

**Financial Results for
the First Half 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 First Half of the Fiscal Year ending March 31, 2007

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Parent Company: NEC Corporation
 Parent's Ownership Stake: 51.00%
 Shares sold in units: 1 unit = 100 shares
 U.S. GAAP Accounting Principles: Not adopted

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 Listed Exchanges: Tokyo Stock Exchange
 Stock Code: 9430
 Homepage: <http://www.nec-mobiling.com/>

1. Financial Results for the First Half (April 1, 2006 to September 30, 2006)

(1) Business Results

(Units: Millions of yen)

	First Half ended September 30, 2005		First Half ended September 30, 2006		Full Year ended March 31, 2006
	% change		% change		
Net Sales	59,459	(18.1%)	59,664	0.3%	127,590
Operating Income	1,439	(48.2%)	2,331	62.0%	4,189
Ordinary Income	1,380	(50.6%)	2,296	66.4%	4,078
Net Income	802	(49.7%)	1,313	63.7%	2,117
Net Income per Share (Yen)	55.23		90.39		145.71
Net Income per Share, fully diluted (Yen)	--		--		--

- Notes:
- Equity in earnings of affiliated companies:
 - First Half ended September 30, 2005: --
 - First Half ended September 30, 2006: --
 - Full Year ended March 31, 2006: --
 - Average number of shares outstanding during the term:
 - First Half ended September 30, 2005: 14,529,400
 - First Half ended September 30, 2006: 14,529,400
 - Full Year ended March 31, 2006: 14,529,400
 - Changes to accounting procedures: None
 - Percentages for Net Sales, Operating Income, Ordinary Income and Net Income represent change from the previous fiscal year.

(2) Financial Position

(Units: Millions of yen)

	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Total Assets	48,637	51,566	56,465
Net Assets	23,034	24,988	23,994
Net Assets Ratio	47.4%	48.5%	42.5%
Net Assets per Share (Yen)	1,585.34	1,719.83	1,651.43

- Notes:
- Shares outstanding at end of term:
 - First Half ended September 30, 2005: 14,529,400
 - First Half ended September 30, 2006: 14,529,400
 - Full Year ended March 31, 2006: 14,529,400
 - Treasury stocks at end of term:
 - First Half ended September 30, 2005: --
 - First Half ended September 30, 2006: --
 - Full Year ended March 31, 2006: --

Non-consolidated Financial Results for the First Half of the Fiscal Year ending March 31, 2007

(3) Cash Flows

(Units: Millions of yen)

	First Half ended September 30, 2005	First Half ended September 30, 2006	Full Year Ended March 31, 2006
Net Cash provided by Operating Activities	2,198	2,579	4,324
Net Cash used in Investing Activities	(436)	(161)	(1,941)
Net Cash used in Financing Activities	(331)	(327)	(659)
Cash and Cash Equivalents at end of term	13,577	15,970	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	124,000
Ordinary Income	4,700
Net Income	2,430

(Reference) Projected Net Income per Share for full year: 167.25Yen

3. Dividends

(Units: Yen)

	Full Year ended March 31, 2006	First Half ended September 30, 2006	Full Year ended March 31, 2007 (Forecast)
Annual Dividends per Share	45.00	--	45.00
Interim	22.50	22.50	22.50
Year-end	22.50	--	22.50

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) Balance Sheets

(Units: Millions of yen)

