

Overcoming the past: perspective from long-term financier

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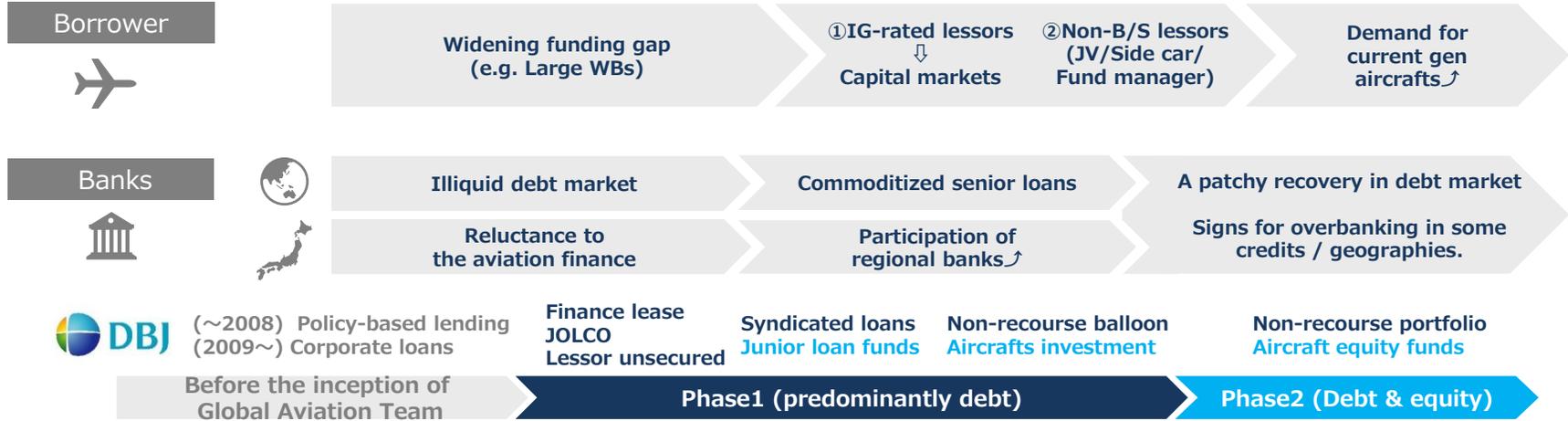
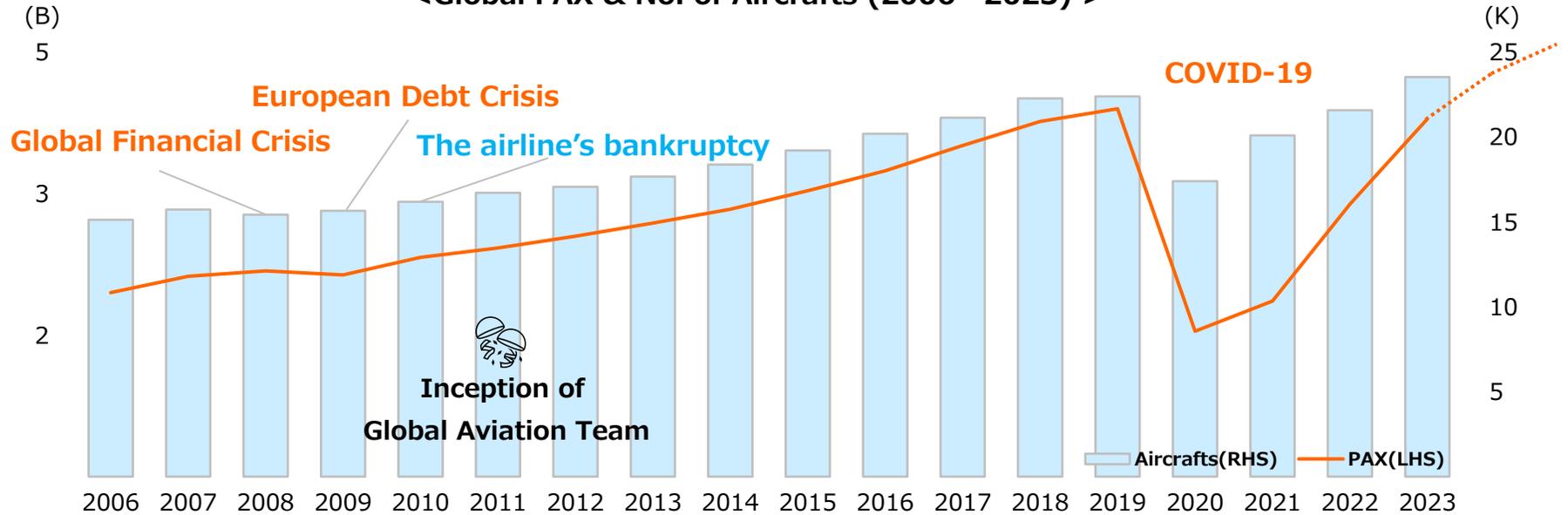
Agenda

