

# Analyst Briefing Financial Results

May 11, 2009

Net One Systems Co., Ltd.

The logo for Net One Systems, featuring the company name in a stylized font. The 'N' is composed of horizontal lines, and the 'S' has a similar pattern. The text is white and set against a blue background.

# Overview of FY ending March 2009

## Status of orders accepted and sales

Total orders accepted during FY ending March 2009 were 130,821M yen (up 11.5% or 13,475M yen increase from previous FY).

With regard to breakdown of orders accepted based on channels, Enterprise Sector (EP Sector) which was affected by slowdown in economy and finance industry, accounted for 36,539M yen, down 10.9% from previous FY. In Service Provider Sector (SP Sector), relative to increase in network infrastructure, orders accepted were 63,876M yen, up 29.3% from previous FY. In Public Sector (Public Sector), relative to increase in orders accepted from central government and independent administrative agencies, as well as from educational institutions, orders accepted were 30,405M yen, up 12.9% from previous FY.

Sales during FY ending 2009 were 131,119M yen (up 17.4% or 19,431M yen increase from previous FY).

With regard to breakdown of sales based on channels, sales to Enterprise Sector (EP Sector) were 38,093M yen, down 8.9% from previous FY, sales to Service Provider Sector (SP Sector), were 62,177M yen, up 33.4% from previous FY, and sales to Public Sector (Public Sector) were 30,849M yen, up 32.4% from previous FY.

## Status of Profit

Sales for FY ending March 2009 were 131,119M yen (up 17.4% from previous FY) as stipulated above. Amount of purchase decreased relative to negotiations with vendors and strong yen since fall of 2008. As results, cost of goods sold were capped at 98,482M yen (13.8% increase from previous FY), gross profit on sales were 32,637M yen (up 29.9% or 7,518M yen increase from previous FY), and gross profit margin was 24.9% (up 2.4 points from previous FY). Also, relative to selling, general and administrative expenses resulting in 23,756M yen (up 16.8% or 3,408M yen increase from previous FY), operating profit was 8,881M yen (up 86.1% or 4,109M yen increase from previous FY), ordinary profit was 9,036M yen (up 84.9% or 4,149M yen increase from previous FY), and current net income was 4,897M yen (up 97.1% or 2,413M yen increase from previous FY).

# Overview of 4Q FY 2009 (three months ending March 2008)

## Status of orders accepted and sales

Orders accepted during current 4Q were 32,637M yen (down 10.2% or 3,703M yen decrease from previous FY). With regard to breakdown of orders accepted based on channels, Enterprise Sector (EP Sector) accounted for 9,658M yen, down 18.6% from previous FY 4Q, Service Provider Sector (SP Sector) accounted for 16,980M yen, up 8.4% from previous FY 4Q, and Public Sector (Public Sector) accounted for 6,001M yen, down 31.9% from previous FY 4Q.

Sales during current 4Q were 38,410M yen (up 4.3% or 1,591M yen increase from previous FY). With regard to breakdown of sales based on channels, Enterprise Sector (EP Sector) accounted for 11,411M yen, down 5.1% from previous FY 4Q, Service Provider Sector (SP Sector) accounted for 13,955M yen, down 5.5% from previous FY 4Q, and Public Sector (Public Sector) accounted for 13,047M yen, up 30.3% from previous FY 4Q.

## Status of Profit

Sales for FY 4Q were 38,410M yen (up 4.3% from previous FY 4Q) as stipulated above, cost of goods sold was 28,363M yen (down 3.4% or 1,004M yen decrease from previous FY 4Q), gross profit on sales was 10,048M yen (up 34.8% or 2,595M yen increase from previous FY 4Q), and selling, general and administrative expenses were 6,657M yen (up 22.3% or 1,216M yen increase from previous FY 4Q) and as results, operating profit was 3,392M yen (up 68.6% or 1,380M yen increase from previous FY 4Q), ordinary profit was 3,442M yen (up 69.7% or 1,414M yen increase from previous FY 4Q), and net income for FY4Q was 1,644M yen (up 61.2% or 624M yen increase from previous FY 4Q).

# Revenue based on Market (Consolidated)

## Breakdown of Booking based on Market

Yen in millions

| Market           | FY ending Mar.2009① |               | Variance(①-②) |              | FY ending Mar.2008② |               |
|------------------|---------------------|---------------|---------------|--------------|---------------------|---------------|
|                  | Amount              | Ratio         | Amount        | Ratio        | Amount              | Ratio         |
| Enterprise       | 36,539              | 27.9%         | (4,462)       | -10.9%       | 41,001              | 34.9%         |
| Service Provider | 63,876              | 48.8%         | 14,471        | 29.3%        | 49,405              | 42.1%         |
| Public Sector    | 30,405              | 23.2%         | 3,467         | 12.9%        | 26,938              | 23.0%         |
| <b>Total</b>     | <b>130,821</b>      | <b>100.0%</b> | <b>13,475</b> | <b>11.5%</b> | <b>117,345</b>      | <b>100.0%</b> |

## Breakdown of Revenue based on Market

Yen in millions

| Market           | FY ending Mar.2009① |               | Variance(①-②) |              | FY ending Mar.2008② |               |
|------------------|---------------------|---------------|---------------|--------------|---------------------|---------------|
|                  | Amount              | Ratio         | Amount        | Ratio        | Amount              | Ratio         |
| Enterprise       | 38,093              | 29.1%         | (3,702)       | -8.9%        | 41,795              | 37.4%         |
| Service Provider | 62,177              | 47.4%         | 15,583        | 33.4%        | 46,594              | 41.7%         |
| Public Sector    | 30,849              | 23.5%         | 7,552         | 32.4%        | 23,297              | 20.9%         |
| <b>Total</b>     | <b>131,119</b>      | <b>100.0%</b> | <b>19,431</b> | <b>17.4%</b> | <b>111,687</b>      | <b>100.0%</b> |

## Breakdown of Unfilled Orders based on Market

Yen in millions

| Market           | FY ending Mar.2009① |               | Variance(①-②) |              | FY ending Mar.2008② |               |
|------------------|---------------------|---------------|---------------|--------------|---------------------|---------------|
|                  | Amount              | Ratio         | Amount        | Ratio        | Amount              | Ratio         |
| Enterprise       | 11,259              | 28.7%         | (2,726)       | -19.5%       | 13,985              | 35.4%         |
| Service Provider | 13,648              | 34.8%         | 1,684         | 14.1%        | 11,964              | 30.3%         |
| Public Sector    | 14,287              | 36.5%         | 743           | 5.5%         | 13,544              | 34.3%         |
| <b>Total</b>     | <b>39,196</b>       | <b>100.0%</b> | <b>(298)</b>  | <b>-0.8%</b> | <b>39,494</b>       | <b>100.0%</b> |

# Quarterly Booking on Market (Consolidated)

## Breakdown of Booking in 2007 based on Market

Yen in millions

|               | 1Q 2007       |               | 2Q 2007       |               | 1H 2007       |               | 3Q 2007       |               | 4Q 2007       |               | 2H 2007       |               | Full FY 2007   |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|
|               | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount         | Ratio         |
| Enterprise    | 8,594         | 32.5%         | 10,397        | 40.1%         | 18,991        | 36.2%         | 10,149        | 35.5%         | 11,861        | 32.6%         | 22,010        | 33.9%         | 41,001         | 34.9%         |
| Service Provi | 11,212        | 42.4%         | 9,933         | 38.3%         | 21,145        | 40.4%         | 12,589        | 44.0%         | 15,671        | 43.1%         | 28,260        | 43.5%         | 49,405         | 42.1%         |
| Public Sector | 6,657         | 25.1%         | 5,621         | 21.6%         | 12,278        | 23.4%         | 5,851         | 20.5%         | 8,809         | 24.3%         | 14,660        | 22.6%         | 26,938         | 23.0%         |
| <b>Total</b>  | <b>26,464</b> | <b>100.0%</b> | <b>25,952</b> | <b>100.0%</b> | <b>52,416</b> | <b>100.0%</b> | <b>28,589</b> | <b>100.0%</b> | <b>36,340</b> | <b>100.0%</b> | <b>64,929</b> | <b>100.0%</b> | <b>117,345</b> | <b>100.0%</b> |

## Breakdown of Booking in 2008 based on Market

Yen in millions

|               | 1Q 2008       |               | 2Q 2008       |               | 1H 2008       |               | 3Q 2008       |               | 4Q 2008       |               | 2H 2008       |               | Full FY 2008   |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|
|               | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount         | Ratio         |
| Enterprise    | 8,744         | 28.5%         | 8,985         | 26.5%         | 17,729        | 27.5%         | 9,152         | 27.2%         | 9,658         | 29.6%         | 18,810        | 28.4%         | 36,539         | 27.9%         |
| Service Provi | 15,585        | 50.8%         | 17,571        | 51.8%         | 33,156        | 51.3%         | 13,740        | 40.9%         | 16,980        | 52.0%         | 30,720        | 46.4%         | 63,876         | 48.8%         |
| Public Sector | 6,353         | 20.7%         | 7,351         | 21.7%         | 13,704        | 21.2%         | 10,700        | 31.9%         | 6,001         | 18.4%         | 16,701        | 25.2%         | 30,405         | 23.2%         |
| <b>Total</b>  | <b>30,683</b> | <b>100.0%</b> | <b>33,906</b> | <b>100.0%</b> | <b>64,590</b> | <b>100.0%</b> | <b>33,594</b> | <b>100.0%</b> | <b>32,637</b> | <b>100.0%</b> | <b>66,231</b> | <b>100.0%</b> | <b>130,821</b> | <b>100.0%</b> |

## 2007 versus 2008

Yen in millions

|               | 1Q 2008      |              | 2Q 2008      |              | 1H 2008       |              | 3Q 2008      |              | 4Q 2008        |               | 2H 2008      |             | Full FY 2008  |              |
|---------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|----------------|---------------|--------------|-------------|---------------|--------------|
|               | Amount       | Ratio        | Amount       | Ratio        | Amount        | Ratio        | Amount       | Ratio        | Amount         | Ratio         | Amount       | Ratio       | Amount        | Ratio        |
| Enterprise    | 150          | 1.7%         | (1,412)      | -13.6%       | (1,262)       | -6.6%        | (997)        | -9.8%        | (2,203)        | -18.6%        | (3,200)      | -14.5%      | (4,462)       | -10.9%       |
| Service Provi | 4,373        | 39.0%        | 7,638        | 76.9%        | 12,011        | 56.8%        | 1,151        | 9.1%         | 1,309          | 8.4%          | 2,460        | 8.7%        | 14,471        | 29.3%        |
| Public Sector | (304)        | -4.6%        | 1,730        | 30.8%        | 1,426         | 11.6%        | 4,849        | 82.9%        | (2,808)        | -31.9%        | 2,041        | 13.9%       | 3,467         | 12.9%        |
| <b>Total</b>  | <b>4,219</b> | <b>15.9%</b> | <b>7,954</b> | <b>30.6%</b> | <b>12,174</b> | <b>23.2%</b> | <b>5,005</b> | <b>17.5%</b> | <b>(3,703)</b> | <b>-10.2%</b> | <b>1,302</b> | <b>2.0%</b> | <b>13,475</b> | <b>11.5%</b> |

