

# **IR Presentation**

## **for FY2024 Q2**



## Results for FY2024 Q2

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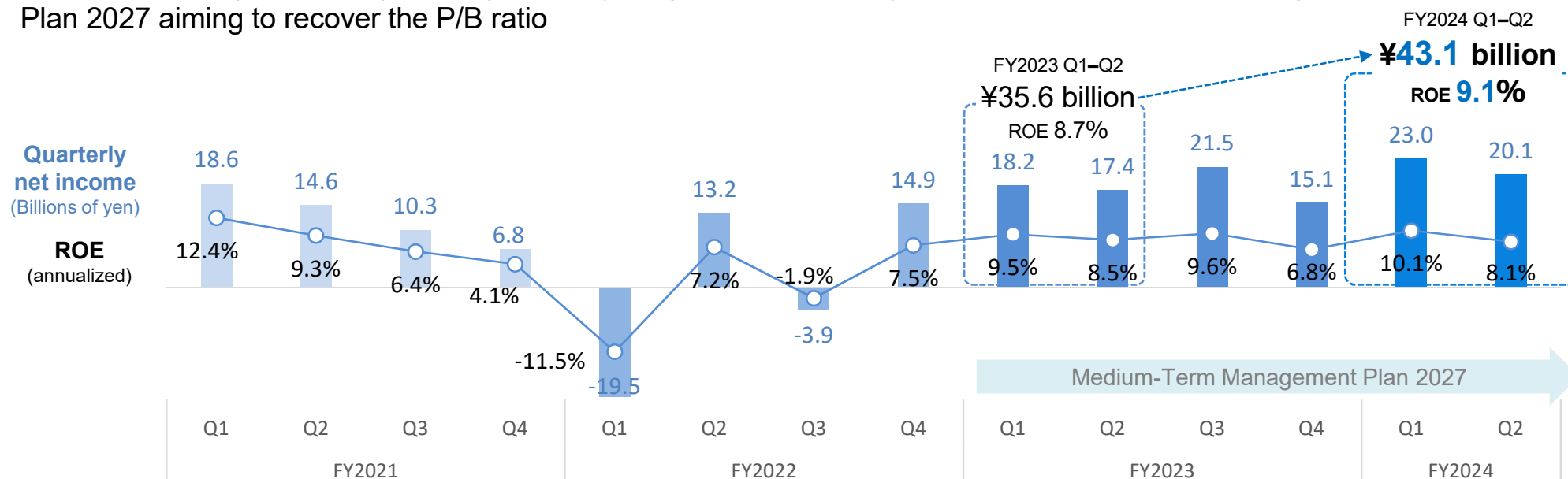


## Results for FY2024 Q2

# Executive Summary

## 1. Net income\*<sup>1</sup> increased ¥7.5 billion YoY to ¥43.1 billion, the highest ever for Q1–Q2

- The progress toward the annual target was **53.9%**, with extraordinary income of ¥4.9 billion (after-tax)\*<sup>2</sup> recorded as a result of selling cross-held shares among others
- **ROE** was **9.1%** (annualized), making a steady progress for the 2nd year of the Medium-Term Management Plan 2027 aiming to recover the P/B ratio



## 2. Specialty Financing drove income increases

Major factors in changes

- (i) Specialty Financing: **Increased ¥6.0 billion YoY**, driven by aviation and principal investment
- (ii) Automobility: Increased ¥0.4 billion YoY due to the growth of Nippon Rent-A-Car Service (NRS) and Nippon Car Solutions (NCS)
- (iii) Environmental Infrastructure: Decreased ¥2.6 billion mainly due to the absence of one-time gains recorded for the same period of the previous fiscal year

\*1 Net income refers to net income attributable to owners of parent for Q1–Q2. ROE in the chart is annualized based on net income for each quarter.

\*2 After-tax income calculated using the effective tax rate

# Financial Highlights

Both ordinary income and net income hit a record high for Q1–Q2

(Billions of yen)

|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change | % Change |
|--|---------------------|---------------------|--------|----------|
| Ordinary income                                    | 59.2                | 63.7                | 4.5    | 7.6%     |
| Net income (loss) attributable to owners of parent | 35.6                | 43.1                | 7.5    | 21.1%    |
| EPS  | ¥72.71              | ¥88.09              | ¥15.38 | 21.2%    |
| ROA (Net income / Total assets)                    | 1.2%                | 1.3%                | 0.1pt  |          |
| ROE (Net income / Shareholders' equity)            | 8.7%                | 9.1%                | 0.4pt  |          |

| FY2024<br>Forecast | % Progress |
|--------------------|------------|
| 125.0              | 51.0%      |
| 80.0               | 53.9%      |
| ¥163.38            | 53.9%      |

Estimated average exchange rate and fiscal-year-end exchange rate for FY2024 forecast: USD1 = ¥140

Average exchange rate (USD1)      ¥135.00      ¥152.36 (Average exchange rate for January-June used for major overseas subsidiaries)






|                            | Mar. 31, 2024 | Sep. 30, 2024 | Change | % Change |
|----------------------------|---------------|---------------|--------|----------|
| Balance of segment assets  | 5,720.4       | 6,174.4       | 454.0  | 7.9%     |
| Shareholders' equity       | 872.2         | 1,031.3       | 159.1  | 18.2%    |
| Shareholders' equity ratio | 13.5%         | 14.9%         | 1.4pt  |          |

Exchange rate at the end of the period (USD1)      ¥141.82      ¥161.14 (Exchange rate at the end of June used for major overseas subsidiaries)

# Net Income & ROA by Operating Segment

Income increased YoY in Specialty Financing, Automobility, and International Business

## Net income attributable to owners of parent for Q1–Q2

|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change     |
|--|---------------------|---------------------|------------|
|  Equipment Leasing             | 12.1                | 11.3                | -0.8       |
|  Automobility                  | 9.9                 | 10.3                | 0.4        |
|  Specialty Financing           | 10.9                | 17.0                | 6.0        |
|  International Business        | 4.4                 | 4.9                 | 0.4        |
|  Environmental Infrastructure | 3.5                 | 0.9                 | -2.6       |
| Other  | -5.2                | -1.2                | 4.0        |
| <b>Total (Net income)</b>  | <b>35.6</b>         | <b>43.1</b>         | <b>7.5</b> |

(Billions of yen)

| FY2024<br>Initial Forecast | % Achievement |
|----------------------------|---------------|
| 25.0                       | 45%           |
| 18.0                       | 57%           |
| 34.0                       | 50%           |
| 13.0                       | 37%           |
| 2.5                        | 35%           |
| -12.5                      | -             |
| <b>80.0</b>                | <b>54%</b>    |

## ROA

(Net income / Segment assets)

| FY2024<br>Q2 Result | Change |
|---------------------|--------|
| 1.8%                | -0.1pt |
| 4.3%                | 0.6pt  |
| 1.1%                | 0.3pt  |
| 1.1%                | -0.2pt |
| 0.6%                | -2.0pt |
|                     |        |
| 1.4%                | 0.1pt  |

ROA (Net income / Total assets)

|      |       |
|------|-------|
| 1.3% | 0.1pt |
|------|-------|



# Results of Equipment Leasing

|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change      | (Billions of yen)  |             |
|--|---------------------|---------------------|-------------|--------------------|-------------|
|  |                     |                     |             | FY2024<br>Forecast | Gap         |
| Revenues   | 233.7               | 224.5               | -9.2        |                    |             |
| Gross profit                                       | 18.5                | 19.0                | 0.5         |                    |             |
| Operating income                                   | 12.2                | 12.0                | -0.2        |                    |             |
| <b>Ordinary income</b>                             | <b>16.1</b>         | <b>15.2</b>         | <b>-0.9</b> |                    |             |
| NTT TC Leasing                                     | 3.6                 | 3.0                 | -0.6        |                    |             |
| <b>Net income attributable to owners of parent</b> | <b>12.1</b>         | <b>11.3</b>         | <b>-0.8</b> | <b>25.0</b>        | <b>13.7</b> |

(Achievement: 45%)

|   |      |      |        |
|---|------|------|--------|
| ROA (%)<br>(Ordinary income / Segment assets) | 2.6% | 2.4% | -0.2pt |
| ROA (%)<br>(Net income / Segment assets)      | 1.9% | 1.8% | -0.1pt |

|                | Mar. 31,<br>2024 | Sep. 30,<br>2024 | Change |
|----------------|------------------|------------------|--------|
| Segment assets | 1,273.5          | 1,212.9          | -60.6  |

## Factors in changes and annual forecast

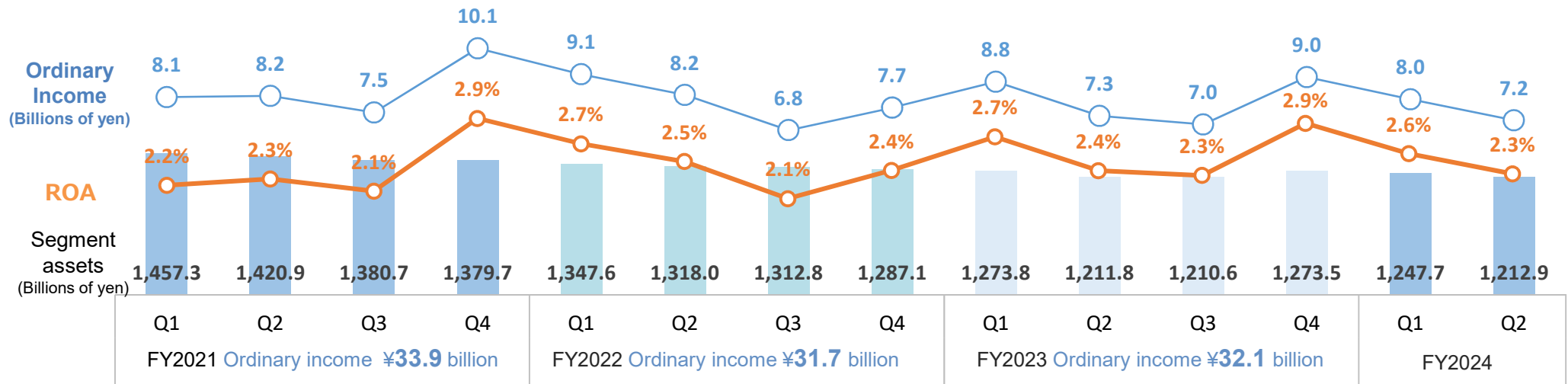
### Ordinary income (YoY)

- Decreased mainly due to foreign exchange losses (valuation losses) of NTT TC Leasing\* and increased SG&A expenses. Gross profit increased despite an increase in funding cost.

\* For performance of NTT TC Leasing, see p.13.

### Annual forecast for net income

- The achievement rate is lower than planned, but Equipment Leasing will strive to catch up by promoting portfolio management focused on asset efficiency on a consolidated basis. The measures will include capturing the demand for replacement of IT equipment and increasing profits of Group companies.



\* ROA is annualized based on ordinary income for each quarter



# Results of Automobility

|  | (Billions of yen)   |                     |            |
|--|---------------------|---------------------|------------|
|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change     |
| Revenues   | 189.7               | 154.5               | -35.2      |
| Gross profit                                       | 47.0                | 49.3                | 2.3        |
| Operating income                                   | 19.7                | 21.3                | 1.6        |
| <b>Ordinary income</b>                             | <b>19.9</b>         | <b>21.6</b>         | <b>1.7</b> |
| NCS  | 11.8                | 13.2                | 1.4        |
| NRS  | 7.1                 | 8.4                 | 1.3        |
| OAL  | 1.1                 | 0.2                 | -0.8       |
| Other  | -0.1                | -0.3                | -0.2       |
| <b>Net income attributable to owners of parent</b> | <b>9.9</b>          | <b>10.3</b>         | <b>0.4</b> |

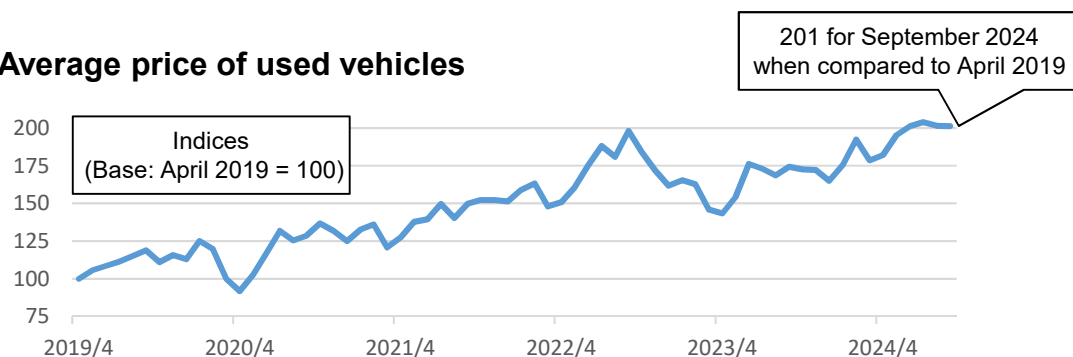
| (Billions of yen) |     |
|-------------------|-----|
| FY2024            |     |
| Forecast          | Gap |
| 18.0              | 7.7 |

(Achievement: 57%)

|   |       |       |        |
|---|-------|-------|--------|
| ROA (%)<br>(Ordinary income / Segment assets) | 7.4%  | 9.0%  | 1.6pt  |
| NCS   | 6.7%  | 7.3%  | 0.6pt  |
| NRS   | 31.8% | 38.6% | 6.8pt  |
| OAL   | 1.5%  | 0.6%  | -0.9pt |
| ROA (%)<br>(Net income / Segment assets)      | 3.7%  | 4.3%  | 0.6pt  |

|                | Mar. 31,<br>2024 | Sep. 30,<br>2024 | Change |
|----------------|------------------|------------------|--------|
| Segment assets | 479.0            | 482.6            | 3.6    |

## Average price of used vehicles



(Source) Created by Tokyo Century based on auction data (on prices of vehicles sold) of USS that provides one of the largest used car auctions in Japan

## Factors in changes and annual forecast

### Ordinary income (YoY)

- Nippon Car Solutions (NCS)  
Hit a record high for Q1–Q2, mainly due to increased income from re-leasing, along with increased gain on sales of end-of-lease vehicles as part of the timely sale of used cars
- Nippon Rent-A-Car Service (NRS)\*1  
Hit a record high for Q1–Q2 due to increased profitability resulting from the rise in car rental prices per unit

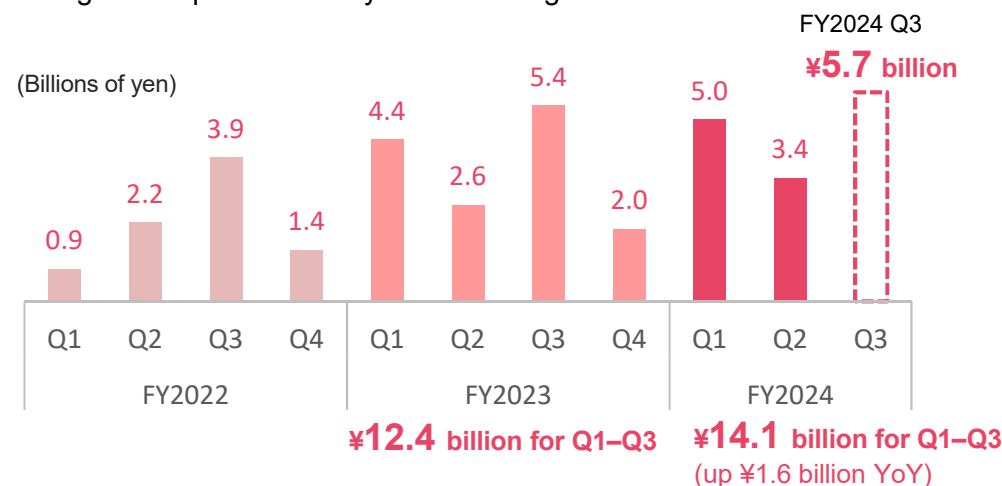
\*1 For performance and other details of NRS, see p.14.

### Annual forecast for net income

- Net income remained steady, achieving 57% of the annual target.  
NRS's ordinary income for Q3 (July–September) is also expected to increase YoY (see the figure below). The used car market also remains solid.

(Reference: NRS's ordinary income)

NRS's cumulative ordinary income (January–September) is expected to increase ¥1.6 billion YoY to ¥14.1 billion despite typhoons and a Nankai Trough earthquake advisory issued in August.





# Results of Specialty Financing

|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change     |
|--|---------------------|---------------------|------------|
| Revenues   | 147.2               | 150.4               | 3.2        |
| Gross profit                                       | 30.3                | 33.8                | 3.5        |
| Operating income                                   | 16.3                | 19.9                | 3.6        |
| <b>Ordinary income</b>                             | <b>17.2</b>         | <b>23.7</b>         | <b>6.5</b> |
| Aviation   | 7.2                 | 10.2                | 3.0        |
| ACG  | 3.0                 | 4.5                 | 1.5        |
| Others   | 4.2                 | 5.8                 | 1.6        |
| Shipping   | 2.4                 | 3.3                 | 0.9        |
| Real Estate  | 6.4                 | 6.4                 | -0.0       |
| Principal Investment and Others                    | 1.2                 | 3.7                 | 2.5        |
| Gain on Sales <sup>*1</sup>                        | 0.5                 | 2.3                 | 1.8        |
| Others   | 0.7                 | 1.4                 | 0.7        |
| <b>Net income attributable to owners of parent</b> | <b>10.9</b>         | <b>17.0</b>         | <b>6.0</b> |

(Billions of yen)

| FY2024   |     |
|----------|-----|
| Forecast | Gap |

|      |      |
|------|------|
| 34.0 | 17.0 |
|------|------|

(Achievement: 50%)

|   |      |      |        |
|---|------|------|--------|
| ROA (%)<br>(Ordinary income / Segment assets) | 1.3% | 1.6% | 0.3pt  |
| Aviation                                      | 0.8% | 1.0% | 0.2pt  |
| ACG   | 0.4% | 0.5% | 0.1pt  |
| Others  | 4.1% | 5.4% | 1.3pt  |
| Shipping                                      | 5.4% | 7.4% | 2.0pt  |
| Real Estate                                   | 2.1% | 1.8% | -0.3pt |
| Principal Investment and Others               | 2.3% | 5.8% | 3.5pt  |
| ROA (%)<br>(Net income / Segment assets)      | 0.8% | 1.1% | 0.3pt  |

|                | Mar. 31,<br>2024 | Sep. 30,<br>2024 | Change |
|----------------|------------------|------------------|--------|
| Segment assets | 2,825.3          | 3,205.6          | 380.3  |

\*1 Gain (loss) on sale of Principal Investment and operational investment securities

## Factors in changes and annual forecast

### Ordinary income (YoY)

#### ■ Aviation

Increased mainly due to ACG's increased gain on sales of aircraft, one-time cash collection, and the absence of its bad debt expenses recorded for the same period of the previous fiscal year, as well as income of GAT providing aviation aftermarket services

\*For performance and other details of ACG, see p.15.

#### ■ Shipping

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

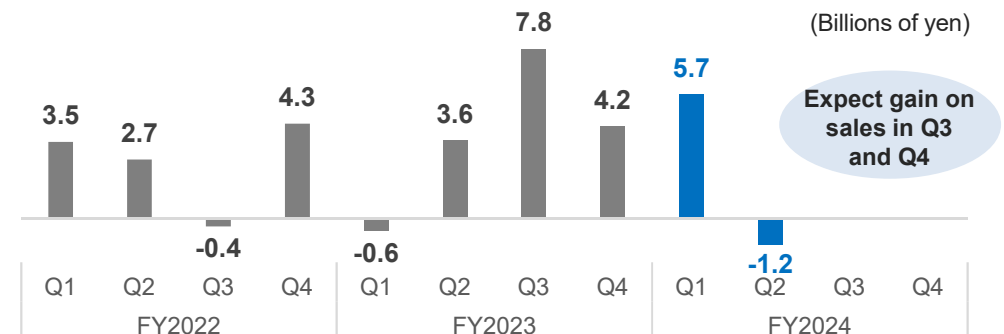
#### ■ Principal Investment, etc.

Increased mainly due to capital gains in principal investment

### Annual forecast for net income

- ACG's profitability is expected to recover against a backdrop of aircraft market recovery. Real estate, Principal Investment, and other businesses also expect solid income. Due to the execution timing of ACG's aircraft sale, income will be concentrated in the second half of the fiscal year.

Changes in ACG's quarterly ordinary income on a consolidated basis





# Results of International Business

(Billions of yen)

|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change     | FY2024      |            |
|--|---------------------|---------------------|------------|-------------|------------|
|  |                     |                     |            | Forecast    | Gap        |
| Revenues   | 80.8                | 104.7               | 23.9       |             |            |
| Gross profit                                       | 25.3                | 30.1                | 4.8        |             |            |
| Operating income                                   | 7.5                 | 8.1                 | 0.5        |             |            |
| <b>Ordinary income</b>                             | <b>7.4</b>          | <b>8.1</b>          | <b>0.7</b> |             |            |
| Asia   | 2.7                 | 2.2                 | -0.5       |             |            |
| USA and Europe                                     | 4.9                 | 5.6                 | 0.7        |             |            |
| CSI  | 5.3                 | 5.7                 | 0.4        |             |            |
| Other  | -0.5                | -0.2                | 0.3        |             |            |
| Other  | -0.2                | 0.3                 | 0.5        |             |            |
| <b>Net income attributable to owners of parent</b> | <b>4.4</b>          | <b>4.9</b>          | <b>0.4</b> | <b>13.0</b> | <b>8.1</b> |

(Achievement: 37%)

|   |      |      |        |
|---|------|------|--------|
| ROA (%)<br>(Ordinary income / Segment assets) | 2.1% | 1.8% | -0.3pt |
| Asia  | 2.4% | 1.8% | -0.6pt |
| USA and Europe                                | 2.0% | 1.7% | -0.3pt |
| CSI   | 3.1% | 2.8% | -0.3pt |
| Other   | -    | -    | -      |
| ROA (%)<br>(Net income / Segment assets)      | 1.3% | 1.1% | -0.2pt |

|                | Mar. 31,<br>2024 | Sep. 30,<br>2024 | Change |
|----------------|------------------|------------------|--------|
| Segment assets | 822.7            | 944.9            | 122.2  |

## Factors in changes and annual forecast

### Ordinary income (YoY)

#### ■ Asia

Decreased due to a decrease in income from operational investment securities

#### ■ USA and Europe

Income of CSI Leasing (CSI) increased due to the impact of exchange rate fluctuations, although it decreased on a US-dollar basis with a small number of end-of-lease assets, which are sources of secondary income.

\* For performance and other details of CSI, see p.22.

### Annual forecast for net income

- The achievement rate is lower than planned but is expected to catch up, with gain on sales and increases in CSI's secondary income to record in the second half as initially planned.



# Results of Environmental Infrastructure

|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change      |
|--|---------------------|---------------------|-------------|
| Revenues   | 34.5                | 32.3                | -2.2        |
| Gross profit                                       | 6.8                 | 4.4                 | -2.4        |
| Operating income                                   | 5.4                 | 2.8                 | -2.6        |
| <b>Ordinary income</b>                             | <b>5.5</b>          | <b>2.8</b>          | <b>-2.7</b> |
| <b>Net income attributable to owners of parent</b> | <b>3.5</b>          | <b>0.9</b>          | <b>-2.6</b> |

|   |      |      |        |
|---|------|------|--------|
| ROA (%)<br>(Ordinary income / Segment assets) | 4.1% | 2.0% | -2.1pt |
| ROA (%)<br>(Net income / Segment assets)      | 2.6% | 0.6% | -2.0pt |

|                | Mar. 31,<br>2024 | Sep. 30,<br>2024 | Change |
|----------------|------------------|------------------|--------|
| Segment assets | 273.9            | 285.1            | 11.2   |

(Billions of yen)

| FY2024   |     |
|----------|-----|
| Forecast | Gap |

|     |     |
|-----|-----|
| 2.5 | 1.6 |
|-----|-----|

(Achievement: 35%)

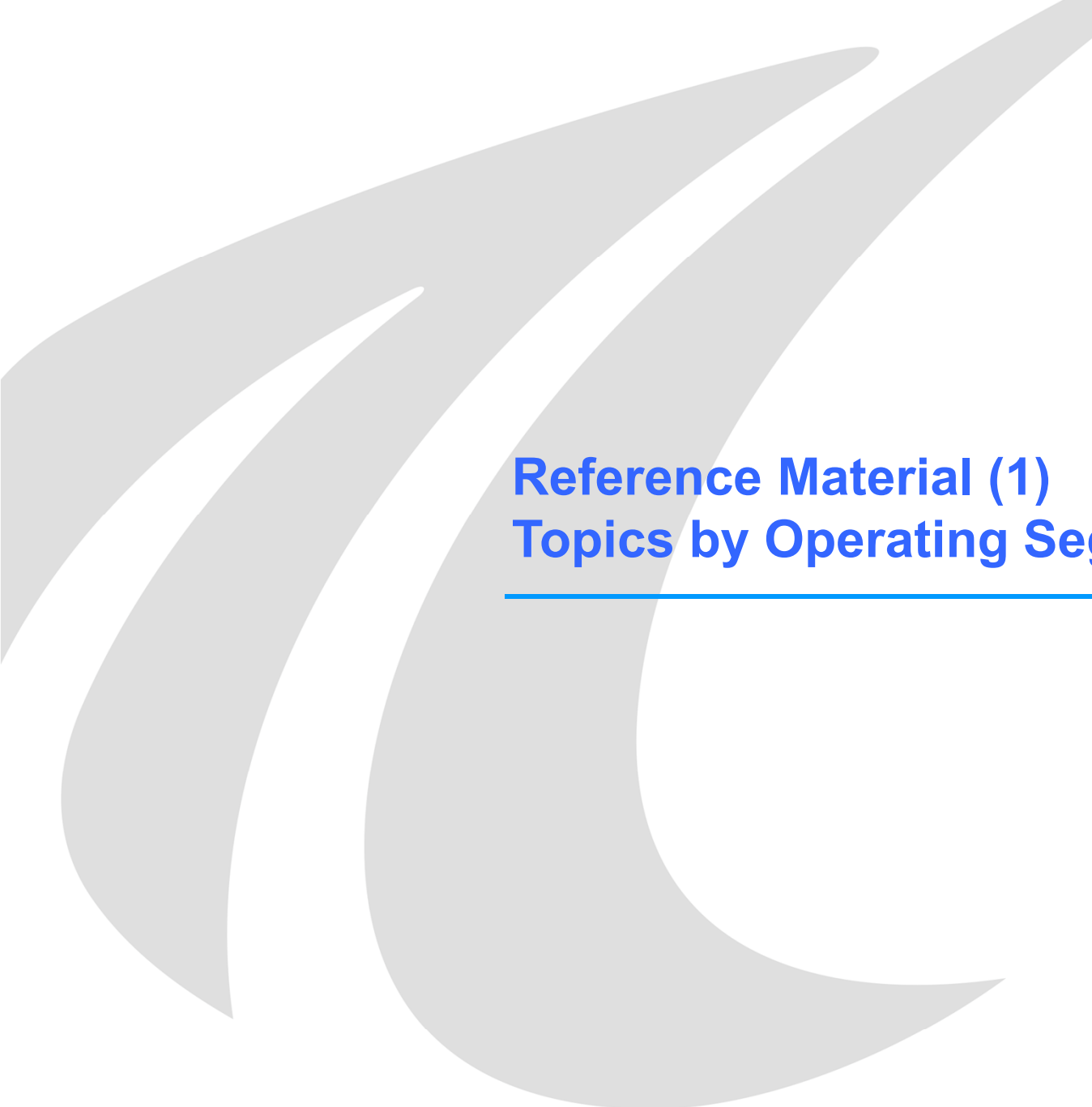
## Factors in changes and annual forecast

### Ordinary income (YoY)

- Decreased, mainly due to the absence of one-time gains recorded for the same period of the previous fiscal year and increased funding cost related to new overseas investment projects

### Annual forecast for net income

- The achievement rate is lower than planned, but various measures are planned to catch up in the second half, including gain on sales and improving the profitability of existing businesses.



## Reference Material (1) Topics by Operating Segment

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# Performance of NTT TC Leasing (NTL)

Income decreased due to the impact of exchange rate fluctuations, despite expanded segment assets improving earnings power steadily

## Financial results for six months ended Sept. 30, 2024

### NTT TC Leasing's Result

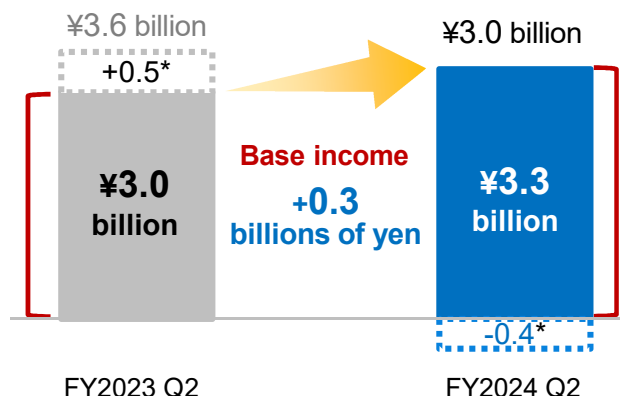
(billions of yen)

|   | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change      | % Change    |
|---|---------------------|---------------------|-------------|-------------|
| Revenues                                    | 187.4               | 191.4               | 4.0         | 2%          |
| Gross profit                                | 18.0                | 19.9                | 1.9         | 10%         |
| Operating income                            | 9.0                 | 9.8                 | 0.9         | 10%         |
| <b>Ordinary income</b>                      | <b>10.5</b>         | <b>8.6</b>          | <b>-1.9</b> | <b>-18%</b> |
| Net income attributable to owners of parent | 7.2                 | 6.0                 | -1.2        | -17%        |

|                                      |            |            |             |             |
|--------------------------------------|------------|------------|-------------|-------------|
| <b>TC's equity in NTL's earnings</b> | <b>3.6</b> | <b>3.0</b> | <b>-0.6</b> | <b>-17%</b> |
|--------------------------------------|------------|------------|-------------|-------------|

|                | Mar. 31,<br>2024 | Sep. 30,<br>2024 | Change | % Change |
|----------------|------------------|------------------|--------|----------|
| Segment assets | 1,962.0          | 1,965.3          | 3.3    | 0%       |

### TC's equity in NTL's earnings

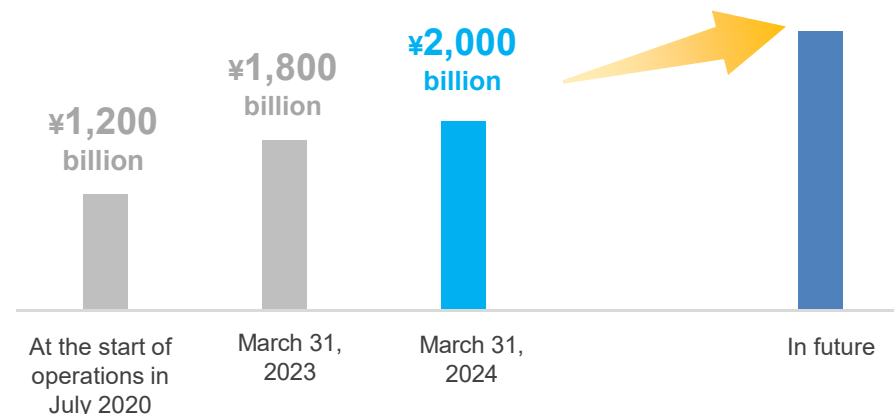


\* Valuation profit/loss of foreign-currency-denominated assets calculated based on the exchange rate at the end of the appropriate period

Exchange rate used for calculation:  
¥143/USD as of Sept. 30, 2024

Reference:  
¥151/USD as of Mar. 31, 2024  
The yen appreciated by 8 from the end of the previous fiscal year.

## Changes in segment assets



## Co-creation to expand segment assets

| Environment & Energy                                      | Real Estate                                | Global  |
|---|--|---|
| Financing for solar and biomass power generation projects | Enhancement of cooperation with NTT and TC | Financing for overseas data center projects of the NTT Group and TC |

In addition to low-cost financing, NTT TC Leasing focuses on expanding its assets through business alliance



# Performance of Nippon Rent-A-Car Service (NRS)



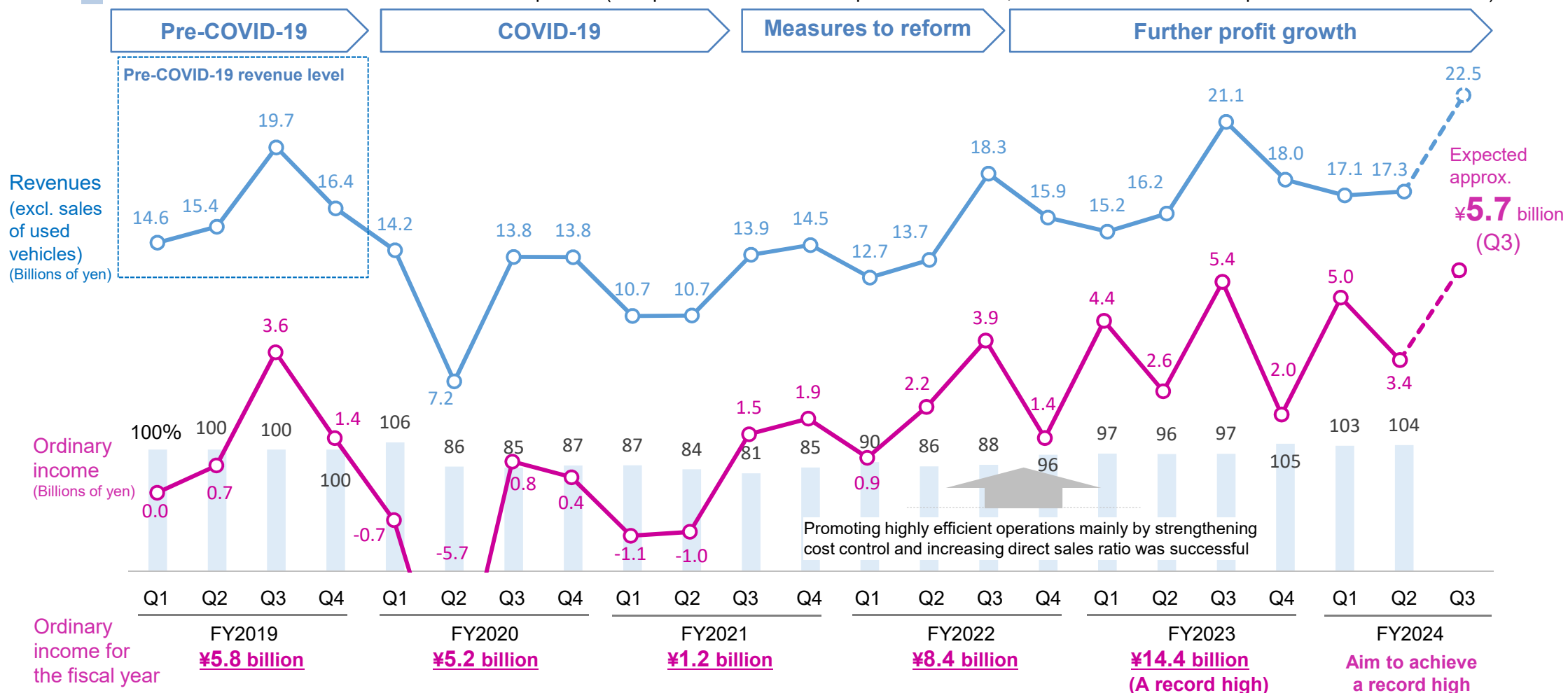
Income reached a record high for Q1–Q2 by implementing high-efficiency operations and capturing inbound demand

## ■ Car Rental Performance Trends (Quarterly)

—○— Revenues (excl. sales of used vehicles)

—○— Ordinary income

■ Index of total amount of rental cost and SG&A expenses (Comparison with the same quarter of FY2019, with the amount for each quarter of FY2019 set at 100)





# ACG's Financial Performance I

Increases both in income and revenues YoY primarily due to a smooth recovery in operating lease revenue and gain on sale of aircraft

## Financial results (six months ended June 30, 2024)

ACG's Result

(USD million)

|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change   | %Change    |
|--|---------------------|---------------------|----------|------------|
| Total revenues                         | 554                 | 589                 | 35       | 6%         |
| Operating lease revenue                | 490                 | 536                 | 45       | 9%         |
| Gain on sale of flight equipment, net  | 2                   | 21                  | 18       | 783%       |
| Total expenses                         | 509                 | 537                 | 27       | 5%         |
| Interest expense, net                  | 200                 | 208                 | 9        | 4%         |
| Asset impairment                       | 6                   | 5                   | -1       | -19%       |
| Bad debt expense                       | 0                   | -0                  | -0       | -          |
| <b>Income/loss before income taxes</b> | <b>45</b>           | <b>52</b>           | <b>8</b> | <b>17%</b> |
| <b>Net Income/Loss</b>                 | <b>45</b>           | <b>49</b>           | <b>4</b> | <b>9%</b>  |
| ROA (%)                                | 0.8%                | 0.9%                | 0.1pt    |            |
|  | Dec. 31,<br>2023    | Jun. 30,<br>2024    | Change   | %Change    |
| Segment assets                         | 11,964              | 12,223              | 259      | 2%         |
| Number of owned aircraft               | 309                 | 315                 | 6        | 2%         |

ACG's Result

(recorded on TC's consolidated statements of income)

(Billions of yen)

|  | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change     | %Change    |
|--|---------------------|---------------------|------------|------------|
| <b>Income/loss before income taxes</b> | <b>6.1</b>          | <b>8.0</b>          | <b>1.9</b> | <b>32%</b> |
| Consolidated adjustment                | -3.1                | -3.5                | -0.4       | -          |
| <b>Ordinary income</b>                 | <b>3.0</b>          | <b>4.5</b>          | <b>1.5</b> | <b>50%</b> |

Average foreign exchange rate      ¥135.00      ¥152.36

### Revenues

Increased due to higher operating lease revenue and gain on sale of aircraft stemming from the aviation market recovery

### Income/loss before income taxes

Increased mainly due to increases in operating lease revenue and gain on sale of aircraft, outweighing the impact of higher funding cost

### Segment assets

Increased mainly due to the delivery of committed aircraft and sale-and-leaseback transactions

### Expected acquisition and sale of aircraft in fiscal 2024

Sales of aircraft worth up to US\$1.5 billion are planned.

Some impact of delayed delivery from manufacturers is expected, while acquisition of aircraft worth more than the sales amount will be sought through sale-and-leaseback transactions and in the secondary market.



# ACG's Financial Performance II

## Income before taxes increased mainly due to gain on sale of aircraft

### Financial results (nine months ended September 30, 2024)

ACG's Result

(USD million)

|  | FY2023<br>Q3 Result | FY2024<br>Q3 Result | Change    | %Change    |
|--|---------------------|---------------------|-----------|------------|
| Total revenues                         | 894                 | 923                 | 30        | 3%         |
| Operating lease revenue                | 774                 | 794                 | 20        | 3%         |
| Gain on sale of flight equipment, net  | 12                  | 75                  | 63        | 521%       |
| Total expenses                         | 789                 | 800                 | 11        | 1%         |
| Interest expense, net                  | 308                 | 315                 | 7         | 2%         |
| Asset impairment                       | 15                  | 5                   | -10       | -66%       |
| Bad debt expense                       | 0                   | -0                  | -0        | -          |
| <b>Income/loss before income taxes</b> | <b>105</b>          | <b>123</b>          | <b>18</b> | <b>17%</b> |
| <b>Net Income/Loss</b>                 | <b>114</b>          | <b>114</b>          | <b>-0</b> | <b>-0%</b> |
| ROA (%)                                | 1.2%                | 1.3%                | 0.1pt     |            |
|  | Dec. 31,<br>2023    | Sep. 30,<br>2024    | Change    | %Change    |
| Segment assets                         | 11,964              | 11,426              | -538      | -4%        |
| Number of owned aircraft               | 309                 | 296                 | -13       | -4%        |

#### Revenues

Increased due to higher operating lease revenue and gain on sale of aircraft stemming from the aviation market recovery

#### Income/loss before income taxes

Increased mainly due to increases in operating lease revenue and gain on sale of aircraft, outweighing the impact of higher funding cost

#### Segment assets

The number of owned aircraft decreased as a result of sale of aircraft.

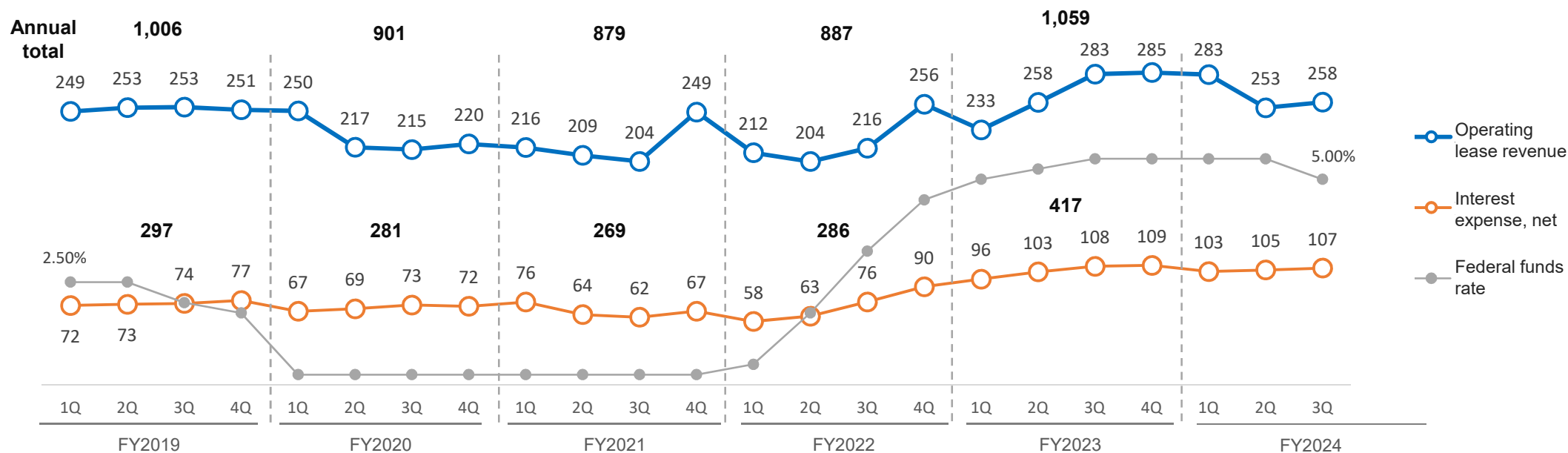


# ACG's Earnings Power

## Operating lease revenues on a recovery trend, with a sharp increase in gain on sale

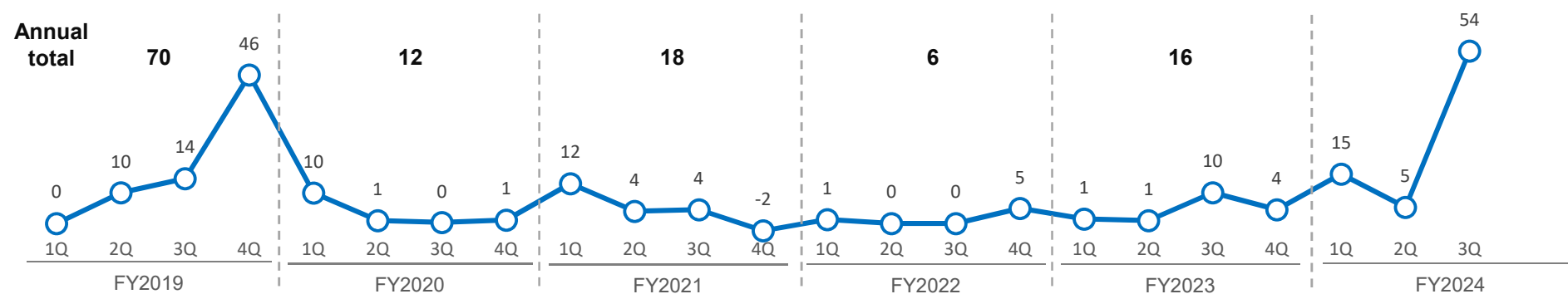
### 1. Quarterly changes in operating lease revenue, interest expense, net, and federal funds rate

(USD million)



### 2. Quarterly changes in gain on sale of flight equipment, net

(USD million)





# ACG's Financing Activities

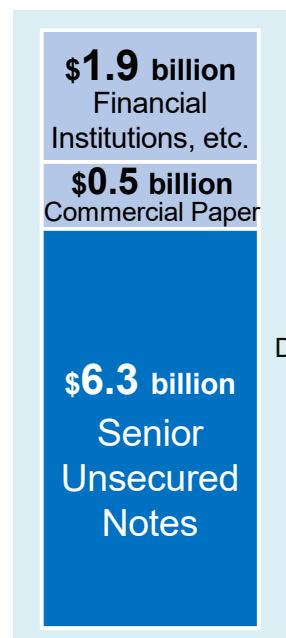
Promote diversification of financing sources while flexibly responding to market conditions

## Financing strategies

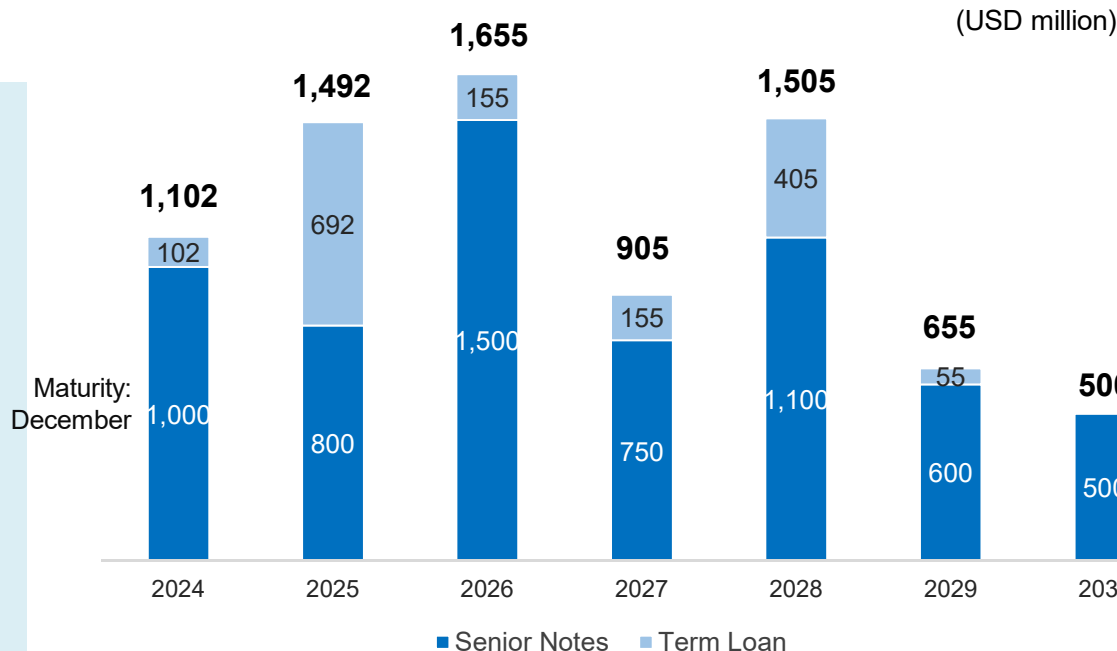
- ACG builds flexibility into its financing strategy by accessing multiple capital sources. In addition to the issuance of senior notes in the US bond market, ACG leverages Tokyo Century's and its own relationships to borrow from financial institutions globally. This balanced financing strategy helps to reduce financing cost 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 US banks.
- ACG has sufficient liquidity on hand and maintains investment-grade ratings of **BBB- from S&P** and **Baa2 from Moody's**.

Financing structure\*1 \*2

**\$8.7 billion**



Unsecured debt maturities\*1 (excluding commercial paper, etc.)



\*1 As of June 30, 2024

\*2 Including adjustment amount

## Major financing activities in FY2024

- Closed in February: **Term Loan (\$350 million)**  
Term: 4 years
- Issued in June: **Senior Notes (\$600 million)**  
Maturity: 2029 Coupon Rate: 5.375%

## Major financing activities in FY2023

- Issued in April: **Senior Notes (\$600 million)**  
Maturity: 2028 Coupon Rate: 6.250%
- Issued in June: **Senior Notes (\$500 million)**  
Maturity: 2030 Coupon Rate: 6.375%
- Issued in October: **Senior Notes (\$500 million)**  
Maturity: 2028 Coupon Rate: 6.750%



# ACG's Portfolio

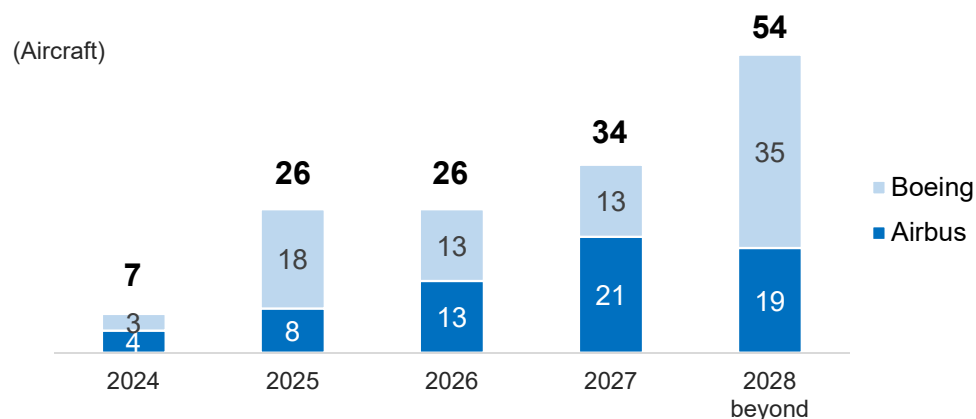
Diversified portfolio with a focus on liquid narrowbody aircraft in approximately 45 countries worldwide

## Portfolio overview (as of June 30, 2024)

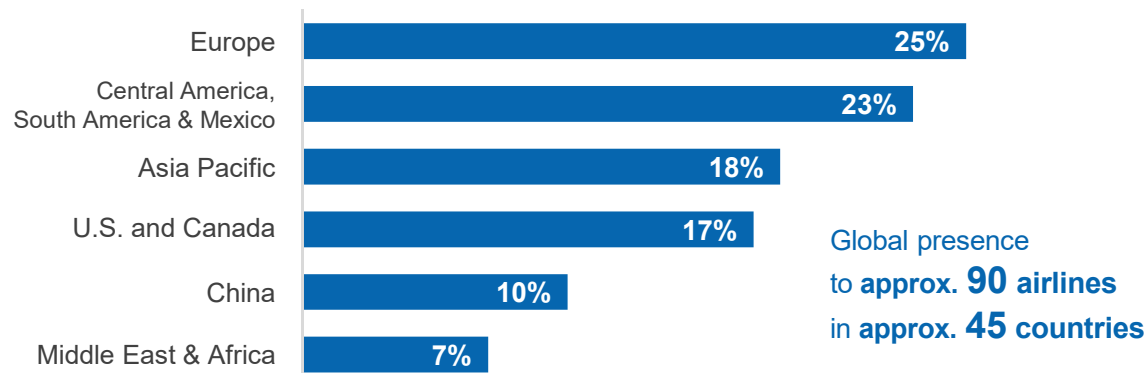
- **Owned, managed and committed aircraft: 483**  
(Owned: 315 Managed: 56 Committed aircraft: 112)
- **Weighted-average fleet age: 6.1 years**
- **Narrowbody by NBV: 91 %**  
(Narrowbody by count: 97%)

## Delivery schedule of committed aircraft (as of June 30, 2024, adjusted for July order for 35 737 MAX jets)

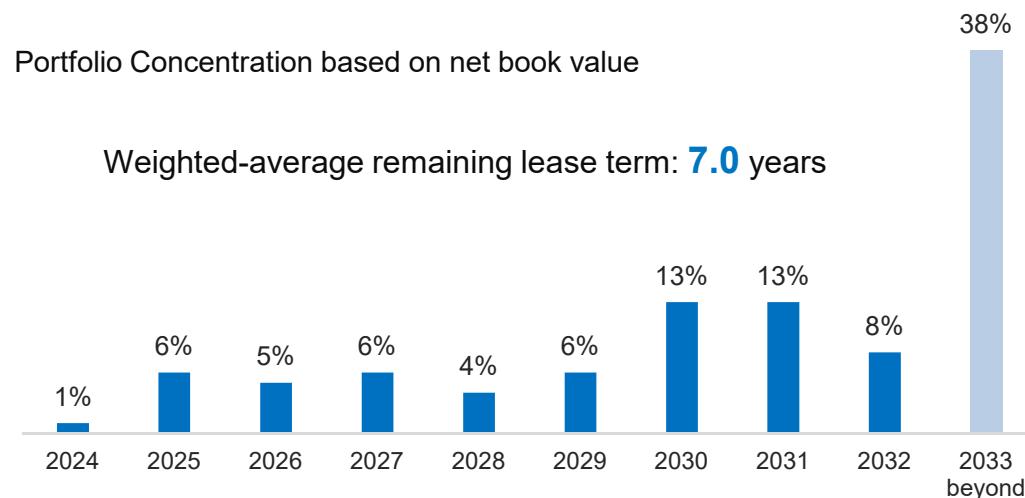
- All orders are **new technology narrowbody aircraft with higher fuel efficiency**
- Many inquiries have been received from airlines in view of rising fuel costs and decarbonization  
(Percentage of new technology aircraft in owned fleet: **60%**)



## Geographic concentration (as of June 30, 2024)



## Portfolio concentration by lease maturity (as of June 30, 2024)





# Real Estate Business: Portfolio Strategy



Promote 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 large-scale urban development projects

### TC Kobelco Real Estate

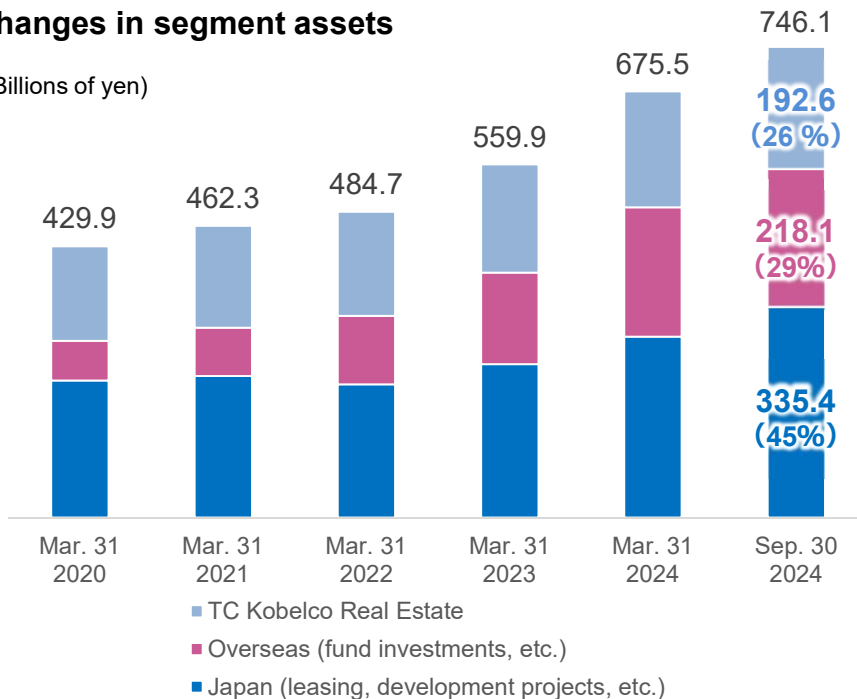
Expect to increase segment assets by steadily ensuring project pipelines such as **logistics facilities**

### Overseas

Strive to establish and expand investment and payback cycles, particularly for **data centers** that is expected to grow in demand, as well as **logistics facilities and rental housing** that experience ongoing stable growth

## Changes in segment assets

(Billions of yen)



## Project completion schedule

### Urban redevelopment projects



#### Tokiwabashi (near Tokyo station)

TOKYO TORCH (Building B)



Legendary-luxury brand  
Dorchester Collection to  
open its hotel



#### Uchisaiwaicho 1-chome area

South block (South Tower)



#### Data centers in the U.S.

Investment expansion focused on  
development projects



#### Urban redevelopment (TC Kobelco)

Kobe Sannomiya Kumoidori  
5-Chome district



# Principal Investment



Principal Investment promoted mainly by cooperating with the Advantage Partners (AP) Group

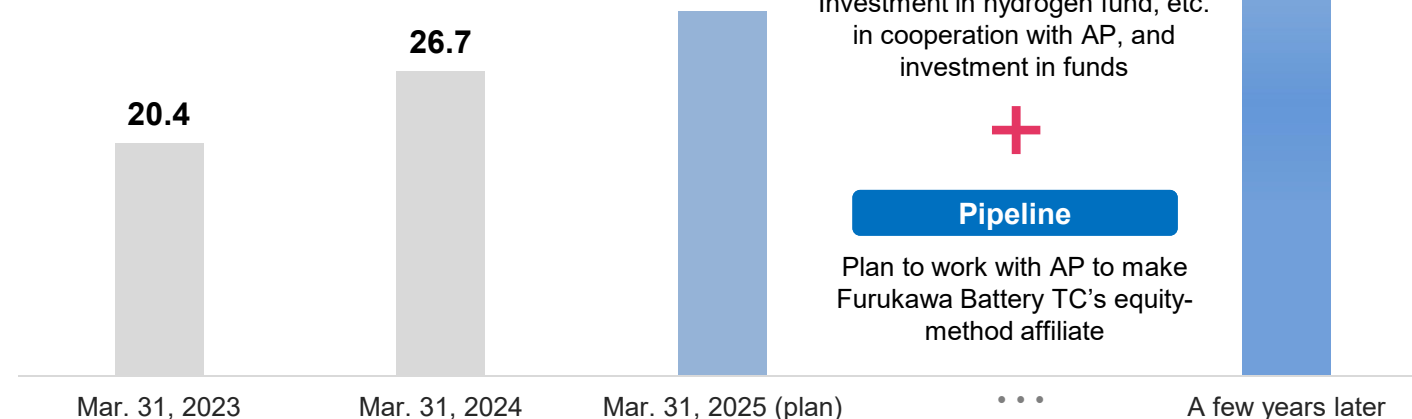
Steadily build a track record of investments to  
**further expand investments over  
the medium- to long-term**

## Changes in segment assets for Principal Investment business<sup>\*1</sup>

<sup>\*1</sup> Excl. the amount of investment in AP itself

Realize gain on sale through a cycle of investment and payback

(Billions of yen)



### Investment projection

- Investment period: **approx. 5 years**
- Investment amount per project: **approx. ¥5–10 billion**
- Target ROA<sup>\*2</sup>: **at least 10%**

<sup>\*2</sup> Based on ordinary income





Ordinary income decreased YoY for Q1–Q2, but is expected to increase YoY on a full-year basis

## Financial results (six months ended June 30, 2024)

|                        | (USD million)       |                     |               |                 |
|------------------------|---------------------|---------------------|---------------|-----------------|
|                        | FY2023<br>Q2 Result | FY2024<br>Q2 Result | YoY<br>Change | % YoY<br>Change |
| Revenues               | 406                 | 433                 | 27            | 7%              |
| Gross profit           | 189                 | 208                 | 19            | 10%             |
| <b>Ordinary income</b> | <b>43</b>           | <b>41</b>           | <b>-2</b>     | <b>-4%</b>      |
| <b>Net income</b>      | <b>29</b>           | <b>28</b>           | <b>-1</b>     | <b>-3%</b>      |

|                    |       |       |        |      |
|--------------------|-------|-------|--------|------|
| ROA (%) *1         | 3.6%  | 3.1%  | -0.5pt |      |
| RORA (%) *1, 2     | 11.9% | 10.9% | -1.0pt |      |
| Transaction volume | 796   | 698   | -98    | -12% |

|                | Dec. 31,<br>2023 | Jun. 30,<br>2024 | YoY<br>Change | %YoY<br>Change |
|----------------|------------------|------------------|---------------|----------------|
| Segment assets | 2,659            | 2,613            | -46           | -2%            |

\*1 Based on pre-tax income

\*2 Pre-tax ROA after deducting non-recourse loan

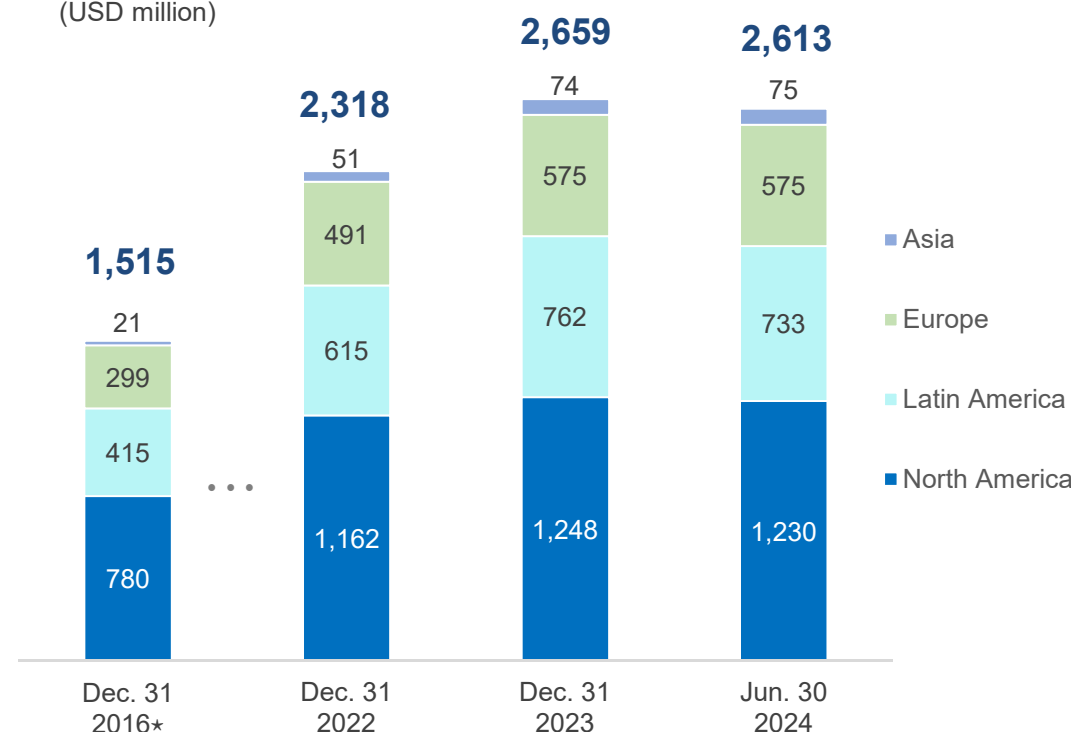
## Major factors in changes

- Income decreased mainly due to a small number of end-of-lease assets, which are sources of secondary income, and also increases in SG&A expenses associated with the opening of bases. It is expected to increase YoY on a full-year basis, with more end-of-lease assets in the second half.
- Transaction volume decreased due to the absence of major deals closed in the same period of the previous year, but is expected to increase YoY on a full-year basis.

