

**NS Solutions**

# Business Results and Outlook

(April 1, 2006 through March 31, 2007)

May 31, 2007

## NS Solutions Corp.

This document includes statements of forward-looking descriptions regarding the intent, belief or current expectations of NS Solutions Corporation (the “Company”) or its officers in terms of its operation and financial condition. Accordingly, such statements contain risks and uncertainties since they are neither historical facts nor guarantees of future performance. Actual results may be varied and influenced by various factors. The Company does not undertake to revise such forward-looking descriptions to reflect those factors

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In this material, where information is presented in millions of yen or percentages, these amounts have been rounded down. Accordingly, these amounts may differ from figures included in financial statements in some cases.

## 1. Business Policies

### *(1) Our Basic Business Policies*

NS Solutions Corporation adopts the following corporate philosophy in order to play a leading role in Japan's information service industry, achieve sustainable business expansion and high profitability, and contribute to creating a better society.

#### Creation, Reliability and Growth

As a professional IT firm, NS Solutions focuses on creating real value to establish mutual trust with our customers, achieve mutual business growth and contribute to progress in our society.

To this end, NS Solutions has four basic business policies, as follows:

- ① To expand our business, we pioneer IT-based solutions targeted emerging markets with growth potential and allocate our resources to those markets with priority.
- ② We integrate our sales and manufacturing functions into a single business unit for these target markets and devise the most appropriate business model for each business unit in order to differentiate ourselves and to achieve high profitability.
- ③ Aware that our competitive edge stems from customer confidence and our state-of-the-art technology, we seek to maintain and bolster both.
- ④ We focus on our three core businesses, namely Business Solutions, Platform Solutions and Business Services, in order to provide consistent services ranging from consulting to design, development, operation and maintenance of IT-based solutions.

### *(2) Basic Policy on Profit Sharing and Dividends for the Fiscal Years Ended March 2007 and Ending March 2008*

The Company recognizes the importance of enhancing its competitiveness and increasing its corporate value. Its basic policy on profit sharing is to pay fair and stable dividends to shareholders and secure sufficient internal reserves to expand operations and generate profits.

For the fiscal year ended March 31, 2007, we plan to pay a dividend of ¥17.50 per share (record date is March 31, 2007), as initially planned. Since we provided an interim dividend of ¥17.50 (the record date is September 30, 2006), the total dividend for the fiscal year ended March 31, 2007 will be ¥35.00, an increase of ¥10.00 from the previous fiscal year.

For the fiscal year ending March 31, 2008, to increase the distribution of profits, we intend to pay a dividend of ¥40.00, a rise of ¥5.00, based on our outlook of financial position and profit levels.

To seize appropriate business opportunities and provide quality solutions and services in response to intensifying competition, we plan to allocate internal reserves to strategic investments, namely expanding the menu of solutions, creating services, acquiring cutting-edge IT technologies, and developing human resources. We will also accelerate business strategies, including our alliance strategy.

### ***(3) Medium- to Long-term Business Strategies and Target Management Indices***

Increasingly, business strategies and IT strategies are closely linked and a superior IT strategy is essential to corporate survival. As circumstances surrounding business change, demand for redesigning and restructuring of existing systems rises. It is also necessary to enhance internal controls and address large-scale disasters or information leaks. There is ever growing demand for new systems that will provide IT governance, protect information assets and support disaster recovery.

We will be endeavoring to establish ourselves as a reliable IT partner by accurately identifying what business challenges our clients face, by presenting appropriate methodologies commensurate with the level expected from IT specialists and by offering a broad spectrum of services for the redesign of the entire IT assets of the client, including consulting, systems integration that covers systems planning, development, operation and maintenance, on-demand services and business process outsourcing.

From this managerial perspective, the Company will actively push ahead with business structure reforms, such as preferentially allocating business resources to growth sectors with high customer needs, planning visionary solutions and creating a new business model. By differentiating ourselves from our competitors and winning trust from customers, the Company will work to gain a competitive advantage, achieve sustainable business expansion and improve profitability.

### ***(4) Our Challenges***

#### **① Improving IT platform solutions and IT services**

With the advent of the broadband era, the business environment surrounding the Company is changing significantly. In response to this trend, we established the IT Infrastructure Solutions & Business Service Unit in April, strengthening our organizational structure. We will strive to bolster our IT platform solutions and IT services, which are expected to grow.

In the IT platform solution business, we have provided differentiated solutions in developing large systems, which require high reliability and availability. As customer needs become more complex and diverse, and technologies more sophisticated, we seek to further differentiate ourselves by using IT platform integration skills, especially in our mainstay products, and create and develop unique new solutions, including ID management and integrated backup solutions, using grid computing and utility computing technologies.

In IT services, we have positioned our data center business as a core business and developed competitive operations that call on our strengths. We will continue to step up our efforts in the data center business and pursue our next-generation data center initiative. We will also improve utility services, including IT infrastructure remote operation services, document services and security strengthening, while creating differentiated services and expanding our service menu. In this way, we will develop new IT services.

#### **② Bolstering our operating base**

We will continue to strengthen our operating base such as improving system development processes and system development technologies, tightening internal controls and cultivating human resources.

To improve system development processes and system development technologies, we will continue to promote and establish initiatives such as the standardization and improvement of system development processes, QMO (Quality Management Office) activities, systematic support to projects, and the improvement of system development supporting environment.

To tighten internal controls, we work positively to complete the initiatives that we commenced two years ago to comply with the internal control reporting system that will apply from accounting for the fiscal year ending March 2009. We will strive to integrate the results of the efforts in the development of new solutions and new services for our clients.

To foster and develop our staff, one of our most important management resources, we will continue to bolster our ability to recruit talent and apply a coherent program for the development of our young employees. We will also take steps to reinvigorate individuals and the organization, such as developing a personnel rotation mechanism, designing careers that take life stage into consideration and promoting a system of nine consecutive days holiday, which was introduced in the fiscal year ended March 2006 to encourage employees to take successive days off, and prohibiting in principle working late at night or on holidays.

## 2. Operating Results

### *(1) Trends in the Japanese Economy and Information Services Industry*

The Japanese economy exhibited sustained strength during the fiscal year ended March 31, 2007, supported by rising private capital investment against a background of robust corporate earnings.

Corporate customers invested aggressively in computing systems. IT spending was particularly directed at achieving integration and innovation in backbone systems, including sales, production and distribution systems in the manufacturing and distribution industries. Upgrading mission-critical systems and other large-scale systems in securities firms, major banks, and other organizations was another key spending focus. These trends produced rising sales in the overall information services industry.

### *(2) Highlights for the NS Solutions Group (the “Group”)*

During the fiscal year ended March 31, 2007, the Group deployed total System Life Cycle (SLC) solutions. Adopting a comprehensive approach to meeting more sophisticated and complex needs, the SLC solutions encompass the planning, development, operation and maintenance of customer systems. Consequently, the Group continued to secure orders based on customer trust and was able to exploit new business opportunities. To expand the growing data center business along with other IT services, we invested in data centers and in improving our service lineup. With these initiatives, we took aggressive action to develop our businesses and acquire new customers.

To bolster its operating base, the Group meanwhile took a number of initiatives designed to improve its system development processes, tighten its internal controls, and strengthen its human resources.

For our system development processes, we improved system development processes and shared best practices throughout the Group. Meanwhile, we took steps to develop a centralized support environment for distributed development, or namely a common project support environment. We also sought to entrench our Quality Management Office (QMO) activities to improve the quality of system development.

To tighten internal controls, we focused on responding to the Companies Act, introduced in May 2006, and prepared for the internal control reporting system to take effect from the fiscal year ending March 2009. We work positively to integrate these measures into the development of new solutions and new services.

For human resource development, we steadfastly improved our ability to recruit talent, while encouraging our young employees with a coherent program designed to equip them with the ability to operate as true professionals. In the meantime, we strengthened our alliances with Group companies, used offshore resources effectively, and secured good partner resources.

Consolidated sales for the fiscal year ended March 31, 2007 rose by ¥8,170 million from the previous

fiscal year (¥148,308 million), to ¥156,479 million, reflecting healthy growth in Business Solutions. Consolidated recurring profit was up ¥2,010 million from the year-ago period (¥12,355 million), to ¥14,366 million.

Our performance in each service category (Business Solutions, Platform Solutions and Business Services) is summarized as follows:

**- Business Solutions**

With a robust performance, mainly in solutions for the financial industry, consolidated sales increased by ¥8,573 million from the previous fiscal year (¥83,998 million), to ¥92,572 million.

• **Manufacturing, distribution and services industries.** Customers' willingness to invest in IT to strengthen and expand their operations is firm, encouraged by their strong earnings. This environment produced robust demand for our solutions, our key strengths, including: PLM to shorten the overall development process from design to production, SCM to optimize production, distribution and sales, and SCE to support the execution of operations in transportation and inventory management. We responded to a steady stream of orders for large new projects, including a comprehensive travel reservation service for a major Internet company. We also established ties with new customers, including a leading pharmaceuticals manufacturer.

PLM: Product Lifecycle Management

SCM: Supply Chain Management

SCE: Supply Chain Execution

• **Financial industry.** Financial institutions have a strong appetite for IT investment, reflecting the robust performance of this sector. In response, we worked on a number of large projects relating to market and information systems for mega banks. In addition, we carried out orders for large market and information systems from Japan Post, calling on our superior expertise in risk management. We also continued to enjoy steady demand from major regional banks for solutions compatible with the Basel II regulations, integrated revenue management solutions and integrated risk management solutions.

• **Government agencies and the public sector.** In this segment, we face intensifying competition following government's procurement system reform. Under such circumstances, we constantly implemented projects for central government ministries and agencies in the fields of LAN integration and security enhancement. We also developed and operated differentiated systems in relation to satellites and in other sciences, using our expertise in high technology. Based on research in our Grid & Utility Computing Center, which was established in our Systems Research & Development Center, we received an order for a large-scale grid computing system from a national university and delivered it. The system is one of Japan's largest grid computing

technology-based systems and will be used as a base for research and analysis in Japan for an enormous international experimental project involving more than 1,800 researchers from 35 countries.

#### ***- Platform Solutions***

The performance in the Platform Solutions business was solid, especially in maintenance and engineering. Sales rose by ¥334 million from the previous fiscal year (¥24,180 million), to ¥24,515 million. Our Platform Solutions receive high acclaim in the development of systems where high performance and high reliability are required. We redeveloped the infrastructure of market and information systems for Japan's mega banks and provided an infrastructure for a large website for a major Internet company's comprehensive travel reservation service.

#### ***- Business Services***

With an expansion in the outsourcing market and active development in SLC total solutions, inquiries and orders from clients other than Nippon Steel Corporation were firm. Unfortunately, however, sales to Nippon Steel Corporation were down and as a consequence, sales for Business Services declined by ¥738 million from the year-ago level (¥40,129 million), to ¥39,391 million. In operating services, we have been supporting Nippon Steel Corporation's large steel mill systems under demanding conditions—24 hours a day, seven days a week—for more than 40 years. Building on this experience, we provide high-value added data center services mainly through NSSLC Service Corporation. To improve our ability to deal with customer needs, we have taken ownership of the No.1 Data Center, our main base, which we formerly rented, and have taken steps to bolster our competitiveness in IT services, especially data center services. As a result, we received a steady flow of orders from major Internet companies to upgrade servers and increase the server floor area, enabling our data center business to expand.

To bolster our ability to gather information on advanced IT service examples in the United States and thereby expand our IT services, we restarted NS Solutions USA Corp. in California.

To facilitate these operations, we formed the following business alliances:

With IT governance becoming one of the key strategic challenges for corporate customers, we formed an alliance with CA Japan, Ltd. ("CA") and began to provide integrated solutions covering the entire IT lifecycle, from the selection and execution of investment to the evaluation of the results, using CA's product CA Clarity.

We also entered into a tie-up with Apriso Corporation Japan ("Apriso") and began to develop real-time system-coordination solutions for multiple facilities, including plants and warehouses, which cannot be provided by existing enterprise resource planning packages, using Apriso's product FlexNet.

In IT services, we concluded a business alliance agreement with salesforce.com Co., Ltd., with which we have previously collaborated. This allowed us to sell each other's on-demand services.

### **3. Outlook for the Next Period**

Corporate investment in computing systems is expected to be solid, supported by favorable earnings in the corporate sector. As a corporate IT partner, we seek to meet customer needs, for example by developing IT strategies, reducing TCO (Total Cost of Ownership) and tightening internal controls. And through this approach, we aim to expand the Business Solutions and Platform Solutions. At the same time, we are acting to meet increasing demand for outsourcing and foster IT services, thereby expanding the Business Services.

Our outlook for the fiscal year ending March 2008 is consolidated sales of ¥165,000 million and a consolidated recurring profit of ¥15,000 million.

Forward-looking statements, including outlook for the next fiscal year, are subject to change with unexpected changes in economic conditions. The NS Solutions does not guarantee the accuracy of the statements.

## 4. Financial Position

### (1) Balance Sheets

#### ① Assets

Total assets at the end of the current fiscal year ended March 31, 2007 rose by ¥10,880 million from ¥103,116 million for the previous fiscal year ended March 31, 2006, to ¥113,997 million. The principal factors were an increase of ¥5,002 million in trade notes and accounts receivable, a rise of ¥3,105 million in inventories and a growth of ¥4,982 million in buildings and structures.

#### ② Liabilities

Total liabilities increased by ¥4,390 million from ¥41,487 million to ¥45,878 million, mainly because of a rise of ¥1,930 million in trade notes and accounts payable. The liabilities of the Group consist chiefly of accounts payable and other inter-company credits, accrued income taxes and allowances, including an allowance for employees' retirement benefits. There was no interest-bearing debt, such as borrowings from financial institutions.

#### ③ Net assets

Net assets rose by ¥6,490 million from ¥61,628 million (including minority interests of ¥1,622 million), to ¥68,118 million. Major factors were a net income of ¥8,120 million and dividends of minus ¥1,589 million. The equity ratio was 58.1%.

### (2) Cash Flows

#### ① Statement of cash flows

In the previous fiscal year, net cash and cash equivalents increased by ¥8,626 million. However, in the fiscal year ended March 2007, net cash and cash equivalents decreased by ¥2,223 million to ¥29,510 million. Cash flows from each activity category are as follows:

- *Cash flows from operating activities.* In the fiscal year ended March 31, 2007, the Company generated ¥6,331 million of net cash from operating activities. Income before income taxes of ¥14,360 million, depreciation of ¥1,812 million, among other factors, more than offset the effect of negative factors, including income taxes paid of ¥5,785 million, inter-company credits of ¥3,071 million, an increase in inventories of ¥3,105 million. In the previous fiscal year, the Company generated ¥10,420 million of net cash from operating activities. Income before income taxes of ¥12,873 million, depreciation of ¥1,328 million, and inter-company credits of ¥1,381 million, among other factors, more than offset negative factors, including income taxes paid of ¥6,193 million and an increase in inventories of 130 million.
- *Cash flows from investing activities.* During the fiscal year ended March 31, 2007, the Company used ¥6,916 million in investing activities, mainly because of payments for purchase of property and equipment and intangible fixed assets of ¥6,573 million, led by the purchase of a data center. In the previous fiscal year ended March 31, 2006, the Company

used ¥629 million of net cash in investing activities, primarily the result of payments for purchase of property and equipment and intangible fixed assets of ¥1,479 million.

- *Cash flows from financing activities.* In the fiscal year ended March 31, 2007, the Company used ¥1,640 million in financing activities mainly reflecting dividends paid. In the last fiscal year ended March 31, 2006, the Company used ¥1,172 million in financing activities mainly due to dividends paid.

② Credit lines from financial institutions

The Company has overdraft facilities of ¥4,800 million at major banks. In addition, the Company has an overdraft facility of ¥4,600 million at Nittetsu Finance Co., Ltd., a consolidated subsidiary of Nippon Steel Corporation. Total overdraft facilities are therefore ¥9,400 million.

③ Cash management system (=CMS)

The Company uses the CMS of Nittetsu Finance Co., Ltd. and had deposited ¥15,402 million as of the end of the fiscal year ended March 31, 2007.

The Company also constructs and uses a CMS with eight consolidated subsidiaries. Total deposits collected from the Group companies amounted to ¥6,676 million at the end of the fiscal year ended March 31, 2007.

(Reference) Change in cash flow indicators

	Year ended March 2003	Year ended March 2004	Year ended March 2005	Year ended March 2006	Year ended March 2007
Equity ratio	48.2%	53.1%	55.0%	58.2%	58.1%
Equity ratio on a fair market value basis	96.2%	202.1%	136.0%	168.1%	138.3%

(Note 1) Equity ratio: Equity capital / Total assets

Equity ratio on a fair market value basis: Market capitalization based on the term-end stock price / Total assets

(Note 2) The table does not include a debt redemption period because we do not have any interest-bearing debt outstanding as of the term end.

Interest coverage ratio is not included because the amount of interest paid is very small.



NS Solutions

# Financial Information Meeting for Fiscal Year 2006 (Year ended March 31, 2007)

2007. 04. 27

Shigeru Suzuki

Representative Director & President

## NS Solutions Corporation

## FORWARD-LOOKING STATEMENTS

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# FY2006 Consolidated Results Highlights

(Billions of yen)

	FY05 (Actual) A	FY06 (Actual) B	Change B-A	FY06 (Previous outlook) C	Change B-C
<b>Sales</b>	148.3	156.5	+ 8.2	156.0	+ 0.5
Business solutions	84.0	92.6	+ 8.6	91.5	+ 1.1
Platform solutions	24.2	24.5	+ 0.3	24.5	+ 0.0
Business services	40.1	39.4	- 0.7	40.0	- 0.6
<b>Gross profit</b>	30.5	33.3	+ 2.8	32.1	+ 1.2
<Gross profit margin>	<20.6%>	<21.3%>	<+ 0.7%>	<20.6%>	<+ 0.7%>
<b>SG&amp;A</b>	-18.4	-19.2	- 0.8	-19.2	+ 0.0
<b>Operating income</b>	12.1	14.1	+ 2.0	12.9	+ 1.2
<b>Recurring profit</b>	12.4	14.4	+ 2.0	13.0	+ 1.4
<b>Net income</b>	7.5	8.1	+ 0.6	7.3	+ 0.8

# FY06 Sales by Business Line/Customer Industry



NS Solutions

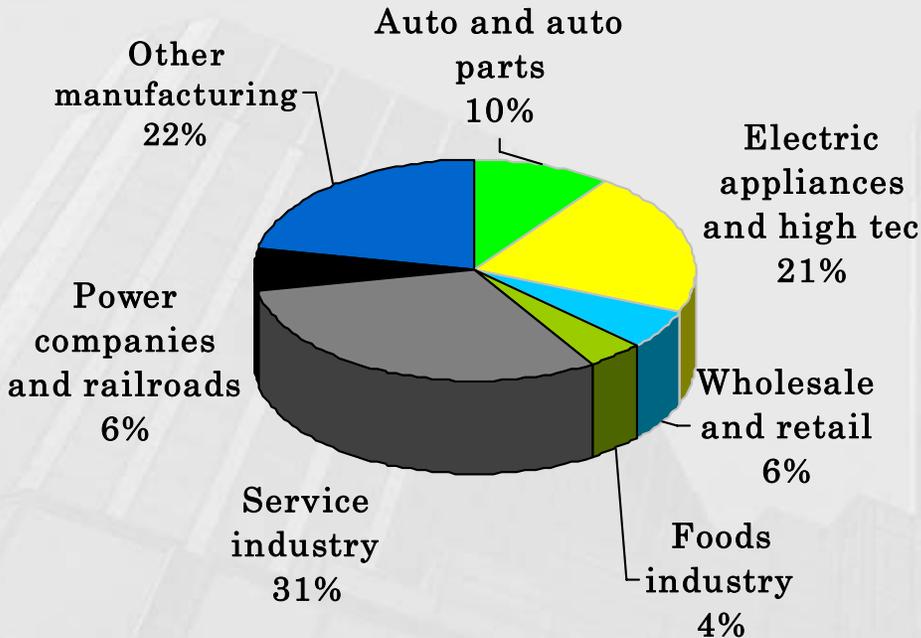
(Billions of yen)

Business line/ Customer industry	FY05 (Actual) A	FY06 (Actual) B	Change B-A	Comment
<b>Business solutions</b>	72.0	78.6	+ 6.6	
Manufacturing, distribution and service industries	36.6	36.1	- 0.5	Almost flat year on year
Financial services	19.6	24.9	+ 5.3	Growth in mega bank and Japan Post sectors
Government, public organizations and others	15.8	17.6	+ 1.8	Growth in satellite and science sectors
<b>Platform solutions</b>	21.5	22.2	+ 0.7	Increase in product maintenance
<b>Business services</b>	39.6	39.0	- 0.6	Decrease in Nippon Steel-related businesses. Increase in non-Nippon Steel businesses.
<b>Non-consolidated sales</b>	133.1	139.8	+ 6.7	
<b>Subsidiaries, net</b>	15.2	16.7	+ 1.5	
<b>Consolidated sales</b>	148.3	156.5	+ 8.2	

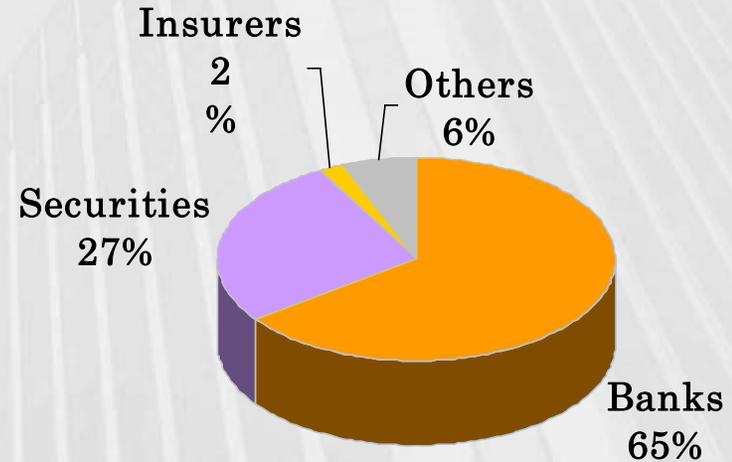
# FY06 Breakdown of Sales to Manufacturing, Distribution and Service Industries, and Financial Services



## Manufacturing, distribution and service industries



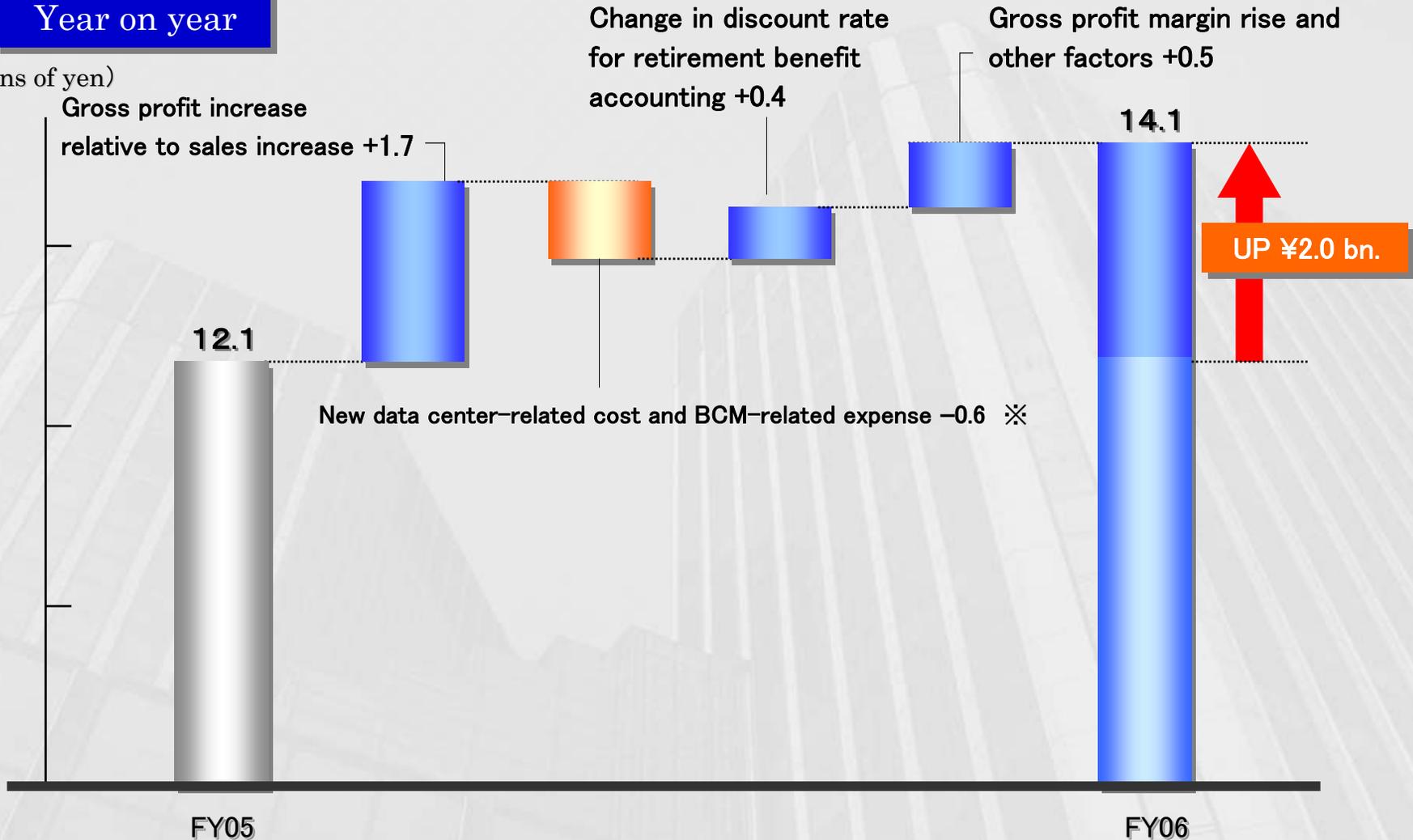
## Financial services



# FY2006 Consolidated Operating Income Breakdown

## Year on year

(Billions of yen)



※BCM: Business Continuity Management

# Outlook for FY2007 Consolidated Results

(Billions of yen)

	FY06 (Actual) A	FY07 (Outlook) B	Change B-A
<b>Sales</b>	156.5	165.0	+ 8.5
Business solutions	92.6	97.0	+ 4.4
Platform solutions	24.5	26.0	+ 1.5
Business services	39.4	42.0	+ 2.6
<b>Gross profit</b>	33.3	34.7	+ 1.4
<Gross profit margin>	<21.3%>	<21.0%>	<- 0.3%>
<b>SG&amp;A</b>	-19.2	-20.0	- 0.8
<b>Operating income</b>	14.1	14.7	+ 0.6
<b>Recurring profit</b>	14.4	15.0	+ 0.6
<b>Net income</b>	8.1	8.3	+ 0.2

# Market Trends by Business Line/ Customer Industry are...



Business line/ Customer industry	Market trend	Market direction
<b>Business solutions</b>		
Manufacturing, distribution and service industries	<ul style="list-style-type: none"> <li>▪ Clients in the distribution and service industries need to sharpen their competitive edges by aggressive IT investments.</li> <li>▪ Steady demand from large manufacturers for IT investments to enhance international competitiveness</li> </ul>	→
Financial services	<ul style="list-style-type: none"> <li>▪ Mega banks continue strategic IT investments.</li> <li>▪ Japan Post invests in IT before its privatization.</li> </ul>	↗
Government and public organizations	<ul style="list-style-type: none"> <li>▪ Movement for reforming government's procurement procedures</li> </ul>	→
<b>Platform solutions</b>	<ul style="list-style-type: none"> <li>▪ We see steady demand for IT platform investments from a big point of view.</li> <li>▪ Clients care very much about ROI and still have a cautious stance on IT investments.</li> </ul>	<b>Engineering</b> → <b>Product sales</b> →
<b>Business services</b>	<ul style="list-style-type: none"> <li>▪ Strong demand for server space due to an increase in digital content distribution</li> <li>▪ Steady demand for outsourcing services</li> </ul>	↗

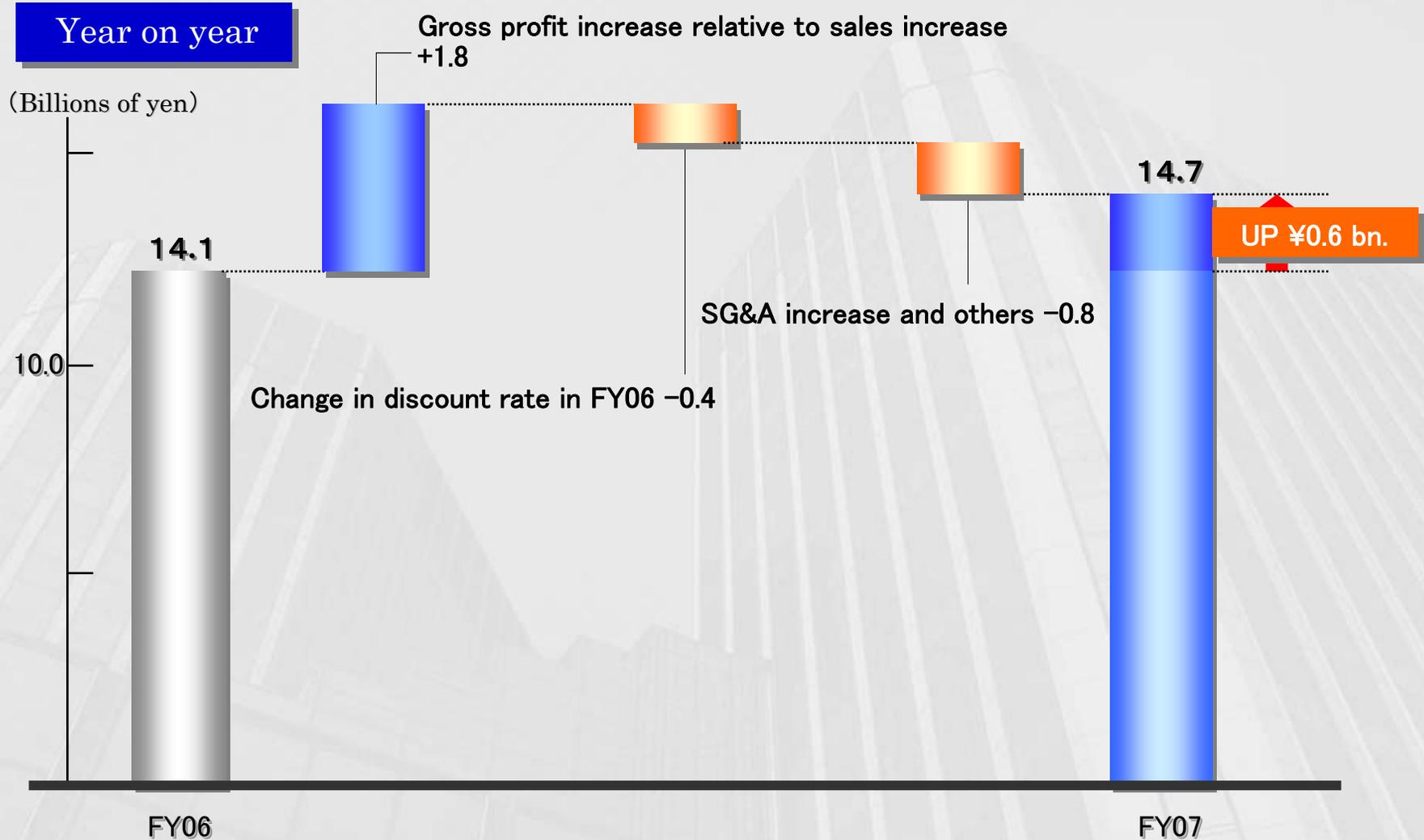
# Outlook for FY07 Sales by Business Line / Customer Industry



(Billions of yen)

Business line/ Customer industry	FY06 (Actual) A	FY07 (Outlook) B	Change B-A	Comment
<b>Business solutions</b>	78.6	82.0	+ 3.4	
Manufacturing, distribution and service industries	36.1	39.0	+ 2.9	Growth mainly in manufacturing sector
Financial services	24.9	26.0	+ 1.1	Business expansion mainly in mega bank and Japan Post sectors
Government, public organizations and others	17.6	17.0	- 0.6	
<b>Platform solutions</b>	22.2	24.0	+ 1.8	Increase in engineering and maintaining products
<b>Business services</b>	39.0	41.0	+ 2.0	Increase in non- Nippon Steel businesses
<b>Non-consolidated sales</b>	139.8	147.0	+ 7.2	
<b>Subsidiaries, net</b>	16.7	18.0	+ 1.3	
<b>Consolidated sales</b>	156.5	165.0	+ 8.5	

# FY2007 Consolidated Operating Income Breakdown



# Outlook for FY2007 Semiannual Consolidated Results



NS Solutions

(Billions of yen)

	FY06 (Actual)		FY07 (Outlook)		Change	
	1H A	2H B	1H C	2H D	1H C-A	2H D-B
<b>Sales</b>	70.1	86.4	75.0	90.0	+ 4.9	+ 3.6
Business solutions	39.4	53.2	42.0	55.0	+ 2.6	+ 1.8
Platform solutions	12.1	12.4	13.0	13.0	+ 0.9	+ 0.6
Business services	18.6	20.8	20.0	22.0	+ 1.4	+ 1.2
<b>Gross profit</b>	14.5	18.8	15.8	18.9	+ 1.3	+ 0.1
<Gross profit margin>	<20.8%>	<21.8%>	<21.1%>	<21.0%>	<+ 0.3%>	<- 0.8%>
<b>SG&amp;A</b>	-9.4	-9.8	-10.0	-10.0	- 0.6	- 0.2
<b>Operating income</b>	5.1	9.0	5.8	8.9	+ 0.7	- 0.1
<b>Recurring profit</b>	5.2	9.2	6.0	9.0	+ 0.8	- 0.2
<b>Net income</b>	3.0	5.1	3.1	5.2	+ 0.1	+ 0.1
<b>Order backlog at beginning of period</b>	38.0	47.9	44.0	—	+ 6.0	—

## Major business strategies

- Enhancing technical capabilities to develop systems in an organized way
- Strengthening sales forces
- Incubating and enlarging service businesses
- Carrying forward business continuity management
- Improving subcontractor management

## Structural reform of clients and projects

- Selecting industries and clients, and concentrating on those
- Shifting to large-scale and high-value-added businesses
- Shifting from selling products to engineering and maintaining products

## ① Trying to be on a sustained growth path

- Utilizing IT platform integration skills

## ② Enhancing technical capabilities to develop systems

- Standardizing system development processes
- Improving common environments for system development

## ③ Strengthening our operating base

- Carrying forward business continuity management
- Improving subcontractor management
- Enriching training programs

## ④ Aiming for a vibrant and attractive company



NS Solutions

# Platform Solutions Contribute to Our Business Expansion

## NS Solutions Corporation

## Reducing the total cost of ownership

- The individual optimization of a silo-like system reaches a limit
- Increasing system operation costs

## Taking measures to follow the J-SOX Law and other regulations

- Distributed IT platforms need company-wide control

## IT platforms that can keep up with changes in business models

- IT platforms that can easily follow load changes
- Computer systems that can be easily changed

# Features of Our Platform Integration Skills

## We provide System Life Cycle Total Solutions

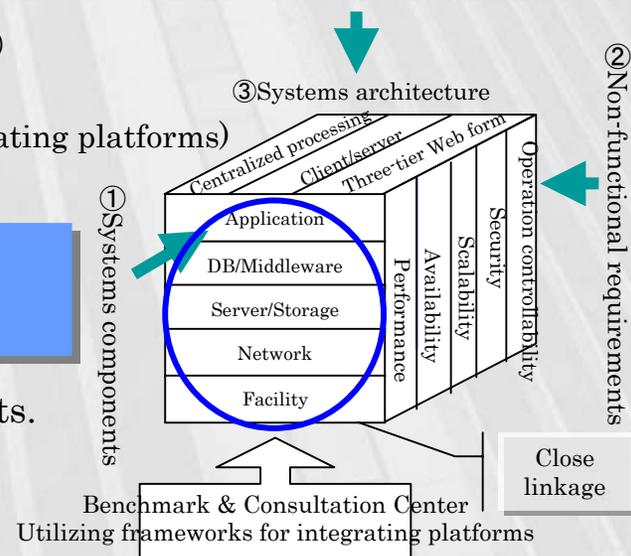
- We provide applications software, platforms and systems operation in a unified manner  
:Seamlessly integrating the entire system from applications software to platforms and systems operation from the viewpoint of system users
- Optimizing IT systems from three perspectives  
:Three perspectives such as systems components, systems architecture and non-functional requirements

## We assess and test new products, accumulate IT utilization technologies and successfully implement projects in accordance with our frameworks for integrating IT platforms

- Assessing products (RAC (Real Application Clusters) Solution Center, etc.)
- Assessing performance (Benchmark & Consultation Center)
- Improving methodologies and tools (Our own make frameworks for integrating platforms)

## We design IT platforms from users' viewpoint, controlling software and hardware vendors

- We create a best mix of the advantages of multi-vendor products. We have the capability to control multiple vendors and to successfully implement actual projects.



# Differentiating Ourselves by Next-generation IT Platform Technologies

## We've set up the NS Solutions Grid & Utility Computing Center (the "NSGUC")

- Nation's largest laboratory to conduct empirical research on grid and virtualization technologies
- We've set up the NSGUC in December 2005 inside our Systems R&D Center

## Researching and utilizing grid & utility technologies

- Grid & utility technologies to be adopted to business scenes
  - Company-wide needs for using computer resources efficiently (ex. inside clients' data centers)
- High-performance computing needs for:
  - financial institutions
  - scientific and engineering calculations

(We've provided the Regional ATLAS Data Analysis Center in the University of Tokyo with grid computing systems.)

## Researching and utilizing virtualization technologies

- Virtually integrating dispersed IT platforms
- Dividing a single IT platform into virtual partitions

# Next-generation IT Platform Design and Development Methods for Grid & Utility Computing (“NSGRANDIR” ※1)

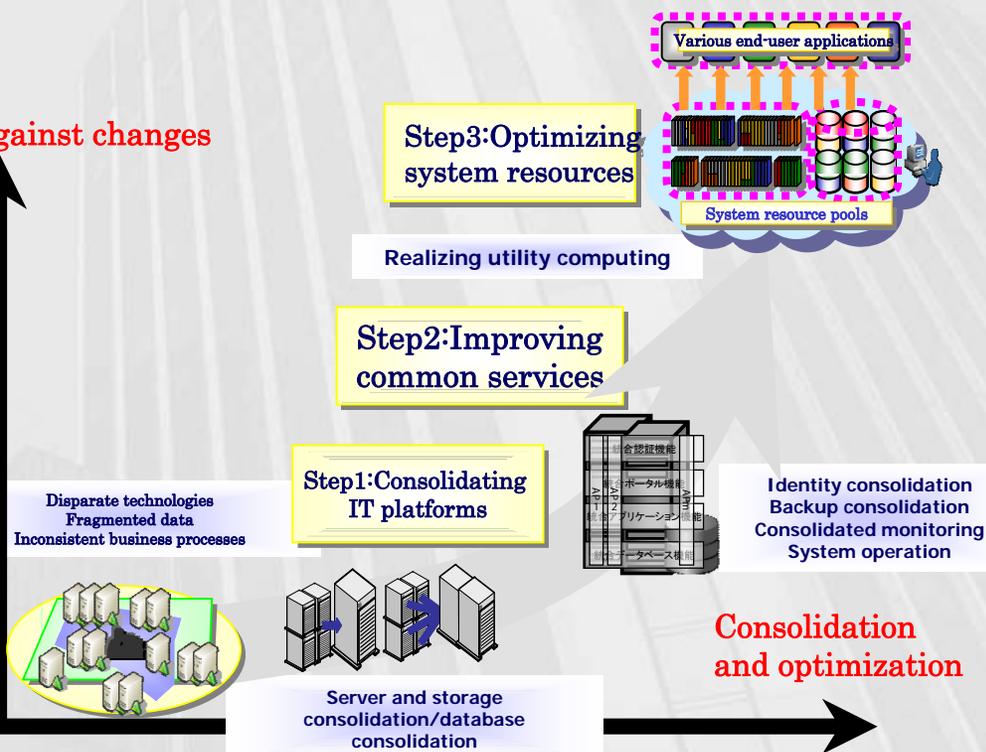


- Incorporating the most appropriate products
- Adopting our own make frameworks for integrating IT platforms
- Utilizing empirically-based grid & utility computing assessment done by the NSGUC ※2



