

FY March 2015 Financial Results

April 23, 2015

Nomura Research Institute, Ltd.

I . FY March 2015 Financial Results (Consolidated)

II . FY March 2016 Financial Results Forecasts (Consolidated)

I .FY March 2015 Financial Results (Consolidated)



(1) Highlights

(JPY million)

Full Year	FY Mar.2014	FY Mar.2015	Yo Y		Forecasts as of Jan.29,2015	
	Amount	Amount	Diff.	Change(%)	Amount	Diff.
Sales	385,932	405,984	20,052	5.2	405,000	984
Consulting Services	42,233	47,110	4,877	11.5	47,000	110
System Development & System Application Sales	143,213	136,710	(6,502)	(4.5)	139,000	(2,289)
System Management & Operation Services	187,361	206,698	19,336	10.3	205,000	1,698
Product Sales	13,124	15,465	2,340	17.8	14,000	1,465
Cost of Sales	276,664	289,210	12,545	4.5		
Gross Profit	109,267	116,774	7,506	6.9		
(Gross Profit Margin)	28.3%	28.8%	0.5P			
Selling, general and administrative expenses	59,450	65,287	5,837	9.8		
Operating Profit	49,816	51,486	1,669	3.4	53,000	(1,513)
(Operating Profit Margin)	12.9%	12.7%	(0.2P)		13.1%	(0.4P)
Non-operating income and loss	2,544	1,455	(1,088)	(42.8)		
Extraordinary income and loss	349	6,132	5,783	—		
Net Income	31,527	38,880	7,353	23.3	39,000	(119)
Comprehensive Income	48,653	69,705	21,051	43.3		
Earnings per share(JPY)	158.75	194.47	35.72			
Second quarter(JPY)	26.00	30.00	4.00		30.00	—
Fiscal year end(JPY)	30.00	40.00	10.00		40.00	—
Annual Dividends per share(JPY)	56.00	70.00	14.00		70.00	—
Dividend payout ratio	35.9%	36.5%	0.6P			
Return on Equity(ROE)	10.2%	10.8%	0.6P			

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

4th Quarter	4Q FY	4Q FY	YoY	
	Mar.2014	Mar.2015	Diff.	Change(%)
	Amount	Amount		
Sales	106,472	105,202	(1,270)	(1.2)
Consulting Services	12,299	13,078	779	6.3
System Development & System Application Sales	40,090	34,932	(5,157)	(12.9)
System Management & Operation Services	49,213	53,530	4,317	8.8
Product Sales	4,869	3,659	(1,209)	(24.8)
Cost of Sales	77,078	73,825	(3,253)	(4.2)
Gross Profit	29,393	31,376	1,983	6.7
(Gross Profit Margin)	27.6%	29.8%	2.2P	
Selling, general and administrative expenses	15,613	17,066	1,453	9.3
Operating Profit	13,780	14,310	529	3.8
(Operating Profit Margin)	12.9%	13.6%	0.7P	
Non-operating income and loss	8	262	254	—
Extraordinary income and loss	22	(4,886)	(4,908)	—
Net Income	7,415	5,234	(2,180)	(29.4)
Earnings per share(JPY)	37.22	26.12	(11.10)	

(JPY million)

3rd Quarter	3Q FY	3Q FY	YoY	
	Mar.2014	Mar.2015	Diff.	Change(%)
	Amount	Amount		
Sales	96,903	103,435	6,532	6.7
Consulting Services	10,759	12,729	1,970	18.3
System Development & System Application Sales	37,090	34,380	(2,710)	(7.3)
System Management & Operation Services	46,909	52,461	5,551	11.8
Product Sales	2,143	3,864	1,721	80.3
Cost of Sales	70,018	71,985	1,967	2.8
Gross Profit	26,884	31,450	4,565	17.0
(Gross Profit Margin)	27.7%	30.4%	2.7P	
Selling, general and administrative expenses	14,624	16,400	1,775	12.1
Operating Profit	12,260	15,050	2,790	22.8
(Operating Profit Margin)	12.7%	14.6%	1.9P	
Non-operating income and loss	475	262	(212)	(44.8)
Extraordinary income and loss	—	41	41	—
Net Income	7,820	10,240	2,420	30.9
Earnings per share(JPY)	39.33	51.18	11.85	

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

2nd Quarter	2Q FY	2Q FY	YoY	
	Mar.2014	Mar.2015	Diff.	Change(%)
	Amount	Amount		
Sales	94,306	100,688	6,382	6.8
Consulting Services	10,629	11,271	642	6.0
System Development & System Application Sales	34,529	35,234	705	2.0
System Management & Operation Services	45,505	50,737	5,231	11.5
Product Sales	3,641	3,444	(197)	(5.4)
Cost of Sales	67,068	69,813	2,744	4.1
Gross Profit	27,237	30,874	3,637	13.4
(Gross Profit Margin)	28.9%	30.7%	1.8P	
Selling, general and administrative expenses	14,264	16,687	2,422	17.0
Operating Profit	12,972	14,187	1,214	9.4
(Operating Profit Margin)	13.8%	14.1%	0.3P	
Non-operating income and loss	313	57	(255)	(81.7)
Extraordinary income and loss	10	9,122	9,111	—
Net Income	8,301	15,970	7,669	92.4
Earnings per share(JPY)	41.82	79.93	38.11	

