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24th April 2025

Consolidated Financial Results for the Fiscal Year Ended 31st March 2025 (Under IFRS)

Company name: Nomura Research Institute, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4307
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 Scheduled date of annual general meeting of shareholders: 20th June 2025
 Scheduled date to commence dividend payments: 30th May 2025
 Scheduled date to file annual securities report: 18th June 2025
 Preparation of supplementary materials on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended 31st March 2025 (from 1st April 2024 to 31st March 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
31st March 2025	764,813	3.8	134,907	12.0	134,161	14.4	94,382	17.7
31st March 2024	736,556	6.4	120,411	7.7	117,224	8.0	80,162	4.8

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
31st March 2025	93,762	17.7	87,630	(1.4)	163.57	163.56
31st March 2024	79,643	4.4	88,892	10.0	136.90	136.84

	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	%	%	%
31st March 2025	22.5	14.5	17.6
31st March 2024	19.9	13.3	16.3

Reference: Share of profit of investments accounted for using equity method

For the fiscal year ended 31st March 2025: ¥902 million

For the fiscal year ended 31st March 2024: ¥780 million

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
31st March 2025	928,501	437,959	434,040	46.7	758.67
31st March 2024	922,773	403,021	399,532	43.3	693.33

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
31st March 2025	130,196	(47,590)	(87,314)	168,597
31st March 2024	142,277	(53,422)	(47,575)	173,935

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended 31st March 2024	—	24.00	—	29.00	53.00	30,866	38.8	7.8
Fiscal year ended 31st March 2025	—	29.00	—	34.00	63.00	36,198	38.6	8.7
Fiscal year ending 31st March 2026 (Forecast)	—	35.00	—	39.00	74.00		40.8	

Note: Total cash dividends include dividends for the trust exclusive for NRI Group Employee Stock Ownership Group (¥212 million for the fiscal year ended 31st March 2024 and ¥142 million for the fiscal year ended 31st March 2025). The payout ratio is calculated by dividing total cash dividends by profit attributable to owners of parent.

3. Forecasts of consolidated financial results for the fiscal year ending 31st March 2026
(from 1st April 2025 to 31st March 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending 31st March 2026	810,000	5.9	150,000	11.2	151,000	12.6	104,000	10.9

	Basic earnings per share
Fiscal year ending 31st March 2026	Yen 181.78

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of 31st March 2025	581,241,511 shares
As of 31st March 2024	580,796,911 shares

(ii) Number of treasury shares at the end of the period

As of 31st March 2025	9,133,722 shares
As of 31st March 2024	4,545,600 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended 31st March 2025	573,241,890 shares
Fiscal year ended 31st March 2024	581,744,542 shares

Note: The NRI shares held by the trust exclusive for NRI Group Employee Stock Ownership Group are included in treasury shares.

(Reference) Summary of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended 31st March 2025

(from 1st April 2024 to 31st March 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
31st March 2025	560,141	5.4	114,501	11.9	138,261	30.6	106,783	40.5
31st March 2024	531,695	12.9	102,325	15.0	105,898	4.3	75,999	(3.9)

	Earnings per share – basic	Earnings per share – diluted
Fiscal year ended	Yen	Yen
31st March 2025	186.28	186.27
31st March 2024	130.64	130.58

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
31st March 2025	807,645	399,985	49.5	699.14
31st March 2024	783,503	347,567	44.4	603.08

Reference: Equity

As of 31st March 2025: ¥399,985 million

As of 31st March 2024: ¥347,528 million

<Reasons for differences in non-consolidated financial results compared to those of the previous fiscal year>
During the current fiscal year, mainly due to an increase in dividend income from consolidated subsidiaries, differences have arisen in ordinary profit and profit between the actual results for the previous fiscal year and the actual results for the current fiscal year.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

- (1) The forward-looking statements including business forecasts stated in this document are based on information available to the Company at the present time and certain assumptions judged to be rational, and these statements do not purport to be a promise by the Company to achieve such results. Actual business results, etc. may differ significantly from this forecast due to various factors. For assumptions for financial forecasts and matters that require attention when using business forecasts, please refer to “1. (4) Future Outlook” on pages 7 to 8 of the attached material.
- (2) Supplementary materials on financial results, which include explanatory materials for the results briefing for analysts and institutional investors to be held today, will be posted promptly on the Company’s website at the same time as this summary of consolidated financial results.

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1. Overview of Consolidated Operating Results and Others

(1) Overview of Consolidated Operating Results for the Current Fiscal Year

(Millions of yen)

	Fiscal year ended 31st March 2024	Fiscal year ended 31st March 2025	Year on year	
			Amount	Rate
Revenue	736,556	764,813	28,257	3.8%
Overseas revenue	117,574	112,549	(5,024)	(4.3)%
Overseas revenue ratio	16.0%	14.7%	(1.2)P	—
Business profit	119,704	134,700	14,995	12.5%
Operating profit	120,411	134,907	14,496	12.0%
Operating margin	16.3%	17.6%	1.3P	—
EBITDA margin	23.0%	24.5%	1.6P	—
Profit before tax	117,224	134,161	16,936	14.4%
Profit attributable to owners of parent	79,643	93,762	14,118	17.7%
Return on equity attributable to owners of parent (ROE)	19.9%	22.5%	2.5P	—

Notes: 1. Business profit is operating profit excluding temporary factors (such as impairment of goodwill and impairment of fixed assets), and a profit indicator to measure regular performance of businesses.
2. EBITDA margin: EBITDA (operating profit + depreciation and amortization + loss on retirement of fixed assets ± temporary factors) / revenue

In the current fiscal year, there were concerns about the downside risks posed to the global economy by the continuing high levels of interest rates in Europe and North America and the policy direction of the United States, among other factors. Due to improvements in the employment and income environment and the effects of various policies, the Japanese economy experienced a modest recovery in business conditions. Information system investment continued to see strong activity centered on digital transformation (DX) which involves transforming business processes and business models using digital technologies. However, in addition to risks posed to the domestic economy by the impact of continued rising prices and by the direction of trade policy and other policies in the United States, exchange-rate fluctuations and various other uncertainties continue to cloud the outlook. Furthermore, investments may be suppressed depending on changes in future business performance.

