Consolidated Financial Statements for the Fiscal Year ended March 31, 2013

26 April 2013

These financial statements have been prepared in accordance with accounting principals generally accepted in Japan.

NEC Networks & System Integration Corporation

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Stock exchange listing: Tokyo
Code number: 1973

1. Consolidated Results for the Fiscal Year 2012 ended March 31, 2013

(Rounded down to the nearest million yen.)

(1) Net Sales and Income

(Percentages represent change compared with the previous fiscal year.)

	Net sales (¥ million)	Year-on-year change (%)	Operating income (¥ million)	Year-on-year change (%)	Ordinary income (¥ million)	Year-on-year change (%)
FY ended March/13	**235,716**	**15.2**	**12,483**	**28.1**	**12,578**	**31.4**
FY ended March/12	204,658	-6.1	9,747	-10.0	9,570	-12.5

	Net income (¥ million)	Year-on-year change (%)	Net income per share (¥)	Net income per share (diluted) (¥)	Return on equity (%)	Ordinary income/ Total assets (%)	Operating income/ Net sales (%)
FY ended March/13	**7,492**	**63.1**	**150.67**	—	**9.0**	**7.9**	**5.3**
FY ended March/12	4,593	-3.2	92.36	—	5.9	6.4	4.8

(2) Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Owner's equity ratio (%)	Net assets per share (¥)
31-Mar-13	**168,295**	**86,797**	**51.2**	**1,731.29**
31-Mar-12	149,707	80,651	53.5	1,610.38

c.f. Owner's equity : 31/Mar/13: ¥86,089million ; 31/Mar/12: ¥80,080million

(3) Cash Flows

	Net cash provided by (used in) operating activities (¥ million)	Net cash provided by (used in) investing activities (¥ million)	Net cash provided by (used in) financing activities (¥ million)	Cash and cash equivalents at end of year (¥ million)
FY ended March/13	**-1,233**	**-3,429**	**-2,066**	**30,935**
FY ended March/12	18,701	-2,648	-3,979	37,586

2. Dividends

	Dividends per share (¥)					Total dividends paid (full year) (¥ million)	Payout ratio (consolidated) (%)	Dividends/ Net assets (consolidated) (%)
	1st quarter	Interim	3rd quarter	Year-end	Full year			
FY ended March/12	—	14.00	—	14.00	28.00	1,392	30.3	1.8
FY ended March/13	**—**	**19.00**	**—**	**26.00**	**45.00**	**2,237**	**29.9**	**2.7**
FY ended March/14(exp)	—	—	—	—	—		—	

The forecasted amount of dividend of the Fiscal Year ending March 31, 2014 is undecided at present. We will announce immediately after the decision.

3. Financial Forecasts for Fiscal Year 2013 ending March 31, 2014

(Percentages represent change compared to the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
6 Months ending Sep/13	108,000	3.4	3,700	6.3	3,700	3.5	2,220	3.1	44.64
FY ending Mar/14	240,000	1.8	13,000	4.1	13,000	3.3	7,800	4.1	156.86

Cautionary Statement

Forecasts of results mentioned in this document are future estimates and are thus inclusive of risks and uncertain factors since they are not based on definite facts. Please be aware that a variety of factors could cause actual results to differ significantly from those projected. The major factors affecting actual results include the economic climate and social trends surrounding the business of this Company's group, consumer trends
vis-a-vis systems and services provided by this Company's group, as well as pressure to lower prices and ability to cope with the market in response to intensified competition.
Factors affecting results are not limited to the ones mentioned above.

4. Analysis of Business Results and Financial Condition

1-1. Analysis of Business Results

(1) Business results for the fiscal year ended March 31, 2013

During the consolidated fiscal year under review (FY2013/3: April 1, 2012 – March 31, 2013), the Japanese economy showed a moderate recovery backed by demand for reconstruction, which, however, failed to become a full recovery due to uncertainties such as fears of a slowdown in the global economy caused by the strong yen and the European debt crisis. Yet after the change of administration in December, some positive signs for the upcoming YEAR began to appear, such as an improvement in corporate earnings, particularly for large companies, due to a moderation in the strength of the yen and the recovery of the stock market.

Given these economic conditions, each market segment in the ICT market in which NEC Networks & System Integration Corporation (the “Company”) operates business showed growth.