(JPY million)

1st Quarter	1Q FY	1Q FY	YoY	
	Mar.2014	Mar.2015	Diff.	Change(%)
	Amount	Amount		
Sales	88,250	96,658	8,407	9.5
Consulting Services	8,544	10,030	1,485	17.4
System Development & System Application Sales	31,503	32,163	660	2.1
System Management & Operation Services	45,732	49,968	4,236	9.3
Product Sales	2,470	4,496	2,025	82.0
Cost of Sales	62,498	73,585	11,086	17.7
Gross Profit	25,752	23,073	(2,678)	(10.4)
(Gross Profit Margin)	29.2%	23.9%	(5.3P)	
Selling, general and administrative expenses	14,948	15,133	185	1.2
Operating Profit	10,803	7,939	(2,864)	(26.5)
(Operating Profit Margin)	12.2%	8.2%	(4.0P)	
Non-operating income and loss	1,747	873	(874)	(50.0)
Extraordinary income and loss	316	1,856	1,539	486.8
Net Income	7,990	7,435	(554)	(6.9)
Earnings per share(JPY)	40.39	37.28	(3.11)	

I .FY March 2015 Financial Results (Consolidated)

(2) Sales and Operating Profit by segment

① Segment performance results (including sales for each segment)

(JPY million)

Full Year		FY Mar.2014		FY Mar.2015		YoY	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	25,820	6.7	27,749	6.8	1,928	7.5
	Operating Profit	4,708	9.5	5,959	11.6	1,250	26.6
	(Operating Profit Margin)	18.2%	/	21.5%	/	3.2P	/
Financial IT Solutions	Sales	225,345	58.4	237,649	58.5	12,303	5.5
	Operating Profit	27,809	55.8	22,621	43.9	(5,187)	(18.7)
	(Operating Profit Margin)	12.3%	/	9.5%	/	(2.8P)	/
Industrial IT Solutions	Sales	87,389	22.6	95,857	23.6	8,468	9.7
	Operating Profit	8,408	16.9	11,790	22.9	3,381	40.2
	(Operating Profit Margin)	9.6%	/	12.3%	/	2.7P	/
IT Platform Services	Sales	114,624	29.7	113,505	28.0	(1,118)	(1.0)
	Operating Profit	6,470	13.0	8,636	16.8	2,166	33.5
	(Operating Profit Margin)	5.6%	/	7.6%	/	2.0P	/
Others	Sales	15,332	4.0	16,761	4.1	1,428	9.3
	Operating Profit	1,281	2.6	1,595	3.1	314	24.6
	(Operating Profit Margin)	8.4%	/	9.5%	/	1.2P	/
Inter-segment sales and eliminations	Sales	(82,581)	(21.4)	(85,538)	(21.1)	(2,957)	/
	Operating Profit	1,138	2.3	882	1.7	(256)	/
Total	Sales	385,932	100.0	405,984	100.0	20,052	5.2
	Operating Profit	49,816	100.0	51,486	100.0	1,669	3.4
	(Operating Profit Margin)	12.9%	/	12.7%	/	(0.2P)	/

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

4th Quarter		4Q FY Mar.2014		4Q FY Mar.2015		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	7,403	7.0	7,573	7.2	169	2.3
	Operating Profit	1,484	10.8	1,618	11.3	133	9.0
	(Operating Profit Margin)	20.1%	/	21.4%	/	1.3P	/
Financial IT Solutions	Sales	62,424	58.6	61,668	58.6	(755)	(1.2)
	Operating Profit	7,891	57.3	6,645	46.4	(1,246)	(15.8)
	(Operating Profit Margin)	12.6%	/	10.8%	/	(1.9P)	/
Industrial IT Solutions	Sales	23,458	22.0	23,933	22.7	475	2.0
	Operating Profit	2,216	16.1	2,080	14.5	(135)	(6.1)
	(Operating Profit Margin)	9.4%	/	8.7%	/	(0.8P)	/
IT Platform Services	Sales	31,474	29.6	29,654	28.2	(1,819)	(5.8)
	Operating Profit	1,481	10.8	3,700	25.9	2,218	149.7
	(Operating Profit Margin)	4.7%	/	12.5%	/	7.8P	/
Others	Sales	4,305	4.0	4,125	3.9	(180)	(4.2)
	Operating Profit	453	3.3	267	1.9	(186)	(41.1)
	(Operating Profit Margin)	10.5%	/	6.5%	/	(4.1P)	/
Inter-segment sales and eliminations	Sales	(22,593)	(21.2)	(21,753)	(20.7)	840	/
	Operating Profit	253	1.8	(1)	(0.0)	(254)	/
Total	Sales	106,472	100.0	105,202	100.0	(1,270)	(1.2)
	Operating Profit	13,780	100.0	14,310	100.0	529	3.8
	(Operating Profit Margin)	12.9%	/	13.6%	/	0.7P	/

