



March 30, 2022

To whom it may concern,

Company name: Mizuho Leasing Company, Limited
Representative: President and CEO Shusaku Tsuhara
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Announcement Regarding Conclusion of Capital and Business Alliance Agreement with Mizuho Financial Group, Inc., Plans for Change of the Largest Shareholder among Major Shareholders and Change in Other Associated Companies, and Dissolution of Capital and Business Alliance with Mizuho Bank, Ltd.

Mizuho Leasing Company, Limited (the “Company”) hereby announces that its Board of Directors resolved today to enter into a capital and business alliance (hereinafter the “Capital and Business Alliance”) with Mizuho Financial Group, Inc. (Head office: Chiyoda-ku, Tokyo; President & Group CEO: Masahiro Kihara; hereinafter “Mizuho FG”) and that the Company concluded an agreement for the Capital and Business Alliance (hereinafter the “Capital and Business Alliance Agreement”) as described below.

Under the Capital and Business Alliance, Mizuho FG plans to acquire a total of 11,283,600 shares of the Company’s common stock held by Mizuho Bank, Ltd. (Head office: Chiyoda-ku, Tokyo; President & CEO: Koji Fujiwara; hereinafter “Mizuho Bank”), a consolidated subsidiary of Mizuho FG, through dividends in kind on March 31, 2022. As a result, Mizuho FG, as a group, will, hold 23.54% of the total number of issued shares (excluding treasury stock) of common stock of the Company as of March 31, 2022.

The Company also announces that Mizuho FG’s acquisition of the Company’s shares of common stock from Mizuho Bank as dividends in kind is expected to result in change of the largest shareholder among the Company’s major shareholders and change in other associated companies.

In addition, the Company announces that the Board of Directors resolved today to dissolve a capital and business alliance with Mizuho Bank.

I. The Capital and Business Alliance

1. Purpose of the Capital and Business Alliance

After entering into the capital and business alliance agreement with Mizuho Bank in February 2019, the Company has dramatically expanded its business fields mainly by partnering with Mizuho Bank. Under the Sixth Mid-term Management Plan (FY 2019-FY 2023) currently in place, the Company has

also positioned collaboration with alliance partners, especially partnership with the Mizuho Group, as a key strategy, and has facilitated joint business activities.

Currently, the Company is promoting initiatives and accelerating collaboration in areas where business opportunities are expanding not only collaboration in real estate financing and financial solutions amid the COVID-19 pandemic but also the renewable energy field and service businesses such as subscriptions. In May 2021, the Company invested in Mizuho Capital Co., Ltd., a venture capital company of the Mizuho Group, (currently an equity-method affiliated company), and concluded a business alliance agreement with the company. In this way, collaboration with not only Mizuho Bank but also with other companies of the Mizuho Group is beginning to expand.

Meanwhile, Mizuho FG has formulated and has been promoting the “5-Year Business Plan: Transitioning to the Next Generation of Financial Services,” which covers the five-year period since FY2019. In addition to the megatrends including digitalization, a declining birthrate and an aging population, and globalization, the global spread of COVID-19 has triggered major and rapid changes in people’s lifestyles and the way economy and society work.

To be a company that offers new value in a new era without being bound by the conventional framework of “finance,” Mizuho FG will work to respond to structural changes in economy, industry, and society, steadily carry out structural reforms of its business while leveraging the strengths of the Mizuho Group, and transition to the next generation of financial services that build new forms of partnerships with our customers, and aims to be a stronger and more resilient financial group which our customers can depend on in the coming era.

In February 2019, Mizuho FG decided to aim at building a “next-generation financial platform,” and Mizuho Bank, a consolidated subsidiary of Mizuho FG, concluded a capital and business alliance agreement with the Company, and have worked to provide and strengthen new value in non-financial areas, including its ability to provide sophisticated financing focused on the value of assets held by its customers, ability to provide capital funds that allow it to share business risks with its customers. Mizuho FG is looking to develop the leasing business into a new pillar of Mizuho’s revenues and functions in the future, next to banking, trust, securities, think tank and asset management businesses.

Under such circumstances, two group companies have been discussing an ideal way to further expand the collaboration in the future. As a result, they reached an understanding that it would be desirable to review the capital and business alliance formed in February 2019, and form a new capital and business alliance between the Company and Mizuho FG to build an alliance relationship between the two group companies. This resulted in the companies entering into the Capital and Business Alliance Agreement today.

Through the Capital and Business Alliance, the Company and Mizuho FG will aim for further growth by integrating initiatives to be implemented in response to the sophistication of their customers’ business models and efforts for focus areas capturing changes in social and industrial structures with their strategic initiatives based on the Capital and Business Alliance. In addition, we will create new solutions by deepening collaboration between the Mizuho Group companies and the Company, and combining their functions, thereby accelerating cross-sectional initiatives in their focus areas. By doing so, we will work with our customers to contribute to the development of society and the achievement of a prosperous future on a greater scale than ever before.

2. Details of the Capital and Business Alliance, etc.

(1) Details of the business alliance

The Company and Mizuho FG will strengthen and expand their lease financing businesses by making the utmost use of know-how, domestic and international corporate customer bases, and networks owned by the two group companies, in order to grow each other's businesses and increase corporate value. At the same time, to meet customers' needs that are expected to become increasingly sophisticated and diverse, the two group companies will create new business opportunities beyond the framework of finance and focus on businesses with higher added value by integrating know-how, next-generation technologies and other assets owned by them. The two group companies will strengthen collaboration between them in creating new businesses that go beyond traditional businesses, especially focusing on the Company's focus areas of global, real estate, medical and healthcare, environment and energy, aircraft, technology, etc. to increase revenue.

Under the Capital and Business Alliance, the two group companies will collaborate mainly in the business areas set forth in (i) through (iii) below, to the extent permitted by applicable laws and regulations including the Banking Act, but will also specifically consider the possibility of collaboration in a wide range of other areas and themes.

[Business fields specified in the Capital and Business Alliance Agreement]

- (i) Leasing and financing of various products, movables, real estate, etc. (finance leases, operating leases, structured leases, non-recourse finance, etc.)
- (ii) Provision of services related to leased assets (related to commercial distribution, service businesses, etc.)
- (iii) Investment and loan of capital funds (mezzanine investment and loan, equity investment, fund investment, etc.)

(2) Details of the capital alliance, etc.

Mizuho FG plans to acquire a total of 11,283,600 shares (23.03% of the total number of issued shares (excluding treasury stock)) of common stock of the Company held by Mizuho Bank on March 31, 2022 through dividend in kind in order to early demonstrate the effects of the business alliance described in (1) above.

3. Overview of the capital and business alliance partner

Overview of Mizuho FG

| | |
|------------------------|--|
| (1) Name | Mizuho Financial Group, Inc. |
| (2) Location | 1-5-5 Otemachi, Chiyoda-ku, Tokyo, Japan |
| (3) Representative | Masahiro Kihara, President & Group CEO |
| (4) Nature of business | Management and administration of bank holding companies, banks, companies specializing in securities, and other companies that can be made subsidiaries under the Banking Act, and operations incidental thereto, and other operations that bank holding companies may engage in under the Banking Act |
| (5) Paid-in capital | ¥2,256,767 million |
| (6) Date of foundation | January 8, 2003 |

