

JIA

Financial Results for the First Quarter of FY2024

April 30, 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/>



1. Company Overview

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.



Corporate Profile



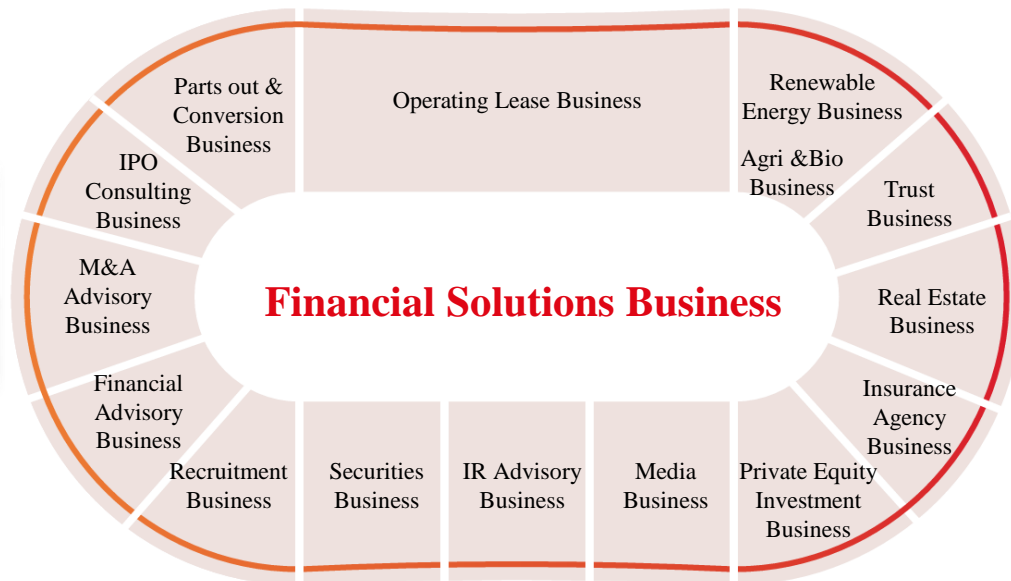
Company Name	Japan Investment Adviser Co., Ltd.
Head Office	Kasumigaseki Common Gate West Tower 3-2-1 Kasumigaseki Chiyoda-ku Tokyo
Representative	President, CEO Naoto Shiraiwa
Established	September 2006 (Fiscal Year-end: December 31)
Business	Financial solutions business
Paid-in Capital	¥16,887 million
Stock Exchange Listing	The Prime Market of the Tokyo Stock Exchange (Stock Code: 7172)
Employees	Non-consolidated: 164 ; Consolidated: 254
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 66 companies
Major Shareholders	Top shareholders (66.1% shares, excluding treasury stock) as of December 31, 2023 KODO Holdings Co., Ltd. (24.5%) Naoto Shiraiwa (22.7%) Custody Bank of Japan, Ltd. (Trust account) (10.6%) Master Trust Bank of Japan.(Trust account) (5.4%) Teiji Ishikawa (1.5%) Yoshitaka Murata (1.5%)
Independent Auditor	Grant Thornton Taiyo LLC

As of March. 31, 2024

Our Group Business

Our group core business is Operating Leases Business, which is the structuring and sale of unique financial products (Japanese Operating Leases, JOL/JOLCO) to investors, namely small and medium-sized enterprises (SMEs), through a nationwide network of banks, securities firms and other financial institutions, as well as public tax accounting firms and certified public accountants.

In addition to the Operating Lease Business, the Company provides comprehensive solution services to SMEs, including solutions to issues such as lack of human resources and successors, as well as financing and strategic planning support for sustainable growth.



Our Major Group Companies

Japan Investment Adviser Co., Ltd.	<ul style="list-style-type: none"> • Renewable Energy Business • M&A Advisory Business • Recruitment Business • Private Equity Investment Business 	<ul style="list-style-type: none"> • Financial Advisory Business • IPO Consulting Business • Real Estate Business
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| Subsidiary |

