Financial Results for Q1
Fiscal Year Ending March 31, 2014

July 31, 2013
NEC Corporation
(http://www.nec.com/en/global/ir)
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II. Financial Forecasts for FY14/3

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- Financial Forecasts for FY14/3 (Appendix)
- Reference (Financial data)

※ As stated in the July 9, 2013 announcement, “NEC to Revise Business Segments,” NEC has revised its business segments from the first quarter of the fiscal year ending March 31, 2014. Figures for the corresponding period of the previous fiscal year have been restated to conform with the new segments.
I. Financial Results for Q1, FY14/3
## Summary of Financial Results for Q1

Resulted almost as planned, despite less profit than the previous year

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>Q1&lt;April to June&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY13/3 Actual</td>
</tr>
<tr>
<td>Net Sales</td>
<td>631.5</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-7.9</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Ordinary Loss</td>
<td>-12.2</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-1.9%</td>
</tr>
<tr>
<td>Net Loss</td>
<td>-17.9</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-2.8%</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>26.7</td>
</tr>
</tbody>
</table>

(Ref): Average exchange rate for Q1, FY14/3 1$= ¥97.88, 1€= ¥127.06
<table>
<thead>
<tr>
<th></th>
<th>Q1 &lt;April to June&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY13/3 Actual</td>
</tr>
<tr>
<td><strong>Public</strong></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>114.9</td>
</tr>
<tr>
<td>Operating Income</td>
<td>0.1</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>Enterprise</strong></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>50.0</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-2.7</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-5.3%</td>
</tr>
<tr>
<td><strong>Telecom Carrier</strong></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>155.1</td>
</tr>
<tr>
<td>Operating Income</td>
<td>12.7</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>8.2%</td>
</tr>
<tr>
<td><strong>System Platform</strong></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>163.1</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-1.8</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-1.1%</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>148.4</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-3.6</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-2.4%</td>
</tr>
<tr>
<td>Eliminations/ Unclassifiable expenses</td>
<td></td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-12.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>631.5</td>
</tr>
<tr>
<td>Net Sales</td>
<td></td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-7.9</td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>-1.2%</td>
</tr>
</tbody>
</table>
Public Business

Sales

- **Sales**: 126.6 (+10.1%)
  - Increased due to the steady sales for government and public areas

Operating Income

- **Operating Income**: 0.4 (+0.3)
  - Improved mainly owing to increased sales, despite increased investment for strengthening organizations
Enterprise Business

Sales 58.7 (+17.4%)

△ Increased due to the steady sales for the retail and service industries

Operating Loss -2.4 (+0.2)

△ Improved mainly owing to increased sales, despite increased investment in retail and logistics industries

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY12/3 Q1</th>
<th>FY13/3 Q1</th>
<th>FY14/3 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>44.7</td>
<td>50.0</td>
<td>58.7</td>
</tr>
<tr>
<td>Operating Income ratio</td>
<td>-6.0%</td>
<td>+12.1%</td>
<td>+17.4%</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-2.7</td>
<td>-2.7</td>
<td>-2.4</td>
</tr>
</tbody>
</table>

Billions of Yen (YoY)
Telecom Carrier Business

Sales 154.0 (-0.7%)
△ Japan: Decreased from Q1 of the previous year, when there was strong demand
△ International: Increased mainly in TOMS

Operating Income 5.6 (-7.1)
△ Worsened due to the acceleration of investment in SDN, TOMS and decreased sales

<table>
<thead>
<tr>
<th>Fiscal Year Q1</th>
<th>Sales (Billions of Yen)</th>
<th>Operating Income (Billions of Yen)</th>
<th>Operating Income ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY12/3 Q1</td>
<td>138.9</td>
<td>1.8</td>
<td>1.3%</td>
</tr>
<tr>
<td>FY13/3 Q1</td>
<td>155.1</td>
<td>12.7</td>
<td>8.2%</td>
</tr>
<tr>
<td>FY14/3 Q1</td>
<td>154.0</td>
<td>5.6</td>
<td>3.6%</td>
</tr>
</tbody>
</table>

