

Summary of Operating Results for 3Q for the Fiscal Year ending March 31, 2012

Jan. 25, 2012

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.
- ※All brand names, product names and company names and trademarks or registered trademarks are the property of their respective owners. "TM", "R" etc. are not used in this document.

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1. FY2012/03 3Q Overview of Operating Results

Overview of Operating Results for 3Q: Major Indexes

Robust sales of smartphones comfortably kept NEC Mobiling on the right trajectory to reach annual goals (percentage of annual operating income target achieved to date: 78%).

(Billions of Yen)

	Nine months (April-December)				FY2012/03 Forecast (Full Year)
	FY2011/03	FY2012/03	YoY		
Net Sales	92.8	90.5	-2.3	-2%	122.5
Operating Income (%)	7.42 (8.0%)	7.56 (8.4%)	0.14	+2%	9.70 (7.9%)
Ordinary Income (%)	7.60 (8.2%)	7.72 (8.5%)	0.12	+2%	9.90 (8.1%)
Net Income (%)	4.15 (4.5%)	* 4.05 (4.5%)	-0.10	-3%	5.50 (4.5%)

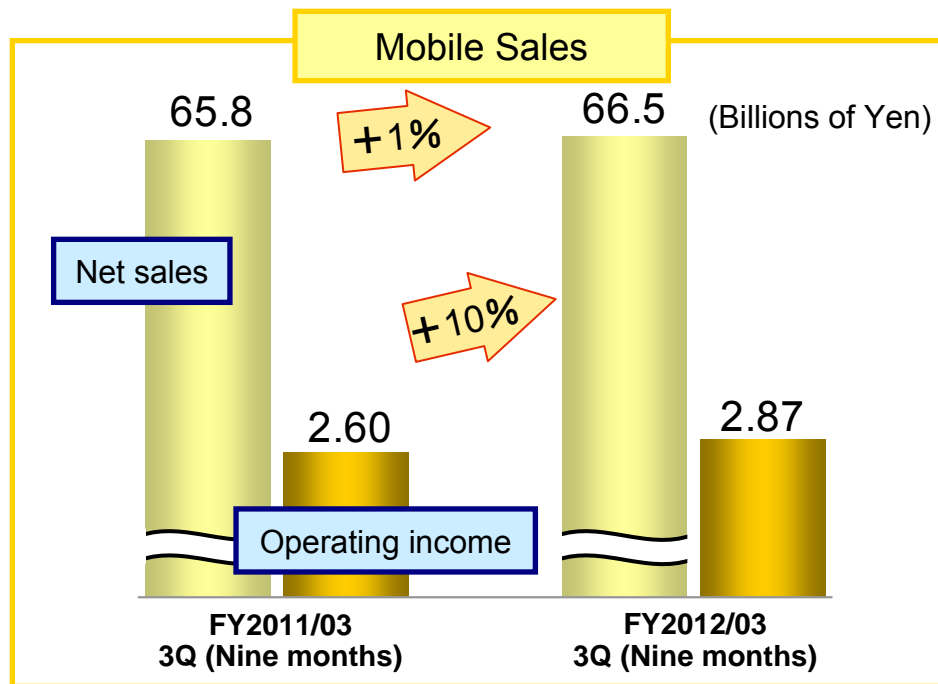
* Quarterly income was affected by a change in income tax laws, which levied an additional ¥170 million on NEC Mobiling.

Overview of Operating Results for 3Q: by Business Segment

(Billions of Yen)

	Nine months (April-December)			
	FY2011/03	FY2012/03	YoY	
Net Sales	92.8	90.5	-2.3	-2%
Mobile Sales	65.8	66.5	0.7	1%
Mobile Service	27.0	24.0	-3.0	-11%
Operating Income	7.42	7.56	0.14	+2%
Mobile Sales	2.60	2.87	0.27	+10%
Mobile Service	4.82	4.69	-0.13	-3%

Overview of Operating Results for 3Q: by Business Segment

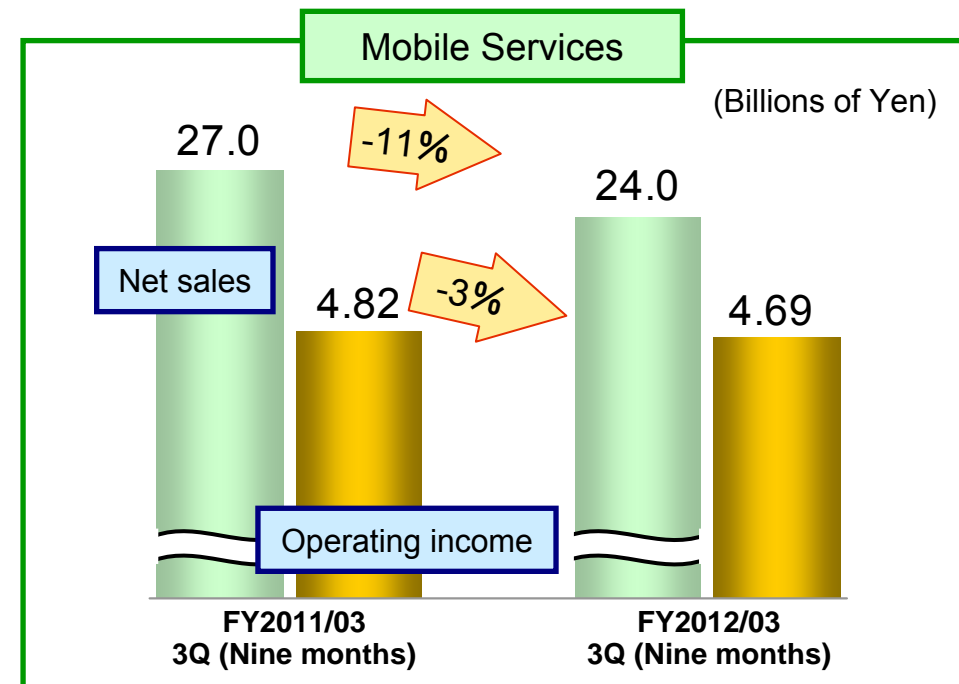


Net sales

- The number of phones sold increased approximately 10% due to buoyant demand for smartphones.
- The average selling price declined due to the declining average purchasing price.

