

These consolidated financial results are an English translation of excerpts from the Japanese “*Kessan Tanshin*” including attachments filed with the Tokyo Stock Exchange, solely for the convenience of readers outside Japan.

This report has been prepared in accordance with accounting principles and practices generally accepted in Japan. Amounts less than ¥1 million have been omitted unless otherwise stated.

Consolidated Financial Results (*Kessan Tanshin*) for the First Nine Months of Fiscal Year Ending March 31, 2025 [Japan GAAP]

February 7, 2025

Name of Listed Company: Tokyo Century Corporation

Stock Exchange Listing: Tokyo

Securities Code: 8439

(URL: <https://www.tokyocentury.co.jp/en/>)

Representative: Koichi Baba, President & CEO, Representative Director

Contact: Tatsuya Hirasaki, Director and Senior Managing Executive Officer Phone: +81-3-5209-6710

Scheduled Payment Date of Dividends: –

Preparation of Supplementary Reference Documents: Yes

Holding of Earnings Call: Yes (for institutional investors and analysts)

(Amounts less than one million yen are omitted.)

1. Consolidated Performance

	Nine Months Ended December 31, 2023	Nine Months Ended December 31, 2024	YoY
	<i>(Millions of yen)</i>		<i>(Percentage change)</i>
(1) Consolidated business results:			
Revenues	1,003,363	1,011,829	0.8%
Operating income	81,814	90,457	10.6%
Ordinary income	91,172	101,704	11.6%
Net income attributable to owners of parent	57,054	72,037	26.3%
Basic earnings per share (<i>Yen</i>)	116.52	147.34	
Diluted earnings per share (<i>Yen</i>)	116.07	146.72	

Notes:

Total comprehensive income

For the nine months ended December 31, 2024: ¥75,451 million (59.1)%

For the nine months ended December 31, 2023: ¥184,498 million 2.0%

The Company conducted a 4-for-1 stock split of its common shares effective January 1, 2024. The basic earnings per share and the diluted earnings per share have been calculated based on the premise that the stock split was conducted at the beginning of the previous fiscal year.

	As of March 31, 2024	As of December 31, 2024
	<i>(Millions of yen)</i>	
(2) Consolidated financial condition:		
Total assets	6,460,930	6,563,388
Net assets	1,011,176	1,054,127
Shareholders' equity ratio	13.5%	13.8%

Reference:

Shareholders' equity

As of December 31, 2024: ¥908,112 million

As of March 31, 2024: ¥872,230 million

2. Dividends

	Dividends per Share (Yen)			
	First Quarter	Second Quarter	Third Quarter	Year-End
Fiscal 2023	—	25.00	—	27.00
Fiscal 2024	—	29.00	—	
Fiscal 2024 (Forecast)				29.00
				58.00

Note: Revisions to the most recently announced forecast of dividends: None

The Company conducted a 4-for-1 stock split of its common shares effective January 1, 2024. The annual dividends per share have been calculated based on the premise that the stock split was conducted at the beginning of the previous fiscal year.

3. Consolidated Results Forecast for the Fiscal Year Ending March 31, 2025 (As of February 7, 2025)

	Full Year	YoY
	(Millions of yen)	(Percentage change)
Ordinary income	125,000	6.6%
Net income attributable to owners of parent	80,000	10.9%
Basic earnings per share (Yen)	163.38	

Note: Revisions to the most recently announced forecast of consolidated results: None

Notes

(1) Significant changes in the scope of consolidation during the period under review: None

(2) Adoption of special accounting treatments for quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

1) Changes in accounting policies due to reforms of accounting standards: Yes

2) Changes in accounting policies other than item 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatements: None

Note: For details, please refer to “2. Quarterly Consolidated Financial Statements and Primary Notes, (3) Notes to the Quarterly Consolidated Financial Statements, Changes in Accounting Policies” on page 11 of this document.

