

TSE:2327



NS Solutions



**Financial Information for
the Third Quarter of the
Fiscal Year ending March 31, 2024
(April 1, 2023, through December 31, 2023)**

February 2, 2024

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.

Agenda

I . Results for the Third Quarter of FY2023

II . Outlook for FY2023

III . Appendix



Results for the Third Quarter of FY2023

I -1. Third Quarter of FY 2023 Highlights

¥ in billions

	FY2022	FY2023	Difference	
	1-3Q (9months)	1-3Q (9months)	YoY rate	
Revenue	206.8	220.1	+13.3	6%
Gross Profit	46.6	50.9	+4.3	9%
<Gross Profit Margin>	<22.5%>	< 23.1% >	< +0.6% >	
SG&A	24.4	27.5	+3.1	13%
Others	0.1	-0.1	-0.2	
Operating Profit	22.3	23.3	+1.0	4%
<Operating Profit Margin>	<10.8%>	< 10.6% >	< -0.2% >	
Profit before tax	22.6	23.7	+1.1	5%
Profit attributable to owners of parent	15.1	15.5	+0.4	3%

I -2. 3Q of FY 2023

Sales by Segment / Customer Industry

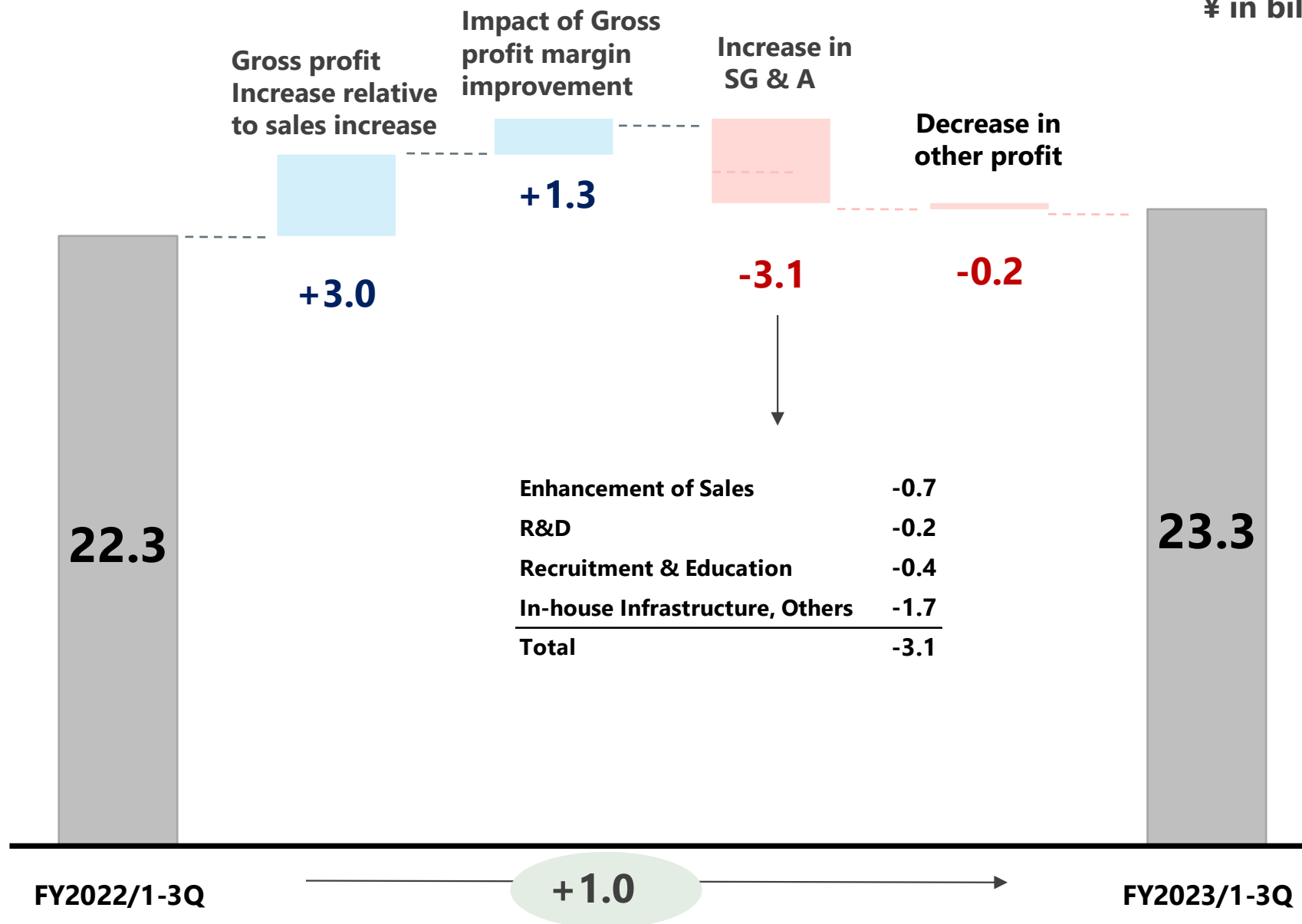
¥ in billions

	FY ended Mar. 2023 1-3Q (9months) <C&D>	FY ending Mar. 2024 1-3Q (9months) <C&D>	Difference <C&D>	
				Positive Customer/ Product
				Negative Customer / Product
Business Solutions	134.2 <26.7>	140.8 <27.8>	+6.6 <+1.0>	
Manufacturing, Nippon Steel Group	65.7 <11.6>	68.4 <10.5>	+2.7 <-1.0>	Nippon Steel, Transportation
Retail and Service, Digital Platformer	43.5 <8.9>	43.7 <8.8>	+0.2 <-0.1>	
Financial Service	25.1 <6.3>	28.7 <8.4>	+3.7 <+2.1>	Megabanks & Large banks
Consulting & Digital Service	46.9	49.7	+2.8	DWP solution, The Cloud Services, Oracle solutions
	<73.6>	<77.4>	<+3.8>	
Subsidiaries	25.7	29.6	+3.9	Joint venture companies, etc.
Total	206.8	220.1	+13.3	
<FYI>				
Revenue to Nippon Steel	42.4	46.5	+4.1	
Revenue to government, educational and research institutions	18.0	15.1	-2.9	

