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# Financial Results for the Fiscal Year Ended March 31, 2025

April 28, 2025

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 FY25/3

# Key Takeaways

## Achieved the Non-GAAP OP target of the Mid-term Management Plan 2025 one year early

**FY25/3 Revenue**

**3,423.4 bil**

<YoY\*> +**5.3%**

**FY25/3 Non-GAAP OP**

**311.3 bil**

<YoY\*> +**98.9 bil**



## Raise the FY26/3 target from the Mid-term Management Plan 2025

**Non-GAAP OP 320.0 bil**

**(Compared to the Mid-term Management Plan 2025 +20.0 bil)**

# Summary of Financial Results for FY25/3

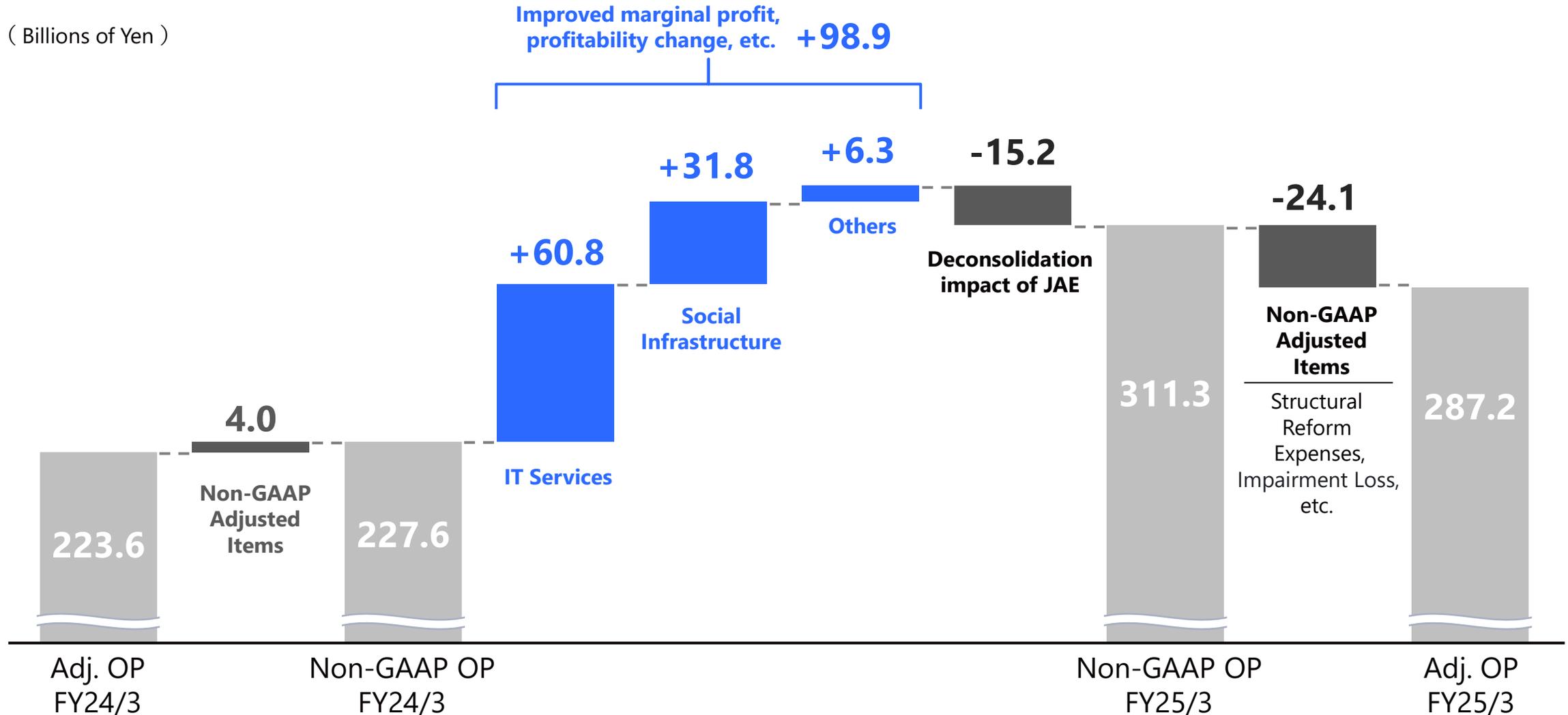
(Billions of Yen)	9 months			Q4			Full Year			Compared to forecasts as of Jan. 30
	FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	
Revenue	2,393.3	<b>2,321.8</b>	-3.0%	1,084.0	<b>1,101.6</b>	+1.6%	3,477.3	<b>3,423.4</b>	-1.5%	+13.4
Adjusted Operating Profit	97.0	<b>150.2</b>	+53.2	126.5	<b>136.9</b>	+10.4	223.6	<b>287.2</b>	+63.6	+27.2
% of revenue	4.1%	<b>6.5%</b>	+2.4%	11.7%	<b>12.4%</b>	+0.8%	6.4%	<b>8.4%</b>	+2.0%	+0.8%
Non-GAAP Operating Profit	99.4	<b>162.3</b>	+62.9	128.2	<b>149.0</b>	+20.8	227.6	<b>311.3</b>	+83.7	+31.3
% of revenue	4.2%	<b>7.0%</b>	+2.8%	11.8%	<b>13.5%</b>	+1.7%	6.5%	<b>9.1%</b>	+2.5%	+1.5%
Non-GAAP Net Profit	54.7	<b>108.4</b>	+53.7	123.2	<b>117.3</b>	-5.9	177.8	<b>225.7</b>	+47.9	+43.7
% of revenue	2.3%	<b>4.7%</b>	+2.4%	11.4%	<b>10.6%</b>	-0.7%	5.1%	<b>6.6%</b>	+1.5%	+1.7%
Non-GAAP EPS* (yen)	205	<b>407</b>	+201	462	<b>440</b>	-22	668	<b>847</b>	+179	-
EBITDA**	214.7	<b>254.5</b>	+39.7	164.8	<b>187.1</b>	+22.3	379.5	<b>441.6</b>	+62.1	+36.6
% of revenue	9.0%	<b>11.0%</b>	+2.0%	15.2%	<b>17.0%</b>	+1.8%	10.9%	<b>12.9%</b>	+2.0%	+1.0%
Note :	USD/JPY	142.16	<b>152.11</b>	132.73	<b>154.11</b>		143.31	<b>152.61</b>		
Average Exchange Rates (Yen)	EUR/JPY	153.75	<b>165.01</b>	141.94	<b>160.51</b>		155.18	<b>163.88</b>		
Dividend per Share* (Yen)							120	<b>140</b>	+20	±0

\* Non-GAAP EPS and Dividend per Share are indicated the actual amount prior to the stock split effective on April 1, 2025.

