



Century Tokyo Leasing Corporation

Aiming for a Comprehensive Financial Services Enterprise



Annual Report **2013**

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.

Create New Business with LEASING

In addition to pursuing its mainstay leasing business, Century Tokyo Leasing Corporation provides a wealth of high-value-added services as well as financing. We strongly believe that the role of a leasing company is to contribute to customers' businesses through the provision of financing. As an integral member within the service industry, we are making the most of our flexibility and high degree of freedom to pursue further expansion as a comprehensive financial services enterprise.



Forward-Looking Statements

Statements in this annual report with respect to Century Tokyo Leasing Group's plans, forecasts, strategies, presumptions and other statements that are not historical facts are forward-looking statements and are based on management's assumptions and beliefs grounded on information that was available when this report was written. The actual performance of the Company may differ considerably from that discussed in the forward-looking

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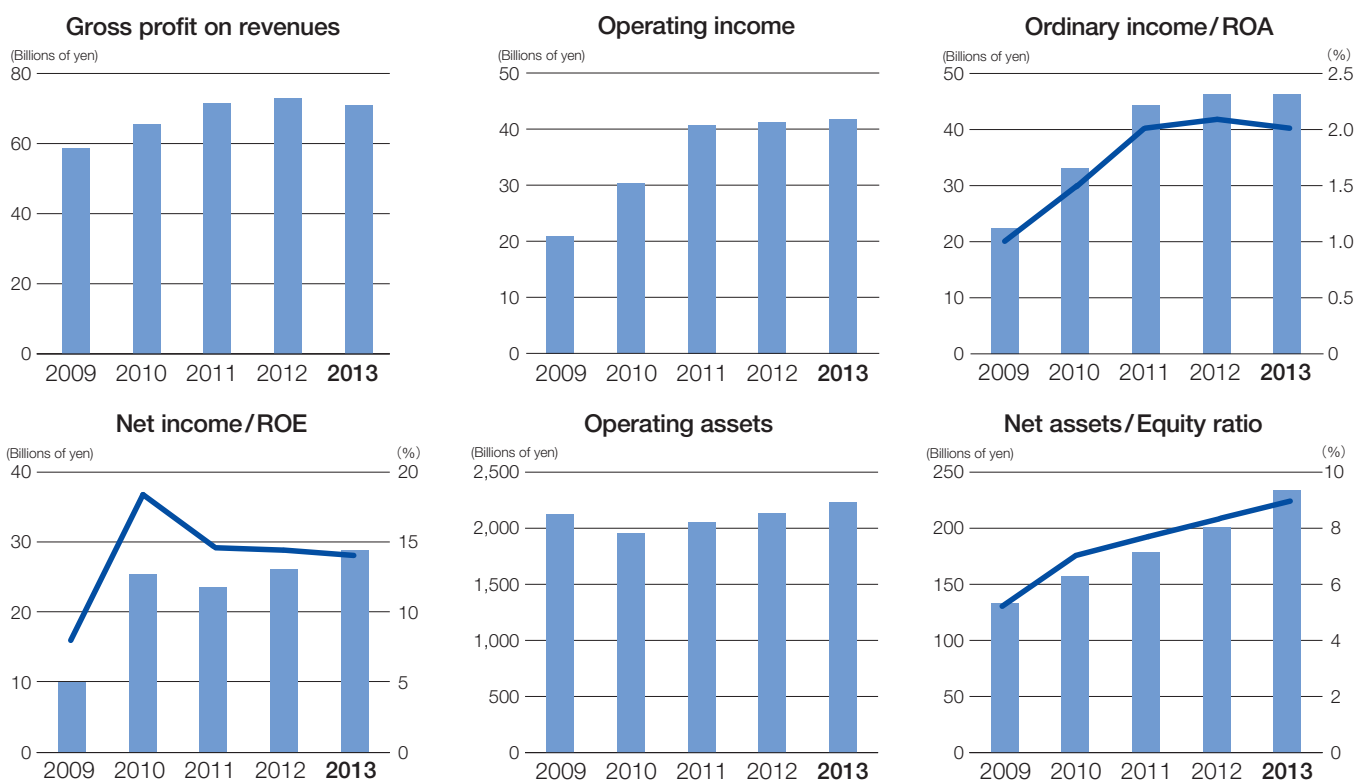


FINANCIAL HIGHLIGHTS

Century Tokyo Leasing Corporation and Consolidated Subsidiaries
Years ended March 31

	Millions of yen			Thousands of U.S. dollars
	2011	2012	2013	2013
Operating Results				
Revenues	¥ 713,182	¥ 716,342	¥ 691,128	\$ 7,353,209
Gross profit on revenues	71,593	72,658	70,883	754,154
Operating income	41,034	41,878	41,974	446,576
Ordinary income (Income before extraordinary items and income taxes)	44,170	46,252	46,293	492,528
Net income	23,646	26,194	28,935	307,852
Financial Condition				
Total assets	¥ 2,184,599	¥ 2,260,389	¥ 2,465,817	\$26,234,887
Operating assets, including business guarantees	2,049,804	2,143,217	2,276,575	24,221,459
Business guarantees	26,081	48,815	45,211	481,019
Interest-bearing debt	1,741,897	1,783,173	1,939,219	20,632,184
Net assets	178,752	201,272	233,669	2,486,103
Per Share Data				
	Yen			U.S. dollars
Net income	¥ 221.80	¥ 245.82	¥ 272.32	\$ 2.90
Net assets	1,594.57	1,796.62	2,092.46	22.26
Dividends	40.00	44.00	48.00	0.51
Significant Indicators				
	%			
Return on equity (ROE)	14.8	14.5	14.0	
Return on assets (ROA)	2.0	2.1	2.0	
Equity ratio	7.8	8.4	9.0	

Note: Translated at ¥93.99= US\$1.00, the approximate rate of exchange on March 31, 2013.



Graph figures for the year ended March 31, 2009 are the simple sums of values recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.

TO OUR STAKEHOLDERS

Harnessing the attributes of its major shareholders, namely the robust customer base of the Mizuho Financial Group and the high-quality information resources of ITOCHU Corporation, Century Tokyo Leasing Corporation engages in a broad spectrum of businesses across a wide range of countries and regions. Specifically, the Company builds on the strength of its core business activities, including the leasing and installment sale of information and communications equipment, to provide highly specialized financing in such fields as real estate, vessels, aircraft, the environment and energy. In addition to an outstanding presence in Japan, Century Tokyo Leasing maintains an industry-leading overseas network that is particularly strong in Asia, including East Asia, the ASEAN region and India. Having bolstered its automobile leasing business for companies and individuals with the addition of rental car services, the Company also plays a prominent role through its automobile financing business. In addition to these business, the Century Tokyo Leasing Group works closely with several leading manufacturers, including Fujitsu Limited, IHI Corporation and Shiseido Co., Ltd. as it strives to become a solutions-oriented company that delivers truly comprehensive financial services that meet every possible customer need.

The Century Tokyo Leasing Group positioned an “evolution scenario for maximizing merger synergies and moving to the next stage of growth” at the heart of its first three-year medium-term management plan, which kicked off in April 2010. Under this plan, the Group worked diligently to reinforce management as well as its sales base. In the final year of the plan, ended March 31, 2013, the balance of operating assets, including business guarantees, stood at ¥2,276.6 billion while ordinary

income came to ¥46.3 billion, which represents a more than twofold increase compared with levels recorded at the time of the merger in April 2009. As a result, the Group achieved all its management targets. More importantly, these results were achieved amid a harsh operating environment. Our performance is a testament to the efforts of each and every employee and a measure of our successful endeavors to steadily build up our strength.

The Century Tokyo Leasing Group launched its second three-year medium-term management plan in April 2013 under a basic policy of “to become a robust comprehensive financial services enterprise and realize further innovative changes as well as sustainable growth.” The Century Tokyo Leasing Group recognizes that the role of a leasing company is to contribute to customers’ businesses through the provision of finance. The Group is also acutely aware that its service-based activities provide the starting point for all of its endeavors. In this context, the Group will make the most of the flexibility and freedom available to a leasing company that has the ability to invest and engage in business in its own right. Unfettered by conventional business models, we will raise our sights and open up opportunities in domains that offer further growth. In addition, we will carry out our management strategies in a timely and definitive manner. In this way, we will work to build a structure that is capable of consistently achieving the management target of consolidated ordinary income of ¥50.0 billion or more while bringing to fruition sustainable growth.

As we work toward achieving this goal, we kindly request the continued support and understanding of all stakeholders.



Chairman & Co-CEO **Toshihito Tamba**



President & CEO **Shunichi Asada**

AN INTERVIEW WITH THE PRESIDENT

Q1

Please describe the Company's results in fiscal 2012, ended March 31, 2013, the final year of its first medium-term management plan.

A In the fiscal year under review, the Japanese economy saw signs of a gradual turnaround in the second half due to such factors as a weakening in the value of the yen and an upswing in stock prices stemming from positive expectations regarding the effects of the government's financial and fiscal policies, including efforts to further ease monetary conditions. Nevertheless, the outlook for the Japanese economy remained uncertain owing mainly to such issues as the prolonged debt problem in Europe and a slowdown in the rates of growth in emerging economies.

Under these circumstances, the Century Tokyo Leasing Group continued to promote efforts aimed at strengthening its sales and management bases. As a result, the value of new contracts for the fiscal year under review was robust, climbing 9.9% year on year to ¥1,178.8 billion, while the balance of operating assets, including business guarantees, rose steadily, reaching ¥2,276.6 billion. Nevertheless, total revenues declined 3.5% year on year to ¥691.1 billion on a consolidated basis. Consolidated operating income, on the other hand, edged up 0.2% to ¥42.0 billion, ordinary income improved 0.1% to ¥46.3 billion, and net income grew 10.5% to ¥28.9 billion. From an income perspective, these results represented a record high at each core earnings level.

**Achievements under the First Medium-Term Management Plan
(Fiscal 2010 to Fiscal 2012)**

	Targets (A)	Results (Fiscal 2012) (B)	vs. Targets (B) – (A)
Ordinary income	¥35.0 billion or more	¥46.3 billion	¥11.3 billion
Operating assets	Over ¥2.0 trillion	¥2.2 trillion	¥0.2 trillion
Shareholders' equity ratio	Over 8.5%	9.0%	0.5 point

Q2

What are your thoughts on achievements under the Company's first medium-term management plan?

A Under our first medium-term management plan, which focused on an "evolution scenario for maximizing merger synergies and moving to the next stage of growth," we achieved and exceeded all management targets and expectations.

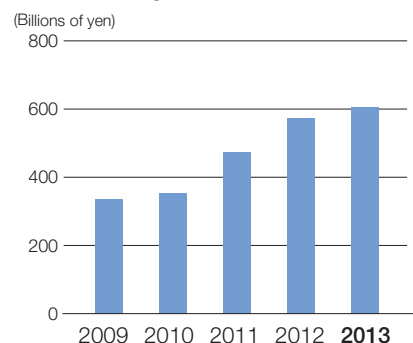
First, in endeavoring to maximize merger synergies, the Group completed information system integration at a pace that led the industry. At the same time, successful steps were made to build an efficient structure that integrates organizational, personnel and credit screening systems. We are very proud that we were able to realize merger synergies at such an early stage.

In order to push forward an evolution scenario for moving to the next stage of growth, we expeditiously channeled personnel into such growth areas as financing and international operations. In financing operations we were active in pursuing opportunities in the real estate, vessels, aircraft, the environment and energy fields and took positive strides in establishing a second pillar of business to complement our leasing and installment sales activities. As for international operations, we opened six bases in China as well as offices in Indonesia and India. Through these and other means, we are working diligently to expand our global network, especially in Asia.

In addition to bolstering its aircraft business platform by acquiring equity interests in the low-cost carrier (LCC) Jetstar Japan Co., Ltd. and U.S.-based GA Telesis, LLC, one of the world's largest providers of products, services and solutions to the commercial aerospace industry, the Group entered the rental car services by converting Nippon Rent-A-Car Service, Inc. into an equity-method affiliate (currently a consolidated subsidiary).

Amid a persistently harsh operating environment, the Group has also taken steps to entrench solution-oriented services at the heart of its leasing and installment sales business marketing. The Group has successfully achieved targets for the value of

Balance of Operating Assets
in the Financing Business



new contracts set at the beginning of the most recent two accounting periods as well as a year-on-year growth rate that exceeds the industry average. Based on these efforts and results, we have picked up steam across all business fields.

In February 2013, external agencies upgraded the Company's rating* by one-notch. I believe this reflects a positive assessment of our endeavors.

* Japan Credit Rating Agency, Ltd. (JCR) raised the Company's rating from A to A+ while Rating and Investment Information, Inc. (R&I) lifted the Company's rating from A- to A.

Under the Plan, we successfully achieved all established management targets and improved our ratings. As a result, I believe that we have established an outstanding track record over the past three years.

Q3

Please tell us about the goals and key points of the Group's second medium-term management plan, launched in fiscal 2013.

A Under its second medium-term management plan, the Century Tokyo Leasing Group has identified the basic policy of "to become a robust comprehensive financial services enterprise and realize further innovative changes as well as sustainable growth." The Century Tokyo Leasing Group recognizes that the role of a leasing company is to serve specific needs and to contribute to customers' businesses through finance. With a strong awareness that our origins are rooted in the service industry, we are determined to make the most of the flexibility and freedom available to a leasing company that has the ability to invest and engage in business in its own right. Unfettered by conventional business models, we are looking toward the horizon with the intention of uncovering further areas of potential growth.

Specifically, our principal management strategies are to (1) enhance competitiveness in the leasing business; (2) bolster the financing business; (3) expand overseas businesses; and (4) reinforce activities in the automobile financing business both in Japan and overseas. As one management goal, we are targeting ¥50.0 billion or more in consolidated ordinary income. While leveraging our strengths, we will steadfastly and swiftly carry out management strategies. These efforts will allow us to build a platform that is capable of generating a stable stream of consolidated ordinary income of ¥50.0 billion or more and realizing sustainable growth.

Management Targets under the Second Medium-Term Management Plan (Fiscal 2013 to Fiscal 2015)

	Results (Fiscal 2012)	Targets (Fiscal 2015)
Ordinary income	¥46.3 billion	¥50.0 billion or more
Operating assets	¥2.2 trillion	¥2.6 trillion
Shareholders' equity ratio	9.0%	10.0%



Q4

What is your view of growth in the financing business going forward?

A The first thing that needs to be said is that the Company's business activities can no longer be classified under the traditional accounting-based segments of leasing and installment sales and financing. In its financing business activities in particular, Century Tokyo Leasing is extending beyond the simple finance and leasing fields to provide additional tailor-made services and product proposals across a wide variety of specialized fields, including real estate, vessels, aircraft, the environment, energy, healthcare and welfare. In financing operations, a major growth driver, the Company currently holds operating assets of ¥520.0 billion. Our vision of the future is to expand this balance to ¥840.0 billion over the medium-to-long term.

Specifically, we will pursue growth in the real estate field by strengthening partnerships with blue-chip companies to build up our portfolio of quality assets. In the aircraft field, we have taken up an equity interest in the LCC Jetstar Japan Co., Ltd. and included GA Telesis, LLC, one of the world's largest providers of products, services and solutions to the commercial aerospace industry, in the scope of the Company's consolidation as an equity-method affiliate. Through these means, we are working to expand earnings opportunities across the full gamut of operations in this particular field and putting in place an aircraft life cycle management (LCM) platform that extends from new aircraft leasing and financing through the dismantling of retired aircraft and sale of components. In the environment and energy field, we will look to further promote the widespread use of such renewable energy sources as solar and wind power. We will also pursue financing opportunities in the low-carbon thermal energy generation facility field, which is steadily growing in importance. In the healthcare and welfare fields, we are endeavoring to advance a variety of initiatives, including the provision of factoring services for diagnostic and nursing care fees. Among a host of activities, we are promoting real estate leasing for nursing care facilities, medical malls and other related properties while participating in hospital revitalization and reconstruction projects.

Overview of Jetstar Japan Co., Ltd.

Shareholders	Qantas Group	(33.3%)
	Japan Airlines Co., Ltd.	(33.3%)
	Mitsubishi Corporation	(16.7%)
	Century Tokyo Leasing Corporation	(16.7%)
Representative	Miyuki Suzuki	
Business Activities	Airline (Domestic)	
Founded	2011	

Overview of GA Telesis, LLC

Location	Florida, U.S.A.	
Representative	Abdol Moabery	
Business Activities	Provider of products, services and solutions to the commercial aerospace industry	
Founded	2002	

As our business activities have continued to grow, we have reached the point where the reportable segments of leasing and installment sales as well as financing do not represent the full scope of our operations.

Q5

Please tell us about overseas business expansion.

A In fiscal 2012, four operating bases were newly opened in China. Century Tokyo Leasing also entered into a business alliance with Tata Capital Limited of the Tata Group, a leading conglomerate in India. Steps were also taken to dispatch personnel to the “Japan Desk,” which was newly established within Tata Capital Financial Services Limited, one of the Tata Capital Group companies. This brings the Company’s global network to 19 bases spread across nine countries and regions.

In July 2013, Century Tokyo Factoring China Corporation commenced operations as the Group’s factoring company in China. As Japanese companies enter the China market, the steady increase in trade accounts receivable and other factors has become a pressing issue. With the newly established factoring company working in close collaboration with our subsidiary Century Tokyo Leasing China Corporation, we now have in place a structure that is capable of addressing customers’ finance needs in a comprehensive manner that encompasses leasing, installment sales and factoring. While there are those who are voicing concerns about a slowdown in the rate of economic growth in China, from a global perspective the Chinese market still offers ample potential for growth. Looking ahead, we will continue to capitalize on the growth exhibited in East Asia and the ASEAN region as we work toward strengthening our business base.

In addition, vendor or sales finance in partnership with such entities as manufacturers and dealers is also attracting growing expectation overseas. To date, our results in this field have come mainly from proposals in Japan with major global scale vendors. Moving forward, we will work to promote similar services throughout East Asia and the ASEAN region. Moreover, we are drawing on this know-how to strengthen activities aimed at Japanese vendor finance companies in each of the aforementioned domains.

Furthermore, the overseas automobile financing business will become a growth driver for our overseas business going forward. While the Group is already engaged in automobile financing business activities in Singapore, Taiwan and other countries, we will harness the expertise gained in Japan and overseas to bolster our business in Asian markets, where the motorization of society is rapidly progressing.

More than just a financing company, Century Tokyo Leasing is aspiring to become a provider of services that offer a high degree of freedom and flexibility. How far we are able to hone the skills necessary to address the wide-ranging needs of customers will be key to our future growth.

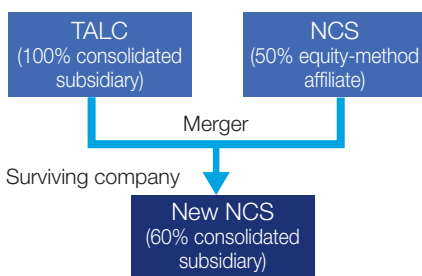


Q6

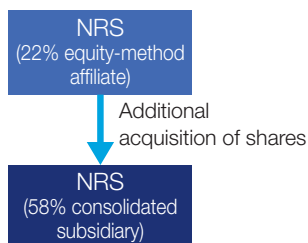
Please tell us about your efforts to bolster activities in the automobile financing business.

Bolster the Automobile Financing Business

- Merger between Tokyo Auto Leasing Co., Ltd. (TALC) and Nippon Car Solutions Co., Ltd. (NCS) (October 2013)



- Inclusion of Nippon Rent-A-Car Service, Inc. (NRS) in the Scope of the Company's Consolidation as a Consolidated Subsidiary (June 2013)



A In addition to leasing, the automobile financing business provides a wide array of services encompassing maintenance and vehicle inspection. Accordingly, it is a core business for the leasing company. Improvements in consolidated earnings can be directly linked to successful efforts to bolster the automobile financing business. As such, initiatives aimed at boosting the Group's activities in this area are a key portion of the current medium-term management plan. In its automobile financing business, the Group leases automobiles to corporate and individual customers. Century Tokyo Leasing also maintains a rental car services company, which enables it to provide a lineup that its industry peers are unable to offer. Moving forward, steps are being taken to reorganize the automobile related business company in order to further deepen collaboration between Century Tokyo Leasing and its Group companies.

First, we will merge the wholly owned subsidiary Tokyo Auto Leasing Co., Ltd. with Nippon Car Solutions Co., Ltd., an affiliate accounted for by the equity method in which Century Tokyo Leasing holds a 50% equity interest alongside Nippon Telegraph and Telephone Corporation (NTT), by October 2013. The surviving company after the merger will be Nippon Car Solutions Co., Ltd. Every effort will be made to quickly realize any and all benefits to accrue from the merger of the Century Tokyo Leasing Group's two automobile leasing business companies under the overarching policy of expanding earnings.

Second, in June 2013 Century Tokyo Leasing acquired additional shares of Nippon Rent-A-Car Service, Inc., and included the company in the scope of consolidation as a subsidiary company. The rental car market offers considerable promise and is currently expanding at an annual rate of 6%. The Nippon Rent-A-Car brand has established a robust position in Japan. Coupled with the synergy benefits to accrue from this high visibility and the Century Tokyo Leasing Group's corporate customer platform, we are looking forward to a dramatic leap forward in this business.

Moreover, Orico Auto Leasing Co., Ltd., which provides automobile leasing services to individuals, is working in close collaboration with joint-venture partner Orient Corporation to aggressively promote business amid the shift among individuals from a focus on automobile ownership to occasional use. These efforts are helping to substantially boost performance.

The automobile financing business will take steps to address every possible customer need through its broad lineup of services and will work in unison with the Century Tokyo Leasing Group.

Q7

What can you tell us about the Group's fund procurement capabilities? What are your thoughts on future financing conditions?

A In the period under review, Century Tokyo Leasing diversified its procurement methods in an effort to address the growing demand for funds both in Japan and overseas. In Japan, the Company issued straight bonds totaling ¥55.0 billion. This brought the balance of the Company's corporate bonds to around ¥100.0 billion. With short-term interest rates forecast to remain stable at relatively low levels, we are maintaining our short-term financing ratio at above 50%. Century Tokyo Leasing's balance of commercial paper also continues to be above ¥600.0 billion. In addition, external agencies upgraded the Company's rating by one-notch in February 2013. This places Century Tokyo Leasing at the top of its industry in terms of stability.

Looking at financing conditions in the future, expectations are high that long-term interest rates will rise on the back of the "Abenomics" policies introduced by Japanese prime minister Shinzo Abe after his December 2012 election. Recognizing, however, that a substantial amount of time will be required before Japan fully breaks

Q8

How do you see the year ending March 31, 2014?

free from its deflationary spiral, we believe that interest rates will remain stable at their current low levels for the foreseeable future. In addition to maintaining its existing funds procurement policies, the Century Tokyo Leasing Group will work to minimize its interest expenses.

A In addition to controlling interest expenses and credit costs, we will strive to further increase profitability by swiftly carrying out our management strategies in this first fiscal year of the current medium-term management plan.

In fiscal 2013, we believe that efforts to reorganize the automobile financing business will have a positive effect of around ¥4.0 billion on consolidated ordinary income. Factors that are expected to have a negative impact on performance include such funds as that earmarked for the allowance for doubtful accounts, which is expected to have a negative effect of around ¥2.0 billion on ordinary income. Accounting for these factors, and on a consolidated basis, revenues are projected to reach ¥770.0 billion, an increase of 11.4% year on year. Operating income is forecast to climb 4.8% to ¥44.0 billion, ordinary income to improve 3.7% to ¥48.0 billion, and net income to rise 3.7% to ¥30.0 billion. Thus, results are again expected to represent historic highs.

Q9

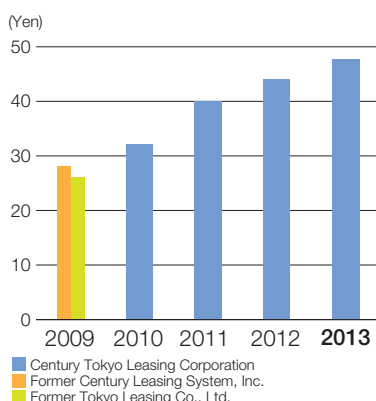
In closing, please tell us about the Company's policy with regard to the return of profits to shareholders and your thoughts on dividends.

A The Century Tokyo Leasing Group believes that continuous efforts to expand its business and operations while strengthening its corporate standing will help enhance the Group's corporate value. We are therefore acutely aware of the need to maintain sufficient internal reserves to achieve these ends. At the same time, the Group maintains a basic policy of returning profits to its shareholders on a long-term and stable basis. Bearing these equally important issues in mind, we will work to effectively apply internal reserves, which we consider to be the source of future growth, toward the purchase of high-quality operating assets.

