Presentation at Nomura Investment Forum 2021

Strategy update: Achieving sustainable growth

Kentaro Okuda
Group CEO
Nomura Holdings, Inc.

November 30, 2021
To realize our management vision of achieving sustainable growth by helping resolve social issues towards FY2024/25, we are taking strategic steps to expand our scope of business from public to private.

Leverage our strengths in the public markets to enhance our presence in private markets.

1. Private placements
   Alternatives (Private equity, Private debt, Project assets (infrastructure))
   Digital bonds, security token offerings
   Non-financial services

2. New investor base
   New needs of existing clients
   Startups (unlisted companies)

3. Digital
   Bespoke

Provide customized services and solutions privately to each client.

Clients

Mainly face-to-face high touch services

Mainly individuals, institutional investors, listed companies

Listed products and public offerings

Current business (centered on public markets)

Products and services

Delivery method
Three segment income before income taxes

<table>
<thead>
<tr>
<th>(billions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>300.0</td>
</tr>
<tr>
<td>200.0</td>
</tr>
<tr>
<td>100.0</td>
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<tr>
<td>0.0</td>
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</table>

**FY2021/22 1H performance**

- **Retail**
  - Revenues flat YoY as recurring revenue offset a slowdown in brokerage commissions

- **IM**
  - AuM at record high
  - Investment gain/loss at strong level

- **Wholesale**
  - Fixed Income slowed mainly in Macro (Rates and FX/EM), while Investment Banking performed well
  - Completed unwinding of positions related to a US client transactions in March (booked additional loss)

**Oct – Nov 2021 progress**

- **Retail**
  - Maintain revenue momentum from last quarter
  - Higher pace of net inflows into investment trusts and discretionary investments

- **Wholesale**
  - Revenues trending above last quarter as client activity picked up in November following a slow October

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**FY2022/23 KGI**

- **Retail**
  - KGI target FY2022/23

- **Wholesale**
  - KGI target FY2022/23

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**FY2021/22 1H financial results**

- **Loss arising from transactions with a US client in March 2021**
  - Fixed Income slowed mainly in Macro (Rates and FX/EM), while Investment Banking performed well
  - Completed unwinding of positions related to a US client transactions in March (booked additional loss)**
Growing revenues from focus areas

Delivering more consistent revenues: To realign our business portfolio we are strategically growing our broader asset management business, capital-light origination business, and businesses resilient to changes in the market environment.

- **Broader asset management business**
  - Increased fee revenues on AuM growth
  - Contributions from AEJ high-net-worth business

- **Origination business**
  - Expanded M&A advisory business by supporting multiple global deals and sustainability-related transactions
  - Contributions from underwriting business

- **Businesses resilient to market changes**
  - Increase our solutions to meet diverse financing needs
  - Contributions from structured business

![Bar chart showing revenue growth](chart.png)

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY2019/20</th>
<th>FY2020/21</th>
<th>FY2021/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 segment revenue total</td>
<td>533.9</td>
<td>712.6</td>
<td>573.4</td>
</tr>
<tr>
<td>3 segment income before income taxes</td>
<td>80.5</td>
<td>225.5</td>
<td>92.6</td>
</tr>
</tbody>
</table>

1. Wholesale solutions and client financing businesses.
2. Wholesale M&A advisory, ECM, DCM, ALF businesses.
Initiatives and progress to achieving March 2025 management vision

- To realize our FY2024/25 management vision we are expanding and strengthening our private markets businesses to compliment our public markets businesses
- Seeing results in strengthening Investment Management, shifting to asset consulting and diversifying Wholesale revenues

March 2025 management vision
Achieve sustainable growth by helping resolve social issues

1. Enhancing Investment Management
   - Progress in groundwork for private market businesses
   - Continued inflows from diverse channels in public markets

2. Shift to asset consulting, growing Retail client franchise
   - Expansion of stable revenue base
   - Gained traction reaching out to next generation
   - Alliances with regional banks exceeding forecasts

3. Diversifying Wholesale revenues
   - Global advisory business growth driven by Americas
   - Momentum in private market business initiatives
   - Synergies with AEJ high-net-worth business and asset management business

4. Leveraging digital technologies
   - Entry into digital asset business

5. Drive Sustainability.
   - Committed to net zero GHG emissions by 2050 to help realize sustainable global environment

Expand and strengthen business scope from public to private markets
Enhancing Investment Management

- Assets under management at record high driven by inflows from diverse channels

1. Nomura Babcock & Brown aircraft leasing related business, private equity investment business, etc.
2. Bank channel AuM trend over past year (indexed, Sep 2020 = 100).

- Diversify channels for inflows from public markets (traditional asset investment trusts, ETFs, investment advisory)

- Expansion in private markets and alternative products

- Businesses not included in AuM

- Annual inflows of Y2.4trn

- Y2.3trn

- Y55.7trn (Sep 2020 actual)
- Y67.8trn (Sep 2021 actual)
- Y70trn (Mar 2023 target)
- Y80trn (Mar 2025 target)

- Bank channel

- Bank channel reported inflows with AuM up 26% from last year

- Y220bn

- Defined contribution pension plans

- DC investment trust AuM up 30% YoY, market share grown to 20%

- Y120bn

- International

- Strong sales on back of investment performance recognition, leading to AuM increase of Y2.5trn over past year

- Y980bn

1. Nomura Babcock & Brown aircraft leasing related business, private equity investment business, etc.
2. Bank channel AuM trend over past year (indexed, Sep 2020 = 100).
Enhancing Investment Management: Progress in private market initiatives

- Steady progress in private market businesses, stepping up initiatives for next stage

**Investment in unlisted companies**
- Established Nomura SPARX Investment and registered to conduct investment management
- Established and registered Japan Growth Capital Investment Corp.
- Steadily building up investment pipeline
- Executed first investment (Astroscale Holdings)
  - Investment to support growth of world’s first private sector provider of services to remove space debris

**Plan to list investment corporation**
- Private placement by professional investors
- List investment corporation on TSE Venture Funds market

**Fund of search funds**
- Nomura and JaSFA signed a MoU to form an investment partnership that will invest in search funds, as well as jointly conducting business operations
- Working to form an investment partnership with the purpose of investing in search funds (Japan Search Fund Platform) and continue to:
  - Select candidates from people aiming to run a business (searchers)
  - Fund raising activity from potential investors

**Provide products for investors**
- Company
  - Find a successor
  - Company growth
- Searcher
  - Use skills
- Investors
  - New investment opportunities

**Alternatives**
- Mainly Nomura Asset Management tying up with third party managers and acting as gatekeeper to deliver alternative investment opportunities to global investors
- Provide investment strategies for private equity/mezzanine and other private debt, and deliver investment opportunities into infrastructure and real estate

**Collaborating with affiliates**
- Discussing possibility of further collaboration in area of real assets

<table>
<thead>
<tr>
<th>Year</th>
<th>Feb</th>
<th>Apr</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td></td>
<td></td>
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<td></td>
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</table>
Enhancing Investment Management: Expanding our presence in public markets

- Higher inflows on the back of recognition for investment performance; AuM growth from bank channel and international business

**Bank channel**

**Investment trusts**
- Ongoing inflows into ESG products (Oct 2020 – Sep 2021 total: Y92.9bn)
  - Respond to demand to invest in companies that address social and environmental issues

**Discretionary investment services**
- Increasing tie ups with regional banks for discretionary investment services and AuM now over Y115bn
  - WEALTH SQUARE

**International**

**Inflows of Y980bn in past year**
- Leveraging Nomura’s global client franchise
- Third-party recognition for outstanding investment performance

**Nomura Asset Management Taiwan**
- Growth in local products such as Taiwan equities

**NCRAM¹**
- Recognized for strong performance in high yield
  - Won “2021 Best of the Best Award” from Asia Asset Management magazine published in Hong Kong

**UCITS²**
- In addition to EMEA, expanding investments from South America and AEJ
  - Nomura Asset Management’s Global Dynamic Bond Fund recognized for strong performance and booked continued inflows

**Strengthen in-house investment expertise:** Continue to provide products for asset management over the long term

**Expand discretionary investment services:** Nomura Securities will be added as agent for Wealth Square discretionary investment contracts from 2022

**Product distribution through global network:**
- Further strengthen client reach by collaborating with Global Markets
- In Americas, NCRAM and ACI³ collaboration enhance product development and distribution capabilities

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1. NCRAM: Nomura Corporate Research and Asset Management
2. Undertakings for Collective Investment in Transferable Securities (UCITS) compliant fund.
3. ACI: American Century Investments
Shift to asset consulting and market rally led to improved performance for clients; Continued net inflows into investment trusts and discretionary investments

