

Presentation at Nomura Investment Forum 2015

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Group CEO
Nomura Holdings, Inc.

December 1, 2015

1. Reconfirming FY2019/20 management target

Reconfirming FY2019/20 management target

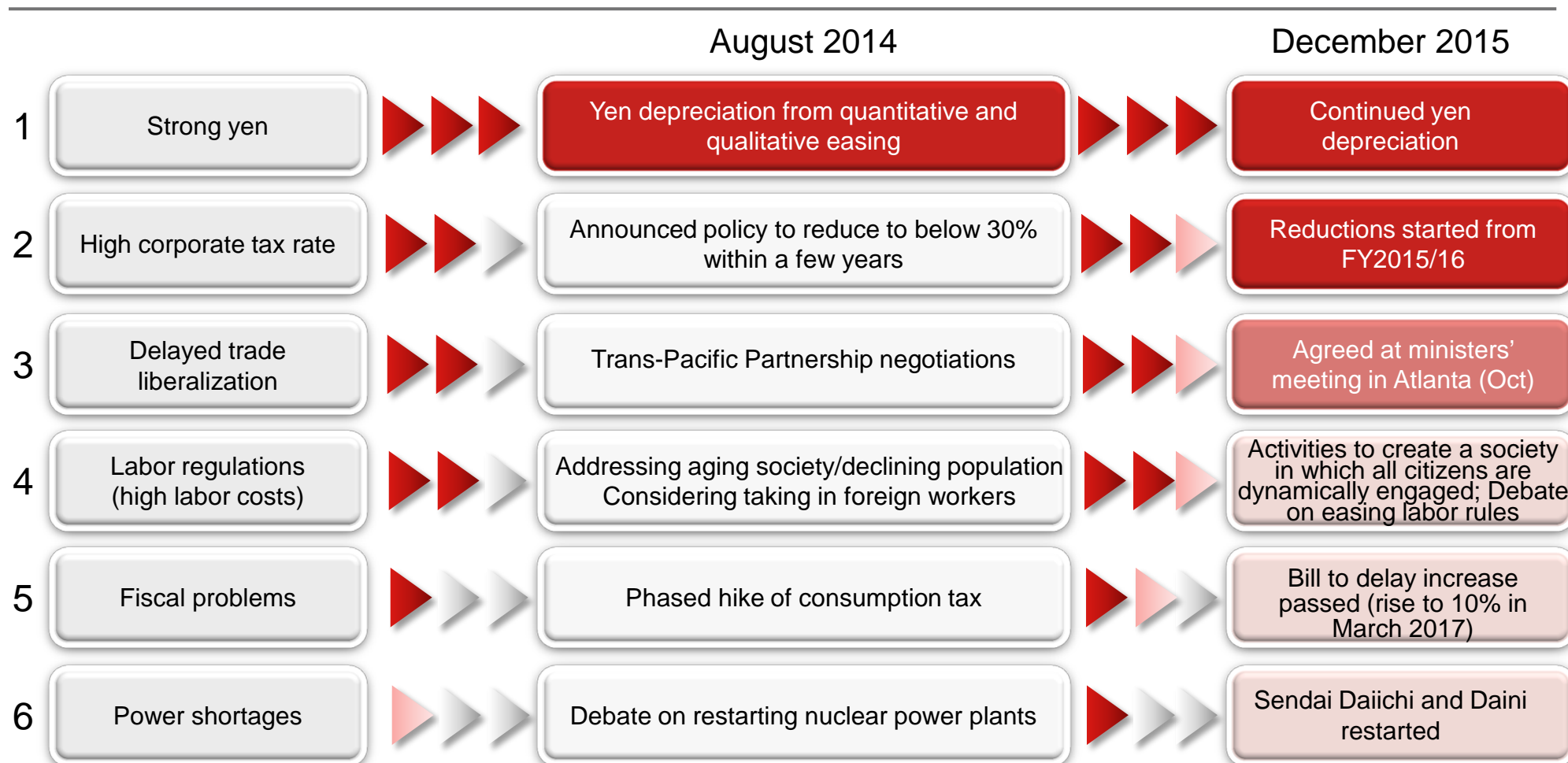
Transform business model in Japan

Improve profitability of international business

FY2019/20
management target

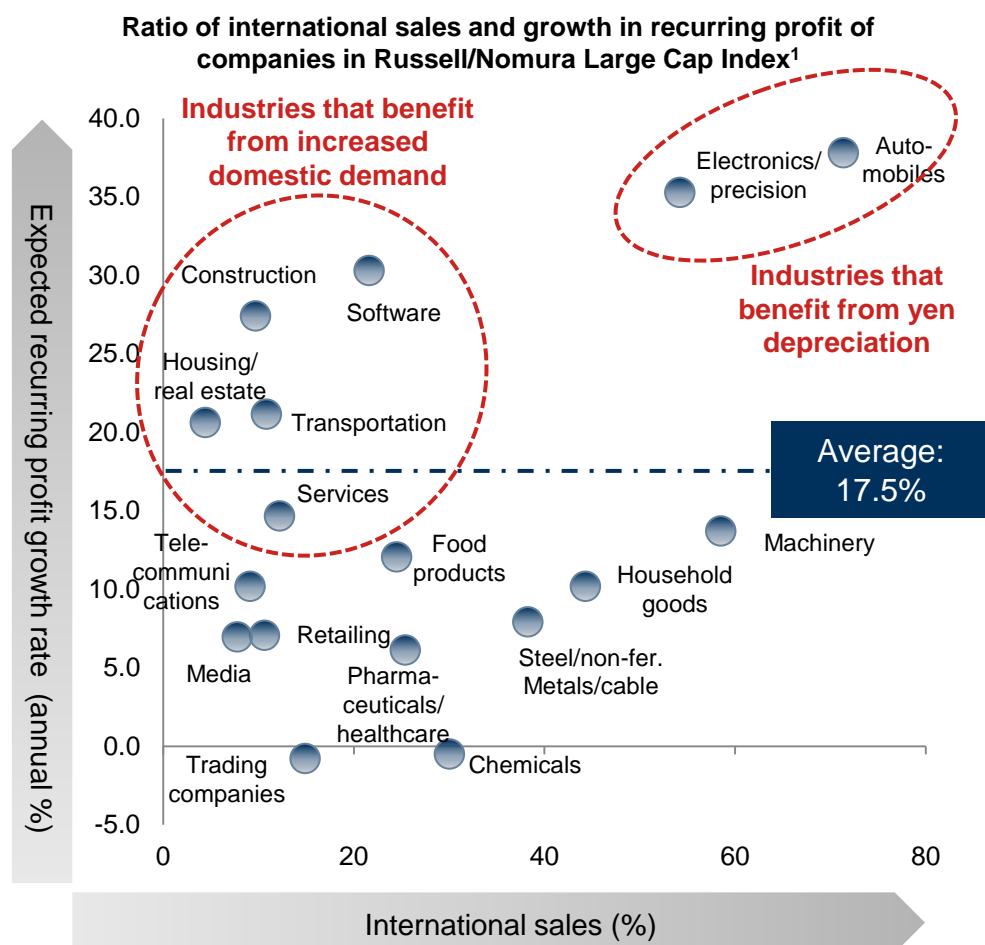
EPS Y100

Unwinding of six disadvantages sets corporate Japan free

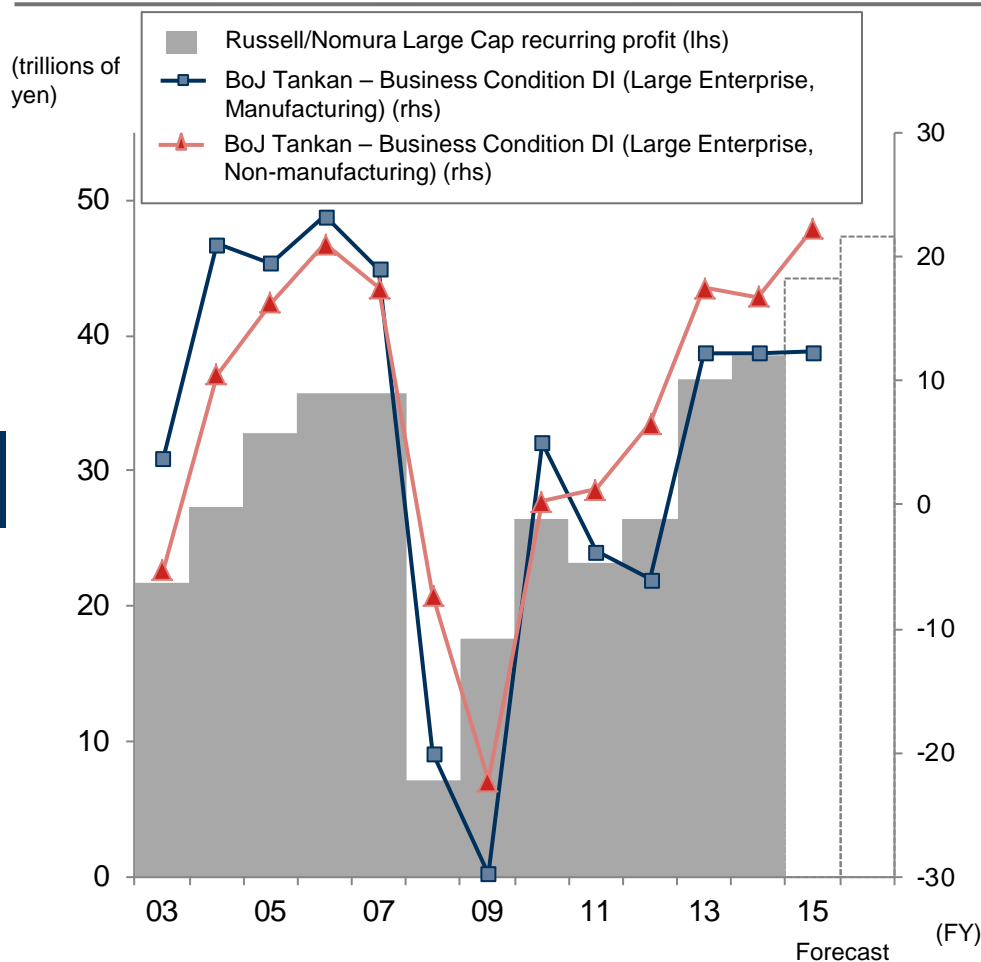


Corporate performance in Japan is improving

Overall strong profit growth in past four years



Profits above pre-crisis levels²

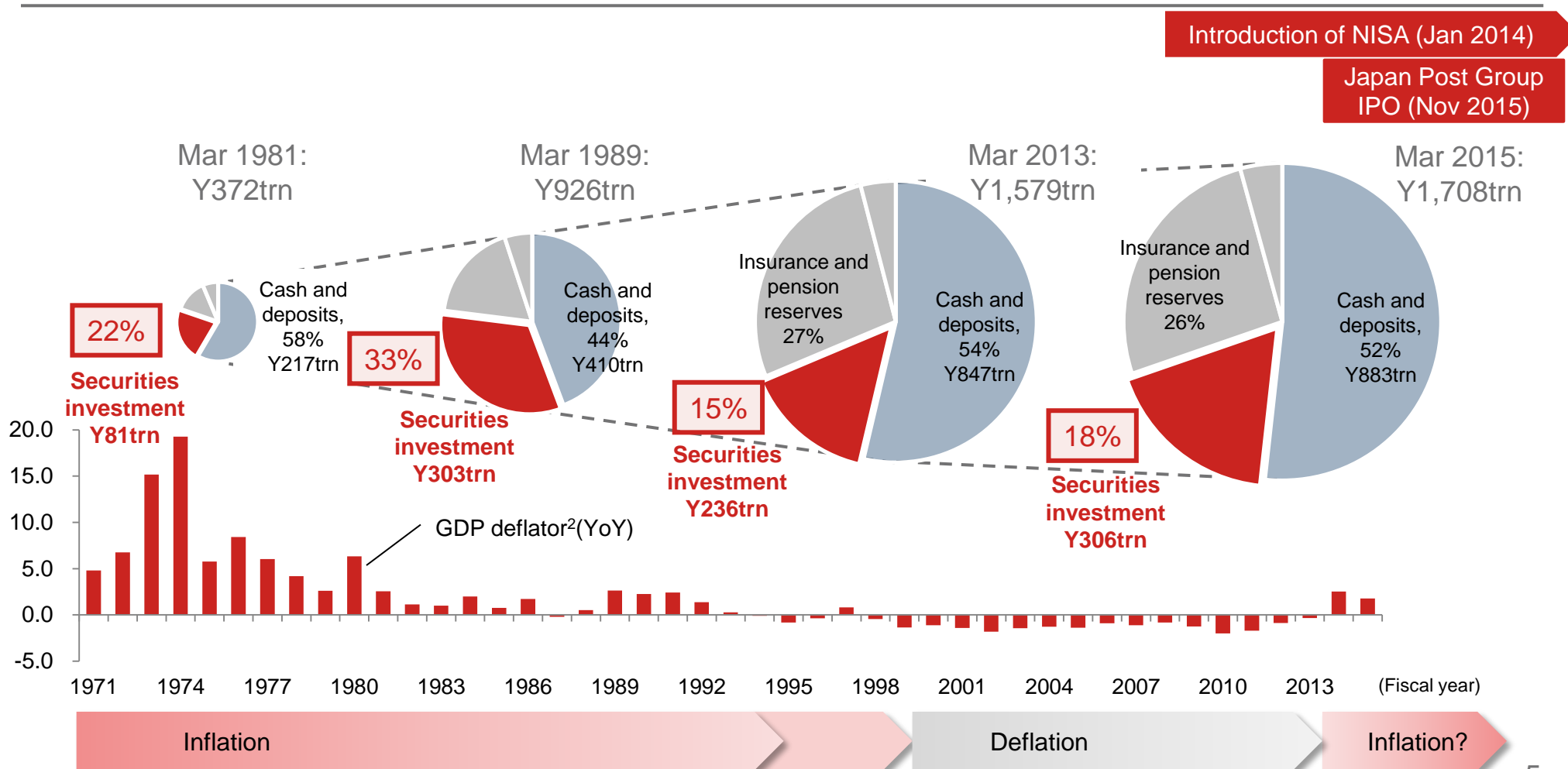


1. Source: Based on 17 companies from the Russell/Nomura Large Cap Index made up of NOMURA19 minus public interest and financial sectors. Vertical axis shows increase in expected recurring profit growth rate (annual) from FY2011 to FY2015; horizontal axis shows average ratio of international sales from FY2011 to FY2014. Forecasts based on Nomura research, supplemented by Toyo Keizai.

