

**Consolidated Financial Highlights for the First Quarter of  
the Fiscal Year Ending March 31, 2025**  
[Based on J-GAAP]

August 9, 2024

Company Name: **Mitsubishi HC Capital Inc.**  
 Stock Exchange Listed on: Tokyo (Prime Market)  
 Company Code: 8593 URL: <https://www.mitsubishi-hc-capital.com/english/>  
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 Scheduled Commencement of Dividend Payment: —  
 Supplemental Material for Financial Results: Available  
 Holding of Financial Results Meeting: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Results for the First Quarter of the Fiscal Year Ending March 31, 2025 (April 1, 2024 – June 30, 2024)

(1) Consolidated Operating Results (Cumulative) (% represents the change from the same period in the previous fiscal year)

For the three months ended	Revenues		Operating income		Recurring income		Net income attributable to owners of the parent	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
June 30, 2024	529,891	11.1	48,953	34.9	49,239	30.4	39,184	11.6
June 30, 2023	476,814	3.6	36,289	(10.3)	37,754	(10.0)	35,108	9.6

(Note) 1. Comprehensive income: For the three months ended June 30, 2024: ¥146,106 million 51.9%  
 For the three months ended June 30, 2023: ¥96,193 million (17.7)%

For the three months ended	Earnings per share	Diluted earnings per share
	(Yen)	(Yen)
June 30, 2024	27.32	27.25
June 30, 2023	24.44	24.37

(2) Consolidated Financial Position

As of	Total assets	Total equity	Equity ratio	Equity per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
June 30, 2024	11,763,192	1,822,126	15.3	1,257.57
March 31, 2024	11,149,858	1,705,345	15.1	1,174.88

(Reference) Shareholders' equity: As of June 30, 2024: ¥1,804,202 million  
 As of March 31, 2024: ¥1,685,267 million

2. Dividends

	Dividends per share				
	1st Quarter - end	2nd Quarter - end	3rd Quarter - end	Fiscal year - end	Annual
For the fiscal year ended March 31, 2024	(Yen) —	(Yen) 18.00	(Yen) —	(Yen) 19.00	(Yen) 37.00
ending March 31, 2025	—	—	—	—	—
ending March 31, 2025 (Forecast)	—	20.00	—	20.00	40.00

(Note) Changes from the latest released dividend forecasts: No

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Year-on-year change %)

Full year	Net income attributable to owners of the parent		Earnings per share
	(Millions of yen)	%	(Yen)
	135,000	9.0	94.10

(Note) Changes from the latest released performance forecasts: No

\* Notes

(1) Significant changes in the scope of consolidation during the period : No

(2) Application of accounting treatments specific to the preparation of the quarterly consolidated financial statements : Yes

(Note) Please refer to “2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes to the Quarterly Consolidated Financial Statements (Notes concerning accounting treatments specific to the preparation of the quarterly consolidated financial statements)” on page 11 for detail.

(3) Changes in accounting policies, changes in accounting estimates, and restatement of revisions

( i ) Changes in accounting policies with revision of accounting standards, etc. : No

( ii ) Changes in accounting policies other than ( i ) above : No

( iii ) Changes in accounting estimates : No

( iv ) Restatement of revisions : No

(4) Number of outstanding shares (common shares)

( i ) Number of outstanding shares (including treasury shares)	As of June 30, 2024	1,466,912,244	shares	As of March 31, 2024	1,466,912,244	shares
( ii ) Number of treasury shares	As of June 30, 2024	32,233,745	shares	As of March 31, 2024	32,489,822	shares
( iii ) Average number of shares outstanding	For the three months ended June 30, 2024	1,434,527,748	shares	For the three months ended June 30, 2023	1,436,244,628	shares

(Note) The number of treasury shares as of June 30, 2024 includes the Company's shares held by a trust under the performance-based stock compensation plan (2,619,798 shares as of June 30, 2024, 2,685,268 shares as of March 31, 2024).

Also, the number of treasury shares excluded in calculating the average number of shares outstanding during the period includes the Company's shares held by a trust under the performance-based stock compensation plan (2,668,901 shares for the three months ended June 30, 2024).

\* Review of the accompanying quarterly consolidated financial statements by certified public accountants or an audit firm : Yes (voluntary)

\* Explanation regarding the appropriate use of the forecasts, etc.

(Remarks on forward-looking statements)

The forward-looking statements in this report, including financial forecast, have been prepared by using information available to Mitsubishi HC Capital Inc. (“Company” or “we”) on the date of release and the certain assumptions deemed reasonable by the Company, and are not intended to assure that the Company will achieve such results. Actual earnings may differ significantly from the forecasts for various reasons.

\* This “Consolidated Financial Highlights” is written in Japanese and translated into English. The Japanese text is the original and the English text is for reference purposes. If there is any conflict or inconsistency between these two texts, the Japanese text shall prevail.

## Contents

1. Summary of Operating Results, etc.	2
(1) Consolidated Operating Results	2
(2) Operating Results by Reportable Segments	4
(3) Consolidated Financial Position	6
(4) Future Outlook	6
2. Quarterly Consolidated Financial Statements and Major Notes	7
(1) Quarterly Consolidated Balance Sheets	7
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	9
Quarterly Consolidated Statements of Income	
For the Three Months ended June 30, 2023 and 2024	9
Quarterly Consolidated Statements of Comprehensive Income	
For the Three Months ended June 30, 2023 and 2024	10
(3) Notes to the Quarterly Consolidated Financial Statements	11
(Notes concerning accounting treatments specific to the preparation of the quarterly consolidated financial statements	11
(Additional information)	11
(Notes concerning segment information, etc.)	11
(Notes concerning significant changes in shareholders' equity)	13
(Notes concerning going concern assumption)	13
(Notes concerning quarterly consolidated statement of cash flows)	13
(Significant subsequent event)	14

## 1. Summary of Operating Results, etc.

### (1) Consolidated Operating Results

For the three months ended June 30, 2024, net income attributable to owners of the parent increased by ¥4.0 billion, or 11.6% year on year, to ¥39.1 billion mainly due to the strong performance by the Aviation segment and the positive effects of fiscal period adjustment associated with the change of fiscal year-end of our consolidated subsidiaries JSA International Holdings, L.P. and its subsidiaries\* despite an absence of large gains on sales and gain on step acquisitions in relation to making CenterPoint Development Inc. a wholly-owned subsidiary, which were recorded in the Real Estate segment a year ago.

- \* Please refer to “2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes to the Quarterly Consolidated Financial Statements (Additional information)” on page 11 for details of the “positive effects of fiscal period adjustment.”

(Billions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024	Change (%)
Revenues	476.8	529.8	11.1
Gross profit	94.6	113.6	20.0
Operating income	36.2	48.9	34.9
Recurring income	37.7	49.2	30.4
Net income attributable to owners of the parent	35.1	39.1	11.6

### (Major topics)

- April 2024
- Announced the establishment of a special purpose company with Pacific Power Co., Ltd. to support the introduction of equipment contributing to decarbonization such as solar power generation and storage batteries.
  - Completed the investment in European Energy A/S, a Danish company engaging in renewable and next generation energy business, and made the company our equity-method associate\*.
- \* Please refer to “2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes to the Quarterly Consolidated Financial Statements (Significant subsequent event)” on page 14 for details of “New associate accounted for using the equity method through share acquisition.”
- May 2024
- Released “Progress of the Medium-term Management Plan (2025 MTMP)” as of the time of the financial results briefing for the fiscal year ended March 31, 2024\*.
- \* Posted “Progress of 2025 MTMP - as of the Time of the Financial Results Briefing for FYE3/2024” on the Company’s website on June 20, 2024.  
 (“Medium-term Management Plan” page of the website)  
 URL <https://www.mitsubishi-hc-capital.com/english/investors/managementplan/index.html>
- June 2024
- Announced to start discussions with Central Research Institute of Electric Power Industry and NEXTEMS on collaboration for a demonstration project of green hydrogen production in Miyakojima, aiming for Japan’s first resource-circulating, third-party-owned on-site hydrogen supply model.
  - To accelerate sustainability management of Nissei Holdings Ltd., our consolidated subsidiary Mitsubishi HC Capital Energy Inc. signed a PPA\* for Fukushima Plant of Nissei Limited, a subsidiary of Nissei Holdings Ltd.
- \* PPA (Power Purchase Agreement) is an arrangement in which electricity is supplied to a demand site from a distant power generation facility based on a power purchase agreement.

- Achieved one of the non-financial targets set out in the 2025 MTMP to achieve “the ratio of standard or higher level talent in DX assessment\* of 80% or more (non-consolidated)” ahead of schedule.

\* A tool provided by an external vendor to measure the DX literacy level, and the results classify employees into three levels: Beginner, Standard, and Expert.

July 2024

- MHC Aviation Services Co., Ltd., our subsidiary mainly engaging in intermediary services for purchase and sale of aircraft and aircraft engine, started operations.
- Started to provide GX Assessment Lease that supports customers decarbonization investment through lease and installment transactions and certifies that leased property used by customers is a low-carbon facility.
- Announced to participate in “Sustainable Aviation Fuel Financing Alliance” which is an alliance between companies and co-invested in “SAFFA Fund I, LP” which is a fund focusing on Sustainable Aviation Fuel (“SAF”) to contribute to the expansion of production of SAF which is expected as a means of decarbonization in the aviation industry.

(Investments by the Innovation Investment Fund<sup>\*1</sup> during the fiscal year ending March 31, 2025)

Name of investee	Business description
Mnes Inc.	Provision of medical support cloud service and remote image diagnostic aid service
MUSE Inc.	Development and sale of robots for retail stores
Formic Technologies Inc.	Provision of industrial robots to the manufacturing business using the Robot-as-a-Service model in the U.S.
SoLARIS Inc.	Research and development, sale and support of soft robotics and mechatronics and development, and sale of artificial muscles
EneCoat Technologies Co., Ltd.	Development, manufacture and sale of perovskite solar cells (PSCs) <sup>*2</sup> and related materials

\*1 A total of ¥10 billion of funds launched in April 2023 for investment in startups with an aim to promote creation of new services and development of new businesses.

\*2 Next generation solar cells that are thin, lightweight and flexible which use chemical compounds having a crystalline structure called the perovskite structure as a power-generating layer.

## (2) Operating Results by Reportable Segments

Operating results by reportable segments\* and major factors of changes are as follows.

\* For overview of reportable segments, please refer to “2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes to the Quarterly Consolidated Financial Statements (Notes concerning segment information, etc.)” on page 11.)

### (Customer Solutions)

Segment profit increased by ¥2.1 billion, or 26.1% year on year, to ¥10.3 billion mainly thanks to an increase in gain on sales related to real estate leasing and recording of gain on sales of shares of subsidiaries and associates despite negative effects of deconsolidation of consolidated subsidiaries of DFL Lease Co., Ltd. and Shutoken Leasing Co., Ltd.

### (Global Business)

Segment profit decreased by ¥0.7 billion, or 19.7% year on year, to ¥3.2 billion mainly due to an increase in credit costs in line with the market downturn of the transportation sector in the Americas and an absence of positive effects of fiscal period adjustment\* associated with the reorganization of subsidiaries in the Americas a year ago.

\* Effective April 1, 2023, we executed the business integration of three subsidiaries in the Americas having a different fiscal year-end. While the surviving company's fiscal year-end is March 31, the two merged companies' fiscal year-end was December 31. Accordingly, the consolidated financial statements for the three months ended June 30, 2023 included the results of the surviving company from April 1, 2023 to June 30, 2023 as well as the results of the two merged companies from January 1, 2023 to March 31, 2023.

### (Environment & Energy)

Segment profit decreased by ¥2.3 billion, or 86.8% year on year, to ¥0.3 billion mainly due to a decrease in electricity sales revenues due to wind conditions in the wind power generation business, recording of interest expense in relation to the investment in European Energy A/S\*, and an absence of the effect of the absorption-type merger of Japan Infrastructure Initiative Company Limited which was executed a year ago and resulted in recognition of deferred tax assets and a decrease in tax expenses, despite recording of gain on sales of shares of subsidiaries and associates in relation to sale of interest in overseas infrastructure projects.

\*The application of the equity method to European Energy A/S as a result of the investment will start from the three months ending September 30, 2024. Please refer to “2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes to the Quarterly Consolidated Financial Statements (Significant subsequent event)” on page 14 for details.

### (Aviation)

Segment profit increased by ¥13.5 billion, or 565.6% year on year, to ¥15.9 billion mainly thanks to increases in leasing revenue and gain on sales as well as the positive effects of fiscal period adjustment associated with the change of fiscal year-end of JSA International Holdings, L.P. and its subsidiaries.

### (Logistics)

Segment profit increased by ¥0.1 billion, or 3.3% year on year, to ¥5.6 billion mainly thanks to increases in leasing revenue and gain on sales in the railway freight car leasing business despite a decrease in gain on sales of shipping.

### (Real Estate)

Segment profit decreased by ¥11.5 billion, or 98.4% year on year, to ¥0.1 billion mainly due to an absence of large gains on sales and gain on step acquisitions in relation to making CenterPoint Development Inc. a wholly-owned subsidiary, which were recorded in the three months ended June 30, 2023.

### (Mobility)

Segment profit increased by ¥0.2 billion, or 28.5% year on year, to ¥1.1 billion thanks to strong performance of our equity-method associate Mitsubishi Auto Lease Corporation resulting in an increase in share of profit of entities accounted for using equity method.

## Segment profit

(Billions of yen)

		For the three months Ended June 30, 2023	For the three months Ended June 30, 2024	Change (%)
Reportable segments	Customer Solutions	8.2	10.3	26.1
	Global Business	4.0	3.2	(19.7)
	Environment & Energy	2.6	0.3	(86.8)
	Aviation	2.3	15.9	565.6
	Logistics	5.4	5.6	3.3
	Real Estate	11.7	0.1	(98.4)
	Mobility	0.8	1.1	28.5
Adjustments		(0.2)	2.3	—
Total		35.1	39.1	11.6

(Note) 1. Adjustments of segment profit consist of company-wide expenses and income not allocated to any reportable segments and profit adjustments recorded by purchase method associated with the merger with Hitachi Capital Corporation.

2. Total of segment profit is consistent with net income attributable to owners of the parent on the quarterly consolidated statements of income.

## Segment assets

(Billions of yen)

		As of March 31, 2024	As of June 30, 2024	Change (%)
Reportable segments	Customer Solutions	2,966.5	2,895.5	(2.4)
	Global Business	3,070.8	3,282.2	6.9
	Environment & Energy	416.6	398.3	(4.4)
	Aviation	2,020.0	2,300.0	13.9
	Logistics	1,099.0	1,164.3	5.9
	Real Estate	525.4	549.4	4.6
	Mobility	51.9	51.3	(1.2)
Adjustments		29.0	32.0	10.6
Total		10,179.4	10,673.5	4.9

(Note) 1. Segment assets include operating assets, equity-method investments, goodwill and investment securities.

2. Adjustments of segment assets consist mostly of goodwill recognized when Diamond Lease Company Limited and UFJ Central Leasing Co., Ltd. merged and became Mitsubishi UFJ Lease & Finance Company Limited in 2007 and other segment assets such as company-wide investment securities, which are not attributable to any reportable segments, and offsets of transactions between segments.

### (3) Consolidated Financial Position

Compared to the figures as of March 31, 2024, total assets as of June 30, 2024 increased by ¥613.3 billion to ¥11,763.1 billion, total equity increased by ¥116.7 billion to ¥1,822.1 billion, and interest-bearing debt (excluding lease obligations) increased by ¥477.4 billion to ¥8,917.2 billion.

### (4) Future Outlook

The progress made toward the consolidated financial forecasts for the fiscal year ending March 31, 2025 announced on May 15, 2024 (net income attributable to owners of the parent of ¥135.0 billion) during the three months ended June 30, 2024 was generally in line with the forecasts at 29.0%, and accordingly, there has been no change in the consolidated financial forecasts for the year ending March 31, 2025.



## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	For the fiscal year ended March 31, 2024 (As of March 31, 2024)	For the three months ended June 30, 2024 (As of June 30, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	366,478	460,477
Installment receivables	172,368	169,139
Lease receivables and investments in leases	3,153,989	3,176,179
Operating loans receivables	1,850,117	1,966,869
Other operating loans receivable	211,228	201,825
Lease and other receivables	80,030	79,983
Securities	2,565	3,159
Merchandise	38,240	37,895
Other current assets	194,181	195,249
Allowance for doubtful accounts	(28,373)	(30,515)
<b>Total current assets</b>	<b>6,040,826</b>	<b>6,260,263</b>
Non-current assets		
Property, plant and equipment		
Leased assets		
Leased assets	3,891,057	4,242,969
Advances on purchases of leased assets	119,139	116,092
<b>Total leased assets</b>	<b>4,010,196</b>	<b>4,359,062</b>
Other operating assets	207,957	217,020
<b>Own-used assets</b>	<b>18,561</b>	<b>19,580</b>
<b>Total property, plant and equipment</b>	<b>4,236,715</b>	<b>4,595,663</b>
Intangible assets		
Leased assets	12,989	10,942
Other intangible assets		
Goodwill	102,091	107,356
Other	132,748	137,506
<b>Total other intangible assets</b>	<b>234,839</b>	<b>244,863</b>
<b>Total intangible assets</b>	<b>247,829</b>	<b>255,805</b>
Investments and other assets		
Investment securities	427,529	432,467
Distressed receivables	122,035	127,587
Other	138,080	154,622
Allowance for doubtful accounts	(66,983)	(66,920)
<b>Total investments and other assets</b>	<b>620,661</b>	<b>647,757</b>
<b>Total non-current assets</b>	<b>5,105,206</b>	<b>5,499,226</b>
Deferred assets		
Bond issuance costs	3,825	3,702
<b>Total deferred assets</b>	<b>3,825</b>	<b>3,702</b>
<b>Total assets</b>	<b>11,149,858</b>	<b>11,763,192</b>

(Millions of yen)

	For the fiscal year ended March 31, 2024 (As of March 31, 2024)	For the three months ended June 30, 2024 (As of June 30, 2024)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	171,616	138,481
Short-term borrowings	471,060	519,124
Current portion of bonds payable	563,684	672,418
Current portion of long-term borrowings	1,012,618	900,433
Commercial papers	784,178	960,180
Current maturities of loans from the securitizations of the minimum future rentals on lease contracts	224,330	217,652
Income taxes payable	13,083	10,627
Deferred profit on installment sales	7,016	6,375
Provision for bonuses	17,420	7,288
Provision for bonuses for directors (and other officers)	2,091	927
Other current liabilities	278,869	309,319
<b>Total current liabilities</b>	<b>3,545,972</b>	<b>3,742,828</b>
Non-current liabilities		
Bonds payable	1,606,588	1,587,723
Long-term borrowings	3,435,702	3,730,803
Loans from the securitizations of the minimum future rentals on lease contracts, less current maturities	341,628	328,879
Provision for retirement benefits for directors (and other officers)	69	70
Provision for share awards for directors (and other officers)	516	612
Retirement benefit liability	6,049	3,121
Reserve for contract of insurance	12,818	12,846
Other non-current liabilities	495,166	534,179
<b>Total non-current liabilities</b>	<b>5,898,539</b>	<b>6,198,236</b>
<b>Total liabilities</b>	<b>9,444,512</b>	<b>9,941,065</b>
Equity		
Shareholders' equity		
Share capital	33,196	33,196
Capital surplus	546,268	546,248
Retained earnings	775,152	787,043
Treasury shares	(20,894)	(20,711)
<b>Total shareholders' equity</b>	<b>1,333,722</b>	<b>1,345,776</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,987	15,671
Deferred gains or losses on hedges	36,817	42,283
Foreign currency translation adjustment	292,477	390,097
Remeasurements of defined benefit plans	7,262	10,373
<b>Total accumulated other comprehensive income</b>	<b>351,544</b>	<b>458,426</b>
Share acquisition rights	1,866	1,768
Non-controlling interests	18,211	16,155
<b>Total equity</b>	<b>1,705,345</b>	<b>1,822,126</b>
<b>Total liabilities and equity</b>	<b>11,149,858</b>	<b>11,763,192</b>

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income  
(Quarterly Consolidated Statements of Income)  
(For the Three Months ended June 30, 2023 and 2024)

(Millions of yen)

	For the three months ended June 30, 2023 (April 1, 2023 - June 30, 2023)	For the three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)
Revenues	476,814	529,891
Cost of revenues	382,175	416,283
Gross profit	94,639	113,608
Selling, general and administrative expenses	58,349	64,655
Operating income	36,289	48,953
Non-operating income		
Interest income	1,159	116
Dividend income	751	379
Share of profit of entities accounted for using equity method	2,129	2,407
Other	1,985	1,396
Total non-operating income	6,027	4,299
Non-operating expenses		
Interest expenses	2,808	2,032
Foreign exchange losses	977	1,211
Other	775	769
Total non-operating expenses	4,561	4,013
Recurring income	37,754	49,239
Extraordinary income		
Gain on sale of investment securities	1,378	2,512
Gain on sale of shares of subsidiaries and associates	—	4,297
Gain on step acquisitions	4,822	—
Total extraordinary income	6,201	6,810
Extraordinary losses		
Loss on sale of investment securities	—	387
Loss on sale of shares of subsidiaries and associates	138	—
Total extraordinary losses	138	387
Income before income taxes	43,817	55,662
Income taxes	8,429	16,520
Net income	35,388	39,141
Net income attributable to non-controlling interests	279	(43)
Net income attributable to owners of the parent	35,108	39,184