*TOMS: Telecom Operations and Management Solutions
SDN: Software-Defined Networking*
System Platform Business

Sales **157.7 (-3.3%)**
- Declined due to the decrease of large-scale projects

Operating Loss **-6.6 (-4.8)**
- Worsened due to decreased sales

<table>
<thead>
<tr>
<th>FY12/3 Q1</th>
<th>FY13/3 Q1</th>
<th>FY14/3 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>147.2</td>
<td>163.1</td>
</tr>
<tr>
<td>Operating Income ratio</td>
<td>-3.8%</td>
<td>+10.8%</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>-5.6</td>
<td>-1.8</td>
</tr>
</tbody>
</table>
Others

Sales

\[ \text{Sales} \quad 143.1 \quad (-3.5\%) \]

- Decreased due to a decline in mobile phone shipments and the deconsolidation of the electronic components business

Operating Loss

\[ \text{Operating Loss} \quad -9.9 \quad (-6.2\%) \]

- Worsened mainly owing to decreased sales, in addition to increased expenses for accelerating the strengthening of organizations and development of energy related business
Revision of Mobile Phone business

- End new development of smartphones, finish manufacturing and selling with current model
  - Continue support and maintenance for smartphones
  - Continue development of conventional mobile phones and production at NEC Saitama, Ltd.

Shift resources to “Solutions for Society”

* Released on July 31, 2013
Net Income/Loss Change (Year on Year)

<table>
<thead>
<tr>
<th>FY13/3 Q1 &lt;Apr-Jun&gt;</th>
<th>FY14/3 Q1 &lt;Apr-Jun&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>-17.9</td>
<td>-21.5</td>
</tr>
</tbody>
</table>

Deterioration of operating loss -13.9
Deterioration of non-operating income/loss -2.1

Telecom Carrier -7.1
Others -6.2
System Platform -4.8

Others +12.4
Gain on sales of subsidiaries and affiliates’ stocks +16.3
II. Financial Forecasts for FY14/3
Market forecast
- The Japanese economy is expected to grow steadily through the recovery of market confidence
  (International market growth is still uncertain due to the stagnation of European economy)
  - IT investment in Japan will see a recovery trend
  - Investment of telecom carriers will be slow, although TOMS/SDN market will expand significantly
  - Social infrastructure market will expand along with new government, economic and fiscal policy
  - Increase in smart energy related projects

Business strategy
- Focus on Solutions for society/Establish competitive growth platforms in global markets (Public, Enterprise, Telecom Carrier and Smart Energy)
- Continue strategic investment, minimize unprofitable projects and accelerate CCC improvement activities

“CS No.1” “Global First” “One NEC”

* CCC : Cash Conversion Cycle
## Achieve 100 billion yen operating income
(Sales increase by approximately 2%, excluding the impact of deconsolidation)

<table>
<thead>
<tr>
<th>(Billions of Yen)</th>
<th>Full Year</th>
<th>FY13/3 Actual</th>
<th>FY14/3 Forecasts</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>3,071.6</td>
<td>3,000.0</td>
<td>-2.3%</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td>114.6</td>
<td>100.0</td>
<td>-14.6</td>
<td></td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>3.7%</td>
<td>3.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary Income</td>
<td>92.0</td>
<td>70.0</td>
<td>-22.0</td>
<td></td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>3.0%</td>
<td>2.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>30.4</td>
<td>20.0</td>
<td>-10.4</td>
<td></td>
</tr>
<tr>
<td>% to Net Sales</td>
<td>1.0%</td>
<td>0.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income per share (Yen)</td>
<td>11.71</td>
<td>7.70</td>
<td>-4.01</td>
<td></td>
</tr>
</tbody>
</table>

Note: Assumed exchange rates for FY14/3 1$=¥90, 1€=¥115

* Forecasts as of July 31, 2013
Public Business

Billions of Yen (YoY)

