

Nomura Investment Forum 2007

December 5 , 2007

Nomura Research Institute,Ltd.

Akihisa Fujinuma
President, CEO & COO

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1. NRI's Business and the Positioning

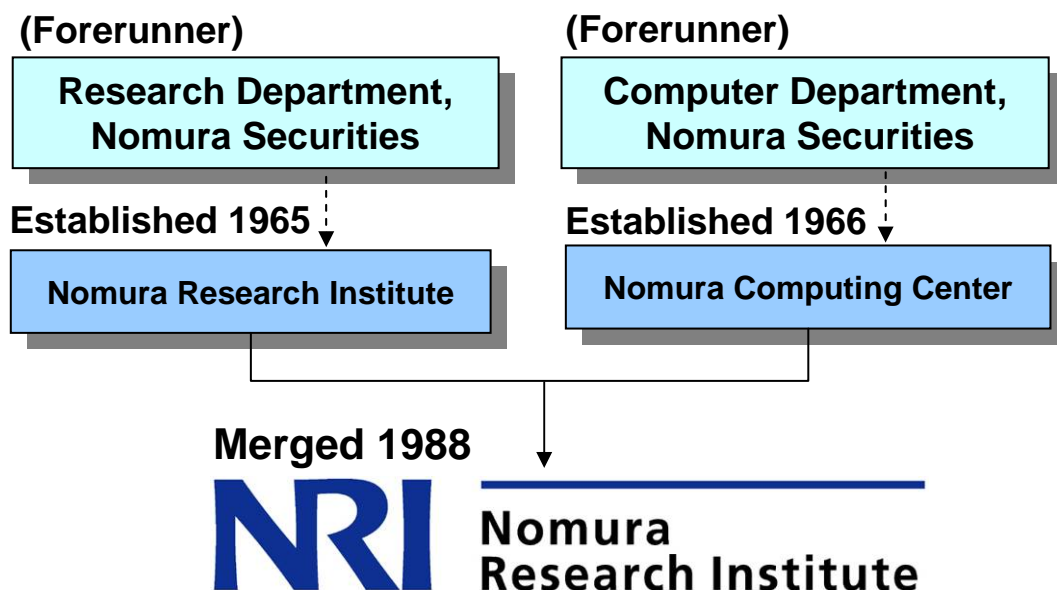
2. Trends in Consolidated Performance

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Corporate Information



Corporate Data (As of September 30, 2007)

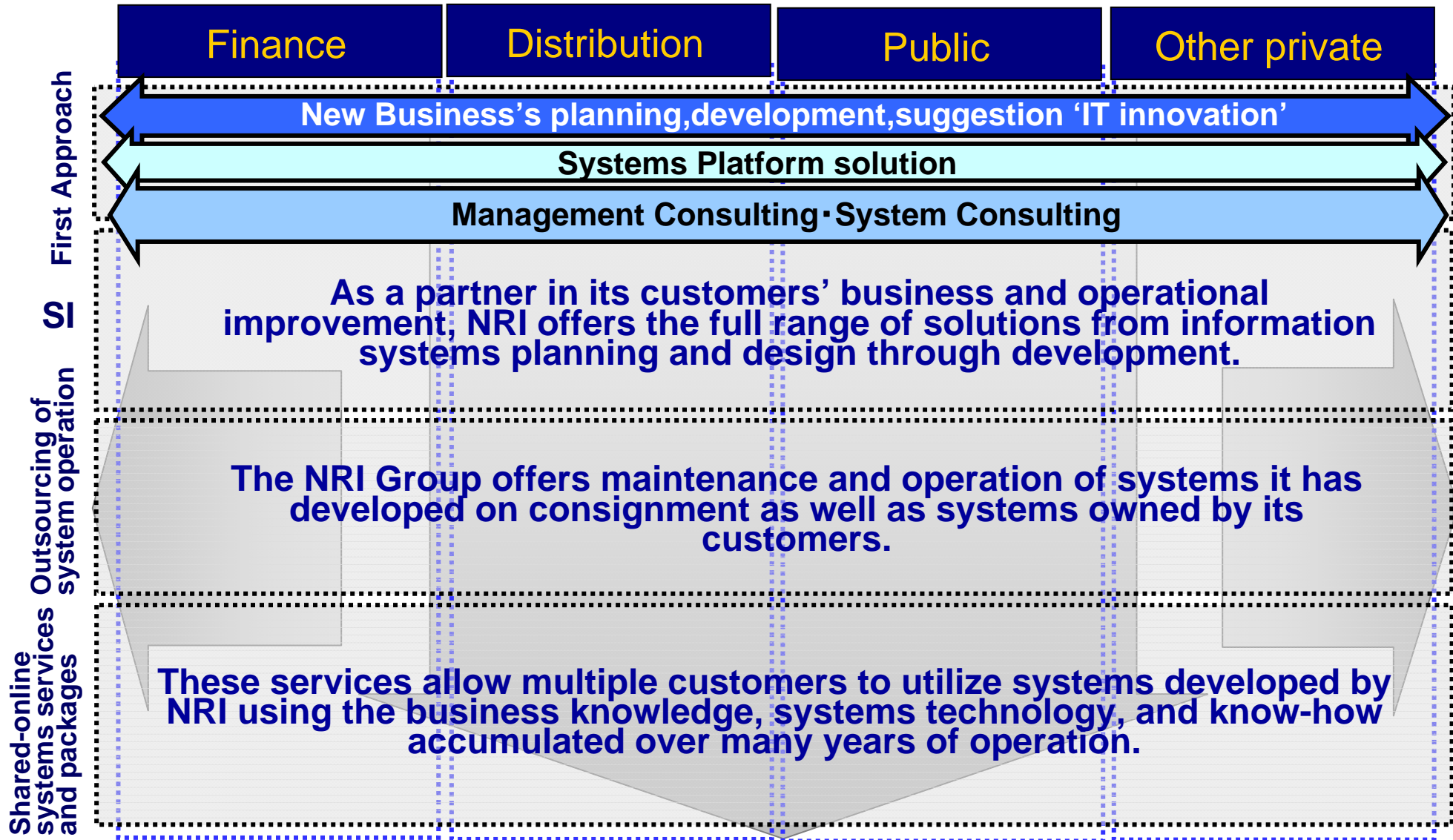
Nomura Research Institute, Ltd.
Headquarters: Chiyoda-ku, Tokyo
Capital: 18.6 billion yen
President: Akihisa Fujinuma
Number of employees: 5,653 (consolidated)

(FY3/2007 Financial Results)
Consolidated sales: JPY322.5 billion
Consolidated operating profit: JPY43.8 billion

(Corporate History)

1965 (April)	Nomura Research Institute, Ltd. established.
1966 (January)	Nomura Computing Center Co., Ltd. established (Name changed to Nomura Computer Systems Co., Ltd. in December 1972)
1988 (January)	Nomura Research Institute, Ltd. and Nomura Computer Systems Co., Ltd., merged under the name Nomura Research Institute, Ltd.
2001 (December)	Listed on the 1st Section of the Tokyo Stock Exchange (Securities Code: 4307)

