



July 22, 2022

Company	Japan Investment Adviser Co., Ltd.
Representative	Naoto Shiraiwa, President & CEO (TSE Prime Market, Stock Code: 7172)
Contact	Board Director, Takeshi Sugimoto
TEL.	81-3-6550-9307

Notification on the Conclusion of a Joint-Venture Contract for JIA Aviation Finance G.K.

We hereby announce that our corporate group has concluded a joint-venture contract for jointly investing in **JIA Aviation Finance G.K.** (“JAF”), which currently is a 100% subsidiary of our company, with Taiyoushin Aviation Finance LLC (“Taiyoushin”) and Octo Force Management Co. Ltd. (“Octo Force”) to operate the aircraft financing business.

Taiyoushin has been established by a premier global investment company.

As Taiyoushin and Octo Force will buy shares of JAF through the allocation of new shares, our ownership ratio for JAF will become 47.5%, and JAF will become an equity-method affiliate. The details are described below.

1. Purpose of the joint venture

Our corporate group conducts financial solution businesses, mainly the Operating Lease Business, the Renewable Energy Business, and the Part Out & Conversion Business, under the management ethos of “always be a company contributing to society by offering financial services.”

The Operating Lease Business mainly for aircraft, which is the mainstay, offers one-stop services for receiving orders for lease, managing assets, creating Japanese-style Operating Lease (JOL, JOLCO) investment products, selling financial instruments to investors, and disposing of assets by selling aircraft, etc. via the 100% subsidiary JP Lease Products & Services Co., Ltd. (“JLPS”).

To procure funds swiftly in the Operating Lease Business

Our corporate group’s Japanese-style Operating Lease (JOL, JOLCO) investment products are based on the procurement of funds from a silent partnership composed of mainly excellent Japanese small and medium-sized enterprises and on the borrowing from financial institutions. The joint venture will enable us to procure funds swiftly and stably for creating financial instruments according to the needs from investors, and we aim to create financial instruments more easily and swiftly according to investors’ needs.

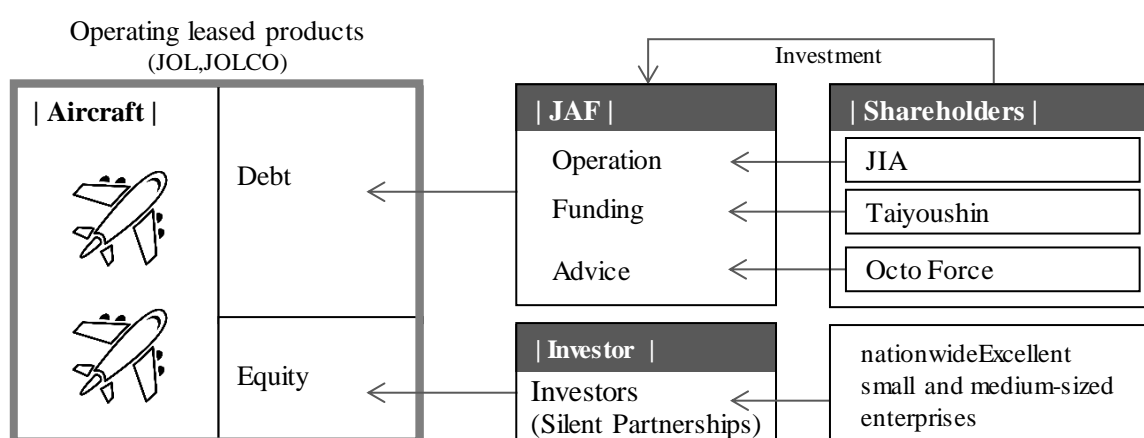
2. Outline of the joint venture

JAF will procure funds for the Operating Lease products, while enlisting cooperation from the three companies that hold the shares of the company. JAF will earn revenues from interest arising out of aircraft financing which may produce some effect on our consolidated performance.

*For the details of business correlation, please refer to “(Appendix) Business correlation chart in the general aircraft operating lease business including JAF.”

Planning to grow joint venture for financing aircraft

At the start of business operation in July, JAF will secure funds amounting to approximately 200 million US dollars (about 28 billion yen) for financing aircraft from Taiyoushin, while considering the possibility of increasing the amount per year, according to the market environment.



【Outline of the joint-venture company】

Name	JIA Aviation Finance G.K.	
Location	Kasumigaseki Common Gate West Tower 21F 3-2-1 Kasumigaseki Chiyoda-ku Tokyo,	
Business description	Finance business for aircraft (Money-Lending Business Registration No. (1) 31866, Governor of Tokyo)	
Capital stock	300,000 yen (100 million yen after capital increase)	
Established	August 4, 2021	
Start of business	July 27, 2022 (scheduled)	
Ownership ratio	Japan Investment Adviser Co., Ltd.	: 47.5%
	Taiyoushin Aviation Finance LLC	: 47.5%
	Octo Force Management Co., Ltd.	: 5.0%

3. Outline of the joint-venture partners

Name	Taiyoushin Aviation Finance LLC	
Location	Delaware, United States	
Business description	Investment Services	
Capital stock	4.75 Million USD	
Established	2022	
Major shareholders	Not disclosed at the other party's request	
Relationship between the listed company and said company	Capital relationship	None
	Personal relationship	None
	Transactional relationship	None

Name	Octo Force Management Co. Ltd.	
Location	12-9, Shinbashi 1 chome, Minato-ku, Tokyo	
Representative	Founder, Group CEO, Representative Director Akira Tanaka	
Business description	PE (Business Investment) and Consulting.	
Capital stock	JPY192mil	
Established	August, 2014	
Major shareholders	Akira Tanaka	
Relationship between the listed company and said company	Capital relationship	None
	Personal relationship	None
	Transactional relationship	None

