

**Pillar 3 Regulatory Capital and Liquidity  
Coverage Ratio Disclosures  
for the quarterly period ended September 30, 2018**

**Nomura Holdings, Inc.**

## CONTENTS

<b>PART 1: NHI Consolidated Capital Ratios .....</b>	<b>3</b>
<b>CHAPTER 1 Disclosure On Capital Items (Quarter end) .....</b>	<b>3</b>
<b>CHAPTER 2 Disclosure On Capital Items (Half-year end).....</b>	<b>8</b>
<b>CHAPTER 3 Qualitative Disclosure .....</b>	<b>14</b>
1. Scope of Consolidation .....	14
2. Consolidated Balance Sheet when the Regulatory Scope of Consolidation Is Applied .....	15
<b>CHAPTER 4 Quantitative Disclosure (for September 30, 2018).....</b>	<b>16</b>
1. Capital Ratios of Financial Institutions that Nomura Group Owns More Than 10% of their Issued Capital and Are Subsidiaries of Nomura Group.....	16
2. Credit Risk .....	16
3. Disclosure based on Annex No.4, No. 6 and No. 7 of Pillar 3 Notice.....	17
<b>CHAPTER 5 QUANTITATIVE DISCLOSURE (for September 30, 2017).....</b>	<b>37</b>
1. Consolidated Capital Adequacy Ratio .....	37
2. Capital Adequacy .....	37
3. Credit Risk (Excluding Exposures Calculated under “Funds” Rules and Securitization Exposures).....	38
4. Credit Risk Mitigation .....	44
5. Counterparty Credit Risk in Derivative Trades and Long Settlement Transactions .....	44
6. Securitization Exposures .....	45
7. Market Risk .....	47
8. Equity exposures relating to non-trading activities .....	48
<b>CHAPTER 6 Terms And Conditions Of The Capital Instruments .....</b>	<b>49</b>
1. Nomura Holdings, Inc. Common Stock .....	49
2. Nomura Holdings, Inc. First Series of Unsecured Perpetual Subordinated Bonds with Optional Redemption Clause and Write-down Clause .....	51
3. Nomura Holdings, Inc. Second Series of Unsecured Subordinated Bonds .....	54
4. Nomura Holdings, Inc. Third Series of Unsecured Subordinated Bonds .....	56
5. Nomura Holdings, Inc. Fourth Series of Unsecured Subordinated Bonds .....	58
6. Nomura Holdings, Inc. Fifth Series of Unsecured Subordinated Bonds .....	60
7. Capital Nomura Securities Public Co., Ltd. Minority Interest.....	62
8. Nomura Asset Management Taiwan Ltd. Minority Interest .....	64
9. Chi-X Global Holdings LLC Minority Interest.....	66
10. Sugimura Warehouse Co., Ltd. Minority Interest .....	68
11. Shanghai Nomura Lujiazui Investment Management Co., Ltd. Minority Interest.....	70
12. Wealth Square Co., Ltd. Minority Interest.....	72
13. 8 Securities Inc. Minority Interest.....	74
<b>CHAPTER 7 Disclosure On Leverage Ratio (Quarter end) .....</b>	<b>76</b>
<b>CHAPTER 8 Disclosure On Leverage Ratio (Half-year end).....</b>	<b>78</b>
<b>PART 2: NHI Consolidated Liquidity Coverage Ratios .....</b>	<b>80</b>
<b>CHAPTER 1 Quantitative Disclosure.....</b>	<b>80</b>
<b>CHAPTER 2 QUALITATIVE DISCLOSURE .....</b>	<b>82</b>
1. Consolidated Liquidity Coverage Ratio Fluctuations Explained in a Chronological Order .....	82
2. Assessment of the Levels of the Consolidated Liquidity Coverage Ratio.....	82
3. Composition of the Stock of High Quality Liquid Assets .....	82
4. Other Matters Relating to Consolidated Liquidity Coverage Ratio.....	82
<b>PART 3: Disclosure Policy .....</b>	<b>83</b>

**PART 1: NHI Consolidated Capital Ratios**

**CHAPTER 1 Disclosure On Capital Items (Quarter end)**

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of June 30, 2018
<b>Common Equity Tier 1 Capital: Instruments and Reserves(1)</b>			
1a+2-1c-26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	2,792,044	2,817,501
1a	out of which, capital and capital surplus	1,275,551	1,270,805
2	out of which, retained earnings	1,679,085	1,700,809
1c	out of which, investments in own shares (-)	162,591	154,113
26	out of which, expected outflow of funds from businesses (-)	—	—
	out of which, amounts except for the above items	—	—
1b	Share warrant related to common share	—	—
3	Accumulated other comprehensive income and other disclosed reserves	6,373	(22,546)
5	Adjusted amount of minority interests related to Common Equity Tier 1 capital	11	10
6	Common Equity Tier 1 capital before regulatory adjustments (A)	2,798,429	2,794,965
<b>Common Equity Tier 1 Capital: Regulatory Adjustments(2)</b>			
8+9	Intangibles other than mortgage-servicing rights (net of related tax liability)	194,513	193,730
8	out of which, goodwill (net of related tax liability, including those equivalent)	83,643	81,728
9	out of which, intangibles other than goodwill and mortgage-servicing rights	110,869	112,002
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of tax liability)	1,672	2,106
11	Cash flow hedge reserve	—	—
12	Shortfall of provisions to expected losses	25,908	26,265
13	Securitization gain on sale	—	—
14	Own credit valuation	9,368	9,705
15	Defined-benefit pension fund net assets	10,648	10,483
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	8,512	7,767
17	Reciprocal cross-holdings in common equity	—	—
18	Investments in the capital of financial institutions that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (net of eligible short positions) (amount above 10% threshold)	—	—

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of June 30, 2018
19+20+21	Amount exceeding the 10% threshold on specific items	—	—
19	out of which, significant investments in the capital of financial institutions that are outside the scope of regulatory consolidation (net of eligible short positions)	—	—
20	out of which, mortgage-servicing rights	—	—
21	out of which, deferred tax assets arising from temporary differences (net of related tax liability)	—	—
22	Amount exceeding the 15% threshold on specific items	—	—
23	out of which, significant investments in the common stock of financial institutions	—	—
24	out of which, mortgage-servicing rights	—	—
25	out of which, deferred tax assets arising from temporary differences (net of related tax liability)	—	—
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—	—
28	Total regulatory adjustments to Common Equity Tier 1 capital (B)	250,624	250,060
<b>Common Equity Tier 1 Capital</b>			
29	Common Equity Tier 1 capital ((A) – (B)) (C)	2,547,804	2,544,904
<b>Additional Tier 1 Capital: Instruments(3)</b>			
30	31a Additional Tier 1 instruments classified as shareholder's equity	—	—
	31b Additional Tier 1 instruments classified as share warrant	—	—
	32 Additional Tier 1 instruments classified as debt	165,000	165,000
	Additional Tier 1 instruments issued by special purpose vehicle, etc.	—	—
34-35	Adjusted amount of minority interests related to Additional Tier 1 capital	1,071	1,027
33+35	Capital instruments subject to transitional arrangements included in Additional Tier 1 capital	—	—
33	out of which, instruments issued by Group or special purpose vehicle controlled by Group	—	—
35	out of which, instruments issued by consolidated subsidiaries of Group (except for the special purpose vehicle mentioned above)	—	—
36	Additional Tier 1 capital before regulatory adjustments (D)	166,071	166,027

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of June 30, 2018
<b>Additional Tier 1 Capital: Regulatory Adjustments</b>			
37	Investments in own Additional Tier 1 instruments	—	—
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—
39	Investments in the Additional Tier 1 instruments of financial institutions that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (net of eligible short positions) (amount above 10% threshold)	—	—
40	Significant investments in the Additional Tier 1 instruments of financial institutions that are outside the scope of regulatory consolidation (net of eligible short positions)	—	—
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier2 to cover deductions	—	—
43	Regulatory adjustments to Additional Tier 1 capital (E)	—	—
<b>Additional Tier 1 Capital</b>			
44	Additional Tier 1 capital ((D) – (E)) (F)	166,071	166,027
<b>Tier1 Capital</b>			
45	Tier 1 capital ((C) + (F)) (G)	2,713,876	2,710,931
<b>Tier 2 Capital: Instruments and Provisions(4)</b>			
46	Tier 2 instruments classified as shareholder's equity	—	—
	Tier 2 instruments classified as share warrant	—	—
	Tier 2 instruments classified as debt	—	—
	Tier 2 instruments issued by special purpose vehicle, etc.	—	—
48-49	Adjusted amount of minority interests related to Tier 2	254	244
47+49	Capital instruments subject to transitional arrangements	60,880	60,880
47	out of which, instruments issued by Group or special purpose vehicle controlled by Group	60,880	60,880
49	out of which, instruments issued by consolidated subsidiaries of Group (except for the special purpose vehicle mentioned above)	—	—
50	Provisions	—	—
50a	out of which, general provisions included in Tier 2	—	—
50b	out of which, eligible provisions included in Tier 2	—	—
51	Tier 2 capital before regulatory adjustments (H)	61,134	61,124

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of June 30, 2018
<b>Tier 2 Capital: Regulatory Adjustments</b>			
52	Investments in own Tier 2 instruments	—	—
53	Reciprocal cross-holdings in Tier 2 instruments	—	—
54	Investments in Tier 2 instruments of financial institutions that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (net of eligible short positions) (amount above 10% threshold)	—	—
55	Significant investments in Tier 2 instruments of other financial institutions that are outside the scope of regulatory consolidation (net of eligible short positions)	—	—
57	Regulatory adjustments to Tier 2 capital (I)	—	—
<b>Tier 2 Capital</b>			
58	Tier 2 capital ((H) – (I)) (J)	61,134	61,124
<b>Total Capital</b>			
59	Total capital ((G) + (J)) (K)	2,775,010	2,772,055
<b>Risk-Weighted Assets(5)</b>			
60	Total risk-weighted assets (L)	14,981,255	15,801,376
<b>Capital Ratios</b>			
61	Consolidated Common Equity Tier 1 ratio ((C) / (L))	17.00%	16.10%
62	Consolidated Tier 1 ratio ((G) / (L))	18.11%	17.15%
63	Consolidated total capital ratio ((K) / (L))	18.52%	17.54%
<b>Amounts below the Thresholds for Deduction(6)</b>			
72	Non-significant investments in the capital instruments of other financial institutions	130,147	119,164
73	Significant investments in the common stock of financial institutions	193,890	187,702
74	Mortgage-servicing rights (net of related tax liability)	—	—
75	Deferred tax assets arising from temporary differences (net of related tax liability)	4,496	6,407
<b>Applicable Caps on the Inclusion of Provisions in Tier 2(7)</b>			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	—	—
77	Caps on inclusion of provisions in Tier 2 under standardized approach	—	—
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as “nil”)	—	—
79	Caps on inclusion of eligible provisions in Tier 2 under internal ratings-based approach	—	—

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of June 30, 2018
<b>Capital Instruments Subject to Transitional Arrangements(8)</b>			
82	Current cap on Tier 1 instruments subject to transitional arrangements	—	—
83	Amount excluded from Tier 1 due to cap (excess over cap after redemptions and maturities)	—	—
84	Current cap on Tier 2 instruments subject to transitional arrangements	60,880	60,880
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	92,220	92,320

**CHAPTER 2 Disclosure On Capital Items (Half-year end)**

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of September 30, 2017	
		Highest designated parent company's current half-year end	Highest designated parent company's previous half-year end	Amount subject to transitional arrangements
Common Equity Tier 1 Capital: Instruments and Reserves(1)				
1a+2-1c- 26	Directly issued qualifying common share capital plus related capital surplus and retained earnings	2,792,044	2,781,236	
1a	out of which, capital and capital surplus	1,275,551	1,271,939	
2	out of which, retained earnings	1,679,085	1,717,475	
1c	out of which, investments in own shares (-)	162,591	208,179	
26	out of which, expected outflow of funds from businesses (-)	—	—	
	out of which, amounts except for the above items	—	—	
1b	Share warrant related to common share	—	—	
3	Accumulated other comprehensive income and other disclosed reserves	6,373	11,333	2,833
5	Adjusted amount of minority interests related to Common Equity Tier 1 capital	11	—	
	The amount included in Common Equity Tier 1 capital according to transitional arrangements	—	1,532	
6	Common Equity Tier 1 capital before regulatory adjustments (A)	2,798,429	2,794,101	
Common Equity Tier 1 Capital: Regulatory Adjustments(2)				
8+9	Intangibles other than mortgage-servicing rights (net of related tax liability)	194,513	156,727	39,182
8	out of which, goodwill (net of related tax liability, including those equivalent)	83,643	66,836	16,709
9	out of which, intangibles other than goodwill and mortgage-servicing rights	110,869	89,891	22,473
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of tax liability)	1,672	4,758	1,189
11	Cash flow hedge reserve	—	—	—
12	Shortfall of provisions to expected losses	25,908	21,748	5,437
13	Securitization gain on sale	—	—	—
14	Own credit valuation	9,368	1,970	492
15	Defined-benefit pension fund net assets	10,648	8,722	2,180
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	8,512	1,477	369
17	Reciprocal cross-holdings in common equity	—		—
18	Investments in the capital of financial institutions that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (net of eligible short positions) (amount above 10% threshold)	—		—



(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of September 30, 2017	
		Highest designated parent company's current half-year end	Highest designated parent company's previous half-year end	Amount subject to transitional arrangements
19+20+21	Amount exceeding the 10% threshold on specific items	—	—	—
19	out of which, significant investments in the capital of financial institutions that are outside the scope of regulatory consolidation (net of eligible short positions)	—	—	—
20	out of which, mortgage-servicing rights	—	—	—
21	out of which, deferred tax assets arising from temporary differences (net of related tax liability)	—	—	—
22	Amount exceeding the 15% threshold on specific items	—	—	—
23	out of which, significant investments in the common stock of financial institutions	—	—	—
24	out of which, mortgage-servicing rights	—	—	—
25	out of which, deferred tax assets arising from temporary differences (net of related tax liability)	—	—	—
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	—	—	
28	Total regulatory adjustments to Common Equity Tier 1 capital (B)	250,624	195,401	
<b>Common Equity Tier 1 Capital</b>				
29	Common Equity Tier 1 capital ((A) – (B)) (C)	2,547,804	2,598,700	
<b>Additional Tier 1 Capital: Instruments(3)</b>				
31a	30	Additional Tier 1 instruments classified as shareholder's equity	—	
31b		Additional Tier 1 instruments classified as share warrant	—	
32		Additional Tier 1 instruments classified as debt	165,000	
		Additional Tier 1 instruments issued by special purpose vehicle, etc.	—	
34-35		Adjusted amount of minority interests related to Additional Tier 1 capital	1,071	1,285
33+35		Capital instruments subject to transitional arrangements included in Additional Tier 1 capital	—	—
33		out of which, instruments issued by Group or special purpose vehicle controlled by Group	—	—
35		out of which, instruments issued by consolidated subsidiaries of Group (except for the special purpose vehicle mentioned above)	—	—
		The amount included in Additional Tier 1 capital according to transitional arrangements	—	2,833