**Shift to Asset Consulting: Growing Stable Revenues (1/2)**

- **Improved Performance for Clients**
  - Major FTF securities A: 88%
  - Major FTF securities B: 86%
  - Major FTF securities C: 82%
  - Major FTF securities D: 80%

- **Discretionary Investments (Fund Wrap)**
  - Percentage of clients with unrealized gains:
    - 0%-
    - 10%
    - 20%
    - 30%
    - 40%
    - 50%
    - 60%
    - 70%
    - 80%
    - 90%
    - 100%

- **Net Inflows into Investment Trusts and Discretionary Investments Each Month Since April 2021**
  - Discretionary investment net inflows
  - Investment trust net inflows
  - Total

**Source:** Financial Services Agency data analyzing common KPIs for investment trusts (Mar 2021)
Increase in recurring revenue giving more stable revenue base

(billions of yen)

<table>
<thead>
<tr>
<th>Year</th>
<th>Recurring revenue</th>
<th>Other recurring revenue</th>
<th>Brokerage commissions</th>
<th>Recurring revenue expense coverage ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2016/17</td>
<td>10.9</td>
<td>28%</td>
<td>12.8</td>
<td>25%</td>
</tr>
<tr>
<td>FY2017/18</td>
<td>18.4</td>
<td>31%</td>
<td>22.5</td>
<td>31%</td>
</tr>
<tr>
<td>FY2018/19</td>
<td>10.7</td>
<td>31%</td>
<td>22.2</td>
<td>31%</td>
</tr>
<tr>
<td>FY2019/20</td>
<td>25%</td>
<td>31%</td>
<td>21.5</td>
<td>31%</td>
</tr>
<tr>
<td>FY2020/21</td>
<td>10.0</td>
<td>26.2</td>
<td>10.0</td>
<td>39%</td>
</tr>
<tr>
<td>FY2021/22</td>
<td>20%</td>
<td>28%</td>
<td>11.9</td>
<td>31%</td>
</tr>
</tbody>
</table>

Introduce level fee to further expand stable revenues

Diversify commission structure

- Clients choose fee structure where commission is based on level of client assets
- Applicable products are stocks, bonds, and investment trusts (excl. some products)
- Full introduction scheduled for April 2022

Paid with each transaction (Current commission structure)

Client chooses

Level fee Pay according to AuM (regular follow up)

Level fee trial

- Started trial from mid Apr 2021 at some branches for individual and corporate clients who meet certain criteria
  - Trial underway at 13 branches as of end of Oct
  - Positive feedback from sales partners and clients
K Stepping up approach to next generation

- Average age of active clients has dropped thanks to efforts in contact centers and segment-based approach to clients
- Momentum in restricted stock accounts, corporate DC plans and other services for company employees

Workers and newly retired driving investment trust net inflows

FY2020/21 H1 individual investor net inflows into investment trusts by age group \(^1\)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Net Inflows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 0-49</td>
<td></td>
</tr>
<tr>
<td>Age 50-54</td>
<td></td>
</tr>
<tr>
<td>Age 55-59</td>
<td></td>
</tr>
<tr>
<td>Age 60-64</td>
<td></td>
</tr>
<tr>
<td>Age 65-69</td>
<td></td>
</tr>
<tr>
<td>Age 70-74</td>
<td></td>
</tr>
<tr>
<td>Age 75-79</td>
<td></td>
</tr>
<tr>
<td>Age over 80</td>
<td></td>
</tr>
</tbody>
</table>

Helping working generation build assets

AuM in corporate DC plan funds distributed by Nomura

<table>
<thead>
<tr>
<th>Month</th>
<th>AuM (trillions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 2019</td>
<td>1.0</td>
</tr>
<tr>
<td>Mar 2020</td>
<td>1.1</td>
</tr>
<tr>
<td>Mar 2021</td>
<td>1.4</td>
</tr>
<tr>
<td>Sep 2021</td>
<td>1.6</td>
</tr>
</tbody>
</table>

Broader access to executives of listed companies via restricted stock accounts

Number of restricted stock (RS) accounts (accumulated)