Flexibility against changes

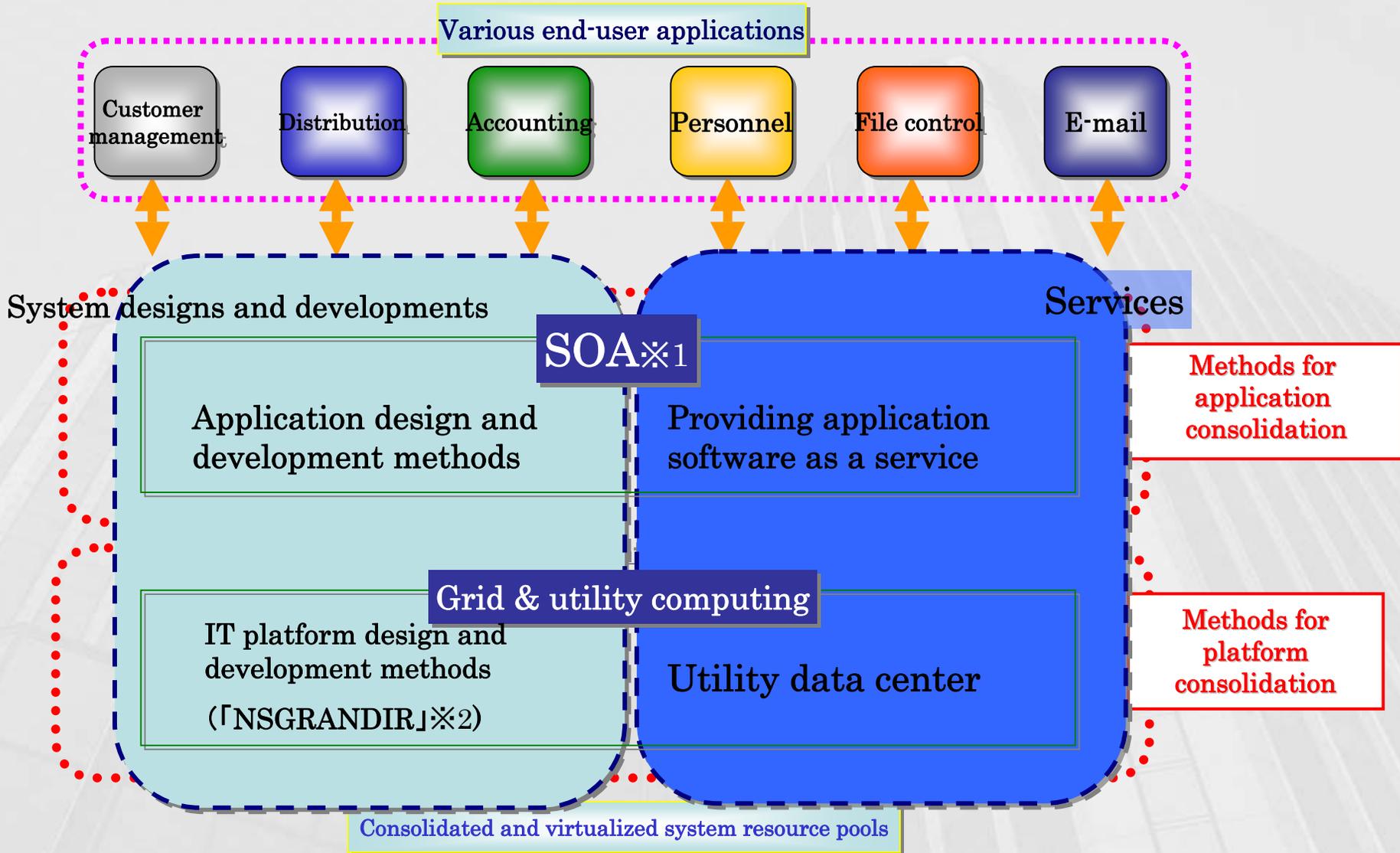
- We design and develop systems that have availability, a high-security level, operation controllability and scalability at minimum cost



※1 NSGRANDIR: NS Solutions Grid And Dynamic Infrastructure

※2 NSGUC: NS Solutions Grid & Utility Computing Center

# Adopting Next-generation Technologies to System Designs and Developments, and Services



※1 SOA: Service Oriented Architecture

※2 NSGRANDIR: NS Solutions Grid And Dynamic Infrastructure

- 
- In September 2006, We've acquired the No.1 Data Center that we had rented for business
  - We've set up a system development center in Dalian, China  
(We've closed a quantity guarantee contract with Dalian Hi-Think Computer Technology Co., Ltd.(DHC))
  - We've newly started No.4 Data Center operations in April 2007
-

- ✧ We provide stable dividends to shareholders and maintain internal reserve for expanding our businesses in the future and for others.
- ✧ NS Solutions' operating income has hit an all-time high.
- ✧ Distributing profits among shareholders



We plan to increase an annual per-share dividend.

**2007/3**  
¥35.00 per share



**2008/3**  
¥40.00 per share



<http://www.ns-sol.co.jp/>

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**NS Solutions**

## 平成19年3月期 決算説明会 補足資料

Appendix at Financial Information Meeting for the fiscal year ended Mar.31,2007

平成19年4月27日

Apr. 27, 2007

# 新日鉄ソリューションズ株式会社 NS Solutions Corporation

(注)この資料において百万円もしくはパーセントで記載してある情報は四捨五入しておりますので、財務諸表と数値が異なる場合があります。

(Note) In this material, where information is presented in millions of yen or percentages, these amounts have been rounded. Accordingly, these amounts may differ from figures included in financial statements in some cases.

1.連結業績概要 Outline of Consolidated Business Results

(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3	2007/3	2008/3
	(みなし連結 Pro forma consolidated, including EI Division)	(みなし連結 Pro forma consolidated, including EI Division)	(実績 Actual)	2007.1.30 (前回見直し Previous Outlook)	(見通し Outlook)					
サービス区分の分類方法 Categorization method by business line	従来区分 Old	従来区分 Old	従来区分 Old	従来区分 Old	従来区分 Old	新区分 New	新区分 New	新区分 New	新区分 New	新区分 New
受注高 Amount of order acceptance			143,202	153,844	147,482	147,482	152,210	150,790	—	162,487
業務ソリューション Business solutions			73,029	81,859	74,011	79,671	84,363	86,652	—	98,027
基盤ソリューション Platform solutions			34,394	34,488	36,194	29,648	27,417	24,369	—	24,874
ビジネスサービス Business services			35,779	37,496	37,277	38,163	40,430	39,769	※4	39,587
期末受注残高 Order backlog at end of period			※2 23,775	24,520	21,158	21,158	35,516	37,997	—	44,005
業務ソリューション Business solutions			14,501	14,599	10,806	10,806	13,213	15,867	—	21,321
基盤ソリューション Platform solutions			3,603	3,101	2,802	2,802	4,520	4,708	—	5,067
ビジネスサービス Business services			5,670	6,820	7,550	7,550	17,782	※4 17,422	—	17,617
売上高 Net sales	132,683	145,952	148,922	153,098	150,844	150,844	146,526	148,308	156,000	156,479
業務ソリューション Business solutions	55,048	72,558	78,534	81,761	77,804	83,463	81,956	83,999	—	92,572
基盤ソリューション Platform solutions	25,459	29,824	35,169	34,990	36,493	29,948	25,700	24,181	—	24,515
ビジネスサービス Business services	52,176	43,570	35,219	36,347	36,547	37,433	38,871	40,129	—	39,392
売上総利益 Gross profit	24,184	31,770	29,719	30,332	27,485	—	29,464	30,519	—	33,361
販売費及び一般管理費 Selling, general and administrative expenses	16,661	20,703	17,240	18,235	17,759	—	17,754	18,402	—	19,223
営業利益 Operating income	7,523	11,067	12,479	12,097	9,726	—	11,710	12,117	—	14,138
経常利益 Recurring profit	6,948	10,669	12,422	12,086	9,785	—	11,791	12,356	13,000	14,367
当期純利益 Net income	3,425	5,827	6,422	6,247	5,324	—	6,621	7,482	7,300	8,120
営業利益率(%) Operating income margin (%)	5.7%	7.6%	8.4%	7.9%	6.4%	—	8.0%	8.2%	—	9.0%
売上総利益率(%) Gross profit margin (%)	18.2%	21.8%	20.0%	19.8%	18.2%	—	20.1%	20.6%	—	21.3%
1株当たり当期純利益(円) Net income per share (yen) ※1	—	—	133.33	123.29	100.20	—	124.52	141.17	—	153.21
純資産 Net Assets	—	—	26,882	44,581	49,379	—	55,520	61,629	—	68,119
総資産 Total assets	—	—	65,244	90,324	90,625	—	98,372	103,117	—	113,997
研究開発費 R&D expenses	—	—	1,221	1,001	989	—	1,177	1,254	—	1,248
設備投資 Capital expenditure	—	—	2,109	1,370	1,752	—	966	1,480	—	6,573
減価償却費 Depreciation and amortization	—	—	1,197	1,284	1,203	—	1,307	1,329	—	1,812
期末従業員数(人) Number of employees at end of period (jobs)	4,177	4,112	4,101	4,124	4,025	—	4,009	4,032	—	4,118

※1 2004/3期以前は、2004/8に実施した株式分割を考慮した遡及修正後の数値  
 Figures for the fiscal years ended in and before Mar. 2004 have been retroactively revised to reflect stock split made in Aug. 2004.

※2 連結子会社の一部で2002年4月より受注残高管理を開始しました。2002年3月末の受注残高は、2002年4月以降の受注残高との比較可能性を補うため、当該子会社が2002年3月以前から受注残高管理を開始していた場合を想定し算出したものであります。  
 One of our consolidated subsidiaries has newly started to manage its order backlogs through figures since April 2002. Order backlogs at the end of March 2002 have been estimated as if this change had occurred before March 2002 in order to raise the comparability between the figures in March 2002 and those in and after April 2002.

※3 サービス区分別の受注高・期末受注残高・売上高などの金額は、従来、個別プロジェクト毎に分類しておりましたが、2004年3月期より部門別に分類する方法に変更致しました。2004年3月期については、前年との比較を容易にするため従来区分と新区分の両方を記載しております。  
 Business line-related figures such as order acceptance, order backlog and sales had been categorized on a project-by-project basis. NS Solutions has just started to categorise these figures on a division-by-division basis for the fiscal year ended Mar. 2004. NS Solutions prepared both categorization data for the fiscal year ended Mar. 2004 in order to raise the year-on-year comparability.

※4 ビジネスサービス事業の受注高及び受注残高には、2005年3月末に、新日本製鐵㈱向けサービスの受注高の把握方法を売上高計上時点での把握から、契約締結時点での把握に変更したことによる影響額を含んでおります。影響額としては、2005年3月期末受注残高においては8,673百万円、2006年3月期受注高においては△1,584百万円含まれております。  
 In terms of the order acceptance from Nippon Steel Corporation, the company changed its recognition timing from sales-recognition basis to contract-date basis on March 31, 2005. The effect of such change resulted in 8,673 million yen for order backlog on March 31, 2005. minus 1,584 million yen for order acceptance during the fiscal year March 31, 2006

巻末の開示事項をご覧ください。 Please see the important disclosures at the end of this material.