Items	Term	As of September 30, 2005		As of September 30, 2006		Change Amount	As of March 31, 2006		Change in FY 2006 Amount
		Amount	%	Amount	%		Amount	%	
Assets									
Cash on hand and in banks		10,577		11,970		1,393	9,880		2,090
Notes receivable, trade		3		2		(1)	14		(12)
Accounts receivable, trade		15,223		14,959		(264)	20,404		(5,445)
Inventories		5,561		4,949		(612)	4,806		143
Accounts receivable, other		6,046		6,372		326	8,199		(1,827)
Affiliated company deposits		3,000		4,000		1,000	4,000		--
Deferred tax assets		939		995		56	971		24
Other		847		712		(135)	691		21
Allowance for doubtful accounts		(89)		(92)		(3)	(91)		(1)
Current assets		42,107	86.6	43,867	85.1	1,760	48,874	86.6	(5,007)
Property and equipment		1,286	2.6	1,164	2.2	(122)	1,244	2.2	(80)
Intangible assets		1,362	2.8	1,371	2.7	9	1,323	2.3	48
Investments and other assets		3,882	8.0	5,164	10.0	1,282	5,024	8.9	140
Deferred tax assets		1,226		1,299		73	1,316		(17)
Other		2,699		3,904		1,205	3,748		156
Allowance for doubtful accounts		(43)		(39)		4	(40)		1
Fixed assets		6,530	13.4	7,699	14.9	1,169	7,591	13.4	108
Total assets		48,637	100.0	51,566	100.0	2,929	56,465	100.0	(4,899)
Liabilities									
Notes payable, trade		402		387		(15)	402		(15)
Accounts payable, trade		11,739		10,592		(1,147)	15,359		(4,767)
Accrued corporate taxes		713		953		240	1,408		(455)
Accrued expenses		7,733		9,324		1,591	9,882		(558)
Other		1,366		1,766		400	1,654		112
Current liabilities		21,953	45.1	23,022	44.6	1,069	28,705	50.8	(5,683)
Accrued pension and severance costs		3,402		3,334		(68)	3,541		(207)
Deposits received for guarantee		248		222		(26)	225		(3)
Long-term liabilities		3,650	7.5	3,556	6.9	(94)	3,766	6.7	(210)
Total liabilities		25,603	52.6	26,578	51.5	975	32,471	57.5	(5,893)
Shareholders' equity									
Common stock		2,371	4.9	--	--	(2,371)	2,371	4.2	(2,371)
Additional paid-in capital		2,707	5.6	--	--	(2,707)	2,707	4.8	(2,707)
Additional paid-in capital		2,707		--	--	(2,707)	2,707		(2,707)
Retained earnings		17,955	36.9	--	--	(17,955)	18,942	33.5	(18,942)
Legal reserve		21		--	--	(21)	21		(21)
Appropriated		16,460		--	--	(16,460)	16,460		(16,460)
Unappropriated retained earnings		1,474		--	--	(1,474)	2,461		(2,461)
Unrealized gains (losses) on marketable securities		1	0.0	--	--	(1)	(26)	(0.0)	26
Total shareholders' equity		23,034	47.4	--	--	(23,034)	23,994	42.5	(23,994)
Total liabilities and shareholders' equity		48,637	100.0	--	--	(48,637)	56,465	100.0	(56,465)

Non-consolidated Financial Results for the First Half of the Fiscal Year ending March 31, 2007

Items	Term	As of September 30, 2005		As of September 30, 2006		Change	As of March 31, 2006		Change in FY 2006
		Amount	%	Amount	%	Amount	Amount	%	Amount
Net assets									
Common stock		--	--	2,371	4.6	2,371	--	--	2,371
Additional paid-in capital		--	--	2,707	5.3	2,707	--	--	2,707
Additional paid-in capital		--	--	2,707		2,707	--	--	2,707
Retained earnings		--	--	19,929	38.6	19,929	--	--	19,929
Legal reserve		--	--	21		21	--	--	21
Other retained earnings		--	--	19,908		19,908	--	--	19,908
General reserve		--	--	17,860		17,860	--	--	17,860
Retained earnings brought forward		--	--	2,048		2,048	--	--	2,048
Total shareholders' equity		--	--	25,007	48.5	25,007	--	--	25,007
Unrealized gains (losses) on marketable securities		--	--	(19)	(0.0)	(19)	--	--	(19)
Valuation and translation adjustments		--	--	(19)	(0.0)	(19)	--	--	(19)
Total net assets		--	--	24,988	48.5	24,988	--	--	24,988
Total liabilities and net assets		--	--	51,566	100.0	51,566	--	--	51,566

Non-consolidated Financial Results for the First Half of the Fiscal Year ending March 31, 2007

(2) Statements of Income

(Units: Millions of yen)