In the enterprise market, the need for ICT increased in management innovations, such as reforms in the way work is done in the office and the concentration of resources in core businesses that use ICT services in an effort to increase corporate competitiveness amid the increasing awareness among corporate managers of the effects of investment. In addition to the increase in demand for ICT services, including data centers and cloud computing, as a result of a greater awareness of BCP (business continuity plans) and energy saving after the earthquake, projects related to office relocations, associated with the soaring number of new building construction projects, increased.

Telecommunication carriers continued to invest in the development of high-speed, large-capacity networks to improve communications quality in an effort to support the rapid increase in network traffic associated with the growing number of smartphone users. There was also a lot of investment in mobile communication base stations for new frequency bands.

In central and local government markets, investments in digitizing fire-fighting and disaster-prevention systems increased with the support of the supplementary budget that was approved in the previous year. In addition, reconstruction after the earthquake has encouraged the development of submarine seismometer systems, which use submarine cable communication systems.

In this market environment, the Company and its consolidated subsidiaries (the “Group”) sought to increase project management capacity, addressed emerging projects, and strengthened growth efforts by improving marketing skills and increasing prior investments to expand base for providing services. To expand its service business, the Group promoted cooperative efforts with other companies, established a business tie-up with Moshi Moshi Hotline, Inc. in the shared service area in April 2012, and acquired a 22% stake in Q&A Corporation, which excels in technical support contact centers, in June 2012.

In the area of mobile communication base stations, which is expected to grow in the future in response to the introduction of LTE services, the Group decided to acquire a division of NEC Mobiling, Ltd. to improve its capacity to provide seamless services, from area design to maintenance.

As a result, the Group posted the following consolidated results for FY2013/3:

Net Sales	¥235,716 million	(a 15.2% increase year on year)
Operating Income	¥12,483 million	(a 28.1% increase year on year)
Ordinary Income	¥12,578 million	(a 31.4% increase year on year)
Net Income	¥7,492 million	(a 63.1% increase year on year)
(For Reference)		
Orders Received	¥241,271 million	(a 12.0% increase year on year)

Net sales increased 15.2%, to ¥235,716 million, reflecting a continuous increase in earnings for the Enterprises Networks business and the Carrier Networks business, growth segments the Company is focusing on, and a recovery in increased earnings in the Social Infrastructures business, which had suffered a decline in the previous year. Orders increased in all segments, and a substantial overall growth of 12.0% year on year was achieved, to ¥241,271 million, as a result of improved marketing capacity, which the Company had been working on since the previous year, and the receipt of large projects.

Profits reflect an increase in net sales, and operating income, ordinary income, and net income increased considerably from the previous year, to ¥12,483 million (up 28.1% year on year), ¥12,578 million (up 31.4% year on year), and ¥7,492 million (up 63.1% year on year), respectively. The Company's prior investments in its future business expansion were absorbed by the structural reform of its social infrastructures business that was implemented in the previous period, and accelerated cost-reduction efforts, which resulted in improved profitability for all profit items, resulting in record-high income.

Operating results by business segment were as follows:

Net sales by segment (million yen)

		Enterprises Networks	Carrier Networks	Social Infrastructures	Other	Total
	Year ended March 31, 2013	**85,338**	**54,732**	**80,935**	**14,709**	**235,716**
	Year ended March 31, 2012	80,722	46,716	64,518	12,700	204,658
	Increase (decrease)	4,615	8,016	16,416	2,008	31,058
	Percentage increase (decrease) %	5.7	17.2	25.4	15.8	15.2

Reference: Orders by business segment (million yen)

		Enterprises Networks	Carrier Networks	Social Infrastructures	Other	Total
	Year ended March 31, 2013	**89,558**	**52,875**	**84,453**	**14,384**	**241,271**
	Year ended March 31, 2012	82,287	50,604	70,111	12,370	215,373
	Increase (decrease)	7,270	2,271	14,341	2,014	25,898
	Percentage increase (decrease) %	8.8	4.5	20.5	16.3	12.0

1. Enterprises Networks business (¥85,338 million, up 5.7 % year on year):
   Revenue from Enterprises Networks increased year on year as a result of the increase in services for a wide range of industries, such as the financial sector and the manufacturing industry. Responding to customer demand for management innovation, we increased sales based on our office innovation solution called EmpoweredOffice, and expanded our foundation for providing comprehensive services such as cloud computing and BPO to improve customers' operational processes and support their management using outside resources through partnerships. Orders also showed growth, increasing 8.8% year on year, to ¥89,558 million.

