

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 CO₂ 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

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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

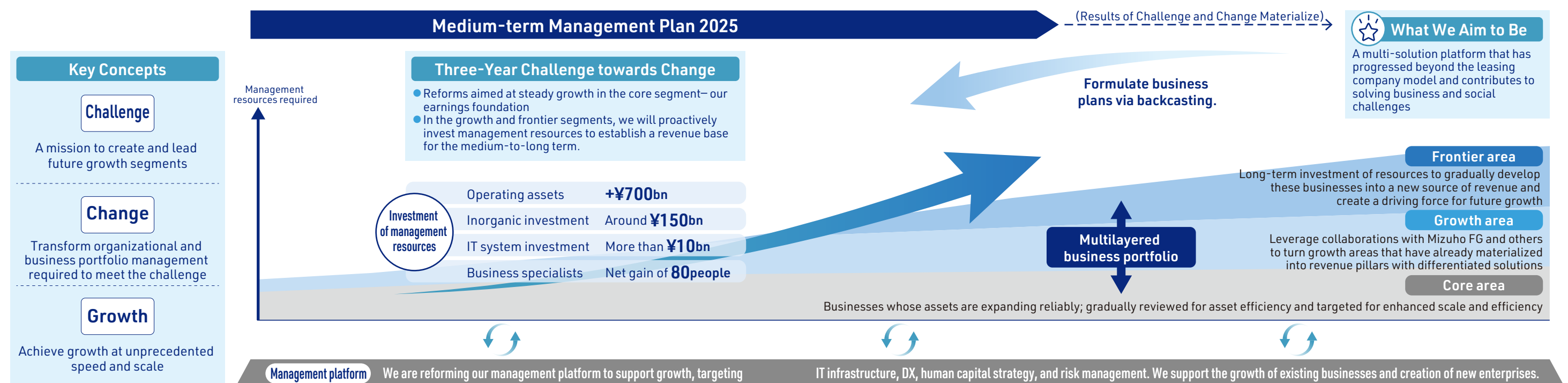
We are actively investing in a management foundation that will support future growth. We are prioritizing and

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



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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.

