

# 3Q FY March 2022 Financial Results

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Nomura Research Institute, Ltd.

January 27, 2022



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**3Q FY March 2022 Financial Results (Consolidated)**

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**FY March 2022 Financial Results Forecasts (Consolidated)**

# 3Q FY March 2022 Financial Results (Consolidated)

## 1. Highlights

							(JPY million)
3rd Quarter Total	3Q FY Mar.2021	Progress	3Q FY Mar.2022	Progress	Y o Y		FY Mar.2021
	Amount	(%)	Amount	(%)	Diff.	Change(%)	Amount
Revenue	404,351	73.5	447,947	74.7	43,596	10.8	550,337
Consulting Services	64,827	72.0	86,819	74.2	21,991	33.9	90,056
System Development & System Application Sales	135,517	73.7	146,632	74.8	11,114	8.2	183,847
System Management & Operation Services	192,055	74.3	203,823	74.9	11,768	6.1	258,656
Product Sales	11,951	67.2	10,672	71.1	(1,279)	(10.7)	17,777
Cost of Sales	268,081		287,890		19,809	7.4	364,539
Gross Profit	136,270		160,057		23,787	17.5	185,798
Gross Profit Margin	33.7%		35.7%		2.0P		33.8%
Selling, general and administrative expenses	72,577		82,437		9,859	13.6	98,366
Other Income & Other Expenses, etc.	293		3,752		3,459	—	(6,683)
Operating Profit	63,985	79.2	81,372	78.2	17,386	27.2	80,748
Operating Margin	15.8%		18.2%		2.3P		14.7%
Finance Income & Finance Costs	(5,240)		(1,519)		3,721	(71.0)	(9,672)
Profit before tax	58,744	82.7	79,852	76.8	21,107	35.9	71,075
Profit attributable to owners of parent	40,005	75.7	54,314	78.7	14,308	35.8	52,867
Basic earnings per share(JPY)	66.92		91.50		24.57		88.34
EBITDA Margin	23.5%		24.5%		1.0P		23.6%

\* The breakdown of the revenue is classified by products and services.

\* EBITDA margin: EBITDA (Operating profit + Depreciation and Amortization + Loss on retirement of fixed assets ± Temporary factors) / Revenue

# 3Q FY March 2022 Financial Results (Consolidated)

## 1. Highlights

3rd Quarter	(JPY million)			
	3Q FY Mar.2021	3Q FY Mar.2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Revenue	138,127	155,973	17,845	12.9
Consulting Services	23,304	32,182	8,877	38.1
System Development & System Application Sales	46,071	51,307	5,235	11.4
System Management & Operation Services	64,854	69,278	4,424	6.8
Product Sales	3,896	3,205	(691)	(17.7)
Cost of Sales	89,520	99,833	10,312	11.5
Gross Profit	48,606	56,139	7,533	15.5
Gross Profit Margin	35.2%	36.0%	0.8P	
Selling, general and administrative expenses	24,709	28,923	4,214	17.1
Other Income & Other Expenses, etc.	219	242	23	10.6
Operating Profit	24,117	27,458	3,341	13.9
Operating Profit Margin	17.5%	17.6%	0.1P	
Finance Income & Finance Costs	(2,687)	(1,123)	1,564	(58.2)
Profit before tax	21,429	26,335	4,906	22.9
Profit attributable to owners of parent	14,619	17,800	3,180	21.8
Basic earnings per share(JPY)	24.42	30.23	5.82	
EBITDA Margin	24.9%	24.4%	(0.5P)	

2nd Quarter	(JPY million)			
	2Q FY Mar.2021	2Q FY Mar.2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Revenue	135,107	149,327	14,219	10.5
Consulting Services	21,688	29,576	7,888	36.4
System Development & System Application Sales	45,909	48,829	2,919	6.4
System Management & Operation Services	64,203	68,121	3,918	6.1
Product Sales	3,306	2,799	(506)	(15.3)
Cost of Sales	89,037	96,588	7,550	8.5
Gross Profit	46,069	52,738	6,669	14.5
Gross Profit Margin	34.1%	35.3%	1.2P	
Selling, general and administrative expenses	24,127	25,409	1,282	5.3
Other Income & Other Expenses, etc.	80	19	(60)	(75.6)
Operating Profit	22,022	27,348	5,326	24.2
Operating Profit Margin	16.3%	18.3%	2.0P	
Finance Income & Finance Costs	(1,551)	(569)	982	(63.3)
Profit before tax	20,471	26,779	6,308	30.8
Profit attributable to owners of parent	13,574	18,101	4,527	33.4
Basic earnings per share(JPY)	22.70	30.69	8.00	
EBITDA Margin	24.1%	25.4%	1.3P	

# 3Q FY March 2022 Financial Results (Consolidated)

## 1. Highlights

(JPY million)

