

# Creditor Presentation

Fourth Quarter, Fiscal Year Ended March 2012

**NOMURA**

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- **Executive Summary**
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- **Realigning to New Environment**
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  - Robust Financial Position
  - Progress of Cost Reduction Program, Non-Interest Expenses

## Appendix

Unless otherwise stated, conversion of Yen figures to U.S. Dollars has been calculated at the exchange rate of USD 1 = JPY 82.41, i.e. FRB noon rate as of Mar 30<sup>th</sup> 2012

## Financial Highlights

### FYE 2012 Fourth Quarter

- All business segments profitable at pretax level; Firm-wide revenues and pretax income up QoQ and YoY
  - Net revenue: Y499.0bn (+23% QoQ; +67% YoY)
  - Income before income taxes: Y60.8bn (+76% QoQ; +62% YoY)
  - Net income<sup>1</sup>: Y22.1bn (+24% QoQ; +86% YoY)

### FYE 2012 Full year

- Revenues and pretax income improved after bottoming out in 2Q
  - Net revenue: Y1,535.9bn (+36% YoY)
  - Income before income taxes: Y85.0bn (-9% YoY)
  - Net income<sup>1</sup>: Y11.6bn (-60% YoY)
    - ✓ Includes results of entities newly consolidated as a result of converting Nomura Land and Building into a subsidiary
    - ✓ Net income<sup>1</sup> declined by Y13.3bn due to a revision to the tax system in Japan

## Realigning to New Environment

- Dominant retail and capital markets franchise with solid client base
- Healthy balance sheet
  - Highly liquid, healthy balance sheet : Nearly 78% of assets are highly liquid trading related assets
  - Disciplined risk management
  - Ample liquidity : Liquidity portfolio \$66bn at Mar 2012, 15% of total assets
- Robust financial position : Tier 1 ratio at 14.1%, Tier 1 common ratio at 12.2% under Basel 2.5
- \$1.2bn cost reduction program

# Overview of Results

# NOMURA

## Quarter

	FYE2012					QoQ	YoY
	FYE 2011	4Q	1Q	2Q	3Q		
(JPY bn) (USD bn)							
Net revenue	299.4	330.4	301.6	404.9	<b>499.0</b> <b>\$6.05</b>	+23%	+67%
Retail	96.2	94.2	84.0	79.7	<b>92.4</b> <b>\$1.12</b>	+16%	-4%
Asset Management <sup>1</sup>	17.3	18.8	16.0	15.3	<b>15.7</b> <b>\$0.19</b>	+3%	-9%
Wholesale	186.3	141.2	79.3	176.2	<b>159.2</b> <b>\$1.93</b>	-10%	-15%
3 Segments Total	299.9	254.3	179.3	271.2	<b>267.2</b> <b>\$3.24</b>	-1%	-11%
Other <sup>1</sup>	2.5	77.4	124.7	136.2	<b>221.8</b> <b>\$2.69</b>	+63%	87.2×
Unrealized gain(loss) on Investment in equity securities <sup>2</sup>	-3.0	-1.3	-2.4	-2.5	<b>9.9</b> <b>\$0.12</b>	-	-
Non-interest expenses	262.0	296.0	346.2	370.5	<b>438.2</b> <b>\$5.32</b>	+18%	+67%
Income (loss) before income taxes	37.4	34.4	-44.6	34.5	<b>60.8</b> <b>\$0.74</b>	+76%	+62%
3 Segments Total	53.4	14.6	-57.7	52.2	<b>36.9</b> <b>\$0.45</b>	-29%	-31%
Other <sup>1</sup>	-12.9	21.0	15.4	-15.2	<b>13.9</b> <b>\$0.17</b>	-	-
Unrealized gain(loss) on Investment in equity securities <sup>2</sup>	-3.0	-1.3	-2.4	-2.5	<b>9.9</b> <b>\$0.12</b>	-	-
Net income(loss) <sup>3</sup>	11.9	17.8	-46.1	17.8	<b>22.1</b> <b>\$0.27</b>	+24%	+86%

## Full Year

	FYE 2011	FYE 2012	YoY
Net revenue	1,130.7	<b>1,535.9</b> <b>\$18.64</b>	+36%
Retail	392.4	<b>350.3</b> <b>\$4.25</b>	-11%
Asset Management	66.5	<b>65.8</b> <b>\$0.80</b>	-1%
Wholesale	630.5	<b>555.9</b> <b>\$6.75</b>	-12%
3 Segments Total	1,089.5	<b>971.9</b> <b>\$11.79</b>	-11%
Other	58.1	<b>560.1</b> <b>\$6.80</b>	9.6×
Unrealized gain(loss) on Investment in equity securities	-16.9	<b>3.8</b> <b>\$0.05</b>	-
Non-interest expenses	1,037.4	<b>1,450.9</b> <b>\$17.61</b>	+40%
Income (loss) before income taxes	93.3	<b>85.0</b> <b>\$1.03</b>	-9%
3 Segments Total	127.9	<b>46.1</b> <b>\$0.56</b>	-64%
Other	-17.8	<b>35.1</b> <b>\$0.43</b>	-
Unrealized gain(loss) on Investment in equity securities	-16.9	<b>3.8</b> <b>\$0.05</b>	-
Net income	28.7	<b>11.6</b> <b>\$0.14</b>	-60%

## Key Points

### Fourth Quarter Results

- Retail: Net revenue of Y92.4bn (+16% QoQ); Income before income taxes of Y20.3bn (+101% QoQ)
  - Retail investor risk appetite recovered as the market environment improved; Revenues driven primarily by equities and stock investment trusts
- Asset Management: Net revenue of Y15.7bn (+3% QoQ); Income before income taxes of Y4.1bn (-3% QoQ)
  - Higher revenues driven by Y2trn increase in assets under management from December to Y24.6trn
- Wholesale: Net revenue of Y159.2bn (-10% QoQ); Income before income taxes of Y12.5bn (-67% QoQ)
  - Global Markets: Trading revenue increased on improved market environment; Revenue growth in EMEA and the Americas
  - Investment Banking: Although revenues were down QoQ, we saw an increase in cross-border deals due to closer collaboration across regions

### Full Year Results

- Net income<sup>3</sup> declined by Y13.3bn due to a revision to the tax system in Japan
- Retail continued to drive firm-wide earnings despite a YoY decline in revenues due to the challenging market environment
- Asset Management reported higher pretax income YoY by capturing new client funds and containing costs
- Wholesale performance recovered in 2H after booking pretax losses in 1H due to the market slump driven by the eurozone debt crisis

1. "Other" includes entities consolidated as a result of converting Nomura Land and Building into a subsidiary. FYE2012 4Q also includes own-credit and counterparty credit spread valuation adjustment of -Y9.9bn

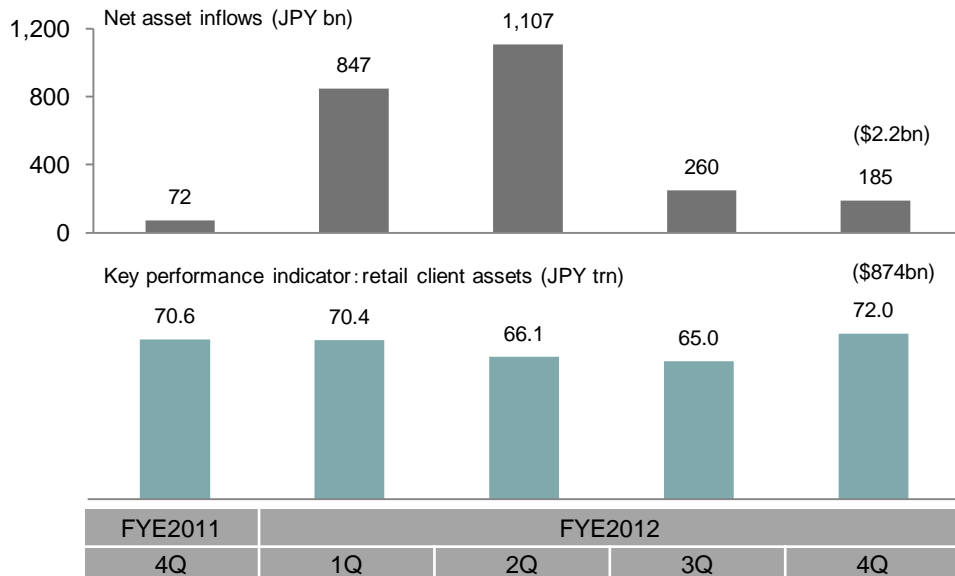
2. Unrealized gain(loss) on investment in equity securities held for operating purpose

3. Net income(loss) attributable to Nomura Holdings shareholders

4. Nomura Bank (Luxembourg) S.A. in Asset Management was integrated to "Other" business in April 2011. Certain reclassifications of previously reported amounts have been made to conform to the current presentation