# Quarterly Revenue on Market (Consolidated)

Breakdown of Revenue in 2007 based on Market

Yen in millions

|               | 1Q 2007       |               | 2Q 2007       |               | 1H 2007       |               | 3Q 2007       |               | 4Q 2007       |               | 2H 2007       |               | Full FY 2007   |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|
|               | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount         | Ratio         |
| Enterprise    | 8,478         | 39.7%         | 10,647        | 39.3%         | 19,125        | 39.5%         | 10,640        | 40.3%         | 12,030        | 32.7%         | 22,670        | 35.9%         | 41,795         | 37.4%         |
| Service Provi | 9,978         | 46.7%         | 11,545        | 42.6%         | 21,523        | 44.4%         | 10,297        | 39.0%         | 14,774        | 40.1%         | 25,071        | 39.6%         | 46,594         | 41.7%         |
| Public Sector | 2,910         | 13.6%         | 4,900         | 18.1%         | 7,810         | 16.1%         | 5,472         | 20.7%         | 10,015        | 27.2%         | 15,487        | 24.5%         | 23,297         | 20.9%         |
| <b>Total</b>  | <b>21,368</b> | <b>100.0%</b> | <b>27,091</b> | <b>100.0%</b> | <b>48,459</b> | <b>100.0%</b> | <b>26,409</b> | <b>100.0%</b> | <b>36,819</b> | <b>100.0%</b> | <b>63,228</b> | <b>100.0%</b> | <b>111,687</b> | <b>100.0%</b> |

Breakdown of Revenue in 2008 based on Market

Yen in millions

|               | 1Q 2008       |               | 2Q 2008       |               | 1H 2008       |               | 3Q 2008       |               | 4Q 2008       |               | 2H 2008       |               | Full FY 2008   |               |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|
|               | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount        | Ratio         | Amount         | Ratio         |
| Enterprise    | 8,523         | 33.0%         | 9,287         | 25.4%         | 17,810        | 28.6%         | 8,872         | 29.2%         | 11,411        | 29.7%         | 20,283        | 29.5%         | 38,093         | 29.1%         |
| Service Provi | 13,681        | 52.9%         | 19,373        | 53.0%         | 33,054        | 53.0%         | 15,168        | 50.0%         | 13,955        | 36.3%         | 29,123        | 42.4%         | 62,177         | 47.4%         |
| Public Sector | 3,632         | 14.1%         | 7,861         | 21.5%         | 11,493        | 18.4%         | 6,309         | 20.8%         | 13,047        | 34.0%         | 19,356        | 28.1%         | 30,849         | 23.5%         |
| <b>Total</b>  | <b>25,837</b> | <b>100.0%</b> | <b>36,521</b> | <b>100.0%</b> | <b>62,358</b> | <b>100.0%</b> | <b>30,350</b> | <b>100.0%</b> | <b>38,410</b> | <b>100.0%</b> | <b>68,761</b> | <b>100.0%</b> | <b>131,119</b> | <b>100.0%</b> |

2007 Versus 2008

Yen in millions

|               | 1Q 2008      |              | 2Q 2008      |              | 1H 2008       |              | 3Q 2008      |              | 4Q 2008      |             | 2H 2008      |             | Full FY 2008  |              |
|---------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|-------------|--------------|-------------|---------------|--------------|
|               | Amount       | Ratio        | Amount       | Ratio        | Amount        | Ratio        | Amount       | Ratio        | Amount       | Ratio       | Amount       | Ratio       | Amount        | Ratio        |
| Enterprise    | 45           | 0.5%         | (1,360)      | -12.8%       | (1,315)       | -6.9%        | (1,768)      | -16.6%       | (619)        | -5.1%       | (2,387)      | -10.5%      | (3,702)       | -8.9%        |
| Service Provi | 3,703        | 37.1%        | 7,828        | 67.8%        | 11,531        | 53.6%        | 4,871        | 47.3%        | (819)        | -5.5%       | 4,052        | 16.2%       | 15,583        | 33.4%        |
| Public Sector | 722          | 24.8%        | 2,961        | 60.4%        | 3,683         | 47.2%        | 837          | 15.3%        | 3,032        | 30.3%       | 3,869        | 25.0%       | 7,552         | 32.4%        |
| <b>Total</b>  | <b>4,469</b> | <b>20.9%</b> | <b>9,430</b> | <b>34.8%</b> | <b>13,899</b> | <b>28.7%</b> | <b>3,941</b> | <b>14.9%</b> | <b>1,591</b> | <b>4.3%</b> | <b>5,533</b> | <b>8.8%</b> | <b>19,431</b> | <b>17.4%</b> |

