

Financial Results for Q3 Fiscal Year Ending March 31, 2012 and Management Policy

January 26, 2012

NEC Corporation

(<http://www.nec.co.jp/ir/en>)

Index

I. Financial Forecasts for FY12/3

II. Management reforms

- Financial Results for Q3, FY12/3
- Financial Forecasts for FY12/3
- Reference

I. Financial Forecasts for FY12/3

Financial Results for Q3 and Revision of Financial Forecasts for FY12/3

Revised Downward Net Loss Forecasts to 100B Yen for FY12/3

(Billions of Yen)

	Q3(October to December)			Full Year			Difference from Oct 27
	FY11/3 Actual	FY12/3 Actual	YoY	FY11/3 Actual	FY12/3 Forecasts	YoY	
Net Sales	720.7	669.0	- 7.2%	3,115.4	3,100.0	- 0.5%	- 150.0
Operating Income/Loss	- 13.5	- 8.2	5.3	57.8	70.0	12.2	- 20.0
% to Net Sales	-	-		1.9%	2.3%		
Ordinary Income/Loss	- 27.0	- 11.6	15.4	0.0	35.0	35.0	- 20.0
% to Net Sales	-	-		0.0%	1.1%		
Net Loss	- 26.5	- 86.5	- 60.0	- 12.5	- 100.0	- 87.5	- 115.0
% to Net Sales	-	-		-	-		
FCF	- 91.7	- 73.9	17.8	- 112.6	0.0	112.6	0.0

*Forecasts as of Jan 26, 2012

Summary of Financial Results and Forecasts for FY12/3

(Billions of Yen)

		Q3(October to December)			Full Year			Difference from Oct 27
		FY11/3 Actual	FY12/3 Actual	YoY	FY11/3 Actual	FY12/3 Forecasts	YoY	
IT Services	Net Sales	171.0	175.8	2.8%	804.2	810.0	0.7%	0.0
	Operating Income/Loss	- 6.6	1.3	7.9	21.4	36.0	14.6	3.0
	% to Net Sales	-	0.8%		2.7%	4.4%		
Platform	Net Sales	82.5	80.5	- 2.5%	375.8	375.0	- 0.2%	- 15.0
	Operating Income/Loss	- 2.0	- 4.9	- 2.9	8.9	5.0	- 3.9	- 9.0
	% to Net Sales	-	-		2.4%	1.3%		
Carrier Network	Net Sales	145.7	148.3	1.8%	605.4	680.0	12.3%	- 70.0
	Operating Income	5.8	9.3	3.5	40.7	55.0	14.3	- 2.0
	% to Net Sales	4.0%	6.3%		6.7%	8.1%		
Social Infrastructure	Net Sales	66.6	70.0	5.1%	318.8	335.0	5.1%	5.0
	Operating Income	0.4	1.3	0.9	14.6	18.0	3.4	3.0
	% to Net Sales	0.7%	1.9%		4.6%	5.4%		
Personal Solutions	Net Sales	193.0	142.0	- 26.4%	766.5	675.0	- 11.9%	- 55.0
	Operating Income/Loss	- 1.6	- 3.0	- 1.3	- 1.9	1.0	2.9	- 14.0
	% to Net Sales	-	-		-	0.1%		
Others	Net Sales	61.9	52.4	- 15.3%	244.7	225.0	- 8.1%	- 15.0
	Operating Income	1.3	1.6	0.2	7.3	5.0	- 2.3	- 1.0
	% to Net Sales	2.1%	3.0%		3.0%	2.2%		
Eliminations/ Unclassifiable expenses	Operating Loss	- 10.9	- 13.9	- 3.0	- 33.2	- 50.0	- 16.8	0.0
Total	Net Sales	720.7	669.0	- 7.2%	3,115.4	3,100.0	- 0.5%	- 150.0
	Operating Income/Loss	- 13.5	- 8.2	5.3	57.8	70.0	12.2	- 20.0
	% to Net Sales	-	-		1.9%	2.3%		

*Forecasts as of Jan 26, 2012

Impact of flood in Thailand

Affected in Platform and Others (Electronic components)

Decrease by 22B Yen in sales and 9B Yen in operating income

- Gradual decrease of negative impact and continuing efforts to minimize further risk



Planned to resume production in mid-March 2012

NEC Infrontia Thai Limited

(Production of Communication Platforms for Enterprise and SMB)



Details explained Later

NEC TOKIN Electronics (Thailand)

(Production of Tantalum capacitor)

● Procurement of HDD

- Resolving supply shortage from the end of last year

*Forecasts as of Jan 26, 2012

<Situation of Mobile Terminal Business>

Q3 results

- Drastic changes in Japanese market
 - Foreign vendors increasing market share in Japan
 - Significant decrease compared to sales target of smartphones
- Delays in expanding overseas business



Around
3.3million units
for 9 months

Full Year forecasts

- Revise downward shipment forecast for full year
 - Change to 5 million units from 6.5 million units (-1.5 million units)
 - Plan to increase sales for Q4 by launching new products in Japan (LTE and thin(6.7 mm in thickness) smartphones)
- NEC CASIO Mobile Communications: operating loss forecast for full year

*Forecasts as of Jan 26, 2012

Reasons for Revision of Net Income/Loss Forecast

Revised net income/loss to 100B Yen Loss from 15B Yen income

Decided not to pay dividends for FY12/3

● Restructuring Expenses 40B Yen

- Post one-time expenses to streamline resources as special loss in FY12/3

● Revised Deferred Tax Assets 74B Yen

- Recalculation of deferred tax assets due to the newly promulgated laws related to decrease in corporate tax rate (Dec 2, 2011) Around 29B Yen
- Revision downward of financial forecasts for FY12/3
 - Post a valuation allowance for deferred tax assets with a drop in performance Around 45B Yen

*Forecasts as of Jan 26, 2012

Strategic Change of NEC's Management Policies

- Immediate improvement of market environment cannot be expected
- We will shift to conduct efficient business operations to generate constant profit based on current sales level

Execute management reforms
to revive the NEC Group

Focus investment
in the key business areas



II. Management Reforms

Management Reforms

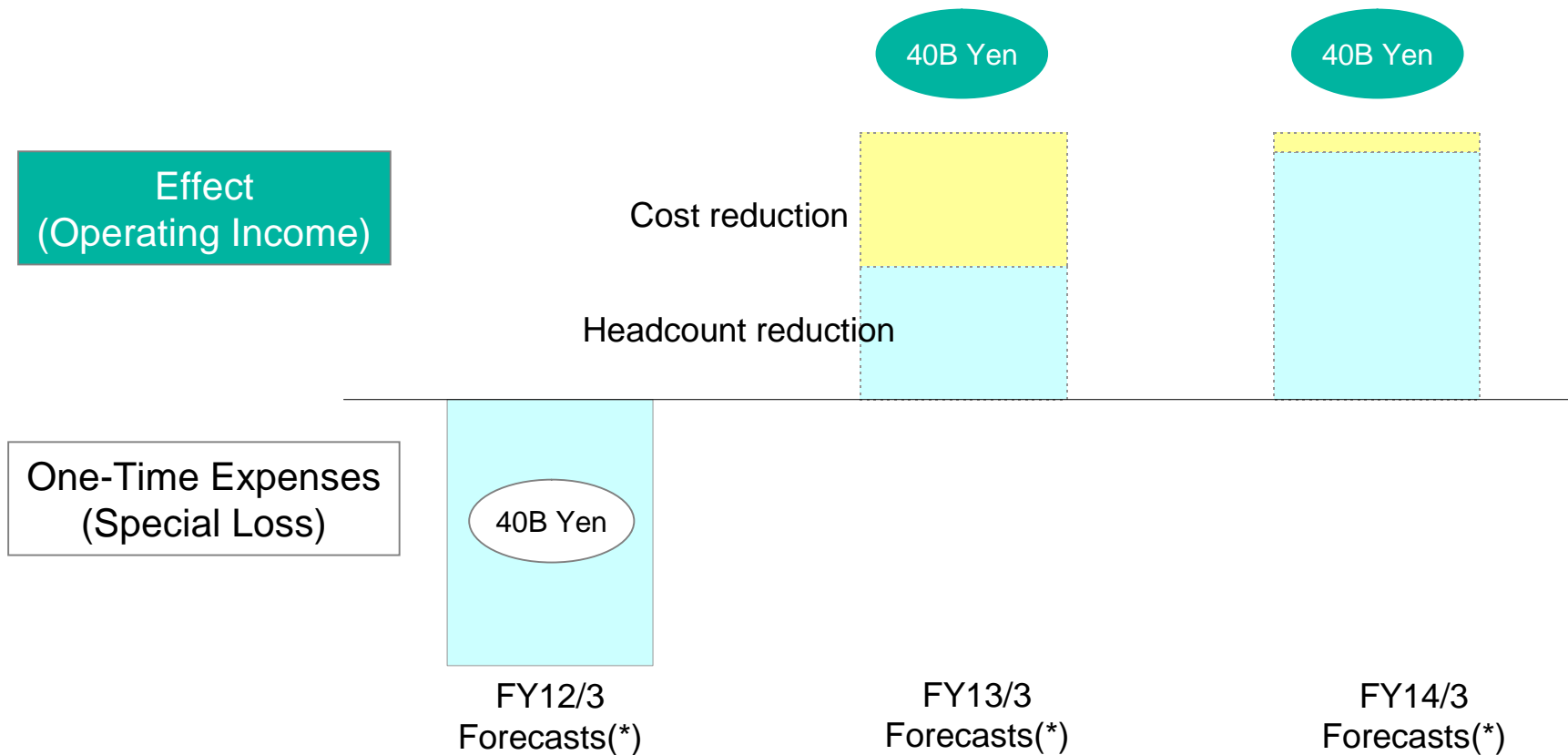
Implementation of restructuring measures and reforms to generate cash flow as a business entity

- Change to business structure with high profitability
 - Restructuring in businesses that require immediate reform
 - 10,000 Headcount reduction
 - Japan:7,000 (incl. external resources)
 - Overseas:3,000 (in accordance with the review of manufacturing operations)
- Reforms to generate cash flow as a business entity
 - Focus on IT Services, Carrier Network and Social Infrastructure leveraging our competitive advantage
 - Establish vertically integrated business structure in energy business

*Forecasts as of Jan 26, 2012

One-Time Expenses and Effect of Management Reforms

Streamline fixed costs to improve profitability for FY13/3 onwards based on current sales level



*Forecasts as of Jan 26, 2012

Restructuring measures

Mobile Terminal Business

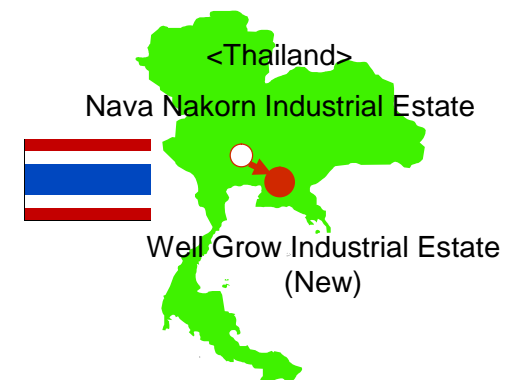
- Drastic structural reform under review
 - Streamline resources for development and manufacturing operations by utilizing offshore JDM (Joint Design Manufacturer)

Platform Business

- Focus on cloud platform business such as “Big Data”
 - Enhance global competitiveness through partnerships
- Streamline hardware development and manufacturing
 - Increase overseas manufacturing

NEC TOKIN

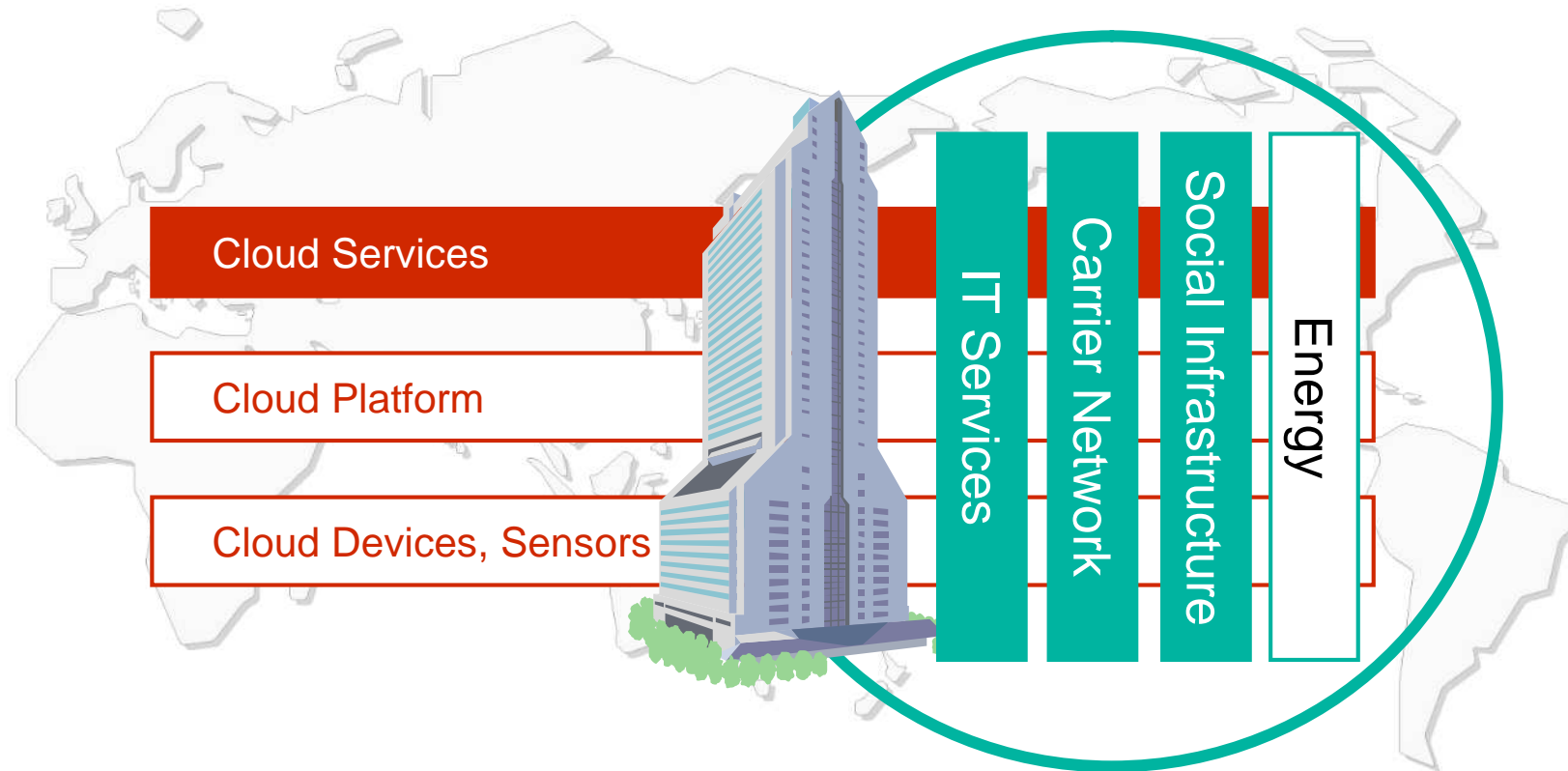
- Restructuring of capacitor business
 - Launch new factory in Thailand due to serious damage on the existing factory
- Strategic partnerships currently under review



Focus on businesses that generate constant cash flow

Focus business operations in 3 key segments and energy business

- Leverage global competitiveness through partnerships for commodity hardware



IT Services Business

Market Environment

- IT investments in Japan :
full-scale recovery from next fiscal year

IT Services Market in Japan
(CY2011-2012) +2.2%

(Billions of yen)

Source: IDC Japan, Japan Vertical Market: IT Spending 2011-2015 Forecast and First-Half 2011 Analysis, Nov 2011, Doc #J12481001

Progress in key areas

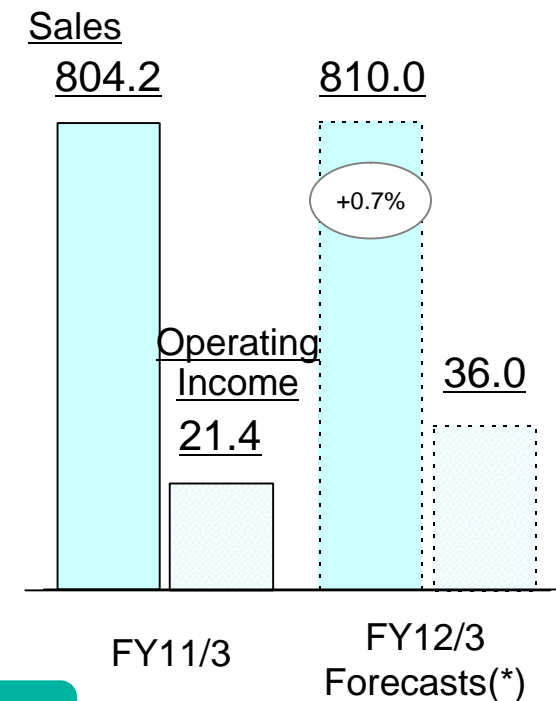
- Accelerate expansion of service business and global business
 - Strengthen private cloud and platform SI business with large investments
 - Server Virtualization, Migration, BC/DR, Thin Client
 - Proactively propose solutions to governments
 - National ID (Japan/emerging countries), Disaster Relief
 - Focus on growing markets (M2M, “Big Data”)
 - Expand sales for Japanese companies in Asia

YoY

Strengthen Our Business

- Reinforce global business through partnerships
- Standardization of development/operation methods
- Reduce loss-making projects

2H, FY12/3 (YoY)
Decrease loss from loss-making projects by half



*Forecasts as of Jan 26, 2012

Carrier Network Business

Market Environment

- Increase in data traffic due to explosive spread of smartphones
- Accelerated changes in telecom carriers' business model

Mobile data traffic in Japan
(Jun - Sep 2011)
+25% (*)

* Monthly Traffic volume by 5 Japanese wireless telecom carriers
(Source: Ministry of Internal Affairs and Communications November 2011)

(Billions of yen)

YoY

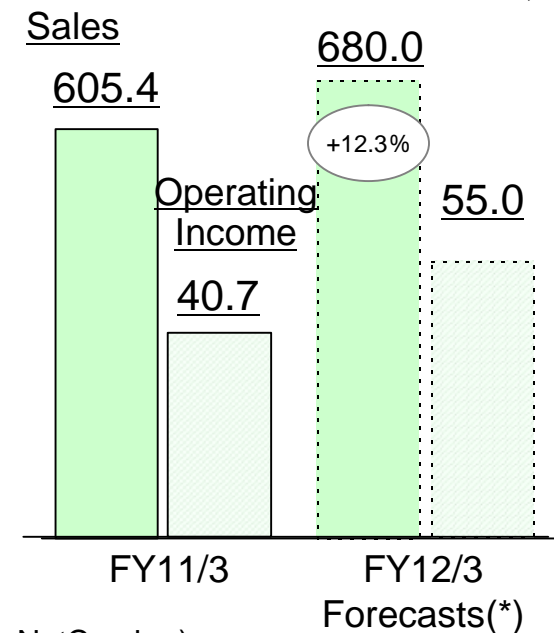
Progress in key areas

- Focus on four key business areas and accelerate expansion of global business
 - Expand LTE business in Japan and overseas
 - Recover market share of mobile backhaul with iPASOLINK and solid execution of submarine cables systems
 - Launch and expand globally new services for M2M, smartphone and others
- Reinforce network infrastructures support cloud society (OpenFlow, Traffic Control)

Sales forecast for FY12/3 (YoY)
Wireless in Japan + less than 20%

Sales forecast for FY12/3 (YoY)
Fixed Line Overseas +40%
Wireless Overseas +25%

*Forecasts as of Jan 26, 2012



Strengthen Our Business

- Reinforce global business structure (Global Carrier Cloud, utilizing NetCracker)
- Promote US dollar-based cost structure (overseas procurement, on-site production, off-shore development)

Social Infrastructure Business

(Billions of yen)

Market Environment

Order forecast for FY12/3 (YoY) +15%

- Special demand for investment cycle and institutional reform in social infrastructure market in Japan
- Disaster Relief (Great East Japan Earthquake), Diversification of government procurement scheme

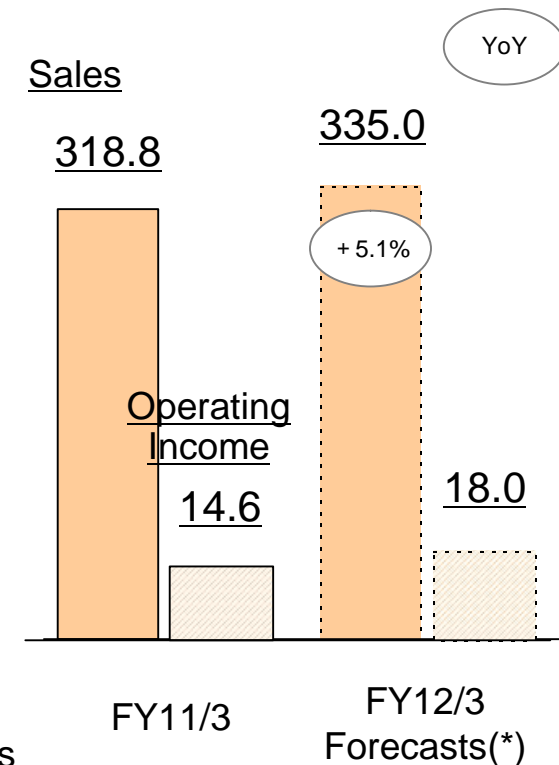
Cumulative sales for digital terrestrial business in Argentina more than 100 million US\$

Progress in key areas

- Establish stable business structure
 - Digital terrestrial broadcasting projects in Japan and overseas
 - 2nd generation of ETC, Special demand for fire and disaster prevention systems and the digitization of wireless communications networks
- Expand new and global business utilizing our assets
 - Security and safety businesses, In-vehicle systems

Strengthen Our Business

- Expand Smart infrastructure business
 - Reinforce business by shifting resource from other segments



*Forecasts as of Jan 26, 2012

Energy Business

Market Environment

- Increasing Smart city projects around the world
- Gaining momentum for efficient energy use

Progress in key areas

Sales forecast for FY12/3 (YoY)
Double

- Expand lithium ion rechargeable battery business for automotives
 - Differentiate with overwhelming volume efficiency and product performance
- Accelerate new business such as energy storage system
 - Reinforce business structure to prepare for mass production of household energy storage system
 - Accelerate entry into energy storage business for grid through field trials