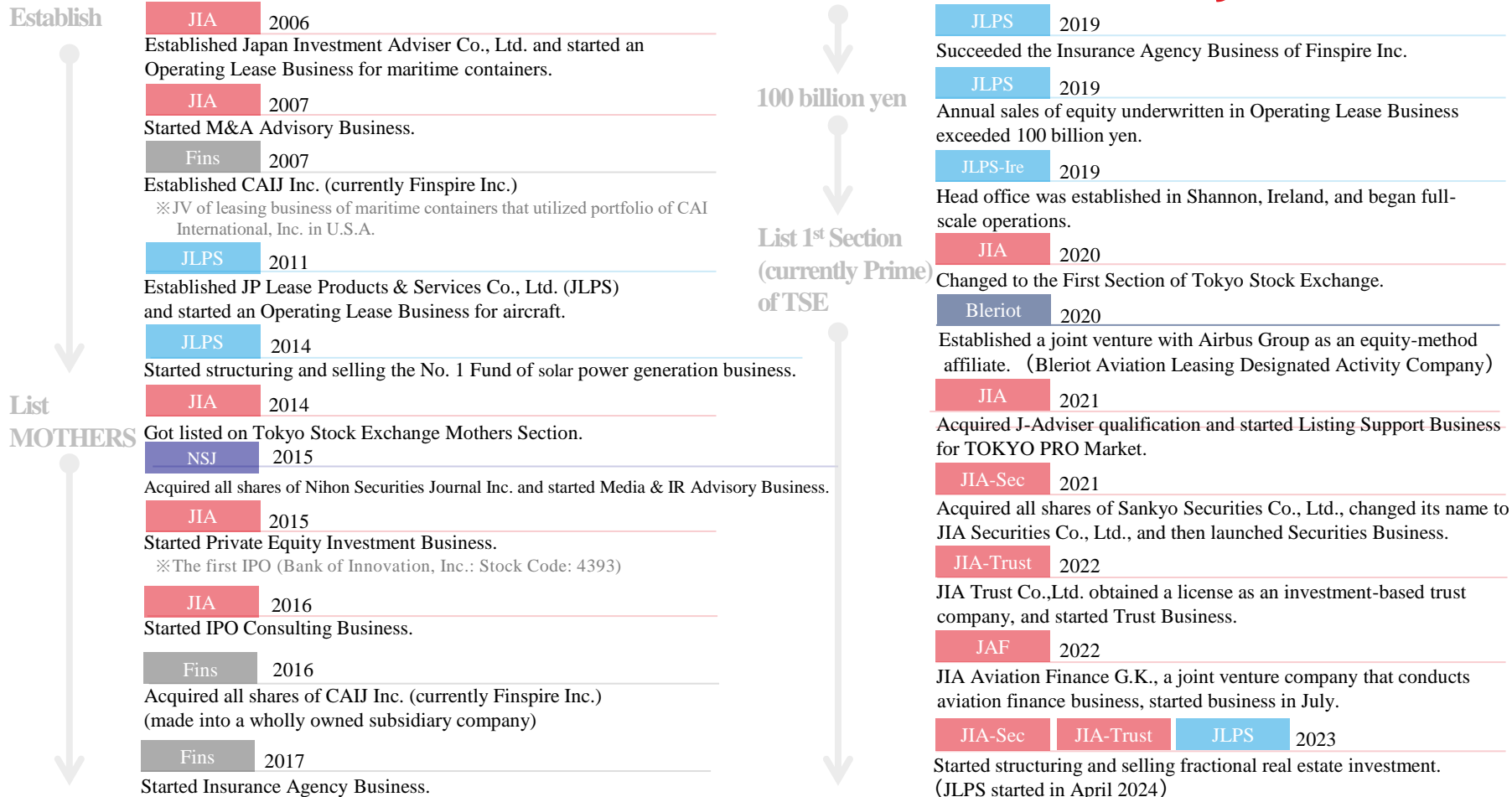
Company Name	Voting Rights Ratio	Business
JP Lease Products & Services Co., Ltd.	100%	<ul style="list-style-type: none"> • Operating Lease Business • Part out & Conversion Business • Renewable Energy Business • Insurance Agency Business
JLPS Ireland Limited	100%	<ul style="list-style-type: none"> • Operating Lease Business
JLPS AVIATION SINGAPORE PRIVATE LIMITED	100%	<ul style="list-style-type: none"> • Operating Lease Business
Finspire Inc.	100%	<ul style="list-style-type: none"> • Operating Lease Business • Money Lending Business
JIA Trust Co., Ltd.	100%	<ul style="list-style-type: none"> • Trust Business
JIA Securities Co., Ltd.	100%	<ul style="list-style-type: none"> • Securities Business
Nihon Securities Journal Inc.	100%	<ul style="list-style-type: none"> • Media Business • IR Advisory Business

| Equity method affiliates |

Bleriot Aviation Leasing Designated Activity Company	25%	<ul style="list-style-type: none"> • Joint venture with Airbus Group, etc. • Procurement of aircraft leasing for sale to investors
JIA Aviation Finance G.K.	47.5%	<ul style="list-style-type: none"> • Finance Business for Aircraft

As of March. 31, 2024

Our Group History



First Quarter of FY2024

2. Business Overview

Highlights for the First Quarter FY2024

Profits grew considerably, as the Operating Lease Business, which is the mainstay.

- Due to the rapid depreciation of the yen, foreign exchange gains (764 million yen) and gain of affiliates (565 million yen) contributed, and ordinary income exceeded the forecast for the first half. Due to the fluidity of exchange rate trends, our earnings forecast remains unchanged.
- We expect the company's performance to remain strong going forward. However, due to the recent sharp depreciation of the yen, the impact of exchange rate fluctuations is still uncertain, and at this point, we are maintaining our earnings forecast unchanged.

(Millions of yen)	Q1 FY2023	Q1 FY2024			FY2024 compared to expectations			
	Result	Result	Change	Change(%)	First half forecast	Progress rate	Fiscal year forecast	Progress rate
Net Sales	3,913	9,016	5,103	130.4%	14,550	62.0%	27,780	32.5%
Operating profit	1,341	4,811	3,469	258.6%	4,850	99.2%	8,120	59.3%
Ordinary profit	901	5,670	4,769	529.0%	4,000	141.8%	6,300	90.0%
Profit attributable to owners of parent	597	4,083	3,486	583.7%	2,720	150.1%	4,300	95.0%
Total amount of equity sales [※]	19,047	32,984	13,936	73.2%	50,300	65.6%	100,000	33.0%

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

Summary for the First Quarter FY2024

① In the operating lease business, product investment sales were the highest in the first quarter. Consistently acquired new deals.

- ◆ From January to March, equity sales increased 13,936 million yen year on year, indicating continued favorable performance. Equity sales grew for the sixth consecutive quarter.
- ◆ The amount of deals structured from January to March was up 26,780 million yen year on year. It grew for the eighth consecutive quarter.

■ Change in amount of Equity Sales and balance of Equity underwritten at the end of the term

(Millions of yen)	FY2023 Apr.-Jun.	FY2023 Jul.-Sep.	FY2023 Oct.-Dec.	FY2024 Jan.-Mar.
Equity Sales	14,520	15,982	27,780	32,984
(YoY Change)	471	5,524	16,591	13,936
Deals Structured	95,053	42,634	93,724	54,972
(YoY Change)	7,279	19,059	33,158	26,780

② Developing the next core business is an ongoing issue. (Sales composition ratio of Operating Lease Business from January to March: 93.8%)

- ◆ 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 Recording foreign exchange gains of 764 million yen in the first quarter.

- ◆ Due to the rapid depreciation of the yen, gain on foreign exchange consists mainly of settlement of receivables in foreign currency (advance payments related to products to be sold) and revaluation based on the exchange rate at the end of the term.
- ◆ 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.
- ◆ The foreign exchange rate is assumed to remain at 1 US dollar = 141.83 yen at the beginning of the fiscal year.

