Consolidated Balance Sheet
IBJ Leasing Company, Limited and Consolidated Subsidiaries
As of March 31, 2016

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2016	2015	2016
ASSETS			
Current Assets:			
Cash and Cash Equivalents	¥ 48,332	¥ 37,457	$ 428,899
Marketable Securities	73	-	648
Lease Receivables and Investments in Lease (Notes 3 and 4)	841,987	811,995	7,471,716
Receivables (Note 3):			
Notes and Accounts	457	46	4,058
Lease	5,109	6,680	45,338
Installment Sales	147,820	154,445	1,311,744
Loans	225,006	232,521	1,996,687
Factoring	152,926	128,546	1,357,055
Total Receivables	531,320	522,240	4,714,882
Operational Investment Securities	97,283	38,627	863,282
Deferred Tax Assets	1,102	1,277	9,783
Prepaid Expenses and Other	34,811	23,794	308,910
Allowance for Doubtful Receivables	(887)	(1,035)	(7,876)
Total Current Assets	1,554,022	1,434,357	13,790,244
Property and Equipment:			
Leased Assets (Note 3)	219,146	202,536	1,944,682
Accumulated Depreciation	(102,912)	(135,977)	(913,237)
Net Leased Assets	116,233	66,558	1,031,445
Advances for Purchases of Leased Assets	76	53	682
Own-used Assets	6,200	6,227	55,024
Accumulated Depreciation	(3,067)	(2,970)	(27,221)
Net Own-used Assets	3,133	3,257	27,803
Total Property and Equipment	119,443	69,869	1,059,930
Investments and Other Assets:			
Investment Securities	18,895	20,788	167,674
Investments in Unconsolidated Subsidiaries and Associated Companies	7,394	7,798	65,619
Long-term Receivables	10,393	8,947	92,235
Goodwill	203	275	1,807
Intangible Leased Assets (Note 3)	131	139	1,171
Deferred Tax Assets	2,462	866	21,855
Asset for Employees' Retirement Benefits	-	215	-
Other	9,152	10,583	81,222
Allowance for Doubtful Receivables	(3,380)	(2,138)	(30,000)
Total Investments and Other Assets	45,254	47,477	401,583
Total Assets	¥ 1,718,720	¥ 1,551,704	$ 15,251,757

See accompanying Notes to Consolidated Financial Statements.

Consolidated Balance Sheet
IBJ Leasing Company, Limited and Consolidated Subsidiaries
As of March 31, 2016

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2016	2015	2016
LIABILITIES and EQUITY			
Current Liabilities:			
Short-term Borrowings (Note 5)	¥ 875,615	¥ 806,189	$ 7,770,128
Current Portion of Long-term Debt (Notes 4 and 5)	152,390	141,053	1,352,298
Lease Payable	8,861	8,838	78,639
Accounts Payable — trade	52,961	61,889	469,974
Accrued Expenses	2,231	2,117	19,801
Income Taxes Payable	4,412	4,983	39,152
Deferred Profit on Installment Sales (Note 3)	364	534	3,238
Accruals for Debt Guarantees	36	97	321
Other	22,359	18,614	198,412
Total Current Liabilities	1,119,232	1,044,316	9,931,963
Long-term Liabilities:			
Long-term Debt (Notes 4 and 5)	437,578	362,709	3,883,026
Deposits Received	21,640	16,902	192,040
Liability for Employees' Retirement Benefits	2,823	2,211	25,057
Retirement Allowance for Directors and Audit & Supervisory Board members	27	34	243
Other	4,630	2,232	41,090
Total Long-term Liabilities	466,700	384,089	4,141,456
Commitments and Contingent Liabilities (Note 6)			
Equity:			
Common Stock Authorized, 140,000,000 Shares Issued, 42,649,000 Shares as of March 31, 2016 and 2015	17,874	17,874	158,614
Capital Surplus	16,086	16,086	142,748
Retained Earnings	84,514	75,379	749,976
Treasury Stock - at cost 550 shares as of March 31, 2016 and 540 shares as of March 31, 2015	(0)	(0)	(8)
Accumulated Other Comprehensive Income:			
Unrealized Gain on Available-for-sale Securities	7,956	6,308	70,604
Deferred (Loss) Gain on Derivatives under Hedge Accounting	(174)	206	(1,550)
Foreign Currency Translation Adjustments	1,026	1,684	9,110
Defined Retirement Benefit Plans	(249)	351	(2,213)
Total	127,033	117,890	1,127,281
Non-controlling Interests (Note 2(b))	5,753	5,407	51,057
Total Equity	132,786	123,297	1,178,338
Total Liabilities and Equity	¥ 1,718,720	¥ 1,551,704	$ 15,251,757

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Income
IBJ Leasing Company, Limited and Consolidated Subsidiaries
For the year ended March 31, 2016

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2016	2015	2016
Revenues	¥ 364,174	¥ 353,733	$ 3,231,647
Cost and Expenses	325,732	318,462	2,890,521
Gross Profit	38,441	35,271	341,126
Selling, General and Administrative Expenses	20,868	17,325	185,182
Operating Income	17,573	17,946	155,944
Other Income (Expenses):			
Interest Income	6	10	57
Dividend Income	426	390	3,785
Equity in Earnings of Associated Companies	358	435	3,181
Profit from Investments	329	289	2,928
Interest Expenses	(330)	(318)	(2,933)
Foreign Exchange Loss	-	(84)	-
Bond Issue Costs	(100)	(114)	(894)
Gain on Sales of Fixed Assets	441	46	3,914
Gain on Sales of Investment Securities	1	3	9
Loss on Sales of Investment Securities	(25)	-	(223)
Loss on Devaluation of Investment Securities	(26)	(14)	(235)
Loss on Impairment of Long-lived Assets (Note 7)	(5)	(103)	(48)
Dilution Loss from Change in Equity Interest	-	(9)	-
Other — net	306	416	2,723
Income before Income Taxes	18,955	18,895	168,208
Income Taxes:			
Current	8,310	7,421	73,743
Deferred	(1,499)	(99)	(13,303)
Total	6,811	7,321	60,440
Net Income (Note 2(b))	12,144	11,573	107,768
Net Income attributable to Non-controlling Interests	535	428	4,750
Net Income attributable to Owners of the Parent (Note 2(b))	¥ 11,609	¥ 11,144	$ 103,018