For fiscal 2012, the Century Tokyo Leasing Group paid an annual dividend for the period of ¥48 per share, up ¥4 per share year on year. In fiscal 2013, we will look to pay an annual dividend of ¥52 per share, a year-on-year increase of ¥4 per share. This will represent an effective doubling of the dividend compared with that paid immediately before the merger in April 2009.

Looking ahead, and guided by its second medium-term management plan, the Century Tokyo Leasing Group will work to further spread its wings as it strives to become a robust comprehensive financial services enterprise and to provide higher returns to its shareholders. To respond to the expectations of our stakeholders, the Company is committed to increasing its dividend payments in absolute terms and to improve its payout ratio.

Dividends per Share for the Fiscal Year under Review



The Century Tokyo Leasing Group has continued to maintain an extremely high level of asset efficiency within the leasing industry. As a result, we plan to pay a dividend per share for the fiscal year ending March 31, 2014, that is approximately twice that paid at the time of our merger.

Special Feature:

The Second Medium-Term Management Plan

(Fiscal 2013 to Fiscal 2015)

Basic Policy

To become a robust comprehensive financial services enterprise and realize further innovative changes as well as sustainable growth

Management Targets
(Fiscal 2015)

Management Strategies (Strengthen the sales base)

Consolidated
ordinary income:

¥50 billion
or more

Consolidated
operating assets:

¥2.6 trillion

Consolidated
shareholders'
equity ratio:

10.0%

Enhance Competitiveness
in the Leasing Business

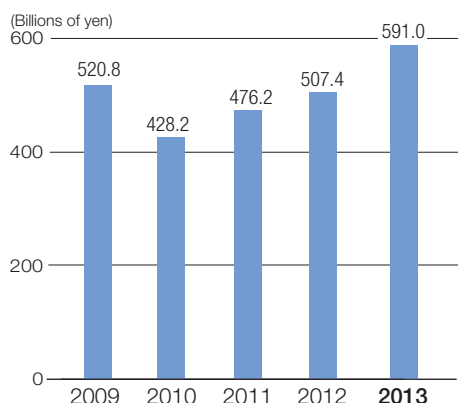
Bolster the Financing Business

Expand Overseas Businesses

Reinforce Activities in the Automobile
Financing Business both in Japan and Overseas

Enhance Competitiveness in the Leasing Business

Value of New Contracts in Leasing



*The graph figure for the year ended March 31, 2009, is the simple sum of amounts recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.

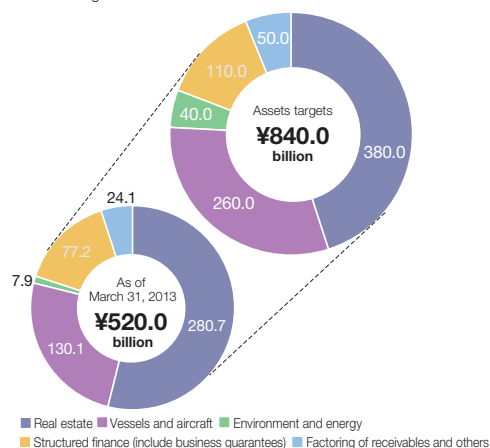
1. Build up highly profitable prime assets
2. Upgrade and expand high-value-added services

The Century Tokyo Leasing will work to strengthen the PC reuse and recycling (refurbishment) business, which places particular importance on asset values, as well as asset management services that seek to enhance customer convenience. At the same time, the Century Tokyo Leasing will endeavor to increase the competitiveness of its leasing business.

Bolster the Financing Business

Financing Business Department* Assets Targets

* Including lease transactions

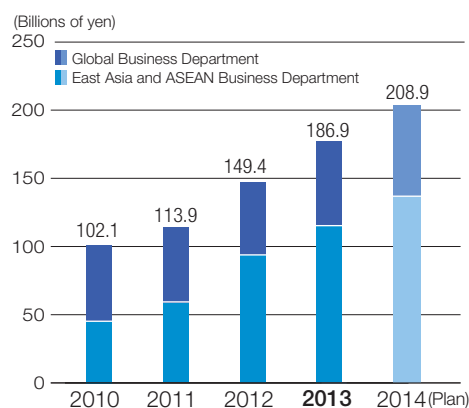


1. Taking on the Life-Cycle Management of Aircraft
2. Expanding the Environment and Energy Field

The Century Tokyo Leasing will expand the scope of its business in aircraft field, where economic growth in newly developing countries is expected to trigger an upswing in future demand. At the same time, the Company will push forward initiatives in the energy and environment fields, where growth is anticipated on the back of rising social demand. In this manner, the Century Tokyo Leasing will bolster its financing business.

Expand Overseas Businesses

Balance of International Operating Assets



* Overseas local subsidiary data is the total of the assets of each company excluding inactive companies

* Excluding assets of vessel and aircraft financing

1. Expanding Overseas Business Domains with a Focus on Asia
2. Expanding Our Global Network

In addition to increasing the number of bases in China and commencing leasing business activities in India, particular emphasis is being placed on upgrading and expanding the Group's global network. At the same time, the Century Tokyo Leasing Group will promote measures aimed at meeting the needs of both Japanese and non-Japanese companies while expanding its overseas business.

Reinforce Activities in the Automobile Financing Business both in Japan and Overseas

Business Fields and Vehicles under Management*

(Thousands of vehicles)

Corporate Auto Leasing Business Field	
Nippon Car Solutions Co., Ltd.	301
Tokyo Auto Leasing Co., Ltd.	102
Auto Leasing Business Field for Retail Market	
Orico Auto Leasing, Co., Ltd.	35
Amount of domestic auto leasing	438
Rental Car Services Field for Individual and Corporate Customers	
Nippon Rent-A-Car Service, Inc.	37
Overseas Automobile Financing Business	
Taiwan, Singapore, Thailand, Malaysia, U.S.A.	25

*As of March 31, 2013 (excluding the figure for Nippon Rent-A-Car Service, Inc. which was as of September 30, 2012)

1. Reorganizing the Corporate Auto Leasing Business
2. Realizing Synergies with the Rental Car Services Business

Every effort will be made to strengthen profitability in the automobile financing business in Japan and overseas by combining automobile leasing business activities for both individuals and companies with rental car services activities, thereby expanding the scope of business in Japan, and harnessing the know-how nurtured in Singapore and Taiwan.



Bolster the Financing Business



Bolster the Financing Business

1. Taking on the Life-Cycle Management of Aircraft

Buoyed by an increase in the volume of air traffic worldwide and especially throughout Asia, together with the growing emergence of low-cost carriers (LCCs), the total number of commercial aircraft in operation is forecasted to surge from 18,590 at the end of 2012 to 34,359 at the end of 2032 on a global basis. Of this total, the percentage financed using leasing facilities is expected to rise from 35% to between 45% and 50% in 2020. Against this backdrop, the Century Tokyo Leasing Group has entered the aircraft business in earnest by acquiring an equity interest in the LCC Jetstar Japan Co., Ltd. and U.S.-based GA Telesis, LLC, one of the world's largest providers of products, services and solutions to the commercial aerospace industry, in the scope of its consolidation as an equity-method affiliate. Through these initiatives, the Group has established a structure capable of handling the life-cycle management of aircraft extending from the lease of new aircraft to the scrapping of retired aircraft and the sale of their parts. Moving forward, we will work to fortify our presence in a field that continues to enjoy growth and development.

Forecast Trends in the Number of Global Air Travelers (by Revenue Passenger-Kilometer)

(Billions of passenger-kilometers)	
2012 (Actual)	2032 (Forecast)
5,407	13,894

Forecast Trends in the Number of Commercial Aircraft in Operations

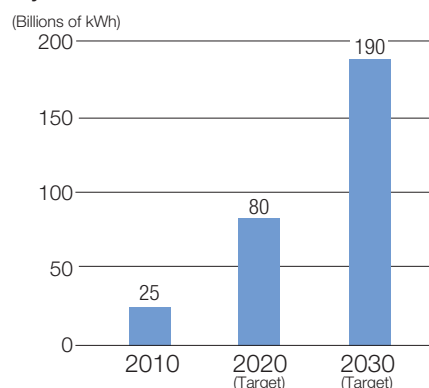
(Number of aircraft)	
As of 2012	As of 2032
18,590	34,359

Source: Japan Aircraft Development Corporation (JADC)

2. Expanding the Environment and Energy Field

Society's requirements with regard to the environment and energy field continue to multiply. Favored by the introduction of the feed-in tariff (FIT) system, which calls on utilities to purchase electricity generated from renewable energy sources at a fixed price, Japan's environment and energy field is expected to enjoy substantial growth. Building on its accumulated expertise in wind power generation facility project finance, Century Tokyo Leasing is steadily expanding its activities in this field. In addition to addressing the mega solar power generation facility construction needs of local government authorities and private-sector operators throughout Japan, the Company established Kyocera TCL Solar LLC, a joint-venture formed with Kyocera Corporation, in August 2012, and has entered the electric power sales business in its own right. The Century Tokyo Leasing Group is looking to expand opportunities to boost earnings and to contribute to the sustainable development of society by flexibly addressing the needs of businesses that possess considerable social significance.

Renewal Energy Introduction Target (Power Generation Capacity) Excluding Hydraulic Power

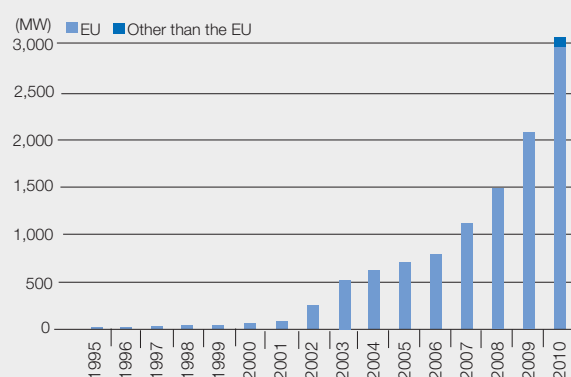


Source: The Energy and Environment Council (September 14, 2012)

Financing Activities Associated with Off-Shore Wind Turbine Installation Vessels (WTIVs)

With very few restrictions regarding installation compared with on-shore sites, off-shore wind power generation systems that take advantage of strong winds have attracted considerable interest in recent years. This interest is especially robust in Europe. While WTIVs are essential to the construction of off-shore wind power generation systems, there were only eight such vessels in the world as of December 31, 2011. Century Tokyo Leasing is responsible for a portion of the syndicated loans used to finance three WTIVs. Drawing on expertise in Europe, which stands at the forefront of the off-shore wind power system industry, we will harness all available know-how to develop domestic business opportunities in this field going forward.

Cumulative Off-Shore Wind Capacity



Source: The European Wind Energy Association (EWEA)



Global
Business Division II
(From left)
WeiJie Fan
Nan Chen
Jidong Qiu

Expand Overseas Businesses



Expand Overseas Businesses

1. Expanding Overseas Business Domains with a Focus on Asia

Amid moderate market growth in Japan, the Century Tokyo Leasing Group is strengthening overseas business activities, focusing on East Asia and the ASEAN region in line with a growing trend among Japanese companies to expand in these areas. In addition to providing lease financing to Japanese companies in a number of countries, the Group is pursuing opportunities to provide services that match non-Japanese local companies' needs, including for automobile leasing and financing in such countries as Taiwan and Singapore as well as vendor financing targeting global IT vendors. Looking ahead, we will work to expand our service menu, reinforce automobile financing business initiatives in each country and pursue growth in Asia.

Forecast of Nominal GDP Growth

(Billions of U.S. dollars)

	2012	2018
China (including Hong Kong)	8,490	15,361
Taiwan	474	715
Singapore	277	342
Indonesia	878	1,482
Malaysia	304	475
Thailand	366	612
India	1,825	2,976

Source: IMF World Economic Outlook in April 2013

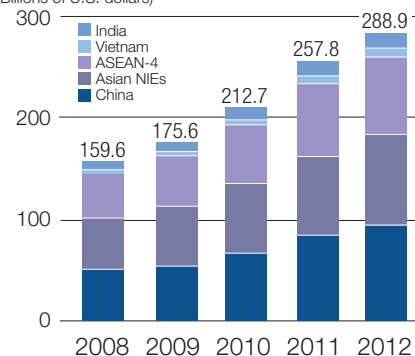
2. Expanding Our Global Network

The Century Tokyo Leasing Group is steadily taking steps to put in place a platform that is capable of accelerating the pace of overseas business development in order to make the most of every new business opportunity. In fiscal 2012, the Group established four new bases in China, expanding its network to eight business sites. In India, the Century Tokyo Leasing Group entered into an alliance with Tata Capital Limited and set up an internal "Japan Desk." Moreover, Century Tokyo Leasing established a commercial factoring company in Shanghai in June 2013. Amid an upswing in business scale, this newly established company is charged with the responsibility of addressing the wide-ranging financial needs of Japanese companies, which continue to confront a host of operational issues in China. This new company is the first of its kind to be established by a Japanese company. In overall terms, we now boast an overseas network of 20 bases in nine countries and regions.

The Century Tokyo Leasing Group is committed to supporting Japanese companies that are working to enter overseas markets. Accordingly, particular emphasis is being placed on further expanding the Group's global operating platform as well as its overseas network.

The Balance of Japan's Outward Direct Investment in Asia

(Billions of U.S. dollars)

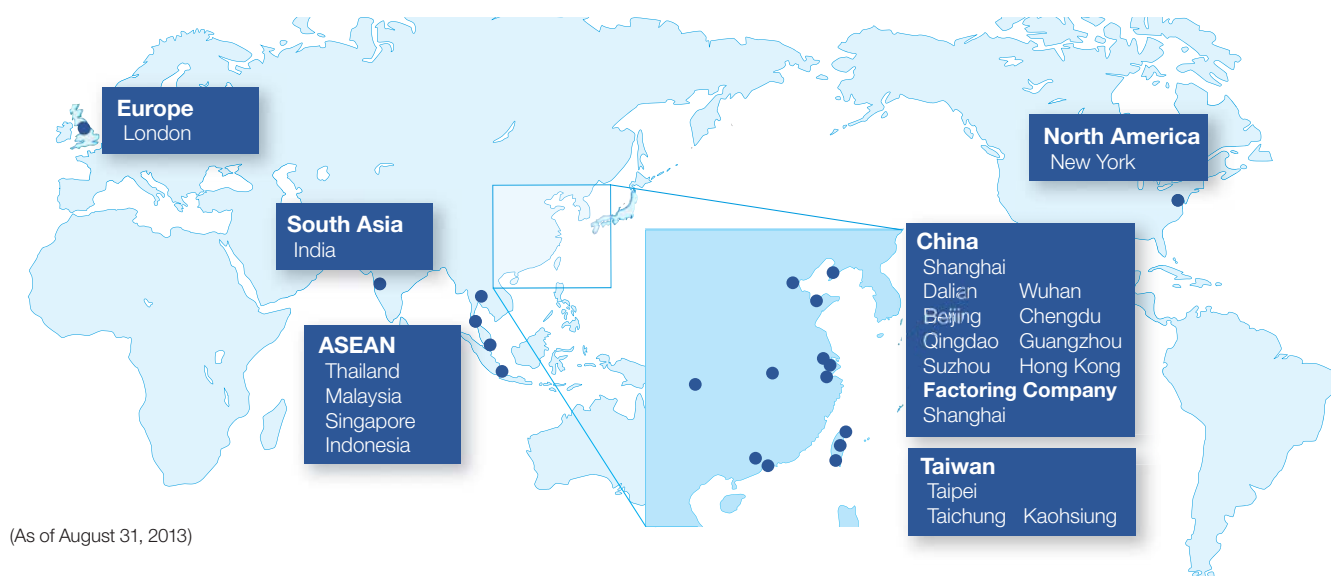


Source: The Japan External Trade Organization (JETRO)

* Asian NIEs: Hong Kong, Taiwan, South Korea, Singapore

* ASEAN-4: Thailand, Indonesia, Malaysia, the Philippines

20 Overseas Bases (Nine Countries and Regions)



(As of August 31, 2013)



Reinforce Activities in the Automobile Financing Business



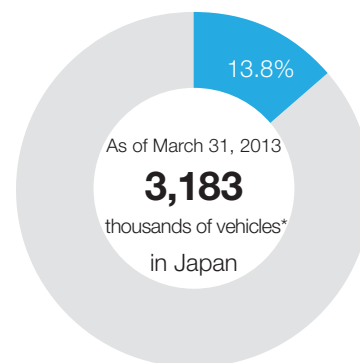
Reinforce Activities in the Automobile Financing Business both in Japan and Overseas

1. Reorganizing the Corporate Auto Leasing Business

The Century Tokyo Leasing Group will merge the wholly owned subsidiary Tokyo Auto Leasing Co., Ltd. with Nippon Car Solutions Co., Ltd., an affiliate accounted for by the equity method in which Century Tokyo Leasing holds a 50% equity interest alongside Nippon Telegraph and Telephone Corporation (NTT), on October 1, 2013. With this merger,* the Group will manage a fleet of approximately 440,000 vehicles and rank third in Japan's auto leasing industry. With the domestic auto leasing market entering a period of maturity, it is vital for companies in the industry to promote more compact vehicles, respond to major companies' efforts to reduce costs and address the increasingly sophisticated needs of customers. The Century Tokyo Leasing Group is working to enhance efficiency by expanding its business scale and to further bolster its cost competitiveness. Taking full advantage of the merging companies' management resources, every effort will be made to capture the diverse needs of customers and to secure further growth and development.

* Plans are in place for the merger to take effect on October 1, 2013. Tokyo Auto Leasing Co., Ltd. will be absorbed using the absorption-type merger method with Nippon Car Solutions Co., Ltd. as the surviving company.

Market Share (Based on the Number of Vehicles under Management)



■ Century Tokyo Leasing Group

* Source: Japan Automotive Leasing Association

2. Realizing Synergies with the Rental Car Services Business

The Century Tokyo Leasing acquired an additional share of Nippon Rent-A-Car Service, Inc. in June 2013, and this company was then included in the scope of the Company's consolidation as a subsidiary. With this initiative, the Century Tokyo Leasing Group has broadened its automobile financing business activities adding rental car services to its existing auto leasing services for corporate and individual customers. Utilizing its customer base, the Group will strive to boost its earnings capabilities by addressing customer needs from all angles. To this end, energies will be channeled toward stimulating corporate rental car demand through proposals that combine both auto leasing and rental car services in tune with each customer's situation and circumstances.

Market Position (Based on the Number of Rental Cars under Management)

(Thousands of vehicles)		
1st	Company T	102
2nd	Company O	46
3rd	Nippon Rent-A-Car Service Inc.	25

As of March 31, 2012

Source: Nikkei Inc.

Newly Establishing the Automobile Business Promotion Division

Under its second medium-term management plan, Century Tokyo Leasing has identified bolstering consolidated management as with a principal goal of the management strategy of strengthening the Group's operating base. Each company in the Group's automobile financing business plays a role in its efforts to address key management challenges. These challenges include the need to enhance competitiveness by reorganizing automobile financing business in Japan and to expand overseas operations with a focus on Asia. Against this backdrop, Century Tokyo Leasing reorganized the

Automobile Business Promotion Office which had set up in April 2012 into the Automobile Financing Business Promotion Division within the Corporate Planning Division in April 2013 in order to further enhance the pace of decision making. The Automobile Business Promotion Division is charged with the responsibility of promoting collaboration between automobile financing business subsidiaries in Japan and developing overseas businesses. Through these means, every effort will be made to boost consolidated earnings.

SEGMENT INFORMATION

Leasing/Installment Sales Business

In fiscal 2012, the value of new contracts executed grew strongly, rising 15.0% from the previous fiscal year to ¥689.5 billion. In the Leasing/Installment Sales business, the value of new contracts executed (including those of overseas Group affiliates) increased 16.5% to ¥591.0 billion owing to strong demand for information and communications equipment, an area of particular strength for the Company, as well as contributions from major leasing contracts for real estate and aircraft. As a result, the value of new leasing contracts executed in Japan was the highest in the industry. Moreover, installment sales transactions expanded 6.8% to ¥98.5 billion.

Thanks to strong growth in the value of new contracts executed, consolidated operating assets grew 7.1% to ¥1,675.4 billion. Of this, the balance of assets for leasing transactions increased 7.1% to ¥1,473.9 billion and that of installment sales transactions advanced 7.2% to ¥201.6 billion. This marks the first time in four years that these figures have grown on a year-on-year basis.

In fiscal 2011, because the fiscal year-ends of Tokyo Auto Leasing Co., Ltd. and Orico Auto Leasing Co., Ltd. were changed from December to March, the results from a 15-month fiscal period for both companies were recorded. Due in part to this change, total sales in fiscal 2012 declined 3.8% to ¥666.5 billion, with sales revenues falling 8.6% to ¥63.9 billion. Moreover, segment profit decreased 8.6% to ¥37.6 billion compared with the previous fiscal year.

Reporting Segment Results

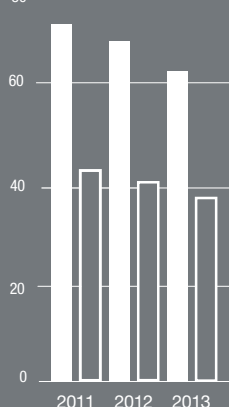
(Year ended March 31, 2013)

80.8%

 of Sales Revenues

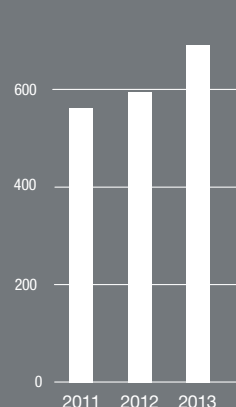
■ Sales Revenues
□ Segment Profit

(Billions of yen)



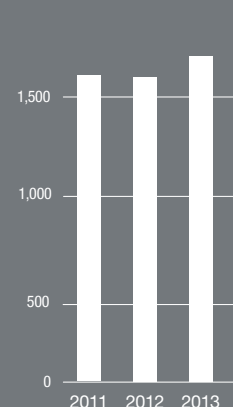
Value of New Contracts

(Billions of yen)



Balance of Operating Assets

(Billions of yen)



Sales revenues = Total revenues – costs (excluding interest expenses)
Segment profit = Operating income in each segment

*Consolidated basis

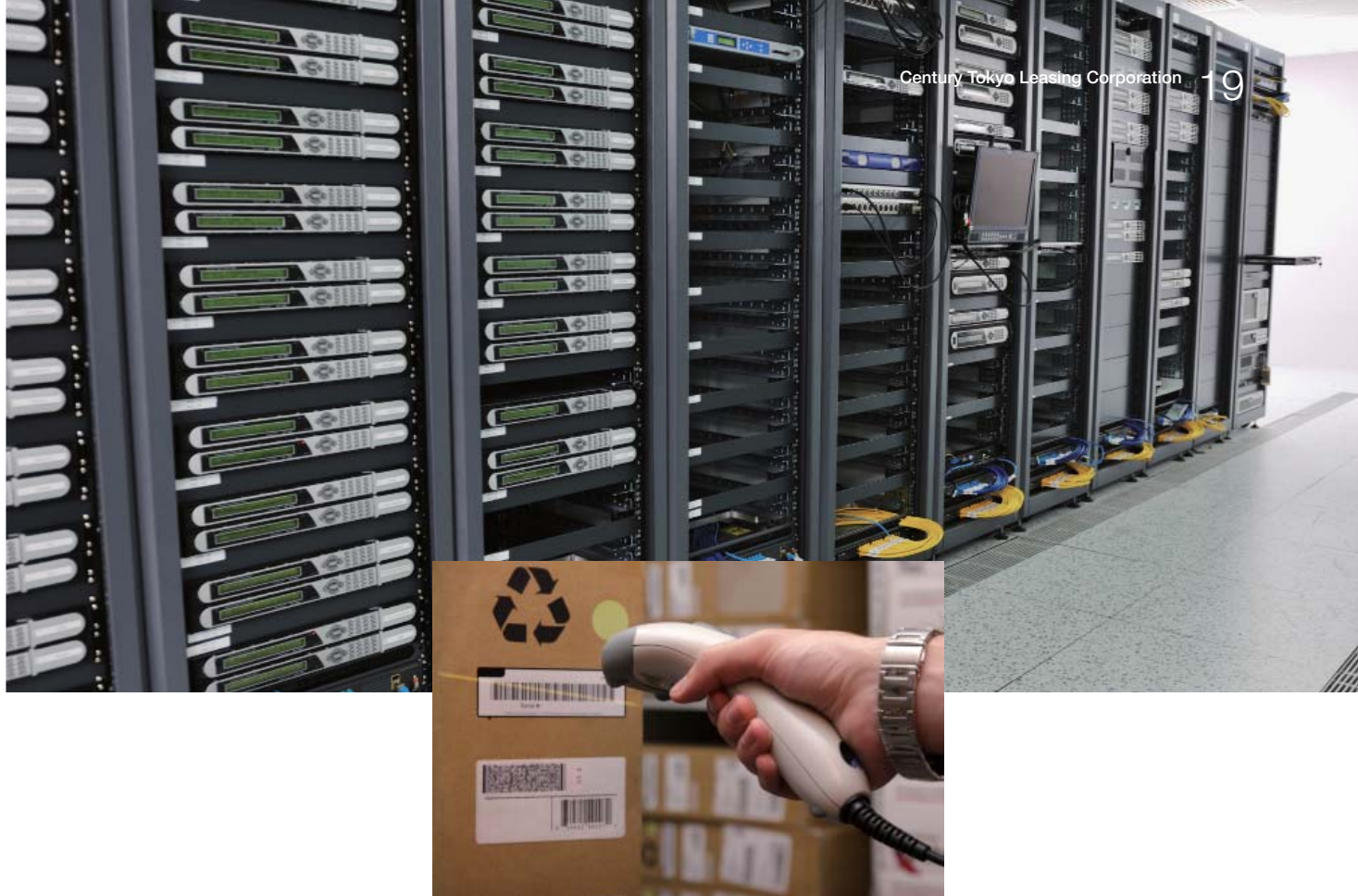
Business Description

In the Leasing/Installment Sales business, Century Tokyo Leasing offers a variety of leasing and installment sales contracts to customers keen to invest in equipment or machinery ranging from information and communications equipment, industrial/machine tools, construction machinery and medical equipment to vessels and aircraft as well as in the fields of environment and energy, and real estate, three fields that Century Tokyo Leasing has identified as potential growth areas. In addition, through its remarketing business, the Leasing/Installment Sales business sells used equipment following contract completion or mid-term contract cancellation.