2. Source: Nomura, based on Bank of Japan data. BoJ Tankan Business Condition DI is quarterly average for each year, except FY15/16 which is average of Jun and Sep actual result and Dec forecast.

Japan's personal financial assets

Securities investment as percentage of personal financial assets has started growing again¹

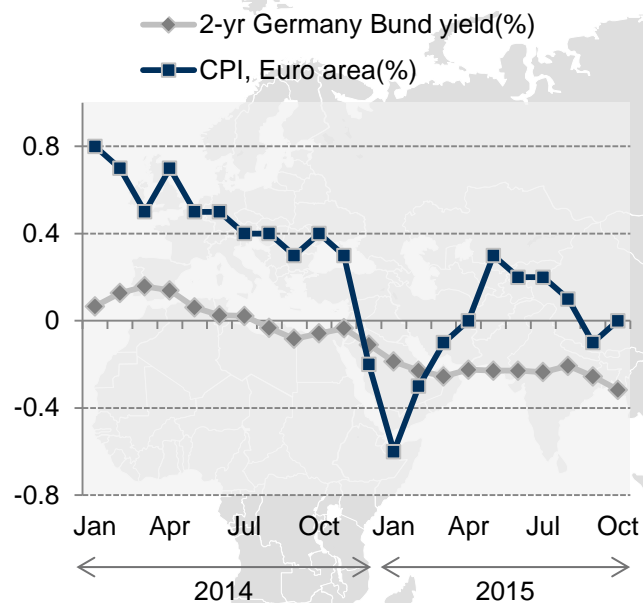


1. Source: Nomura, based on Bank of Japan "Flow of Funds Accounts".

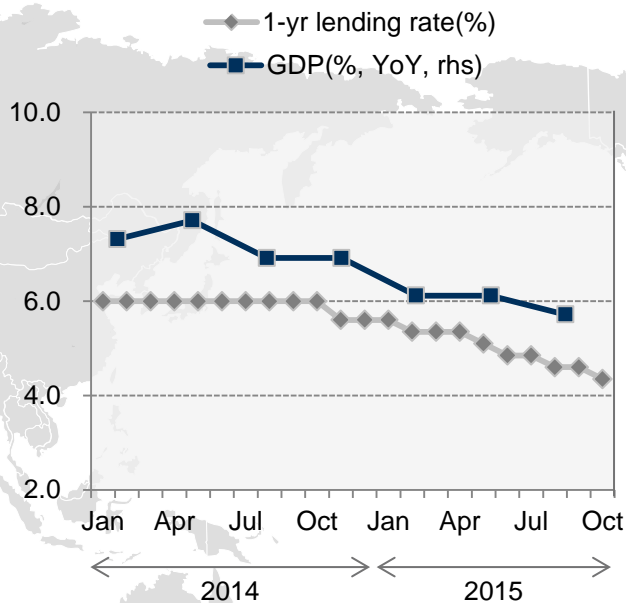
2. Source: Nomura, based on Cabinet Office and Ministry of Internal Affairs and Communications data.

Global business environment

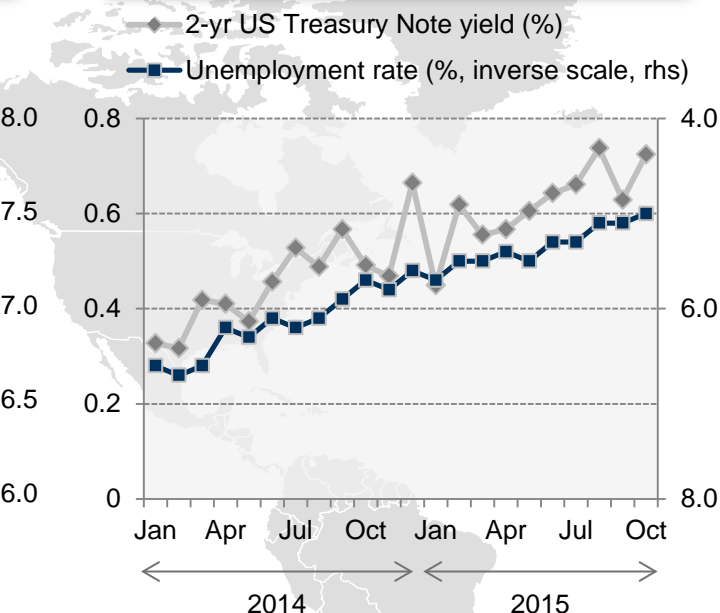
Europe



China



US

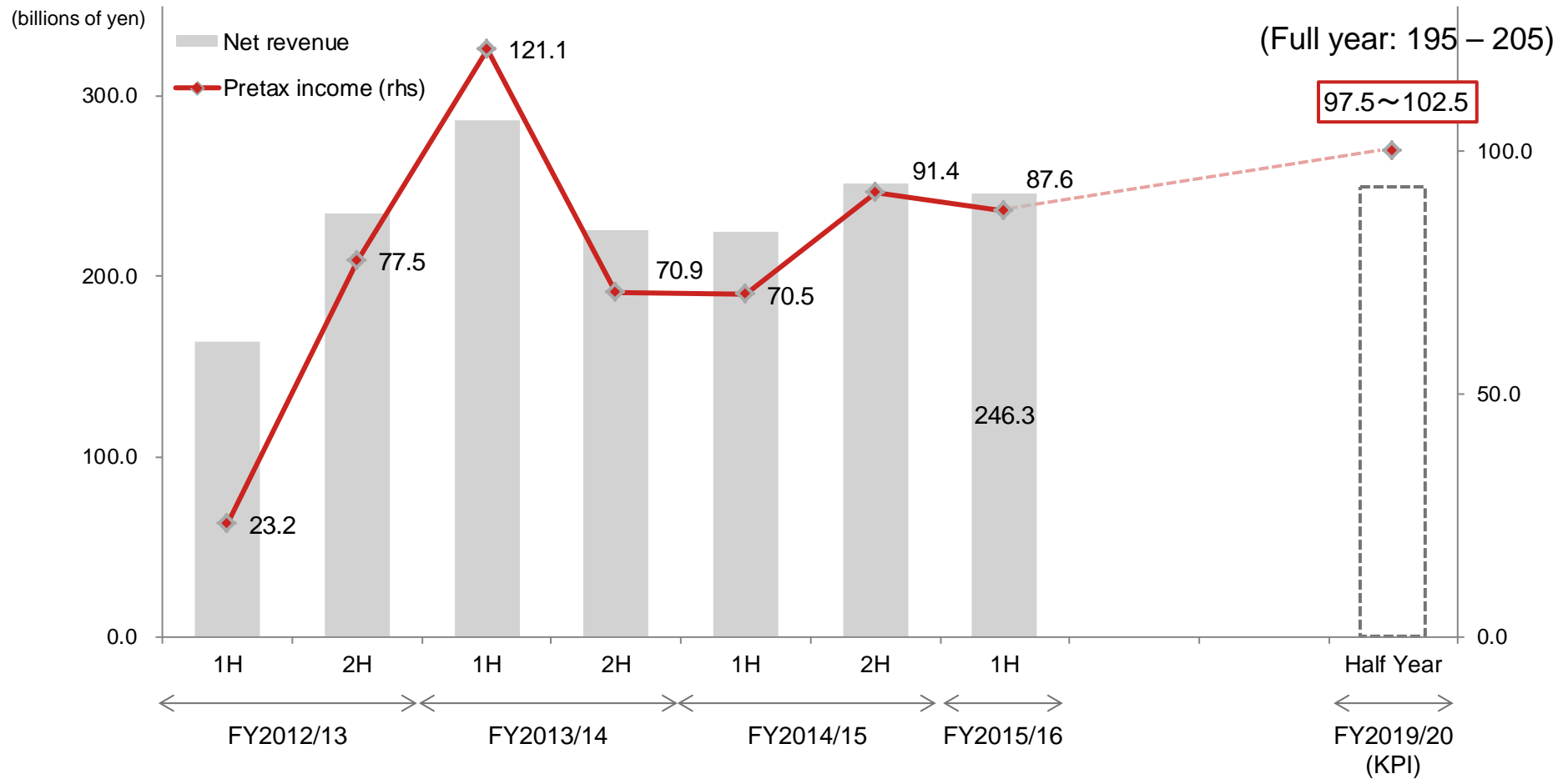


Regulatory environment for financial institutions

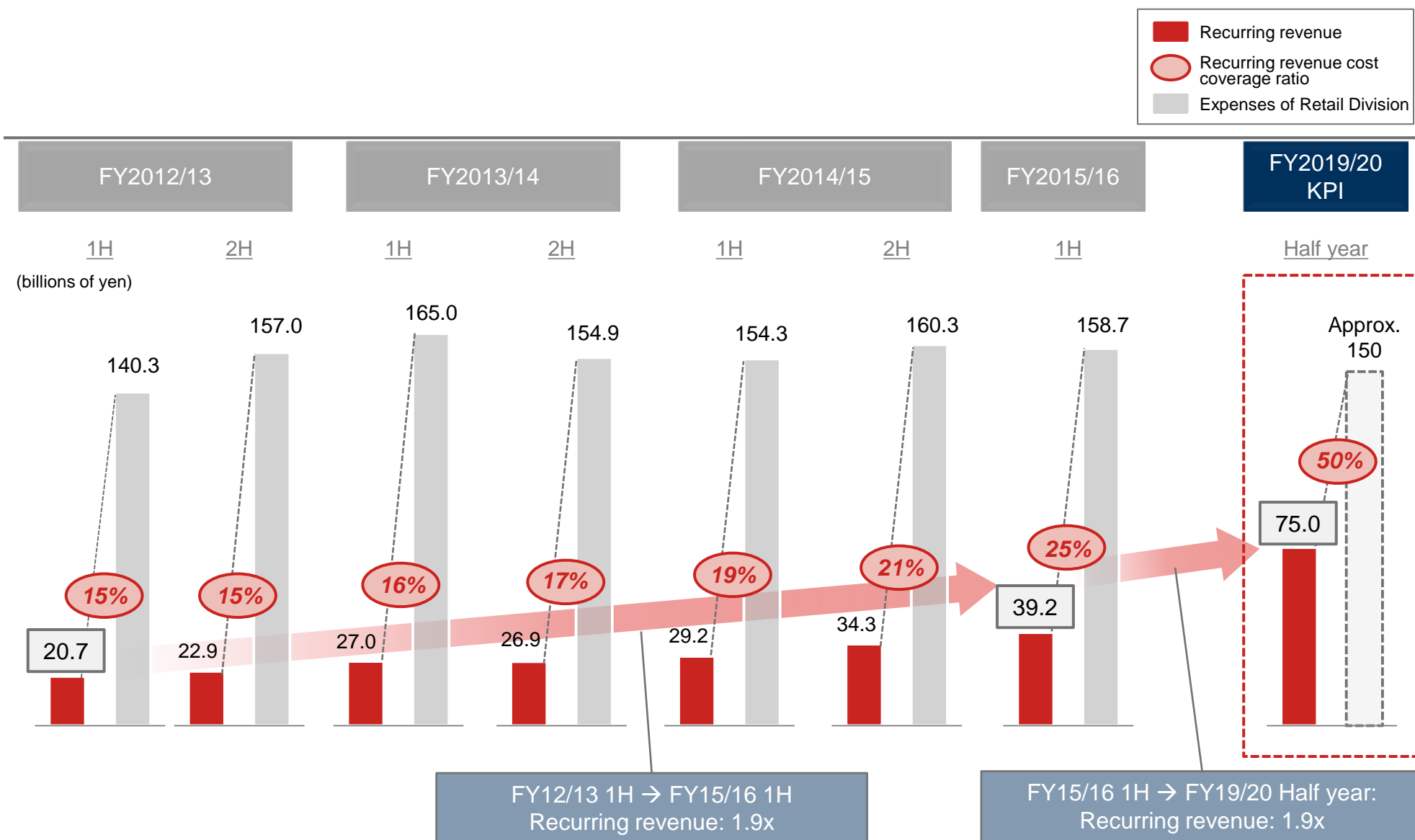
			KPIs as of Aug 2014	KPIs based on environment changes
Three segment pretax income			Y450 – Y470bn	Y450 – Y470bn
Division	Retail	Pretax income Client assets Recurring revenue (cost coverage ratio)	Y195 – Y205bn Y150trn Y150bn (Approx. 50%)	Y195 – Y205bn Y150trn Y150bn (Approx. 50%)
	Asset Management	Pretax income AuM	Y45 – Y50bn Y50trn	Y55 – Y60bn Y50trn+α
	Wholesale	Pretax income (Revenues Expenses) Fee pool market share	Y210 – Y230bn (\$9.8bn \$7.6bn) 3.7%	Y200 – Y220bn (\$7.9bn \$6.1bn) 3.4%

