

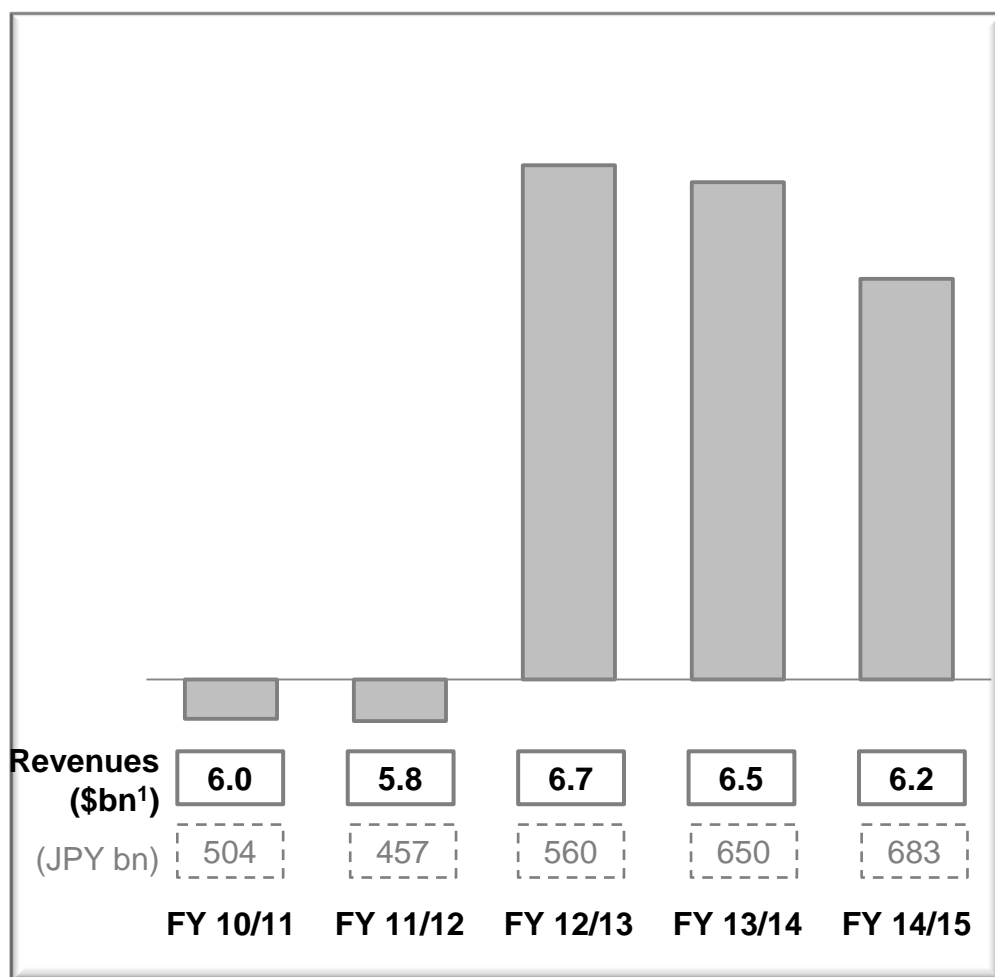
Investor Day

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Nomura Holdings, Inc.

May 28, 2015

Transformation of the Global Markets Franchise

Pre-Tax Trend (\$bn)



Drivers

Market & Industry Context

- + Nikkei 225 up sharply since Jan 2013
- + QE initially supportive of flow business
- ↔ USDJPY from 90 to 120
- ↔ Regulatory pressures, though Nomura less affected than peers
- Industry fee pools down 35% since 2009
- Bouts of severe volatility and market dislocation

Management Actions

- ✓ GM 'Root and Branch' integration
- ✓ Expansion of international client franchise
- ✓ Lower break-even point through cost discipline
- ✓ Decisive action to address business performance

Stable, high quality revenues generating significant profits

1. Revenues in USD calculated as JPY monthly revenues converted to USD at monthly USDJPY average exchange rate

Journey To-Date & the Road Ahead

Building Relevance

- International expansion
- Growth across products
- Broadening client base

FY 08/09

- Market share <1%
- Minimal international client base
- Lehman acquisition (EMEA & APAC)

Consolidation & Profitability

- Global Markets integration
- Competing in areas of strength
- Targeted client strategy
- Robust discipline on expenses, resources, risk
- Turnaround in International profitability

FY 11/12

- Market Share: 3.4%
- Increasing access to international clients

FY 14/15

- Market Share: 3.6%
- Gaining share with priority clients
- Moody's upgrade

Balanced Growth

- Ongoing business optimization
- Monetizing ratings upgrade, cross-sell
- Staying ahead of market structure change
- International business to drive pre-tax uplift

