

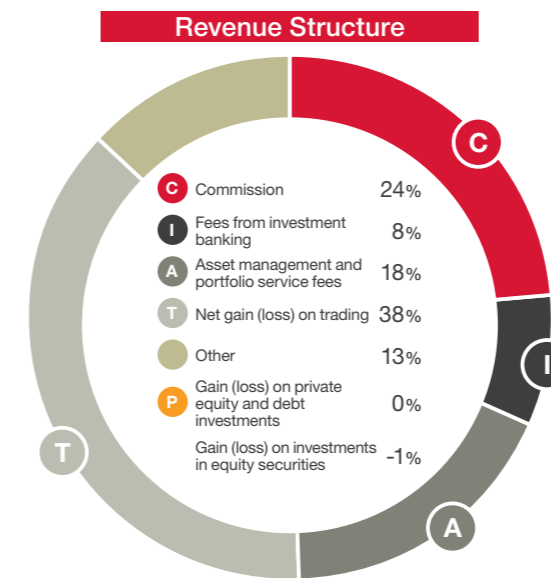
BUSINESS MODEL

Nomura Group's Business Model

Creating Value-Add through Financial Markets

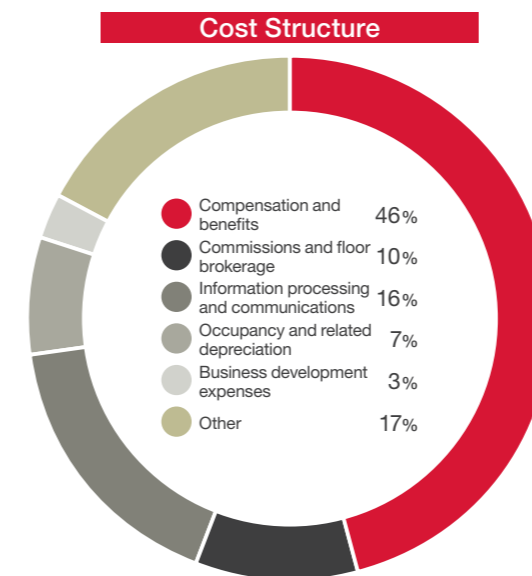
		Major revenue items*
Services related to asset management and business succession for individual and corporate clients	Retail We provide financial services through our nationwide branches, call centers and online platform. In addition to traditional investment products such as stocks and bonds, we offer inheritance, real estate, asset succession, financing, and corporate finance advisory.	C I A T
	Asset management We manage clients' assets according to their needs. We also provide investment trusts through various financial institutions.	A
Supporting corporate growth strategies and capital funding	M&A We provide advisory services on mergers, acquisitions, sales, business alliances, etc. We support clients in valuations of target companies and negotiations.	I
	Financing We support financing from financial markets by issuing stocks and bonds.	I
	Solutions We provide currency and interest rate risk hedging strategies associated with M&A and finance transactions.	I T
	Merchant Banking We support our clients' business growth by providing funds using Nomura Group's own capital. In 2019, we launched the first deal after the reorganization. This area will play a key role in expanding "Private" business in the future.	P
	Sales We provide solutions utilizing products such as stocks, interest rates, credit, foreign exchange, and securitization products.	C T
Services related to the investment and market intermediation for institutional investors and corporations	Trading We provide market liquidity through trading operations such as pricing financial products and managing inventories.	T
	Structuring We develop and structure products that utilize derivatives to meet client needs.	T
	Research We conduct research and quantitative analysis on financial markets and individual stocks, providing information to support clients' decision-making. Through the recently established "Content Company" we aim to further enhance our consulting solution capabilities.	—

*Major revenue items for each business are shown in the corresponding markers in the revenue breakdown on the right page.



Nomura's revenue comes from the provision of value-add consulting solutions and from the smooth execution in financial products. An increase of volume in transaction and investment of clients' financial products and in corporate activities such as financing will lead to an increase in our revenue. Net gains or losses on financial products positions held by Nomura also affect earnings.

*Represents the percentage of net revenue (¥1,287.8 billion) for the year ended March 2020



We aim to efficiently manage the business resources required to provide high-quality financial services. Because compensation and benefits account for a large portion of our costs, the performance of our employees is an important factor in Nomura's profitability.

*Represents the percentage of total expenses (¥1,039.6 billion) for the year ended March 2020

Nomura's Strengths

Brand and trust built up over 95 years of history and experience

Consulting capability and employees with profound market knowledge

Comprehensive capabilities as a main player in global financial markets

Strong Corporate Governance Structure

Adapted to Company with Committees etc. structure (now known as Company with Three Board Committees) at early stage in Japan

Financial strength with adequate capital base well above the regulatory minimum requirements