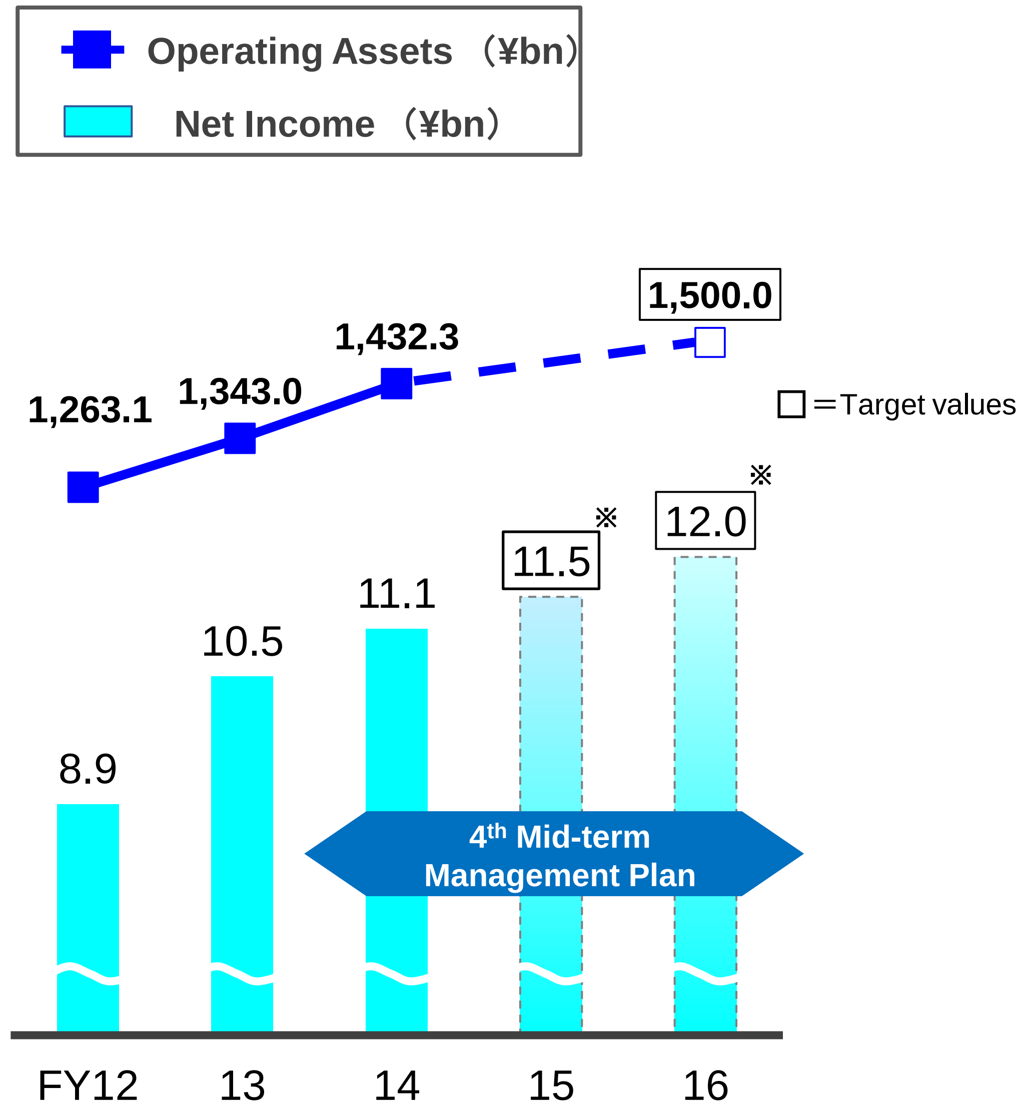
Theme

“Challenging for renewed growth”

Business Strategies

- Enhancement of core businesses
- Improvement of special finance portfolio
- Bolstering and expansion of offshore businesses