\*\* EBITDA = Gross Profit – SG&A + Depreciation and amortization  
Non-GAAP adjustment items are shown on pages 27 and 28

# YoY Change in Adjusted/Non-GAAP Operating Profit

( Billions of Yen )



\* Non-GAAP adjustment items are shown on pages 27 and 28

# Financial Results for FY25/3 (By Segment)

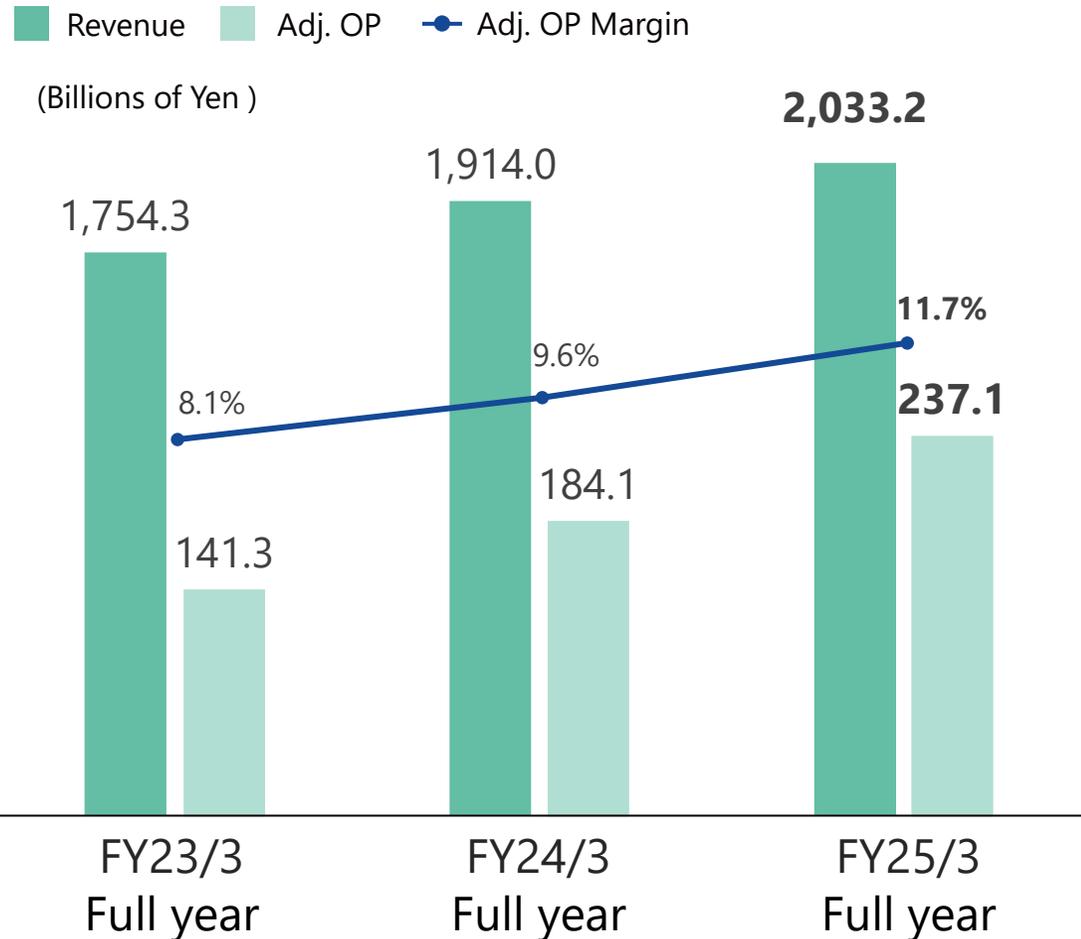
## Revenue and Adj. OP increased in both IT Services and Social Infrastructure

(Billions of Yen )		9 months			Q4			Full Year			Change from forecasts as of Jan. 30
		FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	
IT Services	Revenue	1,313.8	<b>1,374.6</b>	+4.6%	600.2	<b>658.7</b>	+9.7%	1,914.0	<b>2,033.2</b>	+6.2%	+3.2
	Adjusted Operating Profit	88.8	<b>110.5</b>	+21.7	95.3	<b>126.5</b>	+31.2	184.1	<b>237.1</b>	+53.0	+25.1
	% of revenue	6.8%	<b>8.0%</b>	+1.3%	15.9%	<b>19.2%</b>	+3.3%	9.6%	<b>11.7%</b>	+2.0%	+1.2%
Social Infrastructure	Revenue	730.7	<b>772.9</b>	+5.8%	346.6	<b>368.8</b>	+6.4%	1,077.3	<b>1,141.7</b>	+6.0%	+11.7
	Adjusted Operating Profit	16.8	<b>53.3</b>	+36.5	38.4	<b>32.1</b>	- 6.3	55.1	<b>85.4</b>	+30.2	- 9.6
	% of revenue	2.3%	<b>6.9%</b>	+4.6%	11.1%	<b>8.7%</b>	-2.4%	5.1%	<b>7.5%</b>	+2.4%	-0.9%
Others	Revenue	348.7	<b>174.3</b>	-50.0%	137.2	<b>74.2</b>	-45.9%	485.9	<b>248.5</b>	-48.9%	- 1.5
	Adjusted Operating Profit	5.7	<b>-6.7</b>	- 12.5	-0.7	<b>-7.9</b>	- 7.2	5.0	<b>-14.7</b>	- 19.7	- 1.7
	% of revenue	1.6%	<b>-3.9%</b>	-5.5%	-0.5%	<b>-10.7%</b>	-10.2%	1.0%	<b>-5.9%</b>	-6.9%	-0.7%
Adjustments	Adjusted Operating Profit	-14.3	<b>-6.8</b>	+7.4	-6.5	<b>-13.8</b>	- 7.3	-20.7	<b>-20.6</b>	+0.1	+13.4
Total	Revenue	2,393.3	<b>2,321.8</b>	-3.0%	1,084.0	<b>1,101.6</b>	+1.6%	3,477.3	<b>3,423.4</b>	-1.5%	+13.4
	Adjusted Operating Profit	97.0	<b>150.2</b>	+53.2	126.5	<b>136.9</b>	+10.4	223.6	<b>287.2</b>	+63.6	+27.2
	% of revenue	4.1%	<b>6.5%</b>	+2.4%	11.7%	<b>12.4%</b>	+0.8%	6.4%	<b>8.4%</b>	+2.0%	+0.8%

\* Breakdown of each segment is shown on pages 25 and 26

# IT Services

## Revenue and Adjusted Operating Profit



-Adj. OP significantly increased due to increased revenue in domestic IT business and improved profitability exceeding +2% (+9% revenue in Domestic IT excluding NEC Facilities Ltd.)

-In international (DGDF) business, Adj. OP increased due to improved profitability driven mainly by Avaloq, despite one-off expenses (approximately 10.0 billion yen)

<Ref.>  
(Billions of Yen)

	FY24/3 Results	Full Year FY25/3 Results	YoY	Compared to forecasts as of Jan. 30	
Domestic IT	Revenue	1,612.5	1,712.5	+6.2%	+2.5
	Adj. OP	165.1	215.4	+50.3	+27.4
	% of Revenue	10.2%	12.6%	+2.3%	+1.6%
International (DGDF)	Revenue	301.5	320.7	+6.4%	+0.7
	Adj. OP	19.0	21.6	+2.7	- 2.4
	% of Revenue	6.3%	6.7%	+0.5%	-0.8%

