

Overview of the First-Quarter Financial Results for FY2025

Mizuho Leasing

July 30, 2025



Innovating today. Transforming tomorrow.

Financial Highlights of the First-Quarter FY2025 Results

■ Net Income* ¥15.2 bn (+¥5.5 bn YoY, 35% progress against forecast)

- Increase in gross profit before funding costs, primarily from domestic leasing and real estate businesses, offset increases in funding costs and selling, general and administrative expenses
- A portion of equity in earnings of domestic and overseas affiliates was recorded earlier than planned, and a ¥1.9 bn gain on sale of cross-shareholdings was recognized
Even excluding these one-time factors, underlying profitability increased
⇒ **Smooth start to the fiscal year with steady progress at each income level**

■ Business Side (See Page 15 “Main News & Topics in FY2025”)

- In addition to steady progress in our existing businesses, our inorganic and alliance strategies have begun to yield tangible results
 - Closing of the Portuguese renewable energy project in collaboration with Marubeni
 - Capital and business alliance with NIPPON STEEL KOWA REAL ESTATE
- Established a new company and launched a new ITAD** business as a new venture to promote a circular economy
⇒ **Steadily executing our Medium-Term Management Plan 2025 business strategies**

* Net income attributable to owners of the parent

**Abbreviation for IT Asset Disposition. It refers to the collection, data erase, reuse, and recycling of used IT asset



Table of Contents

1. Overview of First-Quarter Results for FY2025
2. Progress Toward Earnings Forecasts
3. Appendix

1. Overview of First-Quarter Results for FY2025

A decorative graphic consisting of a thick, dark blue wave that starts at the bottom left, curves upwards to the right, and then curves downwards to the right, creating a large, open shape that frames the content.

- Gross profit was ¥21.4 bn (YoY ¥+3.2 bn) as a result of steady increase in gross profit before funding costs, absorbing the rise in funding costs
- Equity in earnings of affiliates was ¥6.9bn (YoY ¥+3.3 bn) due to steady performance from domestic and overseas affiliates
- Net income was ¥15.2 bn (YoY ¥+5.5 bn) due to ¥1.9 bn of extraordinary income from sale of cross-shareholdings

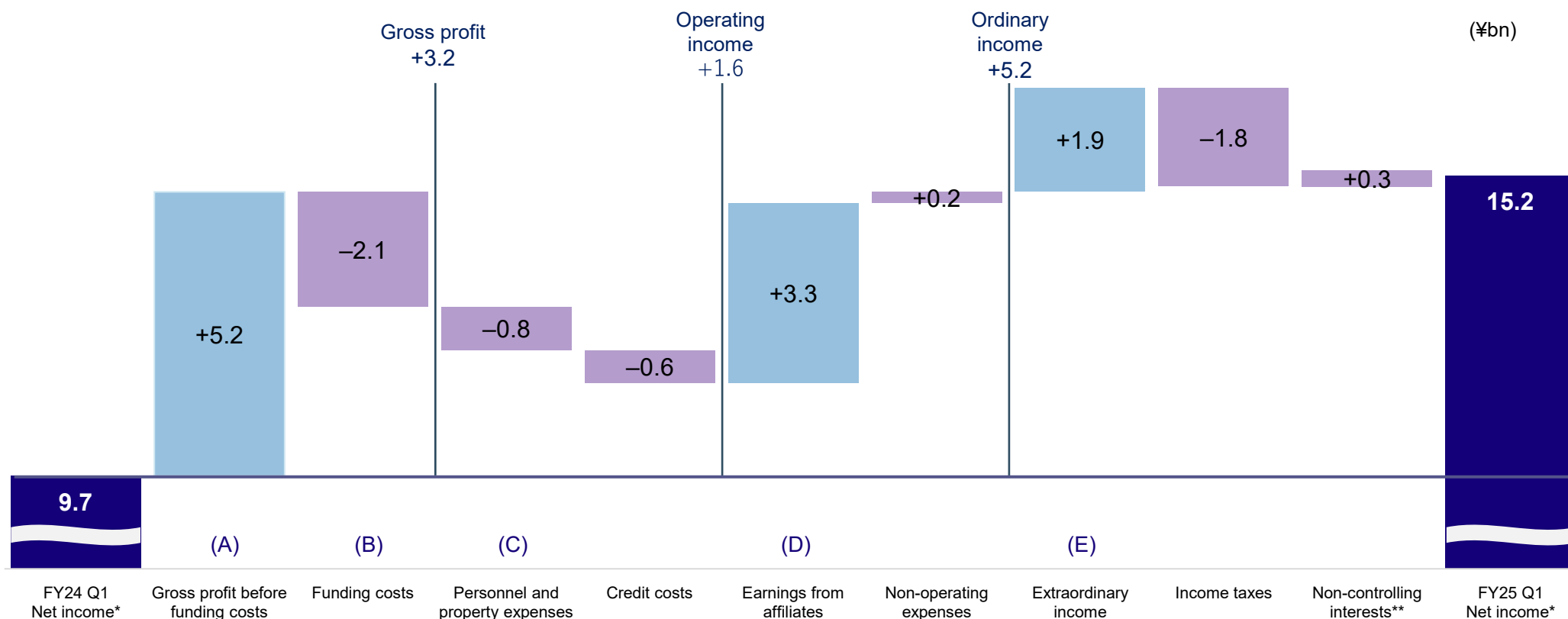
Financial Results

(¥bn)	FY23 Q1	FY24 Q1	FY25 Q1	Change	% Change
Gross profit before funding costs	19.2	23.9	29.1	+ 5.2	+ 22%
Gross profit	15.5	18.2	21.4	+ 3.2	+ 17%
Operating income	7.2	10.0	11.6	+ 1.6	+ 17%
(Equity in earnings and losses of affiliates)	2.3	3.6	6.9	+ 3.3	+ 91%
Ordinary income	10.0	13.3	18.5	+ 5.2	+ 38%
(Extraordinary income or loss)	0.0	0.0	1.9	+ 1.9	–
Net income attributable to owners of the parent	6.8	9.7	15.2	+ 5.5	+ 57%
	Jun-23	Jun-24	Jun-25		
Operating assets	2,604.9	2,934.6	3,211.0	+ 276.4	+ 9%
Equity	269.3	358.9	383.2	+ 24.3	+ 7%
Gross profit margin (Gross profit / operating assets)*	2.38%	2.52%	2.63%	+ 0.11pts	
ROA (Ratio of ordinary income to total assets)*	1.3%	1.6%	1.9%	+ 0.3pts	
ROE (Ratio of net income to equity)*	10.3%	11.6%	15.9%	+ 4.3pts	
Equity ratio	9.0%	10.3%	9.8%	– 0.5pts	

