

3Q FY March 2018 Financial Results

January 30, 2018

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Nomura Research Institute, Ltd.

I . 3Q FY March 2018 Financial Results (Consolidated)

II . FY March 2018 Financial Results Forecasts (Consolidated)

I .3Q FY March 2018 Financial Results (Consolidated)



(1) Highlights

(JPY million)

3rd Quarter Total	3Q FY	Progress	3Q FY	Progress	Y o Y		FY Mar.2017
	Mar.2017		Mar.2018		Diff.	Change(%)	Amount
	Amount	(%)	Amount	(%)			
Sales	308,533	72.7	341,601	74.3	33,068	10.7	424,548
Consulting Services	43,111	68.7	55,052	71.5	11,941	27.7	62,734
System Development & System Application Sales	98,758	74.9	96,675	72.7	(2,083)	(2.1)	131,908
System Management & Operation Services	158,614	73.0	180,391	75.8	21,777	13.7	217,271
Product Sales	8,050	63.7	9,482	79.0	1,432	17.8	12,634
Cost of Sales	203,631		224,792		21,160	10.4	280,761
Gross Profit	104,902		116,809		11,907	11.4	143,787
Gross Profit Margin	34.0%		34.2%		0.2P		33.9%
Selling, general and	62,258		70,195		7,936	12.7	85,272
OP(Before goodwill amortization)	43,646		49,639		5,992	13.7	60,456
Operating Profit	42,644	72.9	46,614	72.8	3,970	9.3	58,514
OPM(Before goodwill amortization)	14.1%		14.5%		0.4P		14.2%
Operating Profit Margin	13.8%		13.6%		(0.2P)		13.8%
Non-operating income and loss	1,806		1,087		(718)	(39.8)	1,839
Extraordinary income and loss	13,213		20,233		7,019	53.1	4,638
Profit attributable to owners	40,280	89.4	45,303	76.8	5,022	12.5	45,064
Earnings per share(JPY)	162.50		186.55		24.05		181.77

※ NRI implemented a 1:1.1 stock split of common shares with an effective date of January 1, 2017.

Earnings per share states the amount calculated assuming that the stock splits had been conducted at the beginning of the previous fiscal year.

※ Operating profit before goodwill amortization and operating profit margin before goodwill amortization are reference values.

I .3Q FY March 2018 Financial Results (Consolidated)

(JPY million)

3rd Quarter	3Q FY	3Q FY	Y o Y	
	Mar.2017	Mar.2018	Diff.	Change(%)
	Amount	Amount		
Sales	105,368	121,387	16,018	15.2
Consulting Services	15,972	23,071	7,098	44.4
System Development & System Application Sales	32,381	32,859	477	1.5
System Management & Operation Services	54,111	63,236	9,125	16.9
Product Sales	2,904	2,219	(684)	(23.6)
Cost of Sales	67,709	79,851	12,142	17.9
Gross Profit	37,659	41,535	3,876	10.3
(Gross Profit Margin)	35.7%	34.2%	(1.5P)	
Selling, general and	21,356	24,018	2,662	12.5
OP(Before goodwill amortization)	16,693	18,705	2,012	12.1
Operating Profit	16,303	17,516	1,213	7.4
OPM(Before goodwill amortization)	15.8%	15.4%	(0.4P)	
Operating Profit Margin	15.5%	14.4%	(1.0P)	
Non-operating income and loss	189	149	(40)	(21.3)
Extraordinary income and loss	223	1	(222)	(99.4)
Profit attributable to owners	11,436	11,926	489	4.3
Earnings per share(JPY)	46.17	50.10	3.93	

(JPY million)

2nd Quarter	2Q FY	2Q FY	Y o Y	
	Mar.2017	Mar.2018	Diff.	Change(%)
	Amount	Amount		
Sales	102,773	113,578	10,805	10.5
Consulting Services	14,806	17,651	2,845	19.2
System Development & System Application Sales	33,121	33,096	(24)	(0.1)
System Management & Operation Services	52,115	58,822	6,707	12.9
Product Sales	2,730	4,007	1,277	46.8
Cost of Sales	69,772	74,932	5,160	7.4
Gross Profit	33,001	38,646	5,644	17.1
Gross Profit Margin	32.1%	34.0%	1.9P	
Selling, general and	20,349	22,664	2,315	11.4
OP(Before goodwill amortization)	13,025	16,902	3,877	29.8
Operating Profit	12,652	15,981	3,328	26.3
OPM(Before goodwill amortization)	12.7%	14.9%	2.2P	
Operating Profit Margin	12.3%	14.1%	1.8P	
Non-operating income and loss	65	(81)	(147)	(224.7)
Extraordinary income and loss	13,143	18,838	5,694	43.3
Profit attributable to owners	18,492	23,715	5,223	28.2
Earnings per share(JPY)	74.73	97.88	23.15	

