
August 14, 2025

Release of Updated IR Presentation Material for Q1 FY2025

Tokyo Century Corporation (“Tokyo Century”) released its investor presentation material titled “IR Presentation for Q1 FY2025” (“IR Presentation”) on August 8, 2025. After that, its U.S.-based consolidated subsidiary Aviation Capital Group LLC (headquartered in California, USA; “ACG”) announced its financial results for the second quarter of 2025 on August 14, 2025 (JST).

Tokyo Century has added part of the latest financial results ACG has just released to the IR Presentation material and hereby releases it.

Please find ACG’s financial results added in:

“Insurance Settlements Related to Russia Exposure” on page 15;

“ACG’s Financial Performance II” on page 22; and

“ACG’s Earnings Power” on page 23.

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Note: This translation is prepared and provided for reference only. In the event of any discrepancy between this translated document and the original Japanese document, the original document shall prevail.



IR Presentation for Q1 FY2025



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Results for Q1 FY2025



Executive Summary

Q1 Results

Net income: ¥**22.1** billion (down ¥0.9 billion or 4% YoY) ROE: **8.8%**

Progress: On track to meet the annual forecast of ¥**93.0** billion

Major Factors behind Net Income

- ✓ Net income decreased due to the absence of ACG's one-time gains of ¥3.7 billion (¥4.8 billion before tax) recorded in Specialty Financing in the same period last year.
- ✓ Four segments reported increases in net income, including International Business with gains on sales, while Specialty Financing had lower net income. All the five segments are on track to meet the annual forecast.

Impact of Tariffs

- ✓ The impact of US tariffs was limited in Q1, but we will continue to monitor the situation.

Growth Investment

New projects to drive core earnings, steadily expanding pipelines

- ✓ Starting truck leasing business in partnership with Isuzu Motors in Australia
- ✓ CSI's active M&A with the aim of diversifying its products for further growth
- ✓ Robust expansion of development pipelines for grid-scale storage batteries in Japan

Reform Projects

Led by our president, the reform projects for enhancement of management foundation are now underway

* Net income indicates net income attributable to owners of parent.

Financial Highlights

While Q1 income decreased YoY, progress remained on track with the annual forecast

	FY2024 Q1	FY2025 Q1	YoY Change	
Ordinary income	38.2	37.3	-0.9	-2.4%
Net income (loss) attributable to owners of parent	23.0	22.1	-0.9	-4.0%
EPS	¥46.98	¥45.25	- ¥1.73	-3.7%
ROA (Net income / Total assets)	1.4%	1.3%	-0.1 pt	
ROE (Net income / Shareholders' equity)	10.1%	8.8%	-1.3 pt	
Average exchange rate (USD1)	¥148.62	¥152.56	(Average exchange rate for January-March used for major overseas subsidiaries)	

	Mar. 31, 2025	Jun. 30, 2025	Change	
Total assets	6,862.9	6,787.0	-75.9	-1.1%
Balance of segment assets	6,059.9	5,970.0	-89.8	-1.5%
Shareholders' equity	1,029.6	981.7	-48.0	-4.7%
Shareholders' equity ratio	15.0%	14.5%	-0.5 pt	
Exchange rate at the end of the period (USD1)	¥158.17	¥149.53	(Exchange rate at the end of March used for major overseas subsidiaries)	

(Billions of yen)

FY2025 Forecast	Progress
93.0	23.7%
¥190.62	23.7%

Estimated average exchange rate and fiscal-year-end exchange rate
USD1 = ¥140

Results by Operating Segment

Solid performance in all segments, except Specialty Financing with lower income mainly due to the absence of ACG's one-time gains recorded in the same period last year

Net Income Attributable to Owners of Parent

(Billions of yen)

	FY2024 Q1	FY2025 Q1	YoY	Major Factors behind Changes	FY2025 Forecast	Progress
 Equipment Leasing	6.1	6.8	0.7	(+) Higher profits from joint investment businesses with partners (-) Impact of exchange rates on NTT TC Leasing	24.0	28.2%
 Automobility	6.0	6.3	0.3	(+) Improvement in profit margins due to various initiatives centered around NRS, and capturing of inbound tourism demand	18.0	35.0%
 Specialty Financing	11.3	8.0	-3.3	(+) Higher gains on sales in principal investment business (-) Absence of ACG's one-time gains recorded in the same period last year, and the impact of exchange rates in shipping	74.5 [*]	10.7%
 International Business	2.1	3.8	1.7	(+) Higher gains on sales of operational investment securities	18.0	21.3%
 Environmental Infrastructure	0.3	0.5	0.2	(+) Achievement of profitability in biomass co-firing power generation business	2.0	25.0%
Other	-2.7	-3.3	-0.6		-43.5	-
Total (Net income)	23.0	22.1	-0.9		93.0	23.7%

* Incl. insurance settlement proceeds related to Russia exposure (approx. ¥40.0 billion)

Breakdown of Ordinary Income (Core Earnings, Gains on Sales, Impairment, Etc.)

Core earnings remained strong, except the absence of ACG's one-time gains of ¥4.8 billion (collection of lease payments, etc.) recorded in the same period last year

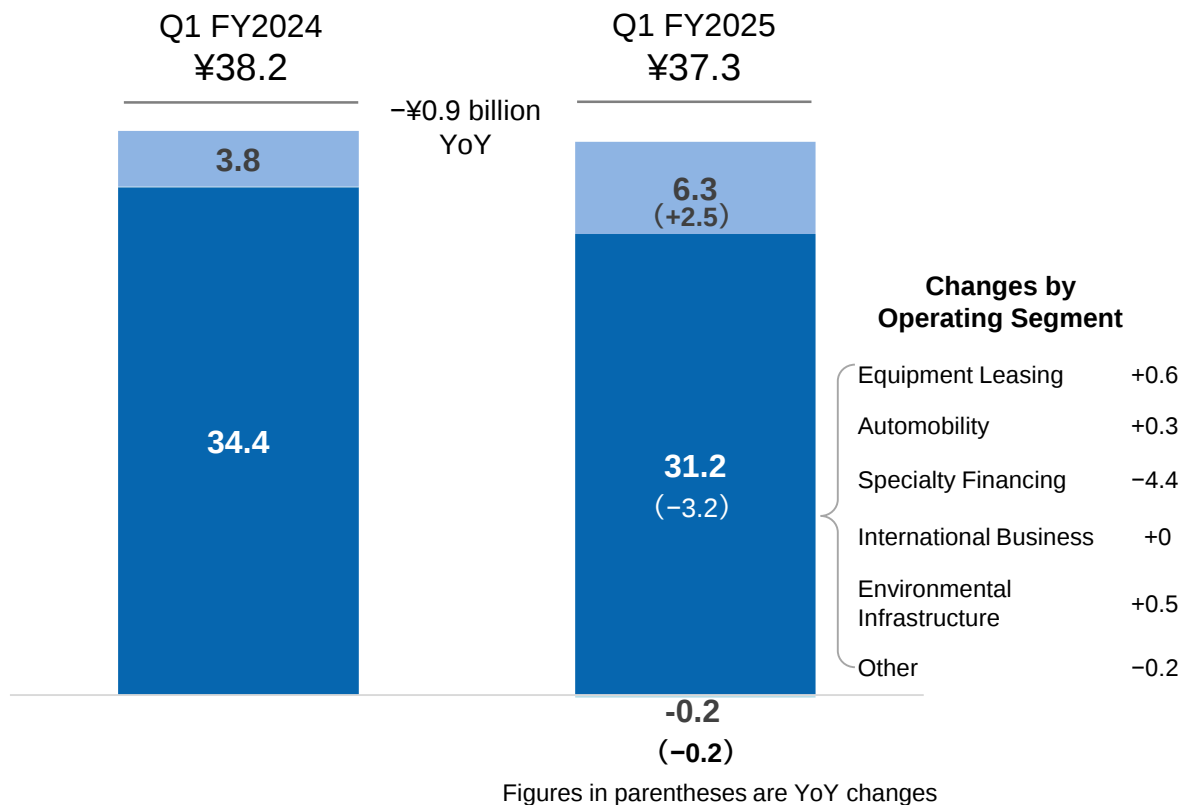
(Billions of yen)

YoY

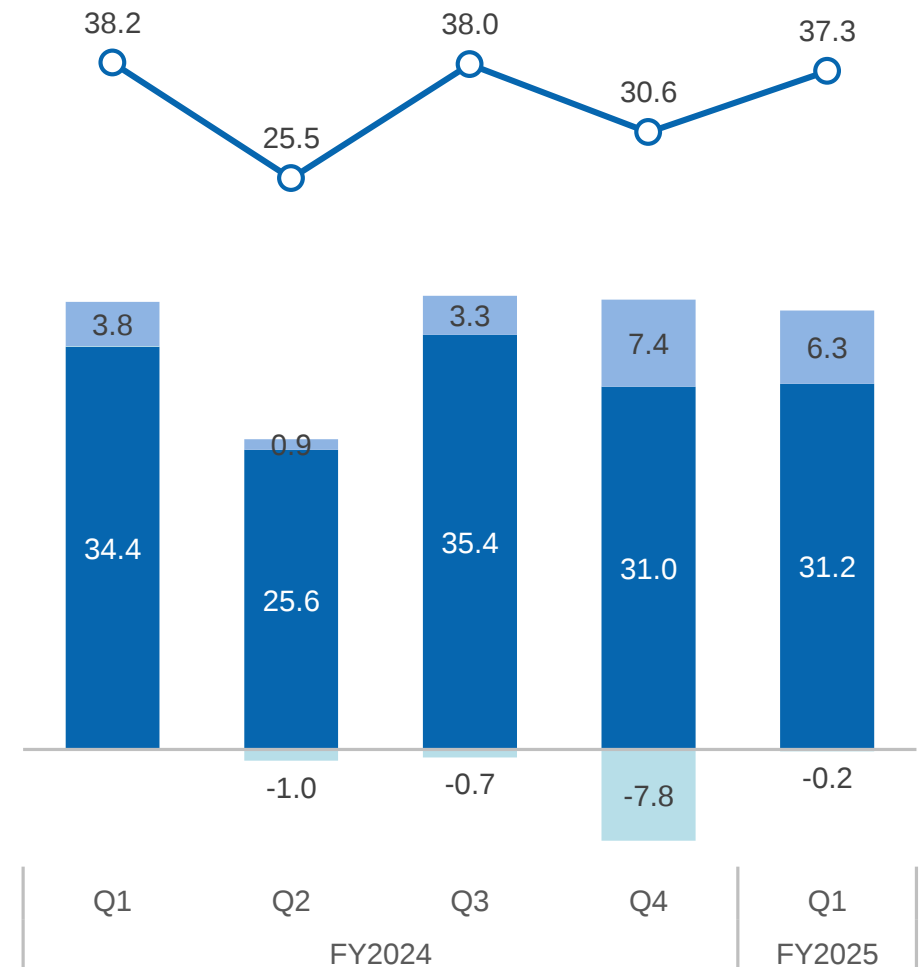
Quarterly Results

Core earnings Gains on sales* Impairment, bad debt expenses, and gains (losses) on valuation of operational investment securities

Ordinary Income



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



Breakdown of Ordinary Income by Operating Segment (Core Earnings, Gains on Sales, Impairment, Etc.)

International Business realized gains on sales, and Specialty Financing ensured those comparable to the same period last year

(Billions of yen)							
	FY2024					FY2025	
	Q1	Q2	Q3	Q4	Annual Total	Q1	YoY Change
Equipment Leasing	8.0	7.2	7.5	7.9	30.6	8.6	0.6
Core earnings	8.1	7.2	7.8	9.1	32.2	8.7	0.6
Gain on sales*1	-	-	-	-	-	-	-
Impairment, bad debt, etc.*2	-0.0	-0.1	-0.3	-1.2	-1.6	-0.1	-0.0
Automobility	12.5	9.1	8.7	5.1	35.3	12.8	0.3
Core earnings	12.5	9.0	8.7	5.1	35.4	12.8	0.3
Gain on sales	-	-	-	-	-	-	-
Impairment, bad debt, etc.	0.0	0.0	-0.1	0.0	-0.0	0.0	-0.0
Specialty Financing	16.3	7.3	20.9	16.0	60.6	12.3	-4.0
Core earnings	12.8	7.6	17.9	15.6	53.8	8.4	-4.4
Gain on sales	3.8	0.9	3.3	4.4	12.4	4.0	0.2
Impairment, bad debt, etc.	-0.2	-1.1	-0.2	-4.0	-5.6	-0.1	0.1
International Business	3.9	4.2	6.1	5.8	19.9	6.0	2.1
Core earnings	3.9	4.2	6.4	5.7	20.1	3.9	0.0
Gain on sales	-	-	-	3.0	3.0	2.2	2.2
Impairment, bad debt, etc.	0.0	-0.0	-0.3	-2.9	-3.2	-0.1	-0.2
Environmental Infrastructure	1.1	1.7	-0.6	-0.2	1.9	1.6	0.5
Core earnings	1.1	1.7	-0.6	-0.2	1.9	1.6	0.5
Gain on sales	-	-	-	-	-	-	-
Impairment, bad debt, etc.	-	-	-	-	-	0.0	0.0
Other	-3.7	-4.0	-4.6	-3.9	-16.1	-4.0	-0.3
Core earnings	-3.9	-4.2	-4.7	-4.2	-17.0	-4.1	-0.2
Gain on sales	-	-	-	-	-	-	-
Impairment, bad debt, etc.	0.2	0.3	0.2	0.2	0.9	0.1	-0.1
Total	38.2	25.5	38.0	30.6	132.3	37.3	-0.9
Core earnings	34.4	25.6	35.4	31.0	126.3	31.2	-3.2
Gain on sales	3.8	0.9	3.3	7.4	15.4	6.3	2.5
Impairment, bad debt, etc.	0.0	-1.0	-0.7	-7.8	-9.4	-0.2	-0.2

*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.