2.要約連結貸借対照表 Condensed Consolidated Balance Sheet

(1)資産の部		Assets		(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)									
				2002/3		2003/3		2004/3		2005/3		2006/3	
		(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)
現金及び預金	Cash and bank deposits	7,335	20,956	14,605	11,477	12,845	5,643						
預け金	Deposited money	7,737	4,699	12,914	11,621	18,880	15,602						
受取手形及び売掛金	Trade notes and accounts receivable	26,348	38,319	37,462	37,265	34,234	39,236						
有価証券	Short-term investments						8,266						
たな卸資産	Inventories	8,323	9,110	7,035	7,502	7,633	10,739						
繰延税金資産	Deferred tax assets—current	2,232	2,224	2,859	3,004	3,217	3,380						
その他	Others	564	1,165	683	480	573	520						
貸倒引当金	Allowance for doubtful accounts	△ 41	△ 31	△ 30	△ 23	△ 21	△ 185						
流動資産合計	Total current assets	52,498	76,442	75,528	71,327	77,361	83,201						
有形固定資産	Property and Equipment	4,499	4,514	5,009	4,499	4,861	9,799						
無形固定資産	Intangible fixed assets	937	1,029	982	669	523	324						
投資有価証券	Investments in securities	2,393	3,027	3,633	4,496	2,928	2,373						
関係会社長期貸付金	Long term loan-related party	—	—	—	12,000	12,000	12,000						
差入保証金	Guarantee deposits	1,908	2,145	2,271	1,837	2,046	2,328						
繰延税金資産	Deferred tax assets—non-current	2,658	2,834	2,887	3,265	3,111	3,668						
その他	Others	351	333	315	279	287	304						
固定資産合計	Total non-current assets	12,746	13,882	15,097	27,045	25,756	30,796						
資産合計	Total Assets	65,244	90,324	90,625	98,372	103,117	113,997						
(2)負債・純資産の部		Liabilities and Net Assets											
		2002/3		2003/3		2004/3		2005/3		2006/3		2007/3	
		(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)
支払手形及び買掛金	Trade notes and accounts payable	14,186	23,478	17,232	17,341	15,691	17,622						
未払費用	Accrued expenses	3,686	3,659	4,732	2,826	2,604	2,724						
短期借入金	Short-term loans												
未払法人税等	Accrued income taxes	5,234	2,608	3,060	3,767	3,806	4,388						
賞与引当金	Accrued bonuses to employees	5,077	5,118	5,520	5,713	5,802	5,901						
前受金	Advance receipts	2,996	3,221	2,588	4,236	3,212	4,259						
未払金	Non-trade accounts payable	1,712	1,665	1,544	1,498	1,647	1,467						
その他	Others	225	195	230	177	615	954						
流動負債合計	Total current liabilities	33,116	39,944	34,906	35,558	33,377	37,315						
退職給付引当金	Allowance for employees' retirement benefits	4,969	5,478	6,042	6,940	7,811	8,258						
その他	Others	277	321	298	356	300	306						
固定負債合計	Total non-current liabilities	5,246	5,799	6,340	7,295	8,111	8,564						
資本金	Common stock	6,838	12,953	12,953	12,953	12,953	12,953						
資本剰余金	Additional paid-in capital	3,838	9,950	9,950	9,950	9,950	9,950						
利益剰余金	Retained earnings	15,863	21,273	25,586	31,266	37,600	44,127						
再評価差額金	Reserve for revaluation of land	△ 740	△ 755	△ 757	△ 757	△ 1,277	△ 1,277						
その他有価証券評価差額金	Valuation gain on available-for-sale securities and others	236	84	413	693	780	435						
少数株主持分	Minority interest in consolidated subsidiaries	847	1,076	1,234	1,415	1,623	1,930						
純資産合計	Total Net Assets	26,882	44,581	49,379	55,520	61,629	68,118						
負債・純資産合計	Total Liabilities and Net Assets	65,244	90,324	90,625	98,372	103,117	113,997						
(3)指標		Management index											
		2002/3		2003/3		2004/3		2005/3		2006/3		2007/3	
		(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)
自己資本比率(%)	Equity ratio (%)	39.9%	48.2%	53.1%	55.0%	58.2%	58.1%						
総資産利益率(%)	Return on Asset (%)	10.5%	8.0%	5.9%	7.0%	7.4%	7.5%						
自己資本当期純利益率(%)	Return on Equity (%)	28.0%	18.0%	11.6%	13.0%	13.1%	12.9%						

巻末の開示事項をご覧ください。 Please see the important disclosures at the end of this material.

### 3.要約連結損益計算書 Condensed Consolidated Income Statements

(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3	2007/3	2008/3
	(EI事業部含む みなし連結 Pro forma consolidated, including EI Division)	(EI事業部含む みなし連結 Pro forma consolidated, including EI Division)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	2007.01.30 (前回見通し Previous Outlook)	(実績 Actual)	(見通し Outlook)
売上高 Net sales	132,683	145,952	148,922	153,098	150,844	146,526	148,308	156,000	156,479	165,000
売上原価 Cost of sales	108,499	114,182	119,203	122,766	123,359	117,062	117,789	—	123,118	130,300
売上総利益 Gross profit	24,184	31,770	29,719	30,332	27,485	29,464	30,519	—	33,361	34,700
販売費及び一般管理費 Selling, general and administrative expenses	16,661	20,703	17,240	18,235	17,759	17,754	18,402	—	19,223	20,000
営業利益 Operating income	7,523	11,067	12,479	12,097	9,726	11,710	12,117	—	14,138	14,700
営業外収益 Non-operating income	244	187	63	93	187	252	327	—	298	—
営業外費用 Non-operating expenses	819	585	120	104	128	171	88	—	70	—
経常利益 Recurring profit	6,948	10,669	12,422	12,086	9,785	11,791	12,356	13,000	14,367	15,000
特別利益 Extraordinary profit	178	120	7	12	716	192	634	—	—	—
特別損失 Extraordinary loss	742	305	579	201	729	185	116	—	7	—
税金等調整前当期純利益 Income before income taxes	6,384	10,484	11,850	11,897	9,772	11,797	12,874	13,000	14,360	15,000
法人税、住民税及び事業税 Income taxes:Current	3,500	5,346	7,159	5,460	5,154	5,668	5,760	—	6,368	—
法人税等調整額 Income taxes:Deferred	△ 631	△ 843	△ 1,962	△ 70	△ 918	△ 713	△ 619	—	△ 485	—
少数株主利益 Minority interests	90	154	231	260	212	222	251	—	357	—
当期純利益 Net income	3,425	5,827	6,422	6,247	5,324	6,621	7,482	7,300	8,120	8,300
売上原価の内訳 Breakdown of cost of sales										
労務費 Labor cost	—	—	26,858	27,762	28,539	28,037	28,634	—	29,078	—
材料費 Material cost	—	—	43,683	45,101	43,112	41,263	35,852	—	40,888	—
外注費 Subcontract cost	—	—	29,197	32,587	31,295	35,310	42,930	—	45,450	—
その他 Others	—	—	19,465	17,317	20,413	12,452	10,373	—	7,702	—
販売費及び一般管理費の内訳 Breakdown of selling, general and administrative expenses										
労務費 Labor cost	—	—	7,210	7,198	7,635	7,671	7,590	—	7,950	—
営業支援費 Operating expense for acceptance of orders	—	—	2,189	2,657	2,778	2,649	2,844	—	3,025	—
その他 Others	—	—	7,841	8,380	7,346	7,434	7,968	—	8,248	—
研究開発費 R&D expenses	—	—	1,221	1,001	989	1,177	1,254	—	1,248	—

巻末の開示事項をご覧ください。 Please see the important disclosures at the end of this material.

4.要約連結キャッシュフロー計算書 Condensed Consolidated Cash Flows Statements

(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3
	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)
税金等調整前当期純利益 Income before income taxes	11,850	11,897	9,772	11,797	12,874	14,360
減価償却費 Depreciation and amortization	1,197	1,284	1,203	1,307	1,329	1,812
退職給付引当金の増減額 Increase in allowance for employees' retirement benefits, net of payments	407	509	564	898	871	447
投資有価証券評価損 Loss on revaluation of investments in securities	251	171	—	18	116	3
営業譲受関連費用 Loss on write-off of fixed assets acquired from the Electronics and Information Systems Division of Nippon Steel Corporation	303	—	—	—	—	—
売上債権の増減額 Decrease (increase) in accounts receivable	△ 2	△ 11,970	857	196	3,032	△ 5,002
たな卸資産の増減額 Decrease (increase) in inventories	1,807	△ 787	2,075	△ 467	△ 131	△ 3,105
その他流動資産の増減額 Decrease (increase) in other current assets	322	△ 603	483	205	161	52
仕入債務の増減額 Decrease (increase) in accounts payable	△ 1,532	9,292	△ 6,246	△ 43	△ 1,650	1,930
その他 Others	305	205	411	349	△ 1,423	1,430
小計 Subtotal	14,908	9,998	9,119	14,260	15,179	11,927
法人税等の支払額 Income taxes paid	△ 4,414	△ 8,087	△ 4,701	△ 5,173	△ 6,193	△ 5,786
その他 Others	17	17	△ 385	101	1,434	190
営業活動によるキャッシュフロー Net cash provided by operating activities	10,511	1,928	4,033	9,188	10,420	6,331
有形・無形固定資産の取得による支出 Payments for purchase of property and equipment and intangible fixed assets	△ 2,109	△ 1,370	△ 1,752	△ 966	△ 1,480	△ 6,573
投資有価証券の取得による支出 Payments for purchase of investments in securities	△ 13	△ 1,040	△ 40	△ 306	△ 1	△ 6
貸付けによる支出 Payment for long-term loan	—	—	—	△ 12,000	—	—
連結の範囲の変更を伴う子会社株式の取得による収入 Acquisition of cash owned by new subsidiaries, net of payment for purchase of subsidiary's shares	369	—	—	—	—	—
営業譲受による支出 Payment for acquisition of the Electronics and Information Systems Division of Nippon Steel Corporation	△ 7,459	—	—	—	—	—
その他 Others	181	△ 269	676	638	851	△ 337
投資活動によるキャッシュフロー Net cash used for investing activities	△ 9,031	△ 2,679	△ 1,116	△ 12,634	△ 630	△ 6,916
短期借入金の純増減額 Decrease in short-term loans	△ 145	—	—	—	—	—
株式発行による収入 Proceeds from issuance of common stock shares	7,667	12,179	—	—	—	—
配当金の支払額 Dividends paid	△ 750	△ 815	△ 994	△ 927	△ 1,126	△ 1,590
その他 Others	—	△ 31	△ 52	△ 46	△ 47	△ 51
財務活動によるキャッシュフロー Net cash provided by financing activities	6,772	11,333	△ 1,046	△ 974	△ 1,173	△ 1,641
現金及び現金同等物に係る換算差額 Effect of exchange rate changes on cash and cash equivalents	—	—	△ 6	△ 1	9	2
現金及び現金同等物の増減額 Net increase (decrease) in cash and cash equivalents	8,252	10,582	1,865	△ 4,420	8,626	△ 2,224
現金及び現金同等物の期首残高 Cash and cash equivalents at beginning of year	6,842	15,072	25,654	27,519	23,099	31,725
連結除外会社の現金及び現金同等物の期首残高 Cash and cash equivalents owned by a deconsolidated subsidiary at beginning of year	△ 22	—	—	—	—	—
新規連結会社の現金及び現金同等物の期首残高 Cash and cash equivalents owned by a newly consolidated subsidiary at beginning of year	—	—	—	—	—	9
現金及び現金同等物の期末残高 Cash and cash equivalents at end of year	15,072	25,654	27,519	23,099	31,725	29,510

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5.単独業績概要 Outline of Non-consolidated Business Results

(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

サービス区分の分類方法 Categorization method by business line	2002/3		2003/3		2004/3		2005/3		2006/3		2007/3 2007.01.31 (前回見直し Previous Outlook)		2007/3 2007.01.31 (見直し Outlook)	
	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)										
	従来区分 Old	従来区分 Old	従来区分 Old	新区分 New	従来区分 Old	新区分 New	従来区分 Old	新区分 New						
受注高 Amount of order acceptance	127,671	138,922	132,831	132,831	137,385	134,374	—	146,282	—	146,282	—	146,282	—	—
業務ソリューション Business solutions	62,304	71,277	63,183	68,815	72,905	73,456	—	84,489	—	84,489	—	84,489	—	—
基盤ソリューション Platform solutions	31,422	31,365	33,345	26,799	24,821	21,627	—	22,650	—	22,650	—	22,650	—	—
ビジネスサービス Business services	33,945	36,280	36,303	37,217	39,659	39,291 ※3	—	39,143	—	39,143	—	39,143	—	—
期末受注残高 Order backlog at end of period	20,210	21,275	17,970	17,970	32,139	33,370	—	39,901	—	39,901	—	39,901	—	—
業務ソリューション Business solutions	12,360	12,454	8,610	8,610	10,923	12,359	—	18,269	—	18,269	—	18,269	—	—
基盤ソリューション Platform solutions	2,180	2,001	1,810	1,810	3,433	3,589	—	4,014	—	4,014	—	4,014	—	—
ビジネスサービス Business services	5,670	6,820	7,550	7,550	17,782 ※3	17,422	—	17,617	—	17,617	—	17,617	—	—
売上高 Net sales	131,680	137,857	136,136	136,136	131,889	133,143	139,500	139,752	147,000	139,752	147,000	139,752	147,000	147,000
業務ソリューション Business solutions	66,099	71,183	67,027	72,659	70,591	72,020	—	78,578	—	78,578	—	78,578	—	82,000
基盤ソリューション Platform solutions	32,197	31,544	33,536	26,990	23,198	21,471	—	22,225	—	22,225	—	22,225	—	24,000
ビジネスサービス Business services	33,384	35,130	35,573	36,487	38,100	39,652	—	38,948	—	38,948	—	38,948	—	41,000
売上総利益 Gross profit	24,469	25,234	22,808	22,808	24,705	24,883	—	26,985	—	26,985	—	26,985	—	28,200
販売費及び一般管理費 Selling, general and administrative expenses	14,365	15,525	15,157	15,157	15,101	15,399	—	15,984	—	15,984	—	15,984	—	16,700
営業利益 Operating income	10,104	9,709	7,651	7,651	9,604	9,484	—	11,001	—	11,001	—	11,001	—	11,500
経常利益 Recurring profit	10,031	9,886	7,787	7,787	9,737	9,794	10,700	11,362	—	11,362	—	11,362	—	12,000
当期純利益 Net income	5,297	5,331	4,496	4,496	5,721	6,732	6,300	6,851	—	6,851	—	6,851	—	7,200
営業利益率(%) Operating income margin (%)	7.7%	7.0%	5.6%	5.6%	7.3%	7.1%	—	7.9%	—	7.9%	—	7.9%	—	7.8%
売上総利益率(%) Gross profit margin (%)	18.6%	18.3%	16.8%	16.8%	18.7%	18.7%	—	19.3%	—	19.3%	—	19.3%	—	19.2%
業務ソリューション Business solutions	—	19.0%	16.4%	18.3%	20.7%	20.1%	—	22.2%	—	22.2%	—	22.2%	—	21.7%
基盤ソリューション Platform solutions	—	21.0%	17.2%	12.5%	16.8%	18.4%	—	18.0%	—	18.0%	—	18.0%	—	17.8%
ビジネスサービス Business services	—	14.5%	17.0%	16.8%	16.8%	16.3%	—	14.3%	—	14.3%	—	14.3%	—	15.0%
1株当たり当期純利益(円) Net income per share (yen) ※1	109.89	105.18	84.57	84.57	107.54	127.01	—	129.28	—	129.28	—	129.28	—	135.85
純資産 Net Assets	23,183	39,739	43,552	43,552	48,607	53,730	—	58,647	—	58,647	—	58,647	—	—
総資産 Total assets	56,505	81,385	84,012	84,012	91,467	96,052	—	105,682	—	105,682	—	105,682	—	—
1株当たり配当金(円) Cash dividends per share (yen) ※1	14.58	17.50	17.50	17.50	17.50	25.00	35.00	35.00	—	35.00	—	35.00	—	40.00
配当性向(%) Dividend payout ratio (%)	13.27%	16.64%	20.69%	20.69%	16.27%	19.68%	—	27.07%	—	27.07%	—	27.07%	—	29.44%
研究開発費 R&D expenses	1,083	962	974	974	1,105	1,210	—	1,187	—	1,187	—	1,187	—	—
設備投資 Capital expenditure	2,016	1,296	1,605	1,605	943	1,386	—	6,496	—	6,496	—	6,496	—	1,900
減価償却費 Depreciation and amortization	1,034	1,174	1,131	1,131	1,237	1,219	—	1,689	—	1,689	—	1,689	—	1,900
期末従業員数(人) Number of employees at end of period (jobs)	2,058	2,046	2,050	2,050	2,101	2,060	—	2,128	—	2,128	—	2,128	—	—

