IR Presentation

for FY2024 Q3

Tokyo Century

Results for FY2024 Q3

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Solutions to your Pursuits

Results for FY2024 Q3

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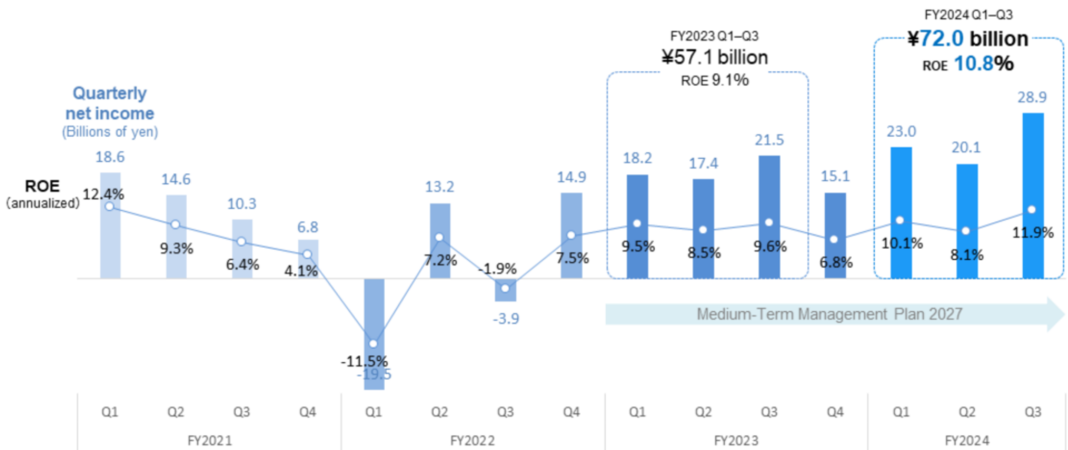
Executive Summary

Net income[*1] increased ¥15.0 billion (+26%) YoY to ¥72.0 billion, the highest ever for Q1–Q3

- Specialty Financing's strong performance in **aviation** and **real estate** drove performance, boosting the segment's net income by **¥7.4 billion** YoY.
- Net income achieved **90.0%** of the annual target, resulting mainly from the sale of cross-held shares.
- **ROE** was **10.8%** (annualized), making a steady progress for the 2nd year of the Medium-Term Management Plan 2027 aiming to recover the P/B ratio.



*1 Net income refers to net income attributable to owners of parent for Q1–Q3. ROE in the chart is annualized based on net income for each quarter.

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Net income for the quarter was up 15 billion yen, or 26%, year-on-year to 72 billion yen, setting a new record for the first nine months of a fiscal year.

The 15 billion yen increase was mainly due to a 7.4 billion yen increase in Specialty Financing, reflecting growth in the aviation and real estate businesses, as well as gains from sales of cross-held shares.

The rate of progress vis-à-vis the full-year plan was 90%, 15 percentage points higher than the standard progress rate of 75%, due in part to the fact that gains from sales of cross-shareholdings were not factored into the initial plan; annualized ROE, a KPI, was 10.8%.

Even excluding the gains from sales of cross-held shares, we are confident that we are making good progress in this second year of Medium-Term Management Plan 2027.

Financial Highlights

Both ordinary income and net income hit a record high for Q1–Q3

(Billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	% Change	FY2024 Forecast	% Progress
Ordinary income	91.2	101.7	10.5	11.6%	125.0	81.4%
Net income (loss) attributable to owners of parent	57.1	72.0	15.0	26.3%	80.0	90.0%
EPS	¥116.52	¥147.34	¥30.82	26.5%	¥163.38	90.2%
ROA (Net income / Total assets)	1.2%	1.5%	0.3 pt			
ROE (Net income / Shareholders' equity)	9.1%	10.8%	1.7 pt			
Average exchange rate (USD1)	¥138.25	¥151.44	(Average exchange rate for January-September used for major overseas subsidiaries)			

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

	Mar. 31, 2024	Dec. 31, 2024	Change	% Change
Total assets	6,460.9	6,563.4	102.5	1.6%
Balance of segment assets	5,720.4	5,771.8	51.3	0.9%
Shareholders' equity	872.2	908.1	35.9	4.1%
Shareholders' equity ratio	13.5%	13.8%	0.3 pt	
Exchange rate at the end of the period (USD1)	¥141.82	¥142.82	(Exchange rate at the end of September used for major overseas subsidiaries)	

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Ordinary income rose by 10.5 billion yen to 101.7 billion yen, while ROA increased 0.3 percentage points to 1.5%.

Segment assets went up by 51.3 billion yen to 5,771.8 billion yen, shareholders' equity rose 35.9 billion yen to 908.1 billion yen, and the equity ratio increased 0.3 percentage points to 13.8%.

With US dollar-denominated transactions climbing, fluctuations in exchange rates have affected our business performance and financial position.

P&L benefited from yen depreciation with an average rate of 151 yen during the period, while the balance sheets of overseas subsidiaries were converted at a rate of 142 yen to the dollar due to the temporary appreciation of the yen, which proved a factor in improving ROE due to a decrease in equity capital.

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–Q3

ROA (Net income / Segment assets)

(Billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	FY2024 Initial Forecast	% Achievement	ROA FY2024 Q3 Result	ROA Change
Equipment Leasing	17.3	17.2	-0.1	25.0	69%	1.8%	-
Automobility	14.1	14.8	0.8	18.0	82%	4.0%	0.6 pt
Specialty Financing	24.0	31.4	7.4	34.0	92%	1.5%	0.3 pt
International Business	6.6	9.7	3.1	13.0	75%	1.5%	0.3 pt
Environmental Infrastructure	3.5	0.8	-2.7	2.5	32%	0.4%	-1.3 pt
Other	-8.5	-1.9	6.6	-12.5	-		
Total (Net income)	**57.1**	**72.0**	**15.0**	**80.0**	**90%**	**1.7%**	**0.3 pt**

ROA (Net income / Total assets)	
1.5%	0.3 pt

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Results of Equipment Leasing

(Billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	FY2024 Forecast	Gap
Revenues	343.7	333.3	-10.4		
Gross profit	26.9	27.9	1.0		
Operating income	17.6	17.2	-0.4		
Ordinary income	**23.1**	**22.7**	**-0.4**		
NTT TC Leasing	5.1	5.5	0.3	(Ownership: 50%)	
Net income attributable to owners of parent	**17.3**	**17.2**	**-0.1**	**25.0**	7.8
				(Achievement 69%)	

	FY2023 Q3 Result	FY2024 Q3 Result	Change
ROA (%) (Ordinary income / Segment assets)	2.5%	2.4%	-0.1 pt
ROA (%) (Net income / Segment assets)	1.8%	1.8%	-

	Mar. 31, 2024	Dec. 31, 2024	Change
Segment assets	1,273.5	1,221.7	-51.8

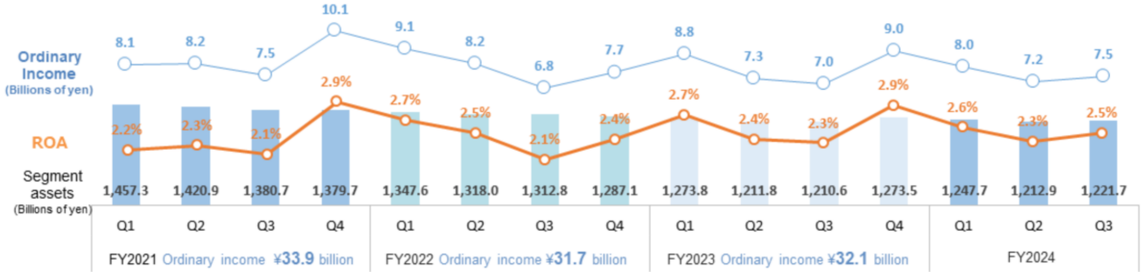
Factors in changes and annual forecast

Ordinary income (YoY)

- Decreased mainly due to increased SG&A expenses, although gross profit increased despite an increase in funding cost.

Annual forecast for net income

- The achievement rate is 6 percentage points less than the standard of 75% for Q1–Q3 mainly due to increased SG&A expenses. The segment faces challenges to meeting annual targets.



* ROA is annualized based on ordinary income for each quarter

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In Equipment Leasing, although we outpaced the higher funding costs associated with rising yen interest rates, ordinary income fell by 400 million yen and net income by 100 million yen year-on-year due to an increase in SG&A expenses attributable mainly to system expenses required to modernize the backbone system.

The segment's rate of progress vis-à-vis the plan sits at 69%, six percentage points behind the standard progress rate of 75%. It is difficult to expect large gains on sales in Equipment Leasing, and further profits will need to be built up to achieve the plan.

Japan's policy interest rate was raised to 0.5% last month, so we would like to add a few words regarding the impact of higher interest rates.

Although our financial performance will inevitably be affected by the preceding impact of cost increases, we believe that the lease yield of our new transactions has firmly captured the rise in market interest rates and can be deemed somewhat noteworthy given the difficult domestic market.

Since interest rates are expected to rise at a moderate pace and policy rates should maintain a certain level, our assessment is that there will be no significant impact on our business performance if we can steadily cover the rise in interest rates through new transactions.

Results of Automobility

(Billions of yen)

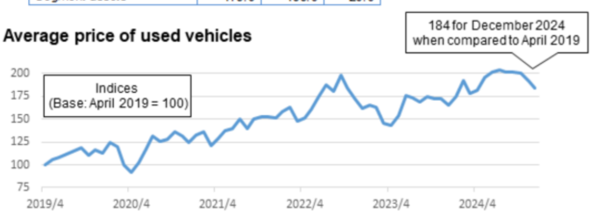
	FY2023 Q3 Result	FY2024 Q3 Result	Change	FY2024 Forecast	FY2024 Gap
Revenues	262.9	229.3	-33.6		
Gross profit	68.9	72.0	3.1		
Operating income	27.8	29.5	1.7		
Ordinary income	28.1	30.2	2.2	(Ownership)	
NCS	14.5	15.9	1.4	(59.5%)	
NRS	12.4	14.1	1.6	(88.6%)	
OAL	1.2	0.4	-0.9	(34.0%)	
Other	-0.1	-0.1	0.0		
Net income attributable to owners of parent	14.1	14.8	0.8	18.0	3.2

(Achievement:82%)

	FY2023 Q3 Result	FY2024 Q3 Result	Change
ROA (%) (Ordinary income / Segment assets)	6.8%	8.2%	1.4 pt
NCS	5.5%	5.8%	0.3 pt
NRS	33.7%	40.1%	6.4 pt
OAL	1.2%	0.7%	-0.5 pt
ROA (%) (Net income / Segment assets)	3.4%	4.0%	0.6 pt

	Mar. 31, 2024	Dec. 31, 2024	Change
Segment assets	479.0	499.6	20.6

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

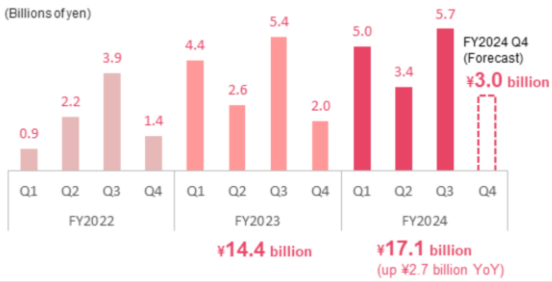
Ordinary income (YoY)

- Nippon Car Solutions (NCS)
  Hit a record high for Q1–Q3, mainly due to increased income from re-leasing, along with increased gains 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–Q3 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 82% of the annual target.
  NRS's ordinary income for Q4 (October–December) is also expected to increase YoY (see the figure below). The used car market also remains solid.

NRS's quarterly ordinary income



Nippon Car Solutions reported a year-on-year increase of 1.4 billion yen in ordinary income, owing primarily to increased gains on sales of vehicles as well as growth in re-leasing income.
Nippon Rent-A-Car Service posted an increase of 1.6 billion yen in ordinary income, thanks to an increase in the rental unit price per car.

As a result, Automobility's ordinary income overall increased by 2.2 billion yen and net income increased by 0.8 billion yen, partly due to the high level of gains on the sale of vehicles. The progress rate of 82% vis-à-vis the plan is above the standard progress rate of 75%.