■ Changes in the exchange rate and non-operating foreign exchange gains/losses

[FX rate]	FY2023 Apr.-Jun.	FY2023 Jul.-Sep.	FY2023 Oct.-Dec.	FY2024 Jan.-Mar.
Beginning rate(A) 1USD=	133.53JPY	144.99JPY	149.58JPY	141.83JPY
End-of-quarter rate(B) 1USD=	144.99JPY	149.58JPY	141.83JPY	151.41JPY
Change(B)-(A)	11.46JPY	4.59JPY	(7.75JPY)	(9.58JPY)
Foreign exchange gains (Millions of yen) (C)	(40)	422	(847)	(764)
(C) ÷ (B-A) (Millions of yen)	(3.5)	92	109	79

Q1 FY2024 Consolidated Income Statement Summary

(Millions of yen)	Q1 FY2023	Q1 FY2024		
	Result	Result	YoY Change	YoY change(%)
Net Sales	3,913	9,016	5,103	130.4%
Costs of sales	901	2,242	1,340	(148.8%)
Gross profit *1	3,011	6,774	3,762	124.9%
SG&A expenses*2	1,670	1,963	292	17.5%
Operating profit	1,341	4,811	3,469	258.6%
Non-operating income *3	468	1,706	1,237	264.5%
Non-operating expenses	908	846	(61)	(6.8%)
Ordinary Profit	901	5,670	4,769	529.0%
Profit attributable to owners of parent	597	4,083	3,486	583.7%

Point

Note.1 Gross profit

Gross profit margin was 75.1% (Q1 FY2023 – 77.0%)

Note.2 SG&A expenses

Increase of 292 million yen

- Increase of 66 million yen in labor cost.
- Increase of 149 million yen in taxes and dues.
- Increase of 525 million yen in compensations.

Note.3 Non-operating income/expenses

Foreign exchange gains : 764 million yen

(Recorded losses of 136 million yen in same period last year.)

Gain of affiliates : 565 million yen

(Recorded losses of 85 million yen in same period last year.)

Interest income : 51 million yen

(Decrease of 249 million yen year on year change.)

Interest expenses : 480 million yen

(Decrease of 4 million yen year on year change.)

Business Segment (Q1 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)		Q1 FY2023	Q1 FY2024			
		Result	Result	YoY change	YoY change(%)	Composition ratio
	Operating Lease Business	3,639	8,455	4,815	132.3%	93.8%
	Renewable Energy Business	76	42	(33)	(43.8%)	0.5%
	Real Estate Business	-	74	74	-	0.8%
	Private Equity Investment Business	0	103	103	-	1.1%
	Other Business	197	340	143	72.7%	3.8%
	Total	3,913	9,016	5,103	130.4%	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.

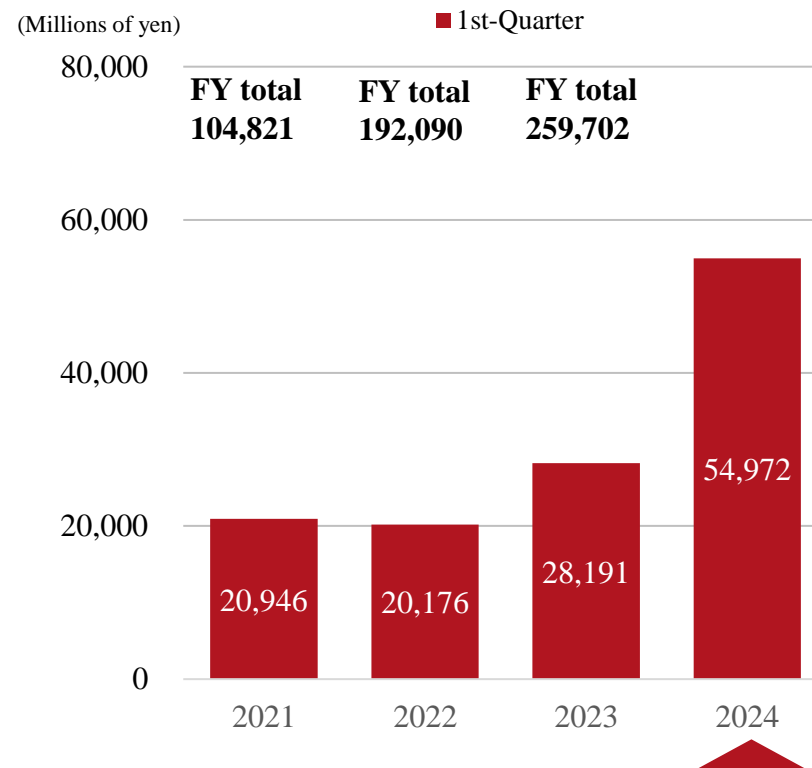
Deals Structured

(Operating Lease Business, Renewable Energy Business)

Deals Structured by Type of Asset

(Millions of yen)	Q1 FY2023	Q1 FY2024
Aircraft	23,279 (7 deals)	45,694 (7 deals)
Vessel	4,911 (1 deal)	9,277 (1 deal)
Container box	0 (0 deal)	0 (0 deal)
Solar photovoltaic generation	0 (0 deal)	0 (0 deal)
Total	28,191 (8 deals)	54,972 (8 deals)

