

2Q FY March 2020

Financial Results

Nomura Research Institute, Ltd.

October 25, 2019



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2Q FY March 2020 Financial Results (Consolidated)

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FY March 2020 Financial Results Forecasts (Consolidated)

2Q FY March 2020 Financial Results (Consolidated)

1. Highlights

(JPY million)

2nd Quarter Total	1H FY	1H FY	Y o Y		1H FY	Comparison to forecasts		FY Mar.2019
	Mar.2019	Mar.2020	Diff.	Change(%)	Mar.2020 (Forecasts)	Diff.	Change(%)	Amount
Sales	240,407	259,153	18,746	7.8	255,000	4,153	1.6	501,243
Consulting Services	43,720	46,143	2,423	5.5	44,000	2,143	4.9	90,816
System Development & System Application Sales	68,940	79,898	10,957	15.9	80,000	(101)	(0.1)	150,467
System Management & Operation Services	120,451	123,845	3,393	2.8	124,000	(154)	(0.1)	244,273
Product Sales	7,295	9,266	1,971	27.0	7,000	2,266	32.4	15,686
Cost of Sales	161,024	171,679	10,655	6.6				336,508
Gross Profit	79,383	87,473	8,090	10.2				164,735
Gross Profit Margin	33.0%	33.8%	0.7P					32.9%
Selling, general and	46,277	46,565	288	0.6				93,293
OP(Before goodwill amortization)	35,076	42,508	7,431	21.2				75,373
Operating Profit	33,105	40,908	7,802	23.6	36,000	4,908	13.6	71,442
OPM(Before goodwill amortization)	14.6%	16.4%	1.8P					15.0%
Operating Profit Margin	13.8%	15.8%	2.0P					14.3%
Non-operating income and loss	482	866	384	79.6				967
Extraordinary income and loss	1,220	19,093	17,872	—				4,340
Profit attributable to owners of parent	22,942	40,893	17,950	78.2	37,000	3,893	10.5	50,931
Earnings per share(JPY)	32.29	60.85	28.56					72.11
Dividends per share(JPY)	15.00	15.00	—	—				30.00
EBITDA Margin	21.0%	22.3%	1.3P					21.7%

*1 Operating profit (before goodwill amortization) and operating profit margin (before goodwill amortization) are reference values.

*2 EBITDA margin = EBITDA (operating profit + depreciation and amortization + goodwill amortization + loss on retirement of fixed assets) / sales

*3 Provisional accounting procedures have been processed for the previous fiscal year's mergers, and year-on-year figures for the previous fiscal year are the amounts after reflecting important revisions to account for the initial distribution amounts of acquisition cost from these procedures.

*4 On July 1, 2019 we conducted a 3-for-1 share split of our common stock, and the values shown for quarterly net profit per share (this fiscal year) are calculated supposing that the share split had taken place at the outset of the previous fiscal year.

2Q FY March 2020 Financial Results (Consolidated)

1. Highlights

(JPY million)

2nd Quarter	2Q FY	2Q FY	Y o Y	
	Mar.2019	Mar.2020	Diff.	Change(%)
	Amount	Amount		
Sales	122,648	129,657	7,009	5.7
Consulting Services	22,452	24,946	2,494	11.1
System Development & System Application Sales	35,965	38,646	2,681	7.5
System Management & Operation Services	60,746	61,531	784	1.3
Product Sales	3,484	4,533	1,048	30.1
Cost of Sales	81,716	86,287	4,571	5.6
Gross Profit	40,932	43,370	2,437	6.0
Gross Profit Margin	33.4%	33.5%	0.1P	
Selling, general and administrative expenses	23,161	22,816	(345)	(1.5)
OP(Before goodwill amortization)	18,818	21,338	2,519	13.4
Operating Profit	17,770	20,554	2,783	15.7
OPM(Before goodwill amortization)	15.3%	16.5%	1.1P	
Operating Profit Margin	14.5%	15.9%	1.4P	
Non-operating income and loss	(47)	57	105	—
Extraordinary income and loss	(7)	19,103	19,110	—
Profit attributable to owners of parent	11,781	26,647	14,866	126.2
Earnings per share(JPY)	16.65	41.00	24.35	

(JPY million)

1st Quarter	1Q FY	1Q FY	Y o Y	
	Mar.2019	Mar.2020	Diff.	Change(%)
	Amount	Amount		
Sales	117,758	129,495	11,737	10.0
Consulting Services	21,267	21,197	(70)	(0.3)
System Development & System Application Sales	32,975	41,251	8,275	25.1
System Management & Operation Services	59,704	62,313	2,609	4.4
Product Sales	3,810	4,733	922	24.2
Cost of Sales	79,308	85,392	6,084	7.7
Gross Profit	38,450	44,102	5,652	14.7
Gross Profit Margin	32.7%	34.1%	1.4P	
Selling, general and administrative expenses	23,115	23,749	633	2.7
OP(Before goodwill amortization)	16,258	21,170	4,911	30.2
Operating Profit	15,334	20,353	5,019	32.7
OPM(Before goodwill amortization)	13.8%	16.3%	2.5P	
Operating Profit Margin	13.0%	15.7%	2.7P	
Non-operating income and loss	530	808	278	52.5
Extraordinary income and loss	1,227	(10)	(1,237)	—
Profit attributable to owners of parent	11,161	14,245	3,084	27.6
Earnings per share(JPY)	15.64	20.52	4.87	

2Q FY March 2020 Financial Results (Consolidated)

2. Sales and Operating Profit by segment

① Segment performance results

(JPY million)

2nd Quarter Total		1H FY Mar.2019		1H FY Mar.2020		Yo Y		FY Mar.2019	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Consulting	Sales	16,172	6.7	17,506	6.8	1,333	8.2	35,481	7.1
	Operating Profit	3,342	10.1	3,297	8.1	(44)	(1.3)	7,786	10.9
	Operating Profit Margin	20.7%		18.8%		(1.8P)		21.9%	
Financial IT Solutions	Sales	121,632	50.6	136,651	52.7	15,018	12.3	255,162	50.9
	Operating Profit	12,470	37.7	18,230	44.6	5,759	46.2	27,095	37.9
	Operating Profit Margin	10.3%		13.3%		3.1P		10.6%	
Industrial IT Solutions	Sales	90,791	37.8	90,904	35.1	112	0.1	183,580	36.6
	Operating Profit	8,863	26.8	9,983	24.4	1,120	12.6	18,449	25.8
	Operating Profit Margin	9.8%		11.0%		1.2P		10.0%	
IT Platform Services	Sales	60,923	25.3	66,605	25.7	5,682	9.3	127,777	25.5
	Operating Profit	7,712	23.3	9,008	22.0	1,295	16.8	17,130	24.0
	Operating Profit Margin	12.7%		13.5%		0.9P		13.4%	
Inter-segment sales and eliminations	Sales	(49,113)	(20.4)	(52,513)	(20.3)	(3,400)		(100,757)	(20.1)
	Operating Profit	716	2.2	388	0.9	(328)		980	1.4
Total	Sales	240,407	100.0	259,153	100.0	18,746	7.8	501,243	100.0
	Operating Profit	33,105	100.0	40,908	100.0	7,802	23.6	71,442	100.0
	Operating Profit Margin	13.8%		15.8%		2.0P		14.3%	

* Including inter-segment sales for each segment.

Business segment classifications were partially revised in Q1 this year. Past numerical values shown here are expressed according to the classification after this change.

2Q FY March 2020 Financial Results (Consolidated)

2. Sales and Operating Profit by segment

① Segment performance results

(JPY million)

2nd Quarter		2Q FY Mar.2019		2Q FY Mar.2020		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	8,753	7.1	9,738	7.5	984	11.2
	Operating Profit	2,208	12.4	2,683	13.1	475	21.5
	Operating Profit Margin	25.2%		27.6%		2.3P	
Financial IT Solutions	Sales	62,302	50.8	68,058	52.5	5,755	9.2
	Operating Profit	6,304	35.5	7,917	38.5	1,612	25.6
	Operating Profit Margin	10.1%		11.6%		1.5P	
Industrial IT Solutions	Sales	45,420	37.0	44,434	34.3	(986)	(2.2)
	Operating Profit	4,566	25.7	4,792	23.3	226	5.0
	Operating Profit Margin	10.1%		10.8%		0.7P	
IT Platform Services	Sales	31,230	25.5	34,648	26.7	3,418	10.9
	Operating Profit	4,309	24.3	5,052	24.6	742	17.2
	Operating Profit Margin	13.8%		14.6%		0.8P	
Inter-segment sales and eliminations	Sales	(25,058)	(20.4)	(27,221)	(21.0)	(2,163)	
	Operating Profit	380	2.1	107	0.5	(272)	
Total	Sales	122,648	100.0	129,657	100.0	7,009	5.7
	Operating Profit	17,770	100.0	20,554	100.0	2,783	15.7
	Operating Profit Margin	14.5%		15.9%		1.4P	