Further increase assets and enhance earnings power to realize stable growth

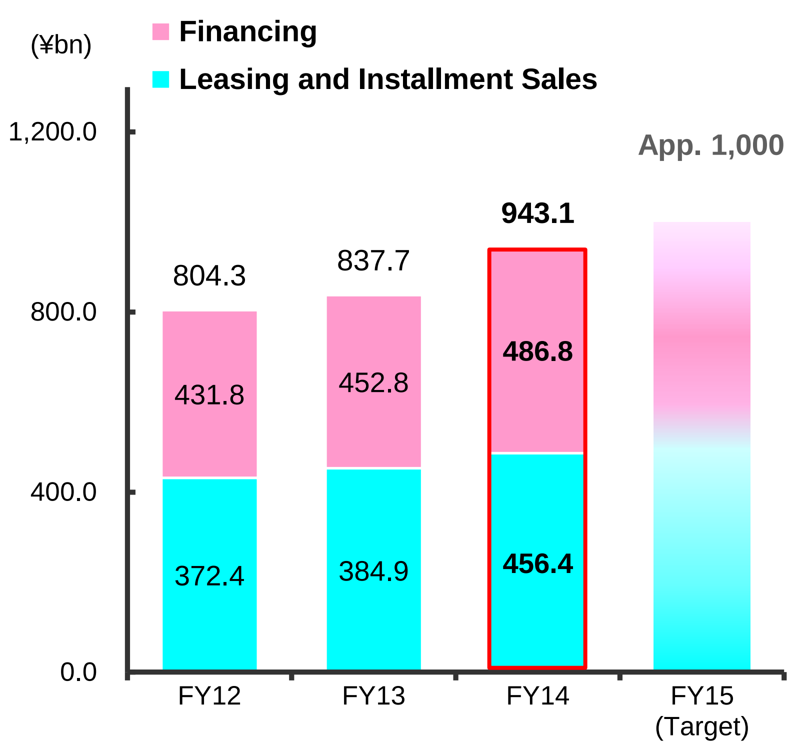


※Net Income Attributable to Owners of the Parent is shown.

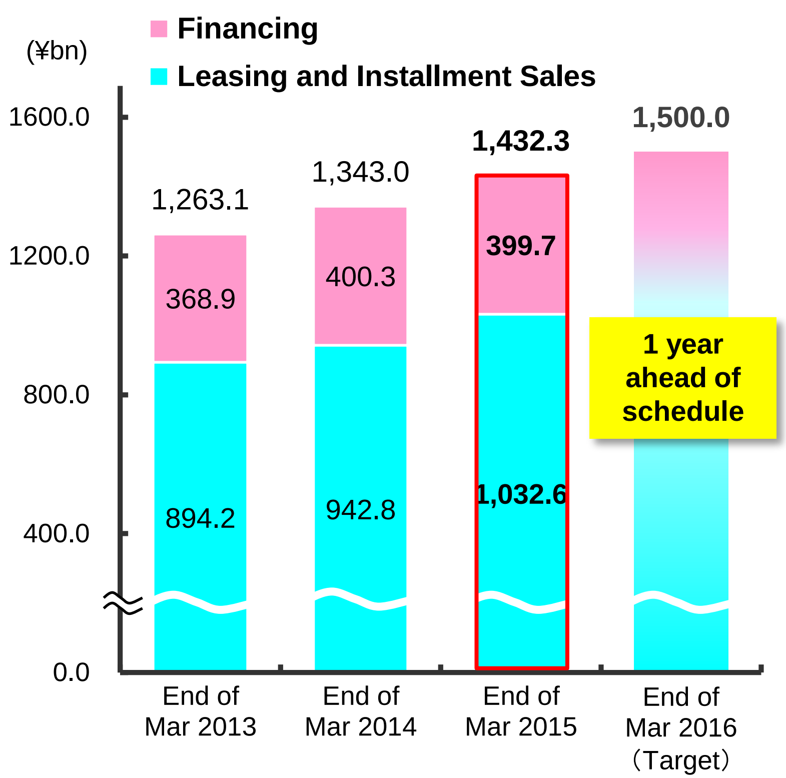
Sales

- Contract execution volume increased for both leasing and installment sales and financing, as we captured diverse needs
- Operating assets reached the FY2014 target of ¥1.4 trillion, as there was a significant increase in leasing and installment sales
- The FY2015 operating assets target is ¥1.5 trillion, and we are aiming to achieve the Mid-term Management Plan targets ahead of schedule

Contract execution volume



Operating assets



Consolidated P/L

- Gross profit before write-offs declined despite the fact that the increase in asset volume partially offset the impact of the decline in yield
- There was a credit cost reversal of ¥2.0 billion, and there was an increase in all profit lines below operating income (a new record high)
- There was a ¥500 million impact from the tapping into deferred assets due to amendments to the tax code

