### **NEC's Business Model**

## At a Glance

NEC Corporation and Consolidated Subsidiaries

Revenue, adjusted operating profit, adjusted net income, free cash flow, and composition of revenue are financial results for the fiscal year ended March 31, 2021 (IFRS).

Revenue

2,994.0 billion yen 178.2 billion yen

**Adjusted operating profit** 

Adjusted net profit

165.4 billion yen 152.4 billion yen

Free cash flows

## **Public Solutions Business**

Revenue

425.1 billion yen

Adjusted operating profit 39.4 billion yen

## **Major Products and Services**

- Systems Integration (Systems Implementation, Consulting)
- Maintenance and Support
- Outsourcing/Cloud Services
- System Equipment

#### **Examples of Major Customers** and Main Solutions

## Public:

Firefighting Command, Firefighting Emergency Radio Systems, Disaster Prevention, Traffic Control, Railroad Communication, Local Government. **Energy Management Systems** 

#### Healthcare:

Electronic Medical Records, Regional Healthcare Information Network

#### Regional Industries:

Backbone Service

## **Major Consolidated Subsidiaries**

NEC Nexsolutions, Ltd.

**Public Infrastructure Business** 

Revenue

692.9 billion yen

Adjusted operating profit

59.4 billion yen

## **Major Products and Services**

- Systems Integration (Systems Implementation, Consulting)
- Maintenance and Support
- Outsourcing/Cloud Services
- System Equipment

#### **Examples of Major Customers** and Main Solutions

#### Government:

Social Security and Tax, Fingerprint Identification, Air Traffic Control, Satellite Communications/Earth Observation, Outdoor Communication, School/Education, Postal Tracking

#### Media:

TV Program Production/ News Production/Transmission, Digital TV Transmitters

### **Major Consolidated Subsidiaries**

NEC Network and Sensor Systems, Ltd. NEC Space Technologies, Ltd. Japan Aviation Electronics Industry, Limited

**Enterprise Business** 

Revenue

503.1 billion yen

Adjusted operating profit

48.2 billion yen

## **Major Products and Services**

- Systems Integration (Systems Implementation, Consulting)
- Maintenance and Support
- Outsourcing/Cloud Services
- System Equipment

#### **Examples of Major Customers** and Main Solutions

## Manufacturing:

Global SCM, Product Life Cycle Management, Production Management, Sales Management

## Retail and Services:

Retail Systems for Stores and Head Offices, Logistics Management

## Finance:

Banking, Business Branch Systems, Insurance and Securities Infrastructure, Insurance and Securities Channel

## **Major Consolidated Subsidiaries**

NEC Facilities, Ltd.

## **Composition of Revenue**

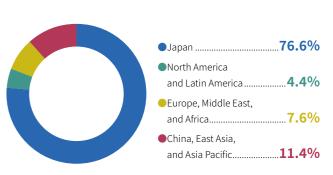


## **Revenue by Region**

Note: Figures for revenue, adjusted operating profit, and composition of revenue for the

which have not been audited by the accounting auditors

fiscal year ended March 31, 2021 are restated to conform with the new segments.



## **Network Services Business**

Revenue

538.8 billion yen

Adjusted operating profit

41.2 billion yen

## **Major Products and Services**

- Network Infrastructure: Core Network, Mobile Phone Base Stations, Optical Transmission Systems, Routers/Switches
- Systems Integration: (Systems Implementation, Consulting) • Services & Management:
- OSS\*1/BSS\*2, Services/Solutions \*1 OSS: Operation Support System \*2 BSS: Business Support System

**Major Consolidated Subsidiaries** 

NEC Networks & System Integration

Corporation

# **Global Business**

Revenue

450.0 billion yen

Adjusted operating profit

7.5 billion yen

## **Major Products and Services**

- Digital Government, Digital Finance
- Software Services for Service Providers (OSS/BSS)
- Network Infrastructure: Submarine Systems (Submarine Cable Systems, Ocean Observation Systems), Wireless Backhaul

# **Others**

Revenue

384.2 billion yen

Adjusted operating profit

7.7 billion yen

**Major Products and Services** 

- Business Consulting
- Package Solution Services

### **Major Consolidated Subsidiaries**

OCC Corporation Netcracker Technology Corporation NEC Software Solutions UK Limited

KMD Holding ApS Avalog Group AG

**Major Consolidated Subsidiaries** ABeam Consulting Ltd. NEC Platforms, Ltd.

NEC Fielding, Ltd. NEC Embedded Products, Ltd.