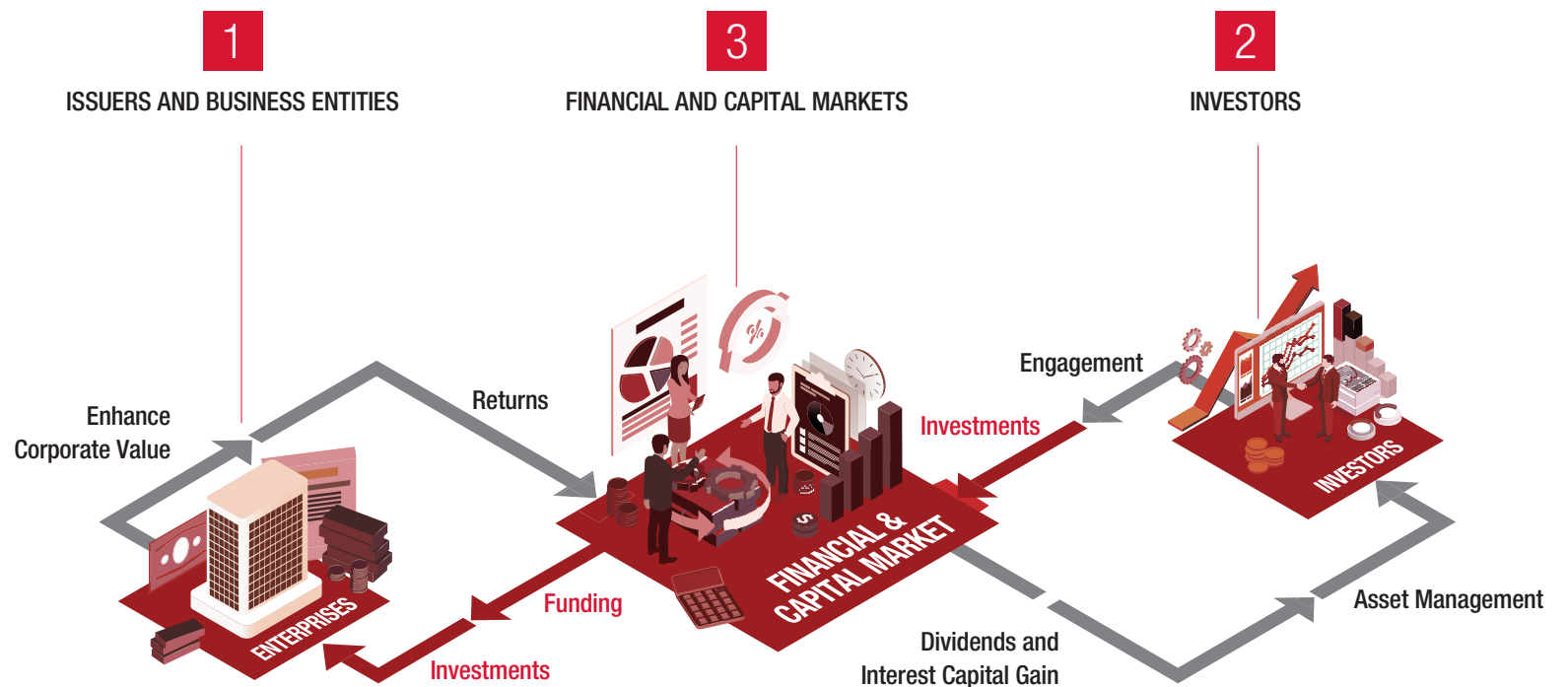


Special Feature

OUR BUSINESS MODEL

Contributing to Society by Facilitating the Circulation of Risk Capital

Since its founding, Nomura Group has been engaged in the development of the financial and capital markets, economic growth, and the realization of a prosperous future for its clients by connecting issuers who seek capital with investors who provide capital, and therefore facilitating the circulation of risk capital.



1 ISSUERS AND BUSINESS ENTITIES P.21

- Support client financing (IPOs, equity and bond issuances, securitization, etc.)
- Various proposals and support for improving corporate value (M&A, business restructuring, stock buyback, etc.)
- Support for business continuity and succession planning
- Various solutions for M&A and financing

Nomura Group supports issuers in financing, mainly through Investment Banking in its Wholesale Division, and provides advice on M&As and capital/business alliances. With a lead underwriter ratio of approximately 40% for domestically listed companies and approximately 60% including underwriters, Nomura is the only company that commands overwhelming shares in its home market while also establishing a full-fledged franchise outside of Japan. Furthermore, in Wholesale Division, Global Markets has an extensive access to institutional investors around the world. Nomura Group's investor network, global presence, knowledge and expertise also position ourselves as choice of clients around the world. In addition, Wealth Management Division operates the largest client franchise in Japan, particularly among high-net-worth individuals.

