Mid-Term Growth Plan

V2012

- Beyond boundaries, Toward our Vision -

February 25, 2010

NEC Corporation

(http://www.nec.co.jp/ir/ja)
To be a leading global company leveraging the power of innovation to realize an information society friendly to humans and the earth

NEC Group Vision 2017
How we view the ICT market and its trends

- A global footprint is the prerequisite to capturing emerging market opportunities
- Accelerated demand shifting toward services
- New business created in the ICT area

<table>
<thead>
<tr>
<th>ICT Market Perspective</th>
<th>Global Competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Stagnation of the Japanese economy and increasing global competition</td>
<td></td>
</tr>
<tr>
<td>- Increasing opportunities and price competition in emerging markets</td>
<td></td>
</tr>
<tr>
<td>- Demand shift toward cloud and services</td>
<td></td>
</tr>
<tr>
<td>- Shift to services and integration of IT &amp; Networks driven by vertical integration</td>
<td></td>
</tr>
<tr>
<td>- Augmented threats from emerging countries such as India, China and others</td>
<td></td>
</tr>
<tr>
<td>- Increasing investment into infrastructure business for society, such as energy, water supply and others.</td>
<td></td>
</tr>
</tbody>
</table>
Mid-term Growth Plan Objective

Aim to achieve the NEC Group Vision 2017 through customer-driven solutions leveraging our competitive strength in the integration of “IT” & “Networks”

- Expand businesses by harnessing the cloud/service wave
  - Differentiation by IT and Network solutions
  - Expand global footprint
  - Challenge for new business as “One NEC”

- Take measures to improve profitability
Overview of NEC Group Vision 2017 and V2012

“V2012” is a milestone for achieving the NEC Group Vision 2017

FY09
Net Income 10 Billion yen
ROE 1%
(Overseas Sales 19%)

FY12
Net Income 100 Billion yen
ROE 10%
(Overseas Sales 25%)

V2012
- Beyond boundaries, Toward our Vision -
(2010 – 2012)

FY17 Target
Net Income 200 Billion yen
ROE Approx. 15%
(Overseas Sales Approx. 50%)

NEC Group Vision 2017
To be a leading global company leveraging the power of innovation
to realize an information society friendly to humans and the earth

Aiming to be a global Top 10 company
In the ICT industry

* Forecast as of Feb. 25, 2010
## Financial summary of the Mid-term Growth Plan

<table>
<thead>
<tr>
<th>(Billions of yen)</th>
<th>FY08</th>
<th>FY09</th>
<th>FY12</th>
<th>&lt; 09-12 &gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Actual</strong></td>
<td>4,215.6</td>
<td>3,660.0</td>
<td>4,000.0</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Forecast</strong></td>
<td>934.5</td>
<td>710.0</td>
<td>1,000.0</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Mid-term Growth Plan CAGR</strong></td>
<td>321.1</td>
<td>295.0</td>
<td>300.0</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Overseas sales</strong></td>
<td>934.5</td>
<td>710.0</td>
<td>1,000.0</td>
<td></td>
</tr>
<tr>
<td><strong>TO consolidated total(%)</strong></td>
<td>22%</td>
<td>19%</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td><strong>Sales(Japan)</strong></td>
<td>3,281.1</td>
<td>2,950.0</td>
<td>3,000.0</td>
<td></td>
</tr>
<tr>
<td><strong>Operating Income/Loss</strong></td>
<td>-6.2</td>
<td>60.0</td>
<td>200.0</td>
<td></td>
</tr>
<tr>
<td><strong>to Sales(%)</strong></td>
<td>-0.1%</td>
<td>1.6%</td>
<td>5.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Net Income/Loss</strong></td>
<td>-296.6</td>
<td>10.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td><strong>ROE</strong></td>
<td>-</td>
<td>1%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td><strong>Net D/E ratio</strong></td>
<td>0.9</td>
<td>0.6</td>
<td>0.5</td>
<td></td>
</tr>
</tbody>
</table>

