

TSE:2327



NS Solutions

 **NIPPON STEEL**

3rd Quarter Results FY2025 and FY2025 Guidance

January 30, 2026

NS Solutions Corporation



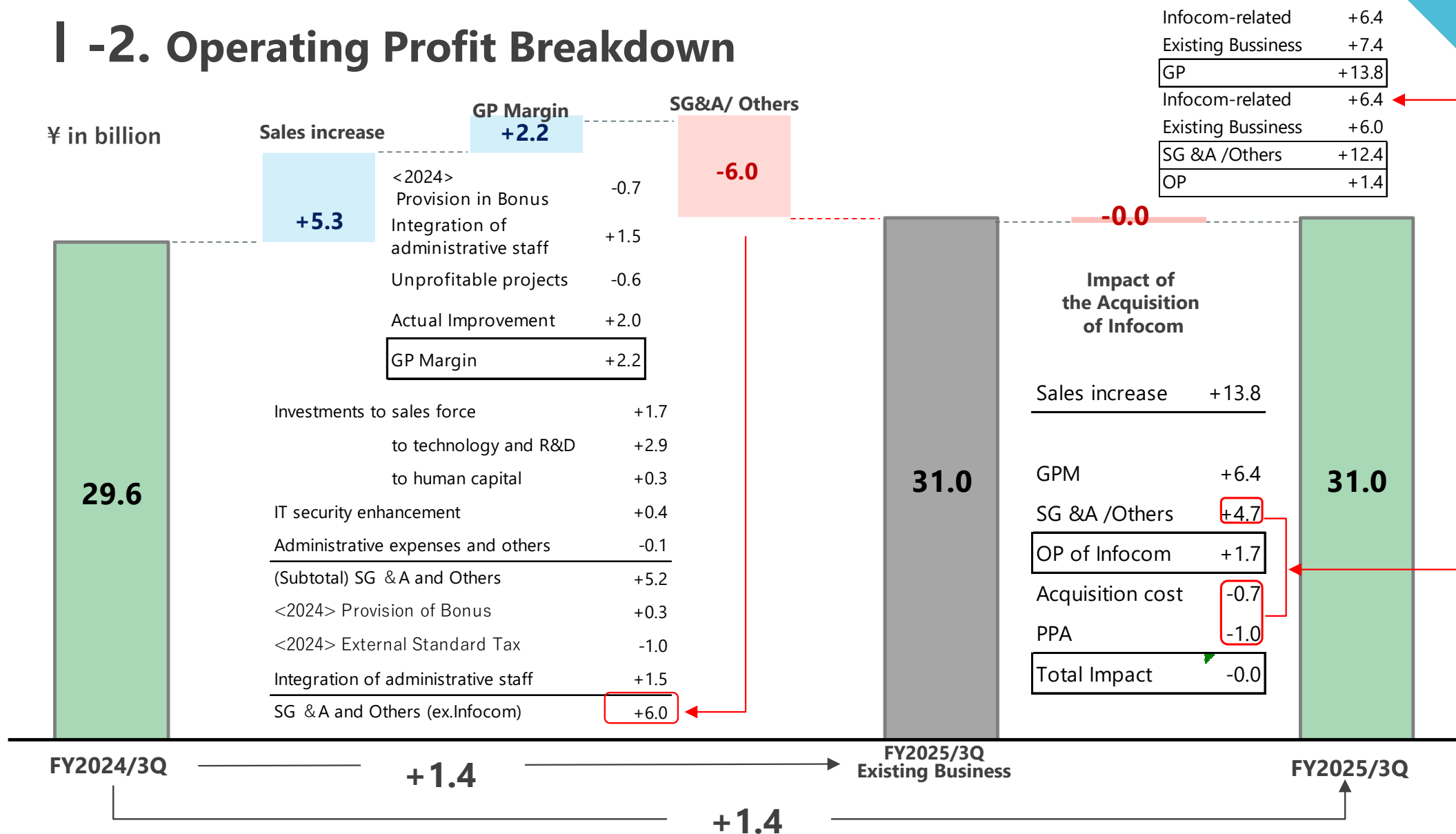
FY2025/3Q Results

I -1. FY2025/3Q Highlights

- In a favorable business environment, including the impact of Infocom becoming a subsidiary, revenue and gross profit increased significantly.
- Operating profit increased by 5% as sales revenue growth covered the rise in SG&A expenses driven primarily by investments toward transforming the business model.

	A	B	C	D=B+C	E=B-A	F=D-A
¥ in billion	FY2024 /3Q	Existing Business	Impact of the Acquisition of Infocom	FY2025 /3Q	Existing Business	Difference YoY rate
Revenue	240.3	261.6	13.8	275.4	+21.3	+35.1 15%
Gross Profit <GP Margin>	59.3 <24.7%>	66.7 <25.5%>	6.4	73.1 <26.5%>	+7.4 <+0.8%>	+13.8 <+1.9%> 23%
SG&A and Other Profit	29.7	35.7	* 6.4	42.1	+6.0	+12.4 42%
Operating Profit <OP Margin>	29.6 <12.3%>	31.0 <11.9%>	-0.0	31.0 <11.3%>	+1.4 <-0.5%>	+1.4 <-1.1%> 5%
Profit before tax	30.3	* Including M&A costs (¥0.7bn) and PPA(¥1.0bn)		31.8		+1.5 5%
Profit attributable to owners of parent	20.4			21.1		+0.7 4%

