

## RELEASE

Press Release - Media Contacts: Seiichiro Toda/Joseph Jasper TEL: +81-3-3798-6511

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## Consolidated Financial Results for the Nine Months Ended December 31, 2013

### Consolidated Financial Results

	Nine Months ended December 31, 2012	Nine Months ended December 31, 2013	Change
	In billions of yen	In billions of yen	%
Net Sales	2,169.8	2,083.5	-4.0
Operating income (loss)	71.8	23.7	-66.9
Ordinary income (loss)	51.8	5.5	-89.4
Net income (loss)	11.5	-15.1	-
	Yen	Yen	Yen
Net income (loss) per share:			
Basic	4.41	-5.81	-10.22
Diluted	-	-	-

	Three Months ended December 31, 2012	Three Months ended December 31, 2013	Change
	In billions of yen	In billions of yen	%
Net Sales	722.0	700.4	-3.0
Operating income (loss)	24.4	23.4	-4.4
Ordinary income (loss)	21.9	20.0	-8.5
Net income (loss)	3.5	11.1	219.8
	Yen	Yen	Yen
Net income (loss) per share:			
Basic	1.33	4.26	2.93
Diluted	-	-	-

	<b>As of March 31, 2013</b>	<b>As of December 31, 2013</b>	<b>Change</b>
	In billions of yen	In billions of yen	%
Total assets	2,581.0	2,541.9	-1.5
Net assets	836.1	817.1	-2.3

**(Notes)**

Number of consolidated subsidiaries and affiliated companies accounted for by the equity method is as follows:

	<b>As of December 31, 2012</b>	<b>As of December 31, 2013</b>	<b>As of March 31, 2013</b>
Consolidated subsidiaries	288	267	270
Affiliated companies accounted for by the equity method	54	52	53

## 1. Consolidated Business Results

As stated in the July 9, 2013 announcement, “NEC to Revise Business Segments,” NEC has revised its business segments from the first quarter of the fiscal year ending March 31, 2014. Figures for the corresponding period of the previous fiscal year have been restated to conform with the new segments.

### (1) Overview of the third quarter of the fiscal year ending March 31, 2014 (nine months ended December 31, 2013)

The worldwide economy during the nine months ended December 31, 2013 was characterized by (i) a continuing economic recovery in the United States, mainly due to the stable corporate sector and the steady performance of consumer spending in response to the improving employment situation and the bottoming out of the housing market, as well as (ii) a slow economic recovery in emerging countries, such as China, where economic recovery was sluggish mainly due to measures to curb investment by the government.

As for the Japanese economy, employee income followed an improving trend and consumer spending increased steadily owing to a rush in demand leading up to a rise in Japan’s consumer tax. In the corporate sector, an increase in production, the recovery of capital investment and increasing exports due to a depreciation of the yen contributed to a trend of continuing recovery.

Under this business environment, the NEC Group recorded consolidated net sales of 2,083.5 billion yen for the nine months ended December 31, 2013, a decrease of 86.3 billion yen (-4.0%) year-on-year. This was mainly due to decreased sales in Others due to the mobile phone sales business and the electronic components business no longer being consolidated, despite increased sales in the Public business and the Enterprise business.

Regarding profitability, operating income (loss) worsened by 48.1 billion yen year-on-year, to an operating income of 23.7 billion yen, mainly due to decreased sales and the sale of patents related to LCD in the corresponding period of the previous fiscal year.

In terms of ordinary income (loss), the NEC Group recorded a profit of 5.5 billion yen, declining by 46.3 billion yen year-on-year, mainly due to the worsening of operating income (loss).

Income (loss) before income taxes and minority interests was a profit of 15.6 billion yen, declining by 31.3 billion yen year-on-year, despite gain on sales of subsidiaries and affiliates' stocks, mainly due to business structure improvement expenses, in addition to the worsening of ordinary income (loss).

Net income (loss) for the nine months ended December 31, 2013 was a loss of 15.1 billion yen, declining by 26.5 billion yen year-on-year.

(2) Results by main business segment

*Sales by segment (sales to external customers):*

Segments	Nine months ended December 31, 2012	Nine months ended December 31, 2013	Change
	In billions of yen	In billions of yen	%
<b>Public</b>	426.2	467.3	9.7
<b>Enterprise</b>	177.9	190.8	7.2
<b>Telecom Carrier</b>	509.0	506.7	-0.4
<b>System Platform</b>	534.5	536.4	0.4
<b>Others</b>	522.3	382.2	-26.8
<b>Total</b>	2,169.8	2,083.5	-4.0

*Operating income (loss) by segment:*

Segments	Nine months ended December 31, 2012	Nine months ended December 31, 2013	Change
	In billions of yen	In billions of yen	In billions of yen
<b>Public</b>	23.3	32.1	8.8
<b>Enterprise</b>	2.1	0.5	-1.6
<b>Telecom Carrier</b>	48.8	31.8	-17.1
<b>System Platform</b>	15.9	9.8	-6.1
<b>Others</b>	27.0	-11.0	-38.0
<b>Adjustment</b>	-45.3	-39.5	5.8
<b>Total</b>	71.8	23.7	-48.1

(Note) Amounts in this section “(2) Results by main business segment” are rounded to 0.1 billion yen. Amounts in millions of yen are shown in section “Segment information” of this news release.

(Business segment figures in brackets below denote increases or decreases as compared with the corresponding period of the previous fiscal year.)

#### **Public Business**

<b>Sales:</b>	467.3 billion yen	(9.7%)
<b>Operating Income (Loss):</b>	32.1 billion yen	(8.8 billion yen)

In the Public business, sales were 467.3 billion yen, an increase of 41.2 billion yen (9.7%) year-on-year, mainly due to the steady sales from government offices and public services.

Operating income (loss) improved by 8.8 billion yen year-on-year, to an operating income of 32.1 billion yen, mainly owing to increased sales.

#### **Enterprise Business**

<b>Sales:</b>	190.8 billion yen	(7.2%)
<b>Operating Income (Loss):</b>	0.5 billion yen	(-1.6 billion yen)

In the Enterprise business, sales were 190.8 billion yen, an increase of 12.9 billion yen (7.2%) year-on-year, mainly due to the steady sales from the distribution and service industries.

Operating income (loss) worsened by 1.6 billion yen year-on-year, to an operating income of 0.5 billion yen, mainly owing to increased investment expenses in distribution and logistics related infrastructure.