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of September 30, 2017	
		Highest designated parent company's current half-year end	Highest designated parent company's previous half-year end	Amount subject to transitional arrangements
	out of which, accumulated other comprehensive income and other disclosed reserves		2,833	
36	Additional Tier 1 capital before regulatory adjustments (D)	166,071	169,118	
<b>Common Equity Tier 1 Capital</b>				
37	Investments in own Additional Tier 1 instruments	—	—	—
38	Reciprocal cross-holdings in Additional Tier 1 instruments	—	—	—
39	Investments in the Additional Tier 1 instruments of financial institutions that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (net of eligible short positions) (amount above 10% threshold)	—	—	—
40	Significant investments in the Additional Tier 1 instruments of financial institutions that are outside the scope of regulatory consolidation (net of eligible short positions)	—	4,001	1,000
	The amount included in regulatory adjustments to Additional Tier 1 capital (according to transitional arrangements)	—	23,341	
	out of which, goodwill (net of related tax liability)	—	16,709	
	out of which, intangibles other than goodwill and mortgage-servicing rights	—	3,421	
	out of which, shortfall of provisions to expected losses, divided by 2	—	2,718	
	out of which, own credit valuation	—	492	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier2 to cover deductions	—	—	
43	Regulatory adjustments to Additional Tier 1 capital (E)	—	27,342	
<b>Additional Tier 1 Capital</b>				
44	Additional Tier 1 capital ((D) – (E)) (F)	166,071	141,776	
<b>Tier1 Capital</b>				
45	Tier 1 capital ((C) + (F)) (G)	2,713,876	2,740,476	

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of September 30, 2017	
		Highest designated parent company's current half-year end	Highest designated parent company's previous half-year end	Amount subject to transitional arrangements
Tier 2 Capital: Instruments and Provisions(4)				
46	Tier 2 instruments classified as shareholder's equity	—	—	
	Tier 2 instruments classified as share warrant	—	—	
	Tier 2 instruments classified as debt	—	—	
	Tier 2 instruments issued by special purpose vehicle, etc.	—	—	
48-49	Adjusted amount of minority interests related to Tier 2	254	302	
47+49	Capital instruments subject to transitional arrangements	60,880	97,036	
47	out of which, instruments issued by Group or special purpose vehicle controlled by Group	60,880	76,100	
49	out of which, instruments issued by consolidated subsidiaries of Group (except for the special purpose vehicle mentioned above)	—	20,936	
50	Provisions	—	—	
50a	out of which, general provisions included in Tier 2	—	—	
50b	out of which, eligible provisions included in Tier 2	—	—	
	The amount included in Tier 2 capital according to transitional arrangements	—	—	
51	Tier 2 capital before regulatory adjustments (H)	61,134	97,338	
Tier 2 Capital: Regulatory Adjustments				
52	Investments in own Tier 2 instruments	—	—	—
53	Reciprocal cross-holdings in Tier 2 instruments	—	—	—
54	Investments in Tier 2 instruments of financial institutions that are outside the scope of regulatory consolidation, where the Group does not own more than 10% of the issued share capital (net of eligible short positions) (amount above 10% threshold)	—	—	—
55	Significant investments in Tier 2 instruments of other financial institutions that are outside the scope of regulatory consolidation (net of eligible short positions)	—	266	67
	The amount included in regulatory adjustments to Tier 2 according to transitional arrangements	—	3,785	
	out of which, investments in capital instruments of other financial institutions that are outside of regulatory consolidation	—	1,067	
	out of which, shortfall of provisions to expected losses, divided by 2	—	2,718	
57	Regulatory adjustments to Tier 2 capital (I)	—	4,052	

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of September 30, 2017	
		Highest designated parent company's current half-year end	Highest designated parent company's previous half-year end	Amount subject to transitional arrangements
Tier 2 Capital				
58	Tier 2 capital ((H) – (I)) (J)	61,134	93,286	
Total Capital				
59	Total capital ((G) + (J)) (K)	2,775,010	2,833,762	
Risk-Weighted Assets(5)				
	The amount included in regulatory adjustments to risk-weighted assets according to transitional arrangements	—	22,791	
	out of which, intangibles other than goodwill and mortgage-servicing rights (net of related tax liability)	—	19,052	
	out of which, deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	1,189	
	out of which, defined-benefit pension fund net assets	—	2,180	
	out of which, investments in own shares (if not already netted off paid-in capital on reported balance sheet)	—	369	
60	Total risk-weighted assets (L)	1,4981,255	14,867,784	
Capital Ratios				
61	Consolidated Common Equity Tier 1 ratio ((C) / (L))	17.00%	17.4%	
62	Consolidated Tier 1 ratio ((G) / (L))	18.11%	18.4%	
63	Consolidated total capital ratio ((K) / (L))	18.52%	19.0%	
Amounts below the Thresholds for Deduction(6)				
72	Non-significant investments in the capital instruments of other financial institutions	130,147	129,427	
73	Significant investments in the common stock of financial institutions	193,890	197,355	
74	Mortgage-servicing rights (net of related tax liability)	—	—	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	4,496	29,998	
Applicable Caps on the Inclusion of Provisions in Tier 2(7)				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	—	—	
77	Caps on inclusion of provisions in Tier 2 under standardized approach	—	—	

(Unit: JPY million, %)

Basel III template No.	Item	As of September 30, 2018	As of September 30, 2017	
		Highest designated parent company's current half-year end	Highest designated parent company's previous half-year end	Amount subject to transitional arrangements
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	—	—	
79	Caps on inclusion of eligible provisions in Tier 2 under internal ratings-based approach	—	—	
<b>Capital Instruments Subject to Transitional Arrangements(8)</b>				
82	Current cap on Tier 1 instruments subject to transitional arrangements	—	—	
83	Amount excluded from Tier 1 due to cap (excess over cap after redemptions and maturities)	—	—	
84	Current cap on Tier 2 instruments subject to transitional arrangements	60,880	155,660	
85	Amount excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	92,220	76,000	

## CHAPTER 3 Qualitative Disclosure

### 1. Scope of Consolidation

- (1) Differences between those companies belonging to the corporate group (“Nomura Group”) to which the calculation of consolidated capital adequacy ratio as stipulated in Article 2 of the Consolidated Capital Adequacy Notice on Final Designated Parent Company (the “Capital Adequacy Notice”) published by Financial Services Agency of Japan (“FSA”) is applicable and those companies that are included in the scope of consolidation based on consolidation rule for preparation of consolidated financial statements (the “scope of consolidation for accounting purposes”) and the reason for such differences.

Consolidated insurance subsidiaries are treated as unconsolidated subsidiaries as per Article 3, Paragraph 3 of the Capital Adequacy Notice.

Consolidated VIEs are treated as unconsolidated subsidiaries in calculating our capital adequacy ratio in consideration of the economic substance. Therefore, intra-company transactions with such VIEs are not eliminated and counterparty credit risk arising from those transactions is included in credit RWA (risk-weighted assets) for the purpose of the calculation of our capital adequacy ratio. In addition, any investments by non-VIE Nomura Group entities in the assets under management by such VIEs are captured in RWA for either credit or market risk.

- (2) Number of consolidated subsidiaries, and names and principal businesses of major consolidated subsidiaries of the holding company group

There are 189 companies as of September 30th, 2018.

Nomura Securities Co., Ltd (Japan, securities business), Nomura International PLC (United Kingdom, securities business), Nomura Securities International Inc. (U.S.A, securities business), Nomura International (Hong Kong) Limited (Hong Kong, securities business) and Nomura Financial Products & Services, Inc. (Japan, securities business) and others.

- (3) Number of affiliated companies which engaged in financial operations which are subject to the provisions of Articles 9 of the Capital Adequacy Notice, as well as their names, amounts of total assets and net assets shown on the balance sheet, and principal businesses

Not applicable.

- (4) Names, amounts of total assets and net assets shown on the balance sheet, and principal businesses of (i) companies which belong to Nomura Group but are not included in the scope of consolidation for accounting purposes and (ii) companies which do not belong to Nomura Group but are included in the scope of consolidation for accounting purposes.

There are no such companies which fall under (i) above.

As of September 30th, 2018, the following companies fall under (ii):

Nomura Reinsurance ICC Limited, (Guernsey, insurance business, total assets of 0.06 billion yen and net assets of 0.05 billion yen);

Nomura Reinsurance 1 IC Limited (Guernsey, insurance business, total assets of 25.9 billion yen and net assets of 1.6 billion yen);

Nomura Reinsurance 3 IC Limited (Guernsey, insurance business, total assets of 0.3 billion yen and net assets of 0.3 billion yen);

Nomura Reinsurance 5IC Limited (Guernsey, insurance business, total assets of 2.7 billion yen and net assets of 0.8 billion yen);

US CB Reinsurance 1 IC Limited (Guernsey, insurance business, total assets of 1.4 billion yen and net assets of 1.2 billion yen);

US CB Reinsurance 2 IC Limited (Guernsey, insurance business, total assets of 0.6 billion yen and net assets of 0.6 billion yen);

Nomura Americas Re. Ltd. (Bermuda, insurance business, total assets of 4.3 billion yen and net assets of 4.0 billion yen);

Nomura Americas US Re Ltd. (Bermuda, insurance business, total assets of 1.8 billion yen and net assets of 1.6 billion yen), as well as 1,050 VIEs.

- (5) Outline of restrictions on transfer of funds or capital within Nomura Group.

In making decision on any transfer of funds or capital within Nomura Group, we make sure that the holding company and subsidiaries of Nomura Group will remain compliant with relevant capital adequacy regulations and it would neither compromise the soundness of respective companies' operation nor cause negative impacts on their ability to fulfill payment obligations as well as their liquidity profile and profitability.

## 2. Consolidated Balance Sheet when the Regulatory Scope of Consolidation Is Applied

(Unit: JPY million)

	BS for regulatory scope of consolidation		Basel III template No. (corresponding item in Chapter 1)
	As of September 30, 2018	As of June 30, 2018	
Assets			
Cash and cash deposits	3,456,765	3,052,104	
Loans and receivables	3,582,849	3,478,675	
Collateralized agreement	19,922,454	17,397,776	
Trading assets and private equity investments	16,077,721	16,572,847	
Other assets	2,292,034	2,299,733	
out of which, goodwill	83,644	81,728	8
out of which, intangibles other than goodwill and mortgage-servicing rights	117,916	118,951	9
out of which, mortgage-servicing rights	—	—	20,24
Total assets	45,331,824	42,801,135	
Liabilities			
Borrowings, payables and deposits	12,598,783	12,497,543	
Collateralized financing	20,437,386	18,459,812	
Trading liabilities	8,600,314	8,246,226	
Other liabilities	851,691	754,626	
Of which, differed tax liability related to good will	—	—	8
Of which, differed tax liability related to intangibles other than goodwill and mortgage-servicing rights	7,046	6,948	9
Of which, differed tax liability related to mortgage-servicing rights	—	—	20,24
Total liabilities	42,488,174	39,958,207	
Equity			
Common stock and additional paid-in capital	1,275,551	1,270,805	1a
Retained earnings	1,679,084	1,700,809	2
Accumulated other comprehensive income	6,373	(22,547)	3
Common stock held in treasury	(162,592)	(154,114)	1c
Non-controlling interest	45,233	47,974	
Total capital	2,843,650	2,842,928	

Note: Column “Basel III template No. (corresponding item in Chapter 1)” is showing the linkage between balance sheet and capital items in Chapter 1.

## CHAPTER 4 Quantitative Disclosure (for September 30, 2018)

### 1. Capital Ratios of Financial Institutions that Nomura Group Owns More Than 10% of their Issued Capital and Are Subsidiaries of Nomura Group

There are no such financial institutions which are not in compliance with applicable regulatory capital adequacy requirements.

### 2. Credit Risk

Exposures underlying several assets which risk weights are not directly identified under SA and Fund exposures under IRB

(Unit: JPY million)

	Exposure amount
Exposures underlying several assets which risk weights are not directly identified under SA	4,174
Fund exposures under IRB	43,070



### 3. Disclosure based on Annex No.4, No. 6 and No. 7 of Pillar 3 Notice

Following tables show the disclosure based on Annex No.4, No.6 and No.7 of “Notice 132 (27 December 2010) of FSA of the Establishment of Matters to be Included in a Document stating the Capital adequacy by a Final Designated Parent Company in Cases Specified by the FSA Commissioner” (the “Pillar 3 Notice”).

(1) Key metrics

(Unit: JPY million, %)

KM1: KEY METRICS						
Common disclosure template		a	b	c	d	e
		As of September 30, 2018	As of June 30, 2018	As of March 31, 2018	As of December 31, 2017	As of September 30, 2017
Available capital						
1	Common Equity Tier 1 (CET1)	2,547,804	2,544,904	2,499,965	2,605,378	2,598,699
2	Tier 1	2,713,876	2,710,931	2,666,366	2,742,365	2,740,475
3	Total capital	2,775,010	2,772,055	2,732,452	2,827,445	2,833,762
RWA						
4	RWA	14,981,255	15,801,376	15,122,291	15,009,955	14,867,783
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	17.00%	16.10%	16.53%	17.3%	17.4%
6	Tier 1 ratio (%)	18.11%	17.15%	17.63%	18.2%	18.4%
7	Total capital ratio (%)	18.52%	17.54%	18.06%	18.8%	19.0%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (%)	1.87%	1.87%	1.87%	1.25%	1.25%
9	Countercyclical buffer requirement (%)	0.04%	0.04%	0.02%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0.37%	0.37%	0.37%	0.25%	0.25%
11	Total of bank CET1 specific buffer requirements (%)	2.29%	2.29%	2.27%	1.50%	1.50%
12	CET1 available after meeting the bank’s minimum capital requirements (%)	10.52%	9.54%	10.06%	10.83%	11.05%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	60,981,569	58,967,416	56,135,086	61,061,858	59,859,050
14	Basel III leverage ratio (%) (row 2 / row 13)	4.45%	4.59%	4.74%	4.49%	4.57%

Note: Capital ratios for column “c” to “e” are round down to one decimal place.