(¥bn)	FY12	FY13 (A)	FY14 (B)	Change (B)－(A)	% Change (B)/(A)
Revenues	352.5	354.8	**353.7**	-1.1	-0%
Gross profit before write-offs, funding costs	44.3	43.0	**41.6**	-1.4	-3%
(Funding costs)	(6.6)	(6.4)	**(6.3)**	(-0.1)	(-1%)
Gross profit	37.7	36.6	**35.3**	-1.3	-4%
(General expenses)	(19.0)	(19.0)	**(19.2)**	(＋0.2)	(＋1%)
Operating income	14.7	16.7	**17.9**	＋1.2	＋8%
Ordinary income	15.4	17.4	**19.0**	＋1.6	＋9%
(Ordinary income before write-offs)	(19.3)	(18.2)	(17.0)	(-1.2)	(-7%)
(Credit costs)	(3.9)	(0.8)	**(-2.0)**	(-2.8)	(—)
Net income	8.9	10.5	**11.1**	＋0.6	＋6%
Operating Assets	1,263.1	1,343.0	**1,432.3**	＋89.3	＋7%

Leasing and Installment Sales

IBJ LEASING

■ **Despite the lingering impact of the consumption tax rate hike on the market overall, contract execution volume increased 19% y-o-y**

- In the mainstay Industrial and factory equipment area, there was a significant increase as we captured capital investment targeting major companies
- There was a steady increase in Commerce and services as we cultivated business with distribution and retail sectors
- In Real estate leases, there was a rapid growth, partially due to the capturing of large deals targeting distribution warehouses, etc.

Contract Execution Volume by Equipment Type

(¥bn)	FY12	FY13	FY14	Change (%)		% change for entire industry*
Industrial and factory	109.1	82.6	**117.9**	+35.3	(+43%)	(-8%)
Information and communications	83.4	93.2	**73.1**	-20.1	(-22%)	(-13%)
Transport	41.8	34.4	**42.9**	+8.5	(+25%)	(-3%)
Construction	38.8	57.4	**54.7**	-2.7	(-5%)	(-22%)
Medical	33.5	36.9	**30.3**	-6.6	(-18%)	(-29%)
Commerce and services	24.1	31.2	**35.8**	+4.6	(+15%)	(-4%)
Office equipment	12.2	15.2	**10.0**	-5.2	(-34%)	(-4%)
Other	29.7	33.9	**91.5**	+57.6	(+170%)	(-6%)
Real estate lease	4.5	10.8	**66.7**	+55.9	(+519%)	
Total	372.4	384.9	**456.4**	+71.5	(+19%)	(-10%)

* Percentage year-on-year change based on "FY2014 Leasing Capital Investment Statistics [by Equipment Type]" announced by the Japan Leasing Association (preliminary figures)

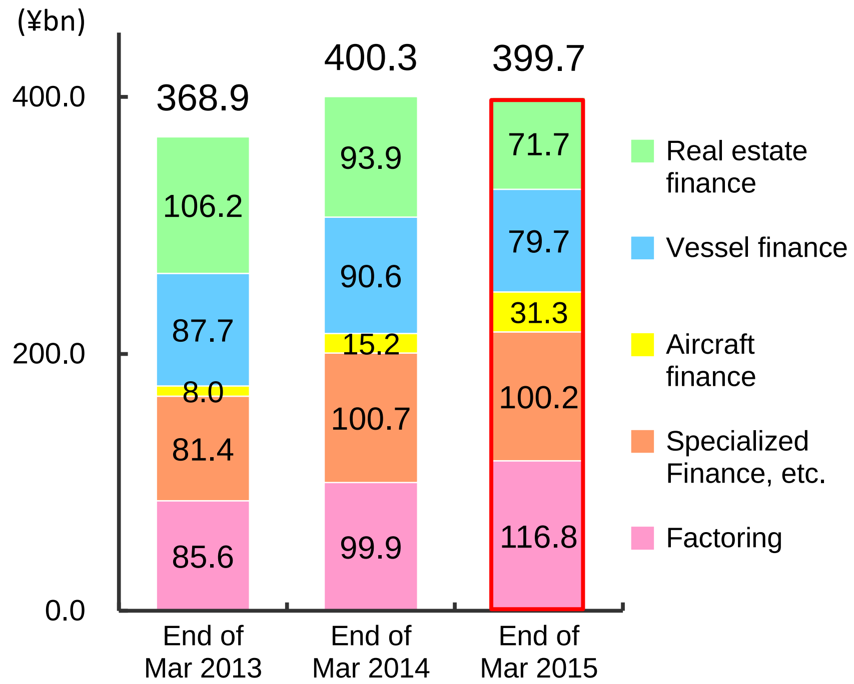
Financing

- **Contract execution volume increased ¥34.0 billion y-o-y to ¥486.8 billion**
- **Operating assets stayed at roughly the same level as the previous year, due to overcame large lease repayments**
  - There was an increase in factoring contract execution volume and operating assets as we captured the diverse needs of large companies
  - We accumulated superior assets in areas such as aircraft finance and overseas project finance

