

Summary of Financial Statements (Consolidated) for the Fiscal Year Ended March 2004

March 31, 2004

Company name **NEC System Technologies, Ltd.** Listed exchange: Tokyo Stock Exchange
 Code number 3717 Head office:
 (URL <http://www.necst.co.jp/>) Osaka Prefecture
 Representative Title: President Name: Toshihiko Takahashi
 Inquiries Title: Senior Vice President Name: Hiroshi Minami TEL(044)435-5641
 Date of the Board of Directors' meeting April 28, 2004
 Parent company NEC Corp. (Code number : 6701) Percentage of shares owned: 66.7%
 U.S. GAAP Not adopted

1. Consolidated Financial Results (April 1, 2003 – March 31, 2004)

Because this year marks the first year that the Company is preparing consolidated financial statements, comparative items for previous fiscal year are not available.

(1) Operating Results (Amounts were rounded down to omit fractions less than 1 million yen)

| | Sales | | Operating profit | | Ordinary profit | |
|--------|-----------------|---|------------------|---|-----------------|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| FY2003 | 83,394 | - | 8,985 | - | 8,622 | - |
| FY2002 | - | - | - | - | - | - |

| | Net profit | | Net profit per share | Fully diluted net profit per share | Return on shareholder's equity | Ordinary profit ratio to total capital | Ordinary profit ratio to sales |
|--------|-----------------|---|----------------------|------------------------------------|--------------------------------|--|--------------------------------|
| | Millions of yen | % | Yen | Yen | % | % | Yen |
| FY2003 | 5,598 | - | 244.38 | - | 20.3 | 16.1 | 16.1 |
| FY2002 | - | - | - | - | - | - | - |

(Notes) 1. Investment profit (loss) on equity method FY2003 - million yen FY2002 - million yen
 2. Average number of outstanding shares (consolidated) during the period FY2003 22,909,694 shares FY2002 - shares
 3. Changes to the accounting procedures: None
 4. Percentage for sales, operating profit, ordinary profit and net profit, respectively, represent a change from that of the same period the year before.

(2) Changes in the Financial Position

| | Total Assets | Shareholders' equity | Equity ratio | Shareholders' equity per share |
|--------|-----------------|----------------------|--------------|--------------------------------|
| | Millions of yen | Millions of yen | % | Yen |
| FY2003 | 63,225 | 36,283 | 57.4 | 1,482.28 |
| FY2002 | - | - | - | - |

(Notes) Outstanding shares (consolidated) FY2003 24,478,000 shares FY2003 - shares

(3) Consolidated Cash Flows

| | Cash flow from operating activities | Cash flow from Investing activities | Cash flow from financing activities | Cash and cash equivalents |
|--------|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| FY2003 | 2,925 | (1,101) | 11,611 | 25,206 |
| FY2002 | - | - | - | - |

(4) Consolidated Subsidiaries and Affiliates Accounted for by the Equity Method

Number of consolidated subsidiaries: 1
 Number of non-consolidated subsidiaries accounted for by the equity method: 0
 Number of affiliates accounted for by the equity method: 0

(5) Changes in the Scope of Consolidation and Companies Accounted for by the Equity Method

Consolidated subsidiaries (newly included): 1
 (excluded): 0
 Companies accounted for by the equity method (newly included): 0
 (excluded): 0

2. Consolidated Earnings Forecast for the Fiscal Year Ending March 2005 (April 1, 2004 – March 31, 2005)

| | Sales | Ordinary profit | Net profit |
|-----------|-----------------|-----------------|-----------------|
| | Millions of yen | Millions of yen | Millions of yen |
| Half year | 41,400 | 4,240 | 2,470 |
| Full year | 90,000 | 9,200 | 5,340 |

(Reference) Net profit per share (for the full year) is forecasted to be 218.16 yen

(* 1) This forecast contains forward-looking statements that are based on managements' estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations