
Financial Results

for 1st Half fiscal year ended 31st March, 2009

and Financial Results Forecast for the year ending 31st March, 2009

October 24, 2008

Akihisa Fujinuma,
Chairman and President, CEO&COO



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1. Financial Results for 1st Half FY March 2009

2. Financial Results Forecasts for FY March 2009

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4. Toward Growth Over the Medium to Long Term

Highlights of Consolidated Results

■ Year on Year

(Unit: JPY million)

	1H FY Mar. 2008	1H FY Mar. 2009	Difference	YoY change
Sales	165,145	165,285	+139	+0.1%
Operating Profit	27,414	23,718	(3,696)	(13.5%)
Operating Profit Margin	16.6%	14.4%	(2.3P)	
Net Income	18,337	14,232	(4,104)	(22.4%)
Earnings per share	JPY90.05	JPY72.61	(JPY17.44)	(19.4%)
Dividends per share	JPY24	JPY26	+JPY2	

Highlights of Consolidated Results

■ Comparison to forecasts

(Unit: JPY million)

	1H FY Mar.2009 (Forecasts)	1H FY Mar.2009 (Results)	Difference	YoY Change
Sales	165,000	165,285	+285	+0.2%
Operating Profit	23,000	23,718	+718	+3.1%
Net Income	14,500	14,232	(267)	(1.8%)

Summary of 1H FY2009

- Insurance and other sectors compensate for decline in revenue from securities sector

1. 2Q cumulative sales and operating profit met forecast. Sales to major customers were also within range of estimates.
2. The insurance and other sectors compensated for the decline in sales from the securities market, and the lower sales generated by System Development & System Application Sales was offset by System Management & Operational Services.
3. Production capacity (project management, quality enhancement, etc.) is being steadily reinforced.
4. Subcontracting costs and SG&A costs are being made transparent and cuts are beginning to be made to optimize costs.

Sales by Sector

(Unit: JPY million)

	1H FY Mar.2008	Share	1H FY Mar.2009	Share	Diff.	YoY Change
Securities sector	74,007	44.8%	66,897	40.5%	(7,110)	(9.6%)
Insurance sector	12,345	7.5%	21,212	12.8%	+8,867	+71.8%
Banking sector	11,729	7.1%	12,125	7.3%	+395	+3.4%
Other financial sector	12,858	7.8%	14,617	8.8%	+1,758	+13.7%
Financial sector	110,941	67.2%	114,853	69.5%	+3,911	+3.5%
Distribution sector	22,648	13.7%	21,630	13.1%	(1,017)	(4.5%)
Other sector	31,555	19.1%	28,801	17.4%	(2,753)	(8.7%)
Total	165,145	100.0%	165,285	100.0%	+139	+0.1%
Nomura Holdings	49,092	29.7%	49,034	29.7%	(57)	(0.1%)
SEVEN & i HOLDINGS	18,223	11.0%	18,914	11.4%	+691	+3.8%

* Figures of Nomura Holdings and SEVEN & I Holdings, in principle, include sales to subsidiaries.

*Since Japan Post was privatized and split up in October 2007, data for the resulting companies is calculated based on the industry to which each belongs.

Sales by segment

(Unit: JPY million)

	1H FY Mar.2008	Share	1H FY Mar.2009	Share	Diff.	YoY change
Consulting Services	13,778	8.3%	16,706	10.1%	+2,927	+21.2%
System Development & System Application Sales	74,038	44.8%	68,810	41.6%	(5,227)	(7.1%)
System Management & Operation Services	69,059	41.8%	74,089	44.8%	+5,030	+7.3%
Product Sales	8,268	5.0%	5,678	3.4%	(2,590)	(31.3%)
IT Solution Services	151,366	91.7%	148,578	89.9%	(2,787)	(1.8%)
Total	165,145	100.0%	165,285	100.0%	+139	+0.1%

P/L Highlight

(Unit: JPY million)

	1H FY Mar.2008	1H FY Mar.2009	Diff.	YoY Change
Sales	165,145	165,285	+139	+0.1%
Cost of Sales	113,565	116,301	+2,736	+2.4%
Outsourcing Costs	57,618	59,191	+1,573	+2.7%
Gross Profit	51,579	48,983	(2,596)	(5.0%)
Gross Profit Margin	31.2%	29.6%	(1.6P)	
SG&A	24,165	25,264	+1,099	+4.6%
Operating Profit	27,414	23,718	(3,696)	(13.5%)
Operating Profit Margin	16.6%	14.4%	(2.3P)	

SG&A <1Q, 2Q>

(Unit: JPY million)

FY Mar.2009	1Q FY Mar.2009		2Q FY Mar.2009		1H FY Mar.2009	
		YoY Change Diff.		YoY Change Diff.		YoY Change Diff.
SG&A	13,118	+1,212	12,146	(112)	25,264	+1,099
R&D	731	+91	1,117	(304)	1,848	(213)

P/L Highlight continued

(Unit: JPY million)

	1H FY Mar.2008	1H FY Mar.2009	Diff.	YoY Change
Operating Profit	27,414	23,718	(3,696)	(13.5%)
Non-operating gain and loss	1,928	1,354	(573)	(29.7%)
Interest income	617	544	(72)	
Dividend income	1,087	863	(223)	
Gain and loss on investments in partnership	108	(51)	(159)	
Other Income	1,383	-	(1,383)	-
Gain on investment securities	1,371	-	(1,371)	
Other Expense	-	444	+444	-
Loss on investment securities	-	92	+92	
Standard for Lease Transaction	-	351	+351	
Income taxes etc.	12,389	10,395	(1,993)	
Net Income	18,337	14,232	(4,104)	(22.4%)

Order Backlog (Outstanding)

(Unit: JPY million)

	At end of 1H FY Mar.2008	At end of 1H FY Mar.2009	Diff.	YoY changes
Consulting Services	6,094	6,619	+524	+8.6%
System Development & System Application Sales	24,604	32,654	+8,050	+32.7%
System Management & Operation Services	63,628	68,252	+4,624	+7.3%
IT Solution Services	88,232	100,907	+12,674	+14.4%
Total	94,327	107,526	+13,199	+14.0%
Order backlog in the current FY	89,684	105,745	+16,060	+17.9%

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1. Financial Results for 1st Half FY March 2009

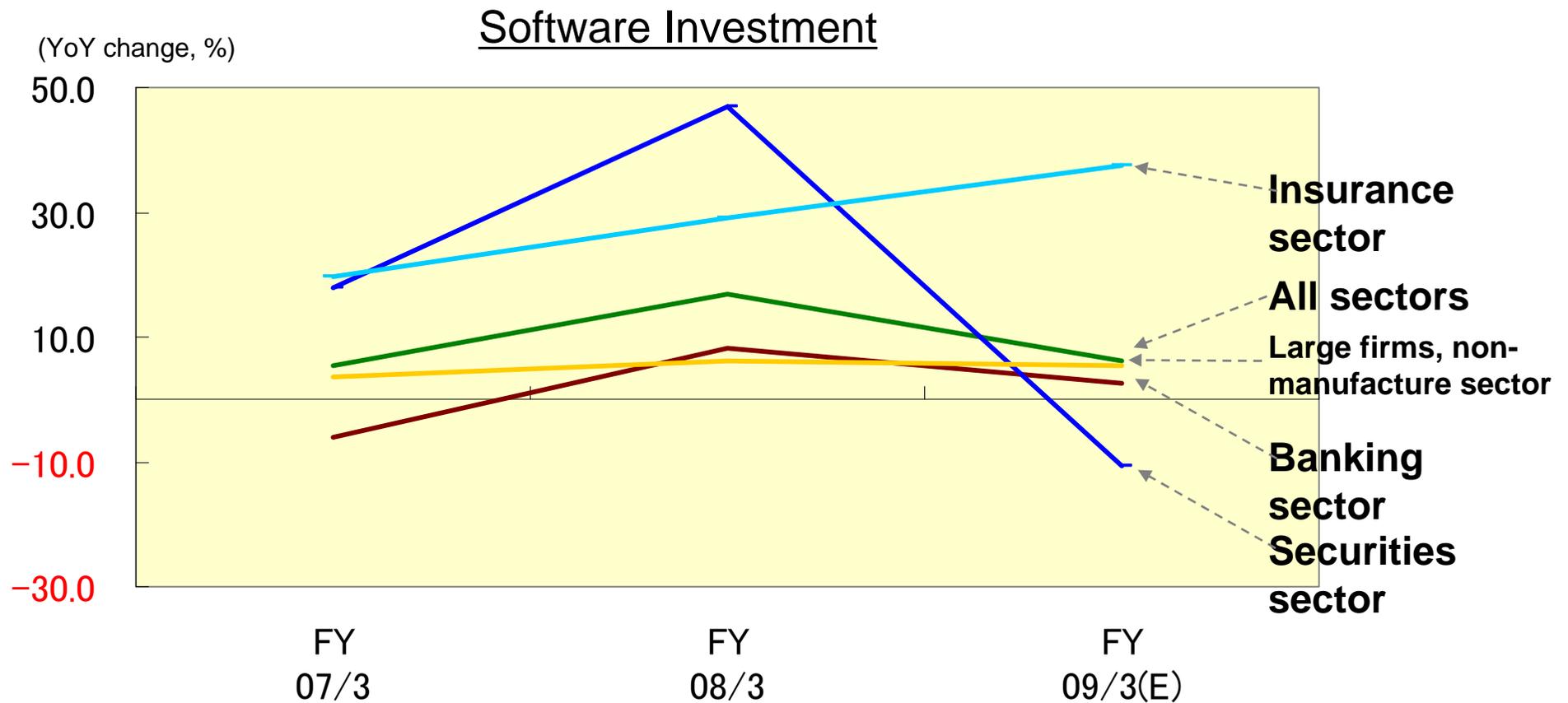
2. Financial Results Forecasts for FY March 2009

