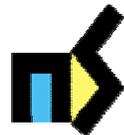


Financial Information Meeting for
Interim Period ended Sep. 30, 2004
(Apr. 1 to Sep. 30, 2004)

NS Solutions Corporation

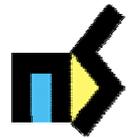
October 28, 2004



FORWARD-LOOKING STATEMENTS & PRO FORMA INFORMATION

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.

Table of Contents



NS Solutions

. Executive Summary

Shigeru Suzuki

Representative Director & President

. Outline of Financial Results for the 1st half of Fiscal Year ending March 2005 (Apr. 1 to Sep. 30, 2004) and Financial Results Outlook for Fiscal Year ending March 2005 (Apr. 1 to Mar. 31, 2005)

Takemi Yanagihara

Senior Executive Director

. Reference

. Executive Summary

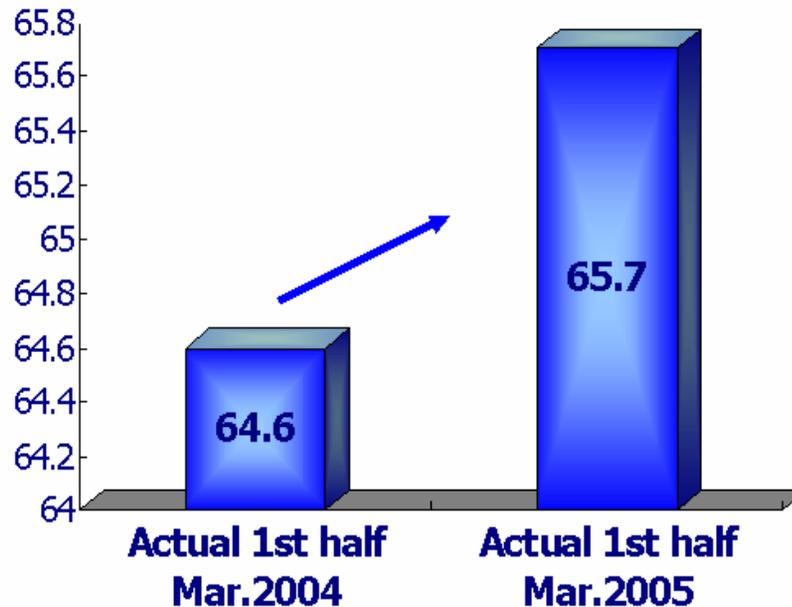
Shigeru Suzuki

Representative Director & President

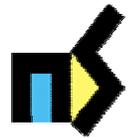
Financial Results for the 1st half of Fiscal Year ending Mar. 2005



	Actual 1 st half Mar. 2004	Actual 1 st half Mar. 2005	(Billions of yen) Change
Sales	64.6	65.7	+1.1
Operating income	3.7	4.2	+0.5
Net income	1.9	2.3	+0.4



Market Trends Update



NS Solutions

< Overview >

- Upward trend of the market
- More frequent inquiries mainly from Manufacturing & Retailing Sector
- Higher needs for System Life-Cycle Total Solutions & Legacy Reengineering
- Clients' intensified concern on TCO reduction and ROI improvement

< By Customer Sector >

➤ Manufacturing & Retailing :

- More frequent inquiries based on clients' business results recovery
- Clients' intensified concern on TCO reduction and ROI improvement
- Especially, large-scale projects take more time to receive orders

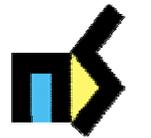
➤ Financial Sector :

- Certain amount of demand due to clients' business results recovery and compliance with regulatory revision
- Financial industry's IT investment has a downward trend on a long term basis
- Increasing fierce competition among SI vendors

➤ Public Sector :

- Weak demand for e-government projects of the central government
- Increasing fierce competition among SI vendors

March 2005 Our Business Action Plan



NS Solutions

➤ **Business Solutions** :

- Meet clients' needs for whole system optimization and TCO reduction
- Expand business by focusing on our distinguished solutions and System Life-Cycle Total Solutions in the sector of manufacturing & retailing

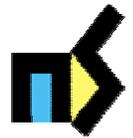
➤ **Platform Solutions** :

- Market picking up
- Cover product low margin by expanding business in designing, engineering and maintenance and support
- Enlarge maintenance and support operations by providing 24-hours-a-day and 365-days-a-year services

➤ **Business Services** :

- Substantial clients' needs for improvement in system operations on the occasion of restructuring mission critical system
- Steady expansion of outsourcing market
- Sales growth by providing System Life-Cycle Total Solutions

