Century Tokyo Leasing Corporation

TC-Lease

09

Annual Report 2009

Make New Business with Leasing

[Merger Report]

Century Tokyo Leasing Corporation was launched on April 1, 2009, through the merger of Century Leasing System, Inc., a leasing venture with the combined strengths of a trading company and a financial institution, and Tokyo Leasing Co., Ltd., Japan's pioneering leasing company. This new company will take advantage of its diverse range of major shareholders, including Mizuho Financial Group, ITOCHU Corporation, Nippon Life Insurance Company and Asahi Mutual Life Insurance Company, to rebuild a globally competitive business. At the same time, we will enhance corporate value and maximize shareholder value by capitalizing on our flexible yet dynamic services that are available to a nonbank free from financial regulations.

[Management Philosophy]

Century Tokyo Leasing Group will grow alongside its customers and contribute to society as a comprehensive financial services enterprise that continually challenges itself.

[Management Policy]

We will strive to raise customer satisfaction and earn customer trust by collaborating with business partners and uniting the Group's overall strengths to provide the best products and services.

We will increase corporate value and achieve sustainable growth through sound and highly transparent management.

We will develop a culture that nurtures human resources and self-improvement, and build a company where all officers and employees can experience growth and a sense of pride.

As a corporation, we will always be mindful of our social responsibility and conduct business with sincerity.

TC-Lease

[Logo design concept]
The shape reaching out to the top right-hand corner represents the future of Century Tokyo Leasing Corporation, a company that grows with its clients, with ideas and creativity that surpass their expectations. The bright and brilliant blue of our corporate color represents Century Tokyo Leasing Corporation as a pioneering and flexible company: a market leader that adapts to change to generate new business.

Century Tokyo Leasing Corporation Annual Report 2009 Contents

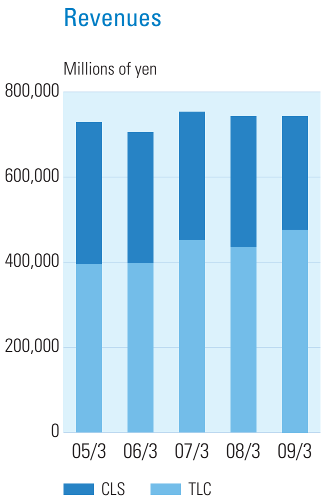
Financial Highlights

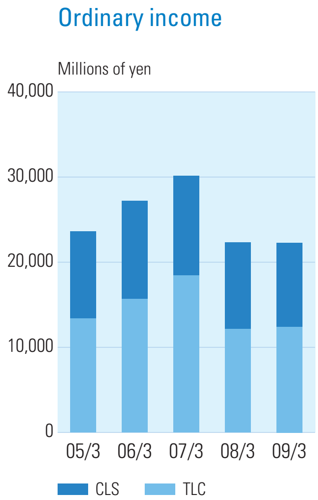
Century Tokyo Leasing Corporation and Consolidated Subsidiaries
Years ended March 31

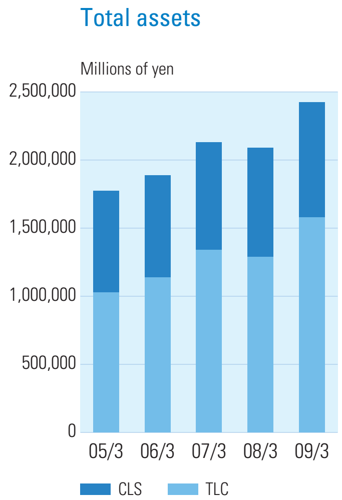
	2008		2009		Millions of yen (Note1) 2009	Thousands of U.S. dollars (Note2) 2009
	CLS	TLC	CLS	TLC	TC-Lease	TC-Lease
Operating Results						
Revenues	¥ 307,177	¥ 435,277	¥ 266,730	¥ 476,217	¥ 742,947	$ 7,581,099
Gross profit on revenues	19,683	32,037	21,178	38,087	59,265	604,747
SG&A expenses	10,848	19,375	12,667	25,701	38,368	391,513
Bad debt expenses [included in SG&A expenses]	1,779	2,037	3,836	6,877	10,713	109,325
Operating income	8,835	12,662	8,511	12,386	20,896	213,233
Nonoperating income (expenses)	1,380	(517)	1,360	18	1,378	14,065
Net interest income (expenses) [included in nonoperating income (expenses)]	(182)	(83)	(70)	(290)	(360)	(3,679)
Ordinary income (Income before extraordinary items and income taxes)	10,215	12,144	9,871	12,404	22,275	227,299
Extraordinary gains (losses)	(87)	(907)	(895)	(4,337)	(5,232)	(53,391)
Net income	6,532	6,717	5,958	4,071	10,029	102,339
Financial Condition						
Total assets	800,925	1,289,481	845,950	1,577,849	2,423,800	24,732,653
Operating assets	730,616	1,150,965	727,087	1,372,929	2,100,016	21,428,735
Interest-bearing debt	661,971	1,130,439	690,653	1,363,113	2,053,765	20,956,795
Equity	57,467	69,353	60,573	64,614	125,187	1,277,419
Per Share Data				Yen		
Net income	125.3	104.8	114.3	63.5		
Net assets	1,102.5	1,081.7	1,162.1	1,007.8		
Dividends (non-consolidated)	26.0	24.0	28.0	26.0		
Other data						
Employees (persons)	486	1,090	490	1,211	1,701	

CLS Formerly Century Leasing System, Inc.
TLC Formerly TOKYO LEASING CO., LTD.

Note 1: The numerical values of TC-Lease are the simple composite figures of 2 companies.
Note 2: Converted at 98 yen per dollar, the rate as of March 31, 2009.







To Our Stakeholders

On April 1, 2009, Century Leasing System, Inc. and Tokyo Leasing Co., Ltd. merged to take a new step forward as Century Tokyo Leasing Corporation.

The Century Tokyo Leasing Group has an operating assets balance of 2.1 trillion yen, occupying a position as one of the major players in the industry. We have diverse major shareholders, including the Mizuho Financial Group, ITOCHU Corporation, Nippon Life Insurance Company and Asahi Mutual Life Insurance Company. In addition, we have expanded our customer foundation through the acquisition of one of the leasing companies of Kawasaki Steel (today's JFE Group) and that of Fujitsu Group.

By working closely with these major shareholders and manufacturing companies that we have a close relationship with, we will quickly achieve integration synergy on the basis of our expanded customer base, human resources, product line, and information resources which we have gained from the merger. Furthermore, we will aim to become a comprehensive, solution-oriented, finance services company that stands on customer viewpoint by maximizing our flexibility that is available to a nonbank free from financial regulations. At the same time, we will rebuild a globally competitive business. Through these measures, we will enhance corporate value and maximize shareholder value.

Our priorities in the first business year of the merger are to (1) establish ourselves as the top 3 company in the leasing and installment business sector; (2) cut credit cost, fund procurement cost, and operation cost, and achieve lean business structure; and (3) Develop the organization that can quickly reap benefits of the integration. We are setting out on a voyage in a harsh business environment amidst the economic stagnation and capital investment cuts. However, by making solid progress in these priority initiatives, we are aiming in the year ending March 2010 for operating income of ¥24.5 billion, ordinary income of ¥27 billion, and net income of ¥15 billion. As the merger synergies become more prominent, we also look forward to new growth, and will push forward as a solidly united group.

We deeply appreciate the continued understanding and support of our shareholders and investors for Century Tokyo Leasing Group.

Chairman & Co-CEO
Takao Arai

President & CEO
Shunichi Asada

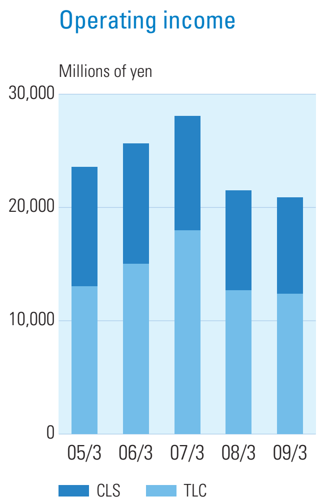
The merger has made Century Tokyo Leasing a company that ranks alongside other leading leasing companies. We will establish ourselves in the top 3 of the industry and expand our business domains with leasing and installment as our foundation. We are seeking opportunities for business development with a vision to manage business companies, and we will demonstrate new ways for an evolving leasing company.

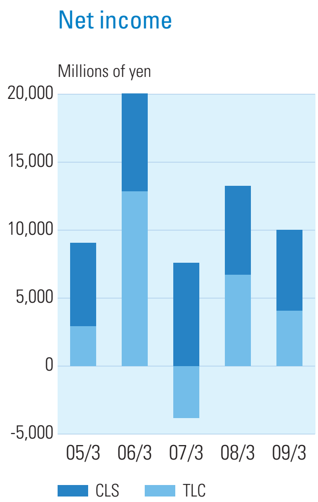
Q How do you view your results for the fiscal year ended March 2009?

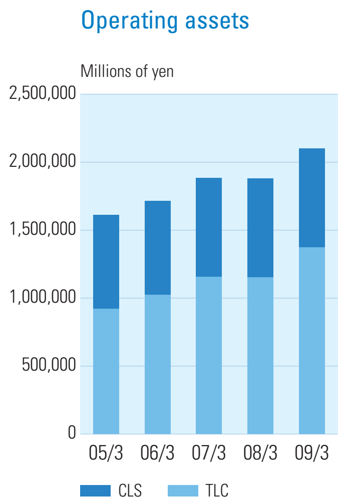
A Earnings were below our initial expectations, but I think we are putting up a good fight in this harsh business environment, and we produced firm results compared to other companies in our industry.

Our consolidated results for the fiscal year ended March 2009 for the two merged companies were as follows: operating income of ¥20.9 billion (down ¥600 million year on year), ordinary income of ¥22.2 billion (down ¥80 million year on year), net income of ¥10 billion (down ¥3.2 billion year on year), and consolidated operating assets base of ¥2.1 trillion (¥1.78 trillion of this in lease and installment assets).

While leased capital investment in the entire industry was ¥5.44 trillion (down 14.2% year on year), and Century Tokyo Leasing had ¥520 billion (up ¥52.5 billion year on year), which constitutes an almost 10% market share. Looking at our figures such as those of the operating assets balance and newly executed contracts, I feel we are in a position to lead the industry as a major player.







Q How do you view the leasing industry overall?

A I believe the leasing industry to be in a relatively favorable position given the severe business environment surrounding the finance industry.

At the moment, the finance industry in Japan is faring very poorly. For the megabanks and regional banks, there is no magic wand for an easy recovery. Furthermore, the earnings structure for securities companies are damaged, and they are unable to earn the high-margin profits that were once a given for investment banks. Insurance companies also cannot foresee any substantial growth in the future amidst a declining population trend. The situation for the consumer finance sector is even more grim; the amendments to the Money Lending Business Act and others have made their business environment very severe. Amidst all this, I can say that the one industry that has remained relatively unscathed by the economic calamity is the leasing industry, which maintains stamina through sound management and makes use of its advantage in its possession of tangible assets.

From now on, financial regulations (especially for banks) are expected to become more draconian on a global scale. Although the leasing industry holds a position in this industry, it is relatively free from its regulations. In this sense, among the existing finance sector, I believe the leasing industry's business domain will expand in response to public demand replacing the traditional role of a bank.

Q How did the business environment change?

A Lease capital investment in the fiscal year ended March 2009 decreased 14.2% year on year to ¥5.4 trillion. The leasing market has been shrinking over the past two years, since June 2007, showing a year-on-year decrease on a monthly basis each year.

Especially in the fiscal year ended March 2009, in addition to stagnant capital investment due to the economic recession, I think the changes in lease accounting standards had an impact.

To elaborate further on the financial environment, since the bankruptcy of the major U.S. investment bank Lehman Brothers last September, financial markets have not functioned properly, leading to high funding costs such as a temporary spike in the issue rates for commercial paper. Moreover, the number of bankruptcies reported for domestic companies grew 16.8% year on year to 13,200, increasing for the third consecutive year.

In this way, the leasing industry found itself to be in a very harsh business environment due to stagnant capital investment, interest rate trends, the rapidly deteriorating financial environment since last autumn, and an increasing number of company bankruptcies.

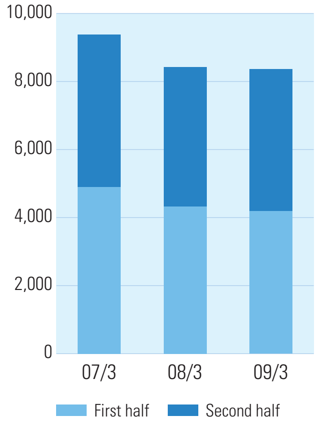
Q **Was this merger a response to these changes in the business environment? Also, what are the most noticeable benefits from the merger?**

A **We thought the next three or four years would be an uphill battle, so we decided on the merger last September. The shift in the economic environment was more abrupt than expected, but we were able to complete the merger in time. There are defensive and offensive aspects that were borne from the merger.**

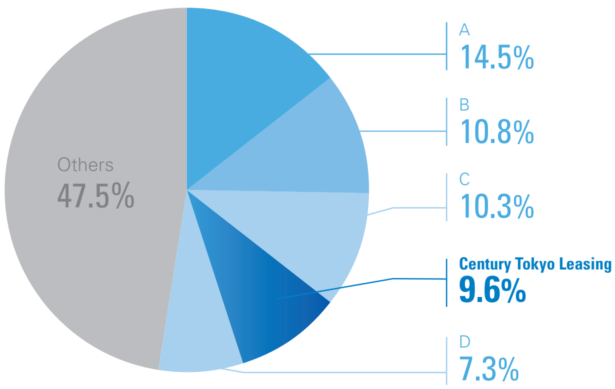
First comes our defensive measures. We first thought of boosting our capital strength and earnings power to help us endure the unforgiving economic conditions. In short, this means building on our business strengths, and the merger makes it relatively easy to achieve this.

Next comes our offensive measures. By becoming one of the top three in the industry, we wanted to demonstrate our presence as a leading company and raise our profile among our customers as well as increase our employees' morale. The combined, new lease contracts generated from the two merged companies amounted to roughly 10% of market share in fiscal 2008. This is almost the same scale as the industry's top company. We believe the successful merger has created an environment in which we can compete alongside other leading companies. On top of that, there is an added merit of increased productivity, since our operating assets exceeds ¥2 trillion.

Newly Executed Lease Contracts



Market Share of Domestic Lease



*Compiled from the IR materials of the top five listed leasing companies

Q **Please describe the cost synergies.**

A **By integrating information systems and other benefits due to the merger, we are expecting several billion yen of annual cost reductions in the future.**

The information system of the former Tokyo Leasing had to be replaced by the new system in 2009, but we are instead using the information system of the former Century Leasing System. It is a good example of the cost synergy achieved by the merger. System integration will incur one-time costs, but we think the combined expenses of both companies will save about ¥1 billion to ¥1.5 billion per year in the future. We also see several billion yen of merger benefits if we maintain a lean structure by integrating overlapping areas and management departments.

Q What position is Century Tokyo Leasing aiming for in terms of quality and volume?

A First and foremost, our aim is to establish our position in the top three of the industry. We believe that if we are a good third with services that speak for themselves, we will be valued by stakeholders.

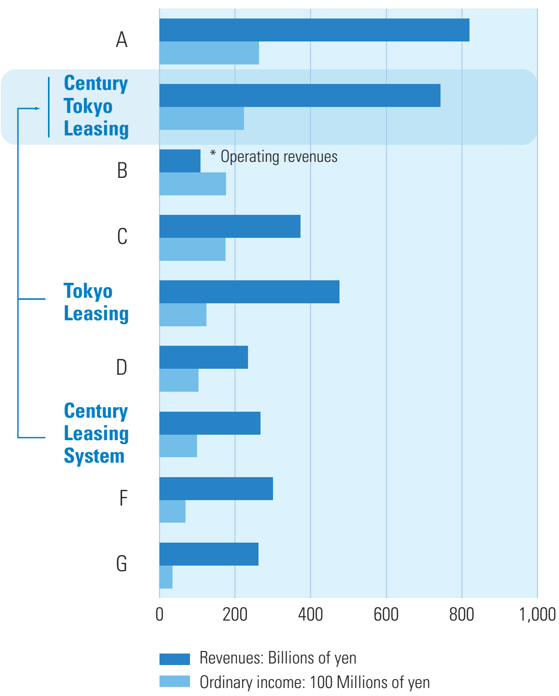
A top leasing company must act as a leader in the leasing industry and must also have the strength to start new businesses. To reach the position where we can discharge these responsibilities is what I mean by establishing ourselves in the top three of the industry. We believe the amount of funds a leasing company can raise with a proper interest rate is between two to three trillion yen. Therefore, from the aspect of asset efficiency, I think our current size puts us in the optimal position that serves us and our shareholders best.

Furthermore, we will aim for stable profit growth that is appropriate for our business size, and we will earn the trust of our stakeholders.

Market Position of Century Tokyo Leasing

Results

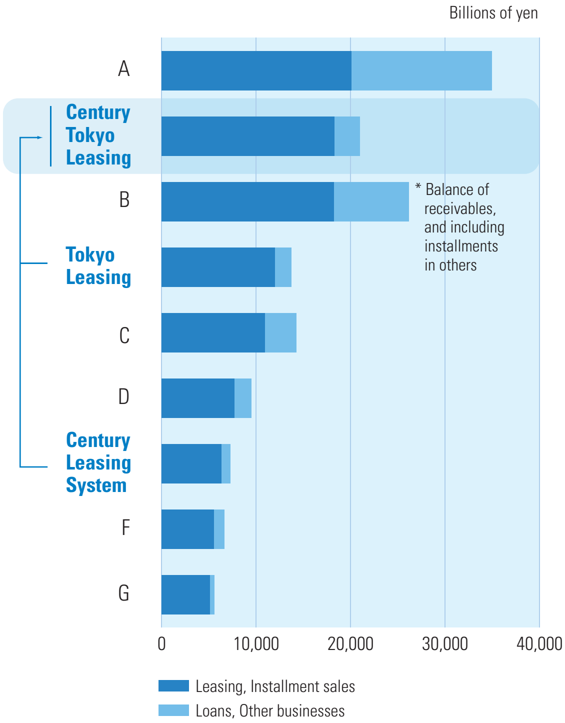
By order of ordinary income



*The top seven listed leasing companies excluding ORIX Corporation

Balance of Operating Assets

By order of balance of Leasing and Installment Sales Business



*The top seven listed leasing companies excluding ORIX Corporation

Q **What is the basic strategy being pursued by Century Tokyo Leasing?**

A **We will strengthen our relationship with our primary business partners to expand our business domains and become an essential partner for manufacturers. We also would like to change our ways of doing business, such as remarketing end-of-lease assets globally. We are seeking opportunities with a vision to manage business companies in the future.**

ITOCHU Corporation is our largest shareholder with about 20% of our shares. Starting with China, this trading company has business operations throughout the world. We also have major shareholders that are diverse in range, including leaders in the financial industry, such as Mizuho Financial Group, Nippon Life Insurance Company, and Asahi Mutual Life Insurance Company, and in real estate we have Nippon Tochi-Tatemono Co., Ltd. We would like to utilize each of our primary business relationships and expand our business domains. We will push forward with multifaceted sales activities covering a broad customer base ranging from large companies to medium and small companies, and refine our abilities to focus on increasingly diverse customer needs, while further strengthening our relations with shareholding companies.

Financial intermediation with a focus on tangible assets is a sector that will continue to grow. As the business of leasing companies revolves around tangible assets, it is important to decide on the direction of its operations by working closely with strong manufacturers. We must build even stronger ties with closely related manufacturers such as Fujitsu Group and JFE Group, and work to find untapped markets. We also could have substantial influence over manufacturers' sales policies, and we feel that we can become an essential partner by getting actively involved in their sales policies. For example, discovering business needs overseas and expanding those sales channels are some of the crucial business agendas that lie ahead of us.

Moreover, since reuse and recycling of tangible assets are specialties of leasing companies, we believe we should also be the one to take charge in matters related to the business of trading companies. One of the strengths of leasing companies is its ability to accurately appraise the resale value of tangible assets. I don't think we can grow unless we can develop a specialty that is unique to a business involving tangible assets. For instance, we can create a global secondary market for end-of-lease products if need be.

In terms of our dreams, we aspire to become a company that will not settle only in the confines of the world of finance. And it is important to be aware of this. Our business type happens to be positioned exactly between that of finance and an ordinary operating company. We are able to operate in the world of finance and by going beyond that, we are also able to conduct operations as an ordinary business company. For example, we could create and operate our own company related to the environment and our daily lives.

Q What are some of the pressing issues in the first fiscal year of the merger?

A For the first couple of years, we will work on cost cutting and reorganization to quickly achieve benefits from integration.

During that period, building a solid foundation will be our highest priority.

For that purpose, we aim to enhance company earnings power through controlling the following three costs. First, we will enhance our screening capabilities and structure such that they are conducive to the changing economic environment and will bolster our credit risk management structure to minimize credit costs. Second, since we raise large amounts of funds, we must focus on holding down the cost of funds by further improving our ALM functions through the control of market risks such as interest rate risks and liquidity risks. At the same time, we are working hard to maintain a stable indirect funding base by building good relationships with financial institutions. Third, we will cut operation costs such as personnel costs and property costs. We recognize that improved cost efficiency is an important business issue when upgrading competitive strength in the current business environment. We will continue to pursue a low cost operation with cost effectiveness at the forefront.

We will strengthen our business foundation and business efficiency by quickly integrating our core information systems, organizations, business locations, group companies, etc., along with efficient allocation of human resources by suitable staff allocation, etc.

Q What are the strengths of Century Tokyo Leasing?

A We have a broad business foundation backed by close relationships with diverse major shareholders and manufacturers. Among other things, the information equipment leasing business, which holds the top position in the industry and our auto leasing business, which comes in third, are our major strong points. While further boosting our strengths, we are also expanding in other business fields.

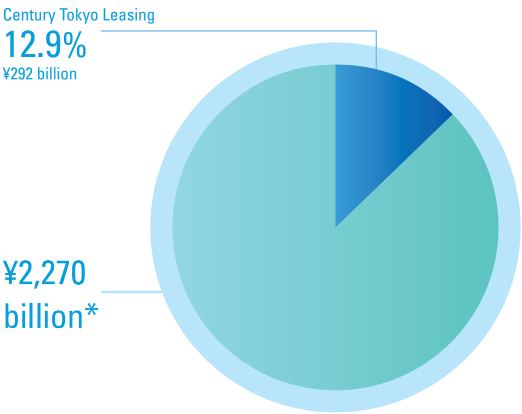
Out of the fiscal 2008 domestic lease capital investment of ¥5.4 trillion, about ¥2.3 trillion was made up of information and communication equipment and office equipment, comprising over 40% of the total investment. Particularly for information and communication equipment, we can always expect a certain level of demand, regardless of the ups and downs of the economy. Furthermore, it is the most leased asset as it serves to be a measure against obsolescence risk and because equipment requires complex management.

By taking measures such as the establishment of a sales department that specializes in information equipment and through the acquisition of Fujitsu Leasing Co., Ltd., we became the industry's top company in information and communication equipment and office equipment in fiscal 2008. The combined newly executed contract amount of the two companies came to ¥292.2 billion, comprising 56% of our entire leasing business. Our close relation with Fujitsu Group is a great strength, and especially amidst a 12% year-on-year average decline in our industry for information and communication equipment leasing, we held our decline to 3% (on a non-consolidated basis). Under the stronger and broader customer base resulting from the merger, we will take advantage of our ties with Fujitsu Group, and continue to focus on information and communication equipment leasing as one of our stronger fields.

We are also expanding our auto leasing business, centered on Nippon Car Solutions Co., Ltd., and Tokyo Auto Leasing Co., Ltd. Through the merger, Century Tokyo Leasing Group's auto leasing business solidified the 3rd position in the industry. While the auto leasing market for large fleet users (contracts of 10 or more vehicles) is entering a mature period, it is thought that the non-fleet market (contracts of 9 or fewer vehicles) and individual market will expand, and we will expand our customer base by meeting the diversified needs of customers.

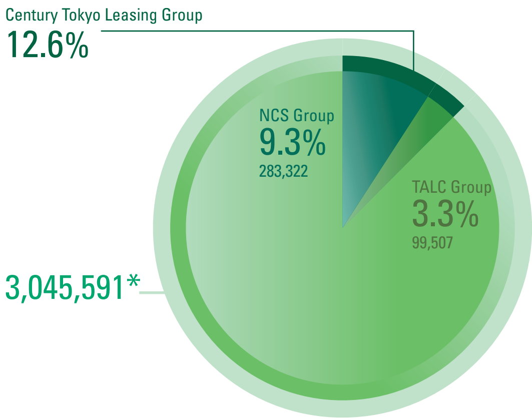
We are working to strengthen our group sales foundation and consolidated earnings power through the synergy created from the collaborative structure between our top-rated, auto leasing business and our other leasing businesses.

Market Share of Information and Communication/Office Equipment



*According to a survey by Japan Leasing Association.

Number of Vehicles Managed



*According to a survey by Japan Automotive Leasing Association.

Q **Please describe your goals and targets in advancing your overseas business focused on Asia.**

A **We perceive the leasing business in Asia to be our strategic area. First, we will grow our business even more in Asia by focusing on Japanese companies that have already established operational bases in the region. For example, for leasing business in China, we are aiming to be the top company over the mid- and long-term by working closely with ITOCHU Corporation, etc.**

Our business in Asia is growing very fast by focusing on existing Japanese companies in the region. I think the trend—static domestic market overshadowed by the growing markets in Asia—will continue for a long time. We want to focus our overseas business resources in Asia. We are developing our global sales strategy with an eye to the future with a focus on Southeast Asia, where we see growth potential by leveraging the overseas networks of our major shareholders.

In the China market, for the moment we have been focusing only on those Japanese companies with an existing business base. However, we are already finding it difficult to cover their needs, as there are 5,000 to 6,000 Japanese companies alone. In that sense, Asia can be considered an extension of the domestic market. ITOCHU Corporation is a trading company that has devoted the most effort to expanding its business in China. Business in China is also growing quickly for the major cosmetics manufacturer with which we have a history of close business relations such as making its group leasing company into a subsidiary, and for the major Taiwanese company that owns part of our joint venture company. We are striving to become the top leasing business in China by cooperating closely with ITOCHU Corporation and these companies with which we have close ties.

Q What are your thoughts on profit distributions to shareholders?

A First of all, we are striving for stable dividends with a 20% payout ratio. In fiscal 2009, it will be 28 yen/share.

Before the merger, both companies were aiming for a 20% dividend payout ratio, and Century Tokyo Leasing also wants to continue paying the same level of stable dividends. The former Century Leasing System managed to increase its consolidated dividends from the time of its listing in September 2003 to the previous year. The former Tokyo Leasing has increased its dividends for the past 11 years. Both companies before the merger continued to increase their dividends until the prior fiscal year. However, in fiscal 2009, taking the current economic conditions and industry environment into consideration, we are basically considering paying the same amount as in fiscal 2008, at 28 yen per share.

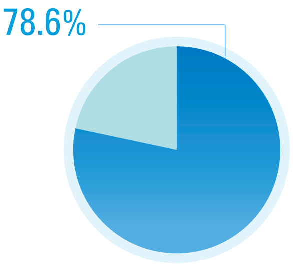
Q Please give your message to all shareholders and investors.

A Especially in this harsh business environment with a shrinking lease market, we must change our ways of doing business, and Century Tokyo Leasing is in a position where we can do that.

I think 40% of business management is about being prepared when the unexpected occurs, but the remaining 60% should be dedicated to the generation of ingenious ideas of how to pioneer the next business era. Among the Japanese financial sector, our company is placed in a very favorable position, and we can be very hopeful for our future. New lease accounting standards are having an impact, and the entire industry has slowly shrunk over the past two years. But exactly because we are living in this age, we must have the energy to transform ourselves into something new. Furthermore, we have the human resources, fund-procurement capacity, and customer base that enables us to do these things. Leasing companies are maintaining their strength and are relatively free from financial regulations. I hope all stakeholders will understand that we are a company that possess sufficient business resources and we are able to flexibly adapt to the coming age full of changes and I would like to ask for your continued support.

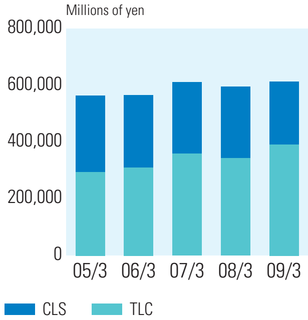
Leasing Business

Breakdown of Sales Revenues by Business Domain



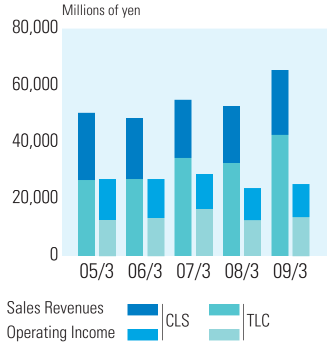
Sales Revenues = Revenues - Costs (excluding cost of funds)

Revenues



Revenues do not include inter-segment transaction.

Sales Revenues/Operating Income



Figures include inter-segment transactions and operating costs.

Business Description and Basic Strategy

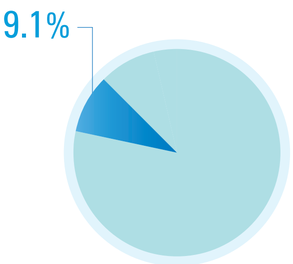
The Leasing Business provides various lease transactions, rental transactions, and transactions to sell assets for which the contract expired, for facilities and equipment customers use in their business activities, such as information and office equipment, industrial machinery and machine tools, and construction machinery. We have focused on information and communication equipment leasing, including through the transformation of Fujitsu Leasing Co., Ltd., into a consolidated subsidiary on July 2008. In recent years, we have strengthened our operating leases business, for which there is a growing need, and are working to build up solid operating assets.

Major Products and Services

- Finance leases
- Operating leases
- Real-estate leases
- Auto leases
- Carbon offset leases
- Rental
- Sale of end-of-lease assets or rental assets for which the contract expired

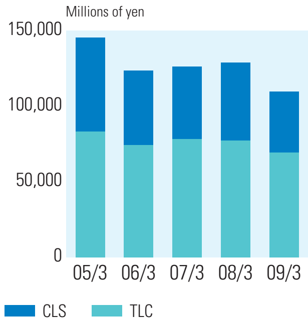
Installment Sales Business

Breakdown of Sales Revenues by Business Domain



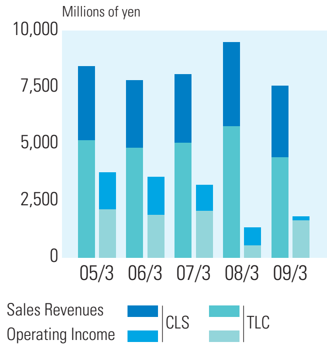
Sales Revenues = Revenues - Costs (excluding cost of funds)

Revenues



Revenues do not include inter-segment transaction.

Sales Revenues/Operating Income



Figures include inter-segment transactions and operating costs.

Business Description and Basic Strategy

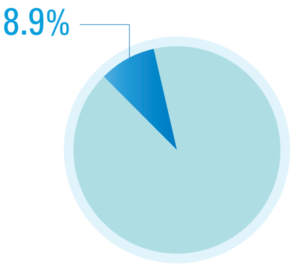
The Installment Sales Business provides installment sales transactions by purchasing facilities and equipment that the customer selects, and sells those assets back to the customer via long-term installment payments. Unlike lease transactions, this business meets the needs of customers who wish to own assets, with a focus on construction machinery, commercial facilities, and building accessory equipment.

Major Products and Services

- Installment sales

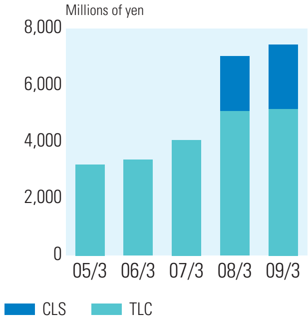
Loan Business

Breakdown of Sales Revenues by Business Domain



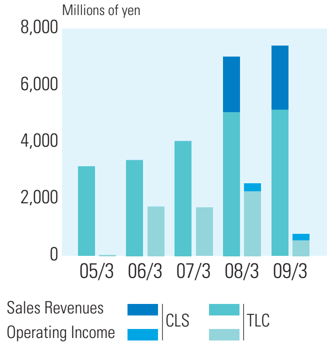
Sales Revenues = Revenues - Costs (excluding cost of funds)

Revenues



Revenues do not include inter-segment transaction.

Sales Revenues/Operating Income



Figures include inter-segment transactions and operating costs.

Business Description and Basic Strategy

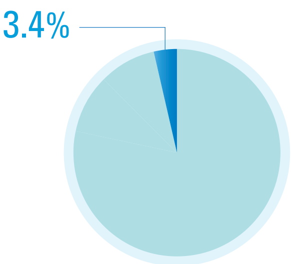
The Loan Business provides customers with financing for capital investment funds and operating funds, and undertakes the factoring of receivables. Through a specialized organization focused on finance, we are building up high quality assets based on prudent risk assessment while we accurately grasp finance needs, which have become increasingly diverse over the years.

Major Products and Services

- Business loans
- Real-estate financing
- Ship financing
- Project financing
- Factoring
- Guarantee services for receivables
- Speedy liquidation of medical treatment fees receivables

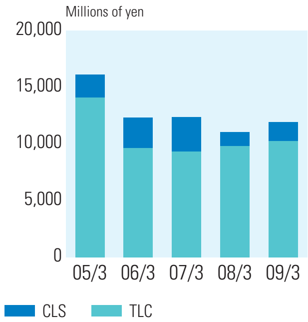
Other Businesses

Breakdown of Sales Revenues by Business Domain



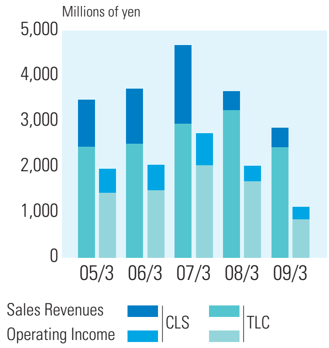
Sales Revenues = Revenues - Costs (excluding cost of funds)

Revenues



Revenues do not include inter-segment transaction.

Sales Revenues/Operating Income



Figures include inter-segment transactions and operating costs.

Business Description and Basic Strategy

We are diversifying our revenue sources through Other Businesses, which include investment in various securitized products backed by real estate and other assets, and guarantee services covering loans and movable assets. The Other Businesses also include commission transactions, such as entrusted management of movable assets focused on vehicles, sales of investment products (e.g., aircraft operating leases) and the life insurance agency business. In the guarantee business, we are striving to expand business opportunities by maximizing the utilization of our know-how regarding the handling of "tangible assets," which we have cultivated in its leasing business.

Major Products and Services

- Commercial investment activities such as equity participation in partnerships
- Guarantee business
- Entrusted management service for movable assets
- Origination and sale of investment products (e.g., aircraft operating leases)
- Insurance agency

Business Environment:

In the first half of fiscal 2008, the Japanese economy experienced continued pressure on corporate profits due to high oil and raw materials prices, and since the second half, corporate earnings further plummeted, causing the onset of grave recession, as a result of the debacle taking place in the global financial markets, and large fluctuations in stock and foreign exchange markets due to the credit crunch triggered by the subprime loan crisis.

In the leasing industry, an increasing number of companies started to curtail their capital investment along with the deteriorating economic sentiment, and the new Accounting Standard for Lease Transactions that had taken effect led to a decrease in leasing capital investment by 14.2% year on year to ¥5.44 trillion. The industry's business environment is severe, shown by the consecutive year-on-year decrease in leasing capital investment since June 2007.

For interest rate trends, short term interest rates were flat until the end of last year. Meanwhile, long term interest rates, which are indices for investment returns over our business, rose at the start of the fiscal year, but declined thereafter. The earnings environment has been seriously damaged from the malfunctioning financial markets since the middle of the fiscal year. Furthermore, the temporary spike in the issuance rate of commercial paper added to the downward spiral. Thus, from a funding perspective, costs rose, and from an investment perspective, leasing rates declined.

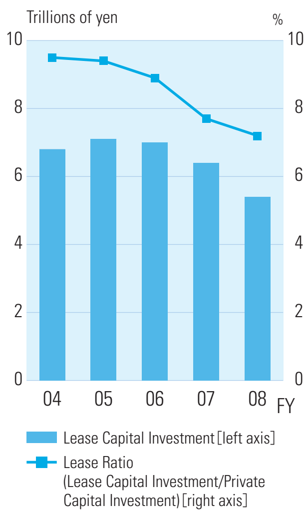
The number of domestic company bankruptcies increased 16.8% year on year to 13,200 for the third consecutive fiscal year in a row, and their total liabilities grew 147.1% year on year to ¥13.67 trillion.

In this way, the leasing industry faced a very harsh business environment, with stagnant capital investment, interest rate trends, a rapidly deteriorating financial environment since autumn last year, and an increase in company bankruptcies.

Under these conditions, we are rebuilding our business to be competitive on a global basis and advancing our business size expansion to strengthen our sales base for greater earnings foundation, which leads to improved corporate value and maximization of shareholder value. Taking these factors into consideration, Century Leasing System, Inc. (CLS) and Tokyo Leasing Co., Ltd. (TLC) signed a merger agreement on January 23, 2009, and merged on April 1, 2009.

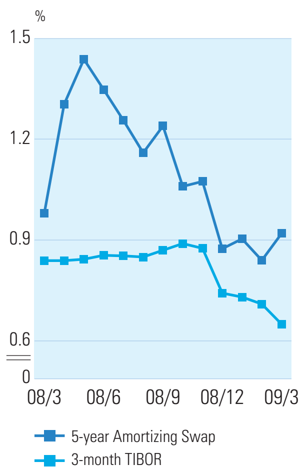
Lease Capital Investment & Interest Rate Trends

Lease Capital Investment



Source: Japan Leasing Association

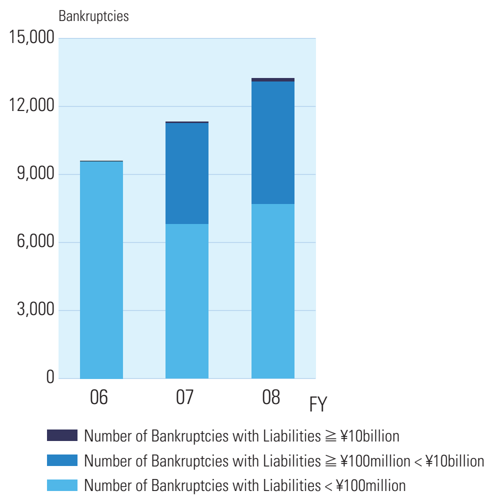
Interest Rate Trends



Source: Japan Leasing Association

Company Bankruptcies

Number of Bankruptcies



Source: Teikoku Databank

Formerly CLS

Review of Fiscal 2008 results:

Fiscal 2008 was the last year of the three-year medium-term plan, NC-Plan III, and we continued to work vigorously on the three reforms of reforming marketing competency, transforming the financial structure, and revitalizing the management system. These are highlighted by the three key themes of our basic policy: expand business from our core business, innovate, and advance strategic allocations.

In our endeavors in reforming marketing competency, we concentrated our efforts on our core business of leasing and installment sales. Specifically, we worked to expand our operating lease transactions, as there were increasing customer needs due to the new Accounting Standard for Lease Transactions. Moreover, for overseas business, which is one of the advance strategic allocations earmarked as the pillar of our future earnings, we were able to greatly expand the transaction volume as a result of working closely with the domestic sales divisions in addition to the enhanced information gathering and sales capabilities in our subsidiary in China.

Regarding the second item for reform, the transformation of the financial structure, since the bankruptcy of a major U.S. financial institution last autumn, the ensuing dramatic shift in the Japanese economic environment due to the credit crunch made it difficult to raise funds. In particular, the corporate bond and commercial paper markets temporarily stopped functioning effectively, and interest rates to raise short term funds surged. Under these conditions, we are executing ALM (Asset Liability Management) flexibly and are fortifying our financial base and holding down costs of funding to properly manage fund procurement and investment activities.

To revitalize the management system, we implemented effective and efficient operation of the internal control system, established the Risk Management Department and the Risk Management Committee, and built a system to understand, measure and control risk company-wide, thereby bolstering our management foundation.

The value of new contracts executed declined 6.2% year on year to ¥312.9 billion, and the balance of operating assets was ¥727 billion, down 0.5% compared with the end of the previous accounting period. Regarding profit and loss, total revenues declined 13.2% year on year to ¥266.7 billion, operating income declined 3.7% year on year to ¥8.5 billion, and net income declined 8.8% to ¥5.9 billion. Information on segments is as follows.

Leasing Business:

In the leasing business, the value of new contracts executed declined 3.4% year on year to ¥208.1 billion, while the balance of leased assets was ¥545 billion, down 0.2% compared with the end of the previous accounting period. Total revenues declined 12.0% year on year to ¥222.1 billion, impacted by the sale of securitized lease receivables, but operating income grew 1.8% year on year to ¥11.5 billion, partly due to recording earnings by the interest method owing to the application of the new Accounting Standard for Lease Transactions.

Installment Sales Business:

In the installment sales business, the value of new contracts executed declined 50.8% year on year to ¥22.9 billion. The balance of installment sales receivables was ¥87.9 billion, down 15.8% compared with the end of the previous accounting period. This resulted in a 21.3% year-on-year decrease in total revenues to ¥40.6 billion, and operating income decreased 79.8% year on year to ¥0.1 billion.

Loan Business:

In the loan business, the value of new contracts executed increased 9.2% year on year to ¥77.9 billion, while the balance of loans outstanding stood at ¥88.3 billion, up 14.0% compared with the end of the previous accounting period. This resulted in a 15.8% year-on-year rise in total revenues to ¥2.2 billion, but operating income declined 18.3% year on year to ¥0.2 billion, partly due to higher selling, general and administrative expenses.

Other Businesses:

The value of new contracts executed in other businesses leapt to ¥3.9 billion year on year, and the balance of assets grew to ¥5.6 billion, up 128.9% compared with the end of the previous accounting period. Total revenues grew 35.5% year on year to ¥1.7 billion, due to increase in sales transactions of products, but operating income decreased 17.4% year on year to ¥0.2 billion.

Business Topics:

"Refurbishing Business of Used PCs, etc."

We focus on asset value, which is the basis for a leasing company. We are striving to expand our refurbishment business which deletes data and resells end-of-lease used PCs, etc. This business is undertaken by our wholly owned subsidiary, C-TRY Inc., which has obtained the ISO 27001 (Information Security Management System) and ISO 14001 (Environmental Management System) certifications. Our refurbishment business has earned strong support from customers for implementing countermeasures against data leakage and also for its contribution to environmental conservation, selling 73,000 units in the fiscal year ended March 2009.

Formerly TLC

Review of Fiscal 2008 Results:

Tokyo Leasing Group is striving to rapidly respond to changes in the business environment and establish a strong business foundation.

In the leasing and installment businesses, we are utilizing diverse sales channels to establish an earnings base. We acquired the shares of Fujitsu Leasing Co., Ltd. from all its shareholders except Fujitsu Limited, raising our equity stake from 27.5% to 77.5% (currently 80%), and changed its status from affiliated company accounted for by the equity-method to a consolidated subsidiary. This further reinforced our cooperative relationship with Fujitsu Group, creating a stronger business foundation in the information equipment leasing field, and a more robust organization for greater consolidated earnings.

Furthermore, our wholly owned subsidiary, Tokyo Auto Leasing Co., Ltd. was instrumental in building our environmentally friendly business and product development through the auto leasing business. This includes the launch of Carbon Offset Auto Leasing Scheme, which takes advantage of CO_2 emissions amount that have already been reduced.

In the finance operations, we exercised risk judgment corresponding to the financial environment, and worked to raise our minimum earnings by seeking highly profitable, high-quality projects.

In overseas business, we expanded our network with a focus on Asia through taking such initiatives, for example, we increased our equity stake in subsidiary in Thailand and opened a branch through our subsidiary in China, etc.

As a result, the value of new contracts executed grew 2.3% year on year to ¥519.8 billion, and the balance of operating assets was ¥1,372.9 billion, up 19.3% compared with the end of the previous accounting period. In profit and loss, total revenues rose 9.4% year on year to ¥476.2 billion, operating income declined 2.2% year on year to ¥12.3 billion, and net income declined 39.4% year on year to ¥4.0 billion. Information on segments is as follows.

Leasing Business:

In the leasing business, partly as a result of converting Fujitsu Leasing Co., Ltd. into a consolidated subsidiary, the value of new contracts executed grew 23.6% year on year to ¥312.6 billion, while the balance of leased assets was ¥991.4 billion, up 25.4% compared with the end of the previous accounting period. Total revenues also rose 14.1% year on year to ¥391.6 billion, and operating income grew 9.0% year on year to ¥13.6 billion, due to the effects of transforming Fujitsu Leasing Co., Ltd., into a consolidated subsidiary, and the switch to the interest method to record earnings owing to the new Accounting Standard for Lease Transactions.

Installment Sales Business:

In the installment sales business, the value of new contracts executed declined 38.1% year on year to ¥55.7 billion, partly due to change in business classification for ownership-transfer finance lease transactions from installment sales business to leasing business. The balance of installment sales receivables was ¥155.7 billion, down 4.7% compared with the end of the previous accounting period. Total revenues decreased 10.4% year on year to ¥69.1 billion, but operating income grew 203.2% year on year to ¥1.6 billion, partly due to a decrease in the allowance for doubtful accounts.

Loan Business:

In the loan business, the value of new contracts executed decreased 16.9% year on year to ¥125.4 billion, while the balance of loans outstanding was ¥173.2 billion, up 8.5% compared with the end of the previous accounting period, partly due to growth in loans for ship and real estate related financing. Total revenues also rose 1.5% year on year to ¥5.1 billion, due to an increase in interest revenue on the back of growth in operating assets and operating income declined 75.8% year on year to ¥0.5 billion, partly due to a higher allowance for doubtful accounts.

Other Businesses:

The value of new contracts executed in other businesses grew 84.8% year on year to ¥25.9 billion, and the balance of assets grew to ¥52.4 billion, up 40.6% compared with the end of the previous accounting period. Total revenues also rose 4.5% year on year to ¥10.2 billion, but operating income decreased 50.2% year on year to ¥0.8 billion, on worsening investment business results.

Business Topics:

"Branch Opened in Guangzhou City, Guangdong Province, China"

As part of our global business expansion which is one of our areas of strategic concentration, our fully owned subsidiary TOZUI CORPORATION established a branch in Guangzhou City, Guangdong Province, China in March 2009. This further broadens our network of overseas business focused on the Asian region and it meets diverse finance needs of customers, which include building their overseas business strategies and constructing overseas production sites, enabling us to provide a wider range of services.

Basic Policy for CSR Management

Century Tokyo Leasing Group aims to fulfill the expectations and earn the trust of all its stakeholders, including customers, shareholders, employees, and the local community. In order to fulfill our social responsibilities as a company, we will continually pursue sustainable growth by implementing CSR management focused on environmental preservation activities, social contribution activities, and risk management.

Efforts in CSR Activities

Environmental Initiatives

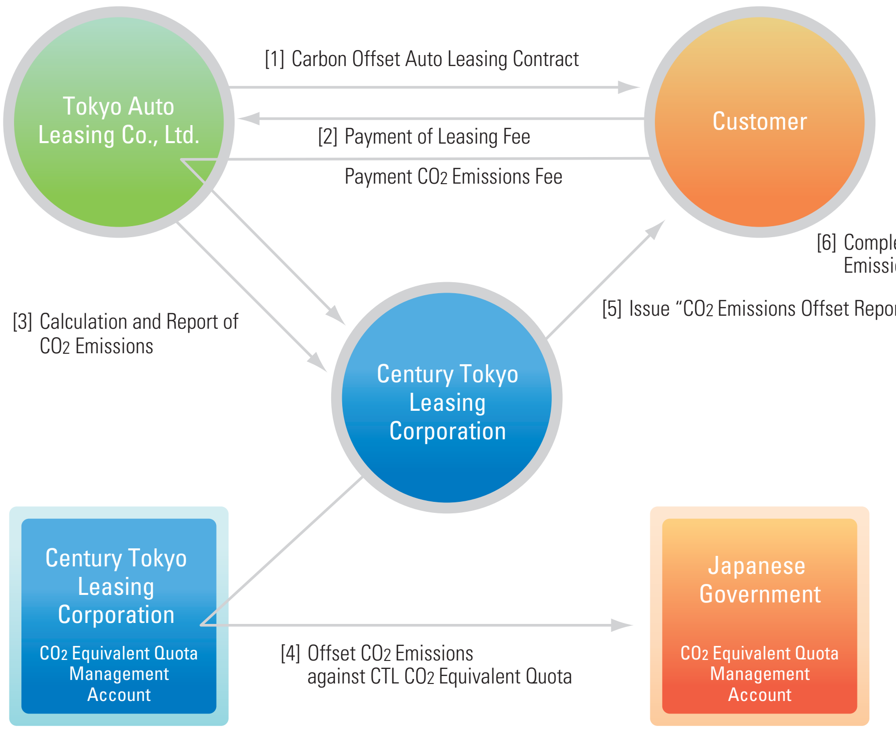
Carbon Offset* Auto Leasing Scheme

We aim to contribute to the global environmental protection by advancing various schemes regarding environmental businesses such as providing project finance to wind-power generation businesses and promoting a switch to fuel efficient or low-emission vehicles in auto leases. In an effort to further strengthen our environmental business, we obtained an emissions allowance and examined the possibilities of providing environmentally friendly services to our customers. In addition, we launched the carbon offset auto leasing scheme in July 2008 by using the emissions allowance.