FY 19/20

- Market Share: 4.3%
- Delivering on Group financial and strategic targets

Market Context

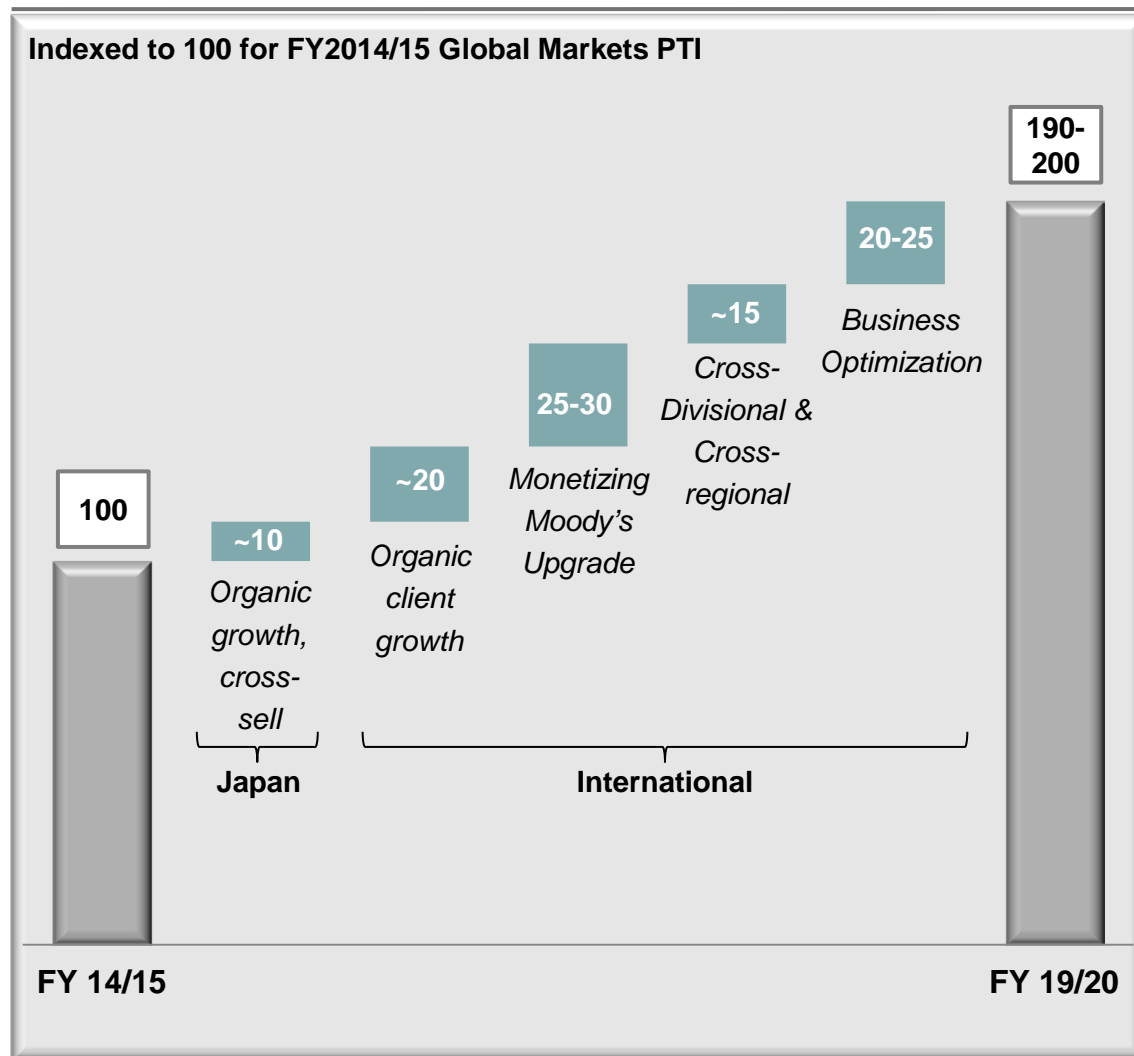
- ~35% Fee Pool compression
- Selective retrenchment by peers
- 'Wave 1' regulation – Basel 2.5/3, Dodd-Frank, Volcker

Market Outlook

- Cyclical correction, moderate growth in fee pools expected; wide range of potential outcomes
- 'Wave 2' regulation – Leverage Ratio, Basel 3.5, MiFID II

Delivering Sustainable International Profitability

Global Markets Pre-Tax Income Projection



Drivers of International Pre-Tax

Growth Strategies	<p>1 Organic Client Growth</p> <ul style="list-style-type: none"> ✓ Aligning ourselves to industry fee pools of greatest opportunity ✓ Deepening relationships with clients that most value our capabilities
	<p>2 Monetizing Moody's Upgrade</p> <ul style="list-style-type: none"> ✓ Derivatives with Real Money accounts ✓ Increased business with Central Banks and Sovereign Wealth Funds ✓ Structured products with Banks / Private Banks
	<p>3 Cross-Divisional & Cross-Regional Growth</p> <ul style="list-style-type: none"> ✓ Growth in Origination through collaboration between GM and IBD ✓ Developing alternative revenue streams e.g. Fund structures with Asset Management ✓ Connecting clients with the East-West revenue opportunity
Efficiency Improvement	<p>4 Business Optimization</p> <ul style="list-style-type: none"> ✓ Turnaround in International Equities ✓ Focusing financial resources to areas with highest risk-adjusted returns ✓ Front-to-Back Optimization

1 Organic Growth: Clients At the Heart of Our Business

2008+

Establish relevance and access to an international client base

Fixed Income¹
% Access to Client Base '08-14

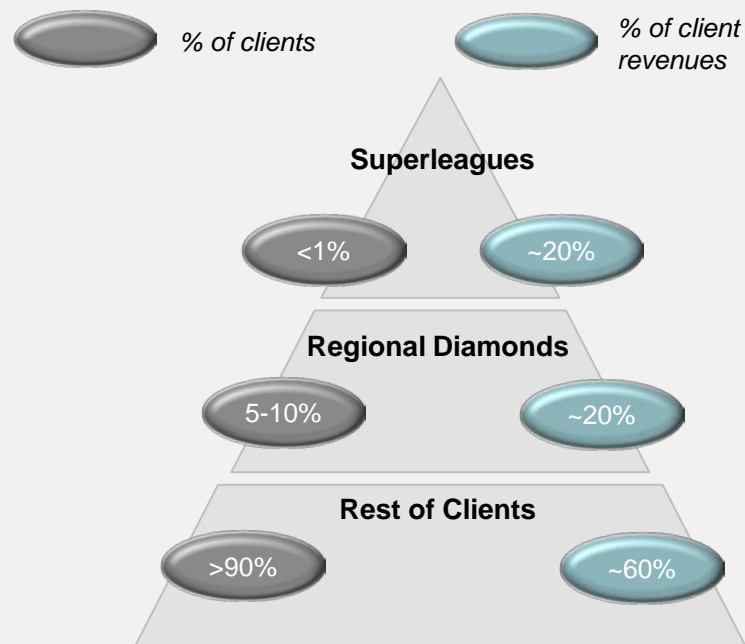
Japan	86%	→	94%
US	1%	→	35%
EMEA	2%	→	30%
AEJ	5%	→	24%

