

FY March 2021

Financial Results

Nomura Research Institute, Ltd.

April 27, 2021



1

FY March 2021 Financial Results (Consolidated)

2

FY March 2022 Financial Results Forecasts (Consolidated)

FY March 2021 Financial Results (Consolidated)

1. Highlights

(JPY million)

Full Year	FY Mar.2020	FY Mar.2021	Y o Y		Forecasts as of Jan.27,2021	
	Amount	Amount	Diff.	Change(%)	Amount	Diff.
Sales	528,873	550,490	21,616	4.1	550,000	490
Consulting Services	96,862	90,056	(6,806)	(7.0)	90,000	56
System Development & System Application Sales	161,703	183,847	22,144	13.7	187,000	(3,152)
System Management & Operation Services	251,908	258,809	6,900	2.7	258,000	809
Product Sales	18,399	17,777	(622)	(3.4)	15,000	2,777
Cost of Sales	348,006	365,150	17,143	4.9		
Gross Profit	180,866	185,339	4,472	2.5		
Gross Profit Margin	34.2%	33.7%	(0.5P)			
Selling, general and administrative expenses	97,688	98,837	1,149	1.2		
OP(Before goodwill amortization)	86,343	89,560	3,217	3.7		
Operating Profit	83,178	86,502	3,323	4.0	86,000	502
OPM(Before goodwill amortization)	16.3%	16.3%	(0.1P)			
Operating Profit Margin	15.7%	15.7%	(0.0P)		15.6%	0.1P
Non-operating income and loss	1,349	(480)	(1,829)	—		
Extraordinary income and loss	17,968	2,664	(15,303)	(85.2)		
Profit attributable to owners of parent	69,276	68,120	(1,156)	(1.7)	65,000	3,120
Comprehensive Income	43,760	93,320	49,559	113.3		
Earnings per share(JPY)	109.35	113.83	4.48			
Annual Dividends per share(JPY)	32.00	36.00	4.00		36.00	—
Second quarter(JPY)	15.00	17.00	2.00		17.00	—
Fiscal year end(JPY)	17.00	19.00	2.00		19.00	—
Dividend payout ratio	27.9%	32.0%	4.1P			
EBITDA Margin	22.2%	22.2%	(0.0P)			
Return on Equity(ROE)	20.3%	21.8%	1.5P			

* Operating profit before goodwill amortization and operating profit margin before goodwill amortization are reference values.

FY March 2021 Financial Results (Consolidated)

1. Highlights

(JPY million)

4th Quarter	4Q FY	4Q FY	Y o Y	
	Mar.2020	Mar.2021	Diff.	Change(%)
	Amount	Amount		
Sales	138,328	146,023	7,695	5.6
Consulting Services	25,936	25,229	(707)	(2.7)
System Development & System Application Sales	41,933	48,329	6,396	15.3
System Management & Operation Services	65,102	66,639	1,537	2.4
Product Sales	5,357	5,825	468	8.7
Cost of Sales	90,857	96,882	6,025	6.6
Gross Profit	47,471	49,141	1,670	3.5
Gross Profit Margin	34.3%	33.7%	(0.7P)	
Selling, general and administrative expenses	26,398	25,785	(612)	(2.3)
OP(Before goodwill amortization)	21,844	24,165	2,320	10.6
Operating Profit	21,072	23,355	2,282	10.8
OPM(Before goodwill amortization)	15.8%	16.5%	0.8P	
Operating Profit Margin	15.2%	16.0%	0.8P	
Non-operating income and loss	364	(370)	(735)	—
Extraordinary income and loss	(1,220)	(1,237)	(17)	1.5
Profit attributable to owners of parent	13,672	23,327	9,655	70.6
Earnings per share(JPY)	22.96	38.98	16.03	
EBITDA Margin	21.7%	22.7%	1.0P	

(JPY million)

3rd Quarter	3Q FY	3Q FY	Y o Y	
	Mar.2020	Mar.2021	Diff.	Change(%)
	Amount	Amount		
Sales	131,391	138,165	6,774	5.2
Consulting Services	24,782	23,304	(1,477)	(6.0)
System Development & System Application Sales	39,871	46,071	6,199	15.5
System Management & Operation Services	62,961	64,892	1,931	3.1
Product Sales	3,775	3,896	120	3.2
Cost of Sales	85,470	89,484	4,014	4.7
Gross Profit	45,921	48,681	2,759	6.0
Gross Profit Margin	35.0%	35.2%	0.3P	
Selling, general and administrative expenses	24,723	24,846	123	0.5
OP(Before goodwill amortization)	21,990	24,607	2,617	11.9
Operating Profit	21,198	23,834	2,636	12.4
OPM(Before goodwill amortization)	16.7%	17.8%	1.1P	
Operating Profit Margin	16.1%	17.3%	1.1P	
Non-operating income and loss	117	229	111	94.6
Extraordinary income and loss	94	3,530	3,436	—
Profit attributable to owners of parent	14,711	18,764	4,053	27.6
Earnings per share(JPY)	24.75	31.34	6.59	
EBITDA Margin	22.5%	23.5%	1.0P	

FY March 2021 Financial Results (Consolidated)

1. Highlights

(JPY million)