1st Quarter	1Q FY Mar.2021	1Q FY Mar.2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Revenue	131,116	142,647	11,530	8.8
Consulting Services	19,833	25,060	5,226	26.4
System Development & System Application Sales	43,536	46,495	2,959	6.8
System Management & Operation Services	62,998	66,423	3,425	5.4
Product Sales	4,748	4,667	(80)	(1.7)
Cost of Sales	89,522	91,468	1,945	2.2
Gross Profit	41,593	51,178	9,584	23.0
Gross Profit Margin	31.7%	35.9%	4.2P	
Selling, general and administrative expenses	23,740	28,103	4,362	18.4
Other Income & Other Expenses, etc.	(6)	3,489	3,496	—
Operating Profit	17,846	26,564	8,718	48.9
Operating Profit Margin	13.6%	18.6%	5.0P	
Finance Income & Finance Costs	(1,002)	172	1,174	—
Profit before tax	16,844	26,737	9,893	58.7
Profit attributable to owners of parent	11,811	18,411	6,600	55.9
Basic earnings per share(JPY)	19.80	30.57	10.77	
EBITDA Margin	21.3%	23.5%	2.2P	

# 3Q FY March 2022 Financial Results (Consolidated)

## 2. Segment performance results

### ① Including Inter-segment revenue for each segment

3rd Quarter Total		3Q FY Mar.2021		3Q FY Mar.2022		Y o Y		(JPY million)	
		FY Mar.2021		FY Mar.2022		FY Mar.2022		FY Mar.2021	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Consulting	Revenue	25,974	6.4	31,324	7.0	5,349	20.6	38,155	6.9
	Operating Profit	5,567	8.7	8,601	10.6	3,034	54.5	10,059	12.5
	Operating Margin	21.4%		27.5%		6.0P		26.4%	
Financial IT Solutions	Revenue	216,496	53.5	228,665	51.0	12,169	5.6	292,038	53.1
	Operating Profit	28,321	44.3	33,482	41.1	5,161	18.2	36,275	44.9
	Operating Margin	13.1%		14.6%		1.6P		12.4%	
Industrial IT Solutions	Revenue	139,838	34.6	167,358	37.4	27,520	19.7	189,551	34.4
	Operating Profit	15,315	23.9	19,259	23.7	3,943	25.8	19,482	24.1
	Operating Margin	11.0%		11.5%		0.6P		10.3%	
IT Platform Services	Revenue	103,988	25.7	116,335	26.0	12,346	11.9	142,686	25.9
	Operating Profit	14,765	23.1	16,745	20.6	1,980	13.4	19,785	24.5
	Operating Margin	14.2%		14.4%		0.2P		13.9%	
Inter-segment revenue and eliminations	Revenue	(81,945)	(20.3)	(95,736)	(21.4)	(13,790)		(112,094)	(20.4)
	Operating Profit	15	0.0	3,282	4.0	3,266		(4,855)	(6.0)
Total	Revenue	404,351	100.0	447,947	100.0	43,596	10.8	550,337	100.0
	Operating Profit	63,985	100.0	81,372	100.0	17,386	27.2	80,748	100.0
	Operating Margin	15.8%		18.2%		2.3P		14.7%	

\* Including inter-segment revenue for each segment.

# 3Q FY March 2022 Financial Results (Consolidated)

## 2. Segment performance results

### ① Including Inter-segment revenue for each segment

(JPY million)

3rd Quarter		3Q FY Mar.2021		3Q FY Mar.2022		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Revenue	10,180	7.4	11,824	7.6	1,644	16.1
	Operating Profit	3,054	12.7	3,361	12.2	307	10.1
	Operating Margin	30.0%		28.4%		(1.6P)	
Financial IT Solutions	Revenue	72,967	52.8	80,538	51.6	7,570	10.4
	Operating Profit	10,169	42.2	12,384	45.1	2,215	21.8
	Operating Margin	13.9%		15.4%		1.4P	
Industrial IT Solutions	Revenue	47,143	34.1	56,378	36.1	9,235	19.6
	Operating Profit	5,426	22.5	6,450	23.5	1,024	18.9
	Operating Margin	11.5%		11.4%		(0.1P)	
IT Platform Services	Revenue	36,258	26.2	39,745	25.5	3,486	9.6
	Operating Profit	5,475	22.7	5,297	19.3	(178)	(3.3)
	Operating Margin	15.1%		13.3%		(1.8P)	
Inter-segment revenue and eliminations	Revenue	(28,421)	(20.6)	(32,513)	(20.8)	(4,091)	
	Operating Profit	(8)	(0.0)	(34)	(0.1)	(26)	
Total	Revenue	138,127	100.0	155,973	100.0	17,845	12.9
	Operating Profit	24,117	100.0	27,458	100.0	3,341	13.9
	Operating Margin	17.5%		17.6%		0.1P	

