



FY March 2010 Financial Results

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Nomura Research Institute, Ltd.

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I. FY March 2010 Financial Results (Consolidated)

(1) Highlights

(Unit: JPY million)

	FY	FY	YoY		Forecasts as of Oct.23,2009	
	Mar.2009 Total (Apr.2008 -Mar.2009)	Mar.2010 Total (Apr.2009 -Mar.2010)				
Sales	341,279	338,629	(2,649)	(0.8)	340,000	(1,370)
Cost of Sales	240,854	245,641	4,787	2.0		
Gross Profit	100,425	92,988	(7,436)	(7.4)		
(Gross Profit Margin)	29.4%	27.5%	(2.0P)			
SG&A	50,711	52,911	2,199	4.3		
Operating Profit	49,713	40,077	(9,636)	(19.4)	44,000	(3,922)
(Operating Profit Margin)	14.6%	11.8%	(2.7P)		12.9%	(1.1P)
Non-operating gain and loss	2,017	870	(1,147)	(56.9)		
Other Income and Expense	(7,549)	(3,618)	3,931	-		
Net Income	24,513	21,856	(2,657)	(10.8)	24,500	(2,643)
Earnings per Share	JPY 125.54	JPY 112.32	JPY (13.22)	(10.5)	JPY 125.91	JPY (13.59)
1st Half	JPY 26.00	JPY 26.00	-	-	JPY 26.00	-
Fiscal Year	JPY 26.00	JPY 26.00	-	-	JPY 26.00	-
Dividends per share	JPY 52.00	JPY 52.00	-	-	JPY 52.00	-
Dividend payout ratio	41.3%	46.3%	5.0P		41.3%	5.0P

I. FY March 2010 Financial Results (Consolidated)

<Reference>

	(Unit: JPY million)			
	1Q FY Mar.2009 (Apr.2008-Jun.2008)	1Q FY Mar.2010 (Apr.2009-Jun.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
Sales	79,495	81,521	2,025	2.5
Cost of Sales	56,517	58,129	1,611	2.9
Gross Profit	22,977	23,392	414	1.8
(Gross Profit Margin)	28.9%	28.7%	(0.2P)	/
SG&A	13,118	13,438	320	2.4
Operating Profit	9,859	9,953	93	1.0
(Operating Profit Margin)	12.4%	12.2%	(0.2P)	/
Non-operating gain and loss	1,055	906	(148)	(14.1)
Other Income and Expense	(348)	(296)	51	-
Net Income	6,051	6,124	73	1.2
Earnings per Share	JPY 30.63	JPY 31.48	JPY 0.85	2.8

	(Unit: JPY million)			
	2Q FY Mar.2009 (Jul.2008-Sep.2008)	2Q FY Mar.2010 (Jul.2009-Sep.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
Sales	85,789	85,361	(428)	(0.5)
Cost of Sales	59,784	60,375	591	1.0
Gross Profit	26,005	24,985	(1,019)	(3.9)
(Gross Profit Margin)	30.3%	29.3%	(1.0P)	/
SG&A	12,146	12,848	702	5.8
Operating Profit	13,858	12,137	(1,721)	(12.4)
(Operating Profit Margin)	16.2%	14.2%	(1.9P)	/
Non-operating gain and loss	298	(630)	(929)	-
Other Income and Expense	(96)	(572)	(475)	-
Net Income	8,181	5,855	(2,326)	(28.4)
Earnings per Share	JPY 42.07	JPY 30.09	JPY (11.98)	(28.5)

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

[3rd Quarter] (Unit: JPY million)

	3Q FY Mar.2009	3Q FY Mar.2010	YoY	
	(Oct.2008-Dec.2008)	(Oct.2009-Dec.2009)	Diff.	Change (%)
	Amount	Amount		
Sales	85,923	85,272	(650)	(0.8)
Cost of Sales	59,592	61,409	1,817	3.0
Gross Profit	26,331	23,863	(2,467)	(9.4)
(Gross Profit Margin)	30.6%	28.0%	(2.7P)	
SG&A	12,727	13,198	470	3.7
Operating Profit	13,603	10,664	(2,938)	(21.6)
(Operating Profit Margin)	15.8%	12.5%	(3.3P)	
Non-operating gain and loss	475	387	(87)	(18.4)
Other Income and Expense	(945)	7	953	-
Net Income	7,419	6,670	(749)	(10.1)
Earnings per Share	JPY	JPY	JPY	
	38.14	34.28	(3.87)	(10.1)

