

Financial Results for Q2 of the Fiscal Year Ending March 31, 2026 (FY2026)

October 30, 2025

NEC Capital Solutions Limited

Note: This document has been translated from a part of Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Financial Results for Q2 of the Fiscal Year Ending March 31, 2026 (FY2026)

1. Financial Results for Q2 of FY2026

- 1) Highlights of Financial Results
- 2) Business Environment
- 3) Financial Summary
- 4) Revenues by Business Segment
- 5) Business Results by Business Segment
- 6) Leasing Business
- 7) Finance Business
- 8) Investment Business
- 9) Operating Asset Balances
- 10) Procuring Funds
- 11) Credit Costs

2. Forecasts for FY2026/3

1. Financial Results for Q2 FY2026

1) Highlights of Financial Results

Business Environment

Total leasing contracts in the industry overall rose 1.1% Y/Y.

We need to continue monitoring future trends in the financing environment and bankruptcies.

Results in Key Business Units

In the Leasing Business, both contracts executed and new transactions increased significantly Y/Y due to the recording of assets for large-scale projects for government agencies and municipalities.

Both contracts executed and new transactions in the finance business decreased Y/Y.

<Leasing Business>

Contracts executed : 14.6% up

New transactions : 25.3% up

<Finance Business>

Contracts executed : 4.0% down

New transactions : 3.5% down

Business Performance

Revenue and gross profit increased Y/Y as the growth of the leasing business and other businesses.

Net income rose 33.3% Y/Y due to foreign exchange valuation and non-controlling interests etc.

2) Business Environment

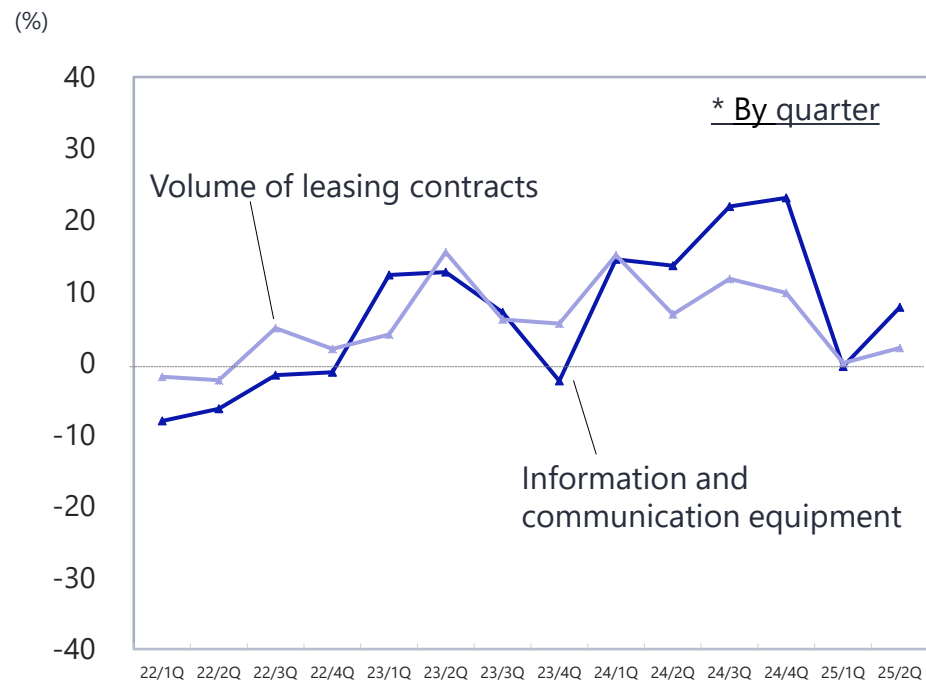
Total Leasing Contracts:

Total leasing contracts in the industry overall rose 1.1% Y/Y and rose by 3.7% Y/Y for our mainstay Information and communication equipment leasing.

Bankruptcies:

The total liabilities decreased Y/Y, but the number of bankruptcies increased Y/Y.

Y/Y change in total leasing contracts



(Source: Lease statistics of the Japan Leasing Association)

Bankruptcies (Total liabilities/Number)



(Source: Bankruptcy information on the website of Teikoku Data Bank; liabilities of companies that filed for bankruptcy)

3) Financial Summary

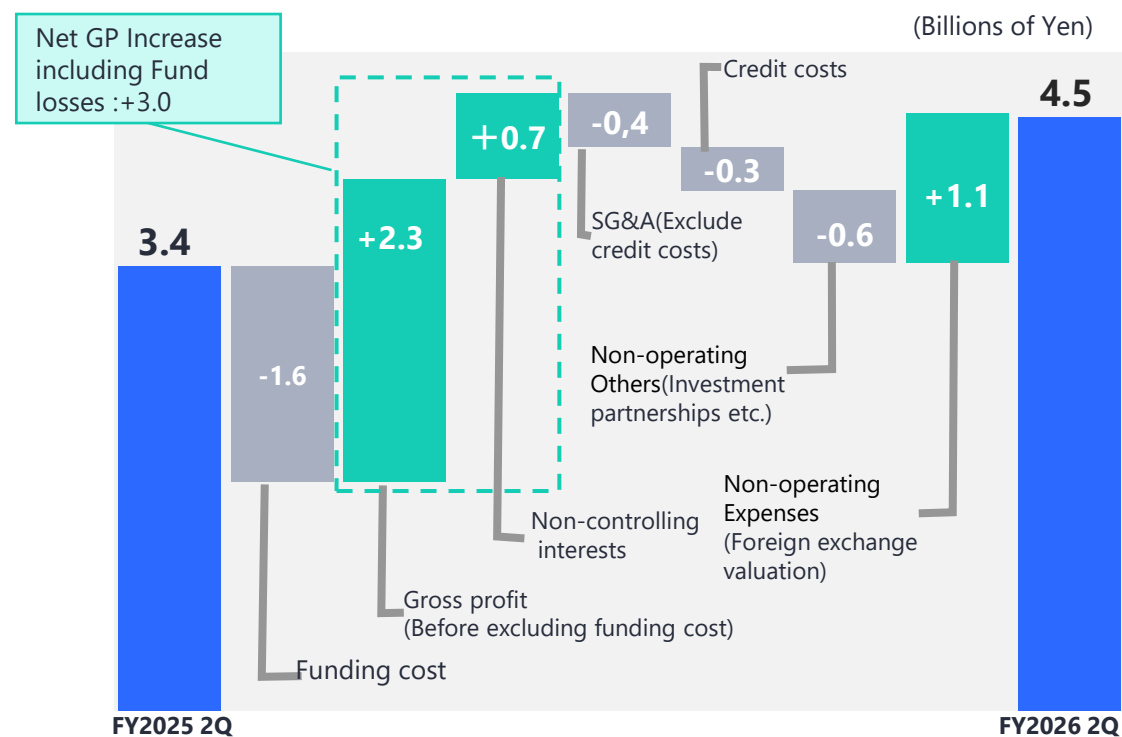
Revenues: Revenues Increased by 7.9% Y/Y driven by the growth of the leasing business and the sale of properties held for sale.

Net Income: The impact of rising funding costs was mitigated by increased revenue.
Net income rose 33.3% Y/Y due to foreign exchange valuation and non-controlling interests etc.

Performance measures

	(Billions of Yen)		
	FY2025 2Q	FY2026 2Q	Y/Y Change
Revenues	123.7	133.5	+7.9%
Operating Income	4.7	4.7	-1.5%
Ordinary Income	5.3	5.8	+9.0%
Profit attributable to owners of parent	3.4	4.5	+33.3%
Net Income per Share (Yen)	157.14	209.48	—
Operating Asset Balance	974.9	1,076.6	+10.4%
Net Assets	139.2	146.0	+4.9%
Shareholders' Equity	117.8	123.1	+4.5%
Equity Ratio (%)	10.7	10.2	—
Dividend per share (Yen)	75	75	—

Main Reasons for Y/Y Increase/Decrease in Net Income



4) Revenues by Business Segment

Revenues by Business Segment

(Billions of Yen)

		FY2025 2Q	FY2026 2Q	Y/Y Change
Leasing Business	Revenues	113.7	117.3	+3.2%
	Gross Profit	8.3	9.1	+9.1%
	Operating Income	2.5	3.9	+56.8%
Finance Business	Revenues	4.0	3.8	-5.0%
	Gross Profit	2.7	2.1	-22.3%
	Operating Income	1.9	0.5	-75.6%
Investment Business	Revenues	4.2	6.9	+64.8%
	Gross Profit	2.9	2.9	+0.6%
	Operating Income	1.1	1.0	-12.1%
Other Business	Revenues	2.0	5.6	+184.0%
	Gross Profit	1.0	1.5	+45.2%
	Operating Income	0.3	0.4	+31.5%
Total	Revenues	123.7	133.5	+7.9%
	Gross Profit	14.9	15.6	+4.4%
	Operating Income	4.7	4.7	-1.5%

Leasing Business

Revenue and gross profit rose steadily, while operating profit increased significantly Y/Y due to a decrease in the reversal of allowance for doubtful accounts.

Finance Business

Revenue and gross profit decreased Y/Y due to lower interest income and dividend income. Operating profit also declined Y/Y, mainly due to allowance for doubtful accounts and smaller reversal of allowance for doubtful accounts.

Investment Business

Revenue increased thanks to loan interest income, dividend income and the sales of properties held for sale ; however, operating profit decreased Y/Y due to the one-time impact of fund operation cost.

Other Business

Revenue increased significantly Y/Y due to the sale of properties held for sale. Although SG&A expenses increased, gross profit and operating profit also grew Y/Y.

5) Business Results by Business Segment

Contracts Executed by Business Segment

(Billions of Yen)

	FY2025 2 Q	FY2026 2 Q	Y/Y Change
Leasing Business	90.8	104.0	+14.6%
Leasing	83.1	97.8	+17.6%
Installment Sales	7.7	6.2	-18.5%
Finance Business	163.2	156.6	-4.0%
Loans	107.1	104.3	-2.5%
Bulk Factoring	56.1	52.3	-6.8%
Other Business	1.6	—	—
Total	255.6	260.6	+2.0%

New Transactions by Business Segment

(Billions of Yen)

	FY2025 2 Q	FY2026 2 Q	Y/Y Change
Leasing Business	148.4	185.9	+25.3%
Leasing	141.4	179.4	+26.9%
Installment Sales	7.0	6.5	-6.9%
Finance Business	162.4	156.7	-3.5%
Loans	106.3	104.4	-1.8%
Bulk Factoring	56.1	52.3	-6.8%
Other Business	2.1	—	—
Total	313.0	342.6	+9.5%

Contracts Executed by Business Segment ▪ New Transactions by Business Segment

Leasing business increased significantly Y/Y while finance business decreased Y/Y.
Overall results increased Y/Y.

6) Leasing Business

Contracts Executed by Customer Sector

(Billions of Yen)

	FY2025 2 Q	FY2026 2 Q	Y/Y Change
Public Sector: Government agencies and Municipalities	36.5	56.0	+53.3%
Private Sector	54.2	48.0	-11.5%
Services	17.5	17.3	-1.1%
Distribution	8.5	8.4	-0.7%
Manufacturing	15.7	12.4	-20.9%
Other	12.5	9.8	-21.7%
Total	90.8	104.0	+14.6%

(For ref.) Contracts Executed by Equipment Type

(Billions of Yen)

	FY2025 2 Q	FY2026 2 Q	Y/Y Change
IT Equipment	69.9	78.8	+12.8%
Computer Hardware	35.3	50.6	+43.6%
Computer Software	28.0	23.4	-16.4%
Telecommunications Equipment	6.6	4.7	-28.2%
Office Equipment	7.7	8.0	+3.8%
Other	13.2	17.2	+30.4%
Total	90.8	104.0	+14.6%

New Transactions by Customer Sector

(Billions of Yen)

	FY2025 2 Q	FY2026 2 Q	Y/Y Change
Public Sector: Government agencies and Municipalities	96.5	141.4	+46.4%
Private Sector	51.9	44.6	-14.1%
Services	16.6	17.3	+4.7%
Distribution	8.8	7.4	-15.6%
Manufacturing	15.2	10.1	-33.6%
Other	11.3	9.7	-14.2%
Total	148.4	185.9	+25.3%

Contracts Executed by Customer Sector

In the public sector, contracts executed rose significantly Y/Y due to the consistent growth in GIGA deal acquisition.