## Net Revenue and Income Before Income Taxes

(JPY bn) (USD bn)	Quarter							Full Year		
	FYE 2011	FYE2012				QoQ	YoY	FYE 2011	FYE 2012	YoY
	4Q	1Q	2Q	3Q	4Q					
Net revenue	96.2	94.2	84.0	79.7	<b>92.4</b> <b>\$1.12</b>	+16%	-4%	392.4	<b>350.3</b> <b>\$4.25</b>	-11%
Non-interest expenses	78.6	72.2	73.3	69.6	<b>72.1</b> <b>\$0.87</b>	+4%	-8%	291.2	<b>287.1</b> <b>\$3.48</b>	-1%
Income before income taxes	17.7	22.0	10.7	10.1	<b>20.3</b> <b>\$0.25</b>	+101%	+15%	101.2	<b>63.1</b> <b>\$0.77</b>	-38%

Net Asset Inflows<sup>1</sup> and Retail Client Assets

(1) Net asset inflow = Asset inflows – asset outflows

## Key Points

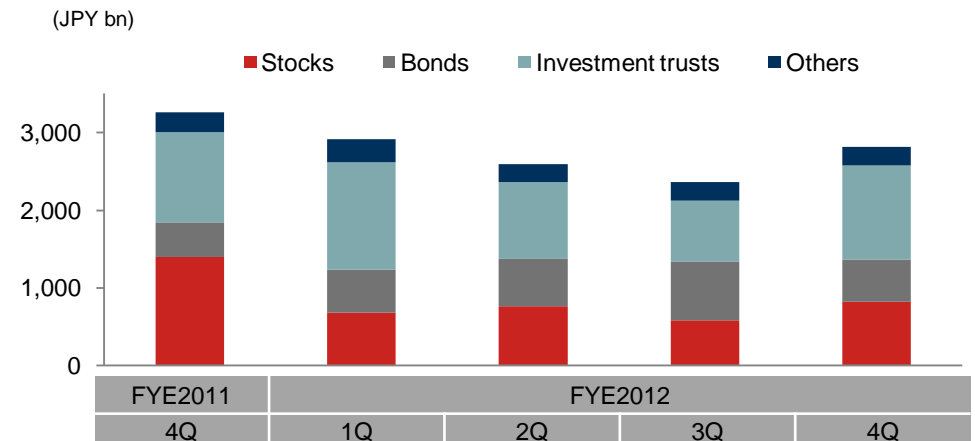
## Fourth Quarter Results

- Revenues and pretax income up QoQ: Retail investors showed higher risk appetite as market conditions improved
  - Expanded product offering to meet the needs of a diverse range of investors
  - Revenues driven by equities and stock investment trusts
- Client franchise
  - Retail client assets Y72.0trn
  - Accounts with balance 4.98m
  - Net asset inflows Y185.3bn (Eighth quarter of net inflows)

## Full Year Results

- Made significant contribution to firm-wide earnings despite decline in pretax income due to challenging market environment
  - Net asset inflows of Y2.4trn driven by consulting-based sales approach

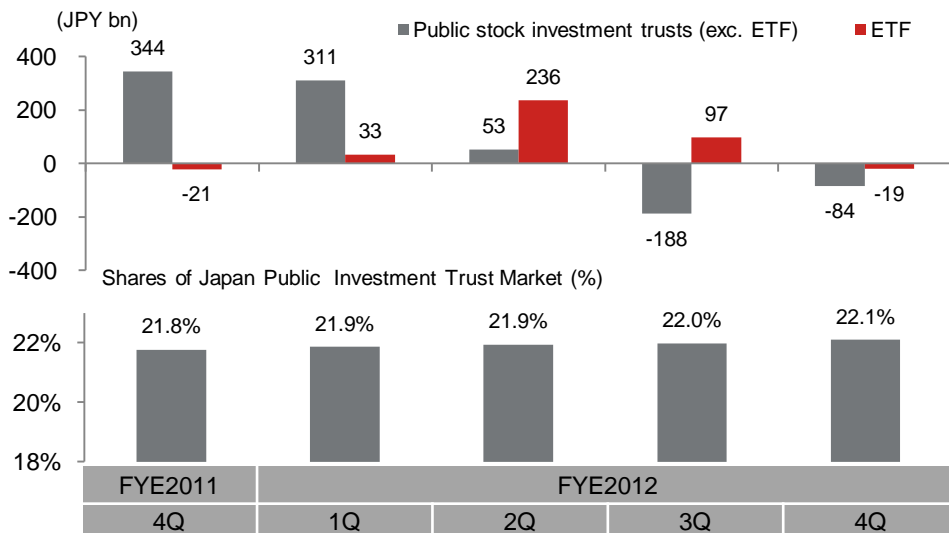
## Total Sales



## Net Revenue and Income Before Income Taxes<sup>1</sup>

(JPY bn) (USD bn)	Quarter							Full Year		
	FYE 2011	FYE2012				QoQ	YoY	FYE 2011	FYE 2012	YoY
	4Q	1Q	2Q	3Q	4Q			4Q		
Net revenue	17.3	18.8	16.0	15.3	15.7 \$0.19	+3%	-9%	66.5	65.8 \$0.80	-1%
Non-interest expenses	11.0	11.4	11.2	11.1	11.6 \$0.14	+5%	+5%	46.5	45.3 \$0.55	-3%
Income before income taxes	6.3	7.4	4.7	4.2	4.1 \$0.05	-3%	-34%	20.0	20.5 \$0.25	+2%

## Fund Flows in Public Stock Investment Trust<sup>2</sup> and Share of Japan Public Investment Trust Market<sup>2</sup>



(1) Nomura Bank (Luxembourg) S.A. in Asset Management was integrated to Other business in April 2011. Certain reclassification of previously reported amounts have been made to conform to the current presentation.

(2) Source: Nomura, based on data from The Investment Trust Association, Japan. Nomura Asset Management only.

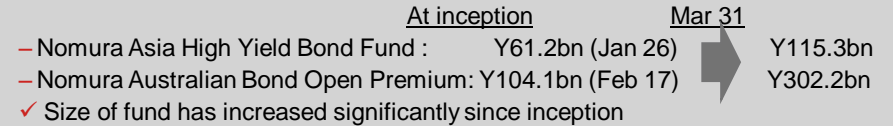
## Key Points

### Fourth Quarter Results

- Revenues increased QoQ as assets under management grew by Y2trn from the end of December to Y24.6trn at the end of March

### Investment trust business

- Developed products and diversified investment strategies in line with the changing investment environment



- Focused on supporting sales of the following fund through the bank channel, resulting in increased fund size and growth in regional financial institution sales network
  - Emerging Bond Open Course A: Y96.8bn at end of March (+2.6x QoQ)

### Investment advisory business

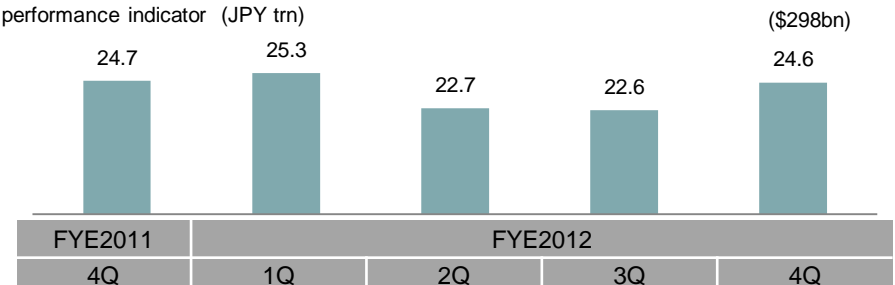
- International: Continued to see inflows from sovereign wealth funds and pension funds into Japan and Asia equities and global bonds
- Japan: Won mandate from major pension fund, increased client assets

### Full Year Results

- Navigated the difficult conditions to report higher pretax income YoY by bringing in new client funds and containing costs

## Assets Under Management

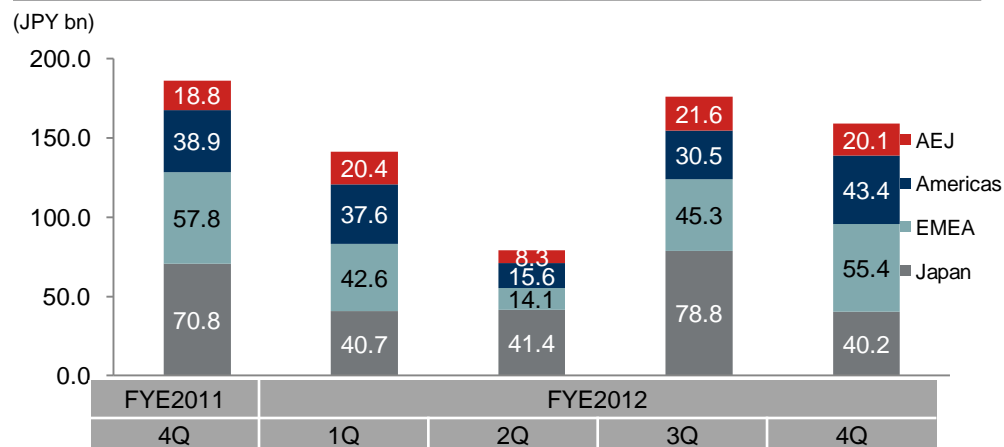
Key performance indicator (JPY trn)



## Net Revenue and Income (Loss) Before Income Taxes

(JPY bn) (USD bn)	Quarter							Full Year		
	FYE 2011	FYE2012				QoQ	YoY	FYE 2011	FYE 2012	YoY
	4Q	1Q	2Q	3Q	4Q					
Net revenue	186.3	141.2	79.3	176.2	<b>159.2</b> <b>\$1.93</b>	-10%	-15%	630.5	<b>555.9</b> <b>\$6.75</b>	-12%
Non-interest expenses	156.9	156.1	152.4	138.3	<b>146.6</b> <b>\$1.78</b>	+6%	-7%	623.8	<b>593.5</b> <b>\$7.20</b>	-5%
Income(loss) before income taxes	29.4	-14.9	-73.1	37.8	<b>12.5</b> <b>\$0.15</b>	-67%	-57%	6.7	<b>-37.6</b> <b>-\$0.46</b>	-

## Net Revenue by Region<sup>1</sup>



(1) Figures have been reclassified to conform with disclosure standards from FYE2012 3Q.