2nd Quarter	2Q FY	2Q FY	Y o Y	
	Mar.2020	Mar.2021	Diff.	Change(%)
	Amount	Amount		
Sales	129,657	135,145	5,487	4.2
Consulting Services	24,946	21,688	(3,257)	(13.1)
System Development & System Application Sales	38,646	45,909	7,262	18.8
System Management & Operation Services	61,531	64,241	2,709	4.4
Product Sales	4,533	3,306	(1,226)	(27.1)
Cost of Sales	86,287	89,510	3,223	3.7
Gross Profit	43,370	45,634	2,264	5.2
Gross Profit Margin	33.5%	33.8%	0.3P	
Selling, general and administrative expenses	22,816	24,500	1,683	7.4
OP(Before goodwill amortization)	21,338	21,901	563	2.6
Operating Profit	20,554	21,134	580	2.8
OPM(Before goodwill amortization)	16.5%	16.2%	(0.3P)	
Operating Profit Margin	15.9%	15.6%	(0.2P)	
Non-operating income and loss	57	(503)	(561)	—
Extraordinary income and loss	19,103	(79)	(19,182)	—
Profit attributable to owners of parent	26,647	13,410	(13,236)	(49.7)
Earnings per share(JPY)	41.00	22.42	(18.57)	
EBITDA Margin	22.2%	22.3%	0.0P	

(JPY million)

1st Quarter	1Q FY	1Q FY	Y o Y	
	Mar.2020	Mar.2021	Diff.	Change(%)
	Amount	Amount		
Sales	129,495	131,154	1,659	1.3
Consulting Services	21,197	19,833	(1,363)	(6.4)
System Development & System Application Sales	41,251	43,536	2,285	5.5
System Management & Operation Services	62,313	63,036	722	1.2
Product Sales	4,733	4,748	14	0.3
Cost of Sales	85,392	89,272	3,879	4.5
Gross Profit	44,102	41,882	(2,220)	(5.0)
Gross Profit Margin	34.1%	31.9%	(2.1P)	
Selling, general and administrative expenses	23,749	23,704	(44)	(0.2)
OP(Before goodwill amortization)	21,170	18,887	(2,283)	(10.8)
Operating Profit	20,353	18,177	(2,175)	(10.7)
OPM(Before goodwill amortization)	16.3%	14.4%	(1.9P)	
Operating Profit Margin	15.7%	13.9%	(1.9P)	
Non-operating income and loss	808	164	(644)	(79.7)
Extraordinary income and loss	(10)	450	460	—
Profit attributable to owners of parent	14,245	12,616	(1,628)	(11.4)
Earnings per share(JPY)	20.52	21.15	0.63	
EBITDA Margin	22.4%	20.2%	(2.2P)	

FY March 2021 Financial Results (Consolidated)

2. Segment performance results

① Including Inter-segment sales for each segment

(JPY million)

Full Year		FY Mar.2020		FY Mar.2021		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	39,612	7.5	38,155	6.9	(1,456)	(3.7)
	Operating Profit	9,515	11.4	9,917	11.5	401	4.2
	Operating Profit Margin	24.0%		26.0%		2.0P	
Financial IT Solutions	Sales	276,937	52.4	292,038	53.1	15,100	5.5
	Operating Profit	35,034	42.1	38,690	44.7	3,656	10.4
	Operating Profit Margin	12.7%		13.2%		0.6P	
Industrial IT Solutions	Sales	181,438	34.3	189,551	34.4	8,113	4.5
	Operating Profit	19,719	23.7	18,036	20.9	(1,682)	(8.5)
	Operating Profit Margin	10.9%		9.5%		(1.4P)	
IT Platform Services	Sales	138,833	26.3	142,838	25.9	4,005	2.9
	Operating Profit	18,454	22.2	19,325	22.3	871	4.7
	Operating Profit Margin	13.3%		13.5%		0.2P	
Inter-segment sales and eliminations	Sales	(107,946)	(20.4)	(112,094)	(20.4)	(4,147)	
	Operating Profit	454	0.5	531	0.6	77	
Total	Sales	528,873	100.0	550,490	100.0	21,616	4.1
	Operating Profit	83,178	100.0	86,502	100.0	3,323	4.0
	Operating Profit Margin	15.7%		15.7%		(0.0P)	

* Including inter-segment sales for each segment.

FY March 2021 Financial Results (Consolidated)

2. Segment performance results

① Including Inter-segment sales for each segment

(JPY million)

4th Quarter		4Q FY Mar.2020		4Q FY Mar.2021		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	11,985	8.7	12,181	8.3	195	1.6
	Operating Profit	3,824	18.1	4,473	19.2	649	17.0
	Operating Profit Margin	31.9%		36.7%		4.8P	
Financial IT Solutions	Sales	72,408	52.3	75,542	51.7	3,133	4.3
	Operating Profit	8,098	38.4	9,667	41.4	1,569	19.4
	Operating Profit Margin	11.2%		12.8%		1.6P	
Industrial IT Solutions	Sales	45,505	32.9	49,713	34.0	4,207	9.2
	Operating Profit	5,216	24.8	3,986	17.1	(1,229)	(23.6)
	Operating Profit Margin	11.5%		8.0%		(3.4P)	
IT Platform Services	Sales	36,736	26.6	38,735	26.5	1,998	5.4
	Operating Profit	4,179	19.8	5,079	21.7	900	21.6
	Operating Profit Margin	11.4%		13.1%		1.7P	
Inter-segment sales and eliminations	Sales	(28,307)	(20.5)	(30,148)	(20.6)	(1,840)	
	Operating Profit	(245)	(1.2)	147	0.6	393	
Total	Sales	138,328	100.0	146,023	100.0	7,695	5.6
	Operating Profit	21,072	100.0	23,355	100.0	2,282	10.8
	Operating Profit Margin	15.2%		16.0%		0.8P	

