\Orchestrating a brighter world

Financial Results for the Fiscal Year Ended March 31, 2017

April 27, 2017

NEC Corporation

(http://www.nec.com/en/global/ir)

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* Net profit refers to net profit attributable to owners of the parent for the same period.

Ⅰ. Financial Results for FY17/3

Summary of Financial Results for FY17/3

(Billions of Yen)

Revenue YoY -5.7% Variance from forecast -15.0	**Decreased year on year** • Decrease in Telecom Carrier business, Public business and Others, despite an increase in Enterprise business
Operating Profit YoY -49.6 Variance from forecast +11.8	**Worsened year on year** • Worsened in Telecom Carrier and Public business
Net Profit YoY -48.6 Variance from forecast +7.3	**Worsened year on year** • Worsened in income taxes, despite an improvement in financial income **Decided on a 6 yen year-end dividend per share**

*Variance from forecast as of January 30, 2017

Summary of Financial Results for FY17/3

(Billions of Yen)

	Q4 <January to March>			Full Year			Variance from Forecast as of Jan 30
	FY16/3 Actual	FY17/3 Actual	YoY	FY16/3 Actual	FY17/3 Actual	YoY	
Revenue	870.3	870.6	+ 0.0%	2,824.8	2,665.0	- 5.7%	- 15.0
Operating Profit	63.7	58.9	- 4.9	91.4	41.8	- 49.6	+ 11.8
% to Revenue	7.3%	6.8%		3.2%	1.6%		
Income before Income Taxes	53.3	69.6	+ 16.4	86.6	68.1	- 18.5	-
Net Profit	62.5	30.2	- 32.4	75.9	27.3	- 48.6	+ 7.3
% to Revenue	7.2%	3.5%		2.7%	1.0%		
Free Cash Flows	114.6	92.2	- 22.5	65.6	99.0	+ 33.3	+ 19.0

Note: Average Exchange Rates (yen)		Q4 FY16/3	Q4 FY17/3	Full Year FY16/3	Full Year FY17/3
	USD 1	118.42	114.62	120.75	108.38
	EUR 1	129.54	121.58	132.99	119.19

*Assumed exchange rates for Q4, FY17/3 $1=¥105, €1=¥115

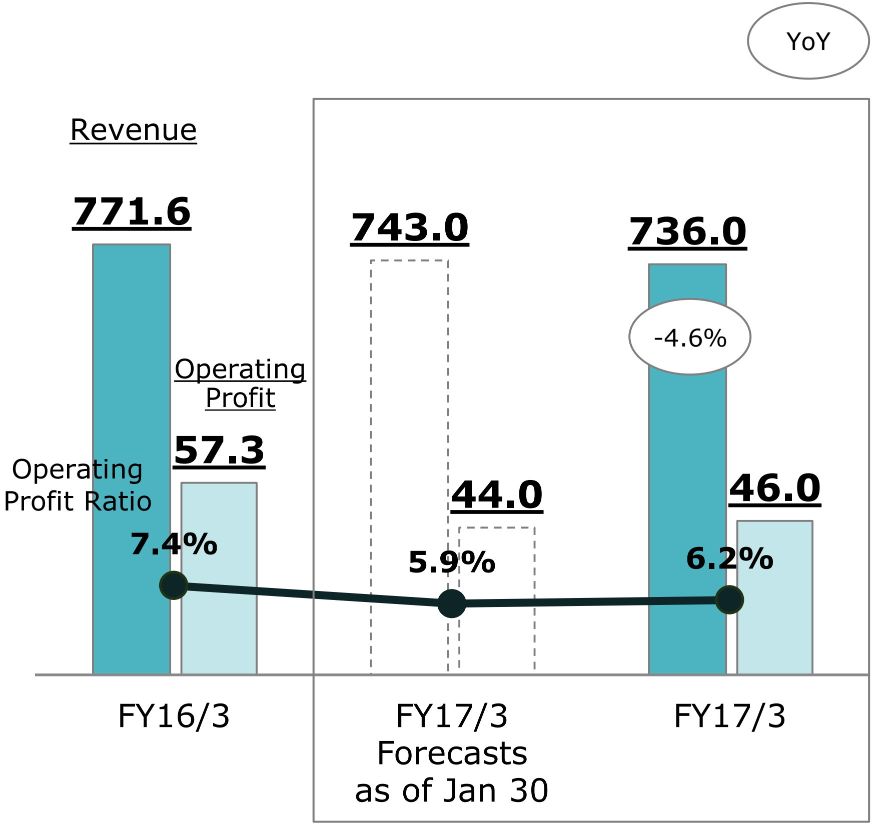
Results by Segment for FY17/3

(Billions of Yen)

		Q4 <January to March>			Full Year			Variance from Forecast as of Jan 30
		FY16/3 Actual	FY17/3 Actual	YoY	FY16/3 Actual	FY17/3 Actual	YoY	
Public	Revenue	272.2	300.4	+ 10.4%	771.6	736.0	- 4.6%	- 7.0
	Operating Profit	32.8	31.5	- 1.4	57.3	46.0	- 11.3	+ 2.0
	% to Revenue	12.1%	10.5%		7.4%	6.2%		
Enterprise	Revenue	81.9	81.1	- 1.1%	300.3	306.3	+ 2.0%	+ 1.3
	Operating Profit	9.8	7.0	- 2.8	23.9	23.9	- 0.0	+ 0.9
	% to Revenue	11.9%	8.6%		8.0%	7.8%		
Telecom Carrier	Revenue	210.0	187.5	- 10.7%	697.5	611.6	- 12.3%	- 6.4
	Operating Profit	25.3	16.5	- 8.8	46.5	19.5	- 27.1	+ 3.0
	% to Revenue	12.0%	8.8%		6.7%	3.2%		
System Platform	Revenue	209.7	215.7	+ 2.9%	728.6	719.8	- 1.2%	+ 10.8
	Operating Profit	20.0	21.8	+ 1.8	31.7	29.4	- 2.3	+ 5.9
	% to Revenue	9.6%	10.1%		4.4%	4.1%		
Others	Revenue	96.4	85.9	- 10.9%	326.8	291.3	- 10.9%	- 13.7
	Operating Profit/Loss	-10.2	-0.3	+ 10.0	-18.2	-14.2	+ 4.0	- 1.7
	% to Revenue	-10.6%	-0.3%		-5.6%	-4.9%		
Adjustment	Operating Profit/Loss	-13.9	-17.7	- 3.7	-49.8	-62.7	- 12.9	+ 1.8
Total	Revenue	870.3	870.6	+ 0.0%	2,824.8	2,665.0	- 5.7%	- 15.0
	Operating Profit	63.7	58.9	- 4.9	91.4	41.8	- 49.6	+ 11.8
	% to Revenue	7.3%	6.8%		3.2%	1.6%		

Public Business

(Billions of Yen)



Billions of Yen (YoY)

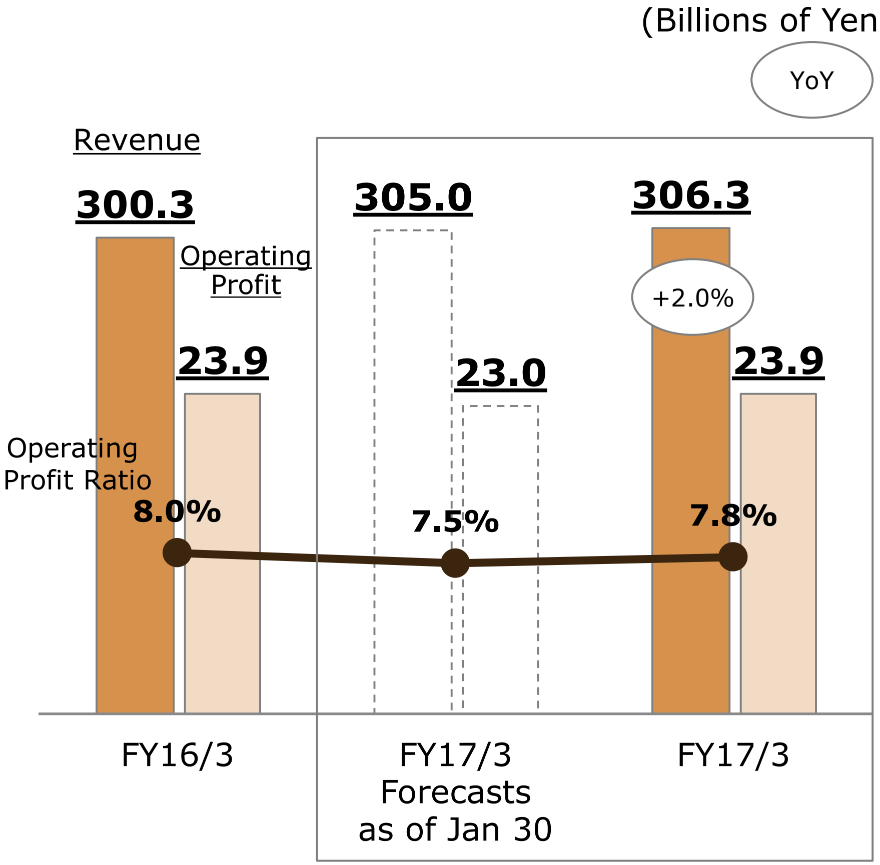
Revenue 736.0 (-4.6%)

- Decreased due to a decline in the public areas, despite Japan Aviation Electronics Industry, Limited becoming a consolidated subsidiary from Q4

Operating Profit 46.0 (-11.3)

- Worsened due to a sales decline and lower profitability in the space business

Enterprise Business



Billions of Yen (YoY)

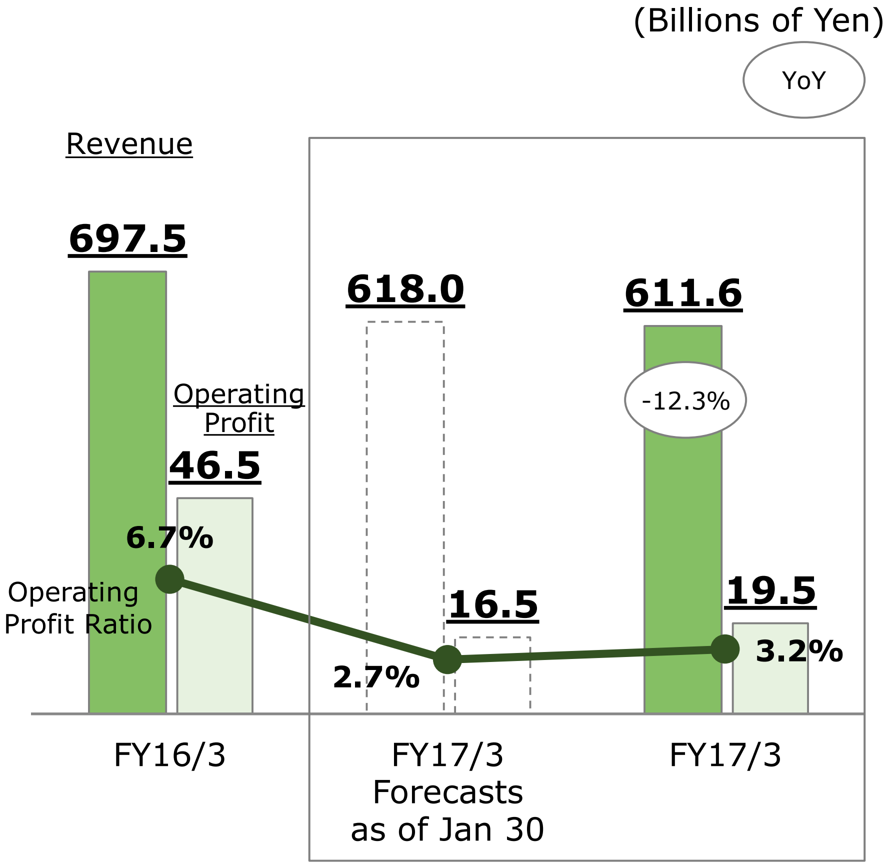
Revenue 306.3 (+2.0%)

- Increased due to strong sales from manufacturing industries

Operating Profit 23.9 (-0.0)

- Remained flat

Telecom Carrier Business



Billions of Yen (YoY)

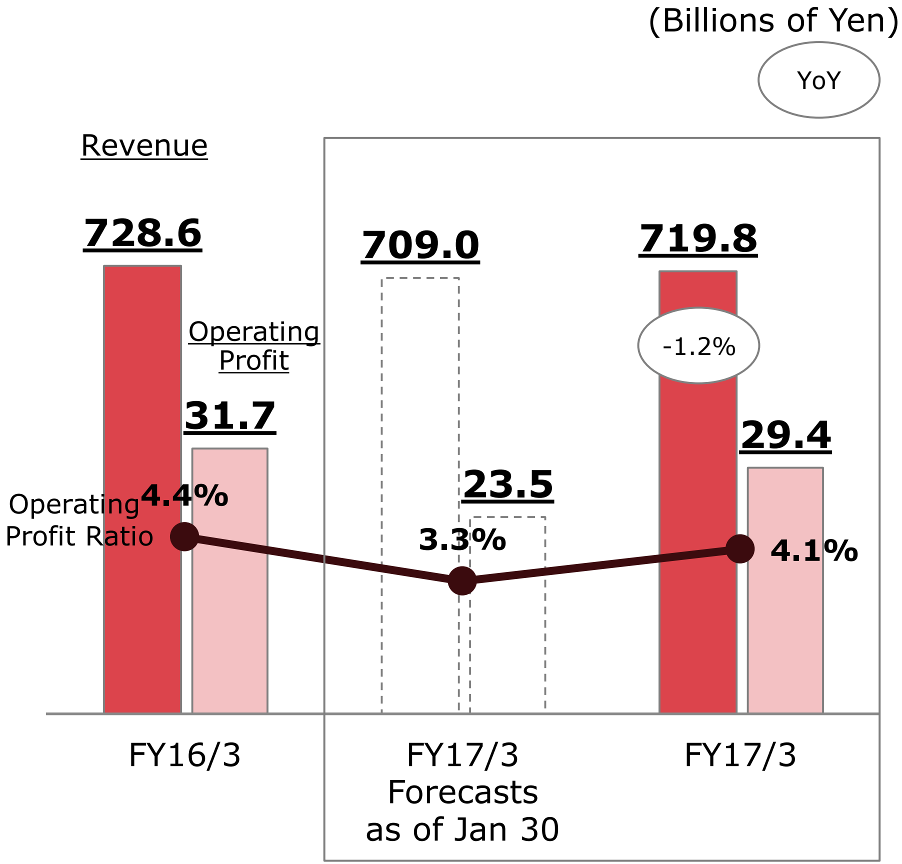
Revenue 611.6 (-12.3%)

- Decreased due to sluggish capital investment by telecommunications carriers and the influence of the strong yen

Operating Profit 19.5 (-27.1)

- Worsened due to a sales decline, the influence of the strong yen and an investment increase in the focus areas

System Platform Business



Billions of Yen (YoY)

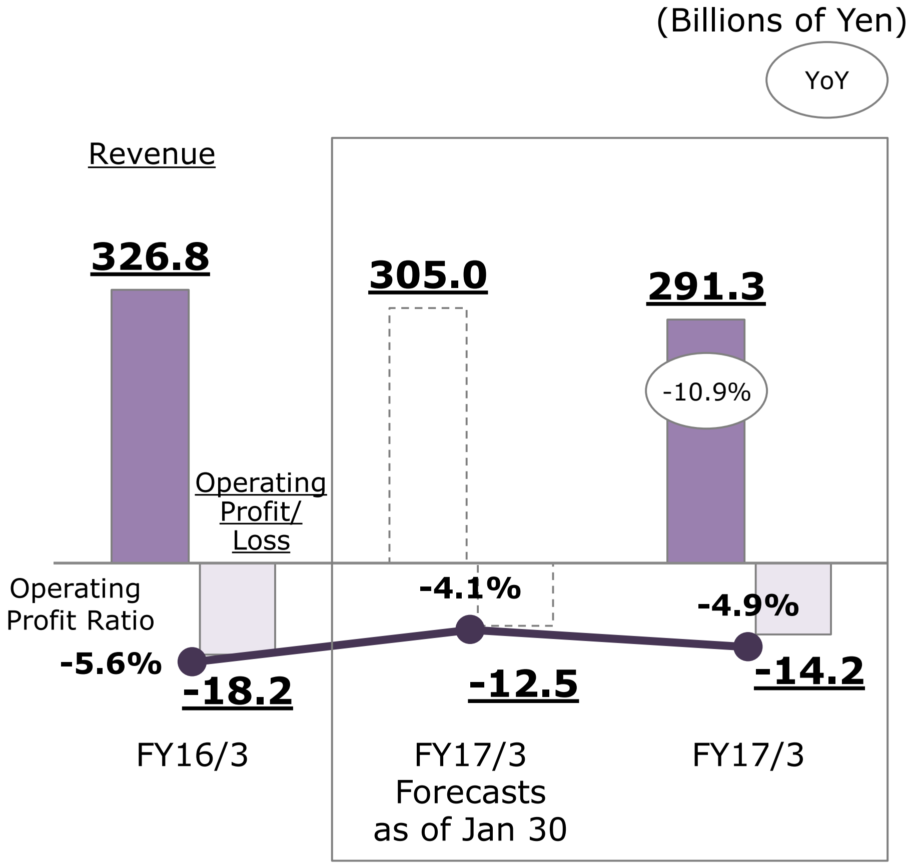
Revenue 719.8 (-1.2%)

- Decreased in hardware and enterprise networks

Operating Profit 29.4 (-2.3)

- Worsened due to a sales decline

Others



Billions of Yen (YoY)

Revenue 291.3 (-10.9%)

- Decreased in the energy business

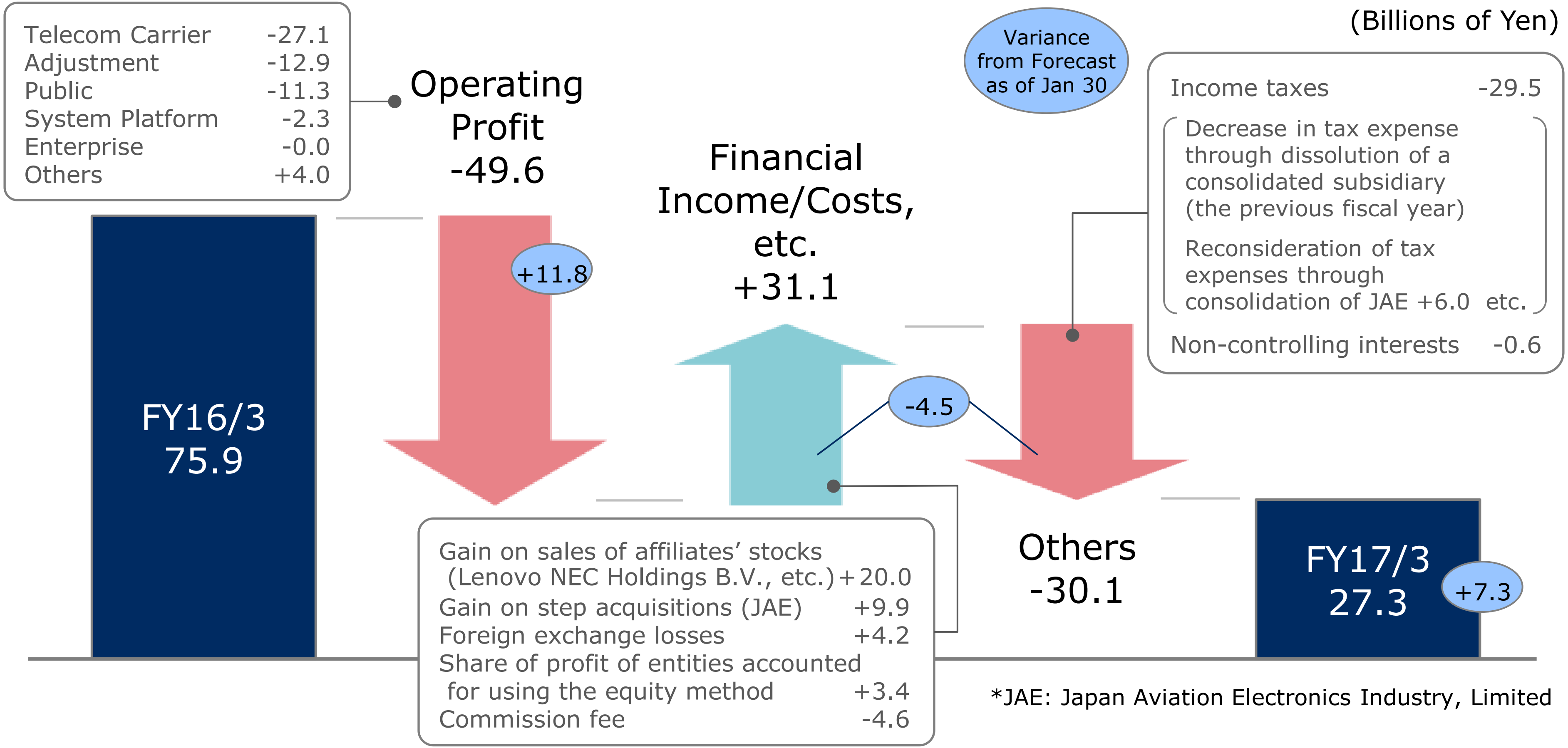
Operating Profit/Loss -14.2 (+4.0)

- Improved profit/loss in the energy business, despite lower profitability in international business

Net Profit Change (Year on Year)

Results FY17/3

(Billions of Yen)



*JAE: Japan Aviation Electronics Industry, Limited

II. Financial Forecasts for FY18/3

Special Items of FY18/3 Financial Forecasts (YoY)

One-off items of -33.0 billion yen factored into operating profit forecast for FY18/3

(Billions of Yen)		Revenue	Operating Profit/Loss	Segment
Improve	Consolidation of JAE	+180.0	+7.0	Public
	Improvement in unprofitable projects	-	+9.0	Public, Others
	Improvement in business structure improvement expenses	-	+6.0	Others
	Improvement in provision for contingent loss	-	+8.0	Public, System Platform, Adjustment
Worsen	Influence from the nomination suspension	-60.0	-15.0	Public, System Platform
	Factored business structure improvement expenses	-	-10.0	Adjustment
	Factored strategic investments for growth	-	-8.0	Adjustment

*Forecasts as of April 27, 2017

Summary of Financial Forecasts

Forecasts FY18/3

Achieve 30.0 billion yen in net profit, continue an annual dividend of 6 yen per share

(Billions of Yen)

	Full Year		
	FY17/3 Actual	FY18/3 Forecasts	YoY
Revenue	2,665.0	2,800.0	+ 5.1%
Operating Profit	41.8	50.0	+ 8.2
% to Revenue	1.6%	1.8%	
Net Profit	27.3	30.0	+ 2.7
% to Revenue	1.0%	1.1%	

	FY17/3 Actual	FY18/3 Forecasts	YoY
Free Cash Flows	99.0	80.0	- 19.0

	FY17/3 Actual	FY18/3 Forecasts	YoY
Dividends per Share (yen)	6.00	6.00	0.00

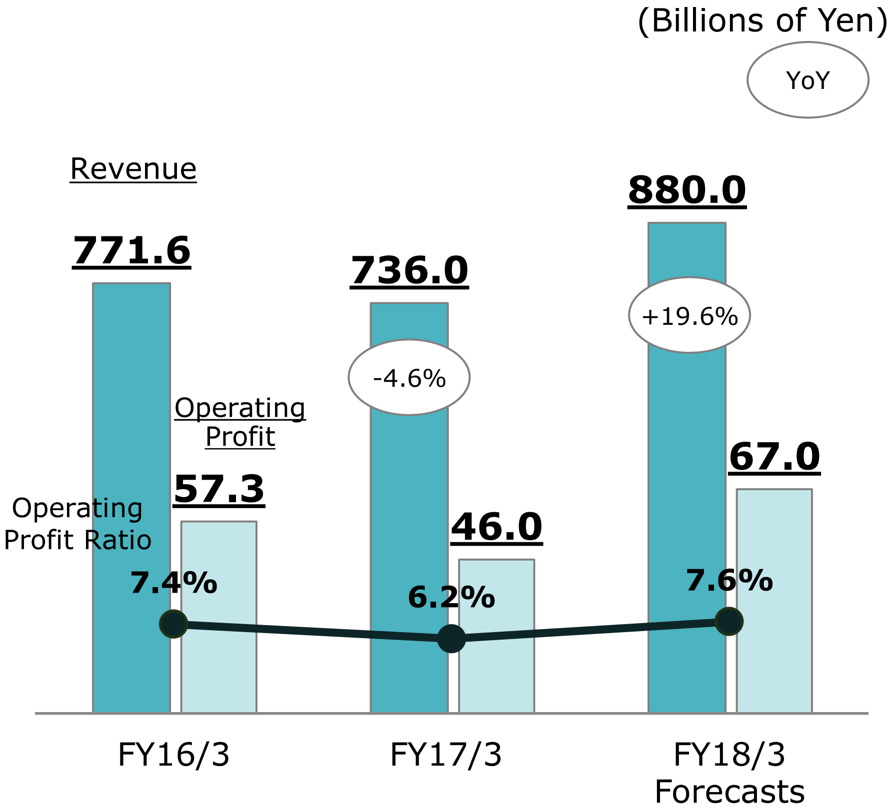
Note: Average Exchange Rates (yen)		FY17/3 Actual	FY18/3 Forecasts
	USD 1	108.38	105.00
	EUR 1	119.19	115.00

		Full Year		
		FY17/3 Actual	FY18/3 Forecasts	YoY
Public	Revenue	736.0	880.0	+ 19.6%
	Operating Profit	46.0	67.0	+ 21.0
	% to Revenue	6.2%	7.6%	
Enterprise	Revenue	306.3	305.0	- 0.4%
	Operating Profit	23.9	20.0	- 3.9
	% to Revenue	7.8%	6.6%	
Telecom Carrier	Revenue	611.6	610.0	- 0.3%
	Operating Profit	19.5	24.0	+ 4.5
	% to Revenue	3.2%	3.9%	
System Platform	Revenue	719.8	685.0	- 4.8%
	Operating Profit	29.4	29.0	- 0.4
	% to Revenue	4.1%	4.2%	
Others	Revenue	291.3	320.0	+ 9.9%
	Operating Profit/Loss	- 14.2	- 8.0	+ 6.2
	% to Revenue	-4.9%	-2.5%	
Adjustment	Operating Profit/Loss	- 62.7	- 82.0	- 19.3
Total	Revenue	2,665.0	2,800.0	+ 5.1%
	Operating Profit	41.8	50.0	+ 8.2
	% to Revenue	1.6%	1.8%	

*Forecasts as of April 27, 2017

Public Business

Forecasts FY18/3



Billions of Yen (YoY)

Revenue 880.0 (+19.6%)

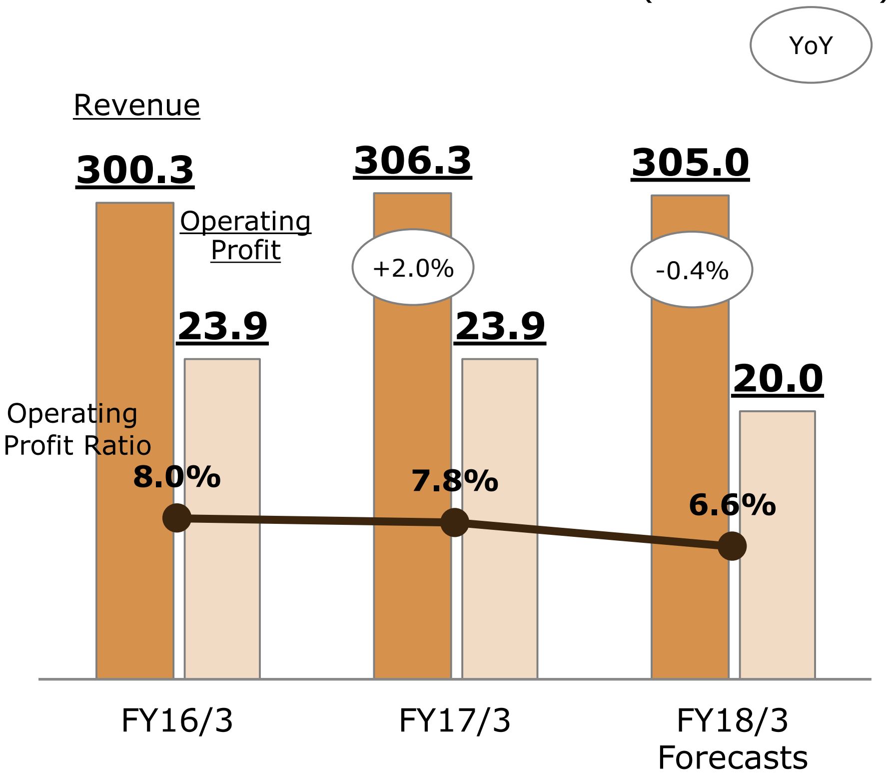
- Increase due to consolidation of Japan Aviation Electronics Industry, Limited, despite the influence from the nomination suspension

Operating Profit 67.0 (+21.0)

- Improve due to a sales increase and profitability improvement in the space business, as well as a decrease in provision for contingent loss in the previous fiscal year

*Forecasts as of April 27, 2017

Enterprise Business



Billions of Yen (YoY)

Revenue 305.0 (-0.4%)

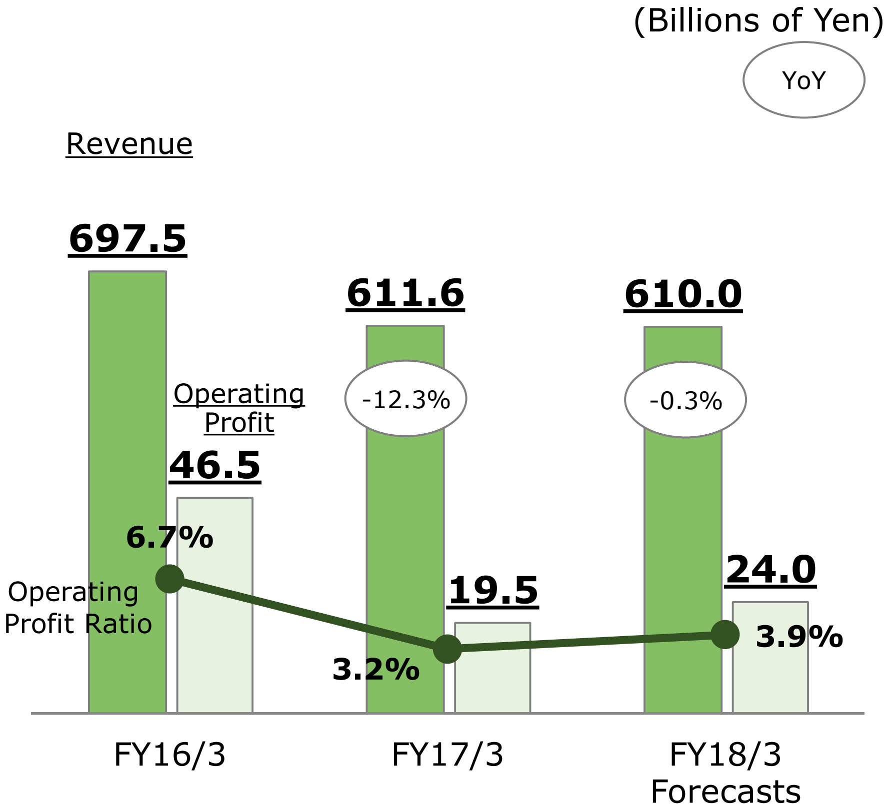
- Stable sales from manufacturing industries, while a decline in retail and services

Operating Profit 20.0 (-3.9)

- Worsen due to project lineup changes

*Forecasts as of April 27, 2017

Telecom Carrier Business



Billions of Yen (YoY)

Revenue 610.0 (-0.3%)

- Remain flat due to a decline in existing international business such as submarine cable systems, despite expansion of new business

Operating Profit 24.0 (+4.5)

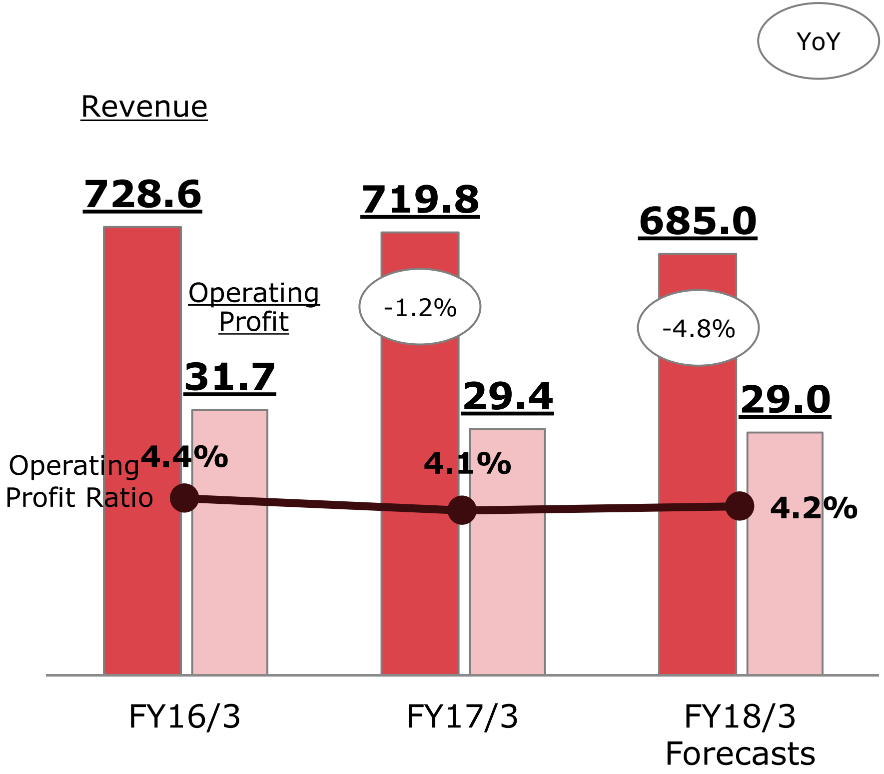
- Improve due to international business, despite an increase in development expenses for 5G (5th Generation)

*Forecasts as of April 27, 2017

System Platform Business

Forecasts FY18/3

(Billions of Yen)



