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Financial Results for Q3 Fiscal Year Ending March 31, 2024

January 30, 2024

NEC Corporation

(<https://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 Q3, FY24/3

Summary of Financial Results for Nine Months, FY24/3

Steady progress toward achieving full year forecast

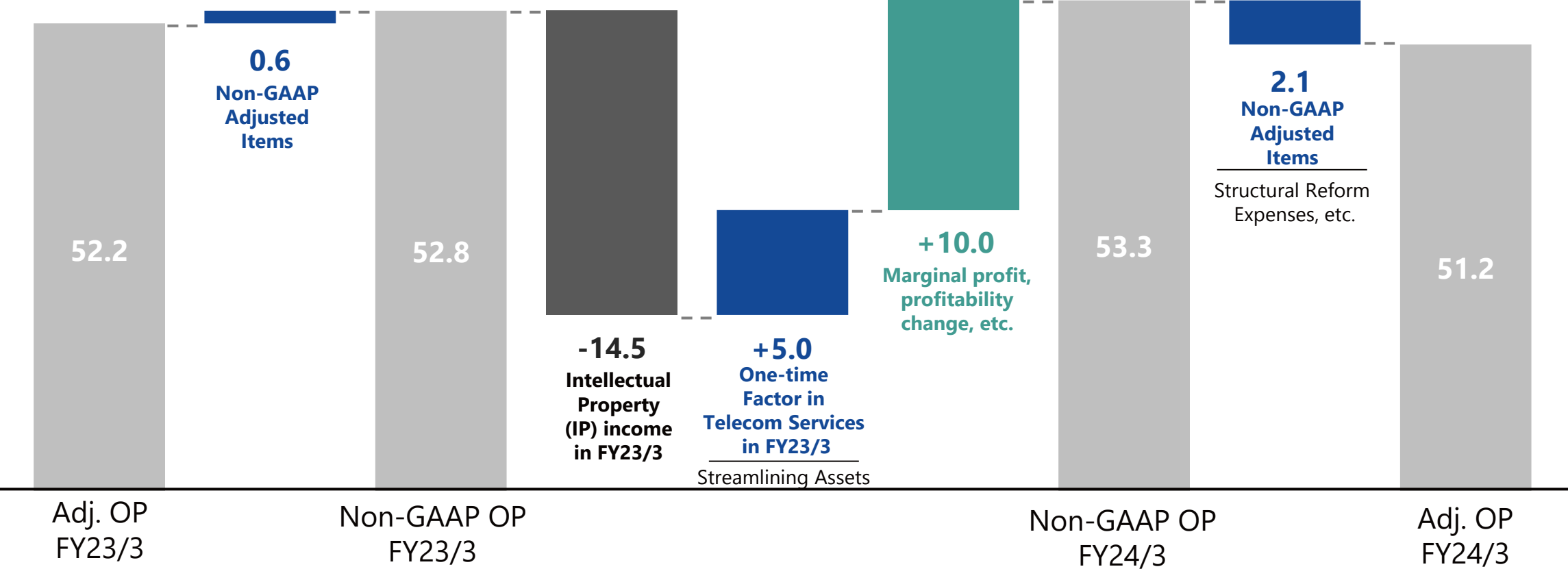
(Billions of Yen)	1H			Q3			9 months		
	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY
Revenue	1,455.4	1,548.8	+6.4%	813.9	844.5	+3.8%	2,269.3	2,393.3	+5.5%
Adjusted Operating Profit	31.2	45.8	+14.6	52.2	51.2	- 1.1	83.4	97.0	+13.6
% of revenue	2.1%	3.0%	+0.8%	6.4%	6.1%	-0.4%	3.7%	4.1%	+0.4%
Non-GAAP Operating Profit *	18.4	46.1	+27.7	52.8	53.3	+0.5	71.2	99.4	+28.2
% of revenue	1.3%	3.0%	+1.7%	6.5%	6.3%	-0.2%	3.1%	4.2%	+1.0%
Non-GAAP Net Profit *	6.7	25.6	+18.8	28.3	29.1	+0.8	35.1	54.7	+19.6
% of revenue	0.5%	1.7%	+1.2%	3.5%	3.4%	-0.0%	1.5%	2.3%	+0.7%
EBITDA **	89.7	121.1	+31.5	91.9	93.6	+1.7	181.6	214.7	+33.1
% of revenue	6.2%	7.8%	+1.7%	11.3%	11.1%	-0.2%	8.0%	9.0%	+1.0%
Note :	USD/JPY	129.88	138.69	144.25	149.10		134.67	142.16	
Average Exchange Rates (Yen)	EUR/JPY	136.86	150.97	143.93	159.30		139.22	153.75	