3. Progress reports of FY March 2009 Priority Measures

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Perceptions of Management Environment

- The insurance sector remains robust. The outlook for the securities sector will remain uncertain and impossible to forecast.



Source: BoJ Tankan Survey (released October 1, 2008) based on survey given to companies

The points to revisions to forecasts for FY Mar. 2009

- The securities industries' sentiment on IT investment has worsened sharply, and this is expected to last for a good while.

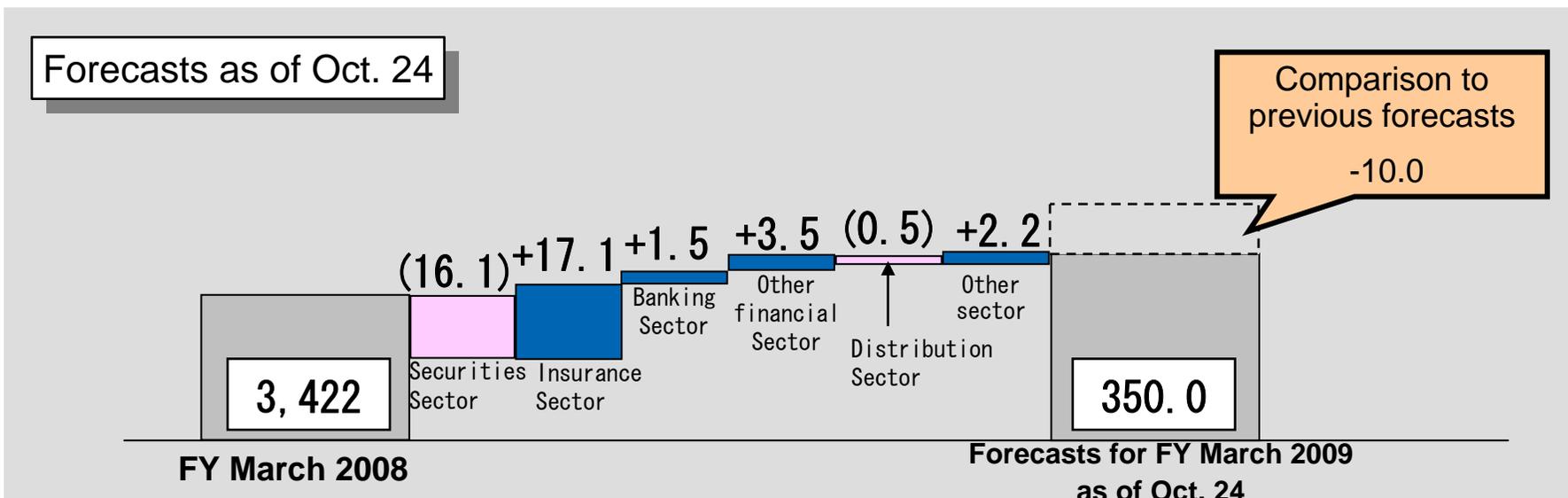
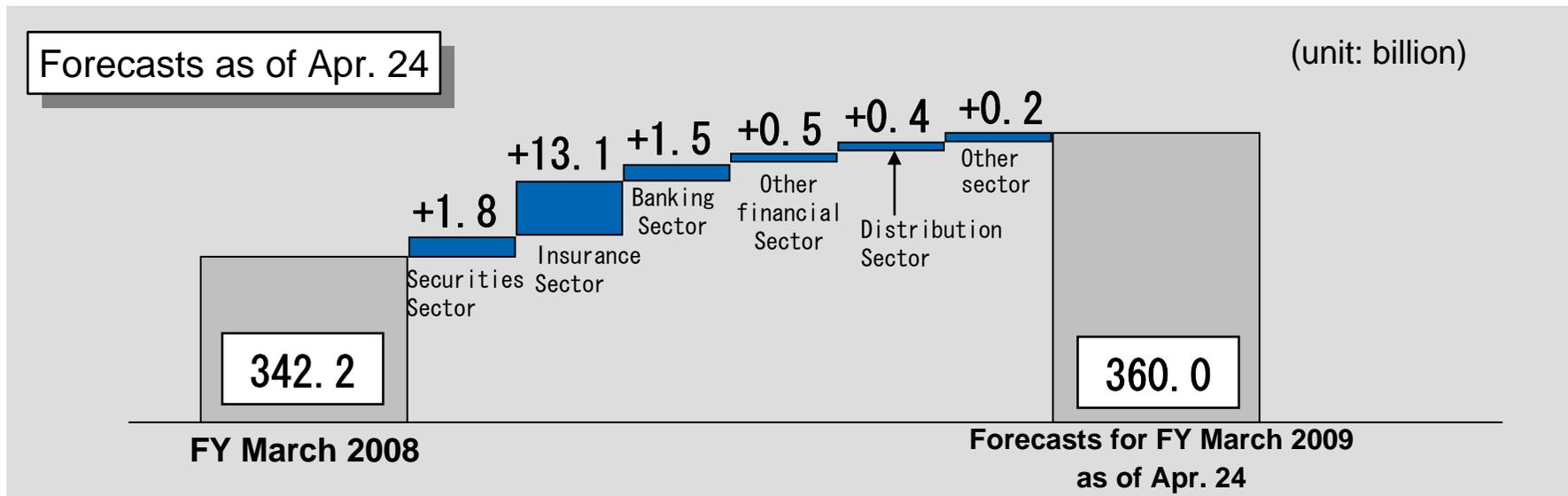
- The deteriorating environment for the securities industry caused by the financial concerns originating in the US and Europe has raised the uncertainty for forecasts of sales to the securities sector in the 2H, including NRI's main customers.