Operating in such an environment, Nomura Research Institute (“the Company”) and its consolidated subsidiaries (“the NRI Group”) carried out its business activities leveraging the combined strengths of the NRI Group, allowing it to seamlessly provide services encompassing consulting through to IT solutions.

In order to realize the goals of NRI Group Vision 2030, the NRI Group’s long-term management plan, in April 2023 the NRI Group formulated the three-year first half plan as “the NRI Group Medium-term Management Plan (2023-2025)” (“MTP2025”). The MTP2025 establishes four pillars for the growth strategy in the areas of Core Business, Strengthen DX, Global, and Management. Through co-creation with clients, we seek to achieve sustainable growth for the NRI Group and create a sustainable society.

MTP2025 Pillars of growth strategy

- (1) Core Business: We will deepen and expand core domains to further deepen value creation with clients via Con-solutions (a business model that generates ongoing value for clients by having consulting and solutions run side-by-side from the planning and concept stages of business IT). At the same time, we will strengthen these core domains by expanding business platforms and driving radical innovations in productivity to achieve overwhelming competitiveness and high added value
- (2) Strengthen DX: In addition to transforming existing client business processes and infrastructure (DX 1.0), and transforming business models themselves (DX 2.0), we will take on the challenge of DX 3.0 to go beyond companies and industries and make an impact on society as a whole

- (3) Global: In addition to Japan/Asia and Australia, we will expand into the vast and rapidly growing market of North America to establish a framework for business operation based on these three regional pillars
- (4) Management: We will make great investments in human capital, strengthen sustainability management and expand environmental efforts, as well as further consolidating our management platform

In the current fiscal year, the NRI Group's revenue totaled ¥764,813 million (up 3.8% year on year) due to continued strong performance, mainly in the Financial IT Solutions segment and Consulting segment. Cost of sales was ¥489,517 million (up 2.9%), gross profit was ¥275,295 million (up 5.5%), and selling, general and administrative expenses were ¥144,071 million (up 1.2%). Operating profit was ¥134,907 million (up 12.0%) due to improvement in profitability amid bustling activity in terms of projects in Japan and an increase in operating fees for shared online services accompanying the booming market. The operating margin was 17.6% (up 1.3 points) and the EBITDA margin was 24.5% (up 1.6 points).

Purchase of treasury shares

At a meeting held on 25th April 2024, the Board of Directors of the Company passed a resolution to purchase treasury shares as part of a nimble equity policy aimed at improving capital efficiency and responding to changes in the business environment.

The Company is to purchase a maximum total of 10,000,000 shares (percentage of total number of shares issued as of 31st March 2024 (excluding treasury shares): 1.72%) for a maximum total amount of ¥30,000 million. The purchase period is from 15th May 2024 to 25th October 2024, and the purchase method will entail market purchases on the Tokyo Stock Exchange based on discretionary trading contract pertaining to the purchase of treasury shares (excludes the period during the ten business days from the business day following the date of announcement of the Company's quarterly financial results). During the current fiscal year, the Company purchased treasury shares (6,498,500 shares, ¥29,999 million).

Segment information

The business results by segment (revenue includes intersegment revenue) are as follows.

(Millions of yen)					
		Fiscal year ended 31st March 2024	Fiscal year ended 31st March 2025	Year on year	
				Amount	Rate
Consulting	Revenue	54,843	65,376	10,532	19.2%
	Operating profit	13,929	18,398	4,468	32.1%
	Operating margin	25.4%	28.1%	2.7P	—
Financial IT Solutions	Revenue	355,652	372,314	16,661	4.7%
	Operating profit	54,651	61,493	6,841	12.5%
	Operating margin	15.4%	16.5%	1.2P	—
Industrial IT Solutions	Revenue	282,496	274,853	(7,642)	(2.7)%
	Operating profit	23,405	24,247	841	3.6%
	Operating margin	8.3%	8.8%	0.5P	—
IT Platform Services	Revenue	185,549	201,306	15,756	8.5%
	Operating profit	28,167	30,470	2,302	8.2%
	Operating margin	15.2%	15.1%	(0.0)P	—
Adjustments	Revenue	(141,986)	(149,037)	(7,050)	—
	Operating profit	257	298	40	—
Total	Revenue	736,556	764,813	28,257	3.8%
	Operating profit	120,411	134,907	14,496	12.0%
	Operating margin	16.3%	17.6%	1.3P	—

Note: From the three months ended 30th June 2024, the Company has changed to the method of recording inter-segment transactions in order to more appropriately manage the financial results of each reportable segment. In conjunction with this change, figures retrospectively adjusted to reflect the new method are presented for the fiscal year ended 31st March 2024.

(Consulting)

This segment provides policy recommendations and strategy consulting, as well as business consulting to support operational reform and system consulting for overall IT management.

Amid rapidly changing business environments for its clients, corporate reforms using digital technology are accelerating. In addition, companies that incorporate solutions for social issues including decarbonization into their managerial strategy are increasing, and clients have come to expect solutions for social issues using practical solutions-based consulting services that produce concrete results.

As such, in this segment the NRI Group is strengthening consulting to provide support for client DX, and working to appropriately respond to clients' needs. In addition to offering practical solutions-based consulting services to provide ongoing support for client reengineering, we will further strengthen cooperation between consulting and IT solutions with the aim of expanding our area of business. We are also moving forward with initiatives aimed at resolving social issues such as decarbonization and reskilling, and at creating new consulting services related to generative AI.

During the current fiscal year, the Consulting segment posted revenue of ¥65,376 million (up 19.2% year on year), due to brisk activity in terms of projects for both the public and private sectors. Operating profit was ¥18,398 million (up 32.1%) due to improvement in profitability amid a favorable order environment.

(Financial IT Solutions)

In this segment, the main clients are in the financial sector, including the securities, insurance and banking sectors. The segment provides system consulting, system development, system management and operation services, and IT solutions such as shared online services and BPO services.

The environment surrounding the financial sector is undergoing major structural changes such that include a society whose population accelerates to age, industry reorganizations and the entry of new participants, an expanding range of digital assets, and diminishing markets in Japan due to the nation's declining population. In addition, clients' needs for digitalization and transformation of business models are growing rapidly.

This segment is accordingly working to create and expand new financial business platforms, promote Social DX businesses such as the Social Security and Tax Number System, and stably operate global business in financial services and expand the businesses to help its clients create new businesses and services in a manner that addresses such changes in the business environment.

During the current fiscal year, the Financial IT Solutions segment posted revenue of ¥372,314 million (up 4.7% year on year), amid increases in system development & system application sales, consulting services, and system management & operation services for the banking sector. Operating profit was ¥61,493 million (up 12.5%) due to improvement in profitability amid a favorable order environment, an increase in operating fees for shared online services accompanying the booming market, etc., despite the absence of a gain on sale of overseas subsidiaries recorded in the previous fiscal year.

(Industrial IT Solutions)

This segment provides IT solutions such as system consulting, system development, system management and operation services to the distribution, manufacturing, service and public sectors.

As well as upgrading and improving the efficiency of existing business models, clients in the industrial sector are using DX to create new business models using digital technology.

This segment provides comprehensive assistance in the area of DX business, from the creation of client business models that leverage AI, to improvement of system construction and operation. In terms of the global business, the aim is to achieve stable growth and enhance profitability in Australia through greater cooperation within the NRI Group, and to use the know-how developed in Australia in North America to expand services and establish business infrastructure through strengthening the sales structure, among other measures.

During the current fiscal year, the Industrial IT Solutions segment posted revenue of ¥274,853 million (down 2.7% year on year) due to lower revenue in the overseas business, despite an increase in revenue for the manufacturing, service and other sectors in Japan. Operating profit was ¥24,247 million (up 3.6%) mainly due to improvement in profitability both in the Australia business as a result of the absence of one-time costs incurred in the previous fiscal year, and in the North America business due to a decrease in amortization of intangible assets and the effect of cost-cutting.

(IT Platform Services)

This segment mainly provides services such as the management and administration of data centers and IT platform and network architecture mainly through the Financial IT Solutions and Industrial IT Solutions segments. It also provides IT platform solutions and information security services to clients of

various sectors. In addition, the segment conducts explorative initiatives for the development of new business operations and new products related to IT solutions, and investigation and research primarily related to leading-edge information technologies.

System development in the DX era calls for use of AI and other new digital technologies, in conjunction with new and more rapid development approaches. In the field of cloud computing, companies need to comprehensively engage in high-quality operations of diverse and complex system platforms. In addition, as cyberattacks have been diversifying and evolving in recent years, the importance of cyber security measures is increasing to safely and securely implement the introduction and utilization of cloud services, which are central to DX of clients.

This segment is accordingly working on expanding its multi-cloud computing services^{*1} and its managed services^{*2}, and promoting its zero trust^{*3} business and managed security services^{*4}, in conjunction with efforts to address such changes in the business environment and promote radical innovations in productivity through such initiatives as overhauling development frameworks and leveraging AI in development processes.

During the current fiscal year, the IT Platform Services segment posted revenue of ¥201,306 million (up 8.5% year on year) mainly due to an increase in the DWP (Digital Workplace) business that contributes to improvement in productivity in offices. Operating profit was ¥30,470 million (up 8.2%) due to the profit-increasing effect of higher revenue, despite one-time costs incurred for disposal of data center facilities.

- *1 Multi-cloud computing services refer to centrally managed services provided using multiple cloud computing platforms.
- *2 Managed services refer to the services that lend comprehensive support to optimizing entire information systems on behalf of a client's IT unit.
- *3 Zero trust refers to a new concept of security that anything that accesses information assets and systems to protect is verified without distinction between inside and outside of the network.
- *4 Managed security services (MSS) refer to the services, provided under contract, by an external security specialist company to provide total operation and administration of the information security system of a company or organization.

(2) Overview of Consolidated Financial Position for the Current Fiscal Year

	As of 31st March 2024	As of 31st March 2025	(Millions of yen)	
			Year on year	
			Amount	Rate
Current assets	405,178	419,424	14,246	3.5%
Non-current assets	517,595	509,077	(8,518)	(1.6)%
Total assets	922,773	928,501	5,727	0.6%
Current liabilities	214,642	239,482	24,840	11.6%
Non-current liabilities	305,109	251,059	(54,050)	(17.7)%
Total equity	403,021	437,959	34,937	8.7%
Equity attributable to owners of parent	399,532	434,040	34,508	8.6%
Ratio of equity attributable to owners of parent to total assets	43.3%	46.7%	3.4P	—
Interest-bearing liabilities	268,104	246,277	(21,827)	(8.1)%
Gross D/E ratio (times)	0.67	0.57	(0.10)	—
Net D/E ratio (times)	0.23	0.17	(0.06)	—

Notes: 1. Gross D/E ratio (gross debt-to-equity ratio): Interest-bearing liabilities / equity attributable to owners of parent

2. Net D/E ratio (net debt-to-equity ratio): (Interest-bearing liabilities – cash and cash equivalents, etc.) / equity attributable to owners of parent

3. Interest-bearing liabilities: Bonds and borrowings + other interest-bearing liabilities (borrowings on margin transactions and borrowings secured by securities)

Borrowings on margin transactions (¥745 million as of 31st March 2024; ¥107 million as of 31st March 2025) are included in trade and other payables on the consolidated statement of financial position, and borrowings secured by securities (¥278 million as of 31st March 2024; ¥226 million as of 31st March 2025) are included in other current liabilities on the consolidated statement of financial position.

4. Cash and cash equivalents, etc.: Cash and cash equivalents + cash management purpose investment

As for the NRI Group's financial position at the end of the current fiscal year (31st March 2025), current assets were ¥419,424 million (up 3.5% from the end of the previous fiscal year), non-current assets were ¥509,077 million (down 1.6%), current liabilities were ¥239,482 million (up 11.6%), non-

current liabilities were ¥251,059 million (down 17.7%), total equity was ¥437,959 million (up 8.7%), and total assets were ¥928,501 million (up 0.6%). In addition, the gross D/E ratio (gross debt-to-equity ratio) and net D/E ratio (net debt-to-equity ratio) at the end of the current fiscal year were 0.57 times and 0.17 times, respectively.

The main changes from the end of the previous fiscal year are as follows.

Trade and other receivables increased ¥16,424 million to ¥158,295 million and contract assets increased ¥2,370 million to ¥58,437 million.

Goodwill and intangible assets increased ¥2,897 million to ¥268,232 million as a result of the acquisition of intangible assets related to the development of shared online system in Japan and other factors, despite a decrease in goodwill, etc. due to the stronger yen.

Bonds and borrowings decreased ¥21,136 million to ¥245,944 million due largely to repayments of long-term borrowings.

In addition, cash and cash equivalents decreased ¥5,337 million to ¥168,597 million, trade and other payables increased ¥5,108 million to ¥58,146 million, income taxes payable decreased ¥510 million to ¥23,363 million, and treasury shares increased ¥22,631 million to ¥40,096 million.

(3) Overview of Consolidated Cash Flow Position for the Current Fiscal Year

(Millions of yen)

	Fiscal year ended 31st March 2024	Fiscal year ended 31st March 2025	Year on year	
			Amount	Rate
Cash flows from operating activities	142,277	130,196	(12,081)	(8.5)%
Cash flows from investing activities	(53,422)	(47,590)	5,832	—
Free cash flows	88,854	82,606	(6,248)	(7.0)%
Cash flows from financing activities	(47,575)	(87,314)	(39,738)	—
Net increase (decrease) in cash and cash equivalents	44,678	(5,337)	(50,015)	—
Cash and cash equivalents at end of period	173,935	168,597	(5,337)	(3.1)%

Cash and cash equivalents as of the end of the current fiscal year (31st March 2025) stood at ¥168,597 million (down ¥5,337 million from the end of the previous fiscal year).

Net cash provided by operating activities was ¥130,196 million, a decrease of ¥12,081 million from the previous fiscal year, due largely to an increase in income taxes paid.

Net cash used in investing activities was ¥47,590 million, a decrease of ¥5,832 million from the previous fiscal year. In the current fiscal year, cash was mainly invested in the acquisition of intangible assets related to the development of shared online system.

Net cash used in financing activities was ¥87,314 million, an increase of ¥39,738 million from the previous fiscal year. In the previous fiscal year, there were proceeds from long-term borrowings of ¥18,000 million and purchase of treasury shares of ¥17,917 million associated with the reintroduction of the Trust-type Employee Stock Ownership Incentive Plan in May 2023. The NRI Group had ¥49,999 million in purchase of treasury shares in accordance with a resolution of the Board of Directors. In addition, the NRI Group had ¥59,786 million in proceeds from the issuance of the 12th, 13th, and 14th series of unsecured bonds. During the current fiscal year, the NRI Group had ¥24,681 million in repayments of long-term borrowings and ¥29,999 million in purchase of treasury shares in accordance with a resolution of the Board of Directors. Other expenditures mainly consist of payments of cash dividends in the respective fiscal periods.

(4) Future Outlook

(I) Consolidated performance

In order to realize the goals of NRI Group Vision 2030, the NRI Group's long-term management plan, in April 2023 the Company formulated "the NRI Group Medium-term Management Plan (2023-2025)" ("MTP2025").

The main quantitative financial targets (consolidated) of the MTP2025 are as follows.

MTP2025 (fiscal year ending 31st March 2026)
(from 1st April 2025 to 31st March 2026)

	Fiscal year ended 31st March 2025 (Actual result)	Fiscal year ending 31st March 2026 (Targets)
Revenue	764,813	810,000
Overseas revenue	112,549	150,000
Operating profit	134,907	145,000
Operating margin	17.6%	17.9%
Return on equity attributable to owners of parent (ROE)	22.5%	20% or more

Notes: 1. For details of the MTP2025, refer to "Medium-Term Management Plan (2023-2025)" posted on the Company's website.

