

## Consolidated Balance Sheet

Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
As of September 30, 2022

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30, 2022	March 31, 2022	September 30, 2022
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	¥ 25,687	¥ 24,502	\$ 177,388
Lease Receivables and Investments in Lease (Note 4)	1,133,241	1,172,643	7,825,712
Receivables (Note 4):			
Notes and Accounts	773	549	5,340
Lease	4,559	4,925	31,485
Installment Sales	100,836	109,376	696,335
Loans	440,569	395,300	3,042,396
Factoring	137,022	187,180	946,224
Total Receivables	683,761	697,333	4,721,780
Operational Investment Securities (Note 4)	269,481	239,843	1,860,928
Prepaid Expenses and Other	35,490	33,608	245,083
Allowance for Doubtful Receivables	(1,129)	(1,249)	(7,797)
Total Current Assets	2,146,532	2,166,681	14,823,094
<b>Property and Equipment:</b>			
Leased Assets (Note 4)	346,291	304,880	2,391,350
Advances for Purchases of Leased Assets	120	0	835
Own-used Assets	3,528	3,585	24,367
Total Property and Equipment	349,940	308,467	2,416,552
<b>Investments and Other Assets:</b>			
Investment Securities	13,816	18,059	95,413
Investments in Unconsolidated Subsidiaries and Associated Companies	208,896	185,594	1,442,554
Long-term Receivables	28,800	32,691	198,883
Intangible Leased Assets (Note 4)	9,845	10,107	67,988
Deferred Tax Assets	7,329	9,804	50,611
Asset for Employees' Retirement Benefits	802	856	5,539
Other	26,511	25,029	183,078
Allowance for Doubtful Receivables	(4,675)	(8,482)	(32,285)
Total Investments and Other Assets	291,326	273,661	2,011,781
<b>Total Assets</b>	¥ 2,787,799	¥ 2,748,810	\$ 19,251,427

See accompanying Notes to Consolidated Financial Statements.

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Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
As of September 30, 2022

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30, 2022	March 31, 2022	September 30, 2022
<b>LIABILITIES and EQUITY</b>			
<b>Current Liabilities:</b>			
Short-term Borrowings (Note 5)	¥ 1,192,101	¥ 1,180,237	\$ 8,232,173
Current Portion of Long-term Debt (Note 5)	276,193	270,456	1,907,279
Lease Payable	13,176	10,382	90,991
Accounts Payable - trade	23,234	34,698	160,448
Accrued Expenses	3,400	4,037	23,486
Income Taxes Payable	2,418	4,459	16,699
Deferred Profit on Installment Sales (Note 4)	3,251	2,775	22,454
Reserve for Management Board Benefit Trust - current	-	151	-
Accruals for Debt Guarantees	18	19	124
Other	42,349	41,158	292,451
<b>Total Current Liabilities</b>	<b>1,556,143</b>	<b>1,548,375</b>	<b>10,746,105</b>
<b>Long-term Liabilities:</b>			
Long-term Debt (Note 5)	919,748	924,550	6,351,416
Deposits Received	30,862	31,038	213,124
Liability for Employees' Retirement Benefits	2,225	2,349	15,371
Reserve for Management Board Benefit Trust	502	504	3,468
Other	12,371	11,188	85,430
<b>Total Long-term Liabilities</b>	<b>965,710</b>	<b>969,632</b>	<b>6,668,809</b>
<b>Contingent Liabilities (Note 6)</b>			
<b>Equity: (Note 9)</b>			
Common Stock	26,088	26,088	180,154
Authorized, 140,000,000 Shares; Issued, 49,004,000 Shares as of September 30 and March 31, 2022			
Capital Surplus	23,941	23,941	165,331
Retained Earnings	171,855	158,966	1,186,765
Treasury Stock - at cost	(1,618)	(1,709)	(11,175)
614,351 shares as of September 30 and 626,799 shares as of March 31, 2022			
Accumulated Other Comprehensive Income:			
Unrealized Gain on Available-for-sale Securities	11,771	7,252	81,290
Deferred Loss on Derivatives under Hedge Accounting	(3,924)	(1,817)	(27,104)
Foreign Currency Translation Adjustments	24,163	5,977	166,862
Defined Retirement Benefit Plans	709	747	4,902
<b>Total</b>	<b>252,986</b>	<b>219,445</b>	<b>1,747,025</b>
Non-controlling Interests	12,958	11,357	89,488
<b>Total Equity</b>	<b>265,945</b>	<b>230,803</b>	<b>1,836,513</b>
<b>Total Liabilities and Equity</b>	<b>¥ 2,787,799</b>	<b>¥ 2,748,810</b>	<b>\$ 19,251,427</b>

See accompanying Notes to Consolidated Financial Statements.