I .3Q FY March 2018 Financial Results (Consolidated)



(JPY million)

1st Quarter	1Q FY	1Q FY	YoY	
	Mar.2017	Mar.2018	Diff.	Change(%)
	Amount	Amount		
Sales	100,391	106,636	6,244	6.2
Consulting Services	12,332	14,329	1,997	16.2
System Development & System Application Sales	33,255	30,719	(2,536)	(7.6)
System Management & Operation Services	52,387	58,332	5,944	11.3
Product Sales	2,415	3,254	838	34.7
Cost of Sales	66,149	70,008	3,858	5.8
Gross Profit	34,241	36,627	2,386	7.0
Gross Profit Margin	34.1%	34.3%	0.2P	
Selling, general and	20,553	23,511	2,958	14.4
OP(Before goodwill amortization)	13,928	14,031	103	0.7
Operating Profit	13,688	13,116	(572)	(4.2)
OPM(Before goodwill amortization)	13.9%	13.2%	(0.7P)	
Operating Profit Margin	13.6%	12.3%	(1.3P)	
Non-operating income and loss	1,551	1,020	(530)	(34.2)
Extraordinary income and loss	(153)	1,393	1,547	—
Profit attributable to owners	10,351	9,661	(689)	(6.7)
Earnings per share(JPY)	41.66	38.91	(2.74)	

I .3Q FY March 2018 Financial Results (Consolidated)



(2) Sales and Operating Profit by segment

① Segment performance results (including sales for each segment)

(JPY million)

3rd Quarter Total		3Q FY Mar.2017		3Q FY Mar.2018		Y o Y		FY Mar.2017	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Consulting	Sales	21,174	6.9	26,268	7.7	5,094	24.1	31,161	7.3
	Operating Profit	3,689	8.7	3,562	7.6	(126)	(3.4)	5,853	10.0
	Operating Profit Margin	17.4%		13.6%		(3.9P)		18.8%	
Financial IT Solutions	Sales	182,593	59.2	184,192	53.9	1,598	0.9	248,188	58.5
	Operating Profit	19,929	46.7	19,132	41.0	(796)	(4.0)	26,461	45.2
	Operating Profit Margin	10.9%		10.4%		(0.5P)		10.7%	
Industrial IT Solutions	Sales	76,770	24.9	102,799	30.1	26,029	33.9	107,672	25.4
	Operating Profit	5,982	14.0	10,101	21.7	4,119	68.9	9,076	15.5
	Operating Profit Margin	7.8%		9.8%		2.0P		8.4%	
IT Platform Services	Sales	90,895	29.5	95,387	27.9	4,492	4.9	122,107	28.8
	Operating Profit	10,765	25.2	11,582	24.8	816	7.6	14,015	24.0
	Operating Profit Margin	11.8%		12.1%		0.3P		11.5%	
Others	Sales	9,923	3.2	10,579	3.1	655	6.6	13,461	3.2
	Operating Profit	1,458	3.4	1,516	3.3	57	3.9	1,968	3.4
	Operating Profit Margin	14.7%		14.3%		(0.4P)		14.6%	
Inter-segment sales and eliminations	Sales	(72,823)	(23.6)	(77,625)	(22.7)	(4,802)		(98,043)	(23.1)
	Operating Profit	818	1.9	719	1.5	(99)		1,139	1.9
Total	Sales	308,533	100.0	341,601	100.0	33,068	10.7	424,548	100.0
	Operating Profit	42,644	100.0	46,614	100.0	3,970	9.3	58,514	100.0
	Operating Profit Margin	13.8%		13.6%		(0.2P)		13.8%	

I .3Q FY March 2018 Financial Results (Consolidated)