| | | | | |
|---|--|---|---|---|
| (7) | Major shareholders and shareholding ratio (as of September 30, 2021) | | The Master Trust Bank of Japan, Ltd. (Trustee account) | 13.77% |
| | | | Custody Bank of Japan, Ltd. (Trustee account) | 4.44% |
| | | | State Street Bank West Client - Treaty 505234 (standing proxy: Mizuho Bank, Ltd.) | 1.82% |
| | | | JP Morgan Chase Bank 385781 (standing proxy: Mizuho Bank, Ltd.) | 1.29% |
| | | | Custody Bank of Japan, Ltd. (Trustee account 7) | 1.21% |
| | | | SMBC Nikko Securities Inc. | 1.07% |
| | | | Custody Bank of Japan, Ltd. (Trustee account 4) | 1.07% |
| | | | State Street Bank and Trust Company 505103 (standing proxy: Mizuho Bank, Ltd.) | 1.06% |
| | | | Custody Bank of Japan, Ltd. (Taxable trust money account) | 1.04% |
| | Barclays Securities Japan Limited | 0.92% | | |
| (8) | Relationship between the listed company and the alliance partner | | Capital relationship | Mizuho FG indirectly holds 11,533,800 shares of the Company's common stock through subsidiaries of Mizuho FG. The Company holds 447,330 shares of common stock of Mizuho FG. |
| | | | Personnel relationship | Three of directors of the Company are from Mizuho FG. |
| | | | Business relationship | The Company acquires corporate bonds issued by Mizuho FG and engages in other business transactions with Mizuho FG. |
| | | | Status of related parties | The Company falls under the category of an equity-method affiliated company of Mizuho FG. |
| (9) Consolidated operating results and financial position of the alliance partner in the past three years | | | | |
| | Fiscal year | FY2018 (April 1, 2018 through March 31, 2019) | FY2019 (April 1, 2019 through March 31, 2020) | FY2020 (April 1, 2020 through March 31, 2021) |
| | Consolidated net assets | ¥9,194,038 million | ¥8,663,847 million | ¥9,362,207 million |
| | Consolidated total assets | ¥200,792,226 million | ¥214,659,077 million | ¥225,586,211 million |
| | Consolidated net assets per share | ¥345.00 | ¥3,372.96 | ¥3,650.87 |
| | Consolidated ordinary income | ¥3,925,649 million | ¥3,986,701 million | ¥3,218,095 million |
| | Consolidated ordinary profits | ¥614,118 million | ¥637,877 million | ¥536,306 million |
| | Profit attributable to owners of parent | ¥96,566 million | ¥448,568 million | ¥471,020 million |
| | Consolidated net income per share | ¥3.80 | ¥176.87 | ¥185.75 |
| | Cash dividends per share | ¥7.50 | ¥7.50 | ¥41.25 |

4. Timeline

| | | |
|-----|---|----------------------------|
| (1) | Resolution of the Board of Directors | March 30, 2022 |
| (2) | Conclusion of the capital and business alliance agreement | March 30, 2022 |
| (3) | Distribution of dividends in kind | March 31, 2022 (scheduled) |

5. Future outlook

The impact of the Capital and Business Alliance on the Company's financial results for this fiscal year is expected to be minimal. Going forward, the Company will promptly announce any significant impact on its financial results.

II. Change of the Largest Shareholder among Major Shareholders

1. Background to the change

As a result of the scheduled acquisition of the Company's common stock (11,283,600 shares are scheduled to be acquired) by Mizuho FG from Mizuho Bank as dividends in kind, Mizuho FG will hold 23.03% of the Company's voting rights on a non-consolidated basis. After the acquisition, Mizuho FG is expected to be the largest shareholder among the Company's major shareholders. In addition, as a result of the scheduled transfer of the Company's common stock (11,283,600 shares are scheduled to be transferred) from Mizuho Bank to Mizuho FG as dividends in kind, Mizuho Bank will lose 23.03% of the Company's voting rights. After the transfer, Mizuho Bank is expected to be no longer a major shareholder or the largest shareholder among major shareholders.

2. Overview of the shareholders subject to change

(1) The new largest shareholder among major shareholders

For an overview of Mizuho FG, please see above I. The Capital and Business Alliance, 3. Overview of the capital and business alliance partner.

