Financial review and analysis of the fiscal year ended March 31, 2022

Business environment

The global economy experienced repeated slowdowns in the fiscal year ended March 31, 2022 in response to flare-ups in the COVID-19 pandemic. Even so, economic activity resumed to a great extent, particularly in the countries of the West that were at the forefront in administering COVID-19 vaccination programs. The pandemic had a lingering impact on emerging market economies in particular, causing sluggishness in production and distribution that, when combined with the pent-up demand unleashed by the economic recovery, led to increasingly severe supply constraints and, in turn, rising inflation. Despite initial expectations that it would not last, this rise in inflation became protracted, and as a result the central banks of major countries and regions around the world became more inclined to execute monetary policy tightening sooner than they had previously expected to, or to raise their policy interest rates in larger increments. This led to greater concern over rising interest rates in financial markets. Global equity markets stayed in an overall uptrend, albeit punctuated by numerous downward adjustments prompted by worries over sustained inflation and rising market interest rates.

In spite of lackluster performance in the real economy and rising costs (including in the form of higher prices for imported raw materials due to accelerating global inflation and high market prices for raw materials and fuel), earnings at major Japanese companies kept up solid growth. The Japanese equity market set a fresh post-bubble high in September, buoyed by rising global equity markets and improvement in corporate earnings at home, but performance thereafter softened under the influence of downward adjustments in equity markets around the world triggered in part by worries over rising interest rates.

Summary of consolidated results

Amid significant changes in the business environment that surrounded our company, this fiscal year we have almost completed accounting for legacy transactions in the Americas from before the global financial crisis, how allocated management resources towards growth areas is marking a major turning point. We have also worked towards establishing a structure to secure sustainable profits globally by expanding stable revenues and diversifying revenue sources.

(billions of yen)	FY2020/21	FY2021/22	Year-on-year	Comments
Commission	376.9	**332.3**	-11.8%	Commissions from sales of stocks and investment trusts decreased.
Fees from investment banking	108.7	**149.6**	37.7%	Advisory business contributed to revenue growth
Asset management and portfolio service fees	230.0	**270.0**	17.4%	Increase in recurring revenue and fees driven by increase in assets under management.
Net gain (loss) on trading	310.0	**368.8**	19.0%	A loss arising from transactions with a US client (¥204.2 billion for the fiscal year ending March 2021, ¥44 billion for the fiscal year ended March 2022) decreased.
Gain (loss) on private equity and debt investments	12.7	**30.8**	141.6%	
Interest and dividends ✓	356.5	**284.2**	-20.3%	
Gain (loss) on investments in equity securities	14.1	**5.4**	-61.2%	
Other	208.3	**152.8**	-26.6%	American Century Investments related gain/loss decreased.
Total revenue	1,617.2	**1,594.0**	-1.4%	
Interest expenses ✓	215.4	**230.1**	6.8%	
Net revenue	1,401.9	**1,363.9**	-2.7%	
Non-interest expenses	1,171.2	**1,137.3**	-2.9%	Compensation and benefits increased while a loan loss provision in expenses arising from transactions with a US client decreased. An impairment loss on our equity method investments in an affiliated company in the previous year was no longer present.
Income (loss) before income taxes	230.7	**226.6**	-1.8%	
Net income (loss) attributable to Nomura Holdings shareholders	153.1	**143.0**	-6.6%	

✓ Net financial income, net of financing expenses, is an integral component of trading operations, which is affected by the level and composition of trading assets and total assets and liabilities, including repo and reverse repo transactions, as well as the term structure and volatility of interest rates. Dividends from American Century Investments are also included in financial income.
For the year ended March 2022, interest income decreased 20% and interest expenses increased 7% from the previous year. As a result, net interest income for the year ended March 2022 decreased from the year ended March 2021.