*Balance is based on the average of the beginning and ending balances

Factors behind Changes in Net Income Attributable to Owners of the Parent

5



(A) Gross profit before funding costs	Reflects growth in the Domestic leasing/Real estate business [See page 6]
(B) Funding costs	Reflects rise in domestic interest rates and increase in operating assets [See page 8]
(C) Personnel and property expenses	Reflects increase in personnel expenses and IT system costs in order to strengthen organizational systems
(D) Equity in earnings of affiliates	Reflects Aircastle's strong performance, and increase in shareholding ratio of NIPPON STEEL KOWA REAL ESTATE*** [See page 7]
(E) Extraordinary income	Reflects recognition of ¥1.9 bn of extraordinary income from sales of cross-shareholdings

* Net income attributable to owners of the parent

** Net income attributable to non-controlling interests

*** In May 2025, completed the purchase of shares in NIPPON STEEL KOWA REAL ESTATE. The shareholding ratio increased from 15.29% to 30.14%

- Domestic leasing: Gross profit increased by ¥0.5 bn YoY, due to the continued accumulation of high-grade operating assets
- Real estate/Environment and Energy: Gross profit increased by ¥2.4 bn YoY, due to strong performance in the real estate business
- Overseas/Aviation: Gross profit steadily increased by ¥0.4 bn YoY, despite the impact of the yen's appreciation

		Gross Profit			Operating Assets			Newly Executed Contract Volume		
		FY24 Q1	FY25 Q1	Change	Jun-24	Jun-25	Change	FY24 Q1	FY25 Q1	Change
(¥bn)										
Domestic leasing		8.8	9.3	+ 0.5	1,395.2	1,458.1	+ 62.9	179.7	288.4	+ 108.7
Real estate/Environment and Energy		5.2	7.6	+ 2.4	1,082.8	1,295.1	+ 212.3	83.4	78.5	− 4.9
Energy	Real estate	5.0	7.5	+ 2.5	969.1	1,159.7	+ 190.6	82.1	77.6	− 4.5
	Environment and energy	0.2	0.1	− 0.1	113.8	135.3	+ 21.5	1.3	1.0	− 0.3
Overseas/Aviation		3.4	3.8	+ 0.4	266.1	261.5	− 4.6	52.8	58.0	+ 5.2
	Overseas affiliated companies	2.5	2.6	+ 0.1	93.8	109.6	+ 15.8	50.2	50.5	+ 0.3
	Aviation, ships, etc.	0.9	1.2	+ 0.3	172.3	151.9	− 20.4	2.6	7.6	+ 5.0
Finance/Investment		0.8	0.7	− 0.1	190.4	196.4	+ 6.0	18.2	11.0	− 7.2
Total		18.2	21.4	+ 3.2	2,934.6	3,211.0	+ 276.4	334.1	436.0	+ 101.9

* Results by business area are on a management accounting basis

- Real estate/Environment and Energy: Increased by ¥1.0 bn YoY, due to additional acquisition of shares in NIPPON STEEL KOWA REAL ESTATE that increased shareholding ratio
- Overseas/Aviation: Increased by ¥2.0 bn YoY, as a result of Aircastle's strong performance and gains on the reversal of PPA resulting from aircraft sales in this quarter

Equity in Earnings and Losses of Affiliates

(¥bn)	FY23 Q1	FY24 Q1	FY25 Q1	Change
Domestic leasing	0.2	0.9	0.9	+ 0.0
Real estate/Environment and Energy	0.8	1.9	2.9	+ 1.0
Overseas/Aviation	1.3	0.8	3.1	+ 2.3
Aircastle	0.2	0.1	2.1	+ 2.0
Finance/Investment	0.1	0.1	0.1	− 0.0
Total	2.3	3.6	6.9	+ 3.3

【Aircastle's Performance】

- In FY25 Q1 (Mar.-May), lease revenue increased due to favorable market conditions in the aviation industry, and due to gain on aircraft sale, the company's performance was strong

【Aviation Market Conditions】

- With the ongoing limited supply of new aircraft and increased demand for mid-aged narrow-bodies, market prices of aircraft remain high
- It will be necessary to closely monitor the impact of geopolitical risks in Ukraine and the Middle East, and U.S. tariffs on aircraft demand going forward

Aircastle Financial Results*

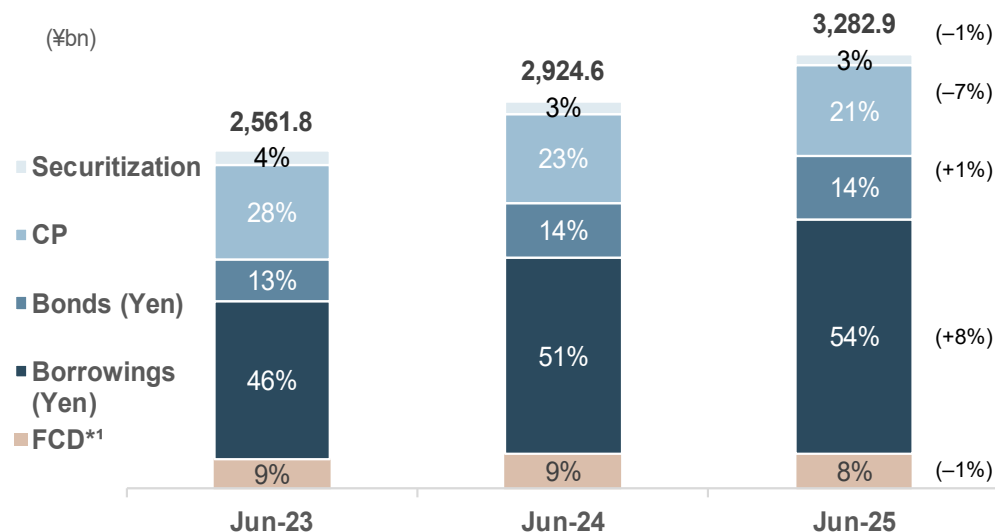
(US\$m)

	FY24 Q1 (Mar.-May)	FY25 Q1 (Mar.-May)	Change
Revenues	205	260	+ 55
(Gain on aircraft sale, etc.)	1	30	+ 29
Impairment	−5	−5	− 0
Net income	16	49	+ 33

* Source: Information disclosed by Aircastle

- Although the cost of yen funding continued to rise in response to the Bank of Japan's interest rate hike in the previous fiscal year, the increase in the cost of yen funding was slower than initially anticipated since further rate hikes are expected to be postponed

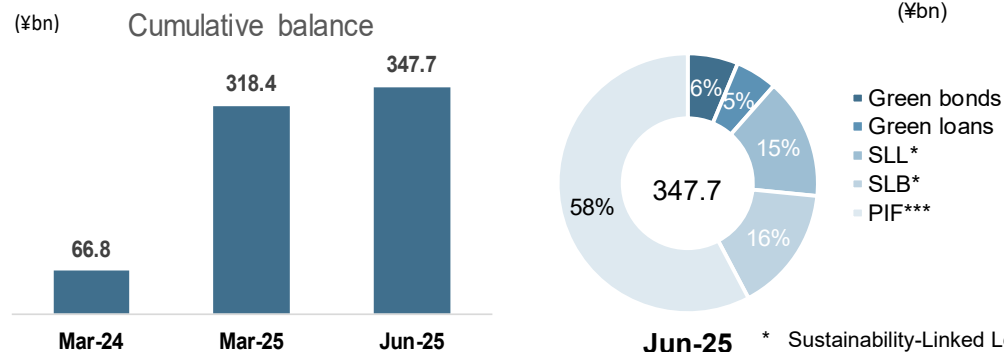
Outstanding Interest-Bearing Debt



*1 Foreign Currency Denominated

*2 Figures in parentheses represent changes from Jun. 30, 2023

Sustainable Financing



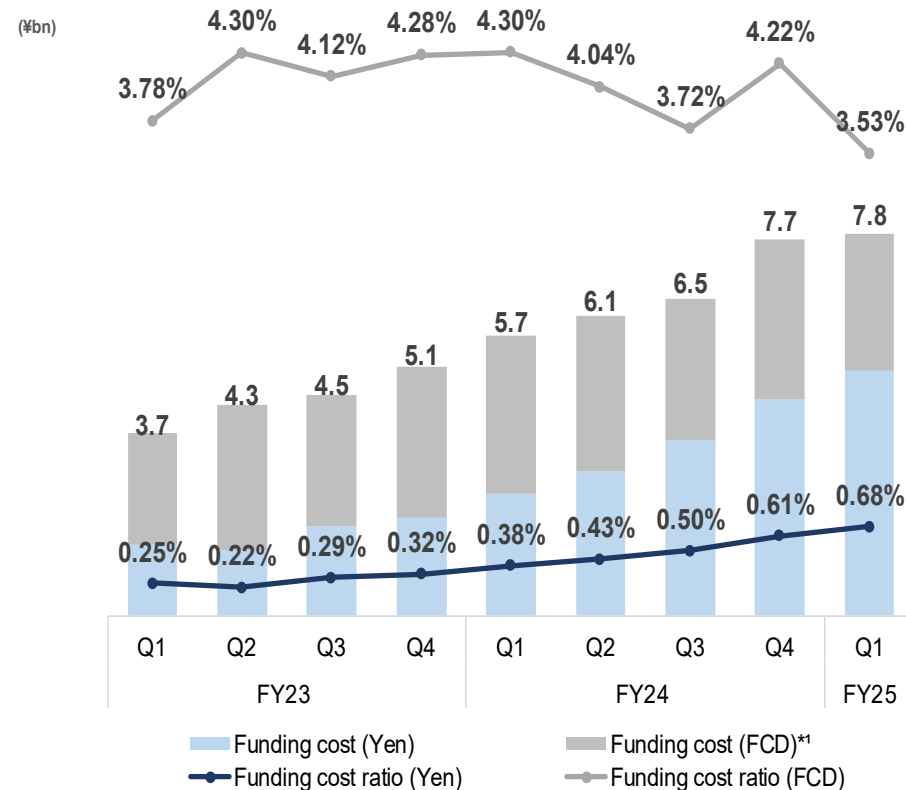
Jun-25

* Sustainability-Linked Loans

** Sustainability-Linked Bonds

*** Positive Impact Finance

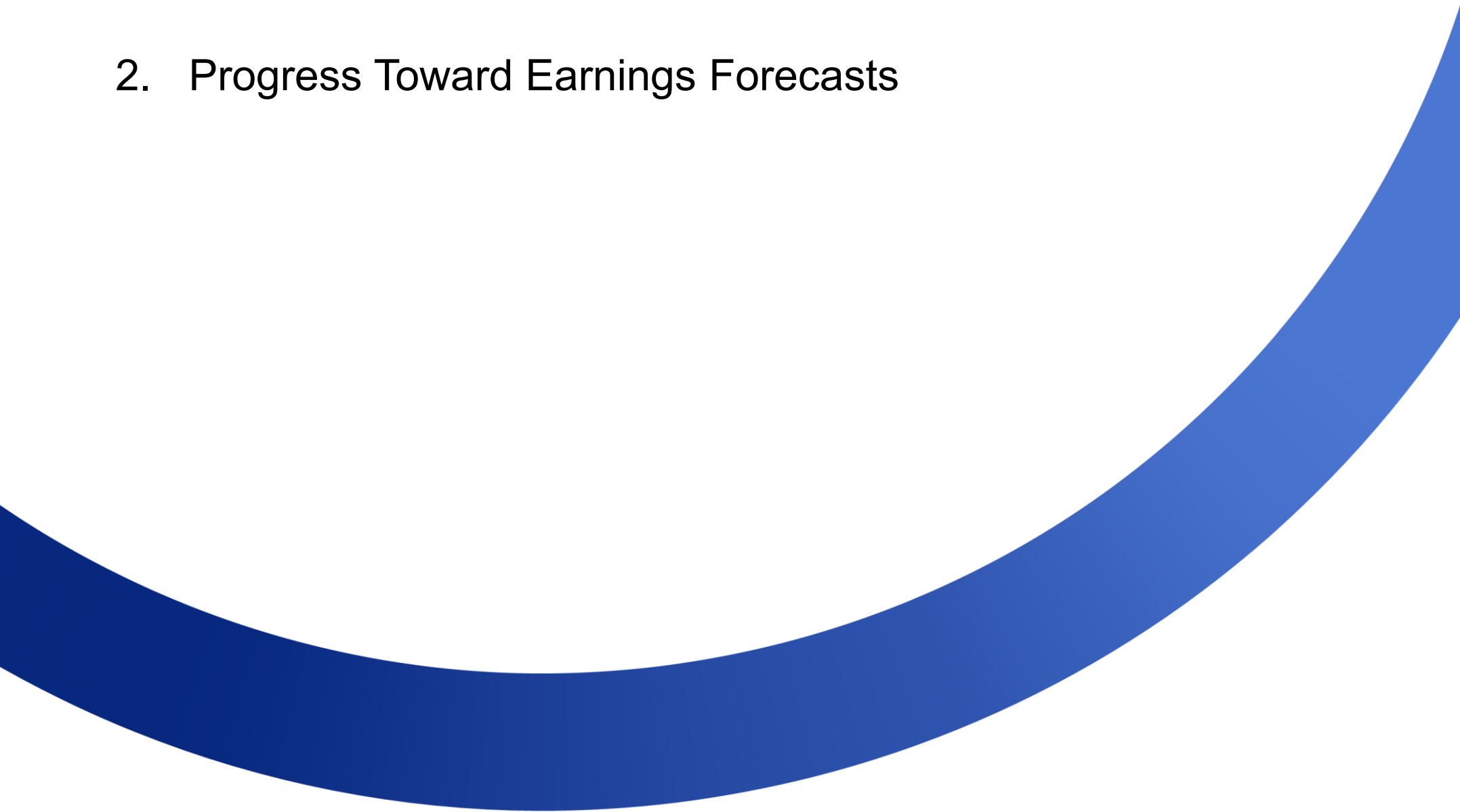
Quarterly Trends in Funding Cost (Ratio)



† Funding cost ratio = Funding costs / Operating assets (average of the beginning and ending)

†† Administrative adjustments were made to foreign currency interest rates following the acquisition of Mizuho RA Leasing, formerly Rent Alpha (Q2/Q3, FY2023)

2. Progress Toward Earnings Forecasts

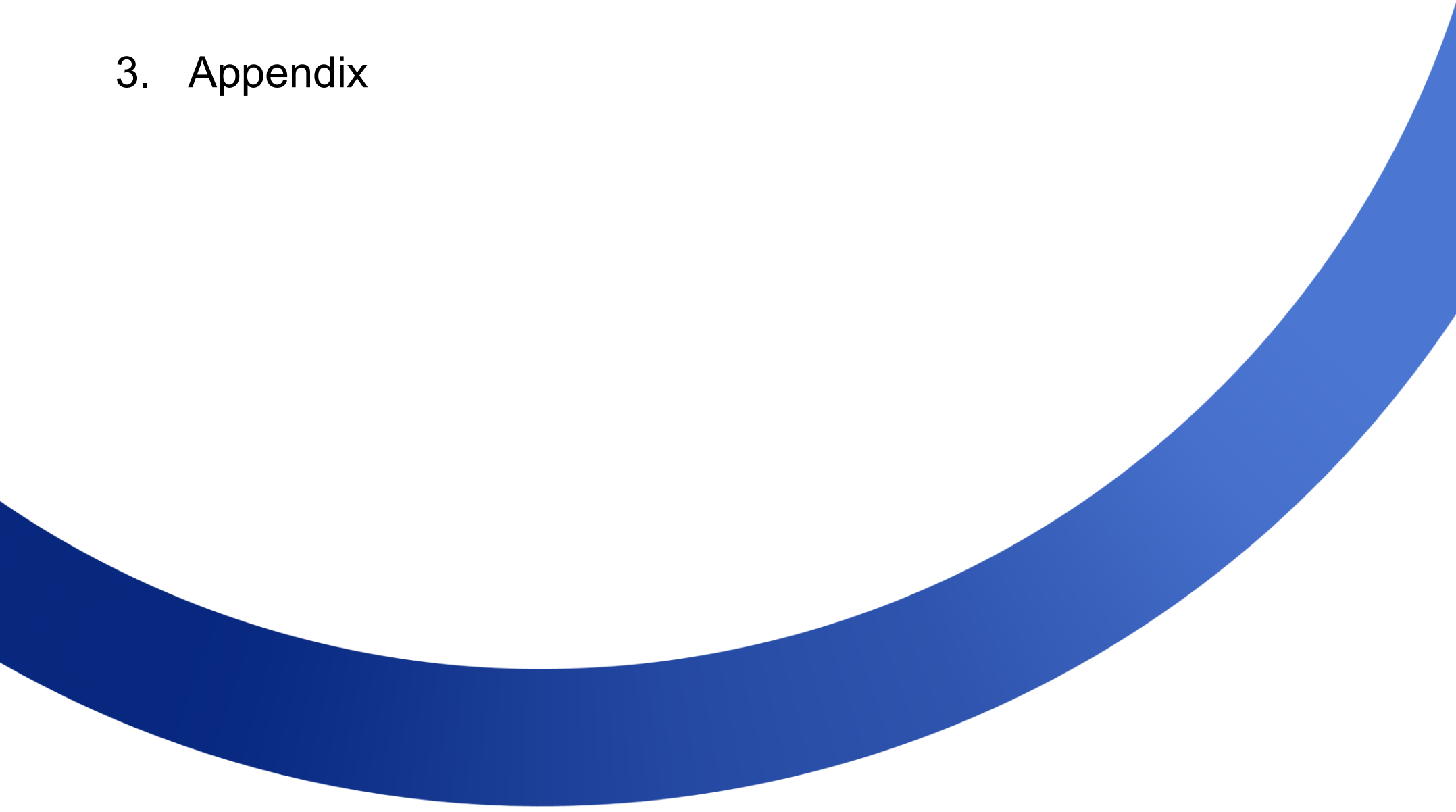


Progress Toward Earnings Forecasts

- Operating income steadily progressed, reaching 26% of the plan. Gross profit before funding costs remained solid, primarily due to good performance in domestic leasing and real estate businesses, with increase in funding costs more moderate than initially anticipated
- Ordinary income was 32% of the forecast, due to earlier than planned equity in earnings of affiliates (progress against forecast: 43%)
- Net income attributable to owners of the parent was 35% of the forecast, with ¥1.9 bn of extraordinary income from sale of cross-shareholdings