Equities²
% Exchange Volume '08-'14

TSE	7%	→	11%
NYSE	0%	→	4%
LSE	0%	→	6%
HKSE	1%	→	3%

2012+

Focus on those clients that most value our capabilities



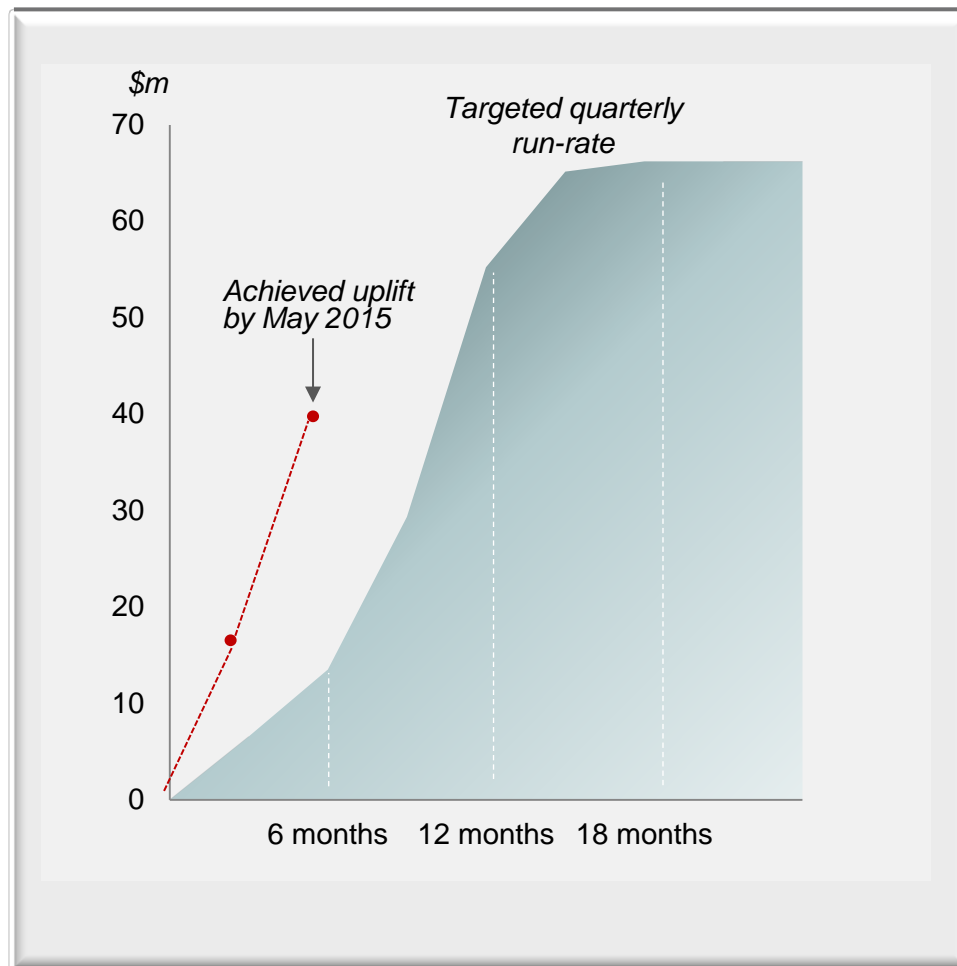
Client Ecosystem: Build the infrastructure to deliver on the needs and value of our clients

Align all our capabilities to best serve our chosen client base

1. Source: Greenwich Associates
 2. Japan (TSE), US (NYSE, NASDAQ, others), Europe (LSE), AeJ (HKSE)

2 Monetizing Moody's Upgrade

Client Revenue Uplift from Moody's Rating Upgrade



Focus Areas for Monetisation

Real Money Accounts

- ✓ Expanding our swaps and derivatives business with top-tier asset managers
- ✓ Significant momentum in onboarding target accounts and executing first trades

Central Banks & Sovereign Wealth Funds

- ✓ Increased business with central banks and flagship public clients as we now meet their minimum rating criteria
- ✓ Swaps and repos key areas of opportunity