(2) Gross revenue in Investment Banking excluding "Other".

## Key Points

### Fourth Quarter Results

- EMEA revenues of Y55.4bn at highest level in four quarters
- Americas reported strongest quarterly revenues (Y43.4bn) since April 2009

### Full Year Results

#### Global Markets

##### ■ Fixed Income

- Revenues increased 4%, with all regions showing robust performance
- Growth in flow business driven by consistent client flows
- Structured business increased on strong deal flow and product innovation

##### ■ Equities

- Lower volumes in major markets led to 20% YoY decline in revenues
- Derivatives revenues improving with key senior leadership in place
- US robust despite market conditions

#### Investment Banking

- Gross revenue<sup>2</sup> down 23% YoY as overall decline in global fee pool
  - Japan: Although ECM deals were slower, we saw strong demand from domestic and international issuers in DCM and an increase in cross-border M&A
  - International: Revenues up slightly YoY on further diversification of revenue sources



## Net Revenue and Income (Loss) Before Income Taxes

(JPY bn) (USD bn)	Quarter							Full Year		
	FYE 2011	FYE2012				QoQ	YoY	FYE 2011	FYE 2012	YoY
	4Q	1Q	2Q	3Q	4Q					
Fixed Income	69.4	67.6	45.7	71.2	<b>86.6</b> <b>\$1.05</b>	+22%	+25%	259.8	<b>271.2</b> <b>\$3.29</b>	+4%
Equities	64.3	56.7	33.4	39.7	<b>51.7</b> <b>\$0.63</b>	+30%	-20%	227.3	<b>181.5</b> <b>\$2.20</b>	-20%
Others	3.3	5.8	-6.5	7.7	<b>1.0</b> <b>\$0.01</b>	-87%	-69%	31.6	<b>8.1</b> <b>\$0.10</b>	-74%
Net revenue	137.0	130.1	72.6	118.7	<b>139.3</b> <b>\$1.69</b>	+17%	+2%	518.8	<b>460.7</b> <b>\$5.59</b>	-11%
Non-interest expenses	125.5	124.3	121.2	110.3	<b>119.1</b> <b>\$1.45</b>	+8%	-5%	499.3	<b>475.0</b> <b>\$5.76</b>	-5%
Income (loss) before income taxes	11.5	5.7	-48.6	8.4	<b>20.2</b> <b>\$0.24</b>	+140%	+75%	19.5	<b>-14.3</b> <b>-\$0.17</b>	-

## Key Points

### Fourth Quarter Results

- Net revenue: Y139.3bn (+17% QoQ; +2% YoY)
- Income before income taxes: Y20.2bn (+140% QoQ; +75% YoY)
- Trading revenue increased on improved market environment
- Income before income taxes at highest level in six quarters

### Fixed Income

- Net revenue: +22% QoQ
- Delivered strongest quarter in FYE2012, on the back of consistent client flows and smart risk management across a diversified set of businesses
  - Strong growth in global Rates; rebound in Securitized Products
  - EMEA and US posted solid QoQ growth

### Equities

- Net revenue: +30% QoQ
  - Rebound in client revenues
  - Robust trading as major markets around the world recovered
- Revenues driven by Japan and AEJ
  - Japan: Primary deals (Mazda, etc.) increased as a result of improved stock market performance
  - AEJ: Derivatives business in collaboration with Investment Banking contributed to higher revenues

## Net Revenue and Income (Loss) Before Income Taxes

(JPY bn) (USD bn)	Quarter							Full Year		
	FYE 2011	FYE2012				QoQ	YoY	FYE 2011	FYE 2012	YoY
	4Q	1Q	2Q	3Q	4Q					
Investment Banking (gross) <sup>1</sup>	54.4	32.3	23.8	45.1	<b>40.5</b> <b>\$0.49</b>	-10%	-26%	185.0	<b>141.7</b> <b>\$1.72</b>	-23%
Allocation to other divisions	25.1	13.4	12.3	21.7	<b>19.8</b> <b>\$0.24</b>	-9%	-21%	82.6	<b>67.1</b> <b>\$0.81</b>	-19%
Investment Banking (net)	29.3	18.9	11.5	23.4	<b>20.7</b> <b>\$0.25</b>	-12%	-29%	102.4	<b>74.6</b> <b>\$0.91</b>	-27%
Other	20.1	-7.7	-4.8	34.0	<b>-0.9</b> <b>-\$0.01</b>	-	-	9.4	<b>20.6</b> <b>\$0.25</b>	2.2x
Net revenue	49.4	11.2	6.7	57.4	<b>19.9</b> <b>\$0.24</b>	-65%	-60%	111.7	<b>95.1</b> <b>\$1.15</b>	-15%
Non-interest expenses	31.5	31.8	31.2	28.0	<b>27.5</b> <b>\$0.33</b>	-2%	-13%	124.5	<b>118.4</b> <b>\$1.44</b>	-5%
Income (loss) before income taxes	17.9	-20.6	-24.5	29.4	<b>-7.6</b> <b>-\$0.09</b>	-	-	-12.8	<b>-23.3</b> <b>-\$0.28</b>	-

(1) Gross revenue in Investment Banking excluding "Other".

## Key Points

### Fourth Quarter Results

- Gross revenue<sup>1</sup>: Y40.5bn (-10% QoQ; -26% YoY)
- Loss before income taxes: Y7.6bn
- Japan and international businesses both maintained momentum despite a decline in revenues
  - Revenues from ECM deals increased in each region
  - Closer cross-regional collaboration has led to an increase in cross-border deals
  - Solutions business continues to contribute to revenues in all regions
- Japan
  - Higher revenues from ECM deals on the back of recovery in stock market performance
- EMEA
  - Revenues driven by diverse solutions businesses such as M&A related risk hedging transactions
  - Executed several ECM and DCM deals for Italian and Spanish financial institutions
  - Advising on the top 2 M&A deals announced globally in 2012
- AEJ
  - Executed Tesco Lotus real estate fund IPO (\$600m) and other high-profile ECM deals
- Americas
  - Solutions transactions for financial sponsors and financial institutions continue to be key business
  - Leveraged Finance and penetration into Brazil (e.g. bookran Schahin bond) also contributed to the highest quarterly revenues in FYE2012

## Challenges facing global financial institutions

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**Ensure healthy balance sheet**

**Strengthen capital position**

**Realign cost structure**

## Our progress

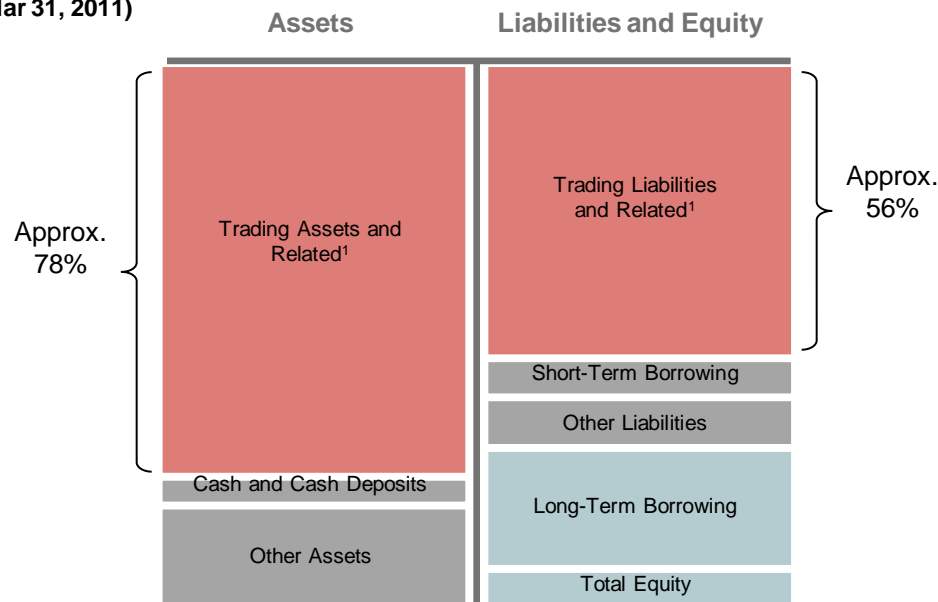
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- Highly liquid, healthy balance sheet
    - Nearly 78% of assets are highly liquid trading related assets
  - Disciplined risk management
    - Level 3 assets at 30% of Tier 1 capital
  - Ample liquidity
    - Liquidity portfolio \$66bn at Mar 2012, 15% of total assets
    - Conservative funding profile
- 
- Capital levels sufficient to meet new capital requirements driven by global regulatory
    - Robust financial position
      - Tier 1 ratio at 14.1%, Tier 1 common ratio<sup>1</sup> at 12.2% under Basel 2.5
      - Gross leverage of 16.9x, Net leverage of 10.4x
    - Issued Basel 3-compliant subordinated bonds in Dec 2011
- 
- Implementing \$1.2bn cost reduction program
    - Optimize cost structure in line with current market and revenue opportunities to lower breakeven point
    - On schedule
- 

(1) Tier 1 common ratio is defined as Tier 1 capital minus minority interest divided by risk-weighted assets.

