

# Creditor Presentation

## **First quarter, year ending March 2016**

(US GAAP)

Nomura Holdings, Inc.

July 2015

## Presentation

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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 = JPY122.10, i.e. FRB noon rate as of June 30, 2015

# Executive summary

## FY2015/16 1Q highlights

- **Group income before income taxes at highest level since FY2014/15 3Q; All business divisions reported strong pretax income growth YoY**
- **Highest first quarter net revenue in eight years**
  - Net revenue: Y424.0bn [\$3.5bn]; Income before income taxes: Y106.0bn [\$0.9bn]; Net income<sup>1</sup>: Y68.7bn [\$0.6bn]; ROE<sup>2</sup>: 10.0%; EPS<sup>3</sup>: Y18.65
- **Three segment income before income taxes of Y82.3bn [\$0.7bn] (-19% QoQ; +80% YoY)**

### Retail: Income before income taxes of Y50.9bn [\$0.4bn] (+24% QoQ; +61% YoY)

- Robust sales of investment trusts, discretionary investments and insurance products, coupled with decline in expenses as charge for decommissioning of IT systems not repeated
- Net inflows into investment trusts and discretionary investments increased, while annualized recurring revenue reached Y78.0bn [\$0.6bn]

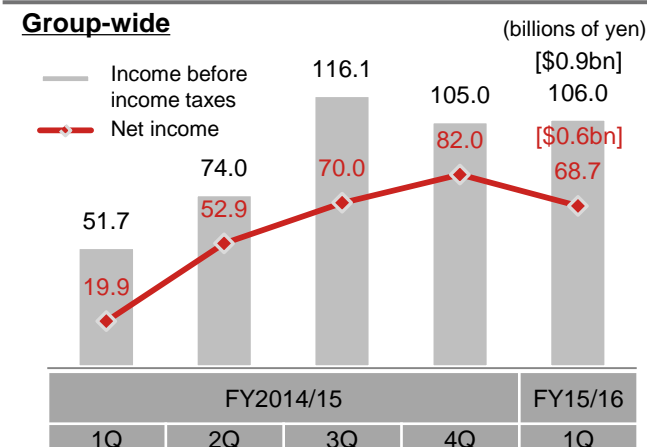
### Asset Management: Income before income taxes of Y11.7bn [\$0.1bn] (+76% QoQ; +42% YoY)

- Inflows primarily into investment trust business; Assets under management (Y41.4trn) reached a record high for the fifth straight quarter
- Dividend income and absence of one-off expenses booked last quarter boosted income before income taxes to highest level since FY2007/08 1Q

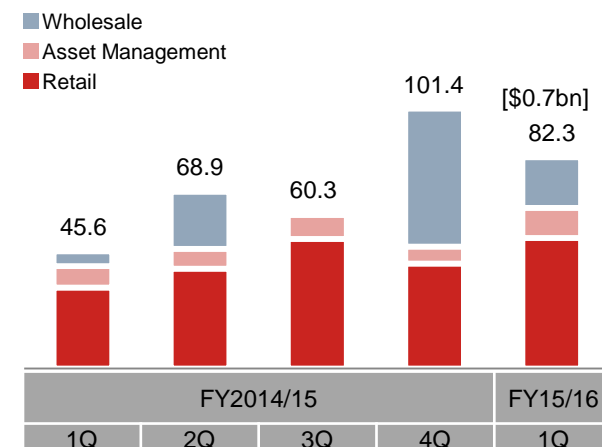
### Wholesale: Income before income taxes of Y19.7bn [\$0.2bn] (-63% QoQ; 3.4x YoY)

- Slowdown in Fixed Income as liquidity declined amid challenging market conditions
- Equities maintained revenue growth momentum, while Investment Banking reported higher revenues YoY in all international regions

## Income before income taxes, net income<sup>1</sup>



## Three segment income before income taxes



(1) Net income attributable to Nomura Holdings shareholders.  
 (2) Calculated using annualized net income for each period.  
 (3) Diluted net income attributable to Nomura Holdings shareholders per share.

# Overview of results

## Quarter Result

(billions of yen) (billions of dollars)	FY2014/15 4Q	FY2015/16 1Q	QoQ	FY2014/15 1Q	YoY
<b>Net revenue</b>	<b>434.5</b>	<b>424.0</b> [\$3.5]	-2%	<b>370.8</b>	+14%
Retail	<b>122.9</b>	<b>130.7</b> [\$1.1]	+6%	<b>106.9</b>	+22%
Asset Management	<b>23.9</b>	<b>26.9</b> [\$0.2]	+13%	<b>23.3</b>	+15%
Wholesale	<b>231.5</b>	<b>205.2</b> [\$1.7]	-11%	<b>188.9</b>	+9%
Segment total	<b>378.3</b>	<b>362.8</b> [\$3.0]	-4%	<b>319.1</b>	+14%
Other	<b>48.7</b>	<b>52.2</b> [\$0.4]	+7%	<b>48.3</b>	+8%
Unrealized gain (loss) on investments in equity securities held for operating purposes	<b>7.6</b>	<b>9.0</b> [\$0.1]	+19%	<b>3.5</b>	+157%
<b>Non-interest expenses</b>	<b>329.6</b>	<b>318.0</b> [\$2.6]	-3%	<b>319.2</b>	-0.4%
<b>Income before income taxes</b>	<b>105.0</b>	<b>106.0</b> [\$0.9]	+1%	<b>51.7</b>	+105%
Retail	<b>40.9</b>	<b>50.9</b> [\$0.4]	+24%	<b>31.6</b>	+61%
Asset Management	<b>6.7</b>	<b>11.7</b> [\$0.1]	+76%	<b>8.3</b>	+42%
Wholesale	<b>53.8</b>	<b>19.7</b> [\$0.2]	-63%	<b>5.7</b>	3.4x
Segment total	<b>101.4</b>	<b>82.3</b> [\$0.7]	-26%	<b>45.6</b>	+80%
Other *	<b>-4.0</b>	<b>14.7</b> [\$0.1]	-	<b>2.6</b>	5.8x
Unrealized gain (loss) on investments in equity securities held for operating purposes	<b>7.6</b>	<b>9.0</b> [\$0.1]	+19%	<b>3.5</b>	+157%
<b>Net income<sup>1</sup></b>	<b>82.0</b>	<b>68.7</b> [\$0.6]	-16%	<b>19.9</b>	3.5x

(1) Net income attributable to Nomura Holdings shareholders.

## Key Figures

### Retail

- Net revenue: Y130.7bn[\$1.1bn] (+6% QoQ; +22% YoY)
- Income before income taxes: Y50.9bn [\$0.4bn] (+24% QoQ; +61% YoY)

### Asset Management

- Net revenue: Y26.9bn [\$0.2bn] (+13% QoQ; +15% YoY)
- Income before income taxes: Y11.7bn [\$0.1bn] (+76% QoQ; +42% YoY)

### Wholesale

- Net revenue: Y205.2bn [\$1.7bn] (+11% QoQ; +9% YoY)
- Income before income taxes: Y19.7bn [\$0.2bn] (-63% QoQ; 3.4x YoY)

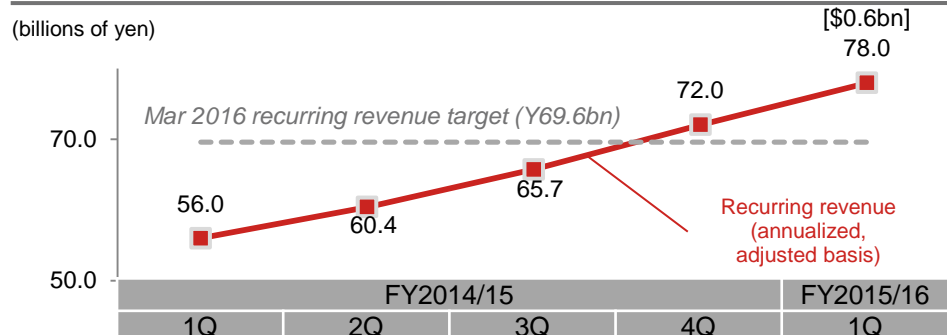
\*Additional information on "Other" (1Q)  
- Gain from changes in own and counterparty credit spreads  
(Y4.0bn[\$0.03bn] vs. Y1.4bn loss in 4Q)

