

**Consolidated Balance Sheet**

IBJ Leasing Company, Limited and Consolidated Subsidiaries

As of September 30, 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30 2012	March 31 2012	September 30 2012
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	¥ 39,987	¥ 39,900	\$ 515,236
Marketable Securities	98	141	1,264
Lease Receivables and Investments in Lease (Note 4)	717,127	704,210	9,240,139
Receivables (Note 4):			
Notes and Accounts	53	44	685
Lease	5,057	9,040	65,161
Installment Sales	110,799	112,588	1,427,640
Loans	207,386	226,679	2,672,163
Factoring	98,527	68,328	1,269,526
Total Receivables	421,823	416,683	5,435,175
Operational Investment Securities	48,077	48,876	619,480
Deferred Tax Assets	2,908	2,698	37,471
Prepaid Expenses and Other	19,183	24,303	247,178
Allowance for Doubtful Receivables	(5,207)	(7,748)	(67,097)
Total Current Assets	1,243,998	1,229,065	16,028,846
<b>Property and Equipment:</b>			
Leased Assets (Note 4)	256,637	264,539	3,306,757
Accumulated Depreciation	(201,177)	(213,971)	(2,592,159)
Net Leased Assets	55,459	50,568	714,598
Own-used Assets	5,879	5,882	75,754
Accumulated Depreciation	(2,552)	(2,461)	(32,887)
Net Own-used Assets	3,326	3,420	42,867
Total Property and Equipment	58,786	53,988	757,465
<b>Investments and Other Assets:</b>			
Investment Securities	14,673	11,145	189,073
Investments in Unconsolidated Subsidiaries and Associated Companies	2,171	5,613	27,981
Long-term Receivables	21,472	19,153	276,675
Goodwill	425	455	5,485
Intangible Leased Assets (Note 4)	328	361	4,238
Deferred Tax Assets	5,177	4,097	66,717
Other	12,088	12,418	155,758
Allowance for Doubtful Receivables	(2,537)	(3,336)	(32,697)
Total Investments and Other Assets	53,801	49,909	693,230
<b>Total Assets</b>	<b>¥ 1,356,587</b>	<b>¥ 1,332,963</b>	<b>\$ 17,479,541</b>

See accompanying Notes to Consolidated Financial Statements.

# Consolidated Balance Sheet

IBJ Leasing Company, Limited and Consolidated Subsidiaries  
As of September 30, 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30 2012	March 31 2012	September 30 2012
<b>LIABILITIES and EQUITY</b>			
<b>Current Liabilities:</b>			
Short-term Borrowings (Note 5)	¥ 610,865	¥ 546,019	\$ 7,870,970
Current Portion of Long-term Debt (Note 5)	248,087	240,681	3,196,595
Lease Payable	16,184	19,228	208,539
Accounts Payable — trade	61,522	68,877	792,716
Accrued Expenses	2,032	2,284	26,185
Income Taxes Payable	4,260	2,425	54,901
Deferred Profit on Installment Sales (Note 4)	339	345	4,374
Accruals for Debt Guarantees	207	98	2,672
Other	18,168	20,940	234,099
Total Current Liabilities	961,669	900,900	12,391,051
<b>Long-term Liabilities:</b>			
Long-term Debt (Note 5)	306,158	346,780	3,944,837
Deposits Received	7,030	6,814	90,582
Retirement Benefits for Employees	2,148	2,148	27,680
Retirement Allowance for Directors and Corporate Auditors	37	194	487
Other	1,633	1,406	21,041
Total Long-term Liabilities	317,007	357,345	4,084,627
<b>Commitments and Contingent Liabilities (Note 6)</b>			
<b>Equity: (Note 9)</b>			
Common Stock	11,760	11,760	151,529
Authorized, 140,000,000 Shares			
Issued, 36,849,000 Shares as of September 30 and March 31, 2012			
Capital Surplus	9,680	9,680	124,734
Retained Earnings	54,242	50,871	698,907
Treasury Stock - at cost	(1,079)	(1,079)	(13,907)
650,442 shares as of September 30, 2012 and 650,442 shares as of March 31, 2012			
Accumulated Other Comprehensive Income:			
Unrealized Gain on Available-for-sale Securities	475	1,003	6,123
Deferred Loss on Derivatives under Hedge Accounting	(102)	(42)	(1,324)
Foreign Currency Translation Adjustments	(1,381)	(1,439)	(17,798)
Total	73,594	70,754	948,264
Minority Interests	4,315	3,962	55,599
Total Equity	77,909	74,717	1,003,863
<b>Total Liabilities and Equity</b>	<b>¥ 1,356,587</b>	<b>¥ 1,332,963</b>	<b>\$ 17,479,541</b>

See accompanying Notes to Consolidated Financial Statements.

**Consolidated Statement of Income**

IBJ Leasing Company, Limited and Consolidated Subsidiaries

For the six-month period ended September 30, 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30 2012	September 30 2011	September 30 2012
<b>Revenues</b>	<b>¥ 178,794</b>	<b>¥ 128,868</b>	<b>\$ 2,303,751</b>
<b>Cost and Expenses</b>	<b>158,601</b>	<b>113,820</b>	<b>2,043,572</b>
<b>Gross Profit</b>	<b>20,192</b>	<b>15,047</b>	<b>260,179</b>
<b>Selling, General and Administrative Expenses</b>	<b>12,710</b>	<b>6,407</b>	<b>163,774</b>
<b>Operating Income</b>	<b>7,482</b>	<b>8,640</b>	<b>96,405</b>
<b>Other Income (Expenses):</b>			
Interest Income	6	1	87
Dividend Income	200	170	2,588
Equity in Earnings of Associated Companies	136	14	1,757
Profit from Investments	45	467	580
Interest Expenses	(180)	(159)	(2,323)
Gain on Sales of Investment Securities	0	-	8
Loss on Devaluation of Investment Securities	(11)	(13)	(143)
Other — net	263	107	3,395
<b>Income before Income Taxes and Minority Interests</b>	<b>7,943</b>	<b>9,230</b>	<b>102,354</b>
<b>Income Taxes:</b>			
Current	4,296	3,653	55,359
Deferred	(967)	214	(12,466)
Total	3,328	3,868	42,893
<b>Net Income before Minority Interests</b>	<b>4,614</b>	<b>5,362</b>	<b>59,461</b>
<b>Minority Interests in Earnings of Consolidated Subsidiaries</b>	<b>375</b>	<b>35</b>	<b>4,839</b>
<b>Net Income</b>	<b>¥ 4,239</b>	<b>¥ 5,326</b>	<b>\$ 54,622</b>

	Yen		U.S. dollars (Note 1)
	September 30 2012	September 30 2011	September 30 2012
<b>Amounts per Share of Common Stock (Note 8)</b>			
Net Income per Share	¥ 117.11	¥ 147.16	\$ 1.51

See accompanying Notes to Consolidated Financial Statements.

**Consolidated Statement of Comprehensive Income**  
IBJ Leasing Company, Limited and Consolidated Subsidiaries  
For the six-month period ended September 30, 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30 2012	September 30 2011	September 30 2012
<b>Net Income before Minority Interests</b>	<b>¥ 4,614</b>	<b>¥ 5,362</b>	<b>\$ 59,461</b>
<b>Other Comprehensive Income:</b>			
Unrealized Gain on Available-for-sale Securities	(529)	(198)	(6,825)
Deferred Loss on Derivatives under Hedge Accounting	(60)	(18)	(778)
Foreign Currency Translation Adjustments	33	49	430
Share of Other Comprehensive Income in Associated Companies	19	(21)	255
<b>Total Other Comprehensive Income</b>	<b>(536)</b>	<b>(188)</b>	<b>(6,918)</b>
<b>Total Comprehensive Income</b>	<b>¥ 4,077</b>	<b>¥ 5,173</b>	<b>\$ 52,543</b>
<b>Total Comprehensive Income attributable to:</b>			
Owners of the Parent	¥ 3,708	¥ 5,130	\$ 47,785
Minority Interests	369	42	4,758

See accompanying Notes to Consolidated Financial Statements.

**Consolidated Statement of Changes in Equity**  
IBJ Leasing Company, Limited and Consolidated Subsidiaries  
For the period ended September 30, 2012