One of the world's largest Electrode factory
(Worth about 25% of the LIB global market @ production capacity in 2012)

Household Energy Storage System
Planning to start shipment on spring 2012
(Target Price : around ¥1,000,000)

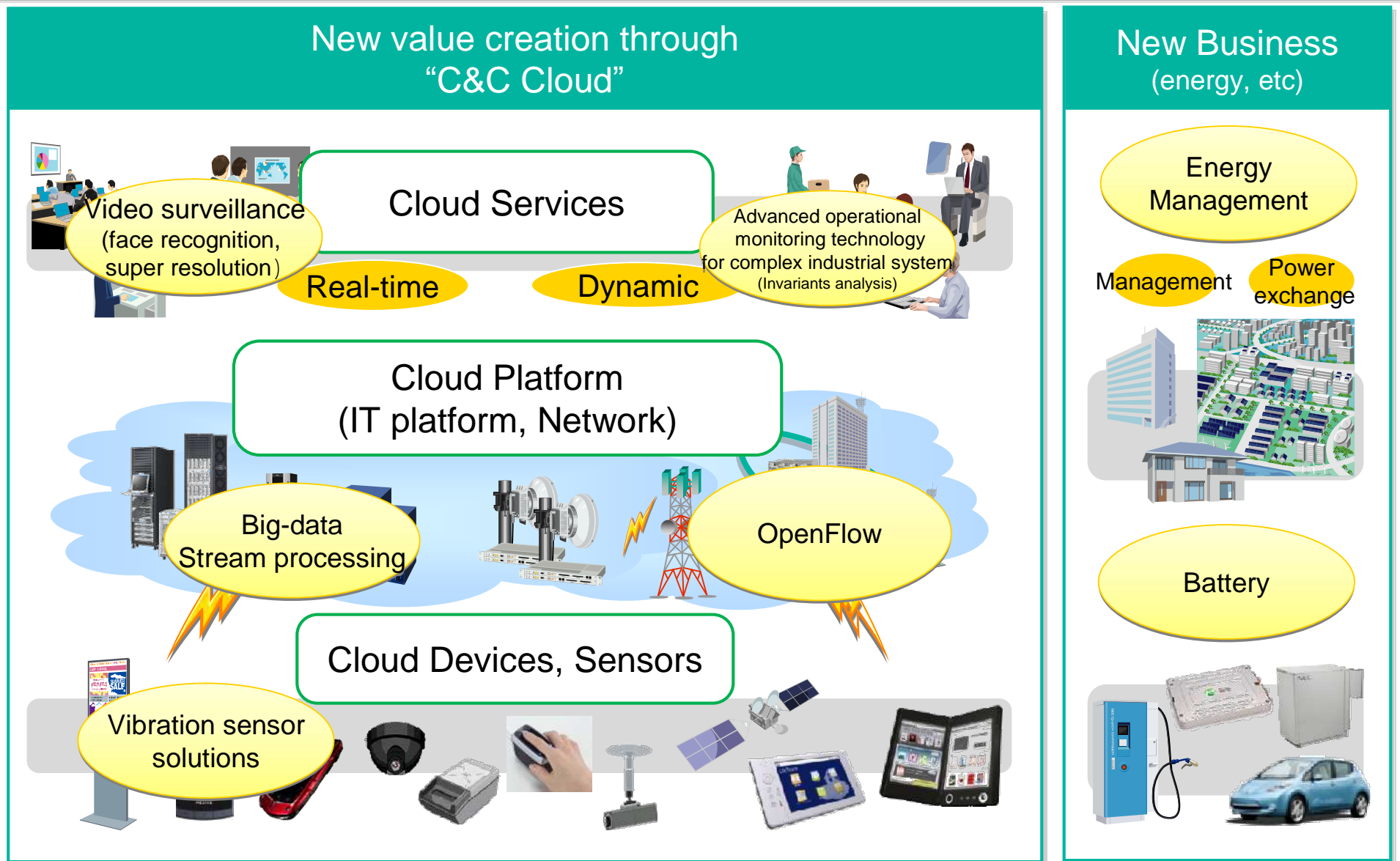
Strengthen Our Business

- Enhance business structure for energy business
 - Bring together various assets for energy business (xEMS, power storage and others) to optimize investment and resources



*Forecasts as of Jan 26, 2012

Leverage NEC's power of innovation in growth markets



Summary

- Immediate improvement of market environment cannot be expected
- We will shift to conduct efficient business operations to generate constant profit based on current sales level

Execute management reforms
to revive the NEC Group

Focus investment
in the key business areas



Implementation of restructuring measures
and reform to generate cash flow as a business entity

Empowered by Innovation

NEC

Financial Results for Q3

Summary of Financial Results for Q3

- Operating Loss improved year on year
- Net Loss worsened due to revision of the deferred tax assets

(Billions of Yen)

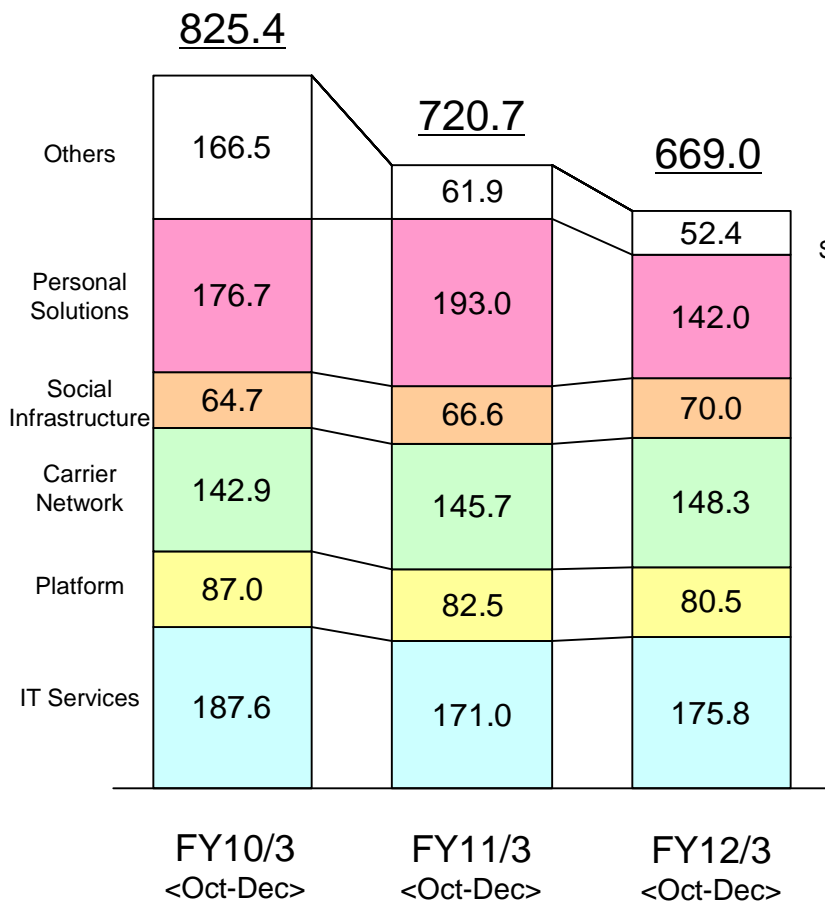
	Q3(October to December)			9 Months(April to December)		
	FY11/3 Actual	FY12/3 Actual	YoY	FY11/3 Actual	FY12/3 Actual	YoY
Net Sales	720.7	669.0	-7.2%	2,189.9	2,112.2	-3.5%
Operating Loss	- 13.5	- 8.2	5.3	- 12.4	- 1.4	11.0
Ordinary Loss	- 27.0	- 11.6	15.4	- 49.2	- 22.0	27.2
Net Loss	- 26.5	- 86.5	- 60.0	- 53.6	- 97.5	- 43.9
FCF	- 91.7	- 73.9	17.8	- 194.5	- 64.7	129.8

(Ref): Average exchange rate for Q3(Oct-Dec) of FY12/3 1\$= ¥77.07, 1€= ¥105.48
 Average exchange rate for 9 months total of FY12/3 1\$= ¥79.45, 1€= ¥111.96
 (Assumed exchange rate for Q3 of FY12/3 1\$=¥75, 1€=¥105)

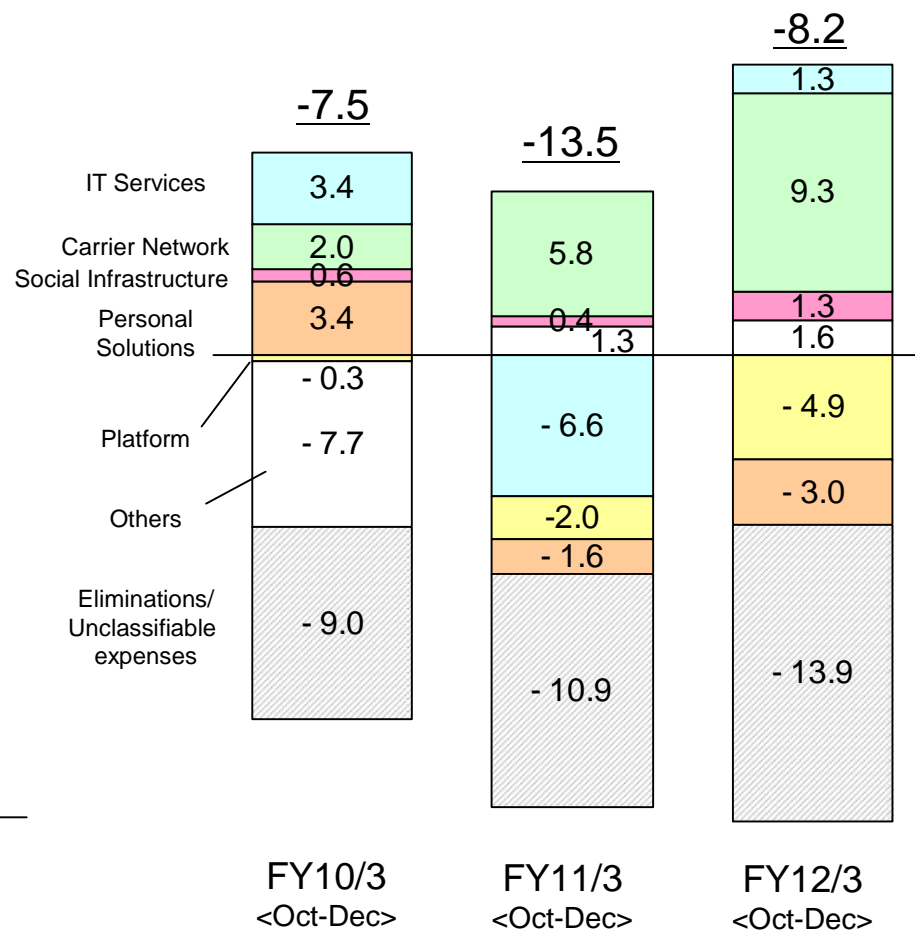
Results for Q3 by Segment

(Billions of yen)

Net Sales



Operating Income/Loss






Results for Q3 by Segment

(Billions of Yen)

		Q3(October to December)			9 Months(April to December)		
		FY11/3 Actual	FY12/3 Actual	YoY	FY11/3 Actual	FY12/3 Actual	YoY
IT Services	Net Sales	171.0	175.8	2.8%	542.0	538.5	- 0.6%
	Operating Income/Loss	- 6.6	1.3	7.9	- 3.1	4.3	7.4
	% to Net Sales	-	0.8%		-	0.8%	
Platform	Net Sales	82.5	80.5	- 2.5%	259.3	254.4	- 1.9%
	Operating Loss	- 2.0	- 4.9	- 2.9	- 3.5	- 7.1	- 3.6
	% to Net Sales	-	-		-	-	
Carrier Network	Net Sales	145.7	148.3	1.8%	416.7	442.5	6.2%
	Operating Income	5.8	9.3	3.5	12.8	24.6	11.8
	% to Net Sales	4.0%	6.3%		3.1%	5.6%	
Social Infrastructure	Net Sales	66.6	70.0	5.1%	204.5	210.3	2.8%
	Operating Income	0.4	1.3	0.9	4.5	7.4	3.0
	% to Net Sales	0.7%	1.9%		2.2%	3.5%	
Personal Solutions	Net Sales	193.0	142.0	- 26.4%	585.1	496.3	- 15.2%
	Operating Income/Loss	- 1.6	- 3.0	- 1.3	1.3	0.5	- 0.8
	% to Net Sales	-	-		0.2%	0.1%	
Others	Net Sales	61.9	52.4	- 15.3%	182.4	170.2	- 6.7%
	Operating Income	1.3	1.6	0.2	4.3	5.1	0.7
	% to Net Sales	2.1%	3.0%		2.4%	3.0%	
Eliminations/ Unclassifiable expenses	Operating Loss	- 10.9	- 13.9	- 3.0	- 28.7	- 36.2	- 7.5
Total	Net Sales	720.7	669.0	- 7.2%	2,189.9	2,112.2	- 3.5%
	Operating Loss	- 13.5	- 8.2	5.3	- 12.4	- 1.4	11.0
	% to Net Sales	-	-		-	-	

Key Points of Q3, FY12/3 Results by Segment (Year on Year)

IT Services	<ul style="list-style-type: none"> ● Increase in local government, medical, manufacturing and telecom sectors ● Improvement by sales increase, cost reduction and controlling loss-making projects
Platform	<ul style="list-style-type: none"> ● <u>Decline due to an impact of flood in Thailand mainly in hardware business</u> ● <u>Decrease due to a drop in sales and increase in cost caused by flood in Thailand</u> 
Carrier Network	<ul style="list-style-type: none"> ● Increase in WBA, submarine cable systems, MBH and services & management ● Higher profits from sales increase
Social Infrastructure	<ul style="list-style-type: none"> ● Increase in social systems such as broadcasting, fire and disaster prevention ● Improvement due to sales increase in social systems and cost reductions
Personal Solutions	<ul style="list-style-type: none"> ● Decrease due to deconsolidation of consumer PCs and <u>decrease in mobile terminal business</u> ● <u>Decrease due to sales decrease in display business</u> 
Others	<ul style="list-style-type: none"> ● Decrease due to deconsolidation of LCD module business and <u>impact of flood in Thailand in electronic component business</u> ● Improvement by promotion of cost efficiency while sales decrease 

WBA: Wireless Broadband Access (LTE, Femtocell etc)
MBH: Mobile Backhaul

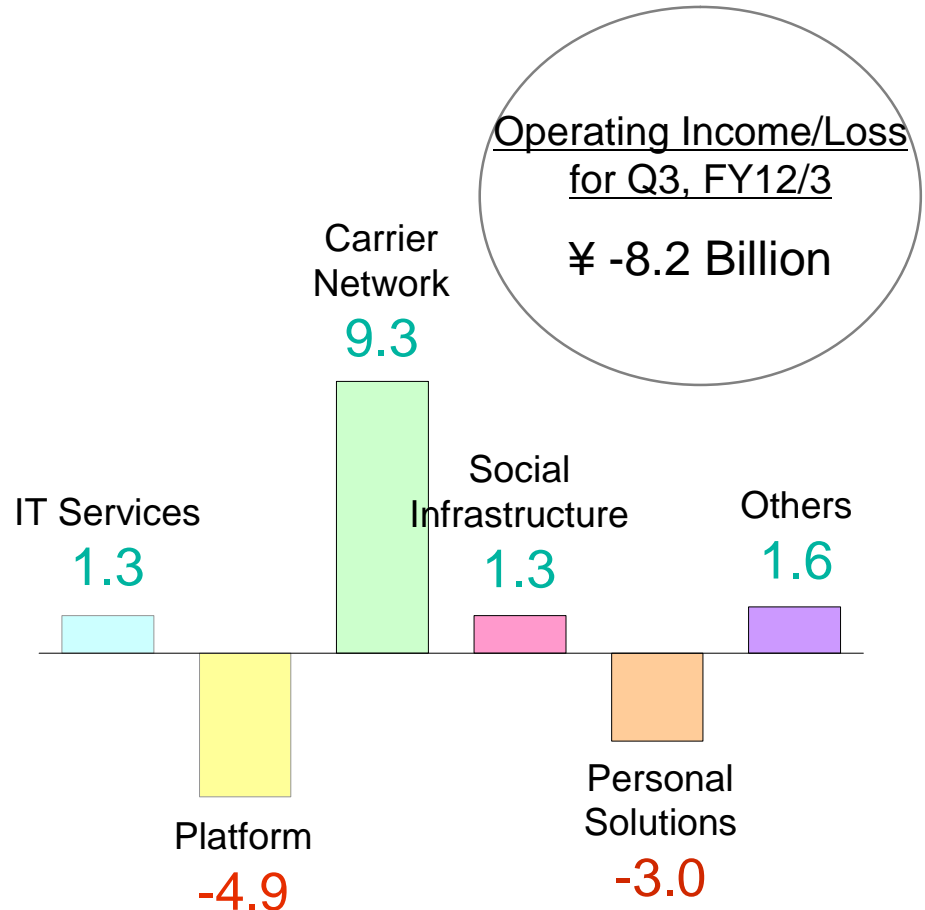
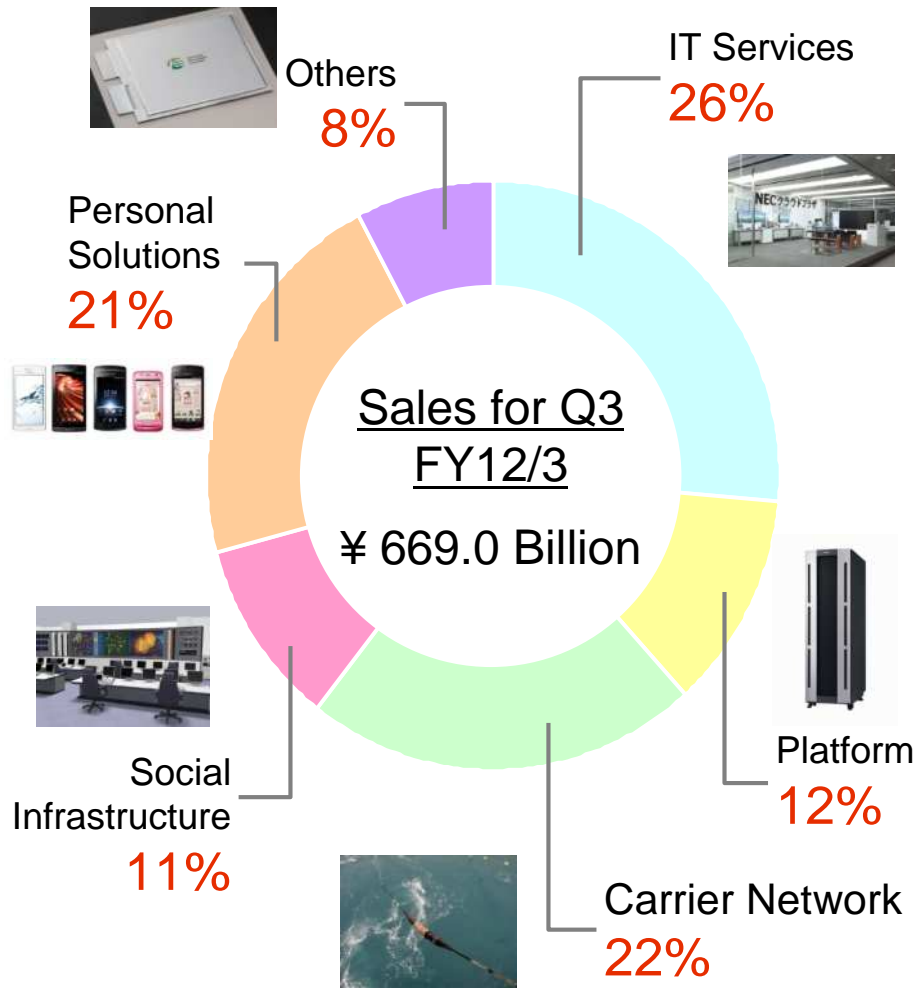
Note: First bullets refer to changes in sales, second bullets refer to changes in operating income/loss

Summary of Financial Results for Q3 by Segment

Net Sales

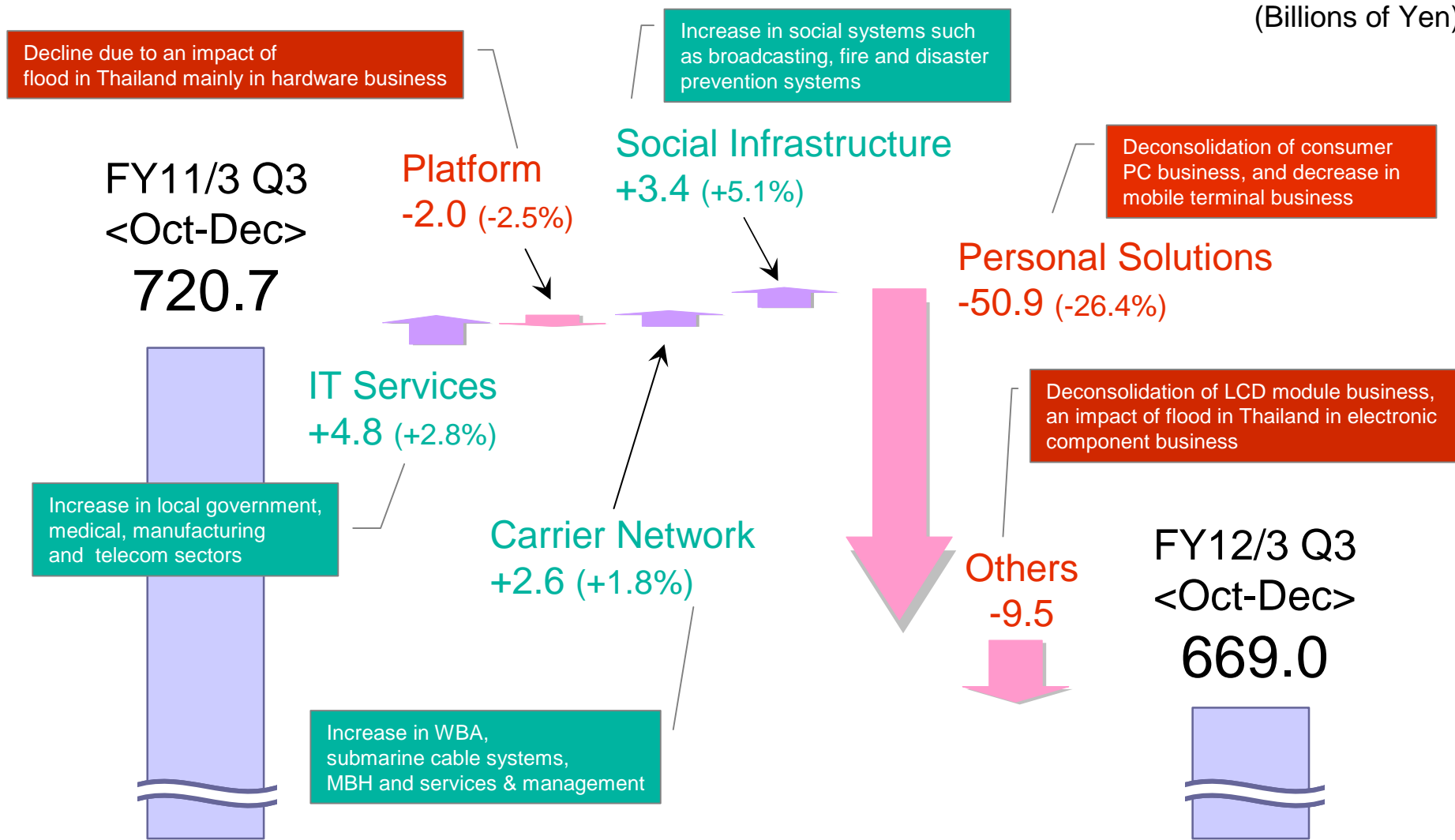
Operating Income/Loss

(Billions of Yen)



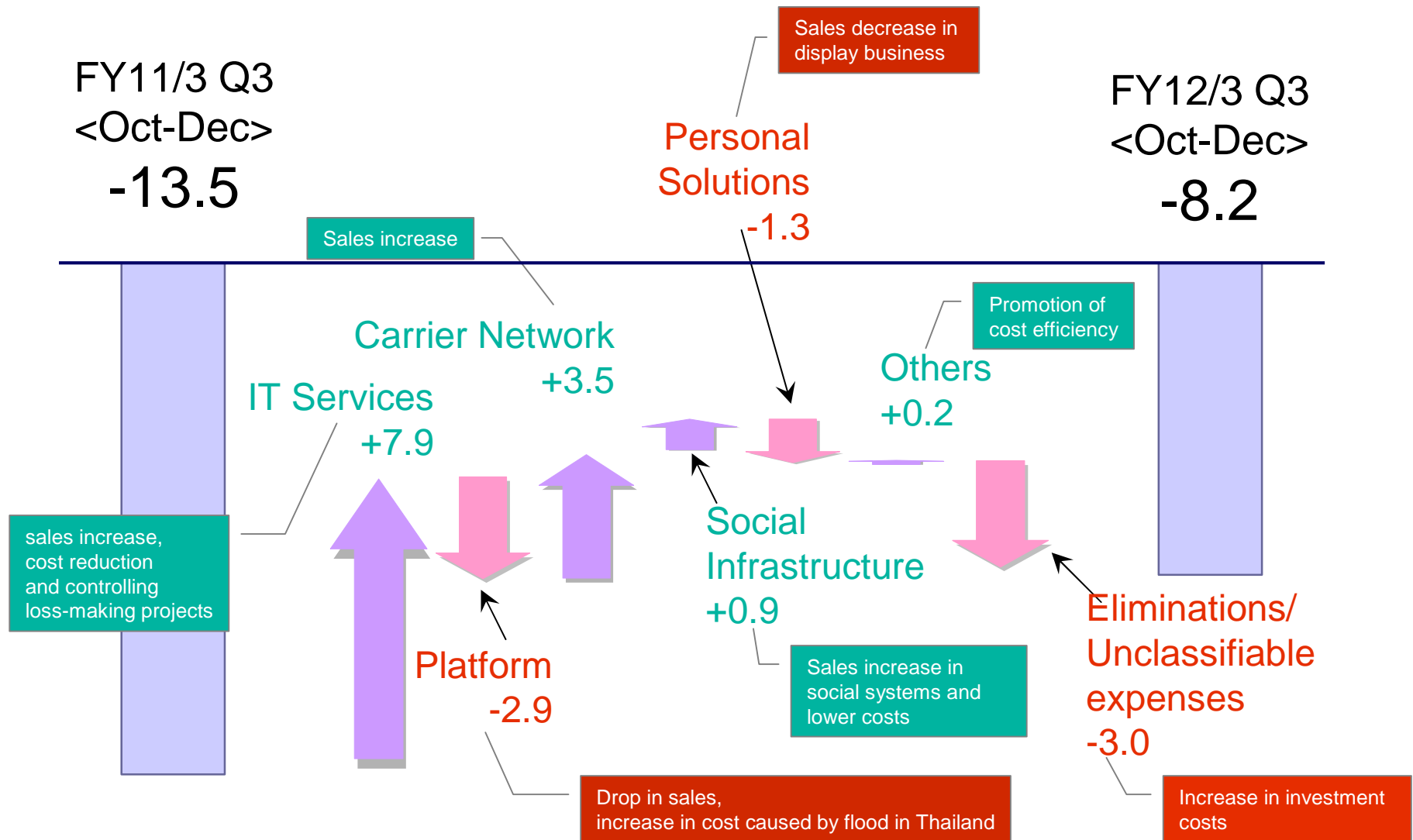
Sales Change (Oct-Dec/Year on Year)

(Billions of Yen)



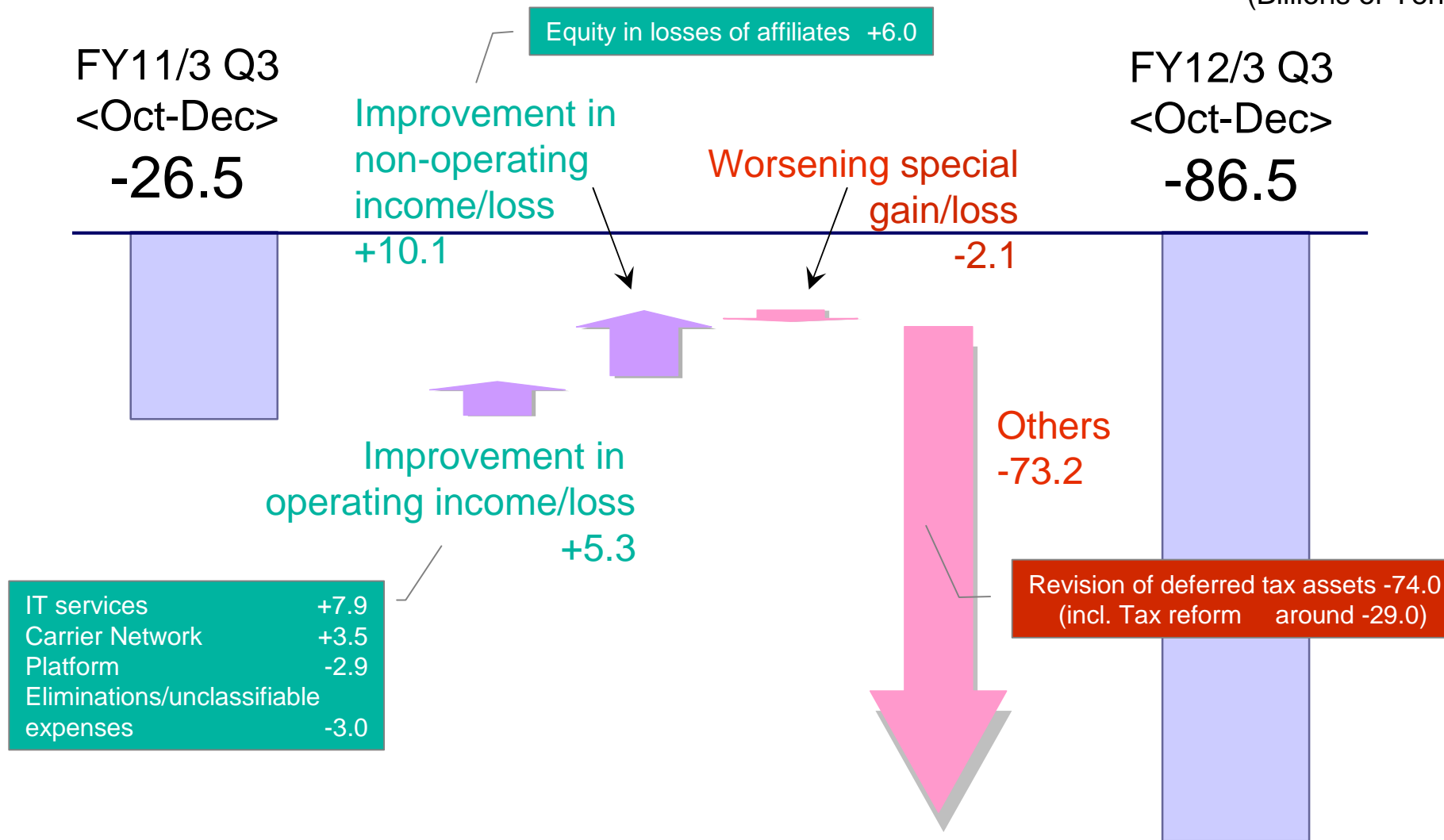
Operating Income/Loss Change (Oct-Dec/Year on Year)

(Billions of Yen)



Net Income/Loss Change (Oct-Dec/Year on Year)

(Billions of Yen)

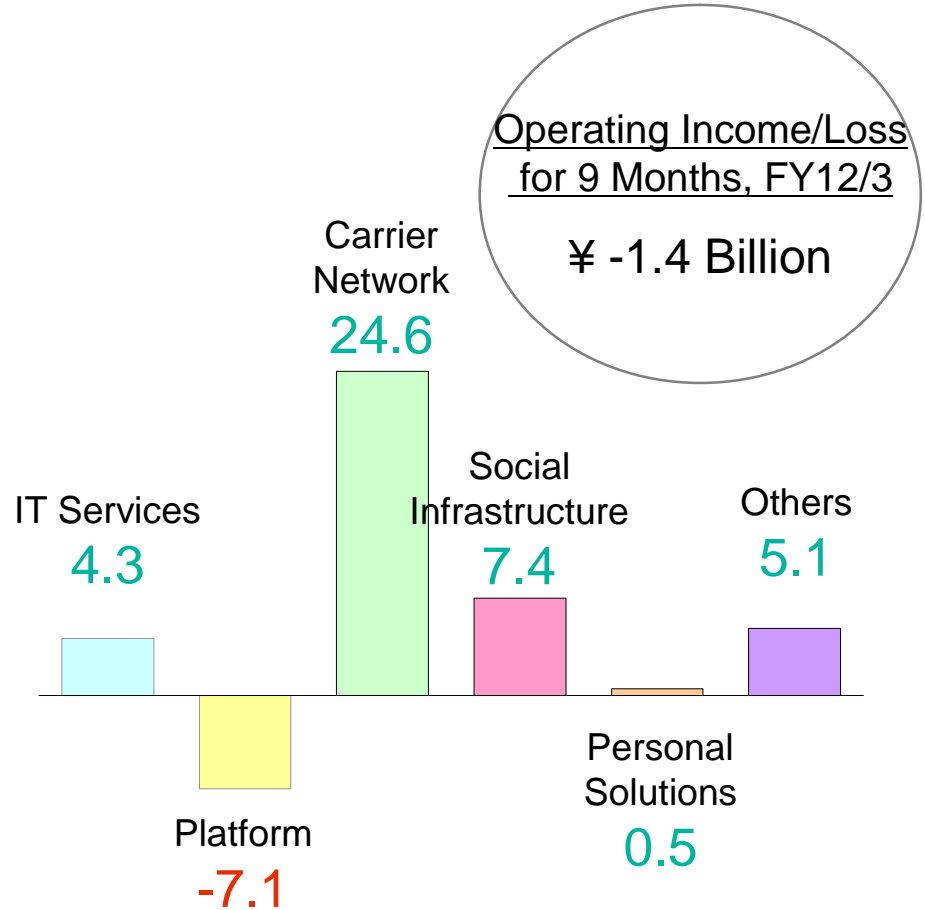


Summary of Financial Results for 9 Months by Segment




Net Sales

Operating Income/Loss

(Billions of Yen)



Key Points of 9 months, FY12/3 Results by Segment (Year on Year)

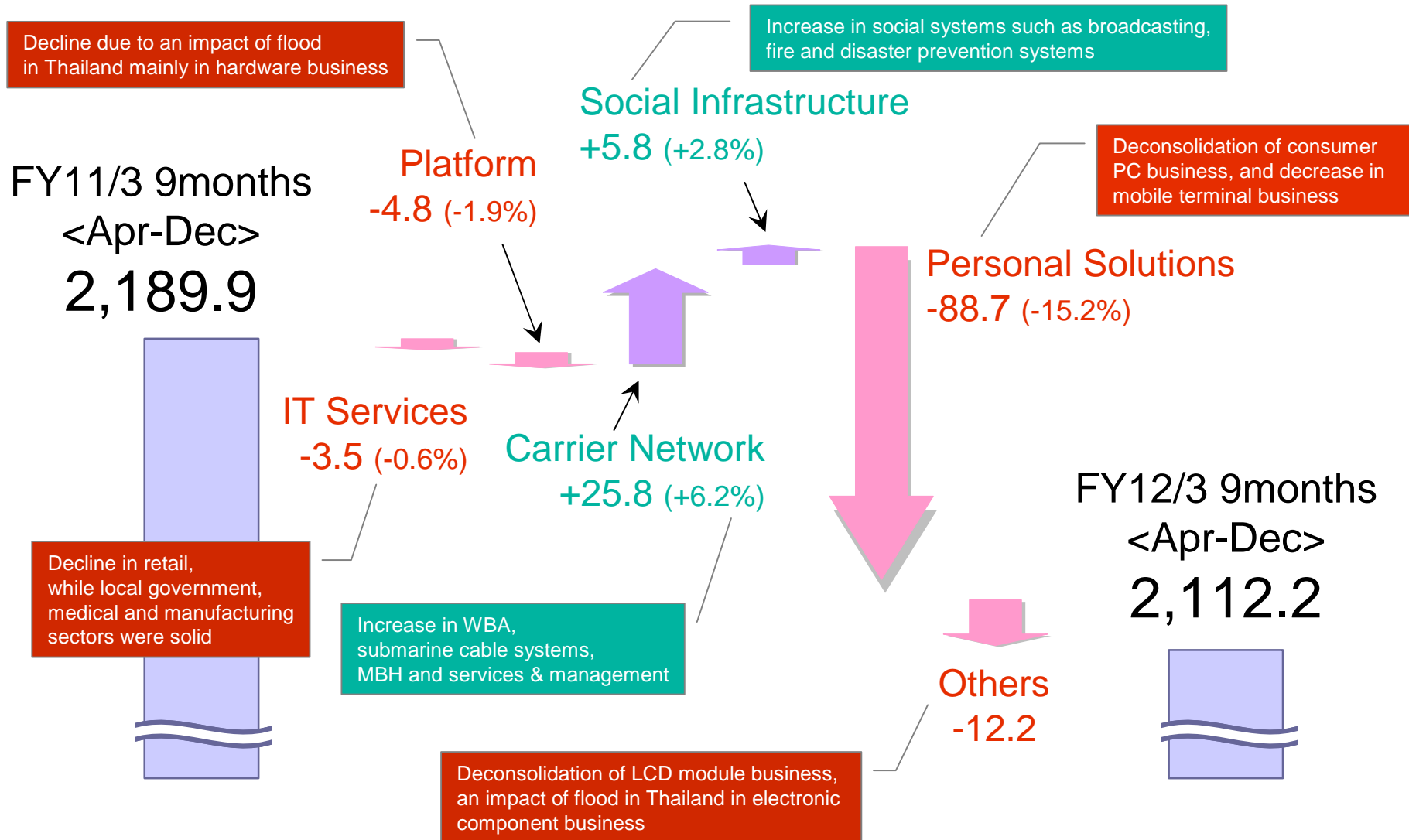
IT Services	<ul style="list-style-type: none"> ● Slight Decrease due to decline in retail, while local government, medical and manufacturing sectors were solid ● Improvement by cost reduction and controlling loss-making projects
Platform	<ul style="list-style-type: none"> ● <u>Decline due to an impact of flood in Thailand mainly in hardware business</u> ● <u>Decrease due to a drop in sales and increase in cost caused by flood in Thailand</u> 
Carrier Network	<ul style="list-style-type: none"> ● Increase in WBA, submarine cable systems, MBH and services & management ● Higher profits from sales increase
Social Infrastructure	<ul style="list-style-type: none"> ● Increase in social systems such as broadcasting, fire and disaster prevention ● Improvement due to sales increase in social systems and cost reductions
Personal Solutions	<ul style="list-style-type: none"> ● Decrease due to deconsolidation of consumer PCs and <u>decrease in mobile terminal business</u> ● <u>Decrease due to sales decrease in display business</u> 
Others	<ul style="list-style-type: none"> ● Decrease due to deconsolidation of LCD module business and <u>impact of flood in Thailand in electronic component business</u> ● Improvement by promotion of cost efficiency while sales decrease 

WBA: Wireless Broadband Access (LTE, Femtocell etc)
MBH: Mobile Backhaul

Note: First bullets refer to changes in sales, second bullets refer to changes in operating income/loss

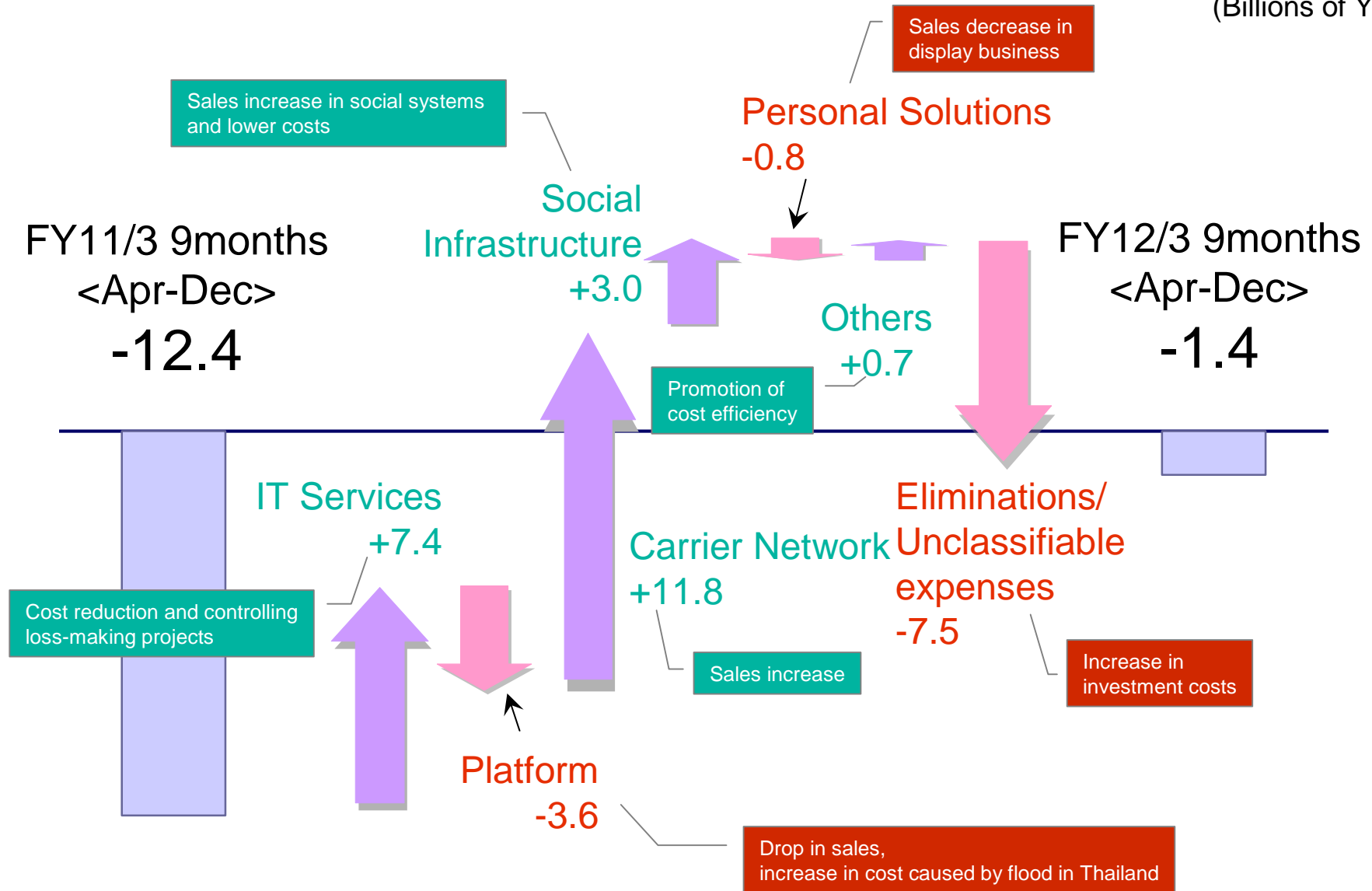
Sales Change (Apr-Dec/Year on Year)

(Billions of Yen)