	Yen		U.S. dollars (Note 1)
	2016	2015	2016
Amounts per Share of Common Stock (Notes 2(x) and 8)			
Net Income attributable to Owners of the Parent per Share	¥ 272.20	¥ 261.32	$ 2.42

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Comprehensive Income
IBJ Leasing Company, Limited and Consolidated Subsidiaries
For the year ended March 31, 2016

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2016	2015	2016
Net Income	¥ 12,144	¥ 11,573	$ 107,768
Other Comprehensive Income (Loss):			
Unrealized Gain on Available-for-sale Securities	1,649	2,799	14,637
Deferred (Loss) Gain on Derivatives under Hedge Accounting	(397)	52	(3,528)
Foreign Currency Translation Adjustments	(528)	915	(4,691)
Defined Retirement Benefit Plans	(618)	285	(5,485)
Share of Other Comprehensive (Loss) Income in Associated	(159)	191	(1,414)
Total Other Comprehensive (Loss) Income	(54)	4,244	(481)
Comprehensive Income	¥ 12,090	¥ 15,818	$ 107,287
Total Comprehensive Income attributable to:			
Owners of the Parent	¥ 11,616	¥ 15,346	$ 103,086
Non-controlling Interests	473	471	4,201

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Changes in Equity
IBJ Leasing Company, Limited and Consolidated Subsidiaries
For the year ended March 31, 2016

	Thousands	Millions of yen			
	Number of shares of Common Stock Outstanding	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock
Balance as of April 1, 2014	*42,648*	¥ 17,874	¥ 16,086	¥ 66,535	¥ (0)
Net Income attributable to Owners of the Parent				11,144	
Cash Dividends Paid				(2,388)	
Purchase of Treasury Stock					
Change in Scope of Application of Equity Method				86	
Net change during year					
Balance as of March 31, 2015	*42,648*	¥ 17,874	¥ 16,086	¥ 75,379	¥ (0)
Net Income attributable to Owners of the Parent				11,609	
Cash Dividends Paid				(2,473)	
Purchase of Treasury Stock	*(0)*				(0)
Change in Scope of Application of Equity Method					
Net change during year					
Balance as of March 31, 2016	*42,648*	¥ 17,874	¥ 16,086	¥ 84,514	¥ (0)

	Millions of yen						
	Accumulated Other Comprehensive Income						
	Unrealized Gain on Available-for-sale Securities	Deferred Gain (Loss) on Derivatives under Hedge Accounting	Foreign Currency Translation Adjustments	Defined Retirement Benefit Plans	Total	Non-controlling Interests	Total Equity
Balance as of April 1, 2014	¥ 3,508	¥ 158	¥ 613	¥ 66	¥ 104,841	¥ 4,998	¥ 109,840
Net Income attributable to Owners of the Parent					11,144		11,144
Cash Dividends Paid					(2,388)		(2,388)
Purchase of Treasury Stock							
Change in Scope of Application of Equity Method					86		86
Net change during year	2,800	47	1,071	284	4,204	408	4,613
Balance as of March 31, 2015	¥ 6,308	¥ 206	¥ 1,684	¥ 351	¥ 117,890	¥ 5,407	¥ 123,297
Net Income attributable to Owners of the Parent					11,609		11,609
Cash Dividends Paid					(2,473)		(2,473)
Purchase of Treasury Stock					(0)		(0)
Change in Scope of Application of Equity Method							
Net change during year	1,647	(380)	(658)	(600)	7	345	353
Balance as of March 31, 2016	¥ 7,956	¥ (174)	¥ 1,026	¥ (249)	¥ 127,033	¥ 5,753	¥ 132,786

	Thousands of U.S. dollars (Note 1)			
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock
Balance as of March 31, 2015	$ 158,614	$ 142,748	$ 668,909	$ (8)
Net Income attributable to Owners of the Parent			103,018	
Cash Dividends Paid			(21,951)	
Purchase of Treasury Stock				(0)
Change in Scope of Application of Equity Method				
Net change during year				
Balance as of March 31, 2016	$ 158,614	$ 142,748	$ 749,976	$ (8)

	Thousands of U.S. dollars (Note 1)						
	Accumulated Other Comprehensive Income						
	Unrealized Gain on Available-for-sale Securities	Deferred Gain (Loss) on Derivatives under Hedge Accounting	Foreign Currency Translation Adjustments	Defined Retirement Benefit Plans	Total	Non-controlling Interests	Total Equity
Balance as of March 31, 2015	$ 55,985	$ 1,830	$ 14,951	$ 3,116	$ 1,046,145	$ 47,987	$ 1,094,132
Net Income attributable to Owners of the Parent					103,018		103,018
Cash Dividends Paid					(21,951)		(21,951)
Purchase of Treasury Stock					(0)		(0)
Change in Scope of Application of Equity Method							
Net change during year	14,619	(3,380)	(5,841)	(5,329)	69	3,070	3,139
Balance as of March 31, 2016	$ 70,604	$ (1,550)	$ 9,110	$ (2,213)	$ 1,127,281	$ 51,057	$ 1,178,338

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Cash Flows
IBJ Leasing Company, Limited and Consolidated Subsidiaries
For the year ended March 31, 2016