Items	Term	First Half ended September 30, 2005		First Half ended September 30, 2006		Change		Full Year ended March 31, 2006	
		Amount	%	Amount	%	Amount	%	Amount	%
Net sales		59,459	100.0	59,664	100.0	205	0.3	127,590	100.0
Cost of sales		53,352	89.7	52,709	88.3	(643)		114,169	89.5
Gross profit		6,107	10.3	6,955	11.7	848	13.9	13,421	10.5
Selling, general and administrative expenses		4,668	7.9	4,624	7.8	(44)		9,232	7.2
Operating income		1,439	2.4	2,331	3.9	892	62.0	4,189	3.3
Non-operating income		39	0.1	63	0.1	24		82	0.1
Non-operating expenses		98	0.2	98	0.2	--		193	0.2
Ordinary income		1,380	2.3	2,296	3.8	916	66.4	4,078	3.2
Extraordinary gains		--	--	312	0.5	312		--	--
Extraordinary losses		--	--	308	0.4	308		136	0.1
Income before income taxes		1,380	2.3	2,300	3.9	920	66.7	3,942	3.1
Corporate, inhabitants and enterprise taxes		764	1.3	998	1.7	234		2,115	1.6
Deferred income taxes		(186)	(0.3)	(11)	(0.0)	175		(290)	(0.2)
Net income		802	1.3	1,313	2.2	511	63.7	2,117	1.7
Unappropriated retained earnings at beginning of term		672		--				671	
Interim dividends		--		--				327	
Unappropriated retained earnings at end of term		1,474		--				2,461	

Non-consolidated Financial Results for the First Half of the Fiscal Year ending March 31, 2007

(3)Non-consolidated Statements of Changes in Net Assets
(First Half ended September 30, 2006)

(Units: Millions of yen)

	Shareholders' equity							Valuation and translation adjustments	Total net assets
	Common stock	Additional paid-in capital	Retained earnings				Total share-holders' equity	Unrealized gains (losses) on marketable securities	
		Additional paid-in capital	Legal reserve	Other retained earnings		Total retained earnings			
				General reserve	Retained earnings brought forward				
Balance as of March 31, 2006	2,371	2,707	21	16,460	2,461	18,942	24,020	(26)	23,994
Changes of items during the First Half									
Provision for general reserve	--	--	--	1,400	(1,400)	--	--	--	--
Dividends from surplus	--	--	--	--	(326)	(326)	(326)	--	(326)
Net income	--	--	--	--	1,313	1,313	1,313	--	1,313
Net changes of items other than shareholders' equity	--	--	--	--	--	--	--	7	7
Total changes of items during the First Half	--	--	--	1,400	(413)	987	987	7	994
Balance as of September 30, 2006	2,371	2,707	21	17,860	2,048	19,929	25,007	(19)	24,988

Non-consolidated Financial Results for the First Half of the Fiscal Year ending March 31, 2007

(4) Statements of Cash Flows

(Units: Millions of yen)

Items	Term	First Half ended September 30, 2005	First Half ended September 30, 2006	Change	Full Year ended March 31, 2006
		Amount	Amount	Amount	Amount
Cash flows from operating activities					
Income before income taxes		1,380	2,300	920	3,942
Depreciation		478	338	(140)	979
Decrease in allowance for doubtful accounts		(3)	--	3	(4)
(Decrease) increase in accrued pension and severance costs		(5)	74	79	44
Interest and dividend income		(4)	(52)	(48)	(24)
Interest expenses		1	0	(1)	3
Foreign exchange (gain) loss		(15)	1	16	(25)
Loss on disposal of property and equipment		21	41	20	78
Loss on disposal of intangible assets		1	42	41	11
Loss on devaluation of property and equipment		--	9	9	25
Loss on devaluation of intangible assets		75	1	(74)	140
Gain on transfer of business		--	(312)	(312)	--
Impairment loss of fixed assets		--	245	245	--
Decrease (increase) in notes and accounts receivable, trade		3,085	5,458	2,373	(2,108)
(Increase) decrease in inventories		(58)	(143)	(85)	706
Decrease (increase) in accounts receivable, other		1,050	1,827	777	(1,102)
(Decrease) increase in notes and accounts payable, trade		(1,186)	(4,889)	(3,703)	2,484
(Decrease) increase in accrued expenses		(1,821)	(558)	1,263	327
(Decrease) increase in consumption tax payable		(91)	(96)	(5)	6
Increase (decrease) in deposits received		124	(149)	(273)	160
Other		(193)	(165)	28	(30)
Sub-total		2,839	3,972	1,133	5,612
Proceeds from interest and dividend income		4	52	48	24
Payments for interest expense		(1)	(0)	1	(3)
Payments for income taxes and other		(644)	(1,445)	(801)	(1,309)
Net cash provided by operating activities		2,198	2,579	381	4,324
Cash flows from investing activities					
Purchases of property and equipment		(222)	(123)	99	(463)
Purchases of intangible assets		(204)	(261)	(57)	(428)
Proceeds from transfer of business		--	226	226	--
Purchases of investment securities		--	--	--	(1,005)
Other		(10)	(3)	7	(45)
Net cash used in investing activities		(436)	(161)	275	(1,941)
Cash flows from financing activities					
Dividends paid		(331)	(327)	4	(659)
Net cash used in financing activities		(331)	(327)	4	(659)
Effect of exchange rate changes on cash and cash equivalents		15	(1)	(16)	25
Increase in cash and cash equivalents		1,446	2,090	644	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		13,577	15,970	2,393	13,880

