

# Financial Results Presentation

Financial Results for 1<sup>st</sup> Quarter FY March 2024

Nomura Research Institute, Ltd.

Hidenori Anzai

Senior Executive Managing Director, Member of the Board, Representative Director

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## Financial Results for 1st Quarter FY March 2024

# Highlights of Consolidated Financial Results

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Revenue	167,537	176,709	9,171	5.5%
Operating Profit	28,079	27,027	(1,051)	(3.7%)
Operating Margin	16.8%	15.3%	(1.5P)	
EBITDA Margin	22.1%	21.9%	(0.2P)	
Profit before tax	27,789	26,580	(1,209)	(4.4%)
Profit attributable to owners of parent	18,762	17,210	(1,551)	(8.3%)

# Financial Results for 1st Quarter FY March 2024

## External Revenue by Segment <Total>

(JPY million)

	1Q FY Mar. 2023	Share	1Q FY Mar. 2024	Share	Diff.	YoY Change
Consulting	9,382	5.6%	10,655	6.0%	1,272	13.6%
Financial IT Solutions	80,109	47.8%	83,408	47.2%	3,298	4.1%
Securities	34,557	20.6%	34,160	19.3%	(397)	(1.1%)
Insurance	18,755	11.2%	18,760	10.6%	4	0.0%
Banking	12,524	7.5%	16,185	9.2%	3,661	29.2%
Other financial	14,271	8.5%	14,301	8.1%	30	0.2%
Industrial IT Solutions	66,627	39.8%	69,426	39.3%	2,798	4.2%
Distribution	17,649	10.5%	18,346	10.4%	696	3.9%
Manufacturing, service and other	48,978	29.2%	51,080	28.9%	2,101	4.3%
IT Platform Services	10,868	6.5%	12,489	7.1%	1,620	14.9%
Others	548	0.3%	730	0.4%	181	33.1%
<b>Total</b>	<b>167,537</b>	<b>100.0%</b>	<b>176,709</b>	<b>100.0%</b>	<b>9,171</b>	<b>5.5%</b>

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

# Financial Results for 1st Quarter FY March 2024

## External Revenue by Segment <Total> (supplementary information)

### ■ Revenue by main client

(JPY million)

	1Q FY Mar. 2023	Share*	1Q FY Mar. 2024	Share*	Diff.	YoY Change
Nomura Holdings	16,740	10.0%	16,832	9.5%	92	0.6%

### ■ Overseas Revenue

(JPY million)

	1Q FY Mar. 2023	Share*	1Q FY Mar. 2024	Share*	Diff.	YoY Change
Overseas Revenue	31,454	18.8%	29,265	16.6%	(2,188)	(7.0%)
North America**	9,524	5.7%	8,121	4.6%	(1,403)	(14.7%)
Oceania**	20,067	12.0%	18,821	10.7%	(1,246)	(6.2%)
Asia, Other**	1,862	1.1%	2,323	1.3%	461	24.8%

Average Rate : USD      ¥129.73  
AUD                      ¥92.68

¥137.49  
¥91.86

\*Percentage of (total) external sales

\*\* The subsidiary head office location method. Those which could be grouped into countries or regions have been listed as reference values.

# Financial Results for 1st Quarter FY March 2024

## Segment Performance Results <Total>

■ Including Inter-segment revenue for each segment (Excluding total)

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change	
Consulting	Revenue	9,711	10,965	1,254	12.9%
	Operating Profit	1,859	2,147	287	15.5%
	Operating Margin	19.1%	19.6%	0.4P	
Financial IT Solutions	Revenue	81,490	84,681	3,190	3.9%
	Operating Profit	11,678	12,172	493	4.2%
	Operating Margin	14.3%	14.4%	0.0P	
Industrial IT Solutions	Revenue	68,694	71,001	2,307	3.4%
	Operating Profit	6,667	5,890	(776)	(11.6%)
	Operating Margin	9.7%	8.3%	(1.4P)	
IT Platform Services	Revenue	39,952	43,962	4,009	10.0%
	Operating Profit	5,598	6,750	1,151	20.6%
	Operating Margin	14.0%	15.4%	1.3P	
Total (After adjustment deduction)	Revenue	167,537	176,709	9,171	5.5%
	Operating Profit	28,079	27,027	(1,051)	(3.7%)
	Operating Margin	16.8%	15.3%	(1.5P)	

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

## Segment Performance Results &lt;Japan&gt;

■ Including Inter-segment revenue for each segment (Excluding total)

(JPY million)

		1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Consulting	Revenue	8,781	9,708	927	10.6%
	Operating Profit	2,072	2,317	244	11.8%
	Operating Margin	23.6%	23.9%	0.3P	
Financial IT Solutions	Revenue	78,257	81,746	3,489	4.5%
	Operating Profit	11,723	12,258	535	4.6%
	Operating Margin	15.0%	15.0%	0.0P	
Industrial IT Solutions	Revenue	39,933	44,759	4,825	12.1%
	Operating Profit	4,790	6,891	2,100	43.9%
	Operating Margin	12.0%	15.4%	3.4P	
IT Platform Services	Revenue	39,851	43,820	3,969	10.0%
	Operating Profit	5,599	6,739	1,140	20.4%
	Operating Margin	14.0%	15.4%	1.3P	
Total (After adjustment deduction)	Revenue	136,083	147,443	11,360	8.3%
	Operating Profit	26,458	28,272	1,814	6.9%
	Operating Margin	19.4%	19.2%	(0.3P)	

Note : Including Inter-segment revenue for each segment(Japan) : Including Inter-segment revenue for each segment – including Inter-segment revenue for each segment(Overseas)

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

## Segment Performance Results &lt;Overseas&gt;

■ Including Inter-segment revenue for each segment (Excluding total)

(JPY million)

		1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Consulting	Revenue	929	1,256	326	35.2%
	Operating Profit	(213)	(169)	43	—
	Operating Margin	(22.9%)	(13.5%)	9.4P	
Financial IT Solutions	Revenue	3,233	2,934	(299)	(9.3%)
	Operating Profit	(44)	(86)	(42)	—
	Operating Margin	(1.4%)	(3.0%)	(1.6P)	
Industrial IT Solutions	Revenue	28,760	26,242	(2,518)	(8.8%)
	Operating Profit	1,876	(1,000)	(2,877)	—
	Operating Margin	6.5%	(3.8%)	(10.3P)	
IT Platform Services	Revenue	101	141	40	39.5%
	Operating Profit	(0)	10	11	—
	Operating Margin	(0.7%)	7.7%	8.4P	
Total (After adjustment deduction)	Revenue	31,454	29,265	(2,188)	(7.0%)
	Operating Profit	1,620	(1,245)	(2,865)	—
	Operating Margin	5.2%	(4.3%)	(9.4%)	

Note: Revenue and operating profit for overseas subsidiaries in each segment are listed. These figures do not include global-related expenses borne by head office.



## Financial Results for 1st Quarter FY March 2024

# Analysis of Increase and Decrease Factors

- Main factors for increases and decreases in external Revenue and operating profit by segment are as follows.

(Key) (+) Increase factors, (−) Decrease factors

Segment		External revenue	Operating profit
Consulting		(+) Consulting projects in Japan	(+) Higher profits due to increased revenue effects
Financial IT Solutions	Securities		(+) Contribution from operating fees for shared online services
	Insurance		
	Banking	(+) Shared online services implementation projects	
	Other financial		
Industrial IT Solutions	Distribution		(+) Higher profits due to increased revenue effects in Japan
	Manufacturing, service and other	(+) Systems development for telecom and advertising (−) Overseas Business	(−) One-time expenses recorded from M&A conducted in years past (approx. ¥1 billion) (−) Decline in profit due to lower revenue overseas
IT Platform Services		(+) Cloud business (+) Information security business	(+) Higher profits due to increased revenue effects

# Financial Results for 1st Quarter FY March 2024

## Consolidated P/L Highlight <Total>

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Revenue	167,537	176,709	9,171	5.5%
Cost of Sales	110,230	113,538	3,308	3.0%
Subcontracting Costs	51,238	52,404	1,166	2.3%
Gross Profit	57,307	63,170	5,863	10.2%
Gross Profit Margin	34.2%	35.7%	1.5P	
SG&A	31,539	35,342	3,802	12.1%
Other Income and Other Expenses, etc.	2,310	(801)	(3,112)	—
Operating Profit	28,079	27,027	(1,051)	(3.7%)
Operating Margin	16.8%	15.3%	(1.5P)	

## Financial Results for 1st Quarter FY March 2024

### Consolidated P/L Highlight <Total> (continued)

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Operating Profit	28,079	27,027	(1,051)	(3.7%)
Finance Income & Finance Costs	(289)	(446)	(157)	—
Profit before tax	27,789	26,580	(1,209)	(4.4%)
Income tax expenses	8,941	9,286	345	3.9%
Profit attributable to owners of parent	18,762	17,210	(1,551)	(8.3%)

## Financial Results for 1st Quarter FY March 2024

### Order Backlog by Segment (Outstanding)

(JPY million)

	At the end of Jun. 2022	At the end of Jun. 2023	Diff.	YoY Change
Consulting	14,624	21,642	7,017	48.0%
Financial IT Solutions	154,902	176,308	21,405	13.8%
Industrial IT Solutions	113,154	112,349	(804)	(0.7%)
IT Platform Services	17,767	21,302	3,534	19.9%
Others	516	870	354	68.6%
<b>Total</b>	<b>300,966</b>	<b>332,473</b>	<b>31,507</b>	<b>10.5%</b>
Order backlog in the current FY	292,533	316,434	23,900	8.2%

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

## Financial Results for 1st Quarter FY March 2024

# Order Backlog by Segment (Japan/Overseas)

### ■ Order Backlog of Japan

(JPY million)

	At the end of Jun. 2022	At the end of Jun. 2023	Diff.	YoY Change
Consulting	13,737	20,855	7,118	51.8%
Financial IT Solutions	149,489	171,462	21,973	14.7%
Industrial IT Solutions	64,782	71,557	6,775	10.5%
IT Platform Services	17,767	21,302	3,534	19.9%
Others	516	870	354	68.6%
<b>Total</b>	<b>246,292</b>	<b>286,048</b>	<b>39,756</b>	<b>16.1%</b>

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

### ■ Order Backlog of overseas subsidiaries

(JPY million)

	At the end of Jun. 2022	At the end of Jun. 2023	Diff.	YoY Change
Overseas subsidiaries	54,673	46,424	(8,248)	(15.1%)

\* Group companies which have the headquarter overseas are classified as overseas subsidiaries

## Financial Results for 1st Quarter FY March 2024

# Results through 1Q and Full-Year Earnings Forecast

(JPY billion)

		1Q	2Q	3Q	4Q	FY
FY March 2021	Revenue	131.1	135.1	138.1	145.9	550.3
	Operating Profit	17.8	22.0	24.1	16.7	80.7
	Operating Margin	13.6%	16.3%	17.5%	11.5%	14.7%
FY March 2022	Revenue	142.6	149.3	155.9	163.6	611.6
	Operating Profit	26.5	27.3	27.4	24.8	106.2
	Operating Margin	18.6%	18.3%	17.6%	15.2%	17.4%
FY March 2023	Revenue	167.5	171.5	177.0	176.1	692.1
	Operating Profit	28.0	27.1	28.6	27.9	111.8
	Operating Margin	16.8%	15.9%	16.2%	15.9%	16.2%
FY March 2024 Figures for 2Q and full-year are estimates	Revenue	<b>176.7</b>	<b>173.2</b>	<b>370.0</b>		<b>720.0</b>
	Operating Profit	<b>27.0</b>	<b>28.9</b>	<b>61.0</b>		<b>117.0</b>
	Operating Margin	<b>15.3%</b>	<b>16.7%</b>	<b>16.5%</b>		<b>16.3%</b>

Note: Figures for the 2Q of the fiscal year ending March 31, 2024 were calculated by subtracting 1Q results from forecasts for 1H.

# Key Factors in Financial Results for 1Q FY March 2024

### ■ Higher income with +5.5% in revenue

- Impact of lower revenue overseas was offset by contributions from full-scale launches of projects to update core systems in industrial IT and financial IT (for banking) domestically

### ■ 3.7% decline in operating profit

- Lower profit due to effect of reversion from gain on assets sold last year (approx. ¥2.2 billion) and one-time expenses recorded in relation to M&A conducted in past years (approx. ¥1 billion)
- Profit increased on a business basis aside from the above, as improved profitability domestically exceeded the impact of lower revenues globally

Recovery in global business has been gradual, but we are still progressing in line with our announced forecast as business is stronger than anticipated domestically

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## Recent Activities Core Business

# Risks anticipated at the start of the year did not emerge, and growth of domestic clients was steady

### Environmental awareness

[Start of year] Anticipated risk of curtailed IT investment due to economic deceleration, and forecasted conservatively



[Currently] More activity than anticipated in inquiries for core system updates and jobs utilizing new technologies

### Consulting

- Business remains strong in public sector projects, with high activity also in **private sector DX projects**
- Inquiries for **use of generative AI** are robust, and usage cases are adding up

### Financial IT Solutions

- Progress was made in **projects to update accounts systems at banks**
- **Operating fees from shared online services increased** due to the high level of market activity

