

This financial report is composed of two parts. The first part is an abridged translation of “Kessan Tanshin (earnings report)” for the quarterly period ended 31st December, 2020, which includes the summary and the operating results sections. The second part is the “Consolidated Financial Statements,” which are basically prepared based on the “Kessan Tanshin (earnings report)” but applied for some items different presentation methods.



27th January, 2021

## Consolidated Financial Results For the Quarterly Period Ended 31st December, 2020 <under Japanese GAAP>

Company name: Nomura Research Institute, Ltd.  
 Listing: First Section of the Tokyo Stock Exchange  
 Stock code: 4307  
 URL: <https://www.nri.com/jp/>  
 Representative: Shingo Konomoto, Chairman and President & CEO, Representative Director,  
 Member of the Board  
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Scheduled date to file Quarterly Securities Report: 10th February, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly consolidated financial results: Yes  
 Announcement for quarterly consolidated financial results (for institutional investors and analysts): Yes

(Millions of yen with fractional amounts discarded, unless otherwise noted)

### 1. Consolidated performance for the quarterly period ended 31st December, 2020 (from 1st April, 2020 to 31st December, 2020)

#### (1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Quarterly period ended 31st December, 2020	404,466	3.6	63,146	1.7	63,037	(0.1)	44,792	(19.4)
31st December, 2019	390,545	6.4	62,106	20.8	63,090	20.9	55,604	39.5

Note: Comprehensive income

Quarterly period ended 31st December, 2020: ¥50,462 million [21.1%]

Quarterly period ended 31st December, 2019: ¥41,653 million [35.3%]

Quarterly period ended	Earnings per share – basic	Earnings per share – diluted
	Yen	Yen
31st December, 2020	74.93	74.74
31st December, 2019	86.06	85.85

Note: The Company conducted a 3-for-1 stock split of common stock with an effective date of 1st July, 2019. Earnings per share – basic and earnings per share – diluted have been calculated assuming the stock split was conducted at the start of the previous fiscal year.

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
31st December, 2020	551,399	310,996	55.8
31st March, 2020	533,151	287,153	50.9

Reference: Equity

As of 31st December, 2020: ¥307,603 million      As of 31st March, 2020: ¥271,332 million

## 2. Cash dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended 31st March, 2020	–	15.00	–	17.00	32.00
Fiscal year ending 31st March, 2021	–	17.00	–		
Fiscal year ending 31st March, 2021 (Forecasts)				19.00	36.00

Note: Revisions to the forecasts of cash dividends most recently announced: Yes

For more details, please refer to “(3) Qualitative information regarding forecasts of financial results,” on pages 10-11.

## 3. Forecasts of financial results for the fiscal year ending 31st March, 2021 (from 1st April, 2020 to 31st March, 2021)

(Percentages indicate year-on-year changes.)

	Sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share – basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending 31st March, 2021	550,000	4.0	86,000	3.4	87,000	2.9	65,000	(6.2)	108.73

Note: Revisions to the forecasts of financial results most recently announced: Yes

For more details, please refer to “(3) Qualitative information regarding forecasts of financial results,” on pages 10-11.

### \* Notes

- (1) Changes in significant subsidiaries during the current nine months (changes in specified subsidiaries resulting in change in scope of consolidation): None
- (2) Adoption of specific accounting in preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
  - a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - b. Changes in accounting policies due to other reasons: Yes
  - c. Changes in accounting estimates: None
  - d. Restatement of prior period financial statements after error corrections: None

(4) Number of shares in issue (common stock)

a.	Total number of shares in issue at the end of the period (including treasury stock)	
	As of 31st December, 2020	640,787,500 shares
	As of 31st March, 2020	640,000,000 shares
b.	Number of shares of treasury stock at the end of the period	
	As of 31st December, 2020	41,690,350 shares
	As of 31st March, 2020	43,797,649 shares
c.	Average number of shares during the period (cumulative from the beginning of the fiscal year)	
	Quarterly period ended 31st December, 2020	597,786,882 shares
	Quarterly period ended 31st December, 2019	646,088,054 shares

Notes: 1. The NRI shares held by the trust exclusive for NRI Group Employee Stock Ownership Group are included in treasury stock.

2. The Company conducted a 3-for-1 stock split of common stock with an effective date of 1st July, 2019. Number of shares has been calculated assuming the stock split was conducted at the start of the previous fiscal year.

\* Quarterly consolidated financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of forecasts of financial results, and other special matters

The forward-looking statements including business forecasts stated in this document are based on information available to the Company at the present time and certain assumptions judged to be rational, and these statements do not purport to be a promise by the Company to achieve such results. Actual business results, etc. may differ significantly from this forecast due to various factors. For more details, please refer to “(3) Qualitative information regarding forecasts of financial results,” on pages 10-11.

Reference: Forecasts of non-consolidated financial results for the fiscal year ending 31st March, 2021 (from 1st April, 2020 to 31st March, 2021)

(Percentages indicate year-on-year changes.)

	Sales		Ordinary profit		Profit		Earnings per share – basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending 31st March, 2021	425,000	1.8	74,000	(2.2)	56,000	(18.2)	93.68

Note: Revisions to the forecasts of financial results most recently announced: Yes

For more details, please refer to “(3) Qualitative information regarding forecasts of financial results,” on pages 10-11.

## Qualitative information regarding third-quarter settlement of accounts

### (1) Qualitative information regarding consolidated operating results

(Millions of yen)

	Nine months ended 31st December, 2019	Nine months ended 31st December, 2020	Year on year	
			Amount	Rate
Sales	390,545	404,466	13,921	3.6%
Overseas sales	35,618	32,216	(3,401)	(9.6)%
Overseas sales ratio	9.1%	8.0%	(1.2)P	–
Operating profit	62,106	63,146	1,040	1.7%
Operating profit (before amortization of goodwill)	64,498	65,395	897	1.4%
Operating margin	15.9%	15.6%	(0.3)P	–
Operating margin (before amortization of goodwill)	16.5%	16.2%	(0.3)P	–
EBITDA margin	22.4%	22.0%	(0.4)P	–
Ordinary profit	63,090	63,037	(53)	(0.1)%
Profit attributable to owners of parent	55,604	44,792	(10,811)	(19.4)%

Notes: 1. Consumption tax and local consumption tax are accounted for by the tax exclusion method.  
2. EBITDA margin: EBITDA (Operating profit + Depreciation + Amortization of goodwill + Loss on retirement of non-current assets) / Sales

During the nine months ended 31st December, 2020 (from 1st April, 2020 to 31st December, 2020), uncertainty over the future continued due to concerns over the decline of the global economy due to the spread of COVID-19. While there is the possibility of investment demand slowing due to declining corporate results following economic contraction, information system investment remains strong.

Operating in such an environment, Nomura Research Institute (“the Company”) and its consolidate subsidiaries (“the NRI Group”) carried out its business activities leveraging the combined strengths of the NRI Group, allowing it to seamlessly provide services encompassing consulting through to system development and operations.

The current fiscal year is the second year of the “NRI Group Medium-term Management Plan (2019-2022)” (the “Medium-term Management Plan 2022”), formulated to achieve Vision 2022 (from the fiscal year ended 31st March, 2016 to the fiscal year ending 31st March, 2023), the NRI Group’s long-term management plan. In addition to working to achieve even greater productivity and to expand existing businesses, the NRI Group is pursuing the three growth strategies set forth in the Medium-term Management Plan 2022: (1) DX strategy, (2) global strategy, and (3) personnel and resources strategy.

- (1) DX strategy: The NRI Group is providing comprehensive support by leveraging technologies across everything from creating strategies to implementing solutions with respect to transforming the business processes and business models of its clients.  
In terms of business platform strategy, the NRI Group is helping its clients create new businesses and enter new markets by providing them with business platforms specifically tailored to those who are entering the financial sector from other industries in step with transformation of industrial structures, while also expanding the NRI Group’s shared services with a focus on the financial sector.  
Under its cloud strategy, the NRI Group will improve clients’ business agility and optimize their IT costs by engaging in legacy system modernization\*1 and developing cloud-native\*2 apps.
- (2) Global strategy: The NRI Group is expanding its business foundations with a focus on achieving external growth through M&As and other such initiatives, including the acquisition of IPs, mainly in the key geographic regions of Australia and North America. In order to generate further synergies with subsidiaries acquired through M&A deals, the Company will build a new business management system, operational management system and other systems centered on the Global Headquarters to drive forward the integration process after acquisition.
- (3) Personnel and resources strategy: The NRI Group is improving its recruitment and development of professionals underpinning the digital age in order to better help its clients achieve business success. The NRI Group is also working to achieve compatible work-style reforms by promoting various work arrangements while also fostering a business culture that enables employees to play active roles and take on challenges, and seeking diversity.