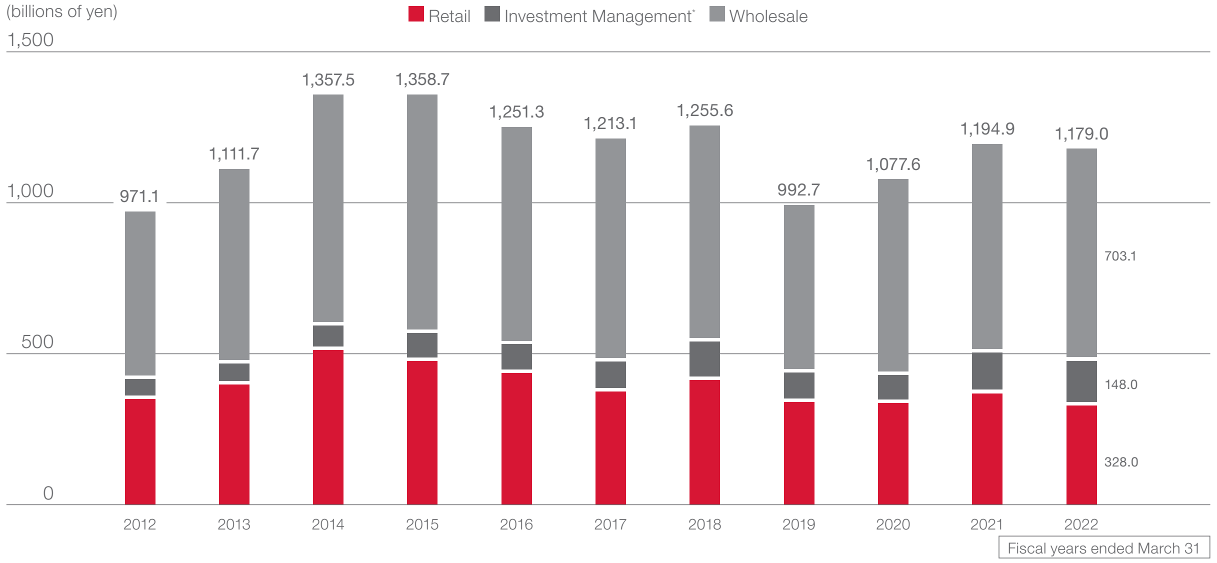
Net revenue for the fiscal year ending March 31, 2022, was ¥1,363.9 billion, down 3% from the previous year, and expenses other than financial expenses were ¥1,137.3 billion, down 3% from the previous year. Income before income taxes was ¥226.6 billion, net income attributable to Nomura Holdings shareholders was ¥143 billion, ROE was 5.1%, and EPS (diluted earnings attributable to Nomura Holdings shareholders per share) was ¥45.23.

Results of three segments

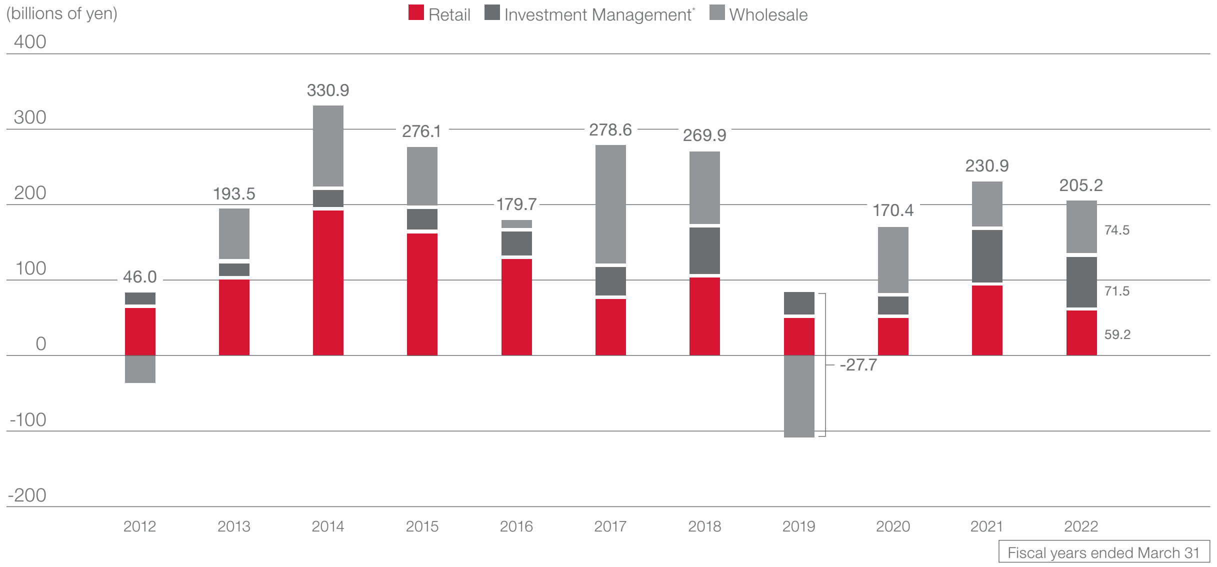
On April 1, 2021, we abolished the Asset Management Division and Merchant Banking Division and established the Investment Management Division. As a result, figures for the year ending March 2021 have been reclassified into Retail, Investment Management, and Wholesale Division.