This scheme helps to mitigate the CO_2 emissions discharged by our customers through the utilization of our emissions allowance against the leased vehicles. As our first business deal, we signed a carbon offset auto leasing contract with a major pharmaceutical company that will offset up to 30,000 metric tons of CO_2 over a period of about 5 years. This will be our first ever large-scale, carbon offset contract at the 10,000 metric ton level.

*Carbon offset:
A mechanism utilizing emissions volume reduced in other areas to offset CO_2 (carbon dioxide) emissions that which cannot be cut down by direct measures in business activities.

The Mechanism of Carbon Offset Auto Leasing Scheme



Project Finance for Wind-Power Generation Businesses

Since 2002, the Group has been ahead of other companies in project finance for wind-power generation businesses. This is a non-recourse loan finance scheme, with revenues from electricity sales in the wind-power generation project as the only source for repayments. As of the end of March 2009, we have financed 13 business locations, with a loan balance of about 6 billion yen, the largest in our industry. The new energies environmental sector is expected to see further growth. Therefore, based on the know-how cultivated through our rich experience, we may begin initiatives in solar energy power generation projects and natural energy projects.

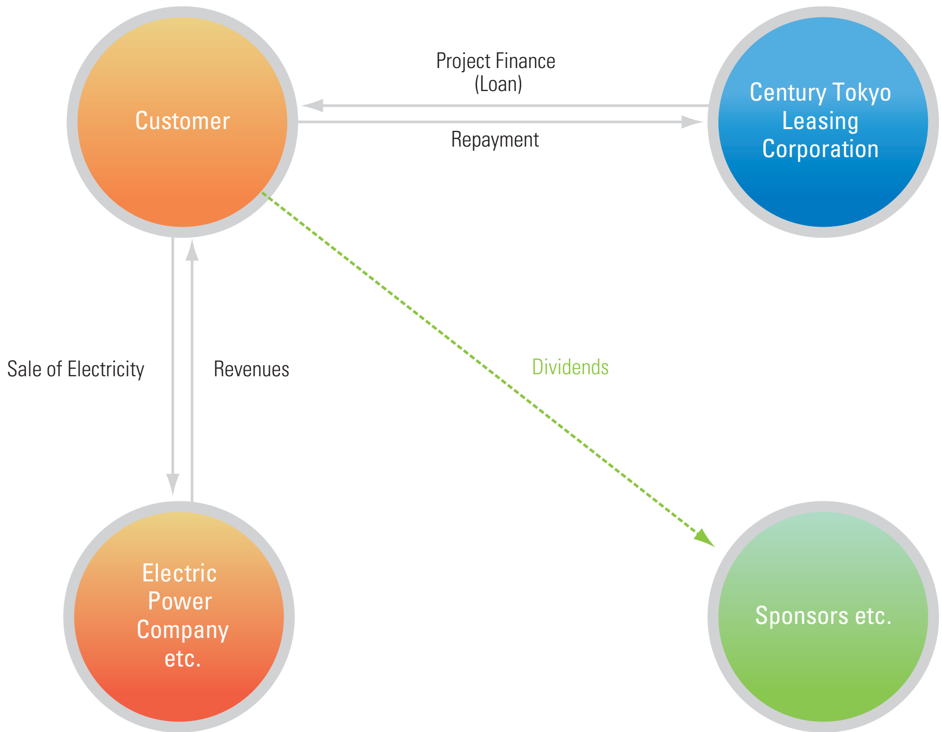
Initiatives for the Next-Generation Support Program

Concerning the topic of work-life balance, which has become a source of social concern in recent years, we have been promoting a work environment that achieves a balance between work and home life. So far, we have implemented measures to improve our childcare leave system and introduced a new registration system for retirees seeking reemployment.

In 2007, based on the Act on Advancement of Measures to Support Raising Next-Generation Children, we also obtained certification as a company that is active in the next-generation support program. This certification is obtained by meeting certain standards stipulated in that law. For example, factors concerning the set up of an employment environment that is conducive to work-life balance and the acquisition rate of childcare leave are considered as criteria for approval. In order to support employees giving birth and raising children, we are working to further improve the childcare leave system.

Next-Generation Certification Logo (Kurumin)

Mechanism of Project Finance for Wind-Power Generation Businesses



Corporate Governance

In order for Century Tokyo Leasing to maximize its corporate value, it recognizes that effective functioning of corporate governance is an important management issue. To this end, we are working to achieve a sound and highly transparent management system that enables speedy and precise corporate decision making in response to changes in the business environment. Furthermore, in order to improve management transparency, we are working to provide timely and proper information disclosure to all stakeholders.

Board of Directors and Executive Officers

The Board of Directors consists of eight directors and supervises the execution of operations by Directors and Executive Officers. Moreover, it deliberates on and decides management policy, management strategies, business plans, and other important issues associated with the management of Century Tokyo Leasing and its Group companies as well as matters specified by prevailing laws, regulations, articles of incorporation, and rules governing the Board of Directors. Furthermore, with the aim of making faster resolutions on management strategy and of further strengthening the supervisory structure and the structure for executing operations, we introduced an executive officer system.

Supervisory Structure

Century Tokyo Leasing has adopted the organizational structure of a Company with Auditors. It maintains a Board of Corporate Auditors that consists of seven corporate auditors (two of them full-time corporate auditors), six of whom are outside corporate auditors. The Board of Corporate Auditors strives to fulfill its responsibility by thoroughly conducting fair audits of compliance and the appropriateness of corporate activity, starting with operations executed by Directors and Executive Officers by holding regular meetings and maintaining the independence of its auditing activities. Corporate Auditors attend the Board of Directors Meeting as well as other important meetings, such as the Management Meeting and meetings of principal committees, etc. They also execute audits of Directors and Executive Officers, their responsibilities, and the progress made in improvements and management of the internal control system.

The Inspection Office, which directly reports to the President, is in charge of internal audits. The Inspection Office consists of a total of nine persons, the office head and eight members of the office. It performs internal audits based on the audit plan approved at the Management Meeting. If there are problem items, it provides guidance and correction recommendations to the audited department, working to effectively implement internal audits. It also reports audit results to the President (at the Management Meeting) and the Board of Directors.

Management Meeting

We established the Management Meeting, which is attended by the President and officers appointed by the President, who chairs the meeting. It deliberates on particularly important matters concerning the execution of operations and makes decisions for the entire Group.

Internal Control System

We have established the following Management Philosophy. Every manager and employee is expected to refer to this philosophy as a basic policy for executing operations.

Management Philosophy

"Century Tokyo Leasing Group will grow alongside its customers and contribute to society as a comprehensive financial services enterprise that continually challenges itself."

We have an internal control system guided by this Management Philosophy, recognizing that the establishment and operation of a system for ensuring the appropriate execution of operations is a vital managerial responsibility of the corporation.

We also established the Internal Control Committee for the effective functioning of the internal control system. This committee is chaired by the officer in charge of the Internal Control Office. It deliberates on the overall internal control system, including evaluation of the effectiveness and scope of evaluation for financial reporting internal controls, and then reports to the Management Meeting.

Compliance

We recognize that thorough compliance is essential for the continued existence of a corporation. Therefore, we aim to establish a management system that ensures that every employee and manager operates under the principle of fairness and with the highest ethical standards to earn the trust of society.

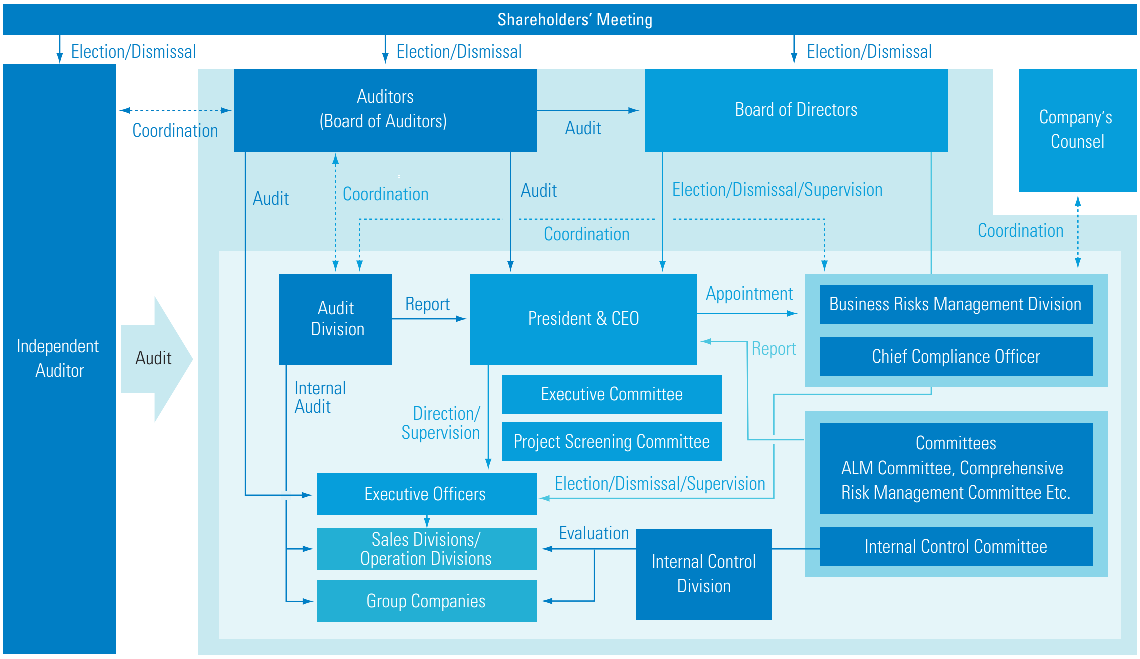
The chief compliance officer and the Compliance Office of the Business Risks Management Division promote compliance activities, including education and training based on the Compliance Program. All employees and managers understand the spirit of compliance from the Compliance Manual as our code of business conduct to maintain and enhance a fair and transparent corporate culture. In addition, we established several contacts including an external law office, with whom employees can consult on compliance issues and to whom they can provide information on fraudulent actions and practices. Consequently, we operate a whistle-blowing system that strictly protects informers. We are fundamentally prepared to act in a systematic and resolute way against any improper demands made by antisocial forces, and we will sever any relations with antisocial forces.

Risk Management

To minimize risks of loss, we systematically implement appropriate preventive measures for various risks, according to the potential scale and probability of their occurrence.

For credit risks, we established the Credit Risk Management Committee. Moreover, we determine basic policy as well as measures and controls for credit risk based on the committee's rules. Further, we established the Project Examination Meeting for large projects and matters requiring complex judgment, such as projects with new schemes, and the project is examined and approved based on that meeting's rules. For liquidity risks related to fund procurement and market risks such as interest rate changes, we established the ALM Committee, which exercises comprehensive management for investment and the raising of funds, based on that committee's rules. Information systems security and information security risks are managed based on our Information Security Basic Policy, Handling of Personal Information Rules, ISO 27001, etc. For operational risks such as clerical risks and legal risks, the Comprehensive Risk Management Department detects and quantifies risks and reviews response measures. In addition, the Comprehensive Risk Management Committee comprehensively examines the overall control of the company's risks and our system, policy, and measures concerning risk management, based on that committee's rules. This committee is also set up to immediately respond in the event of a large disaster or other crisis.

System of corporate governance and internal control June 17, 2009



Management

As of June 17, 2009

BOARD OF DIRECTORS

Chairman & Co-CEO, Representative Director

Takao Arai

President & CEO, Representative Director

Shunichi Asada

Deputy President, Representative Directors

Masahiro Nakagawa
Koichi Nakajima

Director and Managing Executive Officers

Hideo Kondou
Akihiko Nishimura
Tsuneichiro Masaki

Director

Makoto Nogami

CORPORATE AUDITORS

Standing Corporate Auditors

Yukio Sekiguchi
Mikio Nishimura*

Corporate Auditors

Shigekazu Matsui*
Masahiko Sumida*
Syunsuke Wada*
Tetsurou Ito*
Osamu Saito*

*External

EXECUTIVE OFFICERS

Deputy President, Executive Officer

Koei Yamashiro

Senior Managing Executive Officers

Tadashi Kawashima
Takashi Asakura

Managing Executive Officers

Michio Ito
Yoshitaka Takemura
Yoshiyuki Toyoda
You Oohinata
Takeshi Honda
Yuichiro Ikeda
Toshiharu Akaishi
Osamu Oike
Hiroshi Fukushima
Masao Mizuno
Kazuaki Takada

Executive Officers

Mikio Hoshino
Masuo Suzuki
Mitsutaka Ohshima
Eiji Hara
Koichiro Izutsu
Yoshihiko Morimoto
Masami Tsuboi
Shuichi Sato
Atsuhiko Iwatake
Shinichi Douzoe
Takashi Muramatsu
Hidenori Fujimori
Hidenori Yamada
Masahiko Shishido
Yasuo Mori
Masatatsu Shimazu
Kenji Murai

Financial Section

Five-Year Summary

Formerly Century Leasing System, Inc. and Consolidated Subsidiaries
Years ended March 31

CLS

Millions of yen

	2005	2006	2007	2008	2009
Operating Results					
Revenues	¥ 333,830	¥ 307,057	¥ 302,850	¥ 307,177	¥ 266,730
Leasing	269,676	255,124	251,792	252,359	222,129
Installment sales	62,114	49,238	48,038	51,596	40,621
Other businesses	2,040	2,695	3,020	3,222	3,980
Costs	311,547	285,839	282,886	287,494	245,552
Leasing	245,803	233,501	231,336	232,200	199,314
Installment sales	58,842	46,282	45,026	47,880	37,490
Other businesses	995	1,480	1,290	842	1,282
Cost of funds	5,907	4,576	5,234	6,572	7,466
Gross profit on revenues	22,283	21,218	19,964	19,683	21,178
Sales revenues (Gross profit on revenues before deducting cost of funds)	28,190	25,794	25,198	26,255	28,644
SG&A expenses	11,723	10,554	9,857	10,848	12,667
Personnel and non-personnel expenses (Note 1)	11,723	10,539	9,377	9,068	8,831
Bad debt expenses	—	15	480	1,779	3,836
Operating income	10,559	10,663	10,107	8,835	8,510
Ordinary income (Income before extraordinary items and income taxes)	10,256	11,524	11,713	10,215	9,871
Extraordinary gains (losses)	352	(15)	392	(87)	(895)
Net income (loss)	6,158	7,202	7,586	6,532	5,958
Financial Condition					
Total assets	¥ 745,934	¥ 750,125	¥ 791,640	¥ 800,925	¥ 845,950
Operating assets	691,874	694,338	729,310	730,616	727,086
Leasing	567,445	541,863	556,160	546,143	545,067
Installment sales (after deducting deferred profit on installment sales)	94,657	93,897	106,052	104,461	87,993
Other businesses	29,771	58,576	67,097	80,009	94,025
Uncollectible receivables (bad debts after allowance for doubtful accounts)	667	410	307	1,385	4,714
Interest-bearing debt	625,752	631,162	657,346	661,971	690,653
Equity	42,197	50,308	54,812	57,467	60,573
Cash Flows					
Net cash provided by (used in) operating activities	¥ 11,648	¥ (57,094)	¥ (25,357)	¥ 1,641	¥ (5,544)
Net cash provided by (used in) investing activities	612	18,569	(116)	(3,473)	(2,282)
Net cash provided by (used in) financing activities	(13,911)	36,687	26,161	3,429	67,497
Cash and cash equivalents at end of year	7,751	5,563	6,251	7,849	67,387
Per Share Data					Yen
Net income (loss)	¥ 117.4	¥ 137.2	¥ 145.5	¥ 125.3	¥ 114.3
Net assets	808.7	964.2	1,051.5	1,102.5	1,162.1
Dividends (non-consolidated)	17.5	20.0	22.0	26.0	28.0
Major Ratios					
Return on equity (ROE)	15.6%	15.6%	14.4%	11.6%	10.1%
Return on assets (ROA)	1.4%	1.5%	1.5%	1.3%	1.2%
Equity ratio	5.7%	6.7%	6.9%	7.2%	7.2%
Overhead ratio	52.6%	49.7%	47.0%	46.1%	41.7%

Revenues do not include internal revenues or transfers between segments.
ROE = Net income / Equity (simple average of beginning and end of term balance sheet figures) X 100
ROA = Ordinary income / Total assets (simple average of beginning and end of term balance sheet figures) X 100
Overhead ratio = (Personnel expenses+Non-personnel expenses (Note 2)) / Gross profit on revenues X 100
Note 1: Non-personnel expenses include amortization of goodwill.
Note 2: The figures of the loan business after the fiscal year ended March 2008 are combined with the figures of other businesses.

Five-Year Summary

Formerly Tokyo Leasing Co., Ltd. and Consolidated Subsidiaries
Years ended March 31

Millions of yen

	2005	2006	2007	2008	2009
Operating Results					
Revenues	¥ 395,437	¥ 398,052	¥ 451,122	¥ 435,277	¥ 476,217
Leasing	294,888	310,664	359,629	343,191	391,672
Installment sales	83,257	74,363	78,072	77,196	69,133
Loans	3,211	3,384	4,078	5,092	5,170
Other businesses	14,080	9,638	9,342	9,796	10,241
Costs	365,816	367,089	415,794	403,239	438,130
Leasing	268,262	283,745	325,067	310,630	349,009
Installment sales	78,090	69,514	73,013	71,420	64,705
Loans	57	8	30	23	28
Other businesses	11,680	7,468	6,394	6,552	7,813
Cost of funds	7,725	6,353	11,288	14,613	16,573
Gross profit on revenues	29,620	30,962	35,327	32,037	38,087
Sales revenues (Gross profit on revenues before deducting cost of funds)	37,346	37,315	46,616	46,650	54,661
SG&A expenses	16,607	15,958	17,346	19,375	25,701
Personnel and non-personnel expenses (Note 1)	15,024	15,738	16,886	17,337	18,823
Bad debt expenses	1,583	219	459	2,037	6,877
Operating income	13,013	15,004	17,981	12,662	12,386
Ordinary income (Income before extraordinary items and income taxes)	13,383	15,676	18,419	12,144	12,404
Extraordinary gains (losses)	(9,352)	4,462	(14,133)	(907)	(4,337)
Net income (loss)	2,912	12,847	(3,801)	6,717	4,071
Financial Condition					
Total assets	¥ 1,025,765	¥ 1,137,472	¥ 1,339,637	¥ 1,289,481	¥ 1,577,849
Operating assets	921,060	1,022,711	1,156,399	1,150,965	1,372,929
Leasing	678,244	737,218	823,037	790,563	991,436
Installment sales (after deducting deferred profit on installment sales)	152,761	149,083	158,170	163,398	155,715
Loans	80,682	117,108	151,899	159,674	173,277
Other businesses	9,371	19,300	23,291	37,329	52,499
Uncollectible receivables (bad debts after allowance for doubtful accounts)	1,268	848	794	1,073	4,924
Interest-bearing debt	885,685	958,810	1,177,103	1,130,439	1,363,113
Equity	60,014	74,224	64,847	69,353	64,614
Cash Flows					
Net cash provided by (used in) operating activities	¥ 8,612	¥ (77,926)	¥ (87,409)	¥ 7,115	¥ 42,552
Net cash provided by (used in) investing activities	1,787	4,760	(898)	(10,993)	(20,794)
Net cash provided by (used in) financing activities	(13,499)	66,001	171,267	(52,319)	49,331
Cash and cash equivalents at end of year	11,514	4,377	87,645	31,477	104,293
Per Share Data					Yen
Net income (loss)	45.3	200.2	(59.3)	104.8	63.5
Net assets	935.7	1,157.4	1,011.4	1,081.7	1,007.8
Dividends (non-consolidated)	12.0	18.0	22.0	24.0	26.0
Major Ratios					
Return on equity (ROE)	4.9%	19.1%	(5.5%)	10.0%	6.1%
Return on assets (ROA)	1.3%	1.4%	1.5%	0.9%	0.9%
Equity ratio	5.9%	6.5%	4.8%	5.4%	4.1%
Overhead ratio	50.7%	50.8%	47.8%	54.1%	49.4%

Revenues do not include internal revenues or transfers between segments.
ROE = Net income / Equity (simple average of beginning and end of term balance sheet figures) X 100
ROA = Ordinary income / Total assets (simple average of beginning and end of term balance sheet figures) X 100
Overhead ratio = (Personnel expenses+Non-personnel expenses (Note 2)) / Gross profit on revenues X 100
Note 1: Non-personnel expenses include amortization of goodwill.

Overview of Results

The value of new contracts executed in the fiscal year ended March 2009 was ¥312,957 million (down 6.2% year on year), and the balance of operating assets was ¥727,086 million (down 0.5% as compared with the end of the previous accounting period).

In profit and loss, the total revenues were ¥266,730 million (down 13.2% year on year), partly due to changes in accounting procedures. Ordinary income was ¥9,870 million (down 3.4% year on year), partly owing to increase in allowance for doubtful accounts, despite recording earnings by the interest method with the application of the new Accounting Standard for Lease Transactions. Net income was ¥5,958 million (down 8.8% year on year), partly due to recording extraordinary losses including valuation loss on investments in securities.

Results of Operations

Revenues

Total revenues decreased by ¥40,447 million year on year (down 13.2%) to ¥266,730 million. Viewing by each segment, revenues from the leasing business declined ¥30,230 million (12.0%) and revenues from the installment sales business declined ¥10,975 million (21.3%). Revenues from the loan business grew ¥309 million (15.8%), and revenues from other businesses grew ¥449 million (35.5%).

The main causes of these results were the change in accounting treatment of securitization transactions for lease receivables from loans to sales, and the lack of revenues generated due to mid-contract cancellation and expiration of large-lot accounts that existed during the previous accounting period.

Gross Profit, Operating Income, Ordinary Income

Gross profit grew ¥1,495 million year on year (7.6%) to ¥21,178 million. This was because the application of the new Accounting Standard for Lease Transactions resulted in changing the previous method of recording lease contract related allowance for doubtful accounts as cost of sales to recording them as selling, general and administrative expenses, and because the application of the new Accounting Standard for Lease Transactions resulted in changing the method for recording earnings from the previous lease period straight-line method to the interest method.

Selling, general and administrative expenses grew ¥1,819 million year on year (16.8%) to ¥12,667 million, partly due to recording lease contract related allowance for doubtful accounts. This resulted in the operating income decreasing by ¥324 million year on year (3.7%) to ¥8,511 million. Ordinary income also decreased by ¥344 million year on year (3.4%) to ¥9,870 million.

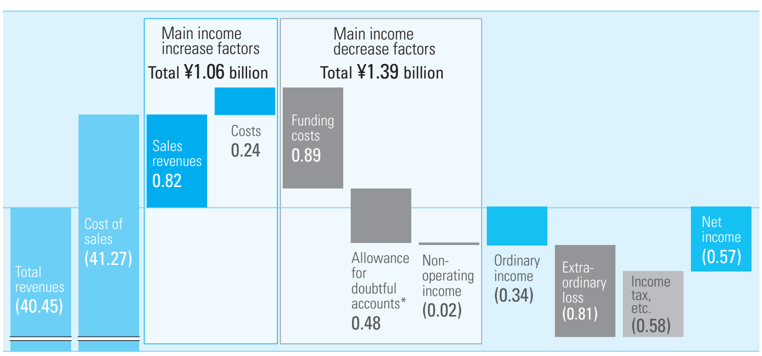
Net Income

Extraordinary income grew ¥666 million, partly due to gain on sale of receivables resulting from the sales transactions of securitized lease receivables. Extraordinary losses increased by ¥1,474 million due to increase in valuation loss on investments in securities, merger related costs, etc. As a result, income before income taxes and minority interests declined by ¥1,152 million year on year (11.4%) to ¥8,976 million. Net income declined by ¥574 million year on year (8.8%) to ¥5,958 million.

As a result, ROE declined 1.5 points to 10.1% and ROA declined by 0.1 points to 1.2%.

Main factors of increase and decrease in net income (consolidated)

Billions of yen



* Change in allowance for doubtful accounts accrued

Cost of sales declined, partly due to application of new accounting standards, resulting in sales revenues growing by ¥0.82 billion. Personnel costs also declined, mainly due to retirement pension system changes, resulting in costs falling by ¥0.24 billion. These positive factors combined to increase income by ¥1.06 billion.

On the other hand, negative factors combined to reduce income by ¥1.39 billion, due to cost of funds rising by ¥0.89 billion, allowance for doubtful accounts rising by ¥0.48 billion, etc.

As a result, there was a ¥0.34 billion year-on-year decline at the ordinary income level; extraordinary loss increased by ¥0.81 billion, and net income decreased by ¥0.57 billion.

Financial Condition

Total Assets

Total assets grew by ¥45,025 million (5.6%) as compared with the end of the previous accounting period, to ¥845,950 million. The main factors for the increase were the growth in cash and deposits, decrease due to reclassification by the application of the new Accounting Standard for Lease Transactions, and growth in operating assets due to operating activities.

Operating Assets

Value of New Contracts

The value of new contracts executed for the leasing business declined by ¥7,284 million year on year (3.4%), and for the installment sales business, they declined by ¥23,618 million (50.8%) as compared with the previous accounting period. On the other hand, the value of new contracts executed for the loan business grew by ¥6,561 million (9.2%), and for other businesses, they grew by ¥3,791 million. As a result, the total value of new contracts executed declined by ¥20,549 million year on year (6.2%) to ¥312,957 million.

