Financial Results for the First Half of FY2024

July 31, 2024

Japan Investment Adviser Co., Ltd.

Stock Code: 7172

https://www.jia-ltd.com/en/

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(Reference) Three-year Business Plan 2024-2026
https://www.jia-ltd.com/en/ir/library/



(Reference) Performance data for past years
https://www.jia-ltd.com/en/ir/library/



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1. Company Overview

Corporate Philosophy

Always be a company contributing to society by offering financial services.

For shareholders

We will contribute to the prosperity of our shareholders by increasing corporate value with an aim to achieve a steady and rapid growth on a sustainable basis.

For clients

We are dedicated to contributing to the prosperity of our corporate and individual clients by providing financial products and services that are backed by the support and trust of our clients.

For business partners

We aim to fulfill our social responsibility and achieve business growth together with our business partners empowered by their support and trust.

For our officers and employees

We will build a work environment to help each of our staff to develop professionalism and fully exercise their ability. We will foster an organization and a corporate culture that prioritize openness and creativity to encourage our staff to take on new challenges.



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Corporate Profile



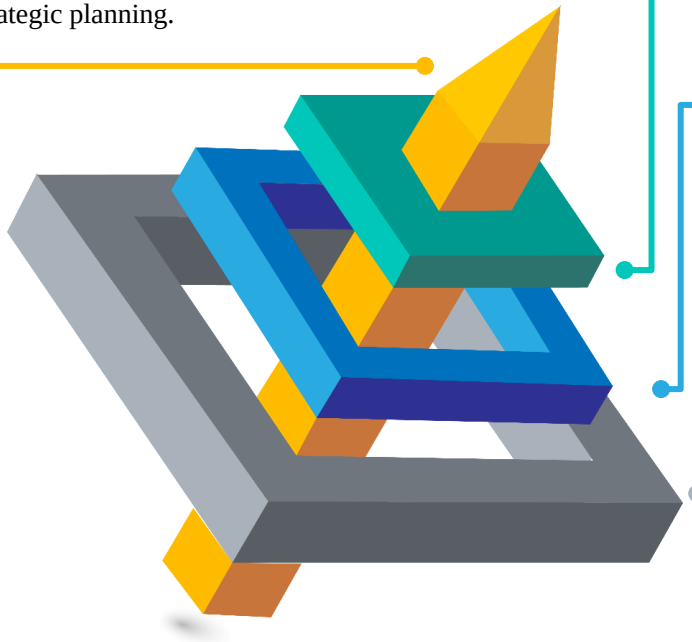
Company Name	Japan Investment Adviser Co., Ltd.
Head Office	Kasumigaseki Common Gate West Tower 3-2-1 Kasumigaseki Chiyoda-ku Tokyo
Representative	President, CEO Naoto Shiraiwa
Established	September 2006 (Fiscal Year-end: December 31)
Business	Financial solutions business
Paid-in Capital	¥16,887 million
Stock Exchange Listing	The Prime Market of the Tokyo Stock Exchange (Stock Code: 7172)
Employees	Non-consolidated: 174 ; Consolidated: 281
Financial Institutions	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd., Resona Bank, Limited., Sumitomo Mitsui Trust Bank, Limited, The Norinchukin Bank, The Chiba Bank, Ltd., Daishi Hokuetsu Bank. Ltd. and the other 67 companies
Major Shareholders	Top shareholders (67.5% shares, excluding treasury stock) as of June 30, 2024 KODO Holdings Co., Ltd. (35.8%) Naoto Shiraiwa (11.4%) Custody Bank of Japan, Ltd. (Trust account) (11.3%) Master Trust Bank of Japan.(Trust account) (6.9%) SBI Securities Co., Ltd. (1.1%) Teiji Ishikawa (1.0%)
Independent Auditor	Grant Thornton Taiyo LLC

As of June 30, 2024

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Group Business Overview

We offer **one-stop comprehensive financial solutions** centered on the Operating Lease Business, and support small and medium-sized companies to resolve issues such as the shortage of human resources and lack of successors, and to achieve sustainable growth through financing and strategic planning.



Business of Supporting the Implementation of Growth Strategies



- **M&A advisory business**
- **IPO Consulting business** (General Market and Tokyo Pro Market)
- **Private equity investment business**
- **Crowdfunding business**
- **Business succession consulting business**
- **Recruitment business**
- **Media and IR advisory business**

Business Related to Asset Management



- **Real estate business** (brokerage and value enhancement)
- **Renewable energy business** (Development, management and operation of solar power plants, etc.)
- **Investment management and investment advisory business** (for qualified investors)
- **Trust business**

Business of Promoting and Selling of Financial Instruments

- **Air transportation business** (passenger charter operations, etc.)



- **Operating lease business**
  Structuring and sale of Japanese Operating Lease (JOL, JOLCO) investment products utilizing aircraft, vessels, and marine shipping containers.
- **Fractional real estate fund business**
- **Securities business/Insurance agency business**

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Our Major Group Companies

Japan Investment Adviser Co., Ltd.	• Renewable Energy Business • M&A Advisory Business • Recruitment Business • Private Equity Investment Business • Financial Advisory Business • IPO Consulting Business • Real Estate Business

| Subsidiary |

Company Name	Voting Rights Ratio	Business
JP Lease Products & Services Co., Ltd.	100%	• Operating Lease Business • Part out & Conversion Business • Renewable Energy Business • Insurance Agency Business
JLPS Ireland Limited	100%	• Operating Lease Business
JLPS AVIATION SINGAPORE PRIVATE LIMITED	100%	• Operating Lease Business
Finspire Inc.	100%	• Operating Lease Business • Money Lending Business
JIA Trust Co., Ltd.	100%	• Trust Business
JIA Securities Co., Ltd.	100%	• Securities Business
CF Startups, Inc.	100%	• Equity Investment-type Crowdfunding Business
Milestone Asset Management Co., Ltd.	86.2%	• Investment Management and Investment Advisory Business
Pioneer Ace Airlines Co., Ltd	100%	• Air Transportation Business
Nihon Securities Journal Inc.	100%	• Media Business • IR Advisory Business

| Equity method affiliates |

Bleriot Aviation Leasing Designated Activity Company	25.0%	• Operating Lease Business
JIA Aviation Finance G.K.	47.5%	• Finance Business for Aircraft

As of June 30, 2024

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Our Group History

Japan Investment Adviser

Establish

JIA 2006
Established Japan Investment Adviser Co., Ltd. and started an Operating Lease Business for maritime containers.

JIA 2007
Started M&A Advisory Business.

Fins 2007
Established CAIJ Inc. (currently Finspire Inc.)
※JV of leasing business of maritime containers that utilized portfolio of CAI International, Inc. in U.S.A.

JLPS 2011
Established JP Lease Products & Services Co., Ltd. (JLPS) and started an Operating Lease Business for aircraft.

JLPS 2014
Started structuring and selling the No. 1 Fund of solar power generation business.

List MOTHERS

JIA 2014
Got listed on Tokyo Stock Exchange Mothers Section.

NSJ 2015
Acquired all shares of Nihon Securities Journal Inc. and started Media & IR Advisory Business.

JIA 2015
Started Private Equity Investment Business.
※The first IPO (Bank of Innovation, Inc.: Stock Code: 4393)

Fins 2016
Acquired all shares of CAIJ Inc. (currently Finspire Inc.) (made into a wholly owned subsidiary company)

Fins 2017
Started Insurance Agency Business.

