NEC accelerates services business leveraging network strengths under the new brand "NEC Smart Connectivity"

April 24, 2019 General Manager, Digital Services Solutions Division Takashi Sato

Orchestrating a brighter world

NEC brings together and integrates technology and expertise to create the ICT-enabled society of tomorrow.

We collaborate closely with partners and customers around the world, orchestrating each project to ensure all its parts are fine-tuned to local needs.

Every day, our innovative solutions for society contribute to greater safety, security, efficiency and equality, and enable people to live brighter lives. Rapidly growing wave of digitization

311

Number of IoT devices 40.3 billion units

Creating wide ranging connections between people and things

2020

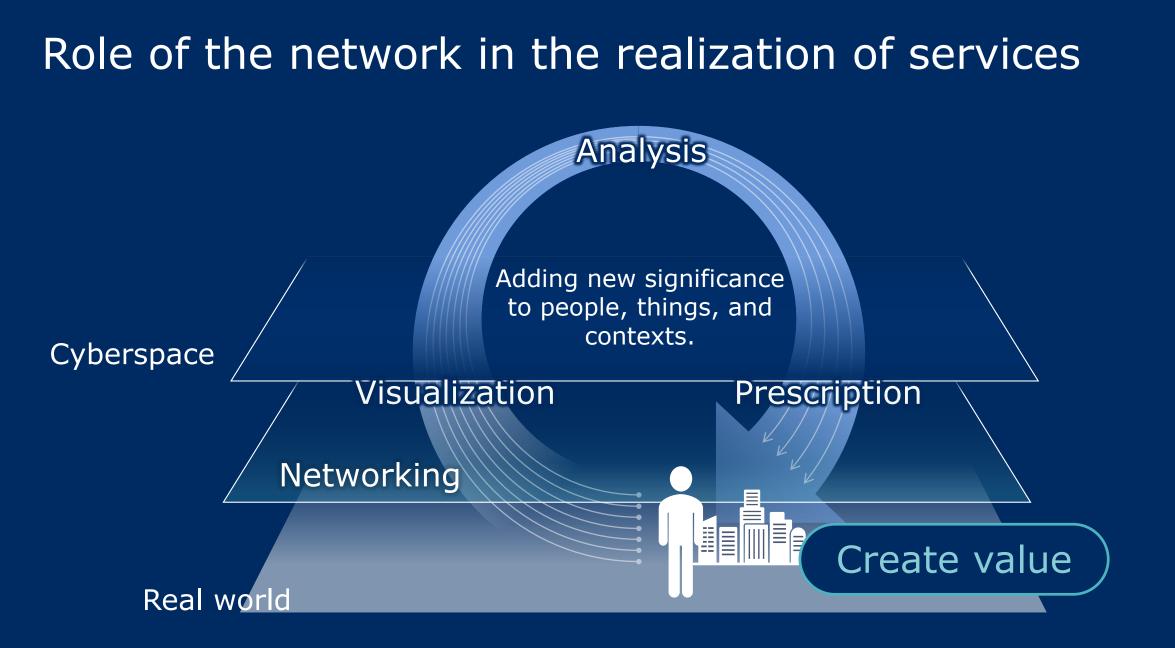
2016 2018

Source: White Paper on Information and Communications 2018 United Nations Population Forecast



Services and technologies that are expected to expand in the future

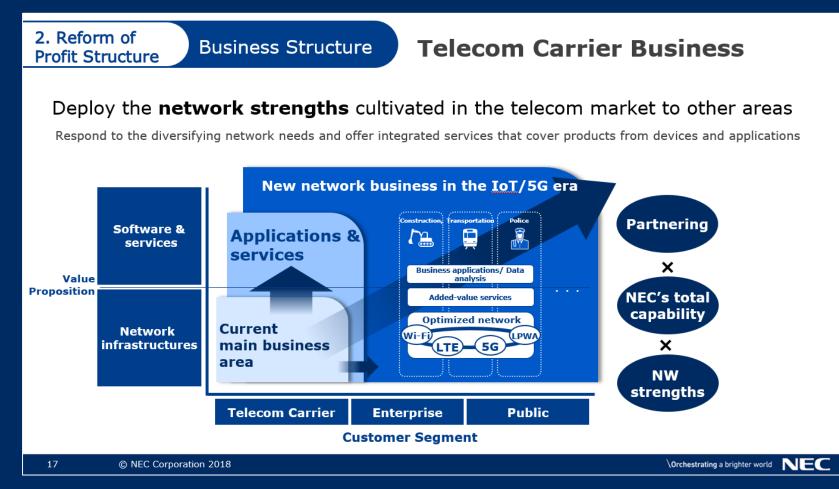






Developing Network Strengths

- Mid-term Management Plan 2020: deploy the network strengths cultivated in the telecom market to other areas
- Leverage partnerships, NEC's total capability and NW strengths



