



FY09/03 Second Quarter Business Results Presentation

October 29, 2008

NEC Fielding, Ltd.

Index

1. Overview of Business Results

2. Full-year Forecast for FY09/3

1. Overview of Business Results

Major Management Indicators

* Numbers are rounded off to the first decimal place.

Units: Billion yen

Consolidated business results

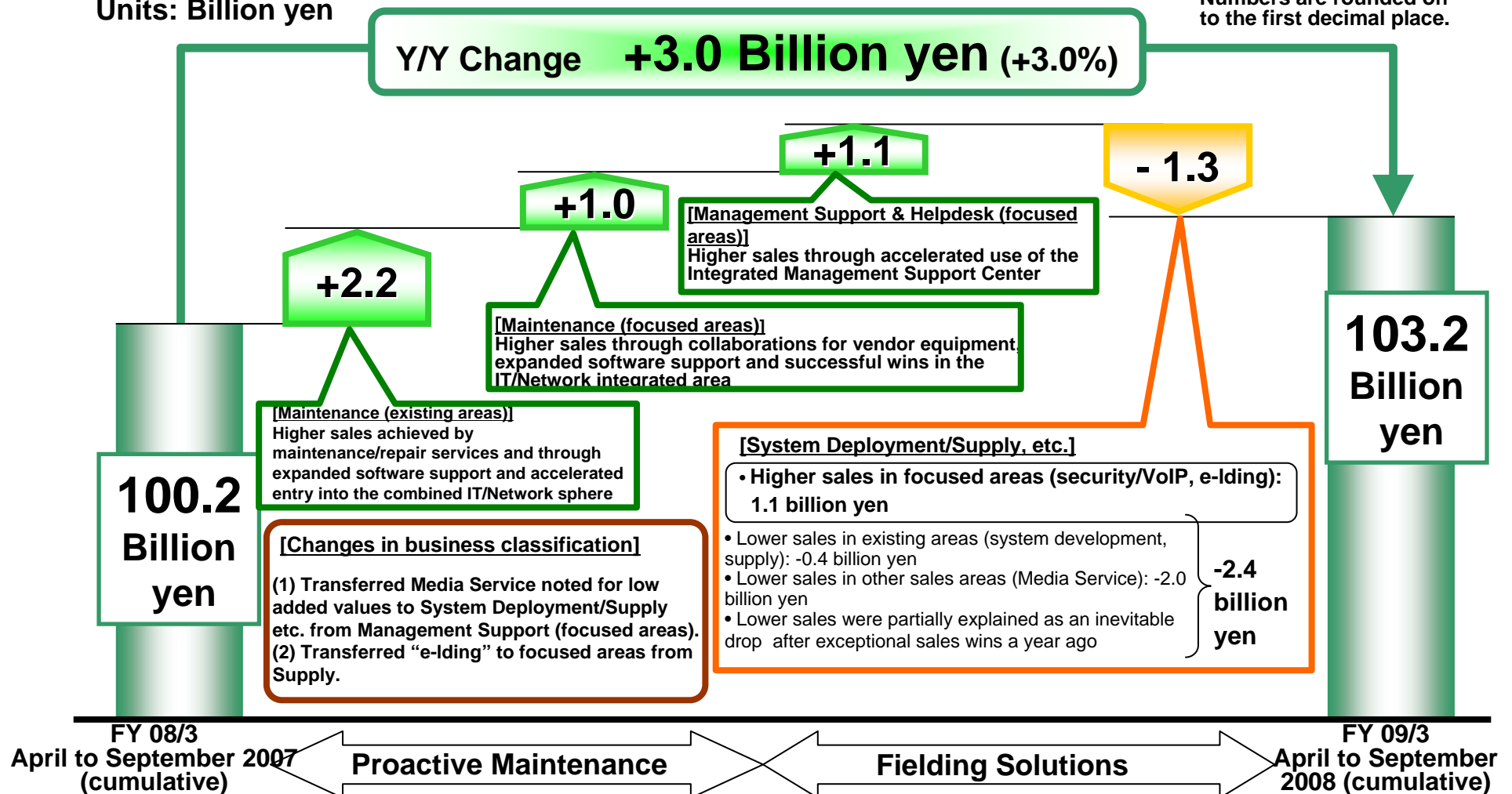
	FY09/3 2Q Results (Apr. – Sep.)		Compared to FY08/3 2Q	
		% of Sales	Change	Growth Rate
↘ Net Sales	103.2	—	+3.0	+3.0%
↘ Proactive Maintenance	51.0	49.5%	+3.2	+6.7%
↘ Fielding Solutions	52.2	50.5%	- 0.2	- 0.5%
↘ Operating Income	3.8	3.7%	+0.1	+3.3%
↘ Ordinary Income	4.1	4.0%	+0.1	+2.7%
↘ Net Income	2.0	2.0%	- 0.1	- 6.6%
↘ Net Income per Share (yen)	37.25	—	- 2.63	- 6.58%
↘ Free Cash Flow	+1.4	—	- 0.3	—

Sales Fluctuation Factors (Compared to FY08/3 2Q)

- Solid, double-digit growth in existing maintenance and focused business areas more than offset sales decline in other existing areas and the inevitable drop after exceptional order wins last year.

Units: Billion yen

* Numbers are rounded off to the first decimal place.

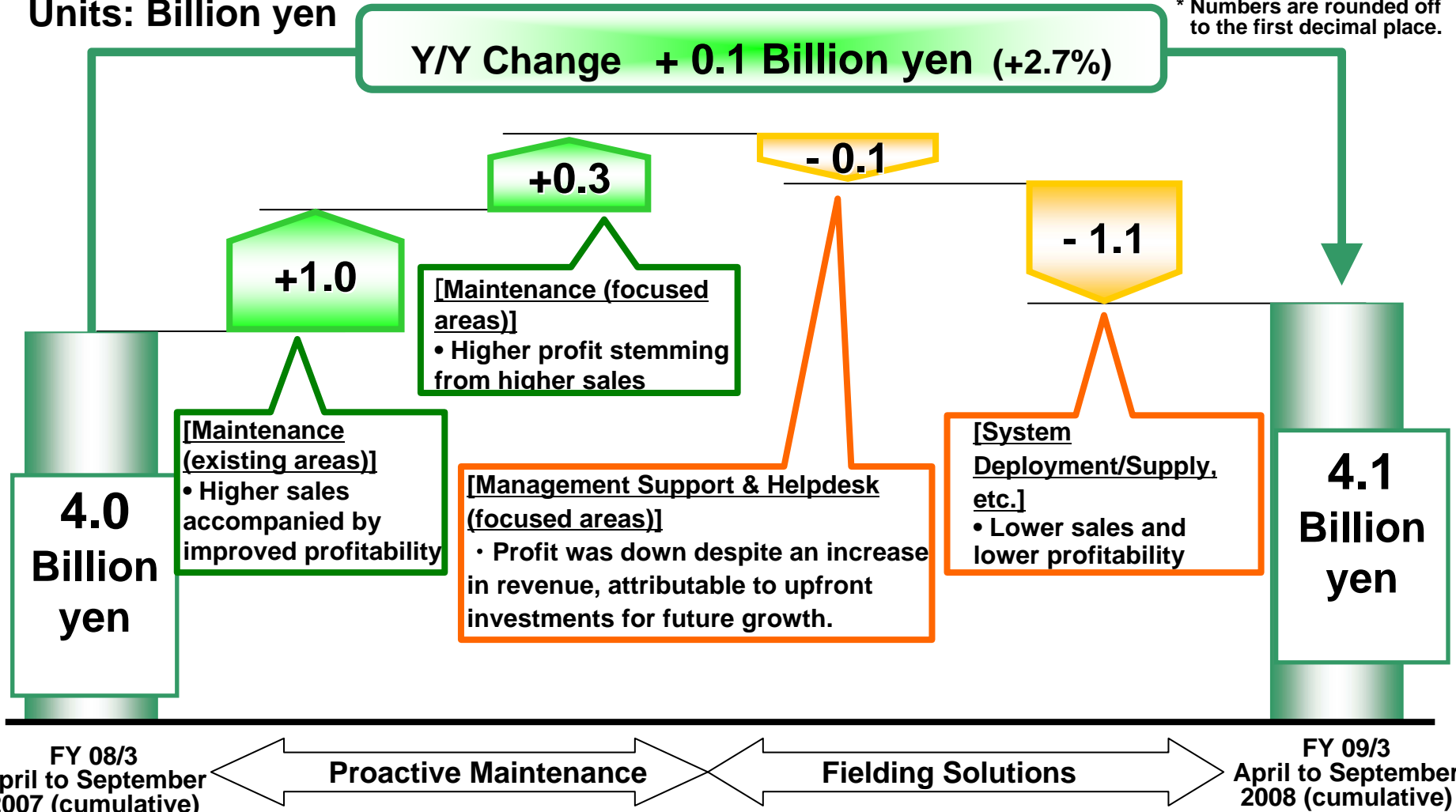


Ordinary Income Fluctuation Factors (Compared to FY08/3 2Q)

● Higher profit generated by Proactive Maintenance more than compensated lower profit from Fielding Solutions

Units: Billion yen

* Numbers are rounded off to the first decimal place.