During the nine months ended 31st December, 2020, the NRI Group’s sales totaled ¥404,466 million (up 3.6% year on year), amid a scenario where sales were higher year on year, particularly those of system development

and application sales. Cost of sales was ¥268,267 million (up 4.3%), gross profit was ¥136,198 million (up 2.1%), and selling, general and administrative expenses were ¥73,051 million (up 2.5%). While the profitability of our overseas subsidiaries declined due to COVID-19, profitability of the NRI Group as a whole recovered amid a favorable order environment and production activities, and operating profit was ¥63,146 million (up 1.7%), operating margin was 15.6% (down 0.3 points), and ordinary profit was ¥63,037 million (down 0.1%). Operating profit (before amortization of goodwill) was ¥65,395 million (up 1.4%), operating margin (before amortization of goodwill) was 16.2% (down 0.3 points) and the EBITDA margin was 22.0% (down 0.4 points).

- \*1 Legacy system modernization is a means of optimizing and updating system infrastructure and applications with respect to hardware and software of core systems that have become obsolete.
- \*2 The term cloud native refers to information systems and services designed for use on a cloud computing platform.

### Segment information

The business results by segment (sales include intersegment sales) are as follows.

		(Millions of yen)			
		Nine months ended 31st December, 2019	Nine months ended 31st December, 2020	Year on year	
				Amount	Rate
Consulting	Sales	27,626	25,974	(1,652)	(6.0)%
	Operating profit	5,691	5,444	(247)	(4.3)%
	Operating margin	20.6%	21.0%	0.4P	–
Financial IT Solutions	Sales	204,528	216,496	11,967	5.9%
	Operating profit	26,935	29,022	2,087	7.7%
	Operating margin	13.2%	13.4%	0.2P	–
Industrial IT Solutions	Sales	135,932	139,838	3,905	2.9%
	Operating profit	14,503	14,050	(453)	(3.1)%
	Operating margin	10.7%	10.0%	(0.6)P	–
IT Platform Services	Sales	102,096	104,103	2,006	2.0%
	Operating profit	14,275	14,245	(29)	(0.2)%
	Operating margin	14.0%	13.7%	(0.3)P	–
Adjustments	Sales	(79,639)	(81,945)	(2,306)	–
	Operating profit	699	383	(316)	–
Total	Sales	390,545	404,466	13,921	3.6%
	Operating profit	62,106	63,146	1,040	1.7%
	Operating margin	15.9%	15.6%	(0.3)P	–

**(Consulting)**

This segment provides policy recommendations and strategy consulting, as well as business consulting to support operational reform and system consulting for overall IT management.

Amid rapidly changing business environments for our customers with the spread of COVID-19, customers are accelerating corporate reforms using DX, and clients have come to expect practical solutions-based consulting services that produce concrete results.

As such, in the global arena, the NRI Group is searching for DX-related intellectual properties in advanced countries such as the U.S. and European countries and enhancing our proposal capabilities through working closely among domestic and overseas offices while working to strengthen DX consulting to support our customers' DX and to appropriately respond to customer needs. In addition, as the spread of COVID-19 is an environmental change which is capable of significantly changing society in the future, the NRI Group has enlisted all of its strength to provide emergency proposals for COVID-19 measures.

During the nine months ended 31st December, 2020, the Consulting segment posted sales of ¥25,974 million (down 6.0% year on year) and operating profit of ¥5,444 million (down 4.3%) due to a reduction in global consulting projects.

**(Financial IT Solutions)**

In this segment, the main clients are in the financial sector, including the securities, insurance and banking sectors. The segment provides system consulting, system development, system management and operation services, and IT solutions such as multi-user systems.

The environment surrounding the financial sector is undergoing major structural changes such that include a society whose population continues to age, companies from other industries newly entering the sector, an expanding range of digital assets, and diminishing markets in Japan due to persistently low-interest rates and the nation's declining population.

The NRI Group is accordingly working to expand its client base by engaging in efforts to help its clients create new businesses and services in a manner that addresses such changes in the business environment. Efforts in that regard will entail developing new financial business platforms for clients, creating and developing DX business particularly that involving digital banking operations, expanding global business in financial services, as well as upgrading and enlarging existing businesses. With respect to production activities that underpin business expansion, the entire segment will work toward improving efficiency by innovating production and upgrading management of development resources. In the field of DX that involves transforming business models, the segment will work through alliances to create new businesses that make use of digital technologies, in part by establishing joint ventures with companies and clients that possess sophisticated technologies. Moreover, the segment aims to help bring about development of the financial industry by co-creating value with its clients, in addition to facilitating stable operations of IT infrastructure services from the perspective of social responsibility for information systems that act as financial infrastructure.

During the second quarter of the current fiscal year, to further evolve our financial business platform, the Company made DSB Co., Ltd. a wholly-owned subsidiary of the Company.

During the nine months ended 31st December, 2020, the Financial IT Solutions segment posted sales of ¥216,496 million (up 5.9% year on year) due to an increase in operation services for the securities sector and the contributions of Nippon Securities Technology Co., Ltd. Despite the drop-off in sales of major, highly profitable applications from the same period of the previous fiscal year and unprofitable projects at some of our subsidiaries in the first quarter of the current fiscal year, operating profit was ¥29,022 million (up 7.7% year on year) as a result of the current order environment trending strongly, and usage fees for shared services increasing due to the active market.

**(Industrial IT Solutions)**

This segment provides IT solutions such as system consulting, system development, and system management and operation services to the distribution, manufacturing, service and public sectors.

As well as upgrading and improving the efficiency of existing business models, clients in the industrial sector are using DX to create new business models. Furthermore, while there are needs for IT cost reductions from the economic contraction caused by the spread of COVID-19, corporate reforms using DX are accelerating among our customers, caused by the paradigm shift in the COVID-19 pandemic, and we are pursuing initiatives to create new businesses using digital technology.

Working closely with the Consulting segment, which has a large number of clients in the industrial sector, this segment will provide comprehensive support to expand its client base by integrating consulting and IT solutions spanning everything from developing business models of clients in the field of DX to building information systems.

During the nine months ended 31st December, 2020, the Industrial IT Solutions segment posted sales of ¥139,838 million (up 2.9% year on year), amid an increase in system development and application sales for the manufacturing and service sectors, and despite a decrease in operation services for the distribution sector. The profitability of our overseas subsidiaries declined due to COVID-19, and operating profit was ¥14,050 million (down 3.1%).

#### **(IT Platform Services)**

This segment mainly provides services such as the management and administration of data centers and IT platform and network architecture to the Financial IT Solutions and Industrial IT Solutions segments. It also provides IT platform solutions and information security services to clients of various industries. In addition, the segment conducts explorative initiatives for the development of new business operations and new products related to IT solutions, and investigation and research primarily related to leading-edge information technologies.

Information system development in the DX era calls for use of artificial intelligence (AI), blockchains and other new digital technologies, in conjunction with new and more rapid development approaches. In the field of cloud computing, companies need to comprehensively engage in high-quality operations of diverse and complex system platforms in line with their development of cloud-based IT systems. Furthermore, our customers' business continuity needs using DX are accelerating with the spread of COVID-19.

To address such changes in the business environment, the NRI Group is accordingly taking steps that involve expanding its multi-cloud computing services\*3 and its managed services\*4, and also expanding its security business in the Internet of Things (IoT) arena, in conjunction with efforts to develop information system development approaches and production innovation tools for the DX era. From the second quarter of the current fiscal year, the NRI Group began initiatives for a new application style that is operated under internal control by adopting the "Oracle Cloud" dedicated region, which is the first in the world, and establishing an exclusive public cloud within the NRI Group's data center.

During the nine months ended 31st December, 2020, sales to external clients increased in the security business, and intersegment sales increased mainly in cloud computing services and network services. However, due to an increase in subcontracting costs, the IT Platform Services segment posted sales of ¥104,103 million (up 2.0% year on year) and operating profit of ¥14,245 million (down 0.2%).

\*3 Multi-cloud computing services refer to centrally managed services provided using multiple cloud computing platforms.

\*4 Managed services refer to IT services that lend comprehensive support to optimizing entire information systems on behalf of a client's IT unit.

## (2) Qualitative information regarding consolidated financial position

(Assets, liabilities and net assets)

(Millions of yen)

	As of 31st March, 2020	As of 31st December, 2020	Year on year	
			Amount	Rate
Current assets	259,855	271,644	11,788	4.5%
Noncurrent assets	273,295	279,754	6,458	2.4%
Total assets	533,151	551,399	18,247	3.4%
Current liabilities	140,456	138,426	(2,030)	(1.4)%
Noncurrent liabilities	105,076	101,769	(3,306)	(3.1)%
Net assets	287,153	310,996	23,843	8.3%
Equity	271,332	307,603	36,271	13.4%
Equity ratio	50.9%	55.8%	4.9P	–
Interest-bearing debt	107,410	122,194	14,784	13.8%
Gross D/E ratio (times)	0.40	0.40	0.00	–
Net D/E ratio (times)	0.02	(0.01)	(0.03)	–

- Notes: 1. Equity: Net assets – Non-controlling interests – Share subscription rights  
 2. Gross D/E ratio (gross debt-to-equity ratio): Interest-bearing debt / equity  
 3. Net D/E ratio (net debt-to-equity ratio): (Interest-bearing debt – cash and bank deposits) / equity

At the end of the third quarter (31st December, 2020), current assets were ¥271,644 million (up 4.5% from the end of the previous fiscal year), noncurrent assets were ¥279,754 million (up 2.4%), current liabilities were ¥138,426 million (down 1.4%), noncurrent liabilities were ¥101,769 million (down 3.1%), net assets were ¥310,996 million (up 8.3%) and total assets were ¥551,399 million (up 3.4%). In addition, the gross D/E ratio (gross debt-to-equity ratio) and net D/E ratio (net debt-to-equity ratio) at the end of the third quarter was 0.40 times and negative 0.01 times, respectively.

The main changes from the end of the previous fiscal year are as follows.

Accounts receivable declined ¥38,139 million to ¥52,429 million and other receivables increased ¥24,560 million to ¥64,556 million. Because the NRI Group has a comparatively large number of projects completed at the end of the fiscal year, compared with the end of the previous fiscal year, the ends of quarterly periods tend to have small values for accounts receivable and large values for other receivables.

As preparation due to concerns over a declining business environment caused by the impact of COVID-19, we issued commercial paper of ¥10,000 million and the 7th series of straight corporate bonds of ¥10,000 million. As a result, short-term bonds payable increased ¥10,000 million to ¥10,000 million, and bonds increased ¥10,632 million to ¥83,942 million.

Non-controlling interests decreased by ¥12,258 million to ¥2,882 million with the additional acquisition of DSB Co., Ltd.

In addition, cash and bank deposits increased ¥21,900 million to ¥124,441 million, accounts payable decreased ¥3,090 million to ¥22,522 million, and income taxes payable decreased ¥9,576 million to ¥11,196 million.



**(Cash flow position)**

(Millions of yen)

	Nine months ended 31st December, 2019	Nine months ended 31st December, 2020	Year on year	
			Amount	Rate
Cash flows from operating activities	74,856	50,891	(23,965)	(32.0)%
Cash flows from investing activities	23,344	(15,158)	(38,502)	–
Free cash flows	98,200	35,732	(62,468)	(63.6)%
Cash flows from financing activities	(140,616)	(13,982)	126,633	(90.1)%
Net increase (decrease) in cash and cash equivalents	(43,363)	22,036	65,399	–
Cash and cash equivalents at end of period	79,837	122,815	42,978	53.8%

Cash and cash equivalents as of the end of the third quarter (31st December, 2020) stood at ¥122,815 million (up ¥22,036 million from the end of the previous fiscal year).

Net cash provided by operating activities in the nine months ended 31st December, 2020 was ¥50,891 million, a decrease of ¥23,965 million compared with the same period of the previous fiscal year. Income taxes paid increased and the drop in accounts receivable and other receivables was smaller.

Net cash used in investing activities was ¥15,158 million (compared with cash provided of ¥23,344 million in the same period of the previous fiscal year). In the same period of the previous fiscal year, cash was provided by the sale of part of shares held by the Company and the sale of short-term investment securities for fund management purposes. In the nine months ended 31st December, 2020, cash was mainly invested in the acquisition of software and other intangibles related to the development of multi-user systems.

Net cash used in financing activities was ¥13,982 million, a decrease of ¥126,633 million from the same period of the previous fiscal year. In the same period of the previous fiscal year, the Company mainly acquired ¥159,999 million worth of treasury stock by tender offer. In the nine months ended 31st December, 2020, we had ¥9,978 million in revenue from the issuance of short-term bonds payable and ¥9,973 million in revenue from the issuance of the 7th series of straight corporate bonds, as preparation due to concerns over a declining business environment caused by the impact of COVID-19. Furthermore, ¥11,324 million in cash was used for the acquisition of subsidiaries with the acquisition of DSB Co., Ltd, not resulting in any changes in the scope of consolidation. Other expenditures mainly consist of payments of cash dividends in the respective fiscal periods.

### (3) Qualitative information regarding forecasts of financial results

While uncertainties remain in association with COVID-19, in light of the results for the nine months ended 31st December, 2020 and the current order environment, the forecasts of financial results will be revised as follows. The financial results forecasts are subject to change depending on the containment status of COVID-19.

#### (I) Consolidated performance

Consolidated financial forecasts for the fiscal year ending 31st March, 2021 (From 1st April, 2020 to 31st March, 2021)

(Millions of yen)

	Previous forecast (A)	Revised forecast (B)	Change		(Reference) Previous fiscal year (Actual result)
			Amount (B-A)	Rate (%)	
Sales	540,000	550,000	10,000	1.9	528,873
Operating profit	83,000	86,000	3,000	3.6	83,178
Ordinary profit	84,000	87,000	3,000	3.6	84,528
Profit attributable to owners of parent	59,000	65,000	6,000	10.2	69,276

#### (II) Non-consolidated performance

Non-consolidated financial forecasts for the fiscal year ending 31st March, 2021 (From 1st April, 2020 to 31st March, 2021)

(Millions of yen)

	Previous forecast (A)	Revised forecast (B)	Change		(Reference) Previous fiscal year (Actual result)
			Amount (B-A)	Rate (%)	
Sales	415,000	425,000	10,000	2.4	417,495
Ordinary profit	71,000	74,000	3,000	4.2	75,647
Profit	50,000	56,000	6,000	12.0	68,453

#### (III) Other forecasts

a. Consolidated sales by segment for the fiscal year ending 31st March, 2021 (From 1st April, 2020 to 31st March, 2021)

(Millions of yen)

	Previous forecast (A)	Revised forecast (B)	Change		(Reference) Previous fiscal year (Actual result)
			Amount (B-A)	Rate (%)	
Consulting	36,000	38,000	2,000	5.6	38,572
Financial IT Solutions	282,000	285,000	3,000	1.1	273,571
Securities sector	125,000	127,000	2,000	1.6	112,762
Insurance sector	60,000	60,000	–	–	66,374
Banking sector	51,000	51,000	–	–	51,022
Other financial sector, etc.	46,000	47,000	1,000	2.2	43,411
Industrial IT Solutions	184,000	187,000	3,000	1.6	178,490
Distribution sector	63,000	63,000	–	–	66,789
Manufacturing and service sectors	121,000	124,000	3,000	2.5	111,700
IT Platform Services	38,000	40,000	2,000	5.3	38,239
Total	540,000	550,000	10,000	1.9	528,873

Note: The breakdowns of the segments are comprised of sales by customer sector.

- b. Consolidated sales by service for the fiscal year ending 31st March, 2021 (From 1st April, 2020 to 31st March, 2021)

(Millions of yen)

	Previous forecast (A)	Revised forecast (B)	Change		(Reference) Previous fiscal year (Actual result)
			Amount (B-A)	Rate (%)	
Consulting services	90,000	90,000	–	–	96,862
System development & application sales	179,000	187,000	8,000	4.5	161,703
System management & operation services	256,000	258,000	2,000	0.8	251,908
Product sales	15,000	15,000	–	–	18,399
Total	540,000	550,000	10,000	1.9	528,873

- c. Consolidated capital investment for the fiscal year ending 31st March, 2021 (From 1st April, 2020 to 31st March, 2021)

(Millions of yen)

	Previous forecast (A)	Revised forecast (B)	Change		(Reference) Previous fiscal year (Actual result)
			Amount (B-A)	Rate (%)	
Capital investment	35,000	30,000	(5,000)	(14.3)	28,496

#### (IV) Revisions to the forecasts of cash dividends

The Company considers the ongoing growth of its corporate value to be the most important return to its shareholders. The Company's basic policy on the payment of dividends from surplus is to continue to provide stable dividends while securing sufficient retained earnings for its medium and long-term business development. In line with this policy, the Company has targeted a consolidated dividend payout ratio\* of 35%, taking into account factors such as operating revenue and the cash flow situation.

Based on the policy above and business results for the current fiscal year, the Company has upwardly revised its forecast for year-end dividends for the fiscal year ending 31st March, 2021 by ¥2 from the one previously announced (announced on 28th April, 2020) to ¥19 per share. Consequently, combined with interim dividend, the annual dividend payment will be ¥36 per share, resulting in a consolidated dividend payout ratio based on the revised forecast of 33.6%.

\* Consolidated dividend payout ratio = Total annual cash dividends (including dividends for the trust exclusive for NRI Group Employee Stock Ownership Group) / Profit attributable to owners of parent

Forecasts of cash dividends for the fiscal year ending 31st March, 2021

(Yen)

Record date	Cash dividends per share		
	Second quarter	Fiscal year-end	Annual
Previous forecast	17.00	17.00	34.00
Revised forecast	–	19.00	36.00
Results for the current fiscal year	17.00	–	–
Results for the previous fiscal year	15.00	17.00	32.00

#### (Caution concerning forward-looking statements)

The forward-looking statements including business forecasts stated in this document are based on information available to the Company at the present time and certain assumptions (suppositions) judged to be rational, and these statements do not purport to be a promise by the Company to achieve such results. Actual business results, etc. may differ significantly from this forecast due to various factors. Material factors that could possibly affect the actual business results, etc. include, but are not limited to, the domestic and overseas economic situation, demand in the IT services market, competition with competitors, and changes in taxation and other systems. Note that the Company will not always revise business forecasts, etc. upon every occurrence of new information or event.