[4th Quarter]

	4Q FY Mar.2009	4Q FY Mar.2010	YoY	
	(Jan.2009-Mar.2009)	(Jan.2010-Mar.2010)	Diff.	Change (%)
	Amount	Amount		
Sales	90,071	86,474	(3,596)	(4.0)
Cost of Sales	64,960	65,727	766	1.2
Gross Profit	25,111	20,747	(4,363)	(17.4)
(Gross Profit Margin)	27.9%	24.0%	(3.9P)	
SG&A	12,719	13,425	706	5.6
Operating Profit	12,391	7,321	(5,069)	(40.9)
(Operating Profit Margin)	13.8%	8.5%	(5.3P)	
Non-operating gain and loss	188	205	17	9.3
Other Income and Expense	(6,159)	(2,757)	3,401	-
Net Income	2,861	3,206	344	12.1
Earnings per Share	JPY	JPY	JPY	
	14.71	16.48	1.77	12.0

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

(2) Sales by sector

(Unit: JPY million)

	FY Mar.2009 Total (Apr.2008 -Mar.2009)		FY Mar.2010 Total (Apr.2009 -Mar.2010)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Securities sector	132,460	38.8	123,362	36.4	(9,098)	(6.9)
Insurance sector	50,161	14.7	56,910	16.8	6,748	13.5
Banking sector	25,672	7.5	30,139	8.9	4,466	17.4
Other financial sector	28,621	8.4	24,348	7.2	(4,272)	(14.9)
Financial sector	236,915	69.4	234,760	69.3	(2,155)	(0.9)
Distribution sector	42,925	12.6	43,524	12.9	599	1.4
Other sector	61,438	18.0	60,344	17.8	(1,094)	(1.8)
Total	341,279	100.0	338,629	100.0	(2,649)	(0.8)
*Sales by major counterparties within the foregoing amounts						
Nomura Holdings	97,240	28.5	86,335	25.5	(10,905)	(11.2)
SEVEN & i HOLDINGS	38,183	11.2	40,599	12.0	2,416	6.3

*Figures, in principle, include sales to subsidiaries.

*Sales via leasing and other companies include sales to customers ultimately receiving services and other products.

I. FY March 2010 Financial Results (Consolidated)

<Reference>

[1st Quarter] (Unit: JPY million)

	1Q FY Mar.2009 (Apr.2008-Jun.2008)		1Q FY Mar.2010 (Apr.2009-Jun.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Securities sector	32,774	41.2	31,100	38.1	(1,674)	(5.1)
Insurance sector	9,129	11.5	13,402	16.4	4,273	46.8
Banking sector	6,039	7.6	6,532	8.0	492	8.2
Other Financial sector	7,351	9.2	6,034	7.4	(1,316)	(17.9)
Financial sector	55,295	69.6	57,069	70.0	1,774	3.2
Distribution sector	10,843	13.6	10,594	13.0	(249)	(2.3)
Other sector	13,356	16.8	13,857	17.0	501	3.8
Total	79,495	100.0	81,521	100.0	2,025	2.5
*Sales by major counterparties within the foregoing amounts						
Nomura Holdings	23,545	29.6	22,563	27.7	(982)	(4.2)
SEVEN & i HOLDINGS	9,500	12.0	9,797	12.0	296	3.1

[2nd Quarter]

