

NEC Announces Issuance of Unsecured Straight Bonds

Tokyo, September 14, 2018 –NEC Corporation (NEC) today announced that NEC has determined the terms and conditions for the issuance of its 53rd, 54th and 55th Series of Unsecured Straight Bonds (with inter-bond pari passu clause), all of which will be offered and issued in Japan.

The terms and conditions are as follows;

1. 53rd Series Unsecured Straight Bonds

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| (1) Aggregate nominal amount | 30 billion yen |
| (2) Denomination of each Bond | 100 million yen |
| (3) Coupon rate
(per annum) | 0.260% |
| (4) Issue price | 100% of the principal amount |
| (5) Redemption price | 100% of the principal amount |
| (6) Method of redemption | 1. Redemption on maturity: September 21, 2023
2. The bond may also be repurchased and redeemed at any time commencing from the first day following the payment date, subject to requirements of the book-entry transfer institution. |
| (7) Interest payment dates | March 21 and September 21 of each year |
| (8) Method of offering | Public offering |
| (9) Offering period | September 14, 2018 |
| (10) Payment date | September 21, 2018 |
| (11) Collateral | The bonds are not secured by any collateral nor guaranteed, and there are no particular assets reserved as security for the bonds. |
| (12) Financial covenants | Negative pledge clause (with inter-bond pari passu clause) attached |
| (13) Joint lead managers | SMBC Nikko Securities Inc.
Daiwa Securities Co. Ltd.
Mizuho Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Nomura Securities Co., Ltd.
Goldman Sachs Japan Co., Ltd. |
| (14) Fiscal agent | Sumitomo Mitsui Banking Corporation |
| (15) Application of the Law
Concerning Book-Entry
Transfer of Corporate
Bonds, Stocks, Etc. | The provisions of the Law Concerning Book-Entry Transfer of Corporate Bonds, Stocks, Etc. shall apply to the bonds and the certificates for the bonds shall not be issued. |
| (16) Transfer institution | Japan Securities Depository Center, Incorporated |
| (17) Rating | A— (Rating and Investment Information, Inc.) |
| (18) Use of Proceeds | The total net proceeds from the sale of the Bonds and the 54 th , 55 th Series of Unsecured Straight Bonds will |

be used for a part of the repayment of Loans that will reach maturity by the end of March 2019 and 2020.

2. 54th Series Unsecured Straight Bonds

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| (1) Aggregate nominal amount | 10 billion yen |
| (2) Denomination of each Bond | 100 million yen |
| (3) Coupon rate
(per annum) | 0.360% |
| (4) Issue price | 100% of the principal amount |
| (5) Redemption price | 100% of the principal amount |
| (6) Method of redemption | 1. Redemption on maturity: September 19, 2025
2. The bond may also be repurchased and redeemed at any time commencing from the first day following the payment date, subject to requirements of the book-entry transfer institution. |
| (7) Interest payment dates | March 21 and September 21 of each year |
| (8) Method of offering | Public offering |
| (9) Offering period | September 14, 2018 |
| (10) Payment date | September 21, 2018 |
| (11) Collateral | The bonds are not secured by any collateral nor guaranteed, and there are no particular assets reserved as security for the bonds. |
| (12) Financial covenants | Negative pledge clause (with inter-bond pari passu clause) attached |
| (13) Joint lead managers | Daiwa Securities Co. Ltd.
SMBC Nikko Securities Inc.
Mizuho Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Nomura Securities Co., Ltd.
Goldman Sachs Japan Co., Ltd. |
| (14) Fiscal agent | Sumitomo Mitsui Banking Corporation |
| (15) Application of the Law Concerning Book-Entry Transfer of Corporate Bonds, Stocks, Etc. | The provisions of the Law Concerning Book-Entry Transfer of Corporate Bonds, Stocks, Etc. shall apply to the bonds and the certificates for the bonds shall not be issued. |
| (16) Transfer institution | Japan Securities Depository Center, Incorporated |
| (17) Rating | A— (Rating and Investment Information, Inc.) |
| (18) Use of Proceeds | The total net proceeds from the sale of the Bonds and the 53 rd , 55 th Series of Unsecured Straight Bonds will be used for a part of the repayment of Loans that will reach maturity by the end of March 2019 and 2020. |

3. 55th Series Unsecured Straight Bonds

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| (1) Aggregate nominal amount | 10 billion yen |
| (2) Denomination of each Bond | 100 million yen |

(3) Coupon rate (per annum)	0.500%
(4) Issue price	100% of the principal amount
(5) Redemption price	100% of the principal amount
(6) Method of redemption	1. Redemption on maturity: September 21, 2028 2. The bond may also be repurchased and redeemed at any time commencing from the first day following the payment date, subject to requirements of the book-entry transfer institution.
(7) Interest payment dates	March 21 and September 21 of each year
(8) Method of offering	Public offering
(9) Offering period	September 14, 2018
(10) Payment date	September 21, 2018
(11) Collateral	The bonds are not secured by any collateral nor guaranteed, and there are no particular assets reserved as security for the bonds.
(12) Financial covenants	Negative pledge clause (with inter-bond pari passu clause) attached
(13) Joint lead managers	Daiwa Securities Co. Ltd. SMBC Nikko Securities Inc. Mizuho Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Nomura Securities Co., Ltd. Goldman Sachs Japan Co., Ltd.
(14) Fiscal agent	Sumitomo Mitsui Trust Bank, Limited
(15) Application of the Law Concerning Book-Entry Transfer of Corporate Bonds, Stocks, Etc.	The provisions of the Law Concerning Book-Entry Transfer of Corporate Bonds, Stocks, Etc. shall apply to the bonds and the certificates for the bonds shall not be issued.
(16) Transfer institution	Japan Securities Depository Center, Incorporated
(17) Rating	A— (Rating and Investment Information, Inc.)
(18) Use of Proceeds	The total net proceeds from the sale of the Bonds and the 53 rd , 54 th Series of Unsecured Straight Bonds will be used for a part of the repayment of Loans that will reach maturity by the end of March 2019 and 2020.

Cautionary Statement with Respect to Forward-Looking Statements

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

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

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

laws and regulations, tax practice, information management, and human rights and working environment

Consequences of natural and fire disasters

Changes in methods, estimates and judgments that the NEC Group uses in applying its accounting policies

Risk that the NEC Group may incur liabilities and losses in relation to its retirement benefit obligations

The forward-looking statements contained in this material are based on information that NEC possesses as of the date hereof. New risks and uncertainties come up from time to time, and it is impossible for NEC to predict these events or how they may affect the NEC Group. NEC does not intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