**Nomura Research Institute, Ltd.**

**Quarterly Consolidated Financial Statements**

*For the Nine-Month Period Ended 31st December, 2020  
(Unaudited)*

Unless otherwise noted, the amounts included in the financial statements are expressed in millions of yen and thousands of U.S. dollars with fractional amounts rounded off.

Nomura Research Institute, Ltd.

Quarterly Consolidated Financial Statements

*For the Nine-Month Period Ended 31st December, 2020  
(Unaudited)*

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Nomura Research Institute, Ltd.

Quarterly Consolidated Balance Sheet

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 3)</i>
	<b>31st March, 2020</b>	<b>31st December, 2020</b>	<b>31st December, 2020</b>
<b>Assets</b>			
Current assets:			
Cash and bank deposits ( <i>Notes 4 and 8</i> )	¥102,541	¥124,441	\$1,202,329
Short-term investment securities ( <i>Notes 4, 5 and 8</i> )	2,302	0	0
Accounts receivable and other receivables ( <i>Note 4</i> )	130,565	116,986	1,130,300
Operating loans ( <i>Note 4</i> )	1,500	1,500	14,493
Margin transaction assets ( <i>Note 4</i> )	5,620	6,596	63,729
Inventories	2,615	2,485	24,010
Prepaid expenses	6,265	8,251	79,720
Short-term guarantee deposits ( <i>Note 4</i> )	3,404	3,804	36,754
Other current assets	5,288	7,770	75,071
Allowance for doubtful accounts	(245)	(189)	(1,826)
Total current assets	259,855	271,644	2,624,580
Property and equipment:			
Land	7,060	7,060	68,213
Buildings, net	33,637	31,976	308,947
Buildings in trust, net	8,031	7,912	76,444
Machinery and equipment, net	12,587	12,624	121,971
Leased assets, net	2,107	2,040	19,710
Property and equipment, net	63,422	61,612	595,285
Software	48,287	48,764	471,150
Software in progress	12,112	11,800	114,010
Goodwill	20,410	21,017	203,063
Other intangibles	4,309	5,271	50,928
Investment securities ( <i>Notes 4 and 5</i> )	28,512	27,324	264,000
Investments in affiliates ( <i>Notes 4 and 5</i> )	6,055	6,072	58,667
Deferred tax assets	4,777	4,531	43,778
Lease investment assets	830	631	6,097
Net defined benefit asset	63,600	69,714	673,564
Long-term prepaid expenses	5,365	5,959	57,575
Other assets	15,657	17,078	165,004
Allowance for doubtful accounts	(40)	(18)	(175)
Total assets	¥533,151	¥551,399	\$5,327,526

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 3)</i>
	<b>31st March, 2020</b>	<b>31st December, 2020</b>	<b>31st December, 2020</b>
<b>Liabilities and Net Assets</b>			
Current liabilities:			
Accounts payable (Note 4)	¥ 25,613	¥ 22,522	\$ 217,604
Short-term loans payable (Note 4)	6,659	5,110	49,372
Short-term bonds payable (Note 4)	–	10,000	96,618
Current portion of long-term loans payable (Note 4)	5,133	15,511	149,865
Margin transaction liabilities (Note 4)	1,039	2,232	21,565
Lease obligations, current	891	1,006	9,720
Accrued expenses	38,052	31,734	306,609
Income taxes payable	20,773	11,196	108,174
Advance payments received	17,769	10,451	100,976
Short-term guarantee deposits received (Note 4)	5,932	6,239	60,280
Provision for loss on orders received	301	121	1,169
Asset retirement obligations	91	218	2,106
Other current liabilities	18,204	22,086	213,391
Total current liabilities	<u>140,457</u>	<u>138,426</u>	<u>1,337,449</u>
Bonds (Note 4)	73,311	83,943	811,043
Long-term loans payable (Note 4)	17,876	3,205	30,966
Lease obligations	1,907	2,213	21,382
Deferred tax liabilities	1,860	1,901	18,367
Net defined benefit liability	7,583	7,980	77,101
Asset retirement obligations	2,335	2,299	22,213
Other long-term liabilities	205	229	2,213
Reserve for financial products transaction liabilities	464	207	2,000
Total liabilities	<u>¥245,998</u>	<u>¥240,403</u>	<u>\$2,322,734</u>
Net assets (Notes 7 and 9):			
Shareholders' equity:			
Common stock:			
Authorized – 2,722,500 thousand shares at 31st March, 2020 and 2,722,500 thousand shares at 31st December, 2020			
Issued – 640,000 thousand shares at 31st March, 2020 and 640,788 thousand shares at 31st December, 2020	¥ 20,068	¥ 21,175	\$ 204,589
Additional paid-in capital (Note 7)	16,111	18,447	178,232
Retained earnings (Note 7)	302,966	327,086	3,160,251
Treasury stock, at cost: (Note 7)			
– 43,798 thousand shares at 31st March, 2020 and 41,690 thousand shares at 31st December, 2020	(66,628)	(63,240)	(611,014)
Total shareholders' equity	<u>272,517</u>	<u>303,468</u>	<u>2,932,058</u>
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities (Note 5)	10,517	10,089	97,478
Deferred gains or losses on hedges (Note 6)	–	897	8,667
Foreign currency translation adjustment	(10,542)	(5,672)	(54,802)
Remeasurements of defined benefit plans	(1,160)	(1,179)	(11,391)
Total accumulated other comprehensive income	<u>(1,185)</u>	<u>4,135</u>	<u>39,952</u>
Share subscription rights	680	511	4,937
Non-controlling interests	15,141	2,882	27,845
Total net assets	<u>287,153</u>	<u>310,996</u>	<u>3,004,792</u>
Total liabilities and net assets	<u>¥533,151</u>	<u>¥551,399</u>	<u>\$5,327,526</u>

See accompanying notes to quarterly consolidated financial statements.

Nomura Research Institute, Ltd.

Quarterly Consolidated Statement of Income and Comprehensive Income

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 3)</i>
	<b>Nine months ended 31st December,</b>		<b>Nine months ended 31st December,</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>
Sales ( <i>Note 10</i> )	¥390,545	¥404,466	\$3,907,884
Cost of sales	257,150	268,268	2,591,961
Gross profit	133,395	136,198	1,315,923
Selling, general and administrative expenses ( <i>Notes 11 and 12</i> )	71,289	73,051	705,807
Operating profit	62,106	63,147	610,116
Other income (expenses):			
Interest and dividend income	1,153	827	7,990
Interest expense	(296)	(301)	(2,908)
Equity in earnings (losses) of affiliates	(48)	66	638
Commission for purchase of treasury stock	(49)	–	–
Foreign exchange gains (losses)	127	(322)	(3,111)
Bonds issuance cost	(121)	(33)	(319)
Loss on COVID-19 pandemic	–	(496)	(4,792)
Gain on investment securities	19,081	3,638	35,150
Reversal of share-based compensation	2	6	58
Reversal of reserve for financial products transaction liabilities	12	258	2,493
Gain on step acquisitions	93	–	–
Other, net	219	149	1,439
	20,173	3,792	36,638
Income before income taxes	82,279	66,939	646,754
Provision for income taxes ( <i>Note 2</i> )	26,232	21,827	210,889
Profit	¥ 56,047	¥ 45,112	\$ 435,865
Profit attributable to owners of parent ( <i>Note 9</i> )	¥ 55,604	¥ 44,793	\$ 432,783
Profit attributable to non-controlling interests	443	319	3,082
Other comprehensive income (loss):			
Valuation difference on available-for-sale securities	(12,914)	(425)	(4,106)
Deferred gains or losses on hedges	–	897	8,667
Foreign currency translation adjustment	(1,390)	4,850	46,860
Remeasurements of defined benefit plans, net of tax	(15)	8	77
Share of other comprehensive income (loss) of affiliates	(74)	20	193
Total other comprehensive income (loss)	(14,393)	5,350	51,691
Comprehensive income	¥ 41,654	¥ 50,462	\$ 487,556
Comprehensive income attributable to:			
Comprehensive income attributable to owners of parent	¥ 41,186	¥ 50,112	\$ 484,174
Comprehensive income attributable to non-controlling interests	468	350	3,382

See accompanying notes to quarterly consolidated financial statements.



Nomura Research Institute, Ltd.

Quarterly Consolidated Statement of Cash Flows

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 3)</i>
	<b>Nine months ended</b>		<b>Nine months ended</b>
	<b>31st December,</b>		<b>31st December,</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>
<b>Cash flows from operating activities</b>			
Income before income taxes	¥ 82,279	¥ 66,939	\$ 646,754
Adjustments to reconcile income before income taxes to net cash provided by operating activities:			
Depreciation and amortization	22,661	23,412	226,203
Interest and dividend income	(1,153)	(827)	(7,990)
Interest expense	296	301	2,908
Gain on investment securities	(19,081)	(3,638)	(35,150)
Gain on step acquisitions	(93)	–	–
Changes in operating assets and liabilities:			
Accounts receivable and other receivables, net of advance payments received	16,190	7,398	71,478
Allowance for doubtful accounts	53	(89)	(860)
Accounts payable	(2,113)	(168)	(1,623)
Inventories	23	333	3,217
Net defined benefit asset	(7,033)	(6,065)	(58,599)
Net defined benefit liability	456	364	3,517
Provision for loss on orders received	(577)	(180)	(1,739)
Margin transaction assets	1,510	(976)	(9,430)
Short-term guarantee deposits	(200)	(400)	(3,865)
Margin transaction liabilities	358	1,193	11,527
Short-term guarantee deposits received	(848)	306	2,957
Reserve for financial products transaction liabilities	(12)	(258)	(2,493)
Other	(4,432)	(7,063)	(68,242)
Subtotal	88,284	80,582	778,570
Interest and dividends received	1,293	1,195	11,546
Interest paid	(244)	(278)	(2,686)
Income taxes paid	(14,476)	(30,608)	(295,730)
Net cash provided by operating activities	74,857	50,891	491,700
<b>Cash flows from investing activities</b>			
Payments for time deposits	(1,667)	(1,743)	(16,841)
Proceeds from time deposits	1,450	1,708	16,502
Purchase of short-term investment securities	(2,007)	–	–
Proceeds from sales and redemption of short-term investment securities	2,000	2,300	22,222
Acquisition of property and equipment	(3,864)	(6,050)	(58,454)
Proceeds from sales of property and equipment	0	1	10
Purchase of software and other intangibles	(16,945)	(15,531)	(150,057)
Proceeds from sales of software and other intangibles	–	5	48
Payments for asset retirement obligations	(5)	(35)	(338)
Purchase of investment securities	(563)	(201)	(1,942)
Proceeds from sales and redemption of investment securities	47,013	4,381	42,329
Purchase of investments in affiliates	(728)	–	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,336)	–	–
Other	(4)	6	57
Net cash provided by (used in) investing activities	¥ 23,344	¥ (15,159)	\$ (146,464)

Nomura Research Institute, Ltd.

Quarterly Consolidated Statement of Cash Flows (continued)

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 3)</i>
	<b>Nine months ended 31st December,</b>		<b>Nine months ended 31st December,</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>
<b>Cash flows from financing activities</b>			
Net decrease in short-term loans payable	¥ (586)	¥ (2,021)	\$ (19,527)
Proceeds from long-term loans payable	10,000	–	–
Repayments of long-term loans payable	(3,765)	(4,302)	(41,565)
Net increase in short-term bonds	–	9,979	96,416
Proceeds from issuance of bonds	39,879	9,973	96,357
Redemption of bonds	–	(30)	(290)
Repayments of obligation under finance leases	(459)	(631)	(6,097)
Proceeds from sales of treasury stock	5,079	5,012	48,425
Purchase of treasury stock	(171,058)	(3)	(29)
Cash dividends paid	(19,590)	(20,563)	(198,675)
Cash dividends paid to non-controlling interests	(117)	(72)	(696)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	–	(11,325)	(109,420)
Net cash used in financing activities	(140,617)	(13,983)	(135,101)
Effect of exchange rate changes on cash and cash equivalents	(947)	288	2,783
Net increase (decrease) in cash and cash equivalents	(43,363)	22,037	212,918
Cash and cash equivalents at beginning of period	123,201	100,779	973,710
Cash and cash equivalents at end of period <i>(Note 8)</i>	¥ 79,838	¥ 122,816	\$ 1,186,628

See accompanying notes to quarterly consolidated financial statements.

# Nomura Research Institute, Ltd.

## Notes to Quarterly Consolidated Financial Statements

31st December, 2020

### **1. Description of Business, Basis of Presentation, Accounting Change and Additional Information**

#### *Description of Business*

The NRI Group (Nomura Research Institute, Ltd. (the “Company”) and its 73 consolidated subsidiaries) and its affiliates (10 companies) engage in the following four business services: “consulting services,” comprised of research, management consulting and system consulting; “system development & application sales,” comprised of system development and the sales of package software products; “system management & operation services,” comprised of outsourcing services, multi-user system services, and information services; and “product sales.” Information on the NRI Group’s operations by segment is included in Note 13.

During the quarterly period ended 31st December, 2020, the NRI Group has excluded one company from the scope of consolidation.

#### *Basis of Presentation*

The accompanying quarterly consolidated financial statements of the NRI Group are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Law.

In addition, the notes to the quarterly consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

Certain reclassifications have been made to present the accompanying quarterly consolidated financial statements in a format which is familiar to readers outside Japan.

#### *Accounting Change*

The NRI Group has applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 29, 31st March, 2020) from the quarterly period ended 30th June, 2020. As a result, the NRI Group shall recognize revenue when it satisfies a performance obligation by transferring promised goods or services to customers.

The impact as a result of this change on the quarterly consolidated financial statements for the nine-month period ended 31st December, 2020 was immaterial.

## **1. Description of Business, Basis of Presentation, Accounting Change and Additional Information (continued)**

### ***Additional Information***

#### ***(Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts)***

The Company has introduced a "Trust-type Employee Stock Ownership Incentive Plan" for employees (including employees of the consolidated subsidiaries, and the same shall apply hereinafter). The purpose of this plan is to promote the Company's perpetual growth by providing incentives to employees for increasing the Company's corporate value in the mid- to long-term and to enhance benefits and the welfare of employees.

This is an incentive plan under which gains from the Company's share price appreciation are distributed to all participants in the Employee Stock Ownership Group (the "ESOP Group"). The Employee Stock Ownership Trust (the "ESOP Trust") has established exclusively for the ESOP Group to carry out this plan in March, 2019.

The ESOP Trust acquires the number of the Company's shares in advance, which the ESOP Group would expect to acquire over a period of four years subsequent to the establishment of the ESOP Trust. Then, the ESOP Trust sells them to the ESOP Group each time the ESOP Group is to acquire of the Company's shares. When the share price appreciates and earnings have accumulated in the ESOP Trust, upon its termination, a cash distribution of the funds will be made to beneficiaries. Since the Company guarantees the loans of the ESOP Trust taken out to purchase the Company's shares, the Company is obligated to repay the remaining liabilities of the ESOP Trust under a guarantee agreement if any obligations remain unsettled upon termination of the ESOP Trust.

The Company includes the assets and liabilities of the ESOP Trust at the end of the fiscal year in the accompanying consolidated balance sheet. The Company records the Company's shares that the ESOP Trust owns at the end of the fiscal year at the acquisition costs of the ESOP Trust in the net assets section as treasury stock. The Company records the earnings on stock in the ESOP Trust in the liabilities section as a suspense account to be settled. The Company records the losses on stock in the ESOP Trust in the assets section as a suspense account to be settled and also a provision when it is expected that the outstanding loans used to purchase shares will remain unsettled at the termination of the ESOP Trust.

As of 31st March, 2020 and 31st December, 2020, ¥13,837 million (corresponding to 8,232 thousand shares of the Company held by the ESOP Trust) and ¥11,600 million (\$112,077 thousand) (corresponding to 6,901 thousand shares of the Company held by the ESOP Trust) and the loan payable of the ESOP Trust of ¥12,943 million and ¥8,716 million (\$84,213 thousand), respectively, are recorded in the accompanying quarterly consolidated balance sheet.

## **1. Description of Business, Basis of Presentation, Accounting Change and Additional Information (continued)**

### *Additional Information (continued)*

#### *(Effects of COVID-19 Pandemic When Making Accounting Estimates)*

While uncertainties remain in association with COVID-19, the NRI Group has calculated earnings forecasts for the current fiscal year based on the results for the nine months ended 31st December, 2020 and the current order environment. Accounting estimates are reasonably determined by taking into consideration the business environment of each business and region considering the above assumptions.

In addition, the assumptions used in making accounting estimates involve a high degree of uncertainty, and if COVID-19 persists longer than expected or the situation surrounding the business environment changes, the financial condition and operating performance of the NRI Group for the current fiscal year may be affected.

## **2. Specific Accounting Policy Adopted in Preparing Quarterly Consolidated Financial Statements**

### ***Calculation of Tax Expense***

At the end of each interim period the NRI Group, except certain consolidated subsidiaries, makes its best estimate of the effective tax rate expected to be applicable for the full fiscal year. Tax expenses for interim periods are computed multiplying income before income taxes by the aforementioned estimated annual effective tax rate for the annual period. Deferred income taxes are included in provision for income taxes in the quarterly consolidated statement of income and comprehensive income. However, if the result of the calculation using the relevant estimated effective tax rate is unreasonable, income taxes are calculated by multiplying quarterly income before income taxes by the effective statutory tax rate, after adjusting for important differences that do not constitute temporary differences.

### **3. U.S. Dollar Amounts**

The Company maintains its books of account in yen. The U.S. dollar amounts included in the accompanying quarterly consolidated financial statements and the notes thereto represent the arithmetic results of translating yen into dollars at ¥103.50 = U.S.\$1.00, the rate of exchange prevailing on 31st December, 2020. The U.S. dollar amounts are included solely for the convenience of the reader and the translation is not intended to imply that the assets and liabilities which originated in yen have been or could be readily converted, realized or settled in U.S. dollars at the above or any other rate.

