

The financial results have been translated from the Japanese Consolidated Financial Statements for reference purposes only. In the event of any discrepancy between the Japanese version and the English translation, the Japanese version will prevail.

**Consolidated Financial Results
for the First Quarter of Fiscal 2016
(April 1, 2016 - June 30, 2016)
[under Japanese GAAP]**

July 28, 2016

Company name: NS Solutions Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2327
 URL: <http://www.nssol.nssmc.com>
 Representative: Munetaka Shashiki, Representative Director & President
 Contact: Hideki Komatsu, Director, Accounting & Finance Department
 Phone: +81-3-5117-4111
 Scheduled date of filing quarterly securities report: August 9, 2016
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Available
 Schedule of quarterly financial results briefing session: Scheduled (for analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the First Quarter of Fiscal 2016

(April 1, 2016 to June 30, 2016)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2016 1Q	50,025	(2.3)	4,610	(1.1)	4,870	0.3	2,972	5.6
FY2015 1Q	51,223	14.4	4,660	56.5	4,855	54.3	2,814	61.5

(Note) Comprehensive income: FY2016 1Q: 3,854 million yen [35.4%]
 FY2015 1Q: 2,846 million yen [61.2%]

	Net income per share		Diluted net income per share	
	Yen		Yen	
FY2016 1Q	31.96		-	
FY2015 1Q	30.26		-	

(Note) The Company carried out a 2-for-1 stock split of common stock on January 1, 2016. Accordingly, net income per share is calculated on the assumption that the stock split was implemented at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
FY2016 1Q	171,260	106,696	59.9
FY2015	175,696	105,012	57.3

(Reference) Equity: FY2016 1Q: 102,551 million yen
 FY2015: 100,721 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2015	-	42.50	-	21.25	-
FY2016	-				
FY2016(Forecast)		22.50	-	22.50	45.00

(Notes) 1. Revision to the forecast for dividends announced most recently: None

2. The year-end dividend of fiscal year ended March 31, 2016 has taken the 2-for-1 stock split of common stock implemented on January 1, 2016 into account. The year-end dividend and the total amount of the annual dividends of the fiscal year ended March 31, 2016 without taking the stock split into account would be 42.50 yen and 85.00 yen respectively.

3. Consolidated Financial Results Forecast for Fiscal 2016

(April 1, 2016 to March 31, 2017)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	103,000	(3.1)	8,700	(11.4)	9,000	(10.5)	5,600	(7.1)	60.21
Full year	223,000	2.0	20,600	6.9	21,000	8.4	13,500	20.9	145.15

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury shares):

FY2016 1Q : 105,998,240 shares

FY2015: 105,998,240 shares

2) Total number of treasury shares at the end of the period:

FY2016 1Q : 12,991,324 shares

FY2015: 12,991,324 shares

3) Average number of shares during the period:

FY2016 1Q : 93,006,916 shares

FY2015 1Q: 93,007,716 shares

(Note) The Company carried out a 2-for-1 stock split of common stock on January 1, 2016. Accordingly, numbers of shares above are calculated on the assumption that the stock split was implemented at the beginning of the previous consolidated fiscal year.

* Presentation regarding the implementation status of the quarterly review procedures

This quarterly consolidated financial results report is exempt from the quarterly review procedures under the Financial Instruments and Exchange Act. At the time of disclosure of these quarterly consolidated financial results, review procedures for the quarterly financial statements under the Financial Instruments and Exchange Act have not been completed.

* Explanation of the proper use of financial results forecast and other notes

The forecasts stated above are based on information available as of the date of publication of this document. Actual results may differ from these forecasts due to a wide range of factors hereafter.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
ASSETS	March 31, 2016	June 30, 2016
Current assets		
Cash and deposits	2,308	1,931
Deposits paid	40,824	45,046
Notes and accounts receivable - trade	42,722	29,476
Work in process	20,616	24,479
Raw materials and supplies	97	104
Short-term loans receivable from subsidiaries and associates	12,000	12,000
Other	4,625	4,921
Allowance for doubtful accounts	(18)	(13)
Total current assets	123,176	117,946
Non-current assets		
Property, plant and equipment	21,045	20,806
Intangible assets		
Goodwill	2,082	2,031
Other	1,414	1,593
Total intangible assets	3,496	3,625
Investments and other assets		
Investment securities	20,547	21,873
Other	7,478	7,056
Allowance for doubtful accounts	(49)	(49)
Total investments and other assets	27,977	28,881
Total non-current assets	52,519	53,313
Total assets	175,696	171,260

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
LIABILITIES	March 31, 2016	June 30, 2016
Current liabilities		
Notes and accounts payable - trade	16,734	11,934
Income taxes payable	4,012	1,812
Advances received	14,159	18,343
Provision for bonuses	7,633	3,817
Other provision	465	353
Other	7,726	8,119
Total current liabilities	50,731	44,380
Non-current liabilities		
Provision for directors' retirement benefits	145	129
Net defined benefit liability	18,923	19,180
Other	884	874
Total non-current liabilities	19,953	20,183
Total liabilities	70,684	64,564
NET ASSETS	March 31, 2016	June 30, 2016
Shareholders' equity		
Capital stock	12,952	12,952
Capital surplus	9,950	9,950
Retained earnings	90,634	91,630
Treasury shares	(20,006)	(20,006)
Total shareholders' equity	93,531	94,526
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,296	9,217
Revaluation reserve for land	(1,276)	(1,276)
Foreign currency translation adjustment	170	84
Total accumulated other comprehensive income	7,190	8,024
Non-controlling interests	4,290	4,144
Total net assets	105,012	106,696
Total liabilities and net assets	175,696	171,260

(2) Quarterly Consolidated Statements of Income

(Millions of yen)

	2015Fy 1Q	2016Fy 1Q
Net sales	51,223	50,025
Cost of sales	40,392	39,063
Gross profit	10,831	10,961
Selling, general and administrative expenses	6,170	6,351
Operating income	4,660	4,610
Non-operating income and expense		
Non-operating income		
Interest income	37	36
Dividend income	217	253
Other	21	16
Total non-operating income	275	306
Non-operating expenses		
Interest expenses	18	10
Share of loss of entities accounted for using equity method	17	8
Loss on retirement of non-current assets	3	0
Foreign exchange losses	—	23
Other	42	4
Total non-operating expenses	81	46
Ordinary income	4,855	4,870
Profit before income taxes	4,855	4,870
Income taxes	1,962	1,846
Profit	2,892	3,023
Profit attributable to non-controlling interests	78	51
Profit attributable to owners of parent	2,814	2,972

(3) Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	2015Fy 1Q	2016Fy 1Q
Profit	2,892	3,023
Other comprehensive income		
Valuation difference on available-for-sale securities	(37)	920
Foreign currency translation adjustment	(8)	(89)
Total other comprehensive income	(45)	831
Comprehensive income	2,846	3,854
attributable to		
Comprehensive income attributable to owners of parent	2,768	3,806
Comprehensive income attributable to non-controlling interests	78	48