(Quarterly Consolidated Statements of Comprehensive Income)

(For the Three Months ended June 30, 2023 and 2024)

(Millions of yen)

	For the three months ended June 30, 2023 (April 1, 2023 - June 30, 2023)	For the three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)
Net income	35,388	39,141
Other comprehensive income		
Valuation difference on available-for-sale securities	2,841	688
Deferred gains or losses on hedges	4,301	8,601
Foreign currency translation adjustment	50,527	96,700
Remeasurements of defined benefit plans, net of tax	(162)	3,089
Share of other comprehensive income of entities accounted for using equity method	3,296	(2,115)
Total other comprehensive income	60,805	106,964
Comprehensive income	96,193	146,106
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	95,600	146,066
Comprehensive income attributable to non-controlling interests	593	40

### (3) Notes to the Quarterly Consolidated Financial Statements

(Notes concerning accounting treatments specific to the preparation of the quarterly consolidated financial statements)

Tax expenses of the Company and its certain consolidated subsidiaries were calculated through multiplying income before income taxes for the three months ended June 30, 2024 by the reasonably estimated effective tax rate (after tax effect accounting) applicable to income before income taxes for the fiscal year ending March 31, 2025.

(Additional information)

With respect to our consolidated subsidiaries JSA International Holdings, L.P. and its 16 subsidiaries having a fiscal year-end of December 31, we previously used their financial statements as of December 31 to prepare the consolidated financial statements and made necessary consolidation adjustments for significant transactions among consolidated companies that occurred between December 31 and the consolidated fiscal year-end. Effective April 1, 2024, the fiscal year-end of these consolidated subsidiaries was changed to March 31 to align with the consolidated fiscal year-end, and we have adopted the method to adjust earnings for the period between January 1, 2024 to March 31, 2024 through the consolidated statements of income, and accordingly the period subject to consolidation for the fiscal year ending March 31, 2025 is 15 months from January 1, 2024 to March 31, 2025.

Revenues of these consolidated subsidiaries from January 1, 2024 to March 31, 2024 amounted to ¥40,653 million, operating income amounted to ¥9,125 million, recurring income amounted to ¥9,063 million, income before income taxes amounted to ¥9,063 million, and net income amounted to ¥6,061 million. Deferred gains or losses on hedges and foreign currency translation adjustment for the same period increased by ¥6,443 million and ¥22,866 million, respectively.

As a result of this change, net income attributable to owners of the parent in the quarterly consolidated statements of income for the three months ended June 30, 2024 increased by ¥9,437 million.

(Notes concerning segment information, etc.)

#### 1. Overview of reportable segments

Main business description of each reportable segment is as follows.

Reportable segments	Main business description
Customer Solutions	Finance solution business for companies and government agencies, energy-saving solution business, sales finance business provided through collaboration with vendors, real estate leasing business, and financial service business
Global Business	Finance solution business, and sales finance business provided through collaboration with vendors in Europe, the Americas, China, and ASEAN region
Environment & Energy	Renewable energy business and environment related finance solution business
Aviation	Aircraft leasing business and aircraft engine leasing business
Logistics	Marine container leasing business and railway freight car leasing business
Real Estate	Real estate finance business, real estate investment business, and real estate asset management business
Mobility	Auto leasing business and supplementary services

## 2. Information on revenues and profit or loss by reportable segment

For the three months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(Millions of yen)

	Reportable segments							Adjustments (Note) 1, 2	Amount recorded in quarterly consolidated statements of income (Note) 3
	Customer Solutions	Global Business	Environment & Energy	Aviation	Logistics	Real Estate	Mobility		
Revenues									
Revenues from external customers	262,147	104,361	9,115	42,937	30,644	26,500	759	348	476,814
Inter-segment sales or transfers	311	—	1	—	—	3	—	(317)	—
Total	262,458	104,361	9,116	42,937	30,644	26,504	759	31	476,814
Segment profit	8,204	4,041	2,693	2,392	5,428	11,730	884	(266)	35,108

(Note)1. Adjustments of revenues include revenue adjustment of ¥(497) million related to the merger with Hitachi Capital Corporation under the purchase method.

