

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.

**[Updated]Consolidated Financial Results
for the First Quarter of Fiscal 2018
(April 1, 2018 - June 30, 2018)
[under Japanese GAAP]**

August 2, 2018

Company name: NS Solutions Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2327
 URL: <https://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, 2018
 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 2018
(April 1, 2018 to June 30, 2018)**

(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	%
FY2018 1Q	55,409	6.1	5,019	18.5	5,159	13.6	2,872	14.3
FY2017 1Q	52,209	4.1	4,237	(8.3)	4,540	(7.0)	2,513	(15.7)

(Note) Comprehensive income: FY2018 1Q: 6,428 million yen [112.5%]
 FY2017 1Q: 3,025 million yen [(21.7)%]

	Net income per share		Diluted net income per share	
	Yen		Yen	
FY2018 1Q	30.34		-	
FY2017 1Q	26.54		-	

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
FY2018 1Q	216,012	144,204	64.5
FY2017	219,077	140,366	61.8

(Reference) Equity: FY2018 1Q: 139,305 million yen
 FY2017: 135,311 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2017	-	25.00	-	25.00	50.00
FY2018	-				
FY2018(Forecast)		27.50	-	27.50	55.00

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

3. Consolidated Financial Results Forecast for Fiscal 2018 (April 1, 2018 to March 31, 2019)

(% 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	118,000	7.0	10,700	9.1	11,000	7.7	7,200	14.5	76.04
Full year	247,000	7.0	23,400	7.1	24,000	7.7	15,700	11.3	165.81

(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: 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):

FY2018 1Q :	94,704,740	shares
FY2017:	94,704,740	shares
 - 2) Total number of treasury shares at the end of the period:

FY2018 1Q :	16,253	shares
FY2017:	16,138	shares
 - 3) Average number of shares during the period:

FY2018 1Q :	94,688,535	shares
FY2017 1Q:	94,689,485	shares

* This quarterly consolidated financial results report is exempt from the audit conducted by certified public accountants or an audit corporation.

* 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, 2018	June 30, 2018
Assets		
Current assets		
Cash and deposits	3,198	3,614
Deposits paid	43,691	46,516
Notes and accounts receivable - trade	49,530	34,639
Securities	2,000	1,000
Work in process	24,253	29,410
Raw materials and supplies	32	26
Short-term loans receivable from subsidiaries and associates	12,000	12,000
Other	1,829	2,027
Allowance for doubtful accounts	(23)	(15)
Total current assets	136,512	129,218
Non-current assets		
Property, plant and equipment	20,368	20,035
Intangible assets		
Goodwill	4,320	4,203
Other	3,392	3,149
Total intangible assets	7,712	7,353
Investments and other assets		
Investment securities	38,693	44,851
Other	15,835	14,599
Allowance for doubtful accounts	(45)	(47)
Total investments and other assets	54,483	59,404
Total non-current assets	82,565	86,793
Total assets	219,077	216,012
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,467	12,146
Income taxes payable	3,593	1,990
Advances received	16,612	21,654
Provision for bonuses	8,484	4,231
Other provision	455	554
Other	12,298	13,322
Total current liabilities	58,912	53,900
Non-current liabilities		
Provision for directors' retirement benefits	141	111
Net defined benefit liability	8,541	8,826
Other	11,114	8,968
Total non-current liabilities	19,798	17,906
Total liabilities	78,710	71,807
Net assets		
Shareholders' equity		
Capital stock	12,952	12,952
Capital surplus	9,950	9,950
Retained earnings	92,082	92,587
Treasury shares	(25)	(25)
Total shareholders' equity	114,960	115,465
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,203	23,758
Foreign currency translation adjustment	147	80
Total accumulated other comprehensive income	20,351	23,839
Non-controlling interests	5,055	4,899
Total net assets	140,366	144,204
Total liabilities and net assets	219,077	216,012

Quarterly Consolidated Statements of Income

(Millions of yen)

	FY2017 1Q	FY2018 1Q
Net sales	52,209	55,409
Cost of sales	41,052	43,349
Gross profit	11,157	12,060
Selling, general and administrative expenses	6,919	7,040
Operating profit	4,237	5,019
Non-operating income		
Interest income	35	40
Dividend income	322	194
Other	24	6
Total non-operating income	382	240
Non-operating expenses		
Interest expenses	3	2
Share of loss of entities accounted for using equity method	5	6
Loss on retirement of non-current assets	0	32
Foreign exchange losses	3	8
Cancellation penalty	14	28
Other	52	22
Total non-operating expenses	80	100
Ordinary profit	4,540	5,159
Profit before income taxes	4,540	5,159
Income taxes	1,910	2,216
Profit	2,629	2,943
Profit attributable to non-controlling interests	116	70
Profit attributable to owners of parent	2,513	2,872

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	FY2017 1Q	FY2018 1Q
Profit	2,629	2,943
Other comprehensive income		
Valuation difference on available-for-sale securities	422	3,555
Foreign currency translation adjustment	(26)	(70)
Total other comprehensive income	395	3,485
Comprehensive income	3,025	6,428
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,910	6,361
Comprehensive income attributable to non-controlling interests	114	67