Financial Results for the 3Q of the Fiscal Year Ending March 31, 2011

January 27, 2011
NEC Corporation
(http://www.nec.co.jp/ir/en)
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
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II. Financial Forecast for FY11/3

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- Financial Forecast for FY11/3 (Appendix)
- Reference
I. Financial Results for 3Q
## Summary of Financial Results for 3Q

### Declined Sales and Operating Profit due to delay in the recovery of IT investment in Japan and decrease in large-scale projects

### (Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>3Q(October to December)</th>
<th>9 Months(April to December)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY10/3 Actual</td>
<td>FY11/3 Actual</td>
</tr>
<tr>
<td>Net Sales</td>
<td>825.4</td>
<td>720.7</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-7.5</td>
<td>-13.5</td>
</tr>
<tr>
<td>Ordinary Loss</td>
<td>-6.4</td>
<td>-27.0</td>
</tr>
<tr>
<td>Net Loss</td>
<td>-9.6</td>
<td>-26.5</td>
</tr>
<tr>
<td>FCF</td>
<td>-21.1</td>
<td>-91.7</td>
</tr>
</tbody>
</table>

(Ref): Average exchange rate for 3Q(Oct-Dec) of FY11/3 1$= ¥82.98, 1€= ¥112.17
Average exchange rate for 9 month total of FY11/3 1$= ¥87.64, 1€= ¥114.73
(Assumed exchange rate for 3Q of FY11/3 1$=¥80, 1€=¥115)
## Results for 3Q by Segment

### Net Sales

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY09/3 (Oct-Dec)</th>
<th>FY10/3 (Oct-Dec)</th>
<th>FY11/3 (Oct-Dec)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Services</td>
<td>190.2</td>
<td>187.6</td>
<td>171.0</td>
</tr>
<tr>
<td>Platform</td>
<td>108.5</td>
<td>87.0</td>
<td>171.0</td>
</tr>
<tr>
<td>Carrier Network</td>
<td>178.2</td>
<td>142.9</td>
<td>82.5</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>67.5</td>
<td>64.7</td>
<td>145.7</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>204.1</td>
<td>176.7</td>
<td>66.6</td>
</tr>
<tr>
<td>Others</td>
<td>199.9</td>
<td>166.5</td>
<td>193.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>948.3</strong></td>
<td><strong>825.4</strong></td>
<td><strong>720.7</strong></td>
</tr>
</tbody>
</table>

### Operating Income/Loss

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY09/3 (Oct-Dec)</th>
<th>FY10/3 (Oct-Dec)</th>
<th>FY11/3 (Oct-Dec)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Services</td>
<td>-24.8</td>
<td>-7.5</td>
<td>-13.5</td>
</tr>
<tr>
<td>Carrier Network</td>
<td>1.8</td>
<td>3.4</td>
<td>5.8</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>0.6</td>
<td>0.3</td>
<td>0.4</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>0.1</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Others</td>
<td>-22.1</td>
<td>-9.0</td>
<td>-10.9</td>
</tr>
<tr>
<td>Eliminations/</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unclassifiable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Billions of yen)
### Sales Change (Year on Year)

<table>
<thead>
<tr>
<th>Category</th>
<th>Change (Billions of yen)</th>
<th>Year on Year Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Services</td>
<td>-16.5</td>
<td>-8.8%</td>
</tr>
<tr>
<td>Platform</td>
<td>-4.4</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>+1.9</td>
<td>+3.0%</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>+16.3</td>
<td>+9.2%</td>
</tr>
<tr>
<td>Carrier Network</td>
<td>+2.8</td>
<td>+2.0%</td>
</tr>
<tr>
<td>Others</td>
<td>-104.7</td>
<td></td>
</tr>
</tbody>
</table>

**FY10/3 3Q**

- **Oct - Dec**: 825.4

**FY11/3 3Q**

- **Oct - Dec**: 720.7

- Increase due to the integration of the Mobile terminal business
- Increase in social systems (Transportation, Fire prevention etc)
- Deconsolidation of the semiconductor business
- Delay in the recovery of IT investment in Japan
- Decrease in large-scale projects
- Decrease in Hardware
- Increase in Fixed line business in Japan

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**Increase in Fixed line business in Japan**

**Decrease in Hardware**

**Delay in the recovery of IT investment in Japan**

**Decrease in large-scale projects**

**Increase in social systems (Transportation, Fire prevention etc)**

**Deconsolidation of the semiconductor business**

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Operating Income/Loss Change (Year on Year)

(Billions of yen)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Quarter</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY10/3 3Q</td>
<td>Oct-Dec</td>
<td>-7.5</td>
</tr>
<tr>
<td>FY11/3 3Q</td>
<td>Oct-Dec</td>
<td>-13.5</td>
</tr>
</tbody>
</table>

**FY10/3 3Q - Oct-Dec**
- **IT Services** -10.0
  - Sales decrease
  - Severe price competition
- **Carrier Network** +3.8
  - Improvement of expenses efficiency
- **Social Infrastructure** -0.1
  - Sales decrease
- **Platform** -1.7
  - Decrease in mobile terminal business
- **Personal Solutions** -5.1
  - Decrease in mobile terminal business
  - Increase in development costs for new devices
- **Others** +9.0
  - Eliminations/Unclassifiable expense -1.9
- **Deconsolidation of the semiconductor business**

**FY11/3 3Q - Oct-Dec**
- **Others** +9.0
  - Decrease in mobile terminal business
  - Increase in development costs for new devices
- **Eliminations/Unclassifiable expense** -1.9

- **Sales increase in fixed line business in Japan**
- **Improvement of expenses efficiency**
## Key Points of 3Q Results by Segment (Year on Year)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Top: Sales</th>
<th>Bottom: Operating Income/Loss</th>
</tr>
</thead>
</table>
| **IT Services**          | • Declined due to the delay in the recovery of IT investment in Japan and the decrease in large-scale projects  
                           • Declined due to the sales decrease under price competition, etc. |                               |
| **Platform**             | • Declined due to the sales decrease in Hardware despite steady sales in Software 
                           • Declined due to the sales decrease in Hardware |                               |
| **Carrier Network**      | • Increased due to the sales increase in fixed line business in Japan despite decreased in wireless business overseas 
                           • Improved due to the sales increase in fixed line in Japan and promoting cost reduction activities |                               |
| **Social Infrastructure**| • Increased in social systems such as transportation and fire prevention 
                           • Almost remained at the same level as last year despite the change of project mix |                               |
| **Personal Solutions**   | • Increased due to the integration of the Mobile Terminal business  
                           • Declined in the Mobile Terminal and increased in development cost for new devices |                               |
| **Others**               | • Declined due to the deconsolidation of semiconductor business 
                           • Improved due to the deconsolidation of semiconductor business which recorded operating loss last year |                               |

