Financial Results for FY2018
Presentation Materials

May 23, 2019

IBJ Leasing Co., Ltd.

(Securities Code: 8425)

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Contents

I. Financial Results and Business Performance Overview

Summary of FY2018

✓ **Achieved all target figures for the final fiscal year presented in the Fifth Mid-term Management Plan one year ahead of schedule.**

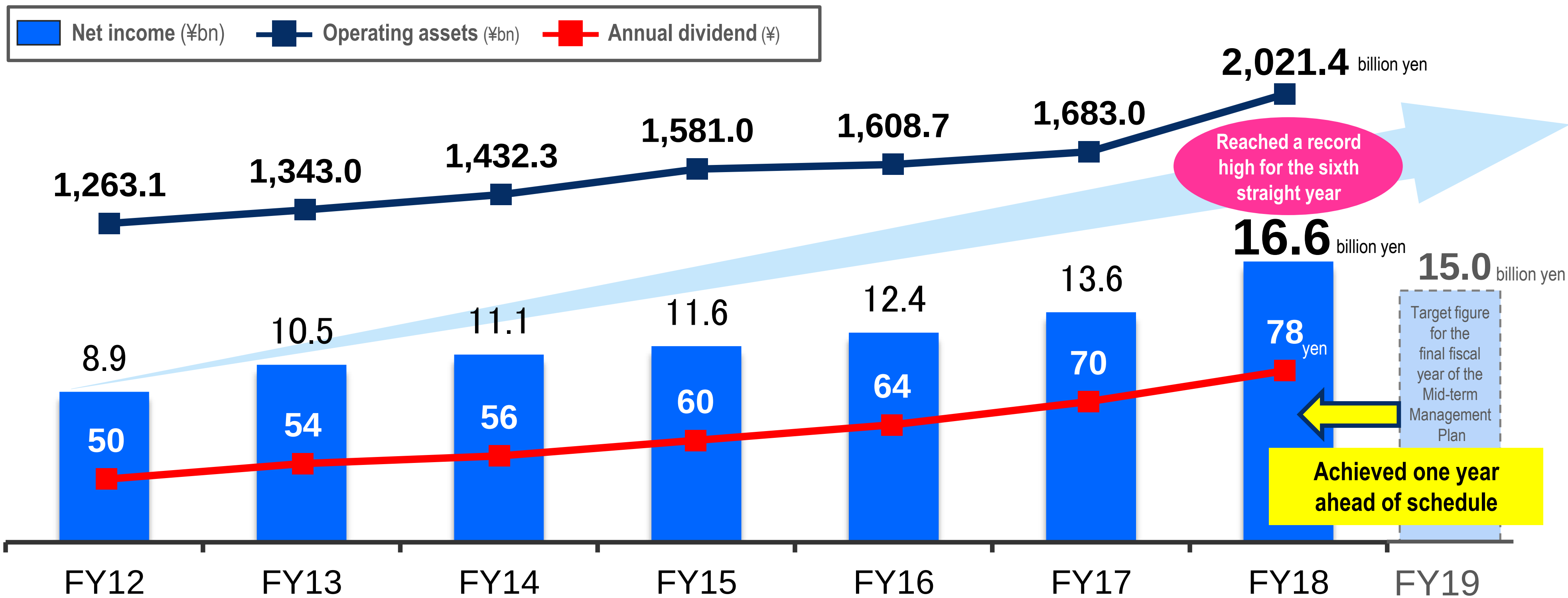
— Net income attributable to owners of the parent: ¥16.6 billion [target: ¥15.0 billion]

— ROE: 10.3% [target: 10%]

— Plan to pay year-end dividend of ¥40*, translating into annual dividend of ¥78 (year-on-year increase of ¥8)

⇒ Slated to achieve Mid-term Management Plan target of [Dividend payout ratio: Maintain 20% or more]

* Subject to resolution of General Meeting of Shareholders scheduled to be held in June 2019



Performance Trends (consolidated basis)

(¥bn)

	FY16	FY17	FY18	Change	% Change
Revenues	429.4	399.7	**384.9**	-14.8	-4%
Gross profit before write-offs and funding costs	44.9	45.2	**52.6**	+7.4	+16%
Operating income	18.0	19.2	**22.9**	+3.7	+20%
Ordinary income	18.8	20.0	**24.2**	+4.2	+21%
Net income attributable to owners of the parent	12.4	13.6	**16.6**	+3.0	+22%
ROE	9.4%	9.6%	**10.3%**	+0.7pt	—

(¥bn)

FY18 full-year forecast *1	Forecast announced before revision *2
390.0	420.0
—	—
23.0	20.0
24.7	21.4
16.5	14.5

*1 Announced on Feb. 7, 2019
*2 Announced on May 9, 2018

	FY16	FY17	FY18	Change
Annual dividend	¥64	¥70	(Plan) ¥78	+¥8
Interim dividend	¥30	¥32	¥38	+¥6
Year-end dividend	¥34	¥38	(Plan) ¥40	+¥2
Dividend payout ratio	22.0%	21.9%	20.1%	

Overview of Financial Results

(¥bn)

	FY16	FY17	FY18	Change	% Change
Revenues	429.4	399.7	**384.9**	-14.8	-4%
Gross profit before write-offs and funding costs	44.9	45.2	**52.6**	+7.4	+16%
(Funding costs)	(5.7)	(7.0)	(8.5)	+1.5	+22%
Gross profit	39.2	38.2	**44.1**	+5.9	+16%
(Credit costs)	(1.5)	(-0.8)	(-0.2)	+0.6	—
Operating income	18.0	19.2	**22.9**	+3.7	+20%
Ordinary income	18.8	20.0	**24.2**	+4.2	+21%
Net income attributable to owners of the parent	12.4	13.6	**16.6**	+3.0	+22%

	End of Mar 2017	End of Mar 2018	End of Mar 2019	Change	% Change
Operating assets	1,608.7	1,683.0	**2,021.4**	+338.4	+20%
Net assets	141.8	154.6	**182.2**	+27.6	+18%
Equity ratio	7.8%	8.2%	**8.0%**	-0.2pt	—

POINTS

- Increased significantly due to success of business strategy of Fifth Mid-term Management Plan including global businesses
- Due to higher foreign currency borrowings
- Reversal of allowance for credit costs
- Reached a record high for the sixth straight year
- Increased due to capital increase through third-party allotment* in addition to accumulation of earnings

* Executed a capital increase through third-party allotment to Mizuho Bank, Ltd. in March 2019

Business Performance Overview

(¥bn)

	FY16	FY17	FY18	Change	% Change
Contract execution volume	1092.0	1,335.9	**1,548.8**	+212.9	+16%
Leasing and installment sales	475.7	430.5	**549.4**	+118.9	+28%
Financing	616.4	901.5	**996.7**	+95.2	+11%
Others	—	3.9	**2.7**	-1.2	-32%

