

Consolidated Financial Results

For the Fiscal Year Ended March 31, 2023

May 12, 2023



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1. Financial Highlights

Financial Highlights

Ordinary income increased 17.3% to ¥106.2 billion, and net income attributable to owners of parent was ¥4.8 billion due to extraordinary losses related to Russia YoY

(Billions of yen)

	FY2021 Result	FY2022 Result	Change	% Change
Revenues	1,278.0	1,325.0	47.0	3.7%
Operating income	82.7	91.2	8.5	10.3%
Ordinary income	90.5	106.2	15.7	17.3%
Net income(loss) attributable to owners of parent	50.3	4.8	-45.5	-90.5%

Initial Forecast	
Announced on May 12, 2022	Change
-	-
-	-
100.0	6.2
20.0	-15.2

ROE (Net income / Shareholders' equity)	8.1%	0.7%	-7.4pt	
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Average foreign exchange rate (USD1)

¥ 109.90

¥ 131.63

(Foreign exchange rate for January–December for major overseas subsidiaries)

	Mar. 31, 2022	Mar. 31, 2023	Change	% Change
Total assets	5,663.8	6,082.1	418.3	7.4%
Balance of segment assets	4,879.4	5,363.8	484.4	9.9%
Shareholders' equity	673.0	761.6	88.6	13.2%
Shareholders' equity ratio	11.9%	12.5%	0.6pt	

Foreign exchange rate at quarter end (USD1)

¥ 115.02

¥ 132.70





(Foreign exchange rate for major overseas subsidiaries as of the end of December)

Ordinary Income by Operating Segment & ROA

Ordinary income increased ¥15.7 billion due to growth in Specialty Financing and Mobility & Fleet Management

Ordinary income

(Billions of yen)

	FY2021 Result	FY2022 Result	Change
 Equipment Leasing	33.9	31.7	-2.2
 Mobility & Fleet Management	19.2	28.0	8.7
 Specialty Financing	29.5	57.4	27.9
 International Business	19.0	-0.9	-19.9
Other	-11.1	-10.0	1.2
Total	90.5	106.2	15.7

ROA

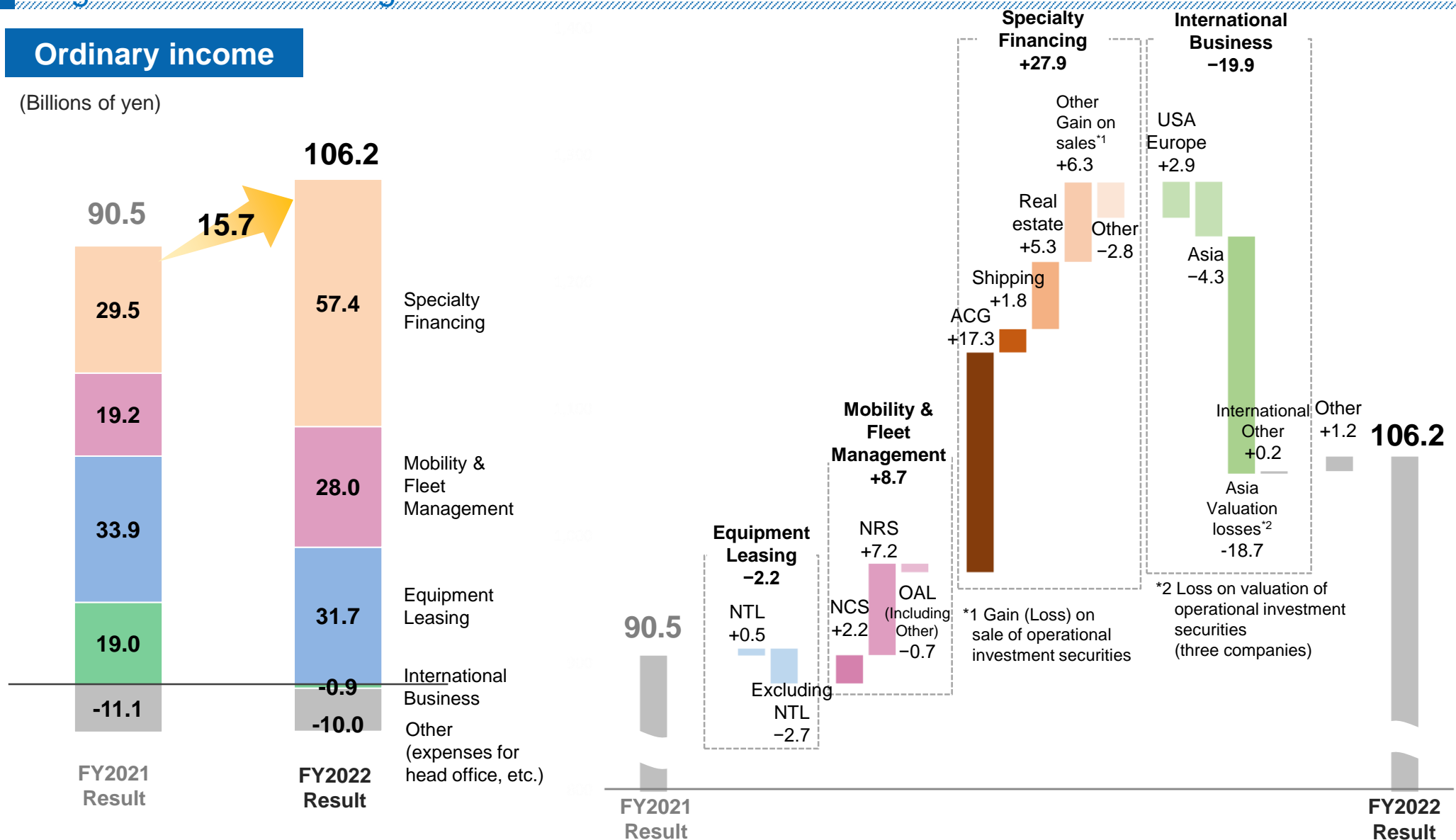
	FY2021 Result	FY2022 Result	Change
	2.4%	2.4%	-
	3.1%	4.6%	1.5pt
	1.3%	2.3%	1.0pt
	3.7%	-	-
	1.9%	2.1%	0.2pt

Breakdown of Ordinary Income YoY

Despite valuation losses of ¥18.7 billion in International Business, earnings from other operating segments remain strong

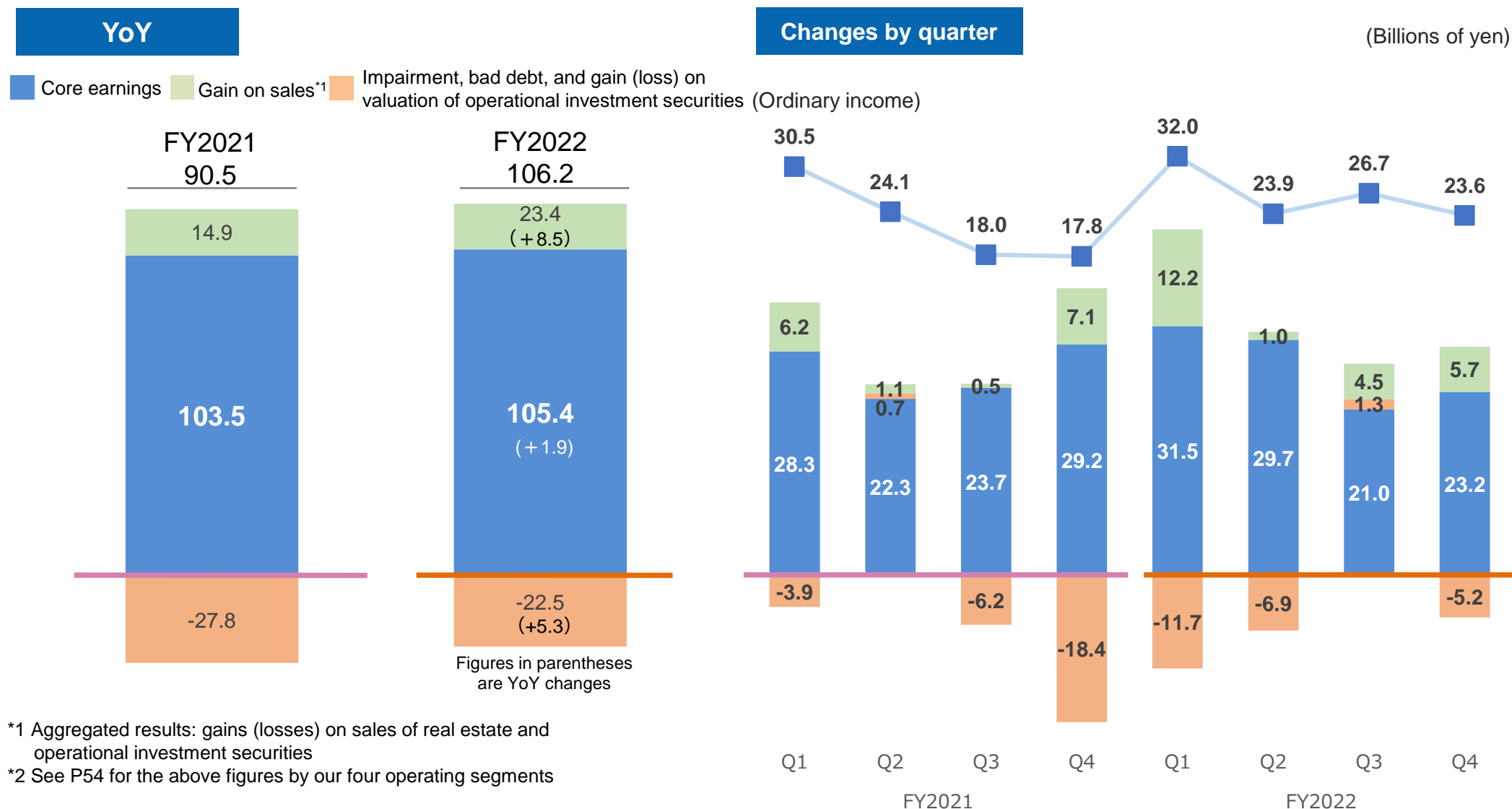
Ordinary income

(Billions of yen)



Breakdown of Ordinary Income (Core earnings, gain on sales, impairment, etc.)

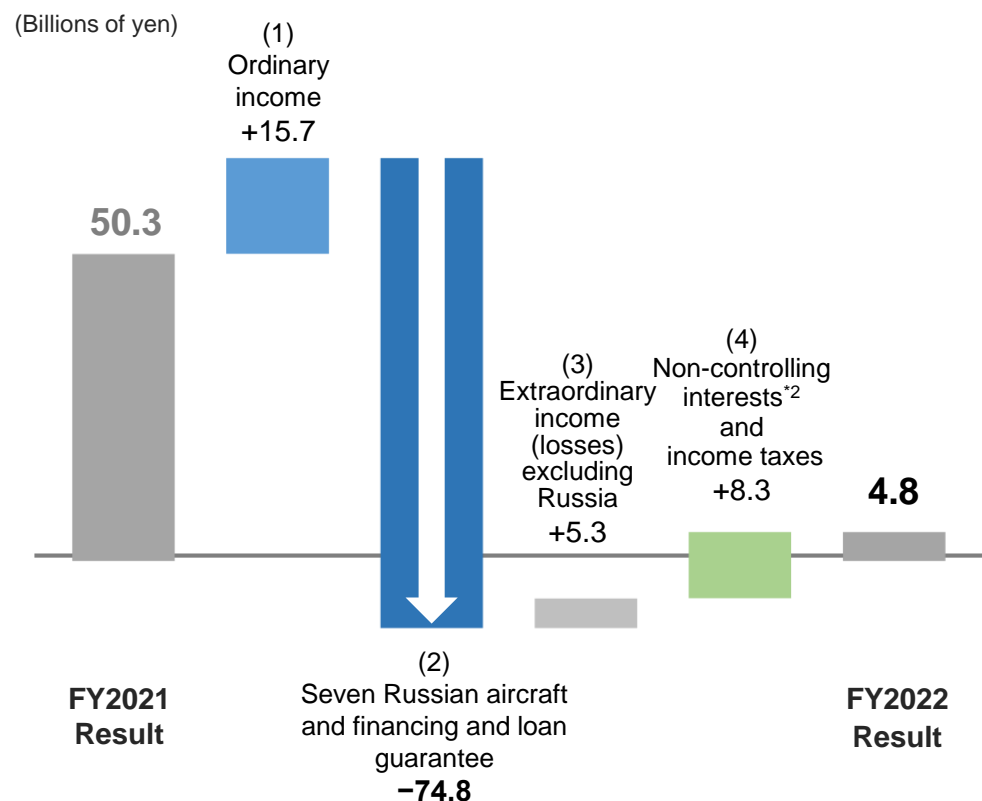
Core earnings amounted to ¥105.4 billion, up ¥1.9 billion YoY



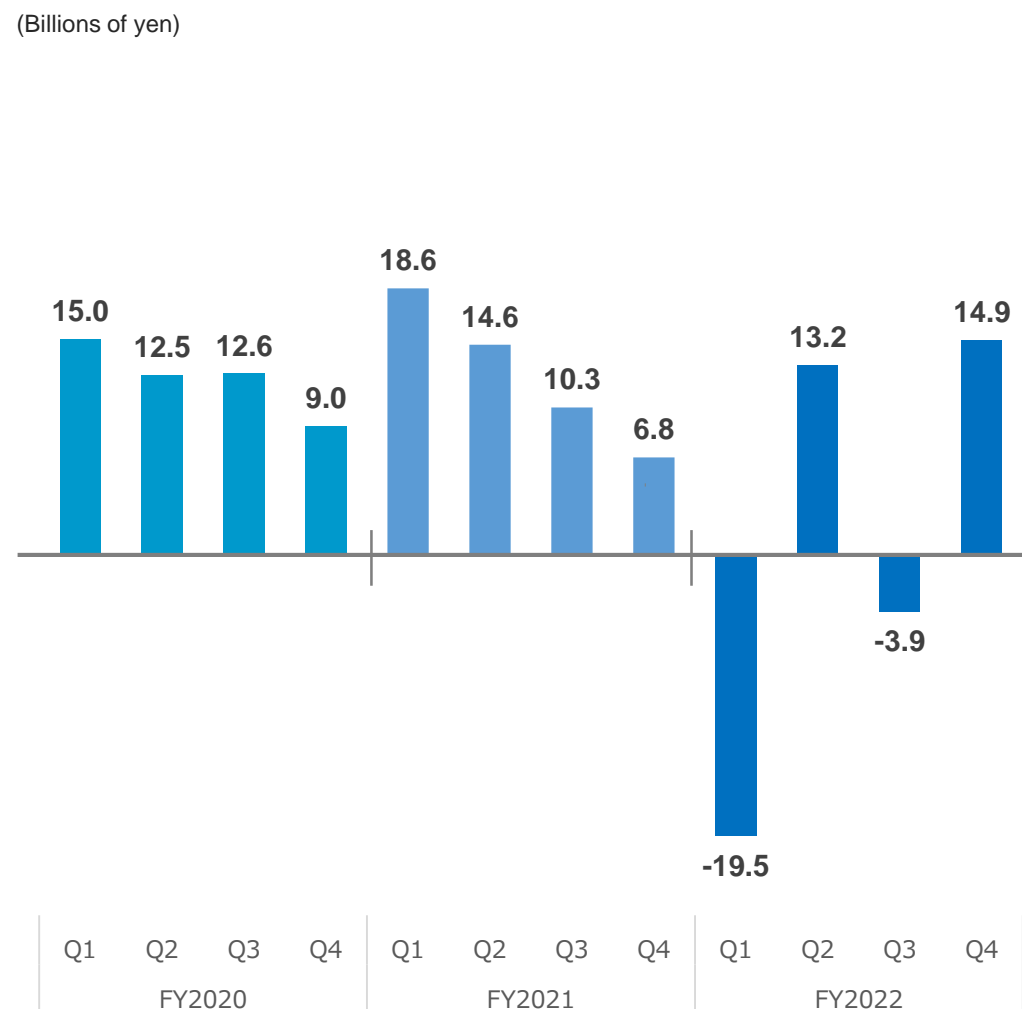
Breakdown of Changes in Net Income (Loss) Attributable to Owners of Parent

