

Summary of Operating Results for 1Q for the Fiscal Year ending March 31, 2012

July 26, 2011
NEC Mobiling, Ltd.

Notes About This Document

Forecasts related to future business performance, one aspect of the current strategies, plans and awareness at NEC Mobiling, Ltd. described in these materials, involve risks and uncertain factors. It should be noted that actual business performance may differ greatly from these forecasts due to a variety of factors. Primary factors with an impact on actual business performance include economic conditions and social trends affecting the scope of business of the Company, trend in demand for products and services provided by the Company, pressures for price reductions due to enhanced competition, and the ability of the Company's technological capability to respond to the customer's requests. Factors with an impact on business performance are not limited to those herein described.

- ※This document has been prepared as a guide to non-Japanese analysts for their convenience only and is a translation summary of the Japanese language original.
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Basic Principles

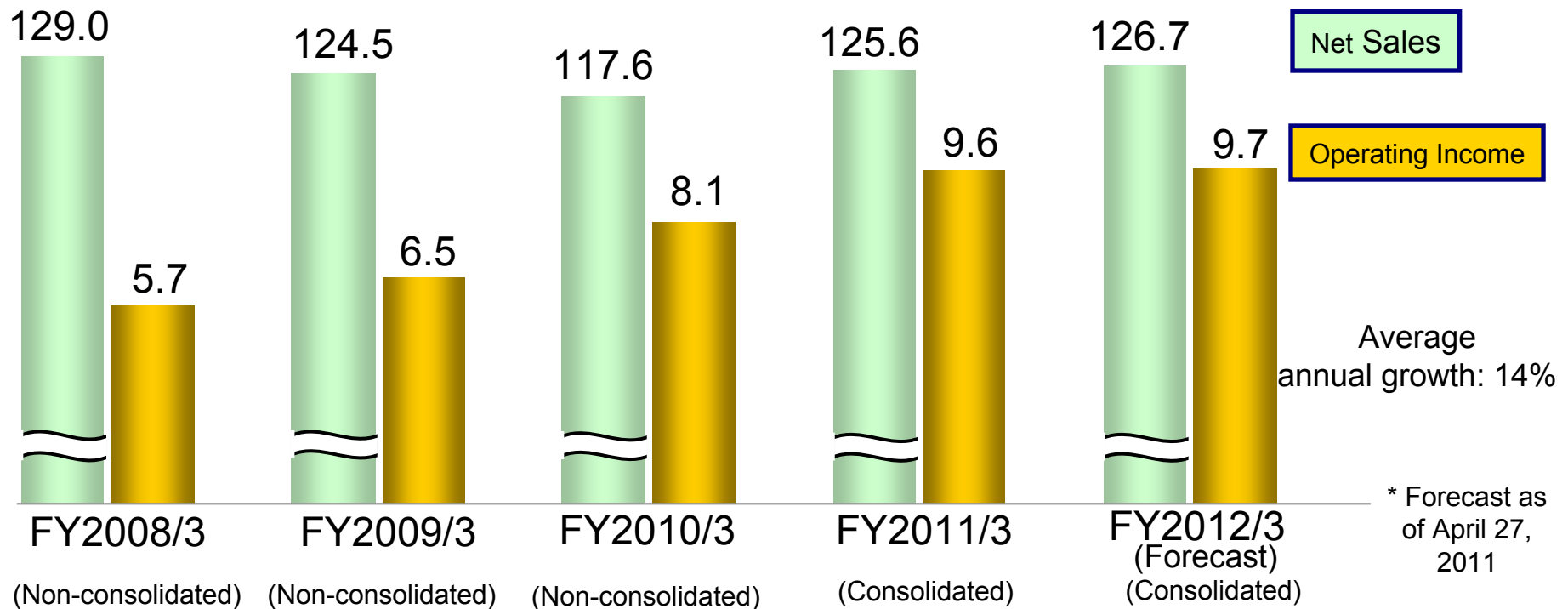
**Aiming to be a company that outshines all
in an upcoming highly sophisticated ICT society**