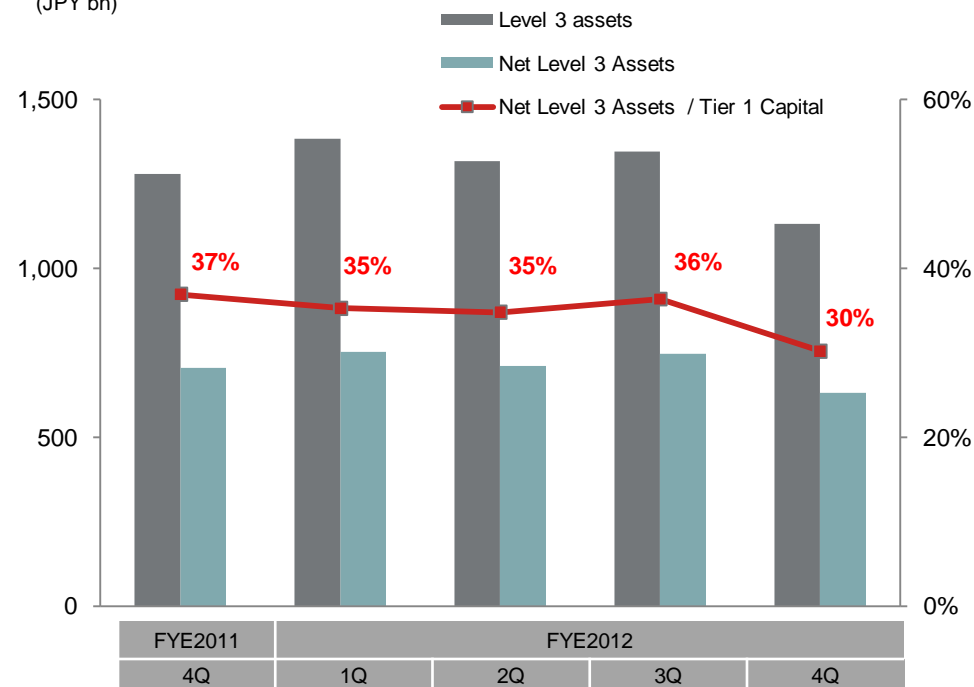
## Balance Sheet Composition

Balance sheet  
(Mar 31, 2011)



## Level 3 Assets<sup>2</sup> and Net Level 3 Assets / Tier 1 Capital

(JPY bn)



- Highly liquid, healthy balance sheet
  - 78% of assets are highly liquid trading and related assets that are marked to market, and matched to trading and related liabilities through repos etc (matched regionally and by currency)
  - Other assets are funded by equity and long-term debt
- Disciplined risk management
  - Net Level 3 assets continued to be restrained, 30% of Tier 1 capital as of March 2012

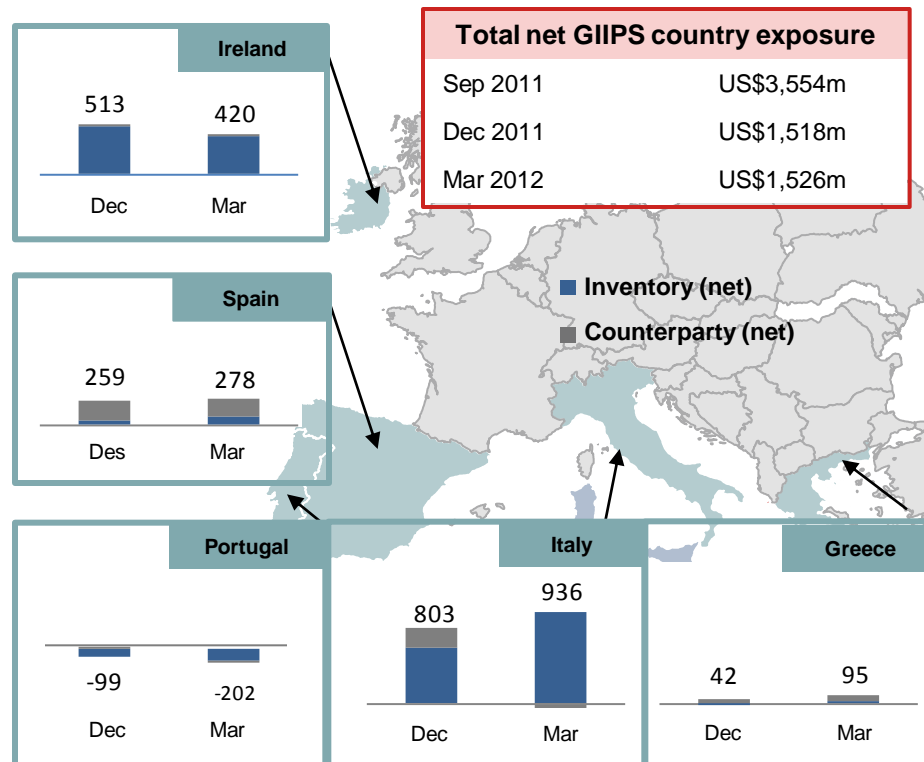
(1) Trading assets and related: Reverse repo, securities, derivatives, etc. Trading liabilities and related: Repo, securities loaned, derivatives liabilities, etc.  
 (2) Preliminary.

# Exposure to European Peripheral Countries

## GIIPS Country Exposure (as of Mar 31, 2012) (Preliminary)

(US\$m)

	Net inventory <sup>1</sup>			Net counterparty			Net exposure total	Change from Dec 2011	Change from Sep 2011
	Total	Of which, exposure matures within 6 months	Of which, exposure matures after 6 months	Total	Counterparty <sup>2</sup>	Of which, reserve / hedges			
Greece	38	-11	50	57	106	-49	95	53	48
Ireland	408	276	133	11	14	-3	420	-94	112
Italy	983	1,724	-742	-47	431	-478	936	133	-1,879
Portugal	-185	-21	-164	-17	162	-179	-202	-103	-123
Spain	84	-75	159	194	334	-140	278	19	-186
European peripheral countries – Total	1,328	1,894	-565	198	1,047	-849	1,526	8	-2,028

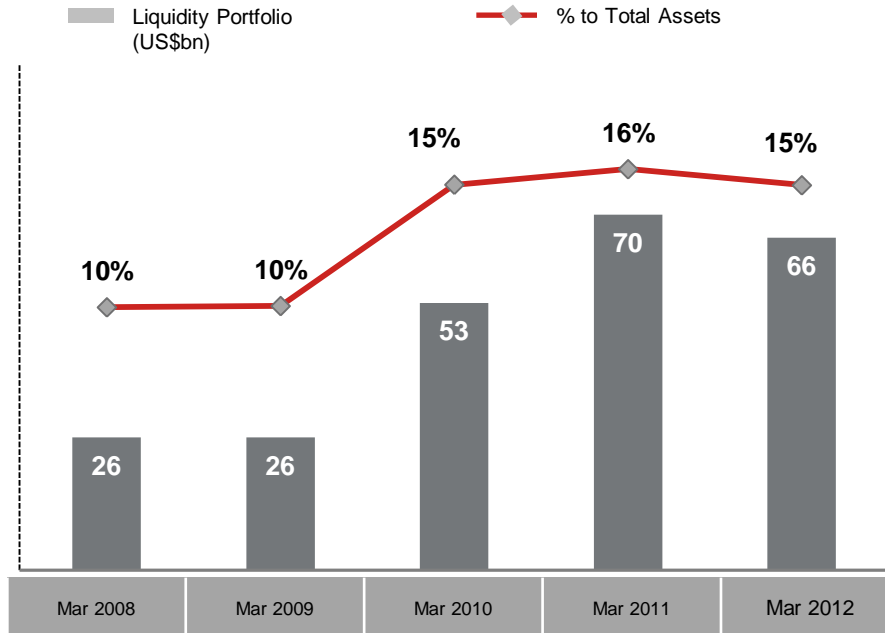


- Peripheral Europe net country exposure of \$1.53bn as of the end of March
  - Roughly flat compared to the end of December (\$1.52bn)
- Inventory is all trading assets marked to market

