

**Financial Results for
the Third Quarter of the Fiscal Year
ending March 31, 2007**

NEC Mobiling, Ltd.

Note: This document has been prepared as a guide to non-Japanese analysts for their convenience only and is a translation summary of the Japanese language original. The company does not assure the accuracy of the translation. All numbers are rounded off to the nearest unit in accordance with standard Japanese practice. This document contains forward-looking statements that are based on assumptions and projection at the date of publication. A number of factors could cause actual results to differ materially from expectations.

Financial Results for the Third Quarter of the Fiscal Year ending March 31, 2007

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U.S. GAAP Accounting Principles: Not adopted

Item(s) in Preparation Method for Quarterly Financial Results: The simplified method is applied to tax effect accounting

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Listed Exchanges: Tokyo Stock Exchange

Stock Code: 9430

Homepage: <http://www.nec-mobiling.com/>

1. Financial Results for the Third Quarter (April 1, 2006 to December 31, 2006)

(1) Business Results

(Units: Millions of yen)

	Nine months ended December 31, 2005		Nine months ended December 31, 2006		Full Year ended March 31, 2006
	% change		% change		
Net Sales	92,894	(11.7%)	94,267	1.5	127,590
Operating Income	2,857	(19.3%)	4,371	53.0	4,189
Ordinary Income	2,783	(20.4%)	4,380	57.4	4,078
Net Income	1,614	(18.7%)	2,464	52.7	2,117
Net Income per Share (Yen)	111.08		169.62		145.71
Net Income per Share, fully diluted (Yen)	--		--		--

Notes: Percentages for Net Sales, Operating Income, Ordinary Income and Net Income represent change from the same term of the previous fiscal year.

(2) Financial Position

(Units: Millions of yen)

	As of December 31, 2005	As of December 31, 2006	As of March 31, 2006
Total Assets	56,123	59,178	56,465
Net Assets	23,518	25,824	23,994
Net Assets Ratio	41.9%	43.6%	42.5%
Net Assets per Share (Yen)	1,618.65	1,777.39	1,651.43

(3) Cash Flows

(Units: Millions of yen)

	Nine months ended December 31, 2005	Nine months ended December 31, 2006	Full Year ended March 31, 2006
Net Cash provided by Operating Activities	2,774	2,306	4,324
Net Cash used in Investing Activities	(755)	(596)	(1,941)
Net Cash used in Financing Activities	(654)	(649)	(659)
Cash and Cash Equivalents at end of Term	13,521	14,939	13,880

2. Forecast for the Fiscal Year ending March 31, 2007 (April 1, 2006 to March 31, 2007)

(Units: Millions of yen)

	Full Year April 1, 2006 to March 31, 2007
Net Sales	127,600
Ordinary Income	4,900
Net Income	2,540

(Reference) Projected Net Income per Share for full year : 174.82yen

Forecasts related to future business performance, one aspect of the current strategies, plans and awareness at NEC Mobiling, Ltd. described in these materials, involve risks and uncertain factors. It should be noted that actual business performance may differ greatly from these forecasts due to a variety of factors. Primary factors with an impact on actual business performance include economic conditions and social trends affecting the scope of business of the Company, trend in demand for products and services provided by the Company, pressures for price reductions due to enhanced competition, and the ability of the Company's technological capability to respond to the customer's requests. Factors with an impact on business performance are not limited to those herein described.

