

# Creditor Presentation

First Quarter, Fiscal Year Ending March 2014

**NOMURA**

Nomura Holdings, Inc.

July 2013

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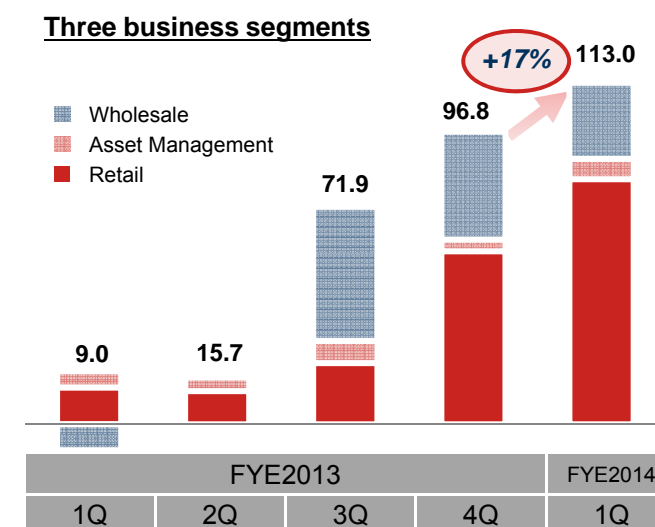
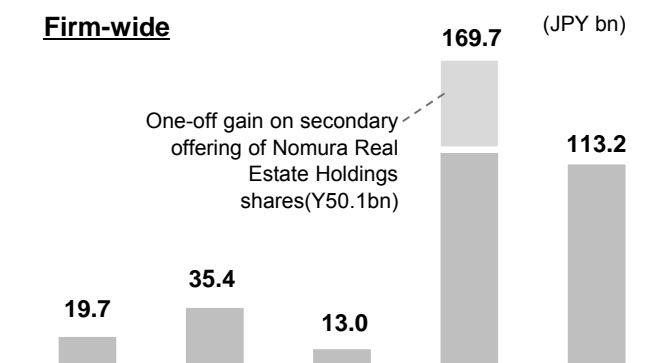
- **Executive Summary**
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Unless otherwise stated, conversion of Yen figures to U.S. Dollars has been calculated at the exchange rate of USD 1 = JPY 99.21, i.e. FRB noon rate as of June 30, 2013

## Firm-Wide Highlights

- Solid firm-wide performance: Higher revenues and income YoY as Retail drove strong contribution from Japan businesses
- Net revenue and income before income taxes declined QoQ due to the non-recurrence of one-off gain (Y50.1bn)<sup>1</sup> booked in the previous quarter on the secondary offering of Nomura Real Estate Holdings (“NREH”) shares and the deconsolidation of NREH
  - Net revenue: Y431.3bn (-34% QoQ; +17% YoY)
  - Income before income taxes: Y113.2bn (-33% QoQ; 5.8x YoY)
  - Net income<sup>2</sup>: Y65.9bn (-20% QoQ; 34.8x YoY)
  - ROE: 11.3% (FYE2013 4Q ROE: 14.8%; FYE2013 1Q ROE: 0.4%)
- Three business segment total revenues and income up QoQ; Income before income taxes at highest level since quarter ended June 2007
  - Net revenue: Y381.1bn (+8% QoQ; +72% YoY)
  - Income before income taxes: Y113.0bn (+17% QoQ; 12.5x YoY)
- Balance Sheet Management
  - Healthy balance sheet
    - Highly liquid, healthy balance sheet: 83% of assets are highly liquid trading-related assets
    - Conservative Risk Profile
  - Substantial Liquidity: Liquidity portfolio Y6.3tn (\$63bn) as of June 2013, 15% of total assets
  - Conservative funding profile: Approx 80% of unsecured funding is comprised of long-term debt with funding sources and debt maturities diversified
  - Robust financial position
    - Basel 3 basis: Tier 1 ratio of 11.9%, Tier 1 common ratio<sup>3</sup> of 11.9%

## Income Before Income Taxes



(1) Capital gain on NREH stock offering: Y11.6bn; Unrealized gain on remaining stake: Y38.5bn. (2) net income attributable to Nomura Holdings shareholders.  
 (3) Tier 1 common ratio is defined as Tier 1 capital minus minority interest divided by risk-weighted assets.

# Overview of Results

# NOMURA

## Quarter

(JPY bn) (USD bn)	FYE2013				FYE2014	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
Net revenue	369.3	401.7	389.1	653.6	<b>431.3</b> <b>\$4.35</b>	-34%	+17%
Retail	82.7	80.8	95.7	138.7	<b>166.3</b> <b>\$1.68</b>	+20%	+101%
Asset Management	16.4	15.4	18.8	18.3	<b>20.2</b> <b>\$0.20</b>	+10%	+23%
Wholesale	121.9	137.1	189.0	196.9	<b>194.6</b> <b>\$1.96</b>	-1%	+60%
Segment Total	221.0	233.3	303.4	354.0	<b>381.1</b> <b>\$3.84</b>	+8%	+72%
Other	154.6	156.0	76.8	276.9	<b>43.0</b> <b>\$0.43</b>	-84%	-72%
Unrealized gain (loss) on Investments in equity securities <sup>1</sup>	-6.3	12.4	8.9	22.8	<b>7.2</b> <b>\$0.07</b>	-69%	-
Non-interest expenses <sup>2</sup>	349.6	366.3	376.1	483.9	<b>318.1</b> <b>\$3.21</b>	-34%	-9%
Income (loss) before income taxes	19.7	35.4	13.0	169.7	<b>113.2</b> <b>\$1.14</b>	-33%	5.8x
Segment Total	9.0	15.7	71.9	96.8	<b>113.0</b> <b>\$1.14</b>	+17%	12.5x
Other <sup>3</sup>	17.0	7.3	-67.9	50.1	<b>-7.0</b> <b>(\$0.07)</b>	-	-
Unrealized gain (loss) on Investments in equity securities <sup>1</sup>	-6.3	12.4	8.9	22.8	<b>7.2</b> <b>\$0.07</b>	-69%	-
Net income (loss) <sup>4</sup>	1.9	2.8	20.1	82.4	<b>65.9</b> <b>\$0.66</b>	-20%	34.8x

## Key Points

### ■ Retail

- Net revenue Y166.3bn (+20% QoQ)
- Income before income taxes Y81.1bn (+42% QoQ)
- ✓ Strong demand for equity related products on back of market rally in April and May

### ■ Asset Management

- Net revenue Y20.2bn (+10% QoQ)
- Income before income taxes Y6.7bn (+71% QoQ)
- ✓ Buoyant market and inflows into investment trust and investment advisory businesses led to increase in assets under management

### ■ Wholesale

- Net revenue Y194.6bn (-1% QoQ)
- Income before income taxes Y25.2bn (-29% QoQ)
- ✓ Slowdown in Fixed Income offset by Equities and Investment Banking
- ✓ Expenses increased due to yen depreciation, a rise in commissions and floor brokerage on growth in transactions, and full career retirement<sup>2</sup> related expenses