<table>
<thead>
<tr>
<th>Month</th>
<th>Number of Accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 2019</td>
<td>10,380</td>
</tr>
<tr>
<td>Mar 2020</td>
<td>17,157</td>
</tr>
<tr>
<td>Mar 2021</td>
<td>24,118</td>
</tr>
<tr>
<td>Sep 2021</td>
<td>26,857</td>
</tr>
</tbody>
</table>

- As of Sep 2021
  - Companies using RS accounts: 1,072
  - Nomura market share: 44%

1 Individual investors under Retail channels and Japan Wealth Management Group.
Collaborating with partners to expand our client franchise

- Alliances with regional banks exceeding expectations
- LINE Securities reached 1m accounts in record time; Nomura Group now provides services directly and indirectly to 9m accounts

Regional bank alliances: Inflows driving steady growth of client assets

Client assets

<table>
<thead>
<tr>
<th>Gogin &amp; Nomura Alliance</th>
<th>Dec 2019</th>
<th>Sep 2021</th>
<th>Medium-term goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gogin¹</td>
<td>Y500bn</td>
<td>Y580bn</td>
<td>Y800bn</td>
</tr>
<tr>
<td>Nomura²</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Awa &amp; Nomura Alliance</th>
<th>Jun 2020</th>
<th>Sep 2021</th>
<th>Medium-term goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awa²</td>
<td>Y750bn</td>
<td>Y850bn</td>
<td>Y1trn</td>
</tr>
<tr>
<td>Nomura⁴</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Alliances have helped create sales organization to deliver high quality financial services, contribute to new inflows and achieve a substantial net inflows of cash and securities
- Seeing good progress in net inflows into investment trusts and discretionary investments, new account openings and contracts for accumulation-type investments
- For company employees, we are strengthening our sales approach to companies which has lead to increase in the number of companies signing up for employee NISA accounts

Stepping up services for asset builders

- Accounts hit 1 million in two years and 2 months after service started, marking a record time for online broker
- Started offering LINE iDeCo from May 2021, aiming to roll out accumulation-type NISA by end of March 2022
- Expand services aiming to reach 2 million accounts by end of March 2024

1 Gogin Securities client accounts and San-In Godo Bank securities accounts.
2 Nomura Securities Matsue and Yonago branches.
3 Awa Bank securities accounts.
4 Nomura Securities Tokushima branch.
5 Defined contribution pension plan participants (corporate DC and iDeCo) including ESOP members.
6 There is some overlap across accounts with balance, business for company employees, and LINE Securities accounts.
Diversifying Wholesale revenues

Breakdown of Wholesale net revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2021/22 1H</th>
<th>Before business portfolio realignment (FY2016/17 - FY2018/19 half year average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>25%</td>
<td>29%</td>
</tr>
<tr>
<td>View Income</td>
<td>25%</td>
<td>26%</td>
</tr>
<tr>
<td>Advisory</td>
<td>13%</td>
<td>6%</td>
</tr>
<tr>
<td>Primary</td>
<td>12%</td>
<td>4%</td>
</tr>
<tr>
<td>Solutions</td>
<td>19%</td>
<td>10%</td>
</tr>
<tr>
<td>Repo, etc.</td>
<td>7%</td>
<td>56%</td>
</tr>
</tbody>
</table>

Robust platform in core products to monetize market opportunities
Maintain high market share in focus areas

Grow global business centered on Americas
Greentech Capital acquisition and alliance with Wolfe Research have led to growth in global advisory business and Americas equities-related business

Continue to provide solutions to meet diverse financing needs
- Building up experience in structured finance including infrastructure finance

Excluding one-off losses such as unrealized loss related to a margin loan in FY2017/18 and loss from transactions with a US client in FY2021/22.

M&A advisory, ECM, DCM, ALF.
Client Financing and Solutions.
Maintain high market share in core product areas

- Building out global platform to tap into market opportunities in core products

### USTs trading volume market share¹

<table>
<thead>
<tr>
<th>Year</th>
<th>#6</th>
<th>#5</th>
<th>#8</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>6.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>8.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>5.7%</td>
<td></td>
<td></td>
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</tbody>
</table>

### US Rates Agencies underwriting share²

<table>
<thead>
<tr>
<th>Year</th>
<th>#3</th>
<th>#2</th>
<th>#1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>9.3%</td>
<td>8.9%</td>
<td>11.1%</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
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</table>

### US RMBS new issuance securitization share³

<table>
<thead>
<tr>
<th>Year</th>
<th>#3</th>
<th>#2</th>
<th>#1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>8.3%</td>
<td>11.7%</td>
<td>13.9%</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
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</table>

