



NOMURA

Finance

May 10, 2010

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Chief Financial Officer

1. **Maintaining robust financial position**

2. Initiatives to improve ROE

3. Shareholder returns

Robust Financial Position

Capital Ratio

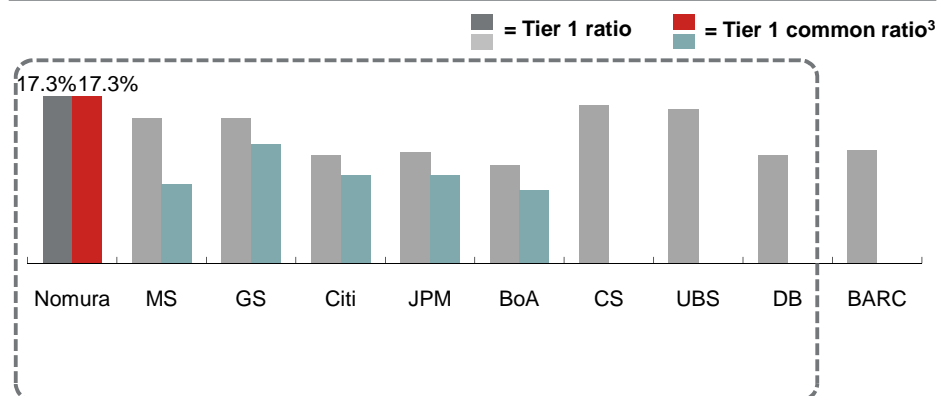
Financial Indicators

- Total assets ¥32.2trn
- Shareholders' equity ¥2.1trn
- Gross leverage 15.2x
- Net leverage 9.3x
- Level 3 assets (net)¹ ¥0.9trn
- Liquidity ¥5.2trn

	(Preliminary)	(billions of yen)	
		31 Dec	31 Mar
Tier 1		1,989	2,000
Tier 2		559	560
Tier 3		303	306
Total capital		2,789	2,806
RWA		11,127	11,525
Tier 1 ratio		17.8%	17.3%
Tier 1 Common ratio ³		17.7%	17.3%
Total capital ratio		25.0%	24.3%

Comparison of Capital Ratios

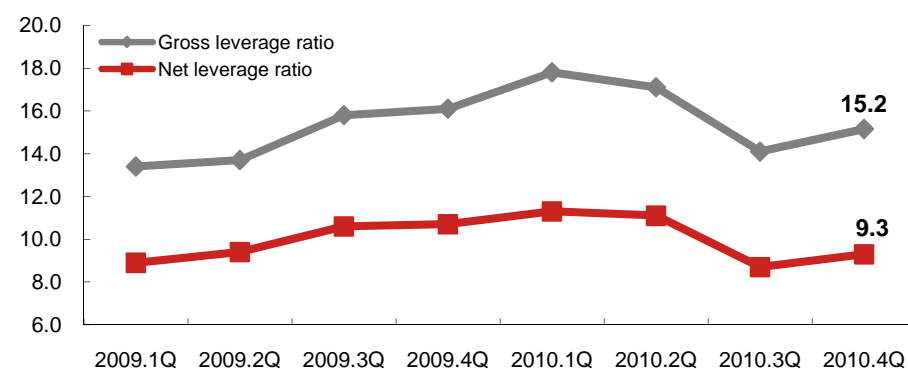
Tier 1 capital / Risk Weighted Assets ²



1. Preliminary (before review).
2. Competitor data in gray dotted area as of March 31, 2010, and others as of December 2009. Nomura data as of March 31, 2010.
3. Tier 1 common ratio is defined as Tier 1 capital minus hybrid capital and minority interest.