JLPS 2019
Succeeded the Insurance Agency Business of Finspire Inc.

JLPS-Ire 2019
Head office was established in Shannon, Ireland, and began full-scale operations.

List 1st Section (currently Prime) of TSE

JIA 2020
Changed to the First Section of Tokyo Stock Exchange.

Bleriot 2020
Established a joint venture with Airbus Group as an equity-method affiliate.（Bleriot Aviation Leasing Designated Activity Company）

JIA 2021
Acquired J-Adviser qualification and started Listing Support Business for TOKYO PRO Market.

JIA-Sec 2021
Acquired all shares of Sankyo Securities Co., Ltd., changed its name to JIA Securities Co., Ltd., and then launched Securities Business.

JIA-Trust 2022
JIA Trust Co.,Ltd. obtained a license as an investment-based trust company, and started Trust Business.

JAF 2022
JIA Aviation Finance G.K., a joint venture company that conducts aviation finance business, started business in July.

JIA-Sec **JIA-Trust** **JLPS** 2023
Started structuring and selling fractional real estate investment.
（JLPS started in April 2024）

CFS 2024
Acquired all shares of CF Startups Inc. and started the Crowdfunding Business.

MAM 2024
Acquired 86.2% of shares of Milestone Asset Management and then launched Investment Management and Investment Advisory Business.

PAA 2024
Launched the Air Transportation Business after receiving approval from the Tokyo Civil Aviation Bureau of the Ministry of Land, Infrastructure, Transport and Tourism.

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First Half of FY2024

2. Business Overview

Highlights for the First Half of FY2024

Forecasts for the first half and full year were revised upwardly (announced on July 17) due to the prospect of exceeding the initial forecast.

- Equity sales of the operating lease business reached an all-time high for half-year performance. Furthermore, deal structuring has been progressing smoothly, ensuring a sufficient inventory to meet robust demand from investors.
- The rapid depreciation of the yen resulted in a foreign exchange gain exceeding 2.2 billion yen (the initial forecast rate was 141.83 yen per dollar).

(Millions of yen)	H1 FY2023	H1 FY2024			FY2024 compared to expectations			
					First half		Fiscal year	
	Result	Result	Change	Change(%)	First half Forecast	Progress Rate	Fiscal year forecast	Progress rate
Net Sales	8,938	14,975	6,037	67.5%	14,550	102.9%	27,780	53.9%
Operating profit	3,200	6,171	2,970	92.8%	4,850	127.2%	8,120	76.0%
Ordinary profit	2,611	8,335	5,723	219.1%	4,000	208.4%	6,300	132.3%
Profit attributable to owners of parent	1,696	5,701	4,004	236.0%	2,720	209.6%	4,300	132.6%
Total amount of equity sales※	33,568	61,384	27,816	82.9%	50,300	122.0%	100,000	61.4%

Note1 : Transfer of equity interest in special-purpose companies(SPC) as defined in Article 2, Paragraph 2-5 of the Financial Instruments and Exchange Act

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Summary for the First Half of FY2024

① In the operating lease business, both equity sales and the amount of deals structured were healthy.

- In the period from April to June, equity sales increased 13,879 million yen year on year, exceeding the previous year's figure for the seventh consecutive quarter.
- In the period from April to June, the amount of deals newly structured decreased 33,432 million yen year on year, but the balance of equities underwritten was 95,603 million yen, larger than the inventory at the end of the previous period.

[Trends and year-on-year change of equity sales and the amount of deals structured]

(Unit: Millions of yen)	2023 Jul.-Sept.	2023 Oct-Dec	2024 Jan.-Mar.	2024 Apr.-Jun.
Equity sales	15,982	27,780	32,984	**28,399**
(year-on-year change)	+5,524	+16,591	+13,936	**+13,879**
Amount of deal structured	42,634	93,724	54,972	**61,719**
(year-on-year change)	+19,059	+33,158	+26,780	**-33,432**

② Developing the next core business is an ongoing issue. (Sales composition ratio of Operating Lease Business from January to June: 89.7%)

- Promoted measures to strengthen the following businesses, which are positioned as next-generation core businesses.
  - Renewable Energy Business: Completed fund sale for one solar power plant in April.
  - Real Estate Business: Our main subsidiary, JLPS, began selling fractional real estate investment product in April. (Previously only JIA Securities)
  - PE Investment Business: Preparing to create and sell a new fund within this year.

③ Non-operating foreign exchange gain of 1,464 million yen in the second quarter.

- Due to the rapid depreciation of the yen, foreign exchange gain arose primarily from the settlement of foreign currency denominated bonds (including advance payments related to products to be sold in the future) and the revaluation of the year-end exchange rate.
- There emerge quarterly exchange gain or loss, but the exposure to exchange rate fluctuations decreases, and the risk of incurring an exchange loss at the time of yen appreciation diminishes.

[Variations in dollar/yen exchange rate and non-operating foreign exchange gain]

[Variation in Conversion Rate]	2023 Jul.-Sept.	2023 Oct-Dec	2024 Jan.-Mar.	2024 Apr.-Jun.
Initial rate (A) 1 US dollar =	144.99 yen	149.58 yen	141.83 yen	**151.41yen**
Year-end exchange rate (B) 1 US dollar =	149.58 yen	141.83 yen	151.41 yen	**161.07 yen**
Difference (B)-(A)	4.59 yen	-7.75 yen	9.58 yen	**9.66 yen**
Non-operating foreign exchange gain (C)	422 million yen	-847 million yen	764 million yen	**1,464 million yen**
(C)÷(B-A)	92 million yen	109 million yen	79 million yen	**151 million yen**

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H1 FY2024 Consolidated Income Statement Summary

(Millions of yen)	H1 FY2023	H1 FY2024		
	Result	Result	YoY Change	YoY change(%)
Net Sales	8,938	14,975	6,037	67.5%
Costs of sales	2,319	4,914	2,595	111.9%
Gross profit *1	6,618	10,060	3,441	52.0%
SG&A expenses*2	3,418	3,889	471	13.8%
Operating profit	3,200	6,171	2,970	92.8%
Non-operating income *3	988	3,790	2,802	283.5%
Non- operating expenses	1,577	1,626	49	3.1%
Ordinary Profit	2,611	8,335	5,723	219.1%
Profit attributable to owners of parent	1,696	5,701	4,004	236.0%

Point

Note.1 Gross profit

Gross profit margin was 67.2% (H1 FY2023－74.1%)

Note.2 SG&A expenses

Increase of 471 million yen

- Increase of 137 million yen in labor cost.
- Increase of 101 million yen in taxes and dues.
- Increase of 135 million yen in compensations.

Note.3 Non-operating income/expenses

Foreign exchange gains : 2,229 million yen

(Recorded losses of 176 million yen in same period last year.)

Gain of affiliates : 837 million yen

(Increase of 713 million yen year on year change.)

Interest income : 102 million yen

(Decrease of 417 million yen year on year change.)

Interest expenses : 1,004 million yen

(Decrease of 21 million yen year on year change.)

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Business Segment (H1 FY2024)

Significant increase in sales in the Operating Lease Business, which is the mainstay drove profits.

[Management issues]

- Renewable Energy Business: Completed fund sale for one solar power plant in April.
- Real Estate Business: Our main subsidiary, JLPS, began selling fractional real estate investment product in April. (Previously only JIA Securities)
- Private Equity Investment Business: Preparing to create and sell a new fund within this year.

