

# Financial Information Meeting for the Second Quarter of the Fiscal Year ending March 31, 2011

(April 1, 2010 through September 30, 2010)

October 27, 2010

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.



# Consolidated Financial Highlights

( Billions of yen )

	2Q (1H)of FY Mar. 2010 (Actual) A	2Q (1H)of FY Mar. 2011 (Actual) B	Change B-A	2Q (1H)of FY Mar. 2011 (Previous outlook in April) C	Change B-C
<b>Sales</b>	69.8	73.7	+3.9	70.0	+3.7
Business solutions	38.4	38.2	-0.2	38.0	+0.2
Platform solutions	7.4	8.7	+1.3	7.5	+1.2
Business services	24.0	26.8	+2.8	24.5	+2.3
<b>Gross profit</b>	14.4	14.3	-0.1	14.7	-0.4
<Gross profit margin>	<20.6%>	<19.4%>	<-1.2%>	<21.0%>	<-1.6%>
<b>SG&amp;A</b>	10.3	10.1	-0.2	10.4	-0.3
<b>Operating income</b>	4.1	4.2	+0.1	4.3	-0.1
<b>Ordinary income</b>	4.3	4.4	+0.1	4.5	-0.1
<b>Net income</b>	2.3	2.4	+0.1	2.4	-

# Sales by Business Line / Customer Industry



NS Solutions

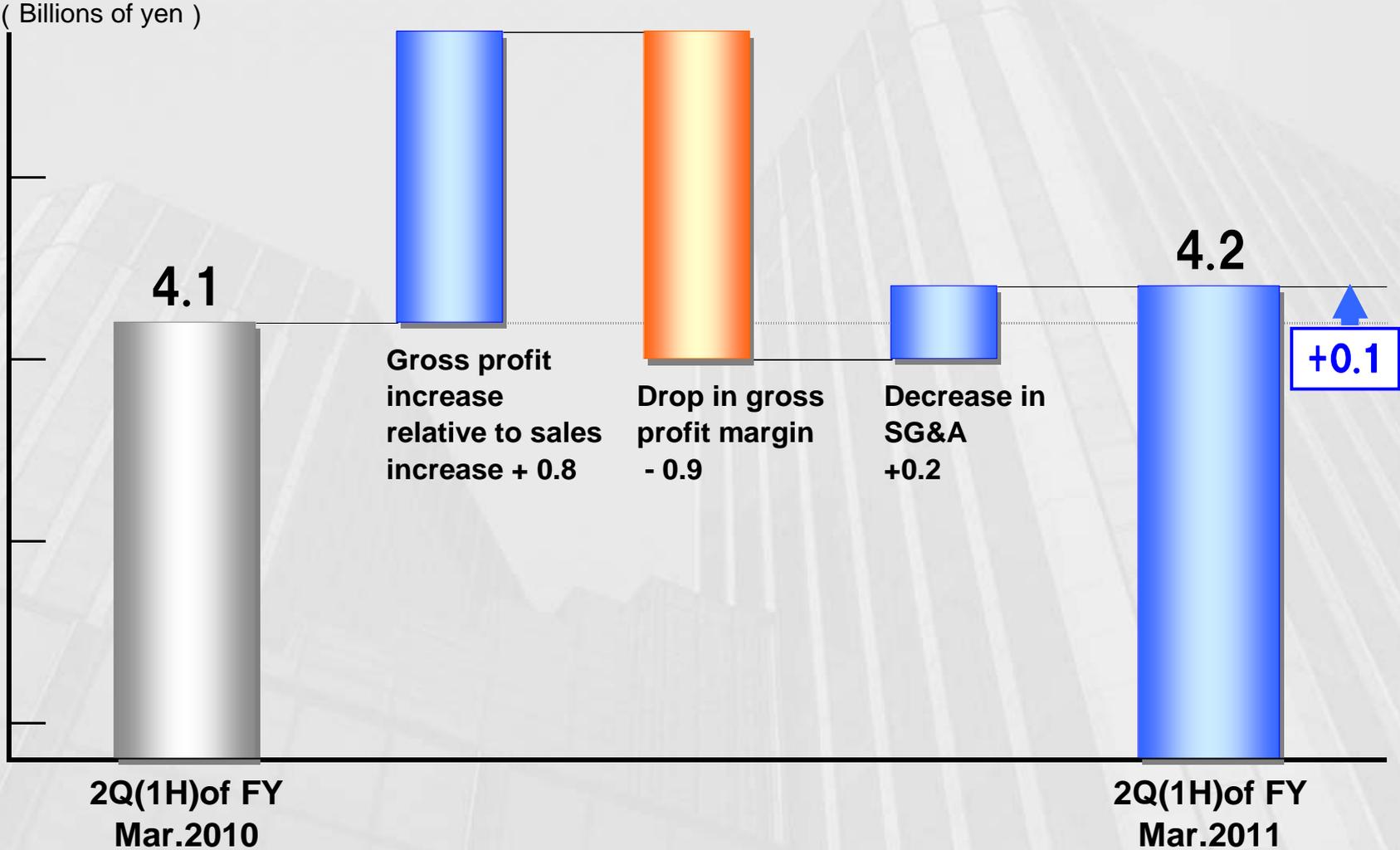
( Billions of yen )

	2Q (1H)of FY Mar. 2010 (Actual) A	2Q (1H)of FY Mar. 2011 (Actual) B	Change B-A	Comment
<b>Business solutions</b>	31.0	31.1	+0.1	
Manufacturing, distribution and service industries	14.4	16.3	+1.9	Sales increase in electric and machinery sector
Financial services	11.1	9.9	-1.2	Decrease in securities and resional banks
Government, public organizations and others	5.5	4.9	-0.6	Decrease in public and science sector
<b>Platform solutions</b>	6.4	7.1	+0.7	Increase in cloud-computing business
<b>Business services</b>	23.9	26.6	+2.7	Increase in Nippon Steel businesses
<b>Subsidiaries, net</b>	8.5	8.9	+0.4	
<b>Consolidated sales</b>	69.8	73.7	+3.9	-

# Consolidated Operating Income Breakdown

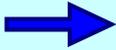
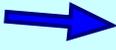
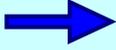


## Year on year



# Market Trends by Business Line / Customer Industry



Business line / customer industry	Market trend	Market direction
<b>Business solutions</b>		
<b>Manufacturing, distribution and service industries</b>	IT investments are recovering in part of manufacturing sector Cost reduction request because of appreciation of the yen is severe	
<b>Financial services</b>	Mega-banks are recovering IT investment in a strategic field The regional bank and the securities are continuously tough	
<b>Government and public organizations</b>	IT budgets are on slightly downward trend Competition is fierce	
<b>Platform solutions</b>	Demand for infrastructure integration is increasing Product sales have remained sluggish	<b>Engineering</b>  <b>Product sales</b> 
<b>Business services</b>	Demand for operation services and data center is relatively steady Projects related steel continue to be selected strictly	



