



Press Release

NEC Corporation of Japan to reduce the cost of international operations by 20% through business process excellence

- NEC Corporation will standardize and reduce the number of international business processes by up to 80%
- Simplified business processes will enable NEC to meet international accounting standards
- The company will simultaneously strengthen its internal control and increase the speed of delivering global consolidated financial statements
- NEC will offer its customers a total cloud service including consulting and business applications
- NEC is the first company in Japan to receive an IDS Scheer Business Process Excellence
 award

Darmstadt & Saarbrucken, Germany, 25-06-2010 - IDS Scheer, a member of the Software AG Group, today announced that NEC Corporation (NEC) of Japan aims to reduce the cost of its international sales operations by 20 percent through a business process excellence program. NEC will standardize and reduce the number of processes it uses in international operations by 80% through IDS Scheer's ARIS business process management tool. Implementing these simplified processes will allow NEC to meet international accounting standards while shortening the time needed to produce consolidated financial statements. Based on the success of the business process service consulting as well as accounting and purchasing applications. NEC Corporation's innovative business approach was recognized with a business process excellence award by IDS Scheer at ProcessWorld in Berlin. NEC is the first company in Japan to receive this award.

Osamu Tsukahara, Vice President at NEC, made the following comment on receiving the award, "This award recognizes NEC for its approach in using business process management (BPM) to streamline its international management systems and processes. The award will provide an additional boost in highlighting the role of BPM in building a stronger NEC and providing additional value to our customers."

Dr. Wolfram Jost, Executive Board Member at IDS Scheer, commented, "By receiving this award, NEC has proven that BPM in Japan matches the best of global practices. We are extremely pleased to have been able to take part in this groundbreaking project. In this continuing difficult economic climate, business process innovation is essential for the growth of enterprises. Therefore, we will continue to provide assistance to enterprises to deliver measurable ROI, faster, through business process excellence."

NEC received the award this year for the following initiatives:

- NEC is implementing a total reorganization of its mission critical systems in the areas of sales, accounting and purchasing in order to deliver consolidated financial statements faster, greatly improve business efficiency and reduce the total cost of ownership (TCO) for management information systems.
- Globally applicable standard business processes, developed using Business Process Reengineering (BPR) methods in the areas of sales, accounting and purchasing, were implemented in the new management information systems, with SAP ERP being utilized for those standardized systems.

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- NEC designed standard business processes through application of IDS Scheer's ARIS business process management tool in cooperation with IDS Scheer Japan Co., Ltd. The sales field, for example, reorganized and standardized over 100 business process patterns into just 22 different patterns.
- By applying these new systems and simplified business processes, NEC expects to reduce expenses associated with indirect operations by over 20%, will meet international accounting standards, will increase the speed of global consolidated business management, and will strengthen its internal controls.
- The development and operation of mission-critical systems for provision of cloud services is also expected to deliver reductions in the TCO of internal systems by over 20%.

The ARIS Platform from IDS Scheer provides integrated software products that help enterprises to continuously improve their business processes. These products cover every phase of a BPM project—from strategy definition and process design to transferring the models into an organization's IT systems and monitoring process execution.

About NEC Corporation

NEC Corporation is a leader in the integration of IT and network technologies that benefit businesses and people around the world. By providing a combination of products and solutions that cross utilize the company's experience and global resources, NEC's advanced technologies meet the complex and ever-changing needs of its customers. NEC brings more than 100 years of expertise in technological innovation to empower people, businesses and society. For more information, visit NEC at http://www.nec.com.

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About IDS Scheer

IDS Scheer is part of the Software AG Group and a leading provider of Business Process Management (BPM) software, solutions and services for corporations and public organizations worldwide. With the ARIS Platform for Process Excellence, the company offers an integrated, comprehensive solution portfolio for the strategy, design, implementation and controlling of business processes, allowing companies to continuously improve their overall business performance. Utilizing the ARIS Value Engineering (AVE) approach, IDS Scheer consultants bridge the gap between corporate strategy, business processes, IT solutions and process controlling.

About Software AG

Software AG is the global leader in Business Process Excellence. Our 40 years of innovation include the invention of the first highperformance transactional database, Adabas; the first business process analysis platform, ARIS; and the first <u>B2B</u> server and <u>SOA</u>based integration platform, webMethods.

We are unique in offering the world's only end-to-end – and easiest to use – <u>business process management (BPM)</u> solutions, with the lowest Total-Cost-of-Ownership. Our industry-leading brands, ARIS, webMethods, Adabas, Natural and IDS Scheer Consulting, represent a unique portfolio for: process strategy, design, integration and control; SOA-based integration and data management; process-driven SAP implementation; and strategic process consulting and services.

Software AG had revenues of \notin 847 million (IFRS, unaudited) in 2009 and has more than 6,000 employees serving 10,000 enterprise and public institution customers across 70 countries. Our comprehensive software and services solutions allow companies to continuously achieve their business results faster. The company is headquartered in Germany and listed on the Frankfurt Stock Exchange (TecDAX, ISIN DE 0003304002 / SOW).

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Detailed press information about Software AG including a picture and multimedia database are available under: www.softwareag.com/press

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