Operating Income

- Increase in units sold
- Efforts by individual retail shops to maximize profit
- Increase through extensive sales of accessories, peripherals, and other mobile phone-related goods



Net sales

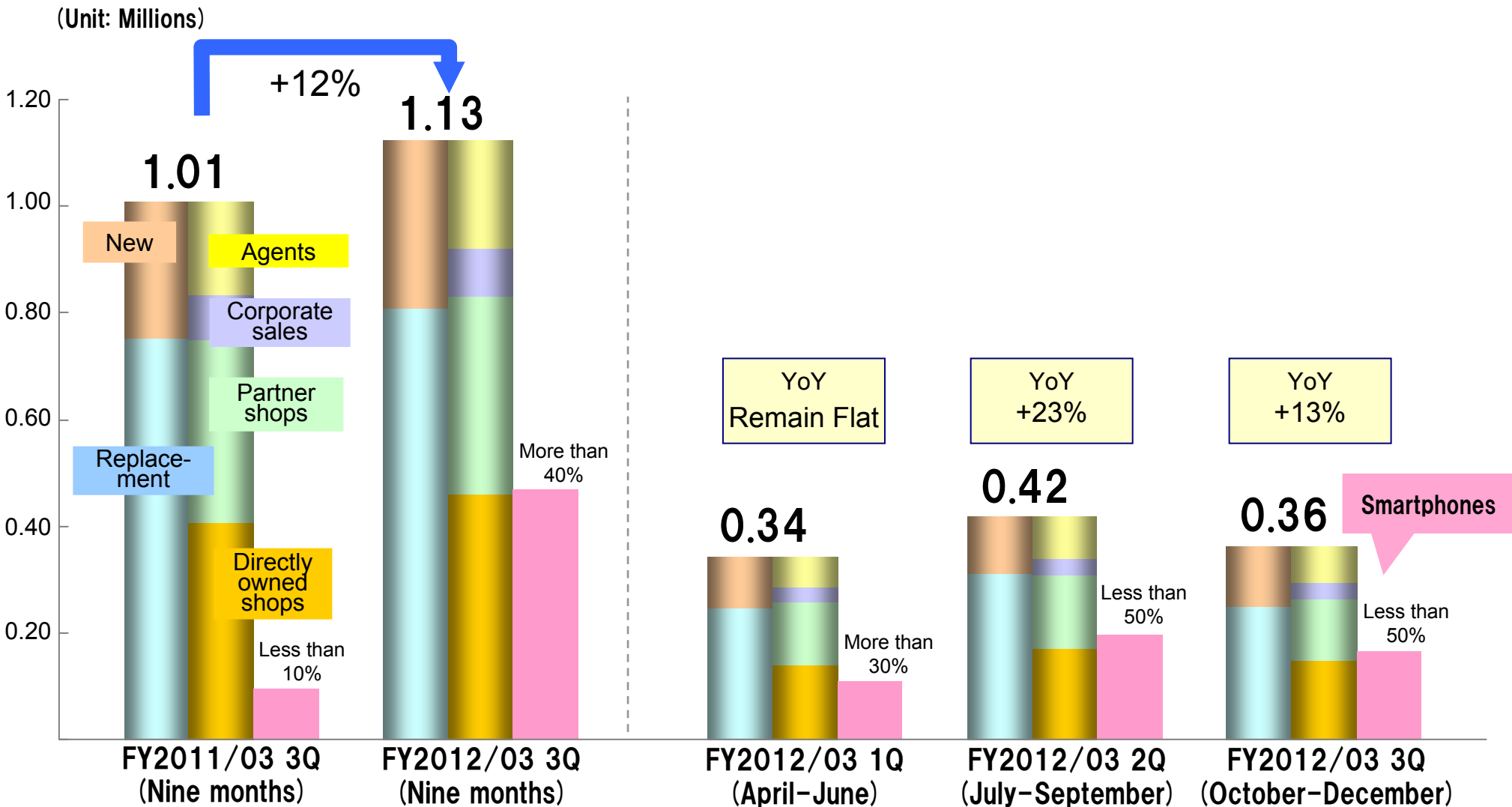
- Decrease in demand for handset repairs
- Increase in demand for improved network quality by mobile network operators

Operating Income

- Decrease in sales
- Strengthened effort to reduce costs partially offset the effect of decrease in demand

Mobile Sales Business: Number of Mobile Phones Sold

■ Nine months: Up 12% year-on-year due the increasing demand for smartphones



Mobile Sales Business: Sales Channels

Number of shops

As of March 2011

	Directly owned	Partner	Total
docomo Shops	118	107	225
au shops, and SoftBank shops	4	3	7
Total	122	110	232

