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Fuyo General Lease Announces Summary of Results for the First Nine Months of the Fiscal Year Ending March 31, 2018

Fuyo General Lease Co., Ltd. today announced a summary of results for the first nine months of the fiscal year ending March 31, 2018 (fiscal 2017). This announcement should be read in conjunction with the Consolidated Financial Report for the First Nine Months of the Fiscal Year Ending March 31, 2018 (Fiscal 2017), also released today.

1. Overview of Results for the First Nine Months of Fiscal 2017 (Consolidated)

In the first nine months of fiscal 2017 (April to December 2017), the Fuyo Lease Group's total newly executed contract volume increased 45.9% year on year to ¥824,905 million. Newly executed contract volume in the Lease and Installment Sales segment increased by 13.5%. In the Financing and Other segment, it increased by 145.2%. As a result, operating assets (after subtracting the deferred profit on installment sales) increased to ¥2,166,158 million, up 6.0% from the previous fiscal year-end (March 31, 2017).

In terms of performance, total revenues, operating profit, ordinary profit and profit attributable to owners of parent hit our record high for the third quarter, and steady progress was made on the annual plan.

Summary of Consolidated Operating Results for the First Nine Months of Fiscal 2017 (April 1–December 31, 2017)

	Q3 FY2017	YoY change		Full-year forecast
		Amount	%	
Total revenues	431,199	+62,869	+17.1%	530,000
Operating profit	24,831	+4,386	+21.5%	31,000
Ordinary profit	26,420	+4,167	+18.7%	33,000
Profit attributable to owners of parent	16,432	+2,283	+16.1%	20,500

(¥ million)

2. Year-on-year Comparison (Consolidated)

A comparison of operating results for the first nine months of fiscal 2017 with the same period of the previous fiscal year is as follows:

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

	Q3 FY2016 Apr. 2016–Dec. 2016	Q3 FY2017 Apr. 2017–Dec. 2017	YoY change	
			Amount	%
Total revenues	3,683	4,312	+629	+17.1%
Total costs	3,282	3,855	+573	+17.5%
Interest expenses	53	55	+2	+4.4%
Gross profit	401	457	+56	+13.9%
Selling, general and administrative expenses	196	208	+12	+6.0%
Credit-related costs	5	3	△2	△44.8%
Operating profit	204	248	+44	+21.5%
Non-operating income	18	16	△2	△12.1%
Reversal of credit-related costs	4	2	△3	△60.1%
Ordinary profit	223	264	+42	+18.7%
Extraordinary gains	0	△0	△0	△145.5%
Profit before income taxes	223	264	+41	+18.6%
Profit attributable to owners of parent	141	164	+23	+16.1%

Basic earnings per share	¥468.84	¥544.03		
Net assets per share	¥7,547.33	¥8,196.58		

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 nine months of fiscal 2017 were as follows.

Fiscal 2017 Q3 Consolidated Operating Results (April 1, 2017 – December 31, 2017)

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

	Revenues	Costs	Profit before interest expenses	Interest expenses	Gross profit
Lease	3,745	3,398	347	31	316
Installment Sales	384	369	16	3	12
Lease and Installment Sales total	4,129	3,767	363	34	328
Financing	96	0	96	20	76
Other	86	33	53	0	53
Total	4,312	3,800	512	55	457

For reference:

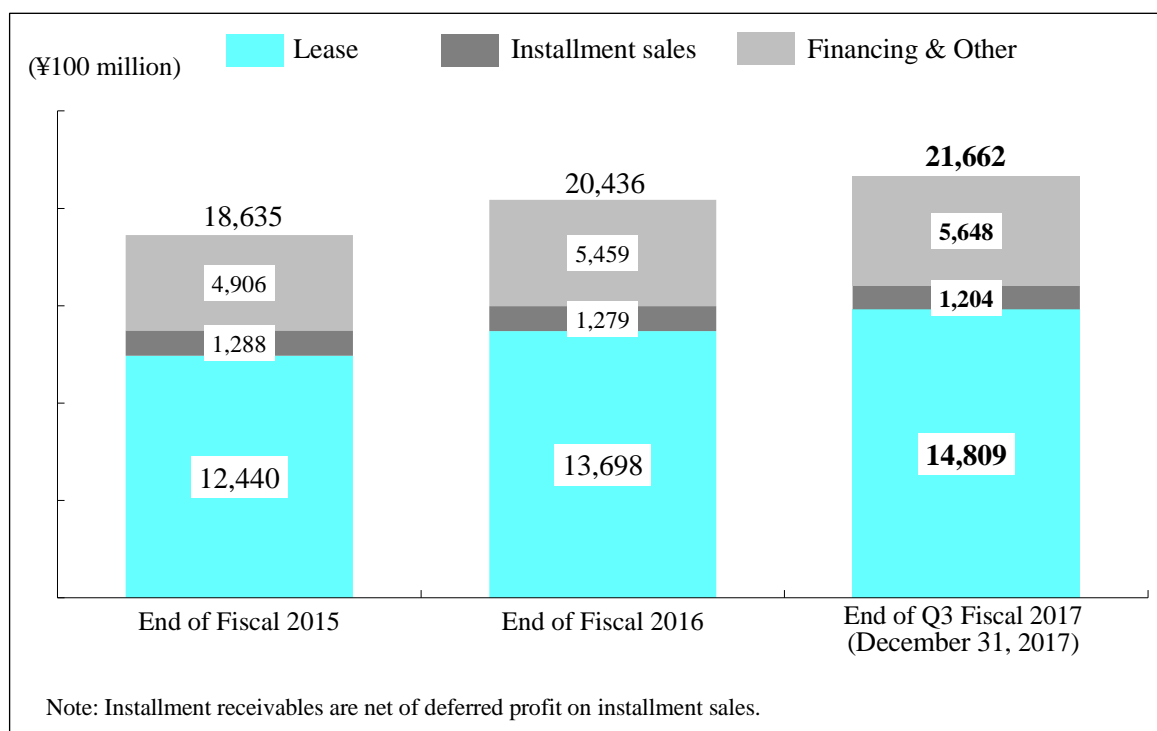
Fiscal 2016 Q3 Consolidated Operating Results (April 1, 2016 – December 31, 2016)

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

	Revenues	Costs	Profit before interest expenses	Interest expenses	Gross profit
Lease	3,114	2,794	319	32	287
Installment Sales	419	403	16	3	13
Lease and Installment Sales total	3,533	3,198	336	35	300
Financing	68	0	68	17	51
Other	82	32	50	0	49
Total	3,683	3,230	454	53	401

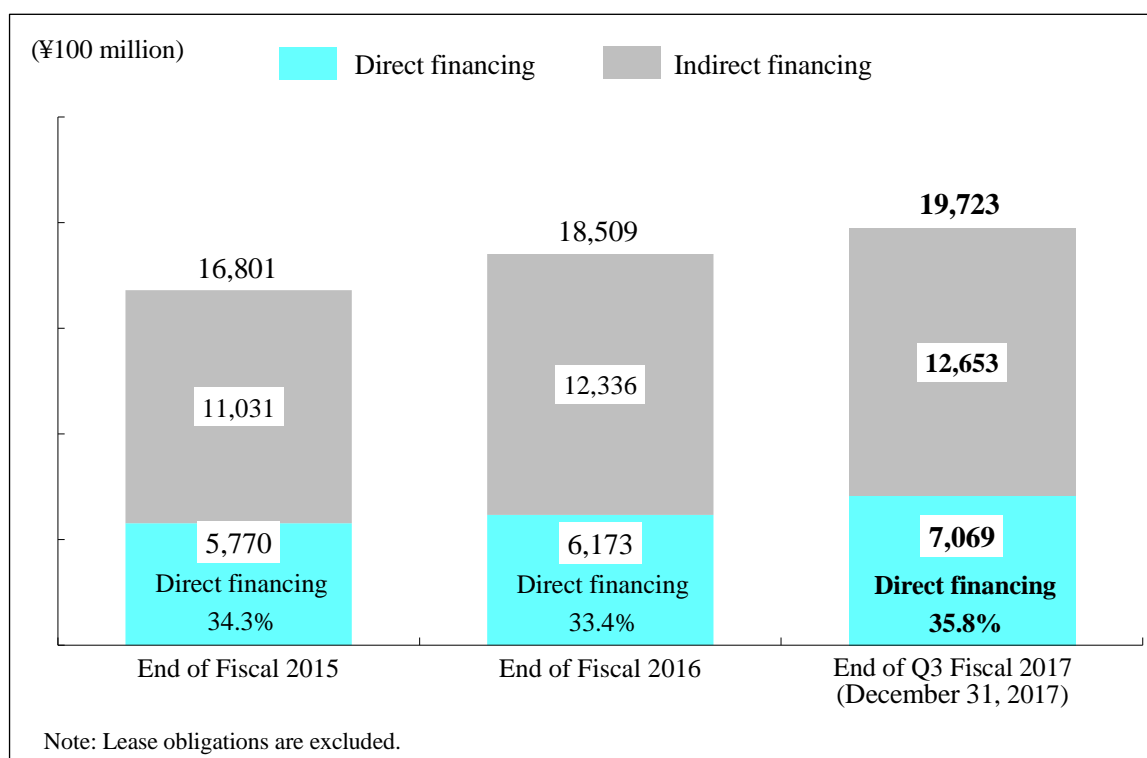
4. Operating Assets (Consolidated)

Total operating assets at December 31, 2017 were ¥2,166.2 billion, up ¥122.6 billion, or 6.0%, from the end of fiscal 2016 (March 31, 2017).