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2016	2015	2016
Cash Flows from Operating Activities:			
Income before Income Taxes	¥ 18,955	¥ 18,895	$ 168,208
Adjustments for:			
Income Taxes Paid	(8,876)	(4,075)	(78,772)
Depreciation and Disposal of Fixed Assets	10,454	9,988	92,777
Equity in Earnings of Associated Companies	(358)	(435)	(3,181)
Profit from Investments	(329)	(289)	(2,928)
Loss on Impairment of Long-lived Assets (Note 7)	5	103	48
Increase (Decrease) in Allowance for Doubtful Receivables	1,096	(1,483)	9,728
(Decrease) Increase in Accruals for Debt Guarantees	(61)	26	(543)
Loss (Gain) on Sales of Marketable and Investment Securities	24	(3)	214
Loss on Devaluation of Marketable and Investment Securities	26	14	235
Dilution Loss from Change in Equity Interest	-	9	-
Gain on Sales of Fixed Assets	(441)	(46)	(3,914)
Change in assets and liabilities:			
Increase in Lease Receivables and Investments in Lease	(37,891)	(58,757)	(336,248)
Increase in Receivables	(12,431)	(11,790)	(110,318)
(Increase) Decrease in Operational Investment Securities	(55,004)	3,042	(488,104)
Decrease in Accounts Payable — trade	(8,905)	(14,825)	(79,031)
Purchases of Leased Assets	(72,648)	(61,466)	(644,673)
Proceeds from Sales of Leased Assets	21,145	43,653	187,639
Increase (Decrease) in Interest Payable	7	(10)	70
Other — net	(4,936)	7,112	(43,806)
Total Adjustments	(169,125)	(89,233)	(1,500,807)
Net Cash Used in Operating Activities	(150,170)	(70,338)	(1,332,599)
Cash Flows from Investing Activities:			
Purchases of Own-used Assets	(2,245)	(1,122)	(19,922)
Proceeds from Sales of Fixed Assets	1,270	472	11,279
Purchases of Marketable and Investment Securities	(490)	(459)	(4,350)
Proceeds from Sales and Redemption of Marketable and Investment Securities	1,100	23	9,764
Other — net	139	629	1,238
Net Cash Used in Investing Activities	(224)	(456)	(1,991)
Cash Flows from Financing Activities:			
Net Increase in Short-term Borrowings	70,526	54,749	625,846
Proceeds from Long-term Debt	255,841	189,721	2,270,310
Repayments of Long-term Debt	(162,265)	(170,117)	(1,439,925)
Cash Dividends Paid	(2,473)	(2,388)	(21,951)
Other — net	(121)	(69)	(1,076)
Net Cash Provided by Financing Activities	161,507	71,895	1,433,204
Foreign Currency Translation Adjustments on Cash and Cash Equivalents	(237)	402	(2,107)
Net Increase in Cash and Cash Equivalents	10,875	1,503	96,507
Cash and Cash Equivalents at Beginning of Year	37,457	35,954	332,392
Cash and Cash Equivalents at End of Year	¥ 48,332	¥ 37,457	$ 428,899

See accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of IBJ Leasing Company, Limited (“IBJL”) and its consolidated subsidiaries (together with IBJL, “IBJL Group”) have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the company’s financial statements issued domestically in order to present them in a form of which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2015 consolidated financial statements to conform to the classifications used in 2016. Certain disclosures required in the notes to the financial statements by the Japanese Financial Instruments and Exchange Law are omitted in this Business Report (Kessan Tanshin).

The consolidated financial statements are stated in Japanese yen, the currency of the country in which IBJL is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥112.69 to US$1.00, the approximate rate of exchange at March 31, 2016. The translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate. The amounts indicated in millions of yen are rounded down by truncating the figures below one million. As a result, totals may not add up exactly.

2. Summary of Significant Accounting Policies

(a) Consolidation

The consolidated financial statements include the accounts of IBJL Group including IBJL-TOSHIBA Leasing Company, Limited, Dai-ichi Leasing Co., Ltd., IBJ Auto Lease Company, Limited, Toshiba Medical Finance Co., Ltd., IBJ Leasing (China) Ltd. and PT.IBJ Verena Finance.

The number of consolidated subsidiaries as of March 31, 2016 and 2015 was 22. The consolidated financial statements for the year ended March 31, 2016 newly include the accounts of IBJ Air Leasing Limited and BB Leasing LLC, as they were newly incorporated. Nissan Leasing Co., Ltd. was excluded from the scope of the consolidation from the current fiscal year, as it was merged by IBJL. The Higashi-Nippon Leasing Corporation was also excluded from the scope of the consolidation from the current fiscal year, as IBJL sold all of shares in it.

The number of associated companies accounted for under the equity method as of March 31, 2016 and 2015 was 3 and 4, respectively. Investments in associated companies are Krung Thai IBJ Leasing Co., Ltd., Juhachi Sogo Lease Co., Ltd. and PNB-IBJL Leasing and Finance Corporation. The Toho Lease Co., Ltd. was excluded from the associated companies accounted for under the equity method from the current fiscal year, as IBJL sold all of shares in it.

Astro Leasing International Co., Ltd. and 100 other subsidiaries are neither consolidated nor accounted for under the equity method, as they are acting as operators under Tokumei Kumiai agreements and the leased assets and liabilities do not substantially belong to the subsidiaries. Achilles Line Shipping S.A. and 26 other subsidiaries are also not consolidated or accounted for under the equity method, as they are immaterial. I-N Information Systems, Ltd. and 2 other associated companies are not accounted for under the equity method, as they are immaterial.

Upon consolidation, significant intercompany accounts and transactions have been eliminated. In addition, all significant unrealized profit included in assets resulting from transactions within IBJL Group has also been eliminated.

The accounting standard for consolidated financial statements requires a company to consolidate all subsidiaries where the company controls the operations, irrespective of whether or not the company owns a majority of their shares. Control is considered to exist where the company has (a) the power to appoint or remove the majority of the Board of Directors or an equivalent governing body, and/or (b) the power to cast the majority of the votes at a meeting of the Board of Directors or an equivalent governing body.

Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary at the date of acquisition. The differences between the costs and underlying net equity of investments in consolidated subsidiaries and associated companies at acquisition are recorded as Goodwill and are amortized on a straight-line basis over the estimated benefit period.

Implementation Guidance No. 15 “Implementation Guidance on Disclosures about Certain Special Purpose Entities” issued by the Accounting Standards Board of Japan (the “ASBJ”) permits companies to avoid consolidation of certain Special Purpose Entities (“SPEs”) that were established and are being operated for the purpose of securitization of receivables.

