

Financial Results for FY2017 Presentation Materials

May 11, 2018



IBJ Leasing Co., Ltd.

(Securities Code: 8425)

Inquiries: Corporate Communication Division

Tel: +81-3-5253-6540 Fax: +81-3-5253-6539

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This document contains forecasts and other forward-looking statements that are based on information available at the time of preparation of this document and subject to certain risks and uncertainties, and is not intended to guarantee that the company would achieve them. Actual business results may differ materially from those expressed or implied by such forward-looking statements due to various factors.

I. Financial Results and Business Performance Overview

Summary of FY2017

Financial Results

- ✓ Net income attributable to owners of the parent was ¥13.6 billion, producing record-high income for the 5th consecutive year.
- ✓ Plan to increase the year-end dividend by ¥4 for an annual payout of ¥70 per share, in light of robust results in the initial fiscal year the Fifth Mid-term Management Plan.

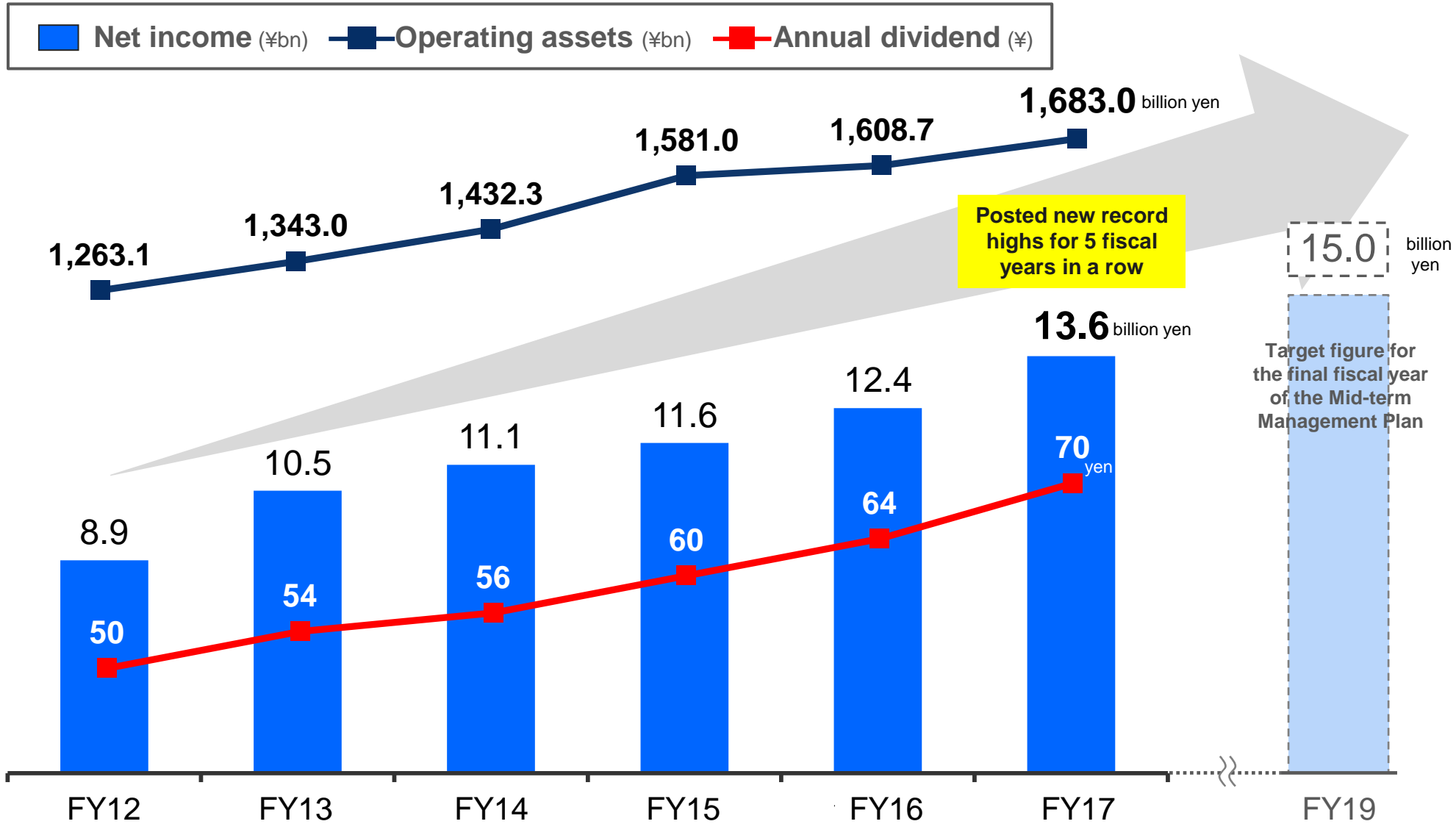
Business Operations

- ✓ Carry out business strategies under the Fifth Mid-term Management Plan, and steadily strengthen the earnings base

	FY15	FY16	FY17	Change	% Change	(¥bn)	
Revenues	364.2	429.4	399.7	-29.7	-7%	FY17 Forecast*	% achieved
Operating income	17.6	18.0	19.2	+1.2	+7%	400.0	100%
Ordinary income	18.6	18.8	20.0	+1.2	+6%	18.3	105%
Net income attributable to owners of the parent	11.6	12.4	13.6	+1.2	+10%	19.0	105%
						13.0	105%

*Announced on May 10, 2017

Long-term performance trends (consolidated basis)



Overview of Financial Results

(¥bn)

	FY15	FY16	FY17	Change	% Change
Revenues	364.2	429.4	399.7	-29.7	-7%
Gross profit before write-offs and funding costs	44.8	44.9	45.2	+0.3	+1%
(Funding costs)	(6.4)	(5.7)	(7.0)	+1.3	+22%
Gross profit	38.4	39.2	38.2	-1.0	-3%
(Credit costs)	(1.3)	(1.5)	(-0.8)	-2.3	—
Operating income	17.6	18.0	19.2	+1.2	+7%
Ordinary income	18.6	18.8	20.0	+1.2	+6%
Net income attributable to owners of the parent	11.6	12.4	13.6	+1.2	+10%

POINTS

■ Gross profit before write-offs and funding costs increased steadily

■ Funding costs increased owing mainly to higher foreign currency borrowings due to growth in global operations

■ Increased ¥0.8 billion in reversal of allowance for credit costs

■ Posted new record highs for 5 fiscal years in a row

	End of Mar 2016	End of Mar 2017	End of Mar 2018	Change	% Change
Operating assets	1,581.0	1,608.7	1,683.0	+74.3	+5%
Net assets	132.8	141.8	154.6	+12.8	+9%
Equity ratio	7.4%	7.8%	8.2%	+0.4pt	—
ROE	9.5%	9.4%	9.6%	+0.2pt	—

■ Equity ratio increased on accumulated earnings

Business Performance Overview

POINTS

(¥bn)

	FY15	FY16	FY17	Change	% Change
Contract execution volume	1,065.4	1,092.0	1,335.9	+243.9	+22%
Leasing and installment sales	465.5	475.7	430.5	-45.2	-10%
Financing	599.8	616.4	901.5	+285.1	+46%
Others	—	—	3.9	+3.9	—

■ Contract execution volume increased 22% from the previous fiscal year

Leasing and installment sales

- A main cause was a decline in short-term projects in the selection and execution of real estate projects

Financing

- Increased owing mainly to short-term commercial distribution business and contract conclusion in factoring

(¥bn)

	End of Mar 2016	End of Mar 2017	End of Mar 2018	Change	% Change
Operating assets	1,581.0	1,608.7	1,683.0	+74.3	+5%
Leasing and installment sales	1,105.8	1,088.1	1,122.2	+34.1	+3%
Financing	475.2	520.6	556.9	+36.3	+7%
Others	—	—	3.9	+3.9	—

■ Operating assets posted new record high

Financing

- The amount increased owing to measures in the Aircraft area

	FY15	FY16	FY17	Change
Gross profit margin before write-offs and funding costs	2.97%	2.86%	2.74%	-0.12pt

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

Contract execution volume by equipment type

POINTS

(¥bn)