Fundamental Strategy

In Japan, although a moderate increase in capital investment financed by leasing is expected, competition is heating up within the industry, and the business environment for the Century Tokyo Leasing Group is likely to remain challenging, with Japanese companies accelerating the globalization of their operations. Under these conditions, Century Tokyo Leasing plans to reinforce its competitiveness by providing optimal, high-value-added solutions in the Leasing/Installment Sales business. Leveraging its extensive network overseas, Century Tokyo Leasing aims to expand earnings by increasing the balance of high-quality operating assets and accelerating business development centered on marketing alliances in Japan and abroad.

In the growing automobile leasing and rental car services business, Century Tokyo Leasing plans to reorganize and reinforce operations and then accelerate business development in Japan and overseas by leveraging its broad lineup of automobile leasing options, along with car rentals, for corporations and individuals, an area of particular strength for the Group.



Industry Leader in Value of New Leasing Contracts Executed in Japan

The value of new leasing contracts executed in Japan (excluding overseas Group affiliates) climbed 17.6%, far more than the average industry growth of 8.2%, making it the industry leader. This outstanding growth was attributable to Century Tokyo Leasing winning a major aircraft leasing contract, leading to a 49.5% surge in the value of new leasing contracts executed for transportation equipment, as well as contributions from major real estate leasing contracts and steady trends for the Company's high-value-added IT services in the information and communications equipment field.

Overseas Business Development

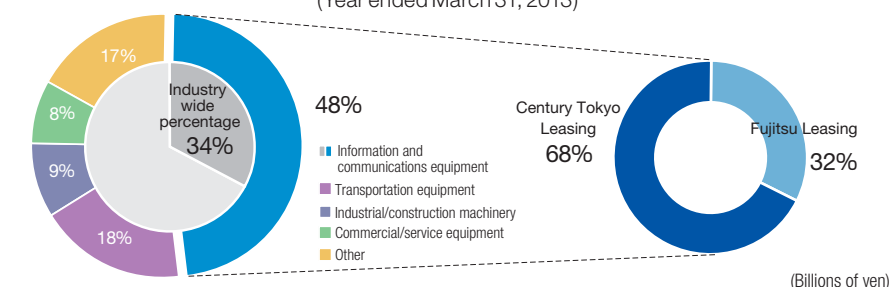
During fiscal 2012, although Century Tokyo Leasing worked to expand the scope of operations in East Asia, stepping up efforts related to medical equipment, the value of leasing contracts executed stagnated due to weaker demand for construction machinery in China. In ASEAN countries, the value of leasing contracts executed increased as a result of deals entered into with Japanese companies in Malaysia, stronger investment in Thailand as companies rebuilt after the 2011 floods and the signing of major leasing contracts with non-Japanese companies.

Globalization of IT Services

Century Tokyo Leasing uses the know-how it has accumulated in leasing to provide a variety of services from installation to disposal.

In recent years, overseas Japanese companies have been increasingly in need of services that are readily available in Japan. Century Tokyo Leasing has been working to ensure that its high-value-added services are available around the world, for example, it has made its ProPlus for C-x, an accounting module for its C-x asset management system, compatible with English and Chinese so the local staff of Japanese companies can use the software. The Company also has a business alliance with companies of the TES-AMM Group to support the wiping of data from used information and communications equipment and recycling operations in the Asian region.

Breakdown of the Company's Value of Leasing Contracts Executed in Japan
(Year ended March 31, 2013)



	Information and communications equipment	Transportation equipment	Total	Overseas subsidiaries	Consolidated
Japan's leasing industry*	1,516.1	571.6	4,510.6	—	—
YoY comparison	0.8%	24.7%	8.2%	—	—
The Group	272.5	100.8	571.1	19.9	591.0
YoY comparison	0.1%	49.5%	17.6%	-7.9%	16.5%

*Source: Japan Leasing Association



ProPlus for C-x in Chinese

Financing Business

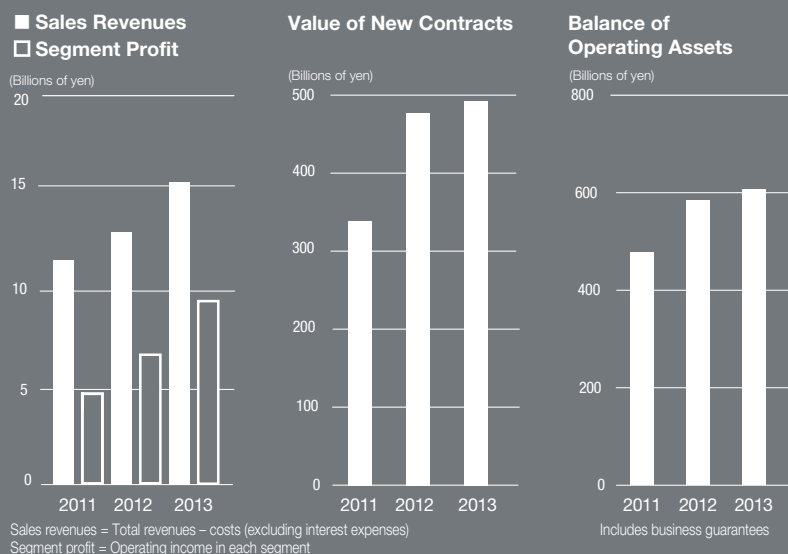
In fiscal 2012, the total value of new contracts executed grew 3.4% year on year to ¥489.3 billion, reflecting firm demand in fields related to real estate, vessels and aircraft. As a result, the balance of operating assets expanded 4.8% to ¥555.9 billion, and, including business guarantees, this figure was ¥601.1 billion, an increase of 3.7% from the end of the previous fiscal year. The Financing business has grown steadily to account for 26.4% of consolidated operating assets at the Company.

Accordingly, total sales grew 20.7% to ¥16.9 billion and sales revenues rose 18.2% to ¥15.2 billion during the fiscal year under review. The Financing business represented 19.2% of consolidated sales revenues for reportable segments, an increase from 15.6% in the previous fiscal year. Segment profit climbed 38.0% to ¥9.2 billion.

Reporting Segment Results

(Year ended March 31, 2013)

19.2%

 of Sales Revenues


*Consolidated basis

Business Description

In the Financing business, Century Tokyo Leasing provides a unique type of solution-oriented financing that focuses primarily on assets for real estate, vessels and aircraft as well as the environmental and energy businesses. The Company also provides financial services to meet fund procurement needs, including the securitization of receivables and medical and nursing care fee receivables.

Fundamental Strategy

Century Tokyo Leasing has positioned the Financing business as a growth domain. In addition to its existing business fields of real estate, vessels and aircraft, the Company is reinforcing its financing activities in such areas as the environment & energy and medicine & welfare. The Financing business takes full advantage of Century Tokyo Leasing's latitude as a leasing company; unlike banks, which just offer financing, we enter into new businesses with our customers, for example, in order to satisfy diverse customer needs. Century Tokyo Leasing has also been driving innovation on several fronts that cross leasing/financing business boundaries in each of its fields.

Real estate:

Backed by strong alliances with major real estate companies and other partners, Century Tokyo Leasing has been bolstering its efforts in the real estate field to address diverse financing needs, ranging from nonrecourse loans to real estate leasing, with a principal focus on office buildings, logistics facilities and commercial facilities.

In fiscal 2012, the balance of operating assets in the real estate field of the Financing business was ¥188.8 billion (¥284.0 billion including leasing), a year-on-year increase of 10.9% that



reflects a steady accumulation of quality operating assets.

Vessels and aircraft:

Century Tokyo Leasing offers financing for vessels such as bulk carriers, containerhips and car carriers, as well as for aircraft manufactured by The Boeing Company and Airbus S.A.S.

In its vessel financing activities, the Company focuses on deals with prominent vessel owners and charter companies while collaborating with market-leading partners inside and outside Japan amid rapidly changing market conditions.

In financing activities for aircraft, a market that is expected to expand

worldwide, Century Tokyo Leasing has deepened its involvement in the aircraft business through financing provided to Jetstar Japan Co., Ltd., a low-cost carrier, and U.S.-based GA Telesis, LLC, one of the world's largest providers of products, services and solutions to the commercial aerospace industry. In this way, Century Tokyo Leasing has been expanding the scope of its operations by building a management structure for the entire life cycle of an aircraft, from leasing new aircraft to disassembling retired aircraft and selling parts.

As a consequence of these initiatives, the balance of operating assets in the vessels and aircraft field of the Financing business stood at ¥89.6 billion (¥130.1 billion including leases) as of March 31, 2013, an increase of 14.7% from a year earlier.

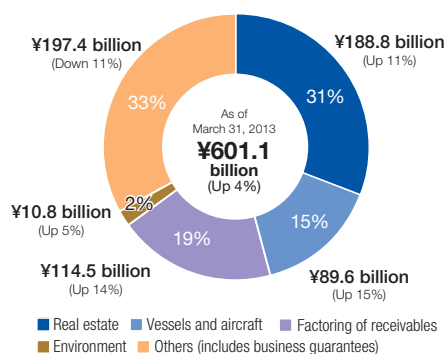
the Company has concentrated on providing financing for solar power projects and low-carbon thermal power generation (gas combined cycle) projects, among others.

During the fiscal year, the introduction of a feed-in tariff (FIT) system for renewable energy aroused interest in solar power generation across the nation. Around the same time, Century Tokyo Leasing began generating electricity at the Ota Solar Park, the first such facility in Japan to operate under the FIT system. Moreover, the Company entered the electricity retail business through joint financing with Kyocera Corporation to establish Kyocera TCL Solar LLC. Through these and other initiatives, Century Tokyo Leasing has been accelerating the development of business, mainly in Japan.

As a result, the balance of operating assets in the environment and energy field of the Financing business increased 4.9% year on year to ¥10.8 billion.

The Balance of Operating Assets in the Financing Business

Figures in parentheses are year-on-year percentage changes.



Environment and energy:

For wind, solar and other power generation projects, Century Tokyo Leasing provides project financing and leasing services that looks to the revenues generated from the power generation project as the principal repayment source each month. Amid growing demand for alternative sources of power other than nuclear power after the Great East Japan Earthquake,

CORPORATE GOVERNANCE

With regard to maximizing its corporate value, Century Tokyo Leasing Corporation recognizes that the effective functioning of corporate governance is an important management issue. To this end, we require a sound and highly transparent management system capable of swift and precise decision making in response to changes in the business environment, as well as properly operating and effectively functioning systems of internal control and risk management. We are striving to fortify our management system to achieve highly sound and transparent corporate management.

Management System

The management system of the Company—composed mainly of Directors and Corporate Auditors, who comprise, respectively, directors and auditors selected at the general meeting of shareholders—is designed to sufficiently reflect the intentions of its shareholders. Furthermore, we have an executive officer system for the purpose of accelerating resolutions on management strategy and further strengthening the supervisory structure and the structure for executing operations.

Board of Directors

The Board of Directors consists of nine Directors, one of whom is an external director as specified in Article 2-15 of the Corporation Law of Japan. The Board of Directors deliberates on and decides 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. Moreover, it supervises the execution of operations by Directors and Executive Officers.

Board of Corporate Auditors

Century Tokyo Leasing has adopted the organizational structure of a company with a board of corporate auditors. The Company maintains a Board of Corporate Auditors that consists of four corporate auditors (two of whom are full-time corporate auditors), three of whom are outside corporate auditors as defined by Article 2-16 of the Corporation Law of Japan. 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 Board of Directors Meetings as well as other important meetings, such as the Management Meeting and meetings of principal committees, etc. They then execute audits of Directors and Executive Officers, their

responsibilities, and progress made in the improvement and management of the internal control system.

Independence of Management Oversight Structure

Century Tokyo Leasing does not have specific standards or policies it follows with regard to independence when appointing its external directors and external auditors. That said, we appoint external directors and auditors that we believe are able to objectively supervise management, based on their extensive background in corporate management, specialized knowledge, and common sense. Our external director has highly advanced knowledge of finance and economics, and leverages this expertise in the management of the Company from a macro standpoint. At the same time, our external director fulfills the responsibility of independently monitoring management. Our three external corporate auditors play a role in maintaining the system that ensures the objectivity and neutrality of the management monitoring function. They rely on their extensive experience and broad knowledge to check operations from the outside on a regular basis. All external corporate auditors are employed by other companies. Of the Company's external corporate auditors, one is an external director as well as a designated independent officer as stipulated by the Tokyo Stock Exchange.

Management Meeting

We established the Management Meeting, which is chaired by the President and officers appointed by the President. As a general rule, the Management Meeting deliberates on particularly important matters concerning the execution of operations and makes decisions for the entire Group. In addition, various internal committees deliberate on management issues specific to their fields of responsibility with the results of deliberations reported at the Management Meeting.

Committees

◎ ALM Committee

The ALM (Asset Liability Management) Committee deliberates on how to manage market, liquidity and other risks, and comprehensively manages funds and their procurement in order to identify and minimize those risks that have the potential to negatively impact the Company's assets and liabilities, including fluctuations in interest rates and foreign currency exchange rates.

◎ Internal Control Committee

The Internal Control Committee deliberates on general internal control matters in order to ensure that the Company's internal control structures and measures are functioning effectively. Deliberations encompass a wide range of matters, including the effectiveness and scope of evaluation with respect to the internal control of financial reporting.

◎ Comprehensive Risk Management Committee

In addition to deliberating on a wide variety of risk measurement methods and other important matters related to the establishment of a risk management structure that is capable of addressing every possible risk that the Company may confront, the Comprehensive Risk Management Committee regularly evaluates the risk conditions of the Company.

◎ Credit Risk Management Committee

The Credit Risk Management Committee deliberates on matters concerning the Group's credit portfolio as a whole as well as credit risk management. This is to ensure the proper management of portfolio credit risks.

Internal Control

Basic Policy of Internal Control System

Every officer and employee is expected to refer to the following Management Philosophy as a basic policy for performing their work.

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.

Guided by this Management Philosophy, we have established an internal control system that recognizes the importance of ensuring the appropriate execution of operations as a vital managerial responsibility of the corporation.

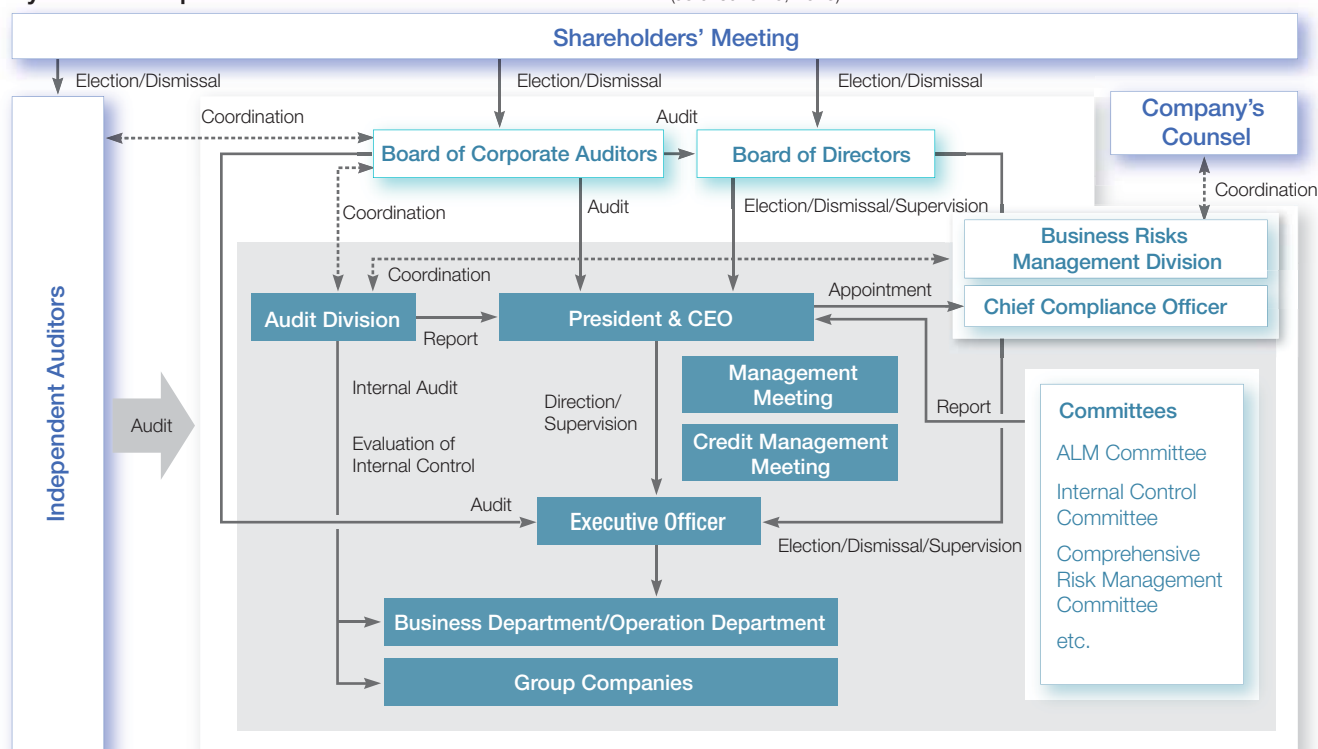
Compliance

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 officer and employee operates under the principle of fairness and with the highest ethical standards to earn the trust of society.

The Chief Compliance Officer takes the lead in promoting compliance in accordance with compliance programs, implementing continuous education and training through the use of e-learning and other initiatives and enhancing compliance awareness.

In addition, we have 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. We also operate a whistle-blower system that strictly protects those reporting problems.

System of Corporate Governance and Internal Control (as of June 20, 2013)



Risk Management

To minimize the risk of loss, we systematically prepare in advance appropriate preventive measures for various risks that may affect the Company, according to the potential scale and probability of their occurrence.

◎ Credit Risks

Credit risks are defined as risks that could cause failure of counterparties to pay leasing fees, as well as the principal or interest on installment sales loans or financing loans. Concern about the collection of these leasing fees and other amounts due relates to such factors as the deterioration of the financial condition of the counterparty. We have developed a rating model to provide multidimensional assessments based on the counterparty's financial condition and qualitative information, and precise limitations can be applied depending on their rating and volume of projects. The Credit Management Meeting, comprising the President and officers designated by the President, deliberates and decides on large projects and transactions requiring complex risk evaluation.

◎ Market and Liquidity Risks

Market and liquidity risks could impact the Group's ability to procure funds. This includes such factors as fluctuations in market interest rates and changes in the procurement environment. The Century Tokyo Leasing Group stringently manages risks related to the procurement of funds based on analyses by the ALM Committee. As a part of this management, the Group undertakes the appropriate risk hedge measures as and when required.

◎ System Risk and Information Security Risk

Guided by its basic policy regarding information security, Century Tokyo Leasing puts in place related rules and regulations, including its Rules regarding the Handling of Personal Information, acquired ISO/IEC 27001 certification and undertakes appropriate measures and management to protect the information assets of customers, business partners and the Company and Group companies.



◎ Comprehensive Risk

In addition to credit, market and liquidity risks, the Business Risk Management Division identifies, evaluates and reviews countermeasures with respect to the full range of risks including business, legal and other operational risks. Based on our crisis countermeasure rules, this committee is set up to immediately respond and take charge as a headquarters in the event of a large disaster or other crisis.

Basic Stance toward Eliminating All Ties with Antisocial Forces and the Status of Implementation

Century Tokyo Leasing and its Group companies take an unwavering, categorical stance toward maintaining the basic policy of eliminating any and all ties with antisocial forces. As a part of efforts to put in place a structure that is designed to eliminate all ties with antisocial forces, the Group has established specific procedures in accordance with its Code of Conduct and engages in appropriate management through wide-ranging initiatives that encompass such fields as education and training. In addition, the General Affairs Division is charged with the responsibility of overseeing the Group's response to antisocial forces. This Division is a member of the Tokubouren (a special-interest incorporated association set up within the Tokyo Metropolitan Police Department to prevent violence). While collaborating closely with the Association, every effort is made to sever all ties with antisocial forces and to garner the trust and confidence of society.

Information Disclosure (IR Policy)

The Company strives to build bonds of trust with shareholders and investors by offering to them an accurate understanding of the Company through the disclosure of management strategies, the status of business activities and financial conditions in a timely, fair, accurate, proactive and ongoing manner.

We disclose information based on various laws, including the Financial Instruments and Exchange Law of Japan and rules on timely disclosure stipulated by the Tokyo Stock Exchange. In addition to this information disclosure, we disclose other information determined to be appropriate and useful to promote the investment activities of market participants and a greater understanding of the Company.

Based on all relevant statutory, regulatory and related requirements, information shall be disclosed to mass media in addition to disclosure via the Electronic Disclosure for Investors' NETwork (EDINET) (the system for such disclosure documents as annual securities reports in accordance with Japan's Financial Instruments and Exchange Act) as well as via TDnet, the company announcement disclosure service provided by the Tokyo Stock Exchange. We also disseminate information through the Company's website after announcements have been made through media institutions.

MANAGEMENT

(as of June 20, 2013)

Board of Directors	Corporate Auditors	Executive Officers
Chairman & Co-CEO, Representative Director Toshihito Tamba	Standing Corporate Auditors Osamu Shibaya Futoshi Okada*	Senior Managing Executive Officers Yuichiro Ikeda Takeshi Honda
President & CEO, Representative Director Shunichi Asada	Corporate Auditors Syunsuke Wada* Osamu Saito*	Managing Executive Officers Takashi Muramatsu Atsuhiko Iwatake Noboru Akatsuka Yasuo Mori Kenji Murai Yoichiro Nakai Takashi Ito Yasushi Yoshino
Deputy Presidents, Directors and Executive Officers Makoto Nogami Koichi Nakajima	*External	Executive Officers Koichiro Izutsu Masahiko Shishido Akira Sugimoto Yukio Tanaka Yoshio Nomura Osamu Miyata Ryoji Kawaguchi Yuzuru Asaba Takashi Kamite Shogo Ozaki Koichiro Sato Osamu Tamano Akihiro Naruse Mahoko Hara
Director and Senior Managing Executive Officer Masao Mizuno		
Directors and Managing Executive Officers Masuo Suzuki Masataka Yukiya		
Directors Hideo Kondou Yoshinori Shimizu*		
*External		

CSR

Basic Stance toward CSR Management

As an industry leader, the Century Tokyo Leasing Group is committed to helping realize a sustainable society. With this in mind, the Group works diligently to not only improve its operating results and performance, but also to contribute to society and help protect the environment through every facet of its business activities. Put another way, the Century Tokyo Leasing Group endeavors to fulfill its corporate social responsibility by practicing CSR management that strives to balance social and environmental concerns.

In addition, the Group is dedicated to ensuring sound and transparent management. To this end, particular emphasis is consistently placed on strengthening corporate governance. Moving forward, the Century Tokyo Leasing Group aims to earn the trust and fulfill the expectations of all its stakeholders, including customers, vendors, shareholders, investors, local communities and employees.

