

Nomura Investors Day 2012

NOMURA



Takumi Shibata
Group COO
Nomura Holdings, Inc.

June 4, 2012

- This document is produced by Nomura Holdings, Inc. (“Nomura”).
- Nothing in this document shall be considered as an offer to sell or solicitation of an offer to buy any security, commodity or other instrument, including securities issued by Nomura or any affiliate thereof. Offers to sell, sales, solicitations to buy, or purchases of any securities issued by Nomura or any affiliate thereof may only be made or entered into pursuant to appropriate offering materials or a prospectus prepared and distributed according to the laws, regulations, rules and market practices of the jurisdictions in which such offers or sales may be made.
- The information and opinions contained in this document have been obtained from sources believed to be reliable, but no representations or warranty, express or implied, are made that such information is accurate or complete and no responsibility or liability can be accepted by Nomura for errors or omissions or for any losses arising from the use of this information.
- All rights regarding this document are reserved by Nomura. No part of this document shall be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of Nomura.
- This document contains statements that may constitute, and from time to time our management may make “forward-looking statements” within the meaning of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. Any such statements must be read in the context of the offering materials pursuant to which any securities may be offered or sold in the United States. These forward-looking statements are not historical facts but instead represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside our control. Actual results and financial condition may differ, possibly materially, from what is indicated in those forward-looking statements. You should not place undue reliance on any forward-looking statement and should consider all of the following uncertainties and risk factors, as well as those more fully discussed under Nomura’s most recent Annual Report on Form 20-F and other reports filed with the U.S. Securities and Exchange Commission (“SEC”) that are available on Nomura’s website (<http://www.nomura.com>) and on the SEC’s website (<http://www.sec.gov>); Important risk factors that could cause actual results to differ from those in specific forward-looking statements include, without limitation, economic and market conditions, political events and investor sentiments, liquidity of secondary markets, level and volatility of interest rates, currency exchange rates, security valuations, competitive conditions and size, and the number and timing of transactions.
- Forward-looking statements speak only as of the date they are made, and Nomura undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.
- The consolidated financial information in this document is unaudited.

Recap of 2011/12

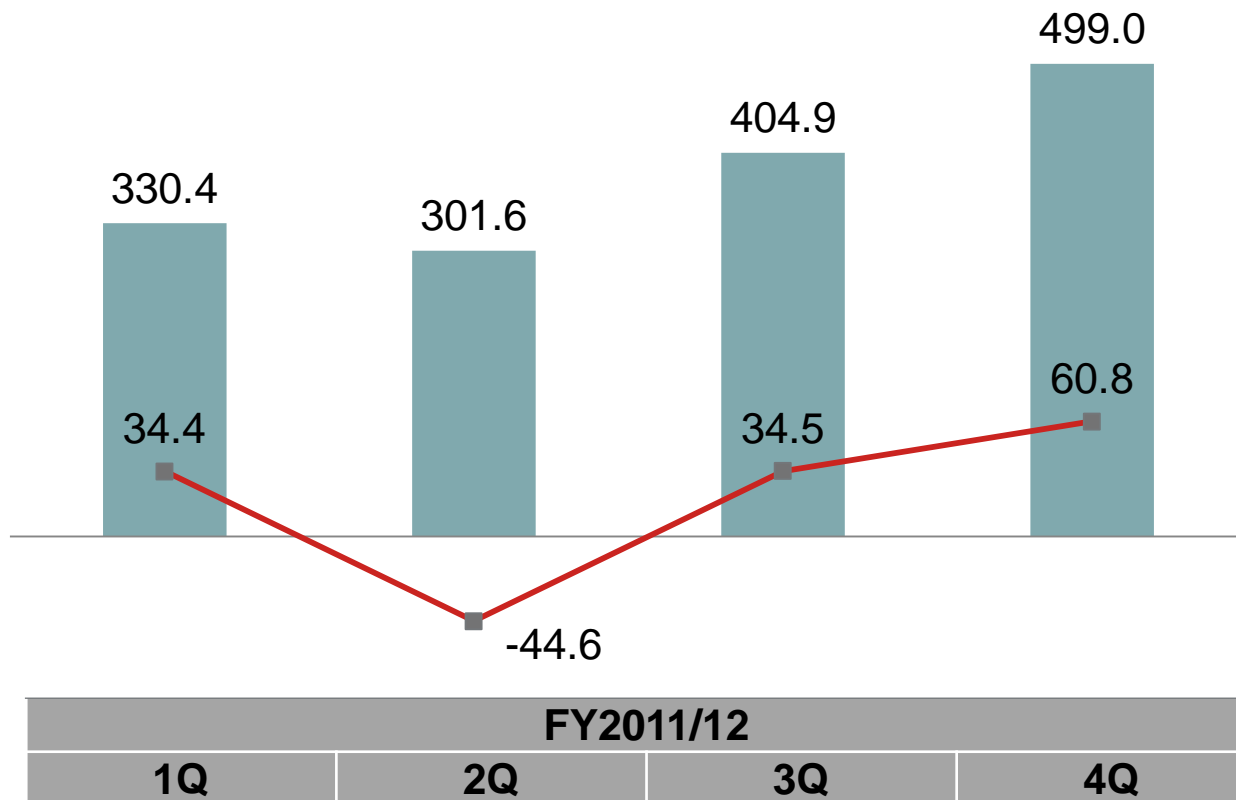
Recap of group financial performance

NOMURA

Net revenue and income (loss) before income taxes

(billions of yen)

■ Net revenue ■ Income (loss) before income taxes



Key takeaways

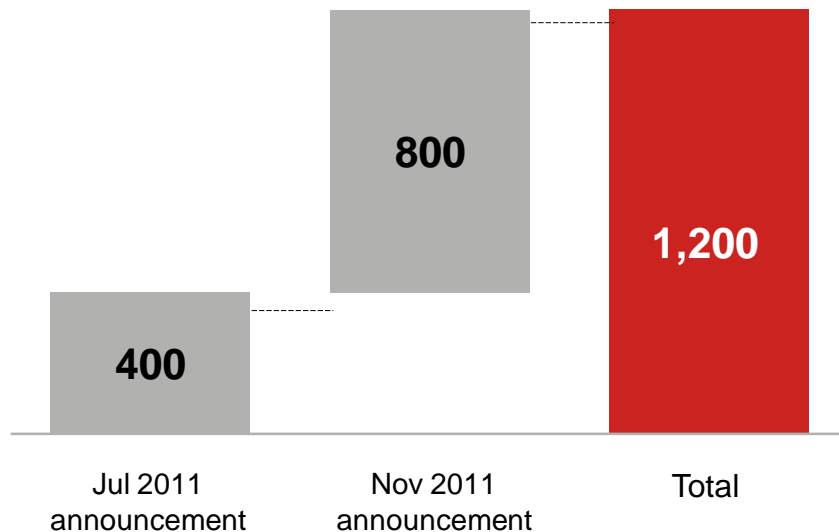
- Group profitable for 11 of the past 12 quarters
- All business segments pre-tax profitable for the 2nd consecutive quarter
- ROE¹ improved from 3.5% (Q3) to 4.2% (Q4)
- Expenses (ex-NLB) -5% YoY

1. Calculated using annualized net income for Q3 and Q4

Swift reaction to market changes

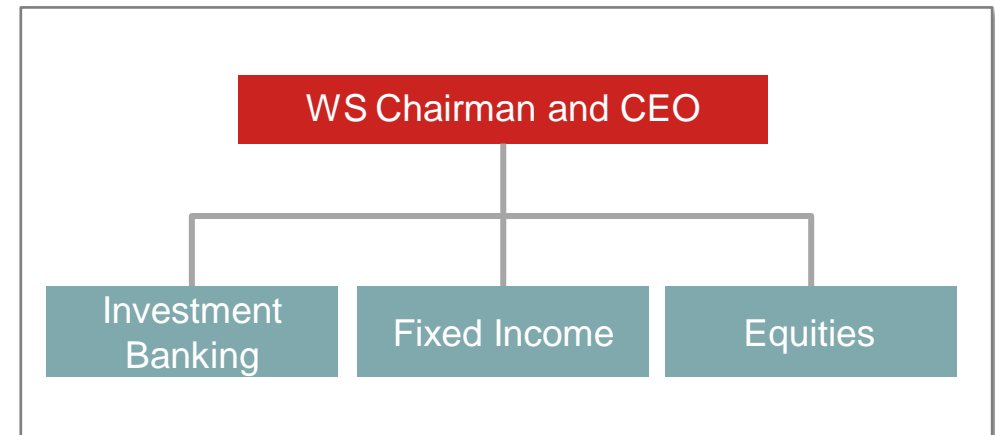
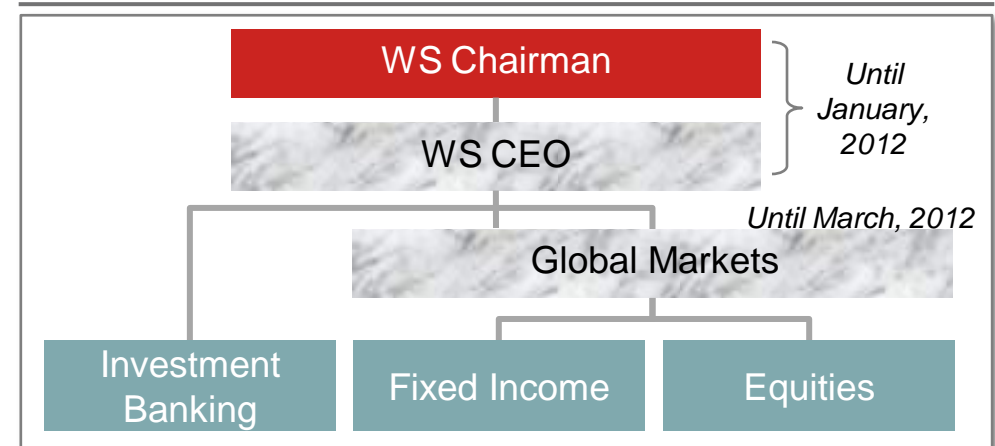
NOMURA

Announced cost reductions (\$m)