In recent years, a variety of management decisions have been made in Japan to reform governance and improve capital efficiency. We will continue to support our clients' growth strategies and initiatives to improve corporate value by leveraging the Group's collective strengths.

2 INVESTORS P.23

- Provide expert consulting for all clients assets
- Support for medium- to long-term asset building

Wealth Management Division aims to address our clients' concerns around "how to increase, protect and pass on assets" and to achieve their future financial goals through collaboration with our experienced and knowledgeable Sales Partners. We provide expert consulting services for all client assets, including asset management proposals, solutions for inheritance and succession planning, non-financial services such as real estate utilization, as well as support for corporate core businesses and various advisory services. We also provide medium- to long-term asset building support through provisions of highly convenient and unique services that combine people and digital tools, as well as offering a service for corporate employees and shareholding association members (Workplace Business).

In addition, to further expand our wealth management business in Asia, where rapid growth is expected, we have been promoting growth strategies for International Wealth Management under the Wholesale Division since 2020. In addition to Singapore and Hong Kong, we opened a Dubai branch and newly appointed a Head of North Asia in 2023. We are working to expand our client base while simultaneously expanding our product lineup.

3 FINANCIAL AND CAPITAL MARKETS P.27

- Provide liquidity in financial and capital markets and market making
- Structure tailor-made products
- Provide solutions addressing diverse financial needs

In Global Markets, which is part of Wholesale Division, Nomura plays a role of providing liquidity to the market through extending its balance sheet. The products lines managed in the secondary market are broadly divided into Rates, Credit, FX & Emerging, and Securitized Products. Nomura Group has a strong presence not only in Japan but also in the Americas, EMEA, and Asia. At the same time, it contributes to innovation in financial and capital markets by developing and structuring products that meet client needs. In this way, Global Markets plays the role of providing products to Nomura Group. For example, it provides solutions for rates and FX hedging in the event of M&A.

Another important role of Nomura Group is to provide solutions for the various investment needs of investors. Investment Management Division offers a wide range of investment products from traditional assets including listed stocks and bonds to alternative assets such as private equity, private debt, real estate and forest resources.

Special Feature 1

Global Head of Investment Banking

Masahiro Goto



Masahiro Goto is Global Head of Investment Banking since April 2020.

He has a long career in M&A advisory business, including an experience at Wasserstein Perella & Co., Inc. in NY. In addition to his career as a banker covering Telecom Media Trading Company Sector and Machinery/Auto Industry Sector, he served as Co-Head of Investment Banking EMEA, Head of the team covering Trading Company & Financial Sponsors Sector, and Senior Managing Director responsible for multiple departments around capital markets business. He was appointed to Deputy President of Nomura Securities in April 2022.

ISSUERS AND BUSINESS ENTITIES

Supporting Our Clients' Growth

Within our Wholesale Division, Investment Banking supports our clients' various initiatives to pursue business strategies and enhance their corporate value. We interviewed Masahiro Goto, Senior Managing Director of Nomura Holding (Global Head of Investment Banking), about the current business environment and Investment Banking's business strategy.

How has the mindset of Japanese corporate management shifted in response to changes in the business environment over the past few years?

A major change that has affected their mindset is the heightened awareness of corporate governance. Managers have become increasingly aware of the importance of maintaining dialogue with their shareholders, optimizing capital efficiencies, and increasing profitability. On the institutional side, once "Guidelines for Corporate Takeovers" was announced, it activated more corporate actions. In addition to the unwinding of cross-shareholdings that has been ongoing, managers began to more seriously consider taking actions to efficiently allocate their limited capital to areas of future growth. For example, distributing the proceeds from sales of cross-shareholdings to new growth opportunities and restructuring their

business portfolios. We work very closely with many executives as trusted partners. I always advise our investment bankers to fully understand the conditions and situations impacting clients, to be able to think about corporate growth opportunities. We are expected to support corporate managers to create and execute future strategies and plans together, including determining which medium- to long-term growth strategies should be implemented, what capital policies should be adopted to execute upon these strategies, and how they should be announced both internally and externally, well before the decision is made.

