

Consolidated Results of Operations **First quarter, year ending March 2021**

(US GAAP)

Nomura Holdings, Inc.

July 2020

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Good evening, this is Takumi Kitamura, CFO of Nomura Holdings.

First, I would like to express my sincere condolences to those affected by the recent heavy rain in Japan and pray for a speedy recovery from this disaster. Our thoughts also go out to people affected by the coronavirus outbreak and we pray for a quick recovery for those who are currently ill.

I will now give you an overview of our financial results for the first quarter of the fiscal year ending March 2021 using the document titled Consolidated Results of Operations. Please turn to page two.



Presentation

- Executive summary (p. 2)
- Overview of results (p. 3)
- Business segment results (p. 4)
- Retail (p. 5-6)
- Asset Management (p. 7-8)
- Wholesale (p. 9-11)
- Non-interest expenses (p. 12)
- Robust financial position (p. 13)
- Funding and liquidity (p. 14)

Financial Supplement

- Consolidated balance sheet (p. 16)
- Value at risk (p. 17)
- Consolidated financial highlights (p. 18)
- Consolidated income (p. 19)
- Main revenue items (p. 20)
- Consolidated results: Income (loss) before income taxes by segment and region (p. 21)
- Segment "Other" (p. 22)
- Retail related data (p. 23-26)
- Asset Management related data (p. 27-28)
- Wholesale related data (p. 29)
- Number of employees (p. 30)

Executive summary

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FY2020/21 1Q highlights

- **Income before income taxes: ¥181.8bn; Net income¹: ¥142.5bn; ROE²: 21.0%; EPS³: ¥45.65**
 - Income before income taxes and net income at second highest level since reporting under US GAAP started in year ended March 2002
 - ✓ Three segment income before income taxes increased significantly as the market normalized from March downturn and client activity picked up due to portfolio rebalancing, underpinning a record revenue quarter for Wholesale⁴
 - ✓ Segment Other booked a gain of ¥71.1bn related to approval to convert rights in Nihonbashi redevelopment project
 - International income before income taxes hit a record⁵ ¥64.2bn as efforts to realign our business portfolio and focus on areas of competitive strength delivered results; Effective tax rate dropped to 21%

■ Three segment income before income taxes of ¥122.1bn (6.2x QoQ)

Retail

- Solid results despite restrictions on sales activities; Robust sales of secondary stocks throughout the quarter, but slower sales of discretionary investments and insurance products

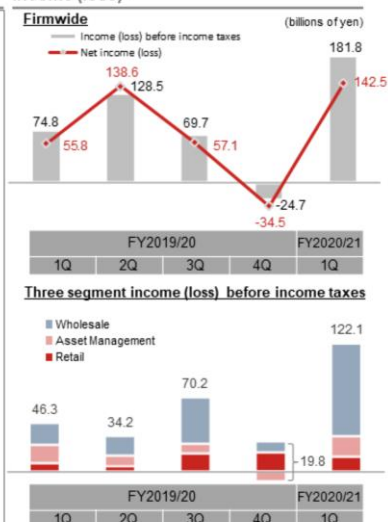
Asset Management

- Improvement in American Century Investments (ACI) related gain/loss led to marked improvement in Asset Management performance QoQ
- Booked sixteenth straight quarter of inflows; Quarterly average AuM largely unchanged QoQ, while quarter-end AuM grew to ¥54.5tