# Financial Results for FY2011 Presentation Materials

**May 11, 2012**

# IBJ Leasing Co., Ltd. （TSE:8425)

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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.

# 《Contents》

◆Key Points of Presentation

# New Group Development Phase

3rd Medium-Term Management Plan (FY2011 - 2013)

## FY2011

***Solidifying Operational Foundation Towards Growth***

**M & A**

— Two financing companies of the Toshiba Group

**Overseas Development**

— Open offices and enhance framework

**Credit Management**

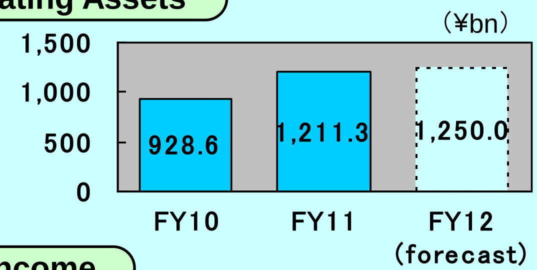
— Respond to large company bankruptcies and companies facing difficulties due to strong yen

## FY2012

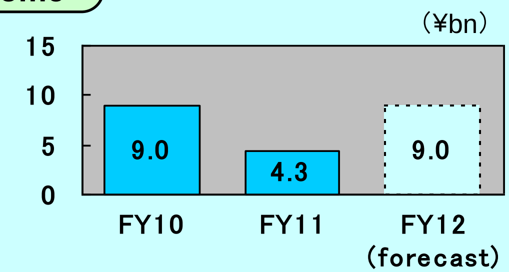
***New Group Development Phase***

— Bolster consolidated management
— Create new value-added through group synergies

**Operating Assets**




**Net Income**




## FY2013

**Consolidated Targets**

○Operating assets ¥1,200 billion

○Net income ¥10 billion

○ROE Above 10%

# Ⅰ. Solidifying Operational Foundation Towards Growth

（FY2011 Results）

# 1. Operating Performance

## (1)Overall Group（Equipment financing + financing）

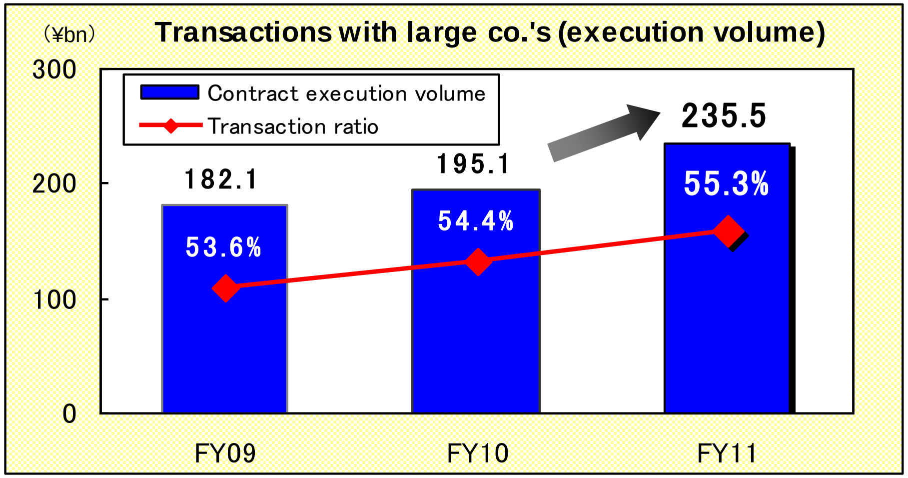
### ① Contract execution volume

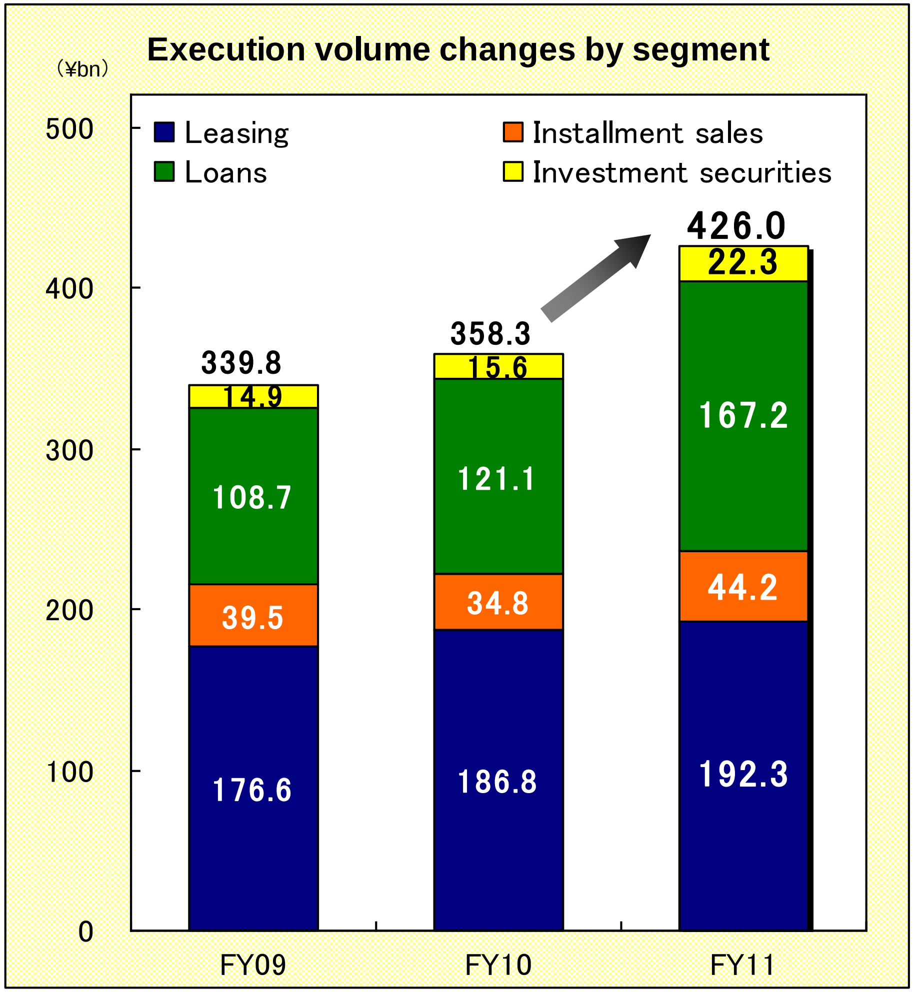
○The Group's overall contract execution volume increased 18.9% YoY, partly due to the performance of the two acquired companies

— Performance was up YoY in all segments

○Aggressive cultivation of business with large companies and quality medium-size companies

— Contract execution volume for large companies increased YoY, partially due to the expansion of the business base with Toshiba Group