Forecast for FY Mar.2009 (consolidated)

(Unit: JPY billion)

	FY Mar.2008 (Results)	FY Mar. 2009 (Forecasts as of Oct.24)	YoY		FY Mar. 2009 (Forecasts as of Apr.24)	Comparison to forecasts
			Diff.	Change		
Sales	342.2	350.0	+7.7	+2.3%	360.0	(10.0)
Operating Profit	52.6	48.0	(4.6)	(8.9%)	53.0	(5.0)
Operating Profit Margin	15.4%	13.7%	(1.7P)	-	14.7%	(1.0P)
Net Income	28.1	28.5	+0.3	+1.2%	32.5	(4.0)
Earnings per share	JPY138.52	JPY145.40	+JPY6.88	+5.0%	JPY163.27	(JPY17.87)

Change of Forecasts



Forecasts by sector for FY Mar.2009

(Unit: JPY billion)

	FY Mar.2008 (Results)	FY Mar. 2009 (Forecasts as of Oct. 24)	YoY		FY Mar. 2009 (Forecasts as of Apr. 24)	Comparison to forecasts
			Diff.	Change		
Securities sector	152.1	136.0	(16.1)	(10.6%)	154.0	(18.0)
Insurance sector	30.8	48.0	+17.1	+55.6%	44.0	+4.0
Banking sector	25.4	27.0	+1.5	+6.0%	27.0	-
Other financial sector	27.4	31.0	+3.5	+12.7%	28.0	+3.0
Financial sector	235.9	242.0	+6.0	+2.6%	253.0	(11.0)
Distribution sector	44.5	44.0	(0.5)	(1.3%)	45.0	(1.0)
Other sector	61.7	64.0	+2.2	+3.6%	62.0	+2.0
Total	342.2	350.0	+7.7	+2.3%	360.0	(10.0)

Forecasts by sector for 2H FY Mar.2009

(Unit: JPY billion)

	2H FY Mar. 2008 (Results)	2H FY Mar. 2009 (Forecasts as of Oct. 24)	YoY		2H FY Mar.2009 (Forecasts as of Apr. 24)	Comparison to forecasts
			Diff.	Change		
Securities sector	78.1	69.1	(9.0)	(11.6%)	85.0	(15.8)
Insurance sector	18.5	26.7	+8.2	+44.7%	23.0	+3.7
Banking sector	13.7	14.8	+1.1	+8.2%	15.0	(0.1)
Other financial sector	14.6	16.3	+1.7	+11.9%	15.0	+1.3
Financial sector	125.0	127.1	+2.1	+1.7%	138.0	(10.8)
Distribution sector	21.9	22.3	+0.4	+2.0%	23.0	(0.6)
Other sector	30.1	35.1	+5.0	+16.6%	34.0	+1.1
Total	177.1	184.7	+7.5	+4.3%	195.0	(10.2)

Forecasts by segment for FY Mar.2009

(Unit: JPY billion)

	FY Mar.2008 (Results)	FY Mar. 2009 (Forecasts as of Oct.24)	YoY		FY Mar. 2009 (Forecasts as of Jul. 25)	Comparison to forecasts
			Diff.	Change		
Consulting Services	30.3	35.0	+4.6	+15.4%	33.0	+2.0
System Development & System Application Sales	150.1	148.0	(2.1)	(1.4%)	156.0	(8.0)
System Management & Operation Services	140.8	150.0	+9.1	+6.5%	152.0	(2.0)
Product Sales	20.9	17.0	(3.9)	(18.7%)	19.0	(2.0)
IT Solution Services	311.9	315.0	+3.0	+1.0%	327.0	(12.0)
Total	342.2	350.0	+7.7	+2.3%	360.0	(10.0)

Forecasts by segment for 2H FY Mar.2009

(Unit: JPY billion)

	2H FY Mar.2008 (Results)	2H FY Mar.2009 (Forecasts as of Oct.25)	YoY		2H FY Mar. 2009 (Forecasts as of Jul. 25)	Comparison to forecasts
			Diff.	Change		
Consulting Services	16.5	18.2	+1.7	+10.5%	18.0	+0.2
System Development & System Application Sales	76.1	79.1	+3.0	+4.0%	85.0	(5.8)
System Management & Operation Services	71.8	75.9	+4.1	+5.7%	78.0	(2.0)
Product Sales	12.6	11.3	(1.3)	(10.5%)	14.0	(2.6)
IT Solution Services	160.5	166.4	+5.8	+3.6%	177.0	(10.5)
Total	177.1	184.7	+7.5	+4.3%	195.0	(10.2)

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Significant Policies for FY2009 - Looking back at 1H

Toward business expansion

1. Expand the top line in response to the shift of resources

✓ Shift from securities sector to insurance and other sectors

2. Developing new clients:
Strengthen navigation and business consulting capabilities

✓ Major clients gained through company-wide RM activities

✓ Targets for consulting and system consulting approach expanded

3. Developing new businesses:
Businesses in Asia, infrastructure and health care businesses

✓ Committee activities to realize Vision2015

✓ Start of service for Perma Document, Daybreak/PL. etc.

✓ Affiliation with Mitsubishi Corporation for system development business in China

Response to challenging business environment

4. Selective utilization of external resources

✓ Plans to establishing consulting branch in Moscow

✓ Management strengthened to make subcontracting fees variable

5. Project supervision, quality enhancement

✓ Eliminating unexpected loss-making projects through thorough project management (basic operations)