### ■ Additional information on 1Q income before income taxes

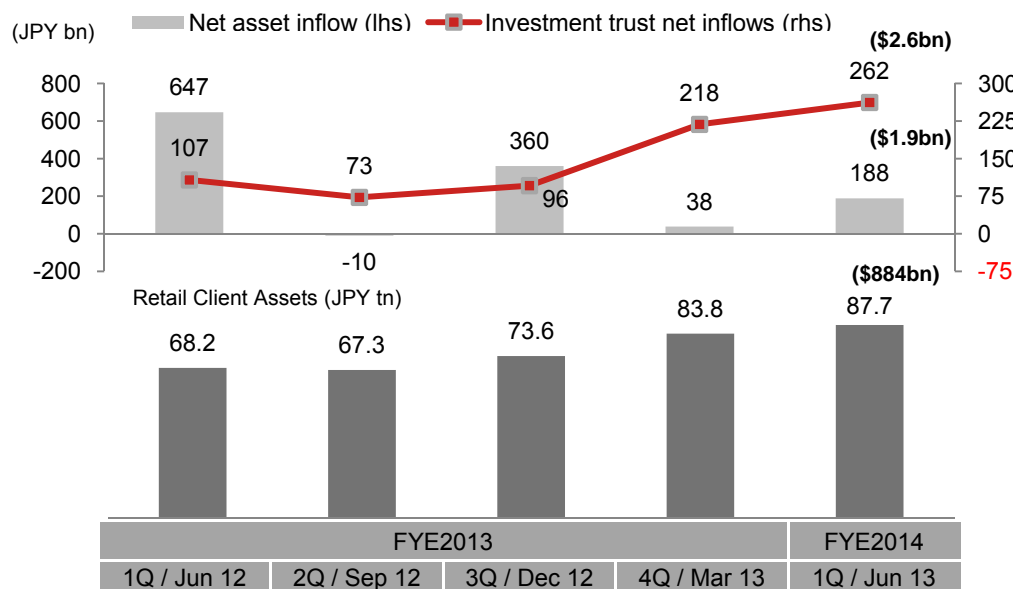
- Full career retirement<sup>2</sup> related expenses (Approx. Y9.0bn)
- Gain from changes to own and counterparty credit spreads (Y5.9bn)

(1) Unrealized gain (loss) on investments in equity securities held for operating purposes. (2) All new deferred awards granted in May 2013 include "Full Career Retirement" provisions which permit the recipients of the awards to continue to vest in the awards upon voluntary termination if certain criteria based on corporate title and length of service within Nomura are met. (3) Includes gain of Y5.9bn from changes to own and counterparty credit spreads. (4) Net income (loss) attributable to Nomura Holdings shareholders.

## Net Revenue and Income Before Income Taxes

(JPY bn) (USD bn)	Quarter						
	FYE2013				FYE2014	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
Net revenue	82.7	80.8	95.7	138.7	<b>166.3</b> <b>\$1.68</b>	+20%	+101%
Non-interest expenses	70.5	69.8	75.4	81.5	<b>85.2</b> <b>\$0.86</b>	+5%	+21%
Income before income taxes	12.2	11.0	20.3	57.2	<b>81.1</b> <b>\$0.82</b>	+42%	6.7x

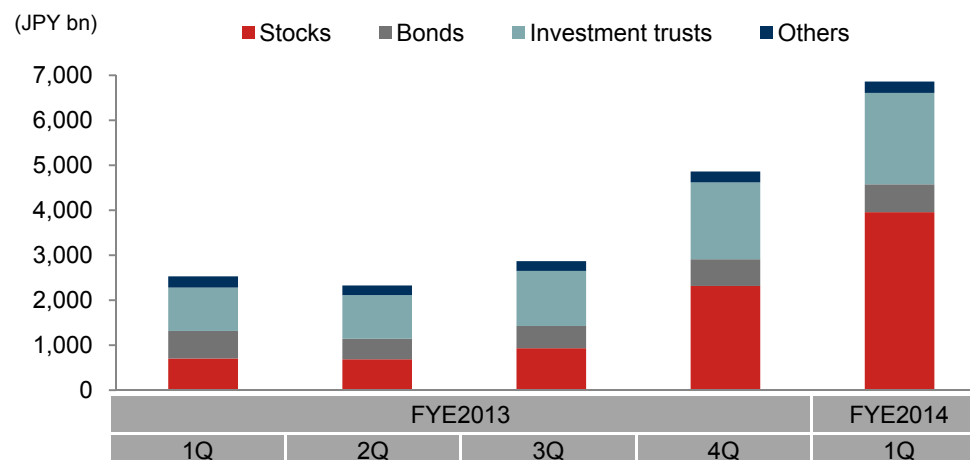
## Net Asset Inflows<sup>1</sup> and Investment Trust Net Inflows<sup>2</sup>, Retail Client Assets



## Key Points

- Net revenue and income before income taxes both at highest level since fiscal year ended March 2002
  - Total sales of approx. Y7trn
  - Strong demand for equity related products on back of market rally in April and May
  - Delivered timely products in line with client needs throughout the quarter
  - Contained increases in costs to book significantly higher income before income taxes
- Client franchise
  - Retail client assets Y87.7trn
  - Accounts with balance 5.07m
  - Net asset inflows Y188.1bn
- Recurring revenue Y13.8bn (Annualized:Y55.1bn)
  - Expanding faster than planned<sup>3</sup>

## Total Sales

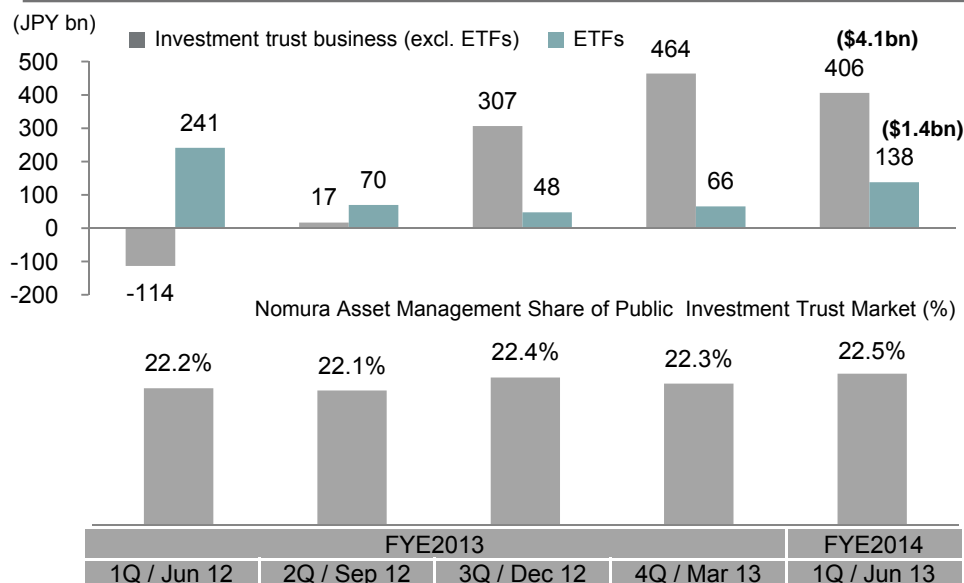


(1) Net asset inflows = Asset inflows – asset outflows. Retail client assets exclude portion from regional financial institutions. (2) Retail channel only. (3) Planned progress to meet FY2015/16 recurring revenue target of Y69.6bn

## Net Revenue and Income Before Income Taxes

(JPY bn) (USD bn)	Quarter						
	FYE2013				FYE2014	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
Net revenue	16.4	15.4	18.8	18.3	<b>20.2</b> <b>\$0.20</b>	+10%	+23%
Non-interest expenses	11.0	10.9	11.5	14.4	<b>13.5</b> <b>\$0.14</b>	-6%	+22%
Income before income taxes	5.4	4.6	7.3	3.9	<b>6.7</b> <b>\$0.07</b>	+71%	+25%