(¥bn)

	End of Mar 2017	End of Mar 2018	End of Mar 2019	Change	% Change
Operating assets	1,608.7	1,683.0	**2,021.4**	+338.4	+20%
Leasing and installment sales	1,088.1	1,122.2	**1,306.1**	+183.9	+16%
Financing	520.6	556.9	**709.0**	+152.1	+27%
Others	—	3.9	**6.3**	+2.4	+62%

	FY16	FY17	FY18	Change
Gross profit margin before write-offs and funding costs	2.86%	2.74%	**2.84%**	+0.10pt

Note) Gross profit margin before write-offs and funding costs = Gross profit before write-offs and funding costs / Average balance of operating assets

POINTS

■ **Contract execution volume increased 16% y-o-y**

- For "Leasing and installment sales," execution volume increased mainly in areas such as industrial and factory as well as transport
- Real estate-related bridge scheme projects increased for both "Leasing and installment sales" and "Financing"

■ **Operating assets increased 20% from the end of the previous fiscal year in line with an increase in contract execution volume**

■ **Gross profit margin before write-offs and funding costs increased y-o-y**

IBJ LEASING

Contract execution volume by equipment type

(¥bn)

	FY16	FY17	FY18	Change	% Change
Industrial and factory	98.8	61.5	**114.1**	+52.6	+85%
Information and communications	78.9	81.2	**93.4**	+12.2	+15%
Transport	61.6	54.1	**71.3**	+17.2	+32%
Construction	35.9	47.6	**44.7**	-2.9	-6%
Medical	13.3	16.4	**20.3**	+3.9	+24%
Commerce and services	28.5	32.0	**38.2**	+6.2	+19%
Office equipment	11.2	9.8	**8.5**	-1.3	-13%
Other	147.5	127.8	**158.9**	+31.1	+24%
Real estate	121.6	84.8	**126.8**	+42.0	+50%
Total	475.7	430.5	**549.4**	+118.9	+28%

POINTS

- Captured capital investment needs
- Contract execution volume exceeded ¥90.0 billion for the first time in three fiscal years as a result of a large-scale system contract won by a Group company
- Aircraft acquisitions increased from aircraft operating leases
- Increased mainly for superior bridge scheme projects

Contract Execution Volume / Financing

Contract execution volume

(¥bn)

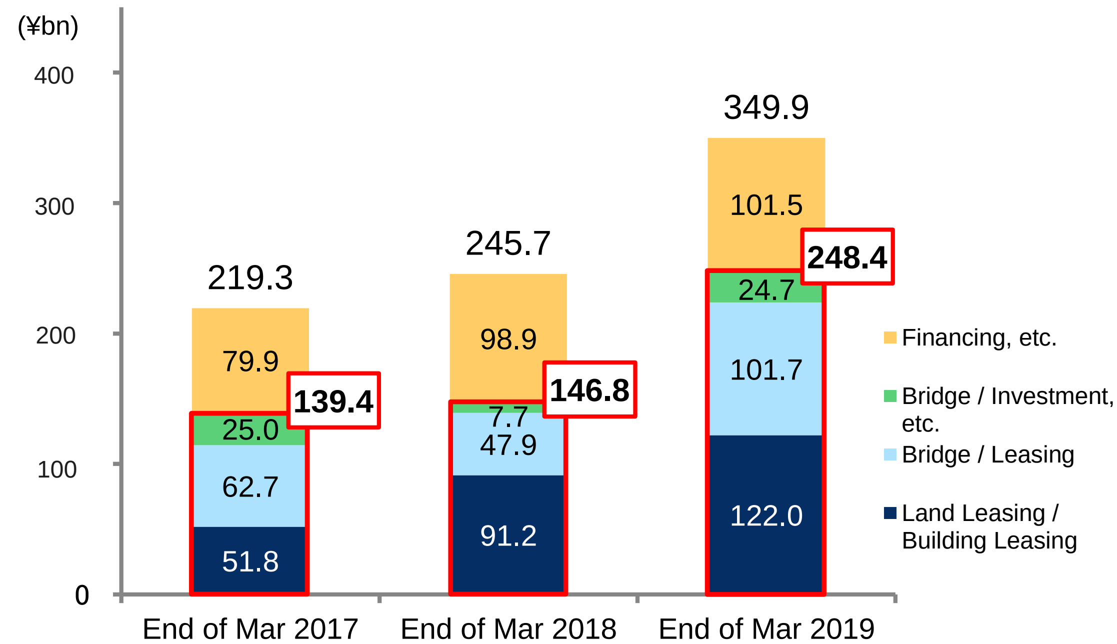
	FY16	FY17	FY18	Change	% Change
Commercial Distribution Finance / Loan, etc.	516.1	822.8	**856.3**	＋33.5	＋4%
Aircraft	12.8	31.3	**22.8**	-8.5	-27%
Real Estate	77.2	39.4	**97.0**	+57.6	+146%
Vessel	10.2	8.0	**20.6**	+12.6	+159%
Total	616.4	901.5	**996.7**	＋95.2	＋11%

POINTS

- Executed superior bridge scheme projects
- Mainly refinancing projects

Balance (Real Estate/Global)

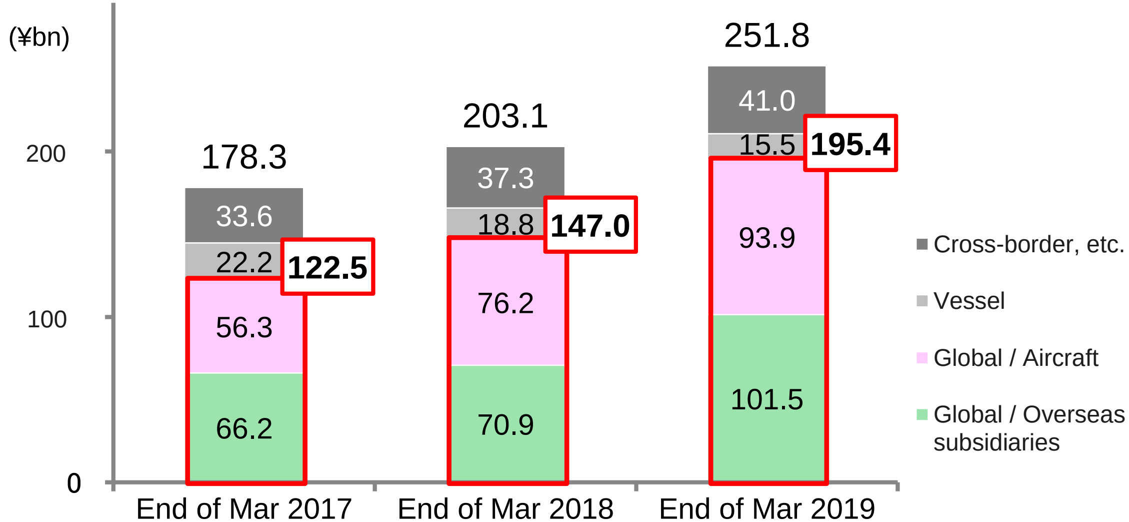
Real estate



POINTS

- **Property ownership businesses (outlined in red) increased**
  - Balance substantially increased due to growth of initiatives targeted at logistics facilities and hotels capturing societal needs