Net income attributable to owners of parent was ¥4.8 billion due to an extraordinary loss of ¥74.8 billion related to Russia

Factor for changes in net income (loss) attributable to owners of parent*1



Quarterly changes in net income (loss) attributable to owners of parent







*1 (1) to (3) are on a pre-tax basis; taxes are included in (4)

*2 Net income attributable to non-controlling interests

Balance of Segment Assets by Operating Segment

Segment assets increased ¥484.4 billion from the end of the previous fiscal year due to the impact of the exchange rate fluctuations

(Billions of yen)							
		Mar.31, 2019	Mar.31, 2020	Mar.31, 2021	Mar. 31, 2022	Mar. 31, 2023	Change
Balance of segment assets		3,630.9	4,773.0	4,800.5	4,879.4	5,363.8	484.4 +327.8*
Equipment Leasing		1,372.8	1,471.1	1,489.1	1,379.7	1,312.0	-67.7
	Percentage	37.8%	30.8%	31.0%	28.3%	24.5%	+0.1*
Automobile & Mobility		592.7	631.2	629.5	611.8	611.6	-0.2
	Percentage	16.3%	13.2%	13.1%	12.5%	11.4%	
Specialty Financing		1,142.4	2,147.9	2,184.7	2,311.8	2,743.5	431.7
	Percentage	31.5%	45.0%	45.5%	47.4%	51.1%	+245.8*
International Business		512.9	510.6	483.1	557.1	655.7	98.6
	Percentage	14.1%	10.7%	10.1%	11.4%	12.2%	+82.0*
Other		10.1	12.2	13.9	19.0	41.0	22.0
	Percentage	0.3%	0.3%	0.3%	0.4%	0.8%	

* Exchange rate factors



2. Results by Operating Segment



Results of Equipment Leasing

(Billions of yen)

	FY2021 Result	FY2022 Result	Change	% Change
Revenues	512.7	481.8	-30.9	-6%
Gross profit	40.3	37.4	-2.9	-7%
Operating income	28.3	24.9	-3.4	-12%
Ordinary income	33.9	31.7	-2.2	-6%
ROA (%)	2.4%	2.4%	-	

	Mar. 31, 2022	Mar. 31, 2023	Change	% Change
Segment assets	1,379.7	1,312.0	-67.7	-5%

Major factors for change

Ordinary income

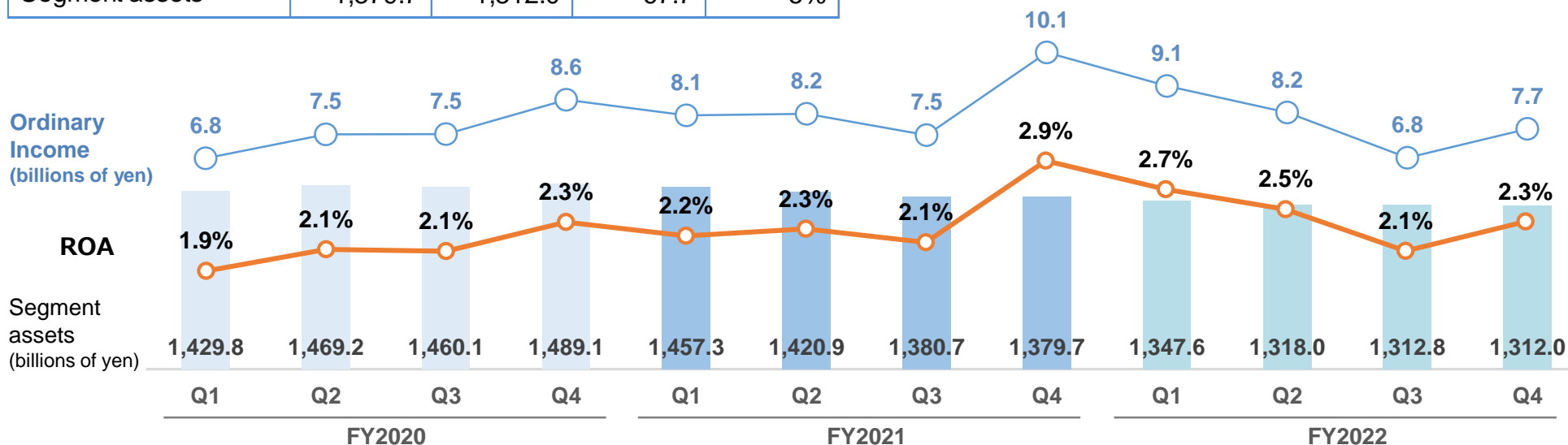
- Decreased, mainly due to a decline in non-consolidated income in line with a decrease in assets despite an increase in equity in earnings of affiliates of NTT TC Leasing and NITTSU Lease & Finance*

* For performance and other details of NTL, see P24

* NITTSU Lease & Finance recognized an increase in equity in earnings of affiliates from Q2 FY2021

Balance of segment assets

- Despite a decrease in assets, mainly due to a decline in the leasing volume of the entire industry and the promotion of portfolio management focused on asset efficiency, expecting bottoming out by the current pipeline expansion due to recovery in corporate capital investment



* ROA is calculated on an annualized basis based on ordinary income for each quarter



Results of Mobility & Fleet Management

(Billions of yen)

	FY2021 Result	FY2022 Result	Change	% Change
Revenues	342.1	354.4	12.3	4%
Gross profit	69.1	80.6	11.5	17%
Operating income	18.4	27.7	9.3	50%
Ordinary income	19.2	28.0	8.7	46%
NCS	14.3	16.5	2.2	16%
NRS	1.2	8.4	7.2	611%
OAL	3.8	3.3	-0.5	-13%
Other	-0.0	-0.2	-0.2	
ROA (%)	3.1%	4.6%	1.5pt	
NCS	3.9%	4.7%	0.8pt	
NRS	2.7%	19.7%	17.0pt	
OAL	1.8%	1.5%	-0.3pt	
	Mar. 31, 2022	Mar. 31, 2023	Change	% Change
Segment assets	611.8	611.6	-0.2	-0%

Major factors for change

Ordinary income

■ NCS

Recorded an all-time high, mainly due to increased finance income by replacing assets with those of projects with high profitability, maximizing gain on sale of vehicles resulting from seizing a favorable market opportunity, a surge in the prices of used cars, and flexibly selling leased vehicles whose contracts have expired in a timely manner

■ NRS

Reached a record high, amid recovering demand, due to significantly improving profitability by promoting highly efficient operations such as the strengthening of cost control under COVID-19 and measures for improving the direct sales ratio

* For performance and other details of NRS, see P25



Balance of Segment Assets and Transaction Volume in Mobility & Fleet Management

Segment assets decreased ¥0.2 billion from the end of the previous fiscal year

(Billions of yen)

	Mar.31, 2019	Mar.31, 2020	Mar.31, 2021	Mar. 31, 2022	Mar. 31, 2023	Change
Balance of segment assets	592.7	631.2	629.5	611.8	611.6	-0.2
NCS	368.2	378.5	371.2	359.3	348.3	-11.0
Percentage	62.1%	59.9%	58.9%	58.7%	57.0%	
NRS	47.3	52.8	45.7	40.3	44.7	4.4
Percentage	8.0%	8.4%	7.3%	6.6%	7.3%	
OAL	189.7	210.7	214.0	211.7	216.5	4.8
Percentage	32.0%	33.4%	34.0%	34.6%	35.4%	
Other ^{*1}	-12.6	-10.7	-1.4	0.5	2.1	1.5
Percentage	-2.1%	-1.7%	-0.2%	0.1%	0.3%	

*1 Adjusted intercompany transactions among Mobility & Fleet Management

(Billions of yen)

	FY2018 Result	FY2019 Result	FY2020 Result	FY2021 Result	FY2022 Result	Change
Transaction volume *2	227.7	224.6	193.4	177.9	181.8	3.9
NCS	146.3	141.7	120.5	109.4	105.1	-4.4
OAL	81.3	82.9	72.9	68.5	76.8	8.3

*2 NRS's transaction volume (purchase amount of fleet) is not included since its car rental business is focused on assets turnover



Results of Specialty Financing

(Billions of yen)

	FY2021 Result	FY2022 Result	Change	% Change
Revenues	307.1	344.3	37.2	12%
Gross profit	52.7	81.1	28.4	54%
Operating income	27.2	55.3	28.2	104%
Ordinary income	29.5	57.4	27.9	95%
Aviation	-1.3	13.6	14.9	-
ACG	-7.1	10.2	17.3	-
Others	5.8	3.5	-2.4	-41%
Shipping	5.4	7.2	1.8	34%
Real Estate	17.0	22.3	5.3	31%
Others	8.5	14.3	5.9	69%
Gain on Sales	4.2	10.5	6.3	149%
Others *1	4.3	3.9	-0.4	-10%

ROA (%)	1.3%	2.3%	1.0pt	
Aviation	-	0.8%	-	
ACG	-	0.7%	-	
Others	2.5%	1.7%	-0.8pt	
Shipping	5.0%	7.4%	2.4pt	
Real Estate	3.6%	4.3%	0.7pt	

	Mar. 31, 2022	Mar. 31, 2023	Change	% Change
Segment assets	2,311.8	2,743.5	431.7	19%

*1 Gain (Loss) on sale of operational investment securities

Major factors for change

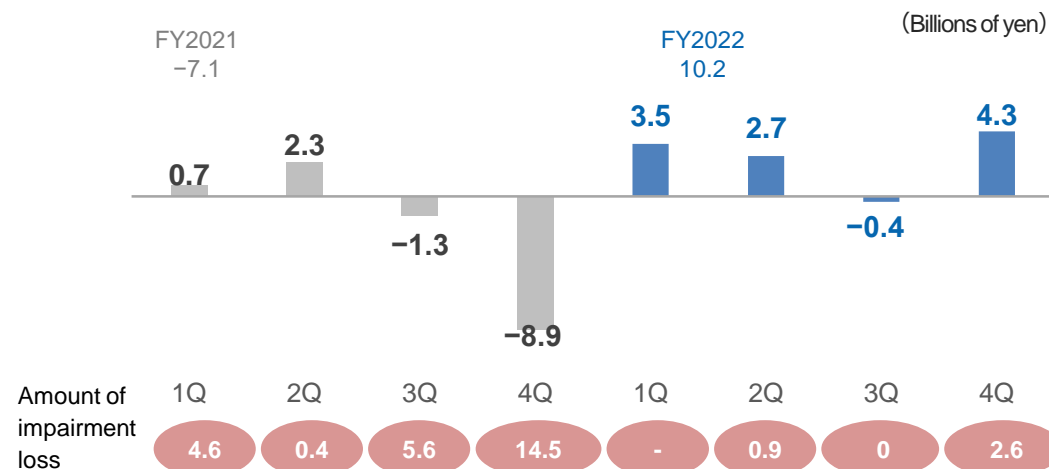
Ordinary income

Aviation (ACG*2)

Increased, mainly due to a decrease in impairment usually recorded (Russia-related loss was recorded as an extraordinary loss)

*2 For performance and other details of ACG, see P27

ACG's quarterly changes in income (including consolidated adjustment)



Shipping

Increased, mainly due to gain on sale of vessels from an equity-method affiliate

Real Estate

Increased, mainly due to gain on sale of real estate

Other

Increased, mainly due to a higher gain on sale of operational investment securities



Balance of Segment Assets in Specialty Financing

Segment assets increased ¥431.7 billion from the end of the previous fiscal year due to the impact of the exchange rate fluctuations

(Billions of yen)

	Mar.31, 2019	Mar.31, 2020	Mar.31, 2021	Mar. 31, 2022	Mar. 31, 2023	Change
Balance of segment assets	1,142.4	2,147.9	2,184.7	2,311.8	2,743.5	431.7 +245.8*2
Aviation	369.2	1,380.8	1,363.1	1,480.8	1,737.6	256.8
Percentage	32.3%	64.3%	62.4%	64.1%	63.4%	+226.7*2
Shipping	137.0	124.3	116.4	100.0	93.3	-6.7
Percentage	12.0%	5.8%	5.3%	4.3%	3.4%	+0.6*2
Environment and Energy	137.1	139.2	150.3	159.4	252.9	93.5
Percentage	12.0%	6.5%	6.9%	6.9%	9.2%	+1.1*2
Real estate	416.8	429.9	462.3	484.7	559.9	75.2
Percentage	36.5%	20.0%	21.2%	21.0%	20.4%	+16.9*2
Other *1	82.1	73.7	92.6	87.0	99.8	12.9
Percentage	7.2%	3.4%	4.2%	3.8%	3.6%	+0.6*2

*1 Other includes the principal investment amounts, factoring and others

*2 Exchange rate factors



Results of International Business

(Billions of yen)

	FY2021 Result	FY2022 Result	Change	% Change
Revenues	116.8	145.0	28.2	24%
Gross profit	46.3	31.5	-14.8	-32%
Operating income	20.4	-1.7	-22.1	-
Ordinary income	19.0	-0.9	-19.9	-
Asia	9.7	-13.3	-23.0	-
USA and Europe	9.9	12.7	2.9	29%
CSI	8.6	10.7	2.1	24%
Other	1.3	2.1	0.8	60%
Other	-0.6	-0.4	0.2	
ROA (%)	3.7%	-	-	
Asia	4.4%	-	-	
USA and Europe	3.3%	3.3%	-	
CSI	3.7%	3.8%	0.1pt	
Other	1.9%	2.1%	0.2pt	
	Mar. 31, 2022	Mar. 31, 2023	Change	% Change
Segment assets	557.1	655.7	98.6	18%

Major factors for change

Ordinary income

■ Asia

Decreased, mainly due to a loss on valuation of operational investment securities of ¥18.7 billion (three companies)

■ USA and Europe

Increased, mainly due to the fact that gain on sale of properties related to fair market value (FMV) leasing of CSI* remained strong

* For performance and other details of CSI, see P31

Balance of Segment Assets in International Business

Segment assets increased ¥98.6 billion from the end of the previous fiscal year due to the impact of the exchange rate fluctuations

(Billions of yen)

		Mar.31, 2019	Mar.31, 2020	Mar.31, 2021	Mar. 31, 2022	Mar. 31, 2023	Change (B-A)
	ASEAN	203.3	199.3	196.9	212.2	210.2	-2.0
	percentage	39.6%	39.0%	40.7%	38.1%	32.1%	+23.8*
	East Asia	59.7	32.4	18.7	15.1	10.8	-4.2
	percentage	11.7%	6.4%	3.9%	2.7%	1.6%	+0.5*
Total of Asia		263.1	231.7	215.5	227.3	221.0	-6.2
	percentage	51.3%	45.4%	44.6%	40.8%	33.7%	+24.3*
USA and Europe		249.9	278.9	267.6	329.8	434.6	104.8
	percentage	48.7%	54.6%	55.4%	59.2%	66.3%	+57.7*
Total in International Business		512.9	510.6	483.1	557.1	655.7	98.6
	excl. CSI non-recourse loan	371.7	353.9	335.9	389.4	440.5	51.0

* Exchange rate factors



3. FY2023 Plan

FY2023 Consolidated Results Forecast

Record-breaking net income attributable to owners of parent is expected: **¥70 billion**

The **annual dividends** are **planned to be ¥200** per share, an **increase of ¥57**, up **approximately 40%** compared to the previous fiscal year

(Billions of yen)

	FY2022 Result	FY2023 Forecast	Change	% Change
Ordinary income	106.2	110.0	3.8	3.6%
Net income attributable to owners of parent	* 4.8	70.0	65.2	-
EPS	¥38.95	¥571.89	¥532.94	-
Annual dividends	¥143	¥200	¥57	39.9%
Payout ratio	367.1%	35.0%	-332.1pt	

* Net income attributable to owners of parent for fiscal 2022 included an extraordinary loss to Russian airlines of ¥74.8 billion (decrease in net income of ¥58.0 billion)

Change in Operating Segment

By establishing Environmental Infrastructure, TC's operating segment increased from four to five

4 operating segments

Equipment Leasing

Mobility & Fleet Management

Specialty Financing

International Business

5 operating segments



Equipment Leasing



Automobility

(Mobility & Fleet Management was renamed as "Automobility")



Specialty Financing



International Business



New

Environmental Infrastructure






Newly established "Environmental Infrastructure" to support the business strategies for achieving decarbonization of customers and business partner companies while strengthening and expanding environment and energy businesses, such as renewable energy and storage batteries in Japan and overseas

FY2023 Forecast of Net Income by Operating Segment

Increased net income is expected in all operating segments reflecting the absence of losses recorded in the previous period

Net income attributable to owners of parent

(Billions of yen)

	FY2022 Result*	FY2023 Forecast	Change	Major factors for change
 Equipment Leasing	22.9	24.0	1.1	- Increased mainly due to growth in the performance of NTT TC Leasing and expanded collaborative businesses with partners
 Automobility	12.1	13.0	0.9	- Increased primarily due to promoting highly efficient operations, such as strengthening cost control by NRS, and piling up prime auto lease assets by NCS and OAL
 Specialty Financing	-19.1	26.0	45.1	- Increased mainly due to the elimination of a loss of ¥58.0 billion related to Russia recorded in the previous period despite decreases in gains on sales of operational investment securities and real estate
 International Business	-5.9	14.0	19.9	- Increased primarily attributable to the absence of a loss on valuation of operational investment securities in Asia of ¥17.3 billion recorded in the previous period
 Environmental Infrastructure	0.2	4.0	3.8	- Increased mainly due to expanded collaboration with partner companies in addition to the absence of the trial run expenses for the biomass co-firing power plant recorded in the previous period
Other	-5.4	-11.0	-5.6	
Total	4.8	70.0	65.2	

* Net income by operating segment in the FY2022 result shows an estimated amount.