(2) Shareholder that will no longer be a major shareholder or the largest shareholder among major shareholders

| | | |
|--|---|--|
| (1) Name | Mizuho Bank, Ltd. | |
| (2) Location | 1 -5-5 Otemachi, Chiyoda-ku, Tokyo, Japan | |
| (3) Representative | Koji Fujiwara, President & CEO | |
| (4) Nature of business | Banking business | |
| (5) Paid-in capital | ¥1,404,065 million | |
| (6) Date of foundation | May 7, 1923 | |
| (7) Major shareholders and shareholding ratio | Mizuho Financial Group, Inc. 100.0% | |
| (8) Relationship between the listed company and the alliance partner | Capital relationship | Mizuho Bank holds 11,283,600 shares of common stock of the Company. |
| | Personnel relationship | Three of directors of the Company are from Mizuho Bank. As of today, the Company has 12 employees on secondment from Mizuho Bank. |
| | Business relationship | The Company conducts deposit transactions as well as short-term and long-term borrowings, leasing and other transactions with Mizuho Bank. |
| | Status of related parties | The Company falls under the category of an equity-method affiliated company of Mizuho Bank. |

| (9) Consolidated operating results and financial position of the alliance partner in the past three years | | | |
|---|---|--|--|
| Fiscal year | FY2018 (April 1, 2018 through March 31, 2019) | FY2019 (April 1, 2019 through March 31, 2020) | FY2020 (April 1, 2020 through March 31, 2021) |
| Consolidated net assets | ¥8,008,073 million | ¥7,662,251 million | ¥8,161,149 million |
| Consolidated total assets | ¥179,083,191 million | ¥193,735,481 million | ¥206,383,490 million |
| Consolidated net assets per share | ¥472,439.09 | ¥471,499.80 | ¥502,558.32 |
| Consolidated ordinary income | ¥3,149,026 million | ¥3,302,848 million | ¥2,501,840 million |
| Consolidated ordinary profits | ¥426,726 million | ¥540,403 million | ¥392,869 million |
| Profit (loss) attributable to owners of parent | (¥29,838 million) | ¥387,283 million | ¥351,024 million |
| Consolidated net profit (loss) per share | (¥1,847.38) | ¥23,978.06 | ¥21,733.15 |
| Cash dividends per share | Common stock ¥– Second series class IV preferred stock ¥42,000 Eighth series class VIII preferred stock ¥47,600 Eleventh series class XIII preferred stock ¥16,000 | Common stock ¥11,990 Second series class IV preferred stock ¥42,000 Eighth series class VIII preferred stock ¥47,600 Eleventh series class XIII preferred stock ¥16,000 | Common stock ¥10,867 Second series class IV preferred stock ¥42,000 Eighth series class VIII preferred stock ¥47,600 Eleventh series class XIII preferred stock ¥16,000 |

3. The number of voting rights held (number of shares held) by the relevant shareholders before and after the change, and the ratio of the voting rights to the voting rights of all the shareholders

(1) The new largest shareholder among major shareholders

Mizuho Financial Group, Inc.

| | Number of voting rights (Number of shares held) | Ratio of voting rights to the voting rights of all the shareholders | Rank in major shareholders |
|---------------|--|--|-------------------------------|
| Before change | 0 (0) | 0% | – |
| After change | 112,836 (11,283,600) | 23.03% | 1 |

(2) Shareholder that will no longer be a major shareholder or the largest shareholder among major shareholders

Mizuho Bank, Ltd.

| | Number of voting rights (Number of shares held) | Ratio of voting rights to the voting rights of all the shareholders | Rank in major shareholders |
|---------------|--|--|-------------------------------|
| Before change | 112,836 (11,283,600) | 23.03% | 1 |
| After change | 0 (0) | 0% | – |

(Notes) 1. The ratios of voting rights to the voting rights of all the shareholders before and after the change are calculated based on the number of total voting rights as of September 30, 2021 (489,789). The numbers were rounded down to the second decimal place.

Number of shares without voting rights excluded from the total number of shares: 25,100

Total number of shares (as of September 30, 2021): 49,004,000

2. The rank in major shareholders is based on the list of shareholders as of September 30, 2021.

4. Scheduled date for the change

March 31, 2022

5. Future outlook

The change will have a minimal impact on the Company's consolidated financial results, and there will be no revision to the full-year consolidated financial results forecasts for the fiscal year ending March 31, 2022, which was announced on March 24, 2022. Going forward, when an event that needs to be disclosed occurs, such as revisions to the Company's financial results forecasts, the Company will announce it promptly.