(JPY million)

3rd Quarter		3Q FY Mar.2017		3Q FY Mar.2018		YoY	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	7,774	7.4	9,531	7.9	1,757	22.6
	Operating Profit	1,600	9.8	1,844	10.5	243	15.2
	Operating Profit Margin	20.6%	/	19.3%	/	(1.2P)	/
Financial IT Solutions	Sales	62,287	59.1	62,609	51.6	321	0.5
	Operating Profit	8,158	50.0	7,256	41.4	(902)	(11.1)
	Operating Profit Margin	13.1%	/	11.6%	/	(1.5P)	/
Industrial IT Solutions	Sales	25,937	24.6	39,444	32.5	13,506	52.1
	Operating Profit	2,329	14.3	3,858	22.0	1,529	65.7
	Operating Profit Margin	9.0%	/	9.8%	/	0.8P	/
IT Platform Services	Sales	30,167	28.6	32,292	26.6	2,125	7.0
	Operating Profit	3,427	21.0	3,844	21.9	416	12.1
	Operating Profit Margin	11.4%	/	11.9%	/	0.5P	/
Others	Sales	3,377	3.2	3,447	2.8	70	2.1
	Operating Profit	550	3.4	529	3.0	(21)	(3.9)
	Operating Profit Margin	16.3%	/	15.4%	/	(1.0P)	/
Inter-segment sales and eliminations	Sales	(24,175)	(22.9)	(25,938)	(21.4)	(1,763)	/
	Operating Profit	236	1.4	183	1.1	(52)	/
Total	Sales	105,368	100.0	121,387	100.0	16,018	15.2
	Operating Profit	16,303	100.0	17,516	100.0	1,213	7.4
	Operating Profit Margin	15.5%	/	14.4%	/	(1.0P)	/

I .3Q FY March 2018 Financial Results (Consolidated)



(JPY million)

2nd Quarter		2Q FY Mar.2017		2Q FY Mar.2018		YoY	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	7,261	7.1	9,303	8.2	2,042	28.1
	Operating Profit	1,738	13.7	1,733	10.8	(5)	(0.3)
	Operating Profit Margin	23.9%	/	18.6%	/	(5.3P)	/
Financial IT Solutions	Sales	60,588	59.0	62,053	54.6	1,465	2.4
	Operating Profit	5,079	40.1	6,090	38.1	1,011	19.9
	Operating Profit Margin	8.4%	/	9.8%	/	1.4P	/
Industrial IT Solutions	Sales	25,337	24.7	32,617	28.7	7,280	28.7
	Operating Profit	1,486	11.7	3,185	19.9	1,699	114.3
	Operating Profit Margin	5.9%	/	9.8%	/	3.9P	/
IT Platform Services	Sales	30,372	29.6	32,178	28.3	1,805	5.9
	Operating Profit	3,536	27.9	4,119	25.8	583	16.5
	Operating Profit Margin	11.6%	/	12.8%	/	1.2P	/
Others	Sales	3,343	3.3	3,702	3.3	358	10.7
	Operating Profit	469	3.7	542	3.4	72	15.5
	Operating Profit Margin	14.0%	/	14.6%	/	0.6P	/
Inter-segment sales and eliminations	Sales	(24,130)	(23.5)	(26,277)	(23.1)	(2,147)	/
	Operating Profit	342	2.7	309	1.9	(33)	/
Total	Sales	102,773	100.0	113,578	100.0	10,805	10.5
	Operating Profit	12,652	100.0	15,981	100.0	3,328	26.3
	Operating Profit Margin	12.3%	/	14.1%	/	1.8P	/

I .3Q FY March 2018 Financial Results (Consolidated)



(JPY million)

