Overview
First-Quarter Results for FY2013

August 5, 2013

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

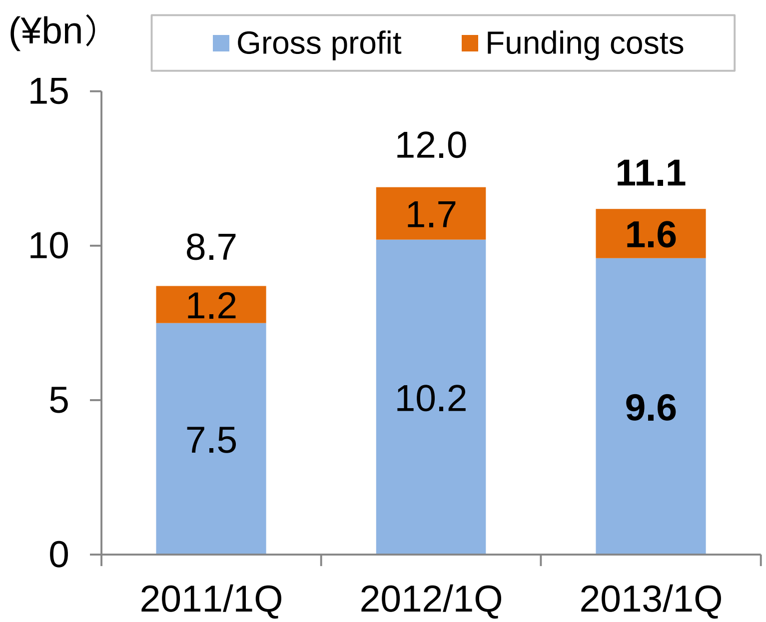
- Although there was a decline in gross profit, the improvement in credit costs resulted in a significant increase in profit at all levels
  - Credit costs in 1Q were negative ¥1.0bn（In the previous term there was ¥3.5bn in provisions）
- Profit at all levels were higher than the level needed to be on pace to achieve full year forecasts

Consolidated P/L (¥bn)	FY11 1Q	FY12 1Q (a)	**FY13 1Q (b)**	Change (b)-(a)	Percentage change (b)/(a)	FY13 Forecast <% change>
Operating revenue	66.0	86.7	**86.8**	＋0.1	+0%	<26.3%> 330.0
Gross profit before write-offs, funding costs	8.7	12.0	**11.1**	-0.9	-7%	—
(Funding costs)	(1.2)	(1.7)	**(1.6)**	(-0.1)	(-11%)	—
Gross profit	7.5	10.2	**9.6**	-0.6	-6%	—
(General expenses)	(3.6)	(4.9)	**(4.8)**	(-0.1)	(-3%)	—
Operating income	4.1	1.8	**5.8**	＋4.0	+227%	<37.5%> 15.5
Ordinary income	4.2	2.0	**6.0**	＋4.0	+196%	<35.9%> 16.6
(Ordinary income before write-offs)	(4.0)	(5.5)	**(4.9)**	(-0.6)	(-10%)	—
(Credit costs)	(-0.3)	(3.5)	**(-1.0)**	(-4.5)	(－%)	—
Net income	2.5	0.9	**3.6**	＋2.7	+308%	<35.9%> 10.0

P/L Overview

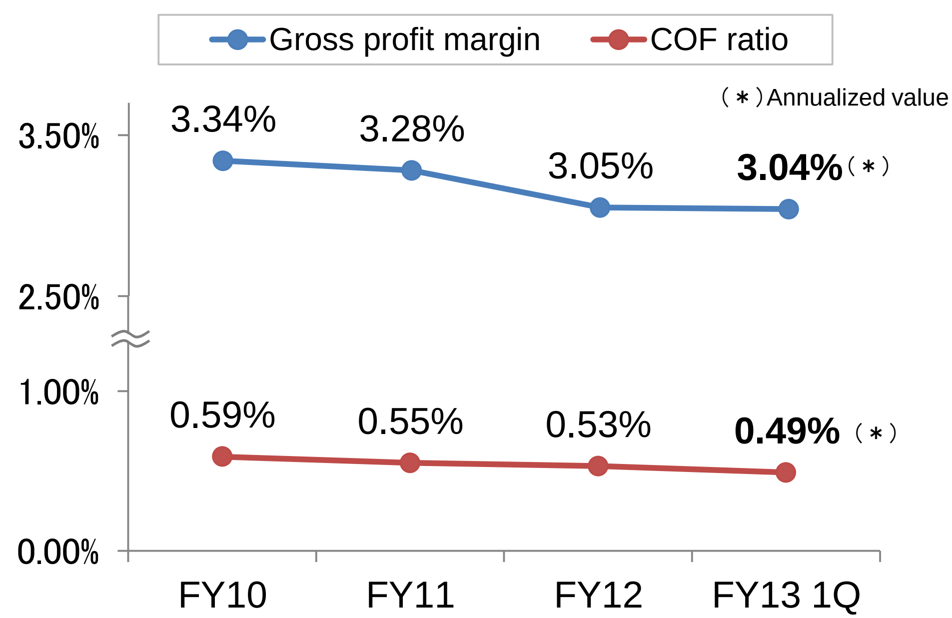
- Amid continued low interest rates, gross profit before write-offs and funding costs declined due to the impact of lower investment yield following operating asset replacement
- Worked to secure quality funding, funding costs declined as financing rates continued to decline
- Gross profit margin was largely unchanged versus FY2012