I -2. Operating Profit Breakdown



I -3. Sales by Segment / Customer Industry

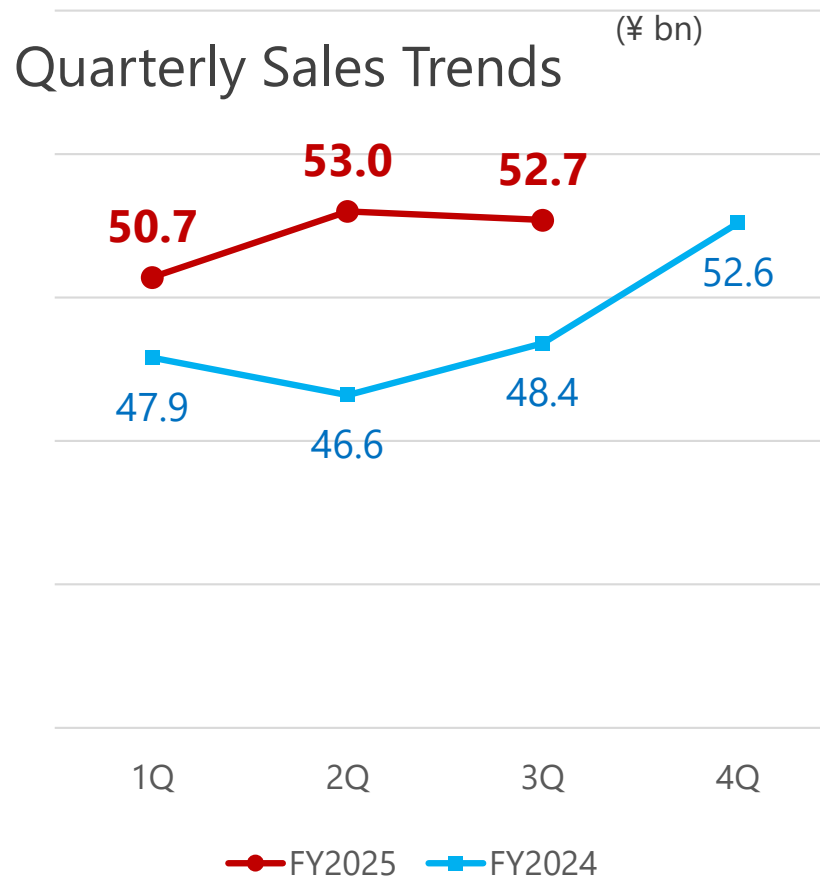
- Sales increased across all sectors amid a favorable business environment.

	A	B	C=B-A	D	D-B	
	FY2024/3Q	FY2024/3Q After Reclassifications		FY2025/3Q	Change YoY	
¥ in billion						
Business Solutions	147.6	142.8	-4.7	156.4	9% +13.5	
Manufacturing, Nippon Steel Group	69.3	69.3		75.7	+6.5	
Retail and Service, Digital Platformer	44.3	39.6	-4.7	46.2	+6.7	
Financial Service	34.0	34.0		34.4	+0.4	
Consulting & Digital Service	56.3	61.1	+4.7	65.6	7% +4.5	
Government, Educational and Research Institutions	14.9	14.9		18.1	+3.2	Steel +3.2
IT Infrastructure Services	41.5	46.2	+4.7	47.5	+1.3	CONS/DIG +1.6
Group Business	36.4	36.4		53.4	47% +17.1	Group +0.4
Total	240.3	240.3		275.4	15% +35.1	
<FYI> Revenue to Nippon Steel	47.6	47.6		52.7	+5.1	

*Some areas have been reclassified from "Retail and Service, Digital Platformer" to "Consulting & Digital Services", and comparisons for the prior period are presented with figures after reclassification.

I -4. Business Solutions Segment

¥ in billions



*FY2024: After Reclassification

	FY2024/3Q After Reclassifications	FY2025/3Q	Change YoY
Business Solutions	142.8	156.4	9% +13.5
Manufacturing, Nippon Steel Group	69.3	75.7	+6.5
Retail and Service, Digital Platformer	39.6	46.2	+6.7
Financial Service	34.0	34.4	+0.4

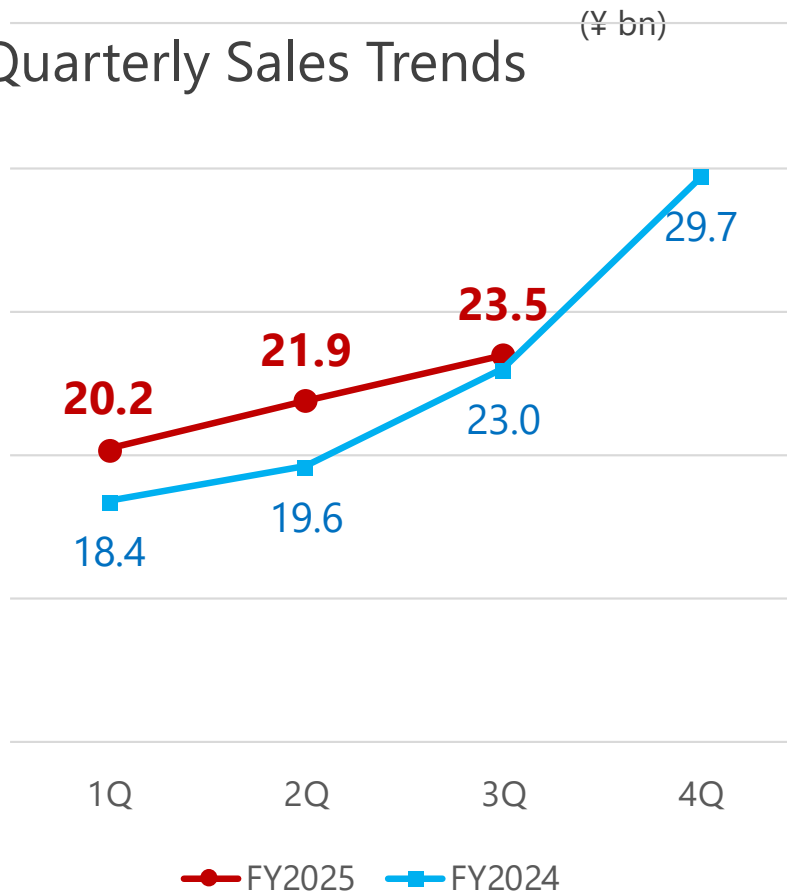
"Manufacturing" and "Retail" areas are recovering

- ✓ Revenue from Nippon Steel is stable.
- ✓ Manufacturing increased in Auto, Industrial machinery, Electronics and Chemical, etc.
- ✓ Retail and Service, Digital Platformer increase in sales mainly in Retail and Travel.
- ✓ Financial Services offset the impact of the previous year's Oracle projects with its asset-based business, achieving increased revenue.

