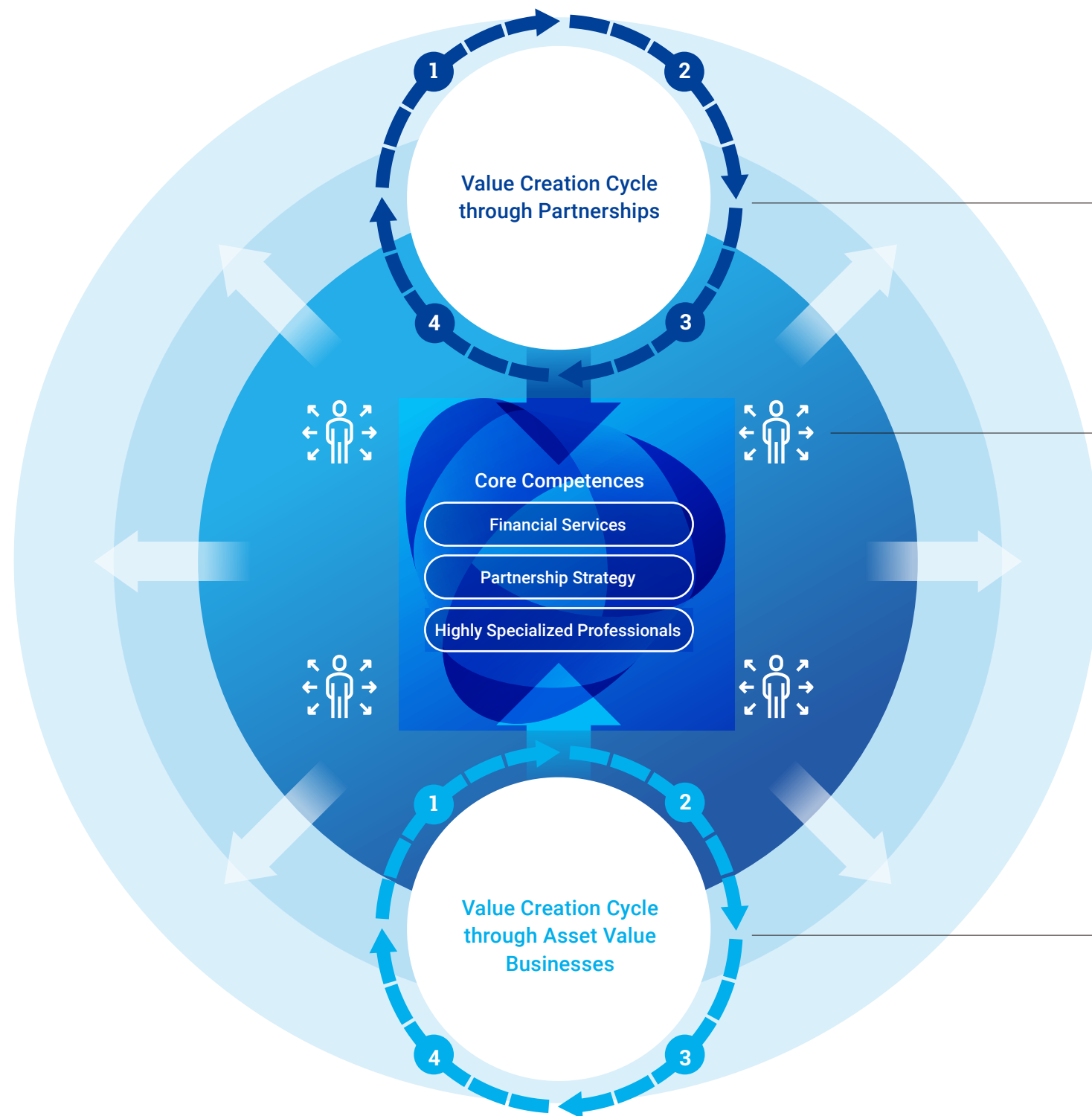


Business Model

Tokyo Century's Two Value Creation Cycles

Tokyo Century's core competences are its unique financial services, its partnership strategy, and its highly specialized professionals. By merging these competences, we drive the improvement of corporate value through two value creation cycles based on our business characteristics.



1 Identification of Partners' Issues

Identification of business opportunities for addressing partners' issues

2 Merging of Financial Services

Merging of financial functions, robust asset portfolio, asset management expertise, relationships with wide-ranging customers, and other value-adding functions

3 Business Growth through Co-Creation

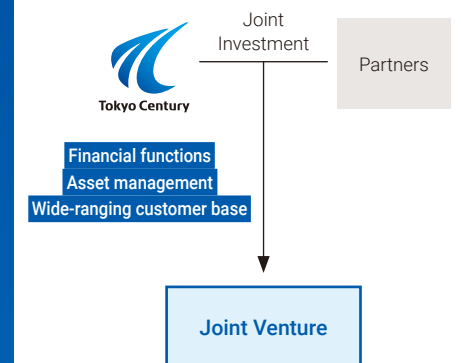
Reduction of risks through joint business operations with partners and growth through return-generating businesses created using expertise of the Company and of partners

4 Monitoring

Decisions regarding sales/withdrawal based on results of operating environment and monitoring analyses in accordance with the basic strategy of pursuing growth by maintaining holdings over the long term

Sources of Competitiveness

Expertise for Jointly Operating Businesses and Generating Earnings with Partners



Diverse and Highly Specialized Professionals Who Maximize the Value of Assets and Partners and Expand the Scope of Value Creation

▶ P.87

Our team of diverse and highly specialized professionals make it possible for us to develop a wide range of unique businesses with high barriers to entry by growing asset-based business models and teaming up with prime partners. Tokyo Century will continue to bolster its team of specialized professionals to develop even more creative businesses.