Structured Products

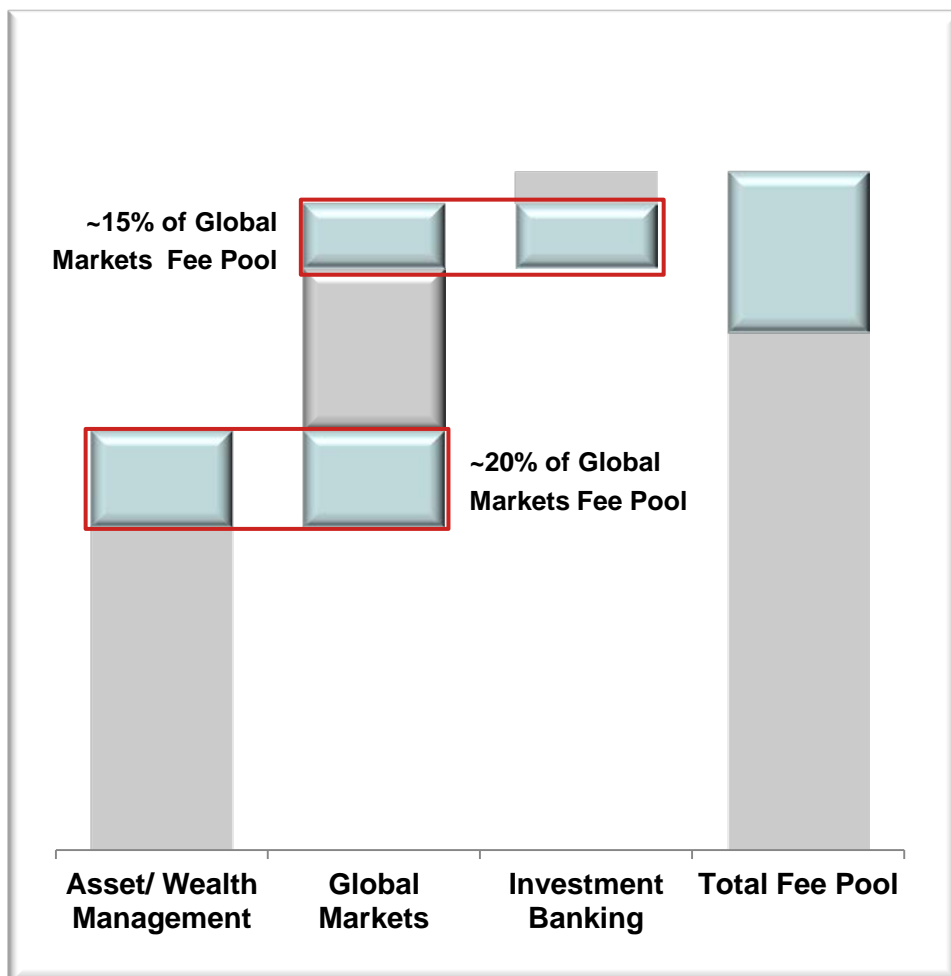
- ✓ Delivering customized hedges and solutions for Banks and Corporates
- ✓ Access to a larger universe of investors for distribution of structured products including Nomura notes

Mid-Tier Financial Institutions

- ✓ Servicing rising demand for liability-driven solutions
- ✓ A number of Asian and European banks agreeing to extend credit lines for longer durations to Nomura

Cross-Divisional Collaboration: Unlocking Future Potential

Global Industry Fee Pools¹ : Cross-Divisional Opportunity



Nomura Global Markets Cross-Divisional Initiatives

- | | |
|-----------------------------|--|
| Investment Banking Division | <ul style="list-style-type: none"> ✓ Targeting increased share of origination revenues ✓ Joint planning and tracking for Global Finance² ✓ Aligning senior relationships and priority client coverage e.g. joint Financial Institutions Group (FIG) initiative in Europe |
| Asset Management | <ul style="list-style-type: none"> ✓ Product development collaboration with Asset Management Division to service fast rising investor demand for alternatives and solutions ✓ Developing fund product based recurring revenue streams as the GM business model evolves |
| Retail/ Wealth Management | <ul style="list-style-type: none"> ✓ Servicing the shifting and increasingly international portfolio preferences of clients on Nomura's Retail platform ✓ Participating in the rising demand for GM products by Private Wealth managers in Asia |

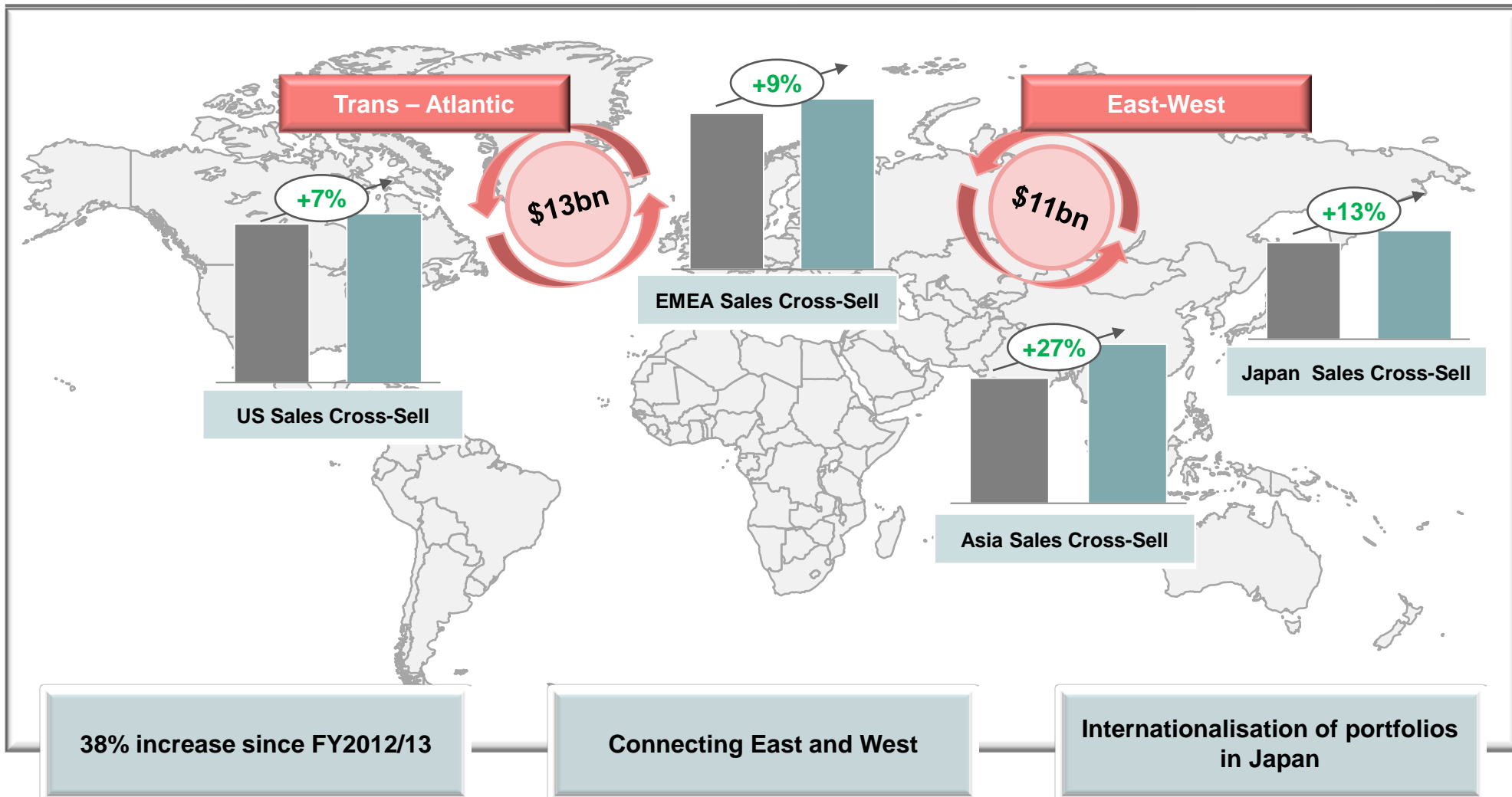
1. Nomura estimates based on Oliver Wyman, Coalition, BCG