Contract execution volume

(¥bn)	FY12	FY13	**FY14**	Change (%)
Factoring	309.8	345.7	**389.0**	+43.3 (+13%)
Specialized Finance, etc.	40.3	56.2	**43.8**	-12.4 (-22%)
Aircraft Finance	3.4	7.7	**16.6**	+8.9 (+115%)
Real Estate Finance	56.7	25.6	**21.5**	-4.1 (-16%)
Vessel Finance	21.6	17.6	**15.9**	-1.7 (-10%)
Total	431.8	452.8	**486.8**	+34.0 (+8%)

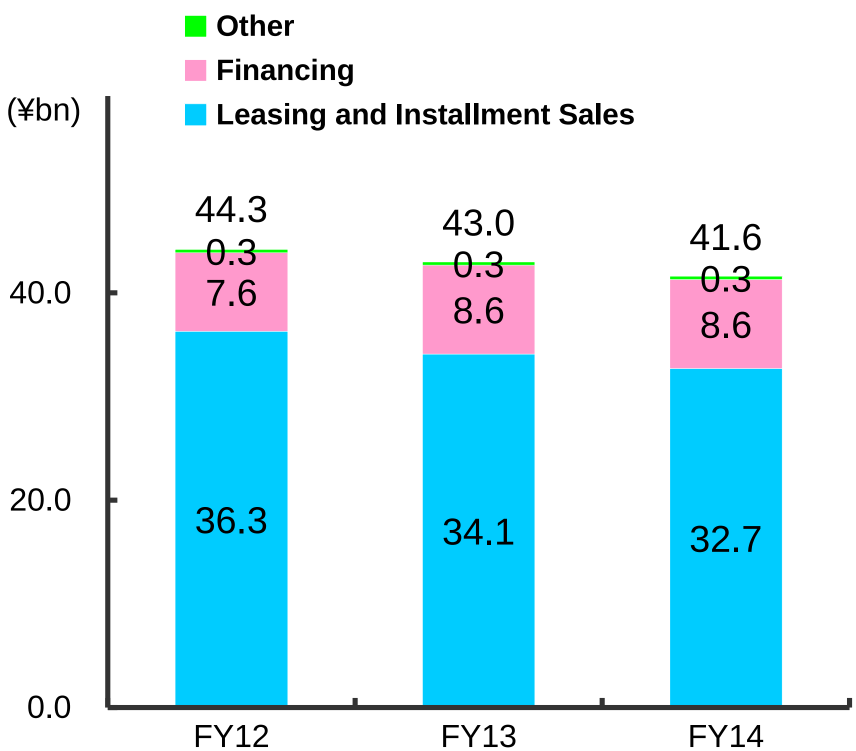
Operating assets



Profitability

- **While there was a decline in gross profit before write-offs and funding costs, the increase in volume of operating assets offset the impact of the decline in yield**
  - In Financing, profit was roughly flat y-o-y, while in Leasing and Installment sales secondary profit such as from re-leases declined
- **There was an improvement in flow-based spread, and the impact of the decline in yield due to the replacement of assets has largely run its course**