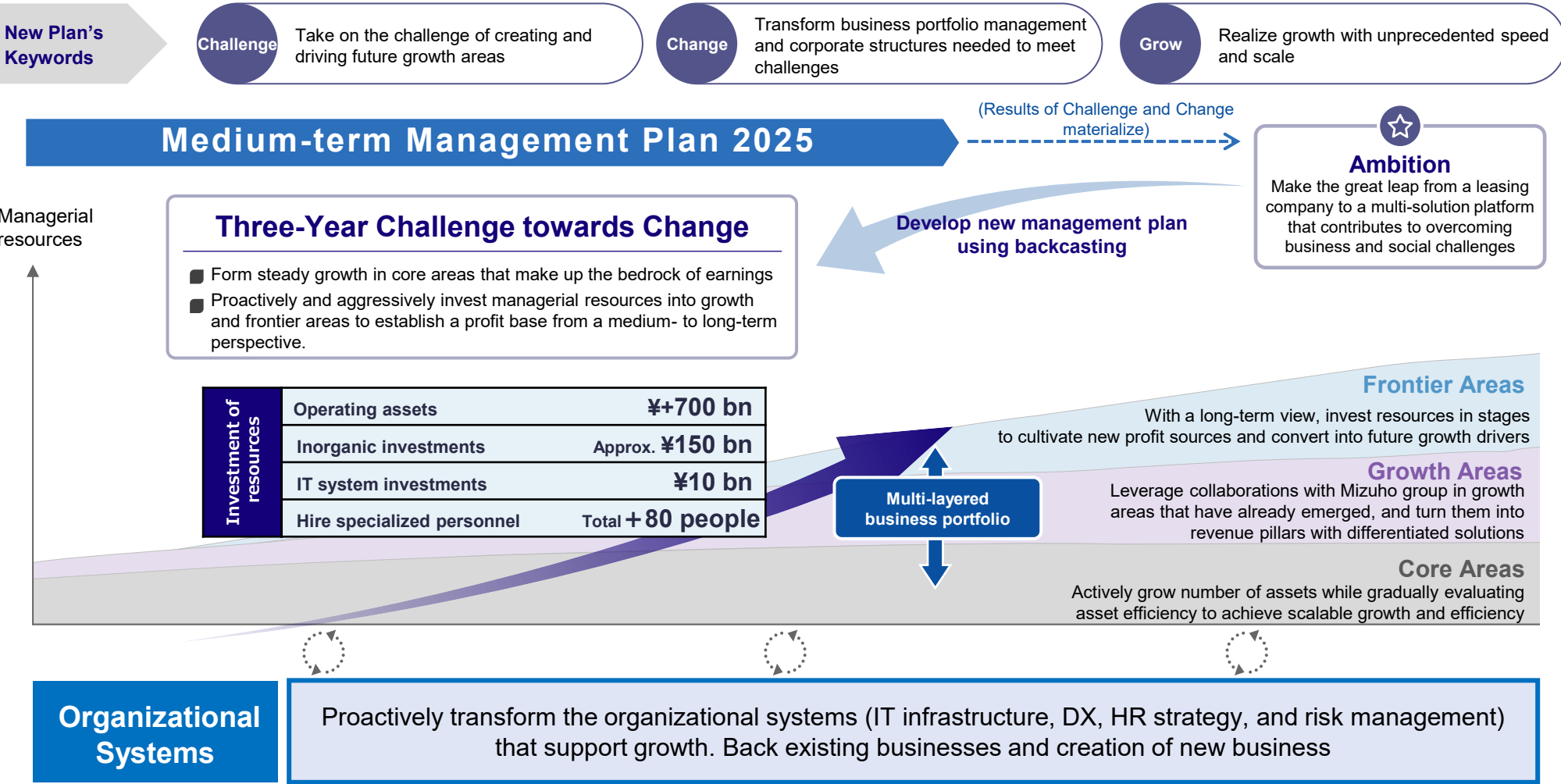
(¥100m)		FY24 Results	FY25 Forecast	FY25 Q1	Progress rate
Operating income		49.0	45.0	11.6	26%
	Credit costs	1.9	2.0	0.4	19%
Ordinary income		66.2	57.0	18.5	32%
	Equity in earnings and losses of affiliates	18.0	16.0	6.9	43%
Net income attributable to owners of the parent		42.0	43.0	15.2	35%

3. Appendix



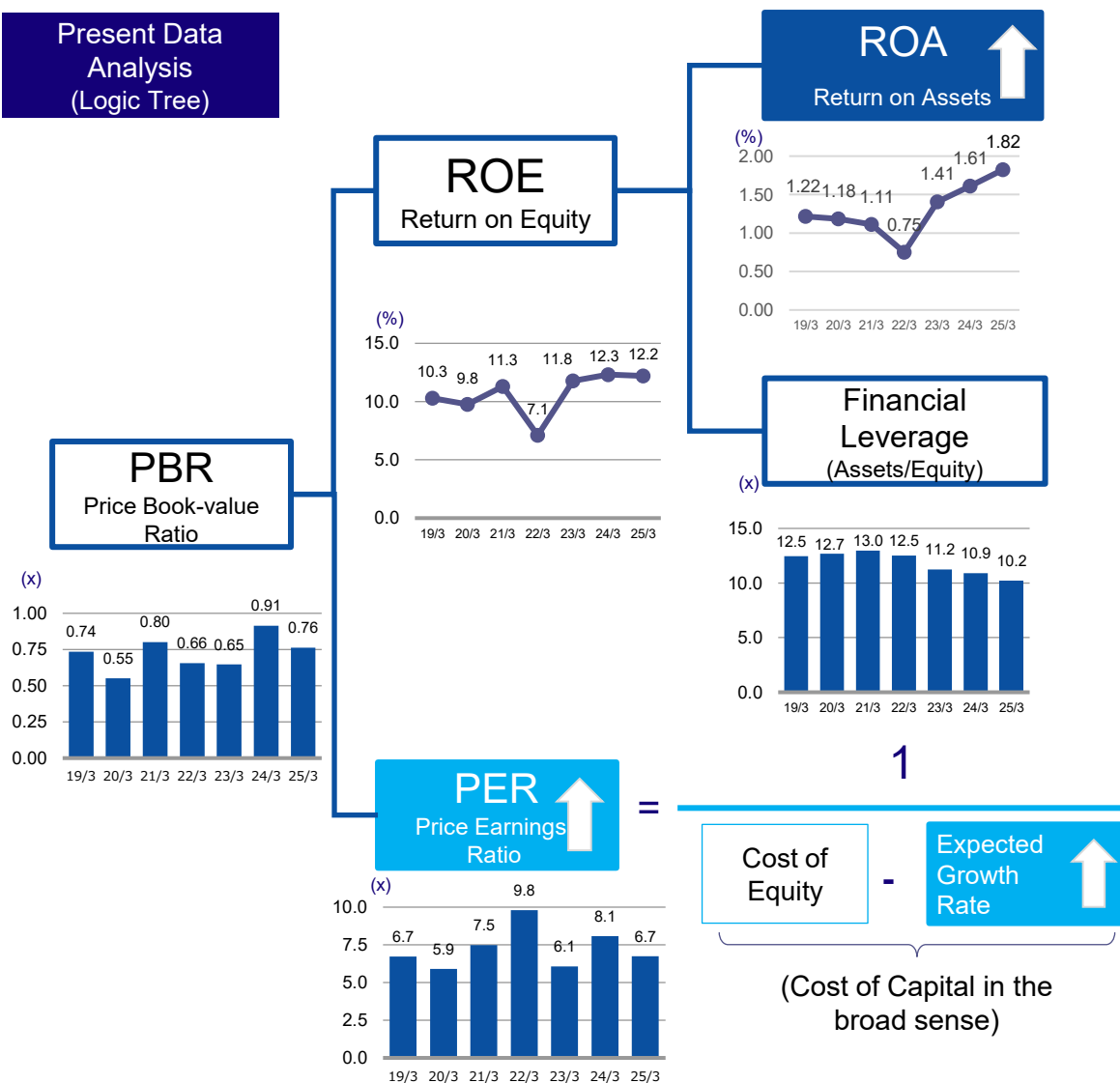
(Excerpts from Medium-Term Management Plan released on May 12, 2023)