✓ Steady progress in 2nd Quality Doubling Plan

Significant policies for 2H FY March 2009

Toward business expansion

1. Expand the top line in response to the shift of resources

2. Developing new clients:
Strengthen navigation and business consulting capabilities

3. Developing new businesses:
Businesses in Asia, infrastructure and health care businesses

Response to challenging business environment

4. Revisions to cost structure
(Partners, SG&A)

5. Project supervision, quality enhancement

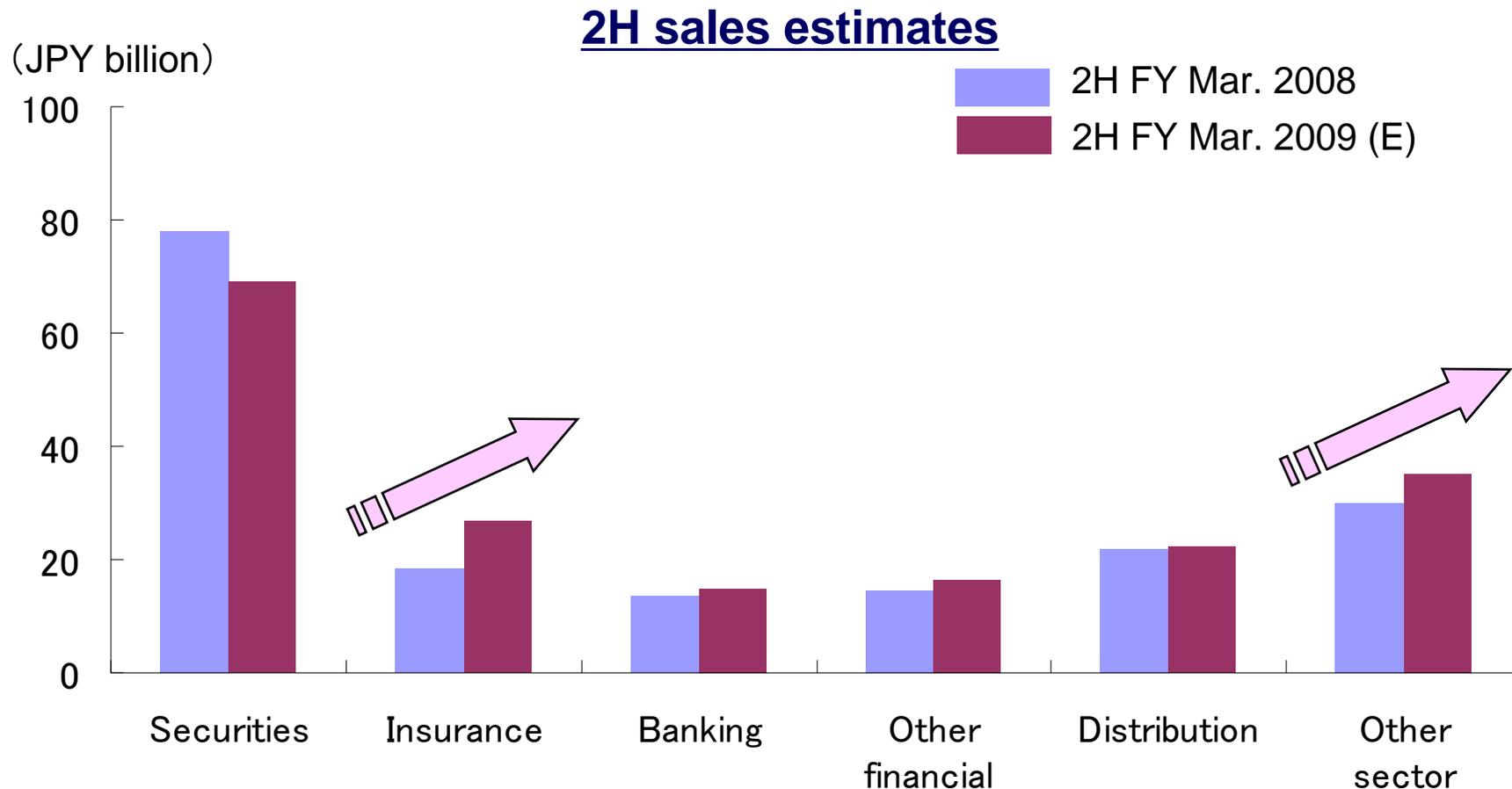
Sustainable growth

Preparation for the medium and long term

Expand the top line in response to the shift of resources

➤ Goal to increase sales in insurance and other sectors

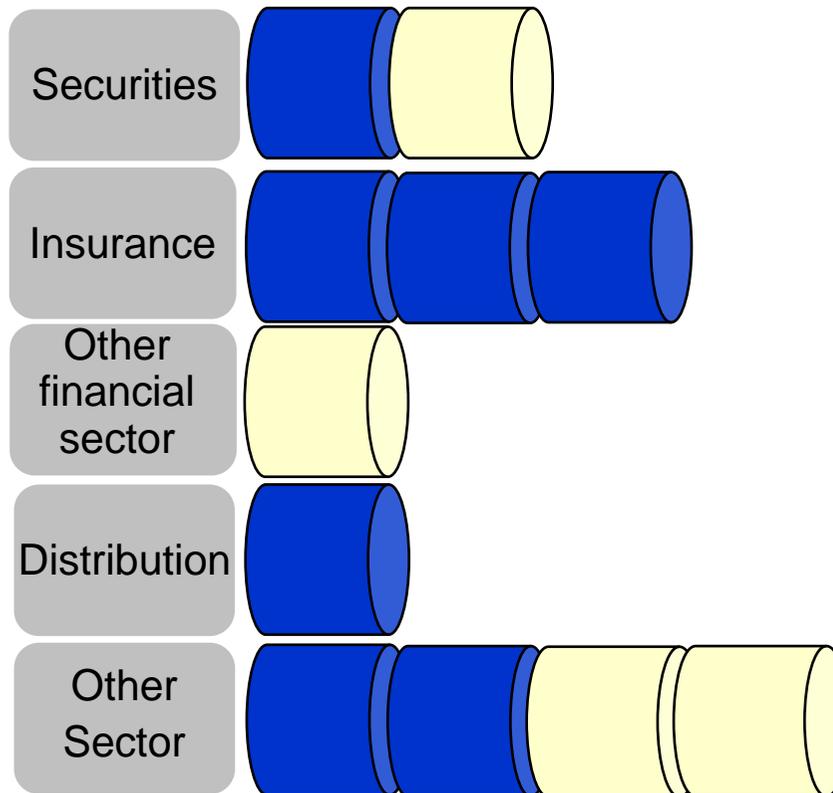
- Forecast of 4.3% increase in revenue over 2H in the previous year (forecast of 2.3% YoY increase)

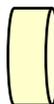


Order forecasts for large projects at 2H

➤ Working to reliably secure orders and complete large projects

<Order forecasts for large projects>



 New clients
(including clients whose transactions have expanded sharply)

Note: The graph depicts an image.

Overhaul of Cost Structure: Making Subcontracting Costs Variable (4-1)

- More rigorous cost control in system enhancement and operational services

Causes of increases in subcontracting costs

- SI projects in new fields expand as the result of a shift in the structure of business portfolios (new clients, new operations)
- Productivity declines as a result of a resource shift in employees and partners
- More staff needed in initial phase of operations for new outsourced projects

Measures

- Early investments and early launch
- Review division of responsibilities between employees and partners
- Improve effectiveness when shifting resources by cooperating with partners

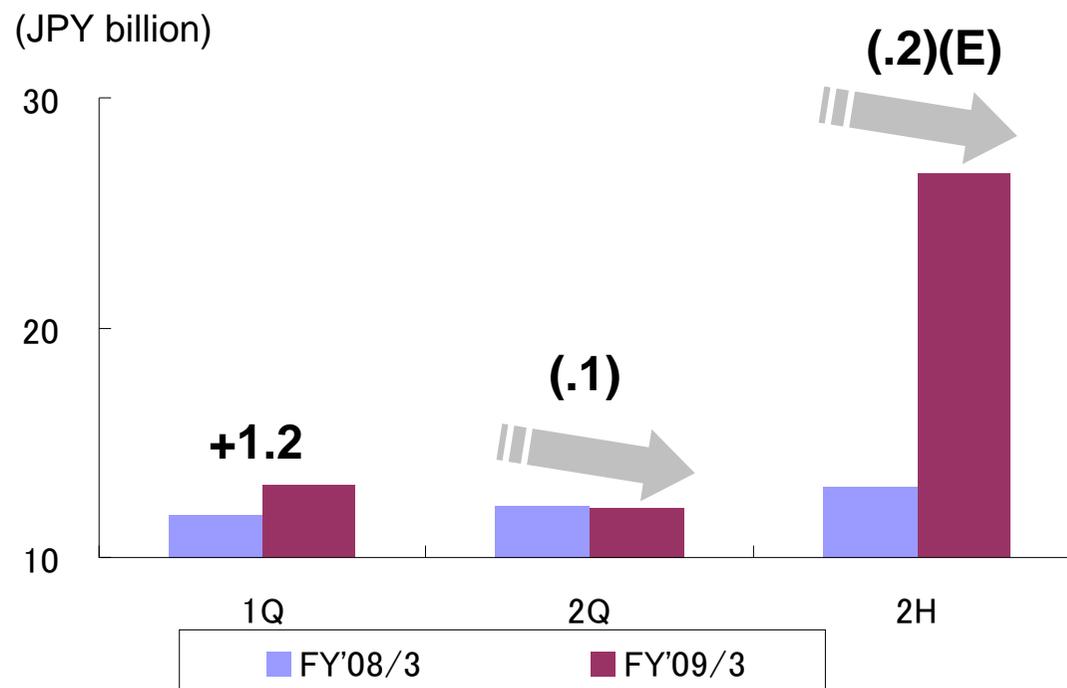
Overhaul of Cost Structure: Cutting SG&A Costs (4-2)

- Efforts to hold down SG&A costs began to show results in the 2Q. NRI is working for a YoY decrease in the 2H.

Measures

- Decrease administrative operations, increase production and improve efficiency of sales and marketing
- Techniques to improve efficiency of operating costs
- Extend human resource training
- Scrutinize R&D while emphasizing quality. Increase over previous period (JPY300 million YoY increase, JPY500 million lower than estimate)

YoY comparison of SG&A costs



Project Supervision and Quality Improvement (5)

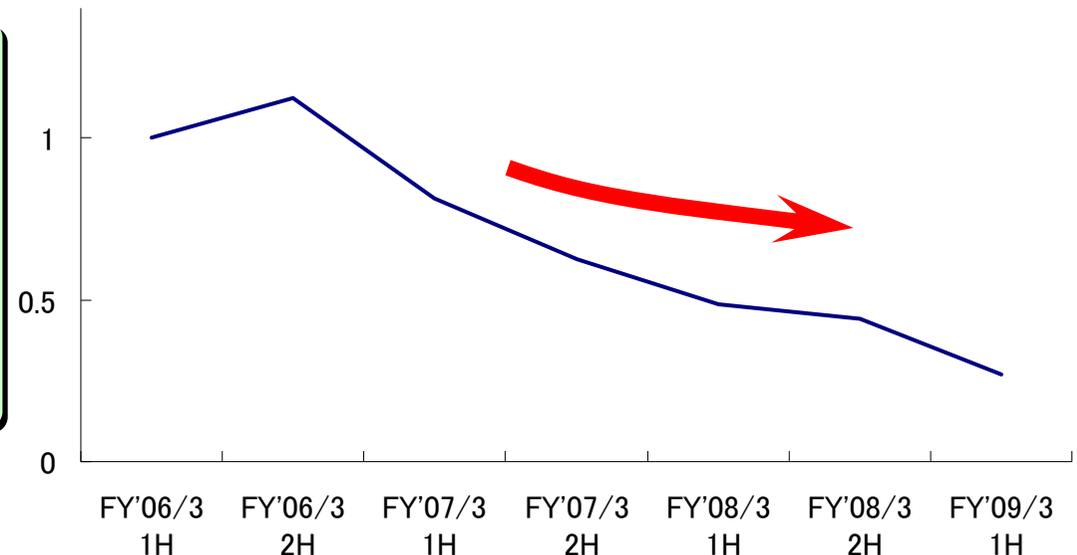
➤ Internal environmental improvements are making steady progress. Several large development projects in new fields are planned for the 2H. The projects will go forward with caution.