2. Business overview

Retail: Historical performance



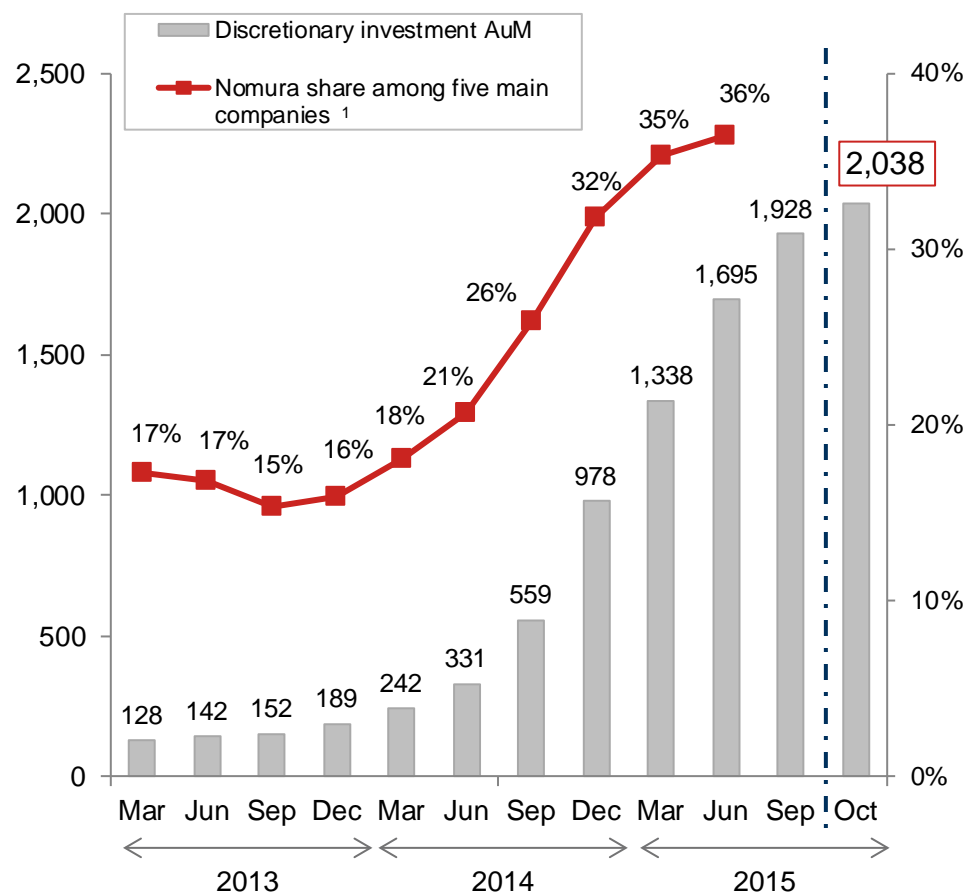
Retail: Steady growth in recurring revenue



Retail: Traction in business model transformation

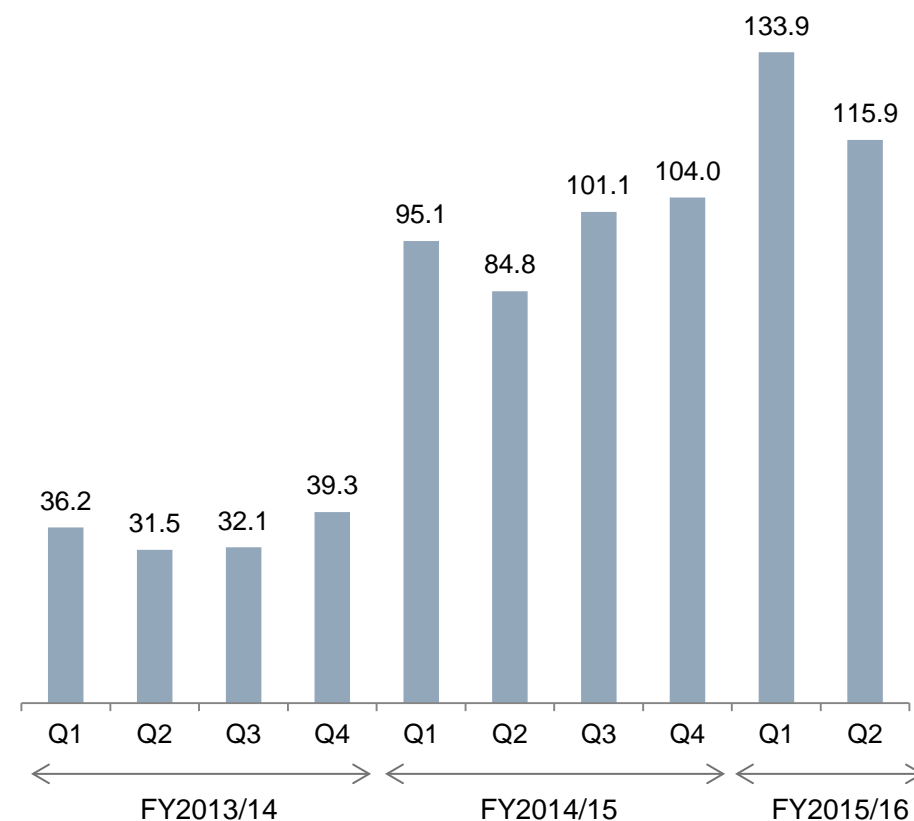
Discretionary investment AuM

(billions of yen)



Sales of insurance products²

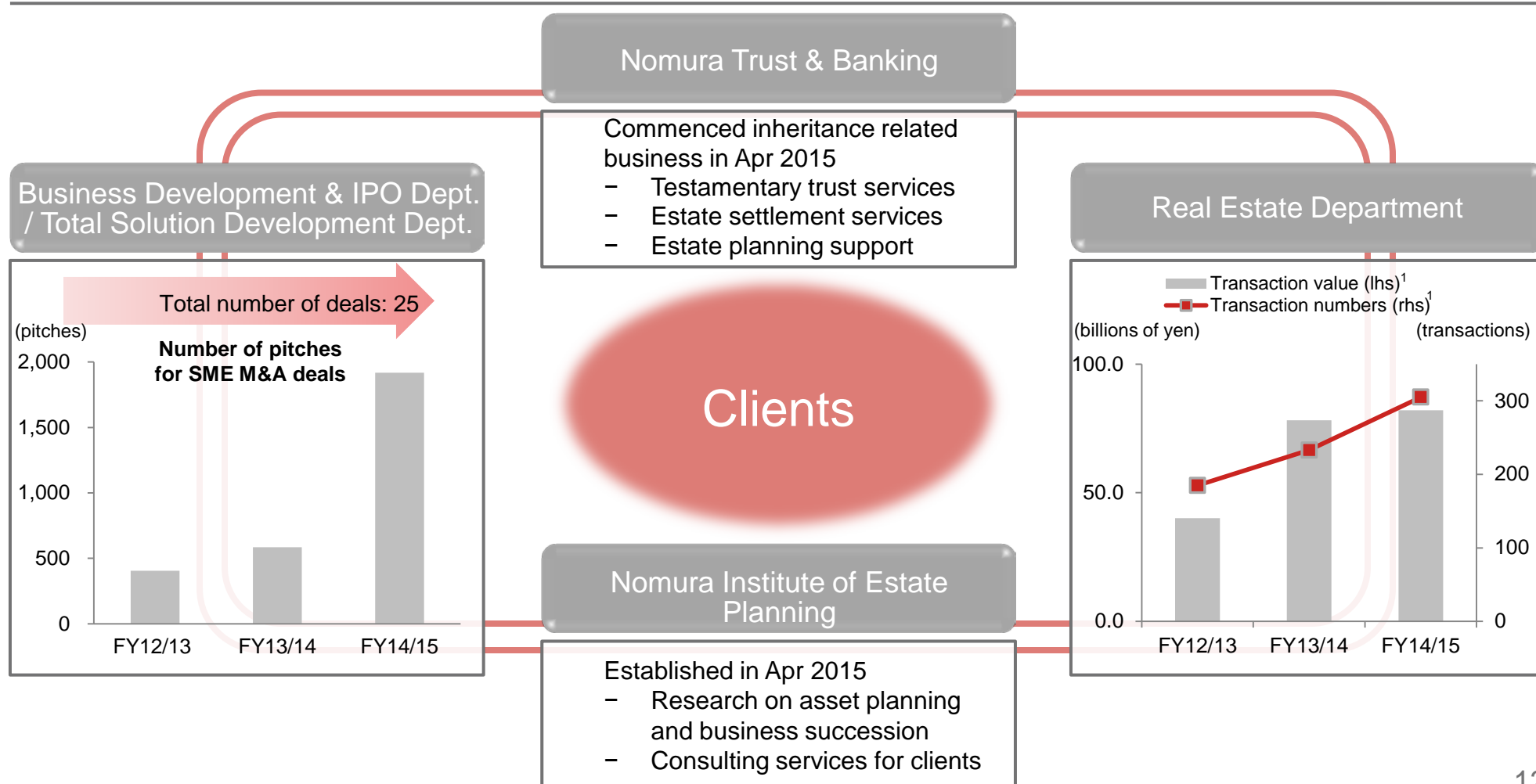
(billions of yen)



1. Five main companies are Nomura Securities, Daiwa Securities, SMBC Nikko Securities, Mizuho Securities, and Sumitomo Mitsui Trust Bank.

2. Retail channels only.

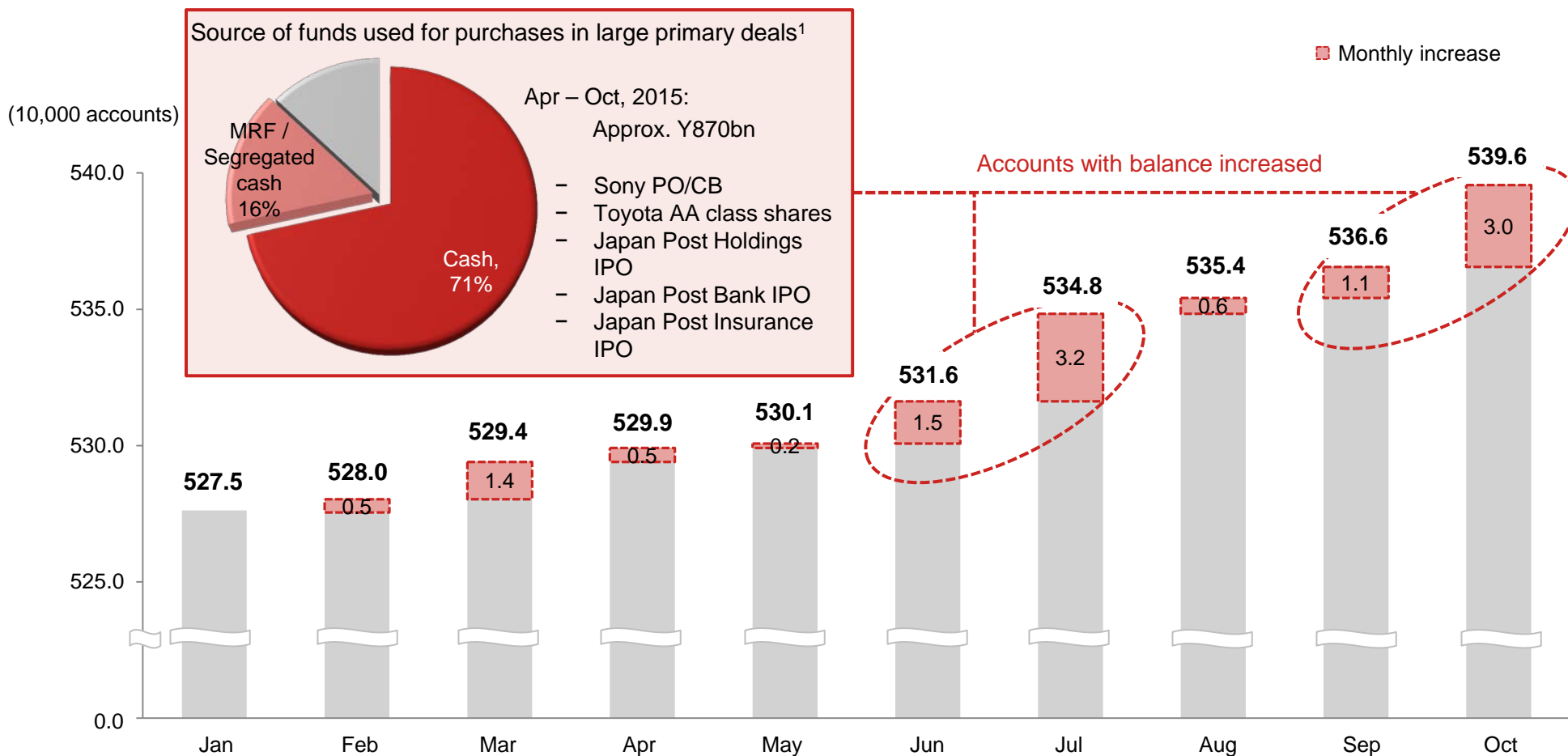
Retail: Platform underpinning consulting-based sales



1. Based on introductions and joint broker domestic transactions handled by Nomura Securities Real Estate Department; Based on month of completed transaction.

