

# Business Performance for 3<sup>rd</sup> Quarter FY2003 (ending March 2004) (Non-Consolidated Report)

February 9, 2004

Company Name Net One Systems Co., Ltd.

(Stock Code Number: 7518 Tokyo Stock Exchange)

(URL <http://www.netone.co.jp>)

Representative Title President & CEO

Kazuo Sato

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1. Matters related to preparation of Business Performance for 3<sup>rd</sup> Quarter of FY2003

(1) Changes in accounting procedures applied for FY ended Mar. 2003 and current fiscal quarter: yen

For accounting standard of corporation tax, etc., in some instances, simplified method is applied.

From current FY, maintenance service operation related personnel expense, depreciation of applicable service parts expense, and other expenses have been reclassified from sales and administrative expense to cost of goods.

(note) In previous FY 3Q, our company disclosed 3<sup>rd</sup> quarter Sales, Orders Accepted, and Backlog Orders.

For items not disclosed in previous FY 3Q, figures are indicated as reference.

2. 3<sup>rd</sup> Quarter Results for FY ending March 2004 (April 1, 2003 to December 31, 2003)

(1) Non-Consolidated Financial Results (unit: rounded down to the nearest million yen)

	Sales		Operating Profit		Ordinary Profit	
	Million yen	%	Million yen	%	Million yen	%
Current FY 3Q	77,866	(43.3)	4,629	(56.6)	4,672	(52.9)
Previous FY 3Q	54,347	(1.5)	2,956	(-)	3,056	(-)
(reference) FY ended Mar. 2003	92,926		7,434		7,535	

	Current Quarter Net Income		Current Quarter Net Income per Share		Current Quarter Net Income per Share (assuming full dilution)	
	Million yen	%	Yen	Sen	Yen	Sen
Current FY 3Q	2,761	(32.8)	10,030	38	10,018	27
Previous FY 3Q	2,079	(-)	7,619	40	7,556	73
(reference) FY ended Mar. 2003	4,383		15,899	55	15,818	75

(注) Percentage: increase/decrease against previous FY 3Q on sales, operating profit, etc.

For the reference items, percentages of increase/decrease have been omitted.

(2) Financial Position (Non-Consolidated)

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to total assets	Shareholders' Equity per Share	
	Million yen	Million yen	%	Yen	Sen
Current FY 3Q	67,560	48,784	72.2	176,857	96
Previous FY 3Q	53,878	43,727	81.2	159,799	69
(reference) FY ended Mar. 2003	73,884	46,067	62.4	167,988	69

3 . Forecast for the FY ending March 2004 (April 1, 2003 to March 31, 2004)

	Sales Forecast	Ordinary Profit Forecast	Current Net Income Forecast	Current Net Income per Share Forecast	
	Million yen	Million yen	Million yen	Yen	Sen
FY ending Mar. 2004	113,300	10,000	5,750	20,845	27

(note) There have been no changes to the forecast announced on November 6, 2003 Interim Financial Report.