Measures

- Enhancement innovations
- Reductions in problems
- Work style innovations
- Reforms to indirect operations, etc.

Number of system breakdowns (index)

(Index of no. of breakdowns)



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NRI's Response to Economic Fluctuations and Impact on Financial Results

	Strong economic period = Period of high returns	Economic depression =Preparation period
Developments at client companies	<ul style="list-style-type: none"> ■ Greater needs for IT investments ■ In-house IT assets are built up 	<ul style="list-style-type: none"> ■ All issues that are not urgent and essential are shut down ■ IT assets shifted outside company
NRI's response	<ul style="list-style-type: none"> ■ Concentrate human resources on existing clients ■ Slow client acquisition ■ Slow new business development 	<ul style="list-style-type: none"> ■ Human resources shifted to new large clients ■ NRI takes up more challenges in new areas ■ ASP (planning business) development
Impact on NRI's financial results	<ul style="list-style-type: none"> ■ Operating profit margin improves ■ Revenue from metered services expands ■ Greater reliance on existing clients 	<ul style="list-style-type: none"> ■ Operating profit margin temporarily declines ■ Software assets (ASP) built up ASP competitiveness and market share increase ■ Clients' portfolios are augmented

Assessing the business environment

➤ Forecasts indicate that the computerization of the financial sector will advance over the medium term

- The internal environment remains favorable

Assessing the business environment

	Short term	Medium term
External environment • Enthusiasm for investment in IT	Securities: Temporary slowdown	Continuous growth
Internal environment • Increased productivity	Healthy	

Business opportunities in the financial IT market over the medium term

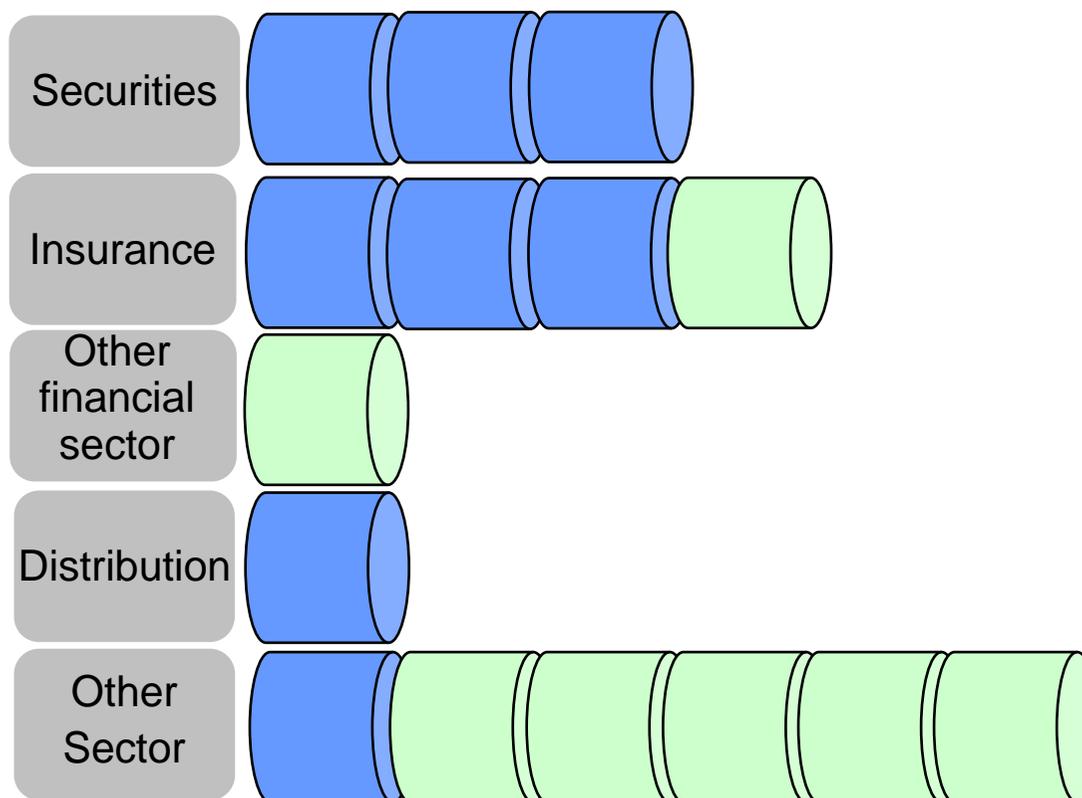
	2008	2009	2010 (year)
Improvements to financial market systems	Revisions to the J-SOX law		
Computerization Adjusting to new systems	Unified taxation of financial income		Next-generation systems at stock exchanges
	Law regarding e-money		
Other	Digitization of stock certificates		Complete privatization of Japan Post
	Evolution of the social insurance agency		

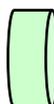
Note: Includes forecasts of future events.

Medium to Long-term Preparations for Vision2015 - Activities to Attract Clients

- Working to reliably secure orders and complete large projects

<Large projects expected in FY2010>



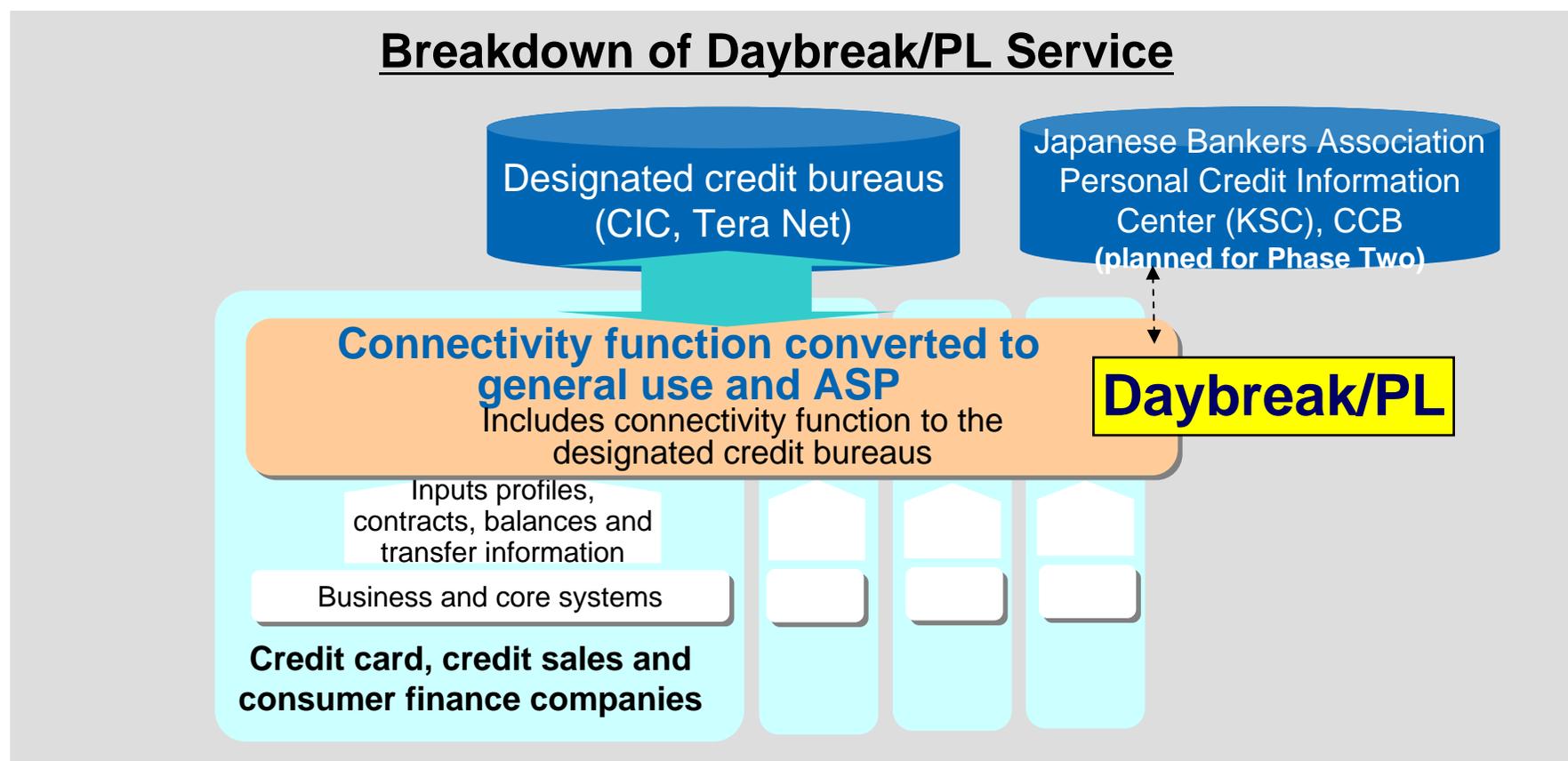
 New clients
(including clients whose transactions have expanded sharply)

