

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 Third Quarter of Fiscal 2016
(April 1, 2016 - December 31, 2016)
[under Japanese GAAP]**

January 31, 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: February 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 Third Quarter of Fiscal 2016

(April 1, 2016 to December 31, 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 3Q	158,701	1.4	15,083	5.7	15,524	6.6	10,104	14.1
FY2015 3Q	156,586	9.3	14,270	32.3	14,557	31.7	8,855	32.1

(Note) Comprehensive income: FY2016 3Q: 14,187 million yen [65.5%]

FY2015 3Q: 8,574 million yen [(41.7%)]

	Net income per share		Diluted net income per share	
	Yen		Yen	
FY2016 3Q	108.65		-	
FY2015 3Q	95.21		-	

(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 3Q	178,288	114,936	62.0
FY2015	175,696	105,012	57.3

(Reference) Equity: FY2016 3Q: 110,488 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	-	22.50	-		
FY2016(Forecast)			-	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
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 3Q : 105,998,240 shares

FY2015: 105,998,240 shares

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

FY2016 3Q : 12,991,444 shares

FY2015: 12,991,324 shares

3) Average number of shares during the period:

FY2016 3Q : 93,006,901 shares

FY2015 3Q: 93,007,683 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	December 31, 2016
Current assets		
Cash and deposits	2,308	2,338
Deposits paid	40,824	40,885
Notes and accounts receivable - trade	42,722	36,171
Work in process	20,616	26,255
Raw materials and supplies	97	80
Short-term loans receivable from subsidiaries and associates	12,000	12,000
Other	4,625	4,876
Allowance for doubtful accounts	(18)	(16)
Total current assets	123,176	122,590
Non-current assets		
Property, plant and equipment	21,045	20,422
Intangible assets		
Goodwill	2,082	1,944
Other	1,414	2,165
Total intangible assets	3,496	4,109
Investments and other assets		
Investment securities	20,547	25,402
Other	7,478	5,811
Allowance for doubtful accounts	(49)	(49)
Total investments and other assets	27,977	31,165
Total non-current assets	52,519	55,697
Total assets	175,696	178,288

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
LIABILITIES	March 31, 2016	December 31, 2016
Current liabilities		
Notes and accounts payable - trade	16,734	12,419
Income taxes payable	4,012	1,812
Advances received	14,159	16,150
Provision for bonuses	7,633	3,861
Other provision	465	513
Other	7,726	8,005
Total current liabilities	50,731	42,762
Non-current liabilities		
Provision for directors' retirement benefits	145	127
Net defined benefit liability	18,923	19,654
Other	884	807
Total non-current liabilities	19,953	20,589
Total liabilities	70,684	63,352
NET ASSETS	March 31, 2016	December 31, 2016
Shareholders' equity		
Capital stock	12,952	12,952
Capital surplus	9,950	9,950
Retained earnings	90,634	96,670
Treasury shares	(20,006)	(20,007)
Total shareholders' equity	93,531	99,566
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,296	12,270
Revaluation reserve for land	(1,276)	(1,276)
Foreign currency translation adjustment	170	(72)
Total accumulated other comprehensive income	7,190	10,921
Non-controlling interests	4,290	4,448
Total net assets	105,012	114,936
Total liabilities and net assets	175,696	178,288

(2) Quarterly Consolidated Statements of Income

(Millions of yen)

	2015Fy 3Q	2016Fy 3Q
Net sales	156,586	158,701
Cost of sales	124,354	125,319
Gross profit	32,231	33,381
Selling, general and administrative expenses	17,961	18,298
Operating income	14,270	15,083
Non-operating income and expense		
Non-operating income		
Interest income	119	100
Dividend income	326	276
Share of profit of entities accounted for using equity method	-	11
Other	23	111
Total non-operating income	470	500
Non-operating expenses		
Interest expenses	48	23
Share of loss of entities accounted for using equity method	0	-
Loss on retirement of non-current assets	46	13
Provision for loss on business withdrawal	-	14
Other	89	6
Total non-operating expenses	183	58
Ordinary income	14,557	15,524
Profit before income taxes	14,557	15,524
Income taxes	5,310	5,059
Profit	9,247	10,464
Profit attributable to non-controlling interests	391	360
Profit attributable to owners of parent	8,855	10,104

(3) Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	2015Fy 3Q	2016Fy 3Q
Profit	9,247	10,464
Other comprehensive income		
Valuation difference on available-for-sale securities	(568)	3,973
Foreign currency translation adjustment	(104)	(251)
Total other comprehensive income	(672)	3,722
Comprehensive income	8,574	14,187
attributable to		
Comprehensive income attributable to owners of parent	8,186	13,835
Comprehensive income attributable to non-controlling interests	388	351