- We position Plan 2025 as a period of aggressive investment of managerial resources into both business and management infrastructure, in order to make great strides towards the realization of our ambitions.
 - Balance and promote both investments for growth and stable profit. For areas that require longer periods of time before investment returns emerge, we will strengthen the foundations of our business with a medium- to long-term profitability perspective in mind.



Focus on Improving ROE (ROA) and PER (to Foster Growth Expectations) to Achieve PBR (Price to Book Ratio) of 1x.

Present Data
Analysis
(Logic Tree)

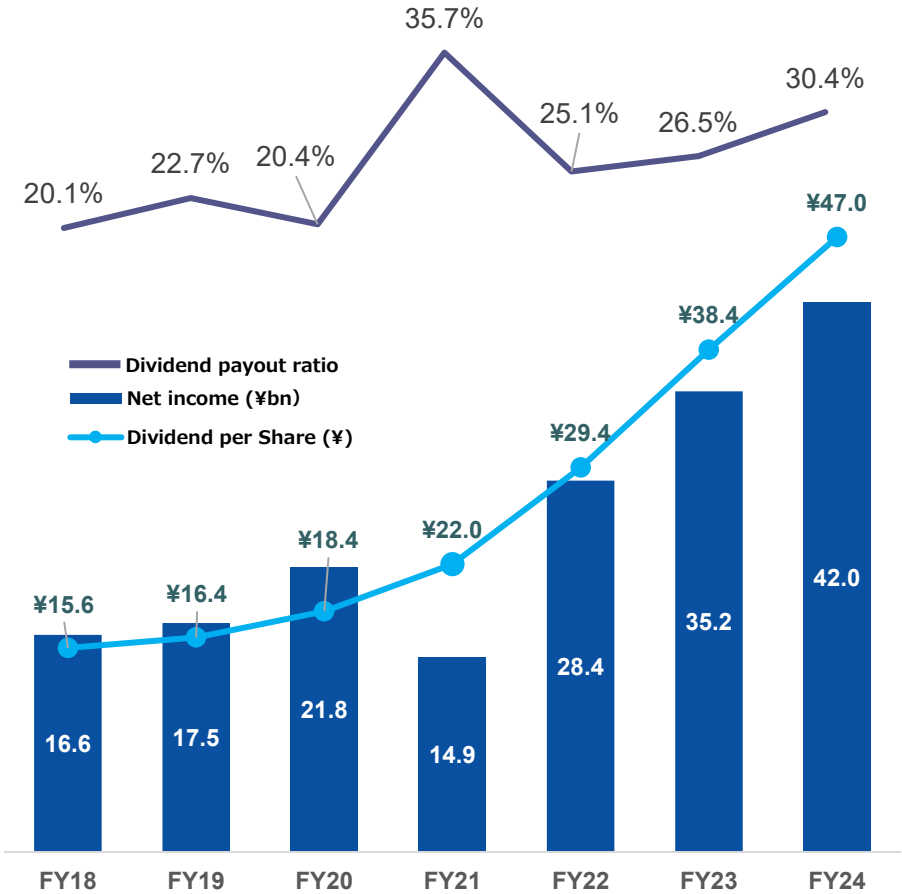


Issue	Measures
ROE (ROA) Improvement and Productivity Improvement	Expand business transactions with profitability in mind
	Fee business/Asset recycling business
	Promote inorganic growth strategy
	Asset-Liability Management and diversification of procurement methods
	Risk management with cost of capital in mind
	Next-generation system and infrastructure development Efficient investments in DX
PER Improvement and Fostering of Growth Expectations	Personnel system reform/Enhance recruitment and training Human resources shift to growth areas
	Relocate to new headquarters and reform work style Transform corporate culture
	Promote initiatives in the growth areas such as Environment and Energy/DX
	Overseas expansion to the U.S. and India
	Further utilization of Mizuho Group client base Expand domestic and overseas business foundation through capital and business alliance with Marubeni Strengthen IR activities