Social Contribution through Business Activities

Fully aware of the significant role that its various businesses including leasing play in the formation of a recycling-oriented society and promotion of environmental activities, the Century Tokyo Leasing Group works diligently to contribute to society through its business endeavors.

■ Promoting the formation of a recycling-oriented society

The Century Tokyo Leasing Group is promoting efforts that help form the basis of a recycling-oriented society. Accordingly, the Group adheres strictly to the 3R policy, which entails the reduction of resource consumption along with the reuse (reconditioning and resale) and/or recycling (of components and materials), as appropriate, of leased

items upon their return. In particular, considerable emphasis is placed on the disposal of items in the information and communications device field, an area of particular Group strength, after leases have expired both in Japan and overseas.

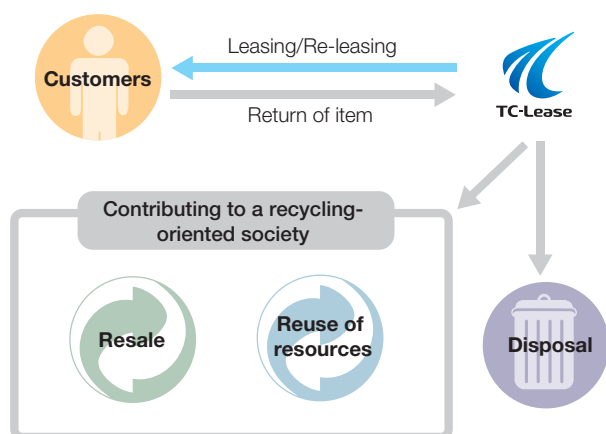
The subsidiary, TRY, Inc., was established in Japan as a specialist in this field. After the termination of a lease contract for an item such as a personal computer, TRY collects it, wipes any residual data and recycles it for reuse and resale when possible or disassembles it and recycles its components and materials. Highly acclaimed for its recycling know-how, TRY not only helps the Group reuse leased assets, but it also helps customers with their reuse and disposal efforts.

Turning to activities outside Japan, the Group's foreign bases entered into business alliances with many companies from the TES-AMM Group, a leading electronic waste recycler with a focus on the IT industry and business operations spanning more than 20 countries worldwide, as a part of efforts to provide recycling services in emerging markets, including those of East Asia and the ASEAN region. Through this alliance, the Century Tokyo Leasing Group is putting in place a structure that is capable of providing a full range of recycling services from the removal of customers' IT equipment data to reuse. In this manner, definitive steps are being taken to ensure proper disposal in accordance with the regulations of each country.

■ Contribution through financing

The Century Tokyo Leasing Group believes that it can help realize a sustainable society by flexibly addressing the financial needs of socially significant businesses.

Amid growing interest in such renewable energy sources as solar, wind, hydraulic and geothermal power generation, the Japanese government introduced the Feed-in tariff (FIT) Scheme, facilitating the purchase of renewable energy at fixed prices in July 2012. As a result, renewable energy power generation projects initiated by government agencies and private-sector operators are increasing nationwide. Century Tokyo Leasing is working to contain the initial expense of facility installation by putting together project finance and leasing schemes where the income gained through the sale of energy can be the repayment source. In this manner, we are supporting initiatives aimed at increasing the use and awareness of renewable energy by local government authorities and private-sector companies.



Environmental Protection Activities

Environmental Management System

The Century Tokyo Leasing Group recognizes that tackling environmental issues is a major social responsibility. To that end, the Company and five Group companies have obtained ISO 14001 certification, the international standard for environmental management systems, at all of our business offices in Japan. Moving forward, the Group as a whole is implementing ongoing activities aimed at reducing its environmental load.



EMS506044-ISO14001

Scope of coverage

Century Tokyo Leasing Corporation
 Tokyo Auto Leasing Co., Ltd.
 TRY, Inc.
 TC Agency Corporation
 TC Business Service Corporation
 TC Business Experts Corporation (as of August 31, 2013)

Together with All of Our Stakeholders

◎ With Customers and with Vendors

We at Century Tokyo Leasing endeavor to enhance customer and vendor satisfaction and provide the highest quality products and services. We work toward this ideal by building into our Sales Force Automation (SFA)* the ability to listen to our customers in a framework jointly utilized by sales personnel and relevant divisions. This sharing of customer requests and complaints throughout the Company enables us to offer optimum services and develop new products while securing steady improvements on a daily basis.

* SFA is a system in which information essential to sales operations is streamlined to help sales divisions work more efficiently.

◎ With Shareholders and with Investors

We disseminate information for stakeholders, starting with shareholders and investors, in a timely, appropriate and fair manner, thereby enforcing a system that secures the transparency of our corporate activities. While holding results briefings and meetings for institutional investors and analysts, we also conduct corporate briefings for individual investors to furnish them with overviews and inform them of the Group's strengths and management strategies, with the aim of deepening the understanding of the Group.

◎ With Local Communities

As one element of our social contribution activities, Century

Tokyo Leasing Group members, without any intent of commercial gain, present and donate used PCs to organizations and groups as a contribution to the public good. In addition, the Group contributes an amount equivalent to 5% of the total amount of shareholder special benefits to the Japan Service Dog Association. Service dogs receive advanced training that enables them to assist people with disabilities in carrying out a host of daily activities. To raise awareness of service dogs and their vital role in society, the Group conducts demonstrations.



Service dog demonstration

◎ With Employees

We at the Group work diligently to create an environment and organization filled with vitality in which each and every employee can maximize their abilities. From the perspective of employment and recruitment, the Group re-employs retirees, hires people with disabilities and operates career transfer systems. At the same time, the Group applies a broad perspective when selecting personnel, offering fair assessments and treatment. Moreover, particular emphasis is placed on building a workplace environment that enables employees to balance work and family concerns.

External Evaluation

Companies whose activities extend beyond the mere pursuit of profits to include contribution to the environment and society are companies that are attracting interest and expectations for long-term, sustainable growth. These companies are also considered targets for socially responsible investment (SRI). Century Tokyo Leasing has been included in the FTSE4Good Index, an objective measure of the performance of companies that meet globally recognized corporate responsibility standard issued by FTSE, an independent company that originated as a wholly owned subsidiary of the London Stock Exchange (as of July 2013).

This inclusion is a clear indication of the esteem in which the Company's CSR activities are held.



FTSE4Good

CORPORATE HISTORY

● Corporate ● Overseas Business Expansion ● Reinforcement of the Automobile Leasing Business ● Strengthening of the Consolidated Management Platform

1964	● The former Tokyo Leasing Co., Ltd. jointly established by Nippon Kangyo Bank, Ltd. (currently Mizuho Financial Group, Inc.), Kangin Tochi-Tatemono Co., Ltd. (currently Nippon Tochi-Tatemono Co., Ltd.), and Nanoh Co., Ltd. (currently Nissin Tatemono Co., Ltd.)	2008	● Acquired a 90% equity interest in Shiseido Lease Co., Ltd. (currently S.D.L Co., Ltd.), including it in the Company's scope of consolidation as a consolidated subsidiary ● Jointly established Orico Auto Leasing Co., Ltd. with Orient Corporation for the purpose of entering the automobile leasing market for small-sized enterprises and individuals ● Entered the market in Thailand through the acquisition of an equity interest in Mizuho Corporate Leasing (Thailand) Co., Ltd. (operated by TISCO Tokyo Leasing Co., Ltd.)
1969	● The former Century Leasing System, Inc. jointly established by ITOCHU Corporation, Daiichi Bank, Ltd. (currently Mizuho Financial Group, Inc.), Nippon Life Insurance Company, and Asahi Mutual Life Insurance Company	2009	● Launched Century Tokyo Leasing Corporation through the merger of the former Century Leasing System, Inc. and the former Tokyo Leasing Co., Ltd. ● Launched TC Business Service Corporation through the integration of two former companies' administrative subsidiaries
1972	● Entered the market in Hong Kong (operations conducted through Tokyo Leasing (Hong Kong) Ltd.)	2010	● Launched TC Agency Corporation through the integration of two former companies' nonlife insurance agency businesses ● Established TC Business Experts Corporation with the aim of ensuring the transparency of internal audits ● Acquired a 66.5% equity interest in IHI Finance Support Corporation, including it in the Company's scope of consolidation as a consolidated subsidiary
1979	● Established Tokyo Auto Leasing Co., Ltd. ● Entered the market in Singapore (operations conducted through Century Tokyo Leasing (Singapore) Pte. Ltd.)	2011	● Entered the market in Indonesia (operations currently conducted through PT. Century Tokyo Leasing Indonesia) ● Nippon Rent-A-Car Service, Inc. included in the Company's scope of consolidation as an equity-method affiliate following the acquisition of additional shares, including it in the Company's scope of consolidation as a consolidated company in June 2013 (current share of voting rights held: 58%) ● Jointly established TCI Finance Corporation with ITOCHU Corporation for the purpose of expanding ITOCHU Group-related finance transactions ● Established TC Property Solutions Corporation for the purpose of improving real estate business-related profitability
1983	● Entered the market in the U.K. (operations conducted through Tokyo Leasing (UK) Plc)	2012	● Jointly established Kyocera TCL Solar LLC with Kyocera Corporation for the purpose of engaging in electricity retail business ● Entered the market in India (through a business alliance with Tata Capital Limited); established a Japan Desk within the Tata Group ● Included GA Telesis, LLC in the Company's scope of consolidation as an equity-method affiliate following the acquisition of shares
1985	● Established Century Auto Leasing Co., Ltd. ● Entered the market in the U.S. (operations conducted through Century Tokyo Leasing (USA) Inc.)		
1990	● The former Tokyo Leasing Co., Ltd. listed its shares on the Second Section of the Tokyo Stock Exchange (the company listed its shares on the First Section of the Tokyo Stock Exchange in September 2002)		
1997	● Entered the market in Taiwan (established President Tokyo Corporation with Uni-President Enterprises Corp., a local food distribution company)		
2002	● Acquired all shares of Kawasaki Enterprises, Inc.; company absorbed in October 2002		
2003	● The former Century Leasing System, Inc. listed its shares on the Second Section of the Tokyo Stock Exchange (the company listed its shares on the First Section of the Tokyo Stock Exchange in September 2004) ● Acquired a 20% equity interest in Fujitsu Leasing Co., Ltd., including it in the Company's scope of consolidation as a consolidated subsidiary following the acquisition of additional shares in July 2008 (current shareholding: 80%)		
2005	● Launched Nippon Car Solutions Co., Ltd. through an equal merger between Century Auto leasing Co., Ltd. and NTT Auto Leasing Co., Ltd.		
2006	● Entered the market in Shanghai, China (operations conducted through Century Tokyo Leasing China Corporation)		
2007	● Entered the market in Malaysia (operations conducted through Century Tokyo Capital (Malaysia) Sdn. Bhd.)		

FINANCIAL SECTION

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FIVE-YEAR SUMMARY

CENTURY TOKYO LEASING CORPORATION AND CONSOLIDATED SUBSIDIARIES
YEARS ENDED MARCH 31

	Millions of yen				
	2009	2010	2011	2012	2013
Operating Results					
Revenues	¥ 742,948	¥ 758,674	¥ 713,182	¥ 716,342	¥ 691,128
Leasing	613,801	635,808	598,925	603,768	584,637
Installment sales	109,755	105,413	94,114	88,955	81,898
Loans	7,435	—	—	—	—
Finance	—	11,764	13,211	14,031	16,935
Other businesses	11,957	5,689	6,932	9,588	7,658
Costs	683,683	693,569	641,589	643,684	620,245
Leasing	548,323	567,884	531,387	538,691	525,373
Installment sales	102,195	98,378	88,443	84,157	77,266
Loans	28	—	—	—	—
Finance	—	2,476	1,688	1,149	1,706
Other businesses	9,097	4,830	5,585	8,130	6,036
Interest expenses	24,039	20,001	14,487	11,558	9,864
Gross profit on revenues	59,265	65,105	71,593	72,658	70,883
Sales revenues (Gross profit on revenues before deducting interest expenses)	83,304	85,106	86,081	84,216	80,747
SG&A expenses	38,368	34,810	30,559	30,780	28,909
Personnel and non-personnel expenses	27,654	29,153	29,421	30,768	29,839
Allowance for doubtful accounts	10,714	5,657	1,139	12	(929)
Operating income	20,897	30,295	41,034	41,878	41,974
Ordinary income (Income before extraordinary items and income taxes)	22,275	33,414	44,170	46,252	46,293
Extraordinary gains (losses)	(5,232)	(250)	(3,465)	(2,171)	(103)
Net income	10,029	25,542	23,646	26,194	28,935
Financial Condition					
Total assets	¥2,423,800	¥2,132,892	¥2,184,599	¥2,260,389	¥2,465,817
Operating assets, including business guarantees	2,118,180	1,962,008	2,049,804	2,143,217	2,276,575
Leasing	1,536,504	1,410,109	1,383,696	1,375,761	1,473,866
Installment sales (after deducting deferred profit on installment sales)	243,708	200,539	191,836	187,986	201,559
Loans	261,629	—	—	—	—
Finance	—	327,307	448,191	530,655	555,938
Other businesses	58,175	—	—	—	—
Business guarantees	18,164	24,053	26,081	48,815	45,211
Interest-bearing debt	2,053,766	1,749,776	1,741,897	1,783,173	1,939,219
Net assets	133,222	158,116	178,752	201,272	233,669
Cash Flows					
Cash flows from operating activities	—	¥ 194,308	¥ 48,552	¥ (26,425)	¥ (89,711)
Cash flows from investing activities	—	(8,949)	23,192	(516)	(5,593)
Cash flows from financing activities	—	(306,146)	(89,762)	38,289	135,868
Cash and cash equivalents at end of year	—	50,947	32,794	44,531	83,123

	Yen				
	2009	2010	2011	2012	2013
Per Share Data					
Net income	¥ 94.05	¥ 239.57	¥ 221.80	¥ 245.82	¥ 272.32
Former CLS	114.29	—	—	—	—
Former TLC	63.50	—	—	—	—
Net assets	1,174.11	1,410.61	1,594.57	1,796.62	2,092.46
Former CLS	1,162.07	—	—	—	—
Former TLC	1,007.79	—	—	—	—
Dividends	—	32.00	40.00	44.00	48.00
Former CLS	28.00	—	—	—	—
Former TLC	26.00	—	—	—	—
Significant Indicators					
Return on equity (ROE)	8.0%	18.5%	14.8%	14.5%	14.0%
Former CLS	10.1%	—	—	—	—
Former TLC	6.1%	—	—	—	—
Return on assets (ROA)	1.0%	1.5%	2.0%	2.1%	2.0%
Former CLS	1.2%	—	—	—	—
Former TLC	0.9%	—	—	—	—
Equity ratio	5.2%	7.1%	7.8%	8.4%	9.0%
Former CLS	7.2%	—	—	—	—
Former TLC	4.1%	—	—	—	—
Overhead ratio	46.7%	44.8%	41.1%	42.3%	42.1%
Former CLS	41.7%	—	—	—	—
Former TLC	49.4%	—	—	—	—
Other Data					
	Persons				
Employees	1,701	1,732	1,715	1,722	1,676
Former CLS	490	—	—	—	—
Former TLC	1,211	—	—	—	—

- Notes: 1. Figures for the year ended March 31, 2009 are the simple sums of values recorded by the former Century Leasing System, Inc. (CLS) and Tokyo Leasing Co., Ltd. (TLC). The merger ratio has been factored into per share data for the year ended March 31, 2009.
2. In the fiscal year ended March 31, 2011, Century Tokyo Leasing reorganized the loan business and other business categories to create the finance business. To reflect this change, fiscal 2009 revenues, the cost of loans and other items as well as operating assets held by the loan and other businesses have been retroactively revised.
3. Revenues do not include internal revenues or transfers between segments.
4. 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) / Gross profit on revenues X 100

MANAGEMENT'S DISCUSSION AND ANALYSIS

CENTURY TOKYO LEASING CORPORATION AND CONSOLIDATED SUBSIDIARIES
YEARS ENDED MARCH 31

Business Environment and the Group's Approaches

In fiscal 2012, the Japanese economy saw signs of a gradual turnaround in the second half of the fiscal year due to such factors as a weakening of the yen and an upward trend in stock prices stemming from expectations of improvement due to financial and monetary policies, including the further quantitative easing. At the same time, the economy was moderately buoyed by reconstruction demand following the Great East Japan Earthquake and other factors. Nevertheless, the outlook for the Japanese economy remained uncertain, owing to such issues as the prolonged European debt problem and a slow-down in the pace of economic growth in emerging countries.

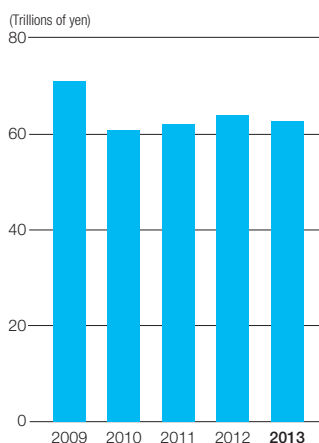
Under these circumstances, in the final year of the first medium-term management plan launched in fiscal 2009, the Century Tokyo Leasing Group strove to strengthen its sales and management bases.

To strengthen our sales base, we took steps to improve our expertise, focusing on business areas where growth is expected and expanding business, mainly in China and Asia. Specifically, to bolster our aircraft business platform, we made U.S.-based GA Telesis, LLC, one of the world's largest providers of products, services and solutions to the commercial aerospace industry, an equity-method affiliate. This has allowed us to establish a structure capable of handling the life-cycle management of aircraft extending from the lease of new aircraft to the scrapping of retired aircraft and the sale of their parts. In the environment and energy fields where growth is expected, we set up a joint venture with Kyocera Corporation and started selling electricity generated using solar energy. Similarly, we have entered the business of financing off-shore

wind turbine installation vessels, a field that offers considerable potential for growth in Japan. Looking to Asia, and China in particular, to expand our global business we set up four new offices in China. We also took steps to establish a "Japan Desk" in Tata Capital Financial Services Limited in India and to commence leasing operations in that country. In the United States, we concluded a business alliance with CSI Leasing, Inc., a major independent leasing company handling mainly IT equipment, with the aim of strengthening our leasing and IT services businesses in the Americas.

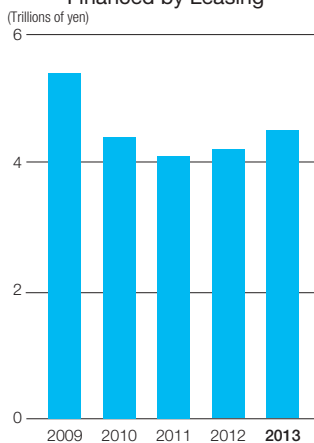
As a part of efforts to strengthen the Group's management base we have been working to establish a firm position in the auto leasing industry. To this end, we reached an agreement with Nippon Telegraph And Telephone Corporation (NTT) to proceed with discussions regarding the merger our wholly owned subsidiary Tokyo Auto Leasing Co., Ltd. and Nippon Car Solutions Co., Ltd., an equity-method affiliate in which we and NTT each hold a 50% equity interest. (Based on subsequent discussions, the merger will be completed in October 2013.) Also, to enhance the planning functions of our automobile leasing and car rental business in Japan and overseas, we newly set up the Automobile Business Promotion Office (elevated to the Automobile Business Promotion Division on April 1, 2013). Efforts such as these bolster our comprehensive prowess by strengthening our management base. Furthermore, we have been reinforcing our financial base by diversifying our fund procurement methods, which include the continuous issuance of unsecured bonds (with a limited inter-bond *pari passu* clause).

Total Private Capital Investment



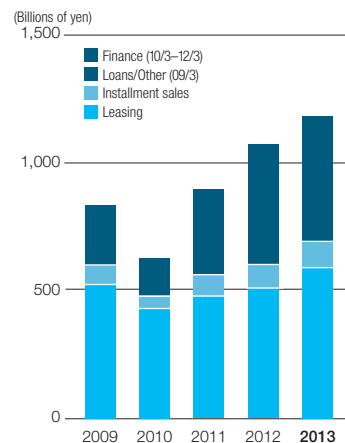
Source: Private capital investment is based on a survey by the Cabinet Office. The figure for "13/3" (FY2012) is the preliminary figure announced on May 16, 2013.

Total Capital Investment
Financed by Leasing



Source: Japan Leasing Association

Value of New Contracts



Graph figures for the year ended March 31, 2009 are the simple sums of values recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.

Overview of Results

The value of new contracts executed, a clear measure of the success or otherwise of the Group's operating activities, was ¥1,178,781 million, up 9.9% compared with the previous fiscal year. This was largely attributable to robust leasing trends in the mainstay information and communication equipment, real estate and aircraft fields in the leasing and installment sales business as well as growth in the financing business. As a result, the balance of operating assets increased for the first time in four fiscal years in both leasing and installment sales in the fiscal year under review. Therefore, the balance of operating assets, including business guarantees, rose 6.2% year on year to ¥2,276,575 million.

In fiscal 2012, total revenues declined 3.5% compared with the previous fiscal year to ¥691,128 million. In contrast, historic highs were recorded for operating income, which expanded 0.2% to ¥41,974 million due in part to a decrease in interest expenses, ordinary income, which edged up 0.1% to ¥46,293 million, and net income, which rose 10.5% to ¥28,935 million.

Revenues, Gross Profit on Revenues

Total revenues declined ¥25,214 million, or 3.5%, compared with the previous fiscal year to ¥691,128 million. Gross profit decreased ¥1,775 million, or 2.4%, year on year to ¥70,883 million.

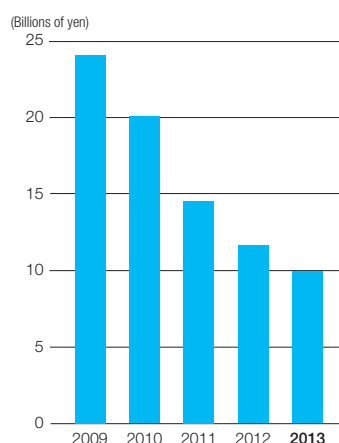
Operating Income

Selling, general and administrative expenses decreased ¥1,871 million, or 6.1%, compared with the previous fiscal year to ¥28,909 million. In addition to a decline in personnel and non-personnel expenses of ¥929 million, or 3.0%, this downturn was largely attributable to a decrease of allowance for doubtful accounts of ¥941 million. Reflecting these changes, operating income edged up ¥96 million, or 0.2%, compared with the previous fiscal year to ¥41,974 million.

Ordinary Income

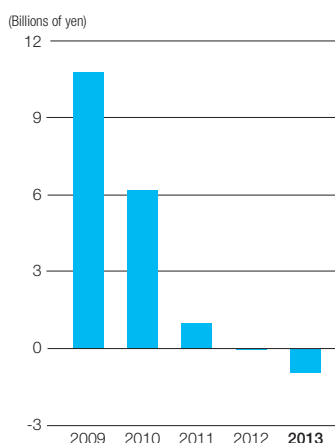
Non-operating income rose ¥1,653 million, or 30.3%, compared with the previous fiscal year, primarily owing to increases in foreign exchange gains and equity in earnings of affiliates. While interest expense declined, other non-operating expenses were up ¥1,708 million, or 157.8%, from fiscal 2011 due to the upswing in expenses on derivatives other than for trading or hedging. As a result of these factors, ordinary income edged up ¥40 million, or 0.1%, compared with the previous fiscal year to ¥46,293 million.

Interest Expenses



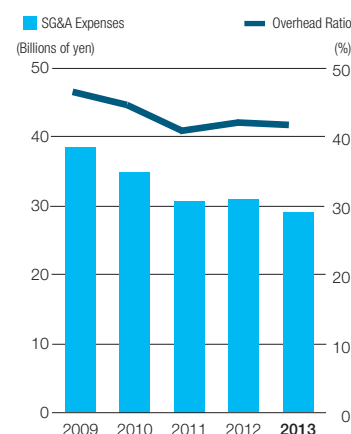
The graph figure for the year ended March 31, 2009 is the simple sum of values recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.

Credit Costs



Credit costs represent the sum of doubtful account costs, which were included in costs of sales, and allowance for doubtful accounts, which was included in SG&A expenses. The graph figure for the year ended March 31, 2009 is the simple sum of values recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.

SG&A Expenses/Overhead Ratio



Graph figures for the year ended March 31, 2009 are the simple sums of values recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.
Overhead ratio = (Personnel expenses + Non-personnel expenses) / Gross profit on revenues X 100

Net Income

Extraordinary income declined ¥636, or 84.7% million compared with the previous fiscal year mainly due to the drop in gain on sale of investments in securities. Extraordinary loss contracted ¥2,704 million, or 92.5%, year on year largely owing to the decline in valuation loss on investments in securities. As a result, income before income taxes and minority interests grew ¥2,108 million, or 4.8%, compared with the previous fiscal year to ¥46,189 million. Income taxes for the period decreased ¥607 million, or 3.5%, year on year to ¥16,494 million and minority interests in income fell ¥26 million, or 3.3%, to ¥761 million.