### Industrial IT Solutions

- **AI usage** for retail business **grew**
- In addition to front-end DX, **core systems update projects** are also getting into full swing
- Investment is also trending toward recovery in industry types such as travel and inbound-related which were impacted by COVID

### IT Platform Services

- Business remained strong, primarily in **information security and cloud migration**
- Earnings have stabilized as data center usage fee revisions and rising fuel costs seem to have halted

# Implementing cost reduction measures in both Australia and North America Aiming for higher profitability from recovery in orders in 2Q and onward

### Australia

- Revenues declined due to reduced government IT budgets and less private investment in IT due to inflation
- Operating profit fell by approx. 1.5 billion yen (excluding one-time expenses) due to capacity utilization declining along with the decrease in revenue, and workforce was downsized
- Aiming to improve profitability by raising capacity utilization and through recovery in orders from 2Q onward

### North America (Core BTS)

- Network business: Device procurement shortages are dissipating and more costs are being passed on into sales revenue, but orders decreased due to economic recession concerns
- Cloud business: The sales organization was overhauled, but increases in orders are expected from 2Q onward, and workforce was downsized due to a certain number of orders being delayed and projects for which the scope was reduced
- Profits declined by just under 1 billion yen due to lower revenues and the impact of expenses recorded along with workforce downsizing
- Aiming to improve profitability through recovery in orders from 2Q onward

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## Reference Materials

### Revenue by Service <Total>

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Consulting Services	38,947	37,064	(1,883)	(4.8%)
System Development & System Application Sales	49,122	54,923	5,800	11.8%
System Management & Operation Services	70,856	75,371	4,515	6.4%
Product Sales	8,610	9,349	738	8.6%
Total	167,537	176,709	9,171	5.5%

## Order Volume &lt; Total &gt;

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Consulting	15,173	20,361	5,188	34.2%
Financial IT Solutions	35,936	47,027	11,090	30.9%
Industrial IT Solutions	50,385	51,941	1,556	3.1%
IT Platform Services	11,117	13,103	1,986	17.9%
Others	555	804	248	44.6%
<b>Total</b>	<b>113,168</b>	<b>133,238</b>	<b>20,069</b>	<b>17.7%</b>

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

## Reference Materials

# Order Volume <Total> (Japan/Overseas)

## ■ Order Volume of Japan

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Consulting	14,021	19,513	5,492	39.2%
Financial IT Solutions	34,426	45,118	10,692	31.1%
Industrial IT Solutions	28,666	34,052	5,385	18.8%
IT Platform Services	11,015	12,961	1,946	17.7%
Others	555	804	248	44.6%
<b>Total</b>	<b>88,686</b>	<b>112,450</b>	<b>23,764</b>	<b>26.8%</b>

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

## ■ Order Volume of overseas subsidiaries

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
Overseas subsidiaries*	24,482	20,787	(3,694)	(15.1%)

\* Group companies which have the headquarter are classified as overseas subsidiaries.

Note : Order volume had previously included exchange rate impact arising due to order backlog at the start of the fiscal year, but we have switched to a method that does not include this impact starting in FY March 2023

These materials were prepared for the sole purpose of providing information to use as reference in making investment decisions, and are not intended as a solicitation for investment.

## Cash Flow

(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.
Operating activities	36,348	43,491	19.7%
Investing activities	(8,396)	(15,878)	89.1%
(Except Cash management purpose)	(5,404)	(15,928)	194.7%
Free Cash Flow	27,952	27,613	(1.2%)
(Except Cash management purpose)	30,944	27,563	(10.9%)
Financing activities	(24,057)	(21,444)	(10.9%)
Net increase in Cash and cash equivalents	5,971	8,090	35.5%
(Except Cash management purpose)	8,962	8,040	(10.3%)
Cash and cash equivalents at end of year	121,581	137,347	13.0%
Cash and cash equivalents + Cash Management purpose investment	126,503	139,457	10.2%