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



## Key Points

- Highest revenues since quarter ended March 2008 driven by growth in assets under management and dividend income
- Income before income taxes at high level despite booking full career retirement related expenses<sup>5</sup>
- Won nine awards at R&I Fund Award 2013<sup>6</sup> representing highest number of awards out of all recipients

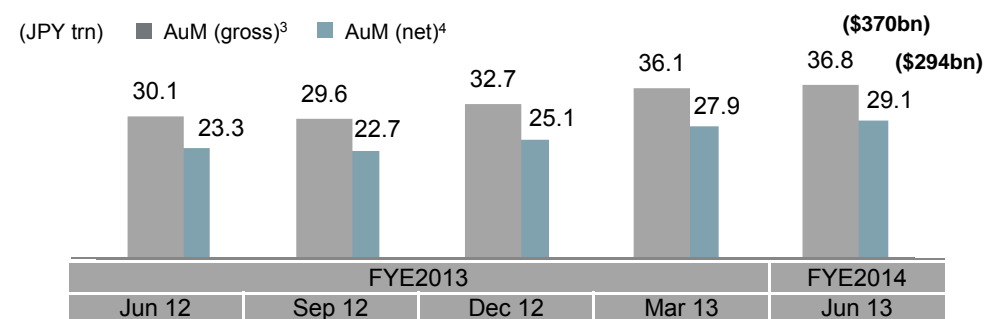
### Investment trust business

- Nomura Securities channel
    - Continued inflows into Japan stock and high dividend stock investment trusts
- |  | 1Q fund inflows |
|--|-----------------|
| ✓ Nomura Japan Brand Stock Fund:                                   | Y366.3bn        |
| ✓ Nomura Japan High Dividend Stock Premium Fund:                   | Y166.4bn        |
| ✓ Nomura Deutsche High Dividend Infrastructure Related Stock Fund: | Y94.5bn         |
- Bank channel
    - Launched a new fund that uses a new investment entity (MLP<sup>7</sup>) focuses on US shale gas and oil
    - ✓ US Energy Revolution Related Fund (launched May 21): Y56.9bn

### Investment advisory business

- Assets under management increased by Y800bn on strong inflows (Y349bn)
  - Japan: Won large mandate for domestic bonds from public pension fund
  - International: Accurately ascertained investor needs to win mandates (Japan equities, Asia equities, global equities, others) from Asian pension fund and Middle Eastern sovereign wealth fund

## Assets Under Management



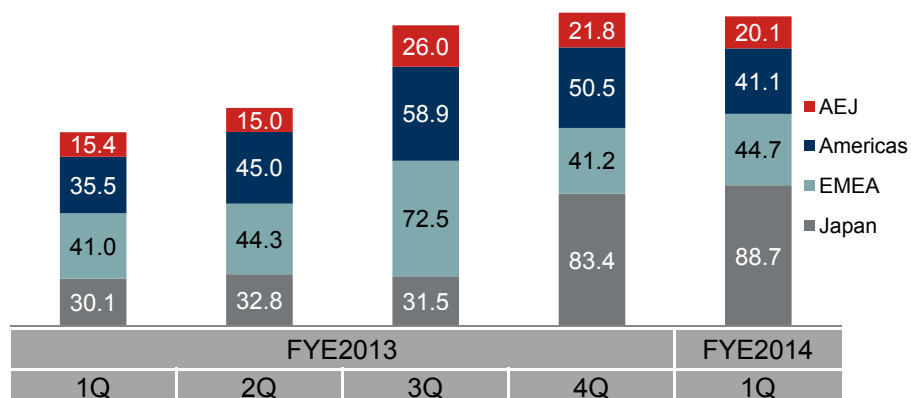
(1) Based on assets under management (net). (2) Source: The Investment Trusts Association, Japan. (3) Total assets under management for Nomura Asset Management, Nomura Funds Research and Technologies, Nomura Corporate Research and Asset Management, and Nomura Private Equity Capital. (4) Net after deducting duplications from assets under management (gross). (5) All new deferred awards granted in May 2013 include "Full Career Retirement" provisions which permit the recipients of the awards to continue to vest in the awards upon voluntary termination if certain criteria based on corporate title and length of service within Nomura are met. (6) See disclaimer for cautionary note on R&I Fund Award. (7) Master limited partnerships are joint investment entities listed on a US securities exchange (NYSE, Nasdaq, etc.) that invest in energy related businesses.

## Net revenue and Income (Loss) Before Income Taxes

(JPY bn) (USD bn)	FYE2013				FYE2014	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
Global Markets	108.6	120.7	158.0	173.1	<b>165.3</b> <b>\$1.67</b>	-4%	+52%
Investment Banking	13.3	16.4	30.9	23.8	<b>29.3</b> <b>\$0.30</b>	+23%	+120%
Net revenue	121.9	137.1	189.0	196.9	<b>194.6</b> <b>\$1.96</b>	-1%	+60%
Non-interest expenses	130.4	136.9	144.6	161.3	<b>169.4</b> <b>\$1.71</b>	+5%	+30%
Income (loss) before income taxes	-8.6	0.2	44.4	35.7	<b>25.2</b> <b>\$0.25</b>	-29%	-

## Net Revenue by Region

(JPY bn)



## Key Points

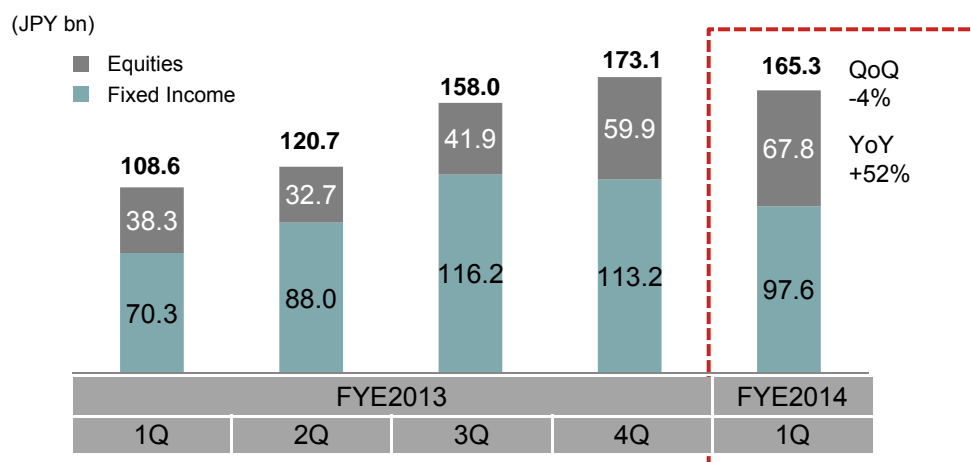
- Revenues in line with previous quarter driven by Japan
  - Equities and Investment Banking reported higher revenues on the back of improved market conditions and increased revenue opportunities
  - Fixed Income slowdown primarily from Rates and Securitized Products
- Expenses increased due to yen depreciation, a rise in commissions and floor brokerage on growth in transactions, and full career retirement<sup>1</sup> related expenses

### Regional performance (net revenue, QoQ)

- Japan (Y88.7bn, +6%)
  - Marked increase in Investment Banking revenues on multiple ECM/DCM mandates
  - Equities had a robust quarter on both Cash and Derivatives
- EMEA (Y44.7bn, +9%)
  - Rates, Credit, and Equity Derivatives all reported higher revenues
  - Investment Banking revenues mainly driven by ECM, Leveraged Finance and Solution businesses
- Americas (Y41.1bn, -19%)
  - In Fixed Income, higher volatility led to a slowdown in Rates and Securitized Products
  - Improved performance in Derivatives and growth in Cash Equities; Continued progress in integration of execution platforms
- AEJ (Y20.1bn, -8%)
  - Robust performance in FX business, slowdown in Equity Derivatives

(1) All new deferred awards granted in May 2013 include "Full Career Retirement" provisions which permit the recipients of the awards to continue to vest in the awards upon voluntary termination if certain criteria based on corporate title and length of service within Nomura are met.