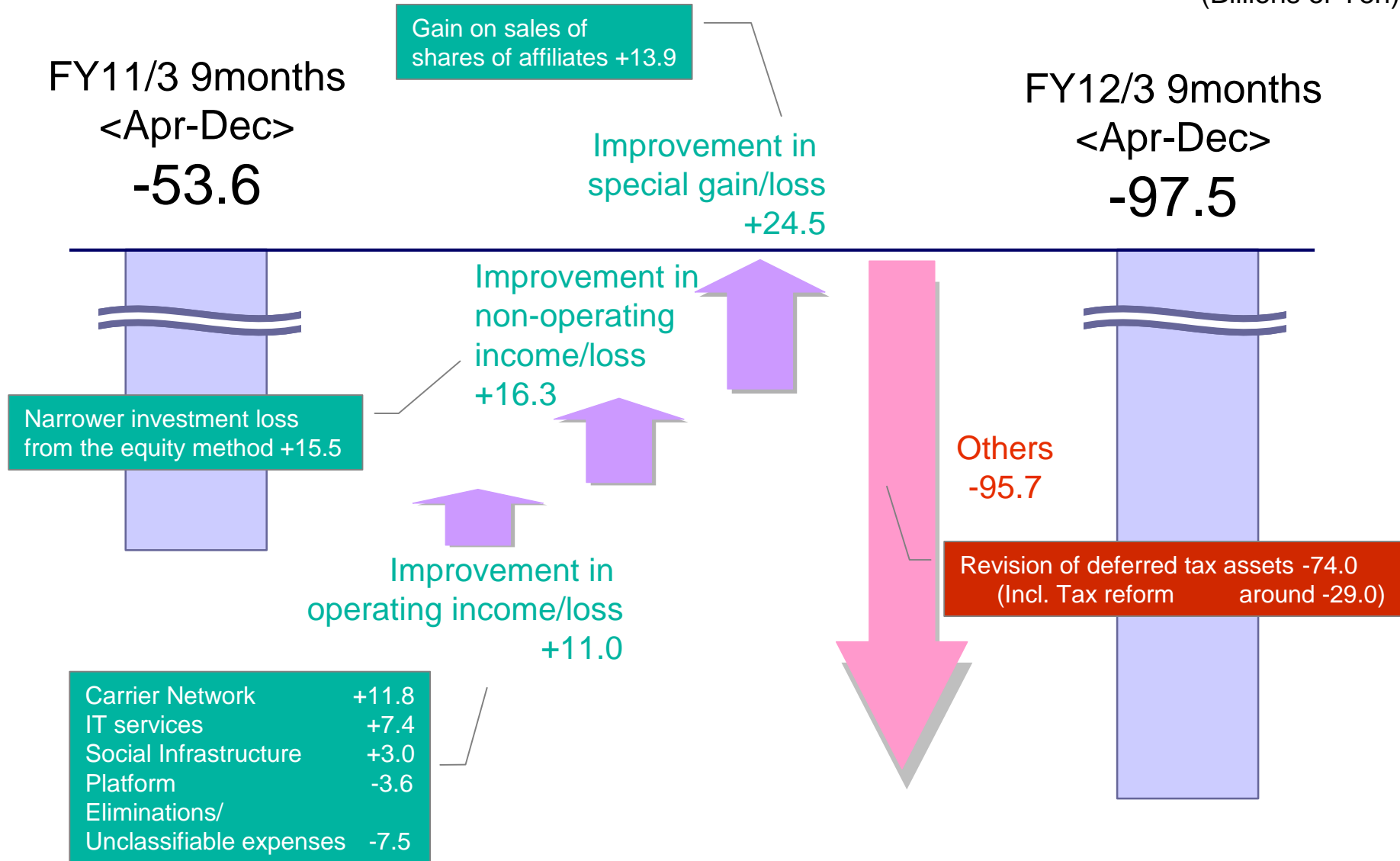
Operating Income/Loss Change (Apr-Dec/Year on Year)

(Billions of Yen)



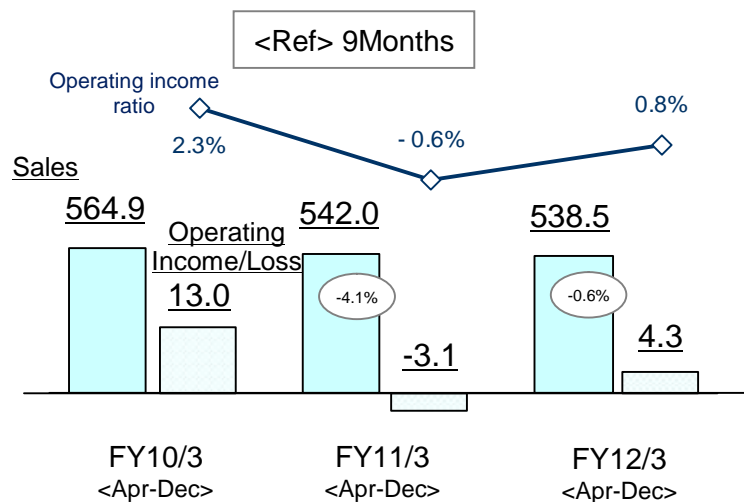
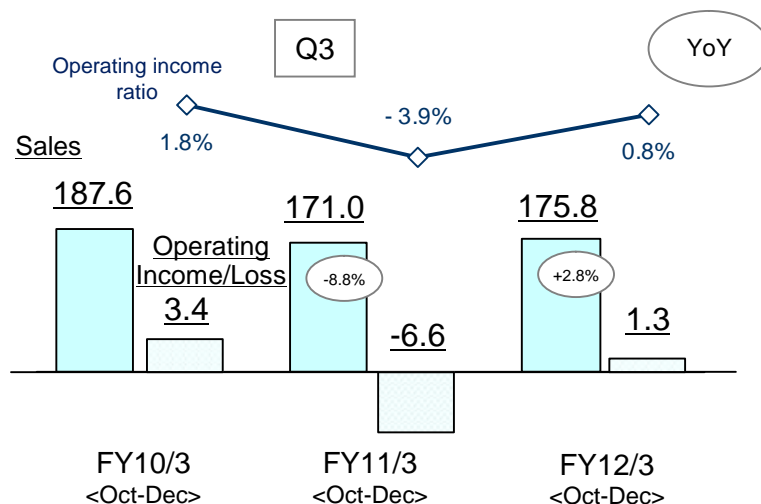
Net Income/Loss Change (Apr-Dec/Year on Year)

(Billions of Yen)



IT Services Business

(Billions of Yen)



Billions of Yen (YoY)

Sales 175.8 (+2.8%)

- △ Increase in local government, medical, manufacturing and telecom sectors
- △ Solid demand for involving law amendments and introducing electronic health record systems in medical services

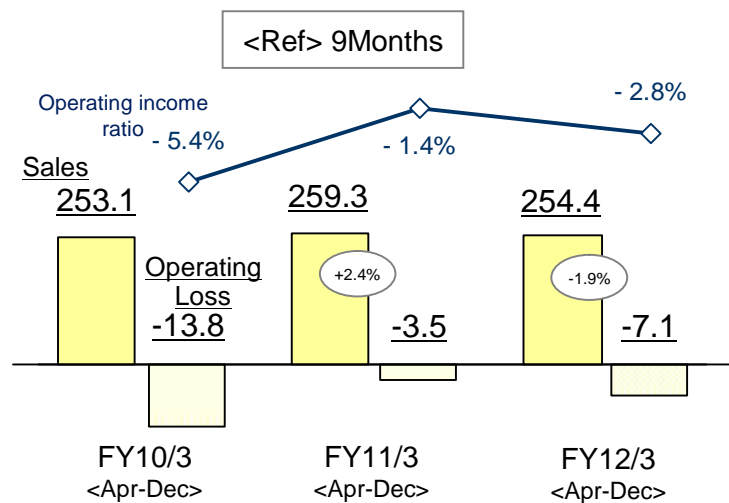
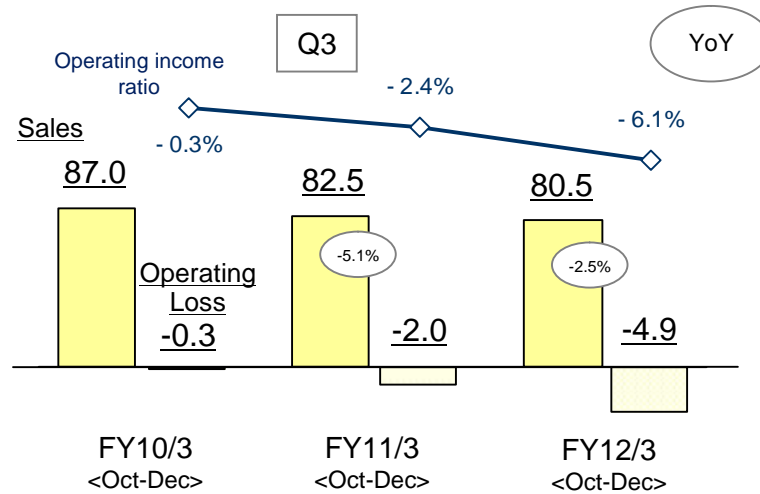
Operating Income 1.3 (+7.9%)

- △ Secured operating income, Increase due to sales expansion, cost reduction and control loss-making projects



Platform Business

(Billions of Yen)



Billions of Yen (YoY)

Sales 80.5 (-2.5%)

△ Software :
Increase in operation management software such as virtualization, cloud computing platform

▽ Hardware :
Decline due to an impact of flood in Thailand

△ Enterprise Network :
Increase slightly due to the large-scale projects in spite of negative impact of flood in Thailand

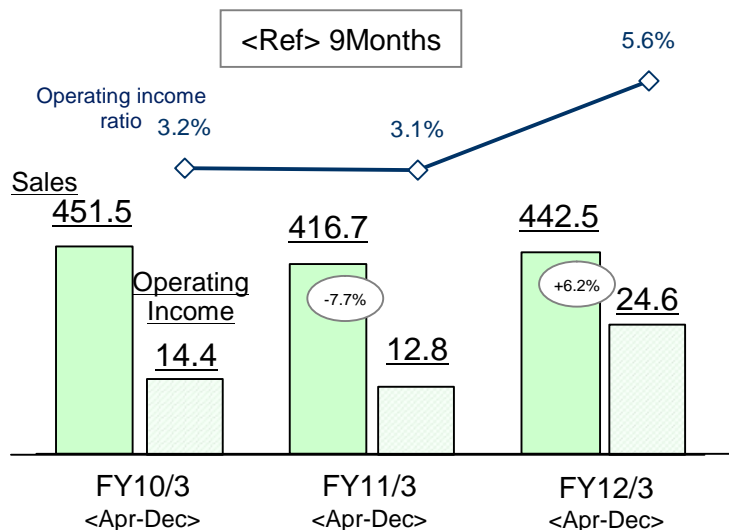
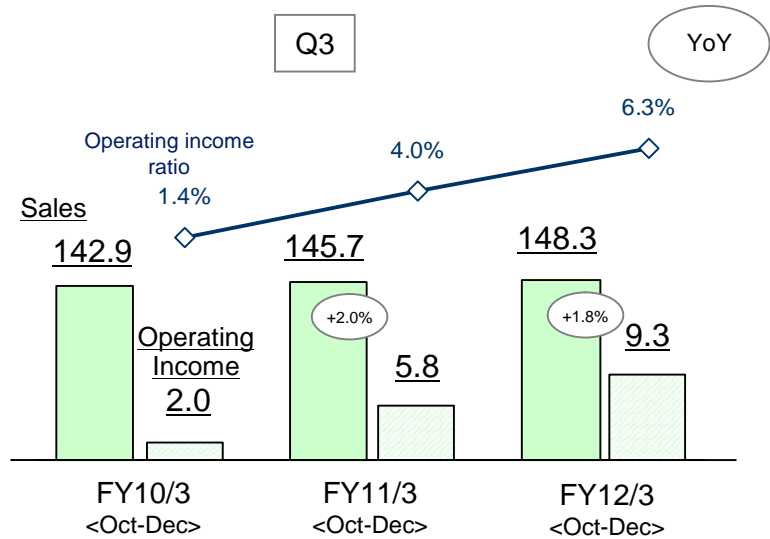
Operating Loss -4.9 (-2.9)

▽ Decrease due to a drop in sales and increase in cost caused by flood in Thailand



Carrier Network Business

(Billions of Yen)



Billions of Yen (YoY)

Sales 148.3 (+1.8%)

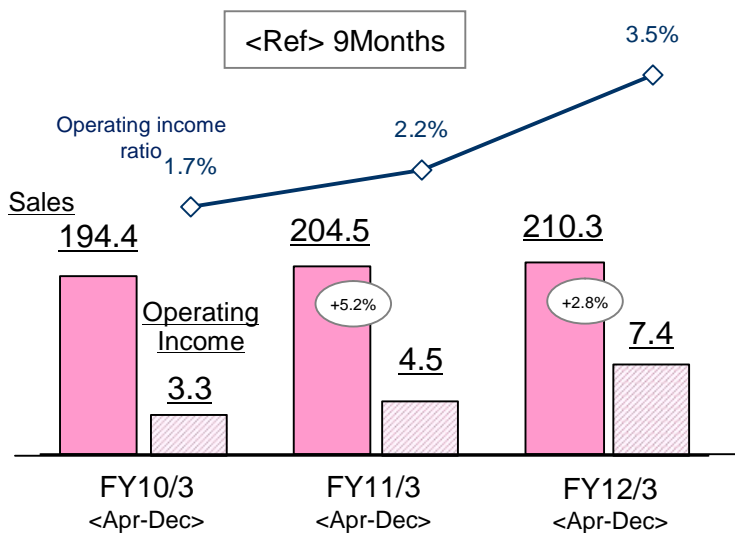
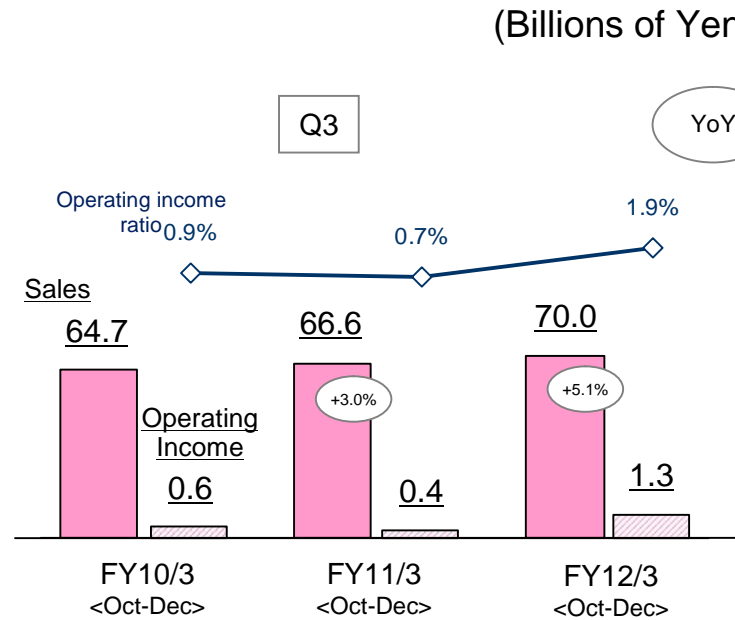
- △ Solid Wireless business in Japan due to increase in demand from data traffic hikes
- △ Overseas: Increase due to solid execution of submarine cable systems and increase in mobile backhaul (PASOLINK)

Operating Income 9.3 (+3.5)

- △ Higher profits from solid sales in Wireless business in Japan and increase in submarine cable systems and mobile backhaul



Social Infrastructure Business



Sales 70.0 (+5.1%)

△ Increase in social systems such as broadcasting, fire and disaster prevention, despite decrease in aerospace and defense systems

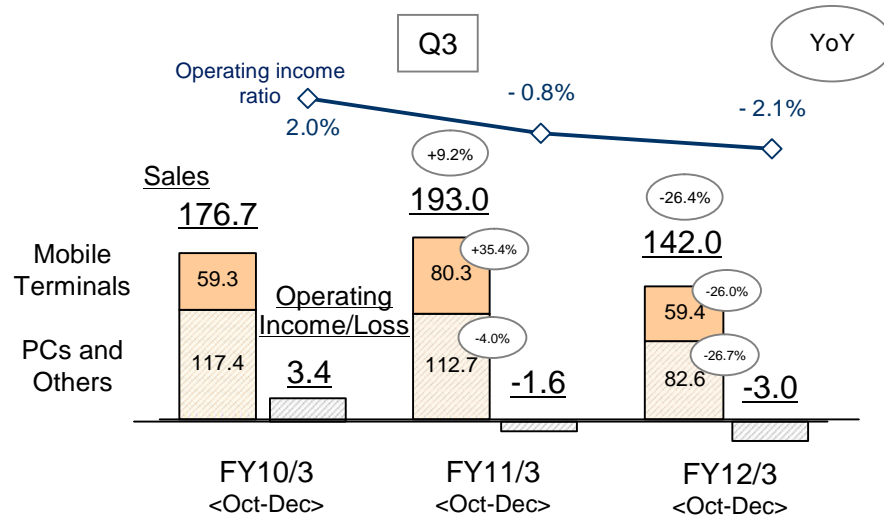
Operating Income 1.3 (+0.9)

△ Improved profits due to sales increase in social systems and enhancement of cost reductions



Personal Solutions Business

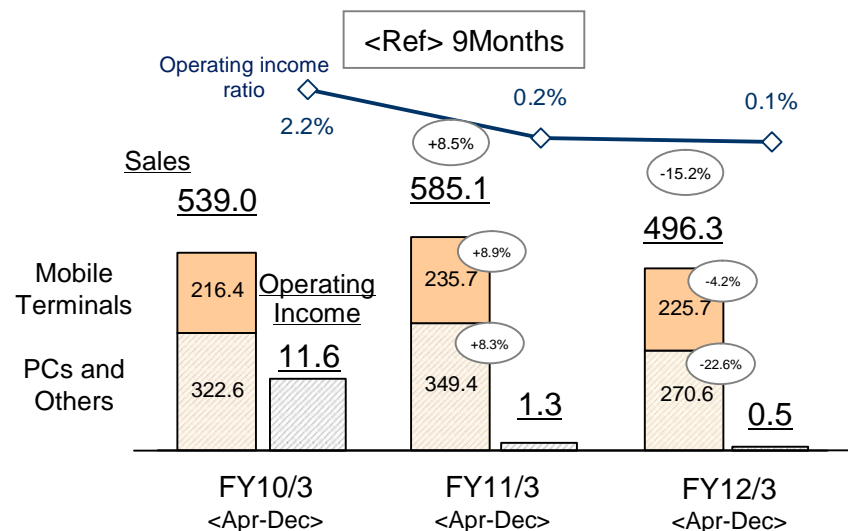
(Billions of Yen)



Billions of Yen (YoY)

Sales 142.0 (-26.4%)

- ▽ Mobile Terminals :
Decrease due to decrease in mobile terminal shipment and price decline
- ▽ PCs and Others :
Decrease due to the deconsolidation of consumer PCs



Operating Loss -3.0 (-1.3)

- ▽ Decrease due to decrease in display business and increase in development costs of new devices



Overseas sales

(Billions of Yen)

		Q3(October to December)			9 Months(April to December)			Major countries and regions
		FY11/3 Actual	FY12/3 Actual	YoY	FY11/3 Actual	FY12/3 Actual	YoY	
Asia	Net Sales	36.4	33.0	- 9.4%	119.5	112.7	- 5.7%	China,Chinese Taipei,India, Singapore and Indonesia
	To consolidated total sales (%)	5.0%	4.9%		5.5%	5.3%		
Europe	Net Sales	29.7	26.8	- 9.6%	80.1	82.6	3.1%	UK,France,Netherlands, Germany,Italy and Spain
	To consolidated total sales (%)	4.1%	4.0%		3.7%	3.9%		
Others	Net Sales	51.5	49.1	- 4.6%	160.9	167.5	4.1%	U.S.A
	To consolidated total sales (%)	7.1%	7.3%		7.3%	7.9%		
Total	Net Sales	117.5	108.9	- 7.4%	360.6	362.8	0.6%	
	To consolidated total sales (%)	16.3%	16.3%		16.5%	17.2%		

* Sales, based on customer locations, are classified by country or region

Financial Position Data

(Billions of Yen)

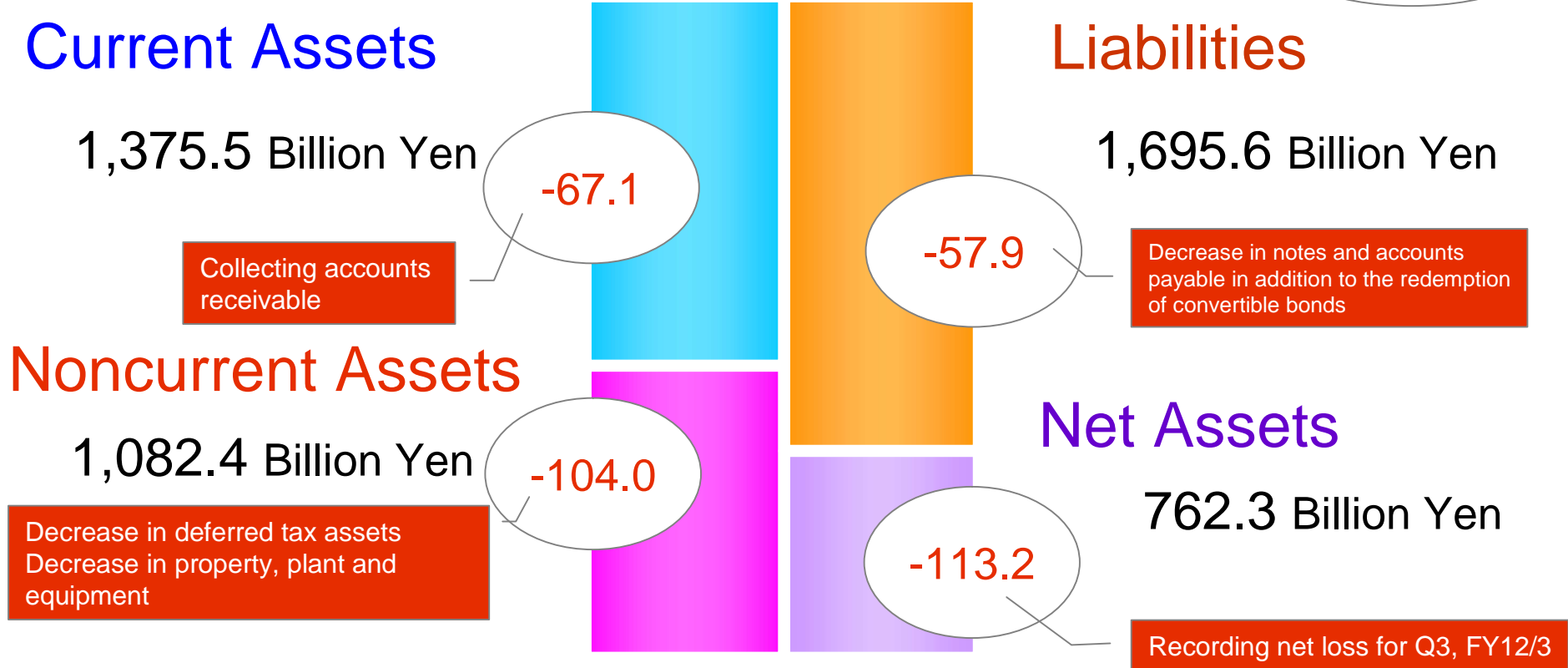
	End of Mar 2011	End of Dec 2011	Difference from Mar 2011	End of Dec 2010
Total Assets	2,628.9	2,457.9	- 171.1	2,613.3
Net Assets	875.4	762.3	- 113.2	827.5
Interest-bearing debt	675.8	734.9	59.1	726.8
Shareholder's Equity	757.1	647.1	- 110.0	709.8
Equity ratio(%)	28.8%	26.3%	- 2.5pt	27.2%
D/E ratio	0.89	1.14	- 0.25pt	1.02
Net D/E ratio	0.62	0.84	- 0.22pt	0.78
Balance of cash and cash equivalents	203.9	192.7	- 11.2	171.6

