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.
## Highlights of Consolidated Results

<table>
<thead>
<tr>
<th></th>
<th>FY3/01</th>
<th>FY3/02(E)</th>
<th>YoY Change</th>
<th>FY3/03(E)</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>217,984</td>
<td>236,569 (235,000)</td>
<td>8.5% (7.8%)</td>
<td>250,000</td>
<td>5.7%</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>27,842</td>
<td>30,364 (29,500)</td>
<td>9.1% (6.0%)</td>
<td>33,000</td>
<td>8.7%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>25,381</td>
<td>22,363 (21,500)</td>
<td>△11.9% (△15.3%)</td>
<td>19,500</td>
<td>△12.8%</td>
</tr>
<tr>
<td><strong>Operating profit to sales</strong></td>
<td>12.8% (12.6%)</td>
<td>12.8% (12.6%)</td>
<td>—</td>
<td>13.2%</td>
<td>—</td>
</tr>
<tr>
<td><strong>Net income per share</strong></td>
<td>JPY 590.27 (JPY 477.78)</td>
<td>JPY 513.24 (JPY 477.78)</td>
<td>△13.1% (△19.1%)</td>
<td>JPY 433.33</td>
<td>△15.6%</td>
</tr>
</tbody>
</table>

Unit: JPY million; figures in parentheses represent earnings estimates announced at the time of listing.

The Information is intended for information purposes only and not as solicitation or offer to buy or sell securities.
Financial Results of 10 years & Forecast for the year ended March 2003

(Sales: JPY billion) (Operating Profit: JPY billion)

- Recession of Finance Sector
- Expansion of Client Base

Sales to The Nomura Securities
Sales excluding top 10 clients
Sales excluding The Nomura Securities

(Note) Non-consolidated basis

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Basic Management View

Create added value and enhance enterprise value

- Demonstrate collective strength
- Concentrate areas of business
- R&D focused on the future of our client
- Invest in human resources required for growth
Demonstrate Collective Strength
Provider of “Total Solutions” services

ANALYSIS
Consulting/Knowledge Services
E-Government
Financial system reform readiness
Information security
Digital content distribution

SOLUTION
System Solutions Services
CRM SCM
Demonstrate Collective Strength Business Segments

- **Consulting/Knowledge Services:**
  - Research and management consulting
  - System consulting
  - Financial information services
  - Asset management analysis tools & database
  - E-commerce solutions

- **System Solutions Services:**
  - Systems planning
  - Systems design
  - Systems development
  - Systems operation & management
  - HW/SW sourcing

**Sales for the year ended March 2002**

- **Consulting/Knowledge Services**
  - JPY36.8 billion (15.6%)

- **System Solutions Services**
  - JPY199.7 billion (84.4%)
### Companies with orders worth JPY100 million+ (YoY growth)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number of Companies</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrical</td>
<td>5</td>
<td>+259%</td>
</tr>
<tr>
<td>Automobile</td>
<td>4</td>
<td>+206%</td>
</tr>
<tr>
<td>Government</td>
<td>4</td>
<td>+166%</td>
</tr>
<tr>
<td>Food</td>
<td>2</td>
<td>+96%</td>
</tr>
<tr>
<td>Electric Power</td>
<td>3</td>
<td>+26%</td>
</tr>
<tr>
<td>Communications</td>
<td>4</td>
<td>+15%</td>
</tr>
<tr>
<td>Securities</td>
<td>2</td>
<td>+10%</td>
</tr>
</tbody>
</table>

### Large-scale solutions (YoY growth)

<table>
<thead>
<tr>
<th>Solution</th>
<th>Total Sales</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>VBM (BSC)</td>
<td>JPY550 million</td>
<td>+169%</td>
</tr>
<tr>
<td>Administrative management</td>
<td>JPY450 million</td>
<td>+33%</td>
</tr>
<tr>
<td>ITS</td>
<td>JPY370 million</td>
<td>+19%</td>
</tr>
</tbody>
</table>

#### Notes:
- Orders only include consulting fees (not including system-related sales).
- YoY growth figures in the table on the left represent growth from FY00 to FY01 in total sales by industry for companies with orders worth JPY100 million or more.

