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Financial Results for the Fiscal Year Ended March 31, 2024

April 26, 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 FY24/3

Summary of Financial Results for FY24/3

Exceeded forecasts at all levels

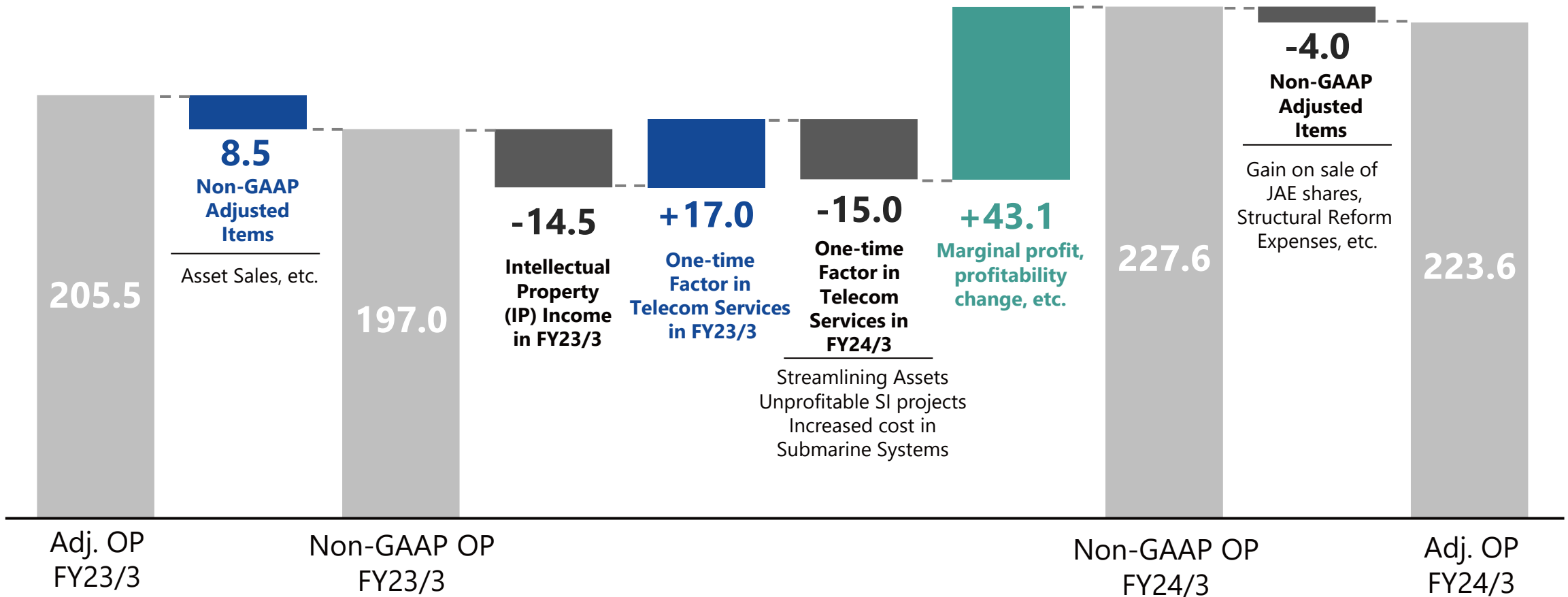
(Billions of Yen)	9 months			Q4			Full Year			Change from previous forecasts
	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	
Revenue	2,269.3	2,393.3	+5.5%	1,043.8	1,084.0	+3.9%	3,313.0	3,477.3	+5.0%	+97.3
Adjusted Operating Profit	83.4	97.0	+13.6	122.1	126.5	+4.5	205.5	223.6	+18.0	+3.6
% of revenue	3.7%	4.1%	+0.4%	11.7%	11.7%	-0.0%	6.2%	6.4%	+0.2%	-0.1%
Non-GAAP Operating Profit *	71.2	99.4	+28.2	125.8	128.2	+2.4	197.0	227.6	+30.6	+7.6
% of revenue	3.1%	4.2%	+1.0%	12.1%	11.8%	-0.2%	5.9%	6.5%	+0.6%	+0.0%
Non-GAAP Net Profit *	35.1	54.7	+19.6	97.7	123.2	+25.5	132.8	177.8	+45.0	+37.8
% of revenue	1.5%	2.3%	+0.7%	9.4%	11.4%	+2.0%	4.0%	5.1%	+1.1%	+1.0%
Non-GAAP EPS (yen)	130	205	+76	363	462	+100	492	668	+175	-
EBITDA **	181.6	214.7	+33.1	166.2	164.8	- 1.4	347.8	379.5	+31.7	+19.5
% of revenue	8.0%	9.0%	+1.0%	15.9%	15.2%	-0.7%	10.5%	10.9%	+0.4%	+0.3%
Free Cash Flow	-91.6	-19.0	+72.6	194.1	214.2	+20.1	102.5	195.2	+92.7	+45.2
Note :	USD/JPY	134.67	142.16	132.73	146.76		134.19	143.31		
Average Exchange Rates (Yen)	EUR/JPY	139.22	153.75	141.94	159.48		139.90	155.18		
Dividend per Share (Yen)							110	120	+10	±0

* Non-GAAP adjustment items are shown on pages 26 and 27

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

YoY Change in Adjusted/Non-GAAP Operating Profit

(Billions of Yen)



* Non-GAAP adjustment items are shown on pages 26 and 27

Financial Results for FY24/3 (By Segment)