Nippon Rent-A-Car Service's fiscal year has a December 31 year-end. We forecast an increase of 1 billion yen year-on-year to 3 billion yen for the fourth quarter from October to December, and a year-on-year increase of 2.7 billion yen to 17.1 billion yen for the full year, a record high for the third consecutive year.

We see the full-year outlook for Automobility overall as being solidly on track to achieve

the full-year plan.
There are several factors behind the rise in the rental unit prices paid at Nippon Rent-A-Car Service, and one of them is that the value improvement plan we are currently working on is steadily proving effective.

The graph on the right on page 14 shows car rental sales compared to FY2019 prior to the value improvement plan. You can see that Nippon Rent-A-Car Service rental car sales increased overall by a factor of about 1.2 in FY2024 compared to pre-pandemic FY2019, while the 97 stores that completed the improvement by FY2023 saw their sales increase approximately 1.5 times over the same time period.

The photos on page 14 show the Sendai Airport and Karuizawa Station North Exit rental locations, which are scheduled for renewal this spring. The Sendai Airport will become one of the largest in Japan after relocation, and the Karuizawa Station North Exit will be expanding its premises with a design concept that blends in with the surrounding landscape. You are all welcome to stop by if you have a chance.

We will continue pursuing plans to improve stores through relocations and renovations with the aim of boosting their earnings power.

Results of Specialty Financing

(Billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	FY2024 Forecast	Gap
Revenues	226.8	247.2	20.4		
Gross profit	51.9	61.4	9.5		
Operating income	31.9	41.1	9.3		
Ordinary income	**34.5**	**44.6**	**10.2**		
Aviation	15.9	22.7	6.8		
ACG	10.8	14.1	3.3		
Others	5.2	8.7	3.5		
Shipping	6.7	2.9	-3.8		
Real Estate	10.1	14.2	4.1		
Principal Investment and Others	1.6	4.7	3.1		
Gain on Sales*1	0.6	2.3	1.7		
Others	1.0	2.4	1.4		
Net income attributable to owners of parent	**24.0**	**31.4**	**7.4**	**34.0**	2.6

(Achievement 92%)

	FY2023 Q3 Result	FY2024 Q3 Result	Change
ROA (%) (Ordinary income / Segment	1.7%	2.1%	0.4 pt
Aviation	1.1%	1.6%	0.5 pt
ACG	0.8%	1.1%	0.3 pt
Others	3.3%	5.6%	2.3 pt
Shipping	10.1%	4.3%	-5.8 pt
Real Estate	2.2%	2.7%	0.5 pt
Principal Investment and Others	2.0%	4.8%	2.8 pt
ROA (%) (Net income / Segment assets)	1.2%	1.5%	0.3 pt

	Mar. 31, 2024	Dec. 31, 2024	Change
Segment assets	2,825.3	2,830.5	5.2

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

Factors in changes and annual forecast

Ordinary income (YoY)

- Aviation
  Increased mainly due to ACG's increased gains on sales of aircraft and the absence of its bad debt expenses recorded in the same period of the previous fiscal year, as well as income of GA Telesis providing aviation aftermarket services
  *For performance and other details of ACG, see p.17.
- Real Estate
  Increased mainly due to one-time income and higher gains on sale
- Shipping
  Decreased mainly due to lower gains on sales and foreign exchange valuation losses in equity-method affiliates
- Principal Investment, etc.
  Increased mainly due to capital gains in principal investment

Annual forecast for net income

- The achievement rate is 92%, steadily approaching the annual target. The segment expects to achieve the annual target due to gains on sales of aircraft by ACG in Q4

ACG's quarterly ordinary income on a consolidated basis

(Billions of yen)

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As for Specialty Financing, ordinary income increased by 10.2 billion yen year-on-year, thanks for the most part to aviation, real estate, and business investments, and net income was up by 7.4 billion yen.

Looking at aviation, ACG's ordinary income rose by 3.3 billion yen year-on-year, due mainly to significantly higher gains on aircraft sales and the absence of bad debt expenses recorded in the same period of the previous year. In other aviation businesses, a rise in income was primarily driven by the performance of GA Telesis (GAT), an equity-method affiliate engaged in used parts trading and other businesses.

The shipping business experienced a 3.8 billion yen drop in profits, mainly due to a decrease in gains on sales and foreign exchange losses incurred by its equity-method affiliates.

Real Estate increased its profits by 4.1 billion yen, mostly due to gains on sales of overseas real estate.

Business Investments enjoyed a 3.1 billion yen rise in profits, primarily from an increase in gains on sales in the principal investments business.

The rate of progress vis-à-vis the full-year plan was 92%, well over the standard, and with the tailwind provided by a favorable aviation market, ACG is planning to sell aircraft in the fourth quarter as well, which puts us on track to achieve our full-year plan.

The aviation market is expected to remain strong in the next fiscal year and beyond. OEMs have not yet returned to full aircraft supply capacity, there is a shortage of aircraft to meet strong passenger demand, and airlines are becoming very active in securing aircraft.
In line with these market trends, demand for re-leasing and for engine parts required for the maintenance of used aircraft has been robust, and we expect earnings in the aviation business, including ACG and GAT, to grow solidly.

Our aviation business is centered on ACG, a recurring revenue business focused on leasing, and GAT, a trading business.
ACG is capturing demand for aircraft leasing which is expected to grow steadily in the future. At the same time, the company is strengthening its trading functions in order to improve its profitability through a certain level of gain on aircraft sales. This is because ACG prioritizes ROA as a Tokyo Century Group company rather than asset expansion.

Although the delivery of ordered aircraft is expected to be delayed to some degree due to OEM issues, the high level of interest rates has led some airlines to utilize sale-and-leaseback as a means of procuring aircraft and some aircraft lessors to seek financing through asset sales, increasing opportunities to acquire a large amount of assets.
We plan to actively purchase such aircraft and pursue an asset strategy that balances the purchase and sale of assets.

GAT's core business is asset turnover, including engine and parts trading, and the company intends to further increase trading revenues by upping its purchases of used aircraft and parts. GAT will continue to focus on purchasing activities by leveraging its relationships with airlines, as seen in the recent large-lot purchase of aircraft from an airline.

Ordinary income for the aviation business as a whole has been recovering steadily since FY2022, when it was affected by the Russian invasion of Ukraine. In order to achieve the goals of Medium-Term Management Plan 2027, the aviation business, as a core business in Specialty Financing, aims to further improve profits and asset efficiency.

Results of International Business

(Billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	FY2024 Forecast	FY2024 Gap
Revenues	126.3	157.4	31.1		
Gross profit	38.7	45.2	6.5		
Operating income	11.0	11.9	0.9		
Ordinary income	**10.8**	**14.2**	**3.3**		
Asia	3.2	5.4	2.3		
USA and Europe	7.9	8.4	0.5		
CSI	8.7	8.7	0.1		
Other	-0.8	-0.3	0.5		
Other	-0.2	0.3	0.5		
Net income attributable to owners of parent	**6.6**	**9.7**	**3.1**	**13.0** (Achievement 75%)	3.3
ROA (%) (Ordinary income / Segment	2.0%	2.2%	0.2 pt		
Asia	1.8%	3.0%	1.2 pt		
USA and Europe	2.2%	1.8%	-0.4 pt		
CSI	3.3%	3.0%	-0.3 pt		
Other	-	-	-		
ROA (%) (Net income / Segment assets)	1.2%	1.5%	0.3 pt		

	Mar. 31, 2024	Dec. 31, 2024	Change
Segment assets	822.7	889.6	66.9

Factors in changes and annual forecast

Ordinary income (YoY)

- Asia
  Increased mainly due to foreign exchange gains
- 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.23.

Annual forecast for net income

- The achievement rate is 75%, making steady progress.
  The segment expects to achieve the annual target by increasing CSI's secondary income and selling owned assets in Q4.

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Ordinary income in Asia increased year-on-year mainly due to foreign exchange gains. Ordinary income in the U.S. and Europe also increased year-on-year. Although CSI Leasing's (CSI) income decreased on a local currency basis because of a lack of secondary income, it increased on a yen basis due to yen depreciation. As a result, ordinary income and net income for the entire operating segment increased by 3.3 billion yen and 3.1 billion yen, respectively.

The progress rate vis-à-vis the plan has been steady at 75%.

CSI's earnings are expected to improve on a full-year basis due to the monetization of a growing number of properties with expiring leases through the fourth quarter.
CSI's own third-quarter results showed a 5 million dollar decline in pre-tax income, but secondary income is expected to expand in the fourth quarter, and the company is forecasting higher annual income than the previous fiscal year.
Continued strong growth is expected as CSI seeks to capture strong IT demand, especially in North America, and expand its network of bases in response to its clients' global expansion.

Outside of CSI, the operating segment expects gains on sales of securities and other assets in the fourth quarter. It is on track to achieve its annual plan.

Results of Environmental Infrastructure

(Billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	FY2024 Forecast	FY2024 Gap
Revenues	44.3	45.4	1.2		
Gross profit	7.3	4.6	-2.7		
Operating income	5.2	2.1	-3.1		
Ordinary income	5.3	2.2	-3.1		
Net income attributable to owners of parent	3.5	0.8	-2.7	2.5	1.7

(Achievement:32%)

ROA (%) (Ordinary income / Segment	2.6%	1.0%	-1.6 pt
ROA (%) (Net income / Segment assets)	1.7%	0.4%	-1.3 pt

	Mar. 31, 2024	Dec. 31, 2024	Change
Segment assets	273.9	285.3	11.4

Factors in changes and annual forecast

Ordinary income (YoY)

- Decreased, mainly due to the absence of one-time gains recorded in 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 significantly lower than the standard of 75% for Q1–Q3. The segment faces challenges to achieving an annual target of ¥2.5 billion.

Solutions to your Pursuits

In Environmental Infrastructure, ordinary income and net income decreased by 3.1 billion yen and 2.7 billion yen, respectively, from the same period of the previous fiscal year due to factors such as the absence of one-time gains and the upfront burden of funding costs for overseas investment projects.

The rate of progress sits at 32%, significantly behind schedule, and the operating segment faces a considerably high hurdle to achieving its annual plan.

Meanwhile, we are making steady progress in growth investments for the future. As we reported in a release last December, we have acquired development interests in two solar power plants in Sicily, Italy, as our third overseas renewable energy investment.

This investment was made in collaboration with an asset manager of renewable energy generation assets with whom we have a close relationship, and we believe that we were able to acquire high-quality projects.
We have a large pipeline of projects that leverage our relationships with ITOCHU and other major players in the field, and we plan to work steadily on them.

From the viewpoint of risk diversification, we also plan to undertake overseas projects not exclusively in the US but also in Europe, where the legal system is well established, while giving due consideration to the balance of our portfolio.

Last but not least, the goal of reaching the annual plan's target of 80 billion yen for FY2024 is now in sight.

While performance in a single fiscal year is important, we would like to continue our efforts in Portfolio Transformation (PX) and portfolio management with an eye on medium- to long-term growth.

Reference Material (1)
Topics by Operating Segment

Solutions to your Pursuits

Performance of NTT TC Leasing (NTL)

Ordinary income increased steadily, up ¥1.1 billion, and TC's equity in NTL's earnings was up ¥0.3 billion YoY

Financial results for nine months ended Dec. 31, 2024

NTT TC Leasing's result

(billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	% Change
Revenues	282.4	286.7	4.3	2%
Gross profit	27.6	30.2	2.6	9%
Operating income	14.0	15.3	1.2	9%
Ordinary income	**14.7**	**15.8**	**1.1**	**7%**
Net income attributable to owners of parent	10.3	11.0	0.6	6%
TC's equity in NTL's earnings	**5.1**	**5.5**	**0.3**	**7%**

	Mar. 31, 2024	Dec. 31, 2024	Change	% Change
Segment assets	1,962.0	2,023.3	61.3	3%

Changes in segment assets

Main co-creative business fields

Environment and energy

Financing of solar power and biomass power generation businesses

Real estate

Enhancement of collaboration between NTT and Tokyo Century

Global

Financing of data center businesses in Chicago, U.S. that are joint investment projects between the NTT DATA Group and Tokyo Century

Data center in Chicago, U.S.