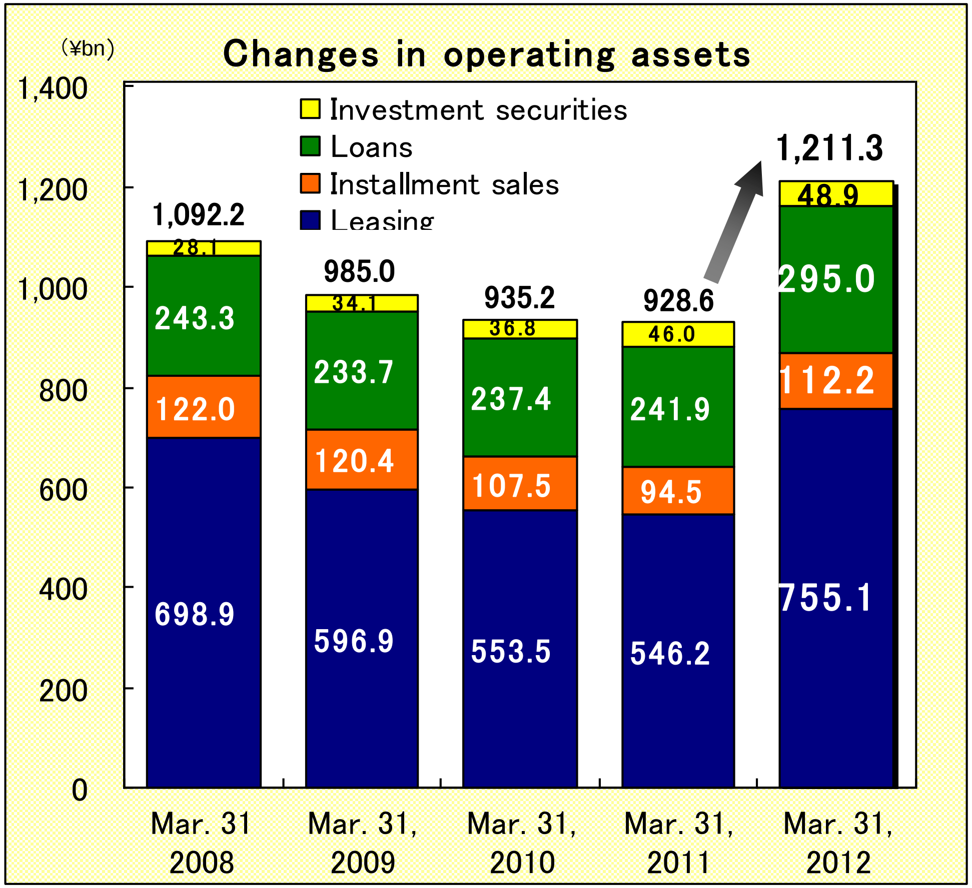



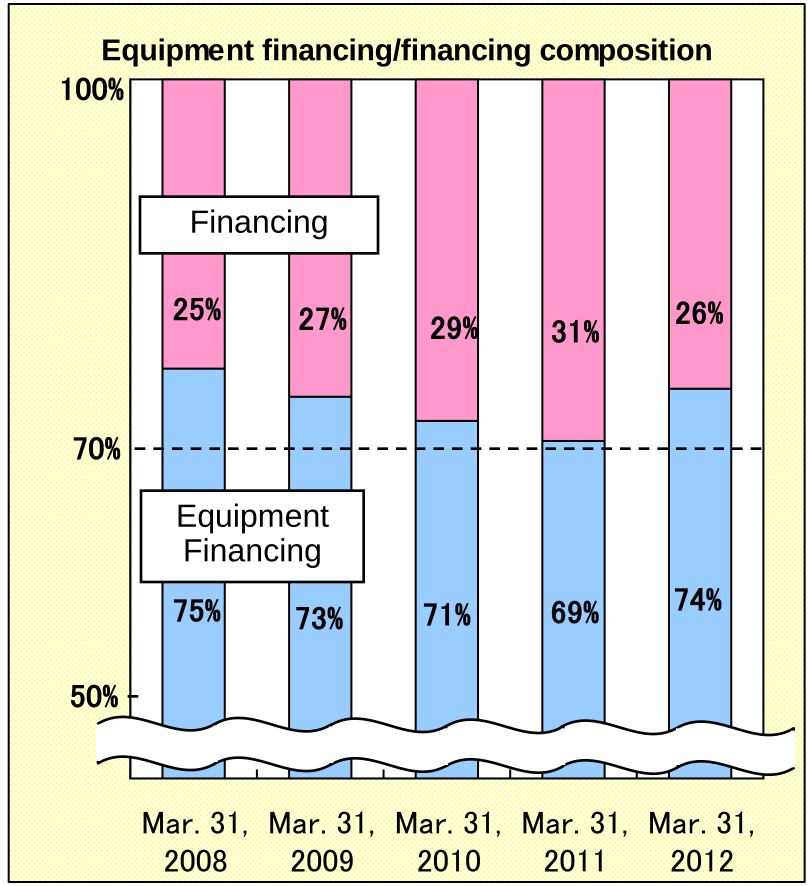

＊Large Companies･･･Paid in capital of ¥1 billion or more

＊Transaction ratio･･･(Contract execution volume with large companies )÷(overall contract execution volume)

## ②Operating assets

- ○Due to the new consolidation of the 2 acquired companies, operating assets increased ¥282.7 billion YoY to ¥1,211.3 billion
  — Particular expansion of operational foundation in the equipment financing business
- ○The weight of the equipment financing business increased 5% from the end of FY2010 to 74%




※Percentages at the end of March 2012 were calculated excluding factoring service for Toshiba Group

## (2) Equipment financing (lease＋Installment sales)

### ① Contract execution volume

**【Industry conditions】**

○Despite some restoration-related demand, leasing transaction volume was roughly flat YoY
(Japan Leasing Association preliminary data: +0.9% YoY)

**【IBJ Leasing】**

○Contract execution volume increased 6.7% YoY to ¥263.5 billion

— Industrial and Factory Equipment

⇒ Low levels of automobile-related business, due to the appreciation of the yen and impacts of the earthquake disaster

— Transportation Equipment, Construction Equipment

⇒ Flexibly handled restoration-related needs

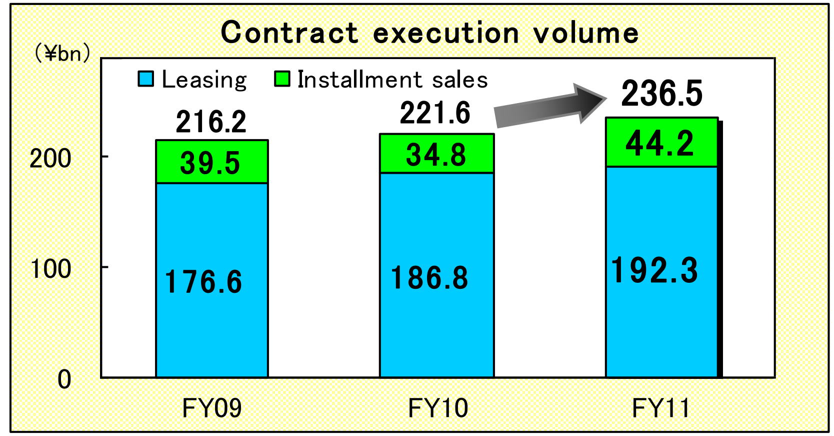
⇒ Although the pace of growth of construction equipment transactions in China has slowed, there was once again a YoY increase

— Information and Communications Equipment, Medical Equipment

⇒ Cultivated business in areas with strong sentiment about capital investment

⇒ With the addition of the 2 acquired companies, the operations foundation expanded considerably

⇒Collaboration with Siemens Group went smoothly




### ＜Contract Execution Volume by Equipment Type＞

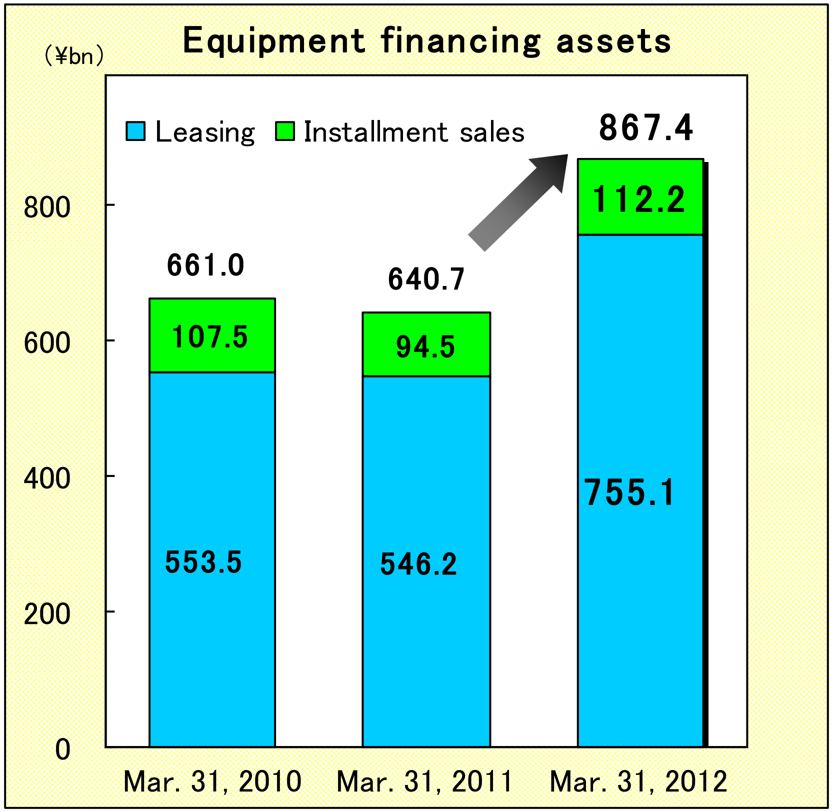
(¥bn)

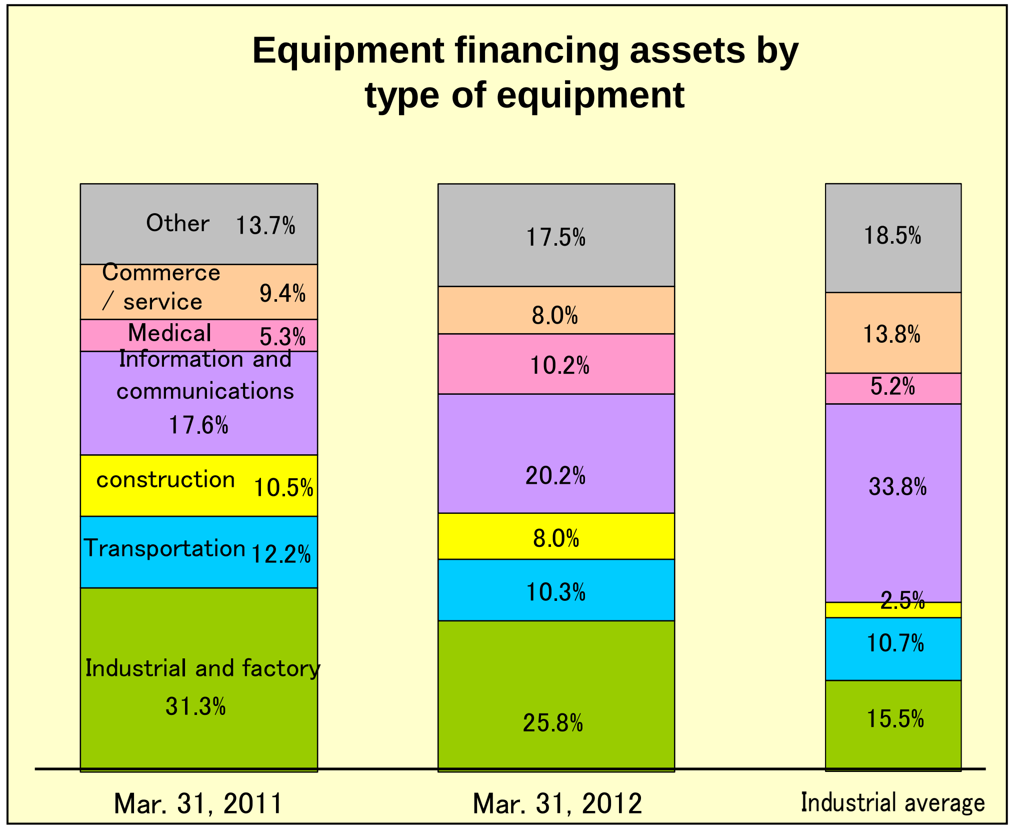
| | FY10 | FY11 | Change |
|---|---|---|---|
| Industrial and factory | 62.1 | 38.4 | −23.7 |
| Transportation | 29.0 | 33.5 | ＋4.5 |
| Construction | 27.5 | 37.2 | ＋9.7 |
| Information and communications | 43.4 | 57.6 | ＋14.2 |
| Commerce / service | 24.1 | 21.7 | −2.4 |
| Office | 8.8 | 8.6 | −0.2 |
| Medical | 9.2 | 19.7 | ＋10.5 |
| Other | 17.5 | 19.7 | ＋2.2 |
| Total | 221.6 | 236.5 | ＋14.9 |

