

Consolidated Financial Results

For the Three Months of Fiscal Year Ending March 31, 2018



Creating new values from
Finance × Services × Business Expertise

Tokyo Century Corporation

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1. Financial Highlights

Financial Highlights

[Record high 1Q results]

Ordinary income gained 7.1% from the previous period to ¥19.1 billion

| | FY2016 | FY2017 | | |
|--|-------------|-------------|------------|-------------|
| | 1Q Result | 1Q Result | Change | % Change |
| Revenues | 221.8 | 238.8 | 17.0 | 7.7% |
| Operating income | 17.3 | 18.3 | 1.0 | 5.5% |
| Ordinary income | 17.8 | 19.1 | 1.3 | 7.1% |
| Net income attributable to owners of parent | 10.1 | 10.9 | 0.9 | 8.4% |

(Billions of yen)

| FY2017 Forecast | |
|------------------------------|---------------------|
| Announced on May 12, 2017 | Achievement Rate |
| 980.0 | 24.4% |
| 74.0 | 24.7% |
| 76.0 | 25.1% |
| 45.0 | 24.3% |

| | Mar. 31, 2017 | Jun. 30, 2017 | Change | % Change |
|------------------------------------|----------------|----------------|--------------|--------------|
| | | | | |
| Total assets | 3,579.9 | 3,572.1 | -7.7 | -0.2% |
| Balance of operating assets | 3,216.0 | 3,187.3 | -28.7 | -0.9% |
| Net assets | 404.8 | 407.2 | 2.4 | 0.6% |
| Shareholders' equity ratio | 9.9% | 10.0% | 0.1pt | |

Statement of Income

| (Billions of yen) | | | | | |
|--|-----------|---------------------|---------------------|------------|-------------|
| | # | FY2016 1Q Result | FY2017 1Q Result | Change | % Change |
| Revenues | 1 | 221.8 | 238.8 | 17.0 | 7.7% |
| Costs | 2 | 187.4 | 200.1 | 12.6 | 6.7% |
| Funding cost | 3 | 3.1 | 5.1 | 2.0 | 65.5% |
| Gross profit | 4 | 34.4 | 38.8 | 4.4 | 12.6% |
| SG&A expenses | 5 | 17.1 | 20.5 | 3.4 | 19.9% |
| Personnel expenses | 6 | 9.8 | 12.1 | 2.4 | 24.2% |
| Non-personnel expenses | 7 | 7.4 | 8.7 | 1.4 | 18.5% |
| Credit costs | 8 | -0.0 | -0.4 | -0.3 | - |
| Operating income | 9 | 17.3 | 18.3 | 1.0 | 5.5% |
| Non-operating income and losses | 10 | 0.5 | 0.8 | 0.3 | 59.9% |
| Ordinary income | 11 | 17.8 | 19.1 | 1.3 | 7.1% |
| Extraordinary income and losses | 12 | 0.0 | 0.0 | 0.0 | 42.9% |
| Income before income taxes | 13 | 17.8 | 19.1 | 1.3 | 7.1% |
| Income taxes | 14 | 6.0 | 6.4 | 0.4 | 7.1% |
| Net income | 15 | 11.9 | 12.7 | 0.9 | 7.2% |
| Net income attributable to non-controlling interests | 16 | 1.8 | 1.8 | 0.0 | 0.2% |
| Net income attributable to owners of parent | 17 | 10.1 | 10.9 | 0.9 | 8.4% |

Major Factors of Change

- Gross profit**
Consolidation of CSI Leasing ^(*) and increased profit in the Equipment Leasing business
- SG&A expenses**
Increased due to the consolidation of CSI Leasing ^(*)
- Ordinary income**
Consolidation of CSI Leasing ^(*), Increased profit in the Equipment Leasing business and the Domestic Automobile Financing business, and gain on reversal of allowance for doubtful accounts
- Net income attributable to owners of parent**
Increased due to the consolidation of CSI Leasing ^(*)

* Started to consolidating statement of income in FY2016 2Q

Sales Revenues by Reportable Segment

(Billions of yen)

| | # | FY2016 | FY2017 | | % Change |
|--------------------------------|-----------|-------------|-------------|------------|--------------|
| | | 1Q Result | 1Q Result | Change | |
| Revenues | 1 | 221.8 | 238.8 | 17.0 | 7.7% |
| Leasing | 2 | 189.9 | 211.1 | 21.2 | 11.1% |
| Installment sales | 3 | 18.0 | 15.9 | -2.2 | -12.1% |
| Finance | 4 | 5.9 | 5.7 | -0.2 | -2.9% |
| Other | 5 | 8.0 | 6.2 | -1.8 | -22.8% |
| Costs (excluding funding cost) | 6 | 184.3 | 194.9 | 10.6 | 5.8% |
| Leasing | 7 | 161.6 | 176.4 | 14.8 | 9.2% |
| Installment sales | 8 | 16.7 | 14.2 | -2.5 | -14.9% |
| Finance | 9 | 0.3 | 0.2 | -0.2 | -47.9% |
| Other | 10 | 5.6 | 4.1 | -1.6 | -27.6% |
| Sales revenues | 11 | 37.5 | 43.9 | 6.4 | 17.0% |
| Leasing | 12 | 28.3 | 34.6 | 6.4 | 22.5% |
| Installment sales | 13 | 1.3 | 1.6 | 0.3 | 23.1% |
| Finance | 14 | 5.6 | 5.6 | -0.0 | -0.3% |
| Other | 15 | 2.3 | 2.1 | -0.3 | -10.9% |

Major Factors of Change

■ Leasing

Consolidation of CSI Leasing and increased profits in the Equipment Leasing business and the Domestic Automobile Financing business

Note: Sales revenues (Gross profit before deducting funding cost)

Balance Sheet

(Billions of yen)

