

STRENGTH *through* INTEGRATION

A year has passed since the launch of Century Tokyo Leasing Corporation, formed through the merging of Century Leasing System, Inc. and Tokyo Leasing Co., Ltd. We have faced a challenging time in a severe operating environment; however, we have been able to produce positive results in this short period thanks to the aggressive implementation of various measures aimed at rapidly realizing synergies.

In fiscal 2009, the fiscal year ended March 31, 2010, we at the Century Tokyo Leasing Group worked to knit together our two core strengths. The first is a stable balance of assets supported by a firm business foundation. In addition to a strong lineup of major shareholders—including the Mizuho Group, ITOCHU Corporation, Nippon Tochi-Tatemono Co., Ltd. and Nippon Life Insurance Company—we have realized a framework that allows the full utilization of a robust customer base and channel structure as well as one of Japan's top-ranking international networks in the leasing industry. Furthermore, our stable operating asset balance has enabled us to constrain credit costs, which, in turn, enabled us to post in our first year our highest ever ordinary income as calculated on the basis of a simple aggregation of the two pre-merger companies' results.

The second core strength is the Group's unique business model. Leasing companies are, in general, less susceptible to regulations compared with other types of financial businesses. In addition to leasing, we may take up finance, investment or even business management. Anticipating a period of change in the domestic leasing market, we have deepened our roots in information equipment leasing to enhance our tangible asset appraisal functions, financing and overseas businesses with the purpose of further strengthening businesses that take advantage of our core competencies.

The integration of these two core strengths has worked not only to support the expanded scale generated by the merger but also to streamline businesses and subsidiaries, enabling the industry's fastest IT system integration. With an eye to taking advantage of future synergies, the construction of our foundation has indeed made this a valuable first year.

Based on the "evolution scenario for maximizing merger synergies and moving to the next stage of growth," in April 2010 we commenced our first new medium-term management plan. Over the next three years, we aim to take new steps and achieve growth as an industry leader.

To all of our valued stakeholders, we thank you and hope for your continued support and understanding.



Takao Arai, Chairman and Co-CEO



Shunichi Asada, President & CEO