

News Release

NRI Announces Acquisition of Shares (Conversion to Subsidiary) of SMS Management & Technology Limited

Tokyo, September 26, 2017 – Nomura Research Institute, Ltd. (NRI) announced today that its wholly owned subsidiary ASG Group Limited (Head Office: Perth, Australia) has completed the acquisition of 100% of the outstanding shares of SMS Management & Technology Limited (Head Office: Melbourne, Australia; “SMS”) on September 26, 2017 and converted SMS into a subsidiary. The acquisition of shares in SMS was announced on June 20, 2017 in “Announcement of Contract Consummation in Preparation for Acquiring Shares (Acquiring Subsidiary) of SMS Management & Technology Limited.”

1. Number of shares to be acquired, acquisition price, and status of held shares before/after acquisition

| | |
|---|---|
| (1) Number of held shares prior to transfer | 0 shares (Number of voting rights: 0 (indirect holdings: 0)) (Ratio of voting rights held: 0.0% (indirect holdings: 0.0%)) |
| (2) Acquisition price (Note) | SMS acquisition price: 9,874 million yen (116,374,000 AUD) Advisory expenses, etc. (estimated amount): 130 million yen Total (estimated amount): 10,004 million yen |
| (3) Number of held shares after transfer | 68,536,340 shares (Number of voting rights: 68,536,340 (indirect holdings: 68,536,340)) (Ratio of voting rights held: 100.0% (indirect holdings: 100.0%)) |

Notes:

1. The acquisition price has been calculated at AUD 1 = JPY 84.85 (foreign exchange contract rate)
2. Based on SMS’s general meeting of shareholders and the Scheme Implementation Agreement, SMS paid a special dividend of AUD 0.102 per share to shareholders. As a result, the acquisition price has been changed from AUD 1.80 per share (total of AUD 123,365,000) to AUD 1.698 (total of AUD 116,374,000).

2. Future outlook

The impact of this acquisition on NRI’s consolidated business results shall be promptly announced as necessary after review.

【Reference】

NRI's consolidated financial results forecasts for current fiscal year (published July 27, 2017)
and consolidated financial results for the previous fiscal year

(Unit: JPY million)

| | Net sales | Operating profit | Profit attributable to owners of parent |
|---|-----------|------------------|---|
| Consolidated forecasts for current fiscal year (ending March 31, 2018) | 460,000 | 64,000 | 59,000 |
| Consolidated financial results for previous fiscal year (ended March 31, 2017) | 424,548 | 58,514 | 45,064 |

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