Segment Assets by Operating Segment

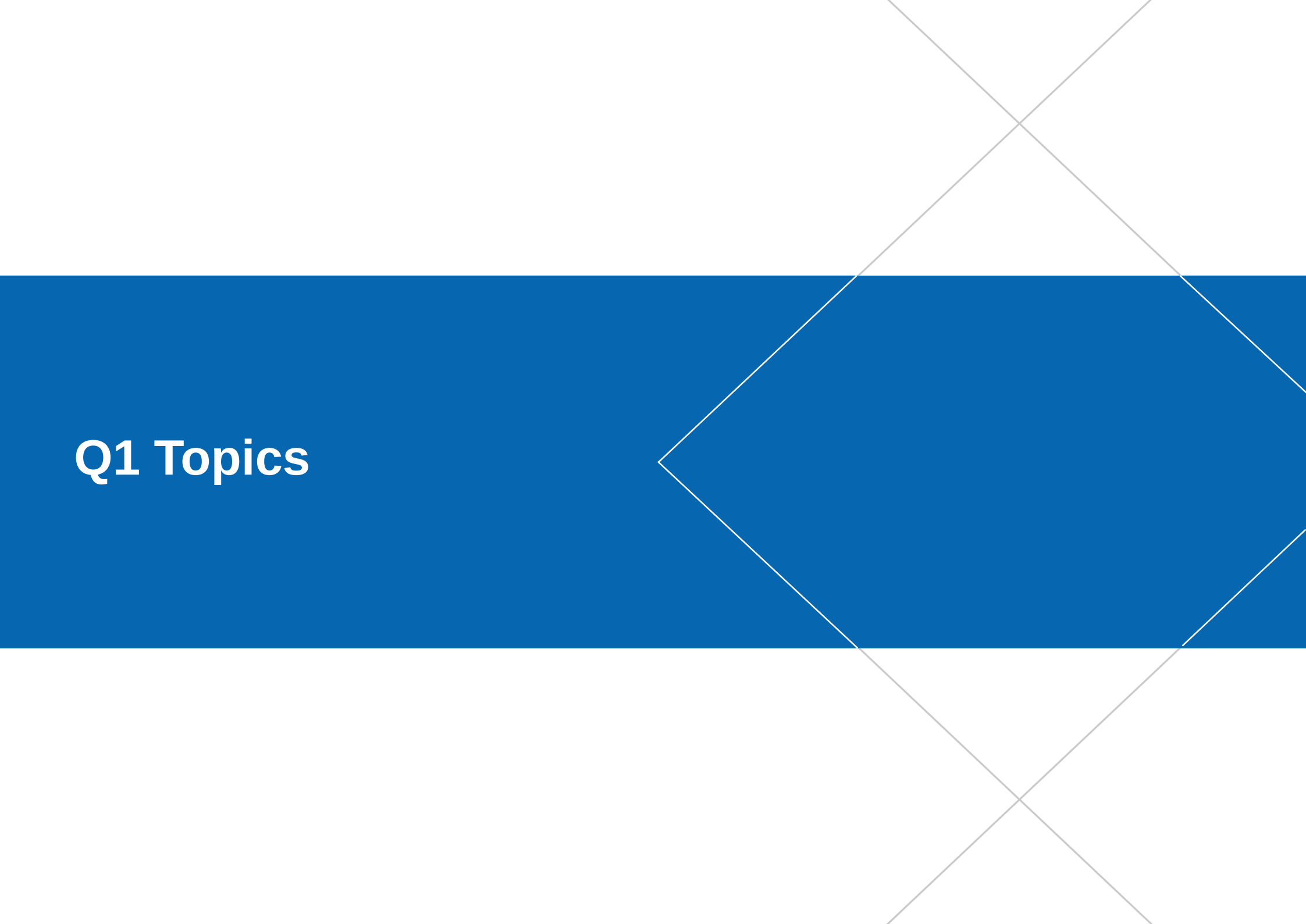
Decreased ¥89.8 billion from the previous fiscal year end, due to the impact of exchange rates mainly in Specialty Financing and International Business

(Billions of yen)

		Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025	Jun. 30, 2025	Change from Prior FYE
Balance of segment assets		4,879.4	5,363.8	5,720.4	6,059.9	5,970.0	-89.8 -172.1*
 Equipment Leasing		1,379.7	1,287.1	1,273.5	1,275.0	1,267.2	-7.8
	Composition	28.3%	24.0%	22.3%	21.0%	21.2%	
 Automobility		611.8	611.6	479.0	500.8	503.7	2.9
	Composition	12.5%	11.4%	8.4%	8.3%	8.4%	
 Specialty Financing		2,152.5	2,490.6	2,825.3	2,972.9	2,929.7	-43.2
	Composition	44.1%	46.4%	49.4%	49.1%	49.1%	-124.0*
 International Business		557.1	655.7	822.7	977.2	936.8	-40.5
	Composition	11.4%	12.2%	14.4%	16.1%	15.7%	-47.9*
 Environmental Infrastructure		159.4	277.9	273.9	285.2	285.9	0.7
	Composition	3.3%	5.2%	4.8%	4.7%	4.8%	-0.3*
Other		19.0	41.0	46.0	48.8	46.8	-2.0
	Composition	0.4%	0.8%	0.7%	0.8%	0.8%	

* Exchange rate factors

Q1 Topics

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Truck Leasing Business in Partnership with Isuzu Motors in Australia

Developing vehicle life cycle management services in addition to financial functions

Business Description

Joint Venture (Plan to Commence Operations in October 2026)

ISUZU : 80%
(Isuzu Australia Limited)

Supports dealers and end users, etc.



Tokyo Century : 20%

Introduces leasing management systems and provides credit functions

Provision of leasing and other services



Sales of end-of-lease trucks in the market

Products: Small to large trucks

Customers

Leading fleet operators / small and medium retailers

Competitive Edges of Isuzu Motors in Australia

- **No. 1** in unit sales **for 36 consecutive years**
- **Dominant market share of approx. 35%**
- **Extensive service networks** (74 locations, more than competitors)

Future Strategies

Ordinary Services (Example)

Car Insurance

Car Registration

Parts Replacement

Re-leasing, Resale

Road Services



Life Cycle Management Services (Example)

Preventive / Proactive Maintenance

Proposal of Replacement Vehicles

Charging Infrastructure

Fleet Management

Acquire customers by leveraging strengths of Isuzu Motors and **gradually increasing services**

Overseas Business in Partnership with Isuzu Motors



Collaboration with Isuzu Motors in Australia, the second market following the U.S.,

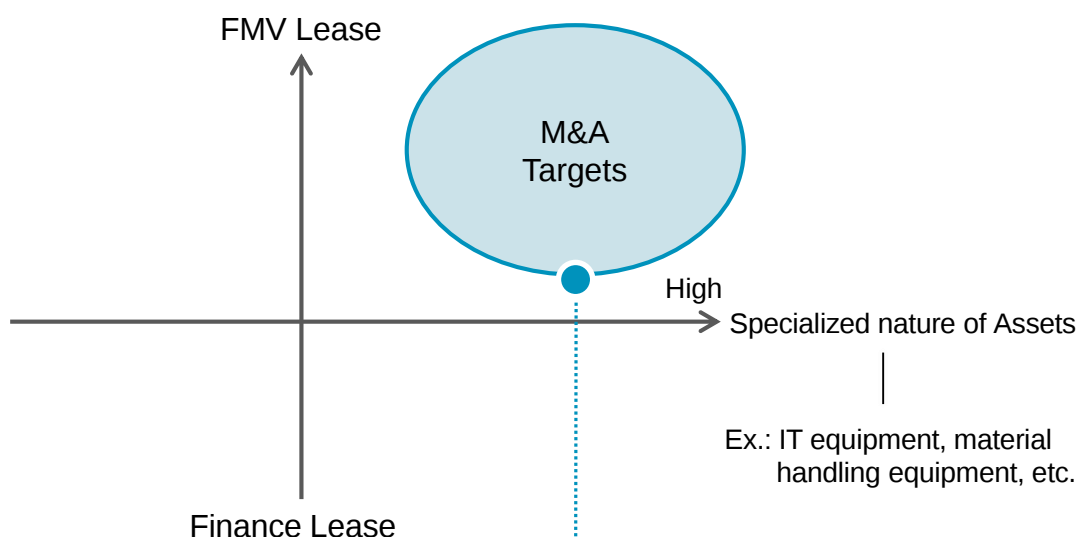
Driving Regional Business Development Further

Enhance IT equipment leasing and diversify FMV lease products for further growth

M&A Targets

CSI targets products suitable for FMV lease*, leveraging CSI's strengths while enhancing IT equipment leasing.

* FMV lease: A flexible lease agreement that allows customers to select an option from among return, purchase, extension, etc. at the end of their lease term, where the price for the option is decided based on the then-current fair market value (FMV)



CSI's Strengths and Expertise

- Contract formation and management processes established for FMV lease
- Versatile business model that is not dependent on particular products and markets
- Geographical coverage across 50 countries
- Substantial track record of M&A and overseas business development

M&A Examples

CSI Leasing Brazil acquired Somov Rental Ltda., a forklift rental company, in January 2025.

Company Profile

1. Company Name	Somov Rental Ltda.	
2. Registered Head Office	Rio de Janeiro, Brazil	
3. Business	- Forklift rental service covering maintenance - Forklift refurbishment	

Key Points of Investment

- (1) Entry into Forklift Rental Business
CSI has expanded its business domain from finance into services by launching forklift rental business that aligns very well with the FMV lease, with the aim of enhancing competitiveness and diversifying sources of revenue.
- (2) Economic Development and Business Potential in Brazil
The goal is to further increase profits through the promising business in Brazil, which boasts the largest economy in Latin America and a strong economic growth rate.

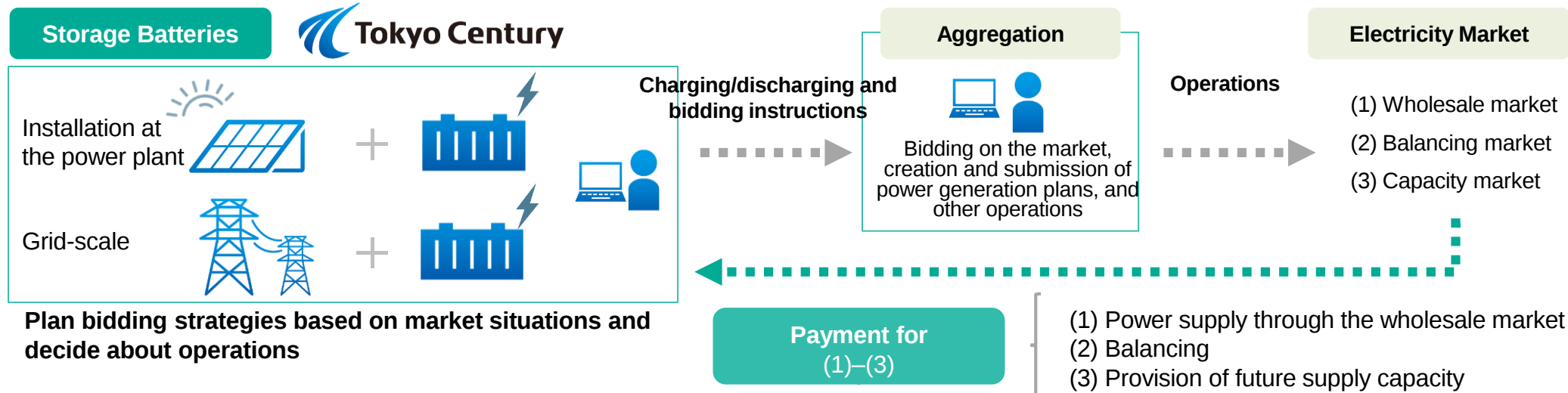


Storage Battery Business Strategies in Japan

Demand for storage batteries expanding due to increasing renewable energy supply

Overview of Storage Battery Business

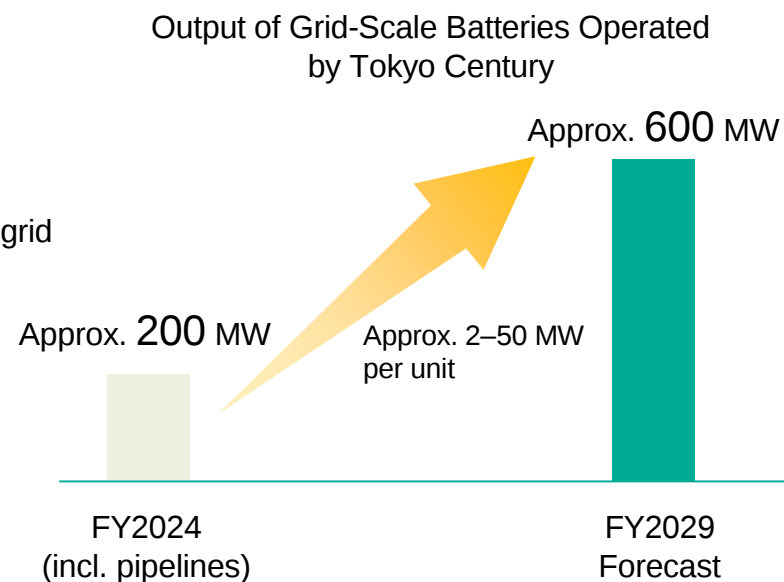
Plan to maximize revenues by contributing to stabilizing the power grid and preventing and reducing the curtailment of output from solar power plants



Tokyo Century's Strengths

- (1) Proactive business development focusing on grid-scale batteries in cooperation with knowledgeable partners, **aiming to launch approx. 600 MW operation**
- (2) **Advantage in the early start of operations** due to advance acquisition of land and grid
- (3) Installation of storage batteries at our existing solar power plants

Key Partners



Implementation of Reform Projects for Enhancement of Management Foundation

- Led by our president, the reform projects for enhancement of management foundation are now underway.
- To improve corporate value, these projects will implement reforms on themes such as restructuring our business portfolio, enhancing the financial base, and driving human capital-oriented management.
- The details of the projects will be described by the announcement of the FY2025 financial results.



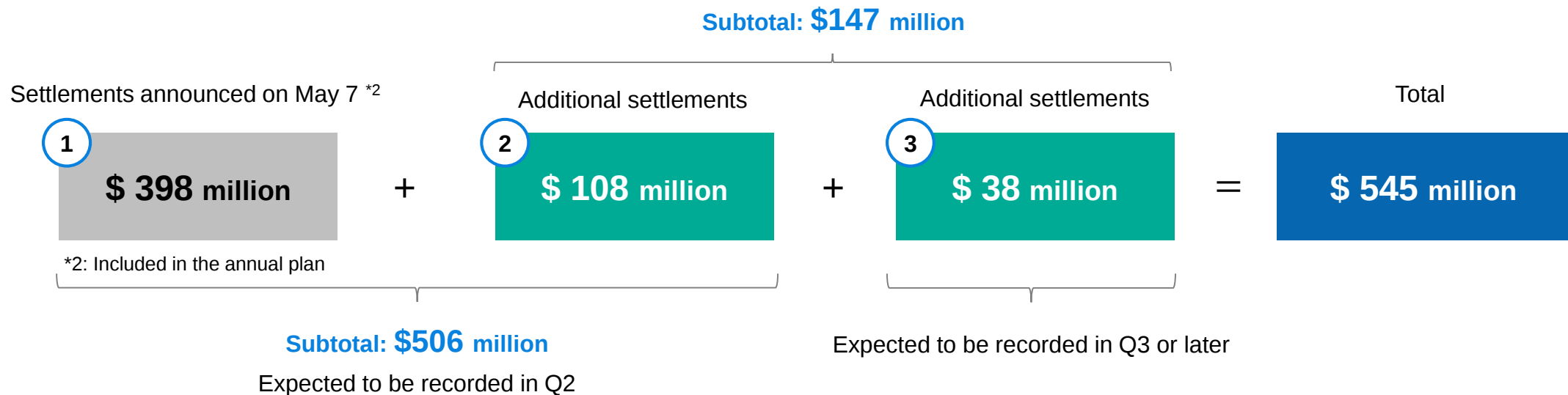
**Targeting higher profits and further improvement
in corporate value**

Status of Insurance Settlements Related to ACG's Exposure to Russian Airlines

Breakdown of Insurance Settlement Proceeds^{*1}

^{*1}: All dollar amounts are in U.S. Dollars.

- ✓ With the progress in the settlement negotiations, insurance settlement proceeds increased to **\$545 million** (total of ① – ③ shown below), up \$147 million from \$398 million, the amount announced on May 7, 2025.
- ✓ **Extraordinary income (worth \$506 million) is expected** to be recorded in Q2 due to insurance settlement proceeds ① and ② shown below.
- ✓ In addition, **extraordinary income (worth \$38 million)** is expected to be recorded in Q3 or later due to an additional agreement for insurance settlement proceeds ③ shown below.
- ✓ With these, ACG has reached settlement agreements with all of its war risk insurers that were party to the litigation in California, USA.



Impact on Tokyo Century's Performance Forecast and Dividend Policy

- ✓ Currently, there are no changes to the target annual net income of ¥93.0 billion and the dividend policy.

