

**Consolidated Financial Results (Japanese Accounting Standards)
for the Fiscal Year Ending March 31, 2017**

May 12, 2017

Listed Company nms Holdings Corporation (nms HD)

Listings: Tokyo Stock Exchange

Securities code 2162 URL <http://www.n-ms.co.jp/>

Representative (Title) President and CEO (Name) Fumiaki Ono

Contact (Title) General Manager, Corporate Division (Name) Mitsuyoshi Tanno Telephone 03-5333-1711

Scheduled date of ordinary shareholders' meeting: June 27, 2017

Scheduled date for filing of annual securities report: June 27, 2017

Scheduled date of commencement of dividend payment: June 28, 2017

Supplementary documents for financial results: Yes

Financial results briefing: Yes (for institutional investors and analysts)

(Amounts in millions of yen rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ending March 31, 2017 (April 1, 2016 – March 31, 2017)

(1) Consolidated results of operations (Percentages represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY03/2017	54,581	(12.2)	974	(49.8)	561	(58.4)	493	31.5
FY03/2016	62,179	26.3	1,940	292.9	1,350	84.2	375	(34.4)

Note: Comprehensive income FY03/2017 (263) million yen (-%) FY03/2016 (43) million yen (-%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY03/2017	50.51	50.50	10.1	2.2	1.8
FY03/2016	38.00	37.89	7.6	5.0	3.1

Reference: Share of (profit) loss of entities accounted for using equity method FY03/2017 — million yen FY03/2016 — million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY03/2017	24,559	4,960	18.9	539.95
FY03/2016	26,234	5,419	19.5	516.47

Reference: Shareholders' equity FY03/2017 4,633 million yen FY03/2016 5,103 million yen

(3) State of consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of fiscal year
	Million yen	Million yen	Million yen	Million yen
FY03/2017	1,595	(417)	(469)	3,253
FY03/2016	942	(1,038)	(838)	2,748

2. Dividends

	Dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
FY03/2016	—	0.00	—	7.00	7.00	69	18.4	1.3
FY03/2017	—	0.00	—	7.00	7.00	60	13.9	1.3
FY03/2018 (forecast)	—	0.00	—	5.00	5.00		5.0	

(Note) The annual dividend for the year ended March 31, 2017 comprises an ordinary dividend of 5.00 yen and a commemorative dividend of 2.00 yen.

3. Consolidated forecasts for year ending March 2018 (April 1, 2017 to March 31, 2018)

(% shows the year-on-year change)

	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
Interim	26,000	(10.2)	400	(41.9)	300	383.9	350	—	40.79
Full year	52,000	(4.7)	1,100	12.9	1,000	78.0	850	72.2	99.06

* Notes

(1) Changes of important subsidiaries during the period
(changes of specific subsidiaries in accordance with changes in the scope of consolidation): No

(2) Changes in accounting principles and changes or restatement of accounting estimates

(i) Changes in accounting principles associated with revision of accounting standards, etc.: Yes

(ii) Changes in accounting principles other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of shares outstanding (common shares):

(1) Number of shares outstanding at end of period (including treasury shares)

FY03/2017	10,805,500shares	FY03/2015	10,805,500shares
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(2) Number of treasury shares at end of period

FY03/2017	2,224,772shares	FY03/2015	924,772shares
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(3) Average number of shares outstanding during the term

FY03/2017	9,770,317shares	FY03/2015	9,879,714shares
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(Reference) Summary of non-consolidated financial results

Non-consolidated financial results for the year ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(1) Non-consolidated operating results

(% shows change from previous term)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY03/2017	13,229	5.2	303	77.3	100	202.4	(5)	—
FY03/2016	12,577	(1.8)	170	—	33	(56.6)	1	(98.0)

	Net income per share	Diluted net income per share
	Yen	Yen
FY03/2017	(0.53)	—
FY03/2016	0.15	0.15

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY03/2017	8,606	726	8.4	84.63
FY03/2016	10,144	1,423	14.0	143.78

Reference: Shareholders' equity FY03/2017 726million yen FY03/2015 1,420million yen

* Statement relating to the execution status for audit procedures

This financial summary falls outside the scope of audit procedures based on the stipulations of the Financial Instruments and Exchange Act. The audit procedures for financial statements based on the stipulations of said Act were not completed at the time this financial summary was disclosed.

* Explanations and other special notes concerning the appropriate use of business performance forecasts

(Notes concerning the forward-looking statements)

The results forecasts and forward-looking statements included in this document are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements. Actual results might be significantly different from the forecasts in the document, depending on various factors.

(Availability of the supplementary documents for financial results)

The Company plans to hold a results briefing for institutional investors and analysts on Thursday, May 18, 2017.

The supplementary materials on financial results delivered in the briefing will be disclosed at TDnet immediately after the briefing.

