Financial Results for the Third Quarter of FY2024

October 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: 187 ; Consolidated: 287
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 70 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 September 30, 2024

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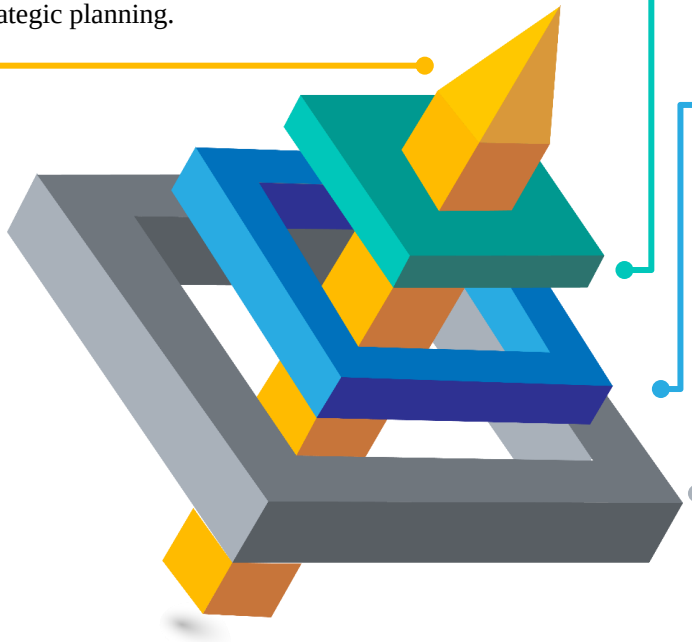
Group Business Overview

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

| Equity method affiliates |

Bleriot Aviation Leasing Designated Activity Company	• Operating Lease Business
JIA Aviation Finance G.K.	• Finance Business for Aircraft
Fuji Mountain Premium Resort Co., Ltd	• Resort Complex Facilities Management Business

As of September 30, 2024

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Our Group History

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. (In 2019, JLPS 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.

JIA 2024
Launched the business of improving the value of real estate, investing in “Ryotei Hanzuiryo”in Nagasaki Prefecture and “Fuji Premium Resort” in Yamanashi Prefecture.

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Third Quarter of FY2024

2. Business Overview

Highlights for the Nine Months of FY2024

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Operating income grew considerably, as the Operating Lease Business, which is the mainstay, remained healthy.

- The equity sales in the Operating Lease Business in the cumulative third quarter hit a record high. The development of deals is progressing at a higher rate than in the same month of the previous year, so we have secured sufficient inventory for meeting the strong demand from investors.
- Due to the rapid yen appreciation, we posted an exchange loss of over 5.1 billion yen in three months. (the yen got stronger as exchange rate changed from “1 dollar = 161.07 yen” as of the end of June to “1 dollar = 142.73 yen” as of the end of September)

(Millions of yen)	Nine Months FY2023	Nine Months FY2024			FY 2024 Forecast Announced on July 17	
	Result	Result	Change	Change(%)	Fiscal year forecast	Progress Rate
Net Sales	14,833	21,117	6,283	42.4%	28,900	73.1%
Operating profit	3,566	8,947	5,380	150.9%	10,500	85.2%
Ordinary profit	3,143	4,889	1,746	55.5%	10,900	44.9%
Profit attributable to owners of parent	2,231	3,220	989	44.3%	7,100	45.4%
Total amount of equity sales※	49,550	84,423	34,872	70.4%	115,000	73.4%

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 Nine Months of FY2024

① In the Operating Lease Business, both equity sales and the amount of deals structured were healthy.

- In the period from July to September, equity sales increased 7,056 million yen year on year, exceeding the previous year's figure for the eighth consecutive quarter.
- In the period from July to September, the amount of deals newly structured increased 25,614 million yen year on year. As a results the balance of equities underwritten was 109,750 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 Oct-Dec	2024 Jan.-Mar.	2024 Apr.-Jun.	2024 Jul.-Sep.
Equity sales	27,780	32,984	28,399	**23,039**
(year-on-year change)	+16,591	+13,936	+13,879	**+7,056**
Amount of deal structured	93,724	54,972	61,719	**68,248**
(year-on-year change)	+33,158	+26,780	(33,432)	**+25,614**

② The revenues of trading of aircraft contributed.

- The trading revenue from aircraft to Airlines, etc. contributed in addition to equity sales, the mainstay of Operating Lease Business. The company continues efforts to increase revenues from trading.

	FY2021	FY2022	FY2023	FY2024 Nine Months
No. of cases of trading of aircraft	4	2	8	**6**

③ Non-operating foreign exchange loss of 5,126 million yen from July to September.

- Since the yen was appreciated rapidly when the exposure of foreign-currency-denominated assets augmented temporarily, non-operating exchange loss increased significantly to 5,126 million yen.
- Details of the foreign exchange impact are provided in the "Notice of Revisions of Consolidated Financial Forecasts" news release issued on October 31, 2024.

