News Release

NOMURA

Nomura Individual Investor Survey

June 2015

June 11, 2015

Global Research Division

Nomura Securities Co., Ltd.

The Nomura Individual Investor Survey is a monthly survey conducted with the aim of better understanding investing activity by individuals and providing information on related trends.

1. Survey overview

(1) Nomura I-View Index declines 12.4pt m-m to 39.6

The Nomura Individual Investor Market View Index (Nomura I-View Index), based on respondents' three-month outlook for share prices and calculated by subtracting the percentage of responses for "fall" from that for "rise," was 39.6 in June, a decline of 12.4pt from May. The Nikkei Average reference level (1 June 2015 close) was 20,569.87, up 1,277.88 from the previous survey (7 May 2015 close of 19,291.99), and more survey respondents appear to feel the market is overheated.

(2) Increased investor interest in forex

Respondents were asked to select the factor most likely to impact the stock market in the next three months. The most-watched factor was again international affairs, but its response rate fell 5.4ppt m-m. Forex trends saw the largest rise in response rate among all the factors, of 7.8ppt m-m. This came against a backdrop of USD/JPY moving up through its June 2007 high (of 124.14) on 28 May to reach its weakest level against the dollar since 2002.

(3) Appeal of financials sector rises sharply, of consumer goods falls sharply

Respondents were asked to choose one sector as an "appealing" investment target and one as "unappealing" over a timeframe of about three months. We calculated a DI for each sector by subtracting the percentage of responses for "unappealing" from that for "appealing." Automobiles was again the most appealing sector, as last month. Financials saw the largest rise, of 9.6pt. Consumer goods saw the largest fall, of 9.3pt.

(4) Expectations of yen appreciation against dollar fall for first time in five months

On the outlook for USD/JPY over the next three months, the combined percentage of respondents expecting the yen to appreciate against the US dollar was 54.2%, down 2.3ppt from the previous month and marking first decline in five months. The response rate for "fall of about ¥10 against the dollar" saw the largest m-m rise, of 1.9ppt. The response rate for "fall of about ¥5 against the dollar" rose 0.3pt. The response rate for "rise of about ¥5 against the dollar" fell 1.9ppt, the largest decline for all the options. Overall, the number of investors expecting the yen to strengthen against the dollar declined.

(5) Investment appeal of US dollar rises sharply, of Japanese yen falls

Respondents were asked to choose one currency as an "appealing" investment target and one as "unappealing" over an approximately three-month timeframe. We calculated a diffusion index for each currency by subtracting the percentage of responses for "unappealing" from that for "appealing". The US dollar remained the most appealing, with a DI of 40.8, and its DI rose a sharp 16.5pt m-m. The Japanese yen's DI fell 7.2pt, the largest decline among all the currencies. The DI for the Australian dollar fell 3.8pt.

(6) Japanese equities remain the most appealing financial instrument

To give an indication of plans for holding financial instruments, we calculate DIs for each financial instrument by subtracting the percentage of respondents planning to cease holding the instrument or decrease their holding from the percentage planning to hold the instrument for the first time or increase their holding. Japanese equities remained the most appealing financial instrument this month, but its DI declined for the third straight month, by 2.7pt m-m.

(7) Rise in proportion of respondents expecting prices one year out to be higher

When asked for their outlook for prices of regularly purchased goods and services one year out, 63.7% of respondents said they expected prices to be higher, up 8.4ppt from the previous month. The response rate for "no change" fell 8.5ppt m-m. The response rate for "rise of 2% up to 5%" rose 6.1ppt to 20.1%.

(8) Awareness of capital efficiency at Japanese companies

For this month's spot question, we asked investors about their stance on capital efficiency at Japanese companies, and what impact this might have on their investment approach. In response to the question "do you think that Japanese companies have become more aware of capital efficiency considering that the Corporate Governance Code for listed companies came into effect on 1 June ", the highest response rate, of 27.2%, was for "awareness has not grown, but will do so in the future." In a similar survey in June 2014, the highest response rate (of 25.0%) was for "awareness has grown, but will not last long," suggesting a change in perceptions among individual investors about companies' awareness of capital efficiency. In response to our second question, "if more Japanese companies adopt a stronger focus on capital efficiency, what impact will this have on your investment approach?," the highest response rate was for "no change in investment approach (no impact)," at 43.2%, virtually unchanged from the June 2014 survey. The response rate for "more active approach to equity investment" was 35.6%, marking the largest rise from last year's survey, of 2.2ppt.

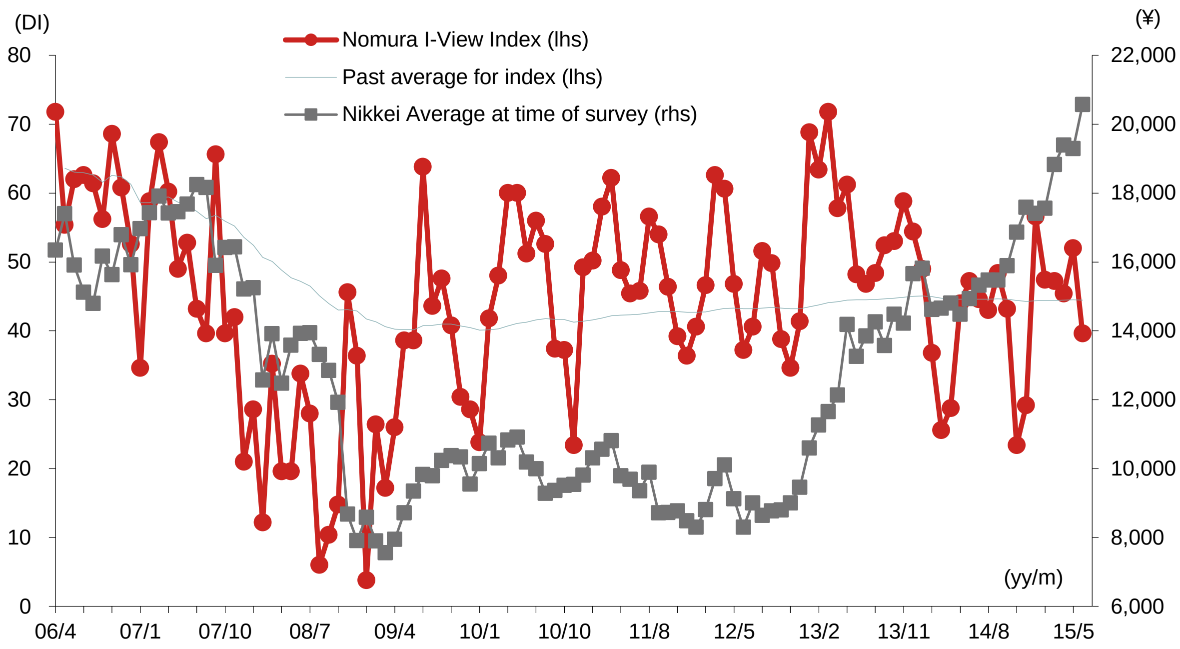
2. Survey results

(1) Nomura I-View Index declines 12.4pt m-m to 39.6

The Nomura Individual Investor Market View Index (Nomura I-View Index), based on respondents' three-month outlook for share prices and calculated by subtracting the percentage of responses for "fall" from that for "rise," was 39.6 in June, a decline of 12.4pt from May (Figure 1).