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2. Sales and Operating Profit by segment

① Segment performance results

(JPY million)

1st Quarter		1Q FY Mar.2019		1Q FY Mar.2020		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	7,419	6.3	7,767	6.0	348	4.7
	Operating Profit	1,133	7.4	613	3.0	(519)	(45.8)
	Operating Profit Margin	15.3%		7.9%		(7.4P)	
Financial IT Solutions	Sales	59,330	50.4	68,592	53.0	9,262	15.6
	Operating Profit	6,165	40.2	10,312	50.7	4,146	67.3
	Operating Profit Margin	10.4%		15.0%		4.6P	
Industrial IT Solutions	Sales	45,371	38.5	46,470	35.9	1,099	2.4
	Operating Profit	4,296	28.0	5,190	25.5	894	20.8
	Operating Profit Margin	9.5%		11.2%		1.7P	
IT Platform Services	Sales	29,692	25.2	31,957	24.7	2,264	7.6
	Operating Profit	3,402	22.2	3,955	19.4	553	16.3
	Operating Profit Margin	11.5%		12.4%		0.9P	
Inter-segment sales and eliminations	Sales	(24,054)	(20.4)	(25,292)	(19.5)	(1,237)	
	Operating Profit	336	2.2	280	1.4	(55)	
Total	Sales	117,758	100.0	129,495	100.0	11,737	10.0
	Operating Profit	15,334	100.0	20,353	100.0	5,019	32.7
	Operating Profit Margin	13.0%		15.7%		2.7P	

2Q FY March 2020 Financial Results (Consolidated)

2. Sales and Operating Profit by segment

② Sales by segment

(JPY million)

2nd Quarter Total	1H FY Mar.2019		1H FY Mar.2020		Y o Y		FY Mar.2019	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Consulting	15,904	6.6	17,173	6.6	1,269	8.0	34,839	7.0
Financial IT Solutions	120,319	50.0	135,080	52.1	14,761	12.3	252,367	50.3
Securities	48,419	20.1	53,880	20.8	5,460	11.3	100,309	20.0
Insurance	29,322	12.2	33,917	13.1	4,594	15.7	64,874	12.9
Banking	20,965	8.7	25,161	9.7	4,196	20.0	43,404	8.7
Other financial	21,610	9.0	22,120	8.5	509	2.4	43,780	8.7
Industrial IT Solutions	89,530	37.2	89,531	34.5	1	0.0	180,882	36.1
Distribution	32,532	13.5	34,427	13.3	1,895	5.8	66,814	13.3
Manufacturing, service and other	56,997	23.7	55,103	21.3	(1,894)	(3.3)	114,068	22.8
IT Platform Services	14,653	6.1	17,367	6.7	2,713	18.5	33,153	6.6
Total	240,407	100.0	259,153	100.0	18,746	7.8	501,243	100.0

(JPY million)

2nd Quarter	2Q FY Mar.2019		2Q FY Mar.2020		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	8,608	7.0	9,552	7.4	943	11.0
Financial IT Solutions	61,623	50.2	67,052	51.7	5,429	8.8
Securities	24,233	19.8	26,479	20.4	2,246	9.3
Insurance	15,577	12.7	17,205	13.3	1,627	10.5
Banking	11,007	9.0	12,531	9.7	1,524	13.9
Other financial	10,804	8.8	10,835	8.4	30	0.3
Industrial IT Solutions	44,776	36.5	43,727	33.7	(1,048)	(2.3)
Distribution	16,472	13.4	16,782	12.9	309	1.9
Manufacturing, service and other	28,303	23.1	26,945	20.8	(1,358)	(4.8)
IT Platform Services	7,640	6.2	9,325	7.2	1,685	22.1
Total	122,648	100.0	129,657	100.0	7,009	5.7