Developing Network Strengths

In collaboration with various enterprise companies and local governments, expand business domains by leveraging strengths

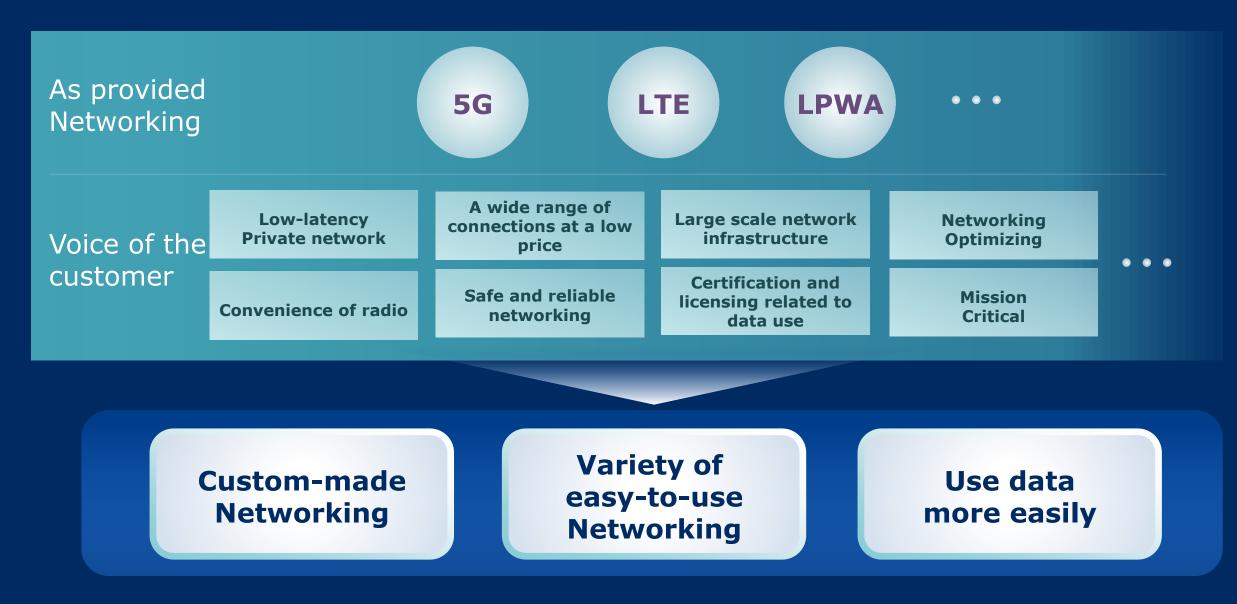






Farm Agricultural ICT from devices to the network cloud **TV & Telecom carrier** AR swimming games using 5G

Need for Future Networks



NEC Smart Connectivity

Changing Network Common Sense

With the spread of 5G and IoT, the volume of data flowing through networks continues to increase. It becomes more complex.

NEC therefore considered innovative data distribution. The network itself possesses "intelligence" and assesses the other party or situation All data is judiciously connected. With technologies that connect everything from the seafloor to space, Freely control the network.

Connect unconnected data to the world. The door to new business is now open.



NEC Smart Connectivity

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Value proposition

Flexible and Safe

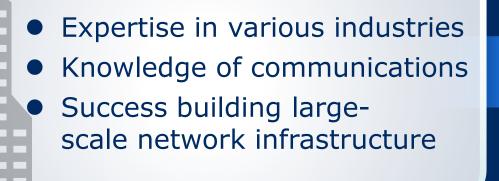
Simple and Fast

The right information for the right people and things

Flexible and Safe

Combine expertise in various industries and communications technologies to meet large-scale needs Providing flexible, secure, custom-made connectivity

Strength



Market

etc.

Infrastructure market

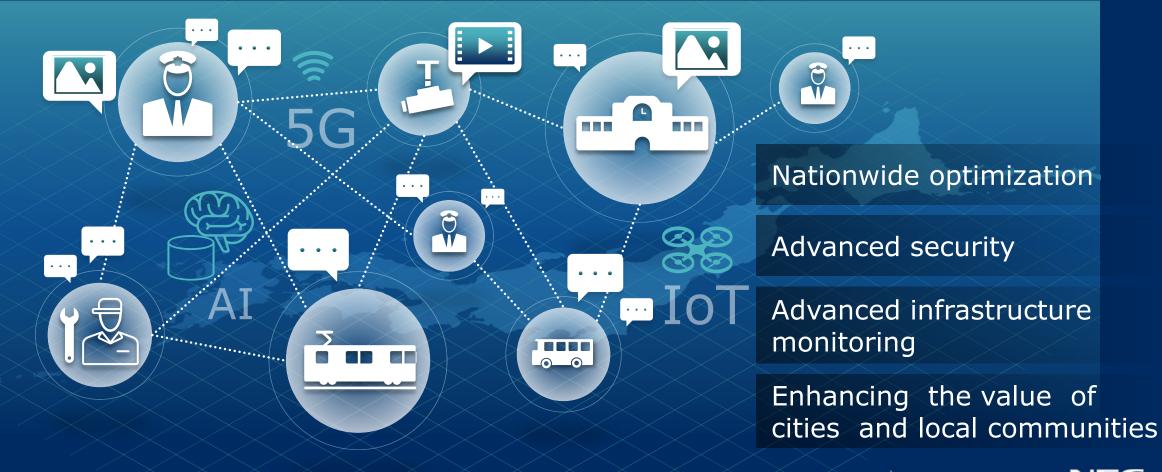
- Railway
- Civil Engineering
- Local government