Business units （Millions of yen）		H1 FY2023	H1 FY2024			
		Result	Result	YoY change	YoY change(%)	Composition ratio
	Operating Lease Business	8,170	13,429	5,259	64.4%	89.7%
	Renewable Energy Business	270	683	412	152.2%	4.6%
	Real Estate Business	17	106	89	508.6%	0.7%
	Private Equity Investment Business	8	104	96	1,120.0%	0.7%
	Other Business	470	651	180	38.3%	4.4%
Total		8,938	14,975	6,037	67.5%	100.0%

Note : The Company changed its segments from the first quarter of the fiscal year ending December 2024. Figures from previous years have also been rearranged and presented in new segments. For details of the segment changes, please refer to "Notice Regarding Mid Term Business Plan" disclosed on July 31, 2023.

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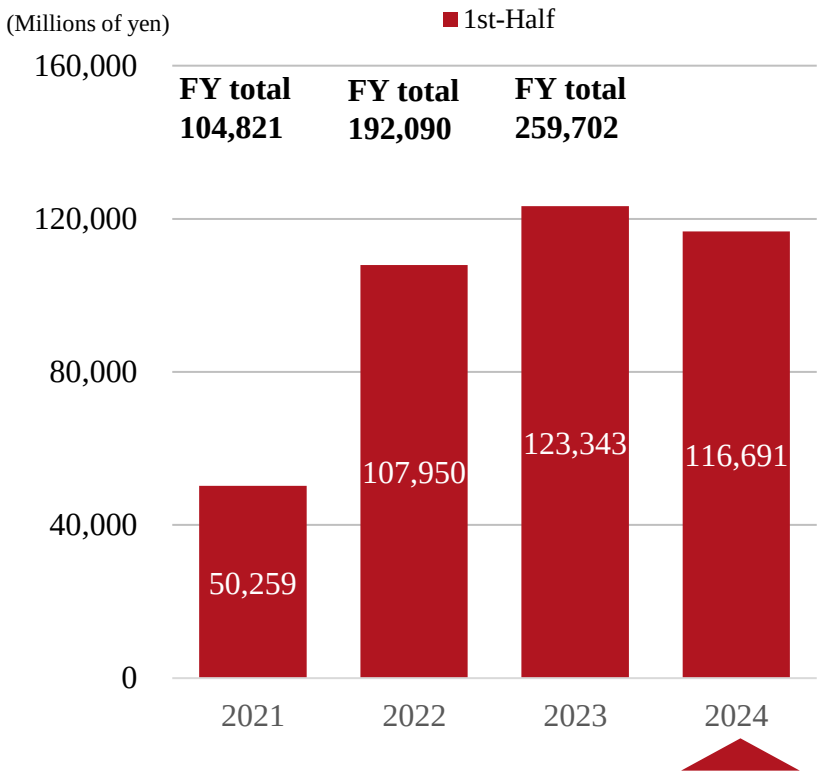
Deals Structured

(Operating Lease Business, Renewable Energy Business)

Deals Structured by Type of Asset

(Millions of yen)	H1 FY2023	H1 FY2024
Aircraft	83,011 (16 deals)	**87,137 (13 deals)**
Vessel	11,050 (2 deals)	**9,277 (1 deal)**
Container box	29,281 (4 deals)	**19,583 (2 deals)**
Solar photovoltaic generation	0 (0 deal)	**693 (1 deal)**
Total	123,343 (22 deals)	**116,691 (17 deals)**

Change in Amount of Deals Structured



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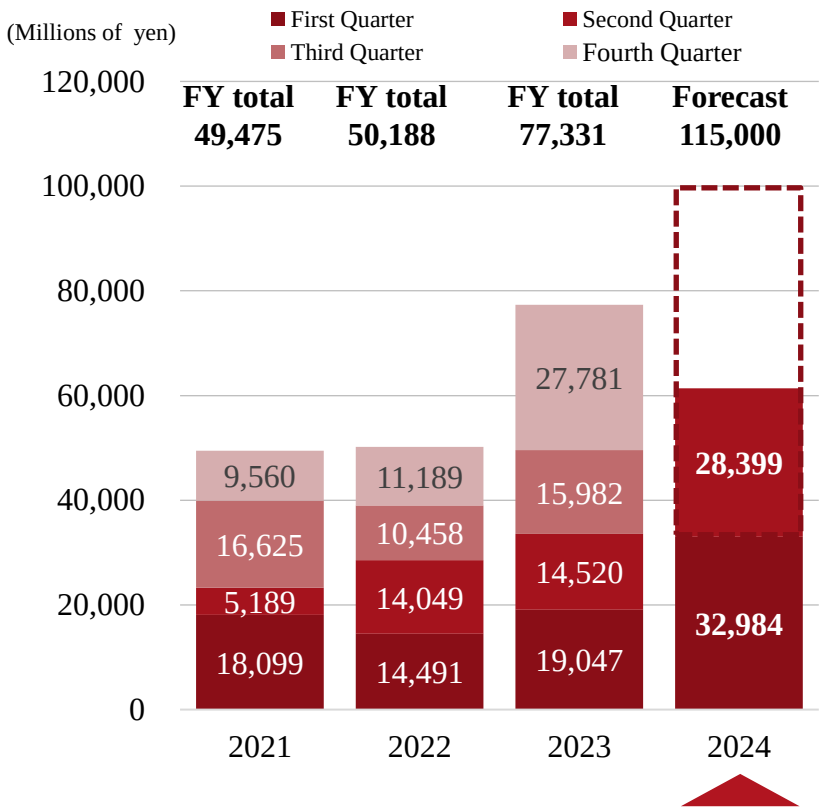
Equity Sales

(Operating Lease Business, Renewable Energy Business)

Equity Sales by Type of Asset

(Millions of yen)	H1 FY2023	H1 FY2024
Aircraft	28,593	**41,059**
Vessel	1,653	**0**
Container box	3,320	**20,147**
Solar photovoltaic generation	0	**177**
Total	33,568	**61,384**

Change in Amount of Equity Sales



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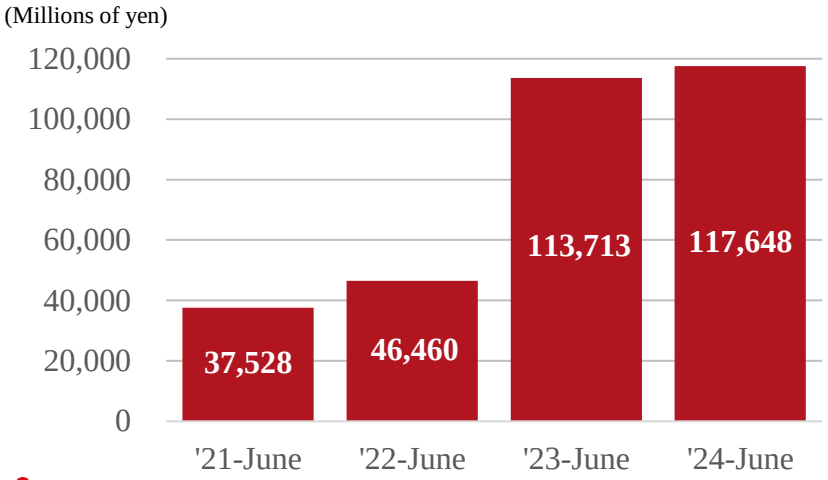
Equity underwritten etc.