*Forecast as of Feb 25, 2010*
Sales and Operating Income targets by segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY08 (Forecast)</th>
<th>FY09 (Forecast)</th>
<th>FY12 (Mid-term Growth Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Services</td>
<td>941.8</td>
<td>266.5</td>
<td>215.0</td>
</tr>
<tr>
<td>IT Products</td>
<td>1,001.8</td>
<td>340.4</td>
<td>850.0</td>
</tr>
<tr>
<td>Network Systems</td>
<td>848.6</td>
<td>309.0</td>
<td>560.0</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>671.6</td>
<td>739.0</td>
<td>87.8</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>144.8</td>
<td>562.0</td>
<td>-38.8</td>
</tr>
<tr>
<td>Elimination etc</td>
<td>-27%</td>
<td>-27%</td>
<td>-27%</td>
</tr>
</tbody>
</table>

Operating Income/ Loss

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY08 (Forecast)</th>
<th>FY09 (Forecast)</th>
<th>FY12 (Mid-term Growth Plan)</th>
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<tbody>
<tr>
<td>IT Services</td>
<td>56.0</td>
<td>56.0</td>
<td>56.0</td>
</tr>
<tr>
<td>IT Products</td>
<td>21.8</td>
<td>43.0</td>
<td>43.0</td>
</tr>
<tr>
<td>Network Systems</td>
<td>42.0</td>
<td>17.0</td>
<td>17.0</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>15.0</td>
<td>7.0</td>
<td>7.0</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>-13.2</td>
<td>-51.0</td>
<td>-51.0</td>
</tr>
<tr>
<td>Other</td>
<td>-13.2</td>
<td>-51.0</td>
<td>-51.0</td>
</tr>
<tr>
<td>Elimination etc</td>
<td>-38.8</td>
<td>-32.0</td>
<td>-32.0</td>
</tr>
</tbody>
</table>

* Forecast as of Feb. 25, 2010

09-12 CAGR

200.0
1. Expand business through customer-driven IT & Network solutions
Differentiation against competitors through customer-driven approach

- Increase sales opportunities by optimizing business resources
  → Through collaboration beyond boundaries, beyond Business Units
  - Provide best-fit products/solutions to respective business unit customers
  - Cross utilization of the know-how in the IT service business and the global footprint in the Network business
  - Differentiation by technological integration of IT platforms and Network infrastructure

*Customers*

Enterprise  | Social Infrastructure  | Telecom Carrier

Integrated solutions tailored to customers’ needs

**IT**
- System Integration Support (maintenance)
- Outsourcing
- Server
- Software

**C&C**
- Products and Services

**Network**
- Mobile communication
- Fixed-line communication system
- IP Telephony system

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Revenue targets by Customers (Segment)

Bring together all company C&C assets/resources to achieve growth in our competitive fields

<table>
<thead>
<tr>
<th>Growth Area</th>
<th>Enterprise</th>
<th>Telecom Carrier</th>
<th>Social Infrastructure</th>
<th>Ubiquitous Device</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Services</td>
<td>Cloud oriented</td>
<td>ID Solution</td>
<td>ID Solution</td>
<td></td>
</tr>
<tr>
<td>Carrier Network</td>
<td>Services</td>
<td>AFIS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT Products</td>
<td>Mobile Infrastructure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enterprise Network</td>
<td>Unified Communication</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>IT/Network Common Platform</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>Physical Security</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electron Devices</td>
<td>Sensing Devices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Devices/Terminals for services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rev. Forecast (FY09)</td>
<td>940.0</td>
<td>730.0</td>
<td>530.0</td>
<td>770.0</td>
</tr>
<tr>
<td>(Excl. semiconductor business, others)</td>
<td>+7%</td>
<td>+10%</td>
<td>+13%</td>
<td>+7%</td>
</tr>
</tbody>
</table>

AFIS: Automated Fingerprint Identification System, LTE: Long Term Evolution (3.9G)

* Forecast as of Feb. 25, 2010
1. Enterprise Business

**Growth Direction**
- Expand cloud services and establish solid business model

**Growth Strategy**
- Take a lead in providing cloud services to domestic clients
- Create new business and penetrate into overseas market through alliance with leading customers
- Leverage global enterprise network customer base (c.f. NEC Philips will become a fully–owned subsidiary)
- Secure stable revenues through continuous innovation in SI business
- Increase revenues through IT/Network common platform