Note: The graph depicts an image.

Medium to Long-term Preparations for Vision2015 - New Business Development

■ Example of initiatives in non-bank sector: Daybreak/PL

- Daybreak/PL is an ASP service providing access to designated credit bureaus that is compliant with the revised Money Lending Business Control Law
- As of end September, NRI had informal agreements to provide services for 12 major credit card, credit sales and consumer finance companies.



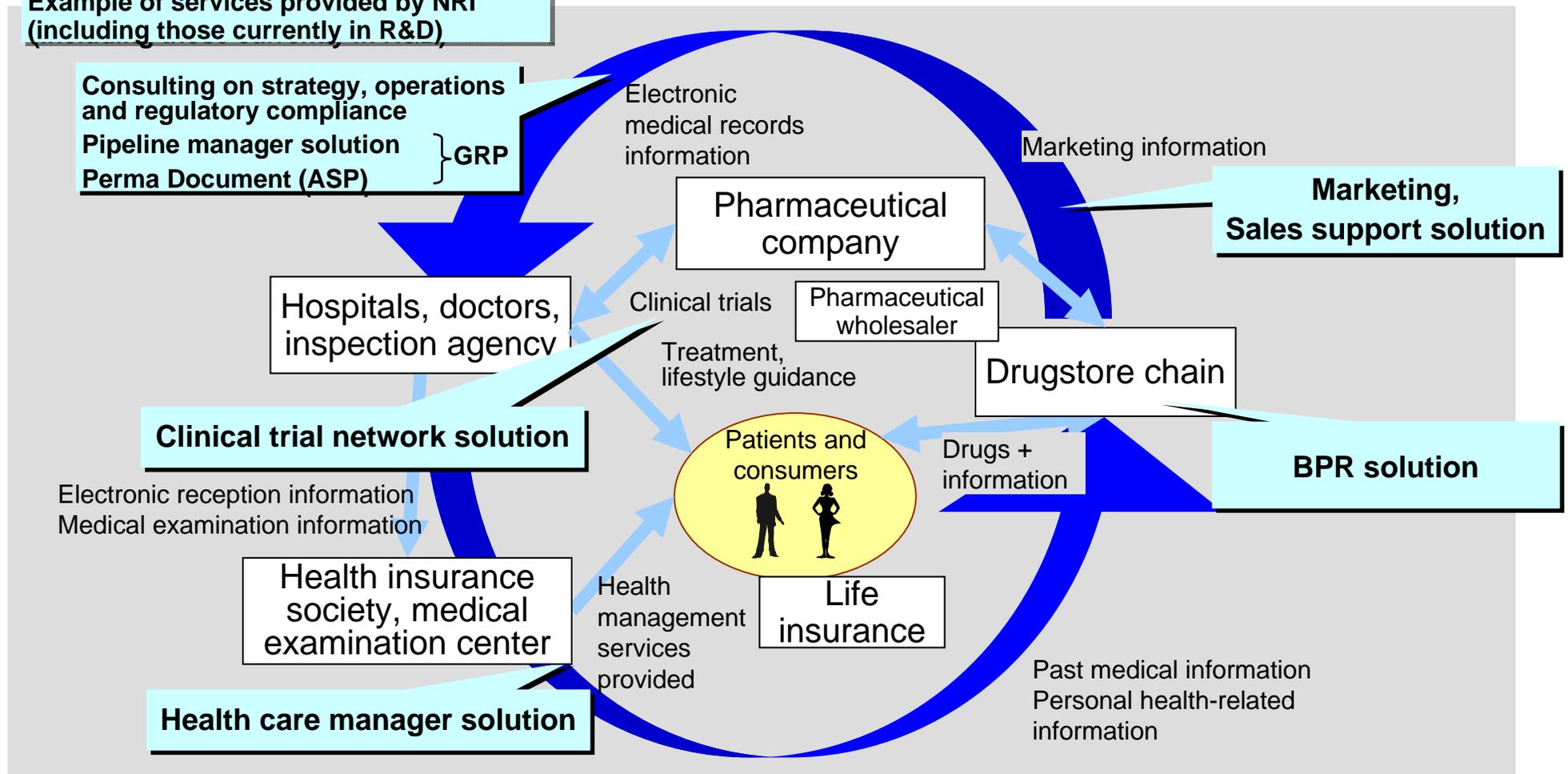
Medium to Long-term Preparations for Vision2015

- Providing a Business Platform Cutting Across Markets

■ Example initiative in health care sector

- A service to link companies in the same industry together is under consideration as a way of reforming operations, reducing lead time and enhancing customer satisfaction.

Example of services provided by NRI (including those currently in R&D)



Medium to Long-term Preparations for Vision2015 - Global Initiatives

■ Examples of initiatives in distribution sector

● Expanding overseas business with 7-Eleven

China



US

System development and outsourcing are currently outsourced in Beijing

Beijing system has begun to be expanded laterally to other regions such as Shanghai

From a role in planning operational reform to system development and outsourcing

7-Eleven trends

China

68 stores as of end-September 2008 (in Beijing)

- Full-scale franchise expansion in the future, centered in Beijing
- Establishment of 7-Eleven China and preparations to expand to other regions

Preparations to expand stores via area licensing in Shanghai

US

6,262 stores as of end-September 2008

- Speed up pace of store openings (new store openings and elimination and consolidation) and promote further franchising
- Energize existing stores by developing products exclusive to certain regions