	2Q FY Mar.2009 (Jul.2008-Sep.2008)		2Q FY Mar.2010 (Jul.2009-Sep.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Securities sector	34,122	39.8	30,775	36.1	(3,347)	(9.8)
Insurance sector	12,082	14.1	14,025	16.4	1,942	16.1
Banking sector	6,086	7.1	7,876	9.2	1,789	29.4
Other Financial sector	7,266	8.5	5,826	6.8	(1,440)	(19.8)
Financial sector	59,557	69.4	58,502	68.5	(1,055)	(1.8)
Distribution sector	10,786	12.6	11,327	13.3	540	5.0
Other sector	15,444	18.0	15,531	18.2	86	0.6
Total	85,789	100.0	85,361	100.0	(428)	(0.5)
*Sales by major counterparties within the foregoing amounts						
Nomura Holdings	25,488	29.7	22,188	26.0	(3,300)	(12.9)
SEVEN & i HOLDINGS	9,413	11.0	11,303	13.2	1,890	20.1

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

[3rd Quarter]

(Unit: JPY million)

	3Q FY Mar.2009 (Oct.2008-Dec.2008)		3Q FY Mar.2010 (Oct.2009-Dec.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Securities sector	31,644	36.8	31,150	36.5	(494)	(1.6)
Insurance sector	13,708	16.0	14,152	16.6	443	3.2
Banking sector	6,842	8.0	7,700	9.0	858	12.5
Other Financial sector	7,242	8.4	6,077	7.1	(1,164)	(16.1)
Financial sector	59,437	69.2	59,081	69.3	(356)	(0.6)
Distribution sector	10,887	12.7	10,837	12.7	(49)	(0.5)
Other sector	15,598	18.2	15,353	18.0	(244)	(1.6)
Total	85,923	100.0	85,272	100.0	(650)	(0.8)
*Sales by major counterparties within the foregoing amounts						
Nomura Holdings	23,237	27.0	20,852	24.5	(2,384)	(10.3)
SEVEN & i HOLDINGS	9,711	11.3	9,829	11.5	117	1.2

[4th Quarter]

	4Q FY Mar.2009 (Jan.2009-Mar.2009)		4Q FY Mar.2010 (Jan.2010-Mar.2010)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Securities sector	33,917	37.7	30,336	35.1	(3,581)	(10.6)
Insurance sector	15,241	16.9	15,330	17.7	89	0.6
Banking sector	6,703	7.4	8,030	9.3	1,326	19.8
Other Financial sector	6,761	7.5	6,409	7.4	(351)	(5.2)
Financial sector	62,624	69.5	60,106	69.5	(2,517)	(4.0)
Distribution sector	10,407	11.6	10,765	12.4	357	3.4
Other sector	17,039	18.9	15,602	18.0	(1,436)	(8.4)
Total	90,071	100.0	86,474	100.0	(3,596)	(4.0)
*Sales by major counterparties within the foregoing amounts						
Nomura Holdings	24,969	27.7	20,731	24.0	(4,238)	(17.0)
SEVEN & i HOLDINGS	9,557	10.6	9,670	11.2	112	1.2

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

(3) Sales and Operating Profit by segment

Consulting Services

(Unit: JPY million)

	FY Mar.2009 Total (Apr.2008-Mar.2009)		FY Mar.2010 Total (Apr.2009-Mar.2010)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
	Sales	32,866	9.6	28,883	8.5	(3,982)
Operating Profit	4,126		(65)		(4,192)	-
Operating Profit Margin	12.6%		(0.2%)		(12.8P)	

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

<Reference>

[1st Quarter]

(Unit: JPY million)

	1Q FY Mar.2009 (Apr.2008-Jun.2008)		1Q FY Mar.2010 (Apr.2009-Jun.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Sales	7,380	9.3	6,336	7.8	(1,044)	(14.1)
Operating Profit	509	/	(376)	/	(886)	-
Operating Profit Margin	6.9%	/	(5.9%)	/	(12.8P)	/

[2nd Quarter]

	2Q FY Mar.2009 (Jul.2008-Sep.2008)		2Q FY Mar.2010 (Jul.2009-Sep.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Sales	9,325	10.9	7,260	8.5	(2,064)	(22.1)
Operating Profit	1,987	/	356	/	(1,631)	(82.1)
Operating Profit Margin	21.3%	/	4.9%	/	(16.4P)	/