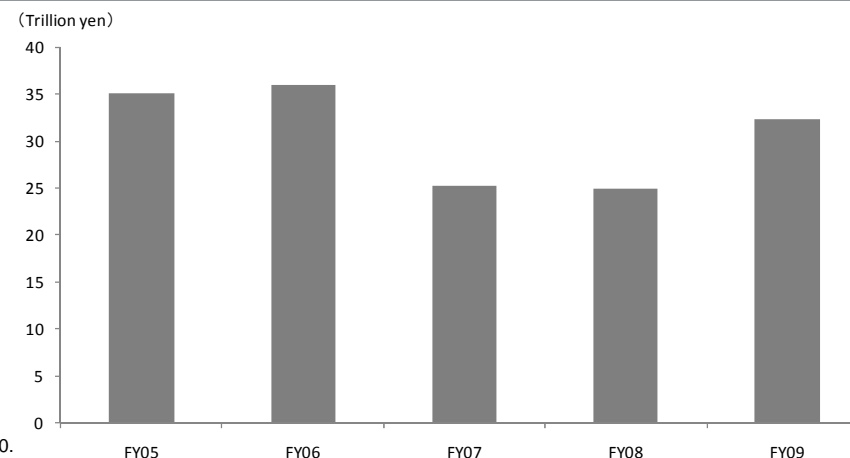
History of Leverage Ratios

Gross Leverage and Net Leverage

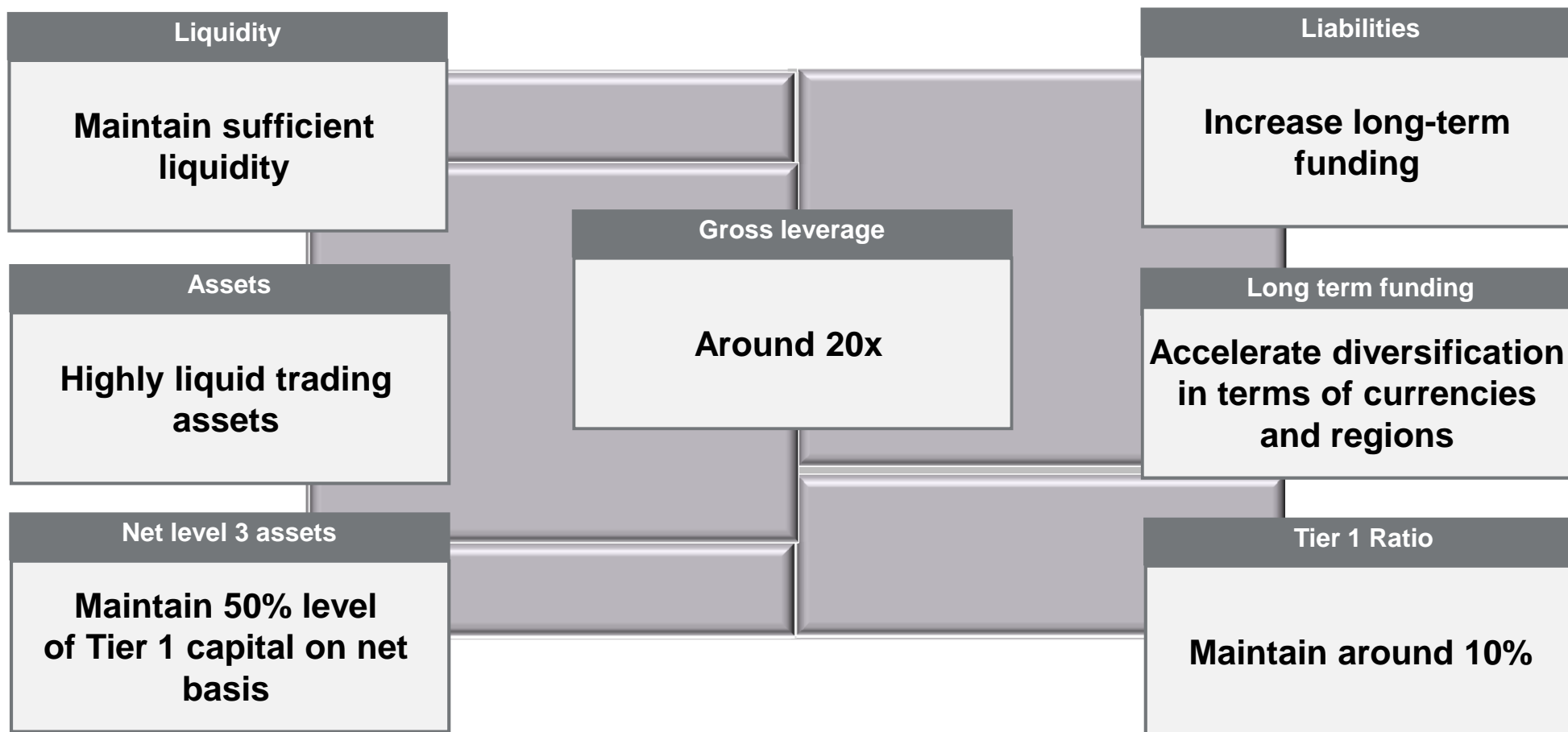


Balance Sheet

Total Assets



Maintaining Robust Balance Sheet



[As of March 2010 (As of March 2009)]

