

JA MITSUI LEASING Will Record An Additional Provision, Capital Support from Norinchukin Bank and Others—No Impact on the Rating

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on the announcement by JA MITSUI LEASING, LTD. (security code: -) on such matters as an increase in provisions for factoring receivables held by Katsumi Global, LLC, its U.S. subsidiary.

- (1) JA MITSUI LEASING, LTD. (the "Company") announced on February 3 that it will make an additional provisions of 103.0 billion yen for factoring receivables pertaining to First Brands Group, LLC ("FBG"), a U.S. auto parts manufacturer for which Katsumi Global, LLC ("KG") filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code in September 2025, and some of FBG's affiliates and that it expects to record a net loss of 115.7 billion yen as a result of the downward revision to the consolidated full-year earnings forecast for the fiscal year ending March 2026 (FY2025). It also announced that it has requested capital support to its major shareholders, The Norinchukin Bank and MITSUI & CO., so as to sustain future business growth and maintain financial soundness and that it is discussing the formation of a subordinated syndicated loan with major financial institutions it has business with, including Norinchukin Bank.
- (2) For the Company's issuer rating, JCR deems both the assessment based on the Company's stand-alone creditworthiness and the assessment in light of the degree of Norinchukin Bank's involvement in the Company and the Company's managerial importance in the Norinchukin Group (the "Group") to be equivalent to the rating of A+. The projected net loss for FY2025, as mentioned above, is significant relative to equity capital (330.7 billion yen as of March 31, 2025) and other items. Meanwhile, Norinchukin Bank is considering the underwriting of additional capital and execution of subordinated loans, and thus JCR assumes that this, combined with contributions from other major shareholders and financial institutions, will cover the loss to some extent. Even though JCR views that the above announcement will inevitably affect the Company's stand-alone creditworthiness, the Company's long-term issuer rating will continue to be underpinned by the A+ rating, which is decided based on the Group's creditworthiness.

Tsuyoshi Ohishi, Kei Aoki

<Reference>

Issuer: JA MITSUI LEASING, LTD.

Long-term Issuer Rating: A+ Outlook: Stable

Japan Credit Rating Agency, Ltd.

Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026

Information herein has been obtained by JCR from the issuers and other sources believed to be accurate and reliable. However, because of the possibility of human or mechanical error as well as other factors, JCR makes no representation or warranty, express or implied, as to accuracy, results, adequacy, timeliness, completeness or merchantability, or fitness for any particular purpose, with respect to any such information, and is not responsible for any errors or omissions, or for results obtained from the use of such information. Under no circumstances will JCR be liable for any special, indirect, incidental or consequential damages of any kind caused by the use of any such information, including but not limited to, lost opportunity or lost money, whether in contract, tort, strict liability or otherwise, and whether such damages are foreseeable or unforeseeable. JCR's ratings and credit assessments are statements of JCR's current and comprehensive opinion regarding redemption possibility, etc. of financial obligations assumed by the issuers or financial products, and not statements of opinion regarding any risk other than credit risk, such as market liquidity risk or price fluctuation risk. JCR's ratings and credit assessments are statements of opinion, and not statements of fact as to credit risk decisions or recommendations regarding decisions to purchase, sell or hold any securities such as individual bonds or commercial paper. The ratings and credit assessments may be changed, suspended or withdrawn as a result of changes in or unavailability of information as well as other factors. JCR receives a rating fee paid by issuers for conducting rating services in principle. JCR retains all rights pertaining to this document, including JCR's rating data. Any reproduction, adaptation, alteration, etc. of this document, including such rating data, is prohibited, whether or not wholly or partly, without prior consent of JCR.

JCR is registered as a "Nationally Recognized Statistical Rating Organization" with the U.S. Securities and Exchange Commission with respect to the following four classes. (1) Financial institutions, brokers and dealers, (2) Insurance Companies, (3) Corporate Issuers, (4) Issuers of government securities, municipal securities and foreign government securities.

JCR publishes its press releases regarding the rating actions both in Japanese and in English on the same day. In case that it takes time to translate rating rationale, JCR may publicize the summary version, which will be replaced by the full translated version within three business days. (Regarding Structured Finance products, JCR only publicize the summary version in English.)