CONSOLIDATED BALANCE SHEET (Translation)

As of March 31, 2026

(Millions of yen)

ASSETS		LIABILITIES	
Account item	Amount	Account item	Amount
Current assets	**2,279,820**	**Current liabilities**	**1,382,017**
Cash and deposits	63,359	Notes and accounts payable-trade	29,412
Notes receivable-trade	0	Short-term borrowings	704,798
Installment receivables	100,682	Current portion of bonds payable	75,000
Lease receivables and investments in leases	1,110,372	Current portion of long-term borrowings	223,036
Operating loans receivables	822,336	Commercial papers	220,869
Other operating loans receivable	95,718	Payables under securitization of lease receivables	50,515
Lease and other receivables	4,125	Lease obligations	13,087
Other operating assets	20,184	Income taxes payable	9,501
Merchandise	18,554	Deferred profit on installment sales	5,905
Other	57,629	Provision for bonuses	2,310
Allowance for doubtful accounts	(13,143)	Provision for bonuses for directors (and other officers)	4
		Asset retirement obligations	1,253
Non-current assets	**943,875**	Other	46,323
Property, plant, and equipment	**589,474**	**Non-current liabilities**	**1,625,418**
Leased assets	552,322	Bonds payable	230,000
Leased assets	548,063	Long-term borrowings	1,257,699
Advances for purchase of leased assets	4,259	Long-term payables under securitization of lease receivables	80,070
Other operating assets	33,395	Deferred tax liabilities	6,627
Own-used assets	3,755	Retirement benefit liability	2,375
Intangible assets	**44,326**	Guarantee deposits received	28,345
Leased assets	4,704	Asset retirement obligations	1,610
Goodwill	4,863	Other	18,688
Software	1,551	**Total liabilities**	**3,007,436**
Other	33,207	**NET ASSETS**	
Investments and other assets	**310,074**	**Shareholders' equity**	**183,189**
Investment securities	281,651	**Share capital**	**49,500**
Distressed receivables	1,176	**Capital surplus**	**81,070**
Deferred tax assets	2,913	**Retained earnings**	**52,619**
Other	25,474	**Accumulated other comprehensive income**	**29,985**
Allowance for doubtful accounts	(1,141)	**Valuation difference on available-for-sale securities**	**11,247**
		Deferred gains or losses on hedges	**4,791**
		Foreign currency translation adjustment	**12,208**
		Remeasurements of defined benefit plans	**1,737**
		Non-controlling interests	**3,084**
		Total net assets	**216,259**
Total assets	**3,223,695**	**Total liabilities and net assets**	**3,223,695**

CONSOLIDATED STATEMENT OF INCOME (Translation)

For the year ended March 31, 2026

(Millions of yen)

Account item	Amount	
Net sales		648,083
Cost of sales		551,033
Gross profit		**97,050**
Selling, general, and administrative expenses		226,877
Operating loss		**129,827**
Non-operating income		
Interest income	83	
Dividend income	1,640	
Share of profit of entities accounted for using equity method	576	
Foreign exchange gains	229	
Other	879	3,409
Non-operating expenses		
Interest expenses	1,368	
Bond issuance costs	253	
Other	134	1,756
Ordinary loss		**128,174**
Extraordinary income		
Gain on sale of non-current assets	61	
Gain on sale of investment securities	1,646	
Gain on sale of golf club membership	1	1,709
Extraordinary losses		
Loss on sale and retirement of non-current assets	21	
Loss on valuation of investment securities	343	
Loss on valuation of shares of subsidiaries and associates	8	374
Net loss before income taxes		**126,839**
Income taxes-current	15,939	
Income taxes-deferred	617	16,556
Net loss		**143,396**
Net income attributable to non-controlling interests		1,360
Net loss attributable to owners of the parent		**144,756**

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS (Translation)

For the year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	32,000	64,048	208,592	—	304,640
(Changes during period)					
Issuance of new shares	17,500	17,500			35,000
Dividends from surplus			(11,217)		(11,217)
Net loss attributable to owners of the parent			(144,756)		(144,756)
Purchase of treasury stock				(477)	(477)
Cancellation of treasury stock		(477)		477	—
Net changes in items other than shareholders' equity					
Total changes during period	17,500	17,022	(155,973)	—	(121,451)
Balance at end of period	49,500	81,070	52,619	—	183,189

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,942	2,322	17,686	109	26,060	4,087	334,787
(Changes during period)							
Issuance of new shares							35,000
Dividends from surplus							(11,217)
Net loss attributable to owners of the parent							(144,756)
Purchase of treasury stock							(477)
Cancellation of treasury stock							—
Net changes in items other than shareholders' equity	5,305	2,469	(5,477)	1,628	3,925	(1,002)	2,922
Total changes during period	5,305	2,469	(5,477)	1,628	3,925	(1,002)	(118,528)
Balance at end of period	11,247	4,791	12,208	1,737	29,985	3,084	216,259

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Translation)

For the year ended March 31, 2026

Amounts less than one million yen have been truncated.

(Notes to Significant Matters that Serve as the Basis for Preparing the Consolidated Financial Statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 68

Names of principal consolidated subsidiaries are described in “Business Report 1. (6) Status of significant subsidiaries.”

Pacifico Energy Sano G.K. and seven other companies have been newly included in the scope of consolidation due to investments in them.

Alterna 11 G.K. and five other companies have been excluded from the scope of consolidation due to liquidation effective from the consolidated fiscal year ended March 31, 2026.

(2) Names and other information of principal unconsolidated subsidiaries

Salacia Leasing, Ltd.

Ark Capital Investment Co., Ltd.

(Reasons for excluding subsidiaries from the scope of consolidation)

Of the unconsolidated subsidiaries, Salacia Leasing, Ltd. and 27 other companies are business operators that conduct the leasing business mainly through silent partnership investments, and their assets, liabilities, and profit or loss are not attributable to those subsidiaries. Therefore, they have been excluded from the scope of consolidation.

Ark Capital Investment Co., Ltd. and 41 other companies are small in scale, and each company’s total assets, net sales, profit and loss (amount corresponding to equity), and retained earnings (amount corresponding to equity) do not significantly affect the consolidated financial statements. Therefore, they have been excluded from the scope of consolidation.

2. Application of equity method

(1) Associated companies accounted for using equity method: 12

M&M Shipholding B.V.

PT. Bussan Auto Finance and 10 other companies

(2) Of the unconsolidated subsidiaries or associated companies not accounted for using equity method, names of the principal companies are as follows:

Salacia Leasing, Ltd. (unconsolidated subsidiary)

Ark Capital Investment Co., Ltd. (unconsolidated subsidiary)

B&M Asset Management G.K. (associate)

(Reasons for not applying the equity method)

Of the unconsolidated subsidiaries, Salacia Leasing, Ltd. and 27 other companies are business operators that conduct the leasing business mainly through silent partnership investments and their profit or loss are not attributable to those subsidiaries. Therefore, they have been excluded from the scope of the equity method.

Ark Capital Investment Co., Ltd. and 41 other unconsolidated subsidiaries, as well as B&M Asset Management G.K., an associate, have been excluded from the scope of the equity method due to their respective amounts of profit and loss (amount corresponding to equity) and retained earnings (amount corresponding to equity), which might not affect the consolidated financial statements, as well as their overall insignificance to the interests of JA Mitsui Leasing, Ltd. (the “Company”) and its consolidated subsidiaries (the “Group”).

3. Fiscal years of the consolidated subsidiaries

Of the consolidated subsidiaries, the closing date of JM Realty Investment Limited Partnership and 23 other companies is December 31, the closing date of Alterna 17 G.K. and six other companies is January 31, and the closing date of Orca Anonymous Unions, LLC and two other companies is February 28. In preparing the consolidated financial statements, financial statements as of these dates are used and necessary adjustments for consolidation are made for any significant transactions that occur between the consolidated closing date and these dates. The closing date of Silent Partnership Development No. 79 G.K. and one other company is September 30, and the closing date of Silent Partnership Esmeralda Lease is August 31; however, in preparing the consolidated financial statements, their financial statements as of March 31 through the temporary settlement are used.

