



Innovating today. Transforming tomorrow.

Mizuho Leasing Company, Limited

# Integrated Report 2025



# Mizuho Leasing and the Community (Acknowledging our place in society)

We aim to be a platform company that co-creates the future together with our clients. By providing a diverse range of solutions that address our customers' business needs and social issues, we want to be a company that contributes to the community by solving problems together. We are accelerating our various initiatives with the aim of becoming a multi-solution platformer regarded as indispensable to the economy, society, the environment, and people's lives.



## Management Ideals

# Connect Needs to Create the Future

### —The Mizuho Leasing Mission—

We want to create a society that can be passed on to future generations, where stable economic growth is achieved, the global environment is protected, resources are optimized, and human rights and ethics are respected.

To create such a society, we continuously challenge ourselves to innovate and create while working hand-in-hand with our stakeholders.

We also aspire to be a company that benefits the community by meeting and integrating the requirements of customers and society while being ready to address yet unidentified needs.

This is the kind of company we strive to be.

### Management Ideals



#### Vision

As an organization that fulfills its role in society by creating commercial value and contributing to a sustainable society, we endeavor to forever be a company where every employee can work with pride.



#### Mission

Alongside the financial services that are our group's strength, we work with our partners to offer new solutions that go beyond finance, applying new methods to unearth connections among the various needs of the community, and address these needs to create a better future.

## Our Mission

Connect Needs to Create the Future

## Our Vision

Be a creator of a sustainable world

## Our Values

Challenge

Change

Create

×

Collaborate



#### Values

By intermeshing the concepts "Challenge", "Change", "Create" and "Collaborate", we will ignite a powerful creative reaction among the varied collaborative stakeholders within the company and without.

# Contents | Tool Map | Website

## Management Message

### Message from the President

Becoming a platform company that co-creates the future with customers.  
Transforming our business portfolio and enhancing our management foundation to achieve further growth in becoming a platform company that co-creates the future with customers.



⇒ p.15

## Management Message

### Message from the CFO

Achieving all financial targets set in Medium-term Management Plan 2025 one year ahead of schedule. We will continue to pursue proactive growth investments while enhancing corporate value.



⇒ p.21

## Business Strategy

### Feature 2 Initiatives for a Circular Economy



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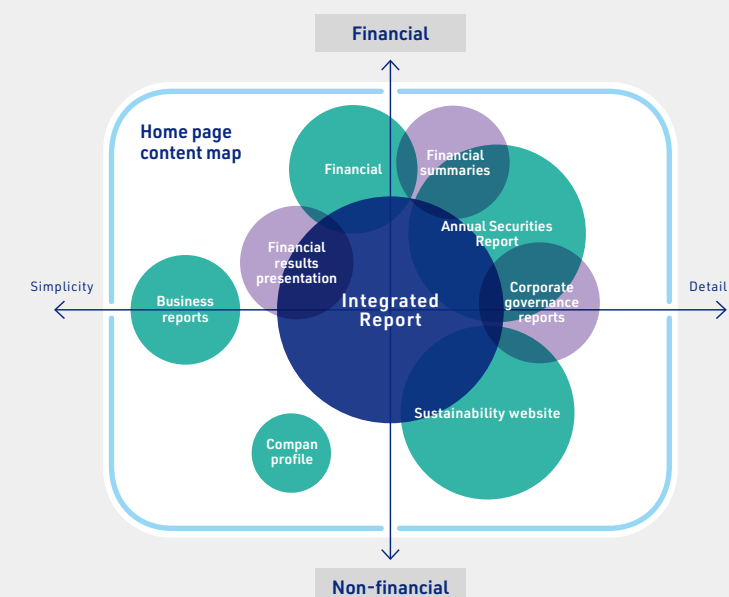
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## Websites relevant to our 2025 Integrated Report



## Official Website

<https://www.mizuho-ls.co.jp/en/index.html>



### Main content elements

- Business Overview
- IR/Investor Information
- Sustainability
- About Us
- Careers



## Special Website

<https://horizon.mizuho-ls.co.jp/>

### Highlighting Mizuho Leasing's notable cases and initiatives



### Main content elements

- Animation
- Case Studies
- Videos



### Editorial comments

To help stakeholders better understand the Mizuho Leasing Group's business activities, this report includes financial and non-financial information, the latter covering management strategies, as well as our stance toward the environment, society, governance, and other topics. In preparing this report, we have referenced such guidelines such as the Integrated Reporting Framework published by the International Integrated Reporting Council (IIRC), and have endeavored to provide a clear and concise explanation of the Group's medium-to-long-term efforts to create value.

### Period covered by the report

From April 2024 to March 2025 (Some activities will be discussed that extend outside this period.)

### Scope of the report

This applies to the entire Mizuho Leasing Group.

### Notes on forecasts

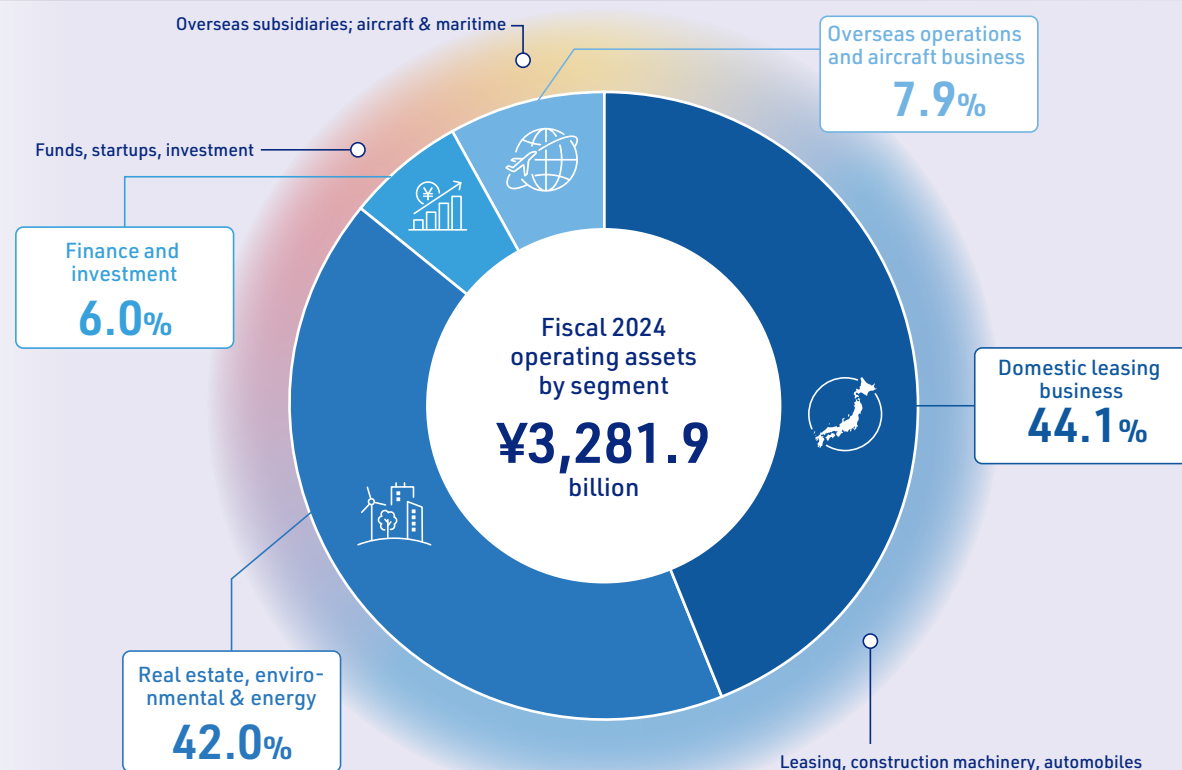
This report contains statements regarding management policies and future performance based on information available at the time of writing. These statements are subject to a certain degree of risk and uncertainty, and are not intended to guarantee their achievement. Please note that actual results may differ significantly from these statements depending on various factors.

# Mizuho Leasing Group Business Portfolio

The Mizuho Leasing Group, centered on its agile domestic leasing operations, actively and flexibly develops businesses related to physical goods.

By applying our distinctive expertise in physical goods and commercial distribution and providing well-tailored solutions that meet customer needs, we continue to build a multilayered business portfolio in our core, growth, and frontier segments.

## Segment breakdown

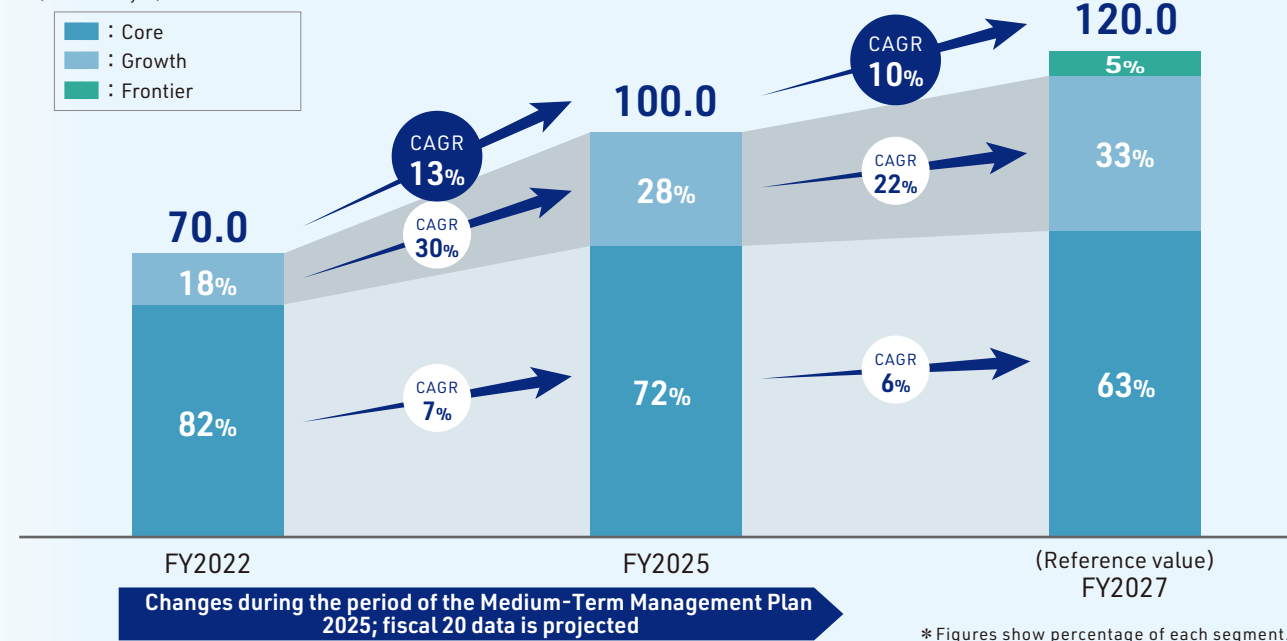


| Business area                                                     | Summary of operations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Relevant headquarters                                  |
|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| Domestic leasing, construction equipment, auto                    | We provide varied solutions, including financial leases that can be used for capital procurement and cost leveling and operating leases that can reduce total payments, to customers ranging from major domestic companies to small and midsize enterprises.                                                                                                                                                                                                                                                                                      | Business Promotion → p.31                              |
| Real Estate and Environment & Energy                              | Our real estate, environmental, and energy businesses provide a variety of services in their functional areas. Our real estate leasing business offers financial services that support property transactions, including leasing models geared toward cases where direct acquisition is difficult. Our environmental and energy business utilizes our financial resources and business network to engage in the development of renewable energy projects, providing financial and operational solutions specific to the renewable energy business. | Real Estate → p.33<br>Circular Society Platform → p.39 |
| Finance and investment, business funding, startups support        | Via our financing business, we support startups in such areas as the funding of capital investment. Moreover, we collaborate with Mizuho Capital, the Mizuho Group's venture capital arm, to provide new enterprises with other financing options. We also provide financial services related to business succession and M&A.                                                                                                                                                                                                                     | Investment → p.37                                      |
| Overseas & Aviation<br>Overseas subsidiaries; aircraft & maritime | We offer cross-border financial services that link Japan with other markets, facilitate leasing among local subsidiaries, and support companies' establishment of overseas operations and later-stage sales growth. Since commencing aircraft finance in 1982, our aircraft business has been developing a range of aviation-related businesses, such as aircraft-backed loans and Japanese-style operating leases.                                                                                                                               | Global → p.41<br>Transportation → p.35                 |

## Business Portfolio Management in Core, Growth, and Frontier Segments

### Projected gross profit and equity-method earnings trends by portfolio segment

(unit : billion yen)



The core and growth segments will drive the company's expansion during the period of our current medium-term management plan.

- The growth segment has expanded to account for nearly 30% of our portfolio revenue over the three-year period.
- Although the core segment's contribution will proportionally decline, steady profit growth is expected.

|          |                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                 |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| Core     | <b>Supports innovation and vigorous undertaking of challenges and provides a firm revenue base.</b><br>Businesses in this segment actively accumulate high-quality assets in mature markets and areas where we have a significant presence. This segment is expected to achieve continuous growth even amid shrinking markets.                                                                            | Domestic leasing<br>Real estate                                 |
| Growth   | <b>Growth businesses are slated to expand further over the medium to long term and become key revenue drivers alongside our core segment.</b><br>We actively invest management resources in this segment in pursuit of medium-to-long-term growth, with some results be seen during the term of the current medium-term plan.                                                                             | Global<br>Aircraft strategic investment<br>Environment & energy |
| Frontier | <b>This segment comprises new businesses that we are developing over the long term as supplemental revenue sources that will also help us to achieve our nonfinancial goals.</b><br>As endeavors that are expected to create new markets and achieve rapid takeoff on the way to building out our business foundation, these businesses are the target of accelerated investment of management resources. | Circular economy, XaaS                                          |

# Trajectory of the Mizuho Leasing Group

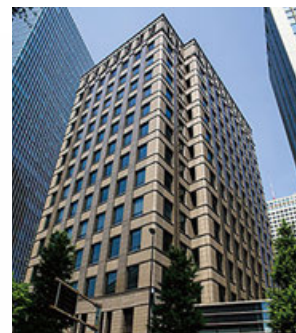
The Mizuho Leasing Group adds value by anticipating societal changes and flexibly developing businesses that meet the demands of the moment.

Our aim remains to be a multi-solution platformer that contributes to business progress as we partner with our customers to address their needs and engage in value co-creation that transcends the boundaries of finance.

Fiscal year ended March 2025

Revenues **¥695.4billion** Ordinary income **¥66.2billion**

Net income **¥42.0billion** ROE **12.2%** Number of employees (consolidated) **2,282**



**December 1969**

Establishes Pacific Lease Co., Ltd., as a general leasing company.

Formed as a general leasing company with the participation of 16 companies, including major Japanese industrial and life insurance companies, with the Industrial Bank of Japan (now Mizuho Bank) playing a central role.

## Project pioneered by Mizuho Leasing

Since our founding, our strength in financial solutions supporting capital investment has helped us build a strong track record in such areas as factory equipment leasing and structured finance. In the early days of Japan's leasing industry, Mizuho Leasing was among the first to offer leasing for ships and railway rolling stock. We also pioneered vendor financing programs for construction equipment and have consistently taken the lead in supporting customers' capital investment and sales promotion strategies.



**January 1972**

Begins vendor leasing of construction machinery



**December 1972**

Begins ship leasing overseas



**October 1985**

Undertakes Japan's railway rolling stock leasing



**November 1998**

Launches full-fledged structured finance business

**1981.11**

Changes trading name to IBJ Leasing Co., Ltd.

**1982.12**

Begins offering leveraged leases for aircraft

**1992.2**

Acquires equity stake in Krungthai Mizuho Leasing Company Limited of Thailand

**1993.7**

Undertakes securitization of lease receivables via a trust scheme

**1998.4**

Establishes IBJ Auto Lease Co., Ltd.

**1998.11**

Launches full-fledged structured finance business

**1999.2**

Acquires shares of Nissan Leasing Co., Ltd.

**2000.6**

Acquires shares of Mizuho Auto Lease Company, Limited

**2001.6**

Acquires shares of Universal Leasing Co., Ltd.

**2005.9**

Listed on First Section of the Tokyo Stock Exchange

**2006.3**

Acquires shares of Daiichi Leasing Co., Ltd.

**2010.8**

Establishes Indonesian subsidiary, PT. IBJ VERENA FINANCE

**2012.2**

Acquires shares of Mizuho-Toshiba Leasing Company, Limited

**2016.2**

Establishment of IBJ Air Leasing Limited, with Aircastle Limited marks entry into aircraft operating lease business

**2019.3**

Becomes an equity-method affiliate of Mizuho Financial Group, Inc.

**2019.3**

Acquires shares in Mizuho Marubeni Leasing Corporation

**2019.7**

Merges Indonesian auto finance JV PT. IBJ VERENA FINANCE with PT. VERENA MULTI FINANCE Tbk, the latter being the surviving company.

**2020.3**

Acquires equity interests in PLM Fleet, LLC, and Aircastle Limited, thus launching joint overseas asset finance operations with Marubeni Corporation

**2020.4**

Acquires shares in Ricoh Leasing Company, Ltd., commencing a business alliance with Ricoh Leasing and its parent, Ricoh Co., Ltd.

**2020.4**

Acquires equity stake in Vietnamese finance leasing company Vietnam International Leasing Company Limited

**2021.3**

Singapore subsidiary Mizuho Leasing (Singapore) Pte. Ltd. (100% owned) starts operation

**2021.5**

Acquires shares of Mizuho Capital Co., Ltd.

**2021.8**

Increases stake in Nippon Steel Kowa Real Estate Co., Ltd.

**2022.1**

Acquires shares in Affordable Car Leasing Pty Ltd.

**2022.4**

Designated as a Tokyo Stock Exchange Prime Market issue

**2023.6**

Acquires shares of Indian leasing company Rent Alpha Pvt. Ltd. \*

**2023.10**

Issuer rating obtained from Japan Credit Rating Agency, Ltd. (JCR) is changed to AA-

**2024.1**

Issuer rating obtained from Rating and Investment Information, Inc. (R&I) is changed to AA-

**2024.2**

Establishes MIRAIZ CAPITAL Co., Ltd.

**2024.4**

ML Power Company, Limited, begins operation

**2024.4**

Forms capital and business alliance with GECOSS CORPORATION

**2024.5**

Forms capital and business alliance with Marubeni Corporation

**2024.8**

Acquires additional shares of Indian leasing company Rent Alpha Pvt. Ltd.\*

**2024.8**

Establishes METREC

**2025.4**

Establishes ML ITAD Solution Co., Ltd.

**2025.5**

Enters into a capital and business alliance agreement with Nippon Steel Kowa Real Estate Co., Ltd.

\*Currently Mizuho RA Leasing Pvt. Ltd. (name changed in March 2025)



## Strengthening alliances 2019 onward

Capital and business alliances with Mizuho Financial Group, Inc., (2019) and Marubeni Corporation (2024)

## Operating assets (¥bn)

— 3,500

— 3,000

— 2,500

— 2,000

— 1,500

— 1,000

— 500

— 0

1969 Initial founding

Listed on First Section of the Tokyo Stock Exchange

Company name changed from IBJ Leasing Co., Ltd., to Mizuho Leasing Co., Ltd.

New management philosophy established: Connect Needs to Create the Future

# Mizuho Leasing Group's Business Activities and Strengths

Our company provides a wide range of financial and business services using our expertise in physical goods, our deep understanding of commercial distribution, and our advanced financial know-how. Amid intensifying expectations on our group to accurately grasp the changing requirements of our customers as they respond to such social issues as technological evolution and climate change and decarbonization, we stand ready to provide effective solutions.

We are progressing with our Medium-term Management Plan 2025 to gauge the prevailing circumstances and realize our vision of sustainable growth for our group as we take our next big step. We aim to make a major leap forward from leasing to become a platform company that co-creates the future with our customers. We intend to achieve this by meshing with customers' increasingly sophisticated business models, pursuing initiatives in the Group's key focus areas, and harmonizing our strategic directive through collaboration with alliance partners.

## Co-creating new businesses

### Business opportunities that leverage our strengths

- Responding in game-changing fields  
Business investment, provision of risk money, etc.
- Response to the deepening of technology  
Subscriptions, asset-sharing businesses, etc.
- Improving social conditions  
Circular economy, renewable energy, etc.

## Strengthening the four pillars of our management foundation

### Supporting the execution of business strategies and sustainable growth

-  Hastening digital transformation
-  Improving the sophistication of HR strategy, revolutionizing corporate culture
-  Strengthening governance
-  Enhancing our risk management posture

# Connect Needs to Create the Future

Becoming a platform company that co-creates the future with customers

## Alliances

Collaborative strategy initiatives

**MIZUHO**

Mizuho Leasing

Knowledge surrounding physical goods and deep understanding of commercial distribution

Wide-ranging services that leverage the Group's potential

## Strength in solutions business

New businesses—including collaboration with startups that align with customers' increasingly sophisticated business models

## Six Materiality Themes [p.44-46](#)

- |                                                                                                                                                                         |                                                                                                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
|  Contributing to a decarbonized society                                            |  Leading toward a circular economy                          |
|  Contributing to a healthy and prosperous lifestyle                                |  Creating new value through technology                      |
|  Contributing to the creation of social infrastructure that supports our lifestyle |  Creating a society and workplace where everyone can thrive |

## Service provision policy

For our group, helping customers devise business strategies that enable them to respond to rapid social change is the most important theme and the focus of our energy. As an answer to the increasingly sophisticated, diverse, and complex financial requirements of our clients, we offer financial services that leverage the high degree of freedom available to us as a leasing company. These we combine with a range of other services that take advantage of our group's latent strengths to create new solutions and serve as a strategic business partner as we blaze a new trail of growth together.

# Mizuho Leasing Group's Value Creation Process



**Co-creating a recycling-oriented society and realizing sustainability**  
Resolving business and social challenges as a multi-solution platformer

## INPUT

**Intellectual capital**  
Expertise and extensive know-how in physical goods, distribution channels, and finance

- High-value-added services
- Ability to provide solutions that solve customers' problems

**Human capital**  
Staff possessing advanced expertise who are sincerely committed to addressing issues

- Recruitment of accomplished specialists
- Number of employees (consolidated) **2,282**
- (non-consolidated) **819**

**Social capital**  
Partnerships for co-creation

- Customer base concentrated among large and midsize companies
- Broad network
- Subsidiaries: **224** (177 domestic, 47 overseas)
- Affiliates: **22** (12 domestic, 10 overseas)

**Financial capital**  
A solid funding base that fuels value creation

- Shareholding stake (percentage of total shares issued, as of end-March, including indirect holdings)
- Mizuho Financial Group: **23.6%**
- Marubeni Corporation: **20.0%**
- Stable financial base Net assets **¥401.5 billion**
- External rating (long-term) R&I : **AA-**、JCR : **AA-**

**Manufacturing capital**  
Source of profits

|                                       |                        |
|---------------------------------------|------------------------|
| Total operating assets:               | <b>3,281.9 billion</b> |
| Domestic leasing:                     | <b>1,447.9 billion</b> |
| Finance and investment:               | <b>196.7 billion</b>   |
| Real estate and environmental energy: | <b>1,377.8 billion</b> |
| Overseas & Aviation:                  | <b>259.5 billion</b>   |

**Natural capital**  
Efficient use of resources

- Renewable energy power generation capacity **708MW**
- Solar, wind, biomass, and hydroelectric power plants; grid-connected storage facilities

## Management Strategy and Business Activities

**New ideas and initiatives that go beyond finance**  
Adding value for customers through diverse solutions that meet business and financial strategy needs

Finance
Service
Business investment and management
Digital Strategy

**Transforming and enhancing business portfolio management**  
Improving social conditions and enhancing market value with diverse products and assets

Developmental business segments
Core  
Profitable businesses that underpin the company  
Domestic Leasing  
Real Estate  
:

Growth  
Revenue driver second only to the core segment  
Global  
Aircraft  
Strategic investment  
Environment and energy  
:

Frontier  
Business specializations that lead to our desired state  
Circular economy  
XaaS  
:

**Collaboration with alliance partners** → p.25-26

**MIZUHO**  
Largest domestic customer base

**Marubeni**  
Global network  
Strength in HR, business development

**RICOH** **TOSHIBA**  
**GECOSS** **TRE HOLDINGS**

**Strengthening the management base**

- Fortifying governance → p.65-68
- Enhancing risk management systems → p.83-84
- Increasing the sophistication of HR strategies and transforming corporate culture → p.57-62

**Promotion of sustainability management**

Contributing to a decarbonized society

Contributing to a healthy and prosperous lifestyle

Contributing to the creation of social infrastructure that supports our lifestyle

Leading toward a circular economy

Creating new value through technology

Creating a society and workplace where everyone can thrive

## OUTPUT

**Business Strategy by Headquarters**  
→ p.31-42  
**Business Promotion**

- Accumulating a high-quality operating asset balance
- Promoting measures for new businesses, such as acquiring shares in GECOSS CORPORATION, establishing METREC Co., Ltd. as a joint venture with TRE HOLDINGS CORPORATION, entering the ITAD business, and strengthening cooperation with TECHNO RENT CO., LTD.

**Real Estate**

- Increases stake in Nippon Steel Kowa Real Estate Co., Ltd.
- Launching a new company brand

**Transportation**

- Design of JOLCO schemes with attention to foreign exchange and U.S. dollar interest rate trends, achieving strong structuring and sales of related products.
- Execution of JOLCO transactions under the Enabler Finance structure

**Investment**

- Accelerating startup investments and business collaborations from the CVC fund managed by Future Creation Capital Co., Ltd., a wholly owned subsidiary of our company
- Investing in power generation projects that contribute to the realization of a decarbonized society in Japan and renewable energy projects overseas

**Circular Society Platform**

- Launched ML Power Company, Limited, a renewable energy company, and strengthened our business operations.
- Expanded into new business models, such as providing environmental value and grid-connected battery storage

**Global**

- Increasing investment ratio in Indian subsidiary
- Expanding customer base and accumulating operating assets through collaboration with Marubeni Corporation

## OUTCOME

**Enhanced social value**

- Supplying renewable energy
- Building a platform for a highly recycling-centric society

**Improved shareholder value**

- Projecting improved earnings and distributing dividends in line with business performance
- Effectively employing internal reserves to strengthen our business foundation and invest in growth

**Increasingly valued human capital**

- Creating a healthy and rewarding workplace
- Autonomous, self-directed action

**Medium-term Management Plan 2025 objectives**

**Financial targets**

|                      |                     |                    |
|----------------------|---------------------|--------------------|
| Net income           | ROA                 | ROE                |
| <b>¥42.0 billion</b> | <b>1.6% or more</b> | <b>12% or more</b> |

**Nonfinancial targets**

- Securing renewable energy power generation capacity **1GW**
- Reduce CO<sub>2</sub> emissions\* from scope 1 & 2 **Net zero**  
\* Non-consolidated and seven domestic consolidated subsidiaries (FY2030)
- Chemical/material resource recycling rate **85% or more**  
(FY2027)
- Hire more specialized business professionals **+80 or more**
- Investment amount for developing personnel **3x or more**  
(compared to FY2022)
- Develop digital IT personnel **200 heads or more**  
(achieved)
- Ratio of female managers **15%**
- Paid leave utilization rate **80% or more**
- Ratio of childcare leave taken by male employees **100%**  
(each year)

Management Philosophy Connect Needs to Create the Future → p.03-04

# Message from the President

Becoming a platform company that co-creates the future with our customers

## Transforming our business portfolio and enhancing our management foundation to spur further growth

### Medium-term Management Plan: Results from the First Two Years

Upon becoming president in 2023, I put forth a vision for the future of Mizuho Leasing: a multi-solution platform that has progressed beyond the leasing company model, helping to resolve business and social challenges. To ensure this vision did not remain merely a slogan, the Company's management team and executive functions have worked as one, taking a backcasting approach to organize the challenges we face. This resulted in our Medium-term Management Plan 2025 (the "Plan"), which forms the core of our current business strategy. The Plan covers the three years from fiscal 2023 through fiscal 2025, which positions the Company for a period for aggressive resource investment in both business and management foundations to spur the rapid growth needed to realize our vision. Simultaneously, we are promoting initiatives to transform our business portfolio and strengthen our management.

Over the past two years, we have already achieved all financial targets set for fiscal 2025, the final year of the Plan, one year ahead of schedule, including net income of ¥42.0 billion (actual fiscal 2024: ¥42.0 billion), ROA of 1.6% or higher (1.8%), and ROE of 12% or higher (12.2%). Compared with 2019—the year we renamed ourselves from IBJ Leasing to Mizuho Leasing—we have achieved annual growth of approximately 19% in profit attributable to owners of the parent. Coupled with increased equity, this has created a virtuous cycle that permits us to assume appropriate levels of business risk. We believe a major factor behind this positive cycle is the emerging corporate culture where, from a fresh perspective, sales and administrative departments collaborate closely to generate ideas that extend considerably beyond the leasing company model. As part of strengthening the management foundation

supporting growth under the Medium-term Management Plan 2025, we launched seven transformation project teams (PTs). We are working to strengthen our management foundation under the keywords "Challenge, Change, Growth" across the following areas: (1) Corporate Culture, (2) Work Style/Office, (3) Human Resources Strategy, (4) Digital Business Shift, (5) Sales, (6) Business Portfolio, and (7) Risk Management. We feel these efforts are bearing fruit and fostering a growing sense of unity within the organization.

Additionally, in advancing sustainability, we are making steady progress toward non-financial goals as well. These include expanding renewable energy generation capacity to secure 1GW, a mid-term management plan target; reducing CO<sub>2</sub> emissions to realize a decarbonized society; and developing human resources to support growth.

Building on these achievements, our next medium-term management plan will continue our Mission-Vision-Value framework. We aim to transform our business portfolio by expanding the value chain of each business through business model evolution and creating new businesses, thereby further enhancing corporate value.

### Regarding Business Portfolio Transformation

Although we have achieved a certain degree of success over the past two years, we recognize that we are still halfway to achieving our medium-to-long-term vision. Within our industry, numerous strong domestic and international competitors exist. We classify our business into three domains: core (Domestic Leasing, Real Estate), growth (Global, Aircraft, Strategic Investments, Environment & Energy, etc.), and frontier. For the Company to expand further, it is crucial that we advance the transformation of our business portfolio centered on



President and CEO  
**Akira Nakamura**

Message from the President

the unique advantage conferred by our alliance strategy with the broader Mizuho Group and Marubeni. In particular, the Mizuho alliance is fundamental to our operations. It has consistently performed well securing stable earnings while functioning as a platform for co-creating value with customers—primarily in domestic leasing and real estate. Currently, as we challenge ourselves to make the significant leap beyond the leasing company model, we have also begun supplying risk capital and bolstering our equity investment activities. Specifically, we are focusing on collaborative value creation with Mizuho Group customers and pursuing business outside the finance space. We provide diverse solutions to address societal issues and our customers' business challenges in ways not confined to the financial sector.

Furthermore, our collaboration with Marubeni is a key pillar of our overseas strategy. Since our partnership began in 2019, we have jointly invested in the US aircraft leasing business and established a joint venture for the refrigerated trailer leasing business. In May 2024, we also implemented a capital and business alliance, further accelerating our collaboration in the global arena.

Moreover, beyond the business aspects, we have been

collaborating with Marubeni to effectively increase the number of employees with global experience within our company. A key challenge for our company is the low proportion of global business, and working together with Marubeni on projects will help address this issue. Beyond the collaboration with Marubeni and within the Mizuho Group, other cooperative efforts and new initiatives to effectively connect business value chains are progressing smoothly. In our core areas, we strengthened our capital and business alliance with Nippon Steel Kowa Real Estate in May 2025, a company with extensive experience in large-scale real estate development, and an area we had not previously pursued. In our growth areas, we consolidated Mizuho RA Leasing (formerly Rent Alpha), the second-largest IT equipment leasing company in India, as a consolidated subsidiary. This marks our eighth country of operation. While entering India is considered a highly challenging endeavor with few successful global precedents, our Indian operations significantly contributed to performance in the fiscal year ended March 2024. Our global presence is growing, establishing itself as the third pillar following our core domestic leasing and real estate businesses.

Furthermore, in frontier areas, as part of our efforts to

strengthen the value chain of our domestic leasing business through the circular economy, we established METREC Co., Ltd. in partnership with TRE Holdings, a leading company in the resource reclamation industry. METREC offers one-stop solutions covering structural demolition, resource recovery, and waste disposal. Additionally, we established MLITAD Solutions Co., Ltd., which handles the collection, data erasure, reuse, and recycling of used IT assets, advancing initiatives focused on future growth and business expansion. Together with TRE Holdings and in collaboration with Mizuho, we are also exploring the construction of a circular economy platform encompassing upstream industries or industries utilizing raw materials. We believe this demonstrates the effectiveness of our alliance strategy even in frontier areas.

As we begin substantive discussions on the next medium-term business plan, we aim to maximize the Company's potential and push each initiative forward to transform our business portfolio.

**Strengthening our Management Foundation**

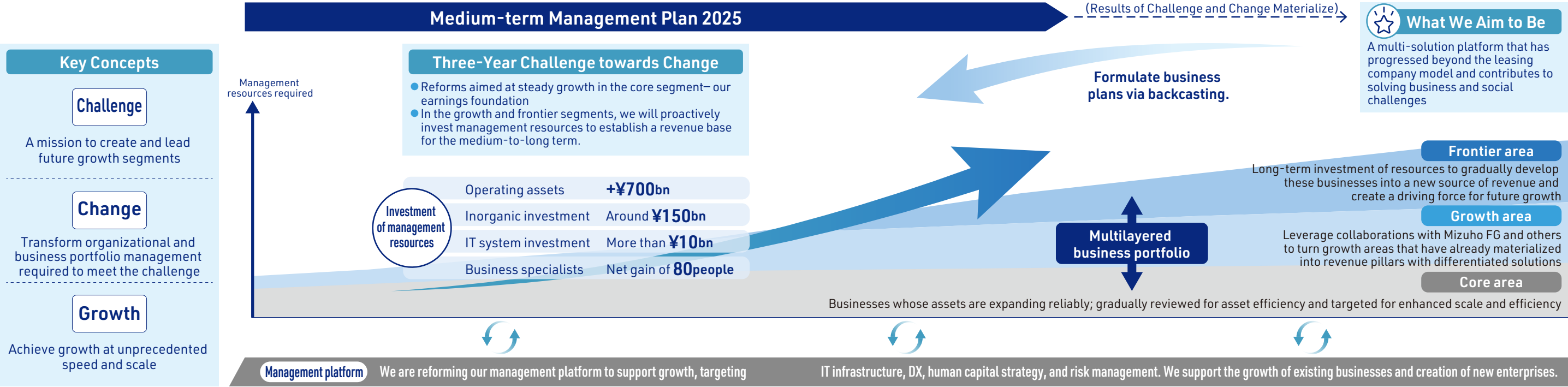
We are actively investing in a management foundation that will support future growth. We are prioritizing and

identifying the following key areas: IT infrastructure development, digital transformation, headquarters relocation, and HR strategy and risk management framework enhancement. Regarding system investments, we are building next-generation system infrastructure in anticipation of future business expansion. We have also introduced Microsoft 365 as part of a platform that leverages generative AI and other technologies throughout our operations.

To raise operational efficiency, we are introducing robotic process automation (RPA) to our administrative departments and have been undertaking, since the year before last, the DANSHARI (decluttering) project as a fundamental review of our operations. This project enhances productivity by fundamentally reexamining tasks that have become dependent on specific individuals. While we primarily focus on boosting our own productivity and elevating the effectiveness and efficiency of our sales process, we are also looking into proposals based on AI and robotics to address labor shortages among our business partners.

Next, I will discuss company culture guidelines the Company formulated in fiscal 2023 with the goal of establishing a virtuous cycle of customer satisfaction enhancement and corporate value. With these guidelines

Positioning of our Medium-term Management Plan 2025



## Message from the President

our employees can act in a self-directed and autonomous manner, build their individual abilities, and challenge themselves to create new value.

To challenge unprecedented new initiatives beyond the confines of finance, we must change how we operate. I believe that if each individual approaches their work with a sense of purpose and a shared-company perspective, we will be able to transform into a company where people can act spontaneously and autonomously, speeding up our company's growth significantly. Therefore, I consider our corporate culture transformation initiative to be extremely important.

Next, I will discuss the relocation to our new headquarters. The planned move to our new headquarters in spring 2026 was decided with this corporate culture transformation in mind. Currently, our sales and administrative departments are located separately, hindering the interdepartmental collaboration required to deliver swift solutions. The headquarters relocation aims to resolve this issue by moving to a spacious, single-floor space that fosters a sense of business unity. It also aims to strengthen recruitment by providing a pleasant, rewarding office environment.

At the new headquarters, projects are advancing in

preparation for the move. These include a collaborative art project (mural art) involving employees and artists, and a cross-functional internal project exploring efficient office utilization and new ways of working. We also plan to hold numerous events focused on cultural transformation, utilizing collaboration spaces capable of gathering hundreds of people.

As we strengthen our management foundation, we face challenging tasks that include further refining investment criteria and discipline, enhancing monitoring systems, and introducing data management to appropriately control risks. This will enable us to achieve more sophisticated risk-return management and expand our profits.

### Human Capital Management

In concert with corporate culture transformation, we are investing more intensively in talent development and working to realize the full potential of our individual employees by getting the right people in the right roles, thereby enhancing our organizational strength. Specifically, to strengthen medium-to-long-term staff development, we are implementing a selective program for developing the next generation of management

leadership. We are also promoting new initiatives, such as introducing 360-degree surveys aimed at improving the effectiveness of management and enhancing our organizational capabilities. Moreover, in line with our business strategy, we are undertaking HR platform reforms to enable every member of our staff to thrive in diverse fields and experience a sense of fulfillment and purpose in their work. We are focusing on creating new frameworks to assemble the talent we need to support our future business strategies. This effort includes promoting the growth of young and mid-career employees, providing a platform that allows management to perform their roles, integrating job categories for administrative staff into regional generalist roles, and further enabling the active participation of experienced senior employees who offer specialized knowledge.

Regarding the ratio of female managers, we are steadily progressing toward our medium-term target of a 15% ratio of female managers. We achieved 11.6% in fiscal 2023 and 13.0% in fiscal 2024 and are working to improve further. Recently, over half of our new graduate hires have been women, signaling the growing contribution of female employees.

### Fiscal 2025 Performance Outlook

In fiscal 2024, we achieved the financial targets of our medium-term business plan one year ahead of schedule. We are maintaining our efforts in fiscal 2025 to increase profits while also investing consistently in human resources and IT systems to build a management platform in support of future growth.

For fiscal 2025, we plan to achieve Net income attributable to owners of the parent of ¥43 billion. Based on the projected profit increase and our dividend payout ratio benchmark of approximately 30%, we plan to boost shareholder returns by increasing our annual dividend by ¥1 per share, to ¥48 (¥24 interim, ¥24 year-end).

Regarding the business environment, while we are in an era of heightened uncertainty, we believe significant business opportunities remain. Domestically, as business succession and restructuring activities intensify, we anticipate increased opportunities for ourselves as suppliers of risk capital. Additionally, the real estate market conditions remain strong—particularly for central Tokyo office properties. Demand in the renewable energy

sector remains robust, driven by data centers and other forces.

Overseas, lease payments and gains on asset sales remain robust due to rising aircraft prices. The economy continues to grow steadily in the Indian market, which drove performance in the previous fiscal year.

### Implementing Management Principles with Cost of Capital in Mind

To practice “capital cost-conscious management,” we believe that improving ROE and fostering growth expectations among investors are crucial for enhancing PBR.

Regarding ROE, we maintain a focus on improving profitability, particularly through enhanced ROA, or asset efficiency.

Our future growth expectations assume the progressive implementation of not only organic growth strategies but also inorganic and alliance-driven strategies. In regard to profits, we have consistently achieved record-high earnings and met the financial targets of our Medium-term Management Plan 2025 a year ahead of schedule. We have also continued to raise shareholder dividends.

We believe it is crucial to effectively communicate these results and our vision for growth to our shareholders and investors to gain their understanding and ensure they share our growth expectations.

Therefore, we are bolstering our IR activities by focusing on earnings briefings, company presentations, individual consultation, and group meetings for institutional investors. Moreover, we have established a framework for reporting questions raised during these activities and other matters of interest to investors at the meeting of the Board of Directors to ensure they are duly reflected in management decisions.

In our next medium-term business plan, we aim to take a major step forward as we evolve beyond our leasing company model and become a platform operator that collaboratively creates future value with our customers. To this end, we will continue transforming our business portfolio and strengthening our management foundation to achieve further growth.

We are always striving to enhance corporate value to earn your continued support. We sincerely appreciate your ongoing patronage.



# Message from the CFO



**We have achieved all financial targets set forth in our Medium-term Management Plan 2025 one year ahead of schedule. Moving forward, we continue to invest proactively in growth as we strengthen the management foundation that sustains our expansion. At the same time, we are driving the transformation of our business portfolio and enhancing corporate value.**

Deputy President  
**Hiroshi Nagamine**

## 1 Business Portfolio Transformation and Recent Performance

Under the Medium-term Management Plan 2025, we categorized our business portfolio into three segments—core, growth, and frontier—with differing maturation timelines. By appropriately managing areas focused on short-term profitability and areas requiring growth investments for medium-to-long-term monetization, we are strengthening the business foundation that enables sustainable growth. Specifically, we continue to build up high-quality assets in domestic leasing and real estate, which remain core revenue areas, while actively allocating management resources to growth areas like global business and environmental energy to develop them into the next major revenue pillars. Simultaneously, we are making

proactive upfront investments in frontier areas such as the circular economy and XaaS, which hold potential as new revenue sources over the medium-to-long term. In the fiscal year 2024, driven by the accumulation of operating assets centered on real estate, initiatives across each business segment, contribution from our Indian subsidiary Mizuho RA Leasing, and increased equity method earnings from companies like Nippon Steel Kowa Real Estate and Aircastle, Net income attributable to owners of the parent reached a record high of ¥42.0 billion. This achievement met the Medium-term Management Plan 2025 target one year ahead of schedule. At the same time, we achieved the medium-term plan targets for our other financial goals—ROA on ordinary profit and ROE on net income—one year ahead of schedule.

## 2 Inorganic Strategy and Collaboration with Marubeni

In May 2024, following a capital and business alliance with Marubeni, we executed a third-party allotment of new shares to Marubeni and others, strengthening our capital base. By leveraging the surplus generated from this capital injection, we achieved our medium-term plan's target for building up operating assets one year ahead of schedule. Moreover, we are beginning to see results from our business tie-up with Marubeni through examples such as our investment in renewable energy in Portugal during June 2025. We are also steadily progressing with our inorganic growth strategy, under which we have increased our stake in Mizuho RA Leasing and Nippon Steel Kowa Real Estate, made GECOSS an affiliate, and established ML ITAD Solutions.

## 3 The Interest Rate Era has Arrived

With the Bank of Japan having raised its policy interest rate twice in the fiscal year 2024, the era of interest rates has finally arrived. Although rising interest rates will eventually lead to improved yields on operating assets through pass-through to lease payments, there is a certain time lag. Ahead of this, funding rates have also risen, creating short-term cost pressures. Meanwhile, as we advance our medium-term strategy, our balance of operating assets continues to grow. Maintaining stable funding structures—including controlling interest rate risk on assets and liabilities

through ALM operations and strengthening and diversifying funding sources—remains an ongoing challenge. With this understanding, going forward, we also plan to expand the use of sustainable finance as a new funding tool.

## 4 Initiatives to Enhance Corporate Value

With regard to shareholder returns, we achieved the financial targets set forth in our Medium-term Management Plan 2025 one year ahead of schedule in fiscal 2024 and are, therefore, raising our dividend to remain in line with our target dividend payout level of 30% or so. Under our basic policy of enhancing profitability and maintaining performance-based dividends, we will continue to offer attractive shareholder returns by distributing growing profits in amounts consistent with our dividend payout ratio objective. In line with our push for management is mindful of capital costs and share price, achieving a price-to-book ratio (PBR) of 1x is a key theme. To simultaneously maintain a high return on equity (ROE) and improve our equity ratio, we are focusing more intensively than ever on improving our return on assets (ROA). Furthermore, through better information disclosure and proactive engagement with shareholders and investors via IR activities, we strive to deepen their understanding and guide expectations regarding our business strategy and future sustainable growth potential, further elevating our market valuation.

**FY2024 performance (¥ billion)**

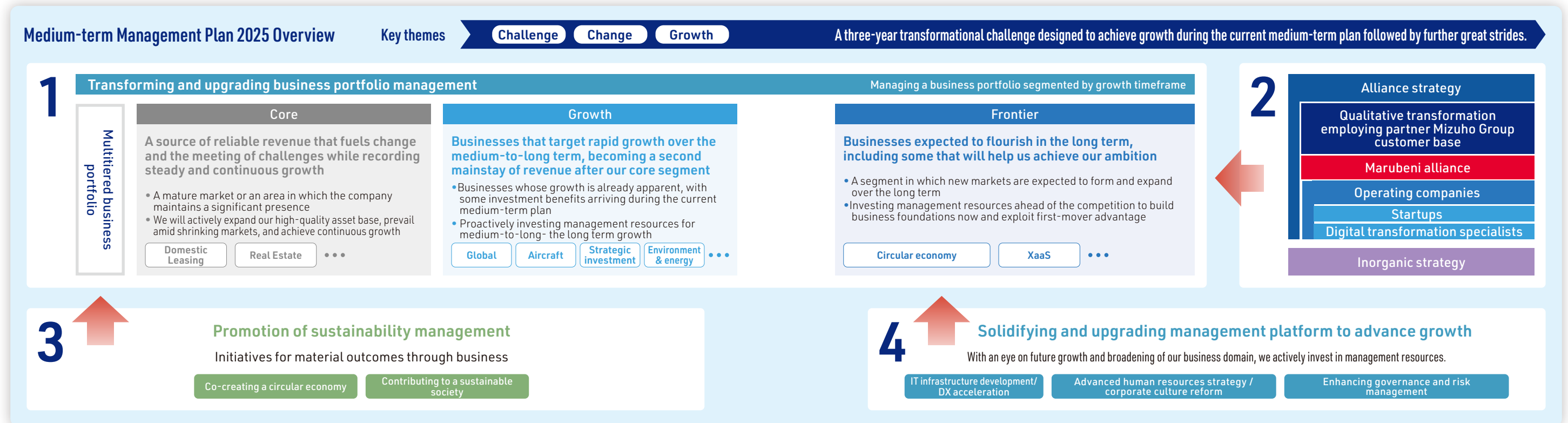
|                                                 | FY2021 | FY2022 | FY2023 | FY2024 |
|-------------------------------------------------|--------|--------|--------|--------|
| Revenue                                         | 554.8  | 529.7  | 656.1  | 695.4  |
| Operating income                                | 17.9   | 31.8   | 39.5   | 49.0   |
| Ordinary income                                 | 20.1   | 40.1   | 50.9   | 66.2   |
| Net income attributable to owners of the parent | 14.9   | 28.4   | 35.2   | 42.0   |
| Cash dividend applicable to the fiscal year*    | ¥22.0  | ¥29.4  | ¥38.4  | ¥47.0  |
| Dividend payout ratio                           | 35.70% | 25.10% | 26.50% | 30.40% |

\*Adjusted for stock split

## Medium-term Management Plan 2025 Progress Update

Under our Medium-term Management Plan 2025, we are promoting four strategies with the keywords "Challenge", typical financial sector constraints and tailored to customers' business and social challenges.

"Change", and "growth". We aim to become a multi-solution provider offering diverse solutions extending beyond



## 1 Transforming and enhancing business portfolio management

[Core] segment

- Expansion of operating assets and earnings base centered on collaboration with Mizuho
- In real estate, progress was made with mezzanine loans and large-scale bridge transactions, as well as the acquisition and development of logistics facilities and office buildings

[Growth] segment

- Completing management integration of Indian subsidiary (Mizuho RA Leasing), contributing to global growth
- Promoting expansion of service offerings across the supply chain, starting with the power generation business

[Frontier] segment

- Promoted the circular economy through initiatives such as establishing the joint venture METREC Co., Ltd. and establishing ML ITAD Solution Co., Ltd.

→ p.07

### 3 Promotion of sustainability management

- Expanding renewable energy generation capacity (708 MW, progressing toward the fiscal 2025 target of 1 GW)
- Selected as a constituent of the ESG investment index “FTSE Blossom Japan Sector Relative Index”
- Received “Eruboshi Certification” from the Ministry of Health, Labour and Welfare
- Strengthened fundraising capacity through the use of sustainable finance frameworks

→ p.43

## 2 Alliances & inorganic strategy

## Alliances

- In addition to deepening collaboration with Mizuho, strengthening collaboration with Marubeni Corporation for expanding domestic and international business pipelines

### Inorganic strategy

- Against a planned three-year investment of ¥150 billion, cumulative investment reached approximately ¥100 billion
- Expanded business and value chains through additional investment in U.S.-based Aircastle Limited, additional investment in Mizuho RA Leasing, acquisition of Gecoss Corporation shares, establishment of METREC, establishment of MLITAD Solution, and acquisition of Nippon Steel Kowa Real Estate shares

→ p.25

#### 4 Solidifying and upgrading management platform to advance growth

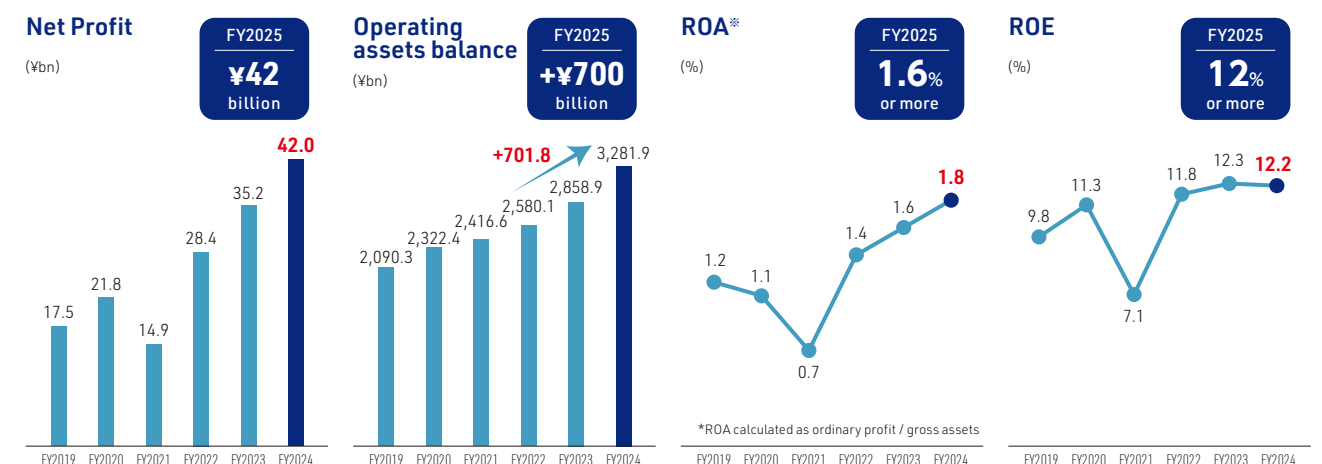
- Enhancing our human resources strategy to "build the optimal talent portfolio" and "maximize individual strengths"
- Company-wide events promoting cultural transformation in conjunction with the new head office relocation
- Building a stronger foundation for business expansion through renewal of groupware and introduction of next-generation systems
- Productivity enhancement through digital utilization, including the DANSHARI project
- Strengthening inorganic initiatives to foster new business creation and reinforce the value chain of each division
- Revamping the corporate website to enhance branding, marketing, and recruitment capabilities

→ p.57

### Regarding key performance indicators

- In the fiscal year ended March 2025, in addition to the core areas of domestic leasing and real estate, the growth areas of overseas & aviation also expanded earnings. Ordinary profit reached ¥66.2 billion and net income reached ¥42 billion, both setting record highs. All final-year financial targets of the medium-term management plan including "¥700.0 billion increase in operating assets," "ROA of 1.6%," and "ROE of 12%," were achieved one year ahead of schedule.
- Based on our fundamental shareholder return policy of "projecting improved earnings and distributing dividends in line with business performance," the dividend payout ratio was raised to the target level of 30% set for the final year of the plan, and annual dividends were increased to ¥47 per share
- In the fiscal year ending March 2026, we will further advance initiatives such as "solidifying and upgrading management platform to advance growth," which will be the base for "transforming the business portfolio" and "strengthening collaboration with Marubeni and inorganic investments," while achieving results from measures that serve as the foundation for future growth
- Focusing on strengthening earnings power through collaboration with the Mizuho Financial Group and Marubeni Corporation, we plan to achieve net income attributable to owners of the parent of ¥43 billion, exceeding the medium-term management plan 2025 target

## Financial targets / Investment of management resource



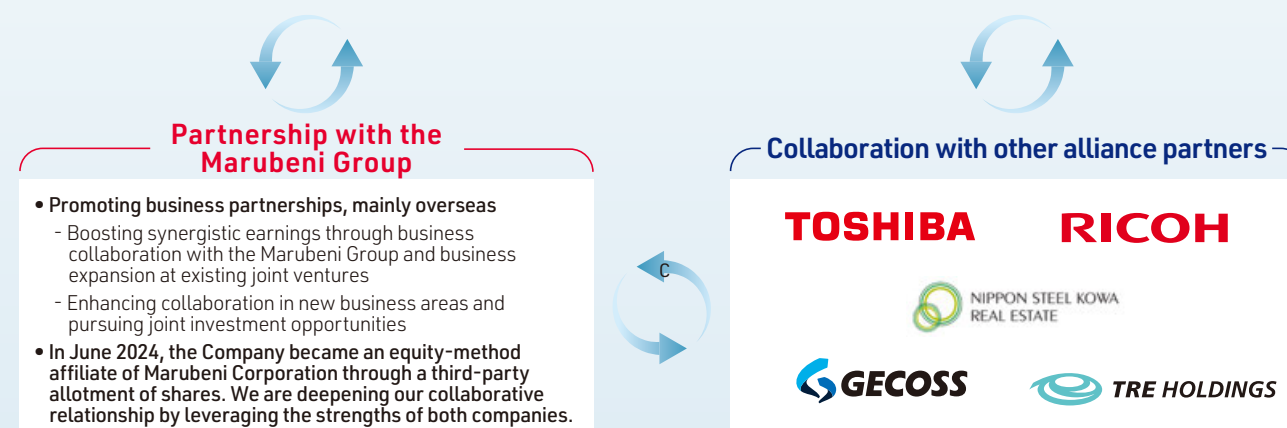
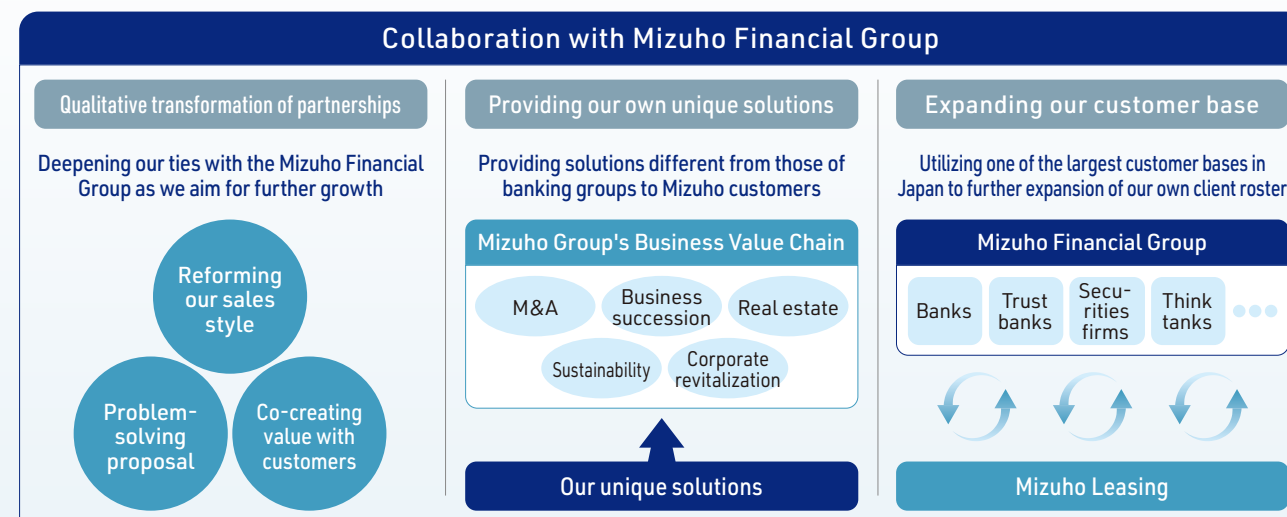
Figures in the box represent the initial Mid-term Management Plan targets

## Value co-created with alliance partners

Mizuho Leasing's management directive, "Connect Needs to Create the Future", underlies our continued tackling of challenges that go beyond the boundaries of finance and the expansion of our business domain. Our business opportunities arise from the development of solutions and the promotion of businesses that, rapid changes in the operating environment, address such social issues as technological evolution, climate change, and decarbonization. In addition to deepening our alliances within the Mizuho Group, anchored by one of Japan's leading megabanks, and Marubeni Corporation, a general trading company that has provided solutions addressing a number of social issues, we aim to achieve our objectives through the co-creation of value with partners and stakeholders who share our vision.

