Social Infrastructure

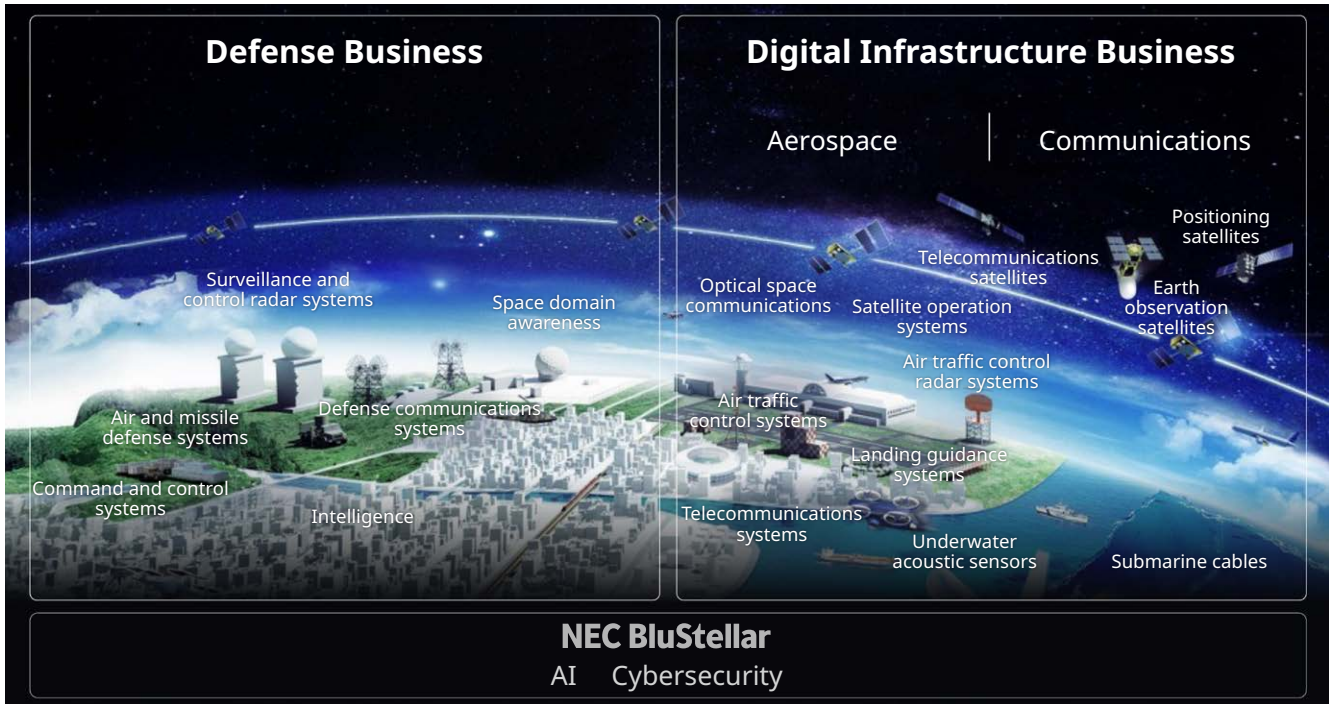
Aerospace and National Security Business

Business Overview

In the Aerospace and National Security (ANS) business, we mainly provide ICT solutions for government agencies. We provide hardware such as radar equipment, secure communications systems, and satellites, as well as ground systems for aircraft and satellite control and data processing, and develop advanced technologies to support said hardware.

Strengths

- Technological capabilities cultivated over many years, including advanced optical communication technologies from the ocean floor to outer space; world-leading radio-wave and acoustic sensing, AI, and cybersecurity technologies
- Consistent business structure from in-house design and development through to manufacturing, implementation, operation, and maintenance



Business Strategy

Enhancing Capabilities and Growth Strategies in Response to Expanding Defense Budgets

Against the backdrop of increasing geopolitical risks and the growing importance of economic security, opportunities for NEC's defense business are expanding. With the anticipated increase in government defense spending in mind, NEC is strengthening its workforce and facilities and building organizational capabilities to respond flexibly to strong demand and further budget growth. Going forward, NEC will leverage its strengths in IT, networks, and sensors to focus on growth areas such as integrated air and missile defense capabilities, cross-domain operational capabilities, and command, control, and intelligence-related functions, with the aim of achieving stable growth both in Japan and internationally.

Global Rollout of Defense Equipment Transfers and Dual-use Products

In its defense business, NEC is promoting defense equipment transfers and the global expansion of dual-use products in accordance with government policy. In April 2026, NEC signed a contract to supply onboard equipment for the Royal Australian Navy's next-generation general-purpose frigates. NEC will provide products drawing on its technologies and track record in the communications and sensing fields developed through its work for the Japan Maritime Self-Defense Force, including sonar systems for surface vessels and the Unified Complex Radio Antenna (UNICORN) integrated communication antenna. Going forward, NEC will continue to pursue opportunities globally while ensuring appropriate procedures and compliance with applicable laws and regulations.