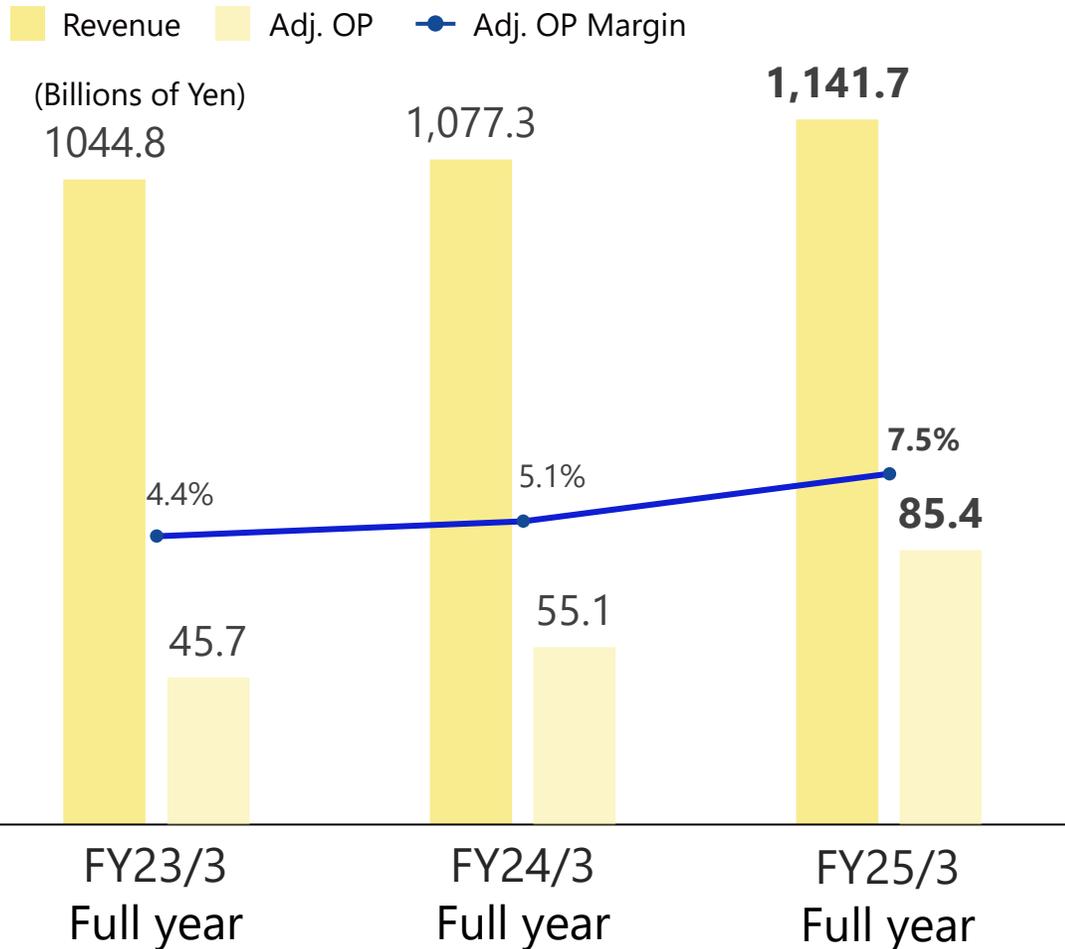
# Domestic IT Services Booking Status (YoY)

## Robust demand continued mainly in Public

<u>Excluding NEC Facilities Ltd.</u>	Q1	Q2	Q3	Q4	Full Year	Notes
<b>Domestic IT Services</b>	<b>+15%</b>	<b>+18%</b>	<b>+9%</b>	<b>+7%</b>	<b>+12%</b>	
<b>Public</b>	<b>+32%</b>	<b>+38%</b>	<b>+36%</b>	<b>+18%</b>	<b>+31%</b>	Increased projects for municipal government platform standardization and projects for central government
<b>Enterprise</b>	<b>+2%</b>	<b>+2%</b>	<b>-11%</b>	<b>+6%</b>	<b>±0%</b>	
<b>Finance</b>	<b>-7%</b>	<b>-11%</b>	<b>-23%</b>	<b>+5%</b>	<b>-9%</b>	Maintained the same level of strength despite reversal effect from project gains in Q4 FY24/3
<b>Manufacturing</b>	<b>+13%</b>	<b>+11%</b>	<b>+13%</b>	<b>+1%</b>	<b>+9%</b>	Number of digital transformation (DX) projects increased and orders were selected based on profitability
<b>Retail / Services</b>	<b>+10%</b>	<b>+14%</b>	<b>-10%</b>	<b>+6%</b>	<b>+5%</b>	Maintained the robust demand
<b>Others</b>	<b>+13%</b>	<b>+20%</b>	<b>+16%</b>	<b>-1%</b>	<b>+12%</b>	Increased by 13% for Abeam Consulting and performed well in fire fighting and disaster prevention

# Social Infrastructure

## Revenue and Adjusted Operating Profit



-Adj. OP improved YoY due to cost reductions, including development expenses despite one-off gains/losses and investment restraint by telecom operators in Telecom Services

-Revenue and adj. OP significantly increased in ANS\* led by steady project deliveries  
Over 500 billion yen in orders was sustained due to an increase in projects accompanying a budget increase by the Japanese government

<Ref.>

(Billions of Yen)

		FY24/3 Results	Full Year FY25/3 Results	YoY	Compared to forecasts as of Jan. 30
Telecom Services	Revenue	801.3	771.7	-3.7%	+11.7
	Adj. OP	27.3	43.9	+16.6	- 14.1
	% of Revenue	3.4%	5.7%	+2.3%	-1.9%
ANS	Revenue	276.1	370.0	+34.0%	+0.0
	Adj. OP	27.9	41.5	+13.6	+4.5
	% of Revenue	10.1%	11.2%	+1.1%	+1.2%

\* Aerospace and National Security

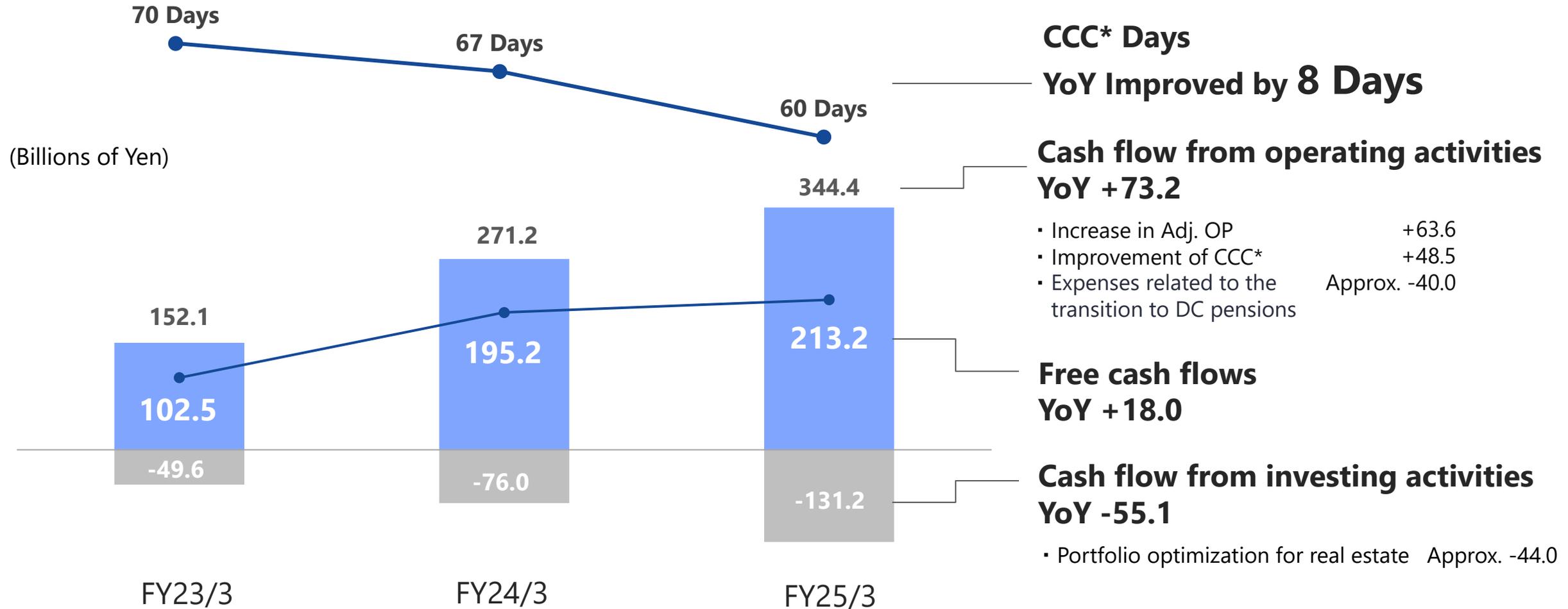
# Supplemental Information on Telecom Services : Factors of variance in adjusted OP

