



NIPPON STEEL & SUMITOMO METAL CORPORATION GROUP



NS Solutions

Financial Information for the Fiscal Year ended March 31, 2013

(April 1, 2012 through March 31, 2013)

April 26, 2013

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)

	FY Mar.2012 (Actual) A	FY Mar.2013 (Actual) B	Change B-A	FY Mar.2013 Previous C	Change B-C
Sales	161.6	172.0	+10.4	170.0	+2.0
Business solutions	88.7	95.9	+7.2	94.5	+1.4
Platform solutions	19.5	18.6	-0.9	20.0	-1.4
Business services	53.4	57.5	+4.1	55.5	+2.0
Gross profit	30.8	31.3	+0.5	32.2	-0.9
<Gross profit margin>	<19.0%>	<18.2%>	<-0.8%>	<18.9%>	<-0.7%>
SG&A	20.0	20.2	+0.2	20.0	+0.2
Operating income	10.8	11.1	+0.3	12.2	-1.1
Ordinary income	11.1	11.6	+0.5	12.5	-0.9
Net income	5.2	6.6	+1.4	7.3	-0.7

FY Mar.2013

Sales by Business Line / Customer Industry



(Billions of yen)

	FY Mar.2012 A	FY Mar.2013 B	Change B-A	Comment
Business solutions	74.2	79.4	+5.2	-
Manufacturing, distribution and service industries	37.6	41.1	+3.5	Electronics segment sale is decreasing, various industry project covered top line.
Financial services	22.5	21.1	-1.4	Temporary decrease in mega-banks and Securities
Government, public organizations and others	14.1	17.2	+3.1	Several big projects contributed to the growth
Platform solutions	17.3	16.6	-0.7	Decrease in product sales
Business services	53.0	57.2	+4.2	Increase in Nippon Steel and Sumitomo Metal Corp.
Subsidiaries, net	17.1	18.9	+1.8	Increase in local business
Consolidated sales	161.6	172.0	+10.4	-
Amount of orders accepted	169.4	181.6	+12.2	-