1st Quarter		1Q FY Mar.2017		1Q FY Mar.2018		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	6,138	6.1	7,433	7.0	1,295	21.1
	Operating Profit	350	2.6	(14)	(0.1)	(364)	—
	Operating Profit Margin	5.7%	/	(0.2%)	/	(5.9P)	/
Financial IT Solutions	Sales	59,717	59.5	59,529	55.8	(188)	(0.3)
	Operating Profit	6,691	48.9	5,784	44.1	(906)	(13.5)
	Operating Profit Margin	11.2%	/	9.7%	/	(1.5P)	/
Industrial IT Solutions	Sales	25,495	25.4	30,737	28.8	5,241	20.6
	Operating Profit	2,166	15.8	3,057	23.3	890	41.1
	Operating Profit Margin	8.5%	/	9.9%	/	1.4P	/
IT Platform Services	Sales	30,355	30.2	30,916	29.0	561	1.8
	Operating Profit	3,801	27.8	3,618	27.6	(183)	(4.8)
	Operating Profit Margin	12.5%	/	11.7%	/	(0.8P)	/
Others	Sales	3,202	3.2	3,429	3.2	226	7.1
	Operating Profit	438	3.2	444	3.4	5	1.3
	Operating Profit Margin	13.7%	/	13.0%	/	(0.7P)	/
Inter-segment sales and eliminations	Sales	(24,518)	(24.4)	(25,410)	(23.8)	(891)	/
	Operating Profit	239	1.8	225	1.7	(14)	/
Total	Sales	100,391	100.0	106,636	100.0	6,244	6.2
	Operating Profit	13,688	100.0	13,116	100.0	(572)	(4.2)
	Operating Profit Margin	13.6%	/	12.3%	/	(1.3P)	/

I .3Q FY March 2018 Financial Results (Consolidated)

② Sales by segment

(JPY million)

3rd Quarter Total	3Q FY Mar.2017		3Q FY Mar.2018		Y o Y		FY Mar.2017	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Consulting	20,809	6.7	25,733	7.5	4,924	23.7	30,574	7.2
Financial IT Solutions	181,717	58.9	183,205	53.6	1,488	0.8	246,979	58.2
Securities	87,135	28.2	85,249	25.0	(1,886)	(2.2)	119,128	28.1
Insurance	39,055	12.7	37,369	10.9	(1,685)	(4.3)	51,982	12.2
Banking	29,043	9.4	31,792	9.3	2,748	9.5	40,286	9.5
Other financial	26,482	8.6	28,794	8.4	2,312	8.7	35,580	8.4
Industrial IT Solutions	76,445	24.8	102,390	30.0	25,945	33.9	107,208	25.3
Distribution	39,698	12.9	45,009	13.2	5,311	13.4	54,256	12.8
Manufacturing, service and other	36,746	11.9	57,381	16.8	20,634	56.2	52,952	12.5
IT Platform Services	21,763	7.1	21,876	6.4	112	0.5	29,241	6.9
Others	7,798	2.5	8,395	2.5	597	7.7	10,544	2.5
Total	308,533	100.0	341,601	100.0	33,068	10.7	424,548	100.0

(JPY million)

3rd Quarter	3Q FY Mar.2017		3Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	7,631	7.2	9,336	7.7	1,704	22.3
Financial IT Solutions	61,962	58.8	62,246	51.3	283	0.5
Securities	30,081	28.5	27,991	23.1	(2,089)	(6.9)
Insurance	13,633	12.9	13,175	10.9	(457)	(3.4)
Banking	10,078	9.6	10,829	8.9	751	7.5
Other financial	8,169	7.8	10,249	8.4	2,079	25.5
Industrial IT Solutions	25,815	24.5	39,625	32.6	13,810	53.5
Distribution	13,031	12.4	15,651	12.9	2,619	20.1
Manufacturing, service and other	12,783	12.1	23,973	19.7	11,190	87.5
IT Platform Services	7,344	7.0	7,487	6.2	143	2.0
Others	2,615	2.5	2,691	2.2	76	2.9
Total	105,368	100.0	121,387	100.0	16,018	15.2

(JPY million)

2nd Quarter	2Q FY Mar.2017		2Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	7,129	6.9	9,120	8.0	1,990	27.9
Financial IT Solutions	60,303	58.7	61,731	54.4	1,428	2.4
Securities	28,645	27.9	28,724	25.3	78	0.3
Insurance	12,663	12.3	12,732	11.2	68	0.5
Banking	9,538	9.3	10,667	9.4	1,129	11.8
Other financial	9,455	9.2	9,606	8.5	151	1.6
Industrial IT Solutions	25,238	24.6	32,177	28.3	6,939	27.5
Distribution	13,121	12.8	14,877	13.1	1,755	13.4
Manufacturing, service and other	12,116	11.8	17,300	15.2	5,183	42.8
IT Platform Services	7,468	7.3	7,566	6.7	97	1.3
Others	2,634	2.6	2,983	2.6	348	13.2
Total	102,773	100.0	113,578	100.0	10,805	10.5