# Reference Materials

## Balance Sheet

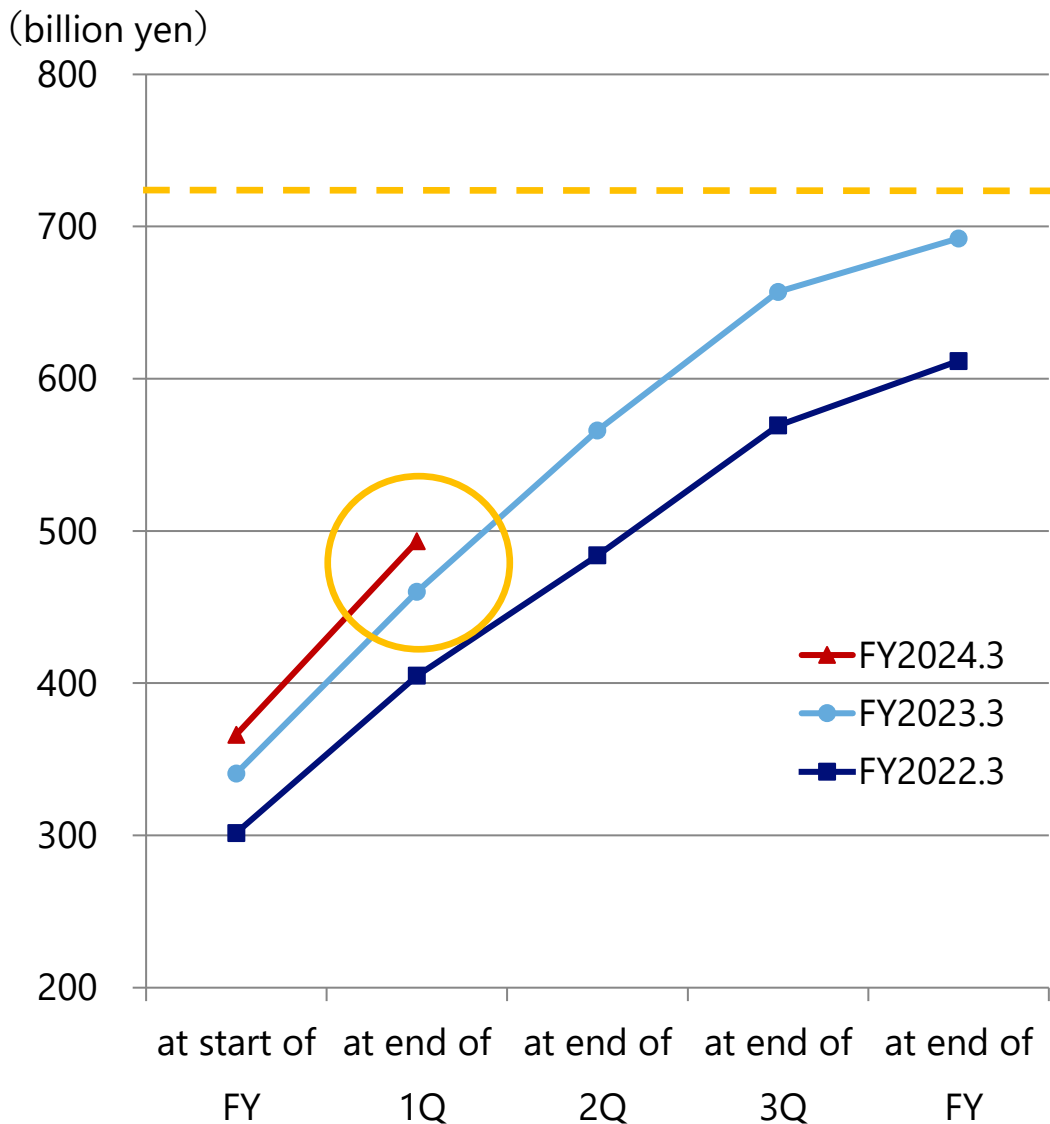
(JPY million)

	1Q FY Mar. 2023	1Q FY Mar. 2024	Diff.	YoY Change
<b>Assets</b>	<b>838,224</b>	<b>841,036</b>	<b>2,812</b>	<b>0.3%</b>
Cash and cash equivalents, etc. (a)	131,235	139,457	8,222	6.3%
Goodwill and intangible assets	237,283	253,125	15,841	6.7%
Of which, Goodwill from M&A, etc.	137,804	147,232	9,428	6.8%
Software	99,365	105,783	6,418	6.5%
<b>Liabilities</b>	<b>435,817</b>	<b>446,341</b>	<b>10,524</b>	<b>2.4%</b>
Interest-bearing liabilities (b)	205,823	223,045	17,221	8.4%
<b>Equity</b>	<b>402,406</b>	<b>394,695</b>	<b>(7,711)</b>	<b>(1.9%)</b>
Total equity attributable to owners of parent (c)	399,006	391,732	(7,273)	(1.8%)
<b>Net interest-bearing liabilities (d=b-a)</b>	<b>74,588</b>	<b>83,587</b>	<b>8,998</b>	<b>12.1%</b>
<b>Net D/E ratio (e=d/c)</b>	<b>0.19</b>	<b>0.21</b>	<b>0.03</b>	



## Reference Materials

# Revenue + Consolidated Order Backlog



(JPY billion)

	FY Mar.2023	FY Mar.2024	YoY Change
Revenue*	692.1	720.0	+3.9%
Revenue**+ Consolidated Order Backlog***	460.0	493.1	+6.7%
Realization rate	66.5%	68.5%	2.0P

\* FY Mar. 2023: Result, FY Mar. 2024: Forecast  
 \*\* The figure at the end of 1Q  
 \*\*\* The figure at the end of 1Q

## Reference Materials

# Forecasts for FY March 2024

■ There are no revisions to financial results forecasts.