### Alliance strategy overview

### Accelerating our evolution into a multi-solution platformer through collaboration with alliance partners



### Contributing to a sustainable society



## 1

### Progress of Collaboration with Marubeni Corporation

We have accepted 18 personnel from Marubeni Corporation, ranging from management to young employees, further strengthening our strategic collaboration. We have worked on more than 180 domestic and overseas projects, primarily in renewable energy, infrastructure, and real estate, with contract execution volume totaling ¥68.2 billion, steadily expanding results. (As of July 2025)

#### VOICE Employee seconded from Marubeni

I joined Mizuho Leasing on January 1, 2025. At Marubeni, I was engaged mainly in the overseas businesses in plant & equipment, infrastructure and CO2 reduction. And also I could extend my experiences to the other industries and clients through the assignments in Marubeni overseas offices in various countries. Mizuho Leasing has wide range of clients, and I feel great potential of its growth to the huge business field. Marubeni Collaboration Division plays a key role in expanding the partnership of both companies. After one year of its establishment, businesses created from the partnership are increasing. I believe Mizuho Leasing's strength exists in its position having a wide range of clients and industries and its corporate culture that seeks challenge, change, and growth.

I hope the collaboration with Marubeni will become a catalyst for growth, and I look forward to working together with everyone involved.

Marubeni Collaboration Division  
(seconded from Marubeni)

Masao Kato



## 2

### Progress of Collaboration with Nippon Steel Kowa Real Estate

In May 2025, we acquired additional shares of Nippon Steel Kowa Real Estate, an equity-method affiliate, and entered into a capital and business alliance agreement. As a result, our Group's ownership ratio increased from 15.29% to 30.14%. Going forward, we aim to achieve strategic synergies at an early stage through deeper collaboration.

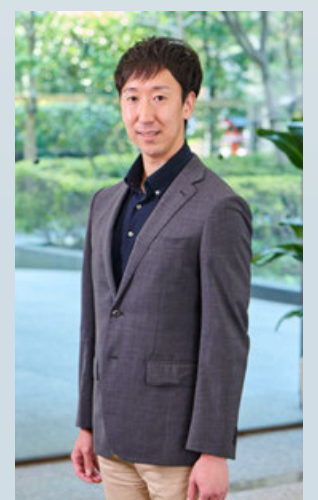
#### VOICE Employee seconded to Nippon Steel Kowa Real Estate

I joined Mizuho Leasing in June 2020 and worked in the Interim Management Team, handling real estate leasing and domestic funds. From April 2023, I was seconded for one year to the Logi-Front Business Promotion Department (now the Logistics business Division) at Nippon Steel Kowa Real Estate, where I gained unique developer perspectives and hands-on experience in market analysis, facility planning, and tenant acquisition for logistics facility development. Leveraging this experience, I strive to deliver higher value-added solutions by improving precision from project planning to operation in our original-brand logistics facilities and office development projects.

Moving forward, through collaboration with Nippon Steel Kowa Real Estate, we will further enhance the real estate value chain and provide higher-quality proposals to Mizuho Financial Group clients.

ML Estate Co., Ltd.  
(a wholly owned consolidated subsidiary of Mizuho Leasing)

Tatsuru Wada



## Initiatives toward realizing a circular economy

We are connecting the “arterial” industries that manufacture and sell products with the “venous” businesses responsible for material recycling and moving beyond the scope of finance to take on the challenge of maximizing the value of recycled resources.



Innovation Co- Creation  
Department  
Mr. Takashi Kimura

Digital Technology Promotion Department  
& Innovation Co-Creation Department  
Mr. Ryo Furukawa

the TRE Group, REVER  
CORPORATION  
Ms. Maiko Ono

the TRE Group, TAKEEI  
CORPORATION  
Mr. Takuma Okuno

Innovation Co-Creation  
Department  
Ms. Rina Shinsakaue

Corporate Planning  
Department  
Mr. Kohei Momoi

### — Please tell us about your responsibilities and Mizuho Leasing's initiatives.

**Ms. Shinsakaue:** As an organization dedicated to new business development, our Innovation Co-creation Department plans and promotes business initiatives related to the circular economy. We believe the Company's primary focus should be on reducing society's environmental impact through efficient resource use and waste reduction. Leasing services hinge on “using” rather than “owning” things—an inherent characteristic that meshes well with collection, reuse, and recycling processes for used goods that gives the industry a strong affiliation with the circular economy. We believe we can help maximize the value of resources not only by providing leasing services but also by bridging the gap between upstream industries that manufacture and sell products and downstream industries that collect and recycle used products.

Mizuho Leasing signed a basic agreement with TRE HOLDINGS in 2022 to establish a business framework for the circular economy and committed capital to the partnership the following year in 2023. In my previous role in sales, I focused primarily on finance-driven activities. Today, through this collaboration, I've been able to move beyond traditional financial frameworks and shift my focus toward addressing the fundamental challenges faced by our customers and society—with a long-term perspective looking 10 to 20 years ahead.

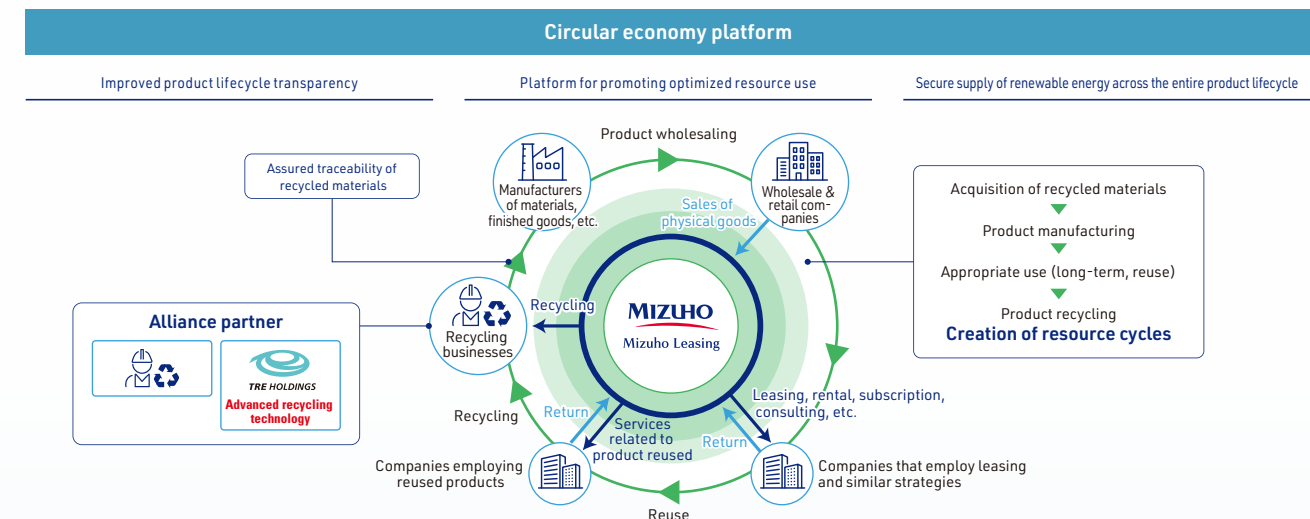
TRE HOLDINGS is a trusted partner with deep and practical understanding of on-the-ground realities. Their concrete, experience-based advice has been invaluable in complementing our perspective, helping us build a strong and collaborative relationship.

**Mr. Kimura:** I joined Mizuho Leasing as a midcareer hire last July. In my previous role, I sold petroleum derivative products in the chemical industry. As society's interest in environmentally conscious business has grown, my own awareness of sustainability has intensified and directed me toward a career change.

What has impressed me since joining Mizuho Leasing was the concrete progress being made on the circular economy. Seeing it not just in theory but as an operational business convinced



### ◀ Vision



me of the Company's serious commitment and growth potential. Currently, while engaged in work focused on the effective use of resources, I am deepening my expertise regarding the materials used in the products we handle through leasing, and improving my understanding of material lifecycle flows. I am grateful to be involved in meaningful work that contributes to society.

**Mr. Momoi:** I work in the Corporate Planning Department on inorganic growth strategies, where I support the establishment of frameworks dedicated to the circular economy. While the circular economy concept aligns well with our leasing business, what we can achieve on our own is limited. I want to pursue collaboration not only with alliance partners with whom we have capital ties, such as Mizuho Financial Group and Marubeni, but also with various companies that share our vision.

**Mr. Furukawa:** In the Digital Technology Promotion Department, we are exploring the promotion and management of resource circulation using digital technology and making it easier to share information across multiple companies. The current one-way system in which upstream industries produce, consumers use and discard, and downstream industries handle disposal, cannot achieve a true circular economy.

In recent years, digital technologies like IoT and AI have increasingly made managing in real time possible. While challenges remain, including operational frameworks and burdensome costs, the solution lies in mutual understanding born from the empathy and trust of the companies involved and people on the front lines.

Furthermore, to raise awareness of the circular economy, it's crucial for customers to experience tangible changes, even if they are minor. No one is prepared to wait for an outcome that takes a decade to materialize. While fixing everything at once is difficult, tangible changes in part of the process should encourage customers to think, “Let's expand on this a bit more,” paving the way for further growth.

### — Please share the key points for advancing the circular economy going forward, as seen by our strategic partner TRE HOLDINGS.

**Ms. Ono:** TRE HOLDINGS is involved in the waste management business. When it comes to the circular economy, we have seen significant differences in customers' levels of commitment. While building digital platforms is important, I also believe a foundation of empathy and trust with our customers is indispensable. We need a dual-pronged approach: both the painstaking effort of visiting manufacturing sites to explain and deepen understanding of the circular economy's significance and building the platform.

**Mr. Okuno:** At TAKEEI, I also work in the waste management industry. Currently, I am seconded to METREC, a joint venture formed by Mizuho Leasing, REVER, and TAKEEI. As Mr. Furukawa mentioned, gaining customer understanding requires them to experience tangible change. I also believe it's crucial to steadily implement solutions at the societal level, beginning with small steps. I see the birth of METREC as one such step forward.

While it is common for companies to regularly publish press releases about the circular economy, translating relevant concepts into actual business models and subsequently developing them is not without difficulty. METREC, the new



## Feature 2 Initiatives toward realizing a circular economy

company that has emerged from our collaboration with Mizuho Leasing, is building this philosophy into an actual business. I believe our customers will recognize that we can effectively drive resource circulation.

### — Please elaborate on the objectives behind establishing two new companies and the current status of their specific business.

**Ms. Shinsakaue:** Previously, during leasing proposals, when we received information from customers about facility closures or relocations, we limited our response to financial counsel. However, the establishment of METREC Co., Ltd., in August 2024 significantly broadened the scope of our business. METREC is a joint venture that leverages the strengths of three companies: TAKEEI, which specializes in waste disposal, contaminated soil surveys, and asbestos inspections; REVER, which primarily engages in purchasing valuable materials, taking industrial waste on consignment, and recycling; and ML Shoji, our subsidiary specializing in the reuse of idle assets. We now offer a one-stop solution covering everything from environmental services during facility consolidation to resale, removal, dismantling, and recycling of equipment as well as waste disposal. This permits us to take a comprehensive approach to serving customer requirements. This has also led to mutually complementary relationships with METREC.

**Mr. Okuno:** METREC is a newly established company with a high degree of freedom regarding how it develops as a business. We recognize one of its roles as serving as a hub connecting “venous” companies like TAKEEI and REVER with manufacturers and other “arterial” enterprises. In this capacity, it plays a central role in gathering and sharing information across a broad range of industries.

**Mr. Kimura:** In April 2025, we established ML ITAD Solutions Co., Ltd., to provide new services and value through our ITAD business. ITAD stands for IT Asset Disposition and refers to business services for properly disposing of IT equipment, including data erasure for PCs and shredding of storage media. The ITAD market is expected to continue expanding globally, driven by the advancement of DX, increased emphasis on data security, and improving supply chain transparency. Approximately 62 million tons of electronic waste (E-waste), including used IT equipment, is generated worldwide annually. It is estimated that about 80% of this is processed through



informal channels, leading to environmental pollution and human rights issues such as child labor.

ITAD business can contribute to solving these problems. Furthermore, the Japanese government is strengthening policies to secure and recycle rare metals as domestic resources. ML ITAD Solutions plans to establish a system in which TRE HOLDINGS disassembles used IT equipment collected from customers and recycles rare metals domestically. Additionally, the company intends to provide customers with traceability information regarding the domestic resource recycling process.

**Mr. Momoi:** From the initial idea for a new business venture to the establishment of ML ITAD Solutions took only about six months. While our current medium-term management plan targets a future for the Company as an organization that challenges itself to create new value, I believe the keys to success have been the management team's leadership with organizational culture reform and participating companies' shared vision, cooperation, and strong commitment.

We are currently pursuing facility consolidation services and ITAD business through separate joint ventures. However, to further advance the circular economy, there are still gaps affecting other products and value chains that need to be filled, which will demand collaboration with new partners.

**Mr. Furukawa:** As Mr. Momoi mentioned, empathy and shared vision are absolutely critical. Even when tackling groundbreaking initiatives, we constantly strive to co-create new ventures with partners and customers.

As one such new initiative, multiple companies including our firm and TRE HOLDINGS are sponsoring a reuse matching platform project for Expo 2025 Osaka, Kansai, Japan. We are involved in operating a service called “MYAKU-ICHI!” that matches businesses seeking to effectively reuse materials, equipment, and fixtures from pavilions slated for demolition after the Expo with those looking to repurpose them.

### — From a partner's perspective, how do you evaluate the collaboration with Mizuho Leasing?

**Ms. Ono:** A key development since we began collaborating with Mizuho Leasing is the accelerated pace of cooperation among upstream and downstream companies. In just a year, we've produced numerous examples: the establishment of METREC, the domestic resource circulation initiative for used

IT equipment using ML ITAD Solutions, and the demonstration project conducted with the Nippon Light Metal Group to build a closed-loop system for aluminum used in commercial waste truck bodies.

In launching circular economy initiatives, it was previously necessary to build bilateral relationships from scratch between an upstream and a downstream business. The biggest bottleneck was the time required just to get to the starting line, as aligning the objectives of companies representing completely different industries involved a lot of trial and error.

However, with Mizuho Leasing acting as a coordinator, the discussion steps became clearer, enabling swift and candid conversations between us. The scope and nature of our collaboration also expanded significantly—from proofs-of-concept to actual business ventures—allowing us to appropriately address the growing interest and demands surrounding the circular economy.

**Mr. Okuno:** Since our collaboration began, opportunities for discussion have increased significantly. Previously, when REVER and TAKEEI worked together, our conversations inevitably focused solely on matters common to two “venous” companies. However, with Mizuho Leasing joining us, we can



now have lively discussions that incorporate perspectives from the “arterial” side, as well as insights into customer challenges and initiatives—information we previously lacked.

**Ms. Ono:** I appreciate Mizuho Leasing's management deals, “Connecting Needs, Creating the Future.” Through our collaboration, I increasingly recognize how this concept is profoundly relevant to the circular economy—specifically in bridging the gap between upstream and downstream industries.

Personally, I hope we can further deepen our collaboration in areas like domestic resource circulation for metals and plastics. From an economic security perspective, the outflow of various recovered resources overseas has recently become a concern. Establishing a system where these materials are reprocessed domestically by “venous” companies and recirculated into the “arterial” flow through Mizuho Leasing is one of the key themes we should tackle moving forward.

**Mr. Okuno:** Another change, to reiterate an earlier point, is that we've actually commercialized this model through the establishment of METREC and ML ITAD Solutions. Regardless

of how much we advocate for a circular economy, we will not be able to gain consensus without tangible results.

Another crucial factor is the volume of business we can develop for the Mizuho Financial Group's clients using these two newly established companies as hubs. While the TRE Group primarily focuses on environmental solutions, our collaboration with Mizuho Leasing enables us to address client requirements on two fronts: finance and the environment. Expanding this platform will be vital for propelling development of the circular economy.

### — Please share Mizuho Leasing's future initiatives and outlook for advancing the circular economy.

**Mr. Kimura:** We will continue to strengthen our role as a coordinator for the integration of supply and return streams alongside TRE HOLDINGS. Our goal is to establish a sustainable business model that not only contributes to society but also produces economic returns.

Moreover, we aim to widen the scope of our business beyond Japan and broaden our horizons internationally. As we closely monitor trends in Europe, which is leading in rulemaking, we plan to research global markets, including Asia, and explore potential business expansion opportunities.

**Mr. Momoi:** As someone tasked with aiding everyone working to advance our inorganic growth strategy, I intend to maintain our support by building the necessary framework. This involves leveraging the capabilities of partners and parties from various industries to supplement capabilities we lack internally. Thereby, we can further drive the circular economy.

**Ms. Shinsakaue:** The most critical factor in realizing a circular economy is linking up and strengthening the value chain from manufacturing to use to recycling and across industry boundaries.

Traditionally, many sectors have operated in silos, leading to fragmented resource circulation. However, the essence of the circular economy lies in enabling products and resources to generate value repeatedly through multiple stakeholders, rather than being scrapped after a single use. By strengthening cross-industry collaboration, we aim to transform resource flows from isolated points into connected lines, and ultimately into expansive networks. We are committed to driving this forward by pooling the combined strengths of the TRE Group, Mizuho Leasing, and the Mizuho Financial Group.



# Business Strategy by Headquarters



Senior Managing Director  
Chief of Business Promotion Headquarters  
**Masahiko Abe**

## Business Promotion Headquarters

As a partner in value co-creation who looks beyond the boundaries of finance, the Business Promotion Headquarters aims to leverage its nationwide sales network to offer a diverse range of solutions that meet the wide range of social and business challenges facing our customers.

To this end, we provide such services as joint investment and succession planning in collaboration with the Mizuho Group, Marubeni Corporation, and other alliance partners, as well as vendor finance and subscription services that apply our knowledge of physical assets and thorough grasp of commercial distribution.

### Strengths

Owning high-quality assets as an earnings base that supports our "challenge" and "change" initiatives

Leveraging the Mizuho Group's extensive domestic customer base

The ability of sales representatives to understand customer requirements and cross-sell into specialized fields

## Growth Strategy and Progress of the Medium-term Management Plan 2025

### The Business Promotion Headquarters aims to "co-create value as a strategic business partner for clients."

- 1. Thoroughly implement a value cocreation and problem-solving sales style that contributes to solving clients' business issues; 2. Further expand client base through alliances with Mizuho; 3. Leverage digital technologies to improve user-friendliness and work productivity.

### Initiatives and progress to bridge the gap toward our goal based on the current status

- Promoting collaboration and alliances with the Mizuho Group
  - Expanding operating assets and our earnings base centered on collaboration with the Mizuho Group.
  - Beginning collaboration with GECOSS CORPORATION, now an equity-method affiliate, utilizing our resources.
- Promotion of a circular economy
  - Establishing METREC Co., Ltd. to offer one-stop solutions from structural demolition to recycling and waste dispos.
  - Established ML ITAD Solution Co., Ltd. with the aim of building a value chain that provides new services and value starting from the collection of used IT assets.
- Co-creating value with customers
  - Supporting clients in addressing social challenges by providing solutions such as robotics to mitigate labor shortages.

### Toward future growth

- Striving to gain deeper understanding of customer management issues and provide proposals as a problem-solving partner.
- For the Group's sustainable growth, pursuing profitable business development and utilizing new functions through appropriate risk-taking beyond financing capabilities.
- Promoting both work comfort and job satisfaction
  - Streamlining sales and administrative operations through DX, freeing up time and energy for higher value-added activities.
  - Emphasizing human resource development and engagement to engender a sense of fulfillment through enhanced communication at the Business Promotion Headquarters.

### Fiscal 2024 review

- Solid results achieved through steady accumulation of high-quality operating assets.
- Promoting new business initiatives including the acquisition of GECOSS CORPORATION shares, establishment of METREC Co., Ltd. in partnership with TRE Holdings, entry into the ITAD business, and strengthened collaboration with TECHNO RENT CO.,LTD..

### Business Risk and Mitigation

- While maintaining a reasonable scale for general leasing as a stable source of income based on collaboration with the Mizuho Group, action is needed to link it to more profitable projects.
- Promoting investments, including inorganic ones, to strengthen new functions, implement new businesses, and expand equity-method earnings.

## Business Topics

### Expansion of Waste Recycling Business and Wage Increase Promotion Selected for Government Grant

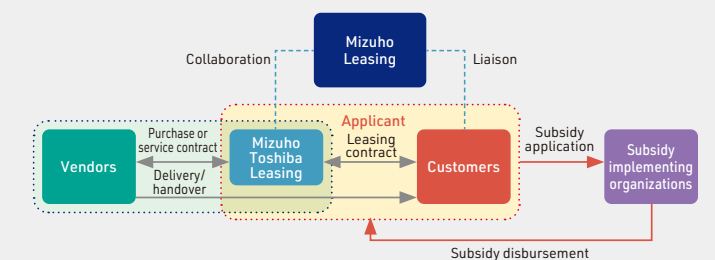
Our vision is to contribute to the creation of a sustainable society, and we aim to evolve into a multi-solution platformer that leads customers to solutions to social and business problems and transcend the traditional boundaries of finance.

Our Group also positions the environment and energy fields as one of our key focus areas, actively providing related solutions to our customers. As the importance of addressing climate change and resource and energy issues continues to grow, our Group is committed to realizing a sustainable society by contributing to a decarbonized society through our business activities.

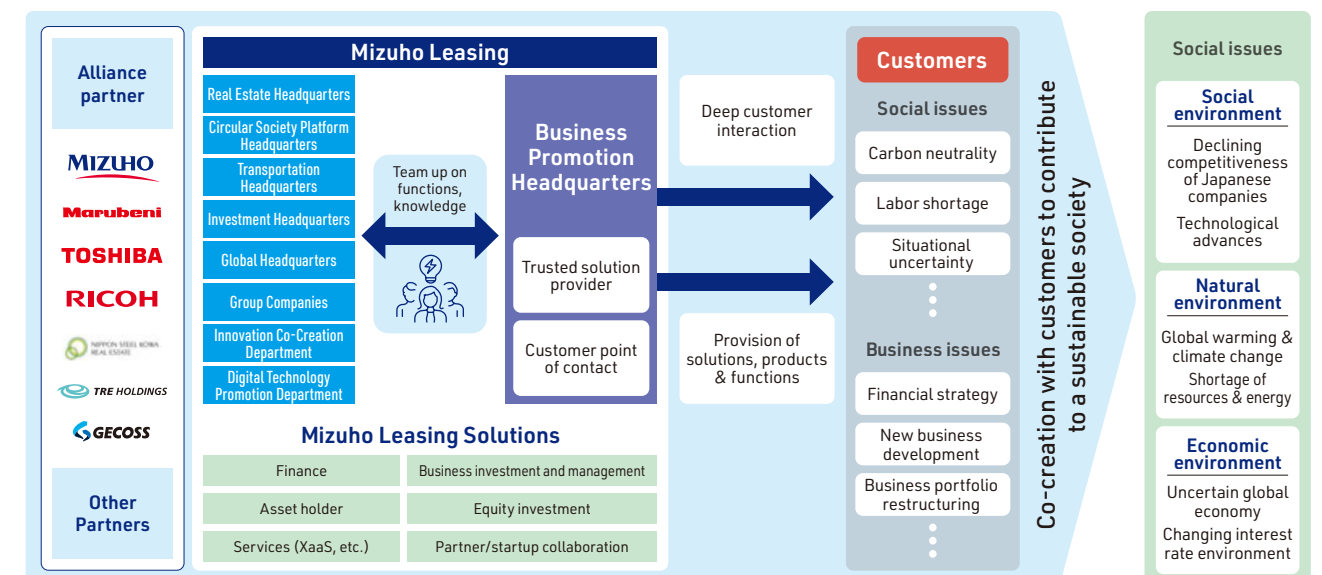
TAKEEI CORPORATION, a core company of TRE HOLDINGS CORPORATION in which we hold a capital stake, and Mizuho-Toshiba Leasing Company, Limited, a Group company, are expanding businesses that generate resources from waste. TAKEEI CORPORATION has developed a group of advanced waste treatment facilities in Ichihara City, Chiba Prefecture, including the Ichihara Sorting Center for advanced sorting and recycling of plastic waste. The company is expanding its business of turning waste into resources and plans to raise employee wages through the establishment of profits from this business. These initiatives were recognized by the Ministry of Economy, Trade and Industry's "Large-Scale Growth Investment Subsidy for Labor-Saving Measures to Raise Wages in Mid-Level and Small and Medium-Sized Enterprises," and the grant was approved for disbursement.

Going forward, the Group will continue to support the introduction of facilities that reduce environmental impact and lead to a circular economy, not only through financial but also through specialized knowledge, in order to realize a carbon-free, re source-circulating society, and will work together with our customers to achieve a sustainable society.

#### Mizuho Leasing Group's Subsidy Application Framework (Conceptual Diagram)



### Value Creation Story of the Business Promotion Headquarters



## Business Strategy by Headquarters



Managing Executive Officer  
Chief of Real Estate Headquarters  
Hirohide Ishiyama

### Real Estate Headquarters

The Real Estate Headquarters upholds the vision of "contributing to society through its real estate operations." It provides a wide range of solutions through real estate that forms the foundation of society. In addition to offering financing services such as loans, real estate leases, and bridge financing for a wide variety of properties including offices, logistics facilities, and hotels, we are also actively engaged in investment and development projects. By responding to customer needs and remaining an indispensable partner, we will grow our real estate business while contributing to society.

#### Strengths

Access to the Mizuho Group's extensive customer base, flexibility and advanced adaptability to fulfill diverse requirements, and expertise that makes this possible.

Trust born of long-term customer partnerships

Business domain expansion and enhanced advisory capabilities through collaboration with alliance partners

## Growth Strategy and Progress of the Medium-term Management Plan 2025

### Overview of the Medium-term Management Plan 2025

Promoting both expansion of existing areas and creation of new businesses in parallel

#### <Expansion of existing areas>

- Expanding loans and real estate leasing, which serve as a stable earnings base.

#### <Creation of new businesses>

- Acquiring and jointly developing real estate with a focus on medium- to long-term operations.
- Creating new businesses through collaboration with alliance partners.

### Progress under the Medium-term Management Plan 2025

- In existing areas, we have leveraged our accumulated customer trust and financial expertise to steadily expand our projects and earnings.
- We have launched an investment and development business focused on property acquisition for real estate development and medium- to long-term operation. We have strengthened collaboration with alliance partner Nippon Steel Kowa Real Estate Co., Ltd., aiming to improve ROA and expand business domains.
- We have enhanced mid-career recruitment of professionals, fostered a positive cycle by improving the work environment, and promoted a culture that respects individuality while improving job satisfaction.

### Future growth strategy

- Continuing to strengthen financing as a robust earnings foundation. At the same time, reinforcing the investment and development business to enhance profitability.
- Strengthen inorganic initiatives to expand the real estate value chain and create new businesses.
- Advance management systems that form the foundation of our business, further improve efficiency through AI and other technologies, and strengthen organizational capabilities.

#### Fiscal 2024 review

- Acquired additional shares of Nippon Steel Kowa Real Estate Co., Ltd. (raising ownership to 30.14%), further strengthening collaboration.
- Launched new in-house brands (Offices: MipLa, Logistics: Malien Logistics).
- Undertook large-scale projects such as logistics facilities and hotels aligned with social demand.

#### Business Risk and Mitigation

- We focused on projects and asset acquisitions with consideration for rising interest rates and inflation resistance. We steadily advanced agile and strategic portfolio building to adapt to changing financial environment.
- With construction and labor costs continuing to rise, we carefully selected new development projects while taking into account the risks of escalating costs.
- We remained attentive to real estate market conditions, shifting toward asset-circulation business model with careful risk control.

## Business Topics

### Launch of our first office brand MipLa

ML Estate Company, Limited, a wholly owned subsidiary, has launched the new office brand MipLa.

This first proprietary brand exudes individuality while also providing a sense of relaxation that cannot be found anywhere else. It is based on the idea of "creating a place that is uniquely yours" that allows for free creativity unconstrained by conventional concepts.

Starting with two newly completed office buildings in Komondo-cho and Higashi-Hie in Hakata, Fukuoka, we are expanding the development and operation of offices under the MipLa brand nationwide.

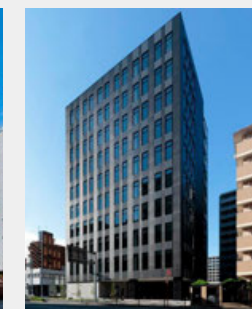
Under the Medium-term Management Plan 2025, we positioned property acquisition and real estate development with a medium- to long-term perspective as priority initiatives and began pursuing investment and development projects.

Moving forward, we aim to expand our business and contribute to society by lever-aging accumulated expertise and generating further synergies with our customers and partners.

MipLa



MipLa Komondo



MipLa Higashi-Hie

### Collaboration with CCReB Advisors Inc.

We are deepening broad-based collaboration with CCReB Advisors Inc., an alliance partner engaged in real estate tech and corporate real estate (CRE) solutions.

In the corporate real estate (CRE) field, we utilize systems developed by the company incorporating advanced technologies such as AI to conduct sales activities that help address customer challenges.

In investment and development projects as well, we combine their diverse solution capabilities and deep market expertise with our network and risk-taking capacity to jointly pursue high-quality projects.



## Business Strategy by Headquarters



Managing Executive Officer  
Chief of Transportation Headquarters  
Yasuhiko Hashimoto

## Transportation Headquarters

In addition to aircraft leasing through Aircastle, a joint venture with Marubeni Corporation, we offer asset-backed loans for and co-investment with shipping companies in the maritime segment. Further, we offer a range of investment products for Japanese investors, such as Japanese operating leases (JOL) and Japanese operating leases with call options (JOLCO) for aviation and shipping assets. We also provide asset-backed loans and a range of financial products focusing on aviation assets.

### Strengths

Partnerships and expertise-sharing with partners including the Mizuho Group and Marubeni Corporation

Access to the business platform of Aircastle, a joint venture with Marubeni Corporation

Ability to structure and distribute products that facilitate customers' access to and use of funds utilizing our knowledge and experiences in the aviation and maritime segments

## Growth Strategy and Progress of the Medium-term Management Plan 2025

### Three main focal points

- Expansion of aircraft-related financial services (e.g., operating leases, JOL/JOLCO) through collaboration with Marubeni Corporation.
- Strengthening our capability to develop and distribute products in segments where we have limited cases, such as LNG tankers.
- Development of ability to take asset-risk in the aviation and maritime sectors.

### Key strategic initiatives

- Approach to aircraft operating leases
  - With growing demand for aircrafts, Aircastle's performance has improved, contributing positively to our own results. The company is also focusing on investments in new and younger aircrafts, resulting in younger average fleet age.
- Product development and sales (e.g., JOLCO, JOL).
  - We are strengthening our coverage of Japanese investors to understand their investment needs and focusing on developing products such as JOLCO in collaboration with Marubeni Corporation. We are also introducing Aircastle's younger aircrafts to Japanese investors as JOL.
- Developing asset risk management solutions, with a focus on the aviation and maritime sectors
  - We are working to shift our business focus from to asset risk from credit risk.

**To achieve above business targets while providing value to our customers and improving our corporate value, we are closing the gap between the current and target as explained below.**

- Enhancing the talent base with the sector knowledge and supporting junior employees in acquiring industry expertise
- In addition to increasing our sales staff, we will strengthen the product development and distribution capability for JOL-related products through collaboration within the Transportation Headquarter.
- Strengthening investor coverage through collaboration with the Mizuho Group.

### Fiscal 2024 review

- We structured JOLCOs with careful attention to US\$ - Yen exchange rate and U.S. dollar interest rate trends, achieving strong performance in structuring and distribution of related products. We also structured large-scale transactions in response to demand from issuers seeking to raise capital for their capital expenditures at competitive costs.
- Successfully launched JOLCO transactions in the Enabler Finance format, providing funding while objectively evaluating customers' decarbonization initiatives.

### Business Risk and Mitigation

- Geopolitical risks: Heightened instability not only from the Russia-Ukraine situation but also in the Middle East, that significantly impacted logistics. We will run our business with careful attention to the impact on our customers and our company.
- Higher US dollar interest rates: Increased financing costs for us in US dollar denominated businesses such as aircraft and ship finance.
  - We worked on these challenges by diversifying foreign currency financing methods.
- Accelerating efforts to decarbonize: The shipping industry is under pressure to reduce their carbon emissions and it is essential to pursue alternative fuels.
  - We will work to evaluate market trends through dialogue with customers.

## Business Topics

### Japanese Operating Lease (JOL)

In recent years, the aircraft-related business has been affected by the COVID-19 pandemic, the Russian invasion of Ukraine, and other factors, as well as by other factors such as the trend towards decarbonization and the resulting changes in the appetite of financial institutions with regard to sustainability. Since investing in Aircastle in March 2020 together with Marubeni Corporation, we have been focusing on steady business expansion. In 2023 and 2024, we implemented further measures, including an additional capital contribution. As a result, Aircastle's performance improvement is accelerating. With demand for aircraft leasing expected to continue expanding, we will further strengthen collaboration with Marubeni and Aircastle to develop investment products utilizing younger aircraft and aircraft engines, which are increasingly sought after by Japanese investors.

### Japanese Operating Lease with Call Option (JOLCO)

We also structured JOLCO transactions in the Enabler Finance format to support customers' decarbonization efforts.

This initiative combines objective evaluation of customers' decarbonization efforts with cost-competitive funding through JOLCO structures, which we plan to introduce to clients both in Japan and overseas.



Automobile carrier Cielo Ace leased under an Enabler Finance structure (currently on lease to Mitsui O.S.K Lines, Ltd.)

## Business Strategy by Headquarters



Managing Executive Officer  
Chief of Investment Headquarters  
Yasuhiko Hashimoto

### Investment Headquarters

The Investment Headquarters provide financing solutions by building and managing a well-designed portfolio, focusing on equity investments in companies including startups. Additionally, we work on fund investments, abd as well as investments in middle-risk, middle-return asset class such debt instruments for LBO, mezzanine, and hybrid.

#### Strengths

Ability to access customer needs through the collaboration with Mizuho Group

Ability to source investment opportunities and projects from our network of partners, including Marubeni Corporation and investment funds

Ability to provide flexible investing and financing options tailored to market conditions and the growth stages of our customers

## Growth Strategy and Progress of the Medium-term Management Plan 2025

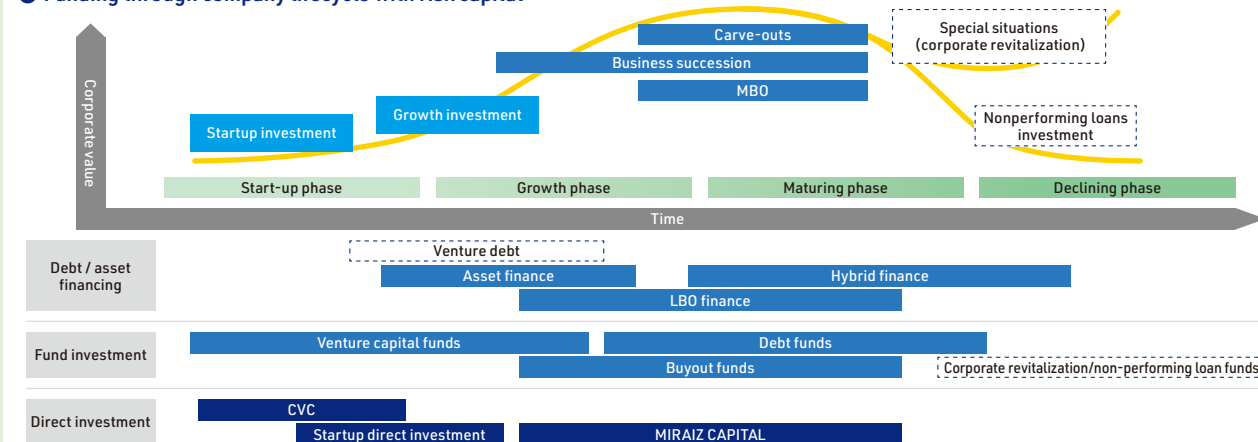
### Three main focal points

- Strengthening direct investment in business enterprises.
- Promoting value co-creation through measures such as co-investment with customers.
- Expanding initiatives in new areas such as overseas renewable energy and infrastructure projects as well as securitization products.

### Key strategic initiatives

- Providing a variety of products for customers at different stages of development covering wide range of strategic situations – we cover a wide range of asset classes including equity (including startups) and loans.

#### Funding through company lifecycle with risk capital



**We will continue to work toward our envisioned future, contributing to both the creation of value for our customers and the enhancement of our corporate value.**

- We are improving our ability to understand customers' equity needs and deepening our knowledge by identifying and investigating specific themes. We are also strengthening our deal-sourcing capability and collaborating on projects through the best use of our internal and external networks.
- We invest in opportunities that offer appropriate risk-return profiles through our understanding of the market volatility and generate stable earnings.
- We are also bolstering our human resource development by sharing know-how within the company.

### Fiscal 2024 review

- We accelerated startup investments and business collaborations through the corporate venture capital (CVC) fund managed by Future Creation Capital Co., Ltd., a wholly owned subsidiary of our company.
- We made investments in domestic power generation businesses that will contribute to the decarbonized society and in renewable energy projects overseas. In credit-related fields, we pursued investments with a consistent focus on new perspectives in response to evolving market conditions.

### Business Risk and Mitigation

- We steadily build our portfolio while carefully monitoring domestic and overseas stock markets and interest rates and ensuring diversification of business areas and investment products.
- We explore and carefully pursue investment opportunities with careful attention to the global trends in the foreign exchange markets.
- We build our debt and equity portfolios aiming at optimizing both liquidity and profitability, with the awareness that the liquidity of the assets affects both asset prices and our funding ability.

## Business Topics

### Addressing social and customer challenges through investments and business col-laboration via the CVC Fund

#### Case example 1: Promoting solutions to on-site challenges such as labor shortages and operational efficiency

By investing in and collaborating with ugo, Inc., which develops business DX robots and integrated management platforms, we support on-site innovation and sustainable growth through the provision of rental schemes.



Business DX Robot "ugo"

#### Case example 2: Promoting energy conservation solutions

Through investment in Aeterlink Corp., which develops wireless power transmission technology-based building management systems, we support the expansion of solutions that help customers achieve decarbonization and reduce environmental impact.



Free-space wireless power transmitting solution "AirPlug"

### Participation in natural gas fired power generation project

Together with Osaka Gas Co., Ltd., Development Bank of Japan Inc., and SMFL MIRAI Partners Co., Ltd., we decided to invest in a natural gas fired power generation project in Himeji City, Hyogo Prefecture, which was the winning bidder in a long-term decarbonized power source auction. We plan to construct approximately 600 MW of high-efficiency power generation facilities and aim to commence operation in fiscal 2030. In the future, we are considering introducing e-methane (synthetic methane produced from CO2 and green hydrogen) as fuel, aiming to contribute to the realization of a decarbonized society.

### Overseas renewable energy investment in collaboration with Marubeni

Together with MM Capital Partners 2 Co., Ltd., sponsored by Marubeni Corporation, and Daiwa Energy & Infrastructure Co. Ltd., we acquired a 50% stake in Total Energies' renewable energy portfolio in Portugal. This project comprises 31 assets with a total generation capacity of 604 MW, contributing to the realization of a decarbonized society in Europe. We will continue to work to further pursue global investment opportunities.

## Business Strategy by Headquarters



Managing Executive Officer  
Chief of ICircular Society Platform Headquarters  
**Kazuomi Funakawa**

### Circular Society Platform Headquarters

We are developing infrastructure to supply sustainably generated electricity and energy, providing solutions to environmental challenges such as realizing a circular and low-carbon society. We are participants in schemes to supply customers with electricity from solar and other sources through corporate PPAs and other means. We are also expanding into new fields, such as provision of environmental value and the grid storage battery businesses.

#### Strengths

Mizuho Group/Marubeni Corporation customer base, intellectual capital covering information and solutions

Well-distributed power plant portfolio (about 2,400 locations)

A diverse approach that includes not only the FIT scheme but also bilateral contracts such as corporate PPAs and provision of environmental value using the FIP system

## Growth Strategy and Progress of the Medium-term Management Plan 2025

### Overview of the Medium-term Management Plan

Our Group aims to possess 1 GW of renewable energy-related facility capacity by the end of FY2025. Building on this foundation, we will supply renewable energy-derived electricity not only to existing customers of the Mizuho Financial Group but also to various stakeholders that make up the circular economy. This will allow us to contribute comprehensively to the realization of a carbon-neutral society throughout the entire product lifecycle, from manufacturing and use to post-use recycling, and across all customer-related economic activities such as customer service provision. In addition, we will promote our grid storage battery-related businesses, which play a role in stably supplying and adjusting electricity.

### Progress of the Medium-term Management Plan

We continue to expand our capacity for renewable energy facilities and will continuously pursue the necessary actions to achieve the 1 GW target.

As noted in the Business Topics section, we are steadily building results that contribute to the advancement of the Medium-term Management Plan 2025, including renewable energy supply to customers and grid storage battery-related businesses.

### Future growth strategy

We will secure renewable energy-related facility capacity and establish a solid foundation for expanding related businesses. Furthermore, we will promote the construction of a supply chain centered on power generation, including entry into the storage business domain that balances supply and demand between generation and consumption.

#### Fiscal 2024 review

- In April 2024, ML Power Company, Limited, a renewable energy business company, began operations as a consolidated company, strengthening its initiatives.
- We entered new business domains such as environmental value provision and grid storage projects.

#### Business Risk and Mitigation

Power plants are suffering increasing damage due to natural disasters and theft of power cables. We will structure our portfolio with different geographic and other risks, and carefully assess these risks.

As the number of variable renewable energy power plants increases, the risk of output control under the FIT scheme has also grown. We will appropriately address these risks by converting existing power plants to the FIP scheme, promoting grid storage projects, and conducting thorough due diligence at the project stage.

## Business Topics

### Conclusion of a Corporate PPA (Virtual PPA) Agreement utilizing the FIP Scheme

In October 2024, our Group concluded a virtual PPA agreement with Nippon Steel Kowa Real Estate Co., Ltd. Under this agreement, ML Power Company, Limited newly obtained business certification under the FIP scheme for power plants it owns and operates under the FIT scheme, and supplies environmental value to Nippon Steel Kowa Real Estate Co., Ltd.

Our Group will continue to actively promote initiatives that maximize and deliver the environmental value of our power plants to customers.

### Commencement of commercial operation at Yatogo Storage Power Station

In March 2025, our Group began commercial operation of the Yatogo Storage Power Station under "Bando Chikudensho No. 1 LLC," established jointly with Tohoku Electric Power Co., Inc., to promote renewable energy deployment and stabilize electricity supply and demand as part of a "grid storage battery business."

Going forward, the large-scale storage batteries installed at the Yatogo Power Station will be charged and discharged in response to surplus or shortfalls in renewable energy generation, thereby stabilizing electricity supply and demand, promoting more effective use of renewable energy, and generating revenue through power trading using storage batteries.



### Acquisition of 31 rooftop high-voltage solar power plants in Japan

In May 2025, our Group acquired 31 rooftop high-voltage solar power projects in Japan, in line with government-promoted initiatives.

As suitable locations for power plants become increasingly limited, our Group will continue promoting on-site solar power generation projects to maximize the deployment of renewable energy.



Business Strategy by Headquarters



Deputy President  
Chief of Global Business Headquarters  
Mutsumi Ishizuki

Global Headquarters

Our overseas business continues to expand, leveraging alliances forged in 2019 with Marubeni Corporation and within Mizuho Bank. In 2020, we took equity stakes in air-craft leasing and refrigerated trailer leasing companies in the United States and a finance company in Vietnam. In 2022, we invested in a used car finance company in Australia. In 2023, we made an initial foray into India-a country with high growth potential-with our acquisition of equipment leasing company Rent Alpha Pvt. Ltd. Under its Medium-term Management Plan 2025, the company aims to expand its business domain through inorganic strategies, such as M&A.

Strengths

Strong collaborative system of alliance partners  
(Mizuho Financial Group, Marubeni Group)

Network of Mizuho Leasing offices in Asia and Oceania

Proven track record and solution sales capabilities in Japan and overseas

Growth Strategy and Progress of the Medium-term Management Plan 2025

Deepen and Expand Partnership with Marubeni

- Establish a companywide integrated sales system with Marubeni Corporation
- Utilize Marubeni Corporation's global partner and customer networks, staff, and business development capabilities

Strengthen Inorganic Growth Strategy

- Research new markets and capitalize on growth opportunities
- Reevaluate investment strategies in countries where we already have a presence
- Strengthen collaboration with other business headquarters within Mizuho Leasing

Expand Customer Base of Existing Overseas Group Companies

- Strengthen initiatives for new markets and products
- Strengthen collaboration with Mizuho and Marubeni and promote vendor finance

Enhancing our capability to deliver solutions to domestic clients

- Enhance and expand differentiated service capabilities – including Vendors financing in India and Vietnam and cross-border lending – to strengthen our competitive positioning

Develop Global Talent

- Discover and develop human resources through internal recruitment and midcareer hiring
- Globalize human resources by promoting domestic employees to overseas positions

Fiscal 2024 review

- Rent Alpha completed post-merger integration (PMI) following its acquisition in June 2023, has been performing well, and in August 2024, we increased our ownership ratio from 54.7% to 87.6%.
- Existing overseas subsidiaries steadily increased new contract volume by expanding their customer bases, accumulating operating assets, and leveraging their partnerships with the Mizuho Group and Marubeni Corporation.

Business Risk and Mitigation

- Heightened credit risk arising from deteriorating economic conditions in countries where we operate, due to geopolitical risks such as conflicts in Ukraine and the Middle East that have disrupted global logistics.  
→ Amid ongoing uncertainty in the global economic outlook, we are thoroughly avoiding and diversifying large credit risks and strengthening monitoring.
- As commodity prices stabilize, interest rates in major overseas markets are entering a decline phase, raising expectations for economic recovery through increased capital investment in leasing equipment and consumption growth. However, customers remain highly cautious due to concerns over potential performance deterioration from weakened exports to the U.S. caused by renewed Trump-era tariffs.  
→ We continue to work closely with customers, listening carefully to their challenges and sales trends to support effective problem-solving.

Business Topics

Marubeni alliance

Following the announcement of our capital and business alliance with Marubeni Corporation in May 2024, we established the Marubeni Collaboration Division, marking the start of full-scale collaboration. Major collaborations over the past year have resulted in a total transaction value of 68.2 billion yen, including the joint acquisition of a 50% stake in a renewable energy portfolio business in Portugal held by Total Energies, a bridge deal for a large domestic real estate project, and the execution of leases for Marubeni group companies both in Japan and overseas. Personnel exchanges between the two companies have also become more active, and we will continue strengthening collaboration to further drive business development.

Mizuho RA Leasing / Mizuho Capsave Finance

In March 2025, Rent Alpha was renamed Mizuho RA Leasing, and in April 2025, its wholly owned subsidiary Capsave Finance was renamed Mizuho Capsave Finance. By adopting the Mizuho name, these companies aim to strengthen their presence in India as members of both the Mizuho Financial Group and the Mizuho Leasing Group, better serving the needs of clients engaged in business in India. As a result of the renaming, Capsave's local credit rating was upgraded to the highest (AAA) rating by the local credit rating agency.



Krungthai Mizuho Leasing

We are strengthening cooperation in Thailand between Krungthai Bank, our joint venture partner in Krungthai Mizuho Leasing Co., Ltd. (49% owned by Mizuho Leasing), the Krungthai Group, and the Mizuho Financial Group. During Chairman Tsuhara's visit to Thailand, we held the "Krungthai-One Mizuho Luncheon Meeting," attended by Krungthai Bank President Payong and senior management, members of Mizuho Leasing, and Mizuho Bank Bangkok Branch Manager Taketani.



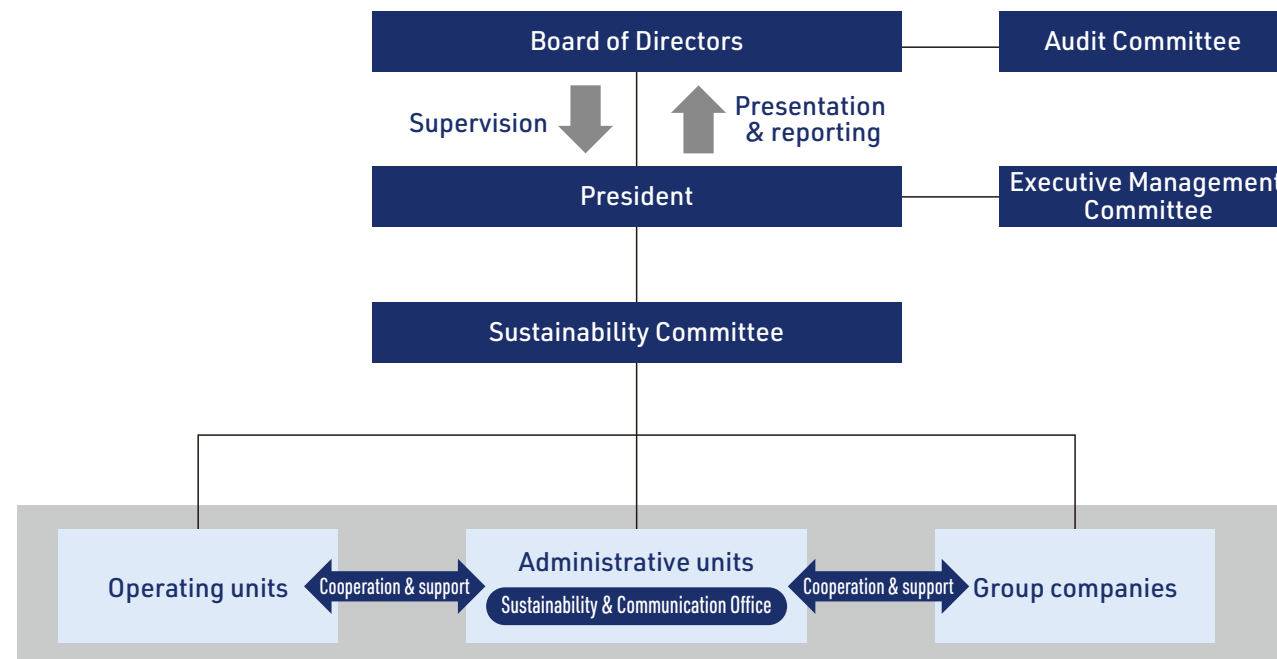
# Promoting Sustainability Management within the Mizuho Leasing Group

## Policy

While the domestic market is topping out amid population decline, numerous social, economic, and commercial challenges are piling up as the global competitive environment is becomes increasingly intense, latent financial problems threaten to materialize, and other pressing issues emerge in relation to climate change and technological evolution. To aid our customers in facing these challenges, the Group aims to evolve into a multi-solution platform provider that transcends the boundaries of finance and can, as a partner in value co-creation, guide them to the correct answers. In line with our management philosophy, our Group aims to create value that can be shared among stakeholders through our business activities while contributing to the realization of a sustainable society.

## Sustainability Promotion Framework

The Group has established a Sustainability Committee to discuss and report on sustainability on a company-wide basis. Specifically, the committee assembles data on sustainability (including ESG topics), formulates fundamental policies and goals for sustainability management, monitors plan implementation status, and discusses countermeasures.



### Sustainability Committee

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Co-chair            | Chief Sustainability Officer, Head of Human Resources and General Affairs Group                                                                                                                                                                                                                                                                                                                                        |
| Committee members   | Head of Human Resources and General Affairs Group, Head of Finance & Accounting Group, Head of Strategic Planning Group, Head of Risk Management Group, Head of IT Systems & Operations Group, Head of Legal & Compliance Group, Head of Credit Management Group, Head of Circular Society Platform Headquarters, Deputy Head of Circular Society Platform Headquarters, and other officers appointed by the president |
| Frequency           | Quarterly (in principle)                                                                                                                                                                                                                                                                                                                                                                                               |
| Key topics for 2024 | Leasing industry association guidance and compliance with the Plastic Resource Circulation Act<br>SCOPE 3 Disclosure<br>Human rights due diligence initiatives<br>Sustainability disclosure trends and responses<br>Social contribution activities<br>Progress on non-financial targets                                                                                                                                |

## Risk management

The Group categorizes risks that arise in the course of its business as financial risks, which are managed quantitatively, and operational risks, which are managed qualitatively. It has established a risk management framework for each of these categories and has also put in place a comprehensive risk management system that centrally oversees both categories of risk. With regard to financial risks, we monitor the locus and scale of risks based on a framework that classifies financial risks into credit, market, asset, and equity baskets and allocates risk capital to each. We oversee the occurrence, response, and prevention of operational risk events classified as administrative, system, and legal. The Group classifies sustainability-related risks as operational risk and has begun to reflect them in the existing risk management framework under the auspices of the Risk Management Committee and within the comprehensive risk management system. We will continuously improve their handling based on the analysis practices and research of organizations dedicated to this discipline.

## Identifying material issues

It is ever more important that we act on environmental and social issues. In order to achieve both growth and a more sustainable society, our Group has identified six material issues that we should prioritize based on the opportunities and risks they present to society and our Group.

### STEP 1 | Identify issues

From the UN's Sustainable Development Goals (SDGs) and industry-specific materiality maps from SASB Standards, we have compiled a list of approximately 300 items relating to the environment, society, and the economy that should be addressed both domestically and internationally, over the long term.

### STEP 2 | Analysis

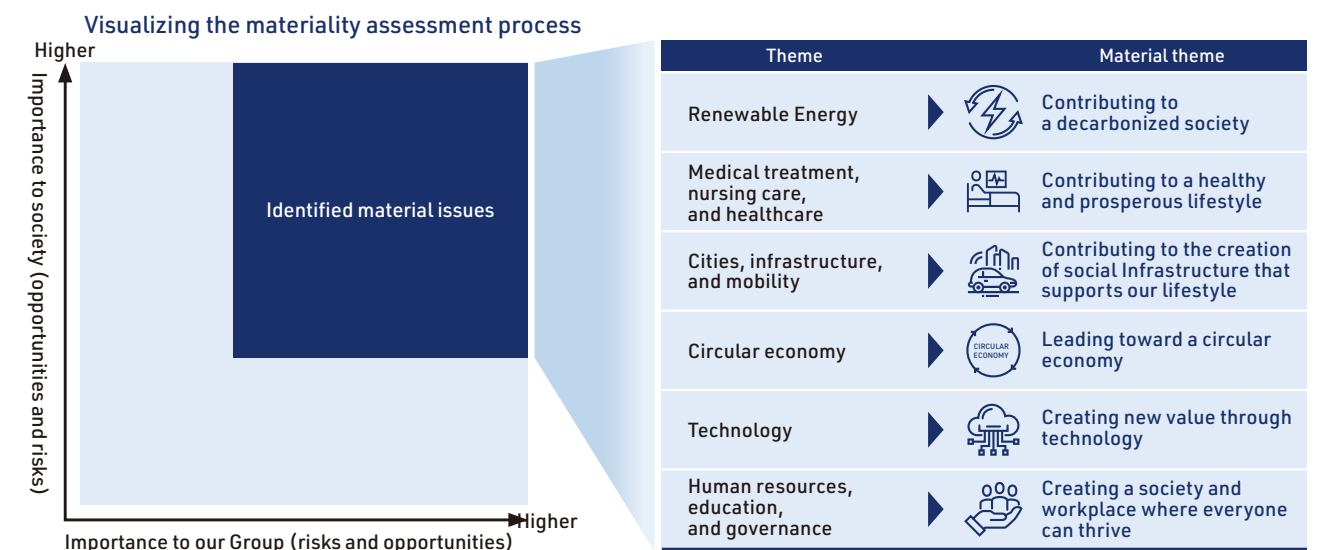
The social relevance of each issue and its importance to our Group are scored using the knowledge of external experts. Issues that our Group can help solve in the course of its business activities or explicitly aims to address are selected.