(Operating Lease Business)

Equity underwritten etc. at the end of the term by Type of Asset

(Millions of yen)	End of June 2023	End of June 2024
Aircraft	63,068 (20 deals)	**81,836 (28 deals)**
Vessel	2,443 (1 deal)	**3,042 (1 deal)**
Container box	16,118 (4 deals)	**10,724 (3 deals)**
Subtotal	81,630 (25 deals)	**95,603 (32 deals)**
Investment in Bleriot*	32,082	**22,045**
Total	**113,713**	**117,648**

Balance of Equity underwritten etc. at the end of the term



* Inclusion of Bleriot's investment balance in Equity underwritten)

Balance of equity underwritten in Bleriot, an equity-method affiliate.

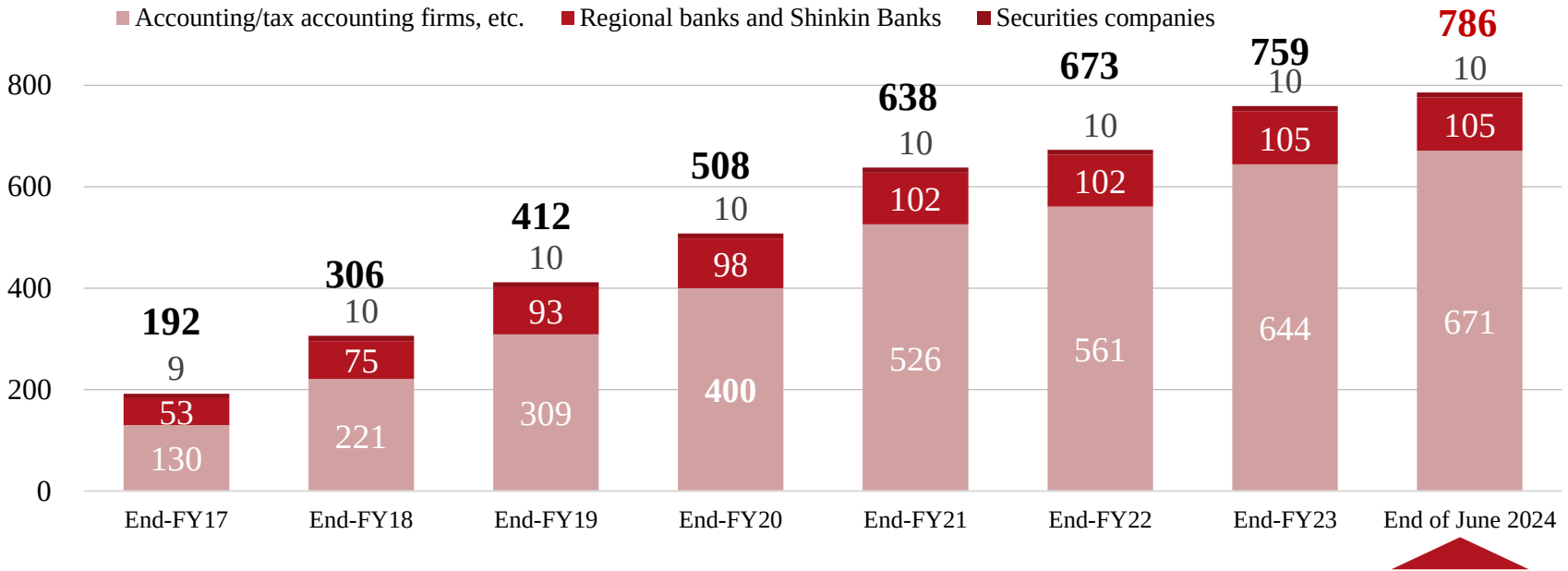
(The Group accounts for its 50% investment in Bleriot in the "Investment securities".)

- Bleriot, a JV with Airbus Group, etc., procures and pools high-quality aircraft leasing projects through "equity according to the investment ratio of each investor" and “loan from BNP PARIBAS, etc." on the assumption that they will be sold to investors.
- Depending on the needs of investors (timing, structure, etc.), the Group will sell these investments as financial instruments and convert them into cash.
- As a result, the nature of this account is similar to that of the conventional “equity underwritten”.

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Sales Network (Business Matching Partners)

Number of business matching contracts



- During three months in the second quarter of 2024, the number of clients of business matching, which match investors with JIA Group, increased by 12 to a total of 786 due to the expanding needs of tax accountant offices.
  →It will become a strong advantage in expanding customer base to those considering business succession and wealthy individuals.

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H1 FY2024 Consolidated Balance Sheet Summary (1)

(Millions of yen)	Jun. 30, 2023	Dec.31, 2023	Jun. 30, 2024		
			Result	QoQ change	YoY change
Cash and deposits	13,570	28,256	42,814	29,243	14,557
Accounts receivable – trade	5,054	6,809	8,850	3,795	2,040
Merchandise *1	29,504	16,689	25,361	(4,142)	8,672
Equity underwritten *2	81,630	94,266	95,603	13,972	1,336
Costs on uncompleted – trade	2,049	2,078	1,277	(771)	(801)
Advance payments-trade *3	10,225	8,249	2,965	(7,259)	(5,283)
Advances paid*4	4,552	7,115	9,143	4,591	2,027
Other	13,597	13,656	23,760	10,163	10,103
Current assets	160,183	177,122	209,775	49,592	32,653
Tangible fixed assets	463	437	1,106	643	669
Intangible fixed assets	365	203	224	(141)	20
Investment and other assets *5	47,837	33,861	33,935	(13,901)	73
Non-current assets	48,666	34,502	35,266	(13,400)	763
Deferred assets	94	125	113	18	(11)
Total assets	208,945	211,750	245,156	36,210	33,405

Point

*1 Merchandise

Mainly,

- The aircraft trust beneficiary rights to be sold
- The inventory in the Part Out & Conversion Business
- The inventory after exercise of purchase option in solar power generation business fund

*2 Equity underwritten

Investment in silent partnership to be sold in the future in the Operating Lease Business

*3 Advance payments-trade

Mainly for purchase of aircraft to develop investment products.

※ Some of aircraft were sold.

*4 Advances paid

Mainly temporary advances paid etc. before sale to investors for the Operating Lease Business and for the Renewable Energy Business.

*5 Investments and other assets

Including the outstanding balance of money invested in Bleriot

(an equity-method affiliate): 11,022 million yen (equivalent to 50% of the equity)

→ To pool leased aircraft and structure deals according to the needs from lease companies and investors (about timing and structures)

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H1 FY2024 Consolidated Balance Sheet Summary (2)

(Millions of yen)	Jun. 30, 2023	Dec. 31, 2023	Jun. 30, 2024		
			Result	QoQ change	YoY change
Accounts payable - trade	436	227	299	(137)	71
Short-term loans payable *1	118,928	127,599	123,727	4,798	(3,872)
Contract liabilities *2	10,790	15,629	16,384	5,593	754
Other	7,390	5,904	8,716	1,326	2,812
Current liabilities	137,546	149,361	149,127	11,581	(233)
Non-current liabilities*1	22,228	13,577	29,549	7,321	15,972
Total liabilities	159,774	162,939	178,677	18,903	15,738
Capital stock	11,679	11,716	16,887	5,207	5,171
Capital surplus	11,624	11,658	16,829	5,204	5,171
Retained earnings	23,746	23,795	29,213	5,466	5,418
Treasury shares	-1,470	-1,470	-1,471	(0)	(0)
Shareholders' equity *3	45,580	45,698	61,458	15,878	15,760
Other	3,591	3,112	5,019	1,428	1,907
Total net assets	49,171	48,811	66,478	17,307	17,667

Point

*1. Interest-bearing debt

・**Short-term loans payable** are mainly used by the Group to temporarily underwrite special-purpose companies(SPC) investments on the premise that the status will be transferred to investors.