## Balance of segment assets by region

Since becoming TC's wholly owned subsidiary in 2016, CSI has expanded its global bases, with **segment assets tending to increase**

(USD million)



\* CSI became TC's wholly owned subsidiary



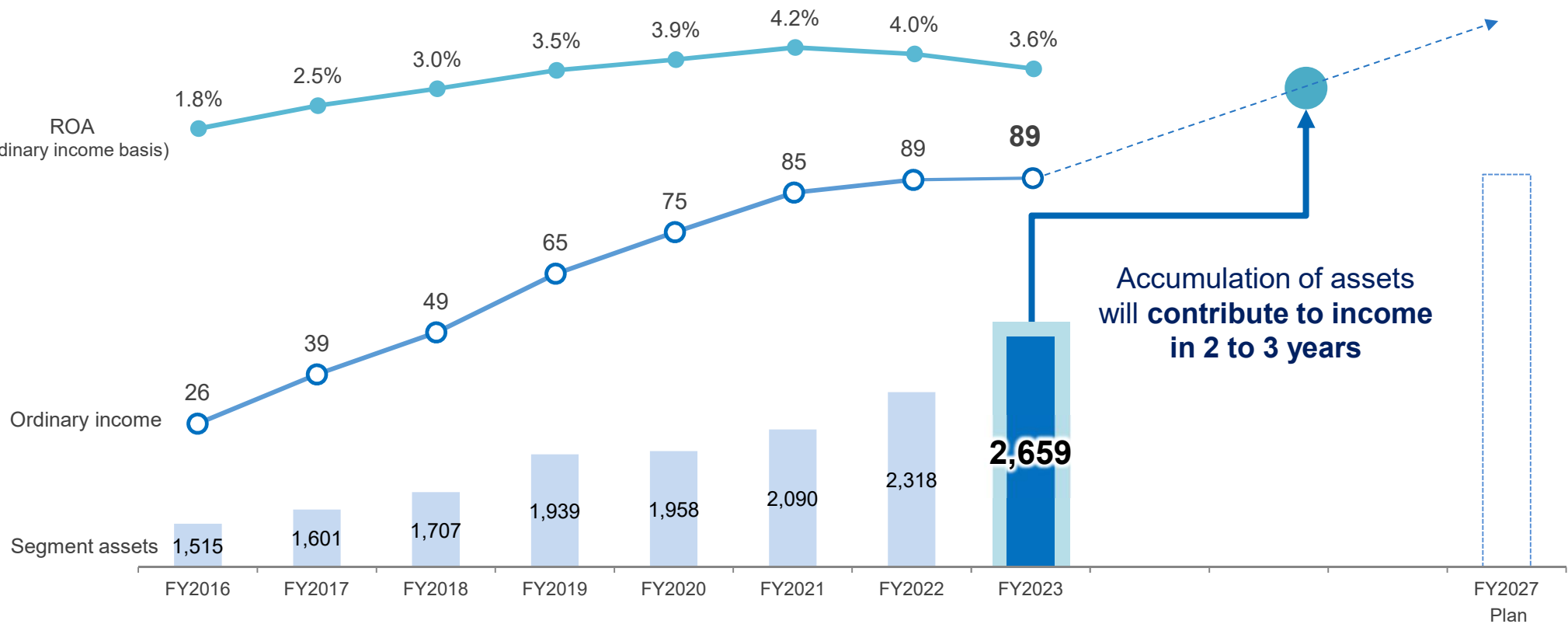
# CSI's Growth Strategies

CSI has achieved high growth since becoming TC's consolidated subsidiary in FY2016 and expects to further grow with its global strategies

CSI's ordinary income compared to FY2016 expanded **more than threefold**

**CAGR: 19% (FY2016–FY2023)**

(USD million)



Accumulation of assets  
will **contribute to income**  
in 2 to 3 years

Became  
wholly owned  
subsidiary

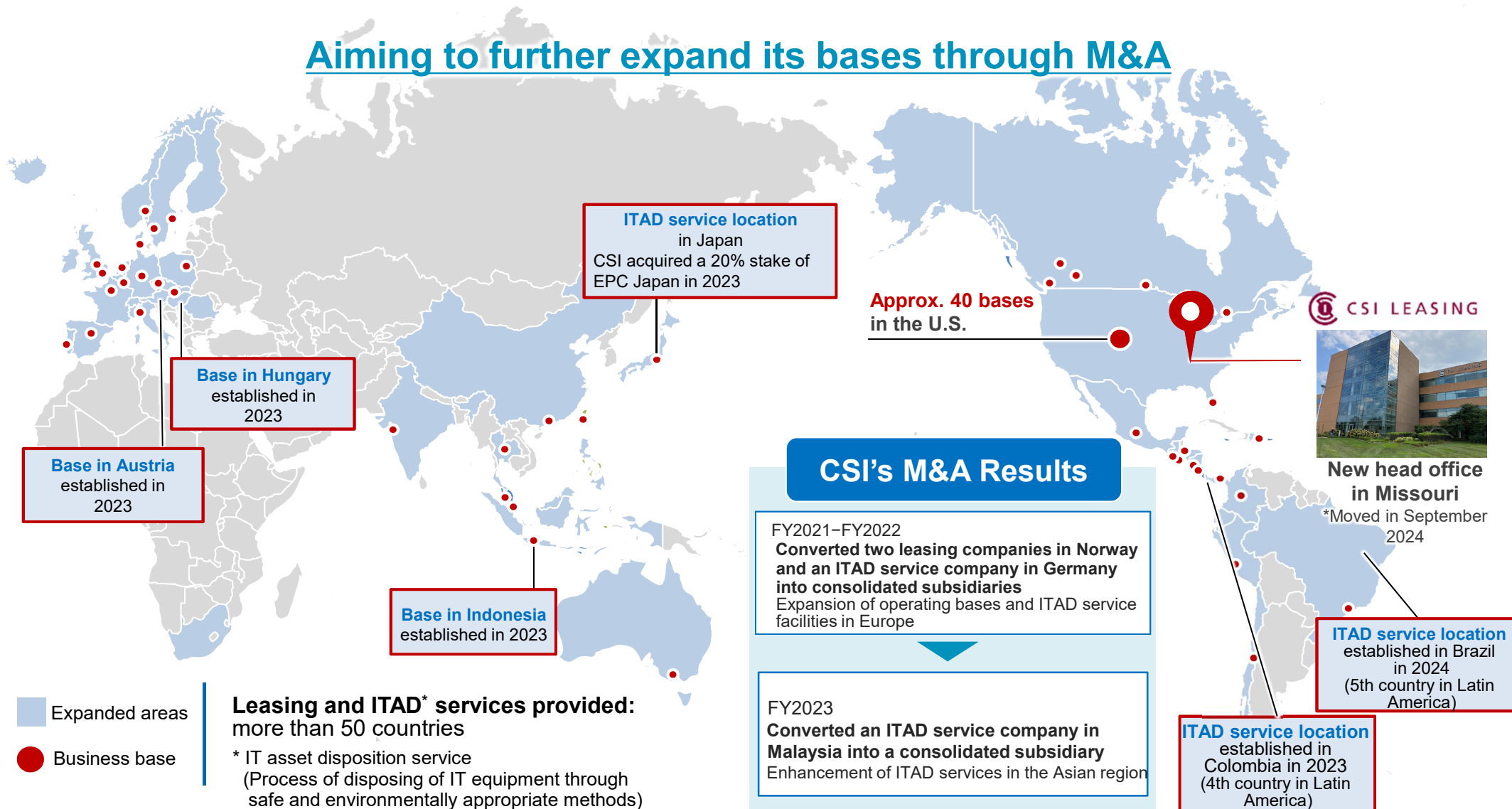
Reconstruction of sales systems  
Reinforcement of ITAD business

COVID-19

**Further growth advancement  
by expanding global strategies**

Expand its global network by increasing its operating bases and ITAD service locations in response to growing demand

## Aiming to further expand its bases through M&A





# Data Center Business with the NTT Group

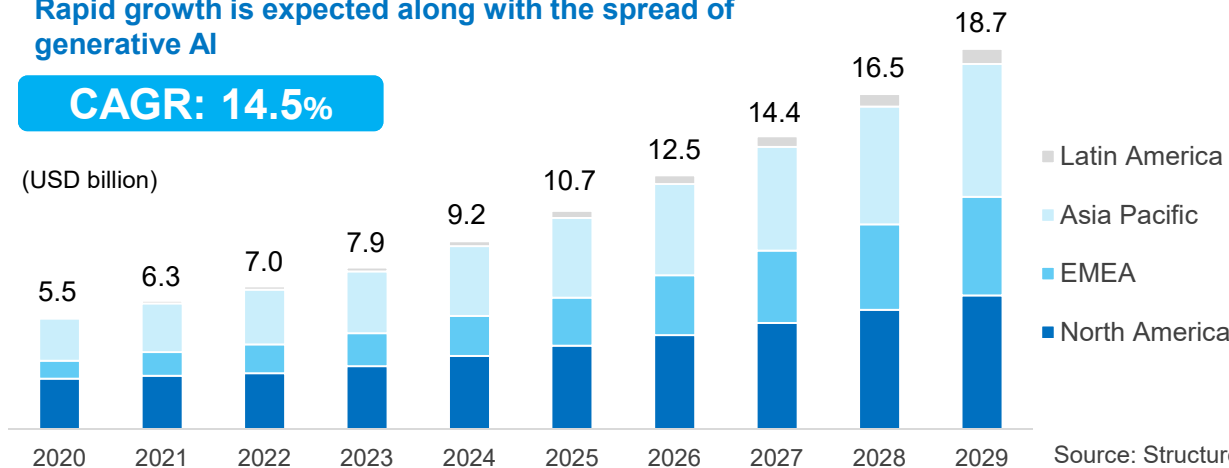
Invest jointly with the NTT DATA Group in three data centers (DC) in the U.S., a promising DC market

## Forecast of the global DC colocation\*1 market size

Rapid growth is expected along with the spread of generative AI

**CAGR: 14.5%**

(USD billion)



Source: Structure Research

Data centers in Chicago, U.S.



TC's acquisition costs:

**USD 459 million** (ownership ratio: 80%)

\*1 A service of providing an environment to support the IT infrastructure of businesses, including internet connectivity, power, and cooling. Users can reduce their burden as they can outsource management and maintenance of their servers and other equipment.

\*2 Profitability without taking into account interest expenses and depreciation; values estimated by TC based on past data and other figures.

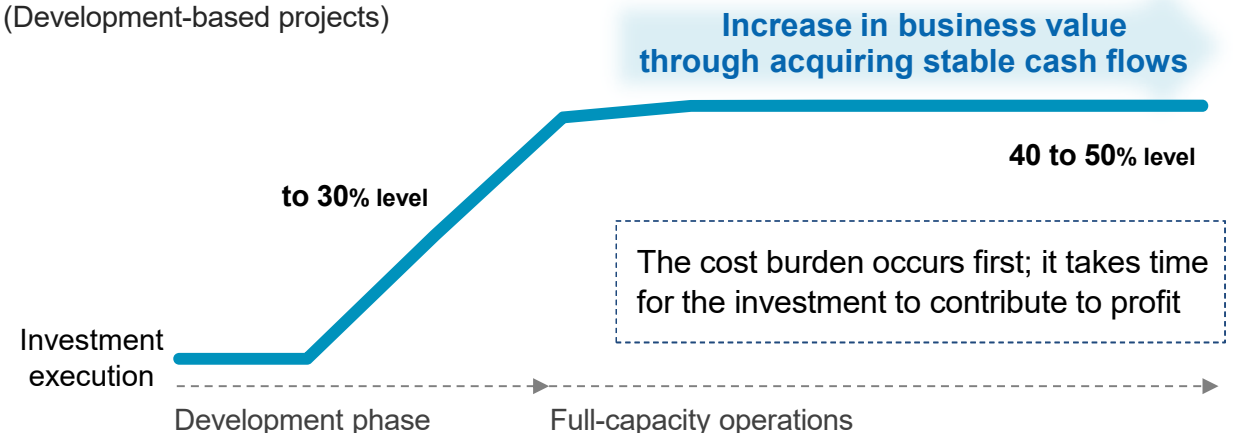
## Core competencies of NTT DATA Group

- **The world's third-largest\*3** DC provider  
1st: Equinix (U.S.)  
2nd: Digital Realty (U.S.)
- **The scale of business and expertise to secure extensive development sites and sufficient electric power** that are important competitive factors in DC construction
- **Server racks available for heat-generating GPUs to meet expanding AI demand**, in addition to providing global network and managed services.

\*3 Based on sales in the colocation market, excluding Chinese providers

## Expected EBITDA margin\*2 trend

(Development-based projects)

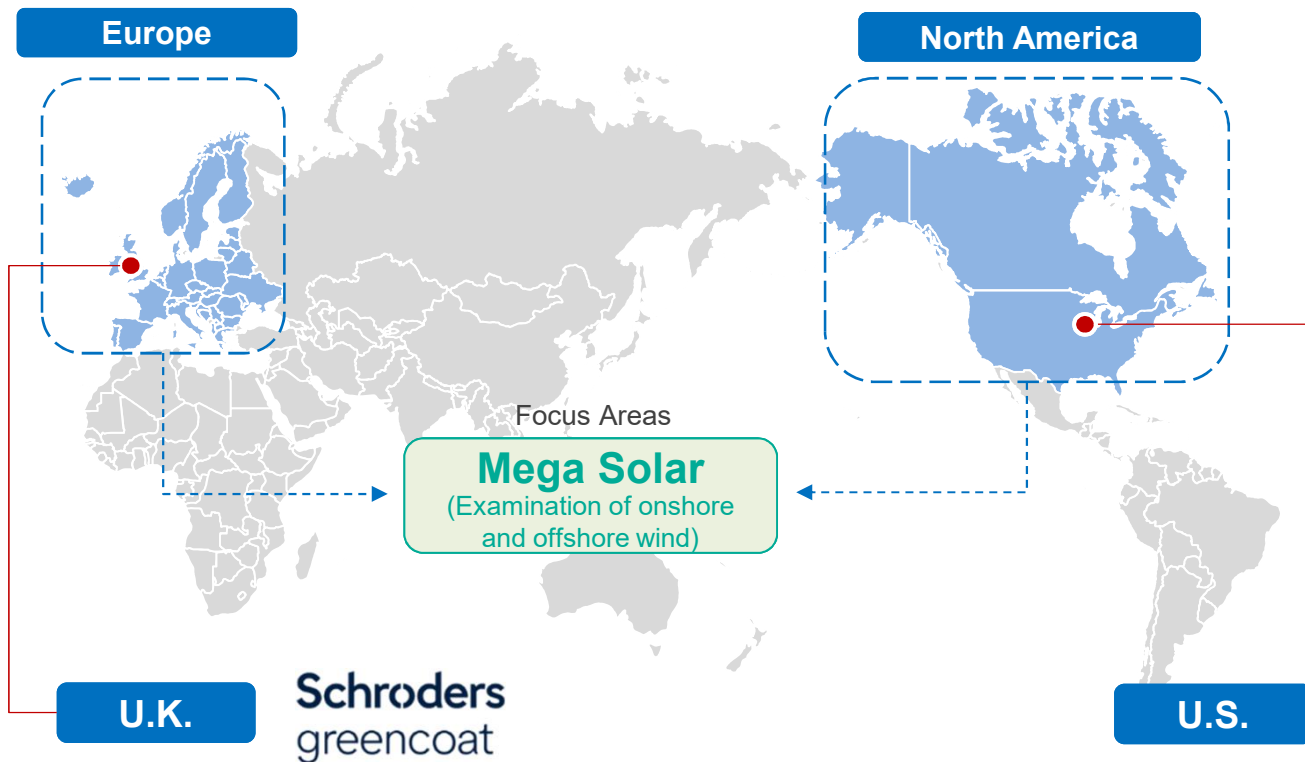




# Overseas Renewable Energy Projects

Collaborate with prime partners to increase high-return projects overseas

**North America and Europe** are the main targets for higher profitability and more deals



## Investment projection

Despite conditions depending on each project, the standard investment projection is the following:

- Development or ownership period:  
approx. **3–5 years**
- Investment amount (per project):  
approx. **\$50 million**

## Investment policies

- **Collaborate with prime partners knowledgeable about overseas business** to jointly acquire assets
- **Business model**  
It takes time for the development projects to contribute to profit, but profit will be sought while circulating assets to a certain degree.



Acquired 34 operating solar power plants in cooperation with the subsidiary of **major asset manager Schrodgers**

Generation capacity is **303 MW** (simple sum).

Together with **ITOCHU**, acquired the right to develop two US solar power plants through a joint venture (Tokyo Century and ITOCHU each owns a 50% equity)






Generation capacity is **256 MW** (simple sum).