2. Global Finance is a joint-venture collaboration between Global Markets & Investment Banking divisions

3 Growing our Cross-Regional Business

■ FY 13/14 ● Cross-Regional Fee Pools
 ■ FY 14/15

Cross-Regional Sales by Salesforce



Source: Nomura estimates based on Oliver Wyman
 Notes: Excludes Instinet

Global Markets Integration

'Root and Branch' integration of the Global Fixed Income and Equities businesses

Combined Execution Services Platform

Integration of Instinet and Nomura Cash Equities business

Business Portfolio

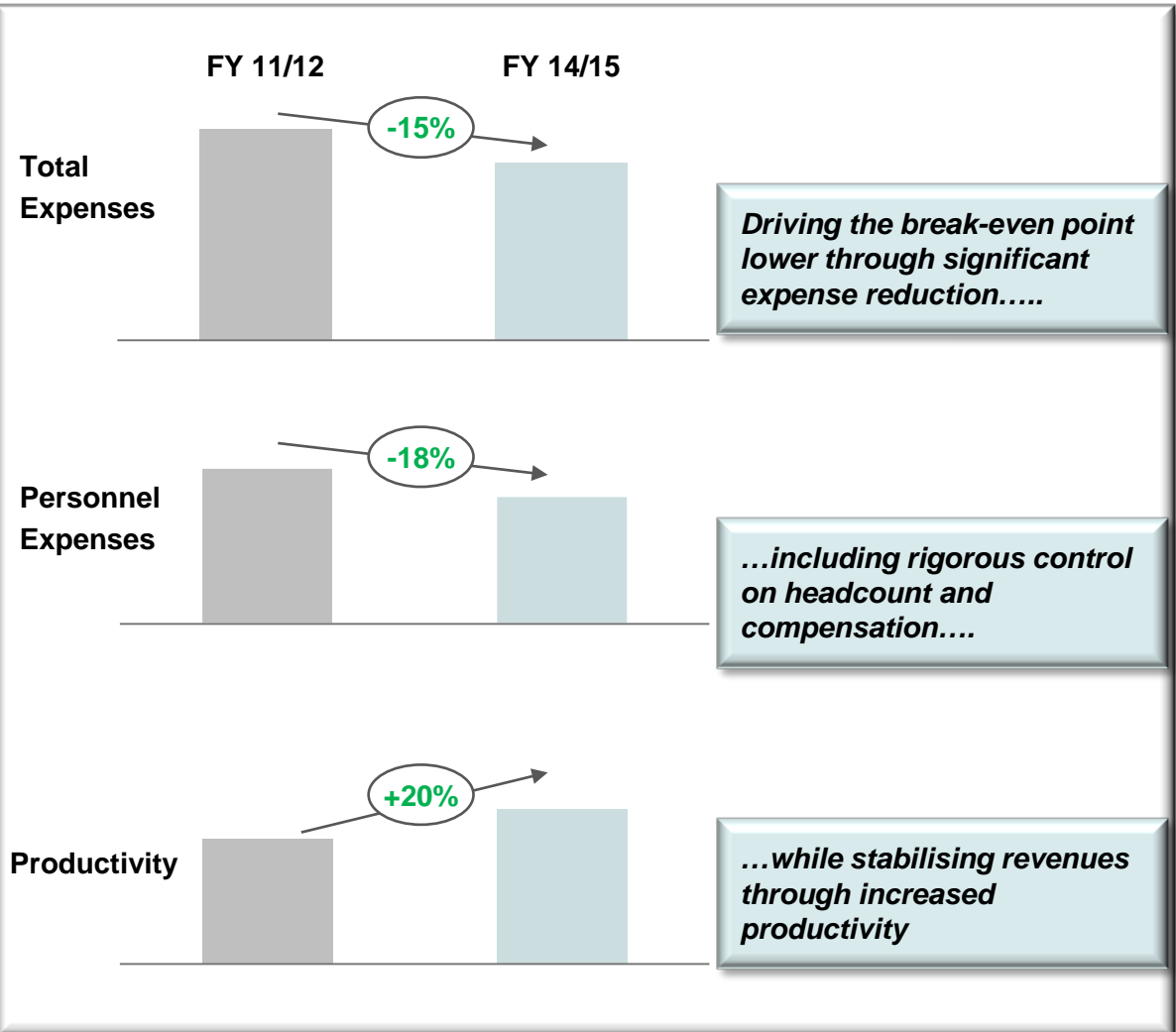
Right sizing each business for its medium term revenue potential