Retail: Growing client base (1)

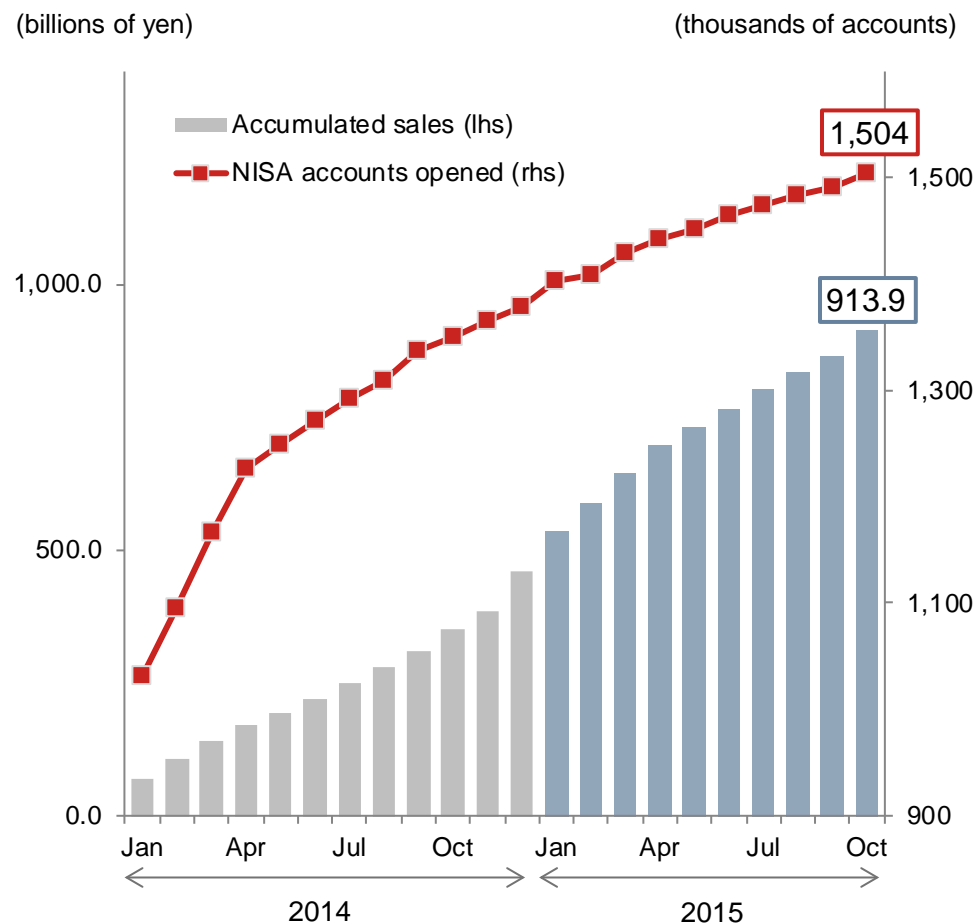
New funds flowing into large primary deals and accounts with balance continue to increase



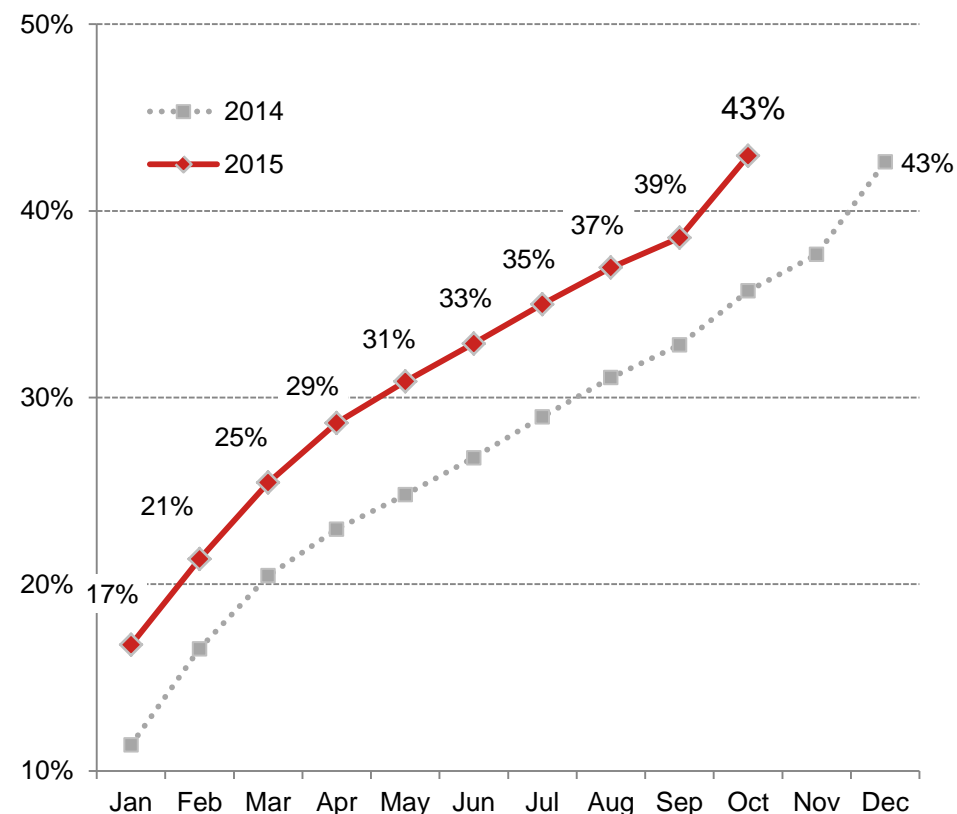
1. Retail channels only

Retail: Growing client base (2)

NISA accounts and sales growing



NISA account usage rate up YoY



Asset Management: Progressing ahead of plan

Assets under management (net)

(trillions of yen)

Inflows into investment trusts¹ (+Y7.2trn)

✓ ETF(+Y3.3trn)

✓ Investment trusts for discretionary investments (+Y1.7trn)

✓ MRF, MMF, etc. (+Y1.4trn)

Inflows into investment advisory business¹(+Y1.0trn)

Oct. 2015
42.4

FY2019/20 KPI

50+α

50

(Aug. 2014
KPI)

(KPI
based on
environment
changes)

Net revenue and pretax income

(billions of yen)

Net revenue

Pretax income

FY2019/20 KPI

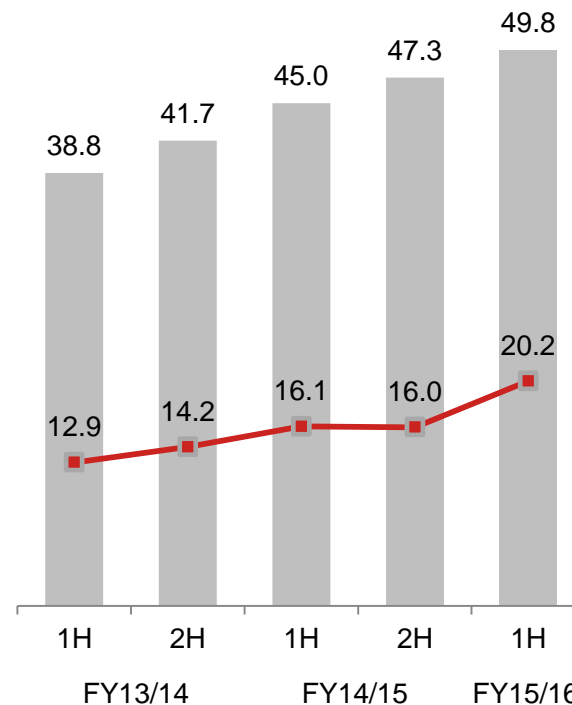
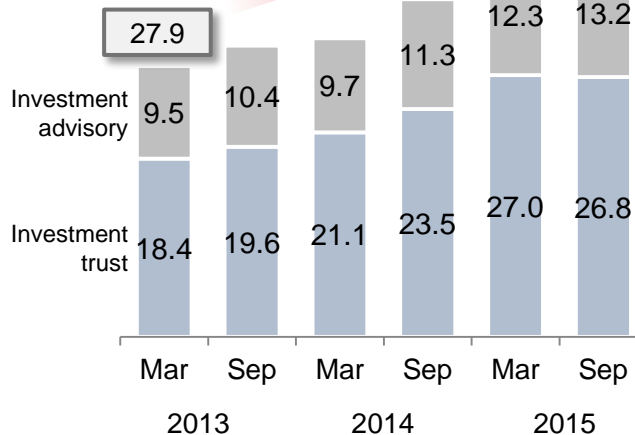
Upward revision to Mar
2020 KPI for full year
pretax income

Aug. 2014 KPI

Y45bn – Y50bn

KPI based on
environment changes

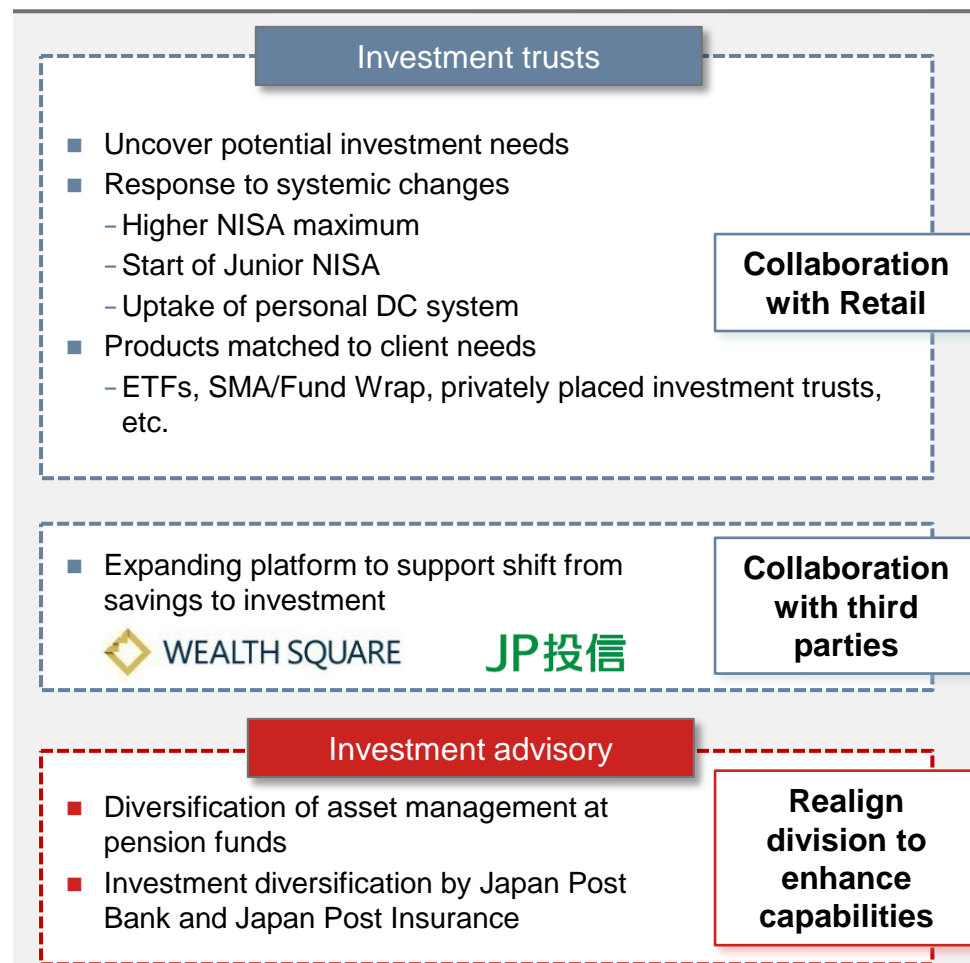
Y55bn – Y60bn



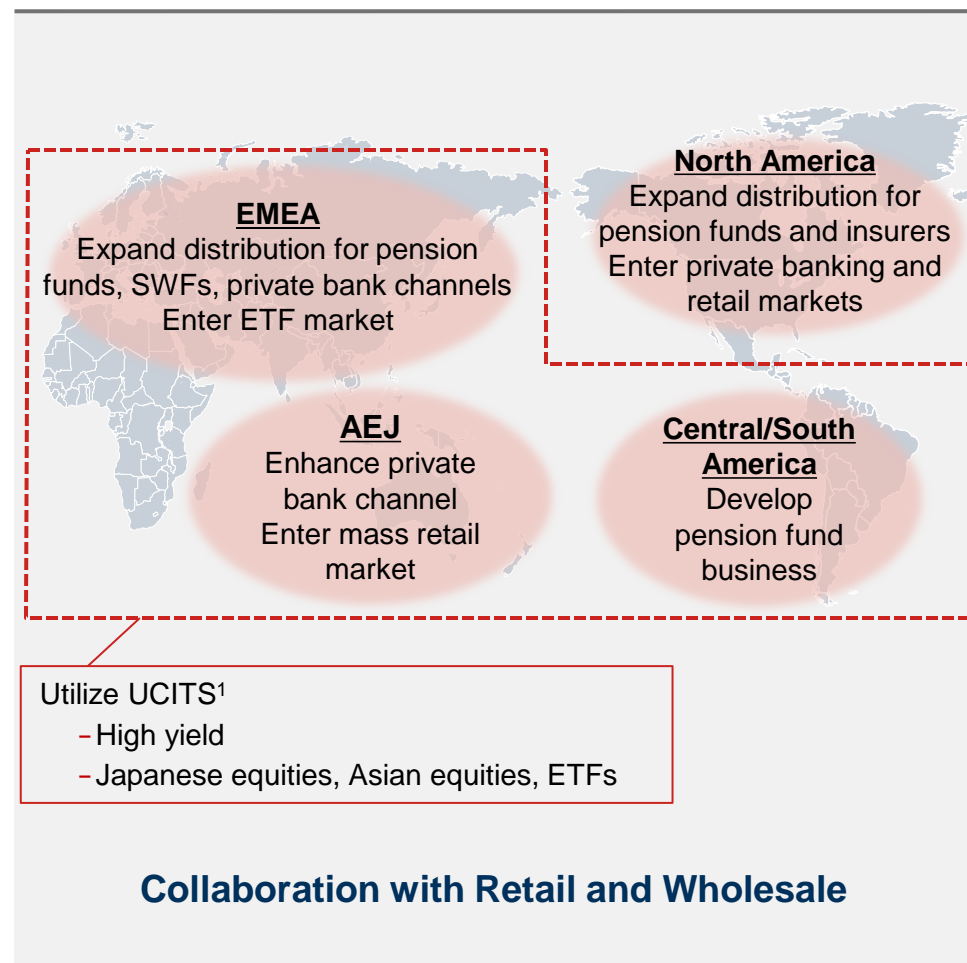
1. Inflows from Apr 2013 to Sep 2015.