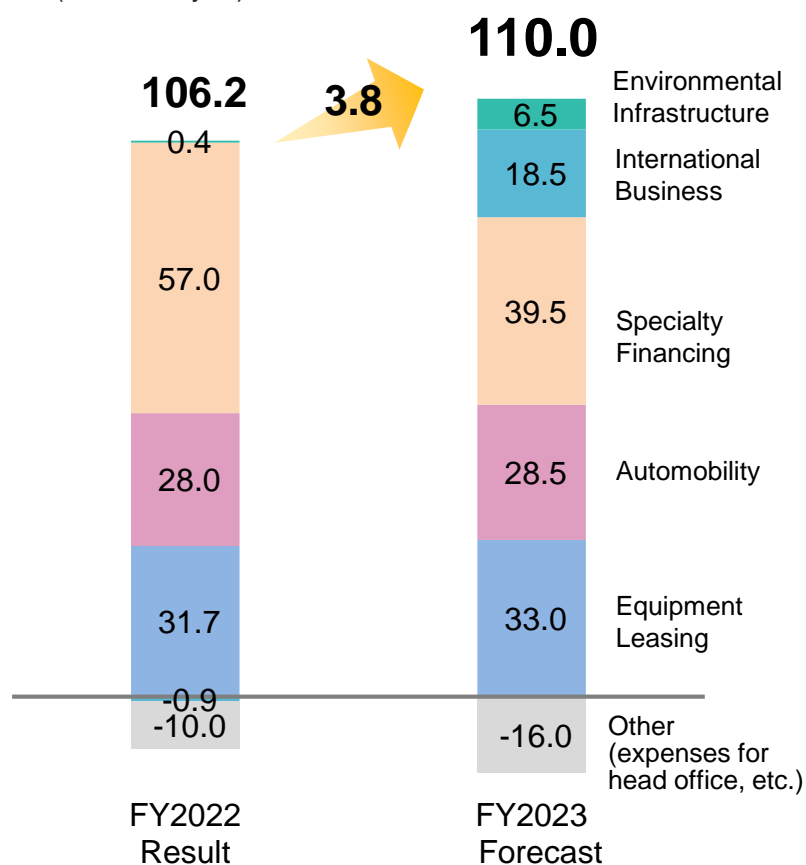
FY2023 Forecast of Ordinary Income by Operating Segment






Increased ordinary income is expected in four operating segments, excluding Specialty Financing

Ordinary income

(Billions of yen)

(Billions of yen)



	FY2022 Result	FY2023 Forecast	Change
 Equipment Leasing	31.7	33.0	1.3
 Automobility	28.0	28.5	0.5
 Specialty Financing	57.0	39.5	-17.5
 International Business	-0.9	18.5	19.4
 Environmental Infrastructure	0.4	6.5	6.1
Other	-10.0	-16.0	-6.0
Total	106.2	110.0	3.8



4. Business Topics



Performance of NTT TC Leasing

NTT TC Leasing's segment assets and TC's equity in earnings of affiliates steadily increase

Financial Results (Fiscal Year Ended March 31, 2023)

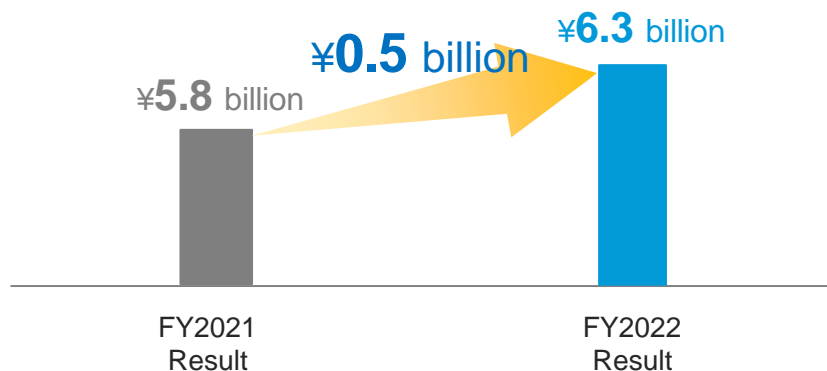
<NTT TC Leasing (non-consolidated)>

(billions of yen)

	FY2021 Result	FY2022 Result	Change	% Change
Revenues	363.4	384.7	21.3	6%
Gross profit	32.0	34.2	2.2	7%
Operating income	16.0	17.4	1.4	9%
Ordinary income	17.0	18.6	1.6	10%
Net income attributable to owners of parent	11.8	12.8	1.0	9%
Equity in earnings of affiliates(TC)	5.8	6.3	0.5	9%

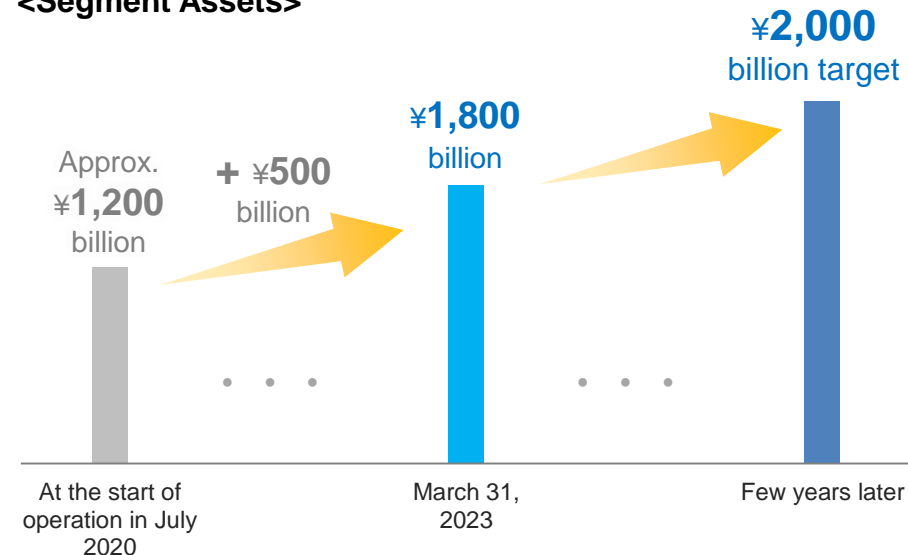
	Mar. 31, 2022	Mar. 31, 2023	Change	% Change
Segment assets	1,566.2	1,780.7	214.5	14%

<TC's equity in earnings of affiliates>



Changes in Segment Assets

<Segment Assets>



<Factors of Change>

In addition to low-cost fund procurement, NTL focuses on expanding its assets through business alliance

- NTL achieved an increase of approximately ¥540.0 billion compared to the start of the operation in July 2020
- Contributions from a rise in transactions with the NTT Group and the accumulation of co-creative projects with TC



Improved Profitability of Car Rental Business



Aiming to increase profits based on the ongoing structural reforms under the COVID-19 pandemic

■ Car Rental Performance Trends (Quarterly)

—○— Revenues —○— Ordinary income

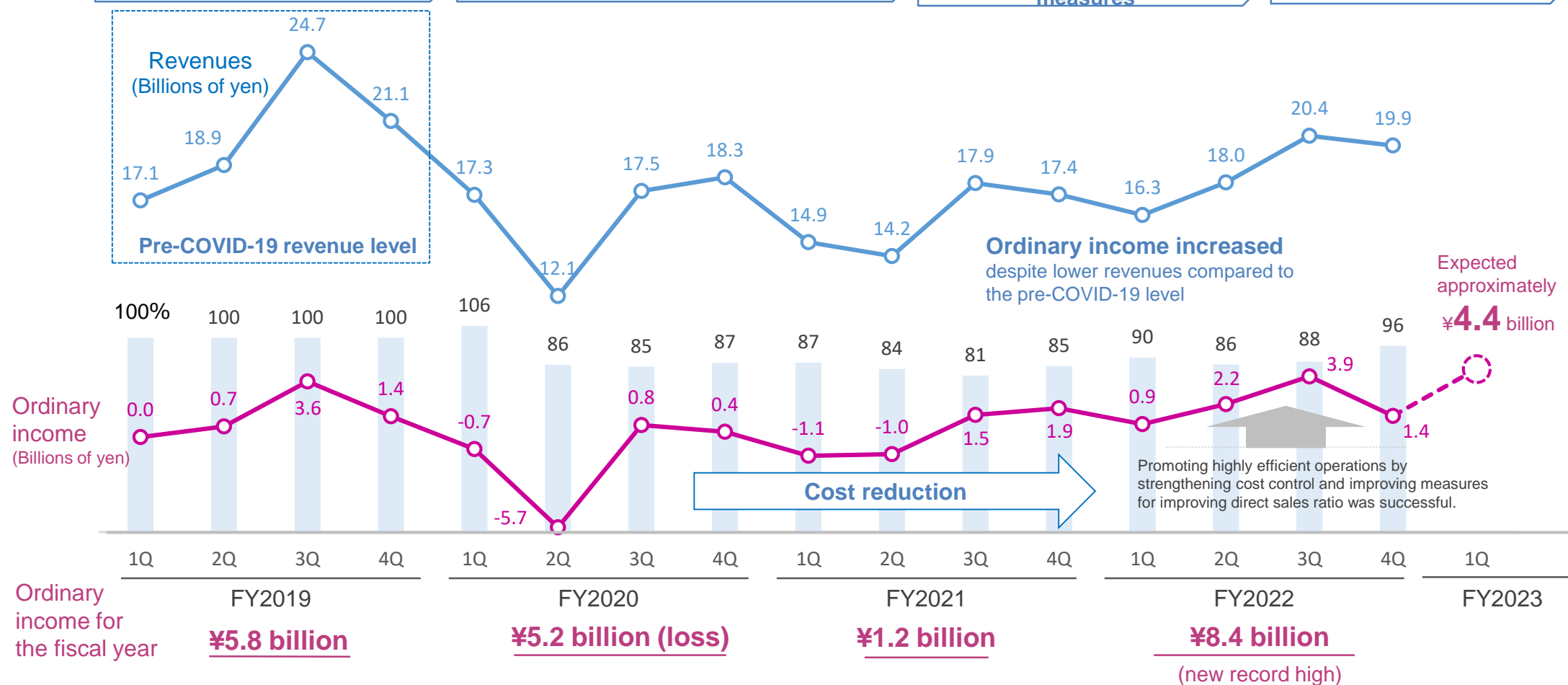
■ Index of total amount of rental cost + SG&A (Each quarter of FY2019 is set at 100, vs. the same quarter of FY2019)

Pre-COVID-19

COVID-19

Reforms by taking various measures

Further profit growth



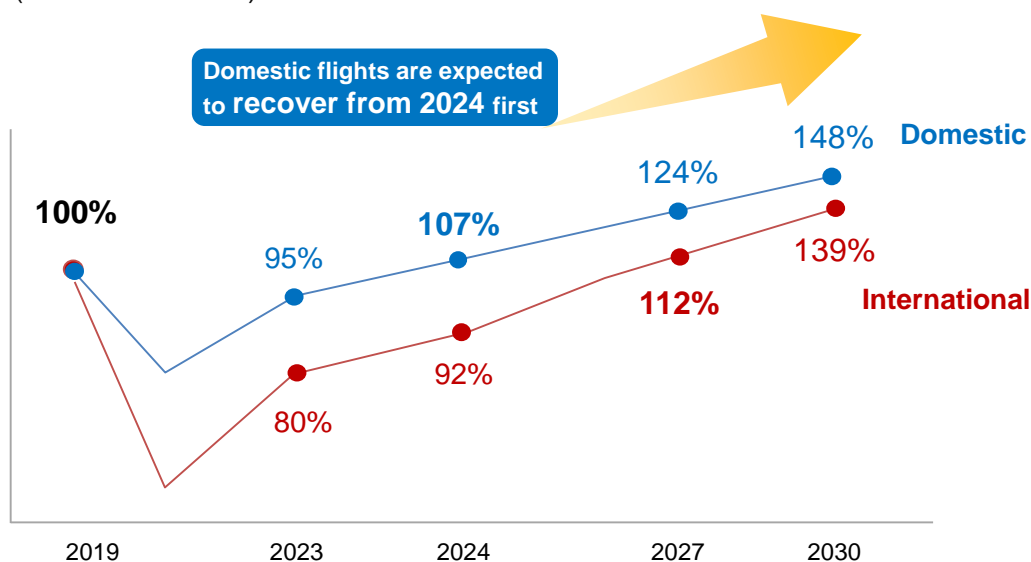


Aviation Business 1 Aviation Market Overview

Accelerating the easing of travel restrictions in many countries is expected to restore passenger demand to the pre-COVID-19 level by 2024

Global Air Passenger Volume Forecast

Projected changes in passenger volume through 2030
(2019 level: 100%)



Source: Prepared by TC based on International Air Transport Association (IATA) data (announced in December 2022)

Regions	Estimated Year of Recovery
North America	2023
Europe	2024
Latin America & Caribbean	2024
Asia Pacific	2025

<Geographic recovery trend>

The timing of recovery to the pre-COVID-19 level will vary depending on regions.

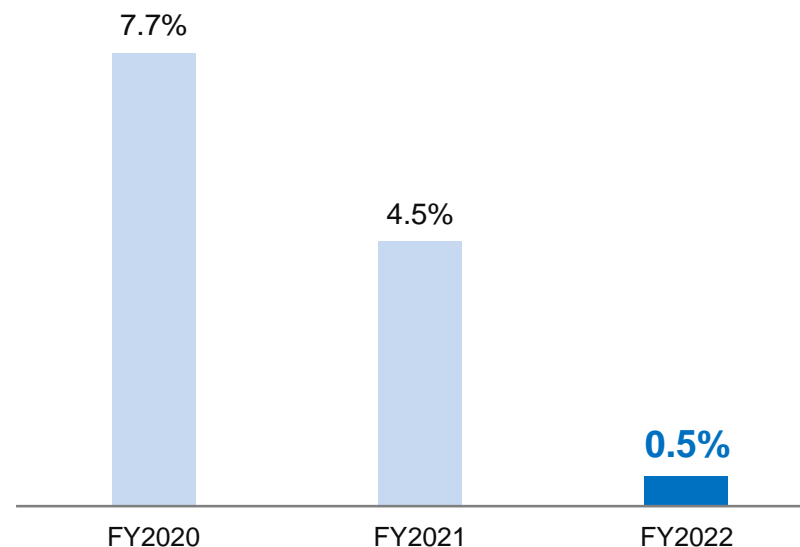
Asia is expected to recover later.

Source: Prepared by TC based on IATA data (announced in February 2023)

Aircraft leasing subsidiary ACG's ratio of off-lease aircraft

Off-lease aircraft significantly decreased

<Ratio of off-lease aircraft* to net book value of owned aircraft>



* Aircraft not subject to a signed lease or sales commitments



Aviation Business 2 ACG's Financial Performance



Income before income taxes sharply declined YoY primarily due to the write-off of ACG's exposure to Russian airlines

Financial Results (Fiscal Year Ended December 31, 2022)

(USD million)				
ACG's Result	FY2021 Result	FY2022 Result	Change	%Change
Total revenues	1,041	1,005	-36	-3%
Operating lease revenue	879	887	8	1%
Total expenses	906	1,594	688	76%
Interest expense, net	269	286	17	6%
Asset impairment	84	728	644	770%
Write-off of Russia aircraft	-	575	575	-
Bad debt expense	16	-16	-32	-
Income/Loss before income taxes	135	-589	-724	-
Net Income/Loss	140	-589	-729	-
ROA (%)	1.3%	-	-	-
	Dec. 31, 2021	Dec. 31, 2022	Change	%Change
Segment assets	10,785	11,297	513	5%
Numbers of new / used aircraft delivered	26	18	-8	-31%

Revenues

Decreased due to the termination of leasing activities in Russia and a lower gain on sale of aircraft

Income/Loss before income taxes

Significantly decreased due to the write-off of ACG's exposures to Russia (seven leased aircraft, and financing and loan guarantee)

Segment assets

Increased YoY due to steady progress in the number of new aircraft deliveries as passenger demand recovered

ACG's Result

(recorded on TC's consolidated statements of income)

(Billions of yen)				
	FY2021 Result	FY2022 Result	Change	%Change
Income/Loss before income taxes	14.8	-77.5	-92.2	-
Consolidated adjustment ^{*1}	-21.9	87.6	109.5	-
Ordinary income	-7.1	10.2	17.3	-
Extraordinary Loss^{*2}	-	74.8	74.8	-

Average foreign exchange rate: ¥109.90 ¥131.63

^{*1} including transfer of extraordinary loss

^{*2} including accounting treatment for bad debt expense of financing and loan guarantee to a Russian airline



Aviation Business 3 ACG's Portfolio



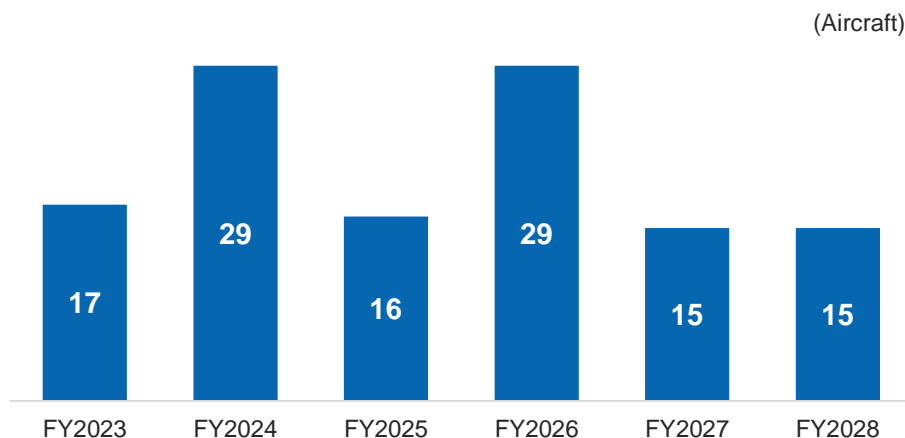
Diversified portfolio with a focus on liquid narrow-body aircraft in approximately 45 countries worldwide

Portfolio Overview (as of December 31, 2022)

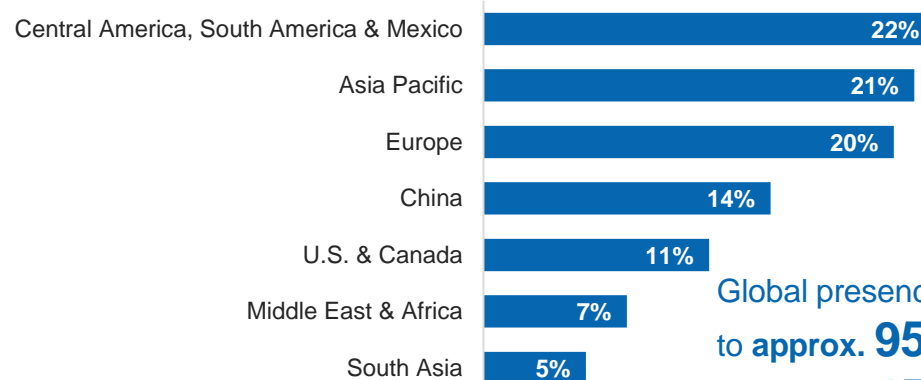
- **Weighted average fleet age: 5.9 years**
- **Narrowbody by NBV: 89 %**
(Narrowbody by count: 97%)
- **Owned, managed and committed aircraft: 470**
(Owned: 289 Managed: 60 Committed aircraft: 121)

Delivery Schedule of Committed Aircraft (as of December 31, 2022)

- All orders are **new technology aircraft with higher fuel efficiency**
- Receiving many inquiries from airlines in view of rising fuel costs and decarbonization
(Percentage of new technology aircraft in owned fleet: **37%**)

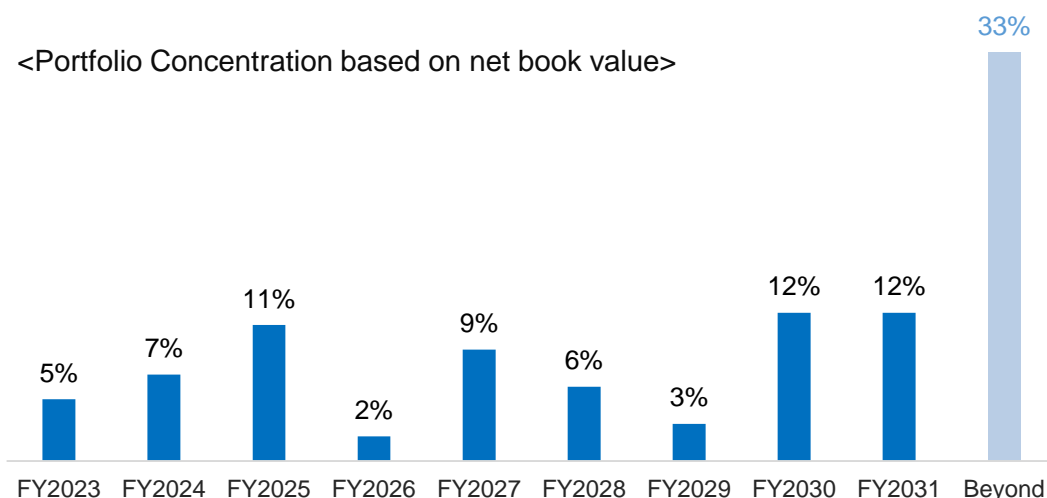


Geographic Concentration (as of December 31, 2022)



Global presence
to approx. **95 airlines**
in approx. **45 countries**

Portfolio Concentration by Lease Maturity (as of December 31, 2022)





Aviation Business 4

ACG's Capital Procurement Activities



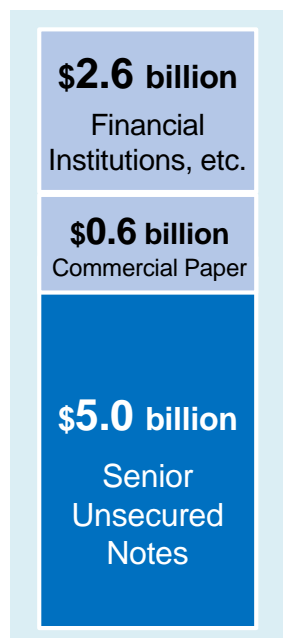
Promoting diversification of funding sources while flexibly responding to market conditions

Fund Procurement Strategies

- ACG builds flexibility into its funding strategy through multiple capital sources. In addition to the issuance of senior notes in the US bond market, ACG leverages Tokyo Century's and its own relationships to borrow from financial institutions globally. This balanced funding strategy helps to reduce the cost of funds over the long term.
- ACG succeeded in expanding access to new debt financings, including term loans arranged by Japanese financial institutions, and increased the capacity of its revolving credit facility with the participation of multiple financial institutions, including major U.S. banks.
- ACG has sufficient liquidity on hand and maintains investment-grade ratings of **A- from KBRA, BBB – from S&P and Baa2 from Moody's**.

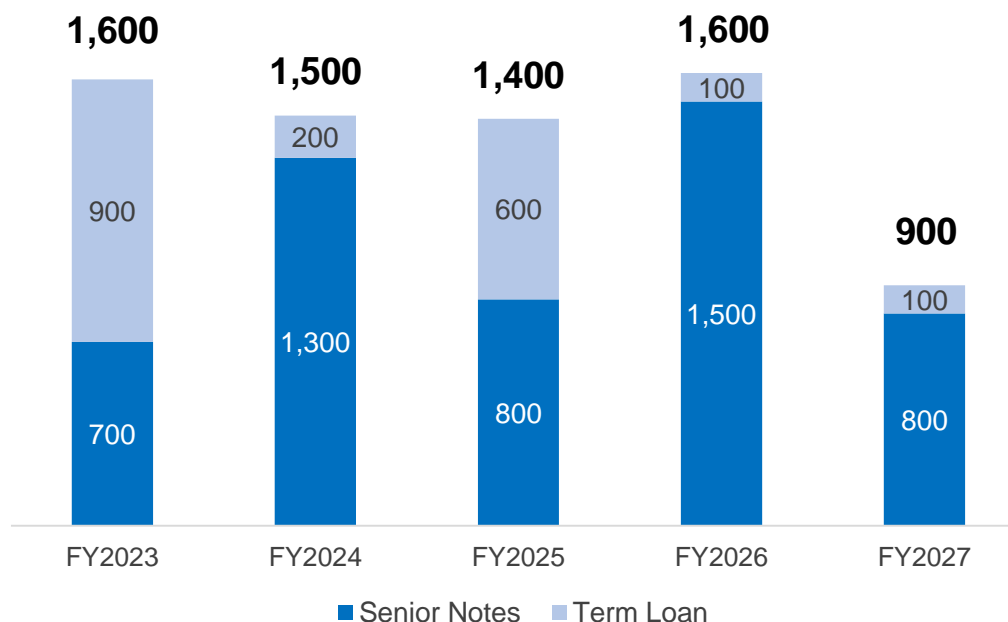
<Funding structure*>

\$8.2 billion



<Unsecured debt maturities*> (excluding commercial paper, etc.)

(USD million)



Major procurement from financial institutions executed in FY2022

- **Term Loan (\$425 million)**
Borrowing period: 3 years
- **Revolving Credit Facility (\$525 million)**
Increased the aggregate borrowing capacity from \$2.1 billion to over \$2.6 billion
- **Term Loan (\$600 million in total)**
Procured from JBIC and other financial institution
Borrowing period: 5 to 7 years

Major procurement in FY2023 (latest)

- **Senior Notes (\$600 million)**
Maturity: 2028 Coupon Rate: 6.25%

* As of December 31, 2022



Real Estate Business Portfolio Strategy



Promoting growth through overseas projects and collaboration with TC Kobelco Real Estate, in addition to steady progress in development projects

Portfolio

Japan

Collaboration with **prime partners** for the large-scale urban development projects

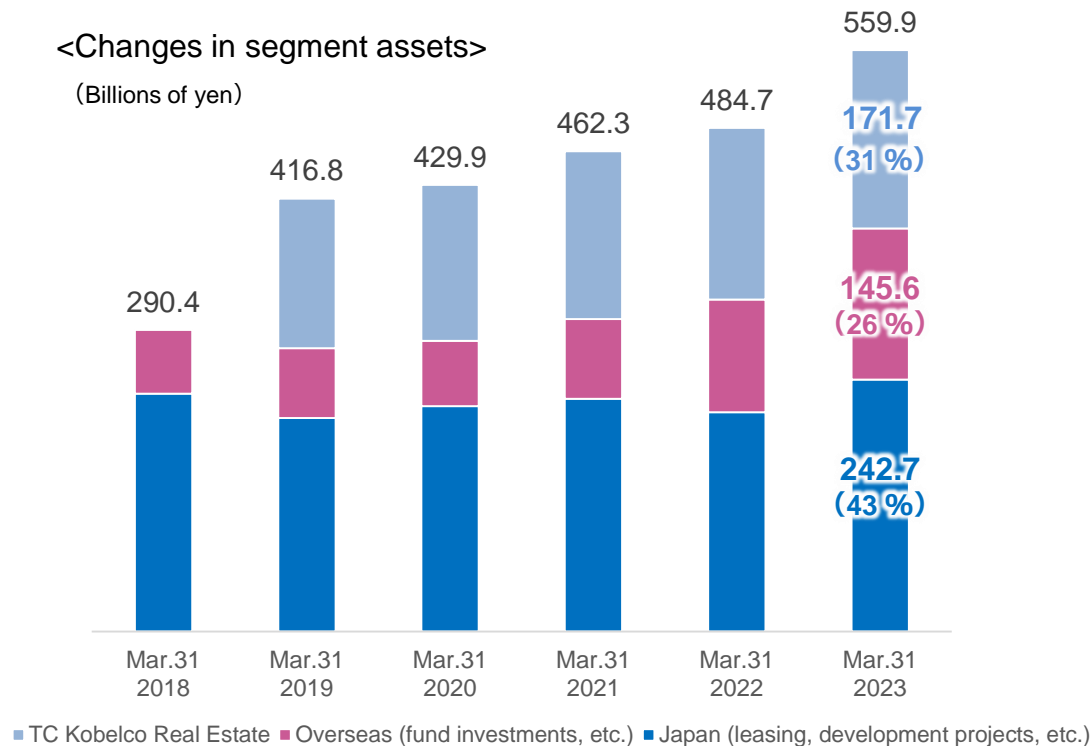
TC Kobelco Real Estate

Increased segment assets are expected by steadily piling up pipelines such as a **logistics facility**

Overseas

Striving to establish and expand investment and payback cycles, particularly in **data centers**, that are expected to increase demand and **logistics facilities and rental housing** that are ongoing stable growth

<Changes in segment assets>
(Billions of yen)



Project completion schedule

Urban redevelopment projects



Tokiwabashi (around Tokyo station)

TOKYO TORCH (Building B)
Scheduled for completion in FY2027



Legendary-luxury brand
Dorchester Collection to
open its hotel



Uchisaiwaicho 1-chome area

South block (South Tower)
Scheduled for completion in FY2028



Scheduled to open in 2024

First project of renewable energy business
collaboration between TC and TC Kobelco Real Estate



Scheduled to open from 2025 onward



Ordinary income increased 4% YoY, remaining strong

Financial Results (Fiscal Year Ended December 31, 2022)

	(USD million)			
	FY2021 Result	FY2022 Result	YoY Change	% YoY Change
Revenues	689	764	75	11%
Gross profit	306	346	40	13%
Ordinary income	85	89	3	4%
Net income	60	59	-1	-2%

ROA (%)	4.2%	4.0%	-0.2pt	
RORA (%) *	14.6%	13.3%	-1.3pt	
Transaction volume	1,417	1,514	97	7%

	Dec. 31, 2021	Dec. 31, 2022	YoY Change	%YoY Change
Segment assets	2,090	2,318	228	11%

* ROA after deducting non-recourse loan

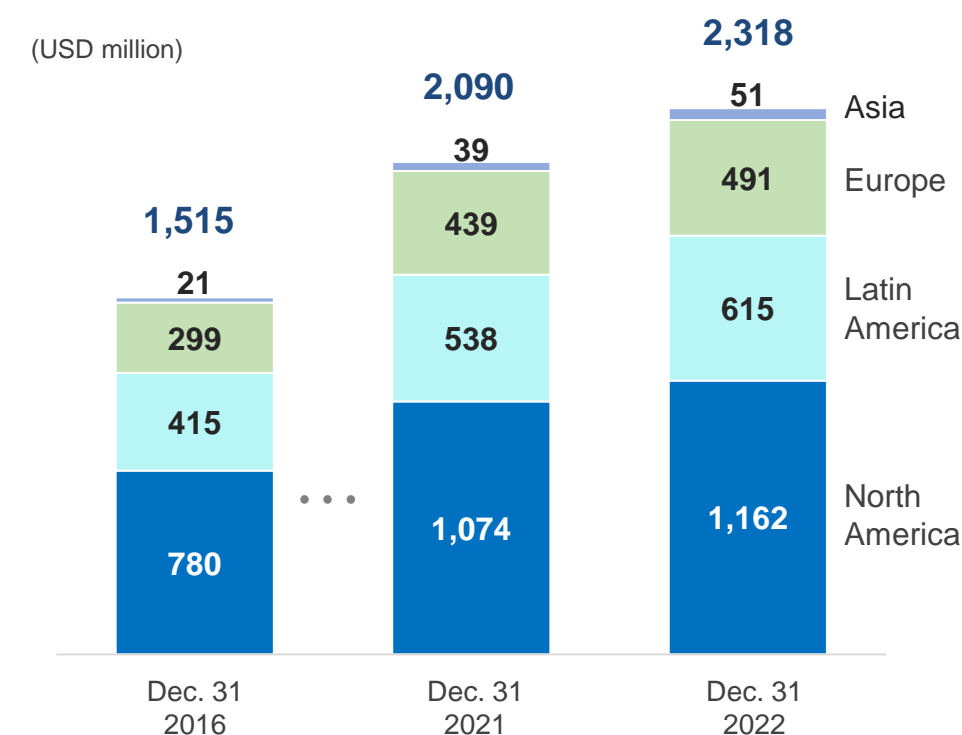
Major Factors for Change

- Secondary lease revenues and re-lease revenues contributed to higher ordinary income due to ongoing strong demand for existing IT equipment use against the backdrop of longer delivery times for new equipment.
- Transaction volume showed steady growth, especially in Europe and Latin America, where CSI's network is expanding.