I -3. 3Q of FY 2023

Consolidated Operating Profit Breakdown

¥ in billions

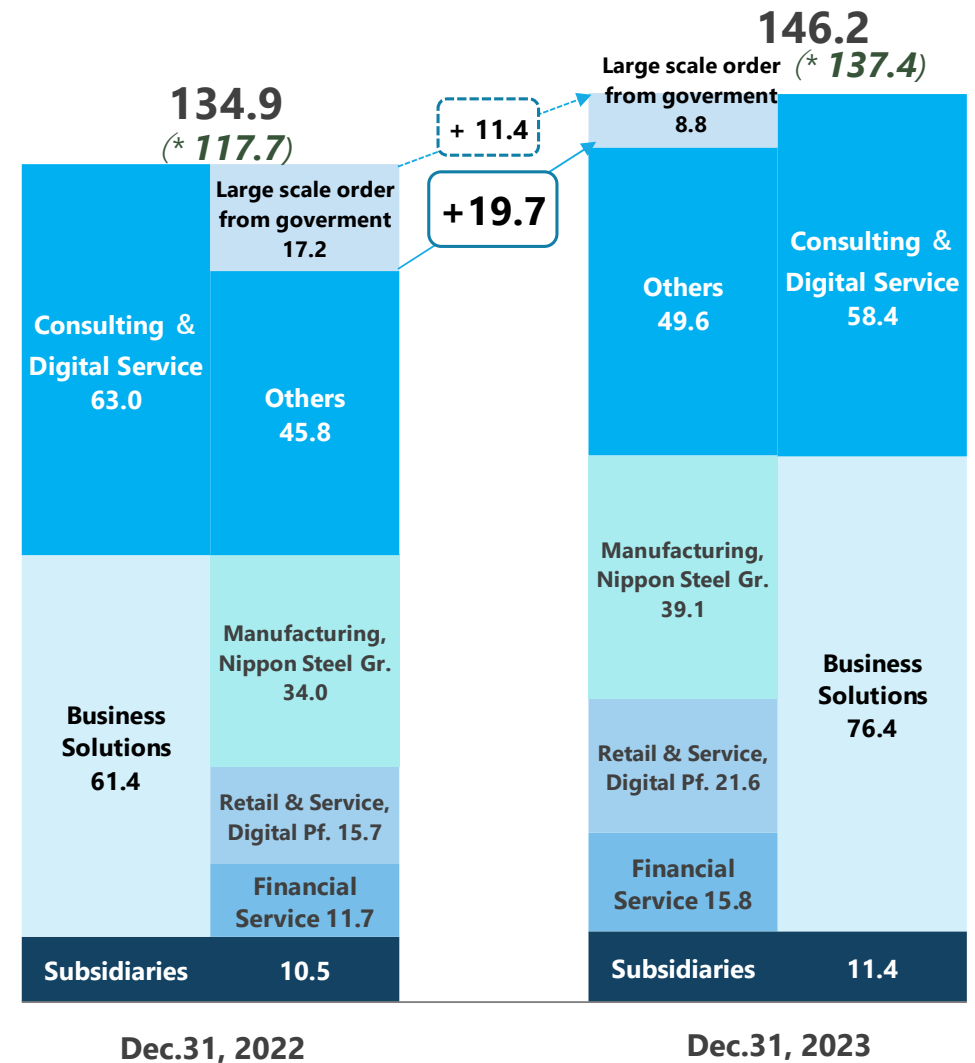
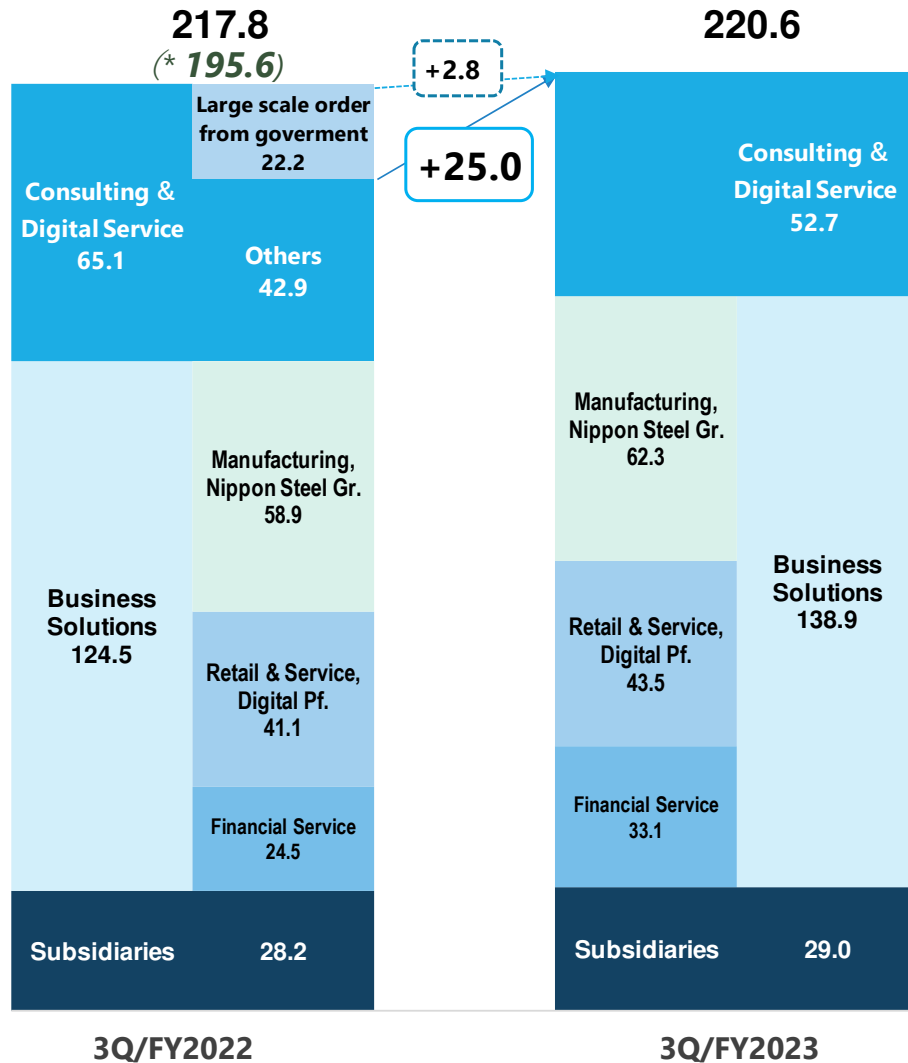


I -4. Order Acceptance / Order Backlog

¥ in billions

Order Acceptance

Order Backlog



(*Excludes impact of large orders received in prior year.)



Outlook for FY2023

II -1. Outlook for FY 2023

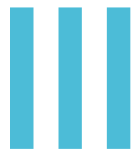
¥ in billions

	FY 2022			FY 2023			Difference YoY rate		
	1H	2H	FY	1H	2H (est.)	FY (est.)	1H	2H	FY
Revenue	134.7	157.0	291.7	144.8	160.2	305.0	7% +10.1	2% +3.2	5% +13.3
Gross Profit <Gross Profit Margin>	30.4 <22.6%>	35.5 <22.6%>	65.9 <22.6%>	33.4 <23.1%>	36.6 <22.8%>	70.0 <23.0%>	10% +3.0 <+0.5%>	3% +1.1 <+0.2%>	6% +4.1 <+0.3%>
SG&A	16.5	16.5	33.0	18.7	17.8	36.5	13% +2.2	8% +1.3	11% +3.5
Others	0.0	-1.2	-1.2	-0.1	0.1	0.0	-0.1	+1.3	+1.2
Operating Profit <Operating Profit Margin>	14.0 <10.4%>	17.7 <11.3%>	31.7 <10.9%>	14.6 <10.1%>	18.9 <11.8%>	33.5 <11.0%>	5% +0.6 <-0.3%>	6% +1.1 <+0.5%>	6% +1.8 <+0.1%>
Profit before tax	14.2	17.9	32.1	15.0	19.0	34.0	5% +0.8	6% +1.1	6% +1.9
Profit attributable to owners of parent	9.4	12.6	22.0	9.5	13.3	22.8	1% +0.1	6% +0.7	4% +0.8

II -2. Outlook for Sales by Segment / Customer Industry

¥ in billions

	FY 2022			FY 2023			Difference		
	1H	2H	FY	1H	2H (est.)	FY (est.)	1H	2H	FY
Business Solutions	89.0	94.4	183.3	92.9	100.1	193.0	+3.9	+5.8	+9.7
Manufacturing, Nippon Steel Group	43.7	45.6	89.3	45.6	48.9	94.5	+1.9	+3.4	+5.2
Retail and Service, Digital Platformer	28.9	30.7	59.5	29.2	33.3	62.5	+0.3	+2.7	+3.0
Financial Service	16.4	18.1	34.5	18.2	17.8	36.0	+1.8	-0.3	+1.5
Consulting & Digital Service	29.0	41.3	70.3	32.0	39.0	71.0	+2.9	-2.3	+0.7
Subsidiaries	16.7	21.3	38.0	19.9	21.1	41.0	+3.2	-0.2	+3.0
Total	134.7	157.0	291.7	144.8	160.2	305.0	+10.1	+3.2	+13.3
<FYI>									
Revenue to Nippon Steel	27.7	30.2	57.9	30.5	30.5	61.0	+2.8	+0.3	+3.1
Revenue to government, educational and research institutions	10.0	20.0	30.0	9.1	16.5	25.6	-0.9	-3.5	-4.3