* Non-GAAP adjustment items are shown on pages 24 and 25

** EBITDA = Gross Profit – SG&A + Depreciation and amortization

Q3 YoY Change in Adjusted/Non-GAAP Operating Profit

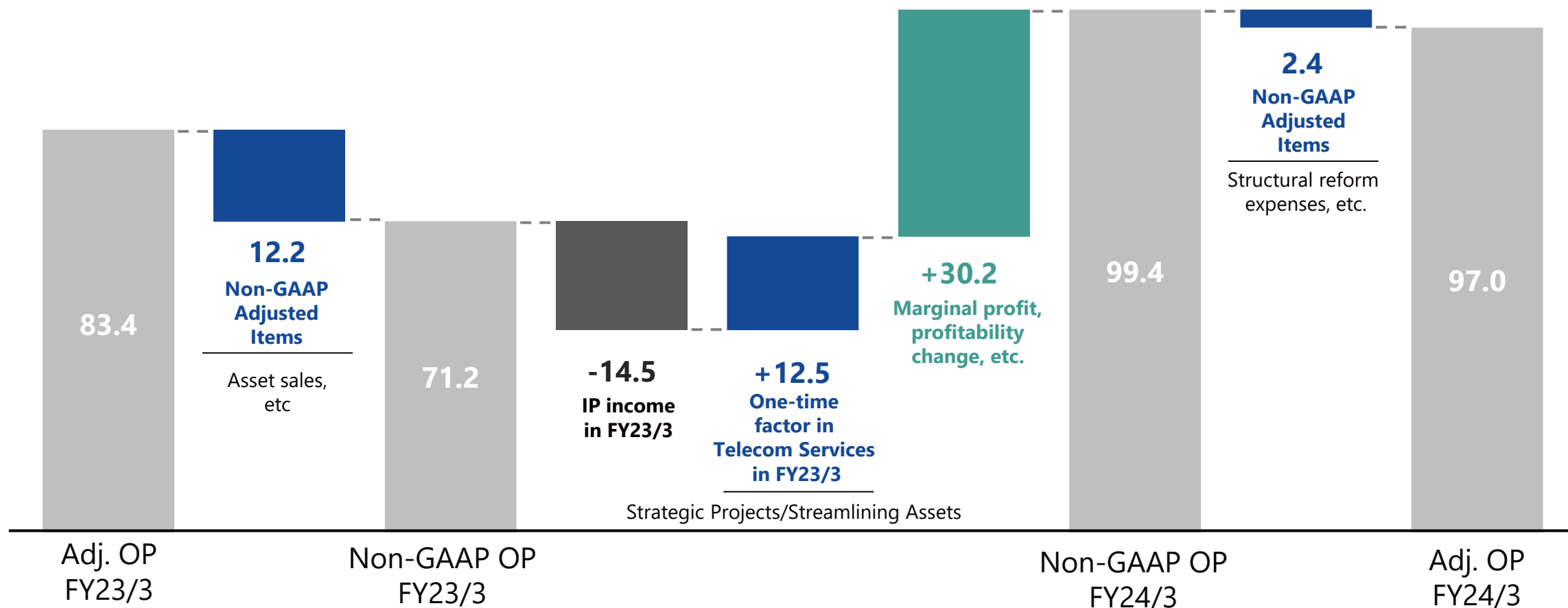
(Billions of Yen)



* Non-GAAP adjustment items are shown on pages 24 and 25

9 Months YoY Change in Adjusted/Non-GAAP Operating Profit

(Billions of Yen)



* Non-GAAP adjustment items are shown on pages 24 and 25

Financial Results for 9 Months, FY24/3 (By Segment)

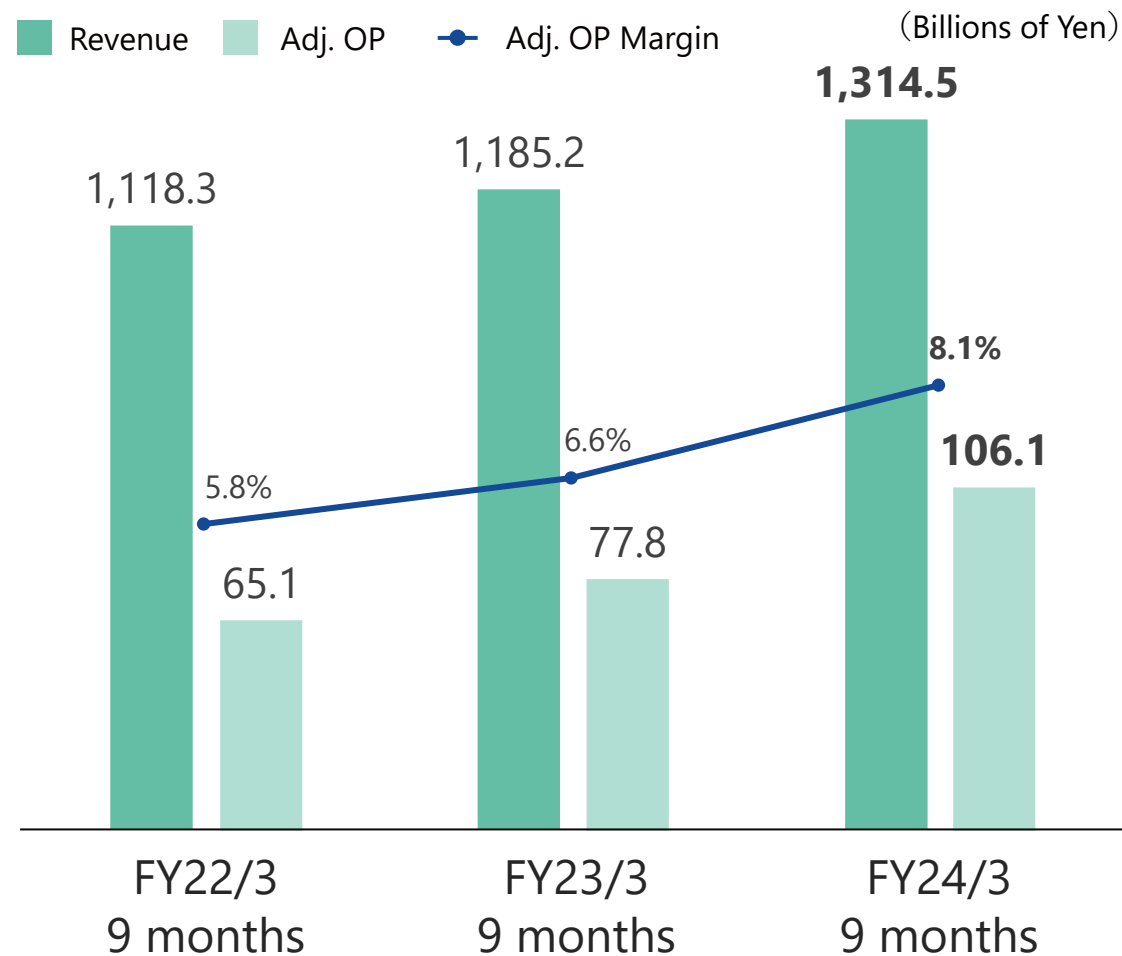
(Billions of Yen)

		1H			Q3			9 months		
		FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY
IT Services	Revenue	774.5	843.4	+8.9%	410.6	471.2	+14.7%	1,185.2	1,314.5	+10.9%
	Adjusted Operating Profit	42.4	59.3	+16.9	35.4	46.8	+11.4	77.8	106.1	+28.3
	% of revenue	5.5%	7.0%	+1.6%	8.6%	9.9%	+1.3%	6.6%	8.1%	+1.5%
Social Infrastructure	Revenue	442.9	478.8	+8.1%	275.0	256.8	-6.6%	717.9	735.6	+2.5%
	Adjusted Operating Profit	2.7	15.8	+13.1	24.2	15.4	- 8.8	26.9	31.3	+4.4
	% of revenue	0.6%	3.3%	+2.7%	8.8%	6.0%	-2.8%	3.7%	4.3%	+0.5%
Others	Revenue	237.9	226.7	-4.7%	128.3	116.5	-9.2%	366.2	343.1	-6.3%
	Adjusted Operating Profit	11.2	8.1	- 3.1	5.0	8.1	+3.2	16.2	16.3	+0.1
	% of revenue	4.7%	3.6%	-1.1%	3.9%	7.0%	+3.1%	4.4%	4.7%	+0.3%
Adjustments	Adjusted Operating Profit	-25.1	-37.5	- 12.3	-12.3	-19.2	- 6.8	-37.5	-56.6	- 19.2
Total	Revenue	1,455.4	1,548.8	+6.4%	813.9	844.5	+3.8%	2,269.3	2,393.3	+5.5%
	Adjusted Operating Profit	31.2	45.8	+14.6	52.2	51.2	- 1.1	83.4	97.0	+13.6
	% of revenue	2.1%	3.0%	+0.8%	6.4%	6.1%	-0.4%	3.7%	4.1%	+0.4%
	Non-GAAP Adjustments	-12.8	0.3	+13.1	0.6	2.1	+1.5	-12.2	2.4	+14.6
	Non-GAAP Operating Profit	18.4	46.1	+27.7	52.8	53.3	+0.5	71.2	99.4	+28.2
	% of revenue	1.3%	3.0%	+1.7%	6.5%	6.3%	-0.2%	3.1%	4.2%	+1.0%

* Breakdown of each segment is shown on pages 21 and 22

IT Services

Revenue and Adjusted Operating Profit



-Revenue increased steadily for the enterprise and the government / public sectors

-Adj. OP increased due to increased revenue and improvement of profitability in system integration

<Ref.>

(Billions of Yen)

		9 months		
	FY23/3 Results	FY24/3 Results	YoY	
Domestic IT	Revenue	974.2	1,098.7	+12.8%
	Adj. OP	71.1	97.9	+26.8
	% of Revenue	7.3%	8.9%	+1.6%
International (DGDF) *	Revenue	210.9	215.8	+2.3%
	Adj. OP	6.8	8.2	+1.4
	% of Revenue	3.2%	3.8%	+0.6%

* Digital Government / Digital Finance

IT Services Booking Status (YoY)

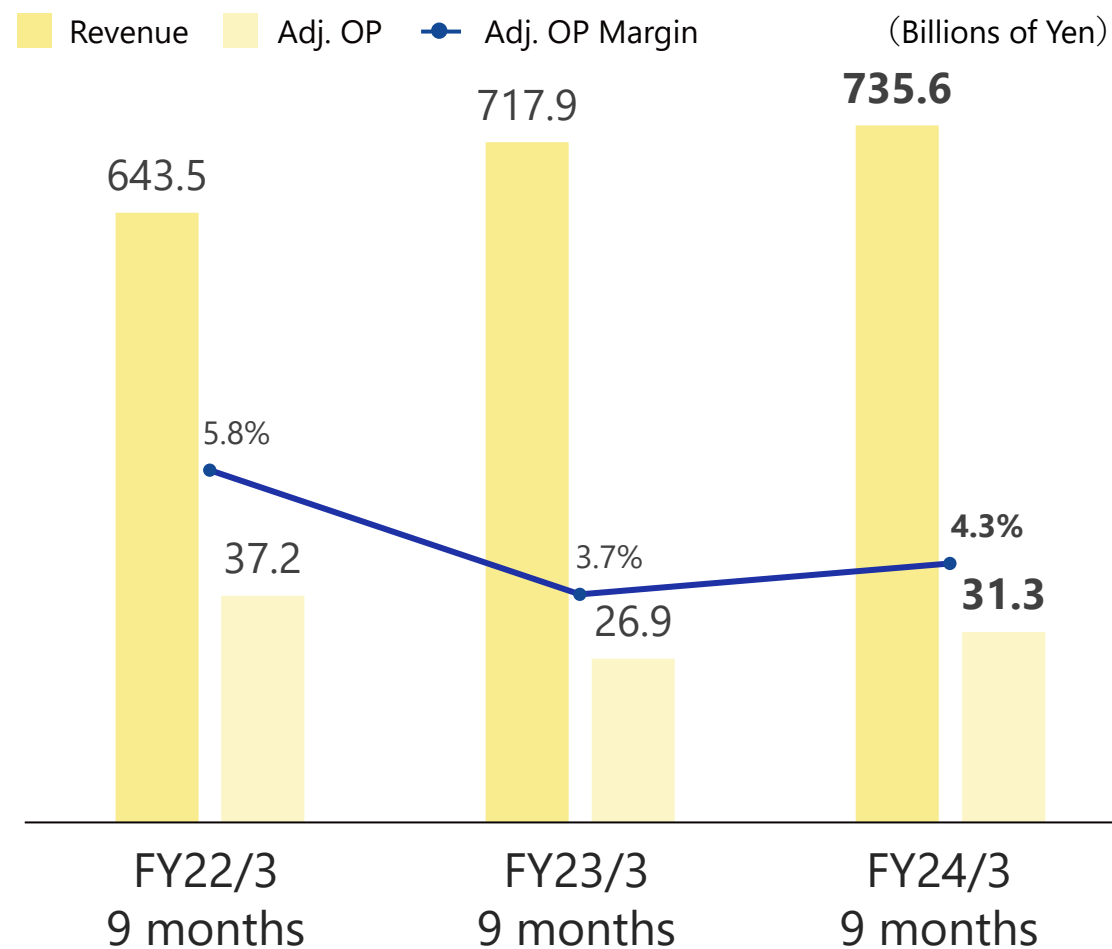
IT services demand remains strong

	Q1	Q2	Q3	Notes	9 months
IT Services	+3%	-4%	+2%	Excluding NEC Facilities Ltd. +4%	±0%
Domestic	+2%	-12%	+4%		-3%
Public	+6%	-15%	-3%	Maintained the same level of strength as Q3 FY23/3	-4%
Enterprise*	+16%	+12%	+8%		+12%
Finance	+37%	+41%	+11%	Exceeded the strong demand in Q3 FY23/3	+29%
Manufacturing	-1%	-3%	-2%	Decrease caused by selecting orders on profitability (Shifting toward higher profit projects)	-2%
Retail / Services	+9%	±0%	+10%	Increase led by retail sector	+7%
Others	-14%	-27%	+4%	Brisk demand for ABeam Consulting, Increased in firefighting and disaster prevention system	-14%
International (DGDF)	+8%	+67%	-3%	Reversal effect of large projects in FY23/3 for Avaloq Increased for SWS (NEC Software Solutions UK) and KMD	+18%

*Excluding NEC Facilities Ltd.

Social Infrastructure

Revenue and Adjusted Operating Profit



-Revenue and adj. OP remained the same level YoY in Telecom Services

-Orders increased by 60% YoY with large projects, steady revenue and adj. OP in ANS*

<Ref.>

		9 months		
		FY23/3 Results	FY24/3 Results	YoY
Telecom Services	Revenue	556.3	560.6	+0.8%
	Adj. OP	14.6	14.1	- 0.5
	% of Revenue	2.6%	2.5%	-0.1%
ANS*	Revenue	161.7	175.0	+8.2%
	Adj. OP	12.3	17.2	+4.9
	% of Revenue	7.6%	9.8%	+2.2%

* Aerospace and National Security

II. Financial Forecasts for FY24/3

No changes to FY24/3 annual forecasts

(Billions of Yen)		Full Year			
		FY23/3 Results	FY24/3 Forecasts (Jan. 30)	YoY	Change from previous forecasts
Revenue		3,313.0	3,380.0	+2.0%	±0.0
Adjusted Operating Profit		205.5	220.0	+14.5	±0.0
% of revenue		6.2%	6.5%	+0.3%	±0%
Non-GAAP Operating Profit		197.0	220.0	+23.0	±0.0
% of revenue		5.9%	6.5%	+0.6%	±0%
Non-GAAP Net Profit		132.8	140.0	+7.2	±0.0
% of revenue		4.0%	4.1%	+0.1%	±0%
EBITDA*		347.8	360.0	+12.2	±0.0
% of revenue		10.5%	10.7%	+0.2%	±0%
Note :	USD/JPY	134.19	140.00		
Average Exchange Rates (Yen)	EUR/JPY	139.90	155.00		

* EBITDA = Gross Profit – SG&A + Depreciation and amortization

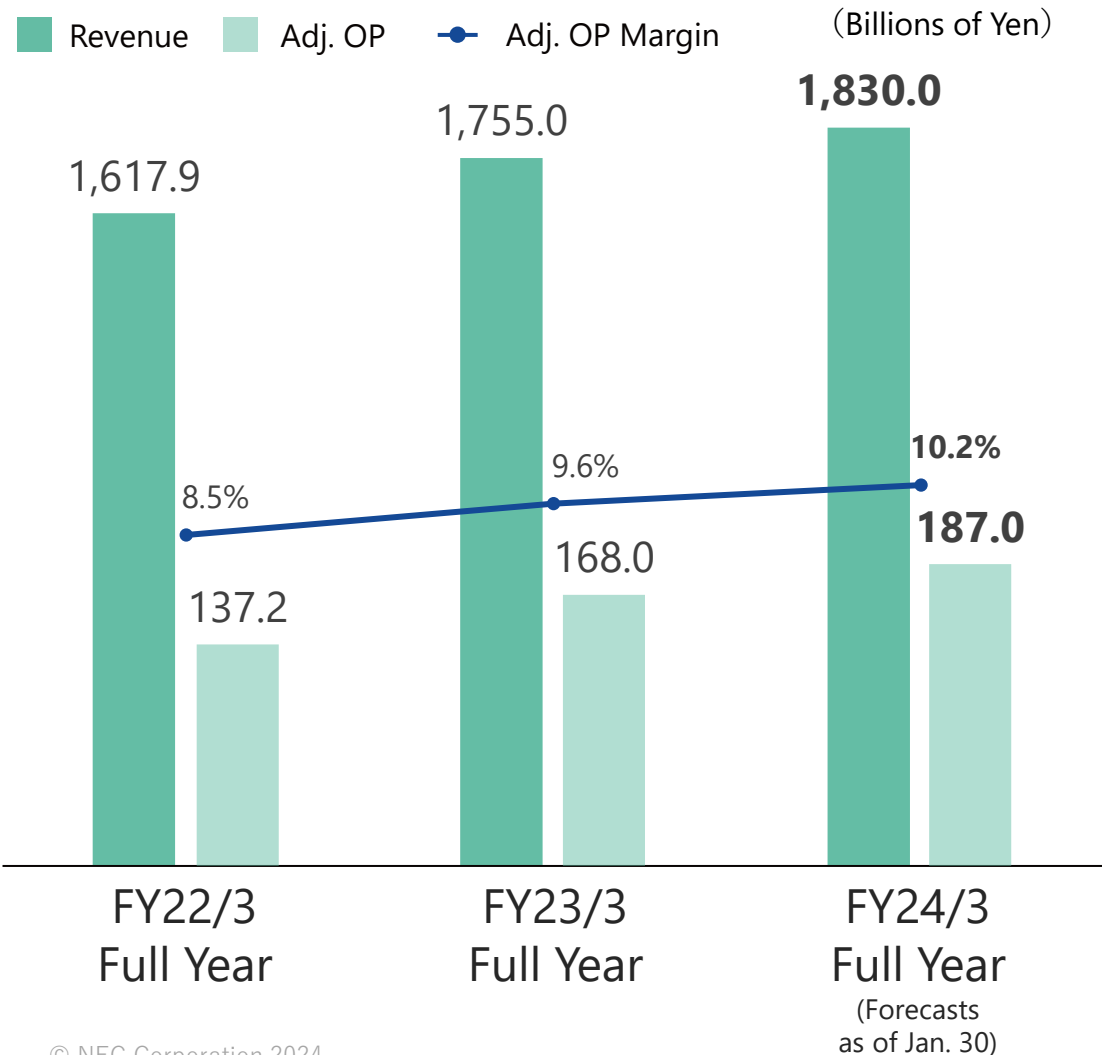
FY24/3 Financial Forecasts by Segment

Revised FY24/3 forecasts by segments based on 9 months results

(Billions of Yen)		Full Year			
		FY23/3 Results	FY24/3 Forecasts (Jan. 30)	YoY	Change from previous forecasts
IT Services	Revenue	1,755.0	1,830.0	+4.3%	+30.0
	Adjusted Operating Profit	168.0	187.0	+19.0	+10.0
	% of revenue	9.6%	10.2%	+0.6%	+0.4%
Social Infrastructure	Revenue	1,062.2	1,085.0	+2.1%	±0.0
	Adjusted Operating Profit	73.8	90.0	+16.2	- 5.0
	% of revenue	6.9%	8.3%	+1.3%	-0.5%
Others	Revenue	495.8	465.0	-6.2%	- 30.0
	Adjusted Operating Profit	23.8	22.0	- 1.8	- 5.0
	% of revenue	4.8%	4.7%	-0.1%	-0.7%
Adjustments	Adjusted Operating Profit	-60.1	-79.0	- 18.9	±0.0
Total	Revenue	3,313.0	3,380.0	+2.0%	±0.0
	Adjusted Operating Profit	205.5	220.0	+14.5	±0.0
	% of revenue	6.2%	6.5%	+0.3%	±0%
	Non-GAAP Adjustments	-8.5	-	+8.5	±0.0
	Non-GAAP Operating Profit	197.0	220.0	+23.0	±0.0
	% of revenue	5.9%	6.5%	+0.6%	±0%

IT Services

Revenue and Adjusted Operating Profit



-Revenue expected to increase in anticipation of strong domestic demand mainly in private sector

-Adj. OP increase due to an increase in domestic revenue

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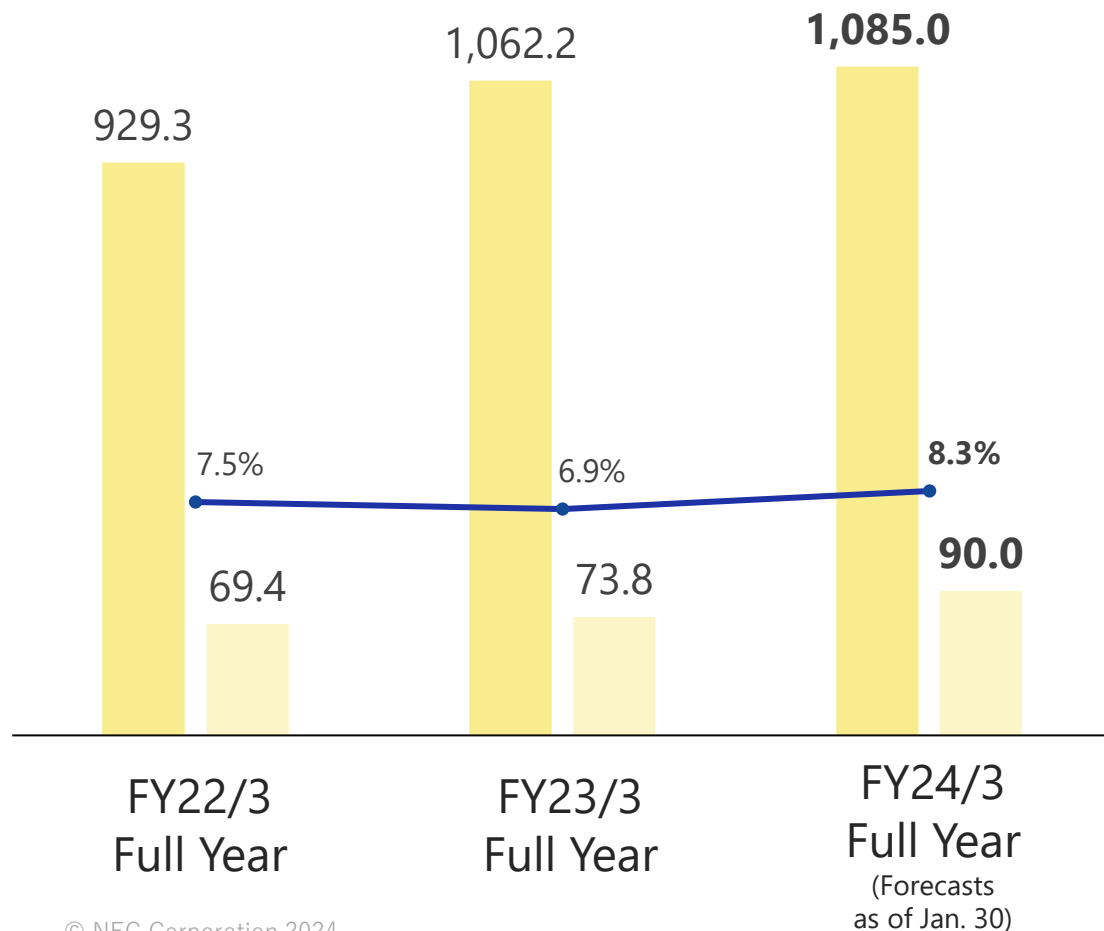
(Billions of Yen)

	Full Year				
	FY23/3 Results	FY24/3 Forecasts (Jan. 30)	YoY	Change from previous forecasts	
Domestic IT	Revenue	1,464.9	1,542.0	+5.3%	+30.0
	Adj. OP	149.6	167.0	+17.4	+10.0
	% of Revenue	10.2%	10.8%	+0.6%	+0.4%
International (DGDF)	Revenue	290.1	288.0	-0.7%	±0.0
	Adj. OP	18.4	20.0	+1.6	±0.0
	% of Revenue	6.3%	6.9%	+0.6%	±0%

Social Infrastructure

Revenue and Adjusted Operating Profit

■ Revenue ■ Adj. OP ● Adj. OP Margin (Billions of Yen)



-Revenue expected to increase in ANS

-Adj. OP increase due to an increase in ANS revenue and reversal effect from one-time expenses in Telecom Services in FY23/3

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(Billions of Yen)