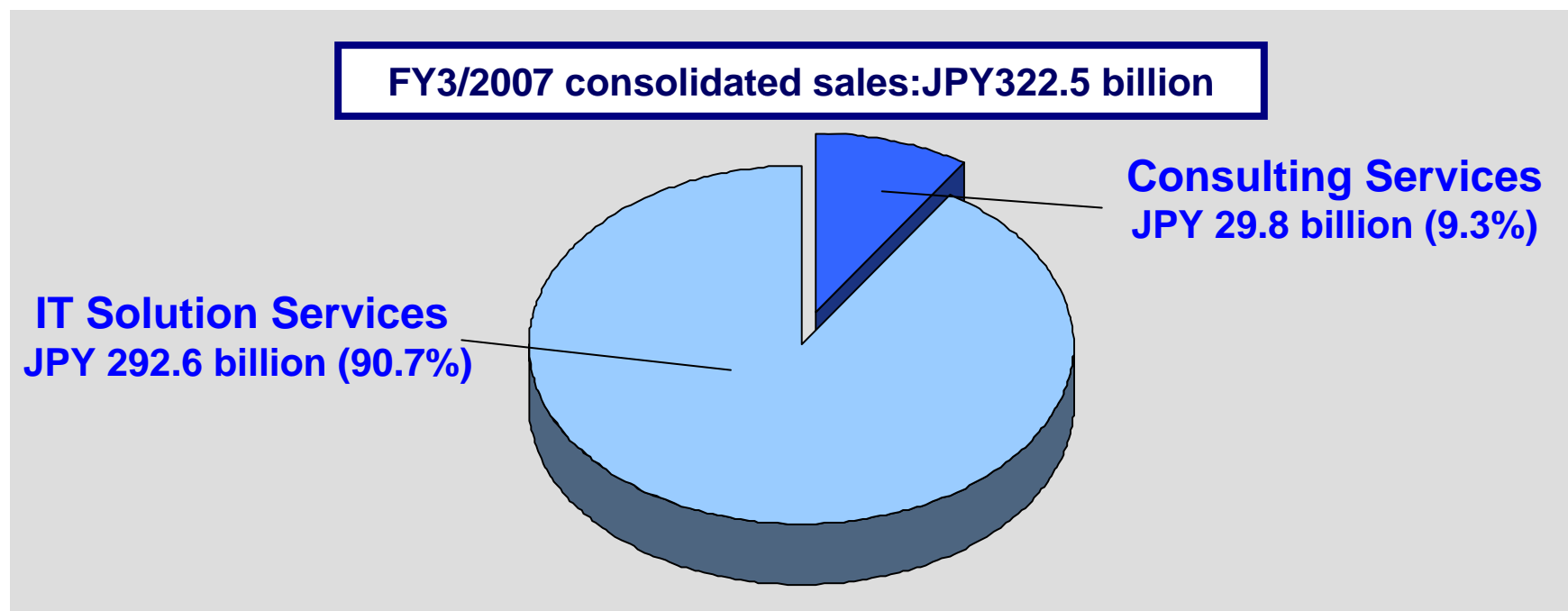
NRI's Business: Business Matrix



Sales by Segment

■ Consulting Services

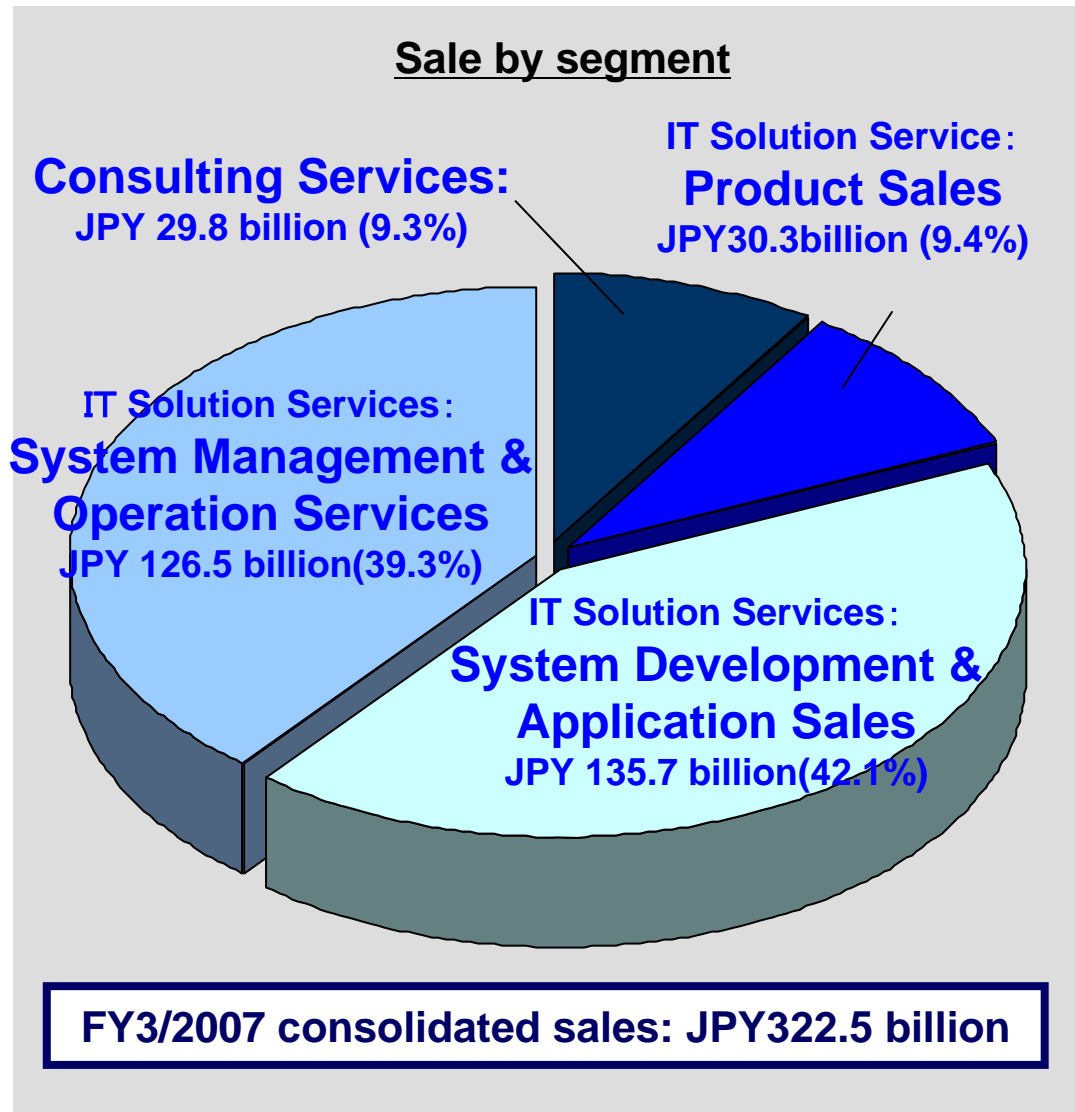
- Management consulting
- System consulting



■ IT Solution Services

- Systems integration (SI) services: Planning, design and development of information systems
- Outsourcing services : Systems maintenance, operation, and management
- Shared-online systems services : Services that allows multiple customers to jointly use the same systems

Sales by Segment



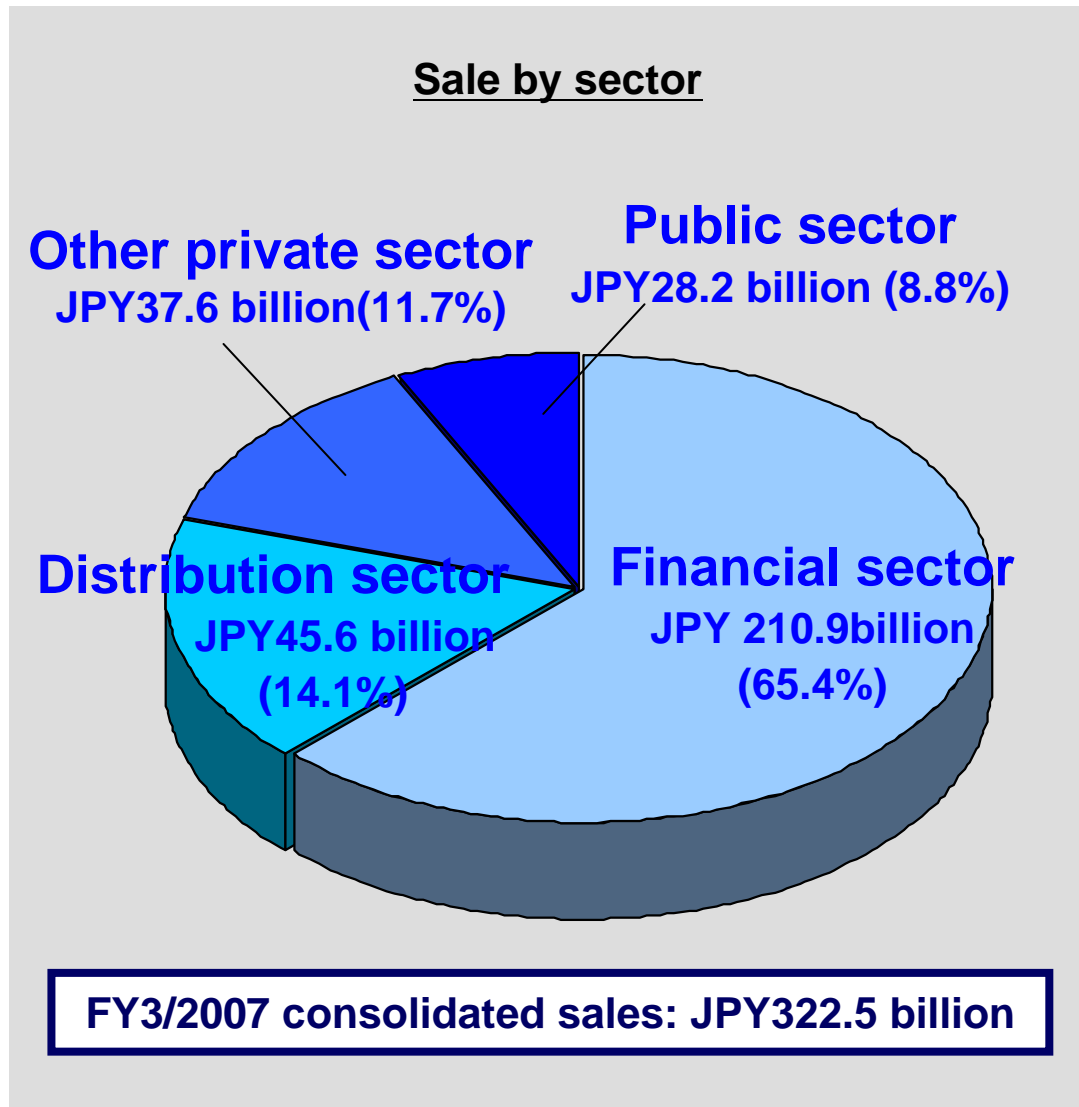
Consulting Services

- Consulting
- Management consulting
- System consulting

IT Solution Services

- System Development & System Application Sales
- Systems Integration
- Software Package developed by NRI
- System Management & Operation Services
- Outsourcing Services
- Shared-online systems service (Service Fee)
- Product Sales
- Hardware ,Software supplying from other vendors

Sales by Sector



➤ Financial sector

Securities, insurances, banks, trust banks, asset managements, investment advisors, consumer finance

➤ Distribution sector

Supermarkets, convenience stores, home centers, specialty volume retailers, wholesalers