Overseas trends overall

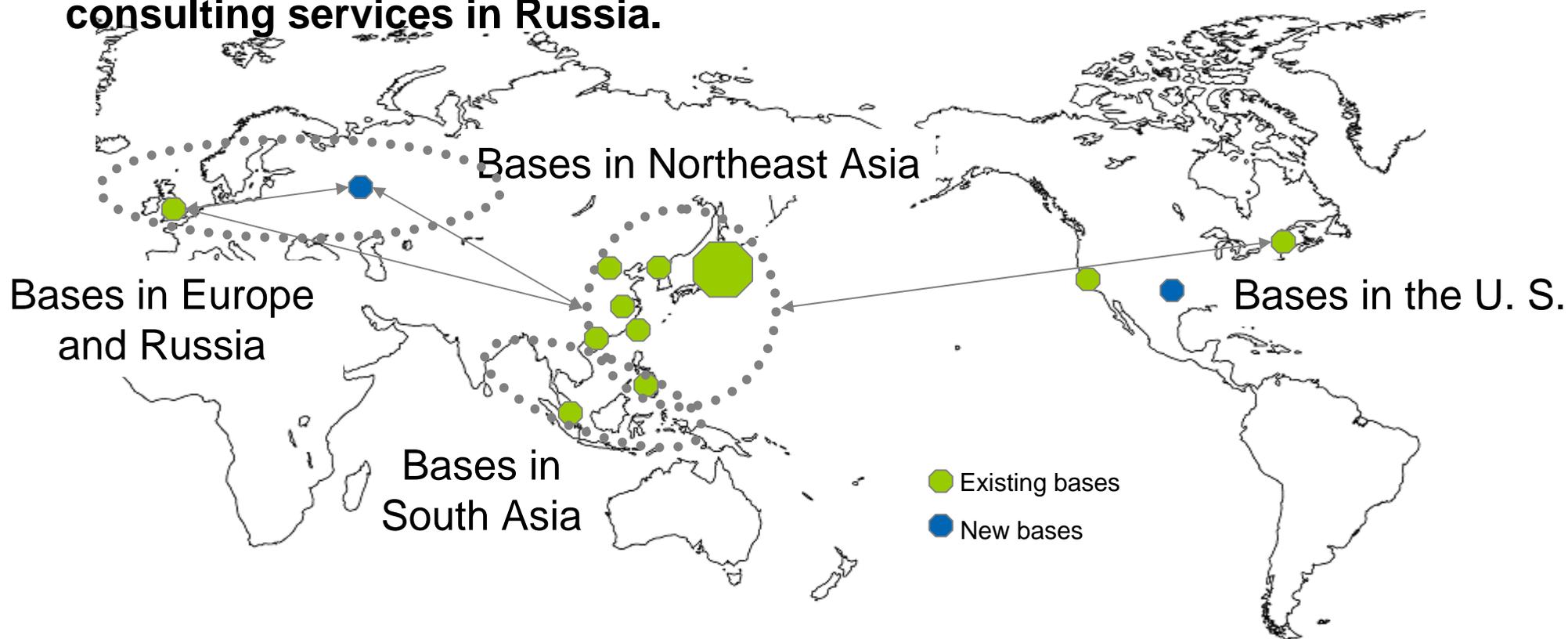
- Ramp up provision of know-how used in 7-Eleven Japan's information systems, distribution systems and product development and consider expanding as needed with new stores in other countries and regions

Source: Information on Seven & I Holdings was compiled by NRI from information available on the web.

Medium to Long-term Preparations for Vision2015

- Global Initiatives

- An NRI America office was opened in Dallas on August 1. This office plans to expand its consulting services and IT solution services to the US logistics and distribution industries.
- A Moscow branch will be opened in November to meet growing needs for consulting services in Russia.



Medium to Long-term Preparations for Vision2015 - Promoting Understanding in House

- Variety of activities carried out to spread and establish Vision2015

- NRInnovation logo



This document contains statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its officers with respect to the consolidated results of operations and financial condition of the Company.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors.

The Company does not undertake to revise forward-looking statements to reflect future events or circumstances.

References

- 1. Financial results for 2nd Quarter FY March 2009**
- 2. Recent activities**
- 3. Projects**
- 4. Others**

Highlights of Consolidated Results <2Q>

■ Year on Year

(Unit: JPY million)

	2Q FY Mar. 2008 (Jul.2007-Sep.2007)	2Q FY Mar. 2009 (Jul.2008-Sep.2008)	Difference	YoY change
Sales	87,659	85,789	(1,869)	(2.1%)
Operating Profit	16,671	13,858	(2,812)	(16.9%)
Operating Profit Margin	19.0%	16.2%	(2.9P)	
Net Income	10,276	8,181	(2,094)	(20.4%)
Earnings per share	JPY50.45	JPY42.07	(JPY8.38)	(16.6%)

Sales by Sector <2Q>

(Unit: JPY million)

	2Q FY Mar. 2008 (Jul.2007- Sep.2007)	Share	2Q FY Mar. 2009 (Jul.2008- Sep.2008)	Share	Difference	YoY change
Securities sector	39,895	45.5%	34,122	39.8%	(5,772)	(14.5%)
Insurance sector	6,399	7.3%	12,082	14.1%	+5,683	+88.8%
Banking sector	5,617	6.4%	6,086	7.1%	+469	+8.4%
Other financial sector	6,858	7.8%	7,266	8.5%	+408	+6.0%
Financial sector	58,770	67.0%	59,557	69.4%	+787	+1.3%
Distribution sector	11,463	13.1%	10,786	12.6%	(676)	(5.9%)
Other sector	17,425	19.9%	15,444	18.0%	(1,980)	(11.4%)
Total	87,659	100.0%	85,789	100.0%	(1,869)	(2.1%)
Nomura Holdings	25,206	28.8%	25,488	29.7%	+282	+1.1%
SEVEN & i HOLDINGS	9,217	10.5%	9,413	11.0%	+195	+2.1%

* Figures of Nomura Holdings and SEVEN & I Holdings, in principle, include sales to subsidiaries.

*Since Japan Post was privatized and split up in October 2007, data for the resulting companies is calculated based on the industry to which each belongs.

Sales by segment <2Q>

(Unit: JPY million)

	2Q FY Mar.2008 (Jul.2007- Sep.2007)	Share	2Q FY Mar.2009 (Jul.2008- Sep.2008)	Share	Difference	YoY change
Consulting Services	7,389	8.4%	9,325	10.9%	+1,936	+26.2%
System Development & System Application Sales	39,640	45.2%	36,297	42.3%	(3,343)	(8.4%)
System Management & Operation Services	34,678	39.6%	37,005	43.1%	+2,326	+6.7%
Product Sales	5,949	6.8%	3,161	3.7%	(2,788)	(46.9%)
IT Solution Services	80,269	91.6%	76,464	89.1%	(3,805)	(4.7%)
Total	87,659	100.0%	85,789	100.0%	(1,869)	(2.1%)

P/L Highlight <2Q>

(Unit: JPY million)

	2Q FY Mar. 2008 (Jul.2007- Sep.2007)	2Q FY Mar. 2009 (Jul.2008- Sep.2008)	Difference	YoY change
Sales	87,659	85,789	(1,869)	(2.1%)
Cost of Sales	58,728	59,784	+1,055	+1.8%
Outsourcing Costs	29,638	30,770	+1,132	+3.8%
Gross Profit	28,930	26,005	(2,925)	(10.1%)
Gross Profit Margin	33.0%	30.3%	(2.7P)	-
SG&A	12,258	12,146	(112)	(0.9%)
Operating Profit	16,671	13,858	(2,812)	(16.9%)
Operating profit margin	19.0%	16.2%	(2.9P)	-

P/L Highlight <2Q> continued

(Unit: JPY million)

	2Q FY Mar. 2008 (Jul.2007- Sep.2007)	2Q FY Mar. 2009 (Jul.2008- Sep.2008)	Difference	YoY change
Operating Profit	16,671	13,858	(2,812)	(16.9%)
Non-operating gain and loss	363	298	(65)	(17.9%)
Interest income	308	268	(40)	
Dividend income	16	30	+14	
Equity in earning of Affiliates	41	35	(6)	
Other Expense	-	92	+92	
Loss on investment Securities	-	92	+92	
Income taxes etc.	6,757	5,880	(877)	
Net Income	10,276	8,181	(2,094)	(20.4%)

2Q FY2009 Activities – Excerpts from Various Media Features

Internal portal solutions via full open source

- NRI began offering OpenStandia/Portal, an internal portal solution via full open source software (OSS), on September 4. This inexpensive service develops an internal portal that consolidates a company's internal information for display on employees' computer screens.
- Using OSS reduces typical development costs by as much as 90%.
- NRI aims to introduce this solution to 300 companies over the next three years.

Nikkei Business Daily, September 5, 2008

2Q FY2009 Activities – Excerpts from Various Media Features

Optional functions for BESTWAY, complaint with Financial Instruments and Exchange Law

- On January 2008, NRI began offering optional functions for its account management system for investment trusts, which complies with the Financial Instruments and Exchange Law. This is the only service offered as a package.
- These functions automatically assess a client's suitability, based on their profile and risk capacity. This system selects the instruments that can be recommended and also carries out important aspects required under the Financial Instruments and Exchange Law, such as preparing letters of intent and entering and managing data reception records.
- Launched in April with 82 banks participating, this service has currently been adopted by three financial institutions and approximately 10 more institutions to introduce it by the end of the fiscal year.



Nikkin, October 3, 2008

2Q FY2009 Activities – Excerpts from Various Media Features

Moscow branch opens

- NRI plans to open a branch in fall 2008 to meet the need for consulting services from Japanese companies moving into Russia or planning to in the future, as well as the Russian government.
- Initially, the branch will be staffed by about three people familiar with Russia, soon after which NRI plans to expand to a structure made up of about ten staff.