Seeking consecutive years of record-high profit

Actions to reinforce existing businesses

Creation and fostering of new businesses

(Billions of Yen)



FY 2012/3 Fiscal Earnings Forecast – Major Indexes

(Billions of Yen)

	FY2011/3	FY2012/3 (Forecast)	YoY change	
Net Sales	125.6	126.7	1.1	+1%
Operating Income	9.61	9.70	0.09	+1%
(%)	(7.6%)	(7.7%)		
Ordinary Income	9.82	9.90	0.08	+1%
(%)	(7.8%)	(7.8%)		
Net Income	5.50	5.50	0.00	+0%
(%)	(4.4%)	(4.3%)		
ROE (%)	14.9%	13.5%		
Free Cash Flows	4.14	4.50		
Dividend per Share (Yen)	100	120		
Number of Employees	1,199	1,250		

* Forecast as of April 27, 2011

FY 2012/3 Fiscal Earnings Forecast – by Business Segment

(Billions of Yen)

		FY2011/3	FY2012/3 (Forecast)	YoY change	
Net Sales		125.6	126.7	1.1	+1%
	Mobile Sales	90.3	91.4	1.1	+1%
	Mobile Service	35.3	35.3	0.0	+0%
Operating Income		9.61	9.70	0.09	+1%
	Mobile Sales	3.46	3.55	0.09	+3%
	Mobile Service	6.15	6.15	0.00	+0%

* Forecast as of April 27, 2011

Overview of Operating Results for 1Q – Major Indexes

■ Marking record-high profit for 1Q

(Billions of Yen)