(JPY million)

1st Quarter	1Q FY Mar.2019		1Q FY Mar.2020		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	7,295	6.2	7,621	5.9	326	4.5
Financial IT Solutions	58,695	49.8	68,027	52.5	9,332	15.9
Securities	24,186	20.5	27,400	21.2	3,214	13.3
Insurance	13,745	11.7	16,711	12.9	2,966	21.6
Banking	9,958	8.5	12,629	9.8	2,671	26.8
Other financial	10,806	9.2	11,285	8.7	479	4.4
Industrial IT Solutions	44,753	38.0	45,804	35.4	1,050	2.3
Distribution	16,059	13.6	17,645	13.6	1,586	9.9
Manufacturing, service and other	28,694	24.4	28,158	21.7	(535)	(1.9)
IT Platform Services	7,013	6.0	8,041	6.2	1,028	14.7
Total	117,758	100.0	129,495	100.0	11,737	10.0

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3. Sales to main clients

(JPY million)

2nd Quarter Total	1H FY Mar.2019		1H FY Mar.2020		Y o Y		FY Mar.2019	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Nomura Holdings	28,624	11.9	31,169	12.0	2,545	8.9	60,579	12.1
Seven & i Holdings	24,272	10.1	27,042	10.4	2,770	11.4	49,109	9.8

* Figures, in principle, include sales to subsidiaries.

(JPY million)

2nd Quarter	2Q FY Mar.2019		2Q FY Mar.2020		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	14,432	11.8	16,370	12.6	1,937	13.4
Seven & i Holdings	12,252	10.0	13,951	10.8	1,698	13.9

(JPY million)

1st Quarter	1Q FY Mar.2019		1Q FY Mar.2020		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	14,192	12.1	14,799	11.4	607	4.3
Seven & i Holdings	12,019	10.2	13,090	10.1	1,071	8.9

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4. Subcontracting Costs

(JPY million)

2nd Quarter Total	1H FY Mar.2019		1H FY Mar.2020		Y o Y		FY Mar.2019	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Subcontracting Costs	71,505	29.7	79,326	30.6	7,820	10.9	150,635	30.1
(Subcontracting Costs to China)	10,862	15.2	14,132	17.8	3,269	30.1	23,213	15.4

* Share for subcontracting costs shows share of sales.

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

(JPY million)

2nd Quarter	2Q FY Mar.2019		2Q FY Mar.2020		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	36,983	30.2	40,261	31.1	3,278	8.9
(Subcontracting Costs to China)	5,667	15.3	7,010	17.4	1,342	23.7

(JPY million)

1st Quarter	1Q FY Mar.2019		1Q FY Mar.2020		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	34,522	29.3	39,064	30.2	4,542	13.2
(Subcontracting Costs to China)	5,195	15.0	7,122	18.2	1,926	37.1

2Q FY March 2020 Financial Results (Consolidated)

5. Cash Flow

(JPY million)

2nd Quarter Total	1H FY Mar.	1H FY Mar.	Y o Y		FY Mar.2019
	2019	2020	Diff.	Change(%)	Amount
Operating Activities	24,355	52,898	28,543	117.2	56,349
Investing Activities	(11,048)	30,324	41,373	—	(16,826)
(Investing Activities except Cash management purpose investment)	(11,472)	5,531	17,004	—	(15,025)
Free Cash Flow	13,307	83,223	69,916	525.4	39,523
(Free Cash Flow except Cash management purpose investment)	12,883	58,430	45,547	353.5	41,324
Financing Activities	(48,872)	(132,294)	(83,421)	170.7	(73,106)
Net increase in Cash and cash equivalents	(34,630)	(50,938)	(16,307)	47.1	(35,102)
(Net increase in Cash and cash equivalents except Cash management purpose investment)	(35,054)	(75,731)	(40,676)	116.0	(33,301)
Cash and cash equivalents at end of period	123,672	72,262	(51,410)	(41.6)	123,200
Cash and cash equivalents + Cash Management purpose investment	150,787	76,951	(73,835)	(49.0)	152,743

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

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6. Capital Expenditure, Research and Development Expenses