Gross profit before write-offs, funding costs



(Note) Gross profit = Gross profit before write-offs and funding costs – funding costs

Yield

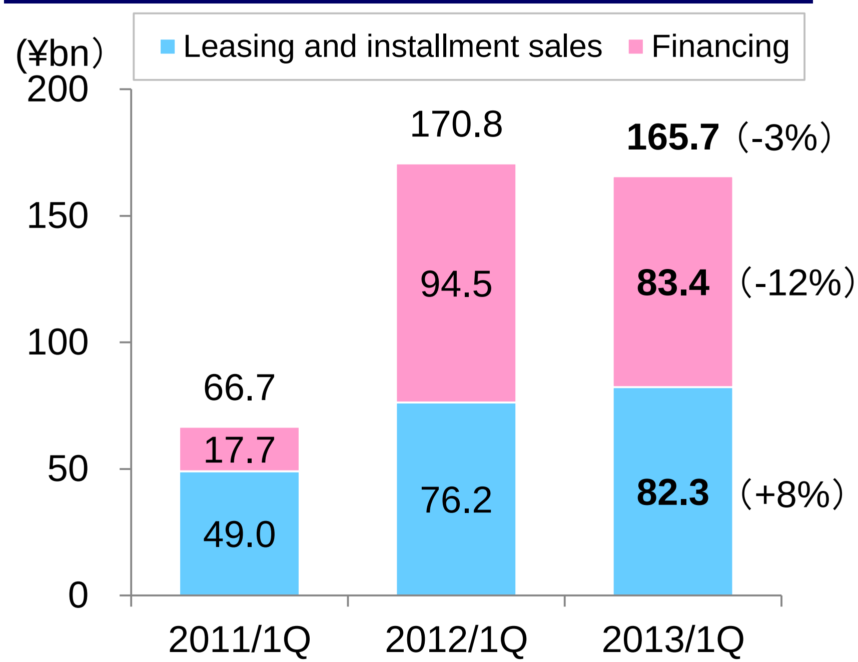


(Note) Gross profit margin = Gross profit / operating assets (average balance)
Funding cost ratio = Funding costs / operating assets (average balance)

Sales

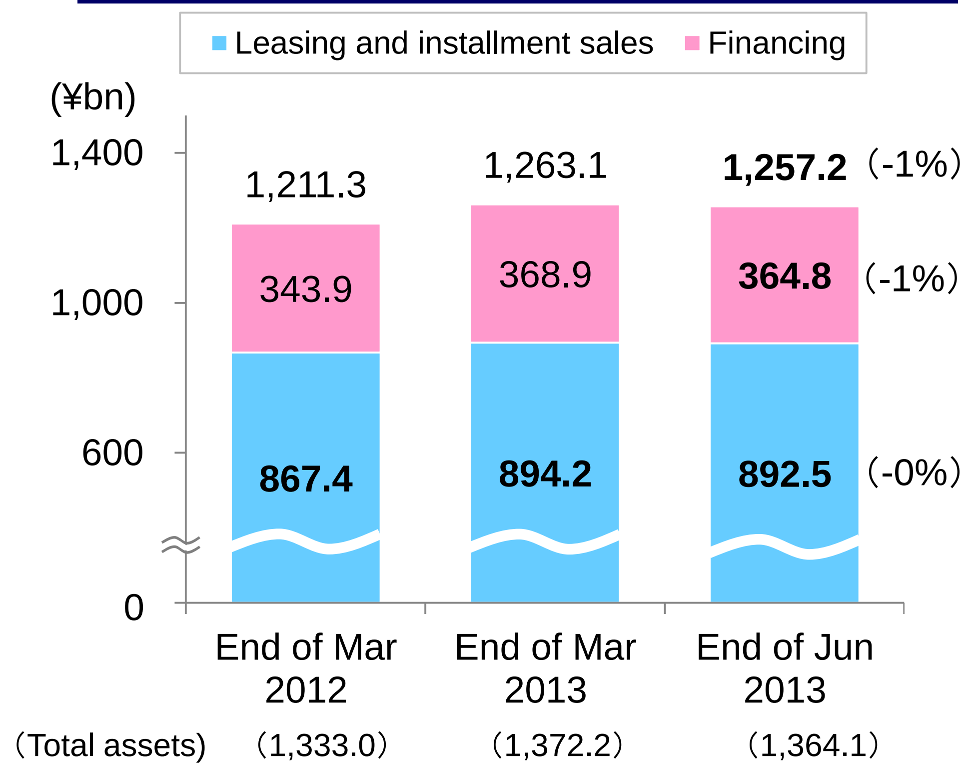
- Contract execution volume declined slightly year on year due to the decline in financing transactions (factoring, etc.)
  - Leasing and installment sales increased 8% year on year
- With respect to the operating assets balance, both leasing and installment sales as well as financing were roughly unchanged versus March 31, 2013.