For the fiscal year ending March 2022, revenue in all three segments decreased 4% to ¥1,179 billion and income before income taxes decreased 17% to ¥205.2 billion. In Wholesale, Investment Banking earnings increased due to strong advisory performance, and Equity also saw a decrease in losses related to a U.S. client transaction. In the Retail Division and Investment Management Division, stable revenue increased, driven by progress in efforts to increase assets under custody/management. However, flow revenue decreased and investment gain/loss deteriorated due to poor market conditions.

Total net revenue of three segments



Income before income taxes for three segments



* Asset Management Division and Merchant Banking Division was abolished with Investment Management Division established on April 1, 2021 in its place. Accordingly, figures for the year ending March 2021 have been restated to the disclosure form for the year ending March 2022. Figures before the fiscal year ending March 2020 are the results of the former Asset Management Division.

Retail Division

Strengths

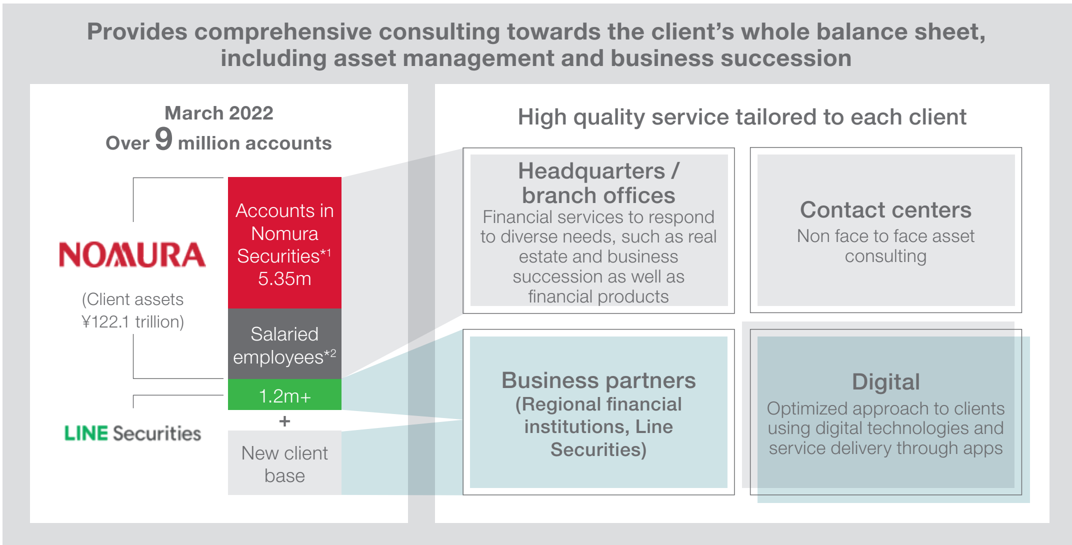
Largest client base across securities sector

Sophisticated consulting capabilities and supporting platforms

Ability to offer products and services by leveraging Nomura's comprehensive strengths