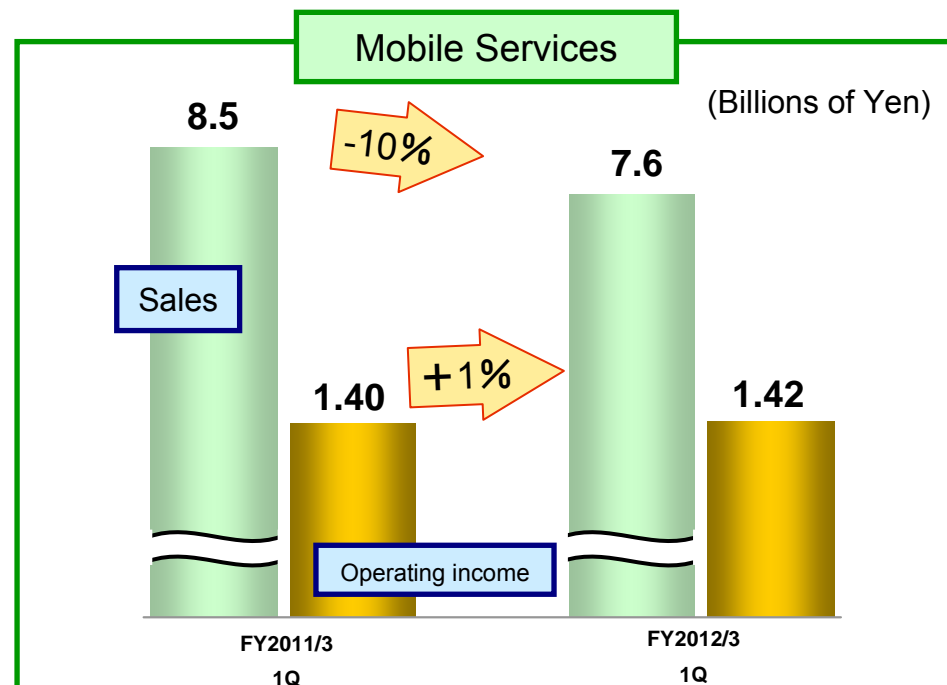
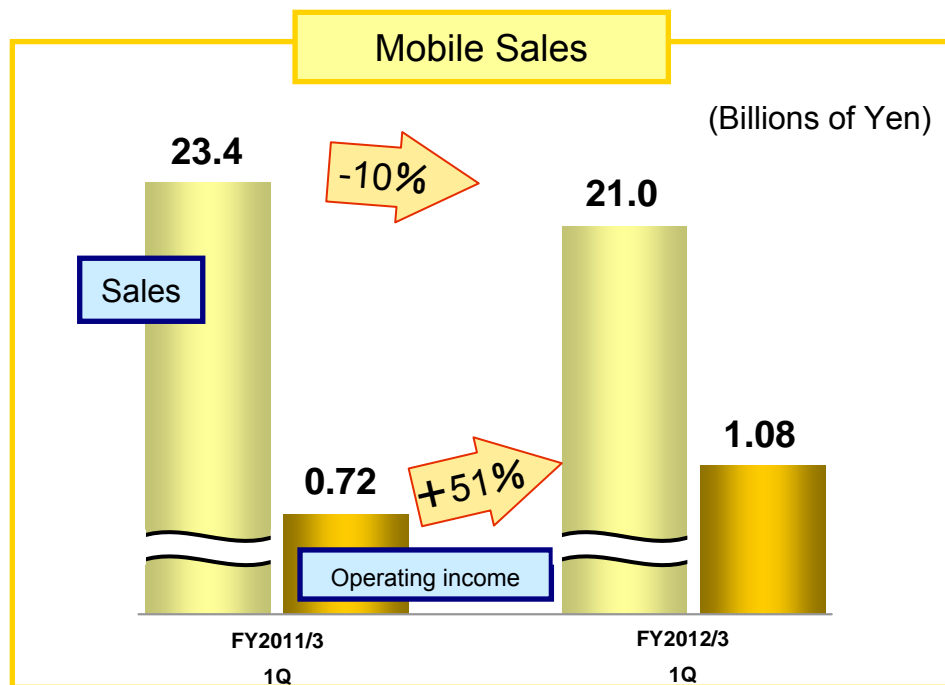
	FY2011/3 1Q	FY2012/3 1Q	YoY	
Net Sales	31.9	28.6	-3.3	-10%
Operating Income (%)	2.12 (6.6%)	2.50 (8.7%)	0.38	+18%
Ordinary Income (%)	2.15 (6.8%)	2.56 (9.0%)	0.41	+19%
Net Income (%)	1.17 (3.7%)	1.40 (4.9%)	0.23	+20%

Overview of Operating Results for 1Q – by Business Segment

(Billions of Yen)

	FY2011/3 1Q	FY2012/3 1Q	YoY	
Net Sales	31.9	28.6	-3.3	-10%
Mobile Sales	23.4	21.0	-2.4	-10%
Mobile Service	8.5	7.6	-0.9	-10%
Operating Income	2.12	2.50	0.38	+18%
Mobile Sales	0.72	1.08	0.36	+51%
Mobile Service	1.40	1.42	0.02	+1%

Overview of Operating Results for 1Q – by Business Segment



Sales

- Increase in the number of sales of smartphones despite flat sales for the mobile phone total
- Average selling price declined according to the declining average purchasing price

Operating Income

- Actions by individual retail shops to maximize profit
- Increase through expanded sales of accessories, peripherals and other mobile phone related goods