# Ordinary Income and ROA by Operating Segment

Ordinary income increased ¥4.5 billion YoY primarily due to strong aviation business, principal investment, etc. in Specialty Financing

## Ordinary income

(billions of yen)

|   | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change     |
|---|---------------------|---------------------|------------|
|  Equipment Leasing            | 16.1                | 15.2                | -0.9       |
|  Automobility                 | 19.9                | 21.6                | 1.7        |
|  Specialty Financing          | 17.2                | 23.7                | 6.5        |
|  International Business       | 7.4                 | 8.1                 | 0.7        |
|  Environmental Infrastructure | 5.5                 | 2.8                 | -2.7       |
| Other   | -6.9                | -7.6                | -0.7       |
| <b>Total (Ordinary income)</b>  | <b>59.2</b>         | <b>63.7</b>         | <b>4.5</b> |

## ROA

(Ordinary income / Segment assets)

| FY2024<br>Q2 Result | Change |
|---------------------|--------|
| 2.4%                | -0.2pt |
| 9.0%                | 1.6pt  |
| 1.6%                | 0.3pt  |
| 1.8%                | -0.3pt |
| 2.0%                | -2.1pt |
|                     |        |
| 2.1%                | -0.1pt |

## ROA

(Ordinary income / Total)

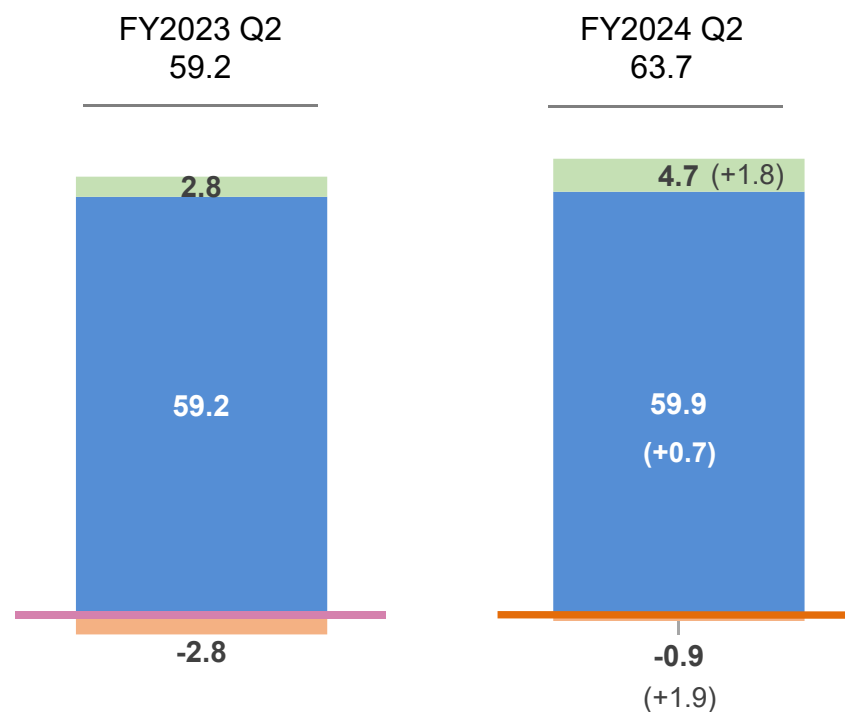
|      |   |
|------|---|
| 1.9% | - |
|------|---|

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

Core earnings amounted to ¥59.9 billion, up ¥0.7 billion YoY

## YoY

Core earnings Gain on sales\*1 Impairment, bad debt expenses, and gain (loss) on valuation of operational investment securities



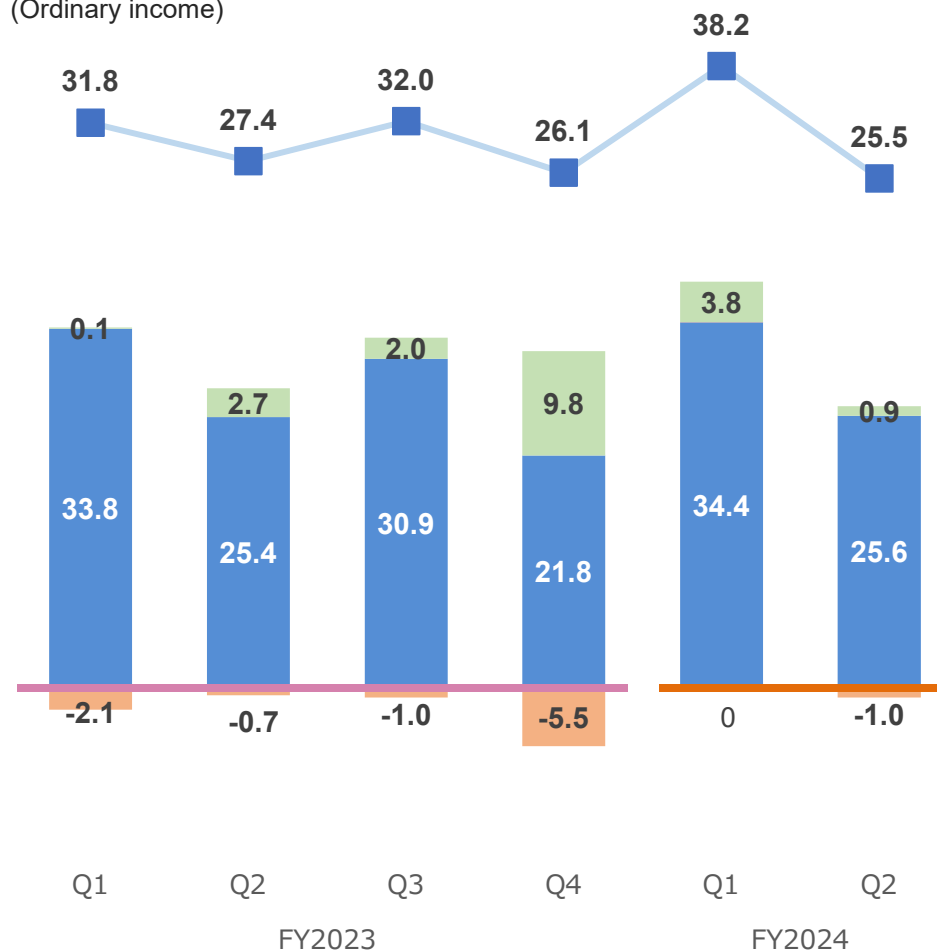
Figures in parentheses are YoY changes

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

## Quarterly changes

(Billions of yen)

(Ordinary income)



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

Core earnings in Specialty Financing increased due to the growth of aviation business

| (Billions of yen)             |             |             |             |             |                  |                   |             |             |                  |            |
|-------------------------------|-------------|-------------|-------------|-------------|------------------|-------------------|-------------|-------------|------------------|------------|
|                               | FY2023      |             |             |             |                  |                   | FY2024      |             |                  |            |
|                               | Q1          | Q2          | Q3          | Q4          | Total<br>(Q1-Q2) | Total<br>(Annual) | Q1          | Q2          | Total<br>(Q1-Q2) | Change     |
| Equipment Leasing             | 8.8         | 7.3         | 7.0         | 9.0         | 16.1             | 32.1              | 8.0         | 7.2         | 15.2             | -0.9       |
| Core earnings                 | 8.7         | 7.4         | 7.0         | 8.9         | 16.1             | 32.0              | 8.1         | 7.2         | 15.3             | -0.8       |
| Gain on sales *1              | -           | -           | -           | -           | -                | -                 | -           | -           | -                | -          |
| Impairment, bad debt, etc. *2 | 0.0         | -0.0        | -0.0        | 0.1         | 0.0              | 0.0               | -0.0        | -0.1        | -0.1             | -0.1       |
| Automobility                  | 11.9        | 8.0         | 8.2         | 4.5         | 19.9             | 32.5              | 12.5        | 9.1         | 21.6             | 1.7        |
| Core earnings                 | 11.9        | 8.0         | 8.1         | 4.4         | 19.9             | 32.4              | 12.5        | 9.0         | 21.6             | 1.7        |
| Gain on sales                 | -           | -           | -           | -           | -                | -                 | -           | -           | -                | -          |
| Impairment, bad debt, etc.    | 0.0         | -0.0        | 0.0         | 0.1         | 0.0              | 0.1               | 0.0         | 0.0         | 0.0              | 0.0        |
| Specialty Financing           | 5.9         | 11.3        | 17.2        | 12.9        | 17.2             | 47.4              | 16.3        | 7.3         | 23.7             | 6.5        |
| Core earnings                 | 7.9         | 9.4         | 16.2        | 9.1         | 17.3             | 42.6              | 12.8        | 7.6         | 20.3             | 3.0        |
| Gain on sales                 | 0.1         | 2.7         | 2.0         | 6.2         | 2.8              | 11.1              | 3.8         | 0.9         | 4.7              | 1.8        |
| Impairment, bad debt, etc.    | -2.1        | -0.9        | -0.9        | -2.4        | -2.9             | -6.3              | -0.2        | -1.1        | -1.3             | 1.6        |
| International Business        | 4.2         | 3.2         | 3.4         | 5.7         | 7.4              | 16.5              | 3.9         | 4.2         | 8.1              | 0.7        |
| Core earnings                 | 4.3         | 3.1         | 3.5         | 3.2         | 7.4              | 14.1              | 3.9         | 4.2         | 8.1              | 0.6        |
| Gain on sales                 | -           | -           | -           | 3.6         | -                | 3.6               | -           | -           | -                | -          |
| Impairment, bad debt, etc.    | -0.1        | 0.1         | -0.0        | -1.1        | -0.0             | -1.2              | 0.0         | -0.0        | 0.0              | 0.1        |
| Environmental Infrastructure  | 3.8         | 1.7         | -0.2        | -1.4        | 5.5              | 3.8               | 1.1         | 1.7         | 2.8              | -2.7       |
| Core earnings                 | 3.7         | 1.7         | -0.2        | 0.7         | 5.4              | 5.9               | 1.1         | 1.7         | 2.8              | -2.6       |
| Gain on sales                 | -           | -           | -           | -           | -                | -                 | -           | -           | -                | -          |
| Impairment, bad debt, etc.    | 0.1         | -0.0        | 0.0         | -2.2        | 0.1              | -2.1              | -           | -           | -                | -0.1       |
| Other                         | -2.8        | -4.1        | -3.6        | -4.4        | -6.9             | -15.0             | -3.7        | -4.0        | -7.6             | -0.7       |
| Core earnings                 | -2.8        | -4.1        | -3.6        | -4.5        | -7.0             | -15.1             | -3.9        | -4.2        | -8.1             | -1.2       |
| Gain on sales                 | -           | -           | -           | -           | -                | -                 | -           | -           | -                | -          |
| Impairment, bad debt, etc.    | -0.0        | 0.1         | 0.0         | 0.0         | 0.1              | 0.1               | 0.2         | 0.3         | 0.5              | 0.4        |
| <b>Total</b>                  | <b>31.8</b> | <b>27.4</b> | <b>32.0</b> | <b>26.1</b> | <b>59.2</b>      | <b>117.3</b>      | <b>38.2</b> | <b>25.5</b> | <b>63.7</b>      | <b>4.5</b> |
| Core earnings                 | 33.8        | 25.4        | 30.9        | 21.8        | 59.2             | 111.9             | 34.4        | 25.6        | 59.9             | 0.7        |
| Gain on sales                 | 0.1         | 2.7         | 2.0         | 9.8         | 2.8              | 14.7              | 3.8         | 0.9         | 4.7              | 1.8        |
| Impairment, bad debt, etc.    | -2.1        | -0.7        | -1.0        | -5.5        | -2.8             | -9.3              | 0.0         | -1.0        | -0.9             | 1.9        |






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

\*2 Aggregated results: impairment, bad debt expenses, and gain (loss) on valuation of operational investment securities, etc.

# Balance of Segment Assets by Operating Segment

Segment assets increased ¥454.0 billion from the end of the previous fiscal year, primarily due to increases in Specialty Financing and International Business, in addition to the impact of exchange rate fluctuations

(Billions of yen)

|  |            | Mar. 31, 2021  | Mar. 31, 2022  | Mar. 31, 2023  | Mar. 31, 2024  | Sep. 30, 2024  | Change                  |
|--|------------|----------------|----------------|----------------|----------------|----------------|-------------------------|
| <b>Balance of segment assets</b>   |            | <b>4,800.5</b> | <b>4,879.4</b> | <b>5,363.8</b> | <b>5,720.4</b> | <b>6,174.4</b> | <b>454.0</b><br>+341.7* |
|  Equipment Leasing              |            | 1,489.1        | 1,379.7        | 1,287.1        | 1,273.5        | 1,212.9        | -60.6                   |
|  | Percentage | 31.0%          | 28.3%          | 24.0%          | 22.3%          | 19.6%          |                         |
|  Automobility                   |            | 629.5          | 611.8          | 611.6          | 479.0          | 482.6          | 3.6                     |
|  | Percentage | 13.1%          | 12.5%          | 11.4%          | 8.4%           | 7.8%           |                         |
|  Specialty Financing            |            | 2,034.4        | 2,152.5        | 2,490.6        | 2,825.3        | 3,205.6        | 380.3                   |
|  | Percentage | 42.4%          | 44.1%          | 46.4%          | 49.4%          | 51.9%          | +259.1*                 |
|  International Business       |            | 483.1          | 557.1          | 655.7          | 822.7          | 944.9          | 122.2                   |
|  | Percentage | 10.1%          | 11.4%          | 12.2%          | 14.4%          | 15.3%          | +82.1*                  |
|  Environmental Infrastructure |            | 150.3          | 159.4          | 277.9          | 273.9          | 285.1          | 11.2                    |
|  | Percentage | 3.1%           | 3.3%           | 5.2%           | 4.8%           | 4.6%           | +0.5*                   |
| Other  |            | 13.9           | 19.0           | 41.0           | 46.0           | 43.3           | -2.7                    |
|  | Percentage | 0.3%           | 0.4%           | 0.8%           | 0.7%           | 0.8%           |                         |

\* Exchange rate factors



## **Reference Material (2)**

# **Highlights of Medium-Term Management Plan 2027**

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# Management Targets: Financial and Non-financial Targets

## Net income of ¥100.0 billion, ROE of 10%, and P/B ratio above 1.0

- Align financial targets with net income-based figures
- Recognize the current cost of equity at 10% and aim to reduce it
- Set non-financial targets to promote ESG initiatives

| Financial KPI*1  |              |
|--|--------------|
| Net income attributable to owners of parent<br>(Billions of yen) | <b>100.0</b> |
| ROA<br>(ratio of net income to total assets)                     | <b>1.4%</b>  |
| ROE  | <b>10%</b>   |

| Non-financial KPI   |   |
|---|---|
| Initiatives for realizing 50% GHG emissions reduction by FY2030*2 | <b>33%–50%</b>                                      |
| Employee engagement index*3<br>(deviation value)                  | <b>Maintain/improve ratio of positive responses</b> |

\*1 FY2027 estimated foreign exchange rate: 1US\$ = ¥130

\*2 Target of a 50% reduction in greenhouse gas (GHG) emissions by FY2030 from base year of FY2021 announced

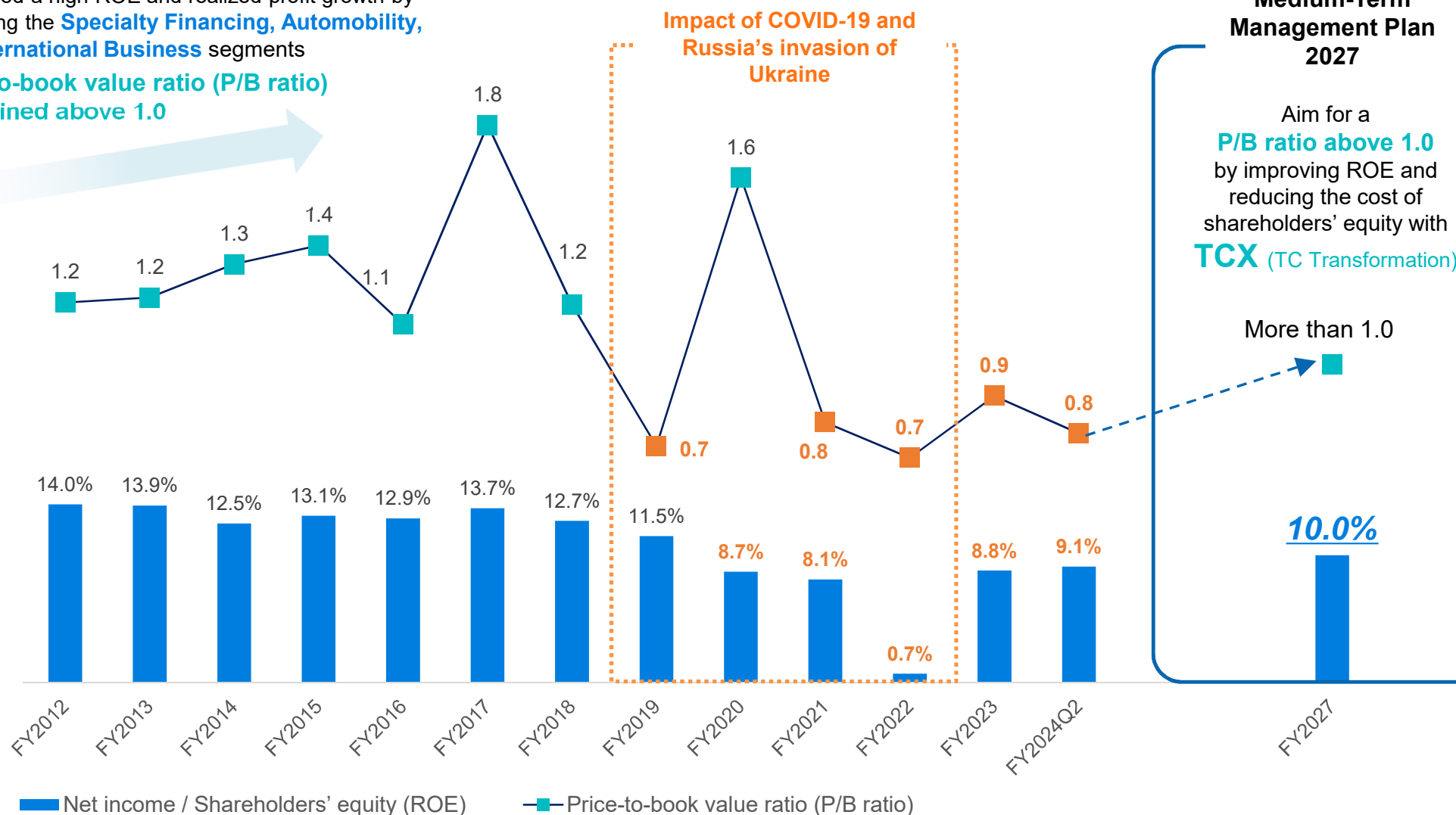
\*3 The measurement method was changed to Motivation Cloud provided by Link and Motivation Inc. in 2024.

# ROE and P/B Ratio

## Analysis for P/B ratio above 1.0

Maintained a high ROE and realized profit growth by expanding the **Specialty Financing, Automobility,** and **International Business** segments

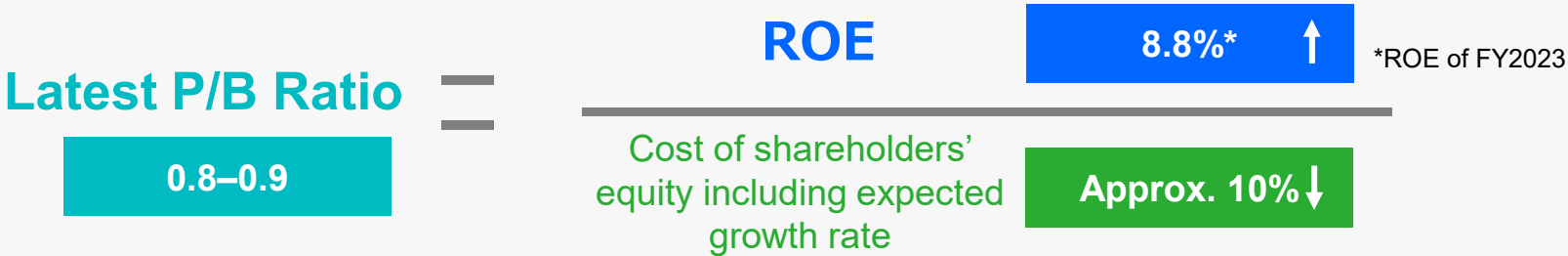
**Price-to-book value ratio (P/B ratio)** maintained above 1.0



\* The above P/B ratios are calculated based on the closing stock price at the end of each fiscal year.