(Billions of Yen)

	9months	Q4	Full Year	Notes
<b>FY24/3 results</b>	<b>4.2</b>	<b>23.0</b>	<b>27.3</b>	
<b>Marginal Profit, Profitability Change, etc.</b>	<b>+9.1</b>	<b>-4.5</b>	<b>+4.6</b>	<b>Improved mainly in IT business</b>
<b>Cost Reductions, Including Development Expenses</b>	<b>+13.0</b>	<b>-</b>	<b>+13.0</b>	<b>Cost reductions mainly in 5G business</b>
<b>FY24/3 One-off factors</b>	<b>-</b>	<b>+15.0</b>	<b>+15.0</b>	
<b>Deconsolidation of Mobile Backhaul</b>	<b>+5.0</b>	<b>-</b>	<b>+5.0</b>	
<b>IP Related Gains</b>	<b>+21.0</b>	<b>-</b>	<b>+21.0</b>	<b>IP profit gain from new contracts</b>
<b>Quality Issue Resolution for Submarine Systems</b>	<b>- 20.0</b>	<b>- 14.0</b>	<b>- 34.0</b>	<b>Recorded expenses to enhance future business structure</b>
<b>Resources Optimization (Abroad)</b>	<b>- 3.0</b>	<b>-</b>	<b>- 3.0</b>	<b>Recorded expenses to enhance future business structure</b>
<b>Asset Cleanup</b>	<b>-</b>	<b>- 5.0</b>	<b>- 5.0</b>	
<b>Total</b>	<b>+25.0</b>	<b>- 8.5</b>	<b>+16.6</b>	
<b>FY25/3 Results</b>	<b>29.3</b>	<b>14.6</b>	<b>43.9</b>	

# Free Cash Flows

Significant improvement in working capital due to establishment of CCC\* improvement activities

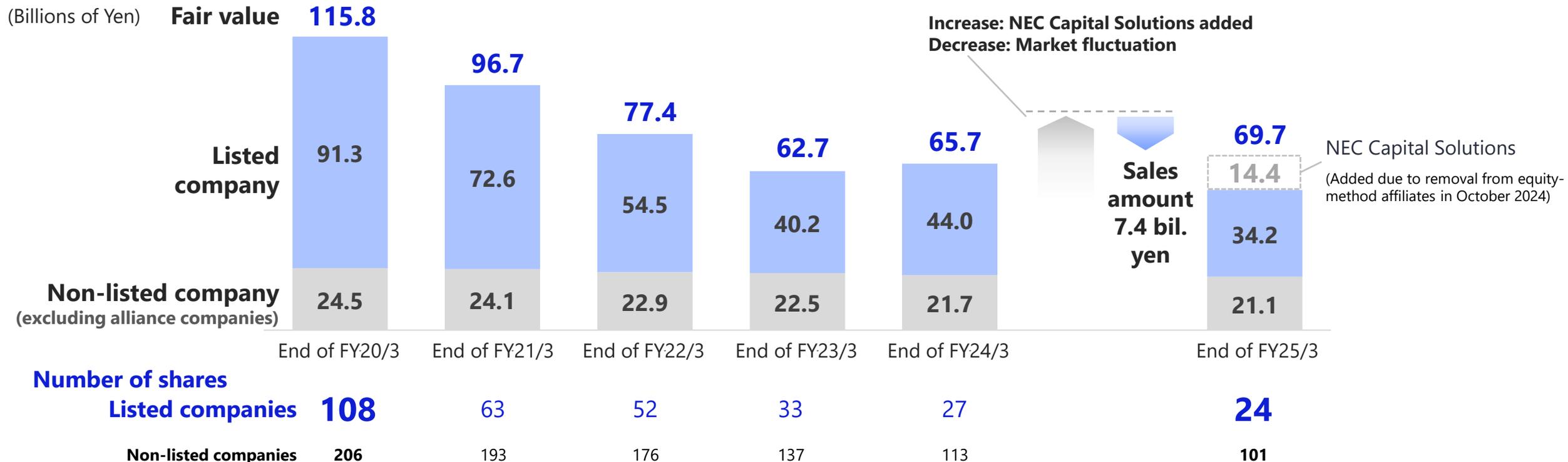


# Status on the Sale of Investment Securities

- Activities to reduce the number of shares held have been accelerated based on the zero cross-shareholdings policy effective from April 2020
- Cumulative sales amounted to 159.0 billion yen, greatly contributing to free cash flows
- The number of shares held (listed shares) reduced by 80% from the end of FY20/3

<Fair value and the number of stocks are stated on an unconsolidated basis (Excluding alliance companies)>

\* Excluding stocks contributed to the retirement benefit trust



## **II. Financial Forecasts for FY26/3 and Progress of the Mid-term Management Plan 2025**

# Summary of Financial Forecasts

Raise the FY26/3 profit targets from the Mid-term Management Plan 2025

\* Updated on IR day Oct. 2024

(Billions of Yen)	FY24/3 Results	FY25/3 Results	YoY	FY26/3 Forecasts	YoY	Compared to targets of the Mid- Term Plan 2025
Revenue	3,477.3	3,423.4	-1.5%	3,360.0	-1.9%	-140.0
Adjusted Operating Profit	223.6	287.2	+63.6	310.0	+22.8	+10.0
% of Revenue	6.4%	8.4%	2.0%	9.2%	0.8%	0.7%
Non-GAAP Operating Profit	227.6	311.3	+83.7	320.0	+8.7	+20.0
% of Revenue	6.5%	9.1%	2.5%	9.5%	0.4%	1.0%
Non-GAAP Net Profit	177.8	225.7	+47.9	230.0	+4.3	+45.0
% of Revenue	5.1%	6.6%	1.5%	6.8%	0.3%	1.6%
EBITDA*	379.5	441.6	+62.1	445.0	+3.4	+20.0
% of Revenue	10.9%	12.9%	2.0%	13.2%	0.3%	1.1%
ROIC	5.0%	6.6%	+1.6%	7.3%	+0.7%	+0.8%
Free Cash Flow	195.2	213.2	+18.0	290.0	+76.8	-
Dividend per Share** (Yen)	24	28	+4	32	+4	-

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

\*\* The stock split effective April 1, 2025, is recorded assuming it was implemented at the beginning of FY24/3