# Booking on Enterprise Sector (Consolidated)

Yen in millions

|   | FY ending Mar.2009① |               | Variance(①-②) |              | FY ending Mar.2008② |               |
|---|---------------------|---------------|---------------|--------------|---------------------|---------------|
|   | Amount              | Ratio         | Amount        | Ratio        | Amount              | Ratio         |
| <b>Manufacturing</b>                    |                     |               |               |              |                     |               |
| Material Industry                       | 726                 | 0.6%          | (126)         | -14.8%       | 852                 | 0.9%          |
| Electrical Equipment                    | 5,824               | 5.3%          | 501           | 9.4%         | 5,323               | 5.4%          |
| Transport Equipment                     | 2,182               | 2.0%          | (678)         | -23.7%       | 2,860               | 2.9%          |
| Crecision Machinery etc.                | 1,505               | 1.4%          | (133)         | -8.1%        | 1,638               | 1.6%          |
| Others Manufacturing Industry           | 1,098               | 1.0%          | 162           | 17.3%        | 936                 | 0.9%          |
| <b>Manufacturing Industry Total</b>     | <b>11,337</b>       | <b>10.3%</b>  | <b>(274)</b>  | <b>-2.4%</b> | <b>11,611</b>       | <b>11.7%</b>  |
| <b>Non-Manufacturing</b>                |                     |               |               |              |                     |               |
| Construction and Real Estate            | 2,421               | 2.2%          | (1)           | 0.0%         | 2,422               | 2.4%          |
| Trade                                   | 4,168               | 3.8%          | (1,191)       | -22.2%       | 5,359               | 5.4%          |
| Service                                 | 13,333              | 12.0%         | (1,199)       | -8.3%        | 14,532              | 14.7%         |
| Software Development                    | 5,496               | 5.0%          | (1,409)       | -20.4%       | 6,905               | 7.0%          |
| Communication/Mass Media                | 64,942              | 58.7%         | 18,746        | 40.6%        | 46,196              | 46.7%         |
| Public Transportations etc.             | 1,914               | 1.7%          | (574)         | -23.1%       | 2,488               | 2.5%          |
| Financial Institutions                  | 6,922               | 6.3%          | (2,539)       | -26.8%       | 9,461               | 9.6%          |
| <b>Non-Manufacturing Industry Total</b> | <b>99,200</b>       | <b>89.7%</b>  | <b>11,835</b> | <b>13.5%</b> | <b>87,365</b>       | <b>88.3%</b>  |
| <b>Private Sector Total</b>             | <b>110,538</b>      | <b>100.0%</b> | <b>11,561</b> | <b>11.7%</b> | <b>98,977</b>       | <b>100.0%</b> |

# Revenue on Enterprise Sector (Consolidated)

Yen in millions

|   | FY ending Mar.2009① |               | Variance(①-②) |              | FY ending Mar.2008② |               |
|---|---------------------|---------------|---------------|--------------|---------------------|---------------|
|   | Amount              | Ratio         | Amount        | Ratio        | Amount              | Ratio         |
| <b>Manufacturing</b>                    |                     |               |               |              |                     |               |
| Material Industry                       | 778                 | 0.7%          | (65)          | -7.7%        | 843                 | 0.9%          |
| Electrical Equipment                    | 5657                | 5.0%          | (141)         | -2.4%        | 5798                | 6.0%          |
| Transport Equipment                     | 2918                | 2.6%          | (978)         | -25.1%       | 3896                | 4.1%          |
| Crecision Machinery etc.                | 1,611               | 1.4%          | 39            | 2.5%         | 1,572               | 1.6%          |
| Others Manufacturing Industry           | 1197                | 1.0%          | 702           | 141.8%       | 495                 | 0.5%          |
| <b>Manufacturing Industry Total</b>     | <b>12,162</b>       | <b>13.1%</b>  | <b>(443)</b>  | <b>-3.5%</b> | <b>12,605</b>       | <b>13.1%</b>  |
| <b>Non-Manufacturing</b>                |                     |               |               |              |                     |               |
| Construction and Real Estate            | 2,323               | 2.0%          | (430)         | -15.6%       | 2,753               | 2.9%          |
| Trade                                   | 6,818               | 6.0%          | 1,837         | 36.9%        | 4,981               | 5.2%          |
| Service                                 | 13,939              | 12.3%         | (1,264)       | -8.3%        | 15,203              | 15.8%         |
| Software Development                    | 5,780               | 5.1%          | (1,113)       | -16.1%       | 6,893               | 7.2%          |
| Communication/Mass Media                | 62,755              | 55.2%         | 20,242        | 47.6%        | 42,513              | 44.3%         |
| Public Transportations etc.             | 2,355               | 2.1%          | 456           | 24.0%        | 1,899               | 2.0%          |
| Financial Institutions                  | 7,446               | 6.6%          | (1,670)       | -18.3%       | 9,116               | 9.5%          |
| <b>Non-Manufacturing Industry Total</b> | <b>101,419</b>      | <b>86.9%</b>  | <b>18,058</b> | <b>21.7%</b> | <b>83,361</b>       | <b>86.9%</b>  |
| <b>Private Sector Total</b>             | <b>113,582</b>      | <b>100.0%</b> | <b>17,616</b> | <b>18.4%</b> | <b>95,966</b>       | <b>100.0%</b> |