<comments in each segment> top: sales, bottom: operating income/loss
Net Income/Loss Change (Year on Year)

(Billions of yen)

FY10/3 3Q  
Oct - Dec

-9.6

FY11/3 3Q  
Oct - Dec

-26.5

Deterioration of non-operating Income/loss  -14.6

Deterioration of operating Income/loss  -6.0

Equity in income/loss of affiliates  -9.7
Decrease in reversal of provision for contingent loss  -3.7

Income Taxes  +6.6
Minority interests in income/loss  -2.8

IT Services  -10.0
Personal Solutions  -5.1
Eliminations/Unclassifiable expense  -1.9
Platform  -1.7
Social Infrastructure  -0.1
Carrier Network  +3.8
Others  +9.0
Others  +3.6
II. Financial Forecast for FY11/3
### Summary of Financial Forecast for Full Year

<table>
<thead>
<tr>
<th></th>
<th>4Q (January to March)</th>
<th>Full Year</th>
<th>Difference from Oct 28</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY10/3 Actual</td>
<td>FY11/3 Forecast(*)</td>
<td>YoY</td>
</tr>
<tr>
<td>Net Sales</td>
<td>1,104.1</td>
<td>1,110.1</td>
<td>0.5%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>96.1</td>
<td>112.4</td>
<td>16.3%</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>8.7%</td>
<td>10.1%</td>
<td></td>
</tr>
<tr>
<td>Ordinary Income</td>
<td>105.7</td>
<td>104.2</td>
<td>-1.5%</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>9.6%</td>
<td>9.4%</td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>64.6</td>
<td>68.6</td>
<td>3.9%</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>5.9%</td>
<td>6.2%</td>
<td></td>
</tr>
<tr>
<td>Net Income per Share (yen)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FCF</td>
<td>168.5</td>
<td>144.5</td>
<td>-24.0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Ref) : Assumed exchange rate for 4Q of FY11/3 1$=¥80, 1€=¥110

* Forecast as of Jan 27, 2011
Financial Forecast for Full Year by Segment

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>FY09/3</th>
<th>FY10/3</th>
<th>FY11/3 (Forecast)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT Services</td>
<td>933.8</td>
<td>866.3</td>
<td>880.0</td>
</tr>
<tr>
<td>Platform</td>
<td>469.4</td>
<td>373.7</td>
<td>385.0</td>
</tr>
<tr>
<td>Carrier Network</td>
<td>807.0</td>
<td>627.4</td>
<td>660.0</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>340.4</td>
<td>316.6</td>
<td>660.0</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>848.4</td>
<td>737.7</td>
<td>315.0</td>
</tr>
<tr>
<td>Others</td>
<td>816.7</td>
<td>661.4</td>
<td>830.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,215.6</td>
<td>3,583.1</td>
<td>3,300.0</td>
</tr>
</tbody>
</table>

**Operating Income/Loss**

<table>
<thead>
<tr>
<th></th>
<th>FY09/3</th>
<th>FY10/3</th>
<th>FY11/3 (Forecast)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT Services</td>
<td>51.8</td>
<td>11.5</td>
<td>-6.2</td>
</tr>
<tr>
<td>Platform</td>
<td></td>
<td>31.3</td>
<td>50.9</td>
</tr>
<tr>
<td>Carrier Network</td>
<td></td>
<td>21.7</td>
<td>50.9</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td></td>
<td>18.9</td>
<td>50.9</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>-14.2</td>
<td>-44.9</td>
<td>-40.0</td>
</tr>
<tr>
<td>Others</td>
<td>-87.1</td>
<td>-27.5</td>
<td>-27.5</td>
</tr>
<tr>
<td>Other</td>
<td>-27.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-52.0</td>
<td>11.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
## Summary of Financial Forecast for Full Year by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>4Q (January to March)</th>
<th>Full Year</th>
<th>Difference from Oct 28</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY10/3 Actual</td>
<td>FY11/3 Forecast(*)</td>
<td>YoY</td>
</tr>
<tr>
<td></td>
<td>Net Sales</td>
<td>301.5</td>
<td>338.0</td>
</tr>
<tr>
<td></td>
<td>Operating Income</td>
<td>40.2</td>
<td>55.1</td>
</tr>
<tr>
<td></td>
<td>% to Net Sales</td>
<td>13.3%</td>
<td>16.3%</td>
</tr>
<tr>
<td>IT Services</td>
<td>Net Sales</td>
<td>120.6</td>
<td>125.7</td>
</tr>
<tr>
<td></td>
<td>Operating Income</td>
<td>12.1</td>
<td>14.5</td>
</tr>
<tr>
<td></td>
<td>% to Net Sales</td>
<td>10.0%</td>
<td>11.6%</td>
</tr>
<tr>
<td>Platform</td>
<td>Net Sales</td>
<td>175.9</td>
<td>243.3</td>
</tr>
<tr>
<td></td>
<td>Operating Income</td>
<td>16.9</td>
<td>27.2</td>
</tr>
<tr>
<td></td>
<td>% to Net Sales</td>
<td>9.6%</td>
<td>11.2%</td>
</tr>
<tr>
<td>Carrier Network</td>
<td>Net Sales</td>
<td>122.2</td>
<td>110.5</td>
</tr>
<tr>
<td></td>
<td>Operating Income</td>
<td>18.4</td>
<td>10.5</td>
</tr>
<tr>
<td></td>
<td>% to Net Sales</td>
<td>15.1%</td>
<td>9.5%</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>Net Sales</td>
<td>198.7</td>
<td>244.9</td>
</tr>
<tr>
<td></td>
<td>Operating Income</td>
<td>7.2</td>
<td>14.7</td>
</tr>
<tr>
<td></td>
<td>% to Net Sales</td>
<td>3.6%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>Net Sales</td>
<td>185.2</td>
<td>47.6</td>
</tr>
<tr>
<td></td>
<td>Operating Income</td>
<td>0.4</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td>% to Net Sales</td>
<td>0.2%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Others</td>
<td>Eliminations/</td>
<td>0.9</td>
<td>-11.3</td>
</tr>
<tr>
<td></td>
<td>Unclassifiable</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Operating Income</td>
<td>0.4</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td>% to Net Sales</td>
<td>0.2%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Total</td>
<td>Net Sales</td>
<td>1,104.1</td>
<td>1,110.1</td>
</tr>
<tr>
<td></td>
<td>Operating Income</td>
<td>96.1</td>
<td>112.4</td>
</tr>
<tr>
<td></td>
<td>% to Net Sales</td>
<td>8.7%</td>
<td>10.1%</td>
</tr>
</tbody>
</table>