\Orchestrating a brighter world **NEC**

Use case: Transportation

Provide custom-made connectivity to nationwide transportation and telecommunications networks by leveraging large-scale construction expertise and expanding applications



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Simple and Fast

Providing Services as "Multiconnectivity" through a wide variety of communication methods

Strength

Knowledge of the properties of a wide range of networks
Networking can coordinate and operate

platforms and human resources

Market

etc.

• Retail

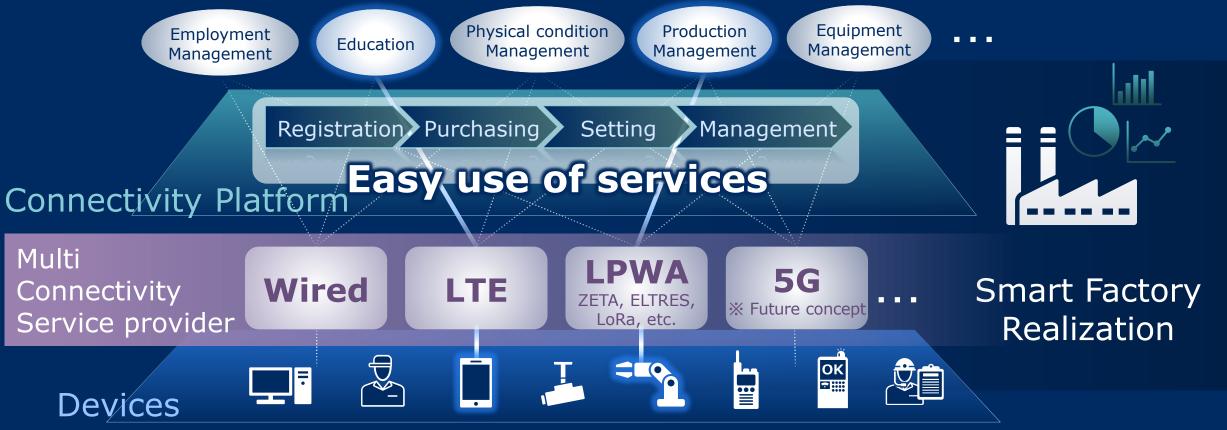


- Manufacture
- Local government
- Civil Engineering

Use case: Smart Factory

-We offer a variety of connectivity in one-stop, including 5G, LTE, and LPWA -Comprehensively provide everything from consulting to installation and operation

-Supporting optimized use of connectivity



The right information for the right people and things

Extract necessary data from a large amount of data. Providing connectivity and enhancing the value of information.

Strength

- Achievements handling large amounts of data
- AI
- Biometric authentication /Security

Market Retail Finance Local government

etc

Use case

With authentication and identity collaboration as the cornerstone, NEC will newly connect large amounts of data and extract valuable data from big data

API collaboration

Connecting the data from various companies and local governments Creating safe, secure communities

Data linkage



Connecting IDs with data from multiple stores, including e-commerce **Improvement** of purchasing experience

Anonymized

Authentication and identity collaboration

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Block chain

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Reinforcing business promotion structure





Consolidate communications assets



Strengthen NEC group synergies

TATA 500 People

Integrated 500 member NEC Smart Connectivity team

Co-creation Initiatives

New social value through joint creation and promotion of creative communities

Open Since 2018 Summer **5G Co-Creation** NEC Autumn 2019 **Smart Connectivity** Working Lab 00 Service Fransportation H Realization NG **Create solution Co-create** Construction **Retail WG** prototypes ideas WG

Establishment of the

"NEC Smart Connectivity Lab"

Summary

Three Value Provisions

Flexible and Safe

Simple and Fast

The right information for the right people and things

NEC Smart Connectivity Market Expansion



500 people

Joint Innovation Activities

NEC aims to achieve net sales of **100 billion** yen from NEC Smart Connectivity related business in **FY 2021**

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