(1) Inventory, both long and short positions

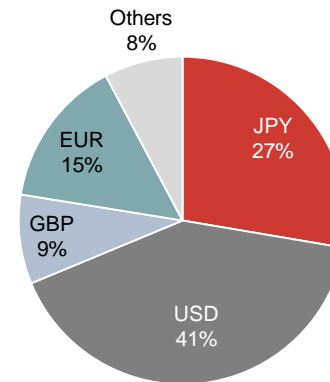
(2) Net counterparty exposure (i.e. repurchase transactions, securities lending and OTC derivatives) less collateral

## Liquidity Portfolio<sup>1</sup>

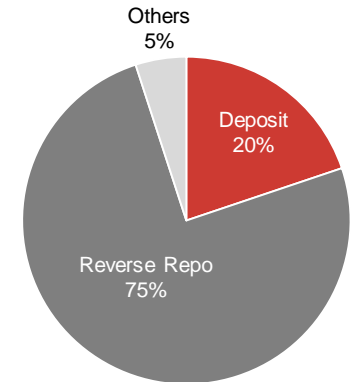


## Breakdown (Mar 2012)

### By Currency



### By Instrument



### ■ Ample liquidity portfolio

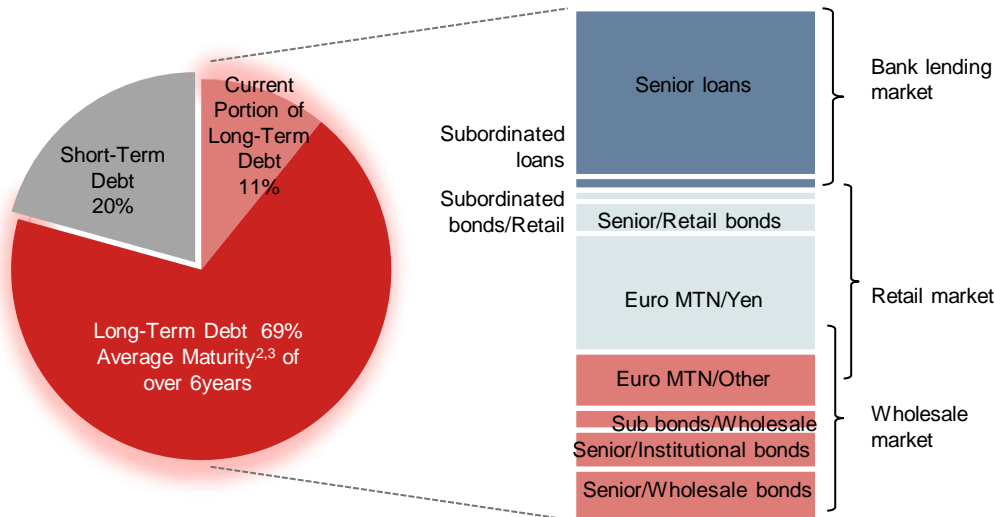
- 15% of total assets
- The liquidity portfolio is maintained to withstand hypothetical cash outflows under two-staged stress scenarios to meet global regulatory requirements including Basel 3. To respond to changes in the operating environment, we maintain a liquidity portfolio surplus without the need for additional unsecured funding for over one year
- Managed using reverse repos mainly in Japan/US/German/UK government bonds and cash and cash equivalents<sup>2</sup>

(1) Definition differs from financial disclosures reflecting Liquidity Management's view. Cash and cash deposits portion of liquidity portfolio excludes segregated client funds.

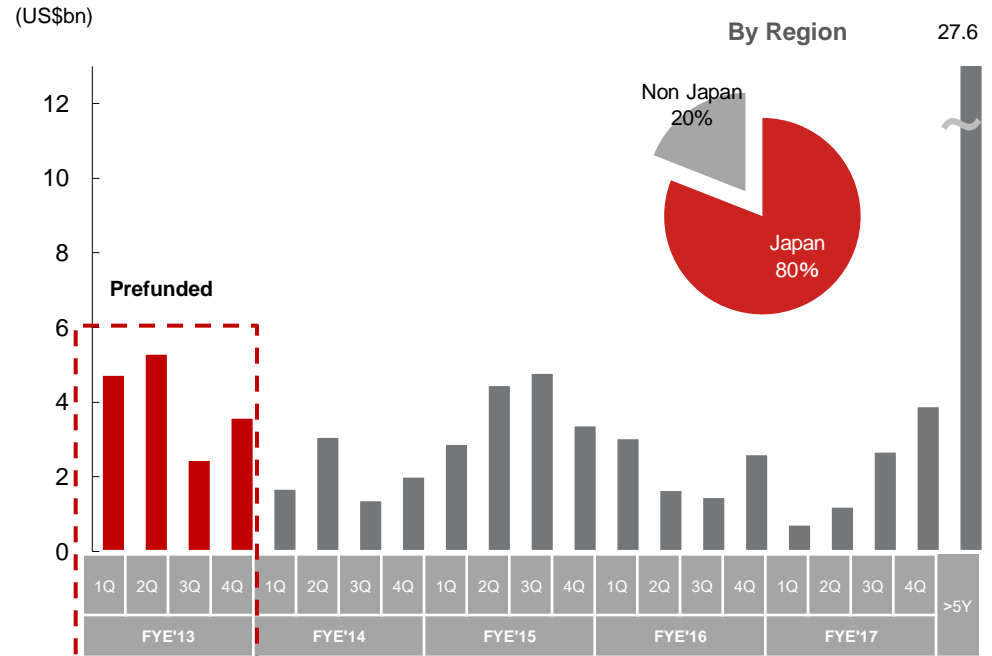
(2) Mostly funds deposited with the Bank of Japan

## Unsecured Funding<sup>1</sup>:

80% Long-Term Debt; Diversified Funding Sources



## Long-Term Debt Profile<sup>2</sup>



### Conservative funding profile

- 80% of unsecured funding are comprised of long-term debt. The weighted average life of the firm's long-term debt<sup>2,3</sup> is over 6 years.
- Funding sources diversify across wholesale capital markets, retail capital markets and bank loans almost evenly
- Our policy requires us to pre-fund potential cash needs from debt maturity at least over the next 12 months.

(1) Definition differs from financial disclosures reflecting Liquidity Management's view.

(2) Redemption schedule is individually estimated by considering the probability of redemption under certain stressed scenarios.

(3) Excludes current portion of long-term debt

# Robust Financial Position

## Balance sheet related indicators and capital ratios

	(JPY)	(USD)
■ Total assets	Y35.7trn	\$433bn
■ Shareholders' equity	Y2.1trn	\$25.6bn
■ Gross leverage	16.9x	16.9x
Net leverage <sup>1</sup>	10.4x	10.4x

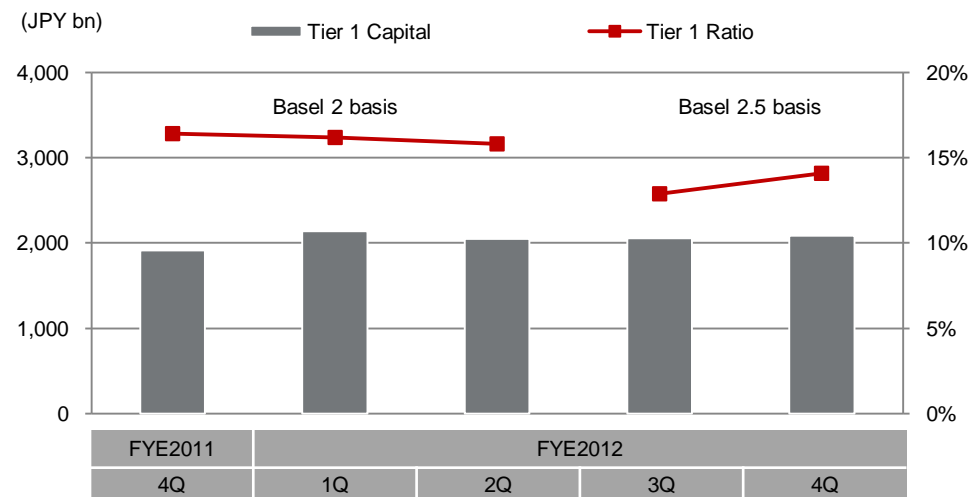
	(JPYbn)	(JPYbn)	(USDbn)
<i>Preliminary, Basel 2.5 basis</i>	Dec 31	Mar 31	Mar 31
Tier 1	2,057	2,089	\$25.4
Tier 2	321	320	\$3.9
Tier 3	304	224	\$2.7
Total capital	2,467	2,425	\$29.4
RWA	15,881	14,718	\$178.6
Tier 1 ratio	12.9%	14.1%	14.1%
Tier 1 common ratio <sup>3</sup>	11.1%	12.2%	12.2%
Total capital ratio	15.5%	16.4%	16.4%

(1) Net leverage: Total assets minus securities purchased under agreements to resell and securities borrowed, divided by Nomura Holdings shareholders' equity.