### STEP 3 | Assessment

Through management interviews and employee surveys, we assessed the importance of each opportunity and risk from the perspective of society and our Group's business. We ranked each issue according to its relative priority, eventually narrowing the field to six themes.

### STEP 4 | Formalize topics

After deep discussion of the Group's priorities in terms of the six themes, the Board of Directors ruled on the materiality of the issues following consultation and deliberation by management.



## Material initiatives aimed at improving corporate value

| Material theme                                                                                                                                                           | Risks & opportunities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Medium-term management plan indicator                                                                                                                                                                                                                                                                                                                                                                                         | Business activities             |                          |                             |                         |                                        |                              | Example initiatives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Vision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Impact on corporate value                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------|-----------------------------|-------------------------|----------------------------------------|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                               | Business Promotion Headquarters | Real Estate Headquarters | Transportation Headquarters | Investment Headquarters | Circular Society Platform Headquarters | Global Business Headquarters |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                    |
| <br>Contributing to a decarbonized society                                              | <b>Risks</b> <ul style="list-style-type: none"> <li>Lost growth opportunities due to limited capacity to meet increased demand for renewable energy</li> <li>Unexpected costs due to changes in aspects of the market framework such as the feed-in tariff system</li> <li>Decrease in income due to restoration costs stemming from damage to solar power plants, etc., and service interruptions</li> <li>Decreased electricity sales revenue due to output restrictions caused by grid capacity constraints</li> <li>Loss of business opportunities due to delayed carbon neutrality measures</li> <li>Compliance with future regulation related to restricted sales of gasoline-powered vehicles</li> </ul> | <ul style="list-style-type: none"> <li>Secure 1GW of renewable power generation capacity (FY2025)</li> <li>Reduce CO<sub>2</sub> emissions* in Scope 1 &amp; 2 *Zero emissions (FY2030)</li> </ul>                                                                                                                                                                                                                            |                                 |                          |                             |                         |                                        |                              | <ul style="list-style-type: none"> <li>Signed a service agreement with Motion Inc. for EV deployment and additional consulting services <a href="#">PDF</a></li> <li>Conclusion of a Corporate PPA (Virtual PPA) Agreement utilizing the FIP Scheme <a href="#">PDF</a></li> <li>Signed a ship lease agreement with the Mitsui O.S.K. Lines group, supporting decarbonization through transition finance <a href="#">PDF</a></li> <li>ML Power Company, Ltd. and Tohoku Electric Power Co., Inc. began commercial operations at the Yatogo Storage Battery Plant in Kumagaya, Saitama Prefecture <a href="#">PDF</a></li> <li>Decided to jointly construct a natural gas power plant in Himeji, Hyogo Prefecture, together with Osaka Gas Co., Ltd., DBJ and SMFL MIRAI Partners Co., Ltd. <a href="#">PDF</a></li> <li>Formed a long-term private fund backed by an agrivoltaic solar power plant through non-recourse project finance <a href="#">PDF</a></li> </ul> | <br><br>Providing solutions to such pressing environmental issues as creating a society that is recycling-oriented low-carbon. Promoting the adoption of EVs by customers pursuing carbon neutrality, and contributing to a reduction of greenhouse gas emissions. Markets Battery as a Service (BaaS) offering that utilizes the residual value of automotive storage batteries via cascade recycling          | Expanding business earnings as a supplier of renewable energy. Unearthing new revenue opportunities by providing one-stop solutions for adopting the use of EVs                                                                                                                    |
|                                                                                                                                                                          | <b>Opportunity</b> <ul style="list-style-type: none"> <li>Expansion of business opportunities linked to changes in social and industrial structures triggered by renewable energy</li> <li>Expectations of ownership and financing roles for renewable energy-related projects</li> <li>Enhanced alliances with customers and suppliers with a shared vision of expanding clean energy</li> <li>Growing interest in introducing EVs to enable the carbon neutrality of supply chains</li> <li>Comprehensive support for initial investment, including infrastructure development</li> </ul>                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                          |                             |                         |                                        |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                    |
| <br>Contributing to a healthy and prosperous lifestyle                                  | <b>Risks</b> <ul style="list-style-type: none"> <li>Loss of market opportunities due to delays in updating to advanced medical equipment internally or via alliances</li> <li>Loss of growth opportunities due to inability to respond to expanding demand for medical services</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                          |                             |                         |                                        |                              | <ul style="list-style-type: none"> <li>Formed a development-type fund to renovate JR East's company housing into rental residences <a href="#">PDF</a></li> <li>Executed an investment in Gaudi Clinical, which operates a regenerative medicine platform business <a href="#">PDF</a></li> <li>Executed an investment in X Detect Inc., developer of the ring-type pulse oximeter "Vainsta® Ring" <a href="#">PDF</a></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <br><br>Providing solutions related to real estate for nursing homes and other facilities, medical solutions that utilize such digital strategies as remote medical care and functional medical robots, and the rebuilding of aging hospitals                                                                                                                                                                   | Combining these efforts with solutions to other material issues to simultaneously address health and medical challenges while making efforts toward revenue expansion                                                                                                              |
|                                                                                                                                                                          | <b>Opportunity</b> <ul style="list-style-type: none"> <li>Growing investment in medical and nursing care services that utilize IoT and other technologies</li> <li>Entry into real estate leasing of elder-care homes with medical and nursing care services</li> <li>Expansion of the healthcare and health information markets, spanning from prevention to treatment</li> </ul>                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                          |                             |                         |                                        |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                    |
| <br>Contributing to the creation of social infrastructure that supports our lifestyle | <b>Risks</b> <ul style="list-style-type: none"> <li>Obsolescence of existing facilities and businesses amid changes in working styles and living environments</li> <li>Loss of business opportunities due to intensifying urban competition and reduced business opportunities in depopulating rural areas</li> <li>Stagnation of socioeconomic activity due to aging infrastructure that is not resilient to accidents natural disasters</li> </ul>                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                          |                             |                         |                                        |                              | <ul style="list-style-type: none"> <li>Acquisition of Hilton Fukuoka Sea Hawk by consolidated subsidiary ML Estate Company, Limited <a href="#">PDF</a></li> <li>Acquisition of the large-scale multifunctional logistics facility ALFALINK by ML Estate Company, Limited <a href="#">PDF</a></li> <li>Acquisition of Logoport Nagoya by ML Estate Company, Limited <a href="#">PDF</a></li> <li>Acquisition of two newly built office buildings in the Fukuoka area by ML Estate Company, Limited <a href="#">PDF</a></li> <li>Completion of Malien Logistics Fukuoka Matsushima by ML Estate Company, Limited <a href="#">PDF</a></li> <li>Additional acquisition of shared in Nippon Steel Kowa Real Estate and conclusion of a capital and business alliance agreement with the company <a href="#">PDF</a></li> </ul>                                                                                                                                             | <br><br><br>Along with the real estate that forms the social infrastructure for offices and logistics, we add social value through the development of educational and entertainment facilities. We further contribute to the development of social infrastructure by providing capital for aircraft and ship financing | Expand earnings by providing a diverse range of solutions to meet the financing needs of real estate, aircraft, ships, and other social infrastructure.                                                                                                                            |
|                                                                                                                                                                          | <b>Opportunity</b> <ul style="list-style-type: none"> <li>New business opportunities linked to rising demand for equipment and facilities amid such social changes as logistics demand increases, digitization, and the development of smart technologies</li> <li>Expanded business opportunity in rural areas due to decentralization of society and the decline of urbanization</li> <li>Demand for infrastructure renewal and, more specifically, infrastructure employing new technologies</li> </ul>                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                          |                             |                         |                                        |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                    |
| <br>Leading toward a circular economy                                                 | <b>Risks</b> <ul style="list-style-type: none"> <li>Negative impact of resource depletion and increased waste on the natural environment accompanying environmental degradation, as well as a rising burden on businesses due to soaring resource prices and environmental regulations</li> <li>Failure to capitalize on demand amid a societal shift from ownership to use resulting in lost</li> </ul>                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>Chemical/material resource recycling rate of 85% or more (FY2027)</li> </ul>                                                                                                                                                                                                                                                                                                           |                                 |                          |                             |                         |                                        |                              | <ul style="list-style-type: none"> <li>Conclusion of a business partnership agreement with Yamada Denki Co., Ltd. for the home appliance subscription service "Yamada Business Rental" <a href="#">PDF</a></li> <li>Launch of a subscription service covering agricultural machinery for organic vegetable producers <a href="#">PDF</a></li> <li>Establishment of METREC Co., Ltd., a joint venture with the TRE Holdings Group, to create a future of recycling and environmental preservation <a href="#">PDF</a></li> <li>Provision of the Osaka/Kansai Expo reuse matching site "Expo Circular Market Myaku-shit" Services <a href="#">PDF</a></li> <li>Establishment of ML ITAD Solution Co., Ltd. in partnership with Asset Associations, Inc. <a href="#">PDF</a></li> <li>Initiatives toward realizing a circular economy for aluminum <a href="#">PDF</a></li> </ul>                                                                                         | <br><br>We develop our business by providing information on the connection between production and recycling phases of the business cycle, as well as traceability. We take the initiative by providing solutions that integrate the business-value chain to build a platform for resource recycling                                                                                                         | Expanding profits by building a resource recycling platform                                                                                                                                                                                                                        |
|                                                                                                                                                                          | <b>Opportunity</b> <ul style="list-style-type: none"> <li>New businesses and technologies that respond to changes in the way physical goods are used</li> <li>Popularization of sharing and subscription services, which are highly compatible with leasing</li> <li>Increased business opportunity as the capital investment cycle shortens</li> </ul>                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                          |                             |                         |                                        |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                    |
| <br>Creating new value through technology                                             | <b>Risks</b> <ul style="list-style-type: none"> <li>Obsolescence of existing business models due to IoT, AI, and other new technologies</li> <li>Obsolescence of existing assets and decrease in residual value</li> <li>Leakage of proprietary information and suspension of business operations</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>Develop digital IT personnel: 200 heads or more (FY2025)</li> </ul>                                                                                                                                                                                                                                                                                                                    |                                 |                          |                             |                         |                                        |                              | <ul style="list-style-type: none"> <li>Execution of an investment in Turing Inc., which is developing fully autonomous vehicles using generative AI <a href="#">PDF</a></li> <li>Investment in Pale Blue, a company that provides advanced electric propulsion systems for small satellites. <a href="#">PDF</a></li> <li>Conclusion of a basic agreement with PERSOL CROSS TECHNOLOGY CO., LTD. to promote robotics business development <a href="#">PDF</a></li> <li>Investment in Aeterlink Corp., which is working on social implementation of long-distance wireless power transfer technology <a href="#">PDF</a></li> <li>Investment in Instalimb, which develops 3D-printed prosthetic limb manufacturing solutions <a href="#">PDF</a></li> </ul>                                                                                                                                                                                                             | <br><br>A technology-driven business leader driving structural platform                                                                                                                                                                                                                                                                                                                                     | Providing solutions that meet business challenges while accounting changes in social structure and the spread of new technologies                                                                                                                                                  |
|                                                                                                                                                                          | <b>Opportunity</b> <ul style="list-style-type: none"> <li>Development of new markets, provision of innovative services, and shift to sustainability-focused business models</li> <li>Implementation of solid information infrastructure and improved information literacy</li> <li>Supplemental corporate investment demand and business expansion ahead of IoT and robotics advances</li> </ul>                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                          |                             |                         |                                        |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                    |
| <br>Creating a society and workplace where everyone can thrive                        | <b>Risks</b> <ul style="list-style-type: none"> <li>Loss of staff over inadequate workplace policy, employment management, and employees training</li> <li>Reputational risk due to inadequate response to harassment claims</li> <li>Business continuity risk due to poor governance and dysfunctional internal controls</li> </ul>                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>Hire more specialized business professionals: 80 heads or more (FY2025)</li> <li>More than tripling of the developing personnel budget (FY2025/ compared to FY2022)</li> <li>Ratio of paid annual leave taken: 80% or more (FY2025)</li> <li>Management positions filled by women: 15% (FY2025)</li> <li>Ratio of childcare leave taken by male employees: 100% (each year)</li> </ul> |                                 |                          |                             |                         |                                        |                              | <ul style="list-style-type: none"> <li>Planned head office move <a href="#">PDF</a></li> <li>METI-certified as a Health and Productivity Stock (large corporation category)" for three consecutive years <a href="#">PDF</a></li> <li>Received "Eruboshi" certification under the Act on Promotion of Women's Participation and Advancement in the Workplace <a href="#">PDF</a></li> <li>Introduction of a flextime work system</li> <li>Revision of the HR platform (HR system)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <br><br><br>An organization that accepts the challenge of creating new value                                                                                                                                                                                                                                           | Ensuring—by challenging ourselves to be agile and emphasize a sense of speed—that each individual employee and the company as a whole implement new value propositions that transcend the boundaries of finance. Improving productivity by strengthening our Group's human capital |
|                                                                                                                                                                          | <b>Opportunity</b> <ul style="list-style-type: none"> <li>Multiplying opportunities to secure talent by supporting a diverse range of highly flexible work arrangements</li> <li>Strengthening organizational effectiveness by optimizing human capital</li> <li>Establishing a stable growth foundation atop a robust governance system</li> </ul>                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                          |                             |                         |                                        |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                    |

\* Non-consolidated and seven domestic consolidated subsidiaries

# Environmental Initiatives

## Response to climate change

The Mizuho Leasing Group is working earnestly to address the critical issues of global climate change—including growing greenhouse gas emissions and rising temperatures—and has codified “contributing to a decarbonized society” as one of its material issues in sustainability initiatives. It aims to contribute to society through its business activities. We conduct analysis and information disclosure under the framework of the Task Force on Climate-Related Financial Disclosures (TCFD).

### Governance

See “Sustainability promotion framework” on p. 43 for details.

### Strategy

#### Risks and opportunities related to climate change

The Group views the various risks and opportunities associated with climate change as a key element of its corporate strategy and has identified decarbonization of society as a materially important matter. It is assessing and analyzing the impact of climate change over time frames of every duration. The time periods affected are assumed to be defined as short-term (1–5 years), medium-term (up to 2030, by which time the Japanese government aims to reduce greenhouse gas emissions by 46%), and long-term (up to the 2050 target for global carbon neutrality). The impact on the Group of risks and opportunities attendant to economic transition and physical events associated with climate change is shown in the table below.

| Classification  |                | Main content                                                                                                                                                                                                                                         | Term                |
|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Transition risk | Strategy       | Increased credit costs for sectors with high greenhouse gas emissions due to the introduction of a carbon tax or carbon pricing                                                                                                                      | Medium, long        |
|                 | Regulations    | Increase in costs associated with regulatory changes, such as stricter emissions reporting requirements, in response to growing international demands                                                                                                | Short               |
| Physical risk   | Acute, chronic | Impaired asset value and increased restoration costs due to damage to existing assets from wind and water damage as a result of more severe extreme weather events, as well as resulting restrictions on business activities                         | Short, medium, long |
| Opportunity     |                | Increased demand for financial and business opportunities associated with the shift to renewable energy and more energy-efficient modes of transport, and the spread of environmentally friendly products and services designed to ensure resilience | Short, medium, long |

#### Scenario analysis

In relation to these risks and opportunities, our Group is running a qualitative scenario analysis against the highly important power and real estate sectors and formulating more specific impact assessments and countermeasures.

#### High-priority sector selection methodology

- 1

Sector selection

We qualitatively assessed the impact of transitional and physical risks due to climate change for the sectors vulnerable to the effects of climate change as recommended for disclosure by the TCFD. We then ranked these risks by relevance based on the strategic importance of the Group's exposure to each industry, leading us to identify the power and real estate sectors as subjects for our scenario analysis.
- 2

Importance assessment

We evaluated the importance of risks and opportunities for the power and real estate sectors based on the intensity of their business impact.
- 3

Scenario group definition of and parameter setting

We set our assumptions about the timing and magnitude of business impact based on highly objective scientific parameters.  
\*Source
- 4

Business impact evaluation

We evaluated transition risks related to climate change for a period extending through 2050 via analyses based on two scenarios: 1.5 to 2°C temperature increase and 4°C, referencing the NZE scenario in the IEA WEO 2021 and the STEPS scenario in the IEA WEO 2021.

\*Access source material here.  
[https://www.mizuho-ls.co.jp/ja/sustainability/society\\_and\\_environment/action.html](https://www.mizuho-ls.co.jp/ja/sustainability/society_and_environment/action.html)

|                  | Electric power sector                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                   | Real estate sector                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                     |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | 1.5 to 2°C scenario                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 4°C scenario                                                                                                                                                                                                                                                                                                                                                      | 1.5 to 2°C scenario                                                                                                                                                                                                                                                                                                                                                                           | 4°C scenario                                                                                                                                                                                                                                                                                        |
| Risks            | From 2030 onward, new carbon tax - es, stricter carbon emissions regulations, and changes to the energy mix will precipitate a reduction in the use of fossil fuels, which should impact power companies' profitability. However, we forecast a limited impact on our cost credit. Furthermore, we do not operate any businesses related to thermal power generation using coal or other such fuel.                                                                                                                                                                              | The increasing possibility of frequent flooding raises the likelihood of damage to power generation facilities. In addition, rising crude oil prices are expected to make power generation more costly and undermine power companies' profitability. An indirect impact on our credit costs is possible, but we see the direct impact on our business as limited. | Stricter energy conservation standards should trigger a wave of capital investment. Costs will likely rise due to the mandatory implementation of ZEB* / ZEH†, and if this in- crease cannot be passed on to ten- ants and other users, our credit costs could be affected over the long term due to the impact on our customers' businesses. But, we expected any such effect to be limited. | Flooding is expected to occur with increasing frequency, and potential flood damage to our company's properties could impair the value of the real estate assets and impose expenses for repair and so on. Our credit costs could also rise in response to the impact on our customers' businesses. |
| Oppor-<br>tunity | Expectations of growth in the renewable energy business is raising hopes of expanded opportunities for new business entry and investment.                                                                                                                                                                                                                                                                                                                                                                                                                                        | —                                                                                                                                                                                                                                                                                                                                                                 | The competitiveness of certain properties is expected to increase. We can expect business to expand as rents increase due to the growing awareness of the need for properties with low carbon emissions and high environmental performance.                                                                                                                                                   | Valuations could increase for properties that are less susceptible to disasters due to safer location selection and enhanced disaster resistance. Resulting competitiveness gains should benefit our business.                                                                                      |
| Action           | Measures to optimize opportunity<br>•Taking on business risk to develop various modes of renewable energy, including solar power and others, such as biomass, hydropower, and wind power<br>•Expanding our reach to include new power solutions such as storage batteries and hydrogen<br>•Maximizing profitability in our existing businesses by amassing operational know-how and introducing new technologies<br>•Capital investment taking advantage of subsidies and other benefits.<br>•Monetizing stranded assets and the recycling of used solar panels and other items. | Risk Reduction Measures<br>•Careful multivariate risk assessment of individual projects that accounts for sector policies adopt- ed in response to changes in our operating environment                                                                                                                                                                           | Measures to optimize opportunity<br>•Strengthening investment in and financing of environmentally friendly real estate<br>•Use alliances to expand our business to include the property development phase and seize opportunities arising from environmental initiatives                                                                                                                      | Risk Reduction Measures<br>•Use of more detailed hazard maps and other tools to assess financial and investment risk<br>•Increased care in creditworthiness assessments regarding long-term holdings                                                                                                |

\*1 ZEB: Net Zero Energy Building  
† ZEH: Net Zero Energy House

Based on scenario analysis, we are accounting for the effects of climate change in our medium-term management plan and other business plans. In the power sector, we have set targets for securing renewable energy generation capacity and are expanding our business beyond "generation" and "supply" to consumption areas, into storage, which balances supply and demand between the two. Our real estate division is working to create new businesses through property acquisition and joint development with a view to medium-to-long-term management and also through collaboration with alliance partners.

ML Estate Co., Ltd. (hereinafter "MLE"), a wholly owned subsidiary of Mizuho Leasing, developed the urban logistics facility Malien Logistics Fukuoka Matsushima in Higashi-ku, Fukuoka City, which was completed in February 2025. Leveraging its excellent access to Hakata Port's Hakozaki Pier and Fukuoka Airport, the facility functions as a logistics hub covering a broad area encompassing land, sea, and air transport. From an environmental standpoint, the facility earned an A rating under "CASBEE for New Construction" on January 30, 2025, reflecting MLE's commitment to environmental sustainability. This property is the first to bear MLE's logistics facility brand Malien Logistics, and MLE will continue to focus on the development and acquisition of high-quality logistics facilities.



Malien Logistics Fukuoka Matsushima



Malien Logistics

## Risk Management

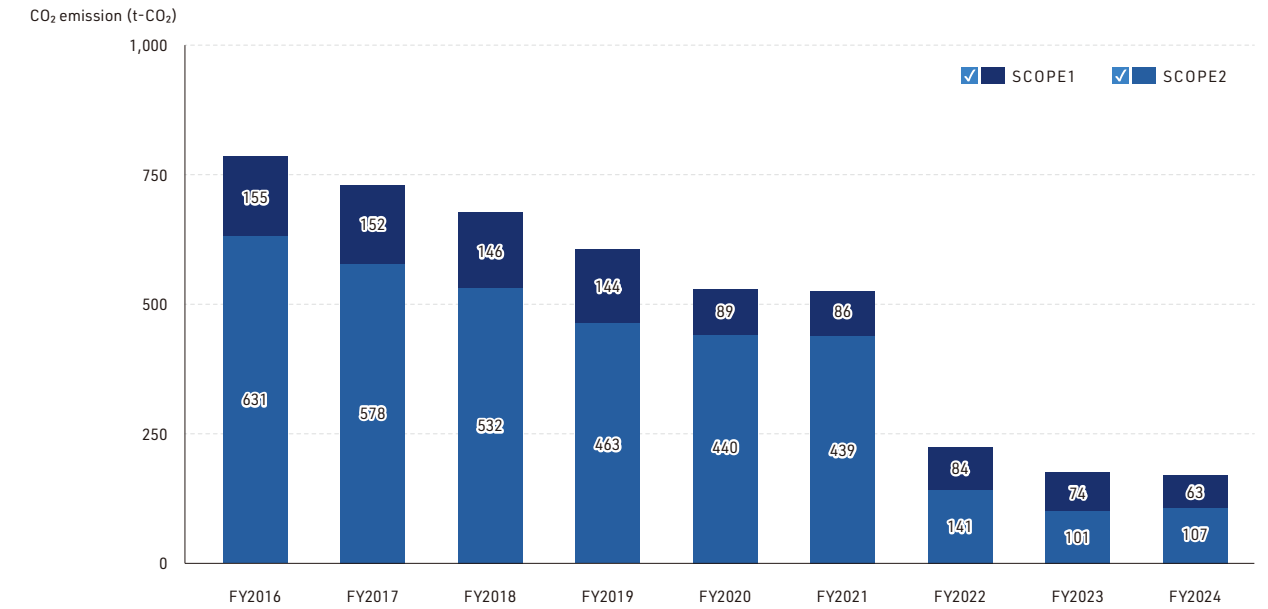
See “Risk Management” on p. 44 for details.

## Indicators and Targets

Decarbonization and related climate change and energy issues are among the most important global concerns. The Mizuho Leasing Group is working to not only achieve CO<sub>2</sub> emission reduction targets but also to promote electricity generation from renewable resources and working to achieve a circular economy that recycles and conserves resources, energy, and finished goods. In our pursuit of a circular economy that minimizes waste generation by maximizing resource recycling, we have set the following indicators and targets to help us reduce CO<sub>2</sub> emissions to the benefit of society.

|                      | Indicator                                                       | Target                 |
|----------------------|-----------------------------------------------------------------|------------------------|
| Decarbonized society | Securing renewable energy power generation capacity             | 1GW (FY2025)           |
|                      | Reduce CO <sub>2</sub> emissions from scope 1 & 2* <sup>1</sup> | Net zero (FY2030)      |
| Circular economy     | Chemical and materials recycling rate                           | More than 85% (FY2027) |

### CO<sub>2</sub> emissions (scopes 1 and 2) \*<sup>1</sup>



### CO<sub>2</sub> emissions (scope 3) \*<sup>1</sup>

Leasing companies own and manage vast inventories of assets but, in most transactions, the customer selects and uses the leased assets exclusively, making it difficult to keep track of emissions. Moreover, it is not possible to offer only to lease assets with low emissions or to control the emissions associated with the use of leased assets, and CO<sub>2</sub> emissions correlate with transactions scale. Despite these complications, as the owner of leased assets, we are in a position to curb emissions within the scope of our own influence.

We have calculated emission volumes and mitigating controls and have estimated the scale of emissions in categories 11 and 13, which cover the transportation equipment sector (automobiles and aircraft).

| Category |                                                                  | t-CO <sub>2</sub> |         |                  |
|----------|------------------------------------------------------------------|-------------------|---------|------------------|
|          |                                                                  | FY2022            | FY2023  | FY2024           |
| 1        | Purchased products and services                                  | 174,226           | 130,073 | 175,978          |
| 2        | Capital goods                                                    | 1,645             | 2,310   | 5,892            |
| 3        | Fuel- and energy-related activities not included in scope 1 or 2 | 78                | 72      | 71               |
| 5        | Waste generated by operations                                    | 12                | 10      | 12               |
| 6        | Business travel                                                  | 165               | 167     | 169              |
| 7        | Employee commuting                                               | 309               | 309     | 315              |
| 11       | Use of sold products                                             | 108,798           | 65,908  | 92,396           |
| 12       | Disposal of sold products                                        | 21                | 13      | 11               |
| 13       | Leased assets (downstream)                                       | 722,389           | 770,237 | 765,430          |
| 15       | Investment                                                       | 16,242            | 20,270  | — * <sup>2</sup> |
| Total    |                                                                  | 1,023,885         | 989,369 | — * <sup>2</sup> |

\*1: Parent plus seven domestic consolidated subsidiaries. However, some scope 3 data includes overseas consolidated subsidiaries.

\*2: This data is preliminary; official values will be disclosed on our website when finalized.

## Other environmental initiatives

### Progress toward environmental targets

| FY2024 Targets                                                                                                                                   | Results for FY2024 | Progress |
|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----------|
| Reuse rate* of at least 60%                                                                                                                      | 72%                | 120%     |
| Used product turnover of ¥170 million                                                                                                            | ¥194 million       | 114%     |
| Thorough implementation of quasi-legal processing based on the rate of periodic surveys in companies commissioned to dispose of industrial waste | Companywide        | 100%     |

\* Reuse rate: Number of sales / Number of leases and re-leases ending

### Targets and Results of the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging

In accordance with the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging, which came into effect on April 1, 2022, we have announced our targets as well as actual waste volumes and recycling rate data for plastic components of leased items that will be disposed of in FY2024.

| Target                                                                                                                                                                | Results for FY2024                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| Recycling rate for properties at the end of the lease<br>Recycling rate including thermal recycling for a five-year period starting in FY2022: average of 92% or more | Amount of waste from plastic products at end-of-lease: 212 tons<br>Recycling rate (including thermal): 93.5% |

### Initiatives for a Circular Economy

As a nexus between production/distribution and recycling/disposal industries, we aim to build a platform for a circular economy through collaboration with alliance partners and to realize a recycling-oriented and decarbonized society. [p.27-30](#)

### Initiatives for conserving biodiversity

#### Participation in the “Keidanren Initiative for Biodiversity Conservation”

We support the aims of the “Keidanren Declaration for Biodiversity and Guideline” formulated by the Keidanren (Japan Business Federation) and the Keidanren Committee on Nature Conservation, and have participated in the “Keidanren Initiative for Biodiversity Conservation.” As corporate initiatives toward a nature-positive\* are expected to accelerate in Japan, we will continue to promote business activities that contribute to the conservation and restoration of biodiversity and natural capital.



#### Integrating Forest Conservation and Finance

We have signed a basic agreement on collaboration with Green Elm Co., Ltd., a company engaged in forest conservation, to work toward the realization of a nature-positive. By combining Green Elm's expertise in creating locally adapted, naturally regenerative forests with our financial expertise, we aim to develop a new type of natural capital utilization service called “Natural Forest as a Service.”

We will continue developing solutions to have corporates receive the long-term nature's value and foster a new relationship between companies and nature that meets the needs of the times.



\*Nature-positive: The concept of halting and reversing biodiversity loss.

# Employees' roundtable discussion

## Cultural evolution and a new approach to transformation, growth, and a spirit of challenge

### Medium-term Management Plan implementation and outcomes

Our Medium-term Management Plan 2025 sets our aspiration to evolve beyond our leasing company model and become a platform operator that collaboratively creates future value with our customers. Under the key concepts of transformation, growth, and a spirit of challenge, we have been working to transform our culture and strengthen the foundations of our business. As part of this initiative, we hosted a roundtable discussion featuring Toshiyuki Takezawa, Managing Executive Officer and Chief of the Human Resources and General Affairs Group, and young and midcareer employees participating in various functional teams. The discussion covered the lessons and results of such initiatives as creating an environment in which employees can act proactively and preparing for our planned relocation to a new headquarters in spring 2026.



## From solidity and stability to transformation, growth, and a spirit of challenge

— First, please tell us about the overview of Mizuho Leasing's cultural transformation efforts.

**Mr. Takezawa:** Mr. Takezawa: Mizuho Leasing has historically operated with a focus on “solidity” and “stability.” However, our ‘rebirth’ from IBJ Lease to Mizuho Leasing in 2019 expanded our position and role within the Mizuho Financial Group. In our medium-term management plan starting in 2023, we have adopted transformation, growth, and a spirit of challenge as our key themes as we aim to provide diverse services to a broad range of customers. As part of this process, we introduced an engagement survey. Analysis of the data it produces helps us evolve into a stronger company by promoting a corporate culture that encourages employees to take on challenging problems and to find pride and fulfillment in their work. We are beginning to see tangible results.

Likening Mizuho Leasing to a large ship, this medium-term plan represents a significant change in the rudder's direction. After two years of effort, we genuinely see the ship's bow to be steadily changing course. In this



roundtable discussion, I'd like those present to share their impressions— using specific initiatives as examples—of how Mizuho Leasing is navigating this change and what initial results are emerging.

One element of our cultural transformation initiative aimed at building an environment where employees find fulfillment and can take on challenges is our Omoro Festival (festival of interesting ideas). When a functional team of young and midcareer employees discussed how to actualize the principles of transformation, growth, and a spirit of challenge, the opinion emerged that, while it's important to center our thinking on profitability, let's first try things we personally find interesting. Thus was born the Omoro Festival project.

**Mr. Kaneko:** Omoro Festival started in 2024 and is in its second year. I joined the company partway through the first year. I've always enjoyed tackling fresh challenges, so I participated hoping to use the festival to help steer the company in a better direction. The festival's secretariat consists of about 40 members who are primarily midlevel employees in their early 30s. I feel we're creating an environment in which we can freely plan and execute initiatives from the bottom up.

The Omoro Festival offers a diverse agenda aimed at encouraging broad employee participation. For example, we have staged “shuffle lunches” that promote organic



Employees' roundtable discussion

organization building. These lunches randomly grouped participants into teams of five or six and are designed to foster cross-departmental interaction in a relaxed lunch setting. Participants praised this as a chance to casually talk with employees from departments they rarely interact with, thereby smoothing work communication down the line. We've also pursued unique ideas, such as creating LINE stickers that caricature our executives as animals, to help employees learn about the company and its leadership.

**Mr. Takezawa:** I also had a LINE stamp made of my likeness. How have employees responded to the various initiatives we've implemented thus far?

**Mr. Kaneko:** We have received many positive comments, such as "I didn't realize Mizuho Leasing was the kind of company that holds events like this." In Phase 1 alone, a total of 400 to 500 employees were involved in the production of diverse content and participation in recitals, and we felt the response was notably positive. As Mr. Takezawa mentioned earlier about steering ship, I believe Phase 1 demonstrated signs that Mizuho Leasing's corporate culture is transforming.

In Phase 2, we aim to further encourage adoption of the Omoro Festival across the entire Mizuho Leasing Group. While internal understanding and participation may yet be limited at present, we hope to continue with this initiative



as part of our cultural transformation and to refine the concept based on our experience with Phase 1.

Bottom-up activities must be joined by support from management, and we sincerely hope that, led by Mr. Nakamura and Mr. Takezawa, the entire management team will continue to support us.

Digitalization and AI use

— How are things progressing with productivity initiatives?

**Mr. Takezawa:** We have placed our efforts at improving operational efficiency and productivity under a project named DANSHARI (uncluttering). What sets it apart is its focus not limited common approaches to raising efficiency or reducing waste. In other words, the aim is not to simply "stop doing this," but to proactively apply AI and other technology based on the more positive notion that "it would be great if we could do this." This way of thinking allows us to add value where it didn't exist before. In the next medium-term plan commencing in 2026, we intend to prioritize improving the quality of services and operations using digital technology and AI.

**Mr. Hayasaki:** Within the Real Estate Headquarters where I work, we collaborated with the Digital Technology Promotion Department to advance a project building an AI-powered application that supports the creation of lists for managing deadlines. The project originated when we solicited ideas within the division for digital-driven efficiency and productivity improvements. One proposal suggested streamlining the creation of deadline management lists—which outline items requiring attention during management of a project's middle phases.

Traditionally, real estate contracts vary in structure and wording depending on the specific agreement. Creating a deadline management list required the person in charge

to read through the contract from scratch and manually transcribe the information into the list. The initial idea was: "What if we could use generative AI to read and analyze the contract, enabling the automatic creation of the deadline management list?"

**Ms. Yamada:** Since the Digital Technology Promotion Department had already developed a machine learning-based contract review app for other departments and branches, we anticipated we could leverage that expertise. However, once we actually started, we realized that each contract had different structures and layouts that complicated the machine learning approach. We then shifted to using generative AI.

**Mr. Hayasaki:** When commissioned the Digital Technology Promotion Department to build the app, it was challenging to articulate our business knowledge in a way that could be accurately incorporated into the app. I believe the initial accuracy was around 50%. Through repeated feedback and improvements afterward, accuracy gradually increased.

**Ms. Yamada:** The Real Estate Headquarters staff was incredibly cooperative, providing us with a lot of detailed feedback and improvement suggestions. From a development perspective, this was very reassuring. This cooperation is what allowed us to improve accuracy to a practical level.

**Mr. Hayasaki:** This project began around summer 2024 and, by the end of the fiscal year, our staff were able to execute their duties using the app. Tasks that previously required a significant human time commitment are now supported by AI, which has enabled operational efficiency and reliability improvements. This frees up more time for staff to focus on tasks that truly require human intervention.

The app supplements experience, making it easier for new hires or transferred employees without real estate expertise to smoothly engage in their work. While there is



still room for improvement, we plan to continue our efforts throughout this fiscal year.

**Mr. Takezawa:** This case is a real example that goes beyond basic efficiency and leads to serious productivity gains. While successful cases have emerged in other branches and departments, it's crucial to expand these efforts further and create more positive examples like this. I intend to provide as much support as I can.

Headquarters relocation project: New ways of working and productivity gains

— What direction will Mizuho Leasing take going forward?

**Mr. Takezawa:** Mizuho Leasing plans to relocate to a new headquarters in spring 2026. Management recognized that the current headquarters building's space limitations made it difficult to consolidate many departments and branches onto a single floor, which limited opportunities for interaction among them. This prompted our decision to relocate. However, this move is not merely a physical relocation. We have declared our commitment, both internally and externally, to challenge ourselves to create an environment that encourages self-directed new initiatives in the spirit of our slogan, "Action! It's My Turn!"

## Employees' roundtable discussion



We expect this to transform the very nature of how we work and drive productivity.

The relocation to our new headquarters holds significant meaning for our cultural transformation. To make progress with Action! It's My Turn!, the New Headquarters Preparation Committee and Secretariat are spearheading an initiative called Work Shift Lab (WSL).

**Ms. Yasumatsu:** WSL is a project that encourages all employees to genuinely and enthusiastically engage on a personal level with the question of how they can increase productivity while enjoying their work. Administrative staff from each department share the WSL initiative's objective and Mizuho Leasing's vision with their department colleagues. They also set aside time for discussions aligned with each session's theme: exploring new ways of working. We apply various approaches, such as randomly dividing teams into small groups to create an environment conducive to easy conversation, or playing music to foster a relaxed, café-like atmosphere.

**Ms. Ishizuka:** The new headquarters features an internal staircase connecting different floors, with each floor area having distinctive seating arrangements and interior designs. Based on the concept that individual employees can choose the workspace that best suits their job responsibilities and lifestyles, we provide a variety of workspaces tailored to different purposes. This approach

aims to enable flexible working styles and increased efficiency, which we believe will enhance work engagement. While employees express anticipation for the new work style, voices of concern have also been raised. We respect these opinions and share them with the office to create an environment where more employees can work comfortably.

**Ms. Yasumatsu:** Since the new headquarters will adopt a unassigned seating system, concerns like "It might be hard to find my boss" and "I'm worried about maintaining good communication" have been raised. On the positive side, precisely because people aren't always within easy conversational reach, the new arrangement can foster a proactive attitude toward seeking out opportunities to communicate. If this mindset takes hold within the company, it could create natural traffic within the office and lead to more active interaction. In any case, we aim to refine ideas from new perspectives to boost productivity.

**Ms. Ishizuka:** The Sales Department I work in is currently separated from other groups like the Credit Risk Management and our specialist sales departments, making communication a challenge. After the move, we'll be on the same floor, which I expect will facilitate collaboration and improve efficiency.

### — Please share your aspirations for the future.

**Mr. Kaneko:** The Omoro Festival has energized the internal exchange of ideas and gradually built momentum for cultural transformation among the staff. I want to further broaden our horizons and challenge ourselves to create value in collaboration with external partners, such as by engaging in open innovation with large companies as well as startups.

**Ms. Yamada:** It's been three years since the Digital Technology Promotion Department was established. Compared to when we started, technologies like generative AI have evolved significantly. We are

increasingly receiving internal requests for consulting on digitalization, which signals growing momentum. I endeavor to keep learning daily, stay up-to-date with the latest information, and enhance my skills so I can contribute even more to driving digitalization within the Company.

**Mr. Hayasaki:** I believe it is crucial that we continue to effectively master new technologies—and not just AI—and to leverage them for our business. With regard to our cultural transformation, I want to promote an attitude based on "I will do it" rather than "someone else will do it."

**Ms. Yasumatsu:** I aim to actively learn new systems and digital tools and further expand the scope of what I can handle, which will help me contribute to operational efficiency. I also intend to continue actively collaborating with other departments, such as we have done under the WSL initiative.

**Ms. Ishizuka:** I want to proactively keep my antennae up at all times so I can accumulate knowledge and experience that will enhance my skillset and drive personal growth. I aim to maintain an open perspective and challenge myself in the pursuit of unprecedented ideas.

**Mr. Takezawa:** Looking back at the Company's history, I feel we haven't necessarily been particularly adept at change or transformation. However, in the business environment of today and tomorrow, growth is impossible without change. Precisely because we are in an environment demanding transformation, I believe that, by pushing forward with our program of transformation, growth, and the spirit of challenge, we can sustain the growth of each employee and the Company.

As a step toward building this environment, we are revising our HR platform, one of our personnel systems, aiming to shift to a structure where hard work is fairly rewarded. Specifically, we are creating an environment where employees can advance their careers and fully



utilize their abilities, transforming into a system where the company provides comprehensive organizational support. To help each employee adapt to a changing society, we will integrate administrative and support staff who have handled clerical and support duties until now into the general staff promotion track. Thus, we can enable younger employees to feel a greater sense of growth and to allow senior employees to keep contributing by playing an active role for longer.

However, establishing systems alone is not sufficient. It is crucial to encourage ongoing two-way communication and feedback among different stakeholders, such as between managers and subordinates or HR and the business units. We expect this will produce an environment in which each individual can grow with a sense of conviction.

We believe that an environment where every employee can pursue what they genuinely want to do and where they can realistically anticipate opportunities to try new things is the driving force behind Mizuho Leasing's growth. That is precisely the essence of our new headquarters concept: "Action! It's My Turn!" We want our Company to be a place where each person, in their daily work, has the opportunity to conceptualize, propose, and implement at least one new idea. Together, we will all join forces to grow the Company.

# Strategic HR Initiatives

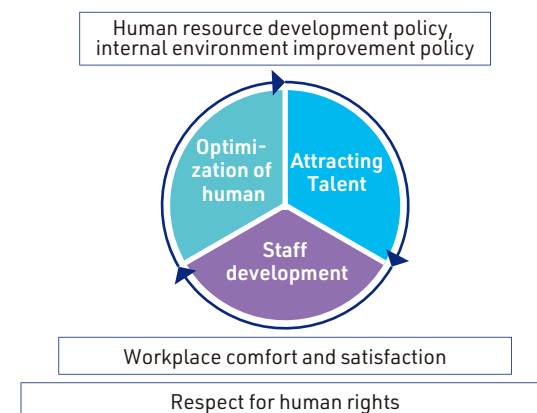
**Embodying "Action! It's My Turn!"**  
we are driving the transformation of our corporate culture to empower every employee to take on challenges for their own growth and success.

Head of Human Resources and General Affairs Group  
Managing Executive Officer  
**Toshiyuki Takezawa**



## 1. Basic Concept

Every employee is viewed as a valuable asset by our team. We believe that management strategy must establish an environment where people may function with vitality in order to accomplish the "Mission," "Vision," and "Values" outlined by our management philosophy. In order to do this, we are strengthening psychological safety and fostering employee development so that they can contribute actively to our team for many years to come.



### 1 HR Development Policy

Our company's goals are to push for more change, broaden our business areas, offer solutions that appropriately meet the potential and variety of needs of our clients, and support business strategies that help our clients resolve societal problems. In order to accomplish this, we want to foster a culture of "voluntary and autonomous challenge" within our organization while incorporating the following HR tactics naturally to build a talent pool that complements our long-term business plan.

- Strengthening recruitment and retention of staff from Japan and overseas with diverse values and skills.
- Developing employees with expertise and the potential to become next-generation managers who aspire to solve social issues.
- Effectively deploying staff based on thorough evaluation and proper treatment.
- Strategically matching people with their most suitable roles.

This graphic explains our recruiting process in support of our business strategies

#### [Desirable employees]

- People who can take on challenges, implement change, and grow as part of a team.

#### [Required qualities and abilities]

- Temperament and skills that instill a strong motivation to tackle tough problems proactively and independently.
- Temperament and skills that ensure the ability to take diverse requirements and make them a reality based on solutions driven by expertise.
- Respect for diversity and ability to interact with others in a cooperative and flexible manner.

## 2 Policies for Improving the Work Environment

Our organization strives to ensure that each and every employee feels a sense of fulfillment, satisfaction, and purpose by providing ample career opportunities and creating an environment where employees can take pride in their work and thrive.

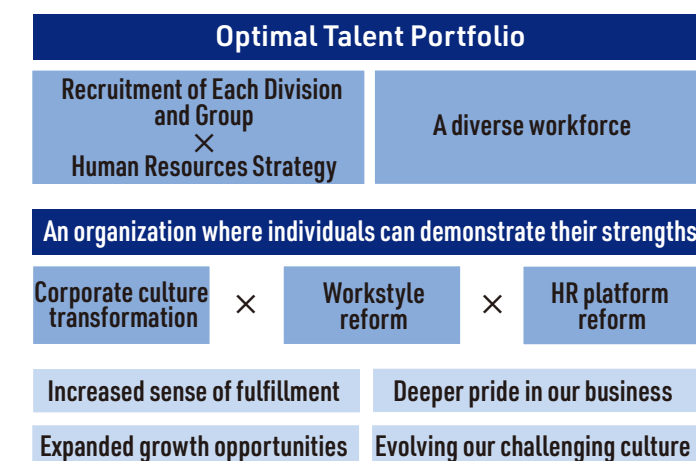
#### [Goals]

- We will ensure a comfortable, safe and pleasant working environment where employees can prosper and feel at ease.
- We will create a workplace where coworkers respect each other and where there is no discrimination or harassment.

## 3 Human Resources Strategy for Promoting Business Strategy

We are considering the following human resource strategy to reliably promote our business strategy.

- Formulate human resources strategies in line with the business strategies of each division and group, and secure diverse human resources who can respond to advanced strategies.
- As a foundation to support business strategy, combine corporate culture transformation, work style reform, and HR platform reform to build an organization where individual strengths can be maximized.



## 2. Attracting and Developing Staff

Results for 2024

New graduate recruitment  
**13 men, 16 women;** female ratio 55.1%

Mid-career recruitment  
**23**

### 1 Attracting Talent

#### (1) New graduate recruitment

We prioritize selection based on the individuality of each person, and while utilizing internships, we are hiring individuals who "spark intellectual curiosity and can take initiative in their actions." Currently, women account for about half of new graduates hired for general positions each year.



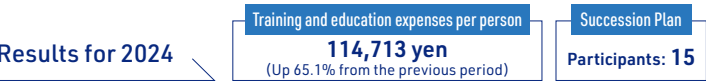
#### (2) Mid-career recruitment

We are increasing mid-career recruitment to secure highly specialized human resources to achieve sustainable growth in response to the rapidly evolving business environment, which includes the deepening of business models and the expansion of business areas through collaboration with alliance partners, as well as increased competition with other companies. The diverse experiences and insights of employees recruited through mid-career recruitment provide new stimulation to those around them and greatly contribute to the growth and evolution of the entire group.

In order to pursue flexible and multifaceted recruitment, we have also implemented mechanisms to encourage the hiring of different personnel, such as a "job return system" that permits former employees to be re-employed and a "referral hiring system" that is based on employee recommendations.

Strategic HR Initiatives

2 Staff development



(1) Education and training

We offer diverse training programs to help employees at every level –from new hires to managers– acquire the knowledge and skills they need. We have implemented an ondemand learning platform companywide, creating an environment where all employees –including midcareer hires and new graduates– can efficiently acquire necessary knowledge and skills anytime. This creates a framework that allows workers to individually learn the information they need while guaranteeing the uniform application of required training for all staff members, such as human rights education.

|                               | Selection, promotion and nomination                    | Training by level or topic                                                                                         | Career design & life planning training     | OJT                      | Training by objective or function                                                                                                           | Diversity-related                                                | Self-development, certification assistance, etc.                                                              |
|-------------------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| Senior management             | Next-generation management leader development          | Team management<br>Management<br>Evaluator                                                                         | Career design (40s)<br>Life planning (50s) | Supervisors              |                                                                                                                                             |                                                                  |                                                                                                               |
| Leaders / Mid-level employees | Next-generation development<br>Post-promotion training | Midlevel staff<br>Design thinking                                                                                  |                                            | Instructors<br>Mentoring | Digital human resources development program<br>Training for mid-career hires, etc.<br>Practical skills & knowledge, relationship management | Building a network for female employees<br>Caregiving roundtable | In-house e-learning and external online video learning<br>Certification incentive system<br>External training |
| Young employees               |                                                        | Presentation<br>Financial analysis<br>Follow-up training<br>Second year training                                   |                                            |                          | Work Engagement Program<br>Self-compassion training<br>Role Model Roundtable                                                                | Correspondence courses                                           |                                                                                                               |
| New employees                 |                                                        | Logical thinking training<br>PC training<br>New employees training (multiple times after assignment)<br>Onboarding |                                            |                          |                                                                                                                                             |                                                                  |                                                                                                               |

(2) Next-generation management candidates (succession plan)

In order to accomplish systematic management development and highly transparent director selection, we place a high value on the Corporate Governance Code and are seeking to discover and develop the skills and competencies of next-generation management candidates. We are promoting a succession plan program designed to foster an environment where the next generation of talent can inspire each other, sharpen their skills through mutual competition, and grow together, enabling their systematic development over the medium to long term. Starting this fiscal year, we have also in-troduced the “Next-Generation Leadership Development Program,” which has expanded its scope to include midlevel employees, thereby establishing a framework for developing future management talent at an earlier stage.

3 Optimization of Human Resources (Diversity & Inclusion)



(1) Promoting the active participation of women

Through training and roundtable conversations with female managers who are succeeding at other organizations, we assist female employees in developing independent careers. As a result, they are able to reach their full potential, stay motivated over the long term, and actively seek managerial positions. Furthermore, we implement initiatives such as fostering communities among female employees and providing training for managers on developing female subordinates. These efforts not only promote individual growth but also focus on expanding understanding and support from those around them. With regard to the ratio of female managers, we have set a target of 15% by fiscal 2025. As of the end of March 2025, we had reached 13.0%. In addition, the company met certain standards based on the Act on Promotion of Women's Participation and Advancement in the Workplace and was recognized for its proactive efforts to promote women's participation in the workplace, receiving the "Eruboshi" certification (certification level: 2) in January 2025.



(2) Active participation of senior employees

To continuously leverage the expertise and insights of our experienced employees, we introduced a mandatory retirement age of 65 starting in fiscal 2019. We provide life planning training to senior staff members so they can stay highly motivated and carry on doing quality work. This supports the creation of complete life plans with an eye toward the future and promotes career restructuring.

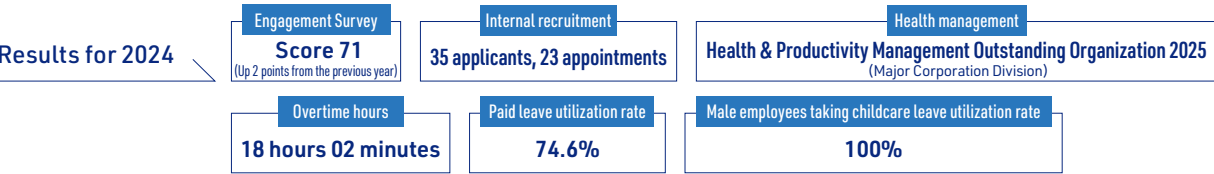
Supporting para sports

We have signed an official partnership agreement with Japan Para Athletics (JPA) since October 2019. By sending employees to cheer athletic events, and holding in-house lectures and parasports experience sessions by para-athletes, we have endeavored to raise the awareness of diversity in society.



(撮影：日本パラ陸上競技連盟)

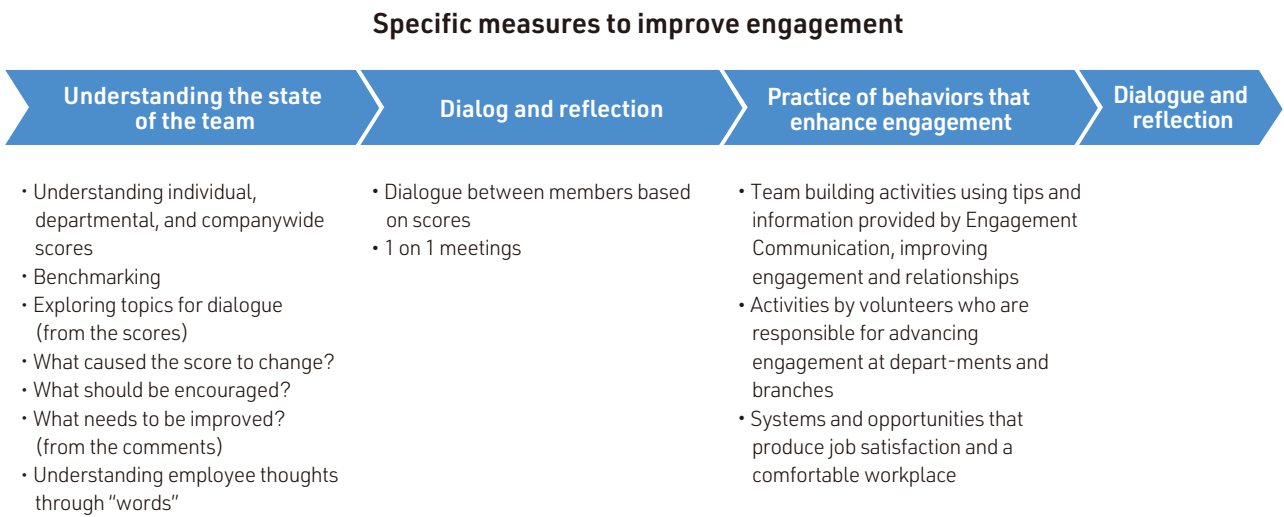
3. Workplace comfort and job satisfaction



(1) Strengthening employee engagement

In order to better grasp the realities of employees' "work engagement" and "well-being" in real-time and to foster an atmosphere where they may participate more proactively in their job, we have started conducting engagement surveys every three months since August 2021. We are implementing various initiatives to ensure every employee deeply understands the concept of engagement and can enhance it through their own actions. Starting in fiscal 2023, we are selecting members to proactively promote engagement improvement activities in the departments, while also exchanging opinions both internally and externally, to advance more effective initiatives.

Strategic HR Initiatives



(2) Internal recruitment

We are expanding our open recruitment system to realize career paths aligned with employees' motivation and abilities, and to foster a sense of self-directed career awareness. In addition to the Career Challenge Recruitment program, which recruits people to move to different departments, and the Role Change Recruitment program, which allows people to change jobs flexibly in line with their motivation to take on new challenges and lifestyle changes, we have also introduced an open-challenge recruiting system, which allows younger employees to stand for election as a department or branch manager. These are just some of the career programs that encourage employees to take the initiative in shaping their own careers.

(3) Health management

We regard the physical and mental well-being of our employees as a vital foundation supporting our business. Based on this philosophy, we have established a Health Management Declaration. Through seminars on health management and lifestyle habits, the introduction of health promotion apps, and employee-participation health events, we encourage effective and sustainable self-management of health. In addition to annual health checkups, we also conduct stress checks, recognizing that mental health is essential for ensuring a comfortable, safe, and easy-to-work-in workplace environment. These efforts have been recognized, and our company has been certified as a KENKO Investment for Health (Large Enterprise Category) for three consecutive years starting in 2023.



(4) Improving work-life balance and worksite flexibility

We are promoting flexible work arrangements that support a healthy work-life balance through initiatives such as advancing remote work, utilizing satellite offices, and enhancing vacation systems. The paid leave utilization rate for fiscal 2024 increased by approximately 4 points compared to the previous year, reaching 74.6%. Furthermore, starting in February 2025, we have introduced a flex-time system to promote operational efficiency and encourage a balanced, flexible work style. Furthermore, by advancing the adoption of Activity-Based Working (ABW) in the office environment and implementing "DANSHARI" initiatives, the average overtime hours remained at the previous year's level of 18 hours and 2 minutes. We are also working to further reduce overtime hours by strengthening collaboration with the IT and administrative departments and promoting digital transformation (DX).

(5) Initiatives for Work-Life Balance Support

[Balancing Work and Childcare]

We have established a consultation desk regarding childcare leave, providing information on systems related to childbirth and child-rearing, as well as offering individual explanations about childcare leave acquisition to eligible male employees. We support both female and male employees in balancing work with childbirth and child-rearing. As a company that is actively working to foster the next generation of children, we received Platinum Kurumin certification from the Ministry of Health, Labour, and Welfare in December 2020. Additionally, the rate of childcare leave taken by men has achieved 100% according to our standards, continuing from the previous year. (The percentage of male employees who started childcare leave between the previous year and the day before the first birthday of their child, among male employees who will celebrate their child's first birthday in the relevant year)



[Balancing work and nursing care]

In addition to distributing a caregiving handbook, providing caregiving-related information, and offering e-learning to deepen understanding of dementia, we are also working on creating an environment where employees can balance caregiving and work with confidence. This includes hosting a "Dementia Seminar" led by external instructors with extensive experience as care managers, organizing "Caregiver Roundtables" for employees struggling with caregiving to exchange information and support each other, and establishing a free consultation service.

(6) Side jobs and multiple jobs

To promote diverse work styles, foster innovation, and broaden perspectives, we have introduced a second/side job system from December 2022. We support the acquisition of external knowledge under rules designed to minimize impact on primary duties.

4. Organizational Strengthening

(1) Investment in human capital

In response to changing social conditions, we are implementing measures to enhance employee satisfaction and strengthen our recruitment capabilities. This includes reviewing compensation packages, such as raising starting salaries, to create a secure working environment where employees can feel confident in their roles. Furthermore, we are further strengthening our investment in education to cultivate the talent who will lead the future.

