Securities code: 2327 (TSE Prime, NSE, FSE)

FY2026 Q2 Financial Results and Progress of the 2025–2027 Mid-Term Plan

November 2, 2026

NS Solutions Corporation
Kazuhiko Tamaoki, President & CEO

NS Solutions

NIPPON STEEL

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EXECUTIVE SUMMARY

Record 1H revenue and profit; FY OP forecast raised to ¥49.0bn

FY2026 1H Results

Revenue	OP	Profit attributable to owners of parent*
¥199.0bn	¥23.2bn	¥14.9bn
YoY +12% +¥20.6bn	YoY +27% +¥4.9bn	YoY +24% +¥2.8bn

Robust demand delivered record first-half revenue, operating profit and net profit

FY2026 Forecast (revised up)

Revenue	OP	Profit attributable to owners of parent*
¥419.0bn	¥49.0bn	¥32.4bn
YoY +10% +¥37.7bn / vs. prev. ±0	YoY +11% +¥4.8bn / vs. prev. +¥0.5bn	YoY +5% +¥1.6bn / vs. prev. +¥0.1bn

* Profit attributable to owners of parent (same below)

Transformation Highlights

Shift to TAM business model

TAM models expected to account for c.50% of FY2026 revenue

COREPEAK© launched

Our offering brand, targeting about ¥10bn of new business in its first year

Strategic partnership with Anthropic

A first for a Japanese user-affiliated SIer; AI-native transformation starting at Nippon Steel's plants

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01

FY2026 1H Results

1H: Record revenue and profit

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1. FY2026 1H Results

Record first-half revenue and profit, with gross profit ratio up 1.2pt

	FY2025 1H	FY2026 1H	Change	%	Prev. Outlook	vs. prev.
Revenue	178.4	199.0	+20.6	+12%	200.0	-1.0
Gross profit	46.1	53.9	+7.7	+17%	54.5	-0.6
Gross profit ratio	*25.9%*	*27.1%*	*+1.2pt*		*27.3%*	*-0.2pt*
SG&A	27.9	30.7	+2.8	+10%	33.0	-2.3
OP	18.3	23.2	+4.9	+27%	21.5	+1.7
Operating profit ratio	*10.2%*	*11.7%*	*+1.4pt*		*10.8%*	*+0.9pt*
Pre-tax profit	18.8	23.7	+4.9	+26%	21.9	+1.8
Profit attrib. to owners of parent*	12.0	14.9	+2.8	+24%	13.3	+1.6

*Prev. Outlook: 1H consolidated forecast announced on July 30, 2026 (Q1 results)

Revenue ¥199.0bn (+12%)

Domestic IT demand remains broadly strong

GP ratio 27.1% (+1.2pt)

More high-margin projects plus the Infocom timing effect

SG&A +¥2.8bn

Infocom timing effect, security investment and management system renewal

OP ¥23.2bn (+27%)

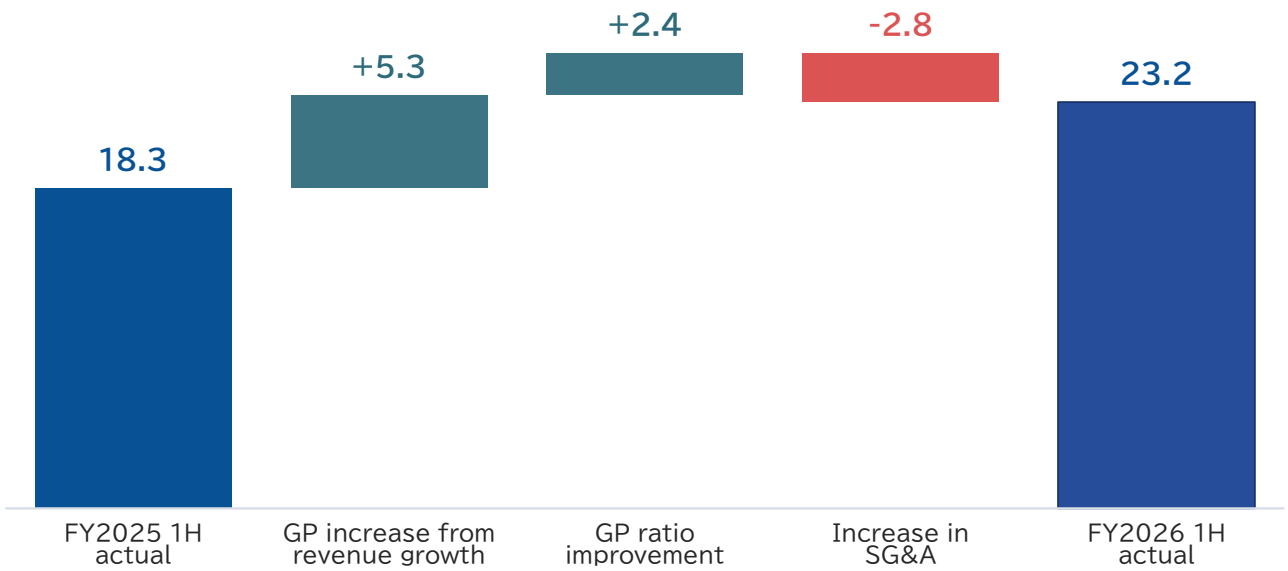
A first-half record

Unit: ¥bn

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2. OP Bridge (1H)

Revenue growth and margin gains (+¥7.7bn) outweighed higher SG&A (-¥2.8bn): OP +¥4.9bn



Infocom effect (incl. PPA & acquisition costs) FY2025 1H → FY2026 1H, ¥bn

Revenue	Gross profit	SG&A	OP
7.0 → **13.2**	3.2 → **6.1**	3.6 → **5.7**	▲0.4 → **+0.4**
+6.3	+2.9	+2.2	+0.7
	GP ratio 45.9%→46.0%	Incl. PPA & acquisition costs	Excl. PPA: 0.8→1.2 (+0.3)

GP from revenue growth	+5.3
Infocom effect (volume)	+1.7
Other	+3.6

GP ratio improvement	+2.4
Infocom effect (mix)	+1.2
Prior-year loss projects eliminated	+0.6
Margin gains (public sector, TAM ratio)	+0.6

Higher SG&A	-2.8
Infocom effect	-2.2
Management system renewal	-1.3
Other (incl. lower legacy system costs)	+0.7

vs. prev. Outlook +¥1.7bn (21.5→23.2)

Volume	-0.3	Revenue ¥1.0bn below prev. Outlook
Margin	-0.3	Margin +0.7, reclass to COGS -1.0*
SG&A	+2.3	Timing shift to 2H +1.0, other +0.3, reclass to COGS +1.0*

*Reclassification from SG&A to COGS (no impact on OP)

Unit: ¥bn

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3. Revenue / OP by Segment (1H)

Growth led by Manufacturing & Nippon Steel Group and C&DS

	FY2025 1H			FY2026 1H			Change			Rev. %
	Revenue	OP	OP ratio	Revenue	OP	OP ratio	Revenue	OP	OP ratio	
Business Solutions	**138.8**	**15.7**	**11.3%**	**148.2**	**16.0**	**10.8%**	**+9.4**	**+0.3**	**-0.5pt**	**+7%**
Manufacturing, Nippon Steel Group	74.9	9.3	12.4%	**84.3**	**9.5**	**11.3%**	**+9.4**	**+0.2**	**-1.2pt**	**+13%**
Retail and Service, Digital Platformer	36.1	3.4	9.5%	**35.0**	**3.0**	**8.6%**	**-1.1**	**-0.4**	**-0.9pt**	**-3%**
Financial Service	27.8	3.0	10.6%	**28.8**	**3.5**	**12.3%**	**+1.0**	**+0.6**	**+1.7pt**	**+4%**
Consulting & Digital Service	**69.5**	**3.2**	**4.6%**	**79.3**	**8.7**	**10.9%**	**+9.8**	**+5.5**	**+6.3pt**	**+14%**
Other / Adjustments	-29.9	-0.6	–	-28.5	-1.5	–	**+1.4**	**-0.9**	–	
Total	**178.4**	**18.3**	**10.2%**	**199.0**	**23.2**	**11.7%**	**+20.6**	**+4.9**	**+1.4pt**	**+12%**
(Ref.) Sales to Nippon Steel Corp.	*35.4*			*32.7*			*-2.7*			*-7%*

*OP ratio = OP ÷ revenue. Group companies are included in each segment (Infocom consolidated from FY2025 Q2)

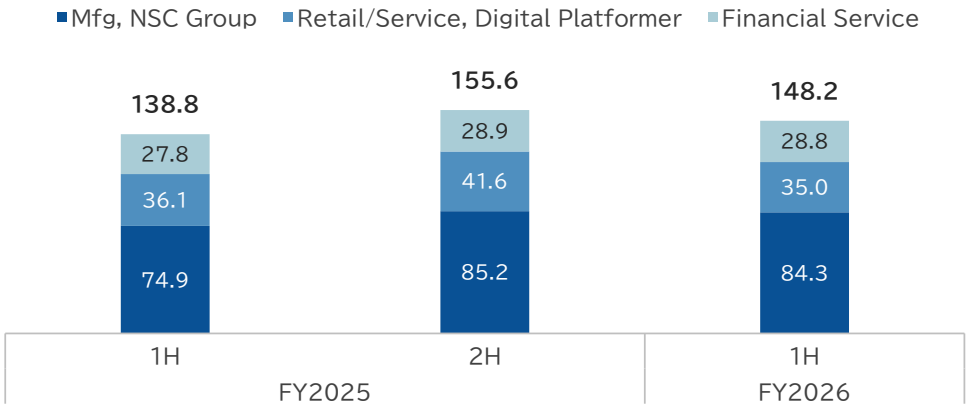
Unit: ¥bn

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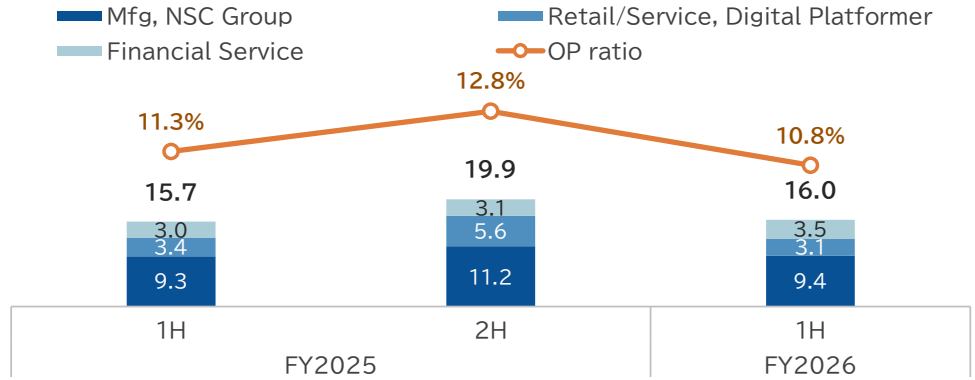
4. Business Solutions

Manufacturing & Nippon Steel Group led: revenue +¥9.4bn (+7%), OP +¥0.3bn

Revenue (¥bn)



OP (¥bn) and OP ratio (%)



Drivers (1H, YoY)

Revenue (YoY)

Mfg, NSC Group

+13%

Rev. 84.3 (+9.4) OP 9.5 (+0.2) Margin 11.3% (-1.2pt)

Revenue: Infocom consolidation +4.9; manufacturing (auto, chemicals, machinery, food, rail) +3.7; steel -2.4

OP: Flat YoY; gains from Infocom and manufacturing offset higher SG&A (PPA) and lower steel sales

Retail/Service, Digital Platformer

-3%

Rev. 35.0 (-1.1) OP 3.0 (-0.4) Margin 8.6% (-0.9pt)

Revenue: Infocom (healthcare) +1.4, offset by retail -1.4 and information services -1.0

OP: Lower on reduced revenue and Infocom-related SG&A (PPA)

Financial Service

+4%

Rev. 28.8 (+1.0) OP 3.5 (+0.6) Margin 12.3% (+1.7pt)

Revenue: Growth driven by group companies, including a newly consolidated subsidiary

OP: Higher on revenue growth and better margins; the largest margin gain in the segment

*Figures are YoY changes (¥bn)

