

Strategic Growth Driven by the NEC BluStellar Scenario

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Strategic Growth Driven by the NEC BluStellar Scenario

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Strategic Overview and Key Themes

NEC BluStellar is the key driver of client value creation.

NEC will drive further business growth through three strategic points

Strategic Points for Business Growth

- Penetration and expansion of NEC BluStellar Scenario
- Competitive advantages through AI and security
- Market expansion strategy

Foundations built to date for NEC BluStellar

Business Model

DX success Know-how gained through co-creation with clients and internal expertise

Technology

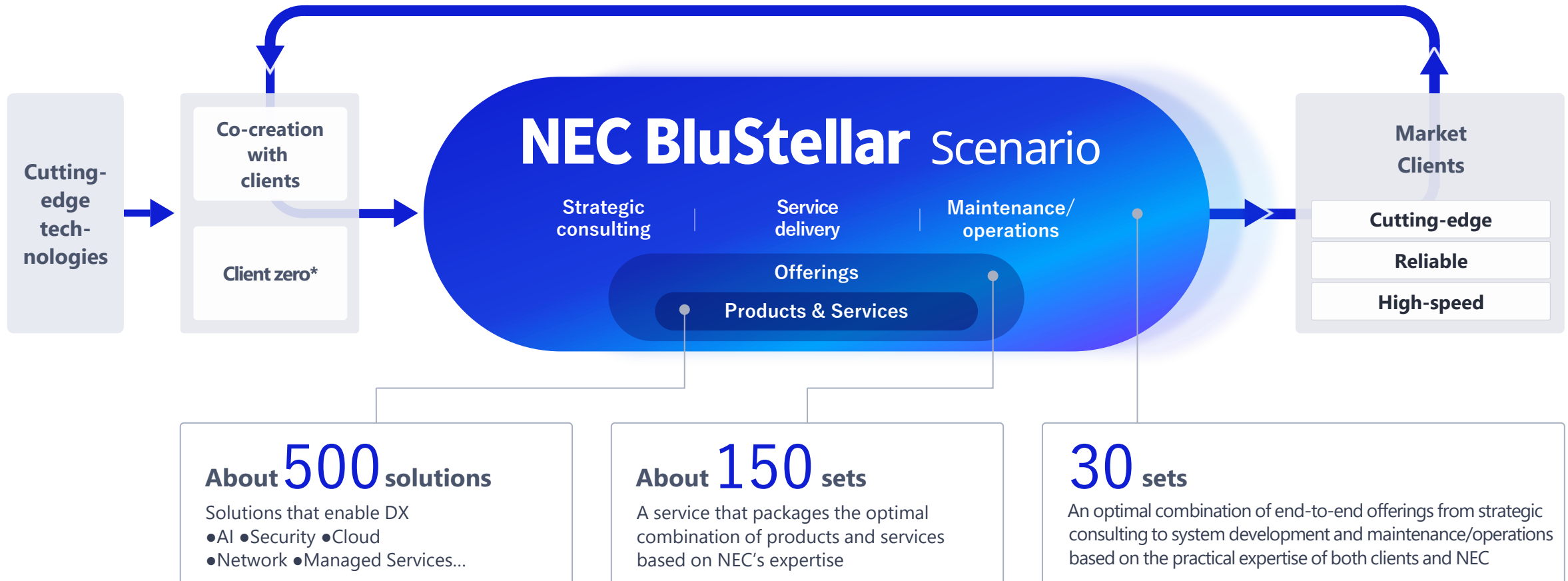
Innovative solutions leveraging core technologies such as AI and security

Organization/Talent

Numerous professionals and partners with experience in co-creating solutions for clients' management challenges

Business Model of NEC BluStellar

NEC BluStellar Scenario is an end-to-end approach that leverages cutting-edge technology to address client challenges reliably and at high-speed.



