

# Japan's NEC revises up profit forecast

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Japanese information technology firm NEC said Friday it has revised its half year forecast from a loss to a healthy net profit, with reports saying demand for iPhones was helping the company.

For the first six months to September, NEC now predicts a net profit of 8 billion yen (\$100 million), compared with its earlier forecast of a net loss of 24 billion yen.

It expects an operating profit of 47 billion yen on sales of 1.45 trillion yen, against its previous forecast of 1 billion yen profit on sales of 1.40 trillion yen.

Shares in NEC surged 10.48 percent to close at 137 yen on the Tokyo Stock Exchange on Friday.

The [Nikkei business](#) daily said NEC's carrier network business has seen brisk sales due to demand for faster mobile [Internet networks](#) known as long-term evolution (LTE), used in Apple's flagship smartphone [iPhone 5](#).

"The LTE build out is certain to grow, fuelled by the bullish cell phone industry next-generation service rollout. This should continue to benefit NEC," a market analyst at a domestic brokerage told [Dow Jones Newswires](#).

NEC said in a statement that the upward revision was made "mainly due to the improvement in the IT solutions business and carrier network

business as a result of increased sales".

Continued efforts in structural reforms and in cost reductions as well as profit from the sale of liquid crystal display-related patents also contributed to the revised forecast, it said.

The company left unchanged its full-year forecast, projecting a net profit of 20 billion yen on sales of 3.15 trillion yen for the year to March 2013.

NEC plans to announce its results for the April-September period on October 26.

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