4. Accounting standards

(1) Valuation basis and methods applied for significant assets

① Securities

Held-to-maturity securities..........................Amortized cost method

Available-for-sale securities

Securities other than shares, etc., that do not have a market price........................... At fair value (all valuation differences are reported as a component of equity. The cost of securities sold is determined by the moving-average method.)

Shares, etc., that do not have a market price.. At cost determined by the moving-average method
Investments in limited partnerships, which are considered securities under Article 2, Paragraph 2 of the Japanese Financial Instruments and Exchange Act, are recorded under the equity method and based on the latest financial statements available on the reportable date ruled by the partnership contracts.

② Derivative financial instruments................... At fair value

③ Inventories... At cost determined by the specific identification method (consolidated balance sheet amount is subject to the book value reduction method based on decreased profitability)

(2) Methods of depreciation and amortization applied for significant non-current assets

① Leased assets

Leased assets are depreciated under the straight-line method within the estimated lease and rent period, assuming that useful lives are the same as the estimated lease and rent period, and that residual values are the disposal price estimable at the end of the estimated lease and rent period.

For some of the leased assets, property, plant, and equipment are depreciated under the declining-balance method. However, for buildings (excluding facilities attached to buildings) acquired after April 1, 1998, and facilities attached to buildings acquired after April 1, 2016, the straight-line method is applied. Intangible assets are amortized under the straight-line method.

② Other non-current assets

Property, plant, and equipment

The declining-balance method is applied; however, for buildings (excluding facilities attached to buildings) acquired after April 1, 1998, and facilities attached to buildings and structures acquired after April 1, 2016, the straight-line method is applied.

The principal useful lives are as follows:

Buildings	2 to 38 years
Furniture and equipment	2 to 20 years

Intangible assets

The straight-line method is applied. Software for internal use is amortized under the straight-line method over internal useful lives (five years).

(3) Accounting method of deferred assets

Bond issuance costs

Bond issuance costs are recognized as expense at the time of expenditure.

(4) Significant allowance and provisions

① Allowance for doubtful accounts

For general receivables, allowance for estimated uncollectible receivables is provided at an appropriate rate calculated based on the probability of bankruptcy, while allowance for certain categories, including seriously doubtful receivables and distressed receivables, is provided based on a case-by-case collectability assessment.

For distressed receivables, an estimated uncollectible amount is calculated by subtracting estimated collectible amounts from the receivables amount. For the year ended March 31, 2026, such estimated uncollectible amount is ¥191,783 million.

② Provision for bonuses

Of the estimated amount of bonuses payable to employees in the following fiscal year, the portion attributable to their service during the consolidated fiscal year ended March 31, 2026, has been set aside as provision for employees' bonuses.

③ Provision for bonuses for directors (and other officers)
Of the estimated amount of bonuses payable to directors in the following fiscal year, the portion attributable to their service during the consolidated fiscal year ended March 31, 2026, has been set aside as provision for bonuses for directors (and other officers).
(5) Significant income and expenses
① Accounting policy for revenues and costs from finance lease transactions
The Group adopts the method in which lease revenue and cost of lease are recorded at the time when lease fees are collectible.
② Accounting policy for revenues from operating lease transactions
The Group records lease revenues corresponding to the elapsed period of the lease contract term on the basis of the monthly lease fees collectible according to the lease contract for such contract term.
(6) Translation of significant foreign currency accounts
All monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the spot exchange rates on the consolidated balance sheet date, and the foreign exchange gains and losses therefrom are recognized in the consolidated statement of income.
Assets and liabilities of the overseas consolidated subsidiaries are translated into Japanese yen at the spot exchange rate on the closing date of each company. Their income and expenses are translated into Japanese yen by using the average exchange rate during the fiscal year of each company. These translation adjustments are recorded as foreign currency translation adjustments and non-controlling interests under net assets.
(7) Significant method of hedge accounting
① Method of hedge accounting
Gains or losses on derivatives are deferred until maturity of the hedged items. For a currency swap, the Group applies designated hedge accounting as far as it qualifies for the required rules, and for an interest rate swap, the Group applies the exceptional method as far as it qualifies for the required rules.
② Hedging instruments and hedged items
Hedging instruments
Interest rate swap transactions
Cross-currency interest rate swap transactions
Hedged items
Operating loans receivables and borrowings
Lease receivables and investments in leases
③ Hedge accounting policy and evaluation of the hedge effectiveness
For purposes of hedging risks from fluctuations in interest rates arising from assets and liabilities, managing asset and liability on an integrated basis (“ALM”), and securing stable income, the Group conducts derivative transactions in accordance with the internal regulations stipulated by the Management Committee.
The Group compares the cumulative changes in market fluctuations and cash flows of the hedged items against those of the hedging instruments during the period from the start of the hedging until the time when effectiveness is determined. This comparison serves as the basis for evaluating hedge effectiveness.
Evaluation of the effectiveness of interest rate swap transactions based on the exceptional method has been omitted.
(8) Amortization method and amortization period of goodwill
Goodwill is amortized using the straight-line method over a period, not exceeding 20 years, during which its effect will last.
(9) Other significant matters that serve as the basis for preparing the consolidated financial statements
Accounting treatment for retirement benefits
Attribution method of the estimated amount of retirement benefits
In calculating projected benefit obligations, the estimated amount of retirement benefits by the end of the consolidated fiscal year ended March 31, 2026, is attributed on a straight-line basis.
Accounting method for actuarial differences and past service costs
Past service costs are recognized in each fiscal year, as they are incurred.
Actuarial differences are charged to income on a straight-line basis, beginning from the consolidated fiscal year following the respective accounting period of recognition, over a period within the average remaining years of service of employees (10 to 18 years) at that time.

(Notes to Accounting Estimates)

Recording of allowance for doubtful accounts

(1) Amount recorded in the consolidated fiscal year ended March 31, 2026

	(Millions of yen)
Allowance for doubtful accounts (current)	(13,143)
Allowance for doubtful accounts (non-current)	(1,141)

(2) Other information that facilitates understanding about the nature of estimates

① Method of estimation

The same information is described in 4. under "Notes to Significant Matters that Serve as the Basis for Preparing the Consolidated Financial Statements."

② Main assumptions used for estimation

The levels of credit risk are determined based on the business conditions of customers, by conducting regular self-assessments in accordance with the self-assessment regulations established by the Group.

③ Impact on consolidated financial statements for the next consolidated fiscal year

The Group has determined that the accounting estimates used to value receivables are reasonable and that sufficient allowance for doubtful accounts was recorded. However, the valuation of receivables entails uncontrollable uncertainties and may fluctuate depending on the business conditions of customers, changes in the value of collateral, and unpredictable changes in assumptions. Allowance for doubtful accounts, therefore, may increase or decrease in the consolidated financial statements for the next consolidated fiscal year.

④ Recording of loss on factoring receivables at a U.S. subsidiary

First Brands Group, LLC and certain of its affiliates (collectively, "FBG") have voluntarily filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code (the "Chapter 11 Proceedings") as of September 28, 2025. Although this matter is still in the midst of various legal proceedings, according to relevant public disclosures, there are indications that FBG may have engaged in fraudulent activities—including inflated invoices, falsifying claims, or multiple transfers—with respect to a significant portion of its accounts receivable (the "Receivables"). It should be noted that former senior executives of FBG, including the founder of FBG, have been indicted by the United States Attorney's Offices for the Southern District of New York and the Northern District of Ohio on charges of financial fraud and other offenses.

This situation has also affected the Receivables acquired by the Group's consolidated subsidiaries, Katsumi Global, LLC ("KG") and JA Mitsui Leasing Capital Corporation ("JMCC"), through factoring transactions from FBG, raising doubts regarding the likelihood of recovery. Therefore, with respect to the book value of ¥188,737 million (*1) for FBG in the consolidated financial statements for the consolidated fiscal year ended March 31, 2026—which includes accrued interest (the net amount after deducting ¥28,563 million (*1) in reserves held as security deposits held for each transaction), the Group has decided to record the full amount of ¥178,361 million (*2) as a provision for allowance for doubtful accounts and a bad debt expenses as a precautionary measure, and to write it off directly in accordance with accounting principles generally accepted in the United States of America.

At present, the contingent claims held by KG and JMCC in connection with FBG's Chapter 11 Proceedings have not been recognized in the consolidated financial statements. However, the Company, KG, and JMCC will take all possible measures available to the Group as creditors, including legal action against parties that may have caused the losses.

(*1) Exchange rate at end of period: ¥159.88/U.S. dollar

(*2) Average exchange rate during period: ¥151.09/U.S. dollar

(Notes to Consolidated Balance Sheet)

1. Assets pledged as collateral and corresponding liabilities

(1) Assets pledged as collateral

	(Millions of yen)
Installment receivables	4,281
Lease receivables and investments in leases	132,034
Operating loans receivables	6,542
Other operating loans receivable	750
Investment securities	7,859
Other (investments and other assets)	15
Total	151,484

(2) Liabilities corresponding to assets pledged as collateral

	(Millions of yen)
Current portion of long-term borrowings	579
Payables under securitization of lease receivables	50,515
Long-term borrowings	5,787
Long-term payables under securitization of lease receivables	80,070
Total	136,952

2. Accumulated depreciation of property, plant, and equipment

	(Millions of yen)
Accumulated depreciation of leased assets	114,806
Accumulated depreciation of own-used assets	4,176

3. Contingent liabilities

Contingent liabilities for other companies' borrowings, etc., from financial institutions

	(Millions of yen)
M&M Shipholding B.V.	22,905
LNG CORNFLOWER SHIPPING CORPORATION	12,649
M&M Shipholding Pte. Ltd.	7,006
Other	7,295
Total	49,857

4. Financial covenants

Due to a significant loss recorded by the Company's U.S. subsidiaries during the consolidated fiscal year ended March 31, 2026, net assets decreased, resulting in a breach of the financial covenants under the loan agreements and commitment line agreements entered into with financial institutions.

However, the Company has held discussions with the financial institutions to resolve this situation and has confirmed that they do not intend to exercise their right to demand immediate repayment in connection with the breach of financial covenants.

(Notes to Consolidated Statement of Changes in Net Assets)

1. Number of issued and outstanding shares

(Thousand shares)

Class of shares	Number of shares at the beginning of the consolidated fiscal year	Number of increased shares during the consolidated fiscal year	Number of decreased shares during the consolidated fiscal year	Number of shares at the end of the consolidated fiscal year
Issued and outstanding shares				
Ordinary shares	31,429	17,500	201	48,727
Class I classified shares	4,077	—	—	4,077
Class II classified shares	33,448	—	—	33,448
Class III classified shares	3,883	—	—	3,883
Total	72,839	17,500	201	90,137

(Note) The decrease in the number of issued and outstanding shares was due to the cancellation of treasury stock.

2. Matters regarding dividends

(1) Amount of dividend payments

Dividend payments resolved at the 17th annual general meeting of shareholders held on June 27, 2025.

- Total amount of dividends ¥11,217 million
- Dividend per share
  - Ordinary shares ¥154
  - Class I classified shares ¥154
  - Class II classified shares ¥154
  - Class III classified shares ¥154
- Record date March 31, 2025
- Effective date June 30, 2025

(2) Dividends with a record date in the current consolidated fiscal year and effective date in the next consolidated fiscal year

Not applicable.

3. Treasury stock of the Company

(1) Purchase of treasury stock

At the annual general meeting of shareholders held on June 27, 2025, the Company adopted a resolution to purchase treasury stock based on the provisions of Article 156, Article 157, and Article 160 of the Companies Act.

① Reason for the purchase of treasury stock

The Company will purchase treasury stock in order to respond to shareholders' need for the sale of strategic shareholdings and in preparation for other opportunities for the sale of shares.

② Details of purchase of treasury stock

- Class of shares to be repurchased: Ordinary shares of the Company
- Number of shares to be repurchased: 206,378 shares (0.28% of the total number of the Company's issued and outstanding shares (excluding treasury stock held by the Company))
- Total amount of repurchase: ¥489,115,860
- Repurchase period: June 27, 2025 to September 30, 2025

(2) Cancellation of treasury stock

At a meeting of the Board of Directors held on August 28, 2025, the Company adopted a resolution to cancel treasury stock pursuant to the provisions of its Articles of Incorporation based on the provisions of Article 178 of the Companies Act.

- Reason for the cancellation of treasury stock: To strengthen relationships with shareholders
- Class of shares to be cancelled: Ordinary shares of the Company
- Number of shares to be cancelled: 201,570 shares (0.27% of the total number of the Company's issued and outstanding shares before cancellation)
- Total amount of cancellation: ¥477,720,900
- Cancellation date: September 30, 2025
- Number of issued and outstanding shares after cancellation: 72,637,436 shares

(Notes to Financial Instruments)

1. Matters relating to the status of financial instruments

(1) The Group's policy for financial instruments

The Group raises funds by direct financing, such as issuance of commercial papers and bonds payable, as well as securitization of receivables, along with indirect financing, including bank borrowings, in order to develop its core leasing business and other financial service businesses, including installment sales and loans to customers. The Group avoids concentration risk on specific industries or companies. It also periodically quantifies the amount of credit risks associated with its credit portfolios (the difference between credit VaR at a specified confidence level and credit costs) with the aim of maintaining a sound financial position.

From the perspective of stable finance, the Group seeks to diversify methods of financing and deconcentrate trading financial institutions for borrowings, and the issuance of commercial papers and bonds payable. It also implements integrated asset and liability management (ALM) with the aim of keeping up with changes in financial conditions and engages in derivative transactions as part of ALM. Derivative transactions are used with the objective of avoiding risks and not for speculative purposes.

(2) Details of financial instruments and their risks

Financial assets held by the Group are primarily lease receivables, investments in leases, installment receivables, and other operating loans receivables involving domestic clientele, all of which are exposed to credit risk associated with the event of default by customers.

Bank borrowings and issuance of commercial papers and bonds payable are all exposed to liquidity risk involving difficulty in ensuring the procurement of sufficient funds via normal fund-raising activities in the event of significant dysfunction of the financial/capital markets. Furthermore, borrowings at variable interest rates are exposed to interest rate risk, which is partially avoided by interest rate swap transactions. Leases, installment sales, and loan transactions denominated in foreign currencies are exposed to exchange risk, which is mitigated by foreign currency denominated borrowing.

One area of the derivative transactions in which the Group is engaged is interest rate swap transactions deployed as hedging instruments as part of the integrated ALM in which interest rate risk associated with the hedged borrowing is subject to hedge accounting. Under hedge accounting, the Group compares the cumulative changes in cash flows of the hedged items against those of the hedging instruments during the period from the start of the hedging until the time at which effectiveness is determined. This comparison serves as the basis for evaluating hedge effectiveness.

(3) Risk management system for financial instruments

① Management of credit risks

In accordance with the internal rules for credit risks, the Group has developed and maintains a credit management system in respect of its trade receivables, including credit assessment and management of credit limits and credit data on a case-by-case basis, internal credit rating, application of a ceiling system to avoid credit concentration risk, arrangement of guarantee and security, and response to questionable receivables. In addition, the Group periodically quantifies credit risks (the difference between credit VaR at a specified confidence level and credit costs) in order to analyze and monitor its exposure to credit risks.

② Management of financial market risks

The Group manages interest rate risk on the basis of the integrated ALM. Details of the methods and procedures of the risk management are set out under the Group's risk management policies, while analysis of financial market trends and identification/confirmation of interest rate risk position, along with discussion/approval on the future policies for handling this type of risk, are carried out by the Integrated Risk Management Committee. Exchange risk is managed on a case-by-case basis. Furthermore, for quantitative analysis of the interest rate risk, the Group calculates the amount of impact on profit and loss by simulating the reasonably expected moving range of interest rate risk after the year-end; and assuming that all risk variables other than interest rates remain the same, calculations indicate that the fair value of financial assets and financial liabilities will decrease by ¥1,408 million based on the scenario where the benchmark interest rate increases by 10 basis points (0.1%) as of March 31, 2026.

③ Management of liquidity risks concerning financing

The Group engages in liquidity management of company-wide funds via ALM, along with other measures, including the maintenance of adequate balance of cash and deposits, diversification of fund-raising methods, establishment of commitment lines from a number of financial institutions, and an optimum mix of short-term and long-term financing in consideration of the market environment.

(4) Supplementary information on matters relating to the fair value of financial instruments

The fair value of financial instruments is calculated based on certain assumptions; therefore, the value may vary if different assumptions are applied.

2. Matters relating to the fair value of financial instruments

Consolidated balance sheet amounts, fair value, and the differences as of March 31, 2026, are as follows. Shares, etc., that do not have a market price and investments in partnerships, etc., are not included in the table below (please refer to Note 1). Note to cash is omitted. Notes to short-term borrowings, commercial papers, and payables under securitization of lease receivables are also omitted, as they are settled in a short period; thus, their book value is approximate to their fair value.

(Millions of yen)

	Consolidated balance sheet amounts	Fair value	Differences
(1) Installment receivables (*1)	94,776		
Allowance for doubtful accounts (*2)	(843)		
	93,933	92,324	(1,608)
(2) Lease receivables and investments in leases	1,110,372		
Estimated residual value (*3)	(29,732)		
Allowance for doubtful accounts (*2)	(1,156)		
	1,079,483	1,027,700	(51,783)
(3) Operating loans receivables	822,336		
Allowance for doubtful accounts (*2)	(8,062)		
	814,273	808,782	(5,491)
(4) Other operating loans receivable	95,718		
Allowance for doubtful accounts (*2)	(203)		
	95,514	94,168	(1,346)
(5) Investment securities			
Available-for-sale securities	63,504	63,504	—
(6) Distressed receivables	1,176		
Allowance for doubtful accounts (*2)	(1,011)		
	164	164	—
Total assets	2,146,873	2,086,645	(60,228)
(1) Bonds payable (*4)	305,000	295,008	(9,992)
(2) Long-term borrowings (*5)	1,480,735	1,468,028	(12,707)
(3) Long-term payables under securitization of lease receivables (*6)	130,585	128,201	(2,384)
Total liabilities	1,916,321	1,891,237	(25,083)
Derivative transactions (*7)			
1) Derivative transactions to which hedge accounting is not applied	144	144	—
2) Derivative transactions to which hedge accounting is applied	6,556	6,556	—
Total derivative transactions	6,700	6,700	—

(*1) Deferred profit on installment sales has been deducted from installment receivables.
(*2) Corresponding allowance for doubtful accounts has been deducted.
(*3) Estimated residual value included in investments in leases has been deducted.
(*4) Current portion of bonds payable is included.
(*5) Current portion of long-term borrowings is included.
(*6) Long-term payables under securitization of lease receivables scheduled to be repaid within one year as included in payables under securitization of lease receivables are included.
(*7) Actual receivables and payables derived from derivative transactions are represented as net amounts.

(Note 1) Consolidated balance sheet amounts of shares, etc., that do not have a market price and investments in partnerships, etc., are as follows. These items are not included in "Assets (5) Investment securities."

(Millions of yen)

Classification	Consolidated balance sheet amounts
Unlisted shares (*1) (*3)	97,593
Investments in partnerships, etc. (*2)	120,552

(*1) Unlisted shares are not disclosed at fair values in accordance with Item 5 of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, March 31, 2020).

(*2) Investments in partnerships, etc., are primarily investments in silent partnerships and investment associations, as well as money held in trust, etc., that has investments in silent partnerships as the trust assets. These items are not disclosed at fair values in accordance with Paragraph 24-16 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021).

(*3) An impairment loss of ¥352 million was recognized for unlisted shares, etc., in the consolidated fiscal year ended March 31, 2026.

3. Fair value information by level within the fair value hierarchy

The fair value of financial instruments is classified into the following three levels according to the observability and materiality of inputs used to measure fair value:

Level 1 fair value: Fair value measured using observable inputs, i.e., quoted prices in active markets for assets or liabilities that are the subject of the measurement.

Level 2 fair value: Fair value measured using observable inputs other than Level 1 inputs.

Level 3 fair value: Fair value measured using unobservable inputs.

If multiple inputs are used that are significant to the fair value measurement, the fair value measurement is categorized in its entirety in the level of the lowest-level input that is significant to the entire measurement.

(1) Financial assets and financial liabilities measured at fair value on the consolidated balance sheet
For the fiscal year ended March 31, 2026

Classification	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	23,623	2,483	—	26,107
Bonds payable	—	—	6,602	6,602
Other	—	30,794	—	30,794
Derivative transactions				
Currency related	—	208	—	208
Interest rates related	—	7,875	—	7,875
Total assets	23,623	41,362	6,602	71,589
Derivative transactions				
Currency related	—	110	—	110
Interest rates related	—	1,273	—	1,273
Total liabilities	—	1,384	—	1,384

(2) Financial assets and financial liabilities not measured at fair value on the consolidated balance sheet
For the fiscal year ended March 31, 2026

Classification	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Installment receivables	—	—	92,324	92,324
Lease receivables and investments in leases	—	—	1,027,700	1,027,700
Operating loans receivables	—	—	808,782	808,782
Other operating loans receivable	—	—	94,168	94,168
Distressed receivables	—	—	164	164
Total assets	—	—	2,023,140	2,023,140
Bonds payable	—	295,008	—	295,008
Long-term borrowings	—	—	1,468,028	1,468,028
Long-term payables under securitization of lease receivables	—	—	128,201	128,201
Total liabilities	—	295,008	1,596,229	1,891,237

(Note 1) A description of the valuation technique(s) and inputs used in the fair value measurements

Investment securities

Listed shares are measured using quoted prices. The fair value of listed shares that are traded in active markets is classified as Level 1. On the other hand, the fair value of listed shares held by the Company that are not traded frequently in the public market and not considered to have quoted prices in active markets is classified as Level 2. The fair value of investment trusts is measured using published net asset value, and is classified as Level 2. The fair value of investment securities that use significant unobservable inputs is classified as Level 3. The fair value of share acquisition rights for unlisted shares is classified as Level 3, but measurement is omitted due to a lack of materiality.

Derivative transactions

The fair value of interest rate swaps, currency swaps, and forward exchange contracts is measured using observable inputs, such as interest rates and exchange rates, and is classified as Level 2.

Installment receivables, lease receivables and investments in leases, operating loans receivables, and other operating loans receivable

The fair value of installment receivables, lease receivables and investments in leases, operating loans receivables, and other operating loans receivable is categorized by a specified period and measured using the discounted cash flow method based on future cash flows and the hypothetical interest rate assumed applicable to new contracts under similar conditions, for each type of credit risk categorized for credit management purposes, and is classified as Level 3.

Distressed receivables
The fair value of distressed receivables is measured at their book value, less the estimated bad debt, which is calculated based on the estimated amount to be recovered through collateral or guarantee, and is classified as Level 3.

