

# 2<sup>nd</sup> Quarter FY March 2010 Financial Results

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**Nomura Research Institute, Ltd.**

**October 23, 2009**

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### (1) Highlights

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008- Sep.2008)	1H FY Mar.2010 (Apr.2009- Sep.2009) <A>	YoY		1H FY Mar.2010 (Forecasts as of Apr.24,2009) <B>	A-B		FY Mar.2009 (Apr.2008 - Mar.2009)
	Amount	Amount	Diff.	Change (%)	Amount	Diff.	Change (%)	Amount
Sales	165,285	166,882	1,597	1.0	168,000	(1,117)	(0.7)	341,279
Cost of Sales	116,301	118,505	2,203	1.9				240,854
Gross Profit	48,983	48,377	(605)	(1.2)				100,425
(Gross Profit Margin)	29.6%	29.0%	(0.6P)					29.4%
SG&A	25,264	26,287	1,022	4.0				50,711
Operating Profit	23,718	22,090	(1,628)	(6.9)	20,000	2,090	10.5	49,713
(Operating Profit Margin)	14.4%	13.2%	(1.1P)					14.6%
Non-operating gain and loss	1,354	276	(1,077)	(79.6)				2,017
Other Income and Expense	(444)	(868)	(424)	95.4				(7,549)
Net Income	14,232	11,979	(2,252)	(15.8)	12,500	(520)	(4.2)	24,513
Earnings per Share	JPY 72.61	JPY 61.57	JPY (11.04)	(15.2)				JPY 125.54
Dividends per Share	JPY 26.00	JPY 26.00	-	-	JPY 26.00	-	-	JPY 52.00

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

[2<sup>nd</sup> Quarter]

(Unit: JPY million)

	2Q FY Mar.2009	2Q FY Mar.2010	YoY	
	(Jul.2008-Sep.2008)	(Jul.2009-Sep.2009)	Diff.	Change (%)
	Amount	Amount		
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)	(311.0)
Other Income and Expense	(96)	(572)	(475)	494.8
Net Income	8,181	5,855	(2,326)	(28.4)
Earnings per Share	JPY 42.07	JPY 30.09	JPY (11.98)	(28.5)

[1<sup>st</sup> Quarter]

	1Q FY Mar.2009	1Q FY Mar.2010	YoY	
	(Apr.2008-Jun.2008)	(Apr.2009-Jun.2009)	Diff.	Change (%)
	Amount	Amount		
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)	
Net Income	6,051	6,124	73	1.2

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### (2) Sales by sector

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008- Sep.2008)		1H FY Mar.2010 (Apr.2009- Sep.2009)		YoY		FY Mar.2009 (Apr.2008- Mar.2009)	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)	Amount	Share (%)
Securities sector	66,897	40.5	61,875	37.1	(5,022)	(7.5)	132,460	38.8
Insurance sector	21,212	12.8	27,428	16.4	6,216	29.3	50,161	14.7
Banking sector	12,125	7.3	14,408	8.6	2,282	18.8	25,672	7.5
Other financial sector	14,617	8.8	11,860	7.1	(2,756)	(18.9)	28,621	8.4
<b>Financial sector</b>	<b>114,853</b>	<b>69.5</b>	<b>115,572</b>	<b>69.3</b>	<b>719</b>	<b>0.6</b>	<b>236,915</b>	<b>69.4</b>
Distribution sector	21,630	13.1	21,921	13.1	291	1.3	42,925	12.6
Other sector	28,801	17.4	29,388	17.6	587	2.0	61,438	18.0
<b>Total</b>	<b>165,285</b>	<b>100.0</b>	<b>166,882</b>	<b>100.0</b>	<b>1,597</b>	<b>1.0</b>	<b>341,279</b>	<b>100.0</b>
*Sales by major counterparties within the foregoing amounts								
<b>Nomura Holdings</b>	<b>49,034</b>	<b>29.7</b>	<b>44,751</b>	<b>26.8</b>	<b>(4,282)</b>	<b>(8.7)</b>	<b>97,240</b>	<b>28.5</b>
<b>SEVEN &amp; i HOLDINGS</b>	<b>18,914</b>	<b>11.4</b>	<b>21,100</b>	<b>12.6</b>	<b>2,186</b>	<b>11.6</b>	<b>38,183</b>	<b>11.2</b>

\*Figures, in principle, include sales to subsidiaries.

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

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

[2<sup>nd</sup> Quarter]

(Unit: JPY million)

	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)
<b>Financial sector</b>	<b>59,557</b>	<b>69.4</b>	<b>58,502</b>	<b>68.5</b>	<b>(1,055)</b>	<b>(1.8)</b>
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
<b>Total</b>	<b>85,789</b>	<b>100.0</b>	<b>85,361</b>	<b>100.0</b>	<b>(428)</b>	<b>(0.5)</b>
*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

[1<sup>st</sup> Quarter]

	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)
<b>Financial sector</b>	<b>55,295</b>	<b>69.6</b>	<b>57,069</b>	<b>70.0</b>	<b>1,774</b>	<b>3.2</b>
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
<b>Total</b>	<b>79,495</b>	<b>100.0</b>	<b>81,521</b>	<b>100.0</b>	<b>2,025</b>	<b>2.5</b>
*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

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### (3) Sales and Operating Profit by segment

#### Consulting Services

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008-Sep.2008)		1H FY Mar.2010 (Apr.2009-Sep.2009)		YoY		FY Mar.2009 (Apr.2008 - Mar.2009)	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)	Amount	Share (%)
Sales	16,706	10.1	13,597	8.1	(3,109)	(18.6)	32,866	9.6
Operating Profit	2,497	/	(20)	/	(2,517)	(100.8)	4,126	/
Operating Profit Margin	15.0%	/	(0.1%)	/	(15.1P)	/	12.6%	/

#### [2<sup>nd</sup> 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)	/

#### [1<sup>st</sup> Quarter]

	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)	/

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### IT Solution Services

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008- Sep.2008)		1H FY Mar.2010 (Apr.2009 - Sep.2009)		YoY		FY Mar.2009 (Apr.2008 - Mar.2009)	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)	Amount	Share (%)
<b>System Development &amp; System Application Sales</b>	68,810	41.6	63,697	38.2	(5,113)	(7.4)	144,249	42.3
<b>System Management &amp; Operations</b>	74,089	44.8	83,656	50.1	9,567	12.9	148,985	43.7
<b>Product Sales</b>	5,678	3.4	5,931	3.6	252	4.5	15,178	4.4
<b>Sales</b>	148,578	89.9	153,285	91.9	4,706	3.2	308,413	90.4
<b>Operating Profit</b>	21,220		22,110		889	4.2	45,587	
<b>Operating Profit Margin</b>	14.3%		14.4%		0.1P		14.8%	

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

[2<sup>nd</sup> Quarter]

(Unit: JPY million)

	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 & Operation Services	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
<b>Sales</b>	<b>76,464</b>	<b>89.1</b>	<b>78,100</b>	<b>91.5</b>	<b>1,636</b>	<b>2.1</b>
<b>Operating Profit</b>	<b>11,871</b>		<b>11,780</b>		<b>(90)</b>	<b>(0.8)</b>
<b>Operating Profit Margin</b>	<b>15.5%</b>		<b>15.1%</b>		<b>(0.4P)</b>	

[1<sup>st</sup> Quarter]

	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 & Operation Services	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)
<b>Sales</b>	<b>72,114</b>	<b>90.7</b>	<b>75,184</b>	<b>92.2</b>	<b>3,070</b>	<b>4.3</b>
<b>Operating Profit</b>	<b>9,349</b>		<b>10,329</b>		<b>979</b>	<b>10.5</b>
<b>Operating Profit Margin</b>	<b>13.0%</b>		<b>13.7%</b>		<b>0.8P</b>	

\*Amounts of less than JPY million were rounded down.



## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### (4) Order Volume and Order Backlog

#### Order Volume

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008- Sep.2008)	1H FY Mar.2010 (Apr.2009- Sep.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
<b>Consulting Services</b>	19,493	16,610	(2,883)	(14.8)
System Development & System Application Sales	82,291	61,674	(20,616)	(25.1)
System Management & Operations	22,063	23,993	1,929	8.7
Product Sales	5,671	5,931	259	4.6
<b>IT Solution Services</b>	110,026	91,599	(18,427)	(16.7)
<b>Total</b>	<b>129,520</b>	<b>108,209</b>	<b>(21,310)</b>	<b>(16.5)</b>

#### [2<sup>nd</sup> Quarter]

	2Q FY Mar.2009 (Jul.2008- Sep.2008)	2Q FY Mar.2010 (Jul.2009- Sep.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
<b>Consulting Services</b>	8,035	6,517	(1,518)	(18.9)
System Development & System Application Sales	45,465	24,073	(21,391)	(47.1)
System Management & Operations	5,436	1,132	(4,304)	(79.2)
Product Sales	3,162	3,699	537	17.0
<b>IT Solution Services</b>	54,064	28,904	(25,159)	(46.5)
<b>Total</b>	<b>62,099</b>	<b>35,422</b>	<b>(26,677)</b>	<b>(43.0)</b>

#### [1<sup>st</sup> Quarter]

	1Q FY Mar.2009 (Apr.2008- Jun.2008)	1Q FY Mar.2010 (Apr.2009- Jun.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
<b>Consulting Services</b>	11,458	10,093	(1,364)	(11.9)
System Development & System Application Sales	36,826	37,601	775	2.1
System Management & Operations	16,627	22,860	6,233	37.5
Product Sales	2,509	2,231	(277)	(11.1)
<b>IT Solution Services</b>	55,962	62,694	6,731	12.0
<b>Total</b>	<b>67,420</b>	<b>72,787</b>	<b>5,366</b>	<b>8.0</b>

\*Amounts of less than JPY million were rounded down.

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## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### Order Backlog(Outstanding)

(Unit: JPY million)

	At end of	At end of	YoY	
	2Q FY Mar.2009	2Q FY Mar.2010	Diff.	Change (%)
	Amount	Amount		
<b>Consulting Services</b>	6,619	6,210	(408)	(6.2)
System Development & System Application sales	32,654	34,347	1,692	5.2
System Management & Operations	68,252	76,716	8,463	12.4
<b>IT Solution Services</b>	100,907	111,063	10,156	10.1
<b>Total</b>	107,526	117,273	9,747	9.1
<b>Order backlog in the current FY</b>	105,745	113,677	7,931	7.5

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### (5) Subcontracting Costs

#### Subcontracting Costs by segment & Percentage in each sales amount

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008- Sep.2008)		1H FY Mar.2010 (Apr.2009- Sep.2009)		YoY		FY Mar.2009 (Apr.2008- Mar.2009)	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)	Amount	Share (%)
<b>Consulting Services</b>	<b>2,516</b>	<b>15.1</b>	<b>2,086</b>	<b>15.3</b>	<b>(430)</b>	<b>(17.1)</b>	<b>5,309</b>	<b>16.2</b>
System Development & System Application Sales	38,235	55.6	37,002	58.1	(1,232)	(3.2)	81,610	56.6
System Management & Operations	18,440	24.9	16,339	19.5	(2,100)	(11.4)	34,526	23.2
<b>IT Solution Services</b>	<b>56,675</b>	<b>38.1</b>	<b>53,342</b>	<b>34.8</b>	<b>(3,332)</b>	<b>(5.9)</b>	<b>116,136</b>	<b>37.7</b>
<b>Total</b>	<b>59,191</b>	<b>35.8</b>	<b>55,428</b>	<b>33.2</b>	<b>(3,762)</b>	<b>(6.4)</b>	<b>121,446</b>	<b>35.6</b>
<b>(Subcontracting Costs to China) *</b>	<b>8,342</b>	<b>14.1</b>	<b>7,305</b>	<b>13.2</b>	<b>(1,037)</b>	<b>(12.4)</b>	<b>15,849</b>	<b>13.1</b>