<Ref.> Balance Sheets (At the end of Dec, 2011)

<Compared to end of Mar, 2011>

Total Assets 2,457.9 Billion Yen (-171.1 Billion yen)

Compared to end of Mar, 2011



Financial Forecasts for FY12/3

Summary of Financial Forecasts for FY12/3

Revised downward of financial forecasts for FY12/3 due to the impact of flood in Thailand, change of shipment forecast in mobile terminal, revision of deferred tax assets and management reforms (Billions of Yen)

	Q4(January to March)			Full Year			Difference from Oct 27
	FY11/3 Actual	FY12/3 Forecasts	YoY	FY11/3 Actual	FY12/3 Forecasts	YoY	
Net Sales	925.5	987.8	6.7%	3,115.4	3,100.0	- 0.5%	- 150.0
Operating Income	70.2	71.4	1.2	57.8	70.0	12.2	- 20.0
% to Net Sales	7.6%	7.2%		1.9%	2.3%		
Ordinary Income	49.3	57.0	7.7	0.0	35.0	35.0	- 20.0
% to Net Sales	5.3%	5.8%		0.0%	1.1%		
Net Income/Loss	41.1	- 2.5	- 43.5	- 12.5	- 100.0	- 87.5	- 115.0
% to Net Sales	4.4%	-		-	-		
FCF	81.9	64.7	- 17.2	- 112.6	0.0	112.6	0.0

Ref: Assumed exchange rates for Q4, FY12/3 1\$=¥75, 1€=¥100

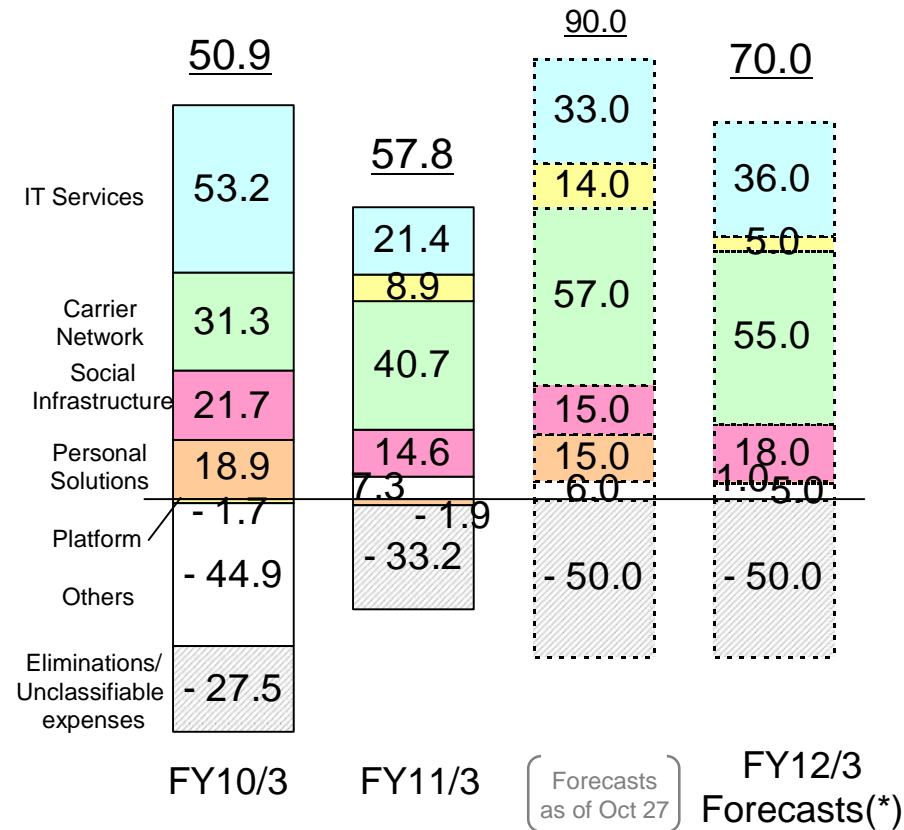
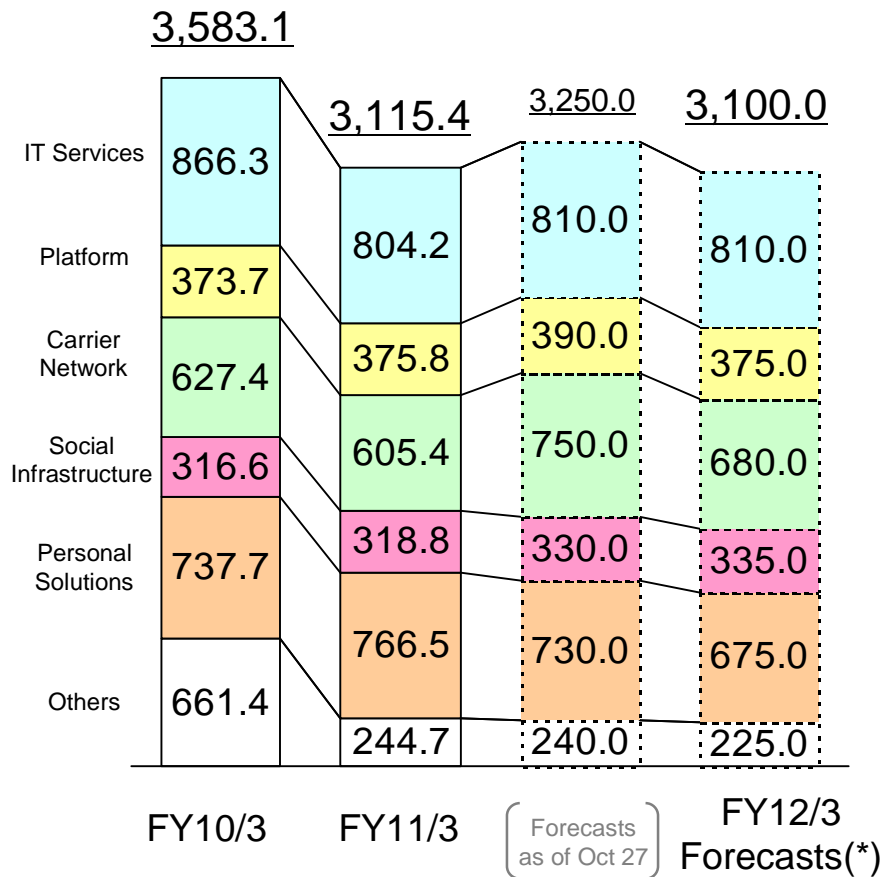
*Forecasts as of Jan 26, 2012

Financial Forecasts for FY12/3 by Segment

(Billions of Yen)

Net Sales

Operating Income/Loss



*Forecasts as of Jan 26, 2012

Summary of Financial Forecasts for FY12/3 by Segment

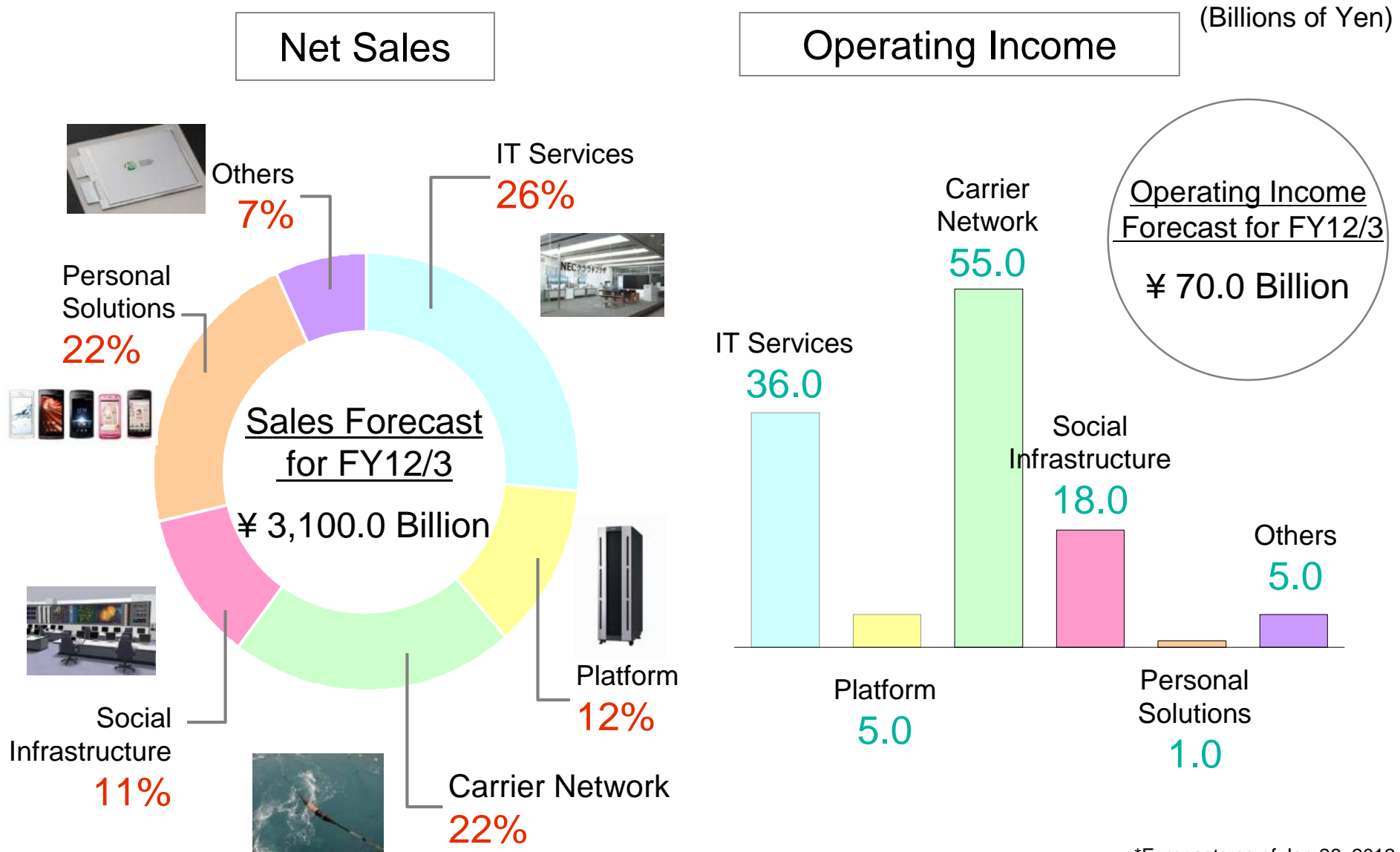
(Billions of Yen)

		Q4(January to March)			Full Year			Difference from Oct 27
		FY11/3 Actual	FY12/3 Forecasts	YoY	FY11/3 Actual	FY12/3 Forecasts	YoY	
IT Services	Net Sales	262.2	271.5	3.5%	804.2	810.0	0.7%	0.0
	Operating Income	24.5	31.7	7.2	21.4	36.0	14.6	3.0
	% to Net Sales	9.3%	11.7%		2.7%	4.4%		
Platform	Net Sales	116.5	120.6	3.5%	375.8	375.0	- 0.2%	- 15.0
	Operating Income	12.4	12.1	- 0.3	8.9	5.0	- 3.9	- 9.0
	% to Net Sales	10.7%	10.0%		2.4%	1.3%		
Carrier Network	Net Sales	188.7	237.5	25.8%	605.4	680.0	12.3%	- 70.0
	Operating Income	27.9	30.4	2.5	40.7	55.0	14.3	- 2.0
	% to Net Sales	14.8%	12.8%		6.7%	8.1%		
Social Infrastructure	Net Sales	114.3	124.7	9.1%	318.8	335.0	5.1%	5.0
	Operating Income	10.1	10.6	0.5	14.6	18.0	3.4	3.0
	% to Net Sales	8.8%	8.5%		4.6%	5.4%		
Personal Solutions	Net Sales	181.5	178.7	- 1.5%	766.5	675.0	- 11.9%	- 55.0
	Operating Income/Loss	- 3.2	0.5	3.7	- 1.9	1.0	2.9	- 14.0
	% to Net Sales	-	0.3%		-	0.1%		
Others	Net Sales	62.3	54.8	- 12.0%	244.7	225.0	- 8.1%	- 15.0
	Operating Income/Loss	2.9	- 0.1	- 3.0	7.3	5.0	- 2.3	- 1.0
	% to Net Sales	4.7%	-		3.0%	2.2%		
Eliminations/ Unclassifiable expenses	Operating Loss	- 4.5	- 13.8	- 9.3	- 33.2	- 50.0	- 16.8	0.0
Total	Net Sales	925.5	987.8	6.7%	3,115.4	3,100.0	- 0.5%	- 150.0
	Operating Income	70.2	71.4	1.2	57.8	70.0	12.2	- 20.0
	% to Net Sales	7.6%	7.2%		1.9%	2.3%		

*Forecasts as of Jan 26, 2012

Summary of Financial Forecasts for Full Year by Segment

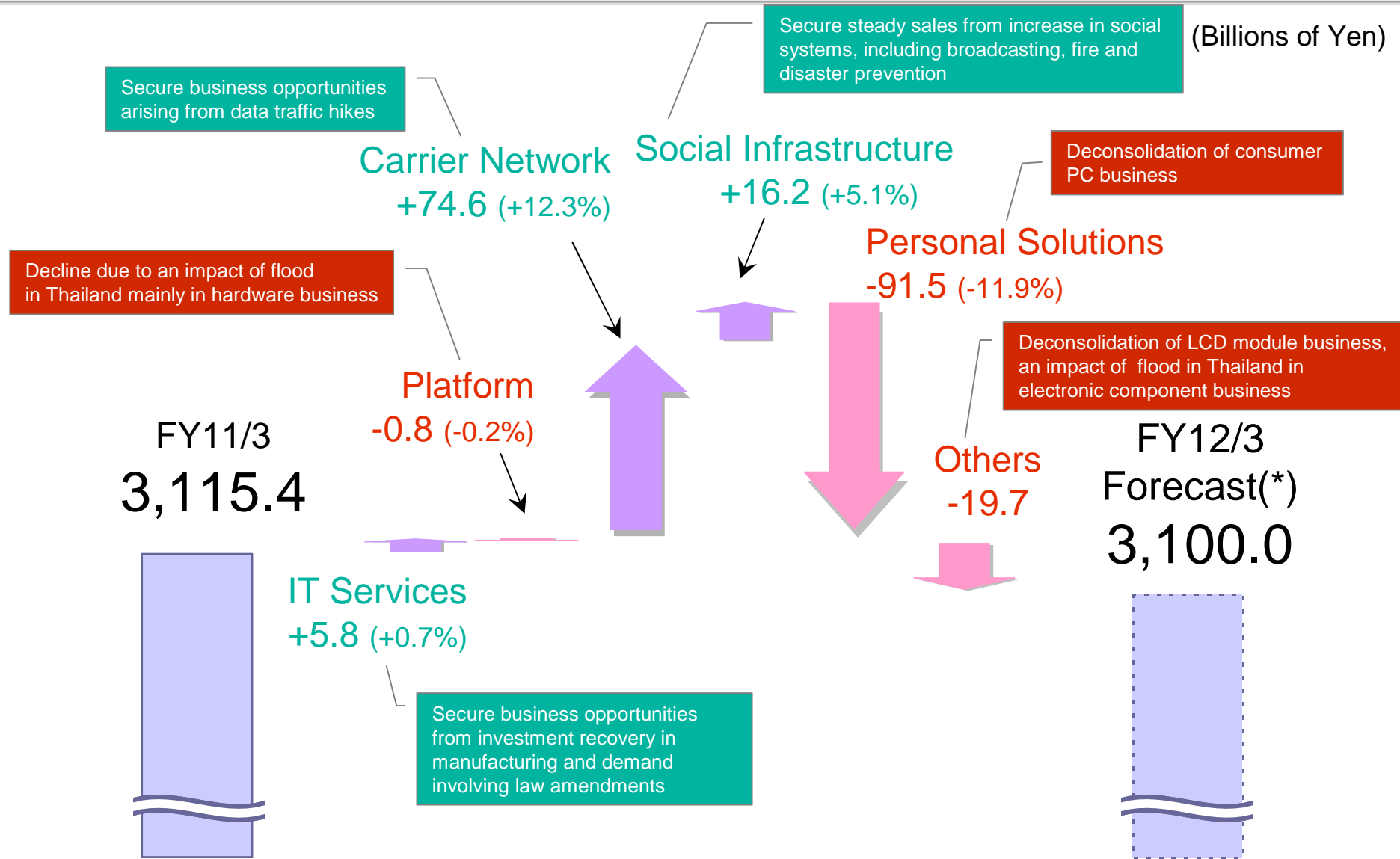
Full Year Forecasts



*Forecasts as of Jan 26, 2012

Sales Change (Year on Year)

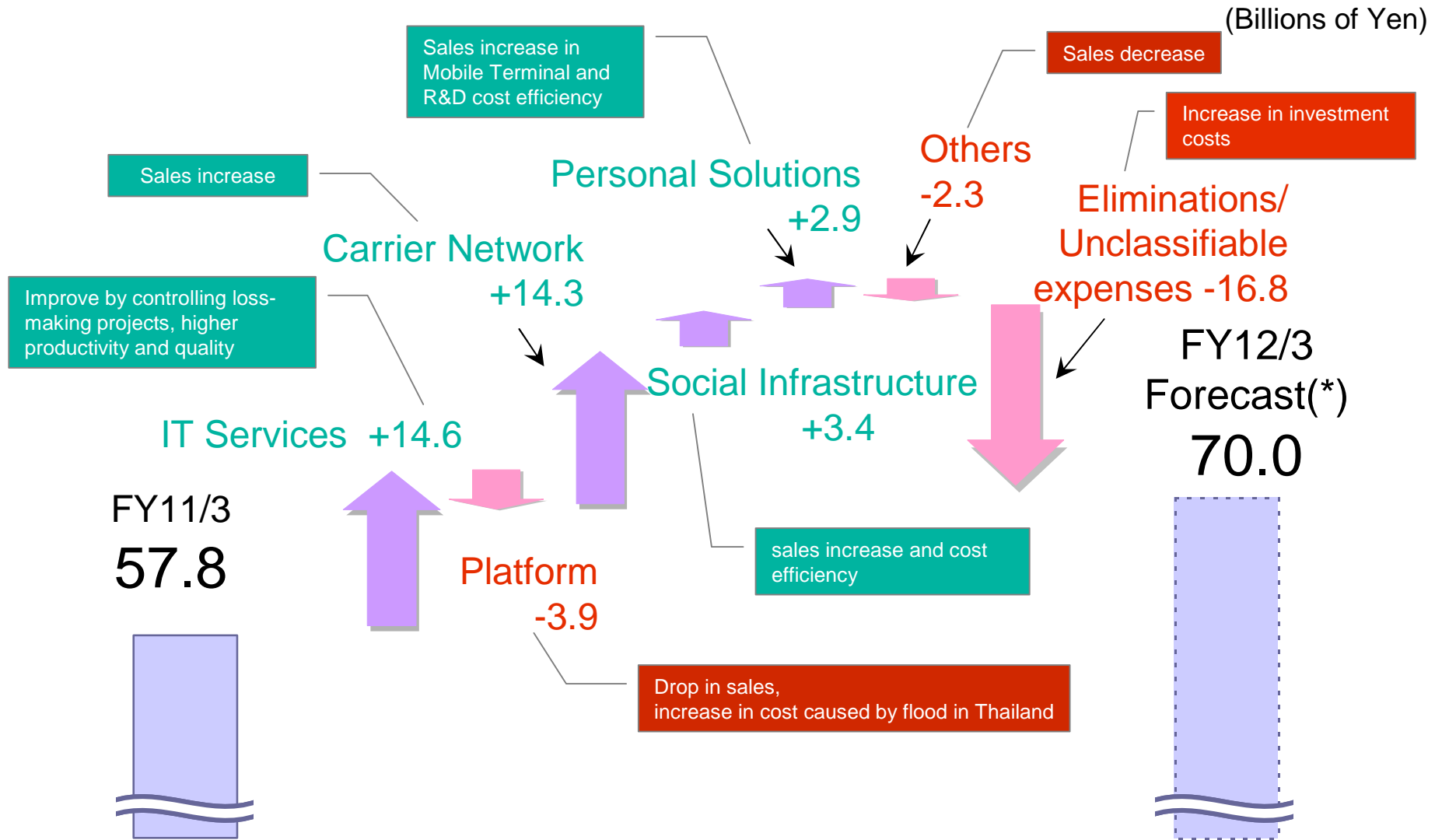
(Billions of Yen)



*Forecasts as of Jan 26, 2012

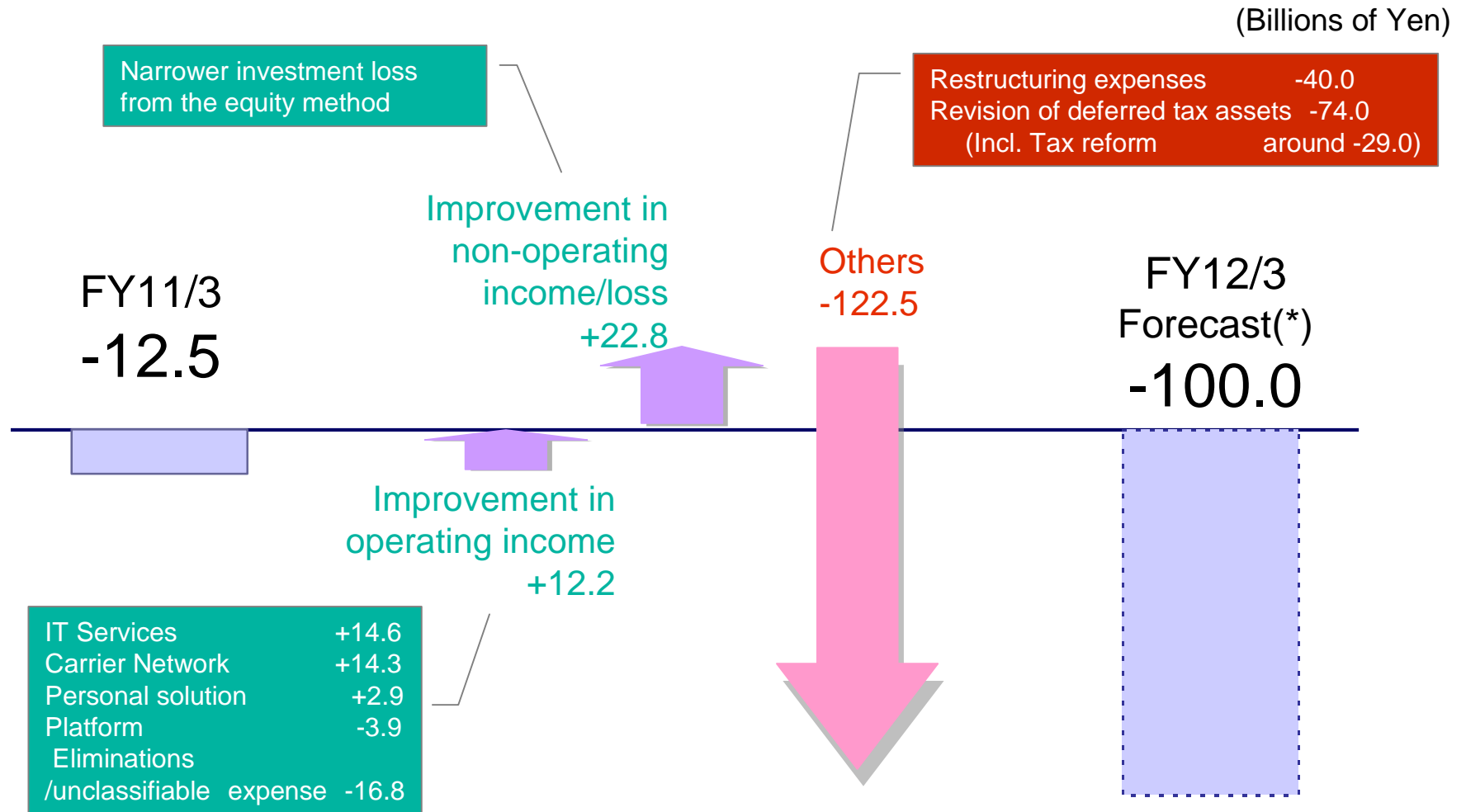
Operating Income/Loss Change (Year on Year)