Private sector decreased Y/Y due to a decrease in the manufacturing sector and other sector, etc.

New Transactions by Customer Sector

New transactions rose significantly Y/Y in the public sector due to the acquisition of large-scale projects.

In the private sector, decreased Y/Y due to the decrease of the manufacturing sector and distribution industry, etc.

7) Finance Business

Contracts Executed by Form of Contract

(Billions of Yen)

	FY2025 2 Q	FY2026 2 Q	Y/Y Change
Reimbursements,APF, Installment Sales Transaction-Backed	8.9	7.5	-15.1%
Individual Factoring	52.1	31.8	-38.9%
Bulk Factoring	56.1	52.3	-6.8%
Business Loans	41.1	60.4	+46.7%
Other	5.0	4.6	-6.5%
Total	163.2	156.6	-4.0%

Contracts Executed by Customer Sector

(Billions of Yen)

	FY2025 2 Q	FY2026 2 Q	Y/Y Change
Public sector: Government agencies and Municipalities	0.1	0.0	-23.5%
Private Sector	107.0	104.3	-2.5%
Services	9.5	9.0	-5.4%
Distribution	1.8	2.6	+47.7%
Manufacturing	56.6	35.6	-37.1%
Financial and insurance	11.5	14.5	+25.4%
Real Estate	19.3	31.0	+60.8%
Other	8.3	11.6	+39.8%
Bulk Factoring	56.1	52.3	-6.8%
Total	163.2	156.6	-4.0%

Contracts Executed by Form of Contract

Although the total result declined Y/Y due to a decrease in the factoring, Business Loan sector that we are focusing on increased significantly.

Contracts Executed by Customer Sector

The real estate sector grew significantly Y/Y, which is represents a large share of Business Loans. Manufacturing sector declined Y/Y due to a decrease of factoring.

8) Investment Business

Revenues by Business Segment

(Billions of Yen)

		FY2025 2Q	FY2026 2Q	difference
Asset Business	Revenues	3.0	4.0	1.0
	Gross profit	2.2	1.6	-0.6
	Operating income	1.1	0.3	-0.9
Real Estate Business	Revenues	0.8	2.6	1.7
	Gross profit	0.4	1.1	0.6
	Operating income	-0.0	0.7	0.7
Advisory Services Business	Revenues	0.3	0.3	0.0
	Gross profit	0.3	0.3	0.0
	Operating income	0.0	0.1	0.1
Total (Consolidated)	Revenues	4.2	6.9	2.7
	Gross profit	2.9	2.9	0.0
	Operating income	1.1	1.0	-0.1

*Excluding adjustment amount

Revenues increased due to the sales of properties held for sale etc. ; however, operating income decreased Y/Y due to the one-time impact of fund operation cost.

Asset Business

Revenues increased Y/Y due to the sale of investment securities and interest income etc. ; however gross profit and operating income decreased Y/Y due to the one-time impact on fund operation cost