Global

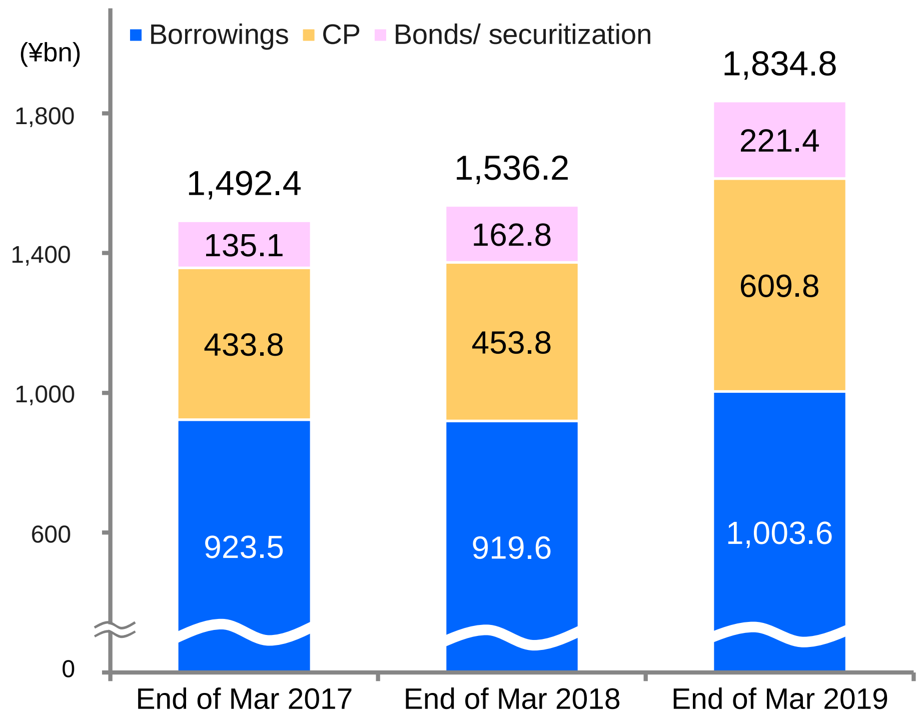


- **Balance in the field of global operations (Aircraft/Oversea subsidiaries) increased**
  - Aircraft operating leases increased
  - Completed turning Indonesian auto finance company into a consolidated subsidiary

Funding

- Actively raised funds from markets amid increase in interest-bearing debt in line with the increase in operating assets.
  — Raised ¥67.0 billion through 3- to 10-year bonds in FY2018, in addition to increased CP issuance.
- Funding costs ratio increased due to higher foreign currency borrowings as a result of the expansion of the global business.

Interest-bearing debt



Funding costs (ratio)

	FY16	FY17	FY18
Funding costs (¥bn)	5.7	7.0	8.5
Funding costs ratio	0.36%	0.42%	0.46%

Note)
Funding costs ratio = Funding costs / Average balance of operating assets

External ratings

Rating agency	Rating	
R&I	Long-term	A
	Short-term	a - 1
JCR	Long-term	A
	Short-term	–

Earnings Forecasts and Dividends

- Aim to post net income attributable to owners of the parent in the amount of ¥17.0 billion for FY2019, to post record-breaking profit for the seventh straight year.
  - — Launched the Sixth Mid-term Management Plan , with a plan period of 5 years from FY2019 to FY2023.
  - — Efforts will be focused on building a structure of collaboration with Mizuho Bank, Ltd. and Marubeni Corporation in the first fiscal year of the Mid-term Management Plan.

[Dividends]

- Plan to revise year-end dividend for FY2018; ¥2 increase from initial forecast of ¥38/share to ¥40/share.
- Plan to raise annual dividend for the 18th straight year in FY2019; ¥2 increase y-o-y to ¥80/share.

(¥bn)

	FY2017 (Results)	FY2018 (Results)	FY2019 (Forecast)	Change	% Change
Revenues	399.7	384.9	**450.0**	+65.1	+17%
Operating income	19.2	22.9	**24.2**	+1.3	+6%
Ordinary income	20.0	24.2	**25.3**	+1.1	+4%
Net income attributable to owners of the parent	13.6	16.6	**17.0**	+0.4	+2%

Annual dividend	¥70	(Plan) ¥78	¥80	+¥2
Interim dividend	¥32	38	¥38	±¥0
Year-end dividend	¥38	(Plan) ¥40	¥42	+¥2

Dividend payout ratio	21.9%	20.1%	23.0%

Ⅱ. Result of Fifth Mid-term Management Plan

Overview of Fifth Mid-term Management Plan (FY2017-2019)

Vision

"Value-creating company tackling challenges together with clients"

Business Strategies and Reinforcement of Management Base

Basic policy	Vigorously promote more profitable businesses leveraging expertise and financial strengths gained
Focus areas	Existing client base; Real estate; Medical and healthcare; Environment and energy; Global (Aircraft & overseas subsidiaries); Technology
Reinforcement of management base	Strengthening of risk-return management: Integrated operation of business portfolio and financial ALM Resource strategy: Promotion of diversity / improvement of operational productivity

Target figures for the final fiscal year

- Net income attributable to owners of the parent: "¥15.0 billion" — Achieved ahead of schedule
- ROE: "10%" — Achieved ahead of schedule
- Dividend payout ratio:"Maintain 20% or more" — Target in sight

Launched new Sixth Mid-term Management Plan in FY2019, having achieved the target figures in the Fifth Mid-term Management Plan one year ahead of schedule.