# Income Statement (Consolidated - 12months)

Yen in millions

|                           | FY ending Mar.2009① |        | Variance(①-②) |       | FY ending Mar.2008② |        |
|---------------------------|---------------------|--------|---------------|-------|---------------------|--------|
|                           | Amount              | Ratio  | Amount        | Ratio | Amount              | Ratio  |
| Sales                     | 131,119             | 100.0% | 19,431        | 17.4% | 111,687             | 100.0% |
| Cost of Goods Sold        | 98,482              | 75.1%  | 11,913        | 13.8% | 86,568              | 77.5%  |
| Gross Profit on Sales     | 32,637              | 24.9%  | 7,518         | 29.9% | 25,119              | 22.5%  |
| SGA                       | 23,756              | 18.1%  | 3,408         | 16.8% | 20,347              | 18.2%  |
| Operating Profit          | 8,881               | 6.8%   | 4,109         | 86.1% | 4,772               | 4.3%   |
| Non-Operating Profit/Loss | 155                 | 0.1%   | 40            | 34.8% | 115                 | 0.1%   |
| Ordinary Profit           | 9,036               | 6.9%   | 4,149         | 84.9% | 4,887               | 4.4%   |
| Extraordinary Profit/Loss | (180)               | -0.1%  | (47)          | -     | (132)               | -0.1%  |
| Earning before tax        | 8,856               | 6.8%   | 4,101         | 86.3% | 4,754               | 4.3%   |
| Current Net Earning       | 4,897               | 3.7%   | 2,413         | 97.1% | 2,484               | 2.2%   |

# Income Statement (Consolidated - 3months)

Yen in millions

|                           | Current FY 4Q ① |        | Variance(①-②) |        | Current FY 4Q ② |        |
|---------------------------|-----------------|--------|---------------|--------|-----------------|--------|
|                           | Amount          | Ratio  | Amount        | Ratio  | Amount          | Ratio  |
| Sales                     | 38,410          | 100.0% | 1,591         | 4.3%   | 36,819          | 100.0% |
| Cost of Goods Sold        | 28,363          | 73.8%  | (1,004)       | -3.4%  | 29,367          | 79.8%  |
| Gross Profit on Sales     | 10,048          | 26.2%  | 2,595         | 34.8%  | 7,453           | 20.2%  |
| SGA                       | 6,657           | 17.3%  | 1,216         | 22.3%  | 5,441           | 14.8%  |
| Operating Profit          | 3,392           | 8.8%   | 1,380         | 68.6%  | 2,012           | 5.5%   |
| Non-Operating Profit/Loss | 51              | 0.1%   | 34            | 200.0% | 17              | 0.0%   |
| Ordinary Profit           | 3,442           | 9.0%   | 1,414         | 69.7%  | 2,028           | 5.5%   |
| Extraordinary Profit/Loss | (313)           | -0.8%  | (84)          | -      | (229)           | -0.6%  |
| Earning before tax        | 3,129           | 8.1%   | 1,137         | 57.1%  | 1,992           | 5.4%   |
| Current Net Earning       | 1,644           | 4.3%   | 624           | 61.2%  | 1,020           | 2.8%   |

# Income Statement (Non-Consolidated - 12months)

Yen in millions

|                           | FY ending Mar.2009 ① |        | Variance(①-②) |        | FY ending Mar.2008 ② |        |
|---------------------------|----------------------|--------|---------------|--------|----------------------|--------|
|                           | Amount               | Ratio  | Amount        | Ratio  | Amount               | Ratio  |
| Sales                     | 129,494              | 100.0% | 19,621        | 17.9%  | 109,873              | 100.0% |
| Cost of Goods Sold        | 100,082              | 77.3%  | 12,535        | 14.3%  | 87,547               | 79.7%  |
| Gross Profit on Sales     | 29,411               | 22.7%  | 7,085         | 31.7%  | 22,326               | 20.3%  |
| SGA                       | 21,306               | 16.5%  | 2,894         | 15.7%  | 18,411               | 16.7%  |
| Operating Profit          | 8,105                | 6.3%   | 4,191         | 107.1% | 3,914                | 3.6%   |
| Non-Operating Profit/Loss | 214                  | 0.1%   | 81            | 60.8%  | 133                  | 0.1%   |
| Ordinary Profit           | 8,319                | 6.4%   | 4,272         | 105.6% | 4,047                | 3.7%   |
| Extraordinary Profit/Loss | (178)                | 0.1%   | (323)         | -      | 145                  | 0.1%   |
| Earning before tax        | 8,141                | 6.3%   | 3,948         | 94.2%  | 4,192                | 3.8%   |
| Current Net Earning       | 4,653                | 3.6%   | 2,276         | 95.8%  | 2,377                | 2.2%   |

# Income Statement (Non-Consolidated - 3months)

Yen in millions

|                           | Current FY 4Q ① |        | Variance(①-②) |        | Current FY 4Q ② |        |
|---------------------------|-----------------|--------|---------------|--------|-----------------|--------|
|                           | Amount          | Ratio  | Amount        | Ratio  | Amount          | Ratio  |
| Sales                     | 37,984          | 100.0% | 1,570         | 4.3%   | 36,414          | 100.0% |
| Cost of Goods Sold        | 28,867          | 76.0%  | (814)         | -2.7%  | 29,681          | 81.5%  |
| Gross Profit on Sales     | 9,117           | 24.0%  | 2,383         | 35.4%  | 6,734           | 18.5%  |
| SGA                       | 5,850           | 15.4%  | 988           | 20.3%  | 4,862           | 13.4%  |
| Operating Profit          | 3,268           | 8.6%   | 1,397         | 74.7%  | 1,871           | 5.1%   |
| Non-Operating Profit/Loss | 103             | 0.3%   | 78            | 312.0% | 25              | 0.1%   |
| Ordinary Profit           | 3,370           | 8.9%   | 1,474         | 77.7%  | 1,896           | 5.2%   |
| Extraordinary Profit/Loss | (311)           | -0.8%  | (490)         | -      | 179             | 0.5%   |
| Earning before tax        | 3,059           | 8.1%   | 984           | 47.4%  | 2,075           | 5.7%   |
| Current Net Earning       | 1,651           | 4.3%   | 490           | 42.2%  | 1,161           | 3.2%   |