Taking into account each of the aforementioned factors, net income amounted to ¥28,935 million, up ¥2,741 million, or 10.5%, compared with the previous fiscal year.

Net income per share improved ¥26.50 year on year to ¥272.32. ROE contracted 0.5 of a percentage point to 14.0% while ROA edged down 0.1 of a percentage point to 2.0%.

Results by Segment

In the leasing and installment sales business, the value of new contracts executed was ¥689,461 million, up 15.0% compared with the previous fiscal year. The balance of operating assets stood at ¥1,675,426 million, up ¥111,678 million, or 7.1% compared with the end of the previous fiscal year. Total sales amounted to ¥666,535 million, down 3.8% year on year. Segment profit came to ¥37,648 million, down 8.6%.

In the financing business, the value of new contracts executed was ¥489,320 million, up 3.4% compared with the previous fiscal year. Operating assets rose ¥25,283 million, or 4.8% year on year to 555,938 million. Moreover, operating assets, including business guarantees, stood at ¥601,149 million as of March 31, 2013. This was ¥21,679 million, or 3.7% higher than the balance as of the end of the previous fiscal year. Total sales amounted to ¥16,935 million, up 20.7% year on year. Segment profit amounted to ¥9,222 million, up 38.0% compared with the previous fiscal year.

In other businesses excluded from the reporting segments, sales came to ¥7,658 million, down 20.1% compared with the previous fiscal year. Segment profit was ¥2,128 million, up 17.7% year on year.

Financial Condition

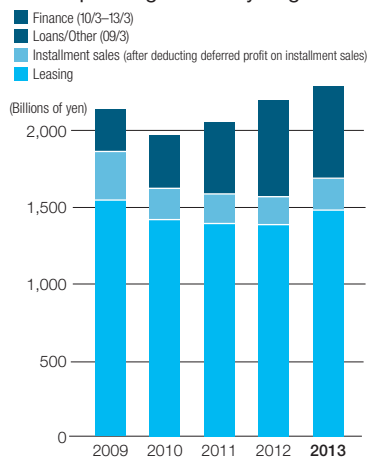
Total Assets

Total assets as of the end of the fiscal year under review increased ¥205,428 million, or 9.1%, compared with the end of the previous fiscal year to ¥2,465,817 million, mainly due to the increase in operating assets.

Liabilities

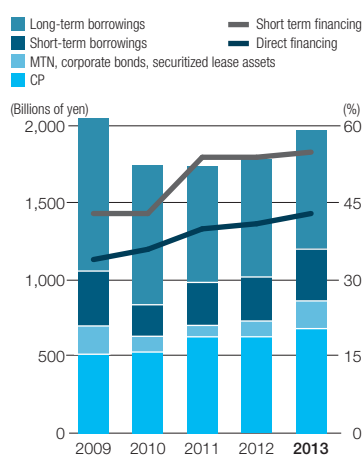
Total liabilities as of the end of the fiscal year under review increased ¥173,031 million, or 8.4%, compared with the previous fiscal year-end to ¥2,232,148 million. This was mainly due to the increase in notes and accounts payable—trade of ¥11,186 million and the increase in interest-bearing debt.

Operating Assets by Segment



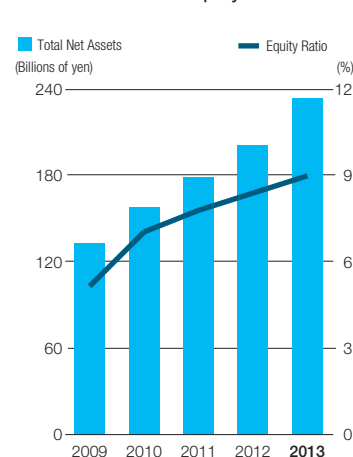
Graph figures for the year ended March 31, 2009 are the simple sums of values recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.
Loans/Other and Finance include business guarantees

Condition of Fund Procurement



Graph figures for the year ended March 31, 2009 are the simple sums of values recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.

Net Assets/Equity Ratio



Graph figures for the year ended March 31, 2009 are the simple sums of values recorded by the former Century Leasing System, Inc. and Tokyo Leasing Co., Ltd.

Total interest-bearing debt climbed ¥156,046 million, or 8.8%, compared with the end of the previous fiscal year to ¥1,939,219 million.

A breakdown of interest-bearing debt shows that short-term borrowings increased ¥99,277 million, or 10.3%, year on year to ¥1,065,467 million, mainly because of an increase in the issuance of commercial paper and short-term loans from banks. Long-term fund procurement also rose, with interest-bearing debt growing ¥56,769 million, or 6.9%, compared with the previous fiscal year-end to ¥873,752 million. The procurement of long-term funds by debt securitization decreased, making the upswing largely attributable to the issuance of straight bonds in the amount of ¥60.5 billion.

Net Assets

Total net assets increased ¥32,397 million, or 16.1%, compared with the end of the previous fiscal year to ¥233,669 million. This was ostensibly attributable to a ¥24,047 million, or 15.7%, increase in retained earnings. As a result, the shareholders' equity ratio improved to 9.0%, up 0.6 of a percentage point compared with the previous fiscal year-end.

Indirect and Direct Funding

As of the end of the fiscal year under review, indirect funding increased ¥61,484 million, or 5.9%, compared with the end of the previous fiscal year to ¥1,110,891 million, reflecting the upswing in long-term borrowings. Direct funding climbed ¥94,562 million, or 12.9%, year on year to ¥828,328 million owing to a decrease in the procurement of funds through debt securitization and the issuance of straight bonds. As a result, the direct financing ratio for the fiscal year ended March 31, 2013 was 42.7%, up 1.6 percentage points compared with the end of the previous fiscal year. In addition, the long-term fund procurement ratio stood at 45.1%, down 0.7 of a percentage point year on year.

Securing Liquidity

With the aim of securing liquidity, the Century Tokyo Leasing Group executed overdraft agreements and commitment line agreements with 80 financial institutions. As of March 31, 2013, the total value of agreements amounted to ¥871,313 million, up ¥124,196 million compared with the end of the previous fiscal year.

The balance of unused facilities under the overdraft and commitment line agreements as of the end of the fiscal year under review stood at ¥529,439 million. The Group is confident that it has secured ample liquidity of funds.

Cash Flows

Cash Flows from Operating Activities

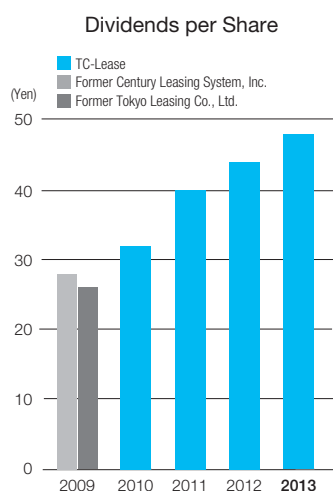
Net cash used in operating activities was ¥89,711 million, up from net cash used in operating activities of ¥26,425 million in the previous fiscal year. This was mainly due to cash outflows related to the increase in operating receivables, particularly in the financing business compared with the previous fiscal year.

Cash Flows from Investing Activities

Net cash used in investing activities amounted to ¥5,593 million, up from net cash used in investing activities of ¥516 million in the previous fiscal year. This largely reflected the increase in purchases of investments in securities compared with the previous fiscal year.

Cash Flows from Financing Activities

Net cash provided by financing activities came to ¥135,868 million, up from net cash provided by financing activities of ¥38,289 million in the previous fiscal year. This was mainly due to the increase in proceeds from direct funding.



By type of borrowing, direct funding saw the balance of corporate bonds and commercial paper increase while the balance of debt payable covering securitized receivables declined. Turning to procurement through indirect funding, the balance of short-term borrowings increased, as a result, proceeds from direct funding totaled ¥94,144 million compared with proceeds amounting to ¥29,747 million in the previous fiscal year. Proceeds from indirect funding were ¥46,724 million in fiscal 2012 compared with ¥13,476 million in fiscal 2011.

Accounting for each of the aforementioned activities, cash and cash equivalents at the end of the fiscal year under review increased ¥38,592 million compared with the previous fiscal year to ¥83,123 million.

Dividends for the Fiscal Year Ended March 31, 2013

At the beginning of the period, Century Tokyo Leasing forecast an annual cash dividend for fiscal 2012 of ¥46 per share, comprising an interim cash dividend of ¥23 per share and a period-end cash dividend of ¥23 per share. Taking into account the Company's positive performance, which outstripped estimates made at the start of the fiscal year under review, Century Tokyo Leasing decided to increase both its interim and period-end cash dividends by ¥1 per share for an annual cash dividend of ¥48 per share (interim cash dividend of ¥24 per share and a period-end cash dividend of ¥24 per share).

Fiscal 2013 Outlook

A mild recovery trend is forecast for domestic private capital investment and lease capital investments can be expected to show the same trend. Nevertheless, the management environment surrounding the Century Tokyo Leasing Group is anticipated to remain harsh as companies in Japan accelerate their efforts toward globalization and competition becomes increasingly fierce.

Under these circumstances, Century Tokyo Leasing will continuously reduce funding costs and the cost of credit. At the same time, the Company will strengthen its competitiveness in the leasing and financing businesses, expand its overseas business, and step up initiatives in the automobile financing business to promote dramatic market growth in Japan and overseas in an effort to improve profitability.

Based on the above, the Century Tokyo Leasing Group is forecasting revenues of ¥770.0 billion for the fiscal year ending March 31, 2014, up 11.4% compared with the fiscal year under review. Operating income is projected to increase 4.8% to ¥44.0 billion, ordinary income to grow 3.7% to ¥48.0 billion, and net income to climb 3.7% to ¥30.0 billion.

Under a policy of strengthening the automobile financing business, Century Tokyo Leasing made Nippon Rent-A-Car Co., Ltd. a consolidated subsidiary in June 2013. Plans remain in place to implement the merger of Tokyo Auto Leasing and Nippon Car Solutions in October 2013. Based on certain assumptions deemed currently reasonable by the Company, the impact on business performance has been factored into the results forecast stated above.

Dividends for the Fiscal Year Ending March 31, 2014

The Group maintains a basic policy of returning profits to its shareholders on a long-term and stable basis. The Group is also acutely aware of the need to ensure sufficient internal reserves to promote continuous business and operational expansion, strengthen its corporate standing and enhance its corporate value.

For the fiscal year ending March 31, 2014, the Group is planning an annual cash dividend of ¥52 per share (¥26 per share for both interim and period-end cash dividends) based on its policy of returning profits to shareholders in recognition of the support they provide.

Business and Other Risks

Listed below are risks that may influence the Group's business performance, stock price and financial condition.

(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 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 assessment of properties, and by controlling credit risks in the portfolio of operating assets; however, the Group's performance may be affected if bad debt newly arises as a result of deterioration in the credit situations of companies, depending on future economic trends or any factors.

(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 interest expenses (financing costs) that comprises the cost of lease transactions is affected by fluctuations in market interest rates because funds are also raised by obtaining loans with variable interest rates, in addition to long-term fixed funding. Therefore, if market interest rates rise, interest expenses 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 ALM (Asset Liability Management) analysis and hedges risks as necessary.

(3) The Impact of Changes in Private Capital Investment Trends

While there are temporary differences, the values of private capital investment and capital investment financed by leasing are interrelated. This trend is expected to continue in the future.

The change in the value of the Group's contracts and changes in the values of private capital investment and capital investment financed by leasing have not necessarily coincided in recent years; however, 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 its relationships with partner companies.

The Group periodically reviews stocks held that correspond to individual business relationships; however, 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 systems and standards, etc. If these systems change considerably in the future, there may be impacts on the Group's results.

(6) Risk Attributable to Unpredictable Events

The Group has established measures based on its business continuity plan (BCP) to ensure preparedness in the event of large-scale disasters (including earthquakes, wind and flood damage, fire and man-made disasters) or the outbreak of infectious diseases, such as new-type influenza and SARS. There may be impacts on the Group's results if such events precipitate unpredictable economic damage.

(7) Other Risks

In addition to the above risks, there are information system risks, such as failure and errors in such areas as sales management, contact management, asset management and statistical operations; administrative risks due to improper administrative procedures; residual value risk that the actual disposal values are below the initial estimated residual values of lease properties; and compliance risk of loss of social trust resulting from noncompliance with laws or regulations or social norms, etc.

Private Capital Investment and Capital Investment Financed by Leasing

(Billions of yen)

	FY2008	FY2009	FY2010	FY2011	FY2012
Private capital investment (a)	¥71,014.7	¥60,718.0	¥61,863.7	¥63,809.0	¥62,607.9
YoY comparison	92.4%	85.5%	101.9%	103.1%	98.1%
Capital investment financed by leasing (b)	5,444.4	4,405.8	4,116.1	4,168.2	4,510.6
YoY comparison	85.8%	80.9%	93.4%	101.3%	108.2%
Ratio of capital investment financed by leasing to private capital investment (b) ÷ (a)	7.7%	7.3%	6.7%	6.5%	7.2%
Value of new leasing contracts executed of the Group	¥ 520.8	¥ 428.2	¥ 476.2	¥ 507.4	¥ 591.0
YoY comparison	111.2%	82.2%	111.2%	106.6%	116.5%

Notes: 1. Private capital investment is based on a survey by the Cabinet Office. The figures for FY2012 are preliminary figures announced on May 16, 2013.

2. Capital investment financed by leasing is statistical data released by the Japan Leasing Association.

3. Figures for the year ended March 31, 2009 are the simple aggregates of values recorded by former Century Leasing System, Inc. and former Tokyo Leasing Co., Ltd.

CONSOLIDATED BALANCE SHEETS

CENTURY TOKYO LEASING CORPORATION AND CONSOLIDATED SUBSIDIARIES
AS OF MARCH 31, 2013 AND 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2013	2012	2013
ASSETS			
Current assets:			
Cash on hand and in banks (Notes 8, 12 and 17)	¥ 56,250	¥ 43,555	\$ 598,471
Accounts receivable:			
Installment sales (Notes 8, 9 and 17)	212,042	198,890	2,256,005
Lease receivables and investment assets (Notes 8, 15 and 17)	1,271,716	1,247,752	13,530,335
Loans (Notes 8, 9 and 17)	450,041	430,903	4,788,180
Leases	14,685	17,028	156,237
Other	7,201	6,958	76,611
Allowance for doubtful accounts (Note 17)	(4,799)	(6,767)	(51,063)
Operational investment securities (Notes 6 and 17)	102,316	95,440	1,088,585
Other operating assets	753	641	8,015
Short-term investment securities (Notes 6, 12 and 17)	18,000	2,000	191,510
Inventories (Notes 8 and 9)	1,520	1,164	16,175
Deferred tax assets (Note 13)	1,285	1,954	13,667
Other current assets (Note 8)	43,032	18,706	457,843
Total current assets	2,174,042	2,058,224	23,130,571
Investments and other assets:			
Investments in securities (Notes 6, 8 and 17):			
Unconsolidated subsidiaries and affiliates	22,083	16,705	234,951
Other securities	35,373	29,190	376,353
Long-term loans and other assets	13,175	12,413	140,176
Claims provable in bankruptcy or rehabilitation (Notes 8 and 17)	5,358	5,242	57,004
Deferred tax assets (Note 13)	998	3,144	10,621
Allowance for doubtful accounts (Note 17)	(2,373)	(2,217)	(25,256)
Total investments and other assets	74,614	64,477	793,849
Property and equipment, at cost less accumulated depreciation:			
Leased assets (Notes 7 and 8)	201,817	127,666	2,147,212
Advances for purchases of property for lease	8,197	2,445	87,215
Own assets in use (Note 7)	2,956	2,925	31,455
Property and equipment, net	212,970	133,036	2,265,882
Intangible assets:			
Computer programs leased to customers	334	344	3,552
Goodwill	202	—	2,153
Other intangible assets	3,655	4,308	38,880
Total intangible assets	4,191	4,652	44,585
Total assets	¥2,465,817	¥2,260,389	\$26,234,887

The accompanying notes are an integral part of these statements.

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2013	2012	2013
LIABILITIES AND NET ASSETS			
Current liabilities:			
Short-term borrowings (Notes 8, 9, 12 and 17)	¥1,044,267	¥ 965,591	\$11,110,408
Current portion of long-term debt (Note 8)	312,876	311,696	3,328,824
Notes and accounts payable-trade (Note 17)	161,560	150,374	1,718,911
Lease obligations (Note 17)	6,541	8,238	69,588
Accrued income taxes (Note 13)	7,059	11,021	75,107
Advances received from customers	5,194	4,765	55,263
Deferred tax liabilities (Note 13)	773	469	8,225
Deferred profit on installment sales (Note 17)	10,483	10,904	111,531
Other current liabilities	27,577	26,704	293,400
Total current liabilities	1,576,330	1,489,762	16,771,257
Long-term liabilities:			
Long-term debt (Notes 8, 9 and 17)	582,076	505,887	6,192,953
Lease obligations (Note 17)	9,421	10,701	100,229
Retirement benefits (Note 14)	1,067	1,058	11,355
Guarantee deposits from customers	23,670	21,921	251,837
Deferred tax liabilities (Note 13)	3,739	3,306	39,784
Allowance for automobile inspection costs	37	82	389
Negative goodwill	—	35	—
Other long-term liabilities	35,808	26,365	380,980
Total long-term liabilities	655,818	569,355	6,977,527
Total liabilities	2,232,148	2,059,117	23,748,784
Contingent liabilities (Note 16)			
Net assets (Note 22):			
Shareholders' equity (Notes 18 and 19):			
Common stock without par value:			
Authorized: 400,000,000 shares			
Issued: 106,624,620 shares in 2013 and 2012	34,231	34,231	364,199
Capital surplus	5,538	5,538	58,922
Retained earnings	176,866	152,818	1,881,751
Treasury stock:			
370,456 shares in 2013 and 369,662 shares in 2012	(582)	(580)	(6,192)
Total shareholders' equity	216,053	192,007	2,298,680
Accumulated other comprehensive income (loss)			
Net unrealized holding gains on securities	9,424	2,586	100,265
Net unrealized gains on derivative instruments	138	1,808	1,466
Translation adjustments	(3,282)	(5,502)	(34,920)
Total accumulated other comprehensive income (loss)	6,280	(1,108)	66,811
Share subscription rights (Note 20)	148	—	1,580
Minority interests	11,188	10,373	119,032
Total net assets	233,669	201,272	2,486,103
Total liabilities and net assets	¥2,465,817	¥2,260,389	\$26,234,887

CONSOLIDATED STATEMENTS OF INCOME

CENTURY TOKYO LEASING CORPORATION AND CONSOLIDATED SUBSIDIARIES
YEARS ENDED MARCH 31, 2013 AND 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2013	2012	2013
Revenues:			
Leases	¥584,637	¥603,768	\$6,220,202
Installment sales	81,898	88,955	871,348
Other	24,593	23,619	261,659
Total revenues	691,128	716,342	7,353,209
Costs:			
Leases	525,373	538,691	5,589,666
Installment sales	77,266	84,157	822,066
Interest expense	9,864	11,558	104,952
Other	7,742	9,278	82,371
Total costs	620,245	643,684	6,599,055
Gross profit	70,883	72,658	754,154
Selling, general and administrative expenses (Note 10)	28,909	30,780	307,578
Operating income	41,974	41,878	446,576
Other income (expenses):			
Interest and dividend income	792	991	8,429
Interest expense	(425)	(512)	(4,518)
Equity in earnings of affiliates	2,235	2,010	23,778
Gain on amortization of negative goodwill	890	890	9,471
Foreign exchange gains	2,848	1,180	30,306
Expenses on derivatives other than for trading or hedging	(2,198)	(382)	(23,382)
Gain on sale of investments in securities	112	747	1,188
Impairment loss	(31)	—	(336)
Loss on disposal of noncurrent assets	(23)	(12)	(249)
Loss on devaluation of investments in securities	(7)	(1,952)	(73)
Office transfer expenses (Note 5)	(122)	(147)	(1,295)
Other, net	144	(609)	1,534
Income before income taxes and minority interests	46,189	44,081	491,429
Income taxes (Note 13):			
Current	15,145	16,008	161,137
Deferred	1,348	1,092	14,347
	16,493	17,100	175,484
Income before minority interests	29,696	26,981	315,945
Minority interests	761	787	8,093
Net income (Note 22)	¥ 28,935	¥ 26,194	\$ 307,852

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

CENTURY TOKYO LEASING CORPORATION AND CONSOLIDATED SUBSIDIARIES
YEARS ENDED MARCH 31, 2013 AND 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2013	2012	2013
Income before minority interests	¥29,696	¥26,981	\$315,945
Other comprehensive income (loss) (Note 11)			
Net unrealized holding gains on securities	6,809	847	72,448
Net unrealized losses on derivative instruments	(1,715)	(153)	(18,241)
Translation adjustments	2,207	(650)	23,477
Share of other comprehensive income (loss) of affiliates accounted for using equity method	184	(47)	1,953
Loss on change in equity	—	(276)	—
Total other comprehensive income (loss)	7,485	(279)	79,637
Comprehensive income	¥37,181	¥26,702	\$395,582
Comprehensive income attributable to:			
Shareholders of Century Tokyo Leasing Corporation	36,322	26,052	386,446
Minority interests	859	650	9,136

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, 2013 AND 2012

	Number of shares		Millions of yen		Thousands of U.S. dollars
	Thousands		2013	2012	(Note 1)
	2013	2012	2013	2012	2013
Common stock					
Balance at beginning of year	106,625	106,625	¥ 34,231	¥ 34,231	\$ 364,199
Balance at end of year	106,625	106,625	34,231	34,231	364,199
Capital surplus					
Balance at beginning of year			5,538	5,538	58,921
Disposal of treasury stock			0	—	1
Balance at end of year			5,538	5,538	58,922
Retained earnings					
Balance at beginning of year			152,818	131,485	1,625,902
Net income for the year			28,935	26,194	307,852
Cash dividends			(4,887)	(4,584)	(52,003)
Decrease due to change in equity			—	(276)	—
Other			—	(1)	—
Balance at end of year			176,866	152,818	1,881,751
Treasury stock					
Balance at beginning of year	(369)	(12)	(580)	(11)	(6,178)
Purchase of treasury stock	(0)	(357)	(2)	(569)	(17)
Disposal of treasury stock	0	0	0	0	3
Balance at end of year	(370)	(369)	(582)	(580)	(6,192)
Total shareholders' equity			¥216,053	¥192,007	\$2,298,680
Balance at beginning of year			192,007	171,243	2,042,844
Purchase of treasury stock			(2)	(569)	(17)
Net income for the year			28,935	26,194	307,852
Cash dividends			(4,887)	(4,584)	(52,003)
Decrease due to change in equity			—	(276)	—
Disposal of treasury stock			0	0	4
Other			—	(1)	—
Balance at end of year			216,053	192,007	2,298,680
Net unrealized holding gains on securities					
Balance at beginning of year			¥ 2,586	¥ 1,727	\$ 27,518
Net changes of items other than shareholder's equity			6,838	859	72,747
Balance at end of year			9,424	2,586	100,265
Net unrealized gains on derivative instruments					
Balance at beginning of year			1,808	1,974	19,241
Net changes of items other than shareholder's equity			(1,670)	(166)	(17,775)
Balance at end of year			138	1,808	1,466
Translation adjustments					
Balance at beginning of year			(5,502)	(4,943)	(58,542)
Net changes of items other than shareholder's equity			2,220	(559)	23,622
Balance at end of year			(3,282)	(5,502)	(34,920)
Total accumulated other comprehensive income (loss)			¥ 6,280	¥ (1,108)	\$ 66,811
Balance at beginning of year			(1,108)	(1,242)	(11,783)
Net changes of items other than shareholder's equity			7,388	134	78,594
Balance at end of year			6,280	(1,108)	66,811
Share subscription rights (Note 20)					
Balance at beginning of year			¥ —	¥ —	\$ —
Net changes of items other than shareholder's equity			148	—	1,580
Balance at end of year			148	—	1,580
Minority interests					
Balance at beginning of year			¥ 10,373	¥ 8,751	\$ 110,358
Net changes of items other than shareholder's equity			815	1,622	8,674
Balance at end of year			11,188	10,373	119,032
Total net assets			¥233,669	¥201,272	\$2,486,103
Balance at beginning of year			201,272	178,752	2,141,419
Purchase of treasury stock			(2)	(569)	(17)
Net income for the year			28,935	26,194	307,852
Cash dividends			(4,887)	(4,584)	(52,003)
Decrease due to change in equity			—	(276)	—
Disposal of treasury stock			0	0	4
Other			—	(1)	—
Net changes of items other than shareholder's equity			8,351	1,756	88,848
Balance at end of year			¥233,669	¥201,272	\$2,486,103