#### **Telecom Carrier Business**

<b>Sales:</b>	506.7 billion yen	(-0.4%)
<b>Operating Income (Loss):</b>	31.8 billion yen	(-17.1 billion yen)

In the Telecom Carrier business, sales were 506.7 billion yen, a decrease of 2.3 billion yen (-0.4%) year-on-year, despite increased international sales of Telecom Operations and Management Solutions (TOMS) and wireless communication equipment (mobile backhaul), mainly due to decreased domestic sales compared to the strong corresponding period of the previous fiscal year.

Operating income (loss) worsened by 17.1 billion yen year-on-year, to an operating income of 31.8 billion yen, mainly due to increased investment expenses related to Software-Defined Networking (SDN), a next generation networking technology, and TOMS. In addition, a temporary increase in profit related to intellectual property was recorded in the corresponding period of the previous fiscal year.

#### **System Platform Business**

<b>Sales:</b>	536.4 billion yen	(0.4%)
<b>Operating Income (Loss):</b>	9.8 billion yen	(-6.1 billion yen)

In the System Platform business, sales were 536.4 billion yen, an increase of 1.9 billion yen (0.4%) year-on-year, mainly due to increased sales in hardware.

Operating income (loss) worsened by 6.1 billion yen year-on-year, to an operating income of 9.8 billion yen, mainly due to project lineup changes.

#### **Others**

<b>Sales:</b>	382.2 billion yen	(-26.8%)
<b>Operating Income (Loss):</b>	- 11.0 billion yen	(-38.0 billion yen)

In Others, sales were 382.2 billion yen, a decrease of 140.1 billion yen (-26.8%) year-on-year, mainly due to a decline in mobile phone shipments as well as the mobile phone sales business and the electronic components business no longer being consolidated.

Operating income (loss) worsened by 38.0 billion yen year-on-year, to an operating loss of 11.0 billion yen, mainly owing to decreased sales and the sale of patents related to LCD in the corresponding period of the previous fiscal year.

## 2. Consolidated Financial Condition

### Analysis of the condition of assets, liabilities, net assets, and cash flows

Total assets were 2,541.9 billion yen as of December 31, 2013, a decrease of 39.0 billion yen as compared with the end of the previous fiscal year. Current assets as of December 31, 2013 decreased by 50.2 billion yen compared with the end of the previous fiscal year to 1,463.6 billion yen, mainly due to the collection of accounts receivable-trade. Noncurrent assets as of December 31, 2013 increased by 11.2 billion yen compared with the end of the previous fiscal year to 1,078.4 billion yen, mainly due to the acquisition of trust beneficiary rights set to land and buildings of the NEC Group's Tamagawa business facilities.

Total liabilities as of December 31, 2013 decreased by 20.0 billion yen compared with the end of the previous fiscal year, to 1,724.9 billion yen. This was mainly due to a decrease in notes and accounts payable-trade and bonds, despite an increase in long-term debt due to financing through hybrid finance (subordinated loan). The balance of interest-bearing debt amounted to 686.2 billion yen, an increase of 82.7 billion yen as compared with the end of the previous fiscal year. The debt-equity ratio as of December 31, 2013 was 0.96 (a worsening of 0.11 points as compared with the end of the previous fiscal year). The balance of net interest-bearing debt as of December 31, 2013, calculated by offsetting the balance of interest-bearing debt with the balance of cash and cash equivalents, amounted to 516.0 billion yen, an increase of 109.7 billion yen as compared with the end of the previous fiscal year. The net debt-equity ratio as of December 31, 2013 was 0.72 (a worsening of 0.15 points as compared with the end of the previous fiscal year).

Total net assets were 817.1 billion yen as of December 31, 2013, a decrease of 19.1 billion yen as compared with the end of the previous fiscal year, mainly due to net loss for the nine months ended December 31, 2013.

As a result, the owner's equity as of December 31, 2013 was 712.3 billion yen and owner's equity ratio was 28.0% (an improvement of 0.5 point as compared with the end of the previous fiscal year).

Net cash outflows from operating activities for the nine months ended December 31, 2013 were 37.3 billion yen, a worsening of 34.2 billion yen as compared with the corresponding period of the previous fiscal year, mainly due to a loss in income (loss) before income taxes and minority interests.

Net cash outflows from investing activities for the nine months ended December 31, 2013 were 56.8 billion yen, a decrease of 32.9 billion yen as compared with the corresponding period of the previous fiscal year. This was mainly due to decreased outflows for business acquisitions, despite increased outflows for the acquisition of the trust beneficiary rights described above.

As a result, free cash flows (the sum of cash flows from operating activities and investing activities) for the nine months ended December 31, 2013 totaled a cash outflow of 94.1 billion yen, an increase in outflows of 1.3 billion yen year-on-year.

Net cash flows from financing activities for the nine months ended December 31, 2013 totaled a cash inflow of 61.6 billion yen, mainly due to financing through hybrid finance described above, despite outflow from the redemption of bonds and payment for dividends.

As a result, cash and cash equivalents as of December 31, 2013 amounted to 170.2 billion yen, a decrease of 27.0 billion yen as compared with the end of the previous fiscal year.

### **3. Consolidated Financial Forecast**

There is no change to the consolidated financial forecasts for the full fiscal year ending March 31, 2014, as previously disclosed on October 30, 2013.

### **4. Others**

#### *(1) Application of accounting procedures specific to the preparation of quarterly consolidated financial statements*

Calculation of tax expenses:

After adjustment on individual significant items, tax expenses are calculated by multiplying income before income taxes by effective tax rate, which is estimated reasonably by using tax effect accounting, for the fiscal year including this third quarter.



(2) Additional information

Employee fraud at a consolidated subsidiary:

An employee has embezzled money from a subsidiary of NEC Networks & System Integration Corporation, an NEC's consolidated subsidiary.

NEC Networks & System Integration Corporation has established an investigation committee led by an outside corporate auditor, and worked to determine the amount of money embezzled in each fiscal year in order to record the corresponding amount as non-operating loss in each fiscal year to restate its past consolidated financial statements.

Overall, NEC has assessed that the impact of the fraud on its consolidated financial statements is not considered material as to influence the decision making of stakeholders. Therefore, NEC has recorded a one-time loss of 1,560 million yen, the aggregated loss of prior years and current year, as "other" in non-operation expenses for the nine months ended December 31, 2013.

## CONSOLIDATED QUARTERLY BALANCE SHEETS

(In millions of yen, millions of U.S. dollars)

	March 31, 2013	December 31, 2013	December 31, 2013
<b>Current assets</b>	<b>JPY 1,513,806</b>	<b>JPY 1,463,567</b>	<b>\$ 13,939</b>
Cash and deposits	174,295	149,985	1,428
Notes and accounts receivable-trade	834,052	733,222	6,983
Short-term investment securities	24,666	22,425	214
Merchandise and finished goods	93,776	113,109	1,077
Work in process	86,032	142,620	1,358
Raw materials and supplies	62,831	58,086	553
Deferred tax assets	78,761	77,729	740
Other	164,055	172,392	1,643
Allowance for doubtful accounts	(4,662)	(6,001)	(57)
<b>Noncurrent assets</b>	<b>1,067,160</b>	<b>1,078,358</b>	<b>10,270</b>
Property, plant and equipment	294,767	353,762	3,369
Buildings and structures, net	124,283	177,064	1,686
Machinery and equipment, net	25,586	23,114	220
Tools, furniture and fixtures, net	62,695	63,148	601
Land	66,502	66,727	635
Construction in progress	15,701	23,709	227
Intangible assets	233,786	215,560	2,053
Goodwill	93,895	83,411	794
Software	114,088	106,422	1,014
Other	25,803	25,727	245
Investments and other assets	538,607	509,036	4,848
Investment securities	138,139	164,315	1,565
Stocks of subsidiaries and affiliates	92,668	86,327	822
Long-term loans receivable	44,019	40,142	382
Deferred tax assets	97,570	78,069	744
Other	187,065	156,915	1,494
Allowance for doubtful accounts	(20,854)	(16,732)	(159)
<b>Total assets</b>	<b>JPY 2,580,966</b>	<b>JPY 2,541,925</b>	<b>\$ 24,209</b>

(Note)

U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥105 = U.S.\$1 .

## CONSOLIDATED QUARTERLY BALANCE SHEETS (CONTINUED)

(In millions of yen, millions of U.S. dollars)

	March 31, 2013	December 31, 2013	December 31, 2013
Current liabilities	JPY 1,123,656	<b>JPY 994,561</b>	<b>\$ 9,472</b>
Notes and accounts payable-trade	458,724	<b>403,824</b>	<b>3,846</b>
Short-term loans payable	26,590	<b>44,131</b>	<b>420</b>
Commercial papers	29,997	<b>32,997</b>	<b>314</b>
Current portion of long-term loans payable	73,486	<b>86,322</b>	<b>822</b>
Current portion of bonds payable	70,000	<b>20,000</b>	<b>190</b>
Accrued expenses	169,221	<b>120,970</b>	<b>1,152</b>
Advances received	122,154	<b>136,553</b>	<b>1,301</b>
Provision for product warranties	18,370	<b>17,610</b>	<b>168</b>
Provision for directors' bonuses	335	<b>145</b>	<b>1</b>
Provision for loss on construction contracts and others	17,955	<b>10,429</b>	<b>99</b>
Provision for business structure improvement	3,993	<b>4,482</b>	<b>43</b>
Provision for contingent loss	1,217	<b>4,386</b>	<b>42</b>
Other	131,614	<b>112,712</b>	<b>1,074</b>
Noncurrent liabilities	621,163	<b>730,306</b>	<b>6,955</b>
Bonds payable	160,000	<b>140,000</b>	<b>1,333</b>
Long-term loans payable	237,028	<b>357,387</b>	<b>3,404</b>
Deferred tax liabilities	2,231	<b>2,076</b>	<b>20</b>
Provision for retirement benefits	178,868	<b>182,195</b>	<b>1,735</b>
Provision for product warranties	3,049	<b>3,545</b>	<b>34</b>
Provision for loss on repurchase of computers	5,326	<b>6,808</b>	<b>65</b>
Provision for business structure improvement	750	<b>564</b>	<b>5</b>
Provision for contingent loss	6,641	<b>5,591</b>	<b>53</b>
Other	27,270	<b>32,140</b>	<b>306</b>
Total liabilities	1,744,819	<b>1,724,867</b>	<b>16,427</b>
Shareholders' equity	700,429	<b>676,376</b>	<b>6,442</b>
Capital stock	397,199	<b>397,199</b>	<b>3,783</b>
Capital surplus	148,405	<b>148,403</b>	<b>1,413</b>
Retained earnings	157,771	<b>133,742</b>	<b>1,274</b>
Treasury stock	(2,946)	<b>(2,968)</b>	<b>(28)</b>
Accumulated other comprehensive income	10,237	<b>35,935</b>	<b>342</b>
Valuation difference on available-for-sale securities	18,333	<b>36,082</b>	<b>344</b>
Deferred gains or losses on hedges	(1,076)	<b>(1,375)</b>	<b>(13)</b>
Foreign currency translation adjustment	(7,020)	<b>1,228</b>	<b>11</b>
Minority interests	125,481	<b>104,747</b>	<b>998</b>
Total net assets	836,147	<b>817,058</b>	<b>7,782</b>
Total liabilities and net assets	JPY 2,580,966	<b>JPY 2,541,925</b>	<b>\$ 24,209</b>

**CONSOLIDATED QUARTERLY STATEMENTS OF OPERATIONS AND CONSOLIDATED QUARTERLY STATEMENTS OF COMPREHENSIVE INCOME**

CONSOLIDATED QUARTERLY STATEMENTS OF OPERATIONS

(In millions of yen, millions of U.S. dollars)

Nine months ended December 31	2012	2013	2013
Net sales	JPY 2,169,840	<b>JPY 2,083,515</b>	<b>\$ 19,843</b>
Cost of sales	1,499,226	<b>1,456,574</b>	<b>13,872</b>
Gross profit	670,614	<b>626,941</b>	<b>5,971</b>
Selling, general and administrative expenses	598,809	<b>603,199</b>	<b>5,745</b>
Operating income	71,805	<b>23,742</b>	<b>226</b>
Non-operating income	10,310	<b>16,439</b>	<b>157</b>
Interest income	1,016	<b>1,296</b>	<b>12</b>
Dividends income	2,780	<b>3,332</b>	<b>32</b>
Equity in earnings of affiliates	-	<b>4,209</b>	<b>40</b>
Foreign exchange gains	-	<b>2,499</b>	<b>24</b>
Other	6,514	<b>5,103</b>	<b>49</b>
Non-operating expenses	30,353	<b>34,690</b>	<b>331</b>
Interest expenses	4,521	<b>7,424</b>	<b>71</b>
Retirement benefit expenses	8,795	<b>8,485</b>	<b>81</b>
Equity in losses of affiliates	1,289	-	-
Foreign exchange losses	1,096	-	-
Other	14,652	<b>18,781</b>	<b>179</b>
Ordinary income	51,762	<b>5,491</b>	<b>52</b>
Extraordinary income	12,811	<b>27,365</b>	<b>261</b>
Gain on sales of subsidiaries and affiliates' stocks	1,210	<b>23,893</b>	<b>229</b>
Gain on sales of investment securities	8,941	<b>2,045</b>	<b>19</b>
Gain on change in equity	137	<b>607</b>	<b>6</b>
Gain on step acquisitions	-	<b>454</b>	<b>4</b>
Gain on transfer of business	-	<b>366</b>	<b>3</b>
Gain on sales of noncurrent assets	1,540	-	-
Gain on insurance claim	959	-	-
Gain on reversal of subscription rights to shares	24	-	-
Extraordinary loss	17,736	<b>17,297</b>	<b>165</b>
Business structure improvement expenses	5,357	<b>14,236</b>	<b>136</b>
Impairment loss	891	<b>2,395</b>	<b>23</b>
Loss on change in equity	-	<b>242</b>	<b>2</b>
Loss on valuation of investment securities	502	<b>180</b>	<b>2</b>
Relocation expenses	-	<b>160</b>	<b>2</b>
Loss on sales of stocks of subsidiaries and affiliates	637	<b>48</b>	<b>0</b>
Loss on sales of investment securities	44	<b>24</b>	<b>0</b>
Loss on sales of noncurrent assets	-	<b>12</b>	<b>0</b>
Loss on contribution of securities to retirement benefit trust	5,898	-	-
Provision of allowance for doubtful accounts for subsidiaries and affiliates	3,818	-	-
Loss on retirement of noncurrent assets	589	-	-
Income before income taxes and minority interests	46,837	<b>15,559</b>	<b>148</b>
Income taxes	31,893	<b>27,409</b>	<b>261</b>
Income (loss) before minority interests	14,944	<b>(11,850)</b>	<b>(113)</b>
Minority interests in income	3,486	<b>3,236</b>	<b>31</b>
Net income (loss)	JPY 11,458	<b>(JPY 15,086)</b>	<b>(\$ 144)</b>

**CONSOLIDATED QUARTERLY STATEMENTS OF OPERATIONS AND CONSOLIDATED QUARTERLY STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)**

**CONSOLIDATED QUARTERLY STATEMENTS OF COMPREHENSIVE INCOME**

(In millions of yen, millions of U.S. dollars)

<b>Nine months ended December 31</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>
Income (loss) before minority interests	JPY 14,944	<b>(JPY 11,850)</b>	<b>(\$ 113)</b>
Other comprehensive income	1,072	<b>25,879</b>	<b>247</b>
Valuation difference on available-for-sale securities	(8,726)	<b>17,617</b>	<b>169</b>
Deferred gains or losses on hedges	(355)	<b>(278)</b>	<b>(3)</b>
Foreign currency translation adjustment	7,048	<b>6,609</b>	<b>63</b>
Share of other comprehensive income of associates accounted for using equity method	3,105	<b>1,931</b>	<b>18</b>
Comprehensive income	JPY 16,016	<b>JPY 14,029</b>	<b>\$ 134</b>
Breakdown:			
Comprehensive income attributable to owners of the parent	JPY 12,583	<b>JPY 10,612</b>	<b>\$ 101</b>
Comprehensive income attributable to minority interests	3,433	<b>3,417</b>	<b>33</b>

## CONDENSED CONSOLIDATED QUARTERLY STATEMENTS OF CASH FLOWS

(In millions of yen, millions of U.S. dollars)

Nine months ended December 31	2012	2013	2013
<b>I . Cash flows from operating activities:</b>			
Income before income taxes and minority interests	JPY 46,837	<b>JPY 15,559</b>	<b>\$ 148</b>
Depreciation and amortization	62,230	<b>59,007</b>	<b>562</b>
Equity in (earnings) losses of affiliates	1,289	<b>(4,209)</b>	<b>(40)</b>
Loss (gain) on change in equity	(137)	<b>(365)</b>	<b>(3)</b>
Decrease in notes and accounts receivable-trade	89,472	<b>103,041</b>	<b>981</b>
Increase in inventories	(75,277)	<b>(72,609)</b>	<b>(692)</b>
Decrease in notes and accounts payable-trade	(40,048)	<b>(50,554)</b>	<b>(481)</b>
Income taxes paid	(25,166)	<b>(27,842)</b>	<b>(265)</b>
Others, net	(62,265)	<b>(59,298)</b>	<b>(565)</b>
<b>Net cash used in operating activities</b>	<b>(3,065)</b>	<b>(37,270)</b>	<b>(355)</b>
<b>II . Cash flows from investing activities:</b>			
Net proceeds from (payments of) acquisitions and sales of property, plant and equipment	(29,153)	<b>(76,126)</b>	<b>(725)</b>
Purchase of intangible assets	(10,861)	<b>(8,935)</b>	<b>(85)</b>
Net proceeds from (payments of) purchases and sales of securities	(30,648)	<b>25,550</b>	<b>243</b>
Others, net	(18,996)	<b>2,710</b>	<b>26</b>
<b>Net cash used in investing activities</b>	<b>(89,658)</b>	<b>(56,801)</b>	<b>(541)</b>
<b>III . Cash flows from financing activities:</b>			
Net proceeds from (payments of) bonds and borrowings	44,451	<b>75,833</b>	<b>723</b>
Cash dividends paid	(4)	<b>(10,370)</b>	<b>(99)</b>
Others, net	(3,951)	<b>(3,900)</b>	<b>(37)</b>
<b>Net cash provided by financing activities</b>	<b>40,496</b>	<b>61,563</b>	<b>587</b>
<b>IV . Effect of exchange rate changes on cash and cash equivalents</b>	<b>1,898</b>	<b>5,555</b>	<b>53</b>
<b>V . Net decrease in cash and cash equivalents</b>	<b>(50,329)</b>	<b>(26,953)</b>	<b>(256)</b>
<b>VI . Cash and cash equivalents at beginning of period</b>	<b>251,843</b>	<b>197,132</b>	<b>1,877</b>
<b>VII . Cash and cash equivalents at end of period</b>	<b>JPY 201,514</b>	<b>JPY 170,179</b>	<b>\$ 1,621</b>

## SEGMENT INFORMATION

[Segment information]

Information about sales and segment income (loss) by reportable segment

Nine months ended December 31, 2012 (From April 1, 2012 to December 31, 2012)

(In millions of yen)