(Unit: JPY million, %)

KM1: KEY METRICS						
Common disclosure template		a	b	c	d	e
		Fiscal year ended March 2019, 2nd Quarter	Fiscal year ended March 2019, 1st Quarter	Fiscal year ended March 2018, 4th Quarter	Fiscal year ended March 2018, 3rd Quarter	Fiscal year ended March 2018, 2nd Quarter
Liquidity Coverage Ratio						
15	Total HQLA	4,408,090	4,102,789	4,022,519	4,093,602	4,065,618
16	Total net cash outflow	2,314,818	2,231,720	2,635,674	2,384,41	2,278,945
17	LCR ratio (%)	191.10%	184.8%	153.6%	175.8%	179.7%

## (2) Overview of risk weighted asset

(Unit: JPY million)

OV1: OVERVIEW OF RWA					
Common disclosure template		a	b	c	d
		RWA		Minimum capital requirements	
		As of September 30, 2018	As of June 30, 2018	As of September 30, 2018	As of June 30, 2018
1	Credit risk (excluding counterparty credit risk)	1,251,410	1,252,101	103,246	103,113
2	Of which standardized approach (SA)	356,895	368,880	28,551	29,510
3	Of which IRB approach	652,752	613,555	55,353	52,029
	Of which significant investments in commercial entities	—	—	—	—
	Of which lease exposures with residual value	—	—	—	—
	Other	241,761	269,665	19,340	21,573
4	Counterparty credit risk	3,904,468	3,784,756	321,441	311,126
5	Of which standardized approach for counterparty credit risk (SACCR)	—	—	—	—
	Of which current exposure method (CEM)	316,047	267,063	26,730	22,583
6	Of which internal model method (IMM)	1,309,819	1,255,370	111,072	106,455
	Of which credit value adjustment (CVA)	1,687,271	1,737,729	134,981	139,018
	Of which exposures to CCP	307,586	287,845	24,606	23,027
	Other	283,743	236,748	24,050	20,040
7	Equity positions in banking book under market-based approach	1,770,226	1,745,175	150,115	147,990
	Exposures underlying several assets which risk weights are not directly identified under SA	4,174	4,742	333	379
	Fund exposures under IRB	172,280	177,047	14,609	15,013
11	Settlement risk	24,835	13,979	2,044	1,167
12	Securitization exposures in banking book	—	—	—	—
13	Of which IRB ratings-based approach (RBA)	—	—	—	—
14	Of which IRB Supervisory Formula Approach (SFA)	—	—	—	—
15	Of which SA/simplified supervisory formula approach (SSFA)	—	—	—	—
	Of which subject to 1250% risk weight	—	—	—	—
16	Market risk	4,525,385	5,414,444	362,030	433,155
17	Of which standardized approach (SA)	1,315,066	1,582,996	105,205	126,639
18	Of which internal model approaches (IMM)	3,210,318	3,831,447	256,825	306,515
19	Operational risk	2,532,765	2,637,663	202,621	211,013
20	Of which Basic Indicator Approach	—	—	—	—
21	Of which standardized approach	2,532,765	2,637,663	202,621	211,013
22	Of which advanced measurement approach	—	—	—	—
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	495,966	485,274	42,057	41,151
	Amounts included in RWA according to transitional arrangements	—	—	—	—
24	Floor adjustment	—	—	—	—
25	Total (after applying 1.06 scaling factor )	14,981,255	15,801,376	1,198,500	1,264,110

## (3) Credit Risk (Excluding Counterparty Credit Risk, Securitization in Credit Risk and Exposures Calculated under “Funds” Rules)

(Unit: JPY million)

CR1: CREDIT QUALITY OF ASSETS					
Item		a	b	c	d
		Gross carrying values of		Allowances/ impairments	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
1	Loans	372	606,093	—	606,465
2	Securities	—	—	—	—
3	Of which are debt securities	—	—	—	—
4	Total of on balance sheet assets (1+2+3)	372	606,093	—	606,465
	Off balance sheet assets				
5	Guarantees	—	5,823	—	5,823
6	Commitments	—	8,625	—	8,625
7	Total of off balance sheet assets (5+6)	—	14,448	—	14,448
	Total				
8	Total (4+7)	372	620,541	—	620,914

Note: Default refers not only to non-payment of financial obligations, markedly disadvantageous modification to a contractual term, bankruptcy or the equivalent, but also to a situation under which the creditworthiness of the obligor is weak such that uncertainty as to the fulfillment of payment is high, and includes the sale of assets that are subject to credit risk measurement (excluding Equity Exposure), at a material loss (a loss of over 30% of the original principal).

(Unit: Million JPY)

CR2: Changes in stock of defaulted loans and debt securities		
Item		Amount
1	Defaulted loans and debt securities at previous year end	—
2	Loan and debt securities movement in each factor	Defaulted amount
3		Returned to non-defaulted status
4		Amounts written off
5		Other changes
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)	372

(Unit: JPY million)

CR3: CREDIT RISK MITIGATION TECHNIQUES - OVERVIEW						
Item		a	b	c	d	e
		Exposures unsecured	Exposures secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	262,072	344,392	344,392	—	—
2	Debt securities	—	—	—	—	—
3	Other on balance sheet assets (debt instruments)	—	—	—	—	—
4	Total (1+2+3)	262,072	344,392	344,392	—	—
5	Of which defaulted	372	—	—	—	—

(Unit: JPY million, %)

CR4: STANDARDIZED APPROACH - CREDIT RISK EXPOSURE AND CREDIT RISK MITIGATION (CRM) EFFECTS							
Item		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		Credit RWA	Weighted average RW (RWA density)
	Asset Classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1	Cash	—	—	—	—	—	—
2	Japan government	26,093	—	26,093	—	0	0.00%
3	Foreign government	8,159	—	8,159	—	3,794	46.50%
4	The bank for internal settlements	—	—	—	—	—	—
5	Local public entities	—	—	—	—	—	—
6	Foreign local public entities and public sector	67	—	67	—	16	23.83%
7	Development banks	14	—	14	—	0	0.00%
8	Japan finance organization for municipalities	—	—	—	—	—	—
9	Non-central government public sector entities	2	—	2	—	0	9.99%
10	Local public sector of real estate	—	—	—	—	—	—
11	Banks and securities dealer	30,526	—	30,526	—	7,126	23.34%
12	Corporate	682,281	—	337,889	—	331,909	98.23%
13	Small and medium sized entities and retail	—	—	—	—	—	—
14	Mortgage loan	—	—	—	—	—	—
15	Commercial real estate	271	—	271	—	271	100.00%
16	Over 3 months past due (excluding mortgage loan)	9,186	—	9,186	—	13,779	150.00%
17	Over 3 months past due related to mortgage loan	—	—	—	—	—	—
18	Uncollected bills	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporation	—	—	—	—	—	—
20	Guaranteed by Regional economy vitalization corporation of Japan	—	—	—	—	—	—
21	Equity (excluding significant investment in commercial entities)	—	—	—	—	—	—
22	Total	756,602	—	412,209	—	356,895	86.58%

(Unit: JPY million)

CR5: STANDARDIZED APPROACH - EXPOSURES BY ASSET CLASSES AND RISK WEIGHTS												
Item		a	b	c	d	e	f	g	h	i	j	k
		Credit exposures amount (post CCF and post-CRM)										
	Risk Weight Asset Classes	0 %	10%	20%	35%	50%	75%	100%	150%	250%	1250%	Total
1	Cash	—	—	—	—	—	—	—	—	—	—	—
2	Japan government	26,093	—	—	—	—	—	—	—	—	—	26,093
3	Foreign government	550	—	36	—	7,570	—	1	—	—	—	8,159
4	The bank for internal settlements	—	—	—	—	—	—	—	—	—	—	—
5	Local public entities	—	—	—	—	—	—	—	—	—	—	—
6	Foreign local public entities and public sector	—	—	63	—	0	—	3	—	—	—	67
7	Development banks	14	—	—	—	—	—	—	—	—	—	14
8	Japan finance organization for municipalities	—	—	—	—	—	—	—	—	—	—	—
9	Non-central government public sector entities	—	2	—	—	—	—	—	—	—	—	2
10	Local public sector of real estate	—	—	—	—	—	—	—	—	—	—	—
11	Banks and securities dealer	—	—	29,068	—	291	—	1,166	—	—	—	30,526
12	Corporate	—	—	6,234	—	1,985	—	329,669	—	—	—	337,889
13	Small and medium sized entities and retail	—	—	—	—	—	—	—	—	—	—	—
14	Mortgage loan	—	—	—	—	—	—	—	—	—	—	—
15	Commercial real estate	—	—	—	—	—	—	271	—	—	—	271
16	Over 3 months past due (excluding mortgage loan)	—	—	—	—	—	—	—	9,186	—	—	9,186
17	Over 3 months past due related to mortgage loan	—	—	—	—	—	—	—	—	—	—	—
18	Uncollected bills	—	—	—	—	—	—	—	—	—	—	—
19	Guaranteed by credit guarantee corporation	—	—	—	—	—	—	—	—	—	—	—
20	Guaranteed by Regional economy vitalization corporation of Japan	—	—	—	—	—	—	—	—	—	—	—
21	Equity (excluding significant investment in commercial entities)	—	—	—	—	—	—	—	—	—	—	—
22	Total	26,658	2	35,402	—	9,847	—	331,112	9,186	—	—	412,209

(Unit: JPY million, number of obligors in the thousands, %)

CR6: IRB – CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE													
		a	b	c	d	e	f	g	h	i	j	k	l
Item	PD range	Original on-balance sheet gross exposure	Off-balance sheet exposure (pre CCF)	Average CCF	EAD (post CRM, post CCR)	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA	Weighted average RW(RWA density)	EL	Provisions
Sovereign													
1	0.00 to <0.15	2,048,435	—	—	2,048,435	0.00%	under 100 obligors	45.00%	0.9	10	0.00%	0	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.5	62	—	—	62	0.32%	under 100 obligors	45.00%	1.0	25	40.46%	0	
4	0.5 to <0.75	14	—	—	14	0.66%	under 100 obligors	45.00%	1.0	8	60.40%	0	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	16	—	—	16	9.67%	under 100 obligors	45.00%	1.0	28	173.36%	0	
7	10.00 to <100.00	8	—	—	8	27.56%	under 100 obligors	45.00%	1.0	21	235.08%	1	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	2,048,537	—	—	2,048,537	0.00%	under 100 obligors	45.00%	0.9	93	0.00%	1	—
Bank													
1	0.00 to <0.15	1,267,743	—	—	1,267,743	0.04%	0.1	45.00%	1.3	222,592	17.55%	285	
2	0.15 to <0.25	18,083	—	—	18,083	0.21%	under 100 obligors	45.00%	1.2	6,467	35.76%	17	
3	0.25 to <0.5	98,414	—	—	98,414	0.31%	under 100 obligors	45.00%	1.1	44,117	44.82%	140	
4	0.5 to <0.75	1,444	—	—	1,444	0.66%	under 100 obligors	45.00%	1.2	1,135	78.62%	4	
5	0.75 to <2.50	7,182	—	—	7,182	1.01%	under 100 obligors	45.00%	4.7	8,771	122.12%	32	
6	2.50 to <10.00	439	—	—	439	4.61%	under 100 obligors	45.00%	4.7	763	173.62%	9	
7	10.00 to <100.00	1,979	—	—	1,979	27.56%	under 100 obligors	45.00%	2.1	4,851	245.06%	245	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	1,395,287	—	—	1,395,287	0.11%	0.2	45.00%	1.3	288,699	20.69%	734	—
Corporate (excluding small and medium sized entities and specialized lending)													
1	0.00 to <0.15	85,514	—	—	85,514	0.06%	0.2	45.00%	2.5	25,483	29.80%	26	
2	0.15 to <0.25	3,092	—	—	3,092	0.21%	under 100 obligors	45.00%	4.2	2,111	68.25%	2	
3	0.25 to <0.5	9,281	—	—	9,281	0.44%	under 100 obligors	45.00%	1.1	4,731	50.97%	18	
4	0.5 to <0.75	7,458	3,815	100.00%	11,274	0.66%	under 100 obligors	45.00%	4.1	13,125	116.42%	33	
5	0.75 to <2.50	8,887	—	—	8,887	1.35%	under 100 obligors	45.00%	1.0	9,004	101.30%	54	
6	2.50 to <10.00	45,736	649	100.00%	46,386	4.59%	under 100 obligors	45.00%	1.0	60,119	129.60%	959	
7	10.00 to <100.00	50,149	1,657	95.47%	51,732	27.56%	under 100 obligors	45.00%	1.5	137,577	265.94%	6,416	
8	100.00 (Default)	180	—	—	180	100.00%	under 100 obligors	45.00%	1.0	—	—	81	
9	Sub-total	210,302	6,123	98.77%	216,350	7.79%	0.4	45.00%	1.9	252,152	116.54%	7,592	—
Small and medium sized entities													
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.5	—	—	—	—	—	—	—	—	—	—	—	
4	0.5 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	—	—	—	—	—	—	—	—	—	—	—	—
Specialized lending													
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.5	—	—	—	—	—	—	—	—	—	—	—	
4	0.5 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	—	—	—	—	—	—	—	—	—	—	—	—

	Equity subject to PD/LGD approach												
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	—
3	0.25 to <0.5	—	—	—	—	—	—	—	—	—	—	—	—
4	0.5 to <0.75	—	—	—	—	—	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	—
9	Sub-total	—	—	—	—	—	—	—	—	—	—	—	—



(Unit: JPY million, number of obligors in the thousands, %)

CR6: IRB – CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE													
		a	b	c	d	e	f	g	h	i	j	k	l
Item	PD range	Original on-balance sheet gross exposure	Off-balance sheet exposure (pre CCF)	Average CCF	EAD (post CRM, post CCR)	Average PD	Number of obligors	Average LGD	Average maturity	Credit RWA	Weighted average RW(RWA density)	EL	Provisions
Purchased receivables (corporate)													
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.5	—	—	—	—	—	—	—	—	—	—	—	
4	0.5 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	—	—	—	—	—	—	—	—	—	—	—	—
Purchased receivables (retail)													
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.5	—	—	—	—	—	—	—	—	—	—	—	
4	0.5 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	—	—	—	—	—	—	—	—	—	—	—	—
Qualifying revolving retail													
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.5	—	—	—	—	—	—	—	—	—	—	—	
4	0.5 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	—	—	—	—	—	—	—	—	—	—	—	—
Residential mortgages													
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.5	—	—	—	—	—	—	—	—	—	—	—	
4	0.5 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	—	—	—	—	—	—	—	—	—	—	—	—
Other retail													
1	0.00 to <0.15	—	—	—	—	—	—	—	—	—	—	—	
2	0.15 to <0.25	—	—	—	—	—	—	—	—	—	—	—	
3	0.25 to <0.5	—	—	—	—	—	—	—	—	—	—	—	
4	0.5 to <0.75	—	—	—	—	—	—	—	—	—	—	—	
5	0.75 to <2.50	—	—	—	—	—	—	—	—	—	—	—	
6	2.50 to <10.00	—	—	—	—	—	—	—	—	—	—	—	
7	10.00 to <100.00	—	—	—	—	—	—	—	—	—	—	—	
8	100.00 (Default)	—	—	—	—	—	—	—	—	—	—	—	
9	Sub-total	—	—	—	—	—	—	—	—	—	—	—	—
Total (sum of portfolios)		3,654,126	6,123	98.77%	3,660,174	0.50%	0.8	45.00%	1.1	540,946	14.77%	8,329	—

Note: “Number of obligors” in column “f” is denoted as “Less than 100 obligors”, where the total count of obligor in any one category is less than 100.