Billions of Yen (YoY)

Revenue 685.0 (-4.8%)

- Decrease due to the influence from the nomination suspension, as well as a decline in hardware such as mobile handsets

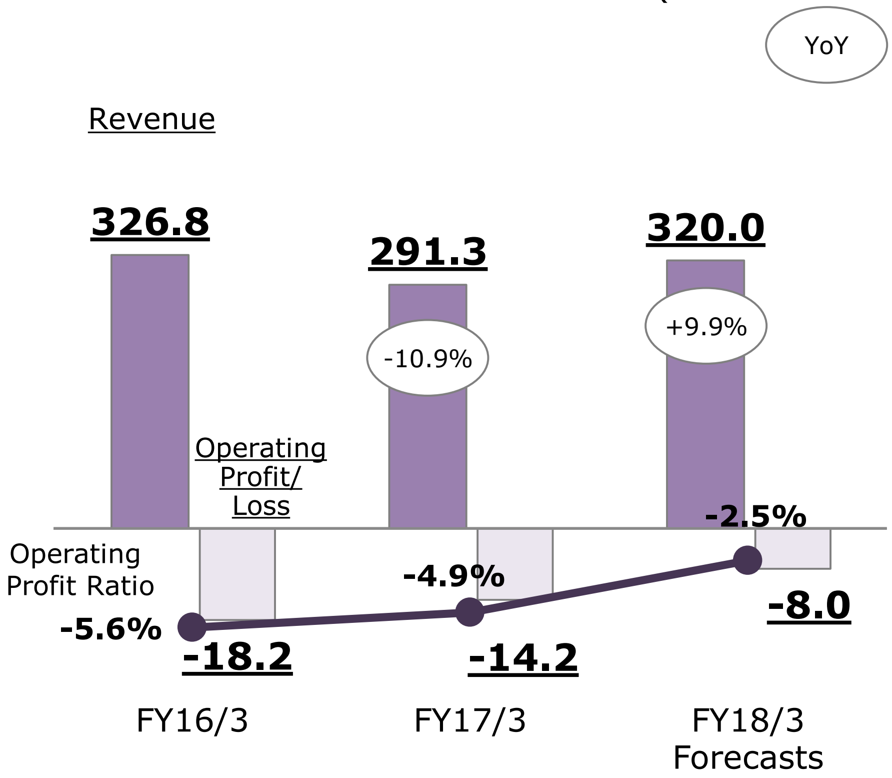
Operating Profit 29.0 (-0.4)

- Worsen due to a sales decline, despite an improvement from cost reductions, as well as a decrease in provision for contingent loss in the previous fiscal year

*Forecasts as of April 27, 2017

Others

(Billions of Yen)



Billions of Yen (YoY)

Revenue 320.0 (+9.9%)

- Increase in international business and the energy business

Operating Profit/Loss -8.0 (+6.2)

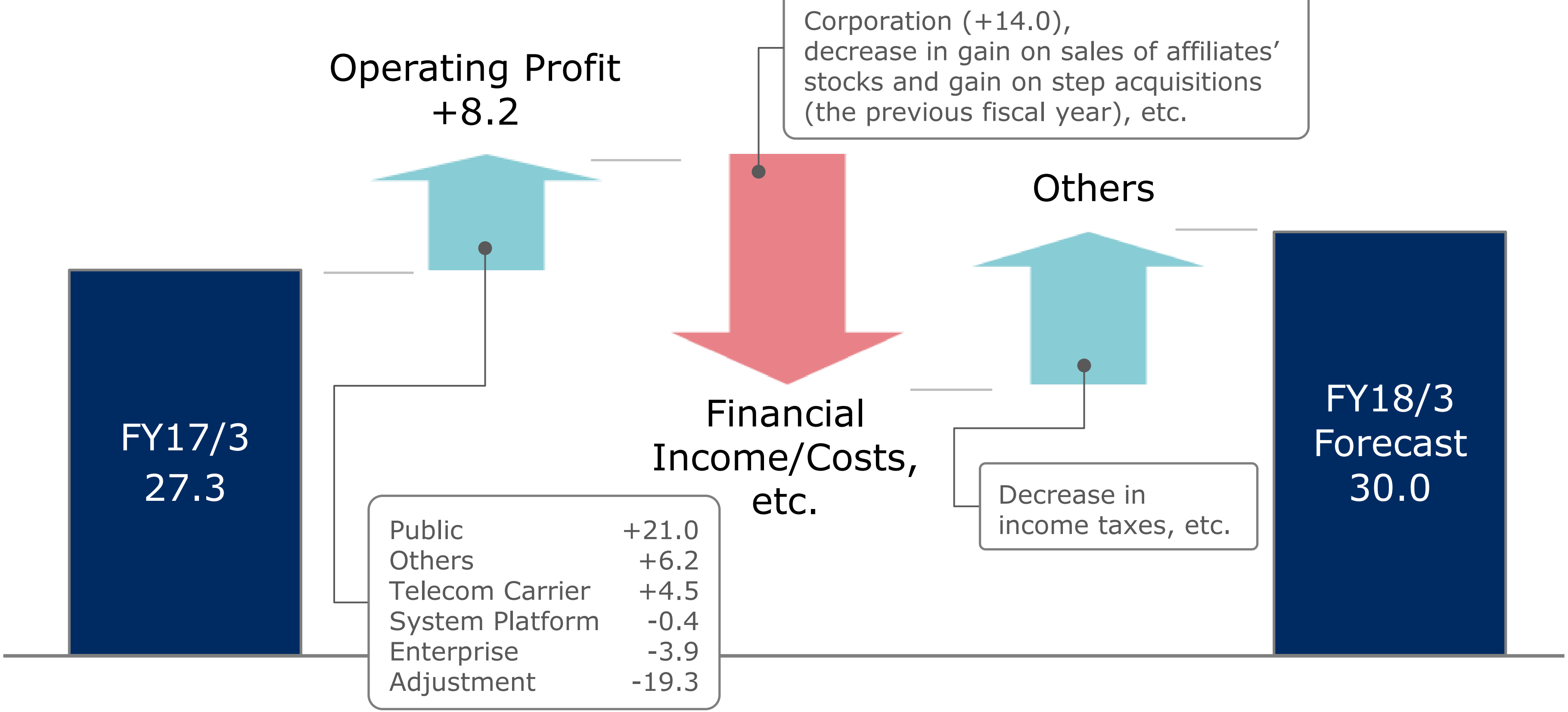
- Improve in the energy business and international business

*Forecasts as of April 27, 2017

Net Profit Change（Year on Year）

Forecasts FY18/3

(Billions of Yen)



*Forecasts as of April 27, 2017

Ⅲ. Mid-term Management Plan

Looking Back at the 1st Year of the Mid-term Plan - Achievements

Stable progress in the business process optimization project

Reorganization of Profit Structure

- Business process optimization project: Improved efficiency of back-office operations and reduced expenses/IT related costs by approx. ¥14.0B YoY (in line with expectations)
- Optimization of development and manufacturing functions: Integrated subsidiaries of hardware development and production as well as software development

Getting Back on the Track to Growth

- Safety: Ranked as #1 at face in video evaluation (4th consecutive win including previous benchmark tests of still image face authentication technologies)
- SDN/NFV: Acquired 10 commercial deployment orders from major operators in Europe, the Middle East, North America, etc.
  - Pipeline expanded 1.6x in half a year, as sales to grow 1.5x YoY in FY18/3
- Retail IT Service: Selected by 7-Eleven, Inc. to provide and maintain POS system
- AI & IoT: Enhanced partnership with academic institutions and commercial partners

*SDN: Software Defined Networking, NFV: Network Functions Virtualization, POS: Point-of-sale, IoT: Internet of Things

**Forecasts as of April 27, 2017

Looking Back at the 1st Year of the Mid-term Plan - Challenges

Lack of execution by management team responding to changes in market environments and customer movements

Financial targets for existing businesses not achieved, while results for new businesses delayed

- Could not execute growth strategy well enough in 3 focus business areas, mainly in the international market

Profitability deteriorated in certain business areas

- Dip in Telecom Carrier business: Need to flexibly allocate resources to focus business areas for optimization, accelerate development of 5G technology targeting the shipment of commercial prototypes in FY19/3
- Slow recovery in the energy business: Loss from operations (excluding one-time costs) decreased. Expect sales growth and profitability improvements, mainly in the large ESS and electrode business
- Booked new unprofitable projects: Accelerate deployment of project management know-how from system integration/services throughout the company during FY18/3

Governance, Compliance

-Received the cease and desist orders and the orders for payment of surcharge

- Booked provision for contingent loss (FY17/3), Anticipate an influence from the nomination suspension (FY18/3)

*ESS: Energy Storage System

**Forecasts as of April 27, 2017

Key Management Agenda

Discuss new mid-term management plan during 2017

Accelerate management speed	▌Change the process of Mid-term and annual plan formulation ▌Enhance corporate functions ● Empower Chief Officers under clear definition of roles, authorities and responsibilities
Management policy	▌Improve profitability of business in Japan, including transformation of underperforming businesses ▌Pursue further opportunities in addition to the 3 focus areas, while fundamental policy of international growth unchanged
Set new financial target	▌Establish structure to generate 5% operating profit margin ● Portfolio management with discipline

*Forecasts as of April 27, 2017

Introduction of Performance–Based Stock Compensation Program (Mid-long term incentive)

Incentivize management to improve mid-long term financial performance and enterprise value

- Beneficiaries: Directors (excluding outside directors) and executive officers
- Trust Period: 3 years of the mid-term management plan
- Indicator: Consolidated operating profit, consolidated ROE (Return on Equity), etc. of the trust period
- Date of execution: After termination of the trust period

* The introduction of the Stock Compensation Program is subject to approval at the upcoming 179th Ordinary General Meeting of Shareholders scheduled on June 22, 2017

*As of April 27, 2017

Improve management speed and enhance execution power

Formulate a new mid-term management plan

*As of April 27, 2017

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NEC brings together and integrates technology and expertise to create
the ICT-enabled society of tomorrow.
We collaborate closely with partners and customers around the world,
orchestrating each project to ensure all its parts are fine-tuned to local needs.

Every day, our innovative solutions for society contribute to
greater safety, security, efficiency and equality,
and enable people to live brighter lives.

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NEC

<Ref.> Progress on Mid-term Management Plan 2018

Mid-term Management Policies

Implement reforms to address challenges and continue focus on Solutions for Society

Reorganization of profit structure - establish profit structure for generating 5% operating profit ratio

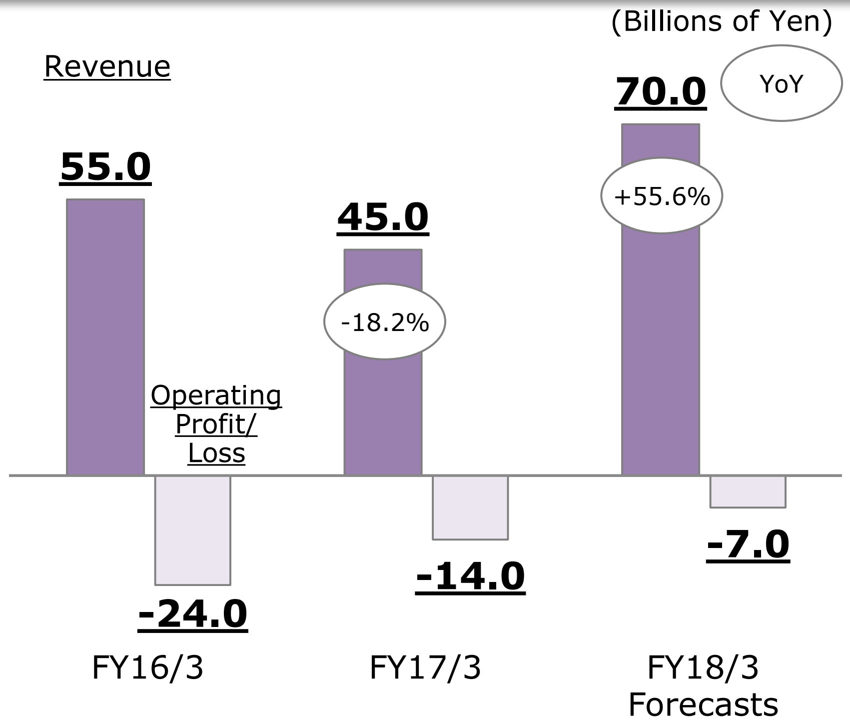
- Reform underperforming businesses and unprofitable projects
- Business process optimization project
- Optimization of development and manufacturing functions

Getting back on the track to growth - globalization of Solutions for Society

- Focus on key businesses
  - Safety business
  - Global carrier network business
  - Retail IT service business

Smart Energy Business (in Public and Others)

Increase revenue and improve profitability by executing portfolio optimization



Financial Results and Forecasts

- FY17/3: Revenue decreased and operating profit/loss worsened due to tougher competition under stagnant capex of utility companies
- FY18/3: Expand sales and improve profitability in large storage systems and electrodes

<Measures underway>

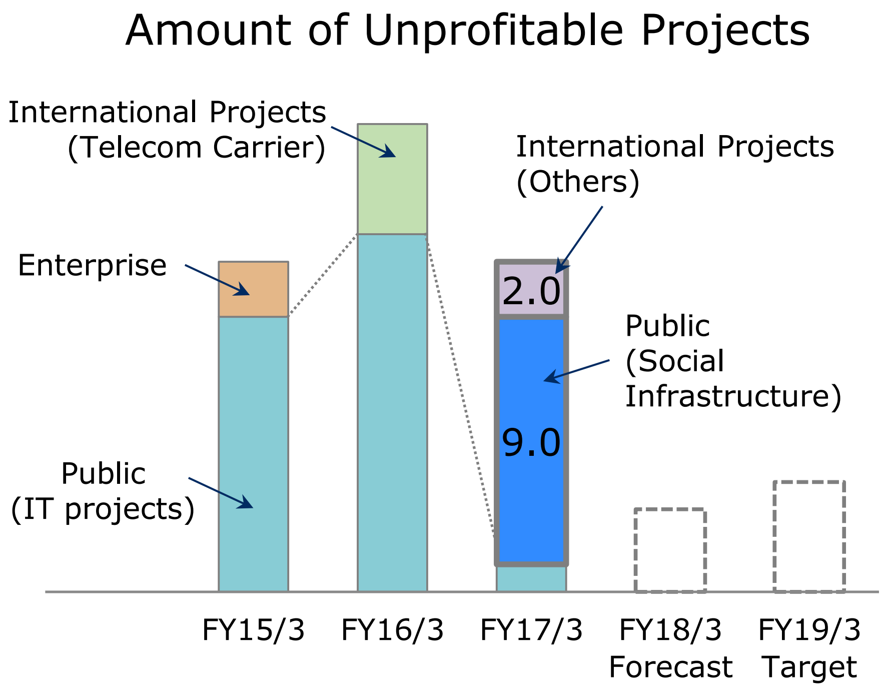
- Resource shift (15% YoY headcount reduction during FY17/3)
- Business for the Japanese utility companies transferred to Public Business (effective on October 1, 2016)
- Reviewing the independent development system for hardware of small energy storage

*Forecasts as of April 27, 2017

Unprofitable Projects

Accelerate deployment of project management know-how from SI/services throughout the company during FY18/3

(Billions of Yen)



FY 17/3

- Losses decreased in IT projects of Public business and international projects in Telecom carrier business
- Booked new unprofitable projects in the area of social infrastructure of Public business and international business of Others

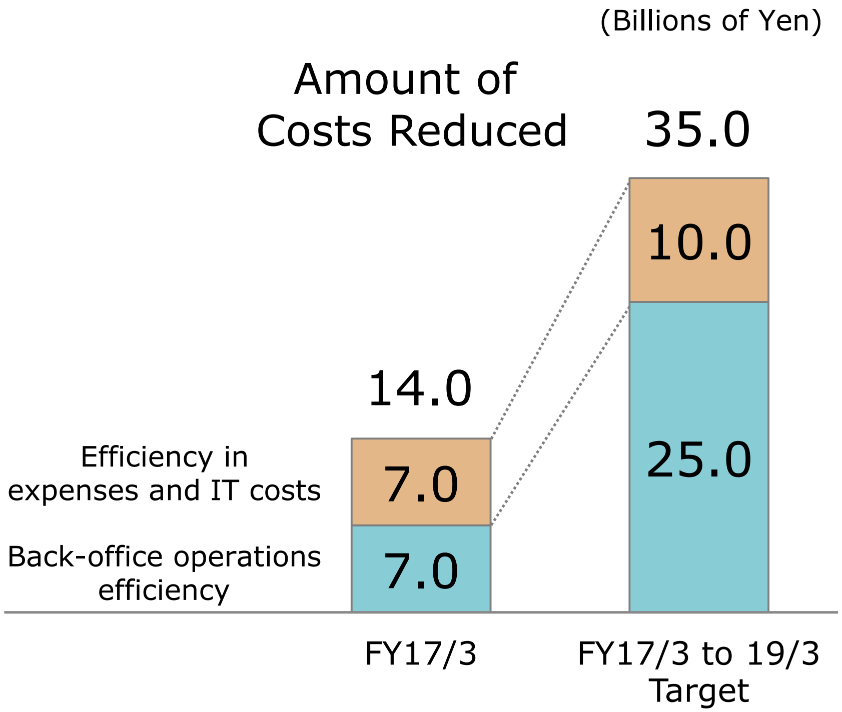
<Countermeasures>

- Social infrastructure area: deploy project management know-how from IT business, and enhance support from expert divisions such as production control
- International projects: enhance cooperation between sales and products/services divisions

