

January 29, 2015

## NRI Revises Financial Results and Dividend Forecasts

Nomura Research Institute, Ltd.(NRI), today announced the following revisions to financial results and dividend forecasts for the fiscal year ending March 2015.

### 1. Financial results forecasts

(1) Revised forecasts of consolidated financial results for the full fiscal year ending March 2015 (April 1, 2014 - March 31, 2015)

	Sales	Operating profit	Ordinary profit	Net income	Net income per share (JPY)	(JPY million)
Previous forecasts (A)	400,000	53,000	54,500	44,000	220.41	
Current forecasts (B)	405,000	53,000	54,500	39,000	195.21	
Increase/decrease (B-A)	5,000	—	—	(5,000)		
Change (%)	1.3	—	—	(11.4)		
Reference: Results for the fiscal year ended March 31, 2014	385,932	49,816	52,360	31,527	158.75	

(2) Revised forecasts of non-consolidated financial results for the full fiscal year ending March 2015 (April 1, 2014 – March 31, 2015)

	Sales	Ordinary profit	Net income	Net income per share (JPY)	(JPY million)
Previous forecasts (A)	360,000	47,500	38,500	193.03	
Current forecasts (B)	360,000	47,500	33,500	167.68	
Decrease (B-A)	—	—	(5,000)		
Change (%)	—	—	(13.0)		
Reference: Results for the fiscal year ended March 31, 2014	355,777	46,425	28,759	144.82	

### (3) Reasons for revision

#### Sales

Investment in information systems has been robust in Japan amid the ongoing moderate recovery of the country's economy. Consequently, the NRI Group has been recording strong sales and a steady stream of orders. Taking these results into account, NRI upwardly revised its sales forecast.

## Net income

With a view to expanding its business in the future and improving the efficiency of its operational management, NRI has conducted a review of its business assets and organization, and now expects to incur an extraordinary loss as a result of carrying out related measures. Furthermore, the effective corporate tax rate in Japan is anticipated to decrease in fiscal 2015,\* and if this takes place, NRI expects net income to decrease as a result of writing down deferred tax assets in the current fiscal year. Based on these factors, NRI downwardly revised its forecast for net income.

\* The Japanese government is expected to announce revisions to taxation laws by March 31, 2015, in accordance with fiscal 2015 plans for reforming the tax system decided by the Cabinet on January 14, 2015.

Looking ahead, NRI intends to move forward with measures designed to expand business in the future and improve the efficiency of its operational management, while working to reduce financial risks in the future. Furthermore, the Company will strive to increase value for its shareholders by strengthening its financial position as a means to raise its corporate value.

## 2. Dividend forecasts

### (1) Revision to dividend forecasts

Dividend period	Dividends per share		
	First half	Fiscal year	Annual total
Previous forecasts		¥30	¥60
Current forecasts		¥40	¥70
Actual results	¥30		
Dividends for fiscal year ended March 31, 2014	¥26	¥30	¥56

### (2) Reasons for revision

NRI's target consolidated dividend payout ratio was 35% based on maintaining stable dividends while ensuring internal reserves for medium and long-term business growth.

After recently taking into consideration its financial results forecasts for the full fiscal year, as well as cash flow results and other factors, NRI revised its expected year-end dividend to 40 yen per share, an increase of 10 yen per share above the amount announced in its previous forecasts. Including the interim dividend already paid, this increase will raise the annual payout from 60 yen per share to 70 yen per share. Based on the amounts in the revised forecast, the consolidated dividend payout ratio would come to 36.3%.

Note: Consolidated dividend payout ratio = total annual dividend (includes dividends paid into employee stock ownership plan trust) ÷ consolidated net income

#### **Forward-looking statements disclaimer**

Forward-looking statements about financial results forecasts and other matters in this document are based on information currently available and certain assumptions that NRI deems to be reasonable and do not constitute any guarantee of achievement. Actual results may differ significantly for a variety of reasons. The main factors that may impact on actual results include, but are not limited to, economic conditions inside and outside of Japan, market demand for IT services, competition with other companies and changes to taxation and other systems. NRI does not guarantee that it will revise financial results forecasts and other matters in the event of new information or circumstances.