(Unit: JPY million)

CR7: IRB - EFFECT ON RWA OF CREDIT DERIVATIVES USED AS CRM TECHNIQUES			
Item	Portfolio	a	b
		pre-credit derivatives RWA	Actual RWA
1	Sovereign – FIRB	93	93
2	Sovereign – AIRB	—	—
3	Bank – FIRB	288,699	288,699
4	Bank – AIRB	—	—
5	Corporate (excluding specialized lending) – FIRB	252,152	252,152
6	Corporate (excluding specialized lending) – AIRB	—	—
7	Specialized lending – FIRB	—	—
8	Specialized lending – AIRB	—	—
9	Retail – qualifying revolving (QRRE)	—	—
10	Retail – residential mortgage exposures	—	—
11	Retail – other retail	—	—
12	Equity – FIRB	—	—
13	Equity – AIRB	—	—
14	Purchased receivables – FIRB	—	—
15	Purchased receivables – AIRB	—	—
16	Total	540,946	540,946

(Unit: Million JPY)

CR8: RWA flow statements of credit risk exposures under IRB			
Item			Credit RWA
1	RWA as at end of previous reporting period		3,062,444
2	Movement in risk levels	Asset size	43,805
3		Asset quality	14,633
4		Model updates	—
5		Methodology and policy	—
6		Acquisitions and disposals	—
7		Foreign exchange movements	7,151
8		Other	—
9	RWA as at end of reporting period		3,128,033

Note: All movements arising from obligors which the internal ratings are changed by model updates are included in Item No. 4 (Model updates). And Item No. 2 (Asset size) contains the movements other than amounts aggregated in Item No. 3 to 8

(Unit: JPY million, %)

(Unit: JPY million, %)

CR10:IRB (SPECIALIZED LENDING AND EQUITIES UNDER THE SIMPLE RISK-WEIGHT METHOD)															
a	b	c	d	e	f	g	h	i	j	k	l				
Specialized lending (Slotting criteria)															
Other than HVCRE															
Regulatory categories	Remaini ng maturity	On-balance sheet amount	Off-balance sheet amount	Risk Weight	Exposure amount					Credit RWA	Expected losses				
					PF	OF	CF	IPRE	Total						
Strong	< 2.5 years	20,972	—	50.00%	7,621	—	—	13,350	20,972	10,486	—				
	≧ 2.5 years	52,990	2,076	70.00%	816	8,141	—	45,590	54,548	38,183	218				
Good	< 2.5 years	12,764	—	70.00%	—	—	—	12,764	12,764	8,935	51				
	≧ 2.5 years	46,795	6,249	90.00%	3,857	—	—	47,625	51,482	46,334	411				
Satisfactory		4,040	—	115.00%	2,836	—	—	1,203	4,040	4,646	113				
Weak		1,287	—	250.00%	—	287	—	1,000	1,287	3,219	103				
Default		—	—	—	—	—	—	—	—	—	—				
Total		138,852	8,325	—	15,132	8,429	—	121,534	145,096	111,806	897				
HVCRE															
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk Weight					Exposure amount	Credit RWA	Expected losses				
Strong	< 2.5 years	—	—	—					—	—	—				
	≧ 2.5 years	—	—	—					—	—	—				
Good	< 2.5 years	—	—	—					—	—	—				
	≧ 2.5 years	—	—	—					—	—	—				
Satisfactory		—	—	—					—	—	—				
Weak		—	—	—					—	—	—				
Default		—	—	—					—	—	—				
Total		—	—	—					—	—	—				
Equities under the simple risk-weight approach															
Equities under the market-based approach															
Categories		On-balance sheet amount	Off-balance sheet amount	Risk Weight					Exposure amount	Credit RWA					
Exchange-traded equity exposures		496,263	—	300.00%					496,263	1,488,789					
Private equity exposures		70,359	—	400.00%					70,359	281,437					
Internal models method		—	—	—					—	—					
Total		566,622	—	—					566,622	1,770,226					
Equities subject to 100% risk weight															
Equities subject to risk weight 100% as per Article 143, sub-paragraph 1of the Capital Adequacy Notice		—	—	100.00%					—	—					

## (4) Counterparty Credit Risk

(Unit: JPY million)

CCR1: ANALYSIS OF COUNTERPARTY CREDIT RISK (CCR) EXPOSURE BY APPROACH							
Item		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR	—	—		—	—	—
	Current exposure method	489,202	549,993			1,017,068	316,047
2	Internal Model Method (for derivatives and SFTs)			3,755,473	1.4	5,491,304	1,309,819
3	Simple Approach for credit risk mitigation (for SFTs)					—	—
4	Comprehensive Approach for credit risk mitigation (for SFTs)					6,579,165	283,743
5	VaR for SFTs					—	—
6	Total						1,909,611

(Unit: JPY million)

CCR2: CREDIT VALUATION ADJUSTMENT (CVA) CAPITAL CHARGE			
Item		a	b
		EAD post-CRM	RWA
1	Total portfolios subject to the Advanced CVA capital charge	3,467,814	1,528,287
2	(i) VaR component (including the 3×multiplier)		170,160
3	(ii) Stressed VaR component (including the 3×multiplier)		1,358,126
4	All portfolios subject to the Standardized CVA capital charge	1,200,391	158,984
5	TOTAL SUBJECT TO THE CVA CAPITAL CHARGE	4,668,205	1,687,271

(Unit: JPY million)

CCR3: STANDARDIZED APPROACH – CCR EXPOSURES BY REGULATORY PORTFOLIO AND RISK WEIGHTS										
Item	Regulatory portfolio	a	b	c	d	e	f	g	g	i
		EAD post-CRM								
		0%	10%	20%	50%	75%	100%	150%	Other	Total
1	Japan government	—	—	—	—	—	—	—	—	—
2	Foreign government	0	—	28,998	—	—	—	—	—	28,998
3	The bank for internal settlements	—	—	—	—	—	—	—	—	—
4	Local public entities	—	—	—	—	—	—	—	—	—
5	Foreign local public entities and public sector	—	—	—	—	—	—	—	—	—
6	Development banks	—	—	—	—	—	—	—	—	—
7	Japan finance organization for municipalities	—	—	—	—	—	—	—	—	—
8	Non-central government public sector entities	—	—	—	—	—	—	—	—	—
9	Local public sector of real estate	—	—	—	—	—	—	—	—	—
10	Banks and securities dealer	—	—	4,814	5	—	—	—	—	4,820
11	Corporate	—	—	—	—	—	10,292	—	—	10,292
12	Small and medium sized entities and retail	—	—	—	—	—	—	—	—	—
13	Other	—	—	—	—	—	—	—	—	—
14	Total	0	—	33,812	5	—	10,292	—	—	44,111

(Unit: JPY million, number of obligors in the thousands, %)

CCR4: IRB – CCR exposures by portfolio and PD scale								
Item	PD range	a EAD post-CRM	b Average PD	c Number of obligors	d Average LGD	e Average maturity	f Credit RWA	g Weighted average RW(RWA density)
Sovereign								
1	0.00 to <0.15	1,332,186	0.01%	0.1	42.14%	0.5	28,443	2.13%
2	0.15 to <0.25	7,011	0.21%	under 100 obligors	45.00%	1.0	2,173	30.99%
3	0.25 to <0.5	39,117	0.31%	under 100 obligors	45.00%	0.9	15,749	40.26%
4	0.5 to <0.75	9,197	0.66%	under 100 obligors	45.00%	0.0	4,458	48.47%
5	0.75 to <2.50	19	2.08%	under 100 obligors	45.00%	1.0	19	97.21%
6	2.50 to <10.00	32,457	7.29%	under 100 obligors	45.00%	0.3	46,782	144.13%
7	10.00 to <100.00	0	27.56%	under 100 obligors	45.00%	0.0	1	227.01%
8	100.00 (Default)	—	— %	—	— %	—	—	— %
9	Sub-total	1,419,990	0.19%	0.1	42.31%	0.5	97,626	6.87%
Bank								
1	0.00 to <0.15	6,596,834	0.05%	0.3	19.78%	0.5	446,586	6.76%
2	0.15 to <0.25	278,708	0.21%	under 100 obligors	31.62%	0.7	58,019	20.81%
3	0.25 to <0.5	598,224	0.36%	0.1	15.41%	1.5	130,766	21.85%
4	0.5 to <0.75	91,071	0.66%	under 100 obligors	14.08%	2.3	19,341	21.23%
5	0.75 to <2.50	194,344	1.00%	under 100 obligors	14.99%	1.5	52,494	27.01%
6	2.50 to <10.00	32,259	6.28%	under 100 obligors	8.89%	1.6	10,062	31.19%
7	10.00 to <100.00	29,648	27.56%	under 100 obligors	15.21%	0.6	23,990	80.91%
8	100.00 (Default)	38	100.00%	under 100 obligors	45.00%	1.0	—	— %
9	Sub-total	7,821,129	0.24%	0.8	19.62%	0.7	741,260	9.47%
Corporate								
1	0.00 to <0.15	2,534,399	0.06%	5.0	31.32%	1.1	300,637	11.86%
2	0.15 to <0.25	202,071	0.21%	0.4	38.40%	0.9	61,917	30.64%
3	0.25 to <0.5	330,927	0.35%	0.4	29.75%	0.8	118,237	35.72%
4	0.5 to <0.75	195,170	0.66%	0.2	28.89%	0.9	92,090	47.18%
5	0.75 to <2.50	331,139	1.60%	0.3	25.02%	0.7	179,016	54.06%
6	2.50 to <10.00	131,726	6.74%	0.3	35.40%	0.9	168,422	127.85%
7	10.00 to <100.00	76,851	27.56%	1.5	29.75%	1.1	133,342	173.50%
8	100.00 (Default)	21	100.00%	under 100 obligors	— %	2.6	—	— %
9	Sub-total	3,802,307	1.05%	8.4	31.00%	1.0	1,053,665	27.71%
Total (sum of portfolios)		13,043,426	0.47%	9.4	25.41%	0.8	1,892,552	14.50%

Note: “Number of obligors” in column “c” is denoted as “Less than 100 obligors”, where the total count of obligor in any one category is less than 100.

(Unit: JPY million)

CCR5: COMPOSITION OF COLLATERAL FOR CCR EXPOSURE							
Item		a	b	c	d	e	f
		Collateral used in derivative transactions				Collateral used in SFTs	
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash – domestic currency	—	816,574	—	1,682,947	2,400,877	7,245,031
2	Cash - other currencies	—	2,442,681	—	1,143,458	36,777,115	32,465,660
3	Domestic sovereign debt	53,619	225,223	257,863	85,337	6,451,806	4,096,073
4	Other sovereign debt	173,390	285,366	22,557	154,093	30,959,196	30,130,632
5	Government agency debt	5,987	2,358	—	—	2,325,221	1,980,773
6	Corporate bonds	14,843	171,443	929	19,810	3,026,889	11,007,186
7	Equity securities	2,802	275,830	—	546,796	3,320,499	3,838,283
8	Other collateral	—	7,661	—	—	14,744	17,240
9	Total	250,643	4,227,137	281,350	3,632,442	85,276,347	90,780,879

(Unit: JPY million)

CCR6: CREDIT DERIVATIVES EXPOSURES			
Item		a	b
		Protection bought	Protection sold
	Notional		
1	Single-name credit default swaps	8,374,798	8,741,665
2	Index credit default swaps	5,714,321	5,180,381
3	Total return swaps	746,621	244,547
4	Credit options	—	—
5	Other credit derivatives	—	—
6	Total notional	14,835,741	14,166,595
	Fair values		
7	Positive fair value (asset)	78,476	210,197
8	Negative fair value (liability)	(199,721)	(54,058)

(Unit: Million JPY)

(Unit: Million \$)

CCR7: RWA flow statements of CCR exposures under Internal Model Method (IMM)			
Item			Credit RWA
1	RWA as at end of previous reporting period		1,255,370
2	Movement in risk levels	Asset size	32,858
3		Credit quality of counterparties	(4,697)
4		Model updates (IMM only)	—
5		Methodology and policy (IMM only)	—
6		Acquisitions and disposals	—
7		Foreign exchange movements	26,288
8		Other	—
9	RWA as at end of current reporting period		1,309,819

(Unit: JPY million)

CCR8: EXPOSURES TO CENTRAL COUNTERPARTIES			
Item		a	b
		EAD (post-CRM) to CCP	RWA
1	Exposures to QCCPs (total)		172,685
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	3,805,279	76,105
3	(i) OTC derivatives	2,991,043	59,820
4	(ii) Exchange-traded derivatives	673,345	13,466
5	(iii) Securities financing transactions	140,890	2,817
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	
8	Non-segregated initial margin	373,921	7,478
9	Pre-funded default fund contributions	155,321	89,101
10	Unfunded default fund contributions	—	—
11	Exposures to non-QCCPs (total)		134,900
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	89,723	78,334
13	(i) OTC derivatives	58,410	58,410
14	(ii) Exchange-traded derivatives	16,861	16,299
15	(iii) Securities financing transactions	14,451	3,624
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	
18	Non-segregated initial margin	27,403	27,401
19	Pre-funded default fund contributions	2,333	29,163
20	Unfunded default fund contributions	—	—



## (5) Securitization

SEC1: There are no securitization exposures subject to credit risk.