Toward "Expanding scope of business from public to private markets," we are strengthening Equity Private Placement*¹ (EPP) initiatives.

EPP is the business area that we

approach actively and globally. In Japan, the IB Private Business Promotion Department, established in 2022, plays a central role. Internationally, we allocated specialized bankers in North America, Europe, and Asia. Through global collaboration and cooperation with other departments including Wealth Management Division, we aim to create business opportunities and to acquire global projects. In last fiscal year, the first financing deal of "JSDA*² Shares and Investment trusts for Professionals" called "J-Ships" was completed in Japan. We are working deliberately with a focus on quality over quantity or scale. In addition, we supported Oishii Farm's financing, a startup in US that grows strawberries in plant factories, and brought Japanese strategic investors which have significant synergy. While most of our targets are growing companies which need capital, we are expanding our private financing

“ Our mission is to respond to various concerns from our clients ”

capabilities through methods tailored to fit strategic, institutional, and professional investors. We will continue to support growing companies in both Japan and overseas.

*1 Capital raising and investment by private companies and investors

*2 Japan Securities Dealers Association

Could you explain your overseas business?

We have built world-class sector coverage teams across GII (Greentech Industrials and Infrastructure), Consumer & Retail, and Financial Sponsors which are well aligned with our differentiated M&A, and Financing and Solutions franchises.

Going forward, we aim to improve our competitiveness and enhance our presence in overseas markets through leveraging our presence in Japan and strengthening our overall global capabilities and advisory businesses.

We aim to further raise productivity of each team by recruiting and effectively training talented personnel and by expanding the cross-selling opportunities arising from winning advisory mandates.

What is the future strategy of Investment Banking, including its connection with the Group's purpose established in April 2024?

Our mission is to support our clients in enhancing their corporate value and prosper. In order to do so, we promptly respond to various concerns from our clients, and we strive to add value through global firm-wide collaboration. We believe Investment Banking takes a key role. In addition to traditional investment banking business, we will support the human capital management of companies working to improve employees' financial wellness through the Workplace Business, where we have

strong market share in Japan, in collaboration with Wealth Management Division.

We believe that transactions that leverage the power of financial markets will enhance the corporate and asset value of our clients, and thereby “create a better world” through promoting technological advancement, creating jobs, responding to sustainability issues, and enhancing Japan's global competitiveness.

Special Feature 2

(From left)

Nagoya Branch Office Private Wealth Management Dept. II

Koichiro Iwanami

Workplace Consulting Dept.

Yukiko Ono

Head Office Sales Dept. IV

Seiya Hidaka

Digital Customer Service Dept.

Ayumi Shimakawa



INVESTORS

Build Trust by Providing Products and Services that Meet Client Needs

Since 2019, the Wealth Management Division has pursued a segment based approach aligning sales representatives (Partners) with client needs. In this section, we interviewed four Partners engaged in wealth management services across each segment.

What is your current role?

Iwanami Nomura's Private Wealth Management Department (PWM) covers UHNWI, corporate and owner clients, and I am currently working at Nagoya Branch Office PWM Department.

In the corporate and owner business, we provide support to address concerns related to clients' assets such as stock management and real estate, and corporate core business, in cooperation with headquarter departments. If our clients don't trust us, they will not share their concerns. We provide custom-made solutions and products that meet our client needs and receive fees in return for their trust, which is a very rewarding experience.

Hidaka I knew early on that I wanted to become a wealth management professional, so I joined a major bank as a graduate, and gained experience in sales for individuals and in banking for wealthy clients. I joined Nomura in May 2023, as a mid-career employee. Currently, I work in the Wealth

Management Department (WM), where I deal with the diverse concerns of high-net-worth clients in areas such as wealth management, estate planning, and real estate.

Shimakawa The Digital Customer Service Department (DCS), which I work under, has a mission of "Utilizing digital technologies to provide Nomura products and services to as many clients as possible and improve client satisfaction." We have about 200 Partners who use digital tools to provide non-face-to-face financial services to clients, and who effectively manage day-to-day dialogues with clients.

Ono I am currently working at the Workplace Consulting Department (WPC). Nomura's Workplace Business consists of B-to-B business, which supports corporate clients' human capital management through the utilization of workplace systems such as Employee Stock Ownership Programs (ESOP), and B-to-C business, which supports personal asset management for corporate executives and employees.