Sales 735.0 (+8.0%)
△ Increase due to strong demand mainly from government and public areas

Operating Income 57.0 (+8.0)
△ Improve due to sales growth and cost reductions

* Forecasts as of July 31, 2013
Enterprise Business

**Sales** 255.0 (+1.4%)  
△ Increase due to the steady sales for the manufacturing industries

**Operating Income** 6.0 (+0.5)  
△ Improve by sales growth

*Forecasts as of July 31, 2013*
Telecom Carrier Business

**Sales**

659.3 (FY12/3) → 709.3 (FY13/3) → 715.0 (FY14/3 Forecast(*))

- **Japan**: Decrease from the previous fiscal year, when there was strong demand.
- **International**: Increase in TOMS and mobile backhaul businesses.

**Operating Income**

54.6 (FY12/3) → 71.6 (FY13/3) → 60.0 (FY14/3 Forecast(*))

- Decrease due to the acceleration of investment in SDN, etc., and one-time profit related to intellectual property in the previous fiscal year.

* Forecasts as of July 31, 2013
System Platform Business

Sales 705.0 (-5.3%)
- Decline mainly in hardware due to the decrease of large-scale projects

Operating Income 29.0 (-3.7)
- Decrease due to the sales decline

Forecast as of July 31, 2013
**Others**

**Billions of Yen (YoY)**

### Sales
- **590.0** (-14.0%)
  - Decrease due to the deconsolidation of NEC Mobiling, Ltd. and the electronic components business

### Operating Income
- **2.0** (-14.9)
  - Decrease from the impact of the sale of LCD patents in the previous fiscal year

*Forecasts as of July 31, 2013*
Net Income/Loss Change (Year on Year)

FY13/3 30.4

Deterioration of operating income -14.6

Deterioration of non-operating income/loss -7.4

Increase of interest expenses

Others -14.9
Telecom Carrier -11.6
System Platform -3.7
Eliminations/Unclassifiable expenses +7.0
Public +8.0

Decrease of impairment loss

Others +11.6

FY14/3 Forecasts(*) 20.0

* Forecasts as of July 31, 2013
Achieving FY14/3 forecasts is the minimum goal for the first year of the Mid-term Management Plan 2015.

Aim to achieve financial forecasts just as FY13/3, and continue dividend payments to shareholders.

* Forecasts as of July 31, 2013
Financial Results for Q1, FY14/3 (Appendix)
Results for Q1 by Segment

Net Sales

Operating Income/Loss

(Billions of Yen)

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY12/3 Q1</th>
<th>FY13/3 Q1</th>
<th>FY14/3 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public</td>
<td>113.0</td>
<td>114.9</td>
<td>126.6</td>
</tr>
<tr>
<td>Enterprise</td>
<td>44.7</td>
<td>50.0</td>
<td>58.7</td>
</tr>
<tr>
<td>Telecom Carrier</td>
<td>138.9</td>
<td>155.1</td>
<td>154.0</td>
</tr>
<tr>
<td>System Platform</td>
<td>147.2</td>
<td>163.1</td>
<td>157.7</td>
</tr>
<tr>
<td>Others</td>
<td>225.4</td>
<td>148.4</td>
<td>143.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income/Loss</th>
<th>FY12/3 Q1</th>
<th>FY13/3 Q1</th>
<th>FY14/3 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public</td>
<td>0.1</td>
<td>12.7</td>
<td>-7.9</td>
</tr>
<tr>
<td>Telecom Carrier</td>
<td>-19.4</td>
<td>0.2</td>
<td>-21.8</td>
</tr>
<tr>
<td>Others</td>
<td>-11.2</td>
<td>-5.6</td>
<td>-3.6</td>
</tr>
<tr>
<td>System Platform</td>
<td>-2.7</td>
<td>-1.8</td>
<td>-6.6</td>
</tr>
<tr>
<td>Public</td>
<td>-2.4</td>
<td>-9.9</td>
<td>-8.9</td>
</tr>
<tr>
<td>Telecom Carrier</td>
<td>-12.6</td>
<td>-2.4</td>
<td>-19.4</td>
</tr>
<tr>
<td>Others</td>
<td>-9.9</td>
<td>-8.9</td>
<td>-19.4</td>
</tr>
</tbody>
</table>
Summary of Financial Results for Q1 by Segment