*Forecasts as of April 27, 2017

Business Process Optimization Project

40% progress at the end of FY17/3, compared to the mid-term target; Accelerate actions to achieve over 70% progress at the end of FY18/3



Back-office operations efficiency

- 8% headcount reduction of back-office functions in the NEC Group (compared to the end of March 2016)
  - Integration of back-office operation in Japan to be almost complete in June 2017. Accelerate resource shift by function

Efficiency in expenses and IT costs

- Integrate IT assets of approx. 20.0 Bil. yen owned by NEC Group companies into NEC Management Partners
  - Enhance activities for further reduction of expenses in Japan, as well as IT costs for the NEC Group overall

*Forecasts as of April 27, 2017

Optimization of Development and Manufacturing Functions

Integrated development and production subsidiaries (effective on April 1, 2017)

Hardware development and production

Integrated 5 companies/divisions* into one as a consolidated operation of the NEC Group's hardware development and production, both for IT and network equipment

* NEC Platforms, Ltd. (Development and production of IT systems)
NEC Network Products, Ltd. (Development and production of network equipment)
NEC Yamanashi, Ltd. (Production of optical communication devices)
NEC Engineering, Ltd. (System solution provider, including the development of various equipment)
Equipment development operation of NEC Communication Systems, Ltd.
(Development of communication equipment)

Software development

Integrated NEC Solution Innovators, Ltd., the core software development company of the NEC Group, and NEC Informatec Systems, Ltd., engaged in development and operation of internal systems for the NEC Group

Safety Business

NEC's video face recognition technology ranks first in NIST testing, while aiming to contribute to the safety and security of society

- Provided face recognition system for immigration examinations at John F. Kennedy International Airport in New York

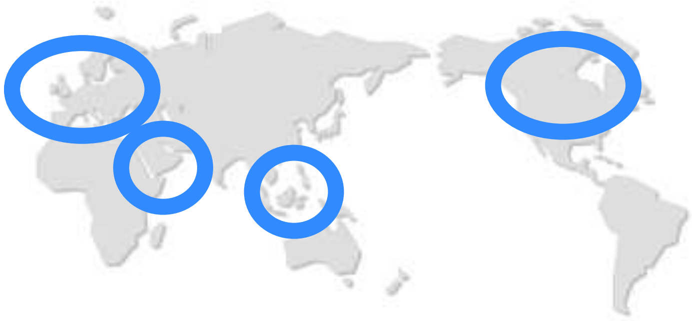
- Expanded biometrics systems deployment in Australia throughout federal agencies, state police and other institutions
- The benchmark test of video face recognition technologies carried out by the globally influential U.S. National Institute for Standards and Technology (NIST) evaluated NEC's technologies as the world's most accurate, with a matching accuracy of 99.2%, far surpassing the accuracy of other companies
  (Including previous benchmark tests of still image face authentication technologies, this is the 4th consecutive time that NEC ranked number one.)
- Acquired Arcon Informatica S.A, an IT security business in Brazil

SDN/NFV

Acquired 10 commercial deployment orders from major operators in Europe, the Middle East, North America, etc.

Enhanced proposal through strengthening solutions

- "Agile Virtualization Platform and Practice" (Released in May 2016)
  - Support rapid implementation of new carrier services, visualize SDN/NFV effects, provide consulting
- "Network-as-a-Service Solution" (Released in October 2016)
  - Communication system for enterprise business of carriers (enterprise and residential vCPE, SD-WAN)
- "Ecosystem 2.0" (Released in February 2017) for optimized solution
  - Partnership with leading players in the area of SDN/NFV



*vCPE: virtualized Customer Premises Equipment
SD-WAN: Software Defined WAN (Wide Area Network)

*As of April 27, 2017

Retail IT Service

Aim to enable safe, secure and efficient store management as well as improve customer convenience

- Reinforced lifecycle management for IT services, including system planning, development, installation and maintenance

- Strengthened solutions providing new value, such as "omni-channel" where goods can be purchased regardless of sales/distribution channels, efficient operations and facilities management for retail/service customers

- Selected by 7-Eleven, Inc. to provide and maintain point-of-sale (POS) systems for 8,600 stores throughout the United States and Canada

AI Technology and IoT

Focus on these areas as key differentiators for "Solutions for Society"

- Launched AI brand "NEC the WISE"

NEC the WISE
AI technologies from NEC
for enriching human intellect and creativity

- Industry-Academia alliance for the better use of AI
  - National Institute of Advanced Industrial Science and Technology (AIST), Osaka University, University of Tokyo and RIKEN, etc.
- Formed a comprehensive alliance in the IoT field with United States-based General Electric (GE)
- Began cooperation with DENSO Corporation in the fields of advanced driving support, automatic driving and manufacturing that utilize AI and IoT
- Conducted a tender offer for shares of Japan Aviation Electronics Industry, Limited, made it a consolidated subsidiary

<Ref.> Revision of Business Segments
(from Q1, FY18/3 Earnings)

Background of Segment Revision

Reporting segment to be revised in accordance with the organizational change in April 2017

The Corporate Sales and Sales Operations Unit responsible for regional sales functions (i.e., branch divisions and branch offices) in Japan, booked currently in the Others segment, will be incorporated into the Public segment

- New Public business consists of the "Public Solutions Business Unit" responsible for business involving regional sales functions and regional public entities in Japan, as well as the "Public Infrastructure Business Unit" that will take charge of business involving government organizations and enterprises supporting national and social infrastructure
  - The Public Solutions Business Unit will accelerate new business development in Smart City, "My Number" utilization, healthcare, and other business domains through collaboration with municipalities, universities, enterprises, and other regional stakeholders based on regional needs and policy needs

Business involving financial institutions will be transferred to the Enterprise segment

- Expanding NEC's lineup of financial settlement and other solutions, as well as boosting investment efficiency by strengthening collaboration with the distribution and service industries in the FinTech domain

<Ref.> Overview of Segment Revision and Organizations

Current Segment

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

Business for Financial Institutions

Regional sales functions in Japan

(Billions of Yen)

New Segment	FY18/3 Forecasts (roughly estimated guidance)		Related Organizations
Public	Revenue	915.0	(Public Solutions Business Unit) (Public Infrastructure Business Unit)
	OP	55.0	
Enterprise	Revenue	415.0	(Enterprise Business Unit)
	OP	36.0	
Telecom Carrier	Revenue	595.0	(Telecom Carrier Business Unit)
	OP	23.0	
System Platform	Revenue	685.0	(System Platform Business Unit)
	OP	29.0	
Others	Revenue	190.0	(Global Business Unit) (SI, Service & Engineering Operation Unit)
	OP	-16.0	

*breakdown by business unit to be provided for reference

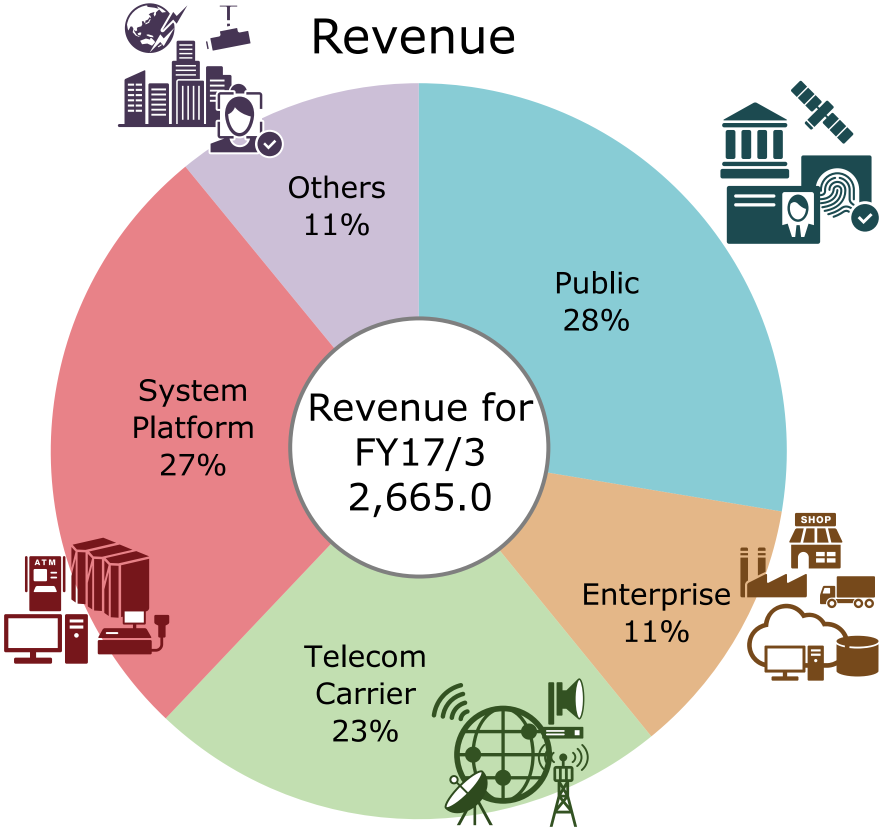
*Forecasts as of April 27, 2017 (including estimations of the organizational change not mentioned in P.41)

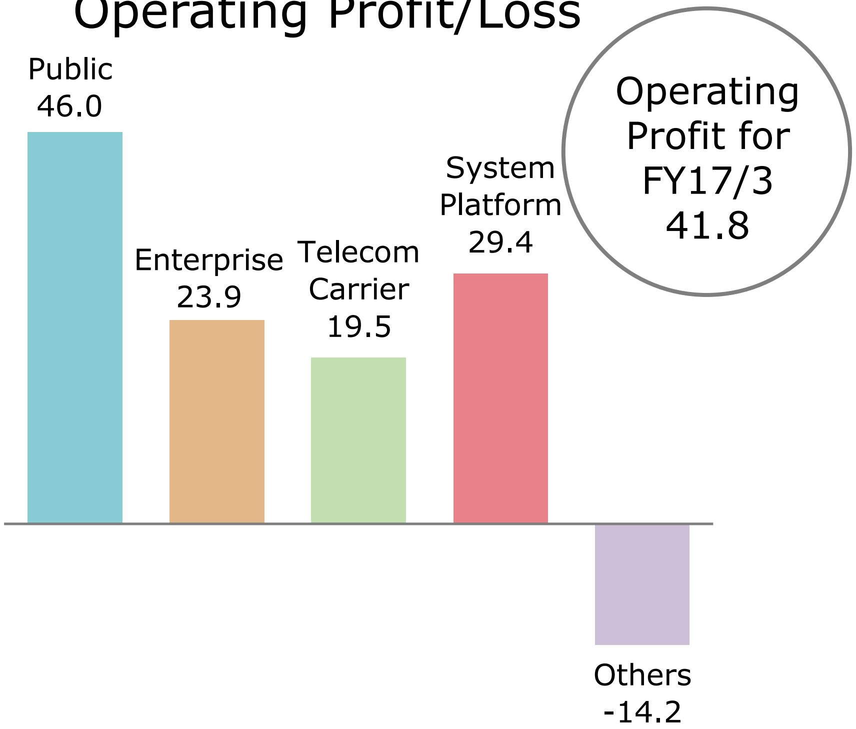
Financial Results for FY17/3 (Appendix)

Orchestrating a brighter world

Financial Results for FY17/3 by Segment

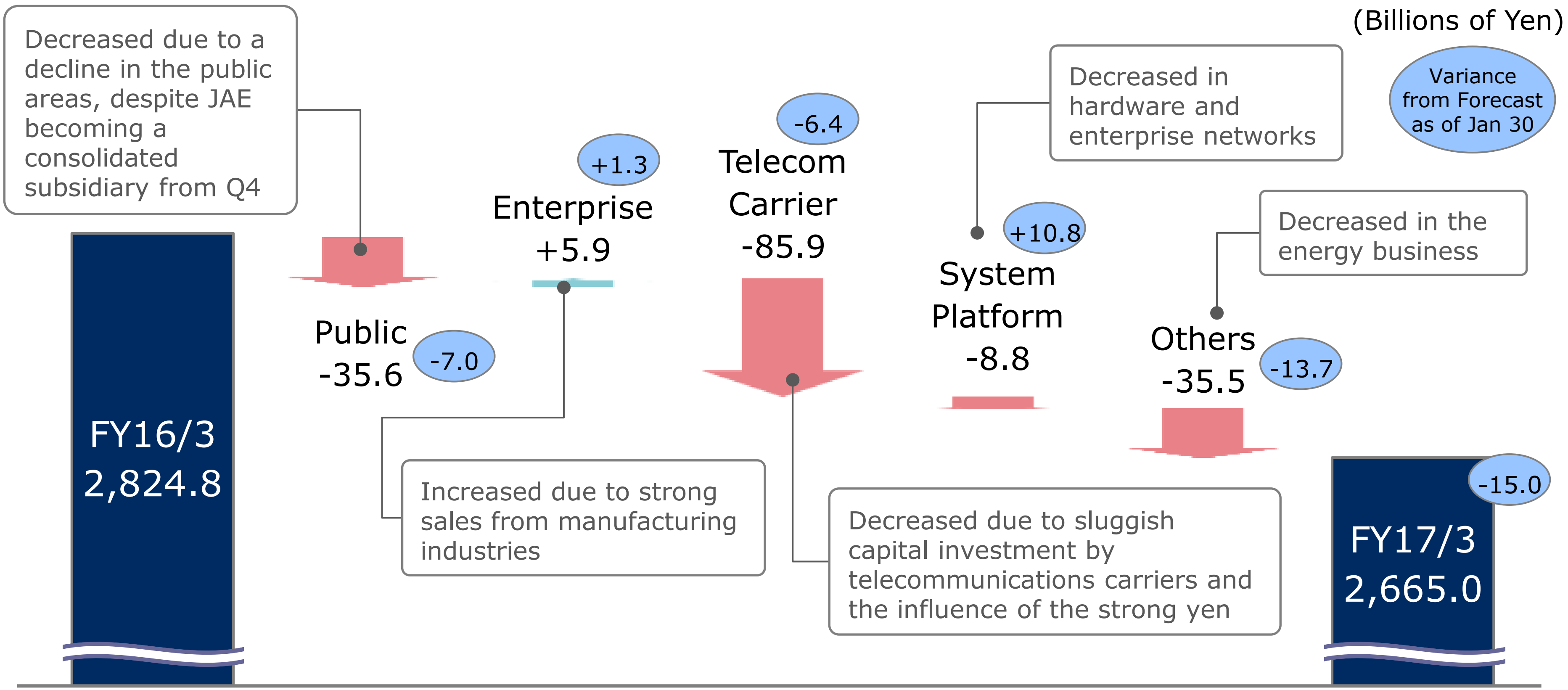
(Billions of Yen)





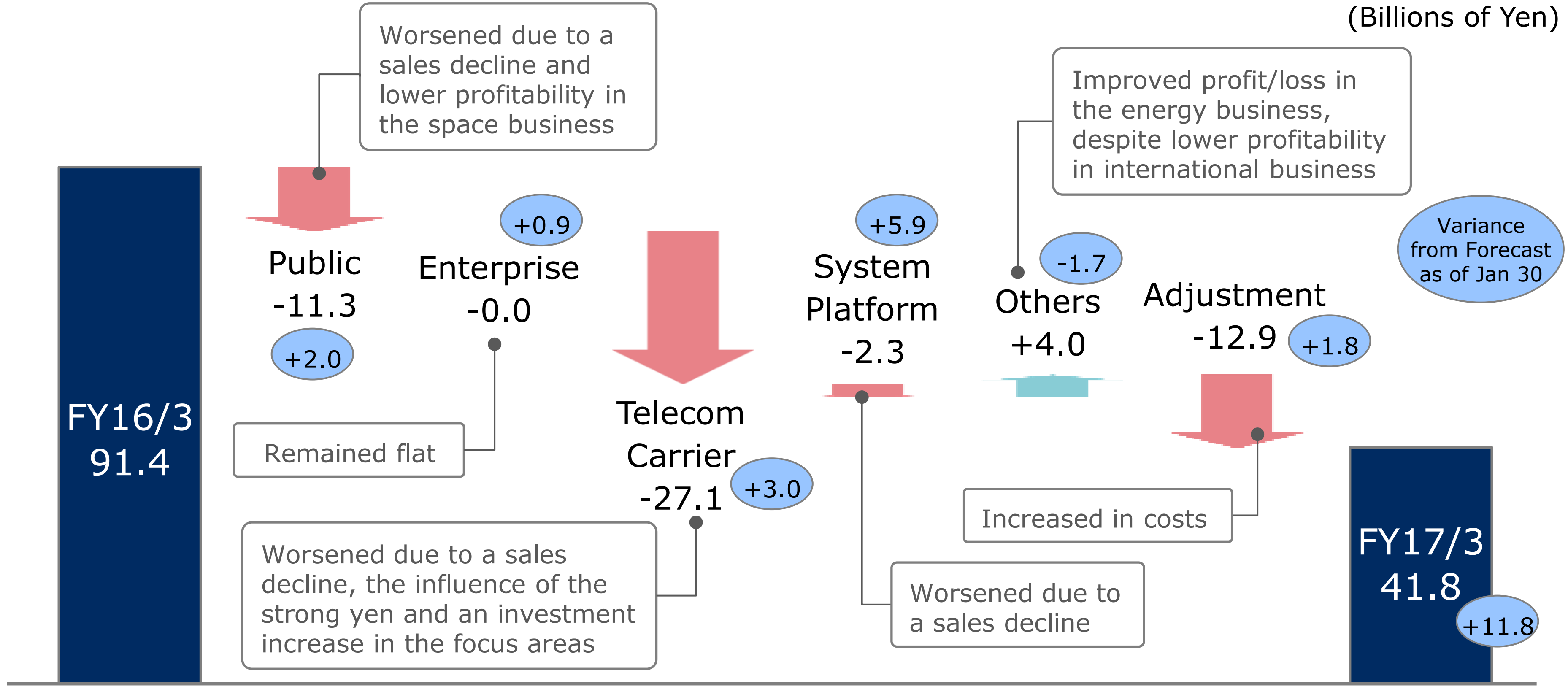
Revenue Change (Year on Year)