FY March 2021 Financial Results (Consolidated)

2. Segment performance results

① Including Inter-segment sales for each segment

(JPY million)

3rd Quarter		3Q FY Mar.2020		3Q FY Mar.2021		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	10,120	7.7	10,180	7.4	60	0.6
	Operating Profit	2,393	11.3	2,941	12.3	547	22.9
	Operating Profit Margin	23.7%		28.9%		5.2P	
Financial IT Solutions	Sales	67,877	51.7	72,967	52.8	5,089	7.5
	Operating Profit	8,705	41.1	10,509	44.1	1,803	20.7
	Operating Profit Margin	12.8%		14.4%		1.6P	
Industrial IT Solutions	Sales	45,028	34.3	47,143	34.1	2,114	4.7
	Operating Profit	4,519	21.3	5,019	21.1	499	11.1
	Operating Profit Margin	10.0%		10.6%		0.6P	
IT Platform Services	Sales	35,490	27.0	36,296	26.3	805	2.3
	Operating Profit	5,267	24.8	5,341	22.4	74	1.4
	Operating Profit Margin	14.8%		14.7%		(0.1P)	
Inter-segment sales and eliminations	Sales	(27,125)	(20.6)	(28,421)	(20.6)	(1,296)	
	Operating Profit	311	1.5	21	0.1	(289)	
Total	Sales	131,391	100.0	138,165	100.0	6,774	5.2
	Operating Profit	21,198	100.0	23,834	100.0	2,636	12.4
	Operating Profit Margin	16.1%		17.3%		1.1P	

FY March 2021 Financial Results (Consolidated)

2. Segment performance results

① Including Inter-segment sales for each segment

(JPY million)

2nd Quarter		2Q FY Mar.2020		2Q FY Mar.2021		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	9,738	7.5	8,694	6.4	(1,043)	(10.7)
	Operating Profit	2,683	13.1	1,832	8.7	(851)	(31.7)
	Operating Profit Margin	27.6%	/	21.1%	/	(6.5P)	/
Financial IT Solutions	Sales	68,058	52.5	73,208	54.2	5,150	7.6
	Operating Profit	7,917	38.5	10,071	47.7	2,153	27.2
	Operating Profit Margin	11.6%	/	13.8%	/	2.1P	/
Industrial IT Solutions	Sales	44,434	34.3	46,267	34.2	1,833	4.1
	Operating Profit	4,792	23.3	4,310	20.4	(482)	(10.1)
	Operating Profit Margin	10.8%	/	9.3%	/	(1.5P)	/
IT Platform Services	Sales	34,648	26.7	34,385	25.4	(262)	(0.8)
	Operating Profit	5,052	24.6	4,638	21.9	(413)	(8.2)
	Operating Profit Margin	14.6%	/	13.5%	/	(1.1P)	/
Inter-segment sales and eliminations	Sales	(27,221)	(21.0)	(27,410)	(20.3)	(188)	/
	Operating Profit	107	0.5	281	1.3	173	/
Total	Sales	129,657	100.0	135,145	100.0	5,487	4.2
	Operating Profit	20,554	100.0	21,134	100.0	580	2.8
	Operating Profit Margin	15.9%	/	15.6%	/	(0.2P)	/

FY March 2021 Financial Results (Consolidated)

2. Segment performance results

① Including Inter-segment sales for each segment

(JPY million)

1st Quarter		1Q FY Mar.2020		1Q FY Mar.2021		Y o Y	
		Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	Sales	7,767	6.0	7,099	5.4	(668)	(8.6)
	Operating Profit	613	3.0	670	3.7	56	9.2
	Operating Profit Margin	7.9%		9.4%		1.5P	
Financial IT Solutions	Sales	68,592	53.0	70,320	53.6	1,727	2.5
	Operating Profit	10,312	50.7	8,442	46.4	(1,870)	(18.1)
	Operating Profit Margin	15.0%		12.0%		(3.0P)	
Industrial IT Solutions	Sales	46,470	35.9	46,427	35.4	(42)	(0.1)
	Operating Profit	5,190	25.5	4,719	26.0	(471)	(9.1)
	Operating Profit Margin	11.2%		10.2%		(1.0P)	
IT Platform Services	Sales	31,957	24.7	33,421	25.5	1,464	4.6
	Operating Profit	3,955	19.4	4,265	23.5	309	7.8
	Operating Profit Margin	12.4%		12.8%		0.4P	
Inter-segment sales and eliminations	Sales	(25,292)	(19.5)	(26,113)	(19.9)	(821)	
	Operating Profit	280	1.4	80	0.4	(200)	
Total	Sales	129,495	100.0	131,154	100.0	1,659	1.3
	Operating Profit	20,353	100.0	18,177	100.0	(2,175)	(10.7)
	Operating Profit Margin	15.7%		13.9%		(1.9P)	

FY March 2021 Financial Results (Consolidated)

2. Segment performance results

② External sales by segment

(JPY million)

Full Year	FY Mar.2020		FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	38,572	7.3	37,246	6.8	(1,326)	(3.4)
Financial IT Solutions	273,571	51.7	288,196	52.4	14,625	5.3
Securities	112,762	21.3	130,427	23.7	17,664	15.7
Insurance	66,374	12.6	61,441	11.2	(4,933)	(7.4)
Banking	51,022	9.6	50,181	9.1	(840)	(1.6)
Other financial	43,411	8.2	46,146	8.4	2,734	6.3
Industrial IT Solutions	178,490	33.7	186,051	33.8	7,560	4.2
Distribution	66,789	12.6	62,192	11.3	(4,597)	(6.9)
Manufacturing, service and other	111,700	21.1	123,858	22.5	12,158	10.9
IT Platform Services	38,239	7.2	38,995	7.1	756	2.0
Total	528,873	100.0	550,490	100.0	21,616	4.1

(JPY million)

4th Quarter	4Q FY Mar.2020		4Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	11,509	8.3	11,875	8.1	365	3.2
Financial IT Solutions	71,010	51.3	74,521	51.0	3,510	4.9
Securities	31,296	22.6	34,069	23.3	2,773	8.9
Insurance	16,212	11.7	16,494	11.3	282	1.7
Banking	12,907	9.3	12,887	8.8	(19)	(0.1)
Other financial	10,594	7.7	11,068	7.6	474	4.5
Industrial IT Solutions	44,712	32.3	48,705	33.4	3,993	8.9
Distribution	15,894	11.5	15,741	10.8	(153)	(1.0)
Manufacturing, service and other	28,817	20.8	32,964	22.6	4,147	14.4
IT Platform Services	11,096	8.0	10,921	7.5	(174)	(1.6)
Total	138,328	100.0	146,023	100.0	7,695	5.6

(JPY million)

3rd Quarter	3Q FY Mar.2020		3Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	9,888	7.5	9,956	7.2	67	0.7
Financial IT Solutions	67,480	51.4	72,016	52.1	4,536	6.7
Securities	27,585	21.0	32,811	23.7	5,225	18.9
Insurance	16,245	12.4	14,905	10.8	(1,339)	(8.2)
Banking	12,952	9.9	12,326	8.9	(626)	(4.8)
Other financial	10,696	8.1	11,973	8.7	1,277	11.9
Industrial IT Solutions	44,246	33.7	46,257	33.5	2,011	4.5
Distribution	16,467	12.5	15,577	11.3	(889)	(5.4)
Manufacturing, service and other	27,779	21.1	30,679	22.2	2,900	10.4
IT Platform Services	9,775	7.4	9,934	7.2	158	1.6
Total	131,391	100.0	138,165	100.0	6,774	5.2

FY March 2021 Financial Results (Consolidated)

2. Segment performance results

② External sales by segment

(JPY million)

2nd Quarter	2Q FY Mar.2020		2Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	9,552	7.4	8,498	6.3	(1,053)	(11.0)
Financial IT Solutions	67,052	51.7	72,196	53.4	5,143	7.7
Securities	26,479	20.4	32,909	24.4	6,430	24.3
Insurance	17,205	13.3	15,000	11.1	(2,204)	(12.8)
Banking	12,531	9.7	12,679	9.4	147	1.2
Other financial	10,835	8.4	11,605	8.6	770	7.1
Industrial IT Solutions	43,727	33.7	45,396	33.6	1,669	3.8
Distribution	16,782	12.9	15,345	11.4	(1,437)	(8.6)
Manufacturing, service and other	26,945	20.8	30,051	22.2	3,106	11.5
IT Platform Services	9,325	7.2	9,054	6.7	(271)	(2.9)
Total	129,657	100.0	135,145	100.0	5,487	4.2

(JPY million)

1st Quarter	1Q FY Mar.2020		1Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Consulting	7,621	5.9	6,915	5.3	(706)	(9.3)
Financial IT Solutions	68,027	52.5	69,462	53.0	1,434	2.1
Securities	27,400	21.2	30,636	23.4	3,236	11.8
Insurance	16,711	12.9	15,040	11.5	(1,671)	(10.0)
Banking	12,629	9.8	12,287	9.4	(342)	(2.7)
Other financial	11,285	8.7	11,498	8.8	212	1.9
Industrial IT Solutions	45,804	35.4	45,691	34.8	(112)	(0.2)
Distribution	17,645	13.6	15,527	11.8	(2,117)	(12.0)
Manufacturing, service and other	28,158	21.7	30,163	23.0	2,004	7.1
IT Platform Services	8,041	6.2	9,085	6.9	1,043	13.0
Total	129,495	100.0	131,154	100.0	1,659	1.3

FY March 2021 Financial Results (Consolidated)

3. Sales by main client

(JPY million)

Full Year	FY Mar.2020		FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	65,049	12.3	66,309	12.0	1,260	1.9

* Figures, in principle, include sales to subsidiaries.

(JPY million)

4th Quarter	4Q FY Mar.2020		4Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	17,288	12.5	17,828	12.2	540	3.1

(JPY million)

3rd Quarter	3Q FY Mar.2020		3Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	16,591	12.6	16,681	12.1	89	0.5

(JPY million)

2nd Quarter	2Q FY Mar.2020		2Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	16,370	12.6	15,724	11.6	(645)	(3.9)

(JPY million)

1st Quarter	1Q FY Mar.2020		1Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Nomura Holdings	14,799	11.4	16,074	12.3	1,275	8.6

FY March 2021 Financial Results (Consolidated)

4. Overseas Sales

(JPY million)

Full Year	FY Mar.2020		FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Overseas sales	46,752	8.8	43,625	7.9	(3,126)	(6.7)
North America	8,625	1.6	6,182	1.1	(2,442)	(28.3)
Oceania	31,841	6.0	31,992	5.8	150	0.5
Asia, Other	6,285	1.2	5,451	1.0	(834)	(13.3)

※ Numbers by area are based on location of clients, and numbers per country or area are recorded as reference values.

(JPY million)

4th Quarter	4Q FY Mar.2020		4Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Overseas sales	11,134	8.0	11,409	7.8	274	2.5
North America	2,235	1.6	1,484	1.0	(751)	(33.6)
Oceania	7,244	5.2	8,554	5.9	1,310	18.1
Asia, Other	1,654	1.2	1,370	0.9	(283)	(17.2)

(JPY million)

3rd Quarter	3Q FY Mar.2020		3Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Overseas sales	11,481	8.7	10,550	7.6	(931)	(8.1)
North America	2,033	1.5	1,421	1.0	(612)	(30.1)
Oceania	7,876	6.0	7,745	5.6	(131)	(1.7)
Asia, Other	1,571	1.2	1,383	1.0	(188)	(12.0)

(JPY million)

2nd Quarter	2Q FY Mar.2020		2Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Overseas sales	11,449	8.8	11,116	8.2	(332)	(2.9)
North America	2,004	1.5	1,697	1.3	(306)	(15.3)
Oceania	7,847	6.1	8,071	6.0	224	2.9
Asia, Other	1,597	1.2	1,347	1.0	(250)	(15.7)

(JPY million)

1st Quarter	1Q FY Mar.2020		1Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Overseas sales	12,686	9.8	10,549	8.0	(2,137)	(16.8)
North America	2,351	1.8	1,579	1.2	(772)	(32.9)
Oceania	8,873	6.9	7,620	5.8	(1,252)	(14.1)
Asia, Other	1,462	1.1	1,350	1.0	(111)	(7.7)

FY March 2021 Financial Results (Consolidated)

5. Subcontracting Costs

(JPY million)

Full Year	FY Mar.2020		FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	161,305	30.5	171,503	31.2	10,198	6.3
(Subcontracting Costs to China)	28,514	17.7	30,460	17.8	1,945	6.8

* Share for subcontracting costs shows share of sales.

* Subcontracting costs to China & Percentage in total subcontracting costs.

(JPY million)

4th Quarter	4Q FY Mar.2020		4Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	42,112	30.4	43,862	30.0	1,750	4.2
(Subcontracting Costs to China)	7,441	17.7	6,836	15.6	(605)	(8.1)

(JPY million)

3rd Quarter	3Q FY Mar.2020		3Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	39,866	30.3	42,688	30.9	2,822	7.1
(Subcontracting Costs to China)	6,940	17.4	8,549	20.0	1,608	23.2

(JPY million)

2nd Quarter	2Q FY Mar.2020		2Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	40,261	31.1	42,579	31.5	2,318	5.8
(Subcontracting Costs to China)	7,010	17.4	7,897	18.5	887	12.7

(JPY million)

1st Quarter	1Q FY Mar.2020		1Q FY Mar.2021		Y o Y	
	Amount	Share(%)	Amount	Share(%)	Diff.	Change(%)
Subcontracting Costs	39,064	30.2	42,372	32.3	3,307	8.5
(Subcontracting Costs to China)	7,122	18.2	7,176	16.9	54	0.8

FY March 2021 Financial Results (Consolidated)

6. Cash Flow

(JPY million)

Full Year	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Operating Activities	102,787	73,931	(28,855)	(28.1)
Investing Activities	18,382	(20,518)	(38,900)	—
(Investing Activities except Cash management purpose investment)	(6,985)	(22,807)	(15,821)	226.5
Free Cash Flow	121,169	53,413	(67,756)	(55.9)
(Free Cash Flow except Cash management purpose investment)	95,801	51,124	(44,676)	(46.6)
Financing Activities	(139,857)	(2,525)	137,331	(98.2)
Net increase in Cash and cash equivalents	(22,421)	52,408	74,830	—
(Net increase in Cash and cash equivalents except Cash management purpose investment)	(47,790)	50,119	97,909	—
Cash and cash equivalents at end of period	100,778	153,187	52,408	52.0
Cash and cash equivalents + Cash Management purpose investment	104,842	154,847	50,005	47.7

* Cash management purpose investment is investments in bonds, etc., with maturities of longer than three months from date of purchase to date of redemption.

FY March 2021 Financial Results (Consolidated)

7. Capital Expenditure, Research and Development Expenses

(JPY million)

Full Year	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	28,496	29,178	681	2.4
Tangible	6,684	7,247	563	8.4
Intangible	21,811	21,930	118	0.5
Research and Development Expenses	4,310	4,468	158	3.7

(JPY million)

4th Quarter	4Q FY Mar. 2020	4Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	8,515	8,396	(119)	(1.4)
Tangible	2,996	2,320	(675)	(22.6)
Intangible	5,519	6,075	555	10.1
Research and Development Expenses	1,422	1,379	(43)	(3.0)

(JPY million)

3rd Quarter	3Q FY Mar. 2020	3Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	6,489	6,883	393	6.1
Tangible	1,384	1,127	(257)	(18.6)
Intangible	5,104	5,755	651	12.8
Research and Development Expenses	1,119	1,184	64	5.8

(JPY million)

2nd Quarter	2Q FY Mar. 2020	2Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	7,028	7,020	(8)	(0.1)
Tangible	963	1,871	908	94.2
Intangible	6,064	5,148	(916)	(15.1)
Research and Development Expenses	1,088	1,139	51	4.7

(JPY million)

1st Quarter	1Q FY Mar. 2020	1Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Capital Expenditure	6,462	6,878	416	6.4
Tangible	1,339	1,928	588	43.9
Intangible	5,122	4,950	(172)	(3.4)
Research and Development Expenses	679	765	85	12.6

FY March 2021 Financial Results (Consolidated)

8. Depreciation and Amortization

(JPY million)

Full Year	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	9,439	9,601	162	1.7
Intangible	20,974	21,775	800	3.8
Depreciation and Amortization	30,414	31,377	962	3.2

(JPY million)

4th Quarter	4Q FY Mar. 2020	4Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,583	2,589	6	0.2
Intangible	5,170	5,375	205	4.0
Depreciation and Amortization	7,754	7,965	211	2.7

(JPY million)

3rd Quarter	3Q FY Mar. 2020	3Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,397	2,411	14	0.6
Intangible	5,098	5,445	347	6.8
Depreciation and Amortization	7,495	7,856	361	4.8

(JPY million)

2nd Quarter	2Q FY Mar. 2020	2Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,310	2,342	32	1.4
Intangible	5,040	5,587	547	10.9
Depreciation and Amortization	7,351	7,930	579	7.9

(JPY million)

1st Quarter	1Q FY Mar. 2020	1Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Tangible	2,148	2,257	109	5.1
Intangible	5,665	5,366	(298)	(5.3)
Depreciation and Amortization	7,813	7,624	(189)	(2.4)

FY March 2021 Financial Results (Consolidated)

9. Order Backlog by segment (Total)

(JPY million)

At the end of period	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	4,339	7,050	2,711	62.5
Financial IT Solutions	165,449	184,968	19,518	11.8
Industrial IT Solutions	98,949	102,484	3,535	3.6
IT Platform Services	17,041	15,281	(1,759)	(10.3)
Total	285,779	309,785	24,005	8.4
(Order backlog in the next FY)	282,004	301,550	19,546	6.9

(JPY million)

At the end of the 3rd Quarter	3Q FY Mar. 2020	3Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	7,364	8,733	1,368	18.6
Financial IT Solutions	62,960	70,490	7,530	12.0
Industrial IT Solutions	35,046	40,008	4,961	14.2
IT Platform Services	6,815	8,648	1,833	26.9
Total	112,186	127,880	15,693	14.0
(Order backlog in the current FY)	98,692	108,850	10,158	10.3

(JPY million)

At the end of the 2nd Quarter	2Q FY Mar. 2020	2Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	7,945	10,341	2,396	30.2
Financial IT Solutions	93,320	107,104	13,784	14.8
Industrial IT Solutions	59,007	57,130	(1,876)	(3.2)
IT Platform Services	9,618	10,829	1,211	12.6
Total	169,891	185,406	15,514	9.1
(Order backlog in the current FY)	162,810	173,973	11,163	6.9

(JPY million)

At the end of the 1st Quarter	1Q FY Mar. 2020	1Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	9,954	10,743	788	7.9
Financial IT Solutions	128,894	143,736	14,842	11.5
Industrial IT Solutions	83,708	76,618	(7,089)	(8.5)
IT Platform Services	12,558	13,199	641	5.1
Total	235,115	244,297	9,182	3.9
(Order backlog in the current FY)	228,872	235,264	6,391	2.8

(JPY million)

At beginning of period	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	3,559	4,339	779	21.9
Financial IT Solutions	154,930	165,449	10,518	6.8
Industrial IT Solutions	100,572	98,949	(1,623)	(1.6)
IT Platform Services	14,609	17,041	2,431	16.6
Total	273,672	285,779	12,106	4.4
(Order backlog in the current FY)	269,895	282,004	12,108	4.5

FY March 2021 Financial Results (Consolidated)

9. Order Backlog by segment (Domestic/International)

(JPY million)

At the end of period	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	4,043	6,597	2,553	63.2
Financial IT Solutions	165,143	184,634	19,491	11.8
Industrial IT Solutions	68,913	74,108	5,195	7.5
IT Platform Services	17,041	15,281	(1,759)	(10.3)
Total	255,141	280,621	25,480	10.0
Order backlog of overseas subsidiaries				
Overseas subsidiaries	30,637	29,163	(1,474)	(4.8)

※ Group companies which have the headquarter overseas are classified as overseas subsidiaries.