**Net Sales**

- System Platform: 25%
- Telecom Carrier: 24%
- Enterprise: 9%
- Public: 20%
- Others: 22%

**Sales for Q1 FY14/3**: 640.1

**Operating Income/Loss**

- Telecom Carrier: 5.6
- System Platform: -6.6
- Others: -9.9
- Enterprise: -2.4
- Public: 0.4

Operating Income/Loss for Q1 FY14/3: -21.8

(Billions of Yen)
Sales Change (Year on Year)

**FY13/3 Q1**

- **Public**: +11.7 (+10.1%)
- **Enterprise**: +8.7 (+17.4%)
- **Telecom Carrier**: -1.1 (-0.7%)
- **System Platform**: -5.4 (-3.3%)
- **Others**: -5.2

**FY14/3 Q1**

- **Public**: +11.7 (+10.1%)
- **Enterprise**: +8.7 (+17.4%)
- **Telecom Carrier**: -1.1 (-0.7%)
- **System Platform**: -5.4 (-3.3%)
- **Others**: -5.2

- **Japan**: Decreased from Q1 of the previous year when there was strong demand.
- **International**: Increase mainly in TOMS.
- **Steady sales for government and public areas**.
- **Declined in mobile phone shipments and deconsolidation of the electronic components business**.
- **Steady sales for the retail and service industries**.
- **Declined due to the decrease of large-scale projects**.
Operating Income/Loss Change (Year on Year)

FY13/3 Q1 <Apr-Jun> -7.9
- Improved mainly from sales increase, despite increased investment for strengthening organizations
- Improved mainly from sales increase, despite increased investment in retail and logistics industries

FY14/3 Q1 <Apr-Jun> -21.8
- Worsened due to the acceleration of investment in SDN, TOMS and decreased sales
- Worsened due to decreased sales

System Platform -4.8
- Worsened by sales decrease, in addition to increased expenses for accelerating the strengthening of the organizations and development of energy related business

Telecom Carrier -7.1

Public +0.3

Enterprise +0.2

Others -6.2

Eliminations/ Unclassifiable expenses +3.7

Q1 Results (Billions of Yen)
International sales

(Billions of Yen)

<table>
<thead>
<tr>
<th>Region</th>
<th>FY13/3 Q1</th>
<th>FY14/3 Q1</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>41.3</td>
<td>48.6</td>
<td>+17.9%</td>
</tr>
<tr>
<td>Greater China, APAC</td>
<td>20.5</td>
<td>24.6</td>
<td>+20.3%</td>
</tr>
<tr>
<td>EMEA</td>
<td>20.5</td>
<td>24.6</td>
<td>+20.3%</td>
</tr>
<tr>
<td>The Americas</td>
<td>35.7</td>
<td>47.5</td>
<td>+33.2%</td>
</tr>
</tbody>
</table>

International sales:

<table>
<thead>
<tr>
<th>Period</th>
<th>FY13/3 Actual</th>
<th>FY14/3 Actual</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 &lt;April to June&gt;</td>
<td>97.4</td>
<td>120.8</td>
<td>24.0%</td>
</tr>
</tbody>
</table>

Sales, based on customer locations, are classified by country or region.
# Financial Position Data