Change in Amount of Deals Structured



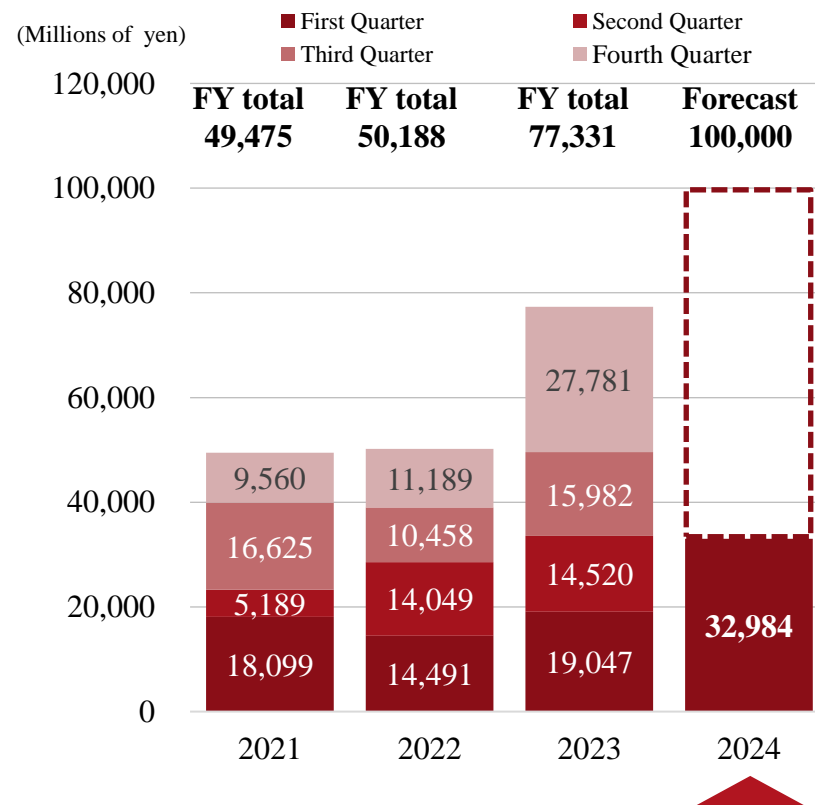
Equity Sales

(Operating Lease Business, Renewable Energy Business)

Equity Sales by Type of Asset

(Millions of yen)	Q1 FY2023	Q1 FY2024
Aircraft	15,976	24,392
Vessel	0	0
Container box	3,070	8,591
Solar photovoltaic generation	0	0
Total	19,047	32,984

Change in Amount of Equity Sales



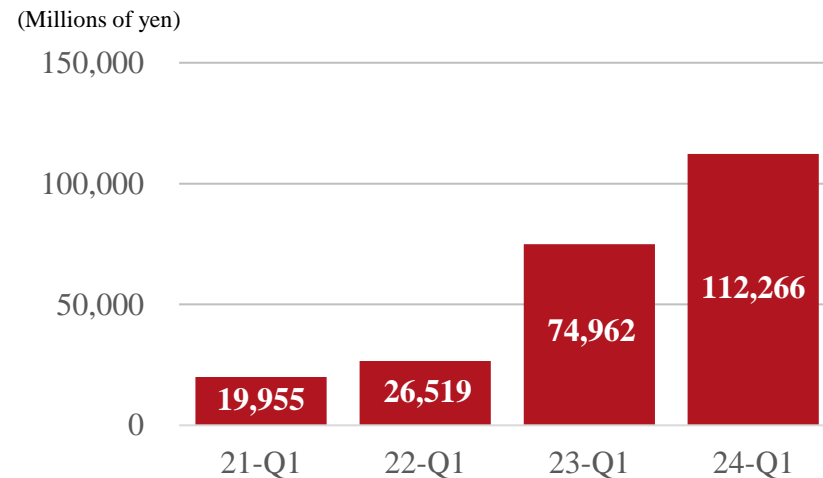
Equity underwritten etc.

(Operating Lease Business)

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

(Millions of yen)	End of March 2023	End of March 2024
Aircraft	48,195 (16 deals)	70,741 (23 deals)
Vessel	1,654 (1 deal)	3,042 (1 deal)
Container box	0 (0 deal)	14,501 (4 deals)
Subtotal	49,848 (17 deals)	88,284 (28 deals)
Investment in Bleriot*	25,113	23,981
Total	74,962	112,266

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



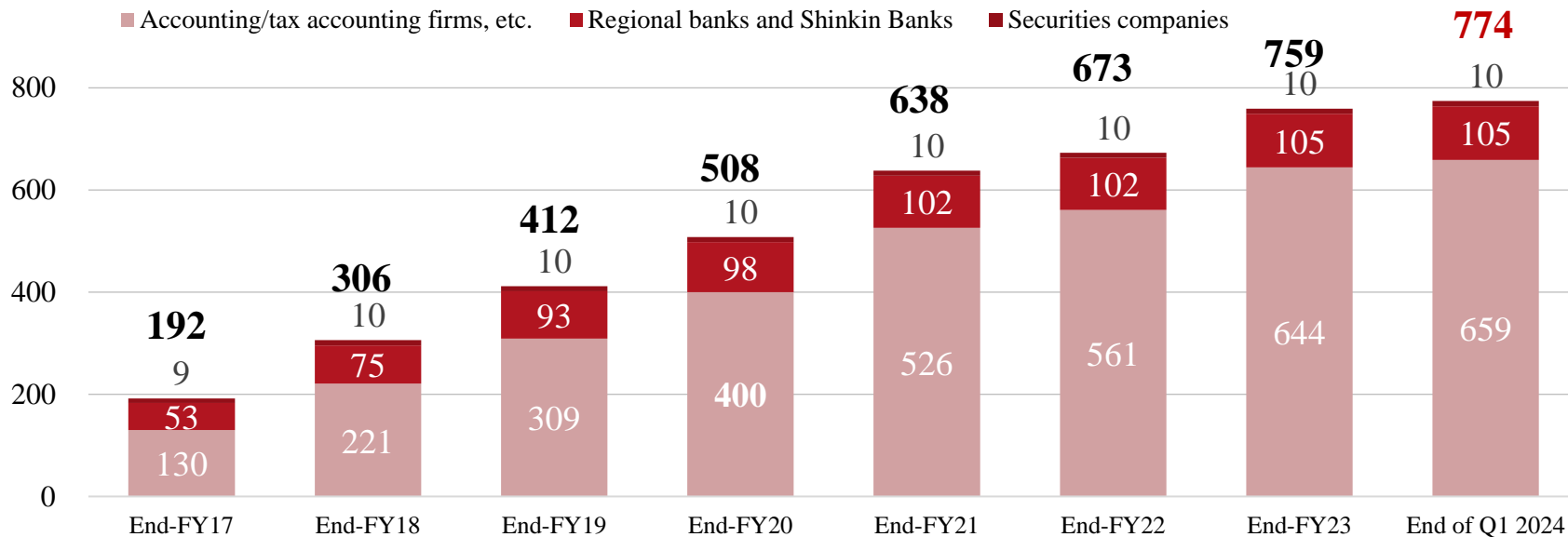
* Inclusion of Bleriot's investment balance in Equity underwritten)

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".