Balance of Operating Assets

The balance of operating assets for leased assets decreased by ¥1,075 million (0.2%), and the balance of the installment sales receivables decreased by ¥16,468 million (15.8%), as compared with the end of the previous accounting period. The balance of loans outstanding for the loan business grew by ¥10,819 million (14.0%), and the balance of assets for other businesses grew by ¥3,196 million (128.9%). As a result, the balance of operating assets decreased by ¥3,529 million (0.5%) as compared with the end of the previous accounting period, to ¥727,086 million.

In particular, leased assets decreased by ¥39,253 million due to moving securitized receivables assets off the balance sheet. On the other hand, they increased by ¥19,784 million due to reclassifications such as recording in assets of other companies' shares in syndicated leases, and increased by ¥18,394 million partly due to operating activities. As a result, the balance of leased assets decreased by ¥1,075 million as compared with the end of the previous accounting period, to ¥545,067 million.

Condition of Bad Debts

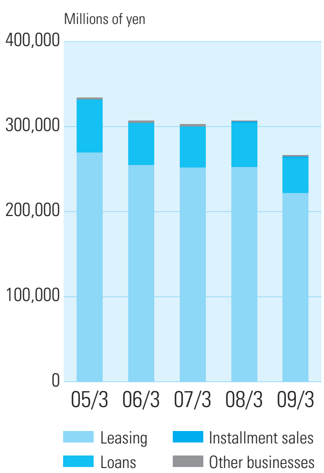
In the fiscal year ended March 2009, recessionary type bad debts increased, impacted by the weak economy. Viewing by each industry, many bad debts arose in the real estate and construction industries, which were impacted by the financial crisis, comprising nearly 30% of bad debts.

Liabilities

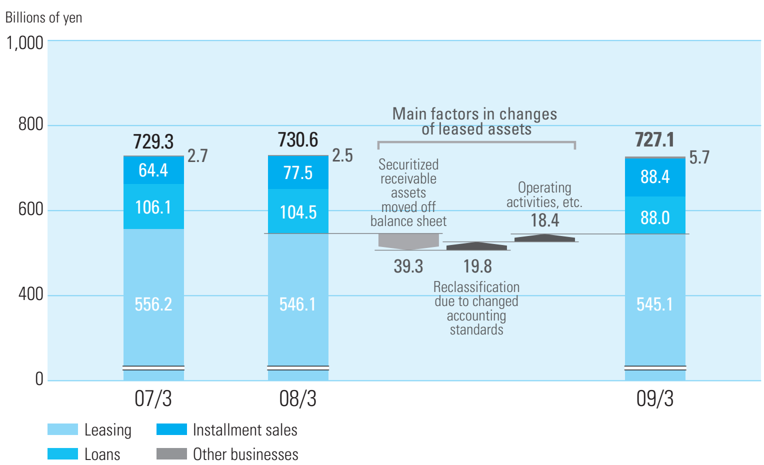
Total liabilities increased by ¥41,953 million (5.6%) as compared with the end of the previous accounting period, to ¥785,180 million. Of these, end of period interest-bearing debt (excluding lease debt) increased by ¥28,681 million (4.3%) as compared with the end of the previous accounting period, to ¥690,652 million.

For indirect funding, long-term debt decreased by ¥2,060 million (0.7%), while short-term borrowings increased by ¥6,253 million (5.3%), resulting in total indirect borrowings increasing by ¥4,193 million (1.0%) as compared with the end of the previous accounting period, to ¥417,185 million. In direct funding, commercial papers decreased by ¥15,000 million (7.7%) and

Total revenues



Balance of operating assets (consolidated)



corporate bonds decreased by ¥4,000 million (27.6%), while debt payable accompanying securitized receivables increased by ¥43,487 million (109.3%). This resulted in total direct debt increasing by ¥24,487 million (9.8%) as compared with the end of the previous accounting period, to ¥273,466 million. As a result, the direct funding ratio was 39.6%, up 2.0 points as compared with the end of the previous accounting period.

Securing Liquidity

In order to secure liquidity, the former Century Leasing System Group has signed account overdraft agreements and commitment line agreements with major financial institutions. We secured sufficient liquidity of funds as of the end of this period, with ¥129,000 million (non-consolidated basis) of unborrowed balances under account overdraft agreements and commitment line agreements.

Net Assets

Net assets grew by ¥3,072 million (5.3%) as compared with the end of the previous accounting period, to ¥60,770 million. The main factors in the change were an increase in retained earnings of ¥4,498 million (11.5%), and a decrease in net unrealized gain on available-for-sale securities of ¥1,063 million (96.3%). As a result, the shareholders' equity ratio was 7.2%, unchanged from the end of the previous consolidated accounting period.

Cash Flow

The end of the period balance of cash and cash equivalents increased by ¥59,538 million as compared with the end of the previous accounting period, to ¥67,387 million. In cash flows from operating activities, outflow due to increases and decreases related to lease transactions exceeded the inflow due to decrease in installment receivables balance. etc., resulting in ¥5,544 million net cash used. Net cash used in investing activities was ¥2,282 million, partly due to sales and redemptions of investments in securities. We considerably increased fund procurement in order to secure sufficient liquidity of funds, resulting in ¥67,497 million net cash provided by financing activities.

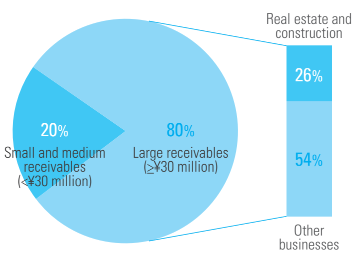
Dividends in Fiscal Year Ended March 2009

Considering that efforts for continual business expansion and stronger corporate foundations lead to greater corporate value, we are working to enhance internal reserves to achieve these goals, and our basic policy toward our shareholders is to return profits on a long-term and stable basis. We will effectively utilize internal reserve funds, such as allocating funds to purchase good quality operating assets.

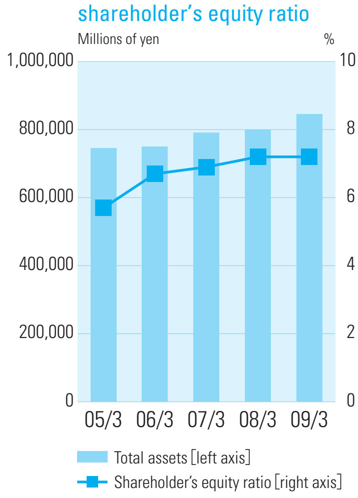
Dividends were raised ¥2 above the previous fiscal year to ¥28 per share, for five consecutive fiscal years of dividend growth since our stock's listing in 2003.

Condition of bad debt (consolidated)

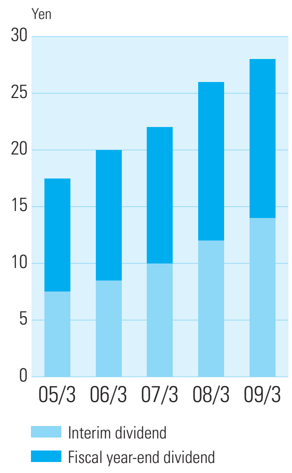
New Bad Debts Composition



Total assets and shareholder's equity ratio



Dividends per share



Overview of Results

The value of new contracts executed in the fiscal year ended March 2009 was ¥519,873 million (up 2.3% year on year), and the balance of operating assets was ¥1,372,929 million (up 19.3% as compared with the end of the previous accounting period).

In profit and loss, the total revenues were ¥476,217 million (up 9.4% year on year). Despite increase in allowance for doubtful accounts, ordinary income was ¥12,404 million (up 2.1% year on year), due to higher profits owing to the application of the new Accounting Standard for Lease Transactions, contribution to earnings by Fujitsu Leasing Co., Ltd., and improved non-operating income. However, net income was ¥4,071 million (down 39.4% year on year) due to a valuation loss on investments in securities, provision of allowance for doubtful accounts, etc.

Results of Operations

Revenues

Total revenues increased by ¥40,940 million year on year (9.4%) to ¥476,217 million, partly as a result of converting Fujitsu Leasing Co., Ltd. into a consolidated subsidiary. Viewing by each segment, revenues from the leasing business grew ¥48,481 (14.1%), but revenues from the installment sales business declined ¥8,063 (10.4%). Revenues from the loan business grew ¥78 million (1.5%) and other businesses grew ¥445 million (4.5%).

Gross Profit, Operating Income, Ordinary Income

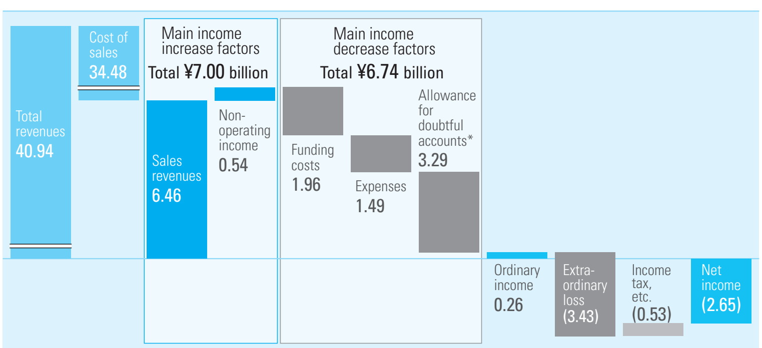
Gross profit grew ¥6,049 million year on year (18.9%) to ¥38,087 million. Selling, general and administrative expenses increased by ¥6,326 year on year (32.6%) to ¥25,701 million. Expenses (personnel expenses and non-personnel expenses) increased by ¥1,485 million (8.6%) to ¥18,823 million, partly as a result of converting Fujitsu Leasing Co., Ltd. into a consolidated subsidiary. Provision of allowance for doubtful accounts increased by ¥4,840 million (237.5%) to ¥6,877 million. This resulted in operating income decreasing by ¥276 million year on year (2.2%) to ¥12,386 million. Ordinary income increased by ¥260 million year on year (2.1%) to ¥12,404 million, partly due to recording foreign exchange gain in non-operating income.

Net Income

Extraordinary income decreased by ¥790 million, partly due to lower gain on sale of investments in securities. Extraordinary losses grew ¥2,641 million, due to recording a ¥2,242 million valuation loss on investments in securities, the application of the new Accounting Standard for Lease Transactions resulting in the recording of ¥1,300 million provision of allowance for doubtful accounts against lease investment assets at the beginning of the period, and recording merger related costs, etc. As a result, income before income taxes and minority interests declined by ¥3,170 million year on year (28.2%) to ¥8,067 million. Net income declined by

Main factors of increase and decrease in net income (consolidated)

Billions of yen



* Change in allowance for doubtful accounts accrued

Converting Fujitsu Leasing Co., Ltd. into a consolidated subsidiary and other factors increased sales revenues by ¥6.46 billion. Further, non-operating income improved by ¥0.54 billion, partly due to recording foreign exchange gains. These positive factors combined to increase income by ¥7 billion.

On the other hand, a combination of negative factors reduced income by ¥6.74 billion, due to cost of funds rising by ¥1.96 billion, allowance for doubtful accounts rising by ¥3.29 billion, etc.

As a result, there was a ¥0.26 billion year-on-year increase at the ordinary income level; extraordinary loss increased by ¥3.43 billion, and net income decreased by ¥2.65 billion.

¥2,646 million year on year (39.4%) to ¥4,071 million.

As a result, ROE declined 3.9 points to 6.1% and ROA remained the same as the previous fiscal year, at 0.9%.

Financial Condition

Total Assets

Total assets grew by ¥288,367 million (22.4%) as compared with the end of the previous accounting period, to ¥1,577,849 million. The main factors for the increase were converting Fujitsu Leasing Co., Ltd. into a consolidated subsidiary, in addition to growth in cash and deposits resulting from efforts to secure the liquidity of funds in response to the recent financial conditions.

Operating Assets

Value of New Contracts

The value of new contracts executed for the leasing business grew by ¥59,757 million year on year (23.6%). On the other hand, the value of new contracts executed for the installment sales business declined by ¥34,412 million (38.1%), and for the loan business, by ¥25,544 million (16.9%). In other businesses, the value of new contracts executed grew by ¥11,896 million (84.8%). As a result, the total value of new contracts executed grew by ¥11,697 million year on year (2.3%) to ¥519,873 million.

Balance of Operating Assets

The balance of operating assets for leased assets grew by ¥200,873 million (25.4%), but the balance of installment sales receivables decreased by ¥7,683 million (4.7%), as compared with the end of the previous accounting period. The balance of loans outstanding for the loan business assets grew by ¥13,603 million (8.5%), partly due to ship and real estate related financing, and the balance of assets for other businesses grew by ¥15,170 million (40.6%). As a result, the balance of operating assets grew by ¥221,963 million (19.3%) as compared with the end of the previous accounting period, to ¥1,372,929 million.

In particular, leased assets decreased by ¥56,662 million due to moving securitized receivable assets off the balance sheet. On the other hand, they increased by ¥54,570 million due to changes in accounting standards, and increased by ¥202,965 million due to converting Fujitsu Leasing Co., Ltd. into a consolidated subsidiary, etc. As a result, the balance of leased operating assets grew by ¥200,873 million as compared with the end of the previous accounting period, to ¥991,436 million.

Condition of Bad Debts

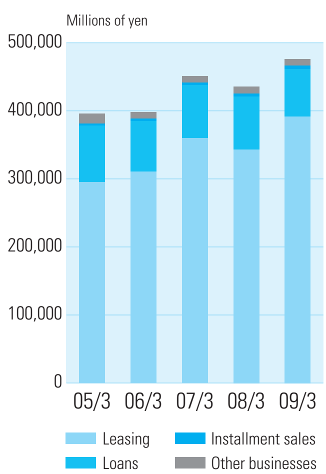
The real estate and construction industries comprise 40% of all bad debts. Bad debts of real estate finance for new developers were especially prominent.

Liabilities

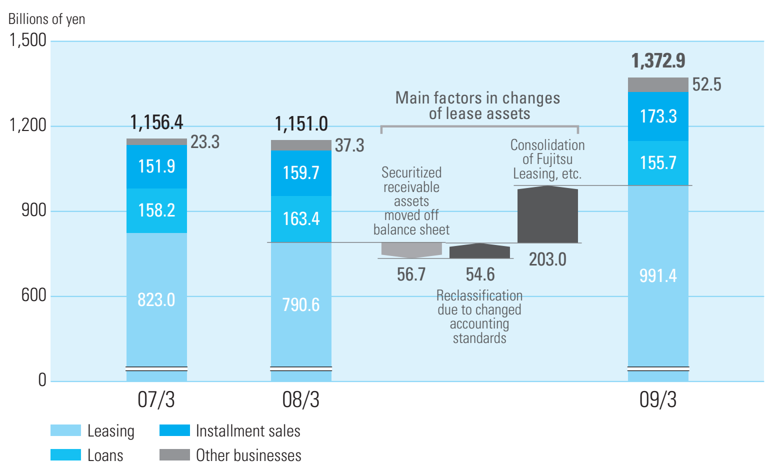
Total liabilities increased by ¥285,618 million (23.4%) as compared with the end of the previous accounting period, to ¥1,505,398 million. Of these, the end of period interest-bearing debt (excluding lease debt) increased by ¥232,674 million (20.6%) as compared with the end of the previous accounting period, to ¥1,363,113 million.

For indirect funding, partly due to converting Fujitsu Leasing Co., Ltd. into a consolidated subsidiary, long-term debt increased by ¥288,402 million (58.4%), and short-term borrowings increased by ¥21,886 million (10.4%), resulting in the total indirect borrowings increasing by ¥310,289 million (44.0%) as compared with the end of the previous accounting period, to

Total revenues



Balance of operating assets (consolidated)



¥1,015,213 million. In direct funding, commercial paper increased by ¥12,000 million (3.7%) and corporate bonds decreased by ¥18,300 million (83.9%), while securitized receivables that met certain conditions and were treated as sold (moved off the balance sheet) decreased debts payable by ¥71,314 million (86.3%). This resulted in the total direct debt decreasing by ¥77,614 million (18.2%) as compared with the end of the previous accounting period, to ¥347,900 million. As a result, the direct funding ratio was 25.5%, down 12.1 points year on year.

Securing Liquidity

For the stable expansion of our funding base, in addition to diversifying our funding means, the former Tokyo Leasing Group has signed account overdraft agreements and commitment line agreements with major financial institutions. We secured sufficient liquidity of funds as of the end of this period, with ¥201,400 million (non-consolidated basis) of unborrowed balances under account overdraft agreements and commitment line agreements.

Net Assets

Net assets grew by ¥2,751 million (3.9%) as compared with the end of the previous accounting period, to ¥72,451 million. The main factor in the change was an increase in minority interests resulting from converting Fujitsu Leasing Co., Ltd. into a consolidated subsidiary.

On the other hand, shareholders' equity decreased by ¥4,740 million (6.8%) to ¥64,614 million. This was because despite an increase in retained earnings, net unrealized gain on available-for-sale securities decreased by ¥2,837 million (106.8%), and foreign currency translation adjustments decreased by ¥3,460 million (619.5%) as the yen traded high on the translation date. As a result, the shareholders equity ratio declined by 1.3 points to 4.1%.

Cash Flow

The end of period balance of cash and cash equivalents increased by ¥72,816 million as compared with the end of the previous accounting period, to ¥104,293 million. In cash flows from operating activities, inflow due to collection of receivables based on lease and installment contracts exceeded the outflow due to new contracts, resulting in the provision of ¥42,552 million net cash. Net cash used in investing activities was ¥20,794 million, due to the acquisition of additional shares of Fujitsu Leasing Co., Ltd., and loans provided, etc. We increased fund procurement in order to secure liquidity of funds, resulting in the provision of ¥49,331 million net cash by financing activities.

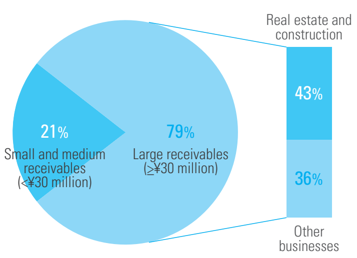
Dividends in Fiscal Year Ended March 2009

Tokyo Leasing Group's basic policy on the return of profits to shareholders is to continue steady dividend payments, while striving to strengthen its business and financial foundation from a long-term perspective, and comprehensively considering enhancing internal reserves to prepare for future business development, business results, dividend payout ratio, etc.

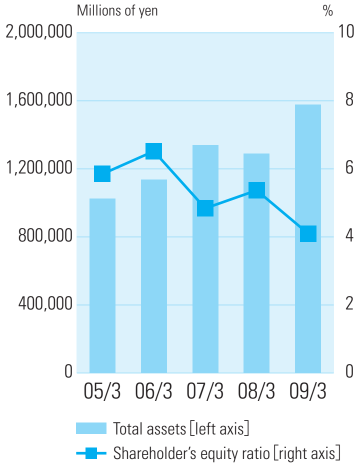
Dividends were raised ¥2 above the previous fiscal year to ¥26 per share, for 11 consecutive fiscal years of dividend growth since the fiscal year ended March 1999.

Condition of bad debt (consolidated)

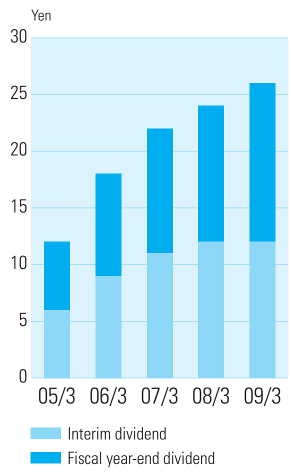
New Bad Debts Composition



Total assets and shareholder's equity ratio



Dividends per share



Fiscal 2009 Outlook

As global financial insecurities are continuing over a long period, Japan's economy is expected to require time for the corporate earnings environment to recover, and stagnant personal consumption is expected to continue due to the deteriorating employment and income environment.

Regarding consolidated results for the fiscal year ending March 2010, information system integration costs and other merger related costs will be incurred, but allowance for doubtful accounts and valuation loss on investments in securities are expected to decrease, resulting in a forecast total revenues of ¥760 billion (up 2.3% year on year), operating income ¥24.5 billion (up 17.2% year on year), ordinary income ¥27 billion (up 21.2% year on year), and net income ¥15 billion (up 49.6% year on year). (Year on year percentages are calculated by combining the figures for the former CLS and TLC from consolidated results in the fiscal year ended March 2009)

Further, for the next period's dividends, in response to the support by shareholders, we are planning an annual ¥28 per share (interim dividend ¥14, end of period dividend ¥14).

Listed below are risks that may influence, among others, Century Tokyo Leasing Group's business performance, stock prices, and financial situation.

Business and Other Risks

(1) Credit Risk

Leasing transactions are those in which credit is provided to a customer on an unsecured basis, in principle, over a relatively long term (an average of about five years) and the expected profit is secured only when the full amount of the leasing fee, etc., is collected from the customer. However, if there is a non payment by the customer or a similar incident, we collect as much as possible through such measures as selling the leased property in question or leasing it to another customer.

The Group strives to minimize credit risks through cautious credit management, the ascertaining of properties, and by controlling credit risks in the portfolio of operating assets, but the Group's performance may be affected if bad debts newly arise as a result of deterioration in the credit situations of companies, depending on future economic trends.

(2) Impacts of Interest Rate Volatility and Changes in the Fund Procurement Environment

In our main business of lease and installment sales transactions, leasing fees are set on the basis of the property purchase price, interest rate level when the contract is signed, etc., and leasing fees do not vary during the contract period. On the other hand, the portion of the cost of funds (financing costs), which is the cost of lease transactions, is affected by fluctuations in market interest rates because funds are also raised by variable interest rates, in addition to long-term fixed funding. Therefore, if market interest rates rise, the cost of funds may increase.

Fund procurement by the Group, in addition to indirect funding, includes direct funding by way of commercial paper, corporate bonds, etc. Depending on changes in the funding environment, there may be impacts on fund procurement.

As mentioned above, depending on interest rate volatility and changes in the funding environment, there may be impacts on the Group's results. However, the Group strictly controls these fund procurement related risks on the basis of the ALM (Asset Liability Management) analysis, and hedges risks as necessary.

(3) Business Performance in the Past Five Terms and the Trend in Private Capital Investment

The values of private capital investment and capital investment financed by leasing in the past five years are interrelated, although there are temporary differences. Such a trend is expected to continue in the future.

The Group's change in value of contracts and the changes in values of private capital investment and capital investment financed by leasing have not necessarily coincided in recent years, but the Group's performance may be affected if a large decrease in the value of private capital investment occurs in the future accompanied by a large decline in the value of capital investment financed by leasing.

(4) Stock Price Volatility Risk

The Group holds securities, for the purpose of strengthening relationships with partner companies. The Group periodically reviews stocks held corresponding to individual business relationships, but depending on future stock price volatility, there may be impacts on the Group's results.

(5) System Change Risk

The Group is developing its business on the basis of current legal, tax and accounting system and standards, etc. If these systems change considerably in the future, there may be impacts on the Group's results.

(6) Other Risks

In addition to the above risks, there are information system risks such as failure and error of the computer systems, which cover a wide range of activities such as sales relationships, contract management, asset management and statistical operations, administrative risks due to improper administrative procedures, residual value risk that actual disposal values are below initial estimated residual values of lease property, and compliance risk of loss of social trust resulting from incompliance with laws or regulations or social norms, etc.

Changes in Private Capital Investment and Capital Investment Financed by Leasing

¥100 million

	FY2004	FY2005	FY2006	FY2007	FY2008
Private Capital Investment (a)	715,037	759,010	804,647	826,707	**755,648**
YoY comparison	106.1%	106.1%	106.0%	102.7%	**91.4%**
Capital Investment Financed by Leasing (b)	68,086	71,017	71,213	63,420	**54,444**
YoY comparison	103.3%	104.3%	100.3%	89.1%	**85.8%**
Ratio of Capital Investment Financed by Leasing to Private Capital Investment (b)÷(a)	9.5%	9.4%	8.9%	7.7%	**7.2%**
Newly Executed Lease Contracts of the Former CLS Group	2,455	2,482	2,388	2,154	**2,081**
YoY comparison	—	101.1%	96.2%	90.2%	**96.6%**
Newly Executed Lease Contracts of the Former TLC Group	2,816	3,255	3,262	2,529	**3,127**
YoY comparison	—	115.6%	100.2%	77.5%	**123.6%**
(Reference)					
Newly Executed Lease Contracts of Both Former groups	5,271	5,737	5,650	4,683	**5,208**
YoY comparison	—	108.8%	98.5%	82.9%	**111.2%**

(Notes) 1. Private capital investment is based on a survey by the Cabinet Office. The figures for FY2008 are preliminary figures announced on June 11, 2009.
2. Capital investment financed by leasing is statistical data released by the Japan Leasing Association.

Consolidated Balance Sheets

Century Tokyo Leasing Corporation and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

CLS

	Millions of yen		Thousands of U.S. dollars (Note1)
Assets	2009	2008	2009
Current assets:			
Cash and cash equivalents	¥ 67,387	¥ 7,849	$ 687,622
Accounts receivable (Notes 5 and 13):			
Installment sales	96,135	114,569	980,969
Lease receivables and investment assets	506,122	—	5,164,510
Loans	88,351	77,532	901,541
Leases	5,356	14,538	54,653
Other	456	255	4,653
Allowance for doubtful accounts	(3,381)	(802)	(34,500)
Inventories	66	118	673
Deferred tax assets (Note 7)	411	696	4,194
Other	9,891	3,667	100,930
Total current assets	770,794	218,422	7,865,245
Investments and other assets:			
Investments in securities (Notes 4 and 5):			
Unconsolidated subsidiaries and affiliates	10,264	9,084	104,735
Other securities	11,912	12,783	121,551
Long-term loans and other assets	9,443	5,888	96,357
Deferred tax assets (Note 7)	3,653	4,353	37,276
Allowance for doubtful accounts	(1,062)	(553)	(10,838)
Total investments and other assets	34,210	31,555	349,081
Property and equipment, at cost less accumulated depreciation:			
Leased assets	38,831	452,168	396,235
Own assets in use	936	1,017	9,551
Property and equipment, net	39,767	453,185	405,786
Intangible assets:			
Computer programs leased to customers	115	96,705	1,173
Other	1,064	1,058	10,858
Total intangible assets	1,179	97,763	12,031
Total assets	¥ 845,950	¥ 800,925	$ 8,632,143

Liabilities and net assets	Millions of yen 2009	2008	Thousands of U.S. dollars (Note1) 2009
Current liabilities:			
Short-term borrowings (Note 5)	¥ 307,385	¥ 312,131	$ 3,136,582
Current portion of long-term debt (Note 5)	135,453	110,822	1,382,173
Notes and accounts payable – trade	46,722	43,487	476,755
Lease obligations	4,837	—	49,357
Accrued income taxes	28	2,731	286
Advances received from customers	534	5,078	5,449
Deferred profit on installment sales	8,142	10,107	83,082
Other (Note 13)	8,569	8,914	87,438
Total current liabilities	511,670	493,270	5,221,122
Long-term liabilities:			
Long-term debt (Note 5)	247,815	239,018	2,528,724
Lease obligations	10,259	—	104,684
Retirement benefits (Notes 2.l and 8)	744	1,171	7,592
Guarantee deposits from customers (Note 13)	8,524	8,340	86,980
Other (Note 2.l)	6,168	1,428	62,939
Total long-term liabilities	273,510	249,957	2,790,919
Total liabilities	785,180	743,227	8,012,041
Contingent liabilities (Note 10)			
Net assets:			
Shareholders' equity (Notes 12 and 15):			
Common stock without par value:			
Authorized: 168,000,000 shares	11,867	11,867	121,092
Issued: 52,126,000 shares in 2009 and in 2008	5,538	5,538	56,510
Additional paid-in capital	43,713	39,215	446,051
Retained earnings			
Treasury stock: 789 shares in 2009 and 555 shares in 2008	(1)	(1)	(10)
Total shareholders' equity	61,117	56,619	623,643
Valuation, translation adjustments and other:			
Net unrealized holding gain on securities	40	1,103	408
Net unrealized losses on derivative instruments	(427)	(277)	(4,357)
Translation adjustments	(157)	21	(1,602)
Total valuation, translation adjustments, and other	(544)	847	(5,551)
Minority interests in consolidated subsidiaries	197	232	2,010
Total net assets	60,770	57,698	620,102
Total liabilities and net assets	¥ 845,950	¥ 800,925	$ 8,632,143

The accompanying notes are an integral part of these statements.

Consolidated Statements of Income

Century Tokyo Leasing Corporation and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

CLS

	Millions of yen		Thousands of U.S. dollars (Note1)
	2009	2008	2009
Revenues (Note 13):			
Leases	¥ 222,129	¥ 252,359	$ 2,266,622
Installment sales	40,621	51,596	414,500
Other	3,980	3,222	40,613
Total revenues	266,730	307,177	2,721,735
Costs:			
Leases	199,314	232,200	2,033,816
Installment sales	37,490	47,880	382,551
Interest expense (Note 2.f)	7,466	6,572	76,184
Other	1,282	842	13,082
Total costs	245,552	287,494	2,505,633
Gross profit	21,178	19,683	216,102
Selling, general and administrative expenses	12,667	10,848	129,255
Operating income	8,511	8,835	86,847
Other income (expenses):			
Interest and dividend income	285	174	2,908
Interest expense (Note 2.f)	(355)	(356)	(3,622)
Equity in earnings of affiliates	1,365	1,450	13,929
Gain on sale of investments in securities	229	88	2,337
Gain on adjustment due to changes of accounting standard for lease transactions	526	—	5,367
Loss on devaluation of investments in securities	(1,006)	—	(10,265)
Other, net	(579)	(63)	(5,909)
Income before income taxes and minority interests	8,976	10,128	91,592
Income taxes:			
Current	1,196	4,969	12,204
Deferred	1,812	(1,369)	18,490
	3,008	3,600	30,694
Minority interests	10	(4)	102
Net income (Note 15)	¥ 5,958	¥ 6,532	$ 60,796

The accompanying notes are an integral part of these statements.

Consolidated Statements of Changes in Net Assets

Century Tokyo Leasing Corporation and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

CLS

	Number of shares				Thousands of U.S. dollars (Note1)
		Thousands		Millions of yen	
	2009	2008	2009	2008	2009
Common stock					
Balance at beginning of year	52,126	52,126	¥ 11,867	¥ 11,867	$ 121,092
Balance at end of year	52,126	52,126	11,867	11,867	121,092
Additional paid-in capital					
Balance at beginning of year			5,538	5,538	56,510
Balance at end of year			5,538	5,538	56,510
Retained earnings					
Balance at beginning of year			39,215	33,934	400,153
Net income for year			5,958	6,532	60,786
Cash dividends			(1,460)	(1,251)	(14,898)
Balance at end of year			43,713	39,215	446,051
Treasury stock					
Balance at beginning of year	(1)	(1)	(1)	(1)	(10)
Acquisition of treasury stock	(0)	(0)	(0)	(0)	(0)
Balance at end of year	(1)	(1)	(1)	(1)	(10)
Total shareholders' equity			¥ 61,117	¥ 56,619	$ 623,643
Net unrealized holding gain on securities					
Balance at beginning of year			¥ 1,103	¥ 3,551	$ 11,255
Net changes during the year			(1,063)	(2,448)	(10,847)
Balance at end of year			40	1,103	408
Net unrealized losses on derivative instruments					
Balance at beginning of year			(277)	(80)	(2,827)
Net changes during the year			(150)	(197)	(1,530)
Balance at end of year			(427)	(277)	(4,357)
Translation adjustments					
Balance at beginning of year			21	3	224
Net changes during the year			(178)	18	(1,826)
Balance at end of year			(157)	21	(1,602)
Total valuation, translation adjustments and other			¥ (544)	¥ 847	$ (5,551)
Minority interests in consolidated subsidiaries					
Balance at beginning of year			¥ 232	¥ 231	$ 2,367
Net changes during the year			(35)	1	(357)
Balance at end of year			197	232	2,010
Total net assets			¥ 60,770	¥ 57,698	$ 620,102

The accompanying notes are an integral part of these statements.

Consolidated Statements of Cash Flows

Century Tokyo Leasing Corporation and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

CLS

	Millions of yen		Thousands of U.S. dollars (Note1)
	2009	2008	2009
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 8,976	¥ 10,128	$ 91,592
Adjustments to reconcile income before income taxes and minority interests to net cash provided by (used in) operating activities:			
Depreciation and amortization	8,903	209,183	90,847
Increase in allowance for doubtful accounts	993	828	10,133
Loss on disposal of leased assets	1,910	16,253	19,490
Loss on devaluation of investments in securities	1,006	—	10,265
Interest and dividend income	(285)	(174)	(2,908)
Interest expense	7,821	6,928	79,806
Gain on sale of investments in securities	(229)	(87)	(2,337)
Gain on adjustment due to changes of accounting standard for lease transactions	(526)	—	(5,367)
Decrease in installment sales receivable	15,287	1,602	155,990
Increase in lease receivables and investment assets	(17,527)	—	(178,847)
Increase in loans receivable	(10,819)	(13,105)	(110,398)
Purchases of leased assets	(8,150)	(215,419)	(83,163)
Increase in trade notes and accounts payable	3,265	1,237	33,316
Other, net	(2,729)	(4,571)	(27,848)
Subtotal	7,896	12,803	80,571
Interest and dividend income received	435	317	4,439
Interest expenses paid	(8,547)	(7,000)	(87,214)
Income taxes paid	(5,328)	(4,479)	(54,367)
Net cash provided by (used in) operating activities	(5,544)	1,641	(56,571)
Cash flows from investing activities:			
Purchases of own assets in use	(702)	(807)	(7,163)
Proceeds from sales/redemptions of investments in securities	2,376	549	24,245
Purchases of investments in securities	(4,071)	(3,216)	(41,541)
Collection of loans receivable	3,002	2	30,633
Payments of loans receivable	(3,000)	—	(30,612)
Other, net	113	(1)	1,152
Net cash used in investing activities	(2,282)	(3,473)	(23,286)
Cash flows from financing activities:			
Increase (decrease) in short-term borrowings, net	(8,498)	9,126	(86,714)
Proceeds from long-term debt	182,675	111,156	1,864,031
Repayment of long-term debt	(101,459)	(119,628)	(1,035,296)
Issuance of bonds	—	8,000	—
Redemption of bonds	(4,000)	(4,000)	(40,816)
Cash dividends paid	(1,460)	(1,251)	(14,898)
Other, net	239	26	2,438
Net cash provided by financing activities	67,497	3,429	688,745
Effect of exchange rate changes on cash and cash equivalents	(133)	1	(1,357)
Net increase in cash and cash equivalents	59,538	1,598	607,531
Cash and cash equivalents at beginning of year	7,849	6,251	80,091
Cash and cash equivalents at end of year	¥ 67,387	¥ 7,849	$ 687,622

The accompanying notes are an integral part of these statements.

1. Basis of Presentation

Century Tokyo Leasing Corporation (formerly, Century Leasing System, Inc.) (the "Company") and its consolidated subsidiaries (collectively, the "Group") maintain their books of account in accordance with the provisions set forth in the Corporation Law of Japan (the "Law") and the Financial Instruments and Exchange Law of Japan and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

The accompanying consolidated financial statements have been compiled from the consolidated financial statements of the Group, which were filed with the Director of the Kanto Local Finance Bureau as required by the Law. In preparing the accompanying consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan.

The translation of Japanese yen amounts into U.S. dollar amounts is included solely for convenience, as a matter of arithmetic computation only, at ¥98 = US$1.00, the approximate rate of exchange in effect on March 31, 2009. This translation should not be construed as a representation that Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollar amounts at this or any other rate.

2. Summary of Significant Accounting Policies

a) Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its significant subsidiaries over which the Company exerts control, principally Century Business Service, Inc.

Century Leasing (China) Co., Ltd.'s fiscal year-end is December 31, and its accounts have been included in consolidation with reasonable adjustments to conform them to the accounts as of March 31, 2009 and 2008.

The Company's share in the earnings or losses of affiliates over which it is able to exercise significant influence in terms of their operating and financial decisions is accounted for by the equity method and included in the consolidated operating results.

b) Foreign Currency Translation

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates in effect at the balance sheet date. Foreign exchange gain or loss on translation is recognized in the consolidated statements of income.

c) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits held at call with banks, and short-term investments with original maturities of three months or less which are readily convertible into cash and are subject only to an insignificant risk of any change in their value.

d) Lease Accounting

Lease revenues and the related costs on finance leases are recognized on receipt of lease fees.

Revenues from operating leases are recognized on a straight-line basis over the scheduled lease terms. Lease assets are depreciated by the straight-line method based on the scheduled lease terms of the respective assets.

e) Installment Sales

Installment sales and the related costs are recognized as each payment becomes due under the respective installment sales agreements.

f) Allocation of Interest Expense

Interest expense is allocated to cost of sales and other expenses based on the balances of the respective operating assets, which consist principally of accounts receivable and leased assets, and other assets. Interest expense classified as cost of sales is stated net of interest income.

g) Securities

Securities held by the Group are classified as available-for-sale securities. Marketable available-for-sale securities are carried at fair value with any unrealized gain or loss, net of the related income taxes, included as a separate component of shareholders' equity. Cost of securities sold is determined by on the moving average method. Other available-for-sale securities are stated at cost determined by the moving average method.

h) Inventories

Inventories are stated at cost, determined by the moving average method or net selling value (on the balance sheet, the value of inventories is written down based on any decrease in profitability).

(Change in accounting policy)

Effective the fiscal year ended March 31, 2009, the Company and its consolidated subsidiaries have applied the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No.9, issued on July 5, 2006). The effect of this change on the consolidated statement of income is immaterial.

i) Property and Equipment

Property and equipment is stated at cost less accumulated depreciation. Depreciation of assets owned and used by the Group is computed primarily by the declining-balance method (while the straight-line method is applied to buildings acquired on and after April 1, 1998) based on the estimated useful lives of the respective assets which range principally from three to forty-seven years for buildings, and from three to twenty years for equipment.

j) Computer Software

Costs related to software purchased for internal use are amortized by the straight-line method over the estimated useful life (generally five years).

k) Income Taxes

Provision is made for the Group's liability for various types of income taxes, i.e., corporation, inhabitants' and enterprise taxes.

Deferred income tax assets and liabilities for the years ended March 31, 2009 and 2008 reflect the impact of the temporary differences between the amounts of assets and liabilities determined for financial reporting purposes and the bases of such assets and liabilities as calculated for tax purposes after taking tax loss carry forwards into consideration.

l) Retirement Benefits

The Company and certain domestic subsidiaries have defined benefit plans covering substantially all employees other than directors and corporate auditors. Under the terms of these plans, eligible employees are entitled to lump-sum payments or pensions based on their level of compensation at termination and their years of service with the Company or the subsidiaries. To provide for a payments of these plans, the Company and certain domestic subsidiaries have joined a multi-employers' welfare pension fund (the "Fund") established in accordance with the Welfare Pension Insurance Law by the ITOCHU group companies.

To provide for payments to benefit plans for employees, retirement benefits have been accrued based on an estimate of the projected benefit obligation and the fair value of plan assets.

At March 31, 2008, retirement benefits to directors and corporate auditors accrued in accordance with the Group's internal rules amounted to ¥168 million.

In the past, the Company recognized an amount of directors and corporate auditors retirement benefits which would be required to be paid if all the directors and corporate auditors retired on the balance sheet date. However, as part of a review of retirement benefits, the Company reached a decision to abolish the retirement benefits to directors and corporate auditors. At the general meeting of shareholders held on June 20, 2008, it was subsequently resolved to pay the existing director and corporate auditor retirement benefits earned up to the abolishment of the former system.

In relation to this resolution, accrued retirement benefits to directors and corporate auditors have been reversed and unpaid amounts were ¥29 million ($296 thousand) and recognized in other long-term liabilities in the consolidated balance sheet at March 31, 2009.

m) Derivatives and Hedging Activities

The Group enters into interest-rate swap contracts and foreign exchange forward contracts in order to hedge interest-rate and foreign currency exchange rate exposure on certain liabilities and assets, including loans from banks, payables under securitized lease receivable, installment sales receivable and loans denominated in foreign currencies. The Group utilizes these derivatives to reduce the risk of cash flow fluctuation inherent in the liabilities and assets hedged, and such transactions are not entered into for speculative trading purposes.

For interest-rate swap contracts and forward foreign exchange contracts, the Group follows "Accounting Standard for Financial Instruments" and "Accounting Standard for Foreign Currency Transactions." More specifically, interest-rate swaps not designated as hedging instruments are recorded at fair value in the consolidated balance sheets. Interest-rate swaps which qualify for hedge accounting and meet specific matching criteria are not measured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense or income. Other interest-rate swaps which qualify for hedge accounting are measured at fair value as of the balance sheet date and the recognition of any unrealized gain or loss is deferred until maturity.

For forward foreign exchange contracts, the Group follows the accounting method specified in "Accounting Standard for Financial Instruments" ("Assignment Accounting"), if the contracts qualify for hedge accounting. Under this method, foreign currency transactions and the related monetary assets (installment sales receivable and loans receivable) are to be translated at the fixed yen amount of such foreign currency contracts at the settlement dates based on the contracted rates. The difference between this amount and the amount as translated at the current rate of exchange on the date of forward contract is allocated over the life of each contract.

With respect to portfolio hedge contracts as prescribed in the Industry Audit Committee Report No.19, "Temporary Treatment for Accounting and Auditing of Application of the Accounting Standards for Financial Instruments in the Leasing Industry," issued by the Japanese Institute of Certified Public Accountants, the Group records these derivatives at fair value in the consolidated balance sheets and defers any unrealized gain or loss as an asset or a liability, to the extent that the nominal principal amounts of the derivatives positions do not exceed the amounts of the underlying lease-related liabilities.

n) Appropriation of Retained Earnings

An appropriation of retained earnings with respect to a given financial period is made by resolution of a general meeting of shareholders to be held subsequent to the close of such financial period. The appropriation for the year ended March 31, 2009 has not been reflected in these consolidated financial statements.

On May 1, 2006, the Law, which superseded the Commercial Code of Japan (the "Code"), went into effect. Under the Code, the Company was permitted to declare semiannual and annual dividends. Under the Law, flexible payment of dividends is permissible subject to certain limits on appropriation of retained earnings and with the approval by resolution of the shareholders.

3. Accounting Changes

a) Accounting Standard for Lease Transactions

Finance lease transactions that do not transfer ownership to the lessee had been accounted for using the same method as that for operating lease transactions. However, the Company adopted the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13; June 17, 1993 (First Committee of the Business Accounting Council); revised March 30, 2007) and the "Implementation Guidance on Accounting Standard for Lease Transactions" (ASBJ Statement Guidance No.16 (Accounting System Committee of the Japanese Institute of Certified Public Accountants); revised March 30, 2007) which became effective from the fiscal year beginning on and after April 1, 2008. Under the standard, such leases are accounted for using the same method as sales transactions.

As for the accounting treatment for finance lease transactions that do not transfer ownership starting before the adoption, the amounts of "Leased assets" (excluding depreciation) at March 31, 2008 were recorded as the beginning balance of "Investment assets," and the amounts of rental revenues are recorded with the straight-line method based on the scheduled lease terms. As a result, for the year ended March 31, 2009 compared with the formerly applied treatment, "Current assets" increased by ¥505,853 million ($5,161,765 thousand). "Property and equipment" and "Current liabilities" decreased by ¥510,556 million ($5,209,755 thousand) and ¥4,703 million ($47,990 thousand), respectively. The effect of this change on the consolidated statement of income is immaterial.

Under the standard, the accounting of transactions for liquidation of lease receivables have been changed from accounts payable under securitized lease receivables in long-term liabilities to the same method as for sales transactions. As a result, compared with the former accounting method, "Current assets" and "Current liabilities" decreased by ¥39,253 million ($400,451 thousand) and ¥18,145 million ($185,153 thousand), respectively. On the other hand, "Operating income" decreased by ¥282 million ($2,878 thousand). "Income before income taxes and minority interests" increased by ¥243 million ($2,480 thousand).

b) Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements

Effective the fiscal year ended March 31, 2009, the Company has applied "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No.18 May 17, 2006) and has made the required adjustments to the consolidated financial statements.

The effect of this change on the consolidated statement of income is immaterial.

4. Investments in Securities

Other securities included in investments in securities at March 31, 2009 and 2008 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Equity securities	¥ 5,877	¥ 8,911	$ 59,969
Debt securities	760	10	7,755
Other	5,275	3,862	53,827
	¥ 11,912	¥ 12,783	$ 121,551

The carrying amounts and aggregate fair value of securities with determinable market value at March 31, 2009 and 2008 were as follows:

	Millions of yen			
	March 31, 2009			
	Cost or book value	Unrealized gain	Unrealized loss	Fair value
Available-for-sale securities:				
Equity securities	¥ 3,086	¥ 571	¥ 496	¥ 3,161
Debt securities	10	0	—	10

	Millions of yen			
	March 31, 2008			
	Cost or book value	Unrealized gain	Unrealized loss	Fair value
Available-for-sale securities:				
Equity securities	¥ 4,078	¥ 2,069	¥ 212	¥ 5,935
Debt securities	10	0	—	10

	Thousands of U.S. dollars			
	March 31, 2009			
	Cost or book value	Unrealized gain	Unrealized loss	Fair value
Available-for-sale securities:				
Equity securities	$ 31,490	$ 5,826	$ 5,061	$ 32,255
Debt securities	102	0	—	102

Available-for-sale securities whose fair value was not readily determinable as of March 31, 2009 and 2008 were as follows:

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Available-for-sale:			
Equity securities	¥ 2,716	¥ 2,976	$ 27,714
Debt securities	750	—	7,653
Other	5,275	3,862	53,827

Proceeds from sale of available-for-sale securities and the resulting realized gain or loss for the years ended March 31, 2009 and 2008 are summarized as follows:

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Proceeds	¥ 100	¥ 204	$ 1,020
Realized gain	95	88	969
Realized loss	—	—	—

The following is a summary of the contractual maturities of debt securities classified as available-for-sale securities at March 31, 2009:

	Millions of yen	Thousands of U.S. dollars
Due within one year	¥ 10	$ 102
Due after one to five years	750	7,653
Due after five to ten years	—	—
Due after ten years	—	—

5. Short-Term Borrowings, Long-Term Debt and Assets Pledged

Short-term borrowings at March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars	Weighted-average interest rate
	2009	2008	2009	
Short-term loans from banks	¥ 123,685	¥ 117,431	$ 1,262,092	1.19%
Commercial paper	179,700	194,700	1,833,674	1.09%
Payables under liquidation of lease receivables	4,000	—	40,816	1.30%
	¥ 307,385	¥ 312,131	$ 3,136,582	—

Long-term debt at March 31, 2009 and 2008 consisted of the following:

	Millions of yen		Thousands of U.S. dollars	Interest rate
	2009	2008	2009	
Unsecured bonds due 2010	¥ 10,000	¥ 10,000	$ 102,041	1.16%
Long-term loans, principally from banks	293,501	295,561	2,994,908	1.08% to 3.63%
Payables under securitized lease receivables	—	39,779	—	1.71% to 1.72%
Long-term payables under liquidation of lease receivables	79,267	—	808,846	1.71% to 1.72%
Medium-term notes	500	4,500	5,102	1.40%
Total	383,268	349,840	3,910,897	—
Less current portion	(135,453)	(110,822)	(1,382,173)	—
	¥ 247,815	¥ 239,018	$ 2,528,724	—

The Group has entered into overdraft contracts which provided the Group with the overdraft facilities with twenty-nine financial institutions, as of March 31, 2009 and 2008 amounting to ¥229,900 million ($2,345,918 thousand) and ¥229,400 million, respectively. The unused facilities maintained by the Group as of March 31, 2009 and 2008 amounted to ¥131,000 million ($1,336,735 thousand) and ¥140,500 million, respectively.

The aggregate annual maturity of long-term debt subsequent to March 31, 2009 is summarized as follows:

Year ending March 31,	Millions of yen	Thousands of U.S. dollars
2010	¥ 135,453	$ 1,382,173
2011	103,610	1,057,245
2012	70,708	721,510
2013	42,984	438,612
2014	27,535	280,969
2015 and thereafter	2,978	30,388
	¥ 383,268	$ 3,910,897

The Group's assets pledged as collateral, principally for long-term debt of ¥94,855 million ($967,908 thousand) at March 31, 2009, were as follows:

	Millions of yen	Thousands of U.S. dollars
Accounts receivable—installment sales	¥ 3,098	$ 31,612
Lease receivables and investment assets	112,893	1,151,970
Accounts receivable—loans	64	653
Investments in securities	5	51
	¥ 116,060	$ 1,184,286

6. Derivatives

In general, interest-rate swaps and foreign exchange forward contracts are exposed to market risk arising from fluctuation in interest rates and foreign exchange rates, and to credit risk arising from the potential for default by the counterparties. As the derivative instruments which the Group utilizes aim to reduce the risk of fluctuation in interest rates and foreign exchange rates associated with the underlying assets and liabilities hedged, these derivatives function to reduce the overall market risk to which the Group is subject. The Group believes that any related credit risk is very low because all counterparties to the derivatives position are financial institutions with high credit ratings.

With respect to the interest-rate swap contracts entered into by the Company, the Treasury Department, which is responsible for financing activities, handles the execution of, and monitors the internal control over, these transactions in accordance with the Company's internal regulations. Every month, the ALM Committee (whose Chairman is the Company's President) determines the Company's hedging strategy for the coming six months based on an analysis of market rate trends and the Treasury Department enters into derivatives transactions in accordance with this strategy.

The Treasury Department is also involved in the management of risk associated with foreign exchange rate fluctuation on an individual contract basis.

Before we execute the transactions of compound derivative instrument where credit derivatives are embedded, we sufficiently confer the type or management method of the risk beforehand, and then obtain approval in accordance with the Company's internal regulations.