# Retail

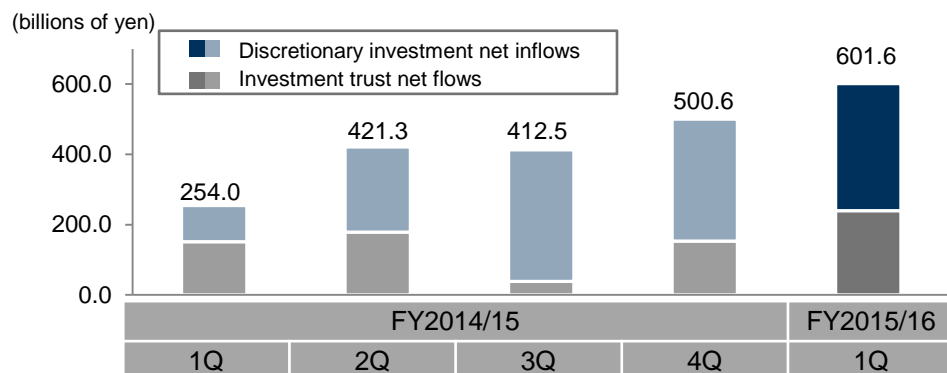
## Net revenue and income before income taxes

(billions of yen) (billions of dollars)	FY2014/15				FY15/16	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
Net revenue	106.9	117.9	128.8	122.9	130.7 [\$1.1]	+6%	+22%
Non-interest expenses	75.3	79.1	78.3	82.0	79.8 [\$0.7]	-3%	+6%
Income before income taxes	31.6	38.9	50.5	40.9	50.9 [\$0.4]	+24%	+61%

## Recurring revenue



## Net inflows: Investment trust<sup>3</sup>, Discretionary investment<sup>3</sup>



## Key points

- Net revenue Y130.7bn [\$1.1bn] (+6% QoQ; +22% YoY)
- Income before income taxes: Y50.9bn [\$0.4bn] (+24% QoQ; +61% YoY)
- Driver of Group earnings as net revenue and income before income taxes both increased QoQ
  - Robust sales of investment trusts, discretionary investments and insurance products combined with solid performance in stocks
  - Costs declined as charge for decommissioning of IT systems booked last quarter no longer present

	End of Jun / 1Q	End of Mar / 4Q
■ Client franchise		
- Retail client assets	Y113.4trn	Y109.5trn
- Accounts with balance <sup>1</sup>	5.32m	5.29m
- NISA accounts applications	1.56m	1.52m
- Net inflows of cash and securities <sup>2</sup>	Y351.7bn	-Y137.3bn

- Conducting client interviews to provide asset planning and life planning services
  - Investment trust and discretionary investment net inflows both increased; Annualized recurring revenue reached Y78bn[0.6bn]
  - Sales of insurance products increased by 30% QoQ by responding to clients' estate planning and cash flow needs

	1Q	4Q
■ Recurring revenue	19.4bn [\$0.2bn]	17.8bn
- Discretionary investment net inflows <sup>3</sup>	361.8bn [\$3.0bn]	347.5bn
- Investment trust net inflows <sup>3</sup>	239.8bn [\$2.0bn]	153.1bn
■ Sales of insurance products <sup>4</sup>	133.9bn [\$1.1bn]	104.0bn

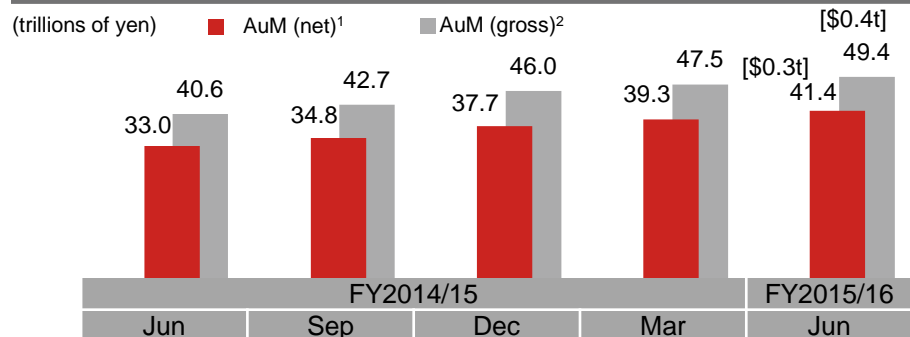
(1) Figure for previous quarter has been revised based on new definition used since April 2015. (2) Cash and securities inflows minus outflows, excluding regional financial institutions.  
 (3) Retail channels and Japan Wealth Management group. (4) Retail channels only.

# Asset Management

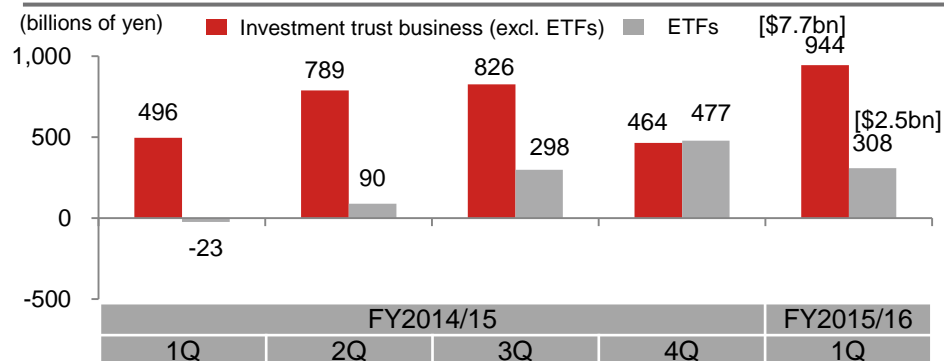
## Net revenue and income before income taxes

(billions of yen) (billions of dollars)	FY2014/15				FY15/16	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
Net revenue	23.3	21.7	23.4	23.9	26.9 [\$0.2]	+13%	+15%
Non-interest expenses	15.1	13.9	14.1	17.2	15.2 [\$0.1]	-12%	+1%
Income before income taxes	8.3	7.8	9.3	6.7	11.7 [\$0.1]	+76%	+42%

## Assets under management



## Investment trust business flow of funds<sup>3</sup>



## Key points

- Net revenue: Y26.9bn [\$0.2bn] (+13% QoQ; +15% YoY)
- Income before income taxes: Y11.7bn [\$0.1bn] (+76% QoQ; +42% YoY)
  - Inflows into diverse range of investment trusts, particularly newly established Japan stock funds; Assets under management at record high for fifth straight quarter
  - Income before income taxes at highest level since FY2007/08 1Q due to absence of one-off expenses booked last quarter and lift from dividend income

### Investment trust business

- Inflows of Y1.3trn representing highest level since FY2007/08 1Q
- Focus on developing new products matched to client needs led to strong inflows into funds tapping into structural changes in corporate Japan; Ongoing inflows into funds for discretionary investments and privately placed funds for regional financial institutions

	1Q inflow
- Japan Enterprise Value Improvement Fund (Limited Open Type)	Y213.5bn
- Nomura Japan Enterprise Value Improvement Open	Y191.7bn
- Nomura Templeton Total Return	Y99.6bn

### Investment advisory and international business

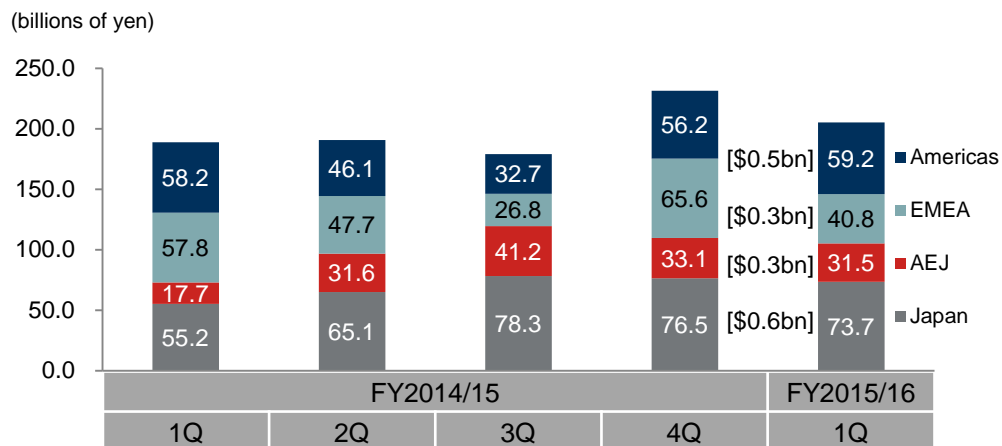
- Continued momentum in winning mandates from Japanese public pension funds
- NCRAM<sup>1</sup> won mandate to manage existing mutual funds, signaling entry into US retail market
- Formed alliance with RHB Group in Malaysia and entered local retail market for first time
- Listed JPX-Nikkei 400 ETFs on London Stock Exchange in May, marking second ETF listing following on from Nikkei 225 ETFs in January which was the first listing by a Japanese asset manager (Euro hedged / USD hedged)

# Wholesale

## Net revenue and income before income taxes

	FY2014/15				FY15/16	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
(billions of yen)							
(billions of dollars)							
Global Markets	166.6	168.1	149.7	199.0	176.2 [\$1.4]	-11%	+6%
Investment Banking	22.3	22.5	29.2	32.4	29.0 [\$0.2]	-11%	+30%
Net revenue	188.9	190.6	178.9	231.5	205.2 [\$1.7]	-11%	+9%
Non-interest expenses	183.1	168.4	178.5	177.7	185.5 [\$1.5]	+4%	+1%
Income before income taxes	5.7	22.2	0.5	53.8	19.7 [\$0.2]	-63%	3.4x

## Net revenue by region



## Key points

- Net revenue: Y205.2bn [\$1.7bn] (-11% QoQ; +9% YoY)
- Income before income taxes: Y19.7bn [\$0.2bn] (-63% QoQ; 3.4x YoY)
- Revenues and pretax income down from strong previous quarter
  - Challenging quarter for Fixed Income in EMEA and AEJ; Equities revenue growth continued on uptick in client activity
  - Investment Banking had a solid quarter internationally; a fee pool decline in Japan
  - Yen depreciation and FCR-related expenses<sup>1</sup> not present last quarter led to QoQ cost increase

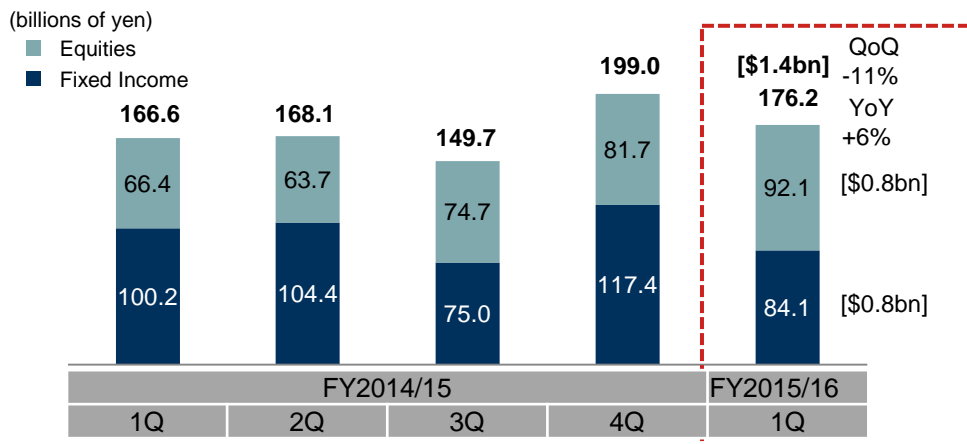
### Net revenue by region (QoQ; YoY)

- Japan: Y73.7bn [\$0.6bn] (-4%; +33%)
  - Slowdown in FX and Equity Derivatives, while Execution Services and Rates products had a good quarter
  - Investment Banking revenues declined on the back of lower fee pools
- Americas: Y59.2bn [\$0.5bn] (+5%; +2%)
  - Rates products improved significantly; Solid performance in Equities
  - Investment Banking reported stronger momentum in ECM
- EMEA: Y40.8bn [\$0.3bn] (-38%; -29%)
  - Fixed Income products slowed due to challenging trading conditions
  - Robust quarter in Equities; Growth in Investment Banking revenues
- AEJ: Y31.5bn [\$0.3bn] (-5%; +78%)
  - Equity-related businesses had a strong quarter driven by market rally
  - Challenged quarter in Fixed Income for Credit and Emerging Markets Rates

(1) All new deferred awards granted in May 2013, 2014 and 2015 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.

# Wholesale: Global Markets and Investment Banking

## Net revenue<sup>1</sup>



## Key points

### Global Markets

- Net revenue: Y176.2bn [\$1.4bn] (-11% QoQ; +6% YoY)

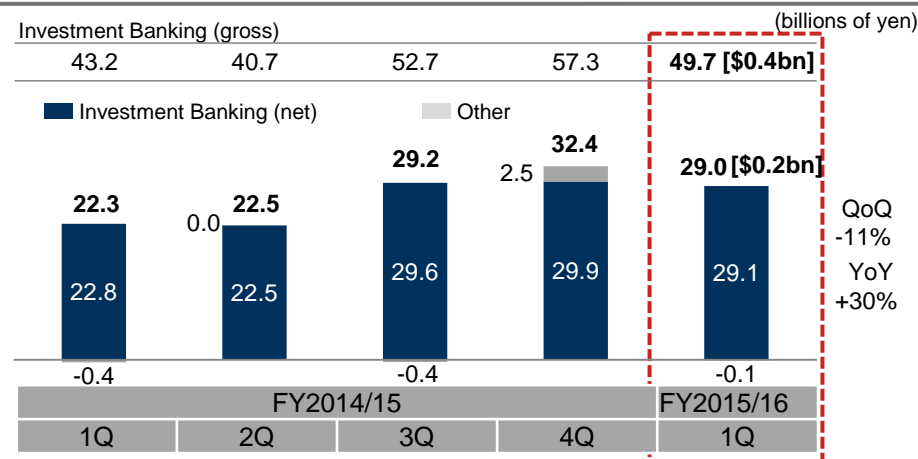
### Fixed Income

- Net revenue: Y84.1bn [\$0.7bn] (-28% QoQ; -16% YoY)
- EMEA and AEJ reported a sharp slowdown due to a drop in liquidity amid challenging market conditions

### Equities

- Net revenue: Y92.1bn [\$0.8bn] (+13% QoQ; +39% YoY)
- Revenues increased significantly driven by rally in China and Hong Kong markets and improved trading in EMEA
- Americas: Rates products improved significantly, while Equities revenues remained solid but declined due to subdued client flows
- EMEA: Stronger Equities revenues on solid client business in Derivatives; Fixed Income revenues declined significantly in Rates, Credit, and FX
- AEJ: Equities reported revenue growth in both Cash and Derivatives, while Fixed Income revenues slowed on sluggish performance in Credit and Emerging Markets Rates
- Japan: Equities saw solid client flows, while Fixed Income reported a slowdown in FX

## Net revenue



## Key points

- Net revenue: Y29.0bn [\$0.2bn] (-11% QoQ; +30% YoY)
- Investment Banking (gross) revenue of Y49.7bn [\$0.4bn] with international revenues outstripping Japan
  - Japan: Revenues down YoY due to fewer large-sized financing transactions
    - Maintained top spot on league tables<sup>1</sup> (Share: ECM 27.4%; DCM 42.4%)
    - Revenue contributions from completed M&A deals and solutions business
  - International: Strong revenues in line with last quarter; All regions reported revenue growth YoY
    - Revenue contributions from completed M&A deals and Financial Sponsors related transactions
    - EMEA: Won multiple DCM mandates for financial institutions, government and government-related issuers
    - Americas: Improved momentum in ECM
    - AEJ: Strongest quarterly revenues in past five years driven by high-profile ECM transactions

(1) Fixed Income and Equities figures from FY 2014/15 have been reclassified following a reorganization in April 2015.

(2) Source: ECM: Thomson Reuters; DCM: Thomson DealWatch, Japan All Debt (including self-funded); Jan 2015 – Jun 2015.



