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Financial and Non-Financial Data

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Financial Review

Financial review of the fiscal year ended March 2024

In the fiscal year ended March 2024, the global economy experienced heightened uncertainty driven by inflation, interest rate hikes, economic slowdown, and growing geopolitical risks. However, the US economy showed resilience, particularly in consumption. In financial and capital markets, expectations for an early start to interest rate cuts waned as market optimism was offset by persistent inflation throughout most of the fiscal year.

The Japanese economy has seen many positive changes such as improvements in corporate performance and high wage increases for the first time in approximately 30 years, leading to a virtuous cycle of growth and potential for overcoming deflation. The domestic financial capital markets are experiencing strong optimism with growing expectations for policies supporting a societal shift toward corporate and household investment in securities, and emphasizing on effective corporate governance. In March 2024, Bank of Japan shifted away from negative interest rate policy, which is a significant turning point, and ended the unconventional easing measures that had been in place for 11 years. The Nikkei Stock Average reached its highest level in 34 years, prompting increased interest from domestic and foreign investors in the Japanese stock market, generating positive market sentiment.

In this environment, in the fiscal year ended March 2024, we reported stronger revenues and income before income taxes across all three core business Divisions, and have started to realize the benefits from executing our strategic initiatives. Net revenues increased 17% year-on-year to 1,562 billion yen, income before income taxes increased 83% year-on-year to 273.9 billion yen, and net income increased 79% year-on-year to 165.9 billion yen. ROE was 5.1%, and EPS (diluted earnings attributable to Nomura Holdings shareholders per share) was 52.69 yen.

(billions of yen)

	FY2022/23	FY2023/24	Year-on-year	Comments
Revenue				
Commissions	279.9	364.1	30.1%	Increased purchases of stocks and investment trusts partly due to favorable market conditions.
Fees from investment banking	113.2	173.3	53.1%	Earnings grew mainly in ECM and advisory services related to Japan
Asset management and portfolio service fees	271.7	310.2	14.2%	Stable earnings increased year-on-year due to an increase in assets under management
Net gain on trading	563.3	491.6	-12.7%	Decreased year-on-year but maintained a high level
Gain on private equity and debt investments	14.5	11.9	-18.1%	
Interest and dividends*	1,114.7	2,620.9	135.1%	Impact of rising interest rates in various countries
Gain (loss) on investments in equity securities	-1.4	9.6	-	
Other	130.9	175.8	34.3%	Income related to American Century Investments increased
Total revenue	2,486.7	4,157.3	67.2%	
Interest expense*	1,151.1	2,595.3	125.5%	Impact of rising interest rates in various countries
Net revenue	1,335.6	1,562.0	17.0%	
Non-interest expenses	1,186.1	1,288.2	8.6%	Increase mainly due to depreciation of the yen
Income (loss) before income taxes	149.5	273.9	83.2%	
Net income (loss) attributable to Nomura Holdings shareholders	92.8	165.9	78.8%	

* Net interest income, net of interest expenses, is an integral component of trading operations, which is affected by the level and composition of trading assets and total assets and liabilities, including repo and reverse repo transactions, as well as the term structure and volatility of interest rates. Dividends from American Century Investments are also included in financial income. For the year ended March 2024, interest and dividends increased 135.1% and interest expenses increased 125.5% from the previous year. As a result, net interest and dividends income for the year ended March 2024 increased from the year ended March 2023.