2. Quantitative financial targets for the fiscal year ending 31st March 2026 do not include new M&A.

For the fiscal year ending 31st March 2026, the Company forecasts revenue of ¥810,000 million, operating profit of ¥150,000 million, profit before tax of ¥151,000 million, and profit attributable to owners of parent of ¥104,000 million.

Consolidated financial forecasts for the fiscal year ending 31st March 2026
(from 1st April 2025 to 31st March 2026)

	Fiscal year ended 31st March 2025 (Actual result)	Fiscal year ending 31st March 2026 (Forecasts)	Change (Millions of yen)	
			Amount	Rate
Revenue	764,813	810,000	45,186	5.9%
Operating profit	134,907	150,000	15,092	11.2%
Profit before tax	134,161	151,000	16,838	12.6%
Profit attributable to owners of parent	93,762	104,000	10,237	10.9%

(II) Other forecasts

a. Consolidated revenue by segment for the fiscal year ending 31st March 2026
(from 1st April 2025 to 31st March 2026)

(Millions of yen)

	Fiscal year ended 31st March 2025 (Actual result)	Fiscal year ending 31st March 2026 (Forecasts)	Change	
			Amount	Rate
Consulting	60,333	68,000	7,666	12.7%
Financial IT Solutions	366,605	380,000	13,394	3.7%
Securities sector	145,718	150,000	4,281	2.9%
Insurance sector	82,504	85,000	2,495	3.0%
Banking sector	76,884	80,000	3,115	4.1%
Other financial sectors, etc.	61,497	65,000	3,502	5.7%
Industrial IT Solutions	267,487	290,000	22,512	8.4%
Distribution sector	61,957	65,000	3,042	4.9%
Manufacturing, service and other sectors	205,529	225,000	19,470	9.5%
IT Platform Services	67,041	68,000	958	1.4%
Others	3,346	4,000	653	19.5%
Total	764,813	810,000	45,186	5.9%

Notes: 1. The breakdowns of the segments are comprised of revenue by customer sector.

2. Figures for the previous fiscal year (fiscal year ended 31st March 2025) have been reclassified into new segments due to changes in segments in April 2025.

b. Consolidated capital investment, depreciation and amortization, research and development expenses
for the fiscal year ending 31st March 2026 (from 1st April 2025 to 31st March 2026)

(Millions of yen)

	Fiscal year ended 31st March 2025 (Actual result)	Fiscal year ending 31st March 2026 (Forecasts)	Change	
			Amount	Rate
Capital investment	48,929	58,000	9,070	18.5%
Depreciation and amortization	38,194	40,000	1,806	4.7%
Research and development expenses	6,114	6,000	(114)	(1.9)%

Note: Capital investment, and depreciation and amortization do not include right-of-use assets.

(Caution concerning forward-looking statements)

The forward-looking statements including business forecasts stated in this document are based on information available to the Company at the present time and certain assumptions (suppositions) judged to be rational, and these statements do not purport to be a promise by the Company to achieve such results. Actual business results, etc. may differ significantly from these forecasts due to various factors. Material factors that could possibly affect the actual business results, etc. include, but are not limited to, the domestic and overseas economic situation, demand in the IT services market, competition with competitors, and changes in taxation and other systems. Note that the Company will not always revise business forecasts, etc. upon every occurrence of new information or event.

(5) Basic Policy Regarding Profit Distribution, and Dividend Payments for Current and Next Fiscal Year

a. Policy for distribution of profits

The Company considers the ongoing growth of its corporate value to be the most important return to its shareholders. The Company's basic policy on the payment of dividends from surplus is to continue to provide stable dividends while securing sufficient retained earnings for its medium and long-term business development, taking into account factors such as operating revenue and the cash flow situation. In addition, aiming for further shareholder returns through improved capital efficiency, the Company plans to gradually increase the consolidated dividend payout ratio* from 35% (actual results for the fiscal year ended 31st March 2023) to 40% for the fiscal year ending 31st March 2026.

Retained earnings will be utilized as a source of funds for business expansion, including capital investment and R&D investment to enhance existing businesses and cultivate new businesses, investment in human resource development, and strategic investment such as M&A. Retained earnings may also be utilized to purchase treasury shares, as part of the Company's flexible capital management aimed at improving capital efficiency and responding to changes in the business environment.

In accordance with Article 459 of the Companies Act, the Company stipulates in its Articles of Incorporation that it may pay dividends from surplus by a resolution of the Board of Directors based on record dates of 30th September and 31st March.

* Consolidated dividend payout ratio = Total annual cash dividends (including dividends for the trust exclusive for NRI Group Employee Stock Ownership Group) / Profit attributable to owners of parent

b. Payment of dividends from surplus

Based on the policy above and business results for the current fiscal year, the Company plans to pay cash dividends of ¥34 per share with the record date of the end of the current fiscal year (31st March 2025), an increase of ¥5 from the dividend paid in November 2024 (with a record date of 30th September 2024). Consequently, combined with the dividend paid in November 2024, the annual dividend payment will be ¥63 per share, resulting in a consolidated dividend payout ratio of 38.6%.

The payments of dividends from surplus with record dates falling in the current fiscal year are listed below.

Date of Board resolution	Total cash dividends (Millions of yen)	Cash dividends per share (Yen)	Record date
30th October 2024	16,683	29	30th September 2024
14th May 2025 (planned)	19,515	34	31st March 2025

Note: The total cash dividends include dividends for the trust exclusive for NRI Group Employee Stock Ownership Group (portion decided by resolution in October 2024 is ¥79 million and portion to be decided by resolution in May 2025 is ¥63 million).

Regarding dividends for the following fiscal year (ending 31st March 2026), the Company plans to pay an annual dividend of ¥74 per share, comprising a second quarter dividend of ¥35 and a year-end dividend of ¥39.

