



NEWS RELEASE

NEC RECEIVES A TOP MARKET SHARE RANKING IN LEADING INDUSTRY ANALYST FIRM'S ENTERPRISE TELEPHONY EQUIPMENT WORLDWIDE SURVEY FOR 2005

Hilversum, The Netherlands and London, United Kingdom, December 18, 2006 – NEC Corporation (NEC) today announced that it has emerged as the worldwide leader in the enterprise telephony equipment market for telephony extension line shipments for 2005, according to Gartner's November 2006 report, titled, "Market Share: Enterprise Telephony Equipment, Worldwide, 2005," authored by Megan Fernandez, Chris Lock and Isabel Montero.

Based on total worldwide enterprise telephony extension line shipments for 2005, Gartner reports that NEC ranked #1 in the total enterprise telephony equipment market, with a 12.6 percent market share. NEC believes this success underscores NEC's commitment to expanding its global enterprise communications footprint, by offering customers traditional and IP-based telephony solutions coupled with a clear migration path that matches customer requirements and ensures investment protection.

"We believe NEC's market share according to the Gartner report reflects our commitment to providing innovative broadband solutions such as our integrated IT/network UNIVERGE solutions that deliver a high level of communication functionality," said Kazuo Tsuzuki, associate senior vice president at NEC Corporation. "We will continue to develop flexible solutions that help our customers take advantage of application integration and the cost efficiencies that our new communications solutions enable, while maintaining a high degree of security and reliability."

NEC offers a broad range of enterprise telephony equipment – from small to very large systems – to effectively support enterprise and SMB customers whose requirements span from traditional TDM support to a full, 100% server-based IP deployment. NEC's UNIVERGE® architecture reinforces NEC's reputation for delivering high quality solutions focused on technology, customer choice and investment protection, and lays the groundwork for the evolution from traditional telephony to integrated voice and data networking solutions.

"We think the recent Gartner report highlights NEC's international success as the market leader in enterprise telephony," said Ad Ketelaars, CEO of NEC Philips Unified Solutions. "We believe this is a clear recognition of the strength of NEC's portfolio of communications solutions and the ability to serve our customers worldwide."

About NEC Philips Unified Solutions

NEC Philips Unified Solutions is a leading provider of comprehensive communications solutions to organisations of all types and sizes. Established in 2006 as a joint venture of NEC Corporation and Royal Philips Electronics, the company draws on more than 50 years experience in providing communication systems, applications, networks and services to customers worldwide. NEC Philips Unified Solutions is headquartered in Hilversum, the Netherlands, and serves its customers through a global network of sales organisations, business partners and value-added resellers. For more information: www.nec-philips.com.

About NEC Corporation

NEC Corporation (NASDAQ: NIPNY) is one of the world's leading providers of Internet, broadband network and enterprise business solutions dedicated to meeting the specialized needs of its diverse and global base of customers. NEC delivers tailored solutions in the key fields of computer, networking and electron devices, by integrating its technical strengths in IT and Networks, and by providing advanced semiconductor solutions through NEC Electronics Corporation. The NEC Group employs more than 150,000 people worldwide. For additional information, please visit the NEC home page at: <http://www.nec.com>

* Newsroom: <http://www.nec.co.jp/press/en/>

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UNIVERGE is a registered trademark of NEC Corporation.

Forward-looking statements

This release may contain certain forward-looking statements with respect to the financial condition, results of operations and business of NEC and Philips and certain plans and objectives of both companies with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.