Bonds payable
The fair value of bonds payable issued by the Company is measured in reference to published quoted prices, but is classified as Level 2 because they are not traded frequently in the public market and not considered to have quoted prices in active markets.

Long-term borrowings
The fair value of long-term borrowings is measured using the discounted cash flow method based on the sum of their principal and interest (*), remaining maturities, and an interest rate reflecting credit risk, and is classified as Level 3.
(*) For long-term borrowings, subject to the exceptional method for interest rate swap transactions, the sum of their principal and interest using the rate for such interest rate swap transactions

Long-term payables under securitization of lease receivables
The fair value of long-term payables under securitization of lease receivables is classified as Level 3 because the fair value of lease receivables, etc., subject to liquidation is classified as Level 3.

(Note 2) Information about Level 3 fair value of financial assets and financial liabilities measured at fair value on the consolidated balance sheet

(1) Quantitative information on significant unobservable inputs

Classification	Valuation technique(s)	Significant unobservable inputs	Scope of inputs
Investment securities Bonds payable	Discounted cash flow method	Discount rate	2.80% to 9.30%

(2) A reconciliation from the beginning balances to the ending balances and losses on valuation of financial assets and financial liabilities held at the end of the fiscal year included in profit or loss for the fiscal year.

(Millions of yen)

Classification	Beginning balance	Profit or loss, or other comprehensive income for the fiscal year		Changes due to purchases, issuances, sales, and settlements	Transfer to Level 3	Transfer from Level 3	Ending balance	Gains or losses on valuation of financial assets and financial liabilities held at the end of the fiscal year included in profit or loss for the fiscal year
		Recorded in profit or loss	Recorded in other comprehensive income					
Bonds payable	6,600	–	1	–	–	–	6,602	–
Other	550	–	–	–	–	(550)	–	–

(3) A description of valuation processes used for fair value measurements

At the Group, a division in charge measures fair value in accordance with accounting policies, etc., for measuring fair value. The Group verifies whether the fair value obtained is measured using valid valuation techniques and inputs, as well as whether they are classified into an appropriate level of the fair value hierarchy. In measuring fair value, the Group uses a valuation model that appropriately reflects the nature, characteristics, and risks of each asset.

(4) A narrative description of sensitivity of the fair value measurement to changes in significant unobservable inputs

Discount rate

The discount rate is the interest rate adjusted to market interest rates and consists primarily of risk premium demanded by market participants for bearing the uncertainty of cash flows of financial instruments arising from credit risk. Generally, a significant rise (decline) in the discount rate will result in a significant decrease (increase) in fair value.

(Notes to Revenue Recognition)

1. Disaggregation of revenue from contracts with customers

Revenue from contracts with customers of ¥36,934 million is included in the Group’s net sales of ¥648,083 million for the consolidated fiscal year ended March 31, 2026.

2. Basic information for understanding revenue

(Merchandise sales contracts)

Revenue from merchandise sales contracts is recognized when delivery of merchandise to a customer is completed because this is the point at which the Group’s performance obligation is deemed to have been satisfied.

(Electricity sales contracts)

Revenue from electricity sales contracts is recognized over time, as electricity is supplied to a customer because the Group’s performance obligation is deemed to be satisfied as electricity is supplied.

(Notes to Per Share Information)

1. Book value per share	¥3,128.86
2. Net loss per share	¥1,989.70

BALANCE SHEET (Translation)

As of March 31, 2026

(Millions of yen)

ASSETS		LIABILITIES	
Account item	Amount	Account item	Amount
Current assets	**1,925,623**	**Current liabilities**	**1,039,479**
Cash and deposits	13,275	Notes payable-trade	809
Installment receivables	70,018	Accounts payable-trade	19,545
Lease receivables	252,974	Short-term borrowings	433,866
Investments in leases	485,130	Current portion of bonds payable	75,000
Operating loans receivables	565,901	Current portion of long-term borrowings	155,017
Other operating loans receivable	86,471	Commercial papers	220,869
Lease and other receivables	770	Payables under securitization of lease receivables	50,302
Other operating assets	16,780	Lease obligations	9,642
Advance on contracts	2,862	Accounts payable-other	15,267
Prepaid expenses	5,544	Accrued expenses	2,925
Short-term loan receivables	413,012	Income taxes payable	1,864
Other	19,909	Advances received on lease contracts	7,034
Allowance for doubtful accounts	(7,029)	Deposits received	42,390
		Unearned revenue	9
Non-current assets	**563,519**	Deferred profit on installment sales	3,156
Property, plant, and equipment	**15,305**	Provision for bonuses	1,331
Leased assets	14,815	Other	446
Own-used assets	489	**Non-current liabilities**	**1,316,020**
Intangible assets	**18,214**	Bonds payable	230,000
Leased assets	208	Long-term borrowings	994,724
Software	1,244	Long-term payables under securitization of lease receivables	79,465
Other	16,761	Provision for employees' retirement benefits	3,904
		Guarantee deposits received	7,352
Investments and other assets	**530,000**	Other	573
Investment securities	86,227	**Total liabilities**	**2,355,499**
Shares of subsidiaries and associates	118,751	NET ASSETS	
Long-term loan receivables	313,090	**Shareholders' equity**	**119,760**
Distressed receivables	909	**Share capital**	**49,500**
Long-term prepaid expenses	85	**Capital surplus**	**80,950**
Deferred tax assets	1,642	Legal capital surplus	47,500
Other	10,204	Other capital surplus	33,450
Allowance for doubtful accounts	(911)	**Retained earnings**	**(10,689)**
		Legal retained earnings	412
		Other retained earnings	(11,102)
		Retained earnings brought forward	(11,102)
		Valuation and translation adjustments	**13,882**
		Valuation difference on available-for-sale securities	**10,972**
		Deferred gains or losses on hedges	**2,910**
		Total net assets	**133,643**
Total assets	**2,489,142**	**Total liabilities and net assets**	**2,489,142**

STATEMENT OF INCOME (Translation)

For the year ended March 31, 2026

(Millions of yen)

Account item	Amount	
Net sales		
Lease revenue	273,401	
Installment sales	15,165	
Finance revenue	28,820	
Other revenue	5,303	322,690
Cost of sales		
Cost of lease	249,138	
Cost of installment sales	13,383	
Cost of finance	66	
Financing costs	23,205	
Cost of other sales	5,078	290,872
Gross profit		**31,817**
Selling, general, and administrative expenses		25,193
Operating profit		**6,624**
Non-operating income		
Interest income	18,177	
Dividend income	13,273	
Foreign exchange gains	252	
Other	553	32,257
Non-operating expenses		
Interest expenses	16,940	
Bond issuance costs	253	
Other	50	17,244
Ordinary profit		**21,637**
Extraordinary income		
Gain on sale of non-current assets	0	
Gain on sale of investment securities	1,646	
Other	4	1,651
Extraordinary losses		
Loss on sale and retirement of non-current assets	13	
Loss on valuation of investment securities	293	
Loss on valuation of shares of subsidiaries and associates	148,228	148,536
Net loss before income taxes		**125,247**
Income taxes-current	5,644	
Income taxes-deferred	(2,049)	3,594
Net loss		**128,842**

STATEMENT OF CHANGES IN NET ASSETS (Translation)

For the year ended March 31, 2026

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	32,000	30,000	33,928	63,928	412	128,957	129,369	—	225,298
(Changes during period)									
Issuance of new shares	17,500	17,500		17,500					35,000
Dividends from surplus						(11,217)	(11,217)		(11,217)
Net loss						(128,842)	(128,842)		(128,842)
Purchase of treasury stock								(477)	(477)
Cancellation of treasury stock			(477)	(477)				477	—
Net changes in items other than shareholders' equity									
Total changes during period	17,500	17,500	(477)	17,022	—	(140,059)	(140,059)	—	(105,537)
Balance at end of period	49,500	47,500	33,450	80,950	412	(11,102)	(10,689)	—	119,760

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	5,894	1,982	7,877	233,175
(Changes during period)				
Issuance of new shares				35,000
Dividends from surplus				(11,217)
Net loss				(128,842)
Purchase of treasury stock				(477)
Cancellation of treasury stock				—
Net changes in items other than shareholders' equity	5,077	927	6,004	6,004
Total changes during period	5,077	927	6,004	(99,532)
Balance at end of period	10,972	2,910	13,882	133,643

NOTES TO FINANCIAL STATEMENTS (Translation)

For the year ended March 31, 2026

Amounts less than one million yen have been truncated.