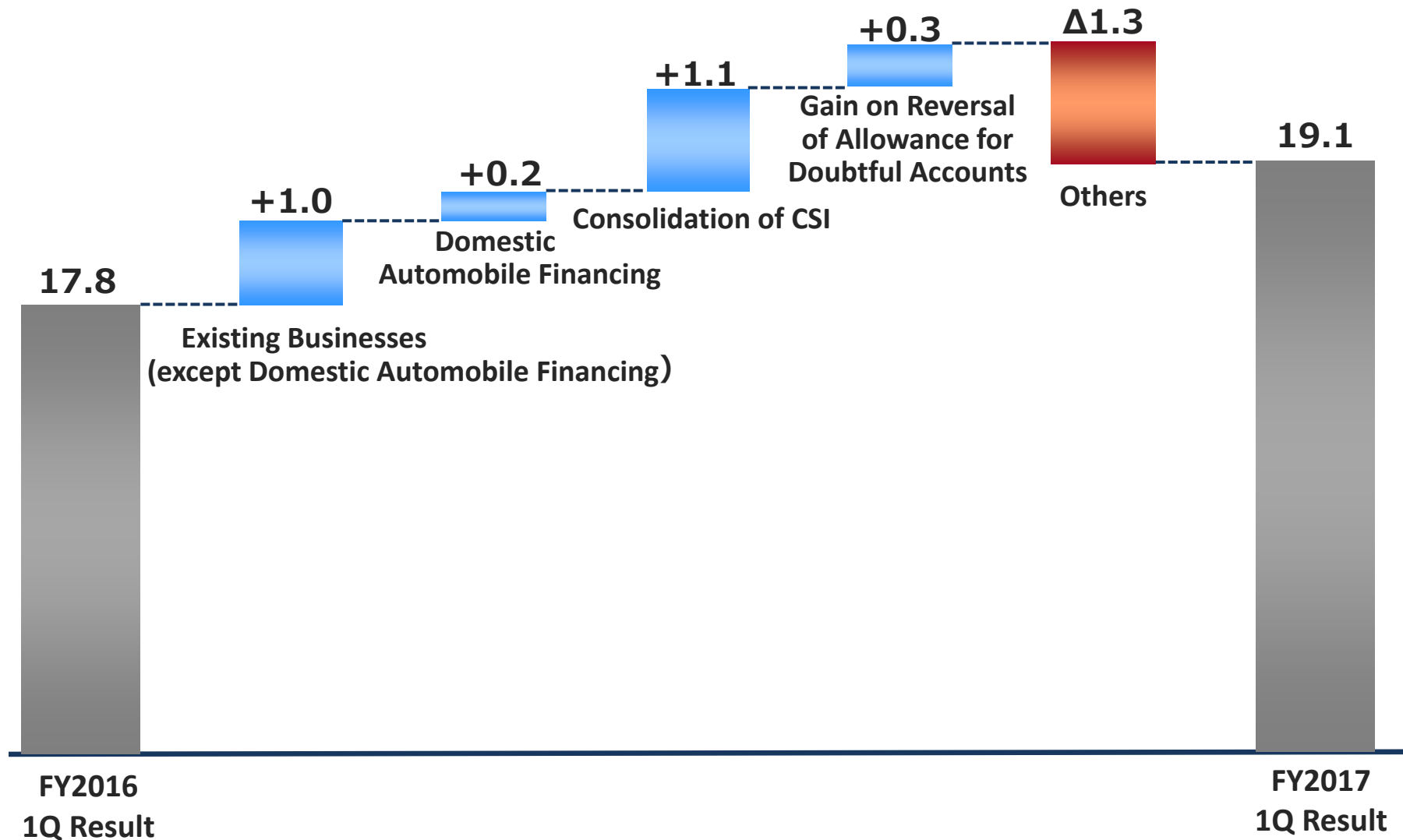
| | # | Mar. 31, 2017 | Jun. 30, 2017 | Change | % Change |
|---------------------------------|----------|----------------|----------------|--------------|--------------|
| Total assets | 1 | 3,579.9 | 3,572.1 | -7.7 | -0.2% |
| Current assets | 2 | 2,766.8 | 2,741.5 | -25.4 | -0.9% |
| Non-current assets, etc. | 3 | 813.1 | 830.7 | 17.6 | 2.2% |
| Total liabilities | 4 | 3,175.1 | 3,165.0 | -10.1 | -0.3% |
| Current liabilities | 5 | 2,014.2 | 2,018.0 | 3.8 | 0.2% |
| Long-term liabilities | 6 | 1,160.8 | 1,146.9 | -13.9 | -1.2% |
| Total net assets | 7 | 404.8 | 407.2 | 2.4 | 0.6% |
| Shareholders' equity | 8 | 354.7 | 356.8 | 2.1 | 0.6% |
| Non-controlling interests, etc. | 9 | 50.1 | 50.4 | 0.2 | 0.5% |

Major Factors of Change

- Current assets**
 Balance of operating assets in finance lease transactions declined
- Non-current assets, etc.**
 Leased assets in the operating lease in Domestic Automobile Financing expanded
- Long-term liabilities**
 Mainly due to a decrease in long-term borrowings
- Total net assets**
 Retained earnings gained due the inclusion of net income attributable to owners of parent

Analysis on Year-on-Year Change in Ordinary Income

(Billions of yen)



Transaction Volume

(Billions of yen)

| | # | FY2015 1Q Result | FY2016 1Q Result | FY2017 | | |
|------------------------|---|---------------------|---------------------|--------------|--------|----------|
| | | | | 1Q Result | Change | % Change |
| Transaction volume (1) | 1 | 349.3 | 328.7 | 322.0 | -6.7 | -2.1% |
| Leasing | 2 | 191.8 | 142.6 | 159.5 | 16.9 | 11.9% |
| Installment sales | 3 | 17.5 | 20.2 | 17.6 | -2.6 | -12.8% |
| Finance | 4 | 137.0 | 162.6 | 143.4 | -19.2 | -11.8% |
| Other | 5 | 3.0 | 3.4 | 1.5 | -1.8 | -54.7% |

(Transaction Volume by Fiscal Year)

| | # | FY2015 Result | FY2016 Result |
|------------------------|----|------------------|------------------|
| Transaction volume (2) | 6 | 1,497.9 | 1,500.0 |
| Leasing | 7 | 775.1 | 796.4 |
| Installment sales | 8 | 91.1 | 93.5 |
| Finance | 9 | 617.1 | 602.8 |
| Other | 10 | 14.6 | 7.2 |

| | | | |
|----------------------------|----|-------|-------|
| Achievement rate (1) / (2) | 11 | 23.3% | 21.9% |
|----------------------------|----|-------|-------|

Reference: Announced by Japan Leasing Association

(Billions of yen)

| | # | FY2015 1Q Result | FY2016 1Q Result | FY2017 | | |
|--|----|---------------------|---------------------|-----------|--------|----------|
| | | | | 1Q Result | Change | % Change |
| Capital investment financed by leasing | 12 | 1,086.1 | 1,098.0 | 1,025.2 | -72.8 | -6.6% |

Major Factors of Change

■ Leasing

Contributed by the consolidation of CSI Leasing and increased lease transactions in Domestic Automobile Financing