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

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

[2<sup>nd</sup> Quarter]

(Unit: JPY million)

	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 & Operation Services	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)
<b>Total</b>	<b>30,770</b>	<b>35.9</b>	<b>27,681</b>	<b>32.4</b>	<b>(3,089)</b>	<b>(10.0)</b>
(Subcontracting Costs to China) *	4,192	13.6	3,641	13.2	(550)	(13.1)

[1<sup>st</sup> Quarter]

	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 & Operation Services	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)
<b>Total</b>	<b>28,420</b>	<b>35.8</b>	<b>27,747</b>	<b>34.0</b>	<b>(673)</b>	<b>(2.4)</b>
(Subcontracting Costs to China) *	4,150	14.6	3,664	13.2	(486)	(11.7)

\*Amounts of less than JPY million were rounded down.

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### (6) Cash Flow

(Unit: JPY million)

	1H	1H	YoY	FY Mar.2009
	FY Mar.2009 (Apr.2008- Sep.2008)	FY Mar.2010 (Apr.2009- Sep.2009)		FY Mar.2009 (Apr.2008 -Mar.2009)
	Amount	Amount	Change (%)	Amount
Income before income taxes	24,628	21,498	(12.7)	44,181
Gain/Loss from non-operating activities	(1,412)	(387)	(72.5)	(1,991)
Extraordinary gain/loss	444	888	99.8	7,549
Depreciation and amortization	9,526	14,277	49.9	20,763
Accounts receivable and other receivable, net of advance payments received	873	5,207	496.0	(3,283)
Allowance	(180)	(10)	(94.1)	458
Other	(2,682)	492	-	(808)
<b>Subtotal</b>	<b>31,197</b>	<b>41,965</b>	<b>34.5</b>	<b>66,869</b>
Interest and dividends received	1,162	1,102	(5.1)	1,981
Income taxes paid	(11,099)	(11,933)	7.5	(22,669)
<b>Operating Activities</b>	<b>21,260</b>	<b>31,133</b>	<b>46.4</b>	<b>46,180</b>
Acquisition of property and equipment	(7,528)	(6,209)	(17.5)	(14,105)
Increase in software and other intangibles	(10,028)	(9,774)	(2.5)	(57,862)
<b>Subtotal: Capital expenditure</b>	<b>(17,556)</b>	<b>(15,984)</b>	<b>(9.0)</b>	<b>(71,968)</b>
Increase in time deposits	(128)	-	(100.0)	(6,874)
Proceeds from time deposits	500	6,178	-	6,929
Increase in investment securities	(24,873)	(254)	(99.0)	(29,365)
Proceeds from sales and redemption of investment securities	23,149	4,035	(82.6)	30,251
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	-	664	-	-
Other	12	24	93.5	32
<b>Investing Activities</b>	<b>(18,895)</b>	<b>(5,335)</b>	<b>(71.8)</b>	<b>(70,994)</b>
<b>Free Cash Flow</b>	<b>2,364</b>	<b>25,798</b>	<b>990.9</b>	<b>(24,813)</b>
(Free Cash Flow except Cash management purpose investment)	2,983	15,619	423.5	(27,877)
Increase in short-term loans payable	-	4,000	-	-
Decrease in short-term loans payable	-	(4,000)	-	-
Repayments of finance lease obligations	(221)	(139)	(37.0)	(388)
Purchase of treasury stock	(11,797)	(0)	(100.0)	(11,797)
Cash dividends paid	(5,165)	(5,049)	(2.2)	(10,228)
<b>Financing Activities</b>	<b>(17,184)</b>	<b>(5,190)</b>	<b>(69.8)</b>	<b>(22,414)</b>