# Non-interest expenses

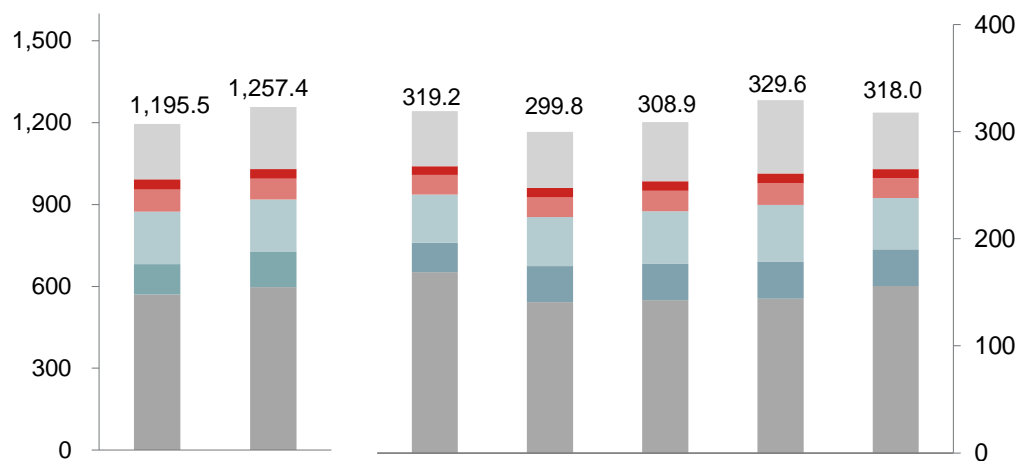
## Full year

## Quarter

(billions of yen)

(billions of yen)

- Other
- Business development expenses
- Occupancy and related depreciation
- Information processing and communications
- Commissions and floor brokerage
- Compensation and benefits



	FY2013/14	FY2014/15	FY2014/15				FY2015/16	QoQ
			1Q	2Q	3Q	4Q	1Q	
Compensation and benefits	570.1	596.6	168.8	140.8	142.8	144.2	155.9	8.1%
Commissions and floor brokerage	111.8	130.0	27.6	33.6	34.1	34.7	34.2	-1.3%
Information processing and communications	192.2	192.3	44.9	46.0	48.7	52.7	47.9	-9.1%
Occupancy and related depreciation	80.1	76.1	18.6	18.2	19.2	20.1	18.7	-6.9%
Business development expenses	38.5	35.2	7.9	9.1	9.0	9.2	8.3	-9.5%
Other	202.8	227.2	51.4	52.1	55.0	68.6	52.9	-22.9%
<b>Total</b>	<b>1,195.5</b>	<b>1,257.4</b>	<b>319.2</b>	<b>299.8</b>	<b>308.9</b>	<b>329.6</b>	<b>318.0</b>	<b>-3.5%</b>

## Key points

- Non-interest expenses: Y318.0bn [\$2.6bn] (-3% QoQ)
- Non-PE declined QoQ
  - Decline mostly in “Other” expenses
    - One-off expenses booked last quarter no longer present (charge on decommissioning of IT systems and FX losses on overseas investments)
- Compensation and benefits increased by 8% QoQ
  - Higher bonus provisions in line with performance
  - Compensation and benefits increased from prior quarter when FCR-related expenses<sup>1</sup> were not present (Until last fiscal year, majority of FCR-related expenses were booked in 1Q, but from this year they will be roughly standardized throughout the year)

(1) All new deferred awards granted in May 2013, 2014 and 2015 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.

# Robust financial position

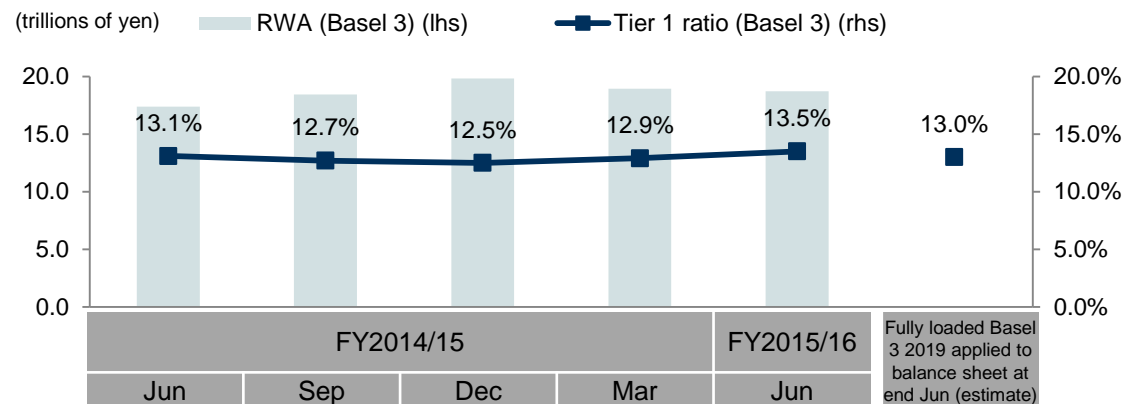
## Balance sheet related indicators and capital ratios

	Mar 2015	Jun 2015	
■ Total assets	Y41.8trn	Y44.0trn	\$360bn
■ Shareholders' equity	Y2.7trn	Y2.8trn	\$23bn
■ Gross leverage	15.4x	15.8x	15.8x
Net leverage <sup>1</sup>	9.3x	9.7x	9.7x
■ Level 3 assets <sup>2</sup> (net)	Y0.3trn	Y0.4trn	\$3bn
■ Liquidity portfolio	Y6.1trn	Y6.2trn	\$51bn

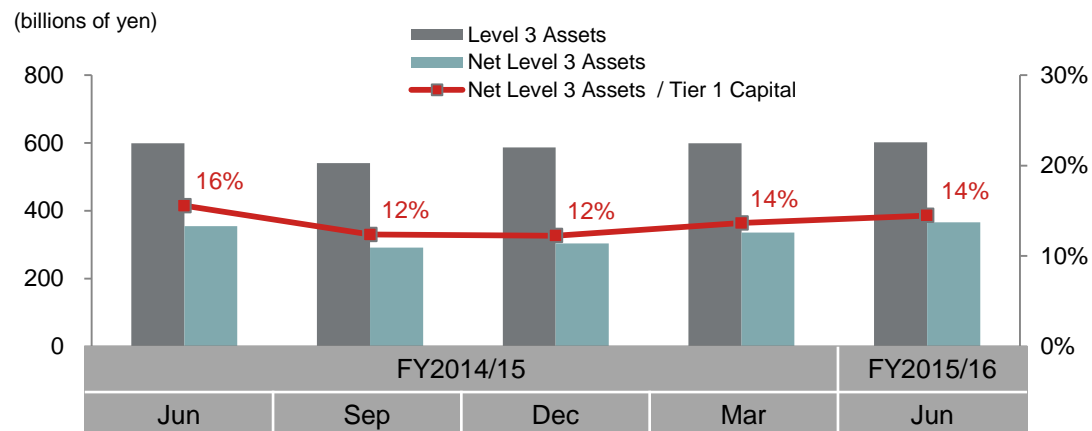
Basel 3 basis (billions of yen)	Mar 2015	June 2015 <sup>2</sup>
Tier 1	2,459	2,530
Tier 2	361	356
Total capital	2,820	2,887
RWA <sup>3</sup>	18,929	18,654
Tier 1 ratio	12.9%	13.5%
Tier 1 common ratio <sup>4</sup>	12.9%	13.5%
Total capital ratio	14.8%	15.4%
Consolidated Leverage ratio <sup>5</sup>	3.82%	3.91%
HQLA <sup>6</sup>	—	Y5.4trn
LCR <sup>6</sup>	—	182.3%

- (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.
- (5) Tier 1 capital divided by exposure (sum of on-balance sheet exposures and off-balance sheet items).
- (6) Monthly average for each quarter.