➤ Other private sector

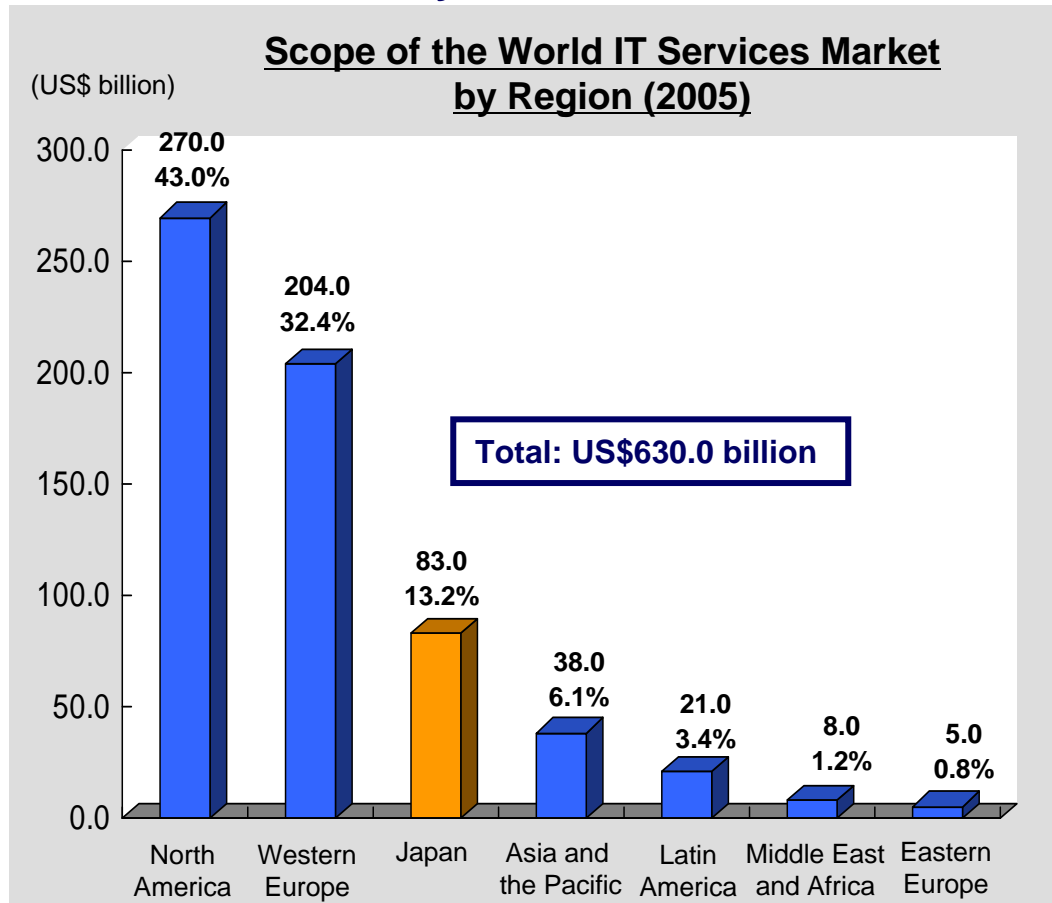
Manufacturing and service industries

➤ Public sector

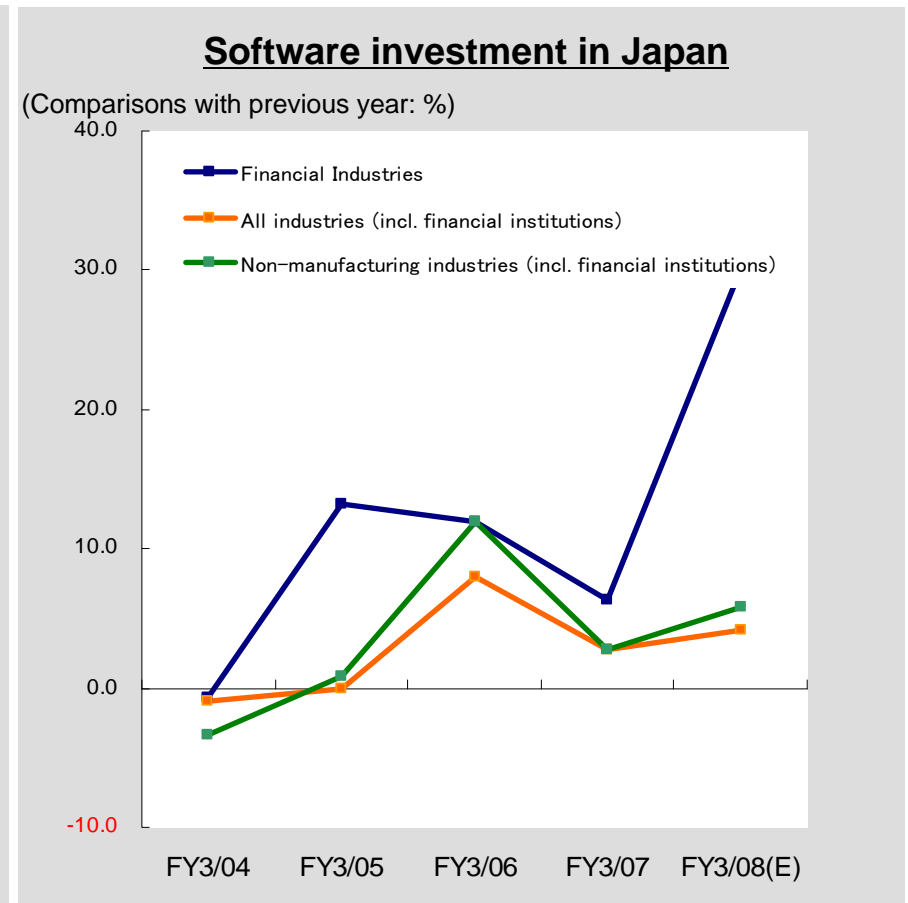
Central government, local governments, Japan Post

Information Services Industry Environment: Scope of Market

- Japan's information services industry is a US\$83 billion market (third-largest in the world, with a 13.2% share of the world market).
- Investments in software by Japanese firms, is expanding. This trend is most noticeable at financial industry.

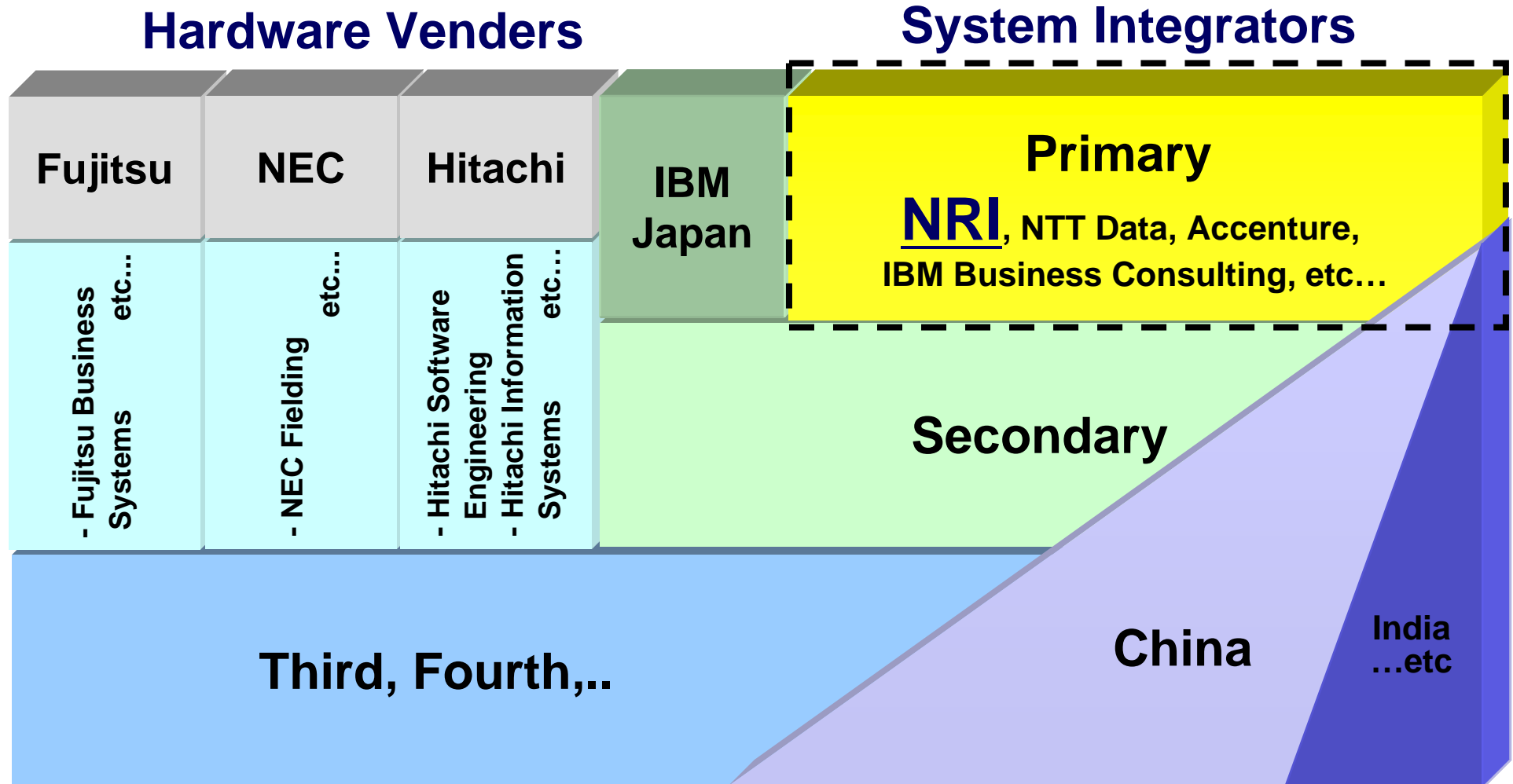


Source: Gartner Dataquest (Sep. 2006) GJ07011. Figures in parentheses are percentages of totals.