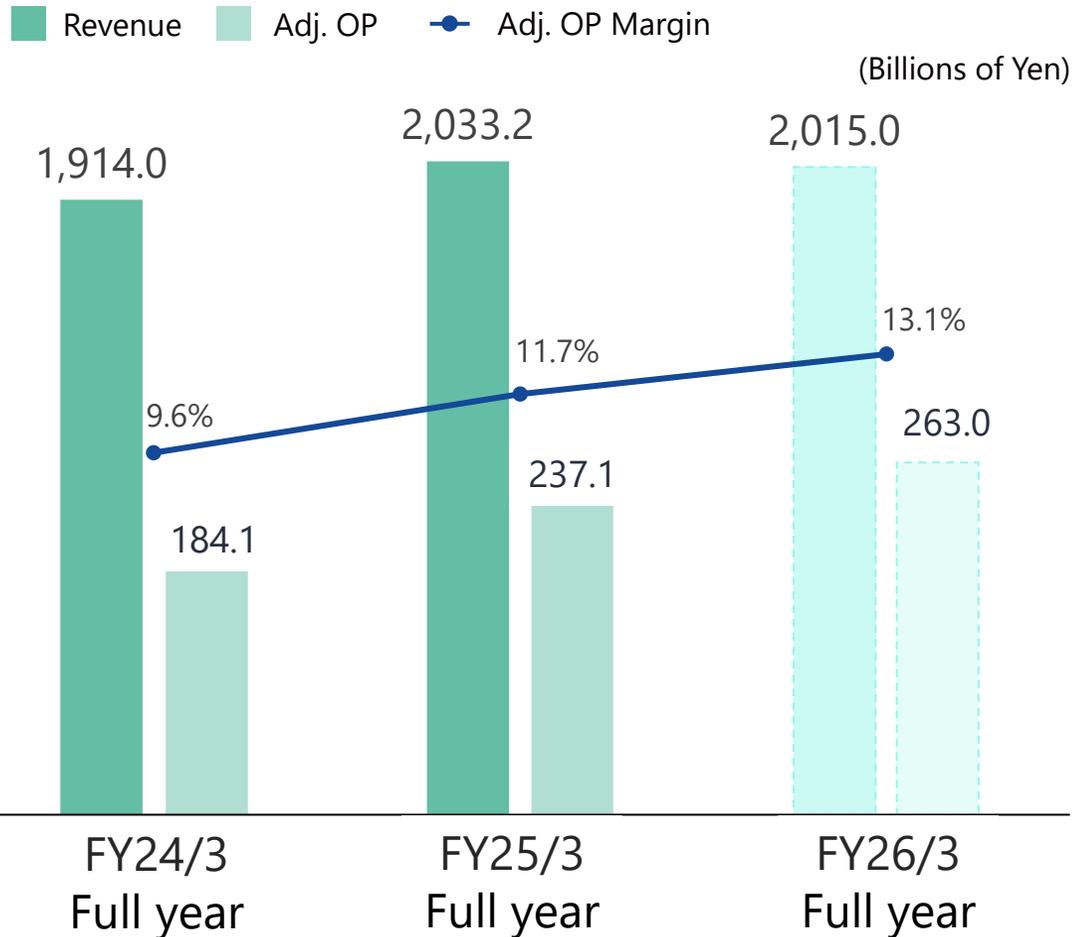
# Financial Forecast (By Segment)

\* Updated on the IR day in Oct. 2024

(Billions of Yen)		Full Year			
		FY25/3 Results	FY26/3 Forecasts	YoY	Compared to targets of the Mid-Term Plan 2025
IT Services	Revenue	2,033.2	<b>2,015.0</b>	-0.9%	+0.8%
	Adjusted Operating Profit	237.1	<b>263.0</b>	+25.9	+43.0
	% of revenue	11.7%	13.1%	+1.4%	+2.1%
Social Infrastructure	Revenue	1,141.7	<b>1,160.0</b>	+1.6%	-6.5%
	Adjusted Operating Profit	85.4	<b>100.0</b>	+14.6	-30.0
	% of revenue	7.5%	8.6%	+1.1%	-1.9%
Others	Revenue	248.5	<b>185.0</b>	-25.6%	-28.8%
	Adjusted Operating Profit	-14.7	<b>-4.0</b>	+10.7	
	% of revenue	-5.9%	-2.2%	+3.7%	-3.0
Adjustments	Adjusted Operating Profit	-20.6	<b>-49.0</b>	-28.4	
Total	Revenue	3,423.4	<b>3,360.0</b>	-1.9%	-4.0%
	Adjusted Operating Profit	287.2	<b>310.0</b>	+22.8	+10.0
	% of revenue	8.4%	9.2%	+0.8%	+0.7%

# IT Services

## Revenue and Adjusted Operating Profit



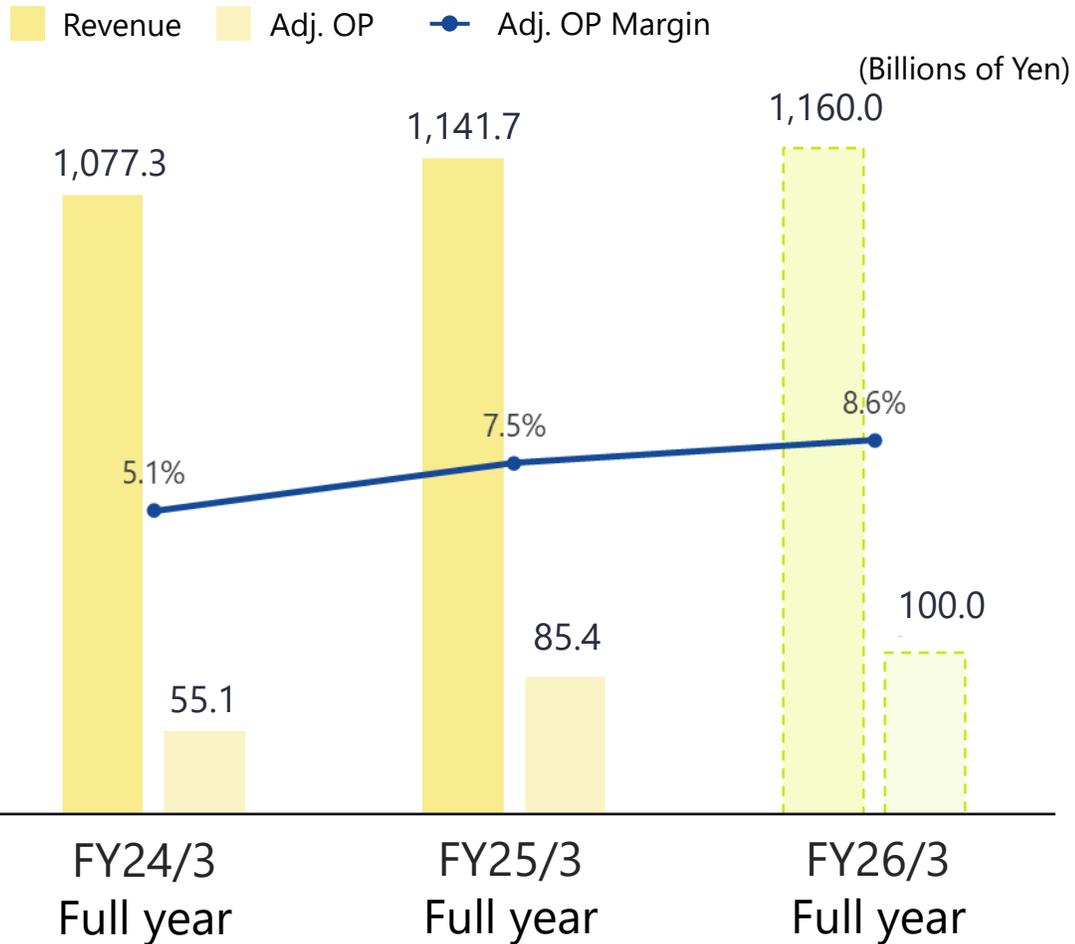
-In Domestic IT business, Adj. OP is expected to increase through continuous improvements in profitability, although revenue is expected to decrease due to the transfer of the sales function for corporate PCs (excluding corporate PCs: domestic revenue +4%)