Head of Retail **Go Sugiyama**

Business outline



Review of fiscal year ended March 2022

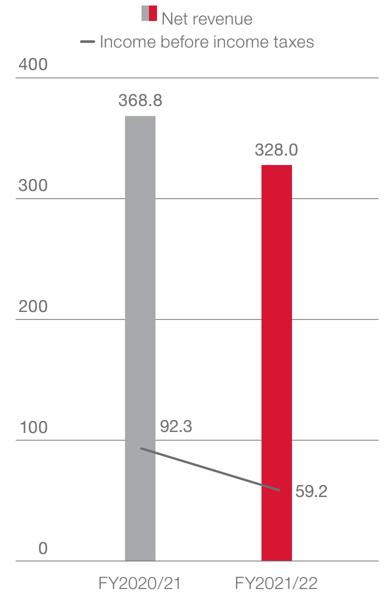
Performance

1. Sales of stocks and investment trusts declined due to lower investor sentiment stemming from future market uncertainty
2. Revenue decreased 11% to ¥328 billion, income before income taxes decreased 36% to¥59.2 billion
3. Recurring revenue assets increased to Y19.6 trillion at the end of March 2022 on net inflows into investment trusts and discretionary investments
4. Expenses decreased due to cost controls, and recurring revenue cost coverage ratio increased to 49%

Initiatives

1. Arranged Partners*3 in each segment according to client attributes; Build a system to provide customized services to each client
2. Strengthened remote consulting through contact centers
3. Expand client base through alliances with regional financial institutions and LINE Securities

Business performance (billions of yen)



*1 Accounts with balance *2) ESOP and corporate DC plan subscribers
*3 We call our sales representatives "Partners" because we want to be the most trusted financial service group for clients

Investment Management Division

Strengths

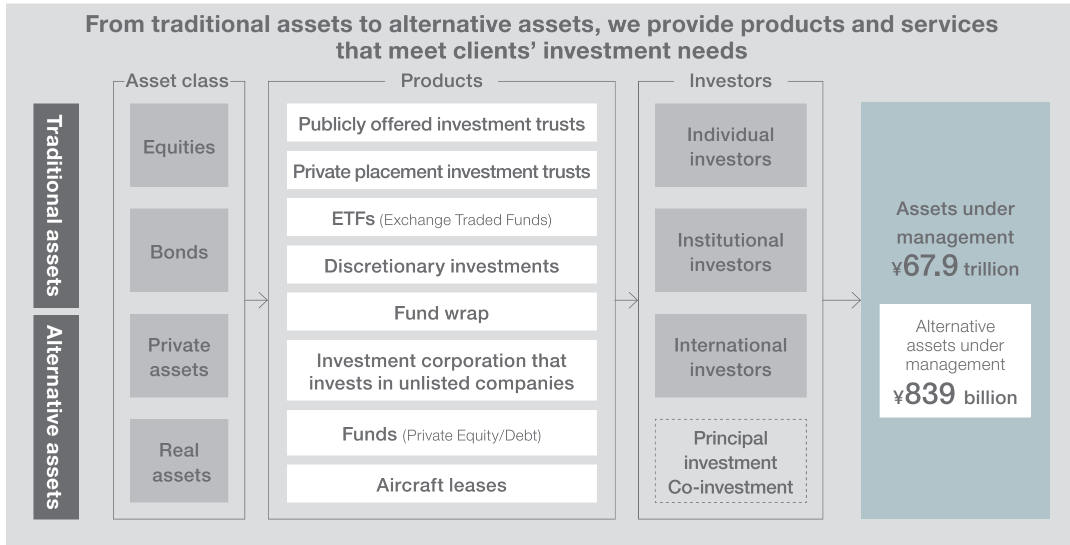
High level of asset management expertise from various investment companies within the division

Expertise with diverse investment businesses in both public and private markets

Enhancing growth through flexible capital policies within the division, combined with Nomura Group's comprehensive strength

Head of Investment Management **Yoshihiro Namura**

Business outline



Review of fiscal year ended March 2022

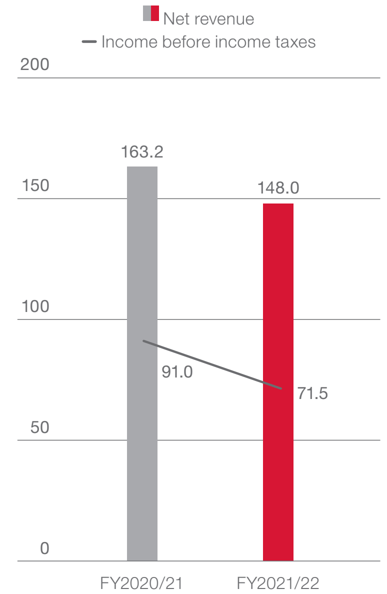
Performance

1. Revenue decreased 9% to ¥148 billion, and income before income taxes decreased 21% to ¥71.5 billion
2. As a result of inflows of funds for four consecutive quarters, assets under management remained high, and stable business revenue increased
3. Although Nomura Capital Partners posted valuation gains and gains on the sale of its investee company following its initial public offering, investment gain/loss decreased from the previous fiscal year due to a decrease of American Century Investments related gain/loss

