

To whom it may concern:

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| Company Name | NEC Corporation |
| Name of Representative | Takayuki Morita President and CEO |
| Securities Code | (TSE: 6701; Prime Market) |
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**Notice Regarding the Absorption-type Merger (Simplified Merger and Short-form Merger)
of a Wholly-Owned Subsidiary, NEC Solution Innovators, Ltd.**

NEC Corporation (“NEC”) announced today that it has determined to merge with a wholly-owned subsidiary, NEC Solution Innovators, Ltd., by absorption, effective October 1, 2026 (the “Merger”).

Some disclosure items and details have been omitted because the Merger is a simplified absorption-type merger in which a wholly-owned subsidiary of NEC is the dissolving company.

1. Purpose of the Merger

The rapid advancement of AI has gone beyond the realm of technological innovation, bringing about structural transformations in industry and society, marking a historic turning point where companies are required to undergo transformation based on the utilization of AI. Against this backdrop, the focus of the value sought by customers is shifting from the traditional domain of system integration to the upstream consulting and downstream operations domains. To respond to this structural change and succeed in the AI-native era, NEC believes it is essential not only to dramatically improve the productivity of system development through the utilization of AI, but also to commit to creating results in operations from the business planning stage by fully leveraging AI and data, thereby providing continuous end-to-end customer value.

Therefore, as part of the NEC Group’s business reorganization aimed at maximizing customer value and strengthening market competitiveness, NEC will merge with NEC Solution Innovators, Ltd.—a core group company that has primarily handled system integration and boasts a domestic-leading workforce of over 10,000 IT engineers—to consolidate the domain knowledge and technical implementation capabilities of both companies. Guided by a spirit of equality between the two companies, NEC will promote their integration and, in addition to improving productivity in system integration through the active use of AI and the standardization of development processes, as well as accelerating the development of project managers, will expedite reskilling and optimize resource allocation to strengthen service delivery capabilities in consulting and operations. Furthermore, NEC will strive to improve management efficiency by reviewing business processes in line with the new structure. Through these measures, NEC aims to solidify its position as a leading company driving the societal implementation of AI, while pursuing further growth in its IT services business and the achievement of its “Mid-term Management Plan 2030.”

2. Summary of the Merger

(1) Schedule of the Merger

- (i) Date of determination by Representative Executive Officer: July 1, 2026 (Wednesday)
- (ii) Date of execution of the merger agreement: July 1, 2026 (Wednesday)
- (iii) Effective date: October 1, 2026 (Thursday) (scheduled)

(*) The Merger is a simplified absorption-type merger as stipulated in Article 796, Paragraph 2 of the Companies Act for NEC, and a short-form absorption-type merger as stipulated in Article 784, Paragraph 1 of the Companies Act for NEC Solution Innovators, Ltd. Therefore, approval by the general meeting of shareholders is not required for either NEC or NEC Solution Innovators, Ltd.

(2) Method of the Merger

This is an absorption-type merger in which NEC will be the surviving company and NEC Solution Innovators, Ltd. will be the dissolving company.

(3) Details of allotment of shares

No shares or other consideration will be allotted upon the Merger.

(4) Treatment regarding stock acquisition rights and bonds with stock acquisition rights upon the Merger

Not applicable for the Merger.

3. Overview of the Parties Involved in the Merger

| | Surviving Company | Dissolving Company |
|---|---|---|
| (1) Name | NEC Corporation | NEC Solution Innovators, Ltd. |
| (2) Location | 7-1, Shiba 5-chome, Minato-ku, Tokyo | 18-7, Shinkiba 1-chome, Koto-ku, Tokyo |
| (3) Name and Title of Representative | Takayuki Morita, Director, Representative Executive Officer, President and CEO | Takao Iwai, President and Representative Director |
| (4) Business | IT services business and social infrastructure business | System integration and related business, and software development |
| (5) Stated Capital | JPY 427.8 billion | JPY 8,668 million |
| (6) Date of Incorporation | July 17, 1899 | September 9, 1975 |
| (7) Number of Issued Shares | 1,364,249,315 shares | 40,089,040 shares |
| (8) Fiscal Period | March 31 | March 31 |
| (9) Major Shareholders and Shareholding Ratio | The Master Trust Bank of Japan, Ltd. (Trust account) 15.37% | NEC Corporation 100% |
| | Custody Bank of Japan, Ltd. (Trust account) 7.84% | |
| | NTT, Inc. 4.90% | |
| | STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.) 2.24% | |
| | SUMITOMO LIFE INSURANCE COMPANY 2.16% | |
| | THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT (Standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.) 1.90% | |
| | GOVERNMENT OF NORWAY (Standing proxy: Custody Operations of Citibank, N.A., Tokyo Branch) 1.60% | |
| | JP MORGAN CHASE BANK 385781 (Standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.) 1.40% | |

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| | HSBC HONG KONG- TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES (Standing proxy: Securities Services Operations Department of The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch) | 1.27% | |
| | STATE STREET BANK AND TRUST COMPANY 505025 (Standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.) | 1.22% | |
| (10) | Financial Conditions and Results of Operation for the Fiscal Year immediately before the Merger | Fiscal year ended March 31, 2026 (consolidated, IFRS) | Fiscal year ended March 31, 2026 (standalone, JGAAP) |
| | Total Equity or Net Assets | JPY 2,281.9 billion | JPY 102.955 billion |
| | Total Assets | JPY 4,466.8 billion | JPY 217.567 billion |
| | Equity per share attributable to Owners of the Parent or Book value per share | JPY 1,656.11 | JPY 2,568.17 |
| | Revenue or Sales | JPY 3,582.7 billion | JPY 328.793 billion |
| | Operating Profit | JPY 359.9 billion | JPY 5.946 billion |
| | Net Profit Attributable to Owners of the Parent | JPY 270.2 billion | JPY 4.095 billion |
| | Net Profit for the year or Ordinary Profit | JPY 273.3 billion | JPY 6.627 billion |
| | Earnings per share attributable to Owners of the Parent or Earnings per share | JPY 202.95 | JPY 102.15 |

(*) The information of the major shareholders and shareholding ratio of the surviving company is the status as of the end of March 2026.

4. Status after the Merger

There will be no change in the company name, location, name and title of the representative, business, stated capital, and fiscal period of NEC as a result of the Merger.

5. Future Prospects

The impact of the Merger on the business performance of NEC will be negligible.

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