Sales

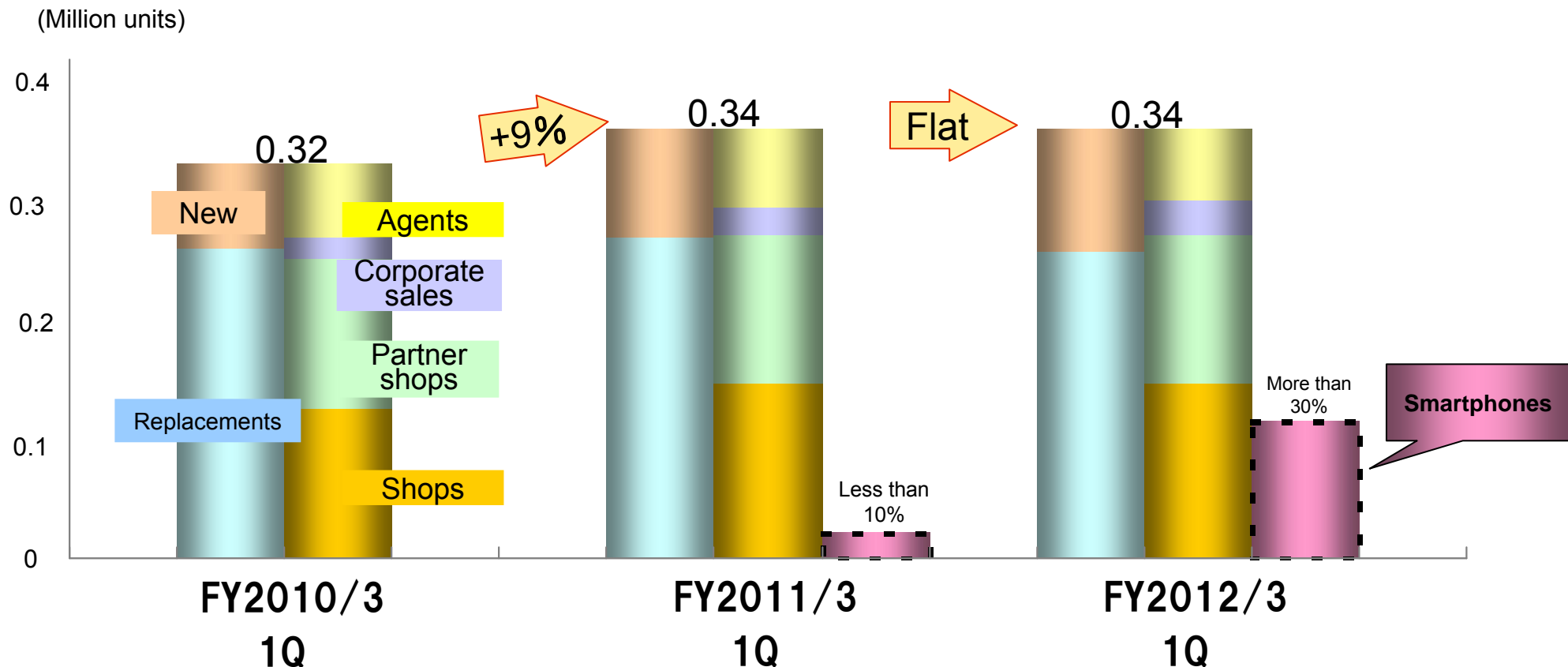
- Decrease in demand for handset repairs
- Steady effect of greater mobile network operator interest in improving network quality

Operating Income

- Strengthened effort toward cost reduction activities

Mobile Sales Business – Number of Mobile Phones Sold

- Focused effort to sell smartphones and data communications equipment
- Sold 0.34 million sets (remains unchanged year-on-year)
- Smartphones accounting for more than 30% of the mobile phones sold



Mobile Sales Business

— Measures responding to increasing demand for smartphones

Establishing new ways of selling mobile phones and ever-diversifying applications that best suit the smartphone era, and seeking ideal ways of providing customer support

- ◆ Offer support service
- ◆ Provide advice on selecting apps that best meet individual needs



Smartphone specialty shop

First shop: “AND market Kasumigaseki”
(Grand opening in July 2011)



Improving customer service using our “Visual Concierge Service” (VCS) and “Smart Concierge Service” (SCS)

Visual Concierge Service

Dealing with any technical questions

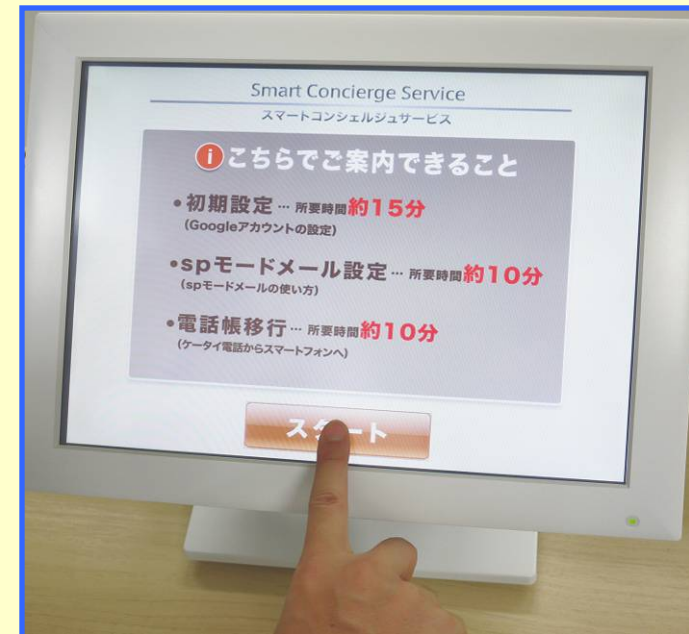
Screens located at shops



Contact center

Smart Concierge Service

Initial device setup by the customer by following the instructions on the display