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, 2013 AND 2012

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2013	2012	2013
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 46,189	¥ 44,081	\$ 491,429
Adjustments to reconcile income before income taxes and minority interests to net cash used in operating activities:			
Depreciation and amortization of leased assets	27,774	28,560	295,497
Decrease in allowance for doubtful accounts	(1,860)	(1,504)	(19,793)
Loss on disposal of leased assets	7,511	7,967	79,910
Loss on devaluation of investments in securities	7	1,952	73
Foreign exchange gains	(2,848)	(1,180)	(30,306)
Interest and dividend income	(792)	(991)	(8,429)
Interest expenses	10,289	12,070	109,470
Gain on sale of investments in securities	(112)	(690)	(1,188)
Decrease(Increase) in installment sales receivable	(8,490)	2,529	(90,326)
Increase in lease receivables and investment assets	(30,778)	(5,329)	(327,465)
Increase in loans receivable	(16,458)	(64,463)	(175,102)
Increase in operational investment securities	(5,975)	(19,439)	(63,566)
Purchases of leased assets	(102,140)	(30,945)	(1,086,708)
Decrease(Increase) in claims provable in bankruptcy or rehabilitation	(78)	983	(832)
Increase in trade notes and accounts payable	11,110	16,010	118,200
Other, net	6,154	6,834	65,485
Subtotal	(60,497)	(3,555)	(643,651)
Interest and dividend income received	1,254	1,450	13,347
Interest expenses paid	(10,392)	(12,350)	(110,565)
Income taxes paid	(20,076)	(11,970)	(213,606)
Net cash used in operating activities	(89,711)	(26,425)	(954,475)
Cash flows from investing activities:			
Purchases of own assets in use	(1,601)	(1,330)	(17,029)
Proceeds from sales/redemptions of investments in securities	410	2,062	4,357
Purchases of investments in securities	(4,871)	(1,091)	(51,829)
Collection of loans receivable	1	1	8
Other, net	468	(158)	4,988
Net cash used in investing activities	(5,593)	(516)	(59,505)
Cash flows from financing activities:			
Increase in short-term borrowings, net	63,482	7,372	675,409
Proceeds from long-term debt	331,657	324,018	3,528,640
Repayment of long-term debt	(334,370)	(330,759)	(3,557,511)
Proceeds from issuance of bonds	81,100	44,092	862,858
Redemption of bonds	(1,000)	(1,500)	(10,639)
Proceeds from stock issuance to minority shareholders	19	802	202
Cash dividends paid	(4,887)	(4,584)	(52,003)
Other, net	(133)	(1,152)	(1,397)
Net cash provided by financing activities	135,868	38,289	1,445,559
Effect of exchange rate changes on cash and cash equivalents	(1,972)	308	(20,978)
Net increase in cash and cash equivalents	38,592	11,656	410,601
Cash and cash equivalents at beginning of year	44,531	32,794	473,780
Increase due to inclusion in consolidation	—	81	—
Cash and cash equivalents at end of year (Note 12)	¥ 83,123	¥ 44,531	\$ 884,381

The accompanying notes are an integral part of these statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

CENTURY TOKYO LEASING CORPORATION AND CONSOLIDATED SUBSIDIARIES
MARCH 31, 2013 AND 2012

1. Basis of Presentation

Century Tokyo Leasing Corporation (the "Company") and its consolidated subsidiaries (collectively, the "Companies") maintain their books of account in accordance with the provisions set forth in the Corporation Law of Japan (the "Law"), 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 Companies, which were filed with the Director of the Kanto Local Finance Bureau as required by the Financial Instruments and Exchange Law of Japan. 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 ¥93.99 = US\$1.00, the approximate rate of exchange in effect on March 31, 2013. 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 Fujitsu Leasing Co., Ltd.

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.

The Company established RIBBONFISH MARINE S.A. and 9 other companies during the fiscal year ended March 31, 2013, which have been newly included in the scope of consolidation.

A total of three companies including TLC Bunga Manggar Ltd. have been excluded from the scope of consolidation due to the completion of liquidation procedures and other reasons from the fiscal year ended March 31, 2013.

The Company established GA Telesis, LLC which has been included as an affiliated company accounted for by the equity method from the fiscal year ended March 31, 2013.

With respect to affiliated companies accounted for by the equity method whose account closing dates differ from the closing date of the Company, the Company has used their financial statements as of their respective fiscal year end.

The number of consolidated subsidiaries and affiliated companies for 2013 are as follows:

	2013
Consolidated subsidiaries	99
Affiliated companies	8

In preparing the consolidated financial statements as of March 31, 2013, the financial statements of TLC Freesia Co., Ltd. and 10 other subsidiaries were consolidated by using their financial statements as of the parent fiscal year end and were prepared solely for consolidation purposes. Century Tokyo Leasing (USA) Inc. and 10 other subsidiaries were consolidated using their financial statements as of their respective fiscal year end, which falls on December 31, 2012 and necessary adjustments were made to their financial statements to reflect any significant transactions from January 1 to March 31, 2013.

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.

The balance sheet accounts of the foreign consolidated subsidiaries are translated into yen at the rates of exchange in effect at the balance sheet date, except for the components of net assets excluding minority interests which are translated at their historical exchange rates. Revenue and expense accounts are translated at the average rate of exchange in effect during the year. Differences arising from the translation are presented as translation adjustments and minority interests in its consolidated financial statements.

c) Cash and cash equivalents

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

d) Revenue recognition

(Leases)

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

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

(Installment sales)

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

e) Allocation of interest expenses

Interest expenses are allocated to cost of sales and other expenses based on the balances of the respective operating assets, which consist principally of lease receivables, lease investment assets and loans. Interest expenses classified as cost of sales are stated net of interest income.

f) Securities

Securities held by the Companies 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 directly in net assets. Cost of securities sold is determined principally by the moving average method. Non-marketable available-for-sale securities are stated at cost determined principally by 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 consolidated statements of income. Investments in a limited partnership are measured using the equity method. As of March 31, 2013 and 2012, the Companies did not have any trading securities.

g) Inventories

Inventories held by the Company are stated at cost determined by specific identification method (of which carrying values are calculated based on the method of reduction of book value accompanied with decline in market value).

h) Property and equipment

Property and equipment is stated at cost less accumulated depreciation. Depreciation of leased assets is computed by the straight-line method based on the lease term of the respective assets. Depreciation of assets owned and used by the Companies 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 3 to 47 years for buildings, and from 3 to 20 years for equipment.

i) 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. Costs related to software purchased for internal use are amortized by the straight-line method over the estimated useful life (generally 5 years).

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

j) Income taxes

Provision is made for the Companies' liabilities for various types of income taxes, i.e., corporation, inhabitants and enterprise 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 be applied to taxable income in the years in which these temporary differences are expected to be recovered or settled.

k) 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 and unrecognized prior service cost. 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 or annuity payments based on their level of compensation at termination and their years of service with the Company or the subsidiaries. To provide coverage for part of the lump-sum or annuity payments, 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.

In addition, accrued retirement benefits for directors and corporate auditors are provided at an amount to be required at the year-end according to internal regulations.

l) Derivatives and hedging activities

The Companies enter into interest-rate swap contracts, forward foreign exchange contracts, currency options and loans from banks in order to hedge interest-rate and foreign currency exchange rate exposure on certain liabilities and assets, including loans from banks, installment sales receivables and loans receivables denominated in foreign currencies and forecasted transactions. The Companies utilize 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 or trading purposes.

For interest-rate swap contracts and forward foreign exchange contracts, the Companies follow "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 sheet. Interest-rate swaps which qualify for hedge accounting and meet specific matching criteria are not measured at fair 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 Companies follow the accounting method specified in “Accounting Standard for Financial Instruments” (“Allocation method”), if the contracts qualify for hedge accounting. Under this method, foreign currency transactions and the related monetary assets (installment sales receivables and loans receivables) 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.

Hedge effectiveness is assessed based on comparative analysis between the accumulated future cash flows for hedged items and those for hedging instruments. As for the future hedging transactions denominated in foreign currencies, hedge effectiveness is assessed if substantial terms and conditions such as amounts and periods of the hedging instruments and the hedged forecasted transactions are the same. Hedge effectiveness is not assessed for the foreign currency exchange contracts which meet the requirements for allocation method and the interest rate swaps which meet the requirements for short-cut method. The consolidated subsidiaries for the Company assess hedge effectiveness primarily based on the above methods.

m) Appropriation of retained earnings

Under the Law the appropriation of retained earnings with respect to a given financial period is made by resolution of the shareholders at a general meeting to be held subsequent to the close of such financial period. The accounts for that period do not, therefore, reflect such appropriations.

Under the Law, flexible payment of dividends is permissible subject to certain limits on appropriation of retained earnings as well as to approval by resolution of the shareholders.

n) 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.

o) Consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

p) Allowance for automobile inspection costs

Under lease and maintenance service contracts, allowance for automobile inspection costs is recorded on the basis of historical experience.

q) Negative goodwill

Negative goodwill is amortized by straight-line method over a period of five years.

3. Standards issued but not yet effective

On March 25, 2011, the ASBJ issued “Revised Accounting Standard for Consolidated Financial Statements” (ASBJ Statements No. 22), “Revised Guidance on Disclosures about Certain Special Purpose Entities” (ASBJ Guidance No. 15), “Revised Guidance on Determining a Subsidiary and an Affiliate” (ASBJ Guidance No. 22) and “Revised Practical Solution on Application of the Control Criteria and Influence Criteria to Investment Associations” (ASBJ PITF No. 20). These standards and related implementation guidance and practical solution modify existing standards to address the current treatment for consolidation of certain special purpose entities. These standards and related implementation guidance and practical solution are effective as of the beginning of fiscal years beginning on or after April 1, 2013. The Company is currently evaluating what effect these modifications will have on its consolidated results of operations and financial position.

On May 17, 2012, the ASBJ issued “accounting Standard for Retirement Benefits” (ASBJ Statement No. 26) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25), which replaced the Accounting Standard for Retirement Benefits that had been issued by the Business Accounting Council in 1998 with an effective date of April 1, 2000 and the other related practical guidance, being followed by partial amendments from time to time through 2009. The major changes are as follows:

- (1) Treatment in the balance sheet—Actuarial gains and losses and prior service cost that have yet to be recognized in profit or loss shall be recognized within net assets (accumulated other comprehensive income), after adjusting for tax effects, and the deficit or surplus shall be recognized as a liability (liability for retirement benefits) or asset (asset for retirement benefits).
- (2) Treatment in the statement of income and the statement of comprehensive income—Actuarial gains and losses and prior service cost that arose in the current period and have yet to be recognized in profit or loss shall be included in other comprehensive income and actuarial gains and losses and prior service cost that were recognized in other comprehensive income in prior periods and then recognized in profit or loss in the current period shall be treated as reclassification adjustments.

This standard and related guidance are effective as of the end of fiscal years beginning on or after April 1, 2013. The Company is currently evaluating the effect these modifications will have on its consolidated results of operations and financial position.

4. Accounting Changes

In accordance with an amendment to the Corporation Tax Law effective April 1, 2012, the Company and its domestic consolidated subsidiaries have changed their depreciation method for property, plant and equipment acquired on or after April 1, 2012, other than certain buildings, to reflect the methods prescribed in the amended Corporation Tax Law. The previously applied 250% declining-balance method was changed to the 200% declining-balance method. The change had insignificant effect on the consolidated statement of income.

5. Change in Presentation Method

(Consolidated Statements of Income)

Office transfer expenses in the amount of ¥147 million and loss on disposal of noncurrent assets of ¥12 million for the year ended March 31, 2012, which were included in "Other, net," were presented as "Office transfer expenses", "Loss on disposal of noncurrent assets" from the fiscal year ended March 31, 2013 since the amount of these accounts exceeded the materiality for disclosure.

Early extra retirement payments in the amount of ¥730 mil-

lion for the year ended March 31, 2012, which was presented as "Early extra retirement payments" was included as "Other, net," from the fiscal year ended March 31, 2013 since the amount of the account became insignificant.

(Consolidated Statements of Cash Flows)

Early extra retirement payments in the amount of ¥730 million for the year ended March 31, 2012, which was presented as "Early extra retirement payments" was included as "Other, net," from the fiscal year ended March 31, 2013 since the amount of the account became insignificant.

6. Operational Investment Securities, Short-term Investment Securities and Investments in Securities

Available-for-sale securities included in operational investment securities, short-term investment securities and investments in securities at March 31, 2013 and 2012 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Equity securities	¥ 34,438	¥ 25,397	\$ 366,402
Debt securities	11,450	13,199	121,820
Other	109,801	88,001	1,168,226
	¥155,689	¥126,597	\$1,656,448

The carrying amounts and aggregate fair value of securities with determinable market value at March 31, 2013 and 2012 were as follows:

	Millions of yen			
	March 31, 2013			
	Cost or book value	Unrealized gain	Unrealized loss	Fair value
Available-for-sale securities:				
Equity securities	¥15,230	¥11,596	¥105	¥26,721
Debt securities	11,104	48	2	11,150
Other	29,175	2,152	124	31,203

	Millions of yen			
	March 31, 2012			
	Cost or book value	Unrealized gain	Unrealized loss	Fair value
Available-for-sale securities:				
Equity securities	¥14,304	¥4,925	¥889	¥18,340
Debt securities	12,889	52	42	12,899
Other	24,067	161	351	23,877

	Thousands of U.S. dollars			
	March 31, 2013			
	Cost or book value	Unrealized gain	Unrealized loss	Fair value
Available-for-sale securities:				
Equity securities	\$162,033	\$123,375	\$1,116	\$284,292
Debt securities	118,145	511	28	118,628
Other	310,403	22,900	1,321	331,982

Available-for-sale securities whose fair value was not readily determinable as of March 31, 2013 and 2012 were as follows:

	Carrying amount		Thousands of U.S. dollars
	Millions of yen		
	2013	2012	2013
Available-for-sale:			
Equity securities	¥ 7,718	¥ 7,057	\$ 82,111
Debt securities	300	300	3,192
Other	78,599	64,123	836,244

Proceeds from sale of available-for-sale securities and the resulting realized gain or loss for the years ended March 31, 2013 and 2012 were summarized as follows:

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Proceeds	¥10,017	¥2,130	\$106,570
Realized gain	1,826	747	19,430
Realized loss	12	57	128

The impairment loss on Investment Securities recognized for the years ended March 31, 2013 and 2012 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	
	2013	2012	2013
Equity securities	¥ 15	¥1,953	\$ 162
Other	124	350	1,321
	¥139	¥2,303	\$1,483

7. Accumulated Depreciation for Property and Equipment

Accumulated depreciation for property and equipment at March 31, 2013 and 2012 was as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	
	2013	2012	2013
Leased assets	¥111,583	¥105,421	\$1,187,183
Own assets in use	1,984	2,048	21,106

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

Short-term borrowings at March 31, 2013 and 2012 were as follows:

	Millions of yen		Thousands of U.S. dollars	Weighted-average interest rate
	2013	2012	2013	
Short-term loans from banks	¥ 340,667	¥285,691	\$ 3,624,505	0.59%
Commercial paper	648,900	631,900	6,903,926	0.13%
Payables under securitized lease receivables	54,700	48,000	581,977	0.29%
Total	¥1,044,267	¥965,591	\$11,110,408	

Long-term debt at March 31, 2013 and 2012 consisted of the following:

	Millions of yen		Thousands of U.S. dollars	Weighted-average interest rate
	2013	2012	2013	
Long-term loans, principally from banks	¥ 770,224	¥ 763,717	\$ 8,194,742	0.66%
Payables under securitized lease receivables	—	9,656	—	
Bonds payable	124,728	44,210	1,327,035	0.52%
Total	894,952	817,583	9,521,777	
Less current portion	(312,876)	(311,696)	(3,328,824)	
	¥ 582,076	¥ 505,887	\$ 6,192,953	

The Companies have entered into overdraft contracts which provided the Companies with the overdraft facilities with 80 and 65 financial institutions as of March 31, 2013 and 2012 amounting to ¥871,313 million (\$9,270,277 thousand) and ¥747,117 million, respectively. The unused facilities maintained by the Companies as of March 31, 2013 and 2012 amounted to ¥529,439 million (\$5,632,932 thousand) and ¥474,969 million, respectively.

The aggregate annual maturity of long-term debt subsequent to March 31, 2013 is summarized as follows:

Year ending March 31,	Millions of yen	Thousands of U.S. dollars
2014	¥312,876	\$3,328,824
2015	250,661	2,666,883
2016	201,844	2,147,509
2017	67,430	717,419
2018	38,885	413,713
2019 and thereafter	23,256	247,429
	¥894,952	\$9,521,777

The Companies' assets pledged as collateral, principally for liabilities of ¥99,237 million (\$1,055,824 thousand), at March 31, 2013 were as follows:

	Millions of yen	Thousands of U.S. dollars
Cash on hand and in banks	¥ 3,446	\$ 36,666
Accounts receivable-installment sales	8,533	90,790
Accounts receivable-lease receivables and investment assets	80,310	854,452
Accounts receivable-loans	109	1,162
Inventories	992	10,550
Other current assets	5,210	55,436
Leased assets	37,845	402,646
Investments in securities	13	135
Claims provable in bankruptcy or rehabilitation	489	5,202
	¥136,947	\$1,457,039

9. Derivatives

In general, interest-rate swaps and forward foreign exchange 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 Companies utilize 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 Companies are exposed. The Companies believe that any related credit risk is very low because all counterparties to the derivatives instrument 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. The ALM Committee 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 the Company executes the transactions involving compound derivative instruments where credit derivatives are embedded, persons responsible sufficiently confer on 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 regularly 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 following table presents the outstanding derivatives positions that do not qualify for hedge accounting at March 31, 2013:

	Millions of yen			Thousands of U.S. dollars		
	Notional amount (over one year)	Fair value	Unrealized gain (loss)	Notional amount (over one year)	Fair value	Unrealized gain (loss)
Currency swap contracts:						
Receive/USD; Pay/SGD	¥ 1,035 (1,035)	¥ (12)	¥ (12)	\$ 11,007 (11,007)	\$ (132)	\$ (132)
Non-deliverable forward						
Put/CNY	12,611 (11,719)	(2,554)	(2,554)	134,181 (124,683)	(27,171)	(27,171)
Total	¥ 13,646	¥(2,566)	¥(2,566)	\$ 145,188	\$(27,303)	\$(27,303)
Interest-rate swap contracts:						
Pay/fixed; Receive/floating	708 (—)	(6)	(6)	7,531 (—)	(68)	(68)
Total	¥ 708	¥ (6)	¥ (6)	\$ 7,531	\$ (68)	\$ (68)

Note: Fair value is primarily based on the prices indicated by corresponding financial institutions.

The following table presents the outstanding derivatives positions that do not qualify for hedge accounting at March 31, 2012:

	Millions of yen		
	Notional amount (over one year)	Fair value	Unrealized gain (loss)
Currency swap contracts:			
Receive/USD; Pay/SGD	¥ 868 (—)	¥ (9)	¥ (9)
Non-deliverable forward			
Put/CNY	11,644 (11,099)	(383)	(383)
Total	¥ 12,512	¥(392)	¥(392)
Interest-rate swap contracts:			
Receive/fixed; Pay/floating	¥ 599 (599)	¥ (9)	¥ (9)
Pay/fixed; Receive/floating	625 (—)	(2)	(2)
Interest-rate cap contracts			
Call	599 (—)	0	0
Total	¥ 1,823	¥ (11)	¥ (11)

Note: Fair value is primarily based on the prices indicated by corresponding financial institutions.

The following table presents the outstanding derivative positions that qualify for hedge accounting at March 31, 2013:

	Millions of yen			Thousands of U.S. dollars	
	Hedged items	Notional amount (over one year)	Fair value	Notional amount (over one year)	Fair value
Allocation method:					
Forward exchange contracts :					
Put					
USD	Accounts-receivable-installment sales	¥ 3,426 (2,446)	¥(599)	\$ 36,461 (26,025)	\$(6,379)
	Inventories	433 (—)	(—)	4,610 (—)	5
Call					
USD	Accounts-receivable-installment sales	7 (—)	0	71 (—)	(2)
	Inventories	243 (—)	2	2,588 (—)	21
Currency options :					
Call					
USD	Inventories	996 (—)	(3)	10,592 (—)	(33)
Put					
USD	Inventories	996 (—)	(1)	10,592 (—)	(7)
Total		¥ 6,101 (2,446)	¥(601)	\$ 64,914 (26,025)	\$(6,395)

Note: Fair value is primarily based on the prices indicated by corresponding financial institutions.

	Millions of yen			Thousands of U.S. dollars	
	Hedged items	Notional amount (over one year)	Fair value	Notional amount (over one year)	Fair value
Interest rate swap					
Deferral hedge accounting:					
Pay/fixed; Receive/floating	Borrowings	¥ 14,758 (2,363)	¥ (76)	\$ 157,021 (25,136)	\$(806)
Short-cut method:					
Pay/fixed; Receive/floating	Borrowings	76,334	(949)	812,147	(10,103)
	Accounts-receivable-loans	(46,847)		(498,435)	
Total		¥ 91,092 (49,210)	¥(1,025)	\$ 969,168 (523,571)	\$(10,909)

Note: Fair value is primarily based on the prices indicated by corresponding financial institutions.

The following table presents the outstanding derivative positions that qualify for hedge accounting at March 31, 2012:

Millions of yen			
	Hedged items	Notional amount (over one year)	Fair value
Allocation method:			
Forward exchange contracts:			
Put			
USD	Accounts-receivable-installment sales	¥3,439 (2,120)	¥(90)
Call			
USD	Accounts-receivable-installment sales	931 (—)	34
CHF		120 (—)	12
SGD		3 (—)	0
AUD		3 (—)	(0)
Currency options:			
Call			
USD	Inventories	676 (—)	(2)
Put			
USD	Inventories	676 (—)	(0)
Deferral hedge accounting:			
Forward exchange contracts:			
Put			
USD	Forecasted transaction	1,883 (—)	(3)
Total		¥7,731 (2,120)	¥(49)

Note: Fair value is primarily based on the prices indicated by corresponding financial institutions.

Millions of yen			
	Hedged items	Notional amount (over one year)	Fair value
Interest rate swap			
Deferral hedge accounting:			
Pay/fixed; Receive/floating	Borrowings	¥ 37,497 (14,653)	¥ (180)
Short-cut method:			
Receive/fixed; Pay/floating	Borrowings	13,255 (—)	120
Pay/fixed; Receive/floating	Borrowings	133,758 (75,361)	(1,080)
Receive/floating; Pay/floating	Accounts-receivable-loans		
	Borrowings	4,000 (—)	(1)
Total		¥188,510 (90,014)	¥(1,141)

Note: Fair value is primarily based on the prices indicated by corresponding financial institutions.