(JPY million)

2nd Quarter Total	1H FY Mar. 2019	1H FY Mar. 2020	YoY		FY Mar.2019
	Amount	Amount	Diff.	Change(%)	Amount
Capital Expenditure	13,046	13,491	444	3.4	26,276
Tangible	2,789	2,303	(485)	(17.4)	5,615
Intangible	10,256	11,187	930	9.1	20,661
Research and Development Expenses	1,628	1,768	139	8.6	3,665

(JPY million)

2nd Quarter	2Q FY Mar. 2019	2Q FY Mar. 2020	YoY	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	6,685	7,028	343	5.1
Tangible	1,312	963	(349)	(26.6)
Intangible	5,372	6,064	692	12.9
Research and Development Expenses	1,017	1,088	71	7.0

(JPY million)

1st Quarter	1Q FY Mar. 2019	1Q FY Mar. 2020	YoY	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	6,360	6,462	101	1.6
Tangible	1,476	1,339	(136)	(9.3)
Intangible	4,884	5,122	238	4.9
Research and Development Expenses	610	679	68	11.2

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7. Depreciation and Amortization

(JPY million)

2nd Quarter Total	1H FY Mar. 2019	1H FY Mar. 2020	Y o Y		FY Mar.2019
	Amount	Amount	Diff.	Change(%)	Amount
Tangible	4,645	4,459	(186)	(4.0)	9,552
Intangible	10,781	10,705	(75)	(0.7)	20,875
Depreciation and Amortization	15,427	15,164	(262)	(1.7)	30,427

(JPY million)

2nd Quarter	2Q FY Mar. 2019	2Q FY Mar. 2020	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,360	2,310	(50)	(2.1)
Intangible	5,660	5,040	(620)	(11.0)
Depreciation and Amortization	8,021	7,351	(670)	(8.4)

(JPY million)

1st Quarter	1Q FY Mar. 2019	1Q FY Mar. 2020	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,285	2,148	(136)	(6.0)
Intangible	5,120	5,665	544	10.6
Depreciation and Amortization	7,406	7,813	407	5.5

2Q FY March 2020 Financial Results (Consolidated)

8. Order Volume by segment

① Order Backlog

(JPY million)

At the end of the 2nd Quarter	2Q FY Mar. 2019	2Q FY Mar. 2020	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	8,100	7,945	(155)	(1.9)
Financial IT Solutions	93,028	93,320	292	0.3
Industrial IT Solutions	60,510	59,007	(1,503)	(2.5)
IT Platform Services	8,618	9,618	1,000	11.6
Total	170,258	169,891	(366)	(0.2)
(Order backlog in the current FY)	164,924	162,810	(2,113)	(1.3)

(JPY million)

At the end of the 1st Quarter	1Q FY Mar. 2019	1Q FY Mar. 2020	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	9,268	9,954	685	7.4
Financial IT Solutions	117,526	128,894	11,367	9.7
Industrial IT Solutions	82,501	83,708	1,206	1.5
IT Platform Services	11,949	12,558	609	5.1
Total	221,245	235,115	13,869	6.3
(Order backlog in the current FY)	219,523	228,872	9,349	4.3

(JPY million)

At beginning of period	FY Mar. 2019	FY Mar. 2020	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	4,083	3,559	(523)	(12.8)
Financial IT Solutions	141,574	154,930	13,356	9.4
Industrial IT Solutions	96,801	100,572	3,770	3.9
IT Platform Services	14,295	14,609	314	2.2
Total	256,754	273,672	16,917	6.6
(Order backlog in the current FY)	255,259	269,895	14,636	5.7

2Q FY March 2020 Financial Results (Consolidated)

8. Order Volume by segment

② Order Volume

(JPY million)

2nd Quarter Total	1H FY Mar. 2019	1H FY Mar. 2020	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	19,921	21,559	1,637	8.2
Financial IT Solutions	71,773	73,470	1,696	2.4
Industrial IT Solutions	53,239	47,966	(5,272)	(9.9)
IT Platform Services	8,976	12,376	3,399	37.9
Total	153,910	155,372	1,461	0.9

(JPY million)