(2) Revision of the HR platform (HR system)

As our business strategy evolves, we aim to create new value beyond the traditional framework of a leasing company by becoming a "multi-solution platform provider." As part of our talent strategy to adapt to business model transformation, we will implement revisions to our HR platform (HR system) starting October 2025. With a focus on pillars like "expanding growth opportunities for young and mid-career employees," "developing a foundation to support the roles of management," "promoting the success of operational staff," and "further promoting the achievements of senior employees," the goal is to create a system where each employee can maximize their abilities and feel fulfilled and purposeful in their work.

(3) Town hall meetings (dialogue between executives and employees)

We regularly hold town hall meetings where top management and all employees can engage in direct dialogue. By conveying the thoughts and aspirations embedded in the corporate philosophy and medium-term management plan in their own words, executives are deepening each employee's understanding and empathy. We aim to create an open and transparent organization that values two-way communication, not just one-sided instructions from executives, by listening to honest opinions and suggestions from employees and utilizing them in corporate management.

(4) Activation of internal communication

We believe that deepening the vertical, horizontal, and diagonal relationships among executives and employees strengthens the company organization, and we are actively promoting internal communication. We also focus on building relationships that maintain psychological safety by communicating and sharing information and deepening mutual understanding through such means as our "Almost Monthly Company Bar (Cafe)," which is attended by 200-300 people each time; our "Company Social Media" where individuals can post; the "Omoro Fest Project," which is a forum for deepening knowledge and thinking through various events and putting into practice the ideas that arise; and "One-on-One Meetings," where anyone can talk about anything.

(5) Dispatching human resources to other companies

We actively dispatch employees to companies in other industries, enabling them to absorb cutting-edge knowledge while introducing fresh perspectives not found within our company. We foster flexible thinking that transcends the boundaries of traditional leasing business, strengthening our organization through its application in business.

# Human Rights Policy

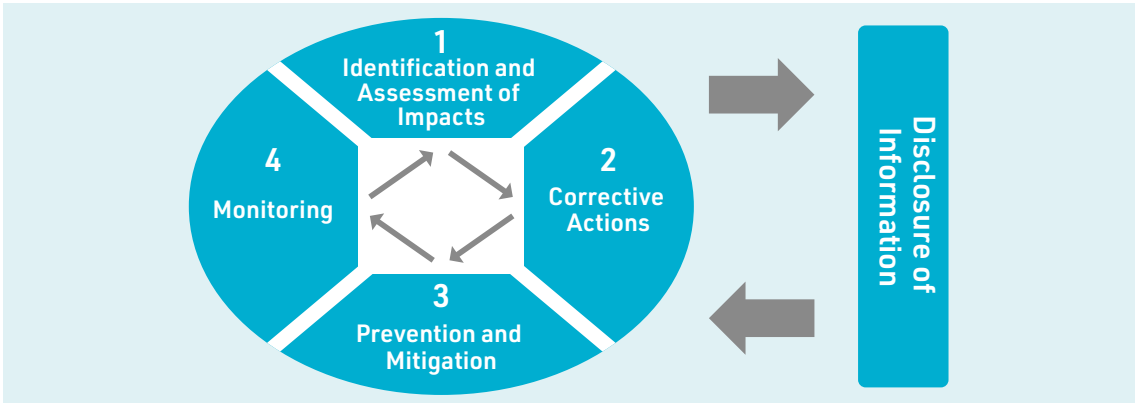
## Approach to Human Rights

The Mizuho Leasing Group actively pursues solutions to social issues and contributes to a sustainable society. It recognizes respect for human rights as critical to realizing its own management philosophy. Accordingly, the company has established the Mizuho Leasing Group Corporate Code of Conduct, which provides specific guidelines for the conduct of executives and employees, and has formulated a Human Rights Policy to externally demonstrate its responsibility and commitment to human rights.

Following human rights due diligence within our group companies, we conducted a human rights survey for employees in fiscal 2024.

To ensure respect for the personality and individuality of each employee, maintain zero intolerance for harassment, and promote a rewarding work environment, we consistently respond to problematic behavior through hotlines and a range of consultation services. Going forward, we will deepen our efforts to monitor, prevent, and reduce inappropriate behavior.

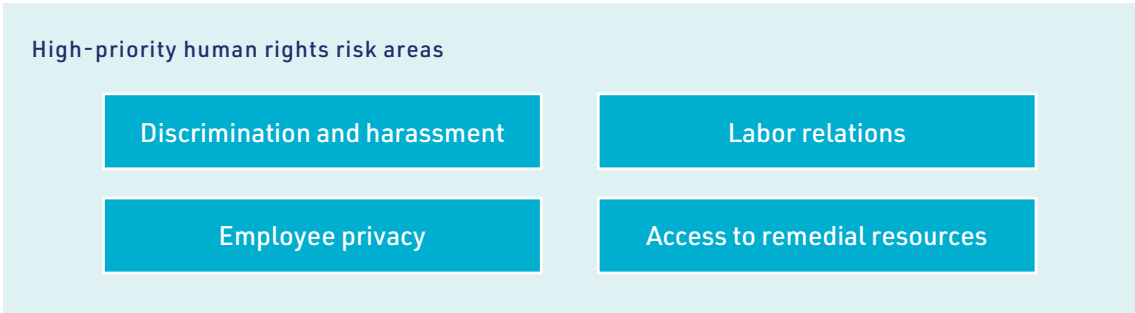
## Human Rights Due Diligence Process



## Significant Human Rights Risks

Through an impact identification and assessment process, we first identified human rights risks that could affect our group's employees, then assessed their severity and likelihood of occurrence. In the future, we are considering expanding the scope of this assessment to include the Group's suppliers and investees.

Key human rights risks that must be addressed preemptively include the following.



## Initiatives

### Human rights due diligence initiatives

|                           |                                                                                                                                                                                                                                                                                                          |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corrective Actions        | • To ensure early detection of misconduct in the workplace, we have established an internal reporting system for employees.                                                                                                                                                                              |
| Prevention and Mitigation | • We have for some time been conducting internal training programs to enhance awareness of human rights.                                                                                                                                                                                                 |
| Monitoring                | • First, as part of our efforts to strengthen internal monitoring, we are conducting a questionnaire survey to determine the level of penetration of human rights education and evaluate the progress of human rights due diligence, and to confirm that related measures are functioning appropriately. |

# Together with Our Stakeholders

Through our long experience in leasing, our group has become closely connected with the economy, society, the environment, and daily life through many businesses such as finance, real estate, management of physical assets, and environmental energy. As we work to create a sustainable society, we will actively communicate with our stake-holders and contribute to making sustainable society a reality through our business activities while fostering a virtuous cycle.



# Corporate Governance

## Basic Concept

The Group recognizes that in order to continuously increase corporate value for shareholders over the long term, it is essential to ensure that corporate governance, a framework for regulating corporate activities centered on imposing discipline on the relationship between shareholders and management, functions effectively.

Ensuring transparency in corporate activities through timely and appropriate disclosure to effectively safeguard stakeholder rights and interests; protecting shareholders' rights and interests and ensuring equality commensurate with their holdings; respecting the rights and interests of various stakeholders, including employees and business partners, and fostering positive relationships with them; and making sure the board of directors and Audit & Supervisory Board appropriately fulfill their oversight and audit functions are all ways we plan to accomplish this. In order to improve the efficacy of our corporate governance, we are constantly improving these frameworks.

## Board of Directors Activities

Under the open and active management of our board of directors meetings, resolutions and reports on business execution are made pertaining to matters stipulated by law and by the board of directors charter, along with discussions on management policies and strategies. To ensure that the board properly supervises the execution of responsibilities by the executive departments and that the resolutions and discussions of the board of directors are valid, reasonable and objective, we have appointed outside directors who are fully demonstrating individualized skills based on their advanced knowledge and experience. (Please refer to the Skills Matrix on page 72 for each individual's skill status.)

Additionally, we proactively provide our outside directors with information to help them understand the company, \*helping them to deepen their understanding of our business.



\*Premeeting briefings covering board meeting agenda items; briefings on our business outside of board meetings; data from on-site inspections, etc.

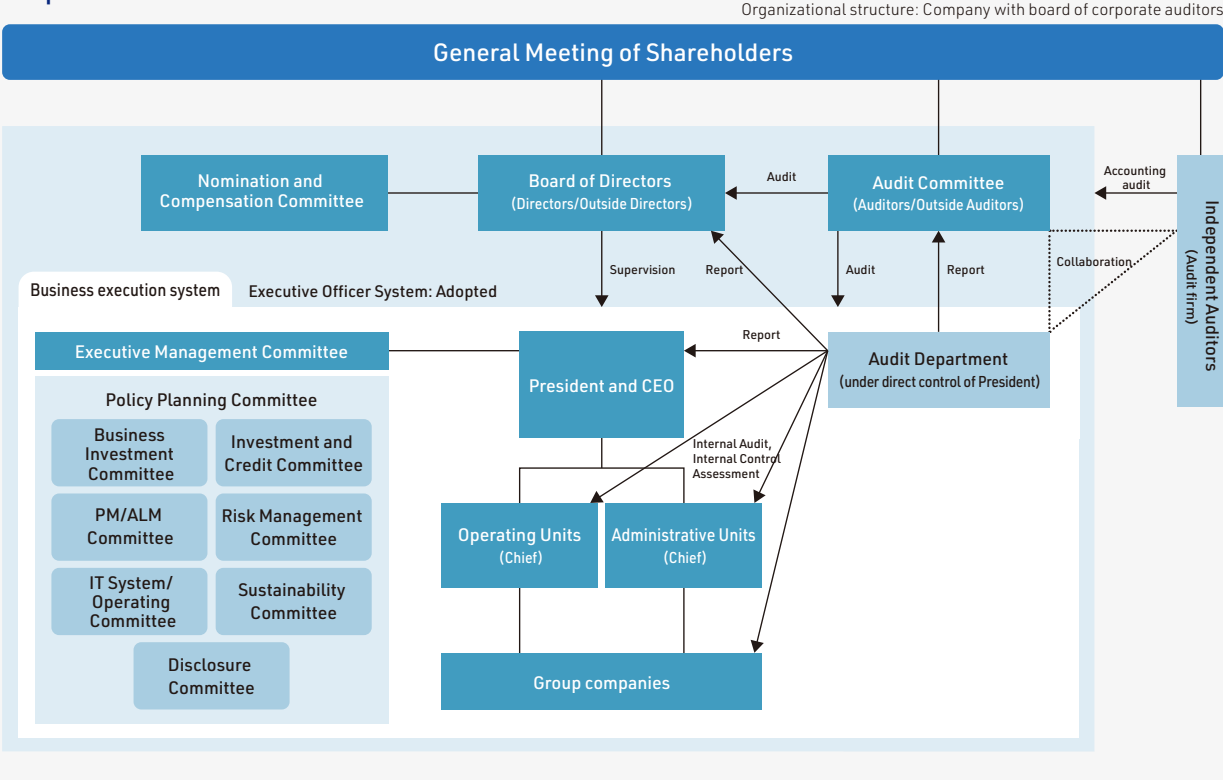
|                                                          |                                                                                                                                                                                        |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Members                                                  | Directors: 12 (including 5 independent outside directors and 1 outside director)<br>(Term of office for directors: 1 year)<br>Auditors: 4 (3 of whom are independent outside auditors) |
| Number of sessions held in fiscal 2024 / Attendance rate | 15 meetings held / Director attendance rate: 99%, Auditor attendance rate: 100%                                                                                                        |

## Annual Activities of the Board of Directors (Example for fiscal 2024)

### Main Agenda Items

| Theme Classification                | 1Q                                                     |                                           |                             | 2Q                                  |                                   |                                       | 3Q                                          |                                   |                          | 4Q                                                                    |                                   |                   |
|-------------------------------------|--------------------------------------------------------|-------------------------------------------|-----------------------------|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------------|-----------------------------------|--------------------------|-----------------------------------------------------------------------|-----------------------------------|-------------------|
| Governance                          | Internal audit Actuals and Plans                       | Auditor's Audit Report                    | Audit Committee Report      | Auditor Audit Plan                  |                                   |                                       | Internal Audit Actuals                      | Compliance Management             | Auditor's Audit Report   | Executive personnel affairs<br>Annual policy on policy stock holdings |                                   |                   |
|                                     | Internal Control System                                | Calling a General meeting of Shareholders | Executive personnel affairs |                                     |                                   |                                       | Policy stock holdings validity verification |                                   |                          |                                                                       |                                   |                   |
|                                     | Evaluating the Effectiveness of the Board of Directors |                                           |                             |                                     |                                   |                                       |                                             |                                   |                          |                                                                       |                                   |                   |
| Management strategy/ Sustainability | Business Plan                                          |                                           |                             | Medium-term plan progress reporting | Business Plan progress            | Sustainability goals and achievements | Business portfolio transformation           | Corporate culture transformation  | Human resources strategy | Group Companies current status                                        | Business Plan                     | Structure change  |
|                                     | State of business execution                            | Execution of important operations         |                             | State of business execution         | Execution of important operations |                                       | State of business execution                 | Execution of important operations |                          | State of business execution                                           | Execution of important operations | Engagement survey |
| Financial statements                | Self-assessment                                        | Financial results approval                | Shareholder returns         | Financial results approval          |                                   |                                       | Self-assessment                             | Financial results approval        | Shareholder returns      | Financial results approval                                            |                                   |                   |
|                                     | IR-related reports                                     |                                           |                             |                                     |                                   |                                       | IR-related reports                          |                                   |                          |                                                                       |                                   |                   |
| Risk management                     | Operational risk                                       |                                           |                             | Operational risk                    |                                   |                                       | Operational risk                            | Cyber risk                        |                          | Operational risk                                                      | Cyber risk                        | Top risk          |

## Corporate Governance Framework



## Status of Activities of the Nomination and Compensation Committee

The optional Nomination and Compensation Committee plays a role in enhancing the effectiveness and transparency of the decision-making process in the board of directors by engaging in lively discussions on the topics listed below.

|                                                     |                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Members                                             | 8 (5 independent outside directors, 1 independent outside corporate auditor)                                                                                                                                                                                                            |
| Number of sessions held in FY2024 / Attendance rate | 9 meetings held / Attendance rate 97%                                                                                                                                                                                                                                                   |
| Key topics for FY2024                               | <ul style="list-style-type: none"><li>• Matters concerning the appointment and dismissal of directors and executives</li><li>• Matters related to executive compensation</li><li>- Review of company performance indicators that form the basis for remuneration calculations</li></ul> |

## Activities of the Board of Auditors

We are organized as a company with a board of corporate auditors, and the board of auditors makes resolutions and reports on the matters listed below. Audit activities also include conducting on-site audits of the head office and key business locations in Japan and abroad, attending and sharing opinions at key meetings like the board of directors, Executive Management Committee, and Policy Committee, and exchanging views with representative directors, outside directors, division general managers, and group general managers.



In addition to these measures, we audit the execution of directors' duties through the review of important documents, investigations into operations and assets, and hearings on the status and results of audits conducted by the accounting auditor and internal audit department. Last fiscal year, we held round table discussions with mid-level and junior employees and full-time auditors, striving to gather feedback from the field. Regarding subsidiaries, we conduct regular meetings with executives of major domestic and overseas subsidiaries and exchange information through liaison meetings with auditors, thereby strengthening the audit framework for the entire group.

|                                                     |                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Members                                             | Auditors: 4 (3 of whom are independent outside auditors)                                                                                                                                                                                                                                                                                   |
| Number of sessions held in FY2024 / Attendance rate | 13 sessions held / 100% attendance rate                                                                                                                                                                                                                                                                                                    |
| Key topics for FY2024                               | <p>Resolution) Determination of audit policies and audit plans, preparation of audit reports, approval of the reappointment and remuneration of the accounting auditor, etc.</p> <p>Report) Status of system development to ensure the appropriateness of business operations, internal control reports, key audit matters (KAM), etc.</p> |

Corporate Governance

Status of Management Committee Activities

The Management Committee has been established as an advisory body to the president. In principle, this group meets at least once a month to discuss and report on important business matters.

|                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Number of meetings held in FY2024 | 22 meetings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Key topics for FY2024             | <p><b>Governance</b><br/>Basic policy and evaluation results of the internal control system; review of the significance of policy-related shareholdings; report on audit results and audit plan; and compliance operations status and formulation of the compliance program.</p> <p><b>Management strategy</b><br/>Annual management plan, execution of important operations, business portfolio transformation, talent strategy, policies by division and group, IT system strategy, major credit customer credit policy setting, corporate culture transformation, group company annual plans, and progress report</p> <p><b>Risk Management</b><br/>Selection of top-risk operational and monitoring items, cybersecurity measures, verification of risk management systems</p> |

Internal audit overview

The Audit Department manages the internal audit function and reports directly to the president. Working according to its audit plan, the department conducts operational audits of the effectiveness, appropriateness, and efficiency of business execution at each department and branch of our parent and group companies. It also provides the audited organizations with specific improvement proposals and advice based on audit results. An audit report detailing the results of the audits is promptly submitted to the president and circulated among the auditors. The status of the audits is regularly reported to the board of directors every six months. The Internal Controls Division, which has been established within the Audit Department, works with the Internal Control Department to evaluate the effectiveness of internal controls related to financial reporting and reports the results to the board of directors. The Audit Department also works with corporate and independent auditors as necessary.

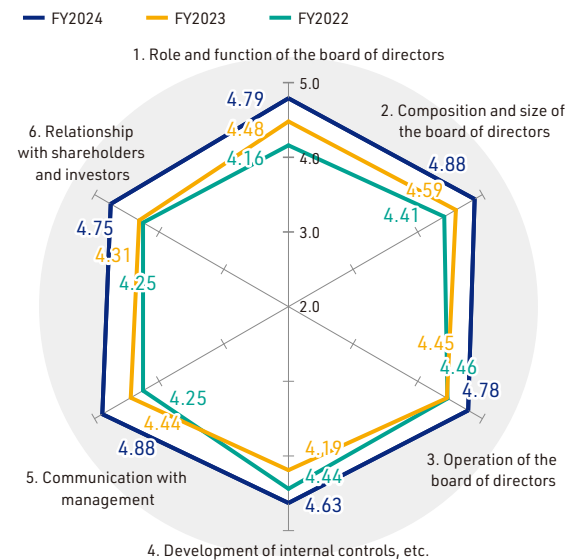
Evaluating the Effectiveness of the Board of Directors

We assess the board’s overall effectiveness by analyzing and evaluating the results of an annual questionnaire administered anonymously by an external organization to directors and auditors by a survey firm. This exposes the strengths and weaknesses of our board of directors and enables us to improve its performance where needed and enhance our governance standards and corporate value.

Effectiveness Assessment Process

Conduct the survey → Report to the board of directors → Individual hearings with directors and auditors for improvements → Implement improvement measures

FY2024 Survey Item Scores (Comparison of Past Three Periods) Key Actions Taken in FY2024 Based on FY2023 Evaluation Results



|   | Item                                         | Main Response Examples                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Role and function of the board of directors  | <p><b>Enhancement of training content for outside directors</b></p> <ul style="list-style-type: none"><li>• Opportunities for outside directors to attend external seminars</li></ul>                                                                                                                                                                                                                                                                                                       |
| 3 | Operation of the board of directors          | <p><b>Further enhancement of discussions on medium- to long-term management issues and initiatives to promote more active discussions at the Board of Directors.</b></p> <ul style="list-style-type: none"><li>• Implementation of progress reports on the Medium-Term Management Plan 2025 at the board of directors meeting</li><li>• Explanation of the initiatives of each of the six headquarters</li><li>• Increased opportunity for outside directors to exchange opinions</li></ul> |
| 5 | Communication with management                | <p><b>Providing information to facilitate outside directors' understanding of the company</b></p> <ul style="list-style-type: none"><li>• Real estate business site visits/Interaction with branch employees</li><li>• Weekly provision of competitor information</li></ul>                                                                                                                                                                                                                 |
| 6 | Relationship with shareholders and investors | <p><b>Enrichment of discussion regarding feedback on investor opinions and response policy</b></p> <ul style="list-style-type: none"><li>• Reports to the board of directors on feedback and evaluations from institutional investors and analysts obtained through financial results briefings and IR activities</li></ul>                                                                                                                                                                 |

Strengths and Challenges Identified by the Evaluation Agency Based on the 2024 Effectiveness Evaluation Results / Key Initiatives for FY2025

| Our Strengths                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Our Challenges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• <b>Diversity of skills, experience, and knowledge as a whole in the board of directors</b> (Item 2)<ul style="list-style-type: none"><li>— The board consists of directors with diverse skills and experience, enabling multifaceted discussions.</li></ul></li><li>• <b>Facilitation of open and active discussion</b> (Item 3)<ul style="list-style-type: none"><li>— Through proper procedural management and pre-meeting coordination, the assembly operates smoothly, enabling open and vigorous debate.</li></ul></li><li>• <b>Ongoing initiatives to enhance the board of directors</b> (General)<ul style="list-style-type: none"><li>— The board of directors' operational methods and the quality of its discussions have improved annually, with ongoing efforts to enhance the Board's value.</li></ul></li></ul> | <ul style="list-style-type: none"><li>• <b>Enhancing discussions from a medium- to long-term perspective</b> (Items 1, 3)<ul style="list-style-type: none"><li>— Several opinions were expressed that more time should be devoted to discussions on the company's direction and the vision the board of directors should pursue, as well as to mid- to long-term perspectives and growth strategies.</li><li>— As measures to enhance discussions, we request consideration of revising the criteria for agenda items and involving outside directors in agenda setting.</li></ul></li><li>• <b>Outside directors' involvement in developing next-generation leaders</b></li></ul> |

**Key Initiatives for FY2025**

- **Enhancing discussions from a medium- to long-term perspective** (Conducting individual interviews with directors and auditors)
  - ▶ To achieve "sustainable and medium-to-long-term enhancement of corporate value," "strengthening of governance," and "promotion of sustainability," we will incorporate opinions from outside directors regarding agenda setting at board meetings into the operation of the board of directors
- **Outside directors' involvement in developing next-generation leaders**
  - ▶ Creating opportunities for outside directors to participate in next-generation leadership development programs, such as the Next-Generation Management Leader Development Program

Examples of Initiatives Being Emphasized Based on Past Effectiveness Evaluation Results

- Providing information to facilitate outside directors' understanding of the company / Enhancement of training for outside directors

**Real Estate Property Inspection (Fukuoka)/Fukuoka Branch Inspection (December 2024)**



Mizuho Leasing's independently developed logistics warehouse



Office building arranged by Mizuho Leasing



Interaction with staff at the Fukuoka Branch

(Purpose) To deepen outside directors' understanding of the current state of our real estate business and to foster interaction with branch employees.

**FY2024 Feedback on the survey**

- Time is allocated for on-site inspections outside board meetings and departmental business reports, and external training programs are also well-developed. It has been refined year after year, showing steady progress and becoming significantly better.
- Regular provision of competitive intelligence and practical opportunities such as external training and seminars (both internal and external) are appropriately implemented.

Based on the results of the board effectiveness assessment, we will strive to improve not only the areas identified as challenges but also those that received positive evaluations, working to further enhance the effectiveness and functionality of the board of directors.

# Management TEAM

◆ Company shares owned: (As of end-April 2025) ◆ Board of Directors Attendance Record: (FY24)

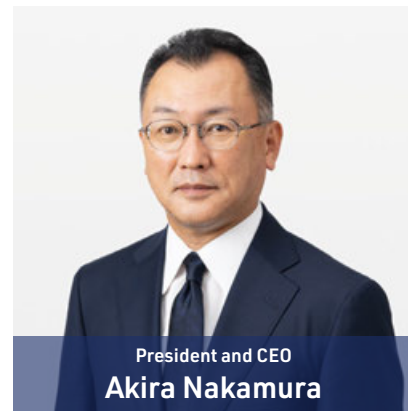
## Inside Directors



**Chairman of the Board of Directors**  
**Shusaku Tsuhara**

- ◆ Number of shares of the company held: 106,800 shares
- ◆ Years Served as Director: 6 year
- ◆ Board of Directors Attendance Record: 15/15 (100%)

April 2010 Executive Officer, General Manager of Executive Secretariat of Mizuho Financial Group, Inc.  
April 2012 Managing Executive Officer of Mizuho Bank, Ltd.  
April 2015 Senior Managing Executive Officer, Mizuho Financial Group, Inc.  
June 2015 Member of the Board of Directors & Senior Managing Executive Officer, Mizuho Financial Group, Inc.  
April 2017 Deputy President of Mizuho Bank, Ltd.  
April 2019 Deputy President & Executive Officer of the Company  
June 2019 Deputy President, Deputy President Executive Officer  
June 2020 President and CEO of the Company  
April 2023 Director and Chairman, Chairman of the Board of the Company (present position)



**President and CEO**  
**Akira Nakamura**

- ◆ Number of shares of the company held: 80,600 shares
- ◆ Years Served as Director: 4 year
- ◆ Board of Directors Attendance Record: 15/15 (100%)

April 2013 Executive Officer, General Manager of Corporate Banking Coordination Division (Large Corporations) of Mizuho Financial Group, Inc.  
April 2015 Managing Executive Officer, Mizuho Securities, Inc.  
April 2016 Managing Executive Officer, Mizuho Financial Group, Inc.  
April 2018 Senior Managing Executive Officer, Head of Corporate & Institutional Company of Mizuho Financial Group, Inc.  
April 2019 Deputy President & Executive Officer, Head of Corporate & Institutional Company of Mizuho Bank, Ltd.  
April 2020 Deputy President & Executive Officer of the Company CRO  
April 2021 Deputy President & Executive Officer of the Company CFO  
June 2021 Deputy President, Deputy President Executive Officer CFO  
April 2022 Deputy President, Deputy President Executive Officer  
April 2023 President and CEO of the Company (present position)



**Deputy President, Representative Director**  
**Hiroshi Nagamine**

- ◆ Number of shares of the company held: 42,400 shares
- ◆ Years Served as Director: 3 year
- ◆ Board of Directors Attendance Record: 15/15 (100%)

July 2011 General Manager of Aoyama Branch Division II, Mizuho Bank, Ltd.  
April 2014 General Manager of Corporate Banking Division No. 13, Mizuho Bank, Ltd.  
April 2016 Executive Officer, Deputy Head of Europe, Middle East and Africa, Mizuho Bank, Ltd.  
April 2017 Managing Executive Officer & Head of Europe, Middle East and Africa, Mizuho Financial Group, Inc.  
May 2020 Senior Managing Executive Officer, Head of Global Corporate Company, Deputy Head of Global Products Unit of Mizuho Financial Group, Inc.  
April 2021 Senior Managing Executive Officer, CRO of the Company  
April 2022 Senior Managing Executive Officer, CFO of the Company  
June 2022 Senior Managing Director, Senior Managing Executive Officer, CFO of the Company  
April 2023 Deputy President, Deputy President Executive Officer (present position)



**Deputy President**  
**Mutsumi Ishizuki**

- ◆ Number of shares of the company held: 2,900 shares
- ◆ Years Served as Director: 1 year
- ◆ Board of Directors Attendance Record: 12/12 (100%)

April 1981 Joined Marubeni Corporation  
April 2012 Executive Officer, Head of Metals Department of Marubeni Corporation  
April 2014 Executive Officer, Head of Metals Department II of Marubeni Corporation  
April 2015 Managing Executive Officer, Chief Executive Officer of Metal Resources Division of Marubeni Corporation  
April 2018 Executive Managing Officer, Head of Europe and CIS of Marubeni Corporation, European Manager, President of Marubeni Europe Ltd.  
June 2020 Representative Director and Senior Managing Executive Officer, CAO of Marubeni Corporation  
June 2022 Senior Managing Executive Officer, CAO of Marubeni Corporation  
April 2024 Retired from Marubeni Corporation  
June 2024 Deputy President, Deputy President Executive Officer (present position)



**Senior Managing Director**  
**Masahiko Abe**

- ◆ Number of shares of the company held: 24,000 shares
- ◆ Years Served as Director: 1 year
- ◆ Board of Directors Attendance Record: 12/12 (100%)

July 2013 Head of Sales Department, Kabutocho Securities of Mizuho Bank, Ltd.  
April 2015 Head of Corporate Affairs for Large Enterprises of Mizuho Bank, Ltd.  
April 2016 Executive Officer of Mizuho Financial Group, Inc., Executive Officer and Head of Corporate and Institutional Affairs of Mizuho Bank, Ltd.  
April 2018 Managing Executive Officer of Mizuho Bank, Ltd.  
June 2021 Managing Executive Officer of the Company  
April 2023 Managing Executive Officer, Deputy Director of Circular Society Platform Headquarters of the Company  
April 2024 Managing Executive Officer of the Company  
June 2024 Senior Managing Director and Senior Managing Executive Officer of the Company (present position)



**Managing Director**  
**Kensuke Sato**

- ◆ Number of shares of the company held: 36,500 shares
- ◆ Years Served as Director: —
- ◆ Board of Directors Attendance Record: —

April 1991 Joined the company  
April 2017 Deputy General Manager of the Corporate Planning Department  
April 2019 Executive Officer and General Manager of the Corporate Planning Department  
April 2020 Executive Officer and General Manager of Business Promotion Department of the Company  
April 2023 Managing Executive Officer and General Manager of Business Promotion Department of the Company  
April 2024 Managing Executive Officer and Deputy General Manager of Business Promotion Headquarters of the Company  
April 2025 Managing Executive Officer and Deputy General Manager of Business Promotion Headquarters of the Company, Joint Head of Group Chief of the IT Systems and Administrative Groups  
June 2025 Managing Director and Managing Executive Officer and Deputy General Manager of Business Promotion Headquarters of the Company, Joint Head of Group Chief of the IT Systems and Administrative Groups (present position)

## Outside Directors



**Outside Director**  
**Mari Sagiya**

- ◆ Number of shares of the company held: 800 shares
- ◆ Years Served as Director: 6 year
- ◆ Board of Directors Attendance Record: 15/15 (100%)

April 1985 Joined IBM Japan, Ltd.  
July 2002 Director, IBM Japan, Ltd.  
July 2005 Executive Officer of the Company  
July 2014 Vice President, Head of Strategy, Marketing & Communications of SAP Japan Co., Ltd.  
January 2016 Vice President, Marketing of salesforce. com Co., Ltd.  
June 2019 Outside Director of the Company (present position)  
March 2020 Outside Director of MonotaRO Co., Ltd. (present position)  
June 2021 Outside Director of JBCC Holdings Inc. (present position)  
June 2022 Outside Director of Mitsubishi Corporation (present position)  
June 2025 Outside Director and Audit & Supervising Member of Mitsubishi UFJ Trust and Banking Corporation (present position)



**Outside Director**  
**Takayuki Aonuma**

- ◆ Number of shares of the company held: 800 shares
- ◆ Years Served as Director: 6 year
- ◆ Board of Directors Attendance Record: 15/15 (100%)

April 1982 Chief Prosecutor of Tokyo District Public Prosecutors Office  
January 2010 Prosecutor of Supreme Public Prosecutors Office  
December 2010 Director-General of the Rehabilitation Bureau, Ministry of Justice  
July 2014 Chief Prosecutor, Tokyo District Public Prosecutors Office  
December 2015 Deputy Prosecutor-General of the Supreme Public Prosecutors Office, Member of the Legislative Council  
September 2016 Superintending Prosecutor of Nagoya High Public Prosecutors Office  
February 2018 Registered as an attorney-at-law Of-Counsel of City-Yuwa Partners (present position)  
June 2021 Outside Director of the Company (present position)  
May 2023 Outside Director of FamilyMart Co., Ltd.



**Outside Director**  
**Hirozumi Sone**

- ◆ Number of shares of the company held: 800 shares
- ◆ Years Served as Director: 6 year
- ◆ Board of Directors Attendance Record: 15/15 (100%)

April 1979 Joined Yamatake-Honeywell Co., Ltd. (now Azbil Corporation)  
April 2003 Vice Executive Officer, General Manager of Engineering Department, Advanced Automation Company of Yamatake Corporation (now Azbil Corporation) Vice Executive Officer, General Manager of Engineering Department, Advanced Automation Company of Yamatake Corporation (now Azbil Corporation)  
April 2005 Executive Officer and General Manager of the Corporate Planning Department of Yamatake Corporation (now Azbil Corporation)  
April 2008 Executive Officer and Senior General Manager of the Corporate Planning Department of Yamatake Corporation (now Azbil Corporation)  
June 2010 Member of the Board of Directors & Senior Managing Executive Officer, Mizuho Financial Group, Inc.  
April 2012 Representative Director, President and Chief Executive Officer of Azbil Corporation  
April 2020 Chairman and President, Representative Director, Chairman and President, Executive Officer of Azbil Corporation  
June 2020 Representative Director Chairperson, Executive Chairperson of Azbil Corporation  
2021 June Outside Director of Yasuda Logistics Corporation  
2022 June Director and Chairperson of the Board of Azbil Corporation  
2023 June Outside Director of the Company (present position)



**Outside Director**  
**Natsumi Watanabe**

- ◆ Number of shares of the company held: 0 shares
- ◆ Years Served as Director: 1 year
- ◆ Board of Directors Attendance Record: 12/12 (100%)

April 2002 Joined Recruit Co., Ltd.  
October 2016 General Manager of Human Resources Division of Recruit Holdings Co., Ltd.  
October 2017 General Manager of Business Management Division of Recruit Holdings Co., Ltd.  
April 2018 General Manager of Corporate Planning Office of Recruit Co., Ltd.  
April 2021 General Manager of Compliance Office of Recruit Co., Ltd.  
October 2021 General Manager of Risk Management Office of Recruit Co., Ltd.  
October 2022 General Manager of Customer Contact Office of Recruit Co., Ltd.  
February 2023 Director of UPRO Co., Ltd.  
December 2023 Audit & Supervisory Board Member of Interactive, Inc. (present position)  
April 2024 Vice President of Customer Experience Promotion Office of Recruit Co., Ltd. (present position)  
June 2024 Outside Director of the Company (present position)  
April 2025 Senior Directors of Indeed Japan Co., Ltd. (present position)  
April 2025 Vice President of Indeed Recruit Partners Co. Ltd. (present position)



**Outside Director**  
**Haruyuki Urata**

- ◆ Number of shares of the company held: 0 shares
- ◆ Years Served as Director: —
- ◆ Board of Directors Attendance Record: —

April 1977 Joined Orient Leasing Co., Ltd. (now ORIX Corporation)  
February 2005 Executive Officer of the Company  
June 2007 Managing Director of the Company  
January 2008 Deputy President of the Company  
January 2009 Deputy President and Group CFO, ORIX Corporation  
January 2011 Representative Deputy President and Group CFO, ORIX Corporation  
June 2015 President and CEO, ORIX Bank Corporation  
June 2020 Chairman of the Board of Directors of the Company  
June 2022 Corporate Auditor, Asahi Kasei Corporation (present position)  
June 2025 Outside Director of the Company (present position)

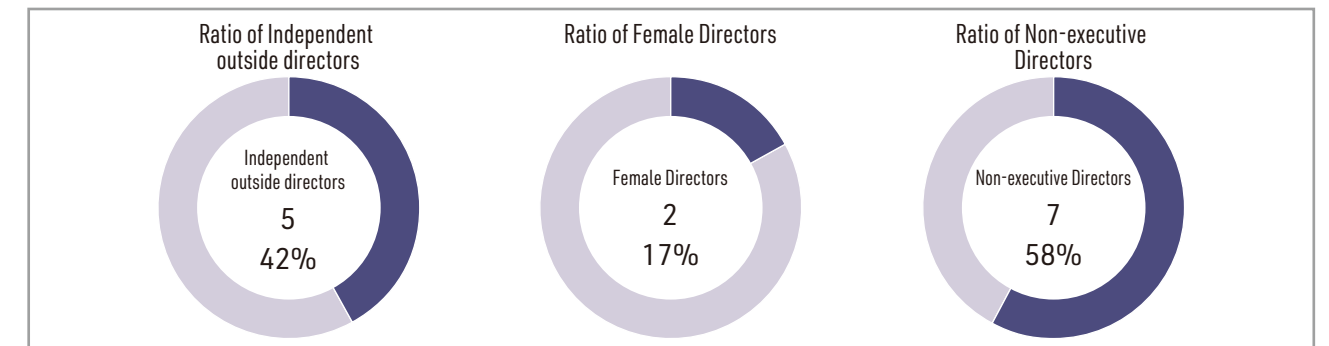


**Outside Director**  
**Jiro Itai**

- ◆ Number of shares of the company held: 0 shares
- ◆ Years Served as Director: —
- ◆ Board of Directors Attendance Record: —

April 1987 Joined Marubeni Corporation  
April 2013 Head of Construction Machinery, Marubeni Corporation  
April 2018 Executive Officer of Construction Machinery and Industrial Machines Headquarters, Marubeni Corporation  
April 2022 Managing Executive Officer of Construction Machinery, Industrial Machines, and Mobility Headquarters, Marubeni Corporation  
April 2023 Managing Executive Officer of Social Industry, Financial Group CEO, Marubeni Corporation  
April 2025 Senior Managing Executive Officer Responsible for the Finance, Leasing, Real Estate, Aerospace, and Mobility Division (present position), Marubeni Corporation  
June 2025 Outside Director of the Company (present position)

## Board Composition



## Skill Matrix

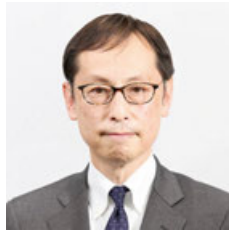
| Skill Category                            | Skill Definition                                                                                                                     | Reasons for selection                                                                                                                                                                |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corporate management                      | Those with management experience at listed companies, etc.                                                                           | Experience necessary for the integrated supervision of the management of our company and our group                                                                                   |
| Legal & compliance, risk management       | Those with knowledge and work experience in legal affairs, compliance, and risk management                                           | Prerequisite for appropriate evaluation of and action in regard to increasingly complex and sophisticated business risks                                                             |
| Finance/Accounting/ Finance and Economics | Those with specialized knowledge and experience in financial management, accounting, markets, and economics                          | Needed for the improvement of corporate value through dialogue with the capital markets and the maintenance of competitive funding capabilities                                      |
| Global Business                           | A person with management experience abroad and global knowledge and experience.                                                      | Necessary for the understanding of unique aspects of overseas business, such as the diverse values, laws, and customs in each country, in the context of global business development |
| Sustainability                            | Those with management knowledge and experience that contributes to the realization of a sustainable society                          | Helps us contribute to solving social issues through environmental and resource recycling                                                                                            |
| Human Resources                           | Those with knowledge and experience related to human resource acquisition and development, diversity and inclusion, engagement, etc. | Needed because we view staff as an important company resource and place importance on their development and respect their diversity                                                  |
| IT/DX                                     | Those with experience in business reform and promotion through IT and digital technology.                                            | Helps us to dramatically improve competitiveness and efficiency through IT and digital technology                                                                                    |

|          | Name             | Gender | Position Chairman of the Board               | Independent Executive | Skill / Experience   |                                     |                                           |                 |                |                 |       |
|----------|------------------|--------|----------------------------------------------|-----------------------|----------------------|-------------------------------------|-------------------------------------------|-----------------|----------------|-----------------|-------|
|          |                  |        |                                              |                       | Corporate management | Legal & compliance, risk management | Finance/Accounting/ Finance and Economics | Global Business | Sustainability | Human Resources | IT/DX |
| Director | Shusaku Tsuchara | [M]    | Chairman of the Board of Directors           |                       | ●                    | ●                                   | ●                                         |                 | ●              | ●               |       |
|          | Akira Nakamura   | [M]    | President and CEO                            |                       | ●                    | ●                                   | ●                                         | ●               | ●              | ●               |       |
|          | Hiroshi Nagamine | [M]    | Deputy President and Representative Director |                       | ●                    | ●                                   | ●                                         | ●               | ●              |                 |       |
|          | Mutsumi Ishizuki | [M]    | Deputy President                             |                       | ●                    | ●                                   |                                           | ●               | ●              | ●               |       |
|          | Masahiko Abe     | [M]    | Senior Managing Director                     |                       | ●                    |                                     | ●                                         |                 | ●              | ●               |       |
|          | Kensuke Sato     | [M]    | Managing Director                            |                       |                      |                                     | ●                                         |                 | ●              | ●               | ●     |
|          | Mari Sagiya      | [F]    | Outside Director                             | ○                     | ●                    |                                     |                                           | ●               | ●              | ●               | ●     |
|          | Takayuki Aonuma  | [M]    | Outside Director                             | ○                     |                      | ●                                   |                                           | ●               | ●              | ●               |       |
|          | Hirozumi Sone    | [M]    | Outside Director                             | ○                     | ●                    | ●                                   |                                           | ●               | ●              |                 |       |
|          | Natsumi Watanabe | [F]    | Outside Director                             | ○                     | ●                    | ●                                   |                                           |                 |                | ●               | ●     |
|          | Haruyuki Urata   | [M]    | Outside Director                             | ○                     | ●                    | ●                                   | ●                                         | ●               |                | ●               |       |
| Auditor  | Jiro Itai        | [M]    | Outside Director                             |                       | ●                    | ●                                   |                                           | ●               | ●              |                 |       |
|          | Koji Arita       | [M]    | Standing Outside Corporate Auditor           | ○                     | ●                    |                                     | ●                                         |                 |                | ●               |       |
|          | Shingo Suwabe    | [M]    | Standing Outside Corporate Auditor           | ○                     | ●                    |                                     | ●                                         |                 |                | ●               | ●     |
|          | Noboru Otaka     | [M]    | Standing Corporate Auditor                   |                       |                      | ●                                   | ●                                         |                 |                |                 | ●     |
|          | Hideki Amano     | [M]    | Outside Corporate Auditor                    | ○                     |                      | ●                                   | ●                                         | ●               |                | ●               |       |

\*The above list does not represent all the knowledge and experience possessed by each director and auditor.

\*A skill all the directors have in common is "transformation and innovation," or consistently taking on the challenge of reform in order to create new value.

## Auditor

Outside Audit & Supervisory Board Member  
Koji Arita

- ◆ Number of shares of the company held: 1,700 shares
- ◆ Board of Directors Attendance Record: 15/15 meetings (100%)

April 2010  
General Manager of Operations Services & Support Division of Mizuho Bank, Ltd.

April 2012  
General Manager of Operations Planning Division of Mizuho Financial Group, Inc.

April 2013  
Executive Officer, General Manager of the Administrative Planning Department April 2015  
Managing Executive Officer, Joint Deputy Head of Group Chief Operations Officer of Mizuho Financial Group, Inc.

April 2019  
Managing Executive Officer, Joint Head of Group Chief Operations Officer of Mizuho Financial Group, Inc.

January 2021  
Deputy President & Representative Director of Custody Bank of Japan, Ltd.

June 2023  
Audit & Supervisory Board Member of the Company (present position)

Outside Audit & Supervisory Board Member  
Shingo Suwabe

- ◆ Number of shares of the company held: 100 shares
- ◆ Board of Directors Attendance Record: 12/12 meetings (100%)

April 2013  
Deputy General Manager of IT/System Planning Department of Mizuho Financial Group, Inc.

April 2015  
Deputy General Manager of IT & Systems Management Department and Deputy General Manager of IT & Systems Planning Department of Mizuho Financial Group, Inc.

April 2019  
Executive Officer, IT/System Group Specific Operations Officer of Mizuho Financial Group, Inc., Senior Managing Director of Mizuho Research & Technologies, Ltd.

April 2020  
President and CEO of Mizuho Electronic Monetary Claim Recording Co., Ltd.

June 2021  
Executive Officer of ZEBRA CO., LTD.

June 2024  
Audit & Supervisory Board Member of the Company (present position)

Audit & Supervisory Board Member  
Noboru Otaka

- ◆ Number of shares of the company held: 61,400 shares
- ◆ Board of Directors Attendance Record: 1 time

April 1987  
Joined the company

June 2000  
Deputy Director of the Planning Department

June 2014  
Deputy Director of the Planning Department

April 2015  
Deputy General Manager of the Corporate Planning Department

April 2017  
Director of System Planning Department, Executive Officer of the Company

April 2018  
Executive Officer, Director of System Planning Department

April 2020  
Managing Executive Officer of the Company

June 2023  
Managing Director, Managing Executive Officer of the Company

April 2025  
Company Director

June 2025  
Audit & Supervisory Board Member of the Company (present position)

Outside Corporate Auditor  
Hideki Amano

- ◆ Number of shares of the company held: 0 shares
- ◆ Board of Directors Attendance Record: 15/15 meetings (100%)

September 1980  
Registered as a certified public accountant of Japan

September 2011  
Vice President (Head of Audit) of KPMG AZSA LLC  
Member of KPMG Global Audit Steering Group

July 2015  
Executive Senior Partner of KPMG AZSA LLC

March 2017  
Outside Audit & Supervisory Board Member of Kao Corporation

April 2017  
Outside Director of ORIX Bank Corporation

June 2019  
Outside Corporate Auditor of Seiko Holdings Corporation (now Seiko Group Corporation) (present position)

June 2022  
Audit & Supervisory Board Member of the Company (present position)

## Executive Officers

|                            |                    |                  |
|----------------------------|--------------------|------------------|
| Managing Executive Officer | Toshiyuki Takezawa | Akira Kinoshita  |
|                            | Nobuhisa Zama      | Takashi Yao      |
|                            | Takashi Yamada     | Akira Tanaka     |
|                            | Yasuhiko Hashimoto | Masashi Takahata |
|                            | Kazuomi Funakawa   | Hiroya Uchimura  |
|                            | Hirohide Ishiyama  | Taketo Imai      |
|                            | Norio Sumi         | Makoto Matsubara |
|                            | Hiroyuki Kudo      |                  |
|                            |                    |                  |
|                            |                    |                  |

|                    |                |                    |
|--------------------|----------------|--------------------|
| Executive Officers | Kunihiro Mio   | Yoichi Ninomiya    |
|                    | Koki Minami    | Toshihiko Moriya   |
|                    | Ryuji Fujiwara | Kenji Akiyama      |
|                    | Masato Matsui  | Mitsuhiro Sakamoto |
|                    | Kenji Wakui    | Yasuhisa Yokoyama  |
|                    | Toshiya Matsuo | Toshiaki Ito       |
|                    |                |                    |
|                    |                |                    |

# Outside Directors Roundtable



Our capital and business alliance with Marubeni and full-scale global expansion are progressing under the Medium-term Management Plan 2025. We asked our six outside directors, including two newly appointed members, to share their views on the previous fiscal year, the challenges they've faced regarding human resource development and management transformation, and their opinions on the supervisory function of outside directors.

## Achieved the final-year targets of the medium-term management plan one year ahead of schedule and accelerated global expansion

— Please share your reflections on fiscal 2024. I would particularly like our newly appointed directors Haruyuki Urata and Jiro Itai to also share your impressions of the Company and the proceedings of the Board of Directors.

**Mr. Urata:** Mr. Urata: I worked at ORIX, a company in the same industry as Mizuho Leasing, for 45 years and had known President Nakamura previously. So, while I was superficially familiar with the Company, factors like the number of directors relative to the company's size, gave me the impression it was a top-heavy organization. However, after having actually participated in the Board of Directors meeting, I found that everyone expresses their opinions quite actively, and the atmosphere is more open than I had imagined. Chairman Tsuhara, who chairs the meetings, is particularly skilled at facilitating discussions. Having participated in board meetings at various companies, I believe few companies have such frank discussions as ours.

**Mr. Itai:** Marubeni became a shareholder around the time Mizuho Leasing's identity transitioned from IBJ Leasing. I assumed a position at Marubeni overseeing its business with Mizuho Leasing in 2023. In preparation for my appointment as an outside director, I received a total of six briefings from various divisions within the Company. Additionally, during visits to domestic branches, where I was able to speak directly with the staff, I gained a real sense of how solid the domestic customer base is for the leasing arm of the Mizuho Financial Group, a major megabank. To put it plainly, this stable base allows the current medium-term management plan to build upon the momentum of the previous plan. Achieving the current plan's goals a year ahead of schedule was, in my view, inevitable. On the other hand, precisely because the Company has such a solid domestic business platform, it gives a very distinct domestic impression. Of course, it has already expanded abroad, and three out of its four joint ventures with Marubeni are overseas projects, but my current



impression is that there is still clearly significant potential for international development.

**Mr. Aonuma:** I believe achieving the ultimate targets of our medium-term management plan one year ahead of schedule is a major accomplishment. The primary factors have been the steady growth of domestic leasing and real estate—our core businesses.

Another factor has been the expansion of our global operations. Through a capital injection, we have fully committed to the operations of India's Rent Alpha, and profits are steadily emerging. Regarding the strengthened collaboration with Marubeni in 2024, they increased their stake to 20%. With Deputy President Mutsumi Ishizuki and other trading company veterans among our management, the integration of financial and trading company cultures has also gained full momentum. However, collaboration with a trading company is by no means simple. Questions are being raised at the Board of Directors meeting regarding the plausibility of truly fusing such disparate corporate cultures and when we can expect to see concrete results.

**Mr. Sone:** From a long-term perspective as an outside director, preparations to transform the company's business model from leasing to a broader spectrum of services began under former President Tsuhara. President Nakamura, who succeeded him, has doggedly pursued the concrete realization of this vision. Fiscal 2024, which progressed according to the medium-term management plan formulated by President Nakamura, was a year where I believe we were able to gain confidence in our new direction and its development. At recent Board meetings, I have observed President Nakamura's effective management of the proceedings, which he has achieved by refraining from speaking on all agenda items himself. Instead, he lets the executive in charge of each proposal explain, thus ensuring that management's perspective is thoroughly communicated. Amid our transformation, there have been many instances where the role of outside directors involves rigorous monitoring. For example, regarding investment

decisions for new ventures, we repeatedly verified the appropriateness of projected risks and returns and whether a clear exit strategy was established. We have also improved the efficiency and effectiveness of the Board's meetings to facilitate discussion of strategic priorities that do not get bogged down in details.

**Ms. Watanabe:** I joined the Board of Directors last year and have my own perspective on the reasons behind the Company's steady performance. Before joining, I imagined the meetings might follow a somewhat formal and rigid forum for discussion. In reality, however, they are very lively. Matters are discussed with passion at every session, as individuals with diverse expertise contribute opinions from various perspectives. The Chairman deeply understands the strengths and responsibilities of each outside director and executive skillfully guiding discussions to ensure they proceed smoothly and purposefully. I am personally expected to contribute mainly in the area of human resources. I help review personnel systems and propose strategies that align with our goals. Management enthusiastically seeks my input on a regular basis into how we can achieve even better results or further accelerate the pace of talent development. For areas needing further improvement, outside directors provide candid feedback to the Board of Directors. I feel this feedback, while sometimes rather blunt, is constructive and makes discussions more fruitful.

**Ms. Sagiya:** After the second year of our mid-term management plan, we are seeing tangible results. I particularly feel our company has begun focusing seriously on global business. As Mr. Aonuma mentioned earlier, our full engagement with Mizuho RA Leasing's operations and our success in managing it appropriately represent significant progress and have produced visible results. Initially, our management capability with respect to overseas companies was unknown. Indeed, there were tough discussions among the Board concerning the viability of our staff as managers of overseas



## Outside Directors Roundtable



subsidiaries. We have since confirmed that we are able to execute this effectively, and I feel our confidence has grown.

As evidenced by the recent participation of members from Marubeni, including their involvement with the Board of Directors, we are more committed to global business than ever before. I look forward to future developments as we refine our organizational structure.

**Mr. Urata:** I understand that investing in India was a major management decision for our company and we can use this to create a new economic sphere from our base there. In overseas management, developing local talent and cultivating local customers is crucial. Integrating corporate cultures and sharing management philosophies with companies acquired through M&A is not easy.

I believe I can leverage my experience to benefit our business portfolio transformation. However, unexpected risks inevitably arise during periods of transition. Drawing on my experience in crisis management during the Lehman Shock, as an outside director I intend to review and support management decision-making under such conditions.

**Mr. Aonuma:** Speaking from my experience in talent development, the most challenging aspect of transformation is changing the mindset of existing employees. Financial industry professionals tend to be conservative and prudent, taking a cautious approach akin to testing every step before crossing a concrete bridge.

Moreover, acquiring risk management talent is an urgent matter when entering new business domains. When it convenes, the Board of Directors regularly debates whether our current risk management framework is sufficient and whether we should make more extensive use of external talent. This question, together with the challenge of integrating the distinct cultures of finance and trading companies to drive results, will be central to the next medium-term management plan.

**Ms. Watanabe:** Looking ahead to future international expansion, one of our most critical challenges is the speed at which we can develop talent. President

Nakamura also has a strong interest in this area and is actively focusing resources on it. Management leadership of this sort raises organizational awareness of and accelerates the pace of transformation. Initiatives to achieve this are already underway. Furthermore, we recognize that greater ingenuity is expected in recruitment. While compared to other companies, we tend to be cautious about our information disclosure, we recognize that it is crucial to further refine our branding and proactively communicate positive, compelling messages to attract top talent. These points are also themes discussed with the HR department.

**Ms. Sagiya:** Achieving the medium-term plan's goals required enhancing employees' skills at providing solutions. To this end, President Nakamura has been visiting each department directly to engage with everyone. To further strengthen this effort, we are taking additional HR policy measures. Developing leadership among middle management is particularly urgent. The Board of Directors has raised critical questions about whether current initiatives are truly sufficient or whether a more concrete action plan necessary.

As we aim to provide multifaceted solutions, our company offers an environment where employees can gain broad experience that, despite our being a leasing company, encompasses everything from operations typical of trading companies to overseas activities. I believe we must now actively share the achievements and growth stories of employees who have amassed such diverse experience, particularly targeting the younger staff.



### Developing talent capable of taking on new business challenges is crucial to transcending the boundaries of leasing.

— Please share your thoughts on the progress of the medium-term management plan, your future expectations, and the Company's move beyond the leasing business model.



**Mr. Itai:** Having just assumed this role and not having come from a finance or leasing background, my understanding of leasing itself may be somewhat limited. Traditional leasing has primarily focused on solving customers' problems or pain points, giving it a feel of a somewhat reactive business. In contrast, to transcend the boundaries of leasing implies a proactive approach—namely the pursuit business opportunities through business investments and other ventures. This, I perceive as a significant difference.

**Mr. Urata:** As for transcending the boundaries of leasing, I believe there are two directions for deepening the leasing business itself. One is diversifying assets to include ships, aircraft, and real estate, while the other is the expansion of financial techniques. What we aim for through our collaboration with Marubeni is a shift from debt-driven financing to equity-based business with more of a focus on the investment itself.

However, a transition like this is not easy. Debt-based businesses based on loans and leases prioritize the safety of principal recovery within three to five years. Equity-based businesses, however, require assessing long-term cash-generation and determining how much additional profit can be expected. Moreover, since the fundamental approach to risk is different, we must be prepared to develop the necessary talent over a timeframe measured in decades.

**Mr. Aonuma:** Leasing requires assets. It cannot function without something to lend. Yet, during my first three years in office, many of the major cases presented to the Board of Directors were M&A and investments. The world of investment is entirely distinct from traditional leasing. It does not fit into conventional categories of assets, sales channels, or finance, which involves lending capital. Business investment is fundamentally different in that it hinges on capital that must generate profits to be recovered.

Our most representative example is Rent Alpha. It's a business investment worth tens of billions of yen and, on top of that, an overseas operation. The fact that the

previous investors were divesting illustrates the project's inherent risk. Sharp questions swirled around Board meetings asking why the previous investors sold out—something they presumably would not have done had the investee had truly been a good company. The negotiating and closing of such a deal are fundamentally different from the traditional leasing business. Nevertheless, leveraging the Mizuho Financial Group's background, we took the plunge and are now achieving success.

Going forward, I believe some of our current growth businesses will become core businesses. Our present medium-term management plan constituted a three-year foundation-building phase that looked ahead to the 2030s, roughly ten years from now. With that foundation now complete, the next medium-term management plan will enter the concrete growth strategy stage: determining where to allocate resources and talent.

**Mr. Sone:** The ideal expression of “transcending the boundaries of leasing” is to be able to provide a platform for our customers and stakeholders in any given business domain. By executing projects atop that platform and establishing ourselves as a coordinator with financial expertise, we aim to become our customer's first choice consultation in any given field.

As a financial institution, we've been diligent in risk analysis and management. However, we've historically found it challenging to take a more aggressive stance that embraces new value from multiple angles and is willing to abandon projects if they fail.

Yet, to tackle new domains outside of leasing, we need to be comfortable taking calculated risks. As outside directors, we're expected to fulfill dual roles: monitoring within the confines of robust management systems while also pushing for future growth. “Protect where we must, and attack where we should.” This balance is the topic of ongoing discussion among the Board's members.