+4 shops

As of December 2011

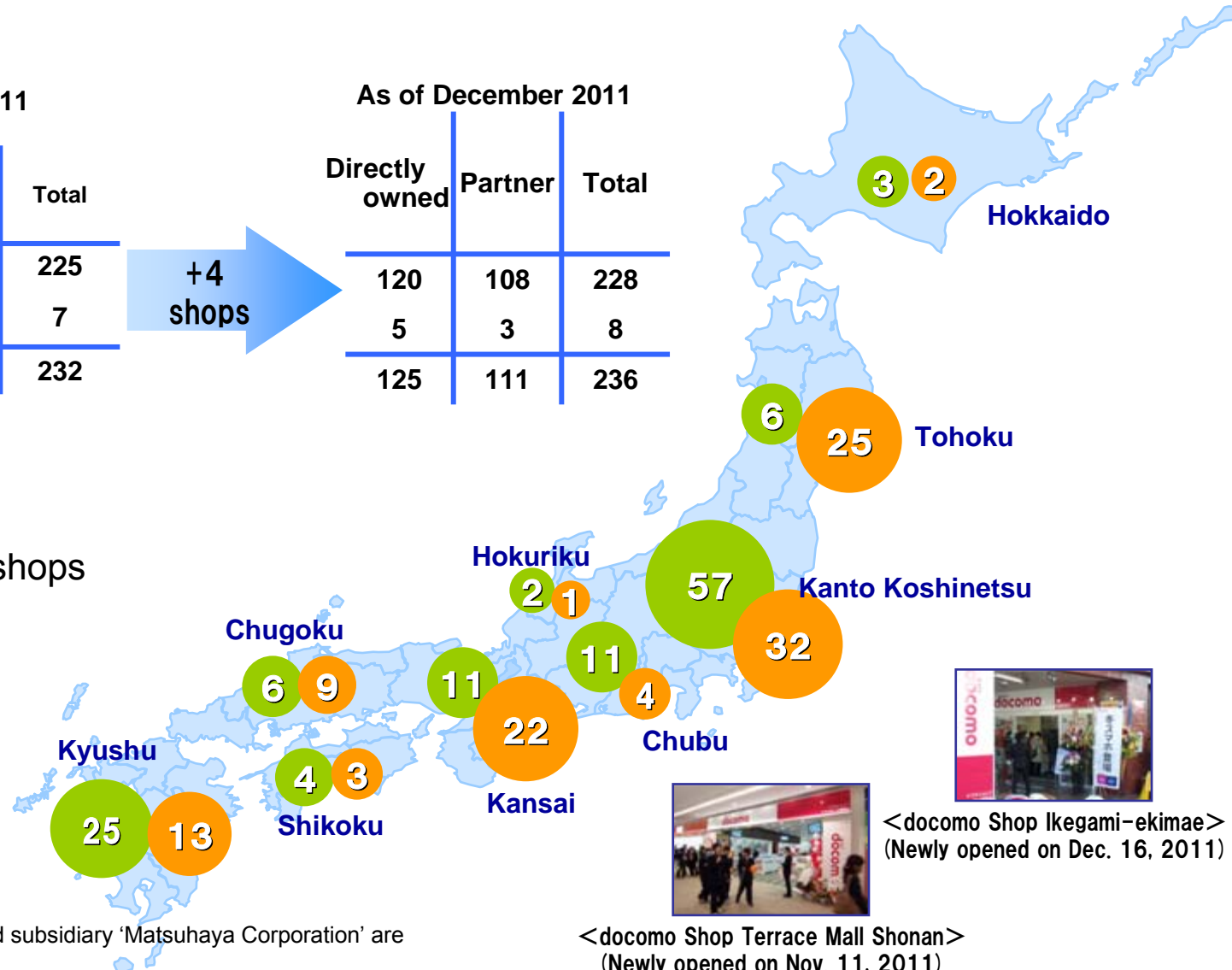
	Directly owned	Partner	Total
docomo Shops	120	108	228
au shops, and SoftBank shops	5	3	8
Total	125	111	236

Shop Network

125 : Directly owned shops

111 : Partner Shops

(236 shops in total)



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

Mobile Sales Business: Measures to Enhance the Ability of Employees

Establishing new ways of selling mobile phones and various applications suitable for smartphone users, and seeking ideal ways of providing customer support

- ◆ Offering support services
- ◆ Providing advice on selecting apps suited to individual needs



Shop specializing in smartphones

“AND market Kasumigaseki”



Mobile Sales Business: Action to capture the greater needs of smartphone users

Full-fledged penetration of smartphones led to sales growth in related merchandise.

Related merchandise



Memory Cards



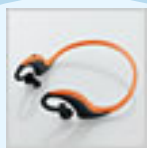
Screen protectors
Cases



Loudspeakers



Bluetooth Keyboards



Wireless earphones
Wireless headsets



Touchscreen-compatible gloves

Guiding users to the correct apps

Recommending apps that meet customers needs

- ◆ Apps handpicked by NEC Mobiling from among the countless apps available



- Apps
 - Games
 - Entertainment
 - Tools
 - Books
 - Education
 - others



Affiliate program that rewards retail shops when customers download apps to their smartphones

Mobile Sales Business: Measures to Enhance the Ability of Employees

Measures to address increasing demand for smartphones

- ◆ Introduction of a “Smartphone Concierge Service” at 95 out of 120 directly owned docomo Shops across Japan

Smartphone Concierge Service

The customer can easily set up the smartphones by themselves, resulting in reduced waiting time.