I -5. Consulting & Digital Service Segment

¥ in billions

Quarterly Sales Trends (¥ bn)



*FY2024: After Reclassification

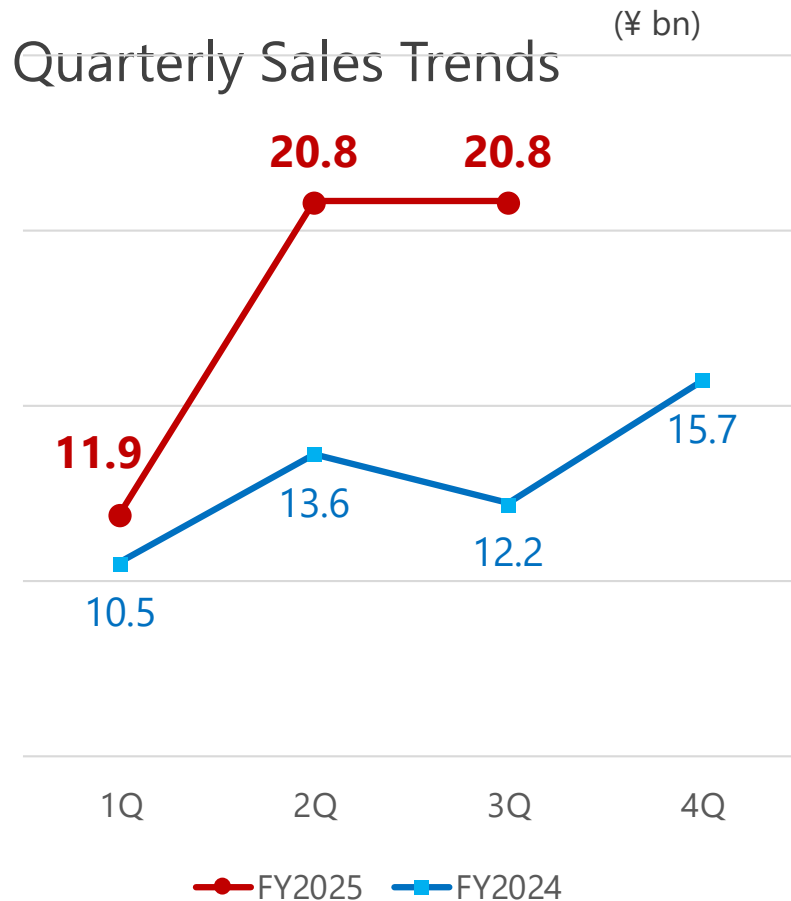
	FY2024/3Q After Reclassifications	FY2025/3Q	Change YoY
Consulting & Digital Service	61.1	65.6	7% +4.5
Government, Educational and Research Institutions	14.9	18.1	+3.2
IT Infrastructure Services	46.2	47.5	+1.3

Revenue growth primarily driven by government agencies, CMP, and security-related businesses

- ✓ Major Factors of Sales Increase/Decrease in IT Infrastructure (¥ in billions)
 - CMP : +1.9
 - Security : +0.9

I -6. Group Business

¥ in billions



	FY2024/1H	FY2025/1H	Change YoY
Group Business	36.4	53.4	47% +17.1

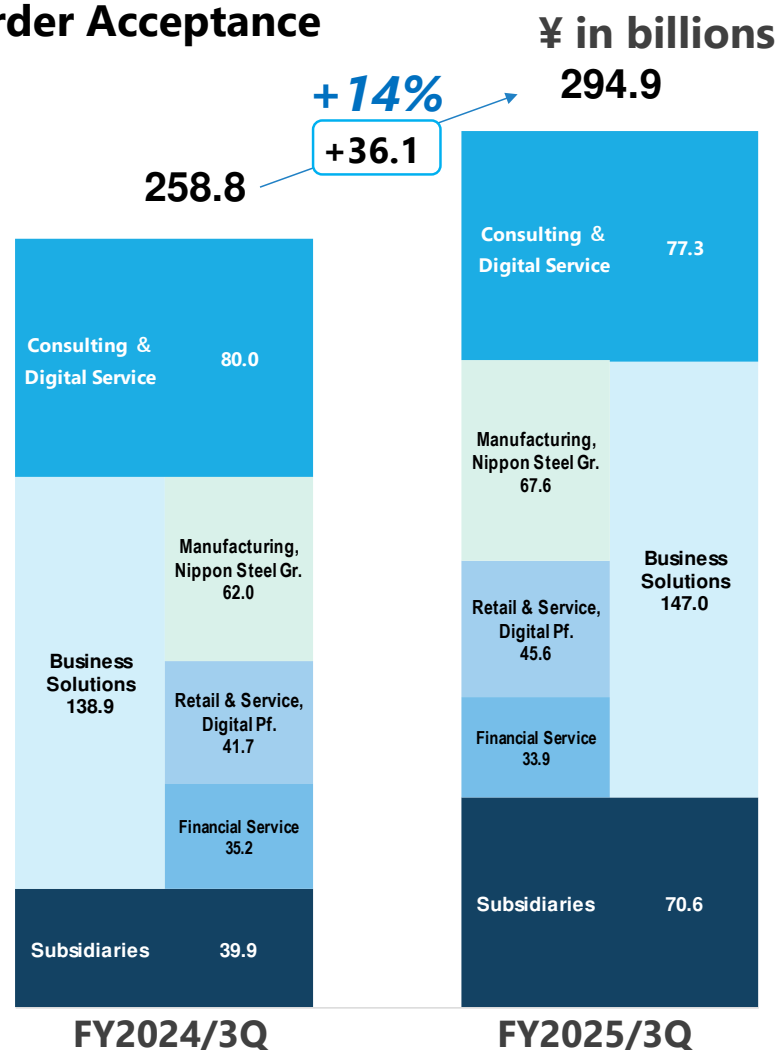
Significant increase due to Infocom consolidation impact.