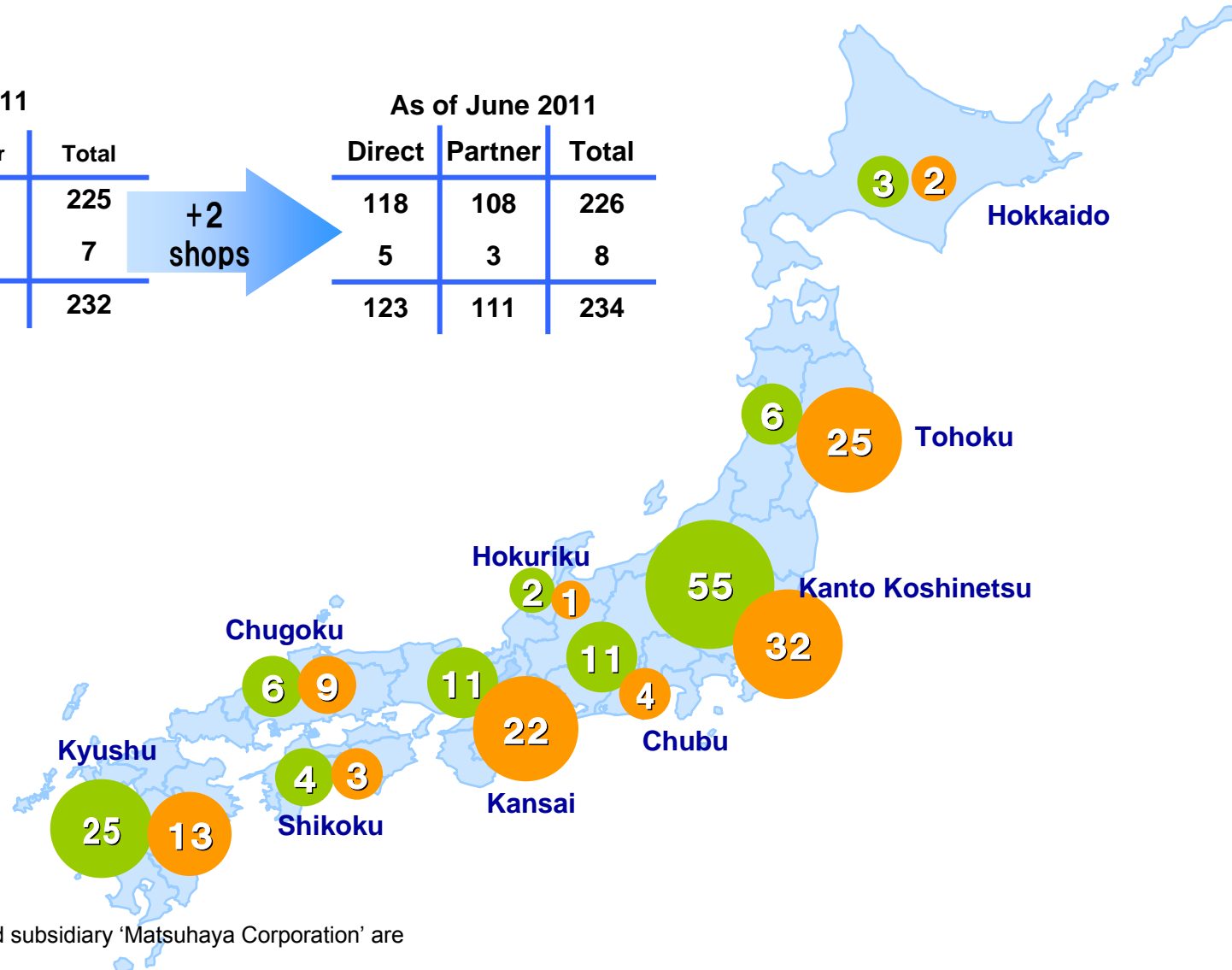
Mobile Sales Business – Sales Channels

Number of shops

	As of March 2011				As of June 2011		
	Direct	Partner	Total		Direct	Partner	Total
DOCOMO Shops	118	107	225	+2 shops	118	108	226
au shops, and SoftBank shops	4	3	7		5	3	8
Total	122	110	232		123	111	234

Shop Network

123 : Direct Shops
 111 : Partner Shops
 (Total 234 shops)