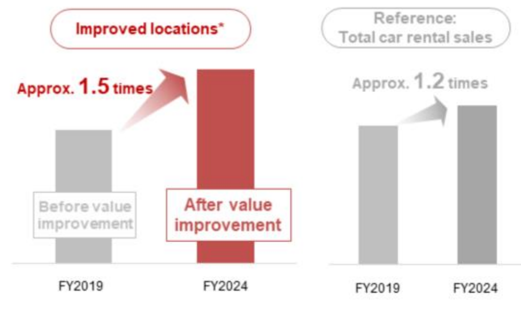
Value Improvement of Nippon Rent-A-Car Service (NRS)

Pursue growth with the value improvement plan including relocations and renovations

Objectives

To realize **three-way satisfaction (employee happiness, customer happiness, and good business performance)**, addressing 203 locations, about one third of all, by the end of FY2025 (69% completed so far).

Car rental sales after value improvement



*Total of car rental sales at 97 locations improved by the end of FY2023

Value improvement coming soon

Sendai Airport
(Scheduled for Spring 2025)

- One of the largest in Japan after relocation and renovation
- Enhanced equipment and services, including contactless car rental

Karuizawa Station North Exit
(Scheduled for Spring 2025)

- The expanded site accommodates more cars
- Designed to harmonize with surrounding scenery

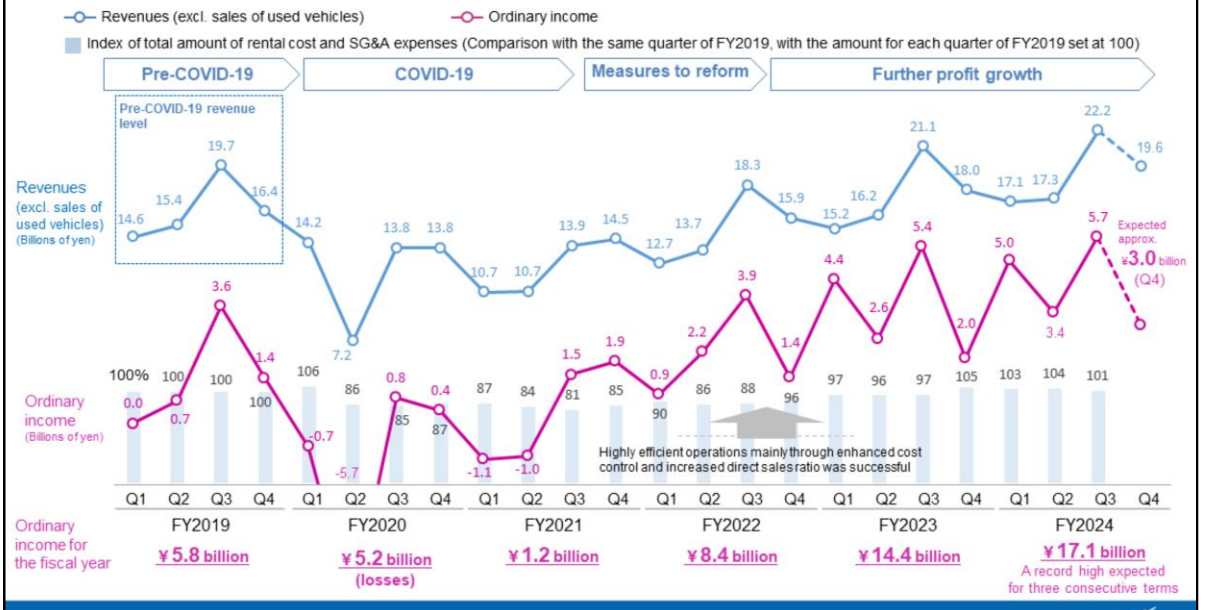
Solutions to your Pursuits

NRS's Performance

NIPPON Rent-A-Car

Income reached a record high for Q1–Q3 due to high-efficiency operations and inbound demand

■ Car Rental Performance Trends (Quarterly)



Aviation Business Strategies

Drive further growth by capturing demand in thriving aircraft markets

Portfolio overview and growth strategies

Recurring revenue business (ACG)

- Develop **operating leases** and others in 90 countries
- Enhance earnings power through **replacement with new technology aircraft**, and increase gains on sales by **boosting trading**
- Focus on acquiring aircraft **through sale-and-leaseback transactions and in the secondary market**, in addition to the order book

Services, etc. (GA Telesis and other)

GA Telesis (equity-method affiliate)

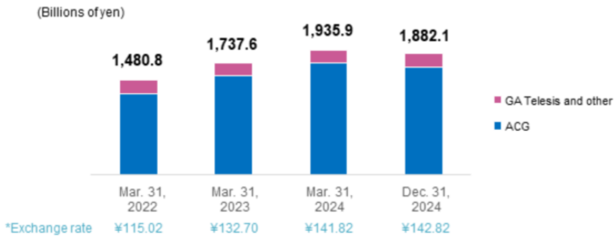
- Trading and leasing of **used aircraft parts and engines**
- Boost **used aircraft and parts trading** to increase gains on sales (Executed a purchase agreement for 23 used aircraft)

Other

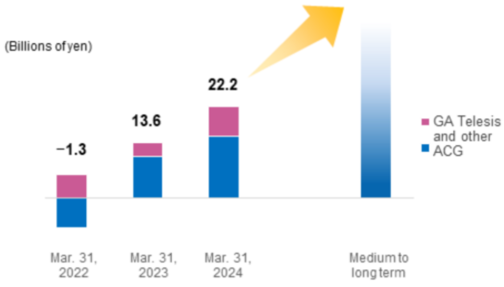
- Offer **Japanese Operating Lease with call Option (JOLCO)** to investors and **aviation-related financing**

Distribution of segment assets

Further increase assets mainly through leasing business (**ACG**), while focusing on trading through **collaboration with GA Telesis**



Consolidated ordinary income



Solutions to your Pursuits

ACG's Financial Performance I

Pre-tax income increased primarily due to gain on sale of aircraft

Financial results (nine months ended September 30, 2024)

ACG's Result (USD million)

	FY2023 Q3 Result	FY2024 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	-
Income/loss before income taxes	**105**	**123**	**18**	**17%**
Net Income/Loss	114	114	-0	-0%
ROA (%)	1.2%	1.4%	0.2 pt	

	Dec. 31, 2023	Sep. 30, 2024	Change	%Change
Segment assets	11,964	11,426	-538	-4%
Number of owned aircraft	309	296	-13	-4%

ACG's Result
(recorded on TC's consolidated statements of income) (Billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	%Change
Income/loss before income taxes	14.5	18.6	4.1	29%
Consolidated adjustment	-3.7	-4.6	-0.8	-
Ordinary income	**10.8**	**14.1**	**3.3**	**31%**
Average foreign exchange rate	¥138.25	¥151.44		

- **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 higher 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 Financial Performance II

Pre-tax income increased YoY mainly due to a significant increase in gain on sale of aircraft, and ROA is on an upward trend

Financial results (fiscal year ended December 31, 2024)

ACG's Result (USD million)

	FY2023 Result	FY2024 Result	Change	%Change
Total revenues	1,210	1,242	32	3%
Operating lease revenue	1,059	1,040	-18	-2%
Gain on sale of flight equipment, net	16	118	102	624%
Total expenses	1,072	1,066	-7	-1%
Interest expense, net	417	410	-6	-2%
Asset impairment	20	5	-15	-73%
Bad debt expense	2	1	-1	-66%
Income/loss before income taxes	**138**	**176**	**38**	**28%**
Net Income/Loss	153	163	10	7%
ROA (%)	1.2%	1.5%	0.3 pt	

	Dec. 31, 2023	Dec. 31, 2024	Change	%Change
Segment assets	11,964	10,977	-987	-8%
Number of owned aircraft	309	271	-38	-12%

- **Revenues**
  Driven by an increase in gain on sale of aircraft as a result of enhanced trading activities, while operating lease revenue decreased due to sale of aircraft reducing the number of aircraft.

- **Income before income taxes**
  Increased mainly due to higher gain on sale of aircraft, as well as lower asset impairment loss as a result of strong aviation market conditions and enhanced risk management.

- **Segment assets**
  The number of owned aircraft decreased as a result of sale of aircraft.

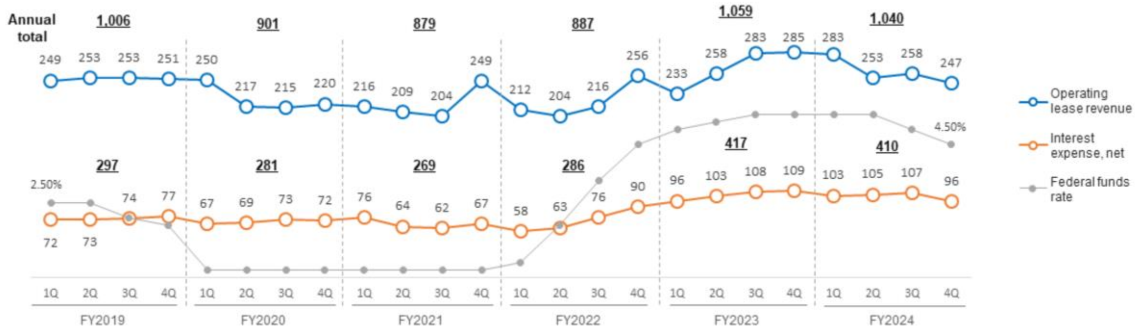
Solutions to your Pursuits

ACG's Earnings Power

Gain on sale of aircraft significantly increased as a result of enhanced trading activities

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

(USD million)



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

(USD million)

Solutions to your Pursuits

ACG's Financing Activities

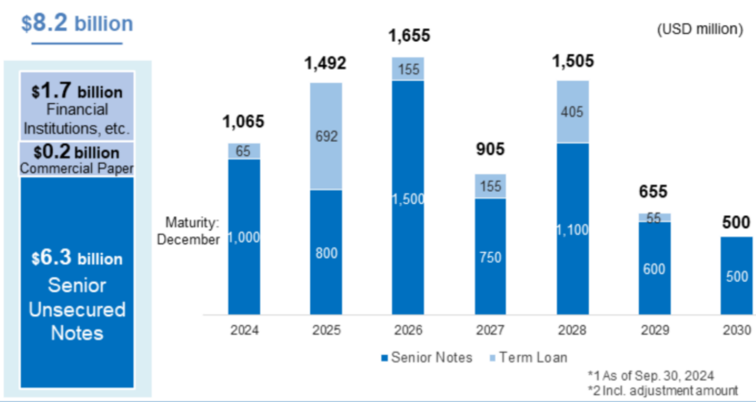
Diversified financing sources while flexibly responding to market conditions

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.
- It 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.
- It has sufficient liquidity on hand and maintains investment-grade ratings of **BBB− from S&P** and **Baa2 from Moody's**.

Financing structure[*1 *2]

Unsecured debt maturities[*1] (excl. commercial paper, etc.)