### Consolidated Statement of Income

Mizuho Leasing Company, Limited and Consolidated Subsidiaries

For the six-month period ended September 30, 2022

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30, 2022	September 30, 2021	September 30, 2022
<b>Revenues</b>	¥ 228,829	¥ 259,963	\$ 1,580,204
<b>Cost and Expenses</b>	197,363	233,991	1,362,913
<b>Gross Profit</b>	31,465	25,972	217,291
<b>Selling, General and Administrative Expenses</b>	14,092	12,692	97,314
<b>Operating Income</b>	17,373	13,280	119,977
<b>Other Income (Expenses):</b>			
Interest Income	3	1	24
Dividend Income	281	312	1,947
Equity in Earnings of Associated Companies	4,940	656	34,120
Interest Expenses	(663)	(464)	(4,585)
Bond Issuance Costs	(52)	(231)	(363)
Gain on Sales of Investment Securities	72	20	501
Loss on Sales of Investment Securities	(347)	-	(2,402)
Loss on Devaluation of Investment Securities	(7)	(9)	(54)
Loss on Retirement of Own-used Assets	-	(0)	-
Other — net	150	221	1,039
<b>Income before Income Taxes</b>	21,750	13,786	150,204
<b>Income Taxes:</b>			
Current	2,666	4,165	18,412
Deferred	2,838	(243)	19,603
Total	5,504	3,922	38,015
<b>Net Income</b>	16,246	9,863	112,189
<b>Net Income attributable to Non-controlling Interests</b>	661	370	4,570
<b>Net Income attributable to Owners of the Parent</b>	¥ 15,584	¥ 9,493	\$ 107,619
		Yen	U.S. dollars (Note 1)
	September 30, 2022	September 30, 2021	September 30, 2022
<b>Amounts per Share of Common Stock (Note 8)</b>			
Net Income attributable to Owners of the Parent per Share	¥ 322.06	¥ 196.25	\$ 2.22

See accompanying Notes to Consolidated Financial Statements.

**Consolidated Statement of Comprehensive Income**

Mizuho Leasing Company, Limited and Consolidated Subsidiaries

For the six-month period ended September 30, 2022

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30, 2022	September 30, 2021	September 30, 2022
<b>Net Income</b>	¥ 16,246	¥ 9,863	\$ 112,189
<b>Other Comprehensive Income:</b>			
Unrealized Gain on Available-for-sale Securities	5,192	120	35,858
Deferred Loss on Derivatives under Hedge Accounting	(2,178)	(263)	(15,041)
Foreign Currency Translation Adjustments	17,464	5,055	120,601
Defined Retirement Benefit Plans	(32)	(12)	(222)
Share of Other Comprehensive Income in Associated Companies	1,139	572	7,868
Total Other Comprehensive Income	21,586	5,472	149,064
<b>Comprehensive Income</b>	¥ 37,832	¥ 15,336	\$ 261,253
<b>Total Comprehensive Income attributable to:</b>			
Owners of the Parent	¥ 36,144	¥ 14,657	\$ 249,599
Non-controlling Interests	1,687	679	11,654

See accompanying Notes to Consolidated Financial Statements.