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

Effect of exchange rate changes on Cash and cash equivalents	48	(279)	-	(68)
Net increase in Cash and cash equivalents	(14,771)	20,328	-	(47,296)
Cash and cash equivalents at beginning of year	75,524	28,228	(62.6)	75,524
Cash and cash equivalents at end of year	60,753	48,556	(20.1)	28,228
Cash and cash equivalents + Cash Management purpose investment	88,465	61,637	(30.3)	51,271

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.

	1H		YoY	FY Mar.2009 (Apr.2008 -Mar.2009) Amount
	FY Mar.2009 (Apr.2008- Sep.2008) Amount	FY Mar.2010 (Apr.2009- Sep.2009) Amount		
Increase in time deposits	(128)	-	(100.0)	(6,874)
Proceeds from time deposits	500	6,178	-	6,929
Increase in investment securities	(23,991)	-	(100.0)	(24,991)
Proceeds from sales and redemption of investment securities	23,000	4,000	(82.6)	28,000
(Total)	(619)	10,178	-	3,064
<b>Cash management purpose investment</b>				

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### (7) Capital Expenditure

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008 - Sep.2008)	1H FY Mar.2010 (Apr.2009 - Sep.2009)	YoY		FY Mar.2009 (Apr.2008 - Mar.2009)
	Amount	Amount	Diff.	Change (%)	Amount
Tangible	5,336	5,339	3	0.1	12,378
Intangible	10,015	9,740	(275)	(2.8)	57,705
<b>Total</b>	<b>15,351</b>	<b>15,079</b>	<b>(271)</b>	<b>(1.8)</b>	<b>70,083</b>

#### [2<sup>nd</sup> Quarter]

	2Q FY Mar.2009 (Jul.2008 - Sep.2008)	2Q FY Mar.2010 (Jul.2009 - Sep.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
Tangible	2,101	3,062	960	45.7
Intangible	5,523	4,407	(1,116)	(20.2)
<b>Total</b>	<b>7,625</b>	<b>7,469</b>	<b>(155)</b>	<b>(2.0)</b>

#### [1<sup>st</sup> Quarter]

	1Q FY Mar.2009 (Apr.2008 - Jun.2008)	1Q FY Mar.2010 (Apr.2009 - Jun.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
Tangible	3,234	2,277	(956)	(29.6)
Intangible	4,491	5,332	840	18.7
<b>Total</b>	<b>7,726</b>	<b>7,610</b>	<b>(116)</b>	<b>(1.5)</b>

\*Amounts of less than JPY million were rounded down.

## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### (8) Depreciation and Amortization

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008- Sep.2008)	1H FY Mar.2010 (Apr.2009- Sep.2009)	YoY		FY Mar.2009 (Apr.2008 - Mar.2009)
	Amount	Amount	Diff.	Change (%)	Amount
Tangible	5,599	5,788	189	3.4	12,045
Intangible	3,927	8,488	4,561	116.1	8,717
<b>Total</b>	<b>9,526</b>	<b>14,277</b>	<b>4,750</b>	<b>49.9</b>	<b>20,763</b>

#### [2<sup>nd</sup> Quarter]

	2Q FY Mar.2009 (Jul.2008- Sep.2008)	2Q FY Mar.2010 (Jul.2009- Sep.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
Tangible	2,907	3,010	103	3.5
Intangible	2,018	4,491	2,473	122.6
<b>Total</b>	<b>4,925</b>	<b>7,502</b>	<b>2,576</b>	<b>52.3</b>

#### [1<sup>st</sup> Quarter]

	1Q FY Mar.2009 (Apr.2008- Jun.2008)	1Q FY Mar.2010 (Apr.2009- Jun.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
Tangible	2,691	2,777	86	3.2
Intangible	1,909	3,996	2,087	109.3
<b>Total</b>	<b>4,600</b>	<b>6,774</b>	<b>2,173</b>	<b>47.3</b>

\*Amounts of less than JPY million were rounded down.