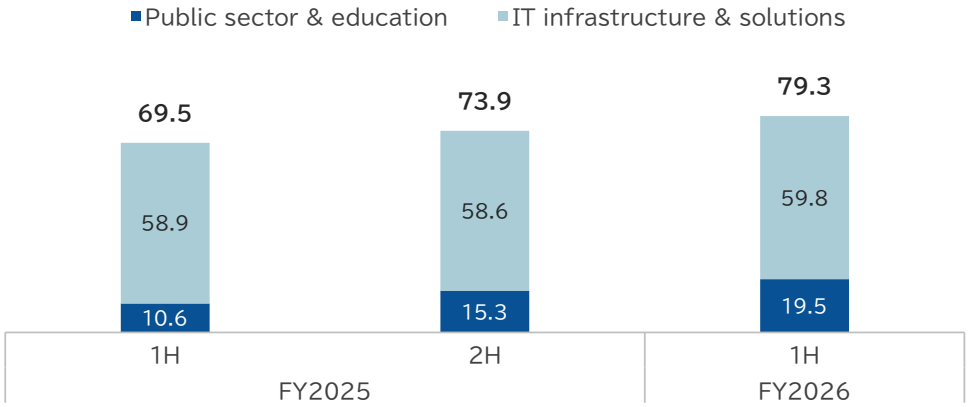
Unit: ¥bn

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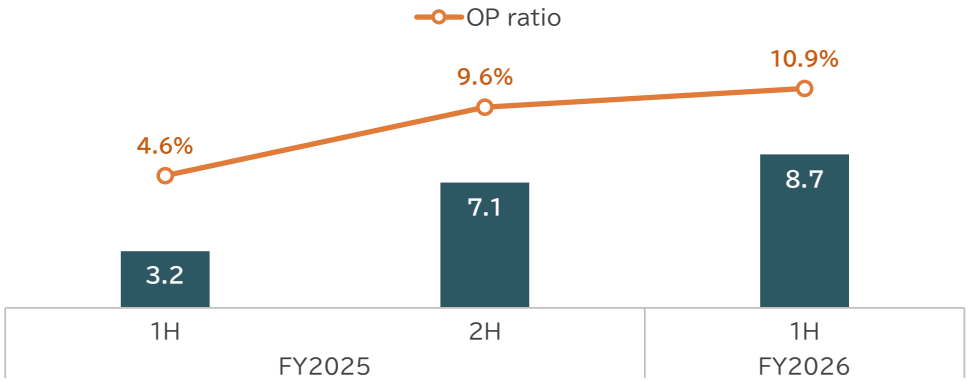
5. Consulting & Digital Service

A large public-sector project lifted revenue ¥9.8bn (+14%) and OP ¥5.5bn

Revenue (¥bn)



OP (¥bn) and OP ratio (%)



Drivers (1H, YoY)

Revenue (YoY)

C&DS total

+14%

Rev. 79.3 (+9.8)　OP 8.7 (+5.5)　Margin 10.9% (+6.3pt)

Revenue: Up mainly on the large public-sector project (+11.1)
OP: Sharply higher on the large public-sector project and others

Public sector & education

Revenue: Large public-sector project +11.1

IT infrastructure & solutions

Revenue: Products +1.3, telecom +1.1, public cloud +0.5; internal -2.3

*Figures are YoY changes (¥bn)

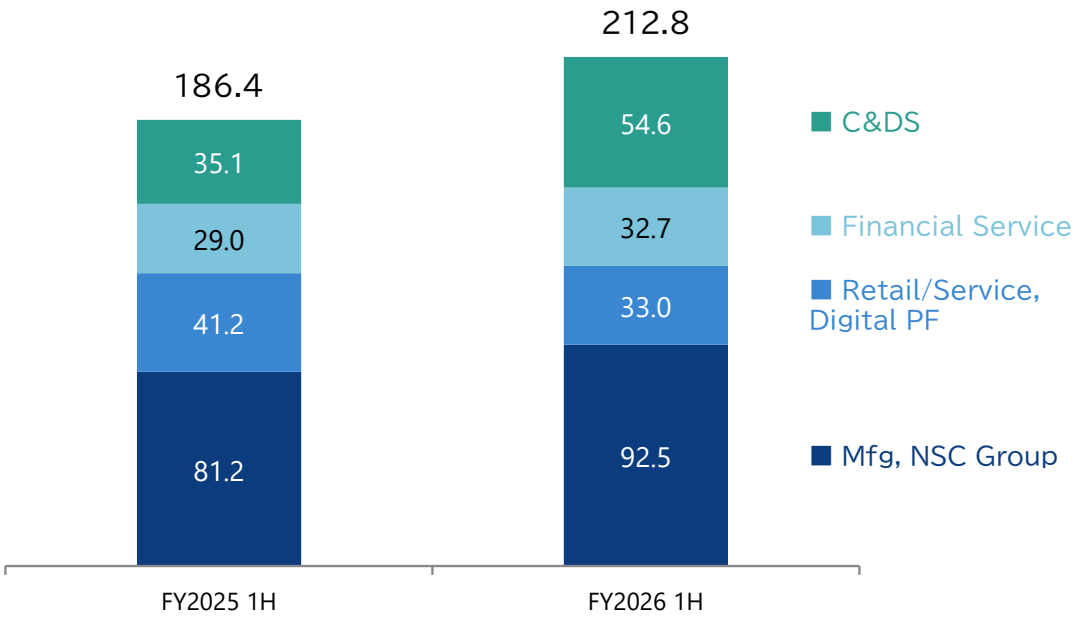
Unit: ¥bn

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6. Orders (1H)

1H orders ¥212.8bn (+14%); c.20% underlying growth excl. Infocom backlog effect

¥186.4bn → ¥212.8bn +26.4 / +14%



+14%

Mfg, NSC Group 92.5 (+11.3)

- Manufacturing up sharply
- Steel flat YoY
- Reflects last year's Infocom backlog take-in*

-20%

Retail/Service, Digital PF 33.0 (-8.2)

- Parent decline mainly reflects order timing
- Reflects last year's Infocom backlog take-in*

+13%

Financial Service 32.7 (+3.7)

- Growth at both parent and group companies

+56%

C&DS 54.6 (+19.5)

- Sharp increase, mainly public sector
- Group companies also up

*Infocom backlog take-in: Infocom's order backlog (¥17.5bn) recognized as orders at consolidation

*( ) = YoY change, ¥bn

Unit: ¥bn

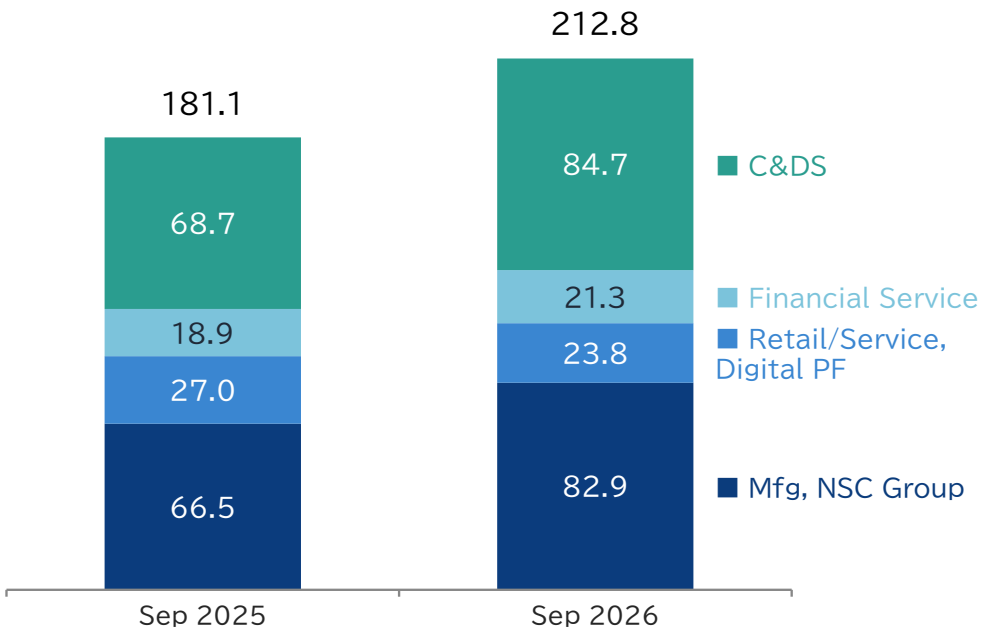
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7. Order Backlog

Backlog ¥212.8bn at Sep-end (+18%), covering 56% of 2H revenue Outlook (+2pt)

¥181.1bn → ¥212.8bn +31.7 / +18%

Backlog by segment (¥bn)



By segment (Sep-end backlog, YoY)

- Mfg, NSC Group 82.9 (+16.4 / +25%)
  Manufacturing up sharply; steel and group companies also higher
- Retail/Service, Digital PF 23.8 (-3.2 / -12%)
  Lower at both parent and group companies
- Financial Service 21.3 (+2.5 / +13%)
  Higher at both parent and group companies
- C&DS 84.7 (+16.0 / +23%)
  Sharp increase, mainly public sector

Coverage of 2H revenue

FY2026 2H (revenue Outlook ¥220.0bn)

123.3 | 96.7 — 56%

FY2025 2H (actual ¥203.0bn)

110.0 | 93.0 — 54%

■ From Sep-end backlog ☐ New orders to be booked

Coverage up 2pt YoY

Unit: ¥bn

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8. Consolidated Balance Sheet

Balance sheet expanded with revenue: total assets ¥433.9bn, up ¥16.3bn from March

Summary BS (¥bn) Mar 2026 → Sep 2026

	Mar 2026	Sep 2026	Change
Cash & equivalents	**108.8**	**127.4**	**+18.6**
Receivables & contract assets	104.9	110.4	+5.6
Goodwill & intangibles	64.4	65.7	+1.3
Other assets	139.5	130.3	-9.2
Total assets	**417.6**	**433.9**	**+16.3**
Lease liabilities	25.2	30.2	+5.0
Other liabilities	103.6	108.0	+4.4
Total liabilities	**128.8**	**138.2**	**+9.4**
Total equity	**288.8**	**295.7**	**+6.9**
Total liabilities & equity	**417.6**	**433.9**	**+16.3**

*Receivables & contract assets = trade and other receivables + contract assets. Goodwill & intangibles = goodwill + intangible assets

Key 1H changes (vs. Mar-end)

Cash & equivalents +¥18.6bn
Operating CF +31.2 (incl. tax refund +9.2), investing CF -0.1
Financing CF -12.6 (year-end dividend -8.2, lease repayments -3.5)

Receivables & contract assets +¥5.6bn
Contract assets +9.0 (work in progress ahead of 2H revenue)
Receivables -3.5

Other assets -¥9.2bn
Refund of tax receivable (12.7) recorded at Mar-end, etc.

