

FY06/3
Business Results
Presentation
(April 1, 2005 - March 31, 2006)

April 26, 2006

NEC Fielding, Ltd.

1. FY06/3 Consolidated Business Results

2. FY07/3 Forecasts

2.1 Sales Plan

2.2 Ordinary Income Plan

2.3 Important Policies

2.4 Major Management Indicators

1. FY06/3 Consolidated Business Results

1. FY06/3 Consolidated Business Results (April ~ March)

Units: bln yen

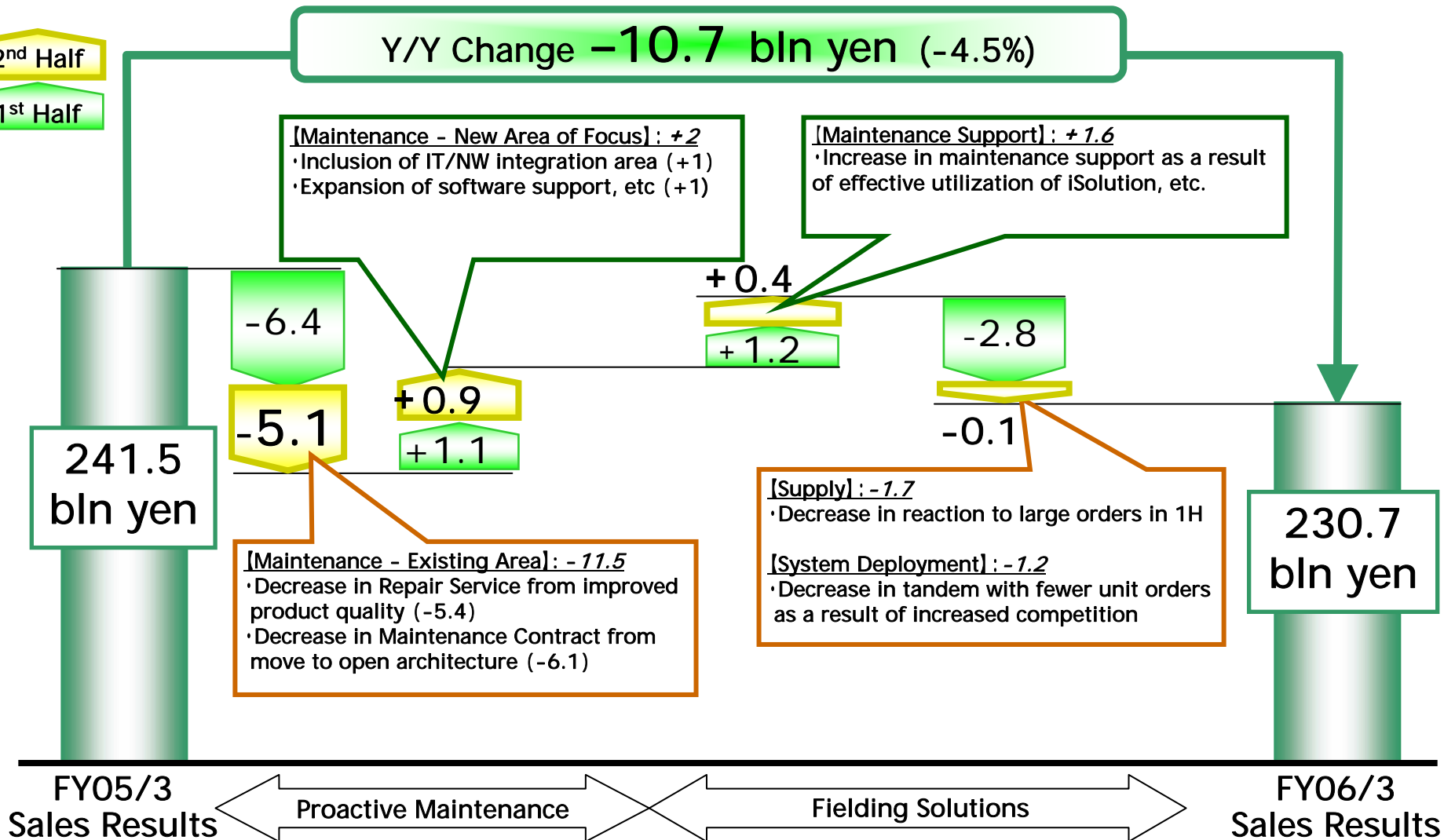
Major Management Indicators

	FY06/3 Results		Compared to FY05/3	
		% of Sales	Change	Growth Rate
➔ Net Sales	230.7	-	-10.7	-4.5%
➔ Proactive Maintenance	98.5	42.7%	-9.5	-8.8%
➔ Fielding Solutions	132.2	57.3%	-1.2	-0.9%
➔ Operating Income	10.0	4.3%	-1.4	-12.7%
➔ Ordinary Income	10.2	4.5%	-1.4	-12.0%
➔ Net Income	5.9	2.6%	+1.5	+36.5%
➔ EPS* (yen)	108.33	-	+29.06	+36.7%
➔ Free Cash Flow	+10.4	-	+15.7	-

* The company implemented a 2-for-1 stock split on May 20, 2004. This indicator is shown as if the split had occurred at the start of FY05/3, in order to make year-to-year comparisons easier.

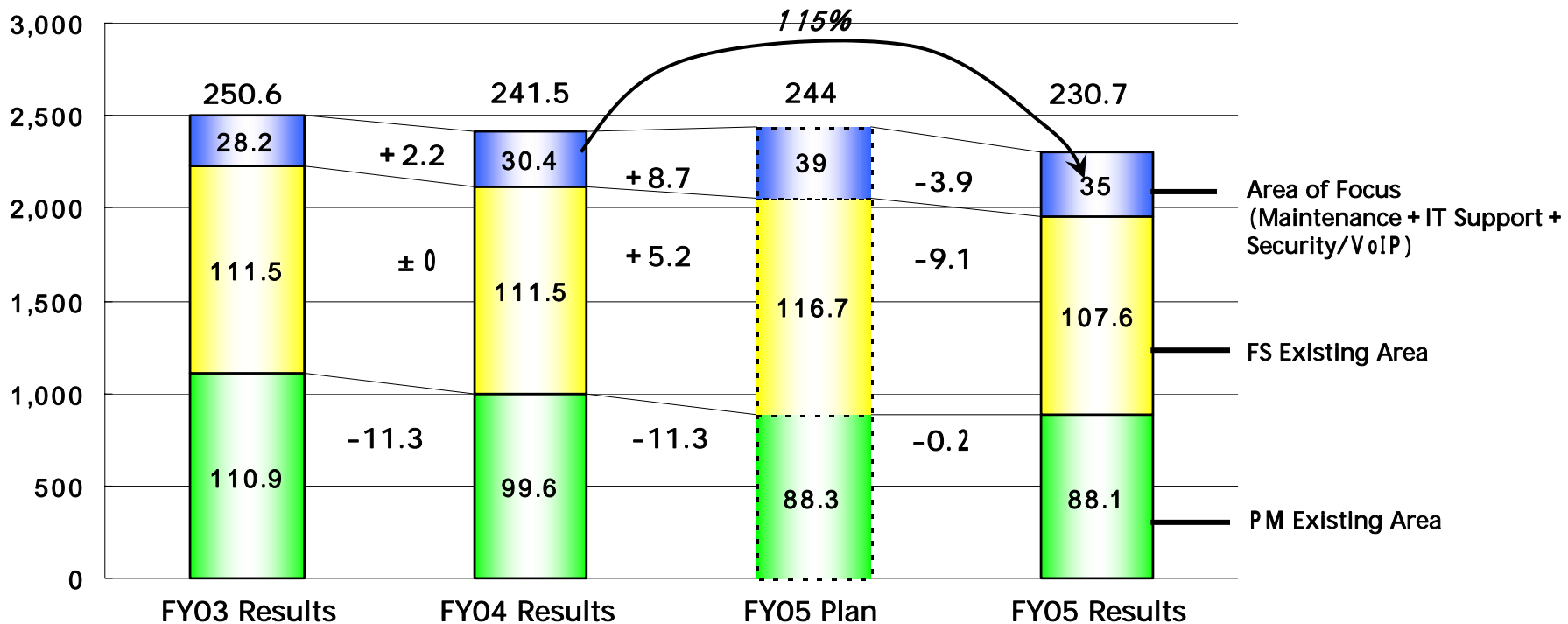
Sales Fluctuation (compared to FY05/3)

- Increase in conservative areas of focus and maintenance support but decrease in supply/system deployment