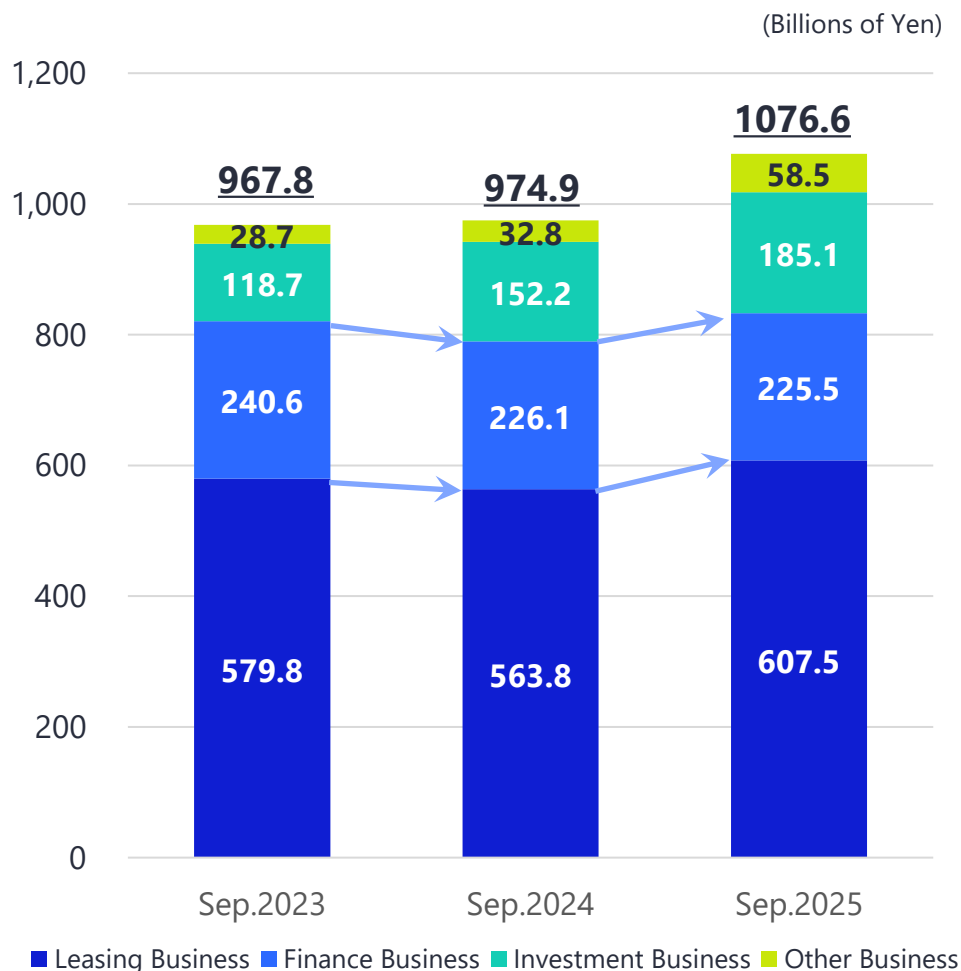
Real Estate Business

Revenues and profit increased Y/Y due to rental income and the sale of properties held for sale.

Advisory Services Business

Trended in line with the previous year's levels

9) Operating Asset Balances



Leasing Business

Increased by 43.7 billion yen Y/Y due to the recording of assets for large-scale projects for government agencies and municipalities.

Finance Business

Although asset slightly decreased Y/Y, there was progress in asset replacement.

Investment Business

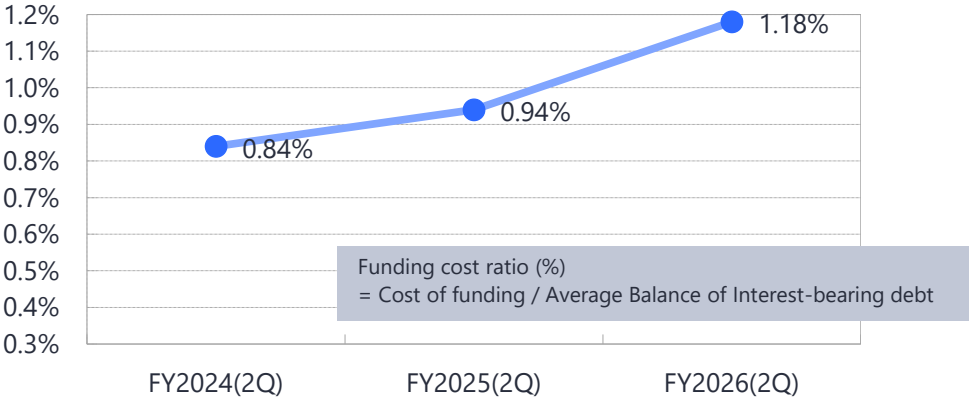
The operating asset balance was up 32.9 billion yen Y/Y due to the progress of investment activities and acquisition of income gain assets.