*The act of putting cutting-edge technologies into practice, positioning NEC itself as the "zeroth client"

Quantitative Targets and Plan

NEC BluStellar (excluding Abeam Consulting) targets JPY 700bn in revenue and aims to establish a business model with a 20% adjusted operating profit margin by increasing the share of higher-value NEC BluStellar Scenario and NEC BluStellar offerings

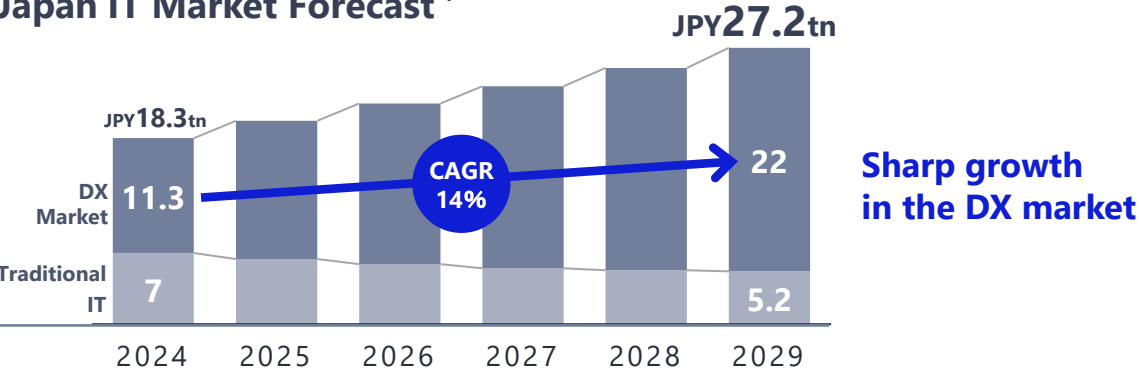


Penetration and Expansion of NEC BluStellar Scenario

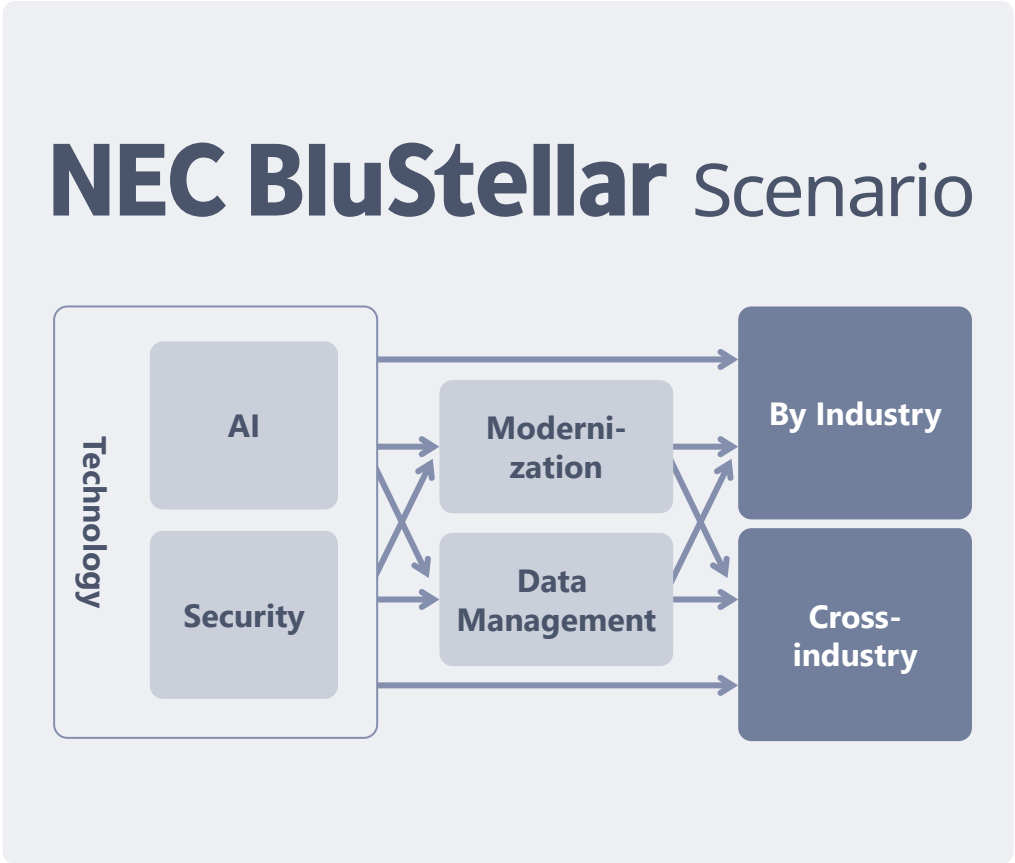
By combining NEC’s strengths in AI and security with high-growth market opportunities, NEC enhances the competitiveness of NEC BluStellar Scenario and delivers new value that addresses clients’ management challenges