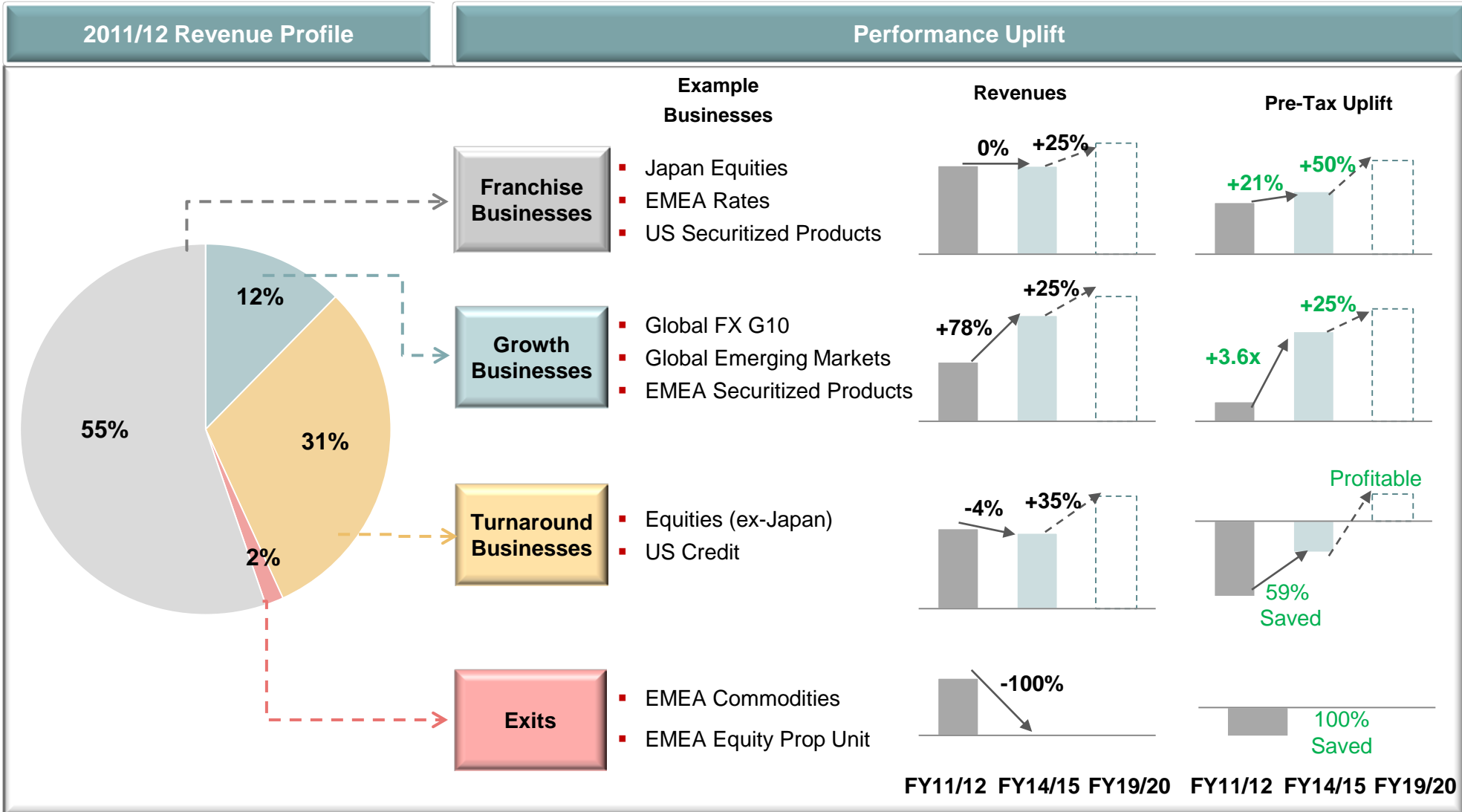
Front-to-Back Optimization

Driving saves and simplification across Front Office, Middle Office and Back Office

Ongoing Tactical Actions

Self-funding business investments; calibration of pay for performance



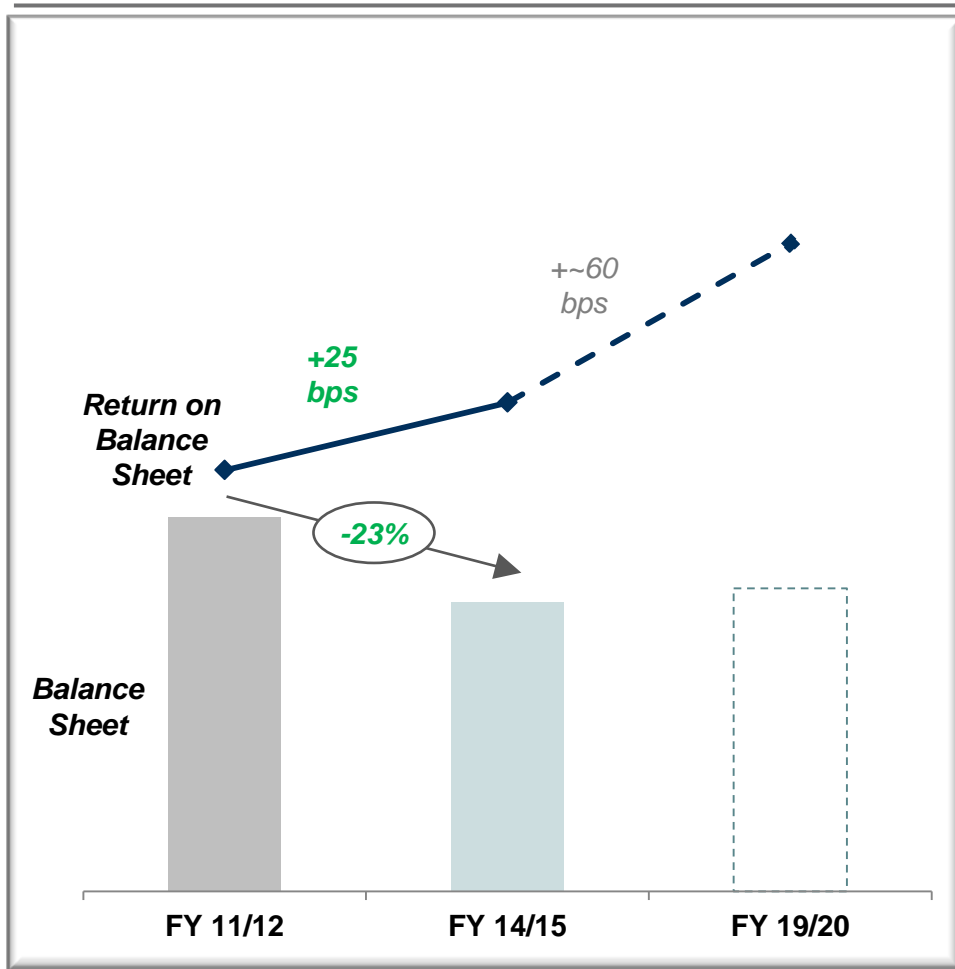


Significant Pre-Tax Uplift Achieved Through Business Portfolio Optimization

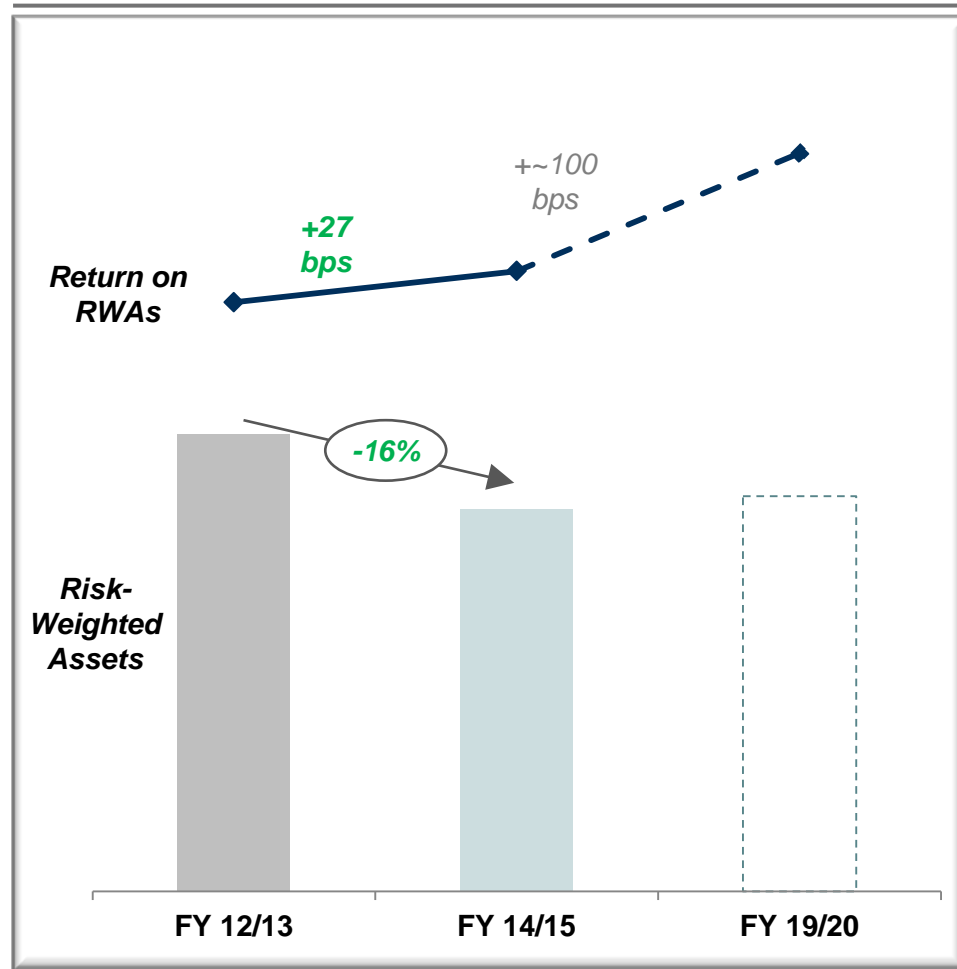
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Business Optimization: Increasing Resource Efficiency