	FY15	FY16	FY17	Change	% Change
Industrial and factory	110.3	98.8	61.5	-37.3	-38%
Information and communications	93.8	78.9	81.2	+2.3	+3%
Transport	47.1	61.6	54.1	-7.5	-12%
Construction	39.1	35.9	47.6	+11.7	+33%
Medical	30.2	13.3	16.4	+3.1	+24%
Commerce and services	36.3	28.5	32.0	+3.5	+12%
Office equipment	10.2	11.2	9.8	-1.4	-12%
Other	98.6	147.5	127.8	-19.7	-13%
Real estate	74.6	121.6	84.8	-36.8	-30%
Other than real estate	24.0	25.9	43.0	+17.1	+66%
Total	465.5	475.7	430.5	-45.2	-10%

■ Decreased owing to the selection and execution of projects

■ Growth based on tapping construction machinery demand in Japanese and overseas markets

■ In addition to steady growth in the Japanese market, new contributions came from projects in China

■ Decline in short-term projects in the selection and execution of projects in real estate

■ Better performance by wind farms, LEDs and other environment and energy related equipment

Contract Execution Volume / Financing

Contract execution volume

(¥bn)

	FY15	FY16	FY17	Change	% Change
Commercial Distribution Finance / Loan etc.	519.5	516.1	822.8	+ 306.7	+ 59%
Aircraft	17.7	12.8	31.3	+ 18.5	+ 144%
Real Estate	47.4	77.2	39.4	-37.8	-49%
Vessel	15.2	10.2	8.0	-2.2	-22%
Total	599.8	616.4	901.5	+ 285.1	+ 46%

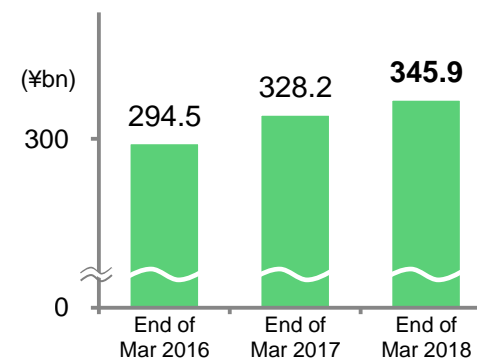
POINTS

■ Increased owing mainly to short-term commercial distribution business and contract conclusion in factoring

■ Increased owing to measures on aircraft-backed collateral loans

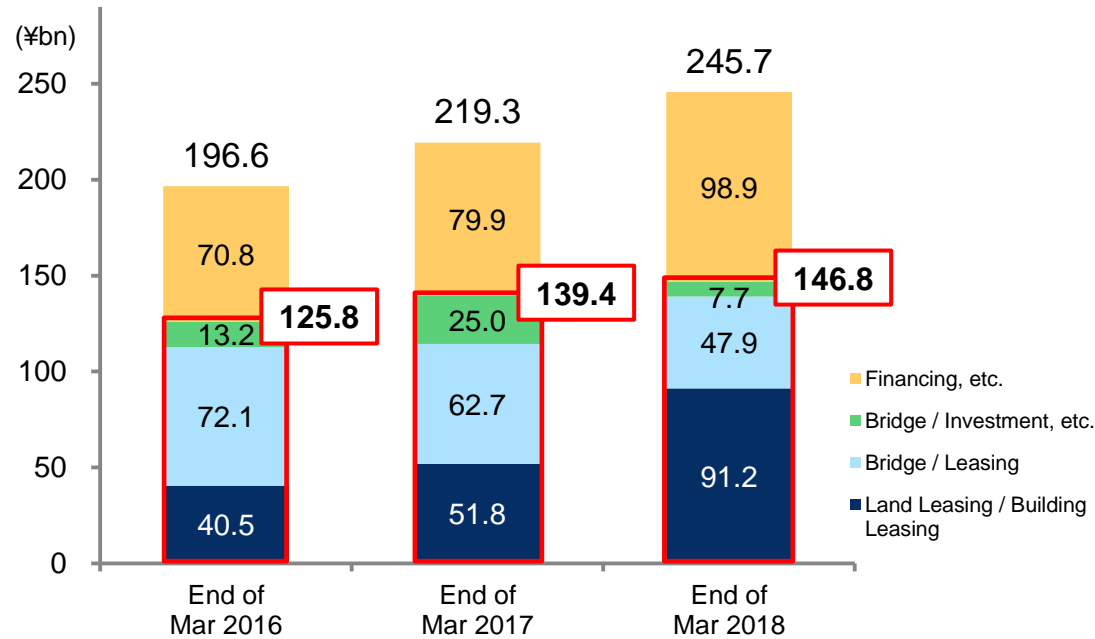
■ Main reason was a decline in short-term projects in line with the selection and execution of projects

*Operating assets of Commercial Distribution Finance / Loan etc.



Balance (Real Estate/Global)

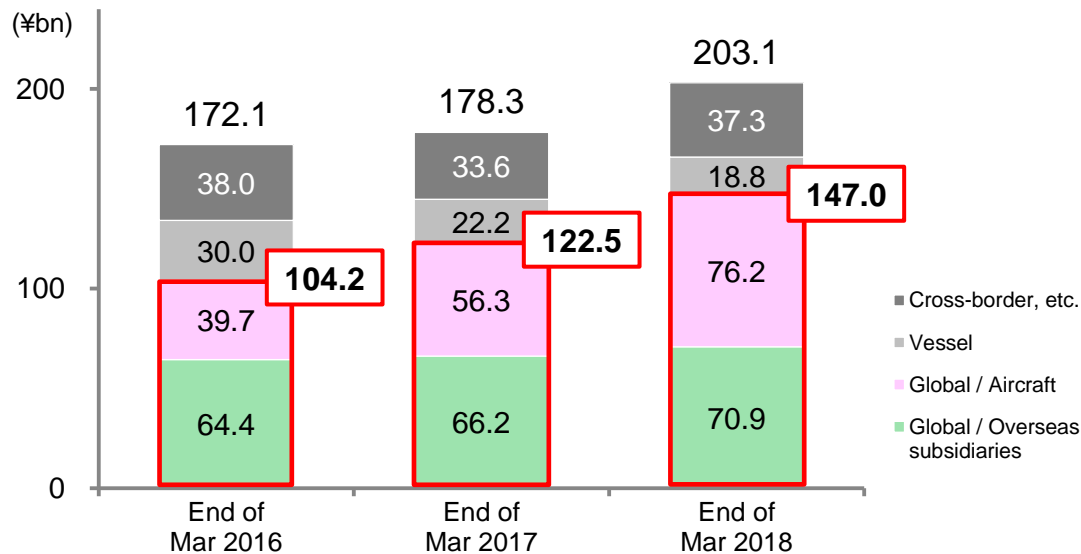
Real estate



POINTS

- Continuation of operations based on property ownership businesses (outlined in red), mainly in metropolitan areas
- Initiatives in alliances with major project partners

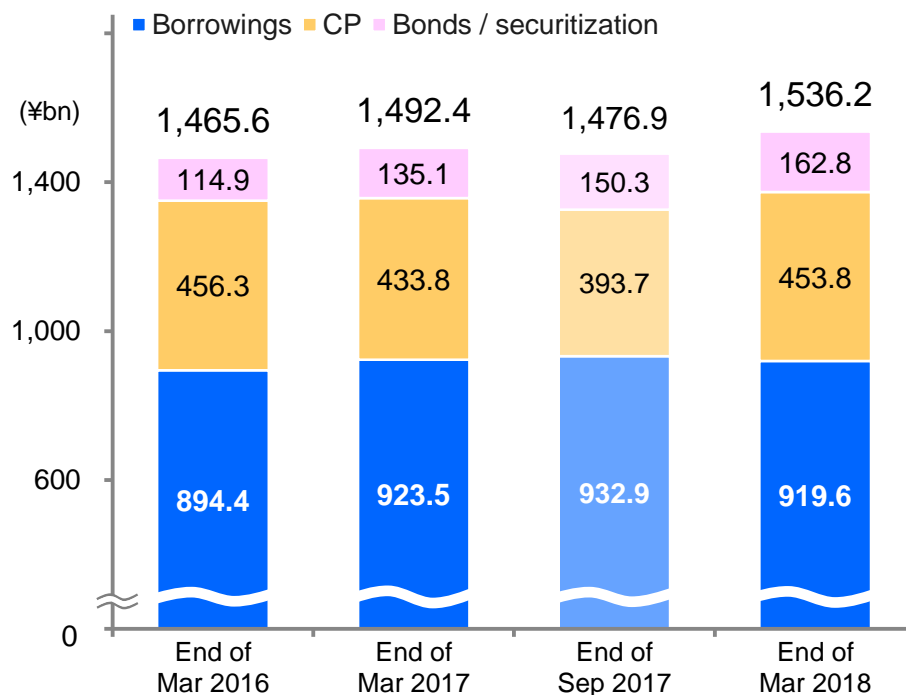
Global



- Balance increased amid growth in global operations (Aircraft/Overseas subsidiaries)

- ❑ Interest-bearing debt increased from the end of the previous fiscal year in line with the increase of operating assets.
- ❑ Expand the CP issuance limit* and procure funds flexibly at low rates
 - *The non-consolidated CP issuance limit was increased from ¥400.0 billion to ¥550.0 billion in October 2017.
- ❑ Funding costs ratio increased owing mainly to higher foreign currency borrowings

Interest-bearing debt



Funding costs (ratio)

	(¥bn)			
	FY15	FY16	FY17 1H	FY17
Funding costs	6.4	5.7	3.4	7.0
Funding costs ratio	0.42%	0.36%	0.42%	0.42%

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

Earnings Forecasts and Dividends

- Plan to achieve net income attributable to owners of the parent of ¥14.5 billion, producing record-high income for the 6th consecutive year.

