

Notice of Revision of Forecast for Year-End Dividends for the Fiscal Year Ending March 2025 (No Dividends)

NEC Networks and Systems Integration Corporation (“NESIC”) hereby gives notice that NESIC’s Board of Directors, at a meeting held on October 29, 2024, passed a resolution to amend the dividend forecasts for the fiscal year ending March 2025, which had been announced on April 26, 2024, and to not pay any year-end dividends for such fiscal year, subject to the successful completion of the tender offer (“Tender Offer”) for the common stock of NESIC (“NESIC Shares”) by NEC Corporation (“NEC”), as announced in NESIC’s press release, also as of October 29, 2024, entitled “Announcement of Opinion in Support of the Tender Offer by NEC Corporation, the Parent of NESIC for the Common Stock of NESIC and Recommendation to Tender” (“NESIC’s Announcement”).

1. Reason for revision

At the Board of Directors meeting held on October 29, 2024, NESIC passed a resolution expressing an opinion in support of the Tender Offer and recommending that shareholders of NESIC tender their shares in the Tender Offer.

The above resolution by NESIC’s Board of Directors was made on the understanding that through the implementation of the Tender Offer and the subsequent series of procedures, NEC intends to become the sole shareholder of NESIC and that NESIC Shares will be delisted. (For details, please see NESIC’s Announcement.)

NESIC understands that making an appropriate return of profits to shareholders is one of the highest priorities of management, and it has taken initiatives to strengthen its managerial base, improve its finances, and increase profitability, based on the belief that while an emphasis will be placed on an expansion of corporate value through growth from accelerated strategic investments in the expansion of areas of focus going forward, at the same time, distributions of profit would be made to further meet the expectations of our shareholders.

However, if dividends are paid with the date of record being March 31, 2025, which is after the date for commencement of the settlement for the Tender Offer (December 18, 2024), there is a possibility that an economic disparity will arise between shareholders who tender their shares in the Tender Offer and shareholders who do not tender their shares. Thus, in the interests of maintaining equality among shareholders, NESIC resolved at the said Board of Directors meeting to revise the dividend forecasts for the fiscal year ending March 2025, which had been announced on April 26, 2024, and to refrain from paying any year-end dividends with March 31, 2025 as the date of record, subject to the successful completion of the Tender Offer.

2. Revision details

Date of record	Dividends per one share (yen)		
	Interim	Year end	Annual
Previous forecast (announced April 26, 2024)	—	28.00	56.00
Revised forecast	—	0.00	28.00
Dividends paid this term (fiscal year ending March 2025)	28.00	—	—
Dividends paid previous term (fiscal year ended March 2024)	24.50	24.50	49.00

End