■ Other

New transaction volume in the solar power generation business fell year on year

Operating Assets and Interest-Bearing Debts

(Billions of yen)

| | # | Mar. 31, 2016 | Mar. 31, 2017 | Jun. 30, 2017 | Change | % Change |
|------------------------------------|----------|----------------|----------------|----------------|--------------|--------------|
| Balance of operating assets | 1 | 2,991.1 | 3,216.0 | 3,187.3 | -28.7 | -0.9% |
| Leasing | 2 | 2,026.9 | 2,237.7 | 2,206.2 | -31.5 | -1.4% |
| Installment sales | 3 | 214.4 | 201.5 | 196.2 | -5.3 | -2.6% |
| Finance | 4 | 724.4 | 750.0 | 757.0 | 7.0 | 0.9% |
| Other | 5 | 25.4 | 26.8 | 28.0 | 1.1 | 4.3% |
| Total assets | 6 | 3,317.9 | 3,579.9 | 3,572.1 | -7.7 | -0.2% |
| Shareholders' equity | 7 | 320.2 | 354.7 | 356.8 | 2.1 | 0.6% |
| Shareholders' equity ratio | 8 | 9.6% | 9.9% | 10.0% | 0.1pt | |
| Interest-bearing debt | 9 | 2,551.5 | 2,733.0 | 2,759.2 | 26.2 | 1.0% |
| Commercial paper | 10 | 763.4 | 800.7 | 859.3 | 58.6 | 7.3% |
| MTN | 11 | 41.1 | 46.7 | 46.1 | -0.6 | -1.3% |
| Corporate bond | 12 | 155.5 | 185.4 | 180.3 | -5.0 | -2.7% |
| Securitized lease assets | 13 | 78.1 | 65.1 | 50.3 | -14.8 | -22.7% |
| Short-term borrowings | 14 | 437.2 | 416.3 | 452.9 | 36.6 | 8.8% |
| Long-term borrowings | 15 | 1,076.2 | 1,218.9 | 1,170.3 | -48.6 | -4.0% |
| Short-term funding ratio | 16 | 50.4% | 47.3% | 49.7% | 2.4pt | |
| Direct funding ratio | 17 | 40.7% | 40.2% | 41.2% | 1.0pt | |

Major Factors of Change

■ Balance of operating assets

Despite a increase in operating assets in Domestic Automobile Financing, the value declined due to the yen's appreciation compared with the previous period

FY2017 Consolidated Results Forecast

- Ordinary income: Steady performance towards a record high for nine consecutive periods (*)
- Dividend payout ratio: Up 0.4pt to 24.6% year on year

(Billions of yen)

| | FY2016 Result | FY2017 Forecast | | |
|---|------------------|-----------------|--------|----------|
| | | | Change | % Change |
| Revenues | 976.1 | 980.0 | 3.9 | 0.4% |
| Operating income | 72.0 | 74.0 | 2.0 | 2.8% |
| Ordinary income | 73.5 | 76.0 | 2.5 | 3.4% |
| Net income attributable to owners of parent | 43.7 | 45.0 | 1.3 | 3.1% |
| Net income per share | ¥413.51 | ¥426.31 | ¥12.80 | 3.1% |
| Total dividends | ¥100 | ¥105 | ¥5 | 5.0% |
| Dividend payout ratio | 24.2% | 24.6% | 0.4pt | |

* Counting from the fiscal year ended March 31, 2009, immediately before the merger, ordinary income is expected to hit a nine-year record high

2. Results by Operating Segment

Business Summary by Operating Segment



Equipment Leasing

Take advantage of the networks of Mizuho and ITOCHU Group to provide financial services that are centered on leasing information and communication equipment and wide range of property

- Structure and provide flexible financing programs in cooperation with manufacturers and dealers in addition with the financing subsidiaries of Fujitsu and IHI
- Develop a marketing strategy incorporating a drastic differentiation approach, and also focus on establishing joint ventures with prime business partners
- Promote the reuse and recycle business to create an environmentally-sound, sustainable economy and society



Specialty Financing

Provide financial services for shipping, aviation, environment and energy, real estate, structured finance and other sectors, utilizing our highly specialized expertise

- **Shipping:** Create new business opportunities along with core partners
- **Aviation:** Expand leasing and financing businesses. Plan to increase operating assets from the current approximately ¥280 billion to ¥400 billion
- **Environment and Energy:** Operate various energy businesses primarily solar power generation business through Kyocera TCL Solar
- **Real Estate:** Build a portfolio of prime assets with strategic partners



Domestic Automobile Financing

Operate automobile leasing for corporate customers and individuals, which boasts the leading lineup in the domestic market, to provide the best suited service depending on purpose

- **Nippon Car Solutions Co., Ltd. (mainly for corporate customers):** Broaden corporate customer base by leveraging sales channels it shares. Promote to acquire multiple revenue opportunities
- **Nippon Rent-A-Car Service, Inc. (rental car services):** Enhance corporate sales through alliance with Tokyo Century. Focus on capturing inbound demand from foreign visitors
- **Orico Auto Leasing Co., Ltd. (mainly for individuals):** Strengthen its Koala Club, an agency organization. Cultivate relationships with large affiliated agencies



International Business





Provide specialized services to meet unique needs of overseas customers by promoting alliance strategies with local blue-chip companies and financial institutions and others

- Expand overseas networks across 37 countries and regions worldwide including East Asia, ASEAN, Americas, Europe and other countries
- Provide high value-added IT equipment leasing by leveraging the CSI Leasing's extensive network in North America, Central and South America and Europe
- Concluded agreements with local blue-chip companies including Lippo Group, Indonesia's leading conglomerate, and Grab, the Leading ride-hailing platform in Southeast Asia

Balance of Operating Assets by Operating Segments

Operating assets slightly declined 0.3% to ¥9.4 billion y-o-y without forex impact

(Billions of yen)

| | Mar. 31, 2014 | Mar. 31, 2015 | Mar. 31, 2016 | Mar. 31, 2017 | Jun. 30, 2017 | Change | Operating Assets Transferred from International Business to Equipment Leasing (*1) | Forex Impact (*2) | Other Existing Businesses |
|--|------------------|------------------|------------------|------------------|------------------|--------------|--|----------------------|------------------------------|
| Balance of operating assets | 2,597.5 | 2,865.6 | 2,991.1 | 3,216.0 | 3,187.3 | -28.7 | - | -19.3 | -9.4 |
|  Equipment Leasing | 1,532.2 | 1,534.7 | 1,492.0 | 1,450.6 | 1,446.5 | -4.1 | 34.5 | - | -38.6 |
| Percentage | 59.0% | 53.6% | 49.9% | 45.1% | 45.4% | | | | |
|  Specialty Financing | 537.4 | 702.9 | 836.7 | 884.1 | 881.1 | -3.0 | - | -7.8 | 4.8 |
| Percentage | 20.7% | 24.5% | 28.0% | 27.5% | 27.6% | | | | |
|  Domestic Automobile Financing | 357.9 | 379.9 | 409.7 | 458.3 | 474.6 | 16.3 | - | - | 16.3 |
| Percentage | 13.8% | 13.3% | 13.7% | 14.2% | 14.9% | | | | |
|  International Business | 170.0 | 248.1 | 252.7 | 423.0 | 385.1 | -37.9 | -34.5 | -11.5 | 8.1 |
| Percentage | 6.5% | 8.6% | 8.4% | 13.2% | 12.1% | | | | |