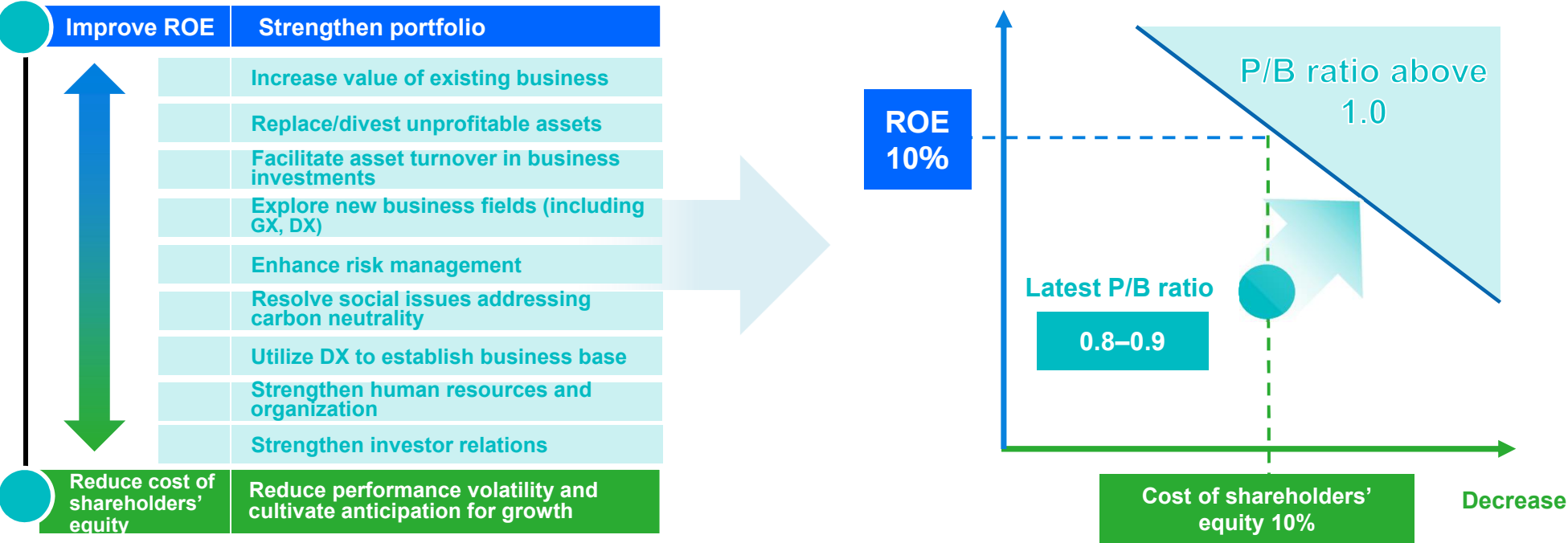
# Initiatives for Improving the P/B Ratio

Aim to **achieve ROE above 10%** and **reduce cost of shareholders' equity** by promoting **TCX** (TC Transformation) and eliminating information asymmetry through constructive dialogue with shareholders and investors, leading to **P/B ratio above 1.0**



Diagrams illustrate initiatives for achieving P/B ratio above 1.0

Transformation to P/B ratio above 1.0



# Shareholder Returns (Dividend) Policy

- Provide **stable, long-term returns to shareholders**, which is our basic policy
- Maintain stable returns to shareholders during the period of the Medium-Term Management Plan 2027 while balancing with growth investment and financial base

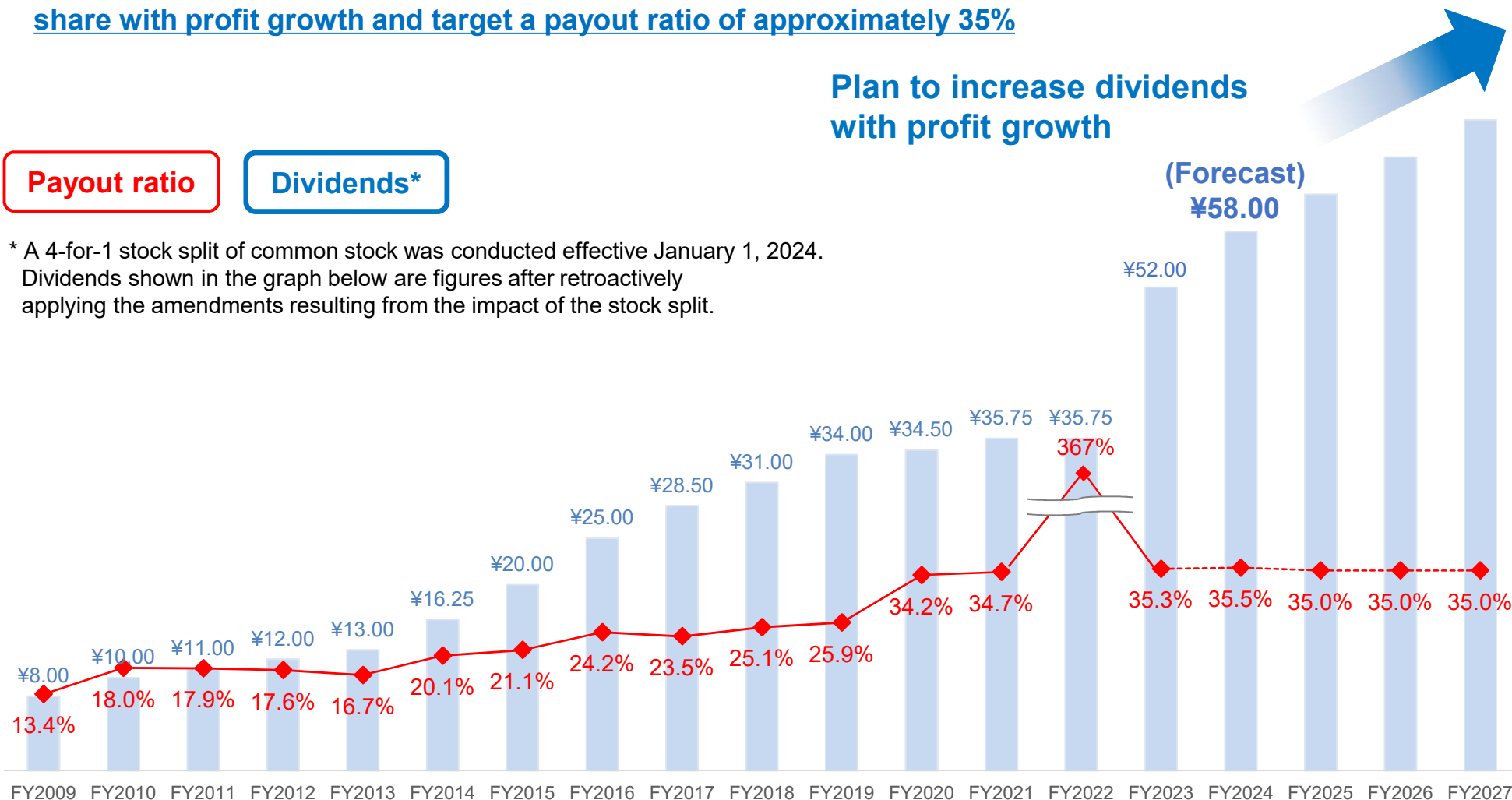
While adopting a progressive dividend policy as our basic stance, aim to increase dividends per share with profit growth and target a payout ratio of approximately 35%

Plan to increase dividends with profit growth

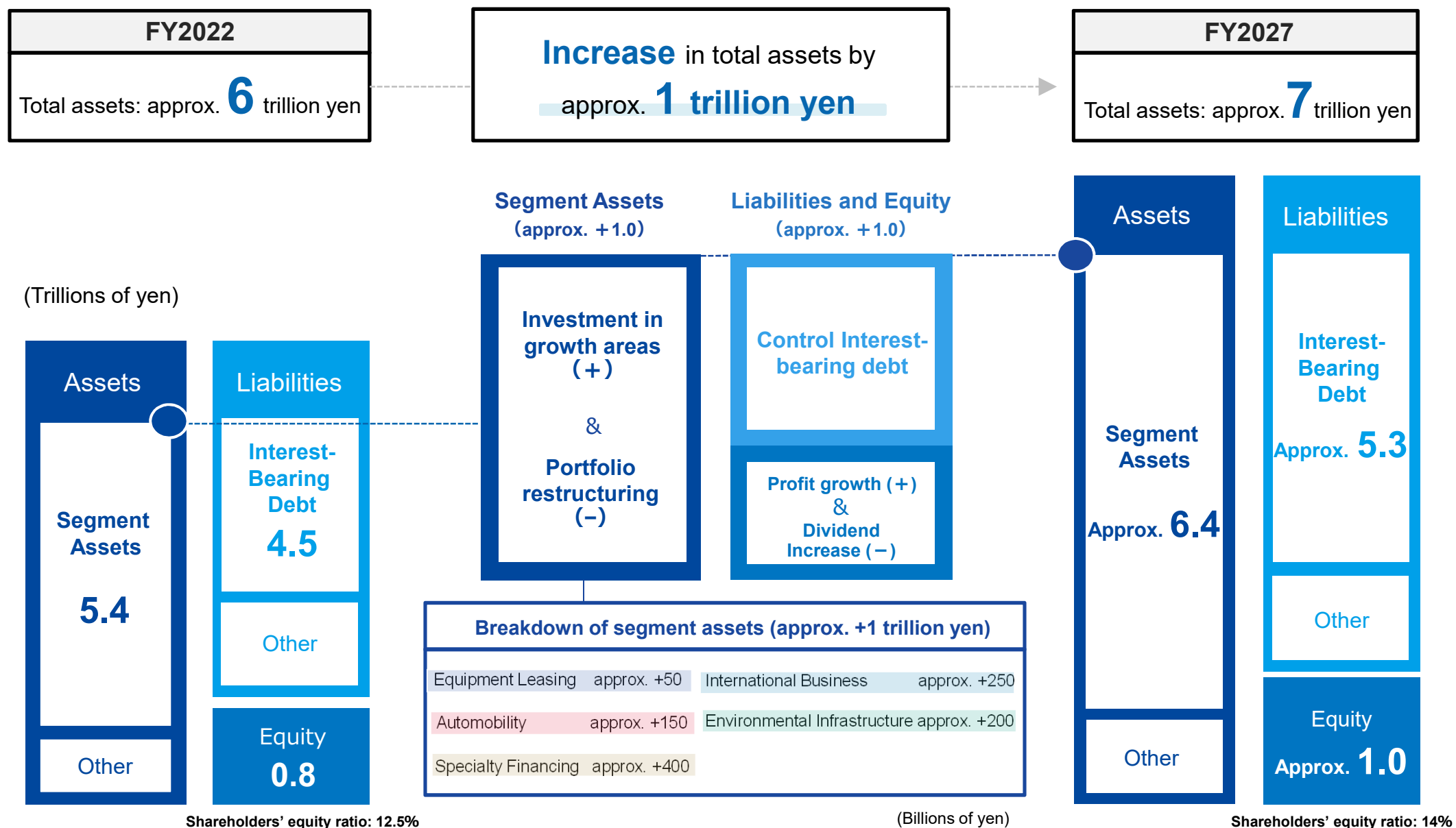
Payout ratio

Dividends\*

\* A 4-for-1 stock split of common stock was conducted effective January 1, 2024.  
Dividends shown in the graph below are figures after retroactively applying the amendments resulting from the impact of the stock split.



# Balance Sheet Management (Medium-Term Management Plan 2027)








# Results and Challenges of Each Operating Segment for Achieving Medium-Term Management Plan 2027

Automobility achieved the planned amount due in part to NRS's contributions, while Specialty Financing and International Business strive to further enhance earnings power

## Comparison of FY2023 Result and FY2027 Plan

(Net income attributable to owners of parent)

(Billions of yen)

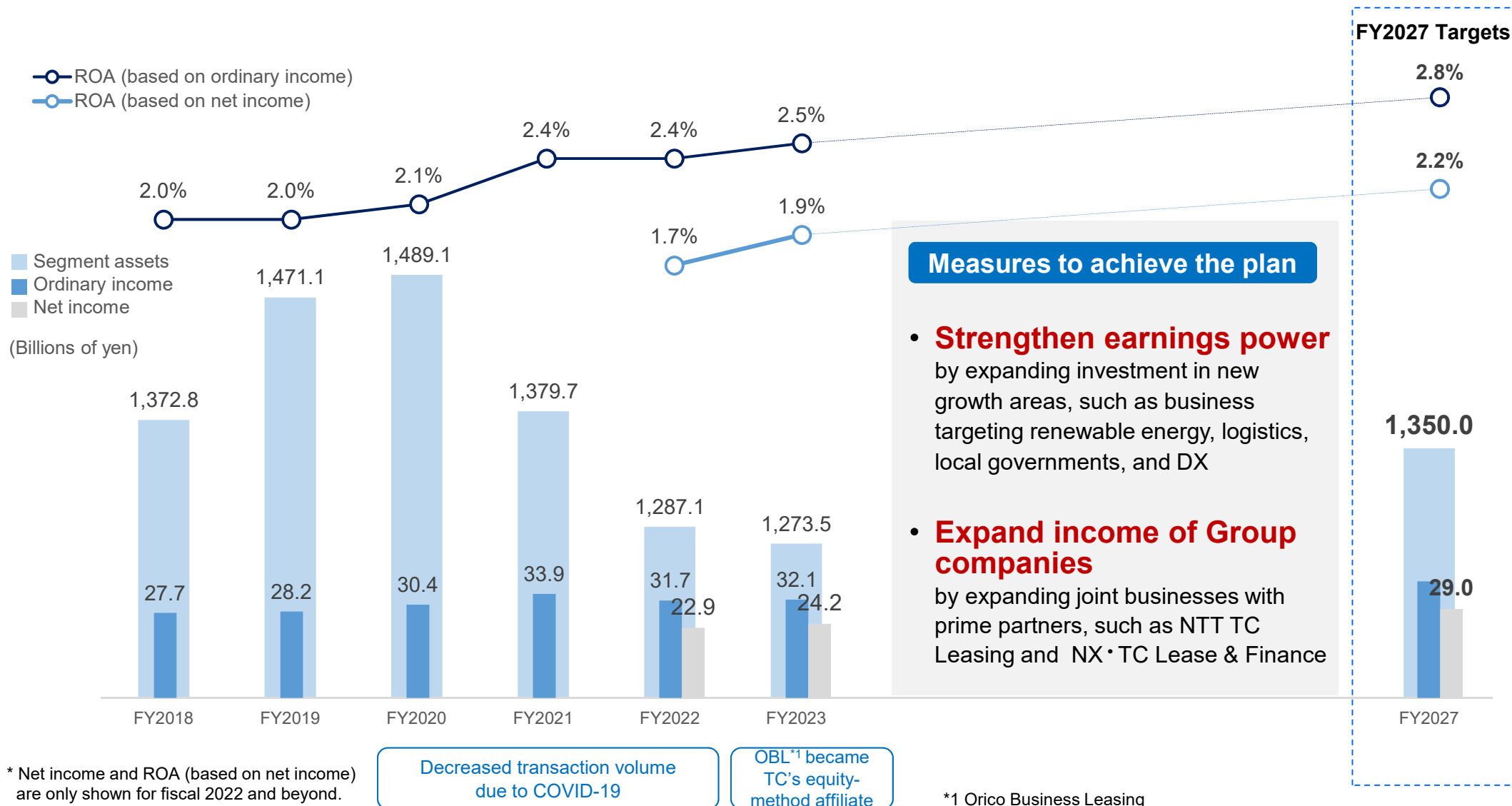
|  | FY2023<br>Result | FY2027<br>Plan | Change      | Fiscal 2023 results and challenges for achieving the plan  |
|--|------------------|----------------|-------------|--|
|  Equipment Leasing              | 24.2             | 29.0           | 4.8         | NTT TC Leasing's record-breaking income, portfolio transformation (PX) initiatives, including revising shareholding ratios<br>Strengthening of TC's own earnings power, expansion of joint businesses with partners  |
|  Automobility                   | 16.7             | 16.0           | -0.7        | Achievement of the plan due to large profit contributions from NRS, PX initiatives, including revising shareholding ratios<br>NCS: Accumulation of quality assets with organic and inorganic methods<br>NRS: Strategies for improving branches, capture of inbound demand                  |
|  Specialty Financing            | 30.0             | 48.0           | 18.0        | ACG's recovery, efficient asset management of shipping and real estate<br>Aviation: Efficient asset management and high-quality portfolio<br>Real estate: Active investment in growth areas (logistics facilities and data centers)  |
|  International Business        | 11.0             | 21.0           | 10.0        | Participation in data center businesses with the NTT Group in the U.S.<br>CSI: Global strategies leveraging M&A<br>Improvement of business models, including bolstering global partnerships  |
|  Environmental Infrastructure | 1.9              | 7.5            | 5.6         | Large-scale investment to acquire the UK's solar power plants for stable earnings over the long term<br>Earnings expansion from strategic M&A, overseas renewable energy projects, and storage battery business<br>Increase in new earnings opportunities using asset management expertise |
| Other  | -11.5            | -21.5          | -10.0       |  |
| <b>Total</b>   | <b>72.1</b>      | <b>100.0</b>   | <b>27.9</b> |  |



# Operating Performance of Equipment Leasing

To achieve the Medium-Term Management Plan 2027:

**Strengthen earnings power on a non-consolidated basis and expand joint businesses with partners, thereby increasing consolidated income**

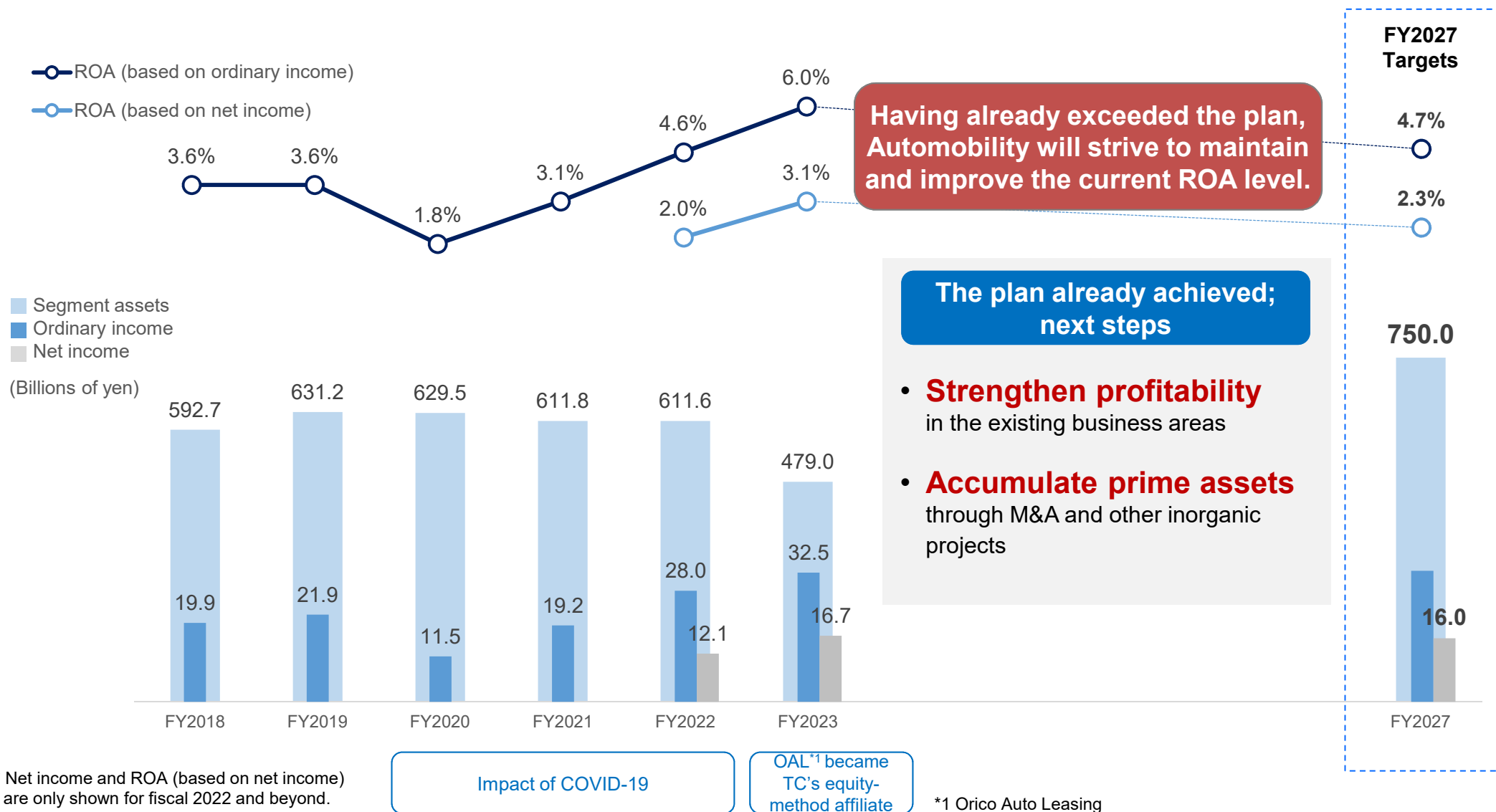




# Operating Performance of Automobility

The Medium-Term Management Plan 2027 already achieved; next steps:

Strengthen profitability in the existing business areas and accumulate prime assets

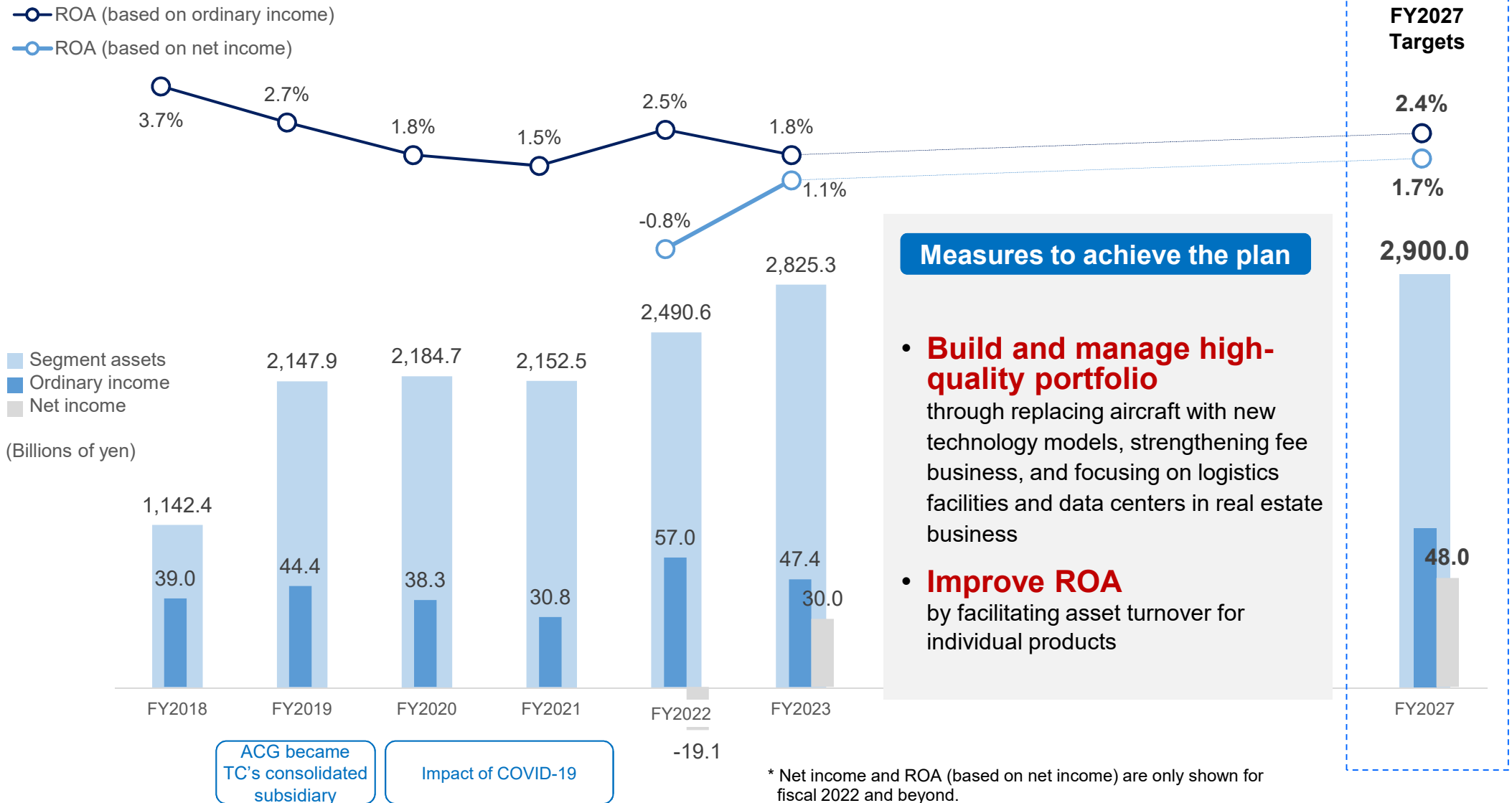




# Operating Performance of Specialty Financing

To achieve the Medium-Term Management Plan 2027:

Build high-quality portfolio, and improve ROA by facilitating asset turnover

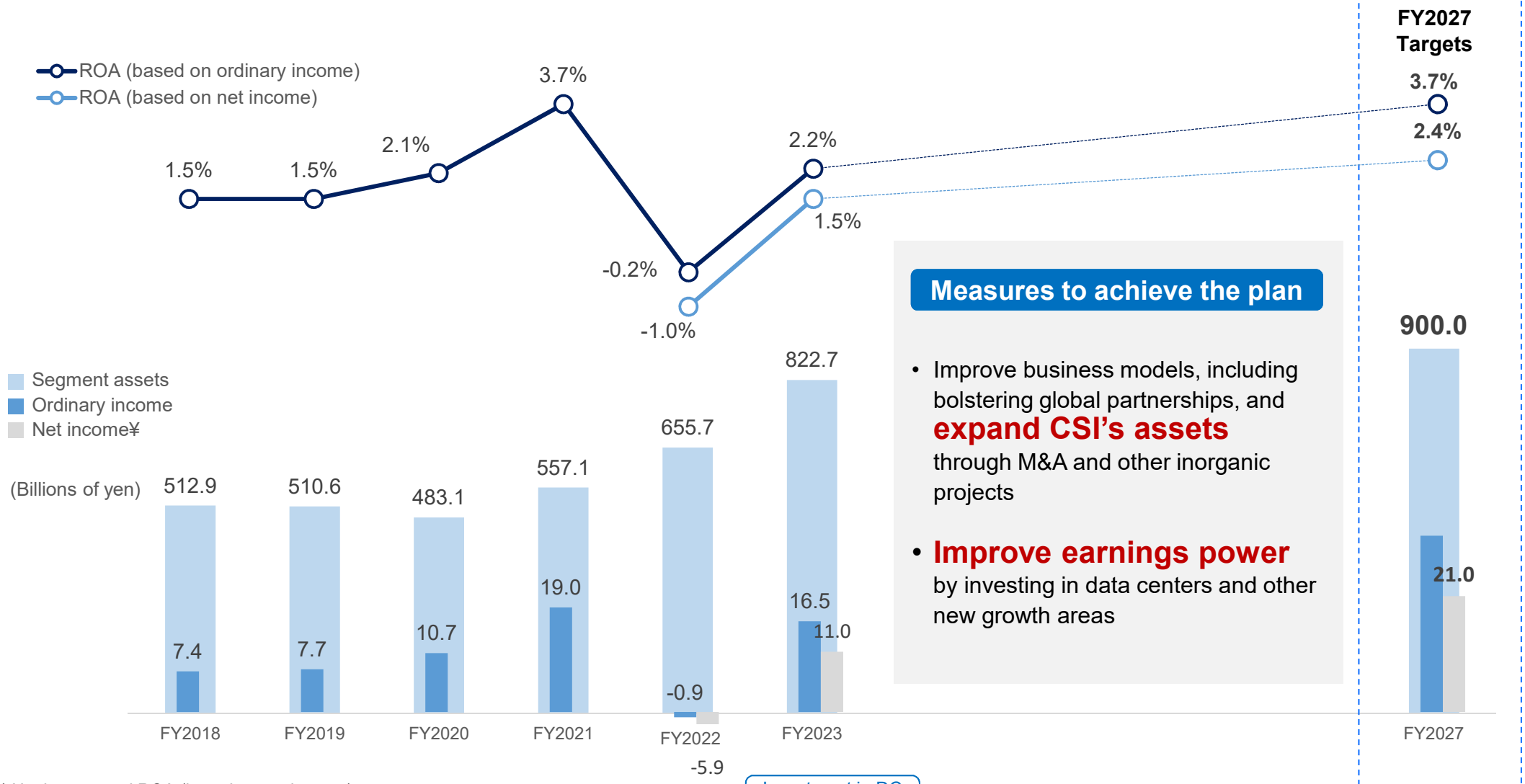




# Operating Performance of International Business

To achieve the Medium-Term Management Plan 2027:

Expand CSI's assets and improve earnings power by investing in new growth areas



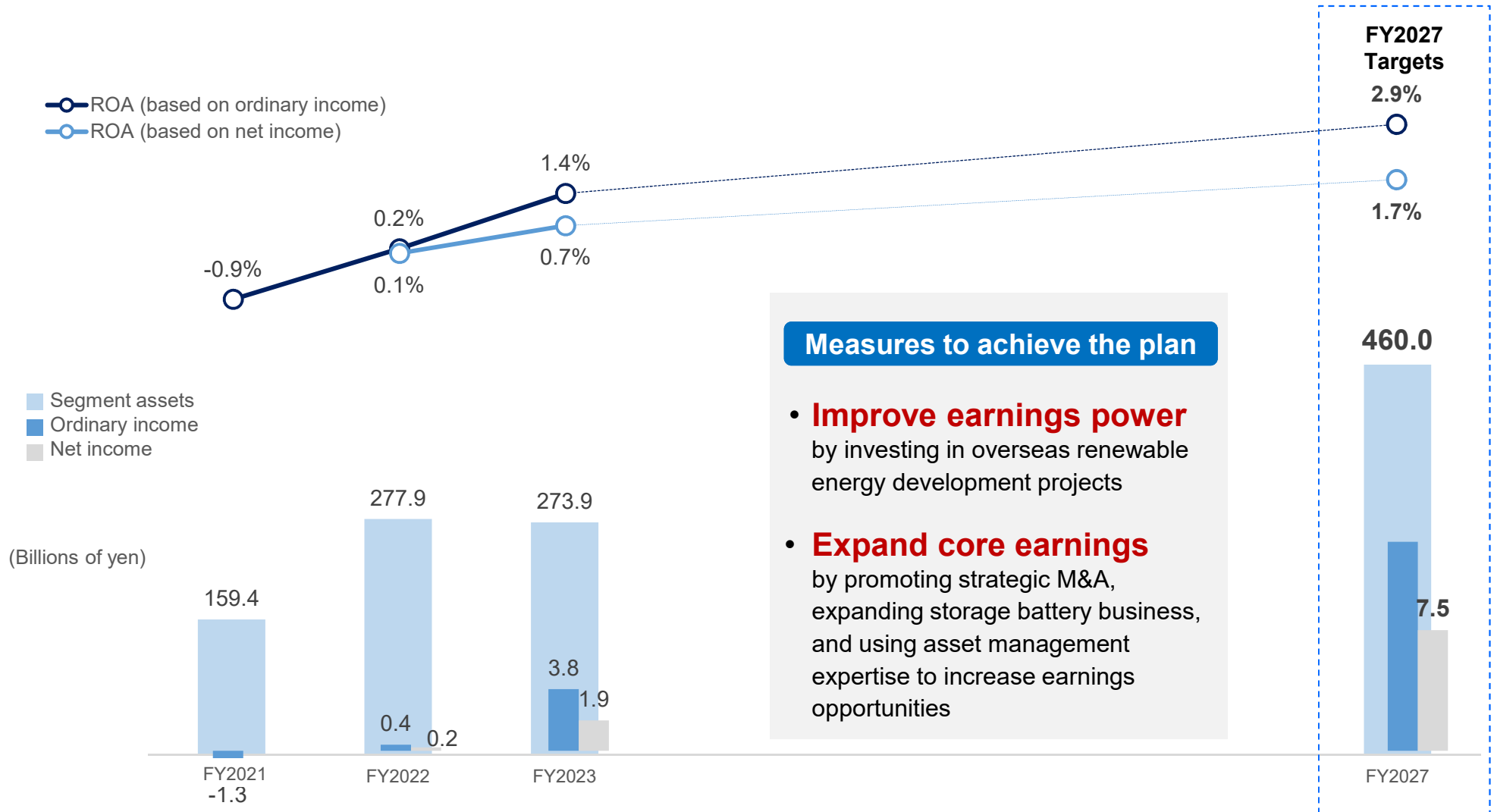
\* Net income and ROA (based on net income) are only shown for fiscal 2022 and beyond.



# Operating Performance of Environmental Infrastructure

To achieve the Medium-Term Management Plan 2027:

Promote investment in overseas renewable energy and other projects



\* Net income and ROA (based on net income) are only shown for fiscal 2022 and beyond.



## **Reference Material (3)**

# **Promotion of Collaboration with Partner Companies**

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# Collaboration with the NTT Group



Collaboration underway in each business field by integrating the strengths of both companies

2005

2020

2021

2022

Started Collaboration

with  **NTT**



## Auto leasing

- NTT Auto Leasing and Century Auto Leasing integrated operations
- Promoting EV100, which aims to convert 100% of the NTT Group's vehicles to EVs by 2030



FY2023  
Ordinary income

**¥16.6 billion**



## Leasing and finance

- Established a joint venture for leasing and finance business
- Expanded collaboration in co-creation projects for equipment leasing



FY2023  
Equity in earnings  
of the affiliate

**¥7.5 billion**



## Environment and energy

- Jointly operate solar power plants
- Established an investment fund for renewable energy business

**Investment fund  
for renewable  
energy business**



## Data centers

- Started collaboration with NTT Global Data Centers Corporation (NTT GDC) in India

India

**Mumbai8**

U.S.

**Data centers  
in Chicago**



## Real estate

- Conducted a building lease for new market facilities in the redevelopment project for the public local wholesale market in Toyama City



## Collaboration with CSI

- Support expansion of NTT's overseas business by using CSI's global network

## Advancing collaboration with the ITOCHU Group in various projects

### Construction machinery and truck finance



#### ZAXIS Finance



- Entered into the North American construction machinery market, where stable demand is expected in the home construction and infrastructure fields  
Shareholding Ratio: ITOCHU 35%, Hitachi Construction Machinery 30%, TC 35%



#### ITOCHU TC Construction Machinery

- Sale and rental of construction machinery and materials in Japan
- Shareholding Ratio: TC 50%, ITOCHU 50%



#### IFAI



- Collaboration in North American truck finance business with the ITOCHU Group

### FamilyMart



#### Leasing of store fixtures for FamilyMart

- Leasing of store fixtures and digital signage equipment and provision of asset management services to convenience store operator FamilyMart Co., Ltd.

### Environment and energy



#### Domestic and overseas renewable energy projects

- Collaboration in domestic solar power and biomass power generation projects
- Jointly acquired the right to develop two US solar power plants



#### IBeeT

- Subscription service for storage batteries  
Shareholding Ratio: TC 50%, ITOCHU 50%



#### Hydrogen infrastructure investment



- Jointly invested in Clean H2 Infra Fund, the world's first large-scale clean hydrogen infrastructure investment fund of France

### Mobile devices



#### Belong

- Collaborate with Belong Inc., ITOCHU's wholly owned subsidiary, to provide secondhand smartphone and tablet rental service for corporate users

**Expansion of collaboration in potential growth fields, including construction machinery and truck finance, environment and energy, mobile devices, and FamilyMart-related business**

# Group Companies (Joint ventures with partners)

| Location          | Company Name                               | Shareholders |                       | Main Business Operations                            |  |
|-------------------|--|--------------|-----------------------|---|--|
|                   |  | TC           | Partners              |   |  |
| Equipment Leasing |  |              |                       |   |  |
| Japan             | FLCS Co., Ltd.                             | 80%          | Fujitsu: 20%          | IT equipment leasing                                |  |
|                   | IHI Finance Support Corporation            | 66.5%        | IHI : 33.5%           | General leasing and finance                         |  |
|                   | ITEC Leasing Co., Ltd.                     | 85.1%        | NHK Group: 14.9%      | General leasing                                     |  |
|                   | TC Tsukishima Energy Solution LLC          | 90%          | Tsukishima Kikai: 10% | Sale of electricity generated using biogas          |  |
|                   | Amada Lease Co., Ltd.                      | 60%          | Amada: 40%            | General leasing                                     |  |
|                   | NTT TC Leasing Co., Ltd.                   | *            | 50%                   | NTT Group: 40%, NTT Finance: 10%                    | General leasing and finance  |
|                   | NX・TC Lease & Finance Co., Ltd.            | *            | 49%                   | NIPPON EXPRESS HD: 49%<br>Sompo Japan Insurance: 2% | General leasing and finance  |
|                   | ITOCHU TC Construction Machinery Co., Ltd. | *            | 50%                   | ITOCHU: 50%   | Sales and rental of construction machinery                                   |
|                   | IBeeT Corporation                          | *            | 50%                   | ITOCHU: 50%   | Subscription services for decentralized power supplies and related equipment |
|                   | Nanatsujima Biomass Power LLC              | *            | 25.1%                 | IHI and 7 other companies                           | Electricity generation business  |
|                   | FFG Lease Co., Ltd.                        | *            | 50%                   | Fukuoka Financial Group, Inc.: 50%                  | General leasing  |
|                   | Orico Business Leasing Co., Ltd.           | *            | 20%                   | Orient Corporation: 80%                             | General leasing  |
| Automobility      |  |              |                       |   |  |
| Japan             | Nippon Car Solutions Co., Ltd.             | 59.5%        | NTT: 40.5%            | Auto leasing  |  |
|                   | Nippon Rent-A-Car Service, Inc.            | 88.6%        | ANA Holdings: 11.4%   | Car rental  |  |
|                   | Orico Auto Leasing Co., Ltd.               | *            | 34%                   | Orient Corporation: 66%                             | Auto leasing for individuals   |

\* Equity-method affiliate

# Group Companies (Joint ventures with partners)

| Location                     | Company Name   | Shareholders |          |   | Main Business Operations  |
|------------------------------|--|--------------|----------|---|---|
|                              |  | TC           | Partners |   |   |
| Specialty Financing          |  |              |          |   |   |
| Japan                        | TC Kobelco Real Estate Co., Ltd.                             |              | 70%      | Kobe Steel: 25%, Chuo-Nittochi: 5%  | Real estate business  |
|                              | Chuo-Nittochi Asset Management Co., Ltd.                     | *            | 30%      | Chuo-Nittochi: 70%  | Management and formation of real estate funds                     |
| U.S.                         | GA Telesis, LLC  | *            | 49.2%    | ANA Trading: 10%  | Provider of commercial aviation products, services, and solutions |
|                              | Gateway Engine Leasing, LLC                                  | *            | 20%      | GA Telesis: 40%, ANA Trading: 40%   | Aircraft engine leasing   |
| International Business       |  |              |          |   |   |
| China                        | Dalian Bingshan Group Hua Hui Da Financial Leasing Co., Ltd. | *            | 40%      | Dalian Bingshan Group: 60%  | Finance and general leasing                                       |
|                              | Suzhou New District Furui Leasing Co., Ltd.                  | *            | 15.8%    | Suzhou government-affiliated companies: 80.2%   | Finance and general leasing                                       |
| Taiwan                       | President Tokyo Corporation                                  | *            | 49%      | Uni-President Enterprises Group: 51%  | Automobile leasing and general leasing                            |
| Thailand                     | TISCO Tokyo Leasing Co., Ltd.                                |              | 49%      | TISCO Financial Group: 49%  | General leasing   |
|                              | HTC Leasing Co., Ltd.  |              | 70%      | Hitachi Construction Machinery Group: 30%   | Construction machinery finance                                    |
| Indonesia                    | PT. Hexa Finance Indonesia                                   | *            | 20%      | ITOCHU Group: 50%<br>Hitachi Construction Machinery Group: 30%                                  | Construction machinery finance                                    |
| Philippines                  | BPI Century Tokyo Lease & Finance Corporation                |              | 51%      | Bank of the Philippine Islands: 49%   | General leasing   |
| U.S.                         | NTT Global Data Centers CH, LLC                              |              | 80%      | NTT DATA: 20%   | Data center   |
|                              | ZAXIS Financial Services Americas, LLC                       | *            | 35%      | ITOCHU Group: 35%<br>Hitachi Construction Machinery Group: 30%                                  | Construction machinery finance                                    |
| Environmental Infrastructure |  |              |          |   |   |
| Japan                        | Kyocera TCL Solar LLC  |              | 81%      | Kyocera: 19%  | Electricity generation business                                   |
|                              | Shunan Power Corporation                                     |              | 60%      | Tokuyama: 20%   Marubeni Clean Power: 20%   | Electricity generation business                                   |
|                              | A&Tm Corporation   |              | 51%      | Tokyo Gas Engineering Solutions Corporation:39%<br>KYOCERA Communication Systems Co., Ltd.: 10% | Maintenance and management of power plant business                |
| Other                        |  |              |          |   |   |
| Japan                        | BOT Lease Co., Ltd.  | *            | 25%      | MUFG: 38.9%, The Norinchukin Bank: 25%  | General leasing and finance                                       |

\* Equity-method affiliate

# Group companies (Others)

| Location                     | Company Name                                     | Shareholders |          | Main Business Operations                         |
|------------------------------|--|--------------|----------|--|
|                              |  | TC           | Partners |  |
| Equipment Leasing            |  |              |          |  |
| Japan                        | S.D.L Co., Ltd.                                  | 100%         |          | General leasing                                  |
|                              | EPC Japan K. K.                                  | 100%         |          | Refurbishment of PCs                             |
|                              | Bplats, Inc.                                     | 30.8%        |          | Subscription business                            |
| Specialty Financing          |  |              |          |  |
| Japan                        | TC Hotels & Resorts Co., Ltd.                    | 100%         |          | Hotel business and property management           |
| U.S.                         | TC Skyward Aviation U.S., Inc.                   | 100%         |          | Aviation leasing and finance                     |
|                              | TC Realty Investments Inc.                       | 100%         |          | Real estate investment                           |
|                              | Aviation Capital Group LLC                       | 100%         |          | Aviation leasing and finance                     |
| International Business       |  |              |          |  |
| China                        | Tokyo Century Factoring China Corporation        | 100%         |          | Factoring services                               |
| Singapore                    | Tokyo Century Leasing (Singapore) Pte. Ltd.      | 100%         |          | General leasing                                  |
|                              | Tokyo Century Asia Pte. Ltd.                     | 100%         |          | Investment, shareholding, and ancillary business |
| Malaysia                     | Tokyo Century Capital (Malaysia) Sdn. Bhd.       | 100%         |          | General leasing                                  |
| Thailand                     | TC Advanced Solutions Co., Ltd.                  | 59%          |          | Reverse factoring and other services             |
|                              | TC Car Solutions (Thailand) Co., Ltd.            | 99%          |          | Auto financing and services                      |
| Indonesia                    | PT. Tokyo Century Research Indonesia             | 100%         |          | Research   |
| U.S.                         | CSI Leasing, Inc.                                | 100%         |          | IT equipment leasing                             |
|                              | Tokyo Century (USA) Inc.                         | 100%         |          | General leasing                                  |
|                              | AP Equipment Financing (Allegiant Partners Inc.) | 100%         |          | Finance and general leasing                      |
| Environmental Infrastructure |  |              |          |  |
| Japan                        | TCLA Godo Kaisha                                 | 100%         |          | General leasing                                  |

\* Equity-method affiliate



## Reference Material (4)

### Financial Data

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In addition to this document, financial information is disclosed in the DATA BOOK (Excel format) available in the IR Library on the Company's website on a quarterly basis.