Number of business matching contracts



• During three months in the first quarter of 2024, the number of clients of business matching, which match investors with JIA Group, increased by 15 to a total of 774 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.

Q1 FY2024 Consolidated Balance Sheet Summary (1)

(Millions of yen)	Mar 31, 2023	Dec 31, 2023	Mar 31, 2024		
			Result	QoQ change	YoY change
Cash and deposits	27,827	28,256	37,476	9,649	9,220
Accounts receivable – trade	4,854	6,809	8,972	4,118	2,162
Merchandise *1	35,273	16,689	32,768	(2,505)	16,078
Equity underwritten *2	49,848	94,266	88,284	38,435	(5,981)
Costs on uncompleted – trade	861	2,078	1,374	513	(704)
Advance payments-trade *3	10,357	8,249	8,218	(2,138)	(30)
Advances paid*4	4,362	7,115	8,209	3,846	1,093
Other	13,352	13,656	12,608	(743)	(1,047)
Current assets	146,738	177,122	197,913	51,174	20,790
Tangible fixed assets	457	437	436	(20)	(0)
Intangible fixed assets	395	203	188	(206)	(14)
Investment and other assets *5	39,594	33,861	34,110	(5,484)	248
Non-current assets	40,447	34,502	34,736	(5,511)	233
Deferred assets	95	125	121	25	(4)
Total assets	187,282	211,750	232,770	45,488	21,020

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.

※ The company may sell aircraft.

*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): 11,990 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)

Q1 FY2024 Consolidated Balance Sheet Summary (2)

Point

(Millions of yen)	Mar 31, 2023	Dec 31, 2023	Mar 31, 2024		
			Result	QoQ change	YoY change
Accounts payable - trade	482	227	289	(192)	61
Short-term loans payable *1	104,378	127,599	123,837	19,459	(3,762)
Contract liabilities *2	5,686	15,629	14,942	9,255	(687)
Other	3,601	5,904	6,869	3,267	964
Current liabilities	114,148	149,361	145,939	31,790	(3,422)
Non-current liabilities*1	26,032	13,577	23,158	(2,873)	9,581
Total liabilities	140,180	162,939	169,097	28,916	6,158
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	22,646	23,795	27,394	4,747	3,599
Treasury shares	-1,470	-1,470	-1,470	(0)	(0)
Shareholders' equity *3	44,480	45,698	59,640	15,159	13,941
Other	2,621	3,112	4,032	1,411	919
Total net assets	47,101	48,811	63,673	16,571	14,861

*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	Q1 FY2024	27.0%

3. Forecasts for FY2024

Earnings Forecasts for FY2024

Initial forecast [The first year of the Three-year Business Plan from 2024 to 2026] unchanged

- The progress rate in the first quarter was at a high level, driven by the strong Operating Lease Business.
- However, due to the uncertain outlook for foreign exchange trends caused by the sharp depreciation of the yen, the impact of this depreciation is unclear, and at this point we are maintaining our earnings forecast unchanged.

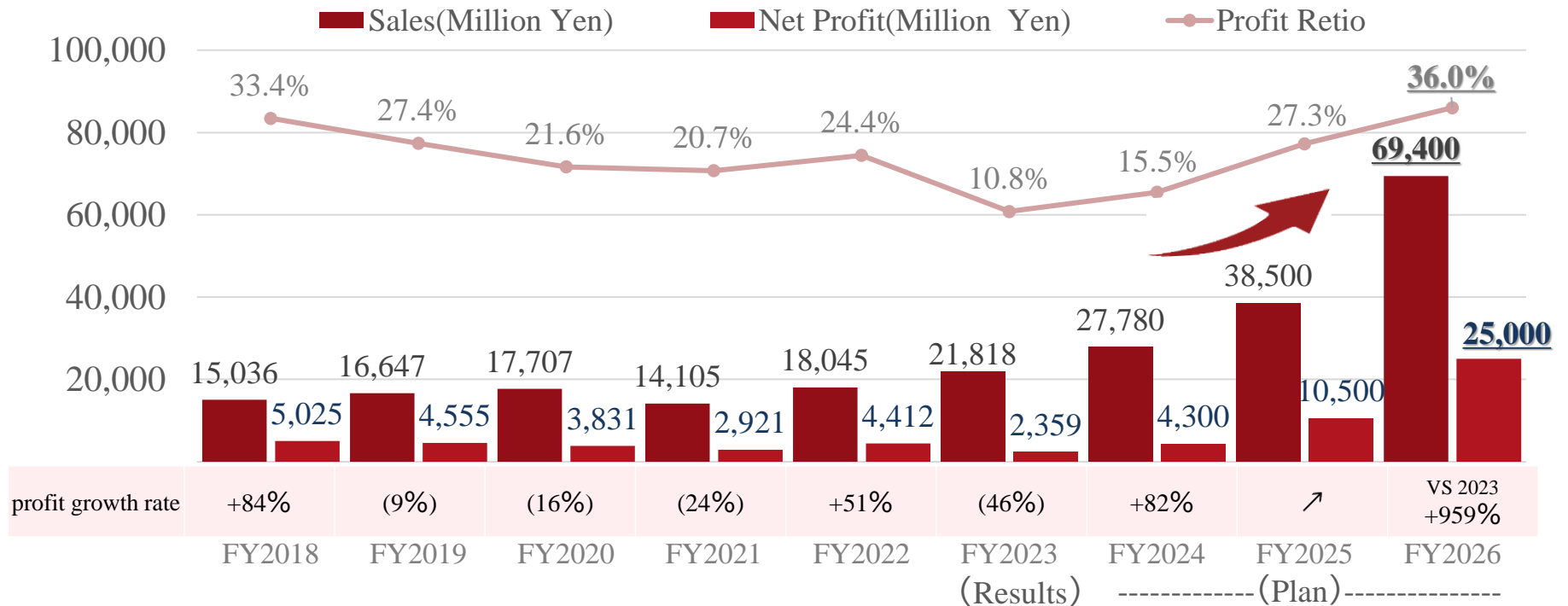
* The exchange rate assumption is calculated based on the assumption that the actual rate at the end of 2023, 1USD=141.83 yen, will continue until the end of the fiscal year.