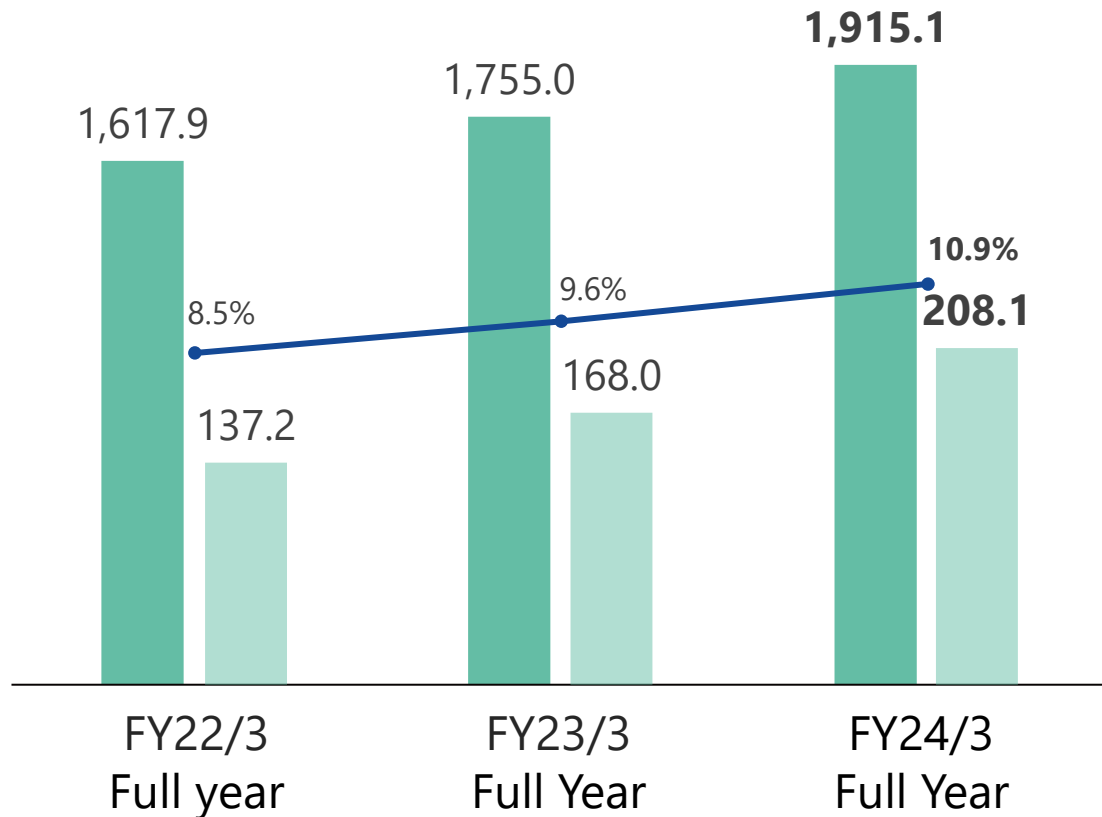
(Billions of Yen)		9 months			Q4			Full Year			Change from previous forecasts
		FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY	
IT Services	Revenue	1,185.2	1,314.5	+10.9%	569.8	600.6	+5.4%	1,755.0	1,915.1	+9.1%	+85.1
	Adjusted Operating Profit	77.8	106.1	+28.3	90.2	101.9	+11.8	168.0	208.1	+40.1	+21.1
	% of revenue	6.6%	8.1%	+1.5%	15.8%	17.0%	+1.1%	9.6%	10.9%	+1.3%	+0.6%
Social Infrastructure	Revenue	717.9	735.6	+2.5%	344.3	348.4	+1.2%	1,062.2	1,084.0	+2.1%	- 1.0
	Adjusted Operating Profit	26.9	31.3	+4.4	46.9	44.1	- 2.8	73.8	75.4	+1.6	- 14.6
	% of revenue	3.7%	4.3%	+0.5%	13.6%	12.7%	-1.0%	6.9%	7.0%	+0.0%	-1.3%
Others	Revenue	366.2	343.1	-6.3%	129.7	135.0	+4.1%	495.8	478.1	-3.6%	+13.1
	Adjusted Operating Profit	16.2	16.3	+0.1	7.7	2.2	- 5.5	23.8	18.4	- 5.4	- 3.6
	% of revenue	4.4%	4.7%	+0.3%	5.9%	1.6%	-4.3%	4.8%	3.9%	-0.9%	-0.9%
Adjustments	Adjusted Operating Profit	-37.5	-56.6	- 19.2	-22.6	-21.7	+1.0	-60.1	-78.3	- 18.2	+0.7
Total	Revenue	2,269.3	2,393.3	+5.5%	1,043.8	1,084.0	+3.9%	3,313.0	3,477.3	+5.0%	+97.3
	Adjusted Operating Profit	83.4	97.0	+13.6	122.1	126.5	+4.5	205.5	223.6	+18.0	+3.6
	% of revenue	3.7%	4.1%	+0.4%	11.7%	11.7%	-0.0%	6.2%	6.4%	+0.2%	-0.1%
	Non-GAAP Adjustments	-12.2	2.4	+14.6	3.7	1.6	- 2.1	-8.5	4.0	+12.5	+4.0
	Non-GAAP Operating Profit	71.2	99.4	+28.2	125.8	128.2	+2.4	197.0	227.6	+30.6	+7.6
	% of revenue	3.1%	4.2%	+1.0%	12.1%	11.8%	-0.2%	5.9%	6.5%	+0.6%	+0.0%

* Breakdown of each segment is shown on pages 31 and 32

IT Services

Revenue and Adjusted Operating Profit

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



-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)

	Full Year				
	FY23/3 Results	FY24/3 Results	YoY	Change from previous forecasts	
Domestic IT	Revenue	1,464.9	1,613.7	+10.2%	+71.7
	Adj. OP	149.6	189.3	+39.6	+22.3
	% of Revenue	10.2%	11.7%	+1.5%	+0.9%
International (DGDF)*	Revenue	290.1	301.5	+3.9%	+13.5
	Adj. OP	18.4	18.8	+0.4	- 1.2
	% of Revenue	6.3%	6.2%	-0.1%	-0.7%

* Digital Government / Digital Finance

IT Services Booking Status (YoY)

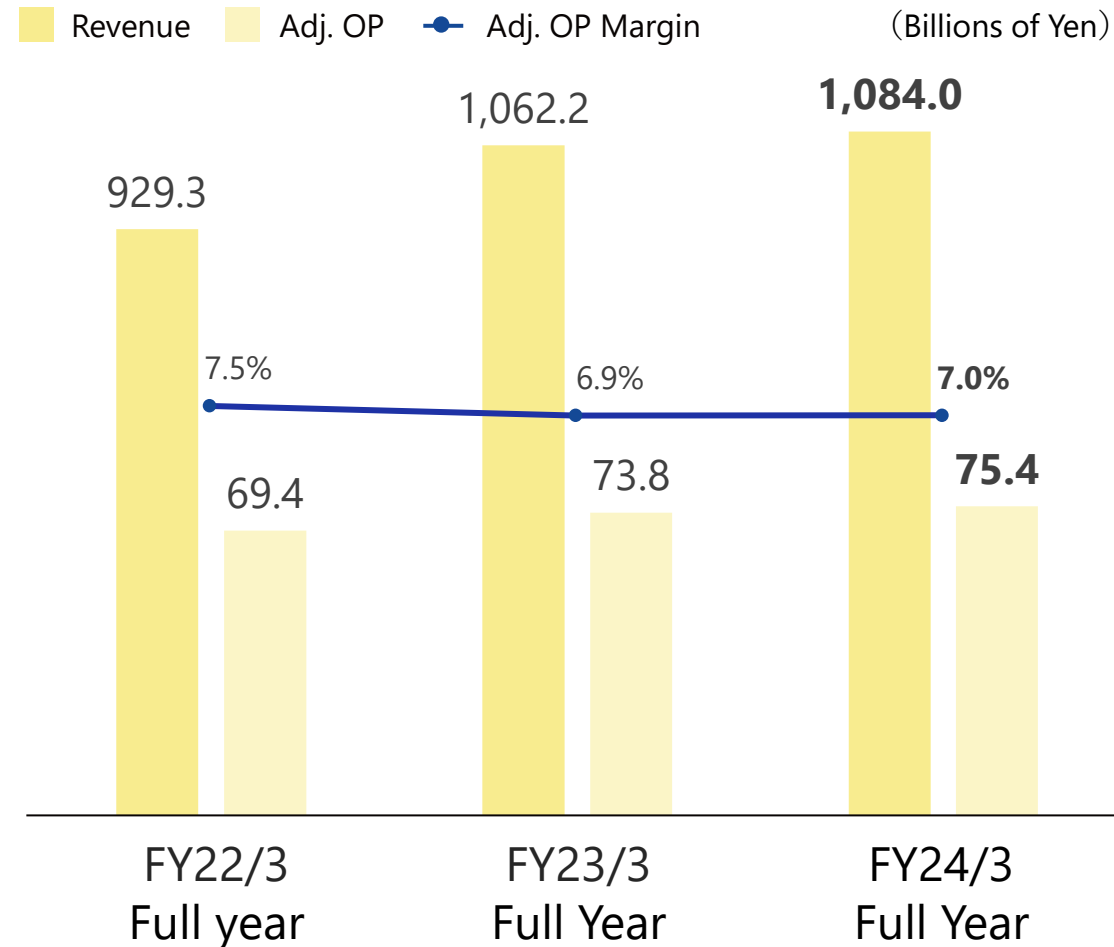
Strong IT services demand continued

	Q1	Q2	Q3	Q4	Full Year	Notes
IT Services	+3%	-4%	+2%	+5%	+1%	
Excluding NEC Facilities Ltd.	+3%	+3%	+4%	+3%	+3%	
Domestic	+2%	-12%	+4%	+2%	-2%	Excluding NEC Facilities Ltd. +1%
Public	+6%	-15%	-3%	+9%	-1%	Maintained the same level of strength as FY23/3
Enterprise*	+16%	+12%	+8%	-11%	+5%	
Finance	+37%	+41%	+11%	-15%	+16%	Exceeded the strong demand in FY23/3
Manufacturing	-1%	-3%	-2%	-4%	-3%	Improved profitability by selecting orders on profitability
Retail / Services	+9%	±0%	+10%	-5%	+3%	Steady increases in both the retail and services sectors
Others	-14%	-27%	+4%	+11%	-8%	Increased by 15% for ABeam Consulting, Gained firefighting and disaster prevention system projects in 2H
International (DGDF)	+8%	+67%	-3%	+25%	+20%	Increase led by a gain of large projects for SWS (NEC Software Solutions UK) and KMD

*Excluding NEC Facilities Ltd.

Social Infrastructure

Revenue and Adjusted Operating Profit



-Adj. OP decreased YoY due to one-time expenses, despite improved profitability for global 5G business, as planned, in Telecom Services

**-Received orders of over 500 bil. yen from ANS* due to an increase of defense budget
Steady revenue and adj. OP from ANS**

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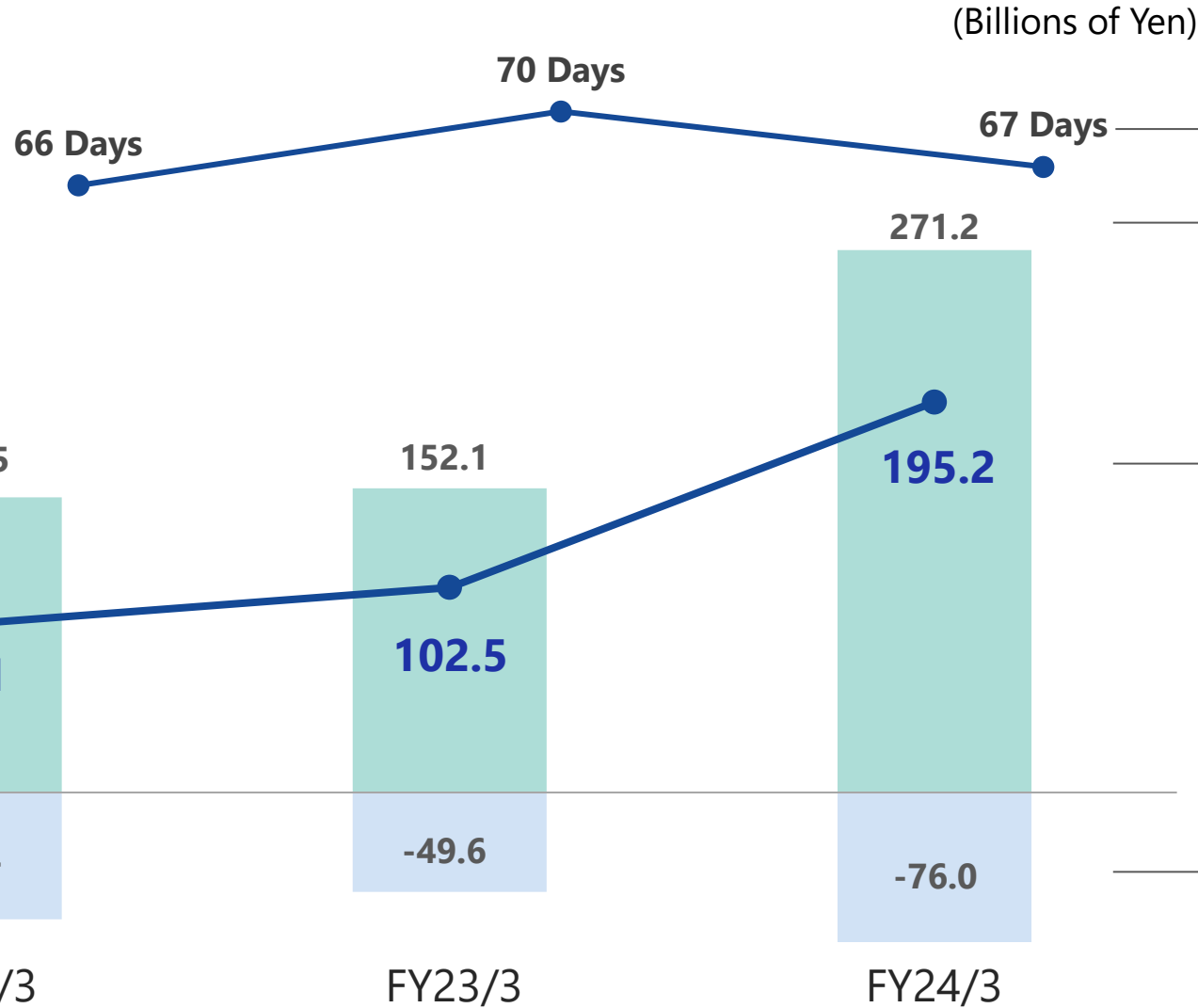
(Billions of Yen)

		Full Year			
		FY23/3 Results	FY24/3 Results	YoY	Change from previous forecasts
Telecom Services	Revenue	817.0	808.0	-1.1%	- 6.0
	Adj. OP	48.2	41.9	- 6.4	- 17.1
	% of Revenue	5.9%	5.2%	-0.7%	-2.1%
ANS*	Revenue	245.2	276.1	+12.6%	+5.1
	Adj. OP	25.6	33.5	+7.9	+2.5
	% of Revenue	10.4%	12.1%	+1.7%	+0.7%

* Aerospace and National Security

Free Cash Flows

Significant improvement in working capital due to a decrease of inventory



CCC* Days

YoY Improved by 3 Days

Cash flow from operating activities

YoY +119.1

- Increase in adjusted operating profit +18.0
- Increase in working capital balance, etc. approx. +101.0

Free cash flows

YoY +92.7

Cash flow from investing activities

YoY -26.4

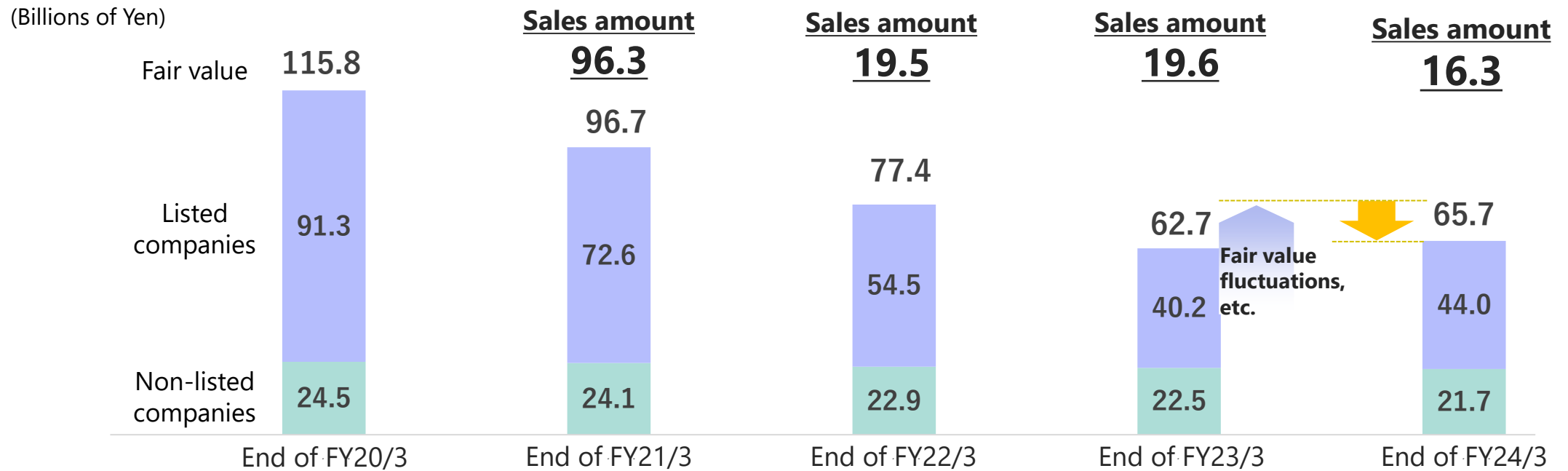
- Reversal impact of asset sales gain in FY23/3 approx. -15.0
- Increase in investment for Mid-term Management Plan 2025 achievement approx. -10.0