2. Basic View on Choosing Accounting Standards

The NRI Group has voluntarily adopted IFRS from the Securities Report for the fiscal year ended 31st March 2021, aiming to improve the international comparability of financial information in the capital market.

3. Consolidated Financial Statements, Etc.

(1) Consolidated Statement of Financial Position

	(Millions of yen)	
	31st March 2024	31st March 2025
Assets		
Current assets		
Cash and cash equivalents	¥ 173,935	¥ 168,597
Trade and other receivables	141,870	158,295
Contract assets	56,066	58,437
Other financial assets	13,982	15,622
Other current assets	19,323	18,471
Total current assets	405,178	419,424
Non-current assets		
Property, plant and equipment	40,245	38,032
Right-of-use assets	28,851	22,630
Goodwill and intangible assets	265,334	268,232
Investments accounted for using equity method	9,796	10,689
Retirement benefit asset	82,553	79,405
Other financial assets	80,792	80,969
Deferred tax assets	6,102	5,541
Other non-current assets	3,919	3,577
Total non-current assets	517,595	509,077
Total assets	¥ 922,773	¥ 928,501

	(Millions of yen)	
	31st March 2024	31st March 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	¥ 53,038	¥ 58,146
Contract liabilities	18,885	22,001
Bonds and borrowings	13,215	37,289
Lease liabilities	11,023	11,020
Other financial liabilities	33,530	31,900
Income taxes payable	23,874	23,363
Provisions	526	585
Other current liabilities	60,546	55,173
Total current liabilities	214,642	239,482
Non-current liabilities		
Bonds and borrowings	253,864	208,654
Lease liabilities	20,436	14,060
Other financial liabilities	1,253	1,303
Retirement benefit liability	6,146	5,194
Provisions	4,492	4,373
Deferred tax liabilities	15,750	15,384
Other non-current liabilities	3,165	2,088
Total non-current liabilities	305,109	251,059
Total liabilities	519,752	490,542
Equity		
Share capital	24,701	25,655
Capital surplus	31,395	34,274
Retained earnings	320,320	378,659
Treasury shares	(17,464)	(40,096)
Other components of equity	40,580	35,547
Total equity attributable to owners of parent	399,532	434,040
Non-controlling interests	3,489	3,918
Total equity	403,021	437,959
Total liabilities and equity	¥ 922,773	¥ 928,501

(2) Consolidated Statement of Comprehensive Income

(Millions of yen)

	Year ended 31st March 2024	Year ended 31st March 2025
Revenue	¥ 736,556	¥ 764,813
Cost of sales	475,549	489,517
Gross profit	261,006	275,295
Selling, general and administrative expenses	142,353	144,071
Share of profit of investments accounted for using equity method	780	902
Other income	2,748	3,249
Other expenses	1,771	468
Operating profit	120,411	134,907
Finance income	3,472	5,057
Finance costs	6,658	5,803
Profit before tax	117,224	134,161
Income tax expenses	37,062	39,778
Profit	80,162	94,382
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Equity instruments measured at fair value through other comprehensive income	6,471	583
Remeasurements of defined benefit plans	(1,435)	(2,310)
Share of other comprehensive income of investments accounted for using equity method	17	55
Total of items that will not be reclassified to profit or loss	5,052	(1,670)
Items that may be reclassified to profit or loss		
Debt instruments measured at fair value through other comprehensive income	0	0
Exchange differences on translation of foreign operations	3,098	(4,232)
Cash flow hedges	516	(836)
Share of other comprehensive income of investments accounted for using equity method	61	(12)
Total of items that may be reclassified to profit or loss	3,677	(5,081)
Total other comprehensive income, net of tax	8,730	(6,752)
Comprehensive income	¥ 88,892	¥ 87,630
Profit attributable to:		
Owners of parent	¥ 79,643	¥ 93,762
Non-controlling interests	518	620
Profit	¥ 80,162	¥ 94,382
Comprehensive income attributable to:		
Owners of parent	¥ 88,281	¥ 86,985
Non-controlling interests	610	645
Comprehensive income	¥ 88,892	¥ 87,630
Earnings per share		
Basic earnings per share (Yen)	¥ 136.90	¥ 163.57
Diluted earnings per share (Yen)	136.84	163.56

(3) Consolidated Statement of Changes in Equity

Year ended 31st March 2024

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at 1st April 2023	¥ 23,644	¥ 29,447	¥ 321,676	¥ (6,277)	¥ 30,514	¥ 399,006	¥ 3,399	¥ 402,406
Profit	—	—	79,643	—	—	79,643	518	80,162
Other comprehensive income	—	—	—	—	8,638	8,638	92	8,730
Total comprehensive income	—	—	79,643	—	8,638	88,281	610	88,892
Dividends	—	—	(27,550)	—	—	(27,550)	(133)	(27,683)
Purchase of treasury shares	—	(434)	—	(67,918)	—	(68,352)	—	(68,352)
Disposal of treasury shares	—	(753)	—	5,817	—	5,064	—	5,064
Cancellation of treasury shares	—	(50,913)	—	50,913	—	—	—	—
Share-based payment transactions	1,056	1,750	—	—	—	2,807	—	2,807
Transfer from retained earnings to capital surplus	—	51,909	(51,909)	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(1,540)	—	1,540	—	—	—
Other	—	387	—	—	(112)	275	(387)	(112)
Total transactions with owners, etc.	1,056	1,947	(81,000)	(11,187)	1,427	(87,755)	(521)	(88,277)
Balance at 31st March 2024	¥ 24,701	¥ 31,395	¥ 320,320	¥ (17,464)	¥ 40,580	¥ 399,532	¥ 3,489	¥ 403,021

Year ended 31st March 2025

	(Millions of yen)							
	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at 1st April 2024	¥ 24,701	¥ 31,395	¥ 320,320	¥ (17,464)	¥ 40,580	¥ 399,532	¥ 3,489	¥ 403,021
Profit	—	—	93,762	—	—	93,762	620	94,382
Other comprehensive income	—	—	—	—	(6,777)	(6,777)	24	(6,752)
Total comprehensive income	—	—	93,762	—	(6,777)	86,985	645	87,630
Dividends	—	—	(33,315)	—	—	(33,315)	(215)	(33,530)
Purchase of treasury shares	—	(306)	—	(29,999)	—	(30,306)	—	(30,306)
Disposal of treasury shares	—	951	—	7,368	—	8,319	—	8,319
Cancellation of treasury shares	—	—	—	—	—	—	—	—
Share-based payment transactions	954	1,906	—	—	—	2,860	—	2,860
Transfer from retained earnings to capital surplus	—	327	(327)	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(1,779)	—	1,779	—	—	—
Other	—	—	—	—	(35)	(35)	—	(35)
Total transactions with owners, etc.	954	2,878	(35,422)	(22,631)	1,744	(52,476)	(215)	(52,692)
Balance at 31st March 2025	¥ 25,655	¥ 34,274	¥ 378,659	¥ (40,096)	¥ 35,547	¥ 434,040	¥ 3,918	¥ 437,959

(4) Consolidated Statement of Cash Flows

	(Millions of yen)	
	Year ended 31st March 2024	Year ended 31st March 2025
Cash flows from operating activities		
Profit before tax	¥ 117,224	¥ 134,161
Depreciation and amortization	48,157	48,910
Impairment losses	751	346
Loss (gain) on sale and retirement of fixed assets	1,330	4,084
Finance income	(3,472)	(5,057)
Finance costs	6,658	5,803
Share of loss (profit) of investments accounted for using equity method	(780)	(902)
Decrease (increase) in trade and other receivables	(8,136)	(18,056)
Decrease (increase) in contract assets	615	(2,527)
Decrease (increase) in inventories	109	358
Decrease (increase) in prepaid expenses	(568)	(982)
Increase (decrease) in trade and other payables	(574)	7,074
Increase (decrease) in contract liabilities	1,599	3,154
Increase (decrease) in provision for loss on orders received	(720)	99
Increase (decrease) in accounts payable - bonuses	2,230	(1,815)
Decrease (increase) in retirement benefit asset	3,960	(294)
Increase (decrease) in retirement benefit liability	28	(624)
Other	5,594	(1,273)
Subtotal	174,008	172,460
Interest and dividends received	2,675	3,231
Interest paid	(5,891)	(5,860)
Income taxes paid	(28,514)	(39,634)
Net cash provided by operating activities	142,277	130,196

	(Millions of yen)	
	Year ended 31st March 2024	Year ended 31st March 2025
Cash flows from investing activities		
Payments into time deposits	(1,896)	(5,093)
Proceeds from withdrawal of time deposits	2,068	3,484
Purchase of property, plant and equipment	(7,484)	(6,660)
Proceeds from sale of property, plant and equipment	44	0
Purchase of intangible assets	(42,313)	(42,942)
Proceeds from sale of intangible assets	0	—
Purchase of investments	(103)	(231)
Proceeds from sale and redemption of investments	5	4,833
Payments for acquisition of subsidiaries	(4,071)	—
Purchase of investments accounted for using equity method	—	(615)
Other	329	(364)
Net cash used in investing activities	(53,422)	(47,590)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,085)	1,634
Proceeds from long-term borrowings	18,000	—
Repayments of long-term borrowings	(8,889)	(24,681)
Net increase (decrease) in commercial paper	(0)	—
Proceeds from issuance of bonds	59,786	2,918
Redemption of bonds	(10,000)	—
Repayments of lease liabilities	(11,722)	(11,635)
Proceeds from sale of treasury shares	5,034	8,285
Purchase of treasury shares	(68,427)	(30,306)
Dividends paid	(27,583)	(33,313)
Dividends paid to non-controlling interests	(133)	(215)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(555)	—
Net cash used in financing activities	(47,575)	(87,314)
Effect of exchange rate changes on cash and cash equivalents	3,399	(629)
Net increase (decrease) in cash and cash equivalents	44,678	(5,337)
Cash and cash equivalents at beginning of period	129,257	173,935
Cash and cash equivalents at end of period	¥ 173,935	¥ 168,597

(5) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable.

(Segment Information)

(1) Outline of reportable segments

The NRI Group's operating segments, for which separate financial information is available, are evaluated periodically by management in deciding the allocation of management resources and in assessing business performances. The NRI Group has classified its segments, comprehensively considering services, customers and markets totally, and four segments have been determined as reportable segments. Meanwhile, the operating segments are not aggregated.

Accounting treatment of the reported operating segments is generally same with that of consolidated financial statements for the year ended 31st March 2024. Profit figures for the reportable segments are presented on the basis of operating profit. Intersegment revenue or transfers are based on prevailing market prices.

(Consulting)

This segment provides policy recommendations and strategy consulting, as well as business consulting to support operational reform and system consulting for overall IT management.

(Financial IT Solutions)

In this segment, the main clients are in the financial sector, including the securities, insurance and banking sectors. The segment provides system consulting, system development, system management and operation services, and IT solutions such as shared online services and BPO services.

(Industrial IT Solutions)

This segment provides IT solutions such as system consulting, system development, and system management and operation services to the distribution, manufacturing, service and public sectors.

