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## PRESS RELEASE

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# NEC launches the first worldwide pay-as-you-go IFS Applications in the cloud

**NEC Corporation and IFS announced today the expansion of their alliance to provide IFS Applications as a service hosted in NEC's cloud-oriented data center<sup>1</sup>. The service will offer IFS Applications components that support financials, supply chain and manufacturing functionality as well as add-ons developed by NEC. NEC will start selling the services from today, and deliveries are expected to commence in April 2011. NEC is first in offering IFS Applications as a service in the cloud globally and aims to sign 50 customers in the next five years.**

One of the main features of this offering is that IFS Applications is component-based, which is made possible by IFS' service-oriented architecture. Customers can select components based on business environments and strategic requirements to deploy a flexible system while reducing total cost of ownership (TCO). NEC estimates that a customer could save more than 30% of TCO in five years, compared with a solution using regular system implementation methods

Since 1997, when NEC and IFS started its partnership, NEC has co-developed add-ons with IFS to meet unique requirements for Japanese companies and established a global support network. NEC has implemented 130 systems so far, one third of them for customers outside Japan, mainly in Asia.

"The new collaboration on cloud services will enhance and develop the alliance between NEC and IFS," Yasujiro Ryuno, Associate Senior Vice President, NEC said. "We have a long and successful history together, and this new initiative will be very attractive for companies seeking a more agile business solution. The component architecture of IFS Applications allows the customer to introduce the functionality step by step."

Use of the service is charged as a monthly fee per module and user, which enables services to be provided at lower cost and tailored to the size of the customer's business. The offering will include add-ons that were co-developed by NEC and IFS for Japanese companies such as firm banking, billing, and global supply-demand control functions. There are over 30 modules available. Multi-lingual, multi-currency and multi-site, the service will enable customers to integrate systems for multiple manufacturing and/or sales sites overseas to strengthen governance. NEC also offers a dedicated consulting service from optimizing the customer's business using the cloud service to actual installation of the software.

"Hosting IFS Applications in the cloud is a natural development of the traditional hosting concept, and we are pleased that our partner NEC is offering this to their customers," Dan Matthews, CTO, IFS said. "Cloud hosting together with software plus services (S+S) are where we believe IFS customers will initially benefit from the new possibilities that come with cloud computing."

NEC has recently developed its internal core computer systems toward a cloud-oriented model. With the knowledge gained through this practice, NEC provides total proposals including advanced consulting services and industry/business application services to optimize IFS Applications as a service in the cloud.

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#### <sup>1</sup> Cloud-oriented Data Center

Based on the proven system model developed by NEC for its own internal IT systems, as well as for external usage, it is comprised of hardware, OS and middleware. In addition to the domestic data center, NEC is adding overseas data centers linked via a network, thereby offering customers a highly reliable and centrally controlled IT environment.

## **IFS PRESS RELEASE**

### **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 [\*\*www.NEC.com\*\*](http://www.NEC.com)

### **About IFS**

IFS is a public company (OMX STO: IFS) founded in 1983 that develops, supplies, and implements IFS Applications™, a fully-integrated, component-based extended ERP suite built on SOA technology. The company has more than 2,000 customers in more than 50 countries and focuses on seven main industries: aerospace & defense, utilities & telecom, manufacturing, process industries, automotive, retail & wholesale distribution, and construction contracting & service management. IFS has 2,700 employees and net revenue in 2009 was SKr 2.6 billion.

More information on IFS is available at [\*\*www.IFSWORLD.com\*\*](http://www.IFSWORLD.com).

The information is that which IFS is required to declare by the Securities Business Act and/or the Financial Instruments Trading Act. The information was submitted for publication on November 11, 2010, at 08:00 a.m. CET