2. Carrier Networks business (¥54,732 million, up 17.2 % year on year):

To serve the increased investment of telecommunication carriers in network development in response to the surge in network traffic due to the increase in the number of smartphone users, we strengthened our entire supply chain, including network design, system construction, and services, which serve as the foundation for technical outsourcing, and developed new service areas. This was in addition to our sales of submarine seismometer systems, which together contributed to a significant increase in revenue. Orders rose 4.5% year on year, to ¥52,875 million.

3. Social Infrastructures business (¥80,935 million, up 25.4 % year on year):

Through our improved project management and increased price competitiveness, we focused on investments to digitize fire-fighting and disaster prevention systems, and increased investments in the installation of mobile communication base stations for new frequency bands. As a result, sales rose sharply from the previous year. Orders increased 20.5% year on year, to ¥84,453 million.

Business Segment	Descriptions of Main Businesses
Enterprises Networks	Service integration of ICT solutions, mainly for the enterprises market Total office solutions based on ICT with securities or environmental solutions and related operations, monitoring, and outsourcing services, as well as cloud-type solutions using our own data centers
Carrier Networks	Service integration of ICT platforms mainly for telecom carriers Systems integration of large-scale, wide-area, carrier-grade ICT platforms and data centers and related operations, monitoring services
Social Infrastructures	Service integration of ICT infrastructure for governments and public utilities (broadcasters, electric power companies, etc.), such as systems integration, operation, and monitoring, and the construction of telecom infrastructure
Others	Toyo Networks & System Integration Co., Ltd. and sales of purchased equipment

(2) Outlook for the fiscal year ending March 31, 2014

The Company's consolidated results forecast for FY 2014/3 (April 1, 2013 – March 31, 2014) is as follows:

Net Sales	¥240 billion	(a 1.8% increase year on year)
Operating Income	¥13 billion	(a 4.1% increase year on year)
Ordinary Income	¥13 billion	(a 3.3% increase year on year)
Net Income	¥7.8 billion	(a 4.1% increase year on year)

A gradual recovery is expected in the Japanese economy for the fiscal year ending March 31, 2014 based on improved business confidence due to the reduced yen strength, the recovery in the stock market, and the effects of government economic and financial policies.

The ICT industry in which we operate is also expected to see a gradual recovery in both the public and private sectors, with a rise in investment demand based on the recovery of corporate performance and growth in public investments by the government.

We are planning to develop more customer-oriented businesses, focusing on customer perspectives, in order to maintain the strong performance of the year under review (the fiscal year ended March 31, 2013) and achieve further growth.

In Enterprises Networks business, we will respond to customers' need to strengthen their management by further enhancing our office innovation solution, EmpoweredOffice, and expand sales to sectors other than general companies, such as local governments and academic institutions. In addition, we will continue to enhance our ability to provide comprehensive services, including cloud computing and BPO to help improve customers' operational processes, in collaboration with our partner company.

In Carrier Networks business, we expect a decrease in submarine seismometer systems using submarine cable communication systems after their strong sales during the year under review; however, we plan to respond more quickly to advances in networks of telecommunications carriers to support the rapid increase in network traffic associated with the growing number of smartphone users.

Social Infrastructures business, which primarily consists of developing public-sector infrastructure for government offices and building base stations for telecommunications carriers, will quickly respond to the supplementary budgets and increase in public investment expected in the future. We will also focus on the increased investment in the digitization of fire-fighting and disaster-prevention systems and the introduction of LTE into mobile communication base stations.

On the profit front, we seek to exceed the highest level we achieved during the year under review, targeting ¥13 billion in operating income and ¥7.8 billion in net income, by continuing to focus on management reforms, despite the further increase in prior investments expected in FY 2014/3.

1-2. Profit Distribution Policy and Dividends for FY2013/3 and FY2014/3

We view the distribution of a reasonable share of profits to shareholders as one of our top management priorities, and make every effort to reinforce the Company's management foundation, strengthen its financial standing, and increase its earning capacity. While we also place a great deal of importance on increasing our corporate value through growth by accelerating strategic investment in M&A and creating new businesses that will allow us to expand our future services, we strive to continually meet the expectations of our shareholders in our profit distribution.

On that basis, since we have achieved record-high net income, we have decided to increase our year-end dividend to ¥26 per share and our annual dividend to ¥45 per share for FY 2013/3.

The dividend per share expected for FY 2014/3, is under consideration, and will be announced upon our decision.