Other group companies also performing well.

- Sales in Infocom +13.8
- ERP projects in joint ventures continue to perform well.
- Projects for local companies at regional subsidiaries are performing well.

I -7. FY2025/3Q Order Acceptance

Order Acceptance



Consulting & Digital Service Segment

YoY-¥2.7 bn

- ✓ Significant recovery from the end of the first half (-¥17.4 billion) due to securing a large-scale contract for the Ministry of Defense

Business Solutions Segment

YoY+¥8.2 bn

- ✓ Manufacturing & NSC +5.6
Increased Food Industries.
- ✓ Retail & Service, Digital Pf. +3.9
Increased in retail sector, etc.
- ✓ Financial Service -1.3
A slight decrease, primarily due to the rebound effect from Oracle projects for megabanks in the same period last year.

Group Business

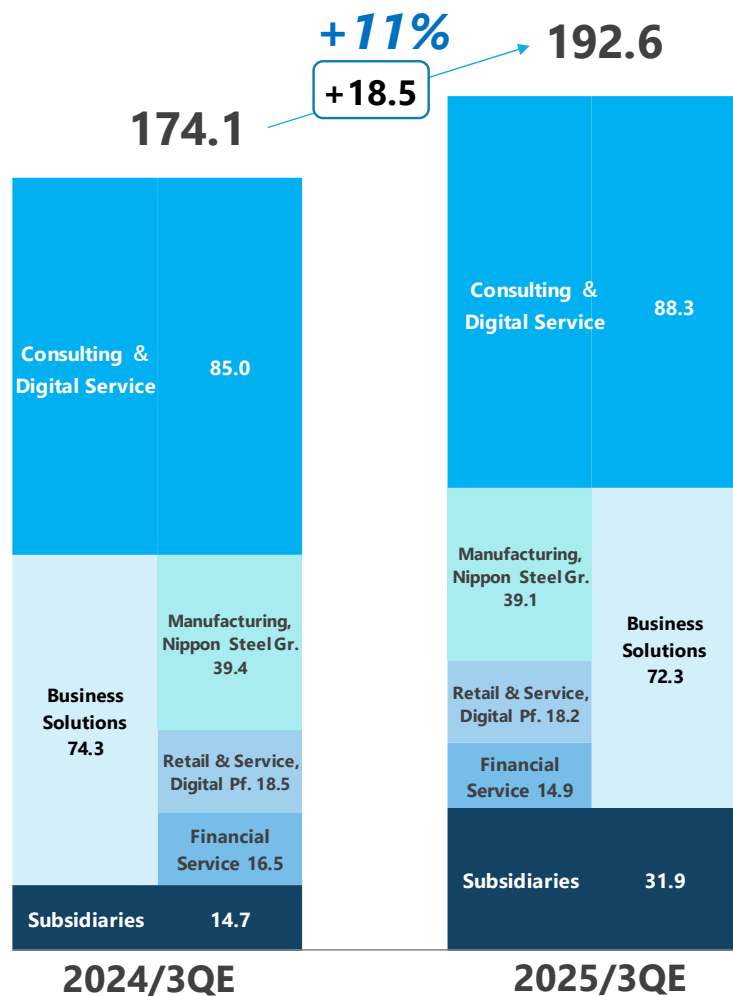
YoY+¥30.7 bn

- ✓ Significant increase due to Infocom's consolidation effect (¥28.6bn)

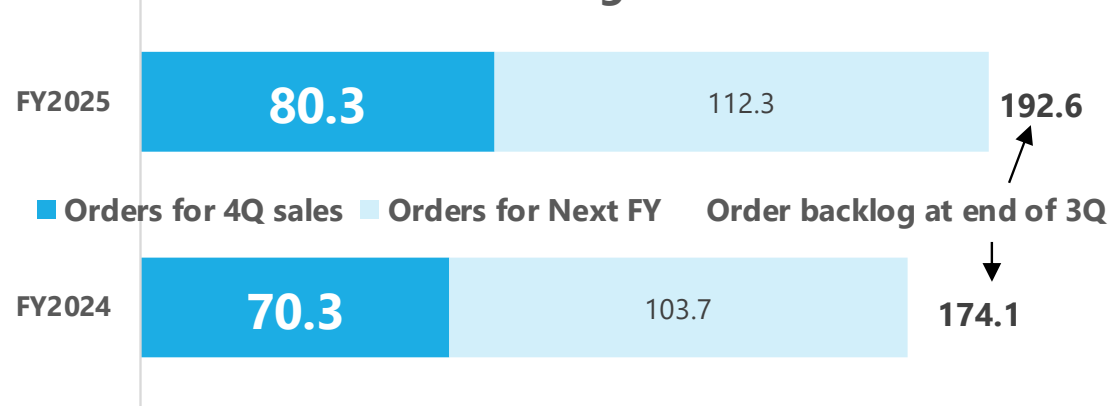
I -8. FY2025/3Q Order Backlog

Order Backlog

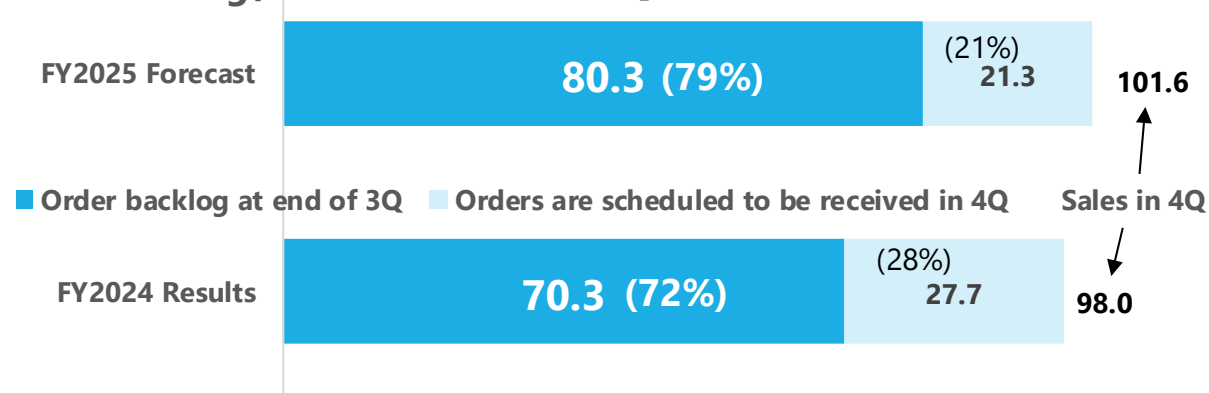
¥ in billions



Breakdown of orders backlog at end of 3Q



Order backlog / Sales forecast for 4Q





FY2025 Guidance

II -1. FY2025 Forecast

- We will reliably achieve an operating profit of ¥43 billion this fiscal year. This will help us to achieve the 2027 fiscal year operating profit target of ¥60 billion.

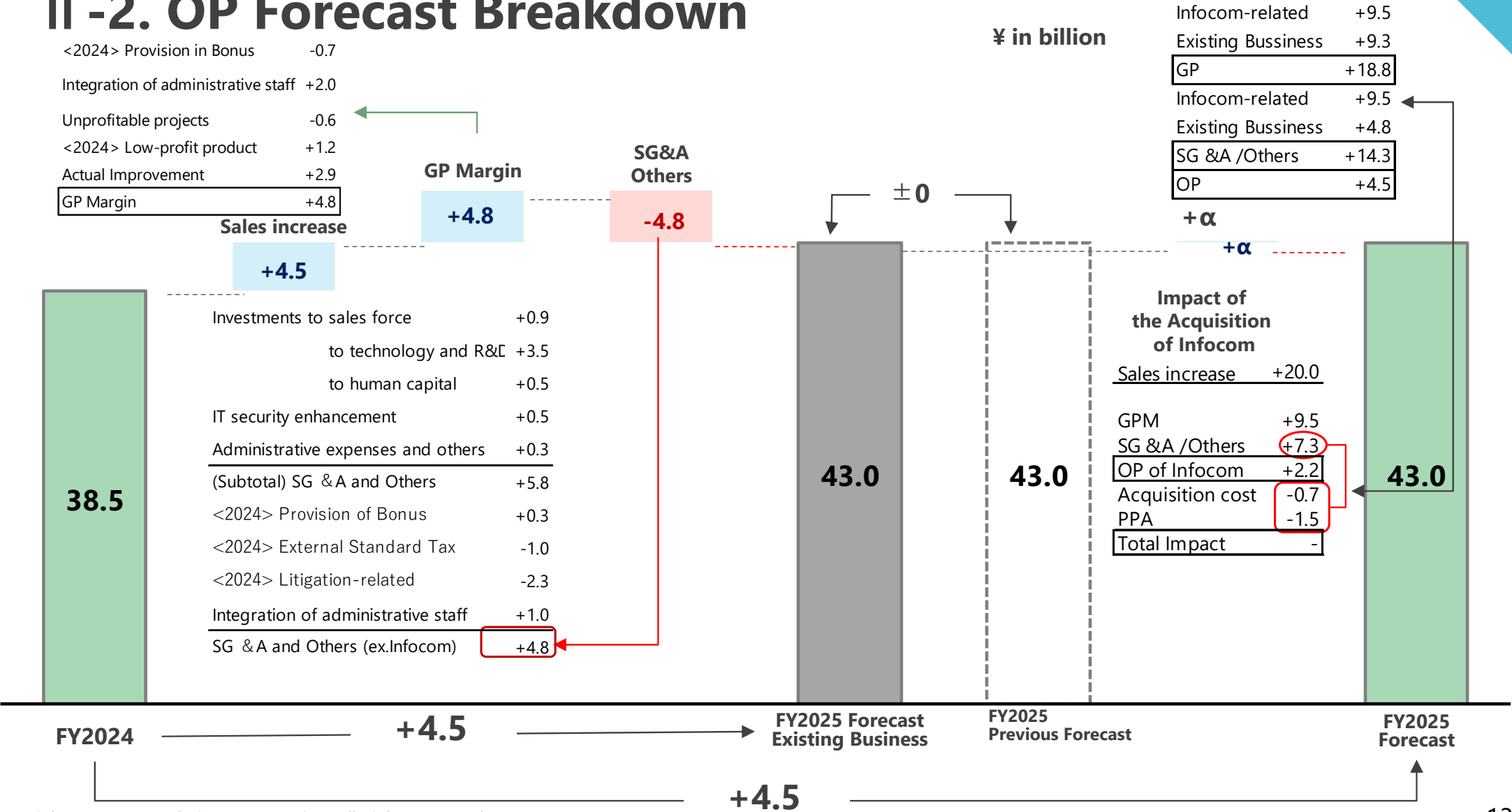
¥ in billion

	FY2024				FY2024 Forecast				YoY		
	1H	3Q	4Q	Full Year	1H	3Q	4Q	Full Year	vs. FY2024	Ex. Infocom	Infocom
Revenue	156.6	83.7	98.0	338.3	178.4	97.0	101.6	377.0	+38.7	+18.7	+20.0
Gross Profit	38.4	21.0	22.4	81.7	46.1	27.0	27.4	100.5	+18.8	+9.3	+9.5
<Gross Profit Margin>	<24.5%>	<25.0%>	<22.8%>	<24.2%>	<25.9%>	<27.8%>	<27.0%>	<26.7%>	<2.5%>	<+1.3%>	
SG & A and Othr Profit	20.2	9.5	^{*1} 13.5	43.2	27.9	14.2	15.4	57.5	+14.3	+4.8	^{*2} +9.5
Operating Profit	18.1	11.5	8.9	38.5	18.3	12.7	12.0	43.0	+4.5	+4.5	-
<Operating Profit Margin>	<11.6%>	<13.7%>	<9.1%>	<11.4%>	<10.2%>	<13.1%>	<11.8%>	<11.4%>	<0.0%>	<+0.7%>	
Profit before tax	18.2	12.1	8.8	39.1	18.8	13.0	11.9	43.7	+4.6		
Profit attributable to owners of parent	12.2	8.2	6.6	27.0	12.0	9.1	8.1	29.2	+2.2		

*1 Including litigation-related expenses (¥2.3 billion)

*2 Including M&A costs (¥0.7 billion) and PPA (¥1.5 billion)

II -2. OP Forecast Breakdown



II -3. Dividend Forecast

1. Dividend Policy

We believe it is important to maintain and strengthen our competitiveness and increase our shareholder value in the future. Our basic policy for distributing profits is to pay appropriate and stable dividends to shareholders and to secure internal reserves for investment in business growth and to prepare for business risks.

In terms of dividends, we aim for a consolidated dividend **payout ratio of 50%**, placing an emphasis on returning profits to shareholders in line with consolidated business performance.

2. Dividend Forecast

	FY2024	FY2025 forecast			YoY
		Interim	Year-end		
Profit attributable to Owners of parent (¥ in billions)	27.0	12.0	17.2	29.2	+2.2
EPS (Yen per Share)	147.8	65.6	94.0	159.6	+11.8
Dividends (Yen per Share)	74.0	40.0	40.0	80.0	+6.0
POR	50.1%			50.1%	0%

II -4. Notice of Business Briefing Session

Wednesday, March 18, 2026, 4:00 PM ZOOM Meeting

Presentation Topics: 1. About the Offering
2. About the Financial Solution Businesses

Further details will be sent via email.
We sincerely hope you will join us.



Appendix

III-1. Quarterly Performance Trends

	FY2024				FY2025			Change
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	3Q
Revenue	76.8	79.8	83.7	98.0	82.7	95.7	97.0	+13.3
Gross Profit	18.7	19.6	21.0	22.4	21.0	25.1	27.0	+6.0
<Gross Profit Margin>	<24.4%>	<24.6%>	<25.0%>	<22.8%>	<25.4%>	<26.3%>	< 27.8% >	<+2.7%>
SG&A	9.9	10.3	9.5	13.5	12.4	15.4	14.2	+4.7
Operating Profit	8.8	9.3	11.5	8.9	8.5	9.8	12.7	+1.3
<Operating Profit Margin>	<11.5%>	<11.7%>	<13.7%>	<9.1%>	<10.3%>	<10.2%>	< 13.1% >	<-0.6%>
Profit before tax	9.0	9.1	12.1	8.8	8.8	10.0	13.0	+0.8
Profit attributable to owners of parent	5.4	6.8	8.2	6.6	5.1	6.9	9.1	+0.9

III-2. Quarterly Sales by Segment / Customer Industry

¥ in billion	FY2024				FY2025			YOY		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	1Q	2Q	3Q
Business Solutions	47.9	46.6	48.4	52.6	50.7	53.0	52.7	+2.8	+6.4	+4.3
Manufacturing, Nippon Steel Group	22.4	23.1	23.8	26.2	24.6	26.0	25.2	+2.1	+2.9	+1.4
Retail and Service, Digital Platformer	12.9	13.2	13.5	14.7	14.8	15.0	16.4	+1.9	+1.9	+2.9
Financial Service	12.5	10.3	11.2	11.7	11.3	11.9	11.2	-1.2	+1.6	-0.0
Consulting & Digital Service	18.4	19.6	23.0	29.7	20.2	21.9	23.5	+1.7	+2.3	+0.4
Government, Educational and Research Institutions	3.9	5.0	6.0	11.3	4.3	6.3	7.5	+0.4	+1.3	+1.5
IT Infrastructure Services	14.5	14.6	17.0	18.4	15.9	15.6	16.0	+1.3	+1.0	-1.1
Group Business	10.5	13.6	12.2	15.7	11.9	20.8	20.8	+1.3	+7.2	+8.6
Total	76.8	79.8	83.7	98.0	82.7	95.7	97.0	+5.9	+15.9	+13.3
<FYI> Revenue to Nippon Steel	15.3	15.3	17.1	17.7	17.8	17.6	17.3	+2.6	+2.3	+0.2

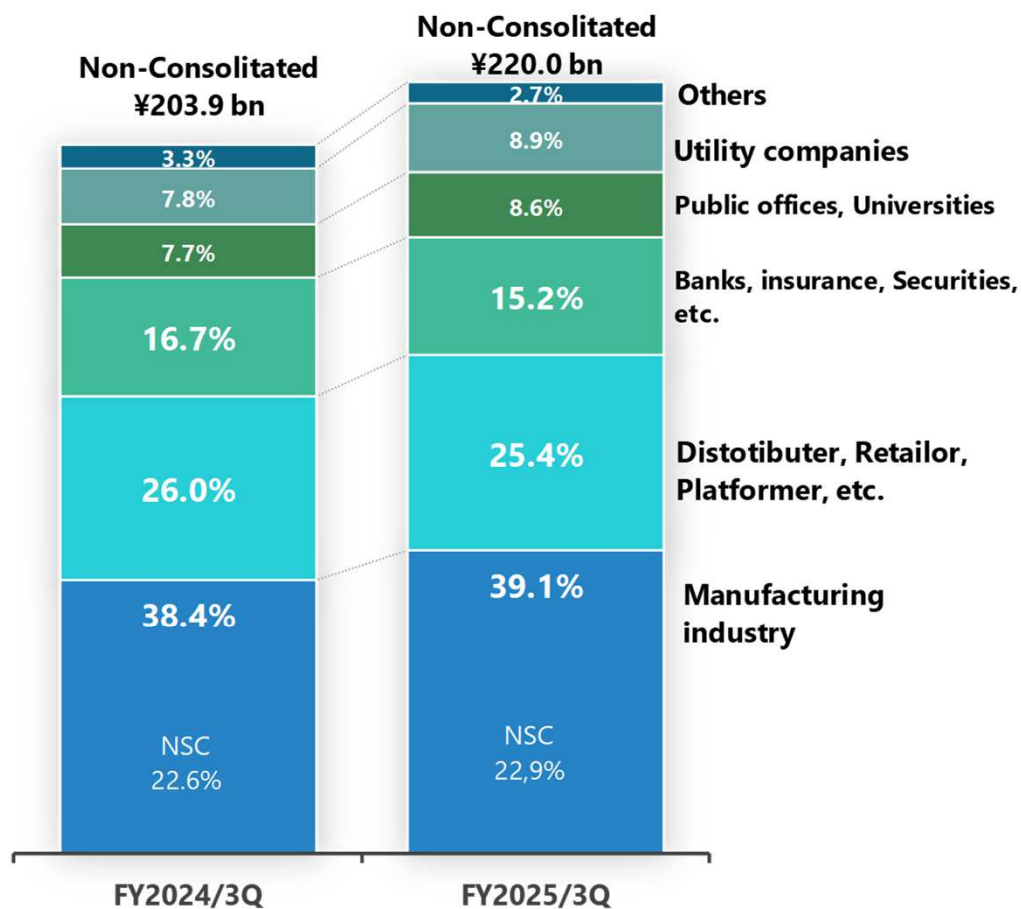
III-3. Sales Forecast by Segment / Customer Industry

	A	B	B-A	C	C-B
¥ in billion	FY2024	FY2024 After Reclassifications		FY2025 Forecast	Change
Business Solutions	202.7	195.5	-7.2	203.5	+8.0
Manufacturing, Nippon Steel Group	95.4	95.4		98.0	+2.6
Retail and Service, Digital Platformer	61.5	54.3	-7.2	59.5	+5.2
Financial Service	45.7	45.7		46.0	+0.3
Consulting & Digital Service	83.5	90.7	+7.2	96.5	+5.8
Government, Educational and Research Institutions	26.1	26.1		25.5	-0.6
IT Infrastructure Services	57.4	64.6	+7.2	71.0	+6.4
Subsidiaries	52.1	52.1		77.0	+24.9
Total	338.3	338.3		377.0	+38.7
<FYI> Revenue to Nippon Steel	65.3	65.3		71.5	+6.2

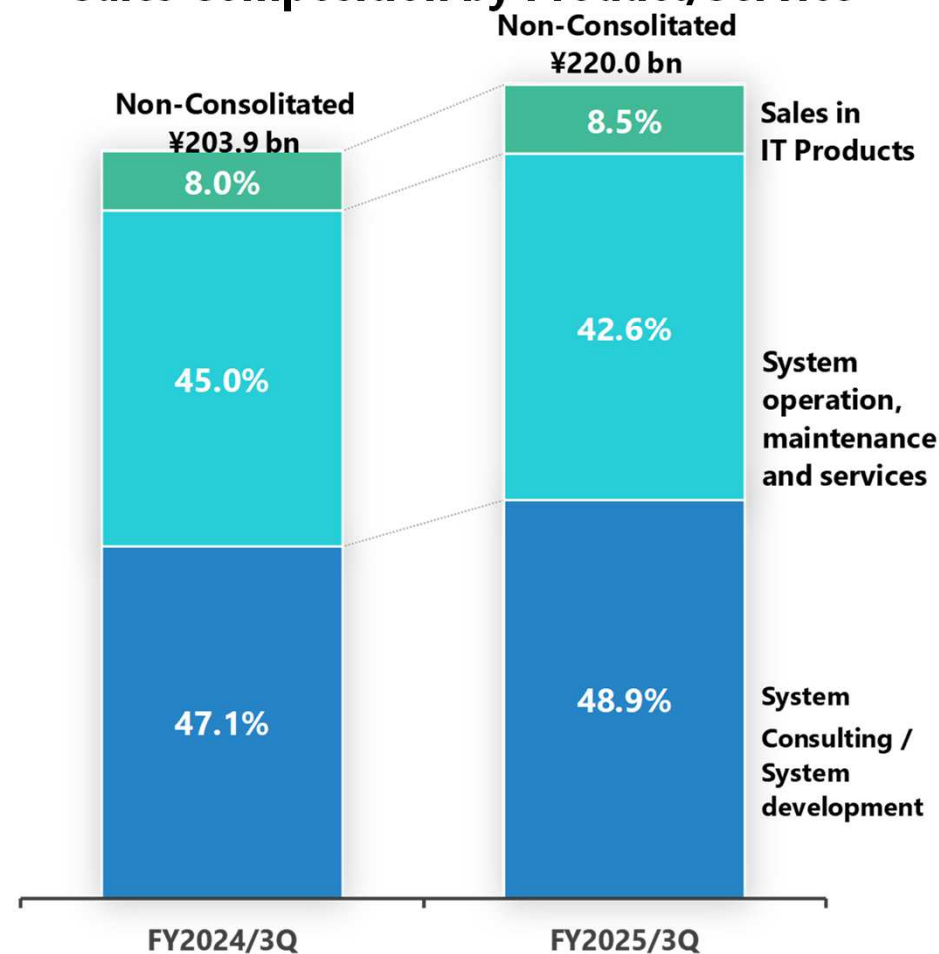
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III -4. Sales by Customer Industry / Sales Composition by Product/Service