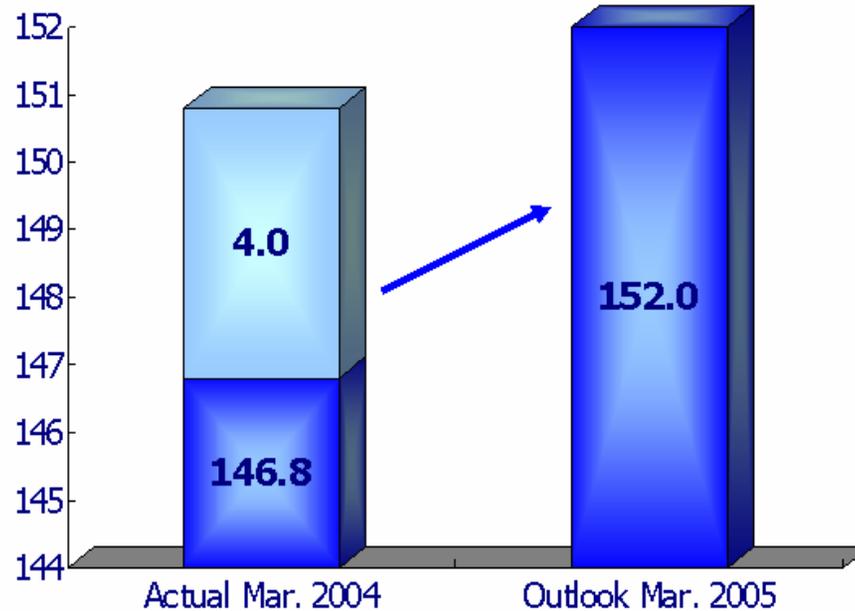
Outlook for Fiscal Year ending Mar. 2005



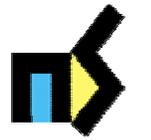
NS Solutions

(Billions of yen)

	Actual Mar. 2004	Outlook Mar. 2005	Change
Sales	150.8	152.0	+1.2
Operating income	9.7	11.9	+2.2
Net income	5.3	6.7	+1.4



How we are going ahead with main business strategies...



NS Solutions

➤ **Deploy System Life-Cycle Total Solutions**

- **Enlarge our service scope and differentiate our solutions**
- **Utilize experience and know-how accumulated in the Nippon Steel business**

➤ **Enhance Development Methodology**

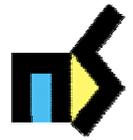
- **Utilizing Project-portal and Framework**
- **Project Management Office activities have become established**

➤ **Consolidated Marketing and Sales Power**

- **Enhanced our consulting capabilities**
- **A R M (Account Relationship Management)**
 - **Established sales team system for major clients and planned our sales strategy by client**

➤ **Brand-new solutions**

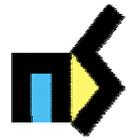
- **Legacy Reengineering (LR)** : More frequent inquiries from the industrial sector
- **Oracle On Demand** : Launched services on Oct. 1 in alliance with Oracle Corporation Japan
- **ASP/BPO**