Full Year Forecasts



*Forecasts as of Jan 26, 2012

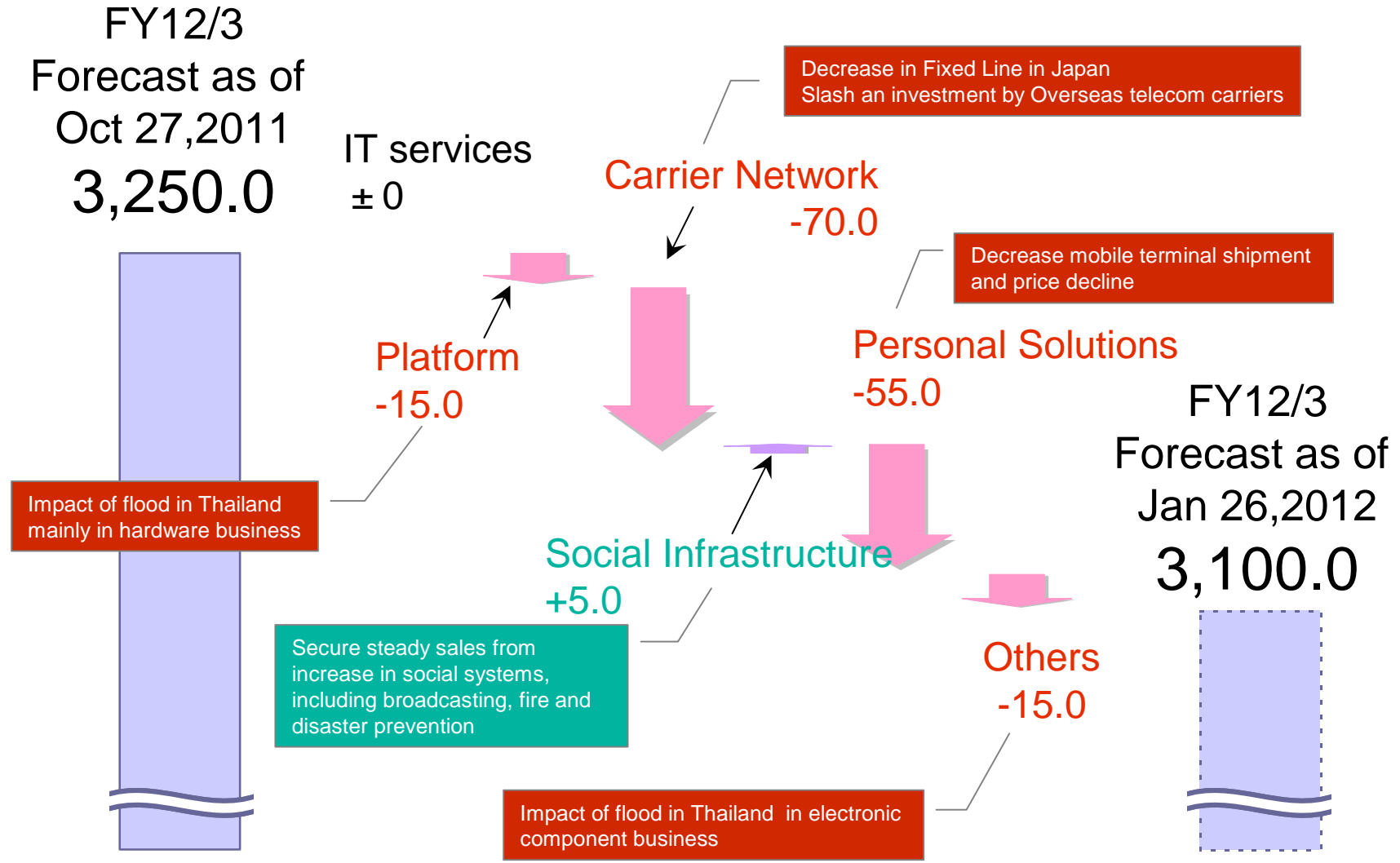
Net Income/Loss Change (Year on Year)



*Forecasts as of Jan 26, 2012

Sales Change (difference from Oct 27)

(Billions of Yen)

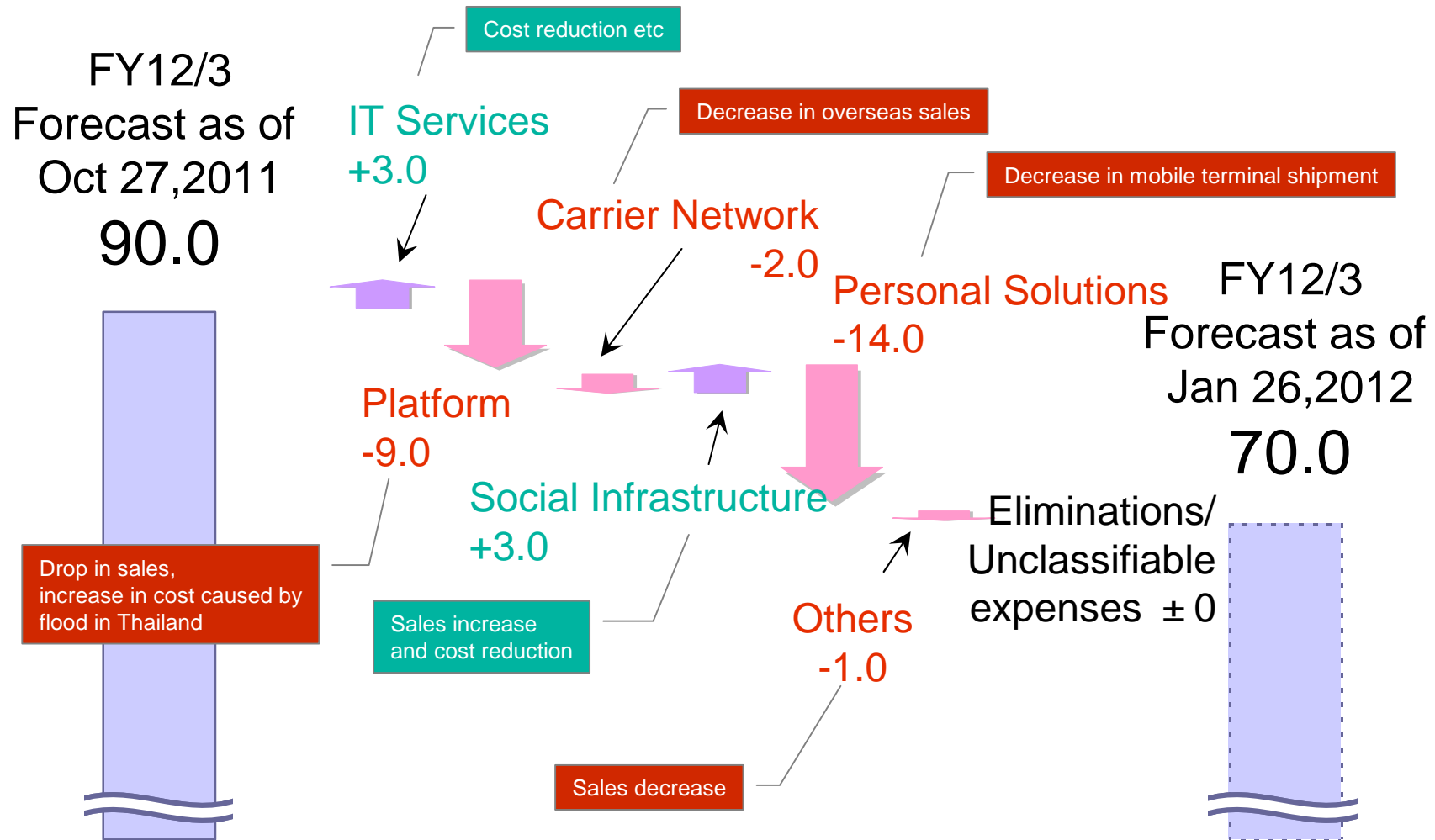


*Forecasts as of Jan 26, 2012

Operating Income/Loss Change (difference from Oct 27)

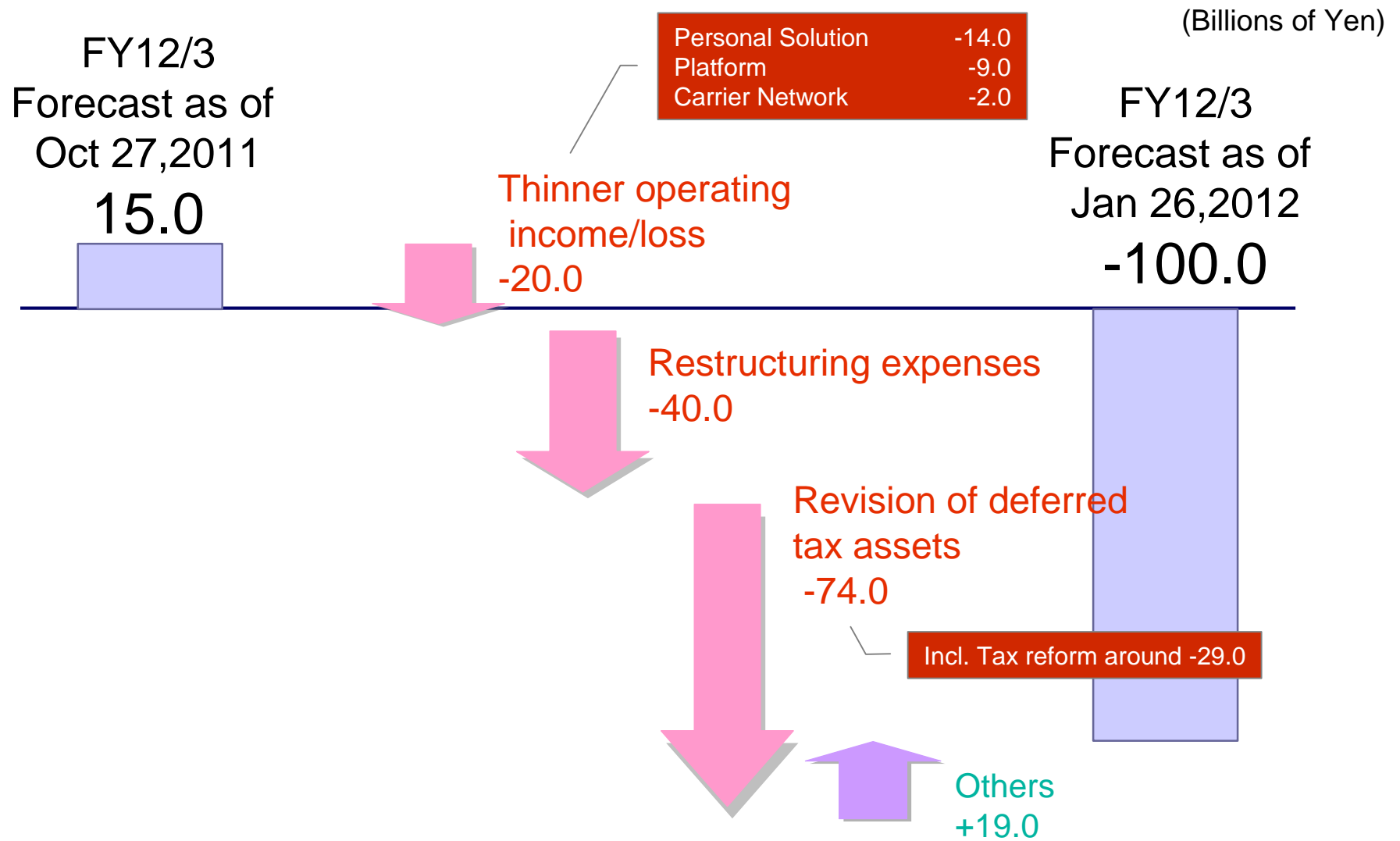
Full Year Forecasts

(Billions of Yen)



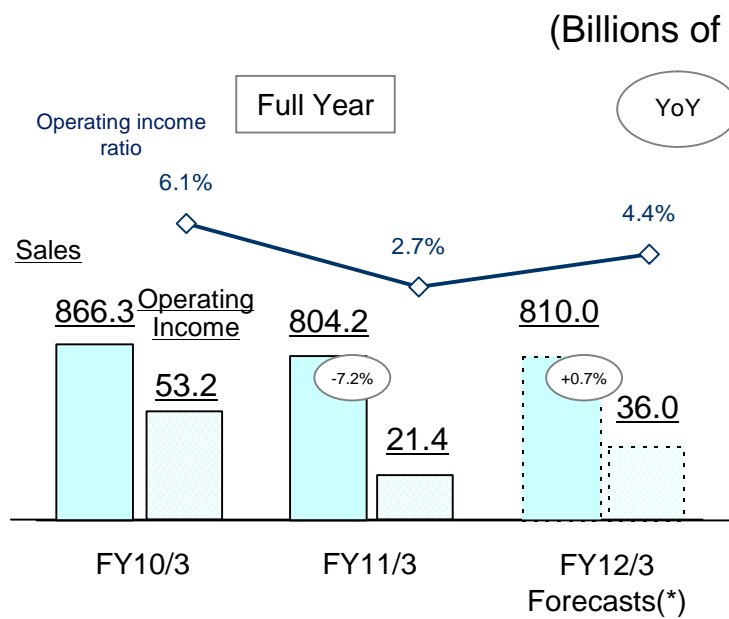
*Forecasts as of Jan 26, 2012

Net Income/Loss Change (difference from Oct 27)



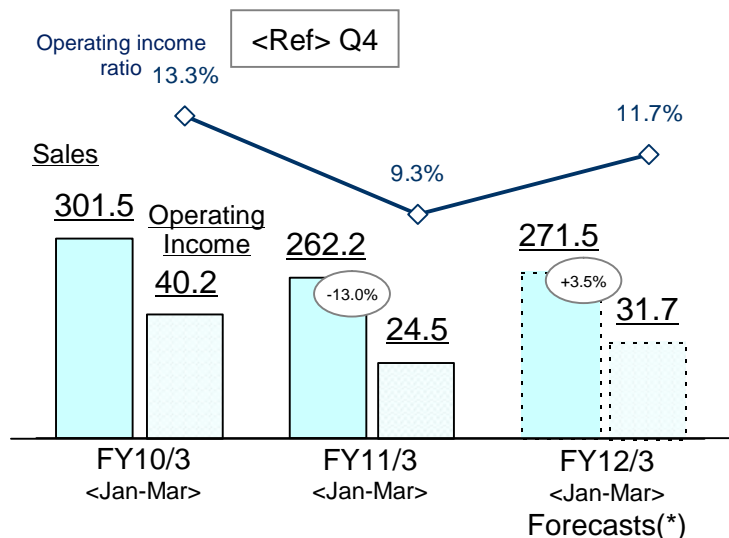
*Forecasts as of Jan 26, 2012

IT Services Business



Sales 810.0 (+0.7%)

- △ Secure business opportunities from investment recovery in manufacturing, demand involving law amendments and introducing electronic health record systems in medical services
- △ Promote solid cloud services and data center services for enterprises and organizations



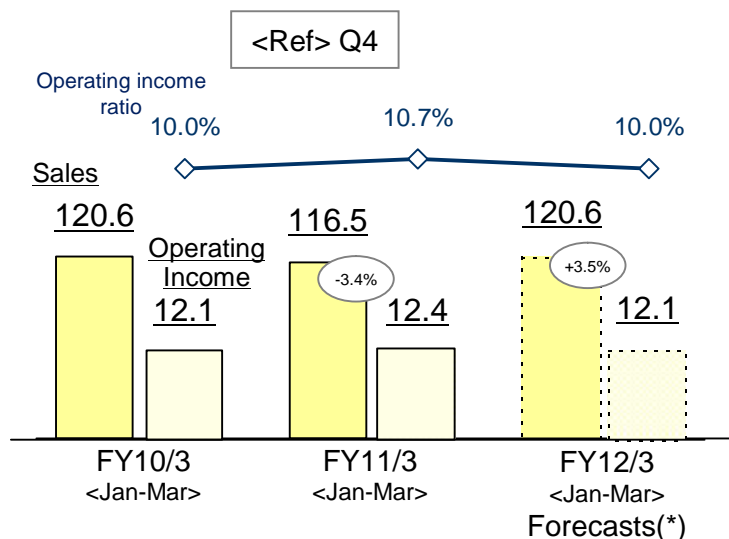
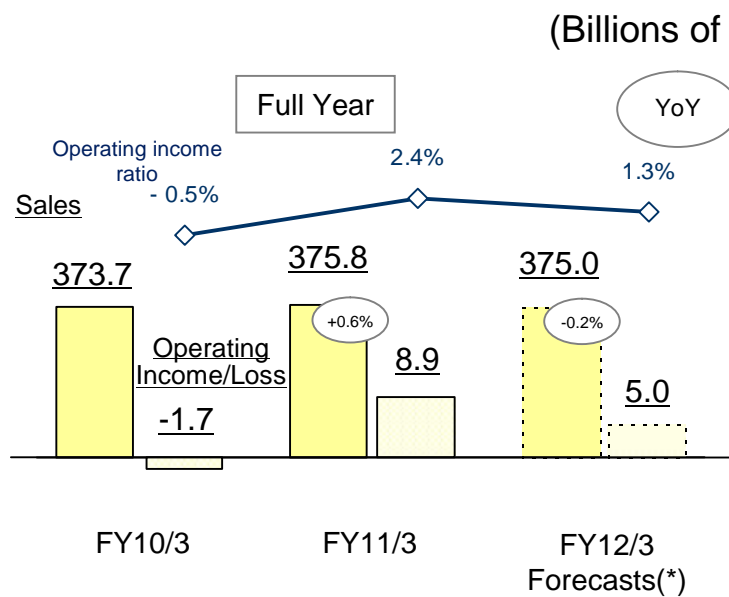
Operating Income 36.0 (+14.6)

- △ Improve by controlling loss-making projects, higher productivity and quality such as enhancement of services delivery efficiency



*Forecasts as of Jan 26, 2012

Platform Business



Sales 375.0 (-0.2%)

- △ Software :
Expect to increase in operation management software mainly for data centers
- ▽ Hardware :
Decrease due to an impact of flood in Thailand while focusing on products for energy saving, for BCP, in addition to the products for datacenters
- △ Enterprise Network :
Aim to increase sales by solution for work-style innovation and deploying low-capacity communication server for emerging markets

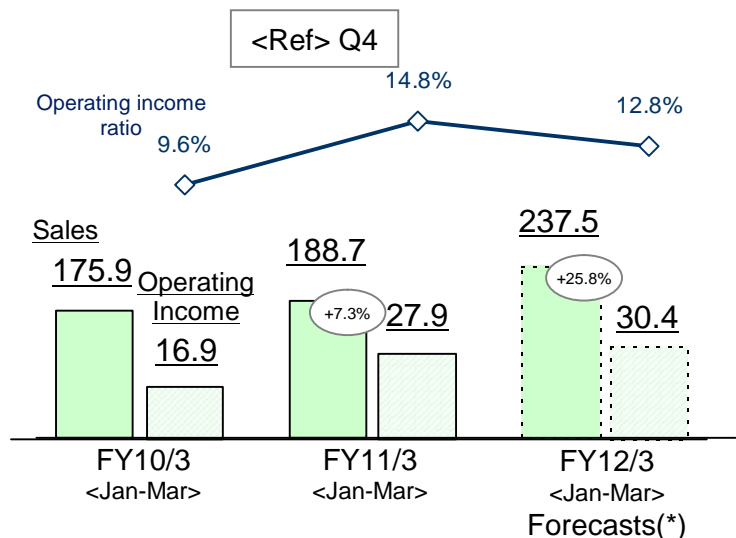
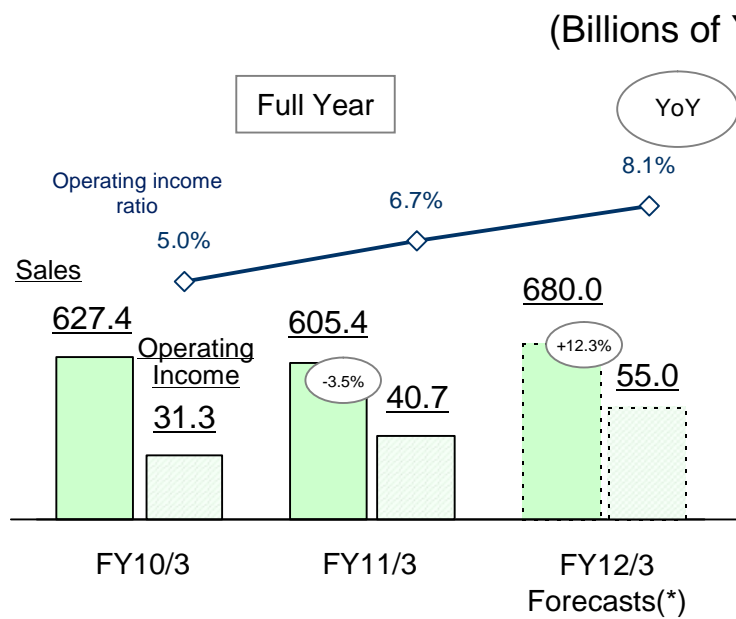
Operating Income 5.0 (-3.9%)