	Reportable Segments					Others	Adjustment	Consolidated total
	Public	Enterprise	Telecom Carrier	System Platform	Total			
<b>Sales</b>								
1. Sales to customers	426,156	177,889	509,017	534,506	1,647,568	522,272	—	2,169,840
2. Intersegment sales and transfers	11,246	2,344	19,496	43,147	76,233	32,954	(109,187)	—
<b>Total sales</b>	<b>437,402</b>	<b>180,233</b>	<b>528,513</b>	<b>577,653</b>	<b>1,723,801</b>	<b>555,226</b>	<b>(109,187)</b>	<b>2,169,840</b>
<b>Segment income (loss) (Operating income (loss))</b>	<b>23,277</b>	<b>2,123</b>	<b>48,838</b>	<b>15,867</b>	<b>90,105</b>	<b>27,015</b>	<b>(45,315)</b>	<b>71,805</b>

Nine months ended December 31, 2013 (From April 1, 2013 to December 31, 2013)

(In millions of yen)

	Reportable Segments					Others	Adjustment	Consolidated total
	Public	Enterprise	Telecom Carrier	System Platform	Total			
<b>Sales</b>								
1. Sales to customers	467,340	190,779	506,743	536,440	1,701,302	382,213	—	2,083,515
2. Intersegment sales and transfers	11,987	3,705	19,004	46,491	81,187	32,970	(114,157)	—
<b>Total sales</b>	<b>479,327</b>	<b>194,484</b>	<b>525,747</b>	<b>582,931</b>	<b>1,782,489</b>	<b>415,183</b>	<b>(114,157)</b>	<b>2,083,515</b>
<b>Segment income (loss) (Operating income (loss))</b>	<b>32,117</b>	<b>526</b>	<b>31,780</b>	<b>9,814</b>	<b>74,237</b>	<b>(10,980)</b>	<b>(39,515)</b>	<b>23,742</b>

Nine months ended December 31, 2013 (From April 1, 2013 to December 31, 2013)

(In millions of U.S. dollars)

	Reportable Segments					Others	Adjustment	Consolidated total
	Public	Enterprise	Telecom Carrier	System Platform	Total			
<b>Sales</b>								
1. Sales to customers	4,451	1,817	4,826	5,109	16,203	3,640	—	19,843
2. Intersegment sales and transfers	114	35	181	443	773	314	(1,087)	—
<b>Total sales</b>	<b>4,565</b>	<b>1,852</b>	<b>5,007</b>	<b>5,552</b>	<b>16,976</b>	<b>3,954</b>	<b>(1,087)</b>	<b>19,843</b>
<b>Segment income (loss) (Operating income (loss))</b>	<b>306</b>	<b>5</b>	<b>303</b>	<b>93</b>	<b>707</b>	<b>(105)</b>	<b>(376)</b>	<b>226</b>

## **SEGMENT INFORMATION (CONTINUED)**

(Notes)

1. From the first quarter of the fiscal year ending March 31, 2014, the reportable segment has been changed to four reportable segments, "Public," "Enterprise," "Telecom Carrier" and "System Platform," due to the organizational reform on April 1, 2013. Previously, the reportable segments were "IT Solutions," "Carrier Network," "Social Infrastructure" and "Personal Solutions".

The contents of new reportable segments are as follows:

"Public" mainly renders System Integration, Maintenance and Support, Outsourcing, Cloud Services and System Equipment for Government, Public, Healthcare, Finance and Media.

"Enterprise" mainly renders System Integration, Maintenance and Support, Outsourcing and Cloud Services for Manufacturing, Distribution and Services.

"Telecom Carrier" mainly renders Network Infrastructure, Services and Management for Telecom Carriers.

"System Platform" mainly renders Hardware, Software, Enterprise Networks Solutions and Services (Data Center Infrastructure and Support).

With this change, segment information and related information about geographic areas for the nine months ended December 31, 2012 have been reclassified to conform with the nine months ended December 31, 2013 presentation.

2. "Others" for the nine months ended December 31, 2012 represents businesses such as Smart Energy (Electrodes/Energy Storage System, Solutions for Utilities, etc.), Smartphones, Mobile Phones, Electronic Components and "BIGLOBE" Internet Services, which are not included in reportable segments. "Others" for the nine months ended December 31, 2013 represents businesses such as Smart Energy (Electrodes/Energy Storage System, Solutions for Utilities, etc.), Mobile Phones and "BIGLOBE" Internet Services, which are not included in reportable segments.
3. "Adjustment" of segment income (loss) for the nine months ended December 31, 2012 includes corporate expenses of (38,079) million yen and noncurrent assets related adjustment of (1,331) million yen, unallocated to each reportable segment. "Adjustment" of segment income (loss) for the nine months ended December 31, 2013 includes corporate expenses of (34,008) million yen ((324) million U.S. dollars) and noncurrent assets related adjustment of 982 million yen (9 million U.S. dollars), unallocated to each reportable segment. The corporate expenses, unallocated to each reportable segment, are mainly general and administrative expenses incurred at headquarters of NEC, and research and development expenses.



## **SEGMENT INFORMATION (CONTINUED)**

[Related information]

Information about geographic areas

Sales

Nine months ended December 31, 2012 (From April 1, 2012 to December 31, 2012)

(In millions of yen)

Japan	The Americas	Greater China, APAC	EMEA	Total
1,815,106	134,593	147,925	72,216	2,169,840

Nine months ended December 31, 2013 (From April 1, 2013 to December 31, 2013)

(In millions of yen)

Japan	The Americas	Greater China, APAC	EMEA	Total
<b>1,672,171</b>	<b>152,487</b>	<b>166,950</b>	<b>91,907</b>	<b>2,083,515</b>

Nine months ended December 31, 2013 (From April 1, 2013 to December 31, 2013)

(In millions of U.S. dollars)

Japan	The Americas	Greater China, APAC	EMEA	Total
<b>15,925</b>	<b>1,452</b>	<b>1,590</b>	<b>876</b>	<b>19,843</b>

(Notes)

1. Sales are classified into country or region based on the locations of customers.
2. Major regions in segments other than Japan:
  - (1) The Americas: North America and Latin America
  - (2) Greater China, APAC: Greater China and Asia Pacific (Asia, Oceania)
  - (3) EMEA: Europe, Middle East and Africa

## Notes: Subsequent Events

On January 30, 2014, NEC (the Company) held a board of directors meeting and resolved that the Company would acquire all of the issued shares of common stock of NEC Fielding, Ltd. (Main business: Proactive Maintenance Operations and Fielding Solution Operations) through the Tender Offer (excluding the treasury stock held by NEC Fielding, Ltd.) with the aim of making NEC Fielding, Ltd. its wholly-owned subsidiary. The Company and the trustee of the Company's Employee Retirement Benefit Trust have entered into certain trust agreements for employee retirement benefit with respect to the shares contributed by the Company to the Company's Employee Retirement Benefit Trust (including NEC Fielding, Ltd.'s shares) which includes the provisions to the effect that such shares shall not be disposed of in any way (including tendering for the Tender Offer) without an instruction of the trust administrator, and the Company and the trust administrator have agreed that the trust administrator will not give an instruction to tender NEC Fielding, Ltd.'s shares for the Tender Offer.

If the Company fails to acquire all of the issued shares of NEC Fielding, Ltd. (excluding NEC Fielding, Ltd.'s shares contributed to the Company's Employee Retirement Benefit Trust and the treasury stock held by NEC Fielding, Ltd.) through the Tender Offer, the Company plans to take a series of procedures including the use of the class shares subject to wholly call clause in order to make NEC Fielding, Ltd. its wholly-owned subsidiary of the Company after the close of the Tender Offer.

### Outline of Tender Offer

(1) Tender Offer period: From January 31, 2014 through March 17, 2014

(2) Tender Offer price: JPY 1,580 per share of Common Stock

(3) Number of shares to be acquired: 17,939,307 (shares)

(4) Purchase price: 28,344 million yen

Note: "Purchase Price" is an amount calculated by multiplying the number of shares to be acquired through the Tender Offer by the Tender Offer Price.

In addition, the Company resolved at its board of directors meeting on January 30, 2014, that the Company would transfer all shares of NEC BIGLOBE, Ltd. (Reportable segment: Others, Main business: Information and communication services using networks such as the Internet), a consolidated subsidiary of the Company, to a special purpose company owned by Japan Industrial Partners IV Investment Limited Partnership and others, for which Japan Industrial Partners, Inc. manages, operates and provides information, in order to achieve further business expansion and growth for NEC BIGLOBE, Ltd. The transfer of all shares will be completed by the end of March, 2014. As a result, an extraordinary gain of approximately 27 billion yen from the sale of subsidiary's stocks is expected to be recorded in the consolidated financial statements for the fiscal year ending March 31, 2014.

## [THREE MONTHS PERIOD INFORMATION]

### 1. Consolidated Business Results

As stated in the July 9, 2013 announcement, “NEC to Revise Business Segments,” NEC has revised its business segments from the first quarter of the fiscal year ending March 31, 2014. Figures for the corresponding period of the previous fiscal year have been restated to conform with the new segments.

#### (1) Overview of the third quarter of the fiscal year ending March 31, 2014 (three months ended December 31, 2013)

The NEC Group recorded consolidated net sales of 700.4 billion yen for the three months ended December 31, 2013, a decrease of 21.6 billion yen (-3.0%) year-on-year. This was mainly due to decreased sales in Others due to the mobile phone sales business and the electronic components business no longer being consolidated, despite increased sales in the Public business and the System Platform business.

Regarding profitability, operating income (loss) worsened by 1.1 billion yen year-on-year, to an operating income of 23.4 billion yen, mainly due to decreased sales.

In terms of ordinary income (loss), the NEC Group recorded a profit of 20.0 billion yen, declining by 1.9 billion yen year-on-year, mainly due to the worsening of operating income (loss).

Income (loss) before income taxes and minority interests was a profit of 25.2 billion yen, a year-on-year improvement of 8.7 billion, despite the worsening of ordinary income (loss), mainly due to gain on sales of subsidiaries and affiliates' stocks.

Net income (loss) for the three months ended December 31, 2013 was a profit of 11.1 billion yen, a year-on-year improvement of 7.6 billion yen.

(2) Results by main business segment

*Sales by segment (sales to external customers):*

<b>Segments</b>	<b>Three months ended December 31, 2012</b>	<b>Three months ended December 31, 2013</b>	<b>Change</b>
	In billions of yen	In billions of yen	%
<b>Public</b>	149.2	164.0	9.9
<b>Enterprise</b>	59.0	60.7	2.8
<b>Telecom Carrier</b>	166.3	172.7	3.8
<b>System Platform</b>	167.3	185.7	11.0
<b>Others</b>	180.1	117.3	-34.9
<b>Total</b>	722.0	700.4	-3.0

*Operating income (loss) by segment:*

<b>Segments</b>	<b>Three months ended December 31, 2012</b>	<b>Three months ended December 31, 2013</b>	<b>Change</b>
	In billions of yen	In billions of yen	In billions of yen
<b>Public</b>	8.9	17.6	8.7
<b>Enterprise</b>	0.2	-0.2	-0.4
<b>Telecom Carrier</b>	17.9	12.4	-5.5
<b>System Platform</b>	4.2	8.0	3.8
<b>Others</b>	9.7	0.8	-8.8
<b>Adjustment</b>	-16.4	-15.2	1.1
<b>Total</b>	24.4	23.4	-1.1

(Note) Amounts in this section “(2) Results by main business segment” are rounded to 0.1 billion yen. Amounts in millions of yen are shown in section “Segment information” of this news release.

(Business segment figures in brackets below denote increases or decreases as compared with the corresponding period of the previous fiscal year.)

#### **Public Business**

<b>Sales:</b>	164.0 billion yen	(9.9%)
<b>Operating Income (Loss):</b>	17.6 billion yen	(8.7 billion yen)

In the Public business, sales were 164.0 billion yen, an increase of 14.8 billion yen (9.9%) year-on-year, mainly due to the steady sales from government offices and public services.

Operating income (loss) improved by 8.7 billion yen year-on-year, to an operating income of 17.6 billion yen, mainly owing to increased sales.

#### **Enterprise Business**

<b>Sales:</b>	60.7 billion yen	(2.8%)
<b>Operating Income (Loss):</b>	-0.2 billion yen	(-0.4 billion yen)

In the Enterprise business, sales were 60.7 billion yen, an increase of 1.6 billion yen (2.8%) year-on-year, mainly due to the steady sales from the distribution and service industries.

Operating income (loss) worsened by 0.4 billion yen year-on-year, to an operating loss of 0.2 billion yen, mainly owing to increased investment expenses in distribution and logistics related infrastructure.

#### **Telecom Carrier Business**

<b>Sales:</b>	172.7 billion yen	(3.8%)
<b>Operating Income (Loss):</b>	12.4 billion yen	(-5.5 billion yen)

In the Telecom Carrier business, sales were 172.7 billion yen, an increase of 6.4 billion yen (3.8%) year-on-year, mainly due to increased international sales of Telecom Operations and Management Solutions (TOMS) and wireless communication equipment (mobile backhaul).