(Millions of yen)	FY2024					
	First Half		Second Half		Fiscal year	
	Forecast	YoY Change	Forecast	YoY Change	Forecast	Change
Net Sales	14,550	5,611 62.8%	13,230	349 2.7%	27,780	5,961 27.3%
Operating profit	4,850	1,649 51.5%	3,270	978 42.7%	8,120	2,627 47.8%
Ordinary profit	4,000	1,388 53.1%	2,300	1,242 117.6%	6,300	2,631 71.7%
Profit attributable to owners of parent	2,720	1,023 60.3%	1,580	916 138.3%	4,300	1,940 82.2%
Total amount of equity sales*	50,300	16,731 49.8%	49,700	5,936 13.6%	100,000	22,668 29.3%

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

Changes in Profit

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



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	2024年	2025年	2026年
	Result	Forecast	To FY2026 Three-year Business Plan	
Composition of sales other than operating lease business(※1)	12%	20%	↗	About 30%
Profit growth rate	(46.5%)	+82.2%	↗	Profit doubles every year
ROE	5.0%	7.9% (※3)	↗	25% or more
Dividend payout ratio	32 yen per Share 41.0% (※2)	16 yen per Share 22.5% (※4)	↗ Increase in dividends	20% or more

Note1: According to the segment classification until 2023, it is the sum of other than the operating lease business and the part out & conversion business.

Note2: Despite stagnant earnings, the dividend amount was maintained, resulting in a temporary increase in the dividend payout ratio.

Note3: Projected figures reflect a capital increase of approximately 10,342 million yen through a rights offering.

Note4: Net income per share and dividend payout ratio were calculated under the assumption that the payment for said rights offering was made at the beginning of the current fiscal year.

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

To diversify the Operating Lease Business(1)

Expansion of profit models other than conventional JOL/JOLCO

- JIA Group, which has strengths in Japanese operating lease (JOL) without purchase options, will demonstrate its capabilities through its extensive experience of selling aircraft after the end of the lease.

Expansion of JOL/JOCO



- ✓ To fortify a sales system for achieving equity sales of 150 billion yen in 2026
- ✓ Equity sales amount from January to March was 32.9 billion yen. Progress rate of 33.0% against full-year plan of 100 billion yen

New products



- ✓ To convert passenger airplanes that have ended their lifespans into cargo aircraft, and include them in JOL/JOLCO deals (planning to sell 2 aircraft in 2024)
- ✓ From January to March, equity sales for an aircraft converted (modified) from a passenger aircraft to a cargo aircraft was sold out.

Trading



- ✓ No Deal from January to March.
- ✓ Established a Singapore subsidiary in March. The Singapore subsidiary will develop the Southeast Asian market, which is expected to continue to grow. (For the time being, we will further expand the trading business.)

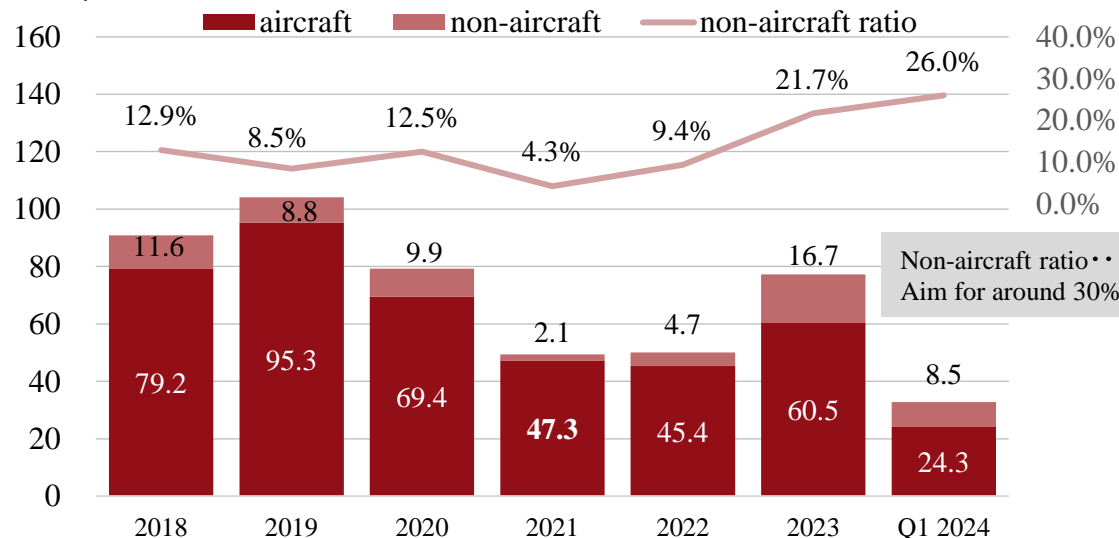
To diversify the Operating Lease Business(2)

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)



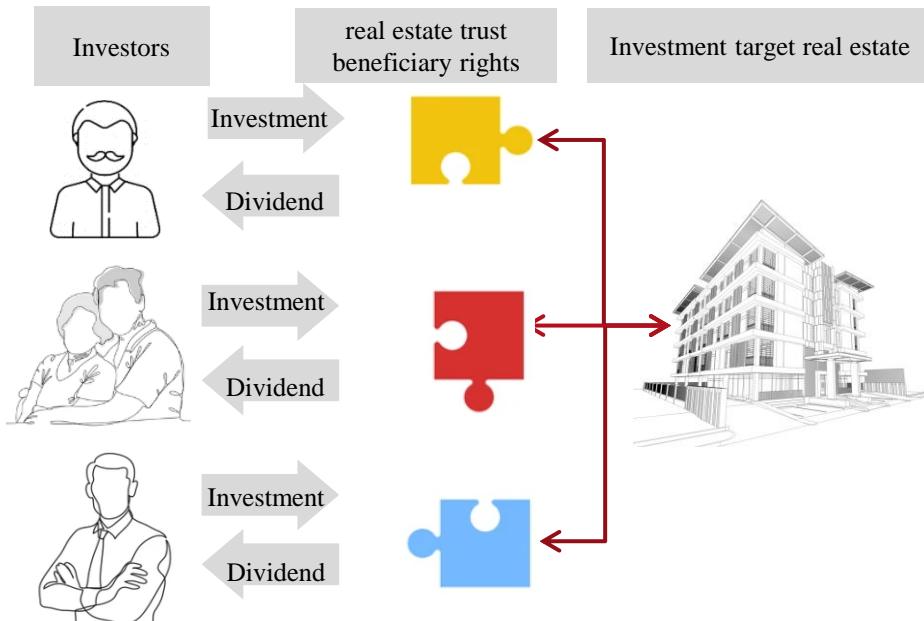
Container/Vessel deals
(Q1 FY2024)
Structured: 9,277 million yen
Equity sales: 8,591 million yen