(JPY million)

2nd Quarter		2Q FY Mar.2021		2Q FY Mar.2022		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Revenue	8,694	6.4	10,629	7.1	1,934	22.3
	Operating Profit	1,902	8.6	3,434	12.6	1,532	80.6
	Operating Margin	21.9%		32.3%		10.4P	
Financial IT Solutions	Revenue	73,208	54.2	75,881	50.8	2,672	3.7
	Operating Profit	10,291	46.7	11,860	43.4	1,568	15.2
	Operating Margin	14.1%		15.6%		1.6P	
Industrial IT Solutions	Revenue	46,267	34.2	55,922	37.4	9,654	20.9
	Operating Profit	4,798	21.8	6,115	22.4	1,317	27.5
	Operating Margin	10.4%		10.9%		0.6P	
IT Platform Services	Revenue	34,347	25.4	39,160	26.2	4,812	14.0
	Operating Profit	5,019	22.8	5,960	21.8	940	18.7
	Operating Margin	14.6%		15.2%		0.6P	
Inter-segment revenue and eliminations	Revenue	(27,410)	(20.3)	(32,266)	(21.6)	(4,855)	
	Operating Profit	10	0.0	(21)	(0.1)	(32)	
Total	Revenue	135,107	100.0	149,327	100.0	14,219	10.5
	Operating Profit	22,022	100.0	27,348	100.0	5,326	24.2
	Operating Margin	16.3%		18.3%		2.0P	

# 3Q FY March 2022 Financial Results (Consolidated)

## 2. Segment performance results

### ① Including Inter-segment revenue for each segment

1st Quarter		1Q FY Mar.2021		1Q FY Mar.2022		(JPY million)	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Revenue	7,099	5.4	8,869	6.2	1,770	24.9
	Operating Profit	610	3.4	1,805	6.8	1,194	195.6
	Operating Margin	8.6%		20.4%		11.8P	
Financial IT Solutions	Revenue	70,320	53.6	72,245	50.6	1,925	2.7
	Operating Profit	7,860	44.0	9,238	34.8	1,377	17.5
	Operating Margin	11.2%		12.8%		1.6P	
Industrial IT Solutions	Revenue	46,427	35.4	55,057	38.6	8,630	18.6
	Operating Profit	5,091	28.5	6,694	25.2	1,602	31.5
	Operating Margin	11.0%		12.2%		1.2P	
IT Platform Services	Revenue	33,382	25.5	37,430	26.2	4,047	12.1
	Operating Profit	4,270	23.9	5,488	20.7	1,217	28.5
	Operating Margin	12.8%		14.7%		1.9P	
Inter-segment revenue and eliminations	Revenue	(26,113)	(19.9)	(30,956)	(21.7)	(4,843)	
	Operating Profit	13	0.1	3,338	12.6	3,325	
Total	Revenue	131,116	100.0	142,647	100.0	11,530	8.8
	Operating Profit	17,846	100.0	26,564	100.0	8,718	48.9
	Operating Margin	13.6%		18.6%		5.0P	



# 3Q FY March 2022 Financial Results (Consolidated)

## 2. Segment performance results

### ② External revenue by segment

(JPY million)

3rd Quarter Total	3Q FY Mar.2021		3Q FY Mar.2022		Y o Y		FY Mar.2021	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Consulting	25,371	6.3	30,237	6.8	4,866	19.2	37,246	6.8
Financial IT Solutions	213,675	52.8	225,176	50.3	11,500	5.4	288,196	52.4
Securities	96,357	23.8	98,085	21.9	1,728	1.8	130,427	23.7
Insurance	44,946	11.1	50,397	11.3	5,451	12.1	61,441	11.2
Banking	37,293	9.2	35,323	7.9	(1,969)	(5.3)	50,181	9.1
Other financial	35,077	8.7	41,369	9.2	6,291	17.9	46,146	8.4
Industrial IT Solutions	137,345	34.0	162,150	36.2	24,804	18.1	186,051	33.8
Distribution	46,451	11.5	50,687	11.3	4,236	9.1	62,192	11.3
Manufacturing, service and other	90,894	22.5	111,462	24.9	20,568	22.6	123,858	22.5
IT Platform Services	27,959	6.9	30,383	6.8	2,424	8.7	38,843	7.1
Total	404,351	100.0	447,947	100.0	43,596	10.8	550,337	100.0

\* The breakdowns of the segments are comprised of revenue by customer sector.

