

# Creditor Presentation

Fourth Quarter, Fiscal Year Ended March 2013

**NOMURA**

Nomura Holdings, Inc.

April 2013

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Unless otherwise stated, conversion of Yen figures to U.S. Dollars has been calculated at the exchange rate of USD 1 = JPY 94.16, i.e. FRB noon rate as of March 31, 2013

## Financial Highlights

### FYE 2013 Fourth Quarter

- Significant QoQ increase in revenue and income: Both income before income taxes and net income<sup>1</sup> at highest level since FYE2006 4Q
- Robust Retail performance and one-off gain on secondary offering of Nomura Real Estate Holdings(“NREH”) shares (Y50.1bn) contributed to overall earnings
  - Net revenue: Y653.6bn (+68% QoQ)
  - Income before income taxes: Y169.7bn (13.1x QoQ)
  - Net income<sup>1</sup>: Y82.4bn (4.1x QoQ)
  - ROE: 14.8% (3Q:ROE3.8%)

### FYE 2013 Full year

- Reported marked increase in revenue and income: Both income before income taxes and net income<sup>1</sup> at highest level since fiscal year ended March 2007
  - Net revenue: Y1,813.6bn (+18% YoY)
  - Income before income taxes: Y237.7bn (+180% YoY)
  - Net income<sup>1</sup>: Y107.2bn (9.3x YoY)
  - ROE: 4.9% (FYE2012:ROE0.6%)

## Balance Sheet Management

- Healthy balance sheet
  - Highly liquid, healthy balance sheet: 82% of assets are highly liquid trading-related assets
  - Conservative Risk Profile
- Substantial Liquidity: Liquidity portfolio Y5.9tn (\$62bn) as of March 2013, 16% of total assets
- Conservative funding profile: Approx 80% of unsecured funding is comprised of long-term debt. Funding sources and debt maturities are diversified
- Robust financial position
  - Basel 3 basis<sup>2</sup>: Tier 1 ratio of 11.7%, Tier 1 common ratio<sup>3</sup> of 11.7%

(1) Net income attributable to Nomura Holdings shareholders. (2) Credit risk assets are calculated using the internal model method.

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

# Overview of Results

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## Quarter

	FYE 2012	FYE 2013				QoQ	YoY
	4Q	1Q	2Q	3Q	4Q		
Net revenue	499.0	369.3	401.7	389.1	<b>653.6</b> <b>\$6.94</b>	+68%	+31%
Retail	92.4	82.7	80.8	95.7	<b>138.7</b> <b>\$1.47</b>	+45%	+50%
Asset Management	15.7	16.4	15.4	18.8	<b>18.3</b> <b>\$0.19</b>	-3%	+16%
Wholesale	158.4	121.9	137.1	189.0	<b>196.9</b> <b>\$2.09</b>	+4%	+24%
Segment Total	266.5	221.0	233.3	303.4	<b>354.0</b> <b>\$3.76</b>	+17%	+33%
Other	222.6	154.6	156.0	76.8	<b>276.9</b> <b>\$2.94</b>	3.6x	+24%
Unrealized gain (loss) on Investments in equity securities <sup>1</sup>	9.9	-6.3	12.4	8.9	<b>22.8</b> <b>\$0.24</b>	+156%	+130%
Non-interest expenses	438.2	349.6	366.3	376.1	<b>483.9</b> <b>\$5.14</b>	+29%	+10%
Income (loss) before income taxes	60.8	19.7	35.4	13.0	<b>169.7</b> <b>\$1.80</b>	13.1x	+179%
Segment Total	36.3	9.0	15.7	71.9	<b>96.8</b> <b>\$1.03</b>	+35%	+167%
Other <sup>2</sup>	14.6	17.0	7.3	-67.9	<b>50.1</b> <b>\$0.53</b>	-	3.4x
Unrealized gain (loss) on Investments in equity securities <sup>1</sup>	9.9	-6.3	12.4	8.9	<b>22.8</b> <b>\$0.24</b>	+156%	+130%
Net income (loss) <sup>3</sup>	22.1	1.9	2.8	20.1	<b>82.4</b> <b>\$0.88</b>	4.1x	3.7x

## Full Year

	FYE 2012	FYE 2013	YoY
Net revenue	1,535.9	<b>1,813.6</b> <b>\$19.26</b>	+18%
Retail	350.3	<b>397.9</b> <b>\$4.23</b>	+14%
Asset Management	65.8	<b>68.9</b> <b>\$0.73</b>	+5%
Wholesale	555.9	<b>644.9</b> <b>\$6.85</b>	+16%
Segment Total	971.9	<b>1,111.7</b> <b>\$11.81</b>	+14%
Other	560.1	<b>664.2</b> <b>\$7.05</b>	+18%
Unrealized gain (loss) on Investments in equity securities <sup>1</sup>	3.8	<b>37.7</b> <b>\$0.40</b>	9.9x
Non-interest expenses	1,450.9	<b>1,575.9</b> <b>\$16.74</b>	+9%
Income (loss) before income taxes	85.0	<b>237.7</b> <b>\$2.52</b>	+180%
Segment Total	46.1	<b>193.5</b> <b>\$2.05</b>	4.2x
Other <sup>2</sup>	35.1	<b>6.6</b> <b>\$0.07</b>	-81%
Unrealized gain (loss) on Investments in equity securities <sup>1</sup>	3.8	<b>37.7</b> <b>\$0.40</b>	9.9x
Net income (loss) <sup>3</sup>	11.6	<b>107.2</b> <b>\$1.14</b>	9.3x

## Key Points

### Fourth Quarter Results

- Income before income taxes from three business segments totaled Y96.8bn (+35% QoQ), representing strongest quarter since FYE2008 1Q
- **Retail**
  - Net revenue Y138.7bn (+45% QoQ)
  - Income before income taxes Y57.2bn (+182% QoQ)
    - ✓ Stock market rally underpinned strong growth in sales of equity-related products
- **Asset Management**
  - Net revenue Y18.3bn (-3% QoQ)
  - Income before income taxes Y3.9bn (-46% QoQ)
    - ✓ Revenues in line with last quarter which included revenues from performance fees and dividends
- **Wholesale**
  - Net revenue Y196.9bn (+4% QoQ)
  - Income before income taxes Y35.7bn (-20% QoQ)
    - ✓ Strongest revenues since FYE2010 3Q with Japan revenues showing a sharp increase QoQ

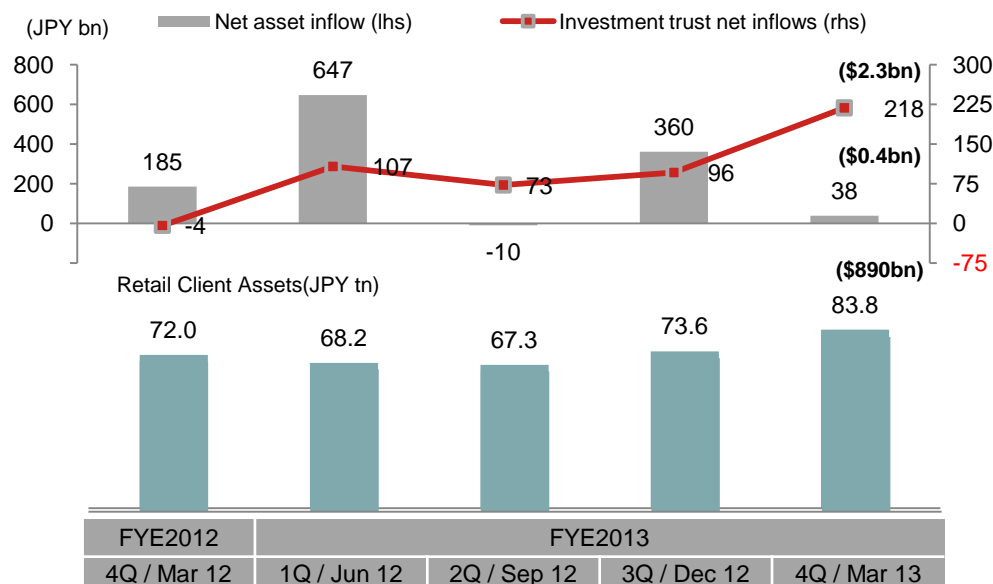
### Full Year Results

- Income before income taxes from three business segments totaled Y193.5bn (4.2x YoY); All businesses reported higher income YoY
- **Retail**
  - Performance rebounded in 2H as consulting-based sales approach now well established and market conditions turned favorable
- **Asset Management**
  - Steady growth in assets under management
- **Wholesale**
  - Revenues driven by Fixed Income
  - Absorbed effects of cost reduction program and reported revenues in Equities and Investment Banking<sup>6</sup> in line with last year
  - Continued efforts to raise profitability: Reduced cost base significantly, achieving profitability at pretax level

(1) Unrealized gain (loss) on investments in equity securities held for operating purposes. (2) Income before income taxes in "Other" segment of Y50.1bn: (i) Capital gain on NREH stock offering: Y11.6bn; Unrealized gain on remaining stake: Y38.5bn, (ii) Earnings of subsidiaries, equity in earnings of affiliates, earnings from businesses not included in three segments: Y40bn, (iii) Loss (Y34.8bn) due to changes in own and counterparty credit spreads.  
(3) Net income (loss) attributable to Nomura Holdings shareholders. (4) Net revenue in Investment Banking excluding "Other".

## Net Revenue and Income Before Income Taxes

(JPY bn) (USD bn)	Quarter							Full Year		
	FYE 2012	FYE2013				QoQ	YoY	FYE 2012	FYE 2013	YoY
	4Q	1Q	2Q	3Q	4Q			2012	2013	
Net revenue	92.4	82.7	80.8	95.7	<b>138.7</b> <b>\$1.47</b>	+45%	+50%	350.3	<b>397.9</b> <b>\$4.23</b>	+14%
Non-interest expenses	72.1	70.5	69.8	75.4	<b>81.5</b> <b>\$0.87</b>	+8%	+13%	287.1	<b>297.3</b> <b>\$3.16</b>	+4%
Income before income taxes	20.3	12.2	11.0	20.3	<b>57.2</b> <b>\$0.61</b>	+182%	+182%	63.1	<b>100.6</b> <b>\$1.07</b>	+59%

Net Asset Inflows<sup>1</sup> and Investment Trust Net Inflows<sup>2</sup>, Retail Client Assets

## Key Points

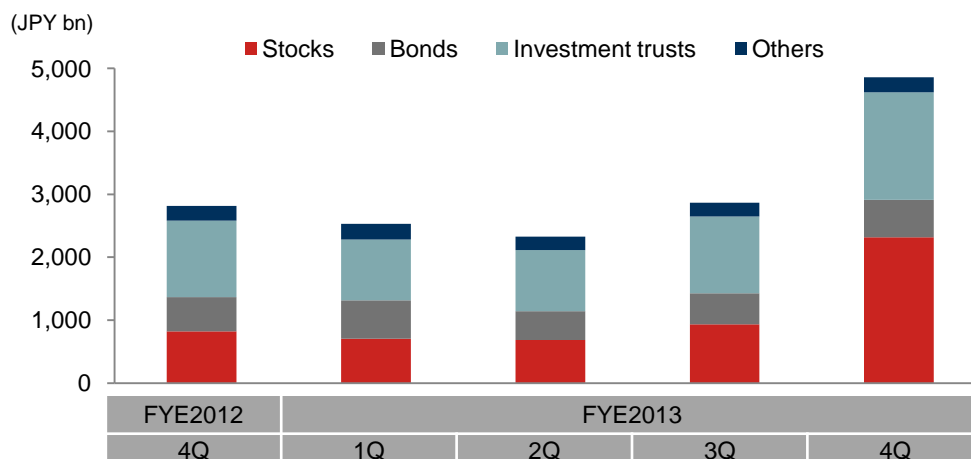
## Fourth Quarter Results

- Net revenue and income before income taxes increased markedly QoQ; Income before income taxes at highest level since FYE2006 3Q
  - Total sales jumped 69% QoQ
  - Stock market rally underpinned strong growth in sales of equity-related products
  - Increased costs of approximately Y5bn related to new IT system were more than offset by strong revenues
- Client franchise
  - Retail client assets Y83.8trn
  - Accounts with balance 5.02m
  - Net asset inflows Y38bn

## Full Year Results

- Consulting-based sales are now well established and performance improved sharply in 2H as market conditions turned favorable

## Total Sales

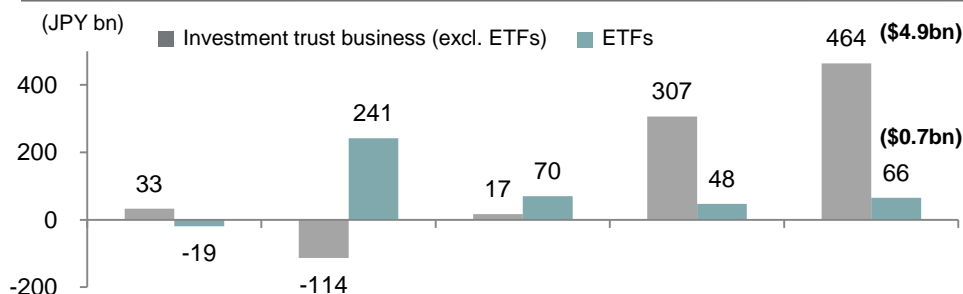


(1) Net asset inflows = Asset inflows – asset outflows. Retail client assets exclude portion from regional financial institutions. (2) Retail channel only.

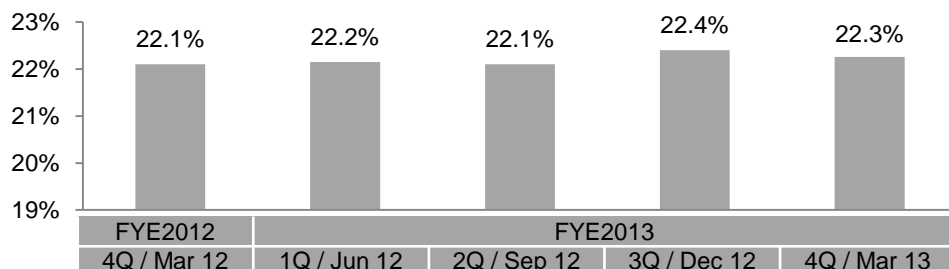
## Net Revenue and Income Before Income Taxes

(JPY bn) (USD bn)	Quarter							Full Year		
	FYE 2012	FYE2013				QoQ	YoY	FYE 2012	FYE 2013	YoY
	4Q	1Q	2Q	3Q	4Q			2012	2013	
Net revenue	15.7	16.4	15.4	18.8	18.3 \$0.19	-3%	+16%	65.8	68.9 \$0.73	+5%
Non-interest expenses	11.6	11.0	10.9	11.5	14.4 \$0.15	+25%	+24%	45.3	47.8 \$0.51	+5%
Income before income taxes	4.1	5.4	4.6	7.3	3.9 \$0.04	-46%	-5%	20.5	21.2 \$0.22	+3%

## Investment Trust Business Flows of Funds<sup>1</sup> and Nomura Asset Management Share of Public Investment Trust Market<sup>2</sup>



Nomura Asset Management Share of Public Investment Trust Market (%)



## Key Points

### Fourth Quarter Results

- Revenues in line with last quarter which included revenues from performance fees and dividends; Assets under management increased by 10% QoQ
- Income before income taxes declined QoQ due to one-off charge related to revaluation of assets

### Investment trust business

- Investor risk appetite increased with funds primarily flowing into Japan stock and high dividend stock investment trusts

#### 4Q fund inflows

- Nomura High Dividend Infrastructure Equity Premium Fund: Y139.9bn
- Nomura Japan Brand Investment Stock Fund: Y128.4bn
- Nomura Japan High Dividend Stock Premium Fund: Y99.1bn
- Enhanced "Next Funds" ETF product lineup
  - Newly listed Nomura Japan Equity High Dividend 70 ETF to meet investor needs for income
  - Total of 40 ETFs with AuM of Y2.6trn at end Mar (Maintained #1 spot with 51% market share)<sup>2</sup>

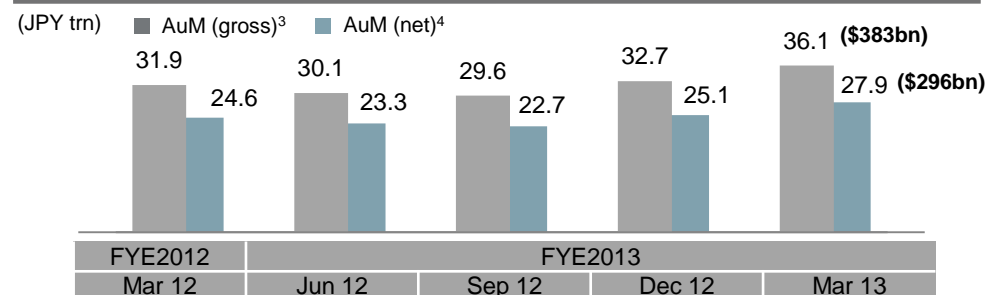
### Investment advisory business

- AuM increased 10% QoQ supported by the market rally; Continued to win mandates for a diverse range of products

### Full Year Results

- Steady growth in AuM; Both net revenue and income before income taxes increased YoY

## Assets Under Management

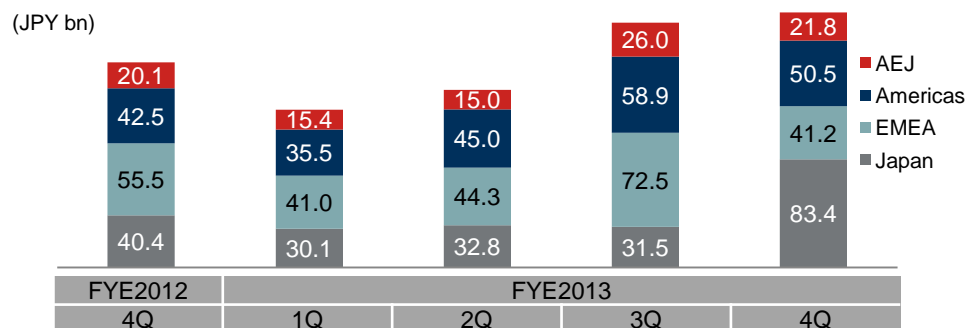


(1) Based on assets under management (net). (2) Source: The Investment Trusts Association, Japan. (3) Total assets under management for Nomura Asset Management, Nomura Funds Research and Technologies, Nomura Corporate Research and Asset Management, and Nomura Private Equity Capital. (4) Net after deducting duplications from assets under management (gross).