*1 As of Sep. 30, 2024
*2 Incl. adjustment amount

Major financing activities in FY2024

- **Term loan ($350 million)** closed in February
  Term: 4 years
- **Senior notes ($600 million)** issued in June
  Maturity: 2029 Coupon Rate: 5.375%
- **Sustainability-linked loan ($550 million)** closed in October
  Term: 3 years
- **Credit facility ($1 billion)** closed in October
  Term: 5 years

Reference: Major financing activities in FY2023

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

Solutions to your Pursuits

ACG's Portfolio

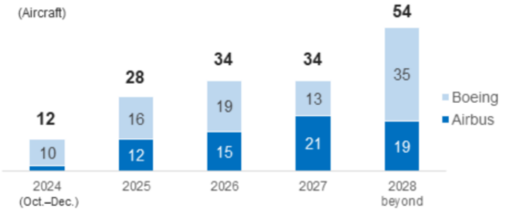
Diversified portfolio with a focus on liquid narrowbody aircraft in approx. 45 countries worldwide

Portfolio overview (as of September 30, 2024)

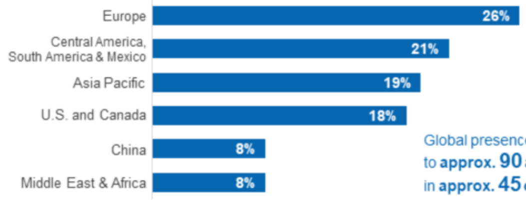
- **Owned, managed and committed aircraft: 514**
  (Owned: 296 Managed: 56 Committed aircraft: 162)
- **Weighted-average fleet age: 6.1 years**
- **Narrowbody by NBV: 90 %**
  (Narrowbody by count: 97%)

Delivery schedule of committed aircraft (as of September 30, 2024)

- 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: **47%**)



Geographic concentration (as of September 30, 2024)

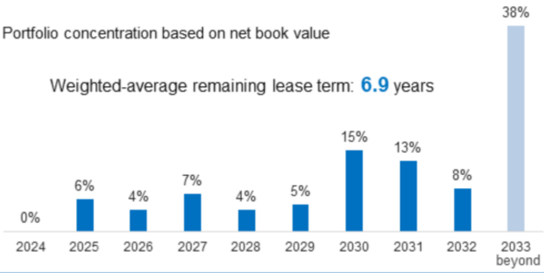


Global presence to **approx. 90 airlines** in **approx. 45 countries**

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

Portfolio concentration based on net book value

Weighted-average remaining lease term: **6.9** years



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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

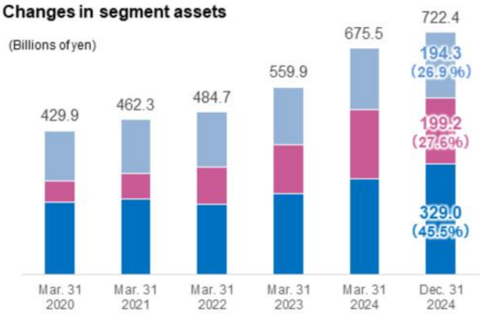
Expect to increase segment assets by steadily ensuring project pipelines such as **logistics facilities**

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)

2026 — **2027 onward**

Data centers in the U.S.

Investment expansion focused on development projects

Urban redevelopment (TC Kobelco)

Kobe Sannomiya Kumoidori 5-Chome district

Solutions to your Pursuits

Performance of CSI Leasing (CSI)

Expect to generate secondary income in Q3 and Q4 and achieve growth on a full-year basis

Financial results (nine months ended September 30, 2024)

(USD million)

	FY2023 Q3 Result	FY2024 Q3 Result	Change	%Change
Revenues	626	651	25	4%
Gross profit	295	313	18	6%
Ordinary income	**68**	**63**	**-5**	**-8%**
Net income	**46**	**43**	**-3**	**-7%**

ROA (%) *1	3.8%	3.1%	-0.7 pt	
RORA (%) *1, 2	12.6%	10.5%	-2.1 pt	
Transaction volume	1,215	1,131	-84	-7%

	Dec. 31, 2023	Sep. 30, 2024	Change	%Change
Segment assets	2,659	2,698	39	1%

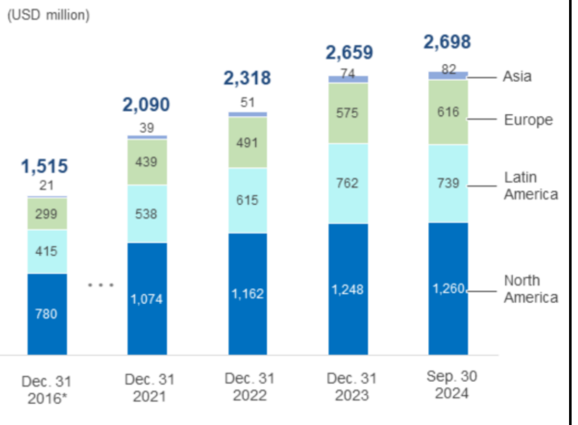
*1 Based on pre-tax income *2 Pre-tax ROA after deducting non-recourse loan

Major factors in changes

- Income decreased in Q3 YoY but CSI expects to increase it on a full-year basis as secondary income concentrate in Q4.
- Transaction volume decreased due to the absence of major deals closed in the same period of the previous fiscal year. CSI is striving to increase it mainly in North America in Q4, aiming for YoY growth on a full-year basis.

Balance of segment assets by region

Since becoming our wholly owned subsidiary in 2016, CSI has expanded its global bases, with its **segment assets on the rise**



* CSI Leasing became Tokyo Century's wholly owned subsidiary.

Solutions to your Pursuits

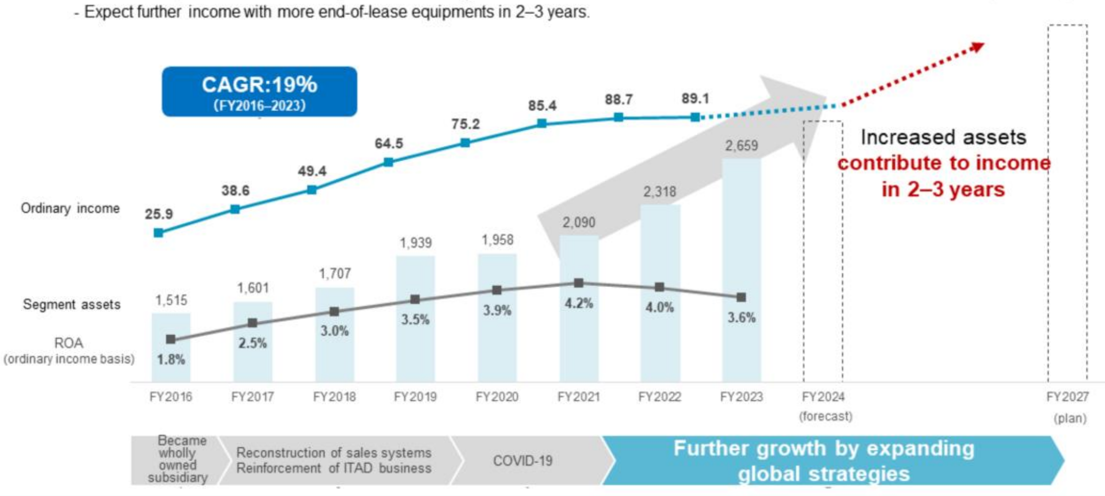
CSI's Growth Strategies

Global strategies are rapidly boosting segment assets, contributing to future income

Profit Structure and Future Growth

- CSI's profits consist mainly of gains on sale or re-leasing income of equipment at the end of the 2–3 year lease terms.
- Global strategies contributed to a rapid increase in segment assets from FY2021 to FY2023.
- Expect further income with more end-of-lease equipments in 2–3 years.

(USD million)



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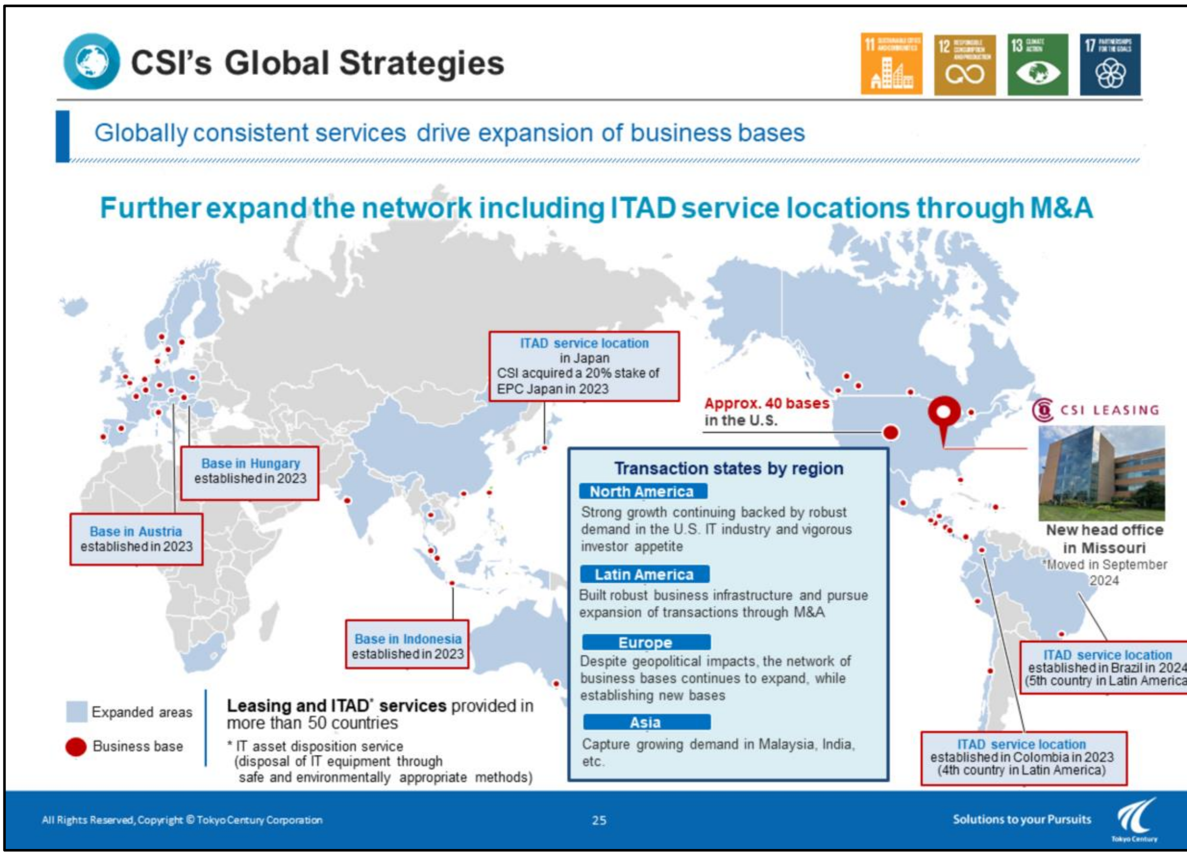
CSI's Global Strategies
Globally consistent services drive expansion of business bases
Further expand the network including ITAD service locations through M&A
ITAD service location in Japan
CSI acquired a 20% stake of EPC Japan in 2023
Approx. 40 bases in the U.S.
CSI LEASING
New head office in Missouri
*Moved in September 2024
Base in Hungary established in 2023
Base in Austria established in 2023
Base in Indonesia established in 2023
Transaction states by region
North America
Strong growth continuing backed by robust demand in the U.S. IT industry and vigorous investor appetite
Latin America
Built robust business infrastructure and pursue expansion of transactions through M&A
Europe
Despite geopolitical impacts, the network of business bases continues to expand, while establishing new bases
Asia
Capture growing demand in Malaysia, India, etc.
ITAD service location established in Brazil in 2024 (5th country in Latin America)
ITAD service location established in Colombia in 2023 (4th country in Latin America)
Expanded areas
Business base
Leasing and ITAD* services provided in more than 50 countries
* IT asset disposition service (disposal of IT equipment through safe and environmentally appropriate methods)
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Solutions to your Pursuits
Tokyo Century

Data Center Business with the NTT Group

Pursue expansion of data center (DC) business, utilizing strengths of the NTT DATA Group and Tokyo Century

Collaboration with the NTT DATA Group

- Collaboration in DC business started in June 2021
- Joint investment in a promising U.S. market in February 2024
- Manage risk and return by replacing assets

BOM8

(1st project)

NAV2

(2nd project, already sold)

CH1, CH2, and CH3

(3rd project)

Tokyo Century's acquisition costs:
$459 million (ownership ratio: 80%)

2021 → 2024

The NTT DATA Group's core competencies

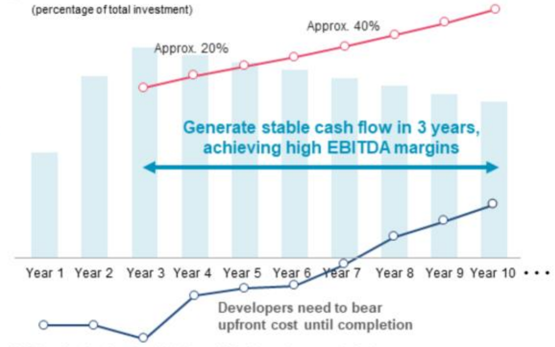
- The **world's third-largest**[*1] DC provider
- The scale of business and expertise to secure extensive development sites and sufficient electric power are important competitive factors in DC construction
- Server racks available for heat-generating GPUs to meet expanding AI demand, in addition to providing global network and managed services

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

Profitability of DC business in the U.S.
(according to a survey by a research firm)

- Despite upfront costs in the development phase, DC business generates stable cash flow and high EBITDA margins after starting operations.
- As it continues, unrealized gains increase, reaching approx. 40% of the total investment in seven years.