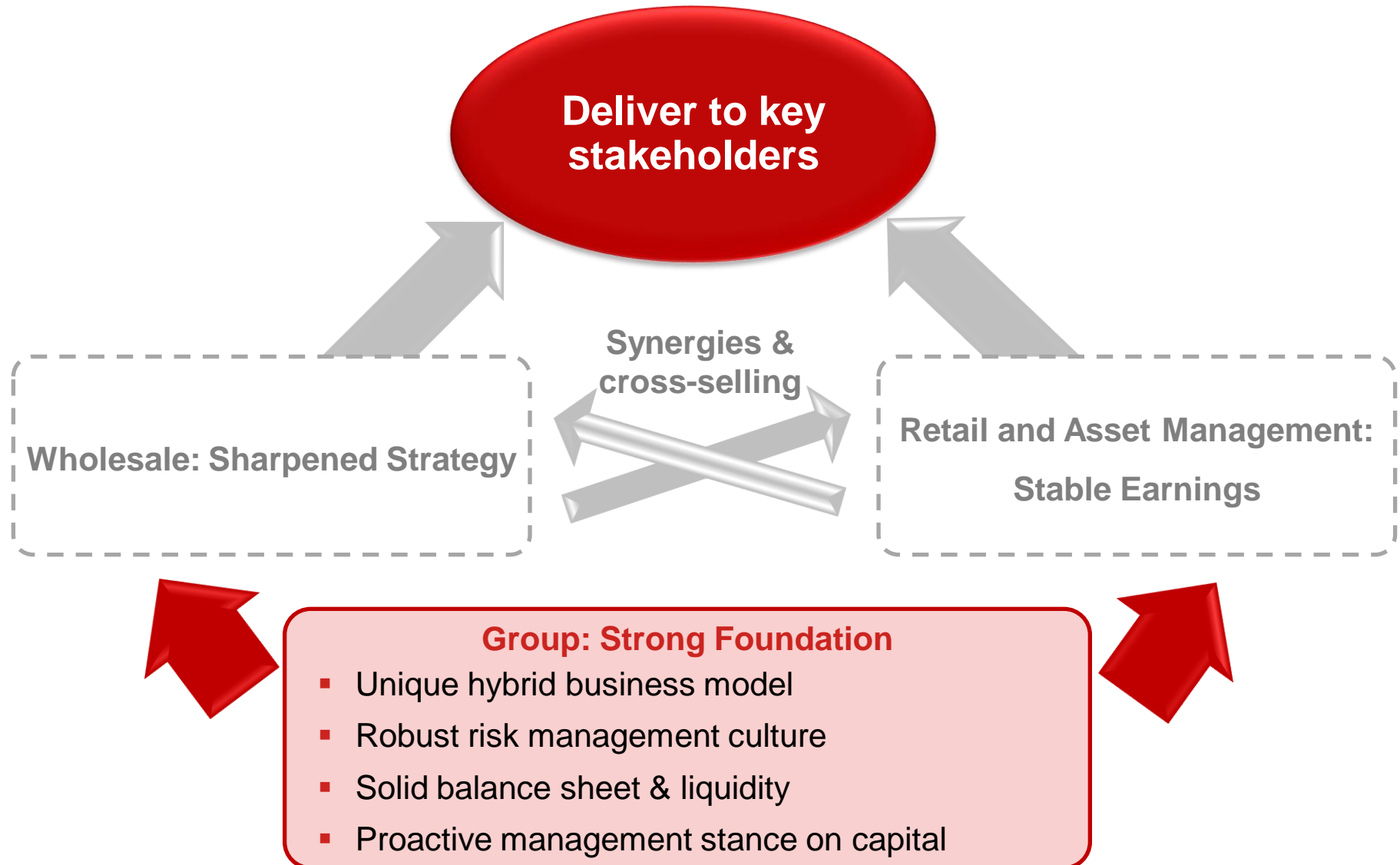
- Over \$1 billion of Wholesale reductions, with progress now over 80%
- Lower run rate cost base
- Not significantly impacting revenues

De-layered Wholesale management

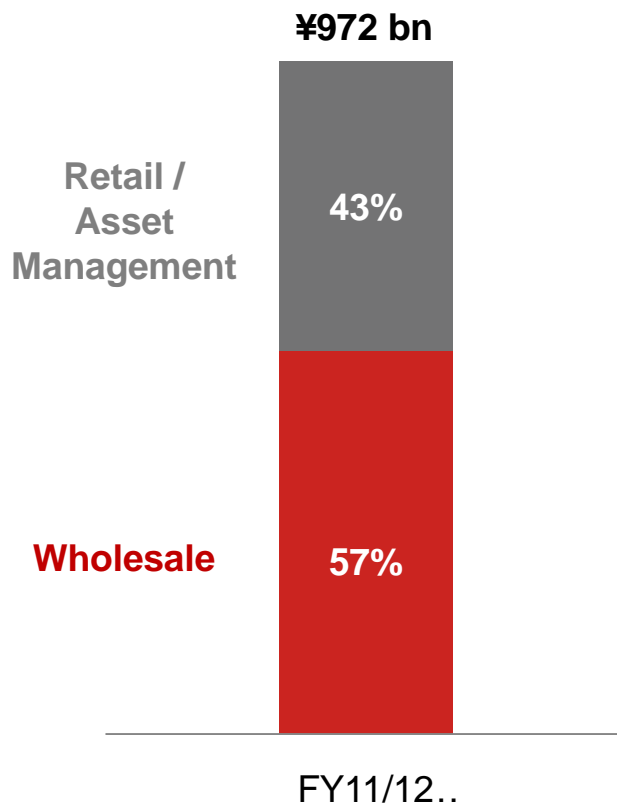




Group Strategy



Revenue breakdown¹



Complementary businesses

Leading Retail / AM franchise

- Stable revenue base
- Extensive Retail distribution network
- Market leading asset management capability

Strong Wholesale franchise

- Drives future revenue growth
- Gateway to/from Asia
- Unparalleled penetration in Japan
- Focused internationally (narrow and deep)

Unique Positioning

Risk management culture

- Consistent, prudent, and nimble risk management
 - Strict mark-to-market accounting (e.g. successful disposals)
 - Up-skilled risk management team, best practice processes throughout the group

Balance sheet & liquidity

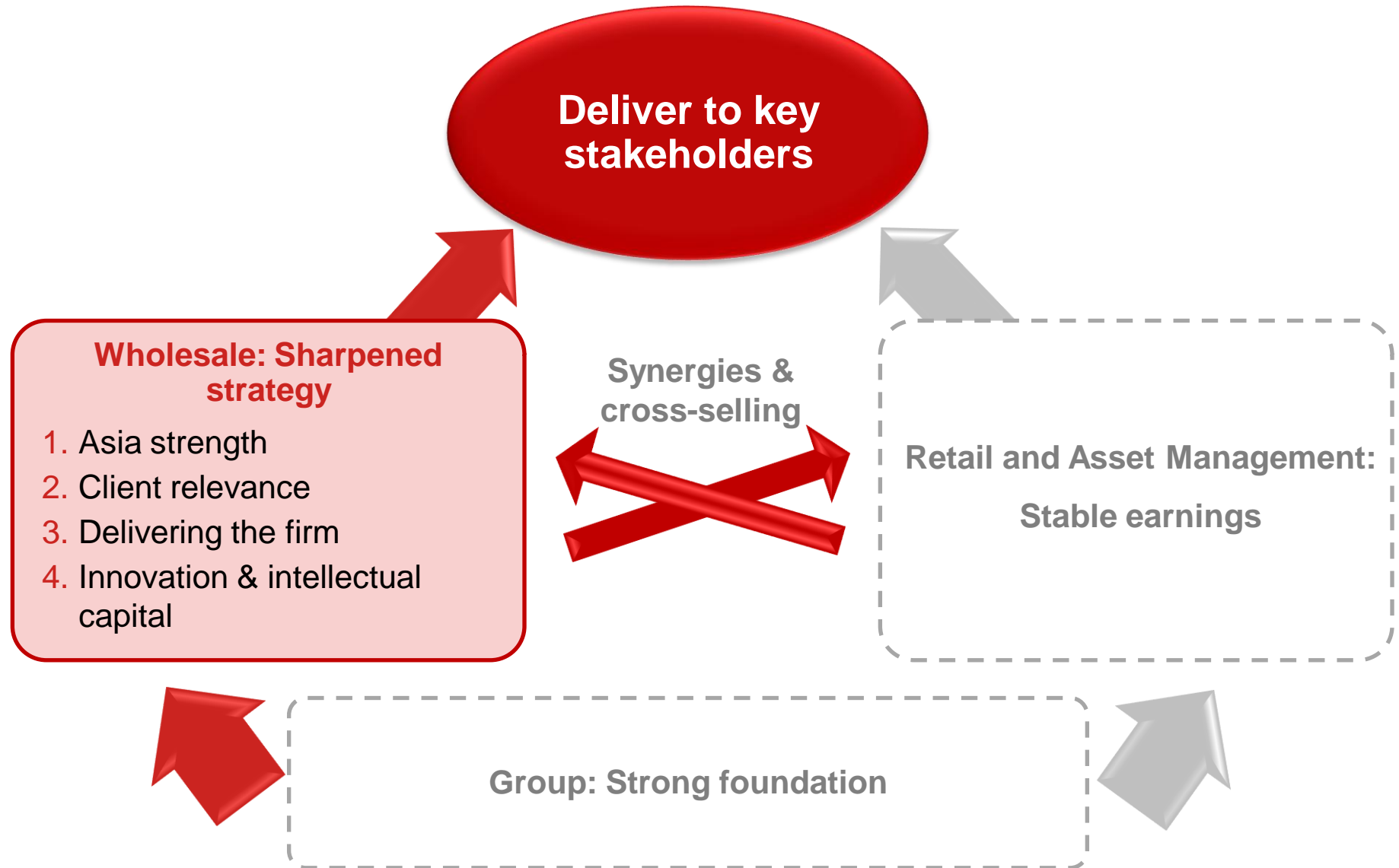
- Maintain a strong and liquid balance sheet, to differentiate against majority of peers
 - Trading assets (78%) vs. Trading liabilities (56%)
 - Liquidity pool up 2.5x since 2008, 15% of total assets
 - Conservative funding profile: 80% of unsecured funding¹ is long-term debt. (Averaged maturity with over 6 years²)

Proactive stance on capital

- Pro-active management of group capital position, ahead of the curve
 - No public funds required by Nomura even in 2007-8
 - Systematically managed down Level 3 assets
 - Pro-actively strengthened capital base

(1) Definition differs from financial disclosures reflecting Liquidity Management's view.