Other Business

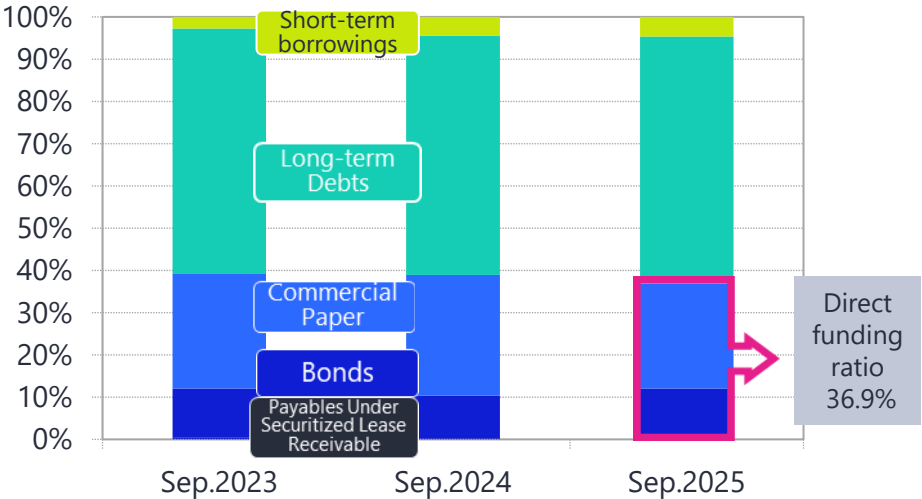
The operating asset balance rose by 25.7 billion yen Y/Y due to progress on initiatives in real estate investment (Residence etc.).

10) Procuring Funds

Funding Cost Ratio



Composition of Interest-bearing Debt



Composition of Interest-bearing Debt

(Billions of Yen)