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

3rd Quarter		3Q FY Mar.2014		3Q FY Mar.2015		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	6,709	6.9	7,377	7.1	667	10.0
	Operating Profit	1,369	11.2	1,752	11.6	382	27.9
	(Operating Profit Margin)	20.4%	/	23.8%	/	3.3P	/
Financial IT Solutions	Sales	56,331	58.1	60,820	58.8	4,488	8.0
	Operating Profit	6,475	52.8	8,171	54.3	1,696	26.2
	(Operating Profit Margin)	11.5%	/	13.4%	/	1.9P	/
Industrial IT Solutions	Sales	22,084	22.8	24,609	23.8	2,525	11.4
	Operating Profit	2,671	21.8	3,372	22.4	701	26.2
	(Operating Profit Margin)	12.1%	/	13.7%	/	1.6P	/
IT Platform Services	Sales	28,518	29.4	27,604	26.7	(914)	(3.2)
	Operating Profit	1,038	8.5	1,291	8.6	253	24.4
	(Operating Profit Margin)	3.6%	/	4.7%	/	1.0P	/
Others	Sales	3,848	4.0	4,069	3.9	220	5.7
	Operating Profit	396	3.2	269	1.8	(126)	(31.9)
	(Operating Profit Margin)	10.3%	/	6.6%	/	(3.7P)	/
Inter-segment sales and eliminations	Sales	(20,589)	(21.2)	(21,045)	(20.3)	(455)	/
	Operating Profit	309	2.5	192	1.3	(117)	/
Total	Sales	96,903	100.0	103,435	100.0	6,532	6.7
	Operating Profit	12,260	100.0	15,050	100.0	2,790	22.8
	(Operating Profit Margin)	12.7%	/	14.6%	/	1.9P	/

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

2nd Quarter		2Q FY Mar.2014		2Q FY Mar.2015		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	6,605	7.0	7,060	7.0	455	6.9
	Operating Profit	1,587	12.2	1,691	11.9	104	6.6
	(Operating Profit Margin)	24.0%	/	24.0%	/	(0.1P)	/
Financial IT Solutions	Sales	54,802	58.1	58,528	58.1	3,725	6.8
	Operating Profit	7,252	55.9	6,506	45.9	(745)	(10.3)
	(Operating Profit Margin)	13.2%	/	11.1%	/	(2.1P)	/
Industrial IT Solutions	Sales	21,146	22.4	24,359	24.2	3,213	15.2
	Operating Profit	1,817	14.0	3,214	22.7	1,397	76.9
	(Operating Profit Margin)	8.6%	/	13.2%	/	4.6P	/
IT Platform Services	Sales	28,559	30.3	28,139	27.9	(420)	(1.5)
	Operating Profit	1,899	14.6	1,961	13.8	62	3.3
	(Operating Profit Margin)	6.6%	/	7.0%	/	0.3P	/
Others	Sales	3,580	3.8	4,148	4.1	567	15.8
	Operating Profit	320	2.5	502	3.5	182	56.9
	(Operating Profit Margin)	8.9%	/	12.1%	/	3.2P	/
Inter-segment sales and eliminations	Sales	(20,387)	(21.6)	(21,547)	(21.4)	(1,160)	/
	Operating Profit	95	0.7	309	2.2	213	/
Total	Sales	94,306	100.0	100,688	100.0	6,382	6.8
	Operating Profit	12,972	100.0	14,187	100.0	1,214	9.4
	(Operating Profit Margin)	13.8%	/	14.1%	/	0.3P	/