IBJL securitizes its lease receivables to diversify its funding sources and ensure stable funding. In the securitization structures, IBJL uses SPEs that include Tokurei Yugen Kaisha and Kabushiki Kaisha. IBJL transfers the lease receivables to the SPEs in the securitization structures. The SPEs procure funds, such as borrowings, backed by the transferred assets and these funds flow back to IBJL as sales proceeds of the transferred assets. IBJL also provides collection services to the SPEs. A portion of the receivables is not transferred and is held by IBJL. These receivables held by IBJL are properly evaluated at the end of the fiscal year, and these are appropriately reflected in the consolidated financial statements.

As a result of securitizations, IBJL had 19 SPEs that were not consolidated under Guidance No. 15 as of March 31, 2016 and 2015. Total assets (simply compiled amount) of such SPEs as of March 31, 2016 and 2015 were ¥164,381 million ($1,458,708 thousand) and ¥105,791 million, respectively. Total liabilities (simply compiled amount) of such SPEs as of March 31, 2016 and 2015 were ¥165,080 million ($1,464,912 thousand) and ¥106,019 million, respectively. IBJL owns no voting rights in most of the SPEs while some employees of IBJL serve as directors.

The total amount of Lease Receivables and Investments in Lease transferred from IBJL to such SPEs in 2016 and 2015 was ¥17,212 million ($152,739 thousand) and ¥19,627 million, respectively, with no gain/loss on the transfer of such receivables. IBJL does not hold subordinated interests of such transferred receivables. IBJL recognized profit dividends of ¥41 million ($365 thousand) for the years ended March 31, 2016 and 2015, and servicing fees received of ¥1 million ($16 thousand) with respect to the transactions with such SPEs for both of the years ended March 31, 2016 and 2015. These amounts do not include transactions with SPEs that do not meet the criteria for off-balance-sheet transactions, because IBJL treats these asset transfer transactions to the SPEs as financial transactions.

(b) Business Combinations

In October 2003, the Business Accounting Council issued a Statement of Opinion, “Accounting for Business Combinations”, and in December 2005, the ASBJ issued ASBJ Statement No. 7, “Accounting Standard for Business Divestitures” and ASBJ Guidance No. 10, “Guidance for Accounting Standard for Business Combinations and Business Divestitures”.

In December 2008, the ASBJ issued a revised accounting standard for business combinations, ASBJ Statement No. 21, “Accounting Standard for Business Combinations.” Major accounting changes under the revised accounting standard are as follows: (1) The revised standard requires accounting for business combinations only by the purchase method. As a result, the pooling of interests method of accounting is no longer allowed. (2) The previous accounting standard required research and development costs to be charged to income as incurred. Under the revised standard, in-process research and development costs (IPR&D) acquired in the business combination are capitalized as an intangible asset. (3) The previous accounting standard provided for a bargain purchase gain (negative goodwill) to be systematically amortized over a period not exceeding 20 years. Under the revised standard, the acquirer recognizes the bargain purchase gain in profit or loss immediately on the acquisition date after reassessing and confirming that all of the assets acquired and all of the liabilities assumed have been identified after a review of the procedures used in the purchase price allocation. The revised standard was applicable to business combinations undertaken on or after April 1, 2010.

In September, 2013, the ASBJ issued revised ASBJ Statement No. 21, "Accounting Standard for Business Combinations," revised ASBJ Guidance No. 10, "Guidance on Accounting Standards for Business

Combinations and Business Divestitures," and revised ASBJ Statement No. 22, "Accounting Standard for Consolidated Financial Statements."

Major accounting changes are as follows:

(1) Transactions with noncontrolling interest

A parent's ownership interest in a subsidiary might change if the parent purchases or sells ownership interests in its subsidiary. The carrying amount of noncontrolling interest is adjusted to reflect the change in the parent's ownership interest in its subsidiary while the parent retains its controlling interest in its subsidiary. Under the previous accounting standard, any difference between the fair value of the consideration received or paid and the amount by which the noncontrolling interest is adjusted is accounted for as an adjustment of goodwill or as profit or loss in the consolidated statement of income. Under the revised accounting standard, such difference is accounted for as capital surplus as long as the parent retains control over its subsidiary.

(2) Presentation of the consolidated balance sheet

In the consolidated balance sheet, "minority interest" under the previous accounting standard is changed to "noncontrolling interest" under the revised accounting standard.

(3) Presentation of the consolidated statement of income

In the consolidated statement of income, "income before minority interest" under the previous accounting standard is changed to "net income" under the revised accounting standard, and "net income" under the previous accounting standard is changed to "net income attributable to owners of the parent" under the revised accounting standard.

(4) Provisional accounting treatments for a business combination

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, an acquirer shall report in its financial statements provisional amounts for the items for which the accounting is incomplete. Under the previous accounting standard guidance, the impact of adjustments to provisional amounts recorded in a business combination on profit or loss is recognized as profit or loss in the year in which the measurement is completed. Under the revised accounting standard guidance, during the measurement period, which shall not exceed one year from the acquisition, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and that would have affected the measurement of the amounts recognized as of that date. Such adjustments shall be recognized as if the accounting for the business combination had been completed at the acquisition date.

(5) Acquisition-related costs

Acquisition-related costs are costs, such as advisory fees or professional fees, which an acquirer incurs to effect a business combination. Under the previous accounting standard, the acquirer accounts for acquisition-related costs by including them in the acquisition costs of the investment. Under the revised accounting standard, acquisition-related costs shall be accounted for as expenses in the periods in which the costs are incurred.

The above accounting standards and guidance for (1) transactions with noncontrolling interest, (2) presentation of the consolidated balance sheet, (3) presentation of the consolidated statement of income, and (5) acquisition-related costs are effective for the beginning of annual periods beginning on or after April 1, 2015. Earlier application is permitted from the beginning of annual periods beginning on or after April 1, 2014, except for (2) presentation of the consolidated balance sheet and (3) presentation of the consolidated statement of income. In the case of earlier application, all accounting standards and guidance above, except for (2) presentation of the consolidated balance sheet and (3) presentation of the consolidated statement of income, should be applied simultaneously.