III. Change in Other Associated Companies

1. Background to the change

The scheduled transfer of the Company's common stock (11,283,600 shares are scheduled to be transferred) from Mizuho Bank to Mizuho FG as dividends in kind will result in Mizuho Bank losing 23.03% of the Company's voting rights. After the transfer, Mizuho Bank is expected no longer to be the Company's other associated company.

2. Overview of the shareholder subject to change

For an overview of Mizuho Bank, please see above II. Change of the Largest Shareholder among Major Shareholders, 2. Overview of shareholders subject to change, (2) Shareholder that will no longer be a major shareholder or the largest shareholder among major shareholders.

3. The number of voting rights held (number of shares held) by the relevant shareholders before and after the change, and the ratio of the voting rights to the voting rights of all the shareholders

Mizuho Bank, Ltd.

| | Number of voting rights (Number of shares held) | | | Ratio of voting rights to the voting rights of all the shareholders | | | Rank in major shareholders |
|------------------|--|-----------------------|-------------------------|--|-----------------------|--------|-------------------------------|
| | Direct ownership | Indirect ownership | Total | Direct ownership | Indirect ownership | Total | |
| Before change | 112,836 (11,283,600) | 0 (0) | 112,836 (11,283,600) | 23.03% | 0% | 23.03% | 1 |
| After change | | 0 (0) | | | 0% | | — |

(Notes) 1. The ratios of voting rights to the voting rights of all the shareholders before the change are calculated based on the number of total voting rights as of September 30, 2021 (489,789). The numbers were rounded down to the second decimal place.

2. The rank in major shareholders is based on the list of shareholders as of September 30, 2021.

4. Scheduled date for change

March 31, 2022

5. Future outlook

The change will have a minimal impact on the Company's consolidated financial results, and there will be no revision to the full-year consolidated financial results forecasts for the fiscal year ending March 31, 2022, which was announced on March 24, 2022. Going forward, when an event that needs to be disclosed occurs, such as revisions to the Company's financial results forecasts, the Company will announce it promptly.

IV. Dissolution of Capital and Business Alliance

1. Reason for the dissolution of capital and business alliance

As Mizuho Bank will no longer hold voting rights in the Company as a result of the transfer of the Company's common stock (11,283,600 shares are scheduled to be transferred) through dividends in kind to Mizuho FG, the capital and business alliance between the Company and Mizuho Bank will be terminated in accordance with the capital and business alliance agreement between the Company and Mizuho Bank dated February 26, 2019. However, the Company aims to continue to work to achieve the objectives, principles, etc. of the dissolved capital and business alliance with Mizuho Bank, through the Capital and Business Alliance with Mizuho FG, the wholly-owning parent company of Mizuho Bank. For an outline of the Capital and Business Alliance with Mizuho FG, please refer to "I. The Capital and Business Alliance" above.

2. Details of the dissolution of capital and business alliance, etc.

As described in "I. The Capital and Business Alliance" above, Mizuho Bank holds a total of 11,283,600 shares of the Company's common stock (23.03% of the total number of issued shares (excluding treasury stock)) as of today, all of which are to be transferred to Mizuho FG as dividends in kind. As a result of such transfer, the capital and business alliance based on the capital and business alliance agreement dated February 26, 2019 between the Company and Mizuho Bank will be dissolved. Going forward, the Company will promote the capital and business alliance with Mizuho FG, the wholly-owning parent company of Mizuho Bank, as described in "I. The Capital and Business Alliance" above.

3. Overview of the partner of the dissolved capital and business alliance

For an overview of Mizuho Bank, please see above II. Change of the Largest Shareholder among Major Shareholders, 2. Overview of shareholders subject to change, (2) Shareholder that will no longer be a major shareholder or the largest shareholder among major shareholders.

4. Timeline

| | |
|--|----------------------------|
| (1) Resolution of the Board of Directors | March 30, 2022 |
| (2) Distribution of dividends in kind | March 31, 2022 (scheduled) |

5. Future outlook

The impact of the Capital and Business Alliance on the Company's financial results for this fiscal year is expected to be minimal. Going forward, the Company will promptly announce any significant impact on its financial results.

End