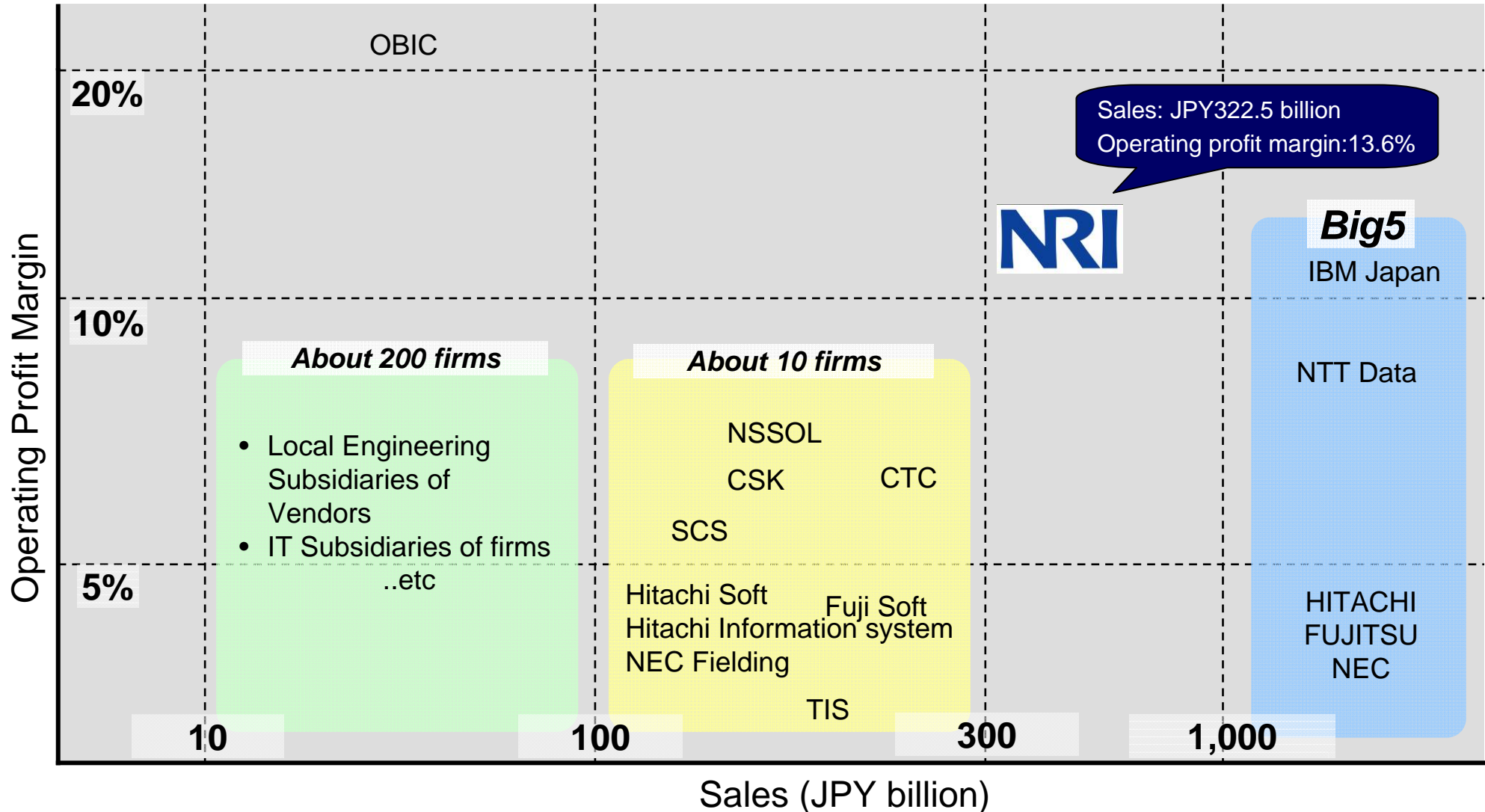
Source: Bank of Japan, Short-term Economic Survey of Enterprise in Japan (Published Oct. 1, 2007)

Information Services Industry Environment: Comparisons with Competitors (Japan)



Information Services Industry Environment: Comparisons with Competitors (Japan)

Sales - Operating Profit Margin Comparison (FY3/2007)



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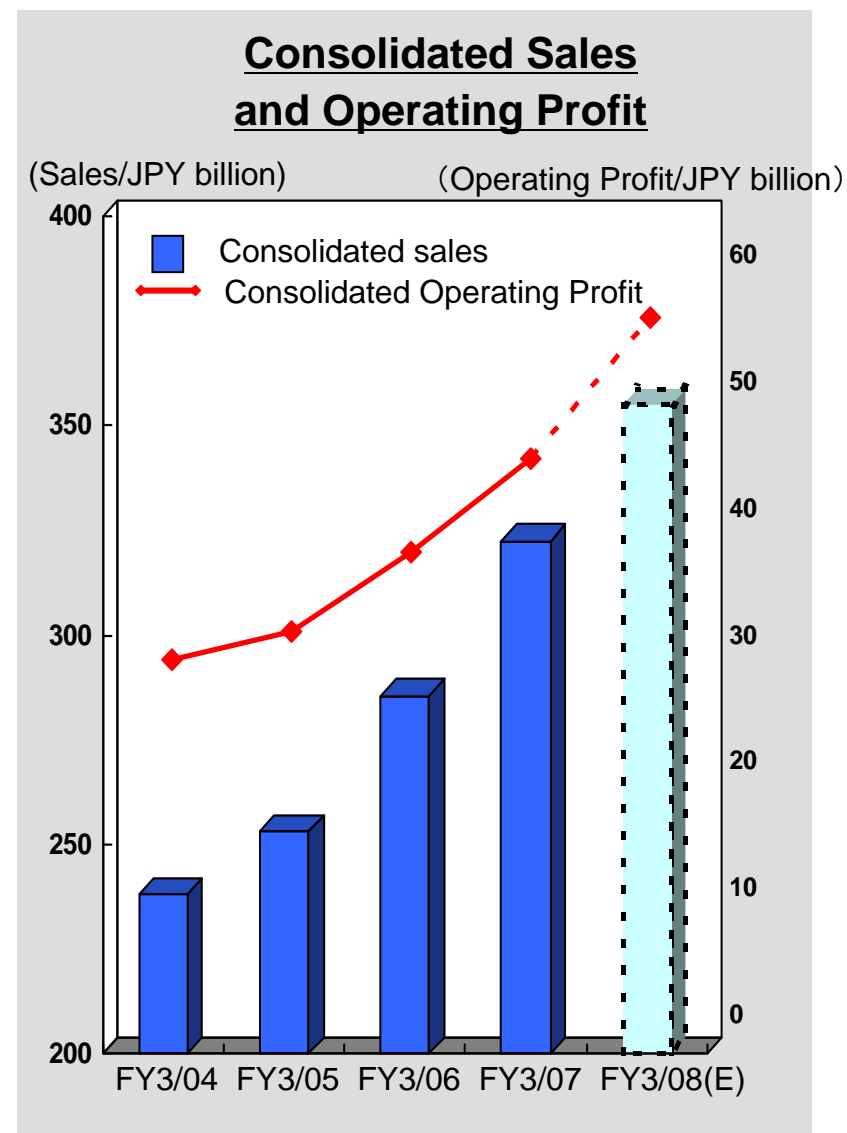
Financial Results (FY3/04 - FY3/08E)

(JPY million)	FY3/04	FY3/05	FY3/06	FY3/07	FY3/08(E)
					*Note1
Sale	238,067	252,963	285,585	322,531	355,000
Operating Profit	28,022	30,159	36,469	43,897	55,000
Net Income	18,269	16,303	22,518	27,019	35,000
EPS(JPY) *Note2	79	72	103	132	171
DPS(JPY) *Note2	8	20	28	36	48
Total Assets	326,799	317,341	311,786	371,458	-
Shareholders' Equity	229,331	231,766	209,301	216,232	-
(%)					
Operating Profit Margin	11.8	11.9	12.8	13.6	15.5
ROE	8.8	7.1	10.2	12.7	-
ROA	10.0	9.6	12.2	13.5	-
Equity Ratio	70.2	73.0	67.1	58.2	-
(Personnel)					
Employee (Year ended)	4,791	4,848	5,013	5,303	-

Note1: Forecasts were announced on Oct. 25, 2007

Note2 :NRI split common stock into 1:5 on April 1,2007.

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Highlights of Consolidated Results

(Unit: JPY million)

	1H FY Mar. 2007	1H FY Mar. 2008	Difference	YoY change
Sales	146,452	165,145	+18,693	+12.8%
Operating Profit	20,840	27,414	+6,574	+31.5%
Operating Profit Margin	14.2%	16.6%	+2.4P	
Net Income	13,486	18,337	+4,850	+36.0%
Earnings per share <small>Note</small>	JPY66.39	JPY90.05	+JPY23.66	+35.6%
Dividends per share <small>Note</small>	JPY14	JPY24	+JPY10	

Note: Figures represent earnings and dividend per share expressed on 1:5 forward stock split basis.

* Amount of less than JPY million were rounded down.