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

1st Quarter		1Q FY Mar.2014		1Q FY Mar.2015		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	5,103	5.8	5,738	5.9	635	12.5
	Operating Profit	266	2.5	896	11.3	630	236.5
	(Operating Profit Margin)	5.2%	/	15.6%	/	10.4P	/
Financial IT Solutions	Sales	51,787	58.7	56,632	58.6	4,844	9.4
	Operating Profit	6,190	57.3	1,297	16.3	(4,892)	(79.0)
	(Operating Profit Margin)	12.0%	/	2.3%	/	(9.7P)	/
Industrial IT Solutions	Sales	20,700	23.5	22,954	23.7	2,254	10.9
	Operating Profit	1,703	15.8	3,123	39.3	1,419	83.3
	(Operating Profit Margin)	8.2%	/	13.6%	/	5.4P	/
IT Platform Services	Sales	26,072	29.5	28,107	29.1	2,034	7.8
	Operating Profit	2,051	19.0	1,683	21.2	(368)	(17.9)
	(Operating Profit Margin)	7.9%	/	6.0%	/	(1.9P)	/
Others	Sales	3,597	4.1	4,418	4.6	820	22.8
	Operating Profit	111	1.0	556	7.0	444	400.0
	(Operating Profit Margin)	3.1%	/	12.6%	/	9.5P	/
Inter-segment sales and eliminations	Sales	(19,010)	(21.5)	(21,193)	(21.9)	(2,182)	/
	Operating Profit	480	4.4	381	4.8	(98)	/
Total	Sales	88,250	100.0	96,658	100.0	8,407	9.5
	Operating Profit	10,803	100.0	7,939	100.0	(2,864)	(26.5)
	(Operating Profit Margin)	12.2%	/	8.2%	/	(4.0P)	/

I .FY March 2015 Financial Results (Consolidated)

② Sales by segment

(JPY million)

Full Year	FY Mar.2014		FY Mar.2015		Yo Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	25,631	6.6	27,353	6.7	1,721	6.7
Financial IT Solutions	225,313	58.4	237,111	58.4	11,797	5.2
Securities	115,646	30.0	116,534	28.7	887	0.8
Insurance	49,813	12.9	56,414	13.9	6,600	13.3
Banking	31,763	8.2	34,584	8.5	2,821	8.9
Other financial	28,090	7.3	29,577	7.3	1,486	5.3
Industrial IT Solutions	87,322	22.6	95,573	23.5	8,251	9.4
Distribution	44,066	11.4	46,399	11.4	2,333	5.3
Manufacturing, service and other	43,255	11.2	49,173	12.1	5,918	13.7
IT Platform Services	37,579	9.7	34,779	8.6	(2,800)	(7.5)
Others	10,085	2.6	11,168	2.8	1,083	10.7
Total	385,932	100.0	405,984	100.0	20,052	5.2

(JPY million)

4th Quarter	4Q FY Mar.2014		4Q FY Mar.2015		Yo Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	7,353	6.9	7,423	7.1	70	1.0
Financial IT Solutions	62,405	58.6	61,449	58.4	(956)	(1.5)
Securities	33,252	31.2	29,613	28.1	(3,639)	(10.9)
Insurance	13,269	12.5	15,197	14.4	1,928	14.5
Banking	8,980	8.4	9,022	8.6	42	0.5
Other financial	6,902	6.5	7,615	7.2	712	10.3
Industrial IT Solutions	23,439	22.0	23,831	22.7	391	1.7
Distribution	11,335	10.6	11,639	11.1	303	2.7
Manufacturing, service and other	12,104	11.4	12,191	11.6	87	0.7
IT Platform Services	10,446	9.8	9,689	9.2	(757)	(7.2)
Others	2,826	2.7	2,808	2.7	(18)	(0.6)
Total	106,472	100.0	105,202	100.0	(1,270)	(1.2)

(JPY million)

3rd Quarter	3Q FY Mar.2014		3Q FY Mar.2015		Yo Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	6,670	6.9	7,321	7.1	651	9.8
Financial IT Solutions	56,387	58.2	60,679	58.7	4,291	7.6
Securities	28,275	29.2	29,228	28.3	953	3.4
Insurance	12,796	13.2	15,203	14.7	2,407	18.8
Banking	8,387	8.7	8,444	8.2	57	0.7
Other financial	6,929	7.2	7,801	7.5	872	12.6
Industrial IT Solutions	22,061	22.8	24,537	23.7	2,476	11.2
Distribution	11,539	11.9	11,905	11.5	365	3.2
Manufacturing, service and other	10,521	10.9	12,632	12.2	2,110	20.1
IT Platform Services	9,268	9.6	8,087	7.8	(1,180)	(12.7)
Others	2,515	2.6	2,809	2.7	294	11.7
Total	96,903	100.0	103,435	100.0	6,532	6.7

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

2nd Quarter	2Q FY Mar.2014		2Q FY Mar.2015		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	6,579	7.0	6,942	6.9	362	5.5
Financial IT Solutions	54,756	58.1	58,428	58.0	3,671	6.7
Securities	27,266	28.9	28,623	28.4	1,357	5.0
Insurance	12,591	13.4	14,035	13.9	1,444	11.5
Banking	7,681	8.1	8,472	8.4	791	10.3
Other financial	7,217	7.7	7,296	7.2	78	1.1
Industrial IT Solutions	21,134	22.4	24,285	24.1	3,151	14.9
Distribution	10,664	11.3	11,374	11.3	709	6.7
Manufacturing, service and other	10,469	11.1	12,911	12.8	2,441	23.3
IT Platform Services	9,520	10.1	8,376	8.3	(1,144)	(12.0)
Others	2,315	2.5	2,655	2.6	340	14.7
Total	94,306	100.0	100,688	100.0	6,382	6.8

