

International Business Structure



Executive Vice President and CGO (Chief Global Officer) **Takayuki Morita**

Looking Back on Mid-term Management Plan 2015

In the Mid-term Management Plan 2015, NEC had the management policy to create a foundation for growth globally by focusing on Asia and promoting “locally-led” businesses. During the period, we were able to steadily expand our global business, while also recording concrete results such as growing the safety business, which includes

biometrics, cyber security, and video analytics, providing managed services for public institutions, delivering retail IT services, and conducting more than 50 SDN/NFV Proof of Concept projects with service providers globally.

Globalization of “Solutions for Society”

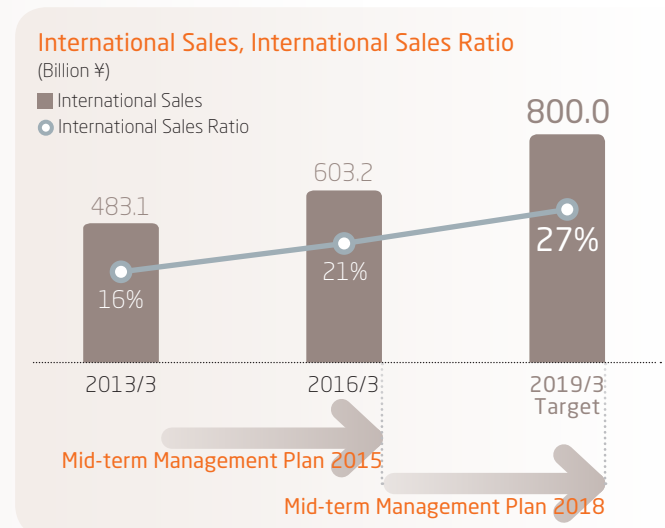
Under the Mid-term Management Plan 2018, our new three-year plan, we will seek to further increase sales from the global business. This plan positions Safety business, Global Carrier Network business and Retail IT Services as NEC’s three key businesses. The growth of these businesses in the global market is key to achieving the Mid-Term Management Plan 2018. Therefore, we are focusing efforts on enhancing NEC’s competitiveness in these fields and globalizing “Solutions for Society.”

This will require a quicker pace of management, including decision-making and execution at the global level, enhanced execution power, including the use of multi-faceted partnering, and maximizing NEC Group’s assets around the world as One NEC to harness the full capabilities of the NEC Group.

Buoyed by the tailwind of rising awareness in the global business by each business unit fostered throughout the three-year period of the Mid-term Management Plan 2015, as CGO I will work on addressing the company-wide issues we face in expanding “Solutions for Society” globally. Additionally, I will pursue partnerships with the governments of various nations, international institutions, and local companies, in addition to business alliances

and M&A, in order to enhance NEC’s presence globally. From the standpoint of harnessing the NEC Group’s comprehensive strengths, we will actively move forward with regional collaboration and collaboration between business units that will enable us to deliver more complete and comprehensive solutions.

Under the Mid-term Management Plan 2018, global business will become the key to NEC’s growth. Knowing that global growth will pave the way for the future of NEC, we will devote efforts to expanding the global business.





Toshiya Matsuki

Executive Vice President
of NEC Corporation
In charge of the Global
Business Unit

NEC is working to grow globally while leveraging the strengths of its businesses in each market by locating regional headquarters in North America, Central and South America, EMEA (Europe, the Middle East and Africa), Greater China, and APAC (the Asia/Pacific).

Under the Mid-term Management Plan 2018, NEC will speed up the global expansion of its “Solutions for Society” and work toward enhancing earnings power with a focus on its three key businesses. The safety business greatly increased sales during the three-year period of the Mid-term Management Plan 2015, with efforts concentrated around the Global Safety Division (GSD) in Singapore. Starting the upcoming fiscal year, we will integrate operations with our domestic business unit with a track record in developing biometrics technologies and mission-critical systems such as fingerprint recognition systems for police. By enhancing our solutions proposal and delivery capabilities, we will work to further expand the scale of our business. In the network business for global carriers, we will accelerate the expansion of SDN/NFV solutions through a cooperation with Netcracker Technology Corporation, our subsidiary. For the IT service business for retail, we will utilize regional business support centers located in major areas such as Asia and North America to further increase sales. We will further expand the managed service business, a core business in Australia and Singapore and expand it to neighboring countries.

As a means to enhancing our earnings power, we will practice the approach of “One-to-Many” and horizontally roll out best practices globally in an effort to boost both sales and profits. At the same time, we will pursue the optimization of local operations, including thoroughly managing project risks.

North America



Shinsuke Takahashi

President & CEO of
NEC Corporation of
America

NEC Corporation of America provides solutions that improve the way people live, work and communicate by leveraging our Smart Enterprise platform focused on improving safety, security and operational efficiency.

