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July 31, 2024

Corporate name: **NEC Capital Solutions Limited**
 Stock exchange listings: Tokyo Stock Exchange, Prime Market
 Stock code: 8793
 Website (URL): <https://www.necap.co.jp/english/>
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(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

(Percentage shows increase/decrease from previous term)

(1) Consolidated Business Results

	Revenues		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Three months ended June 30, 2024	61,536	1.7	2,603	2.1	3,695	52.4	2,297	64.1
Three months ended June 30, 2023	60,479	(15.4)	2,549	(49.8)	2,424	(60.2)	1,400	(52.9)

(Note) Comprehensive income:

FY2025/3 1st quarter : 3,993 Million Yen 57.2%
 FY2024/3 1st quarter : 2,540 Million Yen (55.9)%

	Net Income per Share: Basic	Net Income per Share: Diluted
	Yen	Yen
Three months ended June 30, 2024	106.70	—
Three months ended June 30, 2023	65.04	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million Yen	Million Yen	%
As of June 30, 2024	1,106,591	139,771	10.7
As of March 31, 2024	1,117,363	136,790	10.4

(Reference) Shareholders' Equity:

June 30, 2024 : 118,390 Million Yen
 March 31, 2024 : 115,743 Million Yen

2. Dividends Status

	Annual Dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2024	Yen —	Yen 65.00	Yen —	Yen 65.00	Yen 130.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (Forecasts)		75.00	—	75.00	150.00

(Note) Revisions to dividend forecasts for the current quarter: No

3. Forecasts for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentage shows increase/decrease from previous term)

	Revenues		Operating Income		Ordinary Income		Profit attributable to owners of parent	Net Income per Share: Basic
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	Yen
Fiscal year ending March 31, 2025	260,000	1.6	12,000	2.6	12,500	5.8	8,000	13.7

(Note) Revisions to forecasts for the current quarter: No

4. Other

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Application of specific accounting procedures in the preparation of quarterly financial statements: No
- (3) Changes in accounting policies, accounting estimates or restatements
 - 1) Changes in accounting policies accompanying revision of accounting standards: Yes
 - 2) Any other changes, except those mentioned in 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Restatements: No
- (4) Number of shares issued (common stock)
 - 1) Outstanding shares at the end of the period (including treasury shares)
 - June 30, 2024 : 21,539,071 shares
 - March 31, 2024 : 21,539,071 shares
 - 2) Number of treasury shares at the end of the period
 - June 30, 2024 : 4,502 shares
 - March 31, 2024 : 4,502 shares
 - 3) Average numbers of shares during the period
 - Three months ended June 30, 2024: 21,534,569 shares
 - Three months ended June 30, 2023: 21,529,028 shares

- Review of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No
- Forecasts are based on the information available to management at the time they were made. Actual results may differ materially from forecasts for a number of reasons.

Consolidated Financial Report**(1) Consolidated Balance Sheets**

(Unit: Million Yen)

Items	Term	As of March 31, 2024	As of June 30, 2024
(Assets)			
I. Current assets			
1. Cash on hand and in banks		53,844	37,678
2. Accounts receivable, installment sales		36,639	38,725
3. Leases receivables and investment in leases		489,455	467,766
4. Accounts receivable, leases		23,814	24,491
5. Accounts receivable, loans		230,267	231,166
6. Purchased receivables		9,140	9,467
7. Operational investment securities		25,851	26,083
8. Real estate for sale		33,969	33,939
9. Real estate for sale in process		3,285	3,792
10. Other		31,703	31,939
11. Allowance for doubtful accounts		(8,384)	(7,985)
Total current assets		929,587	897,066
II. Fixed assets			
(1) Property and equipment, net			
1. Leased assets		84,671	97,196
2. Other operating assets		7,969	8,007
3. Assets held for own use		312	305
Total property and equipment, net		92,953	105,509
(2) Intangible assets			
1. Computer programs leased to customers		1,084	1,011
2. Goodwill		1,521	1,545
3. Software and other		8,543	9,239
Total intangible assets		11,149	11,797
(3) Investments and other assets			
1. Investment securities		71,113	79,928
2. Other		17,493	17,445
3. Allowance for doubtful accounts		(4,934)	(5,156)
Total investments and other assets		83,672	92,217
Total fixed assets		187,775	209,524
Total assets		1,117,363	1,106,591