【Dividends】

- Plan to revise year-end dividend for FY2017; a ¥4 increase from ¥34/share to ¥38/share.
- Plan to raise annual dividend for the 17th straight year in FY2018; a ¥4 increase to ¥74/share.

(¥bn)

	FY2017 (Results) (A)	FY2018 (Forecast) (B)	Change (B)-(A)	% Change (B)/(A)
Revenues	399.7	420.0	+20.3	+5%
Operating income	19.2	20.0	+0.8	+4%
Ordinary income	20.0	21.4	+1.4	+7%
Net income attributable to owners of the parent *	13.6	14.5	+0.9	+6%

*Target figure for the final fiscal year of the Mid-term Management Plan (FY19)

¥15.0 billion

Annual dividend	(Plan) ¥70	¥74	+¥4
Interim dividend	¥32	¥36	+¥4
Year-end dividend	(Plan) ¥38	¥38	±¥0

Dividend payout ratio	21.9%	21.8%
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II. Status of Fifth Mid-term Management Plan

● Overview of Fifth Mid-term Management Plan (FY 2017-2019)

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

Environment and energy

Real estate

Global (Aircraft & overseas subsidiaries)

Medical and healthcare

Technology

Reinforcement of management base

Strengthening of risk-return management: Integrated operation of business portfolio and financial ALM

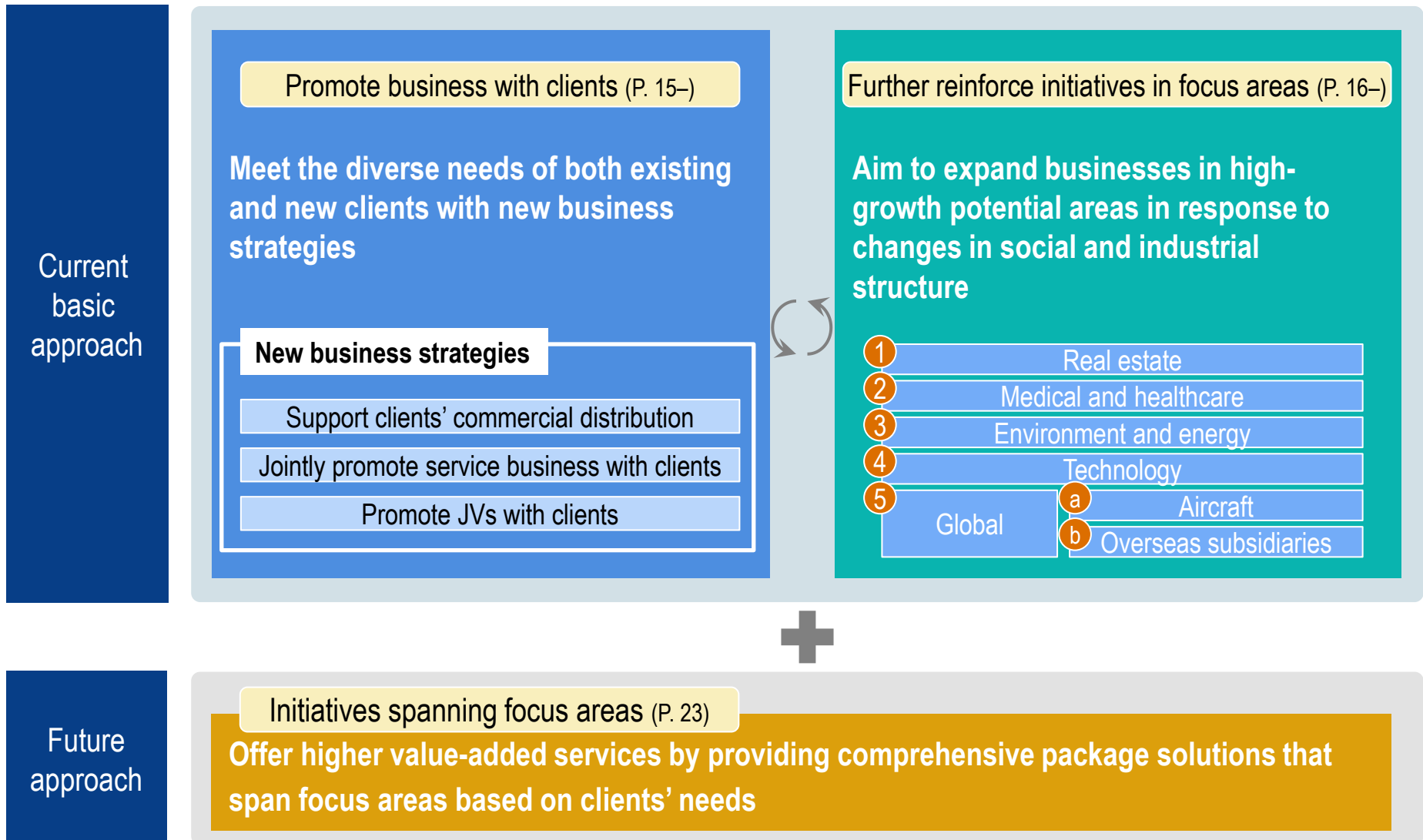
Resource strategy: Promotion of diversity / improvement of operational productivity

Target figures for the final fiscal year

- Net income attributable to owners of the parent: **¥15.0 billion**
- ROE: **10%**
- Dividend payout ratio: **Maintain 20% or more**

Approach for Promoting Fifth Mid-term Management Plan Focus Areas

- Meet diverse client needs with new business strategies, and expand businesses in high-growth potential areas
- Accelerate initiatives that span focus areas based on clients' needs over the mid- to long-term



New Business Strategies

- Support clients' commercial distribution: Expand opportunities for revenue by being involved in commercial distribution from upstream to downstream
- Jointly promote service business with clients: Help clients change their business model, and receive Payment for services
- Promote JVs with clients: Share risks with clients as a business partner, and acquire new ROIs

	Direction for new business	Track-record
Support clients' commercial distribution	Gain revenue from fees and other sources by being involved in commercial distribution of clients across the entire business process, from upstream to downstream, in addition to capital investment	Mediated between manufacturers and users in commercial distribution to reduce costs
Jointly promote service business with clients	Enter into joint service contracts with clients and receive payment for services by helping them change their business model (from selling products to selling subscriptions or value-added services)	Supported a major IT system vendor to expand sales of IoT services by providing financial solutions
Promote JVs with clients	Create investment opportunities by sharing risks with clients as a business partner	Jointly invested in real estate and other ventures