Asset Management: Diverse growth opportunities

Domestic strategy

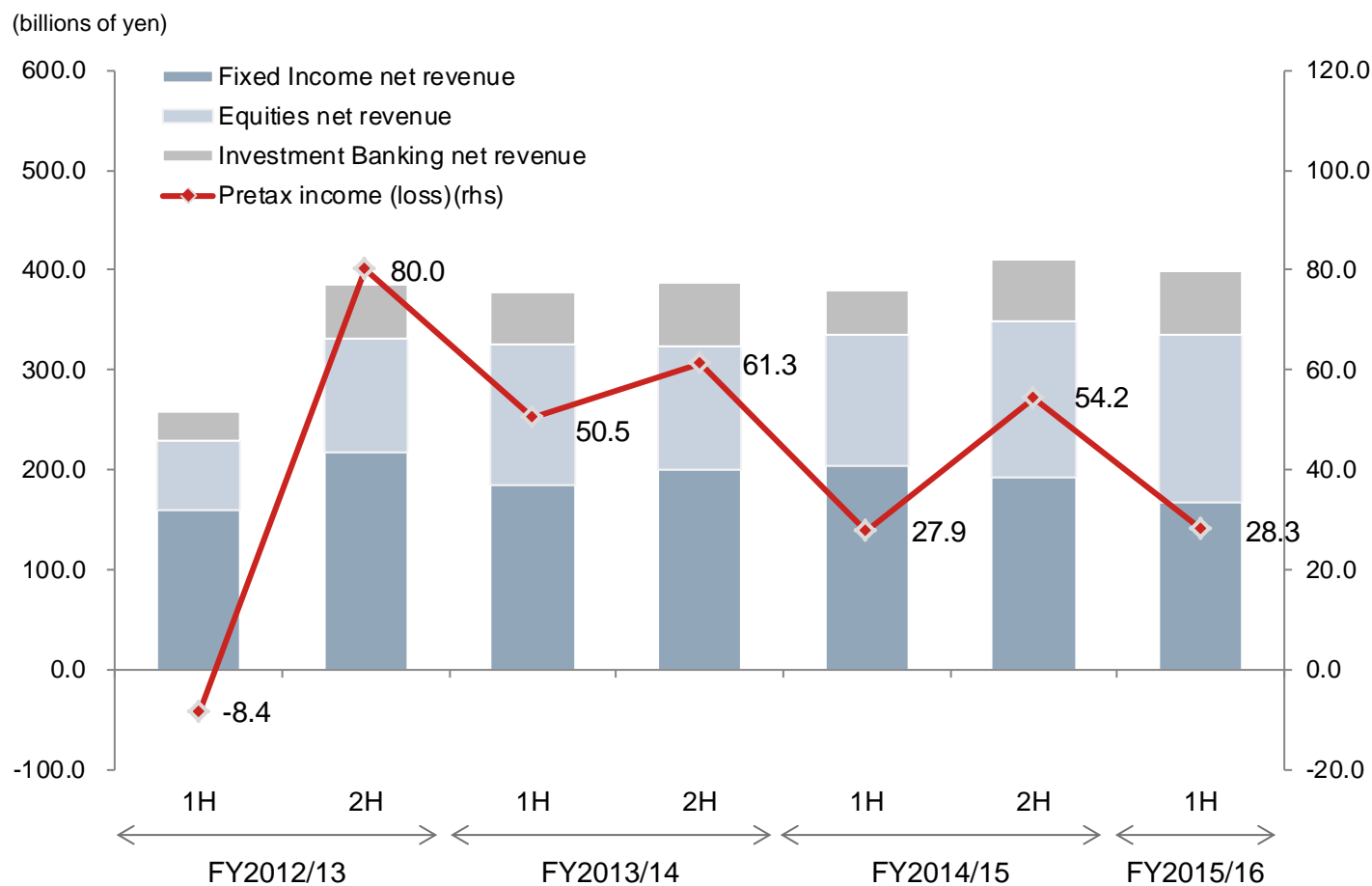


International strategy



1. Undertakings for Collective Investment in Transferable Securities (UCITS) is the main European framework covering collective investment schemes investing in transferable securities.

Wholesale: Historical performance



FY2019/20 KPI

Downward revision to
Mar 2020 KPI for full
year pretax income

Aug. 2014 KPI

Y210bn – Y 230bn



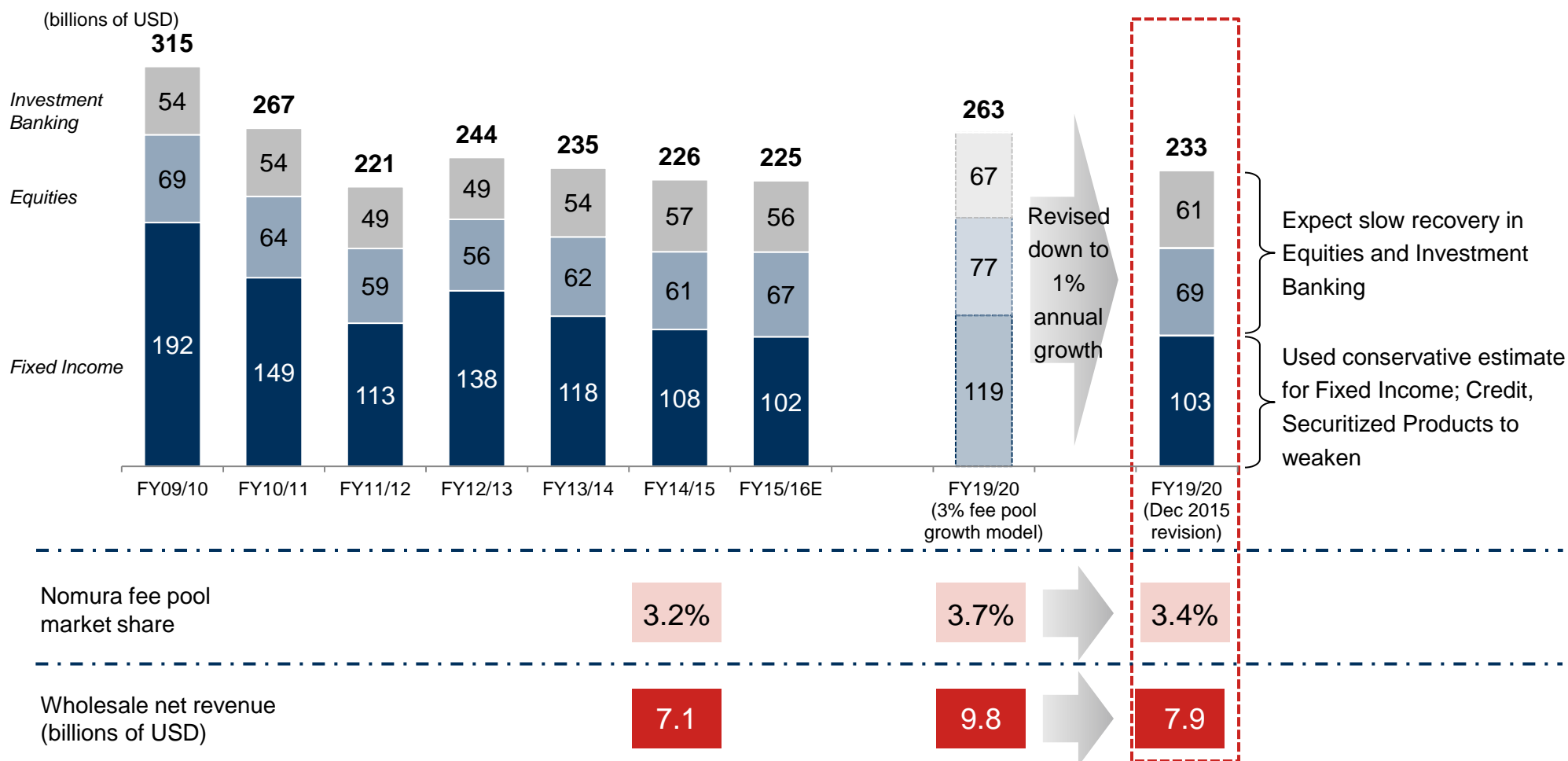
KPI based on
environment changes

Y200bn – Y220bn





Wholesale: Fee pool market share

- ✓ Revised down our forecast for fee pool growth from 3% to 1% based on market environment
- ✓ Revised our market share to 3.4% based on current market conditions and our business portfolio

Wholesale fee pool



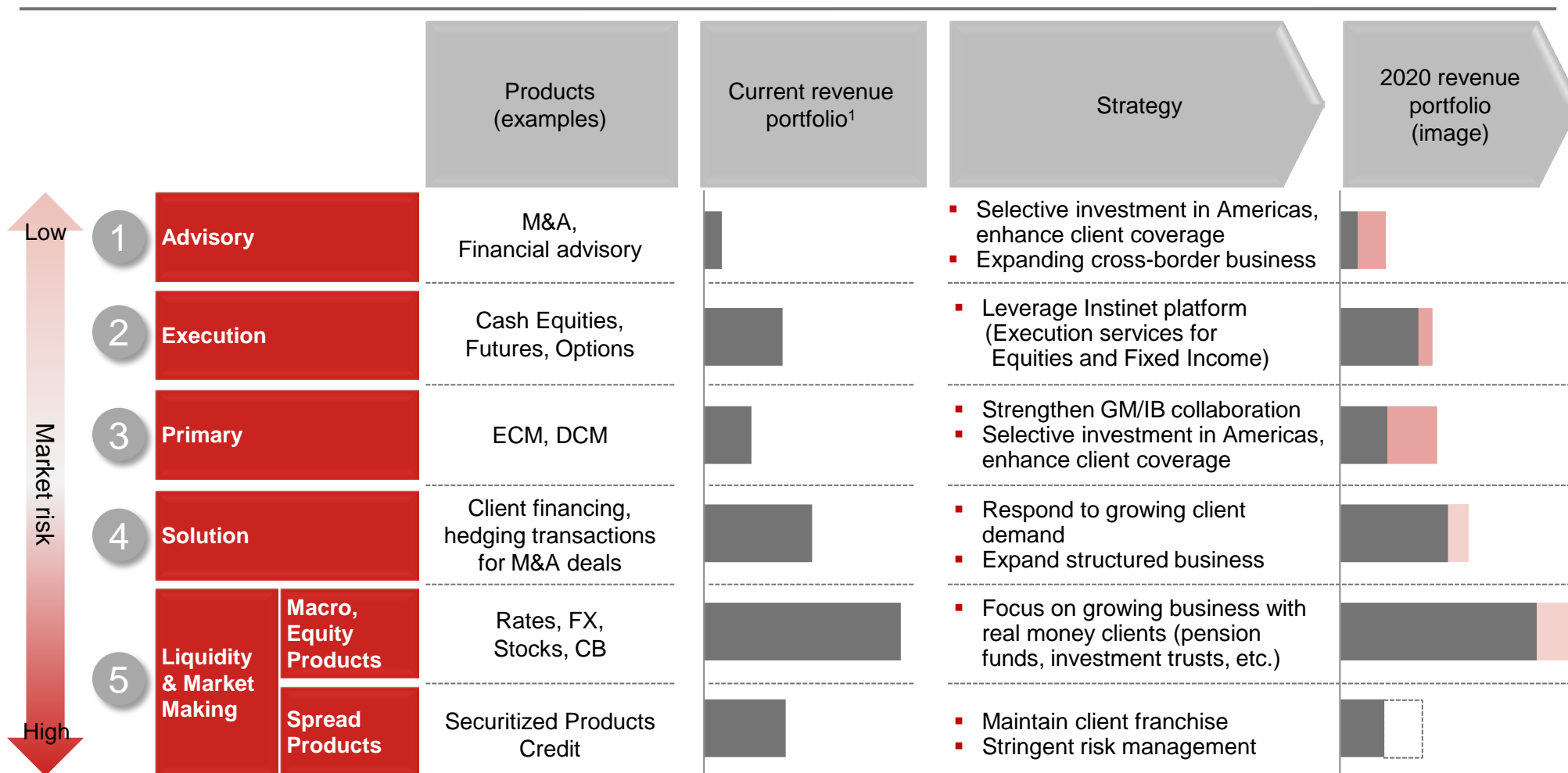
Wholesale: Stable performance in Japan-related products

	Japan		AEJ
	EMEA		Americas

Top 10 strategies by pretax income

Rank	FY2012/13		FY2013/14		FY2014/15		FY2015/16
	1H	2H	1H	2H	1H	2H	1H
1	Securitized Products	Equity Products	Equity Products	IB	Credit	Emerging Markets	Equity Products
2	Credit	Credit	IB	Securitized Products	Equity Products	Equity Products	IB
3	Rates	Securitized Products	Credit	Equity Products	Securitized Products	IB	Rates
4	Credit	Rates	Credit	Credit	Securitized Products	Credit	Rates
5	Credit	Rates	Rates	Rates	Credit	FX G10	Credit
6	FX G10	Rates	Emerging Markets	Credit	Emerging Markets	FX G10	Emerging Markets
7	Securitized Products	Credit	Rates	Credit	IB	Execution Services	Rates
8	Rates	Credit	Securitized Products	Credit	FX G10	Securitized Products	Emerging Markets
9	Emerging Markets	FX G10	Execution Services	Rates	Credit	Credit	Execution Services
10	Emerging Markets	Credit	FX G10	Execution Services	Rates	Emerging Markets	Equity Products

