

Financial Results Presentation

Financial Results for 3rd Quarter FY March 2014
and Financial Results Forecast for the year ending 31st March, 2014

January 30, 2014

Nomura Research Institute, Ltd.



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Highlights of Consolidated Financial Results <3Q Total>

(JPY million)

	3Q FY Mar. 2013 Total (Apr.-Dec.)	3Q FY Mar. 2014 Total (Apr.-Dec.)	Diff.	YoY Change
Sales	260,360	279,460	+19,100	+7.3%
Operating Profit	31,260	36,036	+4,776	+15.3%
Operating Profit Margin	12.0%	12.9%	+0.9P	
Net Income	20,482	24,111	+3,629	+17.7%

* A new accounting standard for employee stock-based incentive programs was published, so figures for last fiscal year are stated after the application of the new accounting standard.

Key Factors in Financial Results for 3Q FY March 2014

● 3Q sales up 7.3%

- Sales rose across all key segments.
- Consulting up 10.6% with sales buoyant in both public and private sectors.
- Financial IT Solutions increased sales 5.4% on increase in overall demand for IT solutions, including system changes.
- Industrial IT Solutions grew sales 4.4%, primarily in manufacturing and service industries.
- IT Platform Services saw 26.0% sales growth due to a rise in renewal projects in PCs, servers, networks and other areas.

● Operating profit up 15.3%

- For Consulting, operating profit rose 70.1% due to an improved utilization rate driven by sales growth.
- For Financial IT Solutions, profit rose 34.7% due to an improved utilization rate, growth in income linked to the securities market and the elimination of additional costs for insurance in the same period of the previous year.
- For Industrial IT Solutions, profit rose 37.1% on an increase in project profitability.
- Profit fell 39.5% for IT Platform Services, with an increase in depreciation and upfront costs for new data centers and addition costs for some projects in 2Q and 3Q.

Sales by Segment <3Q Total>

(JPY million)

	3Q FY Mar. 2013 Total (Apr.-Dec.)	Share	3Q FY Mar. 2014 Total (Apr.-Dec.)	Share	Diff.	YoY Change
Consulting	16,528	6.3%	18,278	6.5%	+1,749	+10.6%
Financial IT Solutions	154,551	59.4%	162,908	58.3%	+8,356	+5.4%
Securities	76,987	29.6%	82,393	29.5%	+5,405	+7.0%
Insurance	38,478	14.8%	36,544	13.1%	(1,933)	(5.0%)
Banking	20,303	7.8%	22,782	8.2%	+2,478	+12.2%
Other financial	18,781	7.2%	21,188	7.6%	+2,406	+12.8%
Industrial IT Solutions	61,166	23.5%	63,882	22.9%	+2,715	+4.4%
Distribution	33,222	12.8%	32,730	11.7%	(491)	(1.5%)
Manufacturing, service and other	27,944	10.7%	31,151	11.1%	+3,206	+11.5%
IT Platform Services	21,540	8.3%	27,133	9.7%	+5,593	+26.0%
Others	6,573	2.5%	7,258	2.6%	+684	+10.4%
Total	260,360	100.0%	279,460	100.0%	+19,100	+7.3%
Nomura Holdings	66,776	25.6%	63,866	22.9%	(2,909)	(4.4%)
Seven & i Holdings	33,437	12.8%	29,859	10.7%	(3,577)	(10.7%)

Note: Figures for sales to Nomura Holdings and Seven & i Holdings include sales to their respective subsidiaries and sales through lease companies, etc.

Segment performance results <3Q Total>

■ Including Inter-segment sales for each segment

(JPY million)

		3Q FY Mar. 2013 Total (Apr.-Dec.)	3Q FY Mar. 2014 Total (Apr.-Dec.)	Diff.	YoY Change
Consulting	Sales	16,614	18,417	+1,802	+10.8%
	OP	1,894	3,223	+1,328	+70.1%
	OPM	11.4%	17.5%	+6.1P	
Financial IT Solutions	Sales	154,674	162,921	+8,247	+5.3%
	OP	14,786	19,917	+5,130	+34.7%
	OPM	9.6%	12.2%	+2.7P	
Industrial IT Solutions	Sales	61,198	63,931	+2,732	+4.5%
	OP	4,517	6,192	+1,675	+37.1%
	OPM	7.4%	9.7%	+2.3P	
IT Platform Services	Sales	77,539	83,150	+5,610	+7.2%
	OP	8,240	4,988	(3,251)	(39.5%)
	OPM	10.6%	6.0%	(4.6P)	

Sales by Service <3Q Total>

(JPY million)

	3Q FY Mar. 2013 Total (Apr.-Dec.)	Share	3Q FY Mar. 2014 Total (Apr.-Dec.)	Share	Diff.	YoY Change
Consulting Services	28,359	10.9%	29,934	10.7%	+1,574	+5.6%
System Development & System Application Sales	97,849	37.6%	103,122	36.9%	+5,273	+5.4%
System Management & Operation Services	127,761	49.1%	138,147	49.4%	+10,386	+8.1%
Product Sales	6,389	2.5%	8,255	3.0%	+1,865	+29.2%
Total	260,360	100.0%	279,460	100.0%	+19,100	+7.3%

P/L Highlight <3Q Total>

	3Q FY Mar. 2013 Total (Apr.-Dec.)	3Q FY Mar. 2014 Total (Apr.-Dec.)	Diff.	(JPY million) YoY Change
Sales	260,360	279,460	+19,100	+7.3%
Cost of Sales	186,107	199,585	+13,478	+7.2%
Subcontracting Costs	88,328	95,353	+7,025	+8.0%
Gross Profit	74,252	79,874	+5,621	+7.6%
Gross Profit Margin	28.5%	28.6%	+0.1P	
SG&A	42,991	43,837	+845	+2.0%
Operating Profit	31,260	36,036	+4,776	+15.3%
Operating Profit Margin	12.0%	12.9%	+0.9P	

P/L Highlight <3Q Total>

	3Q FY Mar. 2013 Total (Apr.-Dec.)	3Q FY Mar. 2014 Total (Apr.-Dec.)	Diff.	(JPY million) YoY Change
Operating Profit	31,260	36,036	+4,776	+15.3%
Non-operating gain and loss	1,533	2,535	+1,001	
Dividend Income	931	1,617	+686	
Equity in earnings of affiliates	239	652	+412	
Other Income and Expense	(2,981)	326	+3,308	
Gain on negative goodwill	4,661	—	(4,661)	
Loss on Sales of property and equipment	(7,732)	—	+7,732	
Income taxes etc.	9,334	14,787	+5,453	
Net Income	20,482	24,111	+3,629	+17.7%

Order Backlog (Outstanding)

(JPY million)				
	At end of Dec. 2012	At end of Dec. 2013	Diff.	YoY Change
Consulting	5,004	5,868	+863	+17.2%
Financial IT Solutions	58,284	55,382	(2,901)	(5.0%)
Industrial IT Solutions	17,642	17,293	(348)	(2.0%)
IT Platform Services	5,070	13,899	+8,828	+174.1%
Other	1,529	1,690	+160	+10.5%
Total	87,531	94,133	+6,602	+7.5%
Order backlog in the current FY	79,367	77,142	(2,225)	(2.8%)