An accelerating DX market and clients’ management challenges

Japan IT Market Forecast*1



Top 3 Management Challenges for Clients*2

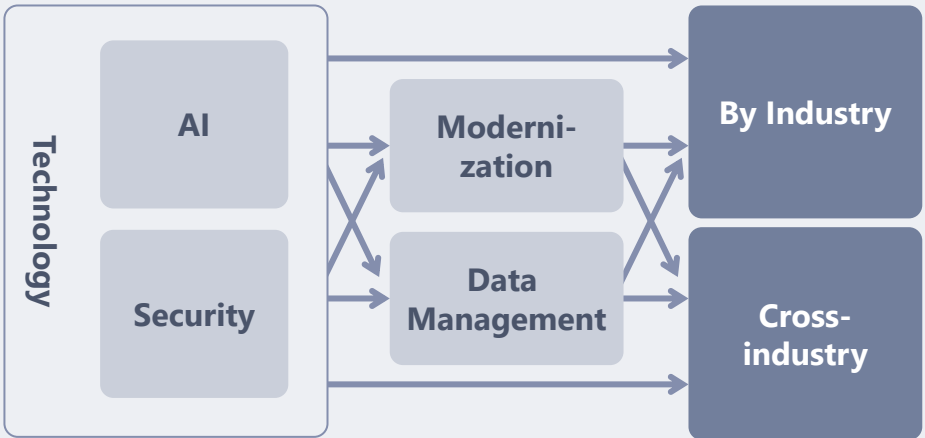


*1 Prepared by NEC based on research firm data *2 Source: NEC research

Value of NEC BluStellar Scenario

With a consulting-led approach grounded in technology and proven results, NEC more rapidly and reliably transforms every phase—from concept through implementation to success—into client value in addressing clients’ management challenges

NEC BluStellar Scenario



Standardizing quality based on best practices and Client Zero

High quality based on cutting-edge technology and strong track record
High Reliability

Increasing value from NEC BluStellar P&S*, to NEC BluStellar Offerings, to NEC BluStellar Scenario (provided as a repeatable model)

Convincing value and return on investment(ROI) aligned with provided benefits
High Value

Sharing blueprint from Client Zero and co-creation case, and accelerating delivery by standardizing value models

Rapid delivery of value in addressing management challenges
High Speed

Market Clients

* Products & Services

List of Scenarios (30 sets)

