



February 6, 2020

To Whom It May Concern

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**Notice of Partial Corrections to Consolidated Financial Results
for Past Fiscal years**

NS Solutions Corporation (“NS Solutions” or the “Company”) hereby announces that, effectively today, it has made revisions to its consolidated financial results and quarterly financial results for past fiscal years as outlined below. The Company plans to file on February 14, 2020 the revised annual securities reports, quarterly securities reports and internal control reports for the same periods in past fiscal years, together with its quarterly securities report for the third quarterly of the 40th fiscal period (ending December 31, 2020).

1. Reason and background for corrections.

As was announced in our notice dated December 13, 2019 entitled “Notice Concerning the Establishment of Special Investigation Committee”, NS Solutions became aware that it was unable to verify the actual existence of certain of the Company’s recorded purchase and resale of goods transactions. Due to this situation, the Company established a Special Investigation Committee consisting of one member of the Company’s outside Audit & Supervisory Board and two independent outside experts with no interest in the Company (total of three members), and the Special Investigation Committee has since been investigating this matter (the “Relevant Transactions”). As was subsequently announced in the “Announcement Concerning Receipt of Investigation Report” from the Special Investigation Committee dated February 6, 2020, the Company has received Special Investigation Report.

Based on the Special Investigation Results of Special Investigation Committee, the Company has corrected past year’s consolidated financial statements for sales, cost of goods, which was related with the transactions that unable to verify the actual existence of certain of the Company’s recorded purchase and resale of goods. Moreover facts found in the process of accounting for the third quarter

of the fiscal year ending March 31, 2020 have been revised in the past fiscal year, and the consolidated financial statements and the non-consolidated financial statements for the past fiscal year have been revised. In accordance with the foregoing, the Company's annual financial results and quarterly financial results have been revised, effective today.

2. Revisions filed today to the following consolidated quarterly financial results

(Japanese accounting standards)

The fiscal year ended March 31, 2015

The fiscal year ended March 31, 2016

The fiscal year ended March 31, 2017

The first quarter of the fiscal year ended March 31, 2018

The first half of the fiscal year ended March 31, 2018

The first three of the fiscal year ended March 31, 2018

The fiscal year ended March 31, 2018

The first quarter of the fiscal year ended March 31, 2019

The first half of the fiscal year ended March 31, 2019

The first three of the fiscal year ended March 31, 2019

The fiscal year ended March 31, 2019

The first quarter of the fiscal year ending March 31, 2020

The first half of the fiscal year ending March 31, 2020

3. Summary of corrections for each consolidated fiscal year and business year

【Consolidated】

(¥ in millions)

Period	Item	Before Revision	After Revision	Amount of financial impact
FY ended March 31, 2015	Sales	206,295	205,651	△643
	Operating profit	16,214	16,181	△33
	Recurring profit	16,455	16,422	△33
	Profit attributable to owners of parent	9,077	9,043	△33
	Net assets	97,443	97,409	△33
	Total assets	166,283	166,135	△148
FY ended March 31, 2016	Sales	218,685	218,530	△154
	Operating profit	19,269	19,261	△7
	Recurring profit	19,367	19,359	△7
	Profit attributable to owners of parent	11,168	11,160	△8
	Net assets	105,012	104,970	△42

	Total assets	175,696	175,579	△116
FY ended March 31, 2017	Sales	232,473	227,951	△4,521
	Operating profit	21,540	21,248	△292
	Recurring profit	22,117	21,825	△292
	Profit attributable to owners of parent	13,964	13,671	△292
	Net assets	125,724	125,389	△334
	Total assets	200,811	199,521	△1,290
First quarter of FY ended March 31, 2018	Sales	58,163	52,209	△5,953
	Operating profit	4,597	4,237	△359
	Recurring profit	4,900	4,540	△359
	Profit attributable to owners of parent	2,855	2,513	△342
	Net assets	126,742	126,065	△676
	Total assets	203,657	199,277	△4,379
First half of FY ended March 31, 2018	Sales	116,554	110,272	△6,281
	Operating profit	10,073	9,810	△263
	Recurring profit	10,475	10,211	△263
	Profit attributable to owners of parent	6,569	6,288	△281
	Net assets	135,456	134,840	△615
	Total assets	215,863	212,428	△3,435
First three quarters of FY ended March 31, 2018	Sales	168,315	161,885	△6,429
	Operating profit	13,856	13,640	△215
	Recurring profit	14,437	14,221	△215
	Profit attributable to owners of parent	9,761	9,510	△251
	Net assets	137,519	136,933	△585
	Total assets	212,235	211,659	△575
FY ended March 31, 2018	Sales	244,215	230,860	△13,355
	Operating profit	22,671	21,844	△827
	Recurring profit	23,106	22,279	△827
	Profit attributable to owners of parent	14,933	14,105	△827
	Net assets	141,528	140,366	△1,162
	Total assets	224,349	221,990	△2,359
First quarter of FY ended March 31, 2019	Sales	58,434	55,409	△3,024
	Operating profit	5,117	5,019	△98
	Recurring profit	5,257	5,159	△98
	Profit attributable to owners of parent	3,001	2,872	△129
	Net assets	145,495	144,204	△1,291
	Total assets	218,582	216,012	△2,570

First half of FY ended March 31, 2019	Sales	124,646	118,277	△6,368
	Operating profit	11,274	10,955	△318
	Recurring profit	11,503	11,185	△318
	Profit attributable to owners of parent	7,204	6,850	△354
	Net assets	153,726	152,210	△1,516
	Total assets	233,548	231,749	△1,799
First three quarters of FY ended March 31, 2019	Sales	187,252	177,008	△10,243
	Operating profit	17,624	17,112	△511
	Recurring profit	18,053	17,541	△511
	Profit attributable to owners of parent	11,743	11,194	△548
	Net assets	141,305	139,594	△1,710
	Total assets	219,040	215,085	△3,955
FY ending March 31, 2019	Sales	265,278	255,116	△10,162
	Operating profit	25,676	25,385	△290
	Recurring profit	26,103	25,812	△290
	Profit attributable to owners of parent	17,111	16,713	△398
	Net assets	147,461	145,901	△1,560
	Total assets	236,078	232,779	△3,299
First quarter of FY ending March 31, 2020	Sales	81,664	68,573	△13,091
	Operating profit	7,936	6,905	△1,030
	Recurring profit	8,184	7,153	△1,030
	Profit attributable to owners of parent	5,090	4,101	△988
	Net assets	153,444	150,895	△2,548
	Total assets	240,486	237,630	△2,855
First half of FY ending March 31, 2020	Sales	149,815	136,759	△13,056
	Operating profit	15,118	14,190	△927
	Recurring profit	15,123	14,196	△927
	Profit attributable to owners of parent	9,645	8,727	△917
	Net assets	155,688	153,211	△2,477
	Total assets	246,320	246,494	173

【Parent】

(¥ in millions)

Period	Item	Before Revision	After Revision	Amount of financial impact
FY ended March 31, 2015	Sales	182,252	181,608	△643
	Operating profit	12,101	12,066	△35
	Recurring profit	13,143	13,108	△35
	Profit attributable to owners of parent	8,011	7,976	△35
	Net assets	78,572	78,537	△35
	Total assets	159,379	159,229	△149