Non-consolidated Financial Results for the First Half of the Fiscal Year ending March 31, 2007

(5) Supplementary Information

(Units: Millions of yen)

	First Half ended September 30, 2005	First Half ended September 30, 2006	% Change	Forecast for Full Year ending March 31, 2007	% Change from FY 2005
Net sales	59,459	59,664	0.3%	124,000	(3%)
Operating income	1,439	2,331	62.0%	4,700	12%
<Operating income to Net sales>	<2.4%>	<3.9%>		<3.8%>	
Ordinary income	1,380	2,296	66.4%	4,700	15%
<Ordinary income to Net sales>	<2.3%>	<3.8%>		<3.8%>	
Net income	802	1,313	63.7%	2,430	15%
<Net income to Net sales>	<1.3%>	<2.2%>		<2.0%>	
Net income per share	55.23Yen	90.39Yen	--	167.25Yen	--
Dividend per share	22.50Yen	22.50Yen	--	45.00Yen	--
Dividend payout Ratio	40.7%	24.9%	--	26.9%	--
Total assets Turnover	2.39Times	2.21Times	--	2.19Times	--
Return on assets	5.6%	8.5%	--	8.3%	--
Return on equity	7.0%	10.7%	--	9.8%	--
Net cash provided by Operating activities	2,198	2,579	17.3%	4,340	0%
Net cash used in Investing activities	(436)	(161)	--	(3,690)	--
Free cash flows	1,762	2,418	37.2%	650	(73%)
Net cash used in Financing activities	(331)	(327)	--	(650)	--
R&D expenses	247	140	(43.3%)	430	(12%)
Number of employees	1,487	1,125	--	1,130	--

Non-consolidated Financial Results for the First Half of the Fiscal Year ending March 31, 2007

(6) Business Segment Information

(Units: Millions of yen)

		First Half ended September 30, 2005		First Half ended September 30, 2006		% Change	Forecast for Full Year ending March 31, 2007		% Change from FY 2005
		Amount	%	Amount	%		Amount	%	
Mobile Sales Business	Net sales	44,393	74.7	47,342	79.3	6.6	100,000	80.6	7
	Operating income	729	50.6	869	37.3	19.3	2,210	47.0	2
	%	1.6%		1.8%			2.2%		
Mobile Integration & Support Business	Net sales	10,586	17.8	12,322	20.7	16.4	24,000	19.4	(3)
	Operating income	577	40.1	1,462	62.7	153.2	2,490	53.0	30
	%	5.5%		11.9%			10.4%		
Mobile Software Business	Net sales	4,480	7.5	--	--	--	--	--	--
	Operating income	133	9.3	--	--	--	--	--	--
	%	3.0%		--			--		
Total	Net sales	59,459	100.0	59,664	100.0	0.3	124,000	100.0	(3)
	Operating income	1,439	100.0	2,331	100.0	62.0	4,700	100.0	12
	%	2.4%		3.9%			3.8%		