(IT Platform Services)

This segment mainly provides services such as the management and administration of data centers and IT platform and network architecture mainly through the Financial IT Solutions and Industrial IT Solutions segments. It also provides IT platform solutions and information security services to clients of various industries. In addition, the segment conducts explorative initiatives for the development of new business operations and new products related to IT solutions, and investigation and research primarily related to leading-edge information technologies.

(2) Revenue and profit or loss by reportable segment

Year ended 31st March 2024

(Millions of yen)

	Reportable segment					Adjustments (Notes)	Consolidated
	Consulting	Financial IT Solutions	Industrial IT Solutions	IT Platform Services	Total		
Revenue							
Revenue from external customers	¥ 51,959	¥ 349,872	¥ 275,923	¥ 55,628	¥ 733,384	¥ 3,172	¥ 736,556
Intersegment revenue or transfers	2,884	5,780	6,572	129,921	145,158	(145,158)	—
Total	¥ 54,843	¥ 355,652	¥ 282,496	¥ 185,549	¥ 878,542	¥ (141,986)	¥ 736,556
Operating profit	¥ 13,929	¥ 54,651	¥ 23,405	¥ 28,167	¥ 120,153	¥ 257	¥ 120,411
Finance income							3,472
Finance costs							6,658
Profit before tax							¥ 117,224
(Other items)							
Depreciation and amortization	¥ 368	¥ 18,734	¥ 12,620	¥ 6,526	¥ 38,249	¥ 9,907	¥ 48,157
Impairment losses	79	400	101	170	751	—	751
Share of profit of investments accounted for using equity method	13	(65)	624	(33)	538	241	780
Investments in entities accounted for using equity method	71	504	5,593	89	6,259	3,536	9,796
Investments in non-current assets	677	31,947	10,670	5,814	49,110	7,666	56,777

- Notes:
1. Individual items included in adjustment of operating profit were immaterial.
 2. The adjustment to depreciation and amortization comprises the corporate expenses that is not attributable to any reportable segment.
 3. The adjustment to share of profit of investments accounted for using equity method comprises the corporate profit that is not attributable to any reportable segment.
 4. The adjustment to investments in entities accounted for using equity method comprises the corporate assets that are not attributable to any reportable segment.
 5. The adjustment to investments in non-current assets comprises the increase in the corporate assets that is not attributable to any reportable segment.

Year ended 31st March 2025

(Millions of yen)

	Reportable segment					Adjustments (Notes)	Consolidated
	Consulting	Financial IT Solutions	Industrial IT Solutions	IT Platform Services	Total		
Revenue							
Revenue from external customers	¥ 60,333	¥ 366,599	¥ 266,787	¥ 67,746	¥ 761,467	¥ 3,346	¥ 764,813
Intersegment revenue or transfers	5,042	5,714	8,066	133,559	152,383	(152,383)	—
Total	¥ 65,376	¥ 372,314	¥ 274,853	¥ 201,306	¥ 913,850	¥ (149,037)	¥ 764,813
Operating profit	¥ 18,398	¥ 61,493	¥ 24,247	¥ 30,470	¥ 134,609	¥ 298	¥ 134,907
Finance income							5,057
Finance costs							5,803
Profit before tax							¥ 134,161
(Other items)							
Depreciation and amortization	¥ 394	¥ 20,818	¥ 11,587	¥ 5,892	¥ 38,691	¥ 10,218	¥ 48,910
Impairment losses	58	135	79	72	346	—	346
Share of profit of investments accounted for using equity method	(13)	(68)	722	1	641	260	902
Investments in entities accounted for using equity method	280	765	5,827	90	6,964	3,724	10,689
Investments in non-current assets	623	34,022	8,030	6,544	49,221	5,751	54,972

- Notes:
1. Individual items included in adjustment of operating profit were immaterial.
 2. The adjustment to depreciation and amortization comprises the corporate expenses that is not attributable to any reportable segment.
 3. The adjustment to share of profit of investments accounted for using equity method comprises the corporate profit that is not attributable to any reportable segment.
 4. The adjustment to investments in entities accounted for using equity method comprises the corporate assets that are not attributable to any reportable segment.
 5. The adjustment to investments in non-current assets comprises the increase in the corporate assets that is not attributable to any reportable segment.
 6. From the three months ended 30th June 2024, the Company has changed to applying the method of recording inter-segment transactions in order to more appropriately manage the financial results of each reportable segment. In conjunction with this change, figures retrospectively adjusted to reflect the new method are presented for the year ended 31st March 2024.

(Per Share Information)

Basic earnings per share and diluted earnings per share are calculated based on the following data.

	Year ended 31st March 2024	Year ended 31st March 2025
	(Millions of yen)	(Millions of yen)
Profit attributable to owners of parent	¥ 79,643	¥ 93,762
Adjustments on profit	—	—
Profit used for calculation of diluted earnings per share	¥ 79,643	¥ 93,762
	(Shares)	(Shares)
Weighted-average number of shares of common stock outstanding	581,744,542	573,241,890
Increase in common stock		
Increase from stock options	293,235	17,416
Diluted weighted-average number of shares of common stock	582,037,777	573,259,306
	(Yen)	(Yen)
Basic earnings per share	¥ 136.90	¥ 163.57
Diluted earnings per share	136.84	163.56

Note: For the purpose of calculating basic earnings per share and diluted earnings per share, the Company's shares owned by the trust exclusive for ESOP Group are included in treasury shares to be deducted in the calculation of the weighted-average number of shares (3,219,566 shares and 2,684,851 shares for the year ended 31st March 2024 and 2025, respectively).

(Subsequent Events)

Not applicable.