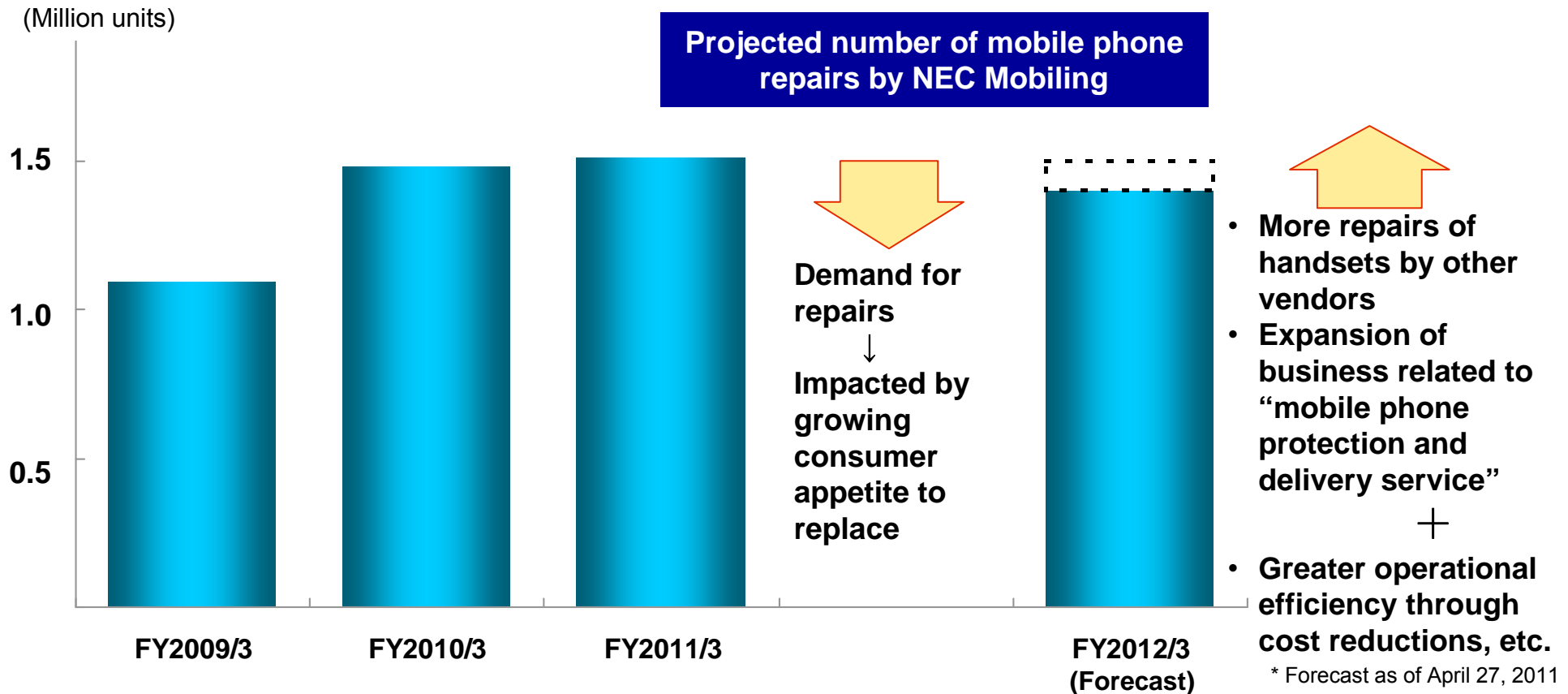


*13 shops in Kyushu operated by our consolidated subsidiary 'Matsuhaya Corporation' are included in direct shops.

Mobile Service Business – Mobile Phone Repairs

Accelerated consumer shift to replace

- Induced by aggressive sales promotion by mobile network operators (e.g., discounts in the form of deductions from monthly communications charges)



Mobile Service Business – Base Station-related

Recent trends exhibited by
mobile network operators

- Growing demand for base stations
(Area improvement and capacity expansion)

docomo

Overwhelmingly superior
wireless quality
The leader in LTE services

Undertakings to improve
wireless quality
(Plans to double base stations)
(Femtocell base stations)
(Indoor Wi-Fi)

SoftBank

Reorganization of
the 800 MHz band
Multiple-network
strategy
(WiMAX)

KDDI

NEC Mobiling's Actions

- Consistent business wins to capture growing demand for base station improvements
- Participation in upstream processes (e.g., area designing)
- New business development and business wins for a broader range of services to be built on existing residential signal-strength testing services

Future Business Development

– New Business Development to Benefit from the Home ICT Market (Home ICT Shop)

Expanding market for auxiliary merchandise

- Mobile phones
- Data products
- Smartphones
- Tablets
- peripheral mobile merchandise
- Accessories
- Network devices



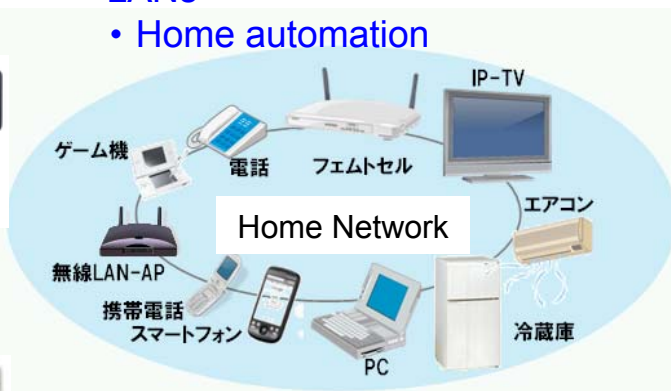
Carrier-branded products

Products developed or sourced by NEC Mobiling

Products related to home ICTs

Growth of home networks

- Digital home appliances
- Network products for residential LANs
- Home automation



Broadband access
(Fixed and Mobile)

