

July 24, 2015

## NRI Announces Stock Split and Partial Revision of Article of Incorporation Relating to Stock Split

Nomura Research Institute Ltd. (NRI), announced that the meeting of the Board of Directors held July 24, 2015 resolved to implement a stock split and to partially revise the Articles of Incorporation relating to the stock split described below.

### I. Stock Split

#### 1. Objective of Stock Split

NRI will implement the stock split with the objective of increasing the liquidity of its shares and broadening the shareholder base in addition to further enhancing shareholder returns.

#### 2. Outline of Stock Split

##### (1) Method of Stock Split

On October 1, 2015, NRI will implement a stock split at a ratio of 1.1 shares for each 1 share owned for shareholders listed or recorded in the closing register of shareholders on September 30, 2015.

When a fractional share arises as a result of the split, NRI will sell or purchase a number of shares that corresponds to the aggregate total of the fractional shares and issue shareholders who incurred fractional shares with payment thereof proportional to the fractional shares.

##### (2) Increase in number of shares due to the split:

|  |                    |
|--|--------------------|
| a. Total number of issued shares before the stock split  | 225,000,000 shares |
| b. Increase in number of shares due to the split         | 22,500,000 shares  |
| c. Total number of issued shares after the stock split   | 247,500,000 shares |
| d. Total number of issuable shares after the stock split | 825,000,000 shares |

#### 3. Schedule

|                             |                              |
|-----------------------------|------------------------------|
| a. Record date announcement | September 15, 2015 (planned) |
| b. Record date              | September 30, 2015 (planned) |
| c. Effective date           | October 1, 2015 (planned)    |

#### 4. Dividend Forecast

With the objective of further enhancing shareholder returns, NRI will not make any adjustments to the forecast dividend for the fiscal year ending March 31, 2016 in conjunction with the stock split. Accordingly, the fiscal year-end dividend constitutes an effective dividend increase.

The dividend forecast for the fiscal year ending March 31, 2016 announced on April 23, 2015 is as follows.

|   | Dividend per share |                 |
|---|--------------------|-----------------|
|   | End of Q2          | Fiscal year end |
| Forecast for current fiscal year (ending March 31, 2016)                | 40 yen             | 40 yen          |
| Reference: Dividend for the previous fiscal year (ended March 31, 2015) | 30 yen             | 40 yen          |

The forecast fiscal year-end dividend amounts to 44 yen per share using the number of shares before the stock split as the base for calculations, signifying an effective 4 yen increase in the dividend.

As the record date for the Q2 dividend is September 30, 2015, it will be paid based on the number of shares before the stock split.

#### Reference

1. There will be no capital increase as a result of the stock split.
2. Stock acquisition rights that NRI has issued as stock options will be adjusted in conjunction with the stock split and will be as follows from October 1, 2015.
  - (1) The number of shares that are the object of one stock acquisition right will be changed from the current 100 to 110.
  - (2) The amount to be paid per share on the exercise of stock acquisition rights (the exercise price) shall be as in the table below.

(There will be no change to the exercise price for the 23<sup>rd</sup> stock acquisition rights and the 25<sup>th</sup> stock acquisition rights, which is 1 yen.)

| Issue                                     | Current   | After change |
|---|-----------|--------------|
| 12 <sup>th</sup> Stock Acquisition Rights | 2,090 yen | 1,900 yen    |
| 14 <sup>th</sup> Stock Acquisition Rights | 2,010 yen | 1,828 yen    |
| 16 <sup>th</sup> Stock Acquisition Rights | 1,869 yen | 1,700 yen    |
| 18 <sup>th</sup> Stock Acquisition Rights | 1,766 yen | 1,606 yen    |
| 20 <sup>th</sup> Stock Acquisition Rights | 3,420 yen | 3,110 yen    |
| 22 <sup>nd</sup> Stock Acquisition Rights | 3,335 yen | 3,032 yen    |
| 24 <sup>th</sup> Stock Acquisition Rights | 5,094 yen | 4,631 yen    |

3. Any other requirements for the stock split will be determined by future meetings of the Board of Directors.

## II. Partial Revision of the Articles of Incorporation Relating to the Stock Split

### 1. Rationale for Revising the Articles of Incorporation

In conjunction with the stock split, the total number of issuable shares in Article 6 of the Company's Articles of Incorporation will be revised by resolution of the Board of Directors on October 1, 2015 in accordance with the provision of paragraph 2, Article 184 of the Companies Act.

### 2. Details of Revision to the Articles of Incorporation

(Changes underlined)

| Current   | Post-revision   |
|---|---|
| Chapter 2 Shares  | Chapter 2 Shares  |
| (Total number of issuable shares)   | (Total number of issuable shares)   |
| Article 6 The total number of shares of the Company authorized to be issued shall be <u>750,000,000</u> . | Article 6 The total number of shares of the Company authorized to be issued shall be <u>825,000,000</u> . |

3. Schedule

- a. Date of resolution by the Board of Directors to revise the Articles of Incorporation July 24, 2015
- b. Effective date of revision to Articles of Incorporation October 1, 2015