

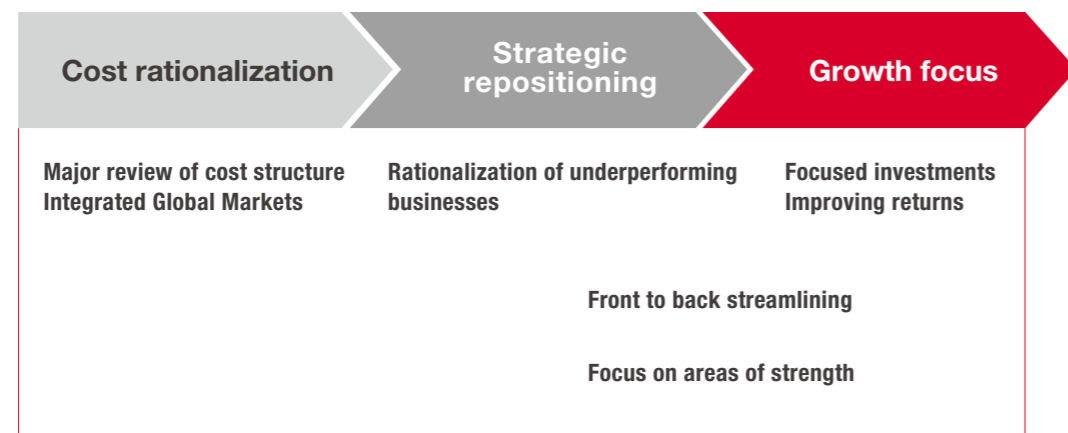
**Special Features:**

# Strengthening international businesses

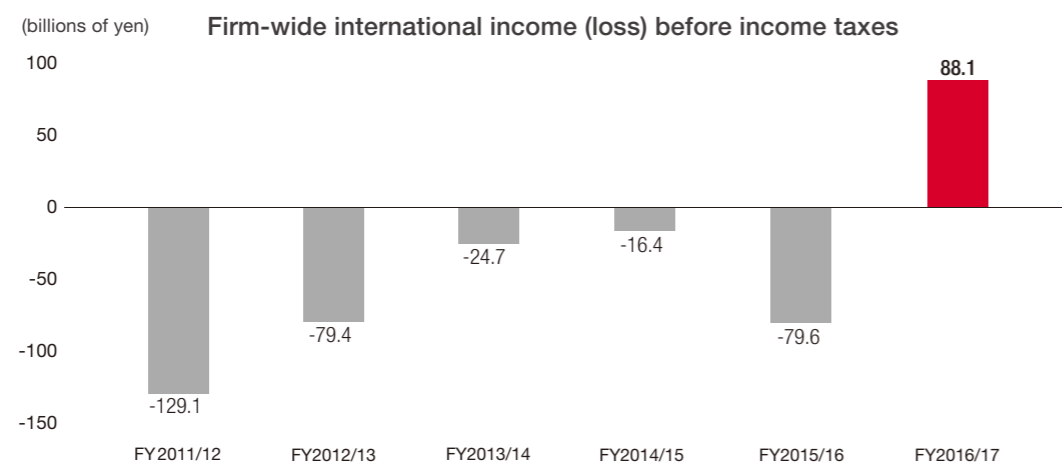
## Initiatives towards improving international profitability

Achieving sustainable profitability in our international platform has been a key priority for Nomura. A number of strategic initiatives have been implemented in the Wholesale Division over the years to structurally lower our cost base and realign our overseas platform around the areas of our strength. As a result, our firm-wide international

operations returned to profitability and the business portfolio is well positioned for growth opportunities going forward. In order to ensure the sustainability of our performance, we will pursue revenue growth while continuing to shift towards a flexible cost structure leveraging industry best practices and synergies within the Nomura Group.



**Firm-wide international profitability improved following to a series of initiatives**



## Paving the way for future growth in Asia

### Thailand

#### Initiatives of Capital Nomura Securities



CNS booth at an event for individual investors sponsored by the Stock Exchange of Thailand

Capital Nomura Securities Public Company Ltd. (CNS) is a securities company based in Bangkok, Thailand, that engages in both Retail and Wholesale businesses. It was established in May 1970, became a founding member of the Stock Exchange of Thailand in 1975, and was then listed on the exchange in 1988.

As of December 31, 2016, CNS had 17 offices across Thailand and employed approximately 580 people. CNS has grown into one of Thailand's leading securities companies by increasing trading volumes by private and institutional investors, underwriting volumes of initial public offerings and investment trust sales.

Nomura Holdings held a minority stake in CNS until 2014 when it increased its stake to 85.78% through a tender offer bid and subsequently converted CNS to a consolidated subsidiary. CNS continues to focus on both its Retail and Wholesale businesses to capitalize on the rising number of listed companies and the growing population of investors across Thailand. In addition, as Thailand faces an aging population, CNS will also expand operations by moving away from the conventional, brokerage-centric business model to a consulting-based business model.

### Philippines

#### Initiatives of BDO Nomura Securities



Party commemorating start of general operations on October 24, 2016

In 2016, Nomura and Banco de Oro Unibank, Inc. (BDO Unibank), the Philippines, largest commercial bank, established BDO Nomura Securities, Inc. (BDO Nomura), an online securities company and a means for Nomura to develop a Retail business in the Philippines. In October 2016, BDO Nomura commenced operations targeting major domestic clients of BDO Unibank. It also began transacting with local Philippine stock exchanges to fill orders received from Nomura's global clientele.

The economic growth rate in the Philippines was 6.8% in 2016, one of the highest among principal Asian countries, second only to India. High economic growth, coupled with the exceptionally low average age of 23, leaves the country ripe for future business growth. Despite the country's socio-economic landscape, average daily trading volumes across all stock exchanges were only ¥17 billion (US\$153 million) in 2016, and roughly half of the transactions were placed by overseas investors, which is most likely a function of the nation's low financial literacy rate.

The population of the Philippines is expected to exceed that of Japan within the next decade. BDO Nomura intends to grow with the population as it leverages the experience and insight it has gained in Japan, Asia's largest retail market. Ultimately, BDO Nomura's goal is to increase the risk capital and stimulate the growth and development of capital markets across the Philippines.