### Sales (Billions of yen)

<table>
<thead>
<tr>
<th>FY09 (Forecast)</th>
<th>FY12 (Mid-term Growth Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud Oriented Services</td>
<td>940.0</td>
</tr>
<tr>
<td>Global Services</td>
<td>530.0</td>
</tr>
<tr>
<td>IT Services (Japan)</td>
<td>360.0</td>
</tr>
<tr>
<td>Platform (ITPF + Enterprise NW)</td>
<td>360.0</td>
</tr>
</tbody>
</table>

**FY12 (Mid-term Growth Plan)**
- +48% Significant increase
- +4%<br>
- <6%

**FY09 (Forecast)**
- <3%

CAGR (09-12): +48%<br>

*Forecast as of Feb. 25, 2010*
2. Telecom Carrier Business

**Growth Direction**
- Shift toward software/service business, one of the main investment areas by the carriers

**Growth Strategy**
- Reach for global customers by utilizing our capability of NetCracker and IT solutions
- Utilize the successful track record of our integrated IT/Network solution for Telefonica
- Expand next generation network infrastructure business such as LTE, Femtocell, etc.
- Keep stable revenue of domestic network system business
- Continuously improve R&D efficiency

*Forecast as of Feb. 25, 2010*
3. Social Infrastructure Business

**Growth Direction**
- Expand global footprint by leveraging our differentiated solutions

**Growth Strategy**
- Capture investment opportunities in the security business for society in Asia and emerging countries
- Expand energy/Smart Grid business through the battery business
- Increase sales and secure stable earnings in the Social Infrastructure/Aerospace & Defense business

* Forecast as of Feb. 25, 2010
4. Ubiquitous Device Business

**Growth Direction**
- Focus resources on service devices connected to the “cloud”

**Growth Strategy**
- Expand global footprint through the integration with Casio Hitachi Mobile Communications
- Launch service device business with business partners
- Strengthen our business base by maintaining domestic PC and mobile handset shares as well as continuous effort in cost reduction and improvement of R&D efficiency

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**Sales**

<table>
<thead>
<tr>
<th>FY09 (Forecast)</th>
<th>FY12 (Mid-term Growth Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile terminals (Japan)</td>
<td>550.0</td>
</tr>
<tr>
<td>Mobile terminal/Devices (Overseas)</td>
<td>100.0</td>
</tr>
<tr>
<td>Terminals/devices for services (Incl. BIGLOBE)</td>
<td>770.0</td>
</tr>
</tbody>
</table>

(Billions of yen)

**09-12 CAGR**

- 26%
- 28%
- 4%

* Forecast as of Feb. 25, 2010

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Empowered by Innovation
2. Expand business by harnessing the cloud/services wave

1) Differentiation by IT and Network solutions
2) Expand global footprint
3) Challenge for new business as “One NEC”
1) Differentiation by IT and Network solutions
   (NEC’s strengths in the cloud-computing era)

- **NEC’s Integrated Solutions**
  = “Existing systems/Ubiquitous Device” + “Cloud Services”
  - Cloud service with optimized software/hardware client
    - e.g.) Unified communication service with software-phones

- **High-value added “Cloud System Implementation”**
  (Target market : Enterprise, Carriers and Social Infrastructure)
  - Provide consistent services in wide area via interconnected data centers
  - Enable high-quality and stable end-to-end services based on the next-generation network control technologies

- **Cross-industry solutions and consulting capabilities**
  - Development of high-value added cloud services
  - Offer “Collaboration” and “Cooperation” beyond the boundaries of various industries

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“Cloud Plaza” showroom
- Over 200 companies visited in the first 4 months after the opening

[Image of Cloud Plaza showroom]
Target 1 trillion yen in sales with “C&C Cloud Strategy” related business

- Provide tailored solutions for respective customers in different markets and regions