## 4. Financial Instruments

### Fair value of financial instruments

The carrying amount of financial instruments on the quarterly consolidated balance sheet as of 31st March, 2020 and 31st December, 2020 and estimated fair value are shown in the following table. The following table does not include non-marketable securities whose fair value is not readily determinable (see Note 2).

	<i>Millions of yen</i>					
	31st March, 2020			31st December, 2020		
	Carrying amount	Estimated fair value	Difference	Carrying amount	Estimated fair value	Difference
<b>Assets:</b>						
Cash and bank deposits	¥102,541	¥102,541	¥ –	¥124,441	¥124,441	¥ –
Accounts receivable and other receivables	130,565	130,565	–	116,986	116,986	–
Short-term investment securities, investment securities, and investments in affiliates	27,426	27,426	–	23,993	23,993	–
Operating loans	1,500	1,500	–	1,500	1,500	–
Margin transaction assets	5,620	5,620	–	6,596	6,596	–
Short-term guarantee deposits	3,404	3,404	–	3,804	3,804	–
<b>Total</b>	<b>¥271,056</b>	<b>¥271,056</b>	<b>¥ –</b>	<b>¥277,320</b>	<b>¥277,320</b>	<b>¥ –</b>
<b>Liabilities:</b>						
Accounts payable	¥ 25,613	¥ 25,613	¥ –	¥ 22,522	¥ 22,522	¥ –
Short-term bonds payable	–	–	–	10,000	10,000	–
Short-term loans payable	6,659	6,659	–	5,110	5,110	–
Margin transaction liabilities	1,039	1,039	–	2,232	2,232	–
Short-term guarantee deposits received	5,932	5,932	–	6,239	6,239	–
Bonds	73,311	73,036	(275)	83,943	83,862	(81)
Long-term loans payable *1	23,009	23,022	13	18,716	18,721	5
<b>Total</b>	<b>¥135,563</b>	<b>¥135,301</b>	<b>¥ (262)</b>	<b>¥148,762</b>	<b>¥148,686</b>	<b>¥ (76)</b>
Derivative transactions *2	¥ –	¥ –	¥ –	¥ 1,292	¥ 1,292	¥ –

	<i>Thousands of U.S. dollars</i>		
	31st December, 2020		
	Carrying amount	Estimated fair value	Difference
<b>Assets:</b>			
Cash and bank deposits	\$1,202,329	\$1,202,329	\$ –
Accounts receivable and other receivables	1,130,300	1,130,300	–
Short-term investment securities, investment securities, and investments in affiliates	231,816	231,816	–
Operating loans	14,493	14,493	–
Margin transaction assets	63,729	63,729	–
Short-term guarantee deposits	36,754	36,754	–
<b>Total</b>	<b>\$2,679,421</b>	<b>\$2,679,421</b>	<b>\$ –</b>
<b>Liabilities:</b>			
Accounts payable	\$ 217,604	\$ 217,604	\$ –
Short-term bonds payable	96,618	96,618	–
Short-term loans payable	49,372	49,372	–
Margin transaction liabilities	21,565	21,565	–
Short-term guarantee deposits received	60,280	60,280	–
Bonds	811,043	810,261	(782)
Long-term loans payable *1	180,831	180,879	48
<b>Total</b>	<b>\$1,437,313</b>	<b>\$1,436,579</b>	<b>\$ (734)</b>
Derivative transactions *2	\$ 12,483	\$ 12,483	\$ –

\*1 Long-term loans payable included the current portion of long-term loans payable totaling ¥5,133 million and ¥15,511 million (\$149,865 thousand) as of 31st March, 2020 and 31st December, 2020, respectively.

\*2 Receivables and payables arising from derivative transactions are offset and presented as a net amount with liabilities shown in parentheses.

#### 4. Financial Instruments (continued)

Fair value of financial instruments (continued)

Note 1: Methods to determine the estimated fair value of financial instruments

##### Assets

a. Cash and bank deposits and short-term guarantee deposits

Their carrying amount approximates the fair value due to the short maturity of these instruments.

b. Accounts receivable and other receivables

Their carrying amount approximates the fair value due to the generally short maturities of these instruments. For those receivables due after one year, the present value is further discounted by the rate corresponding to the credit risk and the amount is presented in the consolidated balance sheet, therefore, the carrying amount approximates fair value.

c. Short-term investment securities, investment securities and investments in affiliates

The fair value of stocks is based on quoted market prices. The fair value of bonds is based on either quoted market prices or prices provided by the financial institution making markets in these securities. The fair value of investment trusts is based on publicly available net asset values.

d. Operating loans and margin transaction assets

The fair value of these instruments, to which variable rates are applied, approximates the carrying amount because the variable rates reflect market interest rates over a short term unless the credit conditions of the counterparty change significantly after disbursement. With regard to potentially doubtful receivables, the amount of the allowance for doubtful receivables is determined based on the estimated amount collectible under collateral agreements, and their fair value approximates the carrying amount less the estimated allowance for doubtful accounts on the consolidated balance sheet.

##### Liabilities

a. Accounts payable, short-term bonds payable, short-term loans payable, margin transaction liabilities and short-term guarantee deposits received

Their carrying amount approximates the fair value due to the short maturity of these instruments.

b. Bonds

The fair value of bonds is based on the quoted market price or the price obtained from a counterparty financial institution.



#### 4. Financial Instruments (continued)

Fair value of financial instruments (continued)

##### c. Long-term loans payable

The fair value of long-term loans payable, to which variable rates are applied, approximates the carrying amount because the variable rates reflect market interest rates over a short term. Those with fixed interest rates, on the other hand, are calculated by discounting the total amount of principal and interest by an interest rate assumed to be applied if the similar loans were newly executed.

Derivative transactions

The fair values are calculated based on the quoted price obtained from counterparty financial institutions.

Note 2: Non-marketable securities whose fair value is not readily determinable are as follows.

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	<b>31st March, 2020</b>	<b>31st December, 2020</b>	<b>31st December, 2020</b>
Unlisted companies' shares *1	¥8,561	¥8,524	\$82,357
Investments in partnerships *2	881	879	8,493

\*1 Unlisted companies' shares are not measured at fair value because they have no market prices on exchanges, and their fair value is not readily determinable. Unlisted companies' shares included investments in affiliates accounted for under the equity method totaling ¥6,055 million and ¥6,072 million (\$58,667 thousand) as of 31st March, 2020 and 31st December, 2020, respectively.

\*2 For investments in partnerships, when all or a part of the assets of a partnership consist of non-marketable securities whose fair value is not readily determinable, such components are not measured at fair value.

## 5. Investments

The NRI Group did not hold any held-to-maturity securities with determinable market value at 31st March, 2020 and 31st December, 2020.

The following is a summary of the information concerning available-for-sale securities included in short-term investment securities, investment securities and investments in affiliates at 31st March, 2020 and 31st December, 2020:

### *Securities Classified as Available-for-Sale Securities*

	<i>Millions of yen</i>					
	<b>31st March, 2020</b>			<b>31st December, 2020</b>		
	<b>Acquisition cost</b>	<b>Carrying amount</b>	<b>Unrealized gain (loss)</b>	<b>Acquisition cost</b>	<b>Carrying amount</b>	<b>Unrealized gain</b>
Equity securities	¥13,936	¥27,618	¥13,682	¥13,326	¥26,432	¥13,106
Bonds:						
Government bonds	4	4	0	4	4	0
Corporate bonds	2,303	2,302	(1)	-	-	-
	<u>2,307</u>	<u>2,306</u>	<u>(1)</u>	<u>4</u>	<u>4</u>	<u>0</u>
Other	829	890	61	869	888	19
Total	<u>¥17,072</u>	<u>¥30,814</u>	<u>¥13,742</u>	<u>¥14,199</u>	<u>¥27,324</u>	<u>¥13,125</u>

	<i>Thousands of U.S. dollars</i>		
	<b>31st December, 2020</b>		
	<b>Acquisition cost</b>	<b>Carrying amount</b>	<b>Unrealized gain</b>
Equity securities	\$128,754	\$255,382	\$126,628
Bonds:			
Government bonds	39	39	0
Corporate bonds	-	-	-
	<u>39</u>	<u>39</u>	<u>0</u>
Other	8,395	8,579	184
Total	<u>\$137,188</u>	<u>\$264,000</u>	<u>\$126,812</u>

Non-marketable securities whose fair value is not readily determinable were included in the above table. "Acquisition cost" in the above table is the carrying amount after recognizing impairment loss. Impairment loss on available-for-sale securities whose fair value is based on quoted market prices as a result of a decline in value amounted to ¥381 million and impairment loss on available-for-sale securities whose fair value is not readily determinable as a result of a decline in value amounted to ¥117 million for the year ended 31st March, 2020. Impairment loss on available-for-sale securities whose fair value is based on quoted market prices as a result of a decline in value amounted to ¥294 million (\$2,841 thousand) for the nine months ended 31st December, 2020.

## **5. Investments (continued)**

The NRI Group has established a policy for the recognition of impairment losses under the following conditions:

- i) For marketable securities whose fair value has declined by 30% or more, the NRI Group recognizes impairment loss except in cases where the decline in fair value is expected to be recoverable.
- ii) For non-marketable securities whose fair value is not readily determinable, of which net asset value has declined by 50% or more, the NRI Group recognizes impairment loss except in cases where the decline in fair value is expected to be recoverable.