Profits of DC business



(Created by Tokyo Century based on data from a U.S. data center research firm)

*2 The DC project's profit/loss after taking account of interest expenses related to invested capital and goodwill amortization

*3 Calculated using actual cap rates for DCs in the U.S. as a reference (according to data from a research firm)

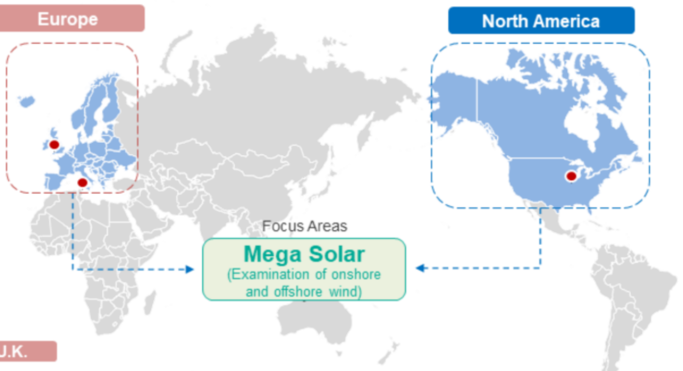
Solutions to your Pursuits

Overseas Renewable Energy Projects

Collaboration with prime partners to increase high-return projects overseas

North America and Europe

Main targets for higher profitability and more deals



U.K.

Acquired 34 operating solar power plants jointly with the subsidiary of **major asset manager Schroders** (Generation capacity: 303 MW).

Italy

Acquired the development right over two solar power plants jointly with **independent asset manager Capital Dynamics** (Generation capacity: 189 MW*1)

U.S. ITOCHU

Acquired the development right over two solar power plants through a joint venture established with **ITOCHU** (Tokyo Century and ITOCHU each owns a 50% equity; generation capacity: 256 MW*1)

*1 Simple sum

Investment projection

Despite different conditions for each project, the standard investment projection is the following:

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

Investment policies

- **Collaborate with prime partners knowledgeable about overseas business** to jointly acquire assets
- **Business model**
  Generate profits while circulating assets to a certain degree, although it takes time for the development projects to contribute to profit

Solutions to your Pursuits
Tokyo Century

Ordinary Income and ROA by Operating Segment

Ordinary income increased ¥10.5 billion YoY primarily due to aviation business and real estate business in Specialty Financing

Ordinary income

(billions of yen)

	FY2023 Q3 Result	FY2024 Q3 Result	Change
Equipment Leasing	23.1	22.7	-0.4
Automobility	28.1	30.2	2.2
Specialty Financing	34.5	44.6	10.2
International Business	10.8	14.2	3.3
Environmental Infrastructure	5.3	2.2	-3.1
Other	-10.6	-12.2	-1.6
Total (Ordinary income)	**91.2**	**101.7**	**10.5**

ROA
(Ordinary income / Segment assets)

	FY2024 Q3 Result	Change
Equipment Leasing	2.4%	-0.1 pt
Automobility	8.2%	1.4 pt
Specialty Financing	2.1%	0.4 pt
International Business	2.2%	0.2 pt
Environmental Infrastructure	1.0%	-1.6 pt
Other		
Total	**2.4%**	**0.2 pt**

ROA (Ordinary income / Total	
2.1%	0.1 pt

Solutions to your Pursuits

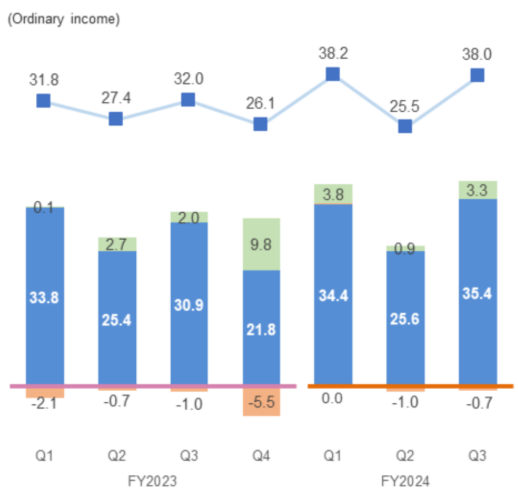
Breakdown of Ordinary Income
(Core earnings, gain on sales, impairment, etc.)

Core earnings amounted to ¥95.3 billion, up ¥5.2 billion YoY

YoY

Quarterly changes

(Billions of yen)



*1 Total of gains (losses) on sales of real estate and operational investment securities

Solutions to your Pursuits

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 (Q1-Q3)	Total (Annual)	Q1	Q2	Q3	Total (Q1-Q3)	Change
Equipment Leasing	8.8	7.3	7.0	9.0	23.1	32.1	8.0	7.2	7.5	22.7	-0.4
Core earnings	8.7	7.4	7.0	8.9	23.1	32.0	8.1	7.2	7.8	23.1	-0.0
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	-0.3	-0.4	-0.4
Automobility	11.9	8.0	8.2	4.5	28.1	32.5	12.5	9.1	8.7	30.2	2.2
Core earnings	11.9	8.0	8.1	4.4	28.0	32.4	12.5	9.0	8.7	30.3	2.3
Gain on sales	-	-	-	-	-	-	-	-	-	-	-
Impairment, bad debt, etc.	0.0	-0.0	0.0	0.1	0.0	0.1	0.0	0.0	-0.1	-0.0	-0.1
Specialty Financing	5.9	11.3	17.2	12.9	34.5	47.4	16.3	7.3	20.9	44.6	10.2
Core earnings	7.9	9.4	16.2	9.1	33.5	42.6	12.8	7.6	17.9	38.2	4.7
Gain on sales	0.1	2.7	2.0	6.2	4.8	11.1	3.8	0.9	3.3	8.0	3.2
Impairment, bad debt, etc.	-2.1	-0.9	-0.9	-2.4	-3.9	-6.3	-0.2	-1.1	-0.2	-1.6	2.3
International Business	4.2	3.2	3.4	5.7	10.8	16.5	3.9	4.2	6.1	14.2	3.3
Core earnings	4.3	3.1	3.5	3.2	10.9	14.1	3.9	4.2	6.4	14.4	3.5
Gain on sales	-	-	-	3.6	-	3.6	-	-	-	-	-
Impairment, bad debt, etc.	-0.1	0.1	-0.0	-1.1	-0.1	-1.2	0.0	-0.0	-0.3	-0.3	-0.2
Environmental Infrastructure	3.8	1.7	-0.2	-1.4	5.3	3.8	1.1	1.7	-0.6	2.2	-3.1
Core earnings	3.7	1.7	-0.2	0.7	5.2	5.9	1.1	1.7	-0.6	2.2	-3.0
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	-10.6	-15.0	-3.7	-4.0	-4.6	-12.2	-1.6
Core earnings	-2.8	-4.1	-3.6	-4.5	-10.6	-15.1	-3.9	-4.2	-4.7	-12.9	-2.2
Gain on sales	-	-	-	-	-	-	-	-	-	-	-
Impairment, bad debt, etc.	-0.0	0.1	0.0	0.0	0.1	0.1	0.2	0.3	0.2	0.7	0.6
Total	**31.8**	**27.4**	**32.0**	**26.1**	**91.2**	**117.3**	**38.2**	**25.5**	**38.0**	**101.7**	**10.5**
Core earnings	33.8	25.4	30.9	21.8	90.1	111.9	34.4	25.6	35.4	95.3	5.2
Gain on sales	0.1	2.7	2.0	9.8	4.8	14.7	3.8	0.9	3.3	8.0	3.2
Impairment, bad debt, etc.	-2.1	-0.7	-1.0	-5.5	-3.8	-9.3	0.0	-1.0	-0.7	-1.6	2.2

*1 Total of gains (losses) on sales of real estate and operational investment securities
*2 Total of impairment, bad debt expenses, and gain (loss) on valuation of operational investment securities, etc.

Balance of Segment Assets by Operating Segment

Increased¥51.3 billion from the end of the previous fiscal year, primarily due to increases in International Business and Automobility, in addition to the impact of exchange rate fluctuations

(Billions of yen)

		Mar. 31, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Dec. 31, 2024	Change
Balance of segment assets		**4,800.5**	**4,879.4**	**5,363.8**	**5,720.4**	**5,771.8**	**51.3** +35.3*
Equipment Leasing		1,489.1	1,379.7	1,287.1	1,273.5	1,221.7	-51.8
	Percentage	31.0%	28.3%	24.0%	22.3%	21.2%	
Automobility		629.5	611.8	611.6	479.0	499.6	20.6
	Percentage	13.1%	12.5%	11.4%	8.4%	8.7%	
Specialty Financing		2,034.4	2,152.5	2,490.6	2,825.3	2,830.5	5.2 +16.1*
	Percentage	42.4%	44.1%	46.4%	49.4%	49.0%	
International Business		483.1	557.1	655.7	822.7	889.6	66.9 +18.8*
	Percentage	10.1%	11.4%	12.2%	14.4%	15.4%	
Environmental Infrastructure		150.3	159.4	277.9	273.9	285.3	11.4 +0.5*
	Percentage	3.1%	3.3%	5.2%	4.8%	4.9%	
Other		13.9	19.0	41.0	46.0	45.1	-0.9
	Percentage	0.3%	0.4%	0.8%	0.7%	0.8%	

* Exchange rate factors

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Reference Material (2)
Highlights of Medium-Term Management Plan 2027

Solutions to your Pursuits

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 (Billions of yen)	100.0
ROA (ratio of net income to total assets)	1.4%
ROE	10%

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

*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.

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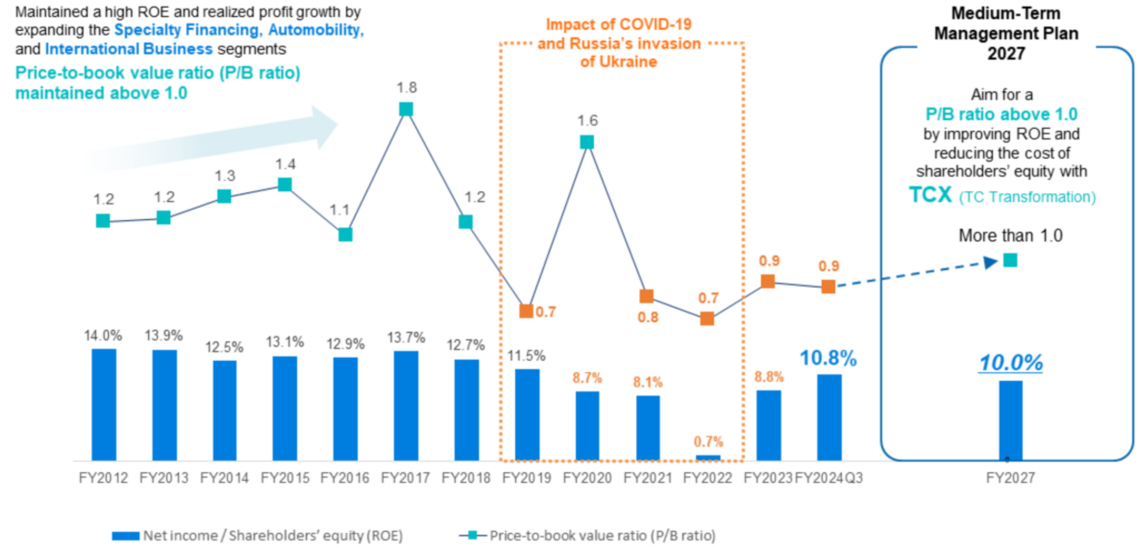
ROE and P/B Ratio