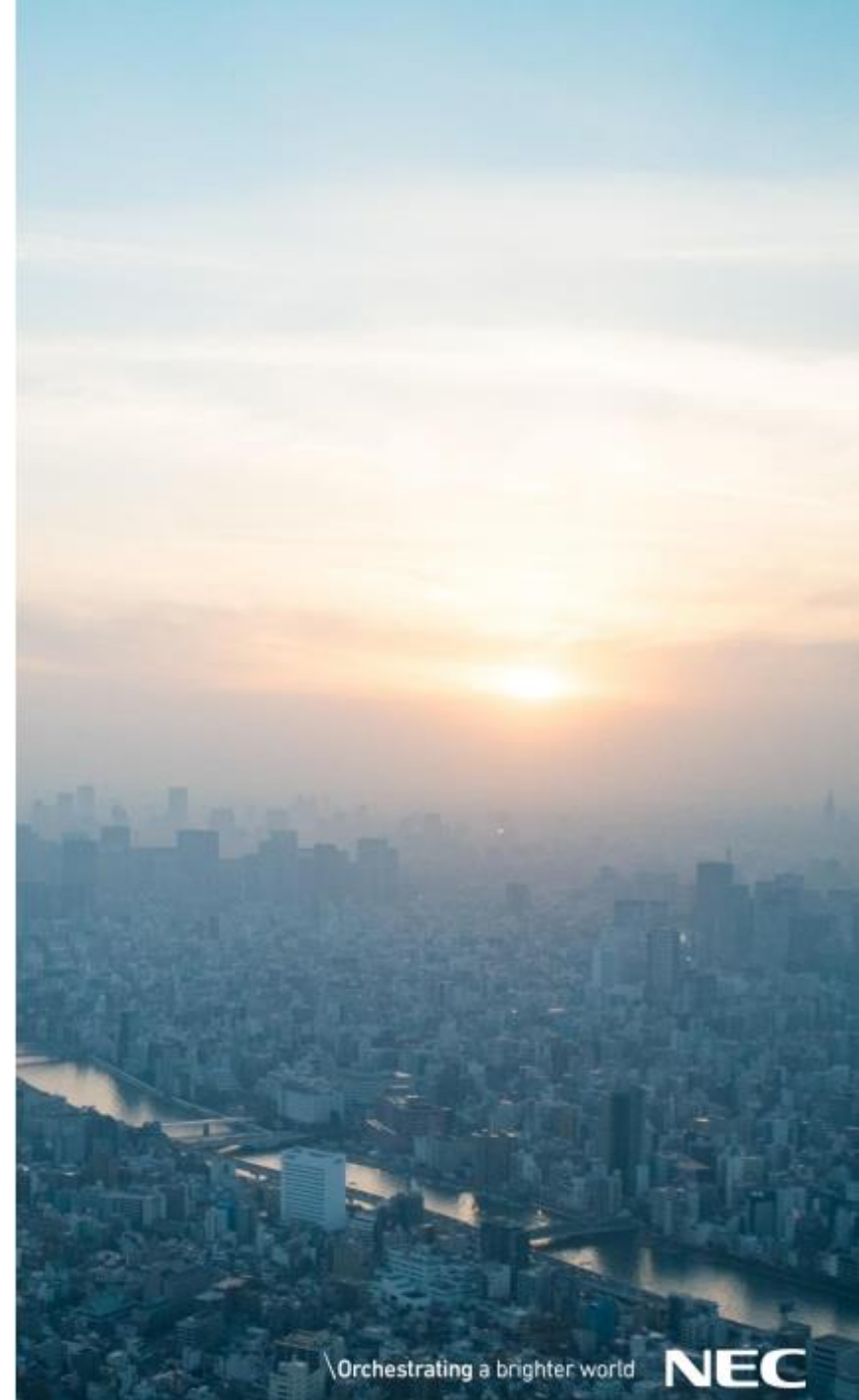
	FY23/3 Results	Full Year		Change from previous forecasts
		FY24/3 Forecasts (Jan. 30)	YoY	
Telecom Services	Revenue	817.0	814.0	-0.4%
	Adj. OP	48.2	59.0	+10.8
	% of Revenue	5.9%	7.2%	+1.3%
ANS	Revenue	245.2	271.0	+10.5%
	Adj. OP	25.6	31.0	+5.4
	% of Revenue	10.4%	11.4%	+1.0%

III. Topics



Announced “cotomi,” a generative AI brand developed by NEC Providing an optimal environment for the use of generative AI centered on industry- and business-specific models

- Enhanced “cotomi” with a large amount of high-quality training data
- Announced the launch of managed application programming interface (API) services that incorporate industry- and business-specific models to be integrated into business packages and solutions
- Announced research results that highlight the capability of handling up to 300,000 Japanese characters, which is up to 150 times longer than third-party LLMs*
- Providing an inquiry/response function equipped with product/process manuals with MS&AD Insurance Group Holdings for all its employees to use from October 2023
- Verifying the ability of LLM* used in medical settings to optimize the way doctors work together with Tohoku University Hospital and Hashimoto Municipal Hospital



ESG Day

Mar 15 (Fri) 11:00~12:00 (JST) Webcast

Program

- Initiatives to Address Materiality toward
Enhancing Corporate Value

Osamu Fujikawa, Corporate EVP and CFO

- Human Capital Management

Daisuke Horikawa, Corporate EVP and CHRO



\Orchestrating a brighter world

NEC

IV. Financial Results (Appendix)

Breakdown of IT Services

(Billions of Yen)

		1H			Q3			9 months		
		FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY
Domestic	Revenue	636.1	705.7	+10.9%	338.1	393.0	+16.2%	974.2	1,098.7	+12.8%
	Adjusted OP	38.7	54.8	+16.1	32.4	43.1	+10.7	71.1	97.9	+26.8
	% of revenue	6.1%	7.8%	+1.7%	9.6%	11.0%	+1.4%	7.3%	8.9%	+1.6%
International (DGDF)	Revenue	138.4	137.6	-0.6%	72.5	78.2	+7.9%	210.9	215.8	+2.3%
	Adjusted OP	3.8	4.6	+0.8	3.0	3.6	+0.6	6.8	8.2	+1.4
	% of revenue	2.7%	3.3%	+0.6%	4.1%	4.6%	+0.5%	3.2%	3.8%	+0.6%
IT Services	Revenue	774.5	843.4	+8.9%	410.6	471.2	+14.7%	1,185.2	1,314.5	+10.9%
	Adjusted OP	42.4	59.3	+16.9	35.4	46.8	+11.4	77.8	106.1	+28.3
	% of revenue	5.5%	7.0%	+1.6%	8.6%	9.9%	+1.3%	6.6%	8.1%	+1.5%