*1 Operating assets included in International Business was partially transferred to Equipment Leasing in FY2017 (¥34.5 billion as of March 31, 2017)





*2 Foreign exchange rates impacted on the balance of operating assets of overseas subsidiaries

Sales Revenues by Operating Segment

Sales revenues gained mainly due to the consolidation of CSI Leasing

FY2017 1Q Results

(Billions of yen)

| | Total | | Sales Revenues by Reportable Segment | | | | | | | |
|---|-------------|------------|--------------------------------------|------------|-------------------|------------|------------|-------------|------------|-------------|
| | | Change | Leasing | Change | Installment Sales | Change | Finance | Change | Other | Change |
| Sales revenues (*) | 43.9 | 6.4 | 34.6 | 6.4 | 1.6 | 0.3 | 5.6 | -0.0 | 2.1 | -0.3 |
|  Equipment Leasing | 11.3 | 0.2 | 9.2 | 0.2 | 0.4 | -0.2 | 1.2 | 0.0 | 0.5 | 0.1 |
|  Specialty Financing | 9.1 | 0.3 | 4.1 | 0.2 | 0.5 | 0.4 | 3.6 | -0.1 | 0.9 | -0.2 |
|  Domestic Automobile Financing | 14.9 | 0.3 | 14.3 | 0.5 | 0.0 | -0.0 | — | — | 0.5 | -0.2 |
|  International Business | 8.9 | 5.6 | 7.2 | 5.4 | 0.7 | 0.1 | 0.9 | 0.0 | 0.1 | 0.1 |
| Other adjustments | -0.3 | -0.0 | -0.2 | -0.0 | -0.0 | 0.0 | -0.0 | 0.0 | -0.1 | -0.0 |

* Sales revenues (Gross profit before deducting funding cost)



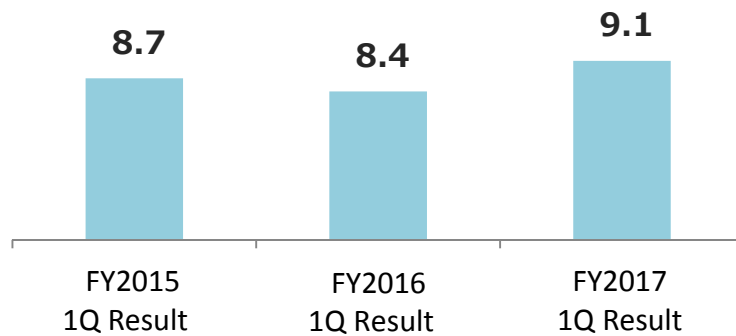
Equipment Leasing (1)

Gross Profit and Sales Revenues

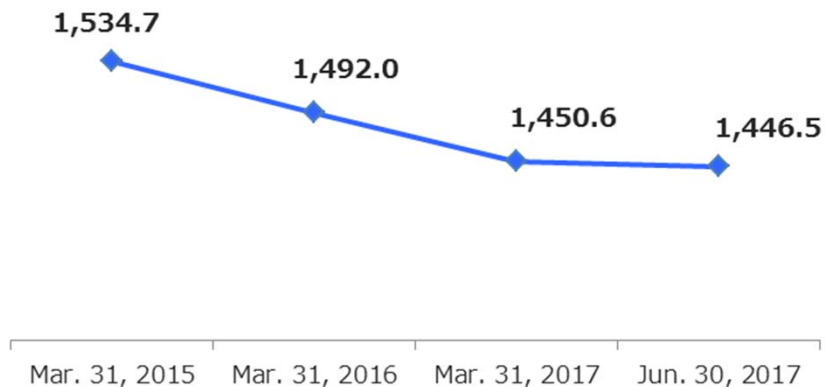
Gross profit and sales revenues increased y-o-y

Gross Profit and Operating Assets

Gross Profit (Billions of Yen)



Balance of Operating Assets (Billions of Yen)



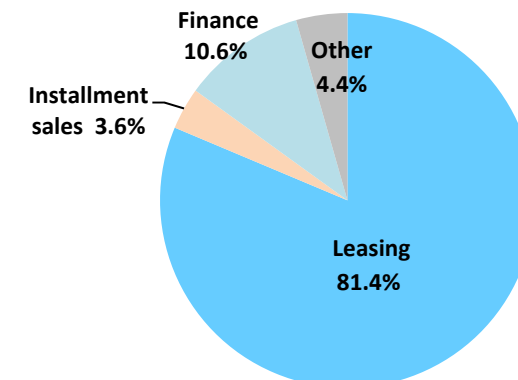
Sales Revenues (*)

(Billions of yen)

| | FY2015 1Q Result | FY2016 1Q Result | FY2017 1Q Result |
|-----------------------|---------------------|---------------------|---------------------|
| Sales revenues | 11.8 | 11.2 | 11.3 |
| Leasing | 9.5 | 9.0 | 9.2 |
| Installment sales | 0.8 | 0.6 | 0.4 |
| Finance | 1.1 | 1.1 | 1.2 |
| Other | 0.4 | 0.5 | 0.5 |

* Sales revenues (Gross profit before deducting sales revenues)

FY2017 1Q Result Sales Revenues by Reportable Segment





Specialty Financing (1)

Balance of Operating Assets

**Environment & energy gained while shipping and aviation declined.
Total balance of operating assets slightly decreased y-o-y**

(Billions of yen)

| | Mar. 31, 2014 | Mar. 31, 2015 | Mar. 31, 2016 | Mar. 31, 2017 | Jun. 30, 2017 | | |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|----------|-------|
| | | | | | Change | % Change | |
| Balance of operating assets | 537.4 | 702.9 | 836.7 | 884.1 | 881.1 | -3.0 | -0.3% |
| Shipping and Aviation | 202.9 | 358.2 | 423.7 | 453.7 | 442.2 | -11.5 | -2.5% |
| Percentage | 37.8% | 51.0% | 50.6% | 51.3% | 50.2% | | |
| Environment and Energy | 15.7 | 23.4 | 37.3 | 53.7 | 58.8 | 5.1 | 9.5% |
| Percentage | 2.9% | 3.3% | 4.5% | 6.1% | 6.7% | | |
| Real estate | 236.7 | 240.1 | 292.2 | 309.6 | 308.6 | -1.0 | -0.3% |
| Percentage | 44.0% | 34.2% | 34.9% | 35.0% | 35.0% | | |
| Other | 82.1 | 81.2 | 83.5 | 67.1 | 71.5 | 4.4 | 6.6% |
| Percentage | 15.3% | 11.5% | 10.0% | 7.6% | 8.1% | | |

Note: "Other" includes factoring and securitization of receivables, etc.