Marketing Strategies and Results in Focus Areas (Summary)

Existing client base
Large and mid-sized companies

New business strategies

Support clients' commercial distribution	Expand opportunities to gain profit by being involved in commercial distribution from upstream to downstream

Met client needs by being involved in commercial distribution, both in procurement and sales

Jointly promote service business with clients	Help clients change their business model, and receive payment for services

Made achievements in rolling out a service scheme with a medical equipment manufacturer and a major system vendor

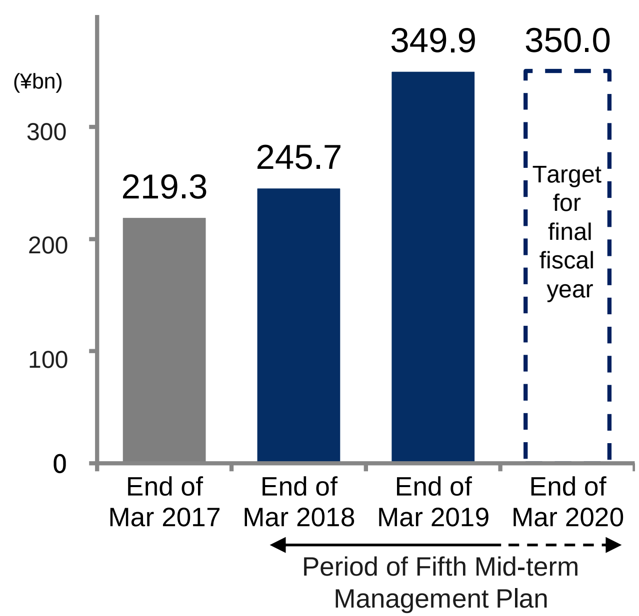
Promote JVs with clients	Share risks with clients as a business partner, and acquire new ROIs

Started promoting joint ventures initially in the field of real estate, aimed at making enhancements going forward

Real estate

- Achieved the target for the final fiscal year of the Mid-term Management Plan due to the increase in bridge schemes for REIT in Japan, expansion of real estate leasing in areas with high societal needs (for hotels, childcare and nursing care) and expansion of investments in overseas real estate funds.

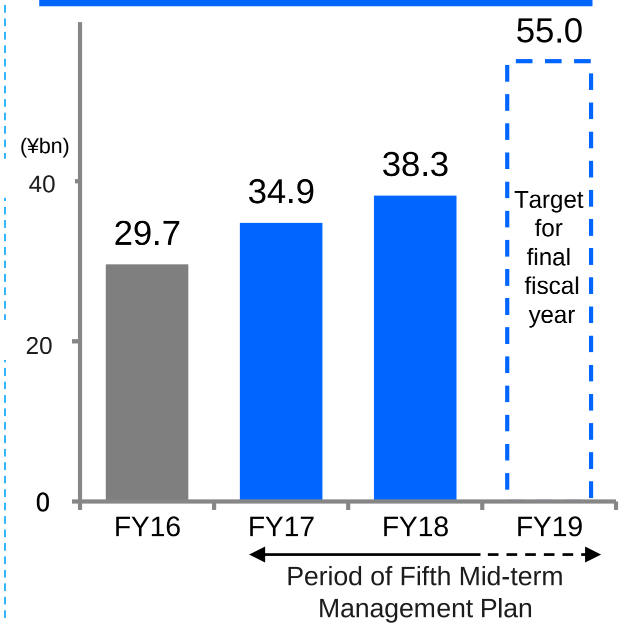
Trends in operating assets



Medical and healthcare

- Contract execution volume steadily increased due to the increase in equipment leasing in diagnosis/ treatment and convalescence/nursing care, even though issues remain in initiatives targeted at real estate such as nursing facilities.

Trends in contract execution volume

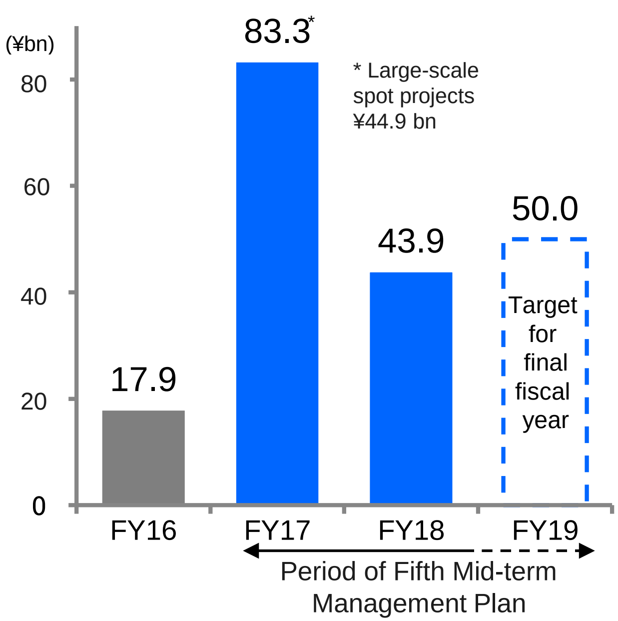


Marketing Strategies and Results in Focus Areas (Summary)

Environment and energy

- Achieved in FY2017 the initial target for the final fiscal year by such means as providing solutions through involvement in commercial distribution of energy providers, in addition to proposing subsidies and introduction of energy-saving equipment.
- Smooth progress was made also on the basis of excluding large-scale spot projects.

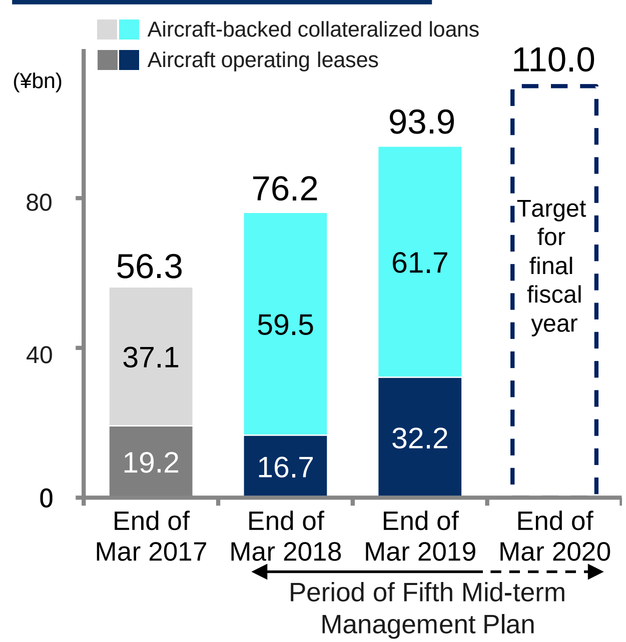
Trends in contract execution volume



Global (Aircraft)

- Started in-house management of aircraft for aircraft operating leases, in addition to joint venture initiatives.
- Aircraft-backed collateralized loans increased due to enhanced sales activities targeted at arrangers, etc.
- Balance of operating assets steadily increased due to promotion of both operating leases and loans.