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

[Variation in Conversion Rate]	2023 Oct-Dec	2024 Jan.-Mar.	2024 Apr.-Jun.	2024 Jul.-Sep.
Initial rate (A) 1 US dollar =	149.58 yen	141.83 yen	151.41yen	**161.07yen**
Year-end exchange rate (B) 1 US dollar =	141.83 yen	151.41 yen	161.07 yen	**142.73 yen**
Difference (B)-(A)	(7.75) yen	9.58 yen	9.66 yen	**(18.34yen)**
Non-operating foreign exchange gain (C)	(847) million yen	764 million yen	1,464 million yen	**(5,126) million yen**
(C)÷(B-A)	109 million yen	79 million yen	151 million yen	**279million yen**

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Q3 FY2024 Consolidated Income Statement Summary

(Millions of yen)	Nine Months FY2023	Nine Months FY2024		
	Result	Result	YoY Change	YoY change(%)
Net Sales	14,833	21,117	6,283	42.4%
Costs of sales	6,247	6,429	181	2.9%
Gross profit *1	8,585	14,688	6,102	71.1%
SG&A expenses*2	5,019	5,741	722	14.4%
Operating profit	3,566	8,947	5,380	150.9%
Non-operating income *3	2,184	1,687	(497)	(22.8%)
Non- operating expenses	2,607	5,744	3,136	120.3%
Ordinary Profit	3,143	4,889	1,746	55.5%
Profit attributable to owners of parent	2,231	3,220	989	44.3%

Point

Note.1 Gross profit

Gross profit margin was 69.6% (Q3 FY2023－57.9%)

Note.2 SG&A expenses

Increase of 722 million yen

- Increase of 246 million yen in labor cost.
- Increase of 155 million yen in taxes and dues.
- Increase of 160 million yen in compensations.

Note.3 Non-operating income/expenses

Foreign exchange losses : 2,896 million yen

(Recorded gains of 245 million yen in same period last year.)

Gain of affiliates : 703 million yen

(Decrease of 28 million yen year on year change.)

Interest income : 154 million yen

(Decrease of 564 million yen year on year change.)

Interest expenses : 1,424 million yen

(Decrease of 133 million yen year on year change.)

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Business Segment (Nine Months of 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. (Sales began in earnest in late August)
- Private Equity Investment Business: Preparing to create and sell a new fund within this year.

Business units （Millions of yen）	Nine Months FY2023	Nine Months FY2024			
	Result	Result	YoY change	YoY change(%)	Composition ratio
Operating Lease Business	13,650	18,944	5,294	38.8%	89.7%
Renewable Energy Business	382	851	469	122.9%	4.0%
Real Estate Business	38	219	180	468.8%	1.0%
Private Equity Investment Business	27	104	76	275.4%	0.5%
Other Business	735	997	262	35.7%	4.7%
Total	14,833	21,117	6,283	42.4%	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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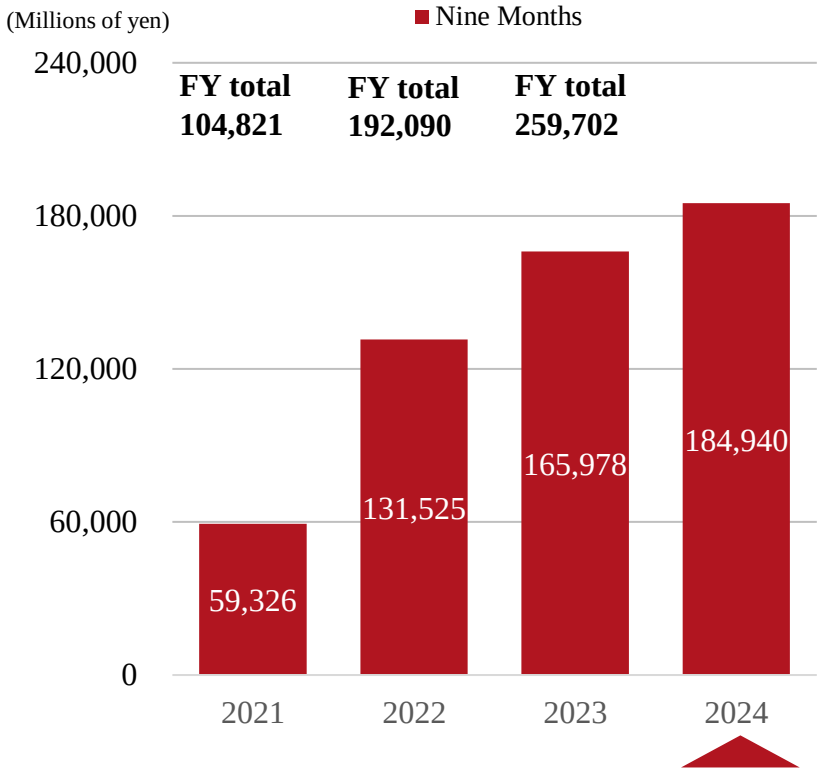
Deals Structured

(Operating Lease Business, Renewable Energy Business)

Deals Structured by Type of Asset

(Millions of yen)	Nine Months FY2023	Nine Months FY2024
Aircraft	120,651 (22 deals)	**147,153 (23 deals)**
Vessel	11,050 (2 deals)	**17,511 (2 deal)**
Container box	34,275 (5 deals)	**19,583 (2 deals)**
Solar photovoltaic generation	0 (0 deal)	**693 (1 deal)**
Total	165,978 (29 deals)	**184,940 (28 deals)**

Change in Amount of Deals Structured



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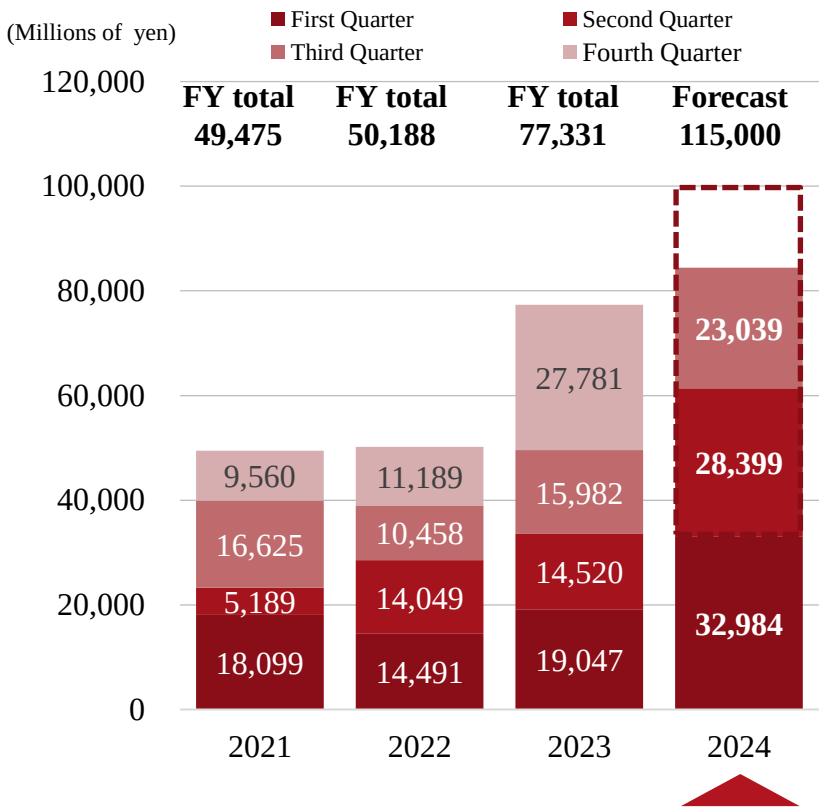
Equity Sales

(Operating Lease Business, Renewable Energy Business)

Equity Sales by Type of Asset

(Millions of yen)	Nine Months FY2023	Nine Months FY2024
Aircraft	40,462	**61,038**
Vessel	1,653	**0**
Container box	7,434	**23,207**
Solar photovoltaic generation	0	**177**
Total	49,550	**84,423**

Change in Amount of Equity Sales



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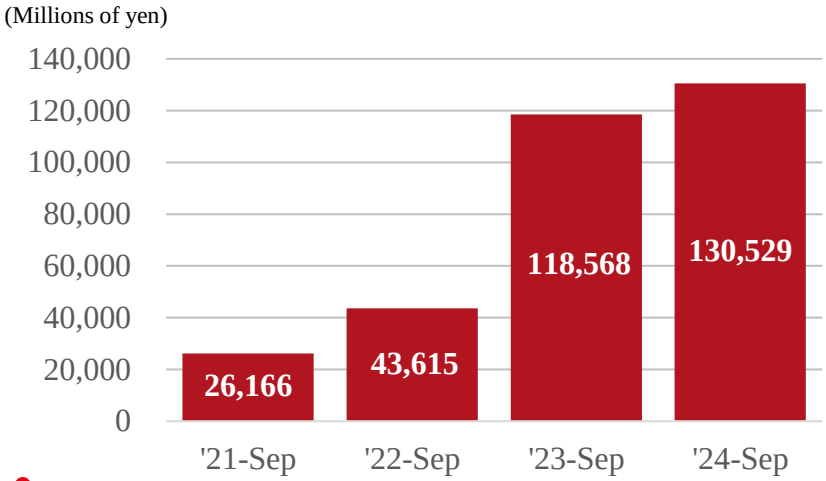
Equity underwritten etc.

