

Decision to Support the Business Development of Financial ICT Platforms and Service Offering in Europe and APAC (Asia Pacific)

Fund Corporation for the Overseas Development of Japan's ICT and Postal Services (hereinafter, "JICT"; headquartered in: Chiyoda-ku, Tokyo; President & CEO: Yoshiyuki Fukuda) has announced that today it has obtained an approval from the Minister of Public Management, Home Affairs, Posts and Telecommunications of Japan regarding the joint investment, with NEC Corporation (hereinafter, "NEC"; headquartered in: Minato-ku, Tokyo; President & CEO: Takashi Niino), in Avaloq Group AG (hereinafter, "Avaloq"; headquartered in: Switzerland; CEO: Jürg Hunziker), a financial software company in the Swiss Confederation. JICT will invest approximately 300 million CHF (note), to take part in the business of developing financial ICT platforms and service offerings in Europe and APAC (Asia Pacific).

Avaloq operates a software business for financial institutions on a global scale and has a leading share in the market for financial asset management software in Europe and Asia Pacific. JICT will support NEC's initiatives to create synergies between Avaloq's predominant software technologies and customer acquisition track record in the industry and NEC's strengths in cutting-edge technologies, including AI, block chain and biometric identification, and to globally develop SaaS-type businesses in digital finance.

With the continuing digitalization of the economy and society, cooperation between governments and financial systems, in particular, is expected to accelerate. The realms of digital government and digital finance are considered to play important roles in building a safe, secure, fair, and efficient society.

Under these circumstances, it is expected that the knowledge and experience accumulated through this joint-investment project together with business development of e-government ICT platforms and offering digitalized government services in Europe, another joint-investment project between JICT and NEC since 2019, will eventually flow back into Japan's related industries and government bodies. Accordingly, we consider that the business has a high compatibility with the policies of the government of Japan, which is promoting the digital transformation of government and system linkages in areas such as finance.

JICT is committed to continuing to provide support through various projects to Japanese companies in their overseas business development in the areas of telecommunication, broadcasting and postal services.

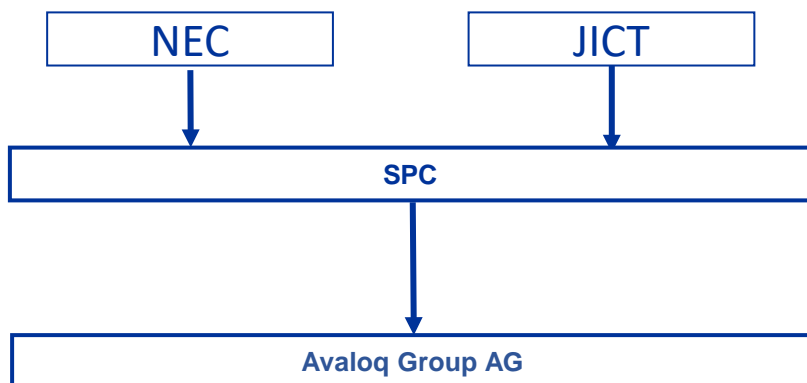
[Outline of the business to receive JICT's financing support]

1. Business: Development of financial ICT platforms and service offering in Europe and APAC (Asia Pacific)
2. Countries: Switzerland and other countries in Europe and APAC (Asia Pacific) region
3. Approved amount of funds to be supplied by JICT: approx. 300 million CHF (3.5 billion yen)
4. Total business cost: approx. 2.05 billion CHF
5. Co-investor in Japan: NEC Corporation
6. Timing of the execution: From February 2021 onwards

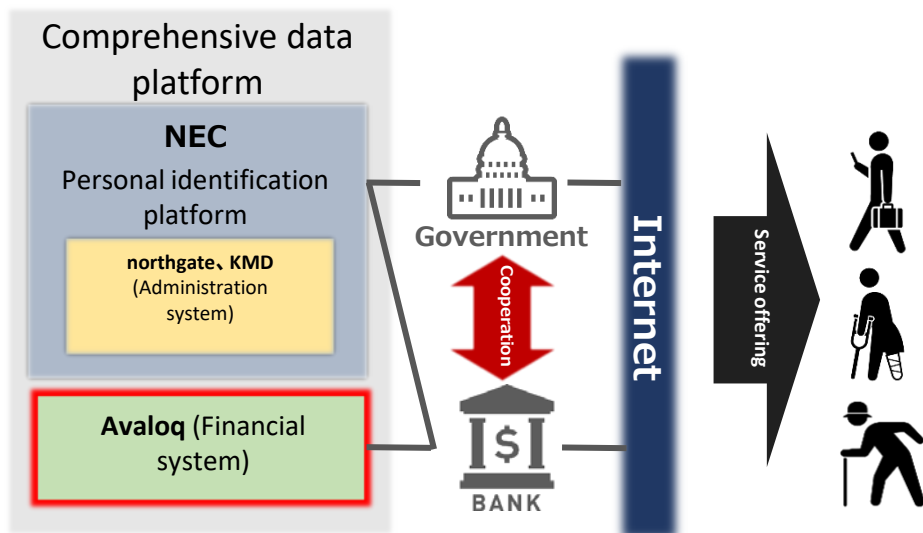
(Note) 1 CHF (Swiss Franc) = 115 yen. The amount of 35 billion yen was converted into Swiss currency.

*The details including the business scheme are shown on the following page.

[Project scheme]



[Business scheme]



By connecting tax payment records with personal bank accounts, efficient, fast, one-stop (non-stop) administration service can be provided to citizens.

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