(JPY million)

1st Quarter	1Q FY Mar.2014		1Q FY Mar.2015		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	5,028	5.7	5,665	5.9	636	12.7
Financial IT Solutions	51,764	58.7	56,554	58.5	4,789	9.3
Securities	26,852	30.4	29,068	30.1	2,216	8.3
Insurance	11,156	12.6	11,977	12.4	820	7.4
Banking	6,713	7.6	8,644	8.9	1,930	28.8
Other financial	7,041	8.0	6,863	7.1	(177)	(2.5)
Industrial IT Solutions	20,686	23.4	22,919	23.7	2,232	10.8
Distribution	10,526	11.9	11,480	11.9	953	9.1
Manufacturing, service and other	10,159	11.5	11,438	11.8	1,279	12.6
IT Platform Services	8,344	9.5	8,625	8.9	281	3.4
Others	2,427	2.8	2,894	3.0	466	19.2
Total	88,250	100.0	96,658	100.0	8,407	9.5

I .FY March 2015 Financial Results (Consolidated)

(3) Sales to main clients

(JPY million)

Full Year	FY Mar.2014		FY Mar.2015		YoY	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	90,688	23.5	82,469	20.3	(8,218)	(9.1)
Seven & i Holdings	40,888	10.6	40,973	10.1	84	0.2

*Figures, in principle, include sales to subsidiaries.

(JPY million)

4th Quarter	4Q FY Mar.2014		4Q FY Mar.2015		YoY	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	26,821	25.2	20,794	19.8	(6,026)	(22.5)
Seven & i Holdings	11,028	10.4	10,571	10.0	(457)	(4.1)

(JPY million)

3rd Quarter	3Q FY Mar.2014		3Q FY Mar.2015		YoY	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	21,332	22.0	20,847	20.2	(485)	(2.3)
Seven & i Holdings	10,366	10.7	10,231	9.9	(134)	(1.3)

(JPY million)

2nd Quarter	2Q FY Mar.2014		2Q FY Mar.2015		YoY	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	22,033	23.4	20,735	20.6	(1,298)	(5.9)
Seven & i Holdings	9,814	10.4	10,054	10.0	239	2.4

(JPY million)

1st Quarter	1Q FY Mar.2014		1Q FY Mar.2015		YoY	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	20,500	23.2	20,091	20.8	(408)	(2.0)
Seven & i Holdings	9,678	11.0	10,115	10.5	437	4.5

I .FY March 2015 Financial Results (Consolidated)

(4) Subcontracting Costs

(JPY million)

Full Year	FY Mar.2014		FY Mar.2015		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	132,825	34.4	141,925	35.0	9,099	6.9
(Subcontracting Costs to China)	21,387	16.1	23,482	16.5	2,095	9.8

*Share for subcontracting costs shows share of sales.

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

(JPY million)

4th Quarter	4Q FY Mar.2014		4Q FY Mar.2015		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	37,472	35.2	35,652	33.9	(1,819)	(4.9)
(Subcontracting Costs to China)	6,118	16.3	5,704	16.0	(414)	(6.8)

(JPY million)

3rd Quarter	3Q FY Mar.2014		3Q FY Mar.2015		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	34,725	35.8	35,027	33.9	301	0.9
(Subcontracting Costs to China)	5,657	16.3	5,719	16.3	62	1.1

(JPY million)

2nd Quarter	2Q FY Mar.2014		2Q FY Mar.2015		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	31,727	33.6	34,914	34.7	3,187	10.0
(Subcontracting Costs to China)	5,152	16.2	5,843	16.7	690	13.4

(JPY million)

1st Quarter	1Q FY Mar.2014		1Q FY Mar.2015		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	28,900	32.7	36,330	37.6	7,430	25.7
(Subcontracting Costs to China)	4,459	15.4	6,214	17.1	1,755	39.4

I .FY March 2015 Financial Results (Consolidated)

(5) Cash Flow

(JPY million)

Full Year	FY Mar. 2014	FY Mar. 2015	YoY	
	Amount	Amount	Diff.	Change(%)
Operating Activities	33,839	58,710	24,870	73.5
Investing Activities	(32,234)	(1,093)	31,140	(96.6)
(Investing Activities except Cash management purpose investment)	(38,086)	(13,800)	24,286	(63.8)
Free Cash Flow	1,605	57,617	56,011	—
(Free Cash Flow except Cash management purpose investment)	(4,246)	44,910	49,156	—
Financing Activities	(8,773)	(10,536)	(1,763)	20.1
Net increase in Cash and cash equivalents	(6,830)	47,775	54,605	—
(Net increase in Cash and cash equivalents except Cash management purpose investment)	(12,682)	35,068	47,751	—
Cash and cash equivalents at end of period	92,792	140,567	47,775	51.5
Cash and cash equivalents + Cash Management purpose investment	133,350	169,023	35,672	26.8

*Cash management purpose investment is investments in bonds, etc., with maturities of longer than three months from date of purchase to date of redemption.