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



## Key Points

### Global Markets

- Net revenue: Y165.3bn (-4% QoQ; +52% YoY)
  - Resilient revenues despite heightened volatility in the market
  - Client revenues increased driven by growth across all regions (+20% QoQ; +52% YoY)

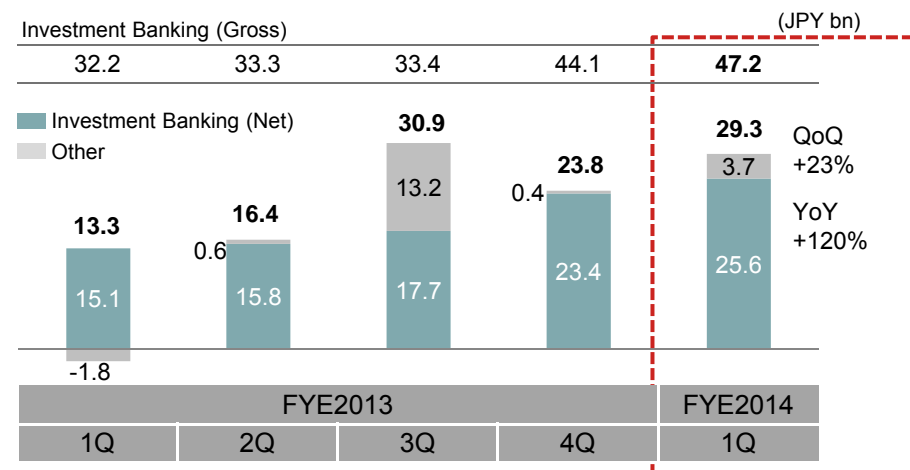
### Fixed Income

- Net revenue: Y97.6bn (-14% QoQ; +39% YoY)
  - Challenging market environment in flow products especially in Rates led to QoQ revenue decline

### Equities

- Net revenue: Y67.8bn (+13% QoQ; +77% YoY)
  - Japan continued to drive revenues while EMEA and US derivatives business improved

## Net Revenue



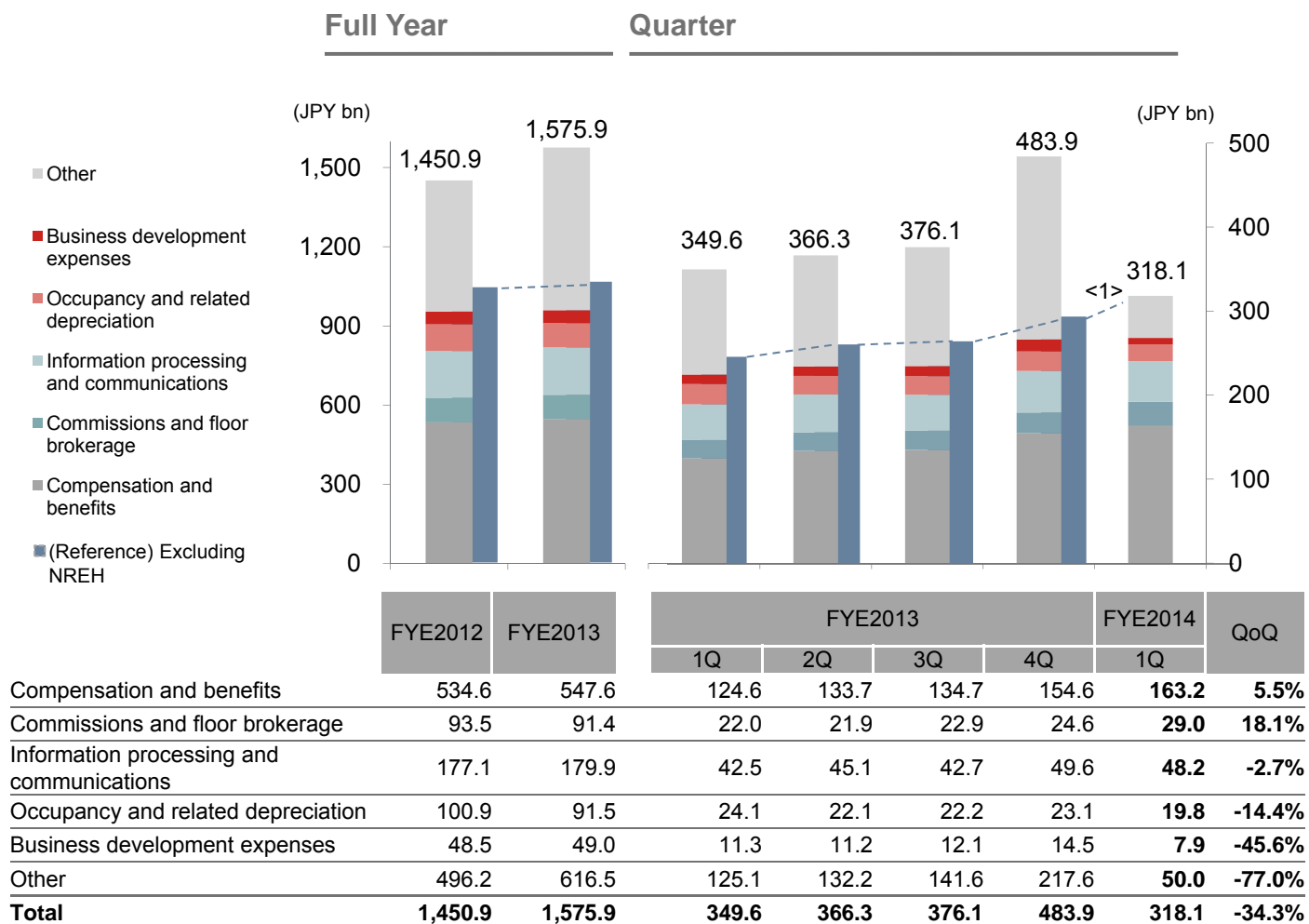
## Key Points

- Net revenue: Y29.3bn (+23% QoQ; +120% YoY)
  - Strong revenues in line with quarter ended December 2012 as Investment Banking (Net) revenues grew on the back of robust Japan business
- Gross revenue: Y47.2bn, up for fourth straight quarter as with Investment Banking (Net) revenue
  - Japan: +10% QoQ, representing highest revenues in nine quarters
    - ✓ Won multiple ECM/DCM mandates across a wide range of sectors on back of strong demand for financing
  - International: Continued to win and execute high-profile mandates across all regions despite decline in fee pools
    - ✓ ECM, Solutions and Financial Sponsor related businesses mainly contributed to revenues

(1) Fixed Income and Equities figures from FY 2012/13 have been reclassified following a reorganization in April 2013.



# Non-Interest Expenses



## Key Points

- Non-interest expenses: Y318.1bn (-34% QoQ)
  - NREH has been deconsolidated from 1Q resulting in significant firm-wide decline in expenses (particularly Other expenses that included cost of goods sold at NREH)
- Excluding NREH, expenses increased 8% QoQ --- <1>
  - Compensation and benefits main factor behind rise in expenses due to higher bonus provisions on back of robust domestic business, yen depreciation, and full career retirement related expenses<sup>1</sup> (Approx. Y9.0bn)
  - Commissions and floor brokerage increased due to a rise in transactions
  - One-off expenses related to cost reduction program declined to Y2.4bn from Y7.5bn in the previous quarter
- Additional \$1bn cost reductions
  - 87% complete as of end of June 2013 vs. 78% at end of March

(1) All new deferred awards granted in May 2013 include "Full Career Retirement" provisions which permit the recipients of the awards to continue to vest in the awards upon voluntary termination if certain criteria based on corporate title and length of service within Nomura are met.