Analysis for P/B ratio above 1.0



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

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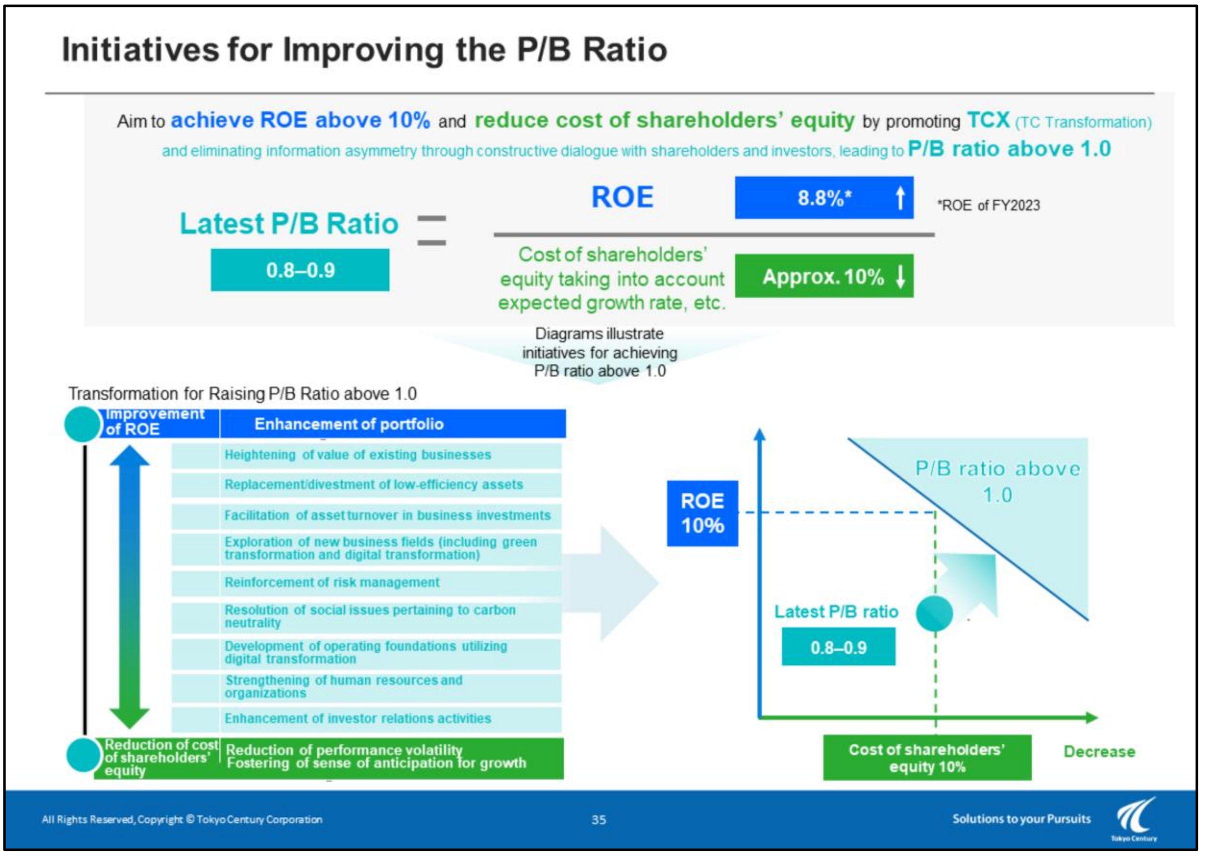
Initiatives for Improving the P/B Ratio
Aim to achieve ROE above 10% and reduce cost of shareholders' equity by promoting TCX (TC Transformation)
and eliminating information asymmetry through constructive dialogue with shareholders and investors, leading to P/B ratio above 1.0
Latest P/B Ratio
0.8–0.9
ROE
8.8%*
*ROE of FY2023
Cost of shareholders' equity taking into account expected growth rate, etc.
Approx. 10%
Diagrams illustrate initiatives for achieving P/B ratio above 1.0
Transformation for Raising P/B Ratio above 1.0
Improvement of ROE
Enhancement of portfolio
Heightening of value of existing businesses
Replacement/divestment of low-efficiency assets
Facilitation of asset turnover in business investments
Exploration of new business fields (including green transformation and digital transformation)
Reinforcement of risk management
Resolution of social issues pertaining to carbon neutrality
Development of operating foundations utilizing digital transformation
Strengthening of human resources and organizations
Enhancement of investor relations activities
Reduction of cost of shareholders' equity
Reduction of performance volatility
Fostering of sense of anticipation for growth
ROE 10%
P/B ratio above 1.0
Latest P/B ratio
0.8–0.9
Cost of shareholders' equity 10%
Decrease
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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%

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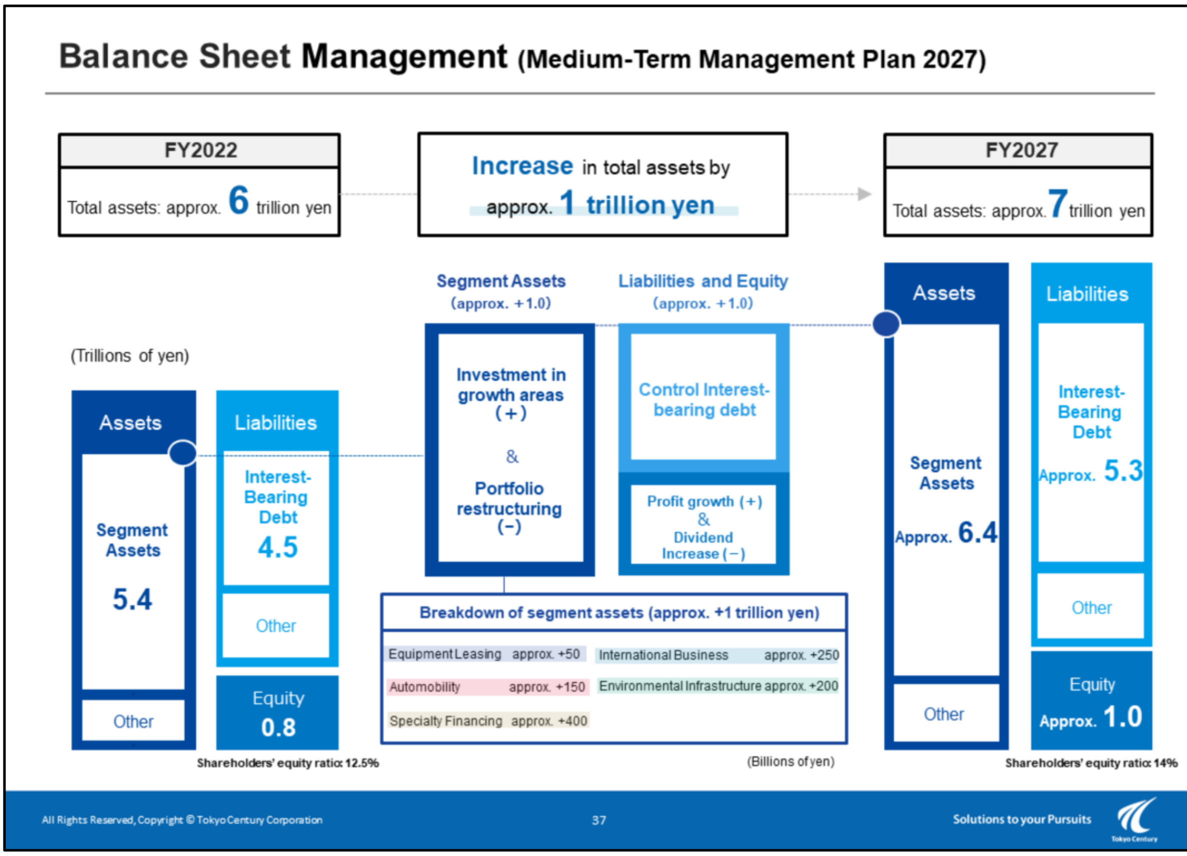
Balance Sheet Management (Medium-Term Management Plan 2027)
FY2022
Total assets: approx. 6 trillion yen
Increase in total assets by approx. 1 trillion yen
FY2027
Total assets: approx. 7 trillion yen
(Trillions of yen)
Assets
Segment Assets
5.4
Other
Liabilities
Interest-Bearing Debt
4.5
Other
Equity
0.8
Shareholders' equity ratio: 12.5%
Segment Assets
(approx. +1.0)
Investment in growth areas (+)
&
Portfolio restructuring (−)
Liabilities and Equity
(approx. +1.0)
Control Interest-bearing debt
Profit growth (+)
&
Dividend Increase (−)
Breakdown of segment assets (approx. +1 trillion yen)
Equipment Leasing approx. +50
International Business approx. +250
Automobility approx. +150
Environmental Infrastructure approx. +200
Specialty Financing approx. +400
(Billions of yen)
Assets
Segment Assets
Approx. 6.4
Other
Liabilities
Interest-Bearing Debt
Approx. 5.3
Other
Equity
Approx. 1.0
Shareholders' equity ratio: 14%
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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 Result	FY2027 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 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 NCS: Accumulation of quality assets with organic and inorganic methods 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 Aviation: Efficient asset management and high-quality portfolio 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. CSI: Global strategies leveraging M&A 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 Earnings expansion from strategic M&A, overseas renewable energy projects, and storage battery business Increase in new earnings opportunities using asset management expertise
Other	-11.5	-21.5	-10.0	
Total	**72.1**	**100.0**	**27.9**	

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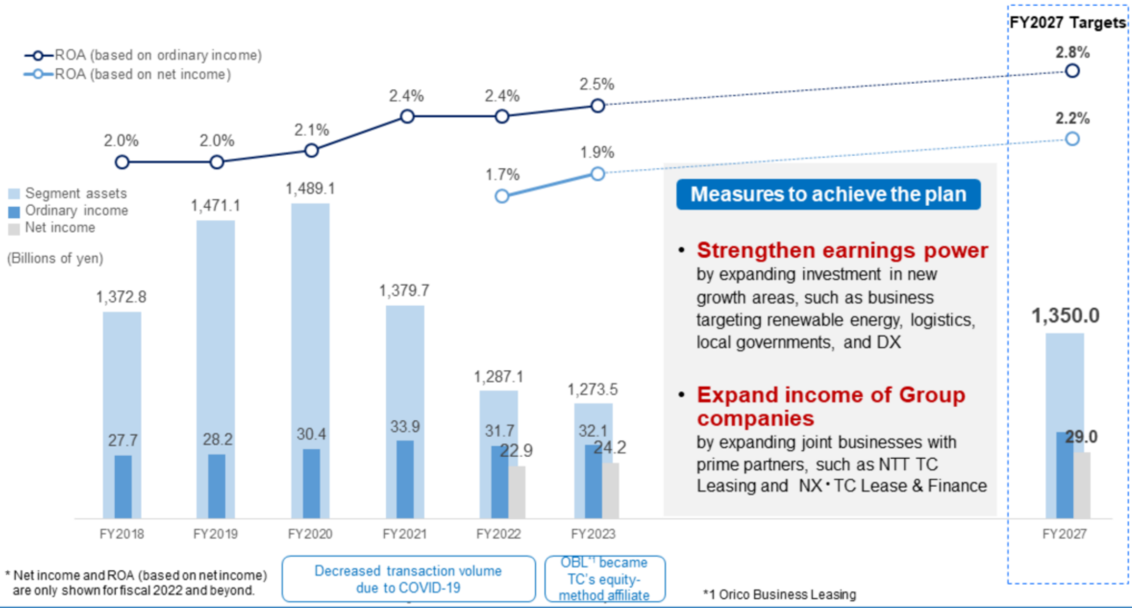
Operating Performance of Equipment Leasing

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



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

*1 Orico Business Leasing

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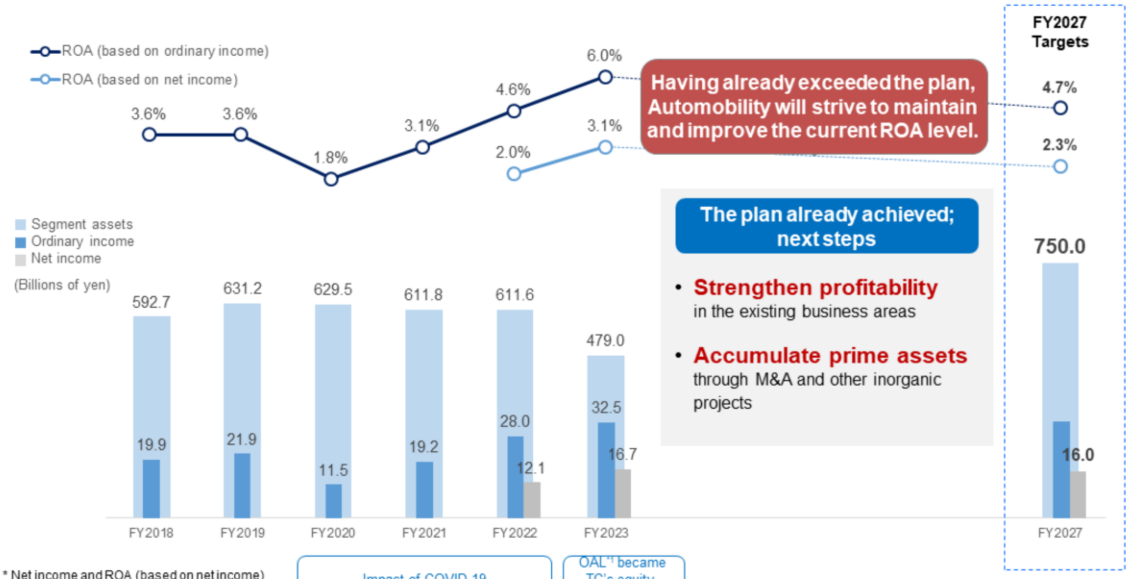
Operating Performance of Automobility