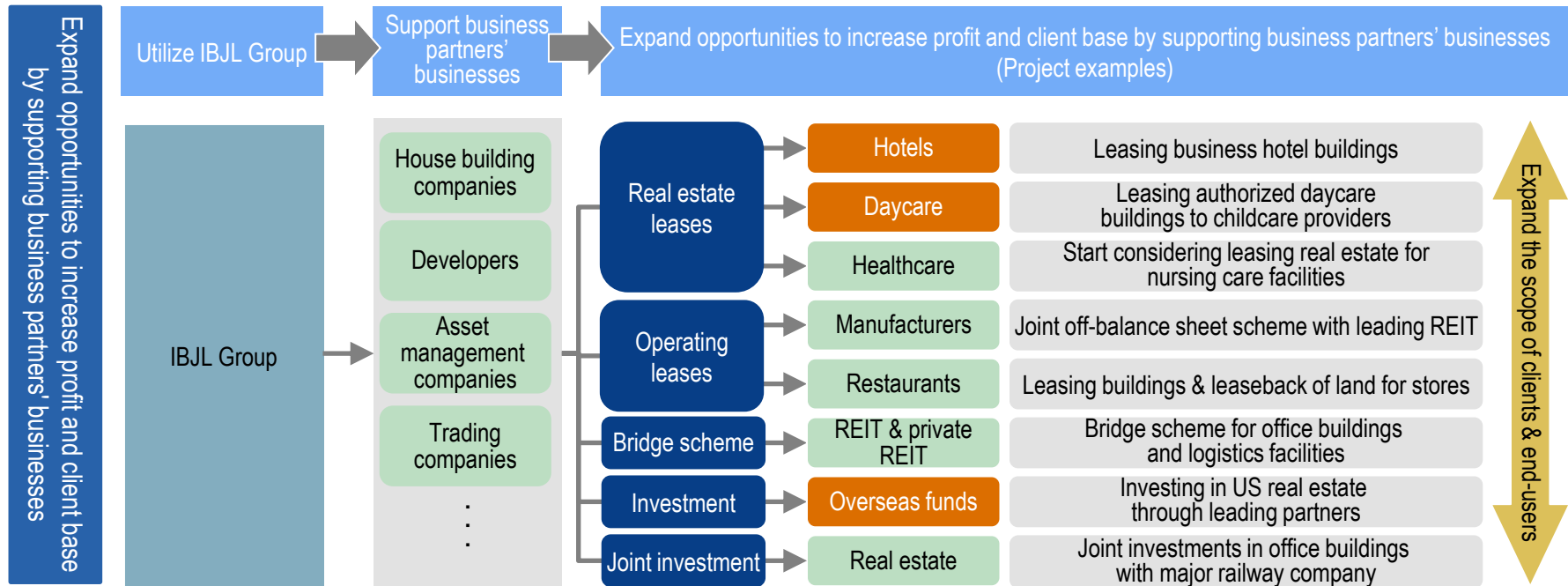
Market Outlook and Strategies by Focus Area

Focus areas	Market outlook (Changes in social and industrial structures)	Strategies	FY17 results and Target figure for the final fiscal year
1 Real estate	Real estate needs will increase for childcare and nursing care, areas growing due to rise in dual income families and aged population, and for hotels due to increase in inbound tourism. Real estate needs will increase in major overseas markets.	<ul style="list-style-type: none"> Reinforce real estate leasing in areas with high societal needs Invest jointly leveraging knowledge and relation with clients Enhance bridge functions for REITs in Japan Seize opportunities to invest in overseas real estate funds 	Balance FY17 result ¥245.7 bn Target : ¥350.0 bn
2 Medical and healthcare	Needs will increase to improve efficiency of hospital management, treatment, and use of related assets due to pressure to curb medical expenses. Needs for service providers will increase in the areas of convalescence and nursing care due to accelerated increase in aged population.	<ul style="list-style-type: none"> Expand equipment leasing opportunities in treatment/diagnosis and convalescence/nursing care Increase leasing of real estate from prevention to convalescence/nursing care Collaborate with new partners and expand joint promotion of service business with clients 	Execution volume FY17 result ¥34.9 bn Target : ¥55.0 bn
3 Environment and energy	Needs for power generation, energy storage, and energy conservation will increase, as will related capital investments, in order to reduce CO2 to curb global warming. Furthermore, needs will increase to smooth costs and cash flow in line with energy conservation efforts.	<ul style="list-style-type: none"> Seize energy conservation investment projects Acquire major projects by boosting sales activities targeting local governments Be involved in commercial distribution of renewable energy providers as a business partner Enter renewable energy business 	Execution volume FY17 result ¥83.3 bn Target : ¥50.0 bn
4 Technology	Needs will rapidly increase for: improving sophistication of management of objects, increasing value of services by utilizing data, and developing strong infrastructure to store and analyze vast amounts of data across industries.	<ul style="list-style-type: none"> Provide consulting on improving operational efficiency of companies using data Provide data platform service that spans industries and value chain 	-
5 Global	a Aircraft	Driven by worldwide increase in mobility and rise of LCCs, needs to acquire aircraft and for related services such as repair and maintenance are expected to continue increasing over the mid-to long-term.	<ul style="list-style-type: none"> Accumulate aircraft-backed collateralized loans Drive forward aircraft operating lease business Enter business related to engines, parts, and other aircraft peripherals Set up and expand sales of JOLCO Balance FY17 result ¥76.2 bn Target : ¥110.0 bn
	b Overseas subsidiaries	In the key market of Asia, the financial market will continue to grow and social structures will change due to urbanization, industrialization, etc. In addition to the countries where IBJL already operates (China, Indonesia, Thailand, and the Philippines), there is enormous potential in other Asian countries.	<ul style="list-style-type: none"> Increase leases to Japanese companies Expand leases to non-Japanese companies Enter leasing business by partnering with and acquiring local companies in regions where IBJL has no operations Balance FY17 result ¥70.9 bn Target : ¥120.0 bn

1 Real Estate: Overview of Initiatives

- Build up track-record within and outside Japan in addition to initiatives in new areas such as hotel, daycare, and nursing care

Overview of initiatives and examples of projects

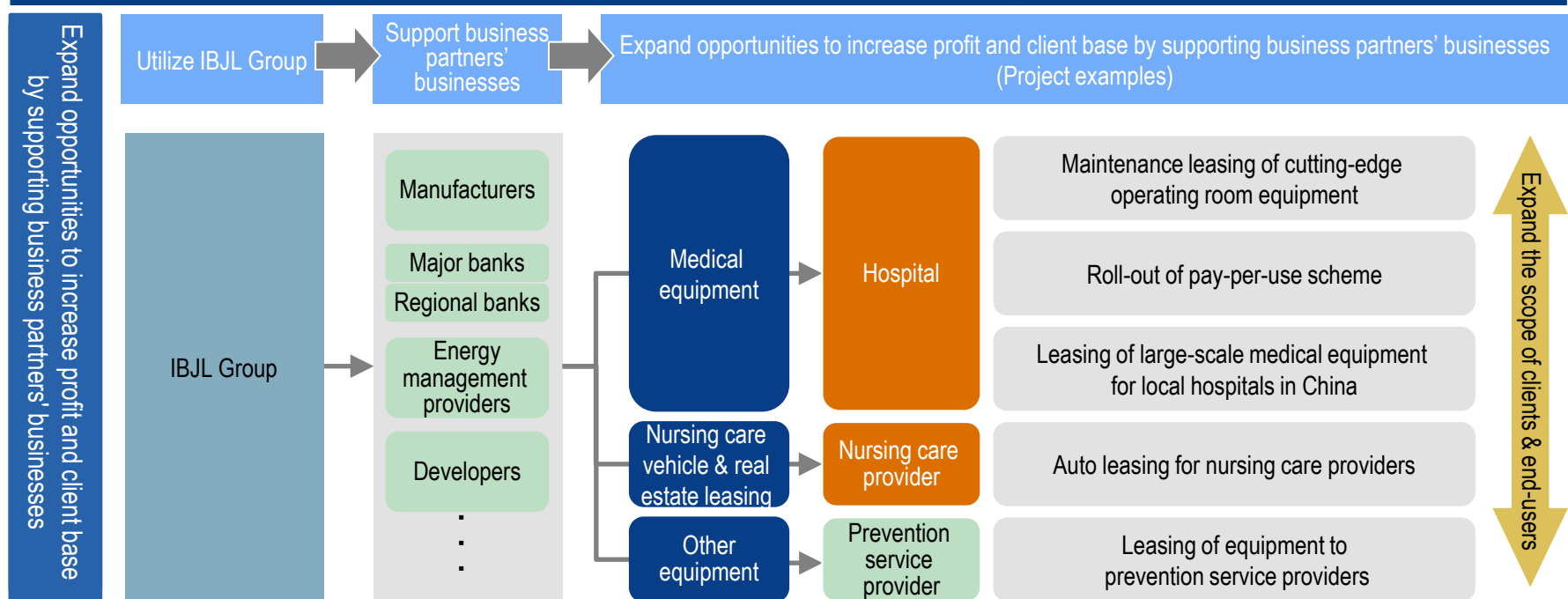


	Real estate leasing: Hotel	Real estate leasing: Daycare center	Investment: Overseas fund
Major projects	IBJL's first leasing of business hotel building	Leased authorized daycare building in Tokyo	Invested in US real estate investment project of major Japanese developer
			