Wholesale: International business approach



1. Four year average of actual results for FY2012/13, FY2013/14, FY2014/15 and forecast for FY2015/16.

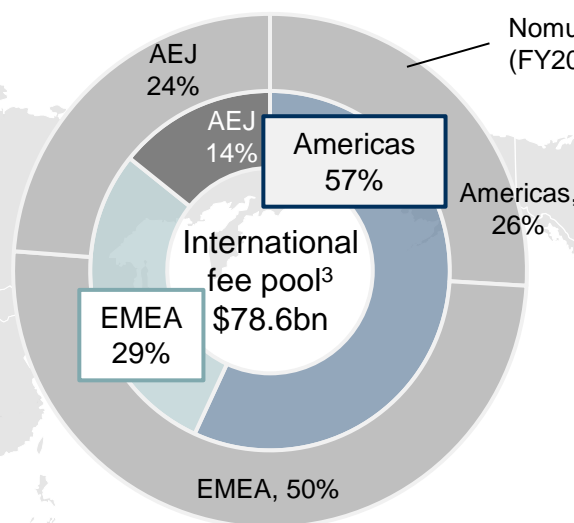
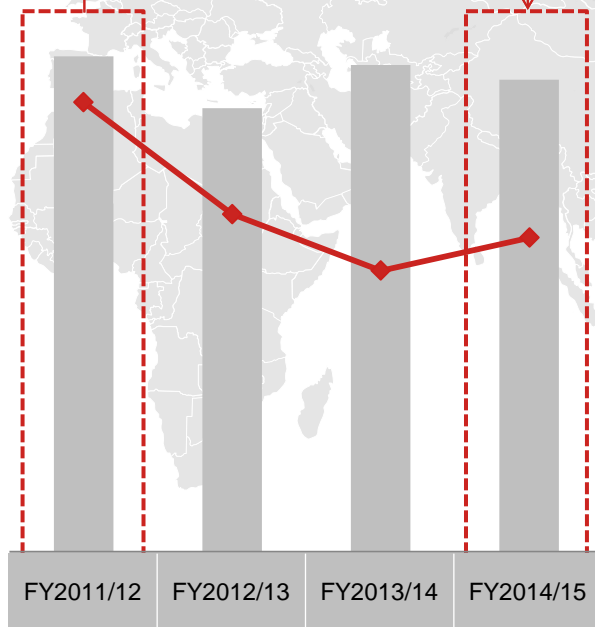
Wholesale: Enhance Americas Investment Banking

Americas accounts for over 50% of international fee pool: FY2014/15 Americas headcount around half that of EMEA

EMEA

FY11/12 vs. FY14/15

- Headcount¹: 0.7x
- Gross revenues²: 1.0x
- Revenue per head²: 1.4x



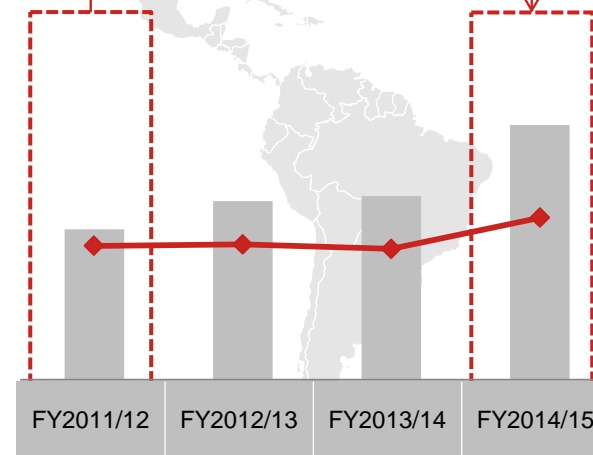
Nomura's headcount (FY2014/15)¹

■ Gross revenues²
—◆— Headcount¹

Americas

FY11/12 vs FY14/15

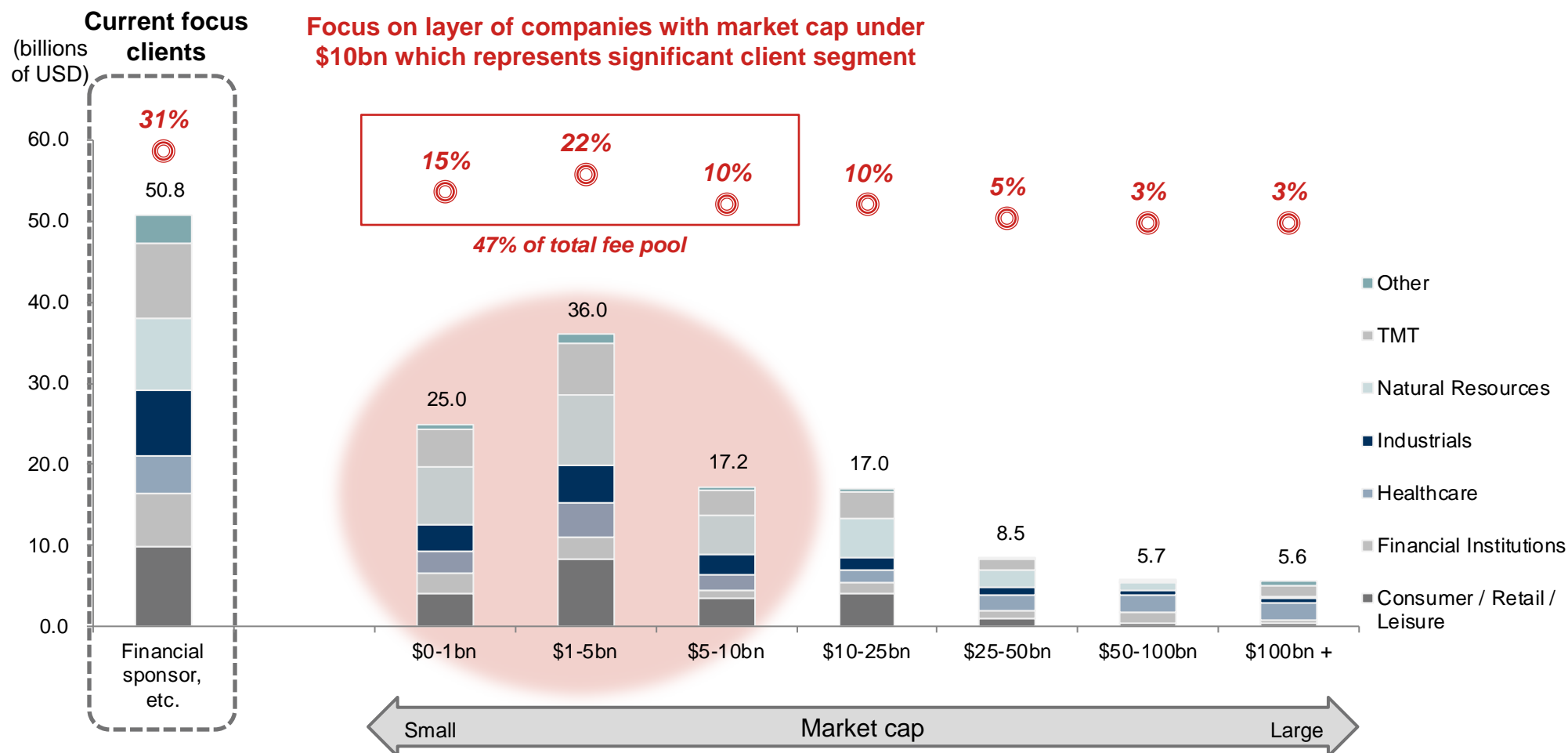
- Headcount¹: 1.2x
- Gross revenues²: 1.7x
- Revenue per head²: 1.4x



1. Average number of producers at end of each month in each period.
 2. Converted into USD using average month-end spot rate for each period.
 3. Source: Dealogic Jan – Dec 2014.

Wholesale: Americas fee pool by market cap

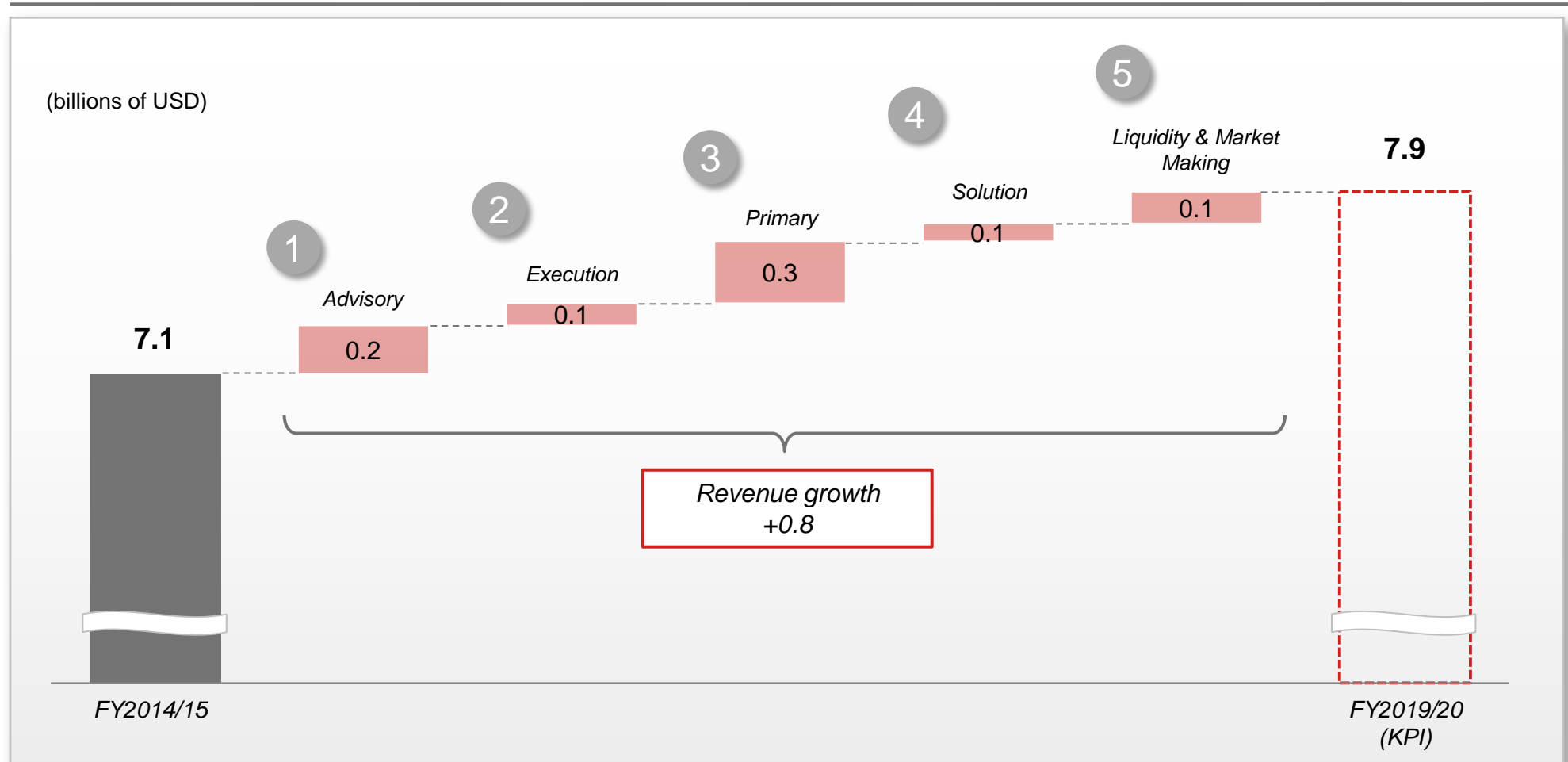
Fee pool from 2011 to 2015 YTD ¹ (by market cap)



1. Source: Dealogic as of September 1st, 2015, Excludes Investment Grade DCM.

Wholesale: Revenue growth

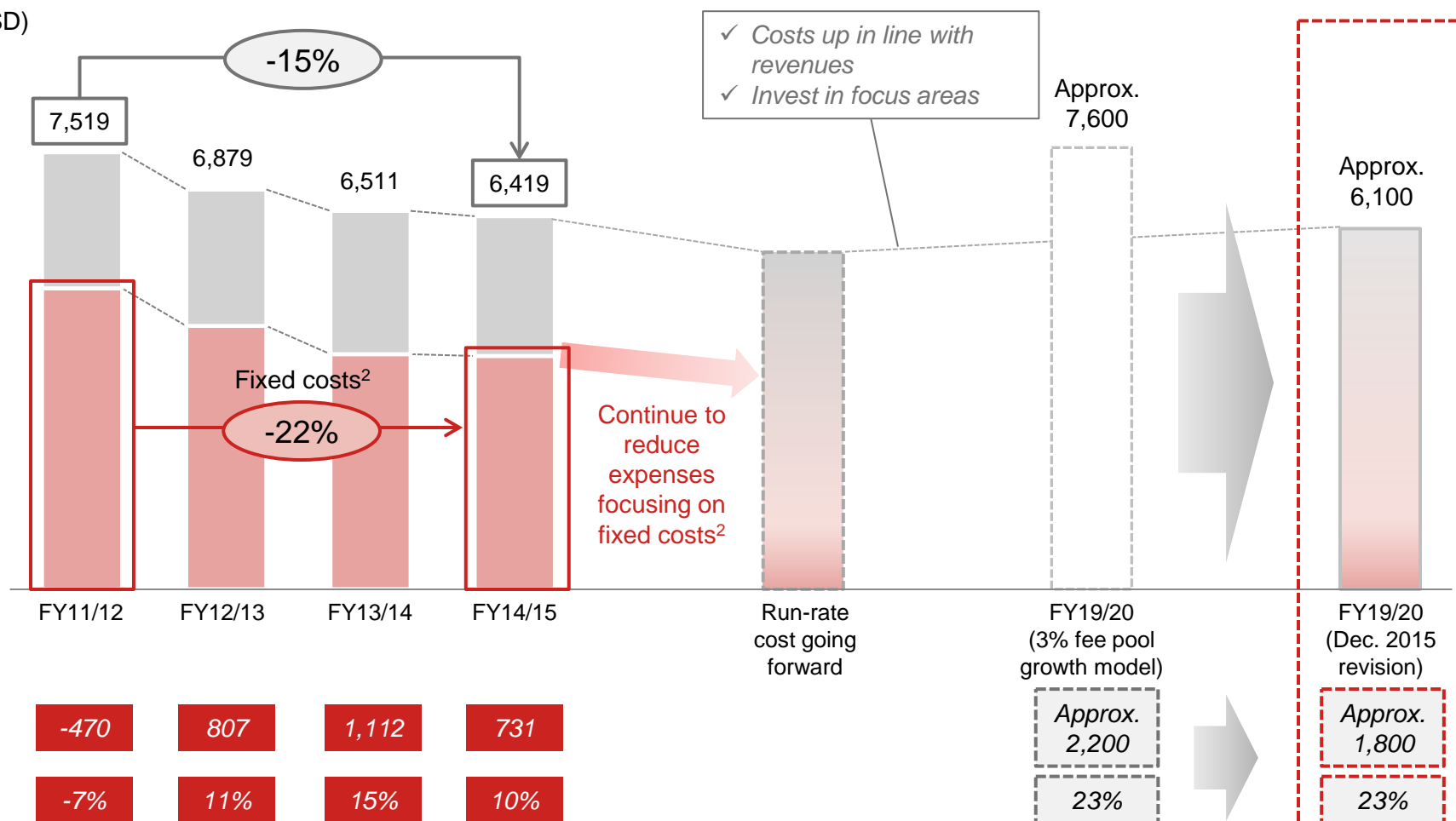
Wholesale revenue walk forward to FY2019/20 (image)