## 6. Derivative Transactions and Hedging Activities

There were no derivative transactions to which hedge accounting was not applied during the year ended 31st March, 2020 and the quarterly period ended 31st December, 2020.

For the derivative transactions to which hedge accounting was applied as of 31st March, 2020 and 31st December, 2020, the contract amounts and estimated fair values of the hedging instruments are as follows.

	<i>Millions of yen</i>			
	<b>31st March, 2020</b>		<b>31st December, 2020</b>	
	<b>Contract amount</b>	<b>Estimated fair value *</b>	<b>Contract amount</b>	<b>Estimated fair value *</b>
Forward foreign exchange contracts for shares of subsidiaries, accounted for by deferral hedge accounting method:				
Buy: AUD	¥ –	¥ –	¥7,964	¥1,292
	<i>Thousands of U.S. dollars</i>			
	<b>31st December, 2020</b>			
	<b>Contract amount</b>	<b>Estimated fair value *</b>		
Forward foreign exchange contracts for shares of subsidiaries, accounted for by deferral hedge accounting method:				
Buy: AUD	\$76,947	\$12,483		

\* The fair values are calculated based on the quoted prices obtained from the counterparty financial institutions.

## 7. Net Assets

The Corporation Law of Japan provides that earnings in an amount equal to at least 10% of dividends of capital surplus and retained earnings shall be appropriated to the legal reserve until the aggregate amount of the legal reserve and additional paid-in capital equals 25% of the stated capital. The legal reserve and the additional paid-in capital account are available for appropriation by resolution of the shareholders. In accordance with the Corporation Law, the Company provides a legal reserve which is included in retained earnings. This reserve amounted to ¥571 million and ¥571 million (\$5,517 thousand) at 31st March, 2020 and 31st December, 2020, respectively.

For the nine months ended 31st December, 2019

### 1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Meeting of the Board of Directors on 15th May, 2019 *1	Common Stock	¥10,550	¥45.00	31st March, 2019	31st May, 2019	Retained earnings
Meeting of the Board of Directors on 25th October, 2019 *2	Common Stock	¥ 9,048	¥15.00	30th September 2019	29th November, 2019	Retained earnings

\*1 Dividends of ¥60 million paid to the ESOP Trust are included in the total dividends amount.

\*2 Dividends of ¥139 million paid to the ESOP Trust are included in the total dividends amount.

### 2) Significant changes in shareholders' equity

The ESOP Trust acquired 2,120 thousand shares of treasury stock based on the resolution of the Board of Directors for readopting a Trust-type Employee Stock Ownership Incentive Plan on 8th March, 2019 (6,359 thousand shares after taking into account a 3-for-1 stock split on 1st July, 2019). As a result, treasury stock increased by ¥10,866 million.

The Company acquired 101,911 thousand shares of treasury stock by tender offer based on the resolution of the Board of Directors on 18th June, 2019. As a result, treasury stock increased by ¥160,000 million.

The Company retired 114,592 thousand shares of treasury stock based on the resolution of the Board of Directors on 25th October, 2019. As a result, additional paid-in capital and treasury stock decreased by ¥169,710 million. As the balance of other additional paid-in capital became negative, ¥(169,680) million after the retirement and disposal of treasury stock, the Company netted out this negative amount against other retained earnings, in accordance with "Revised Accounting Standard for Treasury Shares and Appropriation of Legal Reserve" (Accounting Standards Board of Japan (ASBJ) Statement No. 1 issued on 26th March, 2015).

Consequently, additional paid-in capital increased by ¥707 million, retained earnings decreased by ¥133,580 million and treasury stock decreased by ¥3,765 million, respectively during the nine-month period ended 31st December, 2019. Furthermore, additional paid-in capital, retained earnings and treasury stock amounted to ¥16,258 million, ¥289,467 million and ¥68,432 million, respectively, as of 31st December, 2019.

## 7. Net Assets (continued)

For the nine months ended 31st December, 2020

### Dividends paid

<b>Resolution</b>	<b>Type of shares</b>	<b>Total dividends (Millions of yen)</b>	<b>Total dividends (Thousands of U.S. dollars)</b>	<b>Dividends per share (Yen)</b>	<b>Dividends per share (U.S. dollars)</b>	<b>Cut-off date</b>	<b>Effective date</b>	<b>Source of dividends</b>
Meeting of the Board of Directors on 15th May, 2020 *1	Common Stock	¥10,275	\$99,275	¥17.00	\$0.16	31st March, 2020	2nd June, 2020	Retained earnings
Meeting of the Board of Directors on 28th October, 2020 *2	Common Stock	¥10,298	\$99,498	¥17.00	\$0.16	30th September, 2020	30th November, 2020	Retained earnings

\*1 Dividends of ¥140 million (\$1,353 thousand) paid to the ESOP Trust are included in the total dividends amount.

\*2 Dividends of ¥125 million (\$1,208 thousand) paid to the ESOP Trust are included in the total dividends amount.

## 8. Cash and Cash Equivalents

A reconciliation between cash and bank deposits in the accompanying quarterly consolidated balance sheet and cash and cash equivalents in the accompanying quarterly consolidated statement of cash flows at 31st December, 2019 and 2020 is as follows:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	<b>31st December,</b>		<b>31st</b>
	<b>2019</b>	<b>2020</b>	<b>December, 2020</b>
Cash and bank deposits	¥81,715	¥124,441	\$1,202,329
Short-term investment securities	2,003	0	0
Time deposits with maturities of more than three months when deposited	(1,878)	(1,625)	(15,701)
Bond and other investments maturing in more than three months from the acquisition date	(2,002)	–	–
Cash and cash equivalents	<u>¥79,838</u>	<u>¥122,816</u>	<u>\$1,186,628</u>

## 9. Per Share Data

Per share data is summarized as follows: \*1 and \*2

	<i>Yen</i>		<i>U.S. dollars</i>
	<b>Nine months ended 31st December,</b>		<b>Nine months ended 31st December,</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>
Earnings per share	¥86.06	¥74.93	\$0.72
Diluted earnings per share	85.85	74.74	0.72

\*1 The computation of earnings per share is based on the weighted-average number of shares of common stock outstanding during each period.

\*2 The Company implemented a 3-for-1 stock split effective 1st July, 2019. To reflect this stock split, earnings per share and diluted earnings per share are calculated as if the stock split took place on 1st April, 2019.

## 9. Per Share Data (continued)

The computation of earnings per share and diluted earnings per share for the nine months ended 31st December, 2019 and 2020 is as follows: \*1

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	<b>Nine months ended 31st December,</b>		<b>Nine months ended 31st December,</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>
Numerator:			
Earnings *2	¥55,604	¥44,793	\$432,783
Earnings not attributable to common shareholders	(-)	(-)	(-)
Earnings attributable to common shareholders	<u>¥55,604</u>	<u>¥44,793</u>	<u>\$432,783</u>
	<i>Thousands of Shares</i>		
Denominator:			
Weighted-average number of shares of common stock outstanding – basic *3	646,088	597,787	
Potentially dilutive shares of common stock:			
Stock options	1,601	1,515	
Total	<u>1,601</u>	<u>1,515</u>	
Weighted-average number of shares of common stock outstanding – diluted	<u>647,689</u>	<u>599,302</u>	

\*1 The Company implemented a 3-for-1 stock split effective 1st July, 2019. To reflect this stock split, earnings per share and diluted earnings per share are calculated as if the stock split took place on 1st April, 2019.

\*2 In computing diluted earnings per share for the nine-month periods ended 31st December, 2019 and 2020, an adjustment due to potentially dilutive shares of affiliates in the amount of ¥(0) million and ¥0 million (\$0 thousand) has been made to earnings in the above table.

\*3 The Company's shares owned by the ESOP Trust are included in treasury stock. The weighted-average number of shares the ESOP Trust owned was 9,199 thousand and 7,532 thousand during the nine-month periods ended 31st December, 2019 and 2020, respectively.



## 10. Revenue Recognition

A disaggregation of revenue generated from sales to external customers for the nine months ended 31st December, 2019 and 2020 are as follows:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	<b>Nine months ended 31st December,</b>		<b>Nine months ended 31st December,</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>
Consulting	¥ 27,063	¥ 25,371	\$ 245,130
Financial IT Solutions	202,561	213,675	2,064,493
Securities	81,466	96,358	930,995
Insurance	50,163	44,946	434,261
Banking	38,115	37,294	360,329
Other financial	32,816	35,077	338,908
Industrial IT Solutions	133,778	137,346	1,327,015
Distribution	50,895	46,451	448,802
Manufacturing, service and other	82,883	90,895	878,213
IT Platform Services	27,143	28,074	271,246
Total	<u>¥390,545</u>	<u>¥404,466</u>	<u>\$3,907,884</u>

## 11. Selling, General and Administrative Expenses

The details of selling, general and administrative expenses for the nine months ended 31st December, 2019 and 2020 are summarized as follows:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	<b>Nine months ended 31st December,</b>		<b>Nine months ended 31st December,</b>
	<b>2019</b>	<b>2020</b>	<b>2020</b>
Personnel expenses	¥37,443	¥39,928	\$385,778
Rent	4,220	4,615	44,589
Subcontractor costs	12,626	13,083	126,406
Other	17,000	15,425	149,034
Total	<u>¥71,289</u>	<u>¥73,051</u>	<u>\$705,807</u>

## 12. Research and Development Expenses

Research and development expenses included in selling, general and administrative expenses amounted to ¥2,887 million and ¥3,089 million (\$29,845 thousand) for the nine months ended 31st December, 2019 and 2020, respectively.

