

NEC posts April-June loss on weak telecom sales

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Japan's NEC said Thursday it remained stuck in the red during its fiscal first quarter largely owing to weakness in its telecom division, but was still on track for a full-year profit.

The information technology giant reported a [net loss](#) of 10.02 billion [yen](#) (\$81 million) in the April-June period, barely changed from its shortfall a year earlier.

Revenue slipped 2.0 percent to 586.6 billion yen while NEC's operating loss widened to 10.1 billion yen from 7.1 billion yen in the same three months last year, it said.

The disappointing results come after profits grew in its previous fiscal year thanks to growth in its public-sector infrastructure business and a weak yen, which inflates exporters' profitability.

The company previously said it was benefiting from the rollout of systems for field communication as well as radio systems for firefighters, as Tokyo pumps cash into updating Japan's creaking infrastructure.

Despite the latest quarterly results, NEC left unchanged its previous forecast for a 65 billion yen net profit on sales of 3.1 trillion yen in the fiscal year to March.

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