

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

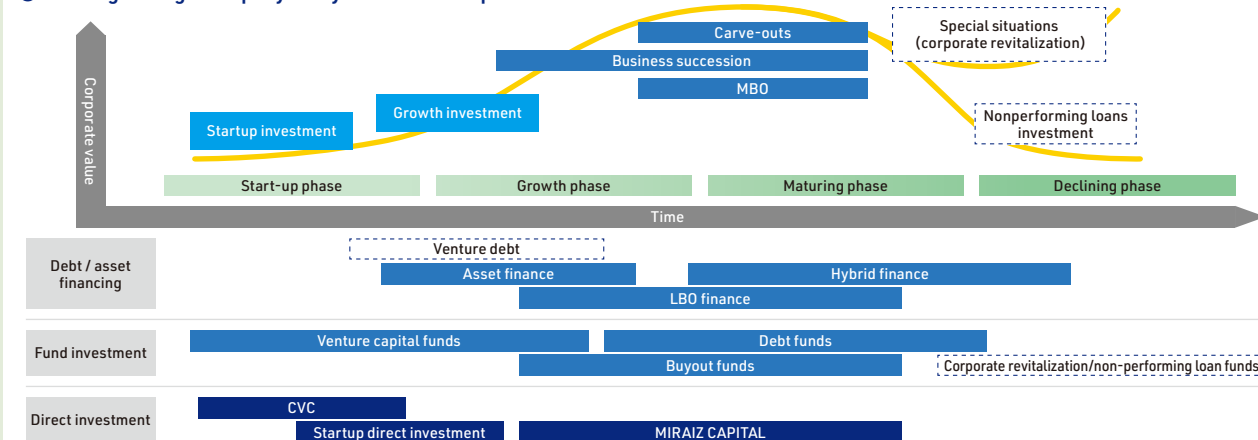
Three main focal points

- 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.