Non-consolidated Financial Statements

(1) Condensed Balance Sheets

(Units: Millions of yen)

Items	Term	As of December 31, 2005		As of December 31, 2006		Change Amount	As of March 31, 2006		Change Amount
		Amount	%	Amount	%		Amount	%	
Assets									
Cash on hand and in banks		9,521		7,941		(1,580)	9,880		(1,939)
Notes and accounts receivable, trade		19,735		18,928		(807)	20,418		(1,490)
Marketable securities		--		1,998		1,998	--		1,998
Inventories		5,930		6,423		493	4,806		1,617
Accounts receivable, other		8,838		9,844		1,006	8,199		1,645
Affiliated company deposits		4,000		5,000		1,000	4,000		1,000
Other		1,690		1,632		(58)	1,571		61
Current assets		49,714	88.6	51,766	87.5	2,052	48,874	86.6	2,892
Property and equipment		1,210	2.1	1,230	2.1	20	1,244	2.2	(14)
Intangible assets		1,285	2.3	1,322	2.2	37	1,323	2.3	(1)
Investments and other assets		3,914	7.0	4,860	8.2	946	5,024	8.9	(164)
Fixed assets		6,409	11.4	7,412	12.5	1,003	7,591	13.4	(179)
Total assets		56,123	100.0	59,178	100.0	3,055	56,465	100.0	2,713
Liabilities									
Notes and accounts payable, trade		16,425		15,736		(689)	15,761		(25)
Accrued corporate taxes		621		959		338	1,408		(449)
Accounts payable, other		10,244		11,320		1,076	9,882		1,438
Other		1,638		1,762		124	1,654		108
Current liabilities		28,928	51.5	29,777	50.3	849	28,705	50.8	1,072
Accrued pension and severance costs		3,427		3,361		(66)	3,541		(180)
Deposits received for guarantee		250		216		(34)	225		(9)
Long-term liabilities		3,677	6.6	3,577	6.1	(100)	3,766	6.7	(189)
Total liabilities		32,605	58.1	33,354	56.4	749	32,471	57.5	883

Non-consolidated Financial Results for the Third Quarter of the Fiscal Year ending March 31, 2007

Items \ Term	As of December 31, 2005		As of December 31, 2006		Change	As of March 31, 2006		Change
	Amount	%	Amount	%	Amount	Amount	%	Amount
Shareholders' equity								
Common stock	2,371	4.2	--	--	(2,371)	2,371	4.2	(2,371)
Additional paid-in capital	2,707	4.8	--	--	(2,707)	2,707	4.8	(2,707)
Retained earnings	18,439	32.9	--	--	(18,439)	18,942	33.5	(18,942)
Unrealized gains (losses) on marketable securities	1	0.0	--	--	(1)	(26)	(0.0)	26
Total shareholders' equity	23,518	41.9	--	--	(23,518)	23,994	42.5	(23,994)
Total liabilities and shareholders' equity	56,123	100.0	--	--	(56,123)	56,465	100.0	(56,465)
Net assets								
Common stock	--	--	2,371	4.0	2,371	--	--	2,371
Additional paid-in capital	--	--	2,707	4.6	2,707	--	--	2,707
Retained earnings	--	--	20,753	35.0	20,753	--	--	20,753
Total shareholders' equity	--	--	25,831	43.6	25,831	--	--	25,831
Unrealized gains (losses) on marketable securities	--	--	(7)	(0.0)	(7)	--	--	(7)
Valuation and translation adjustments	--	--	(7)	(0.0)	(7)	--	--	(7)
Total net assets	--	--	25,824	43.6	25,824	--	--	25,824
Total liabilities and net assets	--	--	59,178	100.0	59,178	--	--	59,178

Non-consolidated Financial Results for the Third Quarter of the Fiscal Year ending March 31, 2007

(2) Condensed Statements of Income

(Units: Millions of yen)

