

Opening Remarks

October 7, 2024

Corporate Executive Vice President and CFO (Representative Executive Officer), Member of the Board

Osamu Fujikawa

Summary of Financial Forecast

No changes to FY25/3 forecasts and Mid-term Management Plan 2025

(Billions of Yen)	FY21/3 Actual	FY22/3 Actual	FY23/3 Actual	FY24/3 Actual	FY25/3 Forecast	FY26/3 Target	Change from July 30, 2024
Revenue	2,994.0	3,014.1	3,313.0	3,477.3	3,370.0	3,500.0	±0
Adjusted Operating Profit	178.2	171.0	205.5	223.6	255.0	300.0	±0
% of revenue	6.0%	5.7%	6.2%	6.4%	7.6%	8.6%	±0%
Non-GAAP Operating profit	150.9	160.3	197.0	227.6	255.0	300.0	±0
% of revenue	5.0%	5.3%	5.9%	6.5%	7.6%	8.6%	±0%
Non-GAAP Net Profit	144.6	159.5	132.8	177.8	165.0	185.0	±0
% of revenue	4.8%	5.3%	4.0%	5.1%	4.9%	5.3%	±0%
EBITDA*	295.8	304.0	347.8	379.5	380.0	425.0	±0
% of revenue	9.9%	10.1%	10.5%	10.9%	11.3%	12.1%	±0%
ROIC**	4.7%	3.9%	4.7%	5.0%	5.9%	6.5%	±0%

* EBITDA = Gross Profit – SG&A + Depreciation and amortization ** ROIC = (Unadjusted operating income – Deemed corporate tax <30.5%>) ÷ (Term-end interest-bearing debt + Term-end net assets <Including minority interest>)

Financial Forecast

No changes to FY25/3 forecasts. Reflected changes due to corporate expenses allocation to FY26/3 target.

(Billions of Yen)

		FY23/3 Actual	FY24/3 Actual	FY25/3 Forecast	FY26/3 Target
IT Services	Revenue	1,754.3	1,914.0	1,950.0	2,000.0
	Adjusted Operating Profit	141.3	184.1	192.0	220.0
	% of revenue	8.1%	9.6%	9.8%	11.0%
Social Infrastructure	Revenue	1,044.8	1,077.3	1,170.0	1,240.0
	Adjusted Operating Profit	45.7	55.1	101.0	130.0
	% of revenue	4.4%	5.1%	8.6%	10.5%
Others and Adjustments	Revenue	514.0	485.9	250.0	260.0
	Adjusted Operating Profit	18.5	-15.7	-38.0	-50.0
Total	Revenue	3,313.0	3,477.3	3,370.0	3,500.0
	Adjusted Operating Profit	205.5	223.6	255.0	300.0
	% of revenue	6.2%	6.4%	7.6%	8.6%

Financial Forecast (By Segment)

(Billions of Yen)		FY23/3 Actual	FY24/3 Actual	FY25/3 Forecast	FY26/3 Target			FY23/3 Actual	FY24/3 Actual	FY25/3 Forecast	FY26/3 Target
Domestic	Revenue	1,464.2	1,612.5	1,650.0	1,690.0	Telecom Services	Revenue	799.5	801.3	830.0	840.0
	Adjusted Operating Profit	122.9	165.1	168.0	184.0		Adjusted Operating Profit	24.9	27.3	74.0	95.0
	% of revenue	8.4%	10.2%	10.2%	10.9%		% of revenue	3.1%	3.4%	8.9%	11.3%
International (DGDF)	Revenue	290.1	301.5	300.0	310.0	Aerospace and National Security	Revenue	245.2	276.1	340.0	400.0
	Adjusted Operating Profit	18.4	19.0	24.0	36.0		Adjusted Operating Profit	20.7	27.9	27.0	35.0
	% of revenue	6.4%	6.3%	8.0%	11.6%		% of revenue	8.5%	10.1%	7.9%	8.8%
IT Services	Revenue	1,754.3	1,914.0	1,950.0	2,000.0	Social Infrastructure	Revenue	1,044.8	1,077.3	1,170.0	1,240.0
	Adjusted Operating Profit	141.3	184.1	192.0	220.0		Adjusted Operating Profit	45.7	55.1	101.0	130.0
	% of revenue	8.1%	9.6%	9.8%	11.0%		% of revenue	4.4%	5.1%	8.6%	10.5%

NEC IR Day 2024

TIME	PROGRAM	SPEAKER
13:00 - 13:05	Opening Remarks	Corporate Executive Vice President and CFO (Representative Executive Officer), Member of the Board Osamu Fujikawa
13:10 - 14:40	IT Services	Corporate Senior Executive Vice President and Co-COO Kazuhiro Sakai Corporate Senior Executive Vice President and CDO Toshifumi Yoshizaki Corporate Senior Vice President Tomoki Kubo
14:50 - 15:50	Social Infrastructure	Corporate Senior Executive Vice President and Co-COO Masakazu Yamashina
16:00- 17:00	Dialogue with Independent directors	Member of the Board (Independent Director) Harufumi Mochizuki Member of the Board (Independent Director) Yoshihito Yamada Corporate Secretary (Executive Officer) Member of Board Hajime Matsukura

Introduction of NEC's R&D and new business developments, as well as demonstration of the latest technologies

NEC Innovation Day 2024



Main Host

Corporate Executive Vice
President and CTO

**Motoo
Nishihara**

11/27 WED

NEC Tamagawa
office

AM For Capital market & Media

NEC

\Orchestrating a brighter world

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 the Company 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:

- adverse economic conditions in Japan or internationally;
- foreign currency exchange and interest rate risks;
- changes in the markets in which the NEC Group operates;
- impact from the outbreak of infections;
- potential inability to achieve the goals in the NEC Group's medium-term management plan;
- fluctuations in the NEC Group's revenue and profitability from period to period;
- difficulty achieving the benefits expected from acquisitions, business combinations, reorganizations and business withdrawals;
- potential deterioration in the NEC Group's relationships with strategic partners or problems relating to their products or services;
- difficulty achieving the NEC Group's growth strategies outside Japan;
- potential inability to keep pace with rapid technological advancements in the NEC Group's industry and to commercialize new technologies;
- intense competition in the markets in which the NEC Group operates;
- risks relating to the NEC Group's concentrated customer base;
- difficulties with respect to new businesses;
- potential failures in the products and services the NEC Group provides;
- potential failure to procure components, equipment or other supplies;
- difficulties protecting the NEC Group's intellectual property rights;
- potential inability to obtain certain intellectual property licenses;
- the NEC Group's customers may encounter financial difficulties;
- difficulty attracting, hiring and retaining skilled personnel;
- difficulty obtaining additional financing to meet the NEC Group's funding needs;
- potential failure of internal controls;
- potentially costly and time-consuming legal proceedings;
- risks related to regulatory change and uncertainty;
- risks related to environmental laws and regulations;
- information security and data protection concerns and restrictions;
- potential changes in effective tax rates or deferred tax assets, or adverse tax examinations;
- risks related to corporate governance and social responsibility requirements;
- risks related to natural disasters, public health issues, armed hostilities and terrorism;
- risks related to the NEC Group's pension assets and defined benefit obligations; and
- risks related to impairment losses with regard to goodwill.

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

Note: In this presentation, the accounting periods of the fiscal years for March 31,2023, 2024, and 2025 were referred as FY23/3, FY24/3, and FY25/3, respectively. Any other fiscal years would be referred similarly.