

Japan's NEC sees \$1.36 billion net loss

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A customer inspects laptops from Japanese electronics maker NEC at an electronics shop in Tokyo in January. Japanese IT firm NEC said Friday it lost \$1.36 billion in the year to March as asset write-downs and tax payments hit its bottom line, even as operating profit rose.

Japanese IT firm NEC said Friday it lost \$1.36 billion in the year to March as asset write-downs and tax payments hit its bottom line, even as operating profit rose.

NEC's net loss stood at 110.3 billion yen, multiples of the 12.5 billion yen lost in the previous year.

But operating profit rose 27.5 percent to 73.7 billion yen after the firm offloaded a loss-making entity, on sales of 3.0 trillion yen, down 2.5 percent from the previous year.

The net loss expanded as the company booked 117 billion yen in additional tax payments, saw a 40.5-billion-yen special loss for restructuring, and took a 11.7 billion yen hit from the loss in value of [financial assets](#) it was holding.

The results come as many of Japan's technology companies have struggled under pressure from the stubbornly strong yen, [global competition](#), increasing material costs and falling prices.

In January, NEC said it plans to axe 10,000 jobs globally.

The flooding in Thailand in autumn depressed sales of its electronics parts, with the natural disaster damaging its factories, while NEC's [smart phones](#) have failed to attract customers, the company said.

But operating profits rebounded, after the company in the previous fiscal year suffered a special loss from spinning off its loss-making semiconductor unit.

For the current fiscal year through March 2013, NEC forecasts a net profit of 20 billion yen, [operating profit](#) of 100 billion yen and revenue of 3.15 trillion yen.

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