Either retrospective or prospective application of the revised accounting standards and guidance for (1) transactions with noncontrolling interest and (5) acquisition-related costs is permitted. In retrospective application of the revised standards and guidance, the accumulated effects of retrospective adjustments for all (1) transactions with noncontrolling interest and (5) acquisition-related costs which occurred in the past shall be reflected as adjustments to the beginning balance of capital surplus and retained earnings for the year of the first-time application. In prospective application, the new standards and guidance shall be applied prospectively from the beginning of the year of the first-time application.

The revised accounting standards and guidance for (2) presentation of the consolidated balance sheet and (3) presentation of the consolidated statement of income shall be applied to all periods presented in financial statements containing the first-time application of the revised standards and guidance.

The revised standards and guidance for (4) provisional accounting treatments for a business combination are effective for a business combination which occurs on or after the beginning of annual periods beginning on or after April 1, 2015. Earlier application is permitted for a business combination which occurs on or after the beginning of annual periods beginning on or after April 1, 2014.

IBJL Group applied the revised accounting standards and guidance from April 1, 2015, and there was no impact from applying the revised accounting standards and guidance in future applicable periods.

(c) Cash Equivalents

Cash Equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash Equivalents include time deposits, certificates of deposit, commercial paper and bond funds, all of which mature or become due within three months of the date of acquisition.

(d) Lease Accounting

In March 2007, the ASBJ issued ASBJ Statement No. 13, “Accounting Standard for Lease Transactions”, which revised the previous accounting standard for lease transactions. As a lessor, all finance leases that are deemed to transfer ownership of the leased property to the lessee are recognized as Lease Receivables, and all finance leases that are deemed not to transfer ownership of the leased property to the lessee are recognized as Investments in Lease. All other leases are accounted for as operating leases.

As a lessee, all finance leases that are deemed to transfer ownership of the leased property to the lessee are capitalized.

(e) Installment Sales

For installment sales contracts, Installment Sales Receivables are recognized for the principal equivalent portion of the total contract amounts when properties are delivered. Interest equivalent amounts are recognized as Installment Sales when the related installment receivables become due.

For sales-type contracts, Installment Sales and the corresponding Installment Cost of Sales are fully recognized when the property is sold. Interest equivalent amounts applicable to the portion to be collected are deferred and recorded as Deferred Profit on Installment Sales.

(f) Marketable Securities, Operational Investment Securities and Investment Securities

Marketable Securities, Operational Investment Securities and Investment Securities are classified as Available-for-sale Securities based upon management's intent. Available-for-sale Securities, which have a readily determinable fair value, are stated at fair value with changes in net unrealized gain or loss, net of applicable income taxes, included directly in Equity (cost of securities sold is calculated by the moving average method). Available-for-sale Securities, which do not have readily determinable fair value, are stated at cost.

Operational Investment Securities is held for the purpose of generating operational financial income. The income from Operational Investment Securities is stated in Revenues in the Consolidated Statement of Income.

(g) Loans Receivables and Factoring Receivables

Loans to customers and receivables arising from factoring are included in Loans Receivables and Factoring Receivables, respectively. Income from these receivables is recognized as Revenues.

(h) Property and Equipment

1. Leased Assets

   Leased Property and Equipment are initially accounted for at their acquisition costs and depreciated over the lease term by the straight-line method to the residual value, which is an amount to be realized at the time when the lease contract is terminated.

2. Own-used Assets

   Own-used Assets of IBJL and its domestic consolidated subsidiaries are stated at cost and depreciated over the following estimated useful lives mainly by the declining-balance method:

Buildings	3-65 years
Fixtures and furniture	2-20 years

(i) Long-lived Assets

IBJL Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss is recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

(j) Intangible Assets

1. Leased Assets

   Intangible Leased Assets are accounted for the same way as Leased Property and Equipment.

2. Own-used Software

   Own-used Software is amortized over the internally estimated useful lives (5 or 8 years) by the straight-line method.

3. Other Intangible Assets

   Other Intangible Assets are stated at cost. Amortization of intangible assets by IBJL and its domestic consolidated subsidiaries is mainly computed by the straight–line method over the estimated useful lives.

(k) Bond Issue Costs

Costs for bond issuance are expensed upon payment.

(l) Allowance for Doubtful Receivables

Allowance for Doubtful Receivables is provided based on the estimated historical default rate for general trade receivables, and is based on individual reviews for receivables from doubtful and legally bankrupt creditors.

The amounts of Long-term Receivables considered uncollectible, which include receivables from legally bankrupt creditors, were directly written-off. The amounts directly written-off were ¥8,476 million ($75,216 thousand) and ¥9,475 million at March 31, 2016 and 2015, respectively.

(m) Reserve for Bonus Payments

IBJL and certain domestic consolidated subsidiaries provide a reserve for future bonus payments to employees. This reserve is maintained at the estimated amount payable after the year-end, based on the services provided during the fiscal year.

(n) Reserve for Bonus Payments to Directors

IBJL and certain domestic consolidated subsidiaries provide a reserve for future bonus payments to executive officers. This reserve is maintained at the estimated amount payable for the fiscal year.

(o) Retirement and Pension Plans

IBJL and certain consolidated subsidiaries have a corporate pension plan and/or lump-sum severance payment plan as a defined benefit type of a retirement benefits plan as well as a corporate pension plan as a defined contribution type of a retirement benefits plan. There are some cases in which extra retirement benefits are paid to employees when they retire.

Effective April 1, 2000, IBJL adopted a new accounting standard for retirement benefits and accounted for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date. The projected benefit obligations were attributed to periods on a straight-line basis. Actuarial gains and losses are amortized on a straight-line basis over 10 to 15 years within the average remaining service period.

In May 2012, the ASBJ issued ASBJ Statement No. 26, "Accounting Standard for Retirement Benefits" and ASBJ Guidance No. 25, "Guidance on Accounting Standard for Retirement Benefits," which replaced the Accounting Standard for Retirement Benefits that had been issued by the Business Accounting Council in 1998 with an effective date of April 1, 2000, and the other related practical guidance, and were followed by partial amendments from time to time through 2009.