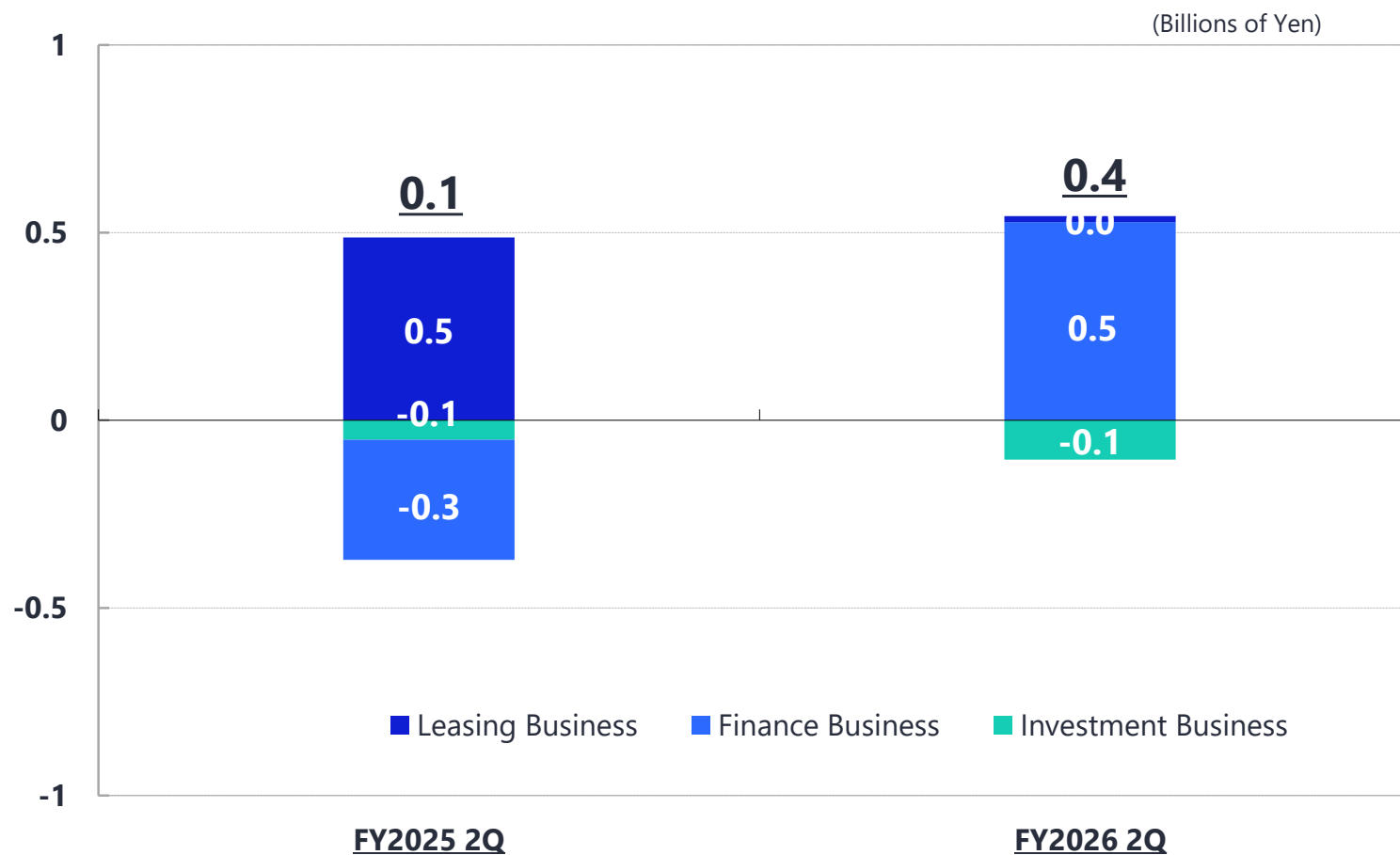
	Sep. 2024	Composition Ratio	Sep. 2025	Composition Ratio	Y/Y Change
Short-term Borrowings	40.6	4.5%	46.0	4.6%	+5.5
Long-term Debts	509.0	56.6%	579.3	58.5%	+70.3
Commercial Paper	257.0	28.6%	246.0	24.8%	-11.0
Bonds	90.7	10.1%	117.6	11.9%	+26.9
Payables Under Securitised Lease Receivables	2.4	0.3%	2.0	0.2%	-0.4
Total	899.7	100.0%	991.0	100.0%	+91.2

Funding cost ratio was up 0.24 percentage points Y/Y to 1.18% due to the rise market rate for Japanese currency while interest rates on foreign currencies fell

The direct funding ratio was 36.9% at the end-September 2025, we are aiming for a direct funding ratio of approximately 40%. (38.9% at end-September 2024)

11) Credit Costs

Credit Costs decreased in Leasing Business, but increased in Finance Business, resulting in an overall rise of ¥300 million Y/Y.



2. Forecasts for FY2026/3

1) Earnings Forecasts

- Plan to achieve record-high profits by continuing steady growth in leasing and finance businesses, expanding earnings from investment business and other business, and creating business synergies with the SBI Shinsei Bank, Limited.
- We plan to maintain FY2026/3 dividend per share at 150 yen, the same level as in FY2025.

Forecast

(Billions of Yen)

	FY2026 2Q(Actual)	FY2026 (Forecast)
Revenues	133.5	295.0
Operating Income	4.7	15.5
Ordinary Income	5.8	16.0
Profit attributable to owners of parent	4.5	10.0
Net Income per Share (Yen)	209.48	464.25

Dividend per Share

(Yen)

	Interim	Year-end	Total
FY2025 actual	75.00	75.00	150.00
FY2026 forecast	※Actual 75.00	75.00	150.00

**Be a solution company leading
the next-generation circular economy**



NEC

\Orchestrating a brighter world