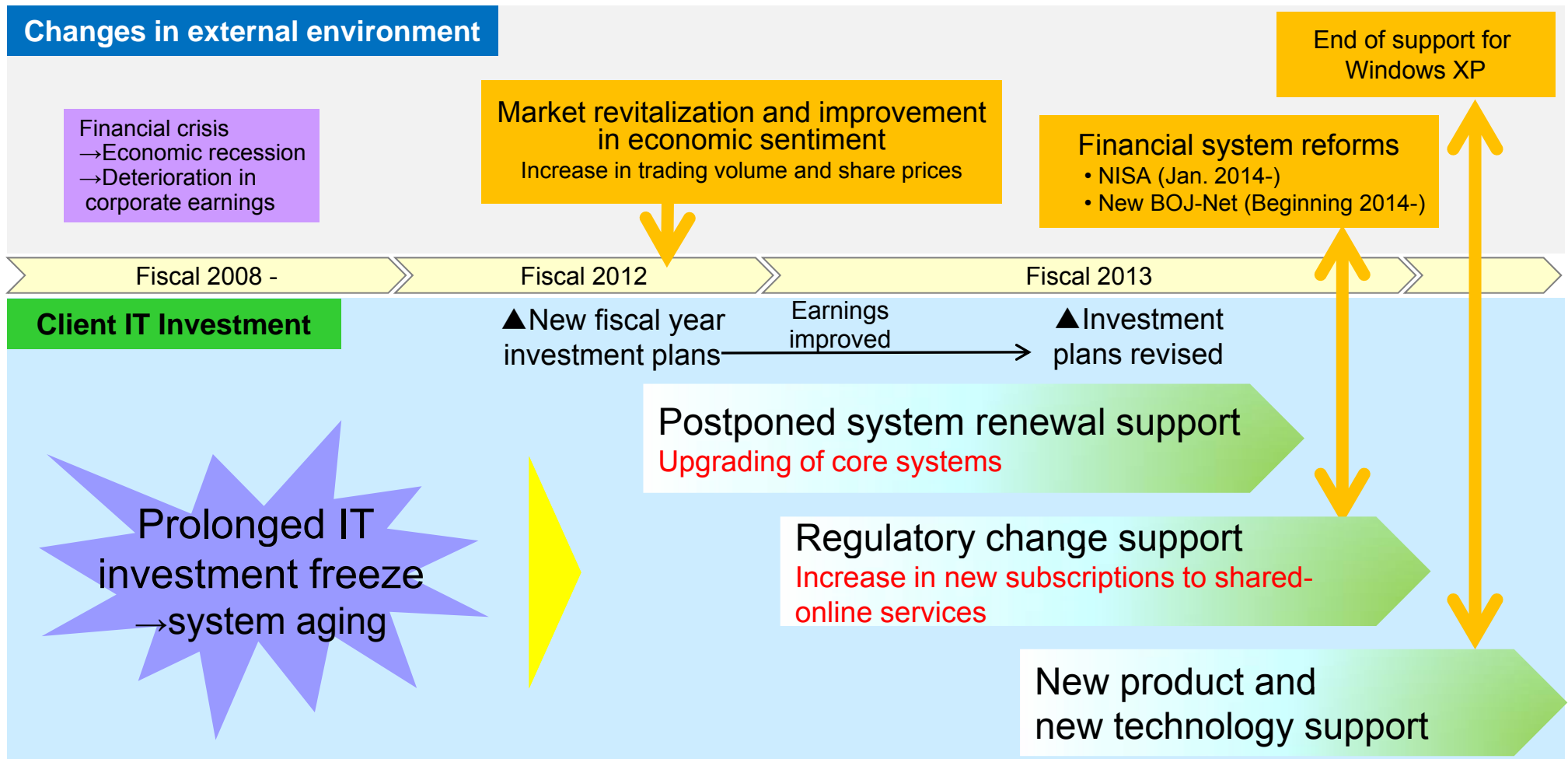
1. Financial Results for 3rd Quarter FY March 2014

2. Financial Results Forecasts for FY March 2014

3. Recent Activities

Current External Environment

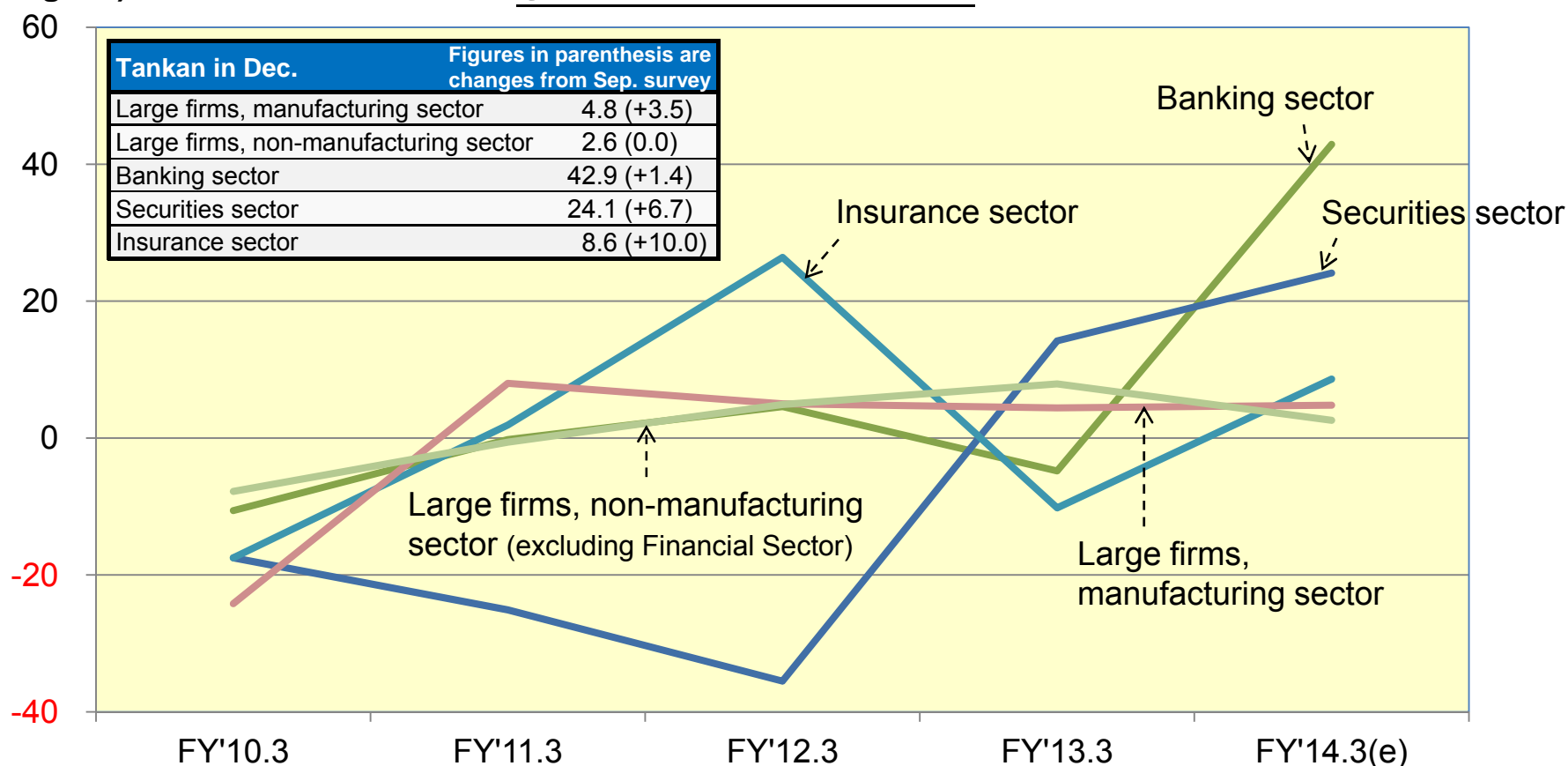
- **Corporate software investment is on the rise due to such factors as support for aging infrastructures and financial system reforms.**



Assessing Business Environment (BOJ Tankan Survey)

- Investment growth expected in banking, securities and insurance sectors
- Manufacturing and non-manufacturing (large enterprises) maintaining positive year-on-year growth