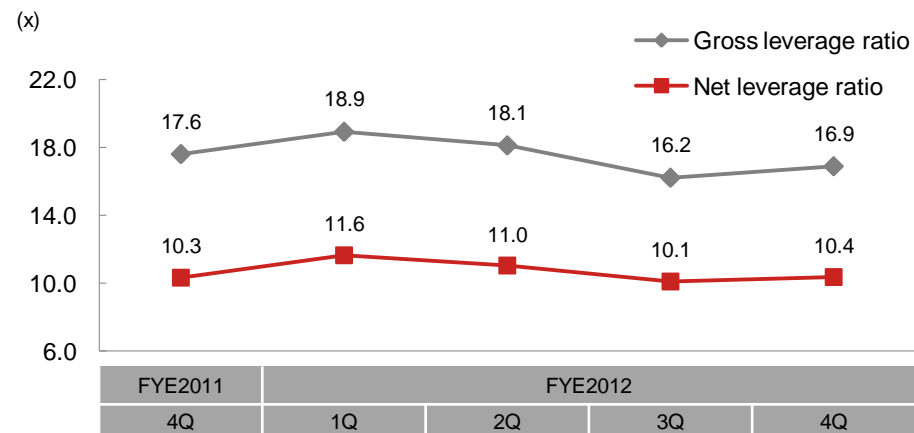
(2) Basel 2.5 basis from Dec 2011

(3) Tier 1 common ratio is defined as Tier 1 capital minus minority interest divided by risk-weighted assets.

## Tier 1 Capital, Tier 1 Capital Ratio<sup>2</sup>



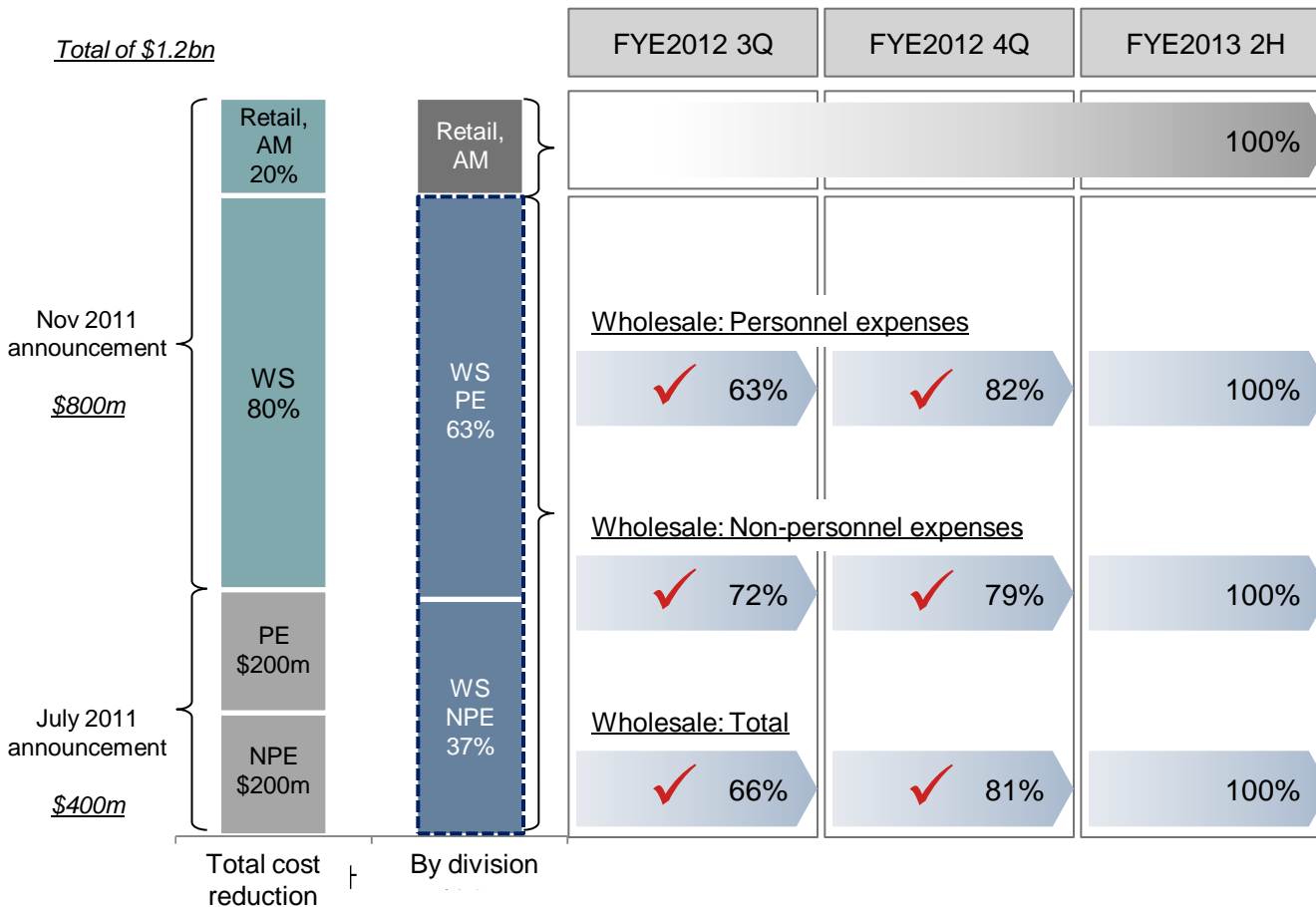
## Leverage Ratio<sup>1</sup>



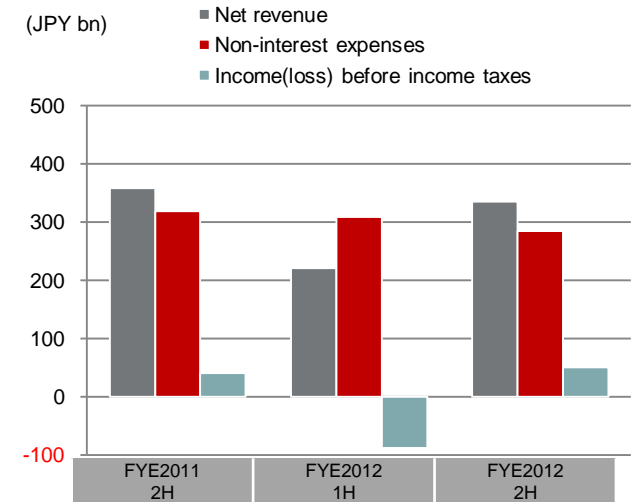


# Progress of Cost Reduction Program

## Timeline of \$1.2bn cost reduction program



## Wholesale



## Progress to Mar 31, 2012

- On schedule
- Retail and Asset Management
  - Reduced SG&A costs and business development expenses
- Wholesale
  - Implementing cost reduction steadily while maintaining our profitability

### Personnel expenses

- Headcount reduction, postponing replacement of leavers, curbing new hires, business efficiencies (platform integration, improved productivity)

### Non-personnel expenses

- Controlling IT system expenses, costs down due to headcount reduction

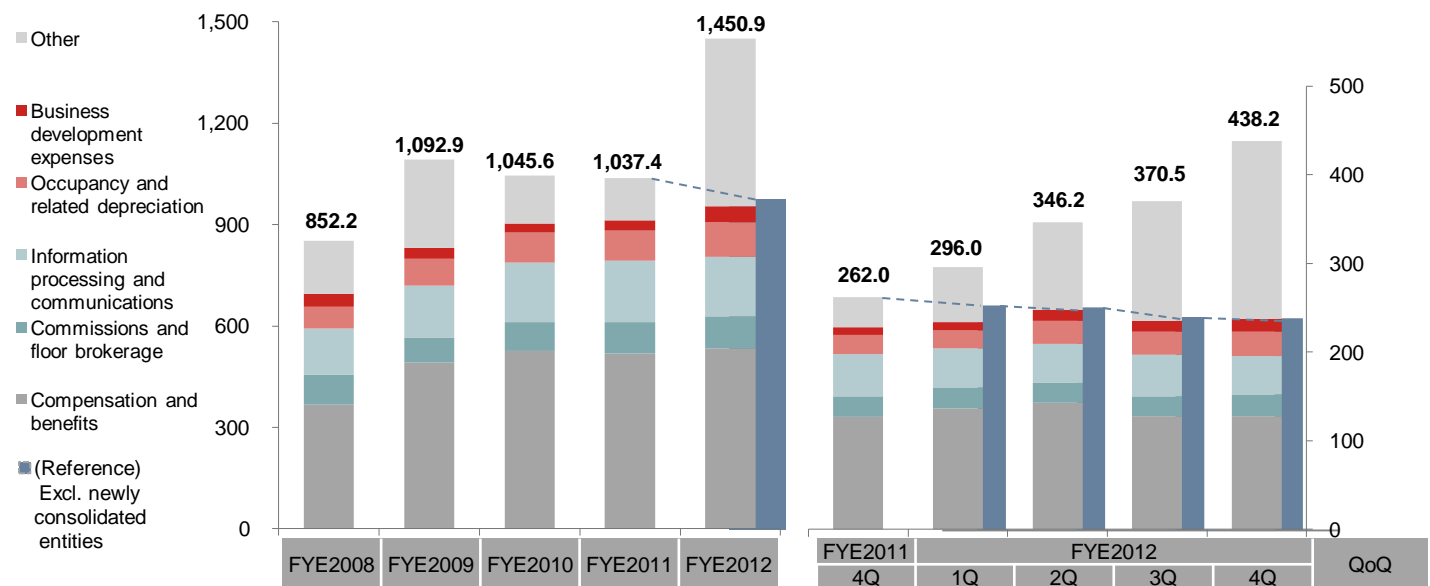
# Non-Interest Expenses

## Full Year

## Quarter

(JPY bn)