**Ms. Sagiya:** Late last year, the outside directors had the opportunity to inspect a real estate project. While



## Outside Directors Roundtable

Leasing real estate is a traditional business, this particular project involved the challenge of developing our own branded properties and developing the business ourselves.

This represents a step beyond the conventional approach: cross-selling tied to lease contracts and the creation of new business opportunities. The circular economy initiatives we promoted in the previous year follow the same logic. We sense a clear aggressive stance, with the Company transitioning to more highly leveraged business models and beyond the simple accumulation of lease contracts.

Regarding corporate value, PBR was intensively discussed at the May Board of Directors meeting. We rigorously examined whether management had put concrete improvement plans in place and if the strategic execution schedule was appropriate. We commend the ongoing efforts to review the business portfolio for profitability improvements and strengthen project screening, and we are closely monitoring medium-to-long-term quantitative changes.

**Ms. Watanabe:** Regarding the next medium-term management plan, I believe that both challenging new areas and deepening our existing core businesses are equally important. Our traditional core businesses, such as aircraft leasing and real estate, continue to show significant potential for growth. While it is essential to expand into new areas, the Company also possesses numerous subsidiaries, which represent substantial assets and various strengths. The key to growth lies in the way we go about expanding and deepening our current core domains, including these subsidiaries.

At the same time, Marubeni's involvement enables us to pursue a more ambitious risk-taking agenda than before. We must boldly accept this challenge while carefully balancing risk and return. In so doing, it is crucial that we build upon our leasing foundation while incorporating characteristics of trading companies and property developers to broaden the scope of our operations.

Ultimately, the most critical factor in realizing these initiatives is lining up the talent and resolve to decisively execute what we are determined to do. At this stage, we recognize that execution capability is the key to enhancing corporate value.

**Mr. Itai:** Our asset size and corporate scale are still insufficient to attract significant attention from overseas investors. That said, rather than indulging in M&A solely for the sake of getting bigger, we need to create strategic scale that also produces qualitative growth. There are also ongoing discussions among the Board members regarding talent acquisition and whether our current talent base can handle new business domains and how we can obtain talent through our own sourcing

capabilities.

While it takes time to develop talent, I believe one approach is to recruit experienced professionals from diverse industries. Naturally, many of our current employees have financial backgrounds. Competition for talent will be fierce, but I consider it crucial to attract individuals from outside Marubeni, including individuals from other industries.

**Mr. Aonuma:** It's undeniable that the complexity of our business can be hard for the market to understand. Therefore, we need to focus more intently on IR disclosure and clearly communicate our value as a platform company to investors.

Regarding risk management, we maintain the reliability expected of a financial company and have established strict rules for both financial and operational risk. For financial risk, we observe preset limits on the risks that can be taken. We also need to emphasize that our rules for operational risks, such as misconduct, are clearly defined.

**Mr. Urata:** Actively recruiting experts from the market through midcareer hiring and effectively utilizing the management teams we have welcomed through M&A are also crucial. If we can effectively leverage the talent of these teams, it may be possible in some cases to recruit that talent to our company. Furthermore, there may be individuals in possession of superior skills and insights who could greatly inspire the next generation of talent at Mizuho Leasing.

Communication with the market is also a major challenge. At the Board of Directors meeting, it has been pointed out that our IR activities should be more proactive and that efforts to engage overseas institutional investors need to be strengthened. We must therefore engage in more proactive communication with investors. One challenge is that, when viewed within the framework of the leasing industry, our current scale and profit levels within the industry have resulted in almost no analysts covering us. Alongside efforts to increase awareness among overseas institutional investors, we believe wider information dissemination strategies are extremely important.

**Mr. Sone:** The catalyst needed for the Company to generate growth is momentum. To achieve this, we must proactively execute our investment strategy, publish information about our transformation, and earn recognition from the markets and other stakeholders. This approach will help us increase corporate value while generating tangible business results, which are essential for our future growth.

We, as members of the Board of Directors, intend to oversee these execution challenges and provide ardent support.

## Message from the Chairman of the Board of Directors

### Beyond the scope of leasing

As we navigate our ongoing transformation, the Board of Directors is to fulfill its traditional oversight role but also proactively support the Company's executive team as needed. Our strategic direction is shifting dramatically as we enter new areas of investment, and we are pursuing an approach to Board business that precisely aligns with the nature of each initiative.

#### Fostering a board that drives transformation: cultivating an environment for active discussion

What I prioritize most in the Board of Directors' operations is an atmosphere that invites open discussion. To create conditions where participants feel relaxed and comfortable speaking up, we schedule icebreakers before meetings and carefully consider the order of speakers. For instance, on system-related agenda items, I purposefully avoid having experts like Director Mari Sagiya, who has overseen numerous projects as an executive at IBM Japan, lead off. Instead, I encourage other directors to speak first from the perspective of an interested nonexpert in the field and then conclude the discussion with the expert's insights. This approach ensures we consciously communicate to avoid overlooking risks or pitfalls obscured by the discussion process.

Even during lively discussions, fundamental questions can sometimes be missed. For example, when considering a new business initiative, if there are cases where similar ventures failed at other companies, we work to ensure that the Board of Directors consistently avoids overlooking basic questions. This prevents opinions from being pushed through without discussing fundamental issues, such as factors that precipitated the failure.

#### Revamping organizational culture through diversified talent

A major change in the Board between last fiscal year and today has been the participation of two new outside directors. We regularly bring in new outside directors to introduce fresh perspectives and maintain a sense of urgency in our deliberations. This time, we welcomed outside directors from ORIX Corporation and Marubeni Corporation.

We have also welcomed executive talent from Marubeni, with whom we have a business alliance. Our corporate culture is verifiably changing. Traditionally, our company has been dominated by people with financial backgrounds, but the participation of new executives from trading companies has significantly broadened the scope of our agenda. For example, when considering real estate investment projects in hot spring areas, the traditional financial perspective focused primarily on analyzing property value and visitor numbers. However, perspectives from trading company professionals, who may pose such questions as over what duration can sufficient hot spring flow be projected, give us a multifaceted view. This has sharpened our assessment of business opportunity and risk.

#### Enhancing the effectiveness of Board activities through separation of executive and supervisory roles

I previously served concurrently as both President and Chairman of the Board of Directors of our company. I keenly felt the difficulty of distinguishing between these roles. There were times when even I had trouble discerning whether I was speaking as the head of the executive function or as Chairman. I imagine it was even more difficult for other



Chairman of the Board of Directors  
**Shusaku Tuhara**

Message from the Chairman of the Board of Directors

directors to determine the capacity in which my remarks were made. Currently, I am completely detached from executive duties and do not participate in the Management Committee or attend any other executive-level meetings. To gather information necessary for the operation of the meeting of the Board of Directors, I receive reports lasting approximately 30 minutes to one hour from each division head and group leader about once a month. This helps me understand the underpinnings of questions raised at Board meetings despite my nonexecutive role and to elicit answers from appropriate executives in attendance. I believe that carrying out the Board's proceedings with a clear delineation of executive and supervisory roles while maintaining an understanding of executive operations is crucial to enhancing the Board's effectiveness.

Modifying investment criteria to support business expansion

In response to our diversifying business domains, we established a new Business Investment Committee within our internal committee structure to assess the risks of prospective business investments from multifaceted perspective. We are also considering modifying the criteria for deciding matters for discussion at Board meetings. Previously, all matters, including those of lesser prominence, were uniformly discussed at the meeting of the Board of Directors. As our business domains expand, we need to more effectively tune the level of detail discussed from a supervisory standpoint. When discussing the ¥10 billion investment in Rent Alpha Pvt. Ltd., we thoroughly deliberated on the matter, which represented a large investment relative to the previous fiscal year's net profit of ¥14.9 billion. Starting with the fundamental question of whether it makes sense to invest at this scale in India, where we have no prior experience, we thoroughly

examined the risks and opportunities before proceeding. In this way, from an early stage we carefully consider the timing of when matters are brought before the Board of Directors based on the significance of each case.

Capital efficiency improvement and future business outlook

Our PBR is currently around 0.9 (as of September 2025), and we recognize that a PBR below 1x poses a critical challenge. As one measure to improve PBR, the Board of Directors deliberated to firmly align our understanding of the current state of our collaboration with Marubeni. To gain agreement regarding areas in which we currently do not engage, we need to encourage greater awareness of our company within each of Marubeni's operational units. We are monitoring the ways in which tighter executive-level collaboration with Marubeni can ultimately boost profits and serve as a key driver of PBR improvement. Meanwhile, as we expand our domestic investor base, we are also prioritizing our appeal to overseas investors as a key agenda item for improving PBR. Led by our CFO, who has extensive experience overseas, we are exploring methods for strengthening our global IR agenda. Moreover, as collaboration with trading companies enhances the potential for overseas business expansion, the Board of Directors is supporting the executive team in advancing the parallel globalization of our business and our investor base. Finally, as we formulate the next medium-term management plan, the Board of Directors is thoroughly debating the Company's vision, where we currently fall short of achieving it, and how to close that gap. By consistently addressing fundamental questions and constructively discussing matters from multiple perspectives, we can realize sustainable growth and deliver value to our stakeholders.

Message from the Audit & Supervisory Board



Effective corporate governance

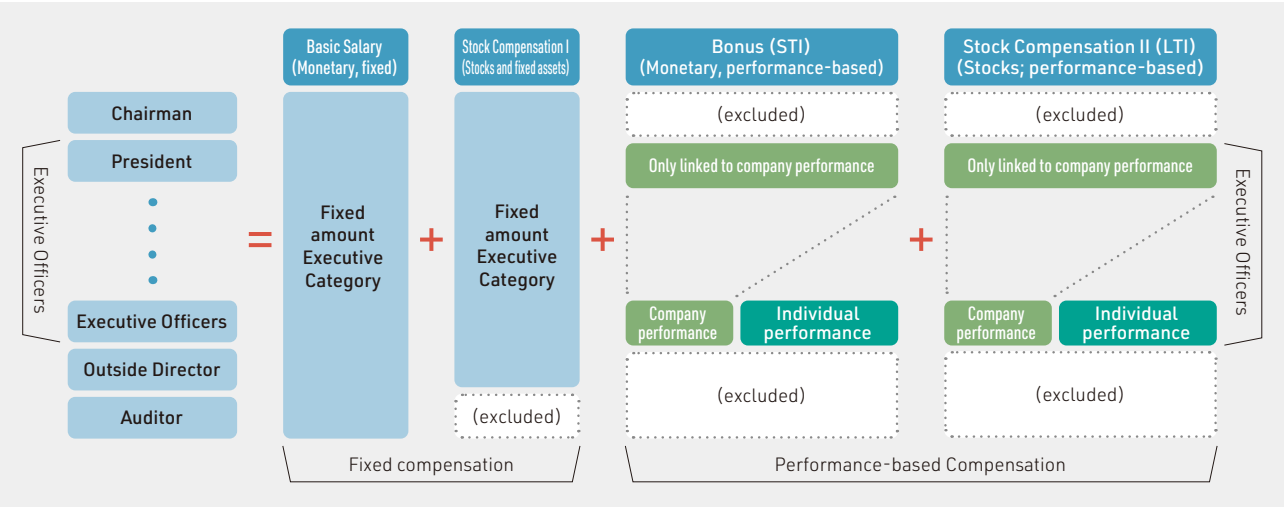
We recognize that the Company maintains an open atmosphere with smooth internal communication. At meetings of the Board of Directors, free and open exchanges of opinion occur, with a focus on business development and growth balanced against discussions on mitigating attendant risks. As a member of the Audit & Supervisory Board, I strive to accurately assess the situation on the ground and pay heed to voices from the field. This involves not only meetings with inside and outside directors and executives of each business group, but also onsite inspections at our operating locations. We are also working to transform our corporate culture and have observed positive and steady change. This fiscal year marks the final year of our Medium-term Management Plan 2025. In a business environment of intensifying uncertainty, this is a crucial year for driving the next medium-term management plan forward, strengthening the management foundation to support growth beyond that, and transforming and enhancing the business portfolio. From the perspective of internal controls and corporate governance, I intend to closely monitor progress to ensure efforts to strengthen our business foundation and other initiatives are suitably transparent.

Executive Compensation

Basic Policy

The underlying policy governing executive compensation is to clarify the link between compensation and the performance of the company and the value of its shares. This ensures that directors are motivated to raise performance and corporate value over the medium-to-long term while imparting to shareholders an awareness that this will increase the value of the company's shares. To achieve this, the compensation for executive officers consists of a base salary (fixed compensation) and performance-linked compensation. The maximum amount of compensation for directors is deliberated by the optional Nomination and Compensation Committee with a quorum consisting of a majority of outside directors. Compensation is then decided by a resolution of the board of directors and put forward as an agenda item at the General Meeting of Shareholders. The calculation method for directors' compensation pool's share of the budget are decided by the board after deliberation by the optional Nomination and Compensation Committee. On June 25, 2025, the board of directors resolved to revise the policy regarding the determination of individual compensation for directors. The summary is as follows.

Composition of Executive Compensation



Company Performance Evaluation Metrics

|                             | Evaluation Metrics                              | Content and Purpose                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bonus (STI)                 | Gross profit before funding costs*              | Selected as an indicator to measure the fundamental profitability of our group                                                                                                                                                                                                                                                                                                                                  |
|                             | Ordinary income                                 | Selected as an indicator to measure the profitability of our group, including equity method gains                                                                                                                                                                                                                                                                                                               |
|                             | Net income attributable to owners of the parent | A key management objective serving as the primary source for dividends and returns to shareholders, selected as an indicator to measure its degree of achievement                                                                                                                                                                                                                                               |
| Stock Compensation II (LTI) | Comprehensive Sustainability Assessment         | A comprehensive evaluation of contributions to a decarbonized economy and circular economy, as well as initiatives in human capital management. Adopted as an indicator to enhance corporate value over the medium to long term. Examples: Renewable energy-related targets, circular economy-related targets, human capital investment-related targets, work-style reform, women's advancement-related targets |
|                             | Relative TSR (vs. TOPIX Growth Rate)            | Adopted as an indicator to demonstrate awareness of shareholder interests through continuous enhancement of corporate value and dividend policy                                                                                                                                                                                                                                                                 |
|                             | Linked ROE (current period profit)              | Adopted as an indicator to steadily enhance earnings power relative to shareholders' equity, thereby driving increases in stock price and PBR.                                                                                                                                                                                                                                                                  |
|                             | Consolidated ROA (ordinary profit)              | Adopted as an indicator to measure improvements in asset efficiency and the transition to an asset-turnover-based business model                                                                                                                                                                                                                                                                                |

Fiscal 2024: Total compensation budget for directors and corporate auditors

| Category                              | Total Remuneration (¥ million) | Total Amount by Compensation Type (¥ million) |                      |                                |                       | Number of Directors Receiving Compensation (person) |
|---------------------------------------|--------------------------------|-----------------------------------------------|----------------------|--------------------------------|-----------------------|-----------------------------------------------------|
|                                       |                                | Base Compensation (Fixed)                     |                      | Performance-based Compensation |                       |                                                     |
|                                       |                                | Basic Salary                                  | Stock Compensation I | Cash bonus                     | Stock Compensation II |                                                     |
| Directors (Outside Directors)         | 467 (77)                       | 300 (70)                                      | 18 (7)               | 62 (—)                         | 85 (—)                | 15 (7)                                              |
| Auditors (Outside Auditors)           | 86 (61)                        | 86 (61)                                       | —                    | —                              | —                     | 5 (4)                                               |
| Total (of which are outside officers) | 554 (138)                      | 387 (131)                                     | 18 (7)               | 62 (—)                         | 85 (—)                | 20 (11)                                             |

# Compliance

## Message from the Head of Legal and Compliance Group

As we accurately understand changes in the local and international environment and rising social expectations, we will aim to improve our compliance framework to meet the demands of our growing and diverse business model. Our goal is to gain the respect of the market and shareholders as well as the general trust of the public.

We will strive to foster a culture where each executive and employee independently practices compliance activities through messages from management and ongoing training.

### Basic Concept

- Our group positions thorough compliance as a fundamental principle of management. We have established a compliance framework to ensure adherence to laws and regulations and to conduct business activities with integrity and fairness, consistent with social norms.
- All executives and employees are required to adhere to the "Mizuho Lease Group Corporate Code of Conduct" as specific guidelines for conduct.



Managing Executive Officer  
Head of Legal and Compliance Group  
**Makoto Matsubara**

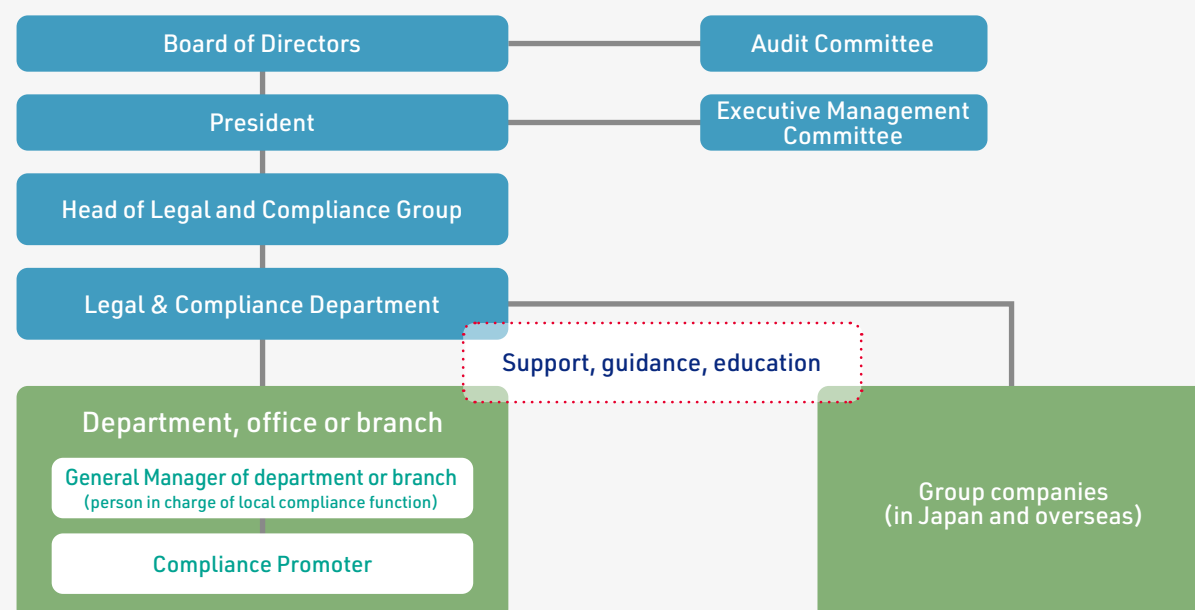
## Compliance Management System

In our group, the Legal and Compliance Department, under the leadership of the Chief Compliance Officer (CCO), who is responsible for overall compliance, is responsible for planning and managing compliance-related activities as well as overseeing and guiding compliance status.

Each General Manager of departments and branches, who is in charge of the local compliance function, conducts autonomous control activities such as checking compliance status based on the instructions of the Legal and Compliance Department.

Additionally, we develop a specific practical plan, the compliance program, annually and report on the status of our efforts related to compliance measures to the Executive Management Committee and the Board of Directors every six months, following up on the implementation status.

### Compliance Framework



## Education and Training

In order to enhance the compliance awareness of executives and employees and to promote autonomous compliance activities, we are implementing theme-based training for all executives and employees, as well as position-specific training depending on their roles, utilizing e-learning.

In the training, in addition to explaining the rules and procedures, we aim to encourage awareness among executives and employees by highlighting issues and points to consider using case studies appeared in the media, ultimately leading to concrete actions. Additionally, we are promoting the awareness of compliance throughout the organization by utilizing the internal social networking service for information sharing and introducing case studies.

Additionally, the "Mizuho Lease Group Corporate Code of Conduct," which are the behavioral guidelines to be followed, and the "Compliance Manual," which serves as a specific guide for compliance, are posted on the company's intranet so that executives and employees can access them at any time and apply them to their work.

### Training Conducted in FY2024



- Executive Compliance Training (annually)
- Compliance Training for General Managers of departments and branches (twice a year)
- Compliance Training for group managers, etc. (annually)
- Compliance Training for new graduates /mid-career hires (monthly)
- Compliance Training for departments and branches (4 times per year)
- Training on compliance themes for headquarters, etc. (insider trading regulations, information management, etc.)

### Basic Policy of the Corporate Code of Conduct

- (1) Social Responsibility
- (2) Practicing a Customer-First Approach
- (3) Compliance with Laws and Regulations
- (4) Respect for Human Rights
- (5) Severing ties with antisocial forces

## Measures to Prevent Money Laundering, etc., and Severing Ties with Antisocial Forces

The importance of countering money laundering, terrorist financing, and proliferation financing is high, and strengthening countermeasures has become an international challenge. We have established various policies and procedures to comply with relevant laws, regulations, and guidelines (such as the "Regulations on the Prevention of Money Laundering, etc."), and conducted training, both of which constitute a framework for appropriate management.

Regarding countermeasures against antisocial forces, the Mizuho Lease Group Corporate Code of Conduct stipulates the complete severance of all ties with antisocial forces that threaten the order and safety of civil society. We have established check and management systems and thoroughly instill this policy in executives and employees through training, etc.

## Whistleblowing System (Compliance Hotline)

We have established a whistleblowing system to enable the early detection and correction of misconduct and legal violations, etc. and have set up various reporting channels both within and outside the company. We promote awareness and utilization of these system through training sessions for all executives and employees, posting notices, etc., while also enabling anonymous reporting. Furthermore, we have established a Whistleblower Policy that prohibits any adverse treatment of whistleblowers, and we operate appropriately to ensure thorough protection of whistleblowers.

### Reporting Windows Available



- Compliance Hotline (Internal)  
[Reporting Targets] - Misconduct - Compliance-related issues
- External Reporting Window (External: Law Firm)  
[Reporting Targets] - Misconduct - Compliance-related issues - Human Rights-related issues such as harassment
- Harassment Consultation Desk (Internal)  
[Reporting Target] - Human rights-related issues such as harassment
- Auditors Hotline (Internal)  
[Reporting Targets] - Misconduct - Compliance-related issues - Human Rights-related issues such as harassment



Poster promoting Whistleblowing System

# Risk management

## Message from the Head of Risk Management Group

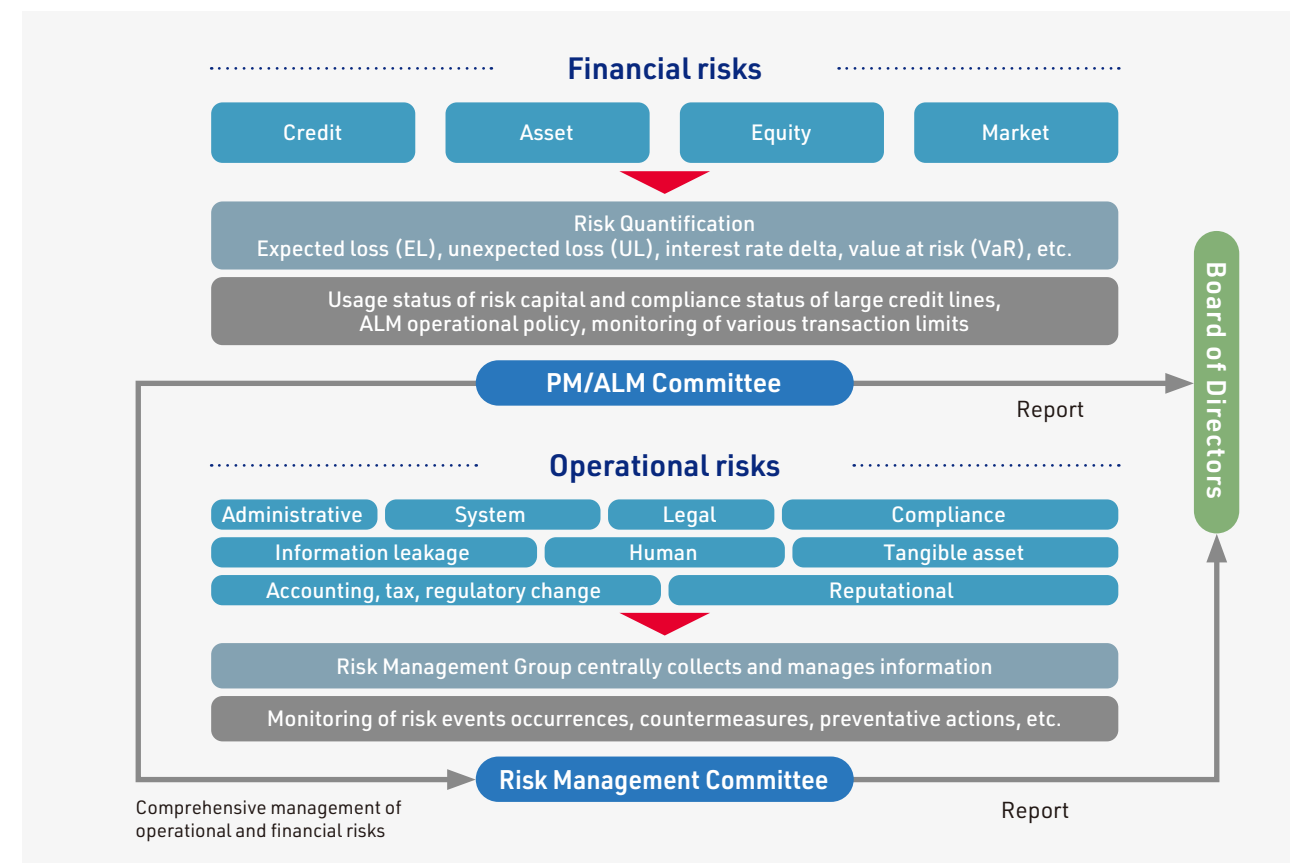
As our group's business continues to diversify and become more sophisticated, the risks arising from our involvement in various projects and business development have also become increasingly diverse and complex. Under these circumstances, we recognize that appropriately identifying and managing relevant risks according to diverse business strategies and characteristics is crucial for enhancing sound management and corporate value. We are therefore working to strengthen and enhance our risk management framework. We will keep promoting a healthy risk culture in the future by communicating carefully and striking a balance between taking and controlling risks. By doing this, we will promote the development of risk-return management and the efficient use of capital to support the expansion of our group.



Managing Executive Officer  
Head of Risk Management Group  
**Hiroya Uchimura**

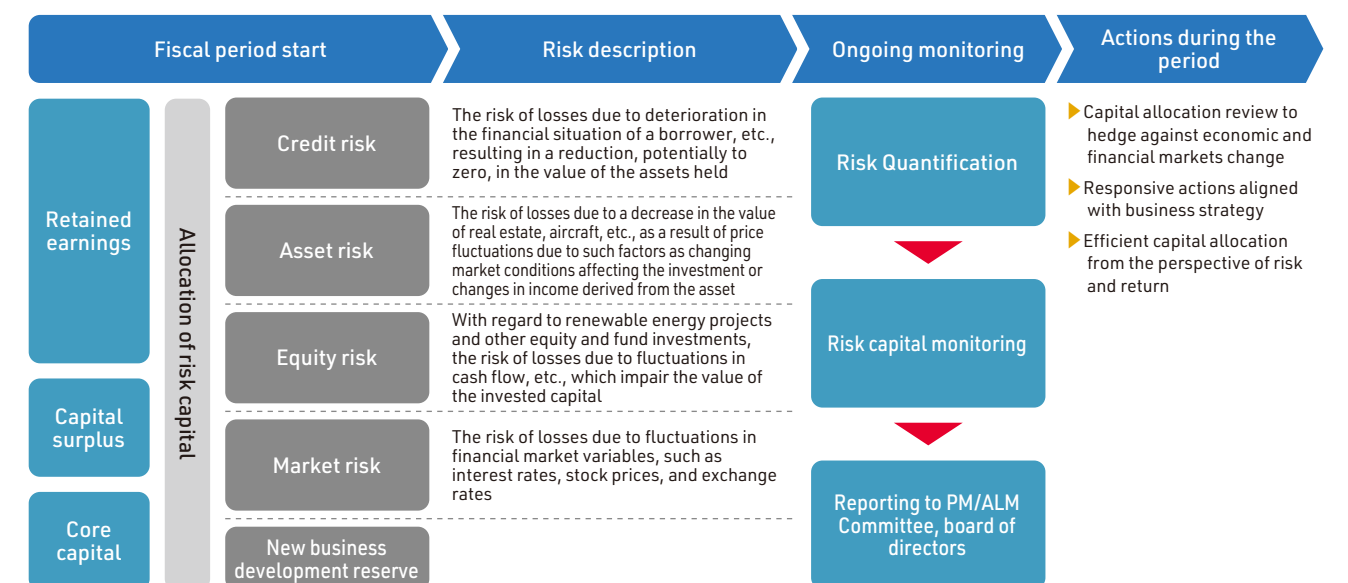
## Risk Management Structure

To ensure that we accurately detect, analyze, and control risks related to our business activities and reduce their impact on the company's management, the head of the Risk Management Group oversees and promotes risk management from a companywide perspective. A system has been established to respond quickly and flexibly to risk events via organizations in charge of specific risks according to class and scope. The group categorizes the risks that arise in the course of business into financial risks, which are managed quantitatively, and operational risks, which are managed qualitatively. It has established a risk management system for each category. In addition, meetings of the PM/ALM Committee and Risk Management Committee are convened with the goal of enhancing risk-related communications and reporting the status of risk management to the Board of directors.



## Financial Risk Management System and Risk Capital Allocation

In order to comprehensively understand and control financial risk, we operate under a "risk capital allocation" framework, and we are working to maintain business stability and improve profitability at the same time. Specifically, we manage each quantified risk in an integrated and centralized manner, keeping the total amount of risk within a certain range of our capital, and we have a system in place that allows us to take risks in a rational and efficient manner within the allocated risk capital for each risk category. During the annual business planning exercise, the board of directors sets the Risk Capital Allocation Plan, which governs how much risk capital is allocated to each risk category. Risk is measured and reported to the board of directors as part of the monthly update on the status of business operations.



\*Please also refer to page 91, "Business Risks."

## Operational Risk Management

The Risk Management Group centrally collects and manages adverse operational events caused by deficiencies and clerical errors, compliance issues, inappropriate business practices, system failures, and external factors, and takes appropriate measures for each risk category. These may include formulating countermeasures and procedures to prevent recurrence. The status of any such risks is reported to the Risk Management Committee and the board of directors.

## Company-wide Response to Cyber security Risks

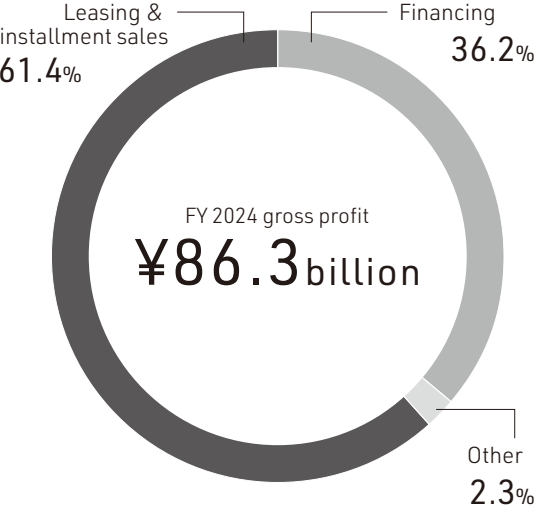
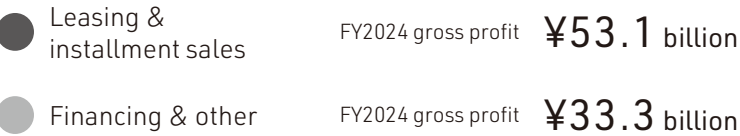
Our group views the increasing cyber security risks as one of the important management issues and is strengthening company-wide responses. The risk management framework, including the group-wide response policy, responsible parties, management structure, and the duties and responsibilities of pertinent staff, has been clarified, and we have specifically designed a basic policy for cyber security risk management. Additionally, we are strengthening measures to enhance early detection and defense capabilities against cyber attacks. This includes implementing monitoring systems by specialized teams such as the Computer Security Incident Response Team (CSIRT) and Security Operation Center (SOC), deploying multi-layered defenses, and adopting zero trust frameworks, all in collaboration with external experts. For employees, we are working to enhance their response capabilities through joint cyber security training (pictured) across the Mizuho Lease Group and to raise security awareness through e-learning.



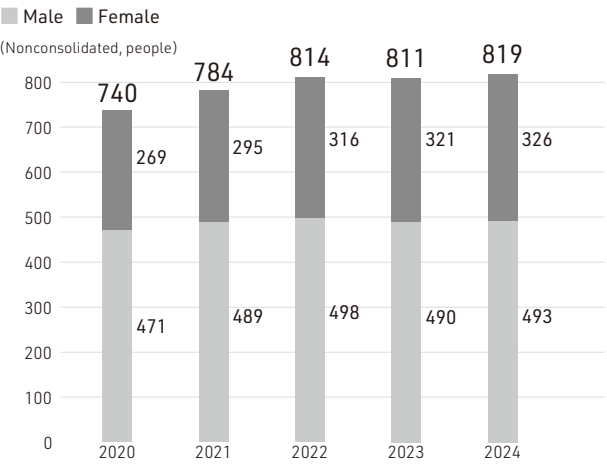
Information Sharing and Action Plan Discussion at the Emergency Task Force Meeting (Exercise)

Financial & Nonfinancial Highlights

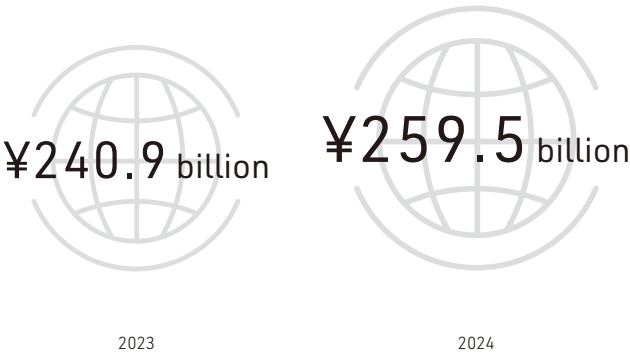
The Mizuho Leasing Group is comprised of the parent company, 47 consolidated subsidiaries, and 12 equity-method affiliates (as of March 31, 2025). It provides a broad range of financial and business services in Japan and overseas, leveraging its expertise in leasing physical assets, installment sales, and lending, along with its financial expertise.



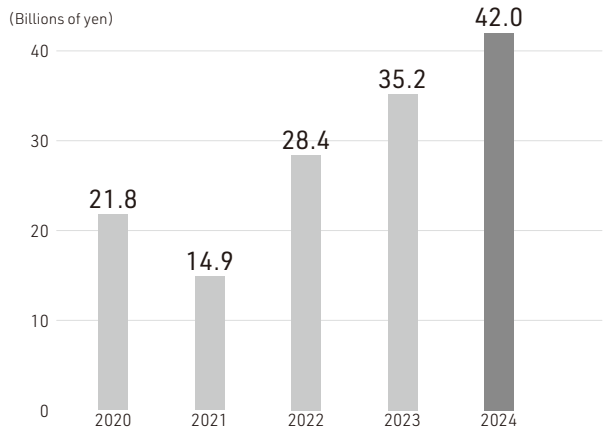
Number of employees



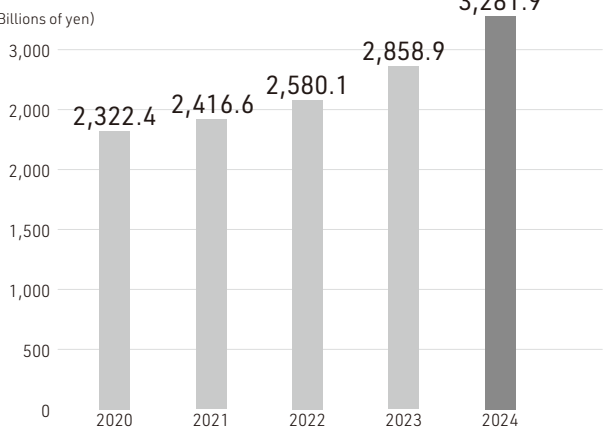
Balance in the global area  
(Overseas affiliates, aviation & ship)



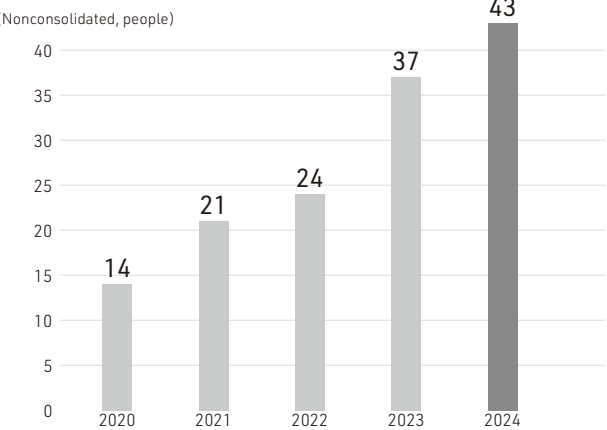
Net income attributable to owners of the parent



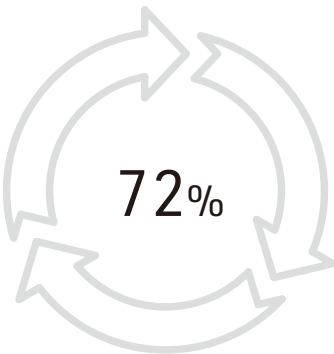
Operating assets balance



Number of women in managerial posts

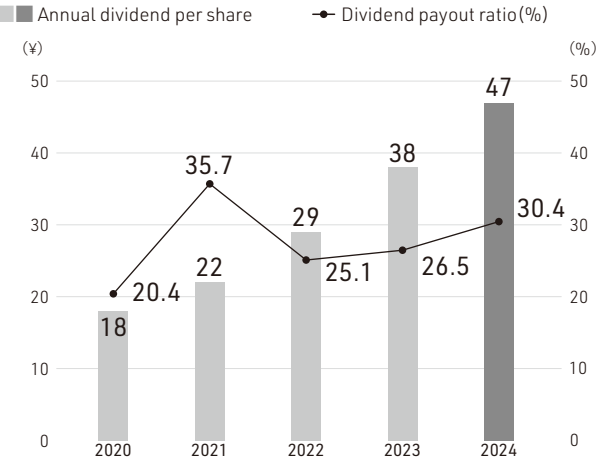


Reuse rate\* (FY2024)

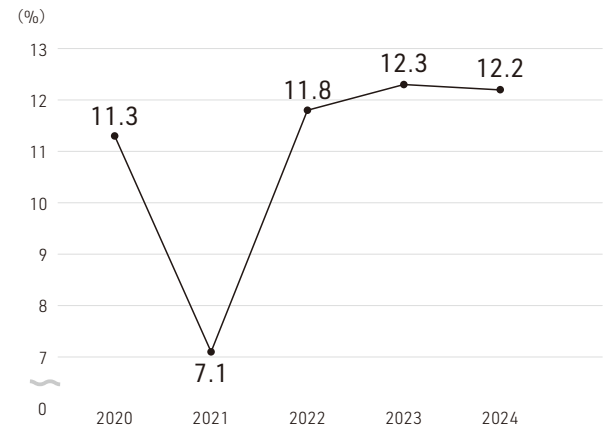


\*Reuse rate: Number of equipment sold ÷ Number of equipment for which the lease term or re-lease term has expired

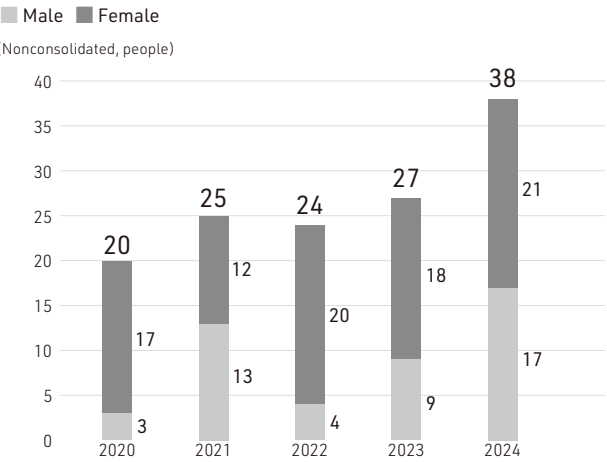
Annual dividend per share/dividend payout ratio



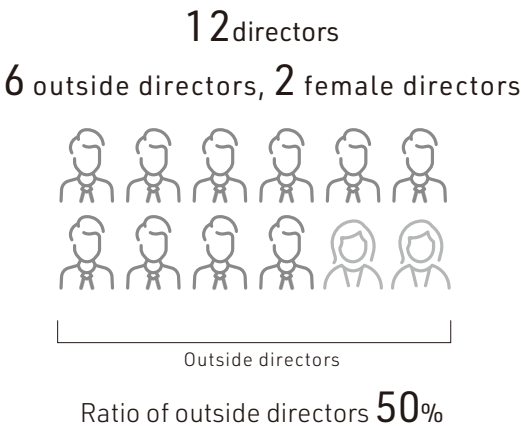
ROE



Number of employees who took childcare leave



Composition of the Board of Directors



(Note) On April 1, 2024, the company split its common stock at a ratio of 5 for 1. Accordingly, the "dividend per share" has been calculated assuming that the stock split was carried out, including for prior fiscal years.

Consolidated Financial Results

|                                                 | 2015      | 2016      | 2017      | 2018      |
|-------------------------------------------------|-----------|-----------|-----------|-----------|
| <b>For the year*</b> (Millions of yen)          |           |           |           |           |
| Revenues                                        | 364,174   | 429,405   | 399,738   | 384,893   |
| Gross profit before funding costs*1             | 44,803    | 44,904    | 45,157    | 52,596    |
| Funding costs                                   | 6,361     | 5,697     | 6,959     | 8,467     |
| Gross profit                                    | 38,441    | 39,206    | 38,197    | 44,128    |
| Selling, general and administrative expenses    | 20,868    | 21,244    | 19,034    | 21,214    |
| Operating income                                | 17,573    | 17,962    | 19,162    | 22,913    |
| Ordinary income                                 | 18,570    | 18,789    | 19,964    | 24,226    |
| Net income attributable to owners of the parent | 11,609    | 12,414    | 13,643    | 16,594    |
| <b>At year-end:</b> (Millions of yen)           |           |           |           |           |
| Total assets                                    | 1,718,720 | 1,752,284 | 1,821,501 | 2,161,872 |
| Operating assets                                | 1,581,025 | 1,608,718 | 1,683,005 | 2,021,368 |
| Lease                                           | 958,353   | 950,318   | 983,590   | 1,160,218 |
| Installment sales receivable*2                  | 147,455   | 137,820   | 138,592   | 145,888   |
| Loans                                           | 377,933   | 348,085   | 360,073   | 469,135   |
| Operational investment securities               | 97,283    | 172,493   | 196,860   | 239,814   |
| Bankruptcy reorganization claims, etc.          | 10,393    | 3,331     | 2,440     | 3,432     |
| Interest-bearing debt                           | 1,465,584 | 1,492,438 | 1,536,240 | 1,834,757 |
| Equity                                          | 132,786   | 141,755   | 154,632   | 182,159   |
| <b>Per share data:</b> (yen)                    |           |           |           |           |
| Net income                                      | 54.44     | 58.22     | 63.98     | 77.73     |
| Equity                                          | 595.72    | 640.45    | 698.51    | 710.78    |
| Dividends                                       | 60.00     | 64.00     | 70.00     | 78.00     |
| <b>Key indicators:</b> (%)                      |           |           |           |           |
| Return on equity (ROE)                          | 9.5       | 9.4       | 9.6       | 10.3      |
| Return on assets (ROA)                          | 1.1       | 1.1       | 1.1       | 1.2       |
| Equity ratio                                    | 7.4       | 7.8       | 8.2       | 8.0       |
| <b>Other</b> (Number of persons)                |           |           |           |           |
| Number of employees                             | 1,072     | 1,053     | 1,081     | 1,627     |

\*1 Gross profit before cost of capital  
\*2 After subtraction of deferred profit on installment sales

|  | 2019      | 2020      | 2021      | 2022      | 2023      | 2024      |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
|  |           |           |           |           |           |           |
|  | 539,241   | 497,852   | 554,809   | 529,700   | 656,127   | 695,423   |
|  | 60,263    | 59,332    | 62,115    | 72,299    | 91,197    | 112,301   |
|  | 9,744     | 7,985     | 7,581     | 10,932    | 17,575    | 25,957    |
|  | 50,519    | 51,347    | 54,534    | 61,366    | 73,621    | 86,343    |
|  | 24,243    | 25,383    | 36,640    | 29,610    | 34,109    | 37,377    |
|  | 26,275    | 25,963    | 17,893    | 31,756    | 39,511    | 48,966    |
|  | 26,714    | 27,542    | 20,064    | 40,110    | 50,897    | 66,219    |
|  | 17,512    | 21,772    | 14,902    | 28,398    | 35,220    | 42,038    |
|  |           |           |           |           |           |           |
|  | 2,348,416 | 2,603,190 | 2,748,810 | 2,954,634 | 3,363,336 | 3,898,061 |
|  | 2,090,305 | 2,322,398 | 2,416,558 | 2,580,137 | 2,858,898 | 3,281,857 |
|  | 1,327,723 | 1,476,331 | 1,487,631 | 1,500,511 | 1,590,557 | 1,856,387 |
|  | 139,715   | 124,433   | 106,601   | 95,296    | 104,359   | 113,951   |
|  | 400,999   | 500,674   | 582,481   | 661,664   | 733,765   | 777,850   |
|  | 221,866   | 220,959   | 239,843   | 322,663   | 363,711   | 439,643   |
|  | 5,448     | 11,477    | 32,691    | 25,813    | 28,867    | 18,856    |
|  | 2,000,636 | 2,255,387 | 2,375,243 | 2,537,555 | 2,842,428 | 3,278,071 |
|  | 195,780   | 210,852   | 230,803   | 275,834   | 329,800   | 401,495   |
|  |           |           |           |           |           |           |
|  | 72.10     | 90.03     | 61.61     | 117.35    | 145.07    | 154.54    |
|  | 765.80    | 829.48    | 907.23    | 1,085.55  | 1,270.62  | 1,367.89  |
|  | 82.00     | 92.00     | 110.00    | 147.00    | 192.00    | 47.00     |
|  |           |           |           |           |           |           |
|  | 9.8       | 11.3      | 7.1       | 11.8      | 12.3      | 12.2      |
|  | 1.2       | 1.1       | 0.7       | 1.4       | 1.6       | 1.8       |
|  | 7.9       | 7.7       | 8.0       | 8.9       | 9.2       | 9.8       |
|  |           |           |           |           |           |           |
|  | 1,745     | 1,795     | 1,864     | 1,964     | 2,176     | 2,282     |

1. Business Performance and Conditions

Looking back on the economic conditions in fiscal year 2024, the United States maintained steady economic growth driven by personal consumption, while in Europe, personal consumption stagnated and economic growth remained sluggish due to the effects of monetary tightening. In Asia, the economy lacked strength due to prolonged adjustment of the real estate market in China and sluggish personal consumption.

In Japan, although the Bank of Japan raised its policy interest rate twice, the economy has continued a moderate recovery, supported by factors such as increased capital investment driven by improved corporate earnings, growth in employment, and higher personal consumption resulting from better income conditions.

In the leasing industry, supported by the upward trend in capital investment, the volume of leasing transactions exceeded the level of the previous fiscal year.

Our group has designated the three-year period from fiscal 2023 to fiscal 2025 as "Three Years of Transformation" and is currently promoting the Medium-Term Management Plan 2025. Aiming to become a multi-solution platform provider that contributes to solving customers' business and social challenges, and to achieve significant growth toward this goal, we have adopted the key themes of "Challenge," "Transformation," and "Growth." We are proactively allocating management resources to both our business and management foundations, and have positioned the following as our priority strategies: "Transformation and advancement of business portfolio management," "Alliance and inorganic growth strategies," "Promotion of sustainability management," and "Strengthening and advancement of the management foundation that supports growth."

In addition, as we work to expand our group and increase the value we provide for our stakeholders, we have set consolidated targets for the final year of our medium-term plan that include "net income of ¥42.0 billion," "ROA of 1.6% or more, and "ROE of 12% or more."

Amid these circumstances, in fiscal 2024, we focused on providing varied solutions across our portfolio of business ventures.

Regarding our profit and loss situation, gross profit increased by ¥12,722 million (17.3%) compared with the previous fiscal year (March 2024) to ¥86,343 million. Operating profit, despite increases in personnel and property expenses, rose by ¥9,454 million (23.9%) to ¥48,966 million, supported by the strong performance of gross profit. Ordinary profit increased by ¥15,321 million (30.1%) to ¥66,219 million, driven in part by higher equity-method investment income.

As a result of the foregoing, net income attributable to owners of the parent increased by ¥6,817 million (19.4%), to ¥42,038 million.

Highlights of our financial position are as follows.

Contract execution volume in the Leasing & Installment Sales segment increased by 41.6% compared with the previous fiscal year (March 2024) to ¥957,031 million, supported by the accumulation of projects in priority areas

such as real estate. In the Finance segment, it increased by 2.8% to ¥814,940 million. As a result, the overall volume of newly executed contracts increased by 22.3%, to ¥1,795,684 million. Operating assets expanded by ¥422,958 million since the previous fiscal year end, to ¥3,281,857 million, and total assets increased by ¥534,725 million, to ¥3,898,061 million as a result of the accumulation of assets through business solutions centering on collaboration within the Mizuho Group that address issues facing customers primarily in real estate and domestic leasing.

Total liabilities increased by ¥463,029 million compared to the end of the previous fiscal year, to ¥3,496,565 million. The interest-bearing debt component of this figure grew by ¥435,643 million, to ¥3,278,071 million, in line with the increase in operating assets.

Net assets increased to ¥401,495 million, reflecting the capital increase associated with the business and capital alliance with Marubeni Corporation as well as the accumulation of period profits.

**Operating results by segment**

Financial results broken down by segment are as follows. (Note: Earnings figures derive from business with external customers.)

**[Leasing and installment sales]**

Sales in the Leasing & Installment Sales segment increased by 3.9% compared with the previous fiscal year (March 2024) to ¥645,193 million, and operating profit rose by 11.7% to ¥28,356 million.

At the end of the current fiscal year (March 2025), the balance of operating assets increased by ¥275,422 million from the previous fiscal year-end, reaching ¥1,970,339 million.

**[Finance]**

Financing segment revenues increased 22.9% year-on-year, to ¥41,488 million and operating income increased 18.6%, to ¥23,808 million.

At the end of the current fiscal year, the balance of operating assets increased by ¥120,016 million from the previous fiscal year-end, reaching ¥1,217,493 million.

**[Other]**

Other revenues increased by 455.2% compared with the previous fiscal year to ¥8,742 million, and operating profit rose by 431.3% to ¥1,402 million.

At the end of the current fiscal year, the balance of operating assets increased by ¥27,519 million from the previous fiscal year-end, reaching ¥94,024 million.

**2. Operating Results and Financial Position**

In accordance with our Medium-term Management Plan 2025, which covers the three-year period from fiscal 2023 to fiscal 2025, the Mizuho Leasing Group, as a partner in value co-creation, is focusing on its mission to transcend the boundaries of finance and provide diverse solutions across a range of business areas that address the social and business

issues facing our customers.

Specific initiatives in each business domain for fiscal 2024 were as follows.

**[Domestic Leasing]**

In the domestic leasing business, we aim to co-create value as a strategic business partner for our customers. We have also been leveraging our alliance partners, mainly Mizuho, to co-create businesses with customers to promote the introduction of automatic commercial cleaning robots and automatic meal delivery robots, etc. We have accumulated operating assets and expanded our revenue base by helping customers expand their businesses and alleviate the labor shortage, which is a social issue.

**[Real Estate and Environment & Energy]**

In the real estate business, the Group aimed to expand its existing core business and promote new business areas in both directions, focusing on loans and real estate leasing for various types of real estate, including offices and logistics facilities, as well as the development and acquisition of original brand properties, thereby expanding and upgrading the value chain in the real estate business.

In the environmental energy business, we worked to secure renewable energy sources via our subsidiaries such as ML Power Co., Ltd., aiming to create new business opportunities. Our initiatives included establishing schemes to provide customers with electricity generated from solar power and non-fossil certificates (environmental value) on a long-term and stable basis. In the grid storage battery business, we also focused on new areas, including the launch of our group's first grid-connected storage power station in March 2025, thereby expanding our service offerings across the supply chain.

**[Overseas and Aviation Operations]**

In our overseas business, we have positioned entering new growth markets through M&A as a priority strategy. In August 2024, we increased our ownership ratio in Rent Alpha Pvt. Ltd. to 87.6%, and in March 2025, the company was renamed Mizuho RA Leasing Pvt. Ltd. In addition to the additional acquisition of shares, by incorporating 'Mizuho' into the company name, we will pursue business expansion in the Indian market—which is expected to see further growth—as a member of both the Mizuho Financial Group and the Mizuho Leasing Group.

In the aircraft business, we aimed to expand aircraft-related financial services through collaboration with Marubeni Corporation, focusing on aircraft leasing through Aircastle Limited, an aircraft leasing company in the United States that is an equity-method affiliate of both companies. We also focused on providing aircraft-related financial services such as aircraft-backed loans and investment products to Japanese investors, and through these efforts we contributed to providing value to our customers.

**[Finance and Investment]**

To meet the equity requirements of business succession and

MBO projects, we established MIRAIZ CAPITAL Co., Ltd., a consolidated subsidiary and fund management company. In the future, we will take on the challenge of working in the form of a fund with the aim of co-creating value to enhance the corporate value of our customers and solve social issues through the supply of risk money using financing functions, including equity.

With regard to collaboration and partnership with alliance partners, we entered into a capital and business alliance agreement with Marubeni Corporation in May 2024. Following this, in June 2024, we carried out a third-party allotment of shares to Marubeni Corporation and Mizuho Financial Group, Inc. As a result, Marubeni now holds 20% of our total issued shares, and our company has become an equity-method affiliate of Marubeni. In addition, Mizuho Financial Group, Inc. maintained its ownership interest of 23.6% (including indirect holdings), thereby preserving and strengthening our strong partnership. By strengthening our financial base and quantitatively expanding our risk-taking capabilities through the procurement of funds through third-party allotment, we are further promoting the accumulation of high-quality operating assets and expanding business and investment opportunities through the active use of inorganic methods.

In addition, in April 2024, we entered into a capital and business alliance agreement with Gecoss Corporation, a major heavy temporary construction contractor in the JFE Group, and acquired 20.03% of the company's voting rights in May of the same year. The two companies will create new business opportunities, including collaboration in the temporary construction business and construction equipment business through the development of technologies that contribute to labor and energy saving, and overseas collaboration through joint business development, by effectively utilizing the strengths, business bases, etc. of both companies.

**[Capital Resources and Liquidity of Funds]**

To provide a wide range of financial services that meet the needs of our customers, our group strives to secure stable access to funding while controlling costs. We also maintain readiness to obtain funding opportunistically as events warrant under an asset and liability management (ALM) policy that is sensitive to our annual funding needs and changes in the financial environment.

The group's financing includes long- and short-term funding raised indirectly through borrowing from financial institutions and directly from the market. At the end of the current fiscal year (ended March 2025), indirect funding was up by ¥345,764 million year-on-year, at ¥2,031,163 million. Direct procurement was ¥89,878 million higher, at ¥1,246,907 million, reflecting the issuance of commercial paper, corporate bonds, and the like.

In order to ensure working capital liquidity and maintain ready access to funding, we have concluded overdraft and commitment line agreements with 50 financial institutions, for a total credit line of ¥1,186,083 million as of the fiscal year-end. Our unused balance as of this writing stood at ¥537,651 million, demonstrating our adequate funding liquidity.

[Status of Cash Flows]

The cash flow status for the current fiscal year (ending March 2025) is as follows.  
Cash flows from operating activities resulted in an outflow of ¥393,324 million.  
Cash flows from investing activities resulted in an outflow of ¥53,184 million.  
Cash flows from financing activities consisted of an outflow of ¥10,994 million for dividend payments, while inflows totaled ¥345,694 million from indirect financing and

¥131,492 million from direct financing through the issuance of commercial paper and bonds, as well as third-party allotments to Marubeni Corporation and Mizuho Financial Group, resulting in a net inflow of ¥457,132 million for financing activities as a whole.  
As a result of the above, the balance of cash and cash equivalents at the end of the fiscal year under review increased by ¥11,805 million year-on-year, to ¥67,999 million.

marketable securities and the latter consisting of interest obligations on its borrowing.  
To respond to interest volatility, the group procures funds that balance against the interest rate conditions of its assets and also hedges using derivative strategies.  
Specifically, using the asset and liability management (ALM) method, we manage interest rate risk by controlling the matching ratio (the ratio of the portion of assets not subjected to interest rate fluctuation risk by allocating liabilities and derivatives with fixed-rate interest and variable-rate interest to assets with fixed-rate and variable-rate yields).