### Consolidated Statement of Cash Flows

Mizuho Leasing Company, Limited and Consolidated Subsidiaries  
For the six-month period ended September 30, 2022

	Millions of yen		Thousands of U.S. dollars (Note 1)
	September 30, 2022	September 30, 2021	September 30, 2022
<b>Cash Flows from Operating Activities:</b>			
Income before Income Taxes	¥ 21,750	¥ 13,786	\$ 150,204
Adjustments for:			
Income Taxes Paid	(4,711)	(6,061)	(32,535)
Depreciation and Disposal of Fixed Assets	8,471	8,460	58,502
Equity in Earnings of Associated Companies	(4,940)	(656)	(34,120)
Loss (Profit) from Investments	99	(83)	690
Decrease in Allowance for Doubtful Receivables	(4,157)	(597)	(28,710)
Decrease in Accruals for Debt Guarantees	(1)	(0)	(7)
Loss (Gain) on Sales of Marketable and Investment Securities	275	(20)	1,901
Loss on Devaluation of Investment Securities	7	9	54
Change in assets and liabilities:			
Decrease in Lease Receivables and Investments in Lease	45,851	42,676	316,630
Decrease (Increase) in Receivables	22,787	(10,390)	157,363
Increase in Operational Investment Securities	(21,933)	(25,408)	(151,465)
Decrease in Accounts Payable — trade	(11,557)	(10,535)	(79,812)
Purchases of Leased Assets	(61,627)	(61,280)	(425,573)
Proceeds from Sales of Leased Assets	21,460	52,514	148,194
Increase (Decrease) in Interest Payable	141	(30)	977
Other — net	1,578	2,407	10,903
Total Adjustments	(8,255)	(8,994)	(57,008)
Net Cash Provided by Operating Activities	13,495	4,791	93,196
<b>Cash Flows from Investing Activities:</b>			
Purchases of Own-used Assets	(617)	(1,351)	(4,266)
Purchases of Marketable and Investment Securities	(3,278)	(28,471)	(22,639)
Proceeds from Sales and Redemption of Marketable and Investment Securities	1,964	2,166	13,563
Other — net	(760)	(726)	(5,253)
Net Cash Used in Investing Activities	(2,692)	(28,382)	(18,595)
<b>Cash Flows from Financing Activities:</b>			
Net Increase in Short-term Borrowings	11,528	16,798	79,613
Proceeds from Long-term Debt	128,261	162,871	885,721
Repayments of Long-term Debt	(147,245)	(155,713)	(1,016,818)
Cash Dividends Paid	(2,695)	(2,548)	(18,612)
Other — net	(21)	(112)	(151)
Net Cash (Used in) Provided by Financing Activities	(10,172)	21,295	(70,247)
Foreign Currency Translation Adjustments on Cash and Cash Equivalents	554	214	3,831
Net Increase (Decrease) in Cash and Cash Equivalents	1,185	(2,080)	8,185
Cash and Cash Equivalents at Beginning of the Period	24,502	20,406	169,203
Cash and Cash Equivalents at End of the Period	¥ 25,687	¥ 18,326	\$ 177,388

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, 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. The accompanying consolidated financial statements and notes should be read in conjunction with the consolidated financial statements and related notes for the year ended March 31, 2022.

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 ¥144.81 to US\$1.00, the approximate rate of exchange at September 30, 2022. 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. Scope of Consolidation

The consolidated financial statements include the accounts of the Group, which include Mizuho-TOSHIBA Leasing Company, Limited, Dai-ichi Leasing Co., Ltd., Mizuho Auto Lease Company, Limited, ML Estate Company, Limited, Mizuho Leasing (China) Ltd., PT MIZUHO LEASING INDONESIA Tbk, and Mizuho Leasing (Singapore) Pte. Ltd. The number of the consolidated subsidiaries as of September 30, 2022 was 40.

The number of associated companies accounted for under the equity method as of September 30, 2022 was 11. Investments in associated companies include Mizuho Marubeni Leasing Corporation, RICOH LEASING COMPANY, LTD., NIPPON STEEL KOWA REAL ESTATE CO., LTD., Mizuho Capital Co., Ltd., PLM Fleet, LLC, Krungthai Mizuho Leasing Company Limited, PNB-Mizuho Leasing and Finance Corporation, Aircastle Limited, Vietnam International Leasing Co., Ltd. and Affordable Car Leasing Pty Ltd.

## 3. Summary of Significant Accounting Policies

The accounting policies are the same as those applied in the Consolidated Financial Statements as of and for the year ended March 31, 2022, except for the change mentioned below.