### US EQ listed option revenue share⁴

<table>
<thead>
<tr>
<th>Year</th>
<th>#1</th>
<th>#3</th>
<th>#2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>14.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>11.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>12.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### EGB trading volume share⁵

<table>
<thead>
<tr>
<th>Year</th>
<th>#10</th>
<th>#2</th>
<th>#2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>5.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>9.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>9.1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### AEJ Credit revenue share⁶

<table>
<thead>
<tr>
<th>Year</th>
<th>#4</th>
<th>#3</th>
<th>Approx. 9%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td>Approx. 5%</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td>Approx. 7%</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td>Approx. 9%</td>
</tr>
</tbody>
</table>

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¹ Source: Coalition Greenwich Voice of Client US Fixed Income Study
² Source: Bloomberg
³ Source: Bloomberg, deal count share
⁴ Source: Third party research
⁵ Source: Bloomberg, duration weighted trading volume share
⁶ Source: Coalition Greenwich Competitor Analytics 2018, 2019 and 2020. Ranks are based upon the following peers (BofA, BARC, BNPP, Citi, CS, DB, GS, JPM, MS, HSBC, UBS). Market share results are based on Coalition Greenwich industry revenue pools, according to Nomura’s product taxonomy and Nomura’s internal estimates.
Diversifying Wholesale revenues: Global business expansion driven out of Americas

M&A advisory: Revenue growth from international business (esp. Americas)

- Founder of Greentech Capital, Jeffrey McDermott, was appointed as Global Co-Head of Investment Banking based in New York
  - In addition to US business expansion, he will also be responsible for leading the expansion and growth of our global Investment Banking platform

Acquisition and strategic alliances positively impact on global business centered on Americas

- ECM deals through alliance with Wolfe Research
  - Deepening alliance in US ECM business: Started joint branding
  - Progress in collaboration in Equity Products and Execution Services

1. Comparison of advisory revenues since FY2012/13 when comparisons possible.
Leverage Asia-centric global client franchise and focus on megatrends of sustainability and digitalization while establishing position in Americas.

Nomura’s strengths in M&A business:

- **Asia-centric global client franchise**
  - Japan-related M&A league tables
  - Japan=Asia Cross border M&A league tables
  - #2 vs. #1

- **Selective sector coverage in Americas, world’s largest fee pool**
  - Energy, Infrastructure & Industrials
  - Sponsor
  - Consumer / Retail
  - Healthcare
  - Financial Institutions
  - TMT

- **Capacity to provide financing such as syndication**

- **Comprehensive solutions including FX and interest rate hedging**

Growth strategy:

- Focus on themes expected to drive demand across sectors we focus on and build up expertise in these areas
  - Sustainability
  - Fintech/digital

- Define target client segment
  - Approach top class clients in focus areas

- Selectively strengthen team over coming years

Establish unique position in US market to drive Global M&A revenues growth:

- +50% growth from FY2018/19 to FY2021/22

Business expansion driven out of M&A advisory (fundraising, FX/rates hedging solutions)

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1. Source: Refinitiv, from January 2019 to November 28, 2021
**Diversifying Wholesale revenues: Solutions to meet diverse financing needs**

- **Americas Structure Finance revenue growth**: Financing business for diverse demand funding and investment management including infrastructure financing in Asia and Americas is seeing continued growth.

**Americas Structured Finance revenues**

- **Supported multiple infrastructure finance transactions**
  - Americas
    - Solar:
      - Financing of distributed generation solar assets for Nexamp (US), a community solar developer and operator.
    - Waste to heat:
      - Refinancing of US power generation business of Primary Energy Recycling Corporation (US).
  - Americas/Australia
    - District energy:
      - Acquisition finance for QIC (Aus) and Ullico (US) acquisition of district energy platform CenTrio (US).
  - Japan/Americas
    - Solar:
      - Supported BlackRock (US) investment in solar assets in Japan.
    - Wind:
      - Arranged letter of credit facility to support development of wind assets in Iwate Prefecture by Invenergy (US), a developer and operator of clean energy.

**Key points of business**

- Securitize after financing and sell majority to institutional investors, allowing us to grow revenues while maintaining capital efficiency.
- Positions held by us dispersed across over 150 counterparties (Sep 2021).