Breakdown of Social Infrastructure

(Billions of Yen)

	1H			Q3			9 months			
	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	
Telecom Services	Revenue	339.7	367.9	+8.3%	216.5	192.8	-11.0%	556.3	560.6	+0.8%
	Adjusted OP	-5.1	5.9	+11.0	19.7	8.2	-11.5	14.6	14.1	-0.5
	% of revenue	-1.5%	1.6%	+3.1%	9.1%	4.2%	-4.8%	2.6%	2.5%	-0.1%
ANS	Revenue	103.2	110.9	+7.5%	58.5	64.1	+9.6%	161.7	175.0	+8.2%
	Adjusted OP	7.8	9.9	+2.2	4.5	7.2	+2.7	12.3	17.2	+4.9
	% of revenue	7.5%	8.9%	+1.4%	7.7%	11.3%	+3.6%	7.6%	9.8%	+2.2%
Social Infrastructure	Revenue	442.9	478.8	+8.1%	275.0	256.8	-6.6%	717.9	735.6	+2.5%
	Adjusted OP	2.7	15.8	+13.1	24.2	15.4	-8.8	26.9	31.3	+4.4
	% of revenue	0.6%	3.3%	+2.7%	8.8%	6.0%	-2.8%	3.7%	4.3%	+0.5%

IT Services: Revenue Breakdown

(Billions of Yen)

	1H				Q3				9 months			
	FY23/3 Results	FY24/3 Results	YoY	Portion	FY23/3 Results	FY24/3 Results	YoY	Portion	FY23/3 Results	FY24/3 Results	YoY	Portion
Public	157.9	178.1	+12.7%	21.1%	94.9	101.4	+6.8%	21.5%	252.8	279.4	+10.5%	21.3%
Enterprise	289.0	332.3	+15.0%	39.4%	142.8	179.1	+25.4%	38.0%	431.7	511.4	+18.5%	38.9%
Cross-Industry	49.7	50.3	+1.1%	6.0%	27.7	31.8	+15.0%	6.8%	77.4	82.1	+6.1%	6.2%
DPF* and Others	139.5	145.1	+4.0%	17.2%	72.8	80.7	+10.9%	17.1%	212.3	225.8	+6.4%	17.2%
Domestic	636.1	705.7	+10.9%	83.7%	338.1	393.0	+16.2%	83.4%	974.2	1,098.7	+12.8%	83.6%
International (DGDF)	138.4	137.6	-0.6%	16.3%	72.5	78.2	+7.9%	16.6%	210.9	215.8	+2.3%	16.4%
IT Services	774.5	843.4	+8.9%	100.0%	410.6	471.2	+14.7%	100.0%	1,185.2	1,314.5	+10.9%	100.0%

* Digital Platform

Non-GAAP Operating Profit Adjustment Items

(Billions of Yen)		Q3			9 months		
		FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY
Operating Profit		43.2	41.8	-1.4	57.1	69.8	+12.7
Adjusted Items	M&A Related Amortization of Intangible Assets	8.8	9.3	+0.5	25.3	26.9	+1.5
	M&A Related Expenses	0.2	0.1	-0.2	1.0	0.3	-0.7
Adjusted Operating Profit		52.2	51.2	-1.1	83.4	97.0	+13.6
Adjusted Items	Structural Reform Expenses and Impairment Losses	0.6	2.8	+2.2	0.6	3.4	+2.8
	Stock Compensation	0.1	0.1	-0.1	0.4	0.3	-0.1
	Other One-time Profits/Losses (Gain/Loss on sale of land, businesses, etc.)	-0.2	-0.8	-0.6	-13.3	-1.4	+11.9
Non-GAAP Operating Profit		52.8	53.3	+0.5	71.2	99.4	+28.2

Non-GAAP Net Profit Adjustment Items

(Billions of Yen)

		Q3			9 months		
		FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY
Net Profit		22.4	21.1	-1.3	26.4	34.0	+7.7
Adjusted Items	M&A related Amortization of Intangible Assets and M&A related Expenses	6.1	6.5	+0.4	17.9	19.0	+1.1
	Structural Reform Expenses and Impairment Losses	0.4	2.1	+1.7	0.4	2.5	+2.1
	Stock Compensation	0.1	0.0	-0.1	0.3	0.2	-0.1
	Other One-time Profits/Losses (Gain/Loss on sale of land, businesses, etc.)	-0.7	-0.7	+0.0	-9.9	-1.1	+8.8
Non-GAAP Net Profit		28.3	29.1	+0.8	35.1	54.7	+19.6

Financial Position Data

(Billions of Yen)	Q3		
	As of March 31, 2023	As of December.31, 2023	Change from March 31, 2023
Total Assets	3,984.1	4,090.9	+106.9
Total Equity	1,912.7	1,996.8	+84.1
Interest-bearing Debt	608.5	668.3	+59.8
Equity Attributable to Owners of the Parent	1,623.8	1,698.6	+74.8
% of Equity Attributable to Owners of the Parent	40.8%	41.5%	+ 0.8pt
D/E Ratio (times)	0.37	0.39	- 0.02pt
Net D/E Ratio (times)	0.12	0.17	- 0.05pt
Cash and Cash Equivalents	419.5	383.0	- 36.5

V. Historical Data (Appendix)

(Ref.) New Segment Overview

			Main Businesses, Markets, Customers
IT Services	Domestic	Public	Central and Local Government
		Enterprise	Enterprise (Finance, Manufacturing, Retail / Services), NEC Facilities
		Cross-Industry	Fire-fighting / Disaster prevention Systems, Smart City (Transportation, Energy management), and Broadcasting / Media
		DPF* and others	Abeam Consulting, NEC Fielding, and distribution sales
	International (DGDF**)	NEC Software Solutions UK, KMD, Avaloq, and Digital ID abroad business	
Social Infrastructure	Telecom Services	Network Infrastructure (including Global 5G) for Telecom Operators, Submarine Systems, OSS/BSS, and NEC Networks & System Integration Corporation (NESIC)	
	ANS***	Aerospace / Satellite and Defense	
Others		Healthcare and life-related businesses, Japan Aviation Electronics Industry (JAE), and Subsidiaries managed by Corporate	
Adjustments		R&D, Corporate expenses, and other adjustments	