* CCC: Cash Conversion Cycle

Status on the Sale of Investment Securities

- **Cumulative sales amounted to 151.7 billion yen, greatly contributing to free cash flows**
- **The number of shares held (listed shares) reduced by 70% from the end of FY20/3**

<Fair value and the number of stocks are unconsolidated basis (Excluded alliance companies) >



Number of Shares	Listed companies	108	63	52	33	27
	Non-Listed companies	206	193	176	137	113

- **Above excludes the sale of Renesas Electronics Corporation shares of 174.9 billion yen. (Deemed shares held)**

II. Financial Forecasts for FY25/3 and Progress of the Mid-term Management Plan 2025

Summary of Financial Forecasts

**FY24/3 Forecasts/
Mid-term Management
Plan 2025**

(Billions of Yen)	FY21/3 Results	FY22/3 Results	FY23/3 Results	FY24/3 Results	FY25/3 Forecasts	FY26/3 Targets	Change from IR Day FY24/3
Revenue	2,994.0	3,014.1	3,313.0	3,477.3	3,370.0	3,500.0	±0.0
Adjusted Operating Profit	178.2	171.0	205.5	223.6	255.0	300.0	±0.0
% of Revenue	6.0%	5.7%	6.2%	6.4%	7.6%	8.6%	±0%
Non-GAAP Operating Profit	150.9	160.3	197.0	227.6	255.0	300.0	±0.0
% of Revenue	5.0%	5.3%	5.9%	6.5%	7.6%	8.6%	±0%
Non-GAAP Net Profit	144.6	159.5	132.8	177.8	165.0	185.0	±0.0
% of Revenue	4.8%	5.3%	4.0%	5.1%	4.9%	5.3%	±0%
EBITDA *	295.8	304.0	347.8	379.5	380.0	425.0	- 25.0
% of Revenue	9.9%	10.1%	10.5%	10.9%	11.3%	12.1%	-0.7%
ROIC **	4.7%	3.9%	4.7%	5.0%	5.9%	6.5%	±0%
Free Cash Flow	152.4	84.1	102.5	195.2	160.0	-	-
Dividend per Share (Yen)	90	100	110	120	140	160	-

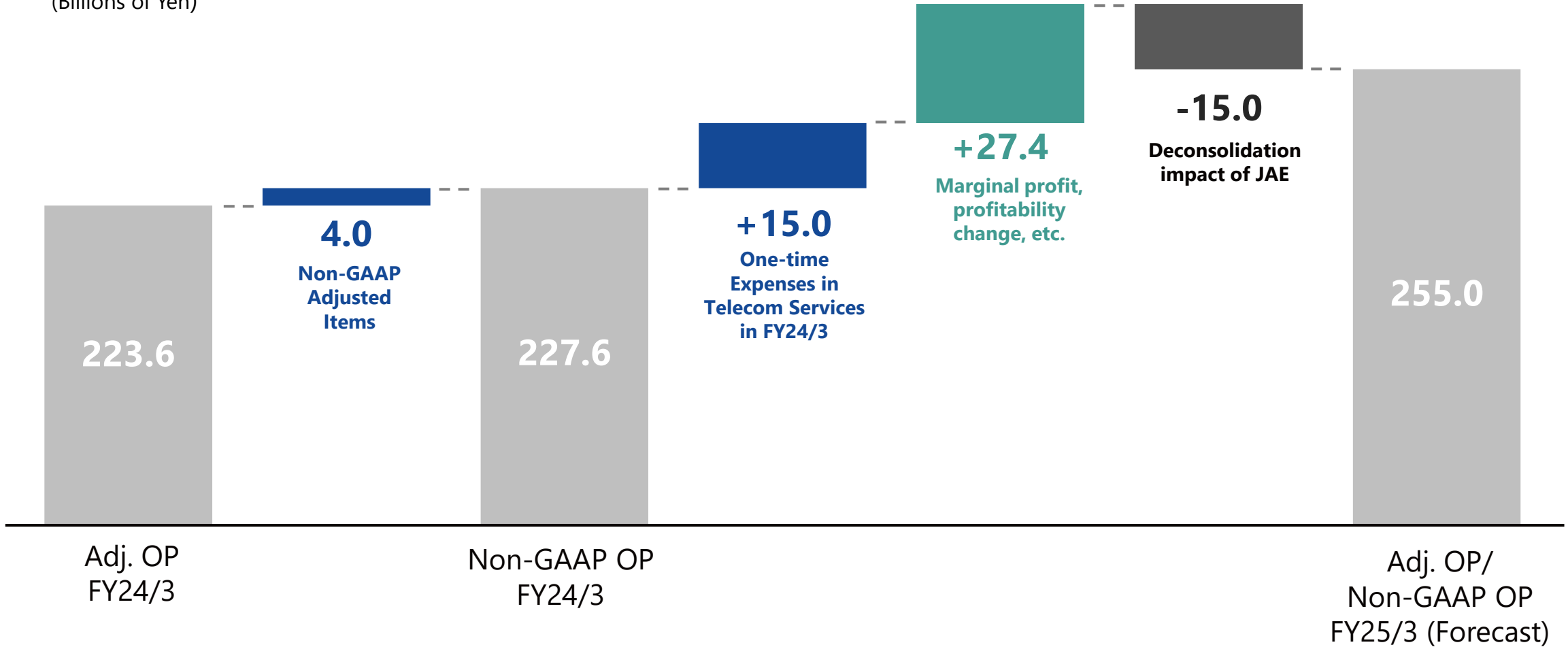
Currency rate assumption for FY25/3: USD/JPY: 145, EUR/JPY: 160

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

** ROIC = (Unadjusted operating income - Deemed corporate tax <30.5%>) ÷ (Term-end interest-bearing debt + Term-end net assets <Including non-controlling interests>)

YoY Change in Adjusted/Non-GAAP Operating Profit

(Billions of Yen)



Financial Forecast (By Segment)

**FY24/3 Forecasts/
Mid-term Management
Plan 2025**

(Billions of Yen)