The Nikkei Average reference level (1 June 2015 close) was 20,569.87, up 1,277.88 from the previous survey (7 May 2015 close of 19,291.99), and more survey respondents appear to feel the market is overheated.

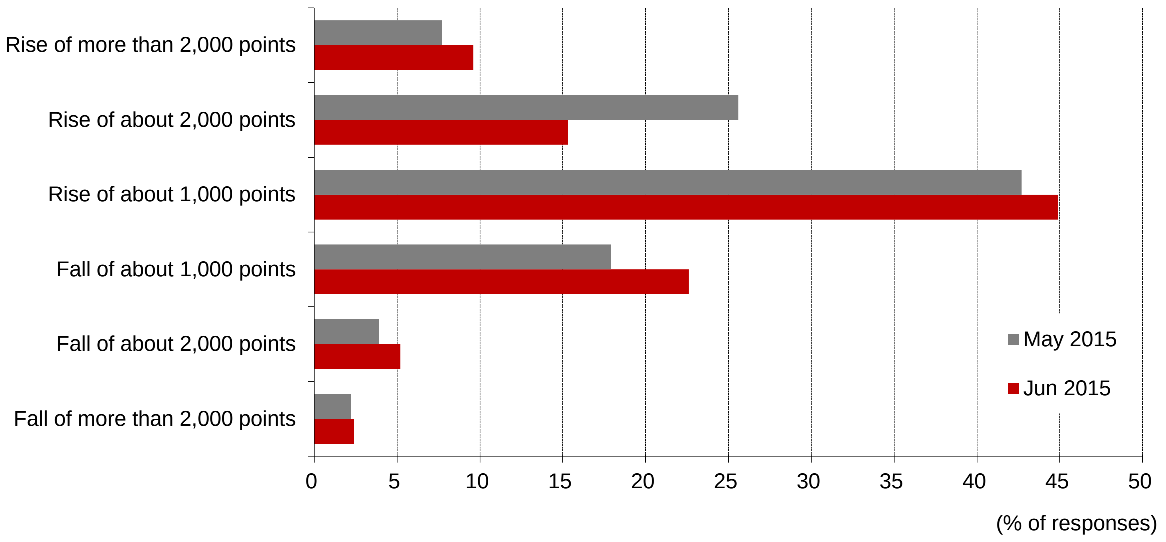
Fig. 1: The Nomura I-View Index and reference level of Nikkei Average at time of survey



Note: (1) The Nomura I-View Index is based on data collected by this survey and expressed as a DI. The calculation method is as follows: ([(Number of responses indicating expected rise in share prices in the next three months) minus (number of responses indicating expected fall in share prices in the next three months)] divided by number of respondents) x 100. The figure for Jan 2010 used here excludes those respondents who projected that the Nikkei Average would be flat. (2) The Nomura I-View Index ranges from -100 to +100. The closer to +100, the more bullish the outlook held by individual investors. The closer to -100, the more bearish the outlook held by individual investors.

The combined proportion of respondents expecting the Nikkei Average to rise over the next three months was 69.8%, down 6.2ppt from the last survey. The proportion of respondents expecting a "rise of about 2,000 points" was down 10.3ppt m-m, the only response to see a m-m decline in response rate. "Fall of about 1,000 points" saw the largest m-m rise in response rate, of 4.7ppt m-m to 22.6% (Figure 2).

Fig. 2: Outlook for Nikkei Average during the next three months

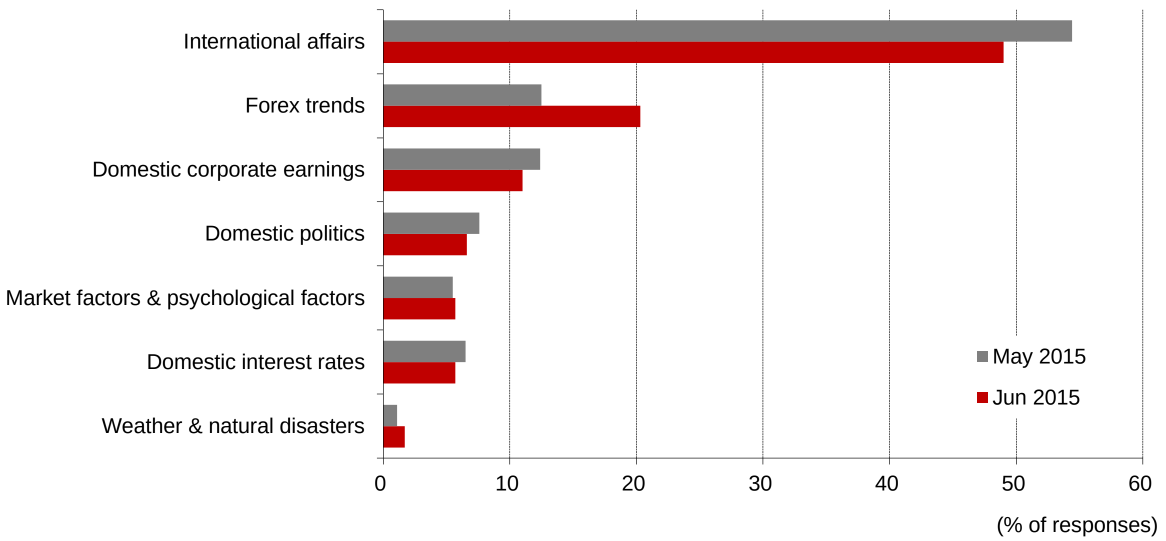


Note: Respondents were asked to share their outlook for the Nikkei Average during the next three months based on the 1 June close of 20,569. Respondents could choose one answer from a possible six responses ranging from a rise of more than 2,000 points to a fall of more than 2,000 points, with 1,000-point increments in between.