Balance of Segment Assets by Region

Since becoming a wholly owned subsidiary of TC in 2016, CSI has expanded its global bases and

increased balance of segment assets



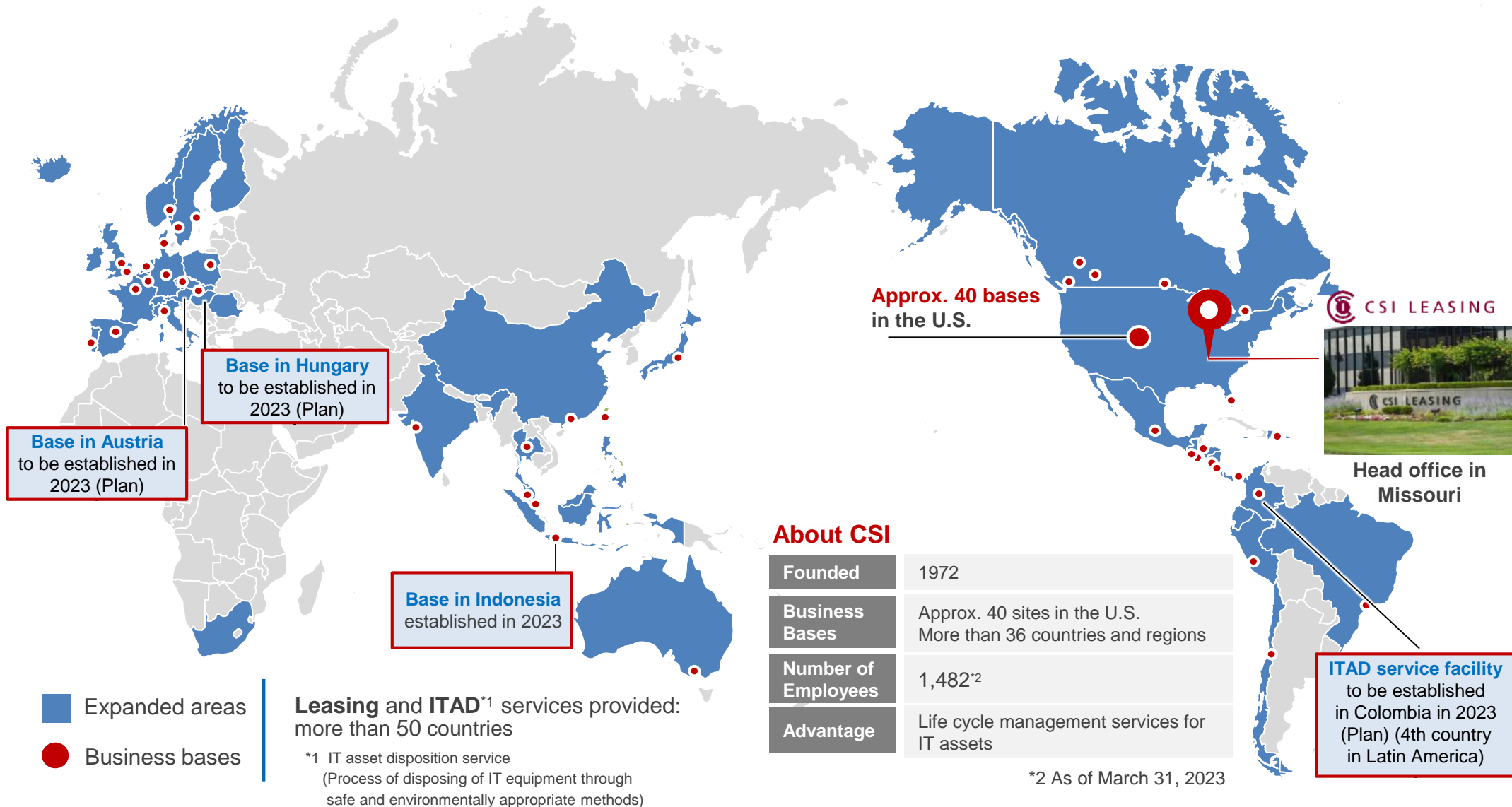
(Became a wholly owned subsidiary of TC)



CSI's Global Strategies



Developing its global network for facilities providing ITAD services that are growing in demand in addition to expanding operating bases

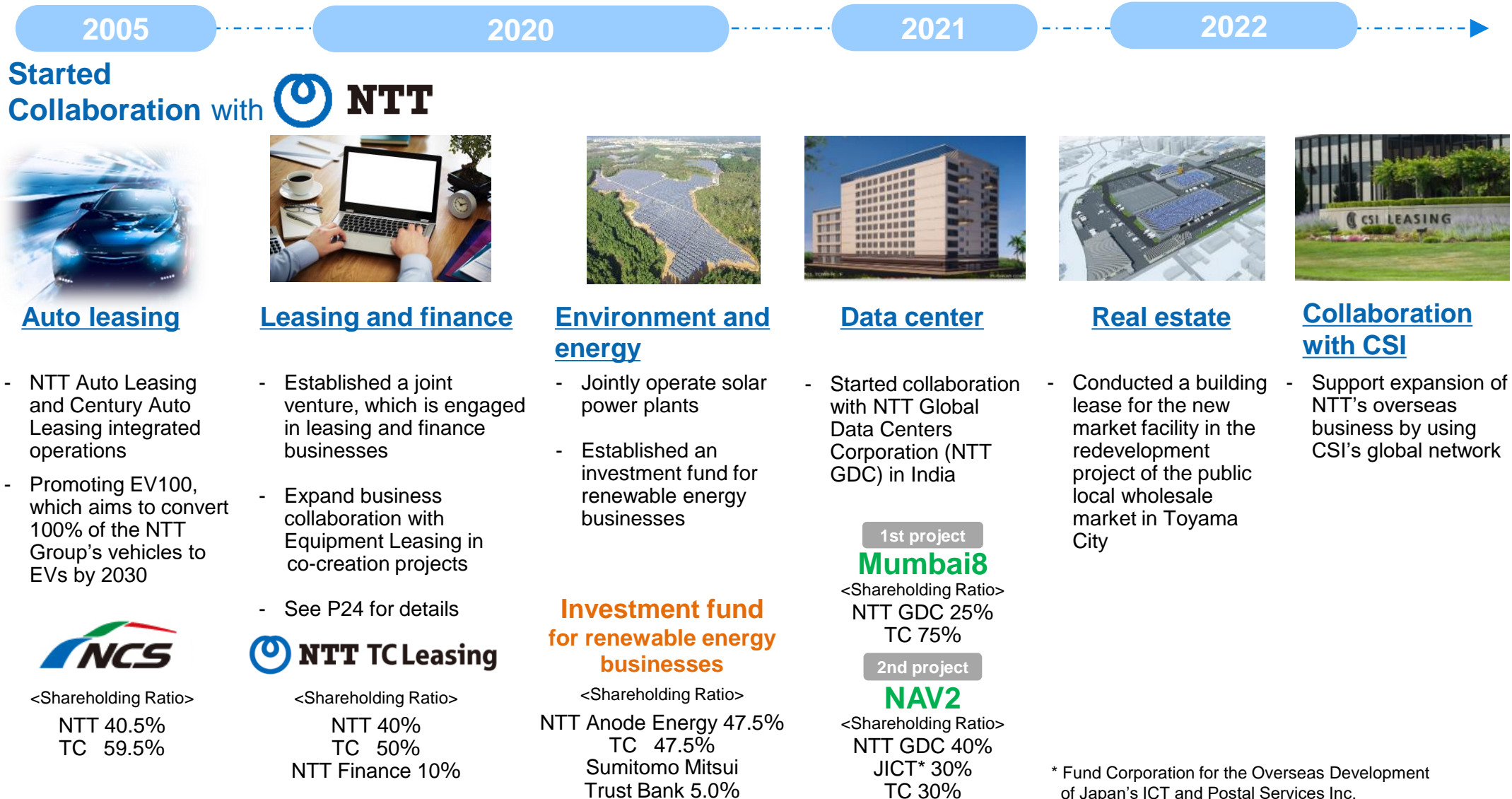




5. Collaboration with the NTT Group

Status of Business Collaboration with the NTT Group

Promoting business collaboration in each business field by integrating the strengths of both companies





6. Promotion of Sustainability Management

Promoting sustainability management by setting non-financial KPIs linked to TC's materiality (key issues) based on SDGs

Materiality	Main KPIs (from SUSTAINABILITY DATA BOOK)
■ Contribution to decarbonized society Contribute to widespread use of clean energy through climate change response and environmental efforts	<ul style="list-style-type: none"> - Reduction of office electricity use (including gasoline and paper use) - Contribution to reducing CO₂ emissions through solar power generation businesses - Rate of electrified vehicle use (EVs, FCEVs, PHEVs, HVs) - Rate of fuel-efficient aircraft use - Projected aggregate greenhouse gas emissions reductions from Joint Crediting Mechanism (JCM) Model Projects
■ Creation of new businesses driven by technical innovation Create new businesses by integrating new technologies into financial services and contribute to the digital economy	<ul style="list-style-type: none"> - Maintained certification of Digital Transformation (DX) Certification system under the Ministry of Economy, Trade and Industry (METI)
■ Contribution to social infrastructure development Respond to advances in global mobility services and cooperate with local communities to contribute to social infrastructure development	<ul style="list-style-type: none"> - Number of vehicles equipped with telematics services and promotion of safe driving lessons conducted using the services - Ratio of rental cars equipped with safety features (automated brakes, etc.)
■ Sustainable resource use Contribute to development of a circular economy focused on the value of assets	<ul style="list-style-type: none"> - Promotion of refurbishment business - ITAD data erasure services (CSI Leasing subsidiary Executive Personal Computers, Inc.) - Promotion of car rental services (NRS)
■ Enhancement of work environment, leading to strengthening of human resources Promote human resources development, diversity, and work-style reforms that improve job satisfaction and foster a sense of personal growth	<ul style="list-style-type: none"> - Average monthly overtime hours - Annual paid leave acquisition rate / Childcare leave acquisition rate - Ratio of women among new graduates, in section leader positions and management positions - Rate of employees undergoing regular health check-ups / Rate of employees undergoing stress checks - Number of employees relocated through Career Challenge Program, etc.
■ Shared platform	Utilize diverse partnerships to create new value

SUSTAINABILITY DATA BOOK



A wealth of **quantitative and qualitative information, including environmental performance,** is provided

- KPI's **target year** and specific **target details**
- **KPI's performance figures** from FY2019 to FY2021
- Scope 1 to Scope 3 **GHG emissions**
(Added calculation results of aircraft and owned vessels to category 13 of scope 3)
- Obtained **independent practitioner's assurance** concerning environmental data such as GHG emissions
- Introduction of **GRI Standards Content Index**

The Tokyo Century Group^{*1} promotes the reduction of greenhouse gas (GHG) emissions^{*2} and aims to achieve **carbon neutrality by fiscal 2040**.

As the interim target toward carbon neutrality, the Tokyo Century Group aims to achieve a 50% reduction in GHG emissions by fiscal 2030 (vs. FY2021^{*3}).

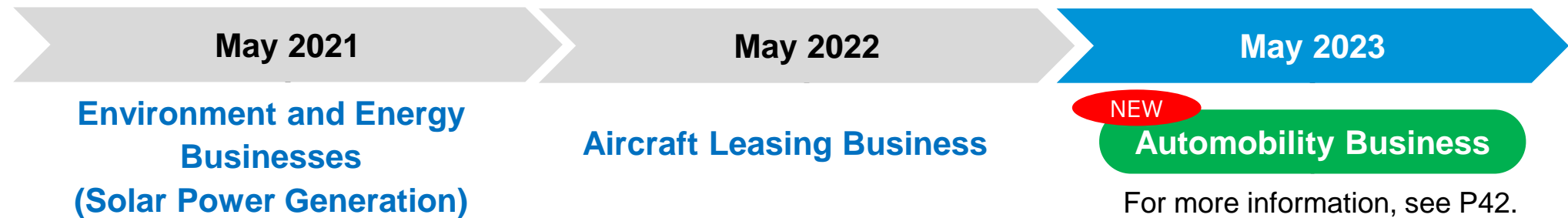
*1 Major consolidated subsidiaries where personnel are located (including the biomass co-firing power plant of Shunan Power Corporation)

*2 Direct emissions from Company-owned and controlled resources (Scope 1) and indirect emissions from the consumption of purchased electricity, heat, and steam (Scope 2)

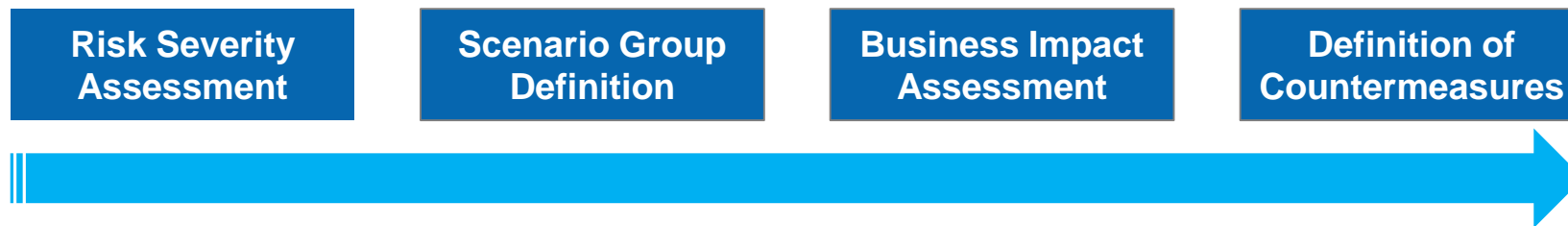
*3 Greenhouse gas emissions of 1,365,000 t-CO₂ in fiscal 2021

(Emissions volume as calculated in relation to carbon-neutrality target = Fiscal 2021 greenhouse gas emissions + Estimated annual greenhouse gas emissions from hotel business and biomass co-firing power plant of Shunan Power)

The scenario analyses conducted in three business areas show that the impact of climate change on the performance of each business will be limited



Scenario Analysis Process



As a result of these scenario analyses,
the impact on the performance of the Tokyo Century Group is limited