Lease liabilities +¥5.0bn
Matches increase in right-of-use assets (offices, etc.) +5.0

Total equity +¥6.9bn
Interim profit +14.9, year-end dividend paid -8.2

Unit: ¥bn

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9. Consolidated Cash Flow

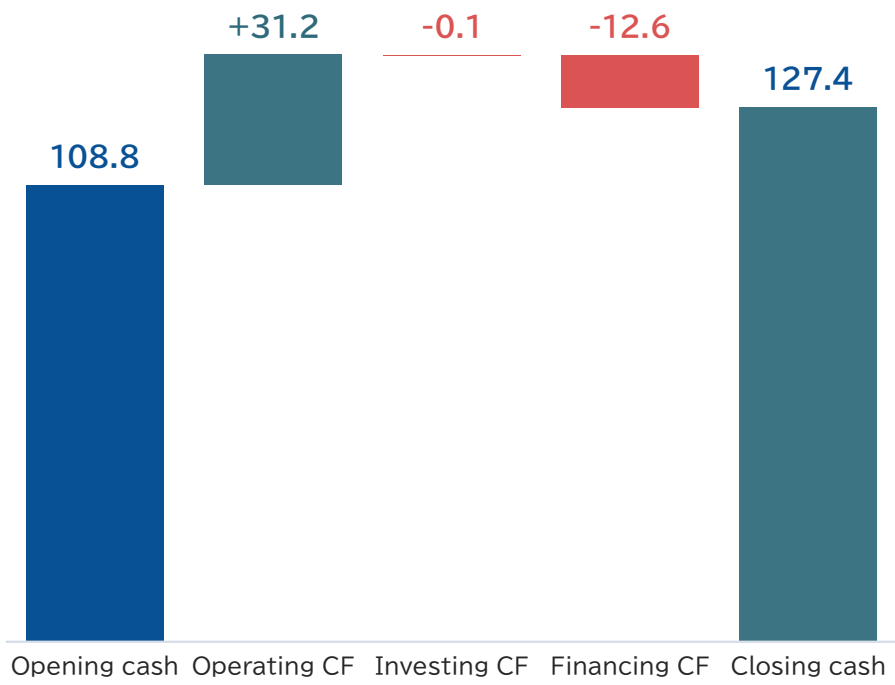
Operating cash flow of ¥31.2bn; ¥127.4bn cash reserved for M&A and growth investment

	FY2025 1H	FY2026 1H	Change
Operating CF	-12.3	31.2	+43.5
Investing CF	-56.7	-0.1	+56.7
Free CF	-69.0	31.2	+100.2
Financing CF	-10.7	-12.6	-1.9
Cash & equivalents, end of period	112.9	127.4	+14.4

- Operating CF: Higher profit and no repeat of last year's c.¥30bn tax payment; c.¥9bn tax refund received this year
- Investing CF: Roughly neutral this year (capex/software -4.4, securities redeemed +5.2), versus last year's c.¥55bn Infocom acquisition
- Financing CF: Year-end dividend at 50% payout (-8.2) and lease repayments (-3.5)

Disciplined allocation: growth investment (5% of revenue), M&A (incl. debt), 50% payout

FY2026 1H change in cash & equivalents



Unit: ¥bn

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02

FY2026 Forecast

FY OP guidance raised to ¥49.0bn

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10. FY2026 Guidance (revised up)

Full-year OP raised to ¥49.0bn; annual dividend ¥89.0, +¥2.0 vs. previous Outlook

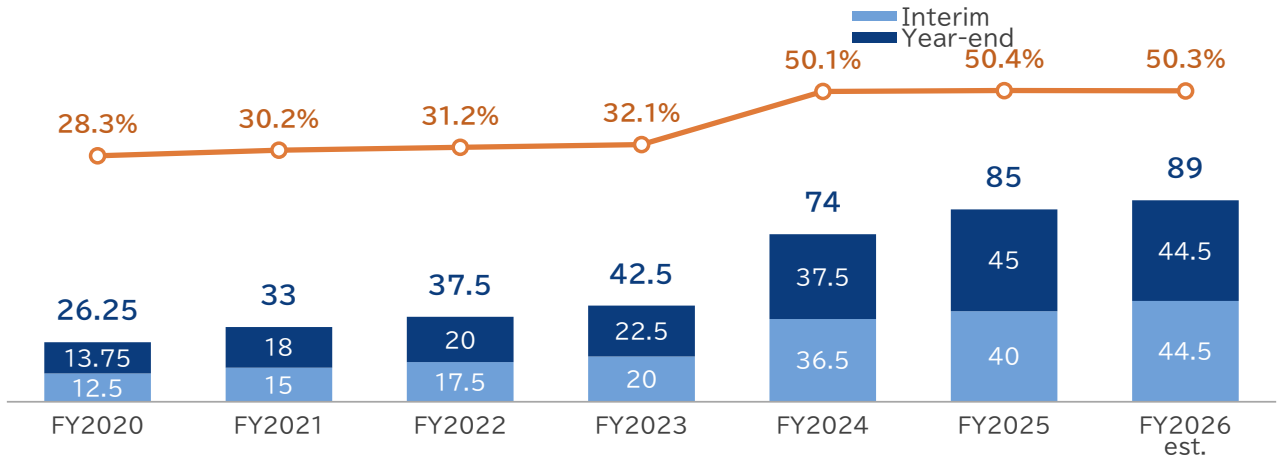
Revenue
¥419.0bn
YoY +10% +¥37.7bn / vs. prev. ±0

OP
¥49.0bn
YoY +11% +¥4.8bn / vs. prev. +¥0.5bn

Profit attributable to owners of parent*
¥32.4bn
YoY +5% +¥1.6bn / vs. prev. +¥0.1bn

* Profit attributable to owners of parent

Dividend history (DPS: ¥, payout: %)



*FY2023 and earlier restated for the 2-for-1 stock split on July 1, 2024. Payout target raised from 30% to 50% from FY2024

Dividends: FY2025 and FY2026 Outlook

	FY2025	FY2026 Outlook	YoY
Profit attrib. to owners of parent (¥bn)	30.8	**32.4**	+1.6
EPS (¥)	168.5	**177.1**	+8.6
Interim dividend (¥)	40.0	**44.5**	+4.5
Year-end dividend (¥)	45.0	**44.5**	-0.5
Annual dividend (¥)	85.0	**89.0**	+4.0
Dividend payout ratio	50.4%	**50.3%**	

Annual dividend ¥89.0: +¥4.0 YoY, +¥2.0 vs. prev. Outlook; dividend payout ratio 50.3%

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11. FY2026 by Half (1H actual, 2H Outlook)

47% of full-year revenue and OP delivered in 1H; FY OP raised from ¥48.5bn to ¥49.0bn

	FY2025 actual			FY2026 (Outlook revised up)			YoY (upper: %, lower: change)		
	1H	2H	FY	1H actual	2H Outlook	FY Outlook	1H	2H	FY
Revenue	178.4	203.0	381.3	199.0	220.0	**419.0**	+12% +20.6	+8% +17.1	+10% +37.7
Gross profit	46.1	55.7	101.8	53.9	59.1	**113.0**	+17% +7.7	+6% +3.5	+11% +11.2
Gross profit ratio	*25.9%*	*27.4%*	*26.7%*	*27.1%*	*26.9%*	*27.0%*	*+1.2pt*	*-0.6pt*	*+0.3pt*
SG&A	27.9	29.7	57.6	30.7	33.3	**64.0**	+10% +2.8	+12% +3.6	+11% +6.4
OP	18.3	26.0	44.2	23.2	25.8	**49.0**	+27% +4.9	-1% -0.2	+11% +4.8
Operating profit ratio	*10.2%*	*12.8%*	*11.6%*	*11.7%*	*11.7%*	*11.7%*	*+1.4pt*	*-1.1pt*	*+0.1pt*
Pre-tax profit	18.8	26.4	45.3	23.7	26.1	**49.8**	+26% +4.9	-1% -0.4	+10% +4.5
Profit attrib. to owners of parent*	12.0	18.8	30.8	14.9	17.5	**32.4**	+24% +2.8	-7% -1.3	+5% +1.6

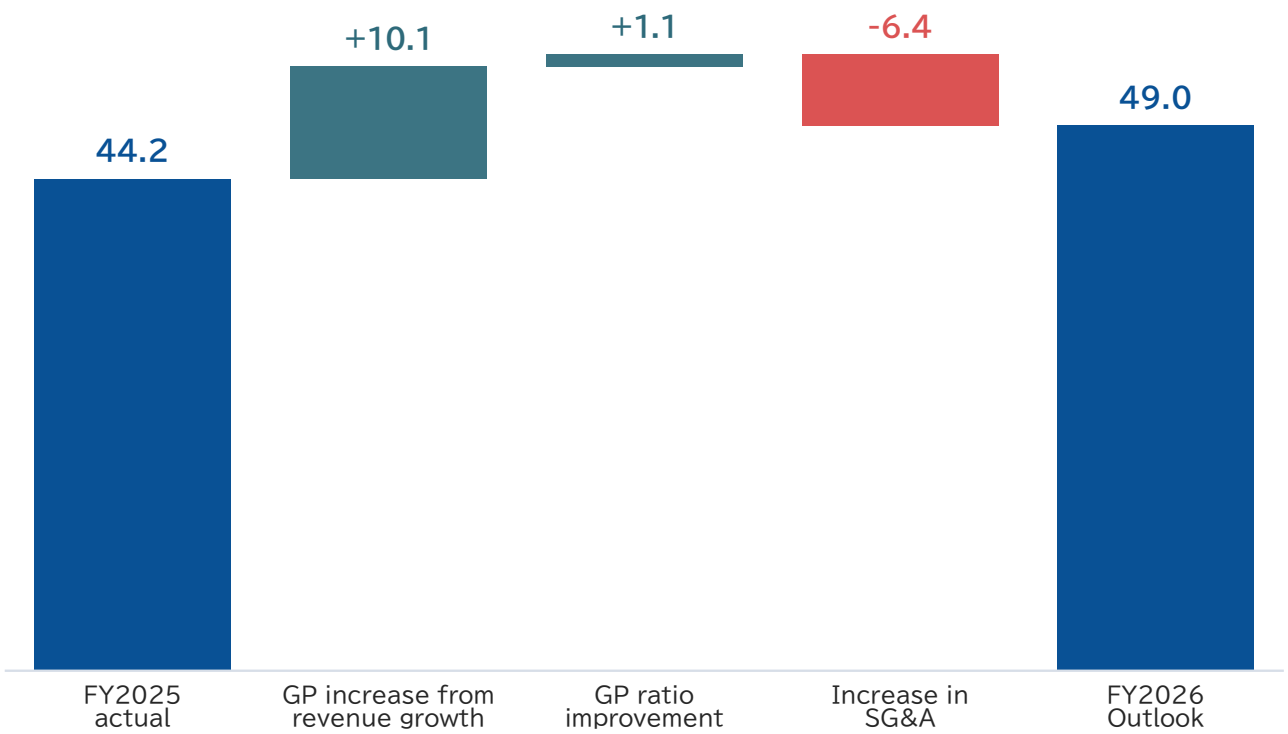
1H progress: revenue 47%, OP 47%, net profit 46% *Earnings are typically weighted to the second half

Unit: ¥bn

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12. FY2026 OP Bridge (revised up)

FY2026 OP Outlook ¥49.0bn, up ¥4.8bn from FY2025 and ¥0.5bn above the previous Outlook



GP from revenue growth	+10.1
Infocom effect (volume)	+2.9
Other	+7.2

GP ratio improvement	+1.1
Infocom effect (mix)	+0.6
Prior-year loss projects eliminated	+0.6
AI and own-asset investment	-1.0
Other	+0.9

Higher SG&A	-6.4
Infocom effect	-2.1
Management system renewal	-2.6
Security enhancement	-0.7
Other	-1.1

vs. prev. Outlook (Jul 30) +0.5 (48.5→49.0)

Margin	-2.0	Margin gain +1.0, new initiatives & AI licenses -1.0 Reclass to COGS -2.0*
SG&A	+2.5	Reclass to COGS +2.0*, other +0.5

Volume: revenue Outlook unchanged at ¥419.0bn
*Reclassification from SG&A to COGS (no impact on OP)

Unit: ¥bn

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03

Progress of the 2025–2027 Mid-Term Plan

Midpoint status, gaps and path to targets

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14. 2025–2027 Mid-Term Plan (MTP) Overview

First three years of Vision 2030: four transformations toward ¥100bn OP

NSSOL Vision 2030 ”Social Value Producer with Digital”

FY2027 Targets

KPI	FY2027 target	FY2025 actual
Revenue	**¥450.0bn**	¥381.3bn
OP	**¥60.0bn**	¥44.2bn
OP ratio	**13%**	11.6%
ROE	**c.13%**	11.4%
TAM ratio	**c.75%**	c.38%

Source: 2025–2027 MTP (Feb 2025), FY2025 results presentation (Apr 2026)

Four Transformations

① Revenue model
Shift to TAM revenue model

② Customer approach
Offering-led support from concept through implementation

③ Technology
Higher productivity through AI-driven development

④ Operations
Consolidated, standardized back office

Growth Investment & Shareholder Returns

M&A
¥150bn over 3 years

Growth investment (excl. M&A)
c.5% of revenue

Shareholder returns
50% dividend payout ratio

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15. MTP Progress Summary

OP and ROE must accelerate: margins and external growth are the priorities

Revenue — On track

338.3 → 450.0 ¥bn

FY24 → FY27 target

FY26 est. 419.0 Progress 72%

OP — Accelerate

38.5 → 60.0 ¥bn

FY24 → FY27 target

FY26 est. 49.0 Progress 49%

ROE — Accelerate

10.9% → c.13%

FY24 → FY27 target

FY26 est. c.11% Progress 19%

TAM ratio — In progress

5% → c.75%

FY24 → FY27 target

FY26 est. c.51% Progress 66%

By fiscal year

	Revenue	OP	ROE	TAM ratio
FY24 actual	338.3	38.5	10.9%	c.5%
FY25 actual	381.3	44.2	11.4%	c.38%
FY26 1H actual	199.0	23.2	10.5%*	c.45%
FY26 est.	**419.0**	**49.0**	**c.11%**	**c.51%**
FY27 target	**450.0**	**60.0**	**c.13%**	**c.75%**

*ROE annualized from 1H net profit (¥14.9bn×2 ÷ average equity), for reference

Where we are

Record profit and higher ROE in FY25; the four transformations are in execution and employee mindsets are shifting

Gap

OP must rise a further ¥11.0bn beyond the FY26 estimate

Path

Organic: lift margins to clear a higher cost of capital; external: accelerate M&A

Unit: ¥bn

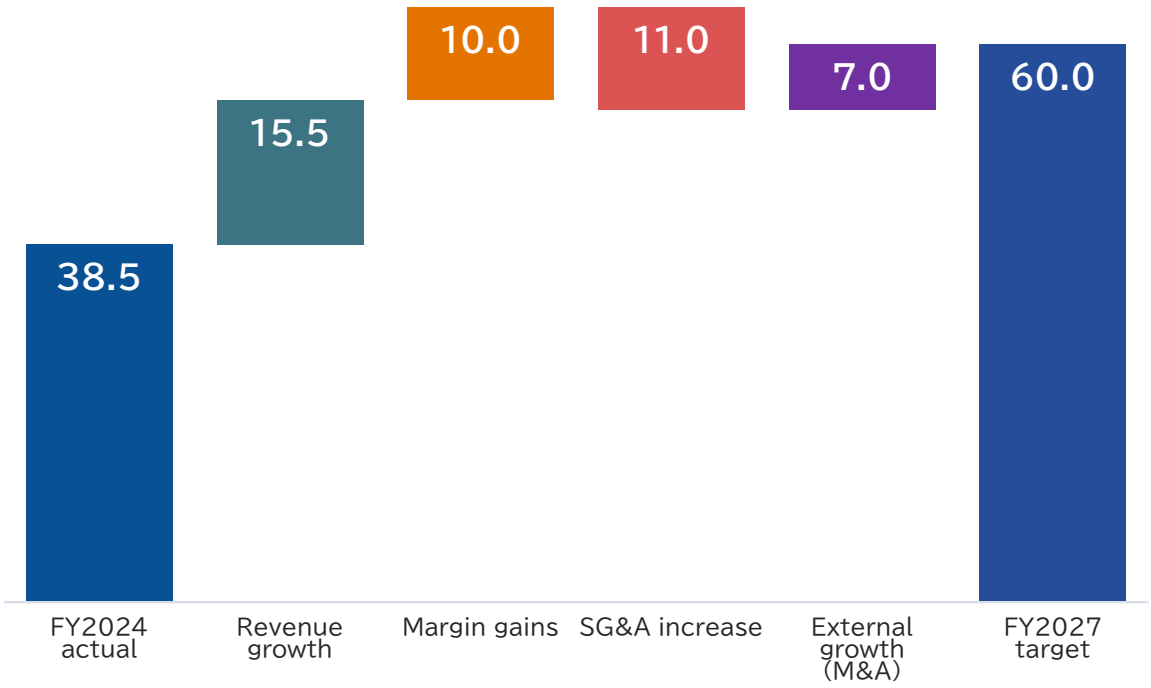
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16. Path to ¥60bn OP Target and Progress

From ¥38.5bn (FY2024) to ¥60.0bn: +¥14.5bn organic and +¥7.0bn external growth

Challenges: margins, external growth, recovering front-loaded SG&A

MTP OP growth drivers (plan restated to FY2024 actual)



Plan vs. FY2026 est.

FY2026 est. 49.0 = organic 46.5 + external 2.5

Organic progress 55% (38.5 → FY26 est. 46.5 / target 53.0)

Revenue growth Plan +15.5 FY26 est. +11.8 **76%**

Capture IT demand / expand customer base

Margin gains Plan +10.0 FY26 est. +5.0 **50%**

Better pricing and mix; shift to TAM

SG&A increase Plan -11.0 FY26 est. -8.8 **80%**

Growth investment, talent and management infrastructure

External growth (M&A) Plan +7.0 FY26 est. +2.5 **36%**

Infocom contribution (after PPA)

Unit: ¥bn

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17. Acceleration Items: GP Ratio Improvement

Margins first: four levers to convert transformation into profit

01 Raise TAM ratio

Issue

Ratio is rising but not yet showing in margins

Actions

- Set GP ratio targets by model (T/A/M)
- Lower costs through asset reuse; convert COREPEAK into projects

02 Shift to value-based pricing

Issue

Man-month-based pricing persists

Actions

- Accelerate contracts on lead projects
- Standardize outcome-based, fixed-price and subscription contracts

03 Productivity gains with AI

Issue

Slow uptake in small projects; behind plan

Actions

- Embed Claude Code etc. in standard processes
- Contracts keeping efficiency gains; rollout company-wide (FY27 +20%)

04 Curb unprofitable projects

Issue

Risk that loss-making projects offset gains

Actions

- Tighter risk review at proposal and upstream gates
- Standardized estimates with variance control

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18. Revenue Model × Customer Approach: Reinforcing Each Other

COREPEAK drives T-model growth, and field feedback creates new A and M models

② Customer approach transformation

COREPEAK© Company-wide offering brand

Frames management issues as transformation scenarios and combines offering blocks (solution assets) to deliver from concept to implementation

Embed TAM in offering blocks

FDE

Drives the cycle
Forward Deployed Engineer

Feedback from practice creates new TAM

① Revenue model transformation

- **T** SI Transformation — Next-gen SI model
- **A** Asset Driven — Asset-based model
- **M** Multi Company Platform — Platform model

TAM ratio: FY24 5% → FY25 38% → FY26 est. 50% → FY27 75%

Social Value Producer with Digital

More T-model

Upstream engagement lets us lead how systems are built and shift to high-productivity SI with GenAI

Create A and M models

FDEs embedded with customers bring back insights; common issues emerge and become assets and platforms

Higher COREPEAK value

Stronger assets expand the offering blocks and raise the value of each proposal: a virtuous cycle company-wide

Revenue target from COREPEAK

FY26 ¥10bn → FY27 10% of revenue

Key A/M-model products are listed in the Appendix. FDE = Forward Deployed Engineer: embedded with the customer from concept through implementation to feeding insights back

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19. Investment, Implementation and Monetization: Where We Are

FY2026 1H: Investment continues while AI and Infocom start to pay off

Investment
Capital deployed | INPUT (cumulative)

Equity & M&A (cumulative)

¥60.0bn Infocom 55.0, B-Prost, etc.

Growth investment (cumulative)

¥23.8bn FY25 14.7 + 1H 9.1

Human capital investment (cumulative)

¥7.1bn FY25 4.7 + 1H 2.4

Cash deployed

¥65.5bn Mar25 192.9 → Sep26 127.4

Total investment (cumulative)

¥90.9bn M&A + growth + talent

Implementation
Leading KPI (Aug 2026)

Hours saved (company-wide, per month)

235K hrs/month c.1.9x prior survey

Same, in man-months

1,470 man-months /month (prior 774)

GenAI use in development / near-daily users

Over 50% / 64.5% dev projects / all staff

AI agents

2,107 users 32% of employees

Productivity cases

36% / 45% requirements / build

Monetization
Financial outcome (FY26 1H)

Infocom OP

¥1.2bn FY26 1H (FY25: 3.3)

Consolidated contribution

+¥0.4bn After PPA (FY25: +1.0)

TAM ratio

45 % FY26 1H (FY25: 38%)

OP

¥23.2bn FY26 1H +27%, record high

Next harvest

¥60.0bn FY27 OP target

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20. Growth Investment & M&A: Track Record and Next Steps

Disciplined execution of growth investment and M&A to build value

¥150bn 3-year M&A budget | Executed ¥60bn (Infocom ¥55bn, B-Prost) | Remaining ¥90bn by Mar 2028

Apr 2024 – Sep 2026: steady execution of external growth and alliances

First half of MTP

Apr 2024	Acquired OSP Solutions (now NS Solutions Okinawa)
Sep 2024	Sold all Recruit Holdings shares (c.¥74.3bn) to fund growth and M&A
Jan 2025	Acquired WCS ABYAKTA NAWASENA (Indonesia); entered local market
FY2025	Acquired Infocom (c.¥55bn); 100-day PMI; accretive in year one
Aug 2025–	4 capital & business alliances: Intelligent Force, Delivery Consulting, N.Avenue, cBioinformatics
May 2026	Acquired B-Prost; strengthens core systems for P&C insurers
Sep 2026	Strategic partnership with Anthropic: AI agent platform and legacy modernization

Oct 2026 – Mar 2027: what we will do

- Shortlist candidates in priority areas and close deals
- Realize Infocom synergies
- Acquire global capabilities
- Continue alliances with startups

Execution Policy

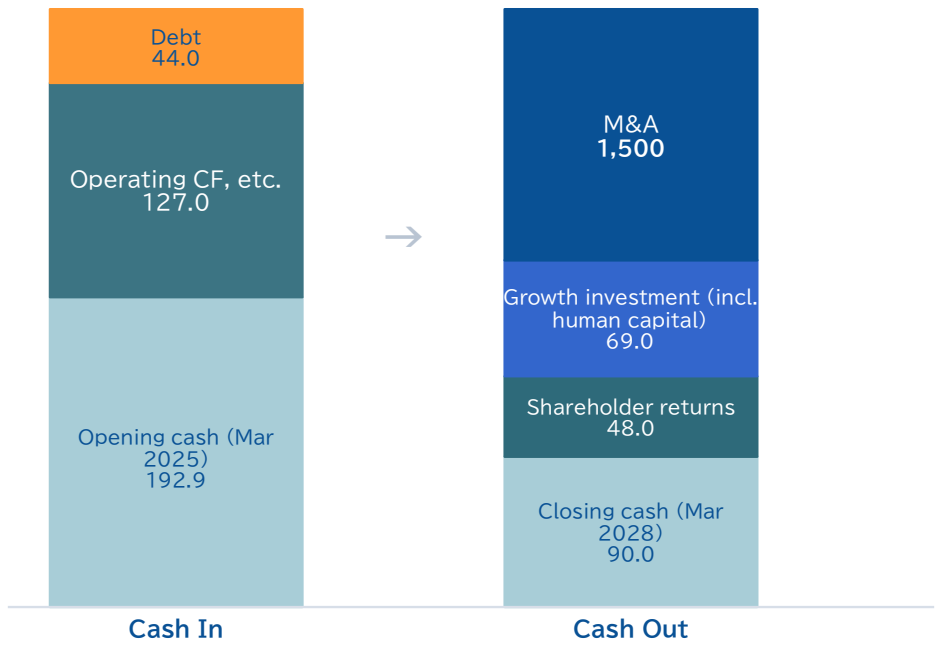
1. **Deliver within the MTP period**
   Deploy the ¥150bn M&A budget and growth investment (5% of revenue) in priority areas
2. **Long-term returns and MTP targets**
   Pursue Vision 2030 returns while meeting ¥60bn OP and c.13% ROE
3. **Capital efficiency with a sound balance sheet**
   Deploy cash for growth, reducing it to ¥90bn; use debt where appropriate; maintain 50% payout

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21. Cash Allocation: MTP Policy and Progress

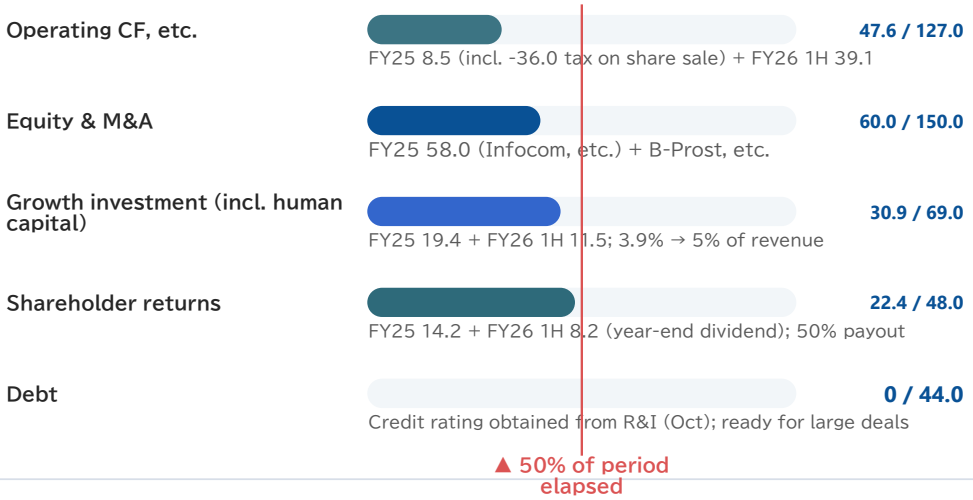
Cash allocated to growth, M&A and returns as planned; cash to fall to c.¥90bn