(4) Number of shares of common stock issued

1) Number of shares issued at the end of the period (including treasury stock)

As of March 31, 2024: 492,113,280 shares

As of December 31, 2024: 492,113,280 shares

2) Number of shares of treasury stock at the end of the period

As of March 31, 2024: 2,459,140 shares

As of December 31, 2024: 4,227,436 shares

3) Average number of shares outstanding during the period (first nine months)

Nine months ended December 31, 2023: 489,655,095 shares

Nine months ended December 31, 2024: 488,933,970 shares

Note:

The Company conducted a 4-for-1 stock split of its common shares effective January 1, 2024. The number of shares issued at the end of the period, the number of shares of treasury stock at the end of the period, and the average number of shares outstanding during the period have been calculated based on the premise that the stock split was conducted at the beginning of the previous fiscal year.

The Company introduced the BBT-RS (Board Benefit Trust-Restricted Stock). The number of shares of treasury stock at the end of the period includes the Company shares held by the trust for the BBT-RS plan (1,850,700 shares as of December 31, 2024). In addition, the number of shares of treasury stock deducted in the calculation of the average number of shares outstanding during the period (first nine months) includes the Company shares held by the trust for the BBT-RS plan (802,744 shares as of December 31, 2024).

Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: Yes (voluntary)

Explanation related to forward-looking statements and other items warranting special mention

(Regarding forward-looking statements)

The statements concerning future performance presented in this document are prepared based on currently available information and certain preconditions that Tokyo Century Corporation and its Group companies believe to be reasonable at the publication of this document. These statements do not purport that the Company pledges to realize such statements. Actual results may be substantially different from any projections presented herein due to various factors.

(Methods for obtaining supplementary reference documents for financial statements)

The supplementary reference documents were disclosed on the TDnet on the same date as this document (Japanese only) and were also posted on the Company's website.

The Company plans to hold an earnings call on Wednesday, February 12, 2025.

1. Overview of Business Results

* In this section, “1. Overview of Business Results,” the amounts expressed in units of millions have been rounded off to the nearest hundred million.

(1) Overview of Business Results for the Period under Review

During the nine months ended December 31, 2024, revenues increased ¥8,500 million, or 0.8%, to ¥1,011,800 million, and gross profit increased ¥17,900 million, or 9.4%, to ¥208,500 million, respectively, from the same period of the previous fiscal year. The latter was mainly caused by an increase in income in the Specialty Financing and International Business segments.

Selling, general and administrative expenses increased ¥9,300 million, or 8.6%, to ¥118,000 million from the same period of the previous fiscal year, mainly due to increases in personnel and non-personnel expenses in the International Business segment.

Non-operating income minus non-operating expenses amounted to a net income of ¥11,200 million, up ¥1,900 million, or 20.2%, from the same period of the previous fiscal year. This was mainly caused by increases in foreign exchange gains and equity in earnings of affiliates.

Due to the factors mentioned above, ordinary income increased ¥10,500 million, or 11.6%, to ¥101,700 million from the same period of the previous fiscal year.

Extraordinary income minus extraordinary losses amounted to a net income of ¥11,200 million, up ¥9,500 million, or 557.0%, from the same period of the previous fiscal year, mainly due to gain on sale of investment securities. Income taxes increased ¥5,700 million, or 21.6%, to ¥32,300 million from the same period of the previous fiscal year. Net income attributable to non-controlling interests amounted to ¥8,600 million, down ¥700 million, or 7.2%, from the same period of the previous fiscal year.

As a result, net income attributable to owners of parent increased ¥15,000 million, or 26.3%, to ¥72,000 million from the same period of the previous fiscal year.

Average exchange rate during the period for the preparation of consolidated financial statements for the major overseas subsidiaries and affiliates closing accounts in December is ¥151.44/US\$ for the first nine months of the fiscal year ended December 31, 2024 (January to September 2024) and ¥138.25/US\$ for the first nine months of the fiscal year ended December 31, 2023 (January to September 2023).

(Overview of Business Results by Segment)

Business results by segment were as follows.

Revenues for each segment represent “revenues from customers,” and segment income represents the amount for the “reportable segment.”

Equipment Leasing

Revenues decreased ¥10,400 million, or 3.0%, to ¥332,900 million, and segment income decreased ¥100 million, or 0.8%, to ¥17,200 million, respectively, from the same period of the previous fiscal year. The balance of segment assets decreased ¥51,800 million, or 4.1%, to ¥1,221,700 million from the end of the previous fiscal year.

Automobility

Revenues decreased ¥33,500 million, or 12.8%, to ¥228,700 million, and segment income increased ¥800 million, or 5.5%, to ¥14,800 million, respectively, from the same period of the previous fiscal year. The increase in segment income was mainly because of an increase in gains on sale of vehicles whose leases terminated and increased profitability resulting from the rise in car rental prices per unit. The balance of segment assets increased ¥20,600 million, or 4.3%, to ¥499,600 million from the end of the previous fiscal year.

Specialty Financing

Revenues increased ¥20,400 million, or 9.0%, to ¥247,000 million, and segment income increased ¥7,400 million, or 30.7%, to ¥31,400 million, respectively, from the same period of the previous fiscal year. The increase in segment income was mainly due to an increase in gains on sale of aircraft in the aviation business. The balance of segment assets increased ¥5,200 million, or 0.2%, to ¥2,830,500 million from the end of the previous fiscal year.

International Business

Revenues increased ¥31,000 million, or 24.6%, to ¥157,200 million, and segment income increased

¥3,100 million, or 46.6%, to ¥9,700 million, respectively, from the same period of the previous fiscal year, mainly due to an increase in foreign exchange gains. The balance of segment assets increased ¥66,900 million, or 8.1%, to ¥889,600 million from the end of the previous fiscal year, mainly due to an increase in investments in data center businesses.

Environmental Infrastructure

Revenues increased ¥1,200 million, or 2.6%, to ¥45,400 million, and segment income decreased ¥2,700 million, or 77.3%, to ¥800 million, respectively, from the same period of the previous fiscal year. The decrease in segment income was mainly due to the absence of one-time gains in the electric power generation business recorded for the same period of the previous fiscal year and the increased funding cost of new overseas investment projects. The balance of segment assets increased ¥11,400 million, or 4.1%, to ¥285,300 million from the end of the previous fiscal year.

Segment Income

(Billions of yen)

Classification		Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change	
				Amount	%
Reportable Segment	Equipment Leasing	17.3	17.2	(0.1)	(0.8)
	Automobility	14.1	14.8	0.8	5.5
	Specialty Financing	24.0	31.4	7.4	30.7
	International Business	6.6	9.7	3.1	46.6
	Environmental Infrastructure	3.5	0.8	(2.7)	(77.3)
	Total for Reportable Segments	65.6	73.9	8.3	12.7
Other, Adjustment		(8.5)	(1.9)	6.6	—
Amount Recorded in Quarterly Consolidated Statements of Income		57.1	72.0	15.0	26.3

Balance of Segment Assets

(Billions of yen)

Classification		As of March 31, 2024	As of December 31, 2024	Change	
				Amount	%
Reportable Segment	Equipment Leasing	1,273.5	1,221.7	(51.8)	(4.1)
	Automobility	479.0	499.6	20.6	4.3
	Specialty Financing	2,825.3	2,830.5	5.2	0.2
	International Business	822.7	889.6	66.9	8.1
	Environmental Infrastructure	273.9	285.3	11.4	4.1
	Total for Reportable Segments	5,674.4	5,726.6	52.2	0.9
Other		46.0	45.1	(0.9)	(1.9)
Total of Segment Assets		5,720.4	5,771.8	51.3	0.9

(2) Overview of Financial Conditions for the Period under Review

Total assets at the end of the first nine months of the fiscal year ending March 31, 2025 increased ¥102,500 million, or 1.6%, to ¥6,563,400 million, and segment assets increased ¥51,300 million, or 0.9%, to ¥5,771,800 million, respectively, from the end of the previous fiscal year. Total liabilities increased ¥59,500 million, or 1.1%, to ¥5,509,300 million, and interest-bearing debts increased ¥106,800 million, or 2.2%, to ¥4,855,800 million,

respectively, from the end of the previous fiscal year.

Total net assets increased ¥43,000 million, or 4.2%, to ¥1,054,100 million from the end of the previous fiscal year. As a result, the shareholders' equity ratio increased by 0.3 percentage points compared with the end of the previous fiscal year to 13.8%.

Exchange rate at the end of the period for the preparation of consolidated financial statements for the major overseas subsidiaries and affiliates closing accounts in December is ¥142.82/US\$ at the end of the third quarter of the fiscal year ended December 31, 2024 (September 30, 2024) and ¥141.82/US\$ at the end of the previous fiscal year (December 31, 2023).

(3) Explanation of Future Forecast Information such as Consolidated Results Forecast

We have made no revision to the consolidated results forecast which was announced on May 14, 2024.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash on hand and in banks	193,859	207,921
Accounts receivable - installment sales	167,071	171,063
Lease receivables and investment assets	1,391,310	1,398,113
Loans	435,091	401,446
Operational investment securities	407,050	410,936
Accounts receivable - leases	63,886	79,334
Short-term investment securities	809	100
Inventories	36,712	31,427
Other current assets	246,947	274,976
Allowance for doubtful accounts	(3,859)	(3,744)
Total current assets	2,938,879	2,971,574
Non-current assets		
Property and equipment		
Leased assets	2,496,294	2,511,125
Advances for purchases of property for lease	93,965	103,141
Other operating assets	244,938	272,680
Construction in progress	33,230	25,159
Own assets in use	27,552	29,689
Total property and equipment	2,895,981	2,941,796
Intangible assets		
Computer programs leased to customers	2,525	2,846
Goodwill	72,924	71,939
Other intangible assets	39,638	40,909
Total intangible assets	115,088	115,696
Investments and other assets		
Investments in securities	404,150	421,575
Claims provable in bankruptcy or rehabilitation	7,627	7,316
Deferred tax assets	24,170	18,682
Retirement benefit asset	270	281
Other investments	77,641	88,841
Allowance for doubtful accounts	(4,790)	(4,415)
Total investments and other assets	509,069	532,281
Total non-current assets	3,520,140	3,589,774
Deferred assets	1,911	2,038
Total assets	6,460,930	6,563,388

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	216,852	165,168
Short-term borrowings	412,825	367,776
Current portion of bonds	240,695	222,996
Current portion of long-term debt	732,254	723,079
Commercial papers	343,609	244,993
Payables under fluidity lease receivables	9,000	9,600
Current portion of long-term payables under fluidity lease receivables	2,460	2,440
Accrued income taxes	12,047	13,274
Deferred profit on installment sales	15,463	16,712
Provision for bonuses	4,042	2,973
Provision for bonuses for directors (and other officers)	470	320
Provision for share awards for directors (and other officers)	—	109
Other provisions	237	281
Other current liabilities	152,124	150,558
Total current liabilities	2,142,083	1,920,285
Long-term liabilities		
Bonds payable	978,673	1,087,005
Long-term debt	2,025,626	2,195,859
Long-term payables under fluidity lease receivables	3,850	2,010
Deferred tax liabilities	56,200	56,573
Provision for retirement benefits for directors (and other officers)	346	339
Provision for share awards for directors (and other officers)	—	46
Provision for automobile inspection costs	717	728
Other provisions	659	1,429
Net defined benefit liability	11,381	11,954
Other long-term liabilities	230,215	233,027
Total long-term liabilities	3,307,671	3,588,974
Total liabilities	5,449,754	5,509,260
Net assets		
Shareholders' equity		
Common stock without par value	81,129	81,129
Capital surplus	56,199	56,247
Retained earnings	524,903	569,517
Treasury stock	(1,599)	(4,625)
Total shareholders' equity	660,631	702,269
Accumulated other comprehensive income		
Net unrealized holding gains on securities	37,994	34,852
Deferred gains or losses on hedges	9,839	6,235
Translation adjustments	163,105	164,129
Remeasurements of defined benefit plans	658	625
Total accumulated other comprehensive income	211,598	205,843
Share subscription rights	2,240	2,540
Non-controlling interests	136,704	143,474
Total net assets	1,011,176	1,054,127
Total liabilities and net assets	6,460,930	6,563,388