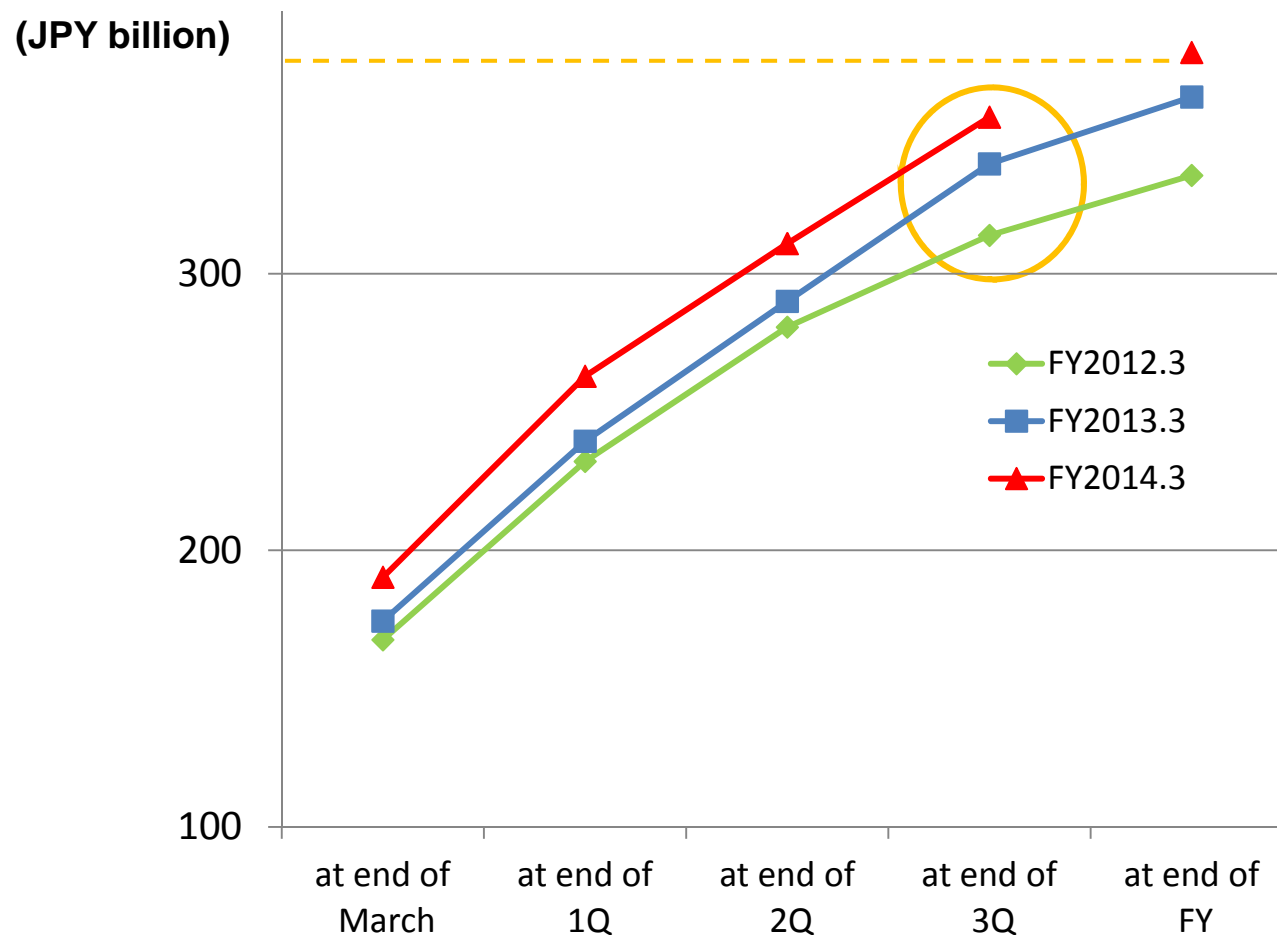
(YoY change %) Software Investment



Sales + Consolidated Order Backlog

➤ Order backlog remains healthy

Order backlog (of which, current fiscal year) + cumulative sales



Key Factors in Earnings Revisions for FY March 2014

- **Full year earnings forecasts revised upward on solid expansion in customer IT demand**

- Business environment for Consulting remains positive.
- Customer inquiries about IT Solutions are strong.
- Favorable sales growth in each quarter (1Q < 2Q < 3Q). Expansion in IT demand continuing

- **With revision of dividend policy, year-end dividend forecast will be increased.**

Revision of Dividend Policy and Dividend Forecast

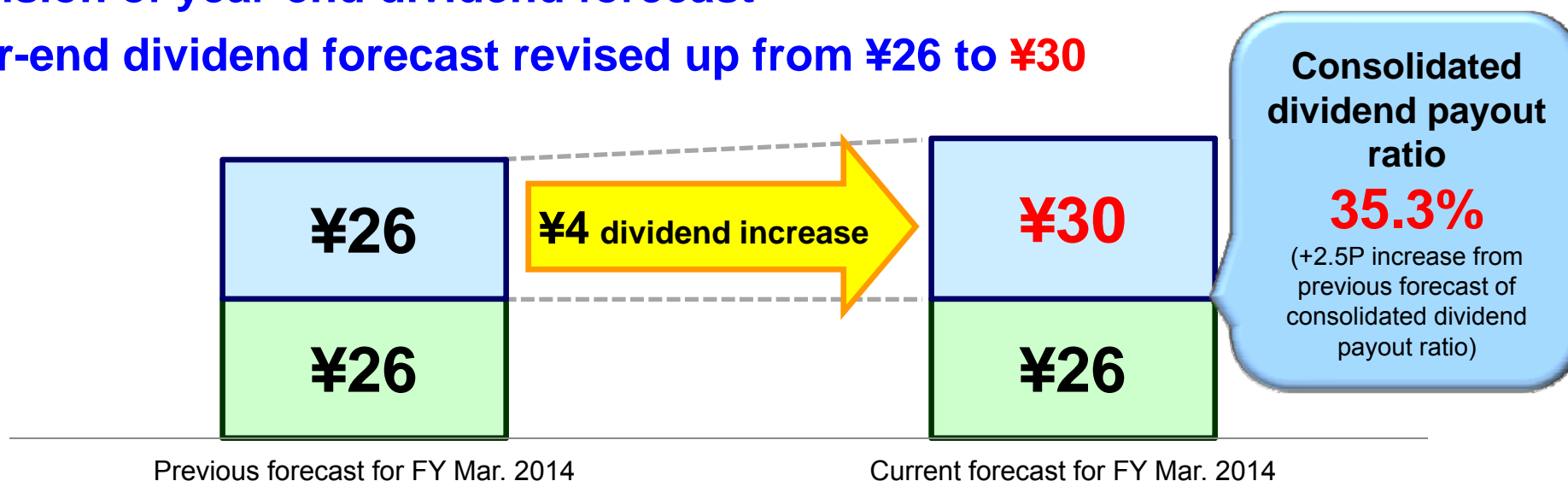
➤ Revision of dividend policy

Increase in corporate value and further enhance shareholder returns through business growth



➤ Revision of year-end dividend forecast

Year-end dividend forecast revised up from ¥26 to ¥30



Forecasts for FY March 2014

【Full Year】

(JPY billion)

	FY Mar. 2013 (Results)	FY Mar. 2014 (Forecasts as of Jan. 30)	Diff.	YoY Change	FY Mar. 2014 (Forecasts as of Jul. 25)	Comparison to forecasts
Sales	363.8	380.0	+16.1	+4.4%	375.0	+5.0
Operating Profit	43.9	50.0	+6.0	+13.7%	49.0	+1.0
Operating Profit Margin	12.1%	13.2%	+1.1P		13.1%	+0.1P
Net Income	28.6	32.0	+3.3	+11.8%	32.0	—
Earnings per share	¥145.29	¥161.30	+¥16.01		¥161.49	
Dividends per share	¥52.00	¥56.00	+¥4.00	+7.7%	¥52.00	+¥4.00
Payout Ratio	36.6%	35.3%	(1.2P)		32.8%	

Sales Forecasts by Segment for FY March 2014

【Full Year】

(JPY billion)

	FY Mar. 2013 (Results)	Share	FY Mar. 2014 (Forecasts as of Jan. 30)	Share	Diff.	YoY Change	FY Mar. 2014 (Forecasts as of Jul. 25)	Comparison to forecasts
Consulting	22.7	6.3%	25.0	6.6%	+2.2	+9.8%	24.0	+1.0
Financial IT Solutions	219.7	60.4%	222.0	58.4%	+2.2	+1.0%	220.0	+2.0
Securities	115.9	31.9%	112.0	29.5%	(3.9)	(3.4%)	111.0	+1.0
Insurance	50.1	13.8%	51.0	13.4%	+0.8	+1.7%	51.0	—
Banking	27.9	7.7%	31.0	8.2%	+3.0	+11.1%	30.0	+1.0
Other financial	25.7	7.1%	28.0	7.4%	+2.2	+8.6%	28.0	—
Industrial IT Solutions	83.6	23.0%	86.0	22.6%	+2.3	+2.9%	84.0	+2.0
Distribution	44.8	12.3%	43.5	11.4%	(1.3)	(2.9%)	42.5	+1.0
Manufacturing, service and other	38.8	10.7%	42.5	11.2%	+3.6	+9.5%	41.5	+1.0
IT Platform services	28.8	7.9%	37.0	9.7%	+8.1	+28.2%	37.0	—
Others	8.9	2.4%	10.0	2.6%	+1.0	+12.2%	10.0	—
Total	363.8	100.0%	380.0	100.0%	+16.1	+4.4%	375.0	+5.0

Sales Forecasts by Service for FY March 2014

【Full Year】

(JPY billion)

	FY Mar. 2013 (Results)	Share	FY Mar. 2014 (Forecasts as of Jan. 30)	Share	Diff.	YoY Change	FY Mar. 2014 (Forecasts as of Jul. 25)	Comparison to forecasts
Consulting Services	39.0	10.7%	41.0	10.8%	+1.9	+4.9%	38.0	+3.0
System Development & System Application Sales	140.4	38.6%	144.0	37.9%	+3.5	+2.5%	142.0	+2.0
System Management & Operation Services	174.9	48.1%	185.0	48.7%	+10.0	+5.7%	185.0	—
Product Sales	9.3	2.6%	10.0	2.6%	+0.6	+7.0%	10.0	—
Total	363.8	100.0%	380.0	100.0%	+16.1	+4.4%	375.0	+5.0