Renewable Energy Generation Capacity

E: Environmental

S: Social

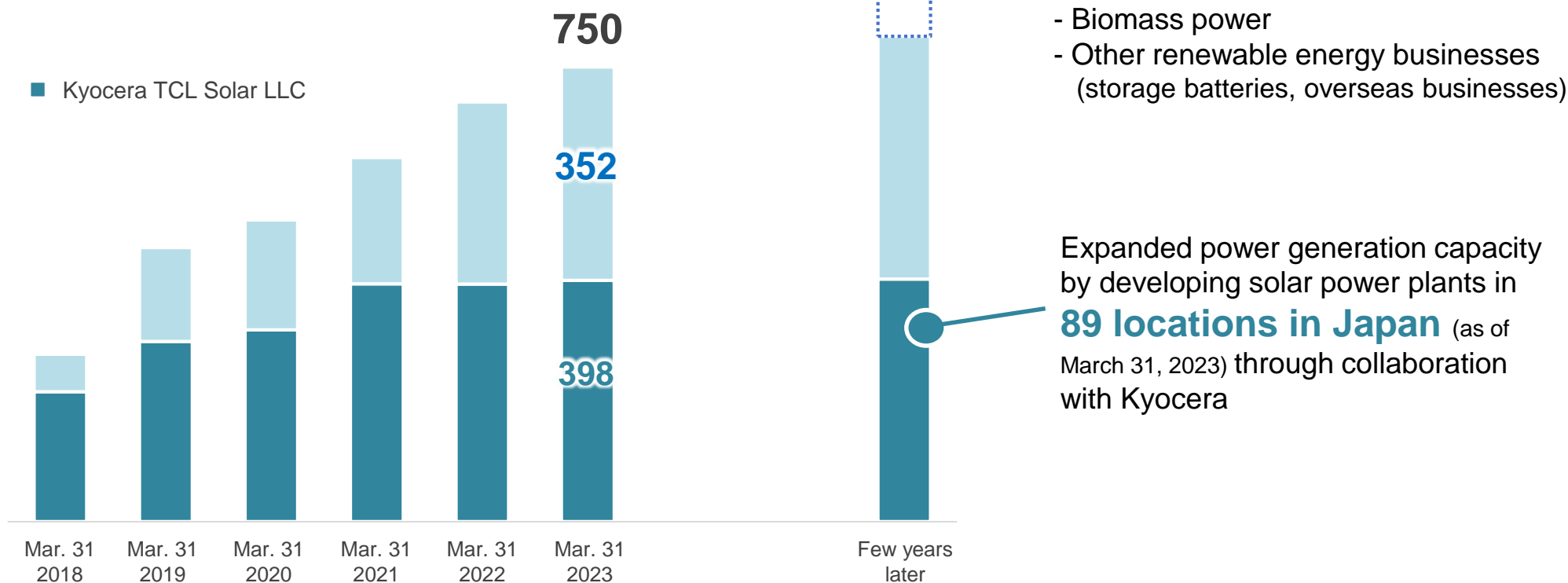
G: Governance

Expanding new renewable energy businesses by all the companies in addition to reinforcing solar power generation businesses

Expanding new renewable energy businesses

Aiming to achieve output **1,000MW** as early as possible

<Changes in all companies' generation output*1 *2 (MW)>



*1 Excludes solar panel leasing and financing; output value proportionate to ownership ratio of under-operation projects (subsidiaries counted as 100%)

*2 Sum of generation capacity figures for Equipment Leasing and Environmental Infrastructure in which power generation businesses are operated

Aiming to reduce CO₂ emissions by proactively introducing the most advanced aircraft



Fuel efficiency was **UP** about **20%** compared to conventional aircraft

How about fuel-efficient A320neo?

- Enables to reduce CO₂ emissions by about **3,100t** per year compared to conventional aircraft



- With 150 aircraft, the CO₂ reduction effect of solar power generation is equivalent to that of about **1 GW**^{*1 *2}



Contribution to achieving a decarbonized society by introducing new technologies in the aviation field

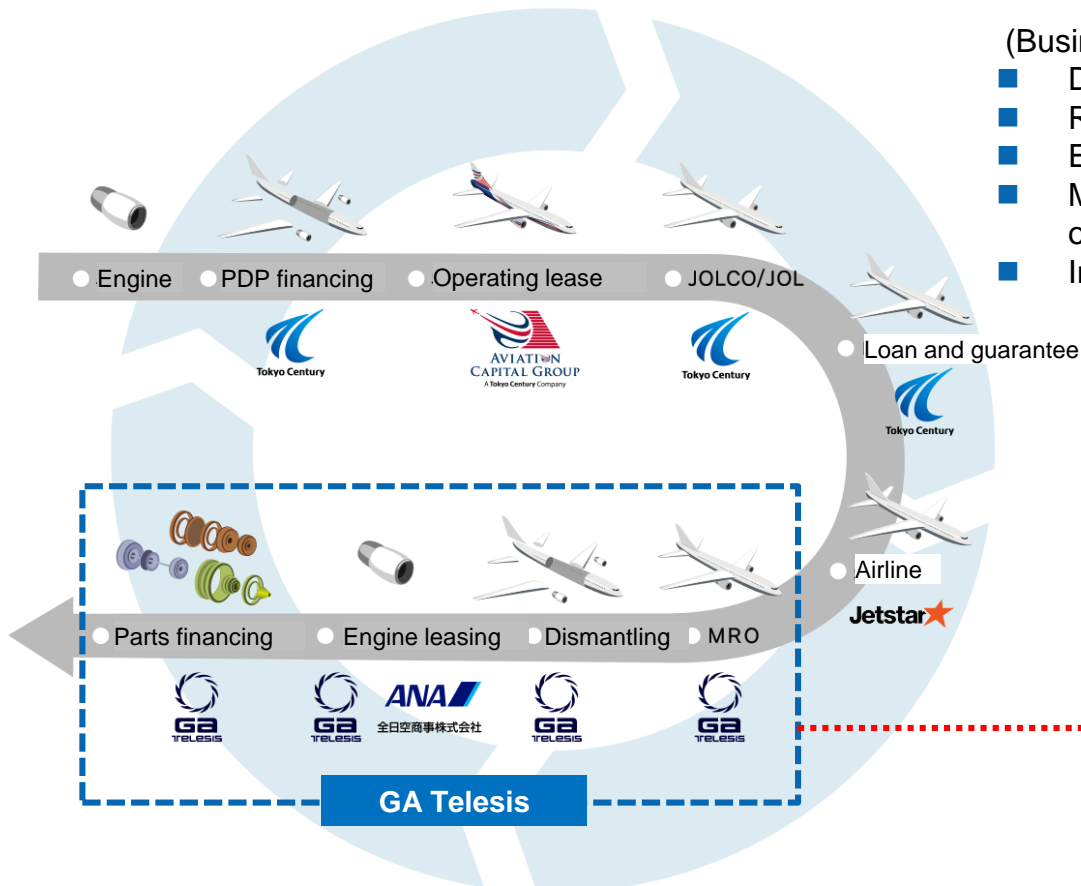
^{*1} Japan Photovoltaic Energy Association (JPEA) guidelines in FY2021: CO₂ reduction effect of crystalline silicon type solar power generation system is 399.5g-CO₂/kWh

^{*2} Facility utilization rate is 12%



Collaboration with GA Telesis engaged in aircraft engine leasing and parts trading

Maximizing the value of TC's aircraft value chain



GA Telesis, LLC*



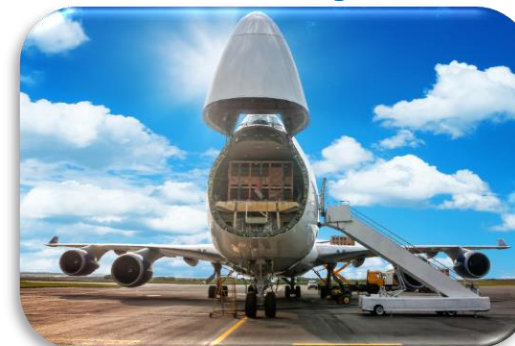
(Business activities)

- Dismantle used aircraft
- Repair and sale of engine parts, etc.
- Engine leasing
- Maintenance, repair, and overhaul of aviation related equipment
- Inventory finance

* TC's equity-method affiliate (49.2% ownership by TC)



Promote **conversion business** from passenger aircraft to **cargo aircraft** since the demand for **cargo aircraft** is increasing



Contributing to the **creation of an environmentally sound, sustainable economy and society** primarily by dismantling retired aircraft and reusing the parts

Scenario Analysis of Automobility

E: Environmental

S: Social

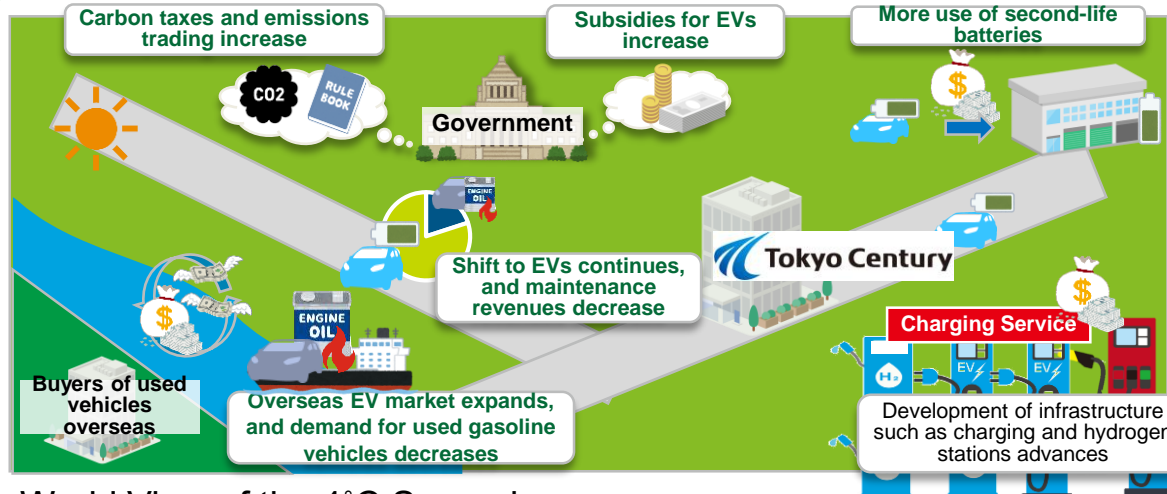
G: Governance

固定価格

The results of the scenario analyses based on TCFD show that climate change will have a **limited impact** on the **Automobility Business (corporate and individual auto leasing)**

Decarbonization

World View of the Well Below 2°C or 1.5°C Scenario

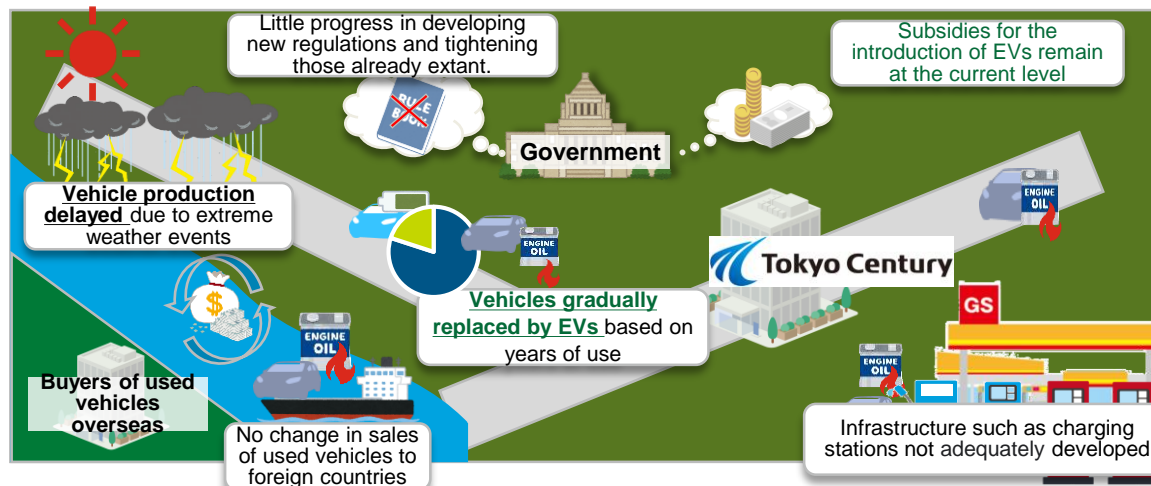


Under the 1.5°C Scenario,^{*1} operating income in the Automobility Business segment is expected to decrease, mainly due to a decrease in the ownership ratio of gasoline vehicles with higher maintenance revenues compared to EVs.

However, **earnings are expected to remain at a reasonable level** through aggressive efforts in new businesses, such as recharging services and businesses for second-life batteries, in line with the shift to EVs.

^{*1} Global EV Outlook 2021 by the International Energy Agency

World View of the 4°C Scenario

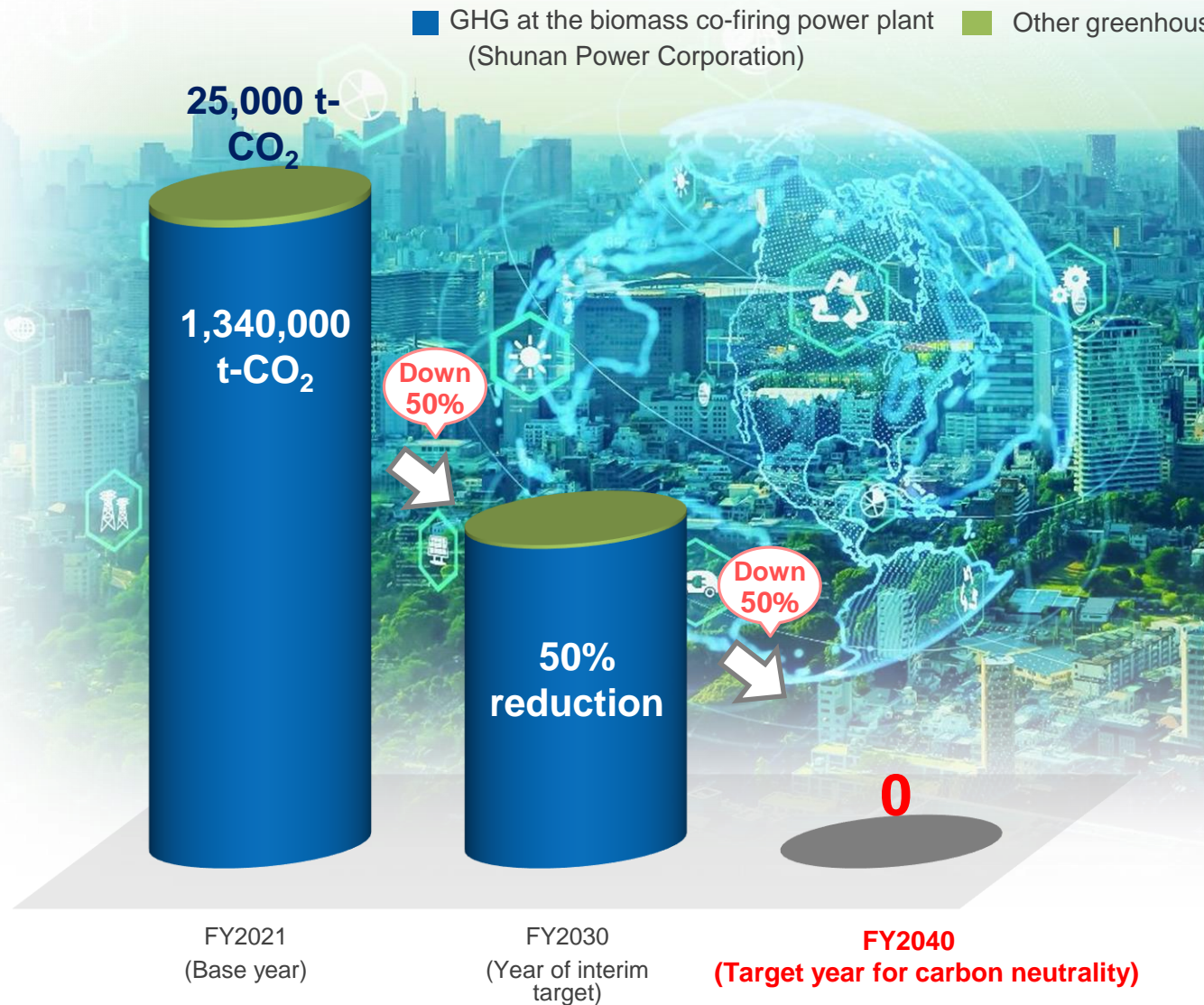


Under the 4°C Scenario,^{*2} insurance coverage limits the impact of flood damage to leased vehicles from intensified natural disasters. On the other hand, the ownership ratio of gasoline vehicles with higher maintenance revenues compared to EVs will slightly increase.