Appendix 1

Topics by Operating Segment

Results of Equipment Leasing

	FY2024 Q1	FY2025 Q1	YoY	(Billions of yen)	
				FY2025 Forecast	Gap
Revenues	113.8	117.5	3.7		
Gross profit	9.1	10.7	1.6		
Operating income	5.7	7.2	1.5		
Ordinary income	8.0	8.6	0.6		
NTT TC Leasing	2.1	1.4	-0.8		
Net income attributable to owners of parent	6.1	6.8	0.7		

Ownership ratio

50%

24.0 17.2

Progress on forecast: 28%

ROA (%) (Ordinary income / Segment assets)	2.6%	2.7%	0.1 pt
ROA (%) (Net income / Segment assets)	1.9%	2.1%	0.2 pt

	Mar. 31, 2025	Jun. 30, 2025	Change
Segment assets	1,275.0	1,267.2	-7.8

Major Factors behind Changes

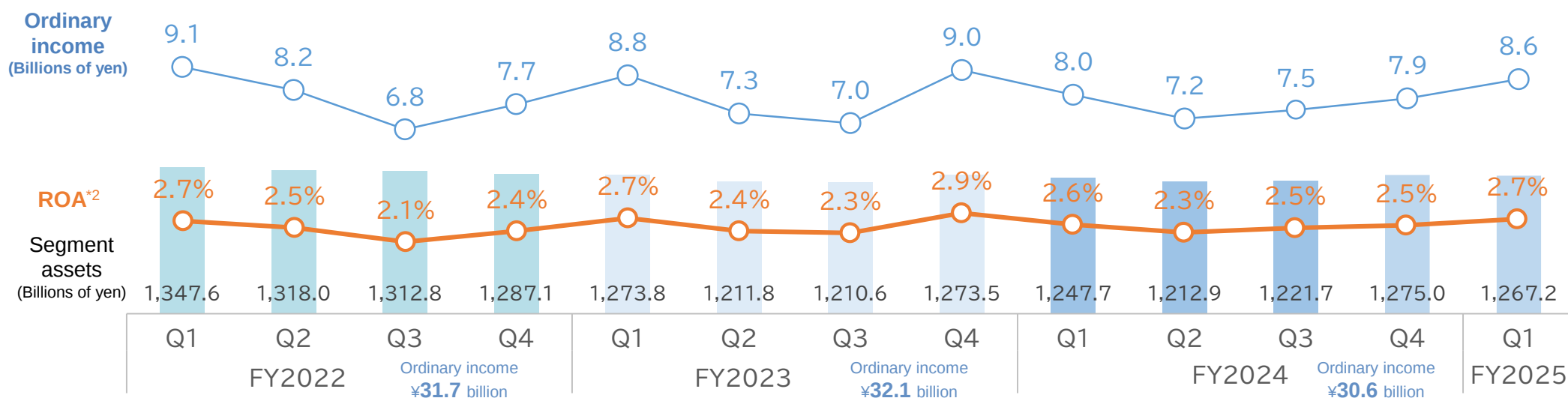
Ordinary Income (YoY)

- Increased mainly due to higher profits (higher gains on sales) in joint investment businesses with partners, despite the impact of exchange rates on NTT TC Leasing and higher funding cost.

Measures to Improve ROA

- Flexibly allocate resources to focus areas, such as storage batteries in high demand and carbon neutrality solutions for municipalities provided by a new organization*1
- Enhance cooperation with affiliated companies
- Implement inorganic growth strategies (M&A), etc.

*1 The Regional Co-Creation Business Division was established in April 2025.



*2 ROA is annualized based on ordinary income for each quarter.

Performance of NTT TC Leasing (NTL)

NTL's operating income remained flat YoY, while TC's equity in NTL's earnings decreased mainly due to exchange rates

Financial Results for Q1 FY2025

(Billions of yen)				
	FY2024 Q1	FY2025 Q1	YoY Change	
Revenues	97.2	108.1	10.9	11%
Gross profit	9.9	10.1	0.2	2%
Operating income	5.0	5.0	-0.0	-1%
Ordinary income	6.2	4.0	-2.2	-36%
Net income attributable to owners of parent	4.3	2.8	-1.5	-35%
TC's equity in NTL's earnings	2.1	1.4	-0.8	-36%

	Mar. 31, 2025	Jun. 30, 2025	Change	
Segment assets	2,170.2	2,163.6	-6.6	-0%

NTL's Operating Income

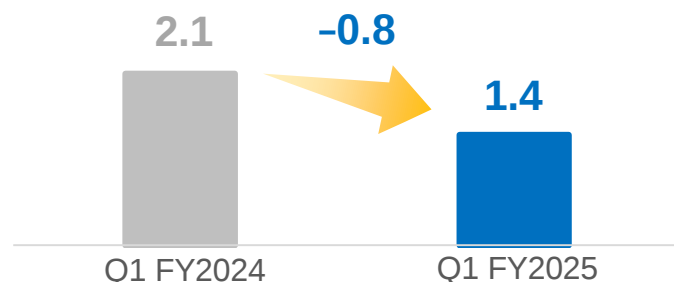
Comparable to the same period last year

despite higher funding costs due to yen interest rate hike

TC's Equity in NTL's Earnings

Decreased mainly due to higher foreign exchange losses (−¥0.7 billion)

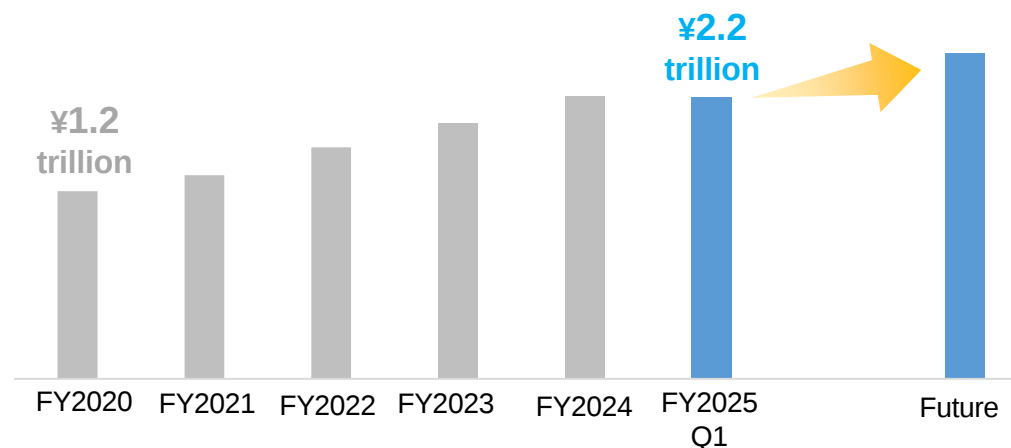
(Billions of yen)



Expanding Segment Assets

Changes in Segment Assets

Segment assets, a source of income, are steadily increasing every year.



Example of Initiatives to Increase Segment Assets

Decided to participate in commercial building leasing in the public wholesale market redevelopment project in Toyama City



4 Market Buildings

Completed in May 2025 and leased (joint project with TC)



4 Commercial Buildings

Construction to be started in summer 2025 and buildings to be leased (NTL's participation)

Results of Automobility

(Billions of yen)			
	FY2024 Q1	FY2025 Q1	YoY
Revenues	79.6	82.9	3.3
Gross profit	26.0	27.0	1.0
Operating income	12.4	12.6	0.3
Ordinary income	12.5	12.8	0.3
NCS	7.5	7.3	-0.2
NRS	5.0	5.4	0.4
OAL	0.1	0.1	-0.1
Other	-0.1	0.1	0.1
Net income attributable to owners of parent	6.0	6.3	0.3

FY2025	
Forecast	Gap

Ownership ratio

59.5%

88.6%

34.0%

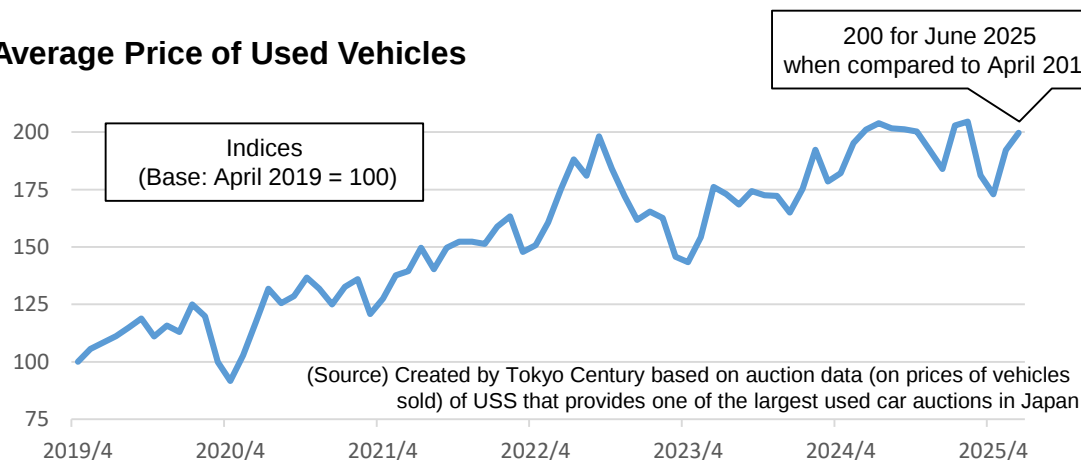
18.0	11.7
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Progress on forecast: 35%

ROA (%) (Ordinary income / Segment assets)	10.5%	10.2%	-0.3 pt
NCS	8.3%	7.7%	-0.6 pt
NRS	45.6%	48.9%	3.3 pt
OAL	0.7%	0.4%	-0.3 pt
ROA (%) (Net income / Segment assets)	5.0%	5.0%	-

	Mar. 31, 2025	Jun. 30, 2025	Change
Segment assets	500.8	503.7	2.9

Average Price of Used Vehicles



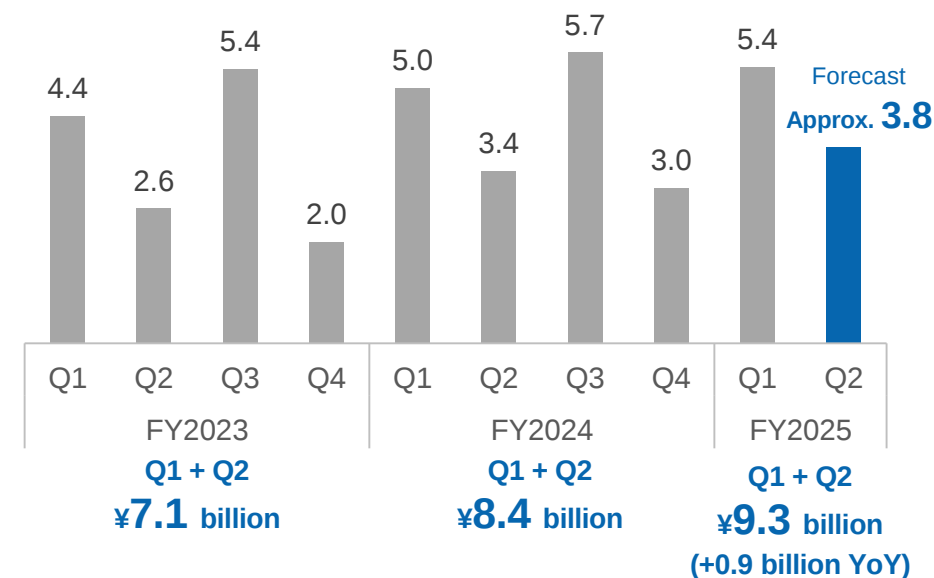
Major Factors behind Changes

Ordinary Income (YoY)

- Nippon Car Solutions (NCS)
Decreased due to higher funding cost and SG&A expenses, despite higher income from leasing and increased gains on sales of vehicles
- Nippon Rent-A-Car Service (NRS)
Hit a new Q1 record due to profit margins increased by value improvement at branches, as well as higher car rental prices per unit as a result of higher sales from inbound tourism

NRS's Ordinary Income

(Billions of yen)



Results of Specialty Financing

(Billions of yen)

	FY2024 Q1	FY2025 Q1	YoY
Revenues	77.7	80.8	3.1
Gross profit	22.0	19.1	-3.0
Operating income	15.2	11.5	-3.7
Ordinary income	16.3	12.3	-4.0
Aviation	7.6	5.1	-2.5
ACG	5.7	1.8	-3.9
Others	2.0	3.3	1.4
Shipping	1.6	0.1	-1.5
Real Estate	4.4	3.4	-1.1
Principal Investment and Others	2.7	3.7	1.0
Gain on Sales*1	1.8	3.0	1.2
Others	1.0	0.7	-0.2
Net income attributable to owners of parent	11.3	8.0	-3.3

ROA(%) (Ordinary income / Segment assets)	2.2%	1.7%	-0.5 pt
Aviation	1.5%	1.0%	-0.5 pt
ACG	1.3%	0.4%	-0.9 pt
Others	3.6%	6.7%	3.1 pt
Shipping	6.9%	0.4%	-6.5 pt
Real Estate	2.5%	1.8%	-0.7 pt
Principal Investment and Others	8.6%	11.6%	3.0 pt
ROA(%) (Net income / Segment assets)	1.6%	1.1%	-0.5 pt

	Mar. 31, 2025	Jun. 30, 2025	Change
Segment assets	2,972.9	2,929.7	-43.2

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

FY2025	
Forecast	Gap

74.5	66.5
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Progress on forecast: 11%

Major Factors behind Changes

Ordinary Income (YoY)

■ Aviation

ACG's ordinary income decreased mainly due to the absence of one-time gains (collection of lease payments, etc.) recorded in the same period last year.

Others' increased, driven by GA Telesis that trades in aircraft parts.

■ Real Estate

Decreased mainly due to lower gains on sales

■ Shipping

Decreased mainly due to the absence of foreign exchange valuation gains in equity-method affiliates recorded in the same period last year

■ Principal Investment, etc.

Increased mainly due to capital gains in principal investment

ACG's Financial Performance I

Q1 income decline, but targeting full-year increase in core earnings mainly through aircraft sales

Financial Results (Three Months Ended March 31, 2025)

ACG's Result

(USD million)

	FY2024 Q1	FY2025 Q1	YoY Change	
Total revenues	309	281	-28	-9%
Operating lease revenue	283	249	-34	-12%
Gain on sale of flight equipment, net	15	27	12	77%
Total expenses	263	254	-9	-4%
Interest expense, net	103	94	-10	-9%
Asset impairment	2	0	-2	-84%
Bad debt expense	0	0	0	121%
Income/loss before income taxes	46	27	-19	-41%
Net Income/Loss	43	26	-17	-39%
ROA (%)	1.5%	1.0%	-0.5 pt	
	Dec. 31, 2024	Mar. 31, 2025	Change	
Segment assets	10,977	11,739	762	7%
Number of owned aircraft	271	280	9	3%

ACG's Result

(recorded on TC's consolidated statements of income)

(Billions of yen)

	FY2024 Q1	FY2025 Q1	Change	
Income/loss before income taxes	6.8	4.1	-2.7	-39%
Consolidated adjustment	-1.1	-2.3	-1.2	-
Ordinary income	5.7	1.8	-3.9	-68%

Average foreign exchange rate

¥148.62

¥152.56

Major Factors behind Changes

Income decreased due to the absence of one-time operating lease revenue recorded in the same period last year, despite higher gains on sales of aircraft due to enhanced trading activities.

Segment Assets

Increased due to acquisition of more new aircraft than those sold

Expected Aircraft Acquisition and Sales (FY2025)

Aim to acquire aircraft worth approx. \$3.5 billion through the order book, sale-and-leaseback, and the secondary market.
(Plan to increase segment assets, net by approx. \$1 billion, taking asset sales into account)

Significant increase in pre-tax income due to insurance settlements related to Russia exposure

Financial Results (Six Months Ended June 30, 2025)

ACG's Result

(USD million)

	FY2024 Q1-2	FY2025 Q1-2	YoY Change	
Total revenues	589	612	23	4%
Operating lease revenue	536	511	-25	-5%
Gain on sale of flight equipment, net	21	49	28	139%
Total expenses	537	-1	-538	-
Interest expense, net	208	190	-18	-9%
Asset impairment	5	0	-5	-91%
Recoveries related to Russia exposure	-	-506	-506	-
Bad debt expense	1	-1	-2	-
Income/loss before income taxes	52	614	561	-
Income/loss before income taxes *	52	107	55	105%
Net Income/Loss	49	582	533	-
ROA (%)	0.9%	10.7%	9.8 pt	
ROA (%) *	0.9%	1.9%	1.0 pt	
	Dec. 31, 2024	Jun. 30, 2025	Change	
Segment assets	10,977	11,993	1,015	9%
Number of owned aircraft	271	279	8	3%

* Calculated excluding one-time factors associated with insurance settlements related to Russia exposure

Major Factors behind Changes

Pre-tax income significantly increased YoY due to reversal of expenses as a result of the receipt of insurance settlement proceeds related to Russia exposure.