Results through 3Q and Full-Year Earnings Forecast

➤ Earnings through 3Q were in line with full-year forecasts

(JPY billion)








		1Q	2Q	3Q	4Q	Total
FY March 2011	Sales	80.6	81.4	79.8	84.3	326.3
	OP	6.5	9.4	11.0	11.4	38.4
	OPM	8.1%	11.6%	13.8%	13.5%	11.8%
FY March 2012	Sales	78.4	83.0	82.8	91.1	335.5
	OP	8.6	11.4	10.5	12.5	43.1
	OPM	11.0%	13.8%	12.7%	13.7%	12.9%
FY March 2013	Sales	84.4	89.9	86.0	103.5	363.8
	OP	8.2	12.2	10.7	12.7	43.9
	OPM	9.8%	13.6%	12.5%	12.3%	12.1%
FY March 2014 (Figures for 4Q and full-year are estimates)	Sales	88.2	94.3	96.9	100.5	380.0
	OP	10.8	12.9	12.2	13.9	50.0
	OPM	12.2%	13.8%	12.7%	13.9%	13.2%

Note: Figures for 4Q year ending March 2014 calculated by subtracting results up to 3Q from full-year forecast earnings (reference figure).

Current Business Conditions

- **Aiming to secure large-scale projects, acquire new customers, and expand business with existing customers**

Initiatives in Fiscal March 2014

Consulting		<ul style="list-style-type: none"> • Operations consulting, public sector projects, operation x IT consulting, support IT department restructuring (PMO, etc.), and global projects, etc.
Financial IT Solutions		
Securities		<ul style="list-style-type: none"> • Upgrade IT systems at Nomura Securities in Japan (full-scale next step after introduction of STAR-IV) • Upgrade shared services (STAR-IV) for regulatory changes • Enhance functions of front-office services (NRI Advisor Platform), acquire new clients
Insurance		<ul style="list-style-type: none"> • Acquire new clients • Expand business of life and non-life insurance companies
Banking		<ul style="list-style-type: none"> • Transition and establish introduction of Bestway/JJ to mega-banks • Upgrade shared services (Bestway) for regulatory changes • Acquire new releases and new clients with Value Direct Internet banking system
Other financial		<ul style="list-style-type: none"> • For asset management ASP, (1) strengthen front-line and mid-level services, and (2) update services utilizing cloud technology and (3) pursue BPO businesses • Expand SI projects for existing clients
Industrial IT Solutions		
Distribution		<ul style="list-style-type: none"> • Respond to domestic and overseas expansion by major client
Manufacturing, service and other		<ul style="list-style-type: none"> • Aim to develop new clients and expand business with existing clients through cooperation between consulting and systems

1. Financial Results for 3rd Quarter FY March 2014

2. Financial Results Forecasts for FY March 2014

3. Recent Activities

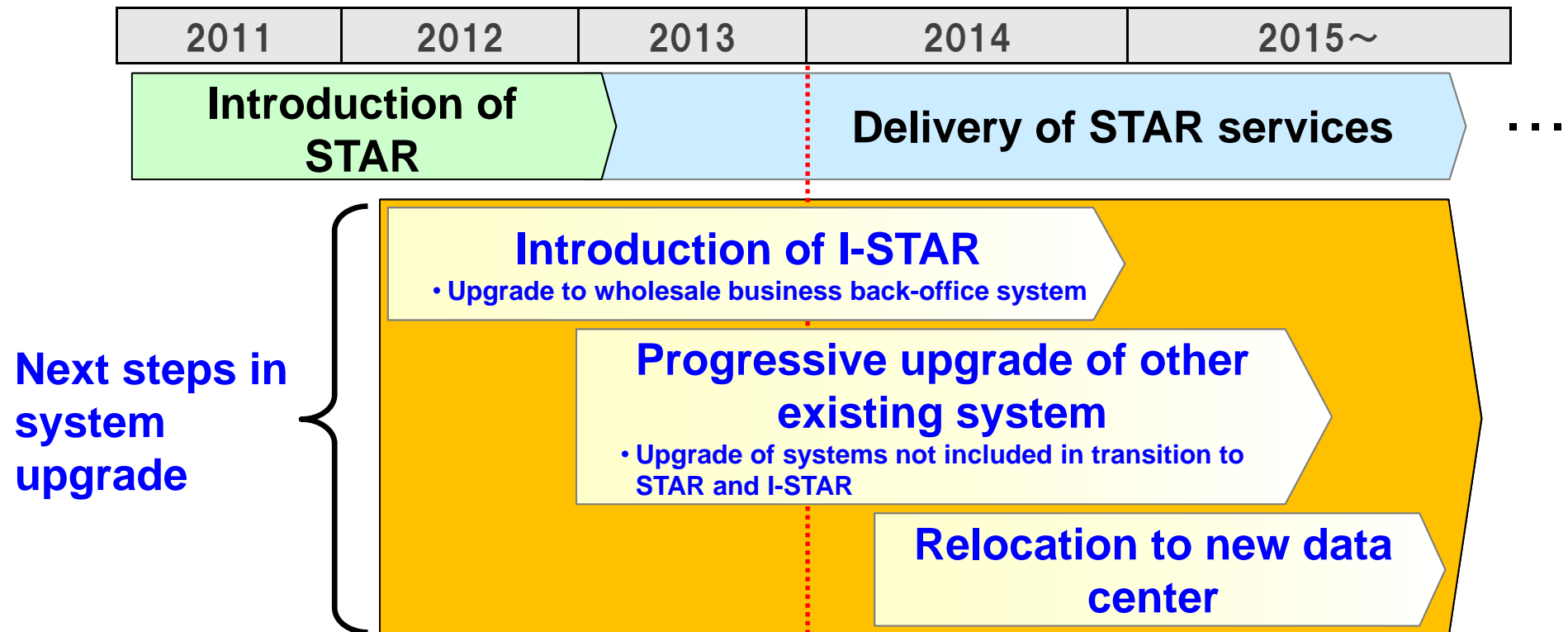
Expanding Orders Received with Structural Reform Theme

- In addition to firm orders received from the public sector, orders received related to structural reform (strengthening domestic growth capacity and overseas expansion) in the private sector are also expanding

Examples of structural reform themes and projects	
Strengthening domestic growth capacity	<ul style="list-style-type: none">• Support for restructuring marketing organization (food manufacturer)• Support for streamlining front desk operations (insurance company)• Support for company-wide restructuring (component manufacturer)• Support for building store strategy (financial company)• Support for formulation and execution of area winning strategy (transport company)• Support for implementation of medium term business plan aimed at V-shaped recovery (service company)• Support for new service business model (media company)
Overseas expansion	<ul style="list-style-type: none">• Support for business expansion in Asia (Japanese engineering company)• Formulation of strategy for entering Asian market (Japanese health care company)• Support for participation in overseas infrastructure projects (Japanese trading company)• Assessment of international contribution project (Tokyo Metropolitan Government Bureau of Waterworks)

Upgrade to IT Systems at Nomura Securities in Japan

- Commence next step of upgrade to IT systems in Japan following introduction of STAR
- Introduction of I-STAR also progressing smoothly with commencement of partial service delivery
- Project continuing at good pace



Support for NISA

- **NISA-compatible functions released in line with system commencement in January 2014, and **service provision launched****
- **Further expanding sales of shared online services and aiming to become the defacto standard**

**Comprehensive securities
back-office system**



In use at **59** institutions*
Approx. 80% use NISA

**Mutual fund account
management system for
over-the-counter sales**



In use at **108** institutions*
Approx. 80% use NISA

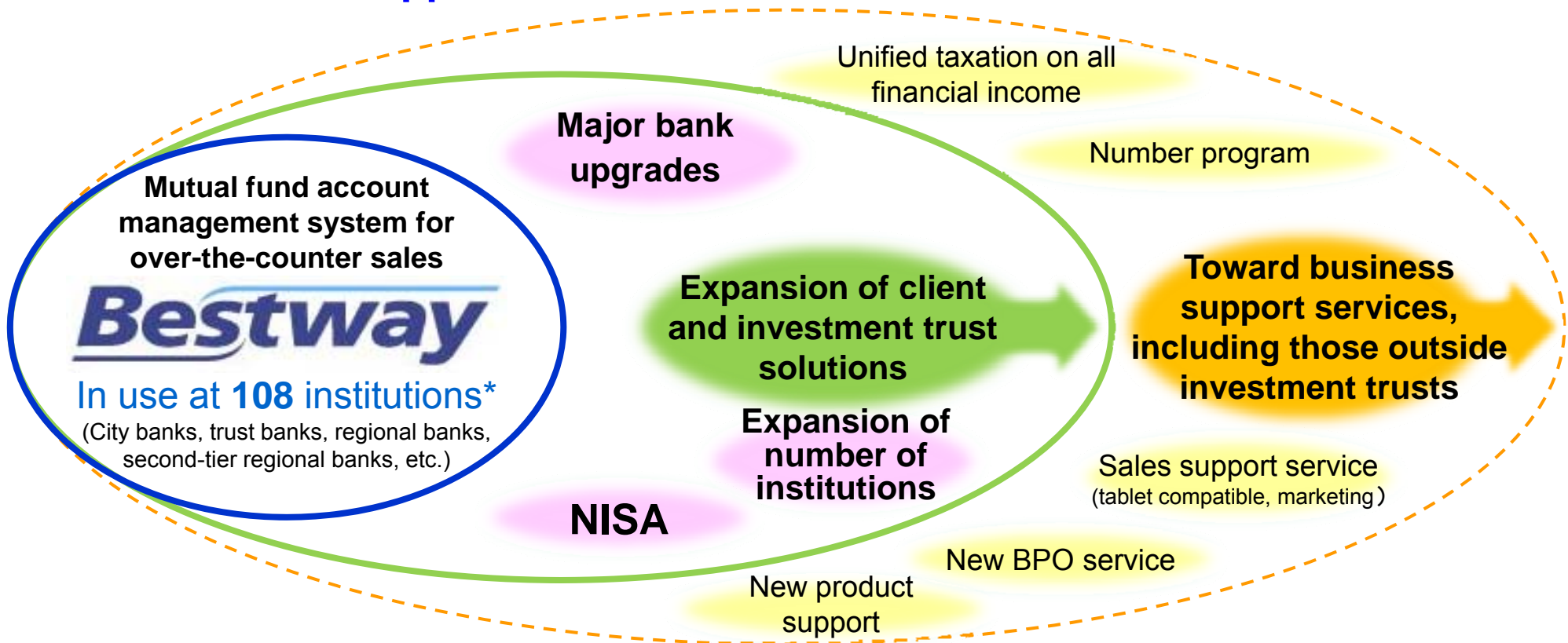
**Shared use Internet
banking service**



In use at **9** institutions*
(Another 12 institutions have
decided to adopt)
Virtually all use NISA

Expansion of Bestway Business

- **Bestway upgrade projects initiated at major banks and others**
- **NISA commenced January 2014; increase number of new Bestway clients**
- **Going forward, expanding into products other than investment trusts and total business support service**



Sales Expansion of SmartBridge Advance

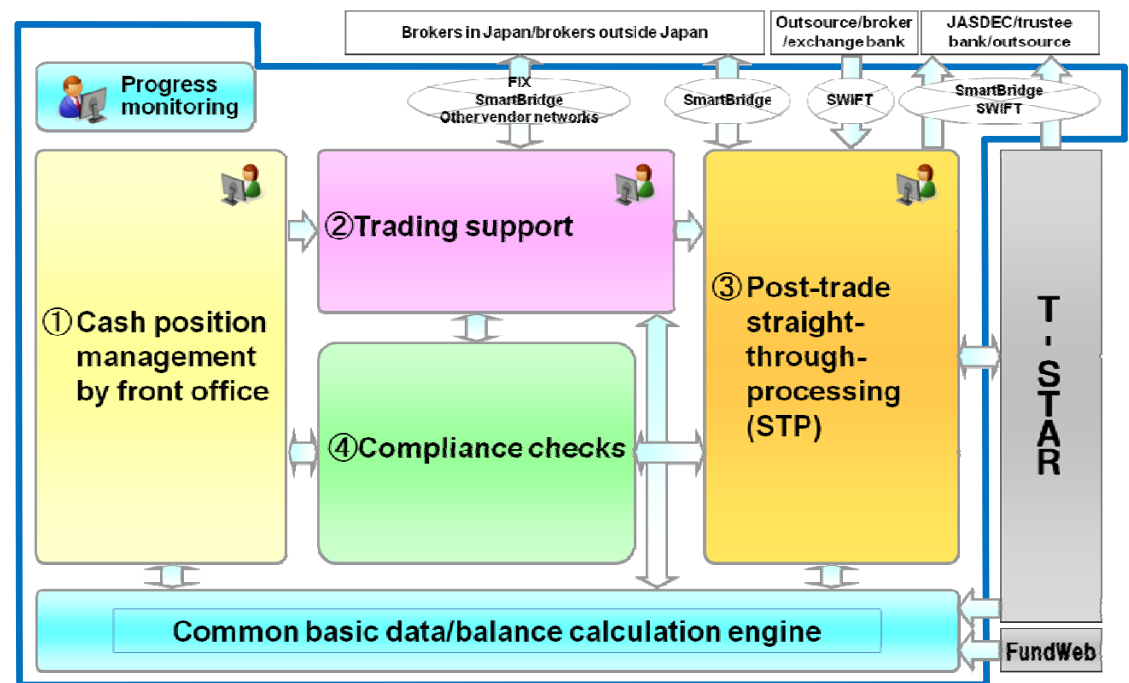
- **Shared online service supporting front-office operations at asset management companies**
 - **Achieves integration and streamlining of front and back office operations**
 - **Plan to strengthen service linkages and expand target assets to increase market share**

SmartBridge Advance

- ✓ Front office operations system with No. 1 market share among asset management companies
- ✓ **20 institutions*** have decided to adopt
(already running at 14 of these)

* No. of institutions current as of December 31, 2013

Targeting delivery of services to 30 institutions during fiscal 2015



— Range of system support under SmartBridge Advance

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.

Figures given in the reference data related to the financial results forecasts are figures which are only intended to convey the Company's current circumstances and outlook. The Company does not undertake to revise the forecasts to reflect new information or circumstances.

References

- 1. Other Financial Result-related Data**
- 2. Recent Activities (excerpts from articles in magazines, newspapers, etc.)**
- 3. Example of projects**
- 4. Other**

1. Other Financial Result-related Data

Order Volume <3Q Total>

(JPY million)

	3Q FY Mar. 2013 Total (Apr.-Dec.)	3Q FY Mar. 2014 Total (Apr.-Dec.)	Diff.	YoY Change
Consulting	17,946	19,505	+1,558	+8.7%
Financial IT Solutions	102,255	99,644	(2,611)	(2.6%)
Industrial IT Solutions	35,262	30,244	(5,017)	(14.2%)
IT Platform Services	11,116	26,810	+15,694	+141.2%
Other	6,067	6,376	+308	+5.1%
Total	172,648	182,581	+9,932	+5.8%

1. Other Financial Result-related Data

Highlights of Consolidated Financial Results <3Q>

(JPY million)

	3Q FY Mar. 2013 (Oct.-Dec.)	3Q FY Mar. 2014 (Oct.-Dec.)	Diff.	YoY Change
Sales	86,000	96,903	+10,902	+12.7%
Operating Profit	10,707	12,260	+1,552	+14.5%
Operating Profit Margin	12.5%	12.7%	+0.2P	
Net Income	7,072	7,820	+747	+10.6%

1. Other Financial Result-related Data

Sales by Segment <3Q>

(JPY million)						
	3Q FY Mar.2013 (Oct.-Dec.)	Share	3Q FY Mar.2014 (Oct.-Dec.)	Share	Diff.	YoY Change
Consulting	5,900	6.9%	6,670	6.9%	+769	+13.0%
Financial IT Solutions	49,853	58.0%	56,387	58.2%	+6,533	+13.1%
Securities	23,865	27.7%	28,275	29.2%	+4,409	+18.5%
Insurance	12,419	14.4%	12,796	13.2%	+376	+3.0%
Banking	6,951	8.1%	8,387	8.7%	+1,435	+20.7%
Other financial	6,617	7.7%	6,929	7.2%	+312	+4.7%
Industrial IT Solutions	20,782	24.2%	22,061	22.8%	+1,279	+6.2%
Distribution	11,417	13.3%	11,539	11.9%	+122	+1.1%
Manufacturing, service and other	9,365	10.9%	10,521	10.9%	+1,156	+12.3%
IT Platform Services	7,330	8.5%	9,268	9.6%	+1,937	+26.4%
Others	2,133	2.5%	2,515	2.6%	+382	+17.9%
Total	86,000	100.0%	96,903	100.0%	+10,902	+12.7%
Nomura Holdings	19,969	23.2%	21,332	22.0%	+1,363	+6.8%
Seven & i Holdings	11,509	13.4%	10,366	10.7%	(1,143)	(9.9%)

Note: Figures for sales to Nomura Holdings and Seven & i Holdings include sales to their respective subsidiaries and sales through lease companies, etc.

1. Other Financial Result-related Data

Segment performance results <3Q>

■ Including Inter-segment sales for each segment

(JPY million)

		3Q FY Mar.2013 (Oct.-Dec.)	3Q FY Mar.2014 (Oct.-Dec.)	Diff.	YoY Change
Consulting	Sales	5,925	6,709	+783	+13.2%
	OP	865	1,369	+504	+58.2%
	OPM	14.6%	20.4%	+5.8P	
Financial IT Solutions	Sales	49,886	56,331	+6,445	+12.9%
	OP	5,070	6,475	+1,404	+27.7%
	OPM	10.2%	11.5%	+1.3P	
Industrial IT Solutions	Sales	20,793	22,084	+1,290	+6.2%
	OP	1,801	2,671	+869	+48.3%
	OPM	8.7%	12.1%	+3.4P	
IT Platform Services	Sales	25,783	28,518	+2,735	+10.6%
	OP	2,493	1,038	(1,455)	(58.4%)
	OPM	9.7%	3.6%	(6.0P)	

1. Other Financial Result-related Data

Sales by Service <3Q>

(JPY million)

	3Q FY Mar.2013 (Oct.-Dec.)	Share	3Q FY Mar.2014 (Oct.-Dec.)	Share	Diff.	YoY Change
Consulting Services	9,764	11.4%	10,759	11.1%	+995	+10.2%
System Development & System Application Sales	31,076	36.1%	37,090	38.3%	+6,014	+19.4%
System Management & Operation Services	43,176	50.2%	46,909	48.4%	+3,732	+8.6%
Product Sales	1,982	2.3%	2,143	2.2%	+160	+8.1%
Total	86,000	100.0%	96,903	100.0%	+10,902	+12.7%

1. Other Financial Result-related Data

P/L Highlight <3Q>

	3Q FY Mar.2013 (Oct.-Dec.)	3Q FY Mar.2014 (Oct.-Dec.)	Diff.	(JPY million) YoY Change
Sales	86,000	96,903	+10,902	+12.7%
Cost of Sales	60,994	70,018	+9,023	+14.8%
Subcontracting Costs	27,992	34,725	+6,732	+24.1%
Gross Profit	25,006	26,884	+1,878	+7.5%
Gross Profit Margin	29.1%	27.7%	(1.3P)	
SG&A	14,298	14,624	+325	+2.3%
Operating Profit	10,707	12,260	+1,552	+14.5%
Operating Profit Margin	12.5%	12.7%	+0.2P	

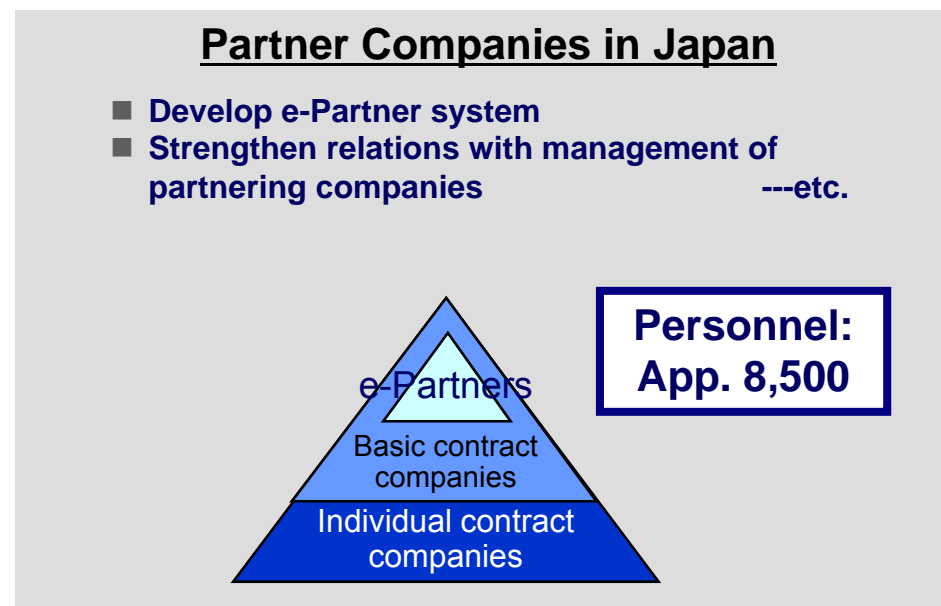
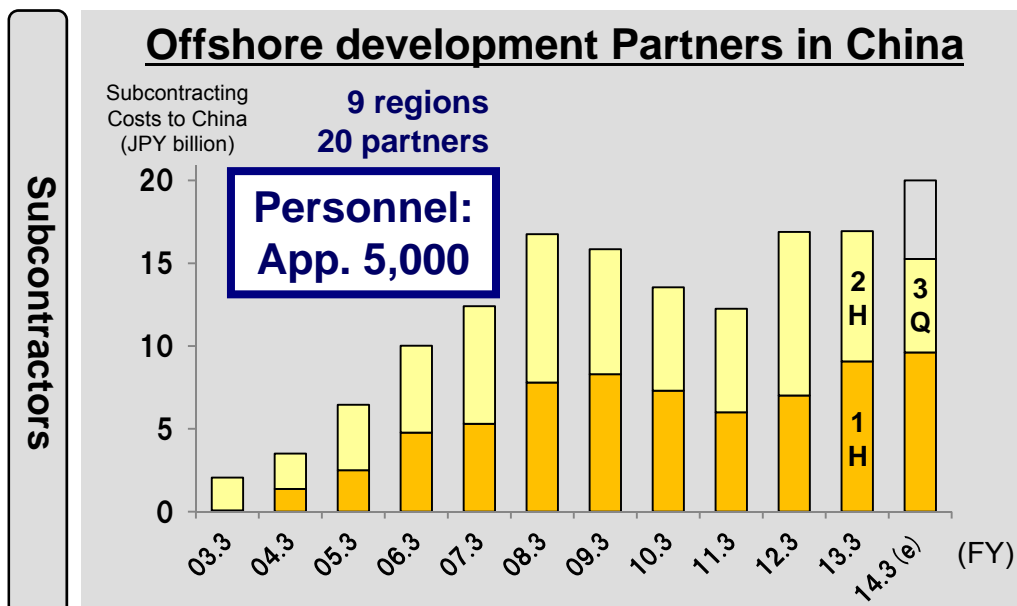
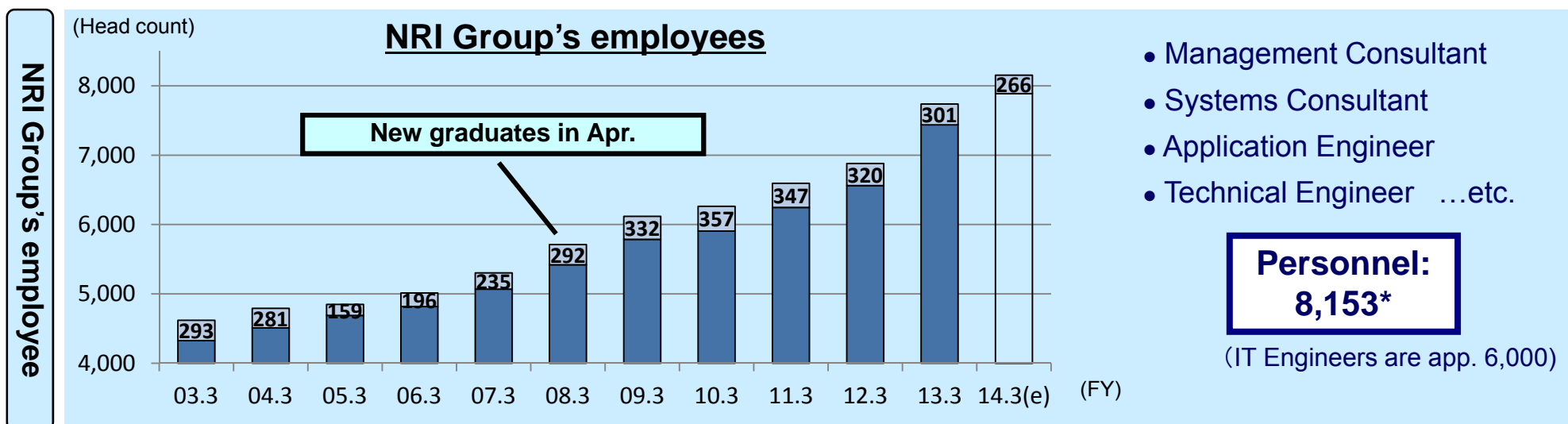
1. Other Financial Result-related Data