・**Long-term debts and corporate bonds** are utilized as funds for long-term projects of the Part Out & Conversion Business, etc. From the viewpoint of contributing to society, we issued more donation-type private placement bonds

*2. Contract liabilities

・Of the business consignment fees received from SPC, the amount for the period before the transfer to investors.

*3. Equity ratio

Equity ratio increased due to equity financing of 10,342 million yen through rights offering.

End of	FY2023	22.6%
End of	Q2 FY2024	26.8%

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3. Forecasts for FY2024

Earnings Forecasts for FY2024

The forecast was revised upwardly from the initial forecast

［Forecast for the first year of the medium-term management plan (2024-2026)］

・The Operating Lease Business continued to perform well in both equity sales and the amount of deals structured.

・On the other hand, the rapid depreciation of the yen resulted in a non-operating foreign exchange gain exceeding 2.2 billion yen in the first half.

*Assuming a conversion rate of 155 yen per US dollar at the end of December 2024, full-year non-operating foreign exchange gain is estimated at approximately 1.7 billion yen.

(Millions of yen)	FY2024					
	First Half		Second Half		Fiscal year	
	Result	YoY Change	Forecast	YoY Change	Forecast	Change
Net Sales	14,975	6,037 67.5%	13,924	1,043 8.1%	28,900	7,081 32.5%
Operating profit	6,171	2,970 92.8%	4,328	2,037 88.9%	10,500	5,007 91.2%
Ordinary profit	8,335	5,723 219.1%	2,564	1,507 142.6%	10,900	7,231 197.1%
Profit attributable to owners of parent	5,701	4,004 236.0%	1,398	735 111.0%	7,100	4,740 200.9%
Total amount of equity sales※	61,384	27,816 82.9%	53,615	9,852 22.5%	115,000	37,668 48.7%

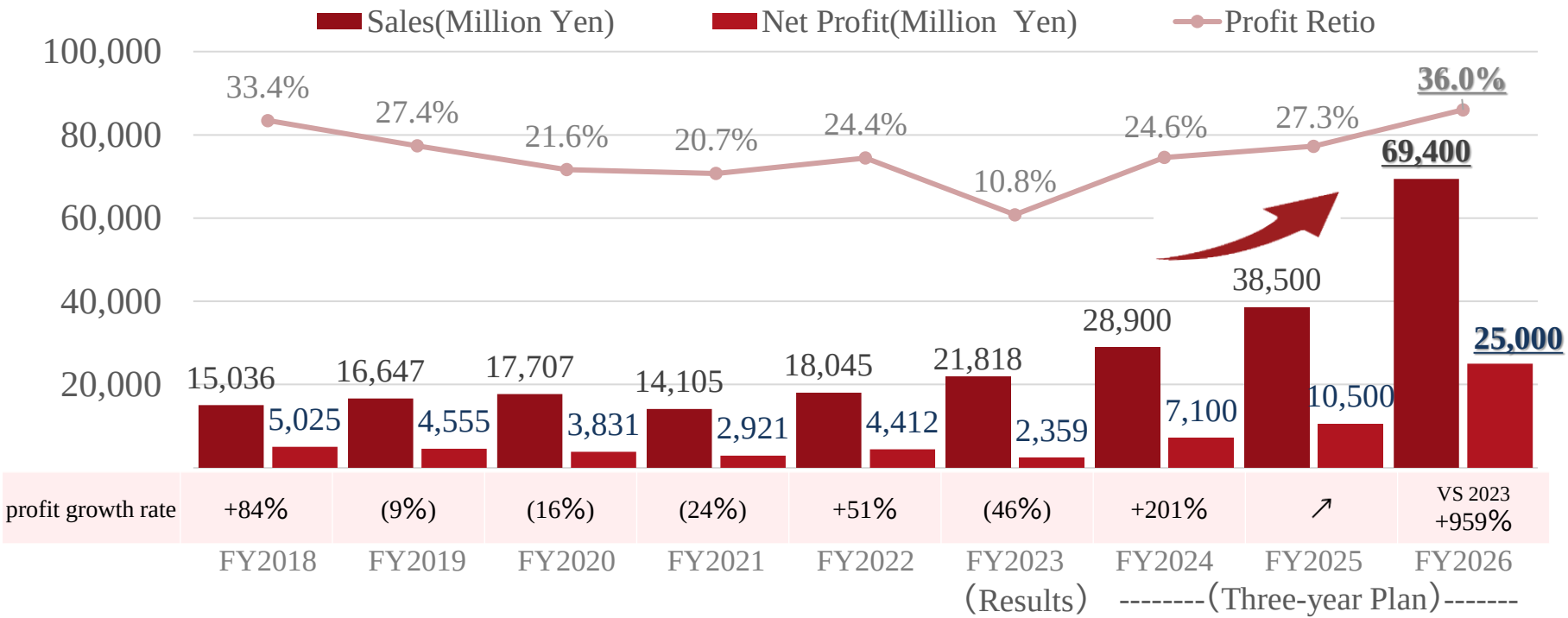
Note: Transfer of equity interest in special-purpose companies(SPC) as defined in Article 2, Paragraph 2-5 of the Financial Instruments and Exchange Act

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Progress of Three-year Plan(2024-2026)

Japan Investment Adviser

- ✓ To actualize a highly profitable structure with a net profit of 25 billion yen and a net profit retio of 36.0% in FY2026



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Changes in important indicators

- ✓ We will speed up the evolution of our business model, which was stagnant amid the coronavirus pandemic.
- ✓ We will expand the sales of businesses other than the Operating Lease Business, while achieving high-level profit growth.

Important indicators	FY 2023	FY 2024	FY 2025	FY 2026
	Result	Forecast	To FY2026 Three-year Business Plan	
Composition of sales other than operating lease business(※1)	12%	10 - 20%	↗	About 30%
Profit growth rate	(46.5%)	200.9%	↗	Profit doubles every year
ROE	5.0%	14.0% (※3)	↗	25% or more
Dividend payout ratio	32 yen per Share 41.0% (※2)	24 yen per Share (※4) 20.4%	↗Increase in dividends	20% or more

※1. The figure in 2023 represents the percentage of total revenues from businesses other than the operating lease business and the part-out & conversion business.

※2. Despite stagnant earnings, the company maintained the dividend amount, which temporarily increased dividend payout ratio.

※3. The figures are calculated based on the upwardly revised net income forecast and other factors.

※4. On January 17, 2024, we conducted a rights offering and allotted new share acquisition rights to our shareholders. Subsequently, we issued new shares upon the exercise of these rights. As a result, the number of shares outstanding at the end of June 2024 increased by approximately 98% from the number of shares outstanding at the end of the fiscal year 2023. Therefore, the projected dividend per share is lower than the previous fiscal year's dividend.

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4. Growth Strategy

Main strategic points for 2024 and beyond.

1 To diversify the Operating Lease Business

2 To build a foundation for the Real Estate Business

3 To expand business portfolio

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1. Diversification of Operating Lease Business (1)

Expansion of revenue models other than the conventional JOL and JOLCO

- With a strong focus on Japanese operating leases (JOL) without purchase options, our company excels in leveraging our extensive experience in selling aircraft after the end of lease terms.

Expansion of JOL and JOLCO



✓ With the goal of achieving equity sales of 150 billion yen by 2026, we are strengthening our sales structure.

➢ Sales in the first six months of the year (Jan.-Jun.) reached 61.3 billion yen, indicating 53.4% of the revised target of 115 billion yen.

New products



✓ Conversion of aged passenger aircraft into freighters and structuring JOL and JOLCO deals

➢ We converted passenger aircraft into freighters and structured two JOL deals in the period from January to June. We will sell equity in the fiscal year ending December 2025.

Trading



➢ We sold four aircrafts from January to June.

➢ We established a Singapore subsidiary in March. This will allow us to gain a foothold in the Southeast Asian market, which is expected to continue growing. (For the time being, we will focus on further expanding our trading business.)

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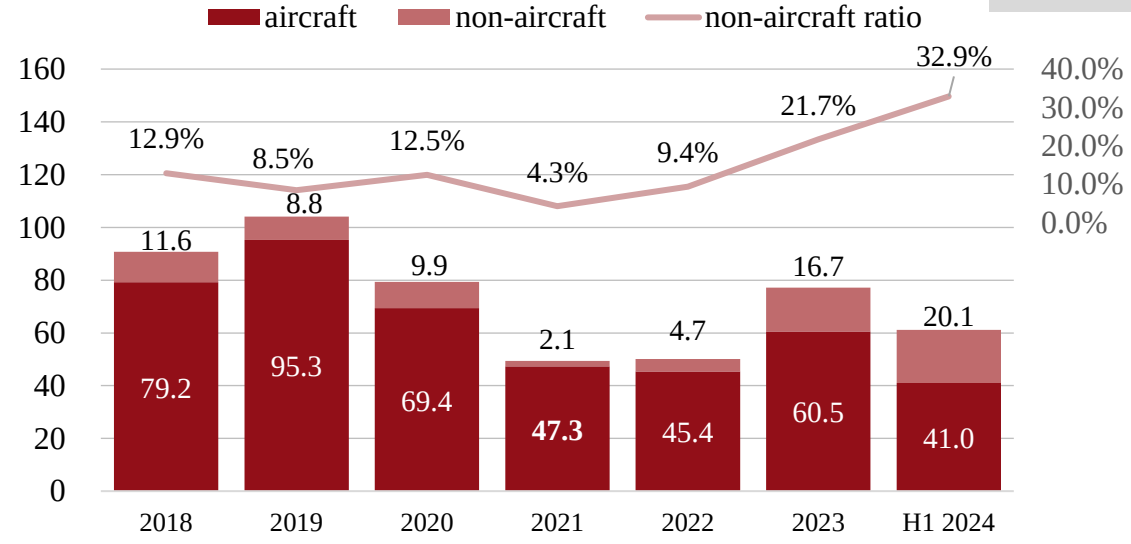
To diversify the Operating Lease Business(2)

Promoting diversification of leased assets away from dependence on aircraft

- We have been cautiously working on JOL/JOLCO for vessels and shipping containers due to the soaring prices of shipping containers and other shipping-related markets caused by the COVID-19 pandemic, the Ukraine conflict, and other factors.
- In 2023, we strengthened deal structuring of vessels and shipping containers. In the future, we aim to increase the composition of lease assets other than aircraft to around 30%.

■Changes in amount of JOL/JOLCO equity sales asset type

(Billions of yen)



Non-aircraft ratio・・・
Aim for around 30%





｜Container/Vessel deals｜

(H1 FY2024)

Structured: 28,861 million yen

Equity sales: 20,147 million yen

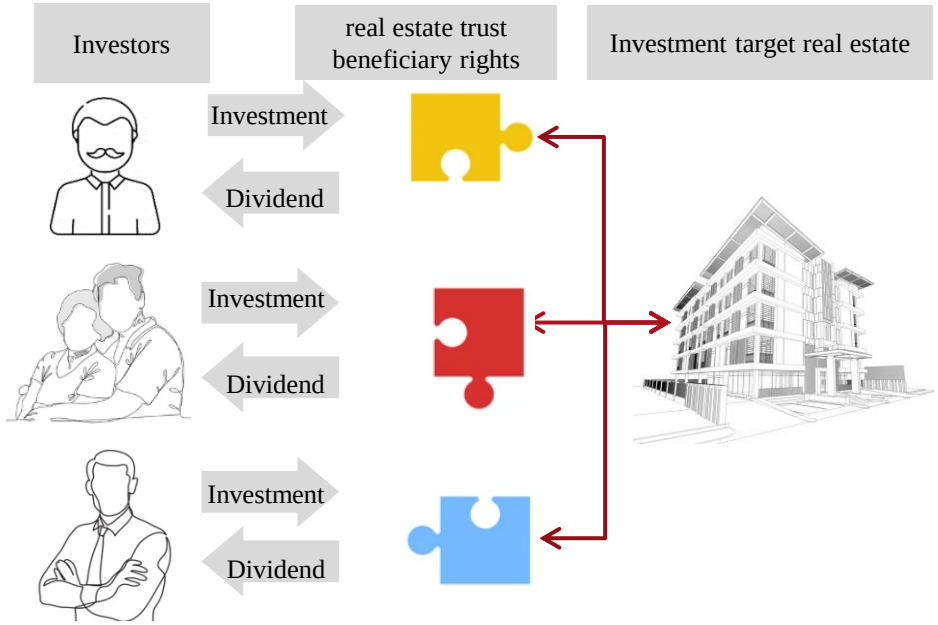
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To build a foundation for the Real Estate Business

Strengthen sales of fractional real estate investment.

- Strengthening the sales system for real estate trust beneficiary rights, which began sales in April 2023
- To develop our real estate-related business as the next core business, by utilizing the customer base and information network established through the Operating Lease Business

Fractional real estate investment



Increasing the value of investment properties



About our investment property “Ryotei Hanzuiryo”

On July 4, 2024, Ryotei Hanshiro was awarded the “Michelin Key 1”, a new evaluation index for lodging facilities.

About Ryotei Hanzuiryo...Ryotei Hanzuiryo was featured in the “Michelin Guide Fukuoka/Saga/Nagasaki 2019 Special Edition” and is the only hotel in Nagasaki Prefecture to receive the highest rating of 5 Red Pavilion (5 stars+) as an accommodation facility.In addition, the hotel was awarded 1 star for cuisine. (This is the second time a hotel in Japan has been awarded in both the accommodation and cuisine categories at the same time.)

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To expand business portfolio (Renewable Energy Business)

Japan Investment Adviser

Secure stable profits in the solar power generation business and create the next strategic business

- The new power source business is at the stage of a demonstration experiment. To produce new financial instruments for a sustainable society

Solar power generation business



- ✓ Utilizing the knowledge of operating 25 solar power plants, we have earned stable income from electricity sales.
  - ➢Completed fund sale for one solar power plant in April.
- ✓ To cultivate potential markets of solar power generation by operating the business of the power purchase agreement (PPA) for installation of rooftop solar panels

New power source business



- ✓ Start of operation of Sagamihara Biogas Power Tana Pawer Plant in November 2023. Inducing methane fermentation by using recyclable food resources to produce biogas and then generates electric power that is sold based on the Feed-in tariff (FIT) system.
  https://ssl4.eir-parts.net/doc/7172/ir_material4/217077/00.pdf
- ✓ Developing a business model of wooden biomass power generation with woodchips made in Japan based on industry-academia cooperation with Tokyo University of Agriculture and Technology.
- ✓ (Selected for NEDO [New Energy and Industrial Technology Development Organization] grant project)

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To expand business portfolio (PE Investment Business)

To monetize the Private Equity Investment Business

To achieve two revenue models with different time axes: “Investment for improving corporate value” and “fund creation,” and stabilize revenues

■ **The two wheels of the Private Equity Investment Business**

Create an investment fund and earn management fees and performance fees



To create investment funds for enterprises that are likely to make an IPO, receive fund management fees as a general partner (GP) and get performance-based compensation with a speedy exit.

FY2023： Realized IPO of 3 companies from invested funds
AVILEN, Inc, Nyle Inc., Nalnet communications Inc.

FY2024： Realized IPO of 2 companies from invested funds
ZenmuTech, Inc, i3DESIGN Co.,Ltd

Exit income from own value improvement investment



To strive to improve corporate value on a hands-on basis from the seed stage, and yield significant revenues through exit in a long span of time. So far, four IPOs have been realized from the portfolio companies. (Bank of Innovation,Inc., Science Arts, Inc., TRIPLEIZE CO., LTD., Heartcore Enterprises, Inc.)

FY2023： Achieved buyout of two companies
ADLER SOLAR WORKS Co.,Ltd., NMP Specialist Inc.

【Outline of Private Equity Investment Business.】 https://www.jia-ltd.com/en/business/privateequity/

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To expand business portfolio

(Business of Supporting the Implementation of Growth Strategies)

Providing our group's diverse services as comprehensive financial solutions

- Without being bound by preconceived notions, discuss the optimal approach from among various solutions and support implementation.
- Build deeper relationships by supporting the management issues of our customers.

Private Equity Business

Crowdfunding Business



Consulting regarding business succession

Financial Advisory

Insurance Agency

Recruitment



IPO Support

TOKYO PRO Market

J-Adviser

IR Advisory

M&A Advisory



Offering optimal solutions based on a neutral position with no bias

Finance support through IPOs, buyout investments, and crowdfunding

・Creating financing opportunities and support high growth for clients

・Creating high investment returns for investors

Comprehensive support of business succession

・Capital policy, reorganization

・Succession planning (executive recruitment)

・Selection of insurance products

Governance system transformation support

・As a J-Adviser, realization of IPO of client companies

・Creating growth opportunities through M&A

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To expand business portfolio

(Business of the Implementation of Growth Strategies)

Japan Investment Adviser

Launched a crowdfunding business and investment management and investment advisory business

- Expanding the lineup of comprehensive financial solutions by adding the following two companies to our group
- Responding to the financing needs of corporations and the asset management needs of investors from multiple perspectives

Equity Investment-type Crowdfunding Business

CF Startups, Inc.

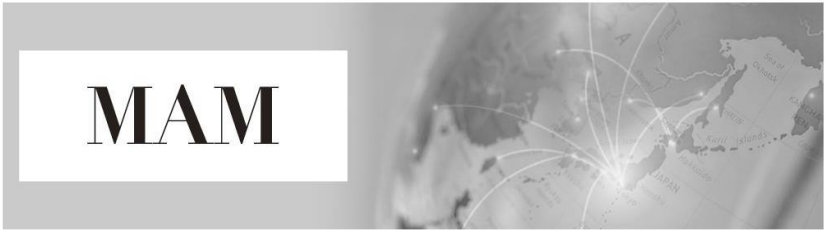
URL: https://cfangels.jp/



Investment Management and Investment Advisory Business

Milestone Asset Management Co., Ltd.

URL: https://www.mamj.com/



Milestone Asset Management is an independent value investing specialist based in Tokyo. It offers both long-only and long-short value strategies.

Milestone aims to buy financial productivity for much less than it is worth; it requires a fat `**margin of safety**` in any investment; it is guided by a value philosophy which emphasizes minimization of the risk of a permanent loss of capital.

Milestone is a discretionary asset management company for qualified investors registered with the FSA (Registration No. : Kanto Financial Bureau 1064) (Member of the Japan Investment Advisors Association, membership no. 012-02093).

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To expand business portfolio

(Business of the Implementation of Growth Strategies)

Realized the first TOKYO PRO Market-listed company through J-Adviser support

- In July 2021, after obtaining J-Adviser qualification, we assisted several companies with their TPM listings.
- Two of the client companies applied for TPM listing. One of them was approved for listing on June 7, 2024.

Overview of companies for which our company served as a J-Adviser

Name	Mediair Corporation	INSIGHT LAB Inc.
Head Office Location	25th Floor of Mori Tower, Ark Hills Sengokuyama, 1-9-10 Roppongi, Minato-ku, Tokyo	33rd Floor of Shinjuku Nomura Building, 1-26-2 Nishishinjuku, Shinjuku-ku, Tokyo
Title and name of representative	Representative Director Nobuyuki Niki	Representative Director, President and CEO Isao Toyama
Establishment date	July 15, 2002	December 22, 2005
Business	EC Support Services, D2C sales	1) Data Analysis Construction Support Services 2) Data Engineer Professional Services 3) Regional DX Promotion Services
Website	https://www.mediair.net/	https://insight-lab.co.jp
Background	May 17, 2024 Application for listing June 7, 2024 Listing	July 12, 2024 Application for listing *August 5, 2024 Scheduled to be listed

・What is TOKYO PRO Market (TPM)?

TOKYO PRO Market (TPM) is a market with more flexible listing standards and a disclosure system targeting “professional investors.”
https://www.jpx.co.jp/equities/products/tpm/index.html

・What is J-Adviser?

J-Adviser assesses companies wishing to get listed on TOKYO PRO Market on behalf of the Tokyo Stock Exchange at the time of listing, based on certification from the Tokyo Stock Exchange. After listing, J-Adviser also supports the listed company with information disclosure and financing procedures.

*We obtained the J-Adviser certification in July 2021.

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Three-year Business Plan

https://www.jia-ltd.com/en/ir/

- ✓ To utilize our resources for fund management, which have been accumulated in the aircraft business, for developing funds for various products
- ✓ Through the investors of the Japanese operating lease financial products (JOL and JOLCO), we will attract diverse investors who want to conduct asset management (individuals, business corporations, and financial institutions).