The consolidated subsidiaries of the Company follow the Company's internal regulations, and semi-annually report to the Company the results of their hedging activities, the counterparties, the period remaining for each contract, and the fair value of the transactions. The consolidated subsidiaries of the Company, as of March 31, 2009, had no open derivatives positions.

The following table presents the derivatives positions outstanding at March 31, 2009 and 2008:

Millions of yen

	2009			2008		
	Contract amount (over one year)	Fair value	Unrealized gain (loss)	Contract amount (over one year)	Fair value	Unrealized gain (loss)
Interest-rate swap contracts:						
Fixed/paid; floating/received	¥ 1,460	¥ (194)	¥ (194)	¥ 1,488	¥ (297)	¥ (297)
	(1,460)			(1,460)		
Floating/paid; fixed/received	—	—	—	—	—	—
	(—)			(—)		
	¥ 1,460	¥ (194)	¥ (194)	¥ 1,488	¥ (297)	¥ (297)

Thousands of U.S. dollars

	2009		
	Contract amount (over one year)	Fair value	Unrealized gain (loss)
Interest-rate swap contracts:			
Fixed/paid; floating/received	$ 14,898	$ (1,980)	$ (1,980)
	(14,898)		
Floating/paid; fixed/received	—	—	—
	(—)		
	$ 14,898	$ (1,980)	$ (1,980)

Notes:

1. Interest-rate swap contracts and forward foreign exchange contracts which qualify for hedge accounting are excluded from the market value information disclosed above.
2. Fair value is derived from the net present value of the expected future cash flows discounted at the applicable interest rates in effect as of the respective balance sheet dates.

The following table presents the fair value of the portfolio hedge transactions outstanding at March 31, 2009 and 2008:

Millions of yen

	2009			2008		
	Contract amount (over one year)	Fair value	Unrealized gain (loss)	Contract amount (over one year)	Fair value	Unrealized gain (loss)
Interest-rate swap contracts:						
Fixed/paid; floating/received	¥ 100	¥ (0)	¥ (0)	¥ 150	¥ (0)	¥ (0)
	(100)			(150)		
Floating/paid; fixed/received	—	—	—	—	—	—
	(—)			(—)		
	¥ 100	¥ (0)	¥ (0)	¥ 150	¥ (0)	¥ (0)

	Thousands of U.S. dollars		
	2009		
	Contract amount (over one year)	Fair value	Unrealized gain (loss)
Interest-rate swap contracts:			
Fixed/paid; floating/received	$ 1,020	$ (0)	$ (0)
	(1,020)		
Floating/paid; fixed/received	—	—	—
	(—)		
	$ 1,020	$ (0)	$ (0)

7. Income Taxes

The Group is subject to Japanese national and local taxes which, in the aggregate, resulted in statutory tax rates of approximately 40.6% for the years ended March 31, 2009 and 2008. The following is a reconciliation between the statutory tax rates and the effective tax rate for the years ended March 31, 2009 and 2008.

	2009	2008
Statutory tax rates	40.6%	40.6%
Equity in earnings of affiliates	(6.2)	(5.8)
Entertainment expenses not qualified as tax deductions	0.6	0.8
Other	(1.5)	(0.1)
Effective tax rates	33.5%	35.5%

Temporary differences and tax loss carry forwards which gave rise to deferred tax assets and liabilities for the years ended March 31, 2009 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Deferred tax assets:			
Allowance for doubtful accounts	¥ 1,134	¥ 561	$ 11,571
Amortization of lease receivables and investment assets	784	—	8,000
Loss on devaluation of own assets in use	534	521	5,449
Depreciation	403	1,021	4,112
Retirement benefits	303	—	3,092
Amortization of property and equipment	—	961	—
Amortization of computer software	—	909	—
Other	928	1,822	9,470
Total deferred tax assets	4,086	5,795	41,694
Deferred tax liabilities:			
Net unrealized gain on available-for-sale securities	(22)	(746)	(224)
Total deferred tax liabilities	(22)	(746)	(224)
Net deferred tax assets	¥ 4,064	¥ 5,049	$ 41,470

8. Retirement Benefits

The following summarizes the funding status and amounts recognized in the consolidated balance sheets at March 31, 2009 and 2008 for the Company's and the consolidated domestic subsidiaries' defined benefit plans:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Projected benefit obligation	¥ (4,267)	¥ (7,219)	$ (43,541)
Fair value of plan assets	4,668	5,882	47,633
Unfunded benefit obligation	401	(1,337)	4,092
Unrecognized actuarial loss	313	334	3,194
Unrecognized prior service cost	(1,458)	—	(14,878)
Amount recognized	¥ (744)	¥ (1,003)	$ (7,592)

The following summarizes the components of the net periodic pension cost for employees for the years ended March 31, 2009 and 2008:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Service cost	¥ 142	¥ 289	$ 1,449
Interest cost	104	160	1,061
Expected return on plan assets	(47)	(57)	(480)
Amortization of actuarial loss (gain)	22	(26)	224
Amortization of prior service cost	(365)	—	(3,724)
Contribution to the fund	136	132	1,388
Contribution paid to the defined contribution pension plan	47	—	480
	¥ 39	¥ 498	$ 398

The Company had participated in a welfare pension fund, a lump-sum retirement payment plan, and a qualified pension plan. However, during the year ended March 31, 2009 the Company has changed benefit plans from these plans to a defined benefit plan and a defined contribution plan.

The following summarizes the impact of the transition.

	Millions of yen	Thousands of U.S. dollars
Decrease of projected benefit obligation	¥ 3,046	$ 31,082
Decrease of fair value of plan assets	(1,205)	(12,296)
Unrecognized actuarial gain	(68)	(694)
Unrecognized prior service cost	(1,822)	(18,592)
Decrease of provision for retirement benefits	(49)	(500)
Lump sum provision resulting from the system change	(96)	(980)
	¥ (145)	$ (1,480)

The following summarizes the most recent funded status of the pension plans.

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Pension plan assets	¥ 54,978	¥ 61,338	$ 561,000
Benefit obligations	(64,607)	(56,496)	(659,255)
Accrued retirement benefits for employees	¥ (9,629)	¥ 4,842	$ (98,255)

The difference above consisted of prior service cost under the pension programs of ¥3,561 million ($36,337 thousand) and a general reserve of ¥6,067 million ($61,908 thousand).

For the year ended March 31, 2008, the ratio of the Company's contributions against total contributions to the plans was 3.38%.

The assumptions used in determining the pension benefit obligation are shown below.

	2009	2008
Discount rate	2.5%	2.5%
Expected rate of return on plan assets	1.0%	1.0%
Period for the recognition of actuarial gain or loss	five years	five years

9. Lease Transactions

Finance leases of the Group which do not transfer ownership to the lessee are now capitalized as lease investment assets. Information relating to these finance leases at March 31, 2009 and for the year then ended is summarized as follows:

	Millions of yen	Thousands of U.S. dollars
Future lease payments	¥ 519,276	$ 5,298,735
Estimated residual value	28,467	290,480
Future interest income	(55,617)	(567,521)
	¥ 492,126	$ 5,021,694

The aggregate annual maturity of finance lease receivables which transfer ownership to the lessee subsequent to March 31, 2009 is summarized as follows:

	Millions of yen	Thousands of U.S. dollars
The Group as lessor:		
Due within one year	¥ 4,477	$ 45,684
Due after one to two years	3,637	37,112
Due after two to three years	3,204	32,694
Due after three to four years	2,406	24,551
Due after four to five years	1,222	12,469
Due after five years	348	3,551
	¥ 15,294	$ 156,061

The aggregate annual maturity of finance lease receivables which do not transfer ownership to the lessee subsequent to March 31, 2009 is summarized as follows:

	Millions of yen	Thousands of U.S. dollars
The Group as lessor:		
Due within one year	¥ 180,444	$ 1,841,265
Due after one to two years	138,033	1,408,500
Due after two to three years	95,318	972,633
Due after three to four years	57,779	589,582
Due after four to five years	26,231	267,663
Due after five years	21,471	219,092
	¥ 519,276	$ 5,298,735

As for the lease accounting treatment for finance lease transactions that do not transfer ownership to the lessee starting before April 1, 2008, the amounts of "Leased assets" (excluding depreciation) at March 31, 2008 were recorded as the beginning balance of "Investment assets," and the amounts of rental revenues were recorded by the straight-line method based on the scheduled lease terms. As a result, for the year ended March 31, 2009, "Income before income taxes and minority interests" decreased by ¥14,325 million ($146,173 thousand) compared with the amount that would have been reported under the accounting method used in the previous year.

Finance leases which do not transfer ownership to the lessee are accounted for in the same manner as operating leases. Information relating to finance leases of the Group at March 31, 2008 and for the year then ended is summarized as follows:

	Millions of yen
The Group as lessor:	
Acquisition cost	¥ 1,357,427
Accumulated depreciation	(846,251)
Net book value	¥ 511,176
Future minimum lease payments	¥ 508,743
Amount due within one year	177,427
Rental revenues	¥ 222,543
Depreciation expense	204,535
Rental revenues attributable to finance income	23,843

10. Commitments and Contingent Liabilities

The Group's contingent liabilities at March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
As a guarantor of indebtedness of:			
Employees	¥ 420	¥ 526	$ 4,286
Others	9,545	1,968	97,398
	¥ 9,965	¥ 2,494	$ 101,684

The Group, as lenders, have loan commitment agreements as of March 31, 2009 and 2008 amounting to ¥11,117 million ($113,439 thousand) and ¥18,193 million, respectively. The loans provided under these credit facilities as of March 31, 2009 and 2008 amounted to ¥4,316 million ($44,041 thousand) and ¥6,763 million, respectively. Many of the facilities may expire without being utilized and the loans provided are subject to periodic reviews of the borrowers' credit standing. The unused portion of these facilities may not be fully utilized.

11. Dividends

(1) Dividends paid to shareholders:

(Date of approval) Resolution approved by	Type of shares	Amount Millions of yen Thousands of U.S. dollars	Amount per share Yen U.S. dollars	Shareholders' cut-off date	Effective date
(June 20, 2008) Annual general meeting of shareholders	Common stock	¥ 730 $ 7,449	¥ 14.0 $ 0.14	March 31, 2008	June 23, 2008
(November 7, 2008) Board of directors	Common stock	¥ 730 $ 7,449	¥ 14.0 $ 0.14	September 30, 2008	December 8, 2008

(Date of approval) Resolution approved by	Type of shares	Amount Millions of yen Thousands of U.S. dollars	Amount per share Yen U.S. dollars	Shareholders' cut-off date	Effective date
(June 22, 2007) Annual general meeting of shareholders	Common stock	¥ 625 $ 6,378	¥ 12.0 $ 0.12	March 31, 2007	June 25, 2007
(October 26, 2007) Board of directors	Common stock	¥ 625 $ 6,378	¥ 12.0 $ 0.12	September 30, 2007	December 10, 2007

(2) Dividends with a shareholders' cut-off date during the current fiscal year but an effective date subsequent to the current fiscal year:

Resolution approved by (Date of approval)	Type of shares (Paid from)	Amount: Millions of yen / Thousands of U.S. dollars	Amount per share: Yen / U.S. dollars	Shareholders' cut-off date	Effective date
Annual general meeting of shareholders (June 17, 2009)	Common stock (Retained earnings)	¥ 730 $ 7,449	¥ 14.0 $ 0.14	March 31, 2009	June 18, 2009

12. Legal Reserve and Additional Paid-in Capital

In accordance with the Corporation Law of Japan (the "Law"), the Company provides a legal reserve which is included in retained earnings. The Law provides that an amount equal to 10% of the amounts to be disbursed as distributions of earnings be appropriated to the legal reserve until the sum of the legal reserve and additional paid-in capital equals 25% of the common stock account. The Law provides that neither additional paid-in capital nor the legal reserve is available for the payment of dividends, but both may be used to reduce or eliminate a deficit by resolution of the shareholders or may be transferred to common stock by resolution of the Board of Directors. The Law also provides that, if the total amount of additional paid-in capital and the legal reserve exceeds 25% of the amount of common stock, the excess may be distributed to the shareholders either as a return of capital or as dividends subject to the approval of the shareholders. Under the Law, such distributions can be made at any time by resolution of the shareholders or by the Board of Directors if certain conditions are met.

13. Related Party Transactions

Transactions with the principal shareholders for the years ended March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Revenues-leases	¥ 1,424	¥ 1,476	$ 14,531
Revenues-other	25	54	255
Purchases of leased assets	259	—	2,643

Amounts due from and to principal shareholders at March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Lease investment assets	¥ 4,223	¥ —	$ 43,092
Accounts receivable-leases	—	25	—
Guarantee deposits from customers	225	225	2,296

The transactions with affiliates for the years ended March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Collections on NCS' s accounts receivable	¥ 25,365	¥ 23,671	$ 258,827

Amounts due from and to affiliates at March 31, 2009 and 2008 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Collection of accounts receivable on behalf of NCS	¥ 1,612	¥ 1,653	$ 16,449

Condensed financial statements of NCS, an affiliated company, at March 31, 2009 were as follows.

	Millions of yen	Thousands of U.S. dollars
Total net assets	¥ 20,616	$ 210,367
Revenues	107,282	1,094,714
Income before income taxes	4,962	50,633
Net income	2,731	27,867

14. Segment Information

Information by business segment for the years ended March 31, 2009 and 2008 were as follows:

Millions of yen

By business segment	Year ended March 31, 2009					
	Leasing	Installment sales	Loans	Other	Elimination or corporate	Consolidated
(1)Operating revenues						
Revenue from customers	¥ 222,129	¥ 40,621	¥ 2,265	¥ 1,715	¥ —	¥ 266,730
Intersegment revenue	—	—	—	—	—	—
Total sales	222,129	40,621	2,265	1,715	—	266,730
Operating expenses	210,612	40,460	2,040	1,434	3,673	258,219
Operating income	¥ 11,517	¥ 161	¥ 225	¥ 281	¥ (3,673)	¥ 8,511
(2)Total assets, depreciation and capital expenditures						
Total assets	¥ 556,307	¥ 97,548	¥ 90,844	¥ 6,511	¥ 94,740	¥ 845,950
Depreciation	8,903	—	—	—	443	9,346
Capital expenditures	8,143	—	—	—	423	8,566

Thousands of U.S. dollars

	Year ended March 31, 2009					
	Leasing	Installment sales	Loans	Other	Elimination or corporate	Consolidated
(1)Operating revenues						
Revenue from customers	$ 2,266,622	$ 414,500	$ 23,112	$ 17,501	$ —	$ 2,721,735
Intersegment revenue	—	—	—	—	—	—
Total sales	2,266,622	414,500	23,112	17,501	—	2,721,735
Operating expenses	2,149,102	412,857	20,816	14,633	37,480	2,634,888
Operating income	$ 117,520	$ 1,643	$ 2,296	$ 2,868	$ (37,480)	$ 86,847
(2)Total assets, depreciation and capital expenditures						
Total assets	$ 5,676,602	$ 995,388	$ 926,980	$ 66,438	$ 966,735	$ 8,632,143
Depreciation	90,847	—	—	—	4,520	95,367
Capital expenditures	83,092	—	—	—	4,316	87,408

(Change in accounting policy)

As in Note 3.a above, the lease accounting treatment for finance lease transactions which do not transfer ownership have been accounted for using the same method as sales transactions.

As a result, compared with the former treatment, "operating income" and "total assets" in leasing decreased by ¥282 million ($2,878 thousand) and ¥21,383 million ($218,194 thousand), respectively.

	Millions of yen					
	Year ended March 31, 2008					
	Leasing	Installment sales	Loans	Other	Elimination or corporate	Consolidated
(1)Operating revenues						
Revenue from customers	¥ 252,359	¥ 51,596	¥ 1,956	¥ 1,266	¥ —	¥ 307,177
Intersegment revenue	—	—	—	—	—	—
Total sales	252,359	51,596	1,956	1,266	—	307,177
Operating expenses	241,048	50,798	1,681	925	3,890	298,342
Operating income	¥ 11,311	¥ 798	¥ 275	¥ 341	¥ (3,890)	¥ 8,835
(2)Total assets, depreciation and capital expenditures						
Total assets	¥ 565,383	¥ 115,971	¥ 78,191	¥ 7,257	¥ 34,123	¥ 800,925
Depreciation	209,183	—	—	—	398	209,581
Capital expenditures	215,419	—	—	—	696	216,115

By Geographic Segment

Sales and total assets of the Company and its domestic subsidiaries for the years ended March 31, 2009 and 2008 represented more than 90% of the consolidated sales and total assets. Accordingly, information by geographic segment is not required to be disclosed.

Sales to Overseas Customers

Sales to overseas customers for the years ended March 31, 2009 and 2008 represented less than 10% of the consolidated sales. Accordingly, information on sales to overseas customers is not required to be disclosed.

15. Amounts per Share

	Yen		U.S. dollars
	2009	2008	2009
Net assets	¥ 1,162.07	¥ 1,102.48	$ 11.86
Net income	114.29	125.31	1.17

Under "Accounting Standard for Earnings Per Share" (ASBJ Statement No.2), for earnings per share of common stock, basic net income per share is computed by dividing the net income available for distribution to shareholders of common stock by the weighted-average number of shares of common stock outstanding during the period. Net assets per share are computed based on the number of shares of common stock outstanding at each balance sheet date.

The weighted-average number of shares of common stock used in the computation for the years ended March 31, 2009 and 2008 was 52,125 thousand shares.

Diluted net income per share of common stock has not been presented because there were no potentially dilutive shares outstanding.

16. Subsequent Events

(1) On June 17, 2009, the shareholders of the Company authorized the following appropriations of retained earnings, which have not been reflected in the consolidated financial statements for the year ended March 31, 2009:

	Millions of yen	Thousands of U.S. dollars
Appropriations:		
Cash dividends of 14.0 yen (U.S.$0.140) per share	¥ 730	$ 7,449

(2) On February 25, 2009, at an extraordinary shareholders meeting of the Company, approval was given for a merger agreement with Century Leasing System Inc. and Tokyo Leasing Co., Ltd. effective April 1, 2009, which stated that all assets, liabilities, rights and obligations and employees of the Company were taken over to Century Leasing System Inc. Under the agreement, the surviving company was defined as Century Leasing System Inc. The merged company was renamed Century Tokyo Leasing Corporation.

a) Description of the Business in which Tokyo Leasing Co., Ltd. Operates

Leasing business, installment sales, loan business and other

b) Objective of the Merger

The leasing industry in Japan has been experiencing dramatic changes, in particular increasing competition all across the industry following the recent turmoil in financial and capital markets originating in the United States, worsening capital investment due to declining business confidence and the required adoption of the "Accounting Standard for Lease Transactions."

On the other hand, the leasing companies must respond to a variety of customer needs. Leasing companies are having asked to develop lease instruments, offer advisory services for financing needs, mainly for small and medium-sized enterprises and support outsourcing throughout the production lifecycle from start to finish.

Due to these changes in the business environment, the Company recognizes relationship between increased market competitiveness and a strengthened revenue base in order to expand the scale of business and enhance the operating base. Therefore, the Company concluded the merger to build both corporate and shareholder value as part of a medium-term management plan.

c) Legal Form of the Business Combination

Absorption merger with Century Leasing System Inc. as the surviving company

d) Merger Ratio

The Company offered 0.85 shares of Century Leasing System Inc. for each Tokyo Leasing Co., Ltd. share. As a result, the Company issued 54,498,620 shares of common stock.

In connection with evaluating the fairness of the merger ratio, the Company appointed PwC Advisory Co., Ltd. and Tokyo Leasing Co., Ltd. appointed KPMG FAS Co., Ltd. as independent financial advisors to calculate the merger ratio.

The Company and Tokyo Leasing Co., Ltd. approached the business combination taking into consideration the review analysis provided by the evaluation.

e) Financial Information Assumed from Dissolving Company.

	Millions of yen	Thousands of U.S. dollars
(Non-consolidated)		
Current assets	¥ 1,045,256	$ 10,665,878
Fixed assets	112,746	1,150,469
Total assets	1,158,002	11,816,347
Current liabilities	678,077	6,919,153
Long-term liabilities	426,778	4,354,878
Total liabilities	1,104,855	11,274,031
Total net assets	¥ 53,147	$ 542,326

Ernst & Young ShinNihon LLC
Hibiya Kokusai Bldg.
2-2-3, Uchisaiwai-cho
Chiyoda-ku, Tokyo, Japan 100-0011

Tel : +81 3 3503 1100
Fax: +81 3 3503 1197

Report of Independent Auditors

The Board of Directors
Century Tokyo Leasing Corporation

We have audited the accompanying consolidated balance sheets of Century Tokyo Leasing Corporation (formerly, Century Leasing System, Inc.) and consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of income, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Century Tokyo Leasing Corporation (formerly, Century Leasing System, Inc.) and consolidated subsidiaries at March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Supplemental Information

As described in Note 3 to the consolidated financial statements, the Company has adopted the accounting standard for lease transactions.

As described in Note 16 to the consolidated financial statements, the Company merged with Tokyo Leasing Co., Ltd. on April 1, 2009.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2009 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1.

Ernst & Young ShinNihon LLC

June 17, 2009

A member firm of Ernst & Young Global Limited

Consolidated Balance Sheets

Century Tokyo Leasing Corporation (formerly Tokyo Leasing Co., Ltd.) and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

TLC

	Millions of yen		Thousands of U.S. dollars (Note4)
Assets	2009	2008	2009
Current assets:			
Cash on hand and in banks (Notes 7 and 10)	¥ 104,445	¥ 14,554	$ 1,062,954
Marketable securities (Notes 5 and 10)	—	21,356	—
Receivables:			
Lease receivables and investment assets (Notes 7 and 11)	895,112	—	9,109,635
Installment sales (Note 7)	155,715	172,318	1,584,725
Loans (Note 7)	173,277	159,674	1,763,462
Other	13,786	23,250	140,302
Allowance for doubtful accounts	(6,644)	(2,574)	(67,620)
Operational investment securities (Note 5)	51,161	—	520,677
Other operating assets	1,338	—	13,617
Deferred tax assets (Note 13)	3,166	1,298	32,229
Other current assets	42,650	18,267	434,057
	1,434,010	408,146	14,594,041
Investments and other assets:			
Investments in securities (Note 5):			
Unconsolidated subsidiaries and affiliates	1,612	9,538	16,414
Other securities	15,595	53,360	158,714
Uncollectible receivables (Note 7)	25,588	19,100	260,411
Deferred tax assets (Note 13)	8,165	3,594	83,103
Other assets	10,331	13,381	105,140
Allowance for doubtful accounts	(20,663)	(18,027)	(210,292)
	40,629	80,947	413,493
Property and equipment, at cost less accumulated depreciation:			
Leased assets (Note 6)	96,294	717,229	980,000
Advances for purchases of leased assets	—	2,250	—
Own-used assets (Note 6)	3,180	2,796	32,363
	99,474	722,277	1,012,364
Intangible assets:			
Computer program leased to customers	29	73,333	296
Other intangible assets	3,705	4,776	37,708
	3,734	78,110	38,004
Total assets	¥ 1,577,849	¥ 1,289,481	$ 16,057,904

Liabilities and net assets	Millions of yen 2009	Millions of yen 2008	Thousands of U.S. dollars (Note4) 2009
Current liabilities:			
Short-term borrowings (Notes 7 and 10)	¥ 565,890	¥ 532,004	$ 5,759,114
Current portion of long-term debt (Note 7)	234,086	137,871	2,382,318
Notes and accounts payable—trade	53,906	45,845	548,611
Lease obligations	15,948	—	162,304
Accrued income taxes	1,359	1,094	13,831
Advances received from customers	8,242	5,902	83,880
Deferred profit on installment sales	—	8,919	—
Other current liabilities	22,481	12,930	228,797
	901,914	744,569	9,178,858
Long-term liabilities:			
Long-term debt (Note 7)	563,136	460,563	5,731,082
Lease obligations	18,347	—	186,727
Retirement benefits (Note 14)	538	609	5,479
Deferred tax liabilities (Note 13)	2,774	2,499	28,233
Provision for directors' retirement benefits	34	—	350
Allowance for automobile inspection costs	218	240	2,227
Other long-term liabilities	18,433	11,299	187,599
	603,483	475,211	6,141,702
Total liabilities	1,505,398	1,219,780	15,320,560
Contingent liabilities (Note 8)			
Net assets:			
Shareholders' equity (Note 15):			
Common stock, without par value:			
Authorized: 160,000,000 shares			
Issued: 64,199,000 shares in 2009 and 2008	22,363	22,363	227,598
Capital surplus	0	1	5
Retained earnings	44,340	42,705	451,256
Treasury stock, at cost:			
84,226 shares in 2009	(81)	—	(831)
82,457 shares in 2008	—	(80)	—
	66,623	64,989	678,030
Valuation and translation adjustments			
Net unrealized gain (loss) on available-for-sale-securities	(180)	2,657	(1,833)
Deferred gain on hedges	2,189	2,265	22,287
Foreign currency translation adjustments	(4,018)	(558)	(40,899)
	(2,009)	4,364	(20,446)
Minority interests	7,837	346	79,760
Total net assets	72,451	69,700	737,343
Total liabilities and net assets	¥ 1,577,849	¥ 1,289,481	$ 16,057,904

See accompanying notes to consolidated financial statements.