☐ Case studies provided

Agenda		Cross-industry (16 sets)	
		Group Name	Name
Business Model	Societal and business innovation • New markets • Creation of business models • Data-driven management • Attractive city planning	NEC BluStellar Social & Business Innovation Innovation through use of data	Improvement and evolution of management/business management through enhancing data-driven decision-making capabilities Provide a safe and comfortable travel experience through more efficient identity checks
	Customer experience transformation • Customer experience transformation	NEC BluStellar Customer eXperience Enhance customer experience through real/digital integration	Create new customer experiences and expand profits by increasing customer understanding Enhanced customer experience value starting with the advancement of contact center operations
	Operational reforms • Operational advancement • Streamlining	NEC BluStellar Process Innovation Business reforms through advancement and streamlining of operations	Accelerate company-wide decision-making through S&OP process transformation to drive profit growth. Strengthen foundation for management strategy by unifying real estate and facility data Operational streamlining and revenue expansion through sales data visualization and use of AI Enhance business continuity by strengthening facility safety and physical security
Organization/Personnel	Organization/personnel transformation • Organization/personnel transformation for DX • Workstyle innovation	NEC BluStellar WorkStyle Innovation Organizational reform, training of personnel, and new workstyles	Empowering New Workstyles: How Digital ID and Data Enable the Future of Work Organizational reform and trainings through NEC BluStellar Academy for DX
Technology	Digital platform transformation • Cloud lift & shift, modernization • Digital trust/security • Traditional AI and generative AI & data use	NEC BluStellar Modernization Flexible and resilient business systems through modernization	Optimal, safe, and reliable modernization of operating and IT systems Optimal OA system modernization for clients
		NEC BluStellar ICT Service Management Flexible and solid ICT infrastructure through operational advancement and streamlining	Business process improvement through operational DX in a hybrid IT environment Provide network and security environments suited to DX Network
		NEC BluStellar Digital Security Transformation Establish cybersecurity that supports business growth	Security Management Reform to Sustain Business Security
		NEC BluStellar AI Transformation Management reforms through use of Traditional AI/ generative AI	Resolve complicated management challenges using traditional AI and generative AI AI

By Industry (14 sets)		
"For" Industry Name	Group Name	Name
Scenario for manufacturing	NEC BluStellar Process Innovation Business reforms through advancement and streamlining of operations	Enhance fluctuation resilience through Supply Chain reinforcement Strengthening product competitiveness and development capabilities through the evolution of the engineering value chain Business Process Transformation through the Realization of Smart Manufacturing
	NEC BluStellar Modernization Flexible and resilient business systems through modernization	Modernization Modernization program for financial institutions
	NEC BluStellar Social & Business Innovation Innovation through use of data	Education environment in which a diverse student body can select desired courses through use of data Enhance research capabilities through a more advanced foundation for research information
Scenario for universities and research institutions	NEC BluStellar Customer eXperience Enhance customer experience through real/digital integration	Smart campus allowing for a comfortable and rich student experience with digital technology
	NEC BluStellar Customer eXperience Enhance customer experience through real/digital integration	Seamless Travel Experience
Scenario for airports	NEC BluStellar Process Innovation Business reforms through advancement and streamlining of operations	Airside Operation Automation
	NEC BluStellar Modernization Flexible and resilient business systems through modernization	Modernization for Government and Local Governments to Strengthen Digital Infrastructure and Improve Operational Efficiency
Scenario for government agencies	NEC BluStellar ICT Service Management Flexible and solid ICT infrastructure through operational advancement and streamlining	Provide a flexible ICT environment to prevent gaps in surveillance
	NEC BluStellar Customer eXperience Enhance customer experience through real/digital integration	Frictionless customer experience using face recognition Advancement of customer experience and new value creation through achievement of the OMO strategy
Scenario for retail	NEC BluStellar Process Innovation Business reforms through advancement and streamlining of operations	Next-generation warehouse management to enhance productivity through automation and visualization

Competitive Advantages through AI and Security

Driving internal reforms (Client Zero) based on in-house technology and partnerships, and enhancing client value and productivity by refining NEC BluStellar Scenario

NEC's Strengths

AI | Safe and reliable AI supporting successful change

Biometric Authentication
In NIST*1 benchmark tests:
World's #1

Number of papers accepted at leading international conferences on Machine Learning*2
World's #10

Biometric Authentication, Image Recognition, Analytic/Responsive AI

Cumulative international patent applications **#1**

Security | Abundant professionals and advanced technology

Security service utilization rate
#1

High reputation in cybersecurity
#1

CISSP certification holders
Over 560
(As of March 2025)

MM Research Institute, Ltd. "Cybersecurity Workforce Trend Report" (as of July 2025)

Track Record with Client Zero/Best Practices*3

Management cockpit × AI	Renewal interval shortened by 96.7% <small>(1month→every day)</small>
Inquiry knowledge generation*4	Workload reduced by 83%/case <small>(60 minutes/case→10minute/case)</small>
Advanced security audit activities using generative AI*5	Audit report preparation time shortened by 70% <small>(200 minutes→60 minutes)</small>
Rapid detection of vulnerabilities	Time to detection and notification shortened by 86% <small>(7 days→1 day)</small>

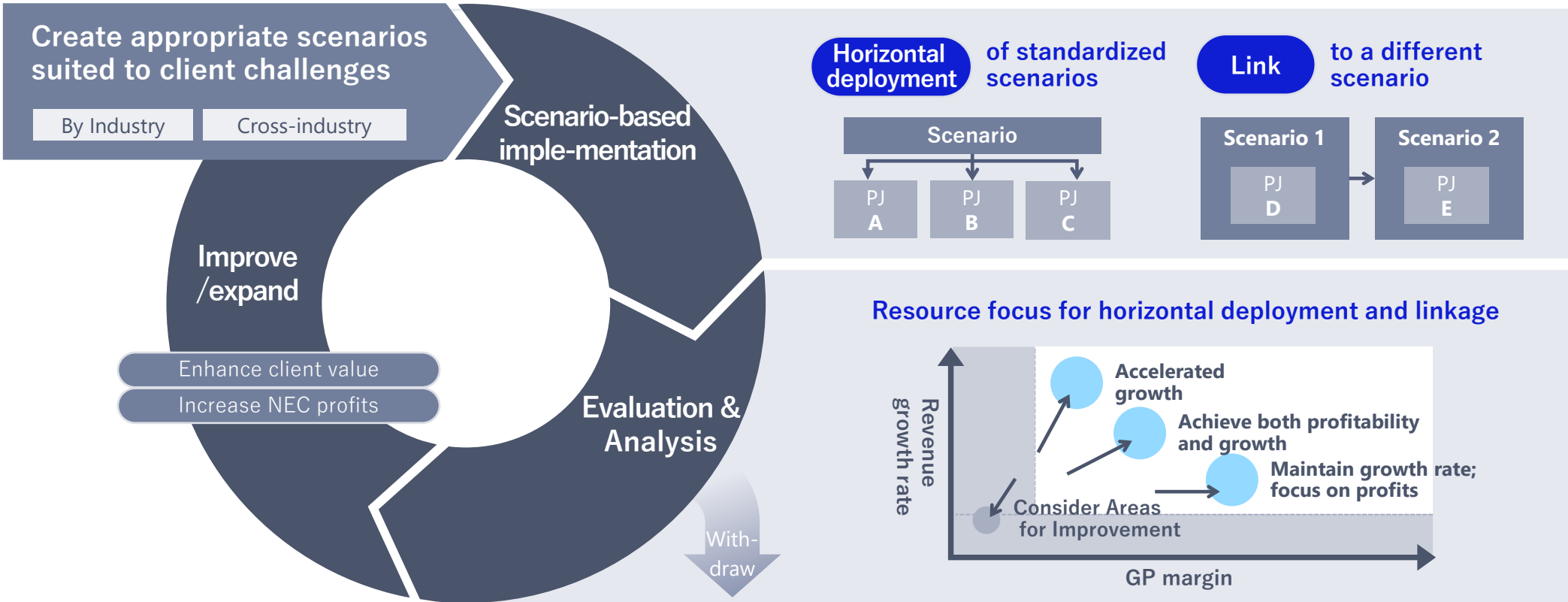
Incorporated into Scenario

*1 U.S. National Institute of Standards and Technology. Note that NIST's evaluation results do not represent US government recommendations of specific products, services, or companies. *2 Major international conferences: NeurIPS ICML, ECML, PKDD, KDD, ICDM. *3 All figures are based on NEC's own measurements under standard procedures. *4 Human Resource Area *5 Use of generative AI based on professionals' know-how leads to time reduction, increased audit scope, and higher quality