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

(JPY bn) (USD bn)	Quarter							Full Year		
	FYE 2012	FYE2013				QoQ	YoY	FYE 2012	FYE 2013	YoY
	4Q	1Q	2Q	3Q	4Q					
Net revenue	158.4	121.9	137.1	189.0	<b>196.9</b> <b>\$2.09</b>	+4%	+24%	555.0	<b>644.9</b> <b>\$6.85</b>	+16%
Fixed Income	87.0	71.5	88.6	110.7	<b>108.0</b> <b>\$1.15</b>	-2%	+24%	274.5	<b>378.7</b> <b>\$4.02</b>	+38%
Equity	51.6	37.1	32.1	47.3	<b>65.1</b> <b>\$0.69</b>	+38%	+26%	181.2	<b>181.7</b> <b>\$1.93</b>	+0%
Investment Banking (net)	21.2	15.1	15.8	17.7	<b>23.4</b> <b>\$0.25</b>	+32%	+10%	75.4	<b>72.0</b> <b>\$0.76</b>	-4%
Other	-1.4	-1.8	0.6	13.2	<b>0.4</b> <b>\$0.00</b>	-97%	-	23.9	<b>12.4</b> <b>\$0.13</b>	-48%
Investment Banking	19.8	13.3	16.4	30.9	<b>23.8</b> <b>\$0.25</b>	-23%	+20%	99.3	<b>84.4</b> <b>\$0.90</b>	-15%
Non-interest expenses	146.5	130.4	136.9	144.6	<b>161.3</b> <b>\$1.71</b>	+12%	+10%	592.7	<b>573.2</b> <b>\$6.09</b>	-3%
Income (loss) before income taxes	11.9	-8.6	0.2	44.4	<b>35.7</b> <b>\$0.38</b>	-20%	3.0x	-37.7	<b>71.7</b> <b>\$0.76</b>	-
Investment Banking (gross)	40.5	32.2	33.3	<b>33.4</b>	<b>44.1</b> <b>\$0.47</b>	+32%	+9%	141.7	<b>143.0</b> <b>\$1.52</b>	+1%

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



## Key Points

### Fourth Quarter Results

- Net revenue at highest level since FYE2010 3Q; Japan revenues jumped significantly
- Higher costs as a result of one-off expenses of Y6bn related to cost reduction program and due to yen depreciation

### Fixed Income

- Second highest quarterly revenues for the year as strong performance in Japan offset slower revenues in international franchise
  - Japan: Revenue opportunities increased due to shift in macro economic environment
- Client revenues up 24% QoQ on growth across all regions
- Product level performance
  - Rates : Globally, revenues remained solid. EMEA revenues softened from a strong 3Q on lower market volatility
  - Securitized Products: Revenues were resilient but declined QoQ as asset prices stabilized

### Equities

- Client revenues
  - Up 37% QoQ on higher turnover on major markets. Strong rebound in Japan
- Trading revenues
  - Trading driven by rise in major market indices
- Derivatives: Continued growth since 3Q. Particularly strong growth in Japan and AEJ
- Migration of Execution Services to Instinet
  - Migration complete for most major clients, cost reductions exceed target

### Investment Banking

- Although revenues declined from 3Q when private equity gains were booked, Investment Banking (Net) increased 32% on the back of solid business in Japan
- Gross revenue: Y44.1bn (up both QoQ and YoY)
  - Japan: Highest revenues in eight quarters
    - Revenues driven by ECM transactions for REITs, etc, and by landmark DCM deals
  - International: Maintained momentum despite lower revenue opportunities
    - Executed diverse range of transactions such as M&A and solutions primarily for financial institutions and financial sponsors
    - Leveraged finance revenues continued to grow in the Americas

### Full Year Results

- Revenues were driven by Fixed Income which reported stronger revenues YoY across all products and international regions
- Absorbed effects of cost reduction program and reported revenues in Equities and Investment Banking<sup>2</sup> in line with last year
- Continued efforts to raise profitability: Costs down by 3%

(1) Figures have been reclassified to conform to the current presentation following a reorganization in April 2012

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

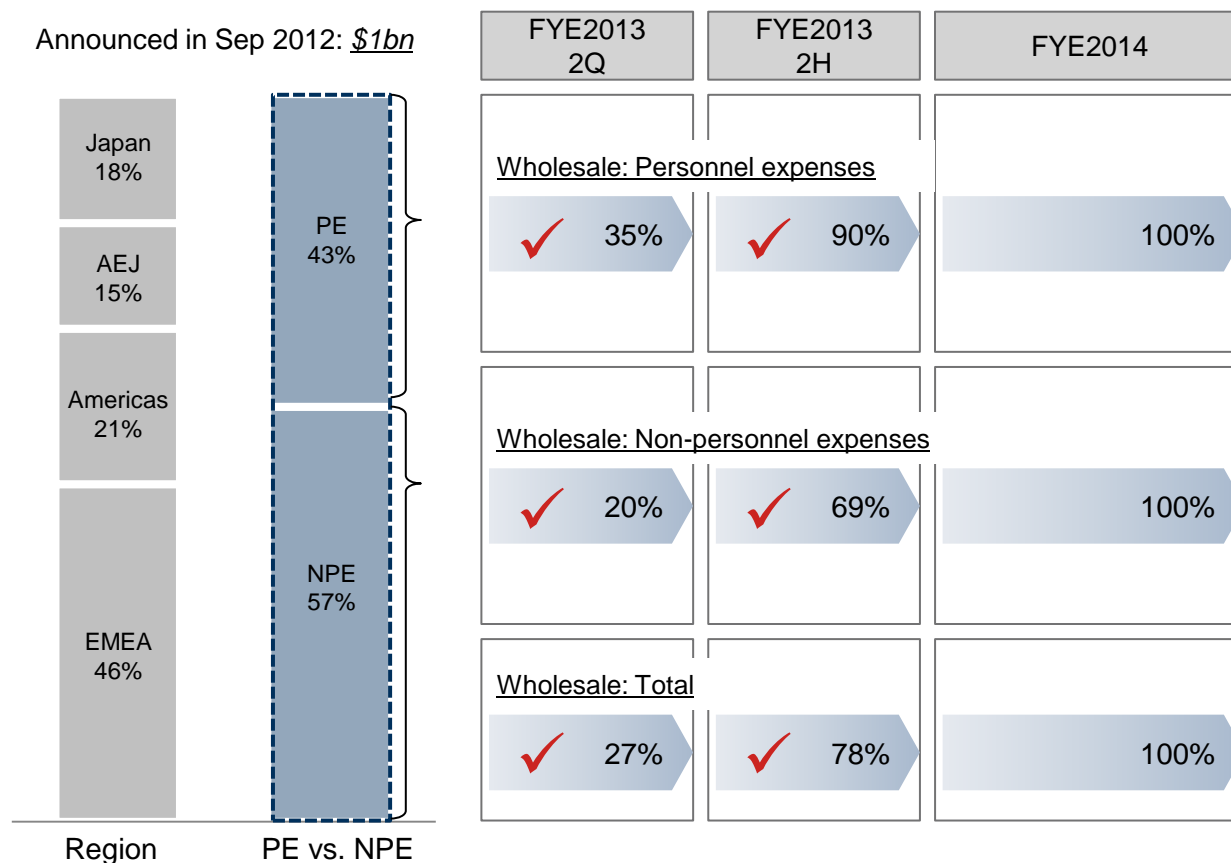


# Progress of Cost Reduction Program

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## Timeline of \$1bn Cost Reduction Program

## Progress to Mar 2013

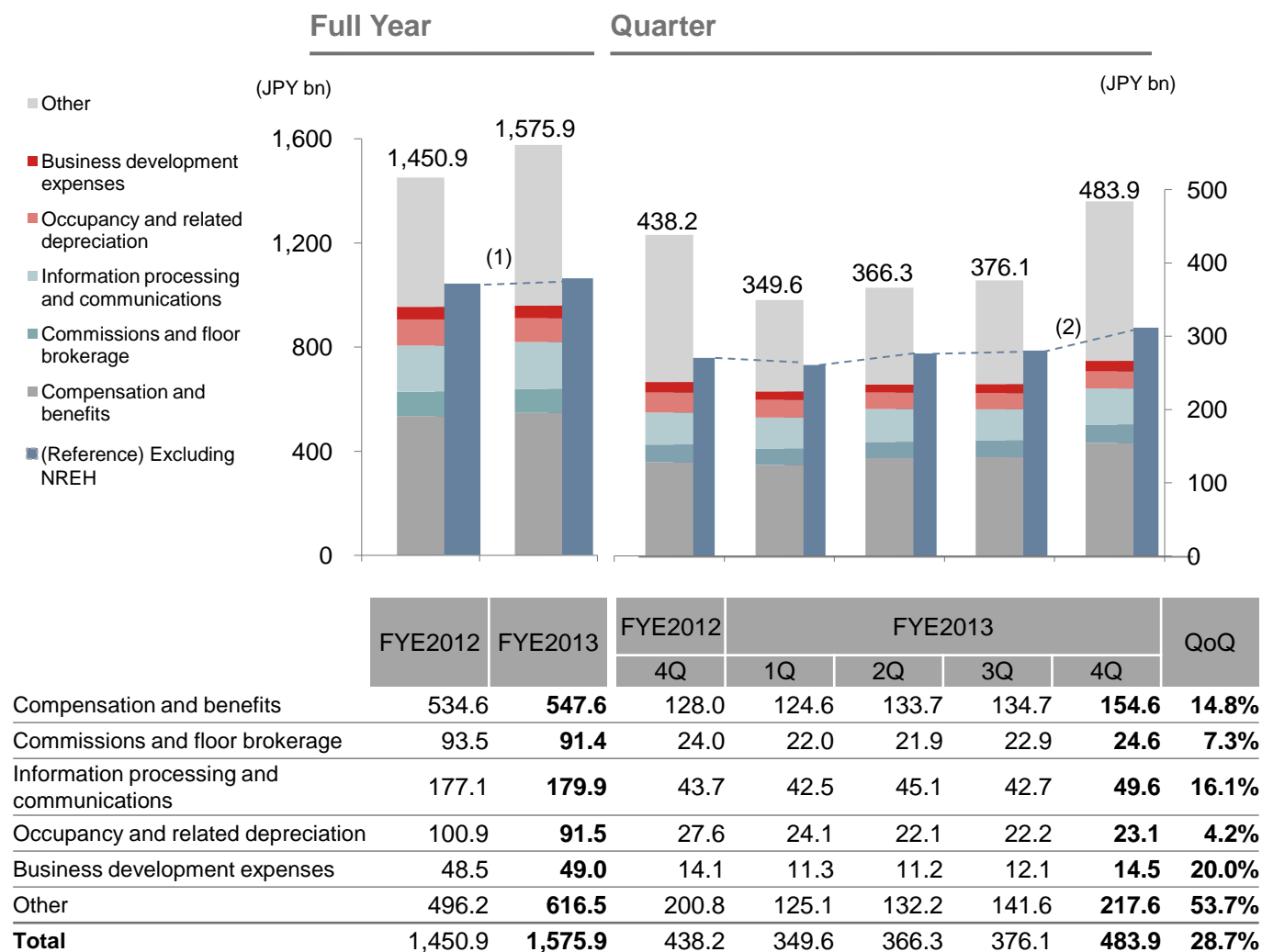


- Additional \$1bn cost reductions 78% complete as of end of March
  - Personnel expense reductions progressing ahead of schedule (90% complete)
- Improving profitability
  - Migrating Execution Services to Instinet
    - ✓ Migration complete for most major clients, cost reductions exceeded initial target
  - Reorganized Research coverage and Derivatives business
  - Reallocated resources in Investment banking to key coverage areas
  - Corporate has revamped IT system cost structure and improved business efficiencies

(1) Regional and PE vs. NPE breakdowns for \$1bn cost reduction have been adjusted from the figures announced on September 6, 2012.

# Non-Interest Expenses

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## Key Points

### Full year

- Non-interest expenses: Y1,575.9bn (+9% YoY)
  - Increase is due to an adjustment related to the consolidation period for Nomura Land and Building (consolidated in May 2011), higher cost of goods sold at NREH on stronger revenues, and other factors
  - Excluding NREH, expenses were roughly flat YoY -- (1)

### Fourth Quarter

- Non-interest expenses: Y483.9bn (+29% QoQ)
  - Other expenses increased 54% QoQ due to a rise in cost of goods sold at NREH
  - Excluding NREH, expenses increased by 11% QoQ --- (2)

# (Reference) Non-Interest Expenses (excl. NREH)

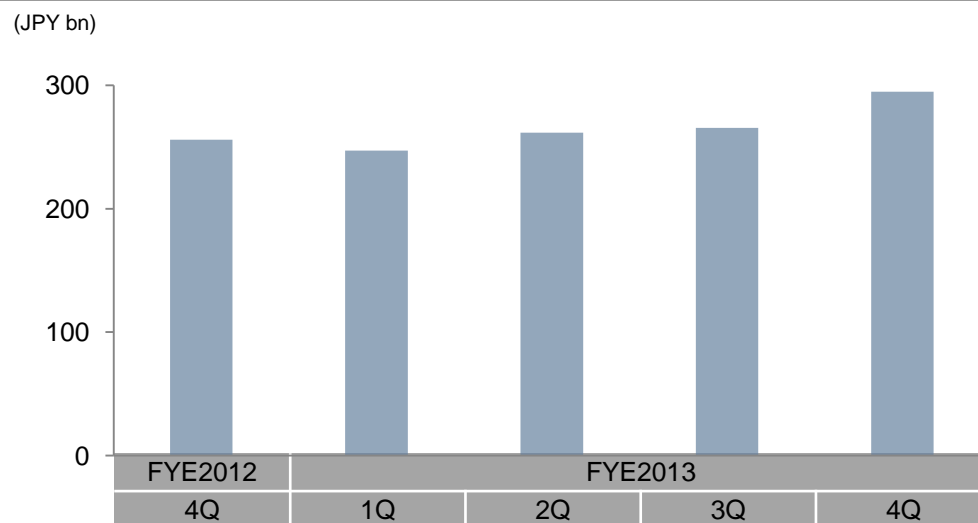
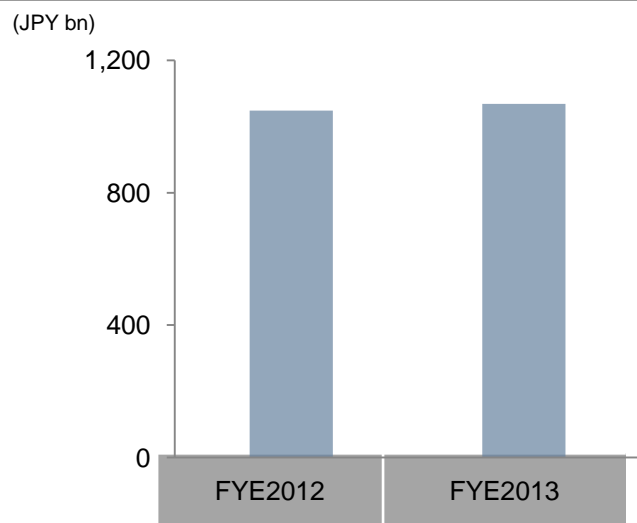
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## Full Year

- Non-interest expenses roughly flat YoY (+2%)
  - ✓ Higher costs in international business due to yen depreciation
  - ✓ Increase in one-off expenses
    - Booked one-off expenses of Y18.5bn related to cost reduction program, up from Y12.4bn in prior year
    - Loss on disposal of It system of approx. Y7.0bn
    - Goodwill impairment charge of Y8.3bn
- Non-interest expenses were down YoY excluding the above factors

## Quarter

- Non-interest expenses increased 11% QoQ
  - ✓ Compensation and benefits
    - Booked one-off expense of Y7.5bn related to cost reduction program, up from Y3.9bn in the previous quarter
    - Increased bonus pool in line with stronger revenues, higher costs in international business due to yen depreciation, other factors
  - ✓ Information processing and communications
    - Costs related to new Retail IT system increased by Y5bn
- Marked increase in income before income taxes QoQ as robust revenues more than offset higher costs



## Balance Sheet Composition

### ■ Highly Liquid, Healthy Balance Sheet

- 82% of assets are highly liquid trading and related assets that are marked to market, and matched to trading and related liabilities through repos, etc. (regionally and by currency)
- Other assets are funded by equity and long-term debt, ensuring structural stability

### ■ Conservative Risk Profile

- Peripheral Europe net country exposure of \$0.92bn (decreased by \$2.0bn from December 2012)
- Net Level 3 assets<sup>2</sup> continued to be moderate, 25% of Tier 1 capital as of March 2013

## Liquidity Portfolio<sup>3</sup>

### ■ Substantial Liquidity Portfolio

- ¥5.9tn(\$62bn), 16% of total assets
- Maintain a high quality liquidity portfolio surplus without the need for additional unsecured funding over a certain period

Balance Sheet  
(March 2013)

Assets	Liabilities / Equity
Trading Assets and Related <sup>1</sup>	Trading Liabilities and Related <sup>1</sup>
	Other Liabilities
	Short-Term Borrowings
	Long-Term Borrowings
	Total Equity
Cash and Cash Deposits	
Other Assets	

## Funding Profile

### ■ Conservative Funding Profile

- Approx. 80% of unsecured funding<sup>3</sup> is long-term debt
- Unsecured funding sources are diversified across products, investor types and maturities

