



NS Solutions

# Financial Information Meeting for 2nd Quarter FY2009

(April 1, 2009 through September 30, 2009)

October 29, 2009

Mitsuo Kitagawa

Representative Director & President

NS Solutions Corporation

## FORWARD-LOOKING STATEMENTS

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.

# 1H FY09 Consolidated Financial Highlights

( Billions of yen )

	1H FY08 (Actual) A	1H FY09 (Actual) B	Change B-A	1H FY09 (Previous outlook in April) C	Change B-C
<b>Sales</b>	76.4	69.8	-6.6	70.0	-0.2
Business solutions	44.0	38.4	-5.6	38.0	+0.4
Platform solutions	8.8	7.4	-1.4	8.0	-0.6
Business services	23.6	24.0	+0.4	24.0	-
<b>Gross profit</b>	15.4	14.4	-1.0	14.0	+0.4
<Gross profit margin>	<20.2%>	<20.6%>	<+0.5%>	<20.0%>	<+0.6%>
<b>SG&amp;A</b>	-11.0	-10.3	+0.7	-10.7	+0.4
<b>Operating income</b>	4.4	4.1	-0.3	3.3	+0.8
<b>Ordinary income</b> (Recurring profit)	4.6	4.3	-0.3	3.5	+0.8
<b>Net income</b>	2.3	2.3	-	1.7	+0.6

# 1H FY09 Sales by Business Line/Customer Industry



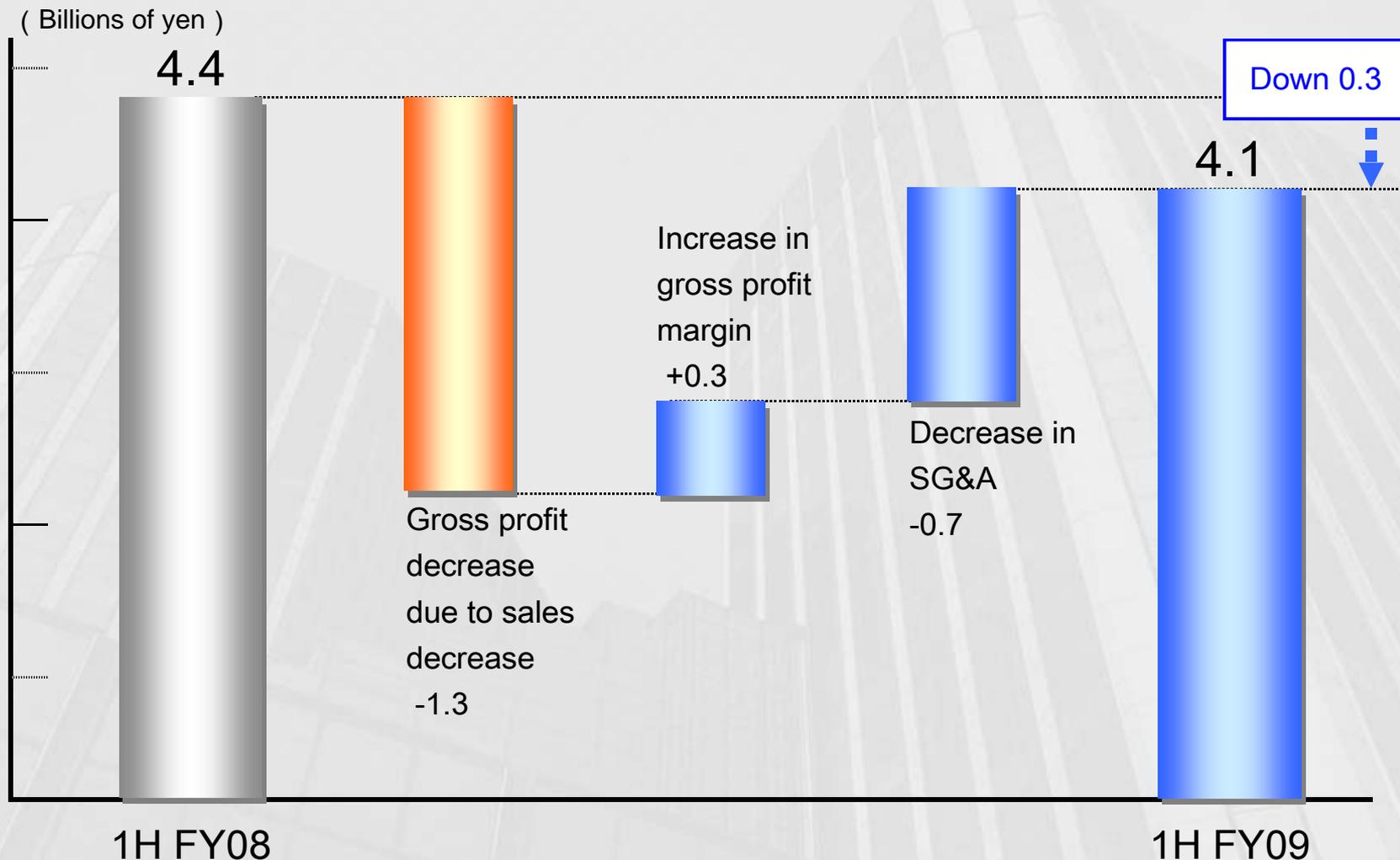
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( Billions of yen )