### C&C Cloud Business

<table>
<thead>
<tr>
<th>Service/Implementation</th>
<th>FY12 Revenue (Billions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud Services (Enterprise)</td>
<td>110</td>
</tr>
<tr>
<td>Cloud-oriented Services: Platform Solution</td>
<td></td>
</tr>
<tr>
<td>Cloud system Implementation (Telecom Carrier) (Social Infrastructure)</td>
<td>110</td>
</tr>
<tr>
<td>Carrier SaaS/MDS</td>
<td></td>
</tr>
<tr>
<td>Security Systems</td>
<td></td>
</tr>
<tr>
<td>Public/Transportation Systems</td>
<td>140</td>
</tr>
<tr>
<td>Cloud Platform Suite™</td>
<td></td>
</tr>
<tr>
<td>NetCracker</td>
<td></td>
</tr>
<tr>
<td>Platform</td>
<td>100</td>
</tr>
</tbody>
</table>

*Forecast as of Feb. 25, 2010*
C&C Cloud Strategy Business Roadmap (By Services)

<table>
<thead>
<tr>
<th>FY09</th>
<th>---</th>
<th>FY12</th>
</tr>
</thead>
<tbody>
<tr>
<td>▲ Cloud-oriented services</td>
<td></td>
<td>▲ Global expansion of</td>
</tr>
<tr>
<td>▲ Implementation in NEC Group</td>
<td></td>
<td>cloud-oriented datacenters</td>
</tr>
<tr>
<td>▲ PaaS</td>
<td></td>
<td>110</td>
</tr>
<tr>
<td>▲ Enhancement of digital signage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ SaaS for SMB market</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ NGN implementation → OSS</td>
<td></td>
<td>110</td>
</tr>
<tr>
<td>OSS : Operation Support System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ Cloud service implementation by global carriers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ Expansion of cloud service business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ Managed desk-top services with carriers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ Public safety</td>
<td></td>
<td>140</td>
</tr>
<tr>
<td>▲ Cloud for municipal governments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ Commercial telematics (Logistics)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ Smart Grid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▲ Smart Infrastructure (Transportation)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Forecast as of Feb. 25, 2010

▲ PaaS : Platform as a Service
▲ OSS : Operation Support System

(Billions of yen)
Launch the development of IT/Network common platform based on a new architecture for data centers, carrier systems and social infrastructure clouds

< Annual Revenue Target 100 Billion yen >

- Mutual utilization of IT/NW components
- Centralize network control functions in data centers
- One-stop “Visualization” of IT and networks
- Efficient maintenance/monitoring of a range of equipment

1st Step
Cloud Platform Suite™
IT/Network Integrated Platform

2nd Step
IT/Network Integrated Operation Support and Monitoring System

* Forecast as of Feb. 25, 2010

< Announced on Jan 21, 2010 >

< Annual Revenue Target 100 Billion yen >

50% TCO Reduction
50% Implementation time reduction
50% Reduction of energy consumption

Simplified System on Common Architecture

* Forecast as of Feb. 25, 2010

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Empowered by Innovation
Steps toward integration of IT and Network assets

Integrate our strengths in Network into IT products

1st Step
- Sales BU
- International Sales and Operations BU

Established one-stop IT/Network Sales organization
< Completed in April 2009 >

IT Platform BU
- Enterprise Communications Solutions Operations Unit

2nd Step
- Platform BU
< To be merged in April 2010 >

Accelerate integration through “IT/Network Common Platform” project
- Development of New Architecture (integration of IT/NW equipment) -

Sales

Development

Carrier Network BU
2. Expand global business

Establish “One NEC” formation in 5 regions

- Coordinate business portfolio (optimized solution/resource sharing)
- Know-how sharing and business expansion through “competence centers”
- Expansion through acquired resource and alliances

- Turned NEC Philips into a wholly-owned subsidiary under NEC Europe
- Merged NEC Infrontia and NEC Unified Solutions into NEC America
- Expand unified communications business with Sphere Communications
- Expand business led by NetCracker