I .FY March 2015 Financial Results (Consolidated)

(6) Capital Expenditure, Research and Development Expenses

(JPY million)

Full Year	FY Mar. 2014	FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	33,878	31,080	(2,797)	(8.3)
Tangible	11,217	8,349	(2,868)	(25.6)
Intangible	22,661	22,731	70	0.3
Research and Development Expenses	3,903	4,222	319	8.2

(JPY million)

4th Quarter	4Q FY Mar. 2014	4Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	8,554	7,640	(914)	(10.7)
Tangible	2,826	2,472	(353)	(12.5)
Intangible	5,728	5,167	(560)	(9.8)
Research and Development Expenses	1,336	1,519	182	13.7

(JPY million)

3rd Quarter	3Q FY Mar. 2014	3Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	9,948	9,229	(718)	(7.2)
Tangible	3,056	2,426	(629)	(20.6)
Intangible	6,891	6,802	(89)	(1.3)
Research and Development Expenses	1,014	1,134	119	11.8

(JPY million)

2nd Quarter	2Q FY Mar. 2014	2Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	8,299	8,276	(22)	(0.3)
Tangible	2,644	2,487	(156)	(5.9)
Intangible	5,655	5,789	133	2.4
Research and Development Expenses	980	1,028	47	4.8

(JPY million)

1st Quarter	1Q FY Mar. 2014	1Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	7,076	5,934	(1,141)	(16.1)
Tangible	2,691	962	(1,728)	(64.2)
Intangible	4,385	4,972	586	13.4
Research and Development Expenses	570	540	(30)	(5.3)

I .FY March 2015 Financial Results (Consolidated)

(7) Depreciation and Amortization

(JPY million)

Full Year	FY Mar. 2014	FY Mar. 2015	YoY	
	Amount	Amount	Diff.	Change(%)
Tangible	11,827	10,244	(1,582)	(13.4)
Intangible	22,291	15,555	(6,735)	(30.2)
Depreciation and Amortization	34,118	25,800	(8,317)	(24.4)

(JPY million)

4th Quarter	4Q FY Mar. 2014	4Q FY Mar. 2015	YoY	
	Amount	Amount	Diff.	Change(%)
Tangible	4,586	2,573	(2,012)	(43.9)
Intangible	6,746	3,778	(2,968)	(44.0)
Depreciation and Amortization	11,333	6,352	(4,980)	(43.9)

(JPY million)

3rd Quarter	3Q FY Mar. 2014	3Q FY Mar. 2015	YoY	
	Amount	Amount	Diff.	Change(%)
Tangible	2,625	2,702	77	2.9
Intangible	5,557	4,083	(1,474)	(26.5)
Depreciation and Amortization	8,182	6,785	(1,397)	(17.1)

(JPY million)

2nd Quarter	2Q FY Mar. 2014	2Q FY Mar. 2015	YoY	
	Amount	Amount	Diff.	Change(%)
Tangible	2,386	2,553	167	7.0
Intangible	5,105	3,769	(1,335)	(26.2)
Depreciation and Amortization	7,491	6,322	(1,168)	(15.6)

(JPY million)

1st Quarter	1Q FY Mar. 2014	1Q FY Mar. 2015	YoY	
	Amount	Amount	Diff.	Change(%)
Tangible	2,229	2,414	185	8.3
Intangible	4,881	3,924	(956)	(19.6)
Depreciation and Amortization	7,111	6,339	(771)	(10.8)

I .FY March 2015 Financial Results (Consolidated)

(8) Order Volume by segment

① Order Backlog

(JPY million)

At the end of period	FY Mar. 2014	FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	4,584	5,622	1,037	22.6
Financial IT Solutions	129,548	146,268	16,719	12.9
Industrial IT Solutions	51,688	55,156	3,468	6.7
IT Platform Services	20,769	17,205	(3,564)	(17.2)
Others	2,610	2,935	324	12.4
Total	209,202	227,188	17,985	8.6
(Order backlog in the next FY)	205,218	224,785	19,567	9.5

(JPY million)

At the end of the 3rd Quarter	3Q FY Mar. 2014	3Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	5,868	5,769	(98)	(1.7)
Financial IT Solutions	55,382	55,315	(67)	(0.1)
Industrial IT Solutions	17,293	18,809	1,516	8.8
IT Platform Services	13,899	7,547	(6,352)	(45.7)
Others	1,690	1,533	(157)	(9.3)
Total	94,133	88,974	(5,158)	(5.5)
(Order backlog in the current FY)	77,142	79,012	1,870	2.4

(JPY million)