- Liquidity: ¥ 5.2 trillion (¥ 2.4 trillion)
- Trading assets: 45% of total assets (46%)
- Net level 3 assets: 44% vs. Tier 1 (123%)

- Gross leverage: 15.2X (16.1X)
- (Long term debt + Equity) / Unsecured debt: 79% (76%)
- Funding outside Japan: 22% of long term funding
- Tier1 ratio: 17.3% (11.3%)

1. Maintaining robust financial position

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Components of ROE

Year ended March 2010 (Actual)

Financial leverage		Net revenue / total assets		Net income / net revenue		ROE
15.5x	×	4.0%	×	5.9%	=	3.7%



Medium Term Target

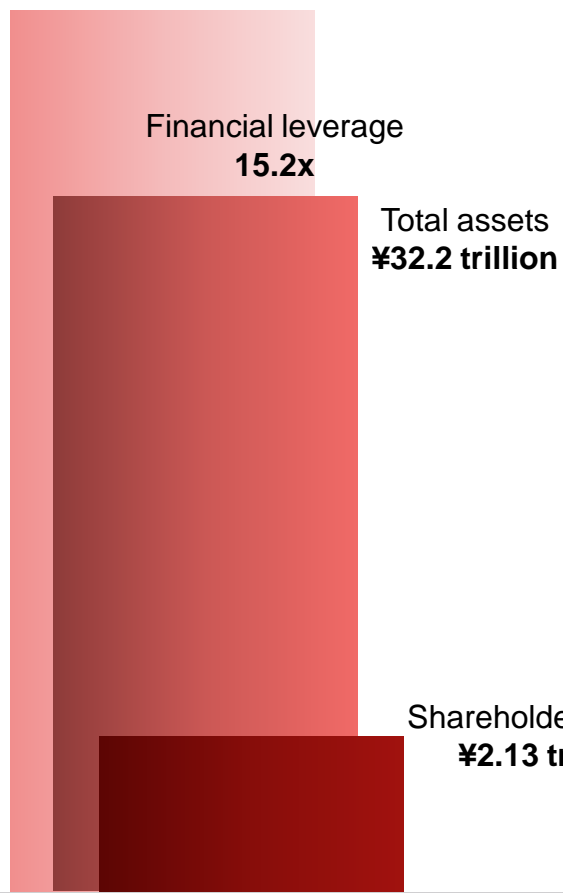
Financial leverage		Net revenue / total assets		Net income / net revenue		ROE
Around 20x	×	≥ 4.0%	×	≥ 12.5%	=	≥ 10%

Note: Total assets and shareholders' equity are averaged for the period.

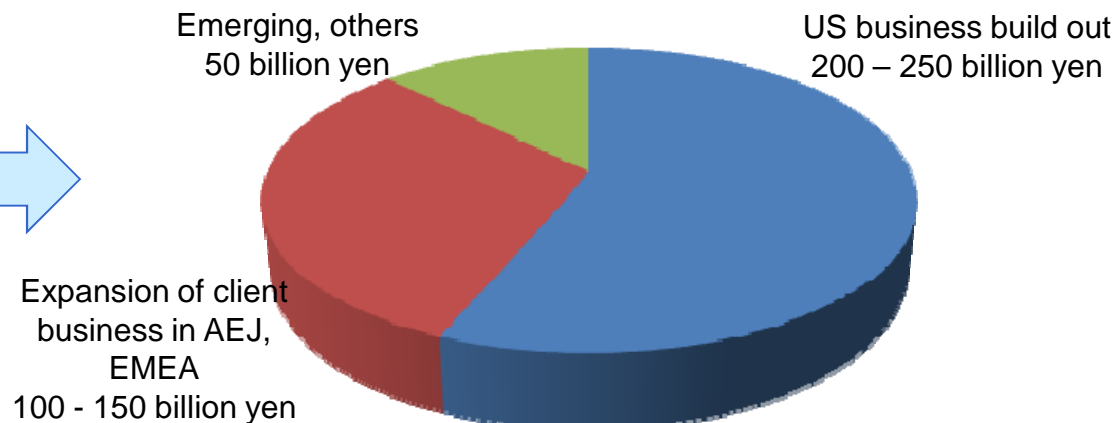
Financial leverage, allocation of management resource