2025–2027 MTP cash allocation policy (3 years)



Use leverage, step up M&A and growth investment, maintain stable returns (50% payout), optimize working capital (2.4 months of sales)

Progress vs. plan (FY2025 + FY2026 1H) 18 of 36 months elapsed



Cash ¥192.9bn (Mar 25) → ¥127.4bn (Sep 26) → ¥90.0bn (Mar 28 target; 2.4 months of sales)

Addressing a higher cost of capital
Reflected in hurdle rates; margin and capital-efficiency gains to deliver returns above the cost of capital

Unit: ¥bn

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(Ref.) Business Characteristics and Cash Conversion Cycle (CCC)

Large development projects lengthen our CCC; appropriate cash is c.2.4 months of sales

Large system development (manufacturing)

Custom / project-based




① Req. → ② Design → ③ Build → ④ Test → ⑤ Accept → ⑥ Invoice → ⑦ Pay

6–18 months from start to payment: long cash lead time

Characteristics

- Mainly large, long projects
- Complex requirements, customization
- Many approval steps

Financial impact

- Higher contract assets / unbilled receivables
- Longer DSO
- Longer CCC

Managed services / subscription

Recurring = A and M models




Service delivery → Monthly invoice → Payment → Service delivery → Monthly invoice → Payment

Repeats monthly: short billing and collection

Characteristics

- Continuous service
- Mainly monthly/fixed fees
- Regular, short billing/collection

Financial impact

- Shorter DSO
- Higher contract liabilities (deferred revenue)
- Shorter CCC

Peer trends (examples) vs. NSSOL (FY2027 target)

	Peer A	Peer B	Peer C	Peer D	NSSOL
Customer / sales mix	Mainly financial & securities	Mainly services / recurring	High service ratio	Similar mix to NSSOL	**Manufacturing-centric, many large developments**
CCC (months of sales)	c.1.95 months	c.1.30 months	c.1.89 months	c.5.05 months	**c.68 days = c.2.27 months**

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22. Key Initiatives for the Remaining 18 Months

Six initiatives tracked against half-year milestones, with leading KPIs for early course correction

	FY26 2H	FY27	
Core business	Win projects, fix pricing	Expand value-based contracts	Maximize profit
Expand TAM	Expand target projects	Margin gains	Embed profit contribution
Company-wide productivity	Realize AI gains	Accelerate AI-driven dev	Become AI-native
Infocom	Resolve PMI issues	Expand synergies	Accelerate profit contribution
M&A	Execute deals		Pieces for next MTP
Capital allocation	Execute investment & returns		Achieve target capital structure

Each initiative managed as a set: impact × owner × leading KPI × decision deadline

Progress management

Per initiative

- Impact (¥)
- Owner
- Leading KPI
- Decision

Monitoring and review cycle

- **Mo.** — KPI monitoring
  Compiled by Strategy Execution Mgmt Center
- **Qtr** — Reviewed by Management Committee and Board
  Check progress and issues, decide actions
- **Half** — Milestone assessment
  Confirm half-year milestones
- **Half** — Disclosed at results briefings
  Explain progress with results, KPIs and cases

↺ Feed review results back into each initiative

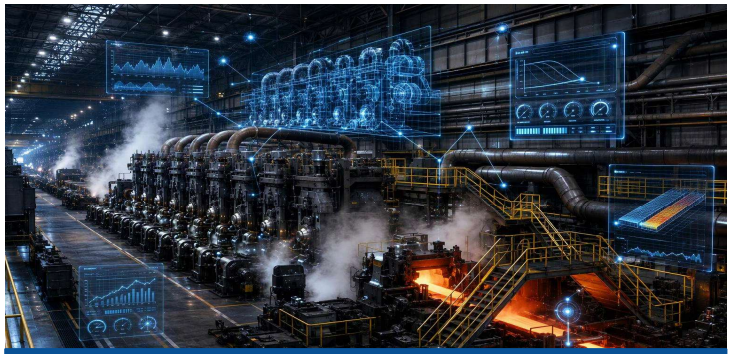
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23. Strategic Partnership with Anthropic

Winning on the shop floor, not on scale: Anthropic's AI × NSSOL's domain knowledge and delivery

Large SIers lead on the scale of company-wide rollouts

NSSOL (Sep 2026): first strategic partnership among Japan's user-affiliated SIers
We differentiate on the steel IT/OT shop floor



Client Zero: Nippon Steel × Claude

01
AI agent platform

AI agents link scattered data and processes and make tacit knowledge explicit

02
Legacy modernization

End-to-end legacy assessment and migration with Claude Code; headless ERP to follow

03
Nippon Steel as the field

Nippon Steel as Client Zero: AI proven on a demanding IT/OT shop floor

Next steps

- Expand from manufacturing to finance, retail/services and the public sector
- Joint marketing with Anthropic in Japan and overseas

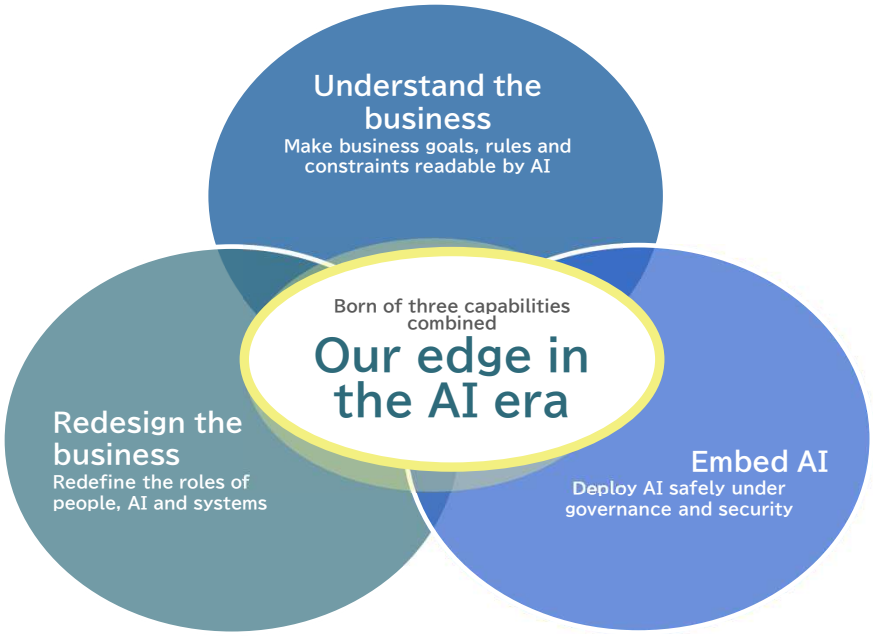
From manufacturing to finance, retail and the public sector: making AI an active participant in running the business

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24. Turning the AI Era into Growth: NSSOL's Strengths and Role

AI threatens man-month SI, but for us it is a tailwind that accelerates transformation

Competitive edge in the AI era = three capabilities combined



Only people can decide what to entrust to AI and what humans must own



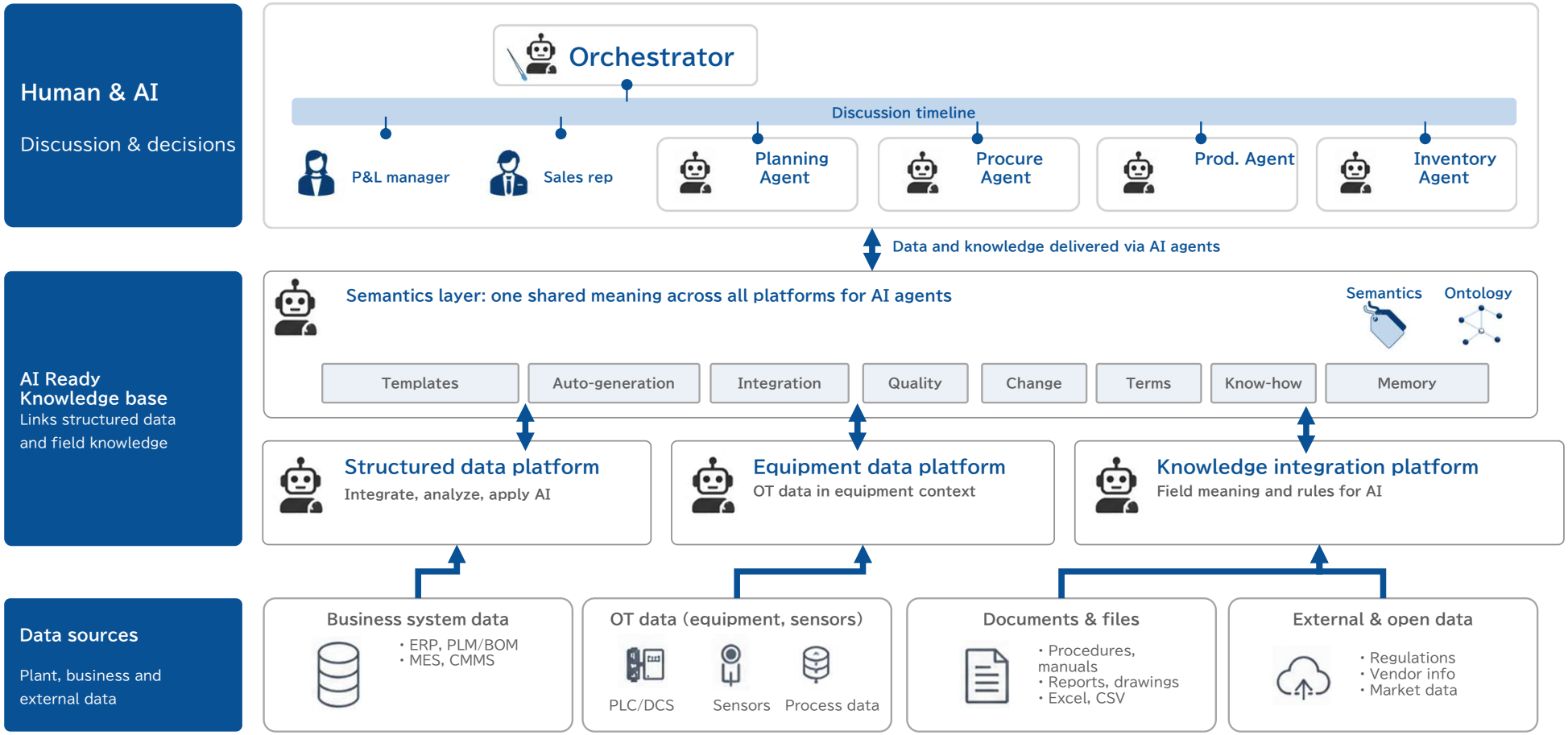
From the steel shop floor to many industries

1. AI breaks the man-month model, but off-the-shelf AI tools alone create no value
2. What's needed are AI-ready platforms, guardrails and integration with operations: this is the SIer's role
3. Domain knowledge from Nippon Steel's mission-critical operations is the context asset that lets AI judge correctly

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25. Platform for Humans and AI to Run the Business Together

Manufacturing case: shared meaning across data so people and AI agents decide together



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26. Rising Cyber Attacks and NSSOL's Response: NSSIRIUS

Assume breach: a dedicated Security Account Manager (SAM) works alongside customers to minimize attack impact

Three strengths others lack

01 Dedicated SAM

A CISSP-certified Security Account Manager dedicated to each customer, from everyday readiness to command support in a crisis

02 AI × integrated logs

Logs from multiple sensors are correlated, including with AI, to catch early signs of dormant attacks and act before damage is done

03 Retainer contract

Prepaid annual credits mean no time lost on quotes, orders or staffing in a crisis; unused credits fund assessments and training

Why NSSOL: an SIer's full capabilities

01 Whole-system view

Experience building and running core systems lets us see the whole system; AI expertise is growing through the Anthropic partnership

02 App development expertise

Today's attacks often require application fixes such as PHP vulnerabilities; our deep pool of developers takes countermeasures through to implementation

03 Client Zero know-how

Over 30 years in security; practical know-how from supporting and running security for our own group flows into the service

NSSIRIUS

What NSSIRIUS is

Incident response retainer service launched in November 2025.

Supports the customer's CSIRT end to end: proactive (risk assessment, vulnerability scans, training, threat hunting) and reactive (first response, analysis, recovery, prevention).

More than products or SOC monitoring: the capability to decide, explain and recover in a crisis.

Responding to cyber attacks now takes the full range of capabilities

NSSIRIUS plus our capabilities as an SIer: end-to-end support for customers' cyber defense

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Appendix

Quarterly results, revenue mix, GP ratio trend, one-off items, key news

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27. Quarterly Consolidated Results

Q2 revenue ¥105.3bn and OP ¥14.0bn; OP ratio a healthy 13.3%

	FY2025				FY2026	
	1Q	2Q	3Q	4Q	1Q	2Q
Revenue	82.7	95.7	97.0	105.9	93.7	105.3
Gross profit	21.0	25.1	27.0	28.7	24.8	29.1
Gross profit ratio	*25.4%*	*26.3%*	*27.8%*	*27.1%*	*26.5%*	***27.6%***
SG&A	12.5	15.4	14.2	15.5	15.6	15.1
OP	8.5	9.8	12.7	13.3	9.2	14.0
Operating profit ratio	*10.3%*	*10.2%*	*13.1%*	*12.5%*	*9.9%*	*13.3%*
Pre-tax profit	8.8	10.0	13.0	13.5	9.5	14.2
Profit attrib. to owners of parent*	5.1	6.9	9.1	9.7	5.2	9.6

Unit: ¥bn

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28. Quarterly Revenue / OP by Segment

Q2 revenue ¥105.3bn (+10%), OP ¥14.0bn (+43%), OP ratio 13.3%

	Revenue						OP						OP ratio					
	FY2025				FY2026		FY2025				FY2026		FY2025				FY2026	
	1Q	2Q	3Q	4Q	1Q	2Q	1Q	2Q	3Q	4Q	1Q	2Q	1Q	2Q	3Q	4Q	1Q	2Q
Business Solutions	63.5	75.3	74.6	81.1	72.7	75.5	6.9	8.8	9.7	10.1	7.5	8.5	10.9%	11.7%	13.1%	12.5%	10.3%	11.3%
Manufacturing, Nippon Steel Group	33.5	41.4	40.2	45.0	41.5	**42.8**	4.0	5.3	5.7	5.5	4.6	**4.9**	12.1%	12.7%	14.1%	12.2%	11.1%	**11.4%**
Retail and Service, Digital Platformer	16.6	19.4	20.8	20.8	17.4	**17.6**	1.5	1.9	2.6	3.0	1.3	**1.7**	9.2%	9.8%	12.4%	14.6%	7.6%	**9.6%**
Financial Service	13.4	14.4	13.6	15.3	13.7	**15.1**	1.3	1.6	1.5	1.6	1.6	**2.0**	10.1%	11.2%	10.8%	10.5%	11.5%	**13.1%**
Consulting & Digital Service	37.1	32.4	35.6	38.3	37.6	41.7	2.3	0.9	3.2	3.9	2.6	6.0	6.1%	2.9%	9.0%	10.2%	7.1%	14.4%
Public sector & education	4.3	6.3	7.5	7.8	5.0	14.5												
IT infrastructure & solutions	32.8	26.1	28.1	30.5	32.6	27.2												
Other / Adjustments	-18.0	-12.0	-13.2	-13.4	-16.6	**-11.9**	-0.7	0.1	-0.2	-0.8	-0.9	**-0.6**	–	–	–	–	–	–
Total	82.7	95.7	97.0	105.9	93.7	105.3	8.5	9.8	12.7	13.3	9.2	14.0	10.3%	10.2%	13.1%	12.5%	9.9%	13.3%
(Ref.) Sales to Nippon Steel Corp.	*17.8*	*17.6*	*17.3*	*17.8*	*16.6*	*16.1*												

*OP ratio = OP ÷ revenue. Group companies are included in each segment (Infocom consolidated from FY2025 Q2). Public sector & education / IT infrastructure not shown (data unavailable)

Unit: ¥bn

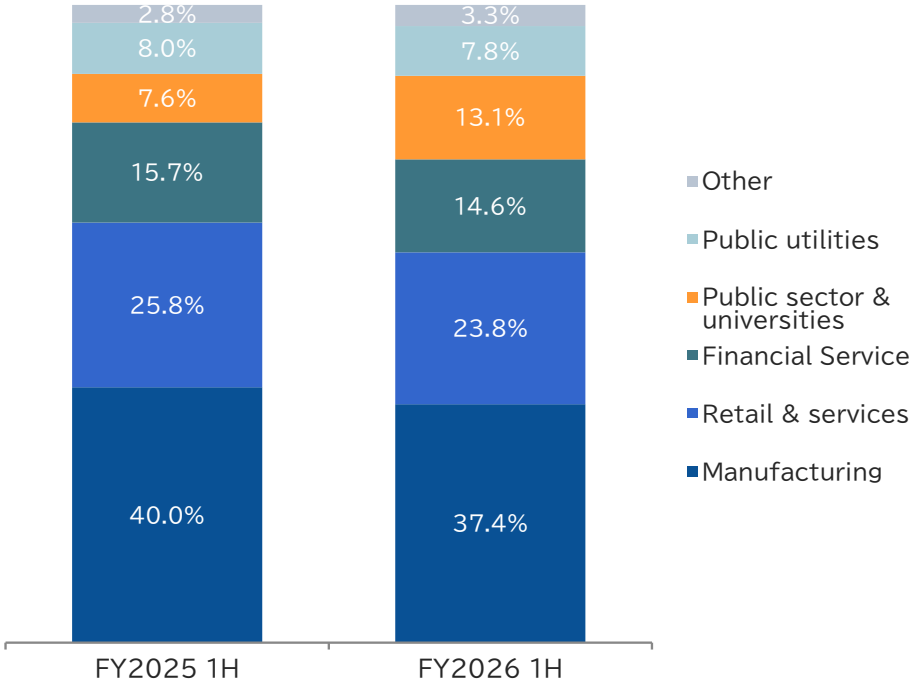
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29. Revenue Mix (Non-consolidated)

1H mix: public sector & universities 13.1%, hardware 11.2%, manufacturing 37.4%

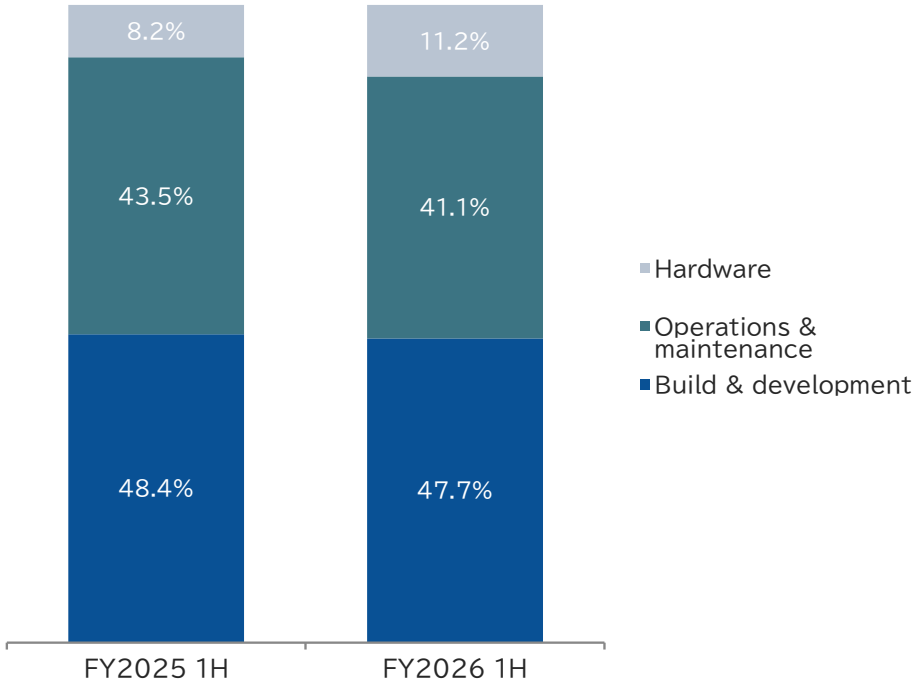
Revenue by industry

Non-consolidated (external) FY2025 1H ¥145.7bn / FY2026 1H ¥154.6bn
(NSC within manufacturing: 23.4% / 20.3%)



Revenue by product/service

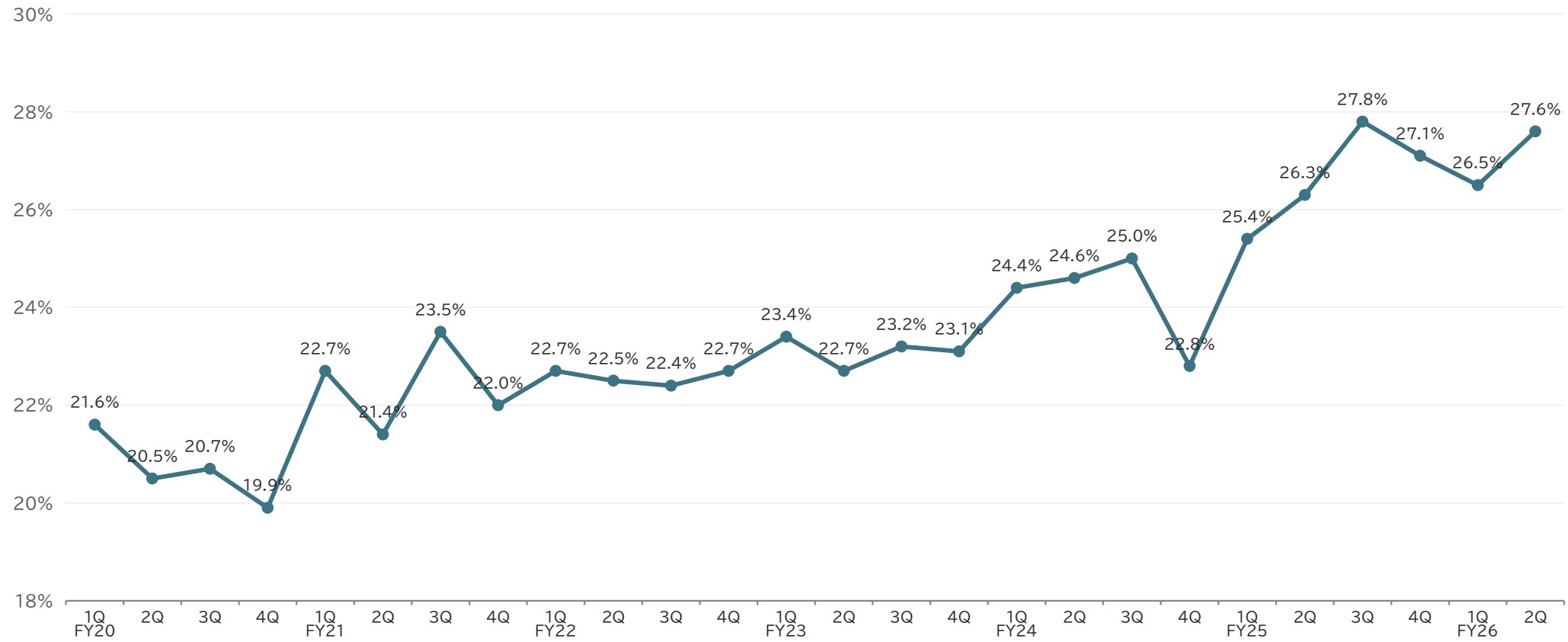
Non-consolidated (external) FY2025 1H ¥145.7bn / FY2026 1H ¥154.6bn



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30. GP Ratio Trend (Quarterly)

