



Nomura Research Institute Group

NEWS RELEASE

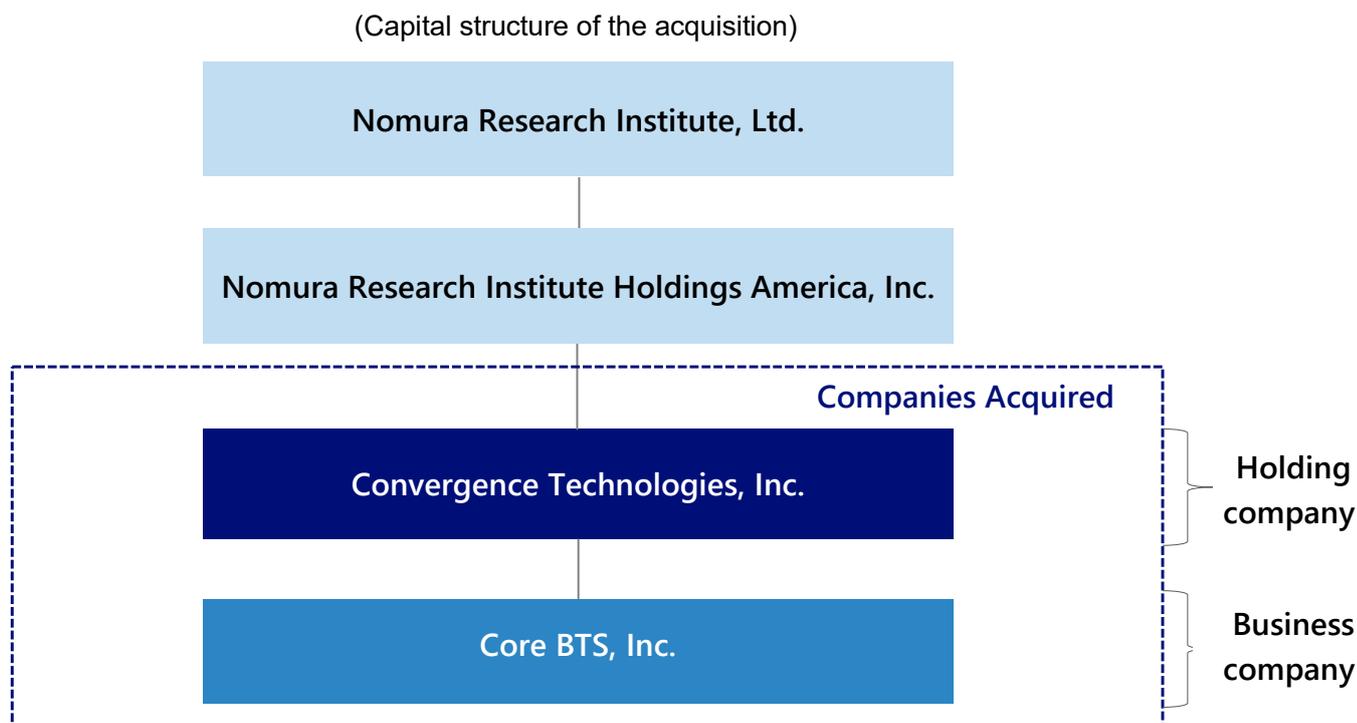
November 10, 2021

Nomura Research Institute, Ltd.

NRI Signs Agreement to Acquire 100% shares of Convergence Technologies, Inc.

Acquisition of a "digital engineering" business base in the North American IT services market

Nomura Research Institute, Ltd. ("NRI") today announced that the Board of Directors of Nomura Research Institute Holdings America, Inc. (Head Office: New York, New York, USA., hereinafter "NRI-HA"), a wholly owned subsidiary and NRI's regional headquarters in the Americas, has resolved to execute an agreement to acquire 100% of the issued shares of Convergence Technologies, Inc. (Head Office: Indianapolis, Indiana, USA., hereinafter "CT") parent company of Core BTS, Inc. (Head Office: Indianapolis, Indiana, USA., "Core BTS"), for 52,292 million yen*1.



1. Background to the acquisition

In Europe and the United States, the mainstream is for clients to develop their own systems in-house. However, as digital technologies become more sophisticated and diverse year by year, there is increasing needs for "digital engineering" to develop highly specialized areas that are difficult to achieve in-house, such as mobile development, cloud infrastructure, and security. Furthermore, there are still very few IT companies that provide comprehensive digital engineering services from consulting to development and operation. This is a new area of business supporting enterprise level digital transformation ("DX"), where significant growth is expected going forward.

Recently, more and more customers in Japan are looking for advanced digital technologies developed in the U.S. Therefore, having a digital engineering base in the U.S. is important for NRI to increase its competitiveness not only for U.S. customers but also for its domestic customers.

NRI has been expanding its global businesses to achieve its long-term management vision "Vision2022" target. We have been expanding our business base through active external growth, starting with the acquisition of ASG Group Limited*1 in 2016 to quickly establish our position as a tier 1 company in the Australian IT services market.

With this new acquisition, NRI will build the foundation of our digital engineering business in the U.S. and leverage cross-selling synergies in Japan, Australia and the Americas to further expand our global business.

2. Overview of Core BTS

Core BTS is a U.S. company that provides digital transformation solutions to customers in a wide range of industries. Through strategic partnerships with Microsoft and Cisco, Core BTS provides a full lineup of services from consulting to system development, implementation, and operation in the cloud, digital development, network, and security business domains.

In recent years, Core BTS has been accelerating growth of its cloud and digital development business and expanding the business foundation in digital engineering in the United States through vigorous acquisitions, including the Microsoft business department of SADA Systems, Inc. in 2019, Blue Chip Consulting Group, LLC. in 2020, Skyline Technologies, LLC. and Aptera Software LLC. in 2021

The company provides cutting edge technology and high-quality services to meet the digitalization needs of its customers, such as cloud migration, to support their further growth.

NRI expects the company to become a beachhead for our future business development in the U.S.

(CT)

Name	Convergence Technologies, Inc.
Address	5875 Castle Creek Pkwy N Dr Suite 320 Indianapolis, IN 46250
Business	Holding company
Established	February 5, 2004

(Core BTS)

Name	Core BTS, Inc.
Address	5875 Castle Creek Pkwy N Dr Suite 320 Indianapolis, IN 46250
Locations	14 locations including the U.S. headquarters, mainly on the East Coast
Business	Provision of solutions for digital transformation in the cloud business and network business
Established	December 1, 2005
Employees	740 as of the end of July, 2021
Website	https://corebts.com/

About NRI

Founded in 1965, NRI is a leading global provider of consulting services and system solutions, including management consulting, system integration, and IT management and solutions for the financial, manufacturing, retail and service industries. Clients from all layers of these individual industries partner with NRI to tap NRI's research expertise and innovative solutions across the organization to expand businesses, design corporate structures and create new business strategies. NRI has more than 13,000 employees in more than 70 offices globally including New York, London, Tokyo, Hong Kong, Singapore, and Australia. NRI reports annual sales above \$4.9 billion. NRI is rated "A" by S&P Global Ratings Japan. For more information, visit <https://www.nri.com/en>

*1 Estimated amount including advisory fees, etc. The acquisition price has been determined through negotiations with the seller based on the valuation calculated by the financial advisor. The acquisition price is subject to change due to price adjustments, etc. as stipulated in the agreement.

*2 As a leading company in IT service market in Australia, ASG provides services in a wide range of areas from IT consulting to managed services (Head office: Perth, Australia)

Media Inquires

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