## Balance Sheet (June 2013)

### Balance Sheet Composition

- **Highly Liquid, Healthy Balance Sheet**
  - 83% 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**
  - Net Level 3 assets<sup>2</sup> continued to be moderate, 23% of Tier 1 capital as of June 2013

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

- **Substantial Liquidity Portfolio**
  - Y6.3tn(\$63bn), 15% of total assets
  - Maintained a high quality liquidity portfolio surplus without the need for additional unsecured funding over a certain period

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

### 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 11.9%, and  
Tier 1 common ratio<sup>5</sup> at 11.9%
  - Leverage remains at prudent levels, with gross leverage at 17.7x and net leverage<sup>6</sup> at 10.6x

(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.

# Robust Financial Position

## Balance Sheet Related Indicators and Capital Ratios

(As of June 2013)

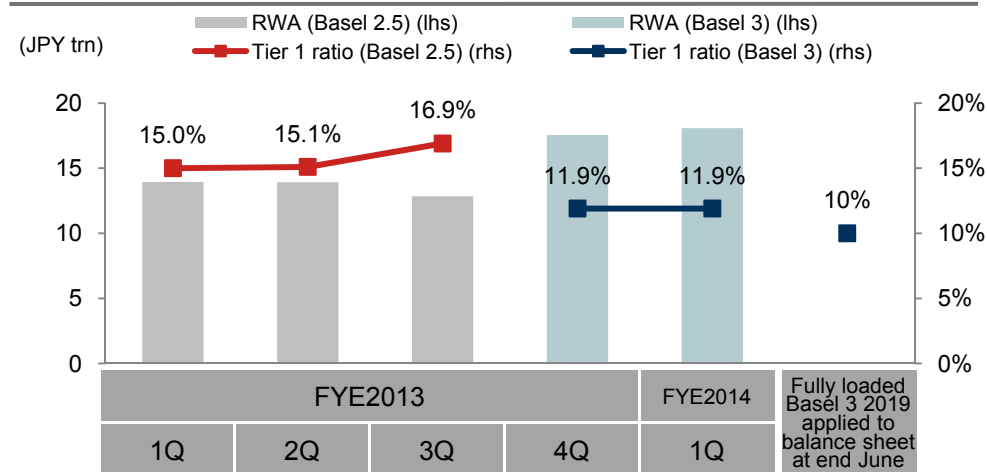
■ Total assets	Y42.0trn
■ Shareholders' equity	Y2.4trn
■ Gross leverage	17.7x
Net leverage <sup>1</sup>	10.6x
■ Level three assets (net) <sup>2</sup>	Y0.5trn
■ Liquidity portfolio	Y6.3trn

(JPY bn, USD bn)

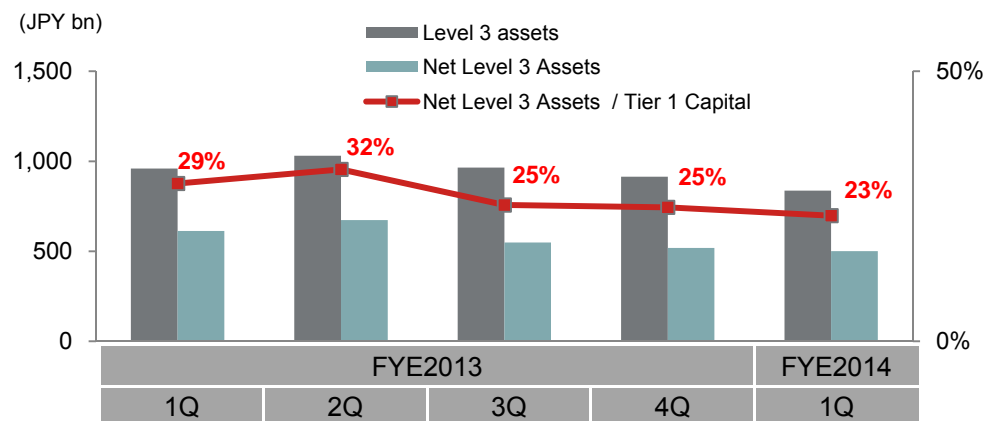
	Mar	Jun
<i>Preliminary</i>	(Basel 3 basis)	(Basel 3 basis)
Tier 1	2,093	<b>2,153</b>
		<b>\$21.7</b>
Tier 2	359	<b>356</b>
		<b>\$3.6</b>
Total capital	2,452	<b>2,509</b>
		<b>\$25.3</b>
RWA <sup>3</sup>	17,547	<b>18,081</b>
		<b>\$182.2</b>
Tier 1 ratio	11.9%	<b>11.9%</b>
Tier 1 common ratio <sup>4</sup>	11.9%	<b>11.9%</b>
Total capital ratio	13.9%	<b>13.8%</b>

- (1) Net leverage: Total assets minus securities purchased under agreements to resell and securities borrowed, divided by Nomura Holdings shareholders' equity.  
 (2) Preliminary.  
 (3) Credit risk assets are calculated using the internal model method.  
 (4) Tier 1 common ratio is defined as Tier 1 capital minus minority interest divided by risk-weighted assets.

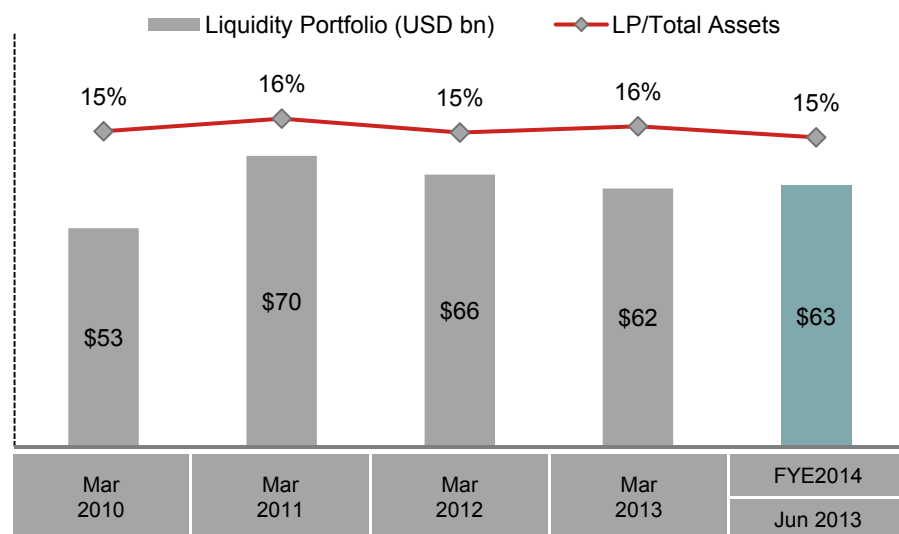
## Risk Weighted Assets and Tier 1 Ratio