	Dividend per share (yen)		
	Interim	Year-end	Annual
Fiscal year ended March 31, 2013	19.00	26.00	45.00
Fiscal year ending March 31, 2014 (projected)	TBA	TBA	TBA

5. Management Policies

(1) Basic Corporate Management Policy

NEC Networks & System Integration Corporation (the "Company") is an ICT service integrator with unique strengths stemming from (1) its foundation of reliable ICT technology capable of providing a complete package of services from system planning, introduction, and operation to outsourcing across a broad range of areas, including office ICT systems for enterprises, telecommunications carriers, and public and social infrastructure; (2) a nationwide support system and base to serve essential social infrastructure; and (3) construction bases capable of providing comprehensive services for facility management and design in addition to ICT. We are further strengthening our infrastructure for comprehensive services to help improve our customers' operational processes and business management by, for instance, using external resources through partnerships. We strive to provide even more satisfactory services for our customers by enhancing our service businesses and growing them by taking advantage of our strengths. We will continue to implement management innovations and improve the quality of our management to become a company that is well regarded and trusted by customers, shareholders, and other stakeholders.

(2) Management Targets

Our key management strategy is to profitably expand our business while making active investments, taking advantage of our solid financial foundation through improved profitability and enhanced business structure. As a business expansion target, we are aiming to achieve ¥240 billion in net sales and ¥13 billion in operating income to exceed the record income we achieved in FY 2013/3 in the next fiscal year (FY 2014/3), which will mark the Company's 60th anniversary and is designated as the first year in our "challenge for new growth."

(3) Medium- to Long-Term Management Strategies and Issues the Company Faces

The ICT market in which we operate our businesses has become an essential platform for corporate and social activities. In view of improving convenience and pursuing efficiency, demand for ICT services is expected to grow across broader sectors, and investments in infrastructure development and network sophistication are also likely to increase.

Given these changes in customer needs and the likely significant shift of ICT-related investments into service fields, we plan to actively meet the demand for infrastructure development that is expected to grow in the medium term, and also position our service businesses as a priority area for long-term growth as well as consider and implement investments to achieve growth, including enhancing our resources through partnerships and by creating new businesses. In particular, our unique advantage is our broad range of business platforms, including construction, ICT technologies, and support service businesses. We plan to improve our new ICT plus BPO services by investing in these business platforms, reinforcing each platform, and promoting cooperation among them.

(i)Growth Initiatives

Enterprises Networks Business

Given that the domestic market is maturing and global competition is intensifying, top managers are requesting proposals for using ICT as a tool to strengthen management. In response to this need for management innovation, we will enhance our proposal and consulting capacity by implementing EmpoweredOffice in our entire head office and the other offices in each of our locations to demonstrate our own solutions, promote their improvement, and adapt their results to specific proposals from the perspective of customers. Meanwhile, in our service businesses, by expanding and upgrading our business platforms and resources through the investments in growth mentioned above, we will strengthen our comprehensive services to support customers' operational processes and business management using cloud computing and BPO and, at the same time, increase our cost competitiveness.

Carrier Networks Business

Telecommunications carriers are currently proceeding to strengthen their networks, including introducing LTE services, due to the increase in data network traffic as a result of the spread of smartphones, and we are expanding our business in response to this development. In particular, as the market is becoming increasingly open and globalized, the need is increasing for telecommunications carriers that can provide comprehensive technical services ranging from acceptance and inspection to system integration, maintenance, and operation of systems (technical outsourcing) in a multi-vendor environment. Taking advantage of our system integration abilities in the carrier grade, nationwide maintenance responsiveness, and technical skills that can respond to an entire network from mobile communication base stations to the core network, which we have cultivated through our extensive experience, we will provide services to strengthen the networks of telecommunications carriers and create new services in partnership with them. We will also apply our reliable technical and support skills to the large-scale systems of other service providers and other companies, such as data centers and cloud computing infrastructures.

Social Infrastructures Business

We position our Social Infrastructures business, which provides infrastructure development, maintenance, and operational services for central and local governments and broadcasters and installs base stations for telecommunications carriers, as a business that must steadily respond to changes in demand as part of the social infrastructure. Currently in this business, we expect to see active investments in the safety and security of residents, including the expansion and digitization of fire-fighting and disaster prevention systems, in addition to the expansion of mobile communication base stations, such as LTE. We will appropriately respond to this demand by leveraging the strength of the NEC Group.