---

VBM: Value-based Management  
BSC: Balanced Scorecard  
ITS: Intelligent Transport Systems  
(Original text in Japanese: (Note) オーダーは顧問業務料のみに限定し、システム関連の販売は除く。個別成長率は、平成00年度から平成01年度への販売単価を業種ごとに算出した。)
Demonstrate collective strength
Providing Solutions with an Understanding of Clients’ Business

Providing total solutions

- Management Strategy consulting
- Systems consulting
- Systems development
- Systems operations

Collective strength based on business knowledge

- Consulting
- Development capabilities
- Technical capabilities
Concentrate Areas of Business
Strengths in Financial, Distribution and Public Sectors

Sales Breakdown

- Financial Sector: 46.2%
- Distribution sector: 17.0%
- Services/Manufacturing sector: 22.8%
- Public sector: 14.0%

Consolidated Sales for the year ended March 2002
JPY237 billion
Concentrate areas of business
Financial: Outsourced Development

Kokusai Securities New core business system

Received Grand Prix Award in Nikkei Computer’s “6th Information System Award”

- Completely integrates three channels: branch offices, telephone, and Internet
- Operating 24 hours a day, 365 days a year
- Use only UNIX machines as core servers

Replace 4,500 PC terminals

Use new technologies
- Transportable table space
- SAN disk copy technology
- RPC load balancing function

Sales offices (74 nationwide)
- Sales office terminals

Call centers (Tokyo & Osaka)
- CTI server
- Terminal server
- Sales office server

Online trading center
- Web server
- DB server
- Sales office server

Kokusai Securities Network (wide area LAN)

Order transaction server (night & holidays)
- 9000V/N4000 (Hitachi)

Computer center (Yokohama)
- Disk array system
- SANRISE 2800/H512 (Hitachi)

G/W
- MP5600/215 (Hitachi mainframe)

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# Concentrate Areas of Business

Financial/Public sector: Self-sponsored Business development

<table>
<thead>
<tr>
<th>Back office Services for Securities companies</th>
<th>Systems for retail brokerage</th>
<th>STAR-Ⅲ Small and medium-sized brokerage houses and on-line brokerage houses etc (29)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Systems for wholesale brokerage</td>
<td>I-STAR Foreign and bank-affiliated brokerage houses (52)</td>
</tr>
<tr>
<td>Management services for asset management companies</td>
<td>Investment trust sales and account management systems</td>
<td>BESTWAY Banks, insurance companies, investment trusts, and brokerage houses (122)</td>
</tr>
<tr>
<td></td>
<td>Systems for investment trust account Management with respect to Japanese 401(k)</td>
<td>BESTPLAN Life and non-life insurers and banks (58)</td>
</tr>
<tr>
<td></td>
<td>Systems for investment trust management for investment trust companies</td>
<td>T-STAR Investment trusts and trust banks (70)</td>
</tr>
<tr>
<td>Back office Services for Public sector</td>
<td>Packaged systems for silver human resources centers</td>
<td>AGELESS 80 Silver (elderly) human resources centers (635)</td>
</tr>
</tbody>
</table>

(Note) Numbers of clients in parenthesis are as of 31 March, 2002

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Concentrate areas of business
Distribution: Self-sponsored Business Development

BizMart Food

The BizMart Food service is a site for EDI transactions and collaboration between manufacturers and wholesalers in the alcohol and food industries. The service provides data exchange such as order and shipping information, information exchange such as negotiations and notifications between members, and functions such as information gathering for a range of industries.
R&D focused on the future of our client

The keyword is Reliability

Advanced technologies

Advanced development technologies

Advanced platform technologies

Advanced user technologies

Core IT technologies

Legacy technologies

Research & evaluate new technologies

Introduce emerging and highly reliable core IT technologies to our client’s systems

Development technologies

Platform technologies

User technologies

Java

Wireless LAN

Unix server

10/00 3/01 9/01 3/02

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R&D focused on the future of our client
Strength in Platform Technologies

Framework required to improve system development capabilities

- Handle multiple vendors
- Respond quickly to new technologies
- Guarantee reliability and connectivity

Develop “Object Works” as NRI middleware
NRI Cyber Patent

Offering “NRI Cyber Patent Desk”, Japan’s first full-scale Internet patent information service

NRI Secure Technologies

Providing companies and government with outsourcing services to prevent illegal access to information systems
Invest in human resources required for growth
Increase Human Resource Investment

Line graph: Total number of instruction days, including training for new personnel (right scale)
Column graph: Instruction days per employee, excluding training for new personnel (left scale)
Invest in human resources required for growth

Company Certification & Qualification System

Clients

CBA (Certified Business Analyst)
- Create new trends with information transmission, etc.
in systems business
- Create new business by developing new business models, etc.
- Assist clients in business reform and business planning

CPM (Certified Project Manager) 50 persons
- Overall project supervision, administration, and coordination

CSA (Certified Systems Analyst)
- Plan and design advanced systems
- Plan and design large-scale systems
- Maintain and deploy large-scale systems

CITA (Certified IT Architect) 26 persons
- Systems platform development

(2002-) Systems  Project  Business

(Note) Number of certified personnel as of April 2002.