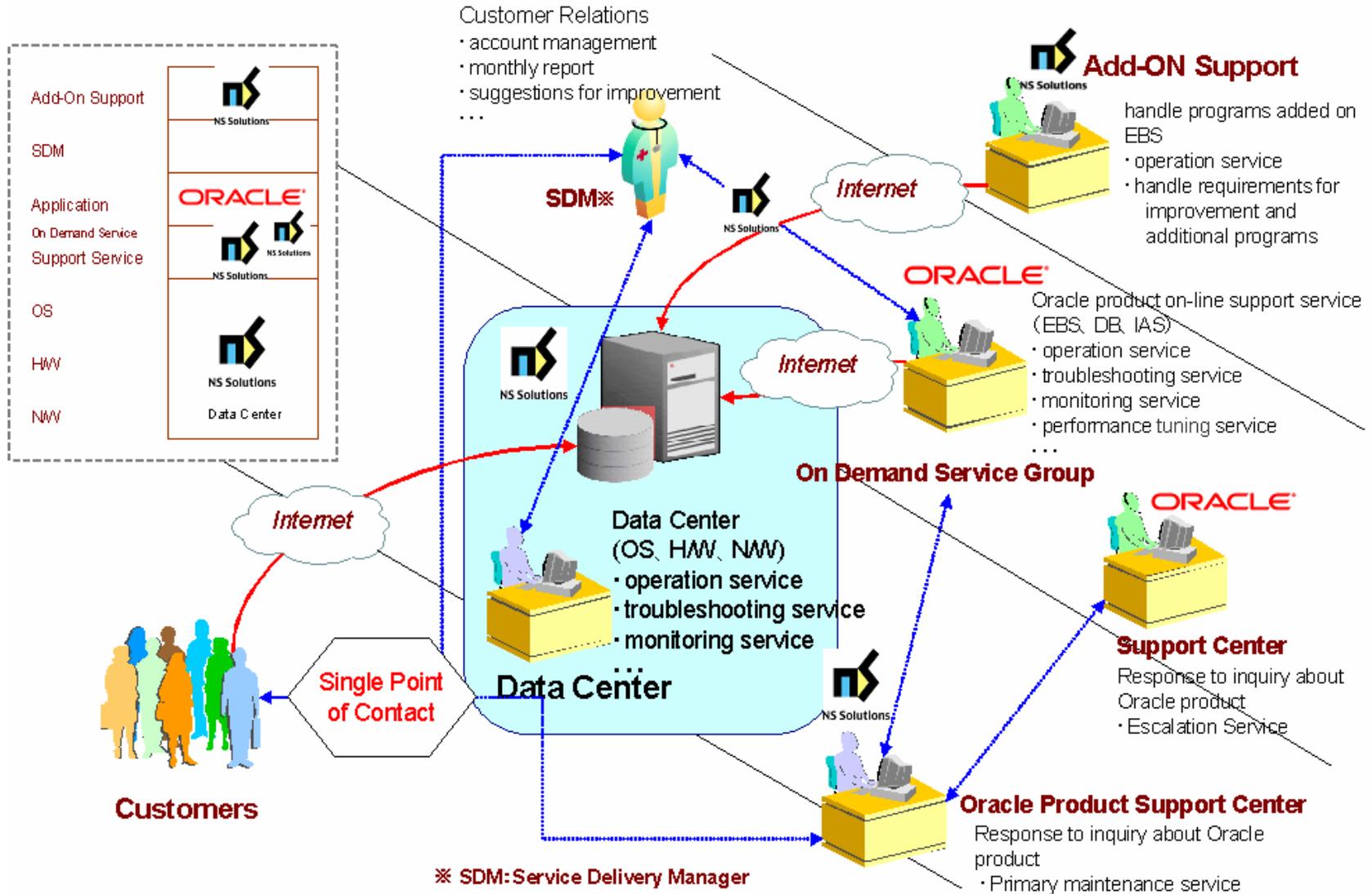
NS Solutions

Outline of Oracle On Demand@NSSOL

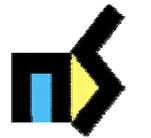
Service System



NS Solutions

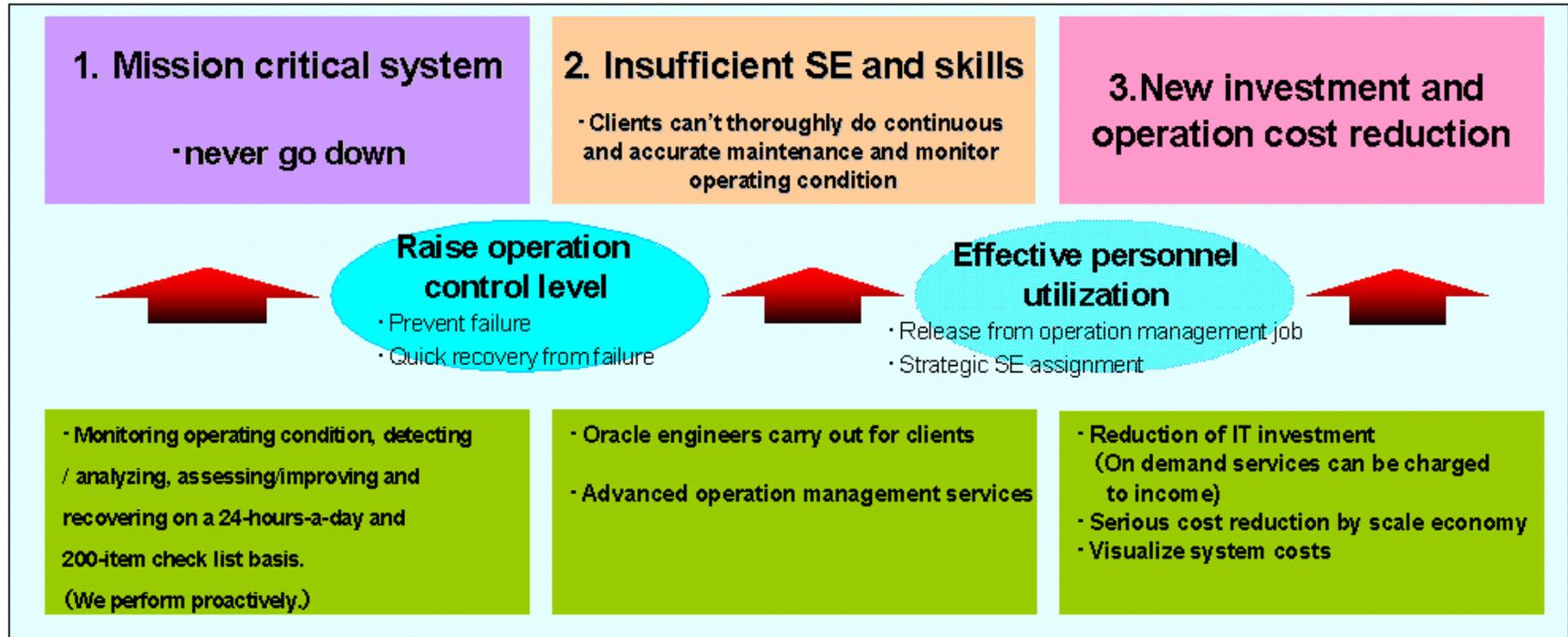


Clients' Advantages



NS Solutions

Challenges for clients



NSSOL & Oracle

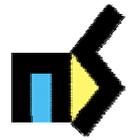
Outstanding experience and know-how in clients' business

Positioning as a top EBS provider

Experience and know-how in system operation for Nippon Steel

Positioning as a Top platform solution provider (Server, DB, NW, etc)

