

Announcement Concerning the Payment of Dividends from Retained Earnings

Nomura Research Institute, Ltd. (NRI) has announced that its Board of Directors resolved on May 13, 2016 to pay dividends to shareholders of record as of March 31, 2016, as detailed below.

NRI's Articles of Incorporation stipulate that the company shall pay dividends from retained earnings based on a resolution of the Board of Directors in accordance with Article 459 of Japan's Companies Act.

1. Details of payment of dividends

	Payment of dividends decided on May 13, 2016	Most recent dividend forecast announced on April 27, 2016	Payment of dividends for the fiscal year ended March 31, 2015
Record date	March 31, 2016	No change	March 31, 2015
Dividend per share	40 yen	No change	40 yen
Total amount of payment	9,182 million yen	NA	8,105 million yen
Effective date	May 30, 2016	NA	June 1, 2015
Source of payment	Retained earnings	NA	Retained earnings

Note: The total amount of payment includes dividend payments of 96 million yen for the fiscal year ended in March 31, 2016 and 85 million yen for the fiscal year ended March 31, 2015 for the trust exclusive for the NRI Group Employee Stock Ownership Association.

2. Basis for payment of dividends

NRI considers the continued growth of its corporate value to be the most important return to its shareholders. Its basic policy is to maintain stable dividends 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 this policy, and in consideration of financial results for the fiscal year ended March 31, 2016, NRI decided to make a year-end dividend payment of 40 yen per share. NRI implemented a 1:1.1 common stock split on October 1, 2015. Since no adjustment will be made to the year-end dividend per share, the split will result in an effective dividend increase of ¥4.

Added to the interim dividend that NRI paid at the end of the second quarter of the fiscal year, the full-year dividend for the fiscal year ended March 31, 2016 is 80 yen per share, which is an increase of 10 yen per share and an effective dividend increase of 14 yen, and yields a consolidated payout ratio of 41.1%.

Note: Consolidated dividend payout ratio = Annual amount of payment of dividends (including dividends for the trust exclusive for the NRI Group Employee Stock Ownership Association) / Profit attributable to owners of Parent.

Reference: Details of payment of dividends by year

Fiscal year	Dividend per share		
	Interim dividend	Year-end dividend	Full-year dividend
Fiscal year ended March 31, 2016	40 yen	40 yen	—
Fiscal year ended March 31, 2015	30 yen	40 yen	70 yen

* NRI implemented a 1:1.1 common stock split on October 1, 2015. Since no adjustment will be made to the year-end dividend per share, the split will result in an effective dividend increase of ¥4.