* Forecast as of Jan 27, 2011
IT Services Business

Focus on making proposals to expand customers’ sales and to solve customers’ business challenges

SI Business
- Strengthen making proposals for service platform for smartphones
- Expand sales for Japanese companies in Asia
- Expand public safety business in emerging countries

Services Business
- Capture increasing demand for private cloud by launching “RIACUBE-V”
- Further Expansion of SaaS service menus for certain industries
- Expand on-site LCM services and datacenter services
- Win projects of services for telecom carriers in Europe and Latin America

* Forecast as of Jan 27, 2011
Carrier Network Business

**Quarterly sales trend**

- Sales (Billions of Yen)
  - 1Q: 141.7
  - 2Q: 166.9
  - 3Q: 142.9
  - 4Q: 175.9
  - 1Q: 116.8
  - 2Q: 154.2
  - 3Q: 145.7
  - 4Q (forecast): 243.3

- YoY:
  - 1Q: -17.1%
  - 2Q: -19.8%
  - 3Q: -24.4%
  - 4Q: -17.6%
  - 1Q: -7.6%
  - 2Q: 2.0%
  - 3Q: 38.3%

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**Expand sales focusing on 4 key business areas**

1. **Wireless Broadband Access**
   - Steady sales in Wireless business in Japan backed by increasing data traffic
   - Secure execution of LTE projects for leading customers in Japan

2. **Submarine Cable Systems**
   - Expect a sales increase by receiving large-scale projects

3. **Mobile Backhaul**
   - Aim to recover by executing projects in Turkey, Russia
   - Launch iPASOLINK (New Products)

*Forecast as of Jan 27, 2011*
Personal Solutions Business

### Mobile Terminals
- Launch Android-based smartphone for overseas markets in FY11/3
- Accelerate development activities to launch smartphone for Japanese market as soon as possible

### PC and Others
- Expand sales in products for enterprises (PCs, public displays, digital cinema projectors) and consumers (high-value added PCs, WiMAX routers)
- Expand product lineup of the new device, android-based "LifeTouch"

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**Quarterly sales trend**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Sales (Billions of Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q FY10/3</td>
<td>194.9</td>
</tr>
<tr>
<td>2Q FY10/3</td>
<td>167.4</td>
</tr>
<tr>
<td>3Q FY10/3</td>
<td>176.7</td>
</tr>
<tr>
<td>4Q FY10/3</td>
<td>198.7</td>
</tr>
<tr>
<td>1Q FY11/3</td>
<td>193.5</td>
</tr>
<tr>
<td>2Q FY11/3</td>
<td>198.5</td>
</tr>
<tr>
<td>3Q FY11/3</td>
<td>193.0</td>
</tr>
<tr>
<td>4Q FY11/3</td>
<td>244.9</td>
</tr>
</tbody>
</table>

**YoY**
- 17.1%
- 13.4%
- 0.7%
- 9.2%
- 23.3%

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*Forecast as of Jan 27, 2011*
Summary

1. Aim to achieve the financial forecast for FY11/3
   - 100 billion yen in operating income and 15 billion yen in net income

2. Accelerate the implementation of concrete measures in the key areas for achieving V2012
   - Build up concrete results step by step in the cloud business, global business and new business
   - Focus on developing new business for future growth

Implement speedy business operations for achieving the forecast for FY11/3 as the first year of V2012

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
Ref: Progress of “C&C cloud strategy” Related Business

- Release services for each industries
  - Cloud oriented accounting service for railway service companies
  - SaaS-based library business system for universities
  - SaaS-based multi-function credit card system
  - SaaS-based sales management system for pharmaceutical companies
- Launch new ERP cloud service systems in cooperation with SAP
- ‘GPRIME for SaaS’ for 7 municipal governments in Nara prefecture
- Establish the datacenter in Chubu region
- Launch cloud platform service “RIACUBE-V”
- Cooperate with KDDI in the mobile cloud services using RFID built-in Mobile Terminals jointly developed
- Contribute Xi, NTT DOCOMO’s New LTE-Based mobile phone service
- Participate in LTE field trial with KDDI
- Collaborate on LTE infrastructure business with WRI of China
Collaborate on LTE infrastructure business with WRI of China
Success in LTE field trial with Singapore Telecom
Participate in LTE field trial with Telefonica Moviles Argentina S.A.
Deliver cloud-based communications service with Swisscom for citizenM Hotel Group in Europe

Install the core infrastructure system and IP based telephone system in JAL Hotel’s Hotel Nikko Wuxi
Participate in establishment of harbor infrastructure system in Dalian, China with NRI Shanghai
Launch fingerprint identification products working together with IBM security software
NEC, Intel and Microsoft form strategic relationship integrated products drive next generation digital signage devices
Ref: New Business Activities

- Expand the production capacity of electrodes for advanced lithium-Ion batteries
  --Supported by the Ministry of Economy, Trade and Industry's “regional development subsidy for enterprises creating employment and adding to a low-carbon society” –

- Promote the commercialization of the membership charging service for electric vehicles (EV)

- Develop the cloud-based EV charging system for wide area

- Introduce a new cloud communicator, the “LifeTouch” tablet terminal

- Exhibit a dual screen model of “LifeTouch” tablet terminal at CES 2011
Empowered by Innovation
Financial Results for 3Q (Appendix)
## Results for 3Q by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>3Q(October to December)</th>
<th>9 Months(April to December)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY10/3 Actual</td>
<td>FY11/3 Actual</td>
</tr>
<tr>
<td>IT Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>187.6</td>
<td>171.0</td>
</tr>
<tr>
<td>Operating Income/Loss</td>
<td>3.4</td>
<td>-6.6</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>1.8%</td>
<td>-</td>
</tr>
<tr>
<td>Platform</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>87.0</td>
<td>82.5</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-0.3</td>
<td>-2.0</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Carrier Network</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>142.9</td>
<td>145.7</td>
</tr>
<tr>
<td>Operating Income</td>
<td>2.0</td>
<td>5.8</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>1.4%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>64.7</td>
<td>66.6</td>
</tr>
<tr>
<td>Operating Income</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>0.9%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>176.7</td>
<td>193.0</td>
</tr>
<tr>
<td>Operating Income/Loss</td>
<td>3.4</td>
<td>-1.6</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>2.0%</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>166.5</td>
<td>61.9</td>
</tr>
<tr>
<td>Operating Income/Loss</td>
<td>-7.7</td>
<td>1.3</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-</td>
<td>2.1%</td>
</tr>
<tr>
<td>Eliminations/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unclassifiable expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-9.0</td>
<td>-10.9</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>825.4</td>
<td>720.7</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-7.5</td>
<td>-13.5</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(Billions of Yen)
Sales Proportion By Segment

Sales for 3Q of FY11/3 ¥720.7 Billion

- IT Services: 24%
- Personal Solutions: 27%
- Carrier Network: 20%
- Social Infrastructure: 9%
- Platform: 11%
- Others: 9%
IT Services Business

3Q

Operating margin ratio
0.9% 1.8% -3.9%

Sales
190.2 187.6 171.0
-1.4% -8.8% -6.6%

Operating Income/Loss
1.8 3.4 -6.6

9 Months total
(Billions of Yen)

Operating margin ratio
1.9% 2.3% -0.6%

Sales
607.0 564.9 542.0
-6.9% -4.1% -3.1%

Operating Income/Loss
11.6 13.0 -

FY09/3 <Oct-Dec> FY10/3 <Oct-Dec> FY11/3 <Oct-Dec>
FY09/3 <Apr-Dec> FY10/3 <Apr-Dec> FY11/3 <Apr-Dec>
IT Services Business

Sales 171.0 (-8.8%)

- SI Services: Declined due to the delay in the recovery of IT investment in Japan and the decrease in large scale projects
- Outsourcing/Support Services: Declined in support services. Stable sales in the cloud services business and outsourcing business

Operating Loss -6.6 (-10.0)

- Declined due to the decrease in sales, the increase in investment for expanding service/global businesses and loss-making projects
Platform Business

3Q

Operating margin ratio
-0.8% -0.3% -2.4%

Sales
108.5 87.0 82.5

Operating Loss
-0.9 -0.3 -2.0

Sales (Billions of Yen)
3Q 9 Months total
337.6 253.1 259.3

Operating margin ratio
1.7% -5.4% -1.4%

Operating Income/Loss
5.9 -13.8 -3.5

FY09/3 <Oct-Dec> FY10/3 <Oct-Dec> FY11/3 <Oct-Dec>
FY09/3 <Apr-Dec> FY10/3 <Apr-Dec> FY11/3 <Apr-Dec>
Platform Business

Sales 82.5 (-5.1%)

△ Software :
  Increased in system integration through virtualization, operational management and security for compliance

▼ Hardware :
  Declined due to a decrease in large-scale projects
  Stable sales in IA servers

▲ Enterprise Network :
  Remained at the same level as the previous year due to the gradual recovery of investment in domestic and overseas market

Operating Loss -2.0 (-1.7)

▼ Declined due to a sales decrease in Hardware
Carrier Network Business

<table>
<thead>
<tr>
<th></th>
<th>3Q</th>
<th>9 Months total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating margin ratio</td>
<td>5.8%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Sales</td>
<td>178.2 (Billions of Yen)</td>
<td>574.4</td>
</tr>
<tr>
<td>Operating Income</td>
<td>10.3 (-19.8%)</td>
<td>451.5 (-21.4%)</td>
</tr>
<tr>
<td>FY09/3 &lt;Oct-Dec&gt;</td>
<td></td>
<td>FY09/3 &lt;Apr-Dec&gt;</td>
</tr>
<tr>
<td>FY10/3 &lt;Oct-Dec&gt;</td>
<td>142.9 (+2.0%)</td>
<td>FY10/3 &lt;Apr-Dec&gt;</td>
</tr>
<tr>
<td>FY11/3 &lt;Oct-Dec&gt;</td>
<td>145.7 (-14.4%)</td>
<td>FY11/3 &lt;Apr-Dec&gt;</td>
</tr>
<tr>
<td>Operating Income</td>
<td>2.0</td>
<td>14.4</td>
</tr>
<tr>
<td>FY09/3 &lt;Oct-Dec&gt;</td>
<td></td>
<td>FY09/3 &lt;Apr-Dec&gt;</td>
</tr>
<tr>
<td>FY10/3 &lt;Oct-Dec&gt;</td>
<td>5.8</td>
<td>FY10/3 &lt;Apr-Dec&gt;</td>
</tr>
<tr>
<td>FY11/3 &lt;Oct-Dec&gt;</td>
<td></td>
<td>FY11/3 &lt;Apr-Dec&gt;</td>
</tr>
</tbody>
</table>

YoY
Carrier Network Business

Sales 145.7 (+2.0%)
△ Increased in Fixed line business in Japan
▽ Submarine Cable System:
  Remained at the same level as the previous year by execution of upgrade project and submarine seismograph system projects, etc
  (Sales of large-scale projects are expected in 4Q)
▽ PASOLINK declined due to the delay in the recovery of the business environment and the impact of exchange rate fluctuations