2 Medical and Healthcare: Overview of Initiatives

- Expand scope of sales activities from hospitals centering on financing for medical equipment to nursing care
- Jointly promote service business with clients by collaborating with healthcare-related partners and medical equipment manufacturers

Overview of initiatives and examples of projects

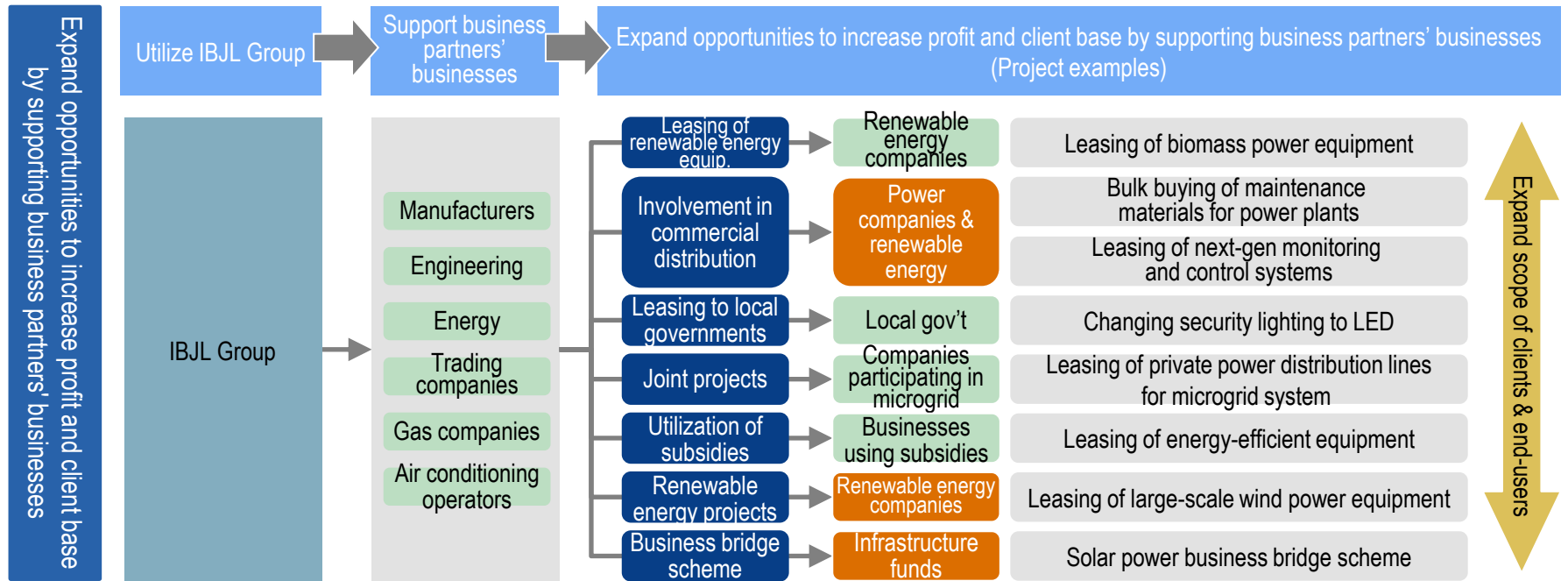


Major projects	Pay-per-use scheme	Auto leasing for nursing care provider	Equipment leasing for local hospital in China
	Rolled out pay-per-use scheme where client is charged by the number of times medical device is used 	Entered large auto lease contract to expand business of major nursing care provider 	Leased medical equipment such as MRI and CT to public hospital in China 
	<small>Photo provided by Siemens Healthcare K.K.</small>		

3 Environment and Energy: Overview of Initiatives

- By collaborating with business partners and expanding the scope of energy-related clients and end-users, steadily produce results in renewable energy leasing and local government-targeted leasing

Overview of initiatives and examples of projects



Major projects	Leasing of large-scale wind power equipment	Involvement in commercial distribution of major client	Solar power business bridge scheme
	Leased large-scale wind power equipment to Eco Power Co., Ltd.	Entered into contract for bulk buying of maintenance materials for power plant	Started providing bridge function for solar power business
			

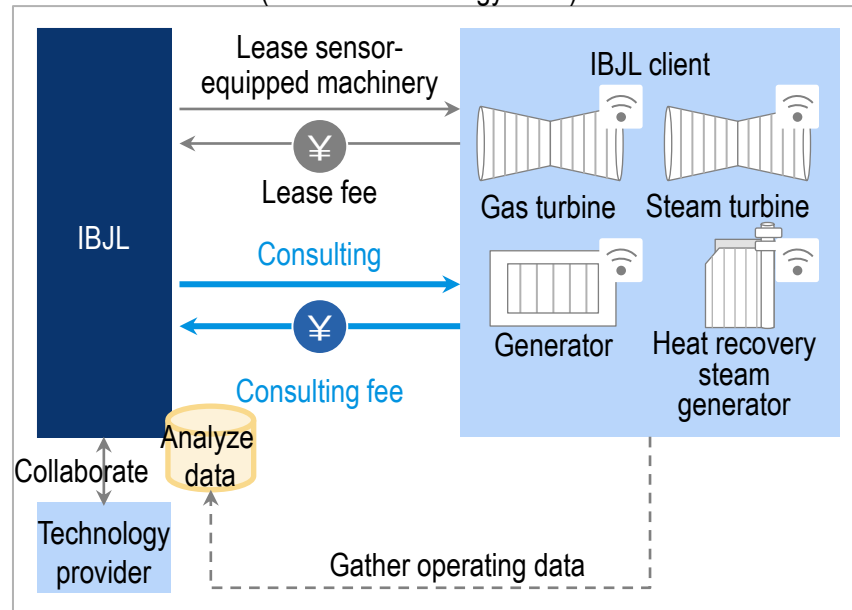
4 Technology: Overview of Business Model IBJL is Aiming for

- Taking into account business opportunities expected with the evolution of IoT, provide new solutions based on clients' needs identified in focus areas
- In the future, consider entering service utilizing data collected from sensor-equipped machinery

Diagram of expected business model

Consulting model to improve companies' operational efficiency

(Environment/energy x IoT)

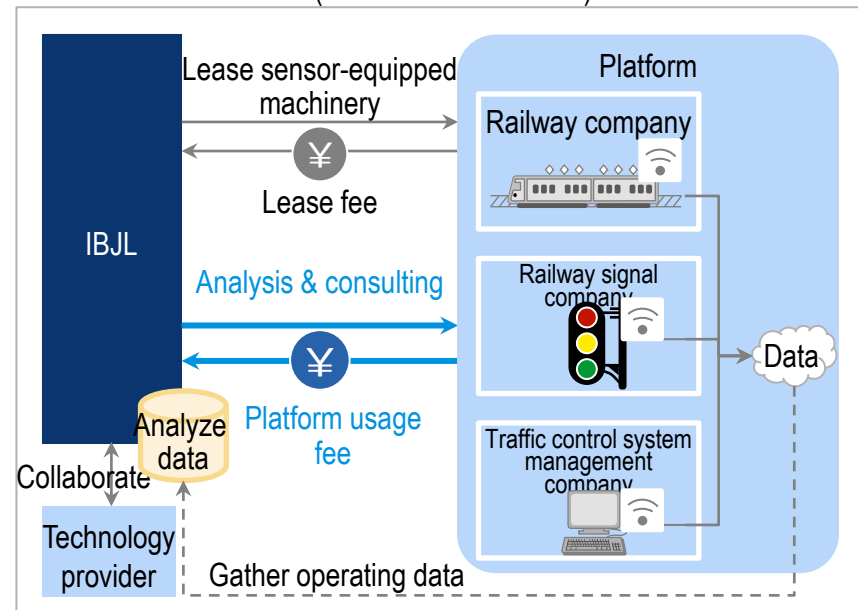


Collect operation data by leasing sensor-equipped machinery, and provide consulting services to predict failure and optimize operations

- Also aim for new pricing structure
 - Pay-for-performance, pay-per-use based on operational status, etc.

Consulting model to improve operational efficiency across industries (Future development to expand across multiple industries)

(Core businesses x IoT)



Build data platform that spans industries and value chain by integrating collected data

- Provide service that contributes to increasing clients' profitability
 - Discover clients' latent needs
 - Optimize operations across the value chain, etc.