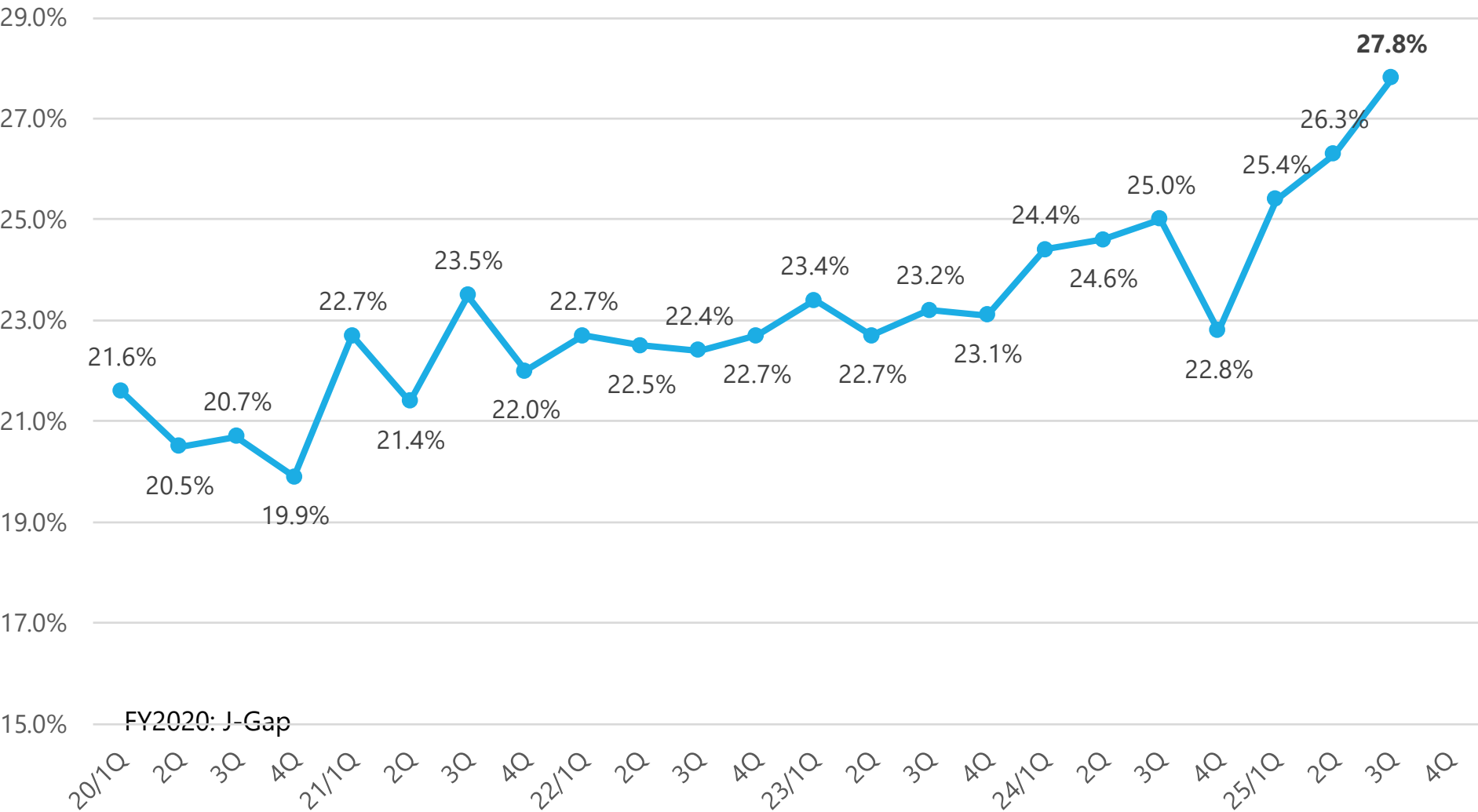
Sales by Customer Industry



Sales Composition by Product/Service



III-5. Trend in Gross Profit Margin



III-5. Major One-Time Factors, Major Projects by Quarter

¥ in billion

	FY2024				FY2025		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Sales	76.8	79.8	83.7	98.0	82.7	98.0	97.0
Major Projects	㊟ O 3.0 ㊟ Newly subsidiaries 1.2	㊟ Newly subsidiaries 1.2	㊟ Newly subsidiaries 1.3	㊟ Newly subsidiaries 1.4		㊟ Newly subsidiaries 7.0	㊟ Newly subsidiaries 6.8
O.P.	8.8	9.3	11.5	8.9	8.5	8.9	12.7
One-Time	Provision for bonuses+1.0	Dual corporate tax -1.0		Litigation-related reserves --2.3 Lower profit product -1.2		Acquisition Cost -0.7	
Order	86.5	87.2	85.2	97.0	75.2	111.2	108.5
7	㊟ O 3.0 ㊟ G 7.3 ㊟ Newly subsidiaries 2.2	㊟ G 4.0 ㊟ Newly subsidiaries 1.4	㊟ G 5.0 ㊟ Newly subsidiaries 1.2	㊟ Newly subsidiaries 1.4		㊟ Newly subsidiaries 24.8	㊟ G 26.8 ㊟ Newly subsidiaries 3.8

㊟: Business Solutions, ㊟:Consulting & Digital Service,㊟: Subsidiaries 、O:Oracle, G:Government Project



Social Value Producer with Digital

<https://www.nssol.nipponsteel.com/en/>

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