<https://www.tokyocentury.co.jp/en/ir/library/2024.html>

# Statement of Income

(Billions of yen)

|  | #         | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change     | %Change      |
|--|-----------|---------------------|---------------------|------------|--------------|
| Revenues   | 1         | 685.5               | 665.9               | -19.6      | -2.9%        |
| Costs  | 2         | 560.0               | 531.4               | -28.6      | -5.1%        |
| Funding cost   | 3         | 47.0                | 60.7                | 13.7       | 29.1%        |
| Gross profit   | 4         | 125.4               | 134.5               | 9.0        | 7.2%         |
| SG&A expenses  | 5         | 72.3                | 78.2                | 5.8        | 8.1%         |
| Personnel expenses                                   | 6         | 39.7                | 45.0                | 5.2        | 13.2%        |
| Non-personnel expenses                               | 7         | 30.7                | 33.5                | 2.9        | 9.3%         |
| Credit costs   | 8         | 2.0                 | -0.3                | -2.3       | -            |
| Operating income                                     | 9         | 53.1                | 56.3                | 3.2        | 6.0%         |
| Non-operating income and expenses                    | 10        | 6.1                 | 7.4                 | 1.3        | 20.8%        |
| <b>Ordinary income</b>                               | <b>11</b> | <b>59.2</b>         | <b>63.7</b>         | <b>4.5</b> | <b>7.6%</b>  |
| Extraordinary income and losses                      | 12        | 1.7                 | 6.7                 | 5.0        | 285.7%       |
| Income before income taxes                           | 13        | 61.0                | 70.4                | 9.4        | 15.5%        |
| Income taxes   | 14        | 18.3                | 20.3                | 2.0        | 10.9%        |
| Net income   | 15        | 42.6                | 50.1                | 7.4        | 17.4%        |
| Net income attributable to non-controlling interests | 16        | 7.0                 | 6.9                 | -0.1       | -1.2%        |
| <b>Net income attributable to owners of parent</b>   | <b>17</b> | <b>35.6</b>         | <b>43.1</b>         | <b>7.5</b> | <b>21.1%</b> |

## Major Factors in Changes

### ■ Gross profit

Increased mainly due to International Business and Specialty Financing

### ■ SG&A expenses

Increased mainly due to International Business

### ■ Net income attributable to owners of parent for Q1–Q2

Increased mainly due to the growth of Specialty Financing and extraordinary income primarily from the sale of cross-held shares

# Balance Sheet

(Billions of yen)

|                                 | #         | Mar. 31,<br>2024 | Sep. 30,<br>2024 | Change       | %Change      |
|---------------------------------|-----------|------------------|------------------|--------------|--------------|
| <b>Total assets</b>             | <b>1</b>  | <b>6,460.9</b>   | <b>6,917.9</b>   | <b>457.0</b> | <b>7.1%</b>  |
| Current assets                  | 2         | 2,938.9          | 3,023.2          | 84.4         | 2.9%         |
| Non-current assets, etc.        | 3         | 3,522.1          | 3,894.7          | 372.6        | 10.6%        |
| Leased assets                   | 4         | 2,498.8          | 2,830.9          | 332.1        | 13.3%        |
| Leased assets advance payment   | 5         | 94.0             | 116.2            | 22.3         | 23.7%        |
| Other operating assets          | 6         | 244.9            | 269.1            | 24.1         | 9.9%         |
| Investment securities           | 7         | 404.2            | 417.7            | 13.5         | 3.3%         |
| Others                          | 8         | 280.2            | 260.8            | -19.4        | -6.9%        |
| <b>Total liabilities</b>        | <b>9</b>  | <b>5,449.8</b>   | <b>5,743.6</b>   | <b>293.9</b> | <b>5.4%</b>  |
| Current liabilities             | 10        | 2,142.1          | 1,962.7          | -179.3       | -8.4%        |
| Long-term liabilities           | 11        | 3,307.7          | 3,780.9          | 473.2        | 14.3%        |
| <b>Total net assets</b>         | <b>12</b> | <b>1,011.2</b>   | <b>1,174.3</b>   | <b>163.1</b> | <b>16.1%</b> |
| Shareholders' equity            | 13        | 872.2            | 1,031.3          | 159.1        | 18.2%        |
| Non-controlling interests, etc. | 14        | 138.9            | 143.0            | 4.0          | 2.9%         |

## Major Factors in Changes

### ■ Non-current assets, etc.

Leased assets

ACG's leased aircraft assets in particular increased due to the impact of the exchange rate fluctuations

# Interest-Bearing Debt

## Balance of Interest-Bearing Debt

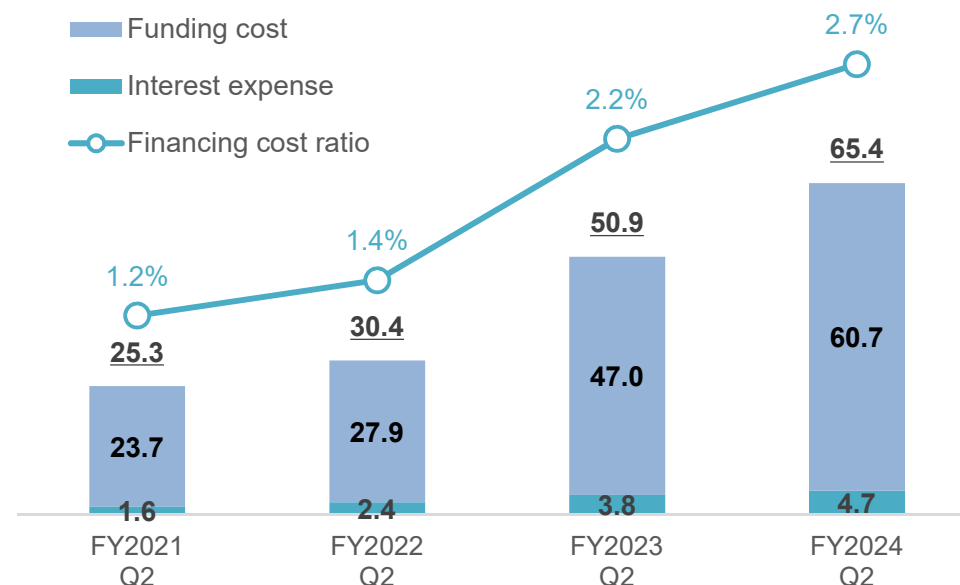
(Billions of yen)

|                              | #        | Mar. 31, 2023  | Mar. 31, 2024  | Sep. 30, 2024  | Change       | %Change     |
|------------------------------|----------|----------------|----------------|----------------|--------------|-------------|
| <b>Interest-bearing debt</b> | <b>1</b> | <b>4,514.7</b> | <b>4,749.0</b> | <b>5,068.7</b> | <b>319.7</b> | <b>6.7%</b> |
| Japanese yen                 | 2        | 2,628.6        | 2,574.2        | 2,615.8        | 41.6         | 1.6%        |
| Foreign currency             | 3        | 1,886.1        | 2,174.8        | 2,452.9        | 278.1        | 12.8%       |
| Foreign currency %           | 4        | 41.8%          | 45.8%          | 48.4%          | 2.6pt        |             |
| Commercial papers            | 5        | 352.3          | 343.6          | 313.8          | -29.8        | -8.7%       |
| Japanese yen                 | 6        | 271.7          | 228.7          | 230.5          | 1.8          | 0.8%        |
| Foreign currency             | 7        | 80.6           | 114.9          | 83.3           | -31.6        | -27.5%      |
| Corporate bonds              | 8        | 1,052.7        | 1,219.4        | 1,359.0        | 139.6        | 11.5%       |
| Japanese yen                 | 9        | 372.6          | 372.6          | 352.5          | -20.1        | -5.4%       |
| Foreign currency             | 10       | 680.1          | 846.8          | 1,006.5        | 159.7        | 18.9%       |
| Securitized lease assets     | 11       | 25.8           | 15.3           | 14.7           | -0.7         | -4.3%       |
| Borrowings                   | 12       | 3,083.9        | 3,170.7        | 3,381.3        | 210.5        | 6.6%        |
| Japanese yen                 | 13       | 1,958.5        | 1,957.6        | 2,018.2        | 60.5         | 3.1%        |
| Foreign currency             | 14       | 1,125.4        | 1,213.1        | 1,363.1        | 150.0        | 12.4%       |
| Direct funding ratio         | 15       | 31.7%          | 33.2%          | 33.3%          | 0.1pt        |             |
| Long-term funding ratio      | 16       | 85.7%          | 83.9%          | 86.4%          | 2.5pt        |             |

|   | #         | FY2022<br>Q2 Result | FY2023<br>Q2 Result | FY2024<br>Q2 Result | Change       | %Change |
|---|-----------|---------------------|---------------------|---------------------|--------------|---------|
| Funding cost  | 17        | 27.9                | 47.0                | 60.7                | 13.7         | 29.1%   |
| Interest expense                                    | 18        | 2.4                 | 3.8                 | 4.7                 | 0.8          | 21.5%   |
| Financing cost<br>(Funding cost + Interest expense) | 19        | 30.4                | 50.9                | 65.4                | 14.5         | 28.5%   |
| <b>Financing cost ratio</b>                         | <b>20</b> | <b>1.4%</b>         | <b>2.2%</b>         | <b>2.7%</b>         | <b>0.4pt</b> |         |

## Financing Cost Ratio<sup>\*1,2</sup>

(Billions of yen)



\*1 Of costs and expenses required for financing, those pertaining to operating transactions are recorded as funding cost, and expenses related to non-operating transactions are recorded as interest expense under non-operating expenses.

\*2 Financing cost ratio =  $\frac{\text{Financing cost (Funding cost + Interest expense)}}{\{ (\text{Interest-bearing debt as of the previous fiscal year-end} + \text{Interest-bearing debt as of the end of this period}) / 2 \}}$

(Change of financing cost by fiscal year)

|   | #         | FY2022<br>Result | FY2023<br>Result | Change       | %Change |
|---|-----------|------------------|------------------|--------------|---------|
| Funding cost  | 21        | 67.7             | 101.9            | 34.3         | 50.6%   |
| Interest expense                                    | 22        | 5.9              | 7.9              | 1.9          | 32.1%   |
| Financing cost<br>(Funding cost + Interest expense) | 23        | 73.6             | 109.8            | 36.2         | 49.1%   |
| <b>Financing cost ratio</b>                         | <b>24</b> | <b>1.7%</b>      | <b>2.4%</b>      | <b>0.7pt</b> |         |

# Balance of Segment Assets and Transaction Volume in Automobility

Segment assets increased ¥3.6 billion from the end of the previous fiscal year

| (Billions of yen)               |               |               |               |               |               |        |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|--------|
|                                 | Mar. 31, 2021 | Mar. 31, 2022 | Mar. 31, 2023 | Mar. 31, 2024 | Sep. 30, 2024 | Change |
| Balance of segment assets       | 629.5         | 611.8         | 611.6         | 479.0         | 482.6         | 3.6    |
| Nippon Car Solutions (NCS)      | 371.2         | 359.3         | 348.3         | 360.5         | 361.1         | 0.6    |
| Percentage                      | 58.9%         | 58.7%         | 57.0%         | 75.2%         | 74.7%         |        |
| Nippon Rent-A-Car Service (NRS) | 45.7          | 40.3          | 44.7          | 44.0          | 42.7          | -1.3   |
| Percentage                      | 7.3%          | 6.6%          | 7.3%          | 9.2%          | 8.9%          |        |
| Orico Auto Leasing (OAL)        | 214.0         | 211.7         | 216.5         | 72.2          | 76.5          | 4.3    |
| Percentage                      | 34.0%         | 34.6%         | 35.4%         | 15.1%         | 15.9%         |        |
| Other <sup>*1</sup>             | -1.4          | 0.5           | 2.1           | 2.3           | 2.3           | -0.0   |
| Percentage                      | -0.2%         | 0.1%          | 0.3%          | 0.5%          | 0.5%          |        |

\*1 Adjusted intercompany transactions in Automobility

| (Billions of yen)                    |                  |                  |                  |                  |                     |                     |            |          |
|--------------------------------------|------------------|------------------|------------------|------------------|---------------------|---------------------|------------|----------|
|                                      | FY2020<br>Result | FY2021<br>Result | FY2022<br>Result | FY2023<br>Result | FY2023<br>Q2 Result | FY2024<br>Q2 Result | YoY Change | % Change |
| NCS Transaction volume <sup>*2</sup> | 120.5            | 109.4            | 105.1            | 131.1            | 66.2                | 61.8                | -4.4       | -6.6%    |

\*2 NRS' and OAL's transaction volumes (purchase amount of fleet) are not included since NRS' car rental business is focused on asset turnover and OAL is an equity-method affiliate.

# Quarterly Changes in Results by Subsidiary and Affiliate in Automobility

NCS and NRS performed well and income hit a record high for Q1–Q2

|  |                        | FY 2023      |              |              |              |                  |                   | FY 2024      |              |                  |                 |                 |
|--|------------------------|--------------|--------------|--------------|--------------|------------------|-------------------|--------------|--------------|------------------|-----------------|-----------------|
|  |                        | Q1           | Q2           | Q3           | Q4           | Total<br>(Q1-Q2) | Total<br>(Annual) | Q1           | Q2           | Total<br>(Q1-Q2) | Change<br>(YoY) | Change<br>(YTD) |
| Revenues<br>(Billions of yen) <sup>*3</sup>    | NCS                    | 54.3         | 50.9         | 49.7         | 48.2         | 105.2            | 203.0             | 55.7         | 53.2         | 109.0            | 3.8             |                 |
|  | NRS <sup>*1</sup>      | 22.9         | 20.0         | 23.8         | 27.0         | 42.9             | 93.8              | 24.2         | 21.9         | 46.1             | 3.2             |                 |
|  | OAL <sup>*2</sup>      | 22.3         | 22.8         | -            | -            | 45.1             | 45.1              | -            | -            | -                | -45.1           |                 |
|  | <b>Total</b>           | <b>99.5</b>  | <b>93.7</b>  | <b>73.5</b>  | <b>75.2</b>  | <b>193.2</b>     | <b>341.9</b>      | <b>79.9</b>  | <b>75.2</b>  | <b>155.1</b>     | <b>-38.1</b>    |                 |
| Ordinary income<br>(Billions of yen)           | NCS                    | 6.9          | 4.9          | 2.7          | 2.1          | 11.8             | 16.6              | 7.5          | 5.7          | 13.2             | 1.4             |                 |
|  | NRS                    | 4.4          | 2.6          | 5.4          | 2.0          | 7.1              | 14.4              | 5.0          | 3.4          | 8.4              | 1.3             |                 |
|  | OAL                    | 0.6          | 0.5          | 0.2          | 0.4          | 1.1              | 1.6               | 0.1          | 0.1          | 0.2              | -0.8            |                 |
|  | Other                  | -0.1         | -0.0         | -0.1         | 0.0          | -0.1             | -0.1              | -0.1         | -0.2         | -0.3             | -0.2            |                 |
|  | <b>Total</b>           | <b>11.9</b>  | <b>8.0</b>   | <b>8.2</b>   | <b>4.5</b>   | <b>19.9</b>      | <b>32.5</b>       | <b>12.5</b>  | <b>9.1</b>   | <b>21.6</b>      | <b>1.7</b>      |                 |
| Balance of segment assets<br>(Billions of yen) | NCS                    | 346.3        | 351.3        | 355.9        | 360.5        |                  |                   | 358.4        | 361.1        |                  | 9.8             | 0.6             |
|  | NRS                    | 44.7         | 44.5         | 53.7         | 44.0         |                  |                   | 43.5         | 42.7         |                  | -1.7            | -1.3            |
|  | OAL                    | 222.1        | 68.6         | 70.8         | 72.2         |                  |                   | 73.5         | 76.5         |                  | 8.0             | 4.3             |
|  | Other <sup>*4</sup>    | 1.9          | 1.8          | 1.9          | 2.3          |                  |                   | 2.3          | 2.3          |                  | 0.4             | -0.0            |
|  | <b>Total</b>           | <b>615.1</b> | <b>466.1</b> | <b>482.3</b> | <b>479.0</b> |                  |                   | <b>477.7</b> | <b>482.6</b> |                  | <b>16.5</b>     | <b>3.6</b>      |
| Number of vehicles<br>(Thousand)               | NCS                    | 687          | 688          | 690          | 690          |                  |                   | 692          | 692          |                  | 4               | 3               |
|  | NRS                    | 46           | 51           | 46           | 45           |                  |                   | 46           | 51           |                  | -1              | 6               |
|  | OAL <sup>*5</sup>      | 180          | 182          | 183          | 184          |                  |                   | 184          | 185          |                  | 4               | 2               |
|  | Duplication adjustment | -184         | -185         | -187         | -187         |                  |                   | -188         | -189         |                  | -3              | -1              |
|  | <b>Total</b>           | <b>729</b>   | <b>736</b>   | <b>732</b>   | <b>731</b>   |                  |                   | <b>734</b>   | <b>740</b>   |                  | <b>4</b>        | <b>9</b>        |

\*1 Fiscal period of NRS ends in December

\*2 OAL transitioned from a consolidated subsidiary to an equity-method affiliate at the end of the second quarter of fiscal 2023

\*3 Revenues = Simple sum of three companies

\*4 Adjusted intercompany transactions in Automobility

\*5 OAL, an equity-method affiliate, reports the total number of vehicles it owns

# Balance of Segment Assets in Specialty Financing

Segment assets increased ¥380.3 billion from the end of the previous fiscal year mainly due to an increase in aviation, in addition to the impact of exchange rate fluctuations

| (Billions of yen)                 |                |                |                |                |                |                          |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|--------------------------|
|                                   | Mar. 31, 2021  | Mar. 31, 2022  | Mar. 31, 2023  | Mar. 31, 2024  | Sep. 30, 2024  | Change                   |
| <b>Balance of segment assets</b>  | <b>2,034.4</b> | <b>2,152.5</b> | <b>2,490.6</b> | <b>2,825.3</b> | <b>3,205.6</b> | <b>380.3</b><br>+259.1*2 |
| Aviation                          | 1,363.1        | 1,480.8        | 1,737.6        | 1,935.9        | 2,236.6        | 300.7                    |
| Percentage                        | 67.0%          | 68.9%          | 69.8%          | 68.5%          | 69.7%          | +239.7*2                 |
| Shipping                          | 116.4          | 100.0          | 93.3           | 86.9           | 92.8           | 5.9                      |
| Percentage                        | 5.7%           | 4.6%           | 3.7%           | 3.1%           | 2.9%           | -0.6*2                   |
| Real Estate                       | 462.3          | 484.7          | 559.9          | 675.5          | 746.1          | 70.6                     |
| Percentage                        | 22.7%          | 22.5%          | 22.5%          | 23.9%          | 23.3%          | +20.0*2                  |
| Principal Investment and Others * | 92.6           | 87.0           | 99.8           | 127.0          | 130.2          | 3.2                      |
| Percentage                        | 4.6%           | 4.0%           | 4.0%           | 4.5%           | 4.1%           | +0.1*2                   |

\*1 Principal investment and others include the principal investment amounts, factoring and others

\*2 Exchange rate factors

# Balance of Segment Assets in International Business

Segment assets increased ¥122.2 billion from the end of the previous fiscal year due to increases in the USA and Europe, in addition to the impact of exchange rate fluctuations

(Billions of yen)

|                                  | Mar. 31, 2021 | Mar. 31, 2022 | Mar. 31, 2023 | Mar. 31, 2024 | Sep. 30, 2024    | Change                 |
|----------------------------------|---------------|---------------|---------------|---------------|------------------|------------------------|
| <b>Balance of segment assets</b> | <b>483.1</b>  | <b>557.1</b>  | <b>655.7</b>  | <b>822.7</b>  | <b>944.9</b>     | <b>122.2</b><br>+82.1* |
| <b>Total of Asia</b>             | 215.5         | 227.3         | 221.0         | 234.1         | <b>258.3</b>     | 24.1                   |
| percentage                       | 44.6%         | 40.8%         | 33.7%         | 28.5%         | <b>27.3%</b>     | +13.5*                 |
| <b>ASEAN</b>                     | 196.9         | 212.2         | 210.2         | 225.7         | <b>250.1</b>     | 24.4                   |
| percentage                       | 40.7%         | 38.1%         | 32.1%         | 27.4%         | <b>26.5%</b>     | +13.0*                 |
| <b>East Asia</b>                 | 18.7          | 15.1          | 10.8          | 8.4           | <b>8.2</b>       | -0.2                   |
| percentage                       | 3.9%          | 2.7%          | 1.6%          | 1.1%          | <b>0.8%</b>      | +0.5*                  |
| <b>USA and Europe</b>            | 267.6         | 329.8         | 434.6         | 588.6         | <b>686.6</b>     | 98.1                   |
| percentage                       | 55.4%         | 59.2%         | 66.3%         | 71.5%         | <b>72.7%</b>     | +68.6*                 |
| <br>excl. CSI non-recourse loan  | <br>335.9     | <br>389.4     | <br>440.5     | <br>553.6     | <br><b>645.8</b> | <br>92.3               |

\* Exchange rate factors

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" = "10<sup>9</sup>" and "trillion" = "10<sup>12</sup>")

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