Operating Income 5.8 (+3.8)
△ Improved due to the sales increase and the fixed cost reduction by improving cost efficiency such as cutting outsourcing
Social Infrastructure Business

### 3Q

- **Operating margin ratio**
  - FY09/3 (Oct-Dec): -0.1%
  - FY10/3 (Oct-Dec): 0.9%
  - FY11/3 (Oct-Dec): 0.7%

### 9 Months total (YoY)

- **Operating margin ratio**
  - FY09/3 (Apr-Dec): 0.5%
  - FY10/3 (Apr-Dec): 1.7%
  - FY11/3 (Apr-Dec): 2.2%

#### Sales

- **FY09/3 (Oct-Dec)**
  - Sales: 67.5
  - Operating Income/Loss: -0.1

- **FY10/3 (Oct-Dec)**
  - Sales: 64.7
  - Operating Income/Loss: 0.6

- **FY11/3 (Oct-Dec)**
  - Sales: 66.6
  - Operating Income/Loss: 0.4

- **FY09/3 (Apr-Dec)**
  - Sales: 215.7
  - Operating Income: 1.0

- **FY10/3 (Apr-Dec)**
  - Sales: 194.4
  - Operating Income: 3.3

- **FY11/3 (Apr-Dec)**
  - Sales: 204.5
  - Operating Income: 4.5

(Billions of Yen)
Social Infrastructure Business

Sales 66.6 (+3.0%)
- Increased in social systems such as transportation and fire prevention, etc

Operating Income 0.4 (-0.1)
- Almost remained at the same level as the previous year due to the change of project mix despite sales increase
Personal Solutions Business

### 3Q

- **Operating margin ratio**
  - Mobile Terminals: -2.3%
  - PC and Others: -0.8%

### 9 Months total

- **Operating margin ratio**
  - Mobile Terminals: 2.2%
  - PC and Others: 0.2%

#### Sales

- **Mobile Terminals**
  - FY09/3: 91.8 (YoY -35.4%)
  - FY10/3: 59.3 (YoY +4.5%)
  - FY11/3: 80.3 (YoY +35.4%)  
  - FY09/3: 204.1
  - FY10/3: 176.7
  - FY11/3: 193.0

- **PC and Others**
  - FY09/3: 112.3 (YoY -4.7)
  - FY10/3: 117.4 (YoY 3.4)
  - FY11/3: 112.7 (YoY -1.6)
  - FY09/3: 112.3
  - FY10/3: 117.4
  - FY11/3: 112.7
## Personal Solutions Business

### Sales

193.0 (+9.2%)

- **△ Mobile Terminals:**
  Increased due to the business integration despite sluggish sales in the featured-phones as the demand in global market shifts to smartphones

- **▽ PC and Others:**
  Decreased due to the price erosion despite the PC shipments were flat in units

### Operating Loss

- **▽ Decreased due to the loss in the Mobile Terminals business and increase in development costs for new devices such as LifeTouch and Smartphones**

Billions of yen (YoY)

- Mobile Terminals: 27%
- PC and Others: 73%
Others

<table>
<thead>
<tr>
<th>Sales</th>
<th>61.9  (-62.8%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>▼ Decreased due to the deconsolidation of the NEC Electronics (current Renesas Electronics)</td>
<td></td>
</tr>
<tr>
<td>△ Smooth start of Electrode business for lithium-ion rechargeable batteries</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Income</th>
<th>1.3  (+9.0)</th>
</tr>
</thead>
<tbody>
<tr>
<td>△ Improved due to the deconsolidation of the NEC Electronics (current Renesas Electronics) which recorded operating loss in the previous year</td>
<td></td>
</tr>
</tbody>
</table>
## <Ref.> Financial Position Data

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>2,937.6</td>
<td>2,613.3</td>
<td>-324.4</td>
<td>2,938.3</td>
</tr>
<tr>
<td>Net Assets</td>
<td>931.9</td>
<td>827.5</td>
<td>-104.4</td>
<td>844.1</td>
</tr>
<tr>
<td>Interest-bearing debt</td>
<td>729.5</td>
<td>726.8</td>
<td>-2.7</td>
<td>833.2</td>
</tr>
<tr>
<td>Shareholder's Equity</td>
<td>790.9</td>
<td>709.8</td>
<td>-81.1</td>
<td>718.0</td>
</tr>
<tr>
<td>Equity ratio(%)</td>
<td>26.9%</td>
<td>27.2%</td>
<td>0.3pt</td>
<td>24.4%</td>
</tr>
<tr>
<td>D/E ratio</td>
<td>0.92</td>
<td>1.02</td>
<td>-0.10pt</td>
<td>1.16</td>
</tr>
<tr>
<td>Net D/E ratio</td>
<td>0.50</td>
<td>0.78</td>
<td>-0.28pt</td>
<td>0.79</td>
</tr>
<tr>
<td>Balance of cash and cash equivalents</td>
<td>330.5</td>
<td>171.6</td>
<td>-159.0</td>
<td>265.4</td>
</tr>
</tbody>
</table>
<Ref.> Capital Expenditures and Others

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>FY09/3 Actual</th>
<th>FY10/3 Actual</th>
<th>YoY</th>
<th>FY11/3 Forecast</th>
<th>YoY</th>
<th>Difference from Oct 28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capial Expenditure</td>
<td>103.1</td>
<td>83.1</td>
<td>-19.4%</td>
<td>75.0</td>
<td>-9.7%</td>
<td>0.0</td>
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<tr>
<td>Depreciations</td>
<td>133.6</td>
<td>111.2</td>
<td>-16.8%</td>
<td>75.0</td>
<td>-32.6%</td>
<td>0.0</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>346.5</td>
<td>276.0</td>
<td>-20.3%</td>
<td>200.0</td>
<td>-27.5%</td>
<td>0.0</td>
</tr>
</tbody>
</table>

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>FY10/3 3Q Actual</th>
<th>YoY</th>
<th>FY11/3 3Q Actual</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>R&amp;D expenses</td>
<td>64.4</td>
<td>-22.4%</td>
<td>45.9</td>
<td>-28.7%</td>
</tr>
</tbody>
</table>

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
<Ref.> Overseas sales

<table>
<thead>
<tr>
<th>Major countries and regions</th>
<th>3Q(October to December)</th>
<th>9 Months(April to December)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY10/3 Actual</td>
<td>FY11/3 Actual</td>
</tr>
<tr>
<td><strong>Asia</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>80.0</td>
<td>36.4</td>
</tr>
<tr>
<td>To consolidated total sales (%)</td>
<td>9.7%</td>
<td>5.0%</td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>41.3</td>
<td>29.7</td>
</tr>
<tr>
<td>To consolidated total sales (%)</td>
<td>5.0%</td>
<td>4.1%</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>53.9</td>
<td>51.5</td>
</tr>
<tr>
<td>To consolidated total sales (%)</td>
<td>6.5%</td>
<td>7.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>175.2</td>
<td>117.5</td>
</tr>
<tr>
<td>To consolidated total sales (%)</td>
<td>21.2%</td>
<td>16.3%</td>
</tr>
</tbody>
</table>

* Sales, based on the location of customers, are classified by country or region.
Financial Forecast for FY11/3 (Appendix)
Sales Proportion Forecast By Segment

- **IT Services**: 27%
- **Platform**: 12%
- **Carrier Network**: 20%
- **Social Infrastructure**: 10%
- **Personal Solutions**: 25%
- **Others**: 6%

Sales forecast for FY11/3 ¥3,300.0 Billion

*Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)*
Sales Change (Year on Year)

(Billions of yen)

- **IT Services**
  - FY10/3: 3,583.1
  - FY11/3 (Forecast): 3,300.0
  - Increase due to integration of the Mobile terminal business and solid PC and other sales

- **Carrier Network**
  - FY10/3: +32.6 (+5.2%)
  - FY11/3 (Forecast):

- **Platform**
  - FY10/3: +11.3 (+3.0%)

- **Social Infrastructure**
  - FY10/3: -1.6 (-0.5%)

- **Personal Solutions**
  - FY10/3: +92.3 (+12.5%)
  - FY11/3 (Forecast):

- **Others**
  - FY10/3: -431.4

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)

---

- **Focus on making proposals to expand customers’ sales and to solve customers’ business challenges**

- **Increase due to integration of the semiconductor business**

- **Deconsolidation of the semiconductor business**

- **Japan; increase from data traffic growth**
- **Overseas; Execution of large-scale projects in submarine cable systems**
Operating Income/Loss Change (Year on Year)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Change (Billions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrier Network</td>
<td>+8.7</td>
</tr>
<tr>
<td>Platform</td>
<td>+12.7</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>-6.7</td>
</tr>
<tr>
<td>IT Services</td>
<td>-1.2</td>
</tr>
<tr>
<td>Personal Solutions</td>
<td>-2.9</td>
</tr>
<tr>
<td>Others</td>
<td>+50.9</td>
</tr>
<tr>
<td>Eliminations/Unclassifiable expense</td>
<td>-12.5</td>
</tr>
<tr>
<td>Deconsolidation of the semiconductor business</td>
<td></td>
</tr>
</tbody>
</table>

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
IT Services Business

4Q

Operating margin ratio
12.3%
13.3%
16.3%

Full Year

Operating margin ratio
5.6%
6.1%
5.9%

Sales

(Billions of Yen)

Sales

FY09/3 <Jan-Mar>
FY10/3 < Jan-Mar>
FY11/3 < Jan-Mar>
(forecast)

FY09/3
326.8
FY10/3
301.5
FY11/3
338.0
+12.1%

Forecast as of Jan 27, 2011

* Forecast as of Jan 27, 2011

Operating margin ratio
12.3%
13.3%
16.3%

Operating Income
40.2
40.2
55.1
-7.7%
+12.1%

Operating Income
51.8
53.2
52.0
-7.2%
+1.6%

YoY

FY09/3
FY10/3
FY11/3
(forecast)

FY09/3
933.8
FY10/3
866.3
FY11/3
880.0
+1.6%
IT Services Business

Sales 880.0 (+1.6%)

△ SI Services:
Aim to increase by focusing on proposals to expand customers’ sales and to solve customers’ business challenges

△ Outsourcing/Support Services:
Aim for a steady increase through deployment of “cloud-oriented services” and the expansion of SaaS solution menus

Operating Income 52.0 (-1.2)

▼ Expect to maintain almost same level as the previous year by enhancing SI innovation and thorough cost reductions

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
Ref: IT Services Business Situation by Sector

Accelerate deployment of service business and globalization by focusing on improving sectors such as manufacturing and finance

<table>
<thead>
<tr>
<th>Sector</th>
<th>Key focus area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>● Strengthen proposals about “New Growth Strategy” and economic policy related business, Win large scale projects</td>
</tr>
<tr>
<td></td>
<td>● Further expansion of public safety business based on superior biometrics technology</td>
</tr>
<tr>
<td>Public/Medical</td>
<td>● Expand market share by proposing to restructure mission critical systems, including utilization of cloud technology</td>
</tr>
<tr>
<td></td>
<td>● Further development of new business by the cooperation with global partners</td>
</tr>
<tr>
<td>Finance</td>
<td>● Propose large scale services such as systems designed for joint use. Strengthen sales of the next-generation store terminals</td>
</tr>
<tr>
<td></td>
<td>● Further expansion of global business centered on Asia (e.g. SWIFT(*1) connecting service)</td>
</tr>
<tr>
<td>Telecom/Media</td>
<td>● Horizontal deployment of cloud business for global telecom carriers. Win large scale projects in Digital signage</td>
</tr>
<tr>
<td></td>
<td>● Strengthen proposals for mission critical systems for domestic telecom carriers and broadcasters</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>● Expand cloud-oriented accounting services, further expand SaaS service menus for certain industries</td>
</tr>
<tr>
<td></td>
<td>● Expand business in Greater China and APAC by focusing on local business in addition to business with Japanese companies abroad</td>
</tr>
<tr>
<td>Retail/Service</td>
<td>● Expand service business such as the NeoSarf series and integrated cloud services for the hotel industry</td>
</tr>
<tr>
<td></td>
<td>● Develop global markets by launching POS systems</td>
</tr>
</tbody>
</table>