## Level 3 Assets<sup>2</sup> and Net Level 3 Assets/Tier 1 Capital

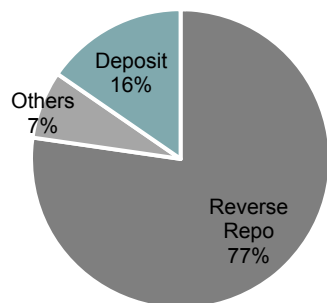


## Liquidity Portfolio<sup>1</sup>: JPY6.3tn (\$63bn), 15% of Total Assets

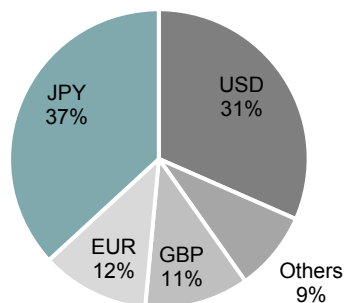


### Breakdown (June 2013)

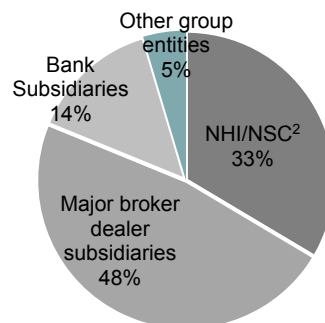
#### by Instrument



#### by Currency



#### by Entity



## 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

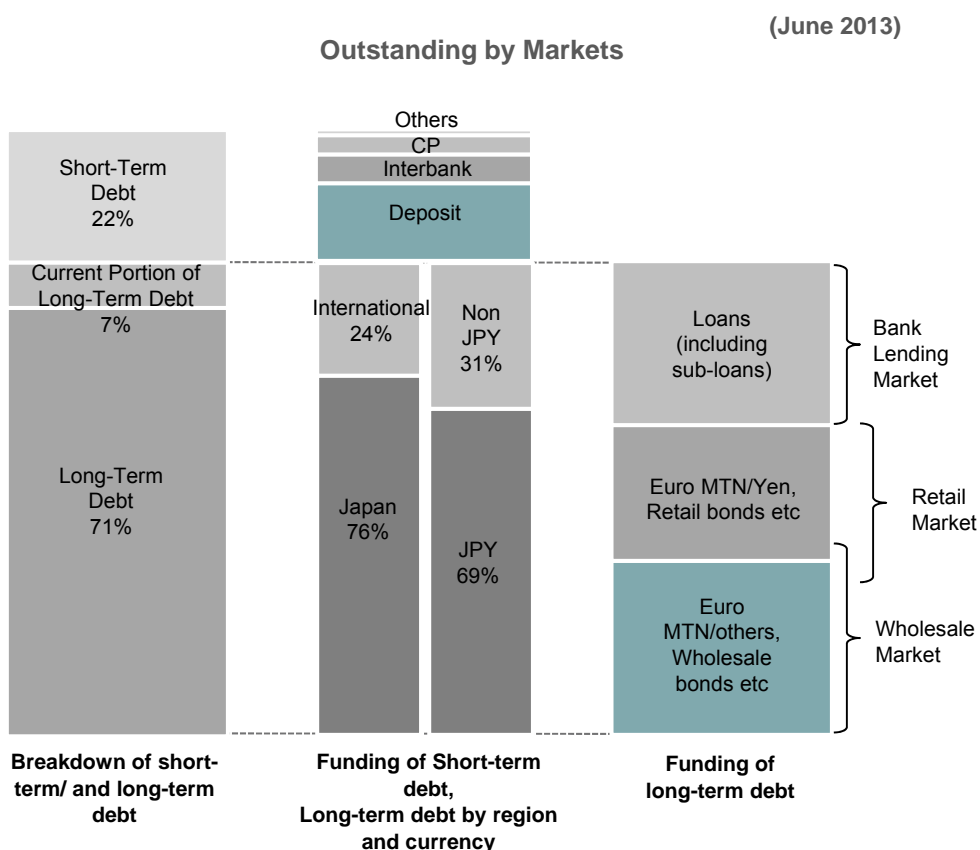
(1) Definition differs from financial disclosures reflecting Liquidity Management's view. Cash and cash deposits portion of liquidity portfolio excludes segregated client funds.

(2) NSC, a broker dealer located in Japan, holds an account with the BOJ and has a direct access to the BOJ Lombard facility through which same day funding is available for our securities pool. Liquidity surplus at NHI is lent to NSC via short-term intercompany loans, which can be unwound immediately when needed.

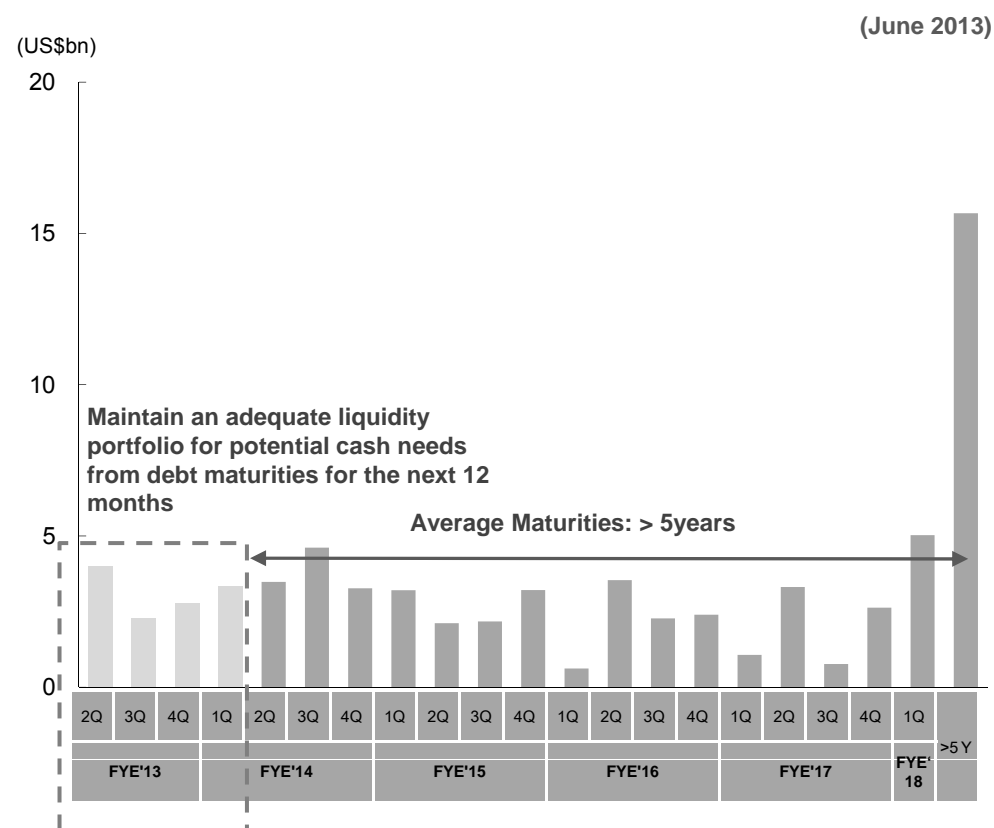
# Funding Profile

- Maintaining both a diversified and less-credit-sensitive unsecured funding structure allows 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>1</sup> is over 5 years
- We issued unsecured bonds totaling JPY37bn during 1Q. In addition, we issued EUR senior note of EUR750mil through our funding subsidiary.

## Unsecured Funding<sup>2</sup>



## Unsecured Long-term Debt Profile<sup>3</sup>



(1) Excludes current portion of long-term debt  
 (2) Definition differs from financial disclosures reflecting Liquidity Management's view.  
 (3) Redemption schedule is individually estimated by considering the probability of redemption as of June 2013 under certain stressed scenarios.