## ② Equipment financing assets

〇With the consolidation of the 2 acquired companies, equipment financing assets increased significantly by ¥226.7 billion YoY

— Built a more balanced portfolio by type of equipment while maintaining our competitive edge



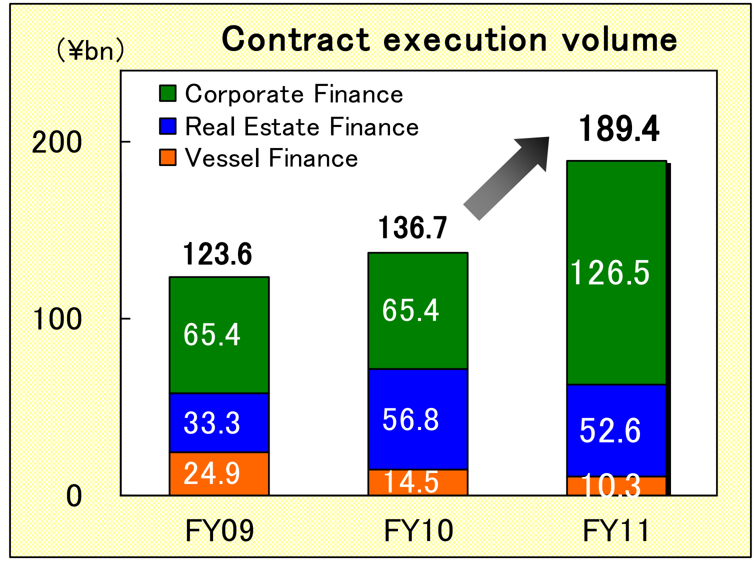

※Industry averages are the average of 5 years of lease volume data from FY207 through FY2011 as announced by the Japan Leasing Association

## (3) Financing (Loans + Investment Securities)

○Financing assets increased ¥56.0 billion from the end of FY2010 to ¥343.9 billion.

— Proactive consultative sales to address the financing needs of large companies and quality mid-size companies

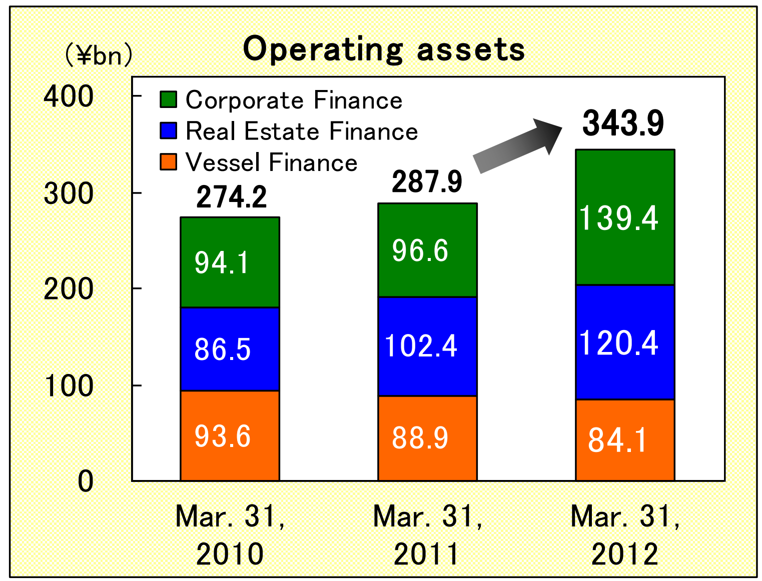
— Expecting the credit purchase menu to Toshiba Group to be a new pillar of the financing domain




＜Breakdown of financing business＞

(¥bn)

| | Contract Execution Volume | | | Operating Assets | | |
|---|---|---|---|---|---|---|
| | FY10 | FY11 | Change | March 2011 | March 2012 | Change |
| Vessel Finance | 14.5 | 10.3 | −4.2 | 88.9 | 84.1 | −4.8 |
| Real Estate Finance | 56.8 | 52.6 | −4.2 | 102.4 | 120.4 | +18.0 |
| Credit Purchasing | 49.2 | 99.9 | +50.7 | 32.0 | 53.5 | +21.5 |
| Structured Finance | 4.2 | 2.2 | −2.0 | 12.7 | 12.0 | −0.7 |
| Syndicated Loans | 2.3 | 3.7 | +1.4 | 6.6 | 6.7 | +0.1 |
| Collaborative Loans | − | − | − | 0.7 | 0.2 | −0.5 |
| Corporate Finance, etc. | 9.6 | 20.6 | +11.0 | 44.7 | 67.0 | +22.3 |
| Total | 136.7 | 189.4 | +52.7 | 287.9 | 343.9 | +56.0 |

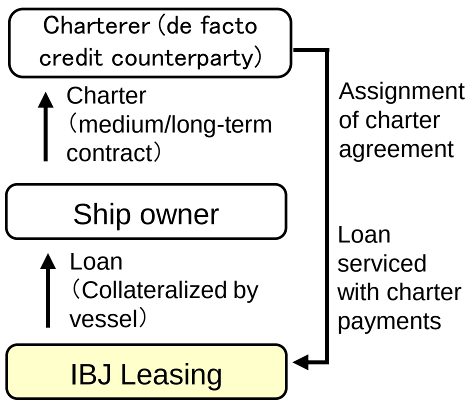


## (4)Specialty finance business

- In vessel finance, given the persistent strong yen and market trends, took a cautious stance including existing contracts
- In real estate finance, selected Zaibatsu group companies and major real estate companies after careful consideration of risk
- In aircraft finance, carried out structural reforms and aggressively promoted new development

### 【Our vessel finance model】

- Charter rates fixed for loan period at time of contract
- Vessel pledged as collateral
- Vessel's residual value at expiration capped at lowest historical price

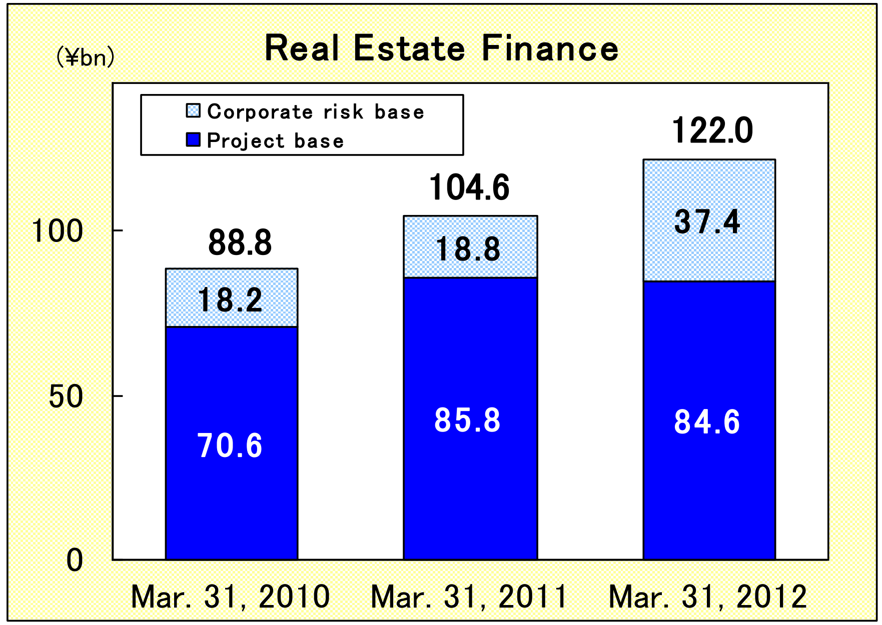



### 【Vessel finance performance】

(¥bn)

| | FY09 | FY10 | FY11 |
|---|---|---|---|
| Contract Execution Volume | 24.9 | 14.5 | 10.3 |

| | Mar. 31, 2010 | Mar. 31, 2011 | Mar. 31, 2012 |
|---|---|---|---|
| Financing Volume | 93.6 | 88.9 | 84.1 |




※Project base balance includes guarantee type

【Renaming of sales department】
『Investment Products Services Department』 ⇒
**『Investment Products / Aircraft Sales Department』**

## (5) Highlights①

【Overseas Business Development】

〇Built integrated, global platform in order to enhance overseas business promotion capabilities

〇Capture Japanese companies capital investment needs in Asia by developing business in a global, integrated manner

〇Focusing in China and other countries with the acquired two companies on overseas sales targeting the Toshiba Group

### ＜Development of Asian Units＞

**China （Shanghai, Guangzhou Branch）**

— In addition to construction machinery, focus on capturing capital investment financing

— Further expand operational foundation by opening the Guangzhou Branch and increasing the capital

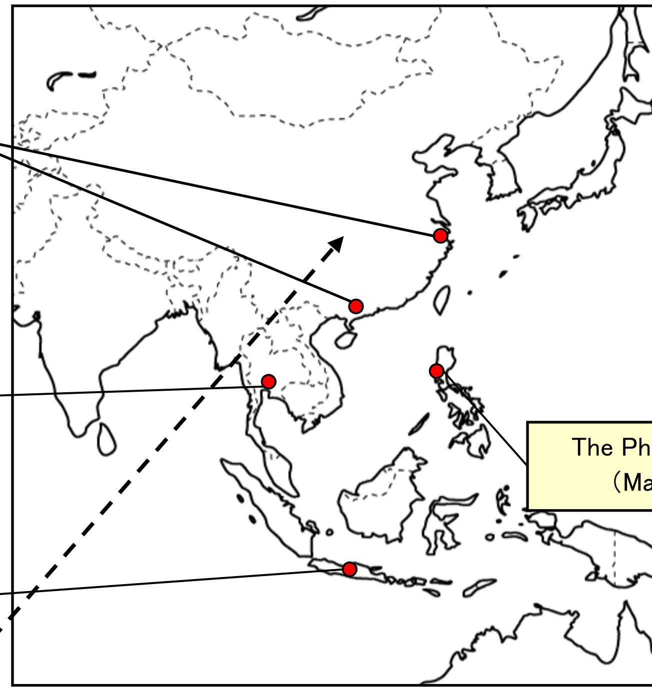
**Thailand （Bangkok）**

— Steadily pick up capital investment demand, especially in automobile-related businesses

— Even though the flooding temporarily halted corporate activity, there is currently a recovery trend

**Indonesia （Jakarta）**

— Focus on cultivating clients by working together with domestic business division



The Philippines
（Manila）

Proactive business cultivation with Toshiba Group in Asia

# (6) Highlights②

【Restoration-related Initiatives】

〇Provide financial support for large rental companies that procure construction machinery for restoration work

〇Flexibly respond to needs for transportation equipment, etc. which are highly public in nature and needed quickly

＜Main Initiatives＞

| Property | Overview of Initiative |
|---|---|
| Semi-trailers for use in marine transport | Alternative to land route transport |
| Tanker lorries | Transportation of petrochemical products and other goods |
| Helicopters for reporting | Replacement of damaged ones |
| Passenger aircraft | Regular flights to/from Sendai Airport |

Semi-trailers for use in marine transport

【Efforts in Environment/Energy Domain】

〇Take advantage of national and local government subsidies and tax breaks and proactively conduct consultative sales

＜Main Assets for Transactions ＞

- Solar power facilities, storage batteries (EIIIY Power Co., Ltd.), power generators, LED lighting, etc.

〇Establish a responsible department (Environmental Business Promotion Dept.) and speed up the company-wide platform for cultivating transactions

〇Expand scope of business through business matching with Toshiba Group

Photovoltaic device installed in customer plant

# 2. Financial Position

## (1) Summary

○Significant increase in both assets and liabilities due to the acquisition of the 2 Toshiba Group-related companies

【Assets】

— Operating assets increased ¥282.7 billion versus the previous fiscal year end to ¥1,211.3billion

【Liabilities / Equity】

— Interest-bearing debt increased as the existing debt of the 2 acquired companies was assumed

— Net assets increased ¥5.3 billion to ¥74.7 billion

— The equity ratio declined to 5.3% due to the consolidation of the two companies

(¥bn)

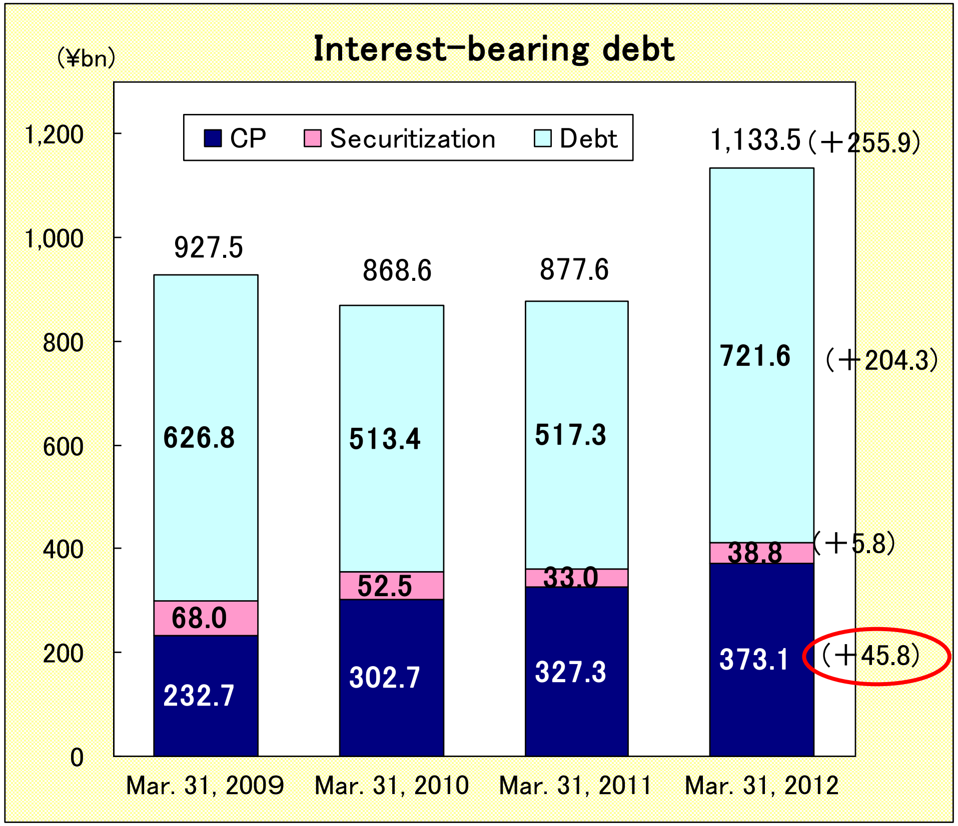
| | | Mar. 31, 2009 | Mar. 31, 2010 | Mar. 31, 2011 ① | Mar. 31, 2012 ② | Change ②−① |
|---|---|---|---|---|---|---|
| Assets | | | | | | |
| | Cash and Deposits | 28.0 | 18.5 | 37.7 | **41.3** | +3.6 |
| | Operating Assets | 985.0 | 935.2 | 928.6 | **1,211.3** | +282.7 |
| | Investment Securities * | 21.7 | 22.2 | 21.7 | **16.9** | −4.8 |
| | Doubtful operating receivables. | 9.5 | 14.1 | 10.4 | **19.2** | +8.8 |
| | Total Assets | 1,076.2 | 1,017.1 | 1,028.0 | **1,333.0** | +305.0 |
| Liabilities / Equity | | | | | | |
| | Interest-bearing Debt | 927.5 | 868.6 | 877.6 | **1,133.5** | +255.9 |
| | Net Assets (shareholders' equity) | 56.0 (55.8) | 63.3 (61.4) | 69.4 (68.7) | **74.7 (71.2)** | +5.3 (+2.5) |
| | Equity ratio | 5.1% | 6.1% | 6.7% | **5.3%** | −1.4% |

* Excluding items included in operating assets

## (2) Status of funding

【Funding】

- ○In view of the increase in operating assets, bolster Relationship Management with existing lenders and focus on further expanding the funding base
- ○IBJL-TOSHIBA Leasing Company, Limited newly acquired a short-term credit rating of "J-1" and is proactively utilizing CP




【External Ratings】 ※CP issuance limit is noted in the parenthesis

| IBJ Leasing | | |
|---|---|---|
| Japan Credit Rating Agency <JCR> | Long Term | A |
| | Short Term | J－1 (¥350 bn) |
| Rating and Investment Information, Inc. <R&I> | Short Term | a－1 (¥350 bn) |

| IBJL Toshiba Leasing | | |
|---|---|---|
| Japan Credit Rating Agency <JCR> | Long Term | A |
| | Short Term | J－1 (¥150 bn) |

# 3. P/L Overview

## (1) Summary

- Operating revenue was roughly flat YoY at ¥37.5 billion
- Operating expenses increased ¥4.8 billion YoY due to the spike in credit costs and the addition of general expenses from the 2 acquired companies

  ⇒There was a significant decline in both ordinary income and net income as a result of the increase in expenses
- One-off expenses in association with the M&A activity led to an extraordinary loss of ¥1.6 billion

(¥bn)

| | FY09 | FY10 ① | FY11 ② | Change ②−① | % Change |
|---|---|---|---|---|---|
| **Operating revenue Ⓐ** | **38.7** | **37.4** | **37.5** | **+0.1** | **+0.1%** |
| Gross profit before write-offs and funding costs | 36.7 | 36.6 | 36.6 | +0.0 | +0.1% |
| Interest and dividend income | 1.3 | 0.2 | 0.3 | +0.1 | +11.9% |
| Equity in earnings of affiliates | 0.5 | 0.5 | 0.1 | -0.4 | -89.3% |
| Return on investment | - | 0.0 | 0.4 | +0.4 | — |
| **Operating expenses Ⓑ** | **26.6** | **21.6** | **26.4** | **+4.8** | **+22.2%** |
| Funding costs | 7.2 | 5.5 | 5.3 | -0.2 | -3.2% |
| Interest expenses | 0.9 | 0.4 | 0.3 | -0.1 | -23.3% |
| General expenses | 12.6 | 13.3 | 14.5 | +1.2 | +9.2% |
| Credit costs | 5.6 | 2.3 | 6.0 | +3.7 | +163.2% |
| **Ordinary income Ⓐ−Ⓑ** | **12.1** | **15.9** | **11.1** | **-4.8** | **-29.9%** |
| (Ordinary income before write-offs) | (17.7) | (18.2) | (17.1) | (-1.1) | (-5.7%) |
| Extraordinary loss | -0.1 | -0.4 | -1.6 | -1.2 | -260.1% |
| **Net income** | **7.0** | **9.0** | **4.3** | **-4.7** | **-52.4%** |