### Changes in accounting policies

Application of the Accounting Standard for Fair Value Measurement

The Group has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement"

(ASBJ Guidance No. 31, June 17, 2021, hereinafter referred to as “Implementation Guidance on Accounting Standard for Fair Value Measurement”) from the beginning of the first quarter ended June 30, 2022. It decided to prospectively apply the new accounting policies in accordance with the transitional measures permitted by Paragraph 27-2 of the Implementation Guidance on Accounting Standard for Fair Value Measurement. Accordingly, some investment trusts are stated at fair value on the consolidated financial statement for the first half, while under the previous guidance, those were stated at cost as they do not have quoted market prices in an active market.

#### 4. Operating Assets

(1) Operating Assets as of September 30 and March 31, 2022 consisted of the following:

	(Millions of yen)		(Thousands of U.S. dollars)
	September 30, 2022	March 31, 2022	September 30, 2022
Leasing and Installment Sales:			
Finance Lease	<b>¥1,133,241</b>	¥1,172,643	<b>\$7,825,712</b>
Operating Lease	<b>356,136</b>	314,988	<b>2,459,338</b>
Installment Sales (*1)	<b>97,584</b>	106,601	<b>673,881</b>
Leasing and Installment Sales total	<b>1,586,962</b>	1,594,233	<b>10,958,931</b>
Finance	<b>847,073</b>	822,324	<b>5,849,548</b>
Total Operating Assets	<b>¥2,434,035</b>	¥2,416,558	<b>\$16,808,479</b>

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

(2) The total amounts of new contracts during the periods ended September 30, 2022 and 2021 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2022	2021	2022
Leasing and Installment Sales:			
Finance Lease	<b>¥117,863</b>	¥135,221	<b>\$813,915</b>
Operating Lease	<b>61,507</b>	61,287	<b>424,744</b>
Installment Sales	<b>13,244</b>	17,666	<b>91,460</b>
Leasing and Installment Sales total	<b>192,614</b>	214,175	<b>1,330,119</b>
Finance	<b>377,261</b>	375,850	<b>2,605,219</b>
Total	<b>¥569,876</b>	¥590,026	<b>\$3,935,338</b>

## 5. Short-term Borrowings and Long-term Debt

(1) "Short-term Borrowings" as of September 30 and March 31, 2022 was as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	September 30, 2022	March 31, 2022	September 30, 2022
Short-term Borrowings			
Short-term Borrowings from banks and other financial institutions	<b>¥388,731</b>	¥380,278	<b>\$2,684,421</b>
Commercial Paper	<b>707,100</b>	707,100	<b>4,882,950</b>
Payables under securitized lease receivables	<b>96,269</b>	92,858	<b>664,802</b>
<b>Total</b>	<b>¥1,192,101</b>	¥1,180,237	<b>\$8,232,173</b>
Current Portion of Long-term Debt			
Bonds payable	<b>¥33,000</b>	¥30,000	<b>\$227,885</b>
Long-term Debt from banks and other financial institutions	<b>243,193</b>	240,456	<b>1,679,394</b>
<b>Total</b>	<b>¥276,193</b>	¥270,456	<b>\$1,907,279</b>

(2) "Long-term Debt" as of September 30 and March 31, 2022 was as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	September 30, 2022	March 31, 2022	September 30, 2022
Long-term Debt			
Bonds payable	<b>¥209,095</b>	¥220,998	<b>\$1,443,931</b>
Long-term Debt from banks and other financial institutions	<b>686,132</b>	681,948	<b>4,738,157</b>
Payables under securitized lease receivables	<b>24,520</b>	21,603	<b>169,328</b>
<b>Total</b>	<b>¥919,748</b>	¥924,550	<b>\$6,351,416</b>



## 6. Contingent Liabilities

Contingent Liabilities as of September 30, 2022 were as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
	2022	2022
Guarantee Obligations with respect to operating activities	¥8,392	\$57,958
Other Guarantee Obligations	25,843	178,462
Accruals for Debt Guarantees	(18)	(124)
<b>Total</b>	<b>¥34,217</b>	<b>\$236,296</b>

(\*1) The amount includes loans and trade receivables provided by NX CAPITAL CO.,LTD. and others, which are guaranteed by the Company.