Segment Assets

Increased due to acquisition of more aircraft than those sold

Expected Aircraft Acquisition and Sales (FY2025)

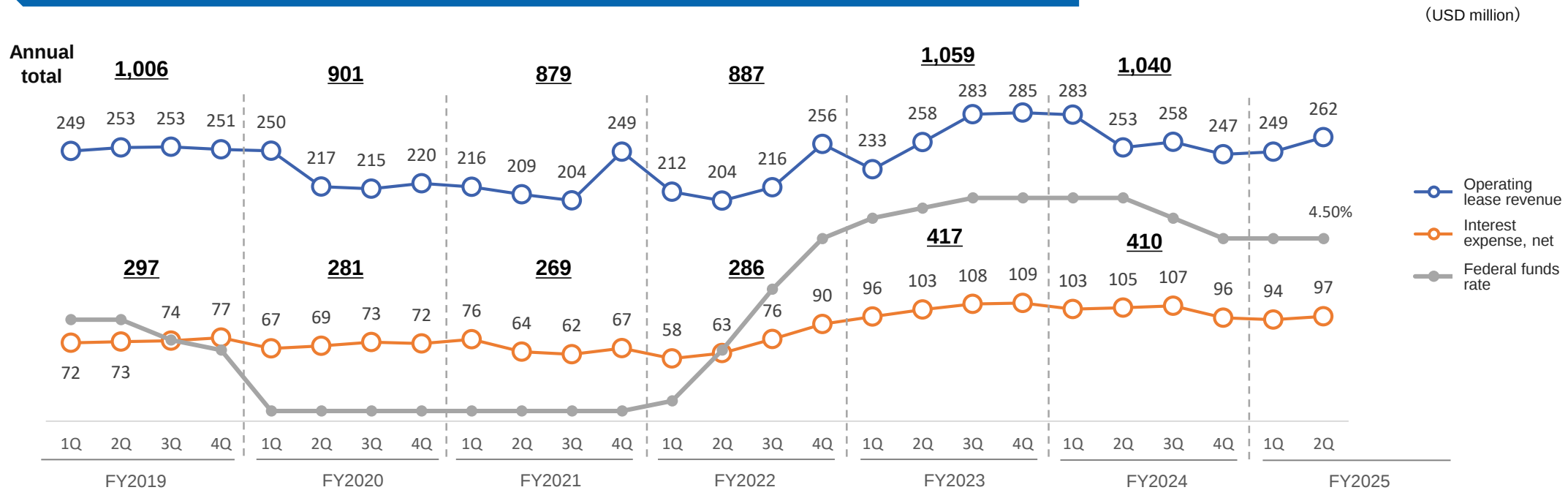
Aim to acquire aircraft worth approx. \$3.5 billion through the order book, sale-and-leaseback, and the secondary market.
(Plan to increase segment assets, net by approx. \$1 billion, taking asset sales into account)

Insurance Settlement Proceeds Related to Russia Exposure

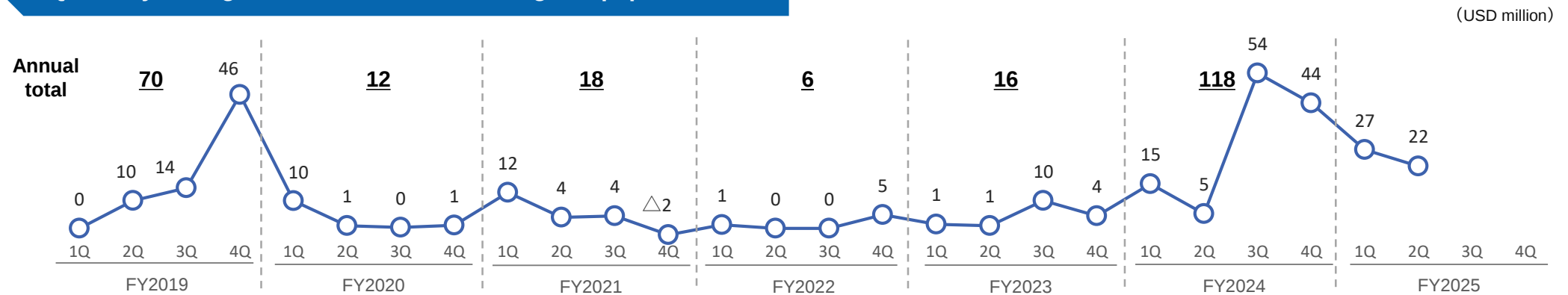
In July 2025, ACG entered into an additional agreement for insurance settlement proceeds (USD 38 million). With this agreement, it has reached settlements with all of its war risk insurers that were party to the litigation in California, USA.

Gains on aircraft sales showing a positive trend compared to previous fiscal years due to enhanced trading activities

1. Quarterly Changes in Operating Lease Revenue, Interest Expense and Federal Funds Rate



2. Quarterly Changes in Gains on Sales of Flight Equipment, Net



ACG's Financing Activities

Diversifying sources of capital while flexibly responding to market conditions

Financing Situations

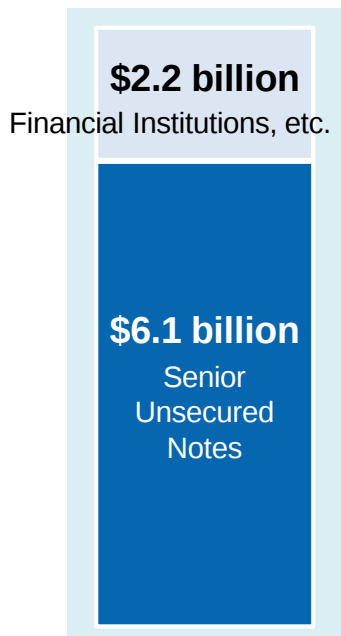
- Fixed rate debt ratio (as of March 31, 2025)*¹: **Approx. 90%**
- Average financing cost*² (as of March 31, 2025): **4.7%**
- Strategies: Flexibly manage the ratio of fixed rate debt and floating rate debt depending on financial market conditions to reduce financing costs.
- Investment grade ratings maintained with ample liquidity: **Moody's Baa2** and **S&P BBB-**

*1 (Fixed rate debt + Float-to-fix swaps) / Total debt

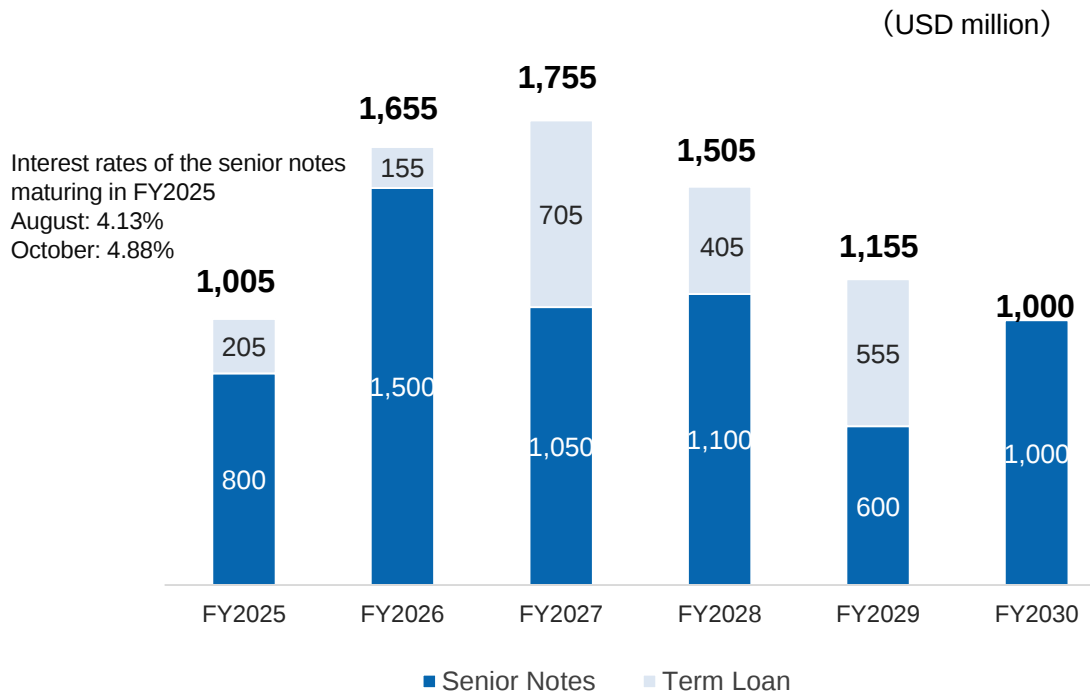
*2 Annualized; Interest expense / {(Interest-bearing debt as of the previous fiscal year end + Interest-bearing debt as of this fiscal year end) / 2}

Financing Structure*^{3,4}

\$8.3 billion



Unsecured Debt Maturities*³ (Excl. Commercial Paper, etc.)



Interest rates of the senior notes maturing in FY2025
August: 4.13%
October: 4.88%

Major Financing Activities in FY2025

- Senior notes (\$500 million)** issued in March
Maturity: 2030 Coupon rate: 5.125%
- Senior notes (\$300 million)** issued in March
Maturity: 2027 Coupon rate: 4.750%
- Delayed draw term loan (\$1 billion)** closed in June
Term: 2 years
- Senior notes (\$750 million)** issued in July
Maturity: 2030 Coupon rate: 4.800%

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

*3 As of March 31, 2025

*4 Incl. adjustment amount

ACG's Portfolio

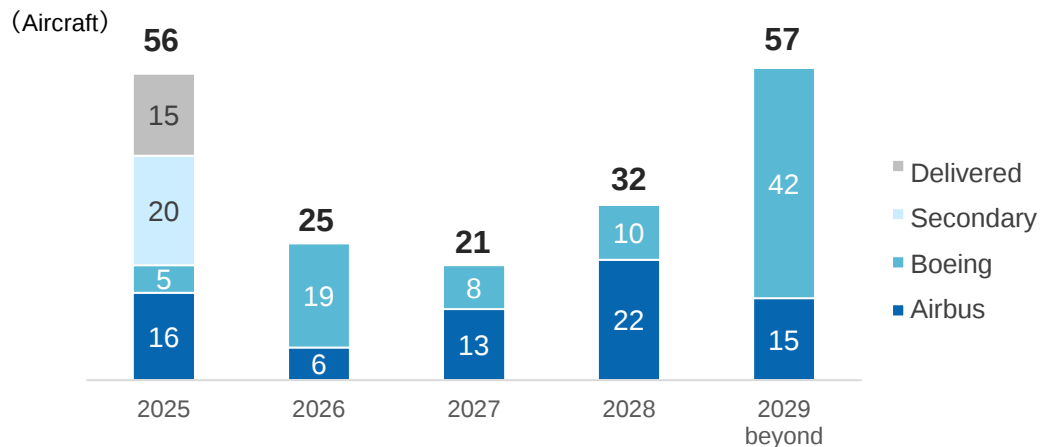
Diversified portfolio with a focus on liquid narrowbody aircraft in approx. 45 countries worldwide

Portfolio Overview (as of March 31, 2025)

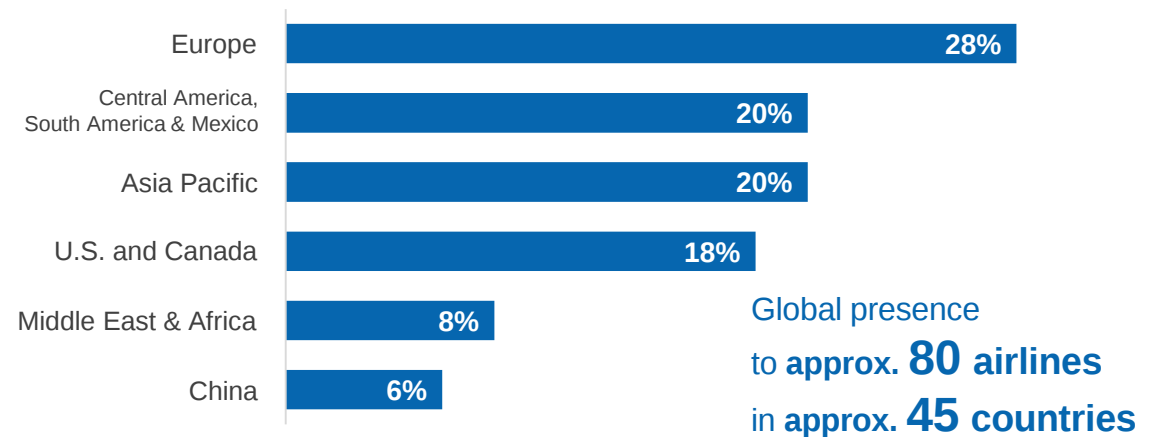
- ➔ **Owned, managed and committed aircraft: 483**
(Owned: 280; Managed: 47; Committed aircraft: 156)
- ➔ **Weighted-average fleet age: 5.9 years**
- ➔ **Narrowbody by NBV: 88%**
(Narrowbody by count: 96%)

Delivery Schedule of Committed Aircraft (as of March 31, 2025)

- The majority are **new technology narrowbody aircraft with higher fuel efficiency**
- There is strong demand among airlines in view of fuel costs and decarbonization
(New technology aircraft in owned fleet: **53%**)



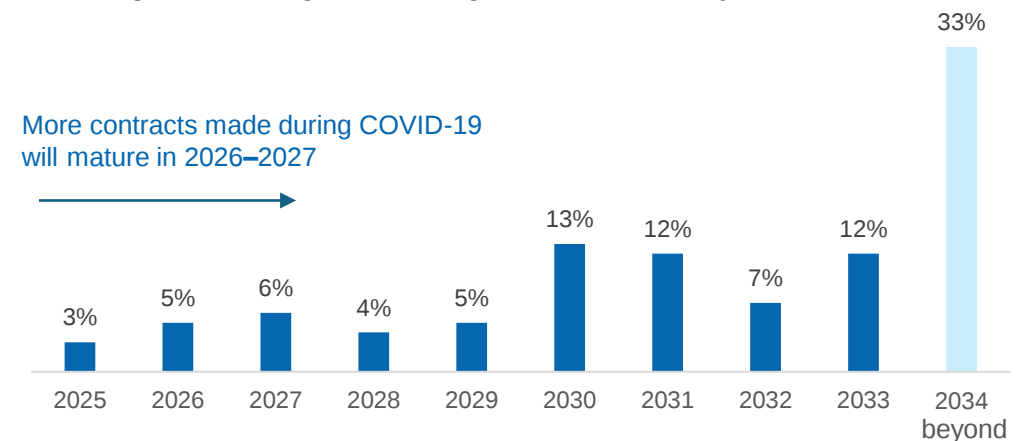
Geographic Concentration (as of March 31, 2025)



Portfolio Concentration by Lease Maturity (as of March 31, 2025)

Portfolio Concentration Based on Net Book Value

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



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

Changes in Portfolio

Japan

Collaboration with prime partners underway for large-scale urban development projects, etc.

Overseas

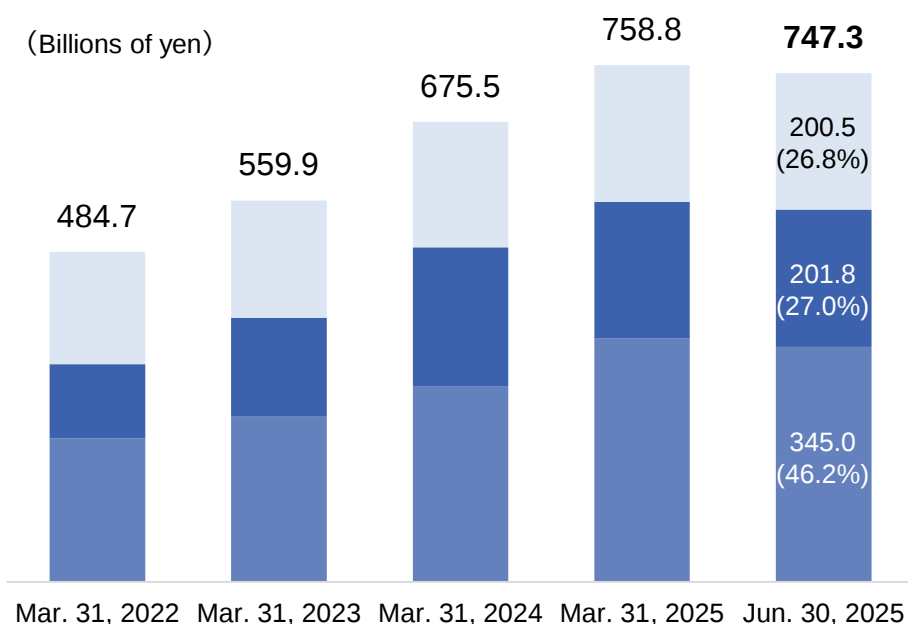
Main components: data centers that are expected to grow in demand, logistics facilities and rental housing experiencing ongoing stable growth, and others

TC Kobelco Real Estate

Steady increase in project pipelines such as logistics facilities

Changes in Segment Assets

(Billions of yen)



■ TC Kobelco Real Estate
■ Overseas (fund investments, etc.)
■ Japan (leasing, development projects, etc.)

Project Completion Schedule

- Many development projects underway together with prime partners in Japan and overseas
- Joint development of Hotel Indigo Changi Airport announced in March 2025

Tokiwabashi (near Tokyo station)



Torch Tower
(Building B)



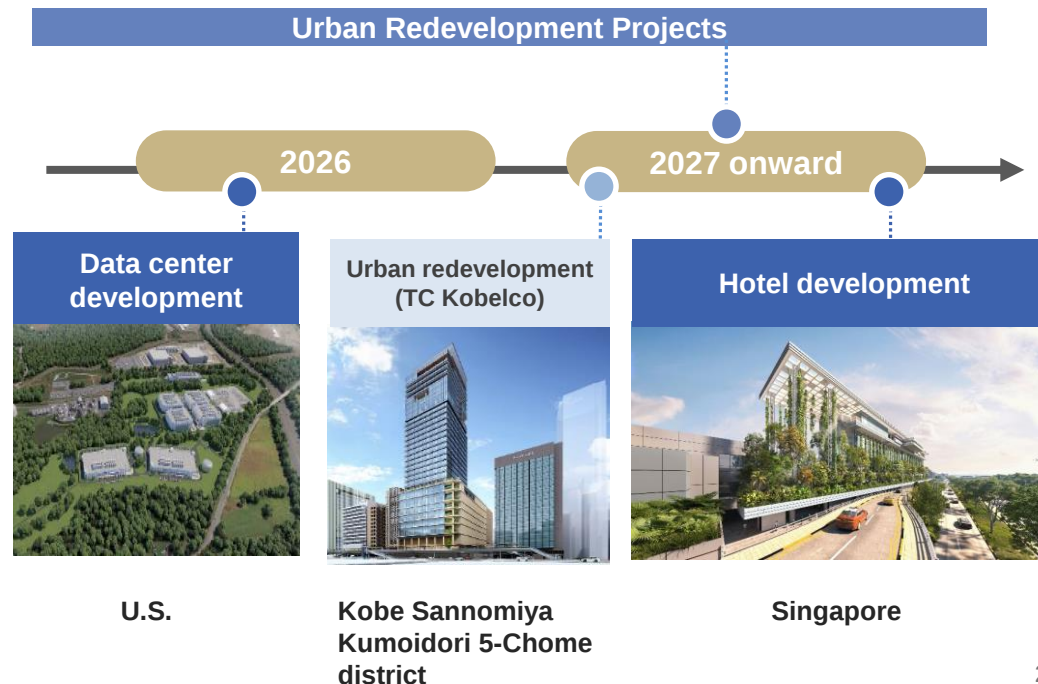
Legendary-luxury brand
Dorchester Collection

Uchisaiwaicho 1-chome area



South block
(South Tower)

Urban Redevelopment Projects



U.S.

Kobe Sannomiya
Kumoidori 5-Chome
district

Singapore

Principal Investment

Driving principal investment mainly through collaboration with the Advantage Partners (AP) Group

Steady increases in investments for **further expansion in the medium to long term**



Changes in Segment Assets*¹

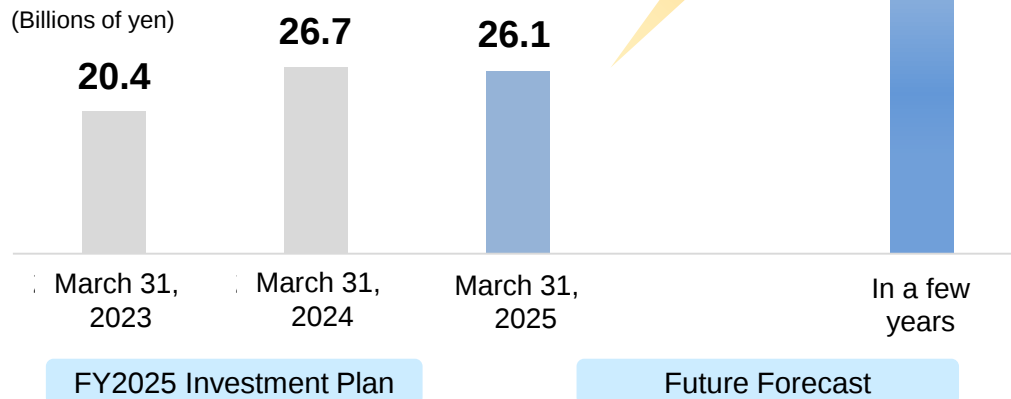
*¹ Excl. investments in AP itself

Investment Outline

*² Ordinary income-based

- Investment Period: **Approx. 5 years**
- Amount per project: **¥5.0–10.0 billion**
- Target ROA*²: **More than 10%**

Driving the investment and return cycle to achieve gains on sales



Approx. ¥10 billion + Accumulation of pipelines

ACT-ONE Yamaichi (construction equipment rental business)

Consultations on carve-out, business succession, etc. are increasing

Start of tender offer for shares of Furukawa Battery, etc.

Growth Support for Portfolio Companies

TC contributes to improving portfolio companies' medium- to long-term value by leveraging its diverse businesses and extensive customer networks.

TC's Growth Support

Collaboration with TC's businesses

Use of portfolio companies' products in TC's existing businesses (ex. storage batteries)

Provision of finance functions

Financial support, such as proposals for finance

Expansion of sales

Introduction of customers and creation of business matching opportunities by utilizing TC's networks

Creation of new businesses

Introduction of business partners, and proposals for new businesses based on the "Finance × Services × Business Expertise" concept

Overseas business development

Overseas business development support by utilizing TC's global network across approx. 30 countries

Enhancement of management system

Development of governance, HR, and financial systems by utilizing TC's expertise in PMI

Results of International Business

(Billions of yen)

	FY2024 Q1	FY2025 Q1	YoY	FY2025	
				Forecast	Gap
Revenues	48.1	53.5	5.4		
Gross profit	14.5	18.6	4.2		
Operating income	4.0	6.2	2.2		
Ordinary income	3.9	6.0	2.1		
CSI	2.5	2.0	-0.5		
Net income attributable to owners of parent	2.1	3.8	1.7	18.0	14.2

Progress on forecast: 21%

ROA(%) (Ordinary income / Segment assets)	1.8%	2.5%	0.7 pt
CSI	2.5%	1.9%	-0.6 pt
ROA(%) (Net income / Segment assets)	1.0%	1.6%	0.6 pt

	Mar. 31, 2025	Jun. 30, 2025	Change
Segment assets	977.2	936.8	-40.5

Major Factors behind Changes

Ordinary Income (YoY)

- Increased mainly due to gains on sales of operational investment securities, despite CSI's lower income due to decreased secondary earnings

Measures to Increase Income

Improvement and Enhancement of IT Business Value Chain

Global standardization and dominant strategies for FMV lease and ITAD business

Expansion of data center business and managed services by driving collaboration with the NTT Group

Bolstering of Transportation Business

Global business development for passenger cars, commercial vehicles, construction machinery, etc. through cooperation with manufacturers and partners

Strategic Partnerships and Active Utilization of M&A

Performance of CSI Leasing (CSI)

Income decreased due to lower secondary earnings, despite higher transaction volume, up 9% YoY

Financial Results (Three Months Ended March 31, 2025)

	(USD million)			
	FY2024 Q1	FY2025 Q1	YoY Change	
Revenues	211	215	3	2%
Gross profit	100	102	3	3%
Ordinary income	19	15	-4	-21%
Net income	13	10	-3	-24%

ROA (%) ^{*1}	2.8%	2.2%	-0.6 pt	
RORA (%) ^{*1, 2}	9.8%	7.6%	-2.2 pt	
Transaction volume	341	370	30	9%

	Dec. 31, 2024	Mar. 31, 2025	Change	
Segment assets	2,727	2,785	58	2%

*1 Based on pre-tax income

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

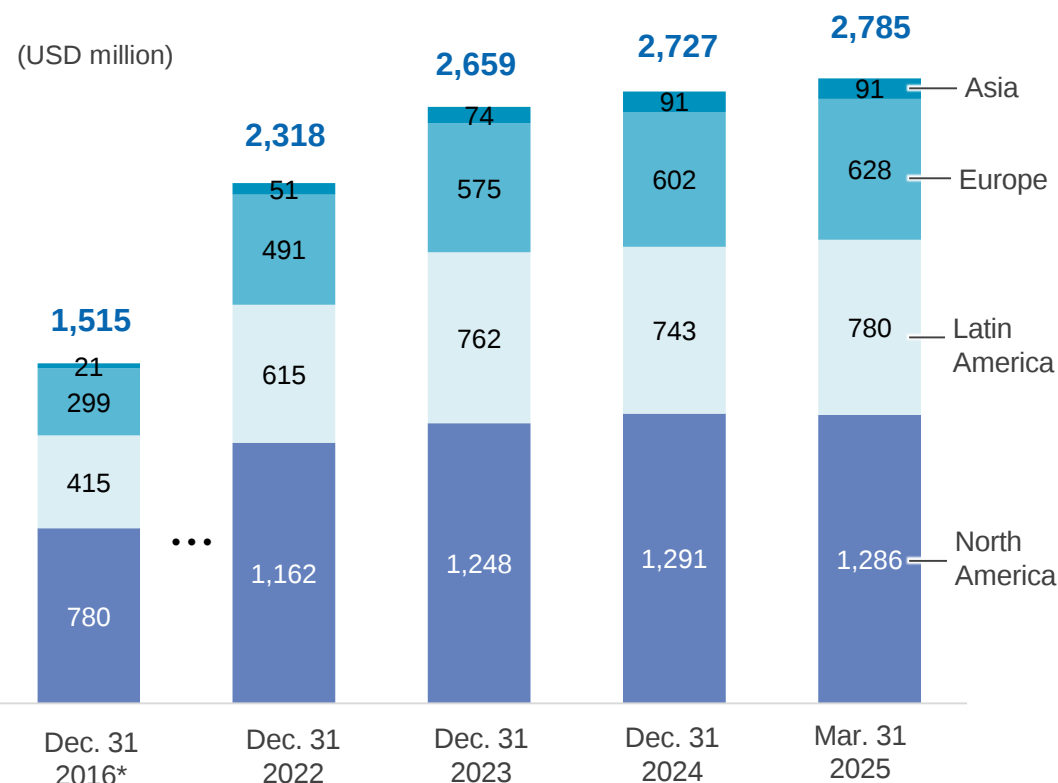
Major Factors behind Changes

- Income decreased mainly due to lower secondary earnings, including lower gains on sales of assets. Secondary earnings are expected to recover in the second half.
- Transaction volume increased due to strong performance in North America and business growth in Europe and Latin America.

Segment Assets by Region

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

- Plan to increase segment assets in all the regions in FY2025



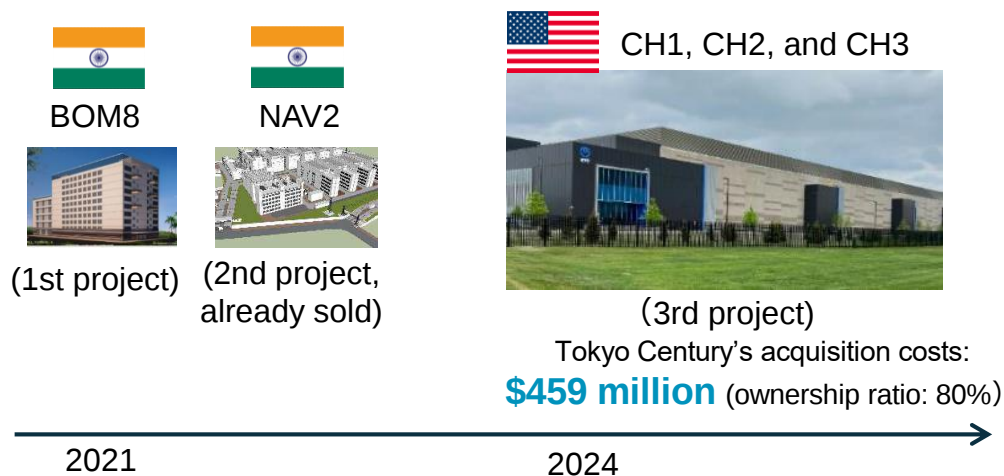
* CSI Leasing became Tokyo Century's wholly owned subsidiary.

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 from February 2024
- Management of risk and return by replacing assets



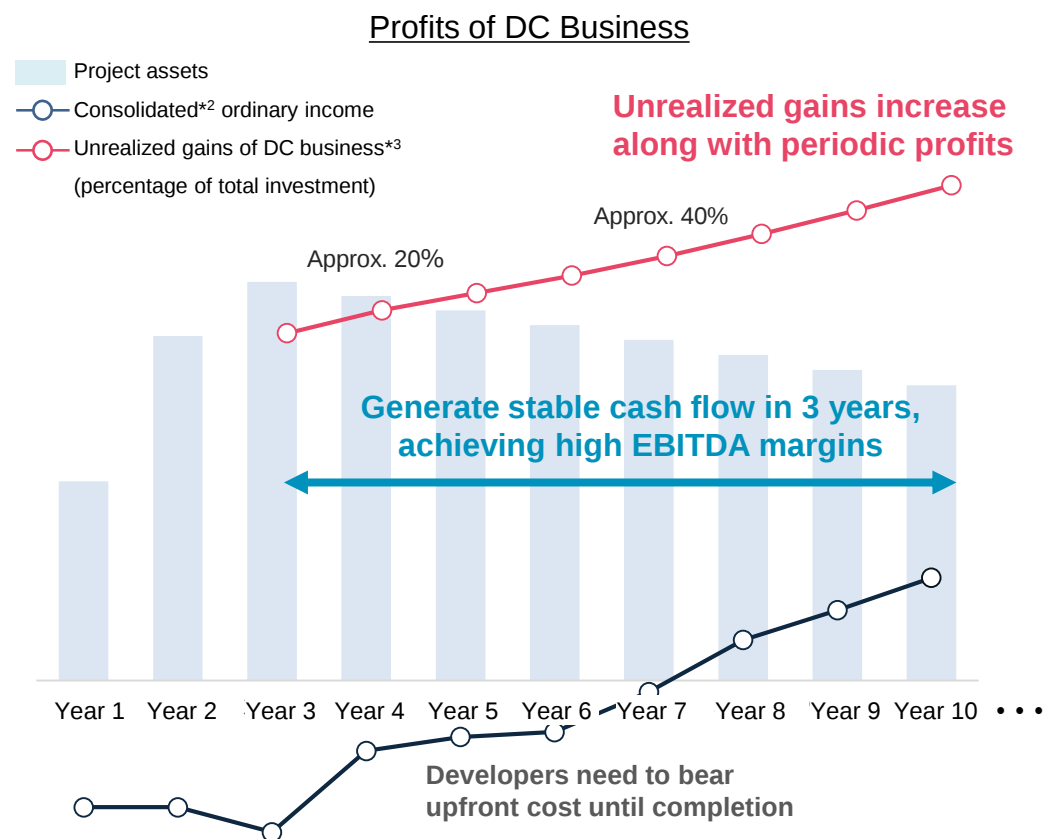
The NTT DATA Group's Core Competencies

- 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 DC starts operations.
- As it continues, unrealized gains increase, reaching approx. 40% of the total investment in seven years.