I .3Q FY March 2018 Financial Results (Consolidated)



(JPY million)

1st Quarter	1Q FY Mar.2017		1Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	6,049	6.0	7,277	6.8	1,228	20.3
Financial IT Solutions	59,451	59.2	59,228	55.5	(223)	(0.4)
Securities	28,408	28.3	28,532	26.8	123	0.4
Insurance	12,758	12.7	11,462	10.7	(1,295)	(10.2)
Banking	9,427	9.4	10,295	9.7	867	9.2
Other financial	8,857	8.8	8,938	8.4	81	0.9
Industrial IT Solutions	25,391	25.3	30,587	28.7	5,195	20.5
Distribution	13,544	13.5	14,480	13.6	935	6.9
Manufacturing, service and other	11,847	11.8	16,107	15.1	4,260	36.0
IT Platform Services	6,950	6.9	6,821	6.4	(128)	(1.8)
Others	2,548	2.5	2,720	2.6	172	6.8
Total	100,391	100.0	106,636	100.0	6,244	6.2

(3) Sales to main clients

(JPY million)

3rd Quarter Total	3Q FY Mar.2017		3Q FY Mar.2018		Y o Y		FY Mar.2017	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Nomura Holdings	52,066	16.9	54,523	16.0	2,456	4.7	71,600	16.9
Seven & i Holdings	32,523	10.5	34,915	10.2	2,391	7.4	45,285	10.7

*Figures, in principle, include sales to subsidiaries.

(JPY million)

3rd Quarter	3Q FY Mar.2017		3Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	18,798	17.8	17,618	14.5	(1,180)	(6.3)
Seven & i Holdings	10,689	10.1	12,101	10.0	1,412	13.2

(JPY million)

2nd Quarter	2Q FY Mar.2017		2Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	16,498	16.1	18,978	16.7	2,480	15.0
Seven & i Holdings	10,642	10.4	11,429	10.1	786	7.4

(JPY million)

1st Quarter	1Q FY Mar.2017		1Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	16,769	16.7	17,926	16.8	1,156	6.9
Seven & i Holdings	11,191	11.1	11,384	10.7	192	1.7

(4) Subcontracting Costs

(JPY million)

3rd Quarter Total	3Q FY Mar.2017		3Q FY Mar.2018		Y o Y		FY Mar.2017	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Share(%)
Subcontracting Costs	94,150	30.5	99,613	29.2	5,463	5.8	126,361	29.8
(Subcontracting Costs to China)	14,478	15.4	14,561	14.6	82	0.6	18,815	14.9

*Share for subcontracting costs shows share of sales.

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

(JPY million)

3rd Quarter	3Q FY Mar.2017		3Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	30,849	29.3	35,776	29.5	4,926	16.0
(Subcontracting Costs to China)	4,373	14.2	5,044	14.1	671	15.4

(JPY million)

2nd Quarter	2Q FY Mar.2017		2Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	31,681	30.8	32,836	28.9	1,155	3.6
(Subcontracting Costs to China)	5,064	16.0	4,918	15.0	(145)	(2.9)

(JPY million)

1st Quarter	1Q FY Mar.2017		1Q FY Mar.2018		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	31,619	31.5	30,999	29.1	(619)	(2.0)
(Subcontracting Costs to China)	5,040	15.9	4,597	14.8	(442)	(8.8)

(5) Cash Flow

(JPY million)

3rd Quarter Total	3Q FY Mar.	3Q FY Mar.	Y o Y		FY Mar.2017
	2017	2018	Diff.	Change(%)	Amount
Operating Activities	46,440	44,604	(1,836)	(4.0)	61,147
Investing Activities	(35,247)	(15,286)	19,961	(56.6)	(30,341)
(Investing Activities except Cash management purpose investment)	(42,079)	(26,098)	15,981	(38.0)	(41,348)
Free Cash Flow	11,192	29,318	18,125	161.9	30,805
(Free Cash Flow except Cash management purpose investment)	4,361	18,505	14,144	324.3	19,799
Financing Activities	(34,308)	(70,902)	(36,593)	106.7	(34,327)
Net increase in Cash and cash equivalents	(22,215)	(40,347)	(18,132)	81.6	(2,897)
(Net increase in Cash and cash equivalents except Cash management purpose investment)	(29,047)	(51,159)	(22,112)	76.1	(13,903)
Cash and cash equivalents at end of period	132,733	111,703	(21,029)	(15.8)	152,051
Cash and cash equivalents + Cash Management purpose investment	176,920	140,813	(36,106)	(20.4)	192,028