5a Global (Aircraft): Overview of Initiatives

- Expand initiatives for aircraft-backed collateralized loans leveraging knowledge gained from aircraft operating leases

Overview of initiatives and examples of projects

Major projects

Aircraft-backed collateralized loans



Originated portfolio loan collateralized with 17 aircraft for multiple airlines

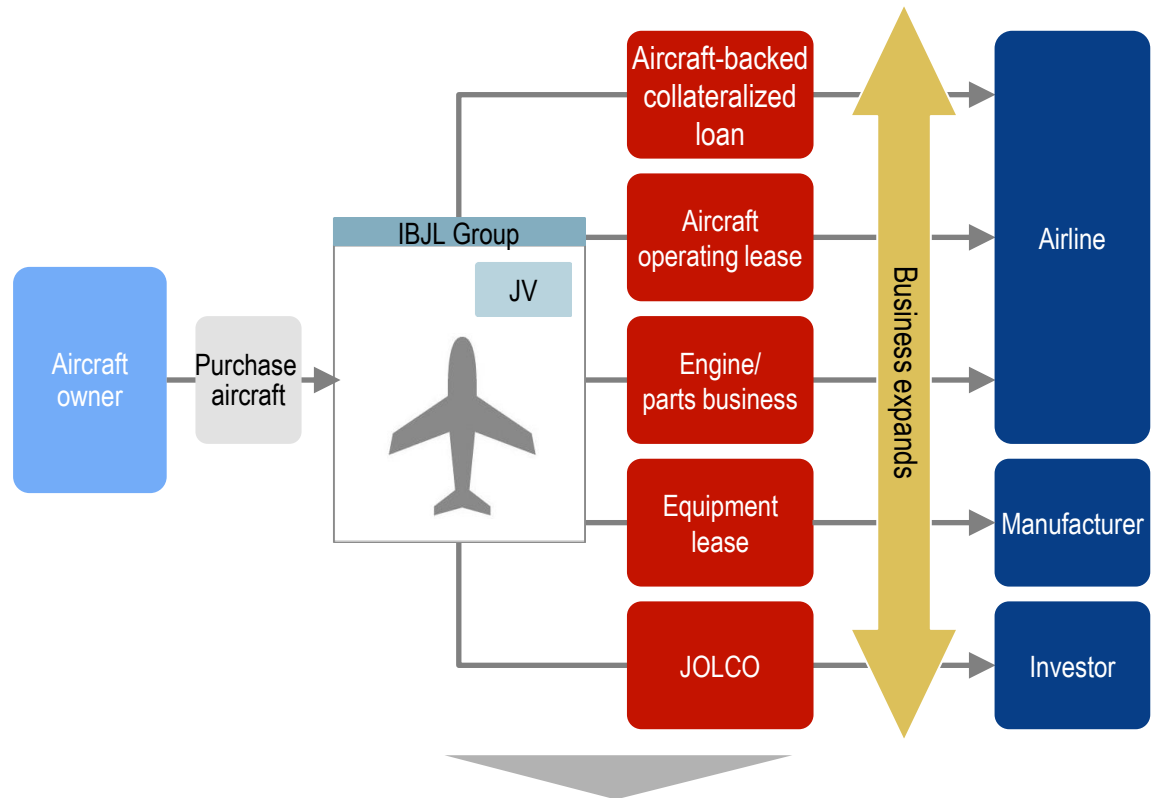
Initiatives to expand aircraft suppliers



Started considering expanding aircraft suppliers in aircraft operating lease business

Overview of initiatives

Provide a wide range of solutions centered on aircraft to end-users



Aims to diversify and develop sources of revenue by expanding engine and equipment leases, JOLCO, and so forth with a focus on aircraft-backed collateralized loans and aircraft operating leases

5b Global (Overseas Subsidiaries): Overview of Initiatives

- Build up track-record among Japanese and non-Japanese clients by collaborating with business partners
- For non-Japanese clients, there has been a particular increase in projects to respond to changes in the social structure