■ Initial setup using a touch panel

Welcome screen



Setup instructions

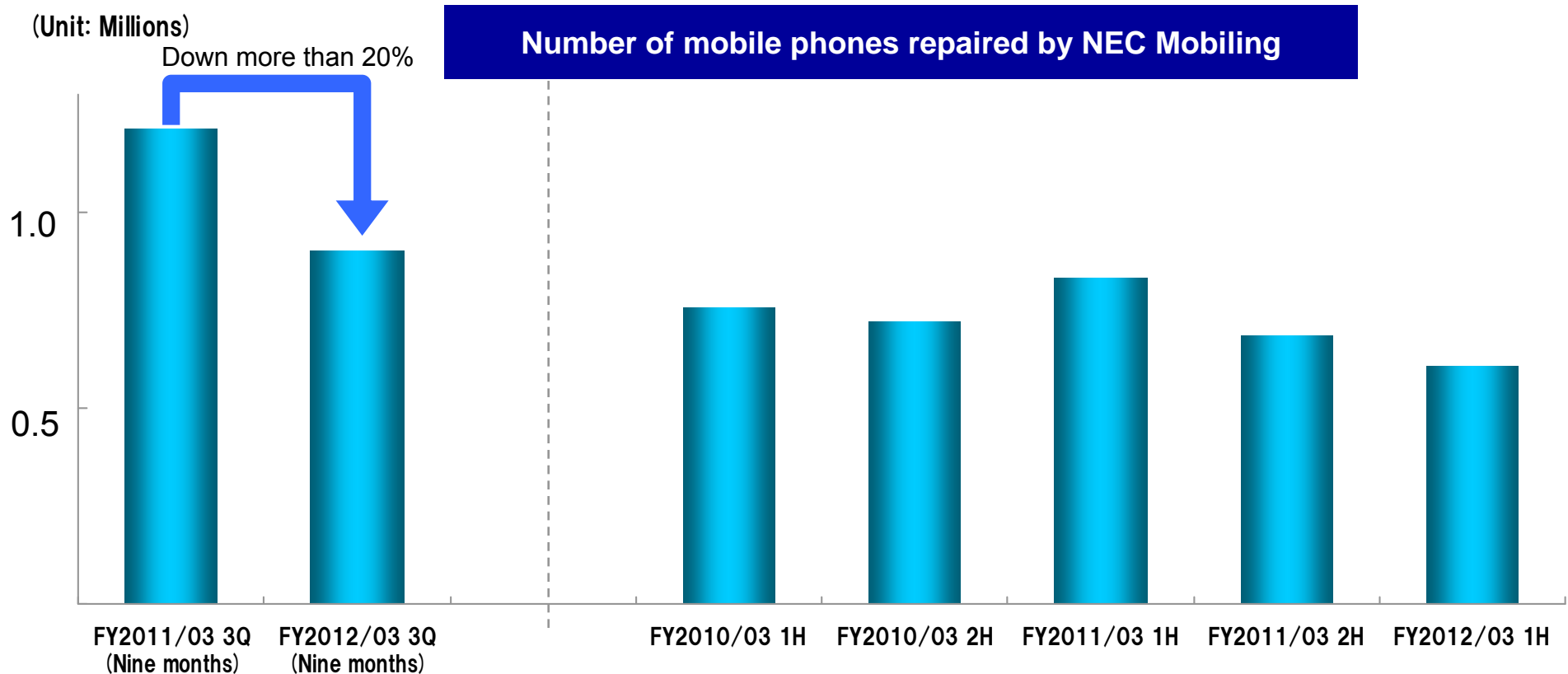


docomo Shop Machida



Mobile Services Business: Mobile Phone Repairs

- Customers increasingly opt to replace their handsets with smartphones rather than having old handsets serviced.
- Repairs for handsets made by ZTE Corporation, etc., rose.
- Improved repair technology lowered repair-related cost, which absorbed the impact of a decrease in the number of handsets serviced.



2. FY2012/03 Business Development

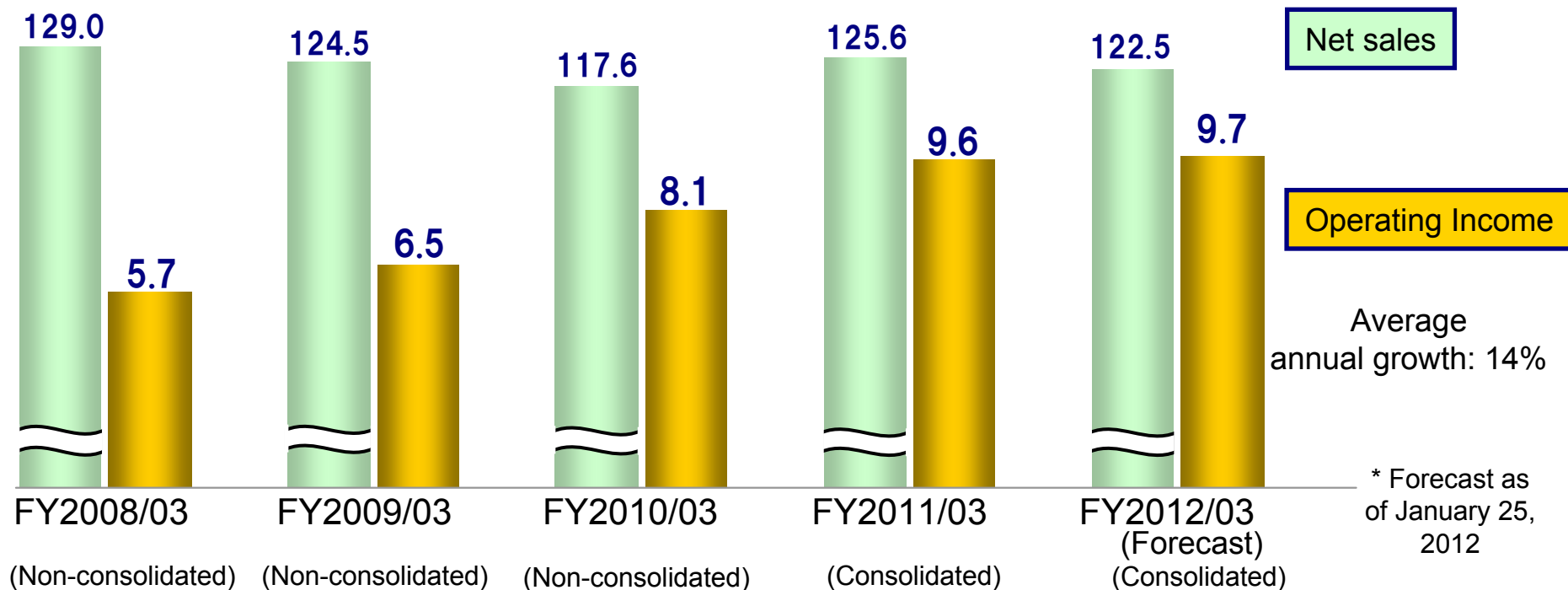
Aiming to be a brilliant company involved in the advent of a highly sophisticated ICT society

Seeking record-high profits in five consecutive years

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)