(Notes to Significant Accounting Policies)

1. Valuation basis and methods applied for assets

(1) Securities

Shares of subsidiaries and associates.......................	At cost determined by the moving-average method
Available-for-sale securities	
Securities other than shares, etc., that do not have a market price...	At fair value (all valuation differences are reported as a component of equity. The cost of securities sold is determined by the moving-average method.)
Shares, etc., that do not have a market price…...........	At cost determined by the moving-average method Investments in limited partnerships, which are considered securities under Article 2, Paragraph 2 of the Japanese Financial Instruments and Exchange Act, are recorded under the equity method and based on the latest financial statements available on the reportable date ruled by the partnership contracts.
(2) Derivative financial instruments..	At fair value

2. Methods of depreciation and amortization applied for non-current assets

(1) Leased assets

Leased assets are depreciated under the straight-line method within the estimated lease and rent period, assuming that useful lives are the same as the estimated lease and rent period, and that residual values are the disposal price estimable at the end of the estimated lease and rent period.

For some of the leased assets, property, plant, and equipment are depreciated under the declining-balance method. Intangible assets are amortized under the straight-line method.

(2) Other non-current assets

Property, plant, and equipment

The declining-balance method is applied; however, for facilities attached to buildings acquired after April 1, 2016, the straight-line method is applied.

The principal useful lives are as follows:

Buildings	3 to 18 years
Furniture and equipment	2 to 20 years

Intangible assets

The straight-line method is applied; Software for internal use is amortized under the straight-line method over internal useful lives (five years).

3. Accounting method of deferred assets

Bond issuance costs

Bond issuance costs are recognized as expense at the time of expenditure.

4. Translation of foreign currency accounts

All monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the spot exchange rates on the balance sheet date, and the foreign exchange gains and losses therefrom are recognized in the statement of income.

5. Allowance and provisions

(1) Allowance for doubtful accounts

For general receivables, allowance for estimated uncollectible receivables is provided at an appropriate rate calculated based on the probability of bankruptcy, while allowance for certain categories, including seriously doubtful receivables and distressed receivables, is provided based on a case-by-case collectability assessment.

For distressed receivables, an estimated uncollectible amount is calculated by subtracting estimated collectible amounts from the receivables amount. For the year ended March 31, 2026, such estimated uncollectible amount is ¥3,038 million.

(2) Provision for bonuses

Of the estimated amount of bonuses payable to employees in the following fiscal year, the portion attributable to their service during the current fiscal year has been set aside as provision for employees' bonuses.

(3) Provision for employees' retirement benefits

JA Mitsui Leasing, Ltd. (the "Company") provides the estimated year-end liabilities for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date.

Past service costs are recognized in each fiscal year, as they arise.

Actuarial differences are charged to income on a straight-line basis, beginning from the year after they are recognized, over the average remaining years of service of employees (13 to 16 years).

6. Income and expenses

(1) Lease accounting

① Accounting policy for revenues and costs from finance lease transactions

The Company adopts the method in which lease revenue and cost of lease are recorded at the time when lease fees are collectible.

② Accounting policy for revenues from operating lease transactions

The Company records lease revenues corresponding to the elapsed period of the lease contract term on the basis of the monthly lease fees collectible according to the lease contract for such contract term.

(2) Accounting for installment contracts

For financing-type installment contracts, the Company accounts for the amount equivalent to principal of contracts as installment receivables upon delivery of goods and records the amount equivalent to interest as installment sales as each payment becomes due.

For sales-type installment contracts, the Company accounts for installment sales and related costs in a lump-sum at the time of sales. Unrealized gross profits on installment receivables with installment payments becoming due at later dates are deferred.

(3) Accounting treatment for financial expenses

Total assets are divided into assets based on sales transactions and other assets, where financial expenses corresponding to the former are recorded as financing costs under the heading of operating expenses, while financial expenses corresponding to the latter are recorded as non-operating expenses based on the balance proportion of such assets.

Financial expenses related to operating assets, less corresponding interest income, etc., are recorded as financing costs.

7. Method of hedge accounting

(1) Method of hedge accounting

Gains or losses on derivatives are deferred until maturity of the hedged items. For an interest rate swap, the Company applies the exceptional method as far as it qualifies for the required rules.

(2) Hedging instruments and hedged items

Hedging instruments

Interest rate swap transactions

Hedged items

Operating loans receivables and borrowings

Lease receivables and investments in leases

(3) Hedge accounting policy and evaluation of the hedge effectiveness

For purposes of hedging risks from fluctuations in interest rates arising from assets and liabilities, integrated management of ALM and securing stable income, the Company conducts derivative transactions in accordance with the internal regulations stipulated by the Management Committee.

The Company compares the cumulative changes in market fluctuations and cash flows of the hedged items against those of the hedging instruments during the period from the start of the hedging until the time when effectiveness is determined. This comparison serves as the basis for evaluating hedge effectiveness.

Evaluation of the effectiveness of interest rate swap transactions based on the exceptional method has been omitted.

8. Other significant matters that serve as the basis for preparing financial statements

Accounting treatment for retirement benefits

The method of accounting treatment for actuarial differences yet to be recognized in retirement benefits differs from the method applied for the consolidated financial statements.

9. Financial covenants

Due to a significant loss recorded by the Company's U.S. subsidiaries during the fiscal year ended March 31, 2026, net assets decreased, resulting in a breach of the financial covenants under the loan agreements and commitment line agreements entered into with financial institutions.

However, the Company has held discussions with the financial institutions to resolve this situation and has confirmed that they do not intend to exercise their right to demand immediate repayment in connection with the breach of financial covenants.

(Notes to Accounting Estimates)

1. Recording of allowance for doubtful accounts

(1) Amount recorded in the fiscal year ended March 31, 2026

	(Millions of yen)
Allowance for doubtful accounts (current)	(7,029)
Allowance for doubtful accounts (non-current)	(911)

(2) Other information that facilitates understanding about the nature of estimates

The same information is described in "(Notes to Accounting Estimates), Recording of allowance for doubtful accounts" in the notes to consolidated financial statements.

2. Evaluation of investments and loans for subsidiaries and associates

(1) Amount recorded in the fiscal year ended March 31, 2026

	(Millions of yen)
Shares of subsidiaries and associates	118,751
Loss on valuation of shares of subsidiaries and associates	148,228
Short-term loan receivables from subsidiaries and associates (*)	413,012
Long-term loan receivables from subsidiaries and associates (*)	313,090

(*) Includes short-term loan receivables from subsidiaries and associates of ¥9,592 million and long-term loan receivables from subsidiaries and associates of ¥39,485 million to JA Mitsui Leasing Capital Corporation.

(2) Other information that facilitates understanding about the nature of estimates

For shares of subsidiaries and associates that do not have a market price, if the underlying value has declined significantly relative to the investment amount, the Company recognizes an impairment loss down to the underlying value, unless there is sufficient evidence to support the likelihood of recovery. In addition, with regard to loans to subsidiaries and associates, the Company regularly conducts self-assessments in accordance with the self-assessment regulations established by the Group and records the estimated uncollectible amount as an allowance for doubtful accounts.