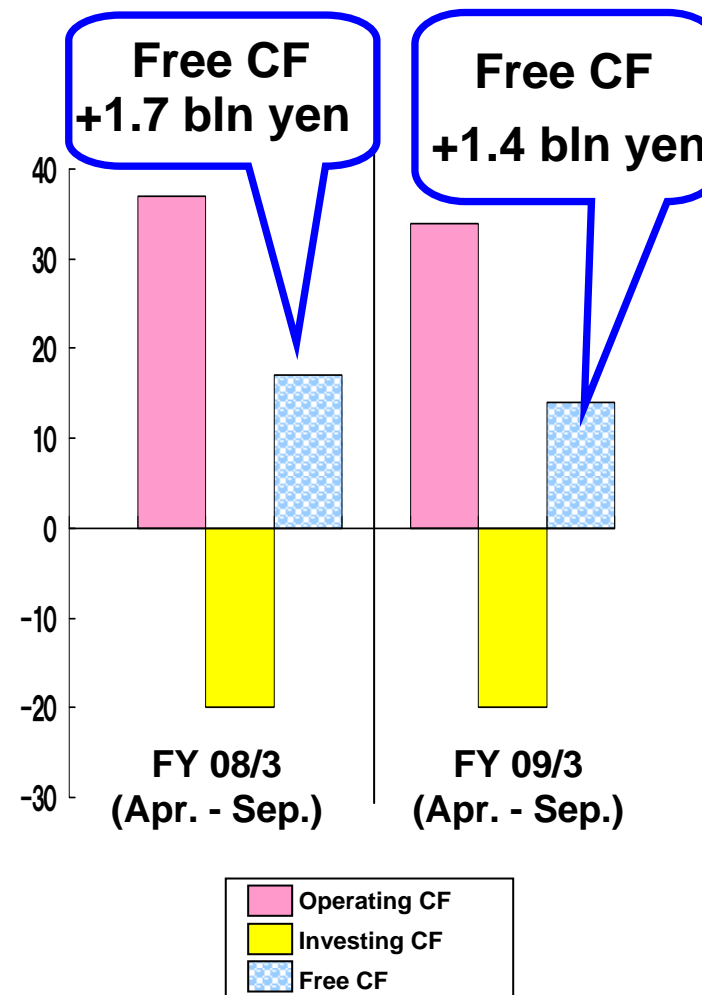
Cash Flow

● **Free Cash Flow +1.4 billion yen (Y/Y - 3.0 billion yen)**

Units: Billion yen

* Numbers are rounded off to one decimal place

	FY 09/3 April to September 2008 (cumulative)	Y/Y Change
↘CF in Operating Activities	+3.4	-0.3
↘Profit before tax	+3.6	-0.4
↘Depreciation, etc.	+1.1	±0
↘Corporate tax, etc.	-2.3	-0.5
↘Operating funds, etc.	+0.1	-0.9
↘Other	+0.9	+1.5
↘CF in Investing Activities	-2.0	-0
↘ Sub Total: Free Cash Flow	+1.4	-0.3
↘CF in Financing Activities	-1.4	-0.4
↘ Cash and cash equivalents	+19.8	+1.4