# Balance Sheet (Consolidated)

Yen in millions

|   | FY ending Mar.2009① |               | Variance(①-②)  |              | FY ending Mar.2008② |               |
|---|---------------------|---------------|----------------|--------------|---------------------|---------------|
|   | Amount              | Ratio         | Amount         | Ratio        | Amount              | Ratio         |
| Current Assets                          | 70,472              | 86.1%         | (2,437)        | -3.3%        | 72,910              | 86.5%         |
| Cash and Deposits+CD+CP                 | 22,698              | 27.7%         | (2,852)        | -11.2%       | 25,550              | 30.3%         |
| Account Receivable etc.                 | 32,408              | 39.6%         | 635            | 2.0%         | 31,773              | 37.7%         |
| Inventory Assets                        | 10,894              | 13.3%         | (1,676)        | -13.3%       | 12,570              | 14.9%         |
| Others                                  | 4,516               | 5.5%          | 1,494          | 49.4%        | 3,022               | 3.6%          |
| Allowance for Doubtful Receivables      | (44)                | -0.1%         | (38)           | -            | (5)                 | 0.0%          |
| Fixed Assets                            | 11,361              | 13.9%         | 11             | 0.1%         | 11,349              | 13.5%         |
| Trangible Fixed Assets                  | 5,550               | 6.8%          | 272            | 5.2%         | 5,278               | 6.3%          |
| Intrangible Fixed Assets                | 1,451               | 1.8%          | (213)          | -12.8%       | 1,665               | 2.0%          |
| Investment etc.                         | 4,358               | 5.3%          | (46)           | -1.1%        | 4,405               | 5.2%          |
| <b>Total Assets</b>                     | <b>81,833</b>       | <b>100.0%</b> | <b>(2,425)</b> | <b>-2.9%</b> | <b>84,259</b>       | <b>100.0%</b> |
| Current Liabilities                     | 27,056              | 33.1%         | 1,539          | 6.0%         | 25,516              | 30.3%         |
| Account Payable                         | 14,077              | 17.2%         | (2,441)        | -14.8%       | 16,519              | 19.6%         |
| Payment Due                             | 4,552               | 5.6%          | 146            | 3.3%         | 4,405               | 5.2%          |
| Others                                  | 8,427               | 10.3%         | 3,835          | 83.5%        | 4,592               | 5.4%          |
| Fixed Liabilities                       | 367                 | 0.5%          | 294            | 404.8%       | 72                  | 0.1%          |
| <b>Total Liabilities</b>                | <b>27,423</b>       | <b>33.5%</b>  | <b>1,834</b>   | <b>7.2%</b>  | <b>25,589</b>       | <b>30.4%</b>  |
| Shareholder`s Equity                    | 53,286              | 65.1%         | (4,614)        | -8.0%        | 57,900              | 68.7%         |
| Capital Stock                           | 12,279              | 15.0%         | 0              | 0.0%         | 12,279              | 14.6%         |
| Additional Paid-in Capital              | 19,453              | 23.8%         | 0              | 0.0%         | 19,453              | 23.1%         |
| Consolidated Stock                      | 37,720              | 46.1%         | 3,850          | 11.4%        | 33,870              | 40.2%         |
| Repurchased Stock                       | (16,167)            | -19.8%        | (8,465)        | -            | (7,702)             | -9.2%         |
| Gains on valuation of other securities  | 114                 | 0.1%          | 205            | -            | (90)                | -0.1%         |
| Difference from Securities Revaluation  | (12)                | 0.0%          | (67)           | -            | 55                  | 0.1%          |
| Deferral hedge gain and losses          | 126                 | 0.2%          | 272            | -            | (146)               | -0.2%         |
| Minority Shareholder`s Equity           | 1,009               | 1.2%          | 148            | 17.3%        | 860                 | 1.0%          |
| <b>Total Net Assets</b>                 | <b>54,409</b>       | <b>66.5%</b>  | <b>(4,260)</b> | <b>-7.3%</b> | <b>58,670</b>       | <b>69.6%</b>  |
| <b>Total Liabilities and Net Assets</b> | <b>81,833</b>       | <b>100.0%</b> | <b>(2,425)</b> | <b>-2.9%</b> | <b>84,259</b>       | <b>100.0%</b> |