During the fiscal year ended March 31, 2026, the Group recorded a loss on valuation of shares of subsidiaries and associates of ¥148,220 million with respect to the shares of JA Mitsui Leasing USA Holdings, Inc., a consolidated subsidiary of the Company. The underlying value used to estimate the valuation of shares of subsidiaries and associates is calculated by multiplying the net asset value per share, calculated based on the issuing company's most recent financial statements, by the number of shares held.

This estimate may be affected by future changes in the uncertain business environment and other factors, and depending on the future performance of the subsidiaries and associates, it may have a material impact on the financial statements for the fiscal year ending March 31, 2027.

(Notes to Balance Sheet)

1. Assets pledged as collateral and corresponding liabilities

(1) Assets pledged as collateral

	(Millions of yen)
Lease receivables	50,123
Investments in leases	81,199
Operating loans receivables	6,542
Other operating loans receivable	750
Investment securities	6,775
Other (investments and other assets)	15
Total	145,407

(2) Liabilities corresponding to assets pledged as collateral

	(Millions of yen)
Payables under securitization of lease receivables	50,302
Long-term payables under securitization of lease receivables	79,465
Total	129,768

2. Accumulated depreciation of property, plant, and equipment

	(Millions of yen)
Accumulated depreciation of leased assets	20,331
Accumulated depreciation of own-used assets	1,385

3. Contingent liabilities

Contingent liabilities for other companies' borrowings, etc., from financial institutions

	(Millions of yen)
JA Mitsui Leasing Capital Corporation	255,120
JA Mitsui Leasing Singapore Pte. Ltd.	82,265
PT. Mitsui Leasing Capital Indonesia	23,386
M&M Shipholding B.V.	22,905
Other	65,468
Total	449,146

4. Breakdown of lease receivables and investments in leases

(Millions of yen)

	Lease receivables	Investments in leases
Amount of receivables	281,673	511,790
Estimated residual value	—	22,974
Amount equivalent to interest receivables	28,698	49,634
Total	252,974	485,130

5. Notes received as guarantees

(Millions of yen)

Notes received for installment receivables	242
Notes received for investments in leases	15
Notes received for other operating loans receivable	2,521

6. Operating lease contract receivables under the remaining lease terms

(Millions of yen)

Other lease contract receivables	6,763

7. Trade receivables due after one year

(Millions of yen)

Installment receivables	43,354
Lease receivables	169,711
Investments in leases	341,993
Operating loans receivables	322,203
Other operating loans receivable	29,389
Operating lease contract receivables under the remaining lease terms	4,334
Total	910,986

8. Receivables and payables with subsidiaries and associated companies

(Millions of yen)

Short-term receivables	421,699
Long-term receivables	313,181
Short-term payables	181,342
Long-term payables	151,588

(Notes to Statement of Income)

1. Transactions with subsidiaries and associated companies

(Millions of yen)

Amount of operating transactions	
Net sales	5,451
Cost of sales	3,612
Selling, general, and administrative expenses	1,903
Amount of non-operating transactions	31,276

2. Breakdown of financing costs

(Millions of yen)

Interest expenses, etc.	32,361
Interest income, etc.	(9,155)
Net balance	23,205

(Notes to Income Taxes)

1. Significant components of the Company's deferred tax assets and liabilities

(Millions of yen)

Deferred tax assets	
Allowance for doubtful accounts	3,051
Provision for employees' retirement benefits	1,230
Accounts payable-other	1,938
Excess provision for depreciation and amortization	624
Provision for bonuses	419
Shares of subsidiaries and associates	47,152
Other	1,411
Deferred tax assets subtotal	55,828
Less valuation allowance	(47,789)
Total deferred tax assets	8,038
Deferred tax liabilities	
Valuation difference on available-for-sale securities	(5,034)
Deferred gains or losses on hedges	(1,339)
Other	(21)
Total deferred tax liabilities	(6,395)
Net deferred tax assets	1,642

2. Significant components of difference between statutory tax rate and effective tax rate after adjustments for tax effect accounting

Statutory tax rate	30.6%
(Adjustments)	
Permanent differences, such as dividend income	2.6%
Change in valuation allowance	(36.2)%
Withholding tax	(0.0)%
Inhabitant tax on per capita basis	(0.0)%
Other	0.2%
Effective tax rate after adjustments for tax effect accounting	(2.8)%

(Notes to Leased Non-current Assets)

In addition to non-current assets stated in the balance sheet, the Company leases information equipment and vehicles.

(Notes to Related Party Transactions)

1. Parent company and major corporate stockholder

Category	Name of related company	Equity ownership percentage	Relationship with related party	Description of the transaction	Transactions (Millions of yen)	Account item	Balance (Millions of yen)
Other associated company	The Norinchukin Bank	Directly 40.17%	Borrowings Underwriting of capital increase Doubled as executive officer, etc.	Borrowings (*1)	3,069,079	Short-term borrowings	138,371
						Current portion of long-term borrowings	—
						Long-term borrowings	151,588
				Payment of the interest	2,844	Accrued expenses	151
				Third-party allotment of shares (*2)	17,500	—	—
Other associated company	MITSUI & CO., LTD.	Directly 38.84%	Underwriting of capital increase Doubled as executive officer, etc.	Third-party allotment of shares (*2)	17,500	—	—

The terms and conditions of the above transactions and their related policies, etc.

(*1) Interest rates, etc., are subject to general terms and conditions.

(*2) This was a third-party allotment of new shares conducted by the Company and underwritten by The Norinchukin Bank and MITSUI & CO., LTD.

2. Subsidiaries, etc.

Category	Name of related company	Equity ownership percentage	Relationship with related party	Description of the transaction	Transactions (Millions of yen)	Account item	Balance (Millions of yen)
Subsidiary	JA Mitsui Leasing Kyushu, Ltd.	Directly 100%	Loan Doubled as executive officer, etc.	Loan (*1) Receipt of the interest	438,700 409	Short-term loan receivables Accrued income	37,000 1
Subsidiary	JA Mitsui Leasing Auto, Ltd.	Directly 100%	Loan Doubled as executive officer, etc.	Loan (*1) Receipt of the interest	338,100 568	Short-term loan receivables Long-term loan receivables Accrued income	23,300 23,400 92
Subsidiary	JA Mitsui Leasing Tatemono Co., Ltd.	Directly 100%	Loan Doubled as executive officer, etc.	Loan (*1) Receipt of the interest	3,168,865 4,881	Short-term loan receivables Long-term loan receivables Accrued income	207,400 207,400 141
Subsidiary	JA Mitsui Energy Solutions, Ltd.	Directly 100%	Loan Doubled as executive officer, etc.	Loan (*1) Receipt of the interest	214,149 777	Short-term loan receivables Accrued income	32,093 205
Subsidiary	JA Mitsui Strategic Partners, Ltd.	Directly 100%	Loan Doubled as executive officer, etc.	Loan (*1) Receipt of the interest	27,670 25	Short-term loan receivables Accrued income	2,450 0
Subsidiary	JA Mitsui Leasing USA Holdings, Inc.	Directly 100%	Underwriting of capital increase Doubled as executive officer, etc.	Underwriting of capital increase	161,976	―	―
Subsidiary	JA Mitsui Leasing Capital Corporation	Indirectly 100%	Loan Guarantee of liabilities Doubled as executive officer, etc.	Loan (*1) Receipt of the interest	189,587 5,565	Short-term loan receivables Long-term loan receivables Accrued income	9,592 39,485 16
				Guarantee of liabilities (*2) Receipt of the guarantee fee	225,120 252	― Accrued income	― 65
Subsidiary	PT.Mitsui Leasing Capital Indonesia	Directly 85.00% Indirectly 14.99%	Guarantee of liabilities	Guarantee of liabilities (*2) Receipt of the guarantee fee	23,386 14	― Accrued income	― 3
Subsidiary	JA Mitsui Leasing Singapore Pte. Ltd.	Indirectly 100%	Guarantee of liabilities Doubled as executive officer, etc.	Guarantee of liabilities (*2) Receipt of the guarantee fee	82,266 56	― Accrued income	― 13
Subsidiary	JAML Capital One L.P.	Directly 100%	Loan	Loan (*1) Receipt of the interest	371,095 2,389	Short-term loan receivables Accrued income	53,472 115
Subsidiary	JAML Capital Two L.P.	Directly 100%	Loan	Loan (*1) Receipt of the interest	132,029 1,556	Short-term loan receivables Accrued income	29,673 37
Subsidiary	VEGA LINES Inc.	Directly 100%	Loan	Loan (*1) Receipt of the interest	21,161 1,551	Short-term loan receivables Long-term loan receivables Accrued income	7,096 27,770 68

The terms and conditions of the above transactions and their related policies, etc.

(*1) The terms and conditions of the loans are determined in consideration of the prevailing market interest rates and other factors.

(*2) The guarantee of liabilities is for borrowings from financial institutions, and the rate of guarantee fee is reasonably determined in consideration of the prevailing market interest rates.

(Notes to Per Share Information)

1. Book value per share	¥1,496.71
2. Net loss per share	¥1,770.96

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

June 5, 2026

To the Board of Directors of
JA MITSUI LEASING, Ltd.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Kensuke Yamasaki

Designated Engagement Partner,
Certified Public Accountant:

Yoshihiro Fujii

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of JA MITSUI LEASING, Ltd. and its consolidated subsidiaries (the "Group"), namely, the consolidated balance sheet as of March 31, 2026, and the consolidated statement of income and consolidated statement of changes in net assets for the fiscal year from April 1, 2025 to March 31, 2026, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026, and its consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The other information in "the Business Report and the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

June 5, 2026

To the Board of Directors of
JA MITSUI LEASING, Ltd.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Kensuke Yamasaki

Designated Engagement Partner,
Certified Public Accountant:

Yoshihiro Fujii

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements of JA MITSUI LEASING, Ltd. (the "Company"), namely, the balance sheet as of March 31, 2026, and the statement of income and statement of changes in net assets for the 18th fiscal year from April 1, 2025 to March 31, 2026, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in the "Opinion" section of this English translation are not included in the attached financial documents. In addition, the other information in "the Business Report and the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

(Translation)

Audit Report by the Audit & Supervisory Board

Certified Copy

Audit Report

The Audit & Supervisory Board, following deliberations on the reports made by each Audit & Supervisory Board member concerning the audit of performance of duties by directors of JA Mitsui Leasing, Ltd. (the "Company") for the 18th fiscal year from April 1, 2025, to March 31, 2026, has prepared this audit report and hereby reports as follows:

1. Auditing Method Used by Each Audit & Supervisory Board Member and the Audit & Supervisory Board and Details Thereof:

(1) The Audit & Supervisory Board established auditing policies, assignment of duties, and other relevant matters and received reports from each Audit & Supervisory Board member regarding the progress and results of audits, as well as received reports from the directors, other relevant personnel, and the independent auditors regarding the performance of their duties and sought explanations, as necessary.

(2) In conformity with the auditing standard policies established by the Audit & Supervisory Board and in accordance with the auditing policies, assignment of duties, and other relevant matters, each Audit & Supervisory Board member endeavored to gather information and to create an improved environment for auditing through close communication with the directors, the Internal Audit department, and other relevant personnel and conducted audits as follows. Additionally, Yoshiyuki Enomoto, who was appointed Audit & Supervisory Board member on April 1, 2026, conducted audits of matters pertaining to the period prior to his appointment by receiving briefings from other Audit & Supervisory Board members and reports from the independent auditors.

1) Each Audit & Supervisory Board member attended meetings of the board of directors and other important meetings; received reports from the directors, employees, and other relevant personnel regarding the performance of their duties; sought explanations, as necessary; inspected documents involving important resolutions; and examined the operations and financial position of the Company at the head office and other principal offices of the Company. As for the subsidiaries of the Company, each standing Audit & Supervisory Board member, concurrently holding the office of Audit & Supervisory Board member of a significant subsidiary, attended meetings of the board of directors of significant subsidiaries; endeavored to keep communication and share information with directors and other related personnel of the subsidiaries; and received reports from the subsidiaries, directors, and other relevant personnel regarding their businesses, as necessary. Each standing Audit & Supervisory Board member also reviewed the business report for the fiscal year and supplementary schedules thereto.

2) Each Audit & Supervisory Board member monitored and verified the status of the systems provided by Article 100, Sections 1 and 3 of the Ordinance for Enforcement of the Companies Act, and established pursuant to the resolution of the board of directors (the "Internal Control System"), which is necessary to establish the systems to ensure directors carry out their duties described in the business report in accordance with laws and regulations and the Company's Articles of Incorporation and other systems to ensure appropriateness of the Company's business and business of the corporate group consisting of the Company and its subsidiaries. Each Audit & Supervisory Board member also sought explanations from the directors, employees, and other relevant personnel, as necessary, and expressed his/her opinions.

3) Audit & Supervisory Board members monitored and verified whether the independent auditors maintained their independence and implemented appropriate audits, as well as received reports from the independent auditors regarding the performance of their duties and sought explanations, as necessary. Each Audit & Supervisory Board member was notified by the independent auditors that they have established a "system to ensure that duties of independent auditors are being conducted properly" (matters prescribed in each item of Article 131 of the Corporate Accounting Regulations) and that the system is developed and implemented in accordance with the "Quality Control Standards for Audit" (Business Accounting Council) and other applicable standards, and sought explanations, as necessary. Audit & Supervisory Board members discussed with the independent auditors on key considerations in audits, received reports regarding the implementation of audits on them, and sought explanations as necessary.

Based on the foregoing method, Audit & Supervisory Board members reviewed the business report and supplementary schedules thereto, the financial statements for the fiscal year (balance sheet, statement of income, statement of changes in net assets, and the related notes), and supplementary schedules thereto, as well as the consolidated financial statements for the fiscal year (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and the related notes).

2. Audit Results

(1) Audit Results on the Business Report, etc.

1) In our opinion, the business report and supplementary schedules thereto fairly represent the Company's condition in conformity with the applicable laws and regulations, as well as the Articles of Incorporation of the Company.

2) We have found no evidence of misconduct or material facts in violation of the applicable laws and regulations, nor of any violation with respect to the Articles of Incorporation of the Company, related to performance of duties by the directors.

3) In our opinion, the status of the operation and maintenance of the Internal Control System are appropriate. We have found no issues to be mentioned on the contents of the business report and the directors' performance of their duties with respect to the Internal Control System.

As noted in the business report, doubts arose regarding the likelihood of collecting accounts receivable from factoring transactions conducted by a group company in the United States, and we recorded significant bad debt expenses as a precautionary measure. To prevent recurrence, we will continue to monitor and verify the progress of initiatives aimed at further enhancing the operation of the Internal Control System.

(2) Results of Audit of the Financial Statements and Supplementary Schedules

In our opinion, the method and the results of the audit used and conducted by Deloitte Touche Tohmatsu LLC, the independent auditors, are appropriate.

(3) Results of Audit of the Consolidated Financial Statements

In our opinion, the method and the results of the audit used and conducted by Deloitte Touche Tohmatsu LLC, the independent auditors, are appropriate.

June 8, 2026

The Audit & Supervisory Board of JA Mitsui Leasing, Ltd.

Standing Audit & Supervisory Board member	Akihiro Hattori
Standing Audit & Supervisory Board member	Yoshiyuki Enomoto
Audit & Supervisory Board member	Hideo Tsukamoto

(Note) Yoshiyuki Enomoto, a standing Audit & Supervisory Board member, and Hideo Tsukamoto, an Audit & Supervisory Board member, are the outside Audit & Supervisory Board members as set forth in Article 2, Item 16 and Article 335, Section 3 of the Companies Act.