**Infrastructure finance revenue**

- Established business model not too dependent on balance sheet extension.
- Fee revenue:
  - 6x
- Interest revenue:
  - 6x

**Mortgage structured lending balance**

- Growth in warehouse finance:
  - Mar-2017: 2.2x
  - Sep-2021: 3.7x

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1. Source: IJ Global
2. 2018 – Nov 2021 (accumulated)
Business platform to tap into growth in Asia

Competitive strengths in institutional investor/corporate and asset management businesses backed by growth in high-net-worth business driving consistent contribution to firmwide earnings

AEJ making consistent contribution to firmwide earnings

<table>
<thead>
<tr>
<th>Years</th>
<th>AEJ Income before income taxes (billion yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2016/17</td>
<td>23.7</td>
</tr>
<tr>
<td>FY2017/18</td>
<td>22.8</td>
</tr>
<tr>
<td>FY2018/19</td>
<td>19.8</td>
</tr>
<tr>
<td>FY2019/20</td>
<td>5.0</td>
</tr>
<tr>
<td>FY2020/21</td>
<td>13.7</td>
</tr>
<tr>
<td>1H FY2021/22</td>
<td></td>
</tr>
<tr>
<td>Half year average for past five years: 12.1</td>
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<td></td>
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<td></td>
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</tbody>
</table>

Growth potential in AEJ

- Aging of society: Average 11% (2020) vs. Average 21% (2040 forecast)
- Strong growth of unicorns: 256 (2021) vs. 640 (2025 forecast)
- Growing middle class: 90m (2010) vs. 200m (2020)

Institutional investor/corporate business

- Provide liquidity to financial markets
- Financial advisory and market risk hedging for corporates

Credit revenues: 2.2x

Underwriting rankings:
- India IPO market share: #2

Asset management business

- In addition to areas of strength in high yield and Global Dynamic Bond Fund, roll out multi assets in AEJ

High-net-worth business

Growth in investor base

Nomura Orient International
International Wealth Management

See P18

1. Shows Asia and Oceania taken from geographic information based on U.S. GAAP. In geographic information based on U.S. GAAP revenues and expenses are allocated based on the country of domicile of the legal entity providing the service. This information is not used for business management purposes.
3. Source: Nomura, based on CB insights and official data.
5. Bloomberg
Growing our high-net-worth businesses in AEJ

### AEJ high-net-worth businesses

#### Leverage Group Strengths

- Comprehensive strengths in Japan/AEJ
- Take global insights to China

- 100 client events a year (collaborating with Japan and AEJ Research)
- Japan-China Capital Markets Research Forum - 100 attendees including financial regulators, industry bodies, leaders from securities brokers and asset managers, and online access totaling 225,000

### HNWI and Institutional investor account openings ahead of annual plan

<table>
<thead>
<tr>
<th></th>
<th>Dec-2020</th>
<th>Sep-2021</th>
<th>Dec-2021 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HNWI business</td>
<td>440</td>
<td>1,200</td>
<td>870</td>
</tr>
<tr>
<td>Institutional investor business</td>
<td>(subject to regulatory approval)</td>
<td>(subject to regulatory approval)</td>
<td>(subject to regulatory approval)</td>
</tr>
</tbody>
</table>

- Based in Shanghai opening branches in high-net-worth areas (fourth branch open soon)
- Provide consulting services predominately face-to-face

### Leverage Wholesale products and execution platform

- Client franchise growth
  - Hire key staff, RMs, etc. (increase headcount to over 90 this fiscal year)
  - Focus on HNWI (470 new accounts in past year)
  - DPM, CIO Office and other high-quality asset management services
  - Provide institutional investor level solutions through collaboration with IB and GM and third-party sourcing

- Enhance services and products
  - Medium-term strategy
    - Client segment expansion, exploring entry into onshore activities
    - Balanced revenue mix across brokerage and asset management advisory

### Annual revenues (millions of USD)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>AuM</td>
<td>~7</td>
<td>11</td>
<td>20+</td>
<td>35+</td>
</tr>
</tbody>
</table>

### Growth path

- High-net-worth services in AEJ and Middle East

1. Discretionary Portfolio Management
Further enhancing risk management after US incident

- Completed all actions (Phase 1 – 4) taken following loss arising from transactions with a US client
- Aiming to further enhance global risk management as outlined below