(Unit: JPY million)

SEC2: SECURITIZATION EXPOSURES IN THE TRADING BOOK										
Item	Type of underlying assets	a	b	c	e	f	g	i	j	k
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which	—	—	—	24,643	—	24,643	55,327	—	55,327
2	Residential mortgage	—	—	—	24,643	—	24,643	45,882	—	45,882
3	Credit card	—	—	—	—	—	—	—	—	—
4	Other retail exposures	—	—	—	—	—	—	9,444	—	9,444
5	re-securitization	—	—	—	—	—	—	—	—	—
6	Wholesale (total) – of which	—	—	—	—	—	—	84,957	164	85,121
7	Loans to corporates	—	—	—	—	—	—	68,928	—	68,928
8	Commercial mortgage	—	—	—	—	—	—	2,169	164	2,333
9	Lease and receivables	—	—	—	—	—	—	3,299	—	3,299
10	Other wholesale	—	—	—	—	—	—	10,560	—	10,560
11	re-securitization	—	—	—	—	—	—	—	—	—

SEC3: There are no securitization exposures subject to credit risk.

SEC4: There are no securitization exposures subject to credit risk.

## (6) Market Risk

(Unit: JPY million)

MR1: MARKET RISK UNDER STANDARDIZED APPROACH		
Item		RWA
1	Interest rate risk (general and specific)	—
2	Equity risk (general and specific)	—
3	Foreign exchange risk	—
4	Commodity risk	—
	Options	
5	Simplified approach	—
6	Delta-plus method	—
7	Scenario approach	—
8	Securitization	1,315,066
9	Total	1,315,066

(Unit: Million JPY)

MR2: RWA flow statements of market risk exposures under an IMA							
Item		a	b	c	d	e	f
		VaR	Stressed VaR	IRC	CRM	Other	Total RWA
1a	RWA at previous quarter end	664,808	1,619,072	1,458,706	88,859		3,831,447
1b	Adjustment to RWA at previous quarter end (1a divided by 1c)	1.02	0.85	1.00	1.00		0.95
1c	Spot RWA as at previous quarter end	649,964	1,888,698	1,458,706	88,859		4,086,229
2	Movement in risk levels	Movement in risk levels	(10,630)	(709,976)	(124,160)	391	(844,375)
3		Model updates/changes	(132,982)	—	—	—	(132,982)
4		Methodology and policy	—	—	—	—	—
5		Acquisitions and disposals	—	—	—	—	—
6		Foreign exchange movements	12,955	30,158	34,144	2,283	79,541
7		Other	—	—	—	—	—
8a	Spot RWA as at quarter end	519,306	1,208,880	1,368,690	91,534		3,188,412
8b	Adjustment to RWA at quarter end (8c divided by 8a)	0.93	1.04	1.00	1.00		1.00
8c	RWA at end of reporting period	485,457	1,264,635	1,368,690	91,534		3,210,318

(Unit: JPY million)

MR3: IMA VALUES FOR TRADING PORTFOLIOS		
Item		
	VaR (10 day 99%)	
1	Maximum value	19,771
2	Average value	15,519
3	Minimum value	11,427
4	Period end	13,848
	Stressed VaR (10 day 99%)	
5	Maximum value	71,777
6	Average value	38,649
7	Minimum value	25,967
8	Period end	32,237
	Incremental Risk Charge (99.9%)	
9	Maximum value	141,833
10	Average value	113,166
11	Minimum value	104,567
12	Period end	109,495
	Comprehensive Risk capital charge (99.9%)	
13	Maximum value	8,033
14	Average value	7,143
15	Minimum value	6,175
16	Period end	7,323
17	Floor (standardized measurement method)	6,912

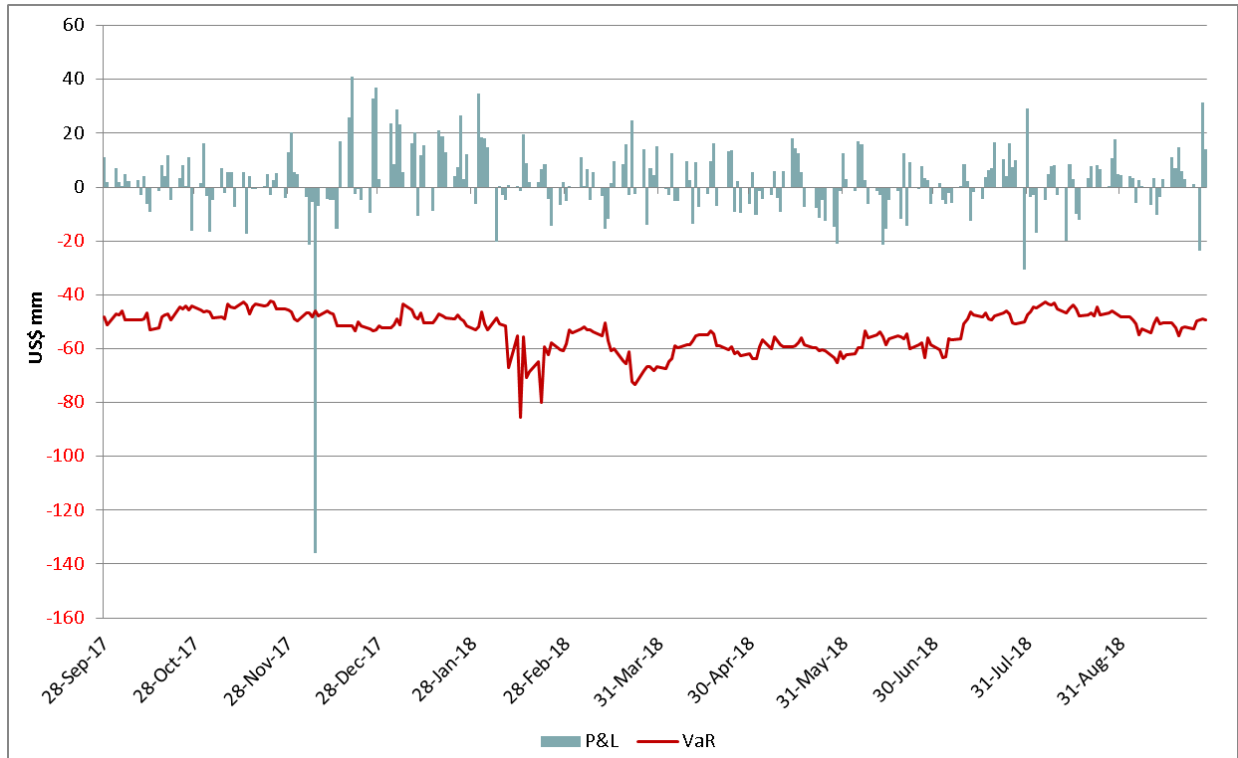
MR4: Comparison of VaR estimates with gains/losses

One-day trading losses exceeded the 99% VaR estimate at Nomura group level on one occasion for the twelve months ended September 30, 2018.

Exception date: (VaR date) December 7, 2017 (P&L date) December 8, 2017

The corresponding excess: Approximately US\$ 90million

Key driver of exception: The valuation loss in a margin loan transaction caused by the fact that it became extremely difficult to collect the money back by selling collateral stock at expected level due to the sudden drop of its price.



(7) Interest Rate Risk in Non-trading Book

1) The loss in economic value due to interest rate shocks ( $\Delta\text{EVE}$ )

As the  $\Delta\text{EVE}$  (Economic Value of Equity) estimated for a parallel shift scenario defined in the relevant disclosure rule, as of end of March 2018, is less than 1% of the consolidated Tier 1 capital, it is deemed immaterial and therefore detailed quantitative disclosure is omitted.

2) The loss in P&L due to interest rate shocks ( $\Delta\text{NII}$ )

Given the assets and liabilities composition of Nomura Group as described above, the  $\Delta\text{NII}$  (Net Interest Income) is immaterial compared with those of commercial banks operating under the general business model whose balance sheets are mostly composed of loans and deposits in the non-trading book, and therefore detailed quantitative disclosure is omitted.

## CHAPTER 5 QUANTITATIVE DISCLOSURE (for September 30, 2017)

### 1. Consolidated Capital Adequacy Ratio

(Unit: JPY Billion)

As of September 30, 2017

Common Equity Tier1 Capital	(A)	2,598.7
Tier1 Capital	(B)	2,740.5
Total Capital	(C)	2,833.8
Risk-Weighted Assets	(D)=(E)+(F)+(G)	14,867.8
Credit risk-weighted assets	(E)	7,970.2
Amount equivalent to Market Risk divided by 8%	(F)	4,216.6
Amount equivalent to Operational Risk divided by 8%	(G)	2,681.0
Common Equity Tier1 Ratio	(A)/(D)×100	17.4%
Tier1 Ratio	(B)/(D)×100	18.4%
Consolidated Capital Adequacy Ratio	(C)/(D)×100	19.0%

### 2. Capital Adequacy

(1) Capital Requirements by Risk Category

(Unit: JPY Billion)

As of September 30, 2017

	EAD	Capital Requirements
Credit Risk	23,688.7	668.7
Internal Ratings Based (IRB) Approach	18,218.4	459.8
Bank exposures	9,511.4	80.9
Sovereign exposures	3,481.6	13.4
Corporate exposures (excluding specialized lending)	4,045.7	132.0
Corporate exposures (specialized lending)	107.8	8.4
Equity exposures	715.4	178.7
Market-based approach (simple risk-weight method)	715.4	178.7
Transitional arrangements (grandfathering provisions)	—	—
Other exposures	305.8	29.2
Fund exposures	50.8	17.2
Standardized Approach	796.8	33.4
Exposures to central counterparties (CCP)	4,673.5	27.0
CVA risk	—	148.5
Market Risk	—	337.3
Internal Models Approach and external rating based approach	—	337.3
Operational Risk	—	214.5
The Standardized Approach	—	214.5
Consolidated Total Capital Requirements	—	1,189.4

1 EAD: Exposures at default

2 Capital Requirements (Credit Risk): Credit RWA of IRBA is RWA(after multiplier of 1.06 for exposures under IRB) \* 8% + Expected Loss. Credit RWA of SA is RWA\*8%

3 Capital Requirements (Market Risk): Market Risk

4 Capital Requirements (Operational Risk): Operational Risk

5 Consolidated Total Capital Requirements: (Credit RWA + Market Risk / 8% + Operational Risk / 8%)\* 8%

6 Exposures are classified in accordance with the provisions of the Capital Adequacy Notice and disclosed based on the calculation method adopted by Nomura Group.

- 7 Market-based Approach (simple risk-weight method): Risk weights of 300% and 400% are applied for listed and non-listed securities, respectively. Further, risk weight of 250% is applied for significant investments in financial institutions which are not subject to capital deduction.
- 8 Other exposures include unsettled transactions, cash and other assets.
- 9 Fund exposures are measured using a method applicable to investment trusts, funds, etc. in accordance with the Capital Adequacy Notice.
- 10 Standardized Approach is used for business units and asset classes to which IRB Approach is not applied.
- 11 Internal Models Approach refers to a method to calculate Market Risk through internal models.
- 12 External ratings based approach: This method determines Market Risk by using external ratings for securitized products.
- 13 The Standardized Approach: Operational Risk is determined by multiplying net revenue by business line by multiplier applicable to the business line.

(2) Securitization exposures are treated as exposures associated with trading activities.

(3) Equity exposures that are measured using the internal models method out of those which are subject to market-based approaches: None

(4) Equity exposures subject to PD/LGD approach: None

(5) Amount of capital requirements for market risk calculated under Standardized Method: None

(6) Amount of capital requirements for operational risk calculated under Basic Indicator Approach or Advanced Measurement Approaches: None

### 3. Credit Risk (Excluding Exposures Calculated under “Funds” Rules and Securitization Exposures)

(1) Credit risk exposures

i) By geographic area

(Unit: JPY Billion)

As of September 30, 2017

	Derivative	SFT	Others
Japan	1,446.0	1,443.1	2,612.0
Non-Japan	2,550.0	8,295.5	1,821.0
Europe	1,613.3	1,757.7	830.8
North America	572.6	5,757.8	789.1
Asia	364.1	780.0	201.2
Total	3,995.9	9,738.6	4,433.0
Standardized Approach	—	—	796.8

ii) By industry type

(Unit: JPY Billion)

As of September 30, 2017

	Derivative	SFT	Others
Banking	1,587.9	5,250.5	1,238.1
Broker/Dealer	338.0	975.5	32.5
Other Financial / Insurance	1,364.8	2,145.4	269.2
Government and Local authorities	283.5	1,304.4	1,822.5
Retail related	68.6	54.1	35.7
Other	353.2	8.6	1,035.0
Total	3,995.9	9,738.6	4,433.0
Standardized Approach	—	—	796.8

iii) By residual contractual maturity

(Unit: JPY Billion)

As of September 30, 2017

	Derivative	SFT	Others
Due within 1 year	290.8	8,490.6	297.8
Due over 1 year to 3 years	153.1	719.1	2,848.2
Due over 3 years to 5 years	38.3	191.3	55.2
Due over 5 years	3,513.7	337.5	17.5
Terms not specified	—	—	—
Total	3,995.9	9,738.6	4,433.0
Standardized Approach	—	—	796.8

- 1 The amounts of exposures are calculated after taking into account the effects of credit risk mitigation because the IMM-based exposure calculation incorporates the effect of credit risk mitigation into the model calculation.
- 2 Geographic areas and industry types are based on those used by Nomura Group for its internal management purpose.
- 3 "Retail related" refers to commerce, leisure, retail, restaurants, airlines, distribution, healthcare, automobile, housing and others.
- 4 Credit risk exposures for "Terms not specified" include the exposures calculated using the longest maturity for the calculation purpose.

- (2) Outstanding amount of and changes in general provisions, specific provisions and reserves for specific foreign loans, and write-off amount by sector or borrower;

While general provisions and specific provisions can be counted as capital for the purpose of the Capital Adequacy Notice, we do not include these provisions in capital given that the amounts are immaterial.

- (3) The amount of exposures subject to Standardized Approach after taking into account the effect of credit risk mitigation for each risk weight classification (classification is not required if the amount of credit extensions with external ratings is less than 1% of total credit extensions), and the amount of exposures to which risk weight of 1,250% shall apply in accordance with Item 2, Paragraph 2, Article 55, Article 101, Item 2, Paragraph 2, Article 155, and Article 225 of the Capital Adequacy Notice (only if applied mutatis mutandis pursuant to Article 103 and Paragraph 1, Article 112 of the Capital Adequacy Notice);

(Unit: JPY Billion)

As of September 30, 2017

Risk Weight	Exposure after credit risk mitigation
0%	27.9
10%	—
20%	42.7
35%	—
50%	8.4
100%	372.2
150%	23.9
350%	8.3
625%	—
937.5%	—
1,250%	0.0
Total	483.4

- (4) Out of the exposures subject to IRB Approach, outstanding amount of specialized lending exposures mapped to slotting criteria and equity exposures subject to market-based approach (simple risk weight method), by risk weight bucket where risk weights prescribed in Paragraphs 3 and 5, Article 129 and Paragraph 4, Article 143 of the Capital Adequacy Notice shall apply;

1) Specialized lending exposures mapped to slotting criteria by risk weight

(Unit: JPY Billion)

As of September 30, 2017

Risk Weight	
50%	34.6
70%	14.3
90%	39.0
95%	—
115%	18.8
120%	—
140%	—
250%	0.8
0%	0.2
Total	107.8

2) Equity exposures subject to market-based approach (simple risk weight method):

- Total equity exposures subject to market-based approach; JPY 715.4 billion
- Equity exposures subject to 300% risk weight category; JPY 542.8 billion
- Equity exposures subject to 400% risk weight category; JPY 190.6 billion



(5) Portfolios subject to IRB Approach

1) Exposures subject to IRB Approach (by exposure category)

(Unit: JPY Billion, %)

As of September 30, 2017

	EAD-weighted average PD (%)	EAD-weighted average LGD (%)	EAD-weighted average ELdefault (%)	EAD-weighted average risk weights (%)	EAD (on-balance)	EAD (off-balance)	Amount of undrawn commitments	Weighted average factor for undrawn commitments (%)
Corporate exposures	1.33%	31.87%	—	32.55%	161.5	3,884.2	0.2	75.00%
AAA~AA-	0.03%	31.38%	—	6.15%	48.9	969.3	—	—
A+~BBB-	0.13%	34.82%	—	22.48%	38.8	1,953.8	—	—
BB+~CCC	4.77%	26.64%	—	78.08%	72.5	960.4	0.2	75.00%
CC~D	100.00%	43.29%	43.29%	0.00%	1.3	0.6	—	—
Bank exposures	0.27%	20.63%	—	9.56%	1,235.2	8,276.2	—	—
AAA~AA-	0.03%	14.76%	—	2.75%	295.9	3,523.8	—	—
A+~BBB-	0.11%	25.82%	—	12.53%	912.7	4,214.0	—	—
BB+~CCC	3.41%	13.21%	—	28.55%	26.6	538.4	—	—
CC~D	—	—	—	—	—	—	—	—
Sovereign exposures	0.07%	49.16%	—	3.87%	1,819.4	1,662.2	—	—
AAA~AA-	0.00%	49.46%	—	0.16%	1,819.4	1,218.6	—	—
A+~BBB-	0.09%	44.89%	—	12.29%	0.0	409.4	—	—
BB+~CCC	5.93%	73.38%	—	232.91%	—	34.3	—	—
CC~D	—	—	—	—	—	—	—	—
Total	0.48%	29.13%	—	13.86%	3,216.1	13,822.6	0.2	75.00%
AAA~AA-	0.02%	30.29%	—	2.19%	2,164.2	5,711.7	—	—
A+~BBB-	0.11%	29.24%	—	15.15%	951.5	6,577.2	—	—
BB+~CCC	4.30%	22.97%	—	64.18%	99.0	1,533.0	0.2	75.00%
CC~D	100.00%	43.29%	43.29%	0.00%	1.3	0.6	—	—

## 2)Exposures subject to IRB Approach (by geographic area)

(Unit: JPY Billion, %)

As of September 30, 2017

	EAD-weighted average PD (%)	EAD-weighted average LGD (%)	EAD-weighted average ELdefault (%)	EAD-weighted average risk weights (%)	EAD (on-balance)	EAD (off-balance)	Amount of undrawn commitments	Weighted average factor for undrawn commitments (%)
Japan	0.38%	42.46%	—	12.79%	1,808.2	2,897.2	0.2	75.00%
AAA~AA-	0.01%	45.06%	—	2.45%	1,521.0	1,304.9	—	—
A+~BBB-	0.10%	39.31%	—	18.95%	254.7	1,427.7	—	—
BB+~CCC	7.73%	32.14%	—	108.80%	31.8	164.6	0.2	75.00%
CC~D	100.00%	45.00%	45.00%	0.00%	0.7	—	—	—
Europe	0.87%	38.71%	—	21.65%	611.9	3,441.8	—	—
AAA~AA-	0.01%	58.51%	—	3.42%	399.0	667.1	—	—
A+~BBB-	0.13%	34.83%	—	20.48%	168.4	2,125.8	—	—
BB+~CCC	4.64%	21.07%	—	53.54%	44.5	649.0	—	—
CC~D	—	—	—	—	—	—	—	—
North America	0.23%	15.73%	—	9.44%	608.6	6,339.1	—	—
AAA~AA-	0.03%	11.19%	—	1.45%	218.3	3,619.2	—	—
A+~BBB-	0.08%	21.16%	—	9.85%	381.1	2,139.5	—	—
BB+~CCC	2.18%	22.06%	—	59.69%	9.2	580.4	—	—
CC~D	100.00%	45.00%	45.00%	0.00%	—	0.0	—	—
Asia	0.99%	22.78%	—	16.95%	187.4	1,144.5	—	—
AAA~AA-	0.03%	40.57%	—	7.77%	25.9	120.6	—	—
A+~BBB-	0.18%	20.15%	—	10.06%	147.4	884.3	—	—
BB+~CCC	6.54%	23.35%	—	72.47%	13.5	139.1	—	—
CC~D	100.00%	42.37%	42.37%	0.00%	0.6	0.6	—	—
Total	0.48%	29.13%	—	13.86%	3,216.1	13,822.6	0.2	75.00%
AAA~AA-	0.02%	30.29%	—	2.19%	2,164.2	5,711.7	—	—
A+~BBB-	0.11%	29.24%	—	15.15%	951.5	6,577.2	—	—
BB+~CCC	4.30%	22.97%	—	64.18%	99.0	1,533.0	0.2	75.00%
CC~D	100.00%	43.29%	43.29%	0.00%	1.3	0.6	—	—

- 1 PD and LGD represent an estimated probability of default occurring over the next 1-year period and a percentage of loss on the defaulted exposure relative to its EAD (Exposure at Default), respectively.
- 2 EAD is shown after taking into account the effect of credit risk mitigation.
- 3 The above is based on internal ratings used for the purpose of calculating credit RWA, which are more conservative than the actual internal ratings assigned to certain exposures.
- 4 Ratings CC, C, and D are treated as defaulted for the purpose of calculating consolidated capital adequacy ratios.
- 5 Out of the exposures to which the IRB approach is applied, unsettled transactions, equity exposures, specialized lending exposures assigned to the slotting criteria, exposures relating to funds, cash and other assets are excluded.
- 6 Based on geographic areas used by Nomura Group for its internal management purpose.

- 3) For equity exposures subject to PD/LGD Approach, estimated PD, a weighted average of risk weights, and outstanding exposure amount by obligor rating

There are no such exposures.

- 4) For residential real estate exposures, qualifying revolving retail exposures, and other retail exposures, one of the following items;
- i) Estimated PD, a weighted average of estimated LGD values (including ELdefault of defaulted exposures), a weighted average of risk weights, estimated EAD of on-balance sheet asset items, estimated EAD of off-balance sheet asset items, undrawn amounts of commitments and a weighted average of estimated credit conversion factors applied to those undrawn amounts by pool; or
  - ii) An analysis of the exposures by pool with an appropriate number of EL (Expected Loss) classes

Credit RWA arising from our retail exposures is immaterial. Therefore we do not develop retail pools but classify these exposures as either corporate exposures or exempted assets.

- (6) Actual losses incurred during the most recent reporting period, a comparison of such actual losses and the historical actual losses, and an analysis of drivers for the differences, and a comparison of estimated and actual losses over long periods, to be shown by Corporate Exposures, Sovereign Exposures, Bank Exposures, Equity Exposures subject to PD/LGD approach, Residential Real Estate Exposures, Qualifying Revolving Exposures and other Retail Exposures;

It is important for Nomura Group to capture the fair values of financial assets and their price fluctuation risk as our businesses primarily revolve around market-oriented transactions and related transactions. The exposures subject to IRB Approach are mostly counterparty credit exposures arising from derivative transactions, and there are many cases where losses on those counterparty credit exposures are recognized due to revaluation of fair values (unrealized P&L) and/or as a result of the sale of positions (realized P&L). As those losses are a mixture of credit risk factors and market risk factors, it is difficult to distinguish one from the other. Therefore we do not collect the actual loss data attributable to credit risk only.

Our estimated PD on exposures subject to the IRB Approach has been very conservative compared to the actual historical PD as we have experienced very few defaults over a long period of time.

#### 4. Credit Risk Mitigation

Exposures subject to the application of credit risk mitigation techniques under IRB Approach

(Unit: JPY Billion)

As of September 30, 2017

	Eligible Financial Collateral	Other eligible collateral	Guarantees	Credit Derivatives
IRB Approach	6,463.6	—	—	158.9
Bank exposures	5,228.9	—	—	—
Sovereign exposures	57.1	—	—	158.9
Corporate exposures	1,177.6	—	—	—

- 1 Eligible Financial Collateral refers to cash and securities that are recognized as eligible pursuant to the Capital Adequacy Notice.
- 2 The amounts of Eligible Financial Collateral shown above correspond to those applied to the exposures for which IMM-based exposure calculation is not used, because the IMM-based exposure calculation incorporates the effect of credit risk mitigation into the model calculation.

#### 5. Counterparty Credit Risk in Derivative Trades and Long Settlement Transactions

(1) Counterparty credit risk for derivative transactions and Long Settlement Transactions

(Unit: JPY Billion)

As of September 30, 2017

		Gross replacement cost	Gross Add-on	Credit equivalent amount (before collateral benefit)
Derivative transactions	(A)	972.8	2,391.1	3,363.8
Foreign exchange and Gold		64.0	75.0	139.1
Interest rates related		264.2	213.2	477.4
Equity related		624.1	2,008.5	2,632.6
Commodity related (other than gold)		0.1	0.4	0.5
Other commodity related		12.9	52.5	65.4
Credit derivatives		7.5	41.4	48.9
Long Settlement Transactions	(B)	—	—	—
Netting Benefit	(C)	—	—	1,798.7
Netted credit equivalent amount	(D)=(A)+(B)-(C)	—	—	1,565.2
Collateral amount	(E)	—	—	169.3
Eligible financial collateral		—	—	169.3
Credit equivalent amount (after collateral benefit)	(D)-(E)	—	—	1,395.9

(2) Notional amount of credit derivatives subject to credit risk calculation by types of credit derivatives and by Buy/Sell of protection

(Unit: JPY Billion)

As of September 30, 2017

	Sell	Buy
CDS (single name)	10,033.0	9,968.5
CDS (index)	4,731.8	4,738.8
Other credit risk related portfolio product	469.4	137.6
Credit risk related option and swaption	3.3	29.2
Total	15,237.5	14,874.2

## 6.Securitization Exposures

Securitization exposures are treated as exposures associated with trading activities.

(1) Non-CRM securitization exposure: total amounts and breakdown by types of major underlying assets

(Unit: JPY Billion)

As of September 30, 2017

	Exposure amount	(out of which, re-securitization exposure)	(out of which, risk weight of 100% applied)
RMBS	68.1	5.7	30.5
CMBS	3.3	—	3.3
CDO/CLO	69.6	1.0	38.3
Consumer	2.0	—	1.1
Commercial	0.0	—	0.0
Other	0.6	—	0.1
Total	143.6	6.7	73.4

(2) Non-CRM securitization exposure: balances and capital requirements by risk weight bucket

(Unit: JPY Billion)

As of September 30, 2017

	Exposure amount	(out of which, re-securitization exposure)	Capital requirement	(out of which, re-securitization exposure)
1.6% or below	9.8	—	0.1	—
over 1.6% to 4%	16.9	—	0.4	—
over 4% to 8%	14.3	0.0	0.9	0.0
over 8% to 20%	7.4	5.6	1.0	0.7
over 20% to 100%	21.8	—	9.5	—
100%	73.4	1.0	73.1	1.0
Total	143.6	6.7	85.0	1.7

1 Exposure amounts and capital requirements are calculated on a gross basis of long and short positions since the end of December, 2013.

2 The non-rated securitization exposures, of which the exposures Concentration Ratio Approach is used are classified according to the applied risk weight.

(3) CRM securitization exposure: total exposure subject to CRM, as well as the total amount of CRM and its breakdown by types of risks at the end of the reporting period

(Unit: JPY Billion)

As of September 30,  
2017

Total exposure	
Exposure including hedges	228.4
Exposure excluding hedges	180.6

(Unit: JPY Billion)

As of September 30,  
2017

Capital requirement	
Default risk	3.5
Diversification	0.0
Credit spread risk	0.5
Other	0.3
Amount of CRM	4.4

## 7. Market Risk

- (1) VaR at the end of the period, as well as maximum, minimum and daily average VaR during the reporting period  
(Unit: JPY Billion)

4/1/2016~As of September 30, 2017

	Daily average	Max	Min.	As of September 30, 2017
VaR(10day)	13.9	16.8	11.6	12.4

### Assumptions for VaR(10day)

- Confidence Level: One-side test at 99%
- Holding Period: 10 days
- Correlation of price fluctuations among products taken into consideration

- (2) SVaR at the end of the period, as well as maximum, minimum and daily average SVaR during the reporting period  
(Unit: JPY Billion)

4/1/2016~As of September 30, 2017

	Daily average	Max	Min.	As of September 30, 2017
SVaR	29.9	45.3	17.9	44.5

### Assumptions for SVaR

- Confidence Level: One-side test at 99%
- Holding Period: 10 days
- Correlation of price fluctuations among products taken into consideration

- (3) IRC/CRM capital requirements at the end of the period, as well as maximum, minimum and daily average during the reporting period

(Unit: JPY Billion)

4/1/2016~As of September 30, 2017

	Daily average	Max	Min.	As of September 30, 2017
IRC	90.4	111.5	79.3	94.0
CRM	7.7	8.2	6.9	8.0

- (4) Backtesting results and the explanation if actual losses materially exceeded VaR estimates

There was no exception in backtesting at the Group level during the reporting period (from April 1, 2016 to March 31, 2017).