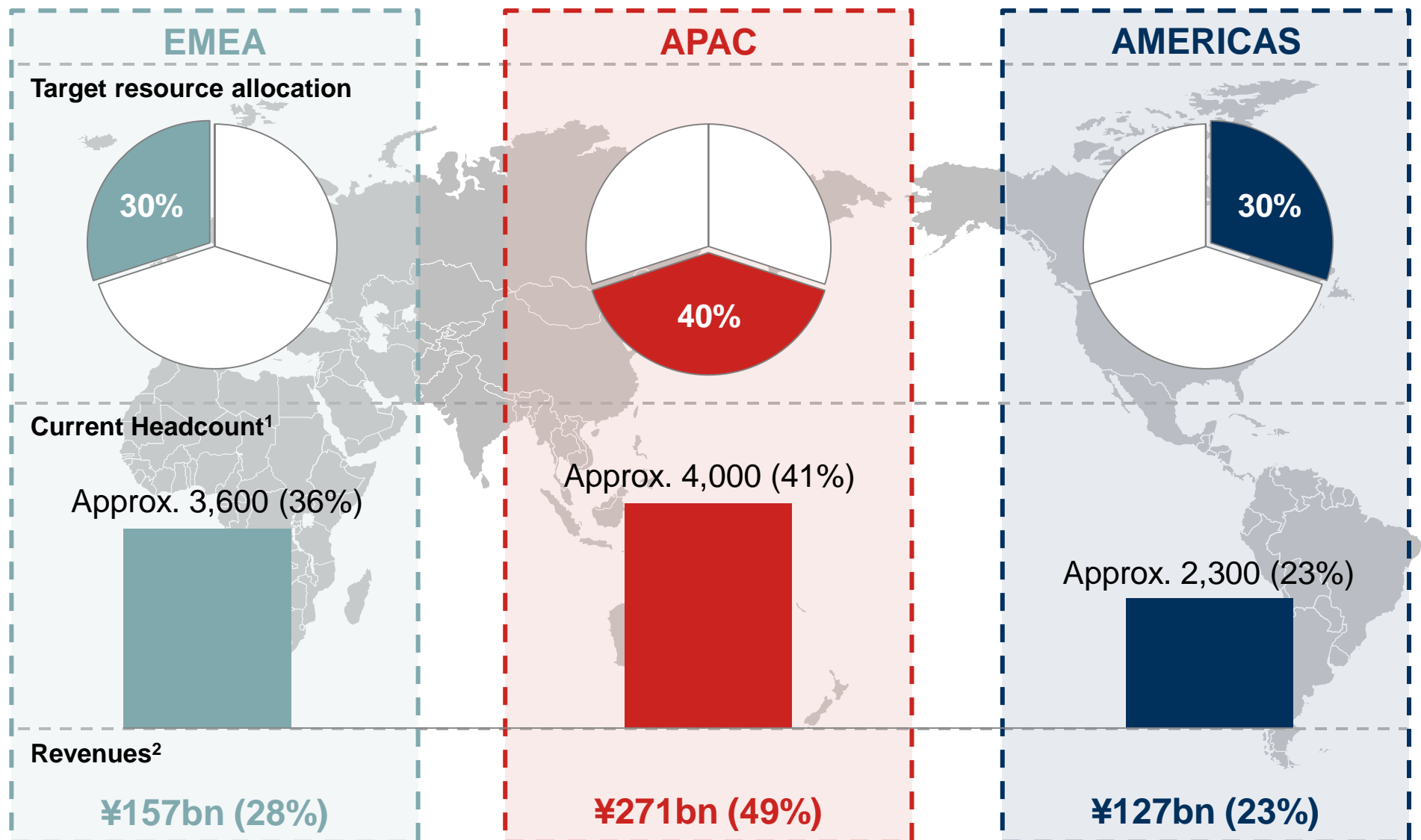
(2) Excludes long-term debt due within one year. Redemption schedule is individually estimated by considering the probability of redemption under certain stressed scenarios.





Recap: Established a credible global platform

NOMURA



1. As at March 31 2012. Japan headcount comprises of Wholesale Division and research. Oversea headcounts exclude asset management related entities, global support teams based in Mumbai, Okura Garden Hotel Shanghai and Dalian Office.
2. Wholesale revenue for FY 2011/12

Recap: Filling the Americas gap

NOMURA

Presence across products

Fixed Income

- US Treasury primary dealer market share of 4.5% across Treasuries and Agencies
- #7 research ranking¹, #1 FX team¹
- Top 10 CMO underwriter with 5.5% share

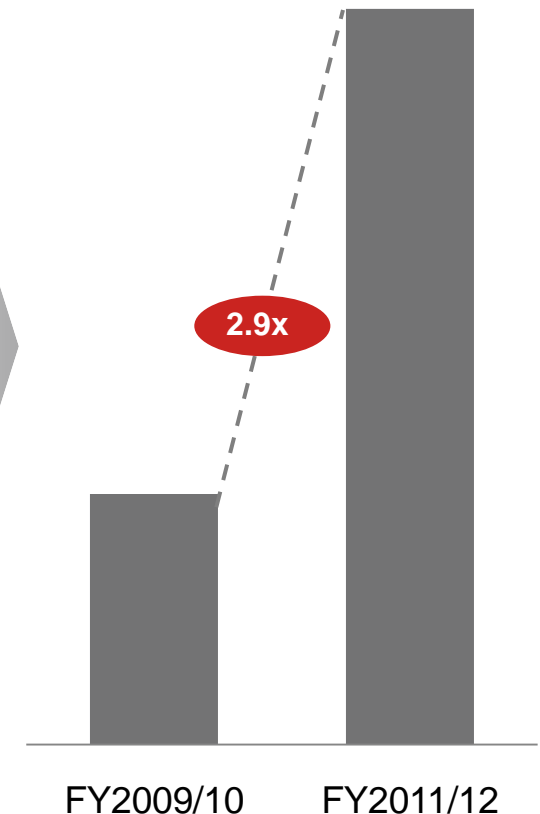
Equities

- Market share² up from 1.2% to 2.5% Y-o-Y
- #13 research ranking¹ with 5 ranked analysts
- Top 10 market share ranking in three products

Investment Banking

- Pan divisional landmark deals won:
 - Michael Kors – \$1.1b IPO
 - Groupo Schahin – \$750m bond issuance
 - Rank Group – \$950m Acquisition of Honeywell Consumer Products Group

Revenue Momentum³

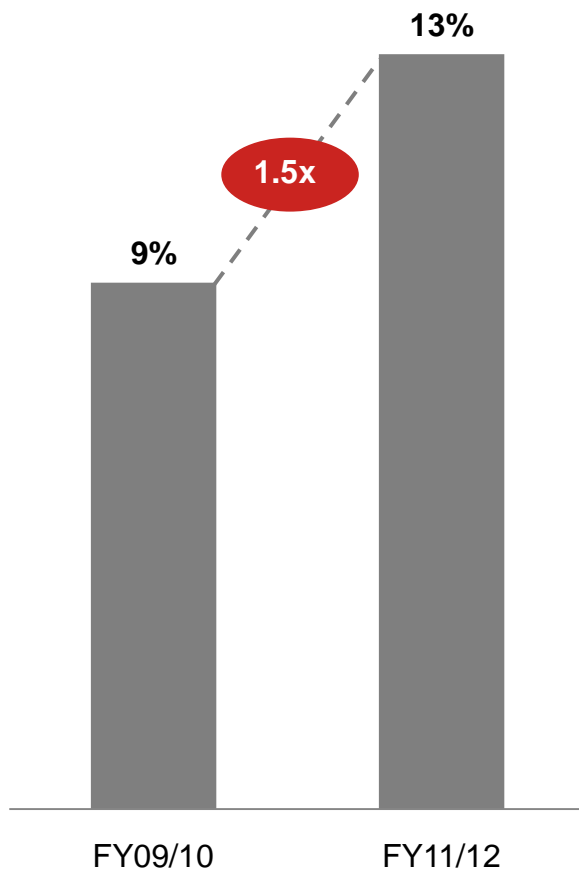


¹ Institutional Investor
² Leading third party research firm
³ Excludes Instinet

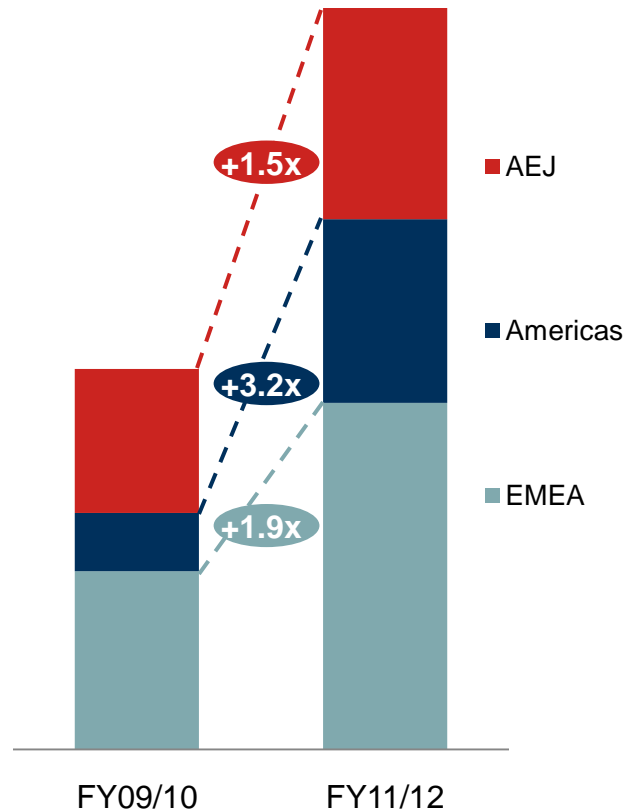
Recap: Maximized impact in Japanese market

