

***News Release***

**NRI Concludes Agreement to Acquire All Shares of ASG Group Limited, Thereby Making It a Subsidiary**

TOKYO, September 30, 2016—Nomura Research Institute, Ltd. (NRI) announced today that it has agreed on the commencement of procedures to acquire all the issued shares of ASG Group Limited (Head office: Perth, Australia, ASG), thereby making ASG a subsidiary of NRI.

1. Objective of the acquisition of shares

ASG offers consulting, development, construction, management and operating services for enterprise resource planning, management data analysis, IT infrastructure, and more in Australia. The company has been pursuing a transformation from being a system integration business based on contracted development to being a cloud service business that provides a range of services via the cloud. It has an extensive track record in the Australian IT services market of meeting the needs of customers seeking to reduce IT costs and IT assets.

By making ASG a subsidiary, NRI aims to deliver even higher value-added services in Australia as well as to leverage collaboration between the two companies to expand its business in Asia.

2. Method and schedule for the acquisition of shares

The acquisition of shares will utilize a Scheme of Arrangement, which is a friendly takeover procedure. NRI concluded the Scheme Implementation Agreement with ASG on September 30, 2016, setting out the details of the agreement for the acquisition of all the shares of ASG.

The implementation of the acquisition requires the approval of ASG’s General Meeting of Shareholders (approval based on at least 75% of voting rights and agreement of a majority of shareholders with voting rights in attendance) and court approval in Australia, and there is a possibility that the acquisition may not be implemented in the event that these requirements are not met.

The currently anticipated schedule is as follows.

September 30, 2016	Conclusion of Scheme Implementation Agreement (completed)
Mid-December, 2016	ASG’s General Meeting of Shareholders
Late-December, 2016	Acquisition of ASG’s shares by NRI

### 3. Overview of company in which NRI will acquire shares

(1) Name	ASG Group Limited		
(2) Address	Level 9, 167 St Georges Terrace, Perth, Western Australia 6000		
(3) Name and position of representative	Geoffrey Lewis, Chief Executive Officer		
(4) Business description	Consulting, development, construction, management and operating services for enterprise resource planning, management data analysis, IT infrastructure, etc.		
(5) Capital (As of June 30, 2016)	AUD114,927,000 (JPY8,903 million*1)		
(6) Date of establishment	June 28, 1995 (commenced business in 1996)		
(7) Major shareholders and percentage held (As of July 29, 2016)	Geoffrey James Lewis (CEO of ASG) 7.34% Ausbil Investment Management 6.18%		
(8) Relationship between NRI and ASG	There are no capital, personnel, or transactional relationships to be reported.		
(9) Consolidated operating results and financial position of ASG for the last three years			
Year	Year ended June 30, 2014	Year ended June 30, 2015	Year ended June 30, 2016
Consolidated net assets	AUD93,457,000 (JPY7,240 million)	AUD103,320,000 (JPY8,004 million)	AUD110,813,000 (JPY8,584 million)
Consolidated total assets	AUD179,791,000 (JPY13,928 million)	AUD177,128,000 (JPY13,722 million)	AUD187,352,000 (JPY14,514 million)
Consolidated revenue	AUD159,129,000 (JPY12,327 million)	AUD162,708,000 (JPY12,604 million)	AUD188,720,000 (JPY14,620 million)
Consolidated profit before income taxes	AUD12,586,000 (JPY975 million)	AUD11,636,000 (JPY901 million)	AUD16,988,000 (JPY1,316 million)
Profit attributable to owners of parent	AUD8,974,000 (JPY695 million)	AUD9,539,000 (JPY738 million)	AUD12,024,000 (JPY931 million)
Net income per share	AUD0.0434 (JPY3.4)	AUD0.0461 (JPY3.6)	AUD0.0588 (JPY4.6)
Dividend per share	AUD— (JPY—)	AUD— (JPY—)	AUD— (JPY—)

#### Notes

\*1 In this news release, figures are calculated using AUD1 = JPY77.47.

\*2 ASG shares are listed on Australia's stock exchange.

4. Number of shares to be acquired, acquisition price, and share ownership before and after the acquisition

(1) No. of shares owned before transfer	0 shares (Percentage of voting rights owned: 0.0%)	
(2) Acquisition price*1	ASG acquisition price	JPY27,067 million (AUD349,392,000)
	Advisory costs, etc. (roughly estimated)	JPY500 million
	Total (roughly estimated)	JPY27,567 million
(3) No. of shares owned after transfer*2	214,351,465 shares (Percentage of voting rights owned: 100.0% (indirectly owned: 0.0%))	

Notes

\*1 The acquisition price in the table is the amount assuming that all options, etc. are exercised, and is also the amount estimated as of September 30, 2016.

\*2 NRI intends to acquire all the shares. The number of shares owned after transfer in the table is the number assuming that all options, etc. are exercised.

5. Future outlook

NRI will report on the acquisition of shares promptly as soon as the procedures are completed.

NRI will assess and report any impact the acquisition may have on its consolidated business results, as necessary, and promptly, as soon as the acquisition procedures are completed.

(Reference) NRI's consolidated financial results forecasts for current fiscal year (published April 27, 2016) and consolidated financial results for the previous fiscal year

(Unit: JPY million)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Consolidated forecasts for current fiscal year (ending March 31, 2017)	435,000	62,000	64,000	43,500
Consolidated financial results for previous fiscal year (ended March 31, 2016)	421,439	58,295	61,001	42,648

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