NEC BluStellar Scenario-based Implementation/Portfolio Management

Leveraging strengths in AI and security to efficiently increase standardized scenarios through horizontal deployment and linkage. Aiming for sustainable profit and enterprise value expansion by reflecting changes in the market and client needs

Increase overall profitability through portfolio management



Precisely identify target customers and rapidly design high-response campaigns using NEC's proprietary AI technology. Contributed to sales growth by accelerating and improving the accuracy of marketing

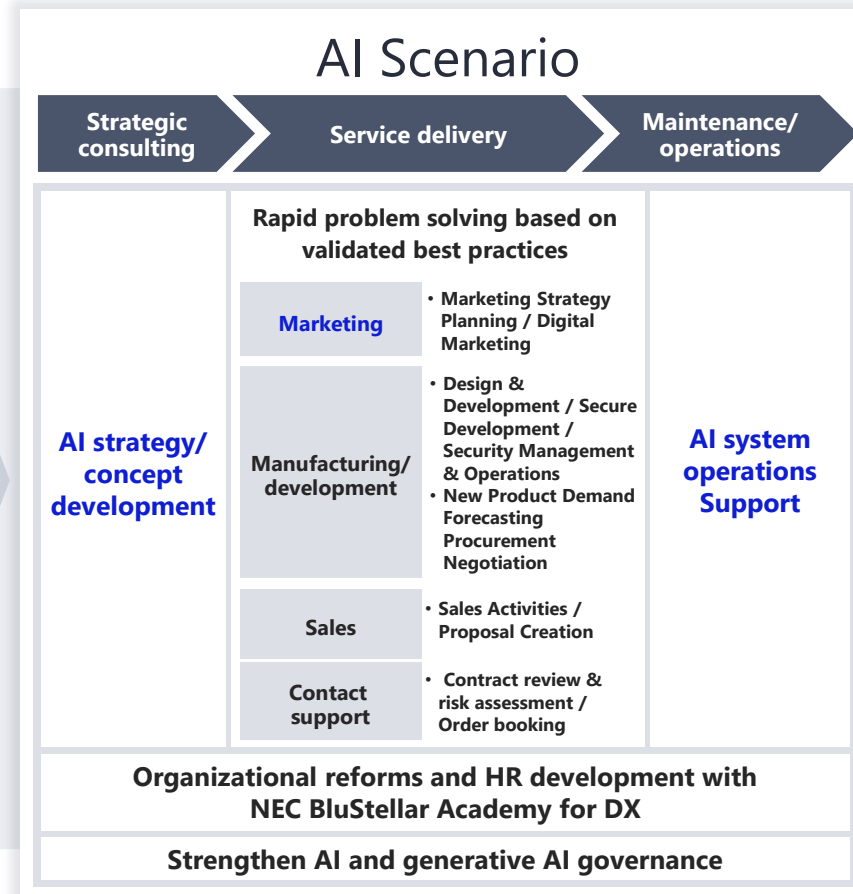
Client Challenges

Time-consuming

targeting and execution planning for marketing initiatives

Effective use of channels

such as TV, Web, and SNS for brand recognition and corporate value improvement



Value Proposition

Combined NEC's proprietary generative AI with purchasing-trend analytics

to extract only customers likely to show interest and instantly design high-response campaigns

Contributed to increased product sales by achieving **a 125% increase** in video views compared to the previous period

Customer Stories : Manufacturer

Link Network Security

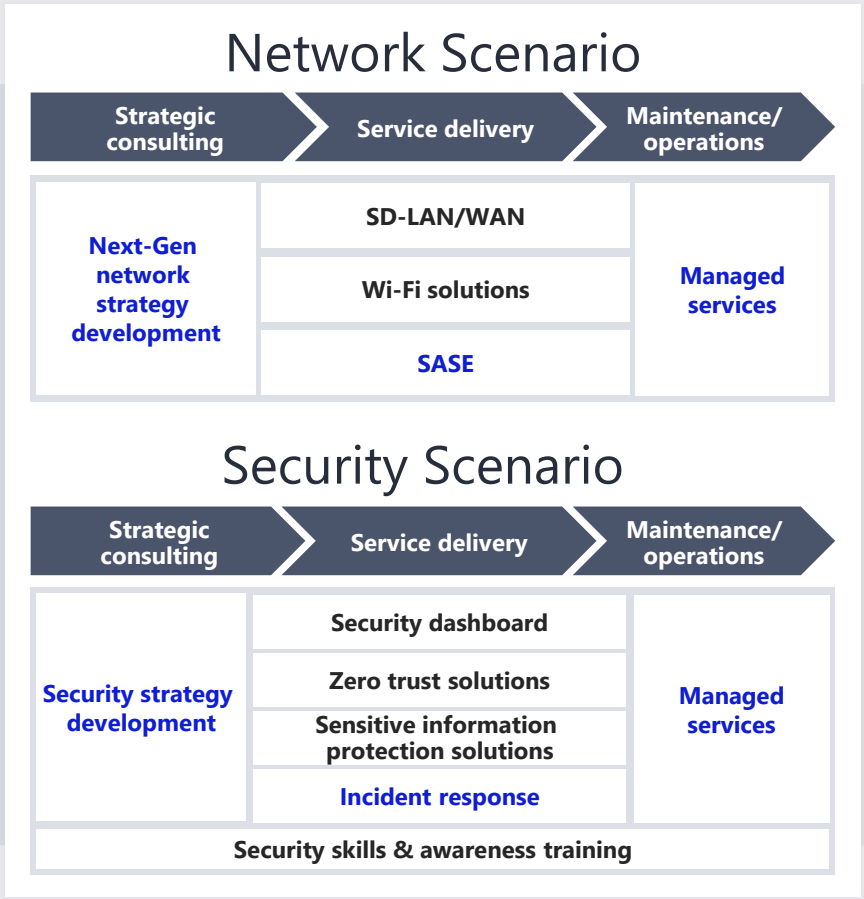
Optimized system costs by consolidating and integrating network infrastructure. Reduced enterprise security risk by linking Network and Security Scenario to reinforce global incident response and security governance

Client Challenges

Increased system costs and operational workload

due to system sprawl from business expansion and reorganization

Heightened management risk due to differences in the level of security measures across overseas group companies



Value Proposition

Consolidated and integrated an optimally designed network infrastructure to streamline operations and optimize system costs

Established a global incident response framework and reinforced security governance, lowering enterprise risk and strengthening business continuity

As a partner journeying alongside clients in their experience and process transformation, NEC delivers systems that satisfy both cost and scalability, helping to accelerate decision-making.

Client Challenges

Aimed to execute DX for customer experience and process redesign, but **struggled to translate the vision into a concrete plan and target architecture**

Data silos and data loss **result in increased the time and effort required for aggregation and analysis**

Modernization Scenario for Financial Institutions

Strategic consulting

Service delivery

Maintenance/
operations

Next-Gen
system
architecture
assessment
&
roadmap
development

Combination of 6
modernization categories
Support transformation
from renewal of legacy
systems to cloud lift/shift※

Applications

Development methods

Communication

Foundation

Data management

Operations

Managed
services

Value Proposition

Architecture advisory grounded in use cases and data **volumes optimized cost and agility**

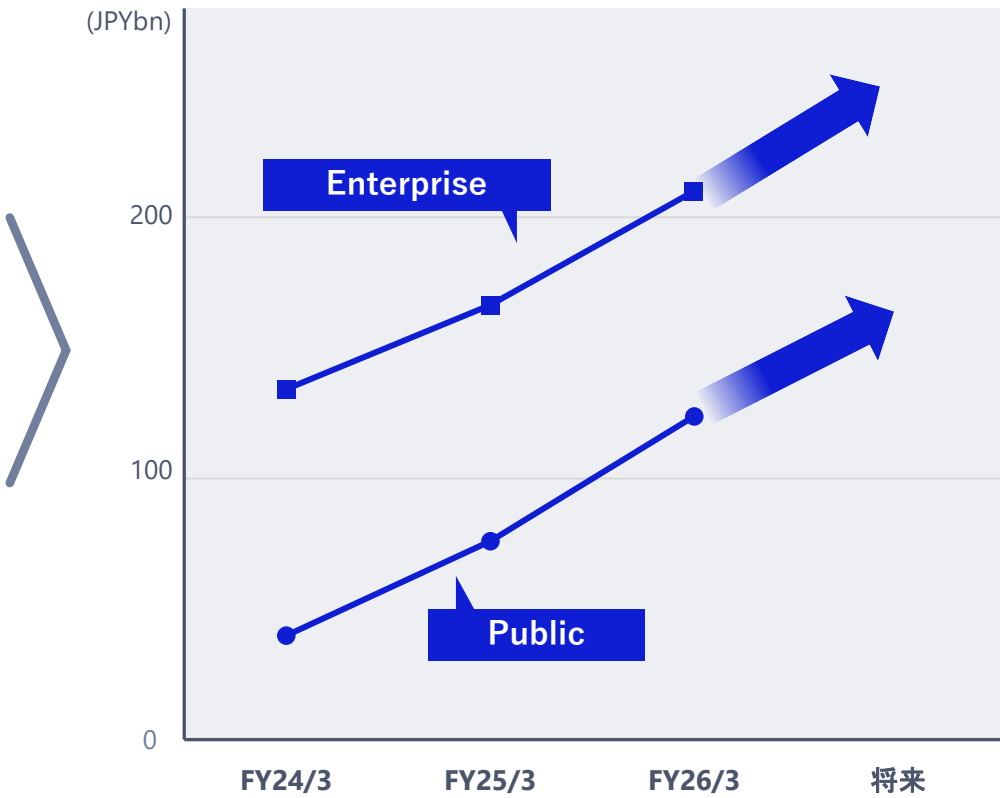
A unified data platform **reduced data preparation effort and accelerated decision-making**

Market Expansion Strategy

Expand value proposition while deepening client relationships
Scale NEC BluStellar broadly through concerted group-wide efforts and collaborations with partners

		Client Share Expansion (Enhance Value)	Market Share Expansion (Expand Scope)
Enterprise Market	WHOM	Strategic large accounts with a strong appetite for IT investments	Mid-tier clients with a strong appetite for DX investment
	HOW	Upstream consulting approach to client challenges	Industry-specific deployment approach through partnership collaboration
	WHAT	Practical NEC BluStellar Scenarios developed from Client Zero and refined through client Implementations	NEC BluStellar Scenario and NEC BluStellar Offerings that model success cases and know-how
Public Market	WHOM	Government agencies/ large local governments	Small/medium-sized local governments
	HOW	Policy-linked approach to social challenges	Area approach through combination of solutions with strong track records
	WHAT	NEC BluStellar Scenario for public market	NEC BluStellar Offerings for the public market

NEC BluStellar Revenue in Each Business Unit



BluStellar

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:

- occurrence of quality and safety problems concerning products and services;
- risks related to cybersecurity;
- difficulty attracting, hiring and retaining skilled personnel;
- failure to appropriately respond to human rights issues in the value chain, including employees;
- occurrence of serious misconduct such as bribery, fraudulent accounting, and violations of personal data protection laws and regulations;
- impact of climate change, natural disasters, and environmental issues;
- adverse changes in foreign currency exchange rates or interest rates, and other economic conditions;
- difficulty achieving acquisitions and business alliances;
- political and social environment in countries and regions in which the NEC Group operates;
- impact of technological innovation and risks related to Intellectual Property Rights;
- natural disasters, pandemics and other hazard risks; and
- occurrence of compliance issues related to violations of competition laws and export control laws.

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.