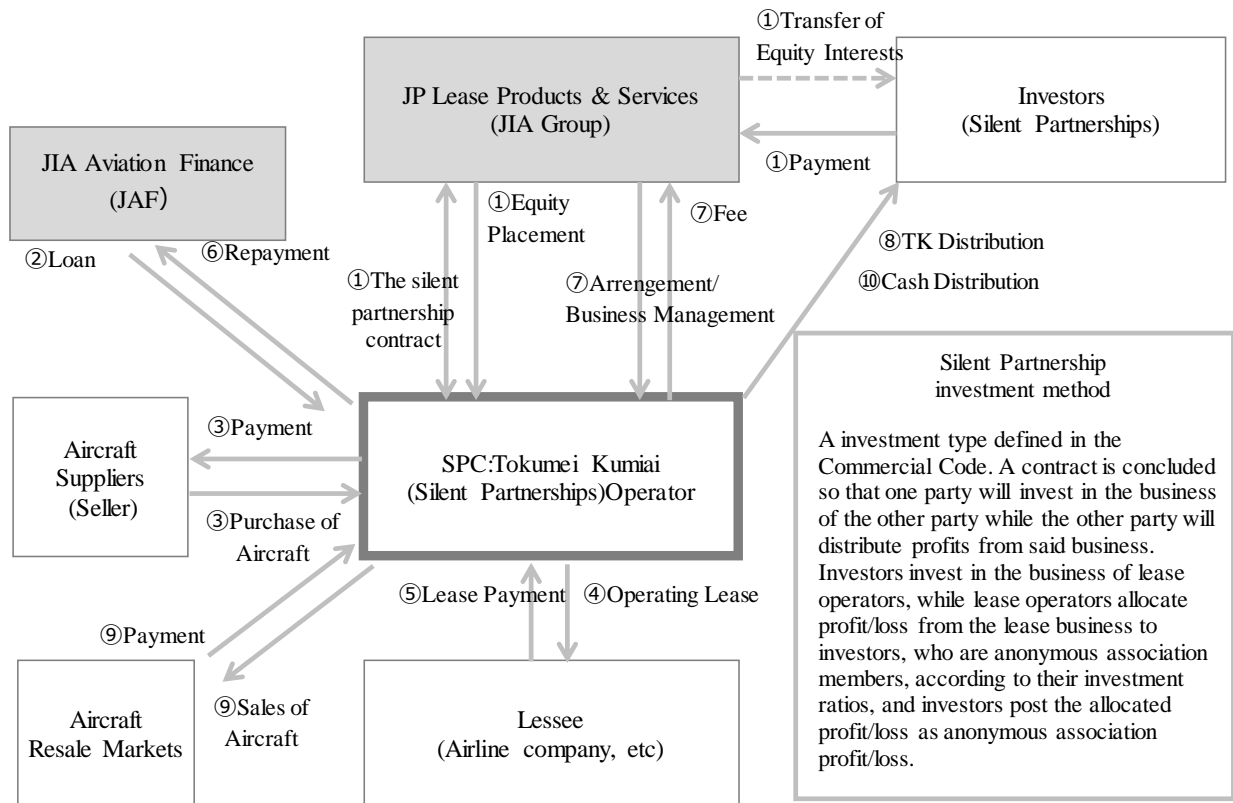
4. Impact on future business performance

The impact of this matter on our corporate group business performance for the fiscal year ending December 31, 2022 is reflected in the revised forecast announced on July 21, 2022 in the "Notice of Revisions of Consolidated Financial Forecasts for the Six Months Ending June 30, 2022 and Fiscal Year Ending December 31, 2022".

Inquiries:
PR/IR group
TEL: 81-3-6550-9307

End

(Appendix) Business correlation chart in the general aircraft operating lease business including JAF



①	Through the private placement of JLPS, investors conclude a silent partnership agreement with the silent partnerships operator for each project (hereinafter referred to as "Operator"), and invest in their business. If the investment by investors has not been completed at the time of start of business, JLPS will temporarily hold the said equity interests, based on the premise of transferring the equity interests to investors. After the start of business, JLPS will transfer the temporarily held equity interests to investors.
②	The silent partnerships operator borrows money from JAF through a non-recourse loan (limited recourse loan) contract, in which the Operator (including silent partnership members) is not liable. *A non-recourse loan (limited recourse loan) contract means a loan contract that limits the resources for repayment to the future cash flow (including the fees for lease and the revenues from sale of assets) arising out of specific assets owned by the borrower (Operator) and cannot seek deficiency balance from other assets of the borrower.
③	The silent partnerships operator purchases lease properties from the seller by using the funds injected by investors and the money borrowed from financial institutions.
④	The silent partnerships operator immediately starts the lease business by leasing the properties to lessees.
⑤	Lessees pay lease fees to the silent partnerships operator regularly in accordance with their lease contracts.
⑥	The silent partnerships operator repays the loan and pays interest to JAF from the revenues from lease fees.
⑦	JLPS operates the Operating Lease Business, including the creation, sale, management, and disposal of financial instruments, produces reports in accordance with silent partnership contracts for business operation, conducts bookkeeping for company operation of the silent partnerships operator, deals with tax affairs, and carries out all other management tasks, receiving commissions.
⑧	The silent partnerships operator regularly announces the financial results of the business, and distributes profits to investors according to their contribution ratios.
⑨	After the expiration of the lease period, the Operator sells lease properties in the market or the like or leases them again.
⑩	The silent partnerships operator repays the non-recourse loan (limited resource loan) with the revenues from the sale or re-lease of lease properties, and distributes the remaining amount to investors according to their contribution ratios.