(5) Asset Risk

The Mizuho Leasing Group engages in such businesses as real estate leasing, real estate investment and financing, and aircraft leasing. In undertaking these activities, we carefully assess the creditworthiness, potential income and expenditure, and asset holdings of our business partners. The possibility nevertheless remains that the group's performance could be affected by deteriorating business performance among our business partners or significant impairment of properties they own.  
To contend with the potential for declines in asset value, we have established an internal management system to monitor such factors as the credit standing of our business partners, trends in asset values, and forecasted income and expenditure. This system enables flexible countermeasures to minimize the impact on our group.

(6) Equity Risks

The Mizuho Leasing Group invests in renewable energy projects, other business ventures, and funds. These investments are subject to the risk that changes in business conditions, such as economic fluctuations or supply and demand factors, may impair the value of these assets. In addition, there is a risk that cash flow volatility may prevent the realization of initially expected returns, thereby reducing the possibility of recovering the invested amounts.  
When undertaking individual projects, the group carefully evaluates future income and expenditures as well as asset values from a broad perspective, and make a comprehensive assessment of whether returns commensurate with the associated risks can be secured. Furthermore, to enable a prompt response to changing circumstances, we continue to monitor the operational status and external environment even after the commencement of each project.

(7) Risks Arising from Business Activities

The group faces several categories of business risk that can expose it to litigation and other trouble: (1) IT/system risk, which includes system failure and improper use, leading to clerical errors, (2) information security risk, which can result in the loss or leakage, or theft of data, and (3) compliance risk, in which the company may face reputational damage if found in noncompliance with laws, regulations, and company standards. Should the risks manifest themselves, the company may forfeit business opportunities and become liable for restitution, thereby potentially harming the group's earnings.

The company has established a risk management system to enable the group to respond to various issues in a flexible and cross-sectional manner, and to control risks in order to minimize the impact on the group.

(8) Force Majeure and Other Risks

If the group suffers unexpected economic losses due to unpredictable events such as earthquakes, wind and water damage, or the spread of infectious diseases, its business performance may be affected.  
To counter such situations, we have established a business continuity plan, implemented a system for maintaining business operations, and otherwise taken measures to minimize the impact on our group.

(9) Cyber Security Risks

The group uses various information systems to manage its business activities and is connected to external networks for such purposes as email. These information systems are at risk of cyber attacks via computer virus infiltration, unauthorized external access, and other means. In the event of a system shutdown or failure, an information leak, an unauthorized access incident, or what have you, the group's business performance may be affected by liability for damage compensation, a loss of trust, and economic losses due to interruption of business activities.  
In response to such situations, we have formulated a basic policy for cybersecurity risk management, clarifying our risk management system, including the group-wide response policy, responsible persons, management framework, and roles and responsibilities of relevant parties. We have also organized a Computer Security Incident Response Team (CSIRT) to react to security incidents.  
We have also strengthened our information countermeasures by establishing a 24/7 monitoring system through our Security Operation Center (SOC) and are working to strengthen our resilience by analyzing viruses, implementing multilayered protection, and taking other defensive measures. In order to adapt to the growing threats posed by the use of cloud computing and the diversification of work styles, we are also responding to the latest security threats, such as promoting the introduction of a zero-trust architecture as a security measure to prevent attackers from freely acting within the company. In addition to conducting phishing email training and companywide initial response training for employees, we are also working to raise security awareness through e-learning programs.

(10) Risks Related to Climate Change

The Group's measures in response to the effects of climate change include scenario analysis and information disclosure. If we are unable to respond to abnormal weather such as typhoons and torrential rain, the strengthening of laws and regulations concerning climate change countermeasures, and the advancement of technological innovation and business model transformation to address these issues, the group's business performance and our customers' operations could suffer.

■ Business Risks and Other Risks

The group's financial position, operating results, cash flows, and other categories of business risk that we recognize as having the potential to materially affect investors' decisions are discussed below.  
In addition to taking mitigating measures in each of these risk categories, the group is working to develop and strengthen its risk management system so that it can respond quickly and appropriately when actual risks materialize.  
Note that any statements regarding the future included in this section are based on judgments made as of the end of the current consolidated fiscal year.

(1) Risks Related to the Operating Environment

The group's business development effort centers on leasing transactions in support of customers' business activities. The group's business results stand to be affected if worsening business performance among our customer base sharply curtails capital investment. Circumstances that could precipitate this include a spike in energy and resource prices against a backdrop of regional conflict, manufacturing cutbacks amid disruption to global supply chains, and pronounced international market volatility in interest and forex rates.

(2) Credit risk

The group's leasing operations and other primary business activities revolve around transactions that provide customers with credit in the form of leasing over relatively long periods (averaging around five years). While initial earnings projections are premised on collecting the full amount of leasing and other fees from customers, these initial revenue expectations face the potential risk that the economic situation could worsen, undermining the customer's business environment, and making it impossible to collect the initially expected payments.  
Prior to entering into a potential transaction, our group mitigates nonpayment risk through such measures as strict initial credit checks and thorough assessments of the future resale value of leased items. During the term of a live transaction, we regularly monitor the lessee's credit situation and take measures to protect our receivables as necessary. In addition, if a customer's credit situation deteriorates and they fail to make payments, we will try to recover as much as

possible by selling the leased properties or diverting them to other customers.  
Nevertheless, our cost of credit exceeds our projections due to such factors as a sudden shift in economic conditions or deterioration in the customers' creditworthiness, the group's business results may ultimately be affected.

(3) Liquidity Risk (funding)

In order to obtain the capital necessary to run our business, our group funds its operations through such means as bank loans and the issuance of debt instruments, including corporate bonds and commercial paper. If volatility in the financial markets or de-terioration in the group's financial position complicates our fundraising objectives, restrictions on access to capital could affect the group's business activities.  
In order to minimize such liquidity risk, we are diversifying our array of funding methods, adjusting our funding framework to better account for market conditions, and maintaining liquidity on hand.

(4) Interest Rate Risk

In order to obtain the capital necessary to run our business, our group funds its operations through such means as bank loans and the issuance of debt instruments, including corporate bonds and commercial paper.  
The group's interest income and expenses are exposed to interest rate risk stemming from the differing interest parameters –e.g., levels, term, degree of variability (fixed, adjustable) – on its receivables and payables, the former being lease income and returns on investments in

Consolidated Balance Sheet

Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
As of March 31, 2025

|                                                                     | Millions of yen |             | Thousands of<br>U.S. dollars (Note 1) |
|---------------------------------------------------------------------|-----------------|-------------|---------------------------------------|
|                                                                     | 2025            | 2024        | 2025                                  |
| <b>ASSETS</b>                                                       |                 |             |                                       |
| <b>Current Assets:</b>                                              |                 |             |                                       |
| Cash and Cash Equivalents                                           | ¥ 67,999        | ¥ 56,194    | \$ 454,757                            |
| Lease Receivables and Investments in Lease (Notes 6, 9, 17 and 18)  | 1,040,972       | 1,050,711   | 6,961,633                             |
| Receivables (Notes 6, 9 and 18):                                    |                 |             |                                       |
| Notes and Accounts                                                  | 2,720           | 1,235       | 18,194                                |
| Lease                                                               | 5,523           | 4,578       | 36,941                                |
| Installment Sales                                                   | 120,323         | 109,128     | 804,676                               |
| Loans                                                               | 598,428         | 567,305     | 4,002,066                             |
| Factoring                                                           | 179,421         | 166,459     | 1,199,905                             |
| Total Receivables                                                   | 906,418         | 848,708     | 6,061,782                             |
| Operational Investment Securities (Notes 5, 6, 9 and 18)            | 439,643         | 363,711     | 2,940,166                             |
| Prepaid Expenses and Other (Note 22)                                | 89,805          | 60,525      | 600,586                               |
| Allowance for Doubtful Receivables (Note 3)                         | (2,323)         | (1,788)     | (15,541)                              |
| Total Current Assets                                                | 2,542,515       | 2,378,063   | 17,003,383                            |
| <b>Property and Equipment:</b>                                      |                 |             |                                       |
| Leased Assets (Notes 5, 6, 9 and 18)                                | 807,006         | 530,872     | 5,396,955                             |
| Advances for Purchases of Leased Assets                             | 3,387           | 2,444       | 22,656                                |
| Other Operating Assets (Note 6)                                     | 94,024          | 66,504      | 628,798                               |
| Advances for Purchases of Other Operating Assets                    | -               | 1           | -                                     |
| Own-used Assets                                                     | 3,904           | 3,936       | 26,113                                |
| Total Property and Equipment                                        | 908,323         | 603,758     | 6,074,522                             |
| <b>Investments and Other Assets:</b>                                |                 |             |                                       |
| Investment Securities (Notes 5, 9 and 18)                           | 27,286          | 26,142      | 182,480                               |
| Investments in Unconsolidated Subsidiaries and Associated Companies | 349,928         | 280,238     | 2,340,186                             |
| Long-term Receivables (Note 18)                                     | 18,856          | 28,867      | 126,103                               |
| Goodwill (Note 16)                                                  | 4,212           | 4,623       | 28,170                                |
| Intangible Leased Assets (Note 6)                                   | 8,408           | 8,974       | 56,232                                |
| Deferred Tax Assets (Note 12)                                       | 4,372           | 6,704       | 29,240                                |
| Asset for Employees' Retirement Benefits (Note 11)                  | 1,479           | 1,685       | 9,893                                 |
| Other(Note 8)                                                       | 35,137          | 30,082      | 234,988                               |
| Allowance for Doubtful Receivables (Note 3)                         | (2,458)         | (5,803)     | (16,439)                              |
| Total Investments and Other Assets                                  | 447,222         | 381,514     | 2,990,853                             |
| <b>Total Assets</b>                                                 | ¥ 3,898,061     | ¥ 3,363,336 | \$ 26,068,758                         |

See accompanying Notes to Consolidated Financial Statements.

Consolidated Balance Sheet

Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
As of March 31, 2025

|                                                                                                                                   | Millions of yen |             | Thousands of<br>U.S. dollars (Note 1) |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------|---------------------------------------|
|                                                                                                                                   | 2025            | 2024        | 2025                                  |
| <b>LIABILITIES and EQUITY</b>                                                                                                     |                 |             |                                       |
| <b>Current Liabilities:</b>                                                                                                       |                 |             |                                       |
| Short-term Borrowings (Notes 9, 10, 18 and 22)                                                                                    | ¥ 1,425,799     | ¥ 1,235,166 | \$ 9,535,207                          |
| Current Portion of Long-term Debt (Notes 9, 10, 18 and 22)                                                                        | 423,364         | 364,774     | 2,831,304                             |
| Lease Payable (Notes 17 and 18)                                                                                                   | 18,562          | 15,785      | 124,137                               |
| Accounts Payable - trade (Note 18)                                                                                                | 30,939          | 27,186      | 206,913                               |
| Accrued Expenses (Note 22)                                                                                                        | 14,066          | 9,247       | 94,072                                |
| Income Taxes Payable                                                                                                              | 8,984           | 7,287       | 60,082                                |
| Deferred Profit on Installment Sales (Note 6)                                                                                     | 6,372           | 4,769       | 42,614                                |
| Reserve for Management Board Benefit Trust - current                                                                              | 281             | 196         | 1,881                                 |
| Accruals for Debt Guarantees                                                                                                      | 12              | 13          | 82                                    |
| Provision for Head Office Relocation Expenses - current (Note 2(q))                                                               | 106             | -           | 713                                   |
| Other                                                                                                                             | 63,387          | 50,815      | 423,911                               |
| Total Current Liabilities                                                                                                         | 1,991,876       | 1,715,242   | 13,320,916                            |
| <b>Long-term Liabilities:</b>                                                                                                     |                 |             |                                       |
| Long-term Debt (Notes 9, 10, 18 and 22)                                                                                           | 1,428,907       | 1,242,486   | 9,555,989                             |
| Deposits Received                                                                                                                 | 38,566          | 31,044      | 257,916                               |
| Liability for Employees' Retirement Benefits (Note 11)                                                                            | 2,498           | 2,422       | 16,711                                |
| Provision for Head Office Relocation Expenses (Note 2(q))                                                                         | 590             | -           | 3,950                                 |
| Reserve for Management Board Benefit Trust (Note 2(aa))                                                                           | 94              | 66          | 629                                   |
| Other                                                                                                                             | 34,032          | 42,272      | 227,594                               |
| Total Long-term Liabilities                                                                                                       | 1,504,688       | 1,318,293   | 10,062,789                            |
| <b>Commitments and Contingent Liabilities (Note 13)</b>                                                                           |                 |             |                                       |
| <b>Equity:(Notes 2(aa), 14, 21 and 23)</b>                                                                                        |                 |             |                                       |
| Common Stock                                                                                                                      | 46,925          | 26,088      | 313,818                               |
| Authorized, 700,000,000 Shares;<br>Issued, 282,666,300 Shares as of March 31, 2025 and<br>245,020,000 Shares as of March 31, 2024 |                 |             |                                       |
| Capital Surplus                                                                                                                   | 42,524          | 23,578      | 284,389                               |
| Retained Earnings                                                                                                                 | 239,594         | 208,545     | 1,602,317                             |
| Treasury Stock - at cost<br>2,763,080 shares as of March 31, 2025 and<br>1,905,905 shares as of March 31, 2024"                   | (2,060)         | (1,040)     | (13,782)                              |
| Accumulated Other Comprehensive Income:                                                                                           |                 |             |                                       |
| Unrealized Gain on Available-for-sale Securities                                                                                  | 19,181          | 22,720      | 128,278                               |
| Deferred Loss on Derivatives under Hedge Accounting                                                                               | (3,534)         | (4,584)     | (23,636)                              |
| Revaluation Reserve For Land                                                                                                      | (10)            | -           | (69)                                  |
| Foreign Currency Translation Adjustments                                                                                          | 39,151          | 32,299      | 261,833                               |
| Defined Retirement Benefit Plans                                                                                                  | 1,104           | 1,298       | 7,389                                 |
| <b>Total</b>                                                                                                                      | 382,877         | 308,905     | 2,560,537                             |
| <b>Non-controlling Interests</b>                                                                                                  | 18,618          | 20,894      | 124,516                               |
| <b>Total Equity</b>                                                                                                               | 401,495         | 329,800     | 2,685,053                             |
| <b>Total Liabilities and Equity</b>                                                                                               | ¥ 3,898,061     | ¥ 3,363,336 | \$ 26,068,758                         |

Note: Although the Company enacted a five-for-one stock split of its common stock with an effective date of April 1, 2024, the number of "Authorized Shares", "Issued Shares" and "Treasury Stock" as of March 31, 2024 represent the number after the stock split.

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Income

Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
For the year ended March 31, 2025

|                                                        | Millions of yen |           | Thousands of<br>U.S. dollars (Note 1) |
|--------------------------------------------------------|-----------------|-----------|---------------------------------------|
|                                                        | 2025            | 2024      | 2025                                  |
| Revenues                                               | ¥ 695,423       | ¥ 656,127 | \$ 4,650,731                          |
| Cost and Expenses                                      | 609,080         | 582,506   | 4,073,298                             |
| Gross Profit                                           | 86,343          | 73,621    | 577,433                               |
| Selling, General and Administrative Expenses (Note 15) | 37,377          | 34,109    | 249,965                               |
| Operating Income                                       | 48,966          | 39,511    | 327,468                               |
| Other Income (Expenses):                               |                 |           |                                       |
| Interest Income (Note 22)                              | 300             | 143       | 2,009                                 |
| Dividend Income                                        | 1,024           | 2,026     | 6,855                                 |
| Equity in Earnings of Associated Companies             | 18,008          | 10,482    | 120,434                               |
| Profit from Investments                                | 2,543           | 2,072     | 17,011                                |
| Interest Expenses                                      | (4,676)         | (2,787)   | (31,276)                              |
| Foreign Exchange Loss                                  | -               | (415)     | -                                     |
| Gain on Sales of Investment Securities                 | 403             | 211       | 2,695                                 |
| Loss on Sales of Investment Securities                 | (9)             | -         | (65)                                  |
| Loss on Devaluation of Investment Securities           | (41)            | (28)      | (278)                                 |
| Provision for Head Office Relocation Expenses          | (697)           | -         | (4,663)                               |
| Other - net (Note 4)                                   | 52              | (136)     | 348                                   |
| Income before Income Taxes                             | 65,873          | 51,080    | 440,538                               |
| Income Taxes:(Note 12)                                 |                 |           |                                       |
| Current                                                | 17,190          | 13,493    | 114,965                               |
| Deferred                                               | 3,787           | 482       | 25,331                                |
| Total                                                  | 20,978          | 13,976    | 140,296                               |
| Net Income                                             | 44,895          | 37,103    | 300,242                               |
| Net Income attributable to Non-controlling Interests   | 2,857           | 1,883     | 19,107                                |
| Net Income attributable to Owners of the Parent        | ¥ 42,038        | ¥ 35,220  | \$ 281,135                            |

|                                                           | Yen      |          | U.S. dollars (Note 1) |
|-----------------------------------------------------------|----------|----------|-----------------------|
|                                                           | 2025     | 2024     | 2025                  |
| Amounts per Share of Common Stock (Notes 2(x) and 23)     |          |          |                       |
| Net Income attributable to Owners of the Parent per Share | ¥ 154.54 | ¥ 145.07 | \$ 1.03               |
| Cash Dividends applicable to the fiscal year              | ¥ 47.00  | ¥ 192.00 | \$ 0.31               |

Note: The Company enacted a five-for-one stock split of its common stock with an effective date of April 1, 2024.  
“Net Income attributable to Owners of the Parent per Share” for the year ended March 31, 2024  
represent the amount after the stock split.

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Comprehensive Income

Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
For the year ended March 31, 2025

|                                                             | Millions of yen |          | Thousands of<br>U.S. dollars (Note 1) |
|-------------------------------------------------------------|-----------------|----------|---------------------------------------|
|                                                             | 2025            | 2024     | 2025                                  |
| Net Income                                                  | ¥ 44,895        | ¥ 37,103 | \$ 300,242                            |
| Other Comprehensive Income:(Note 20)                        |                 |          |                                       |
| Unrealized Gain on Available-for-sale Securities            | (2,957)         | 7,107    | (19,776)                              |
| Deferred Loss on Derivatives under Hedge Accounting         | 1,002           | (2,347)  | 6,706                                 |
| Foreign Currency Translation Adjustments                    | 6,831           | 9,572    | 45,684                                |
| Defined Retirement Benefit Plans                            | (264)           | 645      | (1,769)                               |
| Share of Other Comprehensive Income in Associated Companies | 489             | 4,624    | 3,277                                 |
| Total Other Comprehensive Income                            | 5,102           | 19,602   | 34,122                                |
| Comprehensive Income                                        | ¥ 49,997        | ¥ 56,706 | \$ 34,364                             |
| Total Comprehensive Income attributable to:                 |                 |          |                                       |
| Owners of the Parent                                        | ¥ 46,196        | ¥ 54,089 | \$ 308,948                            |
| Non-controlling Interests                                   | 3,800           | 2,617    | 25,416                                |

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
For the year ended March 31, 2025

|                                                 | Thousands                                    | Millions of yen |                 |                   |                |
|-------------------------------------------------|----------------------------------------------|-----------------|-----------------|-------------------|----------------|
|                                                 | Number of shares of Common Stock Outstanding | Common Stock    | Capital Surplus | Retained Earnings | Treasury Stock |
| Balance as of April 1, 2023                     | 48,410                                       | ¥ 26,088        | ¥ 23,941        | ¥ 181,484         | ¥ (1,618)      |
| Net Income attributable to Owners of the Parent |                                              |                 |                 | 35,220            |                |
| Cash Dividends Paid                             |                                              |                 |                 | (8,085)           |                |
| Purchase of Treasury Stock                      | (0)                                          |                 |                 |                   | (1)            |
| Disposal of Treasury Stock                      | 212                                          |                 |                 |                   | 579            |
| Change in Scope of Consolidation                |                                              |                 |                 | (0)               |                |
| Change in Scope of Equity Method                |                                              |                 |                 | (74)              |                |
| Capital increase of consolidated subsidiaries   |                                              |                 | (363)           |                   |                |
| Net change during year                          |                                              |                 |                 |                   |                |
| Balance as of March 31, 2024                    | 48,622                                       | ¥ 26,088        | ¥ 23,578        | ¥ 208,545         | ¥ (1,040)      |
| Increase resulting from stock split (Note 21)   | 194,491                                      |                 |                 |                   |                |
| Net Income attributable to Owners of the Parent |                                              |                 |                 | 42,038            |                |
| Issuance of new shares (Note 21)                | 37,646                                       | 20,837          | 20,837          |                   |                |
| Cash Dividends Paid                             |                                              |                 |                 | (10,994)          |                |
| Purchase of Treasury Stock (Note 21)            | (1,101)                                      |                 |                 |                   | (1,202)        |
| Disposal of Treasury Stock (Note 21)            | 245                                          |                 |                 |                   | 182            |
| Change in Scope of Consolidation                |                                              |                 |                 | 5                 |                |
| Change in Scope of Equity Method                |                                              |                 |                 |                   |                |
| Capital increase of consolidated subsidiaries   |                                              |                 | (1,890)         |                   |                |
| Net change during year                          |                                              |                 |                 |                   |                |
| Balance as of March 31, 2025                    | 279,903                                      | ¥ 46,925        | ¥ 42,524        | ¥ 239,594         | ¥ (2,060)      |

|                                                 | Millions of yen                                  |                                                     |                              |                                          |                                  |           | Total    | Non-controlling Interests | Total Equity |
|-------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|------------------------------|------------------------------------------|----------------------------------|-----------|----------|---------------------------|--------------|
|                                                 | Accumulated Other Comprehensive Income           |                                                     |                              |                                          |                                  |           |          |                           |              |
|                                                 | Unrealized Gain on Available-for-sale Securities | Deferred Loss on Derivatives under Hedge Accounting | Revaluation Reserve For Land | Foreign Currency Translation Adjustments | Defined Retirement Benefit Plans |           |          |                           |              |
| Balance as of April 1, 2023                     | ¥ 11,849                                         | ¥ (2,204)                                           | –                            | ¥ 22,620                                 | ¥ 601                            | ¥ 262,762 | ¥ 13,071 | ¥ 275,834                 |              |
| Net Income attributable to Owners of the Parent |                                                  |                                                     |                              |                                          |                                  | 35,220    |          | 35,220                    |              |
| Cash Dividends Paid                             |                                                  |                                                     |                              |                                          |                                  | (8,085)   |          | (8,085)                   |              |
| Purchase of Treasury Stock                      |                                                  |                                                     |                              |                                          |                                  | (1)       |          | (1)                       |              |
| Disposal of Treasury Stock                      |                                                  |                                                     |                              |                                          |                                  | 579       |          | 579                       |              |
| Change in Scope of Consolidation                |                                                  |                                                     |                              |                                          |                                  | (0)       |          | (0)                       |              |
| Change in Scope of Equity Method                |                                                  |                                                     |                              |                                          |                                  | (74)      |          | (74)                      |              |
| Capital increase of consolidated subsidiaries   |                                                  |                                                     |                              |                                          |                                  | (363)     |          | (363)                     |              |
| Net change during year                          | 10,871                                           | (2,379)                                             | –                            | 9,679                                    | 697                              | 18,868    | 7,822    | 26,691                    |              |
| Balance as of March 31, 2024                    | ¥ 22,720                                         | ¥ (4,584)                                           | –                            | ¥ 32,299                                 | ¥ 1,298                          | ¥ 308,905 | ¥ 20,894 | ¥ 329,800                 |              |
| Increase resulting from stock split (Note 21)   |                                                  |                                                     |                              |                                          |                                  |           |          |                           |              |
| Net Income attributable to Owners of the Parent |                                                  |                                                     |                              |                                          |                                  | 42,038    |          | 42,038                    |              |
| Issuance of new shares (Note 21)                |                                                  |                                                     |                              |                                          |                                  | 41,674    |          | 41,674                    |              |
| Cash Dividends Paid                             |                                                  |                                                     |                              |                                          |                                  | (10,994)  |          | (10,994)                  |              |
| Purchase of Treasury Stock (Note 21)            |                                                  |                                                     |                              |                                          |                                  | (1,202)   |          | (1,202)                   |              |
| Disposal of Treasury Stock (Note 21)            |                                                  |                                                     |                              |                                          |                                  | 182       |          | 182                       |              |
| Change in Scope of Consolidation                |                                                  |                                                     |                              |                                          |                                  | 5         |          | 5                         |              |
| Change in Scope of Equity Method                |                                                  |                                                     |                              |                                          |                                  |           |          |                           |              |
| Capital increase of consolidated subsidiaries   |                                                  |                                                     |                              |                                          |                                  | (1,890)   |          | (1,890)                   |              |
| Net change during year                          | (3,539)                                          | 1,050                                               | (10)                         | 6,852                                    | (193)                            | 4,158     | (2,275)  | 1,883                     |              |
| Balance as of March 31, 2025                    | ¥ 19,181                                         | ¥ (3,534)                                           | ¥ (10)                       | ¥ 39,151                                 | ¥ 1,104                          | ¥ 382,877 | ¥ 18,618 | ¥ 401,495                 |              |

See accompanying Notes to Consolidated Financial Statements.

|                                                 | Thousands of U.S. dollars (Note 1) |                 |                   |                |
|-------------------------------------------------|------------------------------------|-----------------|-------------------|----------------|
|                                                 | Common Stock                       | Capital Surplus | Retained Earnings | Treasury Stock |
| Balance as of March 31, 2024                    | \$ 174,467                         | \$ 157,683      | \$ 1,394,671      | \$ (6,957)     |
| Net Income attributable to Owners of the Parent |                                    |                 | 281,135           |                |
| Issuance of new shares (Note 21)                | 139,351                            | 139,351         |                   |                |
| Cash Dividends Paid                             |                                    |                 | (73,527)          |                |
| Purchase of Treasury Stock (Note 21)            |                                    |                 |                   | (8,045)        |
| Disposal of Treasury Stock (Note 21)            |                                    |                 |                   | 1,220          |
| Change in Scope of Consolidation                |                                    |                 | 38                |                |
| Change in Scope of Equity Method                |                                    |                 |                   |                |
| Capital increase of consolidated subsidiaries   |                                    | (12,645)        |                   |                |
| Net change during year                          |                                    |                 |                   |                |
| Balance as of March 31, 2025                    | \$ 313,818                         | \$ 284,389      | \$ 1,602,317      | \$ (13,782)    |

|                                                 | Thousands of U.S. dollars (Note 1)               |                                                     |                              |                                          |                                  |              |                           |              |
|-------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|------------------------------|------------------------------------------|----------------------------------|--------------|---------------------------|--------------|
|                                                 | Accumulated Other Comprehensive Income           |                                                     |                              |                                          |                                  | Total        | Non-controlling Interests | Total Equity |
|                                                 | Unrealized Gain on Available-for-sale Securities | Deferred Loss on Derivatives under Hedge Accounting | Revaluation Reserve For Land | Foreign Currency Translation Adjustments | Defined Retirement Benefit Plans |              |                           |              |
| Balance as of March 31, 2024                    | \$ 151,947                                       | \$ (30,659)                                         | –                            | \$ 216,009                               | \$ 8,686                         | \$ 2,065,847 | \$ 139,735                | \$ 2,205,582 |
| Net Income attributable to Owners of the Parent |                                                  |                                                     |                              |                                          |                                  | 281,135      |                           | 281,135      |
| Issuance of new shares (Note 21)                |                                                  |                                                     |                              |                                          |                                  | 278,702      |                           | 278,702      |
| Cash Dividends Paid                             |                                                  |                                                     |                              |                                          |                                  | (73,527)     |                           | (73,527)     |
| Purchase of Treasury Stock (Note 21)            |                                                  |                                                     |                              |                                          |                                  | (8,045)      |                           | (8,045)      |
| Disposal of Treasury Stock (Note 21)            |                                                  |                                                     |                              |                                          |                                  | 1,220        |                           | 1,220        |
| Change in Scope of Consolidation                |                                                  |                                                     |                              |                                          |                                  | 38           |                           | 38           |
| Change in Scope of Equity Method                |                                                  |                                                     |                              |                                          |                                  |              |                           |              |
| Capital increase of consolidated subsidiaries   |                                                  |                                                     |                              |                                          |                                  | (12,645)     |                           | (12,645)     |
| Net change during year                          | (23,669)                                         | 7,023                                               | (69)                         | 45,824                                   | (1,297)                          | 27,812       | (15,219)                  | 12,593       |
| Balance as of March 31, 2025                    | \$ 128,278                                       | \$ (23,636)                                         | \$ (69)                      | \$ 261,833                               | \$ 7,389                         | \$ 2,560,537 | \$ 124,516                | \$ 2,685,053 |

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Cash Flows

Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
For the year ended March 31, 2025

|                                                                                                 | Millions of yen |           | Thousands of<br>U.S. dollars (Note 1) |
|-------------------------------------------------------------------------------------------------|-----------------|-----------|---------------------------------------|
|                                                                                                 | 2025            | 2024      | 2025                                  |
| <b>Cash Flows from Operating Activities:</b>                                                    |                 |           |                                       |
| Income before Income Taxes                                                                      | ¥ 65,873        | ¥ 51,080  | \$ 440,538                            |
| Adjustments for:                                                                                |                 |           |                                       |
| Income Taxes Paid                                                                               | (15,496)        | (8,928)   | (103,632)                             |
| Depreciation and Disposal of Fixed Assets                                                       | 21,255          | 18,449    | 142,152                               |
| Equity in Earnings of Associated Companies                                                      | (18,008)        | (10,482)  | (120,434)                             |
| Profit from Investments                                                                         | (2,543)         | (2,072)   | (17,011)                              |
| (Decrease) Increase in Allowance for Doubtful Receivables                                       | (3,046)         | 939       | (20,373)                              |
| Decrease in Accruals for Debt Guarantees                                                        | (0)             | (0)       | (6)                                   |
| Gain on Sales of Marketable and Investment Securities                                           | (393)           | (211)     | (2,630)                               |
| Loss on Devaluation of Investment Securities                                                    | 41              | 28        | 278                                   |
| Change in assets and liabilities:                                                               |                 |           |                                       |
| Decrease in Lease Receivables and Investments in Lease                                          | 15,522          | 89,668    | 103,810                               |
| Increase in Receivables                                                                         | (53,409)        | (60,721)  | (357,183)                             |
| Increase in Operational Investment Securities                                                   | (77,739)        | (37,351)  | (519,891)                             |
| Increase in Accounts Payable —trade                                                             | 3,593           | 75        | 24,030                                |
| Purchases of Leased Assets                                                                      | (501,487)       | (359,352) | (3,353,759)                           |
| Proceeds from Sales of Leased Assets                                                            | 212,926         | 186,578   | 1,423,973                             |
| (Decrease) Increase in Interest Payable                                                         | (13)            | 420       | (94)                                  |
| Other - net                                                                                     | (40,398)        | (60,324)  | (270,172)                             |
| Total Adjustments                                                                               | (459,197)       | (243,285) | (3,070,942)                           |
| Net Cash Used in Operating Activities                                                           | (393,324)       | (192,205) | (2,630,404)                           |
| Cash Flows from Investing Activities:                                                           |                 |           |                                       |
| <b>Purchases of Own-used Assets</b>                                                             |                 |           |                                       |
| Purchases of Marketable and Investment Securities                                               | (6,611)         | (3,573)   | (44,216)                              |
| Proceeds from Sales and Redemption of Marketable and Investment Securities"                     | (71,433)        | (49,914)  | (477,722)                             |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation"               | 24,268          | 12,855    | 162,298                               |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation"               | -               | (8,107)   | -                                     |
| Other - net                                                                                     | 592             | (3,229)   | 3,961                                 |
| Net Cash Used in Investing Activities                                                           | (53,184)        | (51,969)  | (355,679)                             |
| Cash Flows from Financing Activities:                                                           |                 |           |                                       |
| Net Increase in Short-term Borrowings                                                           | 193,421         | 37,640    | 1,293,533                             |
| Proceeds from Long-term Debt                                                                    | 608,447         | 538,110   | 4,069,068                             |
| Repayments of Long-term Debt                                                                    | (366,357)       | (301,594) | (2,450,060)                           |
| Proceeds from issuance of shares                                                                | 41,674          | -         | 278,703                               |
| Cash Dividends Paid                                                                             | (10,994)        | (8,085)   | (73,527)                              |
| Purchase of shares of subsidiary not resulting in change in scope of consolidation              | (7,741)         | -         | (51,769)                              |
| Other - net                                                                                     | (1,318)         | 453       | (8,821)                               |
| Net Cash Provided by Financing Activities                                                       | 457,132         | 266,524   | 3,057,127                             |
| Foreign Currency Translation Adjustments on Cash and Cash Equivalents                           | 887             | 391       | 5,932                                 |
| Net Increase in Cash and Cash Equivalents                                                       | 11,510          | 22,740    | 76,976                                |
| Cash and Cash Equivalents at Beginning of the Year                                              | 56,194          | 33,453    | 375,809                               |
| Increase in Cash and Cash equivalents resulting from inclusion of subsidiaries in consolidation | 294             | -         | 1,972                                 |
| Cash and Cash Equivalents at End of the Year                                                    | ¥ 67,999        | ¥ 56,194  | \$ 454,757                            |

See accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of Mizuho Leasing Company, Limited (the “Company”) and its consolidated subsidiaries (together with the Company, the “Group”) have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan (“JGAAP”), which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the Company’s financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2024 consolidated financial statements to conform to the classifications used in 2025.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥149.53 to US\$1.00, the approximate rate of exchange at March 31, 2025. The translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate. The amounts indicated in millions of yen are rounded down by truncating the figures below one million. As a result, totals may not add up exactly.

2. Summary of Significant Accounting Policies

(a) Consolidation

The consolidated financial statements include the accounts of the Group, which include Dai-ichi Leasing Co., Ltd., Mizuho-TOSHIBA Leasing Company, Limited, ML Estate Company, Limited, Mizuho Auto Lease Company, Limited, ML Power Company, Limited, Mizuho Leasing (China) Ltd., Mizuho Leasing (Singapore) Pte. Ltd., Mizuho RA Leasing Pvt. Ltd., Capsave Finance Pvt. Ltd., and PT MIZUHO LEASING INDONESIA Tbk.

The number of consolidated subsidiaries as of March 31, 2025 and 2024 was 47 and 44, respectively. The consolidated financial statements for the year ended March 31, 2025 newly include the account of MIRAI SOUDEN TOBA GOUDOUGAISHA and 1 other company as the Company purchased their shares. The account of ML Power Company, Limited was also included in the scope of consolidation as it became material.

The number of associated companies accounted for under the equity method as of March 31, 2025 and 2024 was 12 and 10, respectively. Investments in associated companies include Mizuho Marubeni Leasing Corporation, RICOH LEASING COMPANY, LTD., NIPPON STEEL KOWA REAL ESTATE CO., LTD., Mizuho Capital Co., Ltd., Gecoss Corporation, Krungthai Mizuho Leasing Company Limited, Vietnam International Leasing Co. Ltd., PLM Fleet, LLC, Aircastle Limited, and Affordable Car Leasing Pty Ltd. The consolidated financial statements for the year ended March 31, 2025 newly include the accounts of Gecoss Corporation as the Company purchased its shares. METREC Co., Ltd. was newly included as it was newly incorporated.

The condensed financial information of the 12 and 11 associated companies (by simply compiling the amounts in the financial statements of the respective companies) as of and for the year ended March 31, 2025 and 2024 were as follows:

|                            | Millions of yen |          | Thousands of<br>U.S. dollars (Note 1) |
|----------------------------|-----------------|----------|---------------------------------------|
|                            | 2025            | 2024     | 2025                                  |
| Current Assets             | ¥498,197        | ¥430,423 | \$3,331,753                           |
| Non Current Assets         | 822,599         | 721,901  | 5,501,232                             |
| Current Liabilities        | 412,920         | 364,644  | 2,761,455                             |
| Long-term Liabilities      | 508,336         | 454,067  | 3,399,561                             |
| Total Equity               | 399,539         | 333,613  | 2,671,969                             |
| Revenues                   | ¥218,002        | ¥193,393 | \$1,457,918                           |
| Income before Income Taxes | 26,470          | 22,475   | 177,027                               |
| Net Income                 | ¥20,026         | ¥17,286  | \$133,930                             |

Kaikias Leasing Co., Ltd. and 129 other subsidiaries and associated companies are neither consolidated nor accounted for under the equity method, as they are acting as operators under Tokumei Kumiai agreements and the leased assets and liabilities do not substantially belong to the subsidiaries. APUS Line Shipping S.A. and 47 other subsidiaries are also not consolidated or accounted for under the equity method, as they are immaterial. Endeavour Maritime Partners S.A. and 8 associated companies are not accounted for under the equity method, as they are immaterial.

Upon consolidation, significant intercompany accounts and transactions have been eliminated. In addition, all significant unrealized profit included in assets resulting from transactions within the Group has also been eliminated.

The accounting standard for consolidated financial statements requires a company to consolidate all subsidiaries where the company controls the operations, irrespective of whether or not the company owns a majority of their shares. Control is considered to exist where the company has (a) the power to appoint or remove the majority of the Board of Directors or an equivalent governing body, and/or (b) the power to cast the majority of the votes at a meeting of the Board of Directors or an equivalent governing body.

Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary at the date of acquisition. The differences between the costs and underlying net equity of investments in consolidated subsidiaries and associated companies at acquisition are recorded as Goodwill and are amortized on a straight-line basis over the estimated benefit period.

Implementation Guidance No. 15 “Implementation Guidance on Disclosures about Certain Special Purpose Entities” issued by the Accounting Standards Board of Japan (the “ASBJ”) permits companies to avoid consolidation of certain Special Purpose Entities (“SPEs”) that were established and are being operated for the purpose of securitization of receivables.

The Company securitizes its lease receivables to diversify its funding sources and ensure stable funding. In the securitization structures, the Company uses SPEs that include Tokurei Yugen Kaisha and Goudou Kaisha. The Company transfers the lease receivables to the SPEs in the securitization structures. The SPEs procure funds, such as borrowings, backed by the transferred assets and these funds flow back to the Company as sales proceeds of the transferred assets. The Company also provides collection services to the SPEs. A portion of the receivables is not transferred and is held by the Company. These receivables held by the Company are properly evaluated at the end of the fiscal year, and these are appropriately reflected in the consolidated financial statements.

As a result of securitizations, the Company had 8 and 15 SPEs that were not consolidated under Guidance No. 15 as of March 31, 2025 and 2024, respectively. Total assets (simply compiled amount) of such SPEs as of March 31, 2025 and 2024 were ¥254,903 million (\$1,704,700 thousand) and ¥345,920 million, respectively. Total liabilities (simply compiled amount) of such SPEs as of March 31, 2025 and 2024 were ¥254,881 million (\$1,704,549 thousand) and ¥345,894 million, respectively. Some employees of the Company serve as directors of the SPEs, and the Company owns voting rights in more than half of these entities.

The total amounts of Lease Receivables and Investments in Lease transferred from the Company to such SPEs in 2025 and 2024 were ¥11,209 million (\$74,963thousand) and ¥12,396 million, respectively, the amount of Factoring Receivable transferred from the Company to such SPEs in 2024 was ¥2,506 million while no amount was transferred in 2025. The Company recognized profit dividends of ¥562 million (\$3,759thousand) and ¥698 million, respectively, for the years ended March 31, 2025 and 2024, and servicing fees received of ¥0 million (\$7 thousand) and ¥1 million with respect to the transactions with such SPEs for the years ended March 31, 2025 and 2024. These amounts do not include transactions with SPEs that do not meet the criteria for off-balance-sheet transactions, because the Company treats these asset transfer transactions to the SPEs as financial transactions.

**(b) Business Combinations**

Business combinations are accounted for using the purchase method. Acquisition-related costs, such as advisory fees or professional fees, are accounted for as expenses in the periods in which the costs are incurred. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, an acquirer shall report in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, which shall not exceed one year from the acquisition, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and that would have affected the measurement of the amounts recognized as of that date. Such adjustments shall be recognized as if the accounting for the business combination had been completed at the acquisition date. The acquirer recognizes any bargain purchase gain in profit or loss immediately on the acquisition date after reassessing and confirming that all of the assets acquired and all of the liabilities assumed have

been identified after a review of the procedures used in the purchase price allocation. A parent's ownership interest in a subsidiary might change if the parent purchases or sells ownership interests in its subsidiary. The carrying amount of noncontrolling interests is adjusted to reflect the change in the parent's ownership interest in its subsidiary while the parent retains its controlling interest in its subsidiary. Any difference between the fair value of the consideration received or paid and the amount by which the noncontrolling interest is adjusted is accounted for as capital surplus as long as the parent retains control over its subsidiary.

**(c) Cash Equivalents**

Cash Equivalents are short-term investments that are readily convertible into cash and exposed to insignificant risk of changes in value. Cash Equivalents include time deposits, certificates of deposit, commercial paper and bond funds, all of which mature or become due within three months of the date of acquisition.

**(d) Lease Accounting**

In March 2007, the ASBJ issued ASBJ Statement No. 13, “Accounting Standard for Lease Transactions,” which revised the previous accounting standard for lease transactions. As a lessor, all finance leases that are deemed to transfer ownership of the leased property to the lessee are recognized as Lease Receivables, and all finance leases that are deemed not to transfer ownership of the leased property to the lessee are recognized as Investments in Lease. All other leases are accounted for as operating leases.

As a lessee, all finance leases that are deemed to transfer ownership of the leased property to the lessee are capitalized.

**(e) Installment Sales**

For installment sales contracts, Installment Sales Receivables are recognized for the principal equivalent portion of the total contract amounts when properties are delivered. Interest equivalent amounts are recognized as Installment Sales when the related installment receivables become due.

For sales-type contracts, Installment Sales and the corresponding Installment Cost of Sales are fully recognized when the property is sold. Interest equivalent amounts applicable to the portion to be collected are deferred and recorded as Deferred Profit on Installment Sales.

**(f) Operational Investment Securities and Investment Securities**

Operational Investment Securities and Investment Securities are classified as Available-for-sale Securities based upon management's intent. Available-for-sale Securities, which have fair value, are stated at fair value with changes in net unrealized gain or loss, net of applicable income taxes, included directly in Equity (cost of securities sold is calculated by the moving average method). Available-for-sale Securities, which do not have fair value, are stated at cost.

Operational Investment Securities is held for the purpose of generating operational financial income. The income from Operational Investment Securities is stated in Revenues in the Consolidated Statement of Income.

**(g) Loans Receivables and Factoring Receivables**

Loans to customers and receivables arising from factoring are included in Loans Receivables and Factoring Receivables, respectively. Income from these receivables is recognized as Revenues.

**(h) Property and Equipment**

- 1. Leased Assets  
Leased Property and Equipment are stated at cost and depreciated over the lease term by the straight-line method to the residual value, which is an amount to be realized at the time when the lease contract is terminated.
- 2. Other Operating Assets  
Other Operating Assets are stated at cost and depreciated by the straight-line method.
- 3. Own-used Assets  
Own-used Assets of the Company and its domestic consolidated subsidiaries are stated at cost and depreciated over the following estimated useful lives mainly by the declining-balance method:

|                        |            |
|------------------------|------------|
| Buildings              | 2-65 years |
| Fixtures and furniture | 2-20 years |

**(i) Long-lived Assets**

The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss is recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

**(j) Intangible Assets**

**1. Leased Assets**

Intangible Leased Assets are accounted for in the same way as Leased Property and Equipment.

**2. Own-used Software**

Own-used Software is amortized over the internally estimated useful lives (5 years) by the straight-line method.

**3. Other Intangible Assets**

Other Intangible Assets are stated at cost. Amortization of intangible assets by the Company and its domestic consolidated subsidiaries is mainly computed by the straight-line method over the estimated useful lives.

**(k) Bond Issue Costs and Stock Issue Costs**

Costs for bond issuance and stock issuance are expensed upon payment.

**(l) Allowance for Doubtful Receivables**

Allowance for Doubtful Receivables is provided based on the estimated historical default rate for general trade receivables, and is based on individual reviews for receivables from doubtful and legally bankrupt creditors.

The amounts of Long-term Receivables considered uncollectible, which include receivables from legally bankrupt creditors, were directly written off. The amounts directly written off were ¥4,191 million (\$28,029 thousand) and ¥5,693 million at March 31, 2025 and 2024, respectively.

**(m) Reserve for Bonus Payments**

The Company and certain domestic consolidated subsidiaries provide a reserve for future bonus payments to employees. This reserve is maintained at the estimated amount payable after the year-end based on the services provided during the fiscal year.

**(n) Reserve for Bonus Payments to Directors**

The Company and certain domestic consolidated subsidiaries provide a reserve for future bonus payments to executive officers. This reserve is maintained at the estimated amount payable for the fiscal year.

**(o) Retirement and Pension Plans**

The Company and certain consolidated subsidiaries have a corporate pension plan and/or lump-sum severance payment plan as a defined benefit type of a retirement benefits plan as well as a corporate pension plan as a defined contribution type of a retirement benefits plan. There are some cases in which extra retirement benefits are paid to employees when they retire.

The Company and certain consolidated subsidiaries account for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date. The projected benefit obligations are attributed to periods on a benefit formula basis. Actuarial gains and losses and past service costs that are yet to be recognized in profit or loss are recognized within equity (accumulated other comprehensive income), after adjusting for tax effects and are recognized in profit or loss over 10 to 17 years and 5 years, respectively, no longer than the expected average remaining service period of the employees. The discount rate is determined using a single weighted-average discount rate reflecting the estimated timing and amount of benefit payment.

**(p) Reserve for Management Board Benefit Trust**

Reserve for Management Board Benefit Trust is provided for the payment of the Company's shares, etc. to executive officers based on the estimated amount of stock benefit obligations at the end of the fiscal year.

**(q) Provision for Head Office Relocation Expenses**

Provision for Head Office Relocation Expenses is recognized for the losses associated with the relocation of the headquarters based on the estimated amount of the losses at the end of the fiscal year.

**(r) Asset Retirement Obligations**

An asset retirement obligation is recorded for a legal obligation imposed either by law or contract that results from the acquisition, construction, development and normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of the asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an adjustment to the carrying amount of the liability and the capitalized amount of the related asset retirement cost.

**(s) Accruals for Debt Guarantees**

The Company and certain domestic consolidated subsidiaries provide Accruals for Debt Guarantees for losses that might occur in relation to guarantees of the indebtedness of others, taking the debtors' financial condition into consideration.

**(t) Income Taxes**

The Company and its domestic consolidated subsidiaries are subject to corporate tax, inhabitants' taxes and enterprise taxes. Deferred income taxes are recorded by the asset and liability method based on the differences between the tax bases of assets and liabilities and those as reported in the consolidated financial statements, using enacted tax rates that will be in effect when the differences are expected to reverse.

**(u) Recognition of Revenues and Cost of Sales**

Revenues and cost of sales relating to finance lease transactions are recognized when lease payments are to be received.

Revenues and cost of sales relating to operating lease transactions are based on the monthly amounts of lease payments to be received under lease agreements over the lease agreement periods. The monthly lease payments corresponding to each period are allocated to revenue for that period. When leased property is sold, the sales amount and carrying amount of such leased property are recognized as revenues and cost of sales, respectively.

**(v) Translation of Foreign Currency Assets and Liabilities**

**1. Translation of foreign currency transactions**

All monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date. The foreign exchange gains and losses from translation are recognized in the Consolidated Statement of Income as income or expenses.

Revenue and expense items arising from transactions denominated in foreign currencies are generally translated into Japanese yen at the rates effective at the respective transaction dates.

**2. Translation of foreign currency financial statements**

The assets, liabilities, revenues and expenses of overseas consolidated subsidiaries are translated into Japanese yen at the exchange rates at the balance sheet dates of each subsidiary. Differences arising from such translation are shown in either Non-controlling Interests or Foreign Currency Translation Adjustments under Accumulated Other Comprehensive Income in a separate component of Equity.

**(w) Derivatives and Hedging Activities**

The Group uses derivative financial instruments to manage its exposures to fluctuations in foreign exchange and interest rates. Interest rate swaps are utilized to manage interest rate risks associated with certain assets and liabilities, including Loans Receivables and Long-term Debt. Short-term Borrowings and Long-term Debt and Foreign currency forward

contracts are utilized to reduce risks from fluctuations of foreign currency exchange rates associated with certain assets including Operational Investment Securities and Investment Securities as well as committed transactions denominated in foreign currencies. Interest rate and currency swaps are utilized to manage interest rate risks as well as foreign currency risks. The Group does not enter into derivatives for trading or speculative purposes.

Derivative financial instruments and foreign currency transactions are classified and accounted for as follows: a) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the Consolidated Statement of Income and b) for derivatives used for hedging purposes, if such derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions.

Interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense.

(x) Per Share Information

Basic net income per share is computed by dividing net income attributable to common shareholders by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits. Cash dividends per share shown in the Consolidated Statement of Income are the amounts applicable to the respective fiscal years including dividends to be paid after the end of the year.

(y) Accounting Policy Disclosures, Accounting Changes and Error Corrections

Under ASBJ Statement No. 24, “Accounting Standard for the revised ASBJ Statement No.24 (revised 2020) Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections,” accounting treatments are required as follows: (1) Disclosure of Accounting Policies – Significant accounting policies are disclosed in the case where the related accounting standards are not clarified. (2) Changes in Accounting Policies - When a new accounting policy is applied following revision of an accounting standard, the new policy is applied retrospectively unless the revised accounting standard includes specific transitional provisions in which case the entity shall comply with the specific transitional provisions. (3) Changes in Presentation - When the presentation of financial statements is changed, prior-period financial statements are reclassified in accordance with the new presentation. (4) Changes in Accounting Estimates - A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods. (5) Corrections of Prior-Period Errors - When an error in prior-period financial statements is discovered, those statements are restated.

(z) New Accounting Pronouncement

Accounting Standard for Leases and other — On September 13, 2024, the ASBJ issued ASBJ Statement No. 34, “Accounting Standard for Leases” and ASBJ Guidance No. 33, “Implementation Guidance on Accounting Standard for Leases.”

As part of its efforts to make the Japanese GAAP internationally consistent, the ASBJ had been considering developing accounting standards for leases in which assets and liabilities are recognized for all leases of lessees, taking into account international accounting standards. Accordingly, the ASBJ issued the Accounting Standard for Leases, etc., which were developed under a basic policy with the aim of being simple and highly convenient by incorporating only the key provisions of IFRS 16 instead of all the provisions, despite being based on the single accounting model of IFRS 16, while the adjustments are not required basically even when the provisions of IFRS 16 are applied for non-consolidated financial statements.

As for the accounting treatment of lessees, the single accounting model is applied to the method of allocating the lessee’s lease expenses. In this method, depreciation expenses for right-of-use assets and interest expenses for lease liabilities are recorded for all leases, regardless of whether the lease is a finance lease or an operating lease, same as IFRS 16.

As for the accounting treatment of lessors, the revenue recognition method for finance leases is revised. Instead of recognizing revenues and cost of sales when lease payments are received, lease payments are allocated between an interest component and a principal recovery component, and the interest component is recognized in profit or loss for each period, while the principal component is accounted for as recovery of the lease receivable and investment in the lease.

The Group expects to apply the accounting standards and guidance for the fiscal year beginning on or after April 1, 2027, and is in the process of measuring the effects of applying the accounting standards and guidance in future applicable periods.

(aa) Management Board Benefit Trust system (the “BBT”)

The Company has introduced a performance-linked stock compensation system (the “Stock Compensation System”) for directors and executive officers who are not concurrently serving as director (“Directors, etc.”). The Stock Compensation System aims to raise awareness of Directors, etc. to contribute to the improvement of medium- and long-term performance and increase in corporate value, by clarifying the link between compensation for Directors, etc., and the Company’s performance and stock value, and sharing with shareholders not only the benefits of increase in stock price but also the risk of decline in stock price.

1. Outline of Stock Compensation System

The Stock Compensation System is a performance-linked stock-based system where the Company’s shares are acquired through a trust by fund contributed by the Company, and the Company’s shares and/or the money equivalent to the market value of the Company’s shares are paid to Directors, etc., through trusts in accordance with the Company’s executive share benefit rules. In principle, Directors, etc., receive the Company’s stocks at a certain time each year and receive benefits in the form of cash equivalent to the amount obtained by converting the Company’s stocks at market value upon the retirement of the Directors, etc. If Directors, etc. receive benefits in the form of the Company’s stocks during their term of office, they enter into a transfer restriction agreement with the Company prior to receiving benefits in the form of the Company’s stocks.

2. Shares of the Company held in trust

Shares of the Company held in trust are recorded as Treasury Stock in Equity at book value in the trust (excluding accompanying expenses). The carrying amount of such Treasury Stock for the year ended March 31, 2025 was ¥2,055 million (\$13,749 thousand), while the number of such treasury stock was 2,755,500 shares.

(Note) The Company enacted a five-for-one stock split of its common stock with an effective date of April 1, 2024. As a result, the above numbers of shares are based on the number of shares after the stock split.

3. Significant Accounting Estimate

Recognition of Allowance for Doubtful Receivables

- (a) Carrying amount  
Allowance for Doubtful Receivables in Current Assets and Investments and Other Assets ¥4,782 million (\$31,980 thousand)
- (b) Information on the significant accounting estimate
- (i) Major assumptions used in the estimate calculation  
According to the internally established standards for write-off and allowances, the Group recognizes the necessary amounts of allowances for doubtful receivables for each category of receivables. In determining the category of receivables, the assumption for the debtor’s future condition is used.
- (ii) Calculation of the estimate  
The Group’s policy for Allowances for Doubtful Receivables is described in Note 2. Summary of Significant Accounting Policies (I) Allowances for Doubtful Receivables. The Allowance for Doubtful Receivables for general trade receivables is provided based on the estimated credit loss for the one year following the end of the fiscal year. The estimated credit loss is calculated based on the average annual historical default rate during the past three calculation periods. The Allowance for Doubtful Receivables for receivables from doubtful and legally bankrupt debtors is provided based on individual reviews of the possibility of recovery.
- (iii) Impact on the consolidated financial statements for the following fiscal year  
The assumption used in determining the category of receivables in the above (i) Major assumptions used in the estimate calculation are uncertain. Due to the uncertainty of the assumption and the possible change of business environment in the specific industries, the provision for Allowances for Doubtful Receivables may increase or decrease.

4. Change in Presentation

Bond Issuance Costs, which were presented separately in Other Income (Expenses) section for the fiscal year ended March 31, 2024, has been included in “Other-net” for the fiscal year ended March 31, 2025, as the amount has become immaterial. The amount of Bond Issuance Costs for the year ended March 31, 2025 and 2024 was ¥450 million (\$3,013 thousand) and ¥559 million, respectively.

5. Operational Investment Securities and Investment Securities

(1) Available-for-sale Securities whose fair values are readily determinable as of March 31, 2025 and 2024 were as follows:

Available-for-sale Securities

Securities with carrying amounts exceeding acquisition costs

| (Millions of yen)       |                 |                  |                 |                 |                  |                 |
|-------------------------|-----------------|------------------|-----------------|-----------------|------------------|-----------------|
|                         | 2025            |                  |                 | 2024            |                  |                 |
|                         | Carrying amount | Acquisition cost | Unrealized gain | Carrying amount | Acquisition cost | Unrealized gain |
| Equity Securities Bonds | ¥21,344         | ¥10,190          | ¥11,154         | ¥21,111         | ¥8,012           | ¥13,098         |
| Bonds                   |                 |                  |                 |                 |                  |                 |
| Corporate Bonds         | 57,116          | 55,772           | 1,344           | 70,271          | 67,421           | 2,849           |
| Other                   | 41,718          | 36,299           | 5,418           | 37,317          | 32,722           | 4,594           |
| Total                   | ¥120,179        | ¥102,262         | ¥17,917         | ¥128,700        | ¥108,157         | ¥20,542         |

| (Thousands of U.S. dollars) |                 |                  |                 |
|-----------------------------|-----------------|------------------|-----------------|
|                             | 2025            |                  |                 |
|                             | Carrying amount | Acquisition cost | Unrealized gain |
| Equity Securities Bonds     | \$142,745       | \$68,148         | \$74,597        |
| Bonds                       |                 |                  |                 |
| Corporate Bonds             | 381,975         | 372,985          | 8,990           |
| Other                       | 278,995         | 242,758          | 36,237          |
| Total                       | \$803,715       | \$683,891        | \$119,824       |

Securities with carrying amounts not exceeding acquisition costs

| (Millions of yen)       |                 |                  |                 |                 |                  |                 |
|-------------------------|-----------------|------------------|-----------------|-----------------|------------------|-----------------|
|                         | 2025            |                  |                 | 2024            |                  |                 |
|                         | Carrying amount | Acquisition cost | Unrealized loss | Carrying amount | Acquisition cost | Unrealized loss |
| Equity Securities Bonds | ¥2,069          | ¥2,111           | ¥-41            | ¥1,940          | ¥1,965           | ¥-25            |
| Bonds                   |                 |                  |                 |                 |                  |                 |
| Corporate Bonds         | 49,203          | 49,900           | -696            | 45,138          | 45,600           | -461            |
| Other                   | 3,151           | 3,158            | -6              | 3,406           | 3,406            | -               |
| Total                   | ¥54,425         | ¥55,169          | ¥-744           | ¥50,485         | ¥50,972          | ¥-486           |

| (Thousands of U.S. dollars) |                 |                  |                 |
|-----------------------------|-----------------|------------------|-----------------|
|                             | 2025            |                  |                 |
|                             | Carrying amount | Acquisition cost | Unrealized loss |
| Equity Securities Bonds     | \$13,841        | \$14,120         | (\$280)         |
| Bonds                       |                 |                  |                 |
| Corporate Bonds             | 329,057         | 333,712          | -4,655          |
| Other                       | 21,078          | 21,120           | -42             |
| Total                       | \$363,976       | \$368,953        | \$-4,977        |

(2) Proceeds from sales of Available-for-sale Securities for the years ended March 31, 2025 and 2024 were ¥988 million (\$6,609 thousand) and ¥1,610 million, respectively. Gross realized gains and losses on these sales were ¥408 million (\$2,733 thousand) and ¥9 million (\$65 thousand) for the year ended March 31, 2025. Gross realized gains on these sales were ¥250 million and no gross losses were incurred for the year ended March 31, 2024.

(3) The Group recorded impairment losses on investment securities of ¥41 million (\$278 thousand) and ¥28 million for the years ended March 31, 2025 and 2024, respectively.

6. Operating Assets

(1) Operating Assets as of March 31, 2025 and 2024 consisted of the following:

|                                     | (Millions of yen) | (Thousands of U.S. dollars) |              |
|-------------------------------------|-------------------|-----------------------------|--------------|
|                                     | 2025              | 2024                        | 2025         |
| Leasing and Installment Sales:      |                   |                             |              |
| Finance Lease                       | ¥1,040,972        | ¥1,050,711                  | \$6,961,633  |
| Operating Lease                     | 815,415           | 539,846                     | 5,453,187    |
| Installment Sales (*1)              | 113,951           | 104,359                     | 762,062      |
| Leasing and Installment Sales total | 1,970,339         | 1,694,916                   | 13,176,882   |
| Finance                             | 1,217,493         | 1,097,477                   | 8,142,137    |
| Other                               | 94,024            | 66,504                      | 628,798      |
| Total Operating Assets              | ¥3,281,857        | ¥2,858,898                  | \$21,947,817 |

(\*1) The amount of Installment Sales represents "Installment Sales Receivables" less "Deferred Profit on Installment Sales".

(2) The total amounts of new contracts for the years ended March 31, 2025 and 2024 were as follows:

|                                     | (Millions of yen) | (Thousands of U.S. dollars) |              |
|-------------------------------------|-------------------|-----------------------------|--------------|
|                                     | 2025              | 2024                        | 2025         |
| Leasing and Installment Sales:      |                   |                             |              |
| Finance Lease                       | ¥389,832          | ¥264,562                    | \$2,607,053  |
| Operating Lease                     | 507,350           | 357,116                     | 3,392,968    |
| Installment Sales (*1)              | 59,848            | 54,003                      | 400,244      |
| Leasing and Installment Sales total | 957,031           | 675,682                     | 6,400,265    |
| Finance                             | 814,940           | 792,759                     | 5,450,011    |
| Other                               | 23,712            | -                           | 158,583      |
| Total Operating Assets              | ¥1,795,684        | ¥1,468,441                  | \$12,008,859 |

7. Investment Property

Certain domestic consolidated subsidiaries own certain rental properties such as commercial facilities with land in Tokyo and other areas. Net rental income for these rental properties for the years ended March 31, 2025 and 2024 was ¥7,941 million (\$53,109 thousand) and ¥3,890 million, respectively. Rental income and operating expenses are mainly recognized as "Revenues" and "Cost and Expenses", respectively.

Gain on sales of rental properties for the years ended March 31, 2025 and 2024 was ¥1,857 million (\$12,421 thousand) and ¥2,832 million, respectively. Proceeds from sales of rental properties and costs are recognized as "Revenues" and "Cost and Expenses", respectively, otherwise net gain on sales is recognized as "Other Income (Expense)".

The carrying amounts, changes in such balances and market prices of such properties are as follows:

| (Millions of yen)           |             |             |             |  |
|-----------------------------|-------------|-------------|-------------|--|
| Carrying Amount             |             |             | Fair Value  |  |
| 1-Apr-24                    | Increase    | 31-Mar-25   | 31-Mar-25   |  |
| ¥404,256                    | ¥264,363    | ¥668,619    | ¥732,137    |  |
| (Millions of yen)           |             |             |             |  |
| Carrying Amount             |             |             | Fair Value  |  |
| 1-Apr-23                    | Increase    | 31-Mar-24   | 31-Mar-24   |  |
| ¥263,116                    | ¥141,139    | ¥404,256    | ¥441,249    |  |
| (Thousands of U.S. dollars) |             |             |             |  |
| Carrying Amount             |             |             | Fair Value  |  |
| 1-Apr-24                    | Increase    | 31-Mar-25   | 31-Mar-25   |  |
| \$2,703,511                 | \$1,767,965 | \$4,471,476 | \$4,896,256 |  |

(\*1) Carrying amount recognized in the Consolidated Balance Sheets is net of accumulated depreciation.  
(\*2) "Increase" for the year ended March 31, 2025 and 2024 primarily represents the acquisition of certain properties for ¥484,502 million (\$3,240,166 thousand) and ¥329,866 million, respectively.  
(\*3) Fair values of properties are mainly determined by appraisal reports issued by real estate appraisers.

8. Other Assets

On March 31, 2020, Mizuho-TOSHIBA Leasing Company, Limited (hereinafter “MTL”), the Company’s consolidated subsidiary, filed suit against NS Solutions Corporation (hereinafter “NS Solutions”) in the Tokyo District Court, claiming that MTL has a legitimate right to charge the sales price in the sales contract for system server and its peripheral devices concluded with NS Solutions (hereinafter “the Contract”), though NS Solutions intended to cancel the Contract in November 2019. The Receivable amounts equivalent to the sales price, amounting to ¥10,620 million (\$71,026 thousand) as of March 31, 2025 and 2024, are included in “Other” of Investments and Other Assets in the accompanying consolidated balance sheet. In connection with the settlement reached on May 19, 2025, the entire outstanding receivable was fully collected.

9. Pledged Assets

Assets pledged as collateral as of March 31, 2025 were as follows:

|                                            | (Millions of yen) | (Thousands of U.S. dollars) |
|--------------------------------------------|-------------------|-----------------------------|
|                                            | 2025              | 2025                        |
| Lease Receivables and Investments in Lease | ¥24,318           | \$162,630                   |
| Loans                                      | 26,894            | 179,859                     |
| Operational Investment Securities          | 30,971            | 207,123                     |
| Leased Assets                              | 37,801            | 252,805                     |
| Other Operating Assets                     | 57,991            | 387,823                     |
| Investment Securities                      | 16                | 110                         |
| Total                                      | ¥177,993          | \$1,190,350                 |

Liabilities secured by the above assets as of March 31, 2025 were as follows:

|                                   | (Millions of yen) | (Thousands of U.S. dollars) |
|-----------------------------------|-------------------|-----------------------------|
|                                   | 2025              | 2025                        |
| Short-term Borrowings             | ¥21,126           | \$141,285                   |
| Current Portion of Long-term Debt | 25,204            | 168,560                     |
| Long-term Debt                    | 64,758            | 433,081                     |
| Total                             | ¥111,089          | \$742,926                   |

10.Short-term Borrowings and Long-term Debt

(1) “Short-term Borrowings” as of March 31, 2025 and 2024 was as follows:

|                                                                   | (Millions of yen) |            | (Thousands of U.S. dollars) | Weighted average interest rate |
|-------------------------------------------------------------------|-------------------|------------|-----------------------------|--------------------------------|
|                                                                   | 2025              | 2024       | 2025                        | 2025                           |
| Short-term Borrowings                                             |                   |            |                             |                                |
| Short-term Borrowings from banks and other financial institutions | ¥711,901          | ¥524,116   | \$4,760,927                 | 1.38%                          |
| Commercial Paper                                                  | 662,600           | 655,400    | 4,431,218                   | 0.54%                          |
| Payables under securitized lease receivables                      | 51,298            | 55,650     | 343,062                     | 0.57%                          |
| Total                                                             | ¥1,425,799        | ¥1,235,166 | \$9,535,207                 |                                |
| Current Portion of Long-term Debt                                 |                   |            |                             |                                |
| Bonds payable, Japanese Yen                                       | ¥62,000           | ¥35,000    | \$414,632                   | 0.040%~1.167%                  |
| Bonds payable, Indian Rupee                                       | 1,062             | 1,723      | 7,108                       | 8.350%~9.350%                  |
| Long-term Debt from banks and other financial institutions        | 360,302           | 328,051    | 2,409,564                   | 1.59%                          |
| Total                                                             | ¥423,364          | ¥364,774   | \$2,831,304                 |                                |

(2) “Long-term Debt” as of March 31, 2025 and 2024 was as follows:

|                                                            | (Millions of yen) |            | (Thousands of U.S. dollars) | Weighted average interest rate |
|------------------------------------------------------------|-------------------|------------|-----------------------------|--------------------------------|
|                                                            | 2025              | 2024       | 2025                        | 2025                           |
| Long-term Debt                                             |                   |            |                             |                                |
| Bonds payable, Japanese Yen                                | ¥413,200          | ¥359,200   | \$2,763,325                 | 0.040%~1.310%                  |
| Bonds payable, U.S. Dollar                                 | 7,326             | 7,418      | 48,996                      | 2.745%                         |
| Bonds payable, Indian Rupee                                | 2,756             | 127        | 18,431                      | 8.350%~9.350%                  |
| Long-term Debt from banks and other financial institutions | 958,960           | 833,231    | 6,413,164                   | 1.34%                          |
| Payables under securitized lease receivables               | 46,664            | 42,509     | 312,073                     | 0.83%                          |
| Total                                                      | ¥1,428,907        | ¥1,242,486 | \$9,555,989                 |                                |

(\*1) The Group has entered into overdraft contracts with 50 and 51 financial institutions that provide the Group with credit facilities amounting to ¥1,186,083 million (\$7,932,080 thousand) and ¥987,997 million as of March 31, 2025 and 2024, respectively. The unused facilities maintained by the Group as of March 31, 2025 and 2024 amounted to ¥537,651 million (\$3,595,608 thousand) and ¥486,558 million, respectively.

(\*2) “Payables under securitized lease receivables” is a type of financing based on the law for the regulation of specific claims. The lease receivables sold under this law as of March 31, 2025 and 2024 were ¥124,581 million (\$833,153 thousand) and ¥124,339 million respectively.

(\*3) The aggregate annual maturities of “Long-term Debt” as of March 31, 2025 were as follows:

| Years Ending        | (Millions of yen) | (Thousands of U.S. dollars) |
|---------------------|-------------------|-----------------------------|
| 31-Mar              | 2025              | 2025                        |
| 2027                | ¥363,619          | \$2,431,749                 |
| 2028                | 331,031           | 2,213,815                   |
| 2029                | 256,273           | 1,713,858                   |
| 2030                | 228,791           | 1,530,072                   |
| 2031 and thereafter | 249,190           | 1,666,495                   |
| Total               | ¥1,428,907        | \$9,555,989                 |

11.Retirement and Pension Plans

Outline of plans

The Company and certain consolidated subsidiaries have a corporate pension plan and/or lump-sum severance payment plan as a defined benefit retirement benefits plan as well as a corporate retirement plan as a defined contribution retirement benefits plan. There are some cases in which extra retirement benefits are paid to employees when they retire.

Defined benefit plan

(1) The changes in defined benefit obligation for the years ended March 31, 2025 and 2024, were as follows:

|                              | (Millions of yen) |        | (Thousands of U.S. dollars) |
|------------------------------|-------------------|--------|-----------------------------|
|                              | 2025              | 2024   | 2025                        |
| Balance at beginning of year | ¥7,348            | ¥7,095 | \$49,144                    |
| Current service cost         | 536               | 482    | 3,586                       |
| Interest cost                | 29                | 28     | 194                         |
| Actuarial losses             | 108               | 6      | 723                         |
| Benefits paid                | -319              | -264   | -2,139                      |
| Balance at end of year       | ¥7,702            | ¥7,348 | \$51,508                    |

(\*1) Certain consolidated subsidiaries that have lump-sum severance payment plans use the simplified method in determining the projected benefit obligations.

(2) The changes in plan assets for the years ended March 31, 2025 and 2024, were as follows:

|                                 | (Millions of yen) |        | (Thousands of U.S. dollars) |
|---------------------------------|-------------------|--------|-----------------------------|
|                                 | 2025              | 2024   | 2025                        |
| Balance at beginning of year    | ¥6,611            | ¥5,446 | \$44,215                    |
| Expected return on plan assets  | 37                | 10     | 248                         |
| Actuarial losses                | -76               | 1,014  | -509                        |
| Contributions from the employer | 252               | 242    | 1,686                       |
| Benefits paid                   | -141              | -102   | -950                        |
| Balance at end of year          | ¥6,682            | ¥6,611 | \$44,690                    |

(3) Reconciliation between the liability recorded in the Consolidated Balance Sheet and the balances of defined benefit obligation and plan assets as of March 31, 2025 and 2024, were as follows:

|                                                       | (Millions of yen) |        | (Thousands of U.S. dollars) |
|-------------------------------------------------------|-------------------|--------|-----------------------------|
|                                                       | 2025              | 2024   | 2025                        |
| Defined benefit obligation                            | ¥5,203            | ¥4,925 | \$34,797                    |
| Plan assets                                           | -6,682            | -6,611 | -44,690                     |
| Total                                                 | -1,479            | -1,685 | -9,893                      |
| Unfunded defined benefit obligation                   | 2,498             | 2,422  | 16,711                      |
| Net liability arising from defined benefit obligation | ¥1,019            | ¥736   | \$6,818                     |

|                                                       | (Millions of yen) |        | (Thousands of U.S. dollars) |
|-------------------------------------------------------|-------------------|--------|-----------------------------|
|                                                       | 2025              | 2024   | 2025                        |
| Liability for employees' retirement benefits          | ¥2,498            | ¥2,422 | \$16,711                    |
| Asset for employees' retirement benefits              | -1,479            | -1,685 | -9,893                      |
| Net liability arising from defined benefit obligation | ¥1,019            | ¥736   | \$6,818                     |

(4) The components of net periodic benefit costs for the years ended March 31, 2025 and 2024, were as follows:

|                                | (Millions of yen) |      | (Thousands of U.S. dollars) |
|--------------------------------|-------------------|------|-----------------------------|
|                                | 2025              | 2024 | 2025                        |
| Service cost (*1)              | ¥536              | ¥482 | \$3,586                     |
| Interest cost                  | 29                | 28   | 194                         |
| Expected return on plan assets | -37               | -10  | -247                        |
| Recognized actuarial gains     | -122              | -61  | -818                        |
| Recognized past service costs  | -17               | -17  | -114                        |
| Net periodic benefit costs     | ¥388              | ¥421 | \$2,601                     |

(\*1) Service cost includes retirement benefits expenses of certain consolidated subsidiaries that use the simplified method.

(5) Amounts recognized in other comprehensive income (before income tax effect) in respect of defined retirement benefit plans for the years ended March 31, 2025 and 2024, were as follows:

|                          | (Millions of yen) |      | (Thousands of U.S. dollars) |
|--------------------------|-------------------|------|-----------------------------|
|                          | 2025              | 2024 | 2025                        |
| Past service costs       | ¥-17              | ¥-17 | (\$115)                     |
| Actuarial (losses) gains | -341              | 946  | -2,287                      |
| Total                    | ¥-359             | ¥929 | \$-2,402                    |

(6) Amounts recognized in accumulated other comprehensive income (before income tax effect) in respect of defined retirement benefit plans as of March 31, 2025 and 2024, were as follows:

|                                 | (Millions of yen) |        | (Thousands of U.S. dollars) |
|---------------------------------|-------------------|--------|-----------------------------|
|                                 | 2025              | 2024   | 2025                        |
| Unrecognized past service costs | ¥-                | ¥17    | \$-                         |
| Unrecognized actuarial gains    | 1,433             | 1,775  | 9,587                       |
| Total                           | ¥1,433            | ¥1,792 | \$9,587                     |

(7) Plan assets as of March 31, 2025 and 2024, were as follows:

a. Components of plan assets

Plan assets consisted of the following:

|                                    | 2025 | 2024  |
|------------------------------------|------|-------|
| Domestic debt investments          | 20%  | 19.2% |
| Domestic equity investments        | 23.5 | 24.9  |
| Foreign debt investments           | 8.4  | 8.2   |
| Foreign equity investments         | 21.9 | 22.6  |
| Insurance assets (general account) | 22.6 | 22.2  |
| Others                             | 3.6  | 2.9   |
| Total                              | 100% | 100%  |

b. Method of determining the expected rate of return on plan assets

The expected rate of return on plan assets is determined considering the long-term rates of return that are expected currently and in the future from the various components of the plan assets.

(8) Assumptions used for the years ended March 31, 2025 and 2024, are set forth as follows:

|                                          | 2025         | 2024         |
|------------------------------------------|--------------|--------------|
| Discount rate                            | 0.30 – 0.47% | 0.30 - 0.47% |
| Expected rate of return on plan assets   | 0.56%        | 0.6%         |
| Expected rate of future salary increases | 3.24 - 6.76% | 3.24 - 6.84% |

#### Defined contribution plan

The Group's contributions to the defined contribution retirement plan for the years ended March 31, 2025 and 2024, were ¥53 million (\$358 thousand) and ¥86 million, respectively.

12.Income Taxes

The Company and certain consolidated subsidiaries are subject to a number of taxes based on income, which, in the aggregate, resulted in a normal effective statutory tax rate in Japan of approximately 30.6% for the years ended March 31, 2025 and 2024.

Deferred Tax Assets and Liabilities consisted of the following:

|                                                      | (Millions of yen) |         | (Thousands of U.S. dollars) |
|------------------------------------------------------|-------------------|---------|-----------------------------|
|                                                      | 2025              | 2024    | 2025                        |
| Deferred Tax Assets:                                 |                   |         |                             |
| Allowance for Doubtful Receivables                   | ¥1,214            | ¥655    | \$8,120                     |
| Depreciation                                         | 861               | 760     | 5,764                       |
| Liability for Employees’ Retirement Benefits         | 355               | 373     | 2,375                       |
| Write-off of Securities                              | 7,433             | 7,140   | 49,714                      |
| Accrued Enterprise Tax                               | 765               | 586     | 5,121                       |
| Other                                                | 9,995             | 13,847  | 66,843                      |
| Deferred Tax Assets Subtotal                         | 20,625            | 23,364  | 137,937                     |
| Valuation Allowance                                  | -6,407            | -6,262  | -42,849                     |
| Total Deferred Tax Assets                            | 14,218            | 17,101  | 95,088                      |
| Deferred Tax Liabilities:                            |                   |         |                             |
| Net unrealized gain on Available-for-sale Securities | -7,421            | -8,428  | -49,632                     |
| Investments in Lease                                 | -959              | -699    | -6,417                      |
| Other                                                | -8,418            | -6,872  | -56,302                     |
| Total Deferred Tax Liabilities                       | -16,799           | -16,000 | -112,351                    |
| Net Deferred Tax Assets                              | ¥-2,581           | ¥1,101  | \$-17,263                   |

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the years ended March 31, 2025 and 2024, are as follows:

|                                                                           | 2025  | 2024  |
|---------------------------------------------------------------------------|-------|-------|
| Normal effective statutory tax rate                                       | 30.6% | 30.6% |
| Inhabitants tax per capita levy                                           | 0.1   | 0.1   |
| Permanent differences, such as entertainment expenses                     | 0.2   | 1     |
| Amortization of goodwill                                                  | 0.2   | 0.2   |
| Valuation allowance                                                       | -0.1  | -0.1  |
| Equity in Earnings of Associated Companies                                | -0.4  | -5.6  |
| Increase in Deferred Tax Assets due to the rise in the statutory tax rate | -0.2  | -     |
| Other-net                                                                 | 1.4   | 1.2   |
| Actual effective tax rate                                                 | 31.8% | 27.4% |

On March 31, 2025, a tax reform law was enacted in Japan which changed the normal effective statutory tax rate for the fiscal years beginning on April 1, 2025 to approximately 30.6% and for the fiscal year on or after April 1, 2026 to approximately 31.5%. The effect of this change was to increase deferred tax assets, net of deferred tax liabilities, by ¥21 million (\$144 thousand) and Deferred Gain on Derivatives under Hedge Accounting by ¥68 million (\$461 thousand) in the Consolidated Balance Sheet as of March 31, 2025. This change also decreased Income Taxes-Deferred by ¥166 million (\$1,113 thousand) in the Consolidated Statement of Income for the year then ended, Unrealized Gain on Available-for-sale Securities by ¥200 million (\$1,338 thousand) and Defined Retirement Benefit Plans by ¥13 million (\$90 thousand) in the Consolidated Balance Sheet as of March 31, 2025.

13.Commitments and Contingent Liabilities

(1) Commitments  
The Company had loan commitment agreements as of March 31, 2025 and 2024 of ¥58,467 million (\$391,007 thousand) and ¥31,405 million, respectively. The loans provided under these credit facilities as of March 31, 2025 and 2024 amounted to ¥19,282 million (\$128,957thousand) and ¥11,391 million, respectively. Many of these facilities expire without being utilized and the related borrowings are subject to periodic reviews of the borrowers’ credibility. Any unused amount will not necessarily be utilized in full.

(2) Contingent Liabilities  
Contingent Liabilities as of March 31, 2025 were as follows:

|                                                                 | (Millions of yen) | (Thousands of U.S. dollars) |
|-----------------------------------------------------------------|-------------------|-----------------------------|
|                                                                 | 2025              | 2025                        |
| Guarantee Obligations with respect to operating activities (*1) | ¥23,438           | \$156,749                   |
| Other Guarantee Obligations                                     | 16,163            | 108,097                     |
| Total                                                           | ¥39,602           | \$264,846                   |

(\*1) The amount includes deposits provided by SoftBank Corp. and others, which are guaranteed by the Company.

14.Equity

Japanese companies are subject to the Companies Act of Japan (the “Companies Act”). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends  
Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividends upon resolution at the shareholders meeting. Additionally, for companies that meet certain criteria such as (1) having a Board of Directors, (2) having independent auditors, (3) having a Board of Audit & Supervisory Board members, and (4) the term of service of the directors being prescribed as one year rather than the normal two-year term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends-in-kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. However, the Company cannot do so because it does not meet (4) of the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to certain limitations and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

(b) Increases / decreases and transfer of common stock, reserve and surplus  
The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of the aggregate amount of legal reserves and additional paid-in capital equals 25% of common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserves may be reversed without limitation. The Companies Act also provides that common stock, legal reserves, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts within equity under certain conditions upon resolution of the shareholders.

(c) Treasury stock and treasury stock acquisition rights  
The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula.

15.Selling, General and Administrative Expenses

Major components of Selling, General and Administrative Expenses were as follows:

|                                                          | (Millions of yen) |        | (Thousands of U.S. dollars) |
|----------------------------------------------------------|-------------------|--------|-----------------------------|
|                                                          | 2025              | 2024   | 2025                        |
| Accruals for Doubtful Receivables                        | ¥1,081            | ¥2,264 | \$7,233                     |
| Reversal for Debt Guarantees                             | 0                 | 0      | -6                          |
| Salaries and Wages                                       | 12,024            | 11,051 | 80,418                      |
| Provision for Bonus Payments                             | 2,220             | 1,717  | 14,850                      |
| Provision for Bonus Payments to Directors                | 311               | 282    | 2,080                       |
| Retirement Benefits Costs for Employees                  | 442               | 507    | 2,958                       |
| Provision for Reserve for Management Board Benefit Trust | 307               | 229    | 2,058                       |
| Commission Expenses                                      | 3,860             | 2,844  | 25,815                      |

16.Segment Information

Under ASBJ Statement No. 17, “Accounting Standard for Segment Information Disclosures,” and ASBJ Guidance No. 20, “Guidance on Accounting Standard for Segment Information Disclosures,” an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity whose separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

(1) Description and revision of reportable segments

The reportable segments of the Group are those for which separate financial information is available and regular evaluation by the Company management is being performed in order to decide periodically how resources are allocated among the Group.

The Group provides total financial services such as leasing business, installment sales and loan business to a wide range of customers from large companies to small and medium-sized companies. The Group has three business segments based on its services: “Leasing and Installment Sales”, “Finance” and “Other”.

“Leasing and Installment Sales” segment represents leasing business and installment sales business for real estate, industrial machinery, information-related equipment, transportation equipment and environment and energy related equipment. “Finance” segment represents loan business, investment business and factoring business for real estate, aircraft, ship and environment and energy sector. “Other” segment represents buying and selling of used properties business, electric power generation business and others.

(2) Methods of measurement for the amounts of sales, profit, assets, liabilities and other items for each reportable segment

The accounting policies of each reportable segment are consistent with those disclosed in Note 2, “Summary of Significant Accounting Policies”.

(3) Information about sales, profit, assets, liabilities and other items for the years ended March 31, 2025 and 2024 was as follows:

|                                  | (Millions of yen)                |            |          |            |                                   |                  |
|----------------------------------|----------------------------------|------------|----------|------------|-----------------------------------|------------------|
|                                  | 2025                             |            |          |            |                                   |                  |
|                                  | Reportable segment               |            |          | Total      | Reconciliations<br>(*1) (*2) (*3) | Consolidated(*4) |
|                                  | Leasing and<br>Installment Sales | Finance    | Other    |            |                                   |                  |
| Sales:                           |                                  |            |          |            |                                   |                  |
| Sales to external customers      | ¥645,193                         | ¥41,488    | ¥8,742   | ¥695,423   | ¥-                                | ¥695,423         |
| Intersegment sales and transfers | 173                              | 2,265      | 141      | 2,580      | -2,580                            | -                |
| Total                            | 645,366                          | 43,753     | 8,883    | 698,003    | -2,580                            | 695,423          |
| Operating Expenses               | 617,009                          | 19,945     | 7,481    | 644,435    | 2,021                             | 646,457          |
| Segment Profit                   | ¥28,356                          | ¥23,808    | ¥1,402   | ¥53,567    | ¥-4,601                           | ¥48,966          |
| Segment Assets                   | ¥2,107,174                       | ¥1,574,651 | ¥105,210 | ¥3,787,036 | ¥111,024                          | ¥3,898,061       |
| Others                           |                                  |            |          |            |                                   |                  |
| Depreciation and Amortization    | 18,519                           | -          | 1,733    | 20,253     | 2,695                             | 22,948           |
| Capital Expenditure              | 501,487                          | -          | 23,712   | 525,200    | 6,611                             | 531,812          |

|                                  | (Millions of yen)                |            |         |            |                                   |                  |
|----------------------------------|----------------------------------|------------|---------|------------|-----------------------------------|------------------|
|                                  | 2024                             |            |         |            |                                   |                  |
|                                  | Reportable segment               |            |         | Total      | Reconciliations<br>(*1) (*2) (*3) | Consolidated(*4) |
|                                  | Leasing and<br>Installment Sales | Finance    | Other   |            |                                   |                  |
| Sales:                           |                                  |            |         |            |                                   |                  |
| Sales to external customers      | ¥620,783                         | ¥33,769    | ¥1,574  | ¥656,127   | ¥-                                | ¥656,127         |
| Intersegment sales and transfers | 171                              | 2,351      | 143     | 2,666      | -2,666                            | -                |
| Total                            | 620,955                          | 36,120     | 1,718   | 658,794    | -2,666                            | 656,127          |
| Operating Expenses               | 595,580                          | 16,043     | 1,454   | 613,077    | 3,538                             | 616,616          |
| Segment Profit                   | ¥25,375                          | ¥20,077    | ¥264    | ¥45,716    | ¥-6,205                           | ¥39,511          |
| Segment Assets                   | ¥1,804,992                       | ¥1,397,462 | ¥73,879 | ¥3,276,333 | ¥87,002                           | ¥3,363,336       |
| Others                           |                                  |            |         |            |                                   |                  |
| Depreciation and Amortization    | 15,883                           | -          | -       | 15,883     | 2,562                             | 18,445           |
| Capital Expenditure              | 359,352                          | -          | -       | 359,352    | 3,573                             | 362,926          |

|                                  | (Thousands of U.S. dollars)      |              |           |              |                                   |                  |
|----------------------------------|----------------------------------|--------------|-----------|--------------|-----------------------------------|------------------|
|                                  | 2025                             |              |           |              |                                   |                  |
|                                  | Reportable segment               |              |           | Total        | Reconciliations<br>(*1) (*2) (*3) | Consolidated(*4) |
|                                  | Leasing and<br>Installment Sales | Finance      | Other     |              |                                   |                  |
| Sales:                           |                                  |              |           |              |                                   |                  |
| Sales to external customers      | \$4,314,807                      | \$277,460    | \$58,464  | \$4,650,731  | \$-                               | \$4,650,731      |
| Intersegment sales and transfers | 1,158                            | 15,148       | 948       | 17,254       | -17,254                           | -                |
| Total                            | 4,315,965                        | 292,608      | 59,412    | 4,667,985    | -17,254                           | 4,650,731        |
| Operating Expenses               | 4,126,325                        | 133,387      | 50,031    | 4,309,743    | 13,520                            | 4,323,263        |
| Segment Profit                   | \$189,640                        | \$159,221    | \$9,381   | \$358,242    | \$-30,774                         | \$327,468        |
| Segment Assets                   | \$14,091,982                     | \$10,530,674 | \$703,609 | \$25,326,265 | \$742,493                         | \$26,068,758     |
| Others                           |                                  |              |           |              |                                   |                  |
| Depreciation and Amortization    | 123,853                          | -            | 11,592    | 135,445      | 18,026                            | 153,471          |
| Capital Expenditure              | 3,353,759                        | -            | 158,583   | 3,512,342    | 44,216                            | 3,556,558        |

(\*1) The details of Reconciliations to Segment Profit for the years ended March 31, 2025 and 2024 were as follows:

|                                                                  | (Millions of yen) | (Thousands of U.S. dollars) |
|------------------------------------------------------------------|-------------------|-----------------------------|
|                                                                  | 2025              | 2024                        |
| Elimination of intersegment transactions                         | ¥3,776            | ¥1,203                      |
| Administrative expenses not allocated to the reportable segments | -8,377            | -7,408                      |
| Total                                                            | ¥-4,601           | ¥-6,205                     |

(\*2) The details of Reconciliations to Segment Assets as of March 31, 2025 and 2024 were as follows:

|                                                           | (Millions of yen) | (Thousands of U.S. dollars) |
|-----------------------------------------------------------|-------------------|-----------------------------|
|                                                           | 2025              | 2024                        |
| Elimination of intersegment transactions                  | ¥-68,803          | ¥-74,102                    |
| Corporate assets not allocated to the reportable segments | 179,828           | 161,104                     |
| Total                                                     | ¥111,024          | ¥87,002                     |

(\*3) Reconciliations of “Depreciation and Amortization” and “Capital Expenditure” are related to corporate assets not allocated to the reportable segments.

(\*4) Segment Profits are reconciled to Operating Income in the Consolidated Statement of Income.

(4) Information about Geographical Areas

|                                                                                                                                                                      |         |                               |        |          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-------------------------------|--------|----------|
| Property and Equipment                                                                                                                                               |         |                               |        |          |
| (Millions of yen)                                                                                                                                                    |         |                               |        |          |
| 2024                                                                                                                                                                 |         |                               |        |          |
| Japan                                                                                                                                                                | Europe  | North America / Latin America | Asia   | Total    |
| ¥528,819                                                                                                                                                             | ¥16,231 | ¥57,104                       | ¥1,603 | ¥603,758 |
| (*1) Assets are classified by country or region based on the location of the Company and consolidated subsidiaries.                                                  |         |                               |        |          |
| (*2) Information by geographic segment of Sales is not presented as domestic sales exceeded 90% of all segments.                                                     |         |                               |        |          |
| (*3) Information by geographic segment of Property and Equipment for the year ended March 31, 2025 is not presented as domestic assets exceeded 90% of all segments. |         |                               |        |          |

(5) Information about Major Customers

|                                                                                                                                                                                                                            |          |                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------------------------|
| (Millions of yen)                                                                                                                                                                                                          |          |                               |
| Name of Customers                                                                                                                                                                                                          | 2024     | Related Segment Name          |
| Gravity AH LLC                                                                                                                                                                                                             | ¥110,133 | Leasing and Installment Sales |
| (*1) Information about major customers for the year ended March 31, 2025 is not presented as there are no customers whose sales account for 10% or more of the revenues presented in the consolidated statement of income. |          |                               |

(6) Impairment loss of long-lived assets per reportable segment:  
Not applicable

(7) Goodwill per reportable segment:

|                             |                               |         |       |                       |         |
|-----------------------------|-------------------------------|---------|-------|-----------------------|---------|
| (Millions of yen)           |                               |         |       |                       |         |
| 2025                        |                               |         |       |                       |         |
|                             | Leasing and Installment Sales | Finance | Other | Elimination/Corporate | Total   |
| Amortization of goodwill    | ¥251                          | ¥159    | ¥ —   | ¥ —                   | ¥410    |
| Goodwill at March 31, 2025  | 2,577                         | 1,634   | —     | —                     | 4,212   |
| (Millions of yen)           |                               |         |       |                       |         |
| 2024                        |                               |         |       |                       |         |
|                             | Leasing and Installment Sales | Finance | Other | Elimination/Corporate | Total   |
| Amortization of goodwill    | ¥170                          | ¥138    | ¥ —   | ¥ —                   | ¥308    |
| Goodwill at March 31, 2024  | 2,550                         | 2,073   | —     | —                     | 4,623   |
| (Thousands of U.S. dollars) |                               |         |       |                       |         |
| 2025                        |                               |         |       |                       |         |
|                             | Leasing and Installment Sales | Finance | Other | Elimination/Corporate | Total   |
| Amortization of goodwill    | \$1,682                       | \$1,066 | \$ —  | \$ —                  | \$2,748 |
| Goodwill at March 31, 2025  | 17,237                        | 10,933  | —     | —                     | 28,170  |

17. Lease Transactions

Operating Leases as lessee  
The minimum rental commitments under non-cancellable operating leases as of March 31, 2025 and 2024 were as follows:

|                     |      |                             |       |
|---------------------|------|-----------------------------|-------|
| (Millions of yen)   |      | (Thousands of U.S. dollars) |       |
|                     | 2025 | 2024                        | 2025  |
| Due within one year | ¥6   | ¥7                          | \$44  |
| Due after one year  | 9    | 10                          | 66    |
| Total               | ¥16  | ¥17                         | \$110 |

Finance Leases as lessor  
(1) The net investments in lease were as follows:

|                             |          |                             |             |
|-----------------------------|----------|-----------------------------|-------------|
| (Millions of yen)           |          | (Thousands of U.S. dollars) |             |
|                             | 2025     | 2024                        | 2025        |
| Lease contract receivables  | ¥798,460 | ¥794,370                    | \$5,339,798 |
| Estimated residual value    | 14,391   | 7,423                       | 96,243      |
| Interest income equivalents | -58,819  | -53,198                     | -393,365    |
| Total                       | ¥754,031 | ¥748,595                    | \$5,042,676 |

(2) Maturities of Lease Receivables for finance leases that were deemed to transfer ownership of the leased property to the lessee were as follows:

|                     |          |                             |             |
|---------------------|----------|-----------------------------|-------------|
| (Millions of yen)   |          | (Thousands of U.S. dollars) |             |
|                     | 2025     |                             | 2025        |
| 2026                | ¥95,168  |                             | \$636,451   |
| 2027                | 57,763   |                             | 386,302     |
| 2028                | 42,927   |                             | 287,080     |
| 2029                | 27,015   |                             | 180,668     |
| 2030                | 12,993   |                             | 86,896      |
| 2031 and thereafter | 17,687   |                             | 118,288     |
| Total               | ¥253,555 |                             | \$1,695,685 |

(3) Maturities of Investments in Lease for finance leases that were deemed not to transfer ownership of the leased property to the lessee were as follows:

|                     |          |                             |             |
|---------------------|----------|-----------------------------|-------------|
| (Millions of yen)   |          | (Thousands of U.S. dollars) |             |
|                     | 2025     |                             | 2025        |
| 2026                | ¥215,304 |                             | \$1,439,876 |
| 2027                | 162,478  |                             | 1,086,596   |
| 2028                | 121,444  |                             | 812,178     |
| 2029                | 108,461  |                             | 725,350     |
| 2030                | 86,678   |                             | 579,674     |
| 2031 and thereafter | 104,091  |                             | 696,124     |
| Total               | ¥798,460 |                             | \$5,339,798 |

Operating Leases as lessor  
Future lease receivables under non-cancellable operating leases were summarized as follows:

|                     |          |                             |             |
|---------------------|----------|-----------------------------|-------------|
| (Millions of yen)   |          | (Thousands of U.S. dollars) |             |
|                     | 2025     | 2024                        | 2025        |
| Due within one year | ¥302,145 | ¥66,176                     | \$2,020,634 |
| Due after one year  | 453,147  | 415,299                     | 3,030,479   |
| Total               | ¥755,292 | ¥481,475                    | \$5,051,113 |

Sub-lease transactions

Among the receivables and obligations relating to the sub-lease transactions, the amounts before deducting interest equivalents and included in the Consolidated Balance Sheet as of March 31, 2025 and 2024 were summarized as follows:

|                      | (Millions of yen) |        | (Thousands of U.S. dollars) |
|----------------------|-------------------|--------|-----------------------------|
|                      | 2025              | 2024   | 2025                        |
| Lease Receivable     | ¥9,954            | ¥6,213 | \$66,575                    |
| Investments in Lease | 8,272             | 9,372  | 55,324                      |
| Lease Payable        | 18,468            | 15,722 | 123,508                     |

18.Financial Instruments and Related Disclosures

(1) Policy for financial instruments

The Group provides comprehensive financial services, including leasing, installment sales and loans. From the perspective of financial stability, the Group diversifies its funding sources. In addition to the indirect funding from financial institutions, the Group utilizes direct funding such as issuing bonds, commercial paper and securitization of lease receivables. Further, the Group has an integrated Asset-Liability Management (ALM) program. Derivatives are used to avoid fluctuation risks such as interest rates and to secure stable profits.

(2) Nature and extent of risks arising from financial instruments

Financial assets held by the Group mainly consist of lease receivables and investments in lease, installment sales receivables, loans receivables, and factoring receivables mainly due from domestic business companies. These assets are exposed to the credit risks triggered by a contractual default of a counterparty to the transactions. In the case of deterioration in the credit conditions of counterparties caused by a change in economic conditions or the environment, it is possible that the repayment of obligations under the contract may not be performed. Investment securities, which are mainly comprised of stocks, bonds, preferred equities and investments in partnerships, are exposed to market price fluctuation risks if they are exchange-traded in addition to the credit risk of issuers. Transactions related to real estate finance are exposed to the risk of price fluctuations in the targeted real estate.

Borrowings, bonds and commercial paper are exposed to the interest rate fluctuation risk for floating interest rate funding, and the liquidity risk that ready access to funds may not be available due to a change in the financial market environment. An ALM analysis is employed in order to make stable profit as well as to manage these funding risks.

Derivative transactions are mainly composed of interest rate swaps arranged as a part of ALM. The Group enters into interest rate swap transactions as a hedging instrument and applies hedge accounting to the interest rate fluctuation risk associated with interest bearing debt such as bank loans. It is the Group’s basic policy to utilize hedge transactions within the limit of the debt amount to reduce interest rate risks and to improve cash flow from financial activities. The effectiveness of the hedge transactions is assessed by comparing the changes in the market price and cumulative cash flows between the hedging instrument and the hedged item from the beginning of the hedge to the time of assessment.

The Group also utilizes derivative transactions such as foreign currency forward contracts and interest and currency swaps etc. to control the level of the risk associated with the assets and liabilities denominated in foreign currencies.

(3) Risk management for financial instruments

(a) Integrated risk management

The Group places an extremely high priority on integrated monitoring and control of total financial risks, including credit risks and market risks which consist of interest rate risk and share price fluctuation risk. Thus, the Group incorporates an integrated risk management system into its management policy in order to improve the stability of the business. Specifically, the Group manages various quantified risks in an integrated fashion to control the total risk under a certain level of net equity (business capacity) of the company. In addition, a risk analysis is performed monthly, the results of which are reported to the Board of Directors.

(b) Credit risk management

The Group aims to minimize credit costs by optimizing its credit management structure at all stages of each transaction, from entrance to exit to manage the credit risks of business partners.

Firstly, at the initial stage of deal execution, the Group assigns a credit rating to each debtor under its client credit rating system, conducts a strict credit screening and makes judgments on contract arrangements based on the prospects of future value of leasing assets, and from the perspective of the avoidance of excessive concentrations of credit, the Group monitors its credit administration ceiling by using its credit rating monitoring systems. Any large contract or matter requiring complex risk judgment requires the deliberation and decision by the Investment and Loan Committee, which enhances the risk control process. When offering new services or new products, the Group

thoroughly reviews the identification and evaluation of inherent risks through the Risk Control Committee.

Furthermore, as an ongoing management measures, the Group provides necessary write-offs or allowances in accordance with the self-assessment rules for assets conforming to “Temporary treatment of accounting and auditing on the application of accounting standard for financial instruments in the leasing industry”. Furthermore, regarding credit risk management for the portfolio as a whole, through the quantification of the volume of the risk based on the credit rating of business customers, the Group endeavors to minimize credit costs. Also, the Group periodically follows up on non-performing assets and performs debt collection of assets for which the Group has already provided reserves to facilitate final disposal of non-performing assets.

(c) Market risk management

The Group establishes annual plans (e.g., funding policy, setting commercial paper program, hedging policy and securities trading policy) at the Board of Directors meeting that are designed based on market environments and financial strength meeting to control risks in line with financial operations. In addition, monthly ALM operating policies based on the annual plans, position limits, and loss limits, etc., are reported on a monthly basis at the PM–ALM Committee, and the Group strives to maintain stable earnings by controlling risk factors. Also, with regard to market transactions, in order to maintain a mutual check system, the Group separately established the risk control department that is independent from departments that are responsible for executions or for approval of delivery settlement.

(i) Interest rate risk management

In order to manage interest rate risk, the Group monitors the matching ratio (i.e., proportion of assets that is not exposed to interest rate risk without allocation of the matching fixed/floating interest bearing debt to entire assets) under ALM. Also, the Group quantifies the interest rate and maturity of financial assets and liabilities based on \*BPV (Basis Point Value). The Group analyzes and monitors them using statistical techniques such as \*VaR (Value at Risk).

In addition, compliance with the internal rules etc. is managed by the risk control department.

Sensitivity to interest rate (10BPV) interest rate risk volume (VaR) figures in the Group as of March 31, 2025 and 2024, are as shown below. The Internal Models Approach applied to measure VaR is based on the assumption that past price fluctuations follow a normal distribution and the model calculates variance and covariance, based on which the Group estimates maximum losses statistically (variance/covariance method).

|                                      | (Millions of yen) |        | (Thousands of U.S. dollars) |
|--------------------------------------|-------------------|--------|-----------------------------|
|                                      | 2025              | 2024   | 2025                        |
| Sensitivity to interest rate (10BPV) | ¥3,750            | ¥3,620 | \$-25,079                   |
| Interest rate risk volume (VaR)      | ¥7,940            | ¥7,870 | \$53,100                    |

The VaR measurement method is as follows:

- Variance-covariance model for linear risk
- Quantitative criteria:
  - (1) Confidence interval: 99%;
  - (2) Holding period of one month; and
  - (3) Historical observation period of one year

(ii) Price fluctuation risk management of securities such as stock

Relating to the price fluctuation risk of securities, the risk control department captures the volume of the risk using the VaR. In addition, it monitors the status of compliance with our internal rules.

The VaR measurements in the Group as of March 31, 2025 and 2024, are shown below. To measure the VaR, the Group created a model that shows the price fluctuation of each stock based on the stock price index fluctuation. The Group adopted the stock price fluctuation model that sets the stock price index fluctuation ratio represented by the risk factor of general market risk. Also, the inherent fluctuation portion of each stock that is unable to be shown by the stock price index is set as a risk factor of individual risk in our model.

|                                     | (Millions of yen) |      | (Thousands of U.S. dollars) |
|-------------------------------------|-------------------|------|-----------------------------|
|                                     | 2025              | 2024 | 2025                        |
| Price variation risk of stock (VaR) | ¥3,890            | ¥0   | \$26,015                    |

(Note) The VaR value shown above reflects annual realized profit or loss (including impairment loss) and unrealized profit or loss, net of corporate income taxes.

The VaR measurement method is as follows:

Quantitative criteria:

- (1) Confidence interval: 99%;
- (2) Holding period of one year; and
- (3) Historical observation period of one year.

The market price at the measurement date is used for securities with market price. The moving-average acquisition costs or the amortized costs are used for securities without market price. General market risk (risk of suffering losses due to stock market movement) and individual risk (price variance risk due to factors associated with the issuer of stock) are calculated and combined.

**(iii) Derivative transactions**

The derivative transactions carried out by the Group mainly consist of interest rate swaps, entered as a part of ALM, to hedge the interest rate risks. The operating policy of hedging is determined at the monthly PM-ALM Committee to control the interest rate risk. Also, from an operational control perspective, in order to ensure a proper review function, the Group has an organizational structure whereby the transaction execution department is clearly separated from the market risk control department, which is responsible for evaluation of the effectiveness of hedging transactions, and the operations department, which is responsible for delivery settlement. For the use of derivative transactions, the Group enters into such transactions only with major financial institutions in order to mitigate counterparty risk.

**(d) Other price fluctuation risk management**

The risk mainly consists of real estate price fluctuation risks for specified bonds, preferred shares, investments in partnerships, and non-recourse loans relating to a real estate finance vehicle. The risk is managed by estimating the fair value of real estate at exit and monitoring the quantified risk for loss of principal.

**(e) Liquidity risk management**

The Group manages liquidity risk by diversifying the method of funding and balancing its long-term and short-term funding needs, depending upon the market environment.

**(4) Supplemental explanation for quantitative information concerning market risk**

Because quantitative information concerning market risk is based on statistical assumptions, the quantitative information may differ depending upon the quantitative basis and measurement method assumed. Also, the quantitative information is a statistical result based on certain assumptions. It is not intended to show the expected maximum losses. Because future market conditions may differ considerably from past conditions, there are many limitations on the quantitative data that is estimated using observation values of past data.

(Glossary)

\*BPV: BPV is one of the interest rate risk indices indicating the change in present value of subject assets or liabilities given a basis point (0.01%) change in interest rates. The Group adopts 10 basis points (0.1%) as the basis for change of value.

\*VaR: VaR is a technique for estimating the probable maximum portfolio losses as a volume of risk when the market is affected adversely based on the statistical analysis of historical data under a given time and probability (99% one-sided confidence interval).

**(5) Supplemental explanation for fair values of financial instruments**

Fair values of financial instruments have been calculated based on variable factors, and may differ if calculated based on different assumptions.

Fair values of financial instruments

| (Millions of yen)                                                       |                 |            |                        |
|-------------------------------------------------------------------------|-----------------|------------|------------------------|
| March 31, 2025                                                          | Carrying amount | Fair value | Unrealized gain (loss) |
| Securities <sup>(*)2) (*)3)</sup>                                       | ¥174,597        | ¥174,597   | ¥ —                    |
| Available-for-sale Securities                                           |                 |            |                        |
| Lease Receivables and Investments in Lease <sup>(*)3) (*)4) (*)5)</sup> | 1,002,559       | 1,046,055  | 43,495                 |
| Installment Sales Receivables <sup>(*)3) (*)6)</sup>                    | 112,854         | 110,759    | -2,094                 |
| Loans Receivables <sup>(*)3)</sup>                                      | 598,003         | 639,937    | 41,934                 |
| Factoring Receivables <sup>(*)3)</sup>                                  | 179,332         | 181,478    | 2,146                  |
| Long-term Receivables <sup>(*)7)</sup>                                  | 16,408          | 16,408     | —                      |
| Assets total                                                            | ¥2,083,755      | ¥2,169,236 | ¥85,481                |
| Short-term Borrowings <sup>(*)9)</sup>                                  | ¥1,425,799      | ¥1,423,711 | ¥-2,088                |
| Lease Payable                                                           | 18,562          | 18,511     | -50                    |
| Accounts Payable-trade                                                  | 30,939          | 30,852     | -86                    |
| Long-term Debt <sup>(*)8) (*)9)</sup>                                   | 1,852,271       | 1,823,647  | -28,624                |
| Liabilities total                                                       | ¥3,327,573      | ¥3,296,723 | ¥-30,850               |
| Hedge accounting is not applied <sup>(*)10)</sup>                       | ¥-1,246         | ¥-1,246    | ¥ —                    |
| Hedge accounting is applied <sup>(*)10)</sup>                           | -1,957          | -1,957     | —                      |
| Derivative transactions total                                           | ¥-3,203         | ¥-3,203    | ¥ —                    |

| (Millions of yen)                                                       |                 |            |                        |
|-------------------------------------------------------------------------|-----------------|------------|------------------------|
| March 31, 2024                                                          | Carrying amount | Fair value | Unrealized gain (loss) |
| Securities <sup>(*)2) (*)3)</sup>                                       | ¥179,176        | ¥179,176   | ¥ —                    |
| Available-for-sale Securities                                           |                 |            |                        |
| Lease Receivables and Investments in Lease <sup>(*)3) (*)4) (*)5)</sup> | 1,024,504       | 1,068,441  | 43,936                 |
| Installment Sales Receivables <sup>(*)3) (*)6)</sup>                    | 103,545         | 102,459    | -1,085                 |
| Loans Receivables <sup>(*)3)</sup>                                      | 566,842         | 608,684    | 41,841                 |
| Factoring Receivables <sup>(*)3)</sup>                                  | 166,380         | 169,393    | 3,012                  |
| Long-term Receivables <sup>(*)7)</sup>                                  | 23,074          | 23,074     | —                      |
| Assets total                                                            | ¥2,063,525      | ¥2,151,230 | ¥87,705                |
| Short-term Borrowings <sup>(*)9)</sup>                                  | ¥1,235,166      | ¥1,235,206 | ¥40                    |
| Lease Payable                                                           | 15,785          | 15,769     | -16                    |
| Accounts Payable-trade                                                  | 27,186          | 27,076     | -109                   |
| Long-term Debt <sup>(*)8) (*)9)</sup>                                   | 1,607,261       | 1,590,974  | -16,286                |
| Liabilities total                                                       | ¥2,885,399      | ¥2,869,027 | ¥-16,372               |
| Hedge accounting is not applied <sup>(*)10)</sup>                       | ¥-2,167         | ¥-2,167    | ¥ —                    |
| Hedge accounting is applied <sup>(*)10)</sup>                           | -2,979          | -2,979     | —                      |
| Derivative transactions total                                           | ¥-5,147         | ¥-5,147    | ¥ —                    |

| (Thousands of U.S. dollars)                                          |                 |              |                        |
|----------------------------------------------------------------------|-----------------|--------------|------------------------|
| March 31, 2025                                                       | Carrying amount | Fair value   | Unrealized gain (loss) |
| Securities <sup>(*2)(*3)</sup>                                       | \$1,167,641     | \$1,167,641  | \$ —                   |
| Available-for-sale Securities                                        |                 |              |                        |
| Lease Receivables and Investments in Lease <sup>(*3) (*4) (*5)</sup> | 6,704,736       | 6,995,621    | 290,885                |
| Installment Sales Receivables <sup>(*3) (*6)</sup>                   | 754,730         | 740,720      | -14,010                |
| Loans Receivables <sup>(*3)</sup>                                    | 3,999,220       | 4,279,660    | 280,440                |
| Factoring Receivables <sup>(*3)</sup>                                | 1,199,308       | 1,213,660    | 14,352                 |
| Long-term Receivables <sup>(*7)</sup>                                | 109,732         | 109,732      | —                      |
| Assets total                                                         | \$13,935,367    | \$14,507,034 | \$571,667              |
| Short-term Borrowings <sup>(*9)</sup>                                | \$9,535,207     | \$9,521,243  | \$-13,964              |
| Lease Payable                                                        | 124,137         | 123,797      | -340                   |
| Accounts Payable-trade                                               | 206,913         | 206,331      | -582                   |
| Long-term Debt <sup>(*8) (*9)</sup>                                  | 12,387,293      | 12,195,865   | -191,428               |
| Liabilities total                                                    | \$22,253,550    | \$22,047,236 | \$-206,314             |
| Hedge accounting is not applied <sup>(*10)</sup>                     | \$-8,334        | \$-8,334     | \$ —                   |
| Hedge accounting is applied <sup>(*10)</sup>                         | -13,091         | -13,091      | —                      |
| Derivative transactions total                                        | \$-21,425       | \$-21,425    | \$ —                   |

(\*1) Cash and Cash Equivalents are not presented as the carrying amounts of the deposits approximate their fair values because they are settled in a short period.

(\*2) Securities include Operational Investment Securities and Investment Securities.  
The following financial instruments are excluded from the disclosure of market value information as they do not have quoted market prices in an active market.  
Carrying amount of these financial instruments are following;

| (Millions of yen)                  |          | (Thousands of U.S. dollars) |             |
|------------------------------------|----------|-----------------------------|-------------|
|                                    | 2025     | 2024                        | 2025        |
| Unlisted Stocks*                   | ¥205,239 | ¥184,451                    | \$1,372,564 |
| Funds, Investments in Partnerships | —        | —                           | —           |
| Preferred Equities                 | 78,453   | 45,904                      | 524,667     |
| Other                              | 7,198    | 109                         | 48,144      |
| Total                              | ¥290,891 | ¥230,464                    | \$1,945,375 |

\*The impairment loss on certain unlisted stocks for the year ended March 31, 2025 and 2024 was ¥41 million (\$278 thousand) and ¥28 million, respectively. Fair values of investments in funds, partnerships, etc., whose net amount equivalent to the equity interest is recorded on the consolidated balance sheets, are not presented. The amount of investments in partnerships, etc. to which this treatment is applied was ¥291,292 million (\$1,948,054 thousand) on the consolidated balance sheets.

(\*3) Lease Receivables and Investments in Lease, Installment Sales Receivables, Loans Receivables, Factoring Receivables and Operational Investment Securities are stated net of Allowance for Doubtful Receivables.

(\*4) Investments in Lease are stated net of estimated residual value of lease assets for finance leases that are deemed not to transfer ownership of the leased property to the lessee.

(\*5) Unearned lease payments received are not included in Lease Receivables and Investments in Lease.

(\*6) Installment Sales Receivables are stated net of Deferred Profit on Installment Sales.

(\*7) Long-term Receivables are stated net of Allowance for Doubtful Receivables.

(\*8) Current Portion of Long-term Debt is included.

(\*9) Short-term Borrowings and Long-term Debt include Payables under Securitized Lease Receivables.

(\*10) Assets and liabilities incurred resulting from derivative transactions are netted. The net liability is presented in parenthesis.