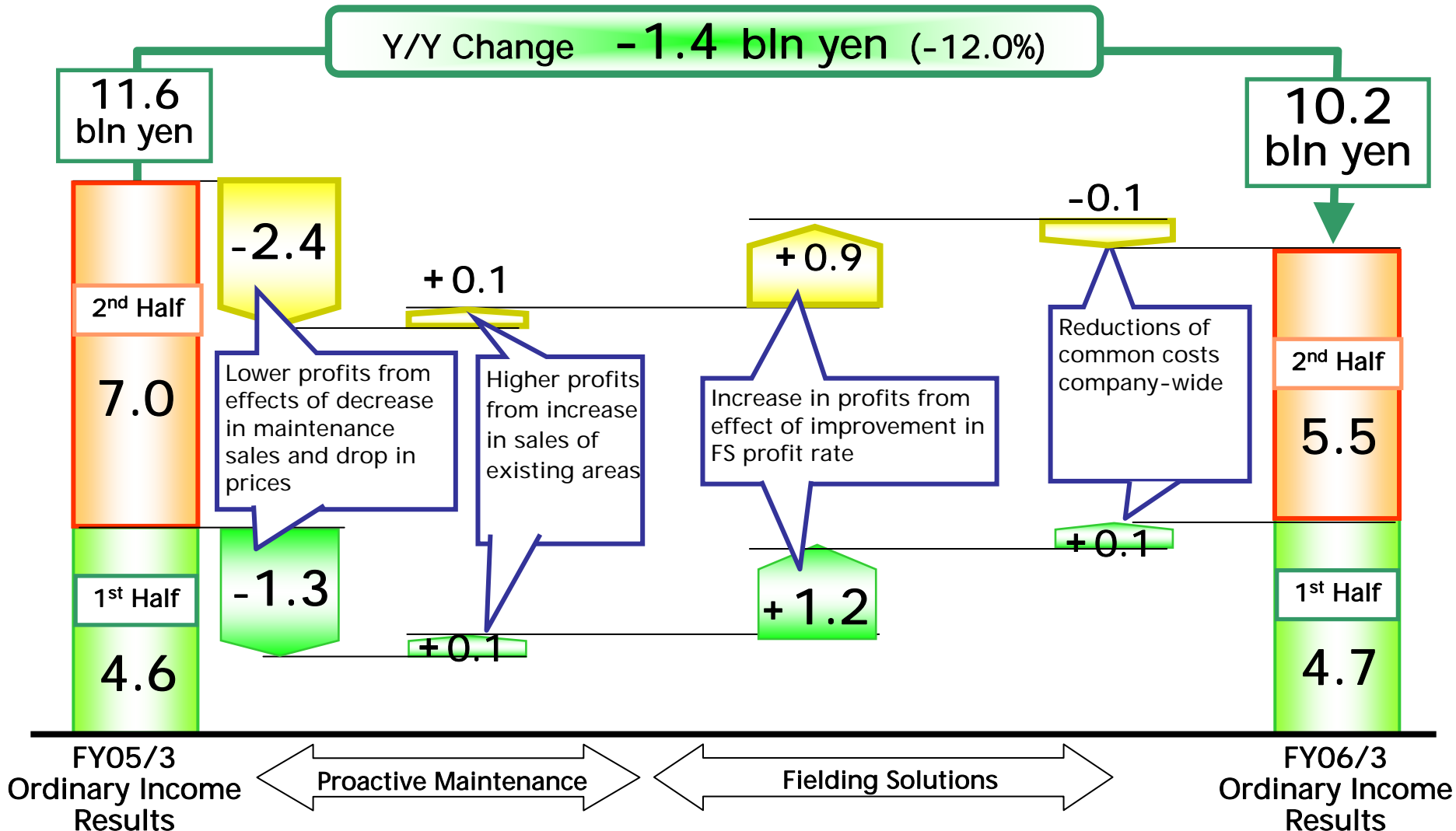
Sales Fluctuation (compared to targets)

- Conservative areas of focus increased 115% over FY05/3 but failed to meet target figure
- Figures for existing areas in Field Solutions (FS) fall short of target
- Lower revenue from existing areas in Proactive Maintenance (PM) as forecasted