Balance Sheet Management

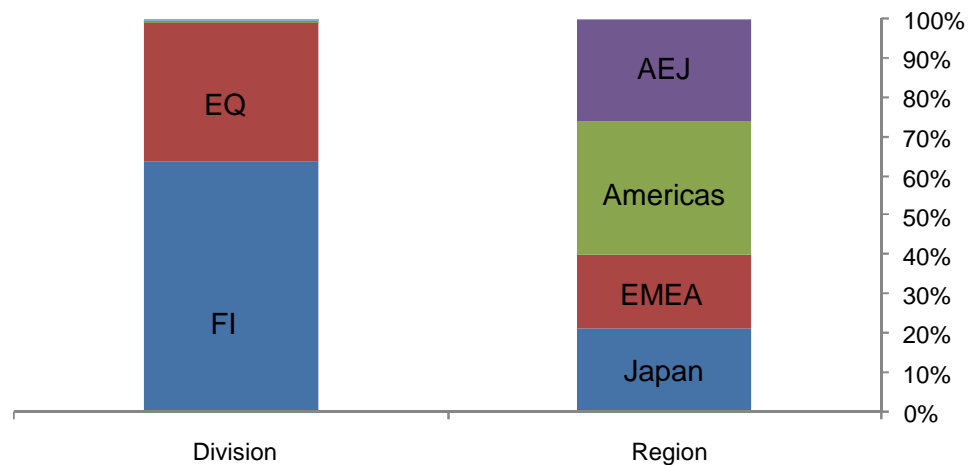
Financial leverage: **Maximum 20x**
 (As of March, 2010)



Allocation plan of capital raised (medium term)



Additional allocation framework of balance sheet (medium term)