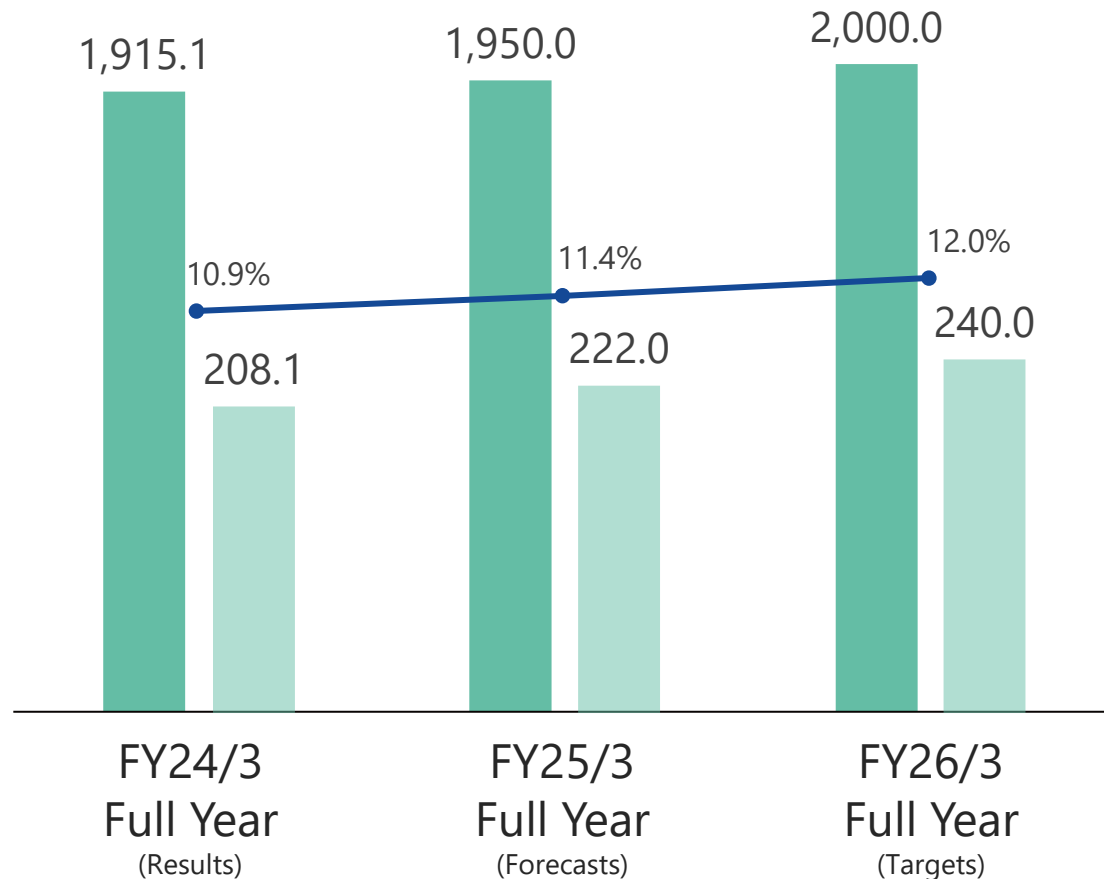
		FY22/3 Results	FY23/3 Results	FY24/3 Results	FY25/3 Forecasts	FY26/3 Targets
IT Services	Revenue	1,617.9	1,755.0	1,915.1	1,950.0	2,000.0
	Adjusted Operating Profit	137.2	168.0	208.1	222.0	240.0
	% of revenue	8.5%	9.6%	10.9%	11.4%	12.0%
Social Infrastructure	Revenue	929.3	1,062.2	1,084.0	1,180.0	1,250.0
	Adjusted Operating Profit	69.4	73.8	75.4	122.0	154.0
	% of revenue	7.5%	6.9%	7.0%	10.3%	12.3%
Others	Revenue	466.9	495.8	478.1	240.0	250.0
	Adjusted Operating Profit	21.5	23.8	18.4	-2.0	-63.0
	% of revenue	4.6%	4.8%	3.9%	-0.8%	
Adjustments	Adjusted Operating Profit	-57.2	-60.1	-78.3	-87.0	
Gap*	Revenue					-
	Adjusted Operating Profit					-31.0
Total	Revenue	3,014.1	3,313.0	3,477.3	3,370.0	3,500.0
	Adjusted Operating Profit	171.0	205.5	223.6	255.0	300.0
	% of revenue	5.7%	6.2%	6.4%	7.6%	8.6%

* Gap : Total – IT Services – Social Infrastructure – Others and Adjustments

IT Services

Revenue and Adjusted Operating Profit

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



-Steady growth of domestic business is anticipated following a strong FY24/3

-Adjusted OP growth from Avaloq anticipated in international IT Services

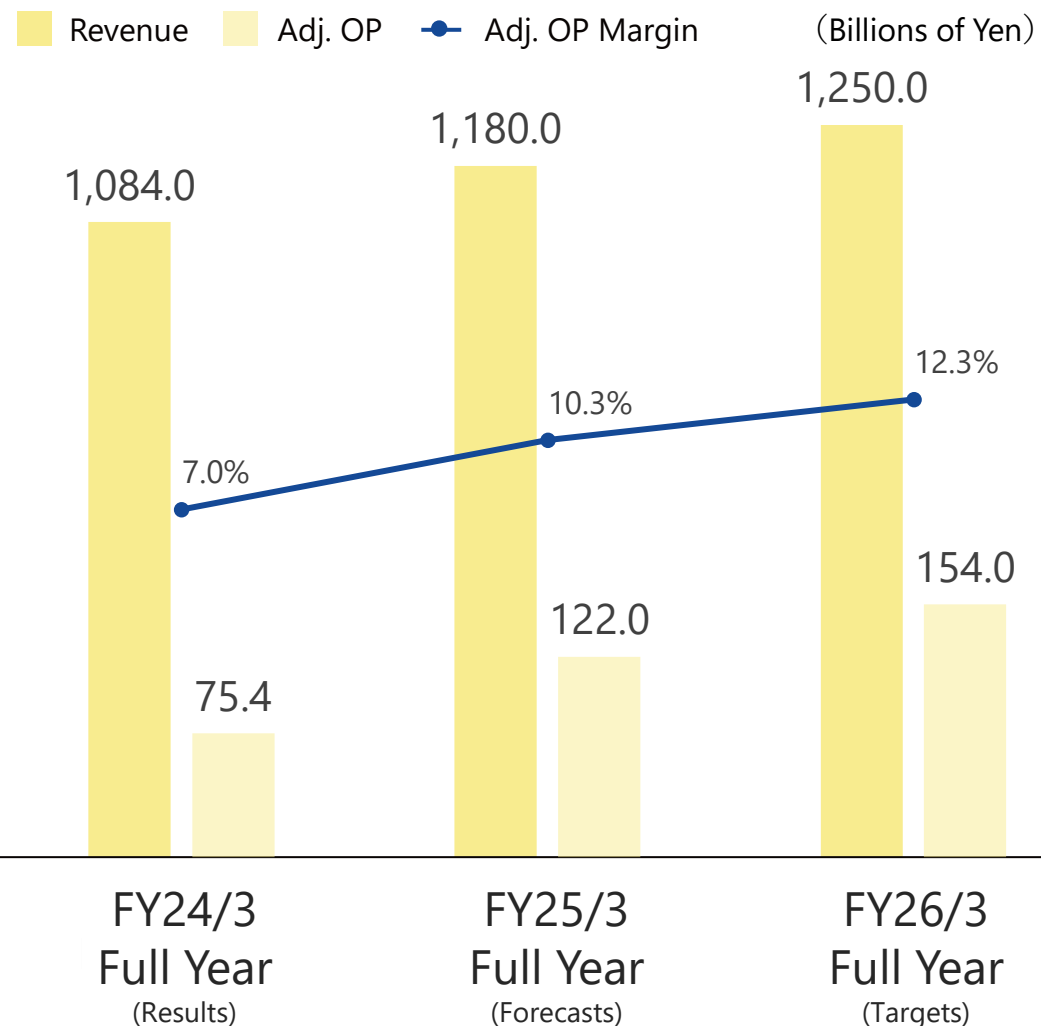
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	Full Year			
	FY24/3 Results	FY25/3 Forecasts	FY26/3 Targets	
Domestic IT	Revenue	1,613.7	1,650.0	1,690.0
	Adj. OP	189.3	198.0	204.0
	% of Revenue	11.7%	12.0%	12.1%
International (DGDF)*	Revenue	301.5	300.0	310.0
	Adj. OP	18.8	24.0	36.0
	% of Revenue	6.2%	8.0%	11.6%

* Digital Government / Digital Finance

Social Infrastructure

Revenue and Adjusted Operating Profit



-Revenue expected to increase from steady delivery of projects through ANS*

-Adj. OP to increase due to an improvement of global 5G business as well as reversal effect from one-time expenses in Telecom Services in FY24/3

<Ref.>

(Billions of Yen)

		Full Year		
		FY24/3 Results	FY25/3 Forecasts	FY26/3 Targets
Telecom Services	Revenue	808.0	840.0	900.0
	Adj. OP	41.9	85.0	112.0
	% of Revenue	5.2%	10.1%	12.4%
ANS*	Revenue	276.1	340.0	350.0
	Adj. OP	33.5	37.0	42.0
	% of Revenue	12.1%	10.9%	12.0%