### Actions taken

<table>
<thead>
<tr>
<th>Phase 1: Initial response</th>
<th>✅ Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 2: Review of PB business risk management framework</td>
<td>✅ Complete</td>
</tr>
<tr>
<td>- Enhanced monitoring of concentrated positions, revised counterparty margin ratios, enhanced management of margin ratios for individual transactions</td>
<td></td>
</tr>
<tr>
<td>Phase 3: Comprehensive review of Wholesale risk management framework</td>
<td>✅ Complete</td>
</tr>
<tr>
<td>- Outlined measures to enhance risk management based on results of review</td>
<td></td>
</tr>
<tr>
<td>- Created governance structure to implement measures</td>
<td></td>
</tr>
<tr>
<td>Phase 4: Strengthen global risk governance</td>
<td>✅ Complete</td>
</tr>
<tr>
<td>- Strengthen authority of risk management committees</td>
<td></td>
</tr>
<tr>
<td>- Established Board Risk Committee to provide oversight</td>
<td></td>
</tr>
<tr>
<td>- Group Integrated Risk Management Committee reorganized into Group Risk Management Committee</td>
<td></td>
</tr>
</tbody>
</table>

### Overview of measure to further enhance global risk management

#### Board Risk Committee

**Deepen BoD oversight**
- Consent to Risk Appetite Statement
- Consent to main design of risk management framework
- Analysis of risk environment/verification results and future projections
- Supervision of overall execution of risk management and medium- to long-term risk strategies

**Strengthening of risk management governance on the executive side**

**Highly independent from executive side**
- Chairperson: Laura Unger, Director (Outside)

**Members**
- Noriaki Shimazaki, Director (Outside, Chairman of Audit Committee)
- Victor Chu, Director (Outside)
- Christopher Giancarlo, Director (Outside)
- Patricia Mosser, Director (Outside)
- Shoji Ogawa, Director (Audit Committee)

#### Group Risk Management Committee

**Strengthen senior management involvement in risk management**
- Formulates Risk Appetite Statement and risk management framework
- Receives reports from front office on statues of measures taken to strengthen risk management structure and deliberates on necessary matters

#### Strengthening and expanding business management structure

**Wholesale**
- Hired Global Head of Front Office & Risk Control and International Head of Equities

**Risk Management**
- Newly established Group Risk Management Head Office
- Focus on hiring senior staff for credit risk management in Americas

### Main measures to enhance risk management

**Steering Committee for Enhancement of Risk Management**

**Promote implementation of measures to enhance risk management across the group**
- Chairman: Kentaro Okuda, Group CEO
- Vice Chairman: Tomoyuki Teraguchi, Deputy President
- Jonathan Lewis, Chief Transformation Officer and member of steering committee, will lead efforts on advancing implementation of enhancement measures

**Outline of main measures**

- Conducted thorough review of matters such as risk culture, governance, management structure and business processes, mainly targeting Wholesale and risk management and internal audit related departments
  - Maintain consistency between risk profile and other areas such as the firm’s strategic direction, risk appetite and allocation of resources
  - Conduct-related workshops, etc.
Pursue investments and alliances to deliver new added value via products and services across the digital asset value chain from origination to custody services.

**Value chain**

- **Origination/advisory**
- **Trading/execution**
- **Exchanges and other settlement infrastructure**
- **Custody/post-trade processing**
- **Asset management**

**Nomura’s exposure**

- **SECURITIZE**: High
- **BOOSTRY**: High
- **CRYPTO GARAGE**: Medium
- **Bullish**: High
- **DeCurret**: Medium
- **KOMAINU**: Medium

**Fee pool growth rate to 2025 (annual)**

- **Over 200%**
- **Up to 30%**
- **Up to 40%**
- **Up to 40%**

**Asset class, content (including areas currently under consideration)**

- Security tokens (real estate security tokens, etc.)
- Cryptocurrencies
- Stable coins, CBDC, etc.