NOMURA

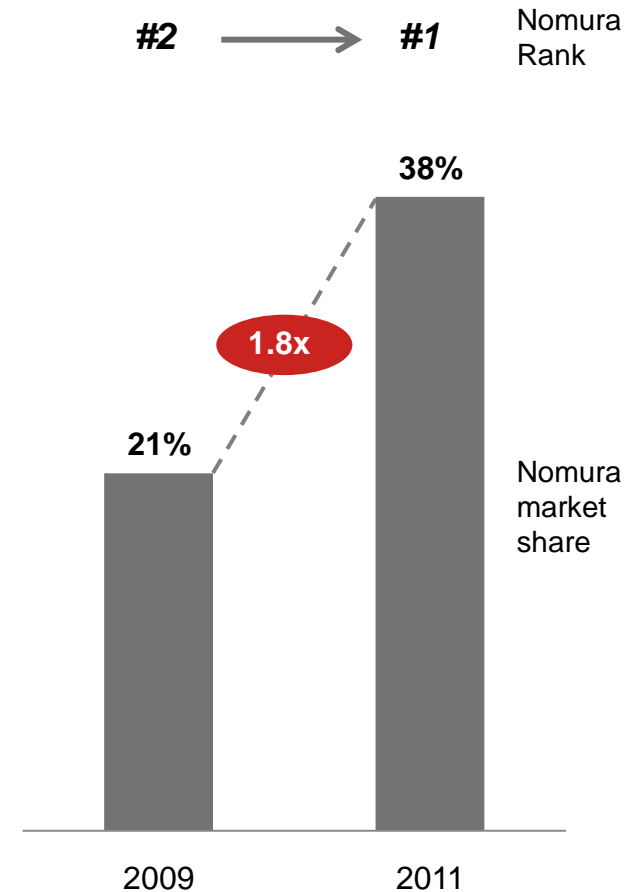
TSE market share



Japan FI/EQ client revenue from overseas products



Japan related cross border M&A¹



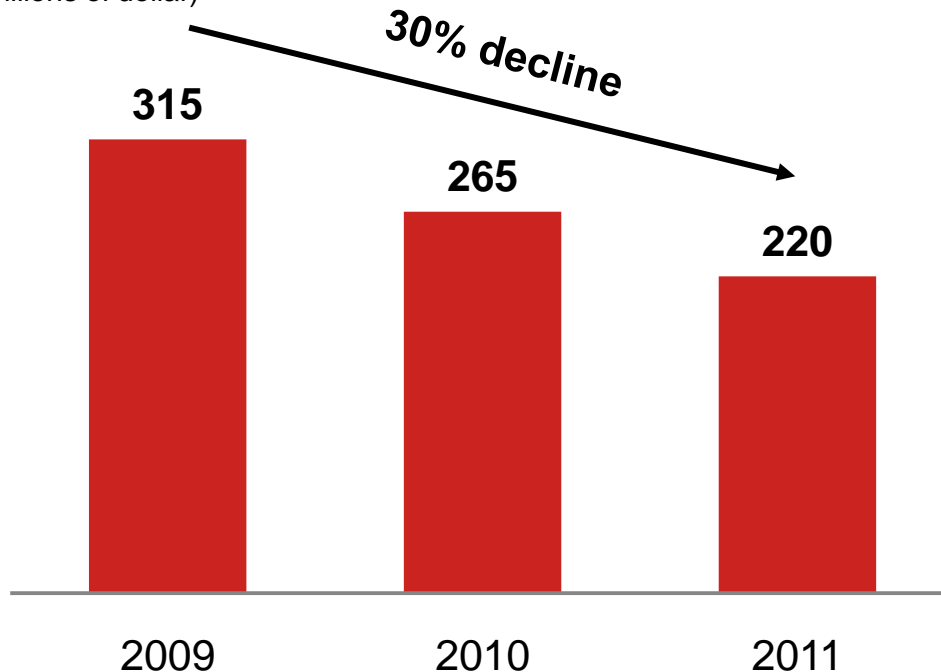
1. Source: Thomson. M&A includes real-estate related acquisitions.

Results: Grew revenue share despite ongoing turmoil

NOMURA

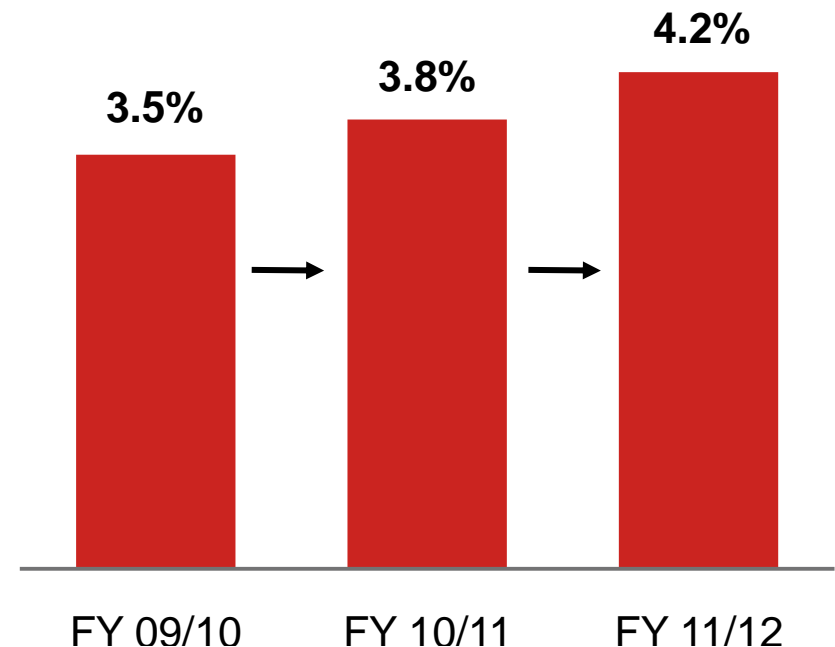
Global Wholesale revenue pool¹ (2009 – 2011)

(billions of dollar)



- Continued slowing across segments since 2009 'bounce'
- Both international and domestic markets affected

Estimated Nomura share²



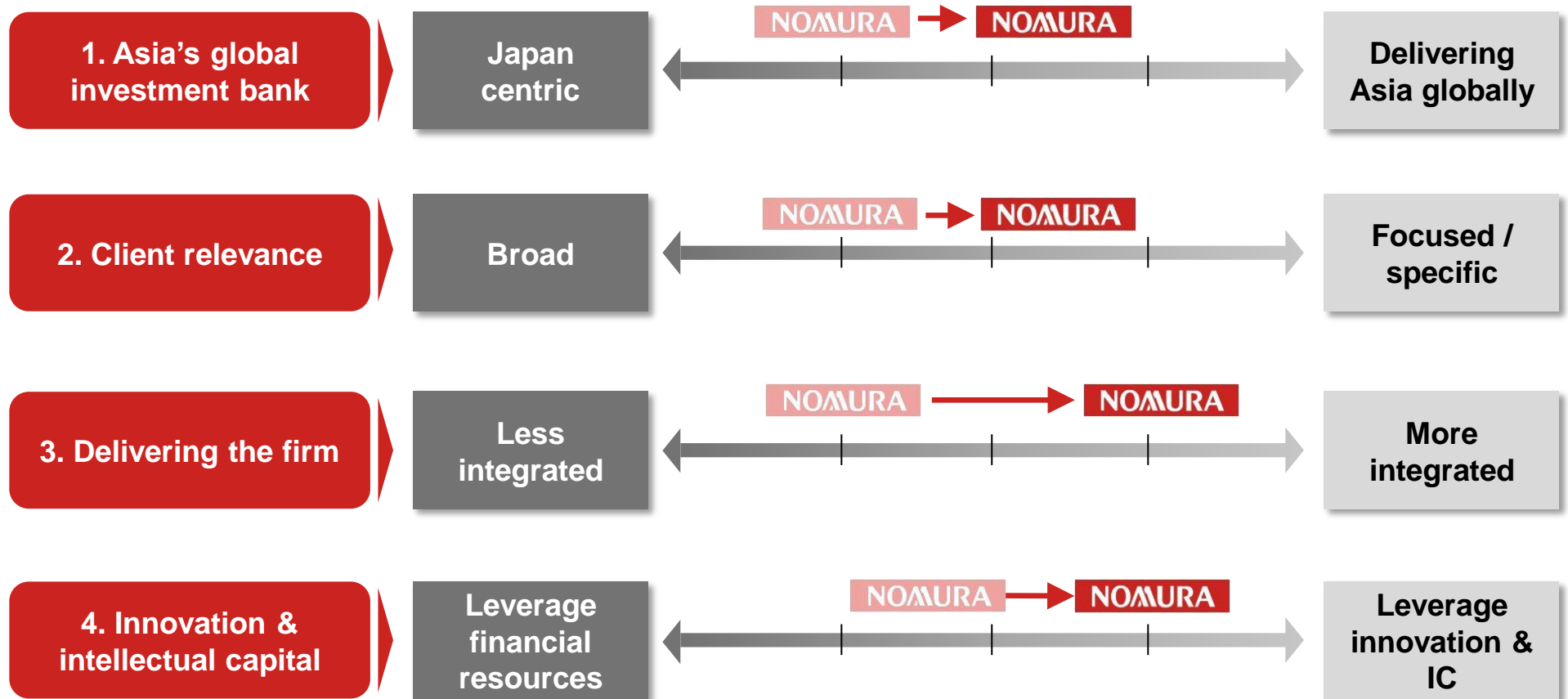
- Growth in international business (esp. Americas) offsetting footprint concentration in relatively stagnant Japanese Market

1. Oliver Wyman, pre write down, \$B

2. Revenue share of 9 leading investment banks (Barclays Capital, BoA/ML, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, JP Morgan, Morgan Stanley, UBS) plus Nomura. Revenues are reported segmental financials excluding CVA/DVA adjustments and reported mark downs. Nomura figures are sum of Fixed Income, Equities and Investment Banking (excluding Investment Banking other).



Dimensions of choice



Unparalleled in Asia

- Japan advantage
- Asian heritage and DNA

Evidence and business benefits

- Top 3 Asia Pacific franchise¹
- Increasingly powerful Fixed Income / Equities franchises, with Asia edge
- Ongoing deepening of AEJ local market presence

Fully competitive globally

- Focused EMEA franchise
- Critical mass in US achieved
- Selective future growth

Evidence and business benefits

- Only Asian IB with full global platform
 - Global franchise critical also for Asian operations
- Growing Fixed Income client penetration around the globe
- Solid Equities franchise with particular strength in Asia
- Strong cross-border capabilities

1. Deepening local market presence

NOMURA

Greater China

- Significant China transactions
 - Haitong Securities' \$1.7bn HK IPO
 - Bright Food / Manassen Foods A\$400mn 75% acquisition
- HK one of four global hubs (1,000+ heads)
- HKSE volume share >2x in 3 years
- Establishing onshore bank platform

Korea

- Equities and Fixed Income growth
- Outperformance in IBD – Best Korea M&A house¹
 - Daewoo's sale of China's Shandong Cement
 - Lotte Shopping's \$903mn CB

ASEAN

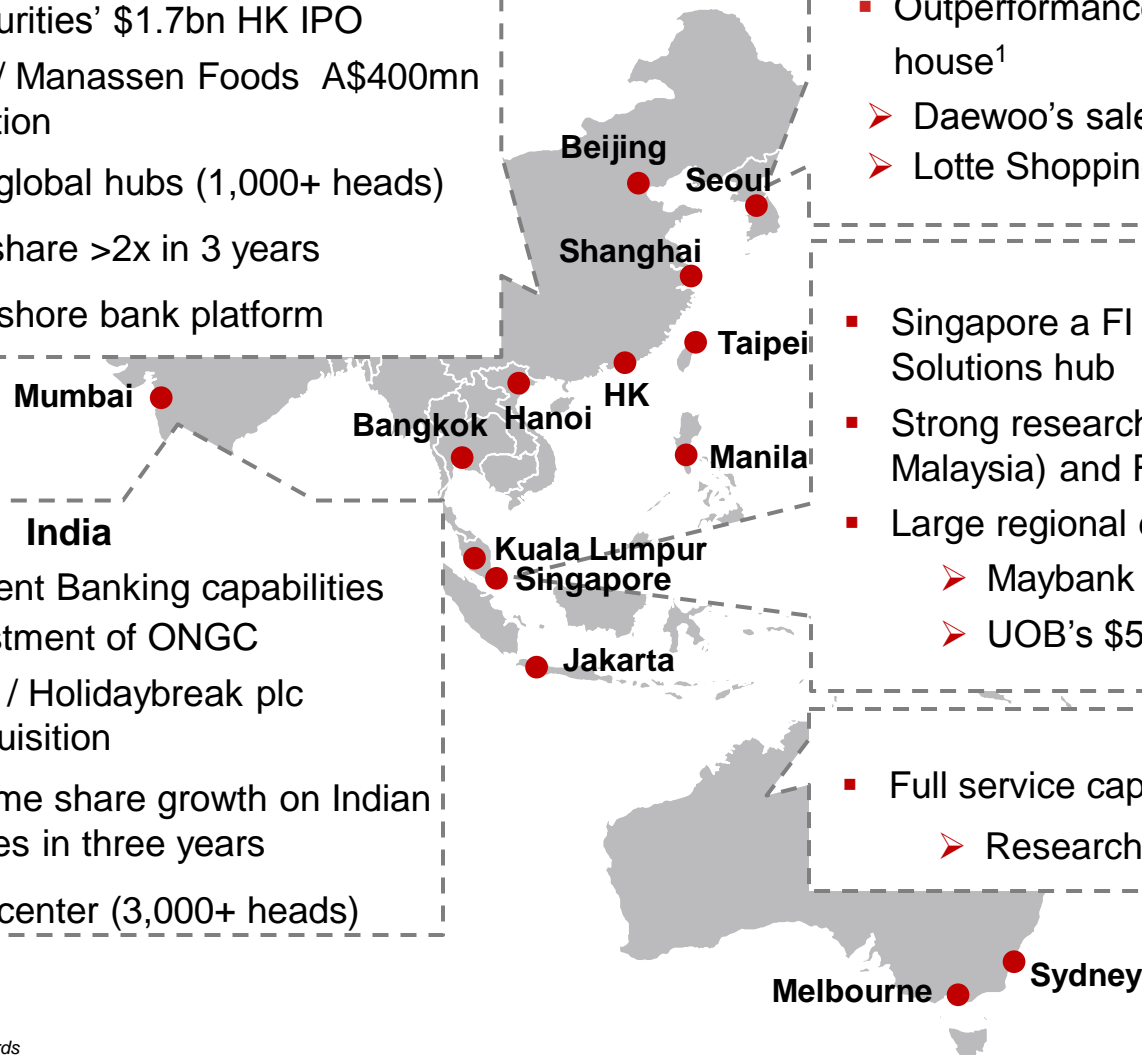
- Singapore a FI trading center and corporate Solutions hub
- Strong research²– Equities (#2 Singapore, #3 Malaysia) and Fixed Income (#1 FI Strategy)
- Large regional deals
 - Maybank / Kim Eng \$1.4bn acquisition
 - UOB's \$500mn SB

India

- Strong Investment Banking capabilities
 - \$2.6bn divestment of ONGC
 - Cox & Kings / Holidaybreak plc £450mn acquisition
- 6.5x times volume share growth on Indian Stock Exchanges in three years
- Global support center (3,000+ heads)

Australia

- Full service capability across products
 - Research coverage of over 100 stocks



● Nomura Offices

1. Example Results – Connecting Asia to the world

NOMURA

Global access for Asia names

March 2012

Mitsui Sumitomo Insurance

\$1.3 bn
60NC10 Subordinated Notes
Offering

NOMURA
Joint Bookrunner & Joint Lead manager

February 2012

United Overseas Bank

\$500 mn
2.250% Senior Unsecured
Bond due 2017

NOMURA
Joint Bookrunner & Joint Lead manager

Asia placement

November 2011

Rabobank

\$ 2.0 bn
8.4% PerpNC June 2017
Additional Tier 1 Capital Securities

NOMURA
Joint Bookrunner & Joint Lead manager

March 2012

RWE

\$ 500 mn
7% 60.5NC5.5/10.5
Subordinated Hybrid Capital Securities

NOMURA
Joint Bookrunner (Active)

Cross border M&A

May 2012

Marubeni's acquisition of
Gavilon

\$3.6 bn

NOMURA
Financial Advisor to Marubeni

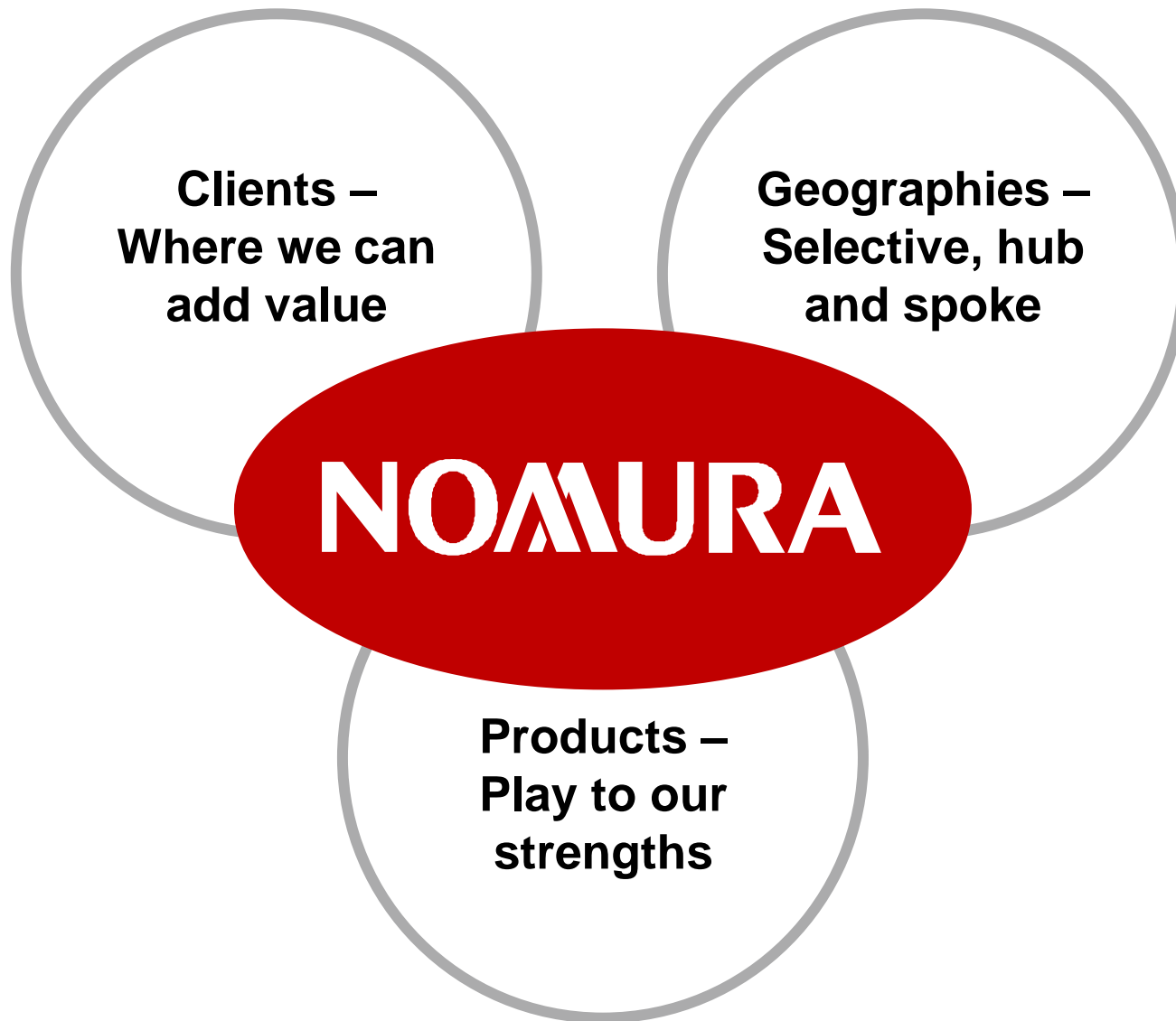
August 2011

Asahi's acquisition of NZ's
Independent Liquor

\$ 1.3 bn

NOMURA
Lead financial advisor to Asahi

- Helping Asian clients achieve their financing needs by accessing global investors
- Delivering complex capital structuring transactions for our EMEA clients in Asia
- Leveraging our expertise in cross-border M&A transactions