(JPY billion)

	FY Mar. 2023 (Results)	FY Mar. 2024 (Forecasts)	Diff.	YoY Change
Revenue	692.1	720.0	27.8	4.0%
Operating Profit	111.8	117.0	5.1	4.6%
Operating Margin	16.2%	16.3%	0.1P	
Profit before tax	108.4	115.0	6.5	6.0%
Profit attributable to owners of parent	76.3	78.0	1.6	2.2%
Earnings Per Share	¥128.92	¥131.83	¥2.90	2.3%
Annual Dividends per share	¥45.00	¥48.00	¥3.00	
Second quarter	¥22.00	¥24.00	¥2.00	
Fiscal year end	¥23.00	¥24.00	¥1.00	
Dividend payout ratio	34.9%	36.4%	1.5P	

Note : Forecast Rate USD = ¥132.71, AUD = ¥89.62

## Revenue Forecasts by Segment for FY March 2024

■ There are no revisions to financial results forecasts.

(JPY billion)

	FY Mar. 2023 (Results)	Share	FY Mar. 2024 (Forecasts)	Share	Diff.	YoY Change
Consulting	46.1	6.7%	48.0	6.7%	1.8	4.1%
Financial IT Solutions	328.5	47.5%	334.0	46.4%	5.4	1.7%
Securities	141.5	20.4%	142.0	19.7%	0.4	0.3%
Insurance	77.0	11.1%	78.0	10.8%	0.9	1.2%
Banking	55.0	8.0%	57.0	7.9%	1.9	3.5%
Other financial	54.9	7.9%	57.0	7.9%	2.0	3.8%
Industrial IT Solutions	266.7	38.5%	285.0	39.6%	18.2	6.9%
Distribution	70.6	10.2%	73.0	10.1%	2.3	3.4%
Manufacturing, service and other	196.0	28.3%	212.0	29.4%	15.9	8.1%
IT Platform Services	48.1	7.0%	50.0	6.9%	1.8	3.8%
Others	2.6	0.4%	3.0	0.4%	0.3	14.9%
<b>Total</b>	<b>692.1</b>	<b>100.0%</b>	<b>720.0</b>	<b>100.0%</b>	<b>27.8</b>	<b>4.0%</b>

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

## Reference Materials

# FY March 2024 Financial Results Forecasts < 1H/2H >

■ There are no revisions to financial results forecasts.

(JPY billion)

■ 1H

	FY Mar. 2023 (Results)	FY Mar. 2024 (Forecasts)	Diff.	YoY Change
Revenue	339.0	350.0	10.9	3.2%
Operating Profit	55.2	56.0	0.7	1.3%
Operating Margin	16.3%	16.0%	(0.3P)	
Profit before income tax	53.7	55.0	1.2	2.3%
Profit attributable to owners of parent	35.8	37.0	1.1	3.2%

(JPY billion)

■ 2H

	FY Mar. 2023 (Results)	FY Mar. 2024 (Forecasts)	Diff.	YoY Change
Revenue	353.1	370.0	16.8	4.8%
Operating Profit	56.5	61.0	4.4	7.8%
Operating Margin	16.0%	16.5%	0.5P	
Profit before income tax	54.7	60.0	5.2	9.6%
Profit attributable to owners of parent	40.4	41.0	0.5	1.4%

## Reference Materials

# Revenue Forecasts by Segment for FY March 2023 < 1H/2H >

- There are no revisions to financial results forecasts.

(JPY billion)

	FY Mar. 2023 (Results)	Share	FY Mar. 2024 (Forecasts)	Share	Diff.	YoY Change
<b>1H</b>						
Consulting	20.2	6.0%	21.0	6.0%	0.7	3.7%
Financial IT Solutions	161.8	47.7%	164.0	46.9%	2.1	1.3%
Securities	69.5	20.5%	70.0	20.0%	0.4	0.6%
Insurance	38.2	11.3%	39.0	11.1%	0.7	2.0%
Banking	26.0	7.7%	27.0	7.7%	0.9	3.5%
Other financial	27.9	8.2%	28.0	8.0%	0.0	0.3%
Industrial IT Solutions	133.5	39.4%	141.0	40.3%	7.4	5.6%
Distribution	35.2	10.4%	36.0	10.3%	0.7	2.2%
Manufacturing, service and other	98.2	29.0%	105.0	30.0%	6.7	6.8%
IT Platform Services	22.3	6.6%	22.5	6.4%	0.1	0.8%
Others	1.1	0.3%	1.5	0.4%	0.3	30.4%
Total	339.0	100.0%	350.0	100.0%	10.9	3.2%
<b>2H</b>						
Consulting	25.8	7.3%	27.0	7.3%	1.1	4.4%
Financial IT Solutions	166.7	47.2%	170.0	45.9%	3.2	1.9%
Securities	71.9	20.4%	72.0	19.5%	0.0	0.1%
Insurance	38.8	11.0%	39.0	10.5%	0.1	0.5%
Banking	28.9	8.2%	30.0	8.1%	1.0	3.5%
Other financial	26.9	7.6%	29.0	7.8%	2.0	7.4%
Industrial IT Solutions	133.2	37.7%	144.0	38.9%	10.7	8.1%
Distribution	35.3	10.0%	37.0	10.0%	1.6	4.5%
Manufacturing, service and other	97.8	27.7%	107.0	28.9%	9.1	9.4%
IT Platform Services	25.8	7.3%	27.5	7.4%	1.6	6.5%
Others	1.4	0.4%	1.5	0.4%	0.0	2.6%
Total	353.1	100.0%	370.0	100.0%	16.8	4.8%

Note : The segment classifications are partially changed for 1Q FY March 2024, and the past figures are based on the classifications after these changes.

## Capital Investment, R&amp;D and Depreciation Forecasts for FY March 2024

■ There are no revisions to financial results forecasts.

## ■ Capital Expenditure, R&D

(JPY billion)

	FY Mar. 2023 (Results)	FY Mar. 2024 (Forecasts)	Diff.	YoY Change
Capital Expenditure	58.5	56.0	(2.5)	(4.4%)
Tangible	15.6	13.0	(2.6)	(16.8%)
Intangible	42.9	43.0	0.0	0.2%
R&D Expenses	4.9	5.0	0.1	2.0%

## ■ Depreciation and Amortization

(JPY billion)

	FY Mar. 2023 (Results)	FY Mar. 2024 (Forecasts)	Diff.	YoY Change
Total	45.0	52.0	6.9	15.3%

## Forecasts for FY March 2024 &lt; Consolidated Earnings Model &gt;

- FY March 2024 Consolidated Earnings Model
  - Revenue of JPY720 billion and Operating profit of JPY117 billion

(JPY billion)

	FY Mar. 2022 (Results)	FY Mar. 2023 (Results)	FY Mar. 2024 (Forecasts)*	YoY	
				Diff.	Change
Revenue	611.6	692.1	720.0	27.8	4.0%
Cost of Sales	395.5	452.3	467.0	14.6	3.2%
Personnel	134.9	162.0	169.0	6.9	4.3%
Subcontracting Costs	194.7	214.1	218.0	3.8	1.8%
Depreciation	33.3	33.5	38.0	4.4	13.2%
Gross Profit	216.0	239.8	253.0	13.1	5.5%
Gross Profit Margin	35.3%	34.6%	35.1%	0.5P	
SG&A	113.5	131.5	136.0	4.4	3.4%
Operating Profit	106.2	111.8	117.0	5.1	4.6%
Operating Margin	17.4%	16.2%	16.3%	0.1P	

# NRI's employees + Partners (in Japan & China)

## NRI Group's employees

**18,085\***

- Management Consultants
- Systems Consultants
- Application Engineers
- Technical Engineers, etc.

## Subcontractors

### Offshore development Partners in China

20 partners in 21 regions

Personnel:

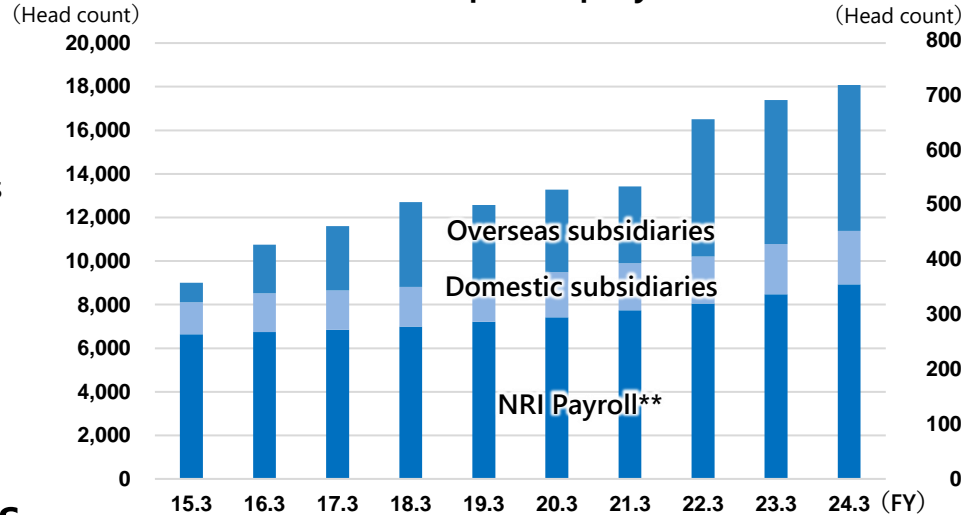
Approx. 6,500

### Partner Companies in Japan

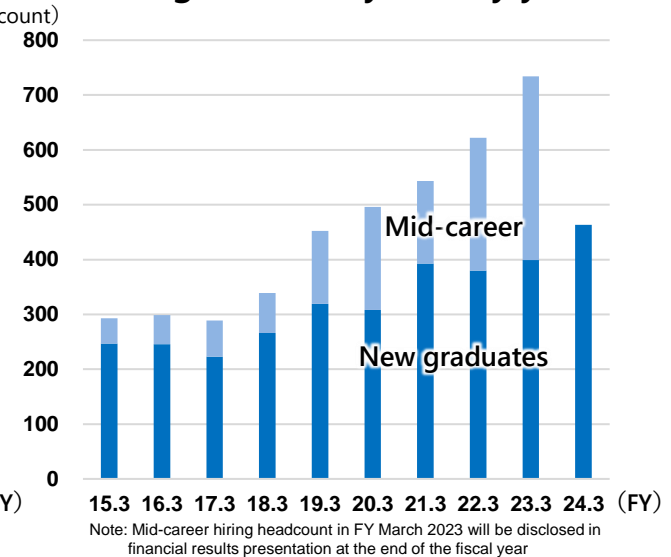
Personnel:

Approx. 8,500

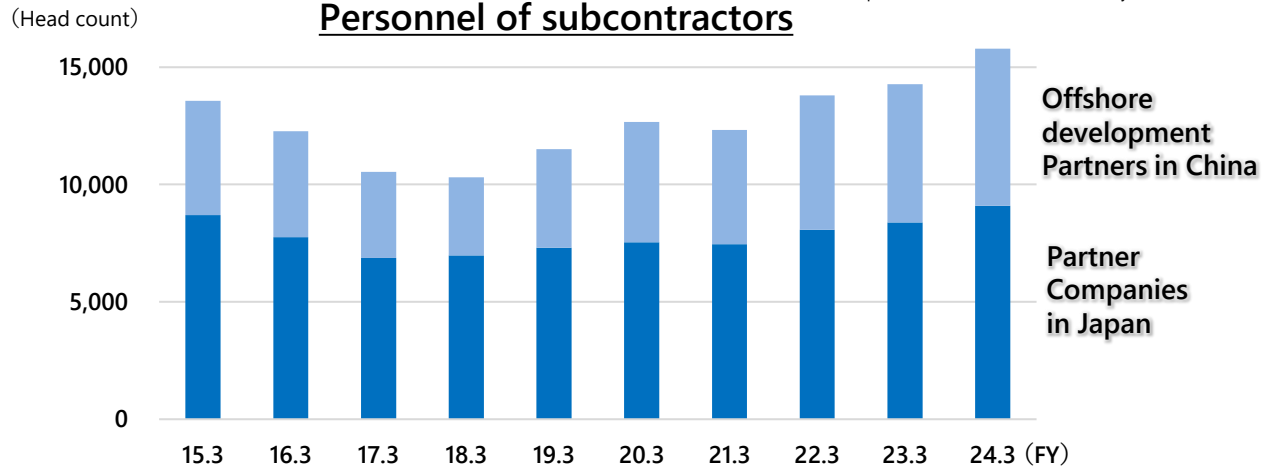
NRI Group's employees



Hiring to NRI Payroll\*\* by year



Personnel of subcontractors



\* As of the end of June 2023

\*\* Includes group company employees hired by the main body of NRI



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.



**Envision the value,  
Empower the change**