## I. 2<sup>nd</sup> Quarter FY March 2010 Financial Results (Consolidated)

### (9) R&D Expenditure

(Unit: JPY million)

	1H FY Mar.2009 (Apr.2008- Sep.2008)	1H FY Mar.2010 (Apr.2009- Sep.2009)	YoY		FY Mar.2009 (Apr.2008 - Mar.2009)
	Amount	Amount	Diff.	Change (%)	Amount
Consulting Services	248	270	22	8.9	614
IT Solution Services	1,600	1,414	(185)	(11.6)	3,489
<b>Total</b>	<b>1,848</b>	<b>1,684</b>	<b>(163)</b>	<b>(8.9)</b>	<b>4,104</b>

#### [2<sup>nd</sup> Quarter]

	2Q FY Mar.2009 (Jul.2008- Sep.2008)	2Q FY Mar.2010 (Jul.2009- Sep.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
Consulting Services	170	153	(17)	(10.0)
IT Solution Services	946	798	(147)	(15.6)
<b>Total</b>	<b>1,117</b>	<b>952</b>	<b>(164)</b>	<b>(14.7)</b>

#### [1<sup>st</sup> Quarter]

	1Q FY Mar.2009 (Apr.2008- Jun.2008)	1Q FY Mar.2010 (Apr.2009- Jun.2009)	YoY	
	Amount	Amount	Diff.	Change (%)
Consulting Services	77	116	39	50.8
IT Solution Services	653	615	(38)	(5.9)
<b>Total</b>	<b>731</b>	<b>732</b>	<b>0</b>	<b>0.1</b>

\*Amounts of less than JPY million were rounded down.

## II. FY March 2010 Financial Results Forecasts (Consolidated)

Nomura Research Institute, Ltd. revised the financial results forecast for the fiscal year ending March 31, 2010 on October 23, 2009.

### (1) Highlights

(Unit: JPY billion)

	FY Mar.2009	FY Mar.2010	YoY		FY Mar.2010	A-B	
	(Results)	(Forecasts)			(Forecasts as of		
		<A>			Jul.24,2009)		
	Amount	Amount	Diff.	Change (%)	Amount	Amount	Change (%)
<b>Sales</b>	341.2	340.0	(1.2)	(0.4)	350.0	(10.0)	(2.9)
<b>Operating Profit</b>	49.7	44.0	(5.7)	(11.5)	43.0	1.0	2.3
<b>Net Income</b>	24.5	24.5	-	-	24.5	-	-
<b>Operating Profit Margin</b>	14.6%	12.9%	(1.6P)		12.3%	0.7P	
<b>Earnings per share</b>	JPY 125.54	JPY 125.92	0.39	0.3	JPY 125.95	JPY (0.02)	(0.0)
<b>1<sup>st</sup> Half</b>	JPY 26.00	JPY 26.00	-	-	JPY 26.00	-	-
<b>Fiscal Year</b>	JPY 26.00	JPY 26.00	-	-	JPY 26.00	-	-
<b>Dividends per share</b>	JPY 52.00	JPY 52.00	-	-	JPY 52.00	-	-
<b>Dividend payout ratio</b>	41.3%	41.3%	-		41.3%	-	

### (2) Sales by sector

(Unit: JPY billion)

	FY Mar.2009		FY Mar.2010		YoY		FY Mar.2010	A-B		
	(Results)		(Forecasts)				(Forecasts as of			
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)	of Jul.24,2009)	Amount	Amount	Change (%)
			<A>				<B>			
<b>Securities sector</b>	132.4	38.8	123.0	36.2	(9.4)	(7.1)	126.0	(3.0)	(2.4)	
<b>Insurance sector</b>	50.1	14.7	58.0	17.1	7.8	15.6	59.0	(1.0)	(1.7)	
<b>Banking sector</b>	25.6	7.5	29.0	8.5	3.3	13.0	30.0	(1.0)	(3.3)	
<b>Other financial sector</b>	28.6	8.4	24.0	7.1	(4.6)	(16.1)	27.0	(3.0)	(11.1)	
<b>Financial sector</b>	236.9	69.4	234.0	68.8	(2.9)	(1.2)	242.0	(8.0)	(3.3)	
<b>Distribution sector</b>	42.9	12.6	44.0	12.9	1.0	2.5	43.0	1.0	2.3	
<b>Other sector</b>	61.4	18.0	62.0	18.2	0.5	0.9	65.0	(3.0)	(4.6)	
<b>Total</b>	341.2	100.0	340.0	100.0	(1.2)	(0.4)	350.0	(10.0)	(2.9)	

## II. FY March 2010 Financial Results Forecasts (Consolidated)

### (3) Sales by segment

(Unit: JPY billion)

	FY Mar.2009 (Results)		FY Mar.2010 (Forecasts) <A>		YoY		FY Mar.2010 (Forecasts as of Jul.24,2009) <B>		A-B	
	Amount	Share (%)	Amount	Share (%)	Diff.	Change (%)	Amount	Amount	Change (%)	
Consulting Services	32.8	9.6	28.0	8.2	(4.8)	(14.8)	28.0	-	-	
System Development & System Application Sales	144.2	42.3	130.0	38.2	(14.2)	(9.9)	138.0	(8.0)	(5.8)	
System Management & Operations	148.9	43.7	169.0	49.7	20.0	13.4	172.0	(3.0)	(1.7)	
Product Sales	15.1	4.4	13.0	3.8	(2.1)	(14.3)	12.0	1.0	8.3	
IT Solution Services	308.4	90.4	312.0	91.8	3.5	1.2	322.0	(10.0)	(3.1)	
Sales	341.2	100.0	340.0	100.0	(1.2)	(0.4)	350.0	(10.0)	(2.9)	

### (4) Capital Expenditure

(Unit: JPY billion)

	FY Mar.2009 (Results)		FY Mar.2010 (Forecasts)		YoY		FY Mar.2010 (Forecasts as of Jul.24,2009) <B>		A-B	
	Amount	Amount	Amount	Amount	Diff.	Change (%)	Amount	Amount	Change (%)	
Tangible	12.3	18.6	18.6	6.2	50.3	19.0	(0.4)	(2.1)		
Intangible	57.7	16.0	16.0	(41.7)	(72.3)	16.0	-	-		
Total	70.0	34.6	34.6	(35.4)	(50.6)	35.0	(0.4)	(1.1)		

### (5) Depreciation & Amortization

(Unit: JPY billion)

	FY Mar.2009 (Results)		FY Mar.2010 (Forecasts)		YoY		FY Mar.2010 (Forecasts as of Jul.24,2009) <B>		A-B	
	Amount	Amount	Amount	Amount	Diff.	Change (%)	Amount	Amount	Change (%)	
Total	20.7	31.0	31.0	10.2	49.3	36.0	(5.0)	(13.9)		

## II. FY March 2010 Financial Results Forecasts (Consolidated)

### (6) R&D Expenditure

(Unit: JPY billion)

	FY Mar.2009 (Results)	FY Mar.2010 (Forecasts)	YoY		FY Mar.2010 (Forecasts as of Jul.24,2009) <B>		A-B	
	Amount	Amount	Diff.	Change (%)	Amount	Amount	Change (%)	
<b>Total</b>	<b>4.1</b>	<b>4.5</b>	<b>0.3</b>	<b>9.6</b>	<b>4.5</b>	<b>-</b>	<b>-</b>	