Establishment of a business base centered around aircraft

[Measures] To secure a share in the JOL/JOLCO market
[Effect] To increase clients with the uniqueness of our products

Covid-19 →FY2022

Establishment of a base for domestic investment products, including real estate and PE funds

[Measures] To release new financial instruments, including real estate and PE funds
[Effect] To increase clients, including enterprises that are considering business succession and wealthy individuals

FY2023 – FY2025

Establishment of a base for solving energy issues, such as investment funds for renewable energy business

[Measures] To start handling new financial instruments by expanding funds for asset liquidation
[Effect] To increase clients, including business corporations and financial institutions

FY2026→

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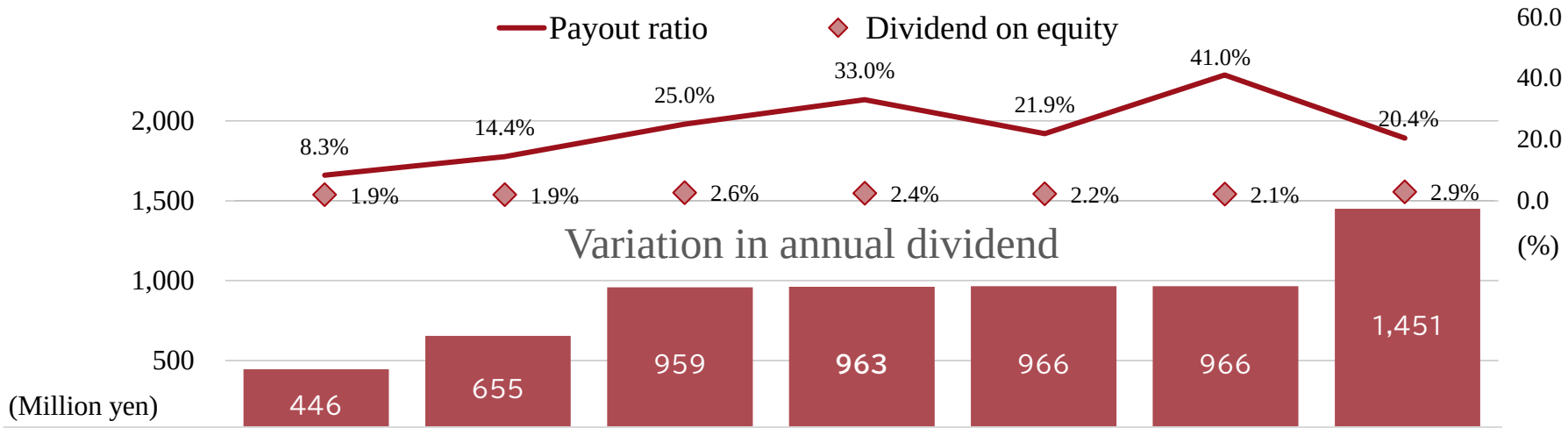
5. Shareholder Returns

Shareholder Return (Dividends)

Japan Investment Adviser

Upwardly revised the full-year dividend forecast (from 16 yen/share to 24 yen/share)

- We will continue to pay dividends that balance performance-linked and stable dividends.
- Due to the upward revision to the earnings forecast, the annual dividend forecast has been revised upwardly to 24 yen/share, resulting in an annual dividend payout ratio of approximately 20%. (Interim dividend is 12 yen per share)"



Dividend per share	2018 results	2019 results	2020 results	2021 results	2022 results	2023 results	2024 results
	15 yen	22 yen	32 yen	32 yen	32 yen	32 yen(*)	24 yen(*)

*On January 17, 2024, we allocated stock acquisition rights to shareholders under a rights offering and issued new shares upon exercise of the share acquisition rights. As a result, the number of shares outstanding at the end of June 2024 was up approximately 98% from the end of the fiscal year 2023. Therefore, the projected dividend per share is lower than the previous year's dividend.

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Shareholder Returns (Incentives)

Partial change to the special benefit plan for shareholders at the end of the fiscal year ending December 2024.

- ✓ Shareholder benefit plan (in place since the end of the fiscal year 2015) aimed at encouraging more shareholders to hold our company's shares over the medium/long term.
- ✓ Due to the issuance of new shares through the rights offering conducted this year, resulting in an approximately 98% increase in the number of issued shares, the base number of shares required for shareholder benefits has been doubled at each level.

Nihon Securities Journal Digital



Japan Investment Adviser

Unlimited access to back issues

The next day's newspaper will be available from noon.

Highly functional tools such as chart analysis are available.

Nihon Securities Journal | Search

Holding shares as of the end of each fiscal year / Continuous Share holding period	100 or more and less than 200 shares	200 or more and less than 400 shares		400 or more and less than 4,000 shares		4,000 shares or more	
	Subscription to the Nihon Securities Journal Digital	Subscription to the Nihon Securities Journal Digital	Quo Card	Subscription to the Nihon Securities Journal Digital	Quo Card	Subscription to the Nihon Securities Journal Digital	Quo Card
Less than 1 year	3-months (9,000 yen value)	3-months (9,000 yen value)	—	3-months (9,000 yen value)	500 yen	6-months (18,000 yen value)	1,000 yen
1 year or more but less than 2 years			500 yen	6-months (18,000 yen value)	1,000 yen	12-months (36,000 yen value)	3,000 yen
2 years or more but less than 3 years	6-months (18,000 yen value)	6-months (18,000 yen value)	1,000 yen	12-months (36,000 yen value)	3,000 yen		5,000 yen
3 years or more	12-months (36,000 yen value)	12-months (36,000 yen value)	3,000 yen		5,000 yen		10,000 yen

Note: For details, please refer to the "Dividend Policy" section of our website at https://www.jia-ltd.com/en/ir/dividend/

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6.Topics

Topics（Issuance of donation-type private placement bonds）

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To contribute to building a sustainable society together with financial institutions

- We utilize donation-type private placement bonds, to deal with the demand for funds for growth strategies.
- A portion of the issuance fee was donated to local medical organizations, and organizations that support local life, etc.



◆**List of private placement bonds (donation-type) issued by the Group from 2023** (We have issued a total of 8.4 billion yen since 2019)

Underwriter	Name / (Donation recipients)	Issue Amount (million yen)
Kirayaka Bank	Kirayaka Local Support Private placement bonds (Yamagata University Faculty of Medicine)	200
The Chiba Kogyo Bank	SDGs Private placement bonds（Foodbank Chiba)	300
The First Bank of Toyama	SDGs Private placement bonds（Toyama City Welfare Scholarship Fund)	200
The 77 Bank	SDGs Private placement bonds（International Center for Synchrotron Radiation Innovation Smart, Tohoku University）	200
The Bank of Toyama	SDGs Private placement bonds（Toyama City Welfare Scholarship Fund)	200
The Hiroshima Bank	Private placement bonds with bank guarantee (SDGs type) (Public interest incorporated foundation Hiroshima Kodomo Yume Zaidan)	300
THE TOKUSHIMA TAISHO BANK (JIA)	SDGs Private placement bonds（Public interest incorporated association Tokushima Forest Bank）	100

Underwriter	Name / (Donation recipients)	Issue Amount (million yen)
THE TOKUSHIMA TAISHO BANK (JLPS)	SDGs Private placement bonds（Public interest incorporated association Tokushima Forest Bank）	100
The Aichi Bank	SDGs Private placement bonds “ASUNARO” (Social welfare corporation Chubu Zen’i Bank)	200
The Tottori Bank	SDGs Private placement bonds “Hometown future support bonds” (Tottori City Regional Restaurant Network)	100
The Musashino Bank	SDGs Private placement bonds “ (Power of the future)” (Public interest incorporated foundation Saitama Green Trust Fund)	100
The Shikoku Bank	SDGs Private placement bonds “ (Learning Support bonds ～Bonds to the future～)” (TBD)	200
The Ehime Bank	SDGs Donation-type private placement bonds (TBD)	200

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For further information...

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