(Operating Lease Business)

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

(Millions of yen)	End of September 2023	End of September 2024
Aircraft	64,170 (22 deals)	**96,478 (25 deals)**
Vessel	2,443 (1 deal)	**5,737 (2 deals)**
Container box	16,999 (4 deals)	**7,533 (2 deals)**
Subtotal	83,612 (27 deals)	**109,750 (29 deals)**
Investment in Bleriot*	34,956	**20,779**
Total	**118,568**	**130,529**

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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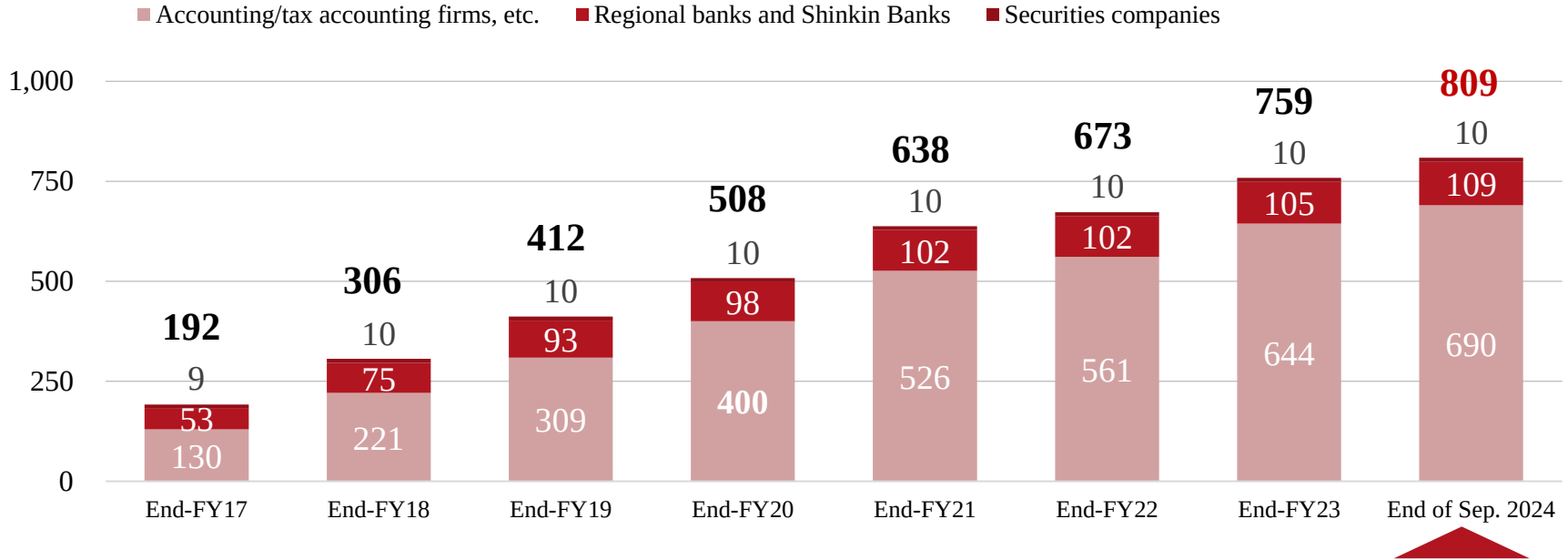
Sales Network (Business Matching Partners)

Number of business matching contracts



- During three months in the third quarter of 2024, the number of clients of business matching, which match investors with JIA Group, increased by 23 to a total of 809 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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Q3 FY2024 Consolidated Balance Sheet Summary (1)

(Millions of yen)	Sep. 30, 2023	Dec.31, 2023	Sep. 30, 2024		
			Result	QoQ change	YoY change
Cash and deposits	26,395	28,256	43,443	17,047	15,186
Accounts receivable – trade	5,966	6,809	7,281	1,314	471
Merchandise *1	22,867	16,689	15,105	(7,762)	(1,583)
Equity underwritten *2	83,612	94,266	109,750	26,137	15,483
Costs on uncompleted – trade	2,050	2,078	1,081	(968)	(996)
Advance payments-trade *3	8,376	8,249	11	(8,364)	(8,237)
Advances paid*4	5,357	7,115	8,269	2,911	1,153
Other	14,203	13,656	15,422	1,218	1,765
Current assets	168,830	177,122	200,365	31,534	23,242
Tangible fixed assets	473	437	960	487	522
Intangible fixed assets	336	203	208	(127)	5
Investment and other assets *5	50,721	33,861	28,560	(22,161)	(5,301)
Non-current assets	51,531	34,502	29,729	(21,801)	(4,773)
Deferred assets	131	125	98	(33)	(26)
Total assets	220,493	211,750	230,193	9,699	18,442

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
- The finance lease receivables on aircraft

*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 aircrafts to develop investment products.

※ All of the aircrafts 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): 10,389 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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Q3 FY2024 Consolidated Balance Sheet Summary (2)

(Millions of yen)	Sep. 30, 2023	Dec. 31, 2023	Sep. 30, 2024		
			Result	QoQ change	YoY change
Accounts payable - trade	211	227	264	53	37
Short-term loans payable *1	133,845	127,599	132,555	(1,290)	4,955
Contract liabilities *2	12,742	15,629	15,303	2,560	(326)
Other	5,256	5,904	6,500	1,244	596
Current liabilities	152,055	149,361	154,623	2,567	5,262
Non-current liabilities*1	18,810	13,577	13,997	(4,812)	419
Total liabilities	170,865	162,939	168,621	(2,244)	5,681
Capital stock	11,716	11,716	16,887	5,171	5,171
Capital surplus	11,658	11,658	16,829	5,171	5,171
Retained earnings	23,835	23,795	26,006	2,171	2,211
Treasury shares	-1,470	-1,470	-1,471	(0)	(0)
Shareholders' equity *3	45,739	45,698	58,252	12,513	12,553
Other	3,887	3,112	3,319	(568)	206
Total net assets	49,627	48,811	61,572	11,944	12,760

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	Q3 FY2024	26.4%

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3. Forecasts for FY2024

Earnings Forecasts for FY2024

Revision to the full-year earnings forecast announced on July 17 (with the dividend forecast unchanged)

1. Upward revision to the forecast operating income due to the favorable trend of the Operating Lease Business.
2. Downward revision to ordinary income and net income, considering the non-operating exchange loss due to the rapid yen appreciation in the third quarter. (Assuming an exchange rate of 153yen per 1 dollar at the end of the fiscal year)

(Millions of yen)	FY2024					
	Jan. - Sep.		Oct. – Dec.		Fiscal year	
	Result	YoY Change	Forecast	YoY Change	Forecast	YoY Change
Net Sales	21,117	6,283 42.4%	7,782	797 11.4%	28,900	7,081 32.5%
Operating profit	8,947	5,380 150.9%	3,052	1,127 58.5%	12,000	6,507 118.5%
Ordinary profit	4,889	1,746 55.5%	5,110	4,584 873%	10,000	5,831 172.6%
Profit attributable to owners of parent	3,220	989 44.3%	3,279	3,150 2,449%	6,500	3,840 175.4%
Total amount of equity sales※	84,423	34,872 70.4%	30,576	2,795 10.1%	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)

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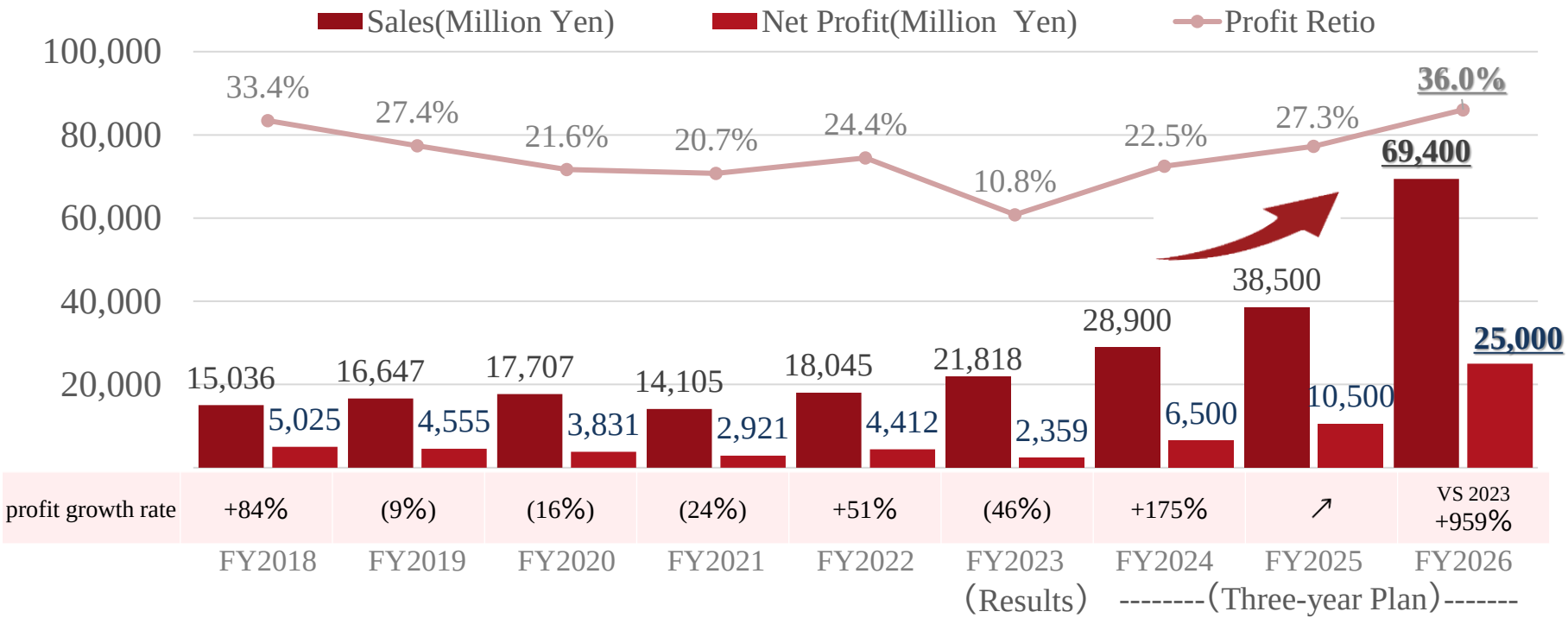
- ✓ To actualize a highly profitable structure with a net profit of 25 billion yen and a net profit ratio of 36.0% in FY2026.