(2) Increased investor interest in forex trends

Respondents were asked to select the factor most likely to impact the stock market in the next three months. The most-watched factor was again international affairs, but its response rate fell 5.4ppt m-m. Forex saw the largest rise in response rate among all the factors, of 7.8ppt m-m (Figure 3). This came against a backdrop of USD/JPY moving up through its June 2007 high (of 124.14) on 28 May to reach its weakest level against the dollar since 2002.

Fig. 3: Impact of factors on the stock market



Note: Respondents were asked to choose one answer from a possible seven responses concerning factors likely to impact the stock market over the next three months or so.

(3) Appeal of financials sector rises sharply, of consumer goods falls sharply

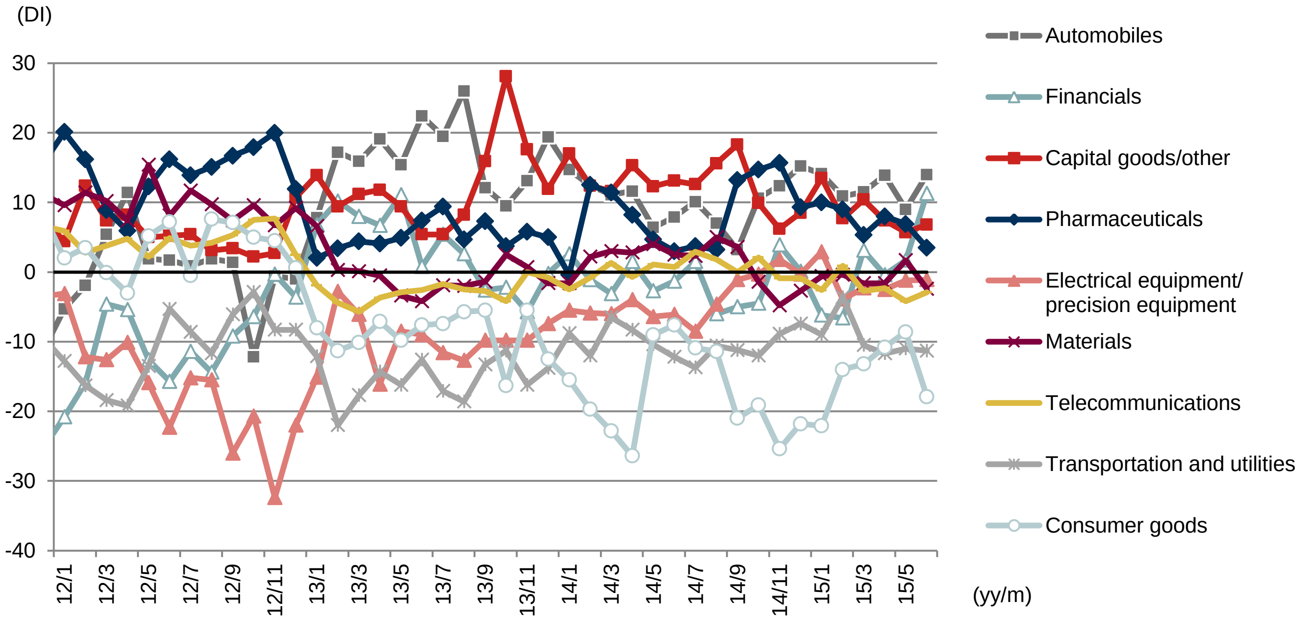
Respondents were asked to choose one sector as an "appealing" investment target and one as "unappealing" over a timeframe of about three months. We calculated a DI for each sector by subtracting the percentage of responses for "unappealing" from that for "appealing." Automobiles was again the most appealing sector, as last month. Financials saw the largest rise, of 9.6pt. Consumer goods saw the largest fall, of 9.3pt (Figures 4 and 5).

Fig. 4: Investment appeal by sector

Sector	DI	Breakdown of DI (% of responses)		(Ref) Previous DI
		Appealing	Unappealing	
Automobiles	14.0	18.8	4.8	9.0
Financials	11.3	18.7	7.4	1.7
Capital goods/other	6.8	11.3	4.5	5.7
Pharmaceuticals	3.5	9.9	6.4	6.9
Electrical equipment/precision equipment	-1.1	10.1	11.2	-1.2
Materials	-2.4	11.0	13.4	1.7
Telecommunications	-2.9	4.1	7.0	-4.2
Transportation and utilities	-11.3	6.2	17.5	-11.0
Consumer goods	-17.9	9.9	27.8	-8.6

Note: Respondents were given nine sectors and asked to choose one viewed as an appealing investment target and one viewed as unappealing. For each sector, we calculated a DI by subtracting the percentage of responses for unappealing from that for appealing. The materials sector comprises mining, textiles, paper & pulp, chemicals, oil, ceramics, steel, nonferrous metals, and trading houses. The financial sector comprises banks, miscellaneous finance, securities, and insurance. The capital goods/other sector comprises construction, machinery, shipbuilding, transportation equipment, miscellaneous manufacturing, and real estate. The transportation and utilities sector comprises railroads & buses, trucking, shipping, airlines, warehousing, electric power, and gas. The consumer goods sector comprises marine products, food, retail, and services.

Fig. 5: Trend in DIs for selected sectors



(4) Most-watched stocks

Respondents were asked to name one stock that they would like to have in their portfolio, irrespective of short- or long-term investment horizon (including stocks actually held) or that they find appealing. We show the most popular responses in Figure 6.

Fig. 6: Name a stock with appeal (1,000 valid responses)

Code	Company	No. of respondents
7203	Toyota Motor	145
8411	Mizuho Financial Group	39
8306	Mitsubishi UFJ Financial Group	31
9984	Softbank	21
6752	Panasonic	19
6502	Toshiba	17
4661	Oriental Land	17
9202	ANA Holdings	15
8604	Nomura Holdings	14
8267	Aeon	14
8058	Mitsubishi Corp	11
6501	Hitachi	11
4901	Fujifilm Holdings	9
6758	Sony	9
6954	Fanuc	9

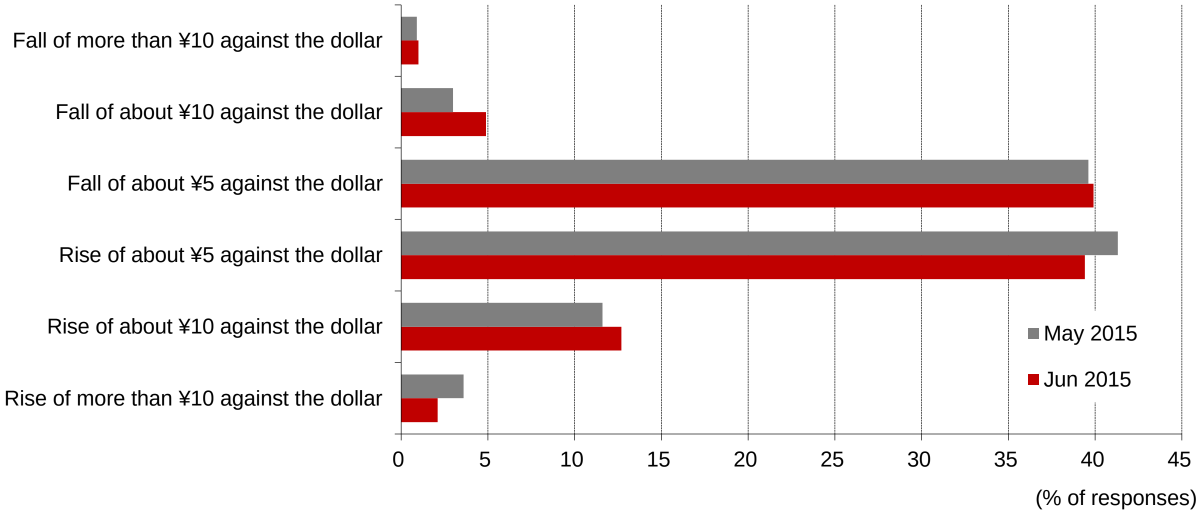
Code	Company	No. of respondents
2811	Kagome	8
3402	Toray Industries	8
8316	Sumitomo Mitsui Financial Group	7
7261	Mazda Motor	7
2931	Euglena	7
7270	Fuji Heavy Industries	7
8031	Mitsui & Co	6
9432	Nippon Telegraph and Telephone	6
7201	Nissan Motor	6
5401	Nippon Steel & Sumitomo Metal	6
2914	Japan Tobacco	6
9861	Yoshinoya Holdings	6
9501	Tokyo Electric Power	6
7751	Canon	6

Note: Not included in valid responses were answers of "none" or clearly mistaken responses.

(5) Expectations of yen appreciation against dollar fall for first time in five months

On the outlook for USD/JPY over the next three months, the combined percentage of respondents expecting the yen to appreciate against the US dollar was 54.2%, down 2.3ppt from the previous month and marking first decline in five months. The response rate for "fall of about ¥10 against the dollar" saw the largest m-m rise, of 1.9ppt. The response rate for "fall of about ¥5 against the dollar" rose 0.3pt. The response rate for "rise of about ¥5 against the dollar" fell 1.9ppt, the largest decline for all the options. Overall, the number of investors expecting the yen to strengthen against the dollar declined (Figure 7).

Fig. 7: Respondents' three-month outlook for USD/JPY



Note: Respondents were asked to share their outlook for USD/JPY over the next three months, referencing a 1 June 2015 indicative rate of 124.07. They could choose one answer from a possible six responses ranging from a rise of more than ¥10 against the dollar to a fall of more than ¥10 against the dollar, with ¥5 increments in between.

(6) Investment appeal of US dollar rises sharply, of Japanese yen falls

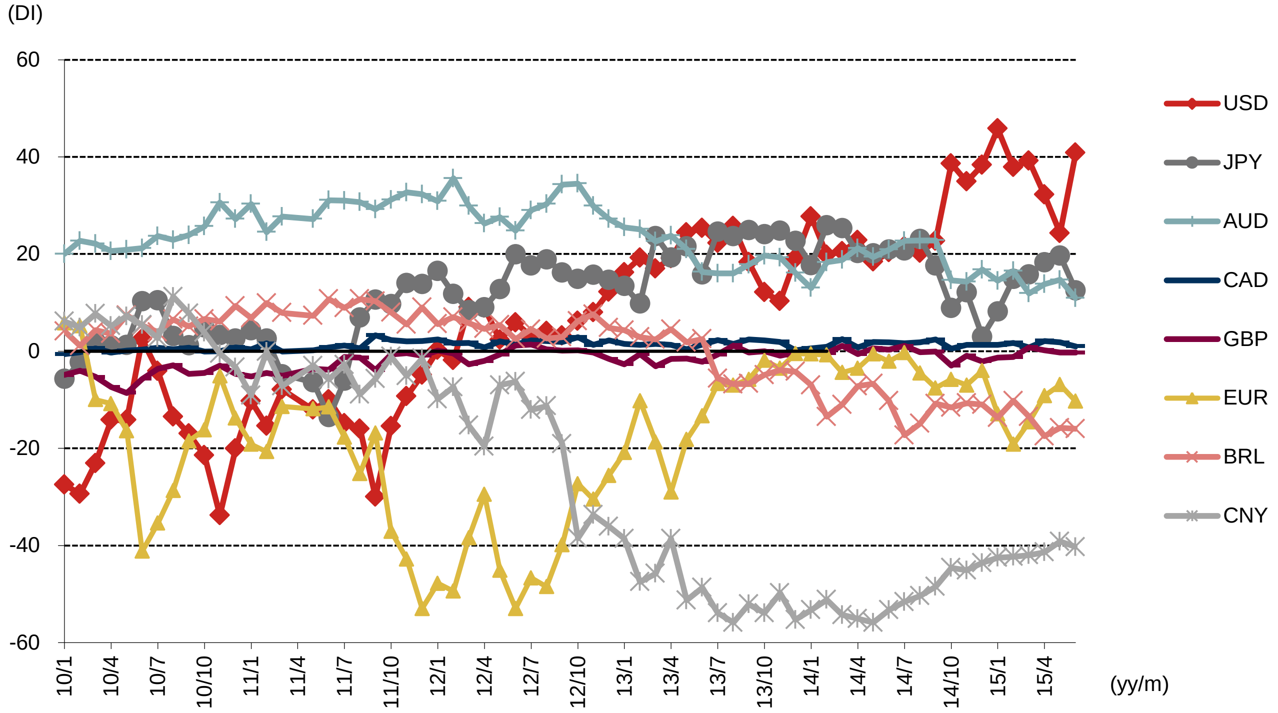
Respondents were asked to choose one currency as an "appealing" investment target and one as "unappealing" over an approximately three-month timeframe. We calculated a diffusion index for each currency by subtracting the percentage of responses for "unappealing" from that for "appealing". The US dollar remained the most appealing, with a DI of 40.8, and its DI rose a sharp 16.5pt m-m. The Japanese yen's DI fell 7.2pt, the largest decline among all the currencies. The DI for the Australian dollar declined 3.8pt (Figures 8 and 9).

