

February 2006

4Q05 Earning Presentation



Safe Harbor Statement

Certain statements in this presentation include forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of forward-looking terminology, such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "project" or "continue" or the negative thereof or other similar words. All forward-looking statements involve risks and uncertainties, including, but not limited to, customer acceptance and market share gains, competition from companies that have greater financial resources; introduction of new products into the marketplace by competitors; successful product development; dependence on significant customers; the ability to recruit and retain quality employees as the Company grows; and economic and political conditions globally. Actual results may differ materially from those discussed in, or implied by, the forward-looking statements. The forward-looking statements speak only as of the date of this presentation and the Company assumes no duty to update them to reflect new, changing or unanticipated events or circumstances. We urge you to read our public filings, which are available on our corporate website at www.ninetowns.com/english.

FY2005 Operation Summary

	Q1'05	Q2'05	Q3'05	Q4'05	FY2005
# of iDeclare packages	8,000	10,300	5,000	2,800	26,100
# of iDeclare maintenance contracts	4,600	9,000	13,600	12,500	39,700
# of iProcess packages	-	1,100	900	600	2,600
# of total installed base	103,000	113,000	119,000	122,000	122,000

Revenue Contributions (% of Total Net Revenue):

iDeclare package	53.3%	52.5%	51.1%	42.2%	50.1%
iDeclare per declaration filing	9.6%	9.2%	8.8%	12.1%	9.8%
iDeclare maintenance contracts	9.5%	11.1%	16.0%	21.0%	14.1%
Software Development Services	16.9%	19.5%	11.5%	11.1%	15.0%

iDeclare Comparisons

Free Software

NINE Premium Services

Functionalities

- No automatic regulation updates
- None
- Automatic regulation updates
- Inspection fee estimate
- Crisis alerts and risk assessment

Services

- No service support
- 24x7 service support

iProcess Comparisons

Free Software

NINE Premium Services

Functionalities

- No automatic regulation updates
- Not available
- Automatic regulation updates
- Expert system automatically providing real-time benchmark, performance monitoring and optimization

Services

- No service support
- 24x7 service support

Revenue Model Assumptions

		iDeclare Pricing	iProcess Pricing
Enterprise service	Service fee:	US\$180 per year additional year	US\$200-400 per year additional year
	One-time Initiation Fee:	US\$550	US\$400-600
	Transaction-based Fee:	US\$2.50 per filing	None
Software development services	Contract Fee:	based either on time-and-material basis or a fixed-fee basis	

Long-Term Growth: 1-Stop International Trade Platform