Balance Sheet and Revenue Return on Balance Sheet



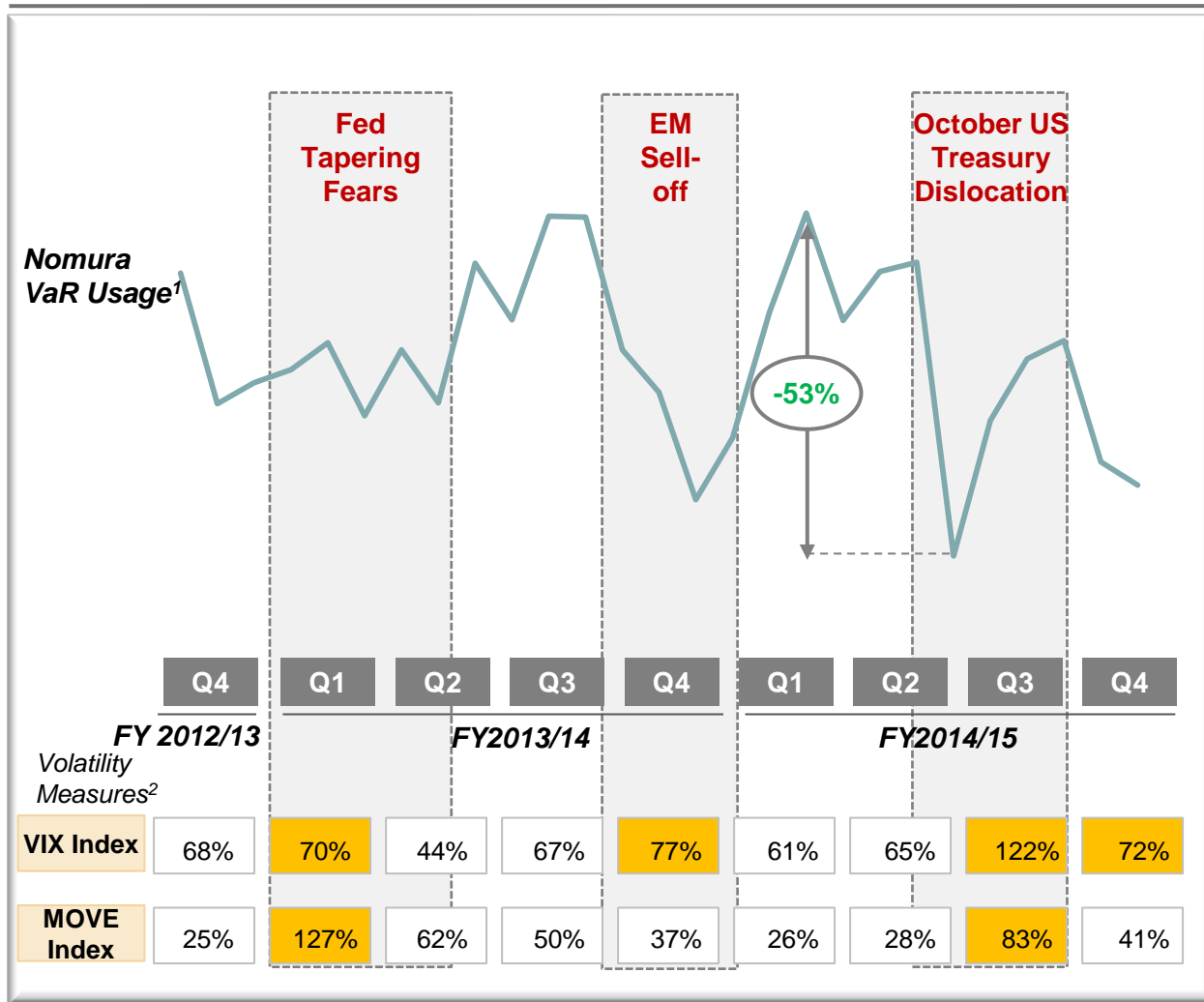
Risk Weighted Assets (RWAs) and Revenue Return on RWAs



Improving returns while reducing resource usage and maintaining a high quality, liquid balance sheet

Business Optimization: Robust Risk & Control

Nomura Global Markets Value at Risk Trend and Risk Episodes



Rigorous Measurement & Control

- Costs & Profitability**
 - ✓ Pre-Tax Margin and Contribution Margin at sub-product level
 - ✓ Quality of Sales metrics
 - ✓ Personnel Expenses/ Revenues
 - ✓ Personnel Expenses/ Head
- Resources & Returns**
 - ✓ Balance Sheet; Risk-Weighted Assets; Leverage Exposure
 - ✓ Unsecured Funding, Funding at Risk
 - ✓ Pre-Tax Return on Equity
 - ✓ Revenue Return on Assets
- Risk & Control**
 - ✓ Value at Risk; Stressed Value at Risk
 - ✓ Nomura Economic Capital
 - ✓ Counterparty Risk, Country Risk, Wrong Way Risk
 - ✓ Illiquid Assets Exposure

1. From Q1 CY 2013 to Q4 CY 2014
 2. Source: Bloomberg

Conclusions

Significant transformation achieved: 3rd consecutive year of profitability, based on stable, high quality revenues, a significantly lower break-even point, improved productivity and a more focused international footprint

Execution on strategic agenda: 'Root & Branch' Global Markets integration, client centricity, focus on Asian cross-regional flows, rigorous discipline on expenses, financial resources and risk, underpinned by solid infrastructure & controls

Well-positioned for medium term upside: tailwinds from the internationalization of Japan real-money portfolios, continued deepening of capital markets across Asia, a shifting global Macro environment, and further upside from cost optimization (e.g. 'Front-to-Back' Optimization) opportunities

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