[3rd Quarter]

	3Q FY Mar.2009 (Oct.2008-Dec.2008)		3Q FY Mar.2010 (Oct.2009-Dec.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Sales	8,104	9.4	7,892	9.3	(211)	(2.6)
Operating Profit	829	/	232	/	(597)	(72.0)
Operating Profit Margin	10.2%	/	2.9%	/	(7.3P)	/

[4th Quarter]

	4Q FY Mar.2009 (Jan.2009-Mar.2009)		4Q FY Mar.2010 (Jan.2010-Mar.2010)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Sales	8,055	8.9	7,394	8.6	(661)	(8.2)
Operating Profit	798	/	(278)	/	(1,076)	-
Operating Profit Margin	9.9%	/	(3.8%)	/	(13.7P)	/

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

IT Solution Services

(Unit: JPY million)

	FY Mar.2009 Total (Apr.2008-Mar.2009)		FY Mar.2010 Total (Apr.2009-Mar.2010)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
System Development & System Application Sales	144,249	42.3	126,821	37.5	(17,428)	(12.1)
System Management & Operations	148,985	43.7	167,010	49.3	18,024	12.1
Product Sales	15,178	4.4	15,914	4.7	736	4.9
Sales	308,413	90.4	309,746	91.5	1,332	0.4
Operating Profit	45,587		40,143		(5,444)	(11.9)
Operating Profit Margin	14.8%		13.0%		(1.8P)	

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

<Reference>

[1st Quarter]

(Unit: JPY million)

	1Q FY Mar.2009 (Apr.2008-Jun.2008)		1Q FY Mar.2010 (Apr.2009-Jun.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
System Development & System Application Sales	32,513	40.9	30,638	37.6	(1,875)	(5.8)
System Management & Operations	37,083	46.6	42,314	51.9	5,230	14.1
Product Sales	2,517	3.2	2,231	2.7	(285)	(11.3)
Sales	72,114	90.7	75,184	92.2	3,070	4.3
Operating Profit	9,349		10,329		979	10.5
Operating Profit Margin	13.0%		13.7%		0.8P	

[2nd Quarter]

	2Q FY Mar.2009 (Jul.2008-Sep.2008)		2Q FY Mar.2010 (Jul.2009-Sep.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
System Development & System Application Sales	36,297	42.3	33,059	38.7	(3,237)	(8.9)
System Management & Operations	37,005	43.1	41,342	48.4	4,336	11.7
Product Sales	3,161	3.7	3,699	4.3	538	17.0
Sales	76,464	89.1	78,100	91.5	1,636	2.1
Operating Profit	11,871		11,780		(90)	(0.8)
Operating Profit Margin	15.5%		15.1%		(0.4P)	

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

[3rd Quarter]

(Unit: JPY million)

	3Q FY Mar.2009 (Oct.2008-Dec.2008)		3Q FY Mar.2010 (Oct.2009-Dec.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
System Development & System Application Sales	37,591	43.7	32,081	37.6	(5,509)	(14.7)
System Management & Operations	37,208	43.3	40,660	47.7	3,451	9.3
Product Sales	3,019	3.5	4,638	5.4	1,619	53.6
Sales	77,819	90.6	77,380	90.7	(438)	(0.6)
Operating Profit	12,773		10,432		(2,341)	(18.3)
Operating Profit Margin	16.4%		13.5%		(2.9P)	

[4th Quarter]

	4Q FY Mar.2009 (Jan.2009-Mar.2009)		4Q FY Mar.2010 (Jan.2010-Mar.2010)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
System Development & System Application Sales	37,847	42.0	31,042	35.9	(6,805)	(18.0)
System Management & Operations	37,687	41.8	42,693	49.4	5,006	13.3
Product Sales	6,480	7.2	5,344	6.2	(1,135)	(17.5)
Sales	82,015	91.1	79,080	91.4	(2,935)	(3.6)
Operating Profit	11,592		7,599		(3,992)	(34.4)
Operating Profit Margin	14.1%		9.6%		(4.5P)	

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

(4) Order Volume and Order Backlog

Order Volume

(Unit: JPY million)

	FY	FY	YoY	
	Mar.2009 Total (Apr.2008-Mar.2009)	Mar.2010 Total (Apr.2009-Mar.2010)	Diff.	Change (%)
	Amount	Amount		
Consulting Services	32,251	28,229	(4,021)	(12.5)
System Development & System Application Sales	161,470	128,363	(33,107)	(20.5)
System Management & Operations	165,222	172,933	7,711	4.7
Product Sales	15,178	15,914	736	4.9
IT Solution Services	341,870	317,211	(24,659)	(7.2)
Total	374,122	345,440	(28,681)	(7.7)

Order Backlog(Outstanding)

	At end of	At end of	YoY	
	FY Mar.2009	FY Mar.2010	Diff.	Change (%)
	Amount	Amount		
Consulting Services	3,211	2,543	(667)	(20.8)
System Development & System Application sales	36,369	37,911	1,541	4.2
System Management & Operations	136,440	142,305	5,864	4.3
IT Solution Services	172,810	180,216	7,406	4.3
Total	176,021	182,759	6,738	3.8
Order backlog In the next FY	175,576	182,634	7,058	4.0

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

(5) Subcontracting Costs

Subcontracting Costs by segment & Percentage in actual production

(Unit: JPY million)

	FY Mar.2009 (Apr.2008-Mar.2009)		FY Mar.2010 (Apr.2009-Mar.2010)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Consulting Services	5,309	16.2	5,373	18.6	64	1.2
System Development & System Application Sales	81,610	56.6	70,728	55.8	(10,882)	(13.3)
System Management & Operations	34,526	23.2	33,723	20.2	(803)	(2.3)
IT Solution Services	116,136	37.7	104,451	33.7	(11,685)	(10.1)
Total	121,446	35.6	109,825	32.4	(11,621)	(9.6)
(Subcontracting Costs to China)	15,849	13.1	13,548	12.3	(2,300)	(14.5)

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

I. FY March 2010 Financial Results (Consolidated)

<Reference>

[1st Quarter] (Unit: JPY million)

	1Q FY Mar.2009 (Apr.2008-Jun.2008)		1Q FY Mar.2010 (Apr.2009-Jun.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Consulting Services	1,113	15.1	922	14.6	(190)	(17.1)
System Development & System Application Sales	17,880	55.0	18,718	61.1	837	4.7
System Management & Operations	9,426	25.4	8,106	19.2	(1,319)	(14.0)
IT Solution Services	27,307	37.9	26,824	35.7	(482)	(1.8)
Total	28,420	35.8	27,747	34.0	(673)	(2.4)
(Subcontracting Costs to China)	4,150	14.6	3,664	13.2	(486)	(11.7)

[2nd Quarter]

	2Q FY Mar.2009 (Jul.2008-Sep.2008)		2Q FY Mar.2010 (Jul.2009-Sep.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Consulting Services	1,403	15.0	1,164	16.0	(239)	(17.1)
System Development & System Application Sales	20,354	56.1	18,284	55.3	(2,069)	(10.2)
System Management & Operations	9,013	24.4	8,232	19.9	(780)	(8.7)
IT Solution Services	29,367	38.4	26,517	34.0	(2,850)	(9.7)
Total	30,770	35.9	27,681	32.4	(3,089)	(10.0)
(Subcontracting Costs to China)	4,192	13.6	3,641	13.2	(550)	(13.1)

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

[3rd Quarter]

(Unit: JPY million)

	3Q FY Mar.2009 (Oct.2008-Dec.2008)		3Q FY Mar.2010 (Oct.2009-Dec.2009)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Consulting Services	1,429	17.6	1,602	20.3	172	12.1
System Development & System Application Sales	21,320	56.7	17,129	53.4	(4,190)	(19.7)
System Management & Operations	8,325	22.4	8,672	21.3	347	4.2
IT Solution Services	29,645	38.1	25,802	33.3	(3,843)	(13.0)
Total	31,075	36.2	27,404	32.1	(3,670)	(11.8)
(Subcontracting Costs to China)	3,729	12.0	3,254	11.9	(475)	(12.8)