-In International IT (DGDF) business, Adj. OP is expected to increase due to improved profitability and the elimination of one-off expenses from FY25/3 (The headquarters functions of international IT will be transferred to Europe, accelerating the growth strategy)

		(Billions of Yen)			
		FY24/3 Results	FY25/3 Results	FY26/3 Forecasts	YoY
Domestic IT	Revenue	1,612.5	1,712.5	1,700.0	-0.7%
	Adj. OP	165.1	215.4	225.0	+9.6
	% of Revenue	10.2%	12.6%	13.2%	+0.7%
International (DGDF)	Revenue	301.5	320.7	315.0	-1.8%
	Adj. OP	19.0	21.6	38.0	+16.4
	% of Revenue	6.3%	6.7%	12.1%	+5.3%

# Social Infrastructure

## Revenue and Adjusted Operating Profit



**-Adj. OP of Telecom Services is expected to increase due to a rebound from one-off factors in FY25/3**

**-Both Adj. OP and revenue for ANS\* are expected to increase through steady deliveries of received orders**

**-Investments for ANS\* are planned to increase to acquire future business opportunities**

(Billions of Yen)		FY24/3 Results	FY25/3 Results	FY26/3 Forecasts	YoY
Telecom Services	Revenue	801.3	771.7	730.0	-5.4%
	Adj. OP	27.3	43.9	56.0	+12.1
	% of Revenue	3.4%	5.7%	7.7%	+2.0%
ANS*	Revenue	276.1	370.0	430.0	+16.2%
	Adj. OP	27.9	41.5	44.0	+2.5
	% of Revenue	10.1%	11.2%	10.2%	-1.0%

# BluStellar

FY25/3 Results:

Revenue exceeded MTP target a year ahead of the plan, profit margin significantly increased

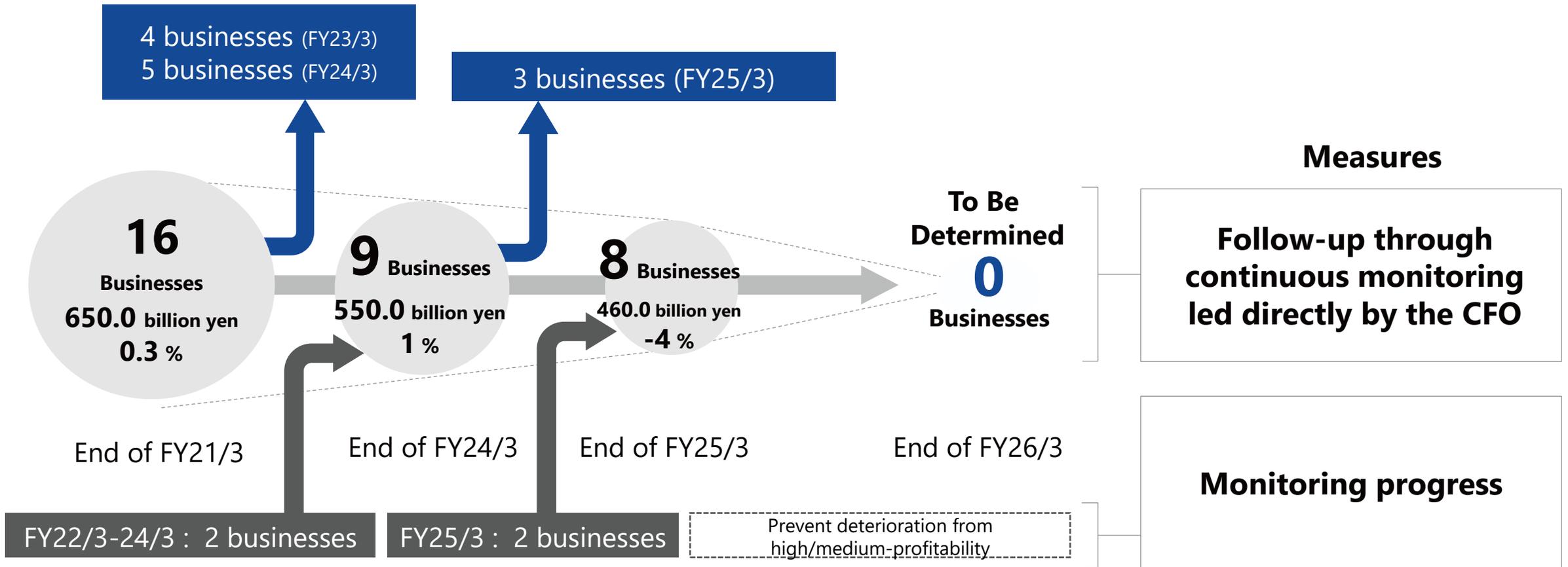
FY26/3 Forecasts:

Year on year, revenue is forecast to continue growing by double digits as profit margins improve and investment increases for expanding products and resources.

(Billions of Yen)		FY24/3 Results	FY25/3 Results	YoY	FY25/3 Forecasts	YoY	FY24 Forecasts as of IR Day 2024	FY25 Forecasts as of IR Day 2024
<b>Domestic IT</b>	<b>Revenue</b>	1,612.5	<b>1,712.5</b>	+6.2%	<b>1,700.0</b>	-0.7%	1,650.0	1,690.0
	<b>Adj. OP</b>	165.1	<b>215.4</b>	+50.3	<b>225.0</b>	+9.6	167.8	184.2
	<b>% of Revenue</b>	10.2%	<b>12.6%</b>	+2.3%	<b>13.2%</b>	+0.7%	10.2%	10.9%
<b>BluStellar</b>	<b>Revenue</b>	375.8	<b>542.4</b>	+44.3%	<b>624.0</b>	+15.0%	426.5	493.5
	<b>Adj. OP</b>	22.5	<b>66.3</b>	+43.8	<b>82.5</b>	+16.2	33.5	56.5
	<b>% of Revenue</b>	6.0%	<b>12.2%</b>	+6.2%	<b>13.2%</b>	+1.0%	7.9%	11.4%
<b>Base Business</b>	<b>Revenue</b>	1,236.7	<b>1,170.1</b>	-5.4%	<b>1,076.0</b>	-8.0%	1,223.5	1,196.5
	<b>Adj. OP</b>	142.6	<b>149.2</b>	+6.5	<b>142.5</b>	- 6.7	134.3	127.7
	<b>% of Revenue</b>	11.5%	<b>12.7%</b>	+1.2%	<b>13.2%</b>	+0.5%	11.0%	10.7%
<b>Ratio of BluStellar Revenue</b>			<b>32%</b>		<b>37%</b>			

# Low-profit Businesses

- **12 out of 16 low-profit businesses improved profitability/were divested by the end of FY25/3**
- **Determine the directions of all remaining low-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

## No Changes to the Current Policy

1. Investment in growth business areas to be a top priority, while maintaining financial soundness
2. Maintain a stable dividend increase
3. Share buybacks considered depending on the level of excess cash

### (New) Applying Cash ROIC Evaluation to M&A Deals

- Cash-based ROIC to be a major KPI upon evaluation of M&A deals before/after acquisitions from planning to evaluation of acquired businesses
- Define basic policy that Cash ROIC needs to exceed WACC within five years after the acquisition