## (2) Gross profit before write-offs and funding costs

【Gross profit before write-offs and funding costs】

〇Although return declined, gross profit was roughly flat YoY at ¥36.6 billion, partially due to the increase in operating assets following the M&A deals

【Return】

〇Amid the continued low interest rate environment, competition intensified and the drop in return on new operating assets had an impact

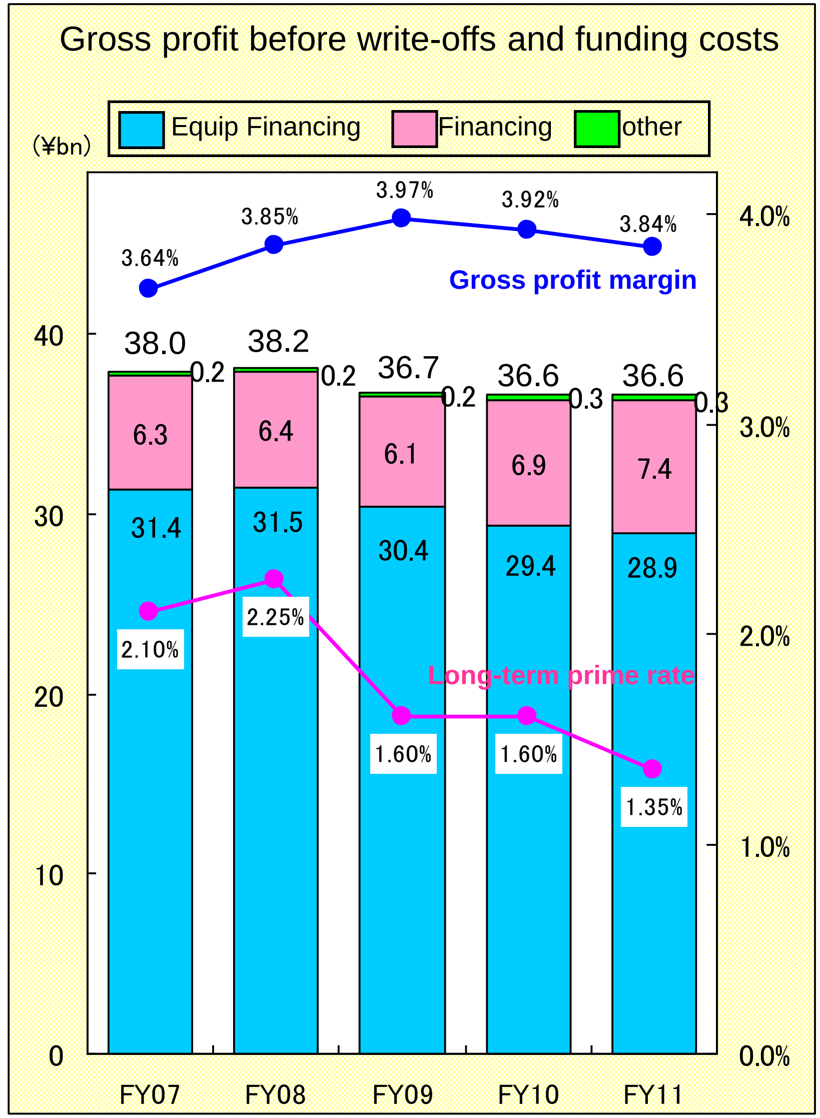
(¥bn)

| | | FY07 | FY08 | FY09 | FY10 | FY11 |
|---|---|---|---|---|---|---|
| ＊1 | Gross profit before write-offs and funding costs | 38.0 | 38.2 | 36.7 | 36.6 | 36.6 |
| | Equipment financing | 31.4 | 31.5 | 30.4 | 29.4 | 28.9 |
| | Financing | 6.3 | 6.4 | 6.1 | 6.9 | 7.4 |
| ＊2 | Gross profit margin | 3.64% | 3.85% | 3.97% | 3.92% | 3.84% |

| | FY07 | FY08 | FY09 | FY10 | FY11 |
|---|---|---|---|---|---|
| Long-term prime rate (end of March) | 2.10% | 2.25% | 1.60% | 1.60% | 1.35% |

(＊1) Gross profit before write-offs and funding costs includes other income

(＊2) Gross profit margin = Gross profit before write-offs and funding costs / Operating assets (※)
※FY11 : Month-end average, FY07-FY10* average of beginning and ending balances



## (3) Funding Costs

【ALM Operations】

- ○Long-term interest rates gradually fell through the fiscal second half due to monetary easing policies in response to concerns about a weakening economy — Flattening of the yield curve
- ○Judged interest rate movement and flexibly managed ALM, including fixing interest rates on some existing floating-rate debt
- ○Enjoyed the advantages of low short-term interest rates by continuing CP borrowing

【Funding costs】

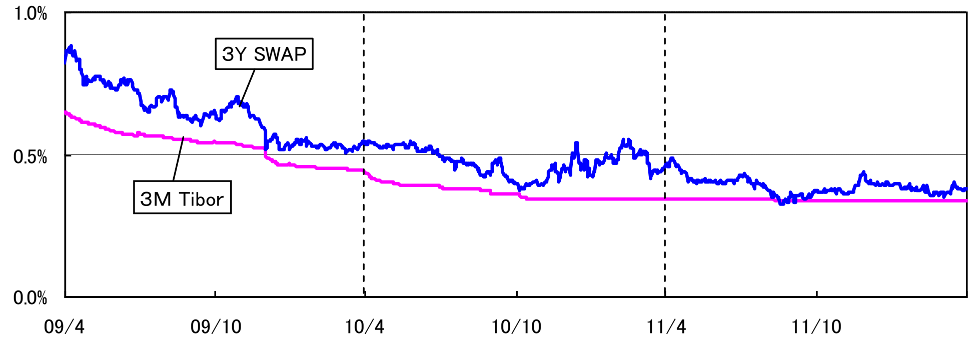
- ○Despite taking over the interest-bearing debt of the acquired 2 companies, funding costs continued to drop, so the cost of funds (CoF) ratio declined to 0.55%

(¥bn)

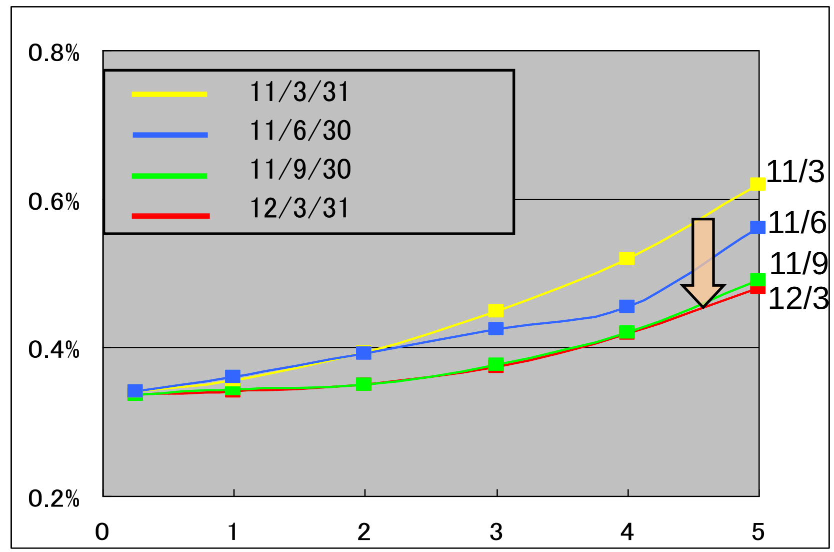
| | FY08 | FY09 | FY10 ① | FY11 ② | Change ②−① |
|---|---|---|---|---|---|
| Funding cost | 10.1 | 7.2 | 5.5 | 5.3 | −0.2 |
| Interest paid | 1.2 | 0.9 | 0.4 | 0.3 | −0.1 |
| CoF ratio | 1.02% | 0.78% | 0.59% | 0.55% | −0.03% |

Notes: CoF ratio = Funding cost / Operating assets(※)
※ FY11：Month-end average, FY08-FY10* average of beginning and ending balances

<Interest Rate Trend>




＜Market Interest Rate Yield Curve＞



# (4) Credit costs

【Credit Costs 】

○Credit costs increased significantly YoY, reflecting the weakening of domestic companies and decline in international competitiveness due to the yen's appreciation,