	<i>Thousands of shares</i>		<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	<b>September 30 2012</b>	<b>March 31 2012</b>	<b>September 30 2012</b>	<b>March 31 2012</b>	<b>September 30 2012</b>
<b>Common Stock:</b>					
Balance at beginning of year	36,849	36,849	¥ 11,760	¥ 11,760	\$ 151,529
Balance at end of year	36,849	36,849	11,760	11,760	151,529
<b>Capital Surplus:</b>					
Balance at beginning of year			9,680	9,680	124,734
Balance at end of year			9,680	9,680	124,734
<b>Retained Earnings:</b>					
Balance at beginning of year			50,871	48,301	655,479
Net Income			4,239	4,296	54,622
Cash Dividends Paid			(868)	(1,737)	(11,194)
Increase resulting from Change of Fiscal Period of Consolidated Subsidiaries			-	10	-
Balance at end of year			54,242	50,871	698,907
<b>Treasury Stock:</b>					
Balance at beginning of year	(650)	(650)	(1,079)	(1,079)	(13,907)
Treasury Stock Acquired, net	-	(0)	-	(0)	-
Balance at end of year	(650)	(650)	(1,079)	(1,079)	(13,907)
<b>Accumulated Other Comprehensive Income:</b>					
Unrealized Gain on Available-for-sale Securities:					
Balance at beginning of year			1,003	994	12,928
Net change during year			(528)	8	(6,805)
Balance at end of year			475	1,003	6,123
Deferred Loss on Derivatives under Hedge Accounting:					
Balance at beginning of year			(42)	(46)	(546)
Net change during year			(60)	4	(778)
Balance at end of year			(102)	(42)	(1,324)
Foreign Currency Translation Adjustments:					
Balance at beginning of year			(1,439)	(1,225)	(18,544)
Net change during year			57	(213)	746
Balance at end of year			(1,381)	(1,439)	(17,798)
Total Accumulated Other Comprehensive Income:					
Balance at beginning of year			(478)	(277)	(6,162)
Net change during year			(530)	(200)	(6,837)
Balance at end of year			(1,008)	(478)	(12,999)
<b>Total</b>			<b>73,594</b>	<b>70,754</b>	<b>948,264</b>
<b>Minority Interests:</b>					
Balance at beginning of year			3,962	1,007	51,056
Net change during year			352	2,955	4,543
Balance at end of year			4,315	3,962	55,599
<b>Total Equity</b>			<b>¥ 77,909</b>	<b>¥ 74,717</b>	<b>\$ 1,003,863</b>

See accompanying Notes to Consolidated Financial Statements.

# Consolidated Statement of Cash Flows

IBJ Leasing Company, Limited and Consolidated Subsidiaries

For the six-month period ended September 30, 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30 2012	September 30 2011	September 30 2012
<b>Cash Flows from Operating Activities:</b>			
Income before Income Taxes and Minority Interests	¥ 7,943	¥ 9,230	\$ 102,354
Adjustments for:			
Income Taxes Paid	(2,460)	(3,532)	(31,707)
Depreciation and Disposal of Fixed Assets	7,406	4,072	95,438
Equity in Earnings of Associated Companies	(136)	(14)	(1,757)
Profit from Investments	(45)	(467)	(580)
(Decrease) Increase in Allowance for Doubtful Receivables	(3,340)	2	(43,039)
Increase (Decrease) in Accruals for Debt Guarantees	108	(30)	1,403
Gain on Sales of Marketable and Investment Securities	(0)	-	(8)
Loss on Devaluation of Marketable and Investment Securities	11	13	143
Change in assets and liabilities:			
(Increase) Decrease in Lease Receivables and Investments in Lease	(16,099)	21,845	(207,447)
Increase in Receivables	(6,844)	(1,507)	(88,190)
Decrease (Increase) in Operational Investment Securities	798	(8,929)	10,295
Decrease in Accounts Payable — trade	(7,358)	(3,171)	(94,817)
Purchases of Leased Assets	(10,253)	(6,818)	(132,121)
Proceeds from Sales of Leased Assets	1,892	888	24,388
Decrease in Interest Payable	(82)	(102)	(1,060)
Other — net	(1,010)	4,859	(13,021)
Total Adjustments	(37,414)	7,105	(482,080)
Net Cash (Used in) Provided by Operating Activities	(29,470)	16,336	(379,726)
<b>Cash Flows from Investing Activities:</b>			
Purchases of Own-used Assets	(666)	(507)	(8,583)
Purchases of Marketable and Investment Securities	(612)	(451)	(7,887)
Proceeds from Sales and Redemption of Marketable and Investment Securities	38	759	501
Other — net	130	349	1,680
Net Cash (Used in) Provided by Investing Activities	(1,108)	150	(14,289)
<b>Cash Flows from Financing Activities:</b>			
Net Increase (Decrease) in Short-term Borrowings	64,759	(10,734)	834,420
Proceeds from Long-term Debt	189,401	272,497	2,440,422
Repayments of Long-term Debt	(222,663)	(279,144)	(2,869,003)
Cash Dividends Paid	(868)	(868)	(11,194)
Other — net	(17)	(10)	(229)
Net Cash Provided by (Used in) Financing Activities	30,610	(18,261)	394,416
Foreign Currency Translation Adjustments on Cash and Cash Equivalents	55	44	715
Net Increase (Decrease) in Cash and Cash Equivalents	86	(1,730)	1,116
Cash and Cash Equivalents at Beginning of Year	39,900	36,110	514,120
Cash and Cash Equivalents at End of Year	¥ 39,987	¥ 34,379	\$ 515,236