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income
(For the nine months ended December 31, 2023 and 2024)

(Millions of yen)

	Nine months ended December 31, 2023 (Apr. 1 to Dec. 31, 2023)	Nine months ended December 31, 2024 (Apr. 1 to Dec. 31, 2024)
Revenues	1,003,363	1,011,829
Costs	812,846	803,369
Gross profit	190,516	208,460
Selling, general and administrative expenses	108,701	118,003
Operating income	81,814	90,457
Non-operating income		
Interest income	388	690
Dividend income	1,039	1,170
Equity in earnings of affiliates	13,317	14,322
Foreign exchange gains	348	1,738
Other	710	850
Total non-operating income	15,804	18,773
Non-operating expenses		
Interest expense	5,864	7,082
Other	581	443
Total non-operating expenses	6,446	7,526
Ordinary income	91,172	101,704
Extraordinary income		
Gain on sale of investment securities	760	11,634
Gain on sale of shares of subsidiaries	1,046	—
Other	95	146
Total extraordinary income	1,902	11,781
Extraordinary losses		
Loss on valuation of investment securities	0	350
Loss on disaster	59	—
Other	135	213
Total extraordinary losses	195	564
Income before income taxes	92,879	112,921
Income taxes	26,558	32,282
Net income	66,321	80,638
Net income attributable to non-controlling interests	9,267	8,600
Net income attributable to owners of parent	57,054	72,037

Quarterly Consolidated Statements of Comprehensive Income
(For the nine months ended December 31, 2023 and 2024)

(Millions of yen)

	Nine months ended December 31, 2023 (Apr. 1 to Dec. 31, 2023)	Nine months ended December 31, 2024 (Apr. 1 to Dec. 31, 2024)
Net income	66,321	80,638
Other comprehensive income		
Net unrealized holding gains on securities	10,107	(2,561)
Deferred gains or losses on hedges	4,581	(4,302)
Translation adjustments	97,053	435
Remeasurements of defined benefit plans	160	(29)
Share of other comprehensive income of affiliates accounted for using equity method	6,274	1,271
Total other comprehensive income	118,177	(5,186)
Comprehensive income	184,498	75,451
Comprehensive income attributable to:		
Owners of parent	173,471	66,282
Non-controlling interests	11,027	9,169

(3) Notes to the Quarterly Consolidated Financial Statements

Changes in Accounting Policies

(Application of the Accounting Standard for Current Income Taxes, etc.)

Starting at the beginning of the first three months of the fiscal year ending March 31, 2025, the Company applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter, the “Revised Accounting Standard 2022”), etc.

The Company followed the transitional treatment provided for in the proviso to Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, the “Revised Guidance 2022”) with regard to the revision concerning the classification of income taxes (levied on entities’ other comprehensive income). The change in accounting policies has no impact on the quarterly consolidated financial statements.

Starting at the beginning of the first three months of the fiscal year ending March 31, 2025, the Company also applied the Revised Guidance 2022 with regard to the revision related to changes in the accounting treatment in consolidated financial statements if gains or losses on sale of shares of subsidiaries, etc. resulting from transactions between consolidated entities are deferred for tax purposes. The change in accounting policies was applied retrospectively, and the quarterly consolidated financial statements for the nine months ended December 31, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024 were restated accordingly. The change in accounting policies had no impact on the quarterly consolidated financial statements for the nine months ended December 31, 2023 and the consolidated financial statements for the fiscal year ended March 31, 2024.