Fig. 8: Investment appeal by currency

Currency	DI	Breakdown of DI (% of responses)		(Ref) Previous DI
		Appealing	Unappealing	
US dollar	40.8	46.8	6.0	24.3
Japanese yen	12.5	24.4	11.9	19.7
Australian dollar	10.9	13.7	2.8	14.7
Canadian dollar	1.0	1.9	0.9	1.8
Pound sterling	-0.3	2.3	2.6	-0.3
Euro	-10.3	4.5	14.8	-6.9
Brazilian real	-16.0	2.4	18.4	-15.8
Chinese yuan	-40.3	1.8	42.1	-39.2

Note: Respondents were given nine possible responses, consisting of the above eight currencies and “other,” and asked to choose one viewed as an appealing investment target and one viewed as unappealing. Those selecting “other” were asked to specify a currency.

Fig. 9: Trend in DIs for investment appeal of selected currencies



(7) Japanese equities remain the most appealing financial instrument

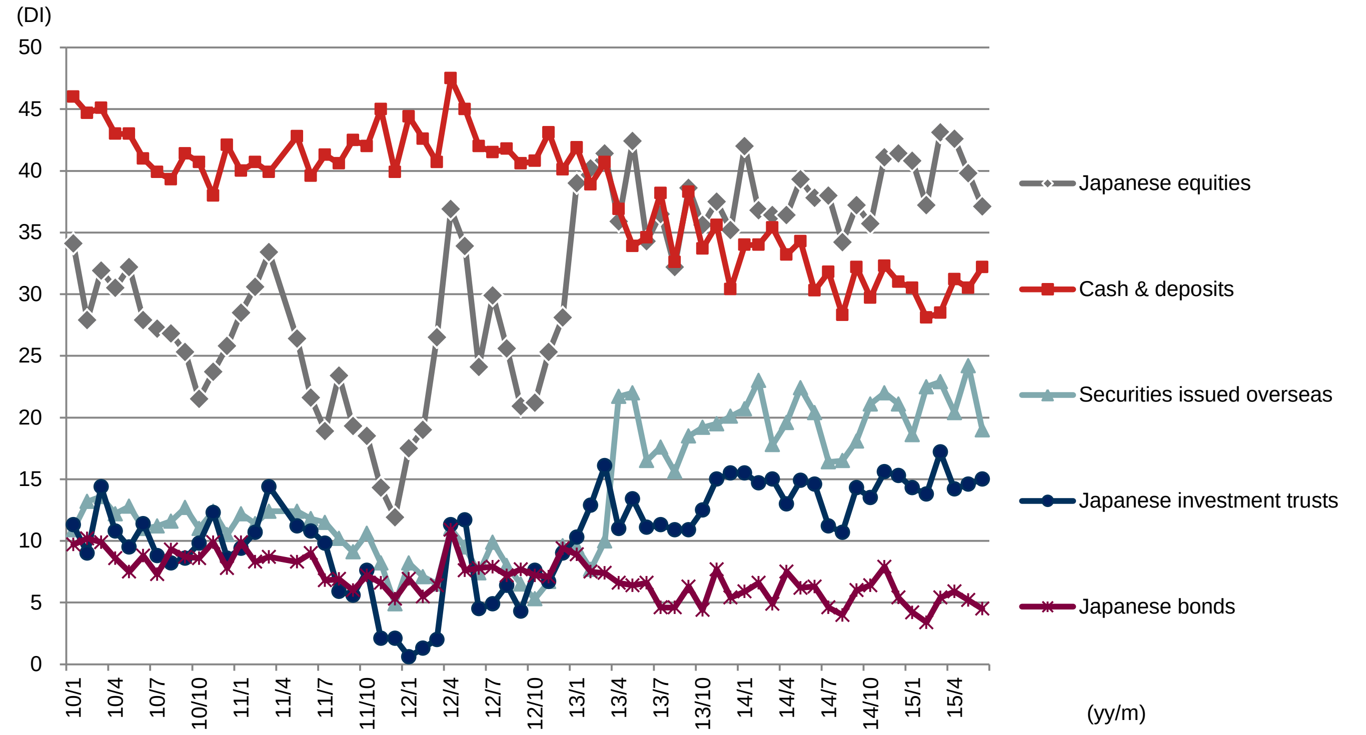
To give an indication of plans for holding financial instruments, we calculate DIs for each financial instrument by subtracting the percentage of respondents planning to cease holding the instrument or decrease their holding from the percentage planning to hold the instrument for the first time or increase their holding. Japanese equities remained the most appealing financial instrument this month, but its DI declined for the third straight month, by 2.7pt m-m (Figures 10 and 11).

Fig. 10: Financial instruments for which investors are either seeking to increase or decrease their holdings

Financial instrument	DI	Breakdown of DI (% of responses)		(Ref) Previous DI
		Plan to increase	Plan to decrease	
Japanese equities	37.1	49.9	12.8	39.8
Cash & deposits	32.2	37.1	4.9	30.5
Japanese investment trusts	15.0	19.9	4.9	14.6
Foreign equities	8.0	8.9	0.9	10.3
Gold	6.6	6.9	0.3	6.8
Foreign investment trusts	6.6	7.6	1.0	8.5
Japanese bonds	4.5	6.3	1.8	5.2
Foreign bonds	4.4	4.7	0.3	5.4
Hybrid securities	1.4	1.5	0.1	2.4
Other	0.4	0.7	0.3	1.1
None	-47.8	29.7	77.5	-49.1

Note: Respondents were given a selection of nine financial instruments and asked to choose those for which they planned to increase their holdings and those for which they planned to decrease their holdings (multiple responses were allowed). "Plan to increase" refers to financial instruments that investors plan to hold for the first time or for which they plan to increase their holding, while "plan to decrease" refers to instruments that investors plan to cease holding or for which they plan to decrease their holding. Hybrid securities and gold were added to the list of choices from the Feb 2012 survey. From the Apr 2013 survey, we have divided the former category of "Securities issued overseas" into foreign equities, foreign investment trusts, and foreign bonds.