*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 .3Q FY March 2018 Financial Results (Consolidated)

(6) Capital Expenditure, Research and Development Expenses

(JPY million)

3rd Quarter Total	3Q FY Mar.	3Q FY Mar.	Y o Y		FY Mar.2017
	2017	2018	Diff.	Change(%)	Amount
	Amount	Amount			
Capital Expenditure	29,322	30,728	1,406	4.8	38,668
Tangible	9,780	14,127	4,346	44.4	13,640
Intangible	19,541	16,601	(2,939)	(15.0)	25,027
Research and Development Expenses	4,014	3,855	(158)	(3.9)	5,674

(JPY million)

3rd Quarter	3Q FY Mar.	3Q FY Mar.	Y o Y	
	2017	2018	Diff.	Change(%)
	Amount	Amount		
Capital Expenditure	9,134	6,795	(2,339)	(25.6)
Tangible	3,611	891	(2,719)	(75.3)
Intangible	5,522	5,903	380	6.9
Research and Development Expenses	1,414	1,446	31	2.2

(JPY million)

2nd Quarter	2Q FY Mar.	2Q FY Mar.	Y o Y	
	2017	2018	Diff.	Change(%)
	Amount	Amount		
Capital Expenditure	8,875	6,722	(2,152)	(24.3)
Tangible	1,780	1,597	(182)	(10.3)
Intangible	7,095	5,125	(1,970)	(27.8)
Research and Development Expenses	1,608	1,438	(169)	(10.6)

(JPY million)

1st Quarter	1Q FY Mar.	1Q FY Mar.	Y o Y	
	2017	2018	Diff.	Change(%)
	Amount	Amount		
Capital Expenditure	11,312	17,210	5,898	52.1
Tangible	4,388	11,637	7,249	165.2
Intangible	6,923	5,572	(1,350)	(19.5)
Research and Development Expenses	990	970	(19)	(2.0)

I .3Q FY March 2018 Financial Results (Consolidated)

(7) Depreciation and Amortization

(JPY million)

3rd Quarter Total	3Q FY Mar. 2017	3Q FY Mar. 2018	Y o Y		FY Mar.2017
	Amount	Amount	Diff.	Change(%)	Amount
Tangible	7,605	7,706	101	1.3	10,488
Intangible	11,780	13,709	1,928	16.4	17,988
Depreciation and Amortization	19,386	21,415	2,029	10.5	28,476

(JPY million)

3rd Quarter	3Q FY Mar. 2017	3Q FY Mar. 2018	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,688	2,635	(53)	(2.0)
Intangible	3,972	4,720	747	18.8
Depreciation and Amortization	6,661	7,355	694	10.4

(JPY million)

2nd Quarter	2Q FY Mar. 2017	2Q FY Mar. 2018	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,519	2,651	132	5.2
Intangible	4,056	4,718	661	16.3
Depreciation and Amortization	6,576	7,369	793	12.1

(JPY million)

1st Quarter	1Q FY Mar. 2017	1Q FY Mar. 2018	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,397	2,419	22	0.9
Intangible	3,751	4,270	519	13.8
Depreciation and Amortization	6,148	6,690	541	8.8

I .3Q FY March 2018 Financial Results (Consolidated)

(8) Order Volume by segment

① Order Backlog

(JPY million)

At the end of the 3rd Quarter	3Q FY Mar.	3Q FY Mar.	Y o Y	
	2017	2018	Diff.	Change(%)
	Amount	Amount		
Consulting	8,407	8,043	(363)	(4.3)
Financial IT Solutions	63,773	66,122	2,348	3.7
Industrial IT Solutions	23,910	34,815	10,905	45.6
IT Platform Services	4,659	5,133	473	10.2
Others	1,644	2,108	464	28.3
Total	102,394	116,222	13,828	13.5
(Order backlog in the current FY)	90,434	103,856	13,421	14.8