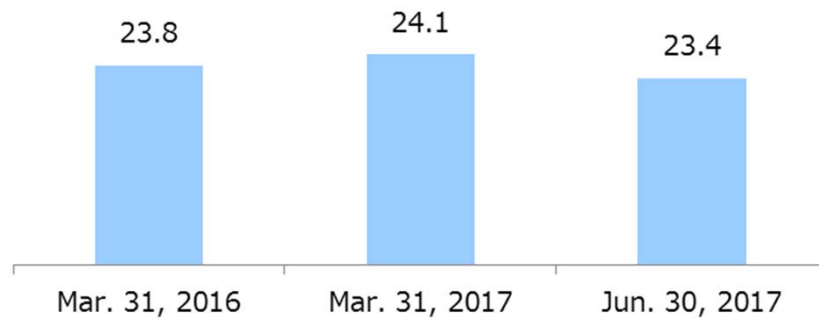
Specialty Financing (2)

Solar Power Generation Business

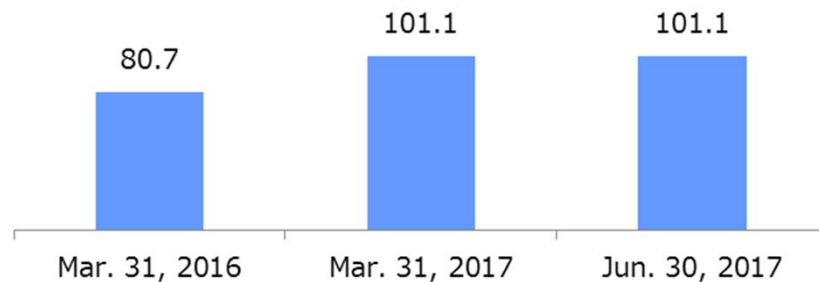
Solar power generation plants in operation: 52 locations

Operating Assets and Output of Kyocera TCL Solar

Balance of Operating Assets (Billions of yen)

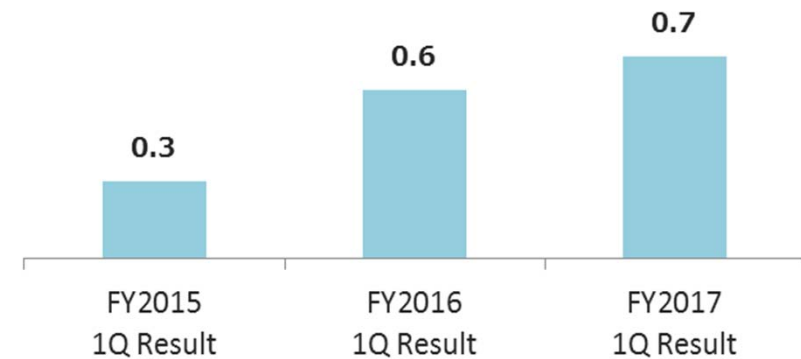


Output (MW)



Sales Revenues from Electric Power Sales through Kyocera TCL Solar

Sales Revenues (Billions of Yen) *



* Sales revenues (Gross profit before deducting funding cost)

Operations Outlook

- Expected to start operating large-sized power generation plant gradually in FY2017
- Solar power generation plants are in operation in 52 locations



Domestic Automobile Financing (1) Results by Subsidiary

**Ordinary income increased by 8.1% y-o-y to ¥4.0 billion
(Simple sum of three companies)**

(Billions of yen)

| | Nippon Car Solutions (NCS) <Consolidated> | | Orico Auto Leasing (OAL) <Non-consolidated> | | Nippon Rent-A-Car Service (NRS) <Non-consolidated> | | Total of Three Companies | | |
|------------------------|--|---------------------|--|---------------------|---|---------------------|--------------------------|---------------------|-------------|
| | FY2016 1Q Result | FY2017 1Q Result | FY2016 1Q Result | FY2017 1Q Result | FY2016 1Q Result | FY2017 1Q Result | FY2016 1Q Result | FY2017 1Q Result | % Change |
| Revenues | 43.6 | 46.5 | 10.4 | 12.9 | 6.4 | 6.7 | 60.4 | 66.1 | 9.4% |
| Gross profit | 6.2 | 6.5 | 0.8 | 1.1 | 1.4 | 1.2 | 8.4 | 8.8 | 4.8% |
| Ordinary income | 2.7 | 3.1 | 0.4 | 0.5 | 0.6 | 0.4 | 3.7 | 4.0 | 8.1% |

| | Mar. 31, 2017 | Jun. 30, 2017 | Mar. 31, 2017 | Jun. 30, 2017 | Mar. 31, 2017 | Jun. 30, 2017 | Mar. 31, 2017 | Jun. 30, 2017 | % Change |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|
| Balance of operating assets^(*1) | 311.6 | 317.5 | 122.4 | 131.6 | 30.5 | 32.5 | 464.5 | 481.6 | 3.7% |

| | FY2016 1Q Result | FY2017 1Q Result | FY2016 1Q Result | FY2017 1Q Result | FY2016 1Q Result | FY2017 1Q Result | FY2016 1Q Result | FY2017 1Q Result | % Change |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| ROA (Return on assets)^(*2) | 3.8% | 3.9% | 1.6% | 1.6% | 8.5% | 4.5% | 3.6% | 3.3% | -0.3pt |

*1 Balance of operating assets in Domestic Automobile Financing as of Jun. 30, 2017 (¥474.6 billion) =
Total figures of the above three companies (¥481.6 billion) - Intercompany transaction amount (¥7.0 billion)




*2 Annualized figures



Domestic Automobile Financing (2)