Strong alliance with Oracle



NS Solutions

Outline of BPO based on ASP

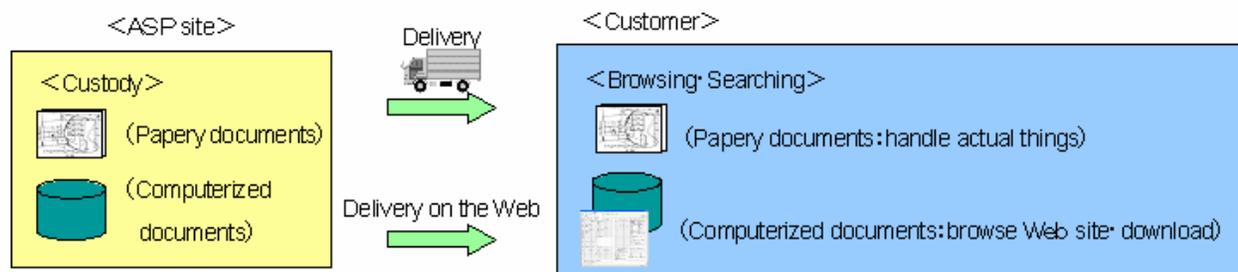
Case of BPO based on ASP



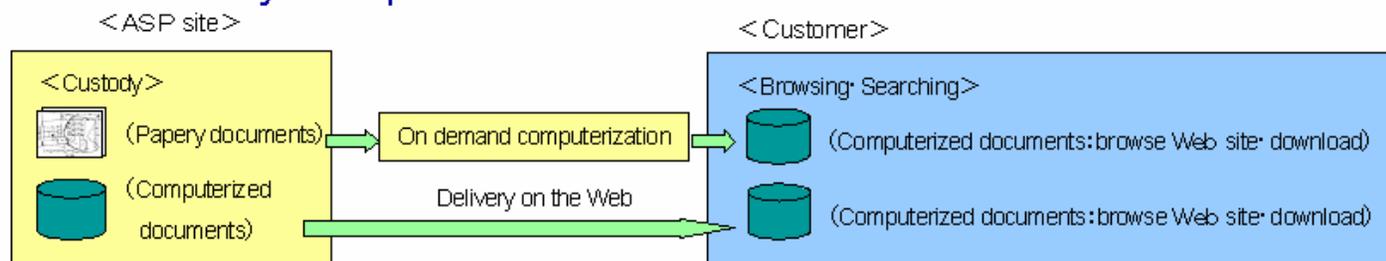
NS Solutions

1. On Demand Document Delivery

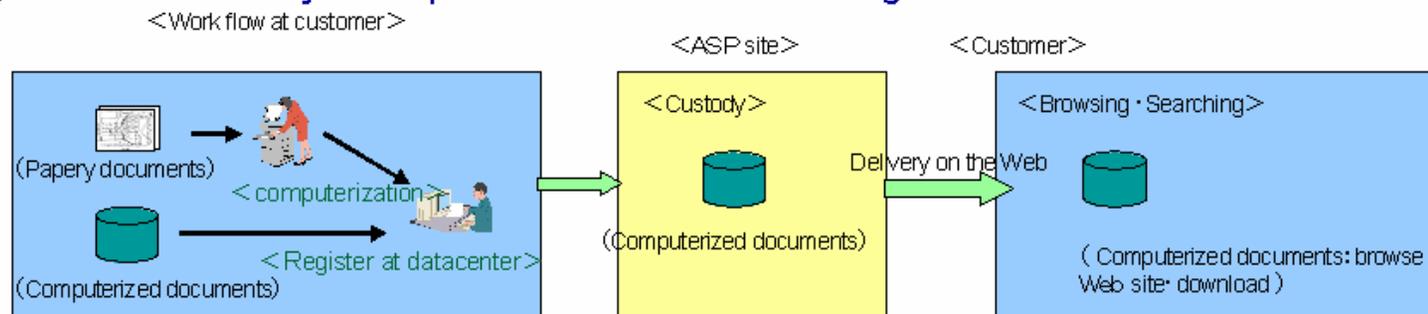
(1) Delivery of papyry and computerized documents



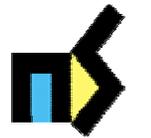
(2) On demand delivery of computerized documents



(3) On demand delivery of computerized documents (including work flow)