# Balance Sheet (Non-Consolidated)

Yen in millions

|   | FY ending Mar.2009① |               | Variance(①-②)  |              | FY ending Mar.2008② |               |
|---|---------------------|---------------|----------------|--------------|---------------------|---------------|
|   | Amount              | Ratio         | Amount         | Ratio        | Amount              | Ratio         |
| Current Assets                          | 67,035              | 85.9%         | (3,636)        | -5.1%        | 70,671              | 87.6%         |
| Cash and Deposits+CD+CP                 | 19,709              | 25.3%         | (4,055)        | -17.1%       | 23,764              | 29.5%         |
| Account Receivable etc.                 | 32,104              | 41.1%         | 618            | 2.0%         | 31,485              | 39.0%         |
| Inventory Assets                        | 10,899              | 14.0%         | (1,674)        | -13.3%       | 12,573              | 15.6%         |
| Others                                  | 4,368               | 5.6%          | 1,513          | 53.0%        | 2,855               | 3.5%          |
| Allowance for Doubtful Receivables      | (45)                | -0.1%         | (39)           | -            | (6)                 | 0.0%          |
| Fixed Assets                            | 11,008              | 14.1%         | 1,030          | 10.3%        | 9,977               | 12.4%         |
| Tangible Fixed Assets                   | 4,804               | 6.2%          | 423            | 9.7%         | 4,380               | 5.4%          |
| Intangible Fixed Assets                 | 1,013               | 1.3%          | (241)          | 19.3%        | 1,255               | 1.6%          |
| Investment etc.                         | 5,191               | 6.7%          | 848            | 19.6%        | 4,342               | 5.4%          |
| <b>Total Assets</b>                     | <b>78,044</b>       | <b>100.0%</b> | <b>(2,604)</b> | <b>-3.2%</b> | <b>80,648</b>       | <b>100.0%</b> |
| Current Liabilities                     | 25,596              | 32.8%         | 1,751          | 7.3%         | 23,845              | 29.5%         |
| Account Payable                         | 14,252              | 18.3%         | (2,257)        | -13.7%       | 16,510              | 20.5%         |
| Payment Due                             | 3,935               | 5.0%          | 179            | 4.8%         | 3,756               | 4.7%          |
| Others                                  | 7,409               | 9.5%          | 3,830          | 107.0%       | 3,579               | 4.4%          |
| Fixed Liabilities                       | 356                 | 0.5%          | 296            | 497.5%       | 59                  | 0.1%          |
| <b>Total Liabilities</b>                | <b>25,953</b>       | <b>33.3%</b>  | <b>2,048</b>   | <b>8.6%</b>  | <b>23,905</b>       | <b>29.6%</b>  |
| Shareholder`s Equity                    | 51,976              | 66.6%         | (4,858)        | -8.5%        | 56,834              | 70.5%         |
| Capital Stock                           | 12,279              | 15.7%         | 0              | 0.0%         | 12,279              | 15.2%         |
| Additional Paid-in Capital              | 19,453              | 24.9%         | 0              | 0.0%         | 19,453              | 24.1%         |
| Consolidated Stock                      | 36,411              | 46.7%         | 3,606          | 11.0%        | 32,804              | 40.7%         |
| Repurchased Stock                       | (16,167)            | -20.7%        | (8,465)        | -            | (7,702)             | -9.5%         |
| Gains on valuation of other securities  | 114                 | 0.1%          | 205            | -            | (90)                | -0.1%         |
| Difference from Securities Revaluation  | (12)                | 0.0%          | (67)           | -            | 55                  | 0.1%          |
| Deferral hedge gain and losses          | 126                 | 0.2%          | 272            | -            | (146)               | -0.2%         |
| <b>Total Net Assets</b>                 | <b>52,091</b>       | <b>66.7%</b>  | <b>(4,652)</b> | <b>-8.2%</b> | <b>56,743</b>       | <b>70.4%</b>  |
| <b>Total Liabilities and Net Assets</b> | <b>78,044</b>       | <b>100.0%</b> | <b>(2,604)</b> | <b>-3.2%</b> | <b>80,648</b>       | <b>100.0%</b> |

# Booking/Revenue (Consolidated) based on Product Category

**Booking** Yen in millions

|                              | FY ending Mar.2009① |               | Variance(①-②) |              | FY ending Mar.2008② |               |
|------------------------------|---------------------|---------------|---------------|--------------|---------------------|---------------|
|                              | Amount              | Ratio         | Amount        | Ratio        | Amount              | Ratio         |
| Network Integration Products | 82,767              | 63.3%         | 12,041        | 17.0%        | 70,725              | 60.3%         |
| Network Computing Products   | 2,729               | 2.1%          | 341           | 14.3%        | 2,388               | 2.0%          |
| Media Integration Products   | 10,377              | 7.9%          | 917           | 9.7%         | 9,459               | 8.1%          |
| Service Integration Products | 34,946              | 26.7%         | 174           | 0.5%         | 34,772              | 29.6%         |
| <b>Total</b>                 | <b>130,821</b>      | <b>100.0%</b> | <b>13,475</b> | <b>11.5%</b> | <b>117,345</b>      | <b>100.0%</b> |

**Revenue** Yen in millions

|                              | FY ending Mar.2009① |               | Variance(①-②) |              | FY ending Mar.2008② |               |
|------------------------------|---------------------|---------------|---------------|--------------|---------------------|---------------|
|                              | Amount              | Ratio         | Amount        | Ratio        | Amount              | Ratio         |
| Network Integration Products | 83,618              | 63.8%         | 15,223        | 22.3%        | 68,395              | 61.2%         |
| Network Computing Products   | 2,496               | 1.9%          | 262           | 11.8%        | 2,233               | 2.0%          |
| Media Integration Products   | 9,154               | 7.0%          | (1,148)       | -11.1%       | 10,302              | 9.2%          |
| Service Integration Products | 35,850              | 27.3%         | 5,093         | 16.6%        | 30,757              | 27.6%         |
| <b>Total</b>                 | <b>131,119</b>      | <b>100.0%</b> | <b>19,431</b> | <b>17.4%</b> | <b>111,687</b>      | <b>100.0%</b> |

