



February 1, 2010

News release:

Corporate Name: Net One Systems Co., Ltd.

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(Stock Code: 7518)

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### Notice regarding revised forecasts

Relative to recent business trends, please be advised that forecasts announced on October 29, 2009 have been revised as follows.

Revised consolidated business forecasts for fiscal year ending March 31, 2010

(April 1, 2009 to March 31, 2010)

	Sales	Operating Profit	Ordinary Profit	Current Net Income	Current Net Income Per Share
Previous forecast (A)	Million yen 128,000	Million yen 6,700	Million yen 6,800	Million yen 3,700	Yen sen 8,248.89
Revised forecast (B)	118,000	3,900	4,000	2,100	4,681.80
Difference (B-A)	- 10,000	- 2,800	- 2,800	- 1,600	
Ratio (%)	- 7.8%	- 41.8%	- 41.2%	- 43.2%	
(Reference) Previous FY results (ending March 31, 2009)	131,119	8,881	9,036	4,897	10,133.09

Revised non-consolidated business forecasts for fiscal year ending March 31, 2010

(April 1, 2009 to March 31, 2010)

	Sales	Operating Profit	Ordinary Profit	Current Net Income	Current Net Income Per Share
Previous forecast (A)	Million yen 122,000	Million yen 5,600	Million yen 5,900	Million yen 3,300	Yen sen 7,357.12
Revised forecast (B)	113,000	2,400	2,700	1,450	3,232.67
Difference (B-A)	- 9,000	- 3,200	- 3,200	- 1,850	
Ratio (%)	- 7.4%	- 57.1%	- 54.2%	- 56.1%	
(Reference) Previous FY results (ending March 31, 2009)	129,494	8,105	8,319	4,653	9,628.67

Reason for revision

Enterprise market saw its sales languish in large part because of cautious approach to investment in networking equipment adopted by customers all around the year but there are signs that sales leads is starting to pick up steam that may contribute to next fiscal year's sales from April 2010 onward.

Communication service and Internet service provider market is enjoying brisk sales to Mobile Business Services firms whereas investment in infrastructure for Communication Service Provider has been a laggard.

Public market has been vulnerable to a permanent price competition, although the downward pressure on spiraling price becoming lesser than Q2 of this fiscal year, and orders from buyers in this market was delayed due to budgetary reasons.

Partner Business (Net One Partners Co., Ltd., a one hundred percent subsidiary of Net One) is seeing its business steadily picking up and ready for growth through its aggressive yet high touch sales efforts toward its partners and by cultivating relationship with new partners, yet still falling short of its target revenue.

In addition, the grim market condition combined with the situation where a slew of delays of products delivery by network equipment manufacturers has been contributing to a loss in this year's revenue compounded Net One's sales and revenue.

Based on the foregoing market conditions, consolidated and non-consolidated business forecasts for this fiscal year have been revised.