Balance Sheet

- Shareholders' equity ratio remained at 52.5% - unchanged from a year earlier
- Liquidity ratio was kept above 200% (Y/Y change: - 8.0 pts)

Units: Billion yen

* Numbers are rounded off to the first decimal place.

As of September 30, 2007 (part of FY2008) → As of September 30, 2008 (part of FY2009)

Assets

124.0
→ **129.0**

Y/Y Change +5.0 billion yen

- Cash & Cash Equivalents:
+ 1.4 billion yen
- Intangible Fixed Assets:
+ 1.8 billion yen
- Prepaid Pension Cost etc:
+ 1.8 billion yen

Liabilities

58.7
→ **61.0**

Y/Y Change +2.3billion yen

- Trade notes and accounts payable:
- 0.7 billion yen
- Allowance for retirement benefits:
-0.2 billion yen
- Advances received etc:
+3.2 billion yen

Net Assets

65.3
→ **68.0**

Y/Y Change +2.7billion yen

Capital Ratio

52.5%

(Y/Y Change: ±0.0 pt)

Liquidity Ratio

217.6%

(Y/Y Change: -8.0 pt)

- Retained Earnings:
+2.7 billion yen

Topics

Management

◇ Completion of Fielding Vision and Fielding Core Values (June)

- Established the Vision, which maps out the ideal states of Fielding to be achieved in the medium and long terms, and the Core Values, which define a set of values and code of behavior that ought to be embraced by each member for the realization of the vision.

◇ Switch to the unified NEC logo as part of brand boosting strategy (July)

FIELDING → **NEC** (To be completed by March 31, 2009)

C S

◇ Ranked No. 1 in J.D. Power Asia Pacific's "2008 Japan Solution Provider Satisfaction Study (System Integration Service)" for the first time (October)

◇ Failed to achieve first in the same survey's maintenance and support category after 6 consecutive years of holding the rank (October)

◇ Failed to secure No. 1 in the 13th Customer Satisfaction Survey <System Operation-related Category> by the Nikkei Computer Magazine after 2 consecutive years of reign (August)

- Focused measures including personnel training and stronger backyard structure will be rolled out to boost one-stop service that goes beyond hardware to include software.

Topics

CSR

◇ Launch of dynamic actions in support of local/social initiatives and cultural endeavors (May)

- NEC Fielding received the President's Award in the NEC CSR AWARDS 2008 in recognition of its community and social contribution (May)
 - An extensive range of activities in the sphere of community and social contribution and new initiatives including "Fielding's Forest and Forestation Tour" were cited for commendation. (Selected from among 414 participating locations, 1,956 activities and 18,376 participating individuals)
- Co-sponsorship of the World Heritage Theatre initiatives continued Chapter 7 (Shirakawa-go in May) and Chapter 8 (Hiraizumi in September)

Growth

◇ Sales growth boosted by new services

- Commercialization of Storage Solution Pack (August)

Integrated service combining the installation/deployment of NEC's storage devices and the provision of hardware and software needed for management as well as system planning/development and maintenance designed to reduced costs and time required for full-fledged use.
- Commercialization of Integrated Log Control Service in the SaaS format (September)

The service involving integrated control of log information given by multiple security systems delivered as SaaS reduces customers' workload.

