

Message from the new representative director

Utilizing my experience to contribute to the growth of new financial fields and the improvement of corporate governance

Shoichi Hirano Representative Director



Utilizing my experience in lease and financial fields to contribute to management

I joined The Long-Term Credit Bank of Japan (now SBI Shinsei Bank) after graduating from university. At the bank, I served as a chief officer, group planning and finance where I oversaw corporate planning, IR and public relations, financial affairs, accounting, and treasury operations, etc., as well as manager of the corporate business. I then spent approximately two and a half years as President & CEO of Showa Leasing before assuming my current role in December 2024. NEC Capital Solutions has a flexible corporate culture and many earnest employees, giving the organization real strength. At the Board of Directors, each member has expertise and strengths in different business fields to ensure well-balanced operations.

In addition to my experience in banking and leasing, I am using my unique advantages in my relationship with the SBI Shinsei Bank Group to contribute to company management.

Business alliance with SBI Shinsei Bank and Showa Leasing

With SBI Shinsei Bank, we have a complementary relationship in terms of our fields of expertise and customer bases. SBI Shinsei Bank's focus is on corporate finance and structured finance, and it is also proceeding with the rollout of senior loans for real estate and renewable energy projects. On the other hand, we have strengths in financial areas such as mezzanine loans and equities, making for a complementary lineup of solutions. Moreover, while SBI Shinsei Bank is subject to certain restrictions in real estate and energy businesses due to the Banking Act, we can work alongside our subsidiary NCS RE Capital to expand our businesses into new areas.

Meanwhile, Showa Leasing has strengths in the fields of construction equipment business with a customer base comprising primarily SMEs, meaning its advantages are in completely different areas from our own, which is good at ICT domains for large corporations and

government agencies. Further, while Showa Leasing can only offer building leases in the real estate domain, both companies can also collaborate in the field of land we can deal with. Working together, we can take an approach that complement each other with our respective areas of expertise.

I also look forward to this business alliance helping to reinforce not merely operations, but our management foundations. By proceeding with personnel exchange and furthering our understanding of one another's businesses, I have no doubt we can generate a range of synergies not only in front office departments but also in back office departments.

Changes in governance ahead of further growth

With the expected rise in handling of mezzanine loans and equities, we must look at how to manage them in a systematic manner. In the planning of our next Medium-term Plan and budget, it is essential that we design a risk management framework while taking into account corporate strength and profitability. I will use the risk intuition developed through my experience in the nationalization of The Long-Term Credit Bank of Japan and financial crises including the collapse of Lehman Brothers to enhance the Company's governance. Moreover, with the appointment of outside directors Messrs. Makizumi and Taima, I look forward to proceeding with discussions regarding the reduction and avoidance of risk and the enhancement of governance. I already feel that discussions have become more intense in the financial area we are working to strengthen.

In addition to our conventional businesses utilizing the sales channels of NEC, we have now established a system in which we can generate synergies alongside the customer base and products of the SBI Shinsei Bank Group. Under this new system, we will do everything we can to ensure sustainable improvements in corporate value and enhance profitability.