In operation ■ In planning ◊

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## Highly Talented & Specialized Professionals

(Unit: number of persons)

<table>
<thead>
<tr>
<th>Profession</th>
<th>2001.3</th>
<th>2002.3</th>
<th>growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>System analysts</td>
<td>85</td>
<td>100</td>
<td>15</td>
</tr>
<tr>
<td>System inspectors</td>
<td>92</td>
<td>97</td>
<td>5</td>
</tr>
<tr>
<td>Project managers</td>
<td>85</td>
<td>98</td>
<td>13</td>
</tr>
<tr>
<td>Application engineers</td>
<td>346</td>
<td>373</td>
<td>27</td>
</tr>
<tr>
<td>System operators and managers</td>
<td>30</td>
<td>41</td>
<td>11</td>
</tr>
<tr>
<td>Network specialists</td>
<td>250</td>
<td>257</td>
<td>7</td>
</tr>
<tr>
<td>Top grade system administrators</td>
<td>14</td>
<td>18</td>
<td>4</td>
</tr>
<tr>
<td>Database specialists</td>
<td>74</td>
<td>97</td>
<td>23</td>
</tr>
<tr>
<td>CMA (Security analysts)</td>
<td>119</td>
<td>135</td>
<td>16</td>
</tr>
</tbody>
</table>
Invest in human resources required for growth
Draw on Outside Human Resources

Organize partner companies (approx. 300 companies with 6,000 employees) into the following groups:
- Core partners
- Technical specializations
- Others

Use offshore development in China: bridge concept
- Five partner companies in China (two in Shanghai, two in Beijing, and one in Dalian)
- Local development system: 230 persons (March 2002)
- Invest in local development in both countries and organize bridge teams with both NRI and local Chinese companies employing systems engineers(SE) fluent in both Japanese and Chinese that can move flexibly between the two countries.
Management System Required to Achieve Goals

Create added value and enhance enterprise value

- Strengthen corporate governance
- Thorough project evaluation and risk management
- Clarity performance management indicators
Strengthen corporate governance

Specific Measures

- **Reorganize Board of Directors**
  - Reduce number of directors: 23 => 14 directors
  - Shorten term of directors: 2 => 1 year
  - Introduce executive officer system: Separate management and execution
  - Appoint outside director: Mr. Kunio Takeda
    (President, Takeda Chemical Industries, Ltd.)

- **Strengthen Board of Corporate Auditors**
  - Establish Audits’ Department
  - Appoint outside corporate auditor: Mr. Hiroshi Izumitani
    (Executive Vice President, Murata Manufacturing Co., Ltd.)
Internal management system

Thorough Project Evaluation & Risk Management

- Compliance Committee
- Systems Development Committee
- R&D Committee
- Capital Investment Appraisal Committee
- Crisis Management Committee
- Investment Board
- Information Security Board
Performance evaluation
Clarify Performance Management Indicators

- **Company-wide**
  - Operating cash flow
  - Operating profit
  - ROA

- **Divisions (internal management)**
  - Sales
  - Operating profit
  - ROA

- **Projects (individual management)**
  - ROI
Profile of New President

Akihisa Fujinuma, President, CEO & COO

- 18 years in systems development for Nomura Securities
  - 2nd Online systems and 3rd Online systems
  - From business systems to sales/investment information and trading systems
- Activity in Advanced Information Technology Division
  - Promote open systems (downsizing)
- Sector COO of Financial and Insurance Solution Sector

March 1974  Completed Master’s Program in Control Engineering at Tokyo Institute of Technology
on April, joined Nomura Computer Systems Co., Ltd.
(Became Nomura Research Institute in 1988 as a result of merger)

June 1994  Director  Deputy Division Manager of Advance Information Technology
Division and General Manager of Advanced Systems Department

June 1999  Managing Director  Division Manager of Advanced Information Technology Division and
in charge of Systems Consulting Department

June 2001  Executive Managing Director  Sector Coo of Financial & Insurance Solution Sector

April 2002  President, CEO & COO

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In-house training using Intranet (e-STEP)

- Live video seminar distribution
- Live video lecture interface with presentation documents

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<table>
<thead>
<tr>
<th>Position</th>
<th>NRI</th>
<th>NTT Data</th>
<th>Hitachi Software</th>
<th>TIS</th>
<th>Hitachi Information systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>System analysts</td>
<td>1</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>System inspectors</td>
<td>1</td>
<td>5</td>
<td>3</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Project managers</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Application engineers</td>
<td>1</td>
<td>5</td>
<td>2</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>System operators and managers</td>
<td>1</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
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<td>1</td>
<td>4</td>
<td>3</td>
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<td>5</td>
</tr>
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<td>2</td>
<td>4</td>
<td>3</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Database specialists</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>5</td>
</tr>
</tbody>
</table>

(Note) 1. Ranking based on qualified staff as a % of total staff
2. Parent basis, figures for the year to March 2001
3. Figures for qualified staff are disclosed by the companies. Figures for total staff from ‘Shikiho’
Environment recognition of Information service industry

Information service industry shows steady growth

(Note) Index based on 1992 as 100  (Source) Market Size of Information Service Industries from Survey on ‘Specified Service Industries by METI’

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