## 7. Segment Information

(1) Information about sales and profit

**For the six-month period ended September 30, 2022**

	(Millions of yen)					
	2022					
	Reportable segment				Reconciliations (*1)	Consolidated (*2)
Leasing and Installment Sales	Finance	Other	Total			
Sales:						
Sales to external customers	¥216,374	¥11,843	¥611	¥228,829	¥-	¥228,829
Intersegment sales and transfers	100	601	76	778	(778)	-
<b>Total</b>	<b>216,475</b>	<b>12,444</b>	<b>687</b>	<b>229,607</b>	<b>(778)</b>	<b>228,829</b>
Operating Expenses	204,921	4,060	501	209,484	1,971	211,455
<b>Segment Profit</b>	<b>¥11,553</b>	<b>¥8,384</b>	<b>¥185</b>	<b>¥20,123</b>	<b>¥(2,749)</b>	<b>¥17,373</b>

For the six-month period ended September 30, 2021

(Millions of yen)

	2021						
	Reportable segment				Total	Reconciliations (*1)	Consolidated (*2)
	Leasing and Installment Sales	Finance	Other				
Sales:							
Sales to external customers	¥251,320	¥8,256	¥386	¥259,963	¥-	¥259,963	
Intersegment sales and transfers	99	434	78	613	(613)	-	
<b>Total</b>	<b>251,420</b>	<b>8,690</b>	<b>465</b>	<b>260,576</b>	<b>(613)</b>	<b>259,963</b>	
Operating Expenses	240,485	3,282	346	244,114	2,568	246,683	
<b>Segment Profit</b>	<b>¥10,934</b>	<b>¥5,408</b>	<b>¥118</b>	<b>¥16,461</b>	<b>¥(3,181)</b>	<b>¥13,280</b>	

For the six-month period ended September 30, 2022

(Thousands of U.S. dollars)

	2022						
	Reportable segment				Total	Reconciliations (*1)	Consolidated (*2)
	Leasing and Installment Sales	Finance	Other				
Sales:							
Sales to external customers	\$1,494,196	\$81,785	\$4,223	\$1,580,204	\$-	\$1,580,204	
Intersegment sales and transfers	695	4,155	525	5,375	(5,375)	-	
<b>Total</b>	<b>1,494,891</b>	<b>85,940</b>	<b>4,748</b>	<b>1,585,579</b>	<b>(5,375)</b>	<b>1,580,204</b>	
Operating Expenses	1,415,109	28,041	3,465	1,446,615	13,612	1,460,227	
<b>Segment Profit</b>	<b>\$79,782</b>	<b>\$57,899</b>	<b>\$1,283</b>	<b>\$138,964</b>	<b>\$(18,987)</b>	<b>\$119,977</b>	

(\*1) The details of Reconciliations to Segment Profit for the periods ended September 30, 2022 and 2021 were as follows:

	(Millions of yen)		(Thousands of U.S. dollars)
	2022	2021	2022
Elimination of intersegment transactions	¥353	¥304	\$2,444
Administrative expenses not allocated to the reportable segments	(3,103)	(3,486)	(21,431)
<b>Total</b>	<b>¥(2,749)</b>	<b>¥(3,181)</b>	<b>\$(18,987)</b>

(\*2) Segment Profits are reconciled to Operating Income in the Consolidated Statement of Income.

(2) Impairment loss of long-lived assets or goodwill per reportable segment:

Not applicable

## 8. Per Share Information

Details of basic net income attributable to owners of the parent per share (“EPS”) for the periods ended September 30, 2022 and 2021 were as follows:

	(Millions of yen)	(Thousands of shares)	(Yen)	(U.S. dollars)
Net income attributable to owners of the parent		Weighted-average shares		EPS
<b>For the period ended September 30, 2022:</b>				
Basic EPS				
Net income available to common shareholders	¥15,584	48,389	¥322.06	\$2.22
<b>For the period ended September 30, 2021:</b>				
Basic EPS				
Net income available to common shareholders	¥9,493	48,373	¥196.25	\$1.36

## 9. Subsequent Events

Appropriation of Retained Earnings

On November 8, 2022, the Board of Directors of the Company resolved to approve the payment of the interim cash dividends to its shareholders registered as of September 30, 2022 as follows:

	(Millions of yen)	(Thousands of U.S. dollars)
Interim cash dividends, ¥65.00 (\$0.45) per share	¥3,185	\$21,996