[4th Quarter]

	4Q FY Mar.2009 (Jan.2009-Mar.2009)		4Q FY Mar.2010 (Jan.2010-Mar.2010)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Consulting Services	1,363	16.9	1,684	22.8	321	23.6
System Development & System Application Sales	22,055	58.3	16,596	53.5	(5,458)	(24.8)
System Management & Operations	7,761	20.6	8,710	20.4	949	12.2
IT Solution Services	29,816	36.4	25,306	32.0	(4,509)	(15.1)
Total	31,179	34.6	26,991	31.2	(4,188)	(13.4)
(Subcontracting Costs to China)	3,776	12.1	2,988	11.1	(787)	(20.9)

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

(6) Cash Flow

(Unit: JPY million)

	FY Mar.2009 Total (Apr.2008 -Mar.2009)	FY Mar.2010 Total (Apr.2009 -Mar.2010)	YoY Change (%)
	Amount	Amount	
Income before income taxes	44,181	37,328	(15.5)
Gain/Loss from non-operating activities	(1,991)	(789)	(60.3)
Extraordinary gain/loss	7,549	840	(88.9)
Depreciation and amortization	20,763	30,915	48.9
Accounts receivable and other receivable, net of advance payments received	(3,283)	4,198	-
Allowance	458	(2,489)	-
Other	(808)	7,371	-
Subtotal	66,869	77,375	15.7
Interest and dividends received	1,981	1,412	(28.7)
Income taxes paid	(22,669)	(20,727)	(8.6)
Operating Activities	46,180	58,060	25.7
Acquisition of property and equipment	(14,105)	(12,499)	(11.4)
Increase in software and other intangibles	(57,862)	(15,115)	(73.9)
Subtotal: Capital expenditure	(71,968)	(27,614)	(61.6)
Increase in time deposits	(6,874)	-	(100.0)
Proceeds from time deposits	6,929	6,009	(13.3)
Increase in investment securities	(29,365)	(3,734)	(87.3)
Proceeds from sales and redemption of investment securities	30,251	8,446	(72.1)
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	-	664	-
Other	32	53	64.5
Investing Activities	(70,994)	(16,175)	(77.2)
Free Cash Flow	(24,813)	41,885	-
(Free Cash Flow except Cash management purpose investment)	(27,877)	29,876	-
Increase in short-term loans payable	-	6,500	-
Decrease in short-term loans payable	-	(6,500)	-
Repayments of finance lease obligations	(388)	(235)	(39.4)
Purchase of treasury stock	(11,797)	(0)	(100.0)
Cash dividends paid	(10,228)	(10,112)	(1.1)
Financing Activities	(22,414)	(10,348)	(53.8)

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

	FY Mar.2009 Total (Apr.2008 -Mar.2009)	FY Mar.2010 Total (Apr.2009 -Mar.2010)	YoY
	Amount	Amount	Change (%)
Effect of exchange rate changes on Cash and cash equivalents	(68)	10	-
Net increase in Cash and cash equivalents	(47,296)	31,547	-
Cash and cash equivalents at beginning of year	75,524	28,228	(62.6)
Cash and cash equivalents at end of year	28,228	59,775	111.8
Cash and cash equivalents + Cash Management purpose investment	51,271	73,837	44.0

Note: Cash management purpose investment are the investments to 3 months over time deposits and government bonds etc..

Cash management purpose investment (included in investing activities) are as follows.

	FY Mar.2009 Total (Apr.2008 -Mar.2009)	FY Mar.2010 Total (Apr.2009 -Mar.2010)	YoY
	Amount	Amount	Change (%)
Increase in time deposits	(6,874)	-	(100.0)
Proceeds from time deposits	6,929	6,009	(13.3)
Increase in investment securities	(24,991)	-	(100.0)
Proceeds from sales and redemption of investment securities	28,000	6,000	(78.6)
(Total)	3,064	12,009	291.9
Cash management purpose investment			

*Amounts of less than JPY million were rounded down.