1 Identification of Customers' Issues

Provision of high-value-added services based on a concise understanding of the issues of customers and their needs for financial functions and other services

2 Provision of Assets

Reduction of customer lease payments through accurate appraisals of asset value and differentiation of services by holding highly specialized assets

3 Provision of Value

Improvement of competitiveness through provision of comprehensive services including the leasing of assets and provision of after-sales services

4 Enhancement of Value

Improvement of earnings power by effectively organizing asset portfolio to reuse or sell assets while practicing asset replacement

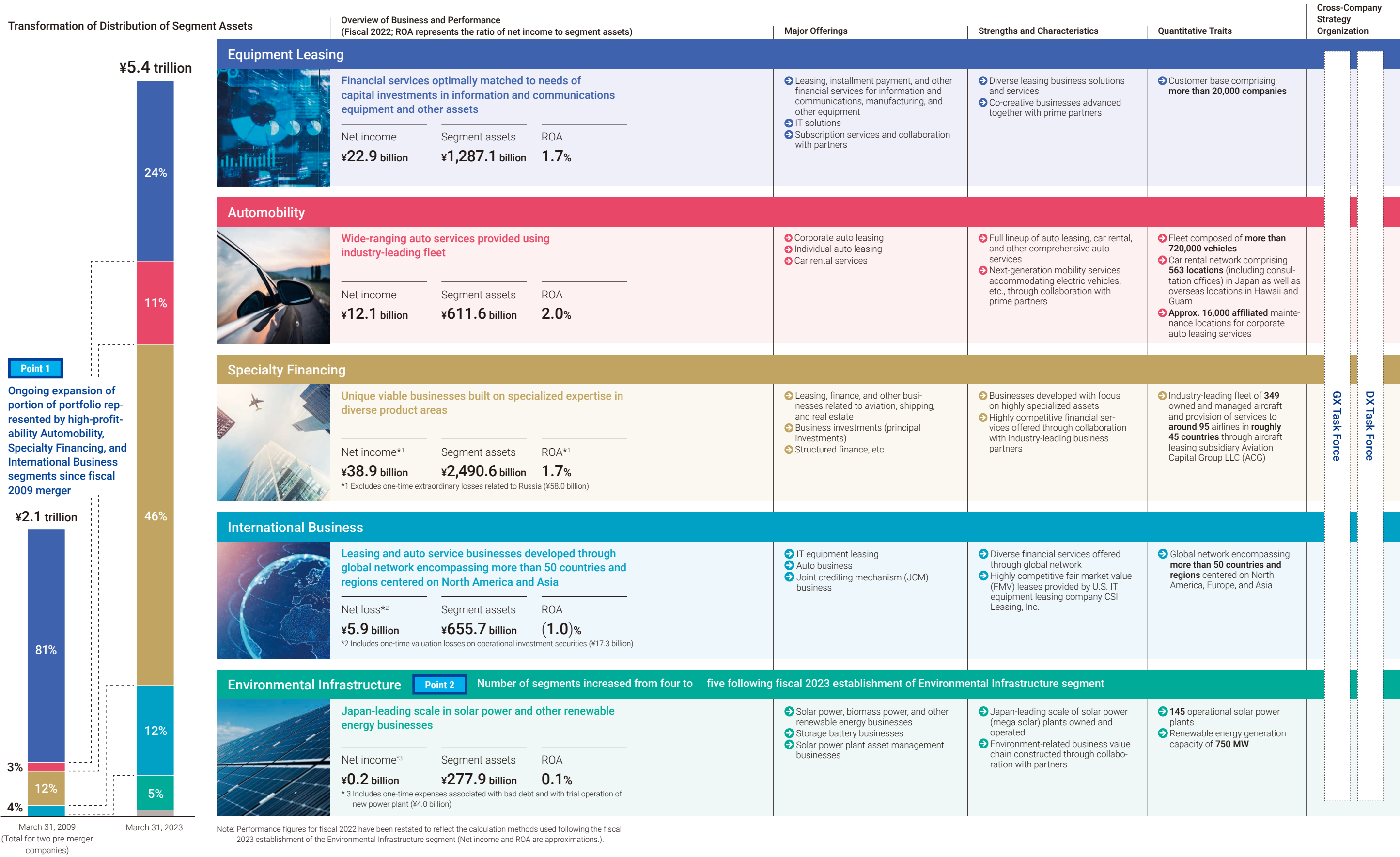
Sources of Competitiveness

Highly Specialized Assets



At a Glance

Portfolio Transformation and Business Overview

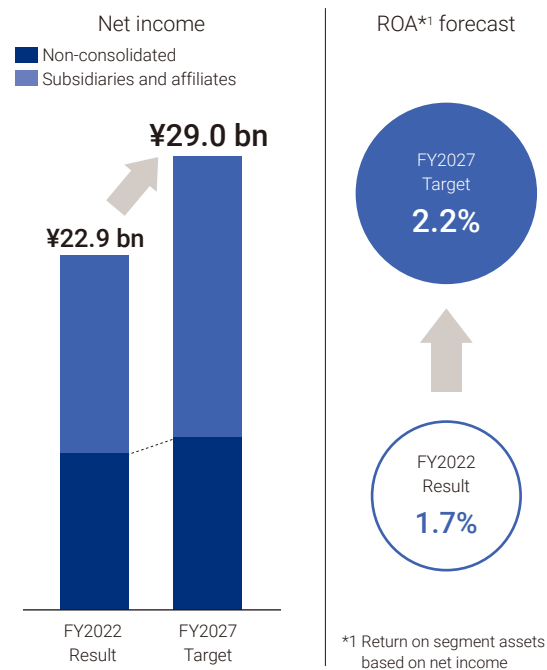


Note: Performance figures for fiscal 2022 have been restated to reflect the calculation methods used following the fiscal 2023 establishment of the Environmental Infrastructure segment (Net income and ROA are approximations).

Growth Strategies by Operating Segment

EQUIPMENT
LEASING

Profit Target of Medium-Term Management Plan 2027



Growth Strategies

Growth Areas

- ➔ The Equipment Leasing segment will focus on growth areas featuring high potential for collaboration with close partners, with particular attention devoted to areas such as renewable energy, distribution facilities, and digital transformation.
- ➔ A scheme has been introduced in which Tokyo Century donates amounts determined based on generation volumes to customer-designated public interest organizations or NPOs as part of in-house solar power generation system support services being provided together with the Kyocera Group. Other proactive initiatives are being advanced for contributing to society alongside such efforts to support the introduction of renewable energy.
- ➔ A grid storage battery business was launched together with ITOCHU Corporation and Osaka Gas Co., Ltd., in June 2023. Contributions will be made to decarbonization through the supply of energy supply-demand adjustment systems for power grids, which will play an important role in the popularization of renewable energy.

Affiliates

➔ NTT TC Leasing Co., Ltd.

Building leasing services will be provided for new market facilities as part of a project for reorganizing publicly certified wholesale markets being advanced by Toyama City. This project represents NTT TC Leasing's first collaborative real estate venture with Tokyo Century. Furthermore, growth will be pursued in Tokyo Century's businesses as well as in businesses advanced through coordination with the NTT Group.

➔ NX-TC Lease & Finance Co., Ltd.

Collaboration is being practiced centered on distribution facilities, which will lead to the start of operations at the NXLF Gamagori Warehouse in April 2023. Ongoing initiatives will be made for bolstering real estate and distribution solutions centered on the NX Group.

Business Support

- ➔ TC Business Service Corporation, which was responsible for middle-office functions, was absorbed in April 2023 to reorganize business support organizations with the aim of improving organizational resilience with a focus on expanding businesses in renewable energy, distribution facilities, digital transformation, and other growth areas.
- ➔ Attention will be directed toward strengthening business support functions and utilizing robotic process automation and other IT tools to improve operational efficiency as we seek to help resolve customer management issues.

Business Development Approach

➔ Promotion of Partnership Strategy and Cultivation of Areas of Expertise

Strategic allocation of resources
to growth areas featuring high potential
for collaboration with close partners

**Acceleration of investments
in growth areas**

**Shaping of new future
for the Equipment
Leasing segment**

Strategic growth fields

Renewable energy

Storage batteries

Ammonia
and
hydrogen

Digital
transformation
and related
technologies

Circular
economies

Municipalities

Distribution
and
real estate

Enhancement of consolidated management

Organic business areas

Expansion of customer and partner bases

➔ Promotion of Consolidated Management

Affiliates

NTT TC Leasing

NTT Group 50%

✕ Tokyo Century 50%

Focus Areas

Expansion of asset portfolio by capitalizing on
high credibility
Further coordination with the NTT Group

Enhancement of consolidated management of affiliates to build upon existing businesses and create businesses in new areas

NIPPON EXPRESS | NX-TC Lease & Finance Co., Ltd.

NIPPON EXPRESS
HOLDINGS, INC. 49%

✕ Tokyo Century 49%

Expansion of real estate leasing business
across Japan
Promotion of coordination with the Nippon
Express Group

MESSAGE



Koichiro Sato

Managing Executive Officer
President, Equipment
Leasing Business
Development Unit

The New Fourth Medium-Term Management Plan, the previous medium-term management plan that covered the period from fiscal 2020 to fiscal 2022, was advanced during a challenging operating environment for a company like Tokyo Century that specializes in the proposal of solutions that address issues. This environment was characterized by such developments as the activity restrictions and economic slowdown that stemmed from the COVID-19 pandemic. Even in such an environment, we continued to forge ahead with collaborative businesses with close partners, thereby building the consolidated management frameworks that will support our future growth. Specifically, we established NTT TC Leasing Co., Ltd., in fiscal 2020,

NITTSU Lease & Finance Co., Ltd. (currently NX-TC Lease & Finance Co., Ltd.), in fiscal 2021, and FFG Lease Co., Ltd., in fiscal 2022.

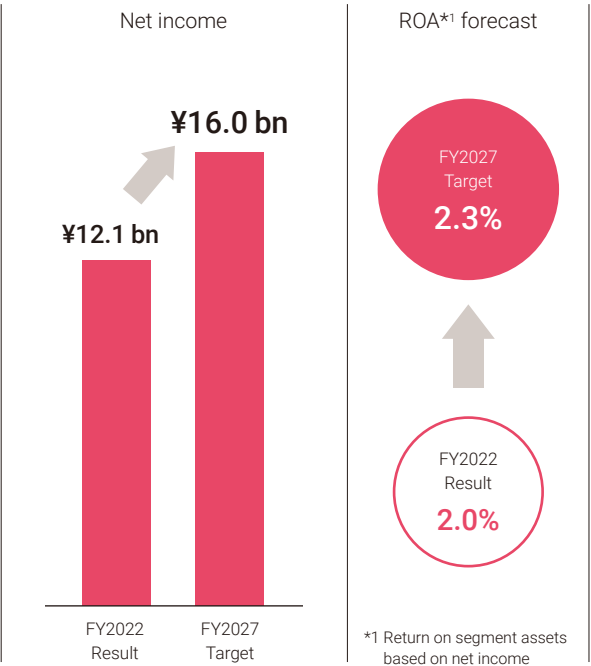
During the period of Medium-Term Management Plan 2027, which kicked off in fiscal 2023, our basic strategy will be to continue to build upon such efforts while transforming existing businesses and aggressively investing in growth areas to achieve ongoing growth.

For our growth strategies, we have defined strategic growth areas including distribution facilities, storage batteries, and digital transformation. By taking advantage of our stable earnings foundation, we will concentrate management resources in these areas while accumulating knowledge with the aim of cultivating these into new areas of expertise that can support future earnings. We have been advancing viable businesses in growth areas up until now. However, we plan to pivot toward more strategic and active approaches and frameworks going forward.

Moreover, we recognize it is the contributions of diverse and highly motivated human resources that drive the growth of our business. This is why we are making ongoing efforts to develop workplace environments that motivate individuals and enable them to feel a sense of tangible growth and to heighten workplace engagement. In addition, our business support structures were reorganized in fiscal 2023 to bolster support functions. Looking ahead, we plan to accelerate efforts for fostering people and organizations that are capable of responding to customer needs.

AUTOMOBILITY

Profit Target of Medium-Term Management Plan 2027

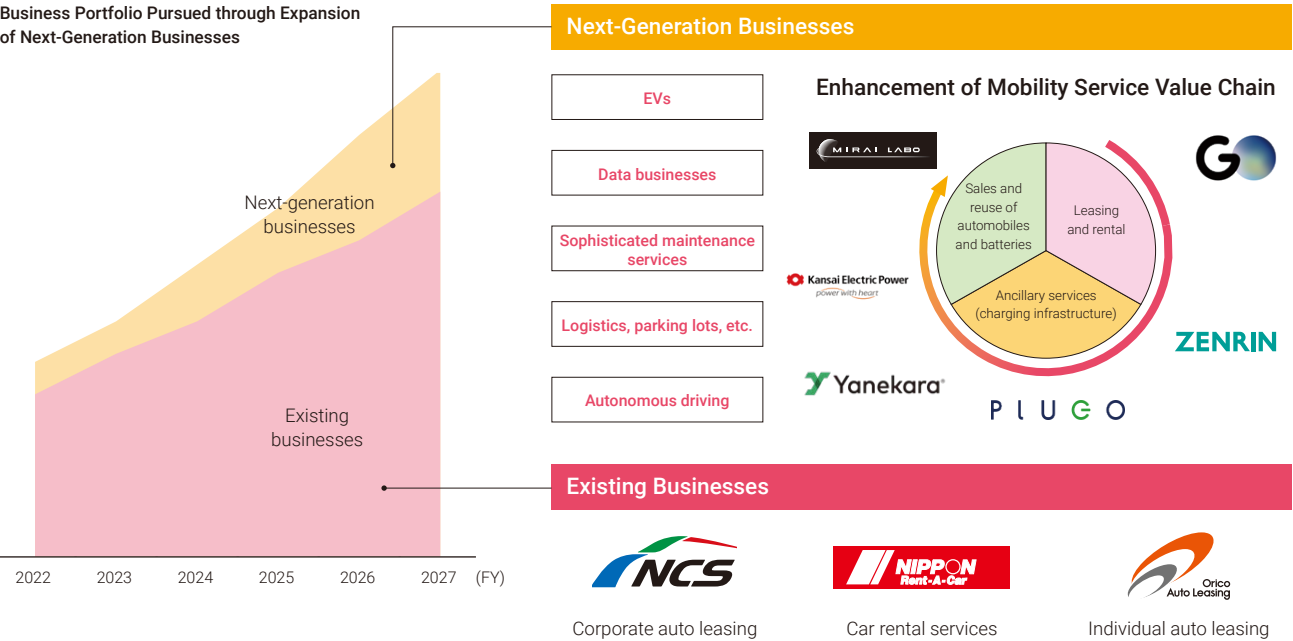


Growth Strategies

Evolution of Existing Businesses and Promotion of Next-Generation Businesses

Existing Businesses	 Nippon Car Solutions Co., Ltd. (NCS)	<ul style="list-style-type: none">➔ Carbon-neutrality strategies will be accelerated through means such as ramping up electric vehicle (EV) transactions and developing and proposing new EV-related businesses.➔ Strategies will be evolved by utilizing a diverse range of channels, including those of NTT, the Mizuho Group, ITOCHU, and TOKYO GAS Co., Ltd.➔ M&A activities and other non-organic growth methods will be used to expand strategic businesses.➔ Enhancements to services and value will be pursued through the utilization of digital technologies and the cultivation of related expertise.➔ The development and dissemination of a new brand for Nippon Car Solutions Co., Ltd., will be promoted alongside efforts to improve productivity, reform processes, and strategically foster human resources on a Companywide basis.
	 Nippon Rent-A-Car Service, Inc. (NRS)	<ul style="list-style-type: none">➔ Operating foundations will be reinforced through accelerated development of locations with a focus on addressing customer needs and achieving efficient operations.➔ IT will be employed to improve operational efficiency and enhance customer services (membership services, apps, etc.).➔ Trials of EV rentals will be conducted as part of decarbonization initiatives.➔ The creation of new businesses that are synergistic with existing businesses will be pursued.➔ The development of systems and workplace environments that emphasize people will be promoted to create a highly efficient organization.
	 Orico Auto Leasing Co., Ltd. (OAL)	<ul style="list-style-type: none">➔ The enhancement of business earnings will be pursued by exploring new sales channels and augmenting vehicle supply support for agents and other unique functions.➔ EV leasing and other product and service offerings that accommodate market needs will be expanded and new services will be developed to increase earnings opportunities.➔ Efforts will be made to cater to demand for changing vehicles in response to lease maturity or cancellation, and contract continuation rates will be heightened via re-leasing (contract extensions).➔ The enhancement of sales capabilities and growth will be pursued through conversion of Orico Auto Leasing Co., Ltd., into a subsidiary by Orient Corporation.
Next-Generation Businesses		<ul style="list-style-type: none">➔ Frameworks will be created to allow for the provision of one-stop services to customers in EV businesses encompassing charging services, energy management, and battery reuse services.➔ Efforts to create new earnings sources will be accelerated based on areas designated as next-generation businesses Tokyo Century should strengthen, including EVs, data businesses, sophisticated maintenance services, logistics, parking lots, and autonomous driving.➔ Functions will be supplemented to strengthen existing businesses through coordination with partners.

Business Development Approach



MESSAGE



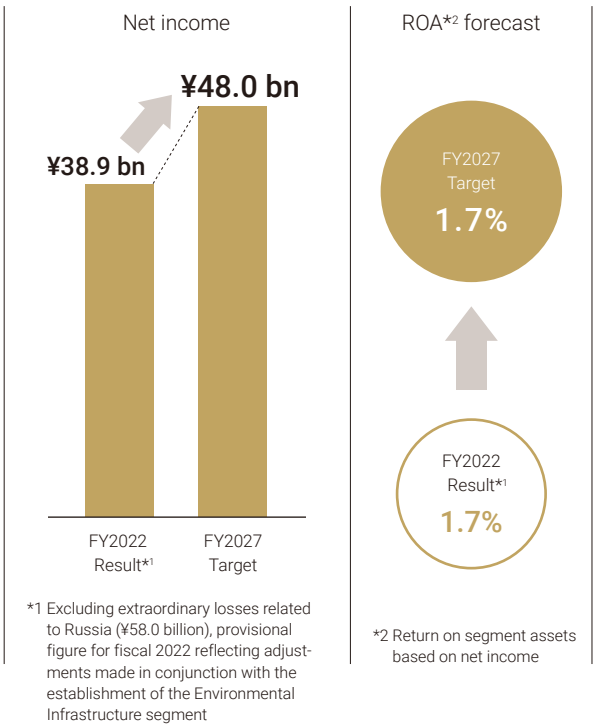
The operating environment for the Automobility segment is undergoing great change. This change can be seen in the emergence of new technologies, like electrified vehicles for contributing to decarbonization as well as connected vehicles, and the appearance of businesses based on new ideas developed by participants from other industries. At the same time, the way we use vehicles is being reexamined in light of the acceleration of workstyle reforms spurred by the COVID-19 pandemic. In this environment, we are leveraging the strength of our complete, industry-leading lineup of mobility services, including corporate and individual auto leasing, and car rental services to advance growth strategies for expanding our businesses and strengthening our operating foundation. Strategies to expand our businesses include the acceleration and enhancement of organic growth in existing businesses via differentiation through the proposal of high-value-added products and via customer retention efforts founded on the use of digital transformation and AI technologies to uncover customer needs.