At the end of the 2nd Quarter	2Q FY Mar. 2014	2Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	7,052	7,356	303	4.3
Financial IT Solutions	83,352	88,345	4,992	6.0
Industrial IT Solutions	29,192	31,535	2,342	8.0
IT Platform Services	19,009	11,679	(7,330)	(38.6)
Others	2,494	2,447	(47)	(1.9)
Total	141,102	141,363	261	0.2
(Order backlog in the current FY)	128,373	135,026	6,652	5.2

(JPY million)

At the end of the 1st Quarter	1Q FY Mar. 2014	1Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	7,666	7,847	181	2.4
Financial IT Solutions	108,324	115,464	7,140	6.6
Industrial IT Solutions	41,191	43,434	2,242	5.4
IT Platform Services	23,758	16,147	(7,611)	(32.0)
Others	3,371	3,337	(33)	(1.0)
Total	184,311	186,231	1,919	1.0
(Order backlog in the current FY)	174,691	180,866	6,174	3.5

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

At beginning of period	FY Mar. 2014	FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	4,641	4,584	(56)	(1.2)
Financial IT Solutions	118,645	129,548	10,903	9.2
Industrial IT Solutions	50,930	51,688	757	1.5
IT Platform Services	14,222	20,769	6,547	46.0
Others	2,572	2,610	38	1.5
Total	191,012	209,202	18,189	9.5
(Order backlog in the current FY)	190,265	205,218	14,952	7.9

②Order Volume

(JPY million)

Full Year	FY Mar. 2014	FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	25,575	28,390	2,815	11.0
Financial IT Solutions	236,216	253,830	17,613	7.5
Industrial IT Solutions	88,079	99,041	10,962	12.4
IT Platform Services	44,127	31,215	(12,912)	(29.3)
Others	10,123	11,492	1,369	13.5
Total	404,122	423,970	19,848	4.9

I .FY March 2015 Financial Results (Consolidated)

(JPY million)

4th Quarter	4Q FY Mar. 2014	4Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	6,069	7,276	1,206	19.9
Financial IT Solutions	136,572	152,402	15,830	11.6
Industrial IT Solutions	57,834	60,178	2,343	4.1
IT Platform Services	17,316	19,347	2,030	11.7
Others	3,747	4,210	463	12.4
Total	221,541	243,415	21,874	9.9

(JPY million)

3rd Quarter	3Q FY Mar. 2014	3Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	5,485	5,734	248	4.5
Financial IT Solutions	28,417	27,649	(768)	(2.7)
Industrial IT Solutions	10,162	11,812	1,649	16.2
IT Platform Services	4,157	3,955	(202)	(4.9)
Others	1,711	1,895	184	10.8
Total	49,934	51,046	1,112	2.2

(JPY million)

2nd Quarter	2Q FY Mar. 2014	2Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	5,966	6,451	485	8.1
Financial IT Solutions	29,784	31,308	1,524	5.1
Industrial IT Solutions	9,135	12,386	3,251	35.6
IT Platform Services	4,771	3,908	(863)	(18.1)
Others	1,438	1,765	326	22.7
Total	51,096	55,820	4,724	9.2

(JPY million)

1st Quarter	1Q FY Mar. 2014	1Q FY Mar. 2015	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	8,053	8,928	874	10.9
Financial IT Solutions	41,442	42,469	1,027	2.5
Industrial IT Solutions	10,946	14,664	3,717	34.0
IT Platform Services	17,880	4,003	(13,877)	(77.6)
Others	3,225	3,620	394	12.2
Total	81,550	73,686	(7,863)	(9.6)

(1) Highlights and Dividend forecasts

(JPY billion)

	FY Mar.2015	FY Mar.2016	Y o Y	
	(Results)	(Forecasts)	Diff.	Change(%)
	Amount	Amount		
Sales	405.9	425.0	19.0	4.7
Consulting Services	47.1	48.0	0.8	1.9
System Development & System Application Sales	136.7	155.0	18.2	13.4
System Management & Operation Services	206.6	215.0	8.3	4.0
Product Sales	15.4	7.0	(8.4)	(54.7)
Operating Profit	51.4	58.0	6.5	12.7
(Operating Profit Margin)	12.7%	13.6%	1.0P	
Profit attributable to owners of parent	38.8	41.0	2.1	5.5
Second quarter(JPY)	30.00	40.00	10.00	33.3
Fiscal year end(JPY)	40.00	40.00	—	—
Dividends per share(JPY)	70.00	80.00	10.00	14.3

(2) Sales Forecasts by segment

(JPY billion)

	FY Mar.2015 (Results)		FY Mar.2016 (Forecasts)		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	27.3	6.7	29.0	6.8	1.6	6.0
Financial IT Solutions	237.1	58.4	250.0	58.8	12.8	5.4
Securities	116.5	28.7	124.0	29.2	7.4	6.4
Insurance	56.4	13.9	60.0	14.1	3.5	6.4
Banking	34.5	8.5	36.0	8.5	1.4	4.1
Other financial	29.5	7.3	30.0	7.1	0.4	1.4
Industrial IT Solutions	95.5	23.5	101.0	23.8	5.4	5.7
Distribution	46.3	11.4	49.0	11.5	2.6	5.6
Manufacturing, service and other	49.1	12.1	52.0	12.2	2.8	5.7
IT Platform Services	34.7	8.6	34.0	8.0	(0.7)	(2.2)
Others	11.1	2.8	11.0	2.6	(0.1)	(1.5)
Total	405.9	100.0	425.0	100.0	19.0	4.7

(3) Capital Expenditure, Research and Development Expenses Forecasts

(JPY billion)

	FY Mar.2015 (Results)	FY Mar.2016 (Forecasts)	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	31.0	45.0	13.9	44.8
Tangible	8.3	21.0	12.6	151.5
Intangible	22.7	24.0	1.2	5.6
Research and Development Expenses	4.2	4.5	0.2	6.6

(4) Depreciation and Amortization Forecasts

(JPY billion)

	FY Mar.2015 (Results)	FY Mar.2016 (Forecasts)	Y o Y	
	Amount	Amount	Diff.	Change(%)
Depreciation and Amortization	25.8	34.0	8.1	31.8

(5) Highlights (1H/2H)

(JPY billion)

1st Half	FY Mar.2015	FY Mar.2016	Y o Y	
	(Results)	(Forecasts)	Diff.	Change(%)
	Amount	Amount		
Sales	197.3	210.0	12.6	6.4
Consulting Services	21.3	22.0	0.6	3.3
System Development & System Application Sales	67.3	79.0	11.6	17.2
System Management & Operation Services	100.7	105.0	4.2	4.3
Product Sales	7.9	4.0	(3.9)	(49.6)
Operating Profit	22.1	28.0	5.8	26.5
(Operating Profit Margin)	11.2%	13.3%	2.1P	
Profit attributable to owners of parent	23.4	20.0	(3.4)	(14.6)

(JPY billion)

2nd Half	FY Mar.2015	FY Mar.2016	Y o Y	
	(Results)	(Forecasts)	Diff.	Change(%)
	Amount	Amount		
Sales	208.6	215.0	6.3	3.0
Consulting Services	25.8	26.0	0.1	0.7
System Development & System Application Sales	69.3	76.0	6.6	9.6
System Management & Operation Services	105.9	110.0	4.0	3.8
Product Sales	7.5	3.0	(4.5)	(60.1)
Operating Profit	29.3	30.0	0.6	2.2
(Operating Profit Margin)	14.1%	14.0%	(0.1P)	
Profit attributable to owners of parent	15.4	21.0	5.5	35.7

(6) Sales Forecasts by segment (1H/2H)

(JPY billion)

1st Half	FY Mar.2015 (Results)		FY Mar.2016 (Forecasts)		YoY	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	12.6	6.4	13.0	6.2	0.3	3.1
Financial IT Solutions	114.9	58.3	127.0	60.5	12.0	10.5
Securities	57.6	29.2	64.0	30.5	6.3	10.9
Insurance	26.0	13.2	30.0	14.3	3.9	15.3
Banking	17.1	8.7	18.0	8.6	0.8	5.2
Other financial	14.1	7.2	15.0	7.1	0.8	5.9
Industrial IT Solutions	47.2	23.9	49.0	23.3	1.7	3.8
Distribution	22.8	11.6	24.0	11.4	1.1	5.0
Manufacturing, service and other	24.3	12.3	25.0	11.9	0.6	2.7
IT Platform Services	17.0	8.6	15.5	7.4	(1.5)	(8.8)
Others	5.5	2.8	5.5	2.6	(0.0)	(0.9)
Total	197.3	100.0	210.0	100.0	12.6	6.4

(JPY billion)

2nd Half	FY Mar.2015 (Results)		FY Mar.2016 (Forecasts)		YoY	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	14.7	7.1	16.0	7.4	1.2	8.5
Financial IT Solutions	122.1	58.5	123.0	57.2	0.8	0.7
Securities	58.8	28.2	60.0	27.9	1.1	2.0
Insurance	30.4	14.6	30.0	14.0	(0.4)	(1.3)
Banking	17.4	8.4	18.0	8.4	0.5	3.0
Other financial	15.4	7.4	15.0	7.0	(0.4)	(2.7)
Industrial IT Solutions	48.3	23.2	52.0	24.2	3.6	7.5
Distribution	23.5	11.3	25.0	11.6	1.4	6.2
Manufacturing, service and other	24.8	11.9	27.0	12.6	2.1	8.8
IT Platform Services	17.7	8.5	18.5	8.6	0.7	4.1
Others	5.6	2.7	5.5	2.6	(0.1)	(2.1)
Total	208.6	100.0	215.0	100.0	6.3	3.0