Remarks for Special Issue on Total Eco-Solution for Office

In 2010, NEC completed construction of NEC Tamagawa Solution Center. This office building is a working showcase of state-of-the-art "eco office" technologies and the nerve center of the Tamagawa Plant (Kawasaki City) - a key NEC complex that consolidates our IT and network business operations and Central Research Laboratories. Targeting a CO2 emission reduction of over 50% compared with a conventional office building, the NEC Tamagawa Solution Center not only incorporates the latest energy-saving facilities, but also achieves energy-stingy and low CO2 emission performance through adoption of the latest NEC products and solutions. From the earliest planning stages, CO2 emission reduction measures were considered and analyzed, and their efficacy was calculated and recalculated. The building is estimated to achieve an annual reduction in CO₂ emissions of approximately 3,000 tons, exceeding the numerical target of over 50%. This is the result of not only improved building facilities and equipment, but also "visualization" of energy consumption and changes in the work style of the people employed in the building. ICT utilization is estimated to contribute 1/3 of the total reduction in CO₂ emissions. The reduction in consumption achieved through ICT not only saves energy, but also can be expected to cut TCO (Total Cost of Ownership) as a result of lower energy costs and other cost savings. Having transformed our vision for the "Total Eco-Solution for Office" into a practical real world office building, NEC is now verifying its effectiveness.

While the efforts of Japanese industry have been rewarded by definite reductions in the gas emissions that contribute to global warming, the commercial sector (offices, retail, etc.) has evidenced a marked rise, refocusing attention on the growing role that corporations should play in reducing the load on the environment.

Since fiscal year 2010, environmental regulations have been strengthened. The scope of regulating energy management under the Revised Energy Conservation Law has been expanded from individual factories and places of business to the business operator, in other words, comprehensive energy management at all sites of an individual business operator. The Tokyo Metropolitan Ordinance on Environmental Preservation imposes a mandatory CO₂ decrease of 8% for offices, which is higher than the 6% decrease required of factories. From fiscal year 2011, neighboring Saitama Prefecture plans to impose CO₂ emission regulations that incorporate an emission trading system. In addition to these environmental performance hurdles, offices face a mountain of non-eco challenges. For example, security systems that

reduce the risk of information leaks and communication measures that contribute to more efficient business operations are just a few of the many other issues that must be addressed. NEC believes that the time has come for the practical implementation of the "Total Eco-Solution for Office" - a comprehensive approach that sees all these concerns together as an overall corporate management issue and responds to the demand for not only reduced CO₂ emissions, but also overall cutting of costs and waste as well as improved productivity.

"Total Eco-Solution for Office" is NEC's eco-friendly solution set that meets the many challenges of the modern office. Unlike factories, which have been aggressively pursuing ways to save energy for some years, there still remains much room for improvement in the office environment. About 2 years ago, NEC announced its environmental business vision "to realize a society friendly to humans and the earth" and its concept of "seven fields connected by ICT." Among these fields, our eco-office solution business is the first that we have launched and offered to our customers.

In this special issue, we would like to introduce not only our eco-friendly office, but also NEC's approach to making a comfortable and work-friendly office environment for office workers through the development of innovative products and services inspired by our vision. In these articles, the reader will get a glimpse of the products and services that are under development by NEC - the cutting-edge energy-saving technology for ICT devices and other "Green of IT" advances in the spotlight as well as how "Green by IT" will transform the office and how we work in the future. We hope that this issue will deepen the reader's understanding of the "Total Eco-Solution for Office" as envisaged by NEC.

I would also like to take this opportunity to invite you to make a trip to our Tamagawa Plant and visit the NEC Tamagawa Solution Center introduced at the beginning of my remarks. There you can experience our "eco-Tama" tour course and see NEC's "Total Eco-Solution for Office" and its effectiveness with your own eyes.

"A leading global company leveraging the power of innovation to realize an information society friendly to humans and the earth." This is the NEC Group Vision 2017 and describes what we envision as a company and the society we strive to realize. It also positions the business featured in this issue, "Total Eco-Solution for Office" as one of NEC's core businesses, and drives our continued expansion of endeavors in this area as we meet the new challenge of building a low-carbon society. As we move forward, we look forward to receiving the invaluable guidance and encouragement of our customers.

Finally, we also hope that you will take this opportunity to consider how your company can revolutionize office work and your work style to achieve new levels of efficiency and productivity in an eco-friendly way.

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Senior Executive Vice President and Member of the Board