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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%)	175.4%	↗	Profit doubles every year
ROE	5.0%	12.9% (※3)	↗	25% or more
Dividend payout ratio	32 yen per Share 41.0% (※2)	24 yen per Share (※4) 22.3%	↗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 downwardly 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. To diversify the Operating Lease Business (1)

JIA Japan Investment Adviser

Expansion of revenue models other than the conventional JOL and JOLCO

- Compensate for sales of 150 billion yen in product equity sales in 2026.
- Expand revenue models other than JOL and JOLCO by leveraging our extensive experience in the sale of aircraft after the termination of leases.

Projects other than JOL and JOLCO	JOL and JOLCO projects other than passenger aircraft, containers, and vessels, including New products 	Sale of aircraft owned by the Group to investors, airlines, etc. Trading 
Progress（FY2024）	• JOL projects for cargo aircraft (aircraft converted from passenger aircraft) Deal：3 Sales：1 • (Sep.) JOL project for aircraft engines Deal：2 Sales：2	• Sale of 6 aircrafts

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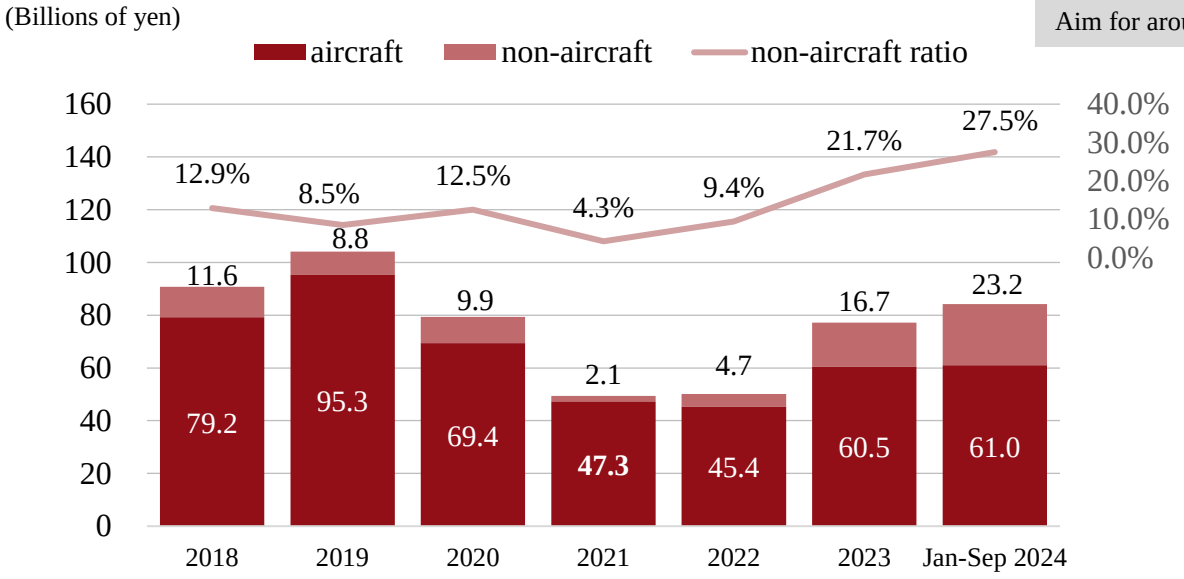
1. To diversify the Operating Lease Business (2)

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



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





｜Container/Vessel deals｜

(Nine Months FY2024)