Project examples

Thailand: Business promotion support

Jointly promoted business of Japanese company in Thailand



China: Construction machinery leasing

Expanded construction machinery leases in partnership with Japanese company

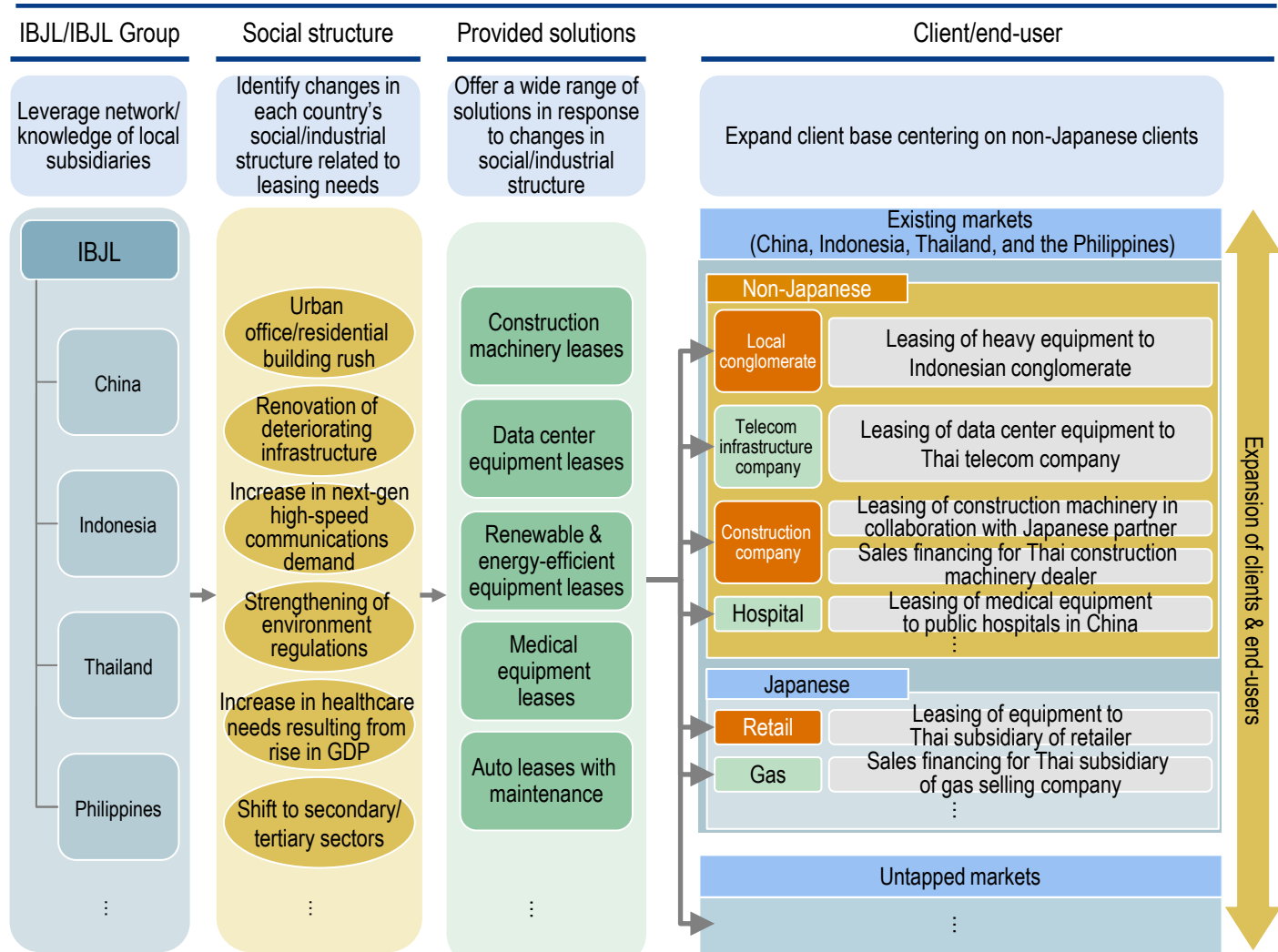


Indonesia: Local conglomerate

Leased heavy mining machinery to local conglomerate



Overview of initiatives

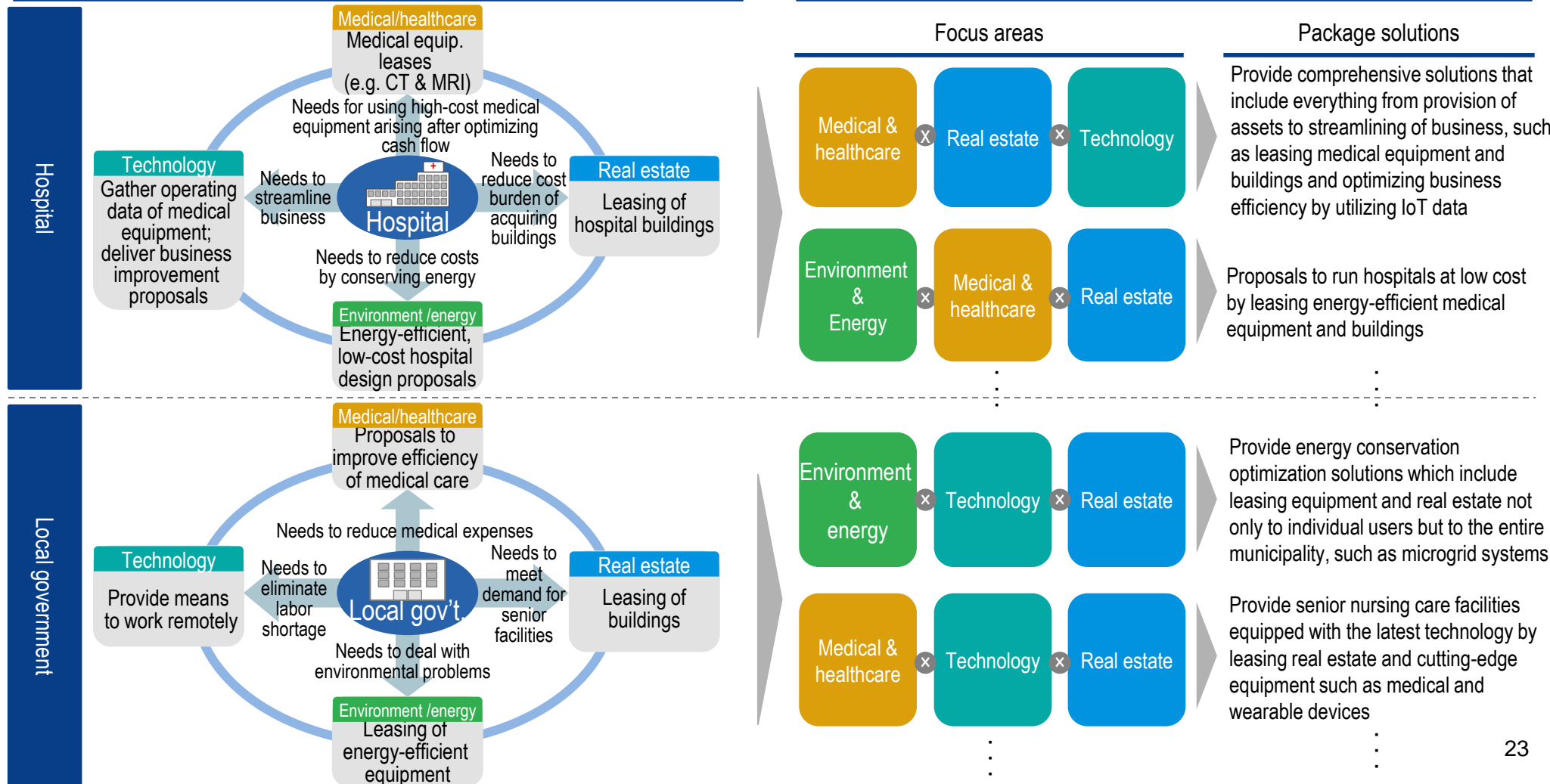


Client-oriented Initiatives Spanning Focus Areas

- Provide comprehensive package solutions that span focus areas and are tailored to a wide range of client needs

Provide solutions to meet a wide range of client needs

Comprehensive package solutions spanning focus areas



Reinforcement of Management Base

- Reinforce management base to enable IBJL to explore and test new business models and respond to new and diverse risks by developing risk-return management, governance, and resource strategy structures

Business Strategies and Reinforcement of Management Base

Basic policy

Vigorously promote more profitable businesses leveraging expertise and financial strengths gained

Changes in business environment

- Expansion of business size, activities, and risks**
- Increase in size of corporate group and no. of employees, increase in ratio of consolidated profit to parent company's profit and scope of governance, and diversification of quantitative and qualitative risks
- Increase in demands from society**
- Growing social concern over CGC and ESG management

Reinforcement of management base

Develop risk-return management structure

Develop structure enabling IBJL to take risks needed to explore and test new business models

- Define types and quantity of risks
- Implement PDCA cycle to maximize profit

Transform governance structure

Accelerate multifaceted decision-making by top management

- In response to diversification of risks, review which officers need to take part in discussions in meetings in terms of function
- Enable fast decision-making by clarifying authority and responsibility
- Review CGC and ESG management in light of issues of social concern

Develop resource strategy system

Boost productivity by developing and retaining talent (quality/quantity) to contribute to driving forward different business models in focus areas

- Introduce evaluation system to encourage employees to take on new challenges and risks in focus areas
- Increase personnel overseas threefold to strengthen and promote global operations

III. Appendix

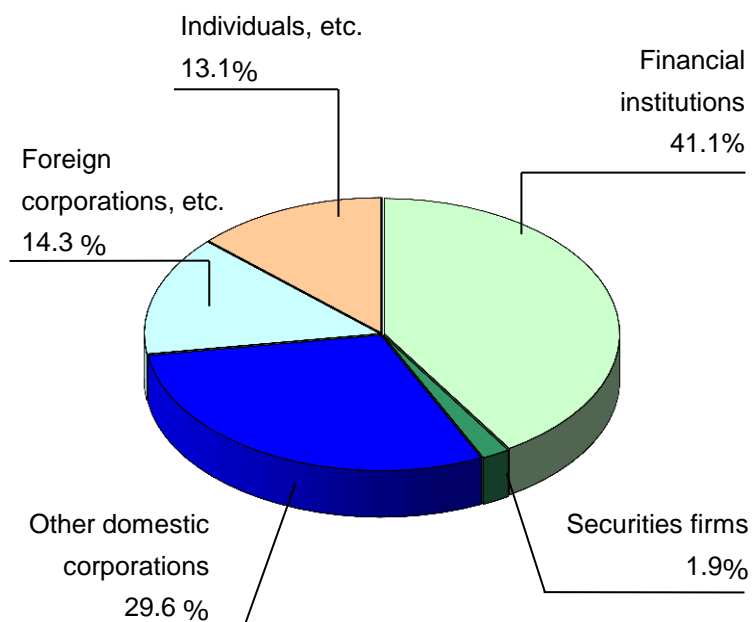
Company Name	IBJ Leasing Company, Limited
Address	1-2-6 Toranomom, Minato-ku, Tokyo 105-0001
Representative	Hiroshi Motoyama, President and CEO
Establishment	December 1, 1969
Listing	Tokyo Stock Exchange, 1st Section (Code: 8425)
Capital Stock	17,874 million yen (Outstanding shares: 42,649,000)
Employees	1,081 (consolidated, as of March 31, 2018)
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., IBJ Auto Lease Company Limited,
KL Lease & Estate Co., Ltd. (building leases),
KL & Co., Ltd. (used property purchase/ sales),
IBJ Air Leasing Limited (aircraft operating leases)**

● Stock Status (as of March 31, 2018)

- **Outstanding shares: 42,649,000**
- **Number of shareholders: 41,614**
- **Shareholder distribution (Holding ratio)**



Note) Holding ratio is the ratio of shares held to outstanding shares.

○ Major shareholders

Shareholders	Shares held (1,000 shares)	Holding ratio (%)
The Dai-ichi Life Insurance Company, Limited	2,930	6.87
NISSAN MOTOR CO., LTD. Retirement Benefit Trust Account Mizuho Trust & Banking Co., Ltd.	1,750	4.10
Mizuho Bank, Ltd.	1,626	3.81
UNIZO Holdings Company, Limited	1,546	3.62
Japan Trustee Services Bank, Ltd. (Trust Account)	1,393	3.26
Meiji Yasuda Life Insurance Company	1,251	2.93
DOWA HOLDINGS Co., Ltd.	1,120	2.62
NIPPON STEEL KOWA REAL ESTATE CO., LTD.	975	2.28
The Kyoritsu Co., Ltd.	949	2.22
Japan Trustee Service Bank, Ltd. TOSHIBA CORPORATION Retirement Benefit Trust Account	900	2.11

Consolidated B/S (Assets)

(¥bn)

	Mar.31, 2014	Mar.31, 2015	Mar.31, 2016	Mar.31, 2017 (A)	Mar.31, 2018 (B)	Change (B)-(A)	Change (B)/(A)
Current assets	1,356.0	1,434.4	1,554.0	1,566.6	1,604.0	+37.4	+2.4%
Cash and cash equivalents	37.7	38.7	49.4	42.3	30.3	-12.0	-28.3%
Lease receivable	753.8	812.0	842.0	809.3	823.4	+14.1	+1.7%
Installment sales receivable	133.8	154.4	147.8	138.1	138.9	+0.8	+0.6%
Operational loans	359.5	361.1	377.9	348.1	360.1	+12.0	+3.4%
Operational investment securities	40.7	38.6	97.3	172.5	196.9	+24.4	+14.1%
Marketable securities	0.1	-	0.1	0.0	0.5	+0.5	-
Allowance for doubtful receivables	-2.3	-1.0	-0.9	-3.1	-2.3	+0.8	-
Property & equipment	106.2	117.3	164.7	185.7	217.5	+31.8	+17.1%
Leased assets	55.7	66.7	116.4	141.0	160.2	+19.2	+13.6%
Investment securities	24.3	28.6	26.3	28.2	30.0	+1.8	+6.3%
Doubtful operating receivables	11.4	8.9	10.4	3.3	2.4	-0.9	-26.7%
Allowance for doubtful receivables	-2.3	-2.1	-3.4	-0.3	-0.2	+0.1	-
Total assets	1,462.2	1,551.7	1,718.7	1,752.3	1,821.5	+69.2	+4.0%

Operating assets	1,343.0	1,432.3	1,581.0	1,608.7	1,683.0	+74.3	+4.6%
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Consolidated B/S (Liabilities and Net Worth)

(¥bn)

	Mar.31, 2014	Mar.31, 2015	Mar.31, 2016	Mar.31, 2017 (A)	Mar.31, 2018 (B)	Change (B)-(A)	Change (B)/(A)
Current liabilities	1,019.0	1,044.3	1,119.2	1,045.8	1,082.1	+36.3	+3.5%
Short-term borrowings	295.4	336.5	364.4	312.7	270.7	-42.0	-13.4%
Current portion of corporate bond	-	10.0	20.0	-	20.0	+20.0	-
Current portion of long-term debt	158.1	131.1	132.4	155.5	182.1	+26.6	+17.1%
Commercial paper	414.9	422.2	456.3	433.8	453.8	+20.0	+4.6%
Lease payable	11.3	8.8	8.9	7.3	7.3	-0.0	-1.1%
Long-term liabilities	333.4	384.1	466.7	564.8	584.7	+19.9	+3.5%
Long-term debt	287.8	322.7	397.6	455.3	466.8	+11.5	+2.5%
Corporate bond	30.0	40.0	40.0	58.0	38.0	-20.0	-34.5%
Total liabilities	1,352.3	1,428.4	1,585.9	1,610.5	1,666.9	+56.4	+3.5%
Net assets	109.8	123.3	132.8	141.8	154.6	+12.8	+9.1%
Shareholder's equity	100.5	109.3	118.5	128.3	139.1	+10.8	+8.4%
Accumulated other comprehensive income	4.3	8.6	8.6	8.3	9.9	+1.6	+18.9%
Non-controlling interests	5.0	5.4	5.8	5.2	5.7	+0.5	+9.6%
Total	1,462.2	1,551.7	1,718.7	1,752.3	1,821.5	+69.2	+4.0%

Interest-bearing debt	1,226.3	1,310.0	1,465.6	1,492.4	1,536.2	+43.8	+2.9%
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Equity ratio	7.2%	7.6%	7.4%	7.8%	8.2%	+0.4pt	
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Consolidated Statements of Income

(¥bn)

	FY13	FY14	FY15	FY16 (A)	FY17 (B)	Change (B)-(A)	Change (B)/(A)
Revenues	354.8	353.7	364.2	429.4	399.7	-29.7	-6.9%
Gross profit before write-offs and funding costs	43.0	41.6	44.8	44.9	45.2	+0.3	+0.6%
Funding costs	6.4	6.3	6.4	5.7	7.0	+1.3	+22.2%
Gross profit	36.6	35.3	38.4	39.2	38.2	-1.0	-2.6%
SGA expenses	19.9	17.3	20.9	21.2	19.0	-2.2	-10.4%
Personnel, facilities costs	18.9	19.1	19.5	19.6	19.8	+0.2	+0.7%
Credit costs	0.8	-2.0	1.3	1.5	-0.8	-2.3	-
Operating income	16.7	17.9	17.6	18.0	19.2	+1.2	+6.7%
Other income	1.3	1.6	1.4	1.2	1.2	-0.0	-4.7%
Other expenses	0.6	0.5	0.4	0.4	0.4	-0.0	-8.3%
Ordinary income	17.4	19.0	18.6	18.8	20.0	+1.2	+6.3%
Extraordinary income	0.1	0.0	0.4	0.3	0.6	+0.3	+120.0%
Extraordinary loss	0.0	0.1	0.1	0.2	0.0	-0.2	-91.8%
Income before income taxes	17.5	18.9	19.0	18.9	20.5	+1.6	+8.9%
Income taxes	6.5	7.3	6.8	6.2	6.4	+0.2	+2.0%
Net income attributable to owners of the parent	10.5	11.1	11.6	12.4	13.6	+1.2	+9.9%

ROE	11.4%	10.0%	9.5%	9.4%	9.6%	+0.2pt	
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Consolidated Statement of Comprehensive Income

(¥bn)

	FY13	FY14	FY15	FY16 (A)	FY17 (B)	Change (B)-(A)	Change (B)/(A)
Net income*	11.0	11.6	12.1	12.6	14.2	+1.6	+12.3%
Unrealized gain on available-for-sale securities	0.9	2.8	1.6	0.1	1.0	+0.9	-
Deferred loss on derivatives under hedge accounting	0.3	0.1	-0.4	0.2	0.1	-0.1	-34.2%
Foreign currency translation adjustments	1.0	0.9	-0.5	-0.5	0.1	+0.6	-
Remeasurements of defined benefit plans, net of tax	-	0.3	-0.6	0.1	0.2	+0.1	+27.5%
Share of other comprehensive income of associated companies	0.2	0.2	-0.2	-0.1	0.1	+0.2	-
Total other comprehensive income	2.4	4.2	-0.1	-0.2	1.5	+1.7	-
Total comprehensive income	13.4	15.8	12.1	12.4	15.7	+3.3	+26.9%

*In FY13-FY14, net income before minority interests is shown.

Gross Profit Before Write-offs and Funding Costs by Segment

(¥bn)

	FY13	FY14	FY15	FY16 (A)	FY17 (B)	Change (B)-(A)	Change (B)/(A)
Revenues	354.8	353.7	364.2	429.4	399.7	-29.7	-6.9%
Leasing and Installment sales	342.1	343.9	352.1	417.0	386.4	-30.6	-7.3%
Finance	11.9	9.0	11.4	11.7	12.8	+1.1	+9.7%
Other	1.6	1.7	1.7	1.5	1.3	-0.2	-9.6%
Elimination/Corporate	-0.8	-0.9	-0.9	-0.8	-0.8	-0.0	+5.2%
Cost of sales	311.8	312.1	319.4	384.5	354.6	-29.9	-7.8%
Leasing and Installment sales	308.0	311.2	318.6	383.8	353.9	-29.9	-7.8%
Finance	3.3	0.4	0.3	0.2	0.2	+0.0	+15.5%
Other	0.8	0.9	0.9	0.7	0.7	+0.0	+0.7%
Elimination/Corporate	-0.3	-0.4	-0.4	-0.3	-0.3	-0.0	+1.1%
Gross-profit before write-offs and funding costs	43.0	41.6	44.8	44.9	45.2	+0.3	+0.6%
Leasing and Installment sales	34.1	32.7	33.5	33.2	32.5	-0.7	-2.0%
Finance	8.6	8.6	11.0	11.5	12.6	+1.1	+9.6%
Other	0.8	0.8	0.8	0.7	0.6	-0.1	-19.8%
Elimination/Corporate	-0.5	-0.5	-0.5	-0.5	-0.5	-0.0	+7.4%