Consolidated Statements of Operations

Century Tokyo Leasing Corporation (formerly Tokyo Leasing Co., Ltd.) and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

TLC

	Millions of yen		Thousands of U.S. dollars (Note4)
	2009	2008	2009
Revenues (Note 16)	¥ 476,217	¥ 435,277	$ 4,846,508
Costs and expenses (Note 16):			
Costs	438,130	403,239	4,458,890
Selling, general and administrative expenses (Note 9)	25,701	19,375	261,562
	463,831	422,615	4,720,452
Operating income (Note 16)	12,386	12,662	126,055
Other income (expenses):			
Interest and dividend income	490	454	4,995
Interest expenses	(781)	(538)	(7,955)
Equity in earnings (losses) of affiliates	(34)	175	(346)
Foreign exchange gains	620	43	6,310
Loss on devaluation of compound financial instruments	(309)	(625)	(3,152)
Other, net	33	(27)	335
	18	(517)	186
Income before extraordinary items and income taxes	12,404	12,144	126,242
Extraordinary gains (losses):			
Gain on sale of investments in securities	122	1,004	1,249
Loss on sale of investments in securities	—	(1)	—
Gain on sales of golf memberships	92	—	937
Loss on devaluation of receivables	(451)	—	(4,590)
Merger expenses	(390)	—	(3,976)
Office transfer expenses	(167)	—	(1,702)
Loss on adjustment due to changes in the accounting			(13,239)
standard for lease transactions	(1,300)	—	(22,821)
Loss on devaluation of investments in securities	(2,242)	(1,910)	(44,143)
	(4,337)	(907)	82,099
Income before income taxes and minority interests	8,067	11,237	
Income taxes (Note 13):			
Current	4,357	5,938	44,347
Income taxes for prior periods	601	—	6,116
Deferred	(1,803)	(1,440)	(18,351)
	3,155	4,497	32,112
Income before minority interests	4,911	6,739	49,986
Minority interests	(840)	(21)	(8,549)
Net income	¥ 4,071	¥ 6,717	$ 41,437

Amounts per share of common stock	Yen		U.S. dollars (Note4)
Net income (Note 17):	¥ 63.50	¥ 104.77	$ 0.64
Cash dividends	26.00	24.00	0.26

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Net Assets

Century Tokyo Leasing Corporation (formerly Tokyo Leasing Co., Ltd.) and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

TLC

	Number of shares				
	Thousands		Millions of yen		Thousands of U.S. dollars (Note4)
	2009	2008	2009	2008	2009
Common stock					
Balance at beginning of year	64,199	64,199	¥ 22,363	¥ 22,363	$ 227,598
Balance at end of year	64,199	64,199	22,363	22,363	227,598
Capital Surplus					
Balance at beginning of year			1	0	10
Disposition of treasury stock			(0)	0	(5)
Balance at end of year			0	1	5
Retained earnings					
Balance at beginning of year			42,705	37,462	434,615
Net income for year			4,071	6,717	41,437
Cash dividends			(2,436)	(1,474)	(24,795)
Balance at end of year			44,340	42,705	451,256
Treasury stock					
Balance at beginning of year	(82)	(80)	(80)	(77)	(824)
Acquisition of treasury stock	(3)	(2)	(2)	(3)	(26)
Disposition of treasury stock	1	0	1	0	19
Balance at end of year	(84)	(82)	(81)	(80)	(831)
Total shareholders' equity			¥ 66,623	¥ 64,989	$ 678,030
Net unrealized gain (loss) on available-for-sale-securities					
Balance at beginning of year			¥ 2,657	¥ 6,065	$ 27,044
Net changes during the year			(2,837)	(3,407)	(28,878)
Balance at end of year			(180)	2,657	(1,833)
Deferred gain (loss) on hedges					
Balance at beginning of year			2,265	(682)	23,059
Net changes during the year			(75)	2,948	(772)
Balance at end of year			2,189	2,265	22,287
Foreign currency translation adjustments					
Balance at beginning of year			(558)	(284)	(5,684)
Net changes during the year			(3,460)	(273)	(35,215)
Balance at end of year			(4,018)	(558)	(40,899)
Total valuation, translation adjustments and other			¥ (2,009)	¥ 4,364	$ (20,446)
Minority interests					
Balance at beginning of year			¥ 346	¥ 273	$ 3,530
Net changes during the year			7,490	73	76,229
Balance at end of year			7,837	346	79,760
Total net assets			¥ 72,451	¥ 69,700	$ 737,343

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Century Tokyo Leasing Corporation (formerly Tokyo Leasing Co., Ltd.) and Consolidated Subsidiaries
Years ended March 31, 2009 and 2008

TLC

	Millions of yen		Thousands of U.S. dollars (Note4)
	2009	2008	2009
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 8,067	¥ 11,237	$ 82,099
Adjustments for:			
Depreciation	26,005	269,079	264,656
Increase in allowance for doubtful accounts	5,327	634	54,222
Loss on devaluation of marketable securities and investments in securities	2,242	1,910	22,821
Interest and dividend income	(490)	(454)	(4,995)
Interest expenses	17,355	15,151	176,627
Gain on sales of securities and investments in securities	(122)	(1,003)	(1,249)
Decrease (increase) in installment sales receivables	19,951	(3,207)	203,044
Decrease in lease receivables and investment assets	40,101	—	408,114
Increase in operating loans receivables	(15,967)	(8,178)	(162,503)
Increase in operational investment securities	(17,498)	—	(178,079)
Decrease in other operating assets	2,327	—	23,688
Purchases of leased assets	(13,755)	(229,786)	(139,990)
Increase in operating investments	—	(14,142)	—
Increase in uncollectible receivables	(5,950)	(973)	(60,553)
Decrease in notes and accounts payable	(2,657)	(8,450)	(27,045)
Other, net	(540)	(641)	(5,504)
Subtotal	64,394	31,173	655,351
Interest and dividend income received	607	563	6,177
Interest expenses paid	(17,520)	(15,093)	(178,310)
Income taxes paid	(4,928)	(9,527)	(50,157)
Net cash provided by operating activities	42,552	7,115	433,061
Cash flows from investing activities:			
Purchases of investments in securities	(497)	(6,648)	(5,059)
Proceeds from sales of investments in securities	783	1,408	7,974
Acquisition of shares of consolidated subsidiary resulting in change in scope of consolidation (Note 10)	(5,288)	(1,095)	(53,821)
Acquisition of shares in a consolidated subsidiary	(4,289)	—	(43,649)
Payments of loans receivable	(10,212)	—	(103,933)
Other, net	(1,291)	(4,658)	(13,141)
Net cash used in investing activities	(20,794)	(10,993)	(211,630)
Cash flows from financing activities:			
Decrease in short-term borrowings, net	(1,147)	(150,738)	(11,676)
Increase in long-term debt	291,111	275,025	2,962,663
Repayment of long-term debt	(224,516)	(175,100)	(2,284,920)
Cash dividends paid	(1,538)	(1,474)	(15,660)
Other, net	(14,577)	(30)	(148,353)
Net cash provided by (used in) financing activities	49,331	(52,319)	502,051
Effect of exchange rate changes on cash and cash equivalents	544	28	5,539
Net increase (decrease) in cash and cash equivalents	71,633	(56,167)	729,022
Cash and cash equivalents at beginning of year	31,477	87,645	320,346
Net increase resulting from changes in scope of consolidation	1,182	—	12,039
Cash and cash equivalents at end of year (Note 10)	¥ 104,293	¥ 31,477	$ 1,061,408

See accompanying notes to consolidated financial statements.

1. Basis of Presentation

The accompanying consolidated financial statements of Century Tokyo Leasing Corporation (formerly Tokyo Leasing Co., Ltd.) (the "Company") and its consolidated subsidiaries (together, the "Companies") are prepared from those which were filed with the Director of the Kanto Local Finance Bureau as required by the Financial Instruments and Exchange Law of Japan, and are 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. As permitted by the Financial Instruments and Exchange Law, the amounts presented in the consolidated financial statements are rounded down to the nearest million yen.

In addition, the notes to the consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

2. Summary of Significant Accounting Policies

(1) Consolidation Policies

All significant companies over which the Company has effective control are consolidated. Significant companies over which the Company has the ability to exercise significant influence have been accounted for by the equity method. All significant intercompany transactions have been eliminated in consolidation.

The number of consolidated subsidiaries and affiliated companies for 2009 and 2008 are as follows:

	2009	2008
Consolidated subsidiaries	97	101
Affiliated companies	4	5

(2) Translation of Foreign Currency Transactions and Financial Statements

Monetary assets and liabilities denominated in foreign currencies are translated into yen at the rates in effect at the balance sheet date and the accounts of foreign consolidated subsidiaries etc., except for the components of net assets, are translated into yen at the rate of exchange in effect at the respective balance sheet date. Foreign exchange gains and losses are credited or charged to operations and foreign currency translation adjustments are included in net assets.

(3) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, net of overdrafts and short-term investments with maturities of three months or less when purchased which are readily convertible into cash and exposed only to an insignificant risk of any change in their value.

(4) Securities

Available-for-sale securities with a market value are carried at market value with changes in unrealized gain or loss, net of related deferred income taxes, in a separate component of valuation and translation adjustments. Available-for-sale securities without a market value are stated at cost determined principally by the moving average method. The cost of securities sold is principally computed based on the moving average method. Hybrid financial instruments, from which an embedded derivative cannot be separated, are stated at fair value and the resulting gains or losses are recognized in the statement of operations. Investments in a limited partnership are measured using equity method. During the year ended March 31, 2009 and 2008, the Companies did not have any trading securities.

(5) Derivatives and Hedging Activities

The Company and certain of its subsidiaries make use of derivative financial instruments to reduce interest rate risk exposures on certain liabilities, hedge foreign exchange risk associated with certain assets and liabilities denominated in foreign currencies and hedge credit risk of receivables. These instruments include debt loans, exchange forward contracts, currency swaps, interest rate swaps, interest rate options and credit default swaps. The amount of derivatives is limited to the extent of forecasted transaction, debt loan, commercial paper and loan receivables. The Companies do not trade in derivatives for speculative purposes.

Derivatives are valued at market based on market prices at the balance sheet date. If derivatives are used for hedging purposes and qualify for hedge accounting, the Companies defer recognition of gains or losses resulting from changes in fair value of derivatives until maturity of the hedged transactions.

The interest rate swaps which meet specific matching criteria are not valued at market based on market price, the related interest differential paid or received under interest rate swaps is recognized over the terms of the swap agreements in interest expenses or income.

(6) Property and Equipment

Depreciation of leased assets is computed by the straight-line method based on the lease term of the respective assets.

Depreciation of own-used assets is computed by the declining-balance method based on the estimated useful lives.

(7) Intangible Assets

Depreciation of the computer program leased to customers is computed by the straight-line method based on the lease term of the respective assets.

Goodwill is amortized by the straight-line method over a period of 5 years.

(8) Income Taxes

Deferred tax assets and liabilities are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases and operating losses and tax credits carried forward. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which these temporary differences are expected to be recovered or settled.

(9) Retirement Benefits

Accrued retirement benefits for employees' have been provided mainly at an amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets as adjusted for unrecognized actuarial gain or loss.

(10) Revenue Recognition

(Leases)

Lease revenues and the related costs on finance leases are recognized on receipt of lease payments.

Revenues from operating leases are recognized on a straight-line basis over the scheduled lease terms.

(Installment Sales)

Installment sales and related costs are recorded when each installment payment becomes due.

(11) Interest Expenses

Interest expense is allocated to costs and other expenses based on the balances of the respective operating assets, which consist principally of accounts receivable, leased assets and other assets. Interest expense classified as cost of sales is stated net of interest income.

(12) Allowance for Doubtful Accounts

The allowance for doubtful accounts is recorded on the basis of historical experience to provide for possible losses from bad debts related to general trade accounts and also for the estimated amounts considered to be uncollectible after individually reviewing the specific collectibility of certain doubtful accounts.

(13) Allowance for Automobile Inspection Costs

The allowance for automobile inspection costs is recorded on the basis of historical experience to provide for the cost of automobile inspection of the car lease with maintenance service transactions and that of private car maintenance service.

(14) Reclassification

(Operational Investment Securities and Other Operating Assets)

Prior to the fiscal year ended March 31, 2008, securities and other operating assets such as investments in a limited partnership were classified as "Marketable securities," "Investments in securities," and "Other assets." Effective April 1, 2008, they were classified as "Operational investment securities" and "Other operating assets." The amounts of "Operational investment securities" included in "Marketable securities" and "Investments in securities" at March 31, 2008 was ¥2,354 million and ¥31,309 million respectively, and the amounts of "Other operating assets" included in "Other assets" was ¥3,665 million.

3. Accounting Changes

(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)

Effective the fiscal year ended March 31, 2009, the Company has applied "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No.18 issued on May 17, 2006) and has made the required adjustments to the consolidated financial statements.

The effect of this change on the consolidated statement of income is immaterial.

(Accounting Standard for Lease Transactions)

Finance lease transactions that do not transfer ownership to the lessee had been accounted for using the same method as that for operating lease transactions. However, the "Accounting Standard for Lease Transactions" (ASBJ Statement No.13 originally issued June 17, 1993 by the First Committee of the Business Accounting Council; revised March 30, 2007) and the "Implementation Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No.16 (originally issued by Accounting System Committee of the Japanese Institute of Certified Public Accountants); revised March 30, 2007) are applicable for financial statements for fiscal years beginning on or after April 1, 2008. Accordingly, effective the year ended March 31, 2009, the Company has adopted these accounting standards, and lease transactions are now treated as ordinary sales transactions.

As a result, operating income, income before extraordinary items and income taxes increased by ¥1,301 million ($13,249 thousand) and extraordinary losses increased by ¥1,300 million ($13,239 thousand) compared with the amount that would have been reported under the accounting method used in the previous year. The effect of this change on income before income taxes and minority interests is immaterial.

4. U.S. Dollar Amounts

The Company maintains its accounting records in yen. The dollar amounts included in the consolidated financial statements and notes thereto represent the arithmetical results of translating yen into dollars on the basis of ¥98.26 = U.S.$1, the approximate rate of exchange at March 31, 2009. The inclusion of such dollar amounts is solely for convenience and is not intended to imply that assets and liabilities originating in yen have been or could be readily converted, realized or settled in dollars at ¥98.26 = U.S.$1 or at any other rate.

5. Marketable Securities and Investments in Securities

Marketable securities, operational investment securities and investments in securities as of March 31, 2009 and 2008 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Current:			
Marketable securities (classified as available-for-sale):			
Certificate of deposit	¥ —	¥ 19,000	$ —
Investments in a limited partnership	—	100	—
Loan trust beneficiary securities	—	1,000	—
Bonds	—	1,256	—
	¥ —	¥ 21,356	$ —
Operational investment securities (classified as available-for-sale):			
Investments in a limited partnership	¥ 27,130	¥ —	$ 276,108
Loan trust beneficiary securities	7,789	—	79,271
Bonds and other	16,242	—	165,297
	¥ 51,161	¥ —	$ 520,677
Non-current:			
Investments in securities – others (classified as available-for-sale):			
Equity securities – listed	¥ 9,538	¥ 14,672	$ 97,076
– unlisted	5,738	5,663	58,403
Investments in a limited partnership	317	19,513	3,234
Loan trust beneficiary securities	—	10,028	—
Bonds and other	—	3,483	—
	¥ 15,595	¥ 53,360	$ 158,714

The carrying amounts and aggregate fair values of securities as of March 31, 2009 and 2008 are as follows:

	Millions of yen			
	March 31, 2009			
	Book value	Unrealized gains	Unrealized losses	Fair value
Available-for-sale securities:				
Equity securities	¥ 11,268	¥ 2,170	¥ 3,900	¥ 9,538
Bonds	6,372	12	690	5,694
Other	3,275	—	537	2,738

	Millions of yen			
	March 31, 2008			
	Book value	Unrealized gains	Unrealized losses	Fair value
Available-for-sale securities:				
Equity securities	¥ 10,509	¥ 5,242	¥ 1,079	¥ 14,672
Bonds	4,600	0	1	4,599
Other	195	—	54	140

	Thousands of U.S. dollars			
	March 31, 2009			
	Book value	Unrealized gains	Unrealized losses	Fair value
Available-for-sale securities:				
Equity securities	$ 114,682	$ 22,088	$ 39,694	$ 97,076
Bonds	64,848	127	7,026	57,949
Other	33,337	—	5,470	27,867

Proceeds from sales of available-for-sale securities and resultant gross realized gains and losses for the years ended March 31, 2009 and 2008 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Proceeds	¥ 134	¥ 1,318	$ 1,364
Realized gains	122	1,004	1,249
Realized losses	—	1	—

Securities whose fair values are not readily determinable as of March 31, 2009 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Available-for-sale:			
Unlisted equity securities	¥ 5,885	¥ 5,663	$ 59,897
Certificate of deposit	—	19,000	—
Bonds	8,449	—	85,996
Trust beneficiary securities	7,002	11,028	71,262
Investments in limited partnership	27,448	19,613	279,343

The following is a summary of the contractual maturities of bonds classified as available-for-sale securities as of March 31, 2009:

	Millions of yen	Thousands of U.S. dollars
Due within one year	¥ 2,659	$ 27,064
Due after one to five years	21,700	220,847
Due after five to ten years	4,830	49,156
Due after ten years	11,746	119,543

6. Leased Assets and Own-used Assets

Leased assets and own-used assets as of March 31, 2009 and 2008 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Equipment for lease to customers:			
At cost	—	¥ 1,697,494	—
Less accumulated depreciation	—	(1,037,594)	—
	—	659,899	—
Property and equipment for rental to customers:			
At cost	¥ 153,018	¥ 107,484	$ 1,557,279
Less accumulated depreciation	(56,723)	(50,153)	(577,278)
	96,294	57,330	980,000
Total leased assets	¥ 96,294	¥ 717,229	$ 980,000
Own-used assets:			
Buildings and structures	¥ 1,135	¥ 1,152	$ 11,551
Office equipment	1,147	931	11,680
Assets under lease	894	—	9,101
Land	1,950	1,953	19,855
At cost	5,128	4,036	52,188
Less accumulated depreciation	(1,947)	(1,240)	(19,824)
	¥ 3,180	¥ 2,796	$ 32,363

7. Short-Term Borrowings, Long-Term Debt and Assets Pledged

Short-term borrowings at March 31, 2009 are as follows:

	Millions of yen	Thousands of U.S. dollars	The annual average interest rate
Loans from banks	¥ 232,790	$ 2,369,128	1.22%
Commercial paper	333,100	3,389,985	1.00%
	¥ 565,890	$ 5,759,114	

Short-term borrowings at March 31, 2008 are as follows:

	Millions of yen	The annual average interest rate
Loans from banks	¥ 210,904	1.37%
Commercial paper	321,100	0.80%
	¥ 532,004	

Long-term debt at March 31, 2009 consists of the following:

	Millions of yen	Thousands of U.S. dollars
Loans, principally from banks and insurance companies, maturing 2009 – 2023, with an average rate 1.68%	¥ 782,422	$ 7,962,780
Medium-term note due 2009 with an average rate 1.16%	3,500	35,619
Loans from securitization of the minimum future rentals on lease contracts due 2009 with an average rate 0.98%	11,300	115,001
	797,222	8,113,401
Less current portion	234,086	2,382,318
	¥ 563,136	$ 5,731,082

Long-term debt at March 31, 2008 consists of the following:

	Millions of yen
Loans, principally from banks and insurance companies, maturing 2008 – 2019, with an average rate 1.68%	¥ 494,020
Medium-term note due 2008 – 2009 with an interest rate ranging from 0.90% – 1.10%	6,800
Unsecured bonds due 2008 with an interest rate of 0.45%	10,000
Unsecured bonds due 2008 with an interest rate of 0.50%	5,000
Loans from securitization of the minimum future rentals on lease contracts, maturing 2007 – 2012, with an average rate of 1.13%	82,614
	598,434
Less current portion	137,871
	¥ 460,563

The aggregate annual maturities of long-term debt after March 31, 2009 are as follows:

Year ending March 31,	Millions of yen	Thousands of U.S. dollars
2010	¥ 234,086	$ 2,382,318
2011	261,173	2,657,979
2012	158,274	1,610,771
2013	84,015	855,030
Thereafter	59,673	607,301
	¥ 797,222	$ 8,113,401

Assets of the Companies pledged as collateral for long-term debt of ¥132,519 million ($1,348,657 thousand) as of March 31, 2009 is as follows:

	Millions of yen	Thousands of U.S. dollars
Cash on hand and in banks	¥ 35	$ 360
Installment sales	3,971	40,416
Loans	899	9,149
Lease receivables and investment assets	169,715	1,727,206
Uncollectible receivables	1,853	18,859
	¥ 176,474	$ 1,795,992

In addition, other assets with a book value of ¥955 million ($9,727 thousand) were pledged as collateral for operating transactions.

8. Commitments and Contingent Liabilities

Contingent liabilities at March 31, 2009 and 2008 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Loan and other guarantees	¥ 11,958	¥ 8,236	$ 121,703
Asset guarantees	2,014	10,311	20,506
	¥ 13,973	¥ 18,548	$ 142,209

The Companies have loan commitment agreements as of March 31, 2009 and 2008 amounting to ¥21,860 million ($222,480 thousand) and ¥25,308 million, respectively. The loans provided under these credit facilities as of March 31, 2009 and 2008 amount to ¥2,955 million ($30,080 thousand) and ¥4,250 million, respectively. Many of these facilities expire without being utilized and the related borrowings are subject to periodic reviews of the borrowers' credit standing. Any unused amount will not necessarily be utilized in full.

9. Selling, General and Administrative Expenses

Major components of selling, general and administrative expenses as of March 31, 2009 and 2008 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Employee's salaries	¥ 9,276	¥ 8,361	$ 94,409
Allowance for doubtful receivables	6,877	2,037	69,995
Allowance for accrued bonuses	459	379	4,675
Administrative expenses	—	2,514	—

10. Notes to the Consolidated Statements of Cash Flows

(1) Cash and cash equivalents at March 31, 2009 and 2008 consist of the following:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Cash on hand and in banks	¥ 104,445	¥ 14,554	$ 1,062,954
Marketable securities	—	19,000	—
Bank overdraft	(151)	(2,077)	(1,545)
Cash and cash equivalents	¥ 104,293	¥ 31,477	$ 1,061,408

(2) Assets and liabilities at March 31, 2009 increased through the acquisition of shares of a subsidiary as follows:

FUJITSU LEASING CO., LTD. (July 1, 2008)	Millions of yen	Thousands of U.S. dollars
Current assets	¥ 312,955	$ 3,184,971
Non-current assets	3,034	30,877
Current liabilities	(136,781)	(1,392,039)
Non-current liabilities	(151,045)	(1,537,207)
Goodwill	(1,872)	(19,061)
Minority interests	(12,672)	(128,971)
Investments acquired in prior years	(7,744)	(78,815)
Acquisition price	5,871	59,754
Cash and cash equivalents	(582)	(5,932)
Payments for purchases of shares	¥ 5,288	$ 53,821

11. Lease Transactions

(1) Finance Leases

Finance leases of the Company (and its consolidated subsidiaries) which do not transfer ownership to the lessee are capitalized as lease investment assets. Information relating to finance leases at March 31, 2009 and for the year then ended is summarized as follows:

	Millions of yen	Thousands of U.S. dollars
Future lease payments	¥ 913,138	$ 9,293,080
Estimated residual value	14,757	150,190
Future interest income	(75,679)	(770,193)
	¥ 852,216	$ 8,673,078

The aggregate annual maturities of finance lease receivables which transfer ownership to the lessee subsequent to March 31, 2009 are summarized as follows:

	Millions of yen	Thousands of U.S. dollars
Due within one year	¥ 14,418	$ 146,737
Due after one to two years	12,636	128,605
Due after two to three years	9,433	96,000
Due after three to four years	6,121	62,296
Due after four to five years	2,709	27,578
Due after five years	673	6,857
	¥ 45,993	$ 468,076

The aggregate annual maturities of finance lease receivables which do not transfer ownership to the lessee subsequent to March 31, 2009 are summarized as follows:

	Millions of yen	Thousands of U.S. dollars
Due within one year	¥ 320,796	$ 3,264,771
Due after one to two years	233,528	2,376,642
Due after two to three years	163,895	1,667,981
Due after three to four years	96,620	983,313
Due after four to five years	48,720	495,835
Due after five years	49,575	504,535
	¥ 913,138	$ 9,293,080

As for the lease accounting treatment for finance lease transactions that do not transfer ownership to the lessee starting before April 1, 2008, the amounts of "Leased assets" (excluding depreciation) at March 31, 2008 were recorded as the beginning balance of "Investment assets," and the amounts of rental revenues were recorded by the straight-line method based on the scheduled lease terms. As a result, for the year ended March 31, 2009, "Income before income taxes and minority interests" decreased by ¥18,640 million ($189,708 thousand) compared with the amount that would have been reported under the accounting method used in the previous year.

Finance leases which do not transfer ownership to the lessee are accounted for in the same manner as operating leases. Information relating to finance leases of the Group at March 31, 2008 and for the year then ended is summarized as follows:

The Companies as lessor:	Millions of yen
At cost	¥ 1,894,673
Accumulated depreciation	(1,161,440)
Book value	¥ 733,233
Future minimum lease payments	¥ 745,556
Amount due within one year	241,653
Rental revenues	¥ 289,543
Depreciation expense	252,104
Implied interest income	37,679

(2) Operating Leases

Information relating to operating leases at March 31, 2009 and 2008 and for the years then ended is as follows:

	Millions of yen		Thousands of U.S. dollars
The Companies as lessor:	2009	2008	2009
Future minimum lease payment	¥ 57,806	¥ 47,546	$ 588,304
Amount due within one year	17,544	13,006	178,551

12. Derivatives and Hedging Activities

Derivative financial instruments are utilized by the Companies principally to reduce interest rate risk, exchange rate fluctuation risk and credit risk of receivables. The Companies have established a control environment which includes policies and procedures for risk assessment and for the approval, reporting and monitoring of transactions involving derivative financial instruments. The Companies do not hold or issue derivative financial instruments for trading purposes.

The Companies are exposed to certain market risks arising from forward exchange contracts and swap agreements. The Companies are also exposed to the risk of credit loss in the event of non-performance by counterparties to the currency and interest rate transactions; however, the Companies do not anticipate non-performance by any of these counterparties all of whom are financial institutions with high credit ratings.

Derivative financial instruments for hedging activities were measured at fair value, and those unrealized gains were deferred.

At March 31, 2009, the outstanding interest rate swaps are as follows:

	Millions of yen		Thousands of U.S. dollars	
	Notional amounts (over one year)	Unrealized gain (loss)	Notional amounts (over one year)	Unrealized gain (loss)
Interest rate swap agreements:				
Pay fixed swaps	¥ 3,280	¥ (5)	$ 33,386	$ (58)
	(2,642)		(26,889)	
Interest rate caps	925	0	9,421	3
	(520)		(5,294)	

The interest rate swaps which qualify for hedge accounting and meet specific matching criteria are excluded from disclosure of market value information.

13. Income Taxes

The Company and its domestic subsidiaries are subject to several taxes based on income, which in the aggregate resulted in a statutory tax rate of approximately 40.7% for the years ended March 31, 2009 and 2008.

Foreign subsidiaries are subject to income taxes of countries in which they operate.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities as of March 31, 2009 and 2008 are presented below:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Deferred tax assets:			
Retirement benefits	¥ 983	¥ 1,147	$ 10,008
Allowance for doubtful accounts	9,987	7,694	101,648
Depreciation expenses	4,685	3,281	47,685
Other	3,323	2,582	33,822
Subtotal gross deferred tax assets	18,980	14,706	193,164
Less valuation allowance	(6,783)	(7,326)	(69,039)
Net deferred tax assets	12,196	7,380	124,125
Deferred tax liabilities:			
Unrealized gain on securities	(23)	(1,700)	(239)
Gain on contribution of securities to employee retirement benefit trust	(721)	(721)	(7,338)
Other	(3,372)	(2,565)	(34,319)
Total gross deferred liabilities	(4,116)	(4,987)	(41,897)
Net deferred tax assets	¥ 8,079	¥ 2,392	$ 82,228

In assessing the recoverability of deferred tax assets, management of the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will be recovered. The ultimate recoverability of deferred tax assets is entirely dependent upon the generation of future taxable income in specific tax jurisdictions during the periods in which those temporary differences become deductible. Although realization is not assured, management considers the projected future taxable income in making this assessment. Based on these factors, management believes it is more likely than not that the Company will realize the benefits of these deductible differences, net of the existing valuation allowance as of March 31, 2009.

Income taxes have not been accrued in respect of the undistributed earnings of certain foreign subsidiaries and associated companies, as these amounts are intended to be reinvested indefinitely. The unrecognized deferred tax liabilities related to these earnings are immaterial.

14. Retirement Benefits

The Companies had participated in defined benefit plans for employees, partially funded through a tax qualified funded pension plan. However, during the year ended March 31, 2009, the Company has changed benefit plans from these plans to a defined benefit plan and a defined contribution plan.

During the year ended March 31, 2005, the Company contributed certain marketable securities to an employee retirement benefit trust. The securities are qualified as plan assets.

The following table summarizes the funding status and amounts recognized in the consolidated balance sheets as of March 31, 2009 and 2008:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Projected benefit obligation	¥ (4,204)	¥ (4,489)	$ (42,787)
Plan assets	3,730	5,218	37,967
Unfunded benefit obligation	(473)	729	(4,819)
Unrecognized actuarial loss	1,751	(705)	17,823
Net recognized retirement benefit obligation	1,277	24	13,004
Prepaid pension and severance costs	1,816	633	18,483
Accrued benefit obligation for employees	(538)	(609)	(5,479)

The following table summarizes the components of net periodic pension cost for employees for the years ended March 31, 2009 and 2008:

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Service cost benefits earned duringthe year	¥ 314	¥ 344	$ 3,202
Interest cost on benefit obligation	88	73	898
Expected return on plan assets	(73)	(74)	(749)
Amortization of prior service cost	(30)	—	(310)
Amortization of actuarial losses	(110)	(283)	(1,127)
Extra retirement payments	10	—	106
Net periodic pension cost	198	59	2,019
Loss on revision of retirement benefit plan	(33)	—	(344)
Contribution paid to the defined contribution pension plan	35	—	356
Total	¥ 199	¥ 59	$ 2,031

The assumptions used in determining pension benefit obligations at March 31, 2009 and 2008 are shown below:

	2009	2008
Attribution method of estimated benefits	Benefit / year-of-service approach	
Discount rate	2.0% – 2.5%	2.0%
Expected rate of return on plan assets	1.0% – 3.2%	0.5% – 1.3%
Recognition period of actuarial gain/loss	10 years	10 years

Prior service cost is fully recognized as an expense in the year the Companies incur such cost.

15. Shareholders' Equity

Retained earnings include a legal reserve provided in accordance with the Corporation Law of Japan (the "Law"). The Law provides that an amount equal to 10% of dividends must be appropriated as a legal reserve (of retained earnings) or as additional paid in capital, until the total of aggregate amount of legal reserve and additional paid in capital equals 25% of the common stock. The Law also provides that the legal reserve and additional paid in capital are available for appropriations by resolution of the shareholders.

16. Segment Information

The Companies' business segments consist of financing and operating leases, installment sales, loans and other operations.

The Company and its subsidiaries' segment information for the years ended March 31, 2009 and 2008 are as follows:

Millions of yen

	Year ended March 31, 2009					
	Leasing	Installment sales	Loans	Other	Elimination or corporate	Consolidated total
(Sales and operating income)						
Revenue from customers	¥ 391,672	¥ 69,133	¥ 5,170	¥ 10,241	¥ —	¥ 476,217
Intersegment revenue	—	—	—	210	(210)	—
Total sales	¥ 391,672	¥ 69,133	¥ 5,170	¥ 10,452	¥ (210)	¥ 476,217
Operating cost	378,036	67,482	4,619	9,612	4,081	463,831
Operating income	¥ 13,636	¥ 1,650	¥ 551	¥ 840	¥ (4,292)	¥ 12,386
(Identifiable assets, Depreciation, Capital expenditures)						
Identifiable assets	¥ 1,114,504	¥ 175,679	¥ 192,594	¥ 60,687	¥ 34,383	¥ 1,577,849
Depreciation	24,503	—	—	—	1,501	26,005
Capital expenditures	18,737	—	—	—	911	19,648

Millions of yen

	Year ended March 31, 2008					
	Leasing	Installment sales	Loans	Other	Elimination or corporate	Consolidated total
(Sales and operating income)						
Revenue from customers	¥ 343,191	¥ 77,196	¥ 5,092	¥ 9,796	¥ —	¥ 435,277
Intersegment revenue	33	—	—	60	(93)	—
Total sales	¥ 343,224	¥ 77,196	¥ 5,092	¥ 9,856	¥ (93)	¥ 435,277
Operating cost	330,713	76,651	2,817	8,170	4,261	422,615
Operating income	¥ 12,511	¥ 544	¥ 2,275	¥ 1,686	¥ (4,355)	¥ 12,662
(Identifiable assets, Depreciation, Capital expenditures)						
Identifiable assets	¥ 853,954	¥ 179,481	¥ 165,951	¥ 39,133	¥ 50,961	¥ 1,289,481
Depreciation	268,411	—	—	—	667	269,079
Capital expenditures	252,911	—	—	—	4,042	256,954

Thousands of U.S. dollars

	Year ended March 31, 2009					
	Leasing	Installment sales	Loans	Other	Elimination or corporate	Consolidated total
(Sales and operating income)						
Revenue from customers	$ 3,986,083	$ 703,577	$ 52,618	$ 104,228	$ —	$ 4,846,508
Intersegment revenue	—	—	—	2,144	(2,144)	—
Total sales	$ 3,986,083	$ 703,577	$ 52,618	$ 106,372	$ (2,144)	$ 4,846,508
Operating cost	3,847,306	686,775	47,010	97,823	41,536	4,720,452
Operating income	$ 138,776	$ 16,801	$ 5,608	$ 8,549	$ (43,680)	$ 126,055
(Identifiable assets, Depreciation, Capital expenditures)						
Identifiable assets	$ 11,342,400	$ 1,787,908	$ 1,960,049	$ 617,625	$ 349,920	$ 16,057,904
Depreciation	249,375	—	—	—	15,280	264,656
Capital expenditures	190,694	—	—	—	9,272	199,966

Corporate expenses not allocated to segments are principally general and administrative expenses in the Companies, and corporate assets represent principally investment securities and other assets acquired by the Companies.

(Geographic Segment)

The segment information by geographic area is not required to be disclosed because the amounts of sales and identifiable assets outside Japan are less than 10% of the consolidated total for the years ended March 31, 2009 and 2008.

(Sales to overseas Customers)

The information of sales to overseas customers is not required to be disclosed, because the amounts of sales to overseas customers are less than 10% of consolidated total for the years ended March 31, 2009 and 2008.

17. Amounts per Share

Net income per share is computed based on the net income available for distribution to shareholders of common stock and the weighted average number of shares of common stock outstanding during the year. Diluted net income per share of common stock is not shown because there were no potentially dilutive shares outstanding.

	Yen		U.S. dollars
	2009	2008	2009
Net income per share of common stock	¥ 63.50	¥ 104.77	$ 0.64

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Net income available to shareholders of common stock			
Net income	¥ 4,071	¥ 6,717	$ 41,437
Weighted-average number of shares of common stock outstanding (denominator)	64,115,894	64,117,407	

Net assets per share have been computed based on the net assets available for distribution to stockholders of common stock and the number of shares of common stock outstanding at each balance sheet date.

	Yen		U.S. dollars
	2009	2008	2008
Net assets per share	¥ 1,007.79	¥ 1,081.68	$ 10.25

	Millions of yen		Thousands of U.S. dollars
	2009	2008	2009
Net assets available for distribution to stockholders of common stock			
Net assets	¥ 72,451	¥ 69,700	$ 737,343
Less: minority interests	(7,837)	(346)	(79,760)
	¥ 64,614	¥ 69,353	$ 657,583
Number of shares of common stock (denominator)			
Number of shares of common stock outstanding	64,199,000	64,199,000	
Less: number of shares of treasury stock	(84,226)	(82,457)	
	64,114,774	64,116,543	

18. Subsequent Event

On February 25, 2009, the extraordinary shareholders meeting of the Company approved a merger agreement between Century Leasing System, Inc. and Tokyo Leasing Co., Ltd. effective April 1, 2009, stating that all assets, liabilities, rights and obligations and employees of the Company were taken over by Century Leasing System, Inc. Under the merger agreement, the surviving company was defined as Century Leasing System, Inc. The merged company was renamed Century Tokyo Leasing Corporation.

a) Description of the business in which Century Leasing System, Inc. operates

Leasing business, installment sales, loan business and other

b) Financial data of Century Leasing System, Inc. (Year ended March 31, 2009)

Revenue	¥266,729 million ($2,714,530 thousand)
Net income	¥5,957 million ($60,631 thousand)
Total assets	¥845,950 million ($8,609,305 thousand)
Employees	490

c) Merger ratio

1 share of the Company in exchange for 0.85 share of common stock of Century Leasing System, Inc.

Ernst & Young

Ernst & Young ShinNihon LLC
Hibiya Kokusai Bldg.
2-2-3, Uchisaiwai-cho
Chiyoda-ku, Tokyo, Japan 100-0011

Tel: +81 3 3503 1100
Fax: +81 3 3503 1197

Report of Independent Auditors

The Board of Directors
Century Tokyo Leasing Corporation

We have audited the accompanying consolidated balance sheets of Century Tokyo Leasing Corporation (formerly, Tokyo Leasing Co., Ltd.) (the "Company") and its consolidated subsidiaries as of March 31, 2009 and 2008, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and consolidated subsidiaries at March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

Supplemental Information

1. As described in Note 3, effective April 1, 2008, the Company has adopted "Accounting Standard for Lease Transactions" (ASBJ Statement No.13 March 30, 2007) and "Implementation Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No.16 March 30, 2007).

2. As described in Note 18, the Company merged with Century Leasing System, Inc. effective April 1, 2009.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2009 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 4.

Ernst & Young ShinNihon LLC

June 10, 2009

Main Subsidiaries and Affiliates

As of October 1, 2009

Related Domestic Corporation

NIPPON CAR SOLUTIONS CO.,LTD.
Seavans North Bldg., 1-2-1, Shibaura, Minato-Ku, Tokyo 105-0023
Telephone: 81-3-6436-1190
Date of Foundation: February 1987
Paid-in Capital: ¥981 Million
Main Business Operations: Leasing business of automobiles and automobile-related equipment

TOKYO AUTO LEASING CO., LTD.
Shin-Osaki Kangyo Bldg., 1-6-4, Osaki, Sinagawa-ku, Tokyo 141-0032
Telephone: 81-3-5436-3711
Date of Foundation: March 1979
Paid-in Capital: ¥200 Million
Main Business Operations: Leasing business of automobiles and automobile-related equipment

ORICO AUTO LEASING CO., LTD.
Shin-Osaki Kangyo Bldg., 1-6-4, Osaki, Shinagawa-ku, Tokyo 141-0032
Telephone: 81-3-6893-3702
Date of Foundation: March 2008
Paid-in Capital: ¥240 Million
Main Business Operations: Leasing business of automobiles

FUJITSU LEASING CO., LTD.
FUJISOFT Bldg., 3 Kanda-neribeicho, Chiyoda-ku, Tokyo 101-0022
Telephone: 81-3-5843-6301
Date of Foundation: March 1979
Paid-in Capital: ¥1,000 Million
Main Business Operations: Leasing business of IT-related equipment
*The office was relocated to the above address on October 26, 2009.

S.D.L CO., LTD.
Shiseido Main Bldg., 7-5-5, Ginza, Chuo-ku, Tokyo 104-0061
Telephone: 81-3-3289-2028
Date of Foundation: January 1991
Paid-in Capital: ¥100 Million
Main Business Operations: Leasing business of automobiles, general leasing business and rental business

ITEC LEASING CO., LTD.
1-4-1, Jinnan, Shibuya-ku, Tokyo 105-0041
Telephone: 81-3-5456-4760
Date of Foundation: September 1984
Paid-in Capital: ¥20 Million
Main Business Operations: Leasing business of broadcasting equipment

C-TRY, Inc.
World Trade Center Bldg., 2-4-1 Hamamatsu-cho, Minato-ku, Tokyo 105-6110
Telephone: 81-3-3435-4481
Date of Foundation: May 2004
Paid-in Capital: ¥21 Million
Main Business Operations: Provides data deletion services for removal of data from PCs and servers as well as refurbishment (reuse and recycling) of PCs.

TOKYO LEASE KANZAI K.K.
Kodenma-cho Bldg., 1-4, Nihonbashi-Kodenmacho, Chuo-ku, Tokyo 103-0001
Telephone: 81-3-3662-3335
Date of Foundation: January 1987
Paid-in Capital: ¥10 Million
Main Business Operations: Insurance agency business

Century Business Service, Inc.
FUJISOFT Bldg., 3 Kanda-neribeicho, Chiyoda-ku, Tokyo 101-0022
Telephone: 81-3-5209-5460
Date of Foundation: January 1991
Paid-in Capital: ¥20 Million
Main Business Operations: Primarily engaged in providing casualty insurance. Also involved in various financing services and sales, including short-term bridging loans for housing.

TC BUSINESS SERVICE Corporation
FUJISOFT Bldg., 3 Kanda-neribeicho, Chiyoda-ku, Tokyo 101-0022
Telephone: 81-3-5209-8131
Date of Foundation: June 2004
Paid-in Capital: ¥20 Million
Main Business Operations: Business processing service

CAPLAN Corporation
3-1-31, Minami-Aoyama, Minato-ku, Tokyo 107-0062
Telephone: 81-3-3497-5567
Date of Foundation: January 1982
Paid-in Capital: ¥350 Million
Main Business Operations: Specializes in the staffing of office workers and professionals, as well as in recruiting services, educational training and outsourcing.

Related Overseas Corporation

TOKYO LEASING (U.S.A.) INC.
3020 Westchester Avenue,Suite 401 Purchase, NY 10577, U.S.A.
Telephone: 1-914-697-9030
Date of Foundation: December 1985
Paid-in Capital: US$26,513 thousand
Main Business Operations: General leasing business

TOKYO LEASING (UK) PLC
1st Floor, Kingsbridge House, Pinner, Middlesex HA5 5LX, U.K.
Telephone: 44-20-8429-1963
Date of Foundation: May 1983
Paid-in Capital: STG£6,655 thousand
Main Business Operations: General leasing business

TOKYO LEASING (SINGAPORE) PTE., LTD.
138 Robinson Road, The Corporate Office #12-01, Singapore 068906
Telephone: 65-6532-3436
Date of Foundation: May 1979
Paid-in Capital: S$19,340 thousand
Main Business Operations: General leasing business

TLC CAPITAL (MALAYSIA) SDN. BHD.
Suite 11.2, Level 11, Menara Weld, No.76, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia
Telephone: 60-3-2070-2633
Date of Foundation: June 2007
Paid-in Capital: RM8,253 thousand
Main Business Operations: General leasing business

TOZUI CORPORATION
A2501-02,14, City Center Shanghai, 100 Zunyi Road, Changning District, Shanghai P.R.C (*)
Telephone: 86-21-6213-5511
Date of Foundation: July 2006
Paid-in Capital: US$30,000 thousand
Main Business Operations: General leasing business
(*) since October 26, 2009

CENTURY LEASING (CHINA) CO., LTD.
Room 806, Wangjiao Plaza, 175 East Yanan Road, Huangpu District, Shanghai, P.R.C
Telephone: 86-21-6336-2300
Date of Foundation: October 2006
Paid-in Capital: US$10,000 thousand
Main Business Operations: General leasing business

TOKYO LEASING (HONG KONG) LTD.
Room 301, 3rd Floor, Sun Hung Kai Centre 30 Harbour Road, Wan chai, Hong Kong
Date of Foundation: October 1972
Paid-in Capital: HK$13,000 thousand
Main Business Operations: General leasing business

PRESIDENT TOKYO CORPORATION
12F., No.8, Dongxing Rd., Songshan District, Taipei City 10570, Taiwan R.O.C.
Telephone: 886-2-2747-8188
Date of Foundation: November 1997
Paid-in Capital: NT$200,000 thousand
Main Business Operations: Leasing business of automobiles and general leasing business

TISCO TOKYO LEASING CO., LTD.
19th Floor, TISCO Tower, 48/44 North Sathorn Road, Silom, Bangrak, Bangkok, 10500, Thailand
Telephone: 66-2-638-0900
Date of Foundation: April 1993
Paid-in Capital: BAHT 60,000 thousand
Main Business Operations: General leasing business

ISUZU FINANCE OF AMERICA, INC.
3020 Westchester Avenue, Suite 203 Purchase, N.Y. 10577, U.S.A.
Telephone: 1-914-251-0220
Date of Foundation: March 2007
Paid-in Capital: US$10,000 thousand
Main Business Operations: Leasing business of automobiles and automobile-related equipment

Stock Information/Bond Rating

As of April, 2009

Transfer Agent: Mizuho Trust & Banking Co., Ltd.

Stock Listing: Tokyo Stock Exchange, First Section

Securities Code: 8439

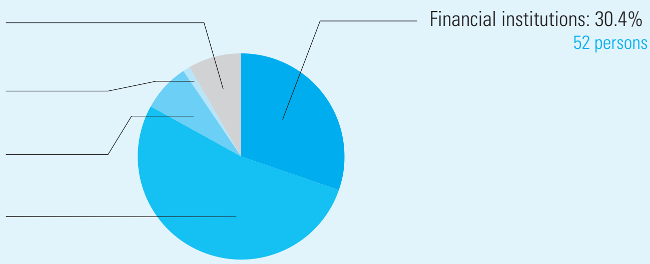
Number of Common Stock Issued: 106,624,620 shares

Number of Common Stock Authorized: 400,000,000 shares

Trading Lot Size: 100 shares

Number of Shareholders: 10,284

Breakdown of Shareholders



Major Shareholders

Shareholders	Number of shares held (1,000 shares)	Percentage of shares outstanding (%)
ITOCHU Corporation	21,333*	20.0
Nippon Tochi-Tatemono Co., Ltd.	13,004	12.2
KSO Co., Ltd.	9,963	9.3
Nippon Life Insurance Company	5,386	5.1
Mizuho Corporate Bank, Ltd.	4,649	4.4
Japan Trustee Services Bank, Ltd. (Trust accounts)	3,634	3.4
Nissin Tatemono Co., Ltd.	3,557	3.3
Japan Trustee Services Bank, Ltd. (Trust accounts 4)	3,489	3.3
Seiwa Sogo Tatemono Co., Ltd.	2,972	2.8
The Master Trust Bank of Japan, Ltd. (Trust accounts)	2,588	2.4

*As of September 1, 2009

Bond Ratings

Century Tokyo Leasing Corporation's ratings assigned by Japan Credit Rating Agency, Ltd. and Rating and Investment Information, Inc.

As of April 1, 2009

Credit Rating Agency	Japan Credit Rating Agency, Ltd. (JCR)	Rating and Investment Information, Inc. (R&I)
Long-term	(Long-Term Senior Debt) Rating: A Outlook: Stable	(Issuer Rating) Rating: A- Outlook: Stable
	(Preliminary Rating for Bonds Registered for Issuance) Rating: A Expected Issue Amount: ¥150 billion	(Preliminary Rating for Bonds Registered for Issuance) Rating: A- Expected Issue Amount: ¥150 billion
	(Euro Medium-Term Note Program) Rating: A Maximum Outstanding Amount: Equivalent of US$1 billion	(Euro Medium-Term Note Program) Rating: A- Maximum Outstanding Amount: Equivalent of US$1 billion
Short-term	(Commercial Paper) Rating: J-1 Maximum Outstanding Amount: ¥650 billion	(Commercial Paper) Rating: a-1 Maximum Outstanding Amount: ¥650 billion

Corporate Information

As of April 1, 2009

Company Name
Century Tokyo Leasing Corporation

Head Office
[Hamamatsu-cho]
World Trade Center Building,
2-4-1 Hamamatsu-cho, Minato-ku, Tokyo 105-6110, Japan
Telephone: 81-3-3435-4411

[Akihabara]
FUJISOFT Bldg.,
3 Kanda-neribeicho, Chiyoda-ku, Tokyo 101-0022, Japan
Telephone: 81-3-5209-7055

Founded
July 1, 1969

Paid-in Capital
¥34,231 million

Company Representative
President & CEO Shunichi Asada

Number of Employees
1,723 (1,195 on a non-consolidated basis)

Closing of Accounts
March 31

Major Banks
Mizuho Corporate Bank, Ltd.; The Sumitomo Trust & Banking Co., Ltd.;
The Norinchukin Bank; Nippon Life Insurance Company; and others

Network (Except the head office)

Domestic
Tokyo Metropolitan Area, Sapporo, Sendai, Niigata, Shizuoka, Nagoya, Kanazawa, Tsukuba, Chiba. Tachikawa, Yokohama, Saitama, Kyoto, Osaka, Kobe, Okayama, Hiroshima, Takamatsu, Fukuoka

Overseas
New York, London, Singapore, Kuala Lumpur, Hong Kong, Shanghai, Taipei, Bangkok

Additional copies of this annual report and other information may be obtained by contacting
Investor Relations Office
Telephone: 81-3-5209-6710

Century Tokyo Leasing Corporation
World Trade Center Building,
4-1 Hamamatsu-cho 2-chome
Minato-ku, Tokyo 105-6110, Japan
www.ctl.co.jp

PRINTED WITH SOY INK®
Printed in Japan