(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)

Results of Environmental Infrastructure

(Billions of yen)

	FY2024 Q1	FY2025 Q1	YoY
Revenues	15.3	13.2	-2.2
Gross profit	1.8	2.4	0.6
Operating income	1.1	1.6	0.6
Ordinary income	1.1	1.6	0.5
Biomass co-firing power generation*	-0.5	0.2	0.7
Net income attributable to owners of parent	0.3	0.5	0.2

FY2025	
Forecast	Gap

2.0	1.5
-----	-----

Progress on forecast: 25%

ROA(%) (Ordinary income / Segment assets)	1.5%	2.2%	0.7 pt
Biomass co-firing power generation	-	1.1%	-
ROA(%) (Net income / Segment assets)	0.4%	0.7%	0.3 pt

	Mar. 31, 2025	Jun. 30, 2025	Change
Segment assets	285.2	285.9	0.7
Biomass co-firing power generation	81.5	80.6	-0.9

* A biomass co-firing power generation plant operated by Shunan Power Corporation

Major Factors behind Changes

Ordinary Income (YoY)

- Increased mainly due to biomass co-firing power generation business achieving profitability

Measures to Improve ROA

Expansion of Storage Battery-Related businesses

Aim to achieve income by expanding aggregation of grid-scale batteries and the balancing business while driving asset turnover

Growth of Asset Management and Operation & Maintenance Business in Japan

Expansion of assets entrusted to A&Tm and improvement in profitability of existing businesses (For A&Tm's initiatives, see [Tokyo Century NEWS.](#))



Expansion of Overseas Solar Power Business

Expansion of overseas businesses in partnership with prime partners

Q1 FY2025 Net Income & ROA by Operating Segment

Significant growth in International Business, along with higher income in Equipment Leasing, Leasing, Automobility, and Environmental Infrastructure

Net Income Attributable to Owners of Parent

		(Billions of yen)		
		FY2024 Q1	FY2025 Q1	YoY
	Equipment Leasing	6.1	6.8	0.7
	Automobility	6.0	6.3	0.3
	Specialty Financing	11.3	8.0	-3.3
	International Business	2.1	3.8	1.7
	Environmental Infrastructure	0.3	0.5	0.2
	Other	-2.7	-3.3	-0.6
Total (Net income)		23.0	22.1	-0.9

		(Billions of yen)	
		FY2025 Forecast	Progress
		24.0	28%
		18.0	35%
		74.5	11%
		18.0	21%
		2.0	25%
		-43.5	-
		93.0	24%

ROA

(Net Income / Segment Assets)

FY2025 Q1	YoY
2.1%	0.2 pt
5.0%	-
1.1%	-0.5 pt
1.6%	0.6 pt
0.7%	0.3 pt
1.5%	-0.1 pt

ROA

(Net income / Total assets)

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

Q1 FY2025 Ordinary Income and ROA by Operating Segment

Ordinary income decreased ¥0.9 billion YoY primarily due to lower income in Specialty Financing

Ordinary Income

(Billions of yen)

	FY2024 Q1	FY2025 Q1	YoY
 Equipment Leasing	8.0	8.6	0.6
 Automobility	12.5	12.8	0.3
 Specialty Financing	16.3	12.3	-4.0
 International Business	3.9	6.0	2.1
 Environmental Infrastructure	1.1	1.6	0.5
Other	-3.7	-4.0	-0.3
Total (Ordinary income)	38.2	37.3	-0.9

ROA

(Ordinary Income / Segment Assets)

FY2025 Q1	YoY
2.7%	0.1 pt
10.2%	-0.3 pt
1.7%	-0.5 pt
2.5%	0.7 pt
2.2%	0.7 pt
2.5%	-0.1 pt

ROA

(Ordinary income / Total assets)

2.2%	-0.1 pt
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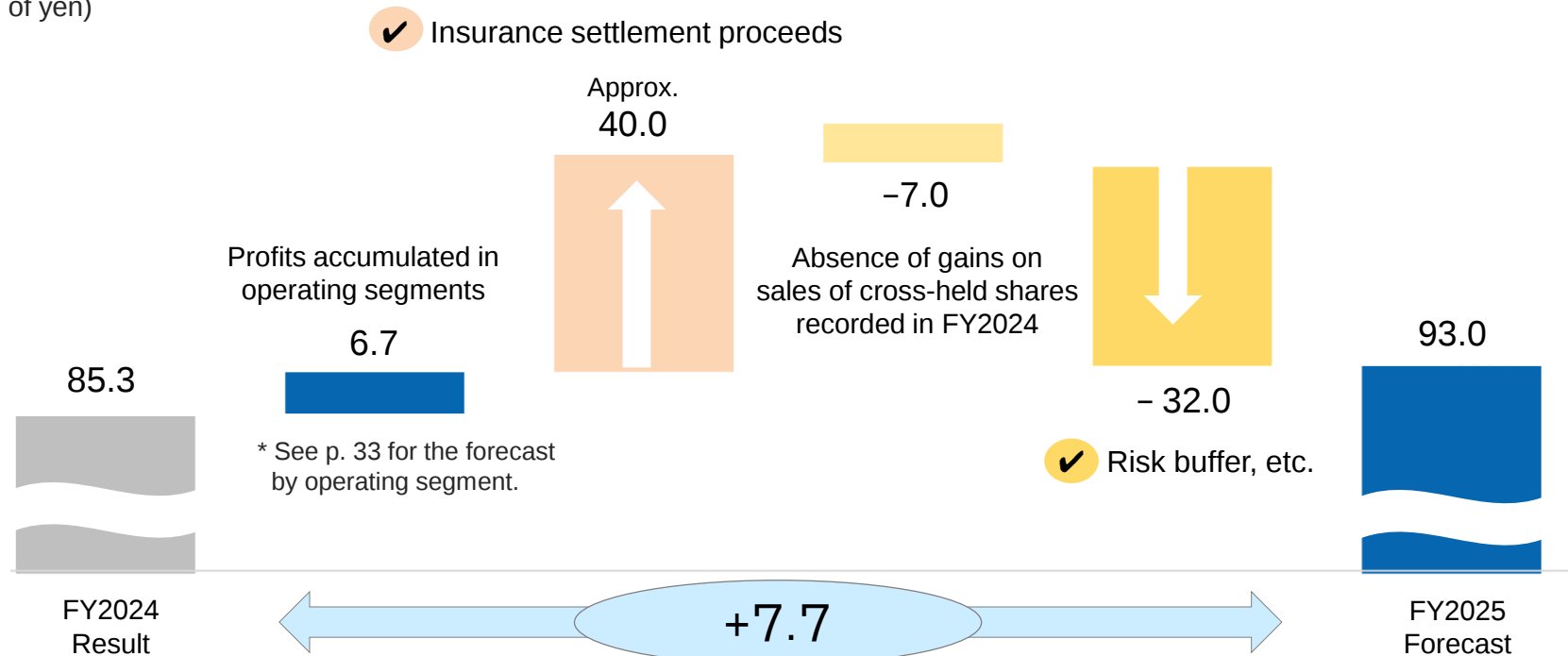
FY2025 Performance Forecast (YoY Changes)

Profit growth and insurance settlement proceeds expected, but risk buffer factored in

Breakdown of the ¥7.7 Billion Increase in Net Income Attributable to Owners of Parent

- ✓ **(+) Insurance settlement proceeds**
Approximately ¥40.0 billion is to be recorded due to insurance settlement proceeds ACG is to receive from some of its insurers regarding its exposure to Russian airlines.
- ✓ **(-) Risk buffer**
¥32.0 billion, factoring in lower gains on sales due to the impact of US tariffs, lower profitability in Environmental Infrastructure, and others

(Billions of yen)

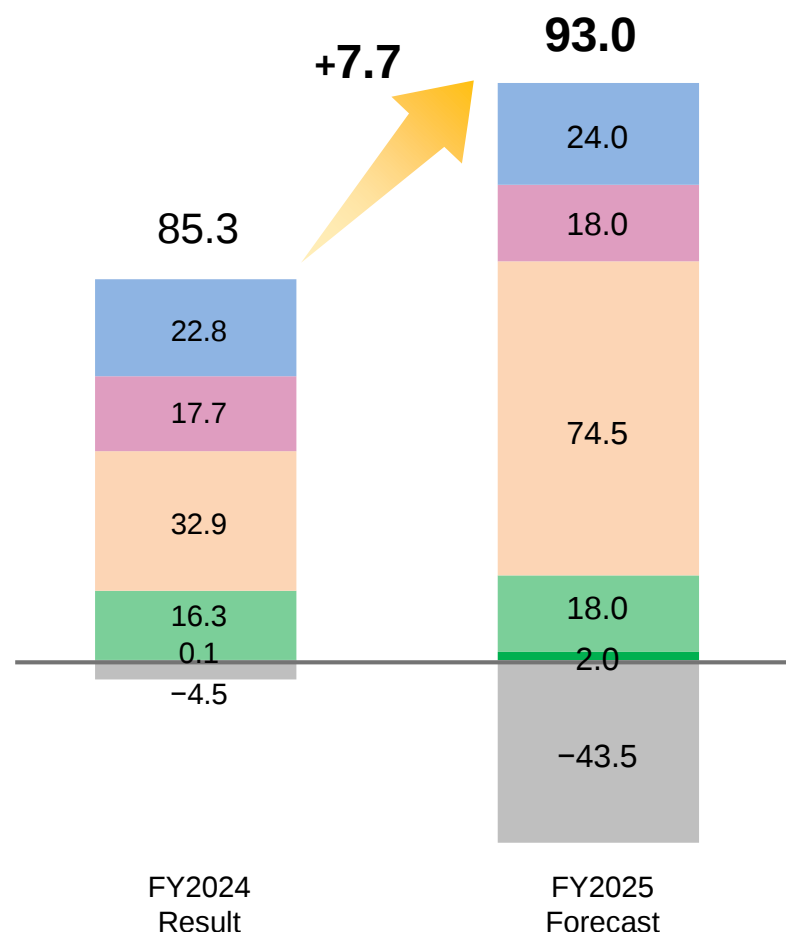


FY2025 Performance Forecast by Operating Segment

Aiming to set a new record high, all the operating segments will accumulate income despite the impact of external factors

Net Income Attributable to Owners of Parent

(Billions of yen)



Equipment Leasing (+1.2 compared to FY2024)
 (+) Absence of one-time losses recorded in FY2024, and accumulation of core earnings of NTT TC Leasing and others
 (-) Higher SG&A expenses

Automobility (+0.3 compared to FY2024)
 (+) NRS: Increase in income due to branch improvement strategies and capturing of inbound tourism demand
 (-) NCS: Increase in costs (funding cost, SG&A expenses, etc.)

Specialty Financing (+41.6 compared to FY2024)
 (+) Extraordinary income from insurance settlement proceeds related to ACG's exposure to Russian airlines

International Business (+1.7 compared to FY2024)
 (+) Accumulation of core earnings mainly by CSI Leasing and asset turnover
 (-) Absence of one-time gains (foreign exchange gains in Asia business) recorded in FY2024

Environmental Infrastructure (+1.9 compared to FY2024)
 (+) Recovery in income from biomass co-firing power generation

Other (-39.0 compared to FY2024)
 (-) Risk buffer for: lower gains on sales due to the impact of U.S. tariffs; lower profitability in Environmental Infrastructure; and others
 Absence of gains on sales of cross-held shares recorded in FY2024

Estimated average exchange rate and fiscal-year-end exchange rate
 USD1 = ¥140

Appendix 2

Highlights of Medium-Term Management Plan 2027

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%

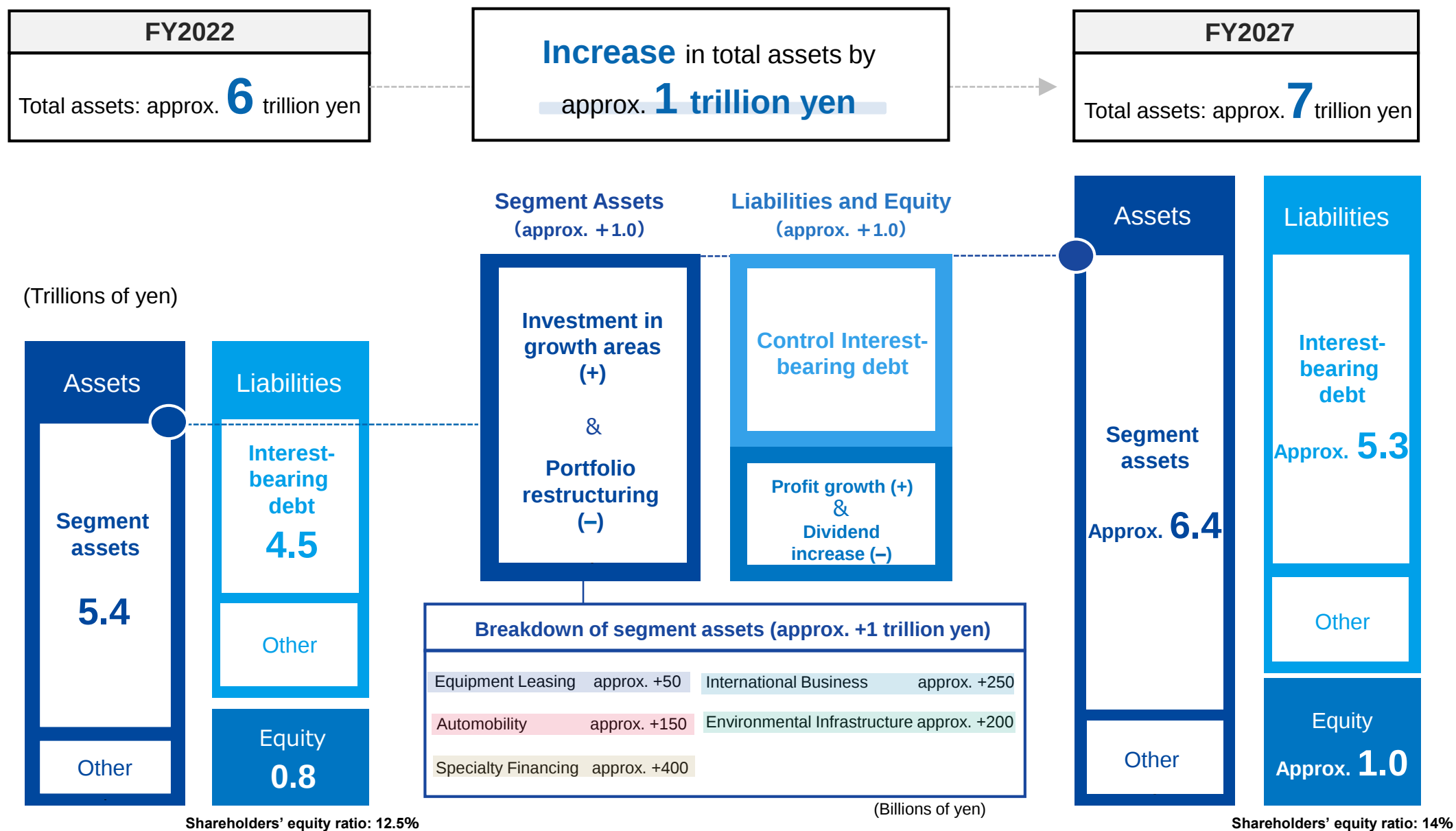
Non-financial KPI	
Initiatives for realizing 50% GHG emissions reduction by FY2030*2	33%–50%
Employee engagement index*3 (deviation value)	Improvement of employee engagement scores and rating

*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.

Balance Sheet Management (Medium-Term Management Plan 2027)



Shareholder Returns (Dividend) Policy

- Basic policy: Provide **stable, long-term returns to shareholders**.
- Medium-Term Management Plan 2027: Maintain stable returns to shareholders 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%.

- The shareholder special benefit plan was terminated on a record date of March 31, 2025 in order to ensure equitable treatment of shareholders.