We are also advancing projects for achieving non-organic growth with the goal of supplementing previously lacking functions and expanding our business scope. Other business expansion efforts include redoubling our approach toward new technologies and decarbonization by means of creating EV value chains and enhancing data analysis and utilization. As for strategies to strengthen our operating foundation, we will educate and train human resources while accelerating business process reengineering to achieve further improvements in operational efficiency using IT. Medium-Term Management Plan 2027, which was launched in fiscal 2023, defines our vision of becoming the top mobility service company in Japan. Our mission in this capacity will be to provide innovative, high-quality services to contribute to the realization of a sustainable, eco-friendly, and people-friendly mobility society with an emphasis on customer happiness and employee happiness. Our first step toward this goal was the creation of the Next Generation Automobility Business Division within the Automobility Business Development Unit in April 2023. With this new organization, we are shifting from a product-oriented perspective to a market-oriented perspective. Our goals in this undertaking are to develop a fourth pillar of business to stand alongside the existing businesses of Nippon Car Solutions; Nippon Rent-A-Car Service, Inc.; and Orico Auto Leasing. We also aim to accelerate new business initiatives for supplementing our functions in next-generation business areas. Going forward, we will take advantage of our fleet of some 720,000 vehicles to strengthen our relationships with important existing partners. At the same time, we will aggressively propose the introduction of EVs, important building blocks of a decarbonized society, while fully capitalizing on the capabilities of digital transformation and IT technologies with the goal of quickly amassing an EV fleet of around 100,000 vehicles.

Growth Strategies by Operating Segment

SPECIALTY FINANCING

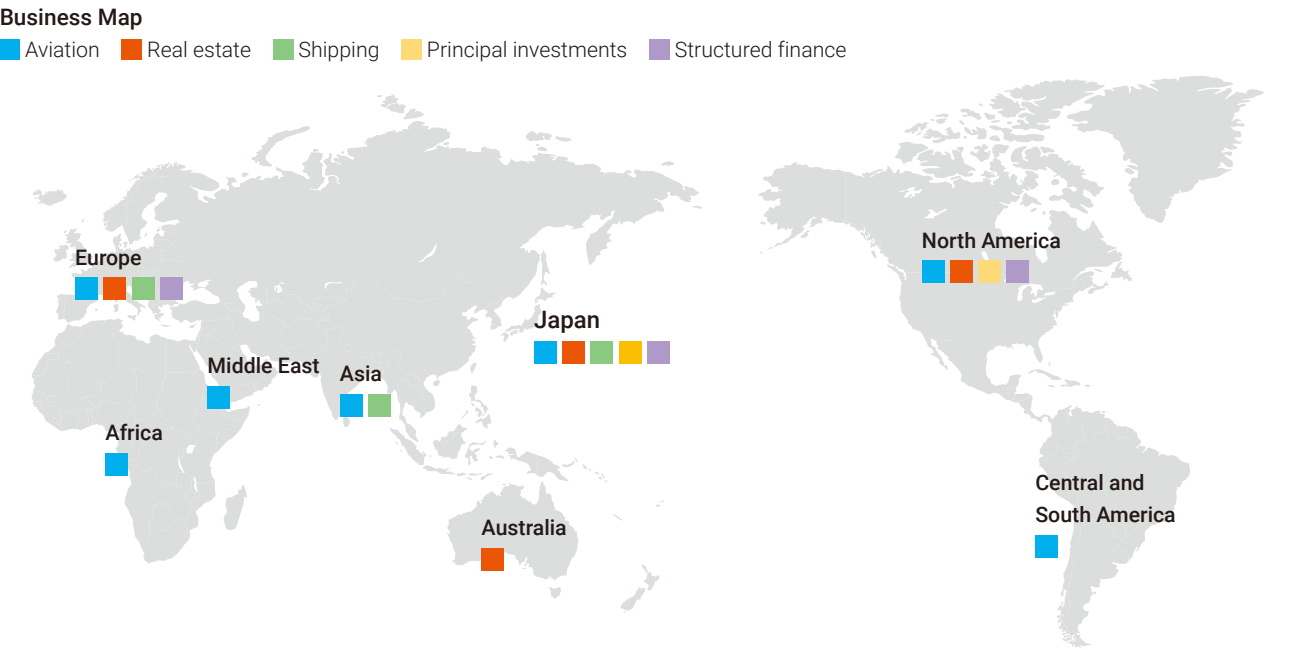
Profit Target of Medium-Term Management Plan 2027



Growth Strategies

Aviation	<ul style="list-style-type: none">➡ Previously ordered new technology aircraft will be delivered to customers amid the robust aircraft demand and rapid market recovery seen as the COVID-19 pandemic subsides while we bolster trading functions to build a high-quality portfolio.➡ By fully leveraging the solid platforms and leasing and finance functions of Aviation Capital Group LLC (ACG) and GA Telesis, LLC—which can accommodate the entire life cycle of new, mid-life, and end-of-life aircraft—and promoting coordination with these companies, we will seek to bolster our earnings power.
Real Estate	<ul style="list-style-type: none">➡ As we build upon businesses with prime partners, we will advance promising medium- to long-term projects to enhance our earnings foundation.➡ Our global portfolio will be flexibly revised based on changes to the market environment.➡ Coordination will be stepped up with subsidiary TC Kobelco Real Estate Co., Ltd.; NX-TC Lease & Finance; and affiliate NTT TC Leasing as we cultivate and enhance our staff of highly specialized employees.
Principal Investments	<ul style="list-style-type: none">➡ Joint investments with Advantage Partners Inc. will be advanced alongside enhancements to business investment models.➡ Investment in solutions to ESG, sustainability, and other social issues will be increased.➡ As efforts are made to discover potential projects through partnerships and Group networks, we will also promote improvements to the value of investees.
Shipping	<ul style="list-style-type: none">➡ Ship ownership businesses will be enhanced as a transition to high-profit business models is promoted.➡ Asset management functions will be refined and the partnership strategy will be advanced.
New Businesses	<ul style="list-style-type: none">➡ Businesses that contribute to carbon offsets and to the global environment will be advanced centered on investments as a limited partnership in the forestry fund of Sumitomo Forestry Group.➡ Opportunities for new investments that respond to decarbonization and digital transformation trends will be sought out.

Business Development Approach



MESSAGE



Shintaro Yamazaki
Managing Executive Officer
President, Specialty Finance
Business Development Unit

Under the period of the previous medium-term management plan, the Specialty Financing segment continued to create new financial services that respond to changes in the operating environment. These services were supplied through aircraft leasing company ACG as well as through coordination with Advantage Partners, via which we grew our principal investment business. In addition, the segment expanded into the hotel sector in the real estate business while also investing in data centers in the United States. The aviation business, meanwhile, was heavily impacted by the COVID-19 pandemic and the war in Ukraine. However, this business has been returning to a growth track thanks to the recovery of the aviation market and ACG's ability to take quick and flexible action.

The newly launched Medium-Term Management Plan 2027 gets its start in a turbulent operating environment, plagued by changes in financial industry conditions and by a need to address climate change. Nevertheless, our principal investment and other

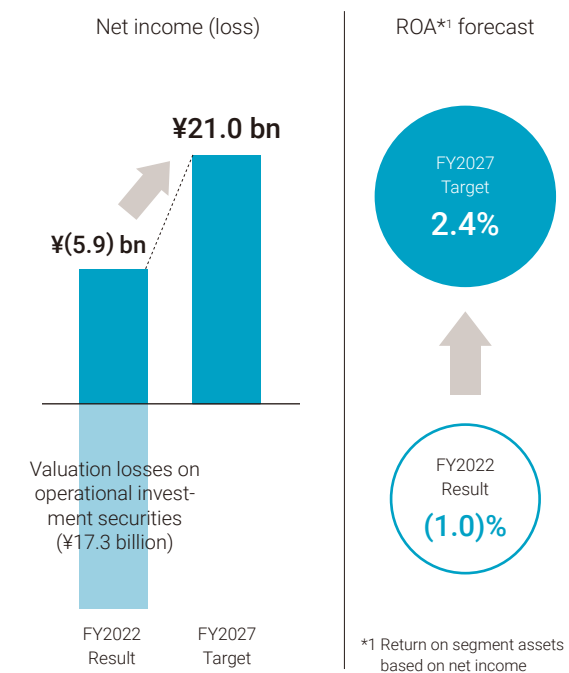
investment businesses as well as our real estate business maintain strong momentum, giving hope for the possibility of massive growth in the future. I also look forward to the future development of our strongly performing shipping business as well as the newly commenced storage battery, forestry, and electric vertical take-off and landing aircraft businesses, through which we began to lay the foundations for future growth. I have particularly high expectations for the forestry fund being developed together with Sumitomo Forestry as a new initiative for helping decarbonize the world. At the same time, we will be moving forward with efforts to strengthen earnings power during the period of the medium-term management plan. These efforts will include replacing low-efficiency assets and promoting asset turnover from business investments. We will also seek to heighten asset efficiency with a focus on profitability in order to develop a portfolio that contributes to higher levels of return on assets.

The Specialty Financing segment is turning its attention toward asset life cycle management with the aim of creating a value chain that covers areas spanning from product development to use, recycling, and resale. By combining our capabilities for managing assets with our financial functions, we look to expand our operations from a variety of perspectives, including that of a business that uses products and that of an entity utilizing financial expertise. Furthermore, I anticipate the emergence of a connected society in the near future. This society will be characterized by connections between everything, whether that be real estate, automobiles, railways, ships, or even aircraft components. In this society, Tokyo Century will have a role to play as a hub for such connections. As we fulfill this role, we will coordinate with partners to grow our business by combining our communications, data, infrastructure, asset management, and finance functions.

Growth Strategies by Operating Segment

INTERNATIONAL BUSINESS

Profit Target of Medium-Term Management Plan 2027



Growth Strategies

CSI

- ➔ Since being consolidated in 2016, CSI Leasing, Inc. (CSI), has continued to post new record highs in ordinary income each year achieved through the smooth growth of its fair market value (FMV) leasing,*1 IT asset disposition (ITAD) services,*2 and other businesses.
- ➔ CSI has established new bases in Northern Europe and Asia and is augmenting its ITAD service facilities in Europe and the United States, and it intends to continue to aggressively expand its business domain. At the same time, CSI's earnings foundation will be reinforced as the company accommodates the needs of multinational companies for standardized services while accelerating the creation of intra-Group synergies with existing overseas subsidiaries.
- ➔ Further growth is anticipated for CSI amid the global digitalization trend and the brisk demand for IT services seen in conjunction with the rising number of IoT devices.

Partnership Strategy

- ➔ ZAXIS Financial Services Americas, LLC, was established as a joint venture with ITOCHU and Hitachi Construction Machinery Co., Ltd. This company will utilize Tokyo Century's expertise in relation to the financial business it is developing together with Hitachi Construction, which already has a foothold in Asia, while also expanding this business in the United States.
- ➔ Through our partnership with the NTT Group, we will collaborate in deploying managed services on a global scale. In addition, existing data center businesses will be expanded in India as we also look to extend these operations to North America and other areas.
- ➔ We will expand our business through strong alliances with prime local companies and with Japanese partners.

Auto, Niche, and Other Growth Areas

- ➔ Truck, arbor equipment, and small construction equipment dealer Fiber Marketing International, Inc., is providing one-stop services together with financing company AP Equipment Financing Inc. Going forward, we will seek to explore niche markets through means such as expanding our dealer network via M&A and other activities.
- ➔ In the auto business, we are bolstering auto leasing operations while improving installment payment and other services through digital transformation. In addition, growth is being accelerated through M&A activities.
- ➔ Environment-related business initiatives will include the ongoing advancement of the projects in which Tokyo Century functions as a representative under Financing Programme for Joint Crediting Mechanism (JCM) Model Projects along with proactive efforts to accommodate the shift toward EVs and other eco-friendly automobiles.

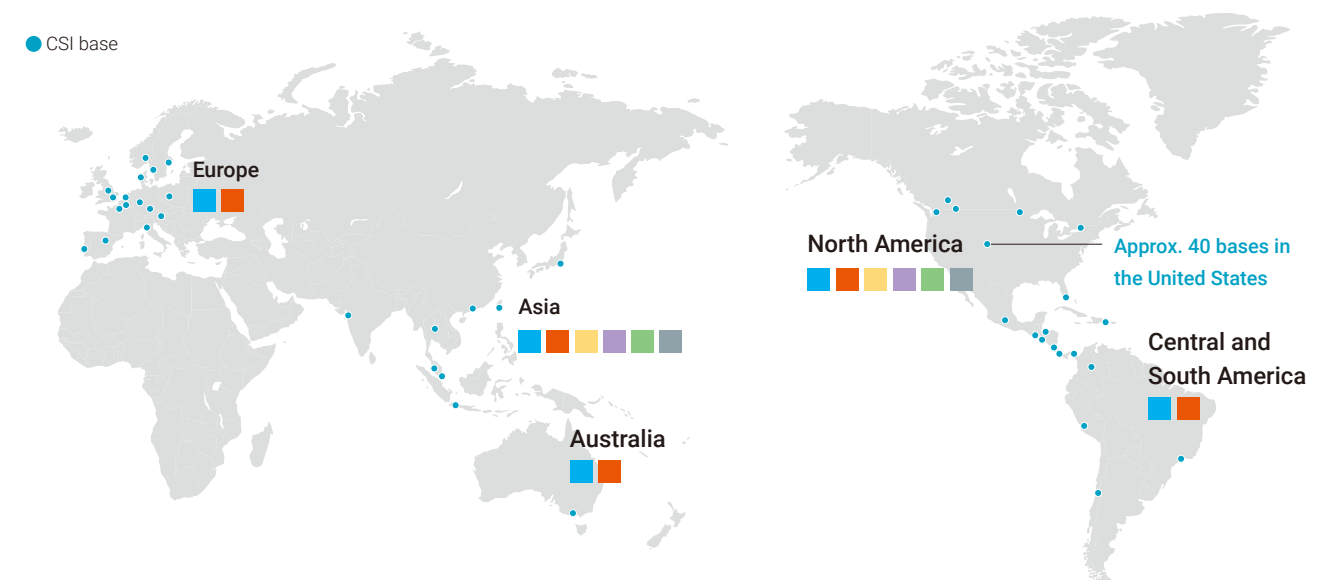
*1 Leasing based on FMV derived from the assessed residual value of IT equipment
*2 Services for disposing of IT assets safely and appropriately

Business Development Approach

Business Map

CSI ITAD* services Auto Trucks Construction machinery finance Leasing

● CSI base



MESSAGE



Toshio Kitamura
Director and Senior Managing Executive Officer
President, International Business Development Unit

The International Business segment had to develop its business amid the global impacts of the COVID-19 pandemic during the period of the previous medium-term management plan. Nevertheless, we succeeded in growing ordinary income to ¥10.7 billion in fiscal 2020 and to ¥19.0 billion in fiscal 2021. In fiscal 2022, however, valuation losses on operational investment securities of ¥18.7 billion were recorded, proving to be the main factor in the segment posting ordinary loss of ¥0.9 billion. Despite this loss, the segment has continued to achieve steady growth.

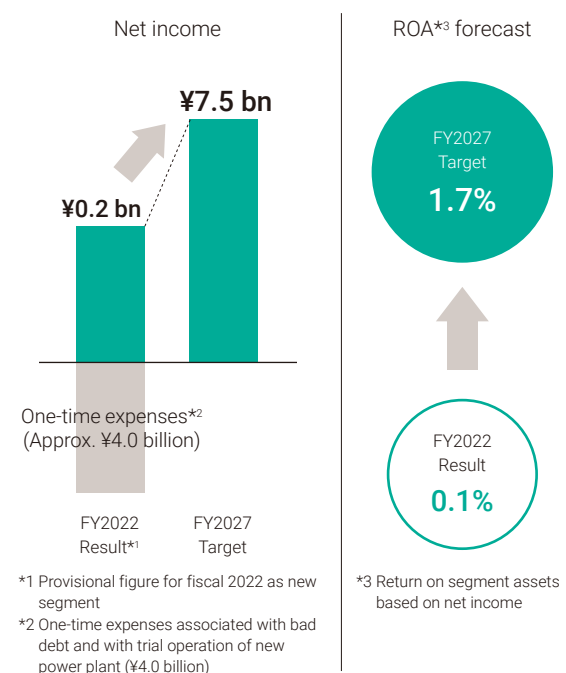
A central pillar of the growth of the International Business segment is U.S. subsidiary CSI. In the midst of the pandemic, this company established new bases in Northern Europe and Asia

while also augmenting its network of ITAD service facilities in Europe and the United States, thereby laying the foundations for steady growth. CSI provides leasing and ITAD services in more than 50 countries. Going forward, we intend to continue utilizing the strength of CSI's base network and the value of its ITAD services to expand its presence and achieve substantial growth by catering to the needs of multinational companies. Meanwhile, in the United States, ZAXIS Financial Services Americas, which operates under the Hitachi Construction brand, was established, and we are also working to expand our financing and dealership businesses with regard to specialty equipment and other niche fields. In Asia, we are growing our business through collaboration with partners while cementing our operating foundations centered on auto businesses. The segment is also actively expanding its JCM projects and environment-related businesses. In our collaborative efforts with the NTT Group, we are globally deploying managed services and expanding our jointly operated data center business into North America based on the success thereof seen in India.

Medium-Term Management Plan 2027, which began in fiscal 2023, prescribes the ongoing advancement of alliance strategies as we leverage strengths in the IT, mobility, and environmental fields to differentiate our operations through a focus on growth and niche areas. At the same time, we aim to place local hires in management positions at overseas subsidiaries while also heightening engagement with employees. Meanwhile, we will enhance customer services through the proactive use of green transformation and digital transformation in pursuit of rapid growth going forward.