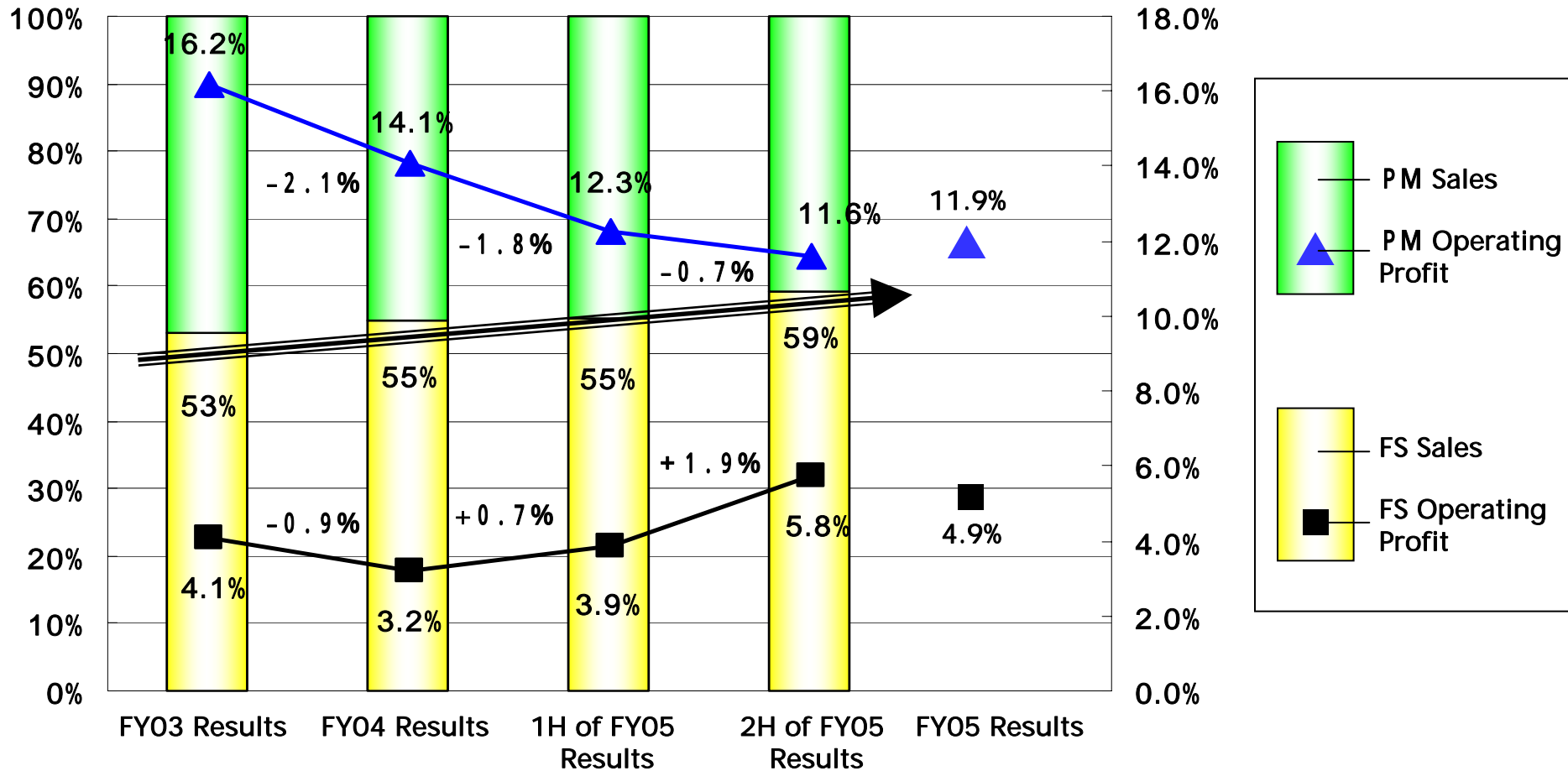
Ordinary Income Fluctuation (compared to FY05/3)

- Internalization leading to increased profit in Fielding Solutions
- Decrease in sales leading to a Y/Y drop in revenue



Operating Profit / Sales Ratio by Segment

- Huge improvement in profit rate of FS in 2H (+1.9% over 1H)
- FS sales ratio continues to grow slowly



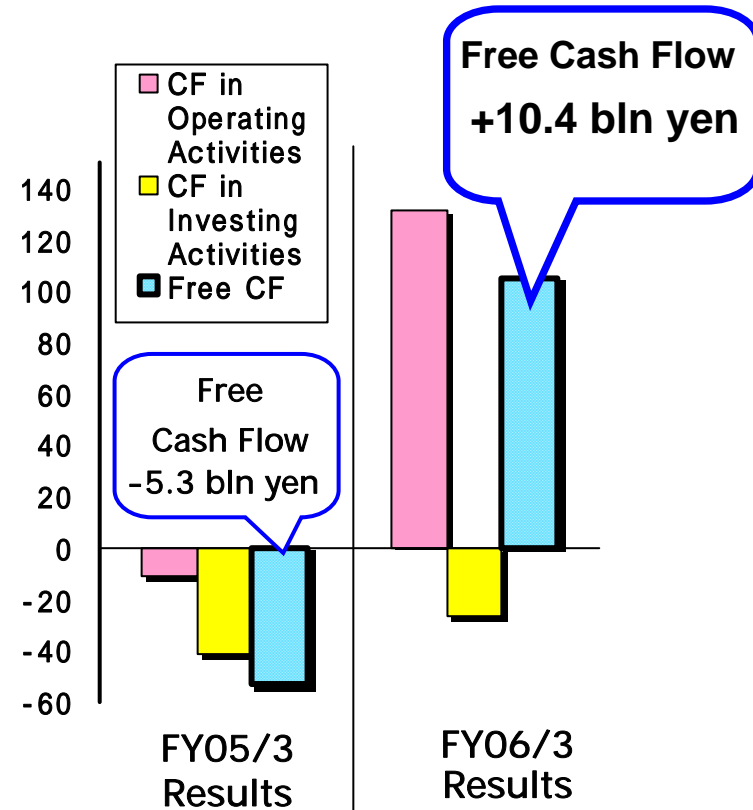
Cash Flows

- Increase in free cash flow +10.4 bln yen (Y/Y +15.7 bln yen)

Cash Flows

Units: bln yen

	FY06/3	Y/Y Change
➔ CF in Operating Activities	+13.1	+14.2
➔ Profit Before Tax	+9.2	+2
➔ Corporate Tax	-0.1	+7
➔ Operating Funds, etc.	+4.0	+5.2
➔ CF in Investing Activities	-2.7	+1.4
➔ CF in Financing Activities	-1.6	-0.4
➔ Cash and Cash Equivalents	+11.6	+8.8