	FY2011/03 Full year	FY2012/03		
		Current forecast	YoY change	
Net Sales	125.6	122.5	-3.1	-3%
Operating Income	9.61	9.70	0.09	+1%
(%)	(7.6%)	(7.9%)		
Ordinary Income	9.82	9.90	0.08	+1%
(%)	(7.8%)	(8.1%)		
Net Income	5.50	5.50	0.00	+0%
(%)	(4.4%)	(4.5%)		
ROE (%)	14.9%	13.5%		
Free Cash Flows	4.14	4.50		
Dividend per Share (Yen)	100	120	+20	+20%
Number of Employees	1,199	1,250		

* Forecast as of January 25, 2012

FY 2012/3 Fiscal Earnings Forecast: by Business Segment

(Billions of Yen)

	FY2011/03 Full year	FY2012/03		
		Forecast	YoY change	
Net Sales	125.6	122.5	-3.1	-3%
Mobile Sales	90.3	91.4	1.1	+1%
Mobile Service	35.3	31.1	-4.2	-12%
Operating Income	9.61	9.70	0.09	+1%
Mobile Sales	3.46	4.05	0.59	+17%
Mobile Service	6.15	5.65	-0.5	-8%

* Forecast as of January 25, 2012

Business Environment: Radical, Incessant Changes Surrounding the Mobile Phone Business

Rapid market changes due to the rise of demand for smartphones



Growing shares by overseas device manufacturers

GALAXY

iPhone

Xperia

Smartphones with added features indigenous to Japan

One-seg

Infrared transmission

FeliCa

Abrupt rise of the
smartphone
market

Social networks

Expansion of the app market

Full-fledged launch of high-speed data communications

LTE

DC-HSDPA

WiMAX

Growth of peripheral merchandise

Increase in data ARPU

Sharp rise in data traffic

Plans to double base stations

Data offloading

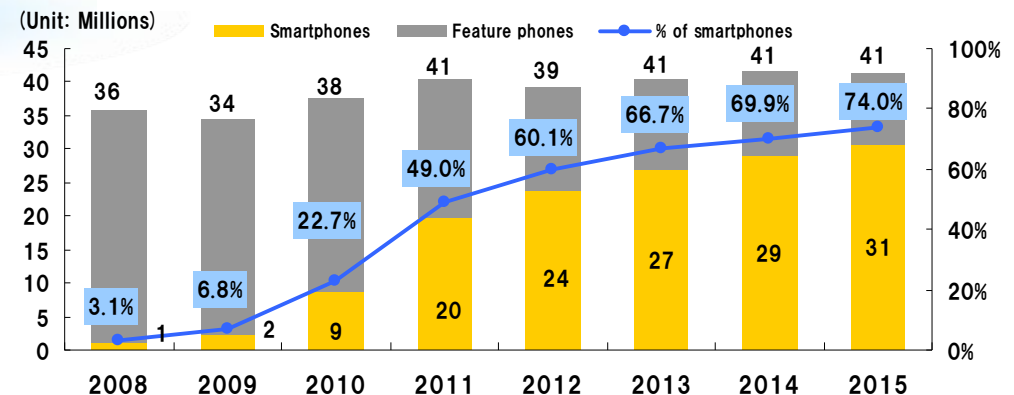
Frequency re-allocation

Market growing interest in smartphones
Penetration of mobile Internet
User experience