(1) Under the revised accounting standard, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss are recognized within equity (Accumulated Other Comprehensive Income), after adjusting for tax effects, and any resulting deficit or surplus is recognized as a liability (Liability for Employees' Retirement Benefits) or asset (Asset for Employees' Retirement Benefits).

(2) The revised accounting standard does not change how to recognize actuarial gains and losses and past service costs in profit or loss. Those amounts are recognized in profit or loss over a certain period no longer than the expected average remaining service period of the employees. However, actuarial gains and losses and past service costs that arose in the current period and have not yet been recognized in profit or loss are included in other comprehensive income, and actuarial gains and losses and past service costs that were recognized in other comprehensive income in prior periods and then recognized in profit or loss in the current period, are treated as reclassification adjustments.

(3) The revised accounting standard also made certain amendments relating to the method of attributing expected benefit to periods, the discount rate, and expected future salary increases.

This accounting standard and the guidance for (1) and (2) above are effective for the end of annual periods beginning on or after April 1, 2013, and for (3) above are effective for the beginning of annual periods beginning on or after April 1, 2014, or for the beginning of annual periods beginning on or after April 1, 2015, subject to certain disclosure in March 2015, all with earlier application being permitted from the beginning of annual periods beginning on or after April 1, 2013. However, no retrospective application of this accounting standard to consolidated financial statements in prior periods is required.

IBJL Group applied the revised accounting standard and guidance for retirement benefits for (1) and (2) above, effective March 31, 2014, and for (3) above, effective April 1, 2014.

With respect to (3) above, IBJL Group changed the method of attributing the expected benefit to periods from a straight-line basis to a benefit formula basis, the method of determining the discount rate from using the period which approximates the expected average remaining service period to using a single weighted average discount rate reflecting the estimated timing and amount of benefit payment. The application of the revised accounting standard for (3) above has no impact on the consolidated financial statements.

(p) Retirement Allowance for Directors and Audit & Supervisory Board members

Certain domestic consolidated subsidiaries provide Retirement Allowances for Directors and Audit & Supervisory Board members for future retirement benefits to directors and Audit & Supervisory Board members. Retirement Allowances for Directors and Audit & Supervisory Board members are provided at the amount accrued at the end of the fiscal year, based on the internally established standards for the payments.

(q) Asset Retirement Obligations

In March 2008, the ASBJ issued the accounting standard for asset retirement obligations, ASBJ Statement No. 18 "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21 "Guidance on Accounting Standard for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and the normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of the asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an adjustment to the carrying amount of the liability and the capitalized amount of the related asset retirement cost.

(r) Accruals for Debt Guarantees

IBJL and certain domestic consolidated subsidiaries provide Accruals for Debt Guarantees for losses that might occur in relation to guarantees of the indebtedness of others, taking the debtors' financial condition into consideration.

(s) Income Taxes

IBJL and its domestic consolidated subsidiaries are subject to corporate tax, inhabitants' taxes and enterprise taxes. Deferred income taxes are recorded by the asset and liability method based on the differences between the tax bases of assets and liabilities and those as reported in the consolidated financial statements, using enacted tax rates that will be in effect when the differences are expected to reverse.

(t) Recognition of Revenues and Cost of Sales

Revenues and cost of sales relating to finance lease transactions are recognized when lease payments are received.

(u) Translation of Foreign Currency Assets and Liabilities

1. Translation of foreign currency transactions

   All monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date. The foreign exchange gain and loss from translation are recognized in the Consolidated Statement of Income as income or expenses.

   Revenue and expense items arising from transactions denominated in foreign currencies are generally translated into Japanese yen at the rates effective at the respective transaction dates. However, monetary receivables and payables covered by forward exchange contracts are translated at the contract rates.

   Any differences between the foreign exchange contract rates and historical rates resulting from the translation of receivables and payables are recognized as income or expense over the lives of the related contracts.

2. Translation of foreign currency financial statements

   The assets, liabilities, revenues and expenses of overseas consolidated subsidiaries are translated into Japanese yen at the exchange rates at the balance sheet dates of each subsidiary. Differences arising from such translation are shown in Foreign Currency Translation Adjustments under Accumulated Other Comprehensive Income in a separate component of Equity.

(v) Derivatives and Hedging Activities

IBJL Group uses derivative financial instruments to manage its exposures to fluctuations in foreign exchange and interest rates. Interest rate swaps are utilized to manage interest rate risks associated with certain liabilities, including Long-term Debt. Foreign currency forward contracts and Short-term Borrowings are utilized to reduce risks from fluctuations of foreign currency exchange rates associated with certain assets including Installment Sales Receivables, Lease Receivables and Operational Marketable Securities. Interest rate and currency swaps are utilized to manage interest rate risks as well as foreign currency risks. IBJL Group does not enter into derivatives for trading or speculative purposes.

Derivative financial instruments and foreign currency transactions are classified and accounted for as follows: a) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the Consolidated Statement of Income and b) for derivatives used for hedging purposes, if such derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions.

Interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense.

(w) Consumption Taxes

IBJL and its domestic consolidated subsidiaries are subject to Japanese consumption taxes. Japanese consumption taxes are excluded from the transaction amounts.

(x) Per Share Information

Basic net income per share is computed by dividing net income attributable to common shareholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

(y) Accounting Changes and Error Corrections

In December 2009, the ASBJ issued ASBJ Statement No. 24, “Accounting Standard for Accounting Changes and Error Corrections” and ASBJ Guidance No. 24, “Guidance on Accounting Standard for Accounting Changes and Error Corrections”. Accounting treatments under this standard and guidance are as follows: (1) Changes in Accounting Policies - When a new accounting policy is applied following revision of an accounting standard, the new policy is applied retrospectively unless the revised accounting standard includes specific transitional provisions in which case the entity shall comply with the specific transitional provisions. (2) Changes in Presentation - When the presentation of financial statements is changed, prior-period financial statements are reclassified in accordance with the new presentation. (3) Changes in Accounting Estimates - A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods. (4) Corrections of Prior-Period Errors - When an error in prior-period financial statements is discovered, those statements are restated.

3. Operating Assets

(1) Operating Assets as of March 31, 2016 and 2015 consisted of the following:

	(Millions of yen)		(Thousands of U.S. dollars)
	2016	2015	**2016**
Leasing: (*1)			
Finance Lease	**¥841,987**	¥811,995	**$7,471,716**
Operating Lease	**116,365**	66,697	**1,032,615**
Leasing total	**958,353**	878,693	**8,504,331**
Installment Sales (*2)	**147,455**	153,910	**1,308,506**
Loans and Factoring	**377,933**	361,067	**3,353,742**
Other	**97,283**	38,627	**863,282**
Total Operating Assets	**¥1,581,025**	¥1,432,299	**$14,029,861**

(*1) Leasing total consists of the aggregate of "Lease Receivables and Investments in Lease", "Leased Assets" and "Intangible Leased Assets" on the Consolidated Balance Sheet at the year-end.

(*2) Installment Sales represent "Installment Sales Receivables" less "Deferred Profit on Installment Sales" on the Consolidated Balance Sheet at the year-end.

(2) The total amounts of new contracts entered into during the years ended March 31, 2016 and 2015 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2016	2015	**2016**
Leasing:			
Finance Lease	**¥318,802**	¥310,897	**$2,829,019**
Operating Lease	**72,765**	61,368	**645,710**
Leasing total	**391,567**	372,265	**3,474,729**
Installment Sales (*1)	**73,938**	84,115	**656,120**
Loans and Factoring	**534,324**	462,716	**4,741,544**
Other	**65,522**	24,035	**581,444**
Total	**¥1,065,352**	¥943,134	**$9,453,837**

(*1) The amount of Installment Sales is shown as "Installment Sales Receivables" less "Deferred Profit on Installment Sales".

4. Pledged Assets

Assets pledged as collateral as of March 31, 2016 were as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	2016	**2016**
Lease Receivables and Investments in Lease	**¥15,813**	**$140,323**

Liabilities secured by the above assets as of March 31, 2016 were as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	2016	**2016**
Current Portion of Long-term Debt	**¥753**	**$6,682**
Long-term Debt	**15,060**	**133,641**
Total	**¥15,813**	**$140,323**

5. Short-term Borrowings and Long-term Debt

(1) "Short-term Borrowings" as of March 31, 2016 and 2015 was as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2016	2015	**2016**
Short-term Borrowings			
Short-term Borrowings from banks and other financial institutions	**¥364,415**	¥336,489	**$3,233,789**
Commercial Paper	**456,300**	422,200	**4,049,162**
Payables under securitized lease receivables	**54,900**	47,500	**487,177**
Total	**¥875,615**	¥806,189	**$7,770,128**
Current Portion of Long-term Debt			
Bonds payable	**¥20,000**	¥10,000	**$177,478**
Long-term Debt from banks and other financial institutions	**132,390**	131,053	**1,174,820**
Total	**¥152,390**	¥141,053	**$1,352,298**

(2) "Long-term Debt" as of March 31, 2016 and 2015 was as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2016	2015	**2016**
Long-term Debt			
Bonds payable	**¥40,000**	¥40,000	**$354,956**
Long-term Debt from banks and other financial institutions	**397,578**	322,709	**3,528,070**
Total	**¥437,578**	¥362,709	**$3,883,026**

6. Contingent Liabilities

"Contingent Liabilities" as of March 31, 2016 was as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	2016	**2016**
Guarantee Obligations with respect to operating activities	**¥14,346**	**$127,309**
Other Guarantee Obligations	**10,351**	**91,860**
Total	**¥24,698**	**$219,169**

7. Segment Information

(1) Description of reportable segments

The reportable segments of IBJL Group are those for which separate financial information is available and regular evaluation by IBJL management is being performed in order to decide how resources are allocated among the IBJL Group.

IBJL Group provides total financial services to a wide range of customers from large companies to small and medium-sized companies. IBJL Group has four business segments based on its services: “Leasing”, “Installment Sales”, “Loans” and “Other”.

The Leasing segment is engaged in leasing services (leasing and renting) for industrial machinery, transportation equipment and information-related equipment (including sales of subject properties upon expiration or cancellation of lease agreements). The Installment Sales segment is engaged in installment sales of production equipment, construction and engineering machinery, and commercial equipment. The Loans segment is engaged in corporate finance, vessel finance and factoring services. The Other segment is engaged in investing in securities that are held for the purpose of generating operational revenues, as well as engaged in assurance services.

(2) Methods of measurement for the amounts of sales, profit (loss), assets, liabilities and other items for each reportable segment

The accounting policies of each reportable segment are consistent with those disclosed in Note 2, “Summary of Significant Accounting Policies”.

(3) Information about sales, profit (loss), assets, liabilities and other items for the years ended March 31, 2016 and 2015 was as follows:

(Millions of yen)

	2016						
	Reportable segment						
	Leasing	Installment sales	Loans	Other	Total	Reconciliations (*1) (*2) (*3)	Consolidated (*4)
Sales:							
Sales to external customers	**¥337,115**	**¥14,399**	**¥7,478**	**¥5,180**	**¥364,174**	**¥ -**	**¥364,174**
Intersegment sales and transfers	**322**	**245**	**275**	**82**	**925**	**(925)**	**-**
Total	**337,437**	**14,645**	**7,754**	**5,262**	**365,099**	**(925)**	**364,174**
Operating Expenses	**320,931**	**14,254**	**6,529**	**1,585**	**343,301**	**3,299**	**346,601**
Segment Profit	**¥16,506**	**¥390**	**¥1,224**	**¥3,677**	**¥21,798**	**¥(4,225)**	**¥17,573**
Segment Assets	**¥1,017,731**	**¥161,756**	**¥412,080**	**¥106,134**	**¥1,697,702**	**¥21,017**	**¥1,718,720**
Others							
Depreciation and Amortization	**8,731**	**-**	**-**	**-**	**8,731**	**1,721**	**10,453**
Capital Expenditure	**72,648**	**-**	**-**	**-**	**72,648**	**2,245**	**74,893**