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



Acquisition of real estate



Acquired the Japanese-style inn “Ryotei Hanzuiryo”, which is located in Unzen City, Nagasaki Prefecture.

- First collaborative project with capital and business partner Onkochishin Inc.
- JIA will engage in the establishment of a financial scheme and the renovation and management of real estate for the property.

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.)

To expand business portfolio (Renewable Energy Business)

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.
 - Renewable Energy Business: 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 Sagami-hara Biogas Power Tana Pauer 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)

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.

To expand business portfolio (Comprehensive financial solutions)

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

- ✓ Fund management for later deals with a high probability of IPO realization
- ✓ In-house investment to increase the value of venture projects



Consulting regarding business succession

- Financial Advisory
- Insurance Agency
- Recruitment



IPO Consulting

TOKYO PRO Market
J-Adviser



IR Advisory

M&A Advisory



Offering optimal solutions based on a neutral position with no bias

Finance support through IPO and buyout investments

- 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

- ✓ 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

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

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

Covid-19

→FY2022

FY2023 – FY2025

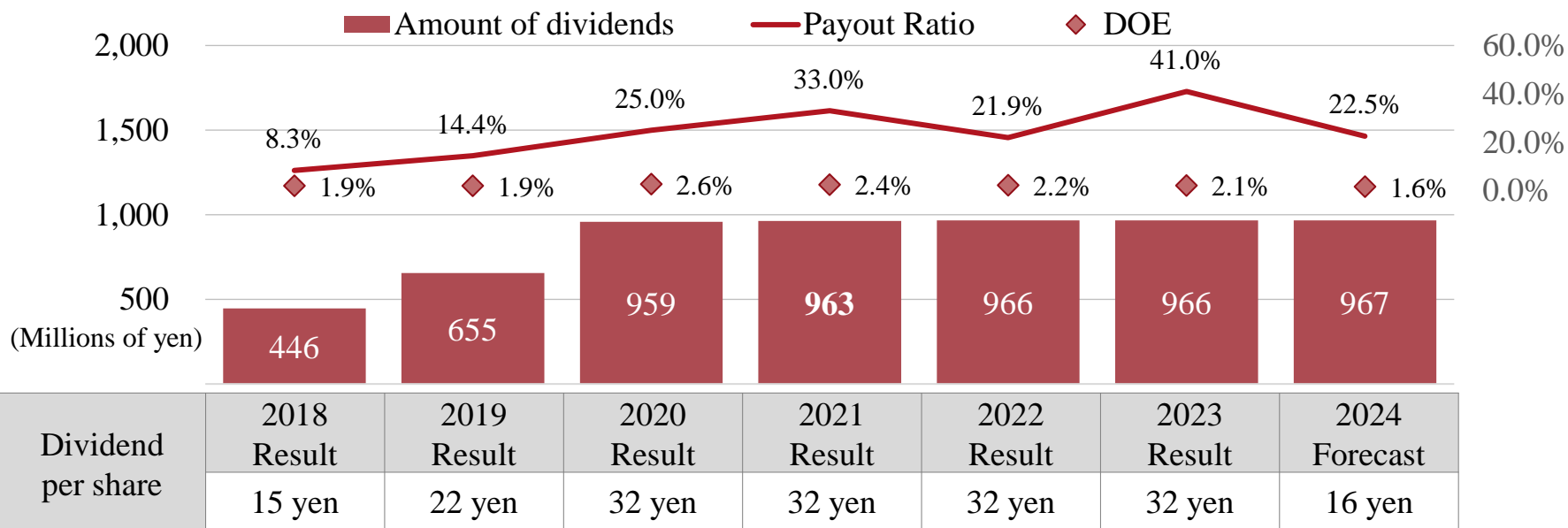
FY2026→

5. Shareholder Returns

Shareholder Returns (Dividend)

Dividend policy continues

- The number of shares outstanding increased by 30,240,953 due to the rights offering initiative. Taking this into account, the total dividend amount is forecast to be unchanged from the previous fiscal year, although dividend per share will decrease.



Through the “partially committed rights offering,” the shareholders who have exercised all of share acquisition rights provided free of charge after the confirmation of shareholders on January 16, 2024 will see the number of shares they hold increasing by the same number of the share acquisition rights. Accordingly, the dividend amount calculated by summing up the number of parent shares and the number of new shares will be 32 yen.

Net income per share and dividend payout ratio were calculated under the assumption that the payment for said rights offering was made at the beginning of the current fiscal year.

Shareholder Returns (Incentives)

The ticket for subscribing to Nihon Securities Journal Digital, which is published by a 100% subsidiary of our company, and QUO cards.

The incentive plan for shareholders to encourage more shareholders to maintain their investment loyalty over the medium- to long-term period. (Continued from end of FY2015.)

- ✓ We take into account the balance of the number of shares held and the holding period.



Unlimited reading of back issues



The next day's newspaper will be released at noon.



Use of sophisticated tools such as chart analysis

Nihon Securities Journal

Search

- The following is the distribution of preferential benefit types before the Rights Offering was implemented. The number of shares has doubled as a result of the rights offering, and the distribution of the types of benefits may change in the future even if the current shareholder incentives plan is maintained.