## Financial Position

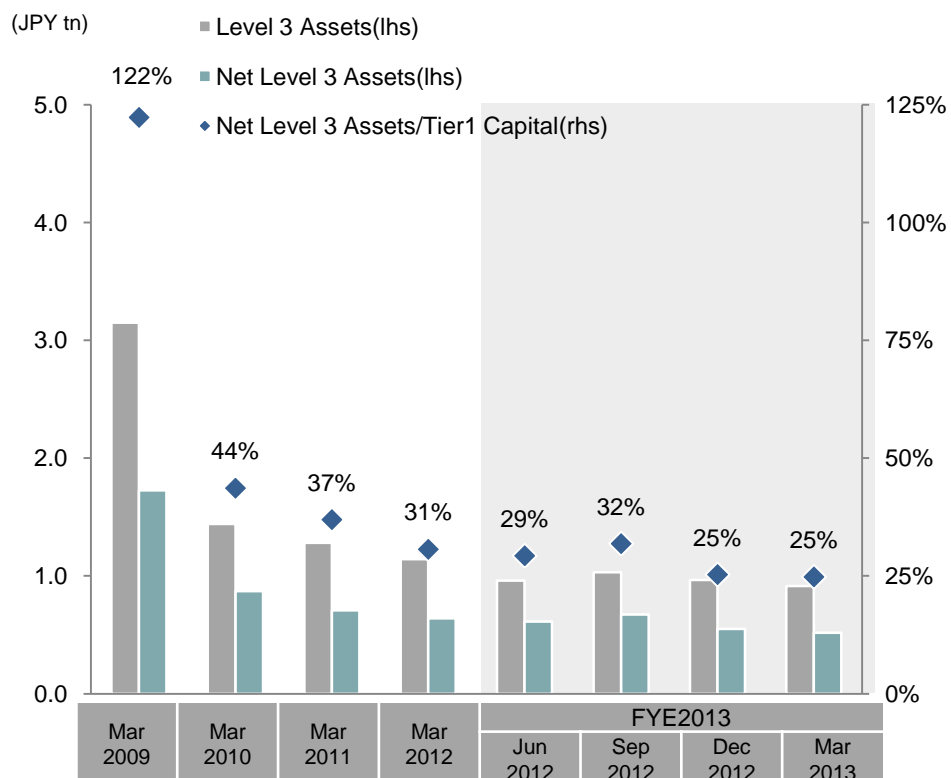
### ■ Robust Financial Position

- Basel 3 basis<sup>4</sup>  
Tier 1 ratio at 11.7%, and  
Tier 1 common ratio<sup>5</sup> at 11.7%
- Leverage remains at prudent levels, with gross leverage at 16.5x and net leverage<sup>6</sup> at 10.4x

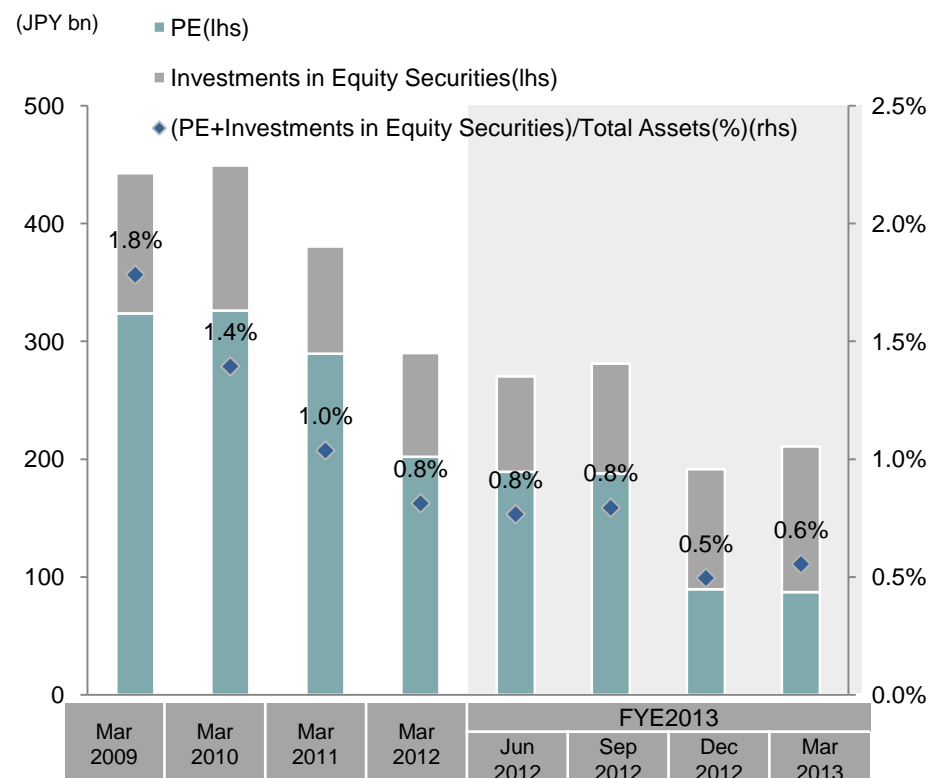
(1) Trading assets and related: Reverse repo, securities, derivatives, etc. Trading liabilities and related: Repo, securities loaned, derivatives liabilities, etc. (2) Preliminary. (3) Definition differs from financial disclosures reflecting Liquidity Management's view. Cash and cash deposits portion of liquidity portfolio excludes segregated client funds. (4) Credit risk assets are calculated using the internal model method. (5) Tier 1 common ratio is defined as Tier 1 capital minus minority interest divided by risk-weighted assets. (6) Net leverage: Total assets minus securities purchased under agreements to resell and securities borrowed, divided by Nomura Holdings shareholders' equity.

- We will continue to control Level 3 assets and less liquid non-trading assets such as private equity, investments in equity securities at manageable levels

## Level 3 Assets<sup>1</sup>



## Private Equity Investments / Investments in Equity Securities



## Balance Sheet Related Indicators and Capital Ratios

	(JPY bn)	(JPY bn)	(USD bn)
	Dec 31, 2012 <sup>1</sup>	Mar 31, 2013 <sup>1</sup>	Mar 31, 2013 <sup>1</sup>
	(Basel 2.5 basis)	(Basel 3 basis)	(Basel 3 basis)
<b>Total Assets</b>	38,562	37,942	403
<b>Tier 1</b>	2,174	2,094	22.2
<b>Tier 2</b>	321	360	3.8
<b>Tier 3</b>	251	-	-
<b>Total capital</b>	2,492	2,454	26.1
<b>RWA</b>	12,834	17,753	188.5
<b>Tier 1 ratio</b>	16.9%	11.7%	11.7%
<b>Tier 1 common ratio<sup>2</sup></b>	14.9%	11.7%	11.7%
<b>Total capital ratio</b>	19.4%	13.8%	13.8%

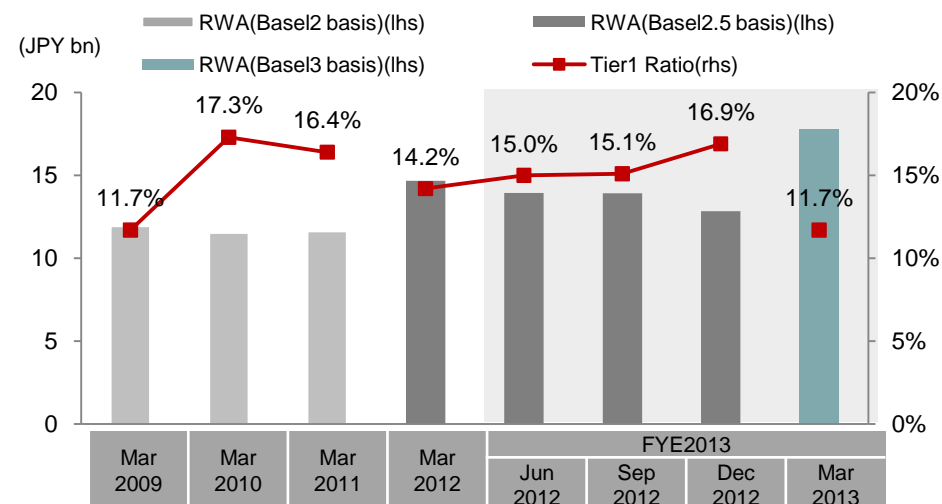
- Total assets decreased QoQ due partly to deconsolidation of NREH
- March-end Tier 1 ratio and Tier 1 common ratio declined QoQ to 11.7% (preliminary) due primarily to introduction of Basel 3, partly offset by declined trading positions and deconsolidation of NREH
- Basel 3 Tier 1 ratio and Tier 1 common ratio (applying fully loaded Basel 3 2019 standards to Mar 2013 balance sheet for reference) are approximately 10%

(1) Credit risk assets are calculated using the internal model method.