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 conformity 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. The accompanying consolidated financial statements and notes should be read in conjunction with the consolidated financial statements and related notes for the year ended March 31, 2012.

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 ¥77.61 to US\$1.00, the approximate rate of exchange at September 30, 2012. 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. Scope of Consolidation

The consolidated financial statements include the accounts of IBJL Group including IBJL-TOSHIBA Leasing Company, Limited, Dai-ichi Leasing Co., Ltd., Nissan 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 the consolidated subsidiaries as of September 30, 2012 was 23. The consolidated financial statements as of September 30, 2012 do not include the accounts of E-Front Leasing Co., Ltd. as it was liquidated during the year.

The number of associated companies accounted for under the equity method as of September 30, 2012 was 3. Investments in associated companies are Krung Thai IBJ Leasing Co., Ltd., The Toho Lease Co., Ltd. and Juhachi Sogo Lease Co., Ltd.

## 3. Summary of Significant Accounting Policies

The accounting policies are the same as those applied in the Consolidated Financial Statements as of and for the year ended March 31, 2012, except for those changes mentioned below

(Change in accounting policy which is difficult to distinguish changes in accounting estimates)

Following the revision of Corporation Tax Law, effective from the first quarter of the current fiscal year, own-used depreciable assets of IBJL and its domestic consolidated subsidiaries acquired on or after April 1, 2012 are depreciated under the depreciation method stipulated in the revised Corporation Tax Law. The effect of the change is immaterial.

#### 4. Operating Assets

(1) Operating Assets as of September 30 and March 31, 2012 consisted of the following:

	(Millions of yen)		(Thousands of U.S. dollars)
	September 30, 2012	March 31, 2012	September 30, 2012
Leasing:			
Finance Lease	¥717,127	¥704,210	\$9,240,139
Operating Lease	55,788	50,929	718,836
Leasing total (*1)	772,916	755,139	9,958,975
Installment Sales (*2)	110,459	112,243	1,423,266
Loans and Factoring	305,914	295,008	3,941,689
Other	48,077	48,876	619,480
Total Operating Assets	¥1,237,368	¥1,211,268	\$15,943,410

(\*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 period-end.

(\*2) Installment Sales represent “Installment Sales Receivables” less “Deferred Profit on Installment Sales” on the consolidated balance sheet at the period-end.

(2) The total amounts of new contracts entered into during the periods ended September 30, 2012 and 2011 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2012	2011	2012
Leasing:			
Finance Lease	¥148,259	¥77,963	\$1,910,318
Operating Lease	10,089	6,818	130,006
Leasing total	158,349	84,782	2,040,324
Installment Sales	31,411	17,440	404,742
Loans and Factoring	201,443	49,425	2,595,590
Other	4,254	15,028	54,813
Total	¥395,459	¥166,676	\$5,095,469



## 5. Short-term Borrowings and Long-term Debt

(1) Short-term Borrowings as of September 30 and March 31, 2012 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	September 30, 2012	March 31, 2012	September 30, 2012
Short-term Borrowings			
Short-term Borrowings from banks and other financial institutions	¥194,065	¥172,919	\$2,500,528
Commercial Paper	416,800	373,100	5,370,442
Total	¥610,865	¥546,019	\$7,870,970
Current Portion of Long-term Debt			
Long-term debt from banks and other financial institutions	¥206,732	¥202,973	\$2,663,733
Payables under securitized lease receivables due within one year	41,355	37,707	532,862
Total	¥248,087	¥240,681	\$3,196,595

(2) Long-term Debt as of September 30 and March 31, 2012 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	September 30, 2012	March 31, 2012	September 30, 2012
Long-term Debt			
Long-term debt from banks and other financial institutions	¥305,937	¥345,702	\$3,941,981
Payables under securitized lease receivables due over one year	221	1,077	2,856
Total	¥306,158	¥346,780	\$3,944,837