* Aerospace and National Security

Growth Businesses

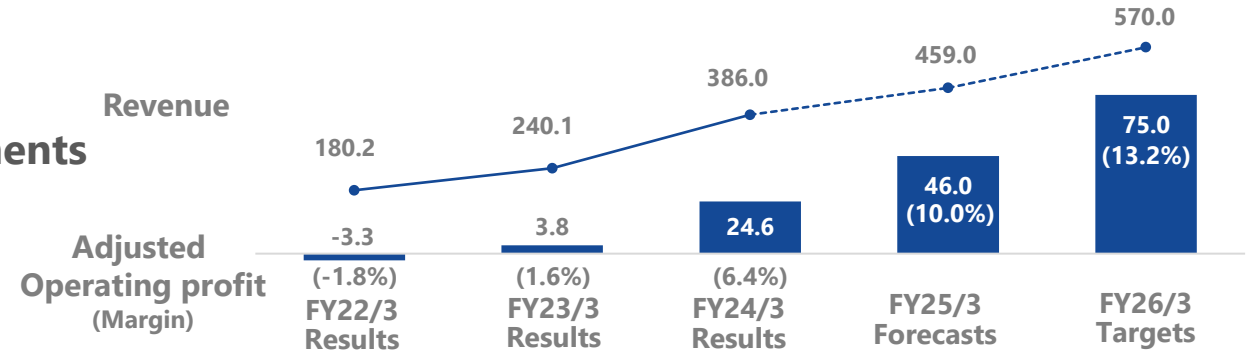
FY24/3 Forecasts/
Mid-term Management
Plan 2025

(Billions of Yen)

Core DX

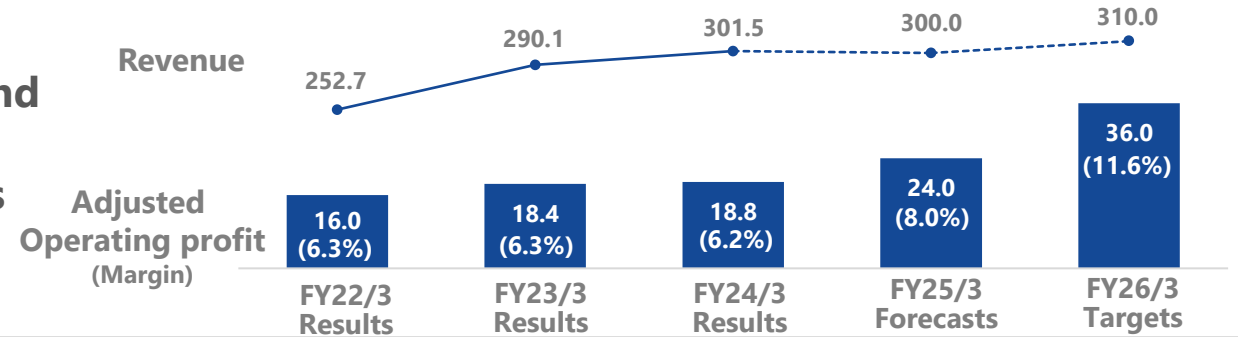
● Achievements ● Challenges

- Improved OP margin from completion of initial investments
- Consulting-based business grew as planned
 - Increase OP margin by expanding common platforms



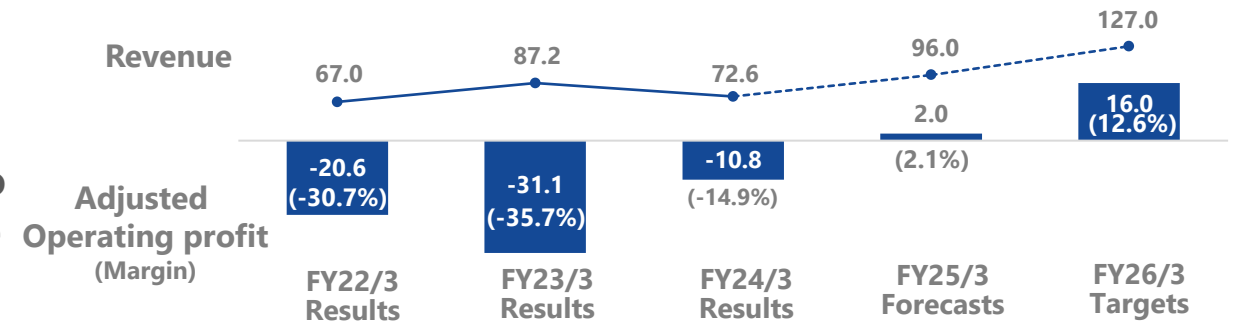
DG/DF

- Enhanced business foundation through bolt-on M&As and sale of non-core businesses
 - Expansion of higher profitability software and SaaS sales
 - Enhance profitability by further utilization of offshore resources as well as cost reductions



Global 5G

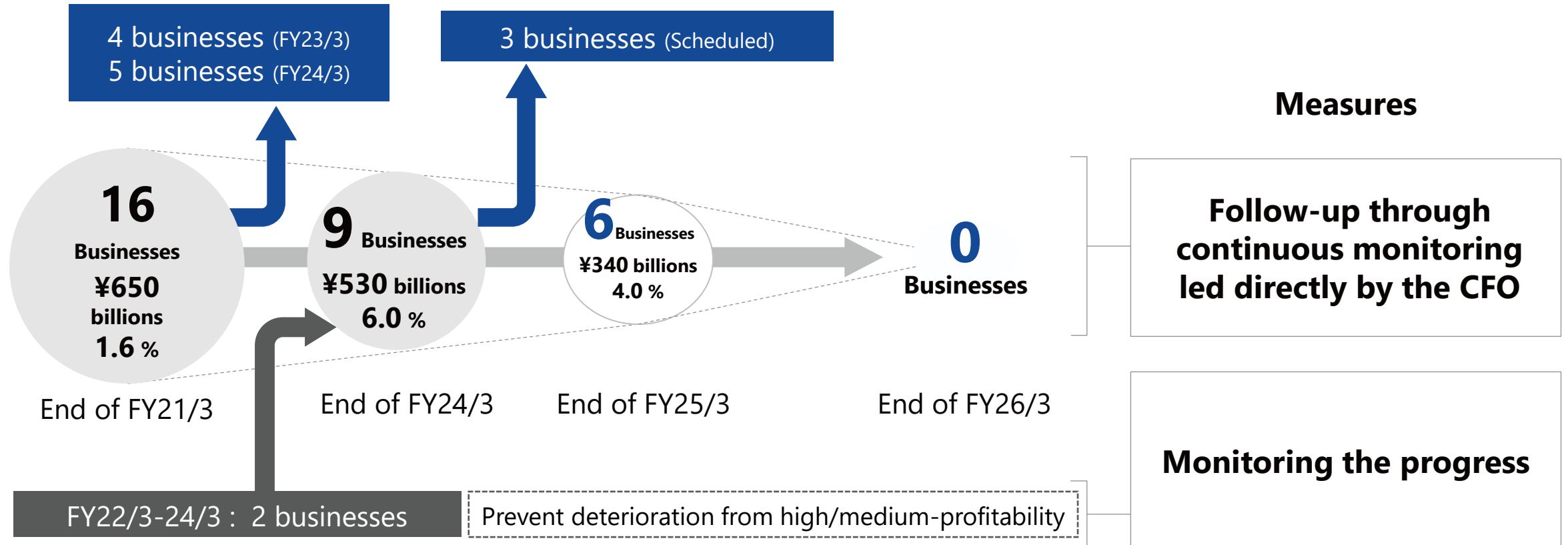
- Profitability improved through reorganization abroad
 - Shifting toward higher profitability business areas mainly in software and increasing the SaaS revenue ratio
 - Further optimization of sales and development structure abroad



Low-profit Businesses

Since commencing initiatives in FY22/3, nine previously low-profit businesses improved profitability

Continue initiatives to shift to high/medium-profit businesses by the end of FY26/3



Figures in circles refer to # of target businesses monitored by CFO, total Revenues and Adj. OP Margin of target businesses

Capital Allocation

1. Investment in growth business areas to be a top priority, while maintaining financial soundness

-Considering 500 billion yen in total investments

2. Maintain a stable dividend increase

-Dividend per share to be 140 yen for FY25/3, 160 yen for FY26/3,
based on earnings forecasts and Mid-term Management Plan 2025 targets