(JPY million)

At the end of the 2nd Quarter	2Q FY Mar.	2Q FY Mar.	Y o Y	
	2017	2018	Diff.	Change(%)
	Amount	Amount		
Consulting	7,500	10,101	2,600	34.7
Financial IT Solutions	93,184	96,758	3,573	3.8
Industrial IT Solutions	34,188	58,071	23,883	69.9
IT Platform Services	8,358	8,148	(210)	(2.5)
Others	2,892	3,069	176	6.1
Total	146,125	176,148	30,023	20.5
(Order backlog in the current FY)	142,687	168,683	25,996	18.2

(JPY million)

At the end of the 1st Quarter	1Q FY Mar.	1Q FY Mar.	Y o Y	
	2017	2018	Diff.	Change(%)
	Amount	Amount		
Consulting	8,700	11,634	2,934	33.7
Financial IT Solutions	124,119	125,339	1,219	1.0
Industrial IT Solutions	48,534	57,551	9,017	18.6
IT Platform Services	10,971	11,722	751	6.9
Others	4,199	4,061	(137)	(3.3)
Total	196,525	210,310	13,785	7.0
(Order backlog in the current FY)	194,203	206,581	12,377	6.4

(JPY million)

At beginning of period	FY Mar.	FY Mar.	Y o Y	
	2017	2018	Diff.	Change(%)
	Amount	Amount		
Consulting	4,677	8,711	4,034	86.3
Financial IT Solutions	149,718	148,893	(825)	(0.6)
Industrial IT Solutions	58,523	67,650	9,126	15.6
IT Platform Services	11,837	14,019	2,182	18.4
Others	3,553	3,472	(80)	(2.3)
Total	228,310	242,748	14,437	6.3
(Order backlog in the current FY)	227,420	238,644	11,223	4.9

I .3Q FY March 2018 Financial Results (Consolidated)

② Order Volume

(JPY million)

3rd Quarter Total	3Q FY Mar. 2017	3Q FY Mar. 2018	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	24,539	25,065	526	2.1
Financial IT Solutions	95,772	100,434	4,662	4.9
Industrial IT Solutions	41,831	69,555	27,723	66.3
IT Platform Services	14,585	12,989	(1,596)	(10.9)
Others	5,889	7,031	1,142	19.4
Total	182,617	215,076	32,458	17.8

(JPY million)

3rd Quarter	3Q FY Mar. 2017	3Q FY Mar. 2018	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	8,537	7,278	(1,258)	(14.7)
Financial IT Solutions	32,551	31,610	(941)	(2.9)
Industrial IT Solutions	15,537	16,368	831	5.4
IT Platform Services	3,644	4,472	827	22.7
Others	1,367	1,730	363	26.6
Total	61,638	61,460	(177)	(0.3)

(JPY million)

2nd Quarter	2Q FY Mar. 2017	2Q FY Mar. 2018	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	5,929	7,586	1,657	28.0
Financial IT Solutions	29,368	33,149	3,781	12.9
Industrial IT Solutions	10,892	32,697	21,805	200.2
IT Platform Services	4,856	3,991	(864)	(17.8)
Others	1,327	1,991	663	50.0
Total	52,373	79,417	27,043	51.6

(JPY million)

1st Quarter	1Q FY Mar. 2017	1Q FY Mar. 2018	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	10,072	10,200	128	1.3
Financial IT Solutions	33,852	35,674	1,821	5.4
Industrial IT Solutions	15,402	20,488	5,086	33.0
IT Platform Services	6,084	4,524	(1,559)	(25.6)
Others	3,194	3,309	115	3.6
Total	68,606	74,198	5,592	8.2

II . FY March 2018 Financial Results Forecasts (Consolidated)



- Financial results forecasts, sales forecasts by segment, capital expenditure forecasts, and depreciation and amortization forecasts have been revised.