Continuous holding period	100 or more and less than 200 shares		200 or more and less than 2,000 shares		2,000 shares or more	
	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)	500 yen	6-months (18,000 yen value)	1,000 yen
1 year or more but less than 2 years	3-months (9,000 yen value)	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)	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)	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/>

6. Topics

Topics1 (Financing by rights offering)

Completed financing through partial commitment-type rights offering

- A capital increase system that allocates stock acquisition rights free of charge according to the number of common shares held by existing shareholders. If all stock acquisition rights are exercised, there will basically be no dilution of ownership held by the shareholder.

【Overview of the rights offering】

Completion date of financing	March 15, 2024	
Number of newly issued shares	30,240,953 shares	
Total amount paid as of March 15, 2024	10,342,405,926 yen	
Use of funds raised	Loans to JLPS by our wholly-owned subsidiary [¥]	<u>Equivalent to approximately 68% of the procurement amount</u> Scheduled to be used from February 2024 to December 2024
	Loan to SPC scheduled to be established for the purpose of conducting real estate business	<u>Equivalent to approximately 32% of the procurement amount</u> Scheduled to be used from June 2024 to December 2024

【Changes before and after rights offerings】

	December 31, 2023	March 31, 2024
Number of shares issued	30,781,400 Shares	61,022,353 Shares
Number of treasury shares	540,447 Shares	540,472 Shares
Capital stock	11,716 million yen	16,887 million yen
Total net assets	48,811 million yen	63,673 million yen
Equity ratio	22.6%	27.0%

Topics2 (Received DEALWATCH AWARDS 2023)

Received “Debut Deal of the Year” at “DEALWATCH AWARDS 2023” Evaluate efforts to diversify funding methods

What is DEALWATCH AWARDS ?

This award was established for the purpose of developing and expanding the capital market related to Japan, and is operated by Refinitiv Japan of London Stock Exchange Group (LSEG). Awardees are selected while considering the appropriateness of pricing in the primary market, the pricing after the transfer to the secondary market, the contribution to the capital market, ingenuity, etc.

▶ This is the 29th DEALWATCH AWARDS. Past Award-winning companies include major financial institutions and Nikkei 225 component companies.

(Refer to:) Deal Watch Award Site / London Stock Exchange Group (LSEG)

<https://www.lseg.com/ja/data-analytics/products/capital-markets-insight-and-analysis/dealwatch/dealwatch-awards#past-winner-list>

[Background of our award]

In September 2023, Minebea issued Japan's first publicly offered unrated corporate bond. The issuance of unrated bonds was recognized as a breakthrough in a market practice that has not been accepted in the Japanese market, although it is common in other countries.



Pioneer Ace Airlines Co., Ltd. , a 100% subsidiary of JIA, received an approval for air transportation business

- Obtained approval from East Japan Civil Aviation Bureau on April 5, 2024.
- After passing the inspection of transportation control facilities, etc., we plan to start transportation services in July 2024.

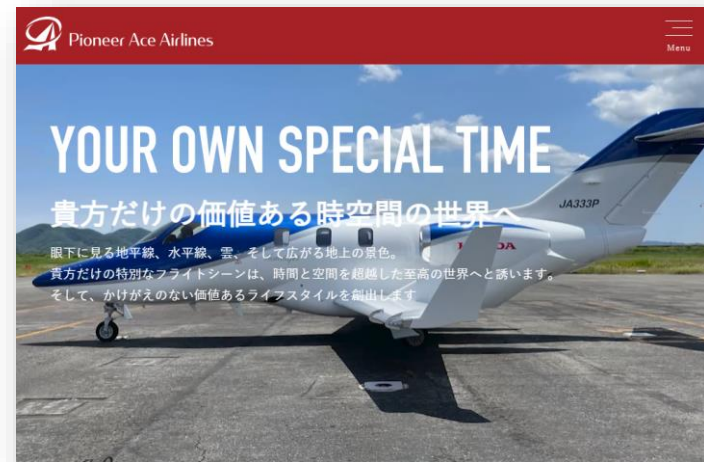
【Purposes in obtaining the license for air transportation business】

1. To expand the scope of application of business jets as new our leasable products
2. To expand business targeting the charter airline field, including charter flights for passengers and cargoes
3. To contribute to “the diversification of transportation means” and “distribution of business jets” in Japan



【Pioneer Ace Airlines homepage】

URL <https://pioneerace.co.jp/>



Topics4 (Issuance of donation-type private placement bonds)

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 billion yen since 2019)

Underwriter	Name / (Donation recipients)	Issue Amount (million yen)	Underwriter	Name / (Donation recipients)	Issue Amount (million yen)
Kirayaka Bank	Kirayaka Local Support Private placement bonds (Yamagata University Faculty of Medicine)	200	THE TOKUSHIMA TAISHO BANK (JIA)	SDGs Private placement bonds (Public interest incorporated association Tokushima Forest Bank)	100
The Chiba Kogyo Bank	SDGs Private placement bonds (Foodbank Chiba)	300	THE TOKUSHIMA TAISHO BANK (JLPS)		100
The First Bank of Toyama	SDGs Private placement bonds (Toyama City Welfare Scholarship Fund)	200	The Aichi Bank	SDGs Private placement bonds “ASUNARO” (Social welfare corporation Chubu Zen’i Bank)	200
The 77 Bank	SDGs Private placement bonds (International Center for Synchrotron Radiation Innovation Smart, Tohoku University)	200	The Tottori Bank	SDGs Private placement bonds “Hometown future support bonds” (Tottori City Regional Restaurant Network)	100
The Bank of Toyama	SDGs Private placement bonds (Toyama City Welfare Scholarship Fund)	200	The Musashino Bank	SDGs Private placement bonds “ (Power of the future)” (Public interest incorporated foundation Saitama Green Trust Fund)	100
The Hiroshima Bank	Private placement bonds with bank guarantee (SDGs type) (Public interest incorporated foundation Hiroshima Kodomo Yume Zaidan)	300			

The information contained in this document is for informational purposes only and is not intended as a solicitation for securities.

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in managerial circumstances.

For further information...

Investor Relations Group.

Japan Investment Adviser Co., Ltd.

<https://www.jia-ltd.com/en/contact/>

Tel : +81-3-6550-9307