ENVIRONMENTAL INFRASTRUCTURE

Profit Target of Medium-Term Management Plan 2027



Growth Strategies

Expansion in Growth Areas

➔ Storage battery business

Through the installation of new storage batteries, earnings power will be strengthened by allowing for electricity to be stored or sold based on supply and demand balance.

Two types of battery systems are provided: integrated systems that combine battery systems with high-output-variability solar power systems and systems linked to power grids, which entail the construction of power plants equipped with grid-use storage batteries.

➔ Biomass power, binary geothermal power, etc.

Biomass power and binary geothermal power generation projects will be promoted and related initiatives will be expanded to include more diverse power sources together with prime partners including Forest Energy Inc., JFE Engineering Corporation, and ITOCHU Corporation.

➔ Overseas renewable energy projects

The insight accumulated in Japan will be utilized to advance initiatives in North America, Europe, and Australia.

Growth through Coordination between Existing Businesses and Partners

➔ Corporate power purchase agreements

Support for optimal decarbonization strategies will be offered based on the needs of customers in Tokyo Century's wide-ranging customer base.

➔ Renewable energy business investment fund

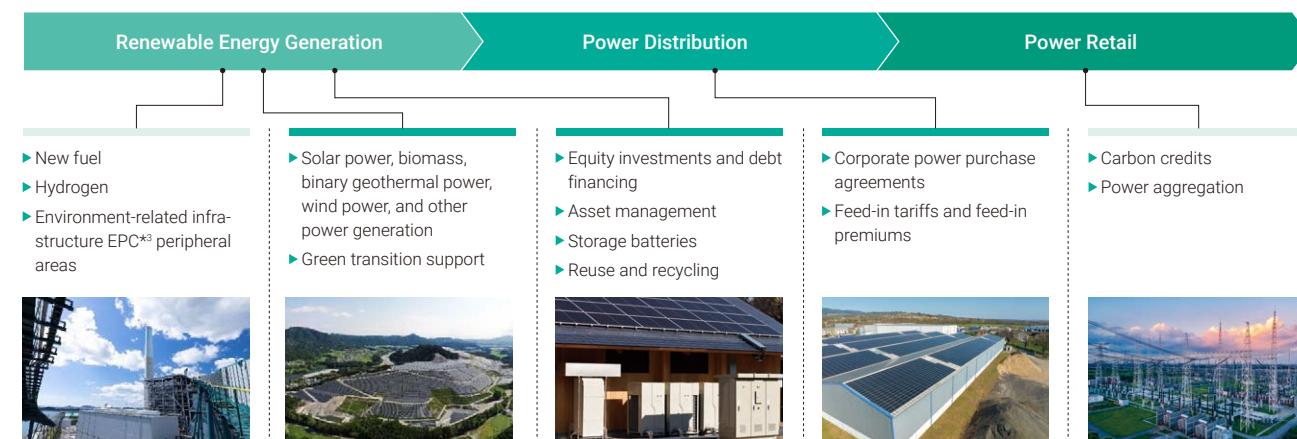
Total investments of around ¥100.0 billion centered on solar power generation are planned through a renewable energy business investment fund established jointly with NTT Anode Energy Corporation; Sumitomo Mitsui Trust Bank, Limited; and Sumitomo Mitsui Trust Investment Co., Ltd.

➔ Asset and technical management

A&Tm Corporation, a joint venture established with Tokyo Gas Engineering Solutions Corporation and KYOCERA Communication Systems Co., Ltd., will provide efficient business management and earnings improvement services for solar power generation projects through the comprehensive provision of asset and technical management.

Business Development Approach

Energy Value Chain



*3 Engineering, procurement, and construction

Renewable Energy Generation Volume (Consolidated)

22 MW (FY2012) (First year of feed-in tariff program) → 750 MW (FY2022)

Kyocera TCL Solar

Japan-leading scale with total generation capacity of **398 MW** and **89 domestic locations**

Cycle of strengthening earnings capacity and promoting ESG through robust support for business strategies targeting decarbonization by customers and business partners offered via reinforcement and expansion of renewable energy, storage battery, and other environment and energy businesses in Japan and overseas

MESSAGE



Hiroshi Sato

Deputy President, Director and Executive Officer
President, Environmental Infrastructure Business Development Unit

The Environmental Infrastructure segment was established in April 2023 with the goal of accelerating the growth of Tokyo Century's environment-related businesses and consequently its contributions to a decarbonized society. This move brought the number of the Company's operating segments to five.

Over the years, Tokyo Century has proceeded to expand the scope of its environment-related businesses from the operation of solar power generation projects based on feed-in tariff programs to include corporate power purchase agreements, asset management, and even new power sources such as woody biomass power and binary geothermal power. We have done so by capitalizing on the experience, insight, and networks developed through our forays into solar power generation businesses.

Centered on Kyocera TCL Solar, these solar power generation businesses have entailed forays into the ownership and operation of solar power plants across Japan, among other domains. These plants have been used to contribute to a stable supply of renewable energy. In addition, we are advancing corporate power purchase agreement businesses to support customers' decarbonization strategies through Urban Energy PV LLC, a joint venture solar power generation business company established together with JFE Engineering. Meanwhile, A&Tm, a joint venture we established with Tokyo Gas Engineering Solutions and KYOCERA Communication Systems, provides asset and technical management services. This company is combining the strengths of its various business partners to build an environment-related value chain through such means as the provision of services for improving the generation efficiency and profitability of solar power plants.

Going forward, the Environmental Infrastructure segment will continue to grow said existing businesses while also expanding the scope of its operations to include peripheral businesses and completely new businesses. For example, we are accelerating initiatives to achieve not only the rapid development of storage battery businesses that contribute to more efficient use of renewable energy but also expansion into overseas renewable energy projects. Tokyo Century will thereby aim to grow the Environmental Infrastructure segment into a pillar of earnings.

We also strive to make contributions to the realization of a decarbonized society. To this end, we are steadily forging ahead with greenification initiatives based on our transition road map, which was established to achieve effectively zero greenhouse gas emissions at the biomass co-firing power plant of Shunan Power Corporation by fiscal 2040.