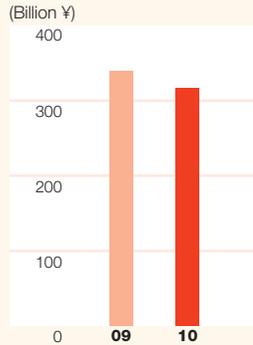
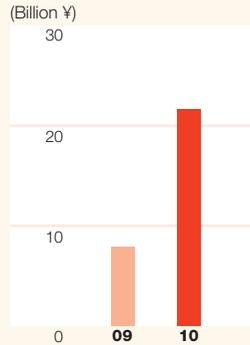


## SOCIAL INFRA-STRUCTURE BUSINESS

### SALES



### OPERATING INCOME



### FISCAL 2010 PERFORMANCE AND MAIN ACCOMPLISHMENTS

In the Social Infrastructure business, segment sales decreased 7% year on year to ¥316.6 billion. This was mainly the result of restrained investment due to the declining economy.

Operating income increased ¥13.8 billion year on year to ¥21.7 billion, mainly due to fixed cost reductions.

In the social systems field, which includes broadcasting systems, control systems, transportation and public network systems, and fire and disaster prevention systems, NEC contributed to the establishment of digital TV broadcasting networks in global markets through the deployment of digital terrestrial TV transmitters for Arqiva Ltd., a major U.K. broadcast operator, and Broadcast Service Denmark A/S. In another initiative, Yamato Transport Co., Ltd. partnered with NEC to develop and deploy an advanced telematics system called "See-T Navi" to ensure that drivers of its collection/delivery vehicles drive more safely and in a more environmentally friendly manner.

In the aerospace and defense systems field, Aerojet, a GenCorp company (U.S.) and NEC began exploring the feasibility of jointly supplying low power ion engine for satellites. Ion engine can be used for geosynchronous satellite propulsion systems and deep space missions providing significant advantages over traditional chemical propulsion systems due to the higher fuel efficiency. Under the contract with Japan Aerospace Exploration Agency (JAXA), NEC has also developed and manufactured various instruments for the Japanese Experiment Module Kibo on the International Space

### Digital terrestrial TV transmitter for overseas markets



Kibo, the Japanese manned experiment module on the International Space Station (ISS)  
Courtesy of JAXA/NASA



Station, such as the main computer to control Kibo, robot arms, inter-satellite communications systems, and experimental science equipment. In other areas, NEC's cutting-edge technologies are contributing to various sectors of society. For example, NEC provides the infrared cameras deployed at airports and other facilities to counter new strains of influenza.

### FOR FURTHER GROWTH

Looking ahead, NEC will focus on expanding sales and generating steady earnings. NEC will also develop its business globally by leveraging its core strengths in IT and network technologies.

In the social systems field, NEC aims to create new businesses in the Smart Energy and Green business area. We will expand business in systems that support the foundations of society. This includes telematics systems for business vehicles that reduce CO<sub>2</sub> emissions by raising logistics efficiency, and smart grids that control electric power supply through IT.

In the aerospace and defense systems field, our goal is to expand the IT and network solutions business using satellites by building up expertise in commercial satellites through the alliance with Aerojet. These efforts will be based on our technologies in science and technology satellites, where we command the top market share in Japan.

In addition, we aim to expand our business in various fields, including TV transmitters and automated postal services systems by utilizing our track record in global markets.