# 3Q FY March 2022 Financial Results (Consolidated)

## 2. Segment performance results

### ② External revenue by segment

(JPY million)

3rd Quarter	3Q FY Mar.2021		3Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	9,956	7.2	11,383	7.3	1,427	14.3
Financial IT Solutions	72,016	52.1	79,316	50.9	7,299	10.1
Securities	32,811	23.8	33,601	21.5	790	2.4
Insurance	14,905	10.8	18,537	11.9	3,631	24.4
Banking	12,326	8.9	12,361	7.9	34	0.3
Other financial	11,973	8.7	14,816	9.5	2,842	23.7
Industrial IT Solutions	46,257	33.5	54,540	35.0	8,282	17.9
Distribution	15,577	11.3	17,310	11.1	1,732	11.1
Manufacturing, service and other	30,679	22.2	37,229	23.9	6,549	21.3
IT Platform Services	9,896	7.2	10,733	6.9	836	8.5
Total	138,127	100.0	155,973	100.0	17,845	12.9

(JPY million)

2nd Quarter	2Q FY Mar.2021		2Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	8,498	6.3	10,250	6.9	1,751	20.6
Financial IT Solutions	72,196	53.4	74,670	50.0	2,474	3.4
Securities	32,909	24.4	33,914	22.7	1,004	3.1
Insurance	15,000	11.1	16,473	11.0	1,472	9.8
Banking	12,679	9.4	11,443	7.7	(1,236)	(9.7)
Other financial	11,605	8.6	12,839	8.6	1,233	10.6
Industrial IT Solutions	45,396	33.6	54,053	36.2	8,657	19.1
Distribution	15,345	11.4	17,021	11.4	1,676	10.9
Manufacturing, service and other	30,051	22.2	37,032	24.8	6,980	23.2
IT Platform Services	9,015	6.7	10,352	6.9	1,336	14.8
Total	135,107	100.0	149,327	100.0	14,219	10.5

# 3Q FY March 2022 Financial Results (Consolidated)

## 2. Segment performance results

### ② External revenue by segment

(JPY million)

1st Quarter	1Q FY Mar.2021		1Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	6,915	5.3	8,603	6.0	1,687	24.4
Financial IT Solutions	69,462	53.0	71,189	49.9	1,726	2.5
Securities	30,636	23.4	30,569	21.4	(67)	(0.2)
Insurance	15,040	11.5	15,387	10.8	347	2.3
Banking	12,287	9.4	11,519	8.1	(768)	(6.3)
Other financial	11,498	8.8	13,713	9.6	2,215	19.3
Industrial IT Solutions	45,691	34.8	53,556	37.5	7,865	17.2
Distribution	15,527	11.8	16,355	11.5	827	5.3
Manufacturing, service and other	30,163	23.0	37,200	26.1	7,037	23.3
IT Platform Services	9,047	6.9	9,297	6.5	250	2.8
Total	131,116	100.0	142,647	100.0	11,530	8.8

# 3Q FY March 2022 Financial Results (Consolidated)

## 3. Revenue by main client

(JPY million)

3rd Quarter Total	3Q FY Mar.2021		3Q FY Mar.2022		Y o Y		FY Mar.2021	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Nomura Holdings	48,481	12.0	46,136	10.3	(2,344)	(4.8)	66,309	12.0

\* Figures, in principle, include revenue to subsidiaries.

(JPY million)

3rd Quarter	3Q FY Mar.2021		3Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	16,681	12.1	15,322	9.8	(1,358)	(8.1)

(JPY million)

2nd Quarter	2Q FY Mar.2021		2Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	15,724	11.6	15,554	10.4	(170)	(1.1)

(JPY million)

1st Quarter	1Q FY Mar.2021		1Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	16,074	12.3	15,259	10.7	(815)	(5.1)

## 3Q FY March 2022 Financial Results (Consolidated)

### 4. Overseas Revenue

(JPY million)

3rd Quarter Total	3Q FY Mar.2021		3Q FY Mar.2022		Y o Y		FY Mar.2021	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Overseas revenue	32,216	8.0	51,078	11.4	18,861	58.5	43,625	7.9
North America	4,698	1.2	4,249	0.9	(448)	(9.6)	6,182	1.1
Oceania	23,437	5.8	41,352	9.2	17,915	76.4	31,992	5.8
Asia, Other	4,080	1.0	5,476	1.2	1,395	34.2	5,451	1.0

\* Numbers by area are based on location of clients, and numbers per country or area are recorded as reference values.

# 3Q FY March 2022 Financial Results (Consolidated)

## 4. Overseas Revenue

(JPY million)

3rd Quarter	3Q FY Mar.2021		3Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Overseas revenue	10,550	7.6	17,897	11.5	7,347	69.6
North America	1,421	1.0	1,431	0.9	9	0.7
Oceania	7,745	5.6	14,408	9.2	6,663	86.0
Asia, Other	1,383	1.0	2,057	1.3	674	48.7

(JPY million)

2nd Quarter	2Q FY Mar.2021		2Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Overseas revenue	11,116	8.2	17,371	11.6	6,255	56.3
North America	1,697	1.3	1,290	0.9	(407)	(24.0)
Oceania	8,071	6.0	13,978	9.4	5,907	73.2
Asia, Other	1,347	1.0	2,102	1.4	755	56.0