Emergence of smartphones

Tablets

Actual numbers and forecasts for shipments and percentages of smartphones



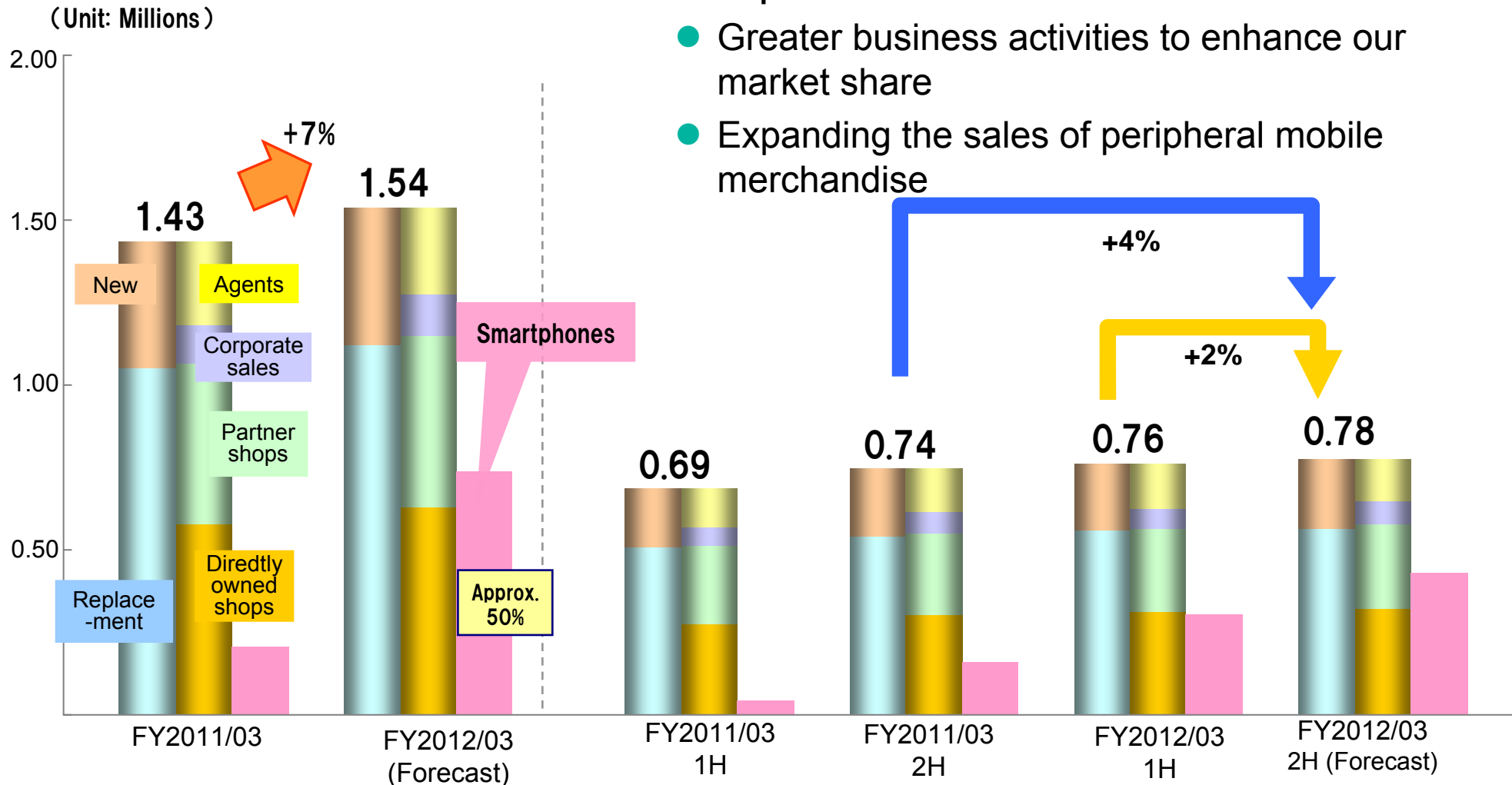
Source: MM Research Institute

Key Activities: Mobile Sales Business

Number of mobile phones sold by NEC Mobiling

Actions toward expansion for the smartphones market

- Greater business activities to enhance our market share
- Expanding the sales of peripheral mobile merchandise



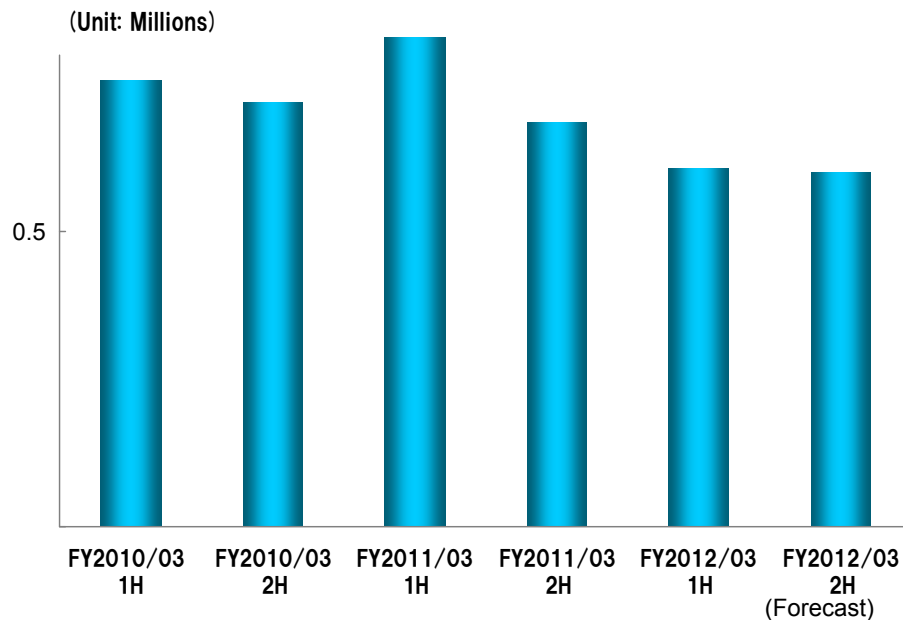
Key Activities: Mobile Services Business

Handset Repair Services

Actions toward decreasing demand for repair services

- Repair services for non-NEC products
- Enhancement of business efficiency through various activities, including cost reduction