## Risk weighted assets<sup>3</sup> and Tier 1 ratio



## Level 3 assets<sup>2</sup> and net level 3 assets/Tier 1 capital



# Funding and liquidity

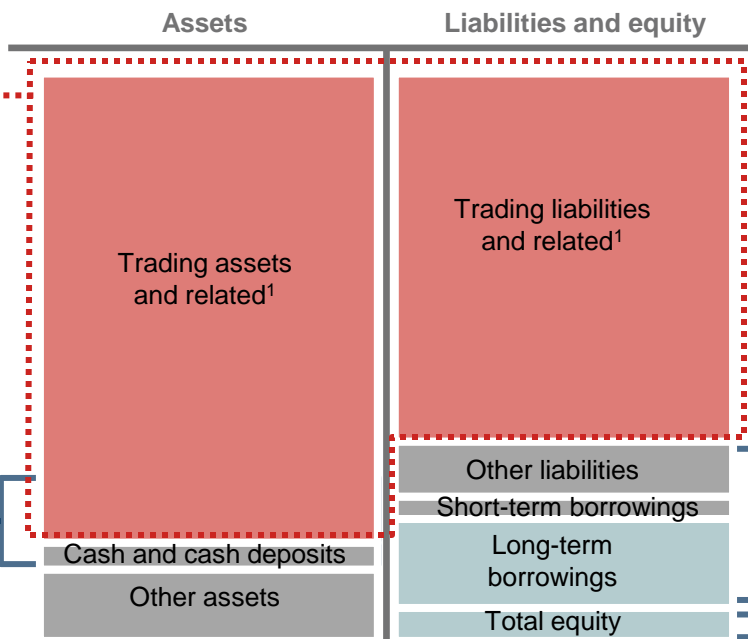
Balance sheet  
(As of Jun 2015)

## Balance sheet structure

- Highly liquid, healthy balance sheet structure
  - 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

## Liquidity portfolio<sup>2</sup>

- Liquidity portfolio:
  - Y6.2trn [\$51bn], or 14% of total assets
  - Maintain a high quality liquidity portfolio surplus without the need for additional unsecured funding over a certain period



## Funding Profile

- Conservative Funding Profile**
  - More than 80% of unsecured funding<sup>2</sup> is long-term debt
  - Unsecured funding sources are diversified across products, investor types and maturities

## Capital Position

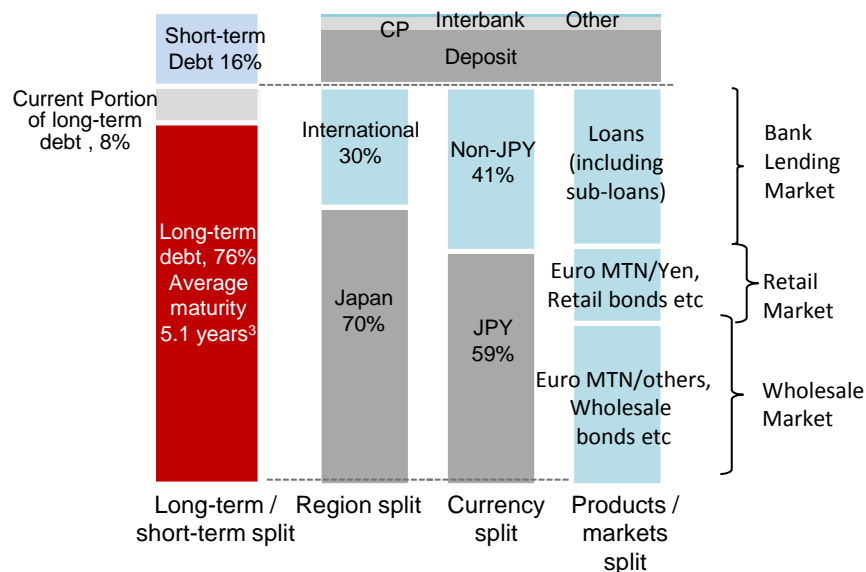
- Robust Capital Base**
  - Basel 3 Base
  - Tier 1 Ratio at 13.5%
  - Tier 1 Common Ratio<sup>3</sup> at 13.5%
  - Total capital ratio at 15.4%
  - Consolidated Leverage ratio<sup>4</sup> at 3.91%

(1) Trading assets and related: Reverse repo, securities, derivatives, etc. Trading liabilities and related: Repo, securities loaned, derivatives, etc.  
 (2) Definition differs from financial disclosures reflecting Liquidity Management's view. Cash and cash deposits portion of liquidity portfolio excludes funds on deposit at exchanges and segregated client funds.  
 (3) Tier 1 common ratio is defined as Tier 1 capital minus minority interest divided by risk-weighted assets.  
 (4) Tier 1 capital divided by exposure (sum of on-balance sheet exposures and off-balance sheet items).

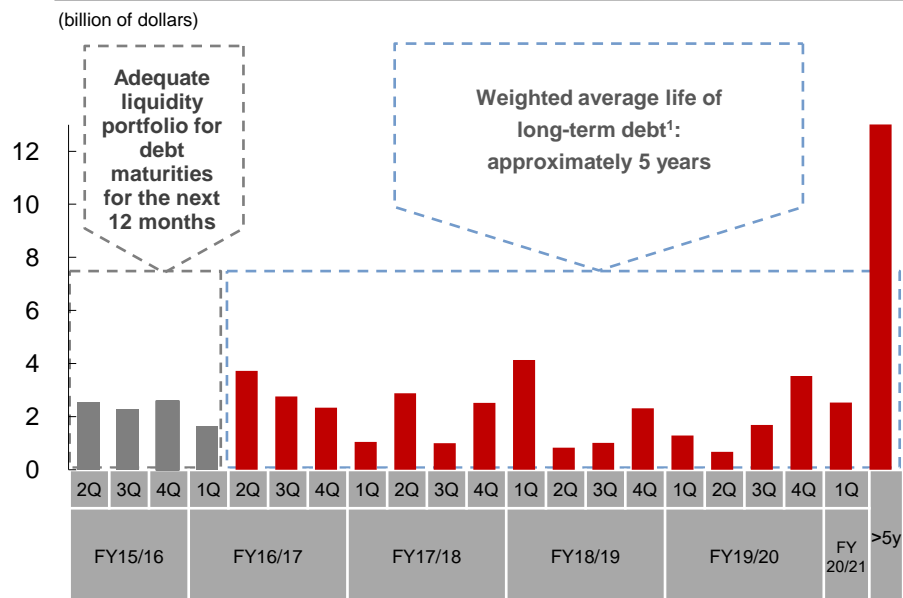
# Debt profile

- Robust structure: More than 80% of long-term debt is comprised of unsecured funding
- Funding sources are diversified among the following three markets to mitigate refinance risk:
  - ✓ Bank Lending Market: Funding mainly from Japanese relationship banks
  - ✓ Wholesale Market: Access to the bond markets, including international markets where institutional investors are active
  - ✓ Retail Market: Funding from long-established domestic retail markets
- Manage refinancing risk: weighted average life of long-term debt<sup>1</sup> is approximately 5 years
- Funding of JPY/non-JPY continues to be diversified across public offerings, private offerings and bank loans, Nomura pursues a staggered maturity ladder and manages flexible sourcing suitable to the market environment and business demands

## Unsecured funding<sup>2</sup>: more than 80% of debt is long-term and funding sources are diversified (Jun 2015)



## Refinancing risk management; weighted average life of long-term debt<sup>1</sup> is approximately 5 years (Jun 2015)



(1) Excludes long-term debt due within one year. Redemption schedule is individually estimated by considering the probability of redemption under certain stressed scenarios.

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

# Liquidity portfolio

- The firm's liquidity portfolio<sup>1</sup> was approximately JPY6.2 trillion [\$51bn] as of June 30, 2015 and is measured on the basis of an established liquidity management framework
- The liquidity portfolio is primarily comprised of highly liquid G4 government bonds, is diversified across currencies, and is held across legal entities

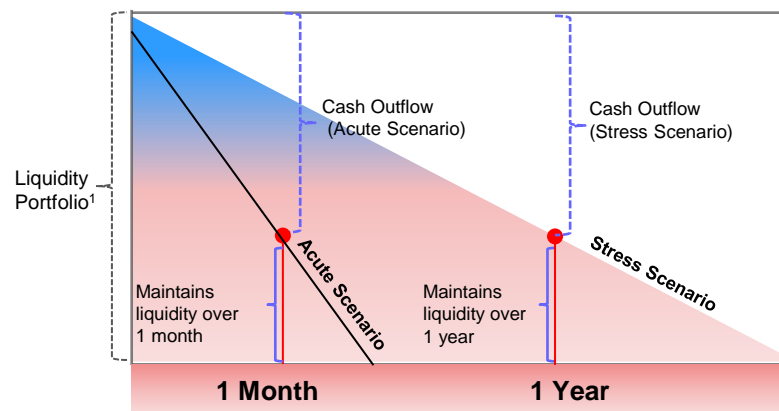
## Liquidity Management Framework: managed through a stress testing cash outflow model

