



Nomura Research Institute Group



January 30, 2020

Company name Nomura Research Institute, Ltd.
(Code:4307 TSE First Section)

Representative Shingo Konomoto
Chairman and President & CEO,
Representative Director,
Member of the Board

NRI Revises Financial Results and Dividend Forecasts

TOKYO, January 30, 2020 – Nomura Research Institute, Ltd.(NRI), today announced the following revisions to financial results and dividend forecasts for the fiscal year ending March 2020.

1. Financial results forecasts

(1) Revised forecasts of consolidated financial results for the full fiscal year ending March 2020 (April 1, 2019 - March 31, 2020)

(JPY million)

	Sales	Operating profit	Ordinary profit	Net income	Net income per share (JPY)
Previous forecasts (A)	530,000	80,000	81,000	68,000	101.19
Current forecasts (B)	530,000	82,000	83,000	69,000	106.80
Increase/decrease (B-A)	—	2,000	2,000	1,000	
Change (%)	—	2.5	2.5	1.5	
Reference: Results for the fiscal year ended March 31, 2019	501,243	71,442	72,409	50,931	72.11

Note: On July 1, 2019 the company conducted a 3-for-1 share split of our common stock, and the values shown for quarterly net profit per share (this fiscal year) are calculated supposing that the share split had taken place at the outset of the previous fiscal year.

(2) Revised forecasts of non-consolidated financial results for the full fiscal year ending March 2020 (April 1, 2019 – March 31, 2020)

(JPY million)

	Sales	Ordinary profit	Net income	Net income per share (JPY)
Previous forecasts (A)	400,000	72,000	63,000	93.75
Current forecasts (B)	400,000	74,000	64,000	99.06
Decrease (B-A)	—	2,000	1,000	
Change (%)	—	2.8	1.6	
Reference: Results for the fiscal year ended March 31, 2019	392,230	77,716	63,345	89.69

(3) Reasons for revision

As the Japanese economy continues to recover at a moderate pace, investment in information systems has been gradually increasing amid strong investment demand centered on digital transformation (DX) which involves transforming business models using IT. NRI revises its financial results forecasts in light of the group's strong performance.

2. Dividend forecasts

(1) Revision to dividend forecasts

	Dividends per share		
	Interim dividend	Year-end dividend	Total annual dividend
Previous forecasts	¥15.00	¥15.00	¥30.00
Current forecasts		¥17.00	¥32.00
Actual results	¥15.00		
Dividends for fiscal year ended March 31, 2019	¥45.00	¥45.00	¥90.00

Note: On July 1, 2019 the company conducted a 3-for-1 share split of our common stock. The dividend paid per share for the fiscal year ended March 31, 2019 is based on the number of shares prior to the stock split. The dividend paid per share would be calculated as 30 yen for annual total (15 yen for interim, and 15 yen for year-end) supposing that the split had taken place at the outset of the previous fiscal year.

(2) Reasons for revision

NRI considers the continued growth of its corporate value to be the most important return to its shareholders. Its basic policy is to maintain a stable dividend while retaining sufficient internal reserves for medium and long-term business expansion. NRI makes specific decisions regarding the payment of dividends from retained earnings based on operating revenues and cash flows, while aiming, in principle, for a *consolidated dividend payout ratio of 35%.

Based on the above policy and the results of operations for the fiscal year under review, NRI revised its expected year-end dividend of the fiscal year ending March 2020 to 17 yen per share, an increase of 2 yen per share above the amount announced in its previous forecasts. Including the interim dividend already paid on November 2019 (the record date was September 30, 2019), this increase will raise the annual payout to 32 yen per share. Based on the amounts in the revised forecast, the consolidated dividend payout ratio would come to 28.0%.

* Consolidated dividend payout ratio = Annual amount of payment of dividend (including dividend for the trust exclusive for the NRI Group Employee Stock Ownership Association) / Profit attributable to owners of parent

[Point of caution about future-related information in this announcement]

Performance forecasts and other information in this announcement which pertains to the future is based on information available to NRI at the time, and on a certain level of assumptions that are found to be logically viable. NRI does not guarantee that these numbers will be achieved. Actual performance and other results could vary significantly depending on a variety of factors. Key factors that could influence actual performance include but are not limited to domestic and international economic developments, demand in the market for IT services, competition with other companies, and changes to taxation and other systems. NRI may not always revise its performance forecasts and other indicators when new information becomes available or new circumstances arise.

[General Inquiries]

Kuniaki Fujioka
Nomura Research Institute, Ltd.
Investor Relations Department
+81-3-5877-7072 ir@nri.co.jp