Contract execution volume



＜Reference＞Industry leasing volume for FY2013 1Q was up 5.4% YoY (according to Japan Leasing Association data)

Operating assets



Contract Execution Volume by Equipment Type

〔Industrial and factory〕
Captured large auto-related projects, securing considerable volume

〔Information and communications〕
Responded to large-scale increase in investment in communications equipment

〔Transport〕
Downturn as a reaction to higher demand due to eco-car subsidies

〔Construction〕
Captured strong domestic demand
Overseas business bottomed out

〔Medical〕
Strong performance with the capture of projects introduced by vendors

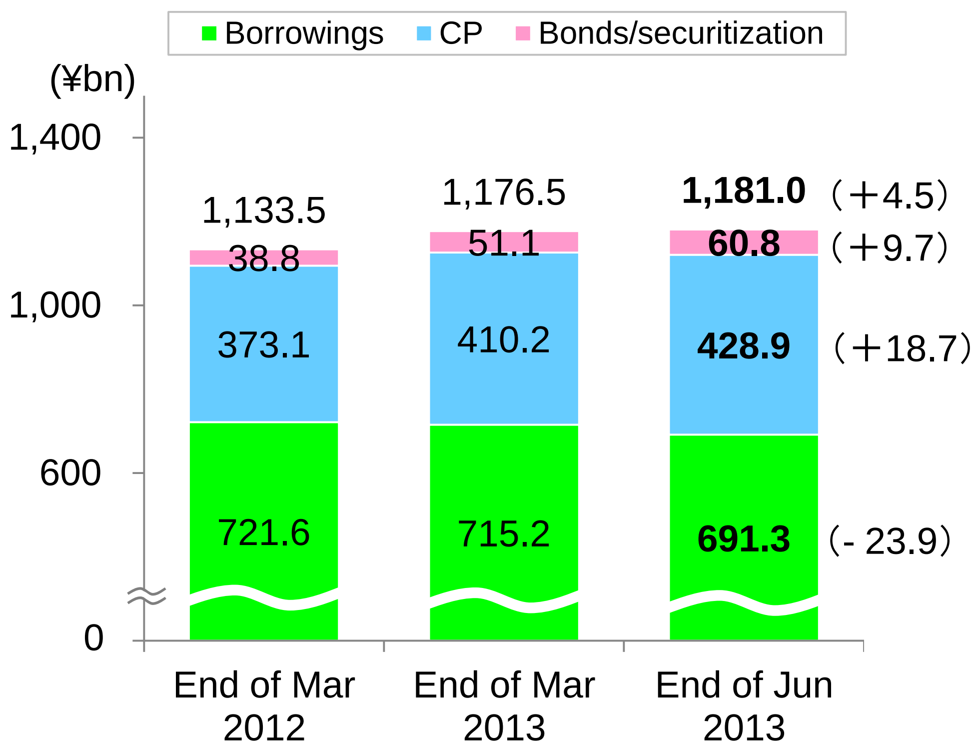
Contract execution volume by equipment type