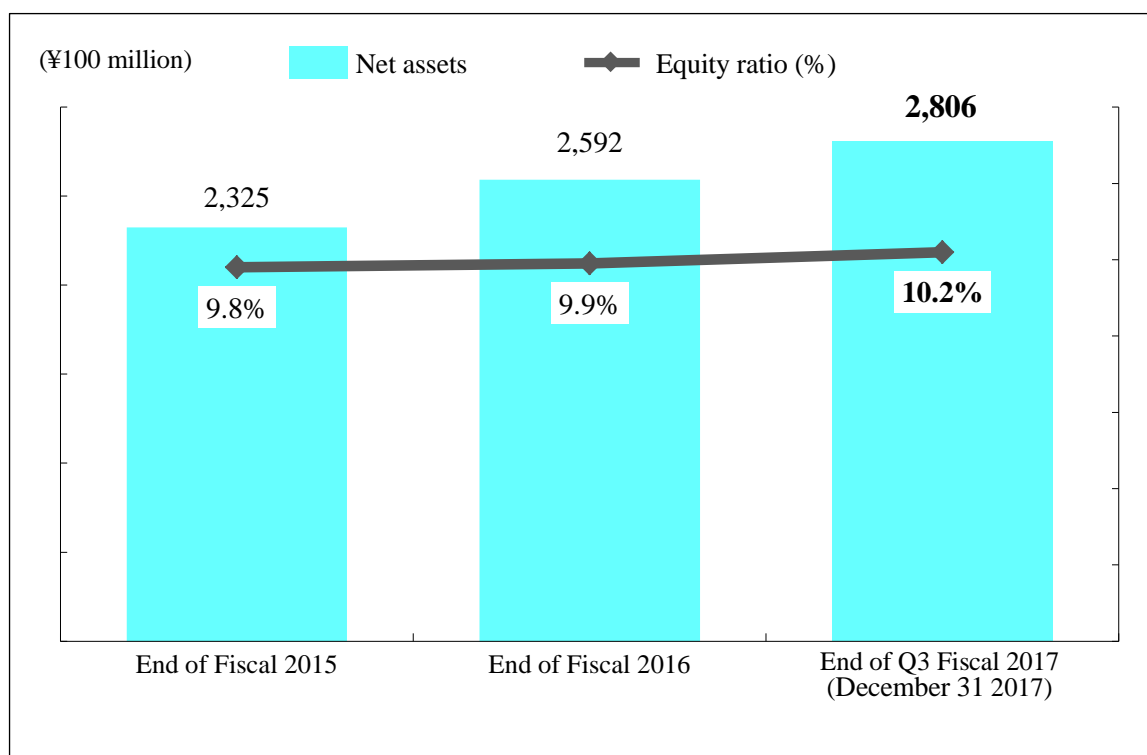
5. Fund Procurement (Consolidated)

The funding balance at December 31, 2017 was ¥1,972.3 billion, up ¥121.4 billion, or 6.6%, from the end of fiscal 2016 (March 31, 2017). Direct financing provided 35.8% of total funds procured.



6. Net Assets (Consolidated)

Net assets at December 31, 2017 totaled ¥280.6 billion, up ¥21.4 billion, or 8.2%, from the end of fiscal 2016 (March 31, 2017). The equity ratio was 10.2%.



7. Consolidated Full-year Earnings Forecast and Dividend Forecast for Fiscal 2017

The Company's consolidated full-year earnings forecast and cash dividend forecast for fiscal 2017 are unchanged from those announced on May 10, 2017.

(1) Consolidated Full-year Earnings Forecast for Fiscal 2017

(¥ million, except per share amounts)

	Total revenues	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Full year	530,000	31,000	33,000	20,500	¥679.06

(2) Cash Dividend Forecast for Fiscal 2017

	Interim results	Year-end	Full year
Dividend per share	¥68	¥68	¥136

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)

	Q3 FY2016	Q3 FY2017
IT & Office Equipment	1,534	1,375
Industrial Machinery	358	214
Civil Engineering & Construction Machinery	58	72
Transportation Equipment	394	484
Medical Devices	168	172
Commercial/Services Equipment	322	299
Other	1,007	1,823
Total	3,839	4,439

Composition