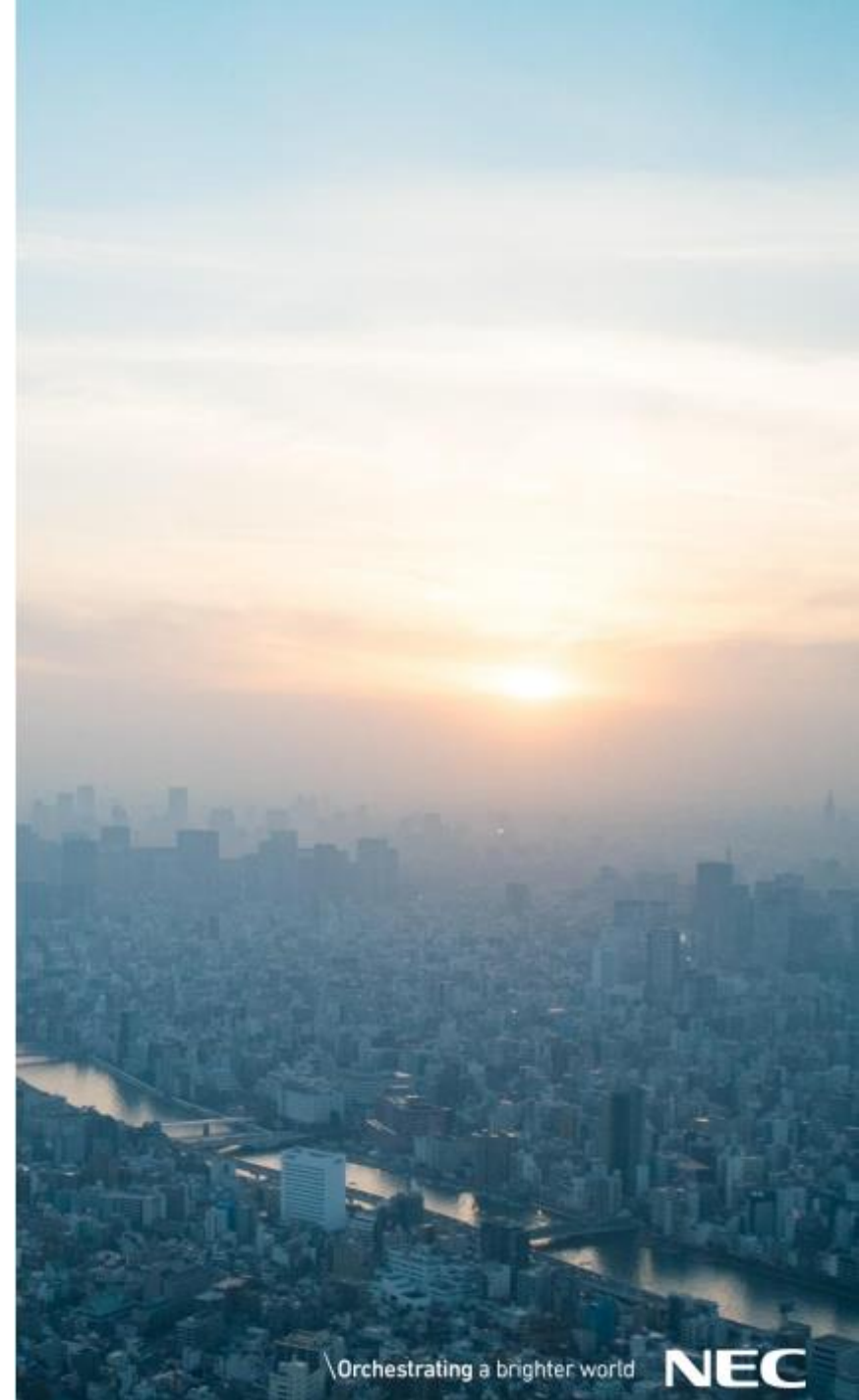
3. Share buybacks considered depending on the level of excess cash

III. Topics



Enhanced NEC's LLM and service lineup to offer the best generative AI usage environment for customers' businesses

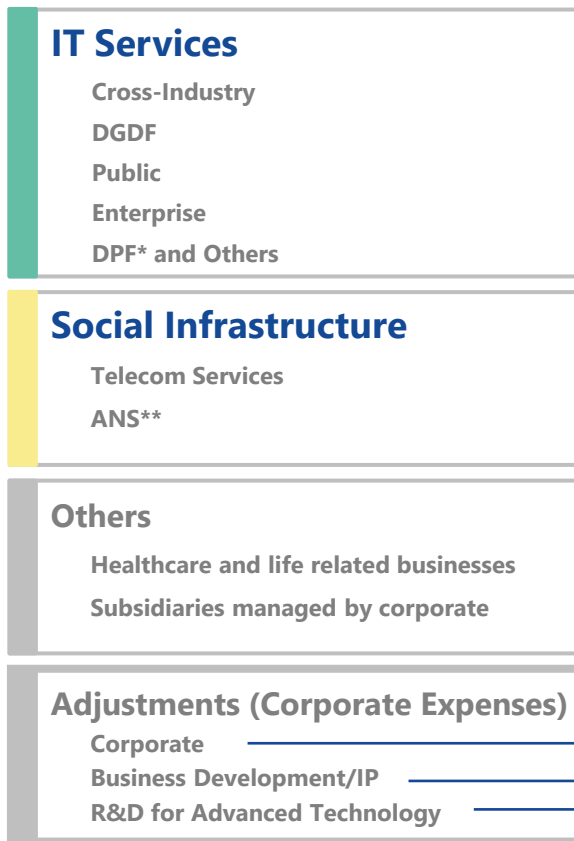
- Developed NEC cotomi Pro and NEC cotomi Light, high-speed models with world-class performance**, by having them learn large volumes of chat history data from approx. 40,000 NEC Group employees
- Started offering services on-premises** as well as for public clouds, realizing flexible service offerings for handling each customer's needs
- Commenced sale of electronic medical record system equipped with generative AI** (MegaOak/iS)
- The first on-site utilization of NEC cotomi for municipal government operations began** at Sagami-hara City near Tokyo



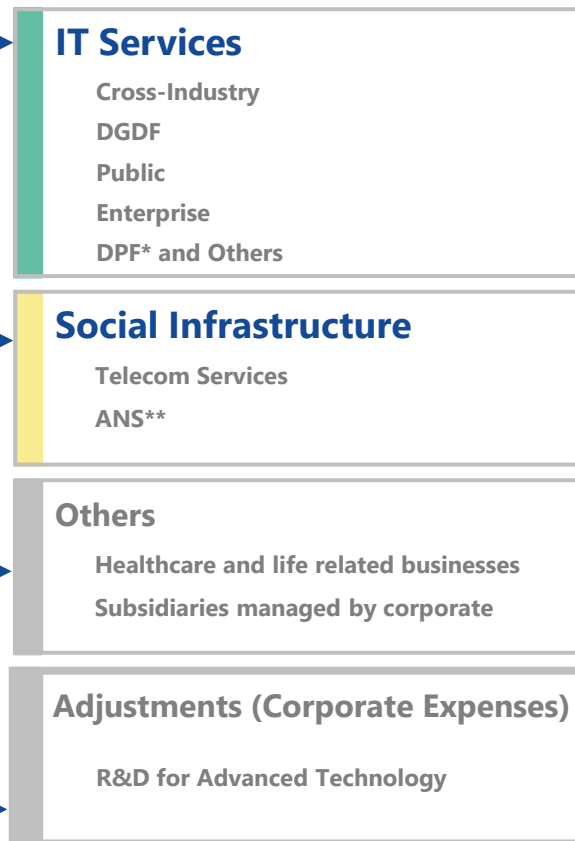
Allocation of Corporate Expenses

Adjustments which consist of corporate-wide expenses are to be allocated to each business segment, showing the earnings capacity of each segment/business unit more accurately

FY24/3



From Q1, FY25/3



Changes

(From) → (To)