Balance Sheet

- Steady improvement of shareholders' equity ratio (+1.7% compared to FY05/3)

Balance Sheet

2005/3 → 2006/3

Assets

123.3 bln yen
→ 127.8 bln yen

- Cash & Cash Equivalents: + 8.8 bln yen
- Trade Notes and Accounts Receivable: - 5.6 bln yen
- Inventories: + 1.7 bln yen
- Fixed Assets: - 1.8 bln yen

Liabilities

66.6 bln yen
→ 66.7 bln yen

- Trade Notes & Accounts Payable: - 2 bln yen
- Allowance for Retirement Benefits: + 0.9 bln yen
- Outstanding Inventories: - 0.3 bln yen
- Outstanding Corporate Tax: + 2.0 bln yen

Shareholders' Equity

56.7 bln yen
→ 60.9 bln yen

- Retained Earnings: + 4.2 bln yen

Equity Ratio

47.7%

(Y/Y Change: + 1.7 pt)

Liquidity Ratio

202.7%

(Y/Y Change: + 10.8 pt)

Topics: First Half

Construction of new growth-promoting systems (April)

- * Consistent business and operations (East & West System Service Operations Dept.)
- * Partners crossing SBU/expansion of cooperative operations (Marketing HQ)
- * Implementation of CS/CSR/Human Resource strategies (CS Management Promotion Department/CSR Promotion Department/Education Department)

Subsidiary startups (April, May)

- * Startup of 72 "Fielding Supportcrew, Ltd." in-house promotion firms (April)
- * Startup of joint corporation "NEC Fielding Information Technology Services (Beijing) Co., Ltd." for expanding China operations (May)

Continued high marks for CSR activities (April, August)

- * Daiwa Investor Relations honors "Internet IR Best Company Award" for third consecutive year (April)
- * Selected once again for inclusion in the "FTSE4 Good Global Index" (August)

Cooperative business activities/new services to expand business operations (July)

- * Cooperative business w/ Visual Technology - high performance server maintenance services
- * Cooperative business w/ IO Data Device - PC liquid crystal display maintenance services
- * Commence providing "IT Maintenance Management Service" for ITIL-based IT system operations

Rapid response to natural disasters (September)

- * Established disaster response headquarters in response to earthquake off coast of Miyagi Prefecture
- * Disaster response to Typhoon 14

Topics: Second Half

Management Topics

▶ Achievement of ISO20000 Certification in existing service areas (February)

- * Achievement of International Standard for IT Management, ISO20000 Certification in the existing service areas
- * One of 3000 leading companies to be certified worldwide
- * Recognized for continuous effort and results in nurturing more than 600 ITIL foundation certified staff, as well as the introduction of ITIL to existing service areas

ITIL = IT Service Management Best Practices



C S

▶ Ranked No. 1 in customer satisfaction for 4th consecutive year (November)

- * Earned No. 1 ranking in maintenance and support by J.D. Power Asia Pacific 2005 Japan Solution Provider Satisfaction Study for the fourth consecutive year

▶ Help Desk acquired BS7799-2 certification (November)

- * In addition to iSolution sites, Help Desk also acquired international standard BS7799-2:2002 certification for security management systems

Topics: Second Half

Growth

▶ Providing operational management services utilizing ITIL within Mazda (November)

Improving service level while reducing customer operation costs by utilizing ITIL as the base

▶ Strengthening service menus offering reliability and safety

* Device to prevent information leakage from HDD "Lock-it!" (Oct)/Search service that is able to detect personal information (Oct)/Service to construct secure backup system to encrypt and backup data (Dec)/ HDD restore service to extract data from faulty HDD, restore and return it to original HDD (Feb)/Maintenance monitoring service for integrated appliance "SonicWALL" to strengthen NW security (Feb)

▶ Expanding business through development of co-operative business ventures

- * Co-operating in Plusvision and copyboard (electronic blackboard) after support service (Mar)
- * Co-operating in Buffalo and LAN connection HDD maintenance service (Mar)

CSR

▶ Won "CRM Best Practice Award" (November)