— Elpida Memory's bankruptcy filing

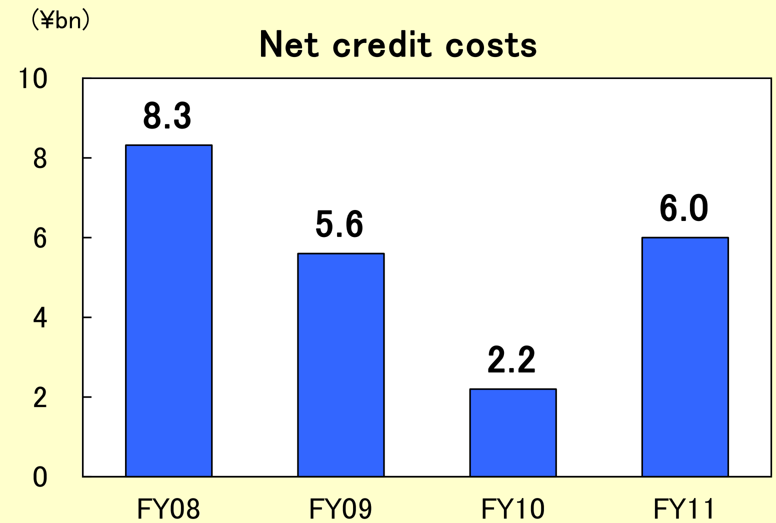
— Preventive measures taken for companies affected by the appreciation of the yen

○Earthquake-related provisions (¥1.2 billion) went unused and were thus tapped into

【Credit Management Strategy Going Forward】

○Depending on the trends with the exchange rates and petroleum prices, there could be concerns again over a downturn in companies' operating performance, especially export companies and the manufacturing sector

⇒Keep a close watch on corporate performance and continue to practice stringent credit management




【Transactions with Elpida Memory】

・Primarily the Hiroshima Plant's semiconductor production facilities

・The type of transaction and breakdown of credit amount are shown below

(¥bn)

| | Transaction Type | Credit Amount |
|---|---|---|
| IBJ Leasing | Lease | 6.5 |
| | Loan | 0.7 |
| | Guarantee | 0.0 |
| IBJL Toshiba Leasing | Installment Sale | 1.4 |
| Total | | 8.6 |

# Ⅱ. Development as a New Group

（FY2012 Plan）

# 1. Business Strategy

## $3^{rd}$ Medium-term Management Plan (FY2011－2013)

**＜Basic Goal＞ 『Step up as a multimodal corporate financial services group』**

**＜5 Priority Initiatives＞**

(1) Capitalize on customer base and solutions capabilities

(2) Expand specialty finance business **(3) Step up overseas operations**

**(4)Cultivate new business domains (5) Utilize M&A**

| Consolidated Numerical Targets (FY2013) | |
|---|---|
| Operating assets | ¥1,200 bn |
| Net income | ¥10.0 bn |
| ROE | Over 10% |

**Year 1 Results (FY2011)** — **Solidify operating base in order to 『Step up as a multimodal corporate financial services group』**

(1)Incorporate 2 Toshiba-related companies into the Group (2)Expand overseas units' business foundations (3) Develop the medical and environmental business domains

**This Year (FY2012)** — **Build a strong operational foundation geared toward continual growth and enhance the group's earnings power**

**⇒Make progress on priority initiatives and speed up development**

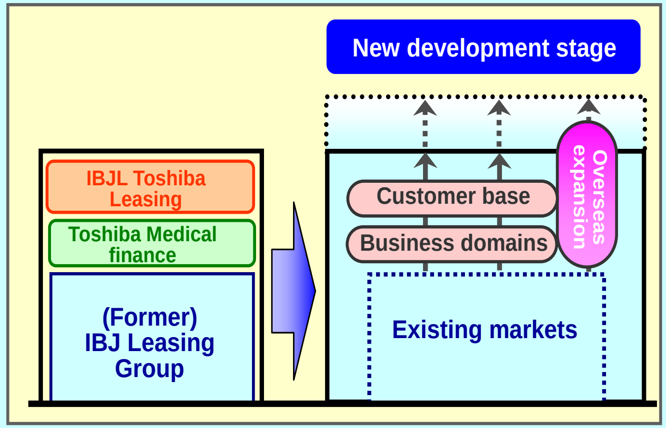
**Final Year (FY2013)** — **Quickly realize the goals of the medium-term management plan and take new steps towards further leaps forward**

## FY2012 Management Strategy

### ◆ Pursue Group synergies by bolstering consolidated management

### <Operational synergistic effects>

- — Develop business with a view to growth and profitability
- — Aggressive growth of sales to Japanese companies in Asia
- — Speed up initiatives in new fields and growth areas
- — Enhance and expand the specialty finance business




### <Cost-related synergistic effects>

**<Funding Costs>**

—Secure stable, low rate funding

— Promote flexible ALM

**<Credit Costs>**

— Enhance risk management in light of environment

— Diversify risk

**<Management Costs>**

— Promote more efficient operations through group synergies

Continued growth

**Quickly realize the goals of the medium-term management plan and take steps towards a new development stage**

# 2. FY2012 Earnings Forecast

【Business Environment】

〇While the Japanese economy is expected to recover on the back of internal demand brought about by restoration-related demand, depending on external factors such as rising crude oil prices and the yen appreciating once again, there is a possibility of an economic downturn

【FY2012 Full-year Earnings Forecast】

〇We are taking a cautious view of full-year earnings, as despite adding the two acquired companies and maximizing group synergies, earnings may be impacted by the unstable economic environment and intensifying competition including other business categories

【Annual Dividend Forecast】

〇We are planning a per share annual dividend of ¥50 (interim dividend = ¥24, year-end dividend = ¥26), which would represent an 11th straight year of dividend increases.

(¥ bn)

| | FY11 (Actual) | FY12 (Plan) | Change | % Change |
|---|---|---|---|---|
| Net sales | 270.1 | 350.0 | ＋79.9 | ＋25.9% |
| Operating income | 10.7 | 15.0 | ＋4.3 | ＋40.3% |
| Ordinary income | 11.1 | 15.5 | ＋4.4 | ＋39.3% |
| Net income | 4.3 | 9.0 | ＋4.7 | ＋109.4% |
| Annual dividend | ¥48 | ¥50 | ＋2 | — |

# Appendix

## (1) Company Overview

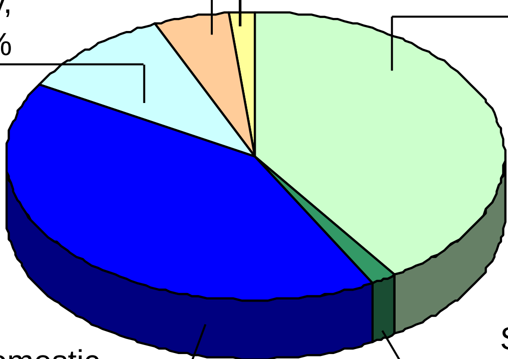
| | |
|---|---|
| **Company name:** | **IBJ Leasing Company, Limited** |
| **Address:** | **1-2-6 Toranomon, Minato-ku, Tokyo 105-0001** |
| **Business description:** | **Multimodal Financial Services** |
| **Representative:** | **Tsutomu Abe, President and CEO** |
| **Establishment:** | **December 1, 1969** |
| **Listing:** | **Tokyo Stock Exchange, 1st Section (Code: 8425)** |
| **Paid-in capital:** | **¥1,176.0 billion (outstanding shares: 36,849 thousand)** |
| **No. of employees:** | **1,073 (as of March 31, 2012)** |

## (2) Shareholders (as of March 31, 2012)

○Outstanding shares: 36,849 thousand

○Shareholders: 12,765

○Shareholder composition (shareholding ratio)




(Note) Ratios represent percentage of total outstanding shares

○20 largest shareholders

| Shareholder | Shares held (thousand) | Ratio (%) |
|---|---|---|
| The Dai-ichi Life Insurance Company, Limited | 2,930 | 7.95 |
| Mizuho Trust & Banking (Nissan Motor. Co., Ltd. Retirement Benefit Trust Account) | 1,750 | 4.74 |
| Mizuho Corporate Bank, Ltd. | 1,635 | 4.43 |
| Jowa Holdings Co., Ltd. | 1,546 | 4.19 |
| Meiji Yasuda Life Insurance Company | 1,251 | 3.39 |
| Dowa Holdings Co., Ltd. | 1,120 | 3.03 |
| Kowa Real Estate Co., Ltd. | 975 | 2.64 |
| The Kyoritsu Co., Ltd. | 949 | 2.57 |
| Toshiba Corporation | 900 | 2.44 |
| Japan Trustee Services Bank, Ltd. (Trust Account) | 783 | 2.12 |
| Nippon Life Insurance Company | 720 | 1.95 |
| Nippon Steel Corporation | 720 | 1.95 |
| Tosoh Corporation | 720 | 1.95 |
| Fuji Heavy Industries Ltd. | 720 | 1.95 |
| The Shiga Bank, Ltd. | 670 | 1.81 |
| Credit Saison Co., Ltd. | 670 | 1.81 |
| Iino Kaiun Kaisha, Ltd. | 666 | 1.80 |
| THE CHASE MANHATTAN BANK N.A. LONDON SECS LENDING OMNIBUS ACCOUNT | 600 | 1.62 |
| Sompo Japan Insurance Inc. | 600 | 1.62 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 579 | 1.57 |

Besides the above, the Company owns 650 thousand Treasury shares

# (3) IBJ Leasing Group

(as of March 31, 2012)