***Advantaged in
certain
segments***



***Win in these
segments***

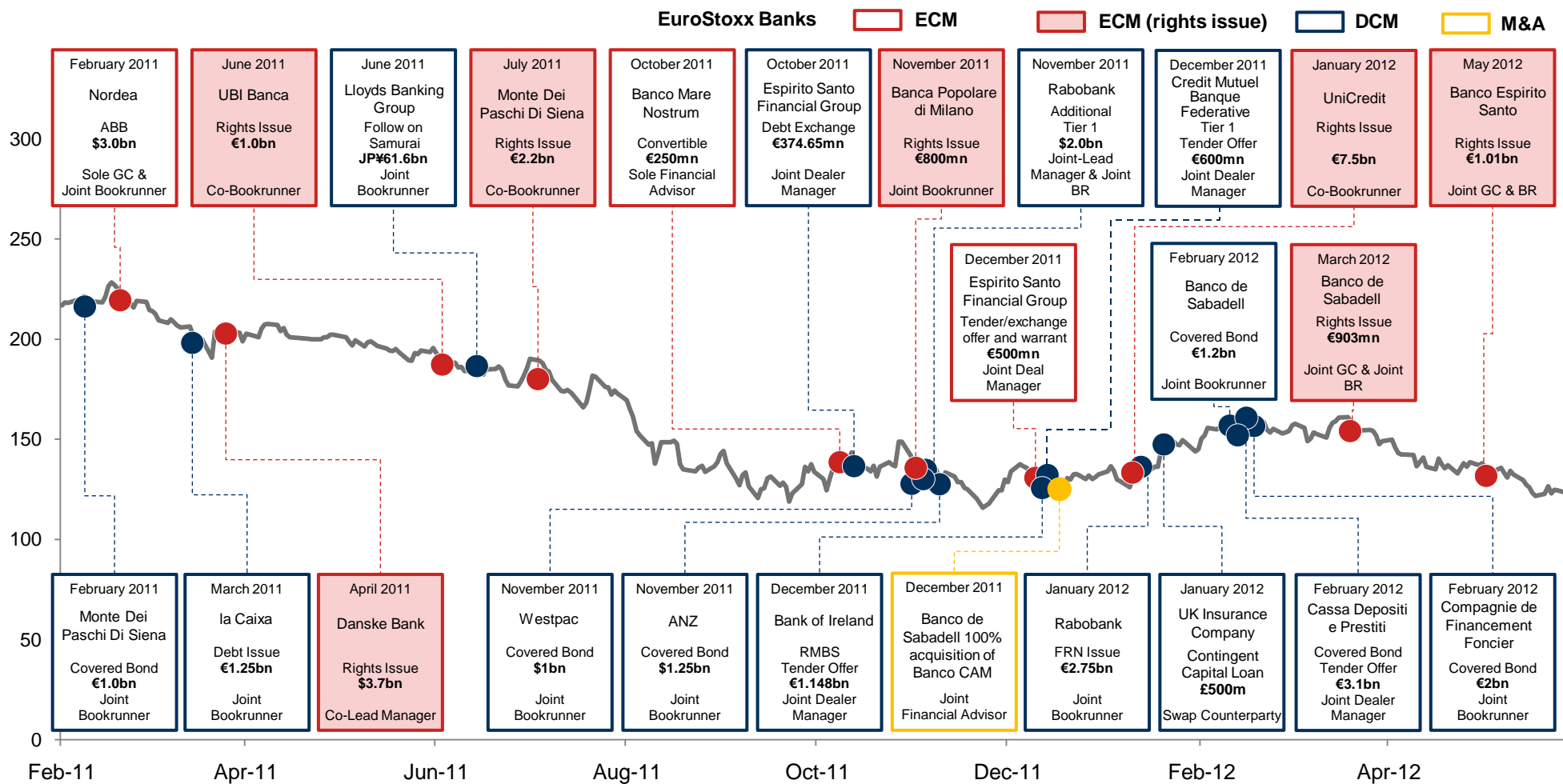
2. Client relevance – What does this mean in practice?

NOMURA

	Example Focus Areas	Actions Taken
 Clients	<ul style="list-style-type: none">Financial institutions (Banking and insurance)	<ul style="list-style-type: none">Integrated product and coverage teamsJoint Venture between business units
	<ul style="list-style-type: none">Narrow set of clients by segment	<ul style="list-style-type: none">Robust client prioritization implementedFocused coverage teams around these
 Products	<ul style="list-style-type: none">Risk solutions	<ul style="list-style-type: none">Strengthened solutions team globallyRestructured organization to promote cross unit cooperation in solutions
	<ul style="list-style-type: none">Electronic trading	<ul style="list-style-type: none">Integration of Instinet and Nomura Electronic platformsInvestment in capability and product across Fixed Income and Equities
 Geographies	<ul style="list-style-type: none">Advantaged flows	<ul style="list-style-type: none">Close cross-regional co-operation to better capture cross border transactionsStrengthened platform delivering overseas investment opportunities to Retail investors

2. Example Results – Focusing on financial institutions

NOMURA

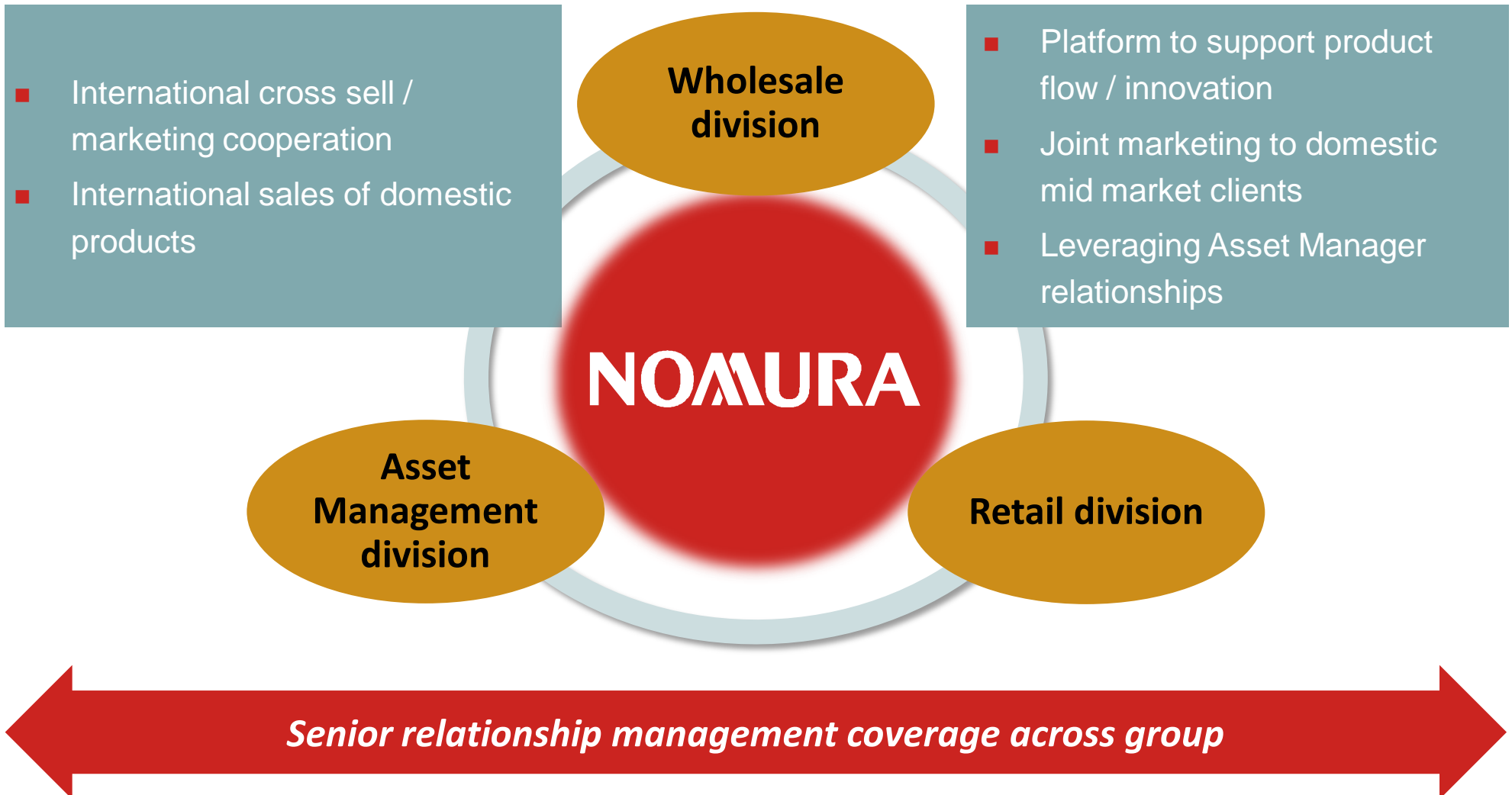


- Unified financial institutions team
- Revenue doubled since implementation
- Involved in 6 of the 9 major European FIG rights issues of last 12 months¹