*1 Common network for interbank cash transfer, settlement etc.
Platform Business

4Q

Operating margin ratio

- 4.2%
- 10.0%
- 11.6%

Sales

FY09/3 <Jan-Mar> 131.8
FY10/3 < Jan-Mar> 120.6
FY11/3 < Jan-Mar> (forecast) 125.7

Operating Income 5.6
-8.5%
+4.3%
12.1
14.5

Full Year

Operating margin ratio

- 2.4%
- 2.9%

Sales

469.4
373.7
385.0

(Billions of Yen)

YoY

Forecast as of Jan 27, 2011

* Forecast as of Jan 27, 2011

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Platform Business

Sales 385.0 (+3.0%)

△ Software :
Aim to increase by focusing on growing market such as system integration through virtualization and cloud computing platform for enterprise, government and datacenter

▽ Hardware :
Expect a decline due to the shift to low-price products
Aim to minimize the decline by the increase in IA servers and thin-client systems

△ Enterprise Network :
Aim to increase by focusing on areas where customers invest aggressively (e.g. cost reduction, global sales expansion)

Operating Income 11.0 (+12.7)

△ Expect to improve significantly through an increase in sales and continual cost reductions

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
Carrier Network Business

4Q

Operating margin ratio
8.8%
9.6%
11.2%

Sales
232.6
243.3

Operating Income
20.4
16.9
27.2

Full Year

Operating margin ratio
6.4%
6.1%

Sales
807.0
627.4
660.0

Operating Income
51.6
31.3
40.0

* Forecast as of Jan 27, 2011
Sales 660.0 (+5.2%)

- Focus on business opportunities supported by increased data traffic from the rapid spread of smart phones in Japan
- Aim to increase through secure execution of large-scale Submarine Cable System projects
- Aim to ensure sales by expanding IP-enabled new models of PASOLINK

Operating Income 40.0 (+8.7)

- Aim to increase profit from the sales increase in Wireless Business in Japan and Submarine Cable System in addition to the improvement of cost efficiency

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
Social Infrastructure Business

4Q

Operating margin ratio
5.5% 15.1% 9.5%

Full Year

Operating margin ratio
2.3% 6.9% 4.8%

Sales

(Billions of Yen)

FY09/3 <Jan-Mar>
124.7

Operating Income
6.9

FY10/3 <Jan-Mar>
122.2

FY11/3 <Jan-Mar>
110.5

Operating Income
10.5

Sales

(Forecast)

FY09/3
340.4

Operating Income
7.9

FY10/3
316.6

FY11/3
315.0

Operating Income
21.7

-2.0%
-9.5%

-7.0%

-0.5%

* Forecast as of Jan 27, 2011
Sales 315.0 (-0.5%)
- Expect same level as last year due to increase projects in social systems such as transportation and fire prevention despite the severe situation in aerospace and defense systems

Operating Income 15.0 (-6.7)
- Expect a decline due to a decrease in profitable projects compared with the previous year, despite enhancing cost reduction activities such as project management

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
Personal Solutions Business

4Q

Operating margin ratio
- 4.1%

3.6%

6.0%

Sales
189.9
Mobile Terminals
75.1

PC and Others
114.8
Operating income/Loss
-7.8

132.6
+15.5%

7.2
+5.3%

FY09/3 <Jan-Mar>
FY10/3 <Jan-Mar>
FY11/3 <Jan-Mar> (forecast)

Full Year

Operating margin ratio
1.7%

2.6%

Sales
848.4
Mobile Terminals
348.1

PC and Others
500.3
Operating income/Loss
-14.2

282.5
-9.0%

18.9
+7.4%

FY09/3
FY10/3
FY11/3 (forecast)

* Forecast as of Jan 27, 2011
Personal Solutions Business

Sales  830.0 (+12.5%)

△ Mobile Terminals:
Expect an increase due to the business integration
and the launch of new products

△ PC and Others:
Expect an increase in products for enterprises (PCs, public displays, digital cinema projectors) backed by a market recovery
and an increase in products for consumers (high-value added PCs, WiMAX routers) backed by steady demand

Operating Income  16.0 (-2.9)

▼ Expect a decrease due to an increase in development costs
for new devices such as LifeTouch and smartphones,
despite the fixed cost reduction and improvement
of development efficiency

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
### Others

#### 4Q

- **Operating margin ratio**: 0.2% (3.5%)
- **Sales**: 133.6 (185.2)
- **Operating income/Loss**: -65.2 (+38.6%)
- **Operating Income/Loss**: 0.4 (-74.3%)

#### Full Year

- **Operating margin ratio**: 2.6% (-10.7%)
- **Sales**: 816.7 (661.4)
- **Operating income/Loss**: -87.1 (-19.0%)
- **Operating Income/Loss**: -44.9

*Forecast as of Jan 27, 2011*
Sales

230.0 (-65.2%)

Expect a decrease due to the deconsolidation of the NEC Electronics (current Renesas Electronics)

Operating Income

6.0 (+50.9)

Expect an improvement due to the deconsolidation of the NEC Electronics (current Renesas Electronics) which marked operating loss in the previous year

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)
Net Income Change (Year on Year)

(Billions of yen)

<table>
<thead>
<tr>
<th>Category</th>
<th>Change (Billions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others</td>
<td>+50.9</td>
</tr>
<tr>
<td>Platform</td>
<td>+12.7</td>
</tr>
<tr>
<td>Carrier Network</td>
<td>+8.7</td>
</tr>
<tr>
<td>Social Infrastructure</td>
<td>-6.7</td>
</tr>
</tbody>
</table>

* Forecast as of Jan 27, 2011 (Note: Unchanged from previous forecasts of Oct 28)

- Improvement of operating Income: +49.1
- Deterioration of non-operating Income/loss: -43.5
- Reversal of provision for contingent loss in the previous year

FY10/3:
- Others: -2.0
- Total: 11.4

FY11/3 (Forecast):
- Others: 0
- Total: 15.0
Reference
Sales, Operating Income/Loss (NEC Total)