Improve net revenue / total assets

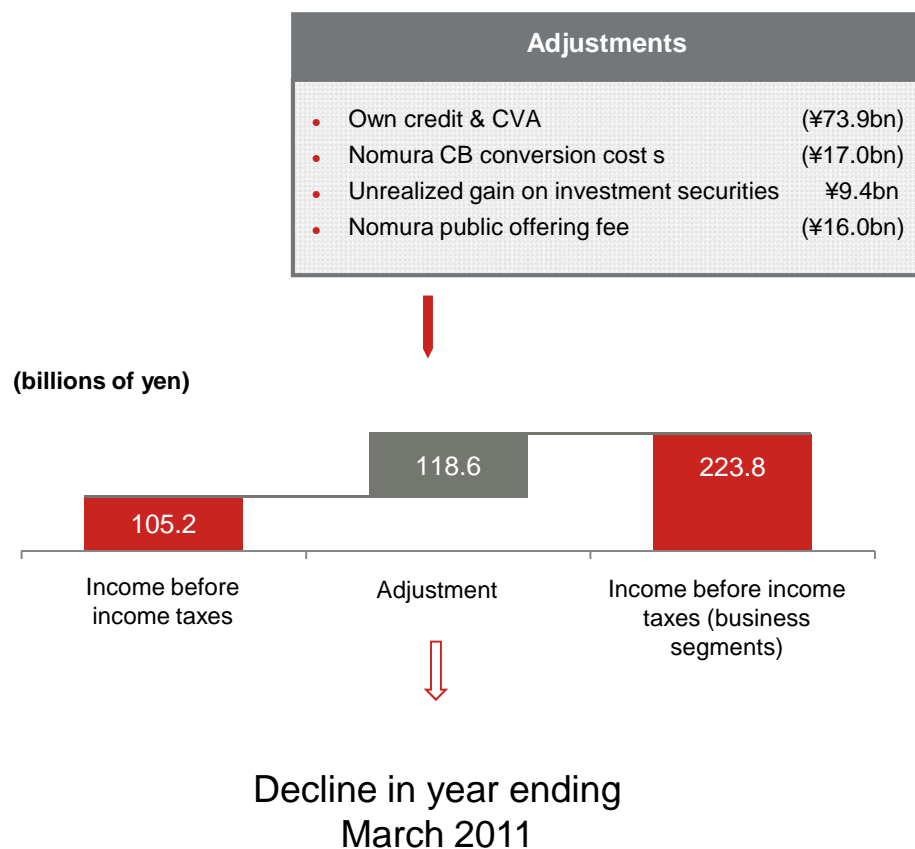
Increase asset turnover

Ensure decent profitability

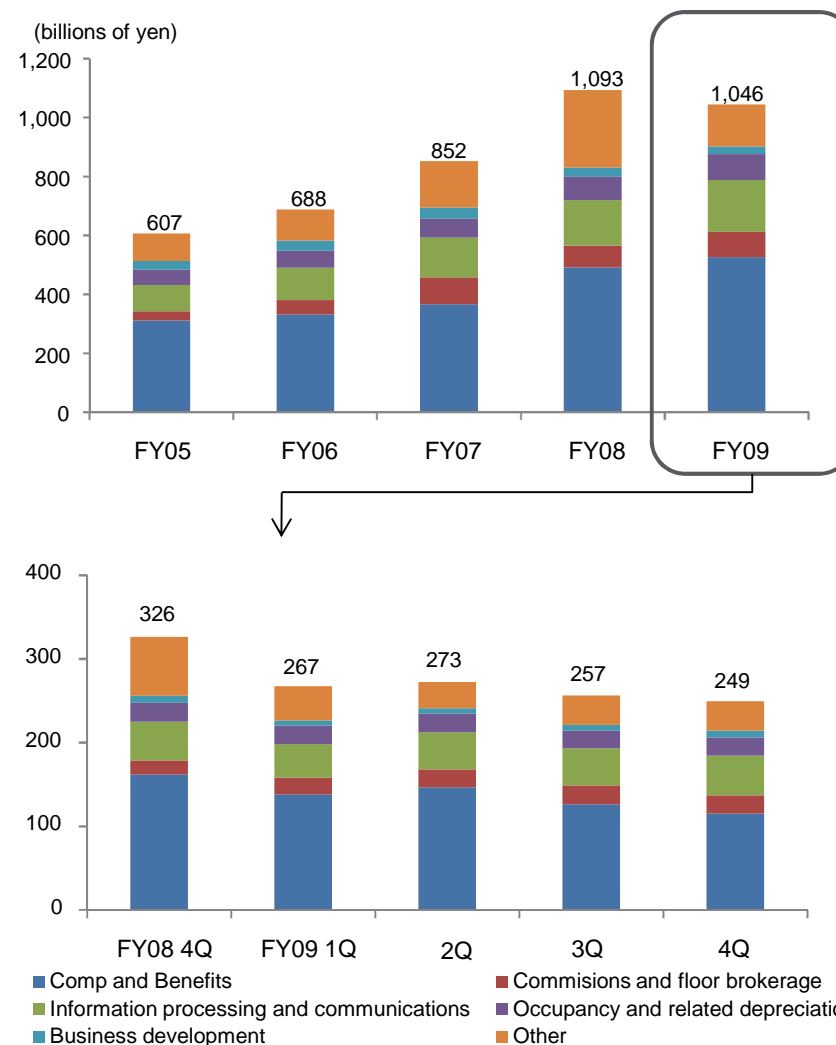
Dispose of non-performing assets

Cost control to improve net income / net revenue

10% accounting costs of net revenue in year ended March 2010



Cost reduction mainly in personnel expenses



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Shareholder Returns

- Basic policy: Sustainable growth of shareholder value and dividends.
- Dividends: Strive to pay stable dividends using a consolidated payout ratio of 30% as a key indicator.
- Take into account a comprehensive range of factors such as the tightening of Basel regulations and other changes to the regulatory environment as well as the company's consolidated financial performance.

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