Results FY17/3



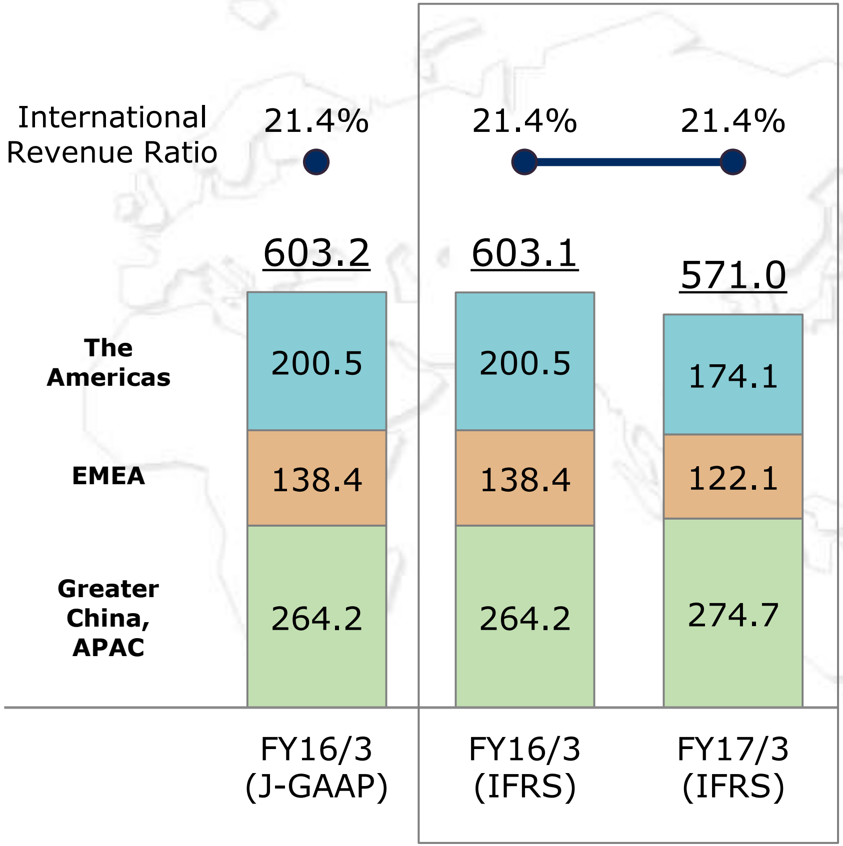
Operating Profit Change（Year on Year)

(Billions of Yen)

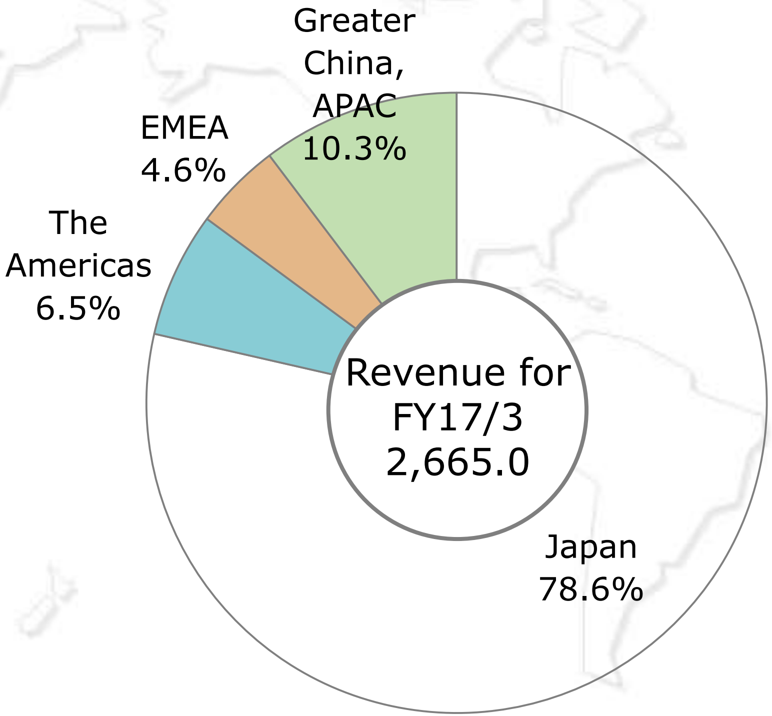


International Revenue

(Billions of Yen)



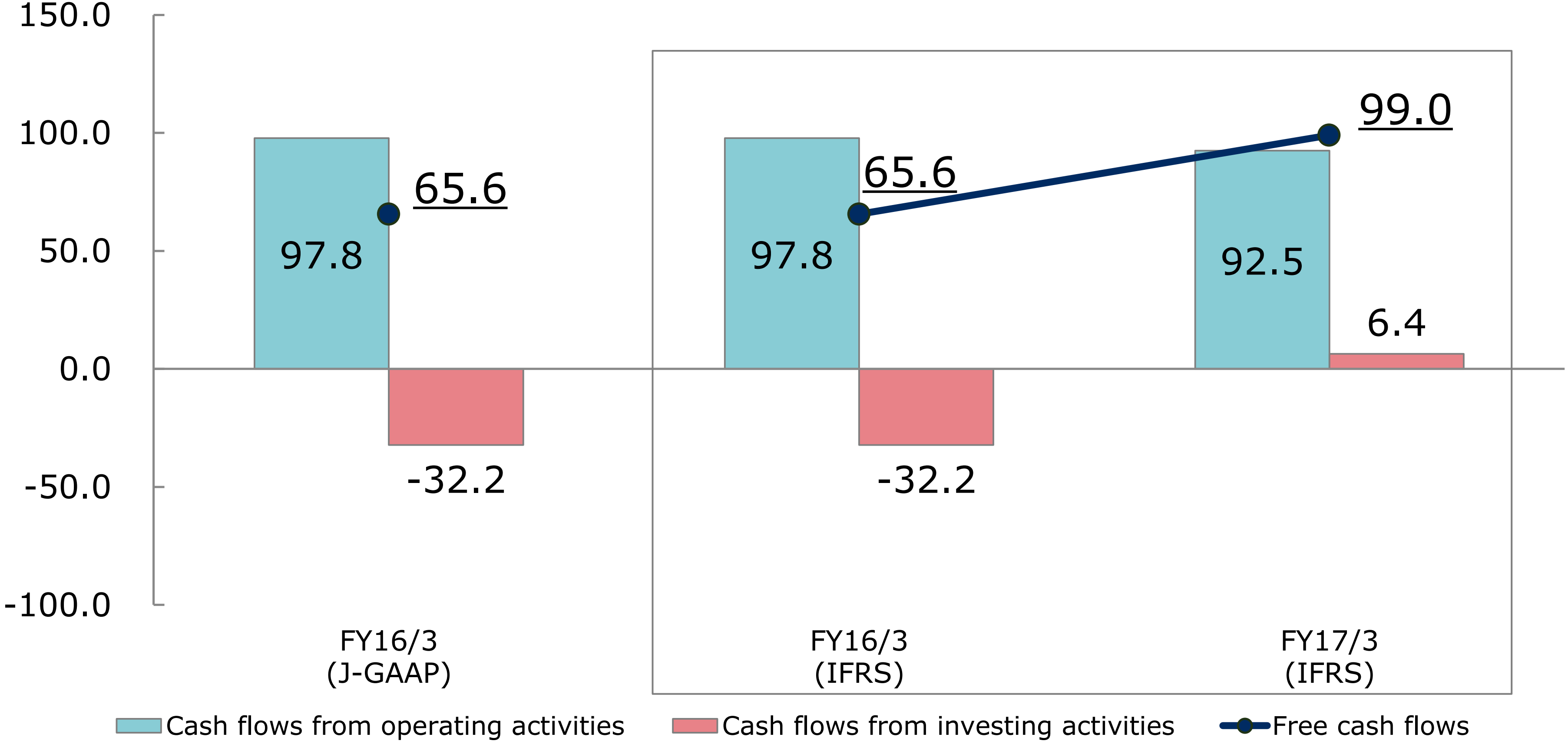
Revenue by Region



*Revenue is classified by country or region based on customer locations.

Free Cash Flows

(Billions of Yen)



Financial Position Data

(Billions of Yen)

	End of March 2016	End of March 2017	Variance from end of March 2016
Total assets	2,528.9	2,684.0	+155.1
Total equity	837.2	1,016.1	+178.8
Interest-bearing debt	479.5	466.9	-12.6
Equity attributable to owners of the parent	769.8	854.3	+84.4
Ratio of equity attributable to owners of the parent (%)	30.4%	31.8%	+1.4pt
D/E ratio (times)	0.62	0.55	+ 0.07pt
Net D/E ratio (times)	0.37	0.27	+0.10pt
Cash and cash equivalents	192.3	240.0	+47.6

<Ref.> Statements of Financial Position (At the end of March 2017)

(Billions of Yen)

Compared to end of March 2016

Current Assets
1,508.7
+55.4
Increase of cash and cash equivalents

Noncurrent Assets
1,175.3
+99.7
Increase in property, plant and equipment, net as well as other non-current assets

Total Assets
2,684.0
(+155.1 compared to end of March 2016)

Liabilities
1,667.9
-23.8
Decrease in defined benefit liabilities

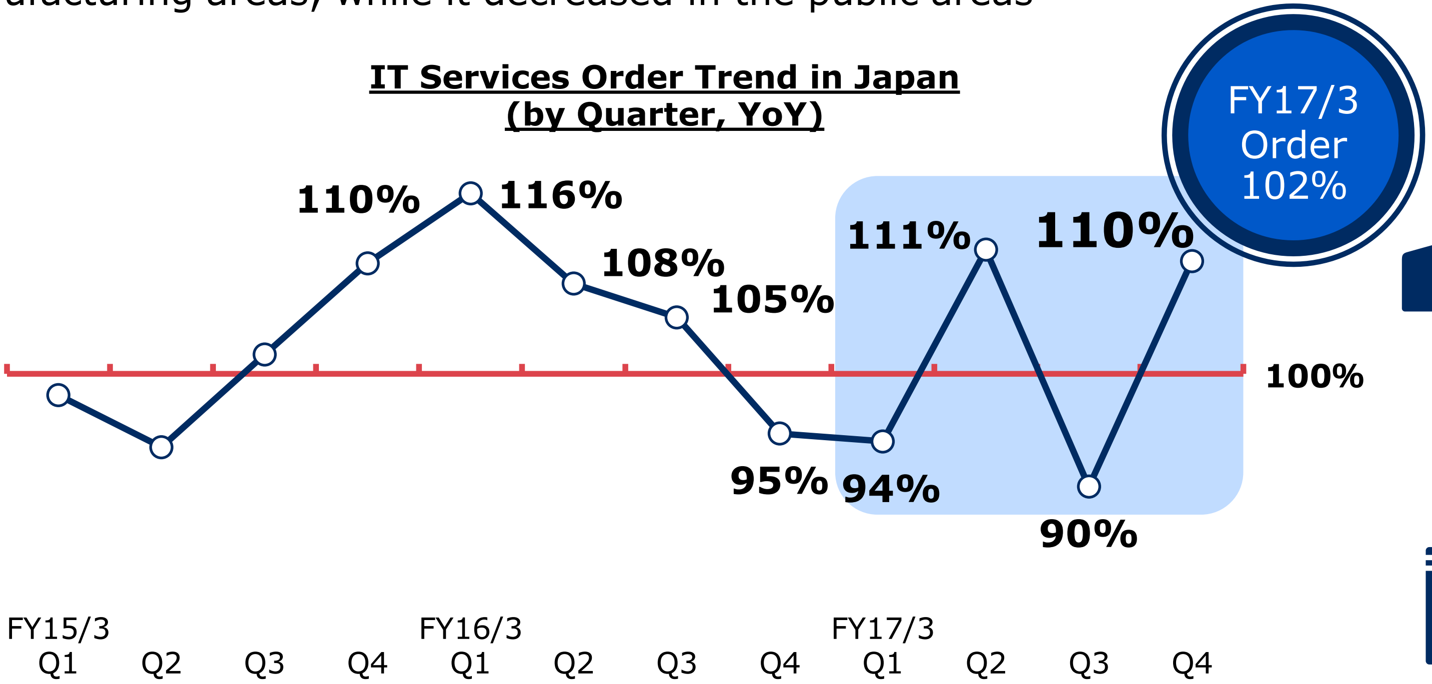
Equity
1,016.1
+178.8
Increase of non-controlling interests and other components of equity

Business Environment

The order trend for IT investment in services in Japan remains at a high level

- IT services in Japan for FY17/3 showed stable performance in telecommunication and manufacturing areas, while it decreased in the public areas

IT Services Order Trend in Japan (by Quarter, YoY)



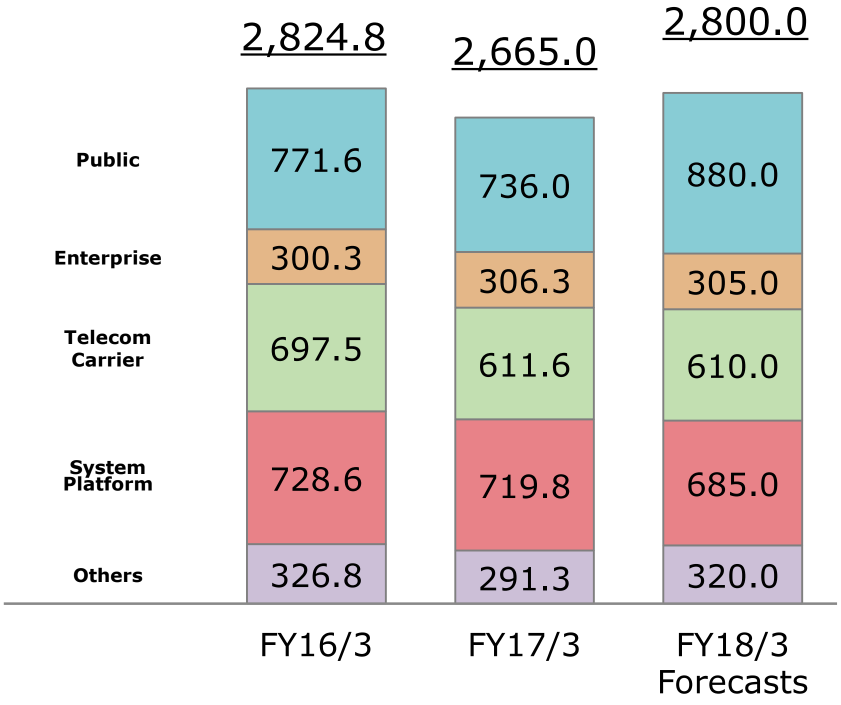
Financial Forecasts for FY18/3 (Appendix)

Financial Results/Forecasts by Segment (three-year transition)

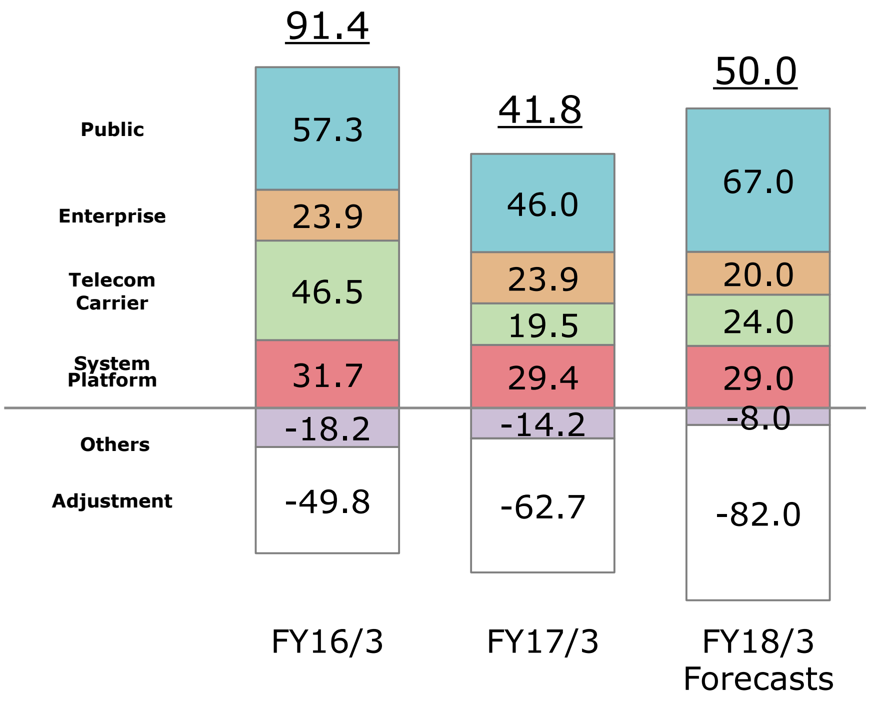
Forecasts FY18/3

(Billions of Yen)