1. European Bank Rights issues > \$500 million priced in last 12 months

3. Delivering the firm to our clients

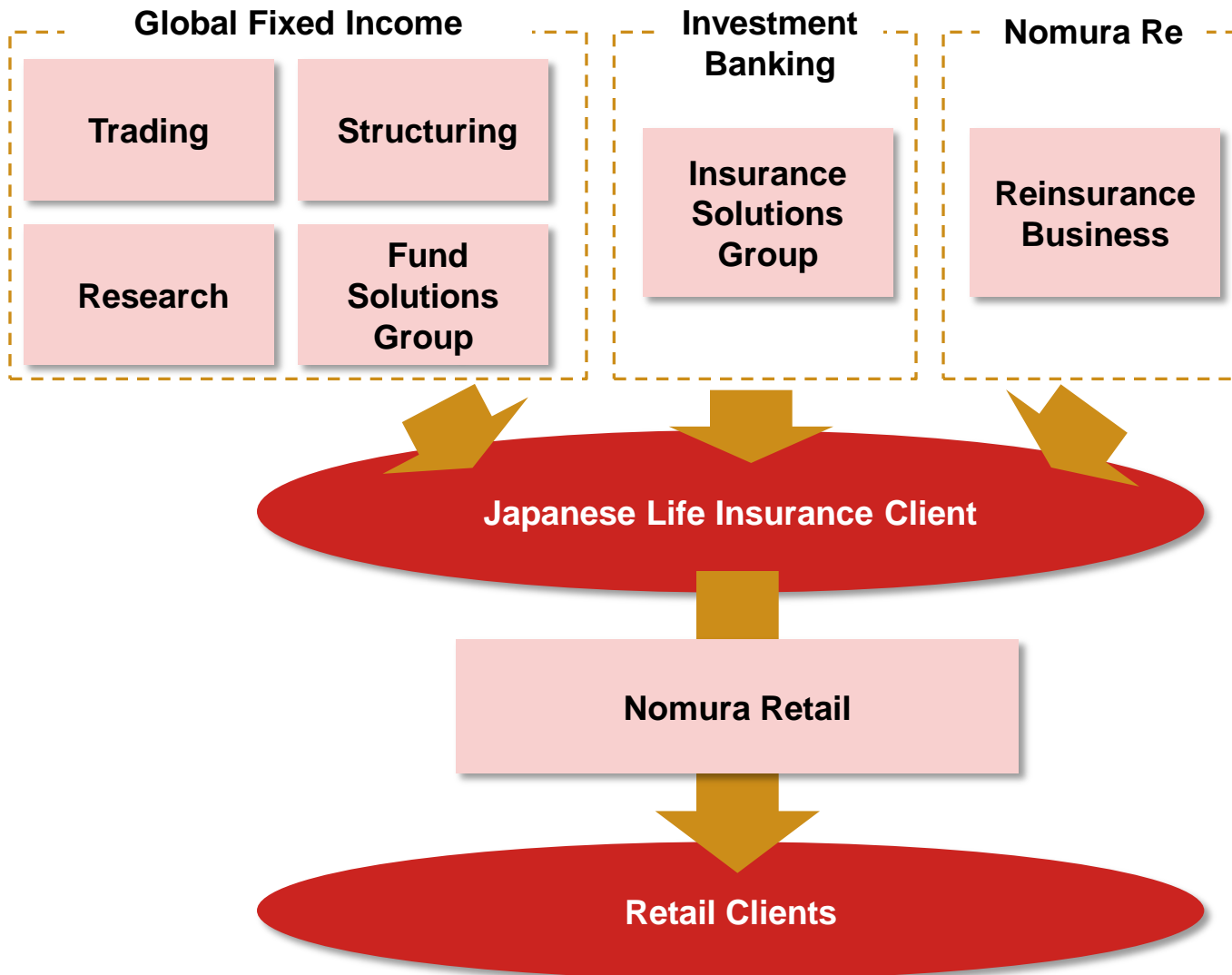
NOMURA



3. Example Results – Delivering the firm

NOMURA

Innovative Client Trade Working Across Divisions



Transaction Details

Client Issue

- Large Life Insurer: create & sell variable annuity policies whilst managing risk

Nomura Innovation

- Cross regional and cross divisional co-operation to meet client needs
- Minimal balance sheet impact

Benefits For Client

- Nomura Wholesale provided “one-stop-shop”: launching strategy fund and hedging product risks
- Client access to Nomura Retail network for product

4. Innovation and intellectual capital

NOMURA

First mover across multiple dimensions



Monetizing IC in different ways



4. Example Results – Innovation in exchange traded products

NOMURA

Voltage is the largest European volatility linked exchange traded product

Voted most innovative European ETF (Global ETF Awards)

More than \$1bn volatility linked products sold by Nomura in EMEA to date

March 2012: Voltage short-term VIX ETF

February 2012: Luminaire – Alpha strategy based on VIX futures curve

September 2011: Volatility Risk Premium (VRP) – Alpha strategy based on optimised VRP

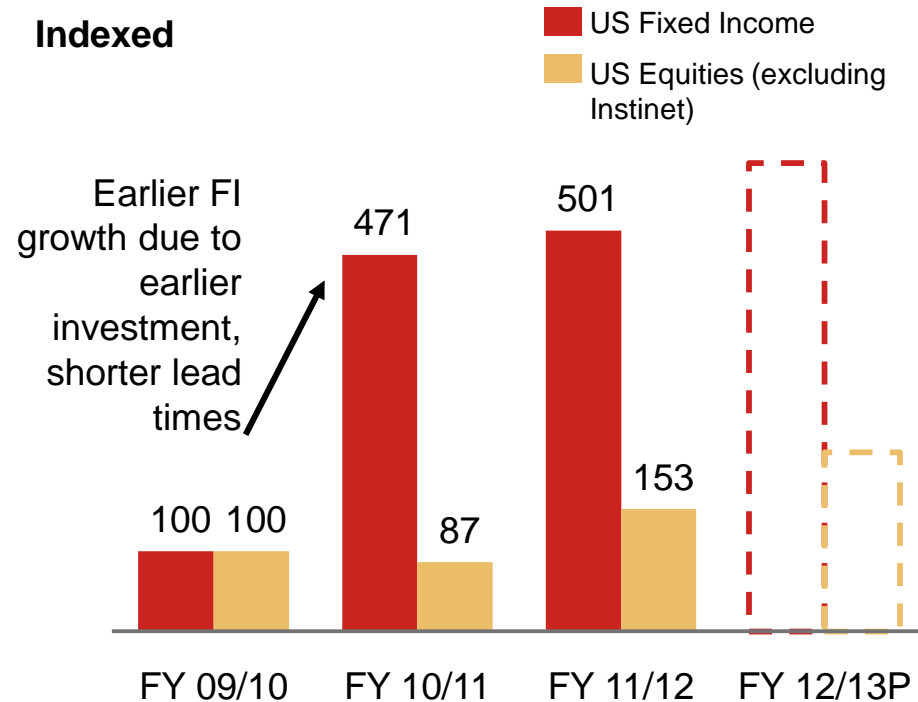
April 2011: Voltage Mid-Term VIX ETF – first EU volatility ETF with a tactical approach to volatility

October 2010: Evolution Fund – optimised long variance fund

June 2010: VIX ETF – first EU volatility ETF

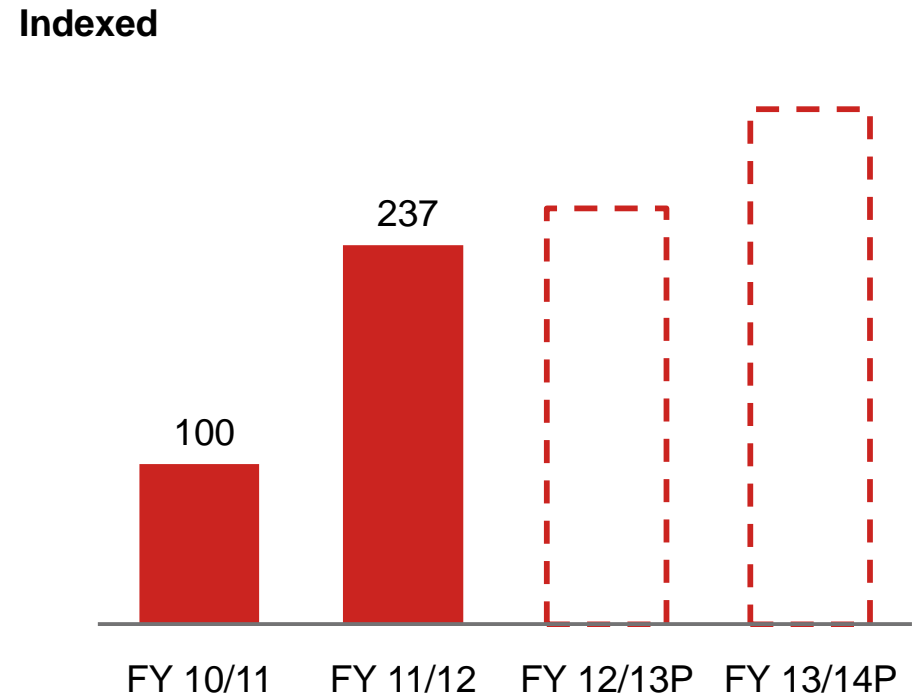
April 2009: ReVAS – Alpha strategy based on volatility risk premium

Narrow and deep – monetizing the US business

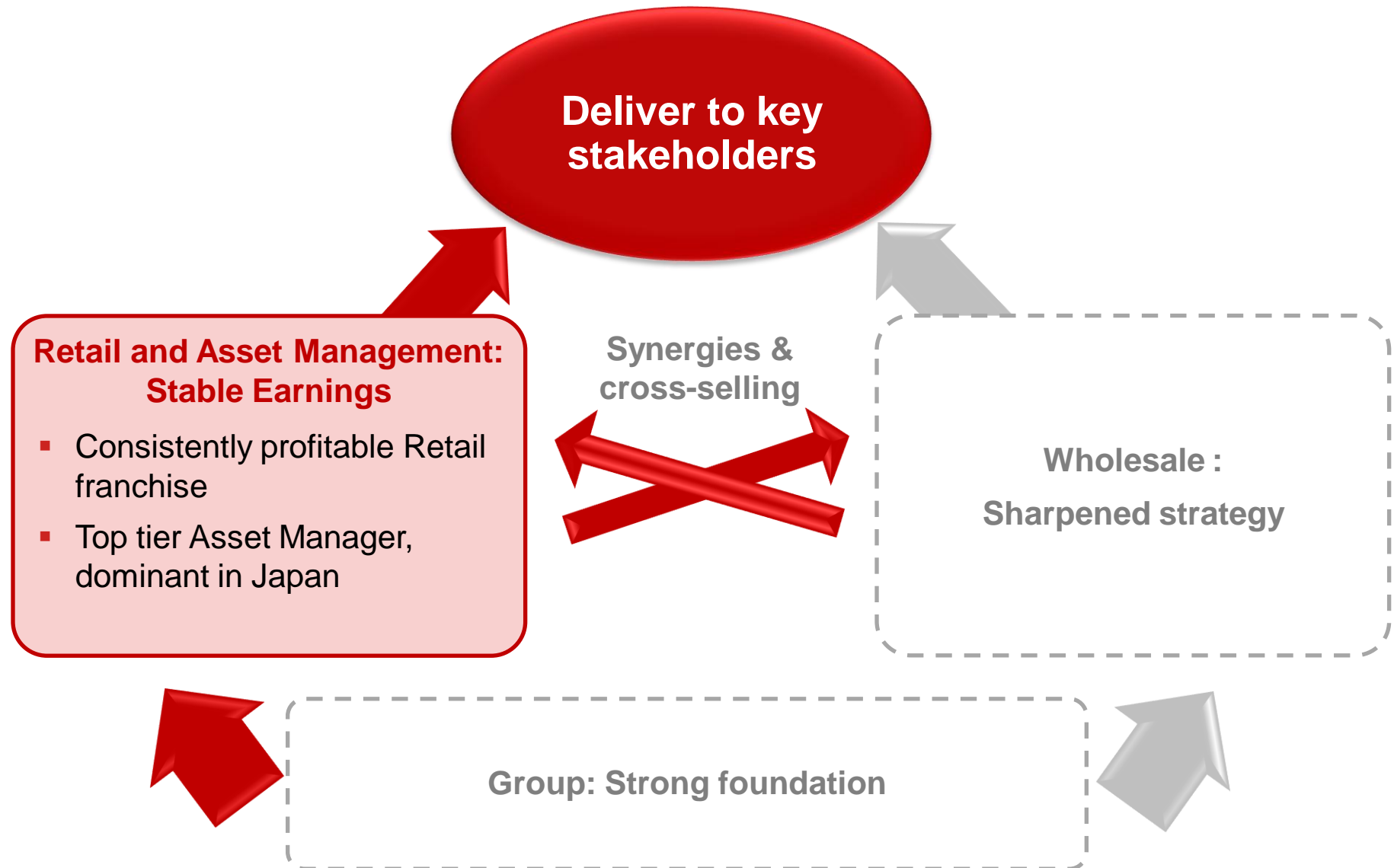


- Investment in Equities lagged that in Fixed Income in the US
- Expecting further monetization in both businesses in FY 12/13

