

Business Performance for 3rd Quarter FY2005 (FY ending March 2006) (Non-Consolidated Report)



February 8, 2006

Company Name **Net One Systems Co., Ltd.**
(Stock code Number: 7518 Tokyo Stock Exchange)

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

Representative Title **President & CEO** Osamu Sawada
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Manager of Operation Department

1. Matters related to preparation of Business Performance for 3rd Quarter of FY2004

Usage of simplified method for accounting standard : Yes

(Details) Accounting standard of corporation tax: calculated using annual forecast tax rate based on statutory effective tax rate

Disparity between accounting procedures of FY ended Mar. 2005 and current quarter : None

2. Results of FY2005 3Q (April 1, 2005 to December 31, 2005)

(1) Financial Status

(unit: rounded down to the nearest million yen)

	Sales		Operating Profit		Ordinary Profit	
	Million yen	%	Million yen	%	Million yen	%
Quarter ended December 31, 2005	70,083	(-19.9)	4,377	(-23.9)	4,463	(-22.6)
Quarter ended December 31, 2004	87,459	(12.3)	5,755	(24.3)	5,768	(23.5)
(Reference) Year ended Mar. 2005	132,235		9,667		9,681	

	Quarterly Net Income		Net Income per share		Net Income per share (assuming full dilution)	
	Million yen	%	Yen	Sen	Yen	Sen
Quarter ended December 31, 2005	2,629	(-22.2)	4,766	84	_____	_____
Quarter ended December 31, 2004	3,380	(22.4)	6,128	17	_____	_____
(Reference) Year ended Mar. 2005	5,677		10,219	90	_____	_____

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

(2) Changes in financial position

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to total assets	Shareholders' Equity per share	
	Million yen	Million yen	%	Yen	Sen
Quarter ended December 31, 2005	72,301	59,337	82.1	107,556	88
Quarter ended December 31, 2004	71,616	55,202	77.1	100,061	34
(Reference) Year ended Mar. 2005	77,790	57,499	73.9	104,154	49

3. Forecast for the FY2005 (April 1, 2005 to March 31, 2006)

	Sales	Ordinary Profit	Current Net Income
	Million yen	Million yen	Million yen
Fiscal Year	115,000	9,200	5,300

(Reference) Forecast net income per share for FY 9,606.88 Yen

(Note) There are no changes to FY ending March 2006 forecast announced in the interim financial report dated November 8, 2005.