Operating income (loss) worsened by 5.5 billion yen year-on-year, to an operating income of 12.4

billion yen, mainly due to a temporary increase in profit related to intellectual property recorded in the corresponding period of the previous fiscal year.

#### **System Platform Business**

<b>Sales:</b>	185.7 billion yen	(11.0%)
<b>Operating Income (Loss):</b>	8.0 billion yen	(3.8 billion yen)

In the System Platform business, sales were 185.7 billion yen, an increase of 18.4 billion yen (11.0%) year-on-year, mainly due to increased sales in hardware.

Operating income (loss) improved by 3.8 billion yen year-on-year, to an operating income of 8.0 billion yen, mainly due to improved profitability associated with the improved IT investment environment.

#### **Others**

<b>Sales:</b>	117.3 billion yen	(-34.9%)
<b>Operating Income (Loss):</b>	0.8 billion yen	(-8.8 billion yen)

In Others, sales were 117.3 billion yen, a decrease of 62.8 billion yen (-34.9%) year-on-year, mainly due to a decline in mobile phone shipments as well as the mobile phone sales business and the electronic components business no longer being consolidated.

Operating income (loss) worsened by 8.8 billion yen year-on-year, to an operating income of 0.8 billion yen, mainly owing to decreased sales.

**[THREE MONTHS PERIOD INFORMATION]**  
**CONSOLIDATED QUARTERLY STATEMENTS OF OPERATIONS AND CONSOLIDATED QUARTERLY STATEMENTS OF COMPREHENSIVE INCOME**

CONSOLIDATED QUARTERLY STATEMENTS OF OPERATIONS

(In millions of yen, millions of U.S. dollars)

Three months ended December 31	2012	2013	2013
Net sales	JPY 722,031	<b>JPY 700,411</b>	<b>\$ 6,671</b>
Cost of sales	497,014	<b>482,385</b>	<b>4,595</b>
Gross profit	225,017	<b>218,026</b>	<b>2,076</b>
Selling, general and administrative expenses	200,580	<b>194,663</b>	<b>1,853</b>
Operating income	24,437	<b>23,363</b>	<b>223</b>
Non-operating income	5,358	<b>9,594</b>	<b>91</b>
Interest income	376	<b>355</b>	<b>3</b>
Dividends income	784	<b>1,082</b>	<b>10</b>
Equity in earnings of affiliates	-	<b>3,017</b>	<b>29</b>
Foreign exchange gains	2,725	<b>2,711</b>	<b>26</b>
Other	1,473	<b>2,429</b>	<b>23</b>
Non-operating expenses	7,900	<b>12,925</b>	<b>123</b>
Interest expenses	1,611	<b>2,564</b>	<b>24</b>
Retirement benefit expenses	2,923	<b>2,824</b>	<b>27</b>
Equity in losses of affiliates	320	-	-
Other	3,046	<b>7,537</b>	<b>72</b>
Ordinary income	21,895	<b>20,032</b>	<b>191</b>
Extraordinary income	2,829	<b>7,565</b>	<b>72</b>
Gain on sales of subsidiaries and affiliates' stocks	146	<b>7,551</b>	<b>72</b>
Gain on sales of investment securities	234	<b>14</b>	<b>0</b>
Gain on sales of noncurrent assets	1,368	-	-
Gain on reversal of loss on valuation of investment securities	891	-	-
Gain on change in equity	137	-	-
Gain on insurance claim	53	-	-
Extraordinary loss	8,131	<b>2,351</b>	<b>23</b>
Impairment loss	291	<b>2,022</b>	<b>20</b>
Relocation expenses	-	<b>160</b>	<b>2</b>
Loss on valuation of investment securities	-	<b>121</b>	<b>1</b>
Loss on sales of stocks of subsidiaries and affiliates	-	<b>48</b>	<b>0</b>
Provision of allowance for doubtful accounts for subsidiaries and affiliates	3,818	-	-
Business structure improvement expenses	3,419	-	-
Loss on retirement of noncurrent assets	589	-	-
Loss on sales of investment securities	14	-	-
Income before income taxes and minority interests	16,593	<b>25,246</b>	<b>240</b>
Income taxes	10,527	<b>14,059</b>	<b>133</b>
Income before minority interests	6,066	<b>11,187</b>	<b>107</b>
Minority interests in income	2,606	<b>123</b>	<b>2</b>
Net income	JPY 3,460	<b>JPY 11,064</b>	<b>\$ 105</b>

(Note)

U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥105 = U.S.\$1 .

**[THREE MONTHS PERIOD INFORMATION]****CONSOLIDATED QUARTERLY STATEMENTS OF OPERATIONS AND CONSOLIDATED QUARTERLY STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)****CONSOLIDATED QUARTERLY STATEMENTS OF COMPREHENSIVE INCOME**

(In millions of yen, millions of U.S. dollars)

<b>Three months ended December 31</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>
Income before minority interests	JPY 6,066	<b>JPY 11,187</b>	<b>\$ 107</b>
Other comprehensive income	19,304	<b>17,178</b>	<b>163</b>
Valuation difference on available-for-sale securities	5,847	<b>8,642</b>	<b>82</b>
Deferred gains or losses on hedges	(532)	<b>(274)</b>	<b>(3)</b>
Foreign currency translation adjustment	12,943	<b>7,342</b>	<b>70</b>
Share of other comprehensive income of associates accounted for using equity method	1,046	<b>1,468</b>	<b>14</b>
Comprehensive income	JPY 25,370	<b>JPY 28,365</b>	<b>\$ 270</b>
Breakdown:			
Comprehensive income attributable to owners of the parent	JPY 22,728	<b>JPY 28,265</b>	<b>\$ 269</b>
Comprehensive income attributable to minority interests	2,642	<b>100</b>	<b>1</b>



## [THREE MONTHS PERIOD INFORMATION]

### SEGMENT INFORMATION

[Segment information]

Information about sales and segment income (loss) by reportable segment

Three months ended December 31, 2012 (From October 1, 2012 to December 31, 2012)

(In millions of yen)

	Reportable Segments					Others	Adjustment	Consolidated total
	Public	Enterprise	Telecom Carrier	System Platform	Total			
<b>Sales</b>								
1. Sales to customers	149,207	59,041	166,330	167,343	541,921	180,110	—	722,031
2. Intersegment sales and transfers	3,552	675	6,436	14,262	24,925	11,002	(35,927)	—
<b>Total sales</b>	<b>152,759</b>	<b>59,716</b>	<b>172,766</b>	<b>181,605</b>	<b>566,846</b>	<b>191,112</b>	<b>(35,927)</b>	<b>722,031</b>
<b>Segment income (loss) (Operating income (loss))</b>	<b>8,859</b>	<b>181</b>	<b>17,917</b>	<b>4,169</b>	<b>31,126</b>	<b>9,685</b>	<b>(16,374)</b>	<b>24,437</b>