Nikkei Business Daily, August 4, 2008

2Q FY2009 Activities – Excerpts from Various Media Features

NRI begins research on use of water resources

- **NRI has begun to consider carrying out joint research on effective use of water resources in Australia's South East Queensland with the SEQ Urban Water Security Research Alliance, a research institute in this region.**
- **NRI aims to carry out on-site tests on effective technology beginning in fiscal 2009. Kawasaki City is cooperating in this endeavor, and companies with water management and other related technologies are also being asked to participate.**

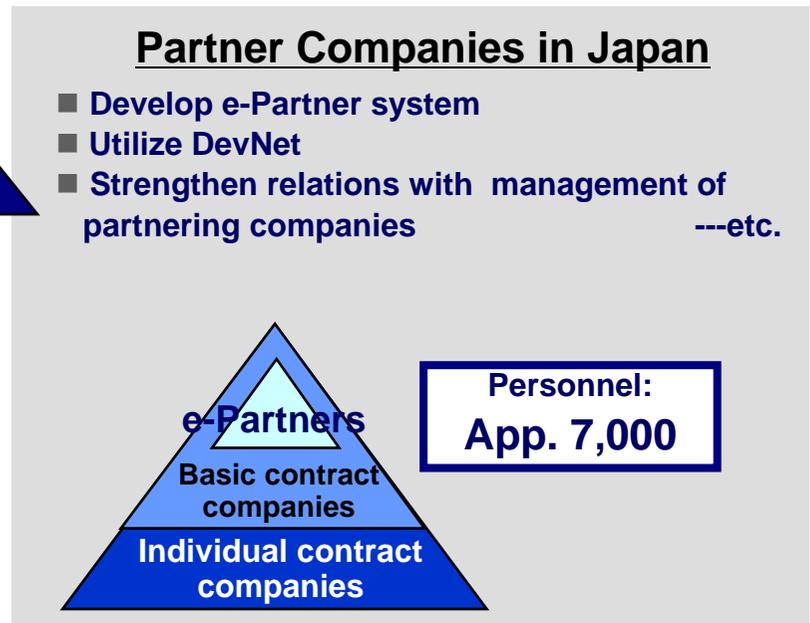
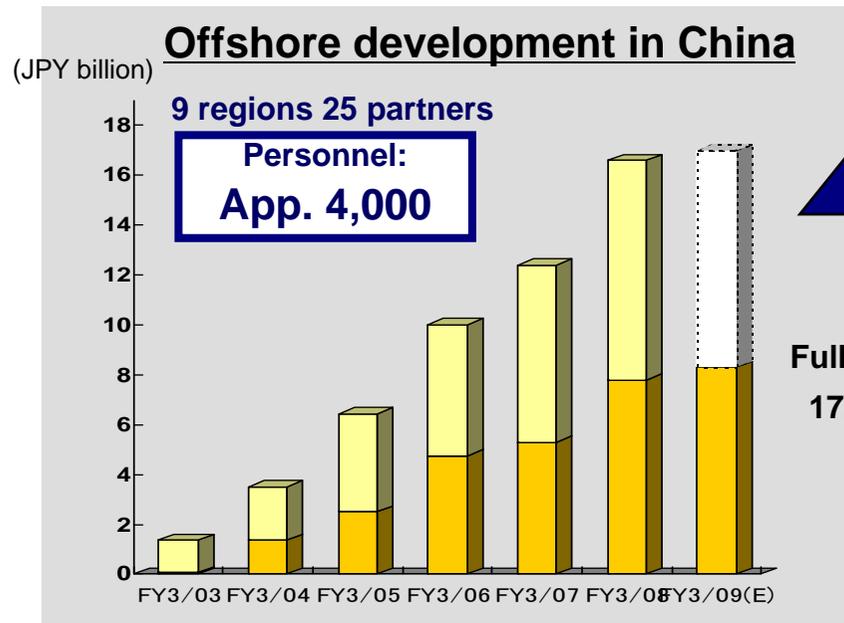
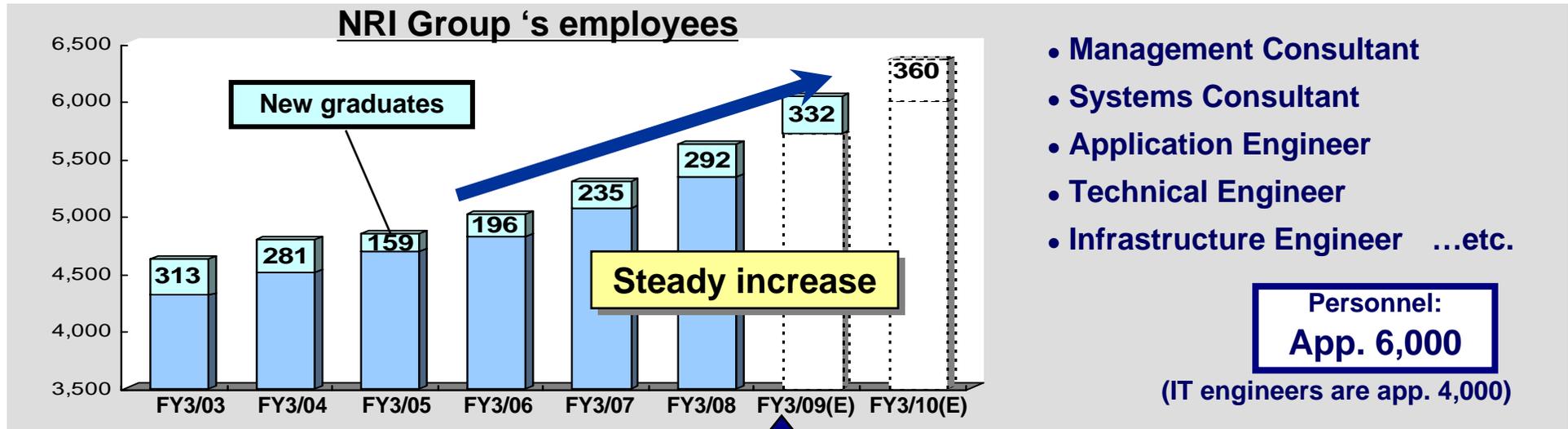
Nikkei Business Daily, August 21, 2008

Example of a project



Suzuken Company limited
System development of core systems

Others - NRI's employees + Partners (in Japan & China)



Others - Supplementary explanation

FY March 2009 Consolidated Earnings Model

- Sales of JPY350.0 billion and operating profit of JPY48.0 billion (Unit: JPY billion)

	FY Mar.2008 (Results)	FY Mar.2009 (Forecasts as of Oct. 24,2008)	YoY		FY Mar.2009 (Forecasts as of Jul. 25,2008)
			Diff.	Diff.	
Sales	342.2	350.0	+7.7	+2.3%	360.0
Cost of Sales	238.5	250.0	+11.4	+4.8%	250.0
Personnel	52.8	57.0	+4.1	+7.9%	57.0
Subcontracting Costs	118.5	125.0	+6.4	+5.4%	123.0
Depreciation	15.2	20.0	+4.7	+31.4%	20.0
Gross Profit	103.7	100.0	(3.7)	(3.6%)	110.0
Gross Profit Margin	30.3%	28.6%	(1.7P)		30.6%
SG&A	51.0	52.0	+0.9	+1.8%	57.0
Operating Profit	52.6	48.0	(4.6)	(8.9%)	53.0
Operating Profit Margin	15.4%	13.7%	(1.7P)		14.7%

Note: Figures are consolidated estimates for preparing this earnings model.

Others - Branding Activities

Forum



“Dream Up the Future” Forum 2008, Nagoya



On October 2, 2008, the “Dream Up the Future” Forum 2008 was held at the Chukyo University Center for Culture & Art. The more than 1,300 visitors was a record-high for forums held in Nagoya. The “Dream Up the Future” Forum 2008 will be held at the Tokyo International Forum on October 27.

Free publications



“NRI Future Navigator 3” was published on September 30, 2008.

This publication consists of essays from the perspective of real citizens on NRI’s navigation—recommendations and forecasts on industry trends, the direction of corporate management or new societies and lifestyles.



Available free of charge in Tokyo Station