10. Selling, General and Administrative Expenses

Major components of selling, general and administrative expenses for the years ended March 31, 2013 and 2012 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Employees' salaries, wages and bonuses	¥12,104	¥12,604	\$128,783
Computer related expenses	2,806	3,028	29,858
Allowance for accrued bonuses for employees	1,809	1,725	19,249
Retirement benefit expenses	893	1,015	9,505
Allowance for accrued bonuses for directors	110	68	1,166
Allowance for retirement benefits for directors	28	29	294
Allowance for doubtful accounts	(929)	12	(9,886)

11. Other Comprehensive Income

The following table presents reclassifications adjustments and tax effects allocated to each component of other comprehensive income for the year ended March 31, 2013:

Year ended March 31, 2013	Millions of yen	Thousands of U.S. dollars
Net unrealized holding gains on securities		
Amount arising during the year	¥11,809	\$125,638
Reclassification adjustments for gains and losses included in net income	(1,669)	(17,753)
Amount before tax effect	10,140	107,885
Tax effect	(3,331)	(35,437)
Net unrealized holding gains on securities	6,809	72,448
Net unrealized losses on derivative instruments		
Amount arising during the year	(1,989)	(21,161)
Reclassification adjustments for gains and losses included in net income	(833)	(8,861)
Amount before tax effect	(2,822)	(30,022)
Tax effect	1,107	11,781
Net unrealized losses on derivative instruments	(1,715)	(18,241)
Translation adjustments		
Amount arising during the year	2,207	23,477
Share of other comprehensive income of affiliates accounted for using equity method		
Amount arising during the year	184	1,953
Reclassification adjustments for gains and losses included in net income	—	—
Share of other comprehensive income of affiliates accounted for using equity method	184	1,953
Total other comprehensive income	¥ 7,485	\$ 79,637

The following table presents reclassifications adjustments and tax effects allocated to each component of other comprehensive income for the year ended March 31, 2012:

Year ended March 31, 2012	Millions of yen
Net unrealized holding gains on securities	
Amount arising during the year	¥ 989
Reclassification adjustments for gains and losses included in net income	28
Amount before tax effect	1,017
Tax effect	(170)
Net unrealized holding gains on securities	847
Net unrealized losses on derivative instruments	
Amount arising during the year	166
Reclassification adjustments for gains and losses included in net income	(569)
Amount before tax effect	(403)
Tax effect	250
Net unrealized losses on derivative instruments	(153)
Translation adjustments	
Amount arising during the year	(650)
Share of other comprehensive loss of affiliates accounted for using equity method	
Amount arising during the year	(45)
Reclassification adjustments for gains and losses included in net income	(2)
Share of other comprehensive loss of affiliates accounted for using equity method	(47)
Loss on change in equity	
Amount arising during the year	(276)
Total other comprehensive loss	¥ (279)

12. Notes to the Consolidated Statements of Cash Flows

Cash and cash equivalents at March 31, 2013 and 2012 are reconciled to the accounts reported in the consolidated balance sheet as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Cash on hand and in banks	¥56,250	¥43,555	\$598,471
Time deposits with maturities of more than three months	(88)	(83)	(937)
Cash equivalents included in short-term investment securities	18,000	2,000	191,510
Receivables under resale agreements	9,999	—	106,385
Bank overdrafts	(1,038)	(941)	(11,048)
Cash and cash equivalents	¥83,123	¥44,531	\$884,381

13. Income Taxes

The significant components of deferred tax assets and liabilities at March 31, 2013 and 2012 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Deferred tax assets:			
Allowance for doubtful accounts	¥ 1,190	¥ 464	\$ 12,663
Tax adjustments for lease transactions	365	411	3,887
Loss on devaluation of own assets in use	459	563	4,886
Depreciation	1,187	1,713	12,633
Retirement benefits	475	881	5,050
Loss on devaluation of investments in securities	1,878	1,856	19,984
Accrued bonuses	692	652	7,361
Other	3,826	2,957	40,693
Subtotal	10,072	9,497	107,157
Less valuation allowance	(1,209)	(1,272)	(12,858)
Total deferred tax assets	8,863	8,225	94,299
Deferred tax liabilities:			
Net unrealized holding gain on securities	(4,643)	(1,313)	(49,403)
Other	(6,449)	(5,589)	(68,617)
Total deferred tax liabilities	(11,092)	(6,902)	(118,020)
Net deferred tax assets	¥ (2,229)	¥ 1,323	\$ (23,721)

A reconciliation for the year ended March 31, 2013 was as follows.

	2013
Statutory tax rate	38.0%
Non-deductible expenses for income tax purpose	0.2
Non-taxable income for income tax purpose	(0.8)
Elimination of intercompany dividend	0.6
Equity in earnings of affiliates	(1.8)
Amortization of goodwill and negative goodwill	(0.4)
Other	(0.1)
Effective tax rates	35.7%

A reconciliation for the year ended March 31, 2012 is not presented because the difference between the statutory tax rate and the effective tax rates is negligible.

14. Retirement Benefits

1. Overview of Retirement Benefit Plans Implemented by the Company

The Company has implemented an employee pension fund plan (multi-employer welfare pension fund) and a defined benefit corporate pension plan under its defined benefit plan system, and a defined contribution pension plan under its defined contribution plan system.

Some of the Company's consolidated subsidiaries in Japan have a lump-sum payment plan and a defined benefit corporate pension plan under their defined benefit plan system.

2. The following summarizes the funded status of, and amounts recognized in the consolidated balance sheet at March 31, 2013 and 2012 for the Company's and the consolidated domestic subsidiaries' defined benefit plans:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Projected benefit obligation	¥(10,236)	¥(9,620)	\$ (108,907)
Fair value of plan assets	8,388	7,588	89,246
Unfunded benefit obligation	(1,848)	(2,032)	(19,661)
Unrecognized actuarial loss	278	561	2,962
Unrecognized prior service cost	630	518	6,703
Net recognized retirement benefit obligation	¥ (940)	¥ (953)	\$ (9,996)
Accrued benefit obligation for employees	¥ (940)	¥ (953)	\$ (9,996)

The following summarizes the components of the net periodic pension cost for employees for the years ended March 31, 2013 and 2012:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Service cost	¥ 494	¥ 513	\$ 5,257
Interest cost	191	183	2,037
Expected return on plan assets	(127)	(119)	(1,364)
Amortization of actuarial loss	167	154	1,775
Amortization of prior service cost	(113)	(113)	(1,197)
Contribution to the fund	164	277	1,744
Contribution paid to the defined contribution pension plan	113	120	1,205
Net periodic pension cost	889	1,015	9,457
Total	¥ 889	¥ 1,015	\$ 9,457

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

	2013	2012
Discount rate	1.7~2.0%	2.0~2.5%
Expected rate of return on plan assets	1.5~3.2%	1.5~3.2%
Period for the recognition of actuarial gain or loss	five or ten years	five or ten years
Period for the recognition of prior service cost	five years	five years

The following summarizes the most recent funded status of the multi-employer welfare pension fund as of March 31, 2013 and 2012.

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Amount of plan assets	¥ 65,155	¥ 60,609	\$ 693,212
Benefit obligations under pension funding programs	(77,804)	(75,130)	(827,790)
Difference	¥(12,649)	¥(14,521)	\$ (134,578)

The difference at March 31, 2013 above consisted of prior service cost under pension funding programs of ¥12,316 million (\$131,035 thousand) and a general reserve of ¥333 million (\$3,543 thousand).

For the year ended March 31, 2013 corresponding to the year ended March 31, 2012, the ratio of the Company's contributions against total contributions to the plan was 6.92%.

15. Lease Transactions

(Lessors' accounting)

Finance leases that do not transfer ownership to the lessee are capitalized as lease investment assets. Information relating to finance leases of the Companies at March 31, 2013 and 2012 is summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Future lease receivables	¥1,106,517	¥1,128,573	\$11,772,713
Estimated residual value	36,750	37,668	391,003
Future interest income	(67,235)	(75,886)	(715,346)
	¥1,076,032	¥1,090,355	\$11,448,370

The aggregate annual maturity of finance lease receivables that transfer ownership to the lessees, subsequent to March 31, 2013 and 2012, is summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Due within one year	¥ 70,556	¥ 56,706	\$ 750,673
Due after one to two years	51,168	44,871	544,401
Due after two to three years	34,022	31,085	361,972
Due after three to four years	20,779	18,034	221,075
Due after four to five years	21,897	7,477	232,973
Due after five years	8,609	6,944	91,602
	¥207,031	¥165,117	\$2,202,696

The aggregate annual maturity of finance lease receivables that do not transfer ownership to the lessees, subsequent to March 31, 2013 and 2012, is summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Due within one year	¥ 379,272	¥ 398,278	\$ 4,035,240
Due after one to two years	275,417	286,613	2,930,285
Due after two to three years	202,145	196,140	2,150,703
Due after three to four years	128,704	128,305	1,369,341
Due after four to five years	68,032	66,219	723,827
Due after five years	52,947	53,018	563,317
	¥1,106,517	¥1,128,573	\$11,772,713

As for the lease accounting treatment for finance lease transactions that do not transfer ownership to the lessees starting before April 1, 2008, the amounts of "Leased assets" (net of accumulated depreciation) at March 31, 2008 were recorded as the beginning balance of "Lease investment assets," and the amounts of rental revenues were recorded by the straight-line method based on the scheduled lease terms. As a result, "Income before income taxes and minority interests" increased by ¥4,782 million (\$50,877 thousand) and ¥7,890 million for the years ended March 31, 2013 and 2012, respectively compared with the amount calculated on the assumption that the finance lease transactions that do not transfer ownership to the lessee starting before April 1, 2008 would have been accounted for using the interest method retroactively from each commencement date.

The future minimum lease income subsequent to March 31, 2013 and 2012 under non-cancellable operating leases is summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Due within one year	¥ 28,941	¥25,729	\$ 307,911
Due after one years	81,059	65,788	862,426
	¥110,000	¥91,517	\$1,170,337

16. Commitments and Contingent Liabilities

The Companies' contingent liabilities at March 31, 2013 and 2012 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
As a guarantor of indebtedness of:			
Loans and others	¥63,022	¥60,575	\$670,524
Asset purchases	2,850	2,597	30,317
Employees housing loans	184	250	1,953
	¥66,056	¥63,422	\$702,794

The Companies, as lenders, have loan commitment agreements as of March 31, 2013 and 2012 amounting to ¥50,538 million (\$537,691 thousand) and ¥34,093 million, respectively. The loans provided under these credit facilities as of March 31, 2013 and 2012 amounted to ¥15,196 million (\$161,678 thousand) and ¥7,213 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.

17. Estimated Fair Value of Financial Instruments

The following table presents the carrying value and estimated fair value of financial instruments at March 31, 2013 and 2012. The following table does not include financial instruments for which it is extremely difficult to determine the fair value.

	Millions of yen		
	As of March 31, 2013		
	Carrying value	Estimated fair value	Difference
Assets			
(1) Cash on hand and in banks	¥ 56,250	¥ 56,250	¥ —
(2) Accounts receivable-installment sales	212,042		
Deferred profit on installment sales	(10,483)		
	201,559		
Allowance for doubtful accounts ^(*)	(628)		
	200,931	202,440	1,509
(3) Accounts receivable-lease receivables and investment assets	1,271,716		
Estimated residual value ^(*)	(36,750)		
	1,234,966		
Allowance for doubtful accounts ^(*)	(2,294)		
	1,232,672	1,267,280	34,608
(4) Accounts receivable-loans	450,041		
Allowance for doubtful accounts ^(*)	(1,877)		
	448,164	459,821	11,657
(5) Operational investment securities	26,238	26,238	—
(6) Short-term investment securities and investments in securities	42,835	42,835	—
(7) Claims provable in bankruptcy or rehabilitation	5,358		
Allowance for doubtful accounts ^(*)	(2,373)		
	2,985	2,985	—
Total assets	¥2,010,075	¥2,057,849	¥ 47,774
Liabilities			
(1) Notes and accounts payable-trade	¥ 161,560	¥ 161,560	¥ —
(2) Short-term loans from banks	340,667	340,667	—
(3) Commercial paper	648,900	648,900	—
(4) Payables under securitized lease receivables	54,700	54,700	—
(5) Bonds payable	124,728	123,985	743
(6) Long-term loans, principally from banks	770,224	769,061	1,163
(7) Lease obligations	15,961	15,621	340
Total liabilities	¥2,116,740	¥2,114,494	¥ 2,246
Derivatives			
Hedge accounting not applied	¥ (2,572)	¥ (2,572)	¥ —
Hedge accounting applied	(76)	(1,627)	(1,551)
Total derivatives	¥ (2,648)	¥ (4,199)	¥ (1,551)

	Millions of yen		
	As of March 31, 2012		
	Carrying value	Estimated fair value	Difference
Assets			
(1) Cash on hand and in banks	¥ 43,555	¥ 43,555	¥ —
(2) Accounts receivable-installment sales	198,890		
Deferred profit on installment sales	(10,904)		
	187,986		
Allowance for doubtful accounts ^(*)	(1,035)		
	186,951	190,446	3,495
(3) Accounts receivable-lease receivables and investment assets	1,247,752		
Estimated residual value ^(*)	(37,668)		
	1,210,084		
Allowance for doubtful accounts ^(*)	(3,285)		
	1,206,799	1,248,613	41,814
(4) Accounts receivable-loans	430,903		
Allowance for doubtful accounts ^(*)	(2,447)		
	428,456	440,369	11,913
(5) Operational investment securities	34,777	34,777	—
(6) Short-term investment securities and investments in securities	20,339	20,339	—
(7) Claims provable in bankruptcy or rehabilitation	5,242		
Allowance for doubtful accounts ^(*)	(2,217)		
	3,025	3,025	—
Total assets	¥1,923,902	¥1,981,124	¥ 57,222
Liabilities			
(1) Notes and accounts payable-trade	¥ 150,374	¥ 150,374	¥ —
(2) Short-term loans from banks	285,691	285,691	—
(3) Commercial paper	631,900	631,900	—
(4) Payables under securitized lease receivables	48,000	48,000	—
(5) Bonds payable	44,210	43,613	597
(6) Long-term loans, principally from banks	763,717	774,227	(10,510)
(7) Long-term payables under securitized lease receivables	9,656	9,969	(313)
(8) Lease obligations	18,939	18,558	381
Total liabilities	¥1,952,487	¥1,962,332	¥ (9,845)
Derivatives			
Hedge accounting not applied	¥ (403)	¥ (403)	¥ —
Hedge accounting applied	(183)	(1,190)	(1,007)
Total derivatives	¥ (586)	¥ (1,593)	¥ (1,007)

Thousands of U.S. dollars

As of March 31, 2013

	Carrying value	Estimated fair value	Difference
Assets			
(1) Cash on hand and in banks	\$ 598,471	\$ 598,471	\$ —
(2) Accounts receivable-installment sales	2,256,005		
Deferred profit on installment sales	(111,531)		
	2,144,474		
Allowance for doubtful accounts ⁽¹⁾	(6,680)		
	2,137,794	2,153,847	16,053
(3) Accounts receivable-lease receivables and investment assets	13,530,335		
Estimated residual value ⁽²⁾	(391,003)		
	13,139,332		
Allowance for doubtful accounts ⁽¹⁾	(24,417)		
	13,114,915	13,483,131	368,216
(4) Accounts receivable-loans	4,788,180		
Allowance for doubtful accounts ⁽¹⁾	(19,966)		
	4,768,214	4,892,231	124,017
(5) Operational investment securities	279,162	279,162	—
(6) Short-term investment securities and investments in securities	455,741	455,741	—
(7) Claims provable in bankruptcy or rehabilitation	57,004		
Allowance for doubtful accounts ⁽¹⁾	(25,257)		
	31,747	31,747	—
Total assets	\$21,386,044	\$21,894,330	\$508,286
Liabilities			
(1) Notes and accounts payable-trade	\$ 1,718,911	\$ 1,718,911	\$ —
(2) Short-term loans from banks	3,624,505	3,624,505	—
(3) Commercial paper	6,903,926	6,903,926	—
(4) Payables under securitized lease receivables	581,977	581,977	—
(5) Bonds payable	1,327,035	1,319,131	7,904
(6) Long-term loans, principally from banks	8,194,742	8,182,366	12,376
(7) Lease obligations	169,817	166,197	3,620
Total liabilities	\$22,520,913	\$22,497,013	\$ 23,900
Derivatives			
Hedge accounting not applied	\$ (27,370)	\$ (27,370)	\$ —
Hedge accounting applied	(806)	(17,304)	(16,498)
Total derivatives	\$ (28,176)	\$ (44,674)	\$ (16,498)

⁽¹⁾ General and specific allowances are deducted from the amounts of accounts receivable-installment sales, lease receivables and investment assets, accounts receivable-loans and claims provable in bankruptcy or rehabilitation, respectively.

⁽²⁾ Estimated residual values included in the account of lease receivables and investment assets are deducted.

(Note 1) Methods to determine the estimated fair value of financial instruments and other matters related to securities and derivative transactions.

Assets

(1) Cash on hand and in banks

Since these items are settled in a short period of time, the carrying value approximates fair value.

(2) Accounts receivable-installment sales, (3) Lease receivables and investment assets and (4) Loans

Based on the classification by internal rating and contract terms, the fair value is estimated by the present value of the total of principal and interest discounted by the interest rate to be applied if similar contracts were entered into.

(5) Operational investment securities and (6) Short-term investment securities and Investments in securities

The fair values of the above securities are based on either market price or the prices provided by the counterparty financial institutions.

For information on securities by holding purpose, please refer to Note 6.

(7) Claims provable in bankruptcy or rehabilitation

The fair value of above are assumed to approximate their carrying value with the deduction of relevant allowances because their carrying values are measured based on the fair value of the collateral and guarantees.

Liabilities

(1) Notes and accounts payable-trade, (2)Short-term loans from banks, (3)Commercial paper and (4)Payables under securitized lease receivables

Since these items are settled in a short period of time, the carrying value approximates fair value.

(5) Bonds payable, (6)Long-term loans, principally from banks and (7)Long-term payables under securitized lease receivables

The fair value is based on the present value of the total of principal and interest discounted by an interest rate to be applied if similar new bonds or loan agreements were entered into.

(8) Lease obligations

Based on the classification by internal rating and contract terms, the fair value is estimated by the present value of the total of principal and interest discounted by the interest rate to be applied if similar contract were entered into.

Derivatives

Assets and liabilities arising from derivative are shown at net value in the above table and with the amount in parentheses representing net liability position. Please refer to Note 9 Derivatives regarding the details of derivative transactions.

(Note 2) Financial instruments for which it is extremely difficult to determine the fair value

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Unlisted shares	¥ 29,801	¥23,762	\$ 317,061
Bonds	300	300	3,192
Trust beneficiary rights	8,321	4,465	88,532
Preferred equity investment securities	4,089	4,161	43,508
Investments in limited partnerships, etc.	66,188	55,497	704,204
Total	¥108,699	¥88,185	\$1,156,497

Because no quoted market price is available and it is extremely difficult to determine the fair value, the above financial instruments are not included in the above table.

(Note 3) Redemption schedule for receivables and marketable securities with maturities subsequent to March 31, 2013 and 2012

	Millions of yen					
	As of March 31, 2013					
	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Cash on hand and in banks	¥ 56,250	¥ —	¥ —	¥ —	¥ —	¥ —
Accounts receivable-installment sales	79,081	50,693	37,326	23,869	12,269	8,804
Accounts receivable-loans	215,581	57,531	56,558	56,712	19,107	44,552
Operational investment securities:						
Available-for-sale securities with maturities						
(1) Bonds	7,009	3,054	335	—	—	19
(2) Other	10,968	85	103	1,648	2,949	31,530
Short-term investment securities and investments in securities:						
Available-for-sale securities with maturities						
(1) Bonds	—	—	—	—	—	—
(2) Other	18,000	—	—	—	—	—
Total	¥386,889	¥111,363	¥94,322	¥82,229	¥34,325	¥84,905

Millions of yen						
As of March 31, 2012						
	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Cash on hand and in banks	¥ 43,555	¥ —	¥ —	¥ —	¥ —	¥ —
Accounts receivable-installment sales	66,759	56,119	31,396	21,337	12,610	10,669
Accounts receivable-loans	170,967	82,272	46,857	39,224	45,792	45,791
Operational investment securities:						
Available-for-sale securities with maturities						
(1) Bonds	2,035	7,009	2,787	335	—	29
(2) Other	11,263	3,563	1,541	744	2,080	19,236
Short-term investment securities and investments in securities:						
Available-for-sale securities with maturities						
(1) Bonds	—	—	—	—	—	—
(2) Other	2,000	—	—	—	—	—
Total	¥296,579	¥148,963	¥82,581	¥61,640	¥60,482	¥75,725

Thousands of U.S. dollars						
As of March 31, 2013						
	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Cash on hand and in banks	\$ 598,471	\$ —	\$ —	\$ —	\$ —	\$ —
Accounts receivable-installment sales	841,376	539,346	397,127	253,951	130,534	93,671
Accounts receivable-loans	2,293,663	612,092	601,740	603,378	203,290	474,017
Operational investment securities:						
Available-for-sale securities with maturities						
(1) Bonds	74,572	32,491	3,560	—	—	204
(2) Other	116,683	911	1,110	17,545	31,380	335,450
Short-term investment securities and investments in securities:						
Available-for-sale securities with maturities						
(1) Bonds	—	—	—	—	—	—
(2) Other	191,510	—	—	—	—	—
Total	\$4,116,275	\$1,184,840	\$1,003,537	\$874,874	\$365,204	\$903,342

The redemption schedule for long-term debt and lease receivables and lease investment assets are disclosed in Note 8 and Note 15, respectively.

18. Dividends

(1) Dividends paid to shareholders
For the year ended March 31, 2013

(Date of approval) Resolution approved by	Type of shares	Amount	Amount per share	Shareholders' cut-off date	Effective date
		Millions of yen Thousands of U.S. dollars	Yen U.S. dollars		
(June 21, 2012)	Common stock	¥2,337	¥22.0	March 31, 2012	June 22, 2012
Annual general meeting of shareholders		\$24,871	\$0.23		
(November 5, 2012)	Common stock	¥2,550	¥24.0	September 30, 2012	December 10, 2012
Board of directors		\$27,132	\$0.26		

For the year ended March 31, 2012

(Date of approval) Resolution approved by	Type of shares	Amount Millions of yen	Amount per share Yen	Shareholders' cut-off date	Effective date
(June 23, 2011) Annual general meeting of shareholders	Common stock	¥2,239	¥21.0	March 31, 2011	June 24, 2011
(October 31, 2011) Board of directors	Common stock	¥2,345	¥22.0	September 30, 2011	December 9, 2011

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

(Date of approval) Resolution approved by	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
(June 20, 2013) Annual general meeting of shareholders	Common stock (Retained earnings)	¥2,550 \$27,132	¥24.0 \$0.26	March 31, 2013	June 21, 2013

19. Legal Reserve and Additional Paid-in Capital

In accordance with 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, however, such distributions can be made at any time by resolution of the shareholders or by the Board of Directors if certain conditions are met.

20. Stock Based Compensation

The Company has stock option plan for certain directors and executive officers. Under the plan, the right to purchase the common shares of the Company is granted at an exercise price of ¥1 per share. The contractual term of the stock option is 30 years. The stock option holders may exercise their stock acquisition right during the ten days period starting the day one year after leaving their position as either director, corporate auditor, or executive officer of the Company.

The stock options outstanding as of March 31, 2013, were as follows:

	2013 stock option
Persons granted	7 directors 22 executive officers
Type and number of shares to be issued upon the exercise of the share subscription rights	Common stock 113,700
Date of grant	October 15, 2012
The fair value per stock at the granted date	¥1,306 (\$13.90)

The total stock-based compensation costs recognized for the year ended March 31, 2013 were ¥148 million (\$1,580 thousand).

The fair value of 2013 stock option is estimated using the Black-Scholes option pricing model with the assumptions noted in the following table.

	2013 stock option
Expected volatility	46.43%
Expected holding period	4.1 years
Expected dividend	¥46 per share
Risk free interest rate	0.18%

The volatilities of stock price are based on the historical volatility of the Company's stock for the period equal to the option's estimated remaining outstanding period from the grant date. The estimated remaining outstanding period is based on average term period and average age as of retirement. The estimated dividends are based on the actual per share dividends of ¥46 (\$0.49) made in the preceding year for the years ended March 31, 2013. The risk free interest rate is based on the yield of government bonds having a remaining life equal to the option's estimated remaining outstanding period. The stock option activities for the fiscal years ended March 31, 2013 were as follows:

Stock option activity	Number of shares 2013 stock option
Share subscription rights which are not yet vested	
Outstanding as of March 31, 2012	—
Granted	113,700
Forfeited	—
Vested	113,700
Outstanding as of March 31, 2013	0
Share subscription rights which have already been vested	
Outstanding as of March 31, 2012	—
Vested	113,700
Exercised	—
Forfeited	—
Outstanding as of March 31, 2013	113,700
Exercise price	¥1 (\$0)
Weight average exercise price	¥— (\$—)
Weight average fair value per stock at the grant date	¥1,306 (\$13.90)

21. Segment Information

1. Overview of Reportable Segments

The reportable segments of the Company are constituent units for which separate financial information can be obtained and regularly examined by the board of directors to determine the allocation of management resources and evaluate business performance.

The Company is primarily engaged in the leasing and installment sales businesses. The Company also provides financial services that are related to these businesses. The reportable segments are therefore divided into “Leasing and Installment Sales Business” and “Financing Business.”

The “Leasing and Installment Sales Business” involves the leasing of information and office equipment, industrial machinery and equipment, etc., for commercial and service purposes (including sales of items resulting from the maturation of leasing agreements and mid-term cancellations) and installment sales. The “Financing Business” involves the extension of monetary loans and investment operations, etc., related to capital investments in securities for investment purposes and anonymous associations.

2. Calculation Method for Amounts for Revenues, Profit or Loss, Assets, Liabilities and Other Items by Reportable Segment

The accounting method for reportable business segments is the same as stated under “Summary of Significant Accounting Policies” in Note 2.