Three months ended December 31, 2013 (From October 1, 2013 to December 31, 2013)

(In millions of yen)

	Reportable Segments					Others	Adjustment	Consolidated total
	Public	Enterprise	Telecom Carrier	System Platform	Total			
<b>Sales</b>								
1. Sales to customers	164,030	60,686	172,702	185,701	583,119	117,292	—	700,411
2. Intersegment sales and transfers	4,364	1,143	6,086	16,151	27,744	11,239	(38,983)	—
<b>Total sales</b>	<b>168,394</b>	<b>61,829</b>	<b>178,788</b>	<b>201,852</b>	<b>610,863</b>	<b>128,531</b>	<b>(38,983)</b>	<b>700,411</b>
<b>Segment income (loss) (Operating income (loss))</b>	<b>17,584</b>	<b>(201)</b>	<b>12,398</b>	<b>7,977</b>	<b>37,758</b>	<b>848</b>	<b>(15,243)</b>	<b>23,363</b>

Three months ended December 31, 2013 (From October 1, 2013 to December 31, 2013)

(In millions of U.S. dollars)

	Reportable Segments					Others	Adjustment	Consolidated total
	Public	Enterprise	Telecom Carrier	System Platform	Total			
<b>Sales</b>								
1. Sales to customers	1,562	578	1,645	1,769	5,554	1,117	—	6,671
2. Intersegment sales and transfers	42	11	58	153	264	107	(371)	—
<b>Total sales</b>	<b>1,604</b>	<b>589</b>	<b>1,703</b>	<b>1,922</b>	<b>5,818</b>	<b>1,224</b>	<b>(371)</b>	<b>6,671</b>
<b>Segment income (loss) (Operating income (loss))</b>	<b>167</b>	<b>(2)</b>	<b>118</b>	<b>76</b>	<b>359</b>	<b>8</b>	<b>(144)</b>	<b>223</b>

## **[THREE MONTHS PERIOD INFORMATION]**

### **SEGMENT INFORMATION (CONTINUED)**

(Notes)

1. From the first quarter of the fiscal year ending March 31, 2014, the reportable segment has been changed to four reportable segments, "Public," "Enterprise," "Telecom Carrier" and "System Platform," due to the organizational reform on April 1, 2013. Previously, the reportable segments were "IT Solutions," "Carrier Network," "Social Infrastructure" and "Personal Solutions".

The contents of new reportable segments are as follows:

"Public" mainly renders System Integration, Maintenance and Support, Outsourcing, Cloud Services and System Equipment for Government, Public, Healthcare, Finance and Media.

"Enterprise" mainly renders System Integration, Maintenance and Support, Outsourcing and Cloud Services for Manufacturing, Distribution and Services.

"Telecom Carrier" mainly renders Network Infrastructure, Services and Management for Telecom Carriers.

"System Platform" mainly renders Hardware, Software, Enterprise Networks Solutions and Services (Data Center Infrastructure and Support).

With this change, segment information and related information about geographic areas for the three months ended December 31, 2012 have been reclassified to conform with the three months ended December 31, 2013 presentation.

2. "Others" for the three months ended December 31, 2012 represents businesses such as Smart Energy (Electrodes/Energy Storage System, Solutions for Utilities, etc.), Smartphones, Mobile Phones, Electronic Components and "BIGLOBE" Internet Services, which are not included in reportable segments. "Others" for the three months ended December 31, 2013 represents businesses such as Smart Energy (Electrodes/Energy Storage System, Solutions for Utilities, etc.), Mobile Phones and "BIGLOBE" Internet Services, which are not included in reportable segments.
3. "Adjustment" of segment income (loss) for the three months ended December 31, 2012 includes corporate expenses of (13,712) million yen and noncurrent assets related adjustment of (373) million yen, unallocated to each reportable segment. "Adjustment" of segment income (loss) for the three months ended December 31, 2013 includes corporate expenses of (11,265) million yen ((107) million U.S. dollars) and noncurrent assets related adjustment of 62 million yen (1 million U.S. dollars), unallocated to each reportable segment. The corporate expenses, unallocated to each reportable segment, are mainly general and administrative expenses incurred at headquarters of NEC, and research and development expenses.

**[THREE MONTHS PERIOD INFORMATION]****SEGMENT INFORMATION (CONTINUED)**

[Related information]

Information about geographic areas

Sales

Three months ended December 31, 2012 (From October 1, 2012 to December 31, 2012)

(In millions of yen)

Japan	The Americas	Greater China, APAC	EMEA	Total
600,943	50,794	45,133	25,161	722,031

Three months ended December 31, 2013 (From October 1, 2013 to December 31, 2013)

(In millions of yen)

Japan	The Americas	Greater China, APAC	EMEA	Total
<b>562,202</b>	<b>50,292</b>	<b>54,538</b>	<b>33,379</b>	<b>700,411</b>

Three months ended December 31, 2013 (From October 1, 2013 to December 31, 2013)

(In millions of U.S. dollars)

Japan	The Americas	Greater China, APAC	EMEA	Total
<b>5,354</b>	<b>479</b>	<b>519</b>	<b>319</b>	<b>6,671</b>

(Notes)

1. Sales are classified into country or region based on the locations of customers.
2. Major regions in segments other than Japan:
  - (1) The Americas: North America and Latin America
  - (2) Greater China, APAC: Greater China and Asia Pacific (Asia, Oceania)
  - (3) EMEA: Europe, Middle East and Africa

**CAUTIONARY STATEMENTS:**

This material contains forward-looking statements pertaining to strategies, financial targets, technology, products and services, and business performance of NEC Corporation and its consolidated subsidiaries (collectively "NEC"). Written forward-looking statements may appear in other documents that NEC files with stock exchanges or regulatory authorities, such as the Director of the Kanto Finance Bureau, and in reports to shareholders and other communications. NEC is relying on certain safe-harbors for forward-looking statements in making these disclosures. Some of the forward-looking statements can be identified by the use of forward-looking words such as "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "estimates," "targets," "aims," or "anticipates," or the negative of those words, or other comparable words or phrases. You can also identify forward-looking statements by discussions of strategy, beliefs, plans, targets, or intentions. Forward-looking statements necessarily depend on currently available assumptions, data, or methods that may be incorrect or imprecise and NEC may not be able to realize the results expected by them.

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

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