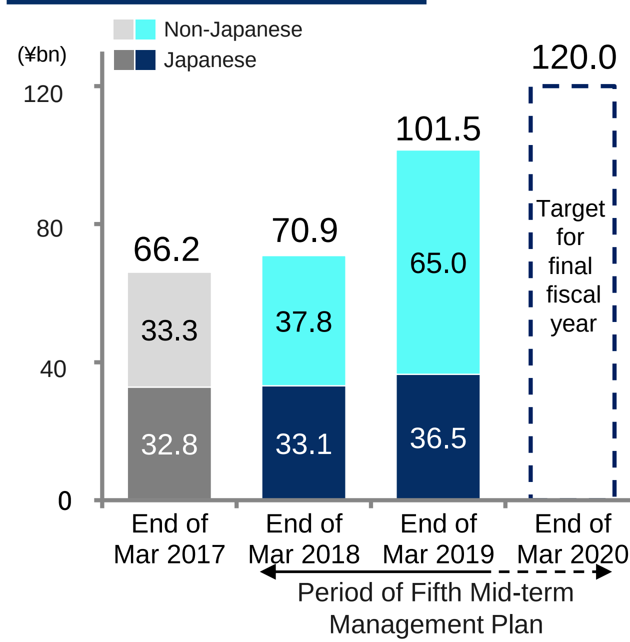
Trends in operating assets



Global (Overseas subsidiaries)

- Balance of operating assets steadily increased as a result of the increase in transactions with leading local companies and non-Japanese companies that are beyond Japanese companies' commercial distribution, as well as the conversion of an Indonesian auto financing company (listed on local stock exchange) into a consolidated subsidiary.

Trends in operating assets



III. Appendix A
Fifth Mid-term Management Plan
Focused area strategies and results

Real estate: Strategies and Track Record

IBJ LEASING

Strategies

- Focus on initiatives in areas with high societal needs such as hotels, childcare, and nursing care
- Drive forward expansion of bridge schemes, investments in overseas investment funds, and joint investments in excellent properties

Strategies

Reinforce real estate leasing in areas with high societal needs	· Reinforce initiatives in areas with high societal needs, such as needs for building new hotels resulting from increase in international inbound tourists and new authorized daycare centers to eliminate waiting list for children
Enhance bridge functions for REITs in Japan	· Expand opportunities to provide bridge functions in response to increase in needs to bridge gap between selling by original owner and acquisition by REIT that has resulted from diversification of REIT-owned properties
Seize opportunities to invest in overseas real estate funds	· Investment in overseas real estate by major Japanese developers and trading companies has increased · Acquire relatively profitable assets by investing in overseas real estate funds
Expand excellent joint investments leveraging ability to discern good properties	· Carefully select good properties that show potential for high rent and rising in value · Make joint investments in response to clients' property management needs

Track record

Example projects

Real estate leases	**Leasing of hotel buildings and daycare center buildings**
	Leasing of flagship stores of Car dealers
Bridge scheme	**Bridge scheme for logistics facilities, hotels and office buildings**
	Bridge scheme for real estate owned by local governments
Overseas investment	**First real estate investment in Asia (Singapore) through a prominent partner**
Joint investment	**Joint investment with a major developer**

Operating assets

End of Mar. 2019
¥349.9 billion

Target for final fiscal year
(End of Mar. 2020)
¥350.0 billion

Joint investment with a major developer

Executed joint investment in a real estate complex (commercial facilities + offices) that has the potential to rise in value in the city center

Medical and Healthcare: Strategies and Track Record

IBJ LEASING

Strategies

- Expand scope to the high-growth potential area of convalescence and nursing care, in addition to diagnosis and treatment
- Aim to expand service business by leasing real estate and collaborating with new partners

Strategies

Expand equipment leasing opportunities in treatment/ diagnosis and convalescence/ nursing care	Meet capital investment needs in convalescence/nursing care in addition to financing cutting-edge medical equipment in Japan and medical equipment for leasing to local hospitals in China
Expand real estate leasing	Lease real estate to meet nursing care providers' needs for new facilities and hospitals' needs to rebuild deteriorating facilities
Expand collaborations with new partners and joint promotion of service business with clients	Form new partnerships with medical, nursing care, and healthcare equipment manufacturers in Japan Expand service business of selling medical and nursing care equipment

Track record

	Example projects	Contract execution volume
Medical equipment	**Leasing of cutting-edge medical equipment and systems**	**FY2018/full-year ¥38.3 billion**
	Leasing of medical equipment to public hospital in China	
Facilities	**Leasing of equipment to healthcare providers**	
Real estate	**Execution of equity investment targeted at serviced housing for the elderly**	
	Investment in healthcare real estate fund	
Service business	**Supporting medical equipment manufacturers to expand sales of service business**	**Final fiscal year** (FY2019) **Full-year target ¥55.0 billion**

Equity investment targeted at serviced housing for the elderly

IBJL's first equity investment targeted at nursing facilities for which societal needs are growing

Environment and Energy: Strategies and Track Record

Strategies

- Expand equipment leasing in response to needs of energy conservation project suppliers and consumers
- Meet a diverse range of needs by acquiring contracts via strengthening sales activities targeting local governments, and being involved in commercial distribution of environmental equipment manufacturers
- Acquire operating income by entering renewable energy business

Strategies

Acquire projects with energy conservation proposals	· Offer high value-added products and services through efforts such as applying for subsidies on clients' behalf and collaborating with manufacturers and engineering companies
Strengthen sales activities targeting local governments	· Expand scope of initiatives to local government facility renovation projects and other projects
Be involved in commercial distribution of renewable energy providers as business partner	· Acquire new business opportunities by being involved in commercial distribution of environmental equipment manufacturers and environmental service vendors · Roll out business centered on volume discounts and factoring
Enter renewable energy business	· Start risk-taking business initiatives

Track record

Example projects

Subsidy utilization business	**Adoption of subsidy in a project for introducing a large-scale power-generating facility into a factory**
Leasing to local governments	**Leasing of air conditioning facilities to educational institutions** **Changing security lighting to LED**
Involvement in commercial distribution	**Involvement in commercial distribution on the sales side of energy provider participating in renewable energy project**
Renewable energy business	**Participation in an offshore wind power generation project** **Investment in solar power generation projects, and bridge schemes for solar power generation business**

Contract execution volume

FY2018/full-year
¥43.9 billion

Final fiscal year
(FY2019)
Full-year target
¥50.0 billion

Project for introducing a large-scale power-generating facility

Pushed ahead with a project for introducing a large-scale, high-efficiency cogeneration system over multiple years jointly with a client by utilizing subsidy

Global (Aircraft): Strategies and Track Record

Strategies

- Aim to attain targets for the final year of the mid-term plan by increasing aircraft-backed collateralized loans, setting up more aircraft operating leases, and entering business related to engines, parts, and other aircraft peripherals