**We will establish an organization to cover diverse needs of clients while aligning with the regulatory environment and our own risk appetite**

**Create new revenue opportunities**

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1. Nomura’s forecast
Drive Sustainability.: Roadmap to 2050

What we can do for our clients as an investment banking group and what we can do as a firm to help realize a sustainable global environment

For our clients

Initiatives as financial services group (Net Zero Banking Alliance)²

Decarbonization of investment and lending portfolio (Scope 3)⁵

Support flow of risk money to work towards a sustainable society
Sustainable finance target of $125bn¹

 Help solve environmental issues through advisory business
 Deliver green asset management products to more clients
 Support sustainable management of corporates
 Contribute to development of sustainable fixed income market by developing and providing indices

Initiatives as an asset manager (Net Zero Asset Managers Initiative)³

Use of renewable energy at main global offices
Over 50%

Over 70%

100%

Net zero GHG in investment and lending portfolio
By 2050

Set GHG reduction target for high impact sectors

Set GHG reduction target for key sectors with high carbon emissions

To achieve net zero GHG emissions by 2050 for assets under management
2030 interim target: 55% of AuM

Achieve net zero from portfolios

 Measure investment portfolio GHG emission and absorption
 Stewardship activities
 Closer collaboration with stakeholders
 Develop financial products

Driving force

International framework

Organizational enhancements

Director with sustainability expertise

Sustainability Committee chaired by Group CEO

Appointed executive officer, enhanced organization

Conduct regular sustainability training for all employees

---

1. FY2021/22 - FY2025/26 five year accumulated total.
2. An initiative by banks to commit to carbon neutrality in their investment and lending portfolios by 2050 and is one of the four initiatives for GHG net zero that participated in Glasgow Financial Alliance for Net Zero (GFANZ).
3. An initiative by global asset managers to proactively support investment into companies aiming for GHG net zero by 2050 and one of the four GFANZ initiatives.
4. The Greenhouse Gas Protocol Scope 1, 2
## FY2022/23 KPI and KGI targets

### Results to FY2021/22 1H vs. FY2022/23 targets

<table>
<thead>
<tr>
<th>KPI</th>
<th>FY2020/2021 full year or Mar 2021</th>
<th>FY2021/2022 1H or Sep 2021</th>
<th>FY2022/23 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>Recurring revenue assets</td>
<td>Y18.2trn</td>
<td>Y19.5trn</td>
</tr>
<tr>
<td></td>
<td>Consulting-related revenue</td>
<td>Y13.4bn</td>
<td>Y8.3bn</td>
</tr>
<tr>
<td></td>
<td>Number of active clients</td>
<td>1.019m</td>
<td>0.704m</td>
</tr>
<tr>
<td></td>
<td>Net inflows of cash and securities</td>
<td>Y887.7bn</td>
<td>Y324.2bn</td>
</tr>
<tr>
<td>Investment Management</td>
<td>Assets under management</td>
<td>Y70trn</td>
<td>Y70trn</td>
</tr>
<tr>
<td>Wholesale</td>
<td>Revenue/modified RWA¹</td>
<td>6.4%</td>
<td>5.9%</td>
</tr>
<tr>
<td></td>
<td>Fee and commission revenue</td>
<td>US$1.26bn</td>
<td>US$0.65bn</td>
</tr>
<tr>
<td></td>
<td>Expenses/revenue</td>
<td>91%</td>
<td>101%</td>
</tr>
<tr>
<td>Wholesale</td>
<td>Income before income taxes</td>
<td>Y92.3bn</td>
<td>Y36.0bn</td>
</tr>
<tr>
<td></td>
<td>Y91.0bn (of which business income² Y41.9bn)</td>
<td>Y59.9bn</td>
<td>Y59.9bn</td>
</tr>
<tr>
<td></td>
<td>Y64.3bn (of which US loss -Y245.7bn)</td>
<td>-Y3.4bn (of which US loss -Y65.4bn)</td>
<td>Y92.6bn</td>
</tr>
<tr>
<td></td>
<td>Y247.6bn</td>
<td></td>
<td>Y320bn</td>
</tr>
</tbody>
</table>

1. Wholesale net revenue divided by modified risk-weighted assets (daily average for the accounting period, annualized) used by Wholesale. Modified risk-weighted assets (daily average for the accounting period) is a non-GAAP financial measure and is the total of (i) risk-weighted assets (as calculated and presented under Basel III) and (ii) an adjustment equal to the regulatory adjustment to common equity tier 1 capital calculated and presented under Basel III divided by our internal minimum capital ratio target.

2. Investment Management business income does not include investment income (ACI-related gain/loss (includes gain/loss on market valuation of ACI shares, interest payments on funds used to acquire ACI shares and dividends received from ACI) and gain/loss on funds of investment companies under Investment Management such as Nomura Capital Partners and investment securities under Investment Management).
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