Fleet of Vehicles under Management

Fleet of vehicles under management raised to approximately 620 thousand

| | | | | | (Thousand) | |
|--|------------------|------------------|------------------|-----------|--------------------------------------|--|
| Automobile financing company | Mar. 31, 2016 | Mar. 31, 2017 | Jun. 30, 2017 | Change | (Major Shareholders) | |
|  Nippon Car Solutions | 539 | 568 | 590 | 22 | Tokyo Century: 59.5% NTT: 40.5% | |
|  Nippon Rent-A-Car Service | 38 | 40 | 42 | 2 | Tokyo Century: 81.9% | |
|  Orico Auto Leasing | 63 | 80 | 86 | 6 | Tokyo Century: 50.0% Orico: 50.0% | |
| Duplication adjustment | -75 | -93 | -101 | -8 | | |
| Domestic Automobile Financing Vehicles under Management in Total | 565 | 595 | 617 | 22 | | |



International Business (1)

Balance of Operating Assets

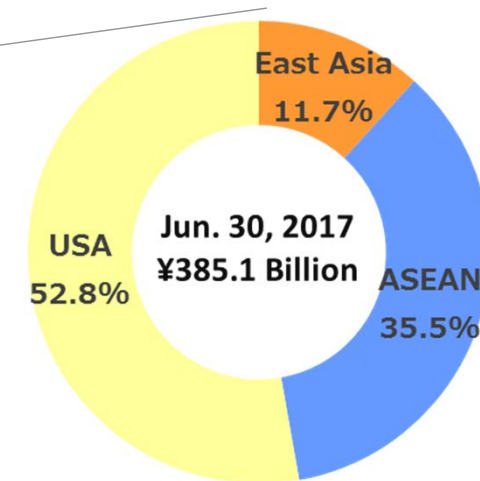
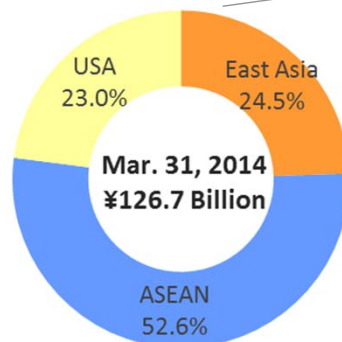
Increase of the USA making up 52.8% of total operating assets by region

(Billions of yen)

| | | Mar. 31, 2014 | Mar. 31, 2015 | Mar. 31, 2016 | Mar. 31, 2017 | Jun. 30, 2017 | | |
|--|------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
| | | | | | | Change | % Change | |
| East Asia | | 31.0 | 44.8 | 52.5 | 45.9 | 45.2 | -0.7 | -1.5% |
| ASEAN | | 66.6 | 123.3 | 121.5 | 130.8 | 136.6 | 5.8 | 4.4% |
| Total of East Asia & ASEAN | (a) | 97.6 | 168.1 | 174.0 | 176.6 | 181.8 | 5.1 | 2.9% |
| USA | (b) | 29.1 | 35.2 | 38.2 | 211.9 | 203.3 | -8.6 | -4.0% |
| Global vendor | * | 43.3 | 44.8 | 40.5 | 34.4 | - | -34.4 | - |
| Total in International Business | | 170.0 | 248.1 | 252.7 | 423.0 | 385.1 | -37.9 | -9.0% |
| except CSI non-recourse loan | | 170.0 | 248.1 | 252.7 | 285.6 | 251.7 | 33.9 | -11.9% |

* Operating assets included in "Global vendor" were transferred to the Equipment Leasing in FY2017

Ratio of Operating Assets by Region





International Business (2)

Results by Region

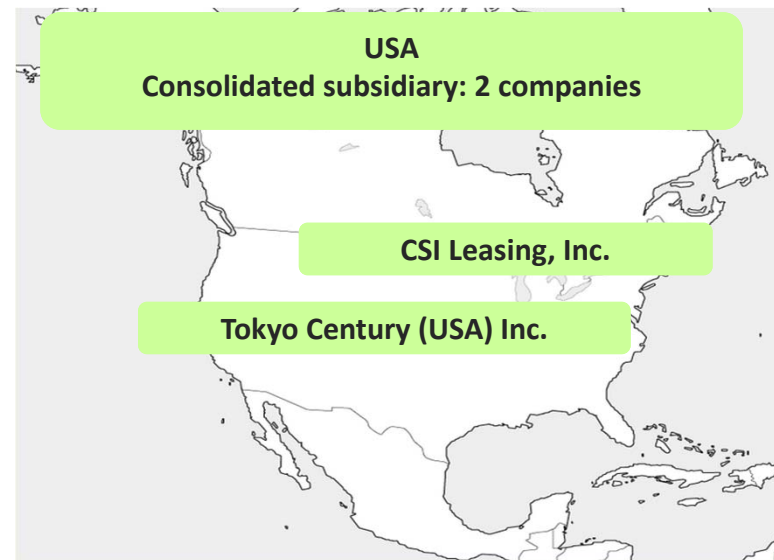
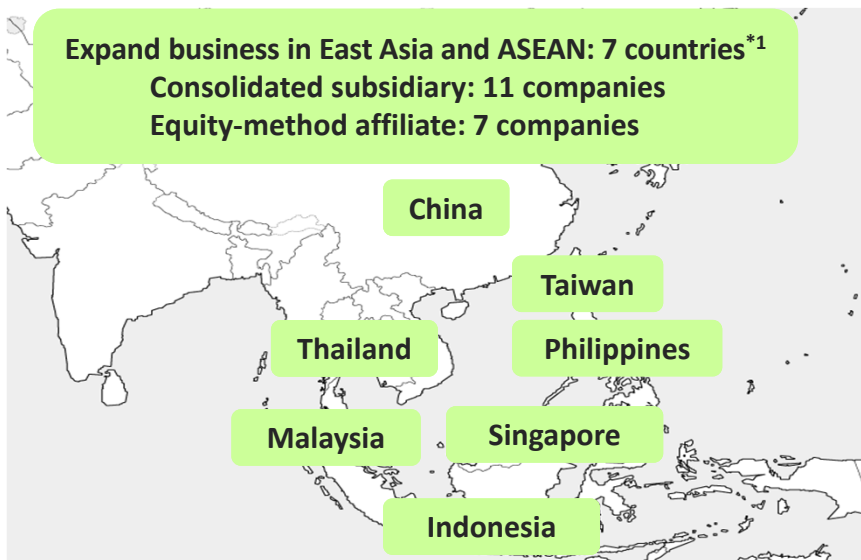
High profit increase in the USA due to the consolidation of CSI Leasing

(Billions of yen)

| | East Asia & ASEAN | | | | |
|------------------------|---------------------|---------------------|------------|-----------------|--------------------|
| | FY2016 1Q Result | FY2017 1Q Result | Change | Forex Impact | Ex-Forex Impact |
| Gross profit | 1.3 | 1.4 | 0.1 | -0.0 | 0.1 |
| Ordinary income | 0.9 | 0.9 | 0.1 | -0.0 | 0.1 |