- Manage liquidity risk based on stress testing
- Aim to ensure continuous business operation without additional unsecured funding, including refinancing or asset liquidation, under two potential stress scenarios for definite period given respectively
  - (1) Stress scenario: Survive 1 year under severe market-wide liquidity stress
  - (2) Acute scenario: Survive 1 month under severe market-wide liquidity stress coupled with credit concerns specific to Nomura

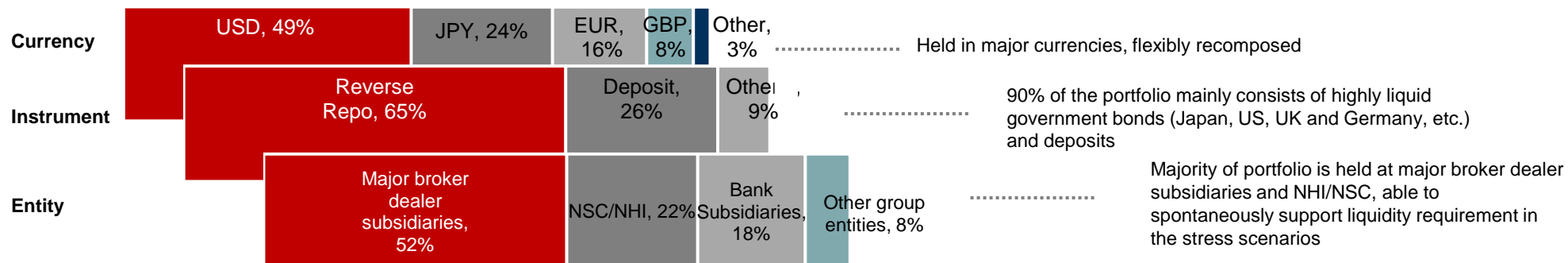
### Major stress items

- ✓ Partial or full drawdown of off-balance sheet commitment loans
- ✓ Option adjusted maturity stressed incrementally
- ✓ Credit rating downgrade
- ✓ Loss/haircut widening on Repo
- ✓ Liquidity impact from increased margin requirements
- ✓ Settlement requirements
- ✓ Cash outflow from Nomura bond repurchases

Movement of Liquidity Portfolio Under Two Stress Scenarios (Conceptualized)



## Breakdown of Liquidity Portfolio<sup>1</sup>(Jun 2015)



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

(2) Nomura International PLC, Nomura Securities International Inc. and others

(3) 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.

(4) Nomura Bank International PLC, Nomura Singapore Limited, Nomura Bank (Luxembourg) S.A. and others

As of June 30, 2015

	Standard & Poor's	Moody's	Fitch	Rating and Investment Information	Japan Credit Rating Agency
<b>Nomura Holdings, Inc.</b>					
Long-term	BBB+	Baa1	A-	A+	AA-
Short-term	A-2	-	F1	a-1	-
Outlook	stable	Stable	Stable	stable	stable
<b>Nomura Securities Co., Ltd.</b>					
Long-term	A-	A3	A-	A+	AA-
Short-term	A-2	P-2	F1	a-1	-
Outlook	stable	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

# Financial Supplement

# Consolidated balance sheet

	Millions of yen		
	March 31, 2015	June 30, 2015	Increase/(Decrease)
<b>ASSETS</b>			
Cash and cash deposits:			
Cash and cash equivalents	1,315,408	1,945,623	630,215
Time deposits	328,151	233,352	(94,799)
Deposits with stock exchanges and other segregated cash	453,037	485,595	32,558
Total cash and cash deposits	<u>2,096,596</u>	<u>2,664,570</u>	<u>567,974</u>
Loans and receivables:			
Loans receivable	1,461,075	1,504,620	43,545
Receivables from customers	187,026	217,072	30,046
Receivables from other than customers	1,303,576	968,380	(335,196)
Allowance for doubtful accounts	(3,253)	(3,209)	44
Total loans and receivables	<u>2,948,424</u>	<u>2,686,863</u>	<u>(261,561)</u>
Collateralized agreements:			
Securities purchased under agreements to resell	8,481,474	9,165,585	684,111
Securities borrowed	8,238,046	7,822,633	(415,413)
Total collateralized agreements	<u>16,719,520</u>	<u>16,988,218</u>	<u>268,698</u>
Trading assets and private equity investments:			
Trading assets*	17,260,121	18,877,079	1,616,958
Private equity investments	48,727	51,431	2,704
Total trading assets and private equity investments	<u>17,308,848</u>	<u>18,928,510</u>	<u>1,619,662</u>
Other assets:			
Office buildings, land, equipment and facilities (net of accumulated depreciation and amortization of ¥383,992 million as of March 31, 2015 and ¥403,270 million as of June 30, 2015)	401,069	403,844	2,775
Non-trading debt securities*	948,180	907,749	(40,431)
Investments in equity securities*	159,755	168,844	9,089
Investments in and advances to affiliated companies*	378,278	388,729	10,451
Other	822,566	859,156	36,590
Total other assets	<u>2,709,848</u>	<u>2,728,322</u>	<u>18,474</u>
<b>Total assets</b>	<u><u>41,783,236</u></u>	<u><u>43,996,483</u></u>	<u><u>2,213,247</u></u>

\*Including securities pledged as collateral

	Millions of yen		
	March 31, 2015	June 30, 2015	Increase/(Decrease)
<b>LIABILITIES AND EQUITY</b>			
Short-term borrowings	662,256	562,093	(100,163)
Payables and deposits:			
Payables to customers	723,839	831,445	107,606
Payables to other than customers	1,454,361	1,660,661	206,300
Deposits received at banks	1,220,400	1,250,893	30,493
Total payables and deposits	<u>3,398,600</u>	<u>3,742,999</u>	<u>344,399</u>
Collateralized financing:			
Securities sold under agreements to repurchase	12,217,144	13,457,057	1,239,913
Securities loaned	2,494,036	3,188,512	694,476
Other secured borrowings	668,623	638,163	(30,460)
Total collateralized financing	<u>15,379,803</u>	<u>17,283,732</u>	<u>1,903,929</u>
Trading liabilities	10,044,236	10,023,929	(20,307)
Other liabilities	1,217,099	1,102,599	(114,500)
Long-term borrowings	8,336,296	8,464,150	127,854
<b>Total liabilities</b>	<u><u>39,038,290</u></u>	<u><u>41,179,502</u></u>	<u><u>2,141,212</u></u>
Equity			
NHI shareholders' equity:			
Common stock			
Authorized - 6,000,000,000 shares			
Issued - 3,822,562,601 shares as of March 31, 2015 and 3,822,562,601 shares as of June 30, 2015			
Outstanding - 3,598,865,213 shares as of March 31, 2015 and 3,594,192,256 shares as of June 30, 2015	594,493	594,493	—
Additional paid-in capital	683,407	681,419	(1,988)
Retained earnings	1,437,940	1,502,500	64,560
Accumulated other comprehensive income	143,739	163,163	19,424
Total NHI shareholders' equity before treasury stock	<u>2,859,579</u>	<u>2,941,575</u>	<u>81,996</u>
Common stock held in treasury, at cost - 223,697,388 shares as of March 31, 2015 and 228,370,345 shares as of June 30, 2015	(151,805)	(158,274)	(6,469)
Total NHI shareholders' equity	<u>2,707,774</u>	<u>2,783,301</u>	<u>75,527</u>
Noncontrolling interests	37,172	33,680	(3,492)
<b>Total equity</b>	<u><u>2,744,946</u></u>	<u><u>2,816,981</u></u>	<u><u>72,035</u></u>
<b>Total liabilities and equity</b>	<u><u>41,783,236</u></u>	<u><u>43,996,483</u></u>	<u><u>2,213,247</u></u>