(6)Maturity analysis for financial assets and securities with contractual maturities

| (Millions of yen)                          |                         |                                      |                                         |                                          |                                         |                      |
|--------------------------------------------|-------------------------|--------------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------------|----------------------|
| March 31, 2025                             | Due in one year or less | Due after one year through two years | Due after two years through three years | Due after three years through four years | Due after four years through five years | Due after five years |
| Cash and Cash Equivalents                  | ¥67,999                 | ¥ —                                  | ¥ —                                     | ¥ —                                      | ¥ —                                     | ¥ —                  |
| Securities Available-for-saleSecurities    |                         |                                      |                                         |                                          |                                         |                      |
| Bonds Corporate Bonds                      | 20,500                  | 9,500                                | 30,850                                  | 16,000                                   | 23,500                                  | 5,437                |
| Other                                      | 20,951                  | 20,455                               | 31,506                                  | 10,028                                   | 20,975                                  | 143,909              |
| Lease Receivables and Investments in Lease | 312,099                 | 217,099                              | 164,395                                 | 124,249                                  | 107,107                                 | 116,021              |
| Installment Sales Receivables              | 40,854                  | 24,715                               | 18,279                                  | 19,340                                   | 11,868                                  | 5,266                |
| Loans Receivables                          | 107,428                 | 150,355                              | 122,311                                 | 81,664                                   | 82,437                                  | 54,231               |
| Factoring Receivables                      | 130,064                 | 7,080                                | 11,453                                  | 5,496                                    | 3,569                                   | 21,757               |
| Total                                      | ¥699,898                | ¥429,206                             | ¥378,795                                | ¥256,779                                 | ¥249,458                                | ¥346,623             |

| (Millions of yen)                          |                         |                                      |                                         |                                          |                                         |                      |
|--------------------------------------------|-------------------------|--------------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------------|----------------------|
| March 31, 2024                             | Due in one year or less | Due after one year through two years | Due after two years through three years | Due after three years through four years | Due after four years through five years | Due after five years |
| Cash and Cash Equivalents                  | ¥56,194                 | ¥ —                                  | ¥ —                                     | ¥ —                                      | ¥ —                                     | ¥ —                  |
| Securities Available-for-sale Securities   |                         |                                      |                                         |                                          |                                         |                      |
| Bonds Corporate Bonds                      | 10,297                  | 22,100                               | 9,500                                   | 30,850                                   | 16,000                                  | 24,487               |
| Other                                      | 20,778                  | 23,365                               | 20,273                                  | 7,106                                    | 9,317                                   | 128,916              |
| Lease Receivables and Investments in Lease | 327,357                 | 237,627                              | 163,047                                 | 107,283                                  | 71,951                                  | 143,442              |
| Installment Sales Receivables              | 36,549                  | 29,345                               | 18,731                                  | 12,415                                   | 8,277                                   | 3,810                |
| Loans Receivables                          | 61,447                  | 142,045                              | 123,914                                 | 134,015                                  | 61,985                                  | 43,896               |
| Factoring Receivables                      | 122,479                 | 9,565                                | 4,370                                   | 4,654                                    | 4,004                                   | 21,384               |
| Total                                      | ¥635,105                | ¥464,050                             | ¥339,838                                | ¥296,324                                 | ¥171,536                                | ¥365,938             |

| (Thousands of U.S. dollars)                |                         |                                      |                                         |                                          |                                         |                      |
|--------------------------------------------|-------------------------|--------------------------------------|-----------------------------------------|------------------------------------------|-----------------------------------------|----------------------|
| March 31, 2025                             | Due in one year or less | Due after one year through two years | Due after two years through three years | Due after three years through four years | Due after four years through five years | Due after five years |
| Cash and Cash Equivalents                  | \$454,757               | \$ —                                 | \$ —                                    | \$ —                                     | \$ —                                    | \$ —                 |
| Securities Available-for-saleSecurities    |                         |                                      |                                         |                                          |                                         |                      |
| Bonds Corporate Bonds                      | 137,096                 | 63,532                               | 206,313                                 | 107,002                                  | 157,159                                 | 36,363               |
| Other                                      | 140,118                 | 136,797                              | 210,702                                 | 67,068                                   | 140,279                                 | 962,413              |
| Lease Receivables and Investments in Lease | 2,087,205               | 1,451,882                            | 1,099,413                               | 830,934                                  | 716,293                                 | 775,906              |
| Installment Sales Receivables              | 273,219                 | 165,286                              | 122,244                                 | 129,341                                  | 79,369                                  | 35,217               |
| Loans Receivables                          | 718,438                 | 1,005,520                            | 817,973                                 | 546,140                                  | 551,314                                 | 362,681              |
| Factoring Receivables                      | 869,820                 | 47,353                               | 76,593                                  | 36,760                                   | 23,870                                  | 145,509              |
| Total                                      | \$4,680,653             | \$2,870,370                          | \$2,533,238                             | \$1,717,245                              | \$1,668,284                             | \$2,318,089          |

(\*1) Please see Note 10 for annual maturities of Long-term Debt.

(7) Financial Instruments Categorized by Fair Value Hierarchy

The fair value of financial instruments is categorized into the following three levels, depending on the observability and significance of the inputs used in determining fair value measurements:

Level 1: Fair values measured by using quoted prices in active markets for identical assets or liabilities.

Level 2: Fair values measured by using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities.

Level 3: Fair values measured by using unobservable inputs for the assets or liabilities.

If multiple inputs are used that have a significant impact on the measurement of fair value, fair value is classified at the lowest level in the fair value measurement among the levels to which each of these inputs belongs.

(a) The financial instruments measured at the fair values in the consolidated balance sheet

(Millions of yen)

| March 31, 2025                                               | Level 1 | Level 2  | Level 3 | Total    |
|--------------------------------------------------------------|---------|----------|---------|----------|
| Operational Investment Securities and Investment Securities: |         |          |         |          |
| Available-for-sale Securities                                |         |          |         |          |
| Bonds                                                        | ¥ —     | ¥67,569  | ¥38,751 | ¥106,320 |
| Equity securities                                            | 19,002  | 1,765    | 2,645   | 23,414   |
| Other                                                        | —       | 42,009   | 2,853   | 44,862   |
| Assets total                                                 | ¥19,002 | ¥111,344 | ¥44,250 | ¥174,597 |
| Derivative transactions:                                     |         |          |         |          |
| currency swaps                                               | ¥ —     | ¥27      | ¥ —     | ¥27      |
| Interest rate swaps                                          | —       | 1,770    | —       | 1,770    |
| Interest rate and currency swaps                             | —       | -5,001   | —       | -5,001   |
| Derivative transactions total                                | ¥ —     | ¥-3,203  | ¥ —     | ¥-3,203  |

(Millions of yen)

| March 31, 2024                                               | Level 1 | Level 2  | Level 3 | Total    |
|--------------------------------------------------------------|---------|----------|---------|----------|
| Operational Investment Securities and Investment Securities: |         |          |         |          |
| Available-for-sale Securities                                |         |          |         |          |
| Bonds                                                        | ¥ —     | ¥69,208  | ¥46,201 | ¥115,409 |
| Equity securities                                            | 18,991  | 1,300    | 2,760   | 23,051   |
| Other                                                        | -       | 39,180   | 1,534   | 40,715   |
| Assets total                                                 | ¥18,991 | ¥109,689 | ¥50,496 | ¥179,176 |
| Derivative transactions:                                     |         |          |         |          |
| currency swaps                                               | ¥ —     | ¥ —      | ¥ —     | ¥ —      |
| Interest rate swaps                                          | —       | 1,027    | —       | 1,027    |
| Interest rate and currency swaps                             | —       | -6,174   | —       | -6,174   |
| Derivative transactions total                                | ¥ —     | ¥-5,147  | ¥ —     | ¥-5,147  |

(Thousands of U.S. dollars)

| March 31, 2025                                               | Level 1   | Level 2   | Level 3   | Total       |
|--------------------------------------------------------------|-----------|-----------|-----------|-------------|
| Operational Investment Securities and Investment Securities: |           |           |           |             |
| Available-for-sale Securities                                |           |           |           |             |
| Bonds                                                        | \$-       | \$451,877 | \$259,155 | \$711,032   |
| Equity securities                                            | 127,081   | 11,810    | 17,695    | 156,586     |
| Other                                                        | -         | 280,942   | 19,081    | 300,023     |
| Assets total                                                 | \$127,081 | \$744,629 | \$295,931 | \$1,167,641 |
| Derivative transactions:                                     |           |           |           |             |
| currency swaps                                               | \$-       | \$183     | \$-       | \$183       |
| Interest rate swaps                                          | -         | 11,840    | -         | 11,840      |
| Interest rate and currency swaps                             | -         | -33,448   | -         | -33,448     |
| Derivative transactions total                                | \$-       | \$-21,425 | \$-       | \$-21,425   |

(b) The financial instruments other than those measured at the fair values in the consolidated balance sheet

(Millions of yen)

| March 31, 2025                             | Level 1 | Level 2    | Level 3    | Total      |
|--------------------------------------------|---------|------------|------------|------------|
| Lease Receivables and Investments in Lease | ¥ —     | ¥ —        | ¥1,046,055 | ¥1,046,055 |
| Installment Sales Receivables              | —       | —          | 110,759    | 110,759    |
| Loans Receivables                          | —       | —          | 639,937    | 639,937    |
| Factoring Receivables                      | —       | —          | 181,478    | 181,478    |
| Long-term Receivables                      | —       | —          | 16,408     | 16,408     |
| Assets total                               | ¥ —     | ¥ —        | ¥1,994,639 | ¥1,994,639 |
| Short-term Borrowings                      | ¥ —     | ¥1,423,711 | ¥ —        | ¥1,423,711 |
| Lease Payable                              | —       | 18,511     | —          | 18,511     |
| Accounts Payable-trade                     | —       | 30,852     | —          | 30,852     |
| Long-term Debt                             | —       | 1,823,647  | —          | 1,823,647  |
| Liabilities total                          | ¥ —     | ¥3,296,723 | ¥ —        | ¥3,296,723 |

(Millions of yen)

| March 31, 2024                             | Level 1 | Level 2    | Level 3    | Total      |
|--------------------------------------------|---------|------------|------------|------------|
| Lease Receivables and Investments in Lease | ¥ —     | ¥ —        | ¥1,068,441 | ¥1,068,441 |
| Installment Sales Receivables              | —       | —          | 102,459    | 102,459    |
| Loans Receivables                          | —       | —          | 608,684    | 608,684    |
| Factoring Receivables                      | —       | —          | 169,393    | 169,393    |
| Long-term Receivables                      | —       | —          | 23,074     | 23,074     |
| Assets total                               | ¥ —     | ¥ —        | ¥1,972,053 | ¥1,972,053 |
| Short-term Borrowings                      | ¥ —     | ¥1,235,206 | ¥ —        | ¥1,235,206 |
| Lease Payable                              | —       | 15,769     | —          | 15,769     |
| Accounts Payable-trade                     | —       | 27,076     | —          | 27,076     |
| Long-term Debt                             | —       | 1,590,974  | —          | 1,590,974  |
| Liabilities total                          | ¥ —     | ¥2,869,027 | ¥ —        | ¥2,869,027 |

| (Thousands of U.S. dollars)                |         |              |              |              |
|--------------------------------------------|---------|--------------|--------------|--------------|
| March 31, 2025                             | Level 1 | Level 2      | Level 3      | Total        |
| Lease Receivables and Investments in Lease | \$—     | \$-          | \$6,995,621  | \$6,995,621  |
| Installment Sales Receivables              | —       | —            | 740,720      | 740,720      |
| Loans Receivables                          | —       | —            | 4,279,660    | 4,279,660    |
| Factoring Receivables                      | —       | —            | 1,213,660    | 1,213,660    |
| Long-term Receivables                      | —       | —            | 109,732      | 109,732      |
| Assets total                               | \$—     | \$—          | \$13,339,393 | \$13,339,393 |
| Short-term Borrowings                      | \$—     | \$9,521,243  | \$—          | \$9,521,243  |
| Lease Payable                              | —       | 123,797      | —            | 123,797      |
| Accounts Payable-trade                     | —       | 206,331      | —            | 206,331      |
| Long-term Debt                             | —       | 12,195,865   | —            | 12,195,865   |
| Liabilities total                          | \$—     | \$22,047,236 | \$—          | \$22,047,236 |

The following is a description of valuation methodologies and inputs used for measurement of the fair value of assets and liabilities:

Operational Investment Securities and Investment Securities

The fair values of Operational Investment Securities and Investment Securities are classified as Level 1 if an unadjusted quoted price in active markets is available, among the published quoted price such as the quoted market price of the stock exchange or the quoted price obtained from the financial institutions. Listed equity securities are mainly included in it.

The fair values of securities are classified as Level 2 if a quoted price in inactive market is used. Corporate bonds are mainly included in it. The investment trusts that do not have quoted market prices in an active market are classified as Level 2 as there are no material restrictions on cancellation or repurchase requests that would require the payment for the risk by market participants. The fair values of these investment trusts are determined by the net asset values.

If a quoted price is not available, the fair values are determined by discounting the future cash flows, by credit risks categories for risk management, at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 3 as the impact of unobservable inputs of a credit spread to measure the fair values is significant.

Fair value information for securities by classifications is included in Note 5. Operational Investment Securities and Investment Securities.

Lease Receivables and Investments in Lease

The fair values of Lease Receivables and Investments in Lease are principally determined by discounting the future cash flows (lease payments received less maintenance fees), by credit risk categories for risk management, at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 3 as the impact of unobservable inputs of a credit spread to measure the fair values is significant.

Installment Sales Receivables

The fair values of Installment Sales Receivables are determined by discounting the future cash flows, by credit risk categories for risk management, at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 3 as the impact of unobservable inputs of a credit spread to measure the fair values is significant.

Loans Receivables and Factoring Receivables

The fair values of Loans Receivables and Factoring Receivables are determined by discounting the future cash flows, by credit risk categories for risk management, at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 3 as the impact of unobservable inputs of a credit spread to measure the fair values is significant.

Long-term Receivables

The carrying values of Long-term Receivables at the balance sheet date (net of Allowance for Doubtful Receivables) approximate fair values because the Allowance for Doubtful Receivables is determined based on the amount that is expected to be recovered from collateral and guarantees. They are classified as Level 3 as the impact of unobservable inputs of Allowance for Doubtful Receivables to measure the fair values is significant.

Derivatives

Derivative transactions are mainly composed of over-the-counter transactions and the fair values are based on the prices obtained from the financial institutions. They are classified as Level 2 as the fair values are determined using observable inputs.

Short-term Borrowings

Short-term Borrowings from banks and other financial institutions

The fair values of Short-term Borrowings from banks and other financial institutions are measured at the amount of principal plus interest to be paid at maturity discounted at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 2 as the impact of unobservable inputs of a credit spread to measure the fair values is immaterial.

Commercial Paper

The fair values of Commercial Paper are measured at the amount of principal plus interest to be paid at maturity discounted at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 2 as the impact of unobservable inputs of a credit spread to measure the fair values is immaterial.

Payables under Securitized Lease Receivables

The fair values of Payables under Securitized Lease Receivables are determined by discounting the future cash flows at an appropriate benchmark rate such as an interbank market rate plus spread for securitization. They are classified as Level 2 as the impact of unobservable inputs of a spread for securitization to measure the fair values is immaterial.

Lease Payable

The fair values of Lease Payable are principally determined by discounting the future cash flows at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 2 as the impact of unobservable inputs of a credit spread to measure the fair values is immaterial.

Accounts Payable - trade

The carrying values of Accounts Payable - trade approximate fair value because they are settled within a short period. The fair values of long-term Accounts Payable are determined by discounting the future cash flows at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 2 as the impact of unobservable inputs of a credit spread to measure the fair values is immaterial.

Long-term Debt

Bonds Payable

The fair values of Bonds Payable are principally determined by a published quoted price. They are classified as Level 2 as a quoted price in inactive market is used.

Long-term Debt from banks and other financial institutions

The fair values of Long-term Debt from banks and other financial institutions are measured at the amount of interest and principal to be paid at maturity discounted at an appropriate benchmark rate such as an interbank market rate plus a credit spread. They are classified as Level 2 as the impact of unobservable inputs of a credit spread to measure the fair values is immaterial.

Payables under Securitized Lease Receivables

The fair values of Payables under Securitized Lease Receivables are determined by discounting the future cash flows at an appropriate benchmark rate such as an interbank market rate plus spread for securitization. They are classified as Level 2 as the impact of unobservable inputs of a spread for securitization to measure the fair values is immaterial.

The following is an information about the Level 3 fair value of financial instruments measured at fair values on the consolidated balance sheet

(i) Quantitative information on significant unobservable inputs

| March 31, 2025                                               | Valuation technique  | Significant unobservable inputs | Range of inputs |
|--------------------------------------------------------------|----------------------|---------------------------------|-----------------|
| Operational Investment Securities and Investment Securities: |                      |                                 |                 |
| Available-for-sale Securities                                |                      |                                 |                 |
| Bonds                                                        | Discounted cash flow | Discount rate                   | 0.61-1.35%      |
| Equity securities                                            | Discounted cash flow | Discount rate                   | 0.88-1.23%      |
| Other                                                        | Discounted cash flow | Discount rate                   | 1.42-1.75%      |
| March 31, 2024                                               | Valuation technique  | Significant unobservable inputs | Range of inputs |
| Operational Investment Securities and Investment Securities: |                      |                                 |                 |
| Available-for-sale Securities                                |                      |                                 |                 |
| Bonds                                                        | Discounted cash flow | Discount rate                   | 0.06-0.74%      |
| Equity securities                                            | Discounted cash flow | Discount rate                   | 0.26-0.56%      |
| Other                                                        | Discounted cash flow | Discount rate                   | 0.73-1.02%      |

(ii) Reconciliation between the beginning and ending balance, and net unrealized gains (losses) recognized in the earnings of the current period as of March 31, 2025.

| (Millions of yen)                                            |                              |                            |                                        |                                                                                                                                                                                  |
|--------------------------------------------------------------|------------------------------|----------------------------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 31, 2025                                               | Balance at beginning of year | Earnings of the period     | Other comprehensive income (loss) (*1) | Net amount of purchase, sale, issuance and settlement                                                                                                                            |
| Operational Investment Securities and Investment Securities: |                              |                            |                                        |                                                                                                                                                                                  |
| Available-for-sale Securities                                |                              |                            |                                        |                                                                                                                                                                                  |
| Bonds                                                        | ¥46,201                      | ¥ —                        | ¥-1,309                                | ¥-6,140                                                                                                                                                                          |
| Equity securities                                            | 2,760                        | —                          | -114                                   | -                                                                                                                                                                                |
| Other                                                        | 1,534                        | —                          | -2                                     | 1,320                                                                                                                                                                            |
| March 31, 2025                                               | Transfer to Level 3 (*2)     | Transfer from Level 3 (*3) | Balance at end of year                 | Net unrealized gains (losses) on financial assets and liabilities held at the consolidated balance sheet date among the amount recognized in the earnings of the current period. |
| Operational Investment Securities and Investment Securities: |                              |                            |                                        |                                                                                                                                                                                  |
| Available-for-sale Securities                                |                              |                            |                                        |                                                                                                                                                                                  |
| Bonds                                                        | ¥ —                          | ¥ —                        | ¥38,751                                | ¥ —                                                                                                                                                                              |
| Equity securities                                            | —                            | —                          | 2,645                                  | —                                                                                                                                                                                |
| Other                                                        | —                            | —                          | 2,853                                  | —                                                                                                                                                                                |

| (Millions of yen)                                            |                              |                        |                                        |                                                       |
|--------------------------------------------------------------|------------------------------|------------------------|----------------------------------------|-------------------------------------------------------|
| March 31, 2024                                               | Balance at beginning of year | Earnings of the period | Other comprehensive income (loss) (*1) | Net amount of purchase, sale, issuance and settlement |
| Operational Investment Securities and Investment Securities: |                              |                        |                                        |                                                       |
| Available-for-sale Securities                                |                              |                        |                                        |                                                       |
| Bonds                                                        | ¥36,637                      | ¥ —                    | ¥23                                    | ¥9,540                                                |
| Equity securities                                            | 3,381                        | —                      | -120                                   | -500                                                  |
| Other                                                        | 1,987                        | 0                      | -1                                     | -450                                                  |

| (Millions of yen)                                            |                          |                            |                        |                                                                                                                                                                                  |
|--------------------------------------------------------------|--------------------------|----------------------------|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 31, 2024                                               | Transfer to Level 3 (*2) | Transfer from Level 3 (*3) | Balance at end of year | Net unrealized gains (losses) on financial assets and liabilities held at the consolidated balance sheet date among the amount recognized in the earnings of the current period. |
| Operational Investment Securities and Investment Securities: |                          |                            |                        |                                                                                                                                                                                  |
| Available-for-sale Securities                                |                          |                            |                        |                                                                                                                                                                                  |
| Bonds                                                        | ¥ —                      | ¥ —                        | ¥46,201                | ¥ —                                                                                                                                                                              |
| Equity securities                                            | —                        | —                          | 2,760                  | —                                                                                                                                                                                |
| Other                                                        | —                        | —                          | 1,534                  | —                                                                                                                                                                                |

| (Thousands of U.S. dollars)                                  |                              |                        |                                        |                                                       |
|--------------------------------------------------------------|------------------------------|------------------------|----------------------------------------|-------------------------------------------------------|
| March 31, 2025                                               | Balance at beginning of year | Earnings of the period | Other comprehensive income (loss) (*1) | Net amount of purchase, sale, issuance and settlement |
| Operational Investment Securities and Investment Securities: |                              |                        |                                        |                                                       |
| Available-for-sale Securities                                |                              |                        |                                        |                                                       |
| Bonds                                                        | \$308,975                    | \$ —                   | \$-8,758                               | \$-41,062                                             |
| Equity securities                                            | 18,461                       | —                      | -766                                   | -                                                     |
| Other                                                        | 10,265                       | —                      | -18                                    | 8,834                                                 |

| (Thousands of U.S. dollars)                                  |                          |                            |                        |                                                                                                                                                                                  |
|--------------------------------------------------------------|--------------------------|----------------------------|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 31, 2024                                               | Transfer to Level 3 (*2) | Transfer from Level 3 (*3) | Balance at end of year | Net unrealized gains (losses) on financial assets and liabilities held at the consolidated balance sheet date among the amount recognized in the earnings of the current period. |
| Operational Investment Securities and Investment Securities: |                          |                            |                        |                                                                                                                                                                                  |
| Available-for-sale Securities                                |                          |                            |                        |                                                                                                                                                                                  |
| Bonds                                                        | \$ —                     | \$ —                       | \$259,155              | \$ —                                                                                                                                                                             |
| Equity securities                                            | —                        | —                          | 17,695                 | —                                                                                                                                                                                |
| Other                                                        | —                        | —                          | 19,081                 | —                                                                                                                                                                                |

(\*1) The amounts shown in the table above are included in the Unrealized Gain on Available-for-sale Securities in Other Comprehensive Income of the Consolidated Statement of Comprehensive Income.

(\*2) There was no transfer from Level 2 to Level 3 for the year ended March 31, 2025 and 2024. The transfer is made at the end of the fiscal year in which it occurs.

(\*3) There was no transfer from Level 3 to Level 2 for the year ended March 31, 2025 and 2024. The transfer is made at the end of the fiscal year in which it occurs.

(c) Description of the fair value valuation process

At the Group, the risk control department, the finance department and the accounting department establish policies and procedures for the calculation of fair value, and each department which holds financial instruments calculates fair value in accordance with such policies and procedures. In measuring fair value, the Group uses different valuation models that most appropriately reflect the nature, characteristics, and risks of each asset. If quoted prices obtained from third parties are used, those values are verified by confirming the valuation technique and the inputs used by the third parties or trend analysis and other appropriate methods.

(d) Description of the sensitivity of the fair value to changes in significant unobservable inputs

Discount rate is a significant unobservable input used for measurement of the fair value of stocks, bonds and others. Discount rate is an adjustment rate regarding interbank market rate, and it is constituted from risk premium that market participants need against uncertainty of cash flow produced mainly by credit risks. In general, a significant increase or decrease in discount rate would result in a significant increase or decrease in a fair value.

19.Derivatives

Fair values of derivative transactions were as follows. The fair value is measured at quoted prices obtained from the financial institutions. The contract amounts shown in the tables are the notional amounts of derivatives and do not indicate the Company’s exposure to credit or market risks:

Derivative transactions to which hedge accounting is not applied:

(1) Interest rate and currency swaps

| (Millions of yen)                                                                |                 |                                    |            |                        |
|----------------------------------------------------------------------------------|-----------------|------------------------------------|------------|------------------------|
| At March 31, 2025                                                                | Contract Amount | Contract Amount due after One Year | Fair Value | Unrealized (Loss) Gain |
| Payment - floating rate in Japanese Yen, receipt - floating rate in U.S. dollars | ¥ —             | ¥ —                                | ¥ —        | ¥ —                    |
| Payment - fixed rate in Japanese Yen, receipt - floating rate in U.S. dollars    | ¥13,297         | ¥7,742                             | ¥-1,246    | ¥-1,246                |
| (Millions of yen)                                                                |                 |                                    |            |                        |
| At March 31, 2024                                                                | Contract Amount | Contract Amount due after One Year | Fair Value | Unrealized (Loss) Gain |
| Payment - floating rate in Japanese Yen, receipt - floating rate in U.S. dollars | ¥2,243          | ¥ —                                | ¥-791      | ¥-791                  |
| Payment - fixed rate in Japanese Yen, receipt - floating rate in U.S. dollars    | ¥13,854         | ¥13,854                            | ¥-1,375    | ¥-1,375                |
| (Thousands of U.S. dollars)                                                      |                 |                                    |            |                        |
| At March 31, 2025                                                                | Contract Amount | Contract Amount due after One Year | Fair Value | Unrealized (Loss) Gain |
| Payment - floating rate in Japanese Yen, receipt - floating rate in U.S. dollars | \$ —            | \$ —                               | \$ —       | \$ —                   |
| Payment - fixed rate in Japanese Yen, receipt - floating rate in U.S. dollars    | \$88,932        | \$51,782                           | \$-8,334   | \$-8,334               |

Derivative transactions to which hedge accounting is applied:

(1) Foreign currency forward contracts

| (Millions of yen)                                        |                                              |                 |                                    |            |
|----------------------------------------------------------|----------------------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2025                                        | Hedged item                                  | Contract Amount | Contract Amount due after One Year | Fair Value |
| Foreign currency forward contracts Selling, U.S. dollars | Committed transactions in foreign currencies | ¥1,714          | ¥ —                                | ¥27        |

| (Millions of yen)                                        |                                              |                 |                                    |            |
|----------------------------------------------------------|----------------------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2024                                        | Hedged item                                  | Contract Amount | Contract Amount due after One Year | Fair Value |
| Foreign currency forward contracts Selling, U.S. dollars | Committed transactions in foreign currencies | ¥ —             | ¥ —                                | ¥ —        |

| (Thousands of U.S. dollars)                              |                                              |                 |                                    |            |
|----------------------------------------------------------|----------------------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2025                                        | Hedged item                                  | Contract Amount | Contract Amount due after One Year | Fair Value |
| Foreign currency forward contracts Selling, U.S. dollars | Committed transactions in foreign currencies | \$11,467        | \$ —                               | \$183      |

(2) Interest rate swaps

| (Millions of yen)                             |                                       |                 |                                    |            |
|-----------------------------------------------|---------------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2025                             | Hedged item                           | Contract Amount | Contract Amount due after One Year | Fair Value |
| Payment - fixed rate, receipt - floating rate | Short-term Borrowings, Long-term Debt | ¥153,442        | ¥121,318                           | ¥2,462     |
| Payment - floating rate, receipt - fixed rate | Long-term Debt                        | ¥17,724         | ¥10,742                            | ¥-316      |
|                                               | Bonds Payable                         | ¥14,000         | ¥10,000                            | ¥-374      |

| (Millions of yen)                             |                                       |                 |                                    |            |
|-----------------------------------------------|---------------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2024                             | Hedged item                           | Contract Amount | Contract Amount due after One Year | Fair Value |
| Payment - fixed rate, receipt - floating rate | Short-term Borrowings, Long-term Debt | ¥120,330        | ¥104,353                           | ¥1,372     |
| Payment - floating rate, receipt - fixed rate | Long-term Debt                        | ¥22,827         | ¥17,827                            | ¥-109      |
|                                               | Bonds Payable                         | ¥14,000         | ¥14,000                            | ¥-236      |

| (Thousands of U.S. dollars)                   |                                       |                 |                                    |            |
|-----------------------------------------------|---------------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2025                             | Hedged item                           | Contract Amount | Contract Amount due after One Year | Fair Value |
| Payment - fixed rate, receipt - floating rate | Short-term Borrowings, Long-term Debt | \$1,026,166     | \$811,332                          | \$16,465   |
| Payment - floating rate, receipt - fixed rate | Long-term Debt                        | \$118,532       | \$71,845                           | \$-2,118   |
|                                               | Bonds Payable                         | \$93,627        | \$66,876                           | \$-2,507   |

(3) Interest rate and currency swaps

| (Millions of yen)                                                                  |                                   |                 |                                    |            |
|------------------------------------------------------------------------------------|-----------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2025                                                                  | Hedged item                       | Contract Amount | Contract Amount due after One Year | Fair Value |
| Payment - fixed rate in Japanese Yen, receipt - fixed rate in U.S. dollars         | Operational Investment Securities | ¥7,327          | ¥5,954                             | ¥-2,496    |
| Payment - fixed rate in Japanese Yen, receipt - floating rate in U.S. dollars      | Operational Investment Securities | ¥22,631         | ¥19,791                            | ¥-1,295    |
| Payment - fixed rate in Indonesian Rupiah, receipt - floating rate in U.S. dollars | Long-term Debt                    | ¥472            | ¥81                                | ¥36        |

| (Millions of yen)                                                                  |                                   |                 |                                    |            |
|------------------------------------------------------------------------------------|-----------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2024                                                                  | Hedged item                       | Contract Amount | Contract Amount due after One Year | Fair Value |
| Payment - fixed rate in Japanese Yen, receipt - fixed rate in U.S. dollars         | Operational Investment Securities | ¥8,429          | ¥8,082                             | ¥-2,686    |
| Payment - fixed rate in Japanese Yen, receipt - floating rate in U.S. dollars      | Operational Investment Securities | ¥17,426         | ¥17,426                            | ¥-1,386    |
| Payment - fixed rate in Indonesian Rupiah, receipt - floating rate in U.S. dollars | Long-term Debt                    | ¥1,166          | ¥394                               | ¥65        |

| (Thousands of U.S. dollars)                                                        |                                   |                 |                                    |            |
|------------------------------------------------------------------------------------|-----------------------------------|-----------------|------------------------------------|------------|
| At March 31, 2025                                                                  | Hedged item                       | Contract Amount | Contract Amount due after One Year | Fair Value |
| Payment - fixed rate in Japanese Yen, receipt - fixed rate in U.S. dollars         | Operational Investment Securities | \$49,002        | \$39,822                           | \$-16,696  |
| Payment - fixed rate in Japanese Yen, receipt - floating rate in U.S. dollars      | Operational Investment Securities | \$151,351       | \$132,360                          | \$-8,663   |
| Payment - fixed rate in Indonesian Rupiah, receipt - floating rate in U.S. dollars | Long-term Debt                    | \$3,159         | \$543                              | \$244      |

Interest rate swaps to which specific accounting is applied:

The following interest rate swaps which qualify for hedge accounting and meet specific matching criteria, are not re-measured at market value. However, the differential paid or received under the swap agreements is recognized and included in interest expense or income. In addition, the fair value of such interest rate swaps in Note 18 is included in those of the hedged items (i.e. Loans Receivables, Factoring Receivables and Long-term Debt).

(1) Interest rate swaps

| (Millions of yen)                             |                   |                 |                                    |
|-----------------------------------------------|-------------------|-----------------|------------------------------------|
| At March 31, 2025                             | Hedged item       | Contract Amount | Contract Amount due after One Year |
| Payment - fixed rate, receipt - floating rate | Loans Receivables | ¥358            | ¥358                               |
|                                               | Long-term Debt    | ¥230,600        | ¥201,854                           |

| (Millions of yen)                             |                   |                 |                                    |
|-----------------------------------------------|-------------------|-----------------|------------------------------------|
| At March 31, 2024                             | Hedged item       | Contract Amount | Contract Amount due after One Year |
| Payment - fixed rate, receipt - floating rate | Loans Receivables | ¥570            | ¥570                               |
|                                               | Long-term Debt    | ¥233,839        | ¥203,442                           |

| (Thousands of U.S. dollars)                   |                   |                 |                                    |
|-----------------------------------------------|-------------------|-----------------|------------------------------------|
| At March 31, 2025                             | Hedged item       | Contract Amount | Contract Amount due after One Year |
| Payment - fixed rate, receipt - floating rate | Loans Receivables | \$2,400         | \$2,400                            |
|                                               | Long-term Debt    | \$1,542,171     | \$1,349,925                        |

## 20. Other Comprehensive Income

The components of other comprehensive income for the years ended March 31, 2025 and 2024 were as follows:

|                                                     | (Millions of yen) |         | (Thousands of U.S. dollars) |
|-----------------------------------------------------|-------------------|---------|-----------------------------|
|                                                     | 2025              | 2024    | 2025                        |
| Unrealized Gain on Available-for-sale Securities    |                   |         |                             |
| Gains arising during the year                       | ¥2,531            | ¥11,291 | \$-16,931                   |
| Reclassification adjustments to profit or loss      | -1,439            | -1,048  | -9,627                      |
| Amount before income tax effect                     | -3,971            | 10,243  | -26,558                     |
| Income tax effect                                   | -1,014            | 3,136   | -6,782                      |
| Total                                               | ¥-2,957           | ¥7,107  | \$-19,776                   |
| Deferred Loss on Derivatives under Hedge Accounting |                   |         |                             |
| Losses arising during the year                      | ¥-69              | ¥-5,353 | \$-465                      |
| Reclassification adjustments to profit or loss      | 1,459             | 1,970   | 9,758                       |
| Amount before income tax effect                     | 1,389             | -3,382  | 9,293                       |
| Income tax effect                                   | 386               | -1,035  | 2,587                       |
| Total                                               | ¥1,002            | ¥-2,347 | \$6,706                     |
| Foreign Currency Translation Adjustments            |                   |         |                             |
| Adjustments arising during the year                 | ¥6,831            | ¥9,572  | \$45,684                    |
| Reclassification adjustments to profit or loss      | -                 | -       | -                           |
| Amount before income tax effect                     | 6,831             | 9,572   | 45,684                      |
| Income tax effect                                   | -                 | -       | -                           |
| Total                                               | ¥6,831            | ¥9,572  | \$45,684                    |
| Defined Retirement Benefit Plans                    |                   |         |                             |
| Adjustments arising during the year                 | ¥-219             | ¥1,007  | \$-1,469                    |
| Reclassification adjustments to profit or loss      | -139              | -78     | -932                        |
| Amount before income tax effect                     | -359              | 929     | -2,401                      |
| Income tax effect                                   | -94               | 284     | -632                        |
| Total                                               | ¥-264             | ¥645    | \$-1,769                    |
| Share of Other Comprehensive Income in associates   |                   |         |                             |
| Income arising during the year                      | ¥674              | ¥4,148  | \$4,513                     |
| Reclassification adjustments to profit or loss      | -184              | 475     | -1,236                      |
| Total                                               | ¥489              | ¥4,624  | \$3,277                     |
| Total Other Comprehensive Income                    | ¥5,102            | ¥19,602 | \$34,122                    |

## 21. Supplemental Information on Changes in Equity

|                                     | Common Stock Outstanding | Number of shares |            |
|-------------------------------------|--------------------------|------------------|------------|
|                                     | 2025                     | 2025             | 2025       |
| Balance at beginning of year,       | 48,622,819               | 49,004,000       | -381,181   |
| Increase resulting from stock split | 194,491,276              | 196,016,000      | -1,524,724 |
| Purchase of Treasury Stock          | -1,101,675               | -                | -1,101,675 |
| Disposal of Treasury Stock          | 244,500                  | -                | 244,500    |
| Issuance of new shares              | 37,646,300               | 37,646,300       | -          |
| Balance at end of year,             | 279,903,220              | 282,666,300      | -2,763,080 |

(1) The increase of 233,662,300 shares of common stock is due to a five-for-one stock split as of April 1, 2024, resulting in an increase of 196,016,000 shares, and the issuance of new shares through third-party allotment from Marubeni Corporation and Mizuho Financial Group, Inc. with a payment date of June 18, 2024, resulting in an increase of 37,646,300 shares.

(2) The increase of 2,626,399 shares of treasury stock is due to a five-for-one stock split as of April 1, 2024, resulting in an increase of 1,524,724 shares, the acquisition of the Company's share under the Company's BBT of 1,100,500 shares, and the purchase of shares less than one unit of 1,175 shares. The decrease of 244,500 shares of treasury stock is due to the sales from BBT mentioned above. Issued shares in common stock at the end of fiscal year include treasury stock of 2,755,500 shares held by the Company's BBT. (See Note 2 (aa) for details on BBT.)

## 22. Related-Party Disclosures

Transactions of the Group with related parties, i.e., a major shareholder, parent company of a major shareholder, unconsolidated subsidiaries, and fellow company for the years ended March 31, 2025 were as follows:

|                                                      | (Millions of yen) | (Thousands of U.S. dollars) |
|------------------------------------------------------|-------------------|-----------------------------|
|                                                      | 2025              | 2025                        |
| Borrowing funds                                      | ¥5,272,974        | \$35,263,655                |
| Securitization of receivables                        | 529,538           | 3,541,352                   |
| Issuance of commercial paper                         | 1,721,300         | 11,511,403                  |
| Issuance of new shares through third-party allotment | 41,674            | 278,702                     |
| Payment of interest                                  | 9,040             | 60,458                      |
| Receipt of interest                                  | 2                 | 14                          |
| Issuance of bonds payable                            | 115,000           | 769,076                     |

The balances due to or from these companies at March 31, 2025 were as follows:

|                                                        | (Millions of yen) | (Thousands of U.S. dollars) |
|--------------------------------------------------------|-------------------|-----------------------------|
|                                                        | 2025              | 2025                        |
| Prepaid expenses                                       | ¥27               | \$182                       |
| Short-term borrowings                                  | 283,575           | 1,896,448                   |
| Commercial paper                                       | 92,400            | 617,936                     |
| Payables under securitized lease receivables           | 21,076            | 140,955                     |
| Current Portion of Long-term debt                      | 89,230            | 596,742                     |
| Current Portion of Bonds Payable                       | 62,000            | 414,633                     |
| Bonds payable                                          | 412,200           | 2,756,637                   |
| Long-term debt                                         | 66,033            | 441,609                     |
| Long-term payables under securitized lease receivables | 2,552             | 17,068                      |
| Accrued expenses                                       | 662               | 4,429                       |

23.Per Share Information

Details of basic net income attributable to owners of the parent per share (“EPS”) for the years ended March 31, 2025 and 2024 were as follows:

|                                             | (Millions of yen)                               | (Thousands of shares)    | (Yen)    | (U.S. dollars) |
|---------------------------------------------|-------------------------------------------------|--------------------------|----------|----------------|
| For the year ended March 31, 2025:          | Net income attributable to owners of the parent | Weighted- average shares | EPS (*1) |                |
| Basic EPS                                   |                                                 |                          |          |                |
| Net income available to common shareholders | ¥42,038                                         | 272,015                  | ¥154.54  | \$1.03         |
| For the year ended March 31, 2024:          |                                                 |                          |          |                |
| Basic EPS                                   |                                                 |                          |          |                |
| Net income available to common shareholders | ¥35,220                                         | 242,790                  | ¥145.07  | \$0.96         |

(\*1) The Company enacted a five-for-one stock split of its common stock with an effective date of April 1, 2024. Each of the numbers above is calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

24.Subsequent Events

Appropriation of Retained Earnings

The following appropriation of Retained Earning at March 31, 2025, was approved at the Company’s shareholders’ meeting on June 25, 2025:

|                                                   | (Millions of yen) | (Thousands of U.S. dollars) |
|---------------------------------------------------|-------------------|-----------------------------|
| Year-end cash dividends,¥27.00 (\$0.18) per share | ¥7,631            | \$51,040                    |

Execution of Share Purchase and Capital and Business Alliance Agreement

The Board of Directors of the Company resolved on April 24, 2025 to have its wholly-owned subsidiary, ML Estate Company, Limited, to execute a share purchase agreement with Nippon Steel Corporation (“Nippon Steel”), which is a shareholder of Nippon Steel Kowa Real Estate Co., Ltd. (“Nippon Steel Kowa Real Estate”), to acquire a portion of the Class shares of Nippon Steel Kowa Real Estate held by Nippon Steel (this acquisition, the “Share Acquisition”). The Company acquired the shares on May 9, 2025.

While the Company previously executed a business alliance agreement on August 6, 2021 with Nippon Steel Kowa Real Estate (the “Existing Business Alliance Agreement”) and engaged in good faith discussions regarding a plan to realize the expansion of their respective business areas by integrating their general real estate development and leasing businesses, the Board of Directors of the Company resolved to terminate the Existing Business Alliance Agreement in conjunction with the Share Acquisition and execute a new capital and business alliance agreement (the “Capital and Business Alliance Agreement”) on April 24, 2025.

(1) Summary of the Capital and Business Alliance Agreement

The Company believes that the Share Acquisition has strategic significance, as it aligns with the Company’s three policy initiatives in the real estate business area: (i) strengthening of existing businesses, (ii) pursuing development projects, and (iii) advancing the asset recycling business, all of which are aimed at achieving the goal to “simultaneously expand existing businesses and create new ones.” Based on this, in order to establish a stable capital relationship through the Share Acquisition to support the growth of Nippon Steel Kowa Real Estate toward the realization of its corporate vision of “being the ‘company of choice’ for all stakeholders by growing sustainably with society” and in order to further strengthen strategic synergies that have been realized to date, the two companies concluded that by expanding the opportunities to leverage each other’s strengths and know-how and providing value to more customers in Japan and overseas, they could help to address social challenges and improve the corporate value of both companies. It is on this basis that the Company has executed the Capital and Business Alliance Agreement with Nippon Steel Kowa Real Estate.

(2) Corporate name, business and size of the company whose shares were acquired

- (a) Corporate name  
Nippon Steel Kowa Real Estate Co., Ltd.
- (b) Description of the business  
Real estate leasing business, real estate sales business, and fee business
- (c) Capital  
¥19,824 million (\$132,580 thousand)

(3) Date of the acquisition of the shares  
May 9, 2025

(4) Number of shares acquired, acquisition price and shareholding ratio held before and after the transaction

- (a) Number of shares acquired  
51,654 shares
- (b) Acquisition price  
¥50.1 billion (\$334,878 thousand)
- (c) Shareholding ratio held before and after the transaction  
Shareholding ratio held before the transaction: 15.29%  
Shareholding ratio held after the transaction: 30.14%  
Since the Class shares do not confer voting rights, there will be no change in the voting rights ownership ratio of 22.24% held by the Group in Nippon Steel Kowa Real Estate as a result of the Share Acquisition.

Corporate Information (As of March 31, 2025)

|                       |                                                                                                 |
|-----------------------|-------------------------------------------------------------------------------------------------|
| Company name          | Mizuho Leasing Company, Limited                                                                 |
| Head Office           | 2-6 Toranomom 1-chome, Minato-ku, Tokyo 105-0001, Japan<br>Tel: +81-3-5253-6511 (main exchange) |
| Date of Establishment | December 1, 1969                                                                                |
| Paid-in Capital       | ¥46,925.26 million                                                                              |
| Number of Employees   | Consolidated: 2,282; Non-consolidated: 819                                                      |
| Business Description  | Integrated financial services                                                                   |

Business Sites (As of July 31, 2025)

|                                                    |                                                                                                                                     |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Head Office                                        | 2-6 Toranomom 1-chome, Minato-ku, Tokyo 105-0001<br>+81-3-5253-6511                                                                 |
| Sapporo Branch                                     | Hulic Square Sapporo, 3-1-44 Kita Sanjo Nishi, Chuo-ku, Sapporo, Hokkaido 060-0003<br>+81-11-231-1341                               |
| Sendai Branch                                      | Sendai First Tower, 3-1-1 Ichibancho, Aoba-ku, Sendai, Miyagi 980-0811<br>+81-22-223-2611                                           |
| Corporate Business Dept. (Metropolitan Area No. 2) | V Square Omiya, 65-2, Naka-cho 2-chome, Omiya-ku, Saitama, Saitama 330-0845<br>+81-48-631-0751                                      |
| Toyama Branch                                      | 5-13 Sakurabashi-dori, Toyama, Toyama 930-0004<br>+81-76-444-1080                                                                   |
| Shizuoka Branch                                    | Shizuoka Fukoku Seimei Building, 5-9 Miyuki-cho, Aoi-ku, Shizuoka, Shizuoka 420-0857<br>+81-54-205-3330                             |
| Nagoya Branch                                      | Nagoya Intercity, 11-11 Nishiki 1-chome, Naka-ku, Nagoya, Aichi 460-0003<br>+81-52-203-5891                                         |
| Kyoto Branch                                       | Karasuma Chuo Building, 659, Tearaimizu-cho, Nishikikozi-agaru, Karasuma-dori, Nakagyo-ku, Kyoto, Kyoto 604-8152<br>+81-75-223-1545 |
| Osaka Business Dept. (No. 1)                       | Yodoyabashi Station One, 6-22 Kitahama 3-chome, Chuo-ku, Osaka, Osaka 541-0041<br>+81-6-6201-3981                                   |
| Osaka Business Dept. (No. 2)                       | Same as above                                                                                                                       |
| Hiroshima Branch                                   | 1-22, Kamiyacho 2-chome, Naka-ku, Hiroshima, Hiroshima 730-0031<br>+81-82-249-4435                                                  |
| Takamatsu Branch                                   | 6-8, Bancho 1-chome, Takamatsu, Kagawa 760-0017<br>+81-87-823-7321                                                                  |
| Fukuoka Branch                                     | ONE FUKUOKA BLDG., 11-1 Tenjin 1-chome, Chuo-ku, Fukuoka, Fukuoka 810-0001<br>+81-92-714-5671                                       |

Major Group Companies (As of June 30, 2025)

<Consolidated Subsidiaries>

| Company Name                            | Location       | Paid-in Capital or Investment Business | Activity               | Ownership |
|-----------------------------------------|----------------|----------------------------------------|------------------------|-----------|
| Dai-ichi Leasing Co., Ltd.              | Japan          | ¥2,000 million                         | General leasing        | 90%       |
| Mizuho-Toshiba Leasing Company, Limited | Japan          | ¥1,520 million                         | General leasing        | 90%       |
| ML Estate Company, Limited              | Japan          | ¥10 million                            | Real estate leasing    | 100%      |
| Mizuho Auto Lease Company, Limited      | Japan          | ¥386 million                           | Auto leasing           | 100%      |
| Universal Leasing Co., Ltd.             | Japan          | ¥50 million                            | General leasing        | 90%       |
| MIRAIZ CAPITAL Co., Ltd.                | Japan          | ¥15 million                            | Financing              | 100%      |
| ML Shoji Company, Limited               | Japan          | ¥310 million                           | Used equipment sales   | 100%      |
| ML Office Service Company, Limited      | Japan          | ¥10 million                            | Office services        | 100%      |
| ML Power Company, Limited               | Japan          | ¥10 million                            | Environment and Energy | 100%      |
| Mizuho Leasing (China) Ltd.             | China          | US\$30,000 thousand                    | General leasing        | 100%      |
| Mizuho Leasing (Singapore) Pte. Ltd.    | Singapore      | US\$50,000                             | General leasing        | 100%      |
| PT MIZUHO LEASING INDONESIA Tbk         | Indonesia      | IDR568,735,399 thousand                | General leasing        | 67%       |
| Mizuho RA Leasing Pvt. Ltd.             | India          | INR3,049 thousand                      | General leasing        | 88%       |
| Capsave Finance Pvt. Ltd.               | India          | INR219,032 thousand                    | General leasing        | 88%       |
| Mizuho Leasing (UK) Limited             | United Kingdom | GBP6,000 thousand                      | General leasing        | 100%      |
| IBJ Air Leasing (US) Corp.              | USA            | US\$100                                | Aircraft leasing       | 75%       |
| IBJ Air Leasing Limited                 | Bermuda        | US\$1                                  | Aircraft leasing       | 75%       |

31 other companies

Management (As of July 1, 2025)

|                    |                                           |                  |
|--------------------|-------------------------------------------|------------------|
| Directors          | Chairman of the Board of Directors        | Shusaku Tshuhara |
|                    | President and CEO                         | Akira Nakamura   |
|                    | Deputy President, Representative Director | Hiroshi Nagamine |
|                    | Deputy President                          | Mutsumi Ishizuki |
|                    | Senior Managing Director                  | Masahiko Abe     |
|                    | Managing Director                         | Kensuke Sato     |
|                    | Outside Director                          | Mari Sagiya      |
|                    | Outside Director                          | Takayuki Aonuma  |
|                    | Outside Director                          | Hirozumi Sone    |
|                    | Outside Director                          | Natsumi Watanabe |
| Corporate Auditors | Outside Director                          | Haruyuki Urata   |
|                    | Outside Director                          | Jiro Itai        |
|                    | Outside Audit & Supervisory Board Member  | Koji Arita       |
|                    | Outside Audit & Supervisory Board Member  | Shingo Suwabe    |
|                    | Audit & Supervisory Board Member          | Noboru Otaka     |
|                    | Outside Corporate Auditor                 | Hideki Amano     |

|                             |                    |                    |                    |
|-----------------------------|--------------------|--------------------|--------------------|
| Executive Officers          |                    |                    |                    |
| Managing Executive Officers | Toshiyuki Takezawa | Executive Officers | Kunihiro Mio       |
|                             | Nobuhisa Zama      |                    | Koki Minami        |
|                             | Takashi Yamada     |                    | Ryuji Fujiwara     |
|                             | Yasuhiko Hashimoto |                    | Masato Matsui      |
|                             | Kazuomi Funakawa   |                    | Kenji Wakui        |
|                             | Hirohide Ishiyama  |                    | Toshiya Matsuo     |
|                             | Norio Sumi         |                    | Yoichi Ninomiya    |
|                             | Hiroyuki Kudo      |                    | Toshihiko Moriya   |
|                             | Akira Kinoshita    |                    | Kenji Akiyama      |
|                             | Takashi Yao        |                    | Mitsuhiro Sakamoto |
|                             | Akira Tanaka       |                    | Yasuhisa Yokoyama  |
|                             | Masashi Takahata   |                    | Toshiaki Ito       |
|                             | Hiroya Uchimura    |                    |                    |
|                             | Taketo Imai        |                    |                    |
|                             | Makoto Matsubara   |                    |                    |

Stock Information (As of July 31, 2025)

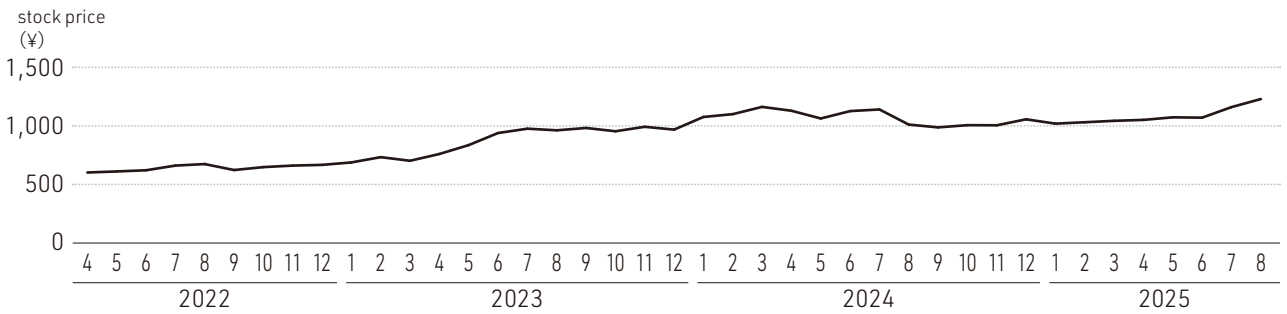
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| Number of Shares Authorized                                                                                                                                                                                                                                                                                                                                                                                                                                               | 700,000,000                                                                                                   |
| Number of Shares Issued                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 282,658,720 (excluding treasury stock)                                                                        |
| (Note) On April 1, 2024, the Company conducted a stock split at a ratio of five shares for each common share. As a result, the total number of authorized shares became 700,000,000, and the total number of issued shares (including treasury shares) became 245,020,000.<br>On June 18, 2024, as a result of a third-party allotment of new shares to Marubeni Corporation and Mizuho Financial Group, Inc., the total number of issued shares increased by 37,646,300. |                                                                                                               |
| Number of Shareholders                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 80,882                                                                                                        |
| Stock Exchange Listing                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Tokyo Stock Exchange, Prime Market                                                                            |
| Securities Code                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 8425                                                                                                          |
| Shareholder Registry Administrator                                                                                                                                                                                                                                                                                                                                                                                                                                        | Mizuho Trust & Banking Co., Ltd.                                                                              |
| (Office Location)                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd. 3-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo |

Major Shareholders (Top 10)

| Shareholders                                                                                                                                     | Number of Shares Held | Shareholding Ratio (%) |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| Mizuho Financial Group, Inc.                                                                                                                     | 65,278,500            | 23.09                  |
| Marubeni Corporation                                                                                                                             | 56,533,300            | 20.00                  |
| The Master Trust Bank of Japan, Ltd. (Trust Account)                                                                                             | 20,446,000            | 7.23                   |
| Custody Bank of Japan, Ltd. (Trust Account E)                                                                                                    | 7,633,800             | 2.70                   |
| RICOH LEASING COMPANY, LTD.                                                                                                                      | 7,500,000             | 2.65                   |
| Custody Bank of Japan, Ltd. (TOSHIBA CORPORATION Retirement Benefit Trust Account re-entrusted by the Mitsui Sumitomo Trust & Banking Co., Ltd.) | 3,000,000             | 1.06                   |
| The Dai-ichi Life Insurance Company, Limited                                                                                                     | 2,925,000             | 1.03                   |
| DOWA HOLDINGS CO., LTD                                                                                                                           | 2,800,000             | 0.99                   |
| STATE STREET BANK AND TRUST COMPANY 505223                                                                                                       | 2,761,879             | 0.98                   |
| Custody Bank of Japan, Ltd. (Trust Account E)                                                                                                    | 2,755,500             | 0.97                   |

(Note) The shareholding ratio is calculated excluding treasury stock (7,580 shares).  
Note that treasury stock does not include 2,755,500 shares acquired through the Stock Benefit Trust (BBT-RS).

Stock Performance



(Note) On April 1, 2024, the company split its common stock at a ratio of 5 for 1. The above share price has been retroactively adjusted to take into account the stock split.

<Equity method affiliates>

| Company Name                            | Location  | Paid-in Capital or Investment Business | Activity                         | Ownership |
|-----------------------------------------|-----------|----------------------------------------|----------------------------------|-----------|
| Mizuho Marubeni Leasing Corporation     | Japan     | ¥4,390 million                         | General leasing                  | 50%       |
| RICOH LEASING COMPANY, LTD.             | Japan     | ¥7,896 million                         | General leasing                  | 20%       |
| Nippon Steel Kowa Real Estate Co., Ltd. | Japan     | ¥19,824 million                        | Real estate                      | 22%       |
| Mizuho Marubeni Leasing Corporation     | Japan     | ¥902 million                           | General leasing                  | 15%       |
| GECOSS CORPORATION                      | Japan     | ¥4,397 million                         | Temporary construction materials | 20%       |
| Krungthai Mizuho Leasing Co., Ltd.      | Thailand  | THB 100,000 thousand                   | General leasing                  | 49%       |
| PLM Fleet, LLC                          | USA       | US\$72,933 thousand                    | Trailer leasing                  | 50%       |
| Aircastle Limited                       | Bermuda   | US\$178                                | Aircraft leasing                 | 25%       |
| Vietnam International Leasing Co., Ltd. | Vietnam   | VND580,000 million                     | General leasing                  | 18%       |
| Affordable Car Leasing Pty Ltd          | Australia | AUD40 million                          | Financing                        | 50%       |

2 other companies

Link to Annual Report of Mizuho Leasing Company, Limited  
<https://www.mizuho-ls.co.jp/en/ir/library/securities.html>

**Mizuho Leasing Company, Limited**

2-6 Toranomom 1-chome, Minato-ku, Tokyo 105-0001, Japan

<https://www.mizuho-ls.co.jp/en/index.html>