※1 2004/3期以前は、2004/8月に実施した株式分割を考慮した遡及修正後の数値

Figures for the fiscal years ended in and before Mar. 2004 have been retroactively revised to reflect stock split made in Aug. 2004.

※2 サービス区分別の受注高・期末受注残高・売上高などの金額は、従来、個別プロジェクト毎に分類しておりましたが、2004年3月期より部門別に分類する方法に変更致しました。2004年3月期については、前年との比較を容易にするため従来区分と新区分の両方を記載しております。

Business line-related figures such as order acceptance, order backlog and sales had been categorized on a project-by-project basis. NS Solutions has just started to categorise these figures on a division-by-division basis for the fiscal year ended Mar. 2004. NS Solutions prepared both categorization data for the fiscal year ended Mar. 2004 in order to raise the year-on-year comparability.

※3 ビジネスサービス事業の受注高及び受注残高には、2005年3月末に、新日本製鐵㈱向けサービスの受注高の把握方法を売上高計上時点での把握から、契約締結時点での把握に変更したことによる影響額を含んでおります。影響額としては、2005年3月期末受注残高においては8,673百万円、2006年3月期受注高においては△1,584百万円含まれております。

In terms of the order acceptance from Nippon Steel Corporation, the company changed its recognition timing from sales-recognition basis to contract-date basis on March 31, 2005. The effect of such change resulted in 8,673 million yen for order backlog on March 31, 2005. minus 1,584 million yen for order acceptance during the fiscal year March 31, 2006

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6.要約単独貸借対照表 Condensed Non-consolidated Balance Sheet

(1)資産の部		Assets		(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)									
				2002/3		2003/3		2004/3		2005/3		2006/3	
		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)	
現金及び預金	Cash and bank deposits	3,367	17,281	13,652	10,374	11,595	3,529						
預け金	Deposited money	7,200	4,501	12,510	10,925	18,251	15,402						
受取手形及び売掛金	Trade notes and accounts receivable	22,851	34,201	33,647	33,604	30,420	34,957						
有価証券	Short-term investments	—	—	—	—	—	7,996						
たな卸資産	Inventories	8,025	8,765	6,462	7,155	7,253	10,465						
繰延税金資産	Deferred tax assets—current	1,460	1,346	1,802	1,975	2,087	2,136						
その他	Others	747	1,368	908	724	943	904						
貸倒引当金	Allowance for doubtful accounts	△ 31	△ 23	△ 21	△ 17	△ 16	△ 179						
流動資産合計	Total current assets	43,619	67,439	68,960	64,740	70,533	75,210						
有形固定資産	Property and Equipment	4,353	4,343	4,842	4,263	4,573	9,514						
無形固定資産	Intangible fixed assets	903	984	939	646	485	303						
投資有価証券	Investments in securities	998	1,577	2,085	2,834	2,768	2,187						
関係会社長期貸付金	Long-term loan-related party	—	—	—	12,000	12,000	12,000						
差入保証金	Guarantee deposits	1,558	1,786	1,932	1,504	1,709	1,983						
繰延税金資産	Deferred tax assets—non-current	2,247	2,415	2,446	2,712	2,475	2,986						
その他	Others	2,827	2,841	2,808	2,768	1,509	1,499						
固定資産合計	Total non-current assets	12,886	13,946	15,052	26,727	25,519	30,472						
資産合計	Total Assets	56,505	81,385	84,012	91,467	96,052	105,682						
(2)負債・純資産の部		Liabilities and Net Assets											
		2002/3		2003/3		2004/3		2005/3		2006/3		2007/3	
		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)	
支払手形及び買掛金	Trade notes and accounts payable	13,927	23,744	17,207	17,955	16,236	16,125						
未払費用	Accrued expenses	3,161	3,250	4,288	2,337	2,202	4,031						
短期借入金	Short-term loans	—	—	—	—	—	—						
未払法人税等	Accrued income taxes	4,364	1,986	2,438	3,241	2,904	3,429						
賞与引当金	Accrued bonuses to employees	3,186	3,225	3,404	3,603	3,439	3,469						
前受金	Advance receipts	2,996	3,221	2,578	4,225	3,194	4,251						
未払金	Non-trade accounts payable	258	301	402	184	273	455						
その他	Others	1,109	1,179	4,878	5,324	7,420	8,293						
流動負債合計	Total current liabilities	29,001	36,906	35,195	36,869	35,668	40,053						
退職給付引当金	Allowance for employees' retirement benefits	4,184	4,563	5,084	5,776	6,483	6,846						
その他	Others	137	177	181	215	171	136						
固定負債合計	Total non-current liabilities	4,321	4,740	5,265	5,991	6,654	6,982						
資本金	Common stock	6,838	12,953	12,953	12,953	12,953	12,953						
資本剰余金	Additional paid-in capital	3,838	9,950	9,950	9,950	9,950	9,950						
利益剰余金	Retained earnings	13,011	17,506	20,991	25,771	31,355	36,616						
再評価差額金	Reserve for revaluation of land	△ 740	△ 755	△ 757	△ 757	△ 1,277	△ 1,277						
その他有価証券評価差額金他	Valuation gain on available-for-sale securities and others	236	85	415	690	749	405						
純資産合計	Total Net Assets	23,183	39,739	43,552	48,607	53,730	58,647						
負債・純資産合計	Total Liabilities and Net Assets	56,505	81,385	84,012	91,467	96,052	105,682						
(3)指標		Management index											
		2002/3		2003/3		2004/3		2005/3		2006/3		2007/3	
		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)	
自己資本比率(%)	Equity ratio (%)	41.0%	48.8%	51.8%	53.1%	55.9%	55.5%						
総資産利益率(%)	Return on Asset (%)	10.2%	7.7%	5.4%	6.5%	7.2%	6.8%						
自己資本当期純利益率(%)	Return on Equity (%)	25.6%	16.9%	10.8%	12.4%	13.2%	12.2%						

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7.要約単独損益計算書 Condensed Non-consolidated Income Statement

(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3 2007.01.30 (前回見直し Previous Outlook)	2007/3 (実績 Actual)	2008/3 (見直し Outlook)
	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)	(実績 Actual)			
売上高 Net sales	131,680	137,857	136,136	131,889	133,143	139,500	139,752	147,000
売上原価 Cost of sales	107,211	112,623	113,328	107,184	108,260	—	112,767	118,800
売上総利益 Gross profit	24,469	25,234	22,808	24,705	24,883	—	26,985	28,200
販売費及び一般管理費 Selling, general and administrative expenses	14,365	15,525	15,157	15,101	15,399	—	15,984	16,700
営業利益 Operating income	10,104	9,709	7,651	9,604	9,484	—	11,001	11,500
営業外収益 Non-operating income	22	256	257	297	384	—	423	—
営業外費用 Non-operating expenses	95	79	121	164	74	—	62	—
経常利益 Recurring profit	10,031	9,886	7,787	9,737	9,794	10,700	11,362	12,000
特別利益 Extraordinary profit	7	8	717	188	1,402	—	69	—
特別損失 Extraordinary loss	572	201	697	172	484	—	51	—
税引前当期純利益 Income before income taxes	9,466	9,693	7,807	9,753	10,712	10,700	11,380	12,000
法人税、住民税及び事業税 Income taxes:Current	5,741	4,319	4,028	4,660	4,416	—	4,853	—
法人税等調整額 Income taxes:Deferred	△ 1,572	43	△ 717	△ 628	△ 436	—	△ 324	—
当期純利益 Net income	5,297	5,331	4,496	5,721	6,732	6,300	6,851	7,200
<b>売上原価の内訳 Breakdown of cost of sales</b>								
労務費 Labor cost	14,612	14,831	14,901	15,071	14,871	—	15,020	—
材料費 Material cost	37,271	41,752	39,364	38,395	33,073	—	37,382	—
外注費 Subcontract cost	36,959	39,911	39,906	43,190	51,023	—	53,864	—
賃借料 Rental expense	7,219	5,760	4,991	4,376	4,198	—	4,504	—
その他 Others	11,150	10,369	14,166	6,152	5,095	—	1,997	—
<b>販売費及び一般管理費の内訳 Breakdown of selling, general and administrative expenses</b>								
労務費 Labor cost	5,483	5,587	6,178	5,876	5,762	—	5,981	—
営業支援費 Operating expense for acceptance of orders	1,893	2,583	2,634	2,477	2,679	—	2,888	—
業務委託費 Subcontract cost	1,432	2,097	1,513	1,644	1,843	—	1,815	—
減価償却費 Depreciation and amortization	327	244	167	123	144	—	172	—
その他 Others	5,230	5,014	4,665	4,981	4,971	—	5,128	—
研究開発費 R&D expenses	1,083	962	974	1,105	1,210	—	1,187	—

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(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)														
	2001/9		2002/9		2003/9		2004/9		2005/9		2006/9		2007/9	
	(実績 Actual)	(見通し Outlook)												
サービス区分の分類方法 Categorization method by business line	従来区分 Old	従来区分 Old	従来区分 Old	新区分 New	※3									
受注高 Amount of order acceptance	69,794	76,514	71,630	71,630	76,289	74,602	79,972	—						
業務ソリューション Business solutions	30,900	42,435	36,950	40,063	41,153	41,870	48,313	—						
基盤ソリューション Platform solutions	16,463	15,708	14,756	11,349	14,156	11,528	10,953	—						
ビジネスサービス Business services	22,431	18,372	19,924	20,218	20,979	21,205	20,705	—	※4					
期末受注残高 Order backlog at end of period	※2 28,478	31,533	31,577	31,577	31,724	45,354	47,880	—						
業務ソリューション Business solutions	17,209	21,619	20,351	20,351	18,545	21,542	24,785	—						
基盤ソリューション Platform solutions	2,180	2,874	2,666	2,666	3,207	3,713	3,596	—						
ビジネスサービス Business services	9,089	7,040	8,560	8,560	9,972	20,099	19,499	—	※4					
売上高 Net sales	67,902	68,756	64,574	64,574	65,723	64,764	70,089	75,000						
業務ソリューション Business solutions	33,778	35,317	31,199	34,312	33,414	33,541	39,395	42,000						
基盤ソリューション Platform solutions	16,369	16,437	15,191	11,784	13,752	12,334	12,066	13,000						
ビジネスサービス Business services	17,755	17,002	18,184	18,478	18,557	18,888	18,628	20,000						
売上総利益 Gross profit	13,803	14,585	12,635		12,914	13,429	14,553	15,800						
販売費及び一般管理費 Selling, general and administrative expenses	8,058	9,142	8,976		8,701	8,840	9,409	10,000						
営業利益 Operating income	5,745	5,443	3,659		4,212	4,589	5,144	5,800						
経常利益 Recurring profit	5,736	5,454	3,691		4,272	4,752	5,238	6,000						
当期純利益 Net income	2,915	2,718	1,935		2,287	2,706	3,026	3,100						
営業利益率(%) Operating income margin (%)	8.5%	7.9%	5.7%		6.4%	7.1%	7.3%	7.7%						
売上総利益率(%) Gross profit margin (%)	20.3%	21.2%	19.6%		19.6%	20.7%	20.8%	21.1%						
1株当たり当期純利益(円) Net income per share (yen) ※1	60.72	56.26	36.51		43.15	51.06	57.11	58.49						
純資産 Net Assets	22,834	29,041	46,208		51,597	57,694	63,832	—						
総資産 Total assets	53,911	59,867	77,937		82,607	93,509	99,733	—						
研究開発費 R&D expenses	505	448	457		500	582	609	—						
設備投資 Capital expenditure	1,536	933	1,136		625	714	5,913	800						
減価償却費 Depreciation and amortization	517	604	553		638	627	700	900						
期末従業員数(人) Number of employees at end of period (jobs)	4,178	4,224	4,160		4,087	4,094	4,156	—						

※1 2004/3期以前は、2004/8月に実施した株式分割を考慮した遡及修正後の数値  
 Figures for the fiscal years ended in and before Mar. 2004 have been retroactively revised to reflect stock split made in Aug. 2004.