WPC is in charge of the latter. At WPC, we utilize digital tools and work together to come up with solutions to various issues encountered throughout our clients' life events to support them live an enriched life.

Nomura Group has quickly shifted to a segment based approach. What do you see as Nomura's strengths and points of differentiation?

Shimakawa I feel that we provide effective services by combining proposals from Partners and the use of digital technologies to meet client needs. Many of DCS' mass-affluent clients have simple needs. They either want to grow their assets appropriately for the future or they want to casually consult with a reliable financial institution. Understanding client needs by providing information and following up with the appropriate digital tools, and having Partners propose the most appropriate combination of portfolio products are new strengths and differentiators for



Head Office Sales Dept. IV

Seiya Hidaka

Mainly in charge of providing various solutions to address overall asset issues, in addition to wealth management proposals, for HNWI and corporate clients in the region



Nagoya Branch Office Private Wealth Management Dept. II

Koichiro Iwanami

Mainly in charge of providing various solutions to solve issues specific to clients, in addition to wealth management proposals for UHNWI clients, including corporates and their owners, both listed and unlisted



Workplace Consulting Dept.

Yukiko Ono

Mainly responsible for supporting asset building through Workplace Business for listed company executives and employees



Digital Customer Service Dept.

Ayumi Shimakawa

Mainly responsible for delivering combined digital and in-person services to mass affluent clients

Nomura that are not found in traditional face-to-face securities businesses or online brokers where users trade by themselves.

Ono At WPC, we allocate Partners by company. By exchanging information among Partners in charge of the same company and deepening understanding of various systems such as retirement benefits and corporate pensions plans, we are able to provide services that are best suited for each client. Since the majority of our clients are in the working generations, we have created a convenient environment to consult with Nomura. For example, every other week, we remain open on Saturdays and Sundays and we hold remote meetings during lunch breaks.

Nomura has an extremely high 41% share in ESOP by companies and 55% share by members. By providing comprehensive workplace services, including ESOP, we hope to raise awareness of Nomura as a trusted advisor with regular contact assuming the role of an “occupational physician

specialized in our clients financial health.” We also hope to be able to receive first calls from clients seeking advice on managing retirement funds upon reaching retirement age.

Iwanami I feel that the most important thing that has improved is knowledge accumulation as we have had our team members in charge of similar clients gather together on a regular basis. For example, my manager has a background in corporate finance, and I have a background in private banking, so by constantly sharing our knowledge about clients’ core business and stock management with team members and working together, we improve the overall level.

In addition, Partners proactively cooperate with related parties to make proposals to clients, which leads to improved human resources. For example, when we create proposals about taxes for stock management, we work together with a tax accountant. When we talk about real estate, we work together with a partner in real estate company.

As such, we arrange cooperation with related parties under the initiative of each of us. With this method, Partners gain clients’ trust and can engage with diverse businesses and grow professionally.

Hidaka I also feel that one of Nomura’s strengths is our Partners high level skill. A person with a lot of experience in the field serves as a branch manager or other management positions, and various ideas are brushed up by the team and put to use in daily operations.

Regarding asset management business, which is a common theme for the three core Divisions, what are you focusing on?

Ono We are striving to further utilize Life Plan Simulation and Nomura Navigation (a tool for managing all asset portfolios) to provide solutions that meet the goals and alleviate concerns of our clients. In particular, when the timing of retirement approaches and clients start to plan their second life, since our clients have been holding stocks in ESOP for a

long time, the recent rise in stock prices has led to an increasing number of clients having a distorted asset portfolio, with ESOP accounting for 50% to 70% of their total assets. Quite a few clients have no experience in asset management other than ESOP. For these clients, we provide consulting services from the perspective of holding a balanced portfolio of assets to help them achieve their desired life plans.

Iwanami In regards to PWM, we are increasingly proposing private products as our clients’ needs are becoming more complex. Other companies have similar initiatives, but Nomura is the only company offering a broad lineup, leading to product differentiation. Our approach is not simply about suggesting clients to buy private products, but rather to analyze their portfolios and utilize private products as necessary while optimizing their balance sheets as a whole.

Hidaka At WM too, an increasing number of clients are seeking advice on how to pass the baton to the next generation, considering future inflation

and increased social insurance premiums. As part of our asset management business, we are working to provide insurance and testamentary trust solutions to meet such inheritance and succession needs in cooperation with our headquarter departments and tax accountants.

Have client needs changed in response to hearing the government emphasize the importance of becoming a Leading Asset Management Center? What role is Nomura playing?

Shimakawa I feel that clients are becoming more sensitive to inflation. An increasing number of clients, who were reluctant to invest now feel the need for asset management due to concerns about the future and consult us. The new NISA (Nippon (Japan) Individual Savings Account)* is gaining traction, but many people do not know what to invest in amid the flood of information. One valuable resource is the presence of Nomura's Partners who understand our

clients' values and can deliver solutions tailored to their individual preferences and goals. Through capitalizing upon our strengths in distributing a comprehensive set of products and services from both digital and Partner perspectives, Nomura's role is to attract and grow the assets of many clients interested in asset management, leading to a prosperous society.

Ono Against the backdrop of prolonged deflation, clients who originally thought that putting retirement money in risk-free savings was the best solution, have begun to seriously consider asset management amid rising interest rates and inflation. When we show them a simulation of the balance of financial assets reflecting the annual inflation rate of 2%, they saw that assets were declining faster than expected. We witness moments such as this one on a daily basis where clients begin to seriously consider asset management, thinking that assets might decline faster than expected with deposits alone.

In addition, with longer life spans,

clients are seeking long-term asset management rather than short-term profits. Our role is to provide meticulous services and solutions that fulfill clients' goals and solve their financial concerns, based on understanding their life cycles and assets.

Hidaka At WM, needs outside asset management are also increasing as well. For example, some corporate clients are finding it difficult to hire employees, so they want to establish and market benefits to attract candidates. For this reason, we provide services to support corporate core business, such as supporting them implementing a system that expand employee benefits. In addition, there is a growing need for individual clients to entrust us with asset management of their entire family assets, so an approach that takes into account assets on a whole basis is becoming more important. Nomura's role in this regard is to respond to the need for one-stop consultations.

Iwanami Corporate clients have also become aware of inflation, foreign

exchange fluctuations, and rising wages, and have begun to seriously consider alternative investment methods to deposit money. In response to such inquiries, we quantitatively show in the corporate balance sheet how much money should be invested, raise the level of satisfaction, and create proposals, including tailor-made products, that meets clients' goals. Our clients' concerns change over time. While keeping an eye on changes in the world and market trends, We will be constantly alert to changes in our clients thinking and situation and our Partners will aim to always be our clients' first choice.

* A tax exemption program for small investments by individuals.

INVESTORS

Building a Wealth Management Franchise in North Asia

We interviewed a leader in International Wealth Management who aims to expand his business through building long-term relationships and trust with his clients.



North Asia Head International Wealth Management

Rudolf Hitsch

Joined Nomura in 2023 as Head of International Wealth Management in North Asia. Prior to that, he spent 25 years at Western banks focusing on offshore private banking business supporting wealthy clients, primarily from mainland China. Leveraging his vast experience with China, his current role and responsibilities include expanding the overseas private banking business and increasing Nomura's footprint and operations in Hong Kong.

Drawing from your 25+ years of experience, working mostly in Western banks, what are the key transformations required from foreign banks to meet the demands of regional clients?

Firms naturally have a tendency to replicate what works in their home market. To become a leading company however, you need to take account of differences between the home market and local markets. I witnessed several boom-and-bust cycles and observed that banks often end up adjusting their strategies well after markets have turned. I realized that it was much better to have a longer-term strategy, taking into account the cyclicity of this industry.

I also learned the importance of gaining the trust of clients. Many of them are self-made entrepreneurs. They did not become successful by listening to what other people thought would make sense, but by figuring out how to do something which other people thought cannot be done. It is important that we

provide them with a comprehensive platform and superior services with which they take and manage risk in their own preferred ways. Most clients tend to remember bankers' advice. For example, bankers sometimes encourage clients to slow down. It takes time but mutual understanding and trust can be built, and clients eventually learn to seek out bankers' advice.

Why did you join Nomura and where do you see opportunities for growth?

Joining Nomura, already a powerhouse in Japan, with a focus on expanding our scale throughout other parts of Asia offers me the most exciting and entrepreneurial opportunities for years to come. Heightened geopolitical risk in Asia and a shift from globalization to de-globalization pose uncertainties in the region. While banks from other part of the world are reevaluating their strategies in the region, new opportunities arise for Asian banks. This is also an opportunity for Asian investors to do business with

financial institutions outside of the US and Europe. This is particularly true for Nomura, an Asian-based private bank with an ambition to provide a global platform to Asian clients.