- 1. History of Aviation Finance Industry
- 2. The DBJ portfolio
- 3. Global perspective into Japan's aviation industry

1. History of Aviation Finance – DBJ perspective

History of Aviation Finance – DBJ perspective

<Global PAX & No. of Aircrafts (2006~2023) >



2. The DBJ portfolio

DBJ Group's Exposure to the Industry

- DBJ group provides full debt/equity full solutions to support the entire value chain
- Global coverage from Tokyo head office is unique relative to other peer banks



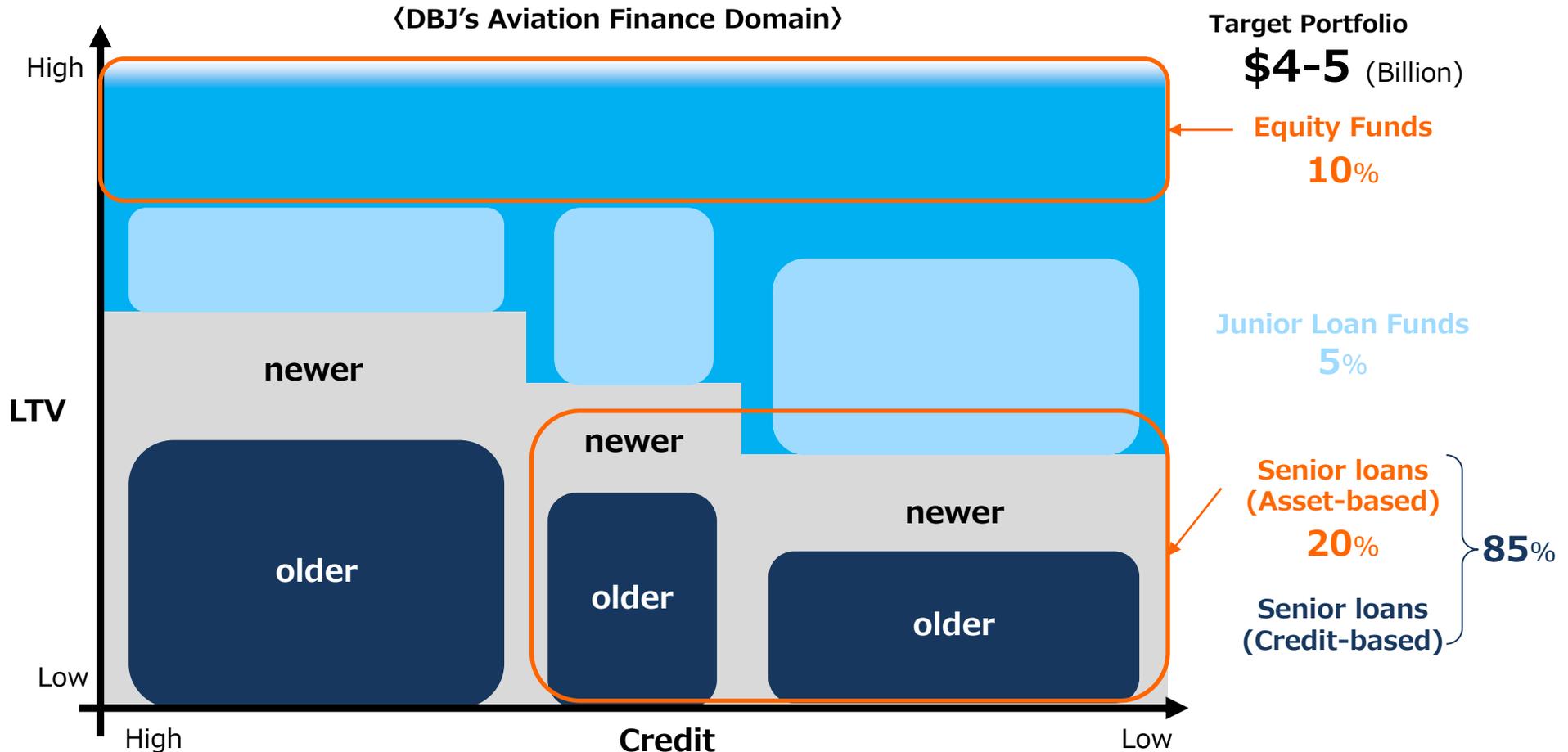
Client coverage of the Global Aviation Team

Debt	
Full line-up debt solutions	
Corporate Loans <ul style="list-style-type: none"> Commercial debt Finance lease JOLCO Lessor unsecured Others 	Non-recourse Loans <ul style="list-style-type: none"> Non-recourse balloon Non-recourse portfolio
Recourse clients No. of credits underwritten	Syndication partners No. of partners
67 (2024/06)	36 (2024/06)

Equity		
Boost investment activities		
5 funds (2024/06)	2019 started	6 funds (2024/06)
Junior loan fund	Individual aircraft investment	LP investment for aircraft funds

The DBJ's Target Portfolio

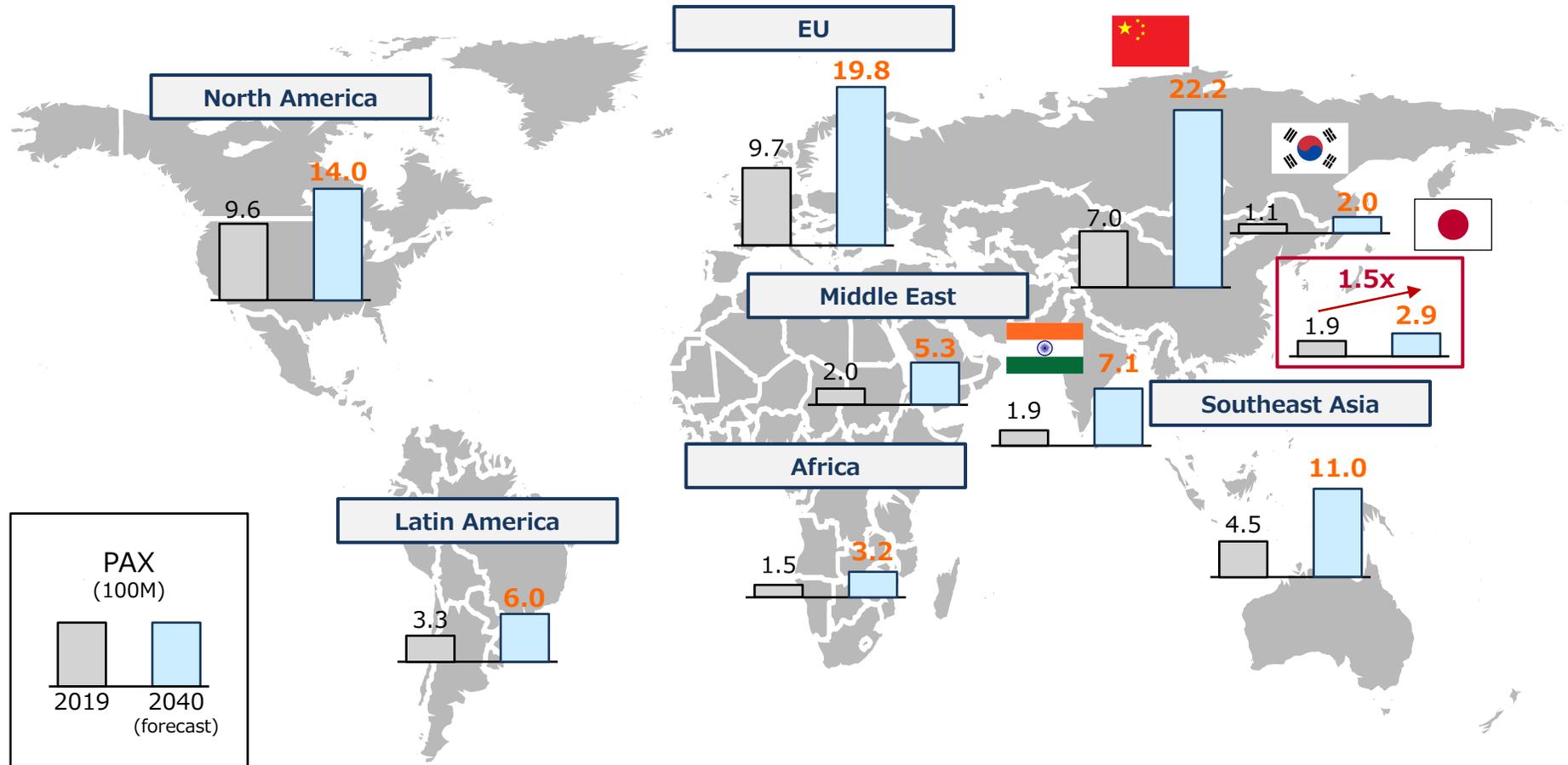
- On top of DBJ's exciting full line-up debt and equity solutions, **the asset-based lending and commercial aircraft equity fund investments** are the DBJ's strategic pillar for upcoming years



3. Global perspective into Japan's aviation industry

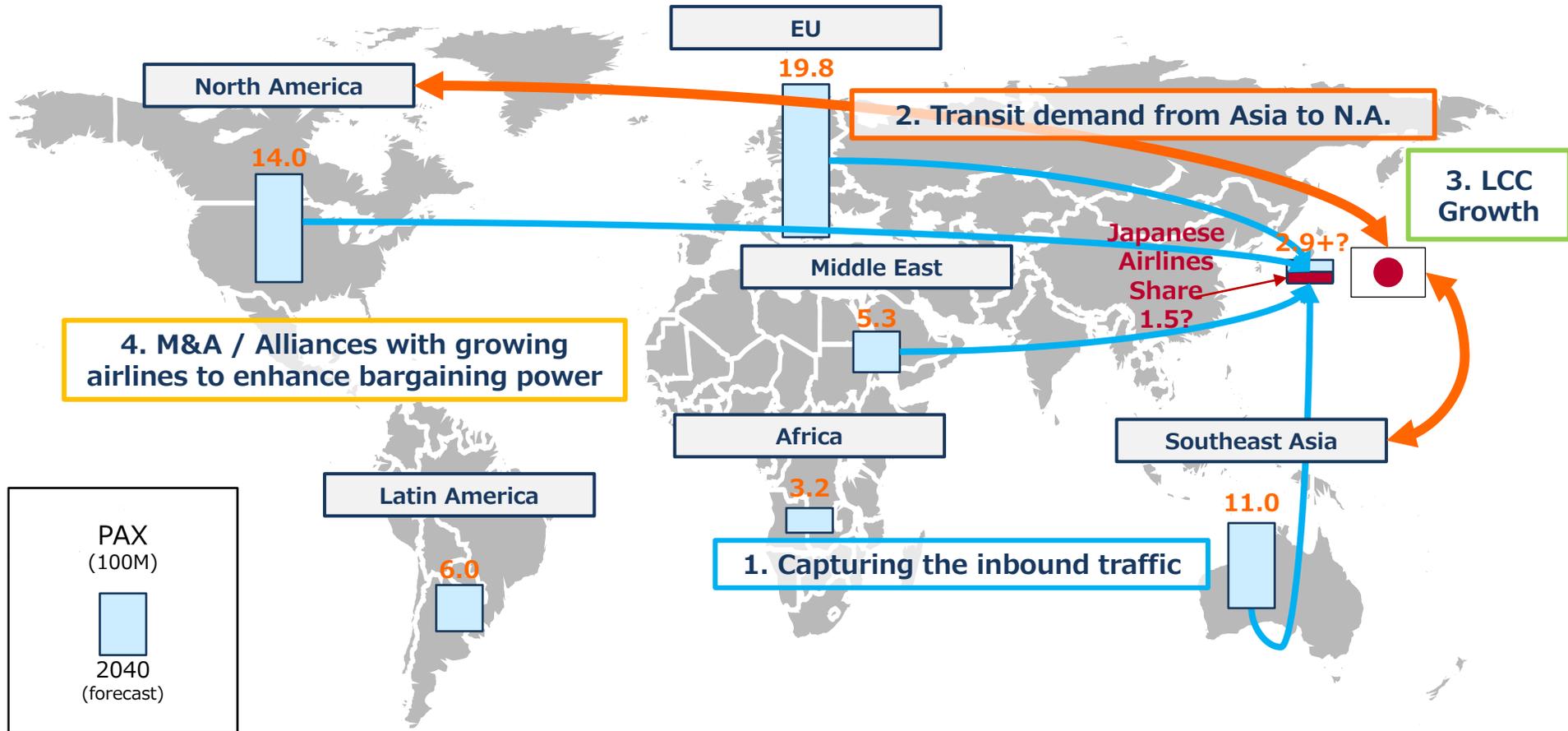
IATA forecasts 1.5x in Japanese PAX towards 2040

- Matured economies are expected to experience a lower growth relative to other regions
- Japanese PAX share currently stands at c. 3% which is forecasted to decline to c. 1% in 2040



Potential growth opportunities are available

- Organic growth opportunities are limited due to the business fundamentals (e.g., aging population, matured economy)
- Having a global coverage from Tokyo enables DBJ to think differently



Diverse and interesting examples around the world

- There are airlines with successful track records that are implementing distinct business strategies
- Those strategies could be applied to Japanese market with necessary tweaks

1. Capturing the inbound traffic

Targeting premium leisure travel

- Air New Zealand
- TAP Air Portugal
- Pegasus

Providing package holidays

- TUI Airlines
- Jet2.com
- Allegiant

2. Transit demand from Asia to North America

combining non-local labor and value-added service

- Turkish Airlines
- Emirates
- Flydubai
- Copa
- Finnair

3. LCC growth

- Cebu Pacific Air
- Wizz Air
- IndiGo

4. M&A / Alliances with growing airlines to enhance bargaining power

- International Airlines Group
- Indigo Partners

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