# Consolidated income

(billions of yen)	Full year		Quarter				
	FY2013/14	FY2014/15	FY2014/15				FY2015/16
			1Q	2Q	3Q	4Q	1Q
Revenue							
Commissions	473.1	453.4	95.6	110.8	123.2	123.7	<b>130.3</b>
Fees from investment banking	91.3	95.1	19.8	20.6	28.8	25.8	<b>24.5</b>
Asset management and portfolio service fees	168.7	203.4	46.1	49.7	53.3	54.3	<b>59.9</b>
Net gain on trading	476.4	531.3	158.6	129.0	109.5	134.3	<b>124.7</b>
Gain (loss) on private equity investments	11.4	5.5	-0.3	0.5	-0.2	5.5	<b>1.2</b>
Interest and dividends	416.3	436.8	104.9	108.8	115.6	107.5	<b>113.6</b>
Gain on investments in equity securities	15.2	29.4	6.3	2.9	11.8	8.4	<b>9.2</b>
Other	179.5	175.7	31.1	28.5	65.6	50.5	<b>44.9</b>
Total revenue	1,831.8	1,930.6	462.2	450.8	507.6	510.0	<b>508.4</b>
Interest expense	274.8	326.4	91.3	77.0	82.6	75.5	<b>84.4</b>
Net revenue	1,557.1	1,604.2	370.8	373.8	425.0	434.5	<b>424.0</b>
Non-interest expenses	1,195.5	1,257.4	319.2	299.8	308.9	329.6	<b>318.0</b>
Income before income taxes	361.6	346.8	51.7	74.0	116.1	105.0	<b>106.0</b>
Net income attributable to NHI shareholders	213.6	224.8	19.9	52.9	70.0	82.0	<b>68.7</b>

# Consolidated results: Income (loss) before income taxes by segment and region

## Adjustment of consolidated results and segment results: Income (loss) before income taxes

(billions of yen)	Full year		Quarter				
	FY2013/14	FY2014/15	FY2014/15				FY2015/16
			1Q	2Q	3Q	4Q	1Q
Retail	192.0	161.8	31.6	38.9	50.5	40.9	<b>50.9</b>
Asset Management	27.1	32.1	8.3	7.8	9.3	6.7	<b>11.7</b>
Wholesale	111.8	82.2	5.7	22.2	0.5	53.8	<b>19.7</b>
Three Business segments total	330.9	276.1	45.6	68.9	60.3	101.4	<b>82.3</b>
Other	20.0	46.0	2.6	2.5	44.8	-4.0	<b>14.7</b>
Segments total	350.9	322.1	48.2	71.4	105.1	97.4	<b>97.0</b>
Unrealized gain on investments in equity securities held for operating purposes	10.7	24.7	3.5	2.6	11.0	7.6	<b>9.0</b>
Income before income taxes	361.6	346.8	51.7	74.0	116.1	105.0	<b>106.0</b>

## Geographic information: Income (loss) before income taxes<sup>1</sup>

(billions of yen)	Full year		Quarter				
	FY2013/14	FY2014/15	FY2014/15				FY2015/16
			1Q	2Q	3Q	4Q	1Q
Americas	29.5	-27.6	6.1	-6.8	-12.7	-14.2	<b>-2.4</b>
Europe	-48.9	-23.5	-22.9	2.0	-10.4	7.8	<b>-9.7</b>
Asia and Oceania	-5.2	34.6	-0.3	8.5	16.2	10.3	<b>14.8</b>
Subtotal	-24.7	-16.4	-17.1	3.7	-7.0	3.9	<b>2.7</b>
Japan	386.3	363.2	68.8	70.3	123.1	101.0	<b>103.3</b>
Income before income taxes	361.6	346.8	51.7	74.0	116.1	105.0	<b>106.0</b>

(1) Geographic information is based on U.S. GAAP. (Figures are preliminary for the three months ended June 30, 2015). 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.

## Retail related data

(billions of yen)	Full year		Quarter						QoQ	YoY
	FY2013/14	FY2014/15	FY2014/15				FY2015/16			
			1Q	2Q	3Q	4Q	1Q			
Commissions <sup>1</sup>	297.2	258.9	54.6	66.7	69.8	67.7	<b>73.8</b>	<b>9.0%</b>	<b>35.1%</b>	
Of which, brokerage commission	115.4	81.8	14.3	19.8	25.1	22.6	<b>26.4</b>	<b>16.8%</b>	<b>84.4%</b>	
Of which, commissions for distribution of investment trusts	155.4	134.9	30.8	37.6	32.8	33.7	<b>34.9</b>	<b>3.6%</b>	<b>13.2%</b>	
Sales credit	106.1	106.4	25.0	25.9	30.0	25.4	<b>26.0</b>	<b>2.5%</b>	<b>4.0%</b>	
Fees from investment banking and other	40.3	32.5	9.1	6.7	8.7	8.0	<b>6.2</b>	<b>-22.3%</b>	<b>-31.3%</b>	
Investment trust administration fees and other <sup>1</sup>	60.6	71.9	15.8	17.3	18.8	20.0	<b>21.9</b>	<b>9.5%</b>	<b>38.0%</b>	
Net interest revenue	7.7	6.9	2.3	1.3	1.5	1.8	<b>2.8</b>	<b>53.1%</b>	<b>21.2%</b>	
Net revenue	511.9	476.5	106.9	117.9	128.8	122.9	<b>130.7</b>	<b>6.3%</b>	<b>22.3%</b>	
Non-interest expenses	319.9	314.7	75.3	79.1	78.3	82.0	<b>79.8</b>	<b>-2.7%</b>	<b>6.0%</b>	
Income before income taxes	192.0	161.8	31.6	38.9	50.5	40.9	<b>50.9</b>	<b>24.5%</b>	<b>61.0%</b>	
Domestic distribution volume of investment trusts <sup>2</sup>	10,146.4	9,478.5	2,245.2	2,380.2	2,516.7	2,336.3	<b>1,975.3</b>	<b>-15.5%</b>	<b>-12.0%</b>	
Bond investment trusts	3,146.3	3,110.2	795.3	743.9	831.3	739.8	<b>382.2</b>	<b>-48.3%</b>	<b>-51.9%</b>	
Stock investment trusts	6,201.4	5,445.1	1,264.4	1,402.8	1,405.4	1,372.4	<b>1,378.9</b>	<b>0.5%</b>	<b>9.1%</b>	
Foreign investment trusts	798.7	923.1	185.5	233.6	280.0	224.1	<b>214.2</b>	<b>-4.4%</b>	<b>15.5%</b>	
Other										
Accumulated value of annuity insurance policies	2,033.1	2,401.7	2,123.6	2,206.2	2,305.2	2,401.7	<b>2,531.4</b>	<b>5.4%</b>	<b>19.2%</b>	
Sales of JGBs for individual investors (transaction base)	1,037.0	380.6	153.5	95.4	84.0	47.8	<b>53.7</b>	<b>12.5%</b>	<b>-65.0%</b>	
Retail foreign currency bond sales	1,595.6	1,255.7	363.9	276.3	361.1	254.4	<b>257.9</b>	<b>1.4%</b>	<b>-29.1%</b>	

(1) A portion of revenues from "Commissions" and "Investment trust administration fees and other" has been reclassified.

(2) Excluding Net & Call and Hotto Direct.

## Asset Management related data

(billions of yen)	Full year		Quarter					QoQ	YoY
	FY2013/14	FY2014/15	FY2014/15				FY2015/16		
			1Q	2Q	3Q	4Q	1Q		
Net revenue	80.5	92.4	23.3	21.7	23.4	23.9	<b>26.9</b>	<b>12.7%</b>	<b>15.3%</b>
Non-interest expenses	53.4	60.3	15.1	13.9	14.1	17.2	<b>15.2</b>	<b>-11.9%</b>	<b>0.7%</b>
Income before income taxes	27.1	32.1	8.3	7.8	9.3	6.7	<b>11.7</b>	<b>76.2%</b>	<b>42.0%</b>

## Assets under management by company

(trillions of yen)	FY2013/14	FY2014/15	FY2014/15				FY2015/16
	Mar	Mar	Jun	Sep	Dec	Mar	Jun
Nomura Asset Management	33.8	42.6	36.2	38.3	41.2	42.6	<b>44.4</b>
Nomura Funds Research and Technologies	2.6	3.0	2.5	2.6	2.9	3.0	<b>3.1</b>
Nomura Corporate Research and Asset Management	1.6	1.7	1.7	1.6	1.6	1.7	<b>1.7</b>
Nomura Private Equity Capital	0.2	0.2	0.2	0.2	0.2	0.2	<b>0.2</b>
Assets under management (gross) <sup>1</sup>	38.2	47.5	40.6	42.7	46.0	47.5	<b>49.4</b>
Group company overlap	7.4	8.2	7.6	7.9	8.3	8.2	<b>8.0</b>
Assets under management (net) <sup>2</sup>	30.8	39.3	33.0	34.8	37.7	39.3	<b>41.4</b>

(1) Total assets under management for Nomura Asset Management, Nomura Funds Research and Technologies, Nomura Corporate Research and Asset Management, and Nomura Private Equity Capital.