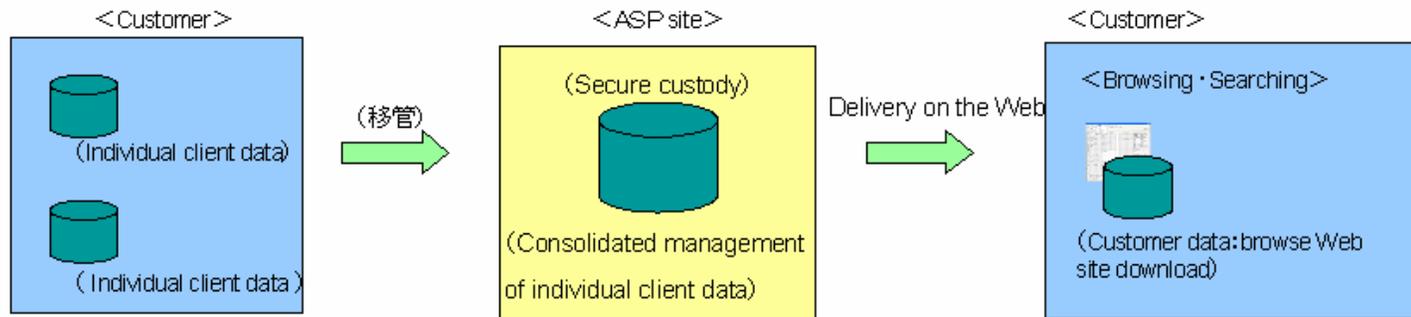
Case of BPO based on ASP



NS Solutions

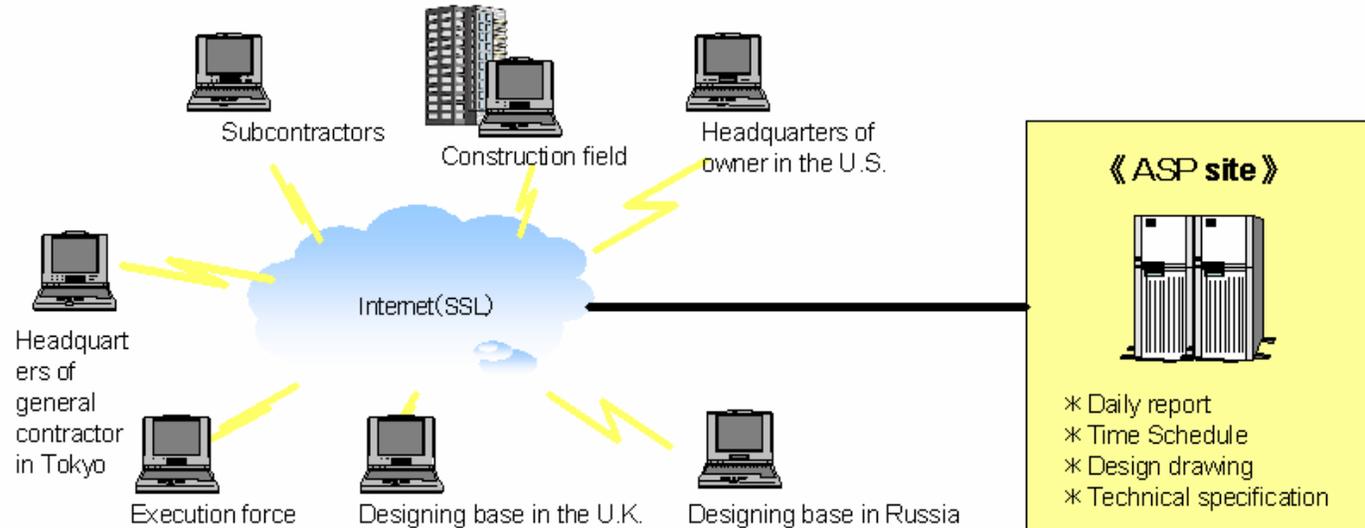
2. Development and Delivery of Customer Database

* In accordance with Act for Protection of Computer Processed Personal Data



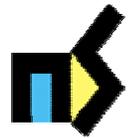
3. Intelligence Sharing of Project Data

* Global intelligence sharing of engineering works

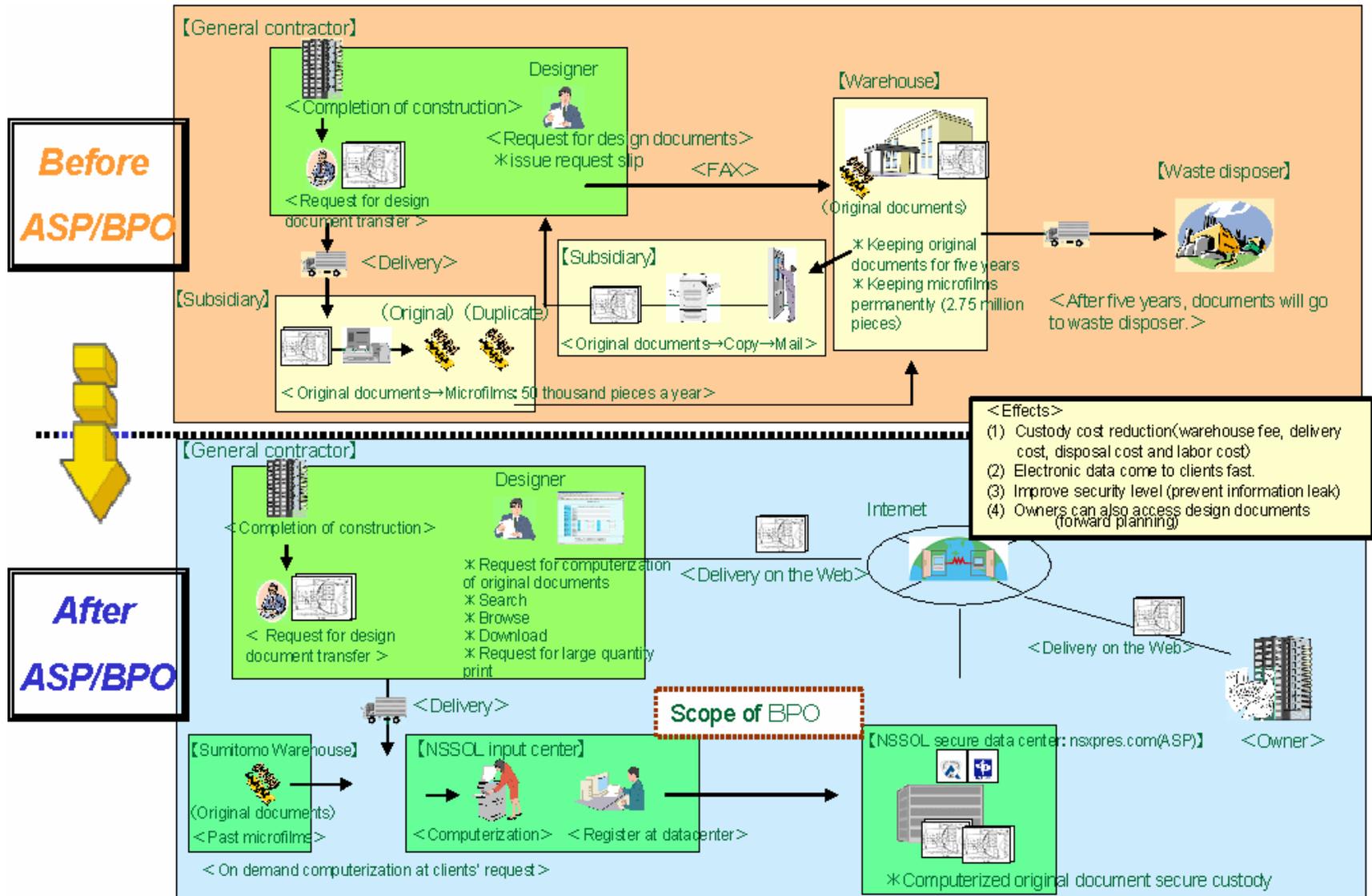


Effect of ASP / BPO Introduction

(On Demand Archive Services Controlling Design Documents)



NS Solutions



- . Outline of Financial Results
for the 1st half of Fiscal Year ending
March 2005 (Apr. 1 to Sep. 30, 2004)
and Financial Results Outlook for
Fiscal Year ending March 2005
(Apr. 1 to Mar. 31, 2005)**
-

Takemi Yanagihara
Senior Executive Director

1. Outline of Financial Results for the 1st half of Fiscal Year ending Mar. 31, 2005

(Apr. 1 to Sep. 30, 2004)

Outline of Financial Results (Consolidated)

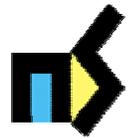


NS Solutions

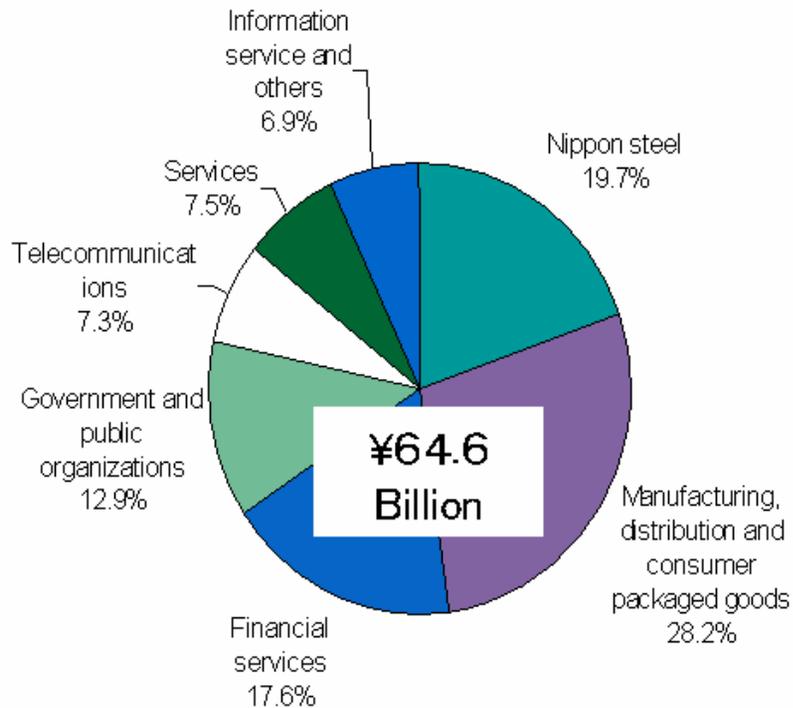
(Billions of Yen)

