

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 2017
(April 1, 2017 - June 30, 2017)
[under Japanese GAAP]**

July 28, 2017

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 10, 2017
 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 2017

(April 1, 2017 to June 30, 2017)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2017 1Q	58,163	16.3	4,597	(0.3)	4,900	0.6	2,855	(3.9)
FY2016 1Q	50,025	(2.3)	4,610	(1.1)	4,870	0.3	2,972	5.6

(Note) Comprehensive income: FY2017 1Q: 3,367 million yen [(12.6)%]
 FY2016 1Q: 3,854 million yen [35.4%]

	Net income per share		Diluted net income per share	
	Yen		Yen	
FY2017 1Q	30.16		-	
FY2016 1Q	31.96		-	

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Million yen		Million yen		%	
FY2017 1Q	203,657		126,742		60.0	
FY2016	200,811		125,724		60.3	

(Reference) Equity: FY2017 1Q: 122,174 million yen
 FY2016: 121,053 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2016	-	22.50	-	22.50	45.00
FY2017	-				
FY2017(Forecast)		25.00	-	25.00	50.00

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

3. Consolidated Financial Results Forecast for Fiscal 2017 (April 1, 2017 to March 31, 2018)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	110,000	3.9	10,200	3.8	10,500	2.8	6,700	1.5	70.76
Full year	235,000	1.1	22,700	5.4	23,000	4.0	15,000	7.4	158.41

(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: No
 - 2) Changes in accounting policies other than 1) above: Yes
 - 3) Changes in accounting estimates: Yes
 - 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):

FY2017 1Q :	99,504,740	shares
FY2016:	105,998,240	shares
 - 2) Total number of treasury shares at the end of the period:

FY2017 1Q :	4,815,486	shares
FY2016:	11,308,612	shares
 - 3) Average number of shares during the period:

FY2017 1Q :	94,689,485	shares
FY2016 1Q:	93,006,916	shares

* This quarterly consolidated financial results report is exempt from the audit procedures.

* 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

Quarterly Consolidated Balance Sheets

(Millions of yen)

	March 31, 2017	June 30, 2017
Assets		
Current assets		
Cash and deposits	2,857	3,075
Deposits paid	43,103	47,425
Notes and accounts receivable - trade	51,187	38,348
Securities	-	1,000
Work in process	21,423	27,538
Raw materials and supplies	49	37
Short-term loans receivable from subsidiaries and associates	12,000	12,000
Other	5,894	5,995
Allowance for doubtful accounts	(22)	(16)
Total current assets	136,493	135,404
Non-current assets		
Property, plant and equipment	20,298	22,286
Intangible assets		
Goodwill	4,826	4,669
Other	2,407	3,863
Total intangible assets	7,234	8,532
Investments and other assets		
Investment securities	30,992	31,586
Other	5,837	5,891
Allowance for doubtful accounts	(44)	(44)
Total investments and other assets	36,784	37,433
Total non-current assets	64,317	68,252
Total assets	200,811	203,657
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,985	15,203
Income taxes payable	4,763	1,808
Advances received	13,782	19,708
Provision for bonuses	7,957	4,081
Other provision	1,626	1,470
Other	7,083	8,948
Total current liabilities	53,198	51,220
Non-current liabilities		
Provision for directors' retirement benefits	136	128
Other provision	238	179
Net defined benefit liability	19,650	20,726
Other	1,862	4,659
Total non-current liabilities	21,887	25,693
Total liabilities	75,086	76,914
Net assets		
Shareholders' equity		
Capital stock	12,952	12,952
Capital surplus	10,899	9,950
Retained earnings	100,530	92,204
Treasury shares	(17,416)	(7,416)
Total shareholders' equity	106,966	107,690
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,286	15,708
Revaluation reserve for land	(1,276)	(1,276)
Foreign currency translation adjustment	77	51
Total accumulated other comprehensive income	14,086	14,483
Non-controlling interests	4,671	4,568
Total net assets	125,724	126,742
Total liabilities and net assets	200,811	203,657

Quarterly Consolidated Statements of Income

	(Millions of yen)	
	2016 FY 1Q	2017 FY 1Q
Net sales	50,025	58,163
Cost of sales	39,063	46,646
Gross profit	10,961	11,517
Selling, general and administrative expenses	6,351	6,919
Operating profit	4,610	4,597
Non-operating income		
Interest income	36	35
Dividend income	253	322
Other	16	24
Total non-operating income	306	382
Non-operating expenses		
Interest expenses	10	3
Share of loss of entities accounted for using equity method	8	5
Loss on retirement of non-current assets	0	0
Foreign exchange losses	23	3
Loss on liquidation of subsidiaries	-	34
Other	4	32
Total non-operating expenses	46	80
Ordinary profit	4,870	4,900
Profit before income taxes	4,870	4,900
Income taxes	1,846	1,928
Profit	3,023	2,971
Profit attributable to non-controlling interests	51	116
Profit attributable to owners of parent	2,972	2,855

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	2016Fy 1Q	2017Fy 1Q
Profit	3,023	2,971
Other comprehensive income		
Valuation difference on available-for-sale securities	920	422
Foreign currency translation adjustment	(89)	(26)
Total other comprehensive income	831	395
Comprehensive income	3,854	3,367
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,806	3,252
Comprehensive income attributable to non-controlling interests	48	114