Initiatives

1. Contributed to regional revitalization through asset management business "Kokorozashi Project" in cooperation with regional financial institutions and Nomura Asset Management
2. Established Nomura SPARX Investment, a joint venture with SPARX Group and began to operate an investment corporation that invest in unlisted companies
3. Established Japan Search Fund Platform, specialized in investments for business succession, and completed initial investor solicitation

Business performance (billions of yen)



Wholesale Division

Strengths

Leading position in Japan

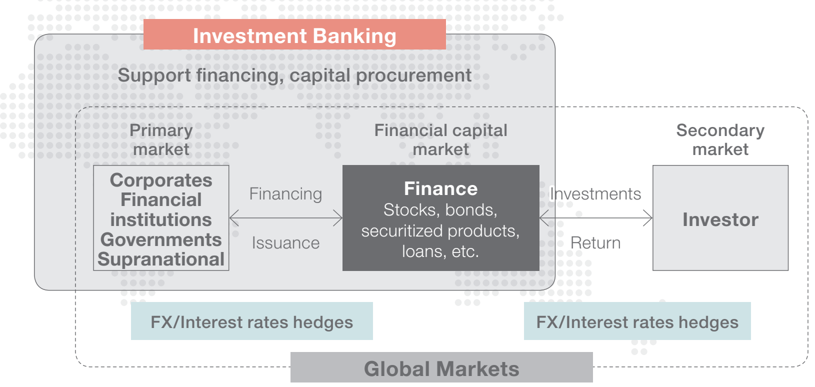
Leading position in areas where we compete overseas

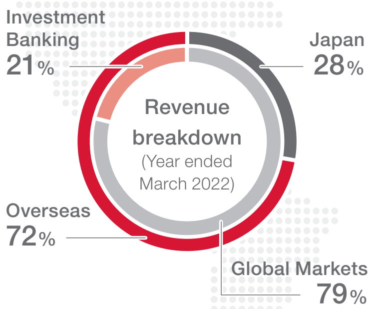
Provide services and products that leverage expertise in the sustainability field

Head of Wholesale Steven Ashley

Business outline

- Wholesale Division facilitates overall flow of funds by connecting "capital holders" to "seekers" with Global Markets offering investors a broad range of asset classes and underlying market liquidity, and Investment Banking offering fund raising and advisory services to corporates and financial institutions
- Approximately 70% of revenues are earned overseas





Review of fiscal year ended March 2022

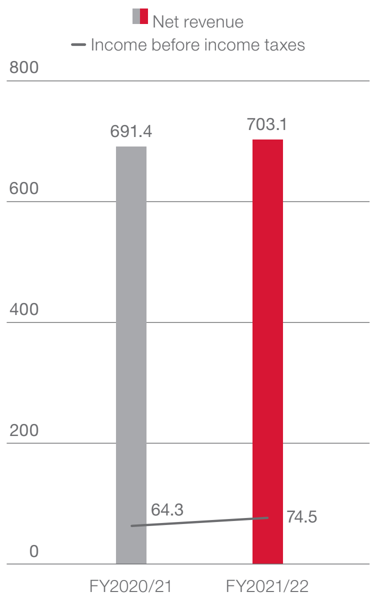
Performance

1. Net revenue was ¥703.1 billion (+2% YoY), and Income before income taxes was ¥74.5 billion (+16% YoY). CIR was 89% (-2% YoY)
2. Global Markets delivered robust earnings amid major market fluctuations, underpinned by a diversified business portfolio across regions, products, and client segments
3. Investment Banking revenues increased due to growing Advisory revenues and expansion of sustainability products by combining Nomura Greentech's expertise with our global client franchise

Initiatives

1. Diversification of revenue sources through enhancement and expansion of products and services provided
2. Expanding sustainability initiatives outside the United States
3. International Wealth Management business in Asia is steadily progressing and expanding

Business performance
(billions of yen)



Consolidated capital adequacy ratio

As of March 31, 2022, the consolidated Common Equity Tier 1 ratio was 17.22%, up from 15.81% as of March 31, 2021. Nomura has set a medium-term target of a consolidated Common Equity Tier1 ratio of at least 11% and has maintained a sufficient capital level. The consolidated leverage ratio was 5.98%, up from 5.63% at the end of March 2021.

Consolidated capital adequacy ratio

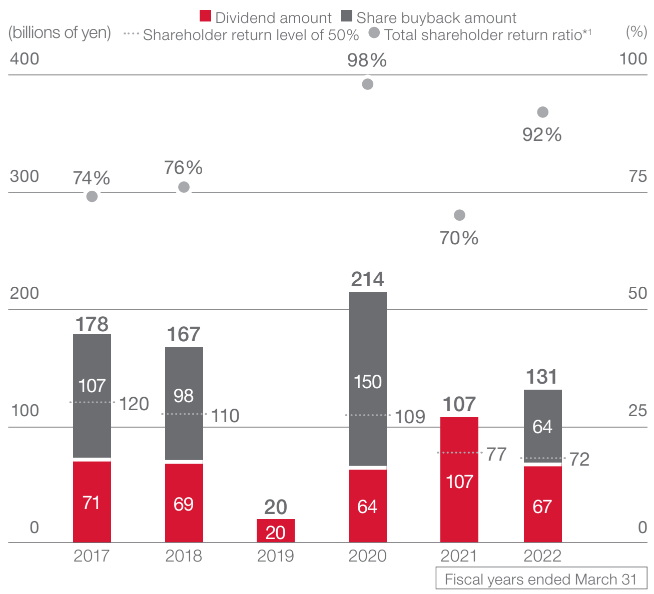
	(billions of yen)	March 2021	March 2022	Year-on-year
Capital	CET1 capital	2,522	**2,726**	204
	Tier1 capital	2,841	**3,103**	263
	Total capital	2,845	**3,103**	258
Risk-weighted assets	Credit risk-weighted assets	8,551	**8,301**	-250
	Value obtained by dividing market risk equivalent assets by 8%	4,952	**4,899**	-53
	Value obtained by dividing the operational risk equivalent assets by 8%	2,449	**2,630**	181
	Total risk-weighted assets	15,951	**15,830**	-121
Consolidated capital adequacy ratio	CET1 capital ratio	15.81%	**17.22%**	1.41%
	Tier1 capital ratio	17.80%	**19.60%**	1.80%
	Consolidated capital adequacy ratio	17.83%	**19.60%**	1.77%
	External TLAC ratio on a risk weighted assets basis	23.06%	**30.72%**	7.66%
	External TLAC ratio on a total exposure basis	8.24%	**10.30%**	2.06%
	Consolidated leverage ratio	5.63%	**5.98%**	0.35%

Return to shareholders

Our fundamental policy in the redistribution of profits is to continuously increasing shareholder value and paying dividends. Regarding dividends, the consolidated dividend payout ratio of 30%, based on semiannual consolidated results, is one of the important indicators. The dividend amount for each fiscal year will be determined by comprehensively taking into account the trends in the regulatory environment, including the strengthening of the Basel requirements, in Japan and overseas, as well as consolidated business results. We aim for a total payout ratio, which includes dividends and share buybacks, of at least 50%.

Based on the above policy regarding dividends from surplus, we paid a dividend of ¥8 per share with a record date of September 30, 2021 and a dividend of ¥14 per share with a record date of March 31, 2022. As a result, the annual dividend is ¥22 per share. In October 2021, Nomura set up a share buyback program and had an upper limit of 80 million shares and an upper limit of the aggregate amount of the repurchase price of ¥50 billion. The program resulted in 80 million shares repurchased amounting to ¥39.6 billion in value. In April 2022, we announced a new share buyback program with upper limits of 50 million shares and ¥30 billion total value of shares repurchased of. The program resulted in 50 million shares repurchased amounting to ¥24.7 billion in value.

Total shareholder return



*1 Total return ratio includes allocation to shares to be delivered as stock-based compensation