## 8. Equity exposures relating to non-trading activities

### (1) Amounts on consolidated balance sheet

(Unit: JPY Billion)

As of September 30, 2017		
	Amounts on consolidated balance sheet	Fair values
Exposures subject to transitional arrangements	—	—
Exposures to publicly traded equities	524.8	693.8
Exposures to other equities than above	190.6	190.6
Total	715.4	884.4

### (2) Equity exposures by portfolio classification

(Unit: JPY Billion)

As of September 30, 2017	
PD/LGD Approach	—
Market-based approach (simple risk weight method)	715.4
Market-based approach (internal models method)	—
Transitional arrangements	—
Total	715.4

Unrealized gains/losses that are recognized on consolidated balance sheet but not in consolidated income statement, and those that are neither recognized on consolidated balance sheet nor in consolidated income



## CHAPTER 6 Terms And Conditions Of The Capital Instruments

### 1. Nomura Holdings, Inc. Common Stock

Regulatory capital instruments (common stock)

1	Issuer	Nomura Holdings, Inc.
2	Unique identifier	JP3762600009
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Common Equity Tier 1 Capital
5	Post-transitional Basel III rules	Common Equity Tier 1 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Common Stock
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 594,493 million
9	Aggregate nominal amount (4)	
10	Accounting classification (5)	Common Stock
	On consolidated basis	Common Stock
11	Issue Date (6)	
12	Perpetual or dated	Perpetual
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	No
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	
18	Coupon rate or dividend rate (11)	
19	Coupon / dividend stopper events (12)	
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	No
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	

26	If convertible, conversion rate (16)	
27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	Perpetual Subordinated Debt
36	Non-compliant transitioned features (23)	No
37	If yes, description of non-compliant transitioned features (23)	

## 2. Nomura Holdings, Inc. First Series of Unsecured Perpetual Subordinated Bonds with Optional Redemption Clause and Write-down Clause

### Regulatory capital instruments (subordinated bonds)

1	Issuer	Nomura Holdings, Inc.
2	Unique identifier	JP376260AGD1
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Additional Tier 1 Capital
5	Post-transitional Basel III rules	Additional Tier 1 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Nomura Holdings Inc. First Series of Unsecured Perpetual Subordinated Bonds with Optional Redemption Clause and Write-down Clause (for Qualified Institutional Investors Only)
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 165,000 million
9	Aggregate nominal amount (4)	JPY 165,000 million
10	Accounting classification (5)	Debt
	On consolidated basis	Debt
11	Issue Date (6)	27-Jan-16
12	Perpetual or dated	Perpetual
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	Yes
15	First call date and early redemption amount (7)	First call date: 15-Jun-21 Early Redemption Amount: JPY 100 per face value of JPY 100
	Other early redemption events and early redemption amounts (8)	Early redemption events: The Issuer may, at its discretion, redeem bonds on any interest payment dates on June 15, 2021 or thereafter (unless the principal amount has been written down upon the occurrence of a loss absorption event), or upon the occurrence of a tax event or a capital event (when the Issuer determines, as a result of consultations with the Financial Services Agency of Japan and other relevant regulatory authorities, that there is more than an insubstantial risk that the Bonds will cease to qualify as the Issuer's Additional Tier 1 capital under applicable capital adequacy requirements). Early Redemption Amount: JPY 100 per face value of JPY 100

16	Subsequent call dates, if applicable (9)	15-Jun or 15-Dec from and including 15-Jun-21
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	Fixed to Floating
18	Coupon rate or dividend rate (11)	From 27-Jan-16 to 15-Jun-21: 3.36% per annum From 15-Jun-21: 6-month JPY LIBOR plus 3.20 percent
19	Coupon / dividend stopper events (12)	Yes
20	Fully discretionary, partially discretionary or mandatory (13)	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Noncumulative or cumulative	No
23	Convertible or non-convertible	No
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	
27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	Yes
31	If write-down, write-down trigger (19)	Events (i), (ii) or (iii) below: (i) Loss absorption event: when the Issuer's consolidated Common Equity Tier 1 capital ratio falls below 5.125%; or (ii) Non-viability event: when the Prime Minister confirms (nintei) that the "specified item 2 measures," which are the measures as set forth in the Deposit Insurance Act, need to be applied to the Issuer; or (iii) Insolvency proceedings commencement event: when it is adjudicated that the Issuer has entered into the bankruptcy and other insolvency proceedings.
32	If write-down, full or partial (20)	Full or partial
33	If write-down, permanent or temporary (21)	Temporary

34	If temporary write-down, description of write-up mechanism	When the Issuer determines that the principal amount of the Bonds that has been written-down be reinstated after obtaining prior confirmation of the Financial Services Agency of Japan and any other relevant Japanese regulatory authorities that the Issuer's consolidated Common Equity Tier 1 capital ratio remains at a sufficiently high level after giving effect.
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	Subordinated debt (excluding the Bonds and any other debts that effectively rank pari passu with the Bonds)
36	Non-compliant transitioned features (23)	No
37	If yes, description of non-compliant transitioned features (23)	

■ Additional terms and conditions

Please refer to the terms and conditions of the instruments for:

**Security**

**Clause on the Issuer's financial status**

**Acceleration clause**

**Interest cancellation clause**

**Write-down clause**

**Reinstatement clause**

**Subordination clause**

### 3. Nomura Holdings, Inc. Second Series of Unsecured Subordinated Bonds

#### Regulatory capital instruments (subordinated bonds)

1	Issuer	Nomura Holdings, Inc.
2	Unique identifier	JP376260AAB8
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Tier 2 Capital
5	Post-transitional Basel III rules	Not applicable
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Nomura Holdings Inc. Second Series of Unsecured Subordinated Bonds
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 15,800 million
9	Aggregate nominal amount (4)	JPY 39,500 million
10	Accounting classification (5)	Debt
	On consolidated basis	Debt
11	Issue Date (6)	26-Nov-10
12	Perpetual or dated	Dated
13	Maturity Date	26-Nov-25
14	Issuer call subject to prior supervisory approval	No
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	Fixed
18	Coupon rate or dividend rate (11)	2.649% per annum
19	Coupon / dividend stopper events (12)	No
20	Fully discretionary, partially discretionary or mandatory (13)	Mandatory
21	Existence of step-up or other incentive to redeem	No
22	Noncumulative or cumulative	No

23	Convertible or non-convertible	No
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	
27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Yes
37	If yes, description of non-compliant transitioned features (23)	Non-viability loss absorption clause

■ Additional terms and conditions

Please refer to the terms and conditions of the instruments for:

**Security and guarantee**

**Acceleration clause**

**Subordination clause**

#### 4. Nomura Holdings, Inc. Third Series of Unsecured Subordinated Bonds

##### Regulatory capital instruments (subordinated bonds)

1	Issuer	Nomura Holdings, Inc.
2	Unique identifier	JP376260BAB6
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Tier 2 Capital
5	Post-transitional Basel III rules	Not applicable
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Nomura Holdings Inc. Third Series of Unsecured Subordinated Bonds
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 22,680 million
9	Aggregate nominal amount (4)	JPY 57,700 million
10	Accounting classification (5)	Debt
	On consolidated basis	Debt
11	Issue Date (6)	26-Nov-10
12	Perpetual or dated	Dated
13	Maturity Date	26-Nov-25
14	Issuer call subject to prior supervisory approval	Yes
15	First call date and early redemption amount (7)	First call date:26-Nov-20 Early Redemption Amount: JPY 100 per face value of JPY 100
	Other early redemption events and early redemption amounts (8)	No
16	Subsequent call dates, if applicable (9)	26-May or 26-Nov from and including 26-May-21 (or, in case such day falls on a bank holiday, immediately preceding bank business day)
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	Fixed
18	Coupon rate or dividend rate (11)	2.749% per annum
19	Coupon / dividend stopper events (12)	No
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	No
22	Noncumulative or cumulative	No



23	Convertible or non-convertible	No
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	
27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Yes
37	If yes, description of non-compliant transitioned features (23)	Non-viability loss absorption clause

■ Additional terms and conditions

Please refer to the terms and conditions of the instruments for:

**Security and guarantee**

**Acceleration clause**

**Subordination clause**

## 5. Nomura Holdings, Inc. Fourth Series of Unsecured Subordinated Bonds

### Regulatory capital instruments (subordinated bonds)

1	Issuer	Nomura Holdings, Inc.
2	Unique identifier	JP376260CAB4
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Tier 2 Capital
5	Post-transitional Basel III rules	Not applicable
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Nomura Holdings Inc. Fourth Series of Unsecured Subordinated Bonds
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 2,400 million
9	Aggregate nominal amount (4)	JPY 6,000 million
10	Accounting classification (5)	Debt
	On consolidated basis	Debt
11	Issue Date (6)	26-Nov-10
12	Perpetual or dated	Dated
13	Maturity Date	26-Nov-25
14	Issuer call subject to prior supervisory approval	Yes
15	First call date and early redemption amount (7)	First call date:26-Nov-2020 Early Redemption Amount: JPY 100 per face value of JPY 100
	Other early redemption events and early redemption amounts (8)	No
16	Subsequent call dates, if applicable (9)	26-May or 26-Nov from and including 26-May-21 (or, in case such day falls on a bank holiday, immediately preceding bank business day)
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	Floating
18	Coupon rate or dividend rate (11)	6-month Euro Yen LIBOR plus 1.0%
19	Coupon / dividend stopper events (12)	No
20	Fully discretionary, partially discretionary or mandatory (13)	Mandatory
21	Existence of step-up or other incentive to redeem	No
22	Noncumulative or cumulative	No

23	Convertible or non-convertible	No
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	
27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Yes
37	If yes, description of non-compliant transitioned features (23)	Non-viability loss absorption clause

■ Additional terms and conditions

Please refer to the terms and conditions of the instruments for:

**Security and guarantee**

**Acceleration clause**

**Subordination clause**

## 6. Nomura Holdings, Inc. Fifth Series of Unsecured Subordinated Bonds

### Regulatory capital instruments (subordinated bonds)

1	Issuer	Nomura Holdings, Inc.
2	Unique identifier	JP376260AAC6
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Tier 2 Capital
5	Post-transitional Basel III rules	Not applicable
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Nomura Holdings Inc. Fifth Series of Unsecured Subordinated Bonds
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 20,000 million
9	Aggregate nominal amount (4)	JPY 50,000 million
10	Accounting classification (5)	Debt
	On consolidated basis	Debt
11	Issue Date (6)	6-Dec-10
12	Perpetual or dated	Dated
13	Maturity Date	26-Nov-25
14	Issuer call subject to prior supervisory approval	Yes
15	First call date and early redemption amount (7)	First call date:26-Nov-2020 Early Redemption Amount: JPY 100 per face value of JPY 100
	Other early redemption events and early redemption amounts (8)	No
16	Subsequent call dates, if applicable (9)	26-May or 26-Nov from and including 26-May-21 (or, in case such day falls on a bank holiday, immediately preceding bank business day)
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	Fixed
18	Coupon rate or dividend rate (11)	2.773% per annum
19	Coupon / dividend stopper events (12)	No
20	Fully discretionary, partially discretionary or mandatory (13)	Mandatory
21	Existence of step-up or other incentive to redeem	No
22	Noncumulative or cumulative	No

23	Convertible or non-convertible	No
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	
27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Yes
37	If yes, description of non-compliant transitioned features (23)	Non-viability loss absorption clause

■ Additional terms and conditions

Please refer to the terms and conditions of the instruments for:

**Security and guarantee**

**Acceleration clause**

**Subordination clause**

## 7. Capital Nomura Securities Public Co., Ltd. Minority Interest

### Regulatory capital instruments (minority interest)

1	Issuer	Capital Nomura Securities Public Co., Ltd.
2	Unique identifier	TH0108010Z01
3	Governing law(s) of the instrument	Law of Thailand
	Regulatory treatment (1)	
4	Transitional Basel III rules	Common Equity Tier 1 Capital Additional Tier 1 Capital Tier 2 Capital
5	Post-transitional Basel III rules	Additional Tier 1 Capital Tier 2 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Common Stock
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 1 million
9	Aggregate nominal amount (4)	
10	Accounting classification (5)	Minority Interest
	On consolidated basis	Minority Interest
11	Issue Date (6)	
12	Perpetual or dated	Not Applicable
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	Not Applicable
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	
18	Coupon rate or dividend rate (11)	
19	Coupon / dividend stopper events (12)	
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	

27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Not applicable
37	If yes, description of non-compliant transitioned features (23)	

## 8. Nomura Asset Management Taiwan Ltd. Minority Interest

### Regulatory capital instruments (minority interest)

1	Issuer	Nomura Asset Management Taiwan Ltd.
2	Unique identifier	Not applicable
3	Governing law(s) of the instrument	Law of Hong Kong
	Regulatory treatment (1)	
4	Transitional Basel III rules	Common Equity Tier 1 Capital Additional Tier 1 Capital Tier 2 Capital
5	Post-transitional Basel III rules	Additional Tier 1 Capital Tier 2 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Common Stock
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 366 million
9	Aggregate nominal amount (4)	
10	Accounting classification (5)	Minority Interest
	On consolidated basis	Minority Interest
11	Issue Date (6)	
12	Perpetual or dated	Not Applicable
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	Not Applicable
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	
18	Coupon rate or dividend rate (11)	
19	Coupon / dividend stopper events (12)	
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	



27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Not applicable
37	If yes, description of non-compliant transitioned features (23)	

## 9. Chi-X Global Holdings LLC Minority Interest

### Regulatory capital instruments (minority interest)

1	Issuer	Chi-X Global Holdings LLC
2	Unique identifier	Not applicable
3	Governing law(s) of the instrument	Delaware General Corporation Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Common Equity Tier 1 Capital Additional Tier 1 Capital Tier 2 Capital
5	Post-transitional Basel III rules	Additional Tier 1 Capital Tier 2 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Common Stock
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 6 million
9	Aggregate nominal amount (4)	
10	Accounting classification (5)	Minority Interest
	On consolidated basis	Minority Interest
11	Issue Date (6)	
12	Perpetual or dated	Not Applicable
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	Not Applicable
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	
18	Coupon rate or dividend rate (11)	
19	Coupon / dividend stopper events (12)	
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	

27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Not applicable
37	If yes, description of non-compliant transitioned features (23)	

# 10. Sugimura Warehouse Co., Ltd. Minority Interest

## Regulatory capital instruments (minority interest)

1	Issuer	Sugimura Warehouse Co., Ltd.
2	Unique identifier	Not applicable
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Common Equity Tier 1 Capital Additional Tier 1 Capital Tier 2 Capital
5	Post-transitional Basel III rules	Additional Tier 1 Capital Tier 2 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Common Stock
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 883 million
9	Aggregate nominal amount (4)	
10	Accounting classification (5)	Minority Interest
	On consolidated basis	Minority Interest
11	Issue Date (6)	
12	Perpetual or dated	Not Applicable
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	Not Applicable
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	
18	Coupon rate or dividend rate (11)	
19	Coupon / dividend stopper events (12)	
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	

27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Not applicable
37	If yes, description of non-compliant transitioned features (23)	