P/L Highlight <3Q>

	3Q FY Mar.2013 (Oct.-Dec.)	3Q FY Mar.2014 (Oct.-Dec.)	Diff.	(JPY million) YoY Change
Operating Profit	10,707	12,260	+1,552	+14.5%
Non-operating gain and loss	516	475	(41)	
Other Income and Expense	(3,071)	—	+3,071	
Gain on negative goodwill	4,661	—	(4,661)	
Loss on Sales of property and equipment	(7,732)	—	+7,732	
Income taxes etc.	1,083	4,909	+3,826	
Net Income	7,072	7,820	+747	+10.6%

1. Other Financial Result-related Data

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



2. Recent Activities

NRI Ranked 9th in FinTech 100 for Fourth Consecutive Year

- In 2013, NRI was ranked 9th on the FinTech 100, an international listing of the top 100 IT service providers to the financial services industry. NRI was the only Japanese company ranked in the top 10, and it has achieved a top 10 ranking for four consecutive years since 2010.
- The FinTech 100 is researched and published by US specialist financial industry publications American Banker and Bank Technology News and IDC Financial Insights, a financial services company. The research covers IT service providers to financial services companies that derive more than one third of their global sales from the financial services industry, and the ranking is published each fall. The ranking is based on surveys of the service provider companies themselves as well as original research and market analysis conducted by IDC Financial Insights and determined using previous fiscal year sales and the percentage of sales attributed to financial solutions.

2013 rank	Company
1	FIS
2	Tata Consultancy Services Limited (TCS)
3	Fiserv, Inc.
4	NCR Corporation
5	Cognizant Technology Solutions
6	Diebold, Incorporated
7	SunGard
8	Infosys Limited
9	Nomura Research Institute, Ltd.
10	Wincor Nixdorf Inc.

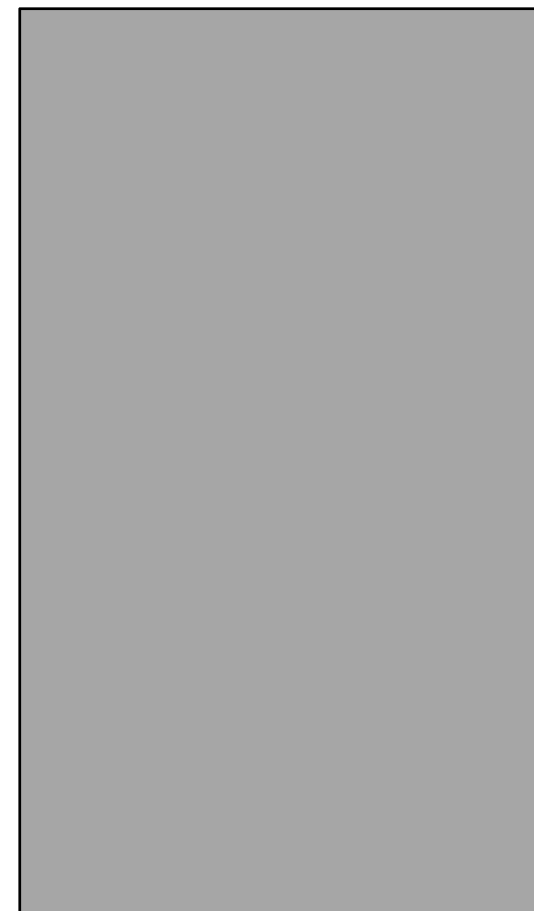
Source: American Banker homepage



2. Recent Activities

NRI Delivers Shared-use IT Solutions to Mongolian Securities Firm

- NRI FT India has entered a partnership with the Mongolian company Global Investment Initiative, Ltd. and the Indian company Omnesys Technologies Pvt. Ltd. to deliver shared-use IT solutions integrating processes from order receipt to settlement of market transactions for local Mongolian securities firms.
- Delivery of an integrated system solution from front to back office to the first client ResCap Securities, a major Mongolian securities firm, commenced in October 2013.
- This has enabled ResCap Securities to provide the highest level of service in Mongolia, including real-time transaction status view from orders to settlement.



Nihon Keizai Shimbun,
November 2, 2013

2. Recent Activities

NRI Begins Delivery of Solution for Foreign Domiciled Investment Fund Operation, FundWeb GAITO

- NRI commenced delivery of its FundWeb GAITO (GAITO) solution, which automates data connectivity when foreign domiciled investment funds sell in Japan, to Nomura Bank Luxembourg S.A.
- GAITO is the first solution in Japan that automates operating data connectivity for foreign domiciled investment funds between investment managers and distributors in Japan with transfer agents outside of Japan. As a result, operations can be conducted in Japan time using screen displays in Japanese, significantly reducing workload and alleviating risk.
- In addition, the GAITO client helpdesk offers support in line with business hours in Japan and does not require people to worry about time differences. Inquiries are handled in Japanese.

◆ 外国籍投信を効率化
野村総合研究所（NRI）外国籍投資信託業務を効率化するソリューションを、野村ホールディングス傘下のノムラ・バンク・ルクセンブルク（NBL、ルクセンブルク市）に納入した。外国籍投信を日本で販売する際にメールやファクスなど人手を介さずにデータ接続で行う。ネットワーク経由で利用するクラウド型で提供する。NBLは国内の販売会社23社と接続し、外国籍投信業務を行っている。

Nikkan Kogyo Shimbun,
December 12, 2013

2. Recent Activities

NRI Begins Delivery of Corporate Intelligence Data for Over 44,600 Global Listed Companies

- NRI concluded a Japan sales agency agreement regarding the global corporate intelligence provided by Hong Kong's Financial Intelligence Services, Ltd. (FISL).
- Based on the agreement, NRI commenced delivery of FISL's corporate intelligence data, which primarily relates to overseas listed companies, through NRI's existing IDS financial intelligence database service in October 2013.
- NRI has facilitated further support for global corporate investment activities by adding FISL's data.

野村総研
金融企業
データ
香港社と代理店契約
海外上場企業を追加

野村総合研究所（NRI）は2日、香港の企業情報データを提供するフィナンシャルインテリジェンスサービス（FISL）と販売代理店契約を締結したと発表した。NRIの金融企業データベース提供サービスに、FISLの海外の上場企業を中心としたデータを追加して提供する。現在、英語版のみだが日本語版の提供も検討する。FISLのデータは企業間の比較を容易にした財務データと、各企業が開示した内容に忠実な財務データで構成する。それぞれ使いやすいフォーマットで提供。同社は全世界で約4万4600社のデータを保有する。同業他社と比べてアジア、中東、アフリカなど新興国の企業のデータが多いことが特徴。

Nikkan Kogyo Shimbun,
December 3, 2013

2. Recent Activities

NRI Commences Provision of Practice Guide on Introduction of Number Program

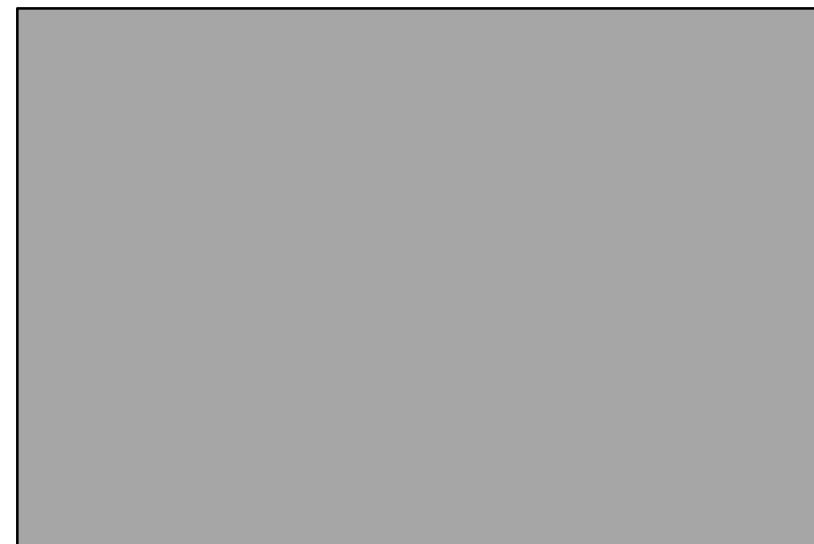
- NRI published the results of a survey on the issues that companies will need to address when the taxpayer and social security number program is introduced in Japan.
- The survey examined how companies should respond and compiled a guide to practice including anticipated forms and operational flows with the introduction of the number program in January 2016.
- In the first stage, NRI sampled companies with around 1,200 employees to survey salary and welfare issues requiring action on the introduction of the number program and published the reviewed results.