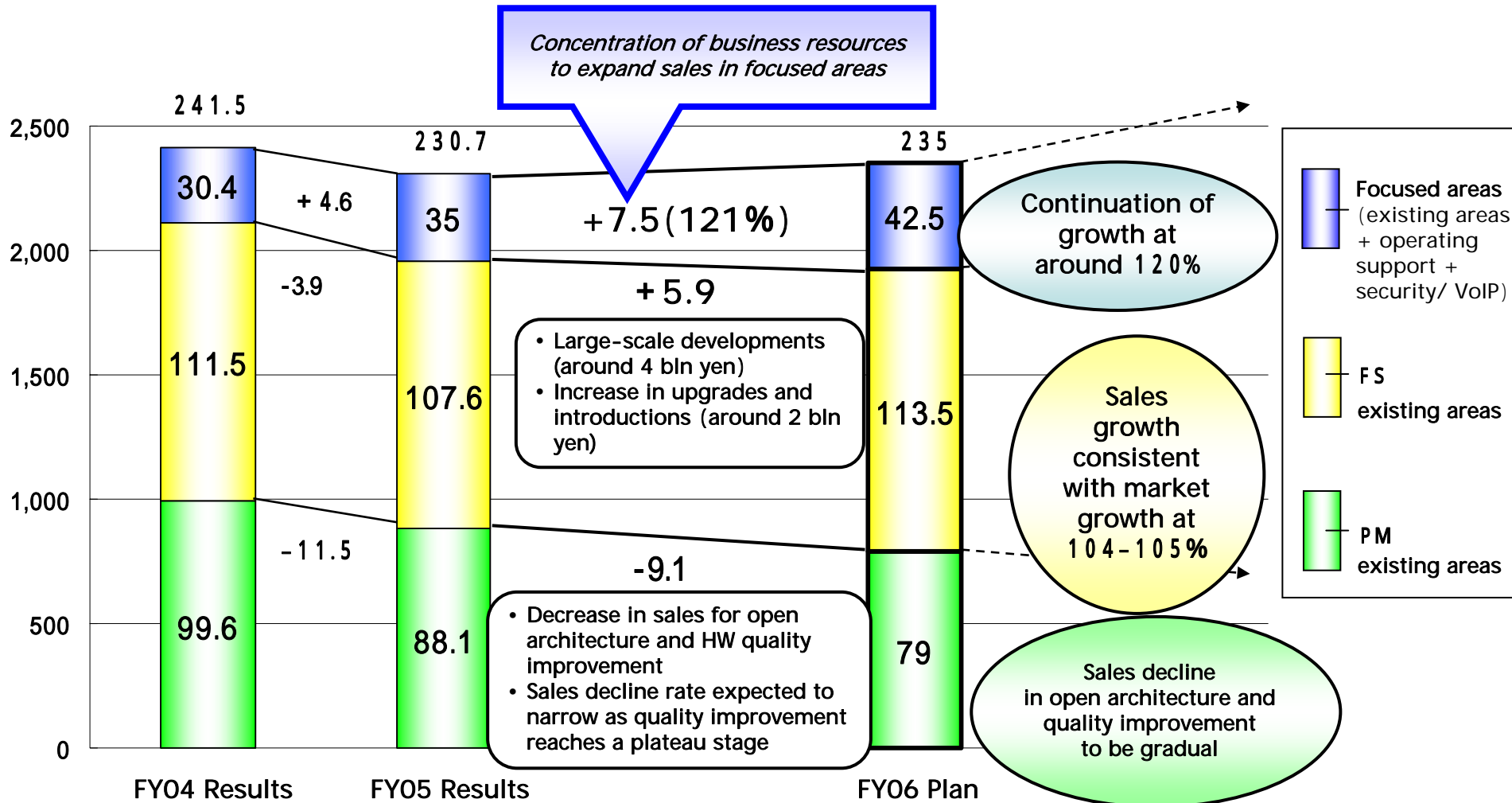
* Won "CRM Best Practice Award" by the Customer Relations Management (CRM) conference as praised for call centers management for maintenance service