(Billions of yen)

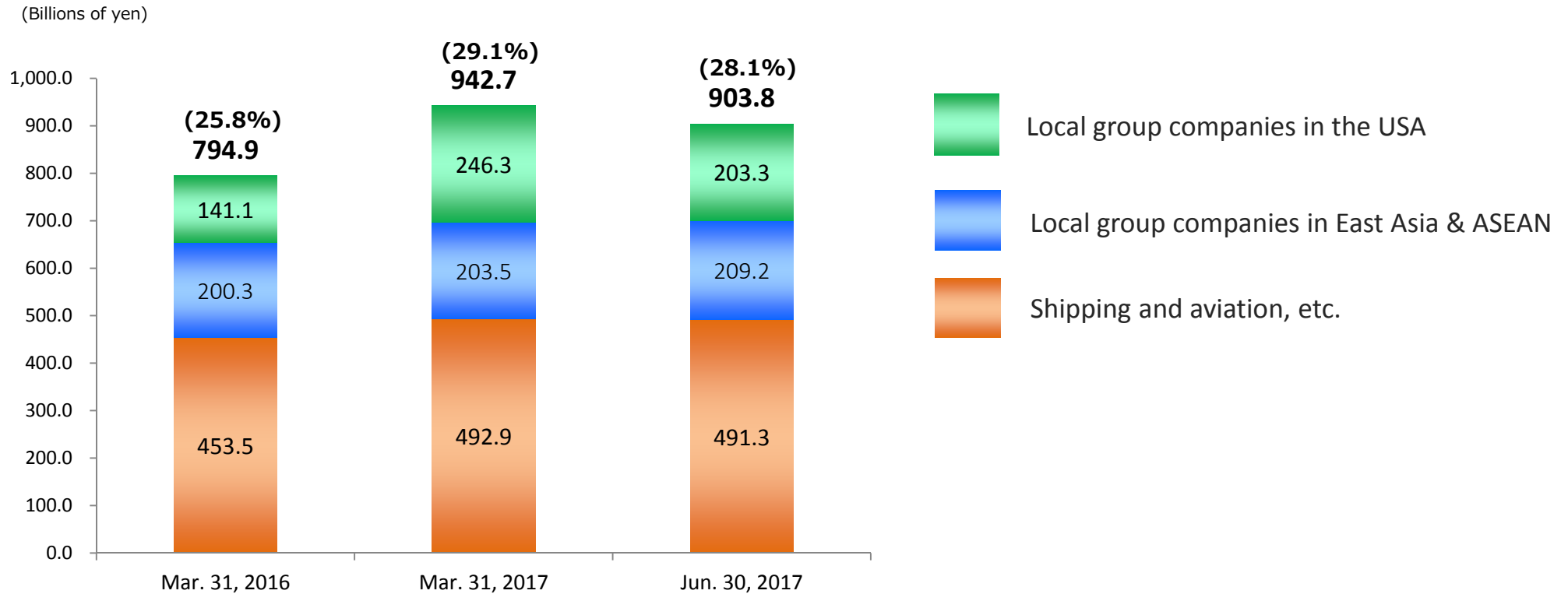
| | USA | | | | |
|------------------------|---------------------|---------------------|------------|-----------------|--------------------|
| | FY2016 1Q Result | FY2017 1Q Result | Change | Forex Impact | Ex-Forex Impact |
| Gross profit | 0.3 | 4.5 | 4.1 | -0.1 | 4.2 |
| Ordinary income | 0.3 | 1.4 | 1.1 | -0.0 | 1.1 |



*1 Hong Kong is included in China and Taiwan is counted as one.

Global Assets Ratio

Global assets ratio is expected to continue increasing



Notes:

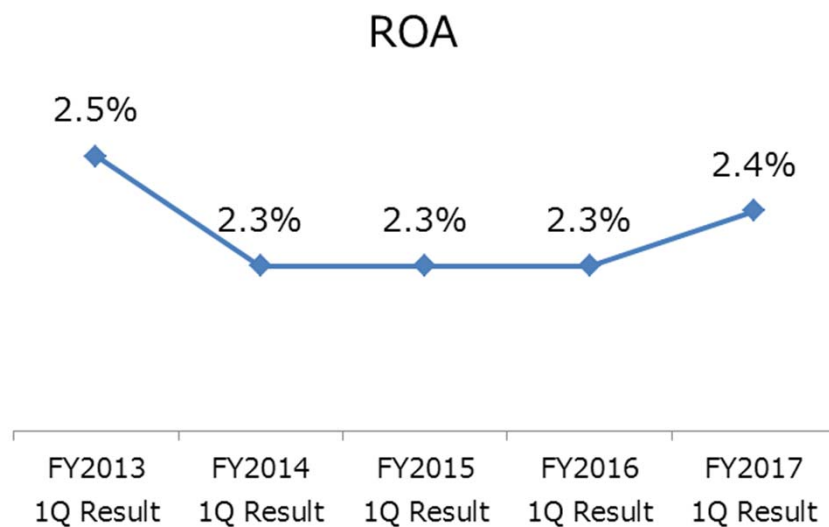
1. Global operating assets: Total of the following (1), (2) and (3)
 - (1) Operating assets of International Business
 - (2) Operating assets of affiliates belong to International Business x Ownership ratio
 - (3) Operating assets from foreign transactions of other operating segments (mainly shipping and aviation business)
2. Global assets ratio: An indicator to measure the ratio of overseas business

$$\text{Global assets ratio} = \frac{\text{Global assets}}{\text{Consolidated operating assets} + \text{Operating assets of affiliates belong to International Business} \times \text{Ownership ratio}}$$
3. Operating assets included in International Business were partially transferred to Equipment Leasing in FY2017

4. Appendix

ROA and ROE

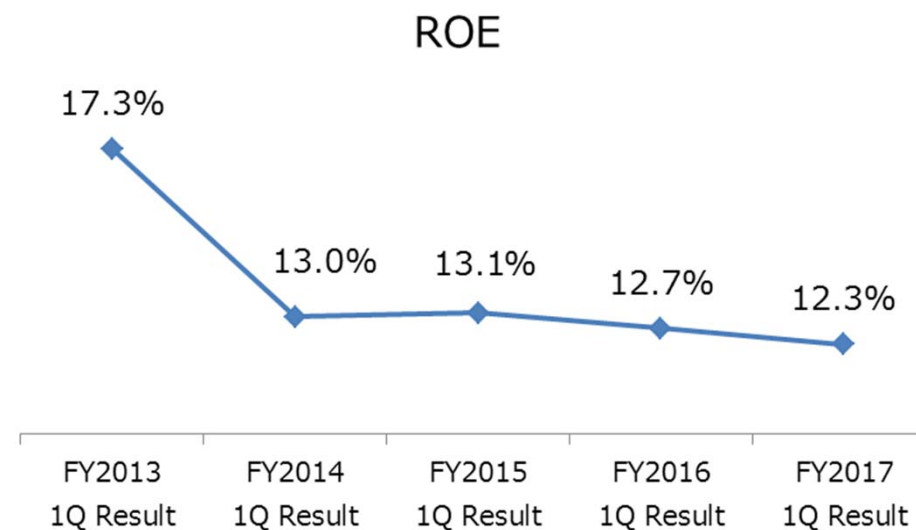
ROA (Return on Assets)



