

May 7, 2025

Tokyo Century to Record Extraordinary Income in Fiscal 2025 Following Aviation Capital Group's Insurance Claim Settlements

Tokyo Century Corporation ("Tokyo Century") announces that it expects to record extraordinary income for the fiscal year ending March 31, 2026 ("Fiscal 2025") with regard to insurance settlement proceeds received by its consolidated subsidiary Aviation Capital Group LLC (ACG, headquartered in California, USA) related to ACG's exposure to Russian airlines.

1. Outline of the Extraordinary Income

ACG has recently executed settlement agreements with some of its insurers for insurance settlement proceeds totaling US\$ 398 million related to its exposure to Russian airlines. As a result of this, Tokyo Century expects to record the amount in the Japanese yen equivalent to the proceeds in the consolidated financial results as extraordinary income for Fiscal 2025.

2. Background

Tokyo Century recorded an extraordinary loss in its financial statements for the fiscal year ended March 31, 2023, due to the unlikelihood of recovery of ACG's aircraft leased to Russian airlines and receivables related to financing and loan guarantees extended by ACG to Russian airlines. ACG then took legal action against insurers for insurance payments based on its insurance policies for the exposure to Russian airlines and has recently reached settlements with some of them. The company will continue its lawsuits against other insurers with which it has not executed settlement agreements.

3. Overview of the Consolidated Subsidiary

(1) Company name	Aviation Capital Group LLC
(2) Headquarters	840 Newport Center Drive, Suite 300, Newport Beach, CA, USA
(3) CEO and President	Thomas G. Baker
(4) Business	Aircraft leasing

Note: The amount of capital has not been provided since ACG is a Limited Liability Company under the U.S. law with no accurate equivalent to the concept of capital stock.

4. Future Outlook

The above-mentioned extraordinary income will be recorded in the consolidated financial results for Fiscal 2025. The financial forecast for the fiscal year will be announced in the consolidated financial results for fiscal 2024 to be released on May 14, 2025.