Contents and apps

Home ICT Shop

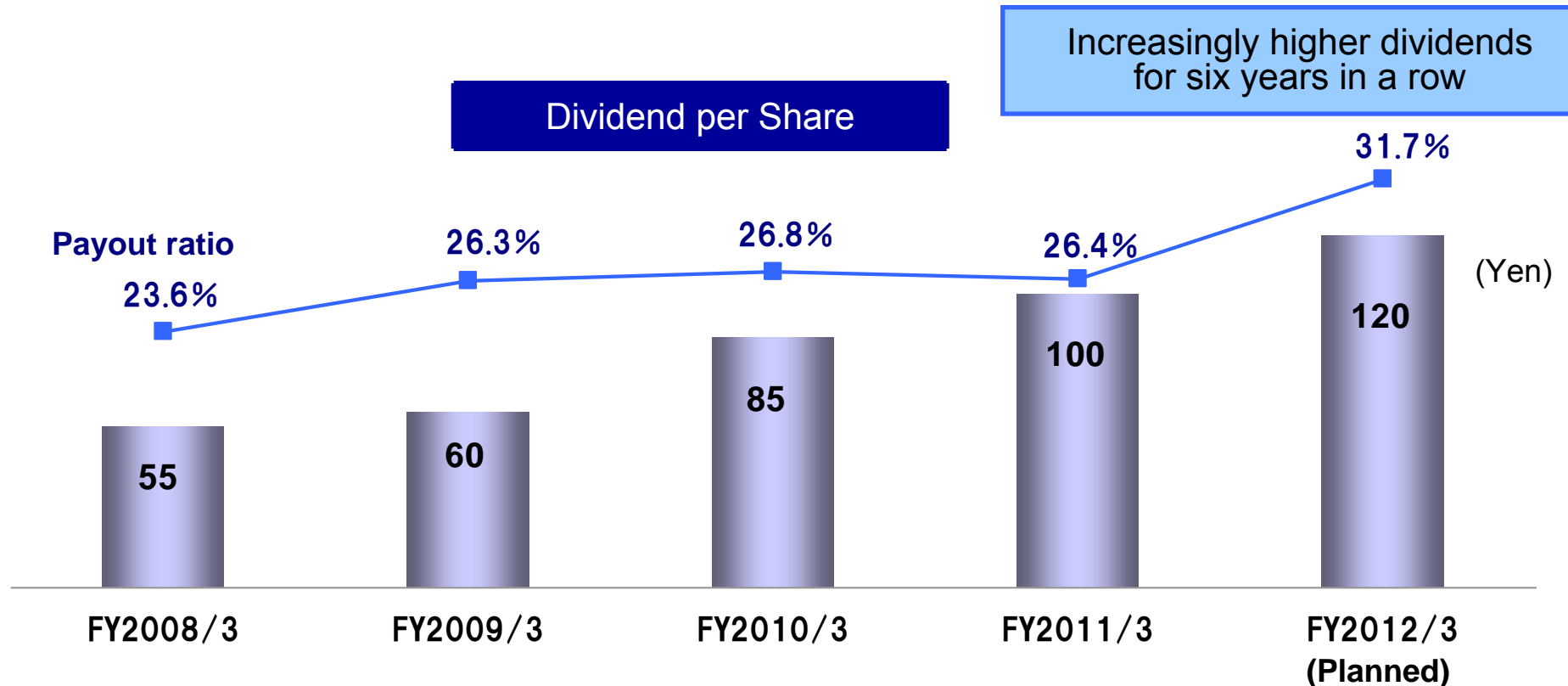
- Consultation
- Set-up and installation support
- Hardware
- Contents and Apps
- Delivery of support services to users



Shareholder Returns

Policy

- Stable dividend payouts considering about 30% to be maintained, reflecting the company's major management priority of according respect and importance to valued shareholders
- An annual dividend of 120 yen per share (an increase of 20 yen over the previous fiscal year) is planned for the fiscal year ending March 31, 2012.



Empowered by Innovation

NEC