EMEA

Greater China

Centrally-governed at Japan head office

19 local offices to be consolidated into 11 under NEC China

APAC

15 local offices to be under NEC Asia

Greater China

North America

- Merged NEC Infrontia and NEC Unified Solutions into NEC America
- Expand unified communications business with Sphere Communications
- Expand business led by NetCracker

Latin America

Strengthen business structure led by Brazil and Argentina

Share market needs with all BU and regional offices
Focus on Asia and emerging markets

- Aim for 1 trillion yen in overseas sales (25% of total sales) over the mid-term by focusing on the Asian and emerging markets
  - Offer lower price models for emerging markets (e.g. POS)
  - Establish “Greater China and Asia Pacific Sales Division” (Planned from April 2010)

- Expansion strategy based on solution businesses
  - Public safety
  - Next-Gen communications infrastructures
  - Service business for JOC* customers
  - Introduction of lower price models

- Pioneering initiatives on carrier cloud business
- ICT solutions to network customers and carriers

- Expand customer base through alliances

- Forecast as of Feb. 25, 2010, percentage shown in brackets represent CAGR without semiconductor business

*JOC: Japan-oriented company
Expand integrated security business through the “One NEC” approach

- Centralize core competencies and build a group-wide formation
  - Introduced 200+ biometrics solutions to 30+ countries

Mid-term Target Revenue: 100 Billion yen

AFIS: Automated Fingerprint Identification System

* Forecast as of Feb. 25, 2010
3. Expand business to drive growth as “One NEC”

Aggregate the assets of the NEC Group and provide them as one-stop solutions to our customers

1. Explore market needs
2. Develop solutions
3. Expand business leveraging customer base

Market
(Customer)

Overseas

Service
(Solution Development)

Platform
(Products to sell)

Japan

Over 300
carrier clients

20,000
Enterprise network
customers

300 JOC
clients
(IT services)

150,000
customers

Acquire new
customer base

Over 300
JOC
clients

Mobile wireless broadband infrastructure,
Detection/identification (image/voice/fingerprint),
Ubiquitous devices (cameras/sensors),
Green/energy (Lit-ion batteries/chargers),
High-speed and large data transactions,
control/automations, etc.

* Forecast as of Feb. 25, 2010

*JOC: Japan-oriented company

Over 300
enterprise clients

Over 300
IT service clients

20,000
enterprise network
customers

50,000
carrier clients

Over 300
JOC

* Forecast as of Feb. 25, 2010

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Empowered by Innovation
Expand energy and smart grid business

1. Automotive Lithium-ion battery business (electrode parts business)

2. Establish Smart Network Technology/Business

3. Smart Grid
   - Entry into the Smart Grid market based on our ICT and storage battery technologies
   - Create new business with alliance partners
     - Smart meter
     - HEMS (Home Energy Management System)
     - Rapid battery charger for electric vehicles
   - Key devices in the global environment / energy business
   - Pursue “scale of merit” and “in-car quality” via an alliance with Nissan

Expand environment and energy business starting from automotive battery business
Full-scale business deployment of Lithium-ion battery business

Target 100 billion yen in energy business sales

- Expand business through alliance with Nissan and Renault
  - NEC Energy Devices, Ltd. to be established in April 2010 (Approx. 300 employees)
  - Increase annual production capacity to 10 million kWh by the end of FY2012

- Create new battery business focusing on Smart Grids
  - Smart Energy and Green Business Operations Unit to be established in April 2010

* Forecast as of Feb. 25, 2010
Key initiatives in the ubiquitous device business

Develop ubiquitous devices that connect cloud services to users
(Target 100 billion yen in sales with overseas mobile terminals and another 100 billion yen with terminals/devices for services)

- **Mobile Terminals**
  - Strengthen relationship with global carriers
    - Increase market presence with “Toughness” (Durable) mobile phones
    - Aggregate unique strengths of Hitachi Casio and NEC (dual-screen, water/dust proof, etc.)