Strategies

Accumulate aircraft-backed collateralized loans	・Position loans as revenue base until rising prices in aircraft trade market level off ・Increase profitability by further improving ability to set up aircraft-backed collateralized loans
Drive forward aircraft operating leasing business	・With the expansion of the aircraft market, there are needs for a wide range of aircraft ownership formats ・Ascertaining needs of airlines will enable IBJL to set up a wide range of operating leases
Enter business related to engines, parts, and other aircraft peripherals	・Airlines' needs have increased for improving efficiency of replacing and maintaining engines and parts ・Acquire new source of revenue by entering business related to engines, parts, and other aircraft peripherals
Pursue fee income: Set up and expand sales of JOLCO	・Meet increasingly diversified investment needs of IBJL/banks/security brokerage clients in the low-interest environment ・Set up/sell JOLCOs under a wider range of conditions

Track record

Example projects

Aircraft-backed collateralized loans

Continue to acquire good projects

Aircraft operating leases

Number of owned aircraft is steadily increasing following commencement of in-house management of aircraft, in addition to JV initiatives

Operating assets

End of Mar. 2019
¥93.9 billion

Target for final fiscal year
(End of Mar. 2020)
¥110.0 billion

Global (Overseas Subsidiaries): Strategies and Track Record

Strategies

- Further expand client base by responding to changes in social structure in existing markets
- In addition, consider entering new leasing business via M&As and purchasing assets in untapped markets

Strategies

Existing markets	Meet needs of Japanese clients for capital investment and rolling out businesses overseas	· Meet leasing needs resulting from increase in size of Japanese clients' businesses · Aim to become clients' overseas strategic partner by building global sales system to approach clients
Existing markets	Increase business with non-Japanese clients	· Increase business with leading local companies involved in commercial distribution of Japanese companies · Expand client base by collaborating with companies IBJL subsidiaries have stake in
Untapped markets	Non-organic growth from collaborating with and acquiring local companies	· Enter countries/regions with high potential for leasing needs resulting from changes in social structure · Also consider acquiring/purchasing assets of local companies

Track record

Example projects

Japanese companies	**Supporting Japanese companies in opening stores in China**
Non-Japanese companies	**Leasing of IT infrastructure investment in Indonesia**
Non-Japanese companies	**Leasing of equipment to a major conglomerate in Thailand**
Non-Japanese companies	**Sales finance for Philippine overseas subsidiaries of Japanese manufacturers**
New service	**Launched truck maintenance lease in Thailand**
M&A	**Turned Indonesian auto financing company (listed on local stock exchange) into a consolidated subsidiary**

Operating assets

End of Mar. 2019
¥101.5 billion

Target for final fiscal year
(End of Mar. 2020)
¥120.0 billion

Launched truck maintenance lease

Set up truck maintenance lease as a service exclusive to IBJL's Thai local subsidiary jointly with a Japanese dealer

Ⅳ. Appendix B

Company Profile

Company Name	IBJ Leasing Company, Limited
Address	1-2-6 Toranomon, Minato-ku, Tokyo 105-0001
Representative	Hiroshi Motoyama, President and CEO
Establishment	December 1, 1969
Listing	Tokyo Stock Exchange, 1st Section (Code: 8425)
Capital Stock	26,088 million yen (Outstanding shares: 49,004,000)
Employees	1,627 (consolidated, as of March 31, 2019)
Business Sites	14 in Japan (Tokyo, Osaka, Nagoya, others)
	6 overseas (5 in Asia, 1 in Europe)

Key Group Companies:

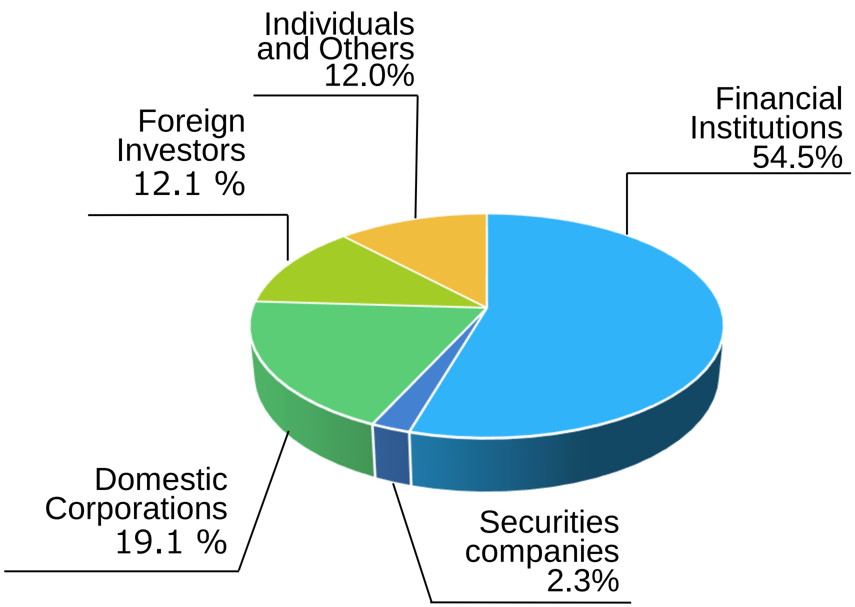
IBJL-TOSHIBA Leasing Company, Limited, Dai-ichi Leasing Co., Ltd., Universal Leasing Co., Ltd.,
MG Leasing Corporation (joint venture with Marubeni Corporation),
IBJ Auto Lease Company Limited,
KL Lease & Estate Co., Ltd. (real estate leases),
KL & Co., Ltd. (used property purchase / sales),
IBJ Air Leasing Limited (aircraft operating leases)

Stock Status (As of March 31, 2019)

○ Number of shares issued 49,004,000

○ Number of shareholders 44,427

○ Distribution of shareholders (shareholding ratio)



○Major Shareholders

Shareholders	Shares Held (1,000 shares)	Holding Ratio (%)
Mizuho Bank, Ltd.	11,283	23.03
The Dai-ichi Life Insurance Company, Limited	2,930	5.98
NISSAN MOTOR CO., LTD. Retirement Benefit Trust Account Mizuho Trust & Banking Co., Ltd.	1,750	3.57
UNIZO Holdings Company, Limited.	1,546	3.15
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,283	2.62
Meiji Yasuda Life Insurance Company	1,251	2.55
Japan Trustee Services Bank, Ltd. (Trust Account)	1,141	2.33
DOWA HOLDINGS CO., LTD.	1,120	2.29
SSBTC CLIENT OMNIBUS ACCOUNT	1,012	2.07
Japan Trustee Services Bank, Ltd. (TOSHIBA CORPORATION Retirement Benefit Trust Account)	900	1.84