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NRI's Strengths

Navigation & Solutions

- Providing integrated services from the identification of customer problems through their resolution
- Advanced fusion of 'Consulting' and 'Systems'

Stable customer base - Partnership with trusted customers

- Long term partnerships with Nomura Holdings, Seven & I Holdings and other firms
- Accumulation and use of systems know-how and business knowledge

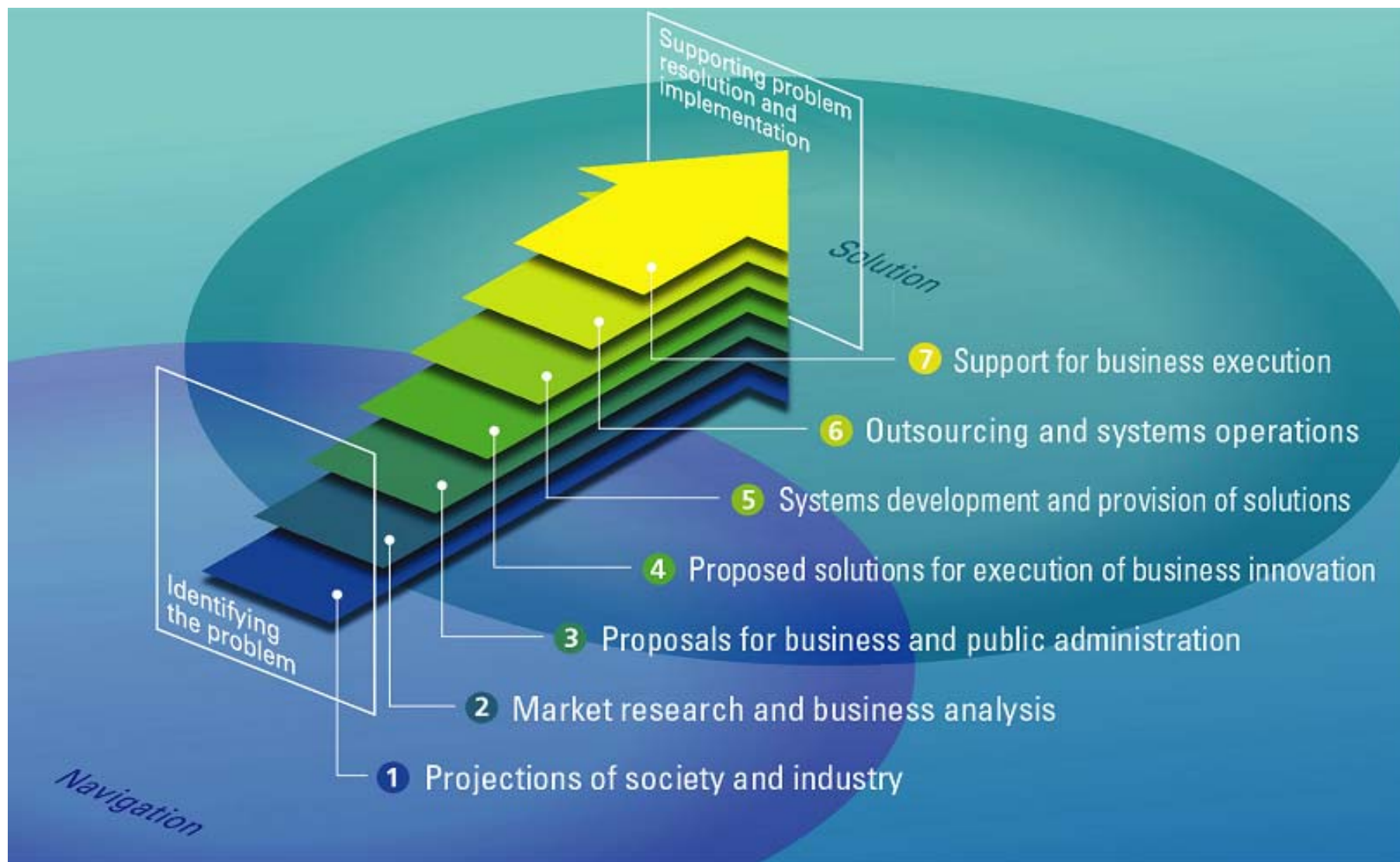
Business model utilizing own software or hardware asset

- Provision of industrial infrastructure through shared-online systems services
- Investment in state-of-the-art computer center

Depth in Human Resources

- Use of various employees + domestic and Chinese associated companies
- Expansion of offshore development in China

NRI's Strengths(1): Navigation & Solution



NRI's Strengths(2):

Stable customer base - Partnership with trusted customers

Recent efforts by companies

Nomura Holdings



- JPY100 trillion in deposited assets, 5 million accounts (medium-term target)
- Establish JOINVEST Securities Co.
- Infrastructure development
 - Call centers
 - Home trading
- Enhance face-to-face services
 - Nomura SMA
 - Branch expansion

... etc.

Seven & i Holdings

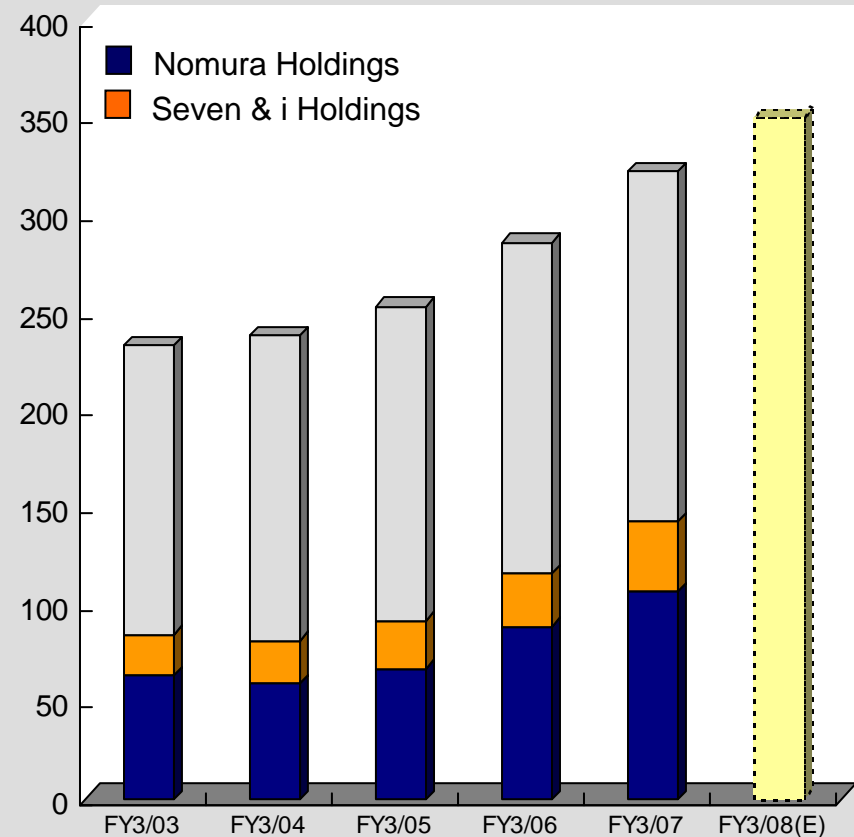


- Independently issue e-money 'nanaco' (Plan to issue 10 million cards in first fiscal year)
- Group developed brand
- Start 'Net-Supermarket' business
- Expanding Seven Bank's ATMs
- Expanding retail channels in US

...etc.

Sales to Nomura Holdings and Seven & i Holdings

(JPY billion)



Source: Various reports and companies' Websites

NRI's Strengths(2):

Stable customer base- Partnership with trusted customers

Recent efforts by companies

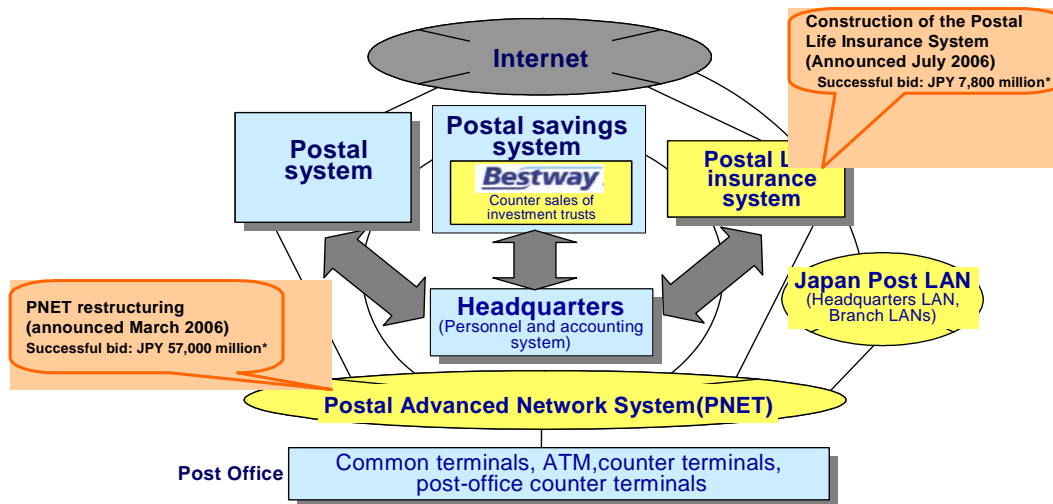
Mitsubishi UFJ Financial Group



- Reinforcement of assets for deposit operations
- Development of consumer finance business
- Group affiliations in Internet financial service
- Strengthening of investment banking operations through affiliations with banks and securities companies, ...etc.