How can we achieve our target to become top 15 private bank in Asia by leveraging our strength in Japan?

It's important for us to become the first-choice of our clients, and by leveraging our leading capabilities in Japan, offer to the clients the best and differentiated investment products, lending and risk management services. Risk diversification is another key factor in private wealth management and this includes managing legal system risk as well. Nomura can offer brand new value, Japan, to potential clients, who are considering new setups in an anticipation of various changes for the future.

On the other hand, North Asian clients prefer to invest the majority of their assets in the US, Europe and Hong Kong.

Hence it is essential to offer them global investment opportunities.

Given the strength of our offshore footprint with half of our business operated outside of Japan, I see opportunities to add real value to Asia's leading entrepreneurial families.

What are your key considerations in building out the franchise?

Our primary focus is hiring experienced, capable, hard-working and entrepreneurial private bankers who share our values and put emphasis on building long-term relationships. It's also critical we target entrepreneurs who own fast growing businesses, so that we can grow our platform with them.

Special Feature 3

Global Markets Sales Head

Samir Patel



Joined Nomura in 2009 to launch the US Equity Derivatives business after 12 years of industry experience at derivatives desks across major US-based banks. Currently, he is the Head of Global Sales for Fixed Income and Equities.

FINANCIAL AND CAPITAL MARKETS

Building a Business Based on Client Relations

We interviewed the Head of Global Markets Sales about his strategy to expand the client franchise through offering differentiated solutions and high value-added services.

How did you build up the client franchise?

Actually, after we launched the Americas derivatives, we didn't have any client for the first four months. The very first client was an equity fund which was known as a difficult client. We have delivered our differentiated services that catered to their high standards, now they trade with us in all regions and has become one of the top clients.

What we really focus on as a sales organization is what I call addressable wallet. We focus our efforts on clients who transact based on ideas, services and trading in areas where we are competitive and add value. To execute our client strategy, we need to accurately assess which clients will drive growth and where we should focus our sales, trading, research efforts. Aligned with

our unique service lineup, our client list in international regions also looks unique compared to most firms, providing different revenue opportunities.

What do you think sets Nomura apart from competitors?

The level of talent we have at Nomura sets us apart when generating valuable trading ideas. We differentiate our products from others through leading with ideas and solutions crafted by our people, not just with price and balance sheet. We show clients how we can help them with their investment process and improve trading pricing, liquidity and risk management. This is the basis for many long-term client relationships.

We cannot offer every product as our platform is at a smaller scale compared to bulge bracket competitors. However,

we are equally as successful in the products where we compete. When we engage with clients, we communicate our strengths in each product and region, and if they are also active in those areas, we activate them across Nomura's platform. We always leverage our strength in Japan - we deliver east to west, sharing the strength of our Japan franchise with our clients.

How did you build a productive and diverse sales team with a strong culture, leading to success in serving clients best interest?

We have a very experienced and stable team with shared values centered around establishing a client-first approach and operating with integrity. We value long-term client partnerships where the sales teams lead with ideas

“ Aligned with our unique service lineup, our client list in international regions also looks unique compared to most firms, providing different revenue opportunities. ”

and work closely with trading teams to ensure overall client success.

In managing the team, we lead with a culture of stability. Teams who have stability are typically the teams that have the best success.

Our client-first approach is based on establishing credibility though looking for ways to add value and acting honestly in our clients' best interests. We always look to raise the client experience.

What are your priorities in expanding client reach globally?

One of firm's main priorities is to further strengthen our international client franchise. Client revenue currently accounts for a healthy level of total global markets revenue, which is important in reducing earnings volatility. We have ambitions to further grow our

share of our client's business.

We've recently grown our sales force and expanded global distribution of our top-performing products. Cross-sell is a big focus of ours now. We are exploring ways to leverage the strength of a relationship in one product or region and sell across products and regions. For example, our fund financing business is a source of strength in the Americas, and we were able to acquire new clients by marketing to Japanese investors last year. We also expanded our client base to include asset managers and insurance companies in addition to hedge funds, which were our primary clients overseas. Similarly, we are working with Investment Banking to further develop our client reach across private equity firms and corporates.

To encourage this behavior, we have instituted a new incentive structure for

our sales teams.

We are also working to ensure that we have enough time and resources to deal with larger clients with potential revenue opportunities. For example, every time we open an account for a new client in international regions, we charge sales to make them aware that it costs to maintain an account and to create a structure and awareness so that we can focus on the clients to whom we should allocate resources.