As a result, the calculation results show that **business profit (ordinary income)** in the Automobility Business segment after the projected scenario **are expected to be slightly higher than before the scenario projection.**

^{*2} Survey on Tax Revenue Simulation, etc. Concerning the Automobile-Related Taxation System" by the Tokyo Metropolitan Government

The Tokyo Century Group's Greenhouse Gas Emissions Reduction Plan



Point

<Challenges>

Strategic actions for achieving carbon neutrality taken at the biomass co-firing power plant in light of operating environment

- In consideration of the projected increase in the biomass co-firing ratio and the anticipated use of next-generation technologies, including ammonia co-firing, the Group established the “Transition Roadmap for Achieving Carbon Neutrality by 2040,” which is aimed at reducing GHG emissions by 50% by fiscal 2030 and achieving carbon neutrality by fiscal 2040.

(Please see more details in the transition roadmap on the Company's website titled “Transition Roadmap for the Shunan Power Corporation Power Plant in Shunan City, Yamaguchi Prefecture”)

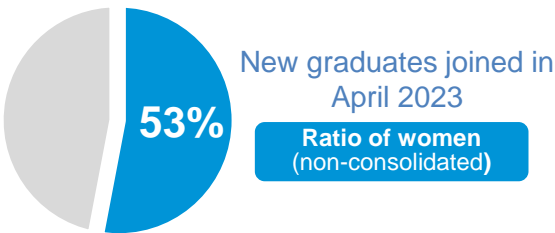
Strengthening of human resources to support growth over the next 10 years

Diversity and Initiatives for Empowering Female Employees

Ratio of female managers (non-consolidated)

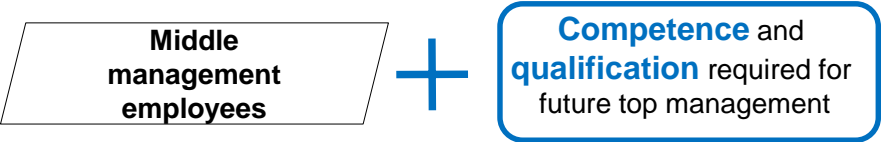


Formulated the Action Plan on the Promotion of Women to Officer and Managerial Positions in October 2014. Aiming at steadily increasing the number of female officers and managers through the active employment, training, and promotion of highly motivated and talented women.



Strategic Program for Developing Human Resources

Train management employees aiming at the next executives using the personnel program “TC Academy” for employees in managerial positions



Career Challenge Program (Internal Recruitment Program)

Actively support employees’ own career development
⇒ Design individuals’ career they pursue

	FY2020	FY2021	FY2022
Employees who relocated to their desired divisions	14	13	18
Application	19	20	24
Open recruitment	47	75	73

TC Biz Challenge (New Business Proposal Project)

Actively assist employees’ proactive Challenge



Started a verification test for the commercialization of one new proposal

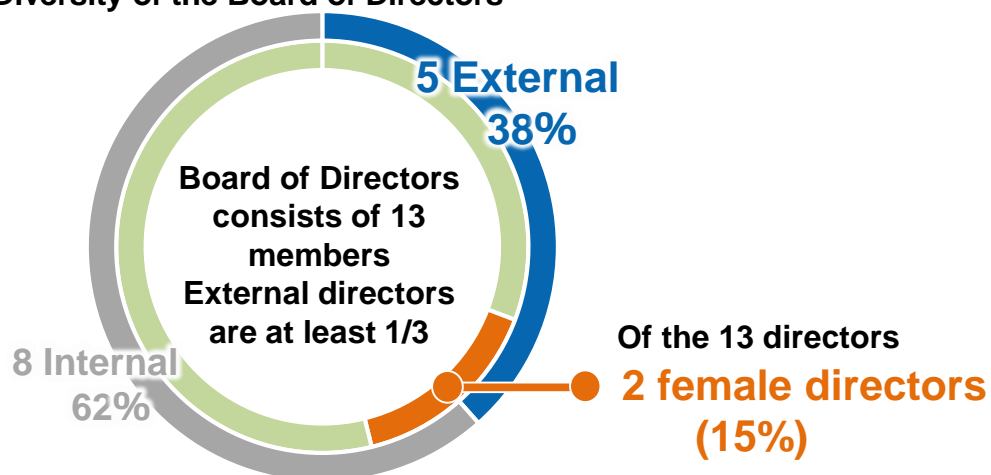
Circular agriculture that couples hydroponics for cultivating vegetables in water with aquaculture for raising fish on land

Strengthen management systems contributing to the improvement of the effectiveness of the Board of Directors

History of Strengthening of TC's Corporate Governance System

2018	● Separation of the Nomination and Compensation Committee into two entities: the Nomination Committee and the Compensation Committee
2019	● Number of external directors increased (from 4 to 5, external directors represent at least one-third of all directors)
2019	● System reforms implemented, including the appointment of external directors as chairpersons of the Nomination Committee and the Compensation Committee
2021	● Number of directors reduced (15 to 13), Shift to system incorporating diversity
2022	● Number of female directors increased (1 to 2)

Diversity of the Board of Directors



Evaluation of the Effectiveness and Issues of the Board of Directors

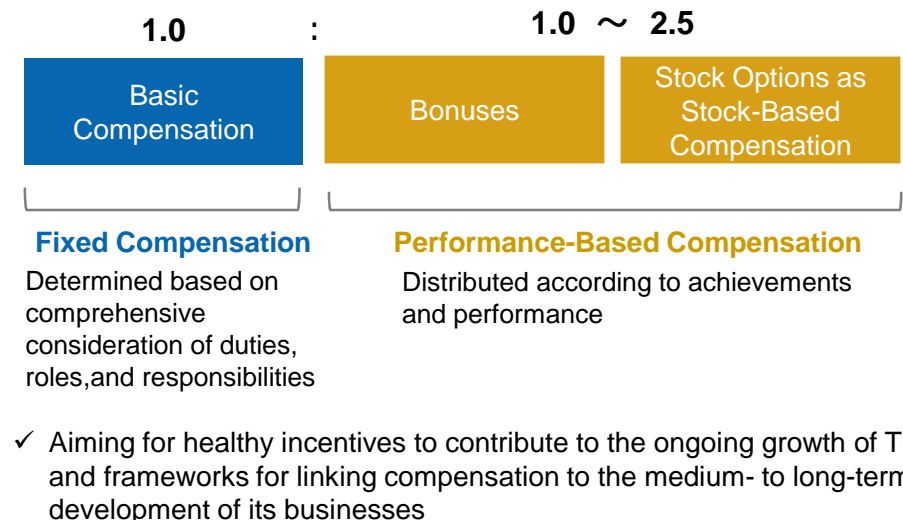
<Effectiveness evaluation>

- Conducted an analysis and a review of aspects such as the effectiveness of the Board of Directors' supervisory functions, the status of deliberations, structure, and operating methods
- The details of effectiveness evaluation were stated in the corporate governance report and disclosed

<Major issues for the Board of Directors in FY2022>

- Aiming to facilitate medium- to long-term, in-depth deliberations on the overall composition of and what it should be of the business portfolio, including allocation of management resources through free discussions and other methods

Officer Compensation



Reference Information on Sustainability Management

■ Sustainability Management

<https://www.tokyocentury.co.jp/en/csr/csr/policy.html>

■ Sustainability Data Book

<https://www.tokyocentury.co.jp/en/csr/databook/>

■ Tokyo Century NEWS

<https://tokyocentury-news.com/>

■ IR Information

<https://www.tokyocentury.co.jp/en/ir/>

■ Integrated Report

https://www.tokyocentury.co.jp/en/ir/int_report/

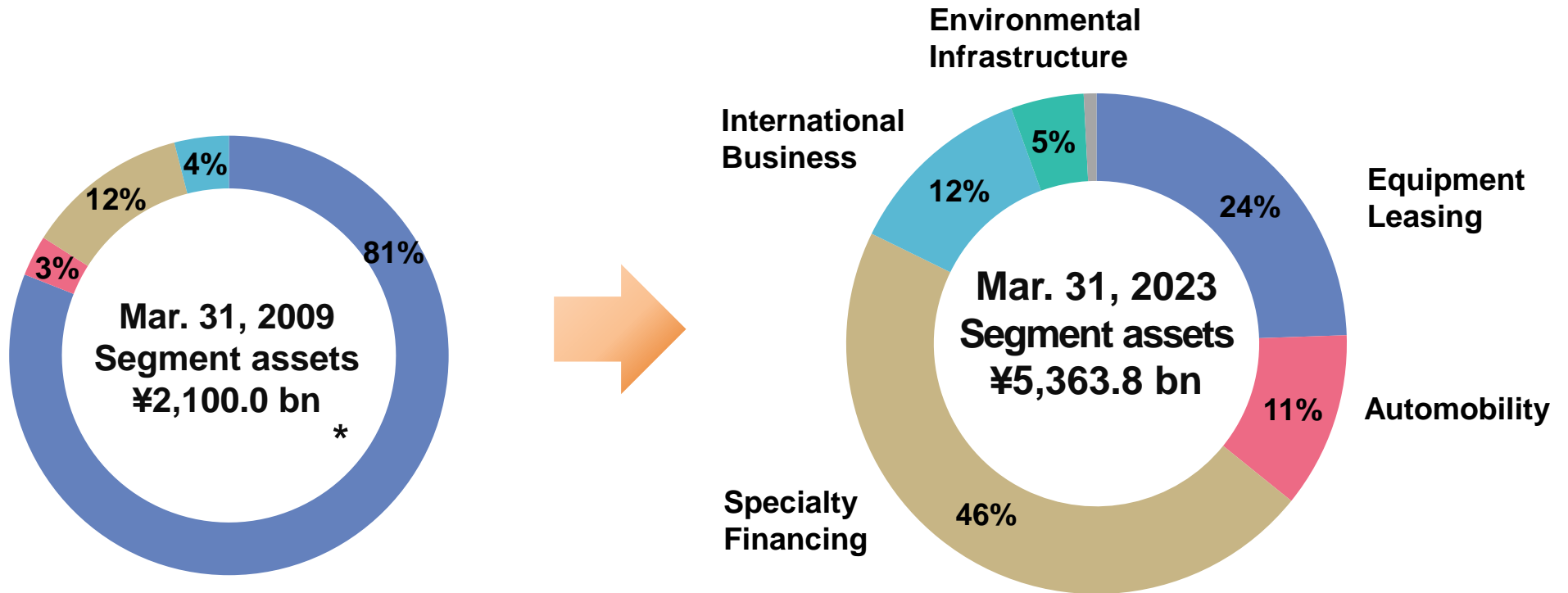




7. Appendix

Transition of Business Portfolio

High profitability segments, such as Automobility, Specialty Financing, and International Business, are increasing the ratio in the segment assets



At the launch of the company

FY2008 Results*

Ordinary income	¥22.3 billion
Net income attributable to owners of parent	¥10.0 billion

* Simple sum of the previous two companies immediately before merger

FY2023 Forecast

Ordinary income	¥110.0 billion
Net income attributable to owners of parent	¥70.0 billion

Credit Ratings

Credit ratings by each credit agency (Tokyo Century)

Credit Rating Agency	Japan Credit Rating Agency, Ltd. (JCR)	Rating and Investment Information, Inc. (R&I)	S&P Global Ratings Japan Inc. (S&P)
Long Term	<p><Long-Term Issuer Rating> Rating: AA- Outlook: Positive</p> <p><Preliminary Rating for Bonds Registered for Issuance> * Rating: AA- Expected issue amount: ¥400 billion Issue period: Two years beginning February 25, 2022</p> <p><Euro Medium-Term Note Program> Rating: AA- Equivalent of USD2 billion</p>	<p><Issuer Rating> Rating: A+ Outlook: Positive</p> <p><Preliminary Rating for Bonds Registered for Issuance> * Rating: A+ Expected issue amount: ¥400 billion Issue period: Two years beginning February 25, 2022</p> <p><Euro Medium-Term Note Program> Rating: A+ Equivalent of USD2 billion</p>	<p><Issuer Rating> Rating: BBB Outlook: Stable</p>
Short Term	<p><Commercial Paper> Rating: J-1+ Maximum outstanding amount: ¥800 billion</p>	<p><Commercial Paper> Rating: a-1 Maximum outstanding amount: ¥800 billion</p>	

* Each bond will be rated by each rating agency upon issuance.

Statement of Income

(Billions of yen)

	#	FY2021 Result	FY2022 Result	Change	%Change
Revenues	1	1,278.0	1,325.0	47.0	3.7%
Costs	2	1,070.9	1,099.5	28.6	2.7%
Funding cost	3	47.9	67.7	19.7	41.2%
Gross profit	4	207.1	225.5	18.4	8.9%
SG&A expenses	5	124.4	134.3	9.9	8.0%
Personnel expenses	6	67.8	76.2	8.4	12.4%
Non-personnel expenses	7	49.1	57.5	8.4	17.2%
Credit costs	8	7.5	0.5	-6.9	-92.8%
Operating income	9	82.7	91.2	8.5	10.3%
Non-operating income and losses	10	7.8	15.0	7.1	90.9%
Ordinary income	11	90.5	106.2	15.7	17.3%
Extraordinary income and losses	12	-1.1	-70.6	-69.5	-
Income before income taxes	13	89.4	35.6	-53.8	-60.2%
Income taxes	14	30.7	21.1	-9.6	-31.4%
Net income	15	58.7	14.5	-44.2	-75.3%
Net income attributable to non-controlling interests	16	8.4	9.7	1.3	16.1%
Net income attributable to owners of parent	17	50.3	4.8	-45.5	-90.5%

Major Factors for Change

■ Gross profit

Increased mainly in Specialty Financing and Mobility & Fleet Management

■ SG&A expenses

Personnel expenses and non-personnel expenses: increased mainly in International Business and Specialty Financing

■ Non-operating income and losses

Increased mainly due to an increase in equity in earnings of affiliates

■ Ordinary income

Increased mainly in Specialty Financing and Mobility & Fleet Management

■ Net income attributable to owners of parent

Decreased mainly due to an extraordinary loss of ¥74.8 billion in exposure to Russian airlines

Balance Sheet

(Billions of yen)

	#	Mar. 31, 2022	Mar. 31, 2023	Change	%Change
Total assets	1	5,663.8	6,082.1	418.3	7.4%
Current assets	2	2,963.6	2,996.8	33.2	1.1%
Non-current assets, etc.	3	2,700.2	3,085.3	385.1	14.3%
Leased assets	4	1,993.7	2,232.5	238.8	12.0%
Leased assets advance payment	5	55.9	81.1	25.3	45.3%
Other operating assets	6	116.2	215.0	98.7	84.9%
Investment securities	7	235.0	325.7	90.8	38.6%
Others	8	299.5	231.0	-68.5	-22.9%
Total liabilities	9	4,868.2	5,193.1	324.9	6.7%
Current liabilities	10	1,823.6	2,106.2	282.6	15.5%
Long-term liabilities	11	3,044.6	3,086.9	42.3	1.4%
Total net assets	12	795.6	889.0	93.4	11.7%
Shareholders' equity	13	673.0	761.6	88.6	13.2%
Non-controlling interests, etc.	14	122.6	127.4	4.8	3.9%

Major Factors for Change

■ Non-current assets, etc.

Leased assets
Increased mainly in aircraft leasing assets of ACG due to the impact of the exchange rate fluctuations

Interest-Bearing Debt

(Billions of yen)

	#	Mar.31, 2021	Mar. 31, 2022	Mar. 31, 2023	Change	%Change
Interest-bearing debt	1	4,280.9	4,247.4	4,514.7	267.3	6.3%
Commercial papers	2	629.6	371.5	352.3	-19.2	-5.2%
Japanese yen	3	629.6	289.6	271.7	-17.9	-6.2%
Foreign currency	4	-	81.9	80.6	-1.3	-1.6%
Corporate bonds	5	1,022.7	1,000.1	1,052.7	52.6	5.3%
Japanese yen	6	362.5	401.5	372.6	-28.9	-7.2%
Foreign currency	7	660.2	598.6	680.1	81.5	13.6%
Securitized lease assets	8	61.6	31.4	25.8	-5.6	-17.9%
Borrowings	9	2,567.0	2,844.4	3,083.9	239.5	8.4%
Japanese yen	10	1,736.1	1,941.4	1,958.5	17.1	0.9%
Foreign currency	11	830.9	903.0	1,125.4	222.4	24.6%
Direct funding ratio	12	40.0%	33.0%	31.7%	-1.3pt	
Long-term funding ratio	13	78.3%	84.5%	85.7%	1.2pt	

	#	FY2020 Result	FY2021 Result	FY2022 Result	Change	%Change
Funding cost	14	43.9	47.9	67.7	19.7	41.2%
Funding cost ratio*	15	1.02%	1.12%	1.55%	0.43pt	

Major Factors for Change

Interest-bearing debt

Increased mainly in interest-bearing debt denominated in foreign currency due to the impact of the exchange rate fluctuations

* Funding cost ratio = Funding costs / { (Interest-bearing debt of the previous fiscal year end + Interest-bearing debt of this fiscal year end) / 2 }

Status of top-tier fund procurement initiatives related to the SDGs and ESG in Japan

Actively promoted fund procurement related to the SDGs and ESG, such as positive impact finance, in connection with advancing materiality initiatives based on the SDGs. As a result, TC's total amount was **¥453.8 billion, the top level in Japan** (As of March 31, 2023)

Quarterly Changes in Results by Subsidiary in Mobility & Fleet Management

Reached a record high, mainly due to
NCS's maximized gains on sales and NRS's improved profitability

		FY 2021					FY 2022					
		Q1	Q2	Q3	Q4	Total (Annual)	Q1	Q2	Q3	Q4	Total (Annual)	Change (YoY)
Revenues (Billions of yen) ²	NCS	52.8	51.9	48.7	47.8	201.3	54.0	49.2	47.4	46.9	197.5	-3.8
	NRS ^{*1}	14.9	14.2	17.9	17.4	64.4	16.3	18.0	20.4	19.9	74.6	10.2
	OAL	20.2	21.0	21.4	22.4	85.0	20.8	22.2	22.4	23.1	88.5	3.6
	Total	87.9	87.1	88.1	87.6	350.7	91.2	89.4	90.2	89.9	360.6	10.0

Ordinary income (Billions of yen)	NCS	5.2	4.6	2.5	1.9	14.3	6.8	5.0	2.2	2.4	16.5	2.2
	NRS	-1.1	-1.0	1.5	1.9	1.2	0.9	2.2	3.9	1.4	8.4	7.2
	OAL	0.6	0.6	0.7	1.8	3.8	0.6	0.5	0.7	1.4	3.3	-0.5
	Other	0.0	0.0	-0.0	-0.0	-0.0	-0.0	-0.0	-0.1	-0.1	-0.2	-0.2
	Total	4.8	4.2	4.7	5.6	19.2	8.3	7.7	6.8	5.2	28.0	8.7

Balance of segment assets (Billions of yen)	NCS	366.9	363.3	359.8	359.3		351.8	348.3	345.7	348.3		-11.0
	NRS	42.6	40.8	43.0	40.3		41.7	41.5	49.3	44.7		4.4
	OAL	217.8	219.4	220.2	211.7		214.2	215.0	218.4	216.5		4.8
	Other ^{*3}	-0.8	0.7	0.8	0.5		2.4	2.2	2.1	2.1		1.5
	Total	626.5	624.2	623.8	611.8		610.1	607.0	615.5	611.6		-0.2

Number of vehicles (Thousand)	NCS	671	674	674	674		673	679	680	683		9
	NRS	42	44	42	43		44	49	44	44		1
	OAL	164	166	168	170		172	173	175	178		8
	Duplication adjustment	-172	-170	-172	-174		-176	-177	-179	-182		-7
	Total	704	714	712	713		713	724	720	724		11

*1 Fiscal period of NRS ends in December *2 Revenues = Simple sum of three companies

*3 Intercompany adjustment within the companies in Mobility & Fleet Management

Breakdown of Ordinary Income by Operating Segment (Core earnings, gain on sales, impairment, etc.)

Core earnings in Mobility & Fleet Management increased due to contributions from NRS

(Billions of yen)											
	FY2021					FY2022					Change
	Q1	Q2	Q3	Q4	Total (Annual)	Q1	Q2	Q3	Q4	Total (Annual)	
Equipment Leasing	8.1	8.2	7.5	10.1	33.9	9.1	8.2	6.8	7.7	31.7	-2.2
Core earnings	8.1	8.2	7.5	10.2	34.0	9.2	8.0	6.9	7.8	31.9	-2.1
Gain on sales *1	-	-	-	-	-	-	-	-	-	-	-
Impairment, bad debt, etc. *2	0.0	-0.0	-0.0	-0.1	-0.1	-0.2	0.2	-0.1	-0.1	-0.2	-0.1
Mobility & Fleet Management	4.8	4.2	4.7	5.6	19.2	8.3	7.7	6.8	5.2	28.0	8.7
Core earnings	4.8	4.2	4.6	5.7	19.3	8.3	7.8	6.5	5.0	27.6	8.3
Gain on sales	-	-	-	-	-	-	-	-	-	-	-
Impairment, bad debt, etc.	0.0	-0.1	0.0	-0.1	-0.1	-0.0	-0.1	0.3	0.1	0.3	0.5
Specialty Financing	15.5	11.6	5.0	-2.6	29.5	24.0	12.9	10.5	10.0	57.4	27.9
Core earnings	13.2	9.7	10.7	13.5	47.1	11.9	12.8	8.2	10.0	42.9	-4.2
Gain on sales	6.2	1.1	0.5	7.1	14.9	12.2	1.0	4.5	4.7	22.4	7.5
Impairment, bad debt, etc.	-3.9	0.8	-6.2	-23.2	-32.5	-0.0	-0.9	-2.2	-4.8	-7.9	24.6
International Business	4.6	3.0	3.6	7.8	19.0	-6.6	-1.1	2.8	4.0	-0.9	-19.9
Core earnings	4.7	3.1	3.6	2.5	13.8	4.9	4.9	3.5	3.6	17.0	3.2
Gain on sales	-	-	-	-	-	-	-	-	0.9	0.9	0.9
Impairment, bad debt, etc.	-0.1	-0.1	-0.0	5.3	5.2	-11.5	-6.0	-0.8	-0.6	-18.9	-24.1
Other	-2.5	-2.9	-2.6	-3.1	-11.1	-2.8	-3.9	-0.0	-3.2	-10.0	1.1
Core earnings	-2.5	-3.0	-2.7	-2.7	-10.8	-2.9	-3.8	-4.2	-3.3	-14.1	-3.3
Gain on sales	-	-	-	-	-	-	-	-	-	-	-
Impairment, bad debt, etc.	-0.0	0.1	0.0	-0.4	-0.3	0.0	-0.1	4.1	0.1	4.2	4.5
Total	30.5	24.1	18.0	17.8	90.5	32.0	23.9	26.7	23.6	106.2	15.7
Core earnings	28.3	22.3	23.7	29.2	103.5	31.5	29.7	21.0	23.2	105.4	1.9
Gain on sales	6.2	1.1	0.5	7.1	14.9	12.2	1.0	4.5	5.7	23.4	8.5
Impairment, bad debt, etc.	-3.9	0.7	-6.2	-18.4	-27.8	-11.7	-6.9	1.3	-5.2	-22.5	5.3

*1 Aggregated results: gains (losses) on sales of real estate and operational investment securities

*2 Aggregated results: Impairment, bad debt, and gain (loss) on valuation of operational investment securities

Major Group Companies (Domestic)

Company Name	Operating Segment	Main Business Operations	Tokyo Century	Shareholders
FLCS Co., Ltd.	Equipment Leasing	IT equipment leasing	80%	Fujitsu: 20%
IHI Finance Support Corporation	Equipment Leasing	General leasing and finance	66.5%	IHI: 33.5%
Orico Business Leasing Co., Ltd.	Equipment Leasing	General leasing	50%	Orient Corporation: 50%
ITEC Leasing Co., Ltd.	Equipment Leasing	General leasing	85.1%	NHK Group: 14.9%
S.D.I Co., Ltd.	Equipment Leasing	General leasing	100%	
TRY Corporation	Equipment Leasing	Refurbishment of PCs	80%	Movable Trade Networks: 20%
TC Tsukishima Energy Solution LLC	Equipment Leasing	Biogas electricity generation and selling electricity business	90%	Tsukishima Kikai: 10%
Amada Lease Co., Ltd.	Equipment Leasing	General leasing	60%	Amada: 40%
NTT TC Leasing Co., Ltd.	* Equipment Leasing	General leasing and finance	50%	NTT Group: 40%, NTT Finance: 10%
NITTSU Lease & Finance Co., Ltd.	* Equipment Leasing	General leasing and finance	49%	Nippon Express: 49%, Sompo Japan Insurance: 2%
ITOCHU TC Construction Machinery Co., Ltd.	* Equipment Leasing	Sales and rental of construction machinery	50%	ITOCHU: 50%
Nanatsujima Biomass Power LLC	* Equipment Leasing	Electricity generation business	25.1%	IHI and 7 other companies
Bplats, Inc.	* Equipment Leasing	Subscription business	31.3%	
FFG Lease Co., Ltd.	* Equipment Leasing	General leasing	25%	Fukuoka Financial Group, Inc.: 75%
Nippon Car Solutions Co., Ltd.	Automobility	Auto leasing	59.5%	NTT: 40.5%
Nippon Rent-A-Car Service, Inc.	Automobility	Car rental	88.6%	ANA Holdings: 11.4%
Orico Auto Leasing Co., Ltd.	Automobility	Auto leasing for individuals	50%	Orient Corporation: 50%
TC Kobelco Real Estate Co., Ltd.	Specialty Financing	Real estate business	70%	Kobe Steel: 25%, Chuo-Nittochi: 5%
TC Hotels & Resorts Karuizawa Co., Ltd.	Specialty Financing	Hotel business	100%	
TC Hotels & Resorts Beppu Co., Ltd.	Specialty Financing	Hotel business	100%	
TC Property Solutions Corporation	Specialty Financing	Property management	100%	
Chuo-Nittochi Asset Management Co., Ltd.	* Specialty Financing	Management and formation of real estate funds	30%	Chuo-Nittochi: 70%
Kyocera TCL Solar LLC	Environmental Infrastructure	Electricity generation business	81%	Kyocera: 19%
TCLA Godo Kaisha	Environmental Infrastructure	General leasing	100%	
Shunan Power Corporation	Environmental Infrastructure	Electricity generation business	60%	Tokuyama: 20% Marubeni Clean Power: 20%
BOT Lease Co., Ltd.	* Other	General leasing and finance	25%	MUFG: 27.7%, The Norinchukin Bank: 25%

* Equity-method affiliate

Major Group Companies (Overseas)

Location	Overseas Group Company	Operating Segment	Main Business Operations	Tokyo Century	Shareholders
U.S.	TC Skyward Aviation U.S., Inc.	Specialty Financing	Aviation leasing and finance	100%	
	TC Realty Investments Inc.	Specialty Financing	Real estate investment	100%	
	Aviation Capital Group LLC	Specialty Financing	Aviation leasing and finance	100%	
	GA Telesis, LLC	* Specialty Financing	Provider of products, services and solutions to the commercial aerospace industry	49.2%	ANA Trading: 10%
	Gateway Engine Leasing, LLC	* Specialty Financing	Aircraft engine leasing	20%	GA Telesis: 40% ANA Trading: 40%
Ireland	TC Skyward Aviation Ireland Ltd.	Specialty Financing	Aviation leasing and finance	100%	
	TC Aviation Capital Ireland Ltd.	Specialty Financing	Aviation leasing and finance	100%	
China	Tokyo Century Leasing China Corporation	International Business	General leasing	80%	ITOCHU Group: 20%
	Tokyo Century Factoring China Corporation	International Business	Factoring services	100%	
	Dalian Bingshan Group Hua Hui Da Financial Leasing Co., Ltd.	* International Business	Finance and general leasing	40%	Dalian Bingshan Group: 60%
	Suzhou New District Furui Leasing Co., Ltd.	* International Business	Finance and general leasing	15.8%	Suzhou government-affiliated companies: 80.2%
Taiwan	President Tokyo Corporation	* International Business	Automobile leasing and general leasing	49%	Uni-President Enterprises Group: 51%
Singapore	Tokyo Century Leasing (Singapore) Pte. Ltd.	International Business	General leasing	100%	
	Tokyo Century Asia Pte. Ltd.	International Business	Investment, shareholding, and ancillary business	100%	
Malaysia	Tokyo Century Capital (Malaysia) Sdn. Bhd.	International Business	General leasing	100%	
Thailand	TISCO Tokyo Leasing Co., Ltd.	International Business	General leasing	49%	TISCO Financial Group: 49%
	HTC Leasing Co., Ltd.	International Business	Construction machinery finance	70%	Hitachi Construction Machinery Group: 30%
	TC Advanced Solutions Co., Ltd.	International Business	Reverse factoring and other services	59%	
	TC Car Solutions (Thailand) Co., Ltd.	International Business	Auto financing and services	99%	
Indonesia	PT. Century Tokyo Leasing Indonesia	International Business	General leasing	85%	Lippo Group: 15%
	PT. Hexa Finance Indonesia	* International Business	Construction machinery finance	20%	ITOCHU Group: 50% Hitachi Construction Machinery Group: 30%
Philippines	BPI Century Tokyo Lease & Finance Corporation	International Business	General leasing	51%	Bank of the Philippine Islands: 49%
U.S.	CSI Leasing, Inc.	International Business	IT equipment leasing	100%	
	Tokyo Century (USA) Inc.	International Business	General leasing	100%	
	AP Equipment Financing	International Business	Finance and general leasing	100%	
	ZAXIS Financial Services Americas, LLC	* International Business	Construction machinery finance	35%	ITOCHU Group: 35% Hitachi Construction Machinery Group: 30%

* Equity-method affiliate

External Evaluation: Inclusion in Global Indices

Highly evaluated by ESG evaluation organizations in Japan and overseas and used in many indices

JPX-Nikkei Index 400

The stock index is composed of companies with high appeal for investors, which meet requirements of global investment standards, including ROE, an indicator of capital efficiency. Tokyo Century has been selected to the index since its launch in 2014.

FTSE4Good Index

Tokyo Century has been selected as a constituent of the FTSE4Good Index series, a major global index for socially responsible investment.

S&P/JPX Carbon Efficient Index

Tokyo Century has been selected as a constituent of the S&P/JPX Carbon Efficient Index that is designed to help improve corporates' disclosure on carbon and data transparency, by adjusting constituents' weights according to their relative carbon-to-revenue footprint since 2018.

MSCI Japan ESG Select Leaders Index

The index based on the MSCI Japan IMI Top 700 Index to represent the performance of companies that have high environmental, social, and governance (ESG) performance. Tokyo Century has been a constituent of the index since 2017.

MSCI Japan Empowering Women (WIN) Select Index

The index is comprised of companies with excellent gender diversity scores within their sector among the MSCI Japan IMI Top 700 Index. Tokyo Century has been a constituent of the index since 2022

FTSE Blossom Japan Index

Tokyo Century is a constituent of the FTSE Blossom Japan Index, which is designed as a tool to measure the performance of Japanese companies that demonstrate strong environmental, social, and governance (ESG) practices.

FTSE Blossom Japan Sector Relative Index

Tokyo Century is a constituent of the FTSE Japan Sector Relative Index, which is designed to evaluate efforts demonstrating outstanding environmental, social, and governance (ESG) practices in respective sectors and promoting the transition to a low-carbon economy.

Note: The Government Pension Investment Fund (GPIF) of Japan has selected the  marked indices as a benchmark for passive ESG investments

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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