# Outlook for Semiannual Consolidated Results

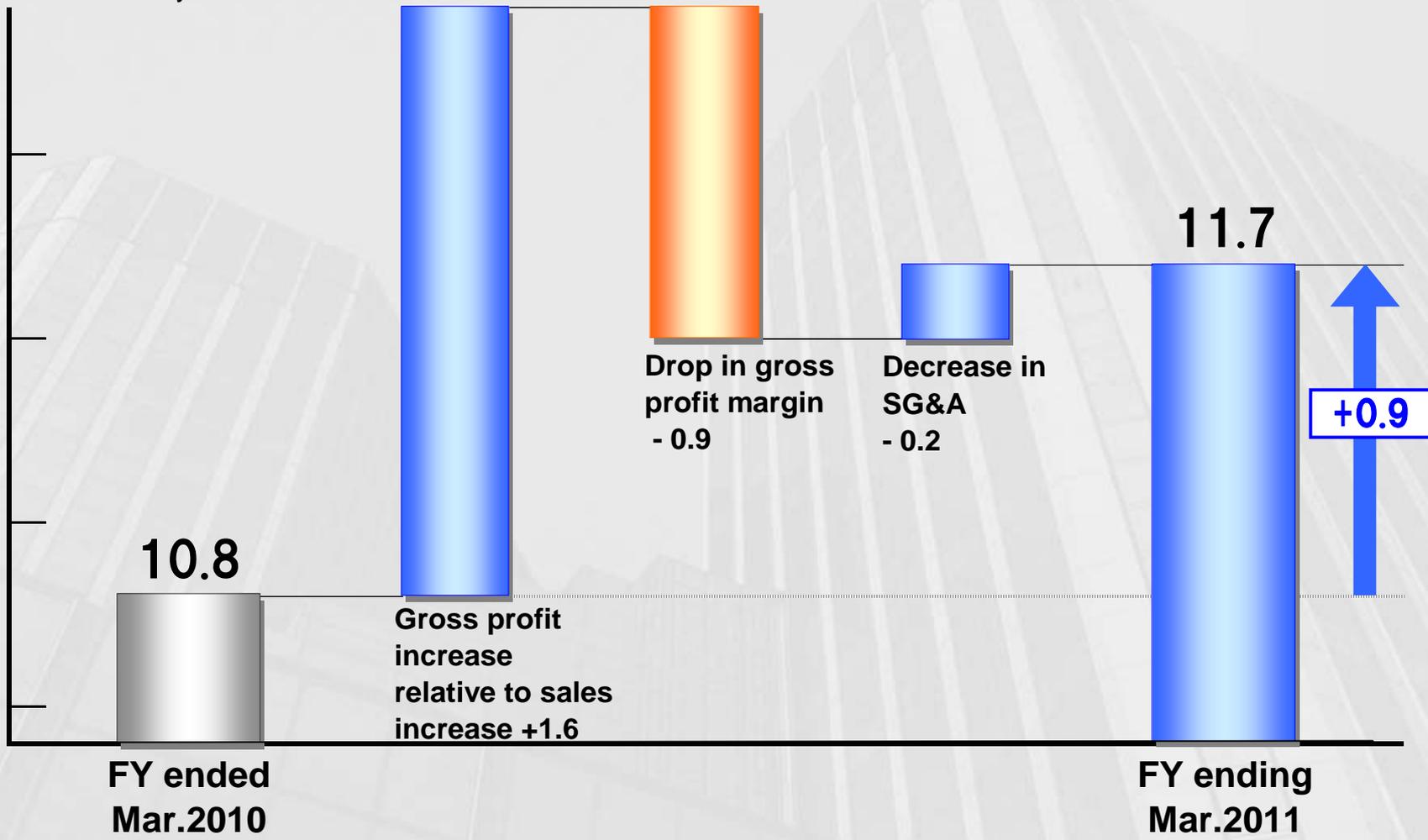
( Billions of yen )

	FY ended mar. 2010			FY ending Mar.2011			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>	69.8	82.4	152.2	73.7	86.3	160.0	+3.9	+3.9	+7.8
Business solutions	38.4	50.4	88.8	38.2	54.8	93.0	-0.2	+4.4	+4.2
Platform solutions	7.4	8.1	15.5	8.7	8.3	17.0	+1.3	+0.2	+1.5
Business services	24.0	23.9	47.9	26.8	23.2	50.0	+2.8	-0.7	+2.1
<b>Gross profit</b>	14.4	16.7	31.1	14.3	17.5	31.8	-0.1	+0.8	+0.7
<Gross profit margin>	<20.6%>	<20.3%>	<20.4%>	<19.4%>	<20.3%>	<19.9%>	<- 1.2%>	<+ 0.0%>	<- 0.6%>
<b>SG&amp;A</b>	10.3	10.0	20.3	10.1	10.0	20.1	-0.2	-	-0.2
<b>Operating income</b>	4.1	6.7	10.8	4.2	7.5	11.7	+0.1	+0.8	+0.9
<b>Ordinary income</b>	4.3	6.9	11.2	4.4	7.6	12.0	+0.1	+0.7	+0.8
<b>Net income</b>	2.3	4.0	6.3	2.4	4.3	6.7	+0.1	+0.3	+0.4
<b>Order backlog at beginning of the period</b>	55.8	58.0	-	58.7	59.7	-	+2.9	+1.7	-

# Operating Income Breakdown

## Year on year

(Billions of yen)



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



2010/03  
¥40.00 per share



2011/03  
¥40.00 per share



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