2. Full-year Forecast for FY09/3

FY09/3 Full Year Forecast (Y/Y Change)

* Numbers are rounded off to the first decimal place. Units: Billion yen

Major Management Indicators	Results (April to September)		Projected (October to March)		FY 09/3 Full Year Forecast	
		Y/Y Change		Y/Y Change		Y/Y Change
↘ Net Sales	103.2	+3.0	116.8	+2.9	220.0	+5.9
↘ Proactive Maintenance	51.0	+3.2	51.0	+1.0	102.0	+4.2
↘ Fielding Solutions	52.2	-0.2	65.8	+1.9	118.0	+1.7
↘ Operating Income	3.8	+0.1	5.8	+0.7	9.6	+0.8
↘ Ordinary Income	4.1	+0.1	5.9	+0.6	10.0	+0.7
↘ Net Income	2.0	-0.1	3.2	+0.3	5.2	+0.2
↘ ROE (Return on Equity) (%) Annualized for 1H and 2H	6.0	-0.8	9.3	+0.5	7.6	-0.1
↘ Ordinary Dividend per Share (yen)	20.0	+5.0	20.0	+5.0	40.0	+10.0

FY09/3 Full Year Forecast (Compared to targets)

● Forecast for overall net sales remains unchanged. Segment-by-segment sales projections were revised to reflect results of the first half of the fiscal year

Major Management Indicators

Units: Billion yen

* Numbers are rounded off to the first decimal place.

	Results		FY09/3 Full Year	
	(April to September)	Compared to targets	Forecast	Compared to targets
↘ Net Sales	103.2	-0.8	220.0	Unchanged
↘ Proactive Maintenance	51.0	---	102.0	+3.0
↘ Fielding Solutions	52.2	---	118.0	-3.0
↘ Operating Income	3.8	0	9.6	Unchanged
↘ Ordinary Income	4.1	0	10.0	
↘ Net Income	2.0	+0.2	5.2	
↘ ROE (Return on Equity) (%) Annualized for 1H and 2H	6.0	---	7.6	
↘ Dividend per share (yen)	20.0	---	40.0	

Business Strategies and Key Measures

【Business Strategy】

1. New Strategy to Renovate Maintenance Business

2. Strategy to Expand System Support

3. Strategy to Expand FS Existing Areas

4. Strategy to Strengthen the Management Base

【Key Measures】

Accelerated reform of maintenance business

Stronger relationship with NEC Infrontia System Service Corporation

Expansion of focused business areas and LCM* service in particular (businesses with continuous revenue streams)

Active exploration of markets through reinforced marketing structure

“No. 1 in CS, Far Ahead of Others”
Challenge Actions aimed at becoming a leading company in the trade in terms of CSR

Forging partnership with NEC

*LCM Support Service: Management service over the entire life cycle of a product from planning, development and management to maintenance

Steps Taken for Each Key Measure

Accelerated reform of maintenance business

- Higher contract win rates through enhanced responses in the HW and SW areas
- Further development/redesigning of networks for distribution of maintenance parts and repairs

Stronger relationship with NEC Infrontia System Service Corporation

- Promotion of maintenance service process reform including streamlining of bases with NISS
- Expansion of one-stop service for data/voice networks

Expansion of focused business areas and LCM service in particular (businesses with continuous revenue streams)

- Actions to seek outsourcing deals with emphasis on LCM service in particular
 - Delivery of customized remote monitoring combined with onsite management/maintenance
 - Expanded sales through new SaaS-based services
- Greater number of advanced CEs (1,300 persons) and stronger backyard structure

Active exploration of markets through reinforced marketing structure

- Deeper penetration into markets of different size and localities in cooperation with NEC by boosting marketing structure designed to address needs specific to market size (metropolitan area) and region
- Launch of new services that address environmental and disaster readiness/recovery
 - Energy-conserving solutions, IT business continuity (BC/DR) solutions

“No. 1 in CS, Far Ahead of Others” Challenge Actions aimed at becoming a leading company in the trade in terms of CSR

- Actions aimed at recovering No. 1 rank in customer satisfaction (No. 1 in CS, Far Ahead of Others” Challenge)
 - Improved responses at the initial phase of troubles
 - Efforts emphasizing fundamental tasks
 - Stronger communication with customers
- Fuller enforcement of compliance and information security measures
 - Enhanced systems for data leak prevention and fuller familiarization with requirements within the Group
- Renewed efforts to foster personnel with technical skills combined with righteousness

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 the services provided by NEC Fielding.