#### \*Definition of Cash ROIC

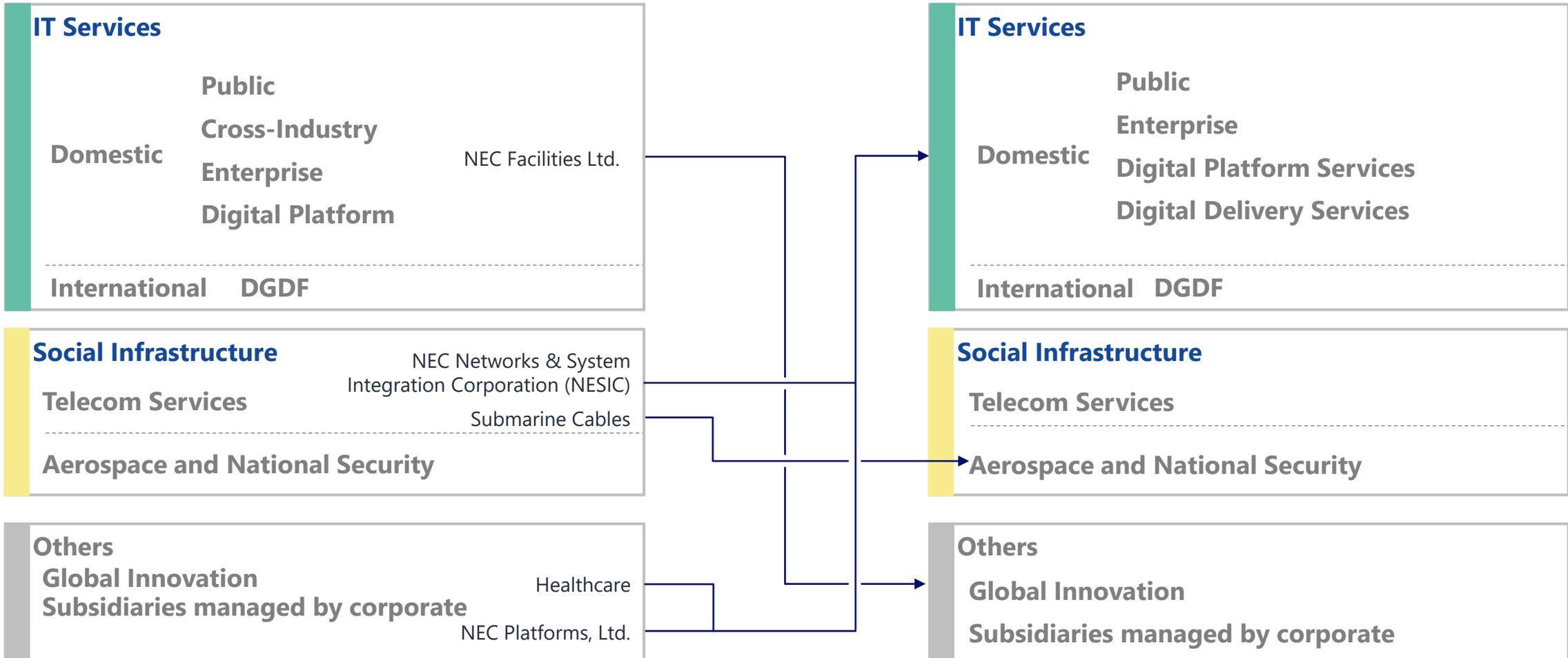
- Invested capital (denominator): Acquisition amount+additional investment and lending from a parent company-dividend loan repayment to the parent company
- NOPAT (numerator): (GAAP OP+Amortization of intangible assets related to the acquisition+Stock compensation amount-one-off gain/losses×(1-effective tax rate)

Note: Synergy effect gained by parties other than the acquired business will also be added

# Changes to Segments

**FY25/3**

**From Q1, FY26/3**



**NEC**

\Orchestrating a brighter world

## **III. Financial Results for FY25/3 (Appendix)**

# Breakdown of IT Services

(Billions of Yen)		9 months			Q4			Full Year		
		FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY
Domestic IT	Revenue	1,098.0	1,141.4	+4.0%	514.5	571.1	+11.0%	1,612.5	1,712.5	+6.2%
	Adj. OP	80.5	98.0	+17.5	84.7	117.4	+32.8	165.1	215.4	+50.3
	% of Revenue	7.3%	8.6%	+1.3%	16.5%	20.6%	+4.1%	10.2%	12.6%	+2.3%
International (DGDF)	Revenue	215.8	233.1	+8.0%	85.6	87.6	+2.3%	301.5	320.7	+6.4%
	Adj. OP	8.3	12.5	+4.2	10.6	9.1	- 1.5	19.0	21.6	+2.7
	% of Revenue	3.9%	5.4%	+1.5%	12.4%	10.4%	-2.0%	6.3%	6.7%	+0.5%
IT Services	Revenue	1,313.8	1,374.6	+4.6%	600.2	658.7	+9.7%	1,914.0	2,033.2	+6.2%
	Adj. OP	88.8	110.5	+21.7	95.3	126.5	+31.2	184.1	237.1	+53.0
	% of Revenue	6.8%	8.0%	+1.3%	15.9%	19.2%	+3.3%	9.6%	11.7%	+2.0%

# Breakdown of Social Infrastructure

(Billions of Yen)		9 months			Q4			Full Year		
		FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY
Telecom Services	Revenue	555.7	534.4	-3.8%	245.5	237.3	-3.4%	801.3	771.7	-3.7%
	Adj. OP	4.2	29.3	+25.0	23.0	14.6	- 8.4	27.3	43.9	+16.6
	% of Revenue	0.8%	5.5%	+4.7%	9.4%	6.2%	-3.2%	3.4%	5.7%	+2.3%
ANS	Revenue	175.0	238.5	+36.3%	101.1	131.5	+30.1%	276.1	370.0	+34.0%
	Adj. OP	12.5	24.0	+11.5	15.3	17.4	+2.1	27.9	41.5	+13.6
	% of Revenue	7.2%	10.1%	+2.9%	15.2%	13.3%	-1.9%	10.1%	11.2%	+1.1%
Social Infrastructure	Revenue	730.7	772.9	+5.8%	346.6	368.8	+6.4%	1,077.3	1,141.7	+6.0%
	Adj. OP	16.8	53.3	+36.5	38.4	32.1	- 6.3	55.1	85.4	+30.2
	% of Revenue	2.3%	6.9%	+4.6%	11.1%	8.7%	-2.4%	5.1%	7.5%	+2.4%

# Non-GAAP Operating Profit Adjustment Items

(Billions of Yen)		9 months			Q4			Full Year		
		FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY
<b>Operating Profit</b>		69.8	126.2	+56.4	118.2	130.3	+12.1	188.0	256.5	+68.5
<b>Adjusted Items</b>	<b>M&amp;A Related Amortization of Intangible Assets</b>	26.9	24.1	- 2.8	8.4	6.6	- 1.8	35.2	30.7	- 4.5
	<b>M&amp;A Related Expenses</b>	0.3	0.0	- 0.3	0.0	0.0	+0.0	0.3	0.0	- 0.3
<b>Adjusted Operating Profit</b>		97.0	150.2	+53.2	126.5	136.9	+10.4	223.6	287.2	+63.6
<b>Adjusted Items</b>	<b>Structural Reform Expenses and Impairment Losses</b>	3.4	8.1	+4.7	10.2	11.4	+1.2	13.6	19.5	+5.9
	<b>Stock Compensation</b>	0.3	0.7	+0.3	0.1	0.6	+0.4	0.5	1.3	+0.8
	<b>Other One-time Profits/Losses (Gain/Loss on sale of land, businesses, etc.)</b>	-1.4	3.3	+4.7	-8.7	0.1	+8.8	-10.0	3.4	+13.5
<b>Non-GAAP Operating Profit</b>		99.4	162.3	+62.9	128.2	149.0	+20.8	227.6	311.3	+83.7