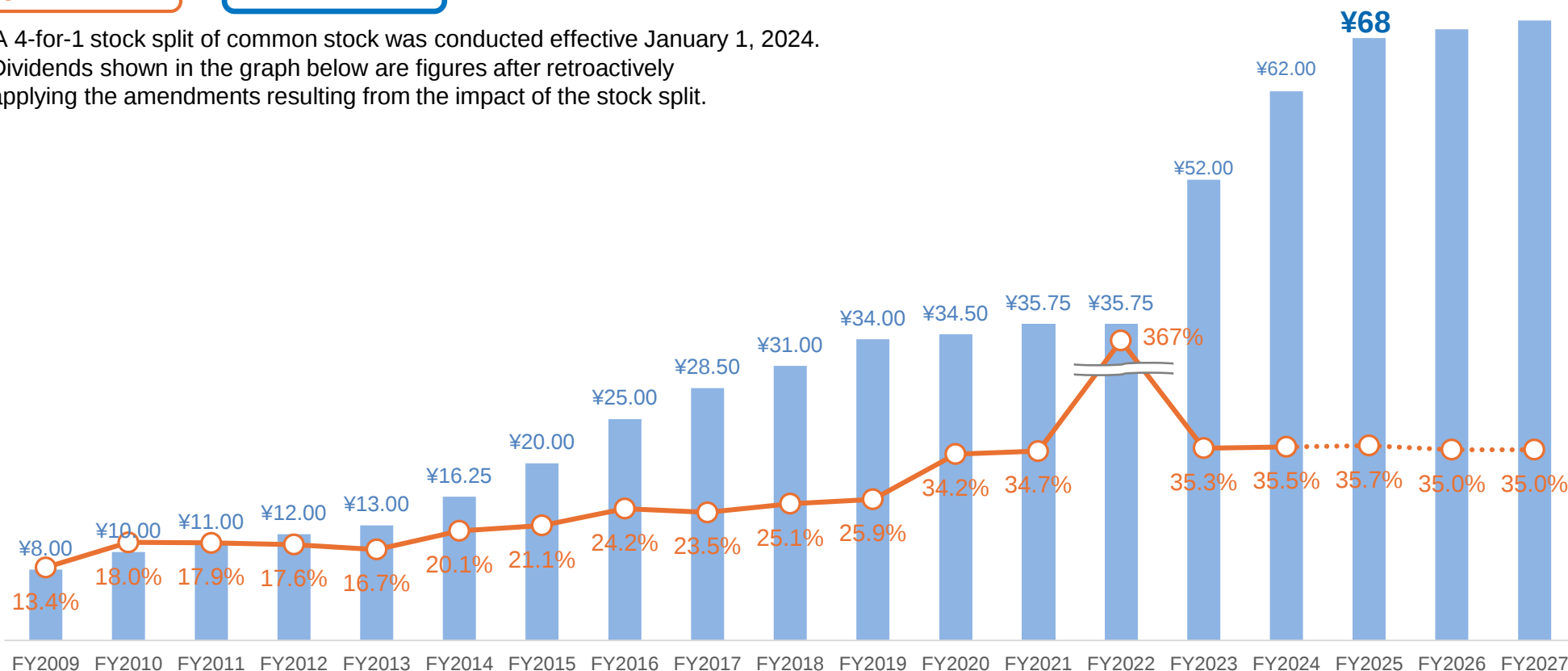
Plan to increase dividends
with profit growth

Payout ratio

Dividends*

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

Forecast

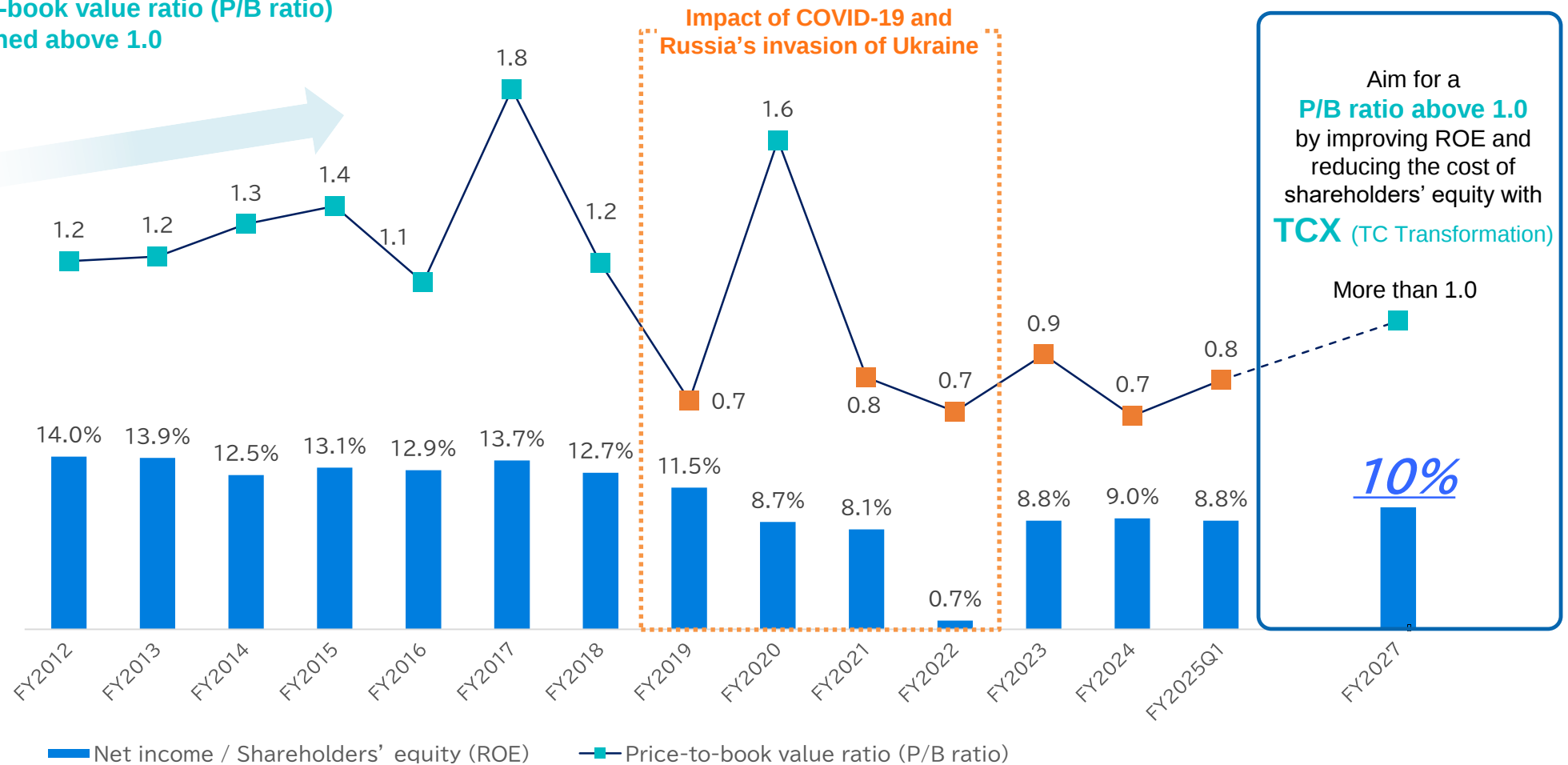


ROE and P/B Ratio

Analysis for P/B ratio above 1.0

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

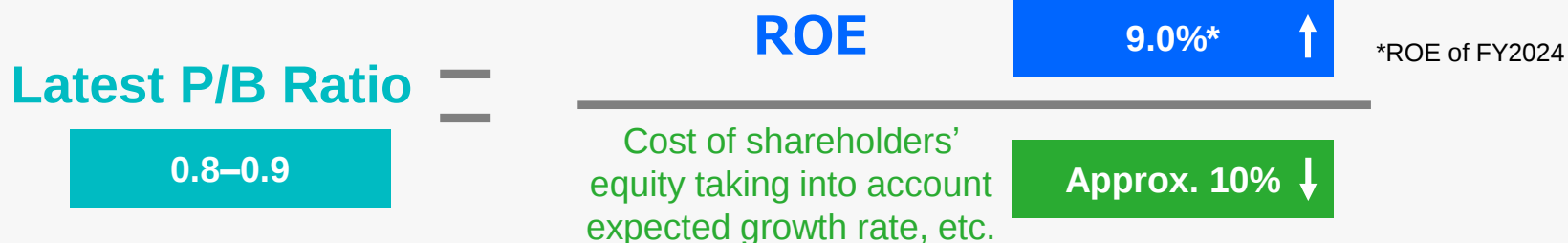
Price-to-book value ratio (P/B ratio) maintained above 1.0



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

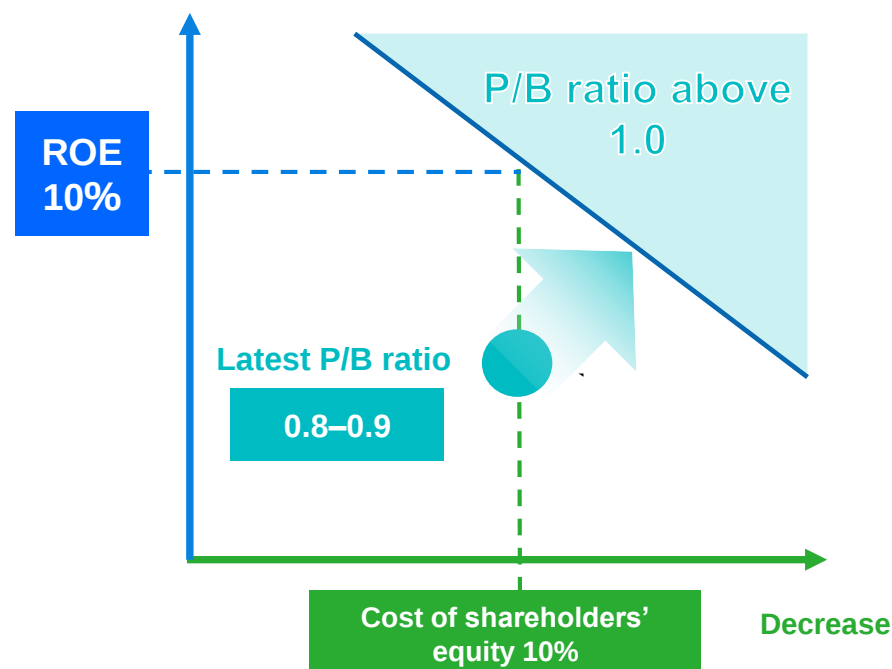
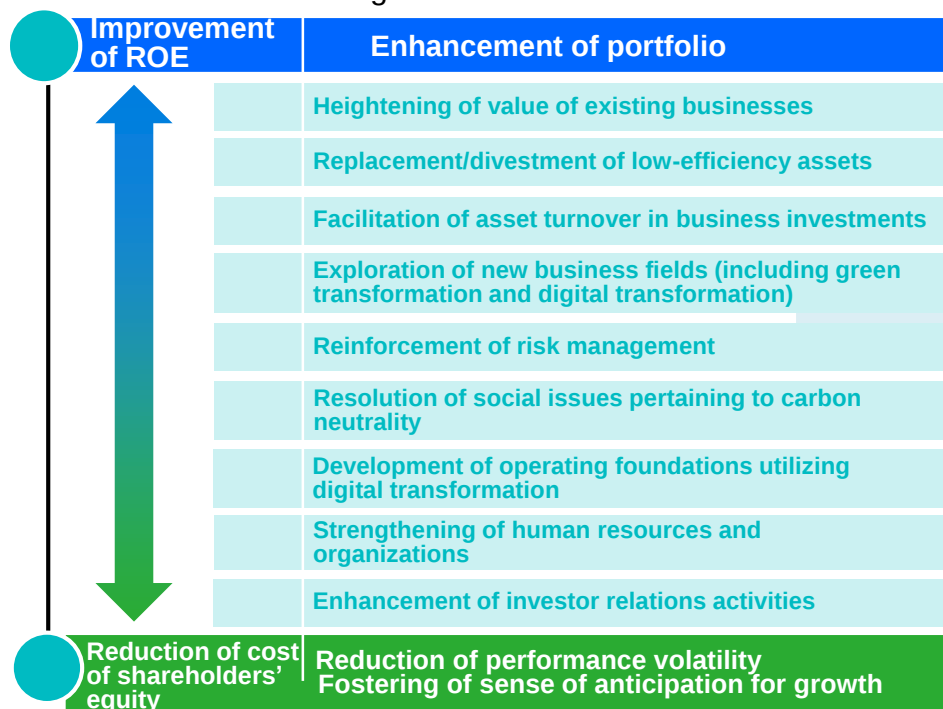
Initiatives for Improving the P/B Ratio

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



Diagrams illustrate initiatives for achieving P/B ratio above 1.0

Transformation for Raising P/B Ratio above 1.0



Progress of Medium-Term Management Plan 2027

Automobility exceeded the targets and all the segments are striving to increase core earnings

Comparison of FY2024 Result and FY2027 Plan (Net Income Attributable to Owners of Parent)^(Billions of yen)

	FY2024 Result	FY2027 Plan	Gap	Fiscal 2024 results and challenges for achieving the plan
 Equipment Leasing	22.8	29.0	6.2	Increase in spread of lease rates due to provision of more services Strengthening of TC's own earnings power, expansion of joint businesses with partners, and enhancement of businesses for municipalities
 Automobility	17.7	16.0	-1.7*	Significant increase in NRS' income due to higher car rental prices per unit and branch efficiency improvement NCS: Accumulation of quality assets with organic and inorganic measures NRS: Branch improvement strategies boosting earnings power, capturing of inbound tourism demand
 Specialty Financing	32.9	48.0	15.1	Increase in aviation business' income, and 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	16.3	21.0	4.7	Enhancement of efficiency by reviewing regional strategies CSI: Global strategies leveraging M&A and other alliances Improvement of business models, including bolstering global partnerships
 Environmental Infrastructure	0.1	7.5	7.5	Joint investment in solar power plants in the U.S. and Europe with partners Earnings expansion from strategic M&A, overseas renewable energy projects, and storage battery business Increase in new earnings opportunities using asset management expertise
Other	-4.5	-21.5	-17.0	
Total	85.3	100.0	14.7	

* Automobility achieved the FY2027 Plan and exceeded the target income in FY2024.

Appendix 3

Collaboration with Partners

Partnership with the NTT Group

Collaboration started in 2005 and now all five operating segments take part to broaden the scope of collaborative ventures

	Equipment Leasing	Automobility	Specialty Financing	International Business	Environmental Infrastructure
	2020–	2005–	2022–	2020–	
Finance	 Leasing & Financing (Japan, Overseas) Development of co-creative projects combining the NTT Group's high reliability and vast customer network with Tokyo Century's financial service expertise	 Auto Leasing (Japan) Promotion of electric vehicle (EV) use centered on the NTT Group's fleet Acceleration of proposals of EV services to municipalities	Real Estate (Japan) Real estate development and investment jointly with the NTT Group	Leasing & Financing (U.S., India, Central & South America, etc.) Use of CSI's global network to support NTT's overseas business expansion Co-creative projects advanced by CSI and NTT TC Leasing Data center projects in the U.S. and India	
Services	FY2024 Ordinary Income ¥19.8 billion	FY2024 Ordinary Income ¥17.5 billion			
Businesses				2021– Data Center Business (U.S. & India) Joint operation of data center businesses in the U.S. and India	2020–  Solar Power Generation Business (Japan) Joint establishment of fund for investing in domestic renewable energy businesses

Partnership with ITOCHU

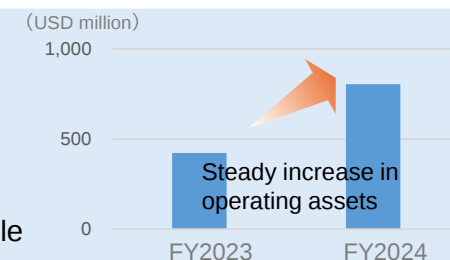
Collaboration with the ITOCHU Group expanding in promising fields

2019	 Construction machinery	Transfer of shares of ITOCHU CONSTRUCTION MACHINERY (now ITOCHU TC CONSTRUCTION MACHINERY) from ITOCHU to Tokyo Century
2021	 Energy storage  Mobile devices  Hydrogen	- Establishment of a joint venture, IBeeT, to offer a distributed power source subscription service - Launch of Belong One, a used smartphone and tablet device rental service for companies - Investment in Clean H2 Infra Fund, the world's first large-scale clean hydrogen infrastructure investment fund
2022	 Construction machinery  Solar power	Establishment of a joint venture, ZAXIS Finance, to offer finances for construction machinery in North America - Installation of solar power generation facilities using subsidies in cooperation with FamilyMart
2023	 Energy storage  Wind power	- Grid-scale battery business with Osaka Gas and ITOCHU - Investment in an onshore wind power project in Aomori
2024	 Renewable energy  Renewable energy  Construction machinery  Clean energy (biomass)	- Investment in a renewable energy fund in North America as a limited partner - Acquisition of the development right over solar power plants in North America - Collaboration with Morooka and ITOCHU to promote sales of construction machinery in North America - Start of commercial operation of Hyuga Biomass Power Plant in Hyuga, Miyazaki