	(Millions of yen)						
	2015						
	Reportable segment						
	Leasing	Installment sales	Loans	Other	Total	Reconciliations (*1) (*2) (*3)	Consolidated (*4)
Sales:							
Sales to external customers	¥318,375	¥24,915	¥7,303	¥3,139	¥353,733	¥ -	¥353,733
Intersegment sales and transfers	269	331	234	79	915	(915)	-
Total	318,644	25,246	7,538	3,219	354,649	(915)	353,733
Operating Expenses	302,080	24,811	4,196	1,453	332,541	3,246	335,787
Segment Profit	¥16,563	¥435	¥3,342	¥1,766	¥22,108	¥(4,161)	¥17,946
Segment Assets	¥922,683	¥169,116	¥395,407	¥42,951	¥1,530,159	¥21,545	¥1,551,704
Others							
Depreciation and Amortization	8,196	-	-	-	8,196	1,789	9,986
Capital Expenditure	61,466	-	-	-	61,466	1,122	62,588

	(Thousands of U.S. dollars)						
	2016						
	Reportable segment						
	Leasing	Installment sales	Loans	Other	Total	Reconciliations (*1) (*2) (*3)	Consolidated (*4)
Sales:							
Sales to external customers	**$2,991,529**	**$127,780**	**$66,367**	**$45,971**	**$3,231,647**	**$ -**	**$3,231,647**
Intersegment sales and transfers	**2,859**	**2,181**	**2,443**	**729**	**8,212**	**(8,212)**	**-**
Total	**2,994,388**	**129,961**	**68,810**	**46,700**	**3,239,859**	**(8,212)**	**3,231,647**
Operating Expenses	**2,847,914**	**126,492**	**57,945**	**14,070**	**3,046,421**	**29,282**	**3,075,703**
Segment Profit	**$146,474**	**$3,469**	**$10,865**	**$32,630**	**$193,438**	**$(37,494)**	**$155,944**
Segment Assets	**$9,031,252**	**$1,435,407**	**$3,656,764**	**$941,825**	**$15,065,249**	**$186,508**	**$15,251,757**
Others							
Depreciation and Amortization	**77,481**	**-**	**-**	**-**	**77,481**	**15,280**	**92,762**
Capital Expenditure	**644,673**	**-**	**-**	**-**	**644,673**	**19,922**	**664,595**

(*1) The details of Reconciliations to Segment Profit for the years ended March 31, 2016 and 2015 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2016	2015	**2016**
Elimination of intersegment transactions	**¥(295)**	¥(313)	**$(2,623)**
Administrative expenses not allocated to the reportable segments	**(3,929)**	(3,847)	**(34,871)**
Total	**¥(4,225)**	¥(4,161)	**$(37,494)**

(*2) The details of Reconciliations to Segment Assets as of March 31, 2016 and 2015 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2016	2015	**2016**
Elimination of intersegment transactions	**¥(10,571)**	¥(9,501)	**$(93,810)**
Corporate assets not allocated to the reportable segments	**31,589**	31,046	**280,318**
Total	**¥21,017**	¥21,545	**$186,508**

(*3) Reconciliations of "Depreciation and Amortization" and "Capital Expenditure" are related to corporate assets not allocated to the reportable segments.

(*4) Segment Profits are reconciled to Operating Income in the Consolidated Statement of Income.

(4) Impairment loss of long-lived assets per reportable segment:

	(Millions of yen)						
	2015						
	Reportable segment						
	Leasing	Installment sales	Loans	Other	Total	Adjustments	Consolidated
Impairment loss	¥103	¥ -	¥ -	¥ -	¥103	¥ -	¥103

Per reportable segment information in 2016 is omitted as the amount of impairment loss is immaterial.

(5) Goodwill per reportable segment:
Not applicable

8. Per Share Information

Details of basic net income attributable to owners of the parent per share ("EPS") for the years ended March 31, 2016 and 2015 were as follows:

	(Millions of yen)	(Thousands of shares)	(Yen)	(U.S. dollars)
For the year ended March 31, 2016:	Net income attributable to owners of the parent	Weighted average shares	EPS	
Basic EPS				
Net income available to common shareholders	**¥11,609**	**42,648**	**¥272.20**	**$2.42**
For the year ended March 31, 2015:				
Basic EPS				
Net income available to common shareholders	¥11,144	42,648	¥261.32	$2.32

9. Subsequent Event

Transfer of the shares of the consolidated subsidiary

On April 15, 2016, IBJL transferred all shares in Toshiba Medical Finance Co., Ltd ("TMF"), its consolidated subsidiary, to Toshiba Corporation.

(1) Purpose of the transfer of the shares

IBJL has engaged in a financing business targeting medical institutions in collaboration with Toshiba Medical Systems Corporation, a wholly owned subsidiary of Toshiba Corporation, through TMF since February 2012 when IBJL purchased TMF to become a subsidiary of IBJL. However, in connection with a business portfolio review being implemented by Toshiba Group as a management measure under the Toshiba Revitalization Action Plan, IBJL has decided to transfer its entire share in TMF.

(2) Corporate name of transferee

Toshiba Corporation

(3) Date of the transfer of the shares

April 15, 2016

(4) Corporate name and business of the transferred subsidiary, and business relationship with IBJL

(a) Corporate name

Toshiba Medical Finance Co., Ltd.

(b) Description of the business

General leasing

(c) Business Relationship between the Company and TMF

None

(5) Number of shares to be sold, transfer price, number of shares with voting rights held after the transaction and capital gain on transfer

(a) Number of shares to be sold

156,000 shares (Ratio of voting rights: 65.0%)

(b) Transfer price

¥3,634 million ($32,252 thousand)

(c) Number of shares with voting rights held after the transaction

0 share (Ratio of voting rights: 0.0%)

(d) Capital gain on transfer

¥244 million ($2,171 thousand)