Adoption of Special Accounting Treatments for Quarterly Consolidated Financial Statements

(Calculation of Tax Expenses)

We reasonably estimate an effective tax rate after applying tax effect accounting to income before income taxes for the fiscal year ending March 31, 2025, and adopt a method to calculate tax expenses by multiplying income before income taxes by the estimated effective tax rate.

However, where the amount of tax expenses calculated using the estimated effective tax rate is obviously unreasonable, tax expenses are calculated by multiplying income before income taxes by the effective tax rate designated by law after adjusting for significant differences that are not temporary differences.

Notes on Segment Information

I. Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Information concerning the amount of revenues and income by reportable segment

(Millions of yen)

	Reportable Segment						Other (Note 1)	Total	Adjustment (Note 2)	Amount shown on the Quarterly Consolidated Statements of Income (Note 3)
	Equipment Leasing	Automobility	Specialty Financing	International Business	Environmental Infrastructure	Total				
Revenues										
Revenues from customers	343,390	262,220	226,637	126,198	44,282	1,002,729	634	1,003,363	–	1,003,363
Intersegment revenues/transfers	276	691	142	62	0	1,172	295	1,467	(1,467)	–
Total	343,666	262,911	226,779	126,260	44,282	1,003,901	929	1,004,831	(1,467)	1,003,363
Segment income	17,298	14,071	24,016	6,630	3,542	65,559	610	66,170	(9,115)	57,054

Notes: 1. “Other” includes casualty insurance agency business, which is not included in any reportable segment.

2. Adjustment to segment income mainly consists of general and administrative expenses, which are not attributed to reportable segments.

3. Segment income is adjusted with net income attributable to owners of parent shown on the quarterly consolidated statements of income.

2. Information concerning assets by reportable segment

In the six months ended September 30, 2023, Orico Business Leasing Co., Ltd. and Orico Auto Leasing Co., Ltd. transitioned from consolidated subsidiaries to equity-method affiliates. As a result, the amounts of assets by reportable segment as of December 31, 2023 decreased ¥55,975 million in Equipment Leasing and ¥145,686 million in Automobility, respectively, compared to the end of the previous fiscal year.

3. Information concerning impairment loss on non-current assets, goodwill, etc., by reportable segment

An impairment loss of ¥1,831 million for assets related to the leasing of aircraft was recorded in Specialty Financing.

II. Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information concerning the amount of revenues and income by reportable segment

(Millions of yen)

	Reportable Segment						Other (Note 1)	Total	Adjustment (Note 2)	Amount shown on the Quarterly Consolidated Statements of Income (Note 3)
	Equipment Leasing	Automobility	Specialty Financing	International Business	Environmental Infrastructure	Total				
Revenues										
Revenues from customers	332,948	228,673	247,039	157,212	45,446	1,011,321	507	1,011,829	—	1,011,829
Intersegment revenues/transfers	306	654	128	161	0	1,251	450	1,702	(1,702)	—
Total	333,255	229,328	247,167	157,373	45,447	1,012,572	958	1,013,531	(1,702)	1,011,829
Segment income	17,154	14,843	31,385	9,722	802	73,909	1,343	75,252	(3,215)	72,037

Notes: 1. “Other” includes casualty insurance agency business, which is not included in any reportable segment.

2. Adjustment to segment income mainly consists of general and administrative expenses, which are not attributed to reportable segments.

3. Segment income is adjusted with net income attributable to owners of parent shown on the quarterly consolidated statements of income.

2. Information concerning impairment loss on non-current assets, goodwill, etc., by reportable segment

An impairment loss of ¥1,227 million for assets related to the leasing of aircraft was recorded in Specialty Financing.

Notes in the Case of Material Changes in Shareholders’ Equity

Not applicable

Notes on Going Concern Assumption

Not applicable

Notes to Quarterly Consolidated Statements of Cash Flows

The quarterly consolidated statements of cash flows for the nine months ended December 31, 2024 have not been prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the nine months ended December 31, 2023 and 2024 are as shown below.