(JPY million)

1st Quarter	1Q FY Mar.2021		1Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Overseas revenue	10,549	8.0	15,808	11.1	5,259	49.9
North America	1,579	1.2	1,527	1.1	(51)	(3.3)
Oceania	7,620	5.8	12,965	9.1	5,344	70.1
Asia, Other	1,350	1.0	1,316	0.9	(33)	(2.5)

# 3Q FY March 2022 Financial Results (Consolidated)

## 5. Subcontracting Costs

(JPY million)

3rd Quarter Total	3Q FY Mar.2021		3Q FY Mar.2022		Y o Y		FY Mar.2021	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Subcontracting Costs	127,681	31.6	141,884	31.7	14,202	11.1	171,560	31.2
(Subcontracting Costs to China)	23,623	18.5	26,431	18.6	2,808	11.9	30,460	17.8

\* Share for subcontracting costs shows share of revenue.

\* Subcontracting costs to China & Percentage in total subcontracting costs.

(JPY million)

3rd Quarter	3Q FY Mar.2021		3Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	42,703	30.9	50,742	32.5	8,038	18.8
(Subcontracting Costs to China)	8,549	20.0	9,800	19.3	1,251	14.6

(JPY million)

2nd Quarter	2Q FY Mar.2021		2Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	42,593	31.5	47,632	31.9	5,039	11.8
(Subcontracting Costs to China)	7,897	18.5	9,041	19.0	1,143	14.5

(JPY million)

1st Quarter	1Q FY Mar.2021		1Q FY Mar.2022		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	42,383	32.3	43,508	30.5	1,124	2.7
(Subcontracting Costs to China)	7,176	16.9	7,589	17.4	413	5.8

# 3Q FY March 2022 Financial Results (Consolidated)

## 6. Cash Flow

3rd Quarter Total	3Q FY Mar. 2021	3Q FY Mar. 2022	Y o Y		(JPY million) FY Mar.2021
	Amount	Amount	Diff.	Change(%)	Amount
Operating Activities	58,738	73,516	14,777	25.2	84,594
Investing Activities	(15,162)	(108,754)	(93,592)	617.3	(20,522)
(Investing Activities except Cash management purpose investment*)	(17,427)	(108,653)	(91,226)	523.5	(22,811)
Free Cash Flow	43,576	(35,237)	(78,814)	—	64,071
(Free Cash Flow except Cash management purpose investment*)	41,311	(35,137)	(76,449)	—	61,782
Financing Activities	(21,827)	21,605	43,433	—	(13,183)
Net increase in Cash and cash equivalents	22,036	(12,706)	(34,743)	—	52,408
(Net increase in Cash and cash equivalents except Cash management purpose investment*)	19,771	(12,605)	(32,377)	—	50,119
Cash and cash equivalents at end of period	122,815	140,481	17,665	14.4	153,187
Cash and cash equivalents + Cash Management purpose investment	124,441	142,281	17,839	14.3	154,847

\* Cash management purpose investment is investments in bonds, etc., with maturities of longer than three months from date of purchase to date of redemption.



## 3Q FY March 2022 Financial Results (Consolidated)

# 7. Capital Investment, Research and Development Expenses

(JPY million)

3rd Quarter Total	3Q FY Mar. 2021	3Q FY Mar. 2022	Y o Y		FY Mar.2021
	Amount	Amount	Diff.	Change(%)	Amount
Capital Investment	23,925	32,105	8,179	34.2	33,372
Tangible	8,310	5,554	(2,756)	(33.2)	11,712
Right-of-use assets*	3,265	2,254	(1,011)	(31.0)	5,093
Intangible	15,614	26,551	10,936	70.0	21,660
Research and Development Expenses	3,089	3,631	541	17.5	4,468

\* Right-of-use assets for which buildings and structures are the underlying assets.

## 3Q FY March 2022 Financial Results (Consolidated)

# 7. Capital Investment, Research and Development Expenses

(JPY million)

3rd Quarter	3Q FY Mar. 2021	3Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Investment	7,788	12,403	4,614	59.3
Tangible	2,060	2,632	571	27.7
Right-of-use assets	615	1,051	435	70.8
Intangible	5,727	9,771	4,043	70.6
Research and Development Expenses	1,184	1,122	(61)	(5.2)

(JPY million)

2nd Quarter	2Q FY Mar. 2021	2Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Investment	7,929	10,840	2,910	36.7
Tangible	2,993	1,470	(1,522)	(50.9)
Right-of-use assets	1,144	702	(441)	(38.6)
Intangible	4,936	9,369	4,432	89.8
Research and Development Expenses	1,139	1,351	212	18.6

(JPY million)