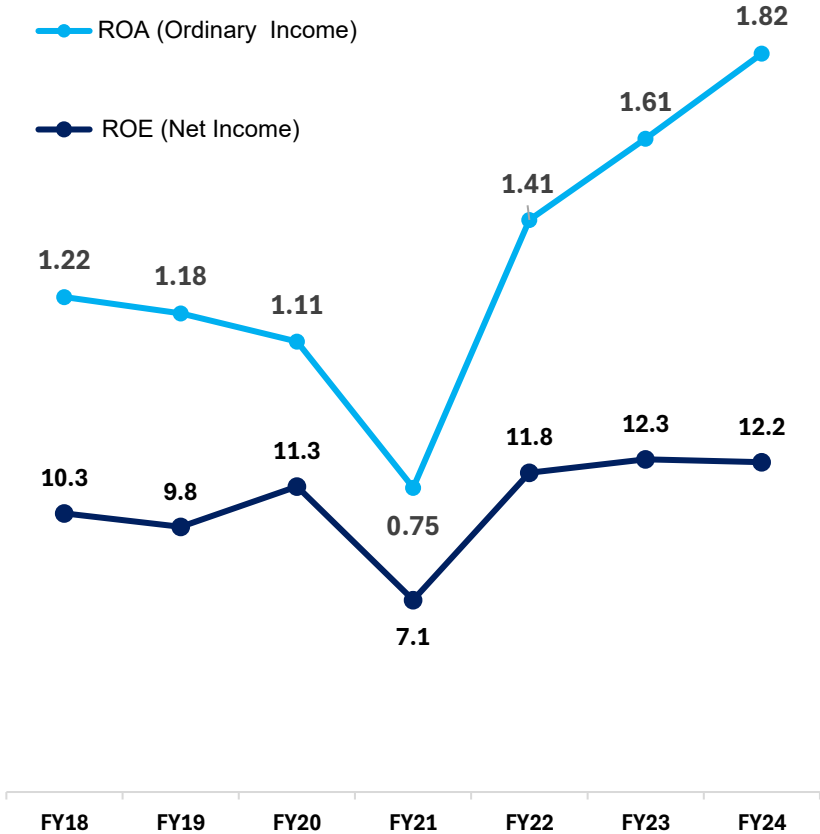
- Plan to ensure stable returns to shareholders through continuous profit growth. Increase dividend payout ratio to 30% during Plan 2025, while using retained earnings effectively to strengthen our business' foundations and invest in growth, based on our basic policy to “pay dividends commensurate with performance while improving profitability”
- Improve ordinary income ROA and maintain ROE at 12% while remaining committed to strengthening our capital base

Yearly Trends in Net Income and Dividend per Share

(Figures prior to FY23 are converted value after the share split)



Yearly Trends in Net income ROE and Ordinary Income ROA



	Date	Contents		
	Apr. 11, 2025	Established ML ITAD Solutions Co., Ltd. as a consolidated subsidiary in partnership with Asset Associates Co., Ltd. —Promoting a circular economy for IT equipment through ITAD business	As described on pg. 1	Circular economy
	Apr. 24, 2025	Purchased shares of Nippon Steel Kowa Real Estate Co., Ltd. and signed a capital and business alliance agreement —Aim to establish a stable capital relationship and expand opportunities for collaboration where both companies can leverage their strengths and expertise	As described on pg. 1	Real estate
	May 8, 2025	Invested in a maritime investment fund operated by Hayfin Capital Management — Investing in environmentally friendly ships for stable and sustainable maritime transport		Shipping Sustainability
	July 3, 2025	Jointly acquired a 50% stake in TotalEnergies Portugal's 604 MW renewable energy portfolio —Work together with MM Capital Partners II (a Marubeni subsidiary) and Daiwa Energy & Infrastructure to support further growth of this project	As described on pg. 1	Environment and Energy/Global

(¥bn)	Mar-22	Mar-23	Mar-24	Mar-25	Jun-25	Change	% Change
Current assets	2,166.7	2,279.7	2,378.1	2,542.5	2,587.5	+45.0	+2%
Cash and deposits	25.3	34.0	56.7	68.1	97.3	+29.2	+43%
Investment in lease	1,172.6	1,122.2	1,050.7	1,041.0	1,036.8	-4.2	-0%
Installment sales receivable	109.4	98.5	109.1	120.3	115.5	-4.8	-4%
Operational loans	582.5	661.7	733.8	777.9	795.4	+17.5	+2%
Operational investment securities	239.8	322.7	363.7	439.6	448.6	+9.0	+2%
Allowance for doubtful receivables	-1.2	-1.0	-1.8	-2.3	-2.6	-0.3	-
Property & equipment	582.1	675.0	985.3	1,355.5	1,307.2	-48.3	-4%
Leased assets	315.0	378.3	539.8	815.4	728.8	-86.6	-11%
Investment securities	203.7	240.6	306.4	377.2	428.9	+51.7	+14%
Doubtful operating receivables	32.7	25.8	28.9	18.9	16.2	-2.7	-14%
Allowance for doubtful receivables	-8.5	-5.1	-5.8	-2.5	-2.3	+0.2	-
Total assets	2,748.8	2,954.6	3,363.3	3,898.1	3,894.7	-3.4	-0%
Total operating assets	2,416.6	2,580.1	2,858.9	3,281.9	3,211.0	-70.9	-2%

(¥bn)	Mar-22	Mar-23	Mar-24	Mar-25	Jun-25	Change	% Change
Current liabilities	1,548.4	1,573.5	1,715.2	1,991.9	2,004.7	+12.8	+1%
Short-term borrowings	380.3	418.4	524.1	711.9	707.9	−4.0	−1%
Current portion of corporate bonds	30.0	23.0	36.7	63.1	84.3	+21.2	+34%
Current portion of long-term debt	240.5	249.0	328.1	360.3	339.3	−21.0	−6%
Commercial paper	707.1	692.9	655.4	662.6	684.8	+22.2	+3%
Payables under securitized lease receivables	92.9	94.7	55.7	51.3	42.1	−9.2	−18%
Long-term liabilities	969.6	1,105.3	1,318.3	1,504.7	1,488.8	−15.9	−1%
Long-term debt	681.9	747.7	833.2	959.0	977.3	+18.3	+2%
Corporate bond	221.0	280.7	366.7	423.3	406.2	−17.1	−4%
Long-term payables under securitized lease receivables	21.6	31.1	42.5	46.7	41.0	−5.7	−12%
Total liabilities	2,518.0	2,678.8	3,033.5	3,496.6	3,493.5	−3.1	−0%
Net assets	230.8	275.8	329.8	401.5	401.2	−0.3	−0%
Shareholders' equity	207.3	229.9	257.2	327.0	334.6	+7.6	+2%
Total liabilities and net assets	2,748.8	2,954.6	3,363.3	3,898.1	3,894.7	−3.4	−0%
Total interest-bearing debts	2,375.2	2,537.6	2,842.4	3,278.1	3,282.9	+4.8	+0%
Equity ratio	8.0%	8.9%	9.2%	9.8%	9.8%	-	