※IBJ Leasing Co., Ltd's ownership ratio is in parenthesis

**IBJ Leasing Co., Ltd.**

14 domestic offices, including Tokyo, Osaka, Nagoya, Fukuoka, and Sapporo

## Expansion of Business Sphere — Utilize client base held by operating companies and financial institutions

- **IBJL Toshiba Leasing** (90%) — Main clients are Toshiba Group and its customers
- **Dai-ichi Leasing** (90%) — Main clients are customers of Dai-ichi Life
- **Nissan Leasing** (100%) — Main customers are Nissan Motor Group and its customers
- **Toshiba Medical Finance** (65%) — Medical equipment vendor financing
- **Universal Leasing** (90%) — Main client is Yamamaru Group
- **Higashi-Nippon Leasing** (95%) — Main clients are Higashi-Nippon Bank customers
- **IS Leasing** (100%) — Medical equipment vendor financing
- **The Toho Lease** (28. 3%) — Main clients are Toho Bank customers
- **Juhachi Sogo Lease** (17.3%) — Main clients are The Eighteenth Bank customers

## Providing Specialty Functions/Services — Diversify the menu of offerings in line with IBJ Leasing' s capabilities

- **IBJ Leasing Co.** (100%) — Automobile leasing
- **KL Lease & Estate Company** (100%) — Building leasing
- **KL & Co.** (100%) — Used property transactions
- **KL Insurance & Co.** (100%) — Life insurance solicitation, non-life insurance agency
- **KL Office Service Company** (100%) — Clerical outsourcing

## Overseas Units (local subsidiaries) —Aggressive development in Asia where growth is high

**Asia**

- **China** (HQ: Shanghai, Branch: Guangzhou) (100%)
- **Indonesia** (80%)
- **Thailand** (49%)
- **The Philippines** (10%)

**Europe**

- **U.K.** (100%)

## (4) Acquisition of 2 Toshiba Group Finance Companies

**【Overview of Acquisitions】** (Acquisition Date: February 1, 2012)

〇Acquired company that took over Toshiba Finance's corporate business division (IBJL Toshiba Leasing)

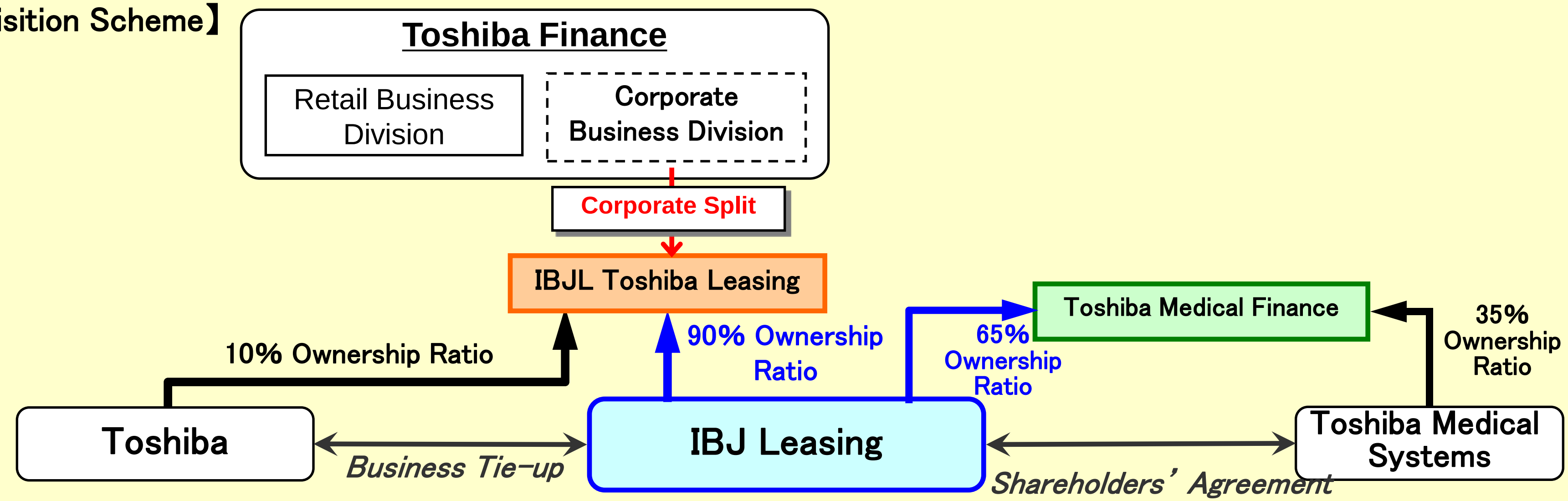
— Post-acquisition ownership ratio (IBJ Leasing = 90%, Toshiba =10%) (Acquisition Price: = ¥13.0 billion)※

〇Also acquired shares (65%) of Toshiba Medical Finance (Acquisition Price: ¥2.6 billion)※

— Vendor financing of Toshiba medical equipment

※Net assets as of March 31, 2011: Toshiba Finance's corporate business division = ¥15.1 billion, Toshiba Medical Finance = ¥4.1 billion
Figures for Toshiba Finance's corporate business division are internal management figures, and have not been independently audited

**【Acquisition Scheme】**



## 【Business Development of the 2 Acquired Companies】

○Absorb Toshiba Group's wide-ranging client base and business scope into the IBJ Leasing Group

— Toshiba Group's

①Capital investment finance ②Factoring service ③Vendor financing for products

○Take advantage of IBJ Leasing's finance know-how and funding capability

## 【Company Overview】(as of March 31, 2012)

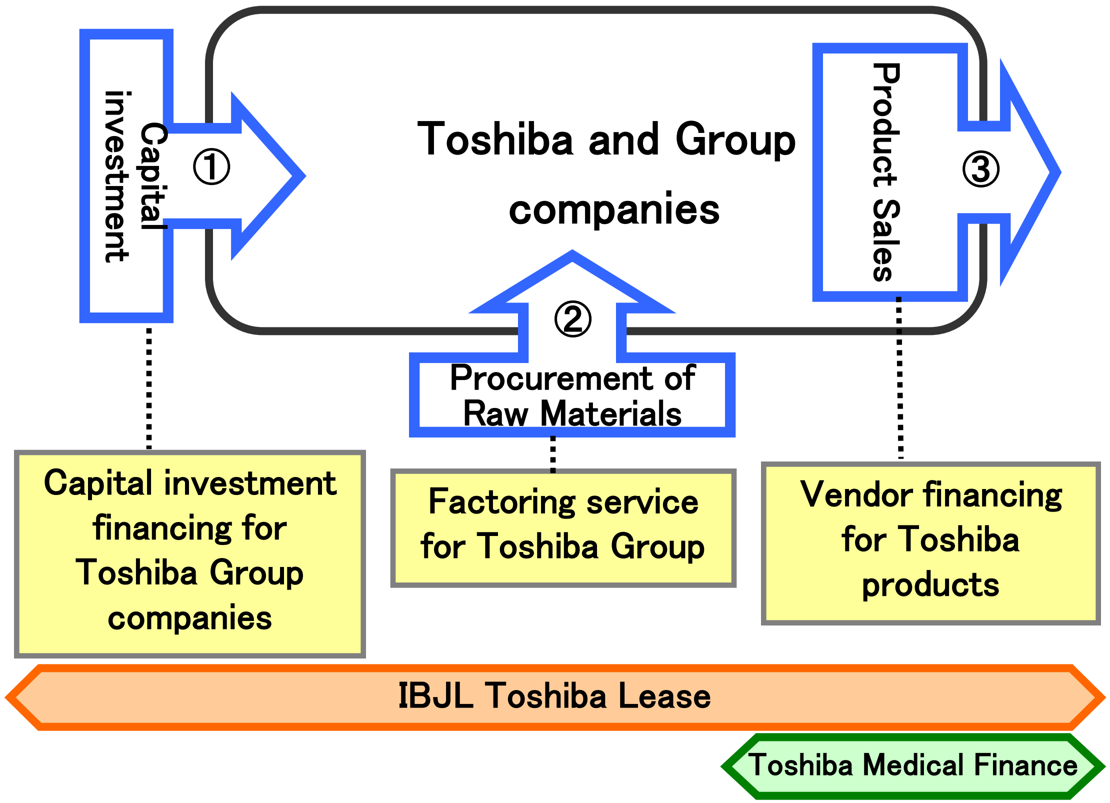
**＜IBJL Toshiba Leasing＞**

- Operating Assets ¥287.9 billion
- Shareholders IBJ Leasing = 90%
  Toshiba = 10%

**＜Toshiba Medical Finance＞**

- Operating Assets ¥50.6 billion
- Shareholders IBJ Leasing = 65%
  Toshiba Medical Systems = 35%

## 【Business Details】



## (5)-1 Consolidated B/S (assets)

( ¥bn)

| | 3/31/2008 | 3/31/2009 | 3/31/2010 | 3/31/2011 (1) | **3/31/2012 (2)** | Change (2)－(1) | % change (2)/(1) |
|---|---|---|---|---|---|---|---|
| Current assets | 440.1 | 989.7 | 904.9 | 947.9 | 1,229.1 | +281.2 | +29.7% |
| Cash, cash equivalents | 16.7 | 28.0 | 18.5 | 37.7 | 41.3 | +3.6 | +9.4% |
| Lease receivables | — | 575.4 | 522.3 | 511.7 | 704.2 | +192.5 | +37.6% |
| Installment sales receivables | 124.1 | 122.1 | 108.9 | 95.1 | 112.6 | +17.5 | +18.4% |
| Operational loans | 243.3 | 233.7 | 237.4 | 241.9 | 295.0 | +53.1 | +21.9% |
| Operational investment securities | — | — | — | 46.0 | 48.9 | +2.9 | +6.2% |
| Investment securities | 11.9 | 14.2 | 4.0 | 0.7 | 0.1 | -0.6 | -81.0% |
| Allowance for doubtful receivables | -2.0 | -3.6 | -3.9 | -4.6 | -7.7 | -3.1 | -66.8% |
| Property & Equipment | 755.2 | 86.4 | 112.2 | 80.1 | 103.9 | +23.8 | +29.7% |
| Leased assets | 698.9 | 21.5 | 31.2 | 34.5 | 50.9 | +16.4 | +47.6% |
| Investment securities | 38.8 | 41.6 | 54.9 | 20.9 | 16.8 | -4.1 | -19.9% |
| Doubtful operating receivables | 2.9 | 9.5 | 14.1 | 10.4 | 19.2 | +8.8 | +84.2% |
| Allowance for doubtful receivables | -0.8 | -0.5 | -0.7 | -0.9 | -3.3 | -2.4 | -291.9% |
| Total assets | 1,195.3 | 1,076.2 | 1,017.1 | 1,028.0 | 1,333.0 | +305.0 | +29.7% |
| Operating assets | 1,092.2 | 985.0 | 935.2 | 928.6 | **1,211.3** | +282.6 | +30.4% |