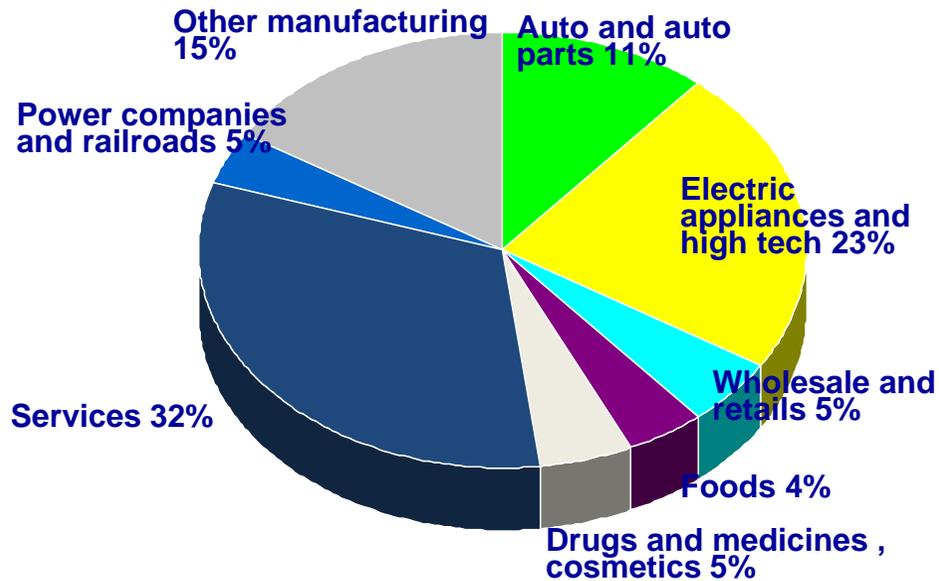
Breakdown of Sales

to Manufacturing, Distribution and Service Industries



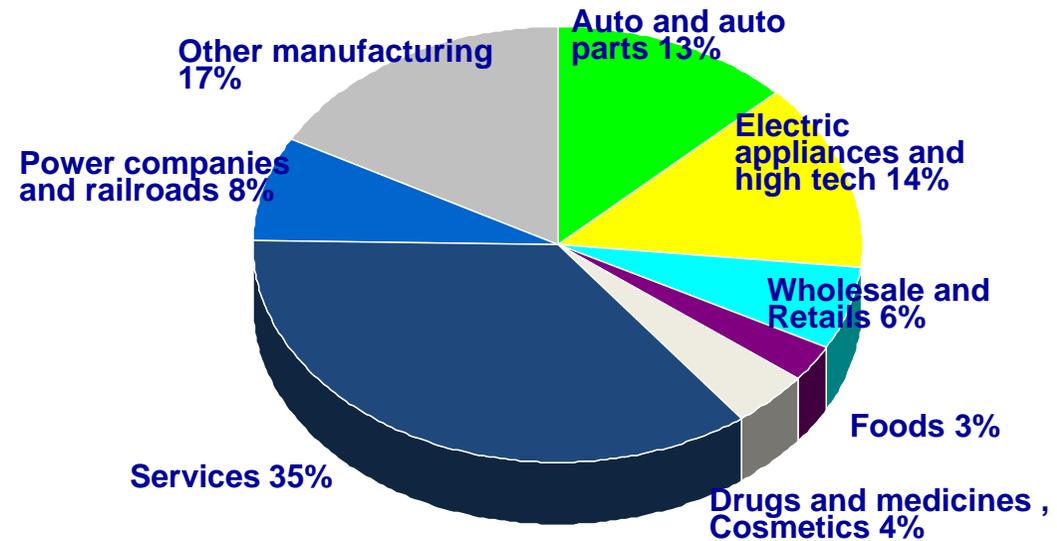
Manufacturing, distribution and service industries

37.6 Billions



Mar. 2012

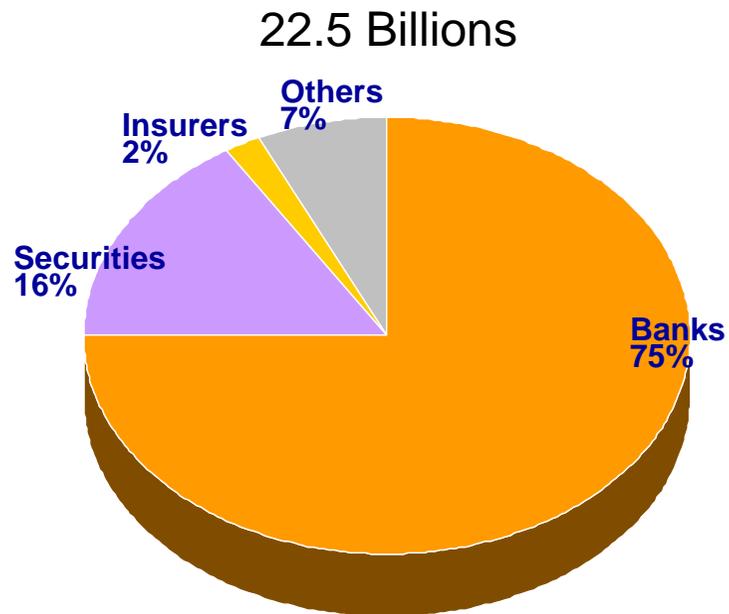
41.1 Billions



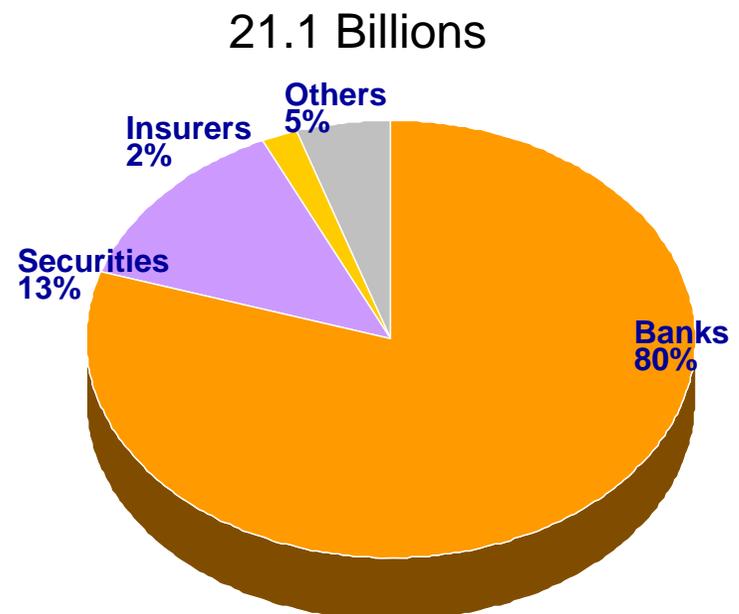
Mar. 2013

Breakdown of Sales to Financial Services

Financial services



Mar.2012

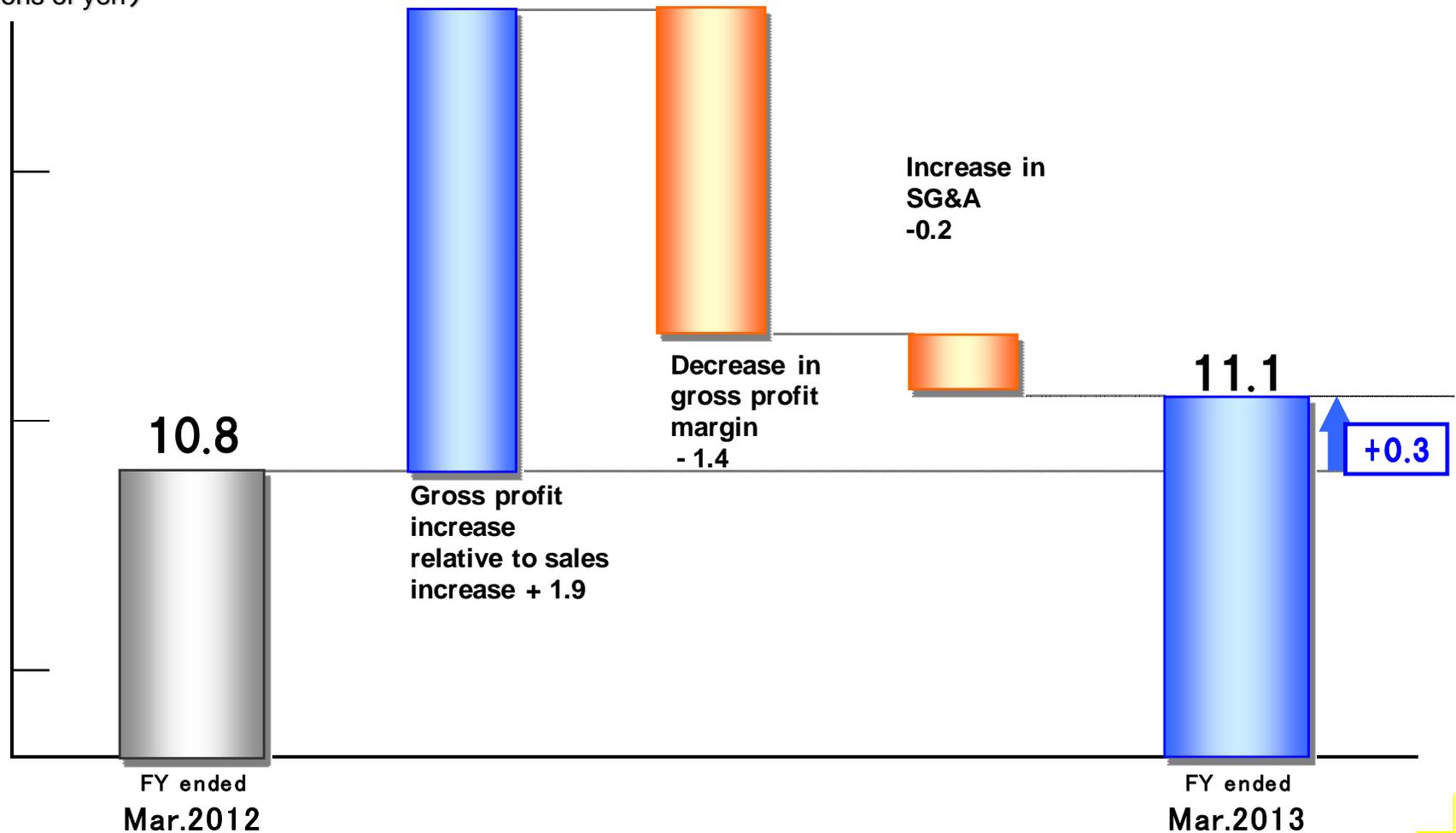


Mar.2013

Consolidated Operating Income Breakdown

Year on year

(Billions of yen)



Market Trends by Business Line / Customer Industry

Business line/ customer industry	Market trend	
Business solutions		
Manufacturing, distribution and service industries	Stronger economic growth due to depreciation of yen may expand IT expending, but cautious IT investment stance continues in electronics. IT investment for globalization and web-commerce are expanding.	
Financial services	Mega banks are continuing strategic IT investments. IT investment of the regional banks is weak.	
Government and public organizations	IT budgets increase in security areas, Competition is increasingly fierce.	
Platform solutions	Needs for cloud-computing , servicing and data center are increasing.	Engineering  Product 
Business services	IT investment of Nippon Steel and Sumitomo Metal is at high level due to post merger system optimization. Telecom business is continuing at a high level.	