I. FY March 2010 Financial Results (Consolidated)

(7) Capital Expenditure

(Unit: JPY million)

	FY Mar.2009 Total (Apr.2008-Mar.2009)	FY Mar.2010 Total (Apr.2009-Mar.2010)	YoY	
	Amount	Amount	Diff.	Change (%)
Tangible	12,378	13,792	1,414	11.4
Intangible	57,705	15,208	(42,496)	(73.6)
Total	70,083	29,000	(41,082)	(58.6)

(8) Depreciation and Amortization

	FY Mar.2009 Total (Apr.2008-Mar.2009)	FY Mar.2010 Total (Apr.2009-Mar.2010)	YoY	
	Amount	Amount	Diff.	Change (%)
Tangible	12,045	12,271	226	1.9
Intangible	8,717	18,644	9,926	113.9
Total	20,763	30,915	10,152	48.9

(9) R&D Expenditure

	FY Mar.2009 Total (Apr.2008-Mar.2009)	FY Mar.2010 Total (Apr.2009-Mar.2010)	YoY	
	Amount	Amount	Diff.	Change (%)
Consulting Services	614	701	87	14.2
IT Solution Services	3,489	2,859	(629)	(18.1)
Total	4,104	3,561	(542)	(13.2)

*Amounts of less than JPY million were rounded down.

II. FY March 2011 Financial Results Forecasts (Consolidated)

(1) Highlights

(Unit: JPY billion)

	FY Mar.2010 (Results)	FY Mar.2011 (Forecasts)	YoY	
	Amount	Amount	Diff.	Change (%)
Sales	338.6	350.0	11.3	3.4
Operating Profit	40.0	44.0	3.9	9.8
Net Income	21.8	26.0	4.1	19.0
Operating Profit Margin	11.8%	12.6%	0.7P	
Earnings per share	JPY 112.32	JPY 133.59	JPY 21.27	18.9
1st Half	JPY 26.00	JPY 26.00	-	-
Fiscal Year	JPY 26.00	JPY 26.00	-	-
Dividends per share	JPY 52.00	JPY 52.00	-	-
Dividend payout ratio	46.3%	38.9%	(7.4P)	

II. FY March 2011 Financial Results Forecasts (Consolidated)

	【1 st Half】		(Unit: JPY billion)	
	FY Mar.2010 (Results)	FY Mar.2011 (Forecasts)	YoY	
	Amount	Amount	Diff.	Change (%)
Sales	166.8	165.0	(1.8)	(1.1)
Operating Profit	22.0	20.0	(2.0)	(9.5)
Net Income	11.9	12.0	0	0.2
Operating Profit Margin	13.2%	12.1%	(1.1P)	

	【2 nd Half】		YoY	
	FY Mar.2010 (Results)	FY Mar.2011 (Forecasts)	Diff.	Change (%)
	Amount	Amount	Diff.	Change (%)
Sales	171.7	185.0	13.2	7.7
Operating Profit	17.9	24.0	6.0	33.4
Net Income	9.8	14.0	4.1	41.8
Operating Profit Margin	10.5%	13.0%	2.5P	

II. FY March 2011 Financial Results Forecasts (Consolidated)

(2) Sales by sector

(Unit: JPY billion)

	FY Mar.2010 (Results)		FY Mar.2011 (Forecasts)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Securities sector	123.3	36.4	126.0	36.0	2.6	2.1
Insurance sector	56.9	16.8	59.0	16.9	2.0	3.7
Banking sector	30.1	8.9	31.0	8.9	0.8	2.9
Other financial sector	24.3	7.2	27.0	7.7	2.6	10.9
Financial sector	234.7	69.3	243.0	69.4	8.2	3.5
Distribution sector	43.5	12.9	44.0	12.6	0.4	1.1
Other sector	60.3	17.8	63.0	18.0	2.6	4.4
Total	338.6	100.0	350.0	100.0	11.3	3.4

II. FY March 2011 Financial Results Forecasts (Consolidated)

[1st Half]

(Unit: JPY billion)