### 13. Segment Information

Net sales and profit by reportable segments

For the nine months ended 31st December, 2019

*Millions of yen*

Nine months ended 31st December, 2019							
Reportable segment							
	Consulting	Financial IT Solutions	Industrial IT Solutions	IT Platform Services	Total	Adjustments *1	Consolidated *2
Net sales:							
Sales to external customers	¥27,063	¥202,561	¥133,778	¥ 27,143	¥390,545	¥ –	¥390,545
Intersegment sales or transfers	564	1,968	2,154	74,953	79,639	(79,639)	–
Total	27,627	204,529	135,932	102,096	470,184	(79,639)	390,545
Segment profit	¥ 5,692	¥ 26,936	¥ 14,503	¥ 14,275	¥ 61,406	¥ 700	¥ 62,106

\*1 Individual items included in adjustment of segment profit were immaterial.

\*2 Segment profit is adjusted to operating profit in the quarterly consolidated statement of income and comprehensive income.

For the nine months ended 31st December, 2020

*Millions of yen*

Nine months ended 31st December, 2020							
Reportable segment							
	Consulting	Financial IT Solutions	Industrial IT Solutions	IT Platform Services	Total	Adjustments *1	Consolidated *2
Net sales:							
Sales to external customers	¥25,371	¥213,675	¥137,346	¥ 28,074	¥404,466	¥ –	¥404,466
Intersegment sales or transfers	604	2,821	2,492	76,029	81,946	(81,946)	–
Total	25,975	216,496	139,838	104,103	486,412	(81,946)	404,466
Segment profit	¥ 5,444	¥ 29,023	¥ 14,050	¥ 14,246	¥ 62,763	¥ 384	¥ 63,147

*Thousands of U.S. dollars*

Nine months ended 31st December, 2020							
Reportable segment							
	Consulting	Financial IT Solutions	Industrial IT Solutions	IT Platform Services	Total	Adjustments *1	Consolidated *2
Net sales:							
Sales to external customers	\$245,130	\$2,064,493	\$1,327,015	\$ 271,246	\$3,907,884	\$ –	\$3,907,884
Intersegment sales or transfers	5,836	27,256	24,077	734,580	791,749	(791,749)	–
Total	250,966	2,091,749	1,351,092	1,005,826	4,699,633	(791,749)	3,907,884
Segment profit	\$ 52,599	\$ 280,415	\$ 135,749	\$ 137,643	\$ 606,406	\$ 3,710	\$ 610,116

\*1 Individual items included in adjustment of segment profit were immaterial.

\*2 Segment profit is adjusted to operating profit in the quarterly consolidated statement of income and comprehensive income.

## 14. Lawsuit

For the year ended 31st March, 2020

On 30th April, 2015, a lawsuit was filed against the Company by Japan Post Information Technology Co., Ltd. (“JPiT”) and the case is currently in litigation.

With an aim to migrate their communication network, connecting post offices across Japan to a new network, JPiT placed an order for the procurement and maintenance of network services with SoftBank Corp. and an order for transitional management and operational coordination of the network with the Company. In the lawsuit, JPiT is demanding that SoftBank Corp. and the Company pay ¥16.15 billion jointly as compensation for damages due to a delay in the migration.

For the nine months ended 31st December, 2020

On 30th April, 2015, a lawsuit was filed against the Company by Japan Post Information Technology Co., Ltd. (“JPiT”) and the case is currently in litigation.

With an aim to migrate their communication network, connecting post offices across Japan to a new network, JPiT placed an order for the procurement and maintenance of network services with SoftBank Corp. and an order for transitional management and operational coordination of the network with the Company. In the lawsuit, JPiT has demanded that SoftBank Corp. and the Company pay ¥16.15 billion (\$156.04 million) jointly as compensation for damages due to a delay in the migration.

JPiT made additional claims against the Company on 24th June, 2020. As a result, JPiT is demanding that SoftBank Corp. and the Company pay ¥19.65 billion (\$189.88 million) in total as compensation for damages due to a delay in the migration.

## 15. Subsequent Events

### *A. Termination of Trust Period of Trust-type Employee Stock Ownership Incentive Plan*

Aiming to provide incentives to NRI Group employees and enhance employee benefits and welfare, the Company, at the Meeting of the Board of Directors held on 27th January, 2021, passed a resolution to terminate the “NRI Group Employee Stock Ownership Trust V 2022” subject to reaching an agreement with The Nomura Trust and Banking Co., Ltd., as the trustee, which is the trust administrator that acts in the interest of the employees, and others, as follows. The “NRI Group Employee Stock Ownership Trust V 2022” was established by the Company for the Trust-type Employee Stock Ownership Incentive Plan reintroduced on 8th March, 2019 in the “NRI Group Employee Stock Ownership Group” whose participants are employees of the NRI Group.

#### 1) Termination of trust period

The expiration date of the trust period of the trust agreement shall be as follows.

Before change: 14th March, 2023

After change: 10th March, 2021

#### 2) Scheduled contract date of termination of agreement

10th March, 2021

### *B. Reintroduction of Trust-type Employee Stock Ownership Incentive Plan*

The Company passed a resolution to reintroduce the Trust-type Employee Stock Ownership Incentive Plan (the “Plan”) at the Meeting of the Board of Directors held on 27th January, 2021.

#### 1) Purpose of reintroducing the Plan

The purpose of reintroducing the Plan is to promote sustainable growth of the Company and further expand employee benefit packages by providing incentives to employees for raising the Company’s corporate value over the medium and long terms. This, in turn, will help the Company as a whole to achieve the objectives of its Vision 2022 long-term management strategy. The Plan has the same structure as the plan the Company reintroduced on 8th March, 2019.

#### 2) Overview of the Plan

The Plan is an incentive plan for all of the employees (including employees of consolidated subsidiaries) participating in NRI Group Employee Stock Ownership Group (the “ESOP Group”). For the Plan, the Company has set up the NRI Group Employee Stock Ownership Trust V 2022 (the “ESOP Trust”) with a trust bank, and the ESOP Trust will take out loans to purchase in advance the amount of the Company’s stock that is expected to be purchased by the ESOP Group over the following two years. After that, the ESOP Trust will continuously sell the Company’s stock to the ESOP Group, and if an aggregate gain on sales of shares has accumulated in the ESOP Trust at the time it is terminated, the cash will be distributed as residual assets to persons who meet the requirements for eligible beneficiaries. Furthermore, the Company will guarantee the loans obtained by the ESOP Trust to purchase the Company’s stock. Accordingly, the Company will repay any remaining liabilities in the event that the ESOP Trust has accumulated aggregate losses on sales of shares due to a decline in the value of the Company’s share price and the ESOP Trust has outstanding loans at the time it is terminated.

## 15. Subsequent Events (continued)

### 3) Overview of the ESOP Trust

- (a) Name: NRI Group Employee Stock Ownership Trust V 2022
- (b) Trustor: Nomura Research Institute, Ltd.
- (c) Trustee: The Nomura Trust and Banking Co., Ltd.
- (d) Beneficiaries: Persons who meet the requirements for eligible beneficiaries (Such persons must complete the prescribed procedures after it is confirmed that they have beneficiary rights.)
- (e) Trust contract date: 5th March, 2021
- (f) Trust period: From 5th March, 2021, to 14th March, 2023 (Loan payable will be promptly repaid to terminate the trust when the ESOP Trust cancels the stock acquisition.)
- (g) Purpose of trust: To provide a steady and continuous supply of stock to the ESOP Group and distribute trust assets to beneficiaries
- (h) Beneficiary requirements: A beneficiary must be alive on the date when procedures for confirming qualified beneficiaries begin (as of that date, the trust period must have terminated, trust assets must have been converted to cash, and all of the Company's stock held as trust assets must have been sold to the ESOP Group), and be a member of the ESOP Group (or a former member who had to withdraw their membership because of loss of eligibility due to being appointed as an executive manager, being transferred, or reaching mandatory retirement age on or after 16th March, 2021 and up to the date when procedures for confirming qualified beneficiaries begin).

### 4) Details on acquisition of the Company's stock by the ESOP Trust

- (a) Type of stock acquired: Common stock of the Company
- (b) Total price of stock acquired: 10.0 billion yen (\$96.62 million) (Maximum)
- (c) Stock acquisition period: 11th March, 2021 to 31st March, 2021
- (d) Method of stock acquisition: Market purchase
- (e) Cancellation of stock acquisition: The stock acquisition will be canceled when the agreement on the "NRI Group Employee Stock Ownership Trust V 2022," established by the Company on 8th March, 2019, is terminated on 10th March, 2021.