Fig. 11: Trend in DIs for financial instruments in which investors are either seeking to increase or decrease their holdings



Note: "Securities issued overseas" is the total for foreign equities, foreign investment trusts, and foreign bonds.

(8) Rise in proportion of investors expecting prices one year out to be higher

When asked for their outlook for prices of regularly purchased goods and services one year out, 63.7% of respondents said they expected prices to be higher, up 8.4ppt from the previous month. The response rate for “no change” fell 8.5ppt m-m. The response rate for “rise of 2% up to 5%” rose 6.1ppt to 20.1% (Figure 12).

Fig. 12: Outlook for prices one year out

	Choices	% of responses	(Ref) Previous % of responses
1	Fall of 5% or more	2.7	3.3
2	Fall of 2% up to 5%	6.2	4.9
3	Fall of less than 2%	4.6	5.2
4	No change (0%)	22.8	31.3
5	Rise of less than 2%	39.2	38.5
6	Rise of 2% up to 5%	20.1	14.0
7	Rise of 5% or more	4.4	2.8
	Total	100	100

Note: Respondents were asked to select one response to the question: "How do you expect prices of regularly purchased goods and services to differ from current levels one year out?”

(9) Awareness of capital efficiency at Japanese companies

For this month's spot question, we asked investors about their stance on capital efficiency at Japanese companies, and what impact this might have on their investment approach. In response to the question, "do you think that Japanese companies have become more aware of capital efficiency considering that the Corporate Governance Code for listed companies came into effect on 1 June?," the highest response rate, of 27.2%, was for "awareness has not grown, but will do so in the future" (Figure 13). In a similar survey in June 2014, the highest response rate (of 25.0%) was for "awareness has grown, but will not last long," suggesting a change in perceptions among individual investors about companies' awareness of capital efficiency.

Fig. 13: Awareness of capital efficiency at Japanese companies

	Choices	% of responses	(Ref): % of responses in previous survey (Jun 2014)
1	Awareness has grown, and will do so more in the future	19.7	20.8
2	Awareness has grown, but will not last long	18.8	25.0
3	Awareness has not grown, but will do so in the future	27.2	23.0
4	Awareness has not grown, and will not do so in the future	9.8	9.2
5	Don’t know	24.5	22.0
	Total	100.0	100.0

Note: Respondents were asked to select one of the above five responses to the question: "Do you think that Japanese companies have become more aware of capital efficiency considering that the Corporate Governance Code for listed companies came into effect on 1 June?"

In response to our second question, "if more Japanese companies adopt a stronger focus on capital efficiency, what impact will this have on your investment approach?," the highest response rate was for "no change in investment approach (no impact)," at 43.2%, virtually unchanged from the June 2014 survey (Figure 14). The response rate for "more active approach to equity investment" was 35.6%, marking the largest rise from last year's survey, of 2.2ppt.

Fig. 14: Impact on investment approach if Japanese companies adopt stronger focus on capital efficiency

	Choices	% of responses	(Ref): % of responses in previous survey (Jun 2014)
1	More active approach to equity investment	35.6	33.4
2	More passive approach to equity investment	7.2	9.0
3	No change in investment approach (no impact)	43.2	43.0
4	Don’t know	14.0	14.6
	Total	100.0	100.0

Note: Respondents were asked to select one of the above four responses to the question: "If more Japanese companies adopt a stronger focus on capital efficiency, including dividend hikes and investment in new businesses as well as share buybacks, what impact will this have on your investment approach? Please select the option that best describes the impact on your investment approach.”

3. Nomura Individual Investor Survey

With the aim of better understanding investing activity by individuals and providing information on those trends, Nomura Securities conducts a monthly survey—the Nomura Individual Investor Survey. The results of the survey have been published monthly since April 2006.

Survey method: Questionnaire conducted electronically using the internet monitor questionnaire service administered by Nomura Investor Relations Co., Ltd.

Survey target: Survey sent to 3,000 individual investors randomly selected from the approximately 24,000 with equity investment experience participating in Nomura Investor Relations' internet monitor questionnaire service.

Number of responses: 1,000 (survey closed when 1,000 responses received).

Survey period: Survey distributed on 1 June, with deadline for responses on 2 June.

Survey content: Questions included each month are (1) share price outlook, (2) factors expected to impact the stock market, (3) attractive sectors and stocks, (4) USD/JPY outlook and attractive currencies, (5) financial instruments for which investors plan to change their holdings, and (6) inflation outlook (since July 2013). Respondents are also asked spot questions each month and queries about their personal profiles.

4. Nomura Individual Investor Survey (June 2015) respondents

Gender: Male (82.8%), Female (17.2%)

Age: Under 30 (0.5%), 30–39 (8.1%), 40–49 (25.4%), 50–59 (33.3%), 60 and above (32.7%)

Occupation: Self-employed/fisheries, agriculture, forestry (8.5%), professional (physician/medical professional, lawyer, etc) (3.1%), company management/corporate officer (3.8%), company employee/public servant (50.0%), student (0.2%), full-time homemaker (7.7%), part-time worker/casual worker/job-hopper (3.7%), unemployed/pensioner (21.8%), other (1.2%)

Region: Kanto (51.4%), Kinki (19.6%), Tokai/Koshinetsu/Hokuriku (15.2%), Hokkaido/Tohoku (4.2%), Chugoku/Shikoku/Kyushu (9.6%)

Financial assets held: Less than ¥1,000,000 (5.3%), ¥1,000,000–¥2,999,999 (7.8%), ¥3,000,000–¥4,999,999 (12.9%), ¥5,000,000–¥9,999,999 (18.3%), ¥10,000,000–¥29,999,999 (28.8%), ¥30,000,000–¥49,999,999 (11.8%), ¥50,000,000 or more (15.1%)

Value of domestic stocks held: Less than ¥500,000 (9.3%), ¥500,000–¥999,999 (11.3%), ¥1,000,000–¥2,999,999 (23.6%), ¥3,000,000–¥4,999,999 (15.6%), ¥5,000,000–¥9,999,999 (15.3%), ¥10,000,000–¥29,999,999 (16.9%), ¥30,000,000 or more (8.0%)

Investment experience: Less than three years (2.5%), three years to less than five years (5.5%), five years to less than 10 years (26.7%), 10 years to less than 20 years (31.7%), 20 years or more (33.6%)

Investment plan for domestic stocks: Mainly for long-term holding (49.4%), pursuit of gains from short-term appreciation (13.7%), pursuit of dividends and shareholder perks (24.6%), no particular plan (12.3%)

Notice

The next Nomura Individual Investor Survey (July 2015) is scheduled for release on Thursday, 16 July 2015.