Wholesale: Control costs, invest in focus areas

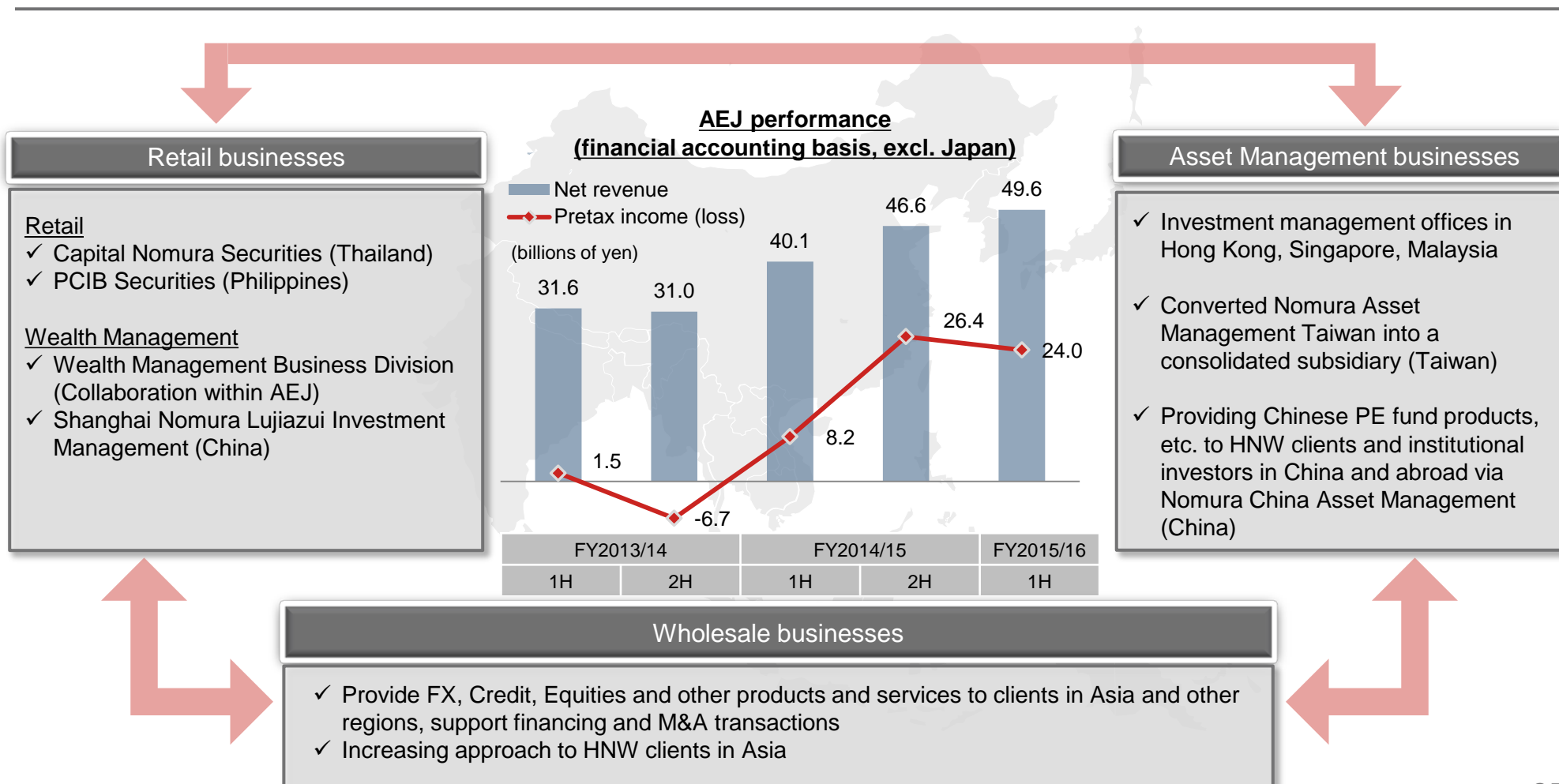
Wholesale future costs and pretax income¹

(millions of USD)



1. Converted into USD using average month-end spot rate for each period.
2. Fixed costs include non-discretionary compensation, IT costs, occupancy costs, Corporate related costs.

AEJ: Business growth driven by integrated approach



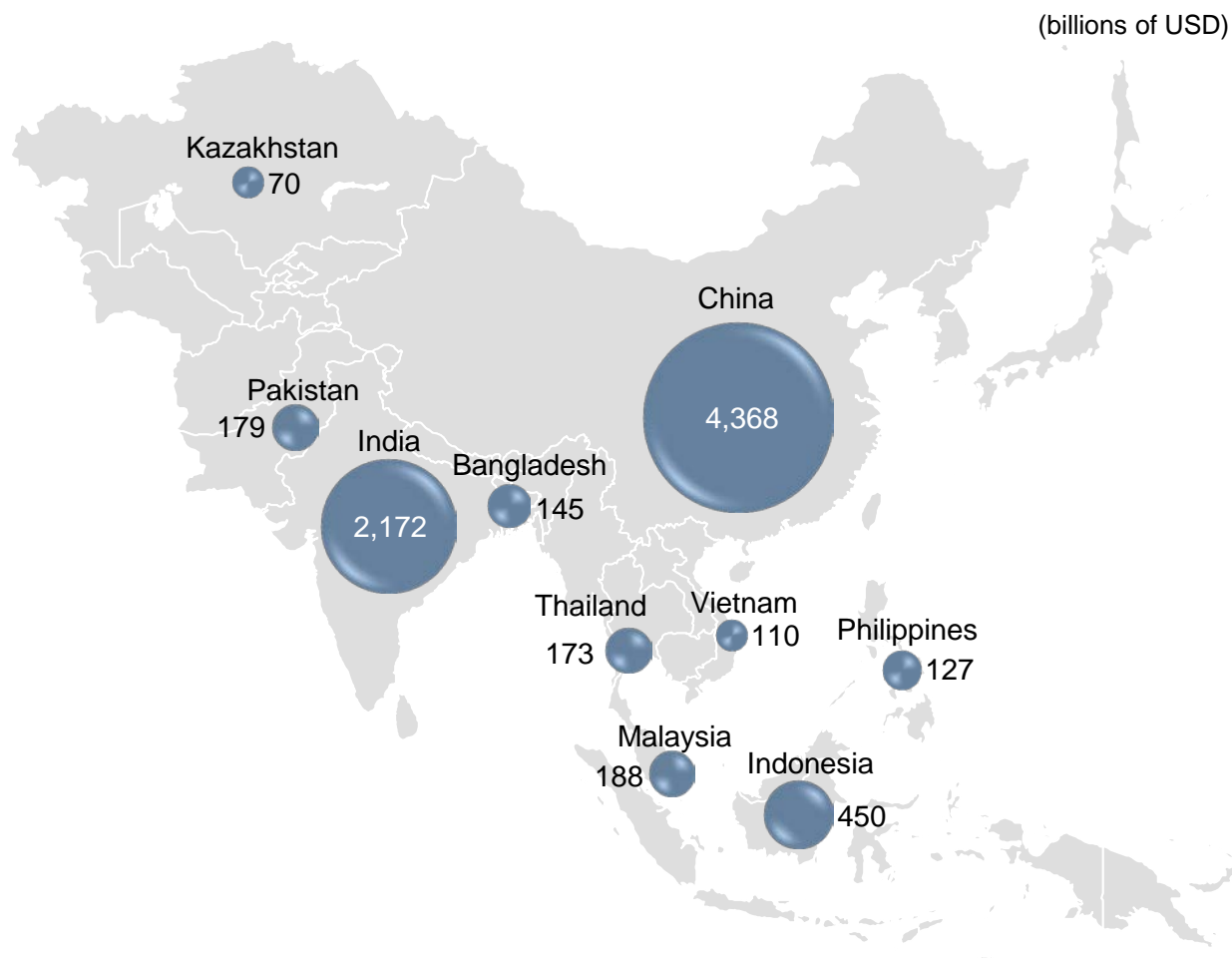
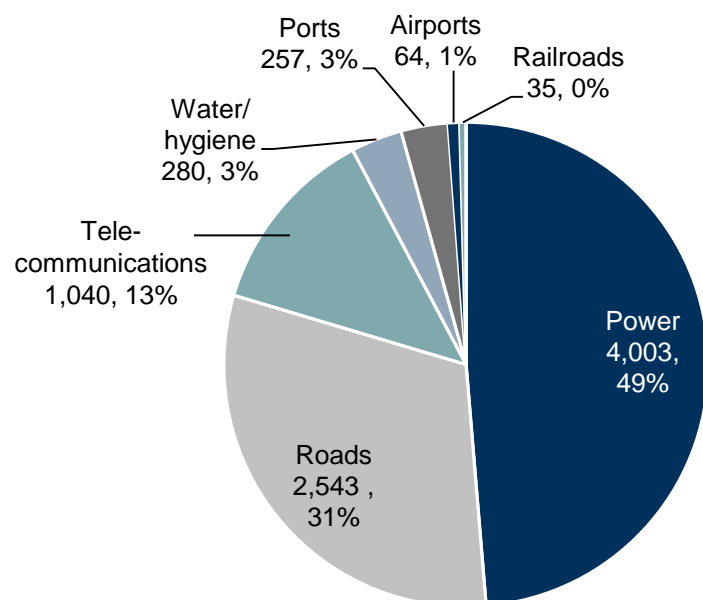
Infrastructure financing needs in AEJ

- ✓ To realize its potential growth, AEJ requires \$8.2trn¹ in funding for infrastructure projects in the region for the 11 years from 2010 to 2020
- ✓ Considering new project to enhance support for infrastructure projects in AEJ

Estimated investment required in AEJ¹

Funding needs 2010 – 2020¹

\$8.2trn (\$750bn a year)

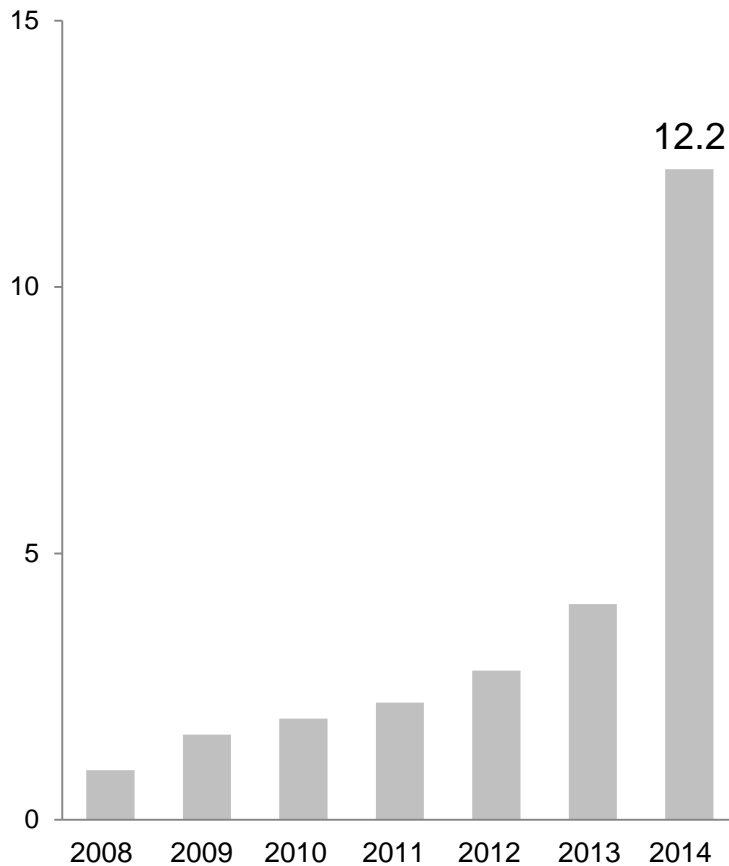


1. Source: Nomura, based on ADB report "Estimating Demand for Infrastructure in Energy, Transport, Telecommunications, Water and Sanitation in Asia and the Pacific: 2010-2020".

