



NIPPON STEEL & SUMITOMO METAL CORPORATION GROUP



NS Solutions

Financial Information for the First Quarter of the Fiscal Year ending March 31, 2015

(April 1, 2014 through June 30, 2014)

July 29, 2014

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.

Consolidated Financial Highlights



(JPY billion)

	1Q of FY Mar. 2014 (Actual) A	1Q of FY Mar. 2015 (Actual) B	Change B-A
Sales	39.9	44.8	+4.9
Business solutions	21.7	25.5	+3.8
Platform solutions	5.1	5.0	-0.1
Business services	13.1	14.3	+1.2
Gross profit	7.3	8.9	+1.6
<Gross profit margin>	<18.3%>	<19.8%>	<+1.5%>
SG&A	5.5	5.9	+0.4
Operating income	1.8	3.0	+1.2
Ordinary income	2.0	3.1	+1.1
Net income	0.9	1.7	+0.8

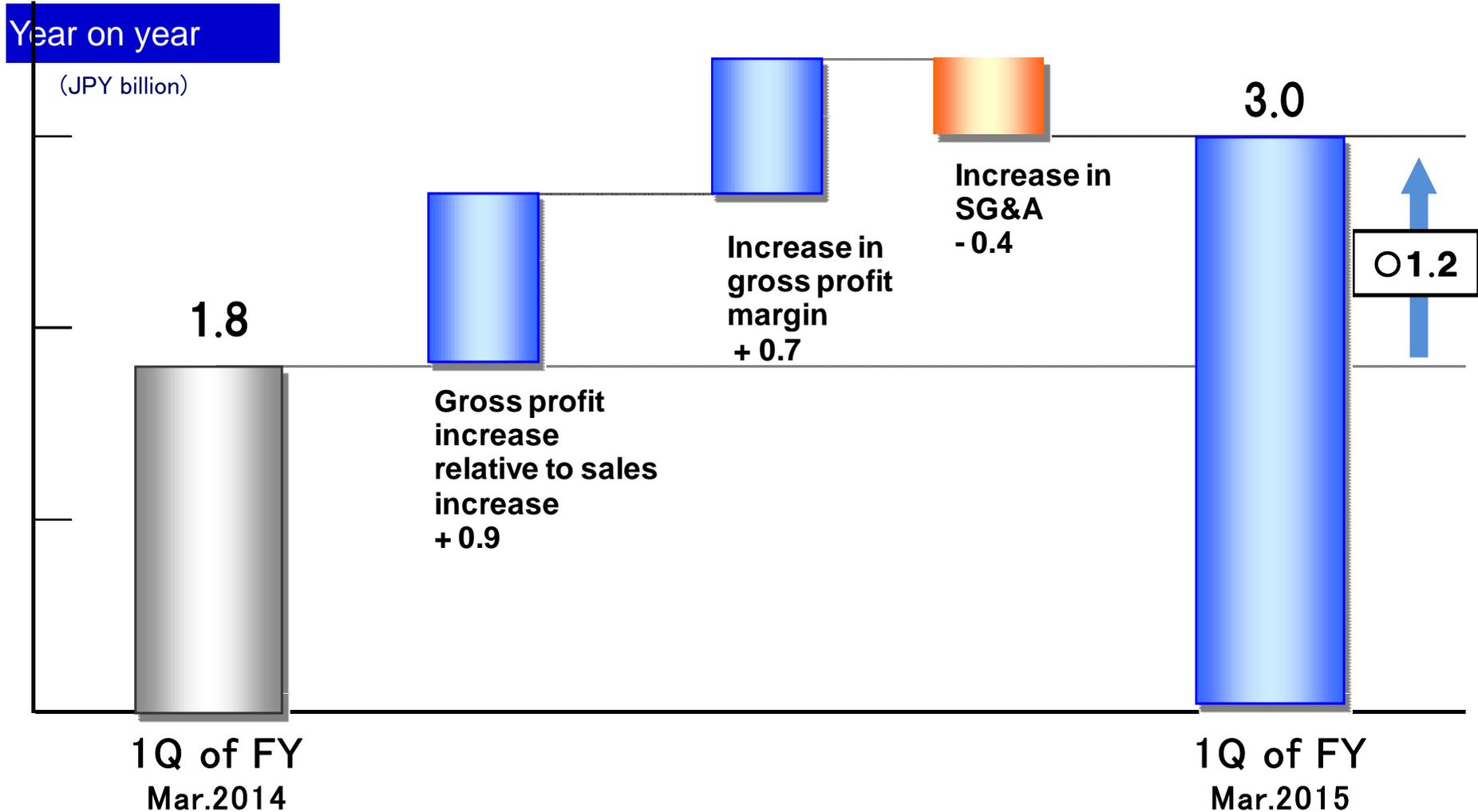
Sales by Business Line / Customer Industry



(JPY billion)

	1Q of FY Mar. 2014 (Actual) A	1Q of FY Mar. 2015 (Actual) B	Change B-A	Comment
Business solutions	17.6	21.6	+4.0	-
Manufacturing, distribution and service industries	9.5	11.4	+1.8	Increase in Internet and manufacturing sector
Financial services	5.4	7.5	+2.2	Increase in the mega-banks
Government, public organizations and others	2.7	2.7	-	
Platform solutions	4.7	4.5	-0.2	
Business services	13.1	14.3	+1.3	Increase in NSSMC
Subsidiaries, net	4.5	4.4	-0.2	
Consolidates sales	39.9	44.8	+4.9	-
Amount of orders accepted	41.5	44.6	+3.0	-

Consolidated Operating Income Breakdown



Outlook for FY Mar.2015



(JPY billion)

	FY ended Mar.2014			FY ending Mar.2015			Change		
	1H	2H	FY	1H	2H	FY	1H	2H	FY
	(Actual) A	(Actual) B	(Actual) C	(Outlook) D	(Outlook) E	(Outlook) F	Change D-A	Change E-B	Change F-C
Sales	81.5	98.5	180.0	86.0	102.0	188.0	+4.5	+3.5	+8.0
Business solutions	46.1	61.6	107.7	48.0	62.5	110.5	+1.9	+0.9	+2.8
Platform solutions	9.8	11.5	21.3	10.0	11.5	21.5	+0.2	-	+0.2
Business service	25.5	25.5	51.0	28.0	28.0	56.0	+2.5	+2.5	+5.0
Gross profit	15.5	19.0	34.5	16.5	19.7	36.2	+1.0	+0.7	+1.7
<gross profit margin>	<19.0%>	<19.3%>	<19.2%>	<19.2%>	<19.3%>	<19.3%>	<+0.2%>	<+0.0%>	<+0.1%>
SG&A	11.0	11.1	22.0	11.7	10.8	22.5	+0.7	-0.3	+0.4
Operating income	4.5	7.9	12.4	4.8	8.9	13.7	+0.3	+1.0	+1.3
Recurring profit	4.7	8.0	12.8	5.0	9.0	14.0	+0.3	+1.0	+1.2
Net income	2.5	4.6	7.1	2.7	5.5	8.2	+0.2	+0.9	+1.1
Order backlog at beginning of the period	78.4	81.8		85.2			+6.8	-	-

Order backlog at June 30, 2014 :85.0(JPY Billion) +4.9 (from the same quarter last year)



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