**NOMURA**



**Appendix**

# Consolidated Balance Sheet

# NOMURA

	Millions of yen				Millions of yen		
	March 31, 2013	June 30, 2013	Increase/(Decrease)		March 31, 2013	June 30, 2013	Increase/(Decrease)
<b>ASSETS</b>				<b>LIABILITIES AND EQUITY</b>			
Cash and cash deposits:				Short-term borrowings	738,445	973,036	234,591
Cash and cash equivalents	805,087	1,201,766	396,679	Payables and deposits:			
Time deposits	577,921	642,909	64,988	Payables to customers	476,705	630,631	153,926
Deposits with stock exchanges and other segregated cash	269,744	331,753	62,009	Payables to other than customers	864,962	1,487,597	622,635
Total cash and cash deposits	<u>1,652,752</u>	<u>2,176,428</u>	<u>523,676</u>	Deposits received at banks	1,072,134	1,275,199	203,065
Loans and receivables:				Total payables and deposits	<u>2,413,801</u>	<u>3,393,427</u>	<u>979,626</u>
Loans receivable	1,575,494	1,338,404	(237,090)	Collateralized financing:			
Receivables from customers	63,792	59,771	(4,021)	Securities sold under agreements to repurchase	12,444,317	13,725,503	1,281,186
Receivables from other than customers	992,847	807,501	(185,346)	Securities loaned	2,158,559	2,340,133	181,574
Allowance for doubtful accounts	(2,258)	(3,445)	(1,187)	Other secured borrowings	806,507	842,258	35,751
Total loans and receivables	<u>2,629,875</u>	<u>2,202,231</u>	<u>(427,644)</u>	Total collateralized financing	<u>15,409,383</u>	<u>16,907,894</u>	<u>1,498,511</u>
Collateralized agreements:				Trading liabilities	8,491,296	9,670,942	1,179,646
Securities purchased under agreements to resell	8,295,372	10,120,178	1,824,806	Other liabilities	978,163	919,705	(58,458)
Securities borrowed	5,819,885	6,609,875	789,990	Long-term borrowings	7,592,368	7,694,940	102,572
Total collateralized agreements	<u>14,115,257</u>	<u>16,730,053</u>	<u>2,614,796</u>	Total liabilities	<u>35,623,456</u>	<u>39,559,944</u>	<u>3,936,488</u>
Trading assets and private equity investments:				Equity			
Trading assets*	17,037,191	18,107,475	1,070,284	NHI shareholders' equity:			
Private equity investments	87,158	88,444	1,286	Common stock			
Total trading assets and private equity investments	<u>17,124,349</u>	<u>18,195,919</u>	<u>1,071,570</u>	Authorized - 6,000,000,000 shares			
Other assets:				Issued - 3,822,562,601 shares as of March 31, 2013 and			
Office buildings, land, equipment and facilities				3,822,562,601 shares as of June 30, 2013			
(net of accumulated depreciation and amortization of				Outstanding - 3,710,960,252 shares as of March 31, 2013 and			
¥355,831 million as of March 31, 2013 and				3,701,597,371 shares as of June 30, 2013	594,493	594,493	-
¥366,580 million as of June 30, 2013)	428,241	434,256	6,015	Additional paid-in capital	691,264	680,857	(10,407)
Non-trading debt securities*	920,611	1,074,987	154,376	Retained earnings	1,136,523	1,202,417	65,894
Investments in equity securities*	123,490	130,679	7,189	Accumulated other comprehensive income (loss)	(57,395)	(25,810)	31,585
Investments in and advances to affiliated companies*	345,705	352,847	7,142	Total NHI shareholders' equity before treasury stock	<u>2,364,885</u>	<u>2,451,957</u>	<u>87,072</u>
Other	602,159	657,402	55,243	Common stock held in treasury, at cost -			
Total other assets	<u>2,420,206</u>	<u>2,650,171</u>	<u>229,965</u>	111,602,349 shares as of March 31, 2013 and			
Total assets	<u>37,942,439</u>	<u>41,954,802</u>	<u>4,012,363</u>	120,965,230 shares as of June 30, 2013	(70,514)	(82,961)	(12,447)
				Total NHI shareholders' equity	<u>2,294,371</u>	<u>2,368,996</u>	<u>74,625</u>
				Noncontrolling interests	24,612	25,862	1,250
				Total equity	<u>2,318,983</u>	<u>2,394,858</u>	<u>75,875</u>
				Total liabilities and equity	<u>37,942,439</u>	<u>41,954,802</u>	<u>4,012,363</u>

\*Including securities pledged as collateral

# Consolidated Income

# NOMURA

(JPY bn)	Full Year		Quarter				
	FYE2012	FYE2013	FYE2013				FYE2014
			1Q	2Q	3Q	4Q	1Q
Revenue							
Commissions	347.1	359.1	77.4	72.3	83.7	125.7	<b>157.6</b>
Fees from investment banking	59.6	62.4	10.4	17.1	13.0	21.8	<b>25.4</b>
Asset management and portfolio service fees	144.3	141.0	33.8	33.4	35.0	38.8	<b>42.4</b>
Net gain on trading	272.6	368.0	84.4	88.9	88.2	106.5	<b>128.4</b>
Gain (loss) on private equity investments	25.1	8.1	-5.4	0.3	11.6	1.5	<b>0.1</b>
Interest and dividends	435.9	394.0	103.5	92.8	99.7	98.0	<b>115.3</b>
Gain (loss) on investments in equity securities	4.0	38.7	-7.1	13.0	8.9	23.9	<b>7.9</b>
Other	563.2	708.8	142.6	143.4	118.8	304.0	<b>28.2</b>
<b>Total revenue</b>	<b>1,851.8</b>	<b>2,079.9</b>	<b>439.6</b>	<b>461.2</b>	<b>459.0</b>	<b>720.1</b>	<b>505.3</b>
Interest expense	315.9	266.3	70.3	59.5	69.9	66.5	<b>73.9</b>
<b>Net revenue</b>	<b>1,535.9</b>	<b>1,813.6</b>	<b>369.3</b>	<b>401.7</b>	<b>389.1</b>	<b>653.6</b>	<b>431.3</b>
Non-interest expenses	1,450.9	1,575.9	349.6	366.3	376.1	483.9	<b>318.1</b>
<b>Income before income taxes</b>	<b>85.0</b>	<b>237.7</b>	<b>19.7</b>	<b>35.4</b>	<b>13.0</b>	<b>94.2</b>	<b>66.3</b>
<b>Net income attributable to NHI shareholders</b>	<b>11.6</b>	<b>107.2</b>	<b>1.9</b>	<b>2.8</b>	<b>20.1</b>	<b>82.4</b>	<b>65.9</b>



## Consolidated Results: Income Before Income Taxes by Segment and Region

# NOMURA

### Adjustment of Consolidated Results and Segment Results: Income (Loss) Before Income Taxes

(JPY bn)	FYE2012	FYE2013	FYE2013				FYE2014
			1Q	2Q	3Q	4Q	1Q
Retail	63.1	100.6	12.2	11.0	20.3	57.2	<b>81.1</b>
Asset Management	20.5	21.2	5.4	4.6	7.3	3.9	<b>6.7</b>
Wholesale <sup>1</sup>	-37.7	71.7	-8.6	0.2	44.4	35.7	<b>25.2</b>
Three business segment total	46.0	193.5	9.0	15.7	71.9	96.8	<b>113.0</b>
Other <sup>1</sup>	35.2	6.6	17.0	7.3	-67.9	50.1	<b>-7.0</b>
Segment total	81.2	200.0	26.0	23.1	4.1	146.9	<b>106.1</b>
Unrealized gain (loss) on investments in equity securities held for operating purposes	3.8	37.7	-6.3	12.4	8.9	22.8	<b>7.2</b>
Income before income taxes	<b>85.0</b>	<b>237.7</b>	<b>19.7</b>	<b>35.4</b>	<b>13.0</b>	<b>169.7</b>	<b>113.2</b>

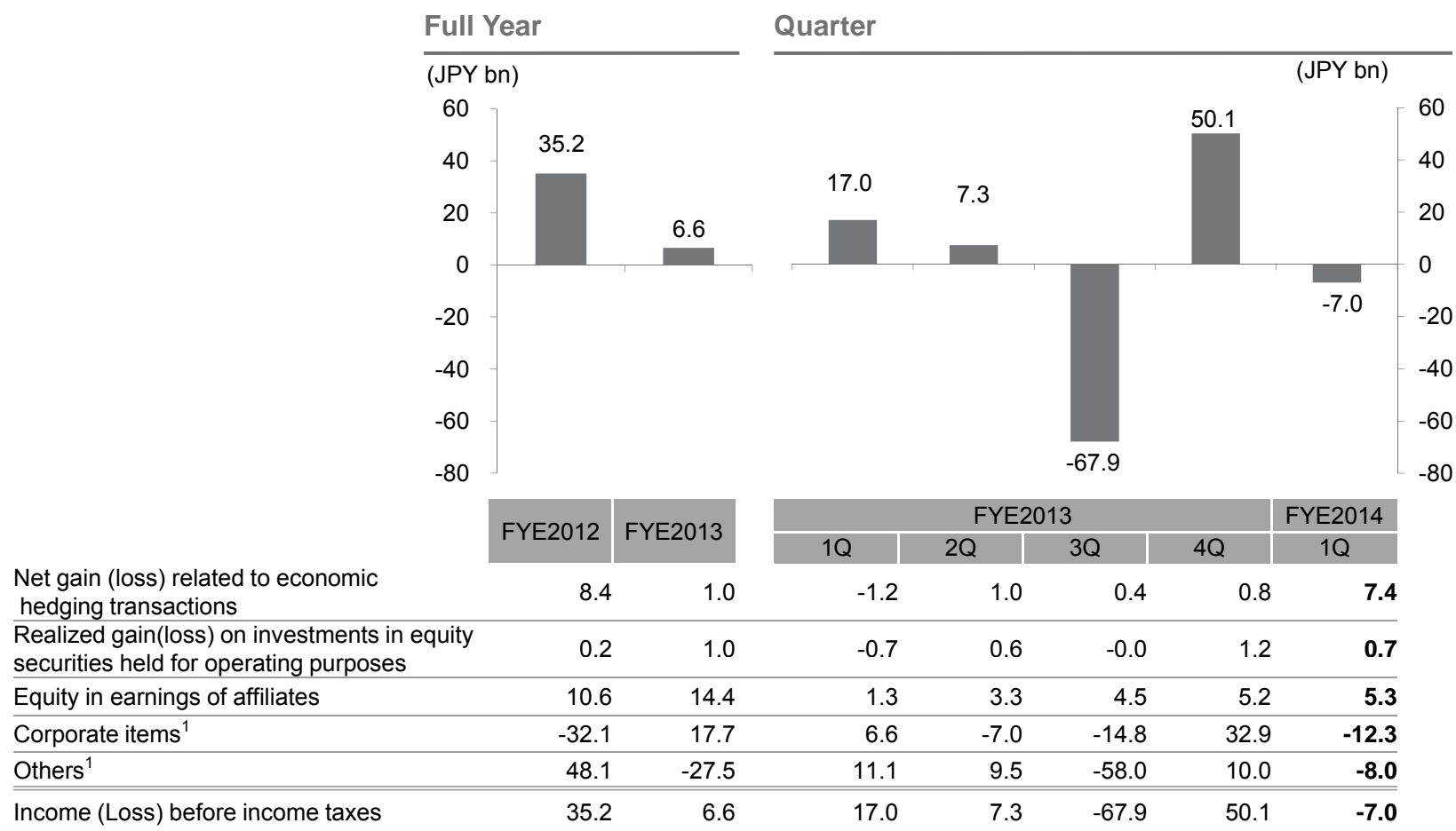
### Income (Loss) Before Income Taxes by Region<sup>2</sup>

(JPY bn)	FYE2012	FYE2013	FYE2013				FYE2014
			1Q	2Q	3Q	4Q	1Q
Americas	-24.6	25.7	6.3	15.6	1.6	2.3	<b>-8.5</b>
EMEA	-91.5	-93.1	-16.4	-40.3	0.0	-36.5	<b>-4.4</b>
AEJ	-12.9	-12.1	-1.9	-5.0	2.6	-7.9	<b>-0.8</b>
Subtotal	-129.1	-79.4	-12.1	-29.6	4.3	-42.0	<b>-13.7</b>
Japan	214.1	317.2	31.7	65.0	8.7	211.7	<b>126.9</b>
Income before income taxes	85.0	237.7	19.7	35.4	13.0	169.7	<b>113.2</b>

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

(2) Geographic information is based on U.S. GAAP. (Figures are preliminary for the three months ended June 30, 2013.) Nomura's revenues and expenses are allocated based on the country of domicile of the legal entity providing the service. This information is not used for business management purposes.

## Income (Loss) Before Income Taxes



(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, 2013 to June 30, 2013 (billions of yen)
  - Maximum: 7.9
  - Minimum: 4.5
  - Average: 6.1

(JPY bn)

	Mar 31, 2012	Jun. 30, 2012	Sep. 30, 2012	Dec. 31, 2012	Mar. 31, 2013	Jun. 30, 2013
Equity	1.4	1.2	1.0	2.4	1.3	<b>2.6</b>
Interest rate	6.5	5.7	6.6	6.4	5.0	<b>5.4</b>
Foreign exchange	2.5	1.7	1.9	2.1	1.9	<b>1.9</b>
Sub-total	10.4	8.6	9.5	11.0	8.1	<b>9.9</b>
Diversification benefit	-3.2	-3.2	-2.3	-3.8	-3.0	<b>-3.2</b>
<b>VaR</b>	<b>7.2</b>	<b>5.4</b>	<b>7.1</b>	<b>7.2</b>	<b>5.1</b>	<b>6.6</b>

## Number of Employees

**NOMURA**

	Mar. 31,2012	Jun. 30,2012	Sep. 30,2012	Dec. 31,2012	Mar. 31,2013	Jun. 30,2013
Japan (excluding FA) <sup>1</sup>	19,598	20,197	20,039	19,877	14,123	<b>14,654</b>
Japan (FA)	2,011	2,014	1,981	1,951	1,907	<b>1,911</b>
Europe	4,014	3,975	3,940	3,747	3,618	<b>3,485</b>
Americas	2,420	2,423	2,425	2,316	2,271	<b>2,240</b>
Asia-Pacific <sup>2</sup>	6,352	6,454	6,430	6,207	6,037	<b>5,961</b>
<b>Total</b>	<b>34,395</b>	<b>35,063</b>	<b>34,815</b>	<b>34,098</b>	<b>27,956</b>	<b>28,251</b>

(1) Excludes employees of private equity investee companies

(2) Includes Powai office in India.

# Credit Ratings

# NOMURA

As of June 30, 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	stable	stable
<b>Nomura Securities Co., Ltd.</b>				
Long-term	A-	Baa2	A+	AA-
Short-term	A-2	P-2	a-1	-
Outlook	stable	stable	stable	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

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