- **Smart phones / new devices**
  - Develop new devices based on Open OS

- **Terminals/devices for services**
  - Enhance business for vertically integrated services
    - Develop new business model by offering NEC’s Service Devices, Service Platforms and Communication Networks

ATM for Seven Bank

* Forecast as of Feb. 25, 2010
3. Measures to improve profitability
Strengthen competitiveness by accelerating business transformation

Change business portfolio focusing on cloud strategy

Accelerate business transformation toward NEC Group Vision 2017

- Continuous review of business portfolio

Enhance resource efficiency
- Deconsolidation of NEC Electronics
- Reduce stakes in NEC Glass Components, Ltd.
- Reduce stakes in Nippon Electric Glass Co., Ltd.

Asset acquisition and utilization
- M&A, alliance

Company-wide business creation
- Social security, ubiquitous devices, etc.

Entry into new business areas
- Lithium-ion battery, etc.

NEC Cloud

Intelligent Social Infrastructure

Service

Global
Improve profitability to accelerate business transformation

Take measures to improve profitability

- Shift human resources to achieve higher rate of growth and keep labor costs low
  - Shift to overseas resources
    - Improve efficiency by increasing the number of off-shore development and SI resources to 10,000 people
  - Shift to service resources
    - Double human resources for service business to 11,000 people

<table>
<thead>
<tr>
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<th>FY08 (Actual)</th>
<th>FY09 (Forecast)</th>
<th>FY12 (Forecast)</th>
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<td>4,215.6</td>
<td>3,660.0</td>
<td>4,000.0</td>
</tr>
<tr>
<td>Variable Costs</td>
<td></td>
<td></td>
<td>290 Billion yen Reduction</td>
</tr>
<tr>
<td>Fixed Costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td></td>
<td>3,660.0</td>
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</tr>
<tr>
<td>Operating Income</td>
<td></td>
<td>3,660.0</td>
<td></td>
</tr>
<tr>
<td>Fixed Costs</td>
<td></td>
<td></td>
<td></td>
</tr>
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<td></td>
</tr>
<tr>
<td>Fixed Costs</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Forecast as of Feb. 25, 2010

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NEC Group will take initiatives for V2012 to achieve our Vision in 2017

“V2012” is a milestone for achieving the NEC Group Vision 2017

- V2012 - Beyond boundaries Toward our Vision - (2010 – 2012)

FY09
Net Income 10 Billion yen
ROE 1%
(Overseas Sales 19%)

FY12
Net Income 100 Billion yen
ROE 10%
(Overseas Sales 25%)

FY17 Target
Net Income 200 Billion yen
ROE Approx. 15%
(Overseas Sales Approx. 50%)

NEC Group Vision 2017
To be a leading global company leveraging the power of innovation to realize an information society friendly to humans and the earth

* Forecast as of Feb. 25, 2010
Empowered by Innovation
Appendix
<Ref.> Sales change

FY09 (Forecast) 3,660.0

FY12 (Mid-term plan) 4,000.0

<By Segment>

IT Services +8%
Network Systems +8%
Personal Solutions +8%
Electron Devices (Excl. NECEL) etc. +7%

<By Client>

Social Infrastructure +13%
Telecom Carrier +10%
Ubiquitous Device +7%
Other (Devices, etc.) +7%

* Forecast as of Feb. 25, 2010
<Ref.> Operating Income/Loss Change

FY09 (Forecast) 60.0

FY12 (Mid-term plan) 200.0

Deconsolidation of NECEL

* Forecast as of Feb. 25, 2010
### Market and Segment Business Relationship Matrix

<table>
<thead>
<tr>
<th>IT Services</th>
<th>Enterprise</th>
<th>Carrier</th>
<th>Social Infrastructure</th>
<th>Ubiquitous Device</th>
</tr>
</thead>
</table>
|                   | IT Service (Japan)  
Cloud-oriented service  
Global service | Software Service  
(Japan, Overseas) | Public safety  
IT Service (Japan) |                     |
| IT Products       | Platform    |         |                       |                   |
| Enterprise Network| Platform    |         |                       |                   |
| Social Infrastructure |          | Network system  
(Japan, Overseas)  
Software service  
(Japan, Overseas) | IT Service (Japan) | Public safety  
Aerospace & Defense Systems | Terminal devices for specific purposes (Japan)  
Mobile terminals and PCs (Japan)  
Displays, projectors and others (Overseas)  
Terminals/devices for services (incl. BIGLOBE) |
| Personal Solutions|            |         |                       |                   |
| Electron Devices  |            |         |                       | Energy Devices    |
<Ref.> Global strategy focused on customers