Breakdown of Japan Post Group System



Japan Post Group



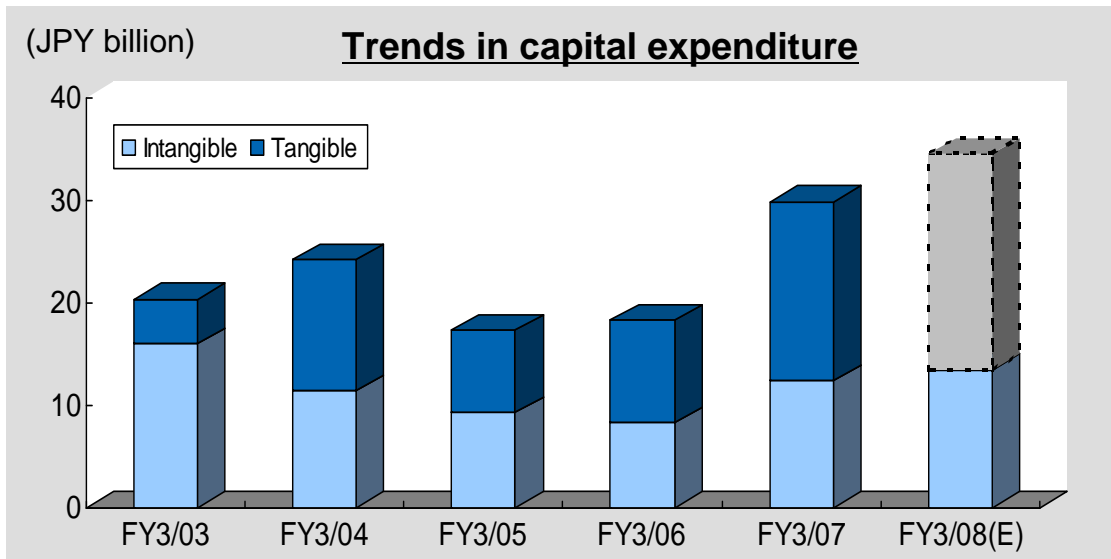
- Building up a foundation ensuring Group companies' self-sufficiency as private companies
 - New product development, development of new business models
 - Installation of business infrastructure (operations, systems, etc.)
 - Creation of Group synergies through use of post offices, ...etc.

Source: Prepared by NRI from an article in the August 11, 2005 issue of *Nikkan Kogyo Shimbun*. The yellow portions indicate projects that NRI was responsible for.

Source: Various reports and companies' Websites

NRI's Strengths(3):

Business model utilizing own software or hardware asset



New Computer Center (Oct.2007, final completion)

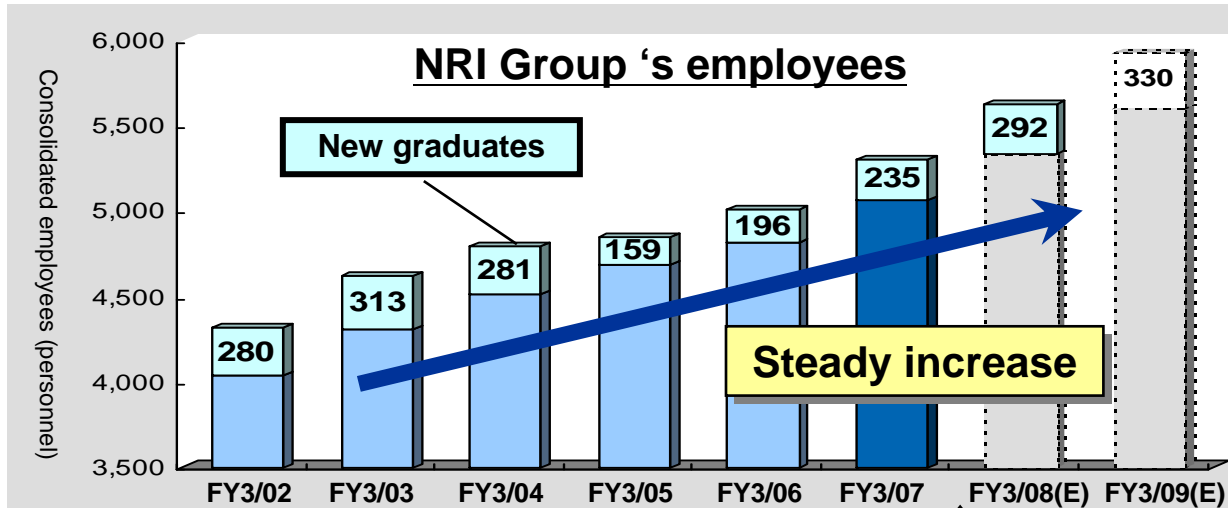
	Overview (As of December 2007)	Future
Computer Centers	NRI has data centers in four locations: Hiyoshi, Yokohama(2 centers), and Osaka	<ul style="list-style-type: none"> • A new, state-of-the-art Tier 4 data center is built. Total investment: Approximately JPY12.4 billion • The new data center will be the focus of NRI's expansion of its BCP business
Shared-online systems services (ASP-type), package software (software assets)	NRI has a number of shared-online systems services (ASP-type), primarily for financial applications, including STAR-IV, T-STAR, and I-STAR.	<ul style="list-style-type: none"> • 'TRADESTAR', Internet trading system first operated in FY3/2008. • In the financial sector, extension of existing services, expansion of lineup, such as next generation the T-STAR and the BESTWAY. • New services outside the field of finance are under study.

Note: This is a voluntary standard used primarily by European and US financial institutions, which rates data center facilities in terms of levels of redundant configuration. Tier 4 is the highest rating.

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NRI'S Strengths(4):

Depth in Human Resources -NRI's employees + Partners(in Japan & China)

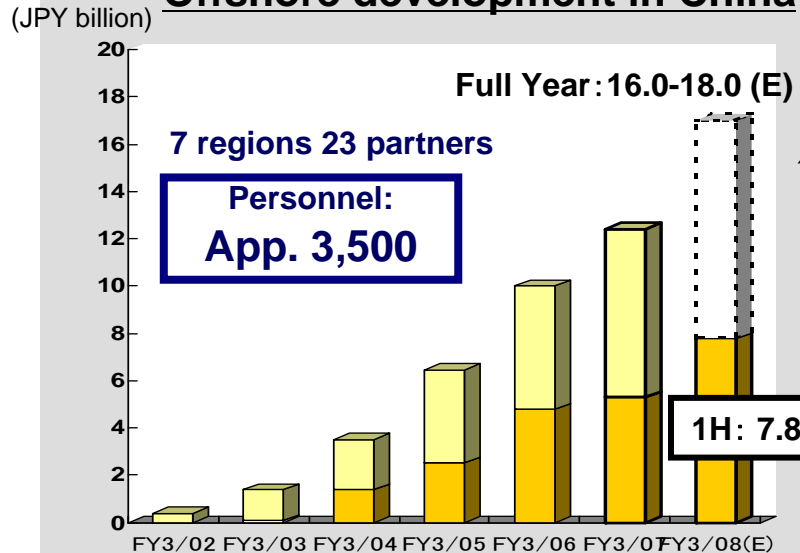


- Management Consultant
- Systems Consultant
- Application Engineer
- Technical Engineer
- Infrastructure Engineer ...etc.

Personnel:
App. 5,500

(IT engineers are app. 4,000)

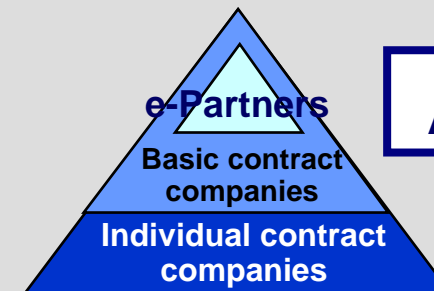
Offshore development in China



Effective use of three resources

Partner Companies in Japan

- Pursue e-Partner
- Utilize DevNet
- Strengthen relations with management of partnering companies ---etc.