(¥bn)	FY21 Q1	FY22 Q1	FY23 Q1	FY24 Q1	FY25 Q1	Change	% Change
Revenues	118.3	114.0	123.9	128.2	219.5	+91.3	+71%
Gross profit before funding costs	14.5	18.1	19.2	23.9	29.1	+5.2	+22%
Funding costs	1.9	2.1	3.7	5.7	7.8	+2.1	+36%
Gross profit	12.6	16.0	15.5	18.2	21.4	+3.2	+17%
Selling, general and administrative expenses	6.2	7.4	8.3	8.3	9.7	+1.4	+18%
Personnel and property expenses	6.6	7.0	7.5	8.5	9.3	+0.8	+10%
Allowance for doubtful receivables	-0.3	0.4	0.7	-0.2	0.4	+0.6	-
Operating income	6.4	8.6	7.2	10.0	11.6	+1.6	+17%
Non-operating income	0.9	3.3	3.5	4.7	8.6	+3.9	+85%
Non-operating expenses	0.3	0.4	0.7	1.3	1.8	+0.5	+39%
Ordinary income	7.0	11.5	10.0	13.3	18.5	+5.2	+38%
Extraordinary income	-	0.1	0.0	0.1	1.9	+1.8	-
Extraordinary loss	0.0	0.0	0.0	0.0	0.0	-0.0	-74%
Income before taxes	7.0	11.6	10.0	13.4	20.4	+7.0	+53%
Total income taxes	1.9	3.1	2.9	3.1	4.9	+1.8	+60%
Net income attributable to owners of the parent	5.0	8.1	6.8	9.7	15.2	+5.5	+57%
Gross profit margin before funding costs	2.50%	3.01%	2.96%	3.31%	3.59%	+0.28pts	
Funding cost ratio	0.33%	0.35%	0.57%	0.79%	0.96%	+0.17pts	
ROE	9.7%	14.3%	10.3%	11.6%	15.9%	+4.3pts	

(¥bn)	FY21 Q1	FY22 Q1	FY23 Q1	FY24 Q1	FY25 Q1	Change	% Change
Net income	5.1	8.5	7.1	10.3	15.5	+5.2	+50%
Unrealized gain on available-for-sale securities	-0.1	3.8	2.7	1.9	-1.4	-3.3	-
Deferred gain/loss on derivatives under hedge accounting	-0.3	-1.4	-1.7	-2.4	1.1	+3.5	-
Foreign currency translation adjustments	5.1	7.8	0.9	6.8	-8.1	-14.9	-
Remeasurements of defined benefit plans	-0.0	-0.0	-0.0	-0.0	0.5	+0.5	-
Share of other comprehensive income of affiliated companies	0.7	1.0	2.0	-0.3	-0.1	+0.2	-
Total other comprehensive income	5.4	11.2	3.9	6.0	-8.0	-14.0	-
Comprehensive income	10.5	19.7	11.0	16.4	7.5	-8.9	-54%

Gross Profit before Funding Costs by Business Area

20

(¥bn)	FY21 Q1	FY22 Q1	FY23 Q1	FY24 Q1	FY25 Q1	Change	% Change
Revenues	118.3	114.0	123.9	128.2	219.5	+91.3	+71%
Leasing and installment sales	114.3	108.2	117.2	117.9	206.6	+88.7	+75%
Finance	4.1	6.0	7.0	9.1	10.8	+1.7	+18%
Other	0.2	0.3	0.3	1.9	2.9	+1.0	+52%
Elimination and Expenses not allocated to the segments	-0.3	-0.4	-0.6	-0.6	-0.7	-0.1	-
Cost of revenues	103.7	96.0	104.7	104.3	190.4	+86.1	+83%
Leasing and installment sales	103.6	95.8	104.5	102.8	188.1	+85.3	+83%
Finance	0.0	0.1	0.1	0.1	0.1	-0.0	-12%
Other	0.1	0.1	0.1	1.4	2.2	+0.8	+63%
Elimination and Expenses not allocated to the segments	-0.0	-0.0	-0.0	-0.1	-0.0	+0.1	-
Gross profit before funding costs	14.5	18.1	19.2	23.9	29.1	+5.2	+22%
Leasing and installment sales	10.6	12.4	12.7	15.0	18.5	+3.5	+23%
Finance	4.0	5.9	6.9	9.0	10.7	+1.7	+18%
Other	0.1	0.1	0.2	0.5	0.6	+0.1	+23%
Elimination and Expenses not allocated to the segments	-0.3	-0.4	-0.6	-0.6	-0.6	-0.0	-

Leasing and Installment Sales Segment

(¥bn)	FY23 Q1	FY24 Q1	FY25 Q1	Change	% Change
Information and communications	19.6	40.4	36.1	−4.3	−11%
Real estate	6.9	72.0	20.3	−51.7	−72%
Industry and factory	9.8	19.6	23.3	+3.7	+19%
Transport equipment	7.4	9.8	10.8	+1.0	+11%
Construction	3.2	4.4	3.3	−1.1	−26%
Commerce and services	6.7	7.8	6.8	−1.0	−13%
Medical equipment	3.2	3.2	3.3	+0.1	+4%
Other	7.8	15.0	20.7	+5.7	+38%
Total	64.7	172.1	124.5	−47.6	−28%

Financing/Other Segment

(¥bn)	FY23 Q1	FY24 Q1	FY25 Q1	Change	% Change
Commercial distribution finance/loan	136.0	146.9	243.3	+96.4	+66%
Real estate	26.4	12.5	59.8	+47.3	+378%
Ship	3.7	2.0	7.6	+5.6	+276%
Aircraft	4.0	0.6	-	−0.6	-
Other	-	-	0.8	+0.8	-
Total	170.2	162.0	311.5	+149.5	+92%



Innovating today. Transforming tomorrow.

Contact

Investor Relations Division
Financial Planning Department
Mizuho Leasing Company, Limited
Tel: +81-3-5253-6540

This document contains forecasts and other forward-looking statements that are based on information available at the time of preparation of this document and subject to certain risks and uncertainties, and is not intended to guarantee that the company would achieve them. Actual business results may differ materially from those expressed or implied by such forward-looking statements due to various factors.