Number of handsets repaired by NEC Mobiling



* Forecast as of January 25, 2012

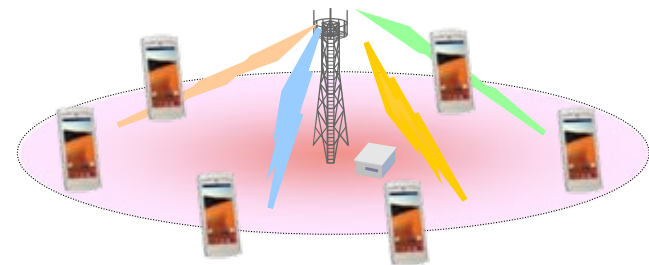
Base Station-related Services

Capturing expanding demand for base station installation

- LTE base stations
- Platinum band
- Wi-Fi access points

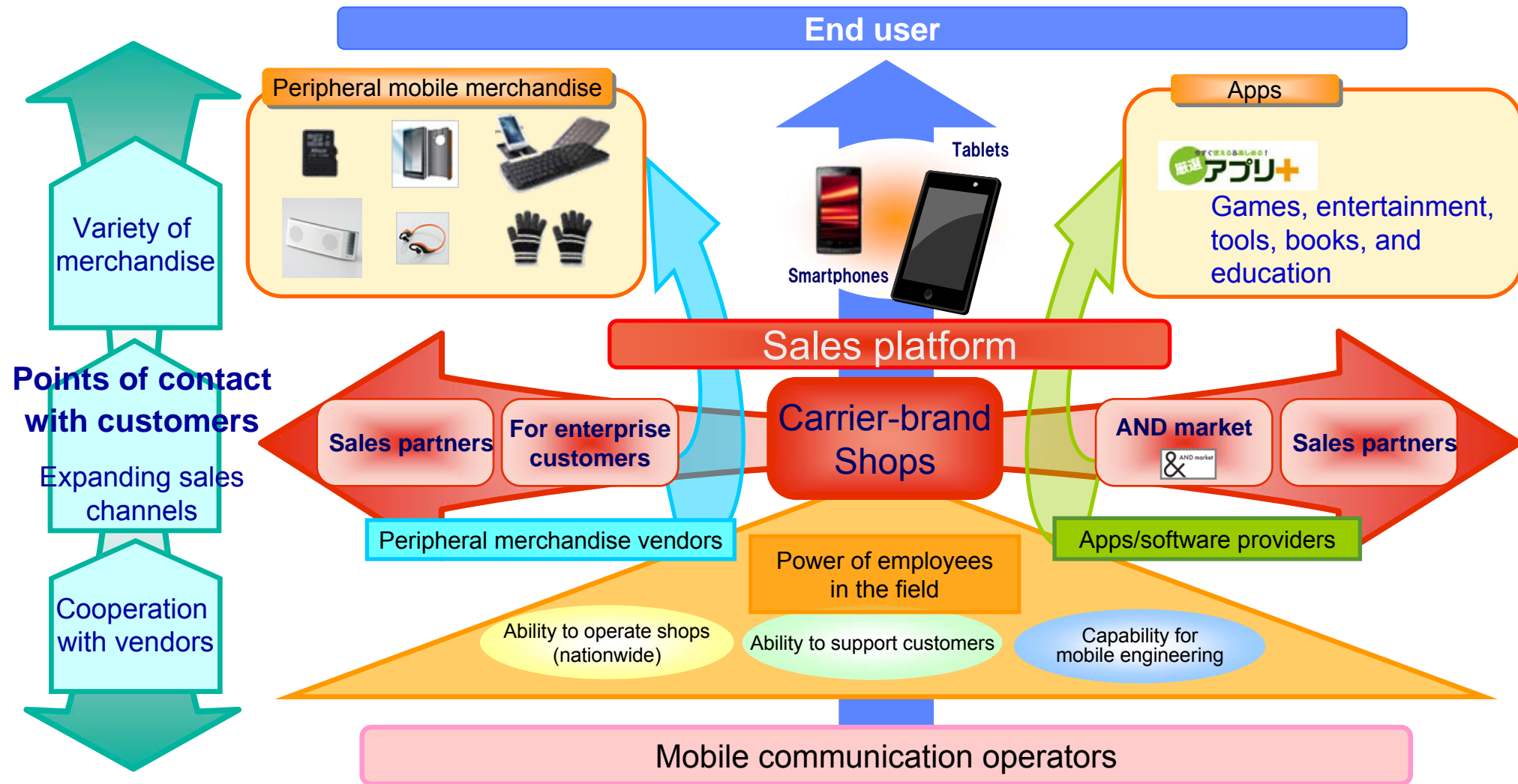
Entering the upper process of base station installation

- Area design/quality surveys
- Proposal for optimization, etc



Future Business Development

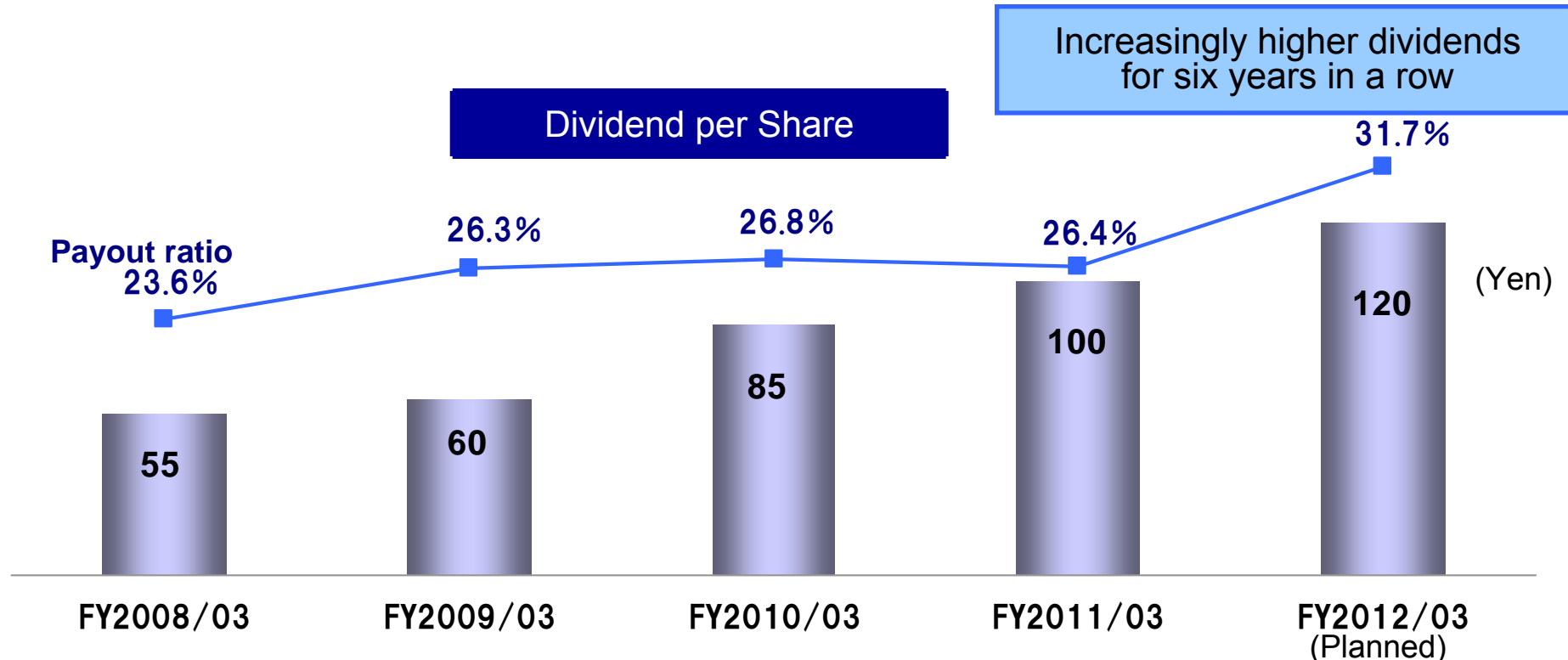
Our core competencies: Business development based on our sales platforms



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.



