

The “capital solutions” Shinka we have

The phrase “capital solutions,” as seen in our Company name, is our own expression that signifies provision of solutions to a wide range of management issues centered on the capital (management resources) of our customers. We introduce innovations to capital solutions based on three main solution areas.

Capital Solutions	Characteristics
<p>Vendor finance</p> <p>Based on the sales finance and business know-how cultivated in the NEC Group through business with the government agencies, we offer finance programs to various manufacturers and distributors, and help them strengthen their sales capabilities. We also promote the launch of joint ventures with manufacturers and distributors.</p>	<p>Business with the government agencies (Average for the past 3 years)</p> <p>Approx. 60%</p> <p>Ratio of NEC sales channels (Average for the past 3 years)</p> <p>Approx. 60%</p>
<p>ICT/professional services</p> <p>Leveraging our strengths in handling a large number of ICT equipment, we are engaged in an ICT-related service business that provides one-stop support for the entire life cycle of ICT assets, ranging from procurement and deployment to operation, removal, and disposal.</p>	<p>Ratio of ICT equipment handled* (Average for the past 3 years)</p> <p>Approx. 80%</p> <p>Recycling rate of ICT equipment</p> <p>More than 98%</p>
<p>Financial products</p> <p>Based on our broad range of financial solutions capabilities, including those of the SBI Shinsei Bank Group, we provide financial services focusing on investment and loan, as well as advisory services in various fields including real estate, corporate firms, infrastructure, healthcare, overseas business, renewable energy, ventures, and receivables.</p>	<p>Broad range of financial solutions</p> <p>SBI 新生銀行, RISA PARTNERS INC., NVenture Capital, NCS RE Capital</p>

cultivated continues.

Leasing Business

Operating profit **4.4 billion yen**

Main characteristics

- Having grown together with NEC, we have a customer base that includes the government agencies, and large corporations. We have strengths in the handling of ICT equipment, which account for about 80% of our leases.
- The leasing business accounts for roughly 60% of our operating assets, serving as our stable source of revenue.

Finance Business

Operating profit **2.9 billion yen**

Main characteristics

- We provide business loans, and conduct factoring and securities investments aimed at generating dividend revenue, among other operations. Revenue fluctuates due to the sale of securities, the recording of credit costs, etc.
- We are actively replacing our operating assets to increase profitability. The volume of short-term factoring is decreasing as a result.

Investment Business

Operating profit **2.2 billion yen**

Main characteristics

- In addition to investing in business ventures, we operate businesses such as the asset, real estate and advisory services businesses handled by RISA Partners, our consolidated subsidiary. While profit margins are high due to the sale of investees, etc., volatility tends to be high.
- We are working to acquire operating assets with the aim of securing stable source of revenue.

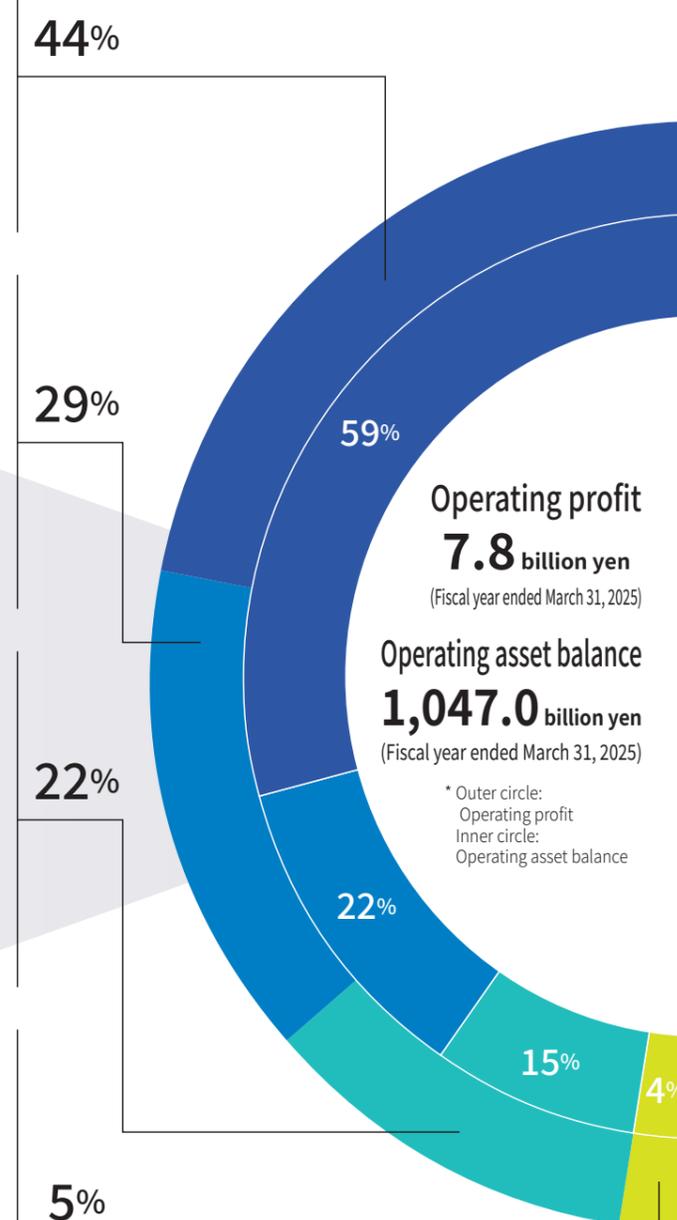
Other Business

Operating profit **0.5 billion yen**

Main characteristics

- In addition to revenue from real estate-related businesses such as the renewable energy power generation and healthcare warehousing businesses conducted by consolidated subsidiary NCS RE Capital Limited (hereinafter, “NCS RE Capital”), we record commission income, such as from PFI and PPP business and corporate advisory services.
- In real estate-related operations, assets are predominantly held for sale. PFI and PPP business, corporate advisory services, etc. do not involve holding assets.

Business Segments



* The operating profit composition ratio is calculated excluding adjustments for operating profit (company-wide expenses not allocated to each segment).