	1st half Mar.2004 A	1st half Mar.2005 B	Change B-A	1st half Mar.2005 Previous Outlook C	Change B-C
Net sales	64.6	65.7	+ 1.1	63.0	+ 2.7
Business Solutions	34.3	33.4	- 0.9	31.0	+ 2.4
Platform Solutions	11.8	13.8	+ 2.0	12.0	+ 1.8
Business Services	18.5	18.6	+ 0.1	20.0	- 1.4
Gross Profit <Gross Profit Margin>	12.6 <19.6%>	12.9 <19.6%>	+ 0.3 <±0%>	12.7 <20.2%>	+ 0.2 <-0.6%>
SG&A	9.0	8.7	- 0.3	9.2	- 0.5
Operating Income	3.7	4.2	+ 0.5	3.5	+ 0.7
Recurring Profit	3.7	4.3	+ 0.6	3.5	+ 0.8
Net Income	1.9	2.3	+ 0.4	1.8	+ 0.5

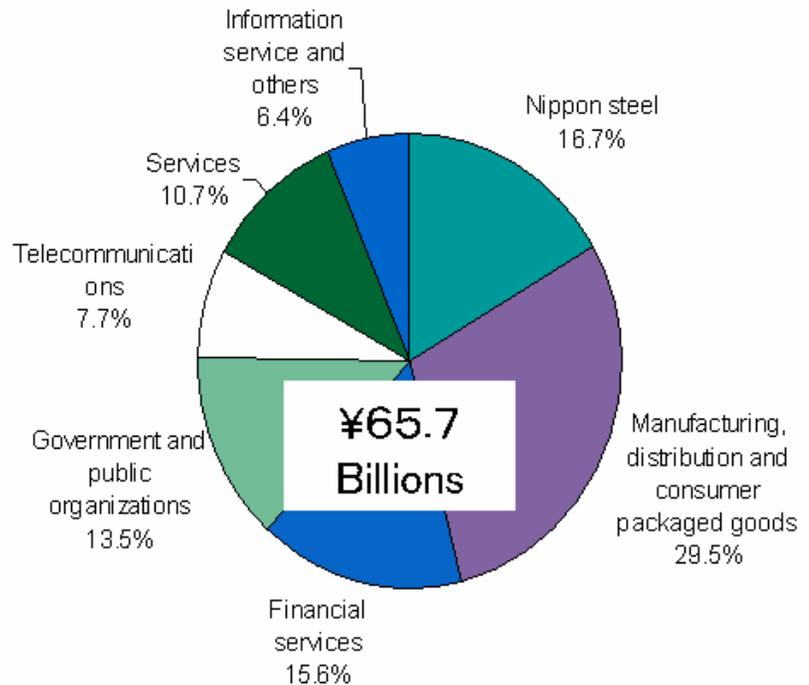
Consolidated Sales by Customer Industry



NS Solutions



2003/9



2004/9

2. Financial Results Outlook for Fiscal Year ending Mar. 31, 2005 (Apr. 1 to Mar. 31, 2005)

Outlook Summary



NS Solutions

(Billions of Yen)

	Mar.2004 Actual A	Mar.2005 Outlook B	Change B-A	Mar.2005 Previous outlook C	Change B-C
Net sales	150.8	152.0	+ 1.2	152.0	±0
Business Solutions	83.5	83.5	±0	85.0	- 1.5
Platform Solutions	29.9	28.5	- 1.4	27.0	+ 1.5
Business Services	37.4	40.0	+ 2.6	40.0	±0
Gross Profit	27.5	30.1	+ 2.6	30.3	- 0.2
<Gross Profit Margin>	<18.2%>	<19.8%>	<+1.6%>	<19.9%>	<-0.1%>
SG&A	17.8	18.2	+ 0.4	18.4	- 0.2
Operating Income	9.7	11.9	+ 2.2	11.9	±0
Recurring Profit	9.8	12.0	+ 2.2	12.0	±0
Net Income	5.3	6.7	+ 1.4	6.7	±0

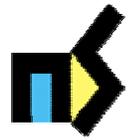
Biannual Outlook Summary



NS Solutions

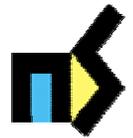
(Billions of yen)

	Mar. 2004 (Actual)		Mar. 2005 (Outlook)		Change	
	1st. half	2nd. Half	1st. half	2nd. Half	1st. half	2nd. Half
Net sales	64.6	86.2	65.7	86.3	+ 1.1	+ 0.1
Business Solutions	34.3	49.2	33.4	50.1	- 0.9	+ 0.9
Platform Solutions	11.8	18.1	13.8	14.7	+ 2.0	- 3.4
Business Services	18.5	18.9	18.6	21.4	+ 0.1	+ 2.5
Gross profit	12.6	14.9	12.9	17.2	+ 0.3	+ 2.3
<Gross profit margin>	<19.6%>	<17.3%>	<19.6%>	<19.9%>	<±0.0%>	<+2.6%>
SG&A	9.0	8.8	8.7	9.5	- 0.3	+ 0.7
Operating income	3.7	6.0	4.2	7.7	+ 0.5	+ 1.7
Recurring profit	3.7	6.1	4.3	7.7	+ 0.6	+ 1.6
Order Backlog at beginning of 1st half	24.5	31.6	21.2	31.7	- 3.3	+ 0.1



NS Solutions

. Reference



NS Solutions

1. Financial Data for the 1st half of Fiscal Year ending Mar. 31, 2005

Outline of Financial Results (Non-Consolidated)



NS Solutions

(Billions of Yen)

	1st half Mar.2004 A	1st half Mar.2005 B	Change B-A	1st half Mar.2005 Previous Outlook C	Change B-C
Net sales	57.7	58.6	+ 0.9	56.0	+ 2.6
Business Solutions	29.1	28.0	- 1.1	26.0	+ 2.0
Platform Solutions	10.5	12.5	+ 2.0	11.0	+ 1.5
Business Services	18.1	18.1	-	19.0	- 0.9
Operating Income	2.8	3.5	+ 0.7	2.8	+ 0.7
Recurring Profit	3.0	3.7	+ 0.7	3.0	+ 0.7
Net Income	1.7	2.1	+ 0.4	1.7	+ 0.4

Balance Sheets (Consolidated)



NS Solutions

(Billions of yen)

	Mar.2004 Actual	Sep.2004 Actual	Change
Cash and bank deposits and deposited money	27.5	18.4	- 9.1
Current assets	75.5	55.5	- 20.0
Non-current assets	15.1	27.1	+ 12.0
Total assets	90.6	82.6	- 8.0
Short-term loans	0.0	0.0	-
Current liabilities	34.9	24.4	- 10.5
Non-current liabilities	6.3	6.6	+ 0.3
Total liabilities	41.2	31.0	- 10.2
Minority interest in consolidated subsidiaries	1.2	1.3	+ 0.1
Common stock and additional paid-in capital	22.9	22.9	-
Retained earnings and others	25.2	27.4	+ 2.2
Total shareholders' equity	48.1	50.3	+ 2.2
Total liabilities, minority interests and shareholders' equity	90.6	82.6	- 8.0

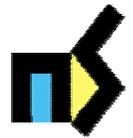
Cash Flows (Consolidated)



NS Solutions

(Billions of yen)

	Sep. 2003 Actual A	Sep. 2004 Actual B	Change B-A
Cash and cash equivalents at beginning of period (net of cash owned by a deconsolidated subsidiary)	25.7	27.5	+ 1.8
Net cash provided by operating activities	▲ 1.7	3.7	+ 5.4
Net cash used for investing activities	▲ 1.1	▲ 12.4	- 11.3
Net cash provided by financing activities	▲ 0.6	▲ 0.5	+ 0.1
Net increase (decrease) in period	▲ 3.4	▲ 9.2	- 5.8
Cash and cash equivalents at end of period	22.3	18.3	- 4.0



NS Solutions

2. Outlook Data for Fiscal Year ending Mar. 31, 2005

Outlook Summary (Non-Consolidated)



NS Solutions

(Billions of yen)

	Mar.2004 Actual A	Mar.2005 Outlook B	Change B-A	Mar.2005 Previous outlook C	Change B-C
Net sales	136.1	137.0	+ 0.9	137.0	-
Business Solutions	72.7	71.5	- 1.2	73.0	- 1.5
Platform Solutions	27.0	26.5	- 0.5	25.0	+ 1.5
Business Services	36.4	39.0	+ 2.6	39.0	-
Operating Income	7.7	9.8	+ 2.1	9.8	-
Recurring Profit	7.8	10.0	+ 2.2	10.0	-
Net Income	4.5	5.8	+ 1.3	5.8	-

Balance Sheets (Consolidated)



NS Solutions

(Billions of yen)

	Mar.2004 Actual	Mar.2004 Outlook	Change
Cash and bank deposits and deposited money	27.5	21.3	- 6.2
Current assets	75.5	69.7	- 5.8
Non-current assets	15.1	27.5	+ 12.4
Total assets	90.6	97.2	+ 6.6
Short-term loans	0.0	0.0	-
Current liabilities	34.9	34.2	- 0.7
Non-current liabilities	6.3	7.3	+ 1.0
Total liabilities	41.2	41.5	+ 0.3
Minority interest in consolidated subsidiaries	1.2	1.4	+ 0.2
Common stock and additional paid-in capital	22.9	22.9	-
Retained earnings and others	25.2	31.4	+ 6.2
Total shareholders' equity	48.1	54.3	+ 6.2
Total liabilities, minority interests and shareholders' equity	90.6	97.2	+ 6.6

Cash Flows (Consolidated)



NS Solutions

(Billions of yen)

	Mar. 2004 Actual A	Mar. 2005 Outlook B	Change B-A
Cash and cash equivalents at beginning of period (net of cash owned by a deconsolidated subsidiary)	25.7	27.5	+ 1.8
Net cash provided by operating activities	4.0	7.5	+ 3.5
Net cash used for investing activities	▲ 1.1	▲ 12.8	- 11.7
Net cash provided by financing activities	▲ 1.0	▲ 0.9	+ 0.1
Net increase (decrease) in period	1.9	▲ 6.2	- 8.1
Cash and cash equivalents at end of period	27.5	21.3	- 6.2