Appendix

III-1. 3Q /FY 2023 Quarterly Consolidated Results

¥ in billions

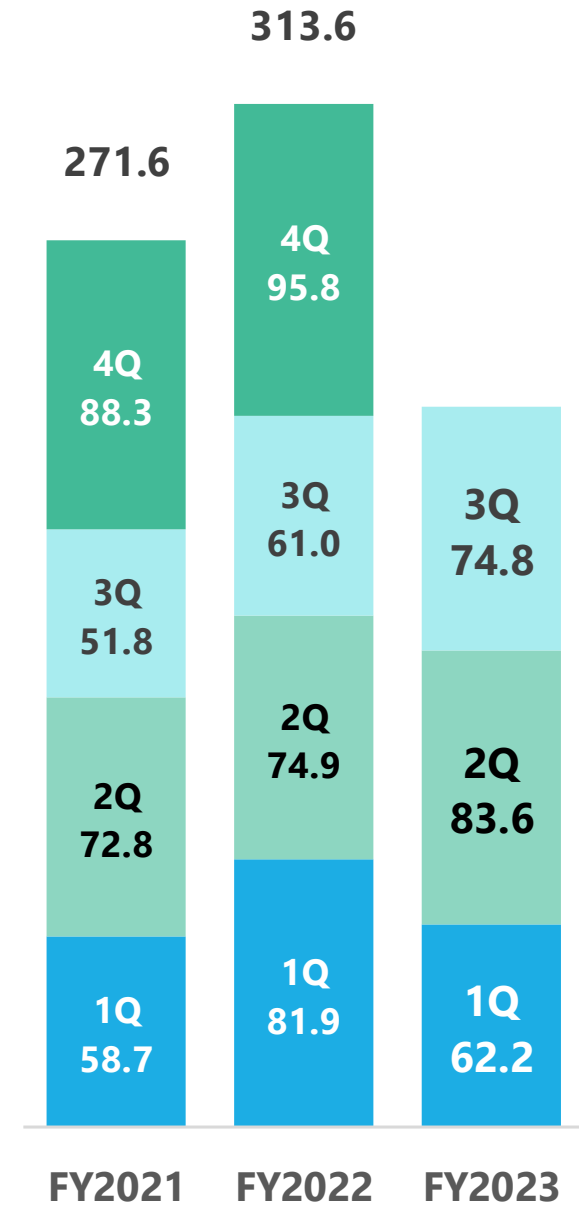
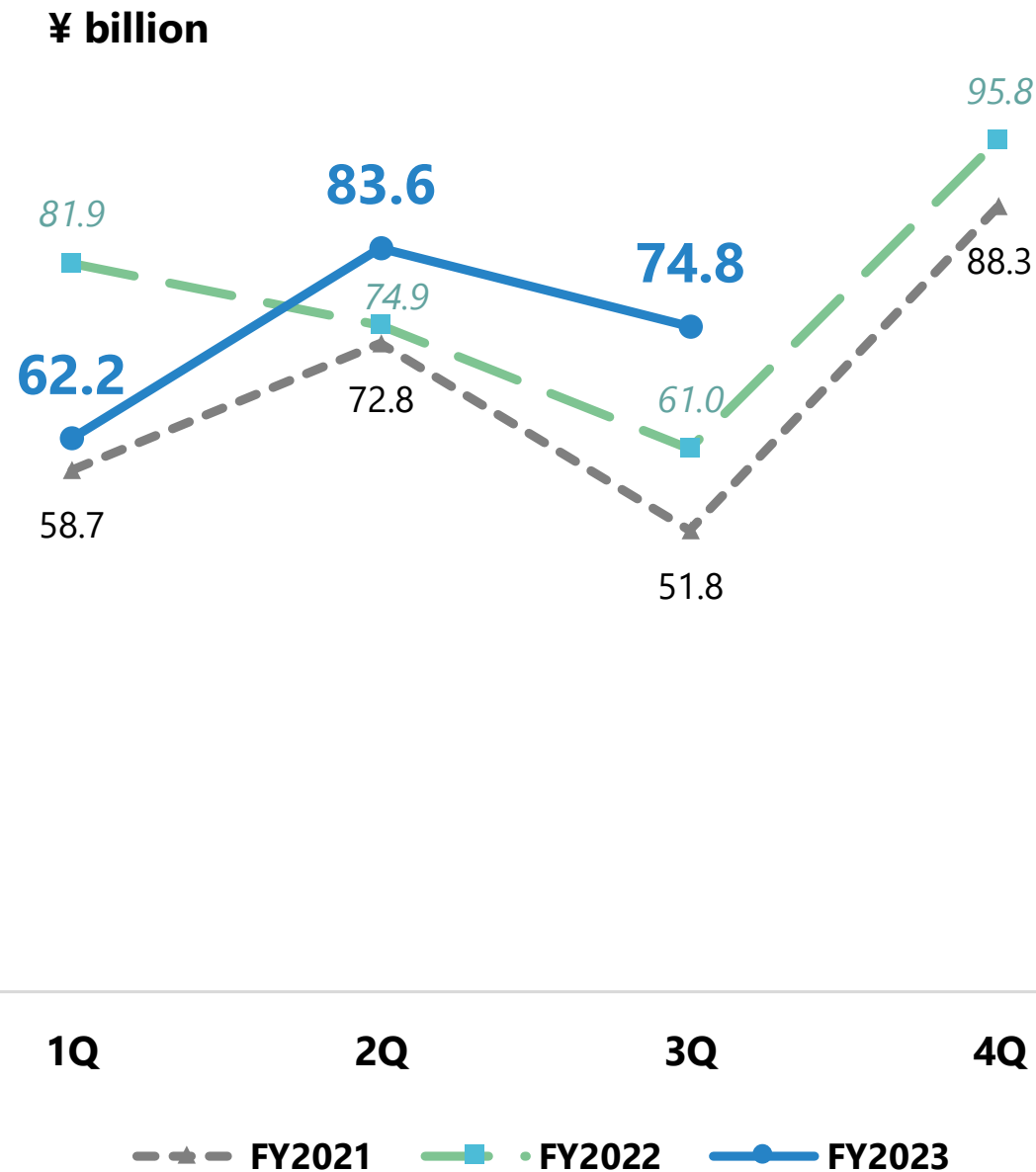
	FY 2022			FY 2023			Difference		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Revenue	134.7	72.1	206.8	144.8	75.3	220.1	+10.1	+3.3	+13.3
Gross Profit	30.4	16.2	46.6	33.4	17.5	50.9	+3.0	+1.3	+4.3
<Gross Profit Margin>	<22.6%>	<22.4%>	<22.5%>	<23.1%>	<23.2%>	<23.1%>	<+0.5%>	<+0.8%>	<+0.6%>
SG&A	16.5	7.9	24.4	18.7	8.8	27.5	+2.2	+0.9	+3.1
Others	0.0	0.1	0.1	-0.1	-0.0	-0.1	-0.1	-0.1	-0.2
Operating Profit	14.0	8.3	22.3	14.6	8.7	23.3	+0.6	+0.3	+1.0
<Operating Profit Margin>	<10.4%>	<11.5%>	<10.8%>	<10.1%>	<11.5%>	<10.6%>	<-0.3%>	<-0.1%>	<-0.2%>
Profit before tax	14.2	8.4	22.6	15.0	8.7	23.7	+0.8	+0.3	+1.1
Profit attributable to owners of parent	9.4	5.7	15.1	9.5	6.0	15.5	+0.1	+0.3	+0.4