Delivering the firm – solutions business¹



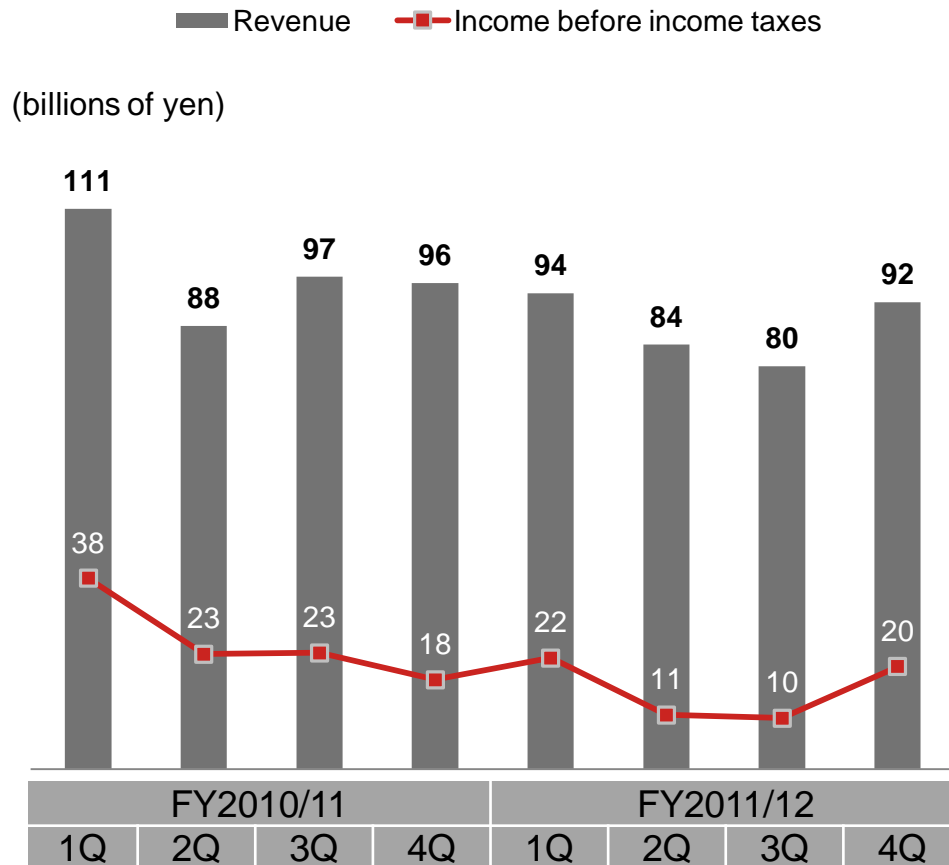
- Established focus and organizational structure to capture more business
- Expected to be continuing driver of long term growth



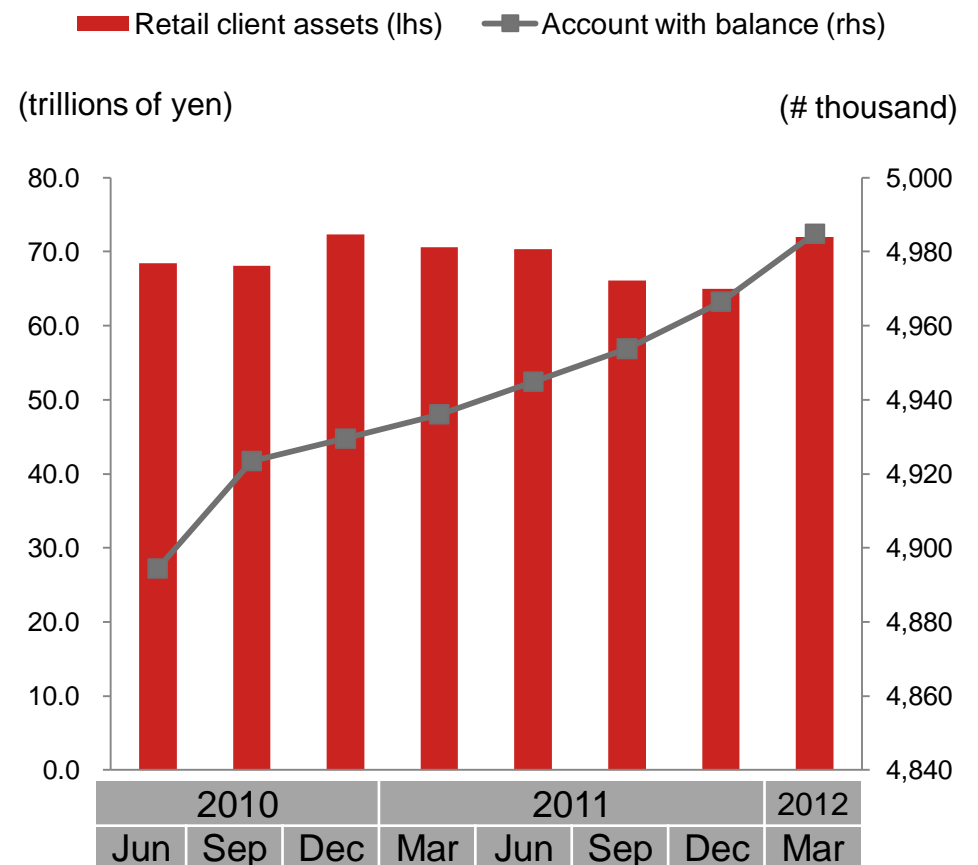
Consistent underlying Retail performance

NOMURA

Consistent profitability



Expansion of client base

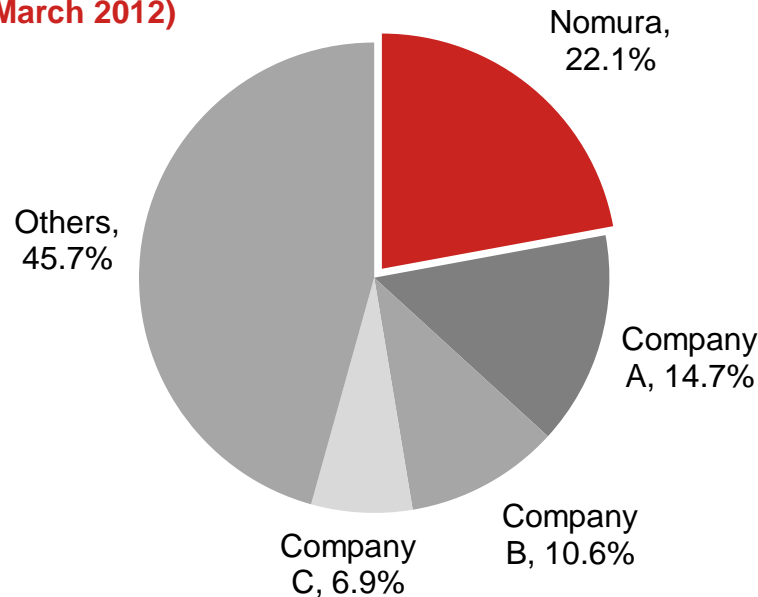


Dominant domestic Asset Management business

NOMURA

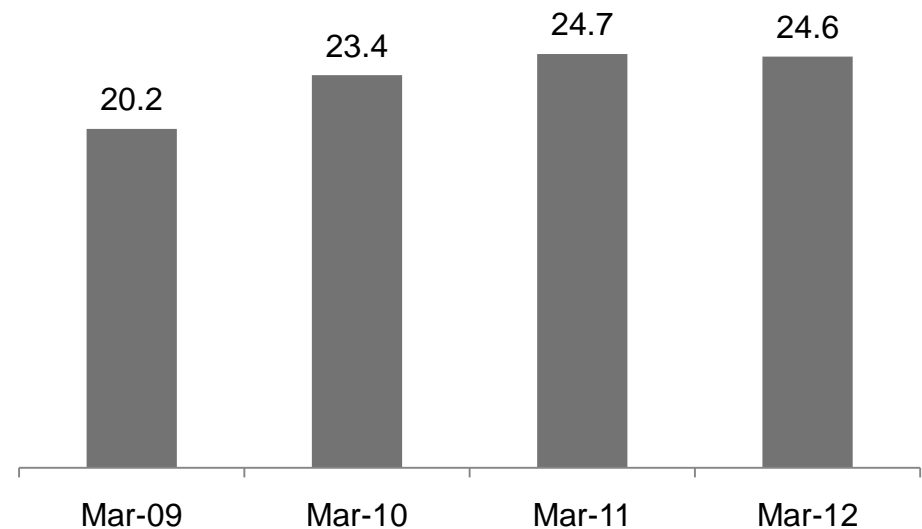
Number 1 positioning

Share of Japan public investment trust market
(as of March 2012)



Stable assets under management

AUM (trillion yen)



Continuing recognition

Morningstar "Fund of the Year 2011"

- Best Awarded Fund
 - Balanced Fund Division
 - Nomura Global Six Assets Diversified Fund(Stability Type)
- Excellent Fund
 - Domestic Stock Fund Division
 - Three awards including for Strategic Value Open



Won Lipper Fund Awards Japan 2012 best fund award

- 3 Year Three awards including for Nomura US High Yield Corporate Bond Fund Course A Fund
- 5 Year Five awards including for High Yield Corporate Bond Open Yen Hedged (monthly distribution) Fund
- 10 Year Two awards including for Balance Select 50 Fund



2012/13 and Beyond

Group Target

- Solidify position as a globally competitive Financial Services group
- Imperative to achieve sustainable profitability, then gradually increase ROE

Divisional Targets

Retail

- Client Assets of 100 trillion yen

Asset Management

- Assets under Management of 30 trillion yen

Wholesale

- All Wholesale regions to be stand alone profitable

while ensuring...

- % Client Revenue: 70-80%

1 Group has reacted swiftly to market deterioration

2 Sharpened Wholesale strategy and positioning

3 Will continue to innovate in business and organization

4 Targeting sustainable profitable growth from FY2012/13

Nomura Holdings, Inc.
www.nomura.com