# Non-GAAP Net Profit Adjustment Items

(Billions of Yen)

	9 months			Q4			Full Year			
	FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	FY24/3 Results	FY25/3 Results	YoY	
<b>Net Profit</b>	34.0	71.6	+37.5	115.5	103.6	- 11.9	149.5	175.2	+25.7	
<b>Adjusted Items</b>	<b>M&amp;A related Amortization of Intangible Assets and M&amp;A related Expenses</b>	19.0	17.4	- 1.6	5.8	4.8	- 1.0	24.8	22.2	- 2.6
	<b>Structural Reform Expenses and Impairment Losses</b>	2.5	5.4	+2.9	7.4	8.4	+1.0	9.9	13.8	+3.8
	<b>Stock Compensation</b>	0.2	0.5	+0.2	0.1	0.4	+0.3	0.3	0.9	+0.5
	<b>Other One-time Profits/Losses (Gain/Loss on sale of land, businesses, etc.)</b>	-1.1	13.6	+14.8	-5.6	0.1	+5.7	-6.7	13.7	+20.4
<b>Non-GAAP Net Profit</b>	54.7	108.4	+53.7	123.2	117.3	- 5.9	177.8	225.7	+47.9	

# Financial Position Data

(Billions of Yen)	Full Year		
	As of March 31, 2024	As of March 31, 2025	Change from March 31, 2024
Total Assets	4,227.5	4,315.4	+87.9
Total Equity	2,089.5	2,071.5	- 18.0
Interest-bearing Debt	548.6	666.4	+117.8
Equity Attributable to Owners of the Parent	1,915.6	1,952.0	+36.4
% of Equity Attributable to Owners of the Parent	45.3%	45.2%	-0.1pt
D/E Ratio (times)	0.29	0.34	-0.05pt
Net D/E Ratio (times)	0.04	0.04	±0pt
Cash and Cash Equivalents	476.5	584.6	+108.1
	Full Year		
	FY24/3 Results	FY25/3 Results	YoY
Cash flows from operating activities	271.2	344.4	+73.2
Cash flows from investing activities	-76.0	-131.2	- 55.2
Free Cash flows	195.2	213.2	+18.0

## IV. Historical Data (Appendix)

# Revenue Breakdown

( Billions of Yen )

	FY24/3 Results					FY25/3 Results				
	Q1	1H	Q3	2H	Full Year	Q1	1H	Q3	2H	Full Year
<b>Public</b>	73.3	179.2	101.4	256.5	435.7	75.6	184.5	109.0	309.4	493.9
<b>Enterprise</b>	157.1	327.1	177.5	376.8	704.0	164.1	331.9	169.3	359.1	690.9
<b>Cross-Industry</b>	20.7	50.2	31.6	91.2	141.3	25.9	59.6	35.6	101.3	160.9
<b>DPF and others</b>	69.1	149.0	82.0	182.6	331.5	74.5	159.5	92.1	207.3	366.8
<b>Domestic</b>	320.2	705.4	392.6	907.1	1,612.5	340.1	735.5	406.0	977.0	1,712.5
<b>International (DGDF)</b>	65.5	137.6	78.2	163.8	301.5	78.2	155.1	78.0	165.6	320.7
<b>IT Services</b>	385.7	843.1	470.8	1,070.9	1,914.0	418.3	890.6	484.0	1,142.7	2,033.2
<b>Telecom Services</b>	169.7	364.9	190.9	436.4	801.3	163.9	357.0	177.3	414.7	771.7
<b>ANS</b>	43.5	110.9	64.1	165.1	276.1	55.3	128.2	110.3	241.8	370.0
<b>Social Infrastructure</b>	213.2	475.8	254.9	601.6	1,077.3	219.2	485.3	287.6	656.4	1,141.7
<b>Others</b>	107.6	230.0	118.8	256.0	485.9	52.9	110.9	63.5	137.6	248.5
<b>Total</b>	706.5	1,548.8	844.5	1,928.5	3,477.3	690.3	1,486.7	835.1	1,936.8	3,423.4

# Adjusted OP Breakdown

( Billions of Yen )

		FY24/3 Results					FY25/3 Results				
		Q1	1H	Q3	2H	Full Year	Q1	1H	Q3	2H	Full Year
Domestic	<b>Adjusted Operating Profit</b>	10.9	42.6	37.9	122.6	165.1	10.2	48.4	49.6	167.0	215.4
	<b>% of revenue</b>	3.4%	6.0%	9.7%	13.5%	10.2%	3.0%	6.6%	12.2%	17.1%	12.6%
International (DGDF)	<b>Adjusted Operating Profit</b>	1.0	4.6	3.7	14.3	19.0	4.3	8.0	4.5	13.6	21.6
	<b>% of revenue</b>	1.5%	3.4%	4.7%	8.7%	6.3%	5.5%	5.2%	5.8%	8.2%	6.7%
IT Services	<b>Adjusted Operating Profit</b>	11.9	47.2	41.6	136.9	184.1	14.5	56.4	54.1	180.7	237.1
	<b>% of revenue</b>	3.1%	5.6%	8.8%	12.8%	9.6%	3.5%	6.3%	11.2%	15.8%	11.7%
Telecom Services	<b>Adjusted Operating Profit</b>	-6.6	-0.1	4.4	27.4	27.3	0.3	9.5	19.8	34.4	43.9
	<b>% of revenue</b>	-3.9%	-0.0%	2.3%	6.3%	3.4%	0.2%	2.6%	11.2%	8.3%	5.7%
ANS	<b>Adjusted Operating Profit</b>	-0.6	6.6	6.0	21.3	27.9	2.9	8.3	15.8	33.2	41.5
	<b>% of revenue</b>	-1.3%	5.9%	9.3%	12.9%	10.1%	5.2%	6.4%	14.3%	13.7%	11.2%
Social Infrastructure	<b>Adjusted Operating Profit</b>	-7.2	6.4	10.3	48.7	55.1	3.2	17.7	35.6	67.6	85.4
	<b>% of revenue</b>	-3.4%	1.4%	4.1%	8.1%	5.1%	1.5%	3.7%	12.4%	10.3%	7.5%
Others	<b>Adjusted Operating Profit</b>	-2.0	1.2	4.5	3.9	5.0	-3.7	-6.7	-0.0	-8.0	-14.7
	<b>% of revenue</b>	-1.8%	0.5%	3.8%	1.5%	1.0%	-7.0%	-6.0%	-0.1%	-5.8%	-5.9%
Adjustments	<b>Adjusted Operating Profit</b>	-2.3	-9.0	-5.3	-11.7	-20.7	-1.4	-6.4	-0.4	-14.2	-20.6
Total	<b>Adjusted Operating Profit</b>	0.5	45.8	51.2	177.7	223.6	12.7	61.0	89.2	226.1	287.2
	<b>% of revenue</b>	0.1%	3.0%	6.1%	9.2%	6.4%	1.8%	4.1%	10.7%	11.7%	8.4%

# 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.