Business support through financial innovation

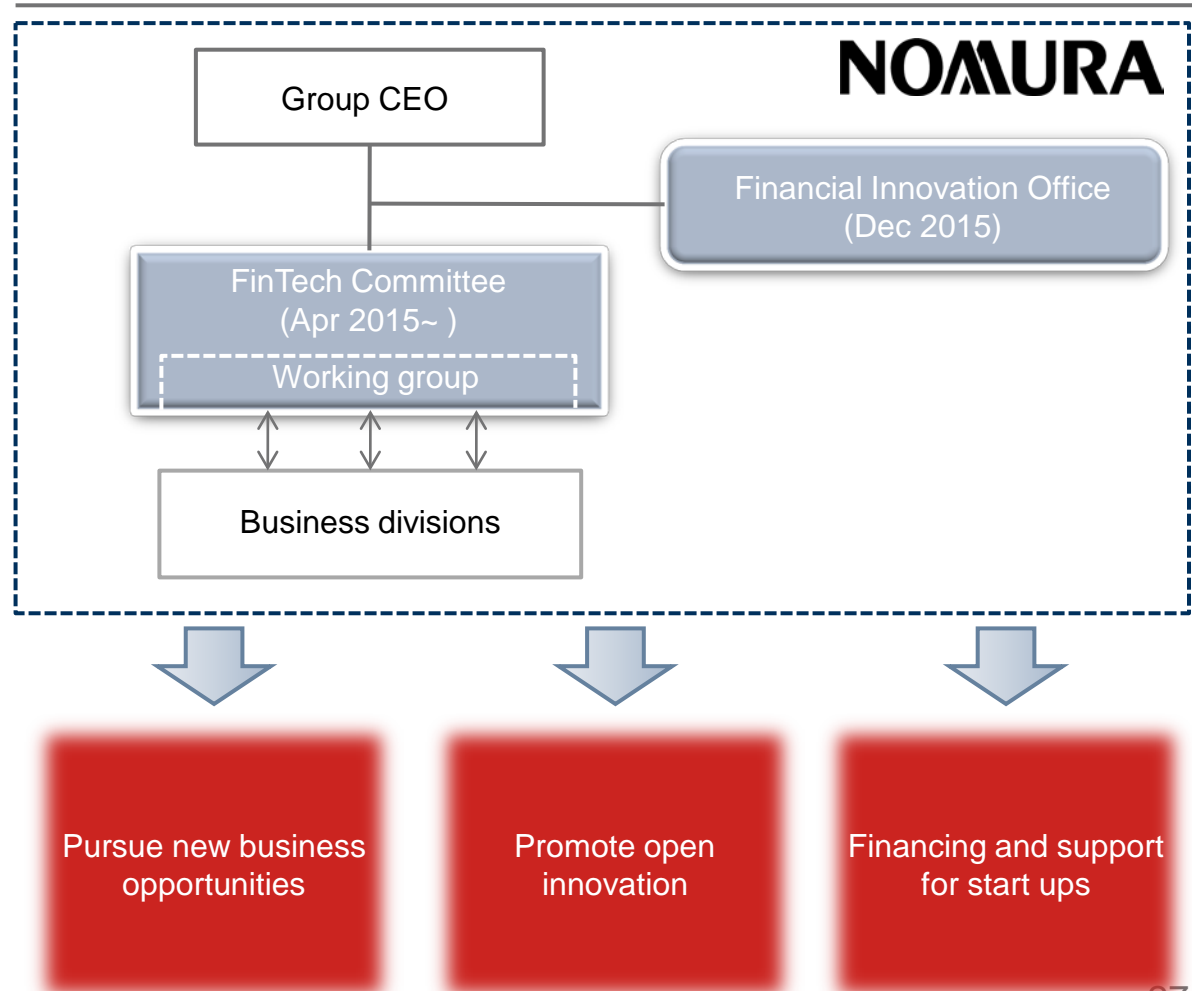
Strong growth in FinTech investment¹

(billions of USD)



1. Source: Accenture, "The rise of FinTech".

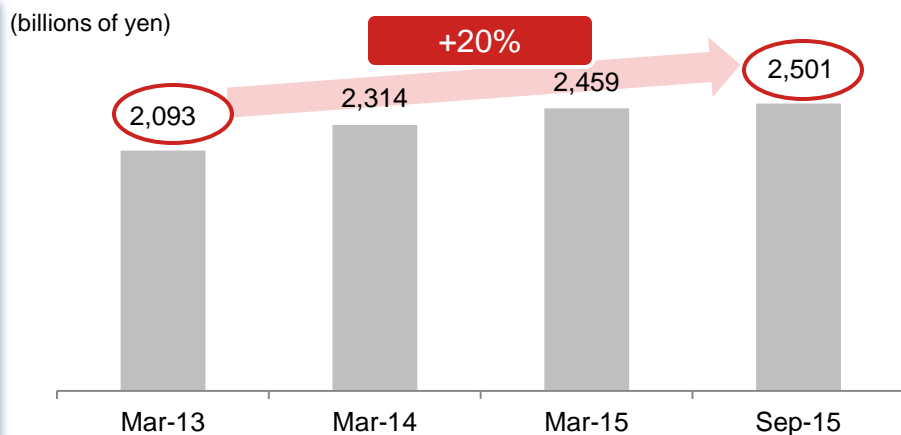
Established new office in Dec 2015



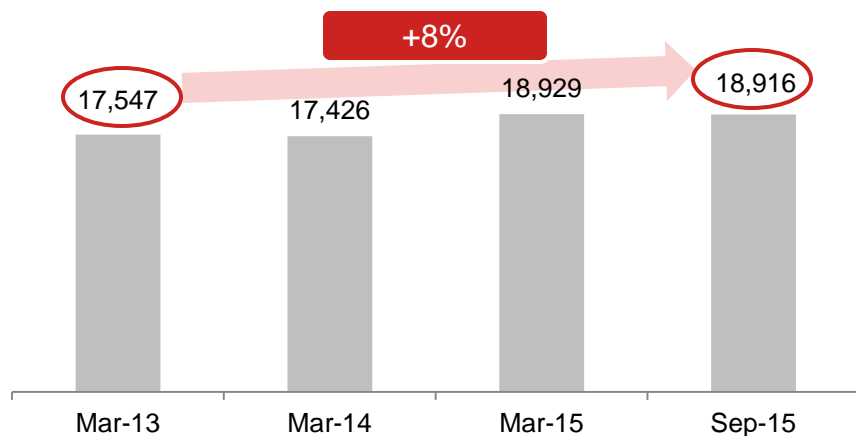
3. Capital management

Capital accumulation and controlling RWAs

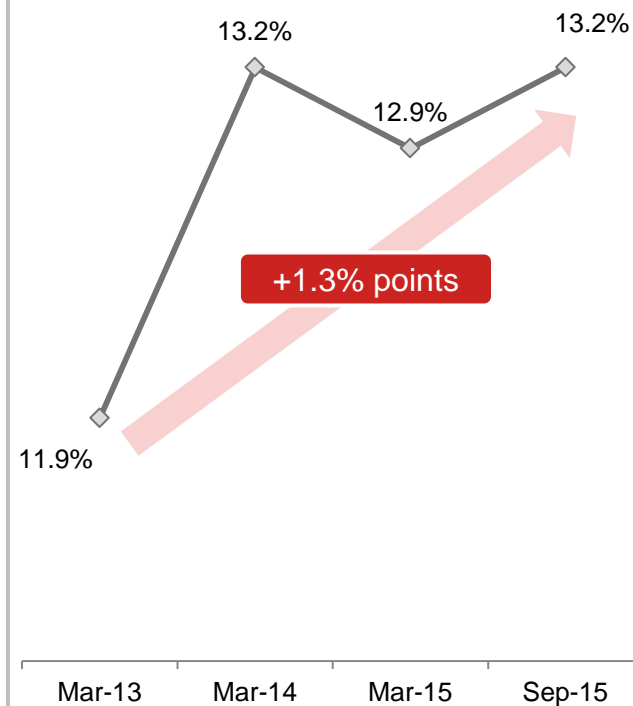
Build up
CET1
capital



Control
increase in
RWAs

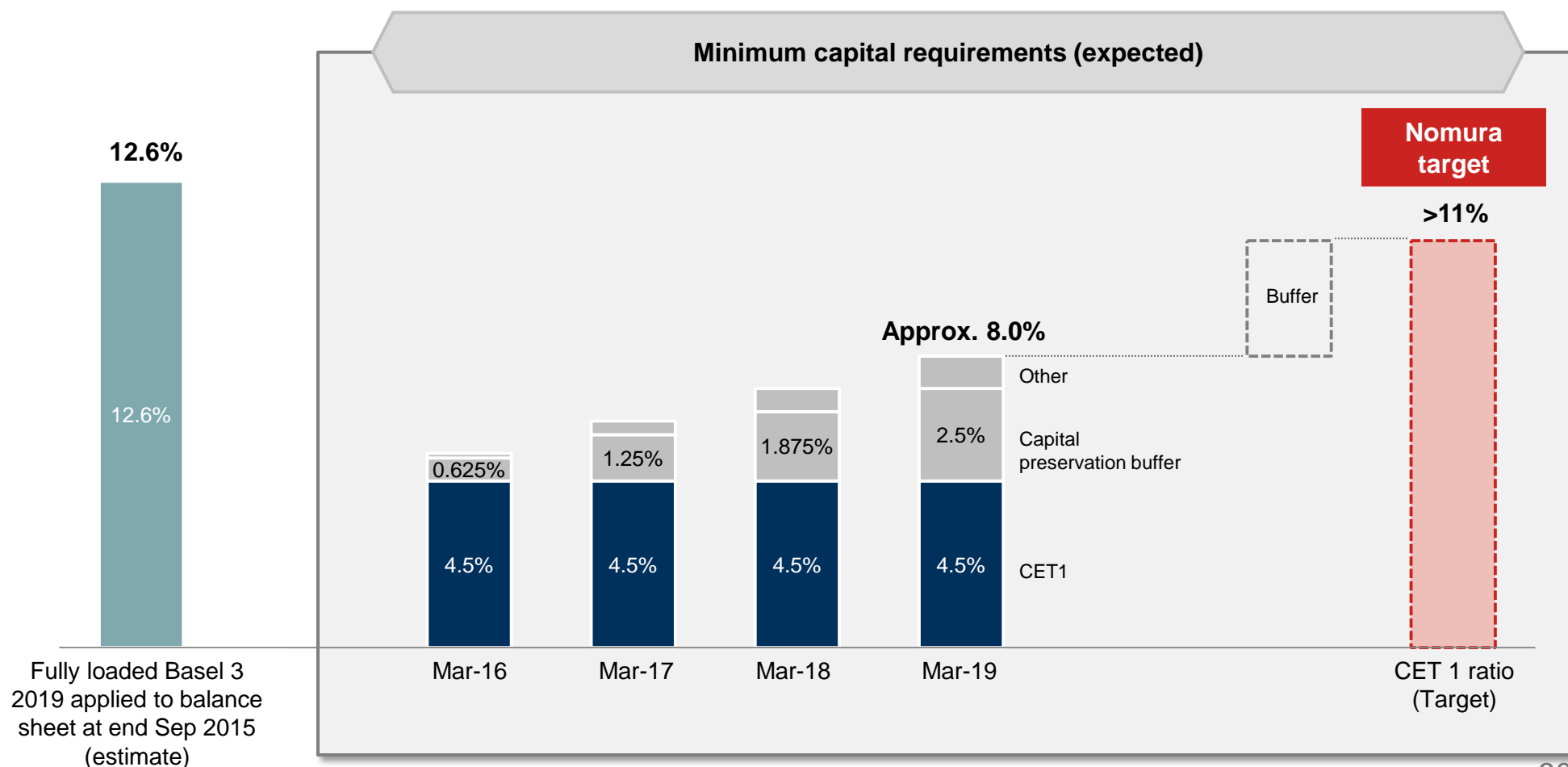


CET1 capital ratio increasing



Expected minimum requirements vs. Nomura target

- ✓ Expected minimum capital requirements is estimated at CET1 of approx. 8.0%
- ✓ Capital ratios could be affected by revision to how RWAs are calculated
- ✓ Taking this effect into account, we target a CET1 ratio of 11% or above including 3% buffer



Robust financial position

- ✓ Maintain sufficient capital ratios
 - CET1 ratio: 11% and above
- ✓ Maintain/improve credit ratings

Improve capital efficiency

- ✓ Deliver returns higher than cost of capital
- ✓ Ensure 2020 management target of EPS of Y100
 - Which equates to ROE of around 10%

- ✓ Dividend payout ratio: Approx. 30%
- ✓ Invest surplus capital in areas of future growth and pursue additional shareholder returns

4. In closing

In closing

NOMURA
Connecting Markets East & West

90年目の

謹んで、新年のご祝詞を申し上げます。
 おかげさまで、野村グループは本年をもちえて90周年を迎えます。
 弊社は、創業者 野村徳七の「証券報国こそは野村證券の職域奉公の実体にして、
 あくまでもこれを貫徹すべく」という信念の下、大正14年に設立されました。
 爾来、野村徳七の精神を受け継ぎ、本業を通じて、
 社会の発展に貢献すべく、取り組んで参りました。
 野村グループの「創業の精神」のひとつに「顧客第一の精神」があります。
 この精神を表す「すべてはお客様のために」という基本観の下、
 多様化、複雑化するお客様のニーズにお応えできるよう
 アジアに立脚したグローバル金融サービスグループとして、
 弊社はこれからも変革に挑戦してまいります。
 本年も変わらぬご愛顧を賜りますよう、宜しく願い申し上げます。
 平成27年 正月
 野村ホールディングス株式会社 グループCEO 永井浩二

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おかげさまで90周年
野村グループ

90th year of
change and
taking on new
challenges

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