2. Adjustments of segment profit consist mostly of adjustments of company-wide expenses included in selling, general and administrative expenses not allocated to any reporting segments. It also includes profit adjustment of ¥443 million related to the merger with Hitachi Capital Corporation under the purchase method.

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

For the three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(Millions of yen)

	Reportable segments							Adjustments (Note) 1,2,4	Amount recorded in quarterly consolidated statements of income (Note) 3
	Customer Solutions	Global Business	Environment & Energy	Aviation (Note) 4	Logistics	Real Estate	Mobility		
Revenues									
Revenues from external customers	245,276	121,676	9,102	105,450	32,728	14,063	1,330	264	529,891
Inter-segment sales or transfers	271	16	1	—	—	6	—	(295)	—
Total	245,547	121,692	9,103	105,450	32,728	14,069	1,330	(31)	529,891
Segment profit	10,342	3,245	354	15,926	5,610	187	1,137	2,380	39,184

(Note)1. Adjustments of revenues include revenue adjustment of ¥(230) million related to the merger with Hitachi Capital Corporation under the purchase method.

2. Adjustments of segment profit consist mostly of company-wide expenses and income. It also includes profit adjustment of ¥84 million related to the merger with Hitachi Capital Corporation under the purchase method.

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

4. As described in Notes to the Quarterly Consolidated Financial Statements (Additional information), effective April 1, 2024, JSA International Holdings, L.P. and its 16 subsidiaries changed their fiscal year-end, and the resulting effect was adjusted through the consolidated statements of income. The effect of the fiscal period change on segment profit was ¥9,437 million, with ¥6,061 million recorded in the Aviation segment and ¥3,376 million in Adjustments.

The adjustment relates to financing transactions between consolidated companies in different segments resulting from unifying the fiscal year-end.

3. Information on impairment losses on non-current assets and goodwill by reportable segment

For the three months ended June 30, 2023 (April 1, 2023 to June 30, 2023)  
(Significant changes in goodwill)

Real Estate segment recorded goodwill of ¥13,207 million associated with the acquisition of all shares of CenterPoint Development Inc.

For the three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)  
(Significant changes in goodwill)

Not applicable

(Notes concerning significant changes in shareholders' equity)

Not applicable

(Notes concerning going concern assumption)

Not applicable

(Notes concerning quarterly consolidated statement of cash flows)

Quarterly consolidated statement of cash flows for the three months ended June 30, 2024 is not prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30, 2024 are as follows.

	(Millions of yen)	
	For the three months ended June 30, 2023 (April 1, 2023 - June 30, 2023)	For the three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)
Depreciation of leased assets	76,840	100,732
Depreciation of other operating assets	2,800	3,067
Depreciation of own-used assets	2,640	2,569
Other depreciation	969	926
Amortization of goodwill	2,238	3,421

(Significant subsequent event)

(New associate accounted for using the equity method through share acquisition)

The Company resolved at its Board of Directors meeting on January 19, 2024 to invest approximately €700 million in European Energy A/S (“European Energy”), a Danish company engaging in renewable and next generation energy business mainly in Europe, and signed an investment agreement to acquire 20% of all shares of European Energy (“Investment”) on the same day. The investment through our consolidated subsidiary MHC Energy Europe ApS (“MHC Energy Europe”) based on the agreement was completed on April 16, 2024. As a result, European Energy has become the Company’s associate accounted for using the equity method.

The overview of the investee European Energy is as follows.

Company name	European Energy A/S
Line of business	Renewable energy and next generation energy business
Voting right ratio after the share acquisition	20.0%

1. Purpose of the investment

European Energy operates renewable energy business in 28 countries mainly in Europe. Further, it has a large growth potential by being a global leading and pioneering player in the next generation energy sector through production of green hydrogen and e-methanol.

Through the strategic partnership with European Energy and by leveraging the capability and knowledge of both companies, the Company will accelerate the development of renewable and next generation energy business on a global scale with an aim to enhance the Environment & Energy business and contribute to realizing a decarbonized society.

2. Date of investment

April 16, 2024

The fiscal year-end of MHC Energy Europe who has made the investment in European Energy is December 31, and the company’s financial statements for the three months ended March 31, 2024 were used to prepare the consolidated financial statements for the three months ended June 30, 2024. Accordingly, the application of equity method to European Energy as a result of the investment will start from the three months ending September 30, 2024.