Structured: 37,094 million yen

Equity sales: 23,207 million yen

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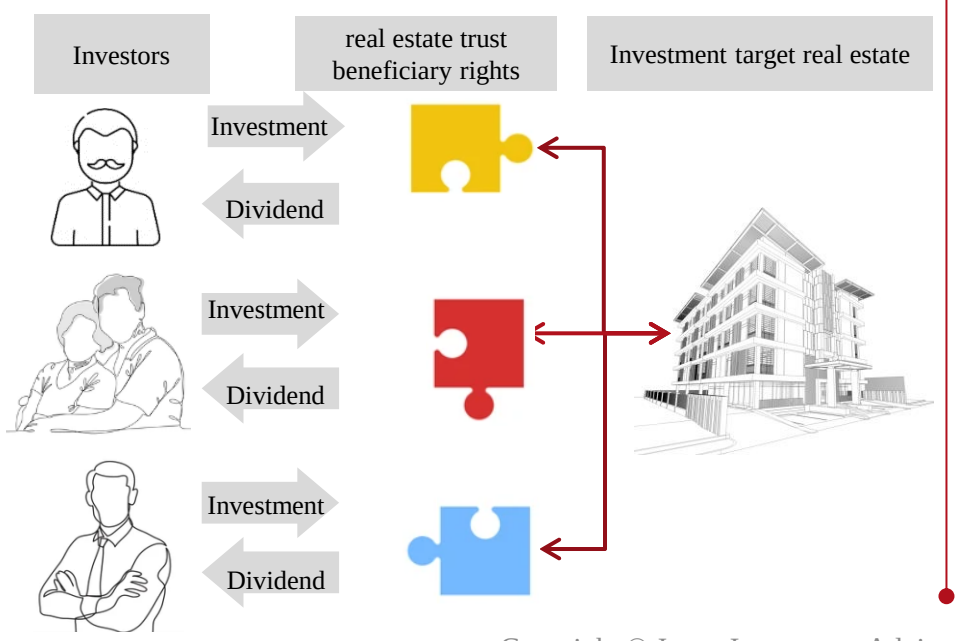
2. To build a foundation for the Real Estate Business

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



Improvement in value of a resort complex



【Regarding the resort complex "Fuji Premium Resort"】

- A resort complex that is located in one of the best sightseeing spots in Japan at the foot of Mt. Fuji, which is a world heritage, and matches the beauty of grand nature and scenery.
- In broad premises with an area of about 100,000 m^2, there are a tennis court, a pool, and a training facility in addition to an accommodation facility where guests can stay with their pet animals. We will strive to improve its value through redevelopment and so on.

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3. 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

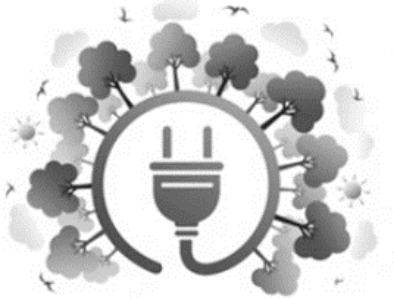
- The new power source business is at the stage of a demonstration experiment. To produce new financial instruments for a sustainable society.

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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3. To expand business portfolio
(PE Investment Business) (1)

Japan Investment Adviser

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： Three of the Fund No. 1 portfolio companies have achieved IPOs.
AVILEN, Inc, Nyle Inc., Nalnet communications Inc.

FY2024： We plan to solicit investments in the Fund No. 2 in December.
Capital injection into a fund for enterprises that plan to invest in OpenAI

One of investees of the Fund No. 1 is scheduled to make an IPO.
Terra Drone

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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3. To expand business portfolio
(PE Investment Business) (2)

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- Our private equity portfolio company, ”Terra Drone Corporation(Drone solution provider)”, is scheduled to list on the TSE Growth Market.

Company Name	**:**	**Terra Drone Corporation**
Scheduled Listing Date	**:**	**November 29, 2024**

▼ **Adapted from Terra Drone Corporation website**
https://terra-drone.net/global/



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

【JPX : Newly Listed Company Information】
https://www.jpx.co.jp/english/listing/stocks/new/index.html

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3. To expand business portfolio

(Business of Supporting the Implementation of Growth Strategies) (1)

Japan Investment Adviser

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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3. To expand business portfolio
(Business of the Implementation of Growth Strategies) (2)

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.

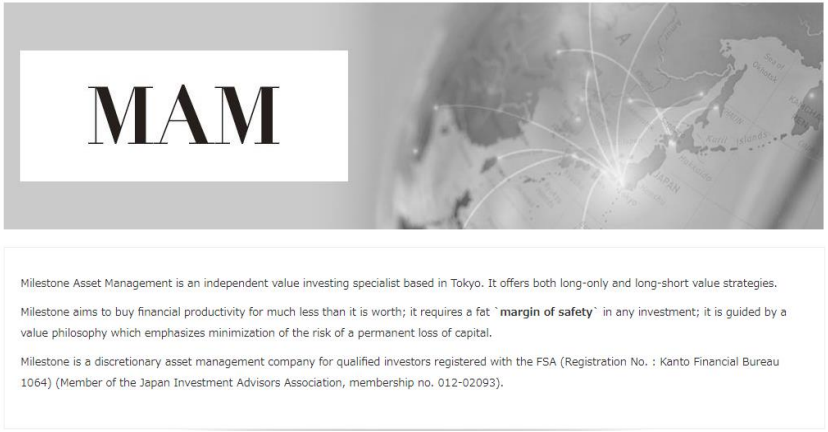
URL: https://cfangels.jp/



Investment Management and Investment Advisory Business

Milestone Asset Management Co., Ltd.

URL: http://www.mamj.com/



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3. To expand business portfolio
(Business of the Implementation of Growth Strategies) (3)

Japan Investment Adviser

Realized 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 realized TPM listing.

Overview of companies for which we supported TPM Listing 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 Listing

・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/

Japan Investment Adviser

- ✓ 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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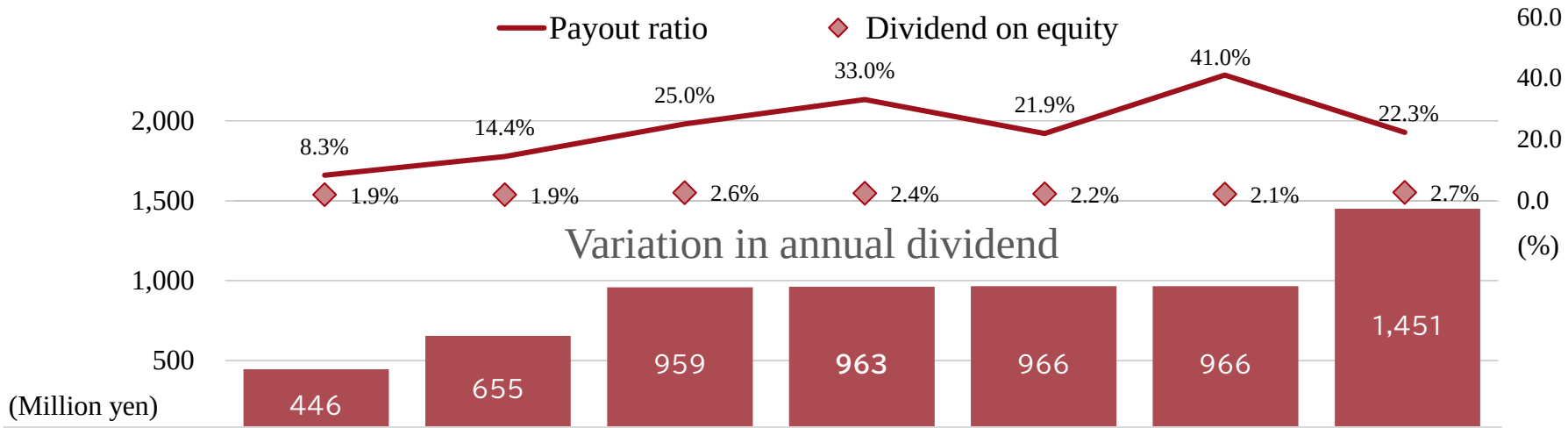
5. Shareholder Returns

Shareholder Return (Dividends)

Full-year dividend forecast (24 yen) announced on 7/17 remains unchanged.

【Our Basic Policy on Profit Distribution】
The Company will pay dividends that strike a balance between performance-linked dividends and stable dividends, while securing the internal reserves necessary for future business development and the strengthening of the Company's financial base.



Dividend per share	2018 results	2019 results	2020 results	2021 results	2022 results	2023 results	2024 plans
	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.(Announced in July 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.

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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（Promoting SDGs through the issuance of private placement bonds）

Japan Investment Adviser

To contribute to building a sustainable society together with financial institutions

- To actively use private placement bonds for helping revitalize each region and attain SDGs in addition to fund procurement for actualizing growth strategies.
- To donate part of issuing fees for donation-type private placement bonds to public groups, etc.



【List of private placement bonds for revitalizing each region and attaining SDGs (since 2023)】(We have issued a total of 10.4 billion yen since 2019)

Underwriter	Name / (Recipients by donation-type private placement bonds)	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･JLPS)	SDGs Private placement bonds (Public interest incorporated association Tokushima Forest Bank)	200

Underwriter	Name / (Recipients by donation-type private placement bonds)	Issue Amount (million yen)
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 Mitsubishi UFJ Bank	Private placement bonds to support decarbonization promotion	1,500
The Kiyo Bank	SDGs Donation-type private placement bonds	300
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 (Attaka Ehime NPO Support Fund)	200
The Gunma Bank	SDGs Private placement bonds “Carbon offset type” (Purchase of carbon credit)	200

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For further information...

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