## 6. Commitments and Contingent Liabilities

Contingent liabilities as of September 30, 2012 were as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	2012	2012
Guarantee Obligations with respect to operating activities	<b>¥23,893</b>	<b>\$307,871</b>
Other Guarantee Obligations	<b>5,843</b>	<b>75,297</b>
Accruals for Debt Guarantees	<b>(207)</b>	<b>(2,672)</b>
Total	<b>¥29,530</b>	<b>\$380,496</b>

## 7. Segment Information

### (1) Information about sales and profit

For the six-month period ended September 30, 2012

	(Millions of yen)						
	2012						
	Reportable segment					Reconciliations (*1)	Consolidated
	Leasing	Installment sales	Loans	Other	Total		
Sales:							
Sales to external customers	¥166,520	¥6,916	¥3,664	¥1,693	¥178,794	¥ -	¥178,794
Intersegment sales and transfers	121	156	114	35	429	(429)	-
Total	166,642	7,073	3,778	1,729	179,223	(429)	178,794
Operating Expenses	156,036	6,516	5,799	1,235	169,587	1,724	171,312
Segment Profit (Loss)	¥10,605	¥556	¥(2,020)	¥493	¥9,635	¥(2,153)	¥7,482

For the six-month period ended September 30, 2011

	(Millions of yen)						
	2011						
	Reportable segment					Reconciliations (*1)	Consolidated
	Leasing	Installment sales	Loans	Other	Total		
Sales:							
Sales to external customers	¥119,135	¥5,689	¥2,916	¥1,127	¥128,868	¥ -	¥128,868
Intersegment sales and transfers	102	10	92	48	254	(254)	-
Total	119,238	5,699	3,009	1,176	129,123	(254)	128,868
Operating Expenses	110,633	5,196	1,802	756	118,388	1,839	120,228
Segment Profit (Loss)	¥8,604	¥503	¥1,206	¥420	¥10,734	¥(2,093)	¥8,640

For the six-month period ended September 30, 2012

(Thousands of U.S. dollars)

	2012						
	Reportable segment						
	Leasing	Installment sales	Loans	Other	Total	Reconciliations (*1)	Consolidated
Sales:							
Sales to external customers	\$2,145,601	\$89,118	\$47,211	\$21,821	\$2,303,751	\$ -	\$2,303,751
Intersegment sales and transfers	1,571	2,021	1,478	464	5,534	(5,534)	-
Total	2,147,172	91,139	48,689	22,285	2,309,285	(5,534)	2,303,751
Operating Expenses	2,010,516	83,970	74,724	15,920	2,185,130	22,216	2,207,346
Segment Profit (Loss)	\$136,656	\$7,169	\$(26,035)	\$6,365	\$124,155	\$(27,750)	\$96,405

(\*1) The details of Reconciliations to Segment Profit for the periods ended September 30, 2012 and 2011 are as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2012	2011	2012
Elimination of intersegment transactions	¥(148)	¥(44)	\$(1,908)
Administrative expenses not allocated to the reportable segments	(2,005)	(2,049)	(25,842)
Total	¥(2,153)	¥(2,093)	\$(27,750)

(\*2) Segment Profit is reconciled to Operating Income in the Consolidated Statement of Income.

(2) Impairment loss of long-lived assets or goodwill per reportable segment:

Not applicable for the periods ended September 30, 2012 and 2011

## 8. Net Income per Share

Details of basic net income per share (“EPS”) for the periods ended September 30, 2012 and 2011 are as follows:

	(Millions of yen)	(Thousands of shares)	(Yen)	(U.S. dollars)
	Net income	Weighted average shares	EPS	
<b>For the period ended September 30,2012:</b>				
<b>Basic EPS</b>				
Net income available to common shareholders	<b>¥4,239</b>	<b>36,198</b>	<b>¥117.11</b>	<b>\$1.51</b>
<b>For the period ended September 30,2011:</b>				
<b>Basic EPS</b>				
Net income available to common shareholders	<b>¥5,326</b>	<b>36,198</b>	<b>¥147.16</b>	<b>\$1.90</b>

## 9. Subsequent Events

On November 2 2012, the Board of Directors of IBJL resolved to approve the payment of the interim cash dividends to its shareholders registered as of September 30, 2012 as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
<b>Interim cash dividends, ¥24.00 (\$0.31) per share</b>	<b>¥868</b>	<b>\$11,194</b>