Personnel:
App. 7,000

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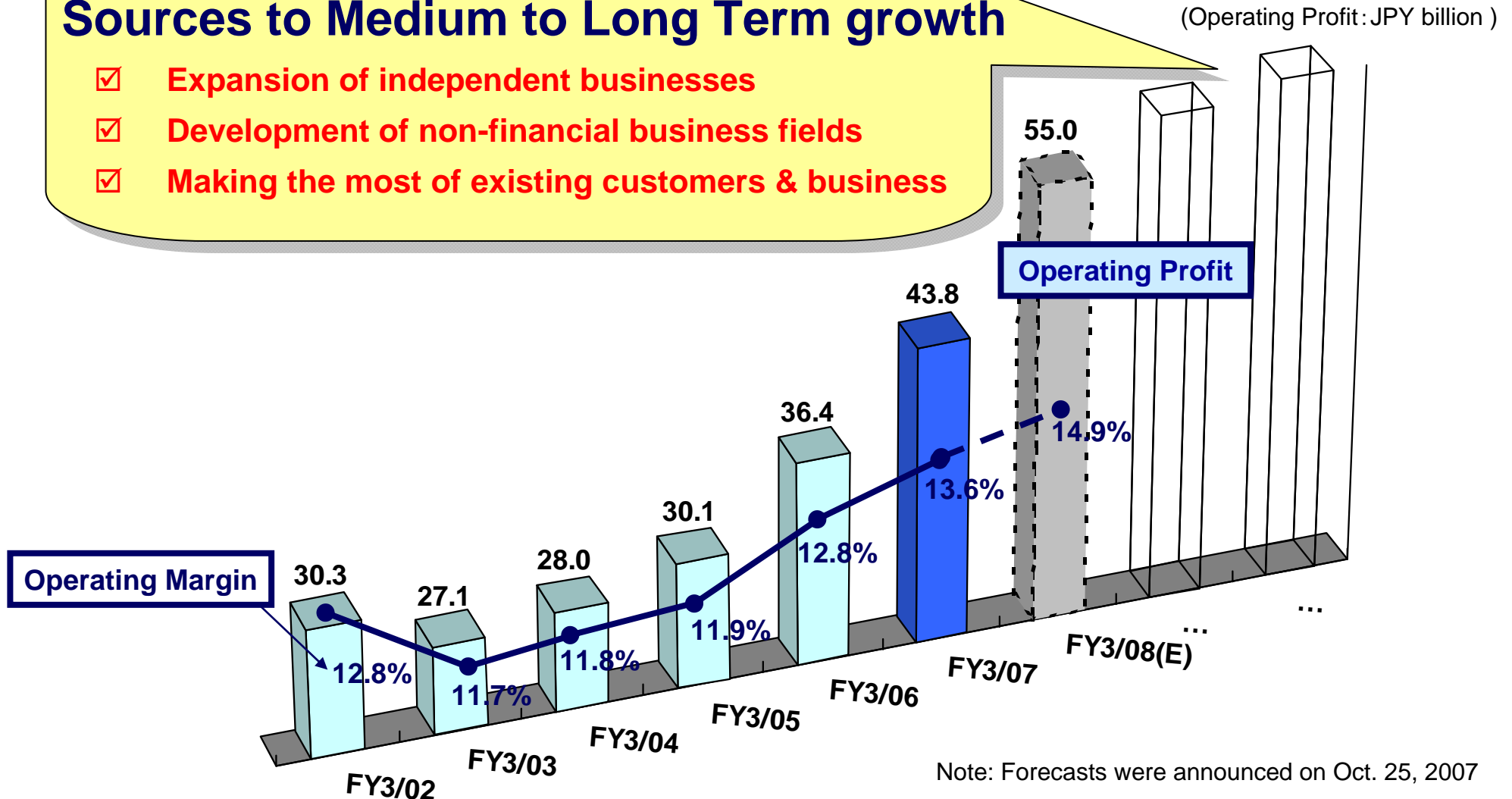
4. Toward Growth Over the Medium to Long Term

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Toward Growth Over the Medium to Long Term

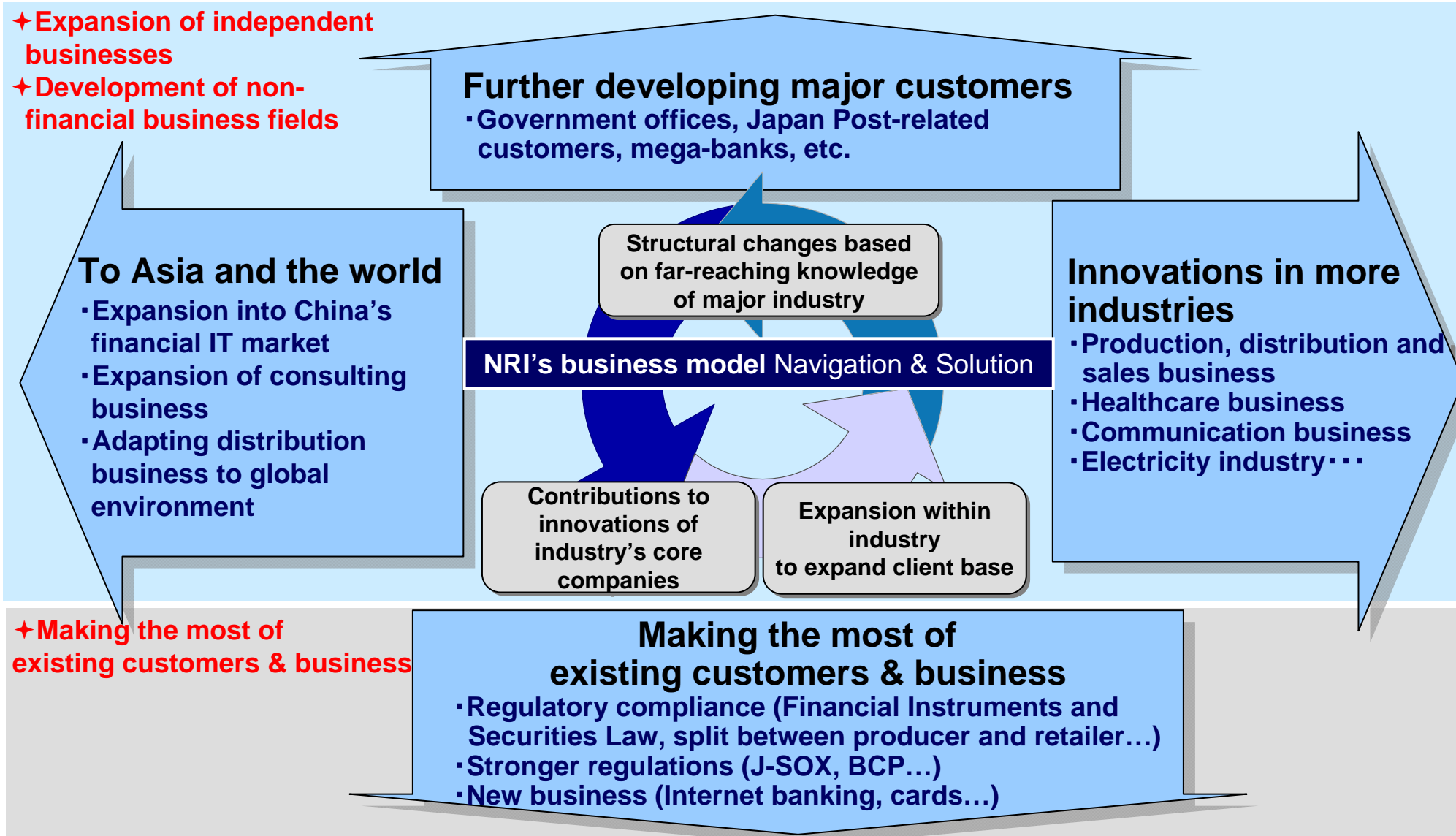
Sources to Medium to Long Term growth

- ☑ Expansion of independent businesses
- ☑ Development of non-financial business fields
- ☑ Making the most of existing customers & business



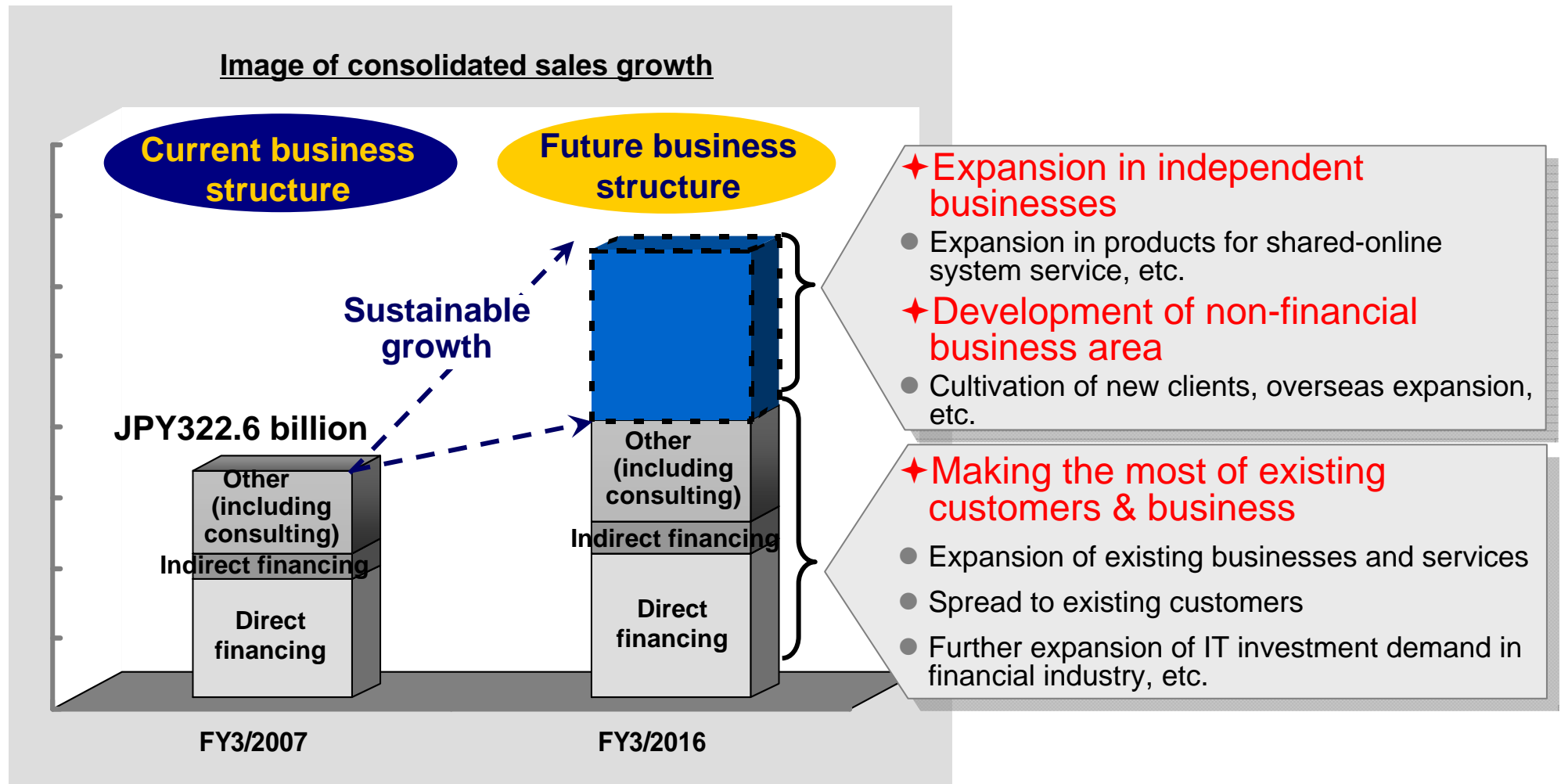
Toward Growth Over the Medium to Long Term:

Reinforcing business model that has supported growth thus far



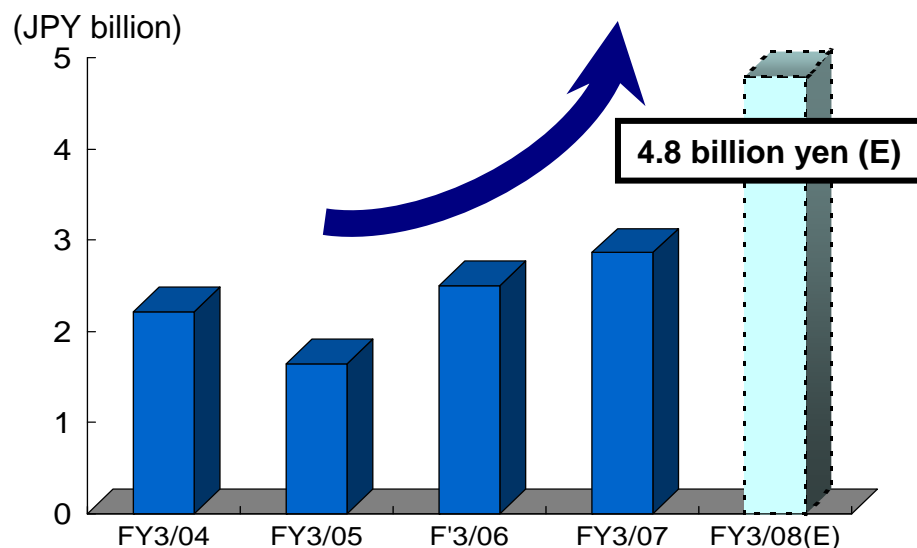
Toward Growth Over the Medium to Long Term:

Vision 2015, targeting sustainable growth, is currently being formulated



R&D projects

- Up-front investment in financial and non-financial fields, as well as China and the rest of Asia



Some of this fiscal year's R&D themes

- IT solutions for Financial 'front business'
- IT solutions for communication-carrier companies
- Business to Electric power companies
- Credit-card-related business
- Solutions for operations in China
- Research into production management and testing support methods
- Technological assessment of the newest RFID platforms...etc.

Short term (1-2 years)

Medium-term (3-5 years)

Long-term (5 years -)

Divisions
(On-site) R&D

Business-related R&D
Financial, non-financial, China, other areas of Asia

**Long-term
business search
R&D**

Technological R&D

**Information technology,
manufacturing technology**

Pure research Prediction of the future (Social navigation)

Toward Growth Over the Medium to Long Term: Taking up the challenge of business in Asia for dramatic growth

IT Solution Services

NRI's Offshore development base
23 partners in 7 regions



Target. 1
Development power

- Offshore development in China begins on full scale
 - Systems development for Japanese companies entering Chinese markets
 - Two Chinese partners selected as e-partners
- ◇ Establishment of NRI Beijing in 2002

Target.2
System support for Japanese companies entering the Chinese market

- Increase in offshore development for enhancement operations
- Start of "Tokyo On-Site Support"
- Expansion of SCM package

Target. 3
SI for Chinese government and local companies

Target. 2
Consulting for local influential companies

20xx-

2007-

- Joint research center set up with China's Tsinghua University

2001-

- Consultation services expanded for Japanese companies on investing in China
 - Commission from Chinese government for consulting project
- ◇ NRI Shanghai established in 2002

1998-

- Offshore development in China started on trial basis
- Research into methods for offshore development in China
- ERP business developed in Hong Kong

- Consulting services offered for Japanese companies on investment in China

Target. 1
Consulting for Japanese companies entering Chinese market and Chinese government

1990-

- Chinese technician trainees accepted

◇ NRI Hong Kong established in 1976

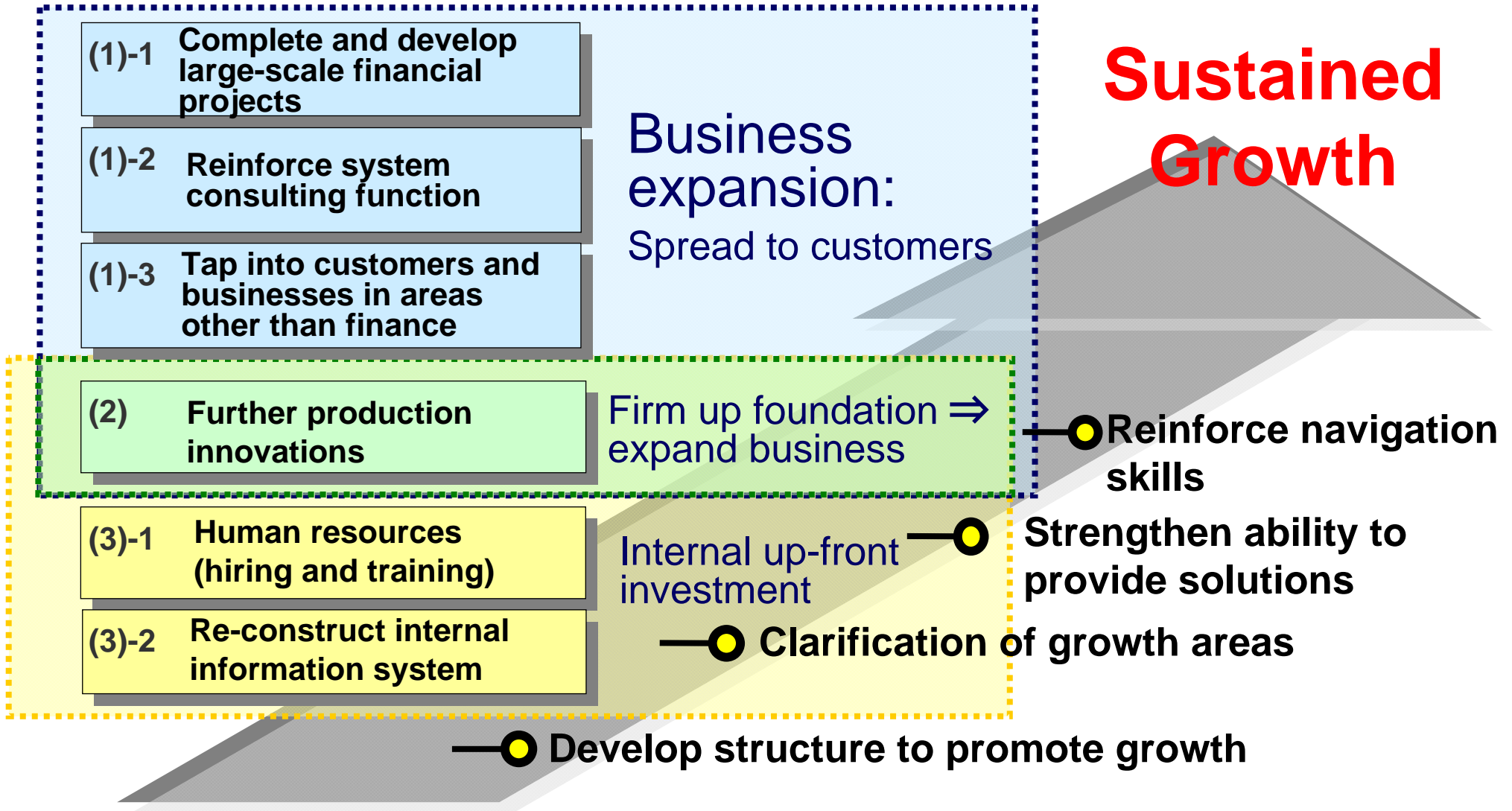
- Network built between Development Research Center of Central People's Government of China and Asian think tanks

Before 1990

- Chinese trainees accepted (a total of more than 400)
- Research and analysis on social and economic trends in China

Consulting Services

Priority Measures for FY March 2008



Forecast for FY March 2008 (consolidated)

(Unit: JPY billion)

	FY Mar.2007 (Results)	FY Mar. 2008 (Forecasts as of Oct.25)	Diff.	YoY Change
Sales	322.5	355.0	+32.4	+10.1%
Operating Profit	43.8	55.0	+11.1	+25.3%
Operating Profit Margin	13.6%	15.5%	+1.9P	
Net Income	27.0	35.0	+7.9	+29.5%
Earnings per share Note	JPY132.95	JPY171.87	+JPY38.92	+29.3%

Note: Figures represent earnings and dividend per share expressed on 1:5 forward stock split basis.

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.