Any Authors named on this report are Research Analysts unless otherwise indicated

Important Disclosures

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Online availability of research and conflict-of-interest disclosures

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Distribution of ratings (Global)

The distribution of all ratings published by Nomura Global Equity Research is as follows:
48% have been assigned a Buy rating which, for purposes of mandatory disclosures, are classified as a Buy rating; 43% of companies with this rating are investment banking clients of the Nomura Group*.
44% have been assigned a Neutral rating which, for purposes of mandatory disclosures, is classified as a Hold rating; 53% of companies with this rating are investment banking clients of the Nomura Group*.
8% have been assigned a Reduce rating which, for purposes of mandatory disclosures, are classified as a Sell rating; 25% of companies with this rating are investment banking clients of the Nomura Group*.
As at 31 March 2015. **The Nomura Group as defined in the Disclaimer section at the end of this report.*

Explanation of Nomura's equity research rating system in Europe, Middle East and Africa, US and Latin America, and Japan and Asia ex-Japan from 21 October 2013

The rating system is a relative system, indicating expected performance against a specific benchmark identified for each individual stock, subject to limited management discretion. An analyst’s target price is an assessment of the current intrinsic fair value of the stock based on an appropriate valuation methodology determined by the analyst. Valuation methodologies include, but are not limited to, discounted cash flow analysis, expected return on equity and multiple analysis. Analysts may also indicate expected absolute upside/downside relative to the stated target price, defined as (target price - current price)/current price.

STOCKS

A rating of **'Buy'**, indicates that the analyst expects the stock to outperform the Benchmark over the next 12 months. A rating of **'Neutral'**, indicates that the analyst expects the stock to perform in line with the Benchmark over the next 12 months. A rating of **'Reduce'**, indicates that the analyst expects the stock to underperform the Benchmark over the next 12 months. A rating of **'Suspended'**, indicates that the rating, target price and estimates have been suspended temporarily to comply with applicable regulations and/or firm policies. Securities and/or companies that are labelled as **'Not rated'** or shown as **'No rating'** are not in regular research coverage. Investors should not expect continuing or additional information from Nomura relating to such securities and/or companies. Benchmarks are as follows: **United States/Europe/Asia ex-Japan**: please see valuation methodologies for explanations of relevant benchmarks for stocks, which can be accessed at: http://go.nomuranow.com/research/globalresearchportal/pages/disclosures/disclosures.aspx; **Global Emerging Markets (ex-Asia)**: MSCI Emerging Markets ex-Asia, unless otherwise stated in the valuation methodology; **Japan:** Russell/Nomura Large Cap.

SECTORS

A **'Bullish'** stance, indicates that the analyst expects the sector to outperform the Benchmark during the next 12 months. A **'Neutral'** stance, indicates that the analyst expects the sector to perform in line with the Benchmark during the next 12 months. A **'Bearish'** stance, indicates that the analyst expects the sector to underperform the Benchmark during the next 12 months. Sectors that are labelled as **'Not rated'** or shown as **'N/A'** are not assigned ratings. Benchmarks are as follows: **United States:** S&P 500; **Europe:** Dow Jones STOXX 600; **Global Emerging Markets (ex-Asia):** MSCI Emerging Markets ex-Asia. **Japan/Asia ex-Japan:** Sector ratings are not assigned.

Explanation of Nomura's equity research rating system in Japan and Asia ex-Japan prior to 21 October 2013

STOCKS

Stock recommendations are based on absolute valuation upside (downside), which is defined as (Target Price - Current Price) / Current Price, subject to limited management discretion. In most cases, the Target Price will equal the analyst's 12-month intrinsic valuation of the stock, based on an appropriate valuation methodology such as discounted cash flow, multiple analysis, etc. A **'Buy'** recommendation indicates that potential upside is 15% or more. A **'Neutral'** recommendation indicates that potential upside is less than 15% or downside is less than 5%. A **'Reduce'** recommendation indicates that potential downside is 5% or more. A rating of **'Suspended'** indicates that the rating and target price have been suspended temporarily to comply with applicable regulations and/or firm policies in certain circumstances including when Nomura is acting in an advisory capacity in a merger or strategic transaction involving the subject company. Securities and/or companies that are labelled as **'Not rated'** or shown as **'No rating'** are not in regular research coverage of the Nomura entity identified in the top banner. Investors should not expect continuing or additional information from Nomura relating to such securities and/or companies.

SECTORS

A **'Bullish'** rating means most stocks in the sector have (or the weighted average recommendation of the stocks under coverage is) a positive absolute recommendation. A **'Neutral'** rating means most stocks in the sector have (or the weighted average recommendation of the stocks under coverage is) a neutral absolute recommendation. A **'Bearish'** rating means most stocks in the sector have (or the weighted average recommendation of the stocks under coverage is) a negative absolute recommendation.

Target Price

A Target Price, if discussed, reflect in part the analyst's estimates for the company's earnings. The achievement of any target price may be impeded by general market and macroeconomic trends, and by other risks related to the company or the market, and may not occur if the company's earnings differ from estimates.

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Investors in the financial products offered by Nomura Securities may incur fees and commissions specific to those products (for example, transactions involving Japanese equities are subject to a sales commission of up to 1.404% on a tax-inclusive basis of the transaction amount or a commission of ¥2,808 for transactions of ¥200,000 or less, while transactions involving investment trusts are subject to various fees, such as commissions at the time of purchase and asset management fees (trust fees), specific to each investment trust). In addition, all products carry the risk of losses owing to price fluctuations or other factors. Fees and risks vary by product. Please thoroughly read the written materials provided, such as documents delivered before making a contract, listed securities documents, or prospectuses.

Transactions involving Japanese equities (including Japanese REITs, Japanese ETFs, and Japanese ETNs) are subject to a sales commission of up to 1.404% of the transaction amount (or a commission of ¥2,808 for transactions of ¥200,000 or less). When Japanese equities are purchased via OTC transactions (including offerings), only the purchase price shall be paid, with no sales commission charged. However, Nomura Securities may charge a separate fee for OTC transactions, as agreed with the customer. Japanese equities carry the risk of losses owing to price fluctuations. Japanese REITs carry the risk of losses owing to fluctuations in price and/or earnings of underlying real estate. Japanese ETFs carry the risk of losses owing to fluctuations in the underlying indexes or other benchmarks.