* Planned as of January 25, 2012

Empowered by Innovation

NEC

Abbreviations

ARPU

- Average Revenue Per User

DC-HSDPA

- Dual Cell High-speed Downlink Packet Access

ICT

- Information and Communication Technology

LTE

- Long-term Evolution

Wi-Fi

- Wireless Fidelity

WiMAX

- Worldwide Interoperability for Microwave Access

Other Information

Overview of Operating Results for 3Q: Major Indexes

(Billions of Yen)

	3Q (October-December)			
	FY2011/03	FY2012/03	YOY	
Net Sales	29.8	29.1	-0.7	-2%
Operating Income	2.70	2.66	-0.04	-1%
(%)	(9.1%)	(9.1%)		
Ordinary Income	2.75	2.71	-0.04	-1%
(%)	(9.2%)	(9.3%)		
Net Income	1.55	* 1.34	-0.21	-13%
(%)	(5.2%)	(4.6%)		

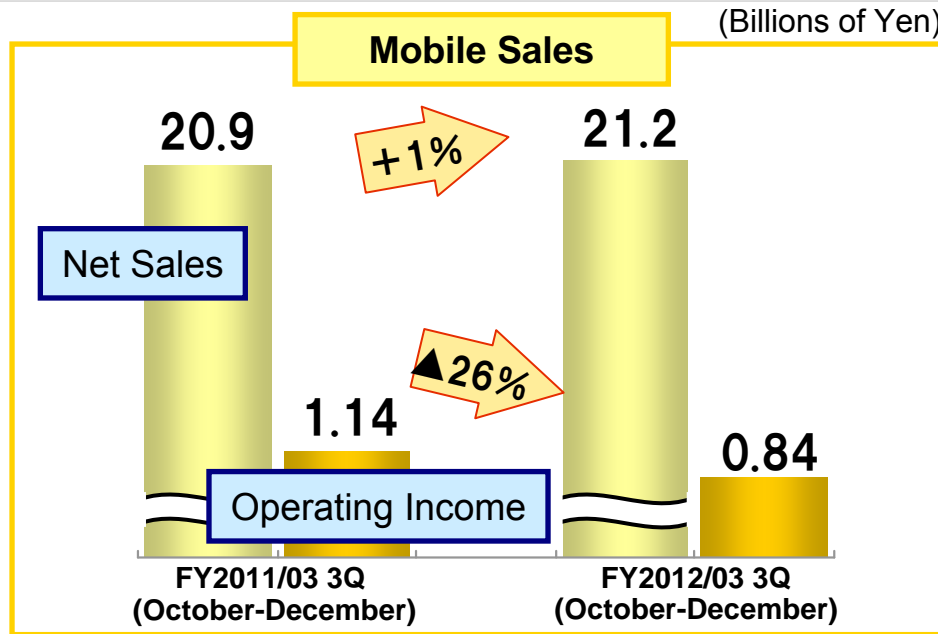
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Overview of Operating Results for 3Q: by Business Segment

(Billions of Yen)

	3Q (October-December)			
	FY2011/03	FY2012/03	YOY	
Net Sales	29.8	29.1	-0.7	-2%
Mobile Sales	20.9	21.2	0.3	+1%
Mobile Services	8.9	7.9	-1.0	-11%
Operating Income	2.70	2.66	-0.04	-1%
Mobile Sales	1.14	0.84	-0.30	-26%
Mobile Services	1.56	1.82	0.26	+17%

Overview of Operating Results for 3Q: by Business Segment

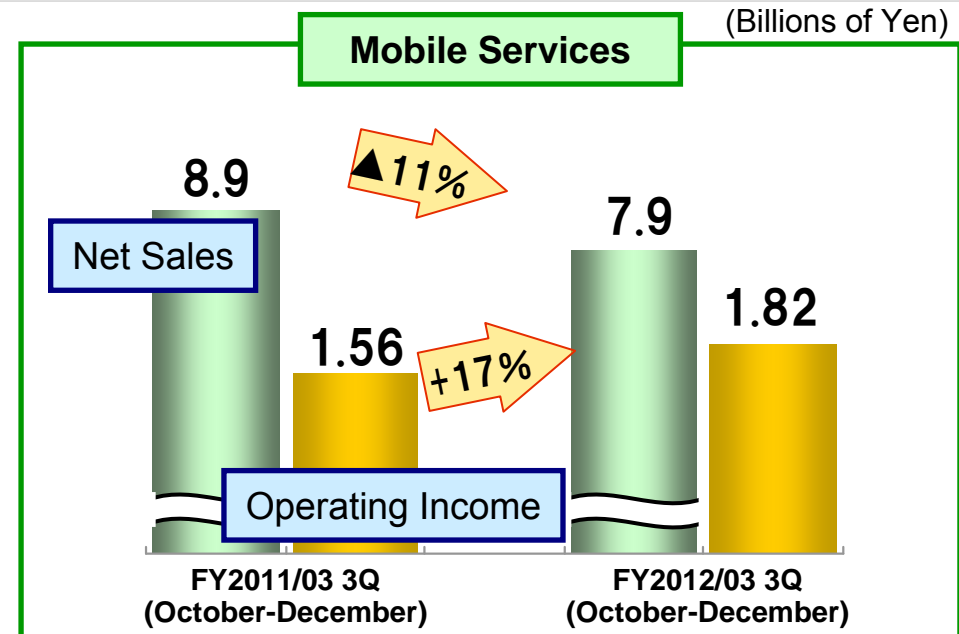


Net Sales

- The number of phones sold increased approximately 10% due to buoyant demand for smartphones.
- The average selling price declined due to the declining average purchasing price.

Operating Income

- Impact of the delayed onset (until December) of the full-scale, year-end shopping season
- A change in model mix
- Efforts by individual retail shops to maximize profit
- Increase through extensive sales of accessories, peripherals, and other mobile phone-related goods



Net Sales

- Decrease in demand for handset repairs

Operating Income

- Actions to improve operational efficiency, including cost reduction initiatives, successfully offset the effect of fewer handsets serviced.