(Billions of yen)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Sales</th>
<th>Operating Income/Loss</th>
<th>Operating Income/Loss Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q FY10/3</td>
<td>778.5</td>
<td>-40.0</td>
<td>-13.0%</td>
</tr>
<tr>
<td>2Q FY10/3</td>
<td>875.2</td>
<td>2.3</td>
<td>0.1%</td>
</tr>
<tr>
<td>3Q FY10/3</td>
<td>825.4</td>
<td>-7.5</td>
<td>-12.7%</td>
</tr>
<tr>
<td>4Q FY10/3</td>
<td>1,104.1</td>
<td>96.1</td>
<td>16.9%</td>
</tr>
<tr>
<td>1Q FY11/3</td>
<td>667.5</td>
<td>-23.2</td>
<td>-14.2%</td>
</tr>
<tr>
<td>2Q FY11/3</td>
<td>801.6</td>
<td>24.3</td>
<td>2.3%</td>
</tr>
<tr>
<td>3Q FY11/3</td>
<td>720.7</td>
<td>-13.5</td>
<td>-12.7%</td>
</tr>
<tr>
<td>4Q FY11/3</td>
<td>1,104.1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Overseas Sales:
- Overseas Sales: 163.9 (21.1%)
- Overseas Sales Ratio: -22.3%

Domestic Sales:
- Domestic Sales: 614.6 (82.8%)
- Domestic Sales: 1,040.5 (82.8%)

Note: YoY Year-over-Year
Sales, Operating Income/Loss (IT Services)

(Billions of yen)

Operating Income/Loss margin

13.3%

4.8%

-0.4%

1.8%

-3.9%

-3.5%

4.4%

Sales

-7.7%

167.6

209.8

187.6

301.5

161.2

209.7

171.0

Operating Income/Loss

-10.8%

10.2

-1.4%

3.4

-3.8%

-5.7

9.2

-8.8%

FY10/3

FY11/3

1Q <Apr-Jun>

2Q <Jul-Sep>

3Q <Oct-Dec>

4Q <Jan-Mar>

1Q <Apr-Jun>

2Q <Jul-Sep>

3Q <Oct-Dec>

4Q <Jan-Mar>
Sales, Operating Income/Loss (Carrier Network)

(Billions of yen)

Operating Income/Loss margin

0.4% 7.1% 1.4% 9.6% -5.1% 4.0%

Sales

1Q <Apr-Jun> 2Q <Jul-Sep> 3Q <Oct-Dec> 4Q <Jan-Mar>

FY10/3

141.7 166.9 142.9 175.9

Operating Income/Loss

-25.9% -19.8% -24.4% -17.6%

Sales

1Q <Apr-Jun> 2Q <Jul-Sep> 3Q <Oct-Dec> 4Q <Jan-Mar>

FY11/3

142.9 154.2 142.9 145.7

Operating Income/Loss

-6.0 13.0 5.8

-24.4% -7.6% +2.0%
Sales, Operating Income/Loss (Social Infrastructure)

(Billions of yen)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Sales</th>
<th>Operating Income/Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q FY10/3</td>
<td>57.2</td>
<td>-4.3%</td>
</tr>
<tr>
<td>2Q FY10/3</td>
<td>72.4</td>
<td>-18.1%</td>
</tr>
<tr>
<td>3Q FY10/3</td>
<td>64.7</td>
<td>-4.1%</td>
</tr>
<tr>
<td>4Q FY10/3</td>
<td>18.4</td>
<td>+2.0%</td>
</tr>
<tr>
<td>1Q FY11/3</td>
<td>58.4</td>
<td>+9.7%</td>
</tr>
<tr>
<td>2Q FY11/3</td>
<td>79.5</td>
<td>+3.0%</td>
</tr>
<tr>
<td>3Q FY11/3</td>
<td>66.6</td>
<td></td>
</tr>
</tbody>
</table>

Operating Income/Loss margin:
- 1.2%  4.7%  15.1%  4.6%  0.7%
Sales, Operating Income/Loss (Personal Solutions)

(Billions of yen)

Sales

Operating Income/Loss margin

4.6%  - 0.4%  2.0%  3.6%  - 0.2%  1.6%  - 0.8%

Mobile Terminals

Operating Income/Loss

FY10/3

1Q: 194.9<Apr-Jun>
2Q: 167.4<Jul-Sep>
3Q: 176.7<Oct-Dec>
4Q: 198.7<Jan-Mar>

FY11/3

1Q: 193.5<Apr-Jun>
2Q: 198.5<Jul-Sep>
3Q: 193.0<Oct-Dec>
4Q: 198.5<Jan-Mar>

PC and Others

Operating Income/Loss

FY10/3

1Q: 93.2<Apr-Jun>
2Q: 63.9<Jul-Sep>
3Q: 59.3<Oct-Dec>
4Q: 66.1<Jan-Mar>

FY11/3

1Q: 79.1<Apr-Jun>
2Q: 76.3<Jul-Sep>
3Q: 80.3<Oct-Dec>
4Q: 80.3<Jan-Mar>

YoY

-17.1%  -23.6%  -13.4%  +4.6%  -0.7%  +18.6%  +9.2%

-17.1%  -23.6%  -13.4%  +4.6%  -0.7%  +18.6%  +9.2%

YoY

-0.7%  3.4%  7.2%  -0.4%  3.3%  112.7%  -1.6%
Sales, Operating Income/Loss (Others)

(Billions of yen)

<table>
<thead>
<tr>
<th>Sales</th>
<th>Operating Income/Loss</th>
<th>Operating Income/Loss margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>143.1</td>
<td>-24.7</td>
<td>-17.2%</td>
</tr>
<tr>
<td>166.5</td>
<td>-12.9</td>
<td>-7.8%</td>
</tr>
<tr>
<td>166.5</td>
<td>-7.7</td>
<td>-4.6%</td>
</tr>
<tr>
<td>185.2</td>
<td>0.4</td>
<td>0.2%</td>
</tr>
<tr>
<td>185.2</td>
<td>57.6</td>
<td>6.6%</td>
</tr>
<tr>
<td>166.5</td>
<td>-1.1</td>
<td>-2.0%</td>
</tr>
<tr>
<td>57.6</td>
<td>4.2</td>
<td>2.1%</td>
</tr>
<tr>
<td>63.0</td>
<td>1.3</td>
<td></td>
</tr>
</tbody>
</table>

FY10/3

FY11/3

YoY

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