ZAXIS Finance

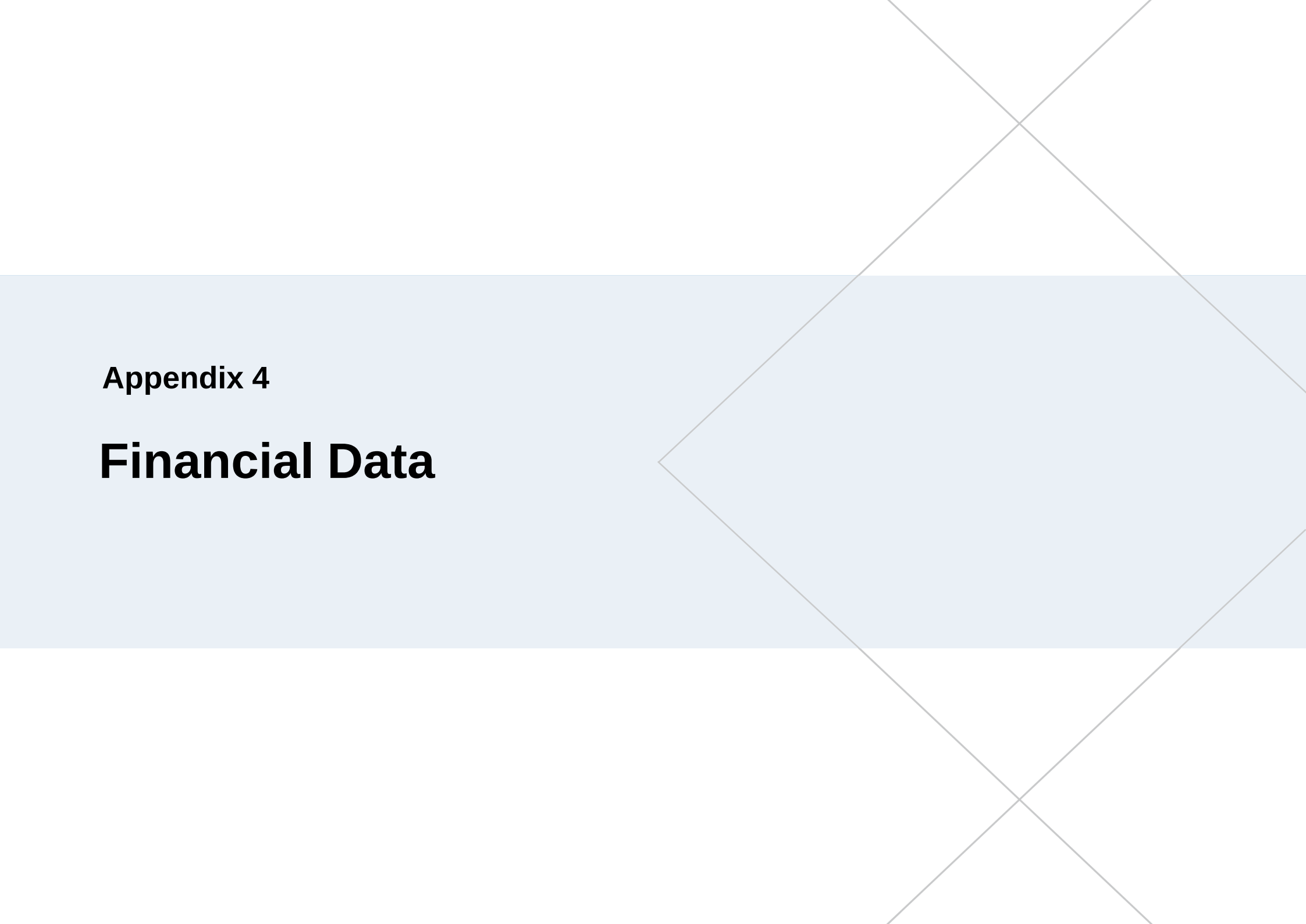


- Entry into the North American construction machinery market, where stable demand is expected in the housing construction and infrastructure fields
Shareholding Ratio: ITOCHU 35%, Hitachi Construction Machinery 30%, TC 35% (equity-method affiliate)
- With assets increasing since the foundation of FY2022, ZAXIS Finance became profitable in FY2023 and expects more profits in FY2025.



Collaboration to be expanded in promising fields, such as construction machinery and truck finance, energy and environment, mobile devices, and FamilyMart





Appendix 4

Financial Data

Statement of Income

(Billions of yen)

	#	FY2024 Q1	FY2025 Q1	YoY Change	
Revenues	1	334.3	347.6	13.3	4.0%
Costs	2	262.1	270.4	8.3	3.2%
Funding cost	3	29.4	30.7	1.3	4.5%
Gross profit	4	72.1	77.2	5.0	7.0%
SG&A expenses	5	37.7	41.9	4.2	11.1%
Personnel expenses	6	21.5	23.9	2.4	11.0%
Non-personnel expenses	7	16.4	17.8	1.4	8.8%
Credit costs	8	-0.2	0.2	0.4	-
Operating income	9	34.5	35.3	0.9	2.5%
Non-operating income and expenses	10	3.7	2.0	-1.8	-47.2%
Ordinary income	11	38.2	37.3	-0.9	-2.4%
Extraordinary income and losses	12	-0.1	-0.1	-0.1	-
Income before income taxes	13	38.1	37.2	-1.0	-2.6%
Income taxes	14	11.5	11.3	-0.2	-1.8%
Net income	15	26.7	25.9	-0.8	-2.9%
Net income attributable to non-controlling interests	16	3.6	3.8	0.2	4.3%
Net income attributable to owners of parent	17	23.0	22.1	-0.9	-4.0%

Major Factors behind Changes

■ Funding cost

Increased mainly due to higher costs of financing in yen

■ Gross profit

Increased mainly due to International Business and Equipment Leasing

■ SG&A expenses

Increased mainly due to International Business

■ Net income attributable to owners of parent

Decreased mainly due to the aviation business in Specialty Financing

Balance Sheet

(Billions of yen)					
	#	Mar. 31, 2025	Jun. 30, 2025	Change	
Total assets	1	6,862.9	6,787.0	-75.9	-1.1%
Current assets	2	3,076.1	3,011.5	-64.5	-2.1%
Non-current assets, etc.	3	3,786.8	3,775.4	-11.4	-0.3%
Leased assets	4	2,641.4	2,629.4	-12.0	-0.5%
Leased assets advance payment	5	125.3	117.7	-7.6	-6.0%
Other operating assets	6	273.9	272.0	-1.8	-0.7%
Investment securities	7	451.4	458.3	6.9	1.5%
Others	8	294.8	298.0	3.2	1.1%
Total liabilities	9	5,686.0	5,659.3	-26.7	-0.5%
Current liabilities	10	1,881.1	2,023.4	142.4	7.6%
Long-term liabilities	11	3,804.9	3,635.8	-169.1	-4.4%
Total net assets	12	1,176.9	1,127.7	-49.2	-4.2%
Shareholders' equity	13	1,029.6	981.7	-48.0	-4.7%
Non-controlling interests, etc.	14	147.3	146.0	-1.2	-0.8%

Major Factors behind Changes

■ Non-current assets, etc.

Leased assets:
Decreased mainly due to exchange rates in
Specialty Financing

Interest-Bearing Debt

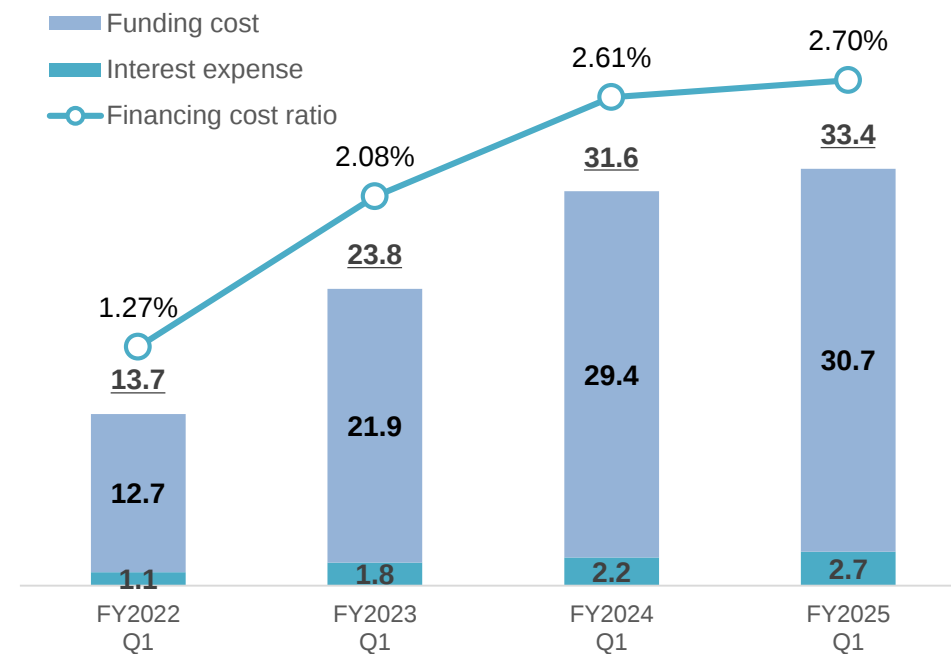
Balance of Interest-Bearing Debt

(Billions of yen)						
	#	Mar. 31, 2024	Mar. 31, 2025	Jun. 30, 2025	Change	
Interest-bearing debt	1	4,749.0	4,912.6	4,987.2	74.6	1.5%
Japanese yen	2	2,574.2	2,662.9	2,716.7	53.9	2.0%
Foreign currency	3	2,174.8	2,249.7	2,270.4	20.7	0.9%
Foreign currency %	4	45.8%	45.8%	45.5%	-0.3 pt	
Commercial papers	5	343.6	210.6	262.5	51.9	24.6%
Japanese yen	6	228.7	210.6	258.0	47.4	22.5%
Foreign currency	7	114.9	—	4.5	4.5	-
Corporate bonds	8	1,219.4	1,247.6	1,311.0	63.4	5.1%
Japanese yen	9	372.6	422.6	412.6	-10.0	-2.4%
Foreign currency	10	846.8	825.0	898.4	73.4	8.9%
Securitized lease assets	11	15.3	14.5	15.3	0.9	6.2%
Borrowings	12	3,170.7	3,440.0	3,398.4	-41.6	-1.2%
Japanese yen	13	1,957.6	2,015.3	2,030.9	15.6	0.8%
Foreign currency	14	1,213.1	1,424.7	1,367.5	-57.2	-4.0%
Direct funding ratio	15	33.2%	30.0%	31.9%	1.9 pt	
Long-term funding ratio	16	83.9%	88.2%	87.5%	-0.7 pt	

	#	FY2023 Q1	FY2024 Q1	FY2025 Q1	Change	
Funding cost	17	21.9	29.4	30.7	1.3	4.5%
Interest expense	18	1.8	2.2	2.7	0.5	21.0%
Financing cost (Funding cost + Interest expense)	19	23.8	31.6	33.4	1.8	5.7%
Financing cost ratio	20	2.08%	2.61%	2.70%	0.09 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 = $\frac{\text{Financing cost (Funding cost + Interest expense)}}{\{ (\text{Interest-bearing debt as of the previous fiscal year end} + \text{Interest-bearing debt as of the end of this fiscal year}) / 2 \}}$

(Change of financing cost by fiscal year)

(Billions of yen)

	#	FY2023 Result	FY2024 Result	YoY Change	
Funding cost	21	101.9	123.6	21.6	21.2%
Interest expense	22	7.9	9.7	1.8	23.3%
Financing cost (Funding cost + Interest expense)	23	109.8	133.3	23.5	21.4%
Financing cost ratio	24	2.37%	2.76%	0.39 pt	

Segment Assets and Transaction Volume in Automobility

Segment assets increased ¥2.9 billion compared to the previous fiscal year end

(Billions of yen)						
	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025	Jun. 30, 2025	Change from Prior FYE
Balance of segment assets	611.8	611.6	479.0	500.8	503.7	2.9
Nippon Car Solutions (NCS)	359.3	348.3	360.5	376.0	376.8	0.7
Composition	58.7%	57.0%	75.2%	75.1%	74.9%	
Nippon Rent-A-Car Service (NRS)	40.3	44.7	44.0	44.0	44.4	0.4
Composition	6.6%	7.3%	9.2%	8.8%	8.8%	
Orico Auto Leasing (OAL)	211.7	216.5	72.2	78.6	80.3	1.8
Composition	34.6%	35.4%	15.1%	15.7%	15.9%	
Other *1	0.5	2.1	2.3	2.2	2.1	-0.0
Composition	0.1%	0.3%	0.5%	0.4%	0.4%	

*1 Adjusted intercompany transactions in Automobility

(Billions of yen)							
	FY2021 Result	FY2022 Result	FY2023 Result	FY2024 Result	FY2024 Q1	FY2025 Q1	YoY Change
NCS transaction volume (purchase amount of fleet) *2	109.4	105.1	131.1	136.6	28.7	32.6	13.6%

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

Quarterly Results of Subsidiaries and Affiliate in Automobility

NRS performed strongly, resulting in record income for Q1

		FY 2024					FY 2025		
		Q1	Q2	Q3	Q4	Annual Total	Q1	YoY Change	Change from Prior FYE
Revenues (Billions of yen)*2	NCS	55.7	53.2	50.8	49.5	209.3	57.8	2.1	
	NRS*1	24.2	21.9	24.3	23.3	93.8	25.3	1.1	
	Total	79.9	75.2	75.1	72.9	303.1	83.1	3.2	

Ordinary income (Billions of yen)	NCS	7.5	5.7	2.7	1.6	17.5	7.3	-0.2	
	NRS	5.0	3.4	5.7	3.0	17.1	5.4	0.4	
	OAL	0.1	0.1	0.2	0.4	0.8	0.1	-0.1	
	Other	-0.1	-0.2	0.2	0.1	-0.0	0.1	0.1	
	Total	12.5	9.1	8.7	5.1	35.3	12.8	0.3	

Balance of segment assets (Billions of yen)	NCS	358.4	361.1	366.9	376.0		376.8	18.4	0.7
	NRS	43.5	42.7	49.4	44.0		44.4	0.9	0.4
	OAL	73.5	76.5	81.0	78.6		80.3	6.8	1.8
	Other*3	2.3	2.3	2.2	2.2		2.1	-0.2	-0.0
	Total	477.7	482.6	499.6	500.8		503.7	25.9	2.9

Number of vehicles (Thousand)	NCS	692	692	692	691		702	11	11
	NRS	46	51	44	45		45	-1	1
	OAL*4	184	185	187	187		187	3	0
	Duplication adjustment	-188	-189	-190	-190		-191	-3	-0
	Total	734	740	733	733		744	10	12

*1 Fiscal period of NRS ends in December

*2 Revenues = Simple sum of revenues of three companies

*3 Adjusted intercompany transactions in Automobility

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

Segment Assets in Specialty Financing

Segment assets decreased ¥43.2 billion from the previous fiscal year end mainly due to the impact of exchange rates

							(Billions of yen)
		Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025	Jun. 30, 2025	Change from Prior FYE
Balance of segment assets		2,152.5	2,490.6	2,825.3	2,972.9	2,929.7	-43.2 -124.0*2
Aviation		1,480.8	1,737.6	1,935.9	1,992.6	1,966.1	-26.5
	Composition	68.9%	69.8%	68.5%	67.1%	67.2%	-113.2*2
Shipping		100.0	93.3	86.9	93.0	89.1	-3.9
	Composition	4.6%	3.7%	3.1%	3.1%	3.0%	-0.2*2
Real Estate		484.7	559.9	675.5	758.8	747.3	-11.4
	Composition	22.5%	22.5%	23.9%	25.5%	25.5%	-10.3*2
Principal Investment and Others*1		87.0	99.8	127.0	128.5	127.1	-1.4
	Composition	4.0%	4.0%	4.5%	4.3%	4.3%	-0.3*2

*1 Principal investment and others include the principal investments, factoring, and others

*2 Exchange rate factors

Any statements in this document, other than those of historical facts, are forward-looking statements about the future performance of Tokyo Century Corporation and its Group companies, which are based on management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Actual results may differ materially from these forecasts. All numerical terms and names presented in this report conform to the "short scale" numerical system. (i.e., "billion" = "10⁹" and "trillion" = "10¹²")

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