(JPY million)

At the end of the 3rd Quarter	3Q FY Mar. 2020	3Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	6,906	8,126	1,220	17.7
Financial IT Solutions	62,544	70,043	7,499	12.0
Industrial IT Solutions	24,938	31,911	6,973	28.0
IT Platform Services	6,815	8,648	1,833	26.9
Total	101,203	118,730	17,526	17.3
Order backlog of overseas subsidiaries				
Overseas subsidiaries	10,982	9,150	(1,832)	(16.7)

(JPY million)

At the end of the 2nd Quarter	2Q FY Mar. 2020	2Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	7,436	9,759	2,322	31.2
Financial IT Solutions	92,769	106,688	13,919	15.0
Industrial IT Solutions	40,273	42,646	2,373	5.9
IT Platform Services	9,618	10,829	1,211	12.6
Total	150,097	169,923	19,825	13.2
Order backlog of overseas subsidiaries				
Overseas subsidiaries	19,793	15,482	(4,311)	(21.8)

FY March 2021 Financial Results (Consolidated)

9. Order Backlog by segment (Domestic/International)

(JPY million)

At the end of the 1st Quarter	1Q FY Mar. 2020	1Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	9,550	10,147	597	6.3
Financial IT Solutions	128,282	143,047	14,765	11.5
Industrial IT Solutions	57,660	56,346	(1,313)	(2.3)
IT Platform Services	12,558	13,199	641	5.1
Total	208,051	222,741	14,690	7.1
Order backlog of overseas subsidiaries				
Overseas subsidiaries	27,064	21,556	(5,507)	(20.4)

(JPY million)

At beginning of period	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order backlog domestically				
Consulting	3,253	4,043	790	24.3
Financial IT Solutions	154,568	165,143	10,575	6.8
Industrial IT Solutions	69,368	68,913	(454)	(0.7)
IT Platform Services	14,609	17,041	2,431	16.6
Total	241,799	255,141	13,342	5.5
Order backlog of overseas subsidiaries				
Overseas subsidiaries	31,873	30,637	(1,235)	(3.9)

FY March 2021 Financial Results (Consolidated)

10. Order Volume by segment (Total)

(JPY million)

Full Year	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	39,352	39,957	605	1.5
Financial IT Solutions	284,089	307,715	23,625	8.3
Industrial IT Solutions	176,867	189,587	12,719	7.2
IT Platform Services	40,671	37,235	(3,435)	(8.4)
Total	540,980	574,495	33,515	6.2

(JPY million)

4th Quarter	4Q FY Mar. 2020	4Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	8,485	10,192	1,707	20.1
Financial IT Solutions	173,499	188,998	15,499	8.9
Industrial IT Solutions	108,614	111,182	2,567	2.4
IT Platform Services	21,321	17,554	(3,767)	(17.7)
Total	311,921	327,928	16,007	5.1

(JPY million)

3rd Quarter	3Q FY Mar. 2020	3Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	9,307	8,348	(959)	(10.3)
Financial IT Solutions	37,119	35,401	(1,717)	(4.6)
Industrial IT Solutions	20,286	29,135	8,849	43.6
IT Platform Services	6,973	7,754	780	11.2
Total	73,687	80,640	6,953	9.4

(JPY million)

2nd Quarter	2Q FY Mar. 2020	2Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	7,542	8,096	554	7.3
Financial IT Solutions	31,479	35,564	4,085	13.0
Industrial IT Solutions	19,026	25,908	6,882	36.2
IT Platform Services	6,385	6,683	298	4.7
Total	64,433	76,253	11,820	18.3

(JPY million)

1st Quarter	1Q FY Mar. 2020	1Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Consulting	14,016	13,319	(697)	(5.0)
Financial IT Solutions	41,991	47,749	5,758	13.7
Industrial IT Solutions	28,939	23,360	(5,579)	(19.3)
IT Platform Services	5,990	5,243	(746)	(12.5)
Total	90,938	89,673	(1,265)	(1.4)

FY March 2021 Financial Results (Consolidated)

10. Order Volume by segment (Domestic/International)

(JPY million)

Full Year	FY Mar. 2020	FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	35,226	36,534	1,307	3.7
Financial IT Solutions	280,798	304,528	23,729	8.5
Industrial IT Solutions	137,719	153,361	15,641	11.4
IT Platform Services	40,460	36,932	(3,528)	(8.7)
Total	494,206	531,356	37,150	7.5
Order Volume of overseas subsidiaries				
Overseas subsidiaries	46,774	43,138	(3,635)	(7.8)

※ Group companies which have the headquarter overseas are classified as overseas subsidiaries.

