

Nippon Manufacturing Service Corporation (nms) Consolidated Fact Sheet FY2013

Stock exchange listings : JASDAQ Securities Exchange (Stock code : 2162)

URL: <http://www.n-ms.co.jp>

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nms is the leading manufacturing outsourcing company in Japan, and expanding our business globally and helps to preserve and pass down Japan's exceptional, world-renowned capabilities for Monozukuri.

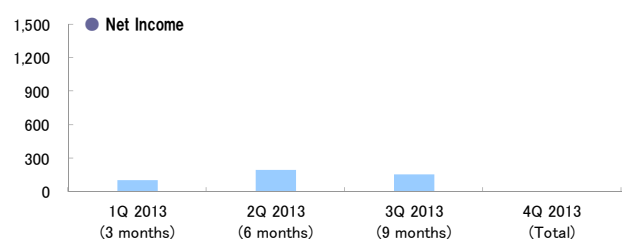
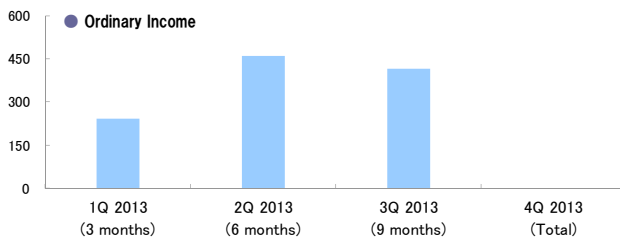
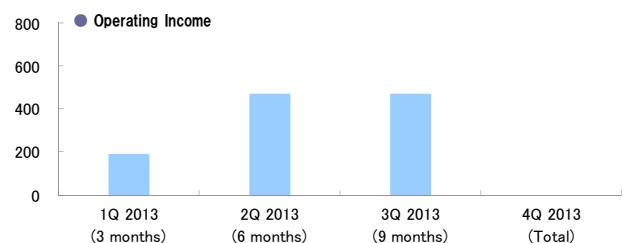
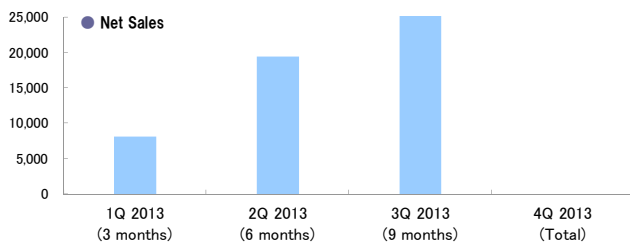
We will provide a one-stop service for Monozukuri in the form of "neo EMS" that handles everything from design and development to repairs and customer service both in Japan and abroad. We are the first Japanese company to acquire a license in Vietnam for in-plant contract manufacturing and contract manufacturing businesses and to receive a permit to provide dispatch labor services in China, the only manufacturing outsourcing company that makes it possible to do "Monozukuri" on the level that Japanese manufacturers want whether in Japan or overseas.

Summary of Quarterly Financial Information

(Million JPY)

	1Q 2013 (3 months)	2Q 2013 (6 months)	3Q 2013 (9 months)	4Q 2013 (Total)
Net Sales	8,172	19,438	29,810	
Operating Income	192	471	472	
Ordinary Income	243	461	417	
Net Income	107	200	159	
Net Income per share (JPY)	1,047.39	1,961.27	1,562.10	
[Financial Data]				
Operating income ratio (%)	2.3%	2.4%	1.6%	

[Performance Graph] (Million JPY)



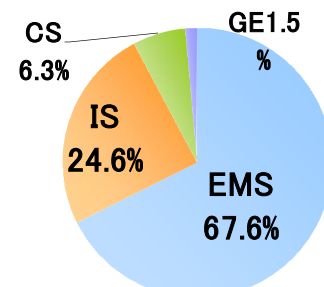
Results of operations

Many manufactures in our industry are downscaling their domestic production bases and shifting them overseas, making it more difficult to maintain and expand business as in the past. The Great East Japan Earthquake and massive flooding in Thailand in 2011 urged manufactures to review their procurement, production and supply structures from a BCP point of view, and manufacturers began restructuring their production bases at a speed far beyond the industry expectation. In addition, more manufactures are requesting to reduce their costs in domestic production, forcing our industry to control cost per hire, considerably affecting recruiting activities and securing profitability. Additionally, anti-Japan demonstrations in China triggered by issues regarding Senkaku Islands in Okinawa are affecting exports to China and manufacturing activity in China to no small extent, and it is now important to assess future development.