(JPY bn)



Compensation and benefits	366.8	491.6	526.2	519.0	534.6	127.1	136.3	142.6	127.8	128.0	0.2%
Commissions and floor brokerage	90.2	73.7	86.1	92.1	93.5	23.0	24.1	22.9	22.5	24.0	6.5%
Information processing and communications	135.0	155.0	175.6	182.9	177.1	47.8	43.5	43.5	46.4	43.7	-5.9%
Occupancy and related depreciation	64.8	78.5	87.8	87.8	100.9	21.7	20.7	26.4	26.2	27.6	5.6%
Business development expenses	38.1	31.6	27.3	30.2	48.5	8.8	9.3	12.3	12.7	14.1	10.8%
Other	157.2	262.6	142.5	125.4	496.2	33.5	62.1	98.5	134.9	200.8	48.9%
<b>Total</b>	<b>852.2</b>	<b>1,092.9</b>	<b>1,045.6</b>	<b>1,037.4</b>	<b>1,450.9</b>	<b>262.0</b>	<b>296.0</b>	<b>346.2</b>	<b>370.5</b>	<b>438.2</b>	<b>18.3%</b>

## Key Points

### Fourth Quarter Results

- Non-interest expenses: Y438.2bn (+18% QoQ)
- Other expenses increased 49% QoQ due to a rise in cost of goods sold at newly consolidated entities
- Excluding newly consolidated entities, non-interest expenses declined by 0.2% QoQ

### Full Year Results

- Non-interest expenses: Y1.45trn (+40% YoY)
- Overall increase due mainly to an increase in other expenses as a result of converting Nomura Land and Building into a subsidiary in 1Q FYE2012
- Excluding newly consolidated entities, non-interest expenses declined by approx. 5%

**Appendix**

# Consolidated Balance Sheet

# NOMURA

	Millions of yen		
	March 31, 2012	March 31, 2011	Increase/(Decrease)
<b>ASSETS</b>			
Cash and cash deposits:			
Cash and cash equivalents	1,070,520	1,620,340	(549,820)
Time deposits	653,462	339,419	314,043
Deposits with stock exchanges and other segregated cash	229,695	190,694	39,001
Total cash and cash deposits	<u>1,953,677</u>	<u>2,150,453</u>	<u>(196,776)</u>
Loans and receivables:			
Loans receivable	1,293,372	1,271,284	22,088
Receivables from customers	58,310	32,772	25,538
Receivables from other than customers	864,629	928,626	(63,997)
Allowance for doubtful accounts	(4,888)	(4,860)	(28)
Total loans and receivables	<u>2,211,423</u>	<u>2,227,822</u>	<u>(16,399)</u>
Collateralized agreements:			
Securities purchased under agreements to resell	7,662,748	9,558,617	(1,895,869)
Securities borrowed	6,079,898	5,597,701	482,197
Total collateralized agreements	<u>13,742,646</u>	<u>15,156,318</u>	<u>(1,413,672)</u>
Trading assets and private equity investments:			
Trading assets*	13,921,639	14,952,511	(1,030,872)
Private equity investments	201,955	289,420	(87,465)
Total trading assets and private equity investments	<u>14,123,594</u>	<u>15,241,931</u>	<u>(1,118,337)</u>
Other assets:			
Office buildings, land, equipment and facilities (net of accumulated depreciation and amortization of ¥355,804 million at March 31, 2012 and ¥300,075 million at March 31, 2011)	1,045,950	392,036	653,914
Non-trading debt securities*	862,758	591,797	270,961
Investments in equity securities*	88,187	91,035	(2,848)
Investments in and advances to affiliated companies*	193,954	273,105	(79,151)
Other	1,475,123	568,493	906,630
Total other assets	<u>3,665,972</u>	<u>1,916,466</u>	<u>1,749,506</u>
<b>Total assets</b>	<u><u>35,697,312</u></u>	<u><u>36,692,990</u></u>	<u><u>(995,678)</u></u>

\*Including securities pledged as collateral

	Millions of yen		
	March 31, 2012	March 31, 2011	Increase/(Decrease)
<b>LIABILITIES AND EQUITY</b>			
Short-term borrowings	1,185,613	1,167,077	18,536
Payables and deposits:			
Payables to customers	764,857	880,429	(115,572)
Payables to other than customers	767,860	410,679	357,181
Deposits received at banks	904,653	812,500	92,153
Total payables and deposits	<u>2,437,370</u>	<u>2,103,608</u>	<u>333,762</u>
Collateralized financing:			
Securities sold under agreements to repurchase	9,928,293	10,813,797	(885,504)
Securities loaned	1,700,029	1,710,191	(10,162)
Other secured borrowings	890,952	1,162,450	(271,498)
Total collateralized financing	<u>12,519,274</u>	<u>13,686,438</u>	<u>(1,167,164)</u>
Trading liabilities	7,495,177	8,688,998	(1,193,821)
Other liabilities	1,165,901	552,316	613,585
Long-term borrowings	8,504,840	8,402,917	101,923
<b>Total liabilities</b>	<u><u>33,308,175</u></u>	<u><u>34,601,354</u></u>	<u><u>(1,293,179)</u></u>
Equity			
NHI shareholders' equity:			
Common stock			
Authorized - 6,000,000,000 shares			
Issued - 3,822,562,601 shares at March 31, 2012 and 3,719,133,241 shares at March 31, 2011			
Outstanding - 3,663,483,895 shares at March 31, 2012 and 3,600,886,932 shares at March 31, 2011	594,493	594,493	-
Additional paid-in capital	698,771	646,315	52,456
Retained earnings	1,058,945	1,069,334	(10,389)
Accumulated other comprehensive income (loss)	(145,149)	(129,696)	(15,453)
Total NHI shareholders' equity before treasury stock	<u>2,207,060</u>	<u>2,180,446</u>	<u>26,614</u>
Common stock held in treasury, at cost - 159,078,706 shares at March 31, 2012 and 118,246,309 shares at March 31, 2011	(99,819)	(97,692)	(2,127)
Total NHI shareholders' equity	<u>2,107,241</u>	<u>2,082,754</u>	<u>24,487</u>
Noncontrolling interests	281,896	8,882	273,014
<b>Total equity</b>	<u><u>2,389,137</u></u>	<u><u>2,091,636</u></u>	<u><u>297,501</u></u>
<b>Total liabilities and equity</b>	<u><u>35,697,312</u></u>	<u><u>36,692,990</u></u>	<u><u>(995,678)</u></u>

- Definition
  - 99% confidence level (2.33 standard dev.)
  - 1-day time horizon for outstanding portfolio
  - Inter-product price fluctuations considered
- From April 1, 2011 to March 31, 2012 (JPY bn)
  - Maximum: 9.7
  - Minimum: 4.9
  - Average: 6.5

(JPY bn)

	Mar. 31, 2008	Mar. 31, 2009	Mar. 31, 2010	Mar. 31, 2011	Jun. 30, 2011	Sep. 30, 2011	Dec. 31, 2011	Mar 31, 2012
Equity	4.2	3.8	2.6	1.8	1.6	1.9	1.5	<b>1.4</b>
Interest rate	4.7	6.7	4.4	4.1	4.3	4.0	5.0	<b>6.5</b>
Foreign exchange	8.0	8.7	10.5	4.5	3.8	2.8	3.5	<b>2.5</b>
Sub-total	16.9	19.2	17.5	10.4	9.7	8.8	10.0	<b>10.4</b>
Diversification benefit	-6.8	-7.5	-5.0	-4.1	-3.7	-3.6	-3.6	<b>-3.2</b>
<b>VaR</b>	<b>10.1</b>	<b>11.7</b>	<b>12.6</b>	<b>6.3</b>	<b>6.0</b>	<b>5.2</b>	<b>6.4</b>	<b>7.2</b>

