

April 13, 2001

To Whom it may concern:

Corporate Name: Net One Systems Co., Ltd.

Name and Position of the Representative:

President & CEO Kazuo Sato

(Registered Stock Code Number: 7518)

Reference:

Executive Manager Shojiro Takagaki

03-5462-0801

Inquiries regarding this news release:

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03-5462-0803

Notice regarding FY 2001 (FY ending March 2001) fourth quarter business results, FY 2001 business forecast adjustments, and FY 2002 (FY ending March 2002) business forecast.

This notice serves to inform you our company's FY 2001 fourth quarter (January 1, 2001 to March 31, 2001) status of orders accepted and sales. In relation to this, FY 2001 (April 1, 2000 to March 31, 2001) business forecast adjustments as well as FY 2002 (FY ending March 2002) business forecast are attached.

Business Results for the Fourth Quarter of Fiscal Year 2001(FY ending March 2001)

Comparison of Q3 2001 and Q4 2001 (unit : ¥1M)				
	Q 3	Q 4	Variance	%
Orders accepted				
Consolidated Result	19,345	20,834	1,488	7.7%
Unconsolidated Result	19,246	20,440	1,194	6.2%
Sales				
Consolidated Result	15,910	20,929	5,019	31.5%
Unconsolidated Result	15,659	20,813	5,153	32.9%
Backlog of unfilled orders				
Consolidated Result	20,958	20,863	95	0.5%
Unconsolidated Result	20,908	20,536	372	1.7%

Comparison of Q4 2000 and Q4 2001 (unit : ¥1M)				
	Q 4 2000	Q 4 2001	Variance	%
Orders accepted				
Consolidated Result	N A	20,834	N A	N A
Unconsolidated Result	13,119	20,440	7,321	55.8%
Sales				
Consolidated Result	N A	20,929	N A	N A
Unconsolidated Result	13,714	20,813	7,098	51.7%
Backlog of unfilled orders				
Consolidated Result	N A	20,863	N A	N A
Unconsolidated Result	10,104	20,536	10,431	103.2%

Comparison of YTD 2000 and YTD 2001 (unit : ¥1M)				
	YTD 2000	YTD 2001	Variance	%
Orders accepted				
Consolidated Result	39,853	68,818	28,964	72.7%
Unconsolidated Result	39,430	67,916	28,485	72.2%
Sales				
Consolidated Result	34,804	58,006	23,202	66.7%
Unconsolidated Result	34,327	57,484	23,157	67.4%
Backlog of unfilled orders				
Consolidated Result	10,051	20,863	10,811	107.6%
Unconsolidated Result	10,104	20,536	10,431	103.2%

Regarding adjustments to FY 2001 (FY ending March 2001) business forecast

Following adjustments were made to FY 2001 (April 1, 2000 to March 31, 2001) business forecast announced in FY ending March 2001 business forecast adjustments resulting from disposal of investment securities dated April 4, 2001.

1. Adjustments to business forecast

(Consolidated)

(unit: 1 million yen)

	Sales	Ordinary Income	Current Income
Previous Forecast (A)	49,000	3,900	2,600
Current Forecast (B)	58,006	5,027	3,162
Difference (B-A)	9,006	1,127	562
Variance (B-A)/ (A)	18.4%	28.9%	21.6%

(Unconsolidated)

(unit: 1 million yen)

	Sales	Ordinary Income	Current Income
Previous Forecast (A)	48,500	3,800	2,500
Current Forecast (B)	57,484	4,886	3,068
Difference (B -A)	8,984	1,086	568
Variance (B-A)/ (A)	18.5%	28.6%	22.7%

2. Causes of adjustment

During this FY, due to rapid growth of the Internet usage, enhancements to telecommunications companies and major providers' telecommunications lines investments have continued to remain strong. Corporate and most notably, financial institutions' IT investments and iDC (Internet Data Center) related investments have further increased activity. Also, in addition to the commencement of the nationwide E-governance and supplementary budget related investments, with the increasing high level usage of the Internet in both public and private sectors, sales focusing on the company's core products, the advanced feature network products and related services, was strong. As results of these factors, sales, ordinary income, and current income have increased in a preceding manner in relation to the previous forecast.

3. Reference

(Previous FY Business Results)

FY 2000 (April 1, 1999 to March 31, 2000)

(unit: 1 million yen)

	Sales	Ordinary Income	Current Income
Consolidated	34,804	2,698	1,322
Unconsolidated	34,327	2,710	1,338

(Business Forecast for the next FY)

FY 2002 (April 1, 2001 to March 31, 2002)

(unit: 1 million yen)

	Sales	Ordinary Income	Current Income
Consolidated	70,000	6,500	3,500
Unconsolidated	68,400	6,200	3,400