2. FY07/3 Forecasts

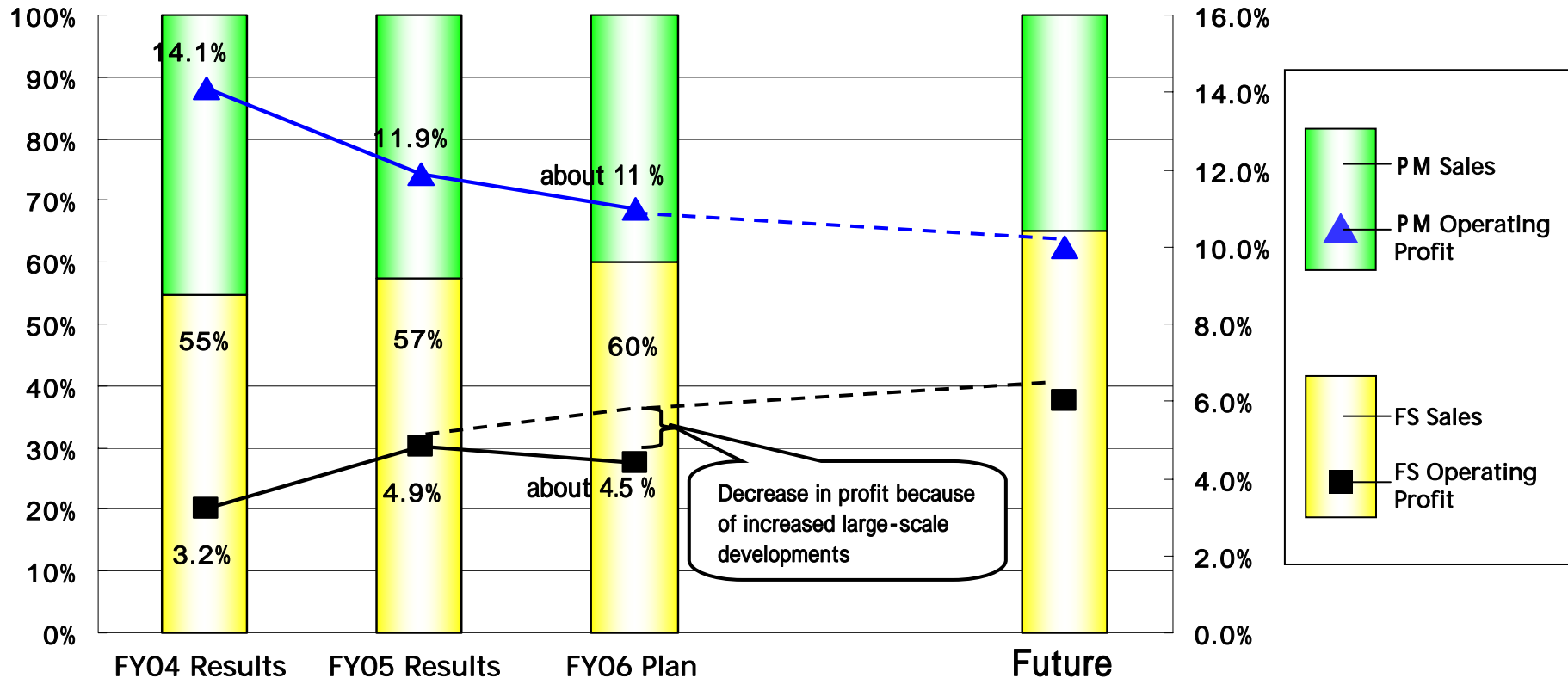
2.1 Sales Plan

- Smooth implementation of focused areas and large-scale developments leading to planned figure of +235 bln yen, +2% over FY05/3



2.2 Operating Income Plan

- 10% and above for operating income in Proactive Maintenance
- Improvement in operating income and trend of increasing profits for Fielding Solutions continues (but for FY06, profits were slightly down due to an increased number of large-scale developments)
- Strategic investment for steady and sound growth to continue



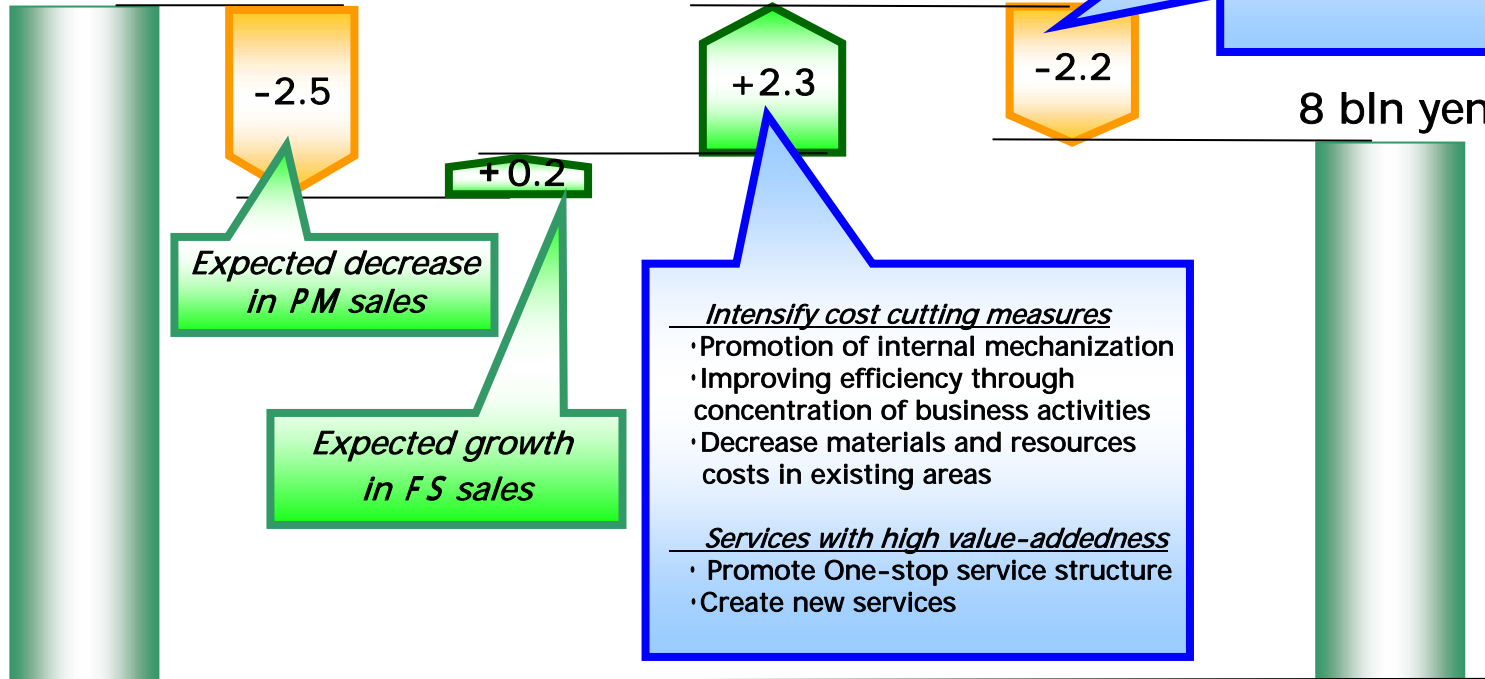
Ordinary Income (compared to FY06/3)