(2) Net after deducting duplications from assets under management (gross).

## Wholesale related data

### Wholesale

(billions of yen)	Full year		Quarter					QoQ	YoY
	FY2013/14	FY2014/15	FY2014/15				FY2015/16		
			1Q	2Q	3Q	4Q	1Q		
Net revenue	765.1	789.9	188.9	190.6	178.9	231.5	<b>205.2</b>	-11.4%	8.6%
Non-interest expenses	653.3	707.7	183.1	168.4	178.5	177.7	<b>185.5</b>	4.4%	1.3%
Income before income taxes	111.8	82.2	5.7	22.2	0.5	53.8	<b>19.7</b>	-63.4%	3.4x

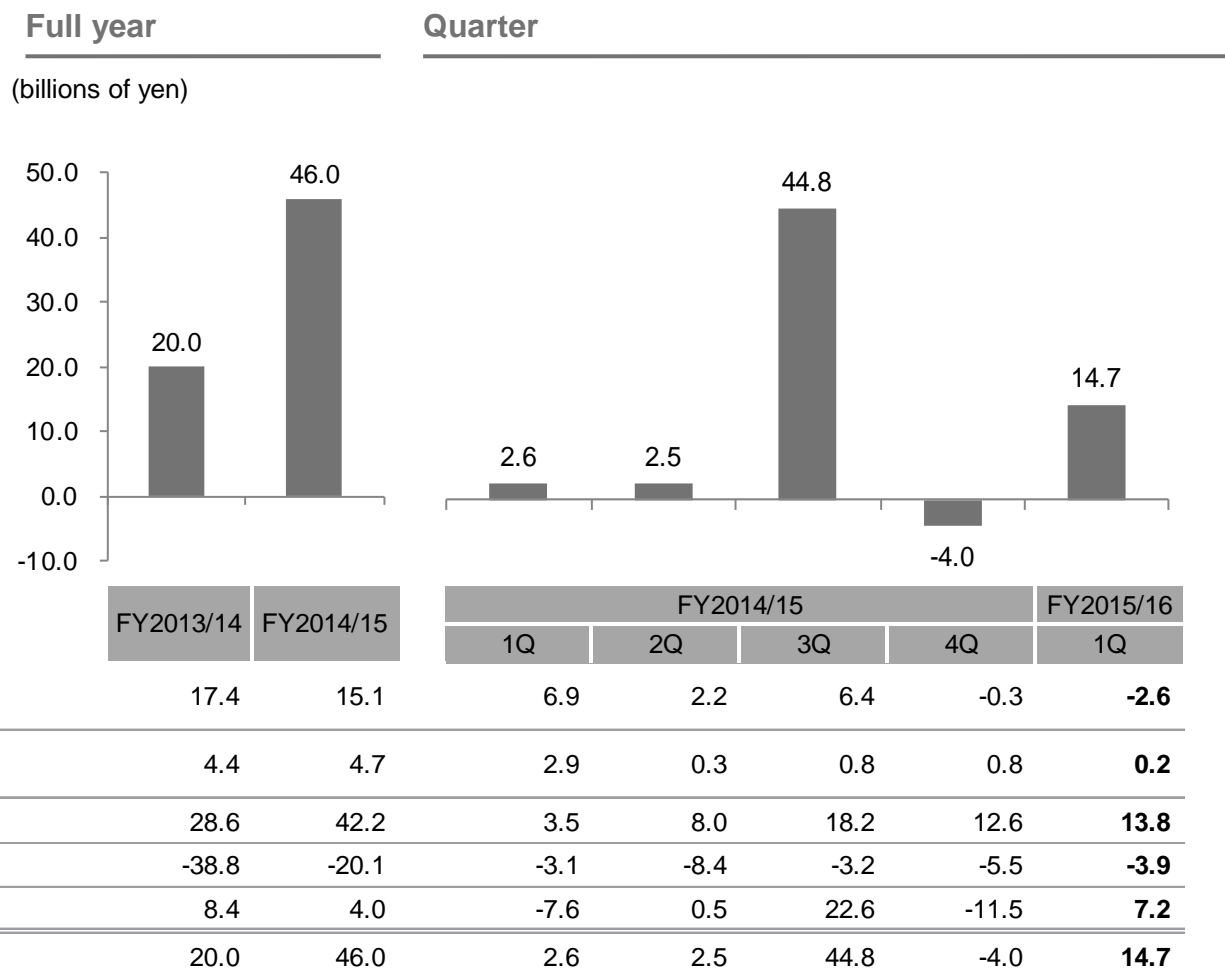
### Breakdown of Wholesale revenues

(billions of yen)	Full year		Quarter					QoQ	YoY
	FY2013/14	FY2014/15	FY2014/15				FY2015/16		
			1Q	2Q	3Q	4Q	1Q		
Fixed Income <sup>1</sup>	385.4	396.9	100.2	104.4	75.0	117.4	<b>84.1</b>	-28.4%	-16.1%
Equities <sup>1</sup>	264.3	286.5	66.4	63.7	74.7	81.7	<b>92.1</b>	12.8%	38.7%
Global Markets	649.7	683.4	166.6	168.1	149.7	199.0	<b>176.2</b>	-11.5%	5.8%
Investment Banking (Net)	97.4	104.7	22.8	22.5	29.6	29.9	<b>29.1</b>	-2.6%	27.9%
Other	18.0	1.8	-0.4	0.0	-0.4	2.5	<b>-0.1</b>	-	-
Investment Banking	115.4	106.5	22.3	22.5	29.2	32.4	<b>29.0</b>	-10.6%	30.0%
Net revenue	765.1	789.9	188.9	190.6	178.9	231.5	<b>205.2</b>	-11.4%	8.6%
Investment Banking (Gross)	184.3	193.8	43.2	40.7	52.7	57.3	<b>49.7</b>	-13.3%	15.1%

(1) Fixed Income and Equities figures from FY 2013/14 have been reclassified following a reorganization in April 2015.

Segment “Other”

Income (loss) before income taxes



# Value at risk

- Definition
  - 99% confidence level
  - 1-day time horizon for outstanding portfolio
  - Inter-product price fluctuations considered
- From April 1, 2015 to June 30, 2015 (billions of yen)
  - Maximum: 6.6
  - Minimum: 3.8
  - Average: 5.2

(billions of yen)	FY2013/14	FY2014/15	FY2014/15				FY2015/16
	Mar	Mar	Jun	Sep	Dec	Mar	Jun
Equity	1.3	1.0	2.8	1.5	3.3	1.0	<b>1.3</b>
Interest rate	3.9	4.2	5.2	4.2	4.5	4.2	<b>3.9</b>
Foreign exchange	2.8	1.1	2.0	2.7	3.1	1.1	<b>1.1</b>
Sub-total	8.0	6.2	10.0	8.5	10.9	6.2	<b>6.2</b>
Diversification benefit	-2.9	-1.6	-0.7	-1.6	-1.2	-1.6	<b>-2.4</b>
<b>VaR</b>	5.2	4.6	9.3	6.8	9.7	4.6	<b>3.8</b>

## Number of employees

	FY2013/14	FY2014/15	FY2014/15				FY2015/16
	Mar	Mar	Jun	Sep	Dec	Mar	Jun
Japan (excluding FA)	14,149	14,144	14,559	14,391	14,290	14,144	<b>14,722</b>
Japan (FA)	1,888	1,829	1,889	1,853	1,853	1,829	<b>1,848</b>
Europe	3,461	3,485	3,481	3,530	3,539	3,485	<b>3,492</b>
Americas	2,281	2,449	2,335	2,421	2,445	2,449	<b>2,439</b>
Asia-Pacific <sup>1</sup>	5,891	6,765	6,656	6,744	6,762	6,765	<b>6,788</b>
<b>Total</b>	<b>27,670</b>	<b>28,672</b>	<b>28,920</b>	<b>28,939</b>	<b>28,889</b>	<b>28,672</b>	<b>29,289</b>

(1) Includes Powai office in India.



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