(ii)Reinforcing Corporate Foundation

In our management innovation, we have achieved positive results, aiming to bolster our earnings power through innovation activities that allow management and employees to work together onsite in a cohesive manner. We are currently aiming to increase our corporate value by advancing management innovation activities into new ones targeted at improving our management quality and cost competitiveness to increase our growth and profits over the medium to long term, in addition to improving our short-term profitability.

(iii) Reinforcing Compliance and Internal Control

We make compliance our top priority, and continually ensure that our conduct adheres to corporate ethics and the spirit of legal compliance. In particular, we strive to build systems that reduce compliance issues and enable the early detection of problems by reforming work processes and standardizing procedures to make them simpler and more transparent. Going forward, we will continue to strengthen our compliance-oriented approach to management.

6. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2012	**As of March 31, 2013**
ASSETS		
Current assets		
Cash and deposits	37,586	**30,935**
Notes and accounts receivable-trade	73,193	**93,039**
Purchased goods,materials and supplies	1,454	**1,408**
Work in process	6,588	**8,965**
Deferred tax assets	4,158	**4,941**
Other	2,657	**3,324**
Allowance for doubtful accounts	(398)	**(116)**
Total current assets	125,240	**142,499**
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	8,123	**8,549**
Accumulated depreciation	(4,612)	**(4,743)**
Buildings and structures, net	3,511	**3,805**
Machinery, equipment and vehicles	286	**215**
Accumulated depreciation	(270)	**(203)**
Machinery, equipment and vehicles, net	16	**12**
Tools, furniture and fixtures	9,526	**9,515**
Accumulated depreciation	(7,497)	**(7,404)**
Tools, furniture and fixtures, net	2,029	**2,111**
Land	2,508	**2,508**
Construction in progress	248	**163**
Other	1,112	**1,315**
Accumulated depreciation	(359)	**(622)**
Other, net	752	**692**
Total property, plant and equipment	9,066	**9,292**
Intangible assets	3,936	**4,241**
Investments and other assets		
Investment securities	309	**747**
Deferred tax assets	6,239	**6,179**
Other	4,992	**5,403**
Allowance for doubtful accounts	(78)	**(69)**
Total investments and other assets	11,463	**12,261**
Total noncurrent assets	24,466	**25,796**
Total assets	149,707	**168,295**

(Millions of yen)

	As of March 31, 2012	**As of March 31, 2013**
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	30,321	**36,404**
Short-term loans payable	—	**599**
Current portion of long-term loans payable	3,500	**500**
Income taxes payable	3,130	**4,367**
Accrued consumption taxes	1,675	**2,091**
Advances received	1,987	**2,550**
Provision for directors' bonuses	59	**96**
Provision for product warranties	—	**90**
Provision for loss on order received	36	**1,028**
Other	9,566	**11,884**
Total current liabilities	50,277	**59,612**
Noncurrent liabilities		
Long-term loans payable	500	**3,000**
Provision for retirement benefits	16,828	**17,641**
Other	1,449	**1,243**
Total noncurrent liabilities	18,778	**21,884**
Total liabilities	69,055	**81,497**
NET ASSETS		
Shareholders' equity		
Capital stock	13,122	**13,122**
Capital surplus	16,650	**16,650**
Retained earnings	50,973	**56,824**
Treasury stock	(53)	**(56)**
Total shareholders' equity	80,692	**86,540**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	0	**13**
Foreign currency translation adjustment	(612)	**(464)**
Total accumulated other comprehensive income	(611)	**(451)**
Minority interests	571	**708**
Total net assets	80,651	**86,797**
TOTAL LIABILITIES AND NET ASSETS	149,707	**168,295**

(2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Year ended March 31, 2012	**Year ended March 31, 2013**
Net sales	204,658	**235,716**
Cost of sales	172,578	**198,533**
Gross profit	32,079	**37,182**
Selling, general and administrative expenses	22,332	**24,699**
Operating income	9,747	**12,483**
Non-operating income		
Interest income	69	**45**
Dividends income of insurance	105	**106**
Adjustments of secondee's personnel expenses	—	**68**
Other	323	**250**
Total non-operating income	498	**470**
Non-operating expenses		
Interest expenses	63	**44**
Loss on retirement of noncurrent assets	50	**149**
Other	561	**181**
Total non-operating expenses	675	**375**
Ordinary income	9,570	**12,578**
Extraordinary loss		
Impairment loss	—	**165**
Total extraordinary loss	—	**165**
Income before income taxes and minority interests	9,570	**12,412**
Income taxes-current	3,261	**5,554**
Income taxes-deferred	1,659	**(712)**
Total income taxes	4,920	**4,841**
Income before minority interests	4,649	**7,571**
Minority interests in income (loss)	56	**78**
Net income	4,593	**7,492**

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Year ended March 31, 2012	**Year ended March 31, 2013**
Income before minority interests	4,649	**7,571**
Other comprehensive income		
Valuation difference on available-for-sale securities	(1)	**12**
Foreign currency translation adjustment	(114)	**208**
Total other comprehensive income	(116)	**221**
Comprehensive income	4,533	**7,792**
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	4,522	**7,652**
Comprehensive income attributable to minority interests	11	**139**

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2012	**Year ended March 31, 2013**
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	9,570	**12,412**
Depreciation and amortization	1,941	**2,164**
Impairment loss	—	**165**
Amortization of goodwill	81	**81**
Amortization of negative goodwill	(11)	**—**
Increase (decrease) in allowance for doubtful accounts	100	**(292)**
Increase (decrease) in provision for retirement benefits	528	**808**
Increase (decrease) in provision for subsidiaries directors' retirement benefits	(170)	**—**
Increase (decrease) in provision for directors' bonuses	(30)	**37**
Increase (decrease) in provision for loss on order received	(37)	**991**
Increase (decrease) in provision for product warranties	—	**89**
Interest and dividends income	(79)	**(52)**
Interest expenses	63	**44**
Loss on retirement of noncurrent assets	50	**149**
Decrease (increase) in notes and accounts receivable-trade	12,861	**(19,556)**
Decrease (increase) in inventories	(948)	**(2,317)**
Increase (decrease) in notes and accounts payable-trade	(935)	**5953**
Other, net	(839)	**2445**
Subtotal	22,144	**3,124**
Interest and dividends income received	98	**52**
Interest expenses paid	(63)	**(45)**
Income taxes paid	(3,477)	**(4365)**
Net cash provided by (used in) operating activities	18,701	**(1233)**
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(1,395)	**(1,529)**
Proceeds from sales of property, plant and equipment	25	**1**
Purchase of intangible assets	(1,137)	**(1,418)**
Purchase of investment securities	(6)	**(49)**
Proceeds from sales of investment securities	—	**8**
Payments of loans receivable	(17)	**(10)**
Collection of loans receivable	23	**14**
Purchase of stocks of equity method affiliate	—	**(396)**
Other, net	(139)	**(50)**
Net cash provided by (used in) investing activities	(2,648)	**(3,429)**
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,800)	**552**
Proceeds from long-term loans payable	—	**3,000**
Repayment of long-term loans payable	(500)	**(3,500)**
Proceeds from sale and purchase of treasury stock, net	(3)	**(2)**
Cash dividends paid	(1,340)	**(1,642)**
Other, net	(335)	**(472)**
Net cash provided by (used in) financing activities	(3,979)	**(2,066)**
Effect of exchange rate change on cash and cash equivalents	(98)	**77**
Net increase (decrease) in cash and cash equivalents	11,975	**(6,651)**
Cash and cash equivalents at beginning of period	25,611	**37,586**
Cash and cash equivalents at end of period	37,586	**30,935**

(4) Segment Information

Business Segment Information

Year ended March 31, 2013

	Enterprises Networks	Carrier Networks	Social Infrastructures	Others	Adjustments	Total
Orders received	**89,558**	**52,875**	**84,453**	**14,384**	**---**	**241,271**
Sales						
(1) Sales to third parties	**85,338**	**54,732**	**80,935**	**14,709**	**---**	**235,716**
(2) Intersegment sales	**---**	**---**	**---**	**---**	**---**	**---**
Total	**85,338**	**54,732**	**80,935**	**14,709**	**---**	**235,716**
Operating income and loss	**7,368**	**6,306**	**6,162**	**396**	**(7,751)**	**12,483**

Year ended March 31, 2012

	Enterprises Networks	Carrier Networks	Social Infrastructures	Others	Adjustments	Total
Orders received	82,287	50,604	70,111	12,370	---	215,373
Sales						
(1) Sales to third parties	80,722	46,716	64,518	12,700	---	204,658
(2) Intersegment sales	---	---	---	---	---	---
Total	80,722	46,716	64,518	12,700	---	204,658
Operating income and loss	7,594	4,941	3,576	313	(6,678)	9,747