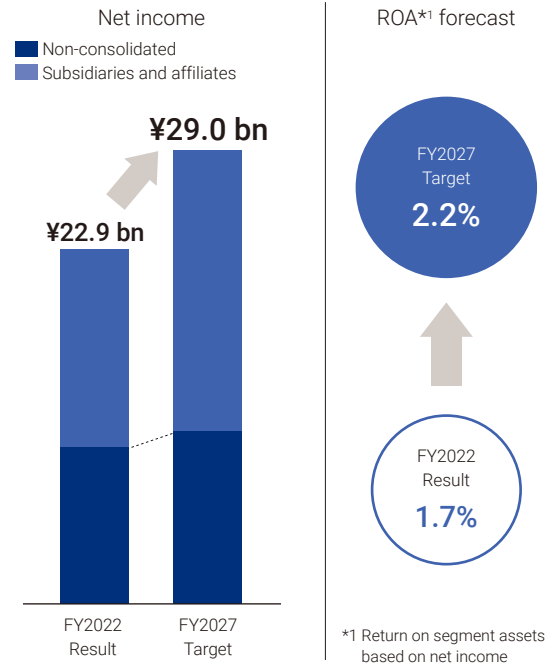


Growth Strategies by Operating Segment

# EQUIPMENT LEASING

## Profit Target of Medium-Term Management Plan 2027

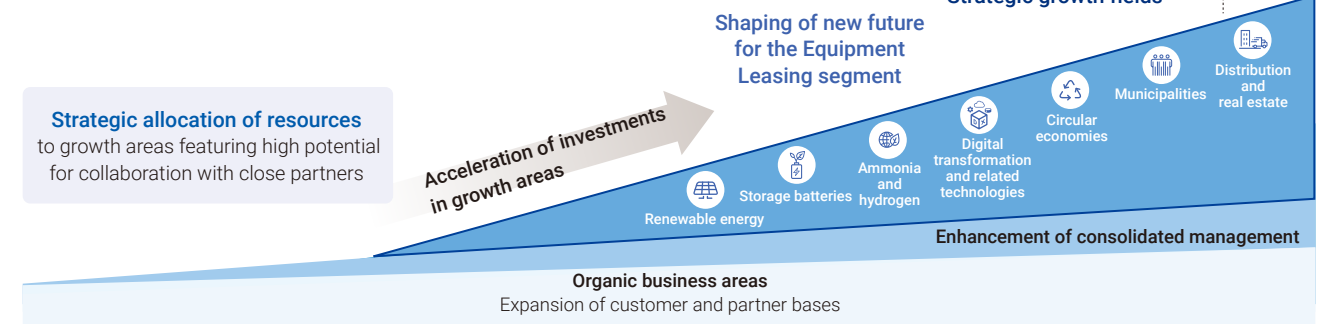


## Growth Strategies

Growth Areas	<p>➡ 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.</p> <p>➡ 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.</p> <p>➡ 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.</p>
Affiliates	<p>➡ <b>NTT TC Leasing Co., Ltd.</b></p> <p>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.</p> <p>➡ <b>NX-TC Lease &amp; Finance Co., Ltd.</b></p> <p>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.</p>
Business Support	<p>➡ 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.</p> <p>➡ 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.</p>

## Business Development Approach

### ➡ Promotion of Partnership Strategy and Cultivation of Areas of Expertise



### ➡ Promotion of Consolidated Management



## MESSAGE



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.