GP ratio on a long-term uptrend: 27.1% in FY26 1H (+1.2pt YoY), 27.6% in Q2



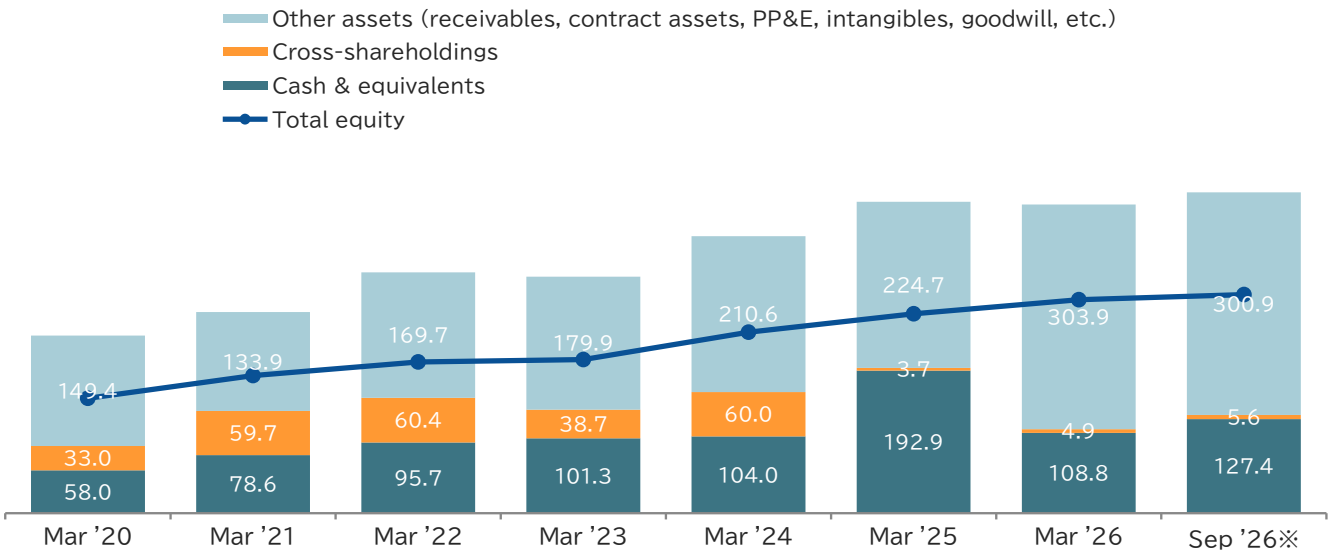
FY2020 under J-GAAP

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31. Balance Sheet Trend (Mar 2020 – Sep 2026)

Proceeds from cross-shareholding sales redirected to growth, M&A and shareholder returns

Total assets by component and total equity (¥bn) *Equity figures in table at right



Apr 2022
Announced policy to sell listed cross-shareholdings

Apr 2024
Payout raised to 50%; stock split

Sep 2024
Sold all Recruit HD shares (c.¥74.3bn)

Feb 2025
MTP: reduce cash by c.¥100bn to 2.4 months of sales

FY2025
c.¥58bn invested incl. Infocom acquisition

FY2026–
Continue allocation using remaining M&A budget and debt

*Cross-shareholdings (listed and unlisted) and the ratio to net assets are on a parent-company basis per the Annual Securities Report (Sep 2026: consolidated BS note)

Change in BS quality

	Mar 2020	Mar 2025	Mar 2026	MTP target
Cross-shareholdings / net assets (parent)	26%	1.6%	2.1%	Only with a concrete alliance
Cash (months of sales)	2.5	6.8	3.4	2.4
Total equity (¥bn)	155.4	269.8	288.8	Grows with earnings

Financial management policy

Maintain a sound balance sheet
Preserve creditworthiness and investment capacity

Use debt for large investments
Combine cash with debt to lift capital efficiency

Maintain 50% dividend payout
Dividends rise with profit; keep ROE above the cost of capital

Unit: ¥bn

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32. Quarterly One-off Items and Large Projects

One-off items and large projects to consider in quarterly comparisons

	FY2025				FY2026	
	1Q	2Q	3Q	4Q	1Q	2Q
Revenue	**82.7**	**95.7**	**97.0**	**105.9**	**93.7**	**105.3**
Large projects		*Ⓢ New consol. 7.0*	*Ⓢ New consol. 6.8*	*Ⓢ New consol. 8.8*	*Ⓢ New consol. 6.4*	*G 9.4 (+Q1 1.7 = 1H 11.1)*
OP	**8.5**	**9.8**	**12.7**	**13.3**	**9.2**	**14.0**
One-off		*Acquisition costs -0.7*				
Orders	**75.2**	**111.2**	**108.5**	**112.4**	**107.2**	**105.6**
Large projects		*Ⓢ New consol. 24.8*	*Ⓒ G 26.8 Ⓢ New consol. 3.8*	*Ⓢ New consol. 11.8*	*Ⓑ O 15.2 Ⓢ New consol. 7.5*	*G6.5 G 6.4*

Ⓑ: Business Solutions, Ⓒ: Consulting & Digital Service, Ⓢ: subsidiaries, O: Oracle, G: public sector

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Unit: ¥bn

33. Key News and Press Releases

May–Oct 2026: 30 releases, mainly AI, financial DX and industry platforms

Oct 29	Obtained an issuer rating of A (stable) from R&I
Oct 29	Basic agreement with Helpfeel on a strategic alliance for CX transformation in the AI era
Oct 22	Gunma Bank and Daishi Hokuetsu Bank jointly adopt BM4I Service Platform
Oct 21	Mishima Shinkin Bank first shinkin bank to adopt FINCHUB e-contract service
Oct 15	Began selling Rockwell Automation's cloud MES "PLEX"
Oct 13	Joined Japan Digital Decentralized Financial Service Association (JDFA)
Oct 1	Launched AI solution linking Box and Databricks for enterprise data
Oct 1	Published Integrated Report 2026
Sep 28	NSSOL signs strategic partnership with Anthropic
Sep 28	Received Appian INNOVATION AWARD
Sep 24	Launched identity platform solution using Auth0
Sep 17	Started BM4I Service Platform implementation for Yokohama Financial Group
Sep 10	Linked HULFT Square and CONTRACT CROSS to digitalize e-contract operations
Aug 25	Launched NSRelato, CX and contact center enhancement service
Aug 18	Launched wisepot, lifecycle platform for optimization models
Aug 10	Built new sales support system for Chiba Bank
Aug 7	Saitama University renews academic affairs system with CampusSquare on OCI
Aug 6	Began selling Alli Coworker vibe-coding platform
Jul 9	Started joint PoC of next-gen digital asset execution platform
Jul 9	NSSOL and Dentsu Soken to collaborate on next-gen IT infrastructure
Jul 2	Crypto asset index NADA: test calculation and user recruitment begin
Jul 1	Introduced AI-driven development to NS DevCompass
Jun 30	Launched AI Agents × Financial Transactions working group (DID/VC consortium)
Jun 30	Crypto Asset Index Council publishes report toward domestic crypto ETFs
Jun 25	Launched NS Eclipa, industry-specific e-commerce platform
May 29	Acquisition of B-Prost Co., Ltd.
May 25	Supported Sony Life's implementation of SimCorp One
May 13	Strategic partnership with Teciem to expand capital-market solutions in APAC
May 12	Rolling out data environment linking Data Synchronicity Platform and Geminant
May 7	Agreement with Matsumoto City on research for Kamikochi management framework

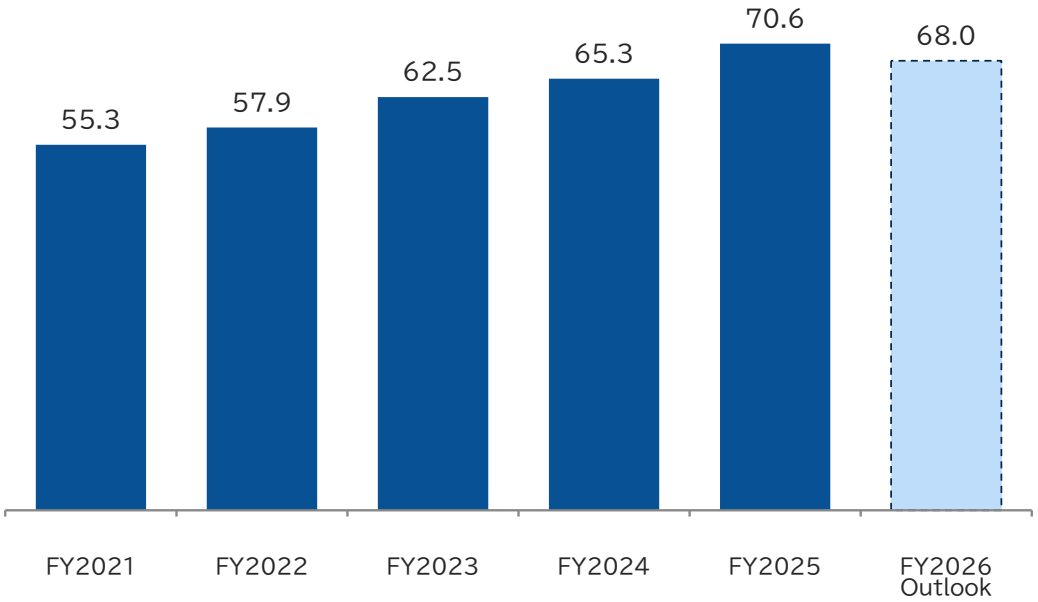
*Press releases listed on this page are available in Japanese only.

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34. Synergies with Nippon Steel Group and Sales to Nippon Steel Corp.

Stable revenue base; extending All-NSSOL offerings and AI results across the group

Sales to Nippon Steel Corp. (¥bn)



Synergies through the mid-term growth story

- Proactively propose All-NSSOL offerings for the Nippon Steel Group's digital transformation
- Develop IT/OT solutions with Nippon Steel Texeng
- Turn technology proven at steelworks into assets for external and overseas customers

Parent-subsidiary listing: benefits and independence

- Stable c.¥70bn/year customer and proving ground for advanced IT/OT solutions
- c.80% of revenue from customers outside Nippon Steel; independent, IT-savvy management
- Material related-party transactions reviewed by a committee of independent outside directors to prevent conflicts of interest

Unit: ¥bn

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35. Key A- and M-Model Products and Services

Domain knowledge turned into assets and platforms in each business area and deployed across customers

Business area	Key A/M-model products and services (bold: product names)
Cross-industry	**BPMS (business process mgmt) / Advanced document mgmt (Box) / Geminant (digital twin PF) / NS Devia (AI-driven development) / CONTRACT CROSS (e-contract) / ConSeek (management control PF) / Oracle Alloy (cloud) / NSSIRIUS (cybersecurity) / emerald SaaS (next-gen operations)**
Manufacturing	**PPPlan (food industry SCM) / PPCV (image AI) / NSLOGIX (logistics data-sharing PF) / Hakobini (collaborative delivery PF)**
Steel	**PPMP (production mgmt package) deployed as a platform for materials industries**
Retail	**fitAI (retail store AI) / COCOTRA (inbound travel) / NS Eclipa (industry e-commerce PF)**
Financial Service	**BM4I (IFRS financial instruments accounting) / Enesage (energy trading mgmt) / Web3 financial data PF / VIGILO MRM (model risk mgmt)**
C&DS	**absonne (managed cloud) / NS DevCompass (AI-driven development) / Knowledge integration PF (Data Synchronicity) / OptiMagic (optimization support)**

Target GP ratio (MTP): T 27%→30%, A 30%→40%, M 20%→30% (FY2027→FY2030) / c.35 services running on Nestorium

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36. Technology Platform and Internal Transformation

2x development productivity with the right AI tool per phase; leaner back office to curb SG&A

③ Technology acquisition & application: standard platform

Concept	Req.	Design	Build	Test	Migr.	Ops

NSDevia	Dev AI agents (Jitera, Autify), AI requirements builder, coding agents
Curatis	Test automation
NSSOLAS	Secure GenAI services (review, vulnerability checks, PM support)
Nestorium	Standard IT service PF: security, cloud integration, SBOM mgmt. c.35 services running

④ Internal operations & management

Back-office productivity (revenue / back-office headcount)

Base → +15% → +30%

FY2024 base / FY2025 actual / FY2026 target

- Consolidated back-office functions company-wide in Apr 2025; standardized processes
- Centralized OA management as a service (NSSOLVIT)
- AI applied to legal, sales, purchasing, finance and HR; 76% active AI users
- Fit to Standard: FieldGlass live (Jul 2025), SAP S/4HANA (planned Apr 2028)
- Leaner back office despite revenue growth, curbing SG&A

GenAI adoption today

Conventional → AI-assisted → AI-driven development:
2x productivity as the norm

Used in over 50% of dev projects
Efficiency: 10%–45% on new development
Cases: requirements +36%, build +45%



Conventional
People do all work manually (paid by man-month)

AI-assisted
AI assists, people lead (over 50% adoption)

AI-driven
AI agents lead; people judge and review

Source: Integrated Report 2026 p.11, FY2025 results presentation

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37. Sustainability: Materiality, KPIs and Ratings