- Corporate → Business Segments
- Business Development/IP → Others
- R&D for Advanced Technology → (Not to be Allocated)

To be allocated from the Q1 FY25/3 results
Prior results will be disclosed by mid July 2024

Amount

(Adjusted OP: Based on FY25/3 Forecasts. In billions of yen)

Current
 approx. **JPY-87.0**



After the Allocation
 Approx. **JPY-20.0**

\ Orchestrating a brighter world

NEC

IV. Financial Results for FY24/3 (Appendix)

Non-GAAP Operating Profit Adjustment Items

(Billions of Yen)

		Q4			Full Year		
		FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY
Adjusted Operating Profit		113.3	118.2	+4.8	170.4	188.0	+17.6
Adjusted Items	M&A Related Amortization of Intangible Assets	8.2	8.4	+0.2	33.5	35.2	+1.7
	M&A Related Expenses	0.6	0.0	- 0.6	1.6	0.3	- 1.2
Adjusted Operating Profit		122.1	126.5	+4.5	205.5	223.6	+18.0
Adjusted Items	Structural Reform Expenses and Impairment Losses	4.9	10.2	+5.3	5.5	13.6	+8.0
	Stock Compensation	0.1	0.1	- 0.0	0.6	0.5	- 0.1
	Other One-time Profits/Losses (Gain/Loss on sale of land, businesses, etc.)	-1.3	-8.7	- 7.4	-14.6	-10.0	+4.5
Non-GAAP Operating Profit		125.8	128.2	+2.4	197.0	227.6	+30.6

Non-GAAP Net Profit Adjustment Items

(Billions of Yen)

		Q4			Full Year		
		FY23/3 Results	FY24/3 Results	YoY	FY23/3 Results	FY24/3 Results	YoY
Net Profit		88.1	115.5	+27.4	114.5	149.5	+35.0
Adjusted Items	M&A related Amortization of Intangible Assets and M&A related Expenses	6.1	5.8	- 0.4	24.0	24.8	+0.7
	Structural Reform Expenses and Impairment Losses	4.3	7.4	+3.1	4.8	9.9	+5.2
	Stock Compensation	0.1	0.1	- 0.0	0.4	0.3	- 0.1
	Other One-time Profits/Losses (Gain/Loss on sale of land, businesses, etc.)	-1.0	-5.6	- 4.6	-10.9	-6.7	+4.2
Non-GAAP Net Profit		97.7	123.2	+25.5	132.8	177.8	+45.0

Financial Position Data

(Billions of Yen)	As of March 31, 2023	As of March 31, 2024	Change from March 31, 2023
Total Assets	3,984.1	4,227.5	+243.5
Total Equity	1,912.7	2,089.5	+176.8
Interest-bearing Debt	608.5	548.6	- 59.8
Equity Attributable to Owners of the Parent	1,623.8	1,915.6	+291.8
% of Equity Attributable to Owners of the Parent	40.8%	45.3%	+4.6pt
D/E Ratio (times)	0.37	0.29	+0.08pt
Net D/E Ratio (times)	0.12	0.04	+0.08pt
Cash and Cash Equivalents	419.5	476.5	+57.0
		Full Year	
	FY23/3 Results	FY24/3 Results	YoY
Cash flows from operating activities	152.1	271.2	+119.1
Cash flows from investing activities	-49.6	-76.0	- 26.4
Free Cash flows	102.5	195.2	+92.7

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)	FY23/3 Results					FY24/3 Results				
	Q1	1H	Q3	2H	Full Year	Q1	1H	Q3	2H	Full Year
Public	66.1	157.9	94.9	246.4	404.3	73.0	178.1	101.4	255.2	433.3
Enterprise	140.4	289.0	142.8	325.7	614.7	159.3	332.3	179.1	380.2	712.5
Cross-Industry	20.2	49.7	27.7	78.9	128.6	20.7	50.3	31.8	91.5	141.7
DPF and others	60.9	139.5	72.8	177.8	317.3	67.3	145.1	80.7	181.0	326.1
Domestic	287.5	636.1	338.1	828.8	1,464.9	320.3	705.7	393.0	907.9	1,613.7
International (DGDF)	67.8	138.4	72.5	151.6	290.1	65.5	137.6	78.2	163.8	301.5
IT Services	355.3	774.5	410.6	980.4	1,755.0	385.8	843.4	471.2	1,071.8	1,915.1
Telecom Services	153.2	339.7	216.5	477.3	817.0	171.5	367.9	192.8	440.1	808.0
ANS	44.2	103.2	58.5	142.0	245.2	43.5	110.9	64.1	165.1	276.1
Social Infrastructure	197.4	442.9	275.0	619.3	1,062.2	215.0	478.8	256.8	605.3	1,084.0
Others	107.0	237.9	128.3	257.9	495.8	105.7	226.7	116.5	251.4	478.1
Total	659.7	1,455.4	813.9	1,857.6	3,313.0	706.5	1,548.8	844.5	1,928.5	3,477.3

Adjusted OP Breakdown

(Billions of Yen)

		FY23/3 Results					FY24/3 Results				
		Q1	1H	Q3	2H	Full Year	Q1	1H	Q3	2H	Full Year
Domestic	Adjusted Operating Profit	-0.1	38.7	32.4	111.0	149.6	16.8	54.8	43.1	134.5	189.3
	% of revenue	-0.0%	6.1%	9.6%	13.4%	10.2%	5.3%	7.8%	11.0%	14.8%	11.7%
International (DGDF)	Adjusted Operating Profit	0.7	3.8	3.0	14.6	18.4	1.0	4.6	3.6	14.2	18.8
	% of revenue	1.1%	2.7%	4.1%	9.6%	6.3%	1.5%	3.3%	4.6%	8.7%	6.2%
IT Services	Adjusted Operating Profit	0.7	42.4	35.4	125.6	168.0	17.8	59.3	46.8	148.7	208.1
	% of revenue	0.2%	5.5%	8.6%	12.8%	9.6%	4.6%	7.0%	9.9%	13.9%	10.9%
Telecom Services	Adjusted Operating Profit	-5.4	-5.1	19.7	53.3	48.2	-3.2	5.9	8.2	35.9	41.9
	% of revenue	-3.5%	-1.5%	9.1%	11.2%	5.9%	-1.9%	1.6%	4.2%	8.2%	5.2%
ANS	Adjusted Operating Profit	0.2	7.8	4.5	17.8	25.6	1.1	9.9	7.2	23.6	33.5
	% of revenue	0.5%	7.5%	7.7%	12.5%	10.4%	2.6%	8.9%	11.3%	14.3%	12.1%
Social Infrastructure	Adjusted Operating Profit	-5.2	2.7	24.2	71.1	73.8	-2.1	15.8	15.4	59.5	75.4
	% of revenue	-2.6%	0.6%	8.8%	11.5%	6.9%	-1.0%	3.3%	6.0%	9.8%	7.0%
Others	Adjusted Operating Profit	2.9	11.2	5.0	12.6	23.8	0.3	8.1	8.1	10.3	18.4
	% of revenue	2.7%	4.7%	3.9%	4.9%	4.8%	0.3%	3.6%	7.0%	4.1%	3.9%
Adjustments	Adjusted Operating Profit	-5.3	-25.1	-12.3	-35.0	-60.1	-15.6	-37.5	-19.2	-40.8	-78.3
Total	Adjusted Operating Profit	-7.0	31.2	52.2	174.3	205.5	0.5	45.8	51.2	177.7	223.6
	% of revenue	-1.1%	2.1%	6.4%	9.4%	6.2%	0.1%	3.0%	6.1%	9.2%	6.4%

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 from the outbreak of 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, 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 the Company possesses as of the date hereof. New risks and uncertainties come up from time to time, and it is impossible for the Company to predict these events or how they may affect the NEC Group. The Company 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 31,2023, 2024, and 2025 were referred as FY23/3, FY24/3, and FY25/3, respectively. Any other fiscal years would be referred similarly.