(Unit: Million Yen)

Items	Term	As of March 31, 2024	As of June 30, 2024
(Liabilities)			
I. Current liabilities			
1. Notes payable, trade		79	305
2. Accounts payable, trade		12,009	3,855
3. Short-term borrowings		40,366	44,761
4. Current portion of long-term debt		110,145	123,529
5. Current portion of bonds		15,000	25,000
6. Commercial paper		272,000	261,000
7. Payable under securitized lease receivables due within a year		483	430
8. Accrued income taxes		1,047	451
9. Allowance for bonuses		933	593
10. Allowance for bonuses for directors		14	10
11. Other		34,020	33,295
Total current liabilities		486,101	493,233
II. Long-term liabilities			
1. Bonds		85,750	75,700
2. Long-term debt		392,982	381,797
3. Payable under securitized lease receivables		2,215	2,107
4. Net defined benefit liability		1,914	1,919
5. Other		11,609	12,062
Total long-term liabilities		494,471	473,586
Total liabilities		980,573	966,819
(Net assets)			
I. Shareholders' equity			
1. Common stock		3,783	3,783
2. Capital surplus		4,655	4,659
3. Retained earnings		101,192	102,090
4. Treasury stock, at cost		(9)	(9)
Total shareholders' equity		109,620	110,523
II. Accumulated other comprehensive income			
1. Net unrealized gains on marketable securities		1,600	1,845
2. Deferred losses on hedging derivatives		413	989
3. Foreign currency translation adjustments		4,044	4,985
4. Remeasurements of defined benefit plans		62	46
Total accumulated other comprehensive income		6,122	7,867
III. Non-controlling interests		21,047	21,380
Total net assets		136,790	139,771
Total liabilities and net assets		1,117,363	1,106,591

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(i) Consolidated Statements of Income

(Unit: Million Yen)

Items \ Term	Three months ended June 30, 2023	Three months ended June 30, 2024
I. Revenues	60,479	61,536
II. Costs	53,668	54,131
Gross profit	6,811	7,404
III. Selling, general, and administrative expenses	4,262	4,800
Operating income	2,549	2,603
IV. Non-operating income		
1. Interest income	11	11
2. Dividend income	48	27
3. Equity in earnings of affiliates	—	242
4. Gain on investment in partnerships	45	767
5. Other	68	159
Subtotal	173	1,209
V. Non-operating expenses		
1. Interest expense	109	93
2. Equity in loss of affiliates	14	—
3. Loss on investment in partnerships	22	14
4. Foreign exchange losses	140	—
5. Other	11	9
Subtotal	298	117
Ordinary income	2,424	3,695
VI. Extraordinary income		
1. Gain on liquidation of subsidiaries	114	—
Subtotal	114	—
Profit before income taxes	2,538	3,695
Income taxes, current	521	840
Income taxes, deferred	359	608
Total	881	1,449
Profit	1,657	2,245
Profit (loss) attributable to non-controlling interests	257	(52)
Profit attributable to owners of parent	1,400	2,297

(ii) Consolidated Statements of Comprehensive Income

(Unit: Million Yen)

Term Items	Three months ended June 30, 2023	Three months ended June 30, 2024
I. Profit	1,657	2,245
II. Other comprehensive income		
1. Net unrealized gains (losses) on marketable securities	30	209
2. Deferred (losses) gains on hedging derivatives	(126)	459
3. Foreign currency translation adjustments	520	815
4. Remeasurements of defined benefit plans	9	(15)
5. Share of other comprehensive income of associates accounted for using equity method	448	278
Subtotal	882	1,747
Comprehensive income	2,540	3,993
Comprehensive income attributable to:		
Owners of the parent	2,283	4,045
Non-controlling interests	257	(52)