■ ROA (Return on Assets)

Ordinary income / Operating assets (Simple average of beginning and end of term balance sheet figures) X 100, annualized

ROE (Rate of Return on Equity)



■ ROE (Rate of return on Equity)

Net income attributable to owners of parent / Shareholders' equity (simple average of beginning and end of term balance sheet figures) X 100, annualized

Major Domestic Group Companies and Affiliates

Equipment Leasing

| Company Name | Main Business Operations | Shareholders | |
|----------------------------------|--|---------------|---------------------------|
| | | Tokyo Century | |
| Fujitsu Leasing Co., Ltd. | IT-related equipment leasing | 80% | Fujitsu: 20% |
| IHI Finance Support Corporation | Finance and general leasing | 66.5% | IHI: 33.5% |
| S.D.L Co., Ltd. | General leasing | 100% | |
| ITEC Leasing Co., Ltd. | General leasing | 85.1% | NHK Group: 14.9% |
| Orico Business Leasing Co., Ltd. | General leasing | 50% | Orient Corporation: 50% |
| TRY, Inc. | Refurbishment of PCs | 100% | |
| TC Agency Corporation | Casualty insurance | 100% | |
| Nanatsujima Biomass Power LLC | * Sales of electricity generated using biomass power | 25.1% | IHI and 7 other companies |

Specialty Financing

| Company Name | Main Business Operations | Shareholders | |
|-------------------------------------|--|---------------|----------------------------|
| | | Tokyo Century | |
| Kyocera TCL Solar LLC | Sales of electricity generated using solar power | 81% | Kyocera Corporation: 19% |
| TC Property Solutions Corporation | Property management | 100% | |
| Nittochi Asset Management Co., Ltd. | * Management and formation of real estate funds | 30% | Nippon Tochi-Tatemono: 70% |

Domestic Automobile Financing

| Company Name | Main Business Operations | Shareholders | |
|---------------------------------|------------------------------------|---------------|-------------------------|
| | | Tokyo Century | |
| Nippon Car Solutions Co., Ltd. | Automobile leasing | 59.5% | NTT: 40.5% |
| Orico Auto Leasing Co., Ltd. | Automobile leasing for individuals | 50% | Orient Corporation: 50% |
| Nippon Rent-A-Car Service, Inc. | Automobile rental and leasing | 81.9% | |

* Equity-method affiliate

Major Overseas Group Companies and Affiliates

Specialty Financing

| Location | Overseas Group Company | Main Business Operations | Shareholders | |
|----------|----------------------------------|---|---------------|--|
| | | | Tokyo Century | |
| U.S. | TC Skyward Aviation U.S., Inc. | Aviation leasing and finance | 100% | |
| | TC Realty Investments Inc. | Real estate investment | 100% | |
| | GA Telesis, LLC | * Provider of products, services and solutions to the commercial aerospace industry | 20% | |
| Ireland | TC Skyward Aviation Ireland Ltd. | Aviation leasing and finance | 100% | |
| | TC Aviation Capital Ireland Ltd. | Aviation financing business | 100% | |

International Business

| Location | Overseas Group Company | Main Business Operations | Shareholders | |
|-------------|--|---|---------------|--|
| | | | Tokyo Century | |
| China | Tokyo Century Leasing China Corporation | General leasing | 80% | ITOCHU Group: 20% |
| | Tokyo Century Factoring China Corporation | Factoring services | 100% | |
| | Tong-Sheng Finance Leasing Co., Ltd. | * Automobile and equipment leasing | 49% | Uni-President Enterprises Group: 51% |
| | Dalian Bingshan Group Hua Hui Da Financial Leasing Co., Ltd. | * Finance and general leasing | 40% | Dalian Bingshan Group: 60% |
| | Suzhou New District Furui Leasing Co., Ltd. | * Finance and general leasing | 20% | Suzhou government-affiliated companies: 75% |
| Hong Kong | Tokyo Leasing (Hong Kong) Ltd. | General leasing | 100% | |
| Taiwan | President Tokyo Corporation | * Automobile leasing and general leasing | 49% | Uni-President Enterprises Group: 51% |
| Singapore | Tokyo Century Leasing (Singapore) Pte. Ltd. | General leasing | 100% | |
| Malaysia | Tokyo Century Capital (Malaysia) Sdn. Bhd. | General leasing | 100% | |
| Thailand | TISCO Tokyo Leasing Co., Ltd. | General leasing | 49% | TISCO Financial Group: 49% |
| | HTC Leasing Co., Ltd. | Construction equipment finance | 70% | Hitachi Construction Machinery Group: 30% |
| | TC Advanced Solutions Co., Ltd. | Reverse factoring and other services | 59% | |
| | TC Car Solutions (Thailand) Co., Ltd. | Financing and services related to automobiles | 97% | |
| Indonesia | PT. Century Tokyo Leasing Indonesia | General leasing | 85% | PT. Sinar Mas Multiartha Tbk.: 15% |
| | PT. TCT Indonesia | General trading company | 100% | |
| | PT. Hexa Finance Indonesia | * Construction equipment finance | 20% | ITOCHU Group: 50% Hitachi Construction Machinery Group: 30% |
| | PT. Big Ecommerce Bersama | * B-to-G and B-to-B e-commerce operation | 20% | Lippo Group: 80% |
| Philippines | BPI Century Tokyo Lease & Finance Corporation | * General leasing | 49% | Bank of the Philippine Islands: 51% |
| U.S. | CSI Leasing, Inc. | IT equipment leasing | 100% | |
| | Tokyo Century (USA) Inc. | General leasing | 100% | |

* Equity-method affiliate

Any statements in this document, other than those of historical facts, are forward-looking statements about the future performance of Tokyo Century Corporation and its Group companies, which are based on management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Actual results may differ materially from these forecasts. All numerical terms and names presented in this report conform to the "short scale" numerical system. (i.e., "billion" = "10⁹" and "trillion" = "10¹²")

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