The TAM model is sustainability in practice; five materialities managed with KPIs

Materiality	Key KPI	FY2025 actual	Target	Related SDGs
① Solving social issues through IT	T / A / M model revenue	T ¥68.0bn (met) / A ¥57.0bn (met) / M ¥3.5bn (missed)	FY26: T 121.0 / A 87.0 / M 3.0 (¥bn)	
② Stable IT services as social infrastructure	Major incidents in IT service projects	0 (met)	0	
③ A workplace where diverse talent thrives	Engagement / female managers / male parental leave	57% (up YoY) / 8.2% / 110%	Improve YoY / 10%+ by FY2030 / sustain 90%+	
④ Lower environmental impact	GHG Scope 1+2 / Scope 3 intensity	14,526 t-CO_2 (-64% vs. 2015) / 830 t-CO_2 per ¥bn	Halve by FY2030, carbon neutral by FY2050 / 740 (2030)	
⑤ Governance and compliance as a trusted member of society	Board effectiveness review / compliance e-learning completion	Effectiveness confirmed (incl. third-party review) / 100%	Continue / 100%	

Human capital

- 10,276 employees (Mar 2026, consolidated)
- New Business Architect role; skill portfolio measured annually
- Vision awareness/empathy 63.3%, growth motivation 66%

Governance

- 6 of 11 directors independent; 2 women
- ROE-linked restricted stock and materiality assessment in executive pay
- No listed cross-shareholdings in principle (under 1% of net assets)

External ratings

- First Human Capital Management Quality award (Silver)
- First White 500 certification; Platinum Kurumin Plus, Eruboshi, PRIDE Index Gold
- FTSE4Good / FTSE Blossom Japan constituent

SDG icons used under UN guidelines; mapping to materiality based on NSSOL sustainability disclosures

Source: Integrated Report 2026 pp.27–31 (materiality & KPIs), pp.32–44 (human capital), pp.47–53 (governance), pp.77–78 (non-financial data)

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38. Information Security Management

From departmental to company-wide control: security as a management foundation for the AI era

Governance & structure

- Information Security Committee (management-level) sets policy; annual report to the Board
- Company-wide Information Security Division oversees; SIRT monitors and responds
- PDCA and OODA linked; audited by Internal Control & Audit Dept.

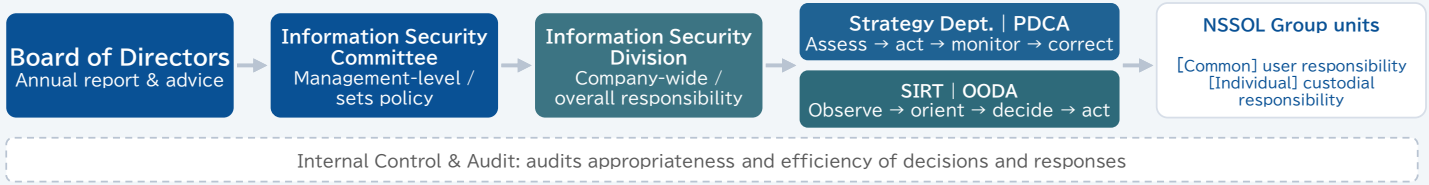
Rules, drills, incident response

- NIST CSF 2.0 as the core, referencing ISO/IEC 27001
- Annual training for all staff and contractors, phishing drills, executive-level response drills
- Response HQ led by the President; five principles of action

AI-era risks and value

- "Security first" becoming the standard across industries
- Security for AI / AI for Security: supporting governance for the AI era
- Client Zero know-how turned into services (NSSIRIUS, etc.)

Company-wide structure linking governance (PDCA) with daily operations (OODA)



Three assets protected × frameworks



Security is the foundation of business continuity and trust, not a defensive cost: toward the most trusted SIer

Source: Integrated Report 2026 p.4, p.49, pp.55–60

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39. Global and External Growth Strategy

Overseas revenue above ¥15bn, entry into Indonesia's local market, and disciplined M&A

Global: overseas revenue ¥12bn → ¥15bn+ → ¥25bn (FY27)

- ERP solutions for manufacturing, steel and retail are solid; Dynamics 365 deployed in China, Thailand and Indonesia
- Acquired WCS ABYAKTA NAWASENA (Indonesia); entered the local market
- India task force (Jan 2026) to tap engineering talent
- Acquire technology and delivery capacity through M&A and alliances
- Overseas mix: packages 47%, custom 28%, infrastructure 25%

Global talent: overseas engineers × Japanese domain knowledge



Target: overseas revenue ¥25bn (FY27)

External growth: ¥150bn → c.¥47bn revenue / c.¥7bn OP

- Infocom: 100-day PMI complete, synergies ramping this year, GRANDIT being AI-enabled
- External growth working groups with each business unit to acquire missing pieces
- Returns above the cost of capital as the benchmark, with ongoing post-deal monitoring

Date	Target	Type	Purpose
2025.08	Intelligent Force	Invest.	Strengthen offerings and upstream consulting
2025.09	Delivery Consulting	Invest.	Strengthen data consulting and implementation
2025.11	N.Avenue	Invest.	Co-create business in crypto assets
2026.03	cBioinformatics	Invest.	Co-create business in cancer genomic medicine
2026.05	B-Prost	Acq.	Strengthen core systems for P&C insurers

Source: Integrated Report 2026 p.12, p.7, p.74

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40. Value Creation Process

Create social value and reinvest economic value in people, technology and business: our growth story



Source: Integrated Report 2026 pp.23-24, pp.6-7

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41. Growth Investment toward Vision 2030

Profit growth and next growth base in parallel: invest → implement → monetize

	2025–2027 Invest & build	2027–2030 Implement & commercialize	Early 2030s Monetize & recover
 **M&A** ¥150bn over 3 years | Infocom, etc.	**Acquire & PMI** Acquire businesses & capabilities Investment / PMI	**Expand synergies** Profit contribution / deals	**Payback** IRR／ROIC
 **Growth investment** c.5% of revenue | AI & IT platforms	**Build technology & platforms** AI, internal IT, PoC	**Productize & deploy** Commercialize / orders / reuse	**Revenue model shift** Revenue / GP / productivity
 **Human capital investment** Shift to social-value-creating talent	**Hire, develop, reward** Build capability & capacity Talent / skills	**Redeploy & upskill** Advanced talent ratio / utilization	**Sustainable growth** Value added per employee
	Investment | INPUT	Implementation | LEADING KPI	Monetization | FINANCIAL OUTCOME

Source: 2025–2027 MTP; Integrated Report 2026 pp.9–12, 19–22.

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42. NSSOL GenAI Results: Progress since Q1

From ”using AI” to ”scaling results”: hours saved c.1.9x, AI agents in daily use, Anthropic partnership

Internal practice

Hours saved (company-wide, per month)

123,900 hours → **235,236 hours**

774 → 1,470 man-months equivalent

Near-daily users

48% → **64.5%**

2–3+ days/week: 73% → 84%

AI agents

2,107 users (32% of employees)

- Company-wide survey Aug 2026: 6,624 responses (87%)
- NSSOLAS Dify expansion, Copilot Studio rollout, company-wide training

SI projects & development

GenAI adoption rate

Over 50% sustained; moving to AI-driven dev

Tools used in development

Sharp rise in Claude / Claude Code use

Third after M365 Copilot and NSSOLAS; Anthropic partnership in Sep

Productivity cases

Requirements +36%, build +45%

- NSDevia AI-driven dev platform rolled out company-wide (design/test documentation)
- Embedding ”2x productivity as the norm” in standard processes

Recent releases & cases

2026/9 Strategic partnership with Anthropic

First among Japan’s user-affiliated SIers; AI agent platform and legacy modernization with the steel shop floor as Client Zero

2026/8 Alli Coworker vibe-coding PF launched

Extending AI-driven development to customers’ in-house teams

2026/6 AI Agents × Financial Transactions working group launched

DID/VC consortium; joint research on AI agents in financial transactions

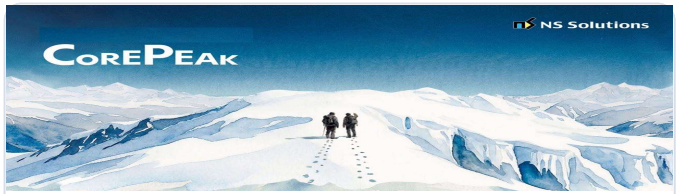
**Internal practice × SI delivery × customer transformation:
know-how honed in-house flows into customer transformation and our own productivity (T-model)**

Source: NSSOL AI SURVEY 2026 (Aug 2026, 6,624 responses); hours-saved calculation differs from the prior survey due to finer response options

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43. Transformation Progress: COREPEAK, AI, Operations

Offerings, AI and operations transformations raise confidence in the ¥60bn OP target



Offering brand

c.¥10bn

FY2026 new business target

- Rolled out in Apr 2026
- Transformation scenarios × offering blocks, from concept to implementation
- Toward c.¥10bn of new business this year

AI-driven

Technology acquisition & application

+20%

FY2027 dev productivity target

- Proven productivity gains from AI-driven development
- Rolling out with the Anthropic partnership
- Faster adoption in small projects toward +20% in FY27

Internal operations

Internal operations & management

+30%

FY2026 back-office target

- Consolidate and standardize back-office functions
- Redesign processes through management system renewal
- FY2025 SG&A up ¥14.4bn, mainly Infocom (+¥9.9bn) and front-loaded MTP initiatives

Source: FY2025 results presentation (Apr 2026); COREPEAK launch press release (Apr 8, 2026)

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Starting with business transformation,
toward a sustainable future

CorePeak



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44. Glossary: IT Terms and NSSOL Abbreviations

Term	Meaning
TAM	T (SI Transformation), A (Asset Driven), M (Multi Company Platform): NSSOL's three non-conventional revenue models
T model	Next-gen SI with GenAI built in; high-productivity custom development and operations
A model	Asset-based model: NSSOL's own assets (products, templates) deployed across customers
M model	Platform model: platforms shared by multiple companies, operated by NSSOL
COREPEAK	Company-wide offering brand launched Apr 2026; transformation scenarios × offering blocks
Offering block	Reusable solution asset combined to deliver from concept to implementation
Client Zero	Nippon Steel and NSSOL as the first users of our own solutions before offering them to customers
FDE	Forward Deployed Engineer: works inside customer operations from concept through implementation, and feeds insights back to create new assets
Business design capability	Understanding, redesigning and embedding AI in business operations; NSSOL's AI-era strength
Context asset	Structured domain knowledge (goals, criteria, constraints) that lets AI judge correctly
Nestorium	NSSOL's standard IT service platform (c.35 services)
NSSIRIUS	NSSOL incident response retainer service (launched Nov 2025)
NSDevia / NS DevCompass	NSSOL AI-driven development platform / development support service
NSSOLAS	NSSOL's internal GenAI service
NSC / IFC	Nippon Steel Corporation (parent) / Infocom (consolidated from FY2025 Q2)
BS / C&DS	Business Solutions / Consulting & Digital Service (reporting segments)
PF	Platformer (customer segment) or platform

Term	Meaning
MTP	Mid-Term Plan (2025–2027)
OP / GP / SG&A	Operating profit / gross profit / selling, general and administrative expenses
Outlook / est.	Forecast / estimate
YoY	Year on year
PMI	Post-merger integration
PPA	Purchase price allocation (amortization of acquired intangibles)
CCC / DSO	Cash conversion cycle / days sales outstanding
SIer	System integrator
IT / OT	Information technology / operational technology (plant and equipment systems)
ERP / MES / PLM / CMMS	Enterprise resource planning / manufacturing execution / product lifecycle / maintenance management systems
Headless ERP	ERP core without a fixed UI, accessed via APIs and AI agents
GenAI / LLM	Generative AI / large language model
AI agent	AI that plans and executes tasks autonomously using tools and data
Vibe coding	Building applications by natural-language instructions to AI
Ontology / semantics	Formal definitions of concepts and their relationships so systems share the same meaning
SIEM / XDR / SAM	Security information and event management / extended detection and response / Security Account Manager
NIST CSF / OODA / PDCA	US cybersecurity framework / observe-orient-decide-act / plan-do-check-act
DID / VC	Decentralized identifiers / verifiable credentials (digital identity standards)
NPA	National Police Agency (Japan)
¥bn	Billion yen; all amounts in this document are shown in ¥bn (1 billion yen = 10 oku-yen)

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