* Digital Platform ** Digital Government Digital Finance *** Aerospace and National Security

Revenue Breakdown

(Billions of Yen)	FY22/3 Results					FY23/3 Results				
	Q1	1H	Q3	2H	Full Year	Q1	1H	Q3	2H	Full Year
Public	71.4	159.9	86.9	230.9	390.7	66.1	157.9	94.9	246.4	404.3
Enterprise	136.8	282.0	131.5	292.3	574.4	140.4	289.0	142.8	325.7	614.7
Cross-Industry	29.1	61.6	29.1	75.9	137.5	20.2	49.7	27.7	78.9	128.6
DPF and Others	57.8	120.6	63.2	142.0	262.5	60.9	139.5	72.8	177.8	317.3
Domestic	295.2	624.1	310.8	741.1	1,365.2	287.5	636.1	338.1	828.8	1,464.9
International (DGDF)	59.4	119.3	64.2	133.4	252.7	67.8	138.4	72.5	151.6	290.1
IT Services	354.6	743.3	375.0	874.6	1,617.9	355.3	774.5	410.6	980.4	1,755.0
Telecom Services	149.4	326.1	174.9	393.7	719.8	153.2	339.7	216.5	477.3	817.0
ANS	41.9	92.4	50.1	117.1	209.5	44.2	103.2	58.5	142.0	245.2
Social Infrastructure	191.3	418.5	225.0	510.8	929.3	197.4	442.9	275.0	619.3	1,062.2
Others	106.0	221.0	113.6	245.9	466.9	107.0	237.9	128.3	257.9	495.8
Total	651.9	1,382.8	713.6	1,631.3	3,014.1	659.7	1,455.4	813.9	1,857.6	3,313.0

Adjusted OP Breakdown

(Billions of Yen)		FY22/3 Results					FY23/3 Results				
		Q1	1H	Q3	2H	Full Year	Q1	1H	Q3	2H	Full Year
Domestic	Adj. OP	6.9	30.8	24.3	90.5	121.2	-0.1	38.7	32.4	110.0	149.6
	% of revenue	2.3%	4.9%	7.8%	12.2%	8.9%	-0.0%	6.1%	9.6%	13.4%	10.2%
DGDF	Adj. OP	2.4	5.7	4.4	10.3	16.0	0.7	3.8	3.0	14.6	18.4
	% of revenue	4.1%	4.7%	6.9%	7.8%	6.3%	1.1%	2.7%	4.1%	9.6%	6.3%
IT Services	Adj. OP	9.3	36.4	28.7	100.8	137.2	0.7	42.4	35.4	125.6	168.0
	% of revenue	2.6%	4.9%	7.6%	11.5%	8.5%	0.2%	5.5%	8.6%	12.8%	9.6%
Telecom Services	Adj. OP	3.3	18.2	10.0	33.2	51.3	-5.4	-5.1	19.7	53.3	48.2
	% of revenue	2.2%	5.6%	5.7%	8.4%	7.1%	-3.5%	-1.5%	9.1%	11.2%	5.9%
ANS	Adj. OP	1.1	5.8	3.2	12.3	18.1	0.2	7.8	4.5	17.8	25.6
	% of revenue	2.6%	6.3%	6.3%	10.5%	8.6%	0.5%	7.5%	7.7%	12.5%	10.4%
Social Infrastructure	Adj. OP	4.4	24.0	13.2	45.4	69.4	-5.2	2.7	24.2	71.1	73.8
	% of revenue	2.3%	5.7%	5.9%	8.9%	7.5%	-2.6%	0.6%	8.8%	11.5%	6.9%
Others	Adj. OP	0.2	5.1	5.6	16.4	21.5	2.9	11.2	5.0	12.6	23.8
	% of revenue	0.2%	2.3%	5.0%	6.7%	4.6%	2.7%	4.7%	3.9%	4.9%	4.8%
Adjustment	Adj. OP	-3.5	-23.4	-13.7	-33.7	-57.2	-5.3	-25.1	-12.3	-35.0	-60.1
Total	Adj. OP	10.5	42.1	33.8	128.9	171.0	-7.0	31.2	52.2	174.3	205.5
	% of revenue	1.6%	3.0%	4.7%	7.9%	5.7%	-1.1%	2.1%	6.4%	9.4%	6.2%

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 the Company 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:

- adverse economic conditions in Japan or internationally;
- foreign currency exchange and interest rate risks;
- changes in the markets in which the NEC Group operates;
- impact of the outbreak of the novel coronavirus (COVID-19) and other infections
- potential inability to achieve the goals in the NEC Group's medium-term management plan;
- fluctuations in the NEC Group's revenue and profitability from period to period;
- difficulty achieving the benefits expected from acquisitions, business combinations and reorganizations and business withdrawals;
- potential deterioration in the NEC Group's relationships with strategic partners or problems relating to their products or services;
- difficulty achieving the NEC Group's growth strategies outside Japan;
- potential inability to keep pace with rapid technological advancements in the NEC Group's industry and to commercialize new technologies;
- intense competition in the markets in which the NEC Group operates;
- risks relating to the NEC Group's concentrated customer base;
- difficulties with respect to new businesses;
- potential failures in the products and services the NEC Group provides;
- potential failure to procure components, equipment or other supplies;
- difficulties protecting the NEC Group's intellectual property rights;
- potential inability to obtain certain intellectual property licenses;
- the NEC Group's customers may encounter financial difficulties;
- difficulty attracting, hiring and retaining skilled personnel;
- difficulty obtaining additional financing to meet the NEC Group's funding needs;
- potential failure of internal controls;
- potentially costly and time-consuming legal proceedings;
- risks related to regulatory change and uncertainty;
- risks related to environmental laws and regulations;
- information security and data protection concerns and restrictions;
- potential changes in effective tax rates or deferred tax assets, or adverse tax examinations;
- risks related to corporate governance and social responsibility requirements;
- risks related to natural disasters, public health issues, armed hostilities and terrorism;
- risks related to the NEC Group's pension assets and defined benefit obligations; and
- risks related to impairment losses with regard to goodwill.

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, 2022, 2023, and 2024 were referred as FY22/3, FY23/3, and FY24/3 respectively. Any other fiscal years would be referred similarly.