The Medium-Term Management Plan 2027 already achieved; next steps:
Strengthen profitability in the existing business areas and accumulate prime assets



The plan already achieved; next steps

- **Strengthen profitability** in the existing business areas
- **Accumulate prime assets** through M&A and other inorganic projects

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

*1 Orico Auto Leasing

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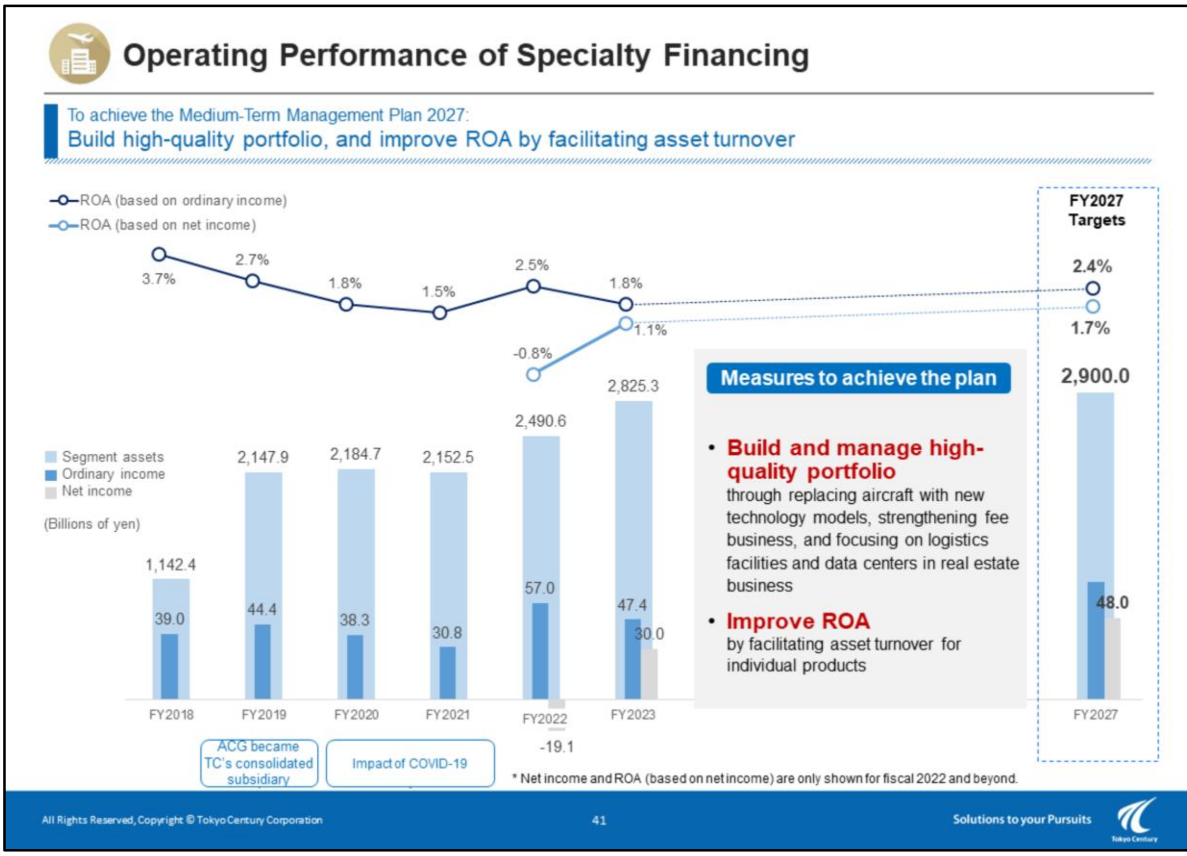
Operating Performance of Specialty Financing
To achieve the Medium-Term Management Plan 2027:
Build high-quality portfolio, and improve ROA by facilitating asset turnover
ROA (based on ordinary income)
ROA (based on net income)
FY2027 Targets
3.7%
2.7%
1.8%
1.5%
2.5%
1.8%
2.4%
-0.8%
1.1%
1.7%
Segment assets
Ordinary income
Net income
(Billions of yen)
1,142.4
2,147.9
2,184.7
2,152.5
2,490.6
2,825.3
2,900.0
39.0
44.4
38.3
30.8
57.0
47.4
30.0
48.0
-19.1
FY2018
FY2019
FY2020
FY2021
FY2022
FY2023
FY2027
ACG became TC's consolidated subsidiary
Impact of COVID-19
Measures to achieve the plan
• Build and manage high-quality portfolio
through replacing aircraft with new technology models, strengthening fee business, and focusing on logistics facilities and data centers in real estate business
• Improve ROA
by facilitating asset turnover for individual products
* Net income and ROA (based on net income) are only shown for fiscal 2022 and beyond.
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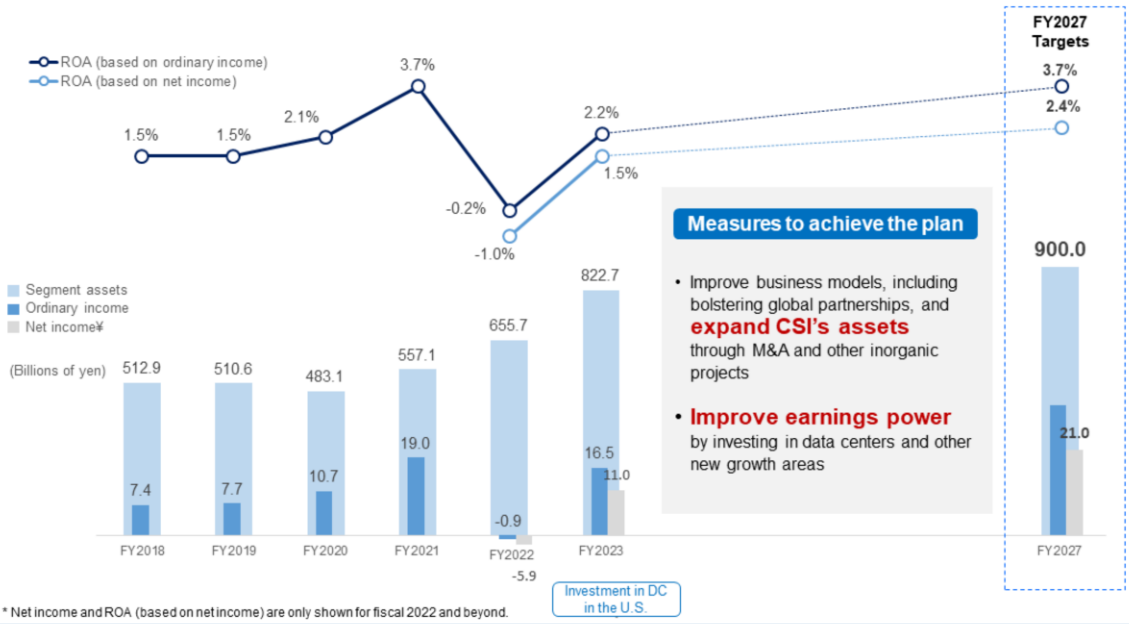
Operating Performance of International Business

To achieve the Medium-Term Management Plan 2027:
Expand CSI's assets and improve earnings power by investing in new growth areas



Measures to achieve the plan

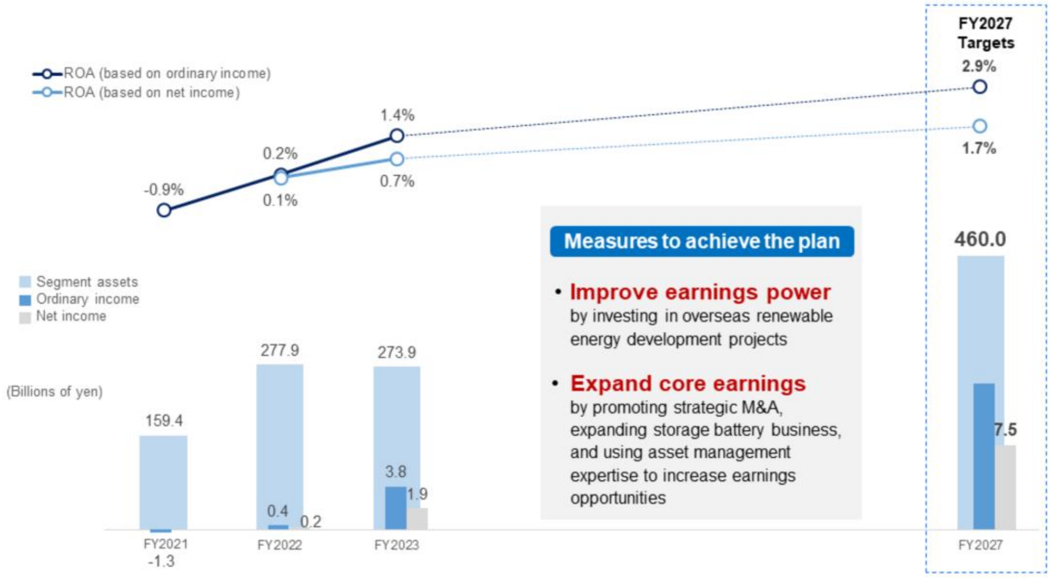
- Improve business models, including bolstering global partnerships, and **expand CSI's assets** through M&A and other inorganic projects
- **Improve earnings power** by investing in data centers and other new growth areas

* 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



Measures to achieve the plan

- **Improve earnings power** by investing in overseas renewable energy development projects
- **Expand core earnings** by promoting strategic M&A, expanding storage battery business, and using asset management expertise to increase earnings opportunities

* 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

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

NCS

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

NTT TC 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

Collaboration with ITOCHU Corporation

ITOCHU

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 development right over 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

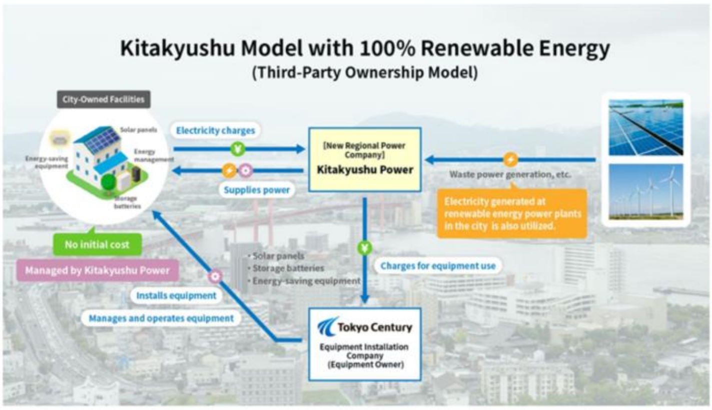
- Collaborate with Belong Inc., ITOCHU's wholly owned subsidiary, to provide secondhand smartphone and tablet rental service for corporate users

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

Reference Material (4)
Topics for Decarbonization

Efforts for Businesses Targeting Municipalities

A combination of the third-party ownership model and collaboration with a new regional power company helps municipalities realize decarbonization



Renewable electricity supplied by Kitakyushu-based new regional power company Kitakyushu Power is added to the conventional third-party ownership model.

Leveraging collaboration with many partner companies that has been cultivated in the business development, we can respond flexibly to the needs of individual municipalities.

