July 26, 2019

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Fuyo General Lease Announces Summary of Results for the First Three Months of the Fiscal Year Ending March 31, 2020

Fuyo General Lease Co., Ltd. today announced a summary of results for the first three months of the fiscal year ending March 31, 2020 (fiscal 2019). This announcement should be read in conjunction with the Consolidated Financial Report for the First Three Months of the Fiscal Year Ending March 31, 2020 (Fiscal 2019), also released today.

1. Overview of Results for the First Three Months of Fiscal 2019 (Consolidated)

In the first three months of fiscal 2019 (April to June 2019), the Fuyo Lease Group's total newly executed contract volume increased 41.8% year on year to ¥344,361 million. Newly executed contract volume in the Lease segment increased by 71.8%. In the Financing segment, it increased by 26.1%. As a result, operating assets (after subtracting the deferred profit on installment sales) increased to ¥2,329,108 million, up 2.9% from the previous fiscal year-end (March 31, 2019).

In terms of performance, total revenues, operating profit and ordinary profit income were almost the same as the previous year. Profit attributable to owners of parent decreased due to a decrease in extraordinary income such as gain on sale of marketable and investment securities.

Summary of Consolidated Operating Results for the First Three Months of Fiscal 2019
(April 1–June 30, 2019)

(¥ millions)

	Q1 FY2019	YoY change		Full-year forecast
		Amount	%	
Total revenues	164,966	(356)	(0.2%)	700,000
Operating profit	9,348	(11)	(0.1%)	39,500
Ordinary profit	9,957	44	0.5%	42,000
Profit attributable to owners of parent	6,403	(90)	(1.4%)	26,000

2. Year-on-year Comparison (Consolidated)

A comparison of operating results for the first three months of fiscal 2019 with the same period of the previous fiscal year is as follows:

(¥100 million; amounts are rounded to the nearest 100 million yen)

	Q1 FY2018 Apr. 2018–June 2018	Q1 FY2019 Apr. 2019–June 2019	YoY change	
			Amount	%
Total revenues	1,653	1,650	(4)	(0.2)
Total costs	1,490	1,475	(15)	(1.0)
Interest expenses	20	24	4	20.5
Gross profit	163	174	11	6.7
Selling, general and administrative expenses	70	81	11	15.9
Credit-related costs	1	2	1	199.7
Operating profit	94	93	(0)	(0.1)
Non-operating income	6	6	1	10.1
Reversal of credit-related costs	0	0	(0)	(1.6)
Ordinary profit	99	100	0	0.5
Extraordinary gains	2	(0)	(2)	(101.9)
Profit before income taxes	101	100	(2)	(1.9)
Profit attributable to owners of parent	65	64	(1)	(1.4)

Basic earnings per share	¥214.81	¥212.32		
Net assets per share	¥8,686.09	¥8,598.10		

Note:

Calculation of year-on-year amount and percentage changes are derived from figures that include fractions less than 100 million yen.

3. Segment Results (Consolidated)

Operating results for each segment for the first three months of fiscal 2019 were as follows.

Fiscal 2019 Q1 Consolidated Operating Results (April 1, 2019 – June 30, 2019)

(¥100 million; amounts are rounded to the nearest 100 million yen)

	Revenues	Costs	Profit before interest expenses	Interest expenses	Gross profit
Lease	1,127	1,000	127	13	115
Installment Sales	91	87	4	1	3
Lease and Installment Sales total	1,218	1,087	132	13	118
Financing	33	1	32	10	23
Other	398	364	34	0	33
Total	1,650	1,452	198	24	174

For reference:

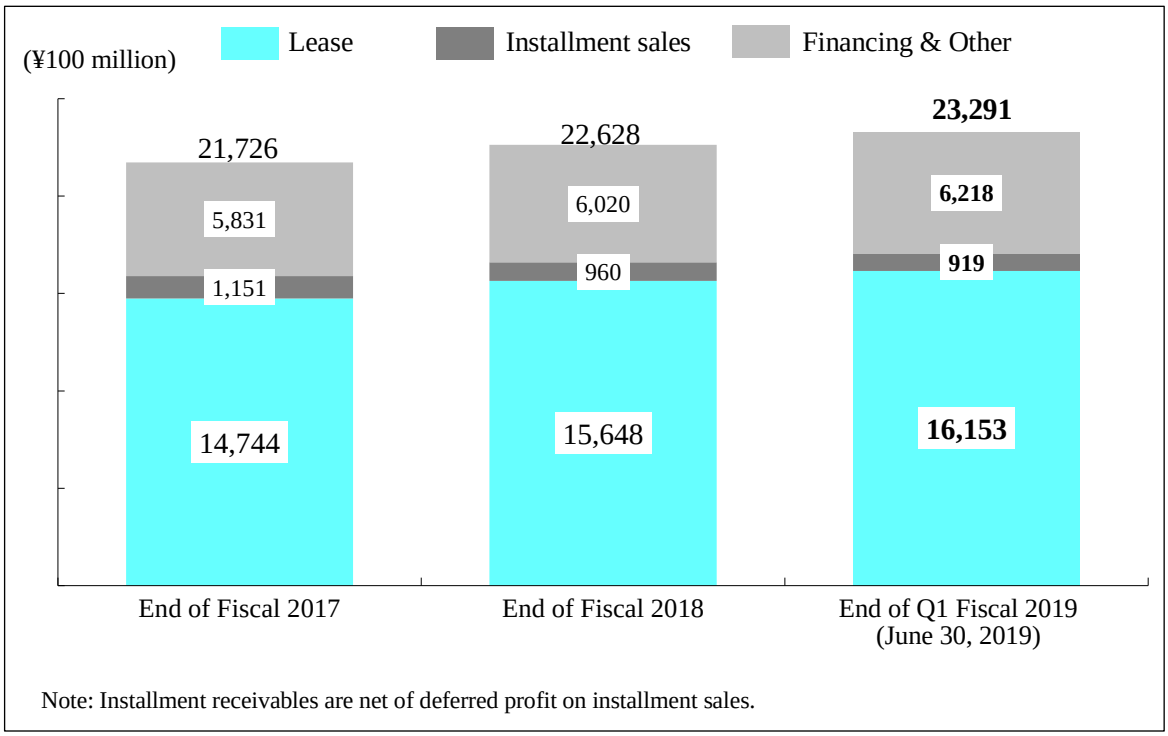
Fiscal 2018 Q1 Consolidated Operating Results (April 1, 2018 – June 30, 2018)

(¥100 million; amounts are rounded to the nearest 100 million yen)

		Revenues	Costs	Profit before interest expenses	Interest expenses	Gross profit
	Lease	1,469	1,352	117	11	106
	Installment Sales	105	100	5	1	4
Lease and Installment Sales total		1,574	1,452	122	11	110
Financing		32	0	32	8	24
Other		47	18	30	0	29
Total		1,653	1,470	183	20	163

4. Operating Assets (Consolidated)

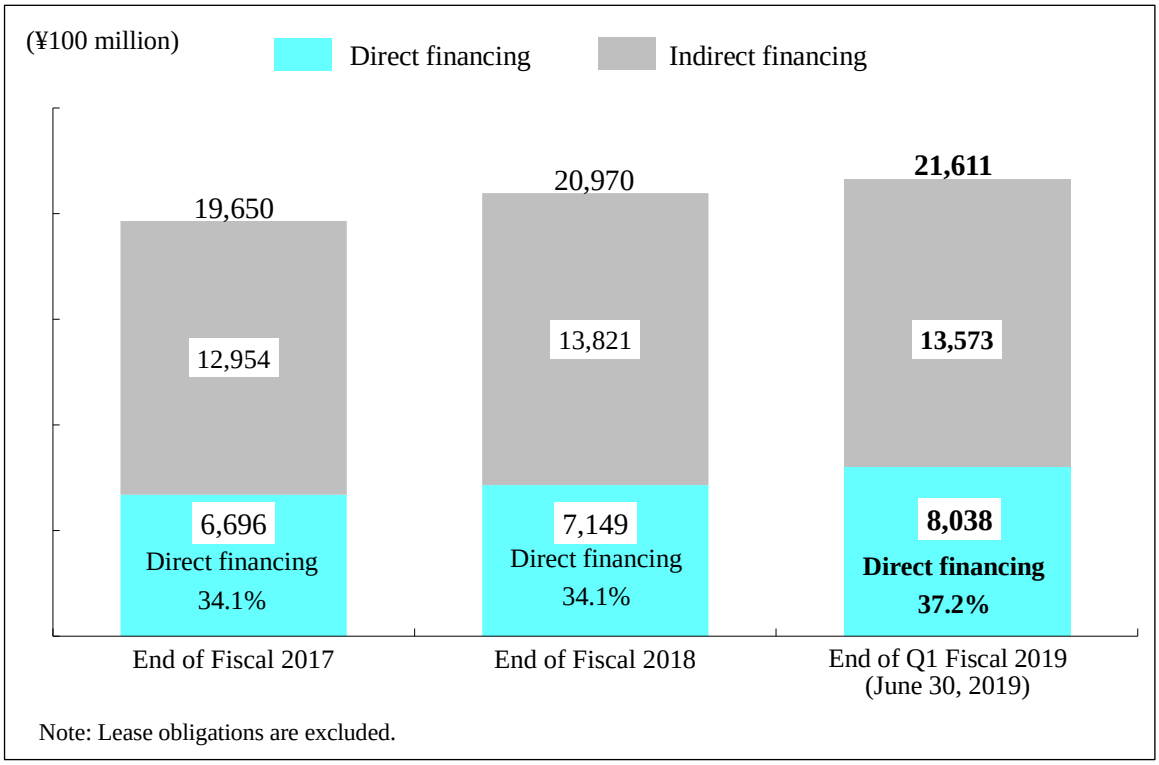
Total operating assets at June 30, 2019 were ¥2,329.1 billion, up ¥66.3 billion, or 2.9%, from the end of fiscal 2018 (March 31, 2019).