	1H FY08 (Actual) A	1H FY09 (Actual) B	Change B-A	Comment
<b>Business solutions</b>	35.8	31.0	-4.8	
Manufacturing, distribution and service industries	16.3	14.1	-2.2	Decrease mainly in automobile sector
Financial services	12.3	11.1	-1.2	Decrease in securities and resional banks
Government, public organizations and others	7.2	5.8	-1.4	Decrease in public sector & science system
<b>Platform solutions</b>	7.7	6.4	-1.3	Sluggish market for product sales
<b>Business services</b>	23.4	23.9	+0.5	Increase in Nippon Steel businesses
<b>Subsidiaries, net</b>	9.5	8.5	-1.0	
<b>Consolidated sales</b>	76.4	69.8	-6.6	-

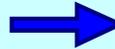
# 1H FY09 Operating Income Breakdown

## Year on year





# Market Trends by Business Line / Customer Industry

Business line/ customer industry	Market trend	Market direction
Business solutions		
<b>Manufacturing, distribution and service industries</b>	Shrinkage in IT spending due to sluggish business environment mainly in automotive and machinery sectors.	
<b>Financial services</b>	Cautious IT investment stance due to deteriorating business conditions. Movement of strategic investment in mega-bank.	
<b>Government and public organizations</b>	IT budgets are flat or slightly downward, but competition is fierce.	
Platform solutions	The cloud-computing business is in expansion stage. Product sales have remained sluggish due to decrease in demand and price drop.	Engineering  Product 
Business services	Cost reduction request from customers. Competitive pricing due to increase of data center supply.	

# Outlook for FY09 Consolidated Results

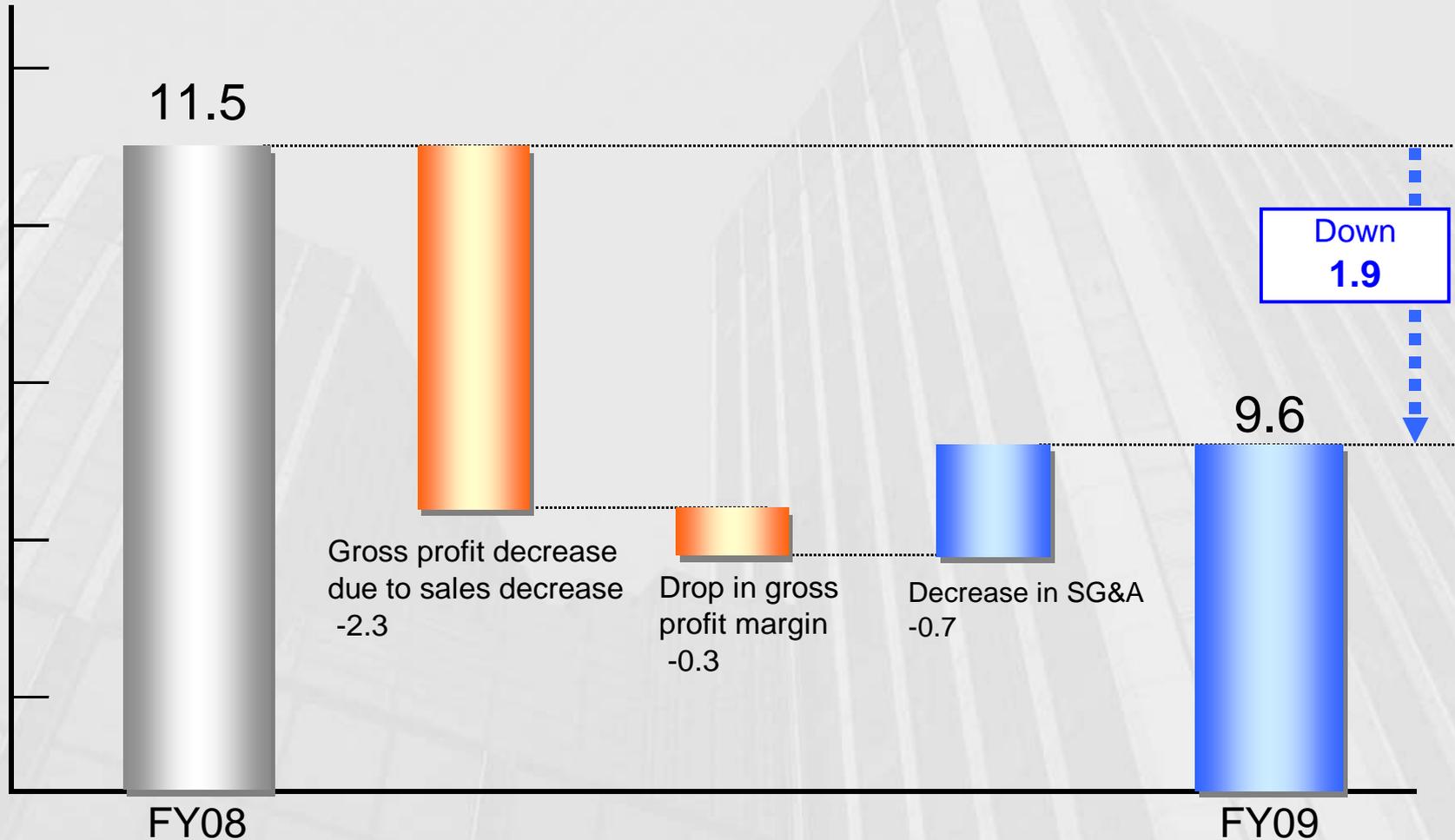
( Billions of yen )