1st Quarter	1Q FY Mar. 2021	1Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Investment	8,207	8,862	654	8.0
Tangible	3,256	1,451	(1,805)	(55.4)
Right-of-use assets	1,505	500	(1,005)	(66.8)
Intangible	4,950	7,410	2,459	49.7
Research and Development Expenses	765	1,156	391	51.2

## 8. Depreciation and Amortization

(JPY million)

3rd Quarter Total	3Q FY Mar. 2021	3Q FY Mar. 2022	Y o Y		FY Mar.2021
	Amount	Amount	Diff.	Change(%)	Amount
Tangible	14,055	13,740	(314)	(2.2)	18,850
Right-of-use assets*	8,085	8,473	387	4.8	10,797
Intangible	16,654	17,352	698	4.2	22,060
Depreciation and Amortization	30,709	31,093	383	1.2	40,911

\* Right-of-use assets for which buildings and structures are the underlying assets.

## 3Q FY March 2022 Financial Results (Consolidated)

# 8. Depreciation and Amortization

(JPY million)

3rd Quarter	3Q FY Mar. 2021	3Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	4,755	4,636	(119)	(2.5)
Right-of-use assets	2,720	2,861	140	5.2
Intangible	5,535	5,935	400	7.2
Depreciation and Amortization	10,291	10,571	280	2.7

(JPY million)

2nd Quarter	2Q FY Mar. 2021	2Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	4,682	4,638	(44)	(0.9)
Right-of-use assets	2,682	2,839	156	5.8
Intangible	5,661	5,617	(44)	(0.8)
Depreciation and Amortization	10,344	10,256	(88)	(0.9)

(JPY million)

1st Quarter	1Q FY Mar. 2021	1Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	4,616	4,465	(151)	(3.3)
Right-of-use assets	2,681	2,772	90	3.4
Intangible	5,457	5,800	342	6.3
Depreciation and Amortization	10,074	10,265	191	1.9

# 3Q FY March 2022 Financial Results (Consolidated)

## 9. Order Backlog by segment (Total)

(JPY million)

At the end of the 3rd Quarter	3Q FY Mar. 2021	3Q FY Mar. 2022	Yo Y	
	Amount	Amount	Diff.	Change(%)
Consulting	8,733	10,072	1,339	15.3
Financial IT Solutions	70,490	78,623	8,133	11.5
Industrial IT Solutions	40,008	58,925	18,917	47.3
IT Platform Services	8,610	9,828	1,217	14.1
Total	127,842	157,449	29,607	23.2
(Order backlog in the current FY)	108,812	121,351	12,538	11.5

(JPY million)

At the end of the 2nd Quarter	2Q FY Mar. 2021	2Q FY Mar. 2022	Yo Y	
	Amount	Amount	Diff.	Change(%)
Consulting	10,341	11,477	1,136	11.0
Financial IT Solutions	107,104	116,253	9,148	8.5
Industrial IT Solutions	57,130	65,875	8,745	15.3
IT Platform Services	10,753	12,244	1,491	13.9
Total	185,329	205,851	20,521	11.1
(Order backlog in the current FY)	173,897	191,977	18,079	10.4

(JPY million)

At the end of the 1st Quarter	1Q FY Mar. 2021	1Q FY Mar. 2022	Yo Y	
	Amount	Amount	Diff.	Change(%)
Consulting	10,743	10,845	102	1.0
Financial IT Solutions	143,736	154,632	10,896	7.6
Industrial IT Solutions	76,618	92,419	15,801	20.6
IT Platform Services	13,085	14,746	1,661	12.7
Total	244,183	272,644	28,461	11.7
(Order backlog in the current FY)	235,150	262,269	27,119	11.5

(JPY million)

At beginning of period	FY Mar. 2021	FY Mar. 2022	Yo Y	
	Amount	Amount	Diff.	Change(%)
Consulting	4,339	7,050	2,711	62.5
Financial IT Solutions	165,449	184,968	19,518	11.8
Industrial IT Solutions	98,949	102,484	3,535	3.6
IT Platform Services	17,041	15,281	(1,759)	(10.3)
Total	285,779	309,785	24,005	8.4
(Order backlog in the current FY)	282,004	301,550	19,546	6.9

# 3Q FY March 2022 Financial Results (Consolidated)

## 9. Order Backlog by segment(Domestic/International)

(JPY million)

At the end of the 3rd Quarter	3Q FY Mar. 2021	3Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	8,126	9,482	1,356	16.7
Financial IT Solutions	70,043	76,988	6,944	9.9
Industrial IT Solutions	31,911	33,499	1,588	5.0
IT Platform Services	8,610	9,828	1,217	14.1
Total	118,692	129,798	11,106	9.4
Order backlog of overseas subsidiaries				
Overseas subsidiaries	9,150	27,650	18,500	202.2

\* Group companies which have the headquarter overseas are classified as overseas subsidiaries.