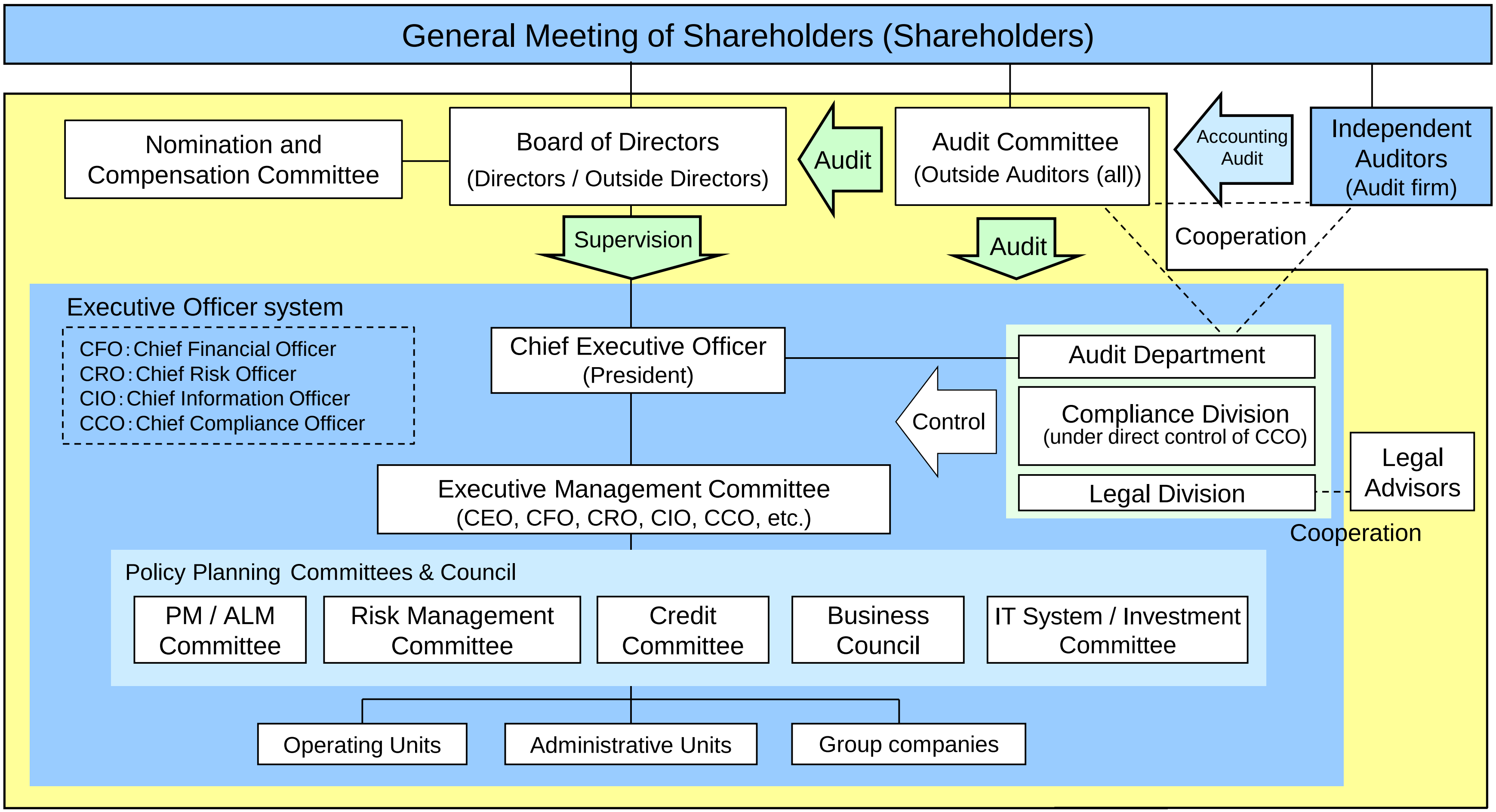
Note) Shareholding ratio is the ratio of the number of shares held to the number of shares issued.

IBJL Group Internal Control System

- IBJL Group has established a system to ensure proper execution of business operations, and is operating this system in an effective and appropriate manner.
- Management structure: 8 directors (incl. 3 outside directors), 4 auditors (incl. 4 outside auditors)

* Plan to shift to System of 11 directors (incl. 6 outside directors) based on the assumption of approval at the 50th Ordinary General Meeting of Shareholders to be held on June 25, 2019.

[Corporate Governance Structure]



Consolidated Balance Sheet (Assets)

(¥bn)

	End of Mar 2015	End of Mar 2016	End of Mar 2017	End of Mar 2018 (A)	**End of Mar 2019 (B)**	Change (B)-(A)	% Change (B)/(A)
Current assets	1,433.1	1,552.9	1,564.7	1,602.4	**1,866.6**	+264.2	+16.5%
Cash and deposits	38.7	49.4	42.3	30.3	**25.9**	-4.4	-14.7%
Investment in lease	812.0	842.0	809.3	823.4	**930.3**	+106.9	+13.0%
Installment sales receivable	154.4	147.8	138.1	138.9	**148.0**	+9.1	+6.6%
Operational loans	361.1	377.9	348.1	360.1	**469.1**	+109.0	+30.3%
Operational investment securities	38.6	97.3	172.5	196.9	**239.8**	+42.9	+21.8%
Marketable securities	-	0.1	0.0	0.5	**–**	-0.5	-
Allowance for doubtful receivables	-1.0	-0.9	-3.1	-2.3	**-1.6**	+0.7	-
Property & equipment	118.6	165.8	187.6	218.8	**295.3**	+76.5	+34.9%
Leased assets	66.7	116.4	141.0	160.2	**229.9**	+69.7	+43.5%
Investment securities	28.6	26.3	28.2	30.0	**32.0**	+2.0	+6.5%
Doubtful operating receivables	8.9	10.4	3.3	2.4	**3.4**	+1.0	+40.6%
Allowance for doubtful receivables	-2.1	-3.4	-0.3	-0.2	**-0.2**	-0.0	-
Total assets	1,551.7	1,718.7	1,752.3	1,821.3	**2,161.9**	+340.6	+18.7%

Operating assets	1,432.3	1,581.0	1,608.7	1,683.0	**2,021.4**	+338.4	+20.1%

The Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018) have been adopted since fiscal 2018 and retrospectively applied to figures for the end of March 2015 through the end of March 2018.

Consolidated Balance Sheet (Liabilities and Equity)

(¥bn)

	End of Mar 2015	End of Mar 2016	End of Mar 2017	End of Mar 2018 (A)	End of Mar **2019 (B)**	Change (B)-(A)	% Change (B)/(A)
Current liabilities	1,044.3	1,119.2	1,045.8	1,082.1	**1,294.2**	+212.1	+19.6%
Short-term borrowings	336.5	364.4	312.7	270.7	**302.2**	+31.5	+11.6%
Current portion of corporate bond	10.0	20.0	-	20.0	**20.8**	+0.8	+3.9%
Current portion of long-term debt	131.1	132.4	155.5	182.1	**177.2**	-4.9	-2.7%
Commercial paper	422.2	456.3	433.8	453.8	**609.8**	+156.0	+34.4%
Lease payable	8.8	8.9	7.3	7.3	**8.0**	+0.7	+10.5%
Long-term liabilities	384.1	466.7	564.8	584.5	**685.5**	+101.0	+17.3%
Long-term debt	322.7	397.6	455.3	466.8	**524.2**	+57.4	+12.3%
Corporate bond	40.0	40.0	58.0	38.0	**85.0**	+47.0	+123.7%
Total liabilities	1,428.4	1,585.9	1,610.5	1,666.6	**1,979.7**	+313.1	+18.8%
Net assets	123.3	132.8	141.8	154.6	**182.2**	+27.6	+17.8%
Shareholder's equity	109.3	118.5	128.3	139.1	**167.8**	+28.7	+20.7%
Accumulated other comprehensive income	8.6	8.6	8.3	9.9	**5.8**	-4.1	-41.3%
Non-controlling interests	5.4	5.8	5.2	5.7	**8.5**	+2.8	+50.1%
Total liabilities and net assets	1,551.7	1,718.7	1,752.3	1,821.3	**2,161.9**	+340.6	+18.7%

Total interest-bearing debt	1,310.0	1,465.6	1,492.4	1,536.2	**1,834.8**	+298.6	+19.4%

Equity ratio	7.6%	7.4%	7.8%	8.2%	**8.0%**	-0.2pt	

The Partial Amendments to Accounting Standard for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018) have been adopted since fiscal 2018 and retrospectively applied to figures for the end of March 2015 through the end of March 2018.

Consolidated Statements of Income

(¥bn)

	FY14	FY15	FY16	FY17 (A)	**FY18 (B)**	Change (B) – (A)	Change (B)/(A)
Revenues	353.7	364.2	429.4	399.7	**384.9**	-14.8	-3.7%
Gross profit before write-offs and funding costs	41.6	44.8	44.9	45.2	**52.6**	+7.4	+16.5%
Funding costs	6.3	6.4	5.7	7.0	**8.5**	+1.5	+21.7%
Gross profit	35.3	38.4	39.2	38.2	**44.1**	+5.9	+15.5%
SGA expenses	17.3	20.9	21.2	19.0	**21.2**	+2.2	+11.5%
Personnel, facilities costs	19.1	19.5	19.6	19.8	**21.4**	+1.6	+8.0%
Credit costs	-2.0	1.3	1.5	-0.8	**-0.2**	+0.6	-
Operating income	17.9	17.6	18.0	19.2	**22.9**	+3.7	+19.6%
Other income	1.6	1.4	1.2	1.2	**2.4**	+1.2	+108.5%
Other expenses	0.5	0.4	0.4	0.4	**1.1**	+0.7	+206.2%
Ordinary income	19.0	18.6	18.8	20.0	**24.2**	+4.2	+21.3%
Extraordinary income	0.0	0.4	0.3	0.6	**1.0**	+0.4	+62.0%
Extraordinary loss	0.1	0.1	0.2	0.0	**0.1**	+0.1	+272.9%
Income before income taxes	18.9	19.0	18.9	20.5	**25.1**	+4.6	+22.3%
Income taxes	7.3	6.8	6.2	6.4	**7.9**	+1.5	+24.3%
Net income attributable to owners of the parent	11.1	11.6	12.4	13.6	**16.6**	+3.0	+21.6%

ROE	10.0%	9.5%	9.4%	9.6%	**10.3%**	+0.7pt	

Consolidated Statement of Comprehensive Income

(¥bn)

	FY14	FY15	FY16	FY17 (A)	**FY18 (B)**	Change (B)-(A)	Change (B)/(A)
Net income*	11.6	12.1	12.6	14.2	**17.2**	+3.0	+21.4%
Unrealized gain on available-for-sale securities	2.8	1.6	0.1	1.0	**-2.3**	-3.3	-
Deferred loss on derivatives under hedge accounting	0.1	-0.4	0.2	0.1	**-0.6**	-0.7	-
Foreign currency translation adjustments	0.9	-0.5	-0.5	0.1	**-1.2**	-1.3	-
Remeasurements of defined benefit plans, net of tax	0.3	-0.6	0.1	0.2	**0.1**	-0.1	-61.7%
Share of other comprehensive income of associated companies	0.2	-0.2	-0.1	0.1	**-0.0**	-0.1	-
Total other comprehensive income	4.2	-0.1	-0.2	1.5	**-4.1**	-5.6	-
Total comprehensive income	15.8	12.1	12.4	15.7	**13.1**	-2.6	-16.8%

*In FY14, net income before minority interests is shown.

Gross Profit Before Write-offs and Funding Costs by Segment

(¥bn)

	FY14	FY15	FY16	FY17 (A)	FY18 (B)	Change (B) – (A)	Change (B)/(A)
Revenues	353.7	364.2	429.4	399.7	**384.9**	-14.8	-3.7%
Leasing and Installment sales	343.9	352.1	417.0	386.4	**366.4**	-20.0	-5.2%
Finance	9.0	11.4	11.7	12.8	**17.4**	+4.6	+35.6%
Other	1.7	1.7	1.5	1.3	**2.2**	+0.9	+65.2%
Elimination/Corporate	-0.9	-0.9	-0.8	-0.8	**-1.2**	-0.4	-
Cost of sales	312.1	319.4	384.5	354.6	**332.3**	-22.3	-6.3%
Leasing and Installment sales	311.2	318.6	383.8	353.9	**331.0**	-22.9	-6.5%
Finance	0.4	0.3	0.2	0.2	**0.3**	+0.1	+21.2%
Other	0.9	0.9	0.7	0.7	**1.2**	+0.5	+67.7%
Elimination/Corporate	-0.4	-0.4	-0.3	-0.3	**-0.3**	+0.0	-
Gross-profit before write-offs and funding costs	41.6	44.8	44.9	45.2	**52.6**	+7.4	+16.5%
Leasing and Installment sales	32.7	33.5	33.2	32.5	**35.4**	+2.9	+9.0%
Finance	8.6	11.0	11.5	12.6	**17.1**	+4.5	+35.9%
Other	0.8	0.8	0.7	0.6	**1.0**	+0.4	+62.0%
Elimination/Corporate	-0.5	-0.5	-0.5	-0.5	**-0.9**	-0.4	-