3. Information on Revenues, Profit or Loss, Assets, Liabilities and Other Items by Reportable Segment

	Millions of yen				
	Year ended March 31, 2013				
	Reportable segment				
	Leasing and installment sales	Finance	Subtotal	Other	Total
Revenues, profit and assets by reportable segments					
Revenue from customers	¥ 666,535	¥ 16,935	¥ 683,470	¥7,658	¥ 691,128
Intersegment revenue	—	—	—	809	809
Total sales	666,535	16,935	683,470	8,467	691,937
Segment profit	¥ 37,649	¥ 9,222	¥ 46,871	¥2,127	¥ 48,998
Segment assets	¥1,767,085	¥573,296	¥2,340,381	¥7,061	¥2,347,442
Other items					
Depreciation	¥ 27,774	¥ —	¥ 27,774	¥ —	¥ 27,774
Increase in property and equipment and intangible assets	102,140	—	102,140	—	102,140

	Millions of yen				
	Year ended March 31, 2012				
	Reportable segment				
	Leasing and installment sales	Finance	Subtotal	Other	Total
Revenues, profit and assets by reportable segments					
Revenue from customers	¥ 692,723	¥ 14,031	¥ 706,754	¥ 9,588	¥ 716,342
Intersegment revenue	—	—	—	794	794
Total sales	692,723	14,031	706,754	10,382	717,136
Segment profit	¥ 41,212	¥ 6,685	¥ 47,897	¥ 1,807	¥ 49,704
Segment assets	¥1,626,356	¥541,320	¥2,167,676	¥ 6,806	¥2,174,482
Other items					
Depreciation	¥ 28,560	¥ —	¥ 28,560	¥ —	¥ 28,560
Increase in property and equipment and intangible assets	30,945	—	30,945	—	30,945

	Thousands of U.S. dollars				
	Year ended March 31, 2013				
	Reportable segment				
	Leasing and installment sales	Finance	Subtotal	Other	Total
Revenues, profit and assets by reportable segments					
Revenue from customers	\$ 7,091,550	\$ 180,177	\$ 7,271,727	\$81,482	\$ 7,353,209
Intersegment revenue	—	—	—	8,607	8,607
Total sales	7,091,550	180,177	7,271,727	90,089	7,361,816
Segment profit	\$ 400,558	\$ 98,117	\$ 498,675	\$22,636	\$ 521,311
Segment assets	\$18,800,785	\$6,099,537	\$24,900,322	\$75,122	\$24,975,444
Other items					
Depreciation	\$ 295,497	\$ —	\$ 295,497	\$ —	\$ 295,497
Increase in property and equipment and intangible assets	1,086,708	—	1,086,708	—	1,086,708

4. Difference between the total of reporting segment and the amounts on the consolidated financial statements and details for difference (The matter for the reconciliation of the difference)

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Revenues			
Reportable segment total	¥683,470	¥706,754	\$7,271,727
Revenues attributable to other segment	8,467	10,382	90,089
Intersegment eliminations	(809)	(794)	(8,607)
Revenues on consolidated statement of income	¥691,128	¥716,342	\$7,353,209

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Profit			
Reportable segment total	¥46,871	¥47,897	\$498,675
Profit attributable to other segment	2,127	1,807	22,636
Intersegment eliminations	(809)	(794)	(8,607)
General and administrative expenses not attributable to reporting segment	(6,215)	(7,032)	(66,128)
Operating income on consolidated statement of income	¥41,974	¥41,878	\$446,576

	Millions of yen		Thousands of U.S. dollars
	2013	2012	2013
Assets			
Reportable segment total	¥2,340,381	¥2,167,676	\$24,900,322
Assets attributable to other segment	7,061	6,806	75,122
Assets not attribute to reporting segment	118,375	85,907	1,259,443
Total assets on consolidated balance sheet	¥2,465,817	¥2,260,389	\$26,234,887

	Millions of yen							
	Reportable segment total		Other		Adjustments		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012
Other items								
Depreciation	¥ 27,774	¥28,560	¥—	¥—	¥2,519	¥2,990	¥ 30,293	¥31,550
Increase in property and equipment and intangible assets	102,140	30,945	—	—	1,650	1,379	103,790	32,324

	Thousands of U.S. dollars			
	Reportable segment total		Other	Consolidated
	2013		2013	2013
Other items				
Depreciation	\$ 295,497	\$—	\$26,807	\$ 322,304
Increase in property and equipment and intangible assets	1,086,708	—	17,561	1,104,269

Information by products and services

	Millions of yen					
	March 31, 2013					
	Finance lease	Operating lease	Installment sales	Finance	Other	Total
Revenue from customers	¥518,200	¥66,437	¥81,898	¥16,935	¥7,658	¥691,128

	Millions of yen					
	March 31, 2012					
	Finance lease	Operating lease	Installment sales	Finance	Other	Total
Revenue from customers	¥535,779	¥67,989	¥88,955	¥14,031	¥9,588	¥716,342

	Thousands of U.S. dollars					
	March 31, 2013					
	Finance lease	Operating lease	Installment sales	Finance	Other	Total
Revenue from customers	\$5,513,350	\$706,852	\$871,348	\$180,177	\$81,482	\$7,353,209

Geographical information

(a) Sales

Information by geographic segment is not disclosed since sales to third parties located in Japan for the years ended March 31, 2013 and 2012 represented more than 90% of the consolidated sales for the respective years.

(b) Property and equipment

Information by geographic segment is not disclosed since the amount of property and equipment located in Japan for the years ended March 31, 2013 and 2012 represented more than 90% of the consolidated property and equipment for the respective years.

Information by main customer

Information by main customer for the years ended March 31, 2013 and 2012 is not disclosed due to no third party customer to which sales volume consisted 10% or more of the consolidated sales.

22. Amounts Per Share

	Yen		U.S. dollars
	2013	2012	2013
Net assets	¥2,092.46	¥1,796.62	\$22.26
Net income:			
Basic	272.32	245.82	2.90
Diluted	272.18	—	2.90

Under Statement No. 2, the “Accounting Standard for Earnings Per Share” issued by the Accounting Standards Board of Japan, 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. The weighted-average number of shares of common stock used in the computation for the years ended March 31, 2013 and 2012 was 106,254 and 106,558 thousand shares, respectively.

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

Net assets per share are computed based on net assets available for distribution to the shareholders of common stock (i.e., net assets excluding minority interests) and the number of shares of common stock outstanding at each balance sheet date.

23. Subsequent Events

The Company issued the fifth and the sixth unsecured bond (with inter-bond pari passu clause) on April 19, 2013. The details are as follows:

	The fifth	The sixth
Total amount issued	¥20,000 million (\$212,789 thousand)	¥10,000 million (\$106,394 thousand)
Issuance price	¥100 (\$1.06) per ¥100 (\$1.06) of face value	
Interest rate	0.337% per annum	0.439% per annum
Redemption price	¥100 (\$1.06) per ¥100 (\$1.06) of face value	
Redemption date	April 19, 2016	April 19, 2018
Payment date	April 19, 2013	
Collateral	This bond is without any collateral or guaranty and there are no assets reserved for this debenture.	
Application of the fund	For the purchase of leased property	

REPORT OF INDEPENDENT AUDITORS



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

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Fax: +81 3 3503 1197
www.shinnihon.or.jp

Independent Auditor's Report

The Board of Directors
Century Tokyo Leasing Corporation

We have audited the accompanying consolidated financial statements of Century Tokyo Leasing Corporation and its consolidated subsidiaries, which comprise the consolidated balance sheet as at March 31, 2013, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Century Tokyo Leasing Corporation and its consolidated subsidiaries as at March 31, 2013, and their consolidated financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Convenience Translation

We have reviewed the translation of these consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying consolidated financial statements have been properly translated on the basis described in Note 1.

Ernst & Young ShinNihon LLC

June 14, 2013
Tokyo, Japan

MAIN SUBSIDIARIES AND AFFILIATES (as of August 31, 2013)

Consolidated Subsidiaries (Domestic)

TOKYO AUTO LEASING CO., LTD.

Nittochi Okachimachi Bldg., 2-27-5 Taito, Taito-ku, Tokyo 110-0016

Telephone: +81-3-6357-5566

Date Founded: March 1979

Paid-in Capital: ¥200 million

Voting Shares: 100%

Main Business Operations: Automobile and automobile-related equipment leasing

*Absorption-type merger with Nippon Car Solutions Co., Ltd. as the surviving company scheduled to take place on October 1, 2013

ORICO AUTO LEASING CO., LTD.

Nittochi Okachimachi Bldg., 2-27-5 Taito, Taito-ku, Tokyo 110-0016

Telephone: +81-3-6865-5515

Date Founded: March 2008

Paid-in Capital: ¥240 million

Voting Shares: 50%

Main Business Operations: Automobile leasing

NIPPON RENT-A-CAR SERVICE, INC.

NR Bldg., 5-5 Kamiyama-cho, Shibuya-ku, Tokyo 150-8515

Telephone: +81-3-3468-7111

Date Founded: March 1969

Paid-in Capital: ¥720 million

Voting Shares: 58%

Main Business Operations: Automobile rental and leasing

FUJITSU LEASING CO., LTD.

FUJISOFT Bldg., 3 Kanda-neribeicho, Chiyoda-ku, Tokyo 101-0022

Telephone: +81-3-5843-6301

Date Founded: March 1978

Paid-in Capital: ¥1,000 million

Voting Shares: 80%

Main Business Operations: IT-related equipment leasing

S.D.I. CO., LTD.

Shimbashi Kikuei Bldg., 5-13-1 Shimbashi, Minato-ku, Tokyo 105-0004

Date Founded: January 1991

Paid-in Capital: ¥100 million

Voting Shares: 90%

Main Business Operations: Automobile leasing and general leasing

IHI FINANCE SUPPORT CORPORATION

Yaesu First Financial Building, 1-3-7 Yaesu, Chuo-ku, Tokyo 103-0028

Telephone: +81-3-3275-3721

Date Founded: December 1991

Paid-in Capital: ¥200 million

Voting Shares: 67%

Main Business Operations: Finance and general leasing

TCI FINANCE CORPORATION

FUJISOFT Bldg., 3 Kanda-neribeicho, Chiyoda-ku, Tokyo 101-0022

Telephone: +81-3-5209-6025

Date Founded: July 2011

Paid-in Capital: ¥100 million

Voting Shares: 60%

Main Business Operations: Finance business for ITOCHU Group

TC PROPERTY SOLUTIONS CORPORATION

Uchikanda 282 Bldg., 2-15-9, Uchikanda, Chiyoda-ku, Tokyo 101-0047

Telephone: +81-3-5298-6275

Date Founded: October 2011

Paid-in Capital: ¥100 million

Voting Shares: 100%

Main Business Operations: Property management business

ITEC LEASING CO., LTD.

Kyodo Bldg. #7, 1-4-1 Jinnan, Shibuya-ku, Tokyo 150-0041

Telephone: +81-3-5456-4760

Date Founded: September 1984

Paid-in Capital: ¥20 million

Voting Shares: 85%

Main Business Operations: Broadcasting equipment leasing

TRY, INC.

World Trade Center Bldg., 2-4-1 Hamamatsu-cho, Minato-ku, Tokyo 105-6110

Telephone: +81-3-3435-4481

Date Founded: May 2004

Paid-in Capital: ¥21 million

Voting Shares: 100%

Main Business Operations: Refurbishment (reuse and recycling) of PCs

TC AGENCY CORPORATION

Nittochi Okachimachi Bldg., 2-27-5 Taito, Taito-ku, Tokyo 110-0016

Telephone: +81-3-5818-8370

Date Founded: January 1987

Paid-in Capital: ¥10 million

Voting Shares: 100%

Main Business Operations: Casualty insurance

TC BUSINESS SERVICE CORPORATION

Nittochi Okachimachi Bldg., 2-27-5 Taito, Taito-ku, Tokyo 110-0016

Telephone: +81-3-5818-8076

Date Founded: June 2004

Paid-in Capital: ¥20 million

Voting Shares: 100%

Main Business Operations: Business processing services for the Group

TC BUSINESS EXPERTS CORPORATION

Nittochi Okachimachi Bldg., 2-27-5 Taito, Taito-ku, Tokyo 110-0016

Telephone: +81-3-5818-8501

Date Founded: April 2010

Paid-in Capital: ¥10 million

Voting Shares: 100%

Main Business Operations: Business inspection services for the Group

Consolidated Subsidiaries (Overseas)

CENTURY TOKYO LEASING CHINA CORPORATION

Unit B1, B2, B3, 28F V-Capital Building, No.333 Xianxia Road, Changning District, Shanghai 200336, P.R.C.

Telephone: +86-21-6237-0066

Date Founded: July 2006

Paid-in Capital US\$47,500 thousand

Voting Shares: 80%

Main Business Operations: General leasing

CENTURY TOKYO FACTORING CHINA CORPORATION

Unit B-02, 18F Taiping Finance Tower, No.488 Middle Yincheng Road, Pudong New District, Shanghai 200336, P.R.C.

Telephone: +86-21-3131-7099

Date Founded: June 2013

Paid-in Capital: 150 million yuan

Voting Shares: 100%

Main Business Operations: Factoring services

CENTURY TOKYO LEASING (SINGAPORE) PTE. LTD.

8 Cross Street, #09-04/05 PWC Building, Singapore 048424

Telephone: +65-6532-3436

Date Founded: May 1979

Paid-in Capital: S\$19,340 thousand

Voting Shares: 100%

Main Business Operations: General leasing

CENTURY TOKYO CAPITAL (MALAYSIA) SDN. BHD.

Suite 22.02, Level 22, Menara Citibank, No. 165, Jalan Ampang, 50450 Kuala Lumpur, Malaysia

Telephone: +60-3-2162-9633

Date Founded: June 2007

Paid-in Capital: RM26,523 thousand

Voting Shares: 100%

Main Business Operations: General leasing

PT. CENTURY TOKYO LEASING INDONESIA

Wisma Keiai 11th Floor, Jl.Jend. Sudirman Kav.3 Jakarta 10220, Indonesia

Telephone: +62-21-572-3411

Date Founded: February 2011

Paid-in Capital: Rp100,000 million

Voting Shares: 85%

Main Business Operations: General leasing

TOKYO LEASING (HONG KONG) LTD.

Room 301, 3rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Wan Chai, Hong Kong, P.R.C.

Date Founded: October 1972

Paid-in Capital: HK\$13 million

Voting Shares: 100%

Main Business Operations: General leasing

CENTURY TOKYO LEASING (USA) INC.

Suite 202, 3020 Westchester Avenue, Purchase, NY 10577, U.S.A.

Telephone: +1-914-697-9030

Date Founded: December 1985

Paid-in Capital: US\$26,513 thousand

Voting Shares: 100%

Main Business Operations: General leasing

TOKYO LEASING (UK) PLC

1st Floor, Kingsbridge House, Pinner, Middlesex HA5 5LX, U.K.

Telephone: +44-20-8429-1963

Date Founded: May 1983

Paid-in Capital: STG£6,655 thousand

Voting Shares: 100%

Main Business Operations: General leasing

Equity-Method Affiliates

NIPPON CAR SOLUTIONS CO., LTD.

Seavans North Bldg., 1-2-1 Shibaura, Minato-Ku, Tokyo 105-0023

Telephone: +81-3-6436-1190

Date Founded: February 1987

Paid-in Capital: ¥981 million

Voting Shares: 50%

Main Business Operations: Automobile leasing

*Tokyo Auto Leasing Co., Ltd. will undergo an absorption-type merger on October 1, 2013, and be included in the scope of the Company's consolidation as a consolidated subsidiary.

PRESIDENT TOKYO CORPORATION

12th Floor, No. 8 Dongxing Rd., Songshan District, Taipei City 10570, Taiwan, R.O.C.

Telephone: +886-2-2747-8188

Date Founded: November 1997

Paid-in Capital: NT\$200 million

Voting Shares: 49%

Main Business Operations: Automobile leasing and general leasing

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 Founded: April 1993

Paid-in Capital: THB60 million

Voting Shares: 49%

Main Business Operations: General leasing

GA TELESIS, LLC

1850 NW 49th Street, Fort Lauderdale, Florida 33309, U.S.A.

Telephone: +1-954-676-3111

Date Founded: April 2002

Voting Shares: 20%

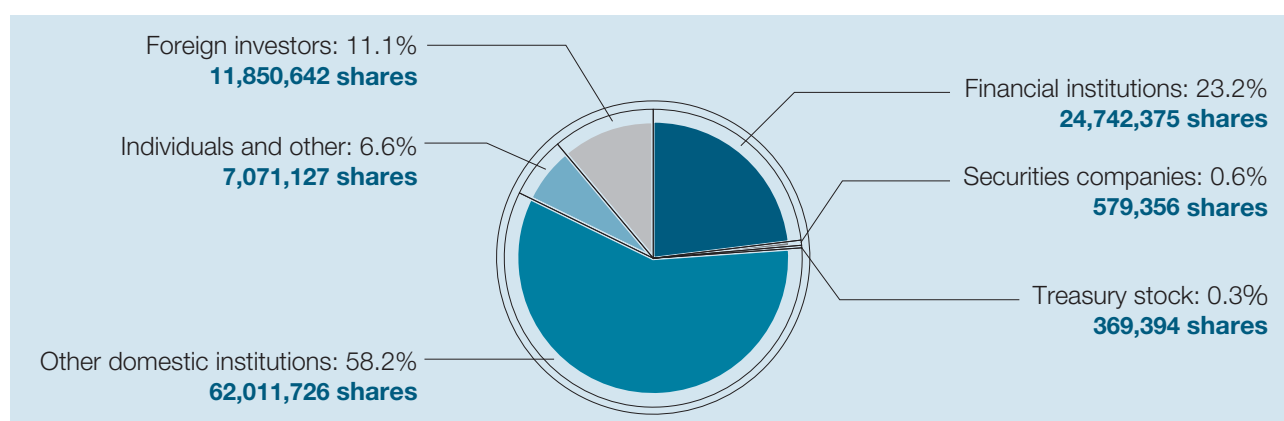
Main Business Operations: Provider of products, services and solutions to the commercial aerospace industry

STOCK INFORMATION/BOND RATINGS

AS OF MARCH 31, 2013

Transfer Agent: Mizuho Trust & Banking Co., Ltd.**Stock Listing:** Tokyo Stock Exchange, First Section**Securities Code:** 8439**Trading Lot Size:** 100 shares**Number of Common Stock Authorized:** 400,000,000 shares**Number of Common Stock Issued:** 106,624,620 shares**Number of Shareholders:** 12,278

Breakdown of Shareholders



Major Shareholders

Shareholders	Number of shares held (thousands)	Percentage of shares outstanding (%)
ITOCHU Corporation	26,656	25.0
Nippon Tochi-Tatemono Co., Ltd.	11,831	11.1
KSO Co., Ltd.	9,963	9.3
Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)	4,649	4.4
Nissin Tatemono Co., Ltd.	3,537	3.3
Japan Trustee Services Bank, Ltd. (Trust accounts)	3,146	3.0
Seiwa Sogo Tatemono Co., Ltd.	2,972	2.8
The Master Trust Bank of Japan, Ltd. (Trust accounts)	2,764	2.6
Nippon Life Insurance Company	2,228	2.1
Mizuho Trust & Banking Co., Ltd. (Retirement Allowance Trust, Orient Corporation Account)	1,900	1.8

Bond Ratings (As of September 6, 2013)

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

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 Issue Period: Two Years Beginning February 14, 2012	(Preliminary Rating for Bonds Registered for Issuance)* Rating: A Expected Issue Amount: ¥150 billion Issue Period: Two Years Beginning February 14, 2012
	(Euro Medium-Term Note Program) Rating: A+ Maximum Outstanding Amount: Equivalent of US\$2 billion	(Euro Medium-Term Note Program) Rating: A Maximum Outstanding Amount: Equivalent of US\$2 billion
Short-term	(Commercial Paper) Rating: J-1 Maximum Outstanding Amount: ¥650 billion	(Commercial Paper) Rating: a-1 Maximum Outstanding Amount: ¥650 billion

*Each receivable will be rated by each rating company upon issuance.

CORPORATE INFORMATION

Company Name

Century Tokyo Leasing Corporation (Abbreviation: TC-Lease)

Head Office

FUJISOFT Bldg., 3 Kanda-neribeicho, Chiyoda-ku, Tokyo 101-0022, Japan

Founded

July 1, 1969

Paid-in Capital

¥34,231 million

Company Representative

President & CEO Shunichi Asada

Number of Employees

1,676 (1,028 on a non-consolidated basis) (as of March 31, 2013)

Closing of Accounts

March 31

Major Banks

Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.); Sumitomo Mitsui Trust Bank, Limited; The Norinchukin Bank; Mitsubishi UFJ Trust and Banking Corporation; Nippon Life Insurance Company

Independent Auditor

Ernst & Young ShinNihon LLC

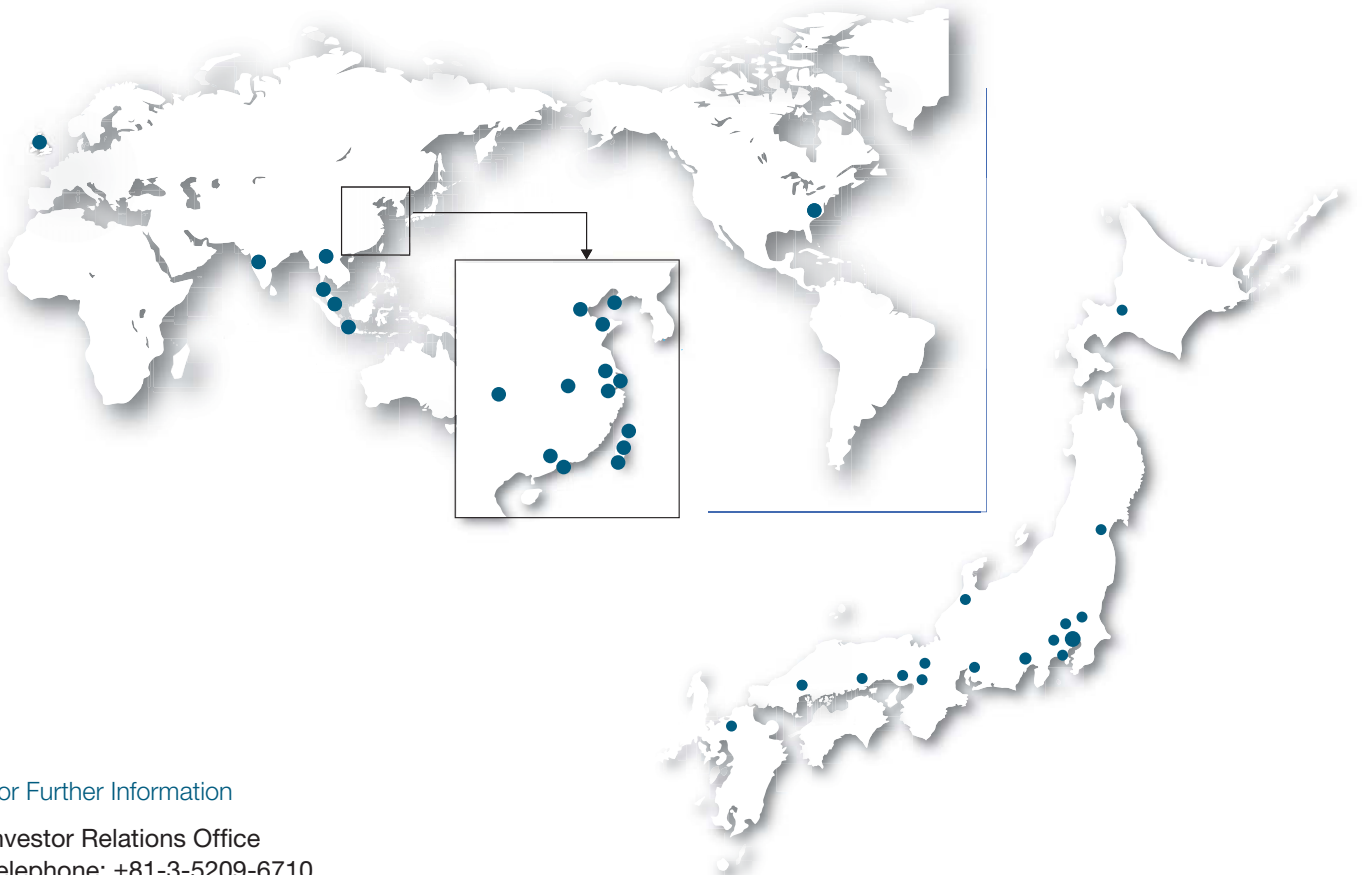
Network

Domestic;

Head Office, Sapporo, Sendai, Tsukuba, Saitama, Tachikawa, Yokohama, Shizuoka, Nagoya, Kanazawa, Kyoto, Osaka, Kobe, Okayama, Hiroshima, Fukuoka

Overseas;

China (Shanghai [2], Beijing, Dalian, Qingdao, Suzhou, Wuhan, Chengdu, Guangzhou, Hong Kong), Taiwan (Taipei, Taichung, Kaohsiung), Thailand, Malaysia, Singapore, Indonesia, India, U.S.A., U.K.



For Further Information

Investor Relations Office

Telephone: +81-3-5209-6710

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