- ▽ Decrease due to a drop in sales and increase in cost caused by flood in Thailand



*Forecasts as of Jan 26, 2012

Carrier Network Business



Sales 680.0 (+12.3%)

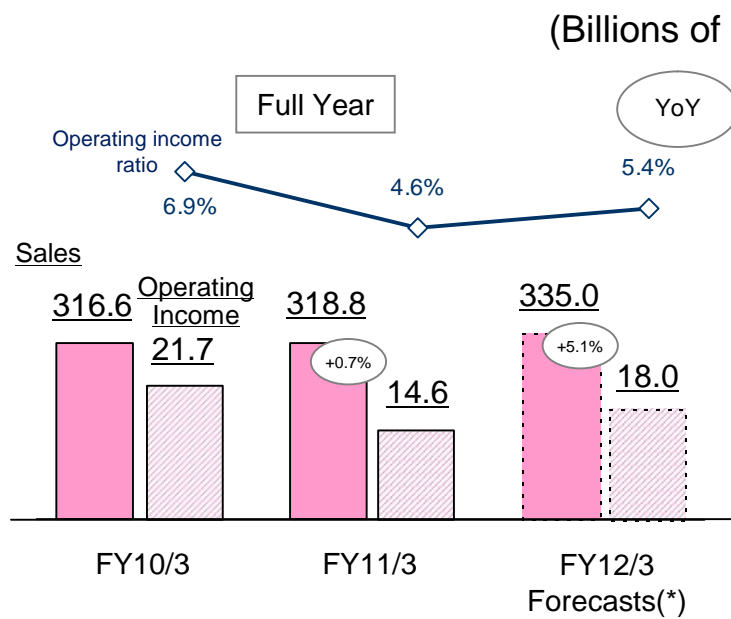
- △ Achieve additional sales growth in Japan by capturing business opportunities arising from data traffic hikes
- △ Attain sales increase by solid execution and securing additional projects of submarine cable systems
- △ Achieve business expansion for mobile backhaul, mainly in Russia and Latin America, with new full-IP PASOLINK products

Operating Income 55.0 (+14.3%)

- △ Expect to increase profits from sales expansion in Japan, submarine cable systems, and mobile backhaul

*Forecasts as of Jan 26, 2012

Social Infrastructure Business

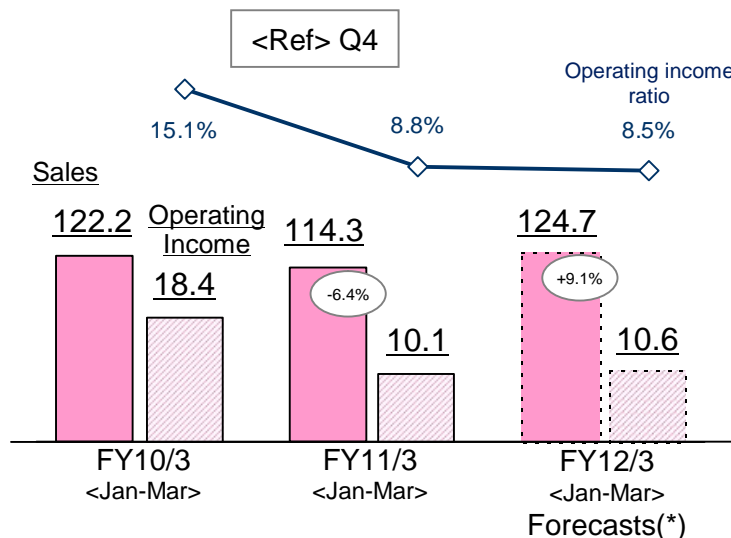


Sales 335.0 (+5.1%)

△ Expect to increase due to an increase in social systems such as broadcast, fire and disaster preventions despite a decrease in aerospace and defense systems

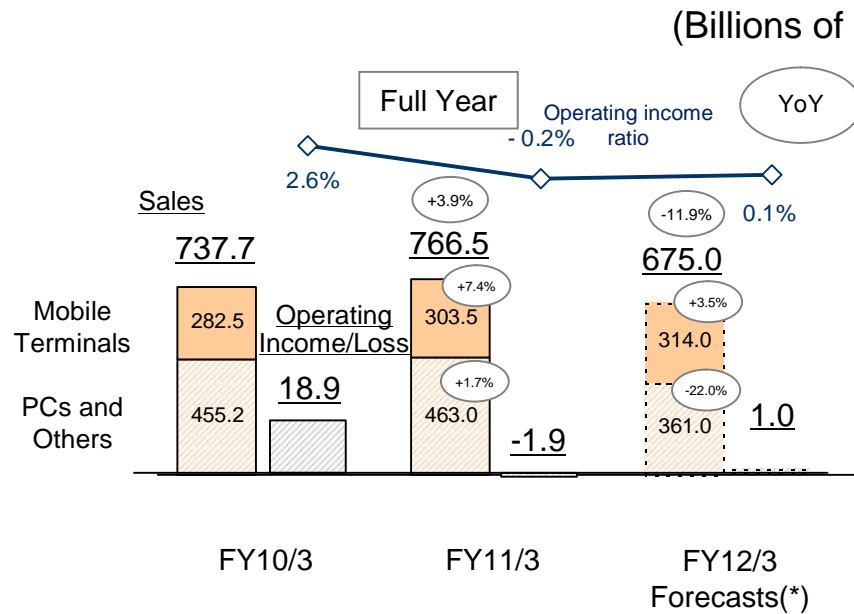
Operating Income 18.0 (+3.4)

△ Expect higher profits due to sales increase in social systems and enhancement of cost reductions



*Forecasts as of Jan 26, 2012

Personal Solutions Business



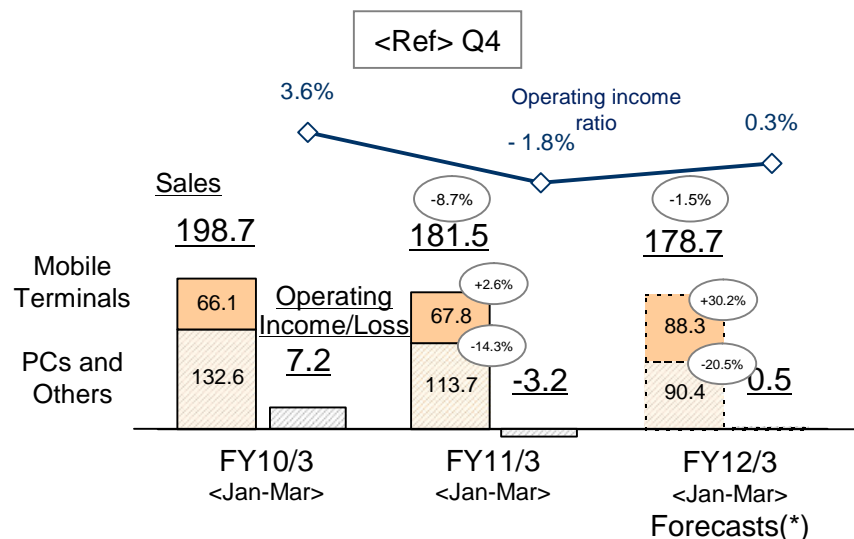
Sales 675.0 (-11.9%)

△ Mobile Terminals :
Increase due to increase in mobile terminal shipment

▽ PCs and Others :
Decrease due to the deconsolidation of consumer PCs

Operating Income 1.0 (+2.9)

△ Increase due to sales increase in Mobile Terminal and enhancement of R&D cost efficiency



*Forecasts as of Jan 26, 2012

Capital Expenditure, Depreciation and R&D expenses

(Billions of yen)

	FY11/3 Actual	FY12/3 Forecasts	YoY	Difference from Oct 27
Capital Expenditure	52.9	70.0	32.5%	- 10.0
Depreciation	62.1	60.0	- 3.4%	- 5.0
R&D expenses	176.5	165.0	- 6.5%	- 20.0
To consolidated total sales (%)	5.7%	5.3%		

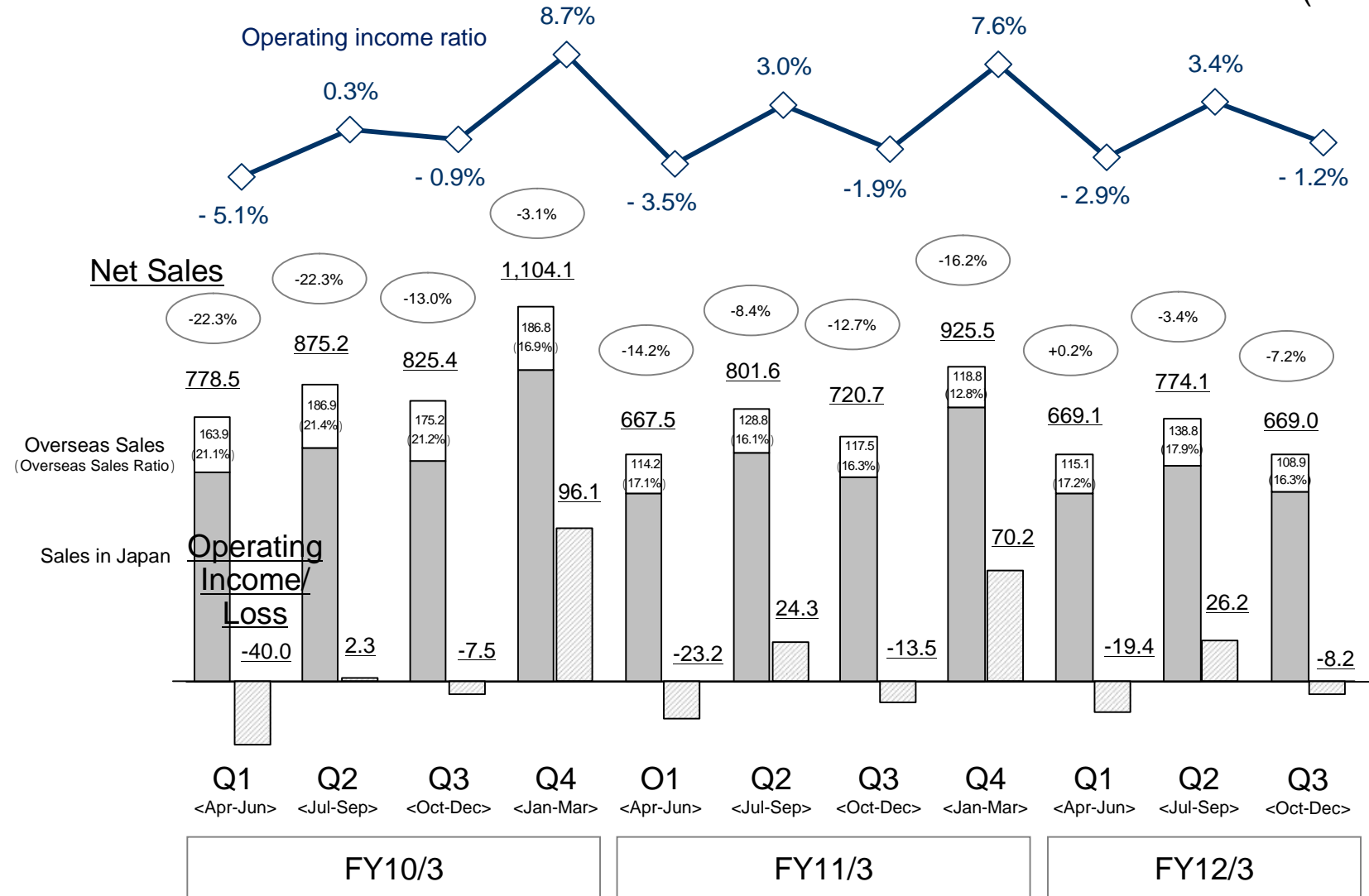


*Forecasts as of Jan 26, 2012

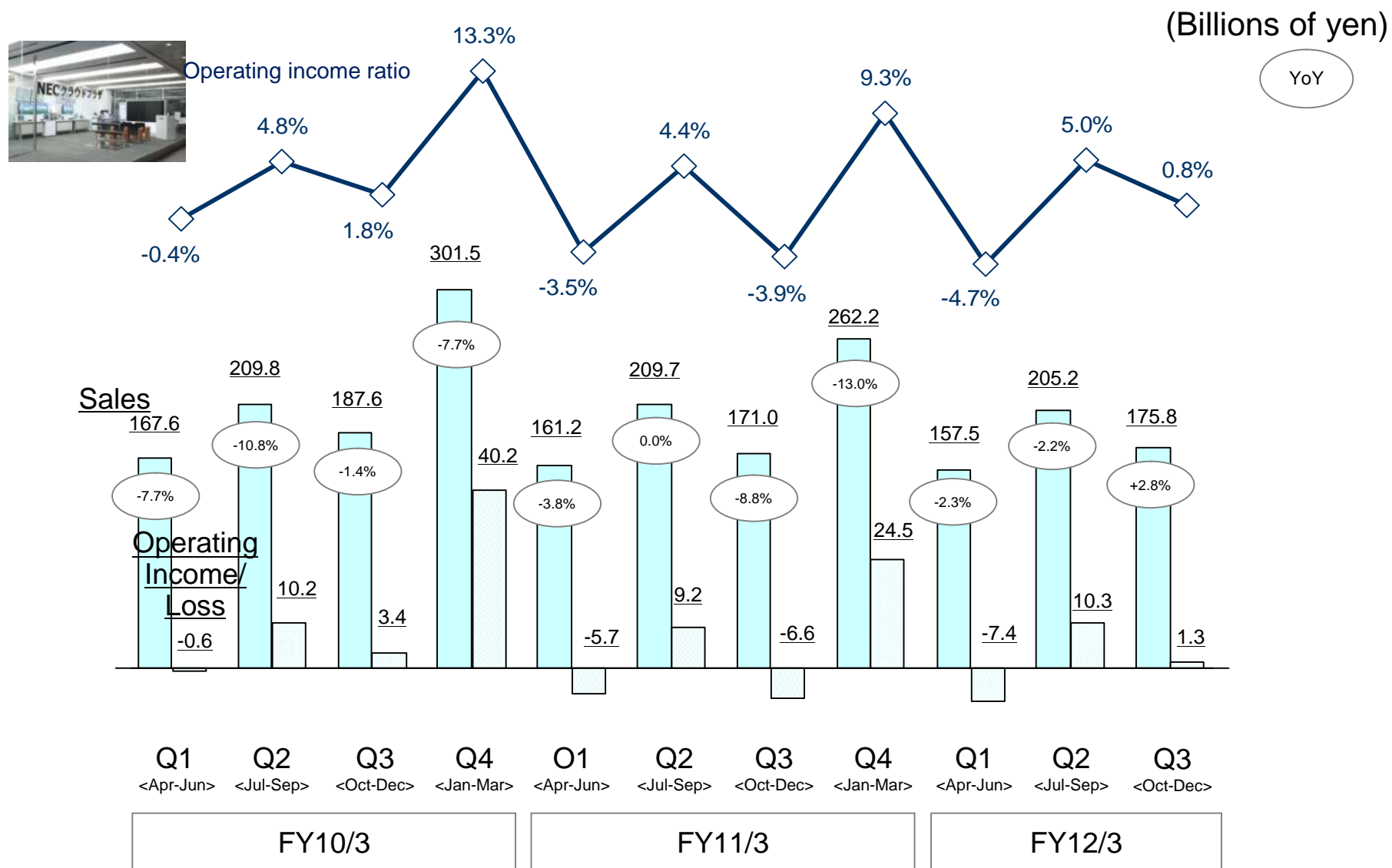
Reference (Financial data)

Net Sales, Operating Income/Loss

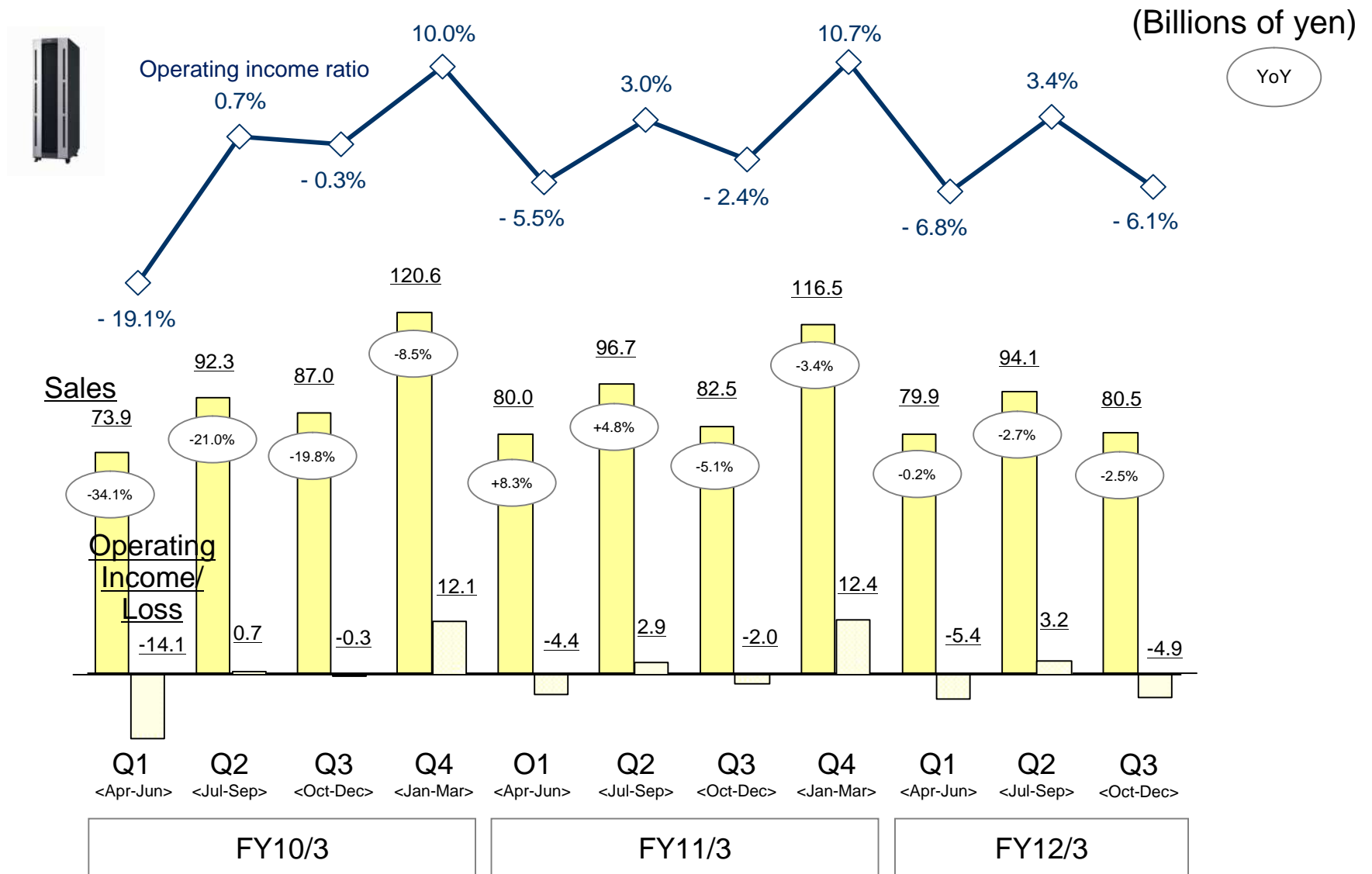
(Billions of yen)



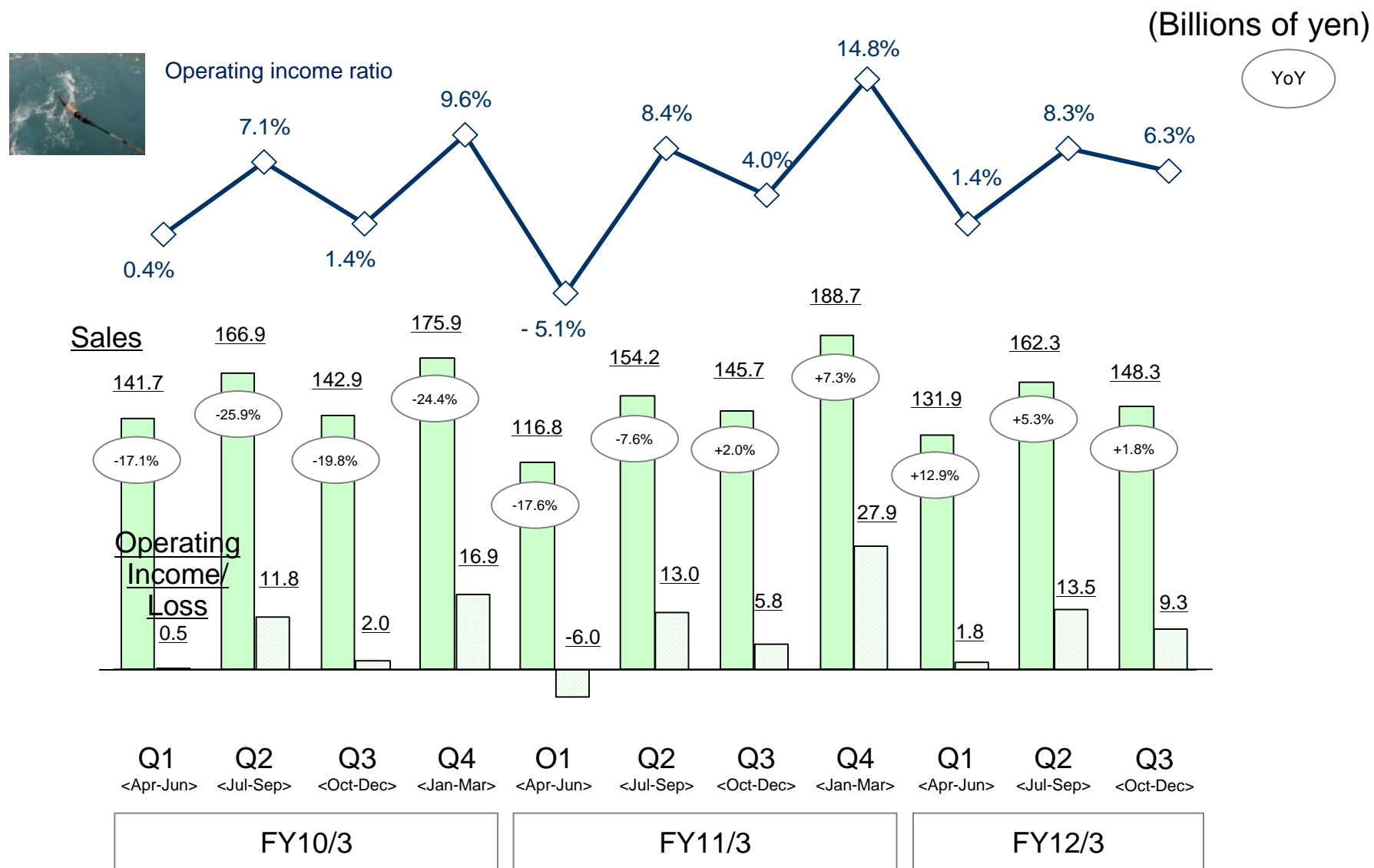
Sales, Operating Income/Loss (IT Services)