Revenue



Operating Profit/Loss



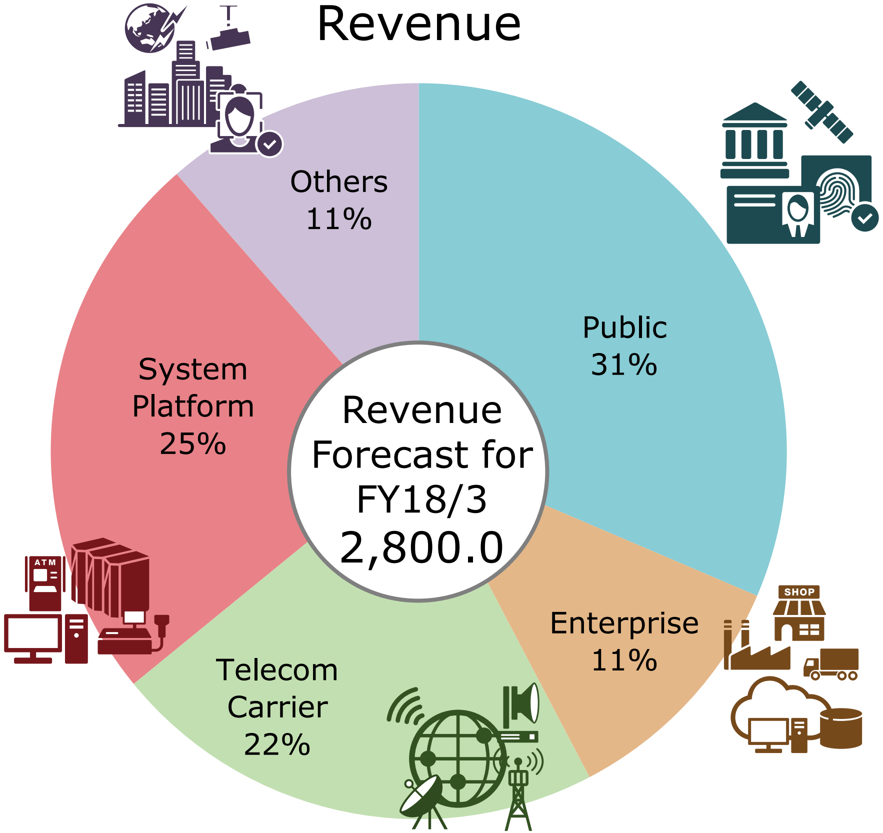
*Forecasts as of April 27, 2017

Financial Forecasts by Segment

Forecasts FY18/3

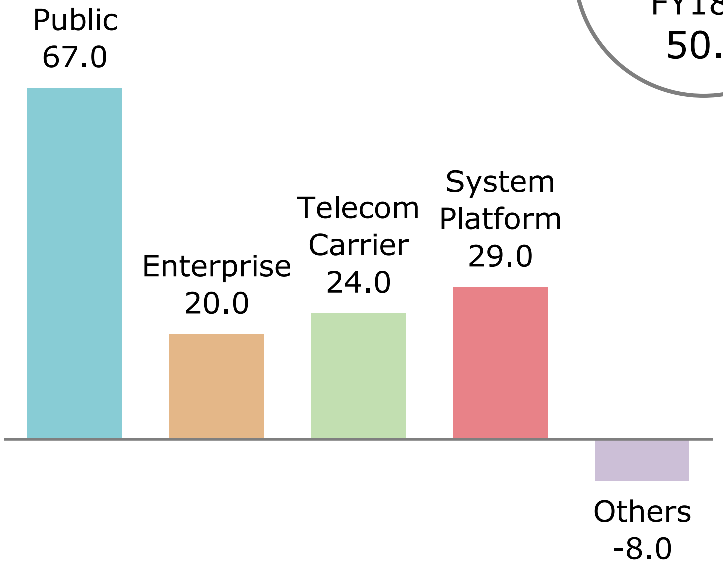
(Billions of Yen)

Revenue



Operating Profit/Loss

Operating Profit Forecast for FY18/3
50.0

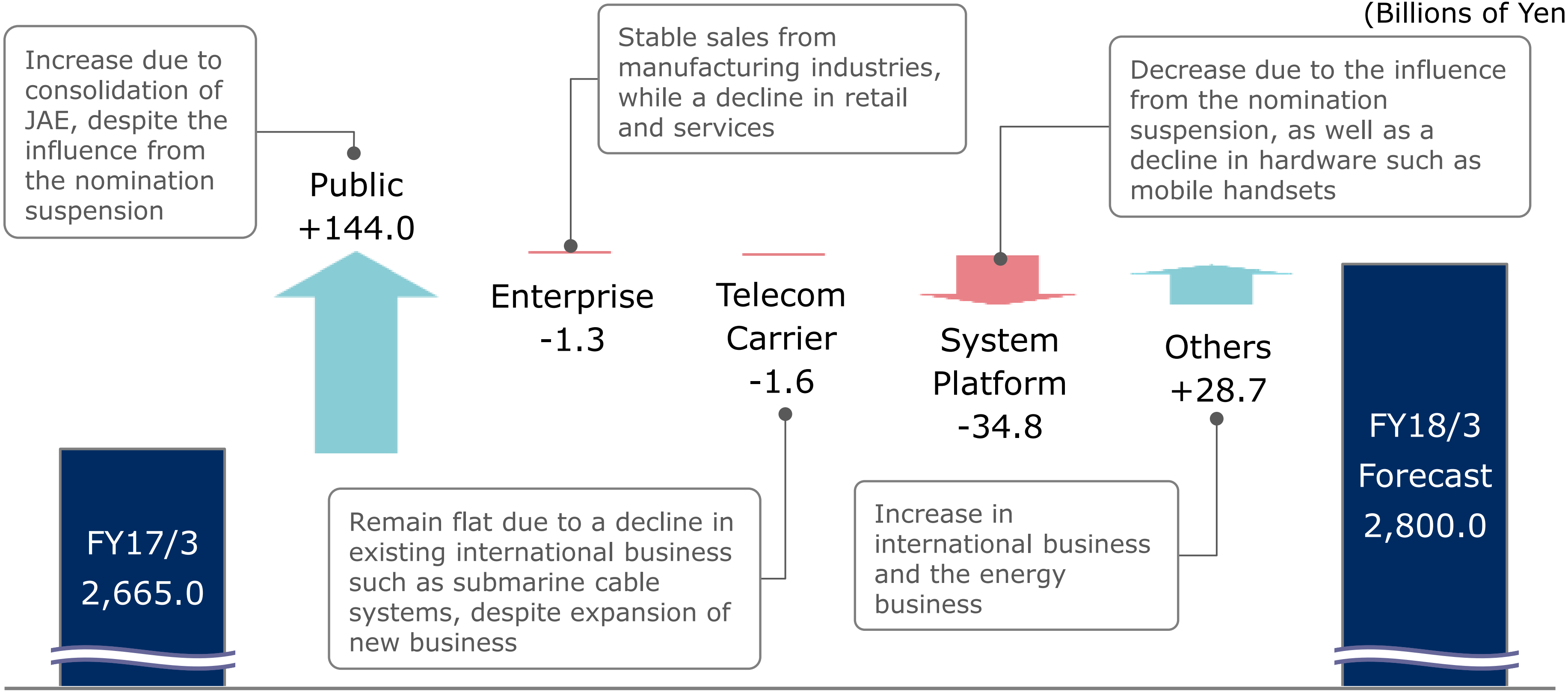


*Forecasts as of April 27, 2017

Revenue Change (Year on Year)

Forecasts FY18/3

(Billions of Yen)

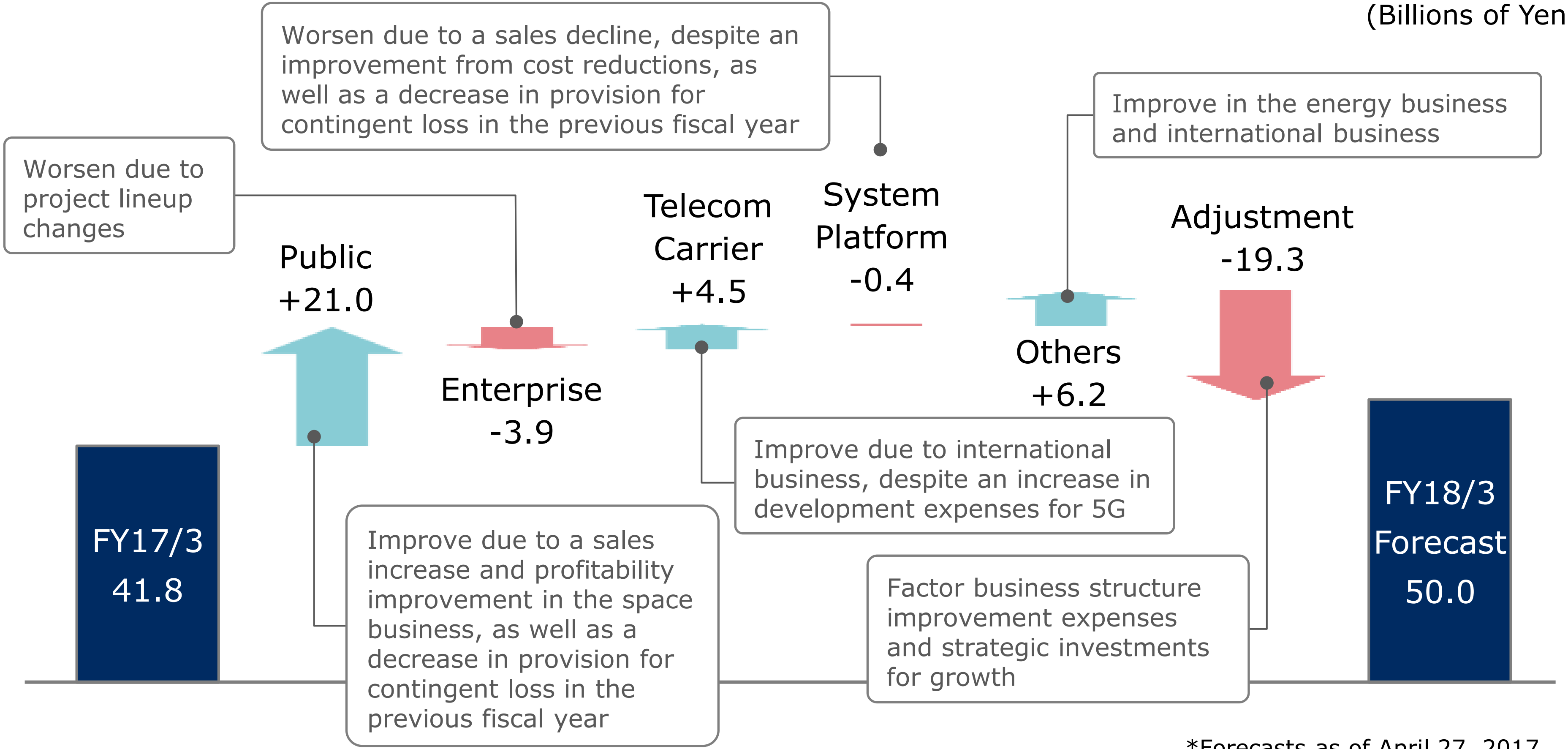


*Forecasts as of April 27, 2017

Operating Profit Change (Year on Year)

Forecasts FY18/3

(Billions of Yen)

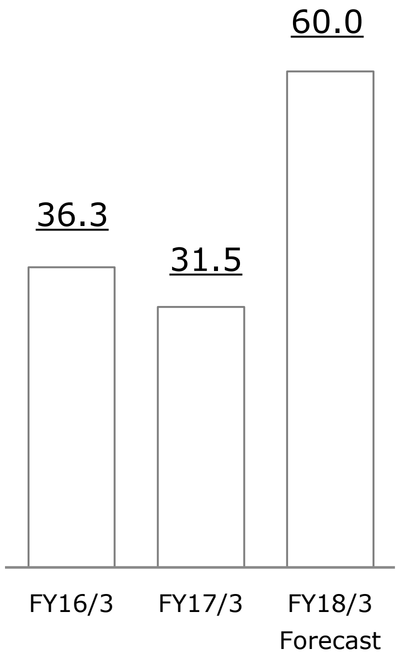


*Forecasts as of April 27, 2017

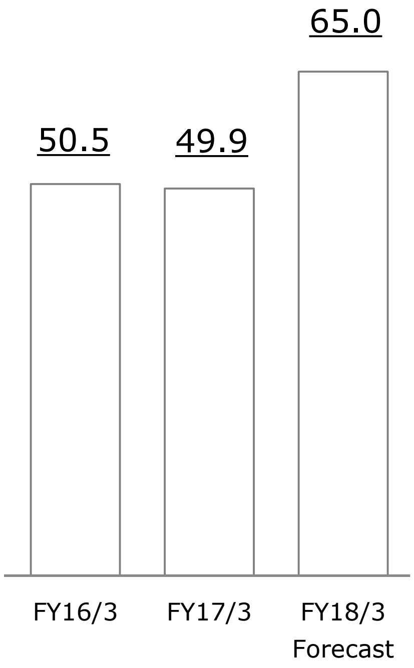
Capital Expenditure, Depreciation and R&D Expenses

(Billions of Yen)