# 11. Shanghai Nomura Lujiazui Investment Management Co., Ltd. Minority Interest

## Regulatory capital instruments (minority interest)

1	Issuer	Shanghai Nomura Lujiazui Investment Management Co., Ltd.
2	Unique identifier	Not applicable
3	Governing law(s) of the instrument	The Company Law of the People's Republic of China
	Regulatory treatment (1)	
4	Transitional Basel III rules	Common Equity Tier 1 Capital Additional Tier 1 Capital Tier 2 Capital
5	Post-transitional Basel III rules	Additional Tier 1 Capital Tier 2 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Common Stock
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 50 million
9	Aggregate nominal amount (4)	
10	Accounting classification (5)	Minority Interest
	On consolidated basis	Minority Interest
11	Issue Date (6)	
12	Perpetual or dated	Not Applicable
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	Not Applicable
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	
18	Coupon rate or dividend rate (11)	
19	Coupon / dividend stopper events (12)	
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	

26	If convertible, conversion rate (16)	
27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Not applicable
37	If yes, description of non-compliant transitioned features (23)	

## 12. Wealth Square Co., Ltd. Minority Interest

### Regulatory capital instruments (minority interest)

1	Issuer	Wealth Square Co., Ltd.
2	Unique identifier	Not applicable
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Common Equity Tier 1 Capital Additional Tier 1 Capital Tier 2 Capital
5	Post-transitional Basel III rules	Additional Tier 1 Capital Tier 2 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Common Stock
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 14 million
9	Aggregate nominal amount (4)	
10	Accounting classification (5)	Minority Interest
	On consolidated basis	Minority Interest
11	Issue Date (6)	
12	Perpetual or dated	Not Applicable
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	Not Applicable
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	
18	Coupon rate or dividend rate (11)	
19	Coupon / dividend stopper events (12)	
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	
26	If convertible, conversion rate (16)	



27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Not applicable
37	If yes, description of non-compliant transitioned features (23)	

### 13. 8 Securities Inc. Minority Interest

#### Regulatory capital instruments (minority interest)

1	Issuer	8 Securities Inc.
2	Unique identifier	Not applicable
3	Governing law(s) of the instrument	Japanese Law
	Regulatory treatment (1)	
4	Transitional Basel III rules	Common Equity Tier 1 Capital Additional Tier 1 Capital Tier 2 Capital
5	Post-transitional Basel III rules	Common Equity Tier 1 Capital Additional Tier 1 Capital Tier 2 Capital
6	Entities who include the relevant instruments into capital (other than NHI) (2)	
7	Instrument type	Common Stock
8	Amounts recognized in regulatory capital (3)	
	For consolidated regulatory capital ratio	JPY 17 million
9	Aggregate nominal amount (4)	
10	Accounting classification (5)	Minority Interest
	On consolidated basis	Minority Interest
11	Issue Date (6)	
12	Perpetual or dated	Not Applicable
13	Maturity Date	
14	Issuer call subject to prior supervisory approval	Not Applicable
15	First call date and early redemption amount (7)	
	Other early redemption events and early redemption amounts (8)	
16	Subsequent call dates, if applicable (9)	
	Coupons / Dividends	
17	Type of coupon rate / dividend rate (10)	
18	Coupon rate or dividend rate (11)	
19	Coupon / dividend stopper events (12)	
20	Fully discretionary, partially discretionary or mandatory (13)	
21	Existence of step-up or other incentive to redeem	
22	Noncumulative or cumulative	
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger (14)	
25	If convertible, fully or partially (15)	

26	If convertible, conversion rate (16)	
27	If convertible, mandatory or optional conversion (17)	
28	If convertible, specify instrument type that it can be converted into	
29	If convertible, specify issuer of instrument it can be converted into	
30	Write-down feature (18)	No
31	If write-down, write-down trigger (19)	
32	If write-down, full or partial (20)	
33	If write-down, permanent or temporary (21)	
34	If temporary write-down, description of write-up mechanism	
35	Position in subordination hierarchy in liquidation (specify instruments type immediately senior to the instrument) (22)	General Debt
36	Non-compliant transitioned features (23)	Not applicable
37	If yes, description of non-compliant transitioned features (23)	

## CHAPTER 7 Disclosure On Leverage Ratio (Quarter end)

(Unit: JPY million, %)

(Unit: JPY million, %)					
Leverage ratio common disclosure template Table 2	Leverage ratio common disclosure template Table 1	Items	As of September 30, 2018	As of June 30, 2018	
On-balance sheet exposures					
1		On-balance sheet items (excluding derivatives and SFTs, but including collateral)	23,751,548	23,905,803	
	1a	1	Total consolidated assets as per published financial statements	45,360,338	42,828,466
	1b	2	(The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis)	27,808	25,498
	1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—	—
	1d	3	(The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (excluding asset amounts deducted in determining Basel III Tier 1 capital))	21,580,981	18,897,164
2	7	(Asset amounts deducted in determining Basel III Tier 1 capital)	241,255	240,354	
3		Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	23,510,292	23,665,448	
Derivative exposures					
4		Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	2,142,304	2,209,952	
5		Add-on amounts for PFE associated with all derivatives transactions	9,631,507	9,328,812	
		Pledged cash collateral associated with all derivatives transactions	289,510	257,823	
6		Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	1,314,361	1,285,007	
7		(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	404,483	475,488	
8		(Exempted CCP leg of client-cleared trade exposures)			
9		Adjusted effective notional amount of written credit derivatives	15,478,849	14,779,870	
10		(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	13,908,201	12,785,110	
11	4	Total derivative exposures (sum of lines 4 to 10)	14,543,848	14,600,867	
Securities financing transaction exposures					
12		Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	38,637,491	38,079,468	
13		(Netted amounts of cash payables and cash receivables of gross SFT assets)	18,715,037	20,681,693	
14		CCR exposure for SFT assets	1,680,491	1,815,901	
15		Agent transaction exposures			

(Unit: JPY million, %)

Leverage ratio common disclosure template Table 2	Leverage ratio common disclosure template Table 1	Items	As of September 30, 2018	As of June 30, 2018
16	5	Total securities financing transaction exposures (sum of lines 12 to 15)	21,602,945	19,213,677
Other off-balance sheet exposures				
17		Off-balance sheet exposure at gross notional amount	1,874,816	2,221,829
18		(Adjustments for conversion to credit equivalent amounts)	550,333	734,407
19	6	Off-balance sheet items (sum of lines 17 and 18)	1,324,482	1,487,422
Capital and total exposures				
20		Tier 1 capital	2,713,876	2,710,931
21	8	Total exposures (sum of lines 3, 11, 16 and 19)	60,981,569	58,967,416
22		Basel III leverage ratio	4.45%	4.59%

# CHAPTER 8 Disclosure On Leverage Ratio (Half-year end)

(Unit: JPY million, %)

Leverage ratio common disclosure template Table 2	Leverage ratio common disclosure template Table 1	Items	As of September 30, 2018	As of September 30, 2017
On-balance sheet exposures				
1		On-balance sheet items (excluding derivatives and SFTs, but including collateral)	23,751,548	23,132,742
1a	1	Total consolidated assets as per published financial statements	45,360,338	44,105,700
1b	2	(The amount of assets of subsidiaries that are not included in the scope of the leverage ratio on a consolidated basis)	27,808	362,531
1c	7	The amount of assets of subsidiaries that are included in the scope of the leverage ratio on a consolidated basis (except those included in the total assets reported in the consolidated balance sheet)	—	—
1d	3	(The amount of assets that are deducted from the total assets reported in the consolidated balance sheet (excluding asset amounts deducted in determining Basel III Tier 1 capital))	21,580,981	20,610,428
2	7	(Asset amounts deducted in determining Basel III Tier 1 capital)	241,255	220,281
3		Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	23,510,292	22,912,461
Derivative exposures				
4		Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	2,142,304	1,858,678
5		Add-on amounts for PFE associated with all derivatives transactions	9,631,507	9,667,512
		Pledged cash collateral associated with all derivatives transactions	289,510	492,596
6		Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	1,314,361	1,472,717
7		(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	404,483	487,352
8		(Exempted CCP leg of client-cleared trade exposures)		
9		Adjusted effective notional amount of written credit derivatives	15,478,849	16,358,178
10		(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	13,908,201	13,890,656
11	4	Total derivative exposures (sum of lines 4 to 10)	14,543,848	15,471,672
Securities financing transaction exposures				
12		Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	38,637,491	38,947,760
13		(Netted amounts of cash payables and cash receivables of gross SFT assets)	18,715,037	20,369,365
14		CCR exposure for SFT assets	1,680,491	1,869,980
15		Agent transaction exposures		

(Unit: JPY million, %)

Leverage ratio common disclosure template Table 2	Leverage ratio common disclosure template Table 1	Items	As of September 30, 2018	As of June 30, 2018
16	5	Total securities financing transaction exposures (sum of lines 12 to 15)	21,602,945	20,448,375
Other off-balance sheet exposures				
17		Off-balance sheet exposure at gross notional amount	1,874,816	1,499,250
18		(Adjustments for conversion to credit equivalent amounts)	550,333	472,708
19	6	Off-balance sheet items (sum of lines 17 and 18)	1,324,482	1,026,542
Capital and total exposures				
20		Tier 1 capital	2,713,876	2,740,476
21	8	Total exposures (sum of lines 3, 11, 16 and 19)	60,981,569	59,859,050
22		Basel III leverage ratio	4.45%	4.57%

**PART 2: NHI Consolidated Liquidity Coverage Ratios**

**CHAPTER 1 Quantitative Disclosure**

(Unit: JPY million; % or Number of Cases)

Item		Highest designated parent company's current quarterly period (Fiscal year ended March 2019, 2nd Quarter)		Highest designated parent company's previous quarterly period (Fiscal year ended March 2019, 1st Quarter)	
<b>High quality liquid assets (1)</b>					
1	Total high quality liquid assets	4,408,090		4,102,789	
<b>Cash outflows (2)</b>		Before being multiplied by run-off rates	After being multiplied by run-off rates	Before being multiplied by run-off rates	After being multiplied by run-off rates
2	Cash outflows related to unsecured retail funding	415,324	45,447	415,282	52,297
3	Out of which, stable deposits	-	-	-	-
4	Out of which, less stable deposits	415,324	45,447	415,282	52,297
5	Cash outflows related to unsecured wholesale funding	1,332,630	1,175,723	1,313,032	1,138,637
6	Out of which, qualifying operational deposits	2,497	2,497	-	-
7	Out of which, cash related to unsecured wholesale funding other than qualifying operational deposits and debt securities	1,064,508	907,601	1,082,820	908,425
8	Out of which, debt securities	268,122	268,122	230,212	230,212
9	Cash outflows related to secured funding, etc.		2,886,409		2,916,726
10	Cash outflows related to the derivatives, funding programs, and credit and liquidity facilities	2,763,221	2,492,770	2,742,299	2,483,434
11	Out of which, cash outflows related to the derivative transaction, etc.	2,368,008	2,368,008	2,382,607	2,382,607
12	Out of which, cash outflows related to funding programs	-	-	-	-
13	Out of which, cash outflows related to credit and liquidity facilities	395,213	124,762	359,692	100,826
14	Cash outflows based on obligations to provide funds, etc.	4,085,052	1,031,706	5,376,835	1,135,856
15	Cash outflows related to contingencies	471,264	225,362	535,471	250,478
16	Total cash outflows		7,859,913		7,977,427
<b>Cash inflows (3)</b>		Before being multiplied by inflow rates	After being multiplied by inflow rates	Before being multiplied by inflow rates	After being multiplied by inflow rates
17	Cash inflows related to secured investments, etc.	31,402,370	2,167,335	32,047,015	2,285,614
18	Cash inflows related to collection of loans, etc.	988,357	903,163	952,853	868,559



(Unit: JPY million; % or Number of Cases)

Item		Highest designated parent company's current quarterly period (Fiscal year ended March 2019, 2nd Quarter)		Highest designated parent company's previous quarterly period (Fiscal year ended March 2019, 1st Quarter)	
19	Other cash inflows	5,598,236	2,474,597	6,432,130	2,591,533
20	Total cash inflows	37,988,963	5,545,095	39,431,998	5,745,707
<b>Consolidated liquidity coverage ratio (4)</b>					
21	Total high quality liquid assets allowed to be included		4,408,090		4,102,789
22	Net cash outflows		2,314,818		2,231,720
23	Consolidated liquidity coverage ratio		191.1%		184.8%
24	Number of data used to calculate averages	62		62	

## CHAPTER 2 QUALITATIVE DISCLOSURE

### 1. Consolidated Liquidity Coverage Ratio Fluctuations Explained in a Chronological Order

For the second quarter of the year ended March 31, 2019, the daily average of Nomura Group's total high quality liquid assets was 4,408,090 million yen, an increase of 305,301 million yen compared with the first quarter. For the second quarter of the year ended March 31, 2019, cash outflows based on obligations to provide funds, etc. were 1,031,706 million yen, a decrease of 104,151 million yen compared with the first quarter, cash inflows related to secured investments, etc. were 2,167,335 million yen, a decrease of 118,279 million yen compared with the first quarter, other cash inflows (mainly cash inflows related to the derivative transaction) were 2,474,597 million yen, a decrease of 116,937 million yen compared with the first quarter, and total net cash outflows were 2,314,818 million yen, an increase of 83,098 million yen compared with the first quarter.

As a result, for the second quarter of the year ended March 31, 2019, the daily average of the consolidated liquidity coverage ratio was 191.1%.

The main factors causing fluctuation in Nomura Group's consolidated liquidity coverage ratio are changes in trading inventory holdings, related secured financing transactions and derivative transactions.

### 2. Assessment of the Levels of the Consolidated Liquidity Coverage Ratio

The daily average of Nomura Group's consolidated liquidity coverage ratio for the second quarter of the year ended March 31, 2019, sufficiently exceeded the minimum level required by the law.

At Nomura Group, we establish the risk appetite for the consolidated liquidity coverage ratio and ensure that the consolidated liquidity coverage ratio sufficiently exceeds the minimum level required by the law on a daily basis.

### 3. Composition of the Stock of High Quality Liquid Assets

There were no significant movements in the composition of the stock of high quality liquid assets.

### 4. Other Matters Relating to Consolidated Liquidity Coverage Ratio

There are no other matters of significance to note.

### PART 3: Disclosure Policy

“Policy for NHI consolidated Pillar 3 Disclosures” has been established in order to assure and maintain appropriateness of our disclosure based on “Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.”. This policy was approved by EMB.

Disclosure Committee and CFO shall confirm Pillar 3 Report is appropriately created in line with the procedure established by each department. Pillar 3 Report shall be reported to EMB after their disclosure. Internal Audit Department shall periodically review the effectiveness of the procedures.