Note: Installment receivables are net of deferred profit on installment sales.

5. Fund Procurement (Consolidated)

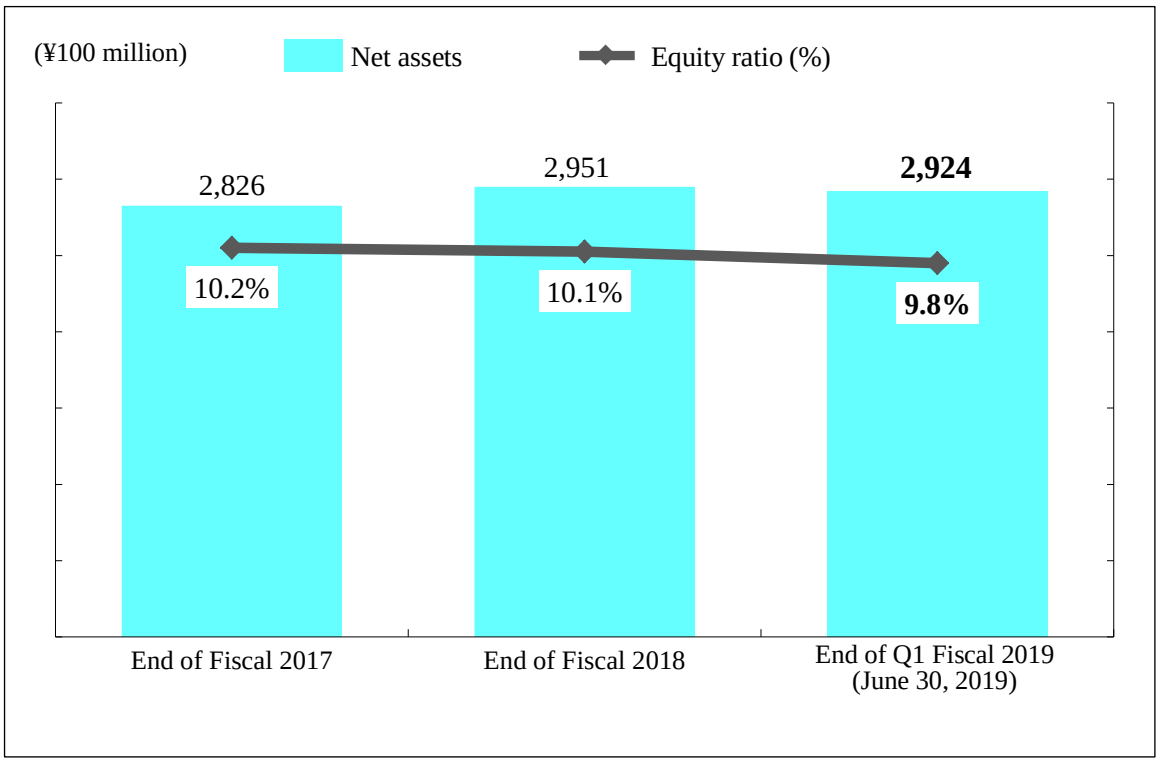
The funding balance at June 30, 2019 was ¥2,161.1 billion, up ¥64.2 billion, or 3.1%, from the end of fiscal 2018 (March 31, 2019). Direct financing provided 37.2% of total funds procured.



Note: Lease obligations are excluded.

6. Net Assets (Consolidated)

Net assets at June 30, 2019 totaled ¥292.4 billion, down ¥2.7 billion, or 0.9%, from the end of fiscal 2018 (March 31, 2019). The equity ratio was 9.8%.



7. Consolidated Full-year Earnings Forecast and Dividend Forecast for Fiscal 2019

The Company's consolidated full-year earnings forecast and cash dividend forecast for fiscal 2019 are unchanged from those announced on May 9, 2019.

(1) Consolidated Full-year Earnings Forecast for Fiscal 2019

(¥ millions, except per share amounts)

	Total revenues	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Full year	700,000	39,500	42,000	26,000	¥862.49

(2) Cash Dividend Forecast for Fiscal 2019

	Interim results	Year-end	Full year
Dividend per share	¥100.00	¥100.00	¥200.00

Note: The above forecasts are based on currently available data and are subject to change due to various factors.

Reference: Newly Executed Contract Volume in the Lease Segment, by Equipment Type (Consolidated)

(¥100 million)

	Q1 FY2018	Q1 FY2019
IT & Office Equipment	498	528
Industrial Machinery	71	166
Civil Engineering & Construction Machinery	20	30
Transportation Equipment	86	108
Medical Devices	68	76
Commercial/Services Equipment	67	75
Other	176	711
Total	986	1,694

Composition