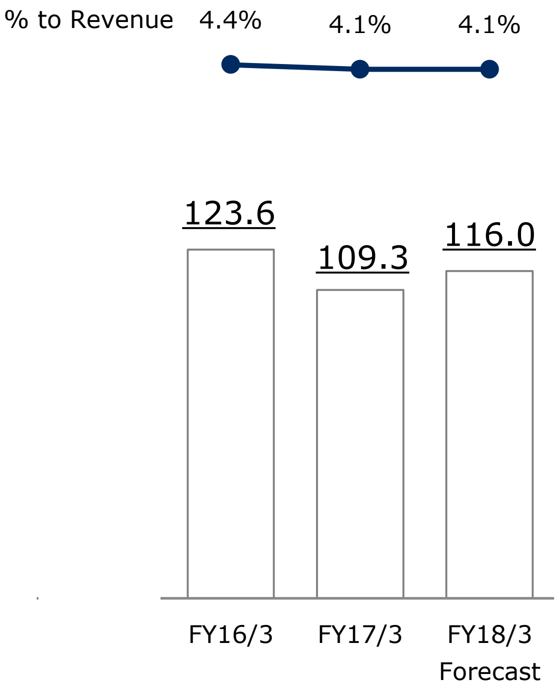
Capital Expenditure



Depreciation



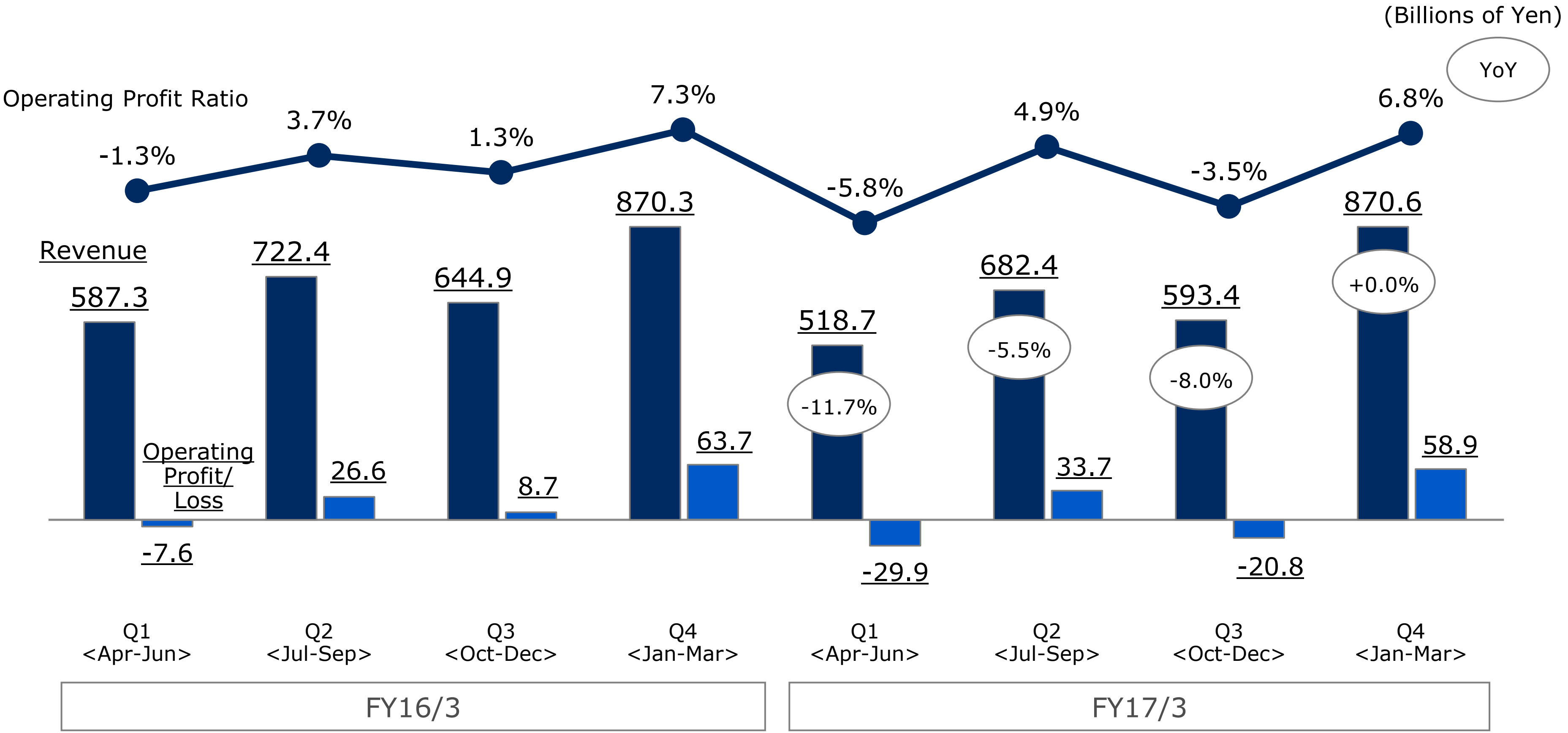
R&D Expenses



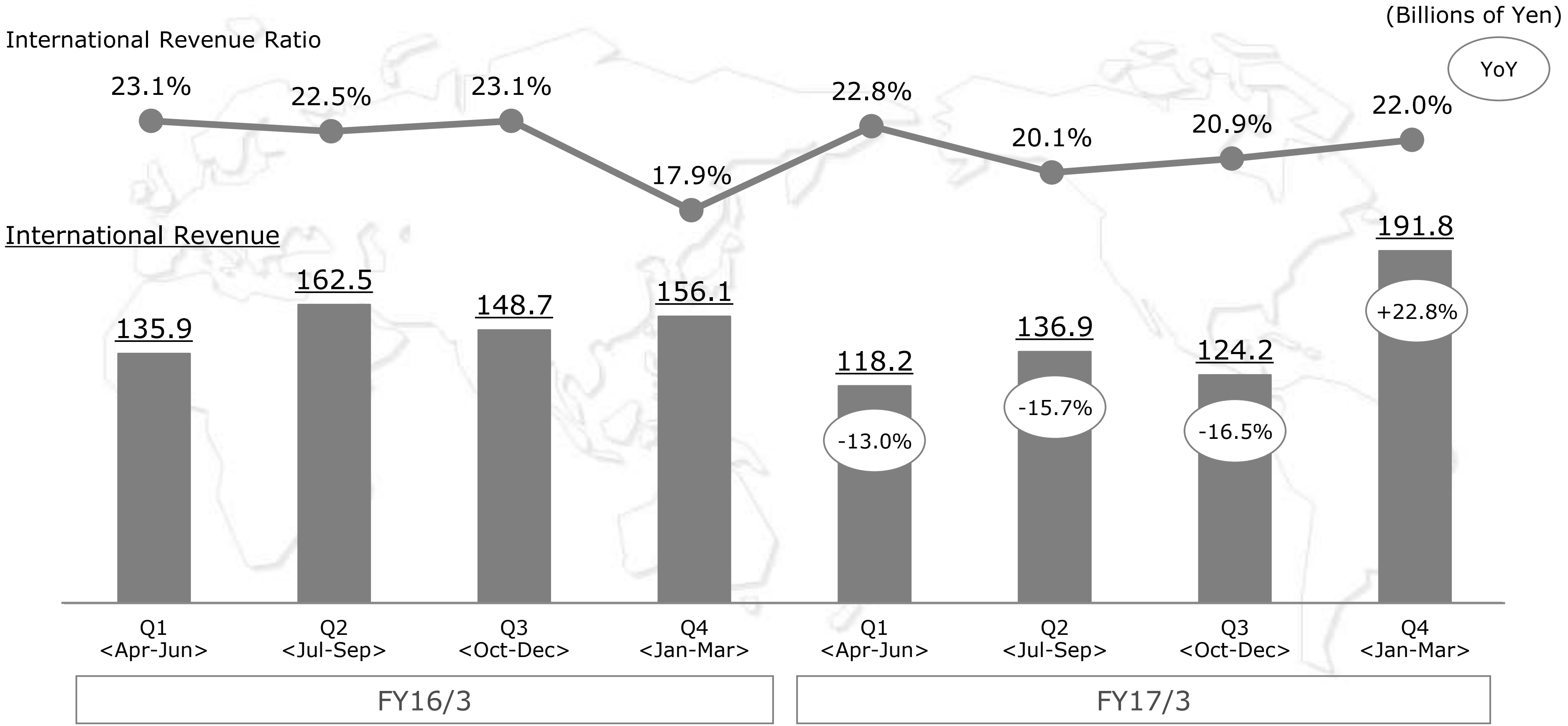
*Forecasts as of April 27, 2017

Reference (Financial data)

Revenue, Operating Profit/Loss

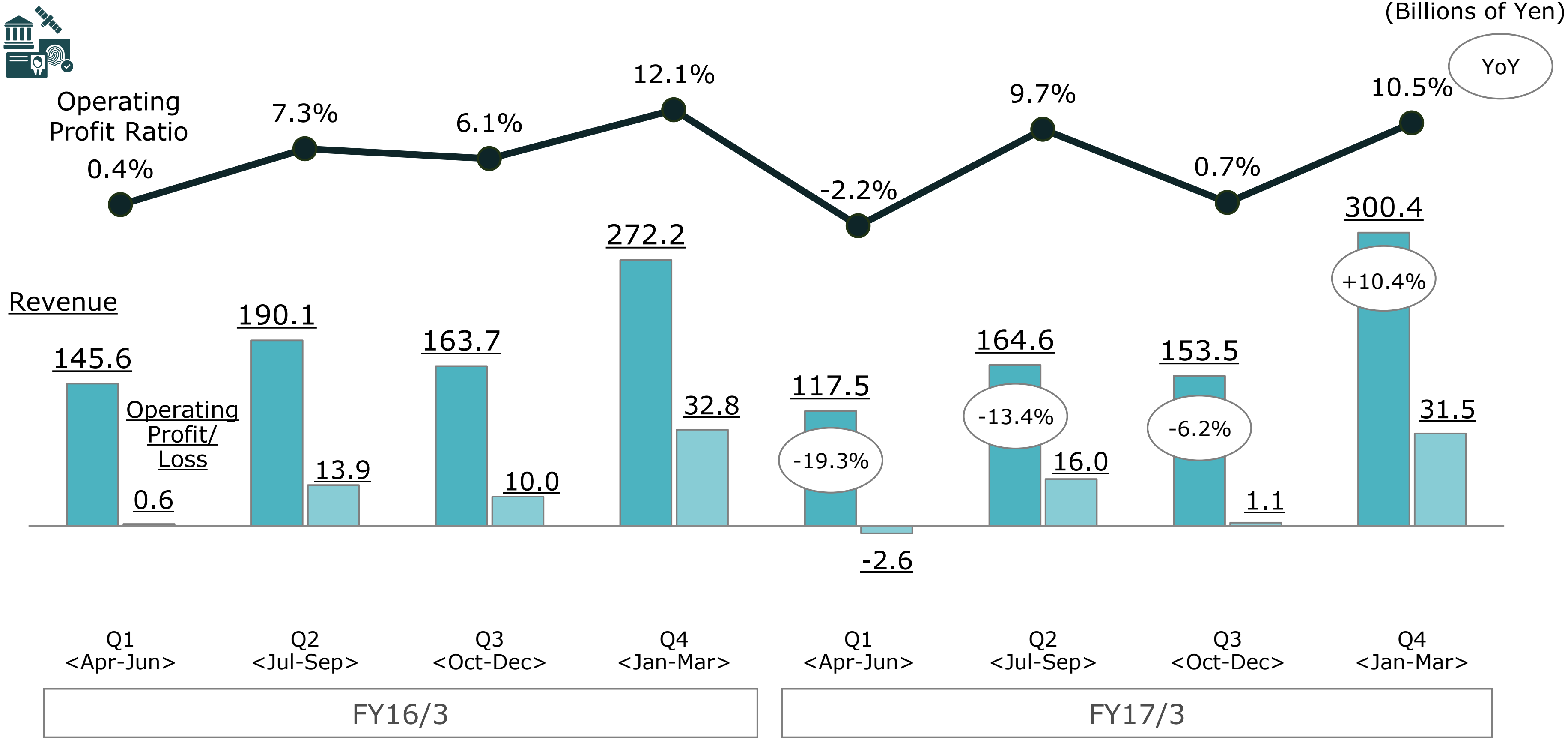


International Revenue

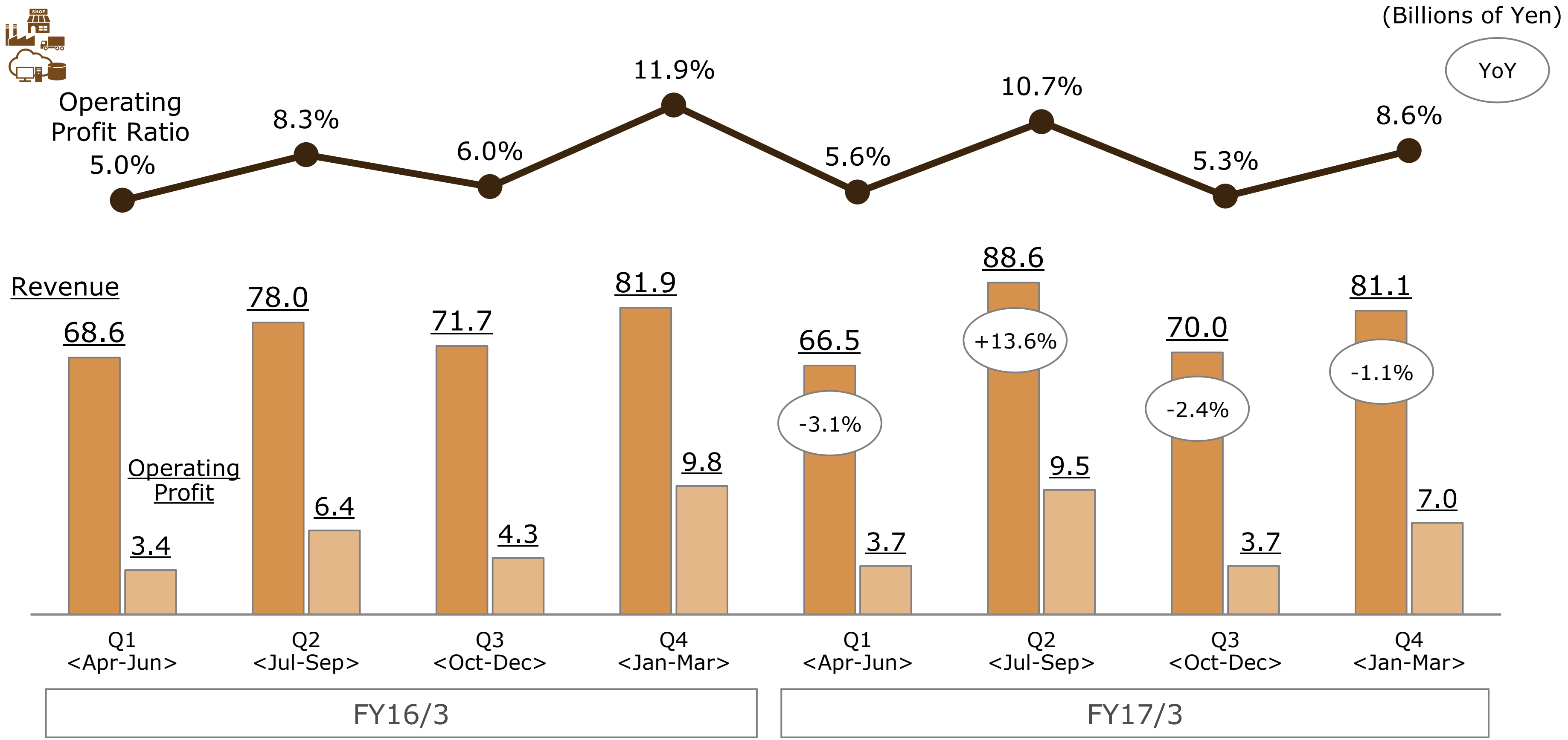


Revenue, Operating Profit/Loss (Public)

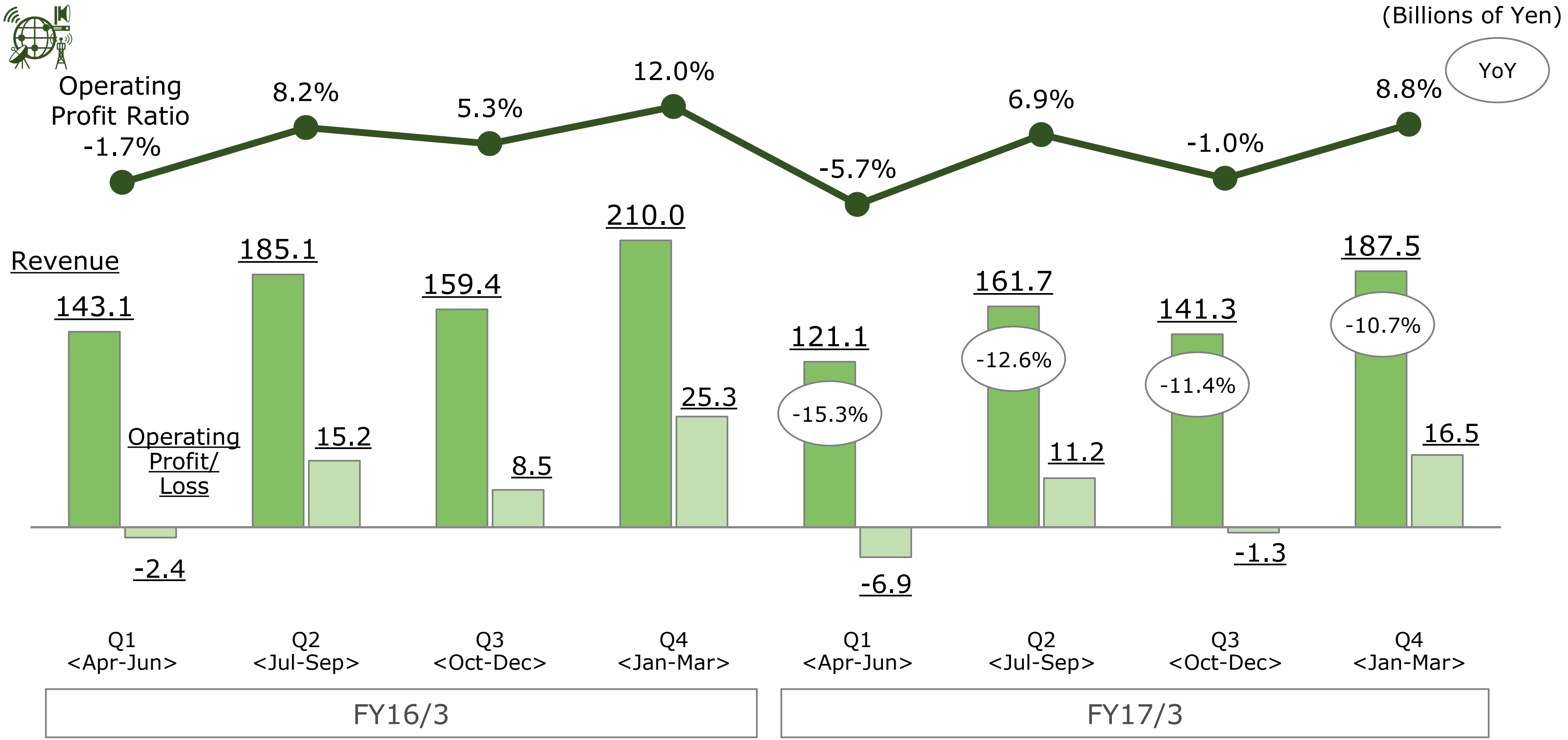
(Billions of Yen)



Revenue, Operating Profit (Enterprise)