(JPY million)

4th Quarter	4Q FY Mar. 2020	4Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	7,497	9,202	1,704	22.7
Financial IT Solutions	172,863	188,372	15,509	9.0
Industrial IT Solutions	79,049	80,920	1,871	2.4
IT Platform Services	21,259	17,469	(3,790)	(17.8)
Total	280,669	295,964	15,295	5.4
Order Volume of overseas subsidiaries				
Overseas subsidiaries	31,251	31,963	711	2.3

(JPY million)

3rd Quarter	3Q FY Mar. 2020	3Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	8,261	7,533	(727)	(8.8)
Financial IT Solutions	36,419	34,637	(1,782)	(4.9)
Industrial IT Solutions	19,041	26,329	7,288	38.3
IT Platform Services	6,923	7,672	748	10.8
Total	70,645	76,173	5,527	7.8
Order Volume of overseas subsidiaries				
Overseas subsidiaries	3,041	4,466	1,425	46.9

10. Order Volume by segment (Domestic/International)

(JPY million)

2nd Quarter	2Q FY Mar. 2020	2Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	6,458	7,380	922	14.3
Financial IT Solutions	30,698	34,969	4,271	13.9
Industrial IT Solutions	16,528	22,132	5,604	33.9
IT Platform Services	6,331	6,614	283	4.5
Total	60,016	71,097	11,081	18.5
Order Volume of overseas subsidiaries				
Overseas subsidiaries	4,417	5,156	738	16.7

(JPY million)

1st Quarter	1Q FY Mar. 2020	1Q FY Mar. 2021	Y o Y	
	Amount	Amount	Diff.	Change(%)
Order Volume domestically				
Consulting	13,009	12,417	(592)	(4.6)
Financial IT Solutions	40,817	46,549	5,731	14.0
Industrial IT Solutions	23,101	23,978	876	3.8
IT Platform Services	5,946	5,176	(769)	(12.9)
Total	82,874	88,120	5,246	6.3
Order Volume of overseas subsidiaries				
Overseas subsidiaries	8,063	1,552	(6,511)	(80.7)

1

FY March 2021 Financial Results (Consolidated)

2

FY March 2022 Financial Results Forecasts (Consolidated)

FY March 2022 Financial Results Forecasts (Consolidated)

1. Highlights and Dividend forecasts

- It is still uncertain when COVID-19 will come to an end, but in light of recent business trends and the order environment, the forecasts of financial results will be revised as follows. As such, the forecasts are subject to change depending on the containment status of COVID-19.
- The forecasts of financial results prepared in compliance with IFRS.

(JPY billion)

	FY Mar.2022 (Forecasts)
	Amount
Revenue	590.0
Consulting Services	100.0
System Development & System Application Sales	206.0
System Management & Operation Services	270.0
Product Sales	14.0
Operating Profit	96.0
(Operating Profit Margin)	16.3%
Profit before tax	97.0
Profit attributable to owners of parent	66.0
Dividends per share(JPY)	38.00
Second quarter(JPY)	19.00
Fiscal year end(JPY)	19.00

FY March 2022 Financial Results Forecasts (Consolidated)

2. Revenue Forecasts by segment

	(JPY billion)
	FY Mar.2022 (Forecasts)
	Amount
Consulting	41.0
Financial IT Solutions	297.0
Securities	132.0
Insurance	64.0
Banking	53.0
Other financial	48.0
Industrial IT Solutions	211.0
Distribution	63.0
Manufacturing, service and other	148.0
IT Platform Services	41.0
Total	590.0

3. Capital Expenditure

	(JPY billion)
	FY Mar.2022 (Forecasts)
	Amount
Capital Expenditure	47.0
Tangible	9.0
Intangible	38.0
Research and Development Expenses	4.5

4. Depreciation and Amortization Forecasts

	(JPY billion)
	FY Mar.2022 (Forecasts)
	Amount
Depreciation and Amortization	43.0

These materials were prepared for the sole purpose of providing information to use as reference in making investment decisions, and are not intended as a solicitation for investment.

FY March 2022 Financial Results Forecasts (Consolidated)

5. Highlights (1H/2H)

(JPY billion)	
1st Half	FY Mar.2022
	(Forecasts)
	Amount
Revenue	285.0
Consulting Services	46.0
System Development & System Application Sales	100.0
System Management & Operation Services	133.0
Product Sales	6.0
Operating Profit	47.0
(Operating Profit Margin)	16.5%
Profit before tax	48.0
Profit attributable to owners of parent	33.0

(JPY billion)	
2nd Half	FY Mar.2022
	(Forecasts)
	Amount
Revenue	305.0
Consulting Services	54.0
System Development & System Application Sales	106.0
System Management & Operation Services	137.0
Product Sales	8.0
Operating Profit	49.0
(Operating Profit Margin)	16.1%
Profit before tax	49.0
Profit attributable to owners of parent	33.0

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6. Revenue Forecasts by segment (1H/2H)

(JPY billion)	
1st Half	FY Mar.2022 (Forecasts)
	Amount
Consulting	19.0
Financial IT Solutions	145.0
Securities	64.0
Insurance	31.0
Banking	26.0
Other financial	24.0
Industrial IT Solutions	102.0
Distribution	31.0
Manufacturing, service and other	71.0
IT Platform Services	19.0
Total	285.0

(JPY billion)	
2nd Half	FY Mar.2022 (Forecasts)
	Amount
Consulting	22.0
Financial IT Solutions	152.0
Securities	68.0
Insurance	33.0
Banking	27.0
Other financial	24.0
Industrial IT Solutions	109.0
Distribution	32.0
Manufacturing, service and other	77.0
IT Platform Services	22.0
Total	305.0

These materials were prepared for the sole purpose of providing information to use as reference in making investment decisions, and are not intended as a solicitation for investment.

The text is framed by two decorative swooshes. The top swoosh is a gradient bar transitioning from blue on the left to red on the right. The bottom swoosh is a solid blue bar.

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