※2 連結子会社の一部で2002年4月より受注残高管理を開始しました。従って、受注高及び受注残高につきまして、2001年9月期の数値と2002年9月期以降の数値は、直接的な比較可能性はございません。  
 One of our consolidated subsidiaries has newly started to manage its order backlogs through figures since April 2002. Accordingly, amounts reported for order acceptance and order backlog for the six-month period ended Sep. 2001 are not directly comparable with amounts for the six-month periods ended in and after Sep. 2002.

※3 サービス区分別の受注高・期末受注残高・売上高などの金額は、従来、個別プロジェクト毎に分類しておりましたが、2004年3月期より部門別に分類する方法に変更致しました。  
 2003年9月期については、前年同期との比較を容易にするため従来区分と新区分の両方を記載しております。  
 Business line-related figures such as order acceptance, order backlog and sales had been categorized on a project-by-project basis.  
 NS Solutions has just started to categorise these figures on a division-by-division basis for the fiscal year ended Mar. 2004.  
 NS Solutions prepared both categorization data for the six-month period ended Sep. 2003 in order to raise the year-on-year comparability.

※4 ビジネスサービス事業の受注高及び受注残高には、2005年3月末に、新日本製鐵㈱向けサービスの受注高の把握方法を売上高計上時点での把握から、契約締結時点での把握に変更したことによる影響額を含んでおります。影響額としては、2005年9月中間期受注高においては△320百万円、同期末受注残高においては8,353百万円含まれております。  
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(1)資産の部		Assets		(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)									
				2001/9		2002/9		2003/9		2004/9		2005/9	
		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)	
現金及び預金	Cash and bank deposits	9,131	6,404	13,024	11,682	11,199	6,512						
預け金	Deposited money	—	3,228	9,236	6,676	12,951	19,567						
受取手形及び売掛金	Trade notes and accounts receivable	19,670	22,173	25,049	23,311	25,955	27,211						
有価証券	Short-term investments	—	—	—	—	—	—						
たな卸資産	Inventories	9,558	10,790	12,332	10,456	12,599	11,934						
繰延税金資産	Deferred tax assets—current	1,977	2,239	2,684	2,736	2,867	3,033						
その他	Others	1,791	798	958	688	438	582						
貸倒引当金	Allowance for doubtful accounts	△ 38	△ 38	△ 22	△ 17	△ 16	△ 14						
流動資産合計	Total current assets	42,089	45,594	63,261	55,532	65,993	68,825						
有形固定資産	Property and Equipment	4,227	4,594	4,987	4,760	4,555	10,029						
無形固定資産	Intangible fixed assets	713	1,077	971	859	658	396						
投資有価証券	Investments in securities	2,635	3,022	3,415	4,638	4,387	2,583						
関係会社長期貸付金	Long term loan-related party	—	—	—	12,000	12,000	12,000						
差入保証金	Guarantee deposits	1,917	2,179	2,136	1,702	2,039	2,135						
繰延税金資産	Deferred tax assets—non-current	1,978	3,032	2,285	2,787	3,614	3,442						
その他	Others	352	369	882	330	263	323						
固定資産合計	Total non-current assets	11,822	14,273	14,676	27,075	27,516	30,908						
資産合計	Total Assets	53,911	59,867	77,937	82,607	93,509	99,733						

(2)負債・純資産の部		Liabilities and Net Assets											
		2001/9		2002/9		2003/9		2004/9		2005/9		2006/9	
		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)		(実績 Actual)	
支払手形及び買掛金	Trade notes and accounts payable	10,960	9,475	10,190	10,672	12,141	10,757						
未払費用	Accrued expenses	2,367	2,846	3,753	1,976	2,369	2,405						
短期借入金	Short-term loans	—	400	—	—	—	—						
未払法人税等	Accrued income taxes	3,387	2,653	2,092	1,933	2,133	2,270						
賞与引当金	Accrued bonuses to employees	4,810	5,138	4,846	5,565	5,584	5,595						
前受金	Advance receipts	2,970	3,706	3,564	3,252	5,128	4,805						
未払金	Non-trade accounts payable	986	904	959	749	678	493						
その他	Others	576	204	223	213	217	956						
流動負債合計	Total current liabilities	26,056	25,326	25,627	24,360	28,251	27,281						
退職給付引当金	Allowance for employees' retirement benefits	4,774	5,185	5,822	6,318	7,305	8,279						
その他	Others	247	315	280	332	260	342						
固定負債合計	Total non-current liabilities	5,021	5,500	6,102	6,650	7,565	8,621						
資本金	Common stock	6,500	6,838	12,953	12,953	12,953	12,953						
資本剰余金	Additional paid-in capital	3,500	3,838	9,950	9,950	9,950	9,950						
利益剰余金	Retained earnings	12,606	18,108	22,660	27,396	33,487	39,964						
再評価差額金	Reserve for revaluation of land	△ 740	△ 740	△ 755	△ 757	△ 757	△ 1,277						
その他有価証券評価差額金	Valuation gain on available-for-sale securities and others	245	90	294	803	609	552						
少数株主持分	Minority interest in consolidated subsidiaries	723	907	1,106	1,252	1,453	1,690						
純資産合計	Total Net Assets	22,834	29,041	46,208	51,597	57,694	63,832						
負債・純資産合計	Total Liabilities and Net Assets	53,911	59,867	77,937	82,607	93,509	99,733						

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《参考》中間財務情報 Ref. First Half Financial Information  
**3.要約連結損益計算書** Condensed Consolidated Income Statements

(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

	2001/9 (実績 Actual)	2002/9 (実績 Actual)	2003/9 (実績 Actual)	2004/9 (実績 Actual)	2005/9 (実績 Actual)	2006/9 (実績 Actual)	2007/9 (見通し Outlook)
売上高 Net sales	67,902	68,756	64,574	65,723	64,764	70,089	75,000
売上原価 Cost of sales	54,099	54,171	51,939	52,810	51,334	55,536	59,200
売上総利益 Gross profit	13,803	14,585	12,635	12,914	13,429	14,553	15,800
販売費及び一般管理費 Selling, general and administrative expenses	8,058	9,142	8,976	8,701	8,840	9,409	10,000
営業利益 Operating income	5,745	5,443	3,659	4,212	4,589	5,144	5,800
営業外収益 Non-operating income	43	28	43	98	187	111	—
営業外費用 Non-operating expenses	52	17	11	38	23	17	—
経常利益 Recurring profit	5,736	5,454	3,691	4,272	4,752	5,238	6,000
特別利益 Extraordinary profit	13	5	—	14	3	7	—
特別損失 Extraordinary loss	303	143	—	10	—	5	—
税金等調整前当期純利益 Income before income taxes	5,446	5,316	3,691	4,276	4,756	5,241	6,000
法人税、住民税及び事業税 Income taxes:Current	3,459	2,764	2,253	1,970	2,113	2,095	—
法人税等調整額 Income taxes:Deferred	△ 1,034	△ 274	△ 578	△ 44	△ 145	2	—
少数株主利益 Minority interests	106	108	81	63	82	117	—
当期純利益 Net income	2,915	2,718	1,935	2,287	2,706	3,026	3,100
<b>売上原価の内訳 Breakdown of cost of sales</b>							
労務費 Labor cost	—	13,712	14,266	13,966	13,854	14,357	—
材料費 Material cost	—	18,829	16,818	19,463	16,339	18,614	—
外注費 Subcontract cost	—	14,712	15,062	16,027	21,238	21,319	—
その他 Others	—	6,918	5,793	3,353	△ 298	1,246	—
<b>販売費及び一般管理費の内訳 Breakdown of selling, general and administrative expenses</b>							
労務費 Labor cost	3,759	3,699	4,049	3,688	3,870	4,066	—
営業支援費 Operating expense for acceptance of orders	1,051	1,244	1,310	1,405	1,421	1,455	—
その他 Others	3,248	4,199	3,617	3,608	3,550	3,888	—
研究開発費 R&D expenses	505	448	457	500	582	609	—

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(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

	2001/9 (実績 Actual)	2002/9 (実績 Actual)	2003/9 (実績 Actual)	2004/9 (実績 Actual)	2005/9 (実績 Actual)	2006/9 (実績 Actual)
税金等調整前当期純利益 Income before income taxes	5,446	5,316	3,691	4,276	4,756	5,241
減価償却費 Depreciation and amortization	517	604	553	638	627	700
退職給付引当金の増減額 Increase in allowance for employees' retirement benefits, net of payments	202	216	343	276	365	469
投資有価証券評価損 Loss on revaluation of investments in securities	—	142	—	10	—	3
営業譲受関連費用 Loss on write-off of fixed assets acquired from the Electronics and Information Systems Division of Nippon Steel Corporation	303	—	—	—	—	—
売上債権の増減額 Decrease (increase) in accounts receivable	6,675	4,175	13,230	14,151	11,311	7,023
たな卸資産の増減額 Decrease (increase) in inventories	562	△ 2,467	△ 3,223	△ 3,421	△ 5,097	△ 4,300
その他流動資産の増減額 Decrease (increase) in other current assets	△ 9	△ 233	209	△ 3	42	△ 11
仕入債務の増減額 Decrease (increase) in accounts payable	△ 4,759	△ 4,712	△ 13,288	△ 6,560	△ 5,200	△ 4,934
その他 Others	△ 1,166	△ 785	△ 453	△ 2,577	△ 615	591
小計 Subtotal	7,771	2,256	1,062	6,789	6,188	4,782
法人税等の支払額 Income taxes paid	△ 2,561	△ 5,345	△ 2,769	△ 3,097	△ 3,844	△ 3,737
その他 Others	6	13	22	40	104	94
営業活動によるキャッシュフロー Net cash provided by operating activities	5,216	△ 3,076	△ 1,685	3,732	2,448	1,139
有形・無形固定資産の取得による支出 Payments for purchase of property and equipment and intangible fixed assets	△ 1,536	△ 933	△ 1,135	△ 625	△ 714	△ 5,913
投資有価証券の取得による支出 Payments for purchase of investments in securities	—	△ 1,030	△ 40	△ 305	△ 1	△ 1
貸付けによる支出 Payment for long-term loan	—	—	—	△ 12,000	—	—
連結の範囲の変更を伴う子会社株式の取得による収入 Acquisition of cash owned by new subsidiaries, net of payment for purchase of subsidiary's shares	369	—	—	—	—	—
営業譲受による支出 Payment for acquisition of the Electronics and Information Systems Division of Nippon Steel Corporation	△ 7,459	—	—	—	—	—
その他 Others	△ 22	△ 300	48	546	△ 176	△ 158
投資活動によるキャッシュフロー Net cash used for investing activities	△ 8,648	△ 2,263	△ 1,127	△ 12,384	△ 890	△ 6,072
短期借入金の純増減額 Decrease in short-term loans	△ 145	400	—	—	—	—
株式発行による収入 Proceeds from issuance of common stock shares	6,993	—	—	—	—	—
配当金の支払額 Dividends paid	△ 500	△ 501	△ 530	△ 464	△ 510	△ 662
その他 Others	—	—	△ 52	△ 46	—	△ 51
財務活動によるキャッシュフロー Net cash provided by financing activities	6,348	△ 101	△ 582	△ 509	△ 510	△ 713
現金及び現金同等物に係る換算差額 Effect of exchange rate changes on cash and cash equivalents	—	—	—	0	3	△ 0
現金及び現金同等物の増減額 Net increase (decrease) in cash and cash equivalents	2,916	△ 5,440	△ 3,394	△ 9,162	1,051	△ 5,646
現金及び現金同等物の期首残高 Cash and cash equivalents at beginning of year	6,842	15,072	25,654	27,519	23,099	31,725
連結除外会社の現金及び現金同等物の期首残高 Cash owned by a deconsolidated subsidiary	△ 22	—	—	—	—	—
現金及び現金同等物の中間期末残高 Cash and cash equivalents at end of period	9,736	9,632	22,260	18,357	24,150	26,079

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(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

サービス区分の分類方法 Categorization method by business line	2001/9		2002/9		2003/9		2004/9		2005/9		2006/9		2007/9	
	(実績 Actual)													
	従来区分 Old													
受注高 Amount of order acceptance	62,072	69,217	65,493	65,493	69,298	67,718	72,801	—	—	—	—	—	—	—
業務ソリューション Business solutions	26,253	36,610	31,964	35,057	35,423	36,171	41,900	—	—	—	—	—	—	—
基盤ソリューション Platform solutions	15,027	14,927	14,009	10,602	13,311	10,596	10,447	—	—	—	—	—	—	—
ビジネスサービス Business services	20,792	17,680	19,520	19,834	20,564	20,951 ※3	20,454	—	—	—	—	—	—	—
期末受注残高 Order backlog at end of period	27,789	27,660	29,112	29,112	28,634	42,187	43,623	—	—	—	—	—	—	—
業務ソリューション Business solutions	16,520	18,450	18,402	18,402	16,027	19,009	21,290	—	—	—	—	—	—	—
基盤ソリューション Platform solutions	2,180	2,170	2,150	2,150	2,635	3,079	2,834	—	—	—	—	—	—	—
ビジネスサービス Business services	9,089	7,040	8,560	8,560	9,972	20,099 ※3	19,499	—	—	—	—	—	—	—
売上高 Net sales	58,503	61,767	57,656	57,656	58,634	57,670	62,549	66,500	—	—	—	—	—	—
業務ソリューション Business solutions	26,656	30,520	26,016	29,109	28,006	28,086	32,970	35,500	—	—	—	—	—	—
基盤ソリューション Platform solutions	14,958	14,937	13,860	10,453	12,486	10,950	11,202	12,000	—	—	—	—	—	—
ビジネスサービス Business services	16,889	16,310	17,780	18,094	18,142	18,634	18,377	19,000	—	—	—	—	—	—
売上総利益 Gross profit	11,416	12,119	10,433	10,433	10,885	11,201	11,744	12,800	—	—	—	—	—	—
販売費及び一般管理費 Selling, general and administrative expenses	6,675	7,581	7,635	7,635	7,350	7,598	7,784	8,400	—	—	—	—	—	—
営業利益 Operating income	4,741	4,538	2,798	2,798	3,535	3,603	3,960	4,400	—	—	—	—	—	—
経常利益 Recurring profit	4,743	4,774	3,041	3,041	3,729	3,898	4,281	4,800	—	—	—	—	—	—
当期純利益 Net income	2,486	2,529	1,747	1,747	2,148	2,381	2,698	2,800	—	—	—	—	—	—
営業利益率(%) Operating income margin (%)	8.1%	7.3%	4.9%	4.9%	6.0%	6.2%	6.3%	6.6%	—	—	—	—	—	—
売上総利益率(%) Gross profit margin (%)	19.5%	19.6%	18.1%	18.1%	18.6%	19.4%	18.8%	19.2%	—	—	—	—	—	—
業務ソリューション Business solutions	—	21.2%	18.4%	20.4%	20.9%	20.5%	22.2%	22.0%	—	—	—	—	—	—
基盤ソリューション Platform solutions	—	22.3%	19.8%	14.6%	14.7%	19.9%	17.9%	18.0%	—	—	—	—	—	—
ビジネスサービス Business services	—	14.2%	16.3%	16.5%	17.6%	17.6%	13.1%	15.0%	—	—	—	—	—	—
1株当たり当期純利益(円) Net income per share (yen) ※1	51.79	52.34	32.97	32.97	40.53	44.92	50.90	52.83	—	—	—	—	—	—
純資産 Net Assets	19,956	25,092	41,148	41,148	45,610	50,406	55,549	—	—	—	—	—	—	—
総資産 Total assets	45,651	51,644	72,105	72,105	76,371	86,709	92,574	—	—	—	—	—	—	—
1株当たり配当金(円) Cash dividends per share (yen) ※1	5.21	7.50	8.75	8.75	8.75	12.50	17.50	20.00	—	—	—	—	—	—
配当性向(%) Dividend payout ratio (%)	—	—	—	—	—	—	—	—	—	—	—	—	—	—
研究開発費 R&D expenses	459	422	446	446	453	547	588	—	—	—	—	—	—	—
設備投資 Capital expenditure	867	814	1,025	1,025	371	656	5,839	700	—	—	—	—	—	—
減価償却費 Depreciation and amortization	452	551	520	520	611	580	617	900	—	—	—	—	—	—
期末従業員数(人) Number of employees at end of period (jobs)	2,118	2,115	2,124	2,124	2,128	2,125	2,155	—	—	—	—	—	—	—

※1 2004/3期以前は、2004/8月に実施した株式分割を考慮した遡及修正後の数値  
 Figures for the fiscal years ended in and before Mar. 2004 have been retroactively revised to reflect stock split made in Aug. 2004.

※2 サービス区分別の受注高・期末受注残高・売上高などの金額は、従来、個別プロジェクト毎に分類しておりましたが、2004年3月期より部門別に分類する方法に変更致しました。  
 2004年3月期については、前年との比較を容易にするため従来区分と新区分の両方を記載しております。  
 Business line-related figures such as order acceptance, order backlog and sales had been categorized on a project-by-project basis. NS Solutions has just started to categorise these figures on a division-by-division basis for the fiscal year ended Mar. 2004. NS Solutions prepared both categorization data for the fiscal year ended Mar. 2004 in order to raise the year-on-year comparability.

※3 ビジネスサービス事業の受注高及び受注残高には、2005年3月末に、新日本製鐵向けサービスの受注高の把握方法を売上高計上時点での把握から、契約締結時点での把握に変更したことによる影響額を含んでおります。影響額としては、2005年9月中間期受注高においては△320百万円、同期末受注残高においては8,353百万円含まれております。  
 In terms of the order acceptance from Nippon Steel Corporation, the company changed its recognition timing from sales-recognition basis to contract-date basis on March 31, 2005. Such change had a 320 million yen negative impact on order acceptance for the six-month period ended Sep. 2005 and an 8,353 million yen positive impact on order backlog at the end of the same period.

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(1)資産の部 Assets

(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

		2001/9	2002/9	2003/9	2004/9	2005/9	2006/9
		(実績 Actual)					
現金及び預金	Cash and bank deposits	5,745	3,072	12,274	10,531	10,050	5,149
預け金	Deposited money	—	2,800	8,903	6,020	12,337	18,876
受取手形及び売掛金	Trade notes and accounts receivable	16,413	19,125	21,704	20,506	22,916	23,863
有価証券	Short-term investments	—	—	—	—	—	—
たな卸資産	Inventories	9,208	9,803	11,805	9,887	11,880	11,230
繰延税金資産	Deferred tax assets—current	1,141	1,357	1,579	1,673	1,691	1,861
その他	Others	1,097	1,194	1,188	830	769	962
貸倒引当金	Allowance for doubtful accounts	△ 28	△ 31	△ 14	△ 13	△ 12	△ 9
流動資産合計	Total current assets	33,576	37,320	57,439	49,435	59,631	61,932
有形固定資産	Property and Equipment	4,118	4,439	4,786	4,602	4,289	9,728
無形固定資産	Intangible fixed assets	675	1,045	882	818	603	370
投資有価証券	Investments in securities	1,253	1,620	1,938	3,033	2,649	2,401
関係会社長期貸付金	Long term loan-related party	—	—	—	12,000	12,000	12,000
差入保証金	Guarantee deposits	1,559	1,792	1,793	1,372	1,709	1,800
繰延税金資産	Deferred tax assets—non-current	1,622	2,588	2,397	2,305	3,051	2,787
その他	Others	2,848	2,840	2,870	2,806	2,777	1,556
固定資産合計	Total non-current assets	12,075	14,324	14,666	26,936	27,078	30,642
資産合計	Total Assets	45,651	51,644	72,105	76,371	86,709	92,574

(2)負債・純資産の部 Liabilities and Net Assets

		2001/9	2002/9	2003/9	2004/9	2005/9	2006/9
		(実績 Actual)					
支払手形及び買掛金	Trade notes and accounts payable	10,080	9,713	10,641	11,163	12,577	10,816
未払費用	Accrued expenses	1,899	2,496	3,145	1,495	2,088	2,512
短期借入金	Short-term loans	—	—	—	—	—	—
未払法人税等	Accrued income taxes	2,538	2,110	1,507	1,560	1,526	1,670
賞与引当金	Accrued bonuses to employees	2,948	3,249	2,986	3,394	3,334	3,245
前受金	Advance receipts	2,935	3,704	3,558	3,225	5,086	4,631
未払金	Non-trade accounts payable	219	145	186	135	90	116
その他	Others	914	616	3,903	4,289	5,381	6,964
流動負債合計	Total current liabilities	21,533	22,033	25,926	25,262	30,082	29,954
退職給付引当金	Allowance for employees' retirement benefits	4,027	4,358	4,867	5,301	6,067	6,882
その他	Others	135	161	164	198	154	188
固定負債合計	Total non-current liabilities	4,162	4,519	5,031	5,499	6,221	7,070
資本金	Common stock	6,500	6,838	12,953	12,953	12,953	12,953
資本剰余金	Additional paid-in capital	3,500	3,838	9,950	9,950	9,950	9,950
利益剰余金	Retained earnings	10,450	15,066	18,706	22,661	27,666	33,390
再評価差額金	Reserve for revaluation of land	△ 740	△ 740	△ 755	△ 757	△ 757	△ 1,277
その他有価証券評価差額金他	Valuation gain on available-for-sale securities and others	246	90	294	803	594	533
純資産合計	Total Net Assets	19,956	25,092	41,148	45,610	50,406	55,549
負債・純資産合計	Total Liabilities and Net Assets	45,651	51,644	72,105	76,371	86,709	92,574

巻末の開示事項をご覧下さい。 Please see the important disclosures at the end of this material.

《参考》中間財務情報 Ref. First Half Financial Information  
 7.要約単独損益計算書 Condensed Non-consolidated Income Statement

(単位:百万円(他に指定ない限り) Millions of Yen, except as otherwise noted)

	2001/9		2002/9		2003/9		2004/9		2005/9		2006/9		2007/9
	(実績 Actual)	(見通し Outlook)											
売上高 Net sales	58,503	61,767	57,656	58,634	57,670	62,549	66,500						
売上原価 Cost of sales	47,086	49,648	47,223	47,749	46,469	50,805	53,700						
売上総利益 Gross profit	11,416	12,119	10,433	10,885	11,201	11,744	12,800						
販売費及び一般管理費 Selling, general and administrative expenses	6,675	7,581	7,635	7,350	7,598	7,784	8,400						
営業利益 Operating income	4,741	4,538	2,798	3,535	3,603	3,960	4,400						
営業外収益 Non-operating income	19	251	248	231	311	327	—						
営業外費用 Non-operating expenses	17	15	5	37	16	6	—						
経常利益 Recurring profit	4,743	4,774	3,041	3,729	3,898	4,281	4,800						
特別利益 Extraordinary profit	9	—	—	8	5	7	—						
特別損失 Extraordinary loss	303	143	—	10	—	5	—						
税引前当期純利益 Income before income taxes	4,449	4,631	3,041	3,727	3,903	4,283	4,800						
法人税、住民税及び事業税 Income taxes:Current	2,599	2,235	1,653	1,577	1,511	1,522	—						
法人税等調整額 Income taxes:Deferred	△ 636	△ 133	△ 359	3	11	63	—						
当期純利益 Net income	2,486	2,529	1,747	2,148	2,381	2,698	2,800						
売上原価の内訳 Breakdown of cost of sales													
労務費 Labor cost	7,150	7,280	7,460	7,329	7,116	7,395	—						
材料費 Material cost	14,880	17,050	15,250	17,860	14,711	17,190	—						
外注費 Subcontract cost	16,630	18,110	19,350	19,881	24,950	25,276	—						
賃借料 Rental expense	4,100	3,220	2,640	2,265	2,062	2,302	—						
その他 Others	4,326	3,988	2,523	414	△ 2,370	△ 1,358	—						
販売費及び一般管理費の内訳 Breakdown of selling, general and administrative expenses													
労務費 Labor cost	2,670	2,850	3,220	2,888	2,974	3,078	—						
営業支援費 Operating expense for acceptance of orders	910	1,220	1,250	1,327	1,334	1,455	—						
業務委託費 Subcontract cost	1,010	1,160	765	788	939	835	—						
減価償却費 Depreciation and amortization	156	119	83	56	65	80	—						
その他 Others	1,929	2,232	2,317	2,291	2,286	2,336	—						
研究開発費 R&D expenses	459	422	446	453	547	588	—						

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当社は2001年4月1日に新日本製鐵(株)のエレクトロニクス・情報通信事業部(本文中「EI事業部」という。)の営業の一部並びに、新日本製鐵(株)が日鉄日立システムエンジニアリング(株)、エヌシーアイ総合システム(株)及びエヌエスアンドアイ・システムサービス(株)に有する株式持分を譲り受けました。本資料に「みなし連結」として記載されている2000年3月期及び2001年3月期の財務情報は、1999年4月1日及び2000年4月1日にそれぞれこれらの譲り受けが行われたものとみなして作成されております。日本において一般に公正妥当と認められる会計基準又は日本における手続き、法律若しくは規則において、みなし財務情報に関する定めは、現在ありません。また、このみなし財務情報は米国証券取引委員会のみなし財務情報に関する基準に従って作成したものではありません。

This document includes statements of forward-looking descriptions regarding the intent, belief or current expectations of NS Solutions Corporation (the “Company”) or its officers in terms of its operation and financial condition. Accordingly, such statements contain risks and uncertainties since they are neither historical facts nor guarantees of future performance. Actual results may be varied and influenced by various factors. The Company does not undertake to revise such forward-looking descriptions to reflect those factors.

The Company acquired part of the business of the Electronics and Information Systems Division of Nippon Steel (referred to “EI Division”), as well as the interests of Nippon Steel in Nittetsu Hitachi systems Engineering, Inc., NCI Systems Integration, Inc., and NS&I System Service Corporation, on April 1, 2001. Such acquisitions are reflected on Financial Information for the fiscal years ended March 31, 2000 and 2001 described as “Pro forma consolidated” as if they had occurred on April 1, 1999 and 2000 respectively. No presentation of “pro forma” financial information is currently required under Japanese GAAP or any procedure, law and regulation in Japan. Moreover, such “Pro forma consolidated” information is not prepared in accordance with the pro forma presentation requirements of the U.S. Securities and Exchange Commission.