Transactions involving foreign equities are subject to a domestic sales commission of up to 1.026% of the transaction amount (which equals the local transaction amount plus local fees and taxes in the case of a purchase or the local transaction amount minus local fees and taxes in the case of a sale) (for transaction amounts of ¥750,000 and below, maximum domestic sales commission is ¥7,668). Local fees and taxes in foreign financial instruments markets vary by country/territory. When foreign equities are purchased via OTC transactions (including offerings), only the purchase price shall be paid, with no sales commission charged. However, Nomura Securities may charge a separate fee for OTC transactions, as agreed with the customer. Foreign equities carry the risk of losses owing to factors such as price fluctuations and foreign exchange rate fluctuations.

Margin transactions are subject to a sales commission of up to 1.404% of the transaction amount (or a commission of ¥2,808 for transactions of ¥200,000 or less), as well as management fees and rights handling fees. In addition, long margin transactions are subject to interest on the purchase amount, while short margin transactions are subject to fees for the lending of the shares borrowed. A margin equal to at least 30% of the transaction amount and at least ¥300,000 is required. With margin transactions, an amount up to roughly 3.3x the margin may be traded. Margin transactions therefore carry the risk of losses in excess of the margin owing to share price fluctuations. For details, please thoroughly read the written materials provided, such as listed securities documents or documents delivered before making a contract.

Transactions involving convertible bonds are subject to a sales commission of up to 1.08% of the transaction amount (or a commission of ¥4,320 if this would be less than ¥4,320). When convertible bonds are purchased via OTC transactions (including offerings), only the purchase price shall be paid, with no sales commission charged. However, Nomura Securities may charge a separate fee for OTC transactions, as agreed with the customer. Convertible bonds carry the risk of losses owing to factors such as interest rate fluctuations and price fluctuations in the underlying stock. In addition, convertible bonds denominated in foreign currencies also carry the risk of losses owing to factors such as foreign exchange rate fluctuations.

When bonds are purchased via public offerings, secondary distributions, or other OTC transactions with Nomura Securities, only the purchase price shall be paid, with no sales commission charged. Bonds carry the risk of losses, as prices fluctuate in line with changes in market interest rates. Bond prices may also fall below the invested principal as a result of such factors as changes in the management and financial circumstances of the issuer, or changes in third-party valuations of the bond in question. In addition, foreign currency-denominated bonds also carry the risk of losses owing to factors such as foreign exchange rate fluctuations.

When Japanese government bonds (JGBs) for individual investors are purchased via public offerings, only the purchase price shall be paid, with no sales commission charged. As a rule, JGBs for individual investors may not be sold in the first 12 months after issuance. When JGBs for individual investors are sold before maturity, an amount calculated via the following formula will be subtracted from the par value of the bond plus accrued interest: (1) for 10-year variable rate bonds, an amount equal to the two preceding coupon payments (before tax) x 0.79685 will be used, (2) for 5-year and 3-year fixed rate bonds, an amount equal to the two preceding coupon payments (before tax) x 0.79685 will be used.
When inflation-indexed JGBs are purchased via public offerings, secondary distributions (uridashi deals), or other OTC transactions with Nomura Securities, only the purchase price shall be paid, with no sales commission charged. Inflation-indexed JGBs carry the risk of losses, as prices fluctuate in line with changes in market interest rates and fluctuations in the nationwide consumer price index.The notional principal of inflation-indexed JGBs changes in line with the rate of change in nationwide CPI inflation from the time of its issuance. The amount of the coupon payment is calculated by multiplying the coupon rate by the notional principal at the time of payment. The maturity value is the amount of the notional principal when the issue becomes due. For JI17 and subsequent issues, the maturity value shall not undercut the face amount.
Purchases of investment trusts (and sales of some investment trusts) are subject to a purchase or sales fee of up to 5.4% of the transaction amount. Also, a direct cost that may be incurred when selling investment trusts is a fee of up to 2.0% of the unit price at the time of redemption. Indirect costs that may be incurred during the course of holding investment trusts include, for domestic investment trusts, an asset management fee (trust fee) of up to 5.4% (annualized basis) of the net assets in trust, as well as fees based on investment performance. Other indirect costs may also be incurred. For foreign investment trusts, indirect fees may be incurred during the course of holding such as investment company compensation.
Investment trusts invest mainly in securities such as Japanese and foreign equities and bonds, whose prices fluctuate. Investment trust unit prices fluctuate owing to price fluctuations in the underlying assets and to foreign exchange rate fluctuations. As such, investment trusts carry the risk of losses. Fees and risks vary by investment trust. Maximum applicable fees are subject to change; please thoroughly read the written materials provided, such as prospectuses or documents delivered before making a contract.
In interest rate swap transactions and USD/JPY basis swap transactions ("interest rate swap transactions, etc."), only the agreed transaction payments shall be made on the settlement dates. Some interest rate swap transactions, etc. may require pledging of margin collateral. In some of these cases, transaction payments may exceed the amount of collateral. There shall be no advance notification of required collateral value or collateral ratios as they vary depending on the transaction. Interest rate swap transactions, etc. carry the risk of losses owing to fluctuations in market prices in the interest rate, currency and other markets, as well as reference indices. Losses incurred as such may exceed the value of margin collateral, in which case margin calls may be triggered. In the event that both parties agree to enter a replacement (or termination) transaction, the interest rates received (paid) under the new arrangement may differ from those in the original arrangement, even if terms other than the interest rates are identical to those in the original transaction. Risks vary by transaction. Please thoroughly read the written materials provided, such as documents delivered before making a contract and disclosure statements.
In OTC transactions of credit default swaps (CDS), no sales commission will be charged. When entering into CDS transactions, the protection buyer will be required to pledge or entrust an agreed amount of margin collateral. In some of these cases, the transaction payments may exceed the amount of margin collateral. There shall be no advance notification of required collateral value or collateral ratios as they vary depending on the financial position of the protection buyer. CDS transactions carry the risk of losses owing to changes in the credit position of some or all of the referenced entities, and/or fluctuations of the interest rate market. The amount the protection buyer receives in the event that the CDS is triggered by a credit event may undercut the total amount of premiums that he/she has paid in the course of the transaction. Similarly, the amount the protection seller pays in the event of a credit event may exceed the total amount of premiums that he/she has received in the transaction. All other conditions being equal, the amount of premiums that the protection buyer pays and that received by the protection seller shall differ. In principle, CDS transactions will be limited to financial instruments business operators and qualified institutional investors.
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