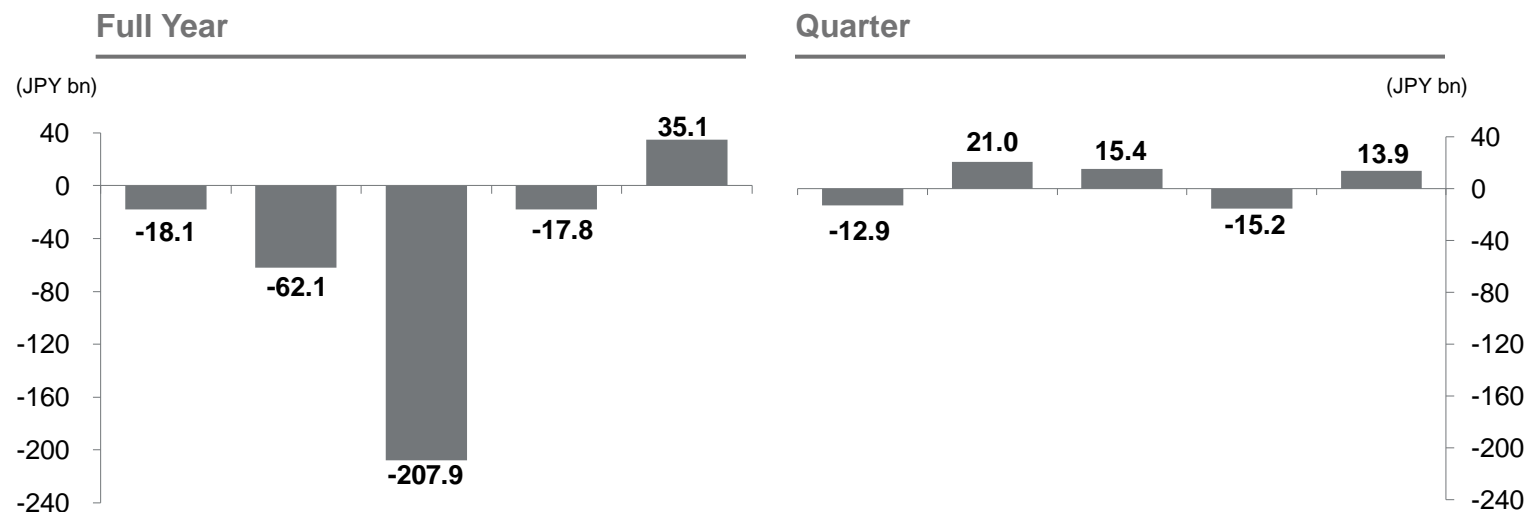
# Consolidated Income

# NOMURA

(JPY bn)	Full Year					Quarter					
	FYE2008	FYE2009	FYE2010	FYE2011	FYE2012	FYE2011	FYE2012				
						4Q	1Q	2Q	3Q	4Q	
Revenue											
Commissions	404.7	306.8	395.1	405.5	<b>347.1</b>	103.8	96.8	85.9	74.0	<b>90.4</b>	
Fees from investment banking	85.1	55.0	121.3	107.0	<b>59.6</b>	27.8	13.8	13.8	17.2	<b>14.8</b>	
Asset management and portfolio service fees	189.7	140.2	132.2	143.9	<b>144.3</b>	38.3	39.1	36.7	33.4	<b>35.1</b>	
Net gain on trading	61.7	-128.3	417.4	336.5	<b>272.6</b>	68.7	67.5	26.0	80.1	<b>98.9</b>	
Gain (loss) on private equity investments	76.5	-54.8	11.9	19.3	<b>25.1</b>	23.6	-6.0	-2.3	34.6	<b>-1.2</b>	
Interest and dividends	796.5	331.4	235.3	346.1	<b>435.9</b>	93.5	133.1	107.3	103.1	<b>92.4</b>	
Gain (loss) on investments in equity securities	-48.7	-25.5	6.0	-16.7	<b>4.0</b>	-2.8	-0.6	-2.5	-2.8	<b>9.9</b>	
Other	28.2	39.9	37.5	43.9	<b>563.2</b>	12.2	83.4	113.0	141.9	<b>225.0</b>	
Total revenue	1,593.7	664.5	1,356.8	1,385.5	<b>1,851.8</b>	365.0	427.0	377.8	481.5	<b>565.4</b>	
Interest expense	806.5	351.9	205.9	254.8	<b>315.9</b>	65.6	96.6	76.3	76.6	<b>66.4</b>	
Net revenue	787.3	312.6	1,150.8	1,130.7	<b>1,535.9</b>	299.4	330.4	301.6	404.9	<b>499.0</b>	
Non-interest expenses	852.2	1,092.9	1,045.6	1,037.4	<b>1,450.9</b>	262.0	296.0	346.2	370.5	<b>438.2</b>	
Income (loss) before income taxes	-64.9	-780.3	105.2	93.3	<b>85.0</b>	37.4	34.4	-44.6	34.5	<b>60.8</b>	
Net income (loss)	-67.8	-708.2	67.8	28.7	<b>11.6</b>	11.9	17.8	-46.1	17.8	<b>22.1</b>	

1. Net income (loss) attributable to Nomura Holdings was previously reported as Net income (loss).

## Income (loss) before income taxes



	Full Year					Quarter				
	FYE2008	FYE2009	FYE2010	FYE2011	FYE2012	FYE2011 4Q	FYE2012			
							1Q	2Q	3Q	4Q
Net gain (loss) related to economic hedging transactions	11.4	28.0	3.3	2.3	8.4	-2.1	-1.5	4.2	7.7	-2.1
Realized gain (loss) on investments in equity securities held for operating purposes	1.5	-2.4	-3.4	0.2	0.2	0.3	0.7	-0.2	-0.3	0.0
Equity in earnings of affiliates	4.7	-0.7	7.8	9.0	10.6	5.3	3.5	2.0	1.3	3.9
Corporate items	-13.4	-70.5	-83.3	-33.3	-31.4	-20.7	12.8	-8.4	-28.9	-6.9
Others	-22.3	-16.5	-132.3	4.0	47.3	4.3	5.6	17.8	4.9	19.0
<b>Income (Loss) before income taxes</b>	<b>-18.1</b>	<b>-62.1</b>	<b>-207.9</b>	<b>-17.8</b>	<b>35.1</b>	<b>-12.9</b>	<b>21.0</b>	<b>15.4</b>	<b>-15.2</b>	<b>13.9</b>

1. The defined contribution pension plan business in Asset Management was integrated to Other business in the second quarter of the fiscal year ended March 31, 2009. Certain reclassifications of previously reported amounts have been made to conform to the current presentation.
2. Net gain (loss) on trading related to economic hedging transactions was reclassified as “Net gain (loss) related to economic hedging transactions” from the fourth quarter of the fiscal year ended March 2010 and includes net gain (loss) related to economic hedging transactions not included in net gain (loss) on trading. In addition, net gain (loss) on trading from the change in own credit of certain structured notes issued, which was previously classified as “Net gain (loss) on trading related to economic hedging transactions”, has been included in “Others”. The reclassifications of previously reported amounts have been made to conform to the current year presentation.
3. Nomura Bank (Luxembourg) S.A. in Asset Management was integrated to Other business in April 2011. Certain reclassifications of previously reported amounts have been made to conform to the current presentation.

# Number of Employees

# NOMURA

	Mar. 31, 2008	Mar. 31, 2009	Mar.31,2010	Mar. 31,2011	Jun. 30,2011	Sep. 30,2011	Dec. 31,2011	Mar. 31,2012
Japan (excluding FA) <sup>1</sup>	11,561	12,929	12,857	12,829	20,263	20,105	19,882	<b>19,598</b>
Japan (FA) <sup>2</sup>	2,377	2,391	2,196	2,089	2,096	2,078	2,048	<b>2,011</b>
Europe	1,956	4,294	4,369	4,353	4,436	4,492	4,143	<b>4,014</b>
Americas	1,063	1,079	1,781	2,348	2,383	2,537	2,466	<b>2,420</b>
Asia-Pacific <sup>3</sup>	1,070	4,933	5,171	5,252	6,452	6,485	6,394	<b>6,352</b>
<b>Total</b>	<b>18,026</b>	<b>25,626</b>	<b>26,374</b>	<b>26,871</b>	<b>35,630</b>	<b>35,697</b>	<b>34,933</b>	<b>34,395</b>

1. Excludes employees of private equity investee companies.

2. Figures up to March 2008 include savings advisors.

3. Includes Powai office in India.



As of Mar 31, 2012	Standard & Poor's	Moody's <sup>1</sup>	Rating and Investment Information	Japan Credit Rating Agency
<b>Nomura Holdings, Inc.</b>				
Long-term	BBB+	Baa3	A+	AA-
Short-term	A-2	-	a-1	-
Outlook	stable	stable	stable	stable
<b>Nomura Securities Co., Ltd.</b>				
Long-term	A-	Baa2	A+	AA-
Short-term	A-2	P-2	a-1	-
Outlook	stable	stable	stable	stable
<b>The Nomura Trust &amp; Banking Co., Ltd.</b>				
Long-term	A-	-	-	AA-
Short-term	A-2	-	a-1	-
Outlook	stable	-	-	stable
<b>Nomura Bank International plc</b>				
Long-term	A-	-	-	AA-
Short-term	A-2	-	-	-
Outlook	stable	-	-	stable

(1) Moody's Investors Service is not a credit rating agency registered with Japan's Financial Services Agency under the Financial Instruments and Exchange Act.