Items	Term	Nine months ended December 31, 2005		Nine months ended December 31, 2006		Change		Full Year ended March 31, 2006	
		Amount	%	Amount	%	Amount	%	Amount	%
Net sales		92,894	100.0	94,267	100.0	1,373	1.5	127,590	100.0
Cost of sales		83,021	89.4	83,273	88.3	252		114,169	89.5
Gross profit		9,873	10.6	10,994	11.7	1,121	11.4	13,421	10.5
Selling, general and administrative expenses		7,016	7.5	6,623	7.1	(393)		9,232	7.2
Operating income		2,857	3.1	4,371	4.6	1,514	53.0	4,189	3.3
Non-operating income		61	0.1	110	0.1	49		82	0.1
Non-operating expenses		135	0.2	101	0.1	(34)		193	0.2
Ordinary income		2,783	3.0	4,380	4.6	1,597	57.4	4,078	3.2
Extraordinary gains		--	--	312	0.4	312		--	--
Extraordinary losses		--	--	307	0.3	307		136	0.1
Income before income taxes		2,783	3.0	4,385	4.7	1,602	57.6	3,942	3.1
Corporate, inhabitants and enterprise taxes		1,169	1.3	1,921	2.1	752		2,115	1.6
Deferred income taxes		--	--	--	--	--		(290)	(0.2)
Net income		1,614	1.7	2,464	2.6	850	52.7	2,117	1.7

(3) Condensed Statements of Cash Flows

(Units: Millions of yen)

Items \ Term	Nine months ended December 31, 2005	Nine months ended December 31, 2006	Change	Full Year ended March 31, 2006
Cash flow from operating activities				
Income before income taxes	2,783	4,385	1,602	3,942
Depreciation	734	502	(232)	979
Gain on transfer of business	--	(312)	(312)	--
Impairment loss of fixed assets	--	245	245	--
(Increase) decrease in notes and accounts receivable, trade	(1,424)	1,490	2,914	(2,108)
(Increase) decrease in inventories	(427)	(1,617)	(1,190)	706
Increase in accounts receivable, other	(1,741)	(1,645)	96	(1,102)
Increase (decrease) in notes and accounts payable, trade	3,117	(141)	(3,258)	2,484
Increase in accrued expenses	689	1,438	749	327
Other	346	246	(100)	384
Sub-total	4,077	4,591	514	5,612
Payments for income taxes and other	(1,308)	(2,366)	(1,058)	(1,309)
Other	5	81	76	21
Net cash provided by operating activities	2,774	2,306	(468)	4,324
Cash flow from investing activities				
Purchases of property and equipment	(390)	(337)	53	(463)
Purchases of intangible assets	(354)	(479)	(125)	(428)
Proceeds from transfer of business	--	226	226	--
Purchases of investment securities	--	--	--	(1,005)
Other	(11)	(6)	5	(45)
Net cash used in investing activities	(755)	(596)	159	(1,941)
Cash flows from financing activities				
Dividends paid	(654)	(649)	5	(659)
Net cash used in financing activities	(654)	(649)	5	(659)
Effect of exchange rate changes on cash and cash equivalents	25	(2)	(27)	25
Increase in cash and cash equivalents	1,390	1,059	(331)	1,749
Cash and cash equivalents at beginning of term	12,131	13,880	1,749	12,131
Cash and cash equivalents at end of term	13,521	14,939	1,418	13,880

(4) Business Segment Information

(Units: Millions of yen)

		Nine months ended December 31, 2005		Nine months ended December 31, 2006		Change	Full Year ended March 31, 2006	
		Amount	%	Amount	%	%	Amount	%
Mobile Sales Business	Net sales	68,951	74.2	75,598	80.2	9.6	93,090	73.0
	Operating income	1,244	43.6	1,587	36.3	27.6	2,160	51.6
	%	1.8%		2.1%			2.3%	
Mobile Integration & Support Business	Net sales	17,062	18.4	18,669	19.8	9.4	24,811	19.4
	Operating income	1,404	49.1	2,784	63.7	98.3	1,912	45.6
	%	8.2%		14.9%			7.7%	
Mobile Software Business	Net sales	6,881	7.4	--	--	--	9,689	7.6
	Operating income	209	7.3	--	--	--	117	2.8
	%	3.0%		--			1.2%	
Total	Net sales	92,894	100.0	94,267	100.0	1.5	127,590	100.0
	Operating income	2,857	100.0	4,371	100.0	53.0	4,189	100.0
	%	3.1%		4.6%			3.3%	

(Note) Mobile Software Business was transferred to NEC Communications Systems, Ltd. on April 1, 2006.