In the fiscal year under review, we secured significant, long-term biometrics contracts with the U.S. Department of Homeland Security and other federal government agencies. Additionally, we strengthened our presence within the Federal Government by adding a new office and biometrics showcase in Washington, D.C. We also integrated our Networks and IT business units to better align our technology offerings with the needs of our customers. Meanwhile, our Retail solutions team added a significant technology services contract with a major convenience store retailer in North America.

In the coming few years, we see abundant opportunity for our identity solutions in our global safety business, including airports, stadiums and other public venues. Additionally, high consumer confidence in America means that our IT service business for retail can offer opportunity for enhanced security and efficiency as many retailers enter a technology refresh period.



Central and South America



Masazumi Takata

President & CEO of
NEC Latin America

NEC Latin America is rooted in Central and South America and deploys its business to meet the needs of the region. Specifically, we are working to solve customer issues in the fields of security and elimination of the digital divide.

In the fiscal year under review, we dedicated efforts to expanding the public safety business, providing security solutions for national ID programs as well as airports, ports, and railways in various countries. We will continue with our efforts of becoming the No. 1 value provider of security solutions in the region.

Achieving further development in the region will require better innovation and productivity. In addition to existing businesses, we will work with customers in the Proof of Concept stage to create new value in

healthcare, agriculture and retail, and contribute to society in the process. We will continue to build up cooperation with customers and partners, and devote our energies toward achieving a society where people can live brighter, more prosperous lives.



EMEA
(Europe, the Middle East
and Africa)



Masahiro Ikeno
President & CEO of
NEC Europe

NEC Europe has business operations in 115 countries across Europe, Russia, the Middle East and Africa. We will seek to further grow our business in the Middle East, Africa, and Russia, which has high growth and in Europe, which is driving technology trends, so as to meet the diverse needs of these markets through focus and selection.

In the fiscal year under review, we made an equity investment in XON Holdings Proprietary Limited, an ICT solutions firm in South Africa, with the goal of accelerating our business expansion in Africa. We were also able to greatly increase orders for face recognition systems, mainly in the Middle East and Africa, after making enhancements in the "Solutions for Society." In Europe, we commenced partnerships with governments aimed at realizing smart cities. Also in Europe and

Russia, we reinforced relationships with major telecom carriers in the network business especially in Europe, where we succeeded in capturing global service agreements. We were able to step up sales of enterprise SDN, a field with growing demand.

The Middle East, Africa, and Russia are expected to see rapid growth going forward, and NEC Europe will again focus on these regions in the next fiscal year. NEC Europe will continue to increase sales by expanding its "Solutions for Society," while also improving the profitability of existing business, in an effort to achieve stable earnings.



Greater China



Naoki Yoshida
President of
NEC (China)

NEC (China) is developing social infrastructure platforms in the Greater China Region, including Hong Kong and Taiwan, that deliver value in the areas of safety, security, efficiency, and equality.

During the fiscal year under review, we supplied a number of services and solutions to customers in the Greater China Region, including face recognition and bus operation systems, cyber security solutions, building energy managements systems (BEMS), dealer management systems (DMS), Mobile Backhaul (PASOLINK), optical telecommunications equipment, and display related products. Also, taking the lead regionally, we are working jointly with customers on Proof of Concepts for airports, healthcare and air pollution countermeasures in order to create value for customers. Our goal is to quickly commercialize these ventures.

Our future business expansion in the Greater China Region will depend on our collaboration with partners in the region. We already have promising partnerships in place in each business segment and now we will work toward strengthening our relationships and expanding our businesses.

We also serve as an offshoring hub for software development. This places us in a position to contribute to NEC's business expansion in the Greater China Region as well as our growth in global markets, including Japan.



APAC
(Asia/Pacific)



Tetsuro Akagi
Senior Vice President of
NEC Corporation,
CEO of NEC Asia Pacific

NEC Asia Pacific is deploying business within the 10 nations of ASEAN as well as in India and Oceania, where growth is particularly robust. We are promoting "Solutions for Society" using ICT for each of the governments and companies in the region. Through collaboration with NEC Laboratories Singapore and the Global Safety Division in Singapore, we are building innovative business models and pursuing business development closely in tune with local needs.

In the fiscal year under review, we set up a Cyber Security Factory in Singapore to reinforce our global security monitoring network. In the safety business, we won orders for a biometrics system (fingerprint and face recognition) for the Government of Australia and a fingerprint recognition system for the Philippine National

Police, ensuring we will make positive contributions toward the realization of safe and secure societies.

In the next fiscal year, we will focus on further business growth mainly centered on the safety business, network business for global carriers and IT service business for retail positioned as core businesses under the Mid-term Management Plan 2018 and lead NEC's global businesses forward.