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>2,581.0</td>
<td>2,466.1</td>
<td>-114.8</td>
<td>2,371.7</td>
</tr>
<tr>
<td>Net Assets</td>
<td>836.1</td>
<td>784.7</td>
<td>-51.4</td>
<td>745.7</td>
</tr>
<tr>
<td>Interest-bearing debt</td>
<td>603.5</td>
<td>665.5</td>
<td>62.0</td>
<td>641.7</td>
</tr>
<tr>
<td>Shareholders' Equity</td>
<td>710.7</td>
<td>683.4</td>
<td>-27.3</td>
<td>626.3</td>
</tr>
<tr>
<td>Equity ratio(%)</td>
<td>27.5%</td>
<td>27.7%</td>
<td>0.2pt</td>
<td>26.4%</td>
</tr>
<tr>
<td>D/E ratio (times)</td>
<td>0.85</td>
<td>0.97</td>
<td>-0.12pt</td>
<td>1.02</td>
</tr>
<tr>
<td>Net D/E ratio (times)</td>
<td>0.57</td>
<td>0.55</td>
<td>0.02pt</td>
<td>0.67</td>
</tr>
<tr>
<td>Balance of cash and cash equivalents</td>
<td>197.1</td>
<td>286.7</td>
<td>89.5</td>
<td>222.0</td>
</tr>
</tbody>
</table>
Total Assets 2,466.1 <(Compared to end of March 2013)< (-114.8)

Current Assets 1,428.4
-85.4 Collection of accounts receivable-trade

Noncurrent Assets 1,037.8
-29.4 Depreciation

Liabilities 1,681.4
-63.4 Decrease in notes and accounts payable-trade and accrued expenses, despite an increase in long-term debt

Net Assets 784.7
-51.4 Decrease due to net loss for the quarter and a decrease in minority interests
Financial Forecasts for FY14/3 (Appendix)
Financial Forecasts for FY14/3 by Segment

### Net Sales

- **Public**: 649.5, 680.7, 735.0
- **Enterprise**: 222.2, 251.6, 255.0
- **Telecom Carrier**: 659.3, 709.3, 715.0
- **System Platform**: 711.0, 744.4, 705.0
- **Others**: 794.9, 685.7, 590.0

### Operating Income/Loss

- **Public**: 43.3, 0.5, 5.5
- **Enterprise**: -48.8, -61.0, -54.0
- **Telecom Carrier**: 54.6, 32.7, 29.0
- **System Platform**: 13.8, 16.9, 2.0
- **Others**: 10.4, 60.0, 60.0

(Billions of Yen)

*Forecasts as of July 31, 2013*
Summary of Financial Forecasts for FY14/3 by Segment

**Net Sales**
- **Public**: 25%
- **System Platform**: 24%
- **Telecom Carrier**: 24%
- **Others**: 19%

**Sales Forecast for FY14/3**
- Total: 3,000.0

**Operating Income**
- **Public**: 57.0
- **Telecom Carrier**: 60.0
- **System Platform**: 29.0
- **Others**: 2.0

**Operating Income Forecast for FY14/3**
- Total: 100.0

*Forecasts as of July 31, 2013*
Sales Change (Year on Year)

 FY13/3  
3,071.6

 * Forecast as of July 31, 2013

Enterprise  
+3.4 (+1.4%)

Telecom Carrier  
+5.7 (+0.8%)

Public  
+54.3 (+8.0%)

System Platform  
-39.4 (-5.3%)

Others  
-95.7

FY14/3 Forecast(*)  
3,000.0

Japan : Decrease from the previous fiscal year, when there was strong demand
International : Increase in TOMS and mobile backhaul business
Decline mainly in hardware due to the decrease of large-scale projects

Steady sales for the manufacturing industries
Strong sales demand mainly from government and public areas
Decrease due to the deconsolidation of NEC Mobiling, Ltd. and the electronic components business

Forecasts FY14/3

(Billions of Yen)
Operating Income Change (Year on Year)

(Billions of Yen)

- Improve due to sales growth and cost reductions
- Decrease due to the acceleration of investment in SDN, etc., and one-time profit related to intellectual property in the previous fiscal year
- Decrease due to the sales decline
- Decrease by the impact of the sale of LCD patents in the previous fiscal year

FY13/3 114.6

- Public +8.0
- Enterprise +0.5
- Telecom Carrier -11.6
- System Platform -3.7
- Others -14.9

FY14/3 Forecast(*) 100.0

- Public
- Enterprise
- Telecom Carrier
- System Platform
- Others

* Forecasts as of July 31, 2013

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Empowered by Innovation
Capital Expenditure, Depreciation and R&D expenses

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>FY12/3 Actual</th>
<th>FY13/3 Actual</th>
<th>FY14/3 Forecast</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Expenditure</td>
<td>42.0</td>
<td>45.6</td>
<td>50.0</td>
<td>9.6%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>53.3</td>
<td>51.2</td>
<td>50.0</td>
<td>-2.3%</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>162.0</td>
<td>151.7</td>
<td>160.0</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

% to Net Sales
- Capital Expenditure: 5.3% (4.9%) (5.3%)
- Depreciation: 4.9% (4.9%)
- R&D expenses: 5.3% (4.9%) (5.3%)

* Forecasts as of July 31, 2013 (Note: Unchanged from forecasts announced on April 26)
Reference (Financial data)
Net Sales, Operating Income/Loss

(Billions of Yen)

Operating income ratio

-2.9%  3.4%  8.1%  6.8%  4.8%  -3.4%

Net Sales

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY12/3</th>
<th>FY13/3</th>
<th>FY14/3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 &lt;Apr-Jun&gt;</td>
<td>669.1</td>
<td>774.1</td>
<td>640.1</td>
</tr>
<tr>
<td>Q2 &lt;Jul-Sep&gt;</td>
<td>669.0</td>
<td>924.6</td>
<td></td>
</tr>
<tr>
<td>Q3 &lt;Oct-Dec&gt;</td>
<td>631.5</td>
<td>816.3</td>
<td>722.0</td>
</tr>
<tr>
<td>Q4 &lt;Jan-Mar&gt;</td>
<td>75.2</td>
<td>55.2</td>
<td>24.4</td>
</tr>
<tr>
<td>Q1 &lt;Apr-Jun&gt;</td>
<td>-19.4</td>
<td>42.8</td>
<td>-21.8</td>
</tr>
<tr>
<td>Q2 &lt;Jul-Sep&gt;</td>
<td>26.2</td>
<td>42.8</td>
<td>-21.8</td>
</tr>
<tr>
<td>Q3 &lt;Oct-Dec&gt;</td>
<td>-8.2</td>
<td>24.4</td>
<td>-21.8</td>
</tr>
<tr>
<td>Q4 &lt;Jan-Mar&gt;</td>
<td>-7.9</td>
<td>-21.8</td>
<td>-21.8</td>
</tr>
<tr>
<td>Q1 &lt;Apr-Jun&gt;</td>
<td>-21.8</td>
<td>-21.8</td>
<td>-21.8</td>
</tr>
</tbody>
</table>

Operating income ratio

-1.2%  3.4%  -1.2%  3.4%  -2.9%  -3.4%
International Sales

International Sales Ratio

17.9% 17.2% 16.3% 15.4% 16.7% 16.8% 18.9% 14.2%

International Sales

115.1 138.8 108.9 118.7 136.2 121.1 128.4 120.8

(QBillions of Yen)

Q1 <Apr-Jun> Q2 <Jul-Sep> Q3 <Oct-Dec> Q4 <Jan-Mar>

FY12/3 FY13/3 FY14/3

YoY
Sales, Operating Income/Loss (Public)

(Billions of Yen)

Operating income ratio

Net Sales

<table>
<thead>
<tr>
<th>Q1 (Apr-Jun)</th>
<th>Q2 (Jul-Sep)</th>
<th>Q3 (Oct-Dec)</th>
<th>Q4 (Jan-Mar)</th>
<th>Q1 (Apr-Jun)</th>
<th>Q2 (Jul-Sep)</th>
<th>Q3 (Oct-Dec)</th>
<th>Q4 (Jan-Mar)</th>
<th>Q1 (Apr-Jun)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY12/3</td>
<td>FY13/3</td>
<td>FY14/3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sales, Operating Income/Loss (Enterprise)