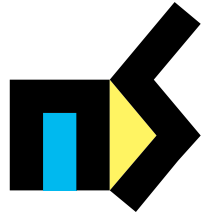
III-2. 3Q of FY 2023 Sales by Segment / Customer Industry

¥ in billions

	FY 2022			FY 2023			Difference		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Business Solutions	89.0	45.3	134.2	92.9	47.9	140.8	+3.9	+2.7	+6.6
Manufacturing, Nippon Steel Group	43.7	22.0	65.7	45.6	22.9	68.4	+1.9	+0.9	+2.7
Retail and Service, Digital Platformer	28.9	14.6	43.5	29.2	14.5	43.7	+0.3	-0.1	+0.2
Financial Service	16.4	8.7	25.1	18.2	10.6	28.7	+1.8	+1.9	+3.7
Consulting & Digital Service	29.0	17.9	46.9	32.0	17.7	49.7	+2.9	-0.2	+2.8
Subsidiaries	16.7	9.0	25.7	19.9	9.7	29.6	+3.2	+0.7	+3.9
Total	134.7	72.1	206.8	144.8	75.3	220.1	+10.1	+3.3	+13.3
<FYI>									
Revenue to Nippon Steel	27.7	14.7	42.4	30.5	16.0	46.5	+2.8	+1.3	+4.1
Revenue to government, educational and research institutions	10.0	8.0	18.0	9.1	5.9	15.1	-0.9	-2.0	-2.9

III-3. Quarterly Orders Received





NS Solutions

Dream our future

Unleash the possibilities of society,

With technology and passion

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Unless otherwise noted, all financial figures are on consolidated basis.