Enterprise
- Offer IT Solutions for enterprise network customers
- Offer cloud services business

Carrier
- Expand customer base acquired through network business into new growth business opportunities
  - Carrier cloud, Femtocell, BB Mobile, OSS/BSS

Social Infrastructure
- Expand biometrics/physical security business
- Enter the utility field (Smart Grids)

Sales

<table>
<thead>
<tr>
<th>Category</th>
<th>FY09 (Forecast)</th>
<th>FY12 (Mid-term Growth Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enterprise</td>
<td>130.0</td>
<td>1,000.0</td>
</tr>
<tr>
<td>Carrier</td>
<td>200.0</td>
<td>+31%</td>
</tr>
<tr>
<td>Social</td>
<td>30.0</td>
<td>+24%</td>
</tr>
<tr>
<td>Ubiquitous Device</td>
<td>90.0</td>
<td>+25%</td>
</tr>
<tr>
<td>Devices, etc.</td>
<td>260.0</td>
<td>+59%</td>
</tr>
</tbody>
</table>

09-12 CAGR

* Forecast as of Feb. 25, 2010
Tax rate to be improved to an appropriate level due to the resolution of non-recurring items

<table>
<thead>
<tr>
<th></th>
<th>FY07</th>
<th>FY08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective statutory tax rate</td>
<td>40.5%</td>
<td>-40.5%</td>
</tr>
<tr>
<td>Changes in valuation allowance</td>
<td>36.9%</td>
<td>55.8%</td>
</tr>
<tr>
<td>Amortization of goodwill</td>
<td>3.2%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Non-deductible expenses for tax purposes</td>
<td>4.5%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Others</td>
<td>2.7%</td>
<td>-9.4%</td>
</tr>
<tr>
<td>Gap between Effective statutory tax rate</td>
<td>47.3%</td>
<td>52.6%</td>
</tr>
<tr>
<td>Actual tax rate</td>
<td>87.8%</td>
<td>12.1%</td>
</tr>
</tbody>
</table>

Allowance accrued by loss making subsidiaries.
**Free cash flows forecast**

**Sustainably generate 100 Billion yen FCF backed by improved operating cash flow in the IT and Network business**

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating CF</th>
<th>Investing CF</th>
<th>FCF</th>
<th>NECEL Income before taxes and others</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY05 (Actual)</td>
<td>225.8</td>
<td>-84.7</td>
<td><strong>141.1</strong></td>
<td>21.1</td>
</tr>
<tr>
<td>FY06 (Actual)</td>
<td>238.3</td>
<td>-169.7</td>
<td><strong>68.6</strong></td>
<td><strong>-91.4</strong></td>
</tr>
<tr>
<td>FY07 (Actual)</td>
<td>192.3</td>
<td>-135.8</td>
<td><strong>56.5</strong></td>
<td><strong>-145.8</strong></td>
</tr>
<tr>
<td>FY08 (Actual)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY09 (Forecast)</td>
<td></td>
<td></td>
<td><strong>27.3</strong></td>
<td><strong>0</strong></td>
</tr>
<tr>
<td>FY12 (Mid-term Growth Plan)</td>
<td></td>
<td></td>
<td></td>
<td><strong>-173.1</strong></td>
</tr>
</tbody>
</table>

*Forecast as of Feb. 25, 2010*
<Ref.> Balance sheet forecast

Improve D/E ratio through debt reduction & capital reinforcement

- Total Assets: Decrease due to the deconsolidation of NEC Electronics
- Interest-bearing debt: Decrease due to the deconsolidation of NEC Electronics
- NEC debt: Will be continuously reduced
- Net assets: Not affected by the deconsolidation of NEC Electronics
- Net assets: Accumulated through profit gain

Total Assets: 2,938.3 Billion yen (As of Dec. 2009)

* Forecast as of Feb. 25, 2010
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