(¥bn)	FY11 1Q	FY12 1Q	**FY13 1Q**	Percentage change	
Industrial and factory	10.4	21.9	**19.2**	- 2.7	(- 12%)
Information and communications	13.4	15.1	**27.1**	+ 12.0	(+79%)
Transport	5.3	9.0	**6.6**	- 2.4	(- 27%)
Construction	5.8	7.2	**8.3**	+ 1.1	(+15%)
Medical	2.7	5.2	**5.4**	+ 0.2	(+4%)
Commerce and services	5.7	7.7	**6.1**	-1.6	(- 21%)
Clerical	1.6	3.0	**3.0**	+ 0	(+1%)
Other	4.0	7.1	**6.6**	-0.5	(- 7%)
Total	49.0	76.2	**82.3**	+ 6.1	(+8%)

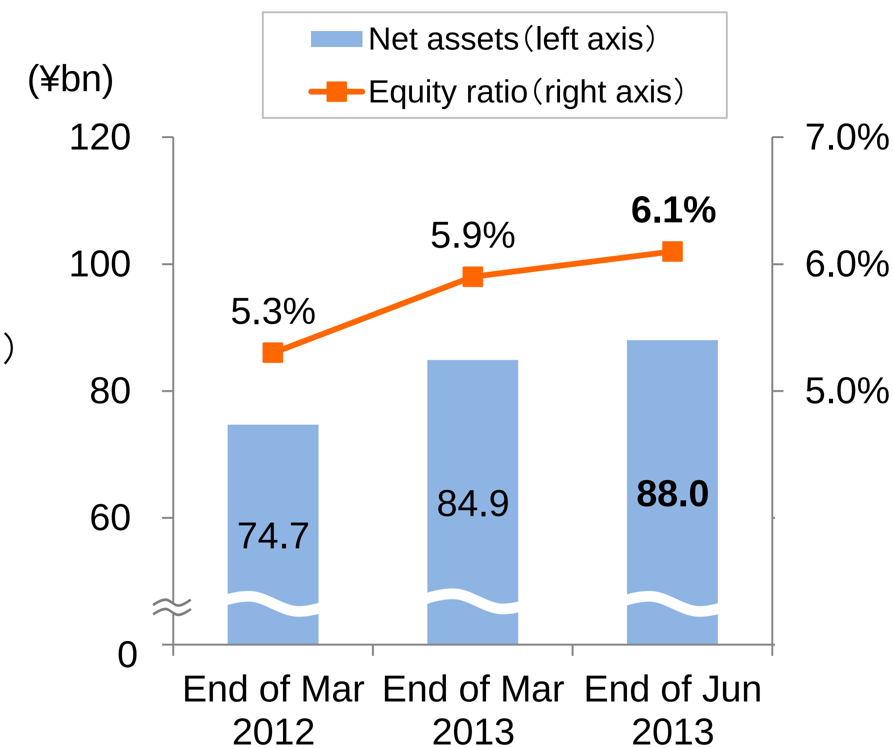
Interest-bearing Debt and Net Assets

- In addition to the active use of CP, issued 2nd issuance of corporate bonds totaling ¥10bn in June (3-Year bonds, Coupon: 0.348%)
- Net assets increased ¥3.1bn versus March 31, 2013 to ¥88bn, due to the accumulation of net income and other factors
  - Equity ratio increased 0.2% versus March 31, 2013

Interest-bearing debt



Net assets / Equity ratio



Full Year Forecast

- Focus on achieving profit targets set out in the 3rd Medium-term Management Plan and solidifying base for further growth

- Strong progress towards meeting targets in 1Q due to decline in credit costs, but due to continued low interest rates in conjunction with monetary easing and other factors, full-year earnings forecast is cautious based on assumption of a continued competitive environment

- Plan to pay an annual dividend of ¥52 per share in FY2013 (+¥2 per share); 12th straight year of increase

(¥bn)	FY2012 (a)	**FY2013(E) (b)**	**1Q**	**Progress rate**	Change (b)-(a)	Percentage change (b)/(a)
Revenues	352.5	**330.0**	**86.8**	**26.3%**	- 22.5	- 6.4%
Operating income	14.7	**15.5**	**5.8**	**37.5%**	＋0.8	＋5.7%
Ordinary income	15.4	**16.6**	**6.0**	**35.9%**	＋1.2	＋8.0%
Net income	8.9	**10.0**	**3.6**	**35.9%**	＋1.1	＋12.1%

	FY2012		FY2013	Change
Annual dividend	¥50		¥52	＋¥2
Interim dividend	¥24	(Plan)	¥26	＋¥2
Year-end dividend	¥26	(Plan)	¥26	—