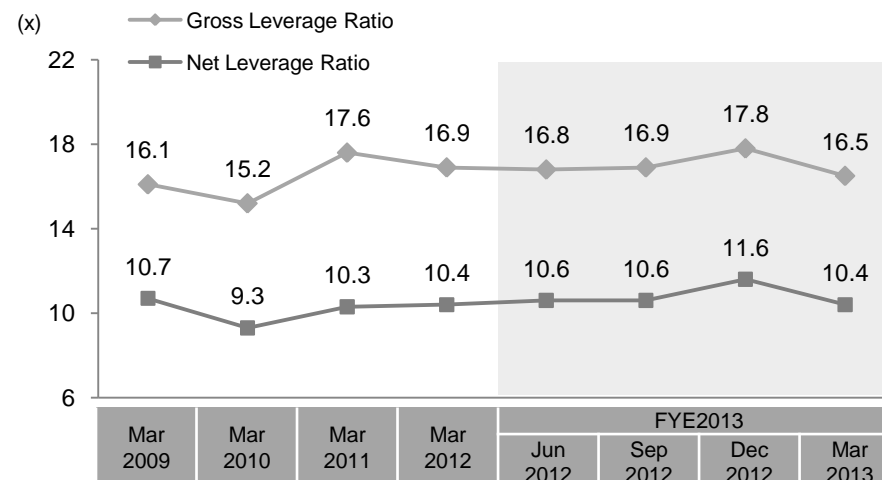
(2) Tier 1 common ratio is defined as Tier 1 capital minus minority interest divided by risk-weighted assets.

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

## RWA and Tier 1 Capital Ratio



## Leverage Ratio<sup>3</sup>

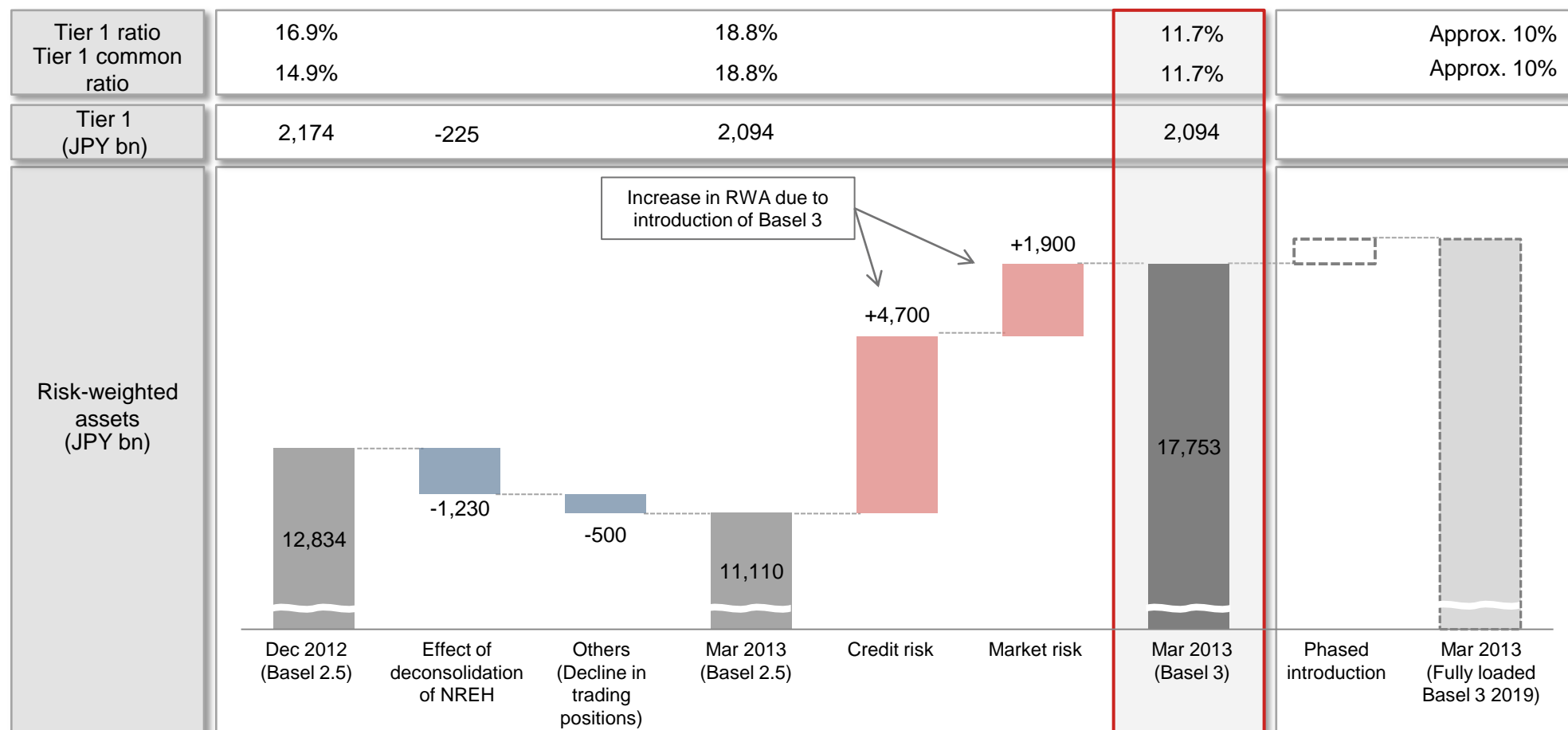


# Changes to Shareholders' Equity (Tier 1) and Risk-Weighted Assets

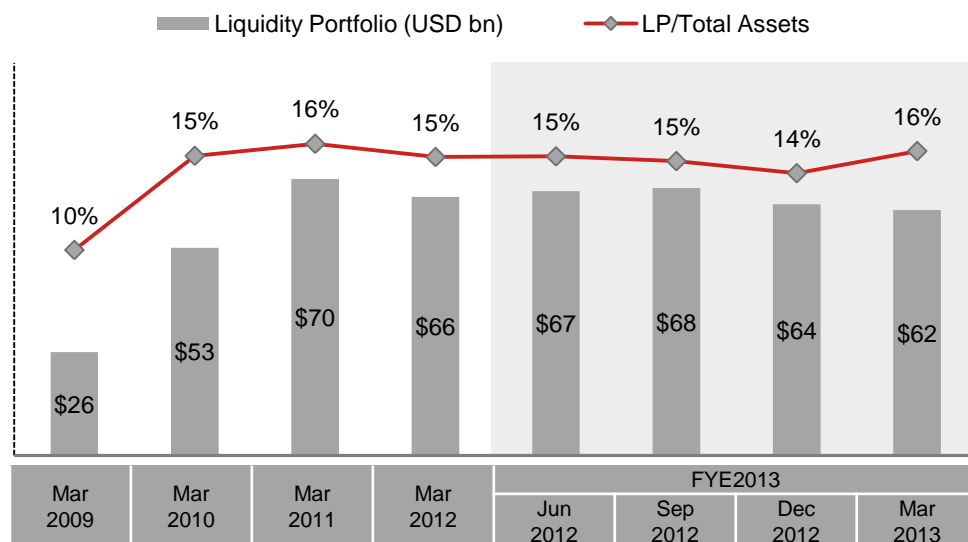
**NOMURA**

Dec 2012 vs. Mar 2013 (Preliminary)

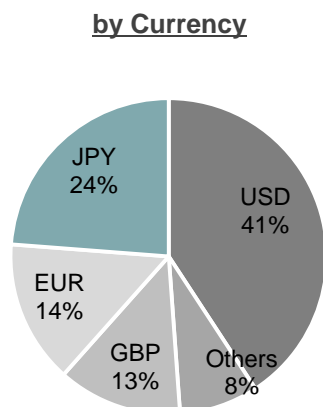
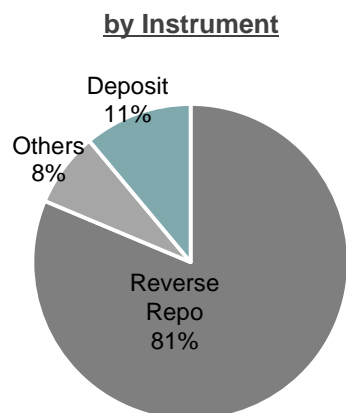
(Reference)  
Fully loaded Basel 3 2019  
applied to balance sheet at  
end of March



## Liquidity Portfolio<sup>1</sup>: JPY5.9tn(\$62bn), 16% of Total Assets



### Breakdown (Mar 2013)



## Firm-Wide Liquidity Management

### ■ Liquidity Stress Test ~ Quantify Liquidity Risk Tolerance

- The firm carries out its liquidity stress test daily in order to maintain adequate liquidity to withstand hypothetical stress cash outflows under a market-wide stress and an additional idiosyncratic stress without accessing unsecured funding

### ■ Major Assumptions on Potential Outflows

- No access to additional / refinancing unsecured funding
- Widening haircuts on outstanding repo funding
- Collateralization of clearing banks and depositories
- Drawdowns on loan commitments
- Loss of liquidity from market losses on inventory
- Potential cash outflow in the event of credit rating downgrades

### ■ Portfolio Assets

- Liquidity portfolio managed using reverse repos mainly in Japan/US/German/UK government bonds and cash and cash equivalents
- No GIIPS Exposures in the Liquidity Portfolio