Occasioned by these developments, nms Group (the Company and its consolidated subsidiaries) has formulated a business strategy concept ("neo EMS") under which the Group will promote business initiatives that address key issues of the Group's individual operations. The Group has been successful to a certain degree in regard to these efforts. Specific measures include the following:

- Inline Solutions (IS) operations: Raise the domestic competitive strength of the Group's core business, and develop overseas market
 - Customer Service (CS) operations: Pursue high-margined business models, expand domestic operations, and make preparations to enter overseas markets
 - Global Engineering (GE) operations: Pursue synergies between operations, recognizing that such operations are indispensable for "neo EMS"
 - Electronics Manufacturing Service (EMS) operations: Aim for greater group manufacturing prowess and re-establish a business platform for domestic and overseas operations
- In the period under review, the Group implemented a new mid-term management plan which aims to go beyond segment boundaries to maximize synergy between business segments in order to further promote intragroup sharing of "neo EMS" business strategy

Net Sales by Segment



- IS Manufacturing staff dispatch service, contracting service
- CS Repair service
- GE Engineer dispatch service
- EMS Electronics Manufacturing service

<http://www.n-ms.co.jp/english/solution/index.html>

As a result, consolidated sales for the third quarter increased 37.3% to 29,810 million yen, with an operating income of 472 million yen (+422.9% on the year), ordinary income of 417 million yen (+3,525.8% on the year), and a net income of 159 million yen (-87.1% on the year).

Mid-Term Business Plan

"the No.1" Player in the Manufacturing Outsourcing Services Industry in Asia

- By utilizing group resources, expanding the domestic manufacturing outsourcing business and achieving higher profitability
- Building a manufacturing outsourcing platform in China and the ASEAN region, amid the ongoing specialization of the manufacturing industry

nms Group will build a manufacturing and human resource supply system both within Japan and overseas in order to promptly respond to needs for manufacturing outsourcing services both in Japan and overseas and will strive to be the No. 1 player in the manufacturing outsourcing services industry in Asia.

JAPAN

Within the Japanese outsourcing market, business will be limited to fields such as responding to domestic demand and repairs as manufacturers move production bases overseas. Improving the quality of nms Group's services and establishing a competitive advantage by using the manufacturing ("Monozukuri") prowess of SHIMA Electronic Industry and TKR, nms Group will secure profits to use as the source of funds for overseas business.

(Million yen)					
Numerical Targets	YE2011	YE2012	YE2013(F)	YE2014(P)	YE2015(P)
Net Sales	20,675	31,832	39,000	47,000	60,000
Operating Income	602	252	420	1,000	1,500
Overseas Sales as % of Total Net Sales	35.5%	42.2%	45.7%	55.3%	54.2%

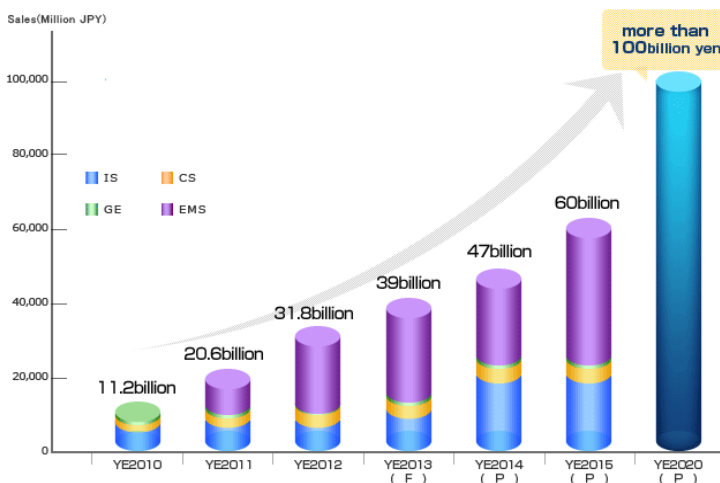
Expand with a goal of 100 billion yen in net sales

Target: Consolidated sales 100 billion yen

CHINA / ASEAN

In China, nms Group possesses two manufacturing bases as well as the Group is the first Japanese-affiliated company to acquire the license for labor dispatch services. Making use of these advantages, the Group will expand its business through the following efforts: more rapidly expanding its business of dispatching manufacturing workers in China, which has a large human resource market; and developing its contract manufacturing business that the Group can demonstrate its manufacturing ("Monozukuri") prowess in.

In Vietnam, meanwhile, the Group has also launched contract manufacturing operations. nms Group will precisely read the outsourcing needs of the various Japanese-affiliated manufacturers and expand its business.



Performance Information

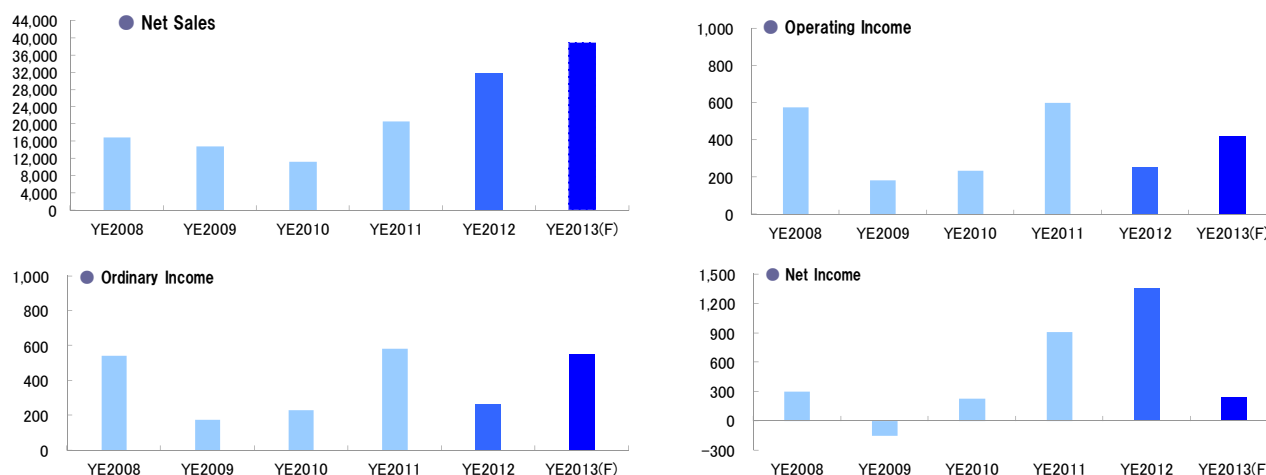
(Million JPY)

Operational Results	YE2008	YE2009	YE2010	YE2011	YE2012	YE2013(F)
Net Sales	16,963	14,822	11,224	20,675	31,832	39,000
Operating Income	576	184	234	602	252	420
Ordinary Income	542	174	230	584	266	550
Net Income	302	-152	230	907	1,356	240
Net Income per share (JPY)	14,352.31	-7,143.89	11,497.36	45,595.87	13,552.23	2,347.42
Dividends per share (JPY)	-	-	500	2000	400	300
Net Sales by Business Segment	YE2008	YE2009	YE2010	YE2011	YE2012	YE2013(F)
In-line Solutions (IS)	13,552	11,097	7,936	8,516	9,371	9,500
Manufacturing Solutions (MS)	1,956	2,276	2,526	3,173	2,903	2,400
Global Engineering (GE)	1,454	1,449	762	689	628	600
Electronics Manufacturing Service (EMS)	-	-	-	8297	18,950	26,500
Total assets/Net assets/Equity ratio	YE2008	YE2009	YE2010	YE2011	YE2012	
Total assets	4,218	2,832	3,117	7,362	18,709	
Net assets	1,252	1,069	1,295	2,169	5,839	
Equity ratio	29.7%	37.8%	41.3%	29.2%	17.9%	
Cash flow position	YE2008	YE2009	YE2010	YE2011	YE2012	
Cash flows from operating activities	80	-302	352	671	596	
Cash flows from investing activities	-71	-21	-80	-196	667	
Cash flows from financing activities	19	-132	-264	349	949	
Financial Indicators	YE2008	YE2009	YE2010	YE2011	YE2012	
Operating income ratio (%)	3.2	1.2	2.1	2.9	0.8	
ROE (%)	29.4	-	19.5	42.3	49.4	
ROA (%)	13.3	4.9	7.7	7.9	2	

※The Company started preparing consolidated financial statements in FY2011/03. Up until that time, non-consolidated values were stated for reference.

※ On April 1, 2011, a 5-for-1 stock split was implemented.

[Performance Graph] (Million JPY)



Basic Information (As of Dec 31, 2012)

• Company Name	Nippon Manufacturing Service Corporation (nms)
• Head Office	Tokyo Opera City Tower 11F, 3-20-2 Nishi-shinjuku, Shinjuku-ku, Tokyo 163-1411, Japan
• Established/Incorporated	Sep-85/Aug-90
• Officers	President : Fumiaki Ono Executive Managing Director : Norihiko Suehiro Executive Managing Director : Hidehisa Fukumoto Executive Director : Kazuyuki Sato Executive Director : kazumitsu Shiozawa
	• Capital 500,600,000yen

Stock Information (As of Dec 31, 2012)

• Fiscal year end	31-March
• Date of ordinary general Shareholders' Meeting	June
• Record date	Year-end dividends: March 31/Interim dividends: September 30
• Number of shares constituting one unit	1share
• Number of shares authorized	412,000 shares
• Number of shareholders	1,926
	• Number of shares issued 108,055 shares

Major Shareholders

Shareholder name	Stock Holdings*	Stock Holding Ratio
JAFCO Buyout No.2 Investment Limited Partnership	38,690	35.8
Fumiaki Ono	18,200	16.8
Kyouji Hasegawa	2,650	2.5
Nomura Securities Co., Ltd.	2,507	2.3
Hidehisa Fukumoto	2,200	2.0
Employee Stock Ownership	1,923	1.8
Fumiya Yamada	1,850	1.7
JAFCO Buyout NO.2 Investment Limited Partnership (Cayman) L.P.	1,610	1.5
Norihiko Suehiro	1,275	1.2
Treasury Stock	5,815	5.4

Share price/Market Value

JPY [Closing price, Feb 14, 2013] / JPY

39,950/4,317M

Forward P/E

[Consolidated]

17.02