(Millions of yen)

	Nine months ended December 31, 2023 (Apr. 1 to Dec. 31, 2023)	Nine months ended December 31, 2024 (Apr. 1 to Dec. 31, 2024)
Depreciation	178,913	194,043
Amortization of goodwill	3,070	3,766

Independent Auditor's Report on Interim Review of Quarterly Consolidated Financial Statements

To the Board of Directors of Tokyo Century Corporation:

Auditor's Conclusion

We have reviewed the accompanying quarterly consolidated financial statements of Tokyo Century Corporation (the "Company") and its consolidated subsidiaries (collectively, the "Group"), which comprise the quarterly consolidated balance sheets as of December 31, 2024 (from April 1, 2024 to December 31, 2024) and the quarterly consolidated statements of income and the quarterly consolidated statements of comprehensive income for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024), and the related notes.

Based on our interim review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements are not prepared, in all material respects, in accordance with Article 4, Paragraph 1 of Standards for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. (the "Standards") (applying the omissions prescribed in Article 4, Paragraph 2 of the Standards) and accounting principles for quarterly financial statements generally accepted in Japan.

Basis for Auditor's Conclusion

We conducted our interim review in accordance with interim review standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Interim Review of the Quarterly Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the regulations regarding professional ethics required in Japan, and we have fulfilled our other ethical responsibilities as auditor. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Management, Corporate Auditors and the Board of Corporate Auditors for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation and presentation of the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards (applying the omissions prescribed in Article 4, Paragraph 2 of the Standards) and accounting principles for quarterly financial statements generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation of the quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with Article 4, Paragraph 1 of the Standards (applying the omissions prescribed in Article 4, Paragraph 2 of the Standards) and accounting principles for quarterly financial statements generally accepted in Japan.

Corporate Auditors and the Board of Corporate Auditors are responsible for monitoring the Directors' execution of duties relating to the design and operation of the Group's financial reporting process.

Auditor's Responsibilities for the Interim Review of the Quarterly Consolidated Financial Statements

Our responsibility is to express a conclusion on these quarterly consolidated financial statements from an independent standpoint based on our interim review in our report on the interim review of quarterly consolidated financial statements.

As part of our interim review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other review procedures. An interim review is substantially less in scope than an audit for the fiscal year conducted in accordance with auditing standards generally accepted in Japan.
- Conclude, based on the evidence obtained, whether nothing has come to our attention that causes us to believe that the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards (applying the omissions prescribed in Article 4, Paragraph 2 of the Standards) and accounting principles for quarterly financial statements generally accepted in Japan, if a material uncertainty relating to events or conditions comes to our attention that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report on the interim review of quarterly consolidated financial statements to the related notes in the quarterly consolidated financial statements or, if such notes are inadequate, to express a qualified conclusion or an adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our report on the interim review

of quarterly consolidated financial statements; however, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether nothing has come to our attention that causes us to believe that the presentation and notes in the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards (applying the omissions prescribed in Article 4, Paragraph 2 of the Standards) and accounting principles for quarterly financial statements generally accepted in Japan.
- Obtain sufficient evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the interim review of the quarterly consolidated financial statements. We remain solely responsible for our review conclusion.

We communicate with Corporate Auditors and the Board of Corporate Auditors regarding the planned scope and timing of the interim review, and significant review findings that we identify during our review.

We also provide Corporate Auditors and the Board of Corporate Auditors with a statement that we have complied with relevant ethical requirements regarding independence in Japan, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to the acceptable levels.

Interest

Our firm and its engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Note to the Reader of Independent Auditor's Report on Review

The Independent Auditor's Report herein is an English translation of the Japanese Independent Auditor's Report on Review for the convenience of the reader.

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- Notes: 1. The original of the above report on review is stored separately by the Company disclosing the Quarterly Consolidated Financial Results (*Kessan Tanshin*).
2. XBRL data and HTML data are not subject to the review.

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Engagement Partner
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Engagement Partner
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February 7, 2025