Outlook for FY Mar.2014 Consolidated Results

(Billions of yen)

	FY Mar.2013 (Actual) A	FY Mar.2014 (Outlook) B	Change B-A
Sales	172.0	178.0	+6.0
Business Solutions	95.9	99.0	+3.1
Platform Solutions	18.6	21.5	+2.9
Business Service	57.5	57.5	+0.0
Gross Profit	31.3	34.2	+2.9
<Gross profit margin>	<18.2%>	<19.2%>	<+1.0%>
SG&A	20.2	21.5	+1.3
Operating income	11.1	12.7	+1.6
Ordinary income (Recurring profit)	11.6	13.0	+1.4
Net income	6.6	7.4	+0.8

Sales by Business Line / Customer Industry



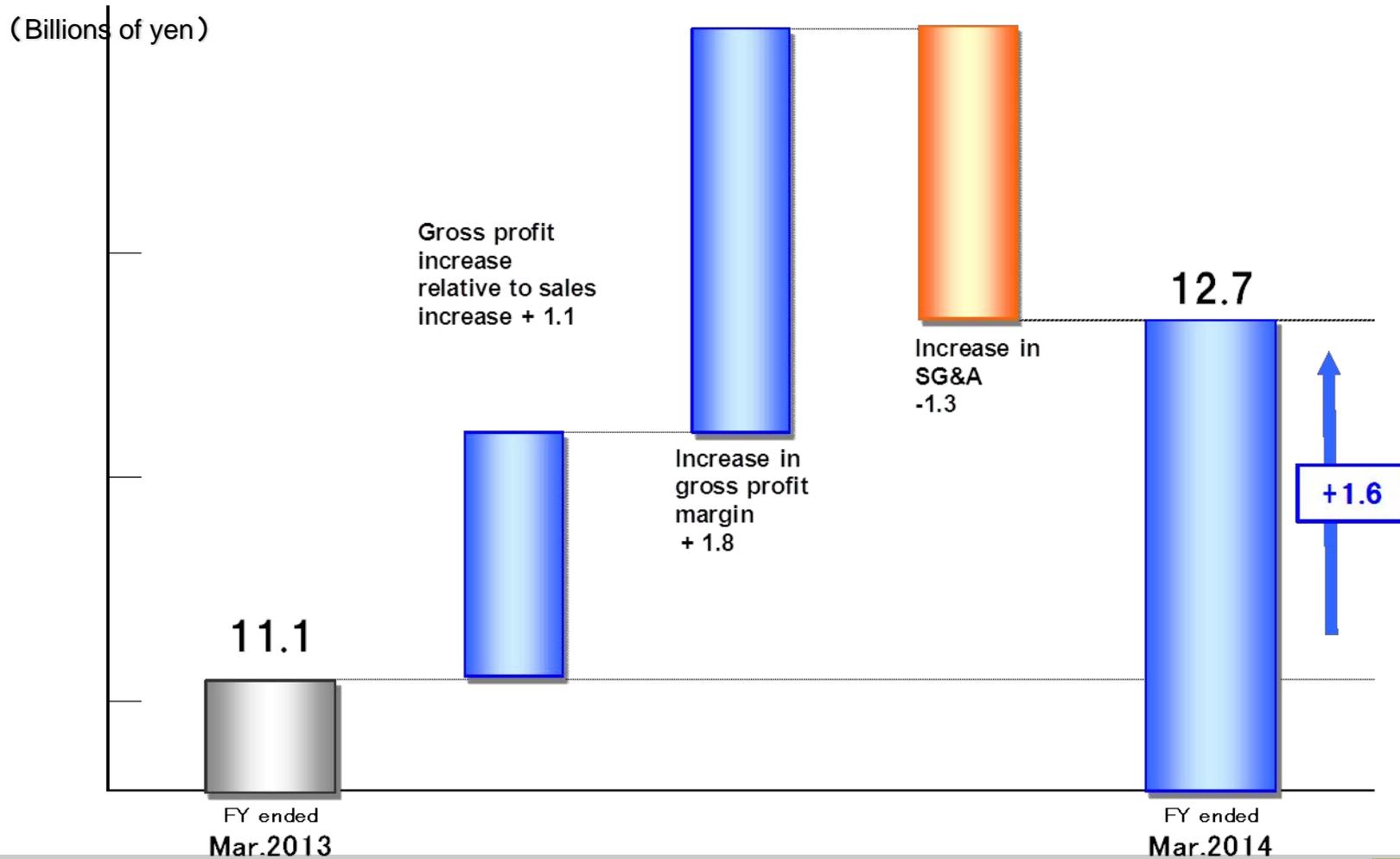
(Billions of yen)

	FY	FY	Change	Comment
	Mar.2013 (Actual) A	Mar.2014 (Outlook) B	B-A	
Business solutions	79.4	82.0	+2.6	-
Manufacturing, distribution and service industries	41.1	42.0	+0.9	Increase in global Manufacturer
Financial services	21.1	24.0	+2.9	Increase in mega banks
Government, public organizations and others	17.2	16.0	-1.2	Decrease in government
Platform solutions	16.6	19.0	+2.4	Increase in server integration
Business service	57.2	57.0	-0.2	Decrease in steel segment Increase in ITO
Subsidiaries, net	18.9	20.0	+1.1	
Consolidated sales	172.0	178.0	+6.0	-

Consolidated Operating Income Breakdown



Year on year



Policy on profit sharing

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



2013/03
¥40.00 per share



2014/03
¥40.00 per share



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