Gross profit before write-offs, funding costs



Yield

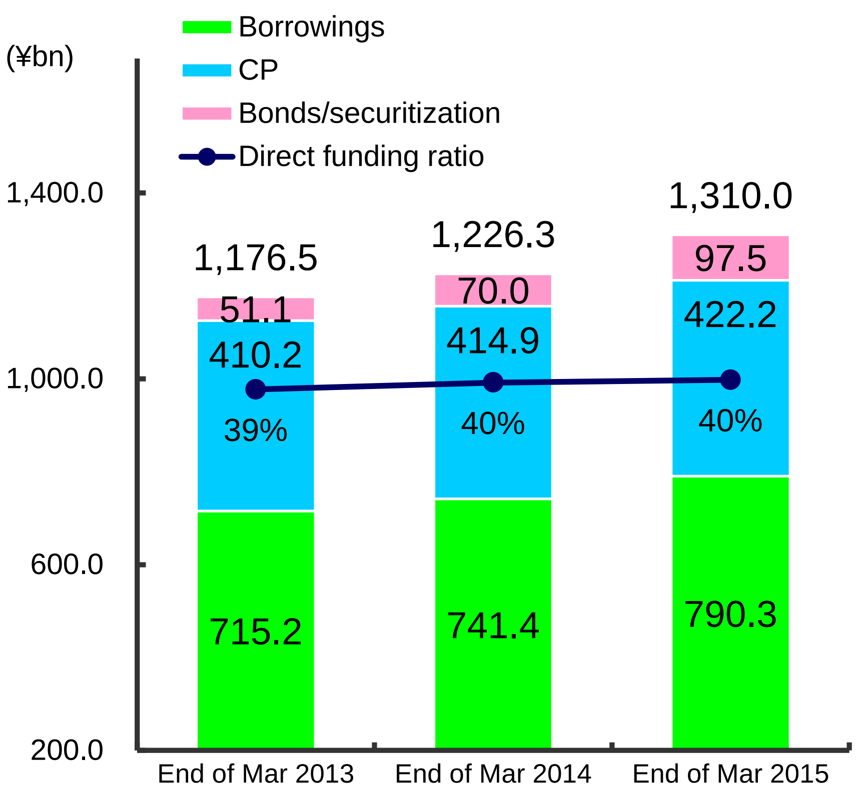
	FY12	FY13	**FY14**	Change
Gross profit margin before write-offs and funding costs	3.58%	3.30%	**3.00%**	-0.30pt
CoF Ratio	0.53%	0.49%	**0.46%**	-0.03pt
Gross Profit Margin	3.05%	2.81%	**2.54%**	-0.27pt
Operating assets (average balance, ¥bn)	1,237.2	1,303.1	**1,387.7**	＋84.6

（Note）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)

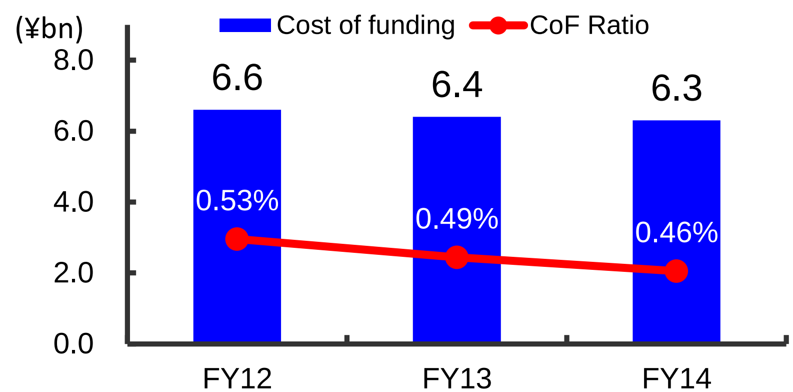
Interest-bearing Debt and Net Assets

- Interest-bearing debt increased in conjunction with the increase in operating assets, while foreign-currency denominated debt increased due to the increase in overseas assets
- The group worked as one to lower borrowing costs, and cost of funding continued to decline both in terms of amount and percentage

Interest-bearing debt



Funding costs (%)



(Note) CoF ratio = Cost of funding / Average balance of operating assets

Net assets / Equity ratio

(¥bn)	End of March 2012	End of March 2013	End of March 2014	End of March 2015
Net assets	74.7	84.9	109.8	123.3
Equity ratio	5.3%	5.9%	7.2%	7.6%

Results Forecast and Dividend

- **We expect the domestic economy to grow modestly, aided by solid personal consumption and capital investment**
- **We will steadily step up our efforts aimed at achieving the targets for the final fiscal year of the Mid-Term Management Plan**
  - We will further strengthen our organizational sales capabilities, and focus on further growing our customer base and profits
  - While we are estimating a certain amount of credit costs in our profit forecast, we will aim for an increase in net income
- **Per Share Dividend**
  - The plan for the FY15 annual dividend is a ¥4 increase, marking the 14th straight year of increase

(¥bn)	FY14 (Results)(A)	**FY15 (Forecast)(B)**	Change (B)-(A)	% Change (B)/(A)
Revenues	353.7	**355.0**	＋1.3	＋0%
Operating income	17.9	**16.9**	-1.0	-6%
Ordinary income	19.0	**17.6**	-1.4	-7%
Net income	11.1	※ **11.5**	＋0.4	＋3%

	FY14 (Results)(A)	FY15 (Forecast)(B)	Change (B)-(A)
Annual dividend (payout ratio)	¥56 (21.4%)	¥60 (22.3%)	＋¥4
Interim dividend	¥28	¥30	＋¥2
Year-end dividend	¥28 (planned)	¥30	＋¥2

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