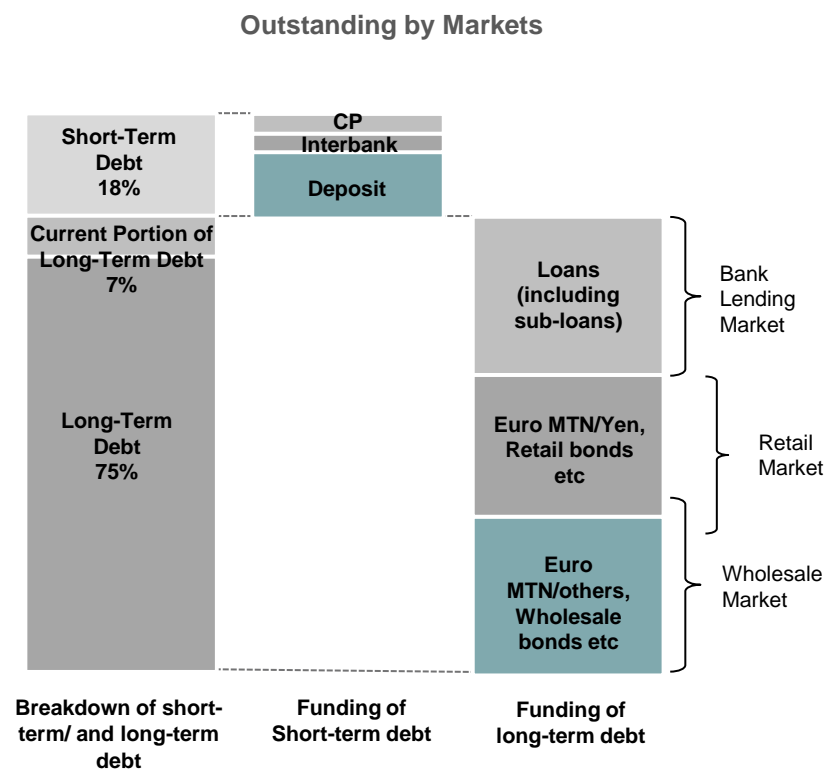
(1) Definition differs from financial disclosures reflecting Liquidity Management's view. Cash and cash deposits portion of liquidity portfolio excludes segregated client funds.



- Maintaining both a diversified and less-credit-sensitive unsecured funding structure allowing us the ability to withstand changes in lending climate
- Maturities of long-term debt are staggered and the weighted average life of the firm's long-term debt<sup>3</sup> is over 5 years
- We will continue to focus on diversification

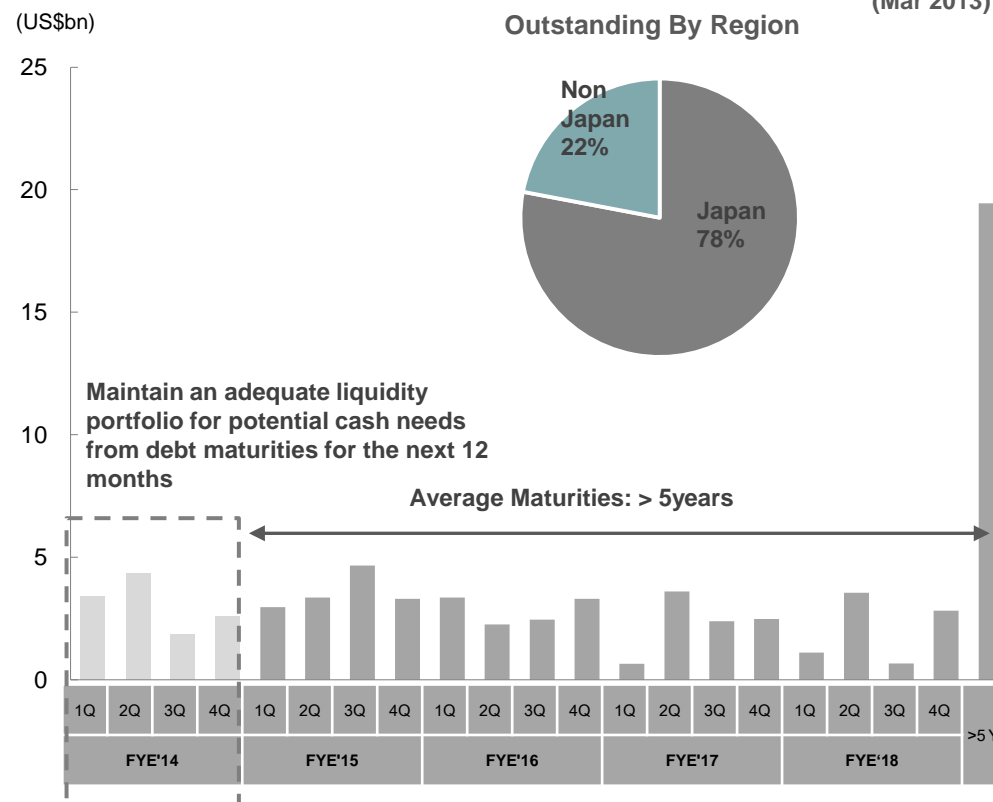
## Unsecured Funding<sup>1</sup>

(Mar 2013)



## Unsecured Long-term Debt Profile<sup>2</sup>

(Mar 2013)



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

(2) Redemption schedule is individually estimated by considering the probability of redemption as of March 2013 under certain stressed scenarios.

(3) Excludes current portion of long-term debt

## **Appendix**

# Consolidated Balance Sheet

**NOMURA**

	Millions of yen		
	March 31, 2012	March 31, 2013	Increase/(Decrease)
<b>ASSETS</b>			
Cash and cash deposits:			
Cash and cash equivalents	1,070,520	805,087	(265,433)
Time deposits	653,462	577,921	(75,541)
Deposits with stock exchanges and other segregated cash	229,695	269,744	40,049
Total cash and cash deposits	1,953,677	1,652,752	(300,925)
Loans and receivables:			
Loans receivable	1,293,372	1,575,494	282,122
Receivables from customers	58,310	63,792	5,482
Receivables from other than customers	864,629	992,847	128,218
Allowance for doubtful accounts	(4,888)	(2,258)	2,630
Total loans and receivables	2,211,423	2,629,875	418,452
Collateralized agreements:			
Securities purchased under agreements to resell	7,662,748	8,295,372	632,624
Securities borrowed	6,079,898	5,819,885	(260,013)
Total collateralized agreements	13,742,646	14,115,257	372,611
Trading assets and private equity investments:			
Trading assets*	13,921,639	17,037,191	3,115,552
Private equity investments	201,955	87,158	(114,797)
Total trading assets and private equity investments	14,123,594	17,124,349	3,000,755
Other assets:			
Office buildings, land, equipment and facilities			
(net of accumulated depreciation and amortization of			
¥355,804 million as of March 31, 2012 and			
¥355,831 million as of March 31, 2013)	1,045,950	428,241	(617,709)
Non-trading debt securities*	862,758	920,611	57,853
Investments in equity securities*	88,187	123,490	35,303
Investments in and advances to affiliated companies*	193,954	345,705	151,751
Other	1,475,123	602,159	(872,964)
Total other assets	3,665,972	2,420,206	(1,245,766)
Total assets	35,697,312	37,942,439	2,245,127

\*Including securities pledged as collateral

	Millions of yen		
	March 31, 2012	March 31, 2013	Increase/(Decrease)
<b>LIABILITIES AND EQUITY</b>			
Short-term borrowings	1,185,613	738,445	(447,168)
Payables and deposits:			
Payables to customers	764,857	476,705	(288,152)
Payables to other than customers	767,860	864,962	97,102
Deposits received at banks	904,653	1,072,134	167,481
Total payables and deposits	2,437,370	2,413,801	(23,569)
Collateralized financing:			
Securities sold under agreements to repurchase	9,928,293	12,444,317	2,516,024
Securities loaned	1,700,029	2,158,559	458,530
Other secured borrowings	890,952	806,507	(84,445)
Total collateralized financing	12,519,274	15,409,383	2,890,109
Trading liabilities	7,495,177	8,491,296	996,119
Other liabilities	1,165,901	978,163	(187,738)
Long-term borrowings	8,504,840	7,592,368	(912,472)
Total liabilities	33,308,175	35,623,456	2,315,281
Equity			
NHI shareholders' equity:			
Common stock			
Authorized - 6,000,000,000 shares			
Issued - 3,822,562,601 shares as of March 31, 2012 and			
3,822,562,601 shares as of March 31, 2013			
Outstanding - 3,663,483,895 shares as of March 31, 2012 and			
3,710,960,252 shares as of March 31, 2013	594,493	594,493	-
Additional paid-in capital	698,771	691,264	(7,507)
Retained earnings	1,058,945	1,136,523	77,578
Accumulated other comprehensive income (loss)	(145,149)	(57,395)	87,754
Total NHI shareholders' equity before treasury stock	2,207,060	2,364,885	157,825
Common stock held in treasury, at cost -			
159,078,706 shares as of March 31, 2012 and			
111,602,349 shares as of March 31, 2013	(99,819)	(70,514)	29,305
Total NHI shareholders' equity	2,107,241	2,294,371	187,130
Noncontrolling interests	281,896	24,612	(257,284)
Total equity	2,389,137	2,318,983	(70,154)
Total liabilities and equity	35,697,312	37,942,439	2,245,127