**Backing of Unfilled Orders** Yen in millions

|                              | FY ending Mar.2009① |               | Variance(①-②) |              | FY ending Mar.2008② |               |
|------------------------------|---------------------|---------------|---------------|--------------|---------------------|---------------|
|                              | Amount              | Ratio         | Amount        | Ratio        | Amount              | Ratio         |
| Network Integration Products | 12,131              | 30.9%         | (851)         | -6.6%        | 12,982              | 32.9%         |
| Network Computing Products   | 746                 | 1.9%          | 232           | 45.4%        | 513                 | 1.3%          |
| Media Integration Products   | 3,048               | 7.8%          | 1,224         | 67.1%        | 1,824               | 4.6%          |
| Service Integration Products | 23,271              | 59.4%         | (903)         | -3.7%        | 24,174              | 61.2%         |
| <b>Total</b>                 | <b>39,196</b>       | <b>100.0%</b> | <b>(298)</b>  | <b>-0.8%</b> | <b>39,494</b>       | <b>100.0%</b> |

# Revenue (Non-Consolidated) based on Product Category

Yen in millions

|  |                       | FY ending Mar.2009① |              | Variance(①-②)  |               | FY ending Mar.2008② |              |
|--|-----------------------|---------------------|--------------|----------------|---------------|---------------------|--------------|
|  |                       | Amount              | Ratio        | Amount         | Ratio         | Amount              | Ratio        |
| <b>NI (Network Integration) Products</b> |                       |                     |              |                |               |                     |              |
|  | Router                | 45,109              | 53.8%        | 15,520         | 52.5%         | 29,589              | 43.1%        |
|  | Switch                | 25,877              | 30.9%        | 352            | 1.4%          | 25,525              | 37.2%        |
|  | Others                | 12,835              | 15.3%        | (638)          | -4.7%         | 13,473              | 19.6%        |
|  | <b>NI Total</b>       | <b>83,821</b>       | <b>64.7%</b> | <b>15,234</b>  | <b>22.2%</b>  | <b>68,587</b>       | <b>62.4%</b> |
|  | Total Corporate Sales | 129,494             | 100.0%       | 19,621         | 17.9%         | 109,873             | 100.0%       |
| <b>NC (Network Computing) Products</b>   |                       |                     |              |                |               |                     |              |
|  | Security              | 753                 | 30.2%        | (30)           | -3.8%         | 783                 | 35.0%        |
|  | CDN Related           | 465                 | 18.6%        | (299)          | -39.1%        | 764                 | 34.2%        |
|  | Others                | 1,278               | 51.2%        | 591            | 86.0%         | 687                 | 30.8%        |
|  | <b>NC Total</b>       | <b>2,496</b>        | <b>1.9%</b>  | <b>262</b>     | <b>11.7%</b>  | <b>2,234</b>        | <b>2.0%</b>  |
|  | Total Corporate Sales | 129,494             | 100.0%       | 19,621         | 17.9%         | 109,873             | 100.0%       |
| <b>MI (Media Integration) Products</b>   |                       |                     |              |                |               |                     |              |
|  | Deployment            | 5,286               | 57.7%        | (1,383)        | -20.7%        | 6,669               | 64.6%        |
|  | Wireless              | 876                 | 9.6%         | (249)          | -22.1%        | 1,125               | 10.9%        |
|  | CATV                  | 2,191               | 23.9%        | 317            | 16.9%         | 1,874               | 18.2%        |
|  | Others                | 804                 | 8.8%         | 150            | 22.9%         | 654                 | 6.3%         |
|  | <b>MI Total</b>       | <b>9,157</b>        | <b>7.1%</b>  | <b>(1,165)</b> | <b>-11.3%</b> | <b>10,322</b>       | <b>9.4%</b>  |
|  | Total Corporate Sales | 129,494             | 100.0%       | 19,621         | 17.9%         | 109,873             | 100.0%       |
| <b>SI (Service Integration) Products</b> |                       |                     |              |                |               |                     |              |
|  | Engineering Service   | 4,018               | 11.8%        | 1,000          | 33.1%         | 3,018               | 10.5%        |
|  | Installation          | 6,636               | 19.5%        | 1,047          | 18.7%         | 5,589               | 19.5%        |
|  | Operation Management  | 22,696              | 66.7%        | 3,153          | 16.1%         | 19,543              | 68.0%        |
|  | Others                | 671                 | 2.0%         | 90             | 15.5%         | 581                 | 2.0%         |
|  | <b>SI Total</b>       | <b>34,021</b>       | <b>26.3%</b> | <b>5,290</b>   | <b>18.4%</b>  | <b>28,731</b>       | <b>26.1%</b> |
|  | Total Corporate Sales | 129,494             | 100.0%       | 19,621         | 17.9%         | 109,873             | 100.0%       |

The logo for Net One Systems is centered on a blue background with a pattern of overlapping, semi-transparent shapes that resemble a grid or a series of interconnected nodes. The text "Net One Systems" is written in a bold, italicized, sans-serif font. The "N" is stylized with horizontal lines, and the "O" and "S" also feature horizontal lines, giving the logo a digital or network-like appearance.

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