	FY08 ( Actual ) A	FY09 ( Outlook ) B	Change B-A
Sales	161.5	150.0	-11.5
Business solutions	95.8	86.0	-9.8
Platform solutions	17.8	17.0	-0.8
Business services	47.9	47.0	-0.9
Gross profit	33.2	30.6	-2.6
<Gross profit margin>	<20.6%>	<20.4%>	<-0.2%>
SG&A	-21.7	-21.0	+0.7
Operating income	11.5	9.6	-1.9
Ordinary income (Recurring profit)	11.9	10.0	-1.9
Net income	6.4	5.3	-1.1
Net income per Share(y en)	120.0	100.0	-20.0

# FY08 → FY09 Operating Income Breakdown

Year on year

(Billions of yen)



# Outlook for FY09 Semiannual Consolidated Results

( Billions of yen )

	FY08			FY09			Change		
	1H ( Actual )	2H ( Actual )	FY ( Actual )	1H ( Actual )	2H ( Outlook )	FY ( Outlook )	1H Change	2H Change	FY Change
	A	B	C	D	E	F	D-A	E-B	F-C
<b>Sales</b>	76.4	85.1	161.5	69.8	80.2	150.0	-6.6	-4.9	-11.5
Business solutions	44.0	51.8	95.8	38.4	47.6	86.0	-5.6	-4.2	-9.8
Platform solutions	8.8	9.0	17.8	7.4	9.6	17.0	-1.4	+0.6	-0.8
Business services	23.6	24.3	47.9	24.0	23.0	47.0	+0.4	-1.3	-0.9
<b>Gross profit</b>	15.4	17.8	33.2	14.4	16.2	30.6	-1.0	-1.6	-2.6
<Gross profit margin>	<20.2%>	<20.9%>	<20.6%>	<20.6%>	<20.2%>	<20.4%>	<+ 0.5%>	<- 0.7%>	<- 0.2%>
<b>SG&amp;A</b>	-11.0	-10.7	-21.7	-10.3	-10.7	-21.0	+0.7	-	+0.7
<b>Operating income</b>	4.4	7.1	11.5	4.1	5.5	9.6	-0.3	-1.6	-1.9
<b>Ordinary income</b> (Recurring profit)	4.6	7.3	11.9	4.3	5.7	10.0	-0	-1.6	-1.9
<b>Net income</b>	2.3	4.1	6.4	2.3	3.0	5.3	-	-1.1	-1.1
<b>Order backlog at biggining of the period</b>	47.9	58.7	-	55.8	58.0	-	+7.9	-0.7	-

✧ Provide stable dividends to shareholders and maintain internal reserve for expansion



2009/03  
¥45.00 per share



2010/03  
¥40.00 per share



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