(JPY million)

At the end of the 1st Quarter	1Q FY Mar. 2021	1Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	10,147	10,241	93	0.9
Financial IT Solutions	143,047	149,665	6,617	4.6
Industrial IT Solutions	56,346	64,543	8,196	14.5
IT Platform Services	13,085	14,746	1,661	12.7
Total	222,627	239,196	16,569	7.4
Order backlog of overseas subsidiaries				
Overseas subsidiaries	21,556	33,448	11,891	55.2

(JPY million)

At the end of the 2nd Quarter	2Q FY Mar. 2021	2Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	9,759	10,763	1,003	10.3
Financial IT Solutions	106,688	113,194	6,506	6.1
Industrial IT Solutions	42,646	46,616	3,969	9.3
IT Platform Services	10,753	12,244	1,491	13.9
Total	169,847	182,818	12,970	7.6
Order backlog of overseas subsidiaries				
Overseas subsidiaries	15,482	23,033	7,550	48.8

(JPY million)

At beginning of period	FY Mar. 2021	FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	4,043	6,597	2,553	63.2
Financial IT Solutions	165,143	184,634	19,491	11.8
Industrial IT Solutions	68,913	74,108	5,195	7.5
IT Platform Services	17,041	15,281	(1,759)	(10.3)
Total	255,141	280,621	25,480	10.0
Order backlog of overseas subsidiaries				
Overseas subsidiaries	30,637	29,163	(1,474)	(4.8)

# 3Q FY March 2022 Financial Results (Consolidated)

## 10. Order Volume by segment (Total)

(JPY million)

3rd Quarter Total	3Q FY Mar. 2021	3Q FY Mar. 2022	YoY	
	Amount	Amount	Diff.	Change(%)
Consulting	29,764	33,259	3,494	11.7
Financial IT Solutions	118,716	118,831	115	0.1
Industrial IT Solutions	78,404	118,591	40,186	51.3
IT Platform Services	19,529	24,930	5,401	27.7
Total	246,415	295,612	49,197	20.0

(JPY million)

3rd Quarter	3Q FY Mar. 2021	3Q FY Mar. 2022	YoY	
	Amount	Amount	Diff.	Change(%)
Consulting	8,348	9,978	1,629	19.5
Financial IT Solutions	35,401	41,686	6,284	17.8
Industrial IT Solutions	29,135	47,590	18,454	63.3
IT Platform Services	7,754	8,316	562	7.3
Total	80,640	107,571	26,931	33.4

(JPY million)

2nd Quarter	2Q FY Mar. 2021	2Q FY Mar. 2022	YoY	
	Amount	Amount	Diff.	Change(%)
Consulting	8,096	10,882	2,785	34.4
Financial IT Solutions	35,564	36,291	726	2.0
Industrial IT Solutions	25,908	27,510	1,601	6.2
IT Platform Services	6,683	7,850	1,166	17.5
Total	76,253	82,534	6,280	8.2

(JPY million)

1st Quarter	1Q FY Mar. 2021	1Q FY Mar. 2022	YoY	
	Amount	Amount	Diff.	Change(%)
Consulting	13,319	12,398	(921)	(6.9)
Financial IT Solutions	47,749	40,853	(6,895)	(14.4)
Industrial IT Solutions	23,360	43,490	20,130	86.2
IT Platform Services	5,091	8,763	3,671	72.1
Total	89,520	105,506	15,985	17.9

# 3Q FY March 2022 Financial Results (Consolidated)

## 10. Order Volume by segment(Domestic/International)

(JPY million)

3rd Quarter Total	3Q FY Mar. 2021	3Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	27,331	30,420	3,088	11.3
Financial IT Solutions	116,156	110,814	(5,341)	(4.6)
Industrial IT Solutions	72,440	79,491	7,050	9.7
IT Platform Services	19,310	24,669	5,358	27.8
Total	235,239	245,396	10,156	4.3
Order Volume of overseas subsidiaries				
Overseas subsidiaries	11,175	50,216	39,040	349.3

\* Group companies which have the headquarter overseas are classified as overseas subsidiaries.

(JPY million)

2nd Quarter	2Q FY Mar. 2021	2Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	7,380	9,820	2,439	33.1
Financial IT Solutions	34,969	35,616	646	1.8
Industrial IT Solutions	22,132	22,187	55	0.2
IT Platform Services	6,614	7,772	1,157	17.5
Total	71,097	75,396	4,299	6.0
Order Volume of overseas subsidiaries				
Overseas subsidiaries	5,156	7,137	1,981	38.4

(JPY million)

3rd Quarter	3Q FY Mar. 2021	3Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	7,533	9,052	1,518	20.2
Financial IT Solutions	34,637	40,970	6,332	18.3
Industrial IT Solutions	26,329	26,443	114	0.4
IT Platform Services	7,672	8,206	534	7.0
Total	76,173	84,673	8,500	11.2
Order Volume of overseas subsidiaries				
Overseas subsidiaries	4,466	22,897	18,430	412.6