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+

Municipalities in Kyushu and also across Japan

Support for municipal decarbonization

More detailed information is provided in Tokyo Century NEWS on our corporate website.
URL: https://www.tokyocentury.co.jp/tc-news-en/services/equipment-leasing/kitakyushupower/

Reference Material (5)
Financial Data

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

Solutions to your Pursuits

Statement of Income

(Billions of yen)

	#	FY2023 Q3 Result	FY2024 Q3 Result	Change	%Change
Revenues	1	1,003.4	1,011.8	8.5	0.8%
Costs	2	812.8	803.4	-9.5	-1.2%
Funding cost	3	73.7	91.9	18.1	24.6%
Gross profit	4	190.5	208.5	17.9	9.4%
SG&A expenses	5	108.7	118.0	9.3	8.6%
Personnel expenses	6	60.9	67.1	6.2	10.1%
Non-personnel expenses	7	45.9	50.6	4.7	10.2%
Credit costs	8	1.9	0.4	-1.5	-79.8%
Operating income	9	81.8	90.5	8.6	10.6%
Non-operating income and expenses	10	9.4	11.2	1.9	20.2%
Ordinary income	**11**	**91.2**	**101.7**	**10.5**	**11.6%**
Extraordinary income and losses	12	1.7	11.2	9.5	557.0%
Income before income taxes	13	92.9	112.9	20.0	21.6%
Income taxes	14	26.6	32.3	5.7	21.6%
Net income	15	66.3	80.6	14.3	21.6%
Net income attributable to non-controlling interests	16	9.3	8.6	-0.7	-7.2%
Net income attributable to owners of parent	**17**	**57.1**	**72.0**	**15.0**	**26.3%**

Major Factors in Changes

- **Funding cost**
  Increased mainly due to financing in foreign currency
- **Gross profit**
  Increased mainly due to Specialty Financing and International Business
- **SG&A expenses**
  Increased mainly due to International Business
- **Extraordinary income and losses**
  Increased due to the sale of cross-held shares
- **Net income attributable to owners of parent for Q1–Q3**
  Increased mainly due to the growth of Specialty Financing and extraordinary income primarily from the sale of cross-held shares

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Balance Sheet

(Billions of yen)

	#	Mar. 31, 2024	Dec. 31, 2024	Change	%Change
Total assets	1	**6,460.9**	**6,563.4**	**102.5**	**1.6%**
Current assets	2	2,938.9	2,971.6	32.7	1.1%
Non-current assets, etc.	3	3,522.1	3,591.8	69.8	2.0%
Leased assets	4	2,498.8	2,514.0	15.2	0.6%
Leased assets advance payment	5	94.0	103.1	9.2	9.8%
Other operating assets	6	244.9	272.7	27.7	11.3%
Investment securities	7	404.2	421.6	17.4	4.3%
Others	8	280.2	280.4	0.3	0.1%
Total liabilities	9	**5,449.8**	**5,509.3**	**59.5**	**1.1%**
Current liabilities	10	2,142.1	1,920.3	-221.8	-10.4%
Long-term liabilities	11	3,307.7	3,589.0	281.3	8.5%
Total net assets	12	**1,011.2**	**1,054.1**	**43.0**	**4.2%**
Shareholders' equity	13	872.2	908.1	35.9	4.1%
Non-controlling interests, etc.	14	138.9	146.0	7.1	5.1%

Major Factors in Changes

- **Non-current assets, etc.**

  Increased mainly due to other operating assets, including data center related assets in International Business

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Interest-Bearing Debt

Balance of Interest-Bearing Debt

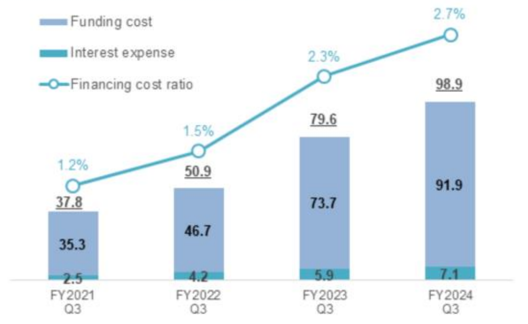
(Billions of yen)

	#	Mar. 31, 2023	Mar. 31, 2024	Dec. 31, 2024	Change	%Change
Interest-bearing debt	1	**4,514.7**	**4,749.0**	**4,855.8**	**106.8**	**2.2%**
Japanese yen	2	2,628.6	2,574.2	2,648.5	74.3	2.9%
Foreign currency	3	1,886.1	2,174.8	2,207.3	32.5	1.5%
Foreign currency %	4	41.8%	45.8%	45.5%	-0.3 pt	
Commercial papers	5	352.3	343.6	245.0	-98.6	-28.7%
Japanese yen	6	271.7	228.7	220.0	-8.7	-3.8%
Foreign currency	7	80.6	114.9	25.0	-89.9	-78.2%
Corporate bonds	8	1,052.7	1,219.4	1,310.0	90.6	7.4%
Japanese yen	9	372.6	372.6	422.6	50.0	13.4%
Foreign currency	10	680.1	846.8	887.5	40.7	4.8%
Securitized lease assets	11	25.8	15.3	14.1	-1.3	-8.2%
Borrowings	12	3,083.9	3,170.7	3,286.7	116.0	3.7%
Japanese yen	13	1,958.5	1,957.6	1,991.9	34.3	1.8%
Foreign currency	14	1,125.4	1,213.1	1,294.8	81.7	6.7%
Direct funding ratio	15	31.7%	33.2%	32.3%	-0.9 pt	
Long-term funding ratio	16	85.7%	83.9%	87.2%	3.3 pt	

	#	FY2022 Q3 Result	FY2023 Q3 Result	FY2024 Q3 Result	Change	%Change
Funding cost	17	46.7	73.7	91.9	18.1	24.6%
Interest expense	18	4.2	5.9	7.1	1.2	20.8%
Financing cost (Funding cost + Interest expense)	19	50.9	79.6	98.9	19.3	24.3%
Financing cost ratio	20	**1.53%**	**2.31%**	**2.75%**	**0.44 pt**	

Financing Cost Ratio[*1,2]

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

(Change of financing cost by fiscal year) (Billions of yen)

	#	FY2022 Result	FY2023 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 (Funding cost + Interest expense)	23	73.6	109.8	36.2	49.1%
Financing cost ratio	24	**1.68%**	**2.37%**	**0.69 pt**	

Balance of Segment Assets and Transaction Volume in Automobility

Segment assets increased ¥20.6 billion from the end of the previous fiscal year

(Billions of yen)

		Mar. 31, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Dec. 31, 2024	Change
Balance of segment assets		629.5	611.8	611.6	479.0	499.6	20.6
Nippon Car Solutions (NCS)		371.2	359.3	348.3	360.5	366.9	6.4
	Percentage	58.9%	58.7%	57.0%	75.2%	73.5%	
Nippon Rent-A-Car Service (NRS)		45.7	40.3	44.7	44.0	49.4	5.4
	Percentage	7.3%	6.6%	7.3%	9.2%	9.9%	
Orico Auto Leasing (OAL)		214.0	211.7	216.5	72.2	81.0	8.8
	Percentage	34.0%	34.6%	35.4%	15.1%	16.2%	
Other*1		-1.4	0.5	2.1	2.3	2.2	-0.1
	Percentage	-0.2%	0.1%	0.3%	0.5%	0.4%	

*1 Adjusted intercompany transactions in Automobility

(Billions of yen)

	FY2020 Result	FY2021 Result	FY2022 Result	FY2023 Result	FY2023 Q3 Result	FY2024 Q3 Result	YoY Change	% Change
NCS Transaction volume*2	120.5	109.4	105.1	131.1	97.3	97.6	0.3	0.3%

*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.

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Quarterly Results of Subsidiaries and Affiliate in Automobility

NCS and NRS performed well and income hit a record high for Q1–Q3

		FY 2023						FY 2024					
		Q1	Q2	Q3	Q4	Total (Q1-Q3)	Total (Annual)	Q1	Q2	Q3	Total (Q1-Q3)	Change (YoY)	Change (YTD)
Revenues (Billions of yen)*3	NCS	54.3	50.9	49.7	48.2	154.8	203.0	55.7	53.2	50.8	159.8	4.9	
	NRS*1	22.9	20.0	23.8	27.0	66.8	93.8	24.2	21.9	24.3	70.5	3.7	
	OAL*2	22.3	22.8	-	-	45.1	45.1	-	-	-	-	-45.1	
	Total	**99.5**	**93.7**	**73.5**	**75.2**	**266.7**	**341.9**	**79.9**	**75.2**	**75.1**	**230.2**	**-36.4**	
Ordinary income (Billions of yen)	NCS	6.9	4.9	2.7	2.1	14.5	16.6	7.5	5.7	2.7	15.9	1.4	
	NRS	4.4	2.6	5.4	2.0	12.4	14.4	5.0	3.4	5.7	14.1	1.6	
	OAL	0.6	0.5	0.2	0.4	1.2	1.6	0.1	0.1	0.2	0.4	-0.9	
	Other	-0.1	-0.0	-0.1	0.0	-0.1	-0.1	-0.1	-0.2	0.2	-0.1	0.0	
	Total	**11.9**	**8.0**	**8.2**	**4.5**	**28.1**	**32.5**	**12.5**	**9.1**	**8.7**	**30.2**	**2.2**	
Balance of segment assets (Billions of yen)	NCS	346.3	351.3	355.9	360.5			358.4	361.1	366.9		11.0	6.4
	NRS	44.7	44.5	53.7	44.0			43.5	42.7	49.4		-4.3	5.4
	OAL	222.1	68.6	70.8	72.2			73.5	76.5	81.0		10.2	8.8
	Other*4	1.9	1.8	1.9	2.3			2.3	2.3	2.2		0.3	-0.1
	Total	**615.1**	**466.1**	**482.3**	**479.0**			**477.7**	**482.6**	**499.6**		**17.3**	**20.6**
Number of vehicles (Thousand)	NCS	687	688	690	690			692	692	692		2	2
	NRS	46	51	46	45			46	51	44		-1	-1
	OAL*5	180	182	183	184			184	185	187		4	3
	Duplication adjustment	-184	-185	-187	-187			-188	-189	-190		-3	-3
	Total	**729**	**736**	**732**	**731**			**734**	**740**	**733**		**1**	**2**

*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 revenues 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 ¥5.2 billion from the end of the previous fiscal year mainly due to an increase in real estate, in addition to the impact of exchange rate fluctuations

(Billions of yen)

		Mar. 31, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Dec. 31, 2024	Change
Balance of segment assets		**2,034.4**	**2,152.5**	**2,490.6**	**2,825.3**	**2,830.5**	**5.2** +16.1*2
Aviation		1,363.1	1,480.8	1,737.6	1,935.9	1,882.1	-53.8
	Percentage	67.0%	68.9%	69.8%	68.5%	66.5%	+13.1*2
Shipping		116.4	100.0	93.3	86.9	94.0	7.1
	Percentage	5.7%	4.6%	3.7%	3.1%	3.3%	+0.3*2
Real Estate		462.3	484.7	559.9	675.5	722.4	46.9
	Percentage	22.7%	22.5%	22.5%	23.9%	25.5%	+2.2*2
Principal Investment and Others *1		92.6	87.0	99.8	127.0	132.0	4.9
	Percentage	4.6%	4.0%	4.0%	4.5%	4.7%	+0.5*2

*1 Principal investment and others include the principal investments, factoring and others
*2 Exchange rate factors

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Balance of Segment Assets in International Business

Segment assets increased ¥66.9 billion from the end of the previous fiscal year due to increases in the U.S. 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	Dec. 31, 2024	Change
Balance of segment assets	483.1	557.1	655.7	822.7	889.6	66.9 +18.8*
Total of Asia	215.5	227.3	221.0	234.1	250.0	15.9 +14.9*
percentage	44.6%	40.8%	33.7%	28.5%	28.1%	
ASEAN	196.9	212.2	210.2	225.7	243.7	18.0 +14.9*
percentage	40.7%	38.1%	32.1%	27.4%	27.4%	
East Asia	18.7	15.1	10.8	8.4	6.4	-2.1 +0.0*
percentage	3.9%	2.7%	1.6%	1.1%	0.7%	
USA and Europe	267.6	329.8	434.6	588.6	639.5	51.0 +3.9*
percentage	55.4%	59.2%	66.3%	71.5%	71.9%	

Segment assets excl. CSI non-recourse loan	335.9	389.4	440.5	553.6	623.3	69.7

* Exchange rate factors

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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" = "10^9" and "trillion" = "10^{12}")

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