(1) Highlights and Dividend forecasts

(JPY billion)

	FY Mar.2017 (Results)		FY Mar.2018 (Forecasts)		Y o Y		FY Mar.2018 (Forecasts as of October 26,2017)		Comparison to forecasts	
	Amount	Amount	Amount	Amount	Diff.	Change(%)	Amount	Amount	Diff.	Change(%)
Sales	424.5	465.0	465.0	465.0	40.4	9.5	460.0	460.0	5.0	1.1
Consulting Services	62.7	77.0	77.0	77.0	14.2	22.7	77.0	77.0	—	—
System Development & System Application Sales	131.9	134.0	134.0	134.0	2.0	1.6	133.0	133.0	1.0	0.8
System Management & Operation Services	217.2	242.0	242.0	242.0	24.7	11.4	238.0	238.0	4.0	1.7
Product Sales	12.6	12.0	12.0	12.0	(0.6)	(5.0)	12.0	12.0	—	—
Operating Profit	58.5	64.0	64.0	64.0	5.4	9.4	64.0	64.0	—	—
(Operating Profit Margin)	13.8%	13.8%	13.8%	13.8%	(0.0P)		13.9%	13.9%	(0.1P)	
Net Income	45.0	59.0	59.0	59.0	13.9	30.9	59.0	59.0	—	—
Dividends per share(JPY)	80.00	90.00	90.00	90.00	10.00	12.5	90.00	90.00	—	—
Second quarter(JPY)	40.00	45.00	45.00	45.00	5.00	12.5	45.00	45.00	—	—
Fiscal year end(JPY)	40.00	45.00	45.00	45.00	5.00	12.5	45.00	45.00	—	—

※NRI implemented a 1:1.1 common stock split on January 1, 2017.

No adjustment was made to the second quarter dividend per share of the FY Mar. 2017.

(2) Sales Forecasts by segment

(JPY billion)

	FY Mar.2017 (Results)		FY Mar.2018 (Forecasts)		Y o Y		FY Mar.2018 (Forecasts as of October 26,2017)		Comparison to forecasts	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)	Amount	Amount	Diff.	Change(%)
Consulting	30.5	7.2	37.0	8.0	6.4	21.0	37.0	37.0	—	—
Financial IT Solutions	246.9	58.2	248.0	53.3	1.0	0.4	248.0	248.0	—	—
Securities	119.1	28.1	118.0	25.4	(1.1)	(0.9)	118.0	118.0	—	—
Insurance	51.9	12.2	49.0	10.5	(2.9)	(5.7)	49.0	49.0	—	—
Banking	40.2	9.5	43.0	9.2	2.7	6.7	43.0	43.0	—	—
Other financial	35.5	8.4	38.0	8.2	2.4	6.8	38.0	38.0	—	—
Industrial IT Solutions	107.2	25.3	139.0	29.9	31.7	29.7	134.0	134.0	5.0	3.7
Distribution	54.2	12.8	60.0	12.9	5.7	10.6	59.0	59.0	1.0	1.7
Manufacturing, service and other	52.9	12.5	79.0	17.0	26.0	49.2	75.0	75.0	4.0	5.3
IT Platform Services	29.2	6.9	30.0	6.5	0.7	2.6	30.0	30.0	—	—
Others	10.5	2.5	11.0	2.4	0.4	4.3	11.0	11.0	—	—
Total	424.5	100.0	465.0	100.0	40.4	9.5	460.0	460.0	5.0	1.1

II . FY March 2018 Financial Results Forecasts (Consolidated)



(3) Capital Expenditure forecasts

(JPY billion)

	FY Mar.2017 (Results)	FY Mar.2018 (Forecasts)	Y o Y		FY Mar.2018 (Forecasts as of April 27,2017)	Comparison to forecasts	
	Amount	Amount	Diff.	Change(%)	Amount	Diff.	Change(%)
Capital Expenditure	38.6	35.0	(3.6)	(9.5)	45.0	(10.0)	(22.2)
Tangible	13.6	15.0	1.3	10.0	19.0	(4.0)	(21.1)
Intangible	25.0	20.0	(5.0)	(20.1)	26.0	(6.0)	(23.1)

(4) Depreciation and Amortization Forecasts

(JPY billion)

	FY Mar.2017 (Results)	FY Mar.2018 (Forecasts)	Y o Y		FY Mar.2018 (Forecasts as of April 27,2017)	Comparison to forecasts	
	Amount	Amount	Diff.	Change(%)	Amount	Diff.	Change(%)
Depreciation and Amortization	28.4	30.0	1.5	5.3	31.0	(1.0)	(3.2)