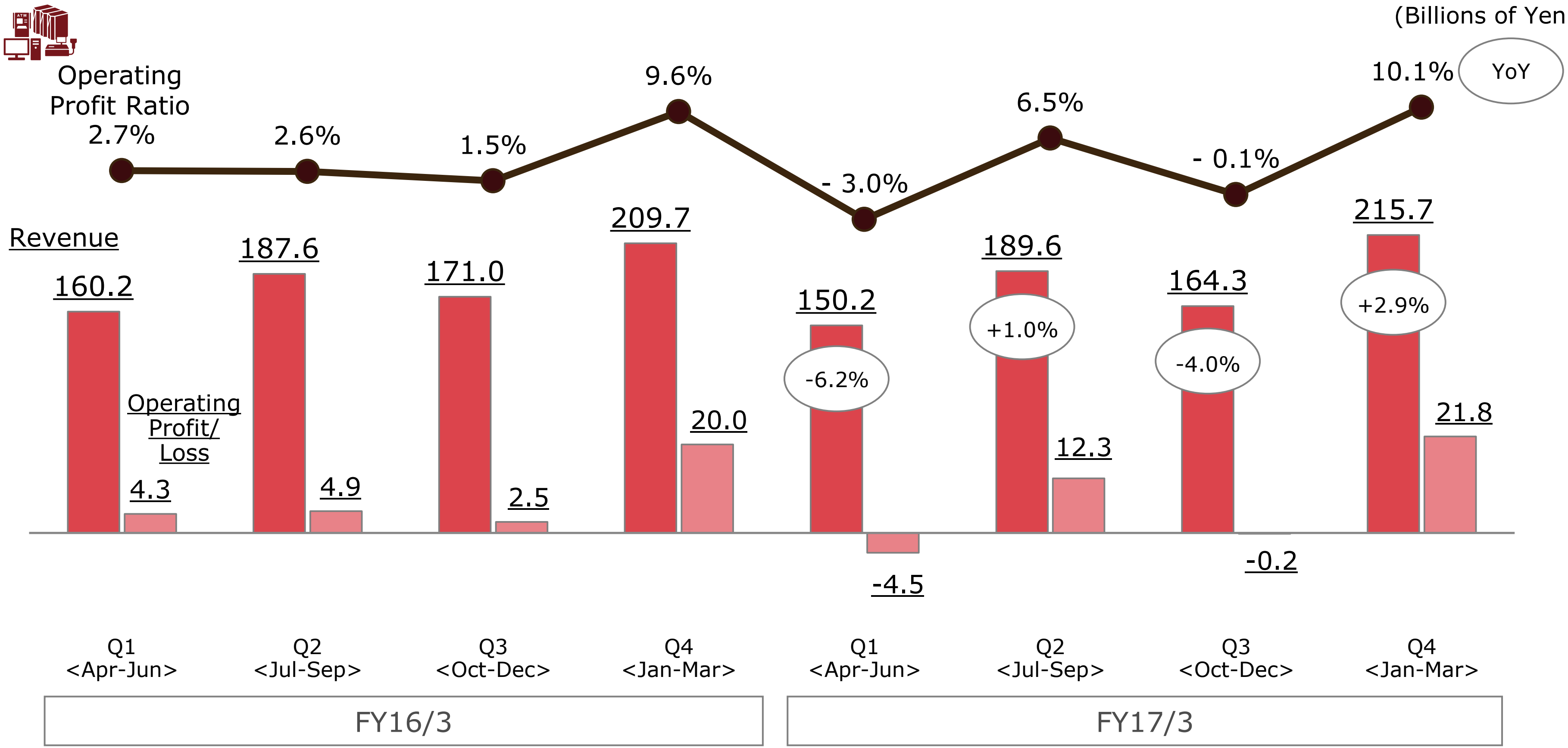


Revenue, Operating Profit/Loss (Telecom Carrier)

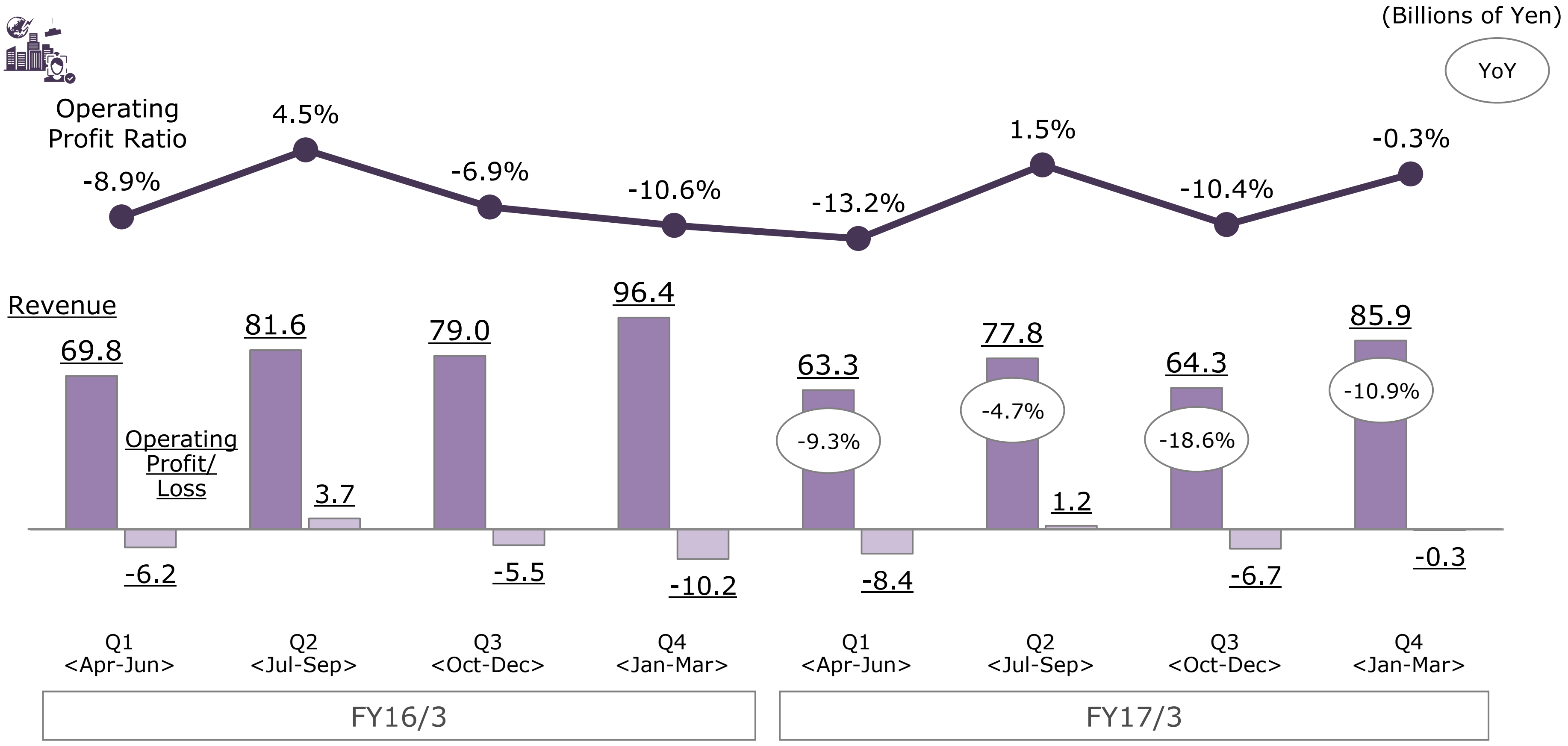


Revenue, Operating Profit/Loss (System Platform)

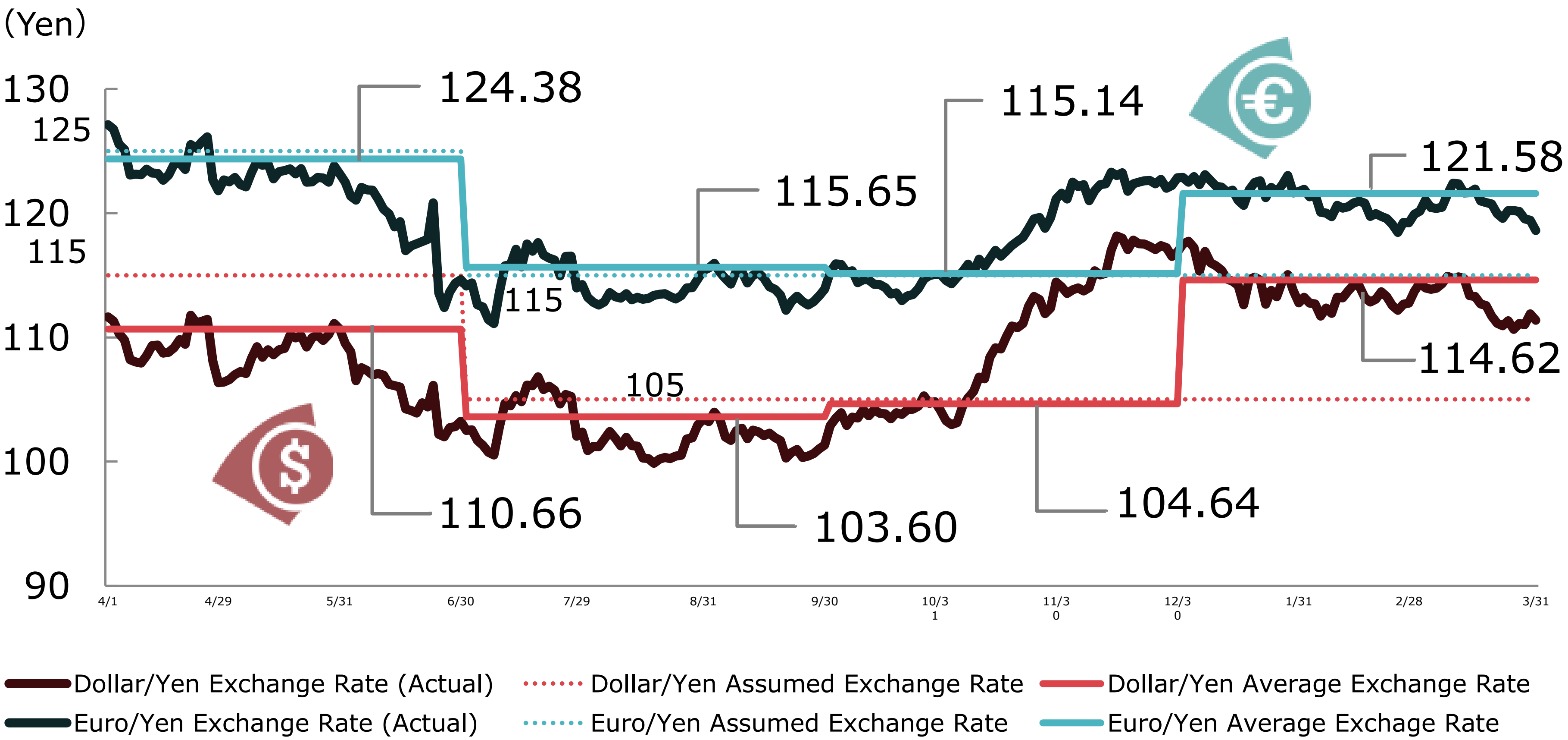
(Billions of Yen)



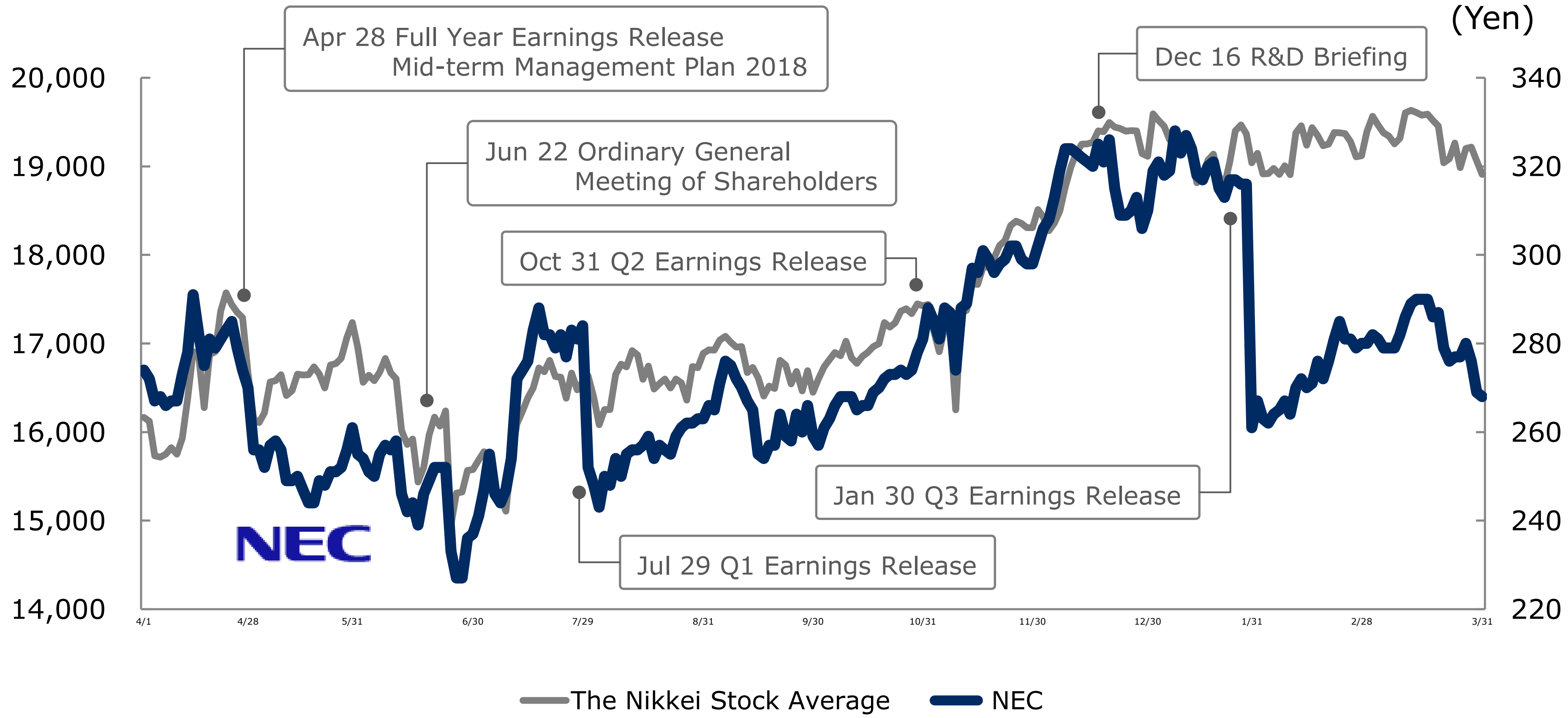
Revenue, Operating Profit/Loss (Others)



Exchange Rate



Stock Price



(Yen)
Apr 28 Full Year Earnings Release
Mid-term Management Plan 2018
Jun 22 Ordinary General
Meeting of Shareholders
Oct 31 Q2 Earnings Release
Dec 16 R&D Briefing
Jan 30 Q3 Earnings Release
Jul 29 Q1 Earnings Release
20,000
19,000
18,000
17,000
16,000
15,000
14,000
340
320
300
280
260
240
220
4/1
4/28
5/31
6/30
7/29
8/31
9/30
10/31
11/30
12/30
1/31
2/28
3/31
NEC
The Nikkei Stock Average
NEC

Cautionary Statement with Respect to Forward-Looking Statements

This material contains forward-looking statements regarding estimations, forecasts, targets and plans in relation to the results of operations, financial conditions and other overall management of the NEC Group (the "forward-looking statements"). The forward-looking statements are made based on information currently available to NEC and certain assumptions considered reasonable as of the date of this material. These determinations and assumptions are inherently subjective and uncertain. These forward-looking statements are not guarantees of future performance, and actual operating results may differ substantially due to a number of factors.

The factors that may influence the operating results include, but are not limited to, the following:

- Effects of economic conditions, volatility in the markets generally, and fluctuations in foreign currency exchange and interest rate
- Trends and factors beyond the NEC Group's control and fluctuations in financial conditions and profits of the NEC Group that are caused by external factors
- Risks arising from acquisitions, business combinations and reorganizations, including the possibility that the expected benefits cannot be realized or that the transactions may result in unanticipated adverse consequences
- Developments in the NEC Group's alliances with strategic partners
- Effects of expanding the NEC Group's global business
- Risk that the NEC Group may fail to keep pace with rapid technological developments and changes in customer preferences
- Risk that the NEC Group may lose sales due to problems with the production process or due to its failure to adapt to demand fluctuations
- Defects in products and services
- Shortcomings in material procurement and increases in delivery cost
- Acquisition and protection of intellectual property rights necessary for the operation of business
- Risk that intellectual property licenses owned by third parties cannot be obtained and/or are discontinued
- Risk that the NEC Group may be exposed to unfavorable pricing environment due to intensified competition
- Risk that a major customer changes investment targets, reduces capital investment and/or reduces the value of transactions with the NEC Group
- Risk that the NEC Group may be unable to provide or facilitate payment arrangements (such as vendor financing) to its customers on terms acceptable to them or at all, or risk that the NEC Group's customers are unable to make payments on time, due to the customers' financial difficulties or otherwise
- Risk that the NEC Group may experience a substantial loss of, or an inability to attract, talented personnel
- Risk that the NEC Group's ability to access the commercial paper market or other debt markets are adversely affected due to a downgrade in its credit rating
- Risk that the NEC Group may incur large costs and/or liabilities in relation to internal control, legal proceedings, laws and governmental policies, environmental laws and regulations, tax practice, information management, and human rights and working environment
- Consequences of natural and fire disasters
- Changes in methods, estimates and judgments that the NEC Group uses in applying its accounting policies
- Risk that the NEC Group may incur liabilities and losses in relation to its retirement benefit obligations

The forward-looking statements contained in this material are based on information that NEC possesses as of the date hereof. 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 the NEC Group. NEC does not intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Note: In this presentation, the accounting periods of the fiscal years for March 31, 2016 and 17 were referred as FY16/3 and FY17/3 respectively. Any other fiscal years would be referred similarly.