2nd Quarter	2Q FY Mar. 2019	2Q FY Mar. 2020	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	7,440	7,542	101	1.4
Financial IT Solutions	37,125	31,479	(5,646)	(15.2)
Industrial IT Solutions	22,785	19,026	(3,759)	(16.5)
IT Platform Services	4,309	6,385	2,076	48.2
Total	71,661	64,433	(7,227)	(10.1)

(JPY million)

1st Quarter	1Q FY Mar. 2019	1Q FY Mar. 2020	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	12,480	14,016	1,536	12.3
Financial IT Solutions	34,648	41,991	7,343	21.2
Industrial IT Solutions	30,453	28,939	(1,513)	(5.0)
IT Platform Services	4,667	5,990	1,323	28.4
Total	82,249	90,938	8,688	10.6

1

2Q FY March 2020 Financial Results (Consolidated)

2

FY March 2020 Financial Results Forecasts (Consolidated)

FY March 2020 Financial Results Forecasts (Consolidated)

1. Highlights and Dividend forecasts

(JPY billion)

	FY Mar.2019 (Results)		FY Mar.2020 (Forecasts)		YoY		FY Mar.2020 (Forecasts as of September 13,2019)			
	Amount	Amount	Diff.	Change(%)	Amount	Diff.	Change(%)	Amount	Diff.	Change(%)
Sales	501.2	530.0	28.7	5.7	530.0	—	—	530.0	—	—
Consulting Services	90.8	95.0	4.1	4.6	95.0	—	—	95.0	—	—
System Development & System Application Sales	150.4	165.0	14.5	9.7	165.0	—	—	165.0	—	—
System Management & Operation Services	244.2	255.0	10.7	4.4	255.0	—	—	255.0	—	—
Product Sales	15.6	15.0	(0.6)	(4.4)	15.0	—	—	15.0	—	—
Operating Profit	71.4	80.0	8.5	12.0	76.0	4.0	5.3	76.0	4.0	5.3
(Operating Profit Margin)	14.3%	15.1%	0.8P		14.3%	0.8P		14.3%	0.8P	
Net Income	50.9	68.0	17.0	33.5	66.0	2.0	3.0	66.0	2.0	3.0
Dividends per share(JPY)	30.00	30.00	—	—	30.00	—	—	30.00	—	—
Second quarter(JPY)	15.00	15.00	—	—	15.00	—	—	15.00	—	—
Fiscal year end(JPY)	15.00	15.00	—	—	15.00	—	—	15.00	—	—

On July 1, 2019 we conducted a 3-for-1 share split of our common stock, and the values shown for quarterly net profit per share (this fiscal year) are calculated supposing that the share split had taken place at the outset of the previous fiscal year.

2. Sales Forecasts by segment

(JPY billion)

	FY Mar.2019 (Results)		FY Mar.2020 (Forecasts)		YoY		FY Mar.2020 (Forecasts as of April 25,2019)		
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Diff.	Change(%)
Consulting	34.8	7.0	37.0	7.0	2.1	6.2	37.0	—	—
Financial IT Solutions	252.3	50.3	271.0	51.1	18.6	7.4	266.0	5.0	1.9
Securities	100.3	20.0	110.0	20.8	9.6	9.7	110.0	—	—
Insurance	64.8	12.9	66.0	12.5	1.1	1.7	66.0	—	—
Banking	43.4	8.7	48.0	9.1	4.5	10.6	45.0	3.0	6.7
Other financial	43.7	8.7	47.0	8.9	3.2	7.4	45.0	2.0	4.4
Industrial IT Solutions	180.8	36.1	185.0	34.9	4.1	2.3	190.0	(5.0)	(2.6)
Distribution	66.8	13.3	69.0	13.0	2.1	3.3	68.0	1.0	1.5
Manufacturing, service and other	114.0	22.8	116.0	21.9	1.9	1.7	122.0	(6.0)	(4.9)
IT Platform Services	33.1	6.6	37.0	7.0	3.8	11.6	37.0	—	—
Total	501.2	100.0	530.0	100.0	28.7	5.7	530.0	—	—

A decorative swoosh graphic consisting of two curved lines. The lower line is solid blue and curves upwards from left to right. The upper line is a gradient, starting with blue on the left and transitioning through purple and red to orange on the right, curving downwards from left to right. The text is positioned between these two lines.

Share the Next Values!