	FY Mar.2010 (Results)		FY Mar.2011 (Forecasts)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
	Securities sector	61.8	37.1	60.5	36.7	(1.3)
Insurance sector	27.4	16.4	27.5	16.7	0	0.3
Banking sector	14.4	8.6	15.0	9.1	0.5	4.1
Other financial sector	11.8	7.1	12.0	7.3	0.1	1.2
Financial sector	115.5	69.3	115.0	69.7	(0.5)	(0.5)
Distribution sector	21.9	13.1	21.5	13.0	(0.4)	(1.9)
Other sector	29.3	17.6	28.5	17.3	(0.8)	(3.0)
Total	166.8	100.0	165.0	100.0	(1.8)	(1.1)

[2nd Half]

	FY Mar.2010 (Results)		FY Mar.2011 (Forecasts)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
	Securities sector	61.4	35.8	65.5	35.4	4.0
Insurance sector	29.4	17.2	31.5	17.0	2.0	6.8
Banking sector	15.7	9.2	16.0	8.6	0.2	1.7
Other financial sector	12.4	7.3	15.0	8.1	2.5	20.1
Financial sector	119.1	69.4	128.0	69.2	8.8	7.4
Distribution sector	21.6	12.6	22.5	12.2	0.8	4.2
Other sector	30.9	18.0	34.5	18.6	3.5	11.4
Total	171.7	100.0	185.0	100.0	13.2	7.7

II. FY March 2011 Financial Results Forecasts (Consolidated)

(3) Sales by segment

(Unit: JPY billion)

	FY Mar.2010 (Results)		FY Mar.2011 (Forecasts)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Consulting Services	28.8	8.5	30.0	8.6	1.1	3.9
System Development & System Application Sales	126.8	37.5	133.0	38.0	6.1	4.9
System Management & Operations	167.0	49.3	171.0	48.9	3.9	2.4
Product Sales	15.9	4.7	16.0	4.6	0	0.5
IT Solution Services	309.7	91.5	320.0	91.4	10.2	3.3
Total	338.6	100.0	350.0	100.0	11.3	3.4

[1st Half]

	FY Mar.2010 (Results)		FY Mar.2011 (Forecasts)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Consulting Services	13.5	8.1	14.0	8.5	0.4	3.0
System Development & System Application sales	63.6	38.2	61.0	37.0	(2.6)	(4.2)
System Management & Operations	83.6	50.1	84.0	50.9	0.3	0.4
Product Sales	5.9	3.6	6.0	3.6	0	1.2
IT Solution Services	153.2	91.9	151.0	91.5	(2.2)	(1.5)
Total	166.8	100.0	165.0	100.0	(1.8)	(1.1)

[2nd Half]

	FY Mar.2010 (Results)		FY Mar.2011 (Forecasts)		YoY	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)
Consulting Services	15.2	8.9	16.0	8.6	0.7	4.7
System Development & System Application sales	63.1	36.8	72.0	38.9	8.8	14.1
System Management & Operations	83.3	48.5	87.0	47.0	3.6	4.4
Product Sales	9.9	5.8	10.0	5.4	0	0.2
IT Solution Services	156.4	91.1	169.0	91.4	12.5	8.0
Total	171.7	100.0	185.0	100.0	13.2	7.7

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II. FY March 2011 Financial Results Forecasts (Consolidated)

(4) Capital Expenditure

(Unit: JPY billion)

	FY Mar.2010 (Results)	FY Mar.2011 (Forecasts)	YoY	
	Amount	Amount	Diff.	Change (%)
Tangible	13.7	14.0	0.2	1.5
Intangible	15.2	16.0	0.7	5.2
Total	29.0	30.0	0.9	3.4

(5) Depreciation and Amortization

	FY Mar.2010 (Results)	FY Mar.2011 (Forecasts)	YoY	
	Amount	Amount	Diff.	Change (%)
Total	30.9	32.0	1.0	3.5

(6) R&D Expenditure

	FY Mar.2010 (Results)	FY Mar.2011 (Forecasts)	YoY	
	Amount	Amount	Diff.	Change (%)
Total	3.5	4.0	0.4	12.3