

## *News Release*

# **NRI Announces Stock Split and Partial Revision of Articles of Incorporation Related to Stock Split**

**TOKYO, October 27, 2016** — Nomura Research Institute Ltd. (NRI) today announced that the meeting of the Board of Directors held October 27, 2016 resolved to implement a stock split and to partially revise the Articles of Incorporation relating to the stock split as 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 January 1, 2017, 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 December 31, 2016 (effectively December 30, 2016 as December 31, 2016 is a holiday for the administrator of the shareholder register.)

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	240,000,000 shares
b. Increase in number of shares due to the split	24,000,000 shares
c. Total number of issued shares after the stock split	264,000,000 shares
d. Total number of issuable shares after the stock split	907,500,000 shares

#### 3. Schedule

a. Record date announcement	December 17, 2016 (planned)
b. Record date	December 31, 2016 (effectively December 30, 2016 due to December 31, 2016 being a holiday for the administrator of the shareholder register)

c. Effective date

January 1, 2017

#### 4. Dividend Forecast

With the objective of further enhancing shareholder returns, NRI will not make any adjustments to the forecast year-end dividend for the fiscal year ending March 31, 2017, which follows the stock split. The fiscal year-end dividend will be equivalent to ¥44 when converted into the per share amount before the stock split, which constitutes an effective increase of ¥4 from the previous forecast.

	End of 2Q	Fiscal year end (forecast)
Dividend for current fiscal year ending March 31, 2017	¥40	¥40
[Converted from pre-stock split dividend]	[¥40]	[¥44]

\* “Converted from pre-stock split dividend” is the amount converted per share as of September 30, 2016.

#### 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 the exercise price (the amount to be paid per share on the exercise of stock acquisition rights) and the number of shares that are the object of one stock acquisition right will be as shown in the table below, as of January 1, 2017.

Issue	Exercise price		No. of shares that are the object of one stock acquisition right	
	Current	After change	Current	After change
14 <sup>th</sup> Stock Acquisition Rights	¥1,828	¥1,662	110 shares	121 shares
16 <sup>th</sup> Stock Acquisition Rights	¥1,700	¥1,546	110 shares	121 shares
18 <sup>th</sup> Stock Acquisition Rights	¥1,606	¥1,460	110 shares	121 shares
20 <sup>th</sup> Stock Acquisition Rights	¥3,110	¥2,828	110 shares	121 shares
22 <sup>nd</sup> Stock Acquisition Rights	¥3,032	¥2,757	110 shares	121 shares
24 <sup>th</sup> Stock Acquisition Rights	¥4,631	¥4,210	110 shares	121 shares
25 <sup>th</sup> Stock Acquisition Rights	¥1	¥1 (Unchanged)	110 shares	121 shares
26 <sup>th</sup> Stock Acquisition Rights	¥4,027	¥3,661	100 shares	110 shares
27 <sup>th</sup> Stock Acquisition Rights	¥1	¥1 (Unchanged)	100 shares	110 shares

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