# (5)-2 Consolidated B/S (Liabilities, Equity)

(¥bn)

| | 3/31/2008 | 3/31/2009 | 3/31/2010 | 3/31/2011 (1) | **3/31/2012 (2)** | Change (2)－(1) | % change (2)/(1) |
|---|---|---|---|---|---|---|---|
| Current liabilities | 806.8 | 649.4 | 701.6 | 705.9 | 900.9 | +195.0 | +27.6% |
| Short-term borrowings | 102.3 | 126.2 | 92.6 | 137.5 | 172.9 | +35.4 | +25.8% |
| Current portion of long-term debt | 211.7 | 160.1 | 186.4 | 138.9 | 203.0 | +64.1 | +46.2% |
| Commercial paper | 329.5 | 232.7 | 302.7 | 327.3 | 373.1 | +45.8 | +14.0% |
| Current portion of accounts payable on the transferred specified claims | 90.7 | 45.4 | 43.0 | 30.4 | 37.7 | +7.3 | +23.9% |
| Lease payable | — | 26.7 | 21.6 | 15.4 | 19.2 | +3.8 | +25.2% |
| Long-term liabilities | 331.1 | 370.8 | 252.1 | 252.7 | 357.3 | +104.6 | +41.4% |
| Long-term debt | 261.4 | 340.4 | 234.4 | 241.0 | 345.7 | +104.7 | +43.5% |
| Accounts payable on the transferred specified claims | 61.7 | 22.5 | 9.5 | 2.6 | 1.1 | -1.5 | -58.3% |
| Total liabilities | 1,137.9 | 1,020.2 | 953.8 | 958.6 | 1,258.2 | +299.6 | +31.3% |
| Net assets | 57.4 | 56.0 | 63.3 | 69.4 | 74.7 | +5.3 | +7.7% |
| Shareholders' equity | 54.4 | 55.8 | 61.4 | 68.7 | 71.2 | +2.5 | +3.7% |
| Adjustments | 1.7 | -1.2 | 0.5 | -0.3 | -0.5 | -0.2 | -72.2% |
| Minority interests | 1.3 | 1.4 | 1.4 | 1.0 | 4.0 | +3.0 | +293.5% |
| Total | 1,195.3 | 1,076.2 | 1,017.1 | 1,028.0 | 1,333.0 | +305.0 | +29.7% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Interest-bearing debt | 1,057.3 | 927.5 | 868.6 | 877.6 | 1,133.5 | +255.9 | +29.2% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Equity ratio | 4.7% | 5.1% | 6.1% | 6.7% | 5.3% | -1.4% | |

# (6) Consolidated statements of income

(¥bn)

| | FY2007 | FY2008 | FY2009 | FY2010 (1) | **FY2011 (2)** | Change (2)－(1) | % change (2)/(1) |
|---|---|---|---|---|---|---|---|
| Revenues | 341.3 | 298.7 | 263.6 | 256.1 | 270.1 | +14.0 | +5.5% |
| Gross profit before funding costs | 36.4 | 38.2 | 36.7 | 36.5 | 36.6 | +0.1 | +0.1% |
| Funding costs | 9.8 | 10.1 | 7.2 | 5.5 | 5.3 | -0.2 | -3.2% |
| Gross profit | 26.5 | 28.1 | 29.5 | 31.1 | 31.3 | +0.2 | +0.7% |
| SGA expenses | 15.0 | 21.3 | 18.2 | 15.6 | 20.6 | +5.0 | +31.7% |
| Personnel, facilities, etc. | 13.1 | 12.8 | 12.6 | 13.3 | 14.5 | +1.2 | +9.2% |
| Operating income | 11.5 | 6.8 | 11.3 | 15.4 | 10.7 | -4.7 | -30.8% |
| Other income | 1.9 | 1.8 | 2.0 | 0.9 | 0.9 | +0.0 | +1.4% |
| Other expenses | 1.2 | 1.8 | 1.1 | 0.5 | 0.5 | +0.0 | +1.8% |
| Ordinary income | 12.2 | 6.8 | 12.1 | 15.9 | 11.1 | -4.8 | -29.9% |
| Extraordinary income | 1.1 | 0.5 | 0.1 | 0.1 | 0.0 | -0.1 | -85.7% |
| Extraordinary loss | 0.7 | 1.6 | 0.2 | 0.5 | 1.6 | +1.1 | +199.5% |
| Income before income taxes | 12.5 | 5.6 | 12.1 | 15.4 | 9.5 | -5.9 | -38.3% |
| Income taxes | 4.6 | 2.2 | 5.0 | 6.3 | 5.1 | -1.2 | -19.7% |
| Net income | 7.8 | 3.3 | 7.0 | 9.0 | 4.3 | -4.7 | -52.4% |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Actual credit cost | 3.5 | 8.3 | 5.6 | 2.2 | 6.0 | +3.8 | + 174.6% |

# (7) Consolidated statement of comprehensive income

(¥bn)

| | FY2009 | FY2010 | **FY2011** | Change | % change |
|---|---|---|---|---|---|
| Net income before minority interests | 7.1 | 9.1 | 4.4 | -4.7 | -51.2% |
| Unrealized gain on available-for-sale securities | 1.4 | -0.5 | -0.0 | +0.5 | +97.3% |
| Deferred loss on derivatives under hedge accounting | -0.0 | -0.0 | -0.0 | +0.0 | +72.9% |
| Foreign currency translation adjustments | 0.1 | -0.4 | -0.1 | +0.3 | +67.7% |
| Share of other comprehensive income of associated companies | 0.2 | 0.1 | -0.0 | -0.1 | -147.6% |
| Total other comprehensive income | 1.7 | -0.9 | -0.2 | +0.7 | +75.7% |
| Total comprehensive income | 8.8 | 8.3 | 4.2 | -4.1 | -48.6% |

# (8) Gross profit before write-offs and funding costs by segment

(¥bn)

| | FY2007 | FY2008 | FY2009 | FY2010 (1) | **FY2011 (2)** | Change (2)−(1) | % change (2)/(1) |
|---|---|---|---|---|---|---|---|
| Revenues | 341.3 | 298.7 | 263.6 | 256.1 | 270.1 | +14.0 | +5.5% |
| Leasing | 312.5 | 273.7 | 242.0 | 233.8 | 249.6 | +15.8 | +6.8% |
| Installment sales | 20.7 | 16.9 | 14.5 | 14.2 | 11.6 | -2.6 | -18.2% |
| Loans | 7.0 | 7.0 | 6.5 | 6.1 | 6.5 | +0.4 | +5.1% |
| Other | 1.6 | 1.7 | 1.1 | 2.3 | 2.8 | +0.5 | +23.4% |
| Elimination/Corporate | -0.6 | -0.6 | -0.4 | -0.4 | -0.5 | -0.1 | -12.2% |
| Costs and expenses | 305.0 | 260.5 | 226.9 | 219.5 | 233.5 | +14.0 | +6.4% |
| Leasing | 286.6 | 246.0 | 215.1 | 207.2 | 223.2 | +16.0 | +7.7% |
| Installment sales | 17.0 | 13.1 | 11.0 | 11.4 | 9.2 | -2.2 | -19.6% |
| Loans | 0.7 | 0.5 | 0.4 | 0.3 | 0.3 | +0.0 | +2.6% |
| Other | 0.9 | 1.1 | 0.5 | 0.6 | 1.0 | +0.4 | +66.0% |
| Elimination/Corporate | -0.1 | -0.2 | -0.1 | -0.0 | -0.2 | -0.2 | −% |
| Gross profit before write-offs and funding costs | 36.4 | 38.2 | 36.7 | 36.5 | 36.6 | +0.1 | +0.1% |
| Leasing | 26.0 | 27.7 | 26.9 | 26.6 | 26.4 | -0.2 | -0.7% |
| Installment sales | 3.8 | 3.8 | 3.5 | 2.8 | 2.5 | -0.3 | -12.6% |
| Loans | 6.3 | 6.4 | 6.1 | 5.8 | 6.1 | +0.3 | +5.2% |
| Other | 0.7 | 0.6 | 0.6 | 1.7 | 1.9 | +0.2 | +8.6% |
| Elimination/Corporate | -0.5 | -0.4 | -0.4 | -0.4 | -0.3 | +0.1 | +26.9% |
| Funding costs | 9.8 | 10.1 | 7.2 | 5.5 | 5.3 | -0.2 | -3.2% |
| Gross profit | 26.5 | 28.1 | 29.5 | 31.1 | 31.3 | +0.2 | +0.7% |