4. Consolidated financial statements

(1) Consolidated balance sheet

(Thousand yen)

	FY03/2016 (March 31,2016)	FY03/2017 (March 31,2017)
Assets		
Current assets		
Cash and deposits	2,869,948	3,655,507
Notes and accounts receivable - trade	10,487,549	9,093,721
Finished goods	1,736,612	1,135,329
Work in process	446,499	439,969
Raw materials and supplies	3,550,079	3,158,808
Others	1,050,937	831,514
Allowance for doubtful accounts	(8,019)	(6,676)
Total current assets	20,133,608	18,308,174
Non-current assets		
Property, plant and equipment		
Land	1,600,989	1,084,959
Other, net	2,875,044	3,112,443
Total property, plant and equipment	4,476,035	4,197,404
Intangible assets		
Other	560,007	526,656
Total intangible assets	560,007	526,656
Investment and other assets		
Other	1,077,717	1,536,631
Allowance for doubtful accounts	(12,969)	(9,444)
Total investments and other accounts	1,064,749	1,527,189
Total non-current assets	6,100,792	6,251,250
Total assets	26,234,401	24,559,425
Liability		
Current liability		
Notes and accounts payable - trade	5,299,777	3,427,983
Short-term loans payable	8,823,673	8,868,006
Accounts payable - other	1,532,814	1,801,804
Income tax payable	166,599	155,759
Accrued consumption taxes	209,052	230,479
Provision for bonuses	349,939	351,830
Other	851,284	1,043,653
Total current liabilities	17,233,142	15,879,518
Non-current liabilities		
Long-term loans payable	2,639,528	2,796,816
Deferred tax liability	88,177	74,159
Provision for directors' retirement benefits	95,616	105,290
Non defined benefit liabilities	442,352	425,033
Other	315,825	318,234
Total non-current liabilities	3,581,499	3,719,533
Total liabilities	20,814,641	19,599,052

(Thousand yen)

	FY03/2016 (March 31,2016)	FY03/2017 (March 31,2017)
Net assets		
Shareholders' equity		
Capital stock	500,690	500,690
Capital surplus	401,262	415,679
Retained earnings	4,451,247	4,875,592
Treasury shares	(289,653)	(909,753)
Total shareholders' equity	5,063,546	4,882,208
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	99,040	118,859
Foreign currency translation adjustment	(59,519)	(367,915)
Total other accumulated comprehensive income	39,520	(249,056)
Subscription rights to shares	2,809	—
Non-controlling interests	313,883	327,220
Total net assets	5,419,760	4,960,373
Total liabilities and net assets	26,234,401	24,559,425

(2) Consolidated statements of income/quarterly consolidated statement of comprehensive income
(Consolidated statements of income) (FY03/2017)

(Thousand yen)

	FY03/2016 (From April 1, 2015 to March 31, 2016)	FY03/2017 (From April 1, 2016 to March 31, 2017)
Net sales	62,179,503	54,581,103
Cost of sales	53,736,326	47,487,083
Gross profit	8,443,177	7,094,020
Selling, general and administrative expenses		
Salaries and bonuses	2,402,545	2,148,865
Provision for bonuses	100,496	151,782
Other	4,000,628	3,819,155
Total selling, general and administrative expenses	6,503,077	6,119,804
Operating income	1,940,100	974,216
Non-operating income		
Interest income	12,760	25,922
Dividend income	4,505	5,054
Real estate rent	23,608	14,261
Other	38,393	67,191
Total non-operating income	79,268	112,429
Non-operating expenses		
Interest expenses	89,050	78,521
Foreign exchange losses	449,841	257,271
Rent cost of real estate	21,345	3,738
Foreign withholding tax	17,671	15,983
Other	90,652	169,265
Total non-operating expenses	668,562	524,780
Ordinary income	1,350,805	561,865
Extraordinary income		
Gain on sales of non-current assets	7,148	622,442
Subsidies for employment adjustment	25,127	7,215
Other	234	2,809
Total extraordinary income	32,509	632,466
Extraordinary losses		
Loss on sales of non-current assets	344	369
Loss on retirement of non-current assets	1,212	6,735
Leave allowance	78	6,258
Impairment loss	241,224	—
Overseas subsidiaries tax-related losses	35,711	—
Loss on liquidation of subsidiaries	—	180,966
Business structure reform expenses	52,933	24,783
Organization restructuring expenses	—	29,539
Head office relocation expenses	—	47,887
Other	43,837	43,435
Total extraordinary losses	375,343	339,976
Income before income taxes	1,007,971	854,356
Income taxes	557,253	316,966
Net income/loss (-)	450,718	537,389
Profit attributable to owners of parent	75,334	43,879
Profit/Loss (-) attributable to owners of parent	375,384	493,510

(Consolidated statement of comprehensive income) (FY03/2017)

(Thousand yen)

	FY03/2016 (From April 1, 2015 to March 31, 2016)	FY03/2017 (From April 1, 2016 to March 31, 2017)
Net income/loss (-)	450,718	537,389
Other comprehensive income/loss (-)		
Valuation difference on available-for-sale securities	28,800	20,934
Foreign currency translation adjustment	(523,376)	(321,392)
Total other comprehensive income/loss (-)	(494,575)	(300,457)
Comprehensive income/loss (-)	(43,857)	236,931
Comprehensive income attributable to		
Comprehensive income/loss (-) attributable to owners of parent	(87,830)	204,932
Comprehensive income/loss (-) attributable to non-controlling interests	43,972	31,998