(JPY million)

1st Quarter	1Q FY Mar. 2021	1Q FY Mar. 2022	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	12,417	11,547	(869)	(7.0)
Financial IT Solutions	46,549	34,228	(12,320)	(26.5)
Industrial IT Solutions	23,978	30,859	6,881	28.7
IT Platform Services	5,023	8,690	3,666	73.0
Total	87,968	85,325	(2,642)	(3.0)
Order Volume of overseas subsidiaries				
Overseas subsidiaries	1,552	20,181	18,628	—



**1**

**3Q FY March 2022 Financial Results (Consolidated)**

**2**

**FY March 2022 Financial Results Forecasts (Consolidated)**

# FY March 2022 Financial Results Forecasts (Consolidated)

## 1. Highlights and Dividend forecasts

- It is still uncertain when COVID-19 will come to an end, but in light of recent business trends and the order environment, the forecasts of financial results will be revised as follows.
- Customer investment in DX is increasingly brisk, and we are making strong progress toward achieving target operating profit in mid-term business plan (2019-2022) earlier than the initial forecast.

(JPY billion)							
	FY Mar.2021 (Results)	FY Mar.2022 (Forecasts)	Y o Y		FY Mar.2022 (Forecasts as of October 27, 2021)	Comparison to forecasts	
	Amount	Amount	Diff.	Change(%)	Amount	Diff.	Change(%)
Revenue	550.3	610.0	59.6	10.8	600.0	10.0	1.7
Consulting Services	90.0	123.0	32.9	36.6	117.0	6.0	5.1
System Development & System Application Sales	183.8	198.0	14.1	7.7	196.0	2.0	1.0
System Management & Operation Services	258.6	273.0	14.3	5.5	272.0	1.0	0.4
Product Sales	17.7	16.0	(1.7)	(10.0)	15.0	1.0	6.7
Operating Profit	80.7	106.0	25.2	31.3	104.0	2.0	1.9
Operating Profit Margin	14.7%	17.4%	2.7P		17.3%	0.0P	
Profit before tax	71.0	104.0	32.9	46.3	104.0	—	—
Profit attributable to owners of parent	52.8	69.0	16.1	30.5	69.0	—	—
Dividends per share(JPY)	36.00	40.00	4.00		40.00	—	
Second quarter(JPY)	17.00	19.00	2.00		19.00	—	
Fiscal year end(JPY)	19.00	21.00	2.00		21.00	—	

\* The breakdown of the revenue is classified by products and services.

# FY March 2022 Financial Results Forecasts (Consolidated)

## 2. Revenue Forecasts by segment

(JPY billion)

	FY Mar.2021 (Results)		FY Mar.2022 (Forecasts)		Y o Y		FY Mar.2022 (Forecasts as of October 27, 2021)	Comparison to forecasts	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Diff.	Change(%)
Consulting	37.2	6.8	43.0	7.0	5.7	15.4	42.0	1.0	2.4
Financial IT Solutions	288.1	52.4	300.0	49.2	11.8	4.1	297.0	3.0	1.0
Securities	130.4	23.7	132.0	21.6	1.5	1.2	132.0	—	—
Insurance	61.4	11.2	68.0	11.1	6.5	10.7	64.0	4.0	6.3
Banking	50.1	9.1	45.0	7.4	(5.1)	(10.3)	47.0	(2.0)	(4.3)
Other financial	46.1	8.4	55.0	9.0	8.8	19.2	54.0	1.0	1.9
Industrial IT Solutions	186.0	33.8	225.0	36.9	38.9	20.9	219.0	6.0	2.7
Distribution	62.1	11.3	68.0	11.1	5.8	9.3	67.0	1.0	1.5
Manufacturing, service and other	123.8	22.5	157.0	25.7	33.1	26.8	152.0	5.0	3.3
IT Platform Services	38.8	7.1	42.0	6.9	3.1	8.1	42.0	—	—
Total	550.3	100.0	610.0	100.0	59.6	10.8	600.0	10.0	1.7

\* The breakdowns of the segments are comprised of revenue by customer sector.

### Caution concerning forward-looking statements

The forward-looking statements including business forecasts stated in this document are based on information available to the Company at the present time and certain assumptions (suppositions) judged to be rational, and these statements do not purport to be a promise by the Company to achieve such results. Actual business results, etc. may differ significantly from this forecast due to various factors. Material factors that could possibly affect the actual business results, etc. include, but are not limited to, the domestic and overseas economic situation, demand in the IT services market, competition with competitors, and changes in taxation and other systems. Note that the Company will not always revise business forecasts, etc. upon every occurrence of new information or event.

The text is framed by two decorative swooshes. The top swoosh is a gradient bar transitioning from blue on the left to red on the right. The bottom swoosh is a solid blue bar.

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