# Consolidated Income

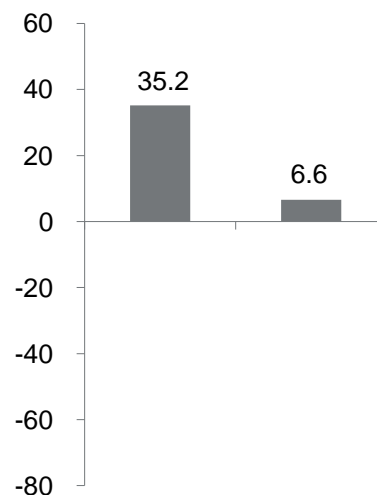
**NOMURA**

(JPY bn)	Full Year		Quarter				
	FYE2012	FYE2013	FYE2012	FYE2013			
			4Q	1Q	2Q	3Q	4Q
Revenue							
Commissions	347.1	<b>359.1</b>	90.4	77.4	72.3	83.7	<b>125.7</b>
Fees from investment banking	59.6	<b>62.4</b>	14.8	10.4	17.1	13.0	<b>21.8</b>
Asset management and portfolio service fees	144.3	<b>141.0</b>	35.1	33.8	33.4	35.0	<b>38.8</b>
Net gain on trading	272.6	<b>368.0</b>	98.9	84.4	88.9	88.2	<b>106.5</b>
Gain (loss) on private equity investments	25.1	<b>8.1</b>	-1.2	-5.4	0.3	11.6	<b>1.5</b>
Interest and dividends	435.9	<b>394.0</b>	92.4	103.5	92.8	99.7	<b>98.0</b>
Gain (loss) on investments in equity securities	4.0	<b>38.7</b>	9.9	-7.1	13.0	8.9	<b>23.9</b>
Other	563.2	<b>708.8</b>	225.0	142.6	143.4	118.8	<b>304.0</b>
Total revenue	1,851.8	<b>2,079.9</b>	565.4	439.6	461.2	459.0	<b>720.1</b>
Interest expense	315.9	<b>266.3</b>	66.4	70.3	59.5	69.9	<b>66.5</b>
Net revenue	1,535.9	<b>1,813.6</b>	499.0	369.3	401.7	389.1	<b>653.6</b>
Non-interest expenses	1,450.9	<b>1,575.9</b>	438.2	349.6	366.3	376.1	<b>483.9</b>
Income before income taxes	85.0	<b>237.7</b>	60.8	19.7	35.4	13.0	<b>169.7</b>
Net income attributable to NHI shareholders	11.6	<b>107.2</b>	22.1	1.9	2.8	20.1	<b>82.4</b>

## Income (loss) before income taxes

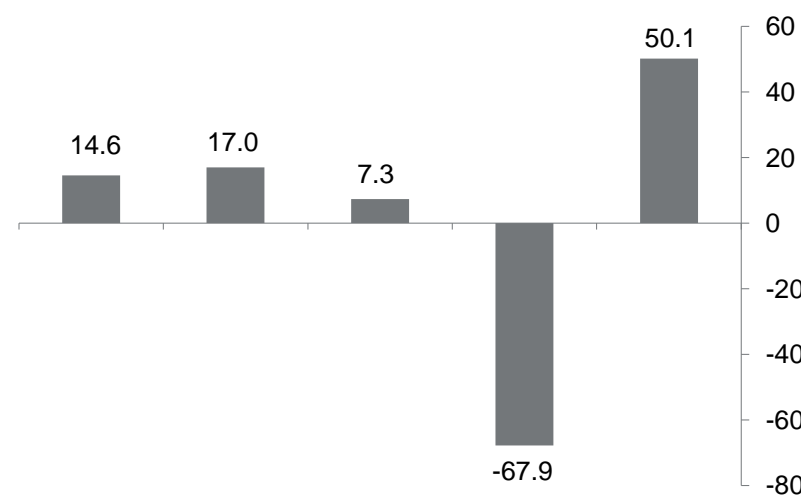
### Full Year

(JPY bn)



### Quarter

(JPY bn)



	FYE2012	FYE2013	FYE2012	FYE2013			
			4Q	1Q	2Q	3Q	4Q
Net gain (loss) related to economic hedging transactions	8.4	1.0	-2.1	-1.2	1.0	0.4	0.8
Realized gain(loss) on investments in equity securities held for operating purposes	0.2	1.0	0.0	-0.7	0.6	-0.0	1.2
Equity in earnings of affiliates	10.6	14.4	3.9	1.3	3.3	4.5	5.2
Corporate items <sup>1</sup>	-32.1	17.7	-7.1	6.6	-7.0	-14.8	32.9
Others <sup>1,2</sup>	48.1	-27.5	19.9	11.1	9.5	-58.0	10.0
Income (Loss) before income taxes	35.2	6.6	14.6	17.0	7.3	-67.9	50.1

(1) Due to a reorganization in April 2012, reported amounts for Wholesale and Other have been reclassified.

- Definition
  - 99% confidence level
  - 1-day time horizon for outstanding portfolio
  - Inter-product price fluctuations considered
- From April 1, 2012 to March 29, 2013 (billions of yen)
  - Maximum: 8.7
  - Minimum: 4.3
  - Average: 6.1

(billions of yen)

	Mar 31, 2012	Jun. 30, 2012	Sep. 30, 2012	Dec. 31, 2012	Mar. 31, 2013
Equity	1.4	1.2	1.0	2.4	<b>1.3</b>
Interest rate	6.5	5.7	6.6	6.4	<b>5.0</b>
Foreign exchange	2.5	1.7	1.9	2.1	<b>1.9</b>
Sub-total	10.4	8.6	9.5	11.0	<b>8.1</b>
Diversification benefit	-3.2	-3.2	-2.3	-3.8	<b>-3.0</b>
<b>VaR</b>	<b>7.2</b>	<b>5.4</b>	<b>7.1</b>	<b>7.2</b>	<b>5.1</b>

# Exposure to European Peripheral Countries

NOMURA

## GIIPS Country Exposure (Preliminary, as of Mar 31, 2013)

(US\$m)

	Net inventory <sup>1</sup>		Net counter party <sup>2</sup>		Net exposure total	Changes from Dec 2012
	Total	Counter party <sup>2</sup>	Of which, reserve / hedges	Total		
<b>Greece</b>	<b>26</b>	95	-2	<b>93</b>	<b>120</b>	-10
<b>Ireland</b>	<b>230</b>	12	0	<b>12</b>	<b>242</b>	-142
<b>Italy</b>	<b>18</b>	606	-681	<b>-75</b>	<b>-57</b>	-1,812
<b>Portugal</b>	<b>-29</b>	2	-38	<b>-36</b>	<b>-65</b>	-48
<b>Spain</b>	<b>476</b>	232	-29	<b>203</b>	<b>678</b>	-8
European peripheral countries – Total	<b>720</b>	947	-750	<b>197</b>	<b>918</b>	-2,019
Sovereign	548	414	-701	<b>-287</b>	<b>261</b>	-1,817
Non-sovereign	173	533	-49	<b>484</b>	<b>657</b>	-202

(1) Inventory, both long and short positions

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

- Peripheral net country exposure of \$918m as of end of March
  - Declined by \$2.02bn (-69%) from end of December (\$2.94bn)
  - Mostly due to significant decline in Italian sovereign exposure
- Inventory is all trading assets marked to market

# Number of Employees

**NOMURA**

	Mar. 31, 2012	Jun. 30, 2012	Sep. 30, 2012	Dec. 31, 2012	Mar. 31, 2013
Japan (excluding FA) <sup>1</sup>	19,598	20,197	20,039	19,877	<b>14,123</b>
Japan (FA)	2,011	2,014	1,981	1,951	<b>1,907</b>
Europe	4,014	3,975	3,940	3,747	<b>3,618</b>
Americas	2,420	2,423	2,425	2,316	<b>2,271</b>
Asia-Pacific <sup>2</sup>	6,352	6,454	6,430	6,207	<b>6,037</b>
<b>Total</b>	<b>34,395</b>	<b>35,063</b>	<b>34,815</b>	<b>34,098</b>	<b>27,956</b>

(1) Excludes employees of private equity investee companies

(2) Includes Powai office in India.



As of March 31, 2013	Standard & Poor's	Moody's	Rating and Investment Information	Japan Credit Rating Agency
<b>Nomura Holdings, Inc.</b>				
Long-term	BBB+	Baa3	A+	AA-
Short-term	A-2	-	a-1	-
Outlook	stable	stable	negative	stable
<b>Nomura Securities Co., Ltd.</b>				
Long-term	A-	Baa2	A+	AA-
Short-term	A-2	P-2	a-1	-
Outlook	stable	stable	negative	stable
<b>The Nomura Trust &amp; Banking Co., Ltd.</b>				
Long-term	A-	-	-	AA-
Short-term	A-2	-	a-1	-
Outlook	stable	-	-	stable
<b>Nomura Bank International plc</b>				
Long-term	A-	-	-	AA-
Short-term	A-2	-	-	-
Outlook	stable	-	-	stable