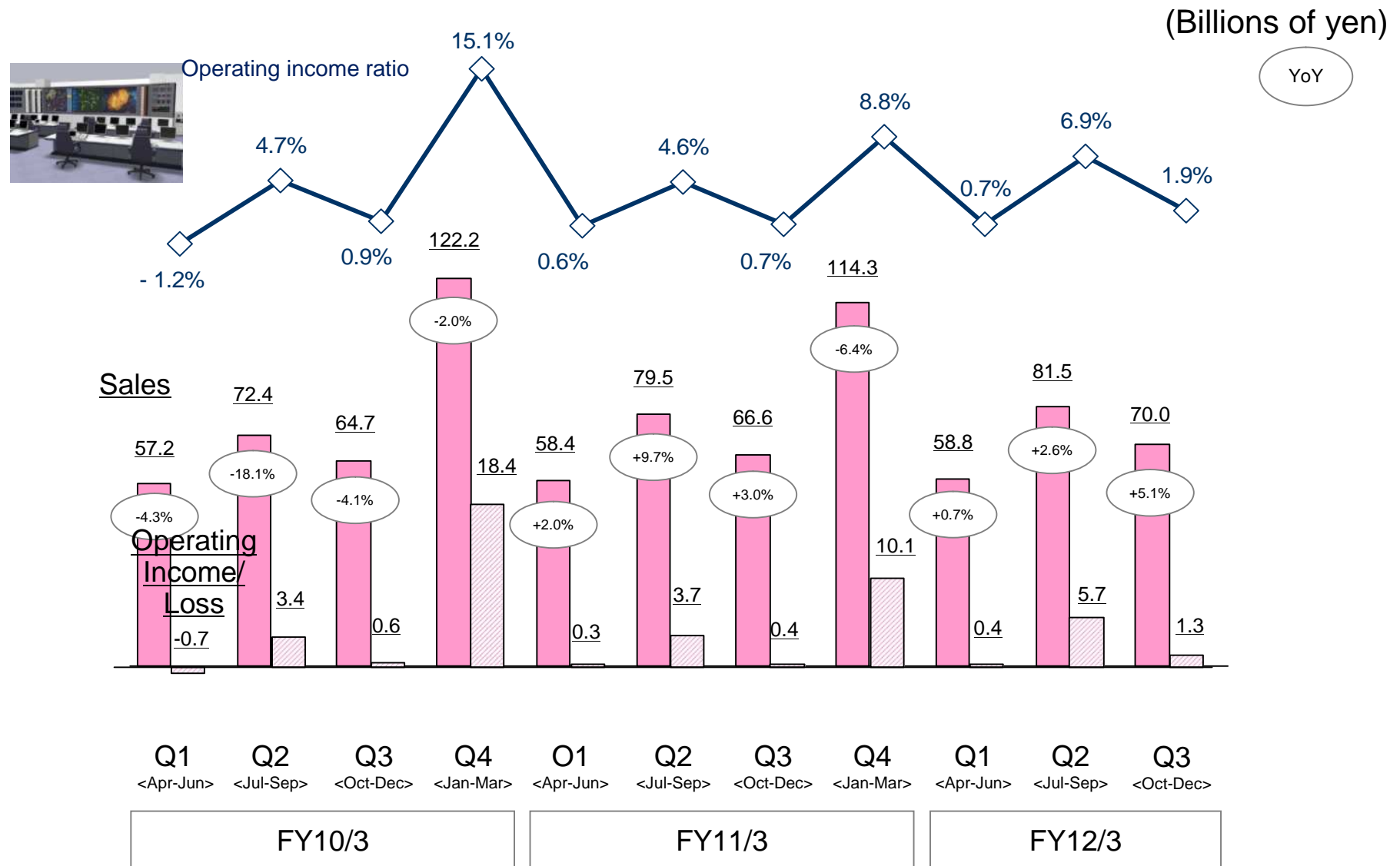
Sales, Operating Income/Loss (Platform)



Sales, Operating Income/Loss (Carrier Network)

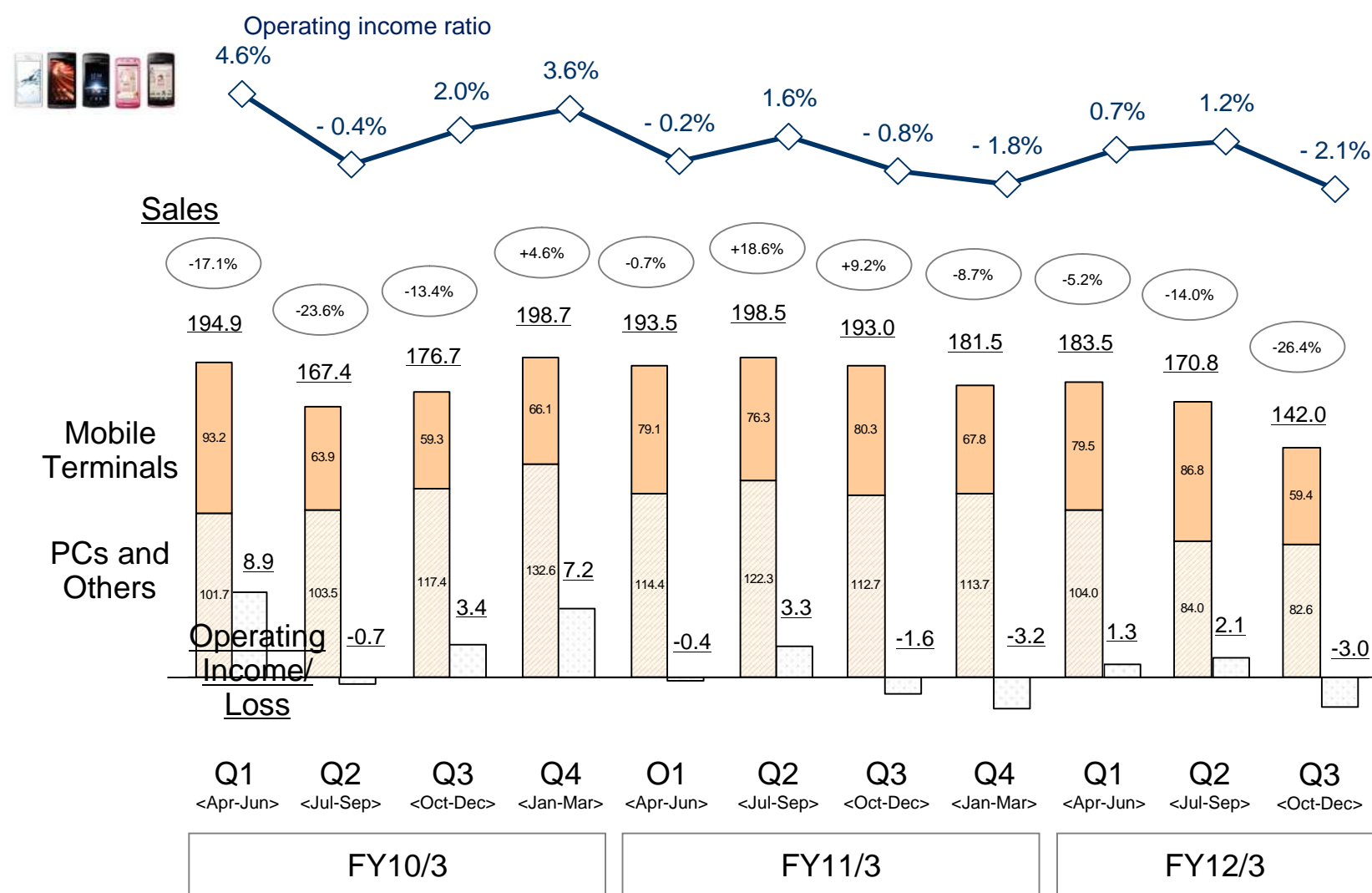


Sales, Operating Income/Loss (Social Infrastructure)

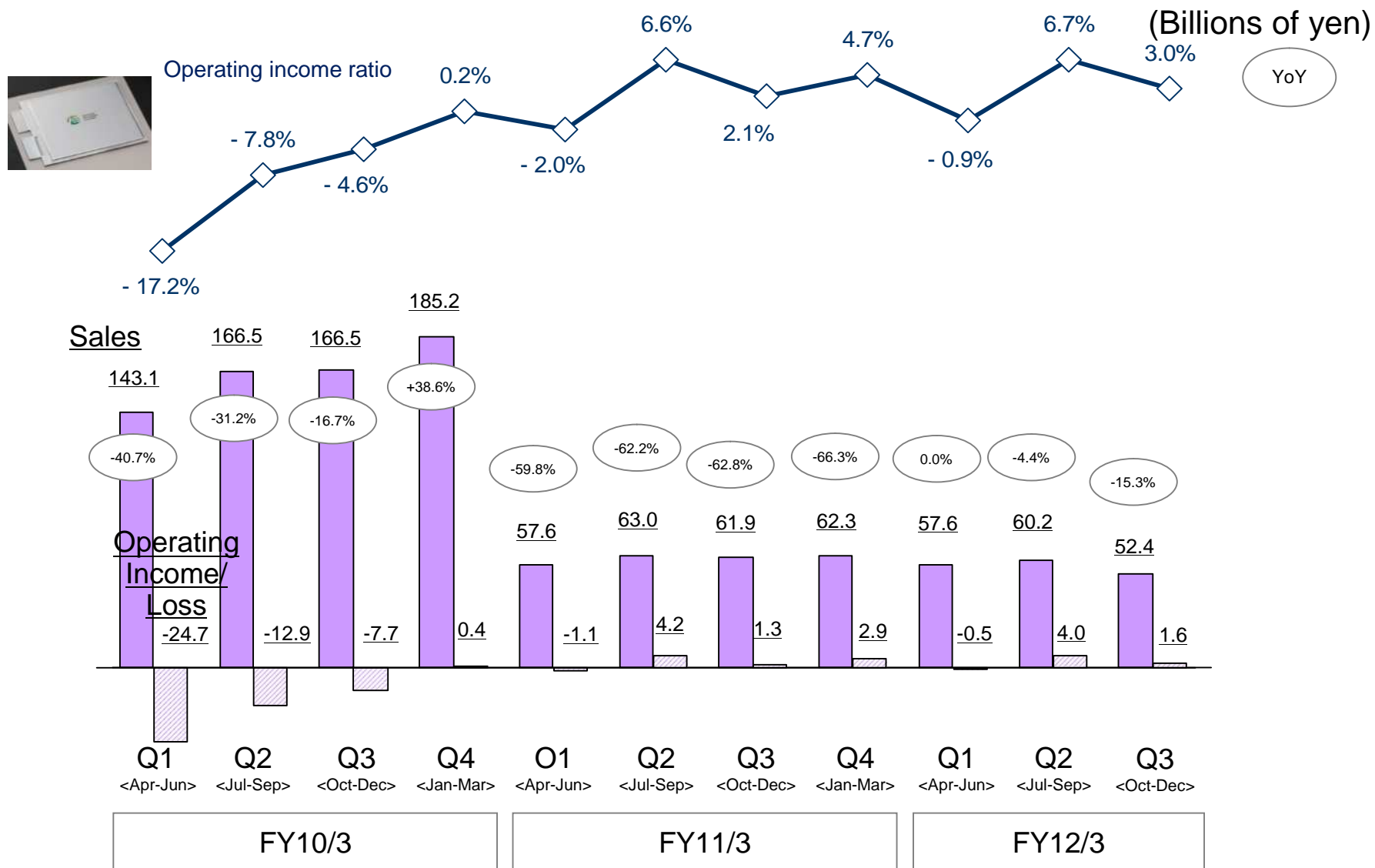


Sales, Operating Income/Loss (Personal Solutions)

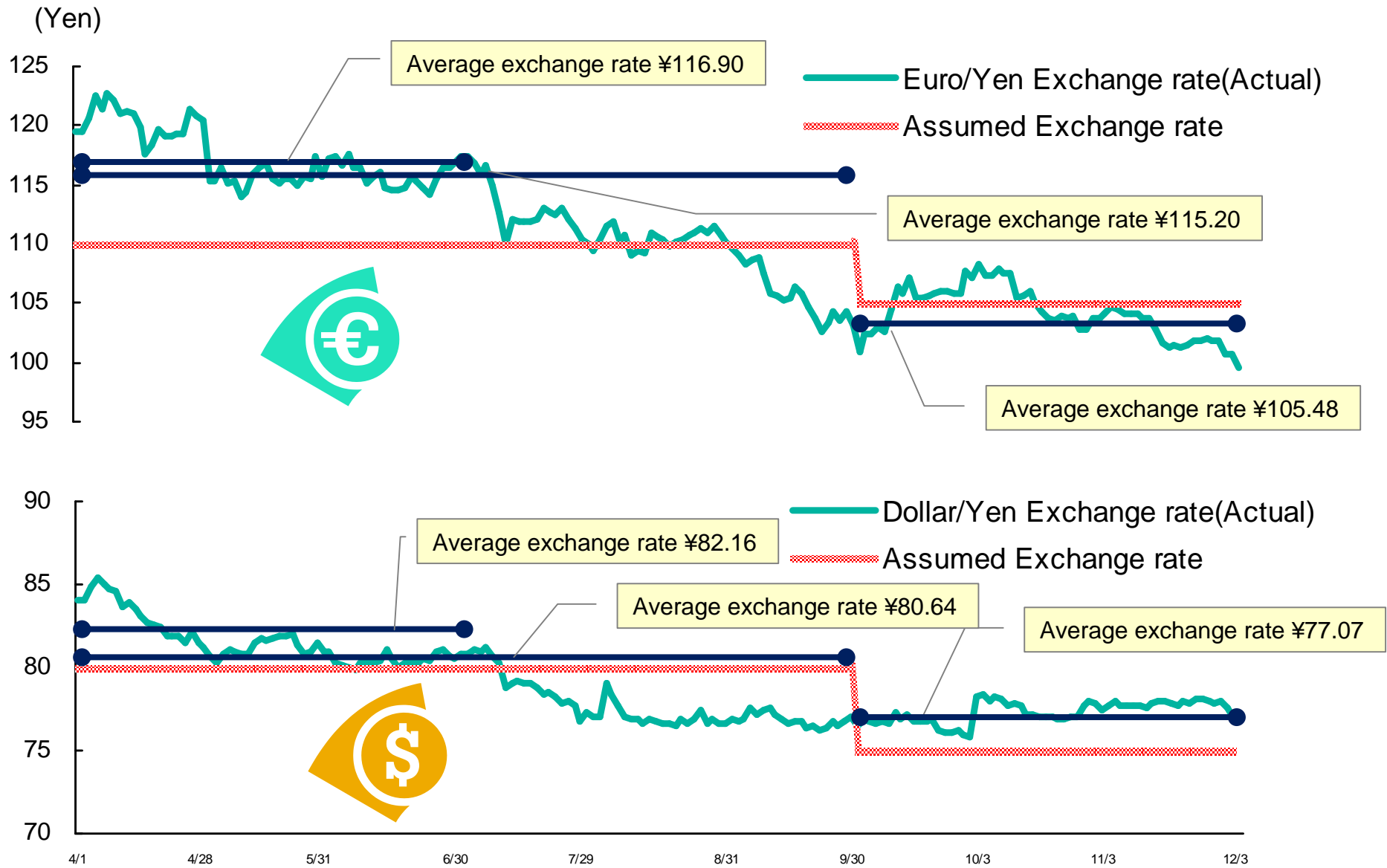
(Billions of yen)



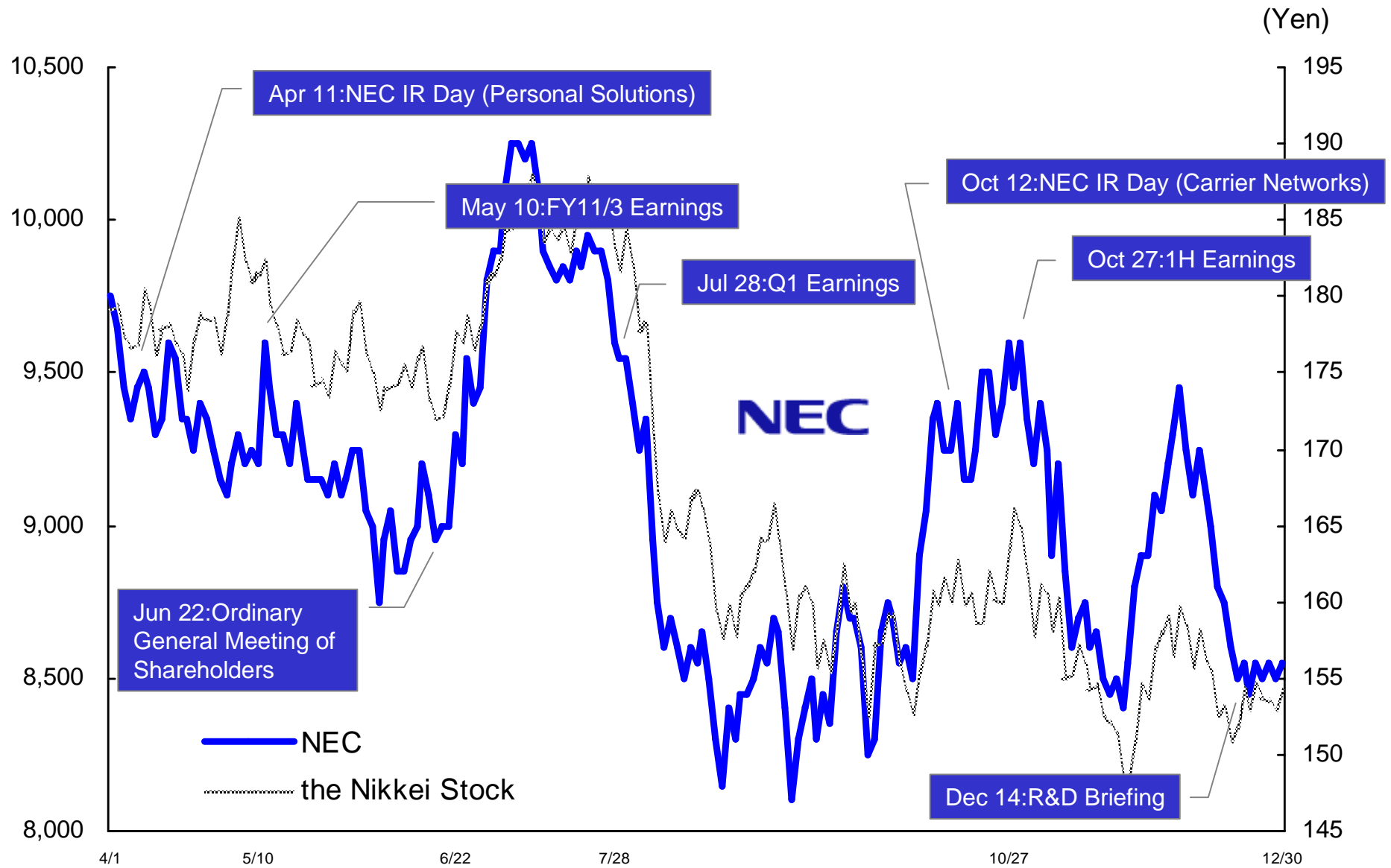
Sales, Operating Income/Loss (Others)



Exchange Rate



Stock Price



CAUTIONARY STATEMENTS:

This material contains forward-looking statements pertaining to strategies, financial targets, technology, products and services, and business performance of NEC Corporation and its consolidated subsidiaries (collectively "NEC"). Written forward-looking statements may appear in other documents that NEC files with stock exchanges or regulatory authorities, such as the Director of the Kanto Finance Bureau, and in reports to shareholders and other communications. NEC is relying on certain safe-harbors for forward-looking statements in making these disclosures. Some of the forward-looking statements can be identified by the use of forward-looking words such as "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "estimates," "targets," "aims," or "anticipates," or the negative of those words, or other comparable words or phrases. You can also identify forward-looking statements by discussions of strategy, beliefs, plans, targets, or intentions. Forward-looking statements necessarily depend on currently available assumptions, data, or methods that may be incorrect or imprecise and NEC may not be able to realize the results expected by them. You should not place undue reliance on forward-looking statements, which reflect NEC's analysis and expectations only. Forward-looking statements are not guarantees of future performance and involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. Among the factors that could cause actual results to differ materially from such statements include (i) global economic conditions and general economic conditions in NEC's markets, (ii) fluctuating demand for, and competitive pricing pressure on, NEC's products and services, (iii) NEC's ability to continue to win acceptance of NEC's products and services in highly competitive markets, (iv) NEC's ability to expand into foreign markets, such as China, (v) regulatory change and uncertainty and potential legal liability relating to NEC's business and operations, (vi) NEC's ability to restructure, or otherwise adjust, its operations to reflect changing market conditions, (vii) movement of currency exchange rates, particularly the rate between the yen and the U.S. dollar, (viii) the impact of unfavorable conditions or developments, including share price declines, in the equity markets which may result in losses from devaluation of listed securities held by NEC, and (iv) impact of any regulatory action or legal proceeding against NEC. Any forward-looking statements speak only as of the date on which they are made. New risks and uncertainties come up from time to time, and it is impossible for NEC to predict these events or how they may affect NEC. NEC does not undertake any obligation to update or revise any of the forward-looking statements, whether as a result of new information, future events, or otherwise.

The management targets included in this material are not projections, and do not represent management's current estimates of future performance. Rather, they represent targets that management will strive to achieve through the successful implementation of NEC's business strategies.

Finally, NEC cautions you that the statements made in this material are not an offer of securities for sale. Securities may not be offered or sold in any jurisdiction in which required registration is absent or an exemption from registration under the applicable securities laws is not granted.