- Intensify cost cutting measures, develop services with high value-addedness
- Continue with strategic investments

Increase strategic investments

- New IT System (TrustV)
- Security
- Concentration of Business activities
- iSolution Center
- Effective Capital use

10.2 bln yen



FY06/3
Ordinary Income
Results

FY07/3
Ordinary Income
Forecast

2.3 Important Policies : Intensify and Continue Cost-cutting Measures

Secure profits in Proactive Maintenance and Fielding Solutions

1 . Re-evaluate price structure of existing services

- Charge for parts of expired equipment
- Price for existing open products to be based on service level criteria rather than equipment price criteria

2 . Improve efficiency through business concentration

- Reduction in indirect business operations and handling of SOX Law through integration of administrative processes of ordering to checking (Business Administration Center)
- Improve efficiency by setting up specialized team to handle activities for distribution terminals with high number of glitches
- Expand CE scheduling from branch level to regional level (Regional Dispatch Center) to improve efficiency of branches

3 . Continue internalization (scale of 300 :6,000 structures)

- Converting general staff to direct staff such as sales by fully implementing the new IT System (TrustV)
- Increase the conversion rate of employees to FSC (including employment extension applicants)
- To pool key staff supporting spot businesses such as system development from staff department

4 . Decrease materials and resources costs in existing areas

Increase Expansion of Sales in Focused Areas

Secure sales growth that will cover
sales decrease in existing areas(+ 13 bln yen)

1 . Promote one-stop support structure

- Implement large-scale developments on a company-wide level
- To provide high quality operating services with Integrated Operating Support Center (Integrated Support Service based on ITIL)
- Promote efficiency of ordering and business activities by making use of TrustV customers management functions
- Increase cooperative activities led by Marketing Department (FY05 38 target: 1.7 times)

2 . Strengthen human resources

- Education and nurturing of personnel in integrated area of Security/IT·NW (Certified Security Inspectors(15), Certified Network Inspectors (100) etc.)
- Obtain staff from NEC Group Companies (NES/NECST/Magnus etc.) and strengthen software support/operating support

3 . Introduce new services

- Services based on company's know-how
 - Crisis management (disaster risks/business continuation) solutions
 - CSR activities support service (Eco/Green/Universal)
- Services with high customers' needs, such as Security/IT·NW integrated service
 - Security services such as service to detect weakening IT systems·Data protection mainly for PC clients
 - Service to construct IP communication system

Improvement of CS and Diffusion of C S R

Maintain No . 1 Position in C S and “ 0 ” Risk

1 . Strengthen CS management for individual customers/ equipment

- Promote CSMP (Customer Support level Management Program) activities
- Conserving man-hours for server-type equipment, posting of skills according to priorities, and distribution of customized CE
- Proposals to concentrate businesses and improve quality of distributing terminals with high number of glitches, small printers, ATM, etc.

2 . Manage CS KPI in Fielding Solutions areas

- Centrally manage customer information/service information with PM and FS
- Set and manage KPI at same level as PM with FS

3 . Prevent leakages of information, intensify internal integration

- Propose ways to eradicate faults and human errors based on measures to handle SOX Law
- Construct and operate prevention system for systematic information leakages (encryption, centralized information management, etc.)
- Nurture staff's crisis consciousness (regulations, conscious awareness, education, etc.)

4 . Continue and improve environment protection and civil contribution activities

2.4 Major Management Indicators

Units: bln yen

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↓ EPS* (Units: yen)	108.33	-	73.34	-	-34.99	-32.3%
↓ Dividend per share (yen)	3	-	3	-	± 0	0%

Caution regarding forward-looking statements

Statements in this document with respect to NEC Fielding's strategies, plans, beliefs, and other statements related to future trends and performance are not historical facts, and as such involve risks and uncertainties. Projections may differ materially from actual results due to a number of factors. Key factors that could affect actual results include, but are not limited to: general economic conditions and social trends in NEC Fielding's markets as well as fluctuations in NEC Fielding's relative competitiveness due to changes in demand for services provided by NEC Fielding.