Source: Japan Maritime Self-Defense Force website
https://www.mod.go.jp/msdf/equipment/ships/ffm/mogami/ (in Japanese only)

Global Collaboration to Strengthen Defense and Deployment of the Next-generation "CyIOC" Service

In the defense sector, strengthening Active Cyber Defense (ACD) capabilities has become increasingly important in response to the growing sophistication of cyberattacks. In June 2026, NEC signed a memorandum of understanding with BAE Systems of the United Kingdom regarding the joint development, implementation, and delivery of ACD solutions. NEC has also begun offering CyIOC, a next-generation cybersecurity service that combines NEC's proprietary intelligence with AI technologies. Through monitoring and analysis by dedicated teams and around-the-clock operations, CyIOC provides comprehensive support for enhancing the cyber resilience of enterprises and government organizations.

Submarine Systems / Network Infrastructure Business

Business Overview

In the submarine systems business, we provide comprehensive support for submarine cable systems, primarily for telecommunications carriers, covering all aspects from design and development to installation. Submarine cable communications have become critical infrastructure for international networks, carrying 99% of intercontinental communications.

In the network infrastructure business, we provide network equipment, infrastructure systems for operations management, and operational services primarily to telecommunications carriers, supporting the networks that are the core of the digital society.

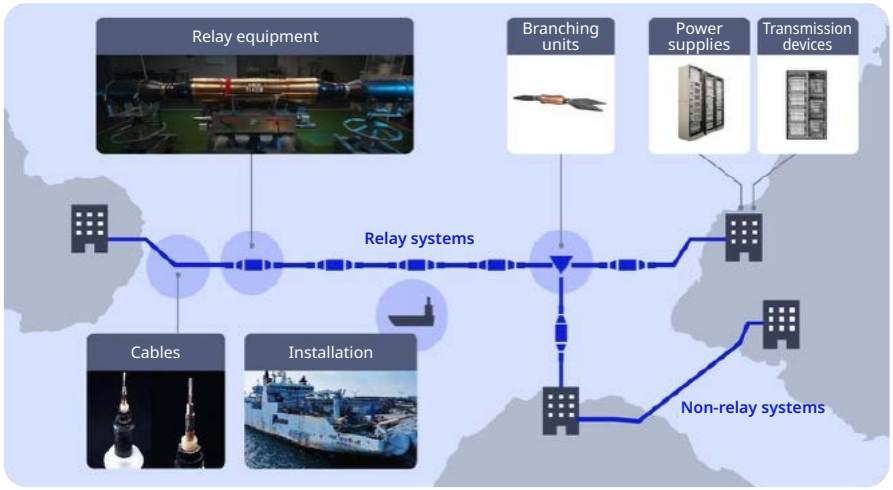
Strengths (Submarine Systems Business)

- One of the top three companies globally in terms of submarine cable business market share
- Extensive track record in cable installation across the Asia-Pacific region and high-capacity communications enabled by cutting-edge optical technologies

Strengths (Network Infrastructure Business)

- Assets, expertise, network technologies, and proposal capabilities built on a proven track record in mission-critical environments

Overview of the Submarine Cable Business

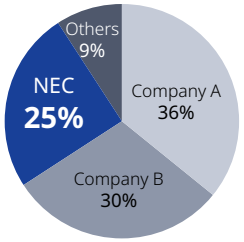


Business Strategy

Responding to Growing Demand for Submarine Cables

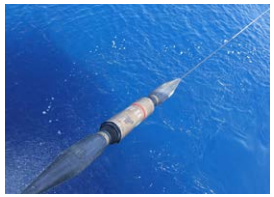
Driven by the proliferation of social media and AI, as well as the growing use of data centers, the submarine cable market continues to expand. The customer base is also broadening from traditional domestic telecommunications carriers to hyperscalers and others. As a result, the market is expected to grow from approximately ¥300 billion per year to around ¥500 billion annually. With the Asia-Pacific region expected to account for more than half of the market going forward, NEC aims to achieve a 35% market share by leveraging its strengths as a Japan-based company and its cutting-edge high-capacity communications technologies.

Submarine Cable Market Share
(FY2012 to FY2025 based on in-house research)



Strengthening Submarine Cable Installation Capabilities

To achieve a 35% market share in the submarine cable business, NEC views both installation capabilities and manufacturing capacity as key drivers of growth. Over the next five years, NEC plans to establish a multivessel operation by utilizing both Company-owned and chartered vessels. By carrying out installation projects under its own management, NEC will accumulate installation expertise while improving profitability. Although a shortage of cable-laying vessels is expected in the future, market growth is also subject to fluctuations. Accordingly, investment decisions will be made carefully, considering demand trends and profitability.



Building Trusted Networks for an AI-native Society

As AI increasingly takes on a role in decisions that shape society, the requirements for networks are shifting from simply providing connectivity to being trusted to perform reliably. NEC supports communications infrastructure through more than a decade of expertise in virtualization technologies, device technologies such as high-capacity optical transceivers and wireless RF devices, and a proven track record spanning the planning, design, and operation of networks. By leveraging these technological assets and its strengths in network design and operational excellence, NEC is driving the implementation of trusted networks and helping to build the foundation for an AI-native society.