(Billions of Yen)

Operating income ratio

-6.0%  -1.2%  -2.9%  -5.3%  0.3%  4.5%  -4.1%

Operating income ratio YoY

Net Sales

Q1 <Apr-Jun>  Q2 <Jul-Sep>  Q3 <Oct-Dec>  Q4 <Jan-Mar>

FY12/3

44.7  57.9  50.9  68.7

Operating Income/Loss

-2.7  -0.7  -1.5  5.4

Q1 <Apr-Jun>  Q2 <Jul-Sep>  Q3 <Oct-Dec>  Q4 <Jan-Mar>

FY13/3

50.0  68.8  59.0  73.7

+18.9%  +16.1%  +7.2%  +17.4%

FY14/3

50.0  68.8  59.0  73.7

+12.1%  +18.9%  +16.1%  +7.2%
Sales, Operating Income/Loss (Telecom Carrier)

Operating income ratio

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY12/3</th>
<th>FY13/3</th>
<th>FY14/3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>113.8</td>
<td>138.9</td>
<td>154.0</td>
</tr>
<tr>
<td>Q2</td>
<td>169.6</td>
<td>156.9</td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>193.8</td>
<td>155.1</td>
<td>200.3</td>
</tr>
<tr>
<td>Q4</td>
<td>155.1</td>
<td>165.9</td>
<td>154.0</td>
</tr>
</tbody>
</table>

(Billions of Yen)

Operating income ratio

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY12/3</th>
<th>FY13/3</th>
<th>FY14/3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>1.8</td>
<td>14.1</td>
<td>5.6</td>
</tr>
<tr>
<td>Q2</td>
<td>9.4</td>
<td>29.3</td>
<td>22.7</td>
</tr>
<tr>
<td>Q3</td>
<td>12.7</td>
<td>18.2</td>
<td>17.9</td>
</tr>
<tr>
<td>Q4</td>
<td>18.2</td>
<td>17.9</td>
<td>22.7</td>
</tr>
</tbody>
</table>
Sales, Operating Income/Loss (System Platform)

Operating income ratio

-3.8%  1.9%  9.8%  -1.1%  6.6%  2.5%  8.0%  -4.2%

Net Sales

(Billions of Yen)

Q1 <Apr-Jun>  Q2 <Jul-Sep>  Q3 <Oct-Dec>  Q4 <Jan-Mar>  Q1 <Apr-Jun>  Q2 <Jul-Sep>  Q3 <Oct-Dec>  Q4 <Jan-Mar>  Q1 <Apr-Jun>

FY12/3  FY13/3  FY14/3

Operating Income/Loss

-5.6  3.4  -5.2  21.2  +10.8%  -1.8  13.5  4.2  16.8  -6.6  -3.3%
Sales, Operating Income/Loss (Others)

(Billions of Yen)

Operating income ratio
-4.9% 0.8% 10.8% -5.4%

Net Sales

225.4 205.4 200.9 193.8 180.1 163.4 143.1

0.2 10.2 16.3 148.4 -3.6 21.0 9.7 -10.1

Q1 (Apr-Jun) Q2 (Jul-Sep) Q3 (Oct-Dec) Q4 (Jan-Mar) Q1 (Apr-Jun) Q2 (Jul-Sep) Q3 (Oct-Dec) Q4 (Jan-Mar) Q1 (Apr-Jun)

FY12/3 FY13/3 FY14/3

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Empowered by Innovation
Exchange Rate

Euro/Yen Exchange Rate (Actual)

Assumed Exchange Rate

Average Exchange Rate ¥127.06

Dollar/Yen Exchange Rate (Actual)

Assumed Exchange Rate

Average Exchange Rate ¥97.88
Stock Price

Apr 26: FY13/3 Earnings Release
Jun 24: Ordinary General Meeting of Shareholders
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