Corporate information on number program (in Japanese):

http://www.nri.com/jp/opinion/r_report/bangoseido/kigyo.html

Number program initiatives (in Japanese):

http://www.nri.com/jp/opinion/r_report/bangoseido/index.html

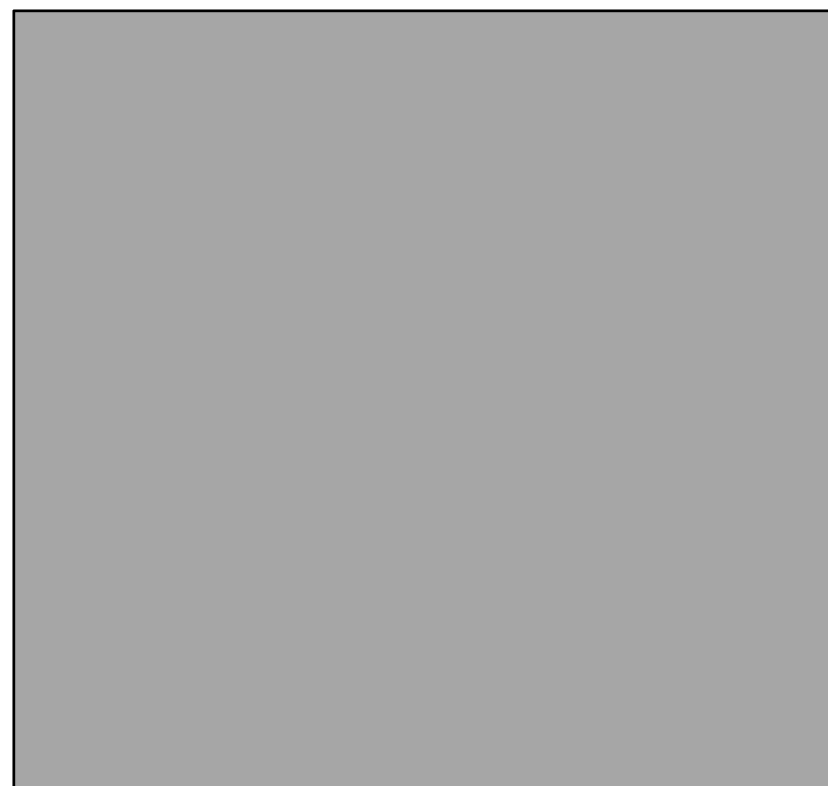


Nihon Keizai Shimbun,
December 7, 2013

2. Recent Activities

NRI Forms Strategic Business Cooperation with Australian FRSM

- NRI has formed a strategic business cooperation with FRSM Pty Limited (FRSM), a subsidiary of Eat West Line Parks Limited (EWLP) which plans and operates infrastructure projects in Australia, to encourage Japanese investment and business expansion in Australia.
- Based on the collaborative relationship, NRI and FRSM will provide stronger support for strategies targeting Australian, Japanese, and global companies in the tourism, agriculture, resources and construction industries.
- Following establishment of this collaboration, NRI and FRSM will aim to further expand their consulting services in Asia and emerging countries.



Nikkei Business Daily,
December 5, 2013

2. Recent Activities

“Smile to Smile” Cloud Services Now Available to Silver Human Resource Center Members

- NRI Social Information System Services, Ltd. (NRI Social) launched delivery of its Smile to Smile member cloud services for silver human resource centers.
- The service allows senior citizens who are members to view information such as notifications from silver human resource centers and employment information using a PC or a mobile device such as a smartphone.
- Previously, members had to contact center personnel by phone or visit a center to obtain information. However, using this service makes it possible to access the required information anytime and anywhere via the internet with a PC or mobile device.
- The service is also expected to facilitate exchange of information between center personnel and members and to streamline operations at the centers.

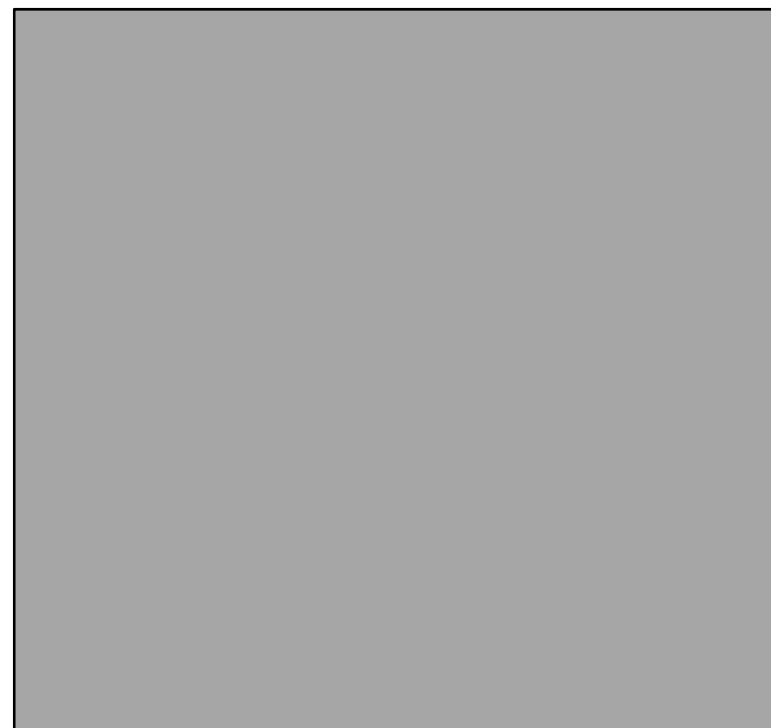
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Nikkan Kogyo Shimbun,
November 18, 2013

2. Recent Activities

Provision of Cyber Attack Protection Software Commences in US

- NRI Secure Technologies, Inc. (NRI Secure) commenced sales of cyber attack protection software FFR yarai developed by FFR to corporations with offices in the US.
- FFR yarai defends against targeted attacks through installation in a device such as a PC or tablet (endpoint).
- NRI Secure has hitherto supported gateway security protection in the US. By providing FFR yarai endpoint security protection in addition to this, it has enabled defense-in-depth against targeted cyber attacks for corporate information systems at US offices as well.
- NRI Secure plans to sell FFR yarai to approximately 50 companies in the US by the end of 2014.



Nikkei Business Daily,
December 6, 2013

3. Example of Projects



CLSA Securities Japan

**Adoption of I-STAR, comprehensive
back-office system for wholesale
securities business**



4. Others - Supplementary explanation

■ FY March 2014 Consolidated Earnings Model

- Sales of JPY380.0 billion and operating profit of JPY50.0 billion

(JPY billion)

	FY Mar. 2012 (Results)	FY Mar. 2013 (Results)	FY Mar. 2014 (Forecasts as of Jan. 30)*	YoY		FY Mar. 2014 (Forecasts as of Jul. 25)*	Comparison to forecasts
				Diff.	Change		
Sales	335.5	363.8	380.0	+16.1	+4.4%	375.0	+5.0
Cost of Sales	235.5	262.3	272.0	+9.6	+3.7%	268.0	+4.0
Personnel	57.1	64.4	70.0	+5.5	+8.6%	69.0	+1.0
Subcontracting Costs	112.0	116.1	131.0	+14.8	+12.8%	128.0	+3.0
Depreciation	29.4	41.2	32.0	(9.2)	(22.5%)	32.0	—
Gross Profit	100.0	101.5	108.0	+6.4	+6.3%	107.0	+1.0
Gross Profit Margin	29.8%	27.9%	28.4%	+0.5P		28.5%	(0.1P)
SG&A	56.8	57.6	58.0	+0.3	+0.7%	58.0	—
Operating Profit	43.1	43.9	50.0	+6.0	+13.7%	49.0	+1.0
Operating Profit Margin	12.9%	12.1%	13.2%	+1.1P		13.1%	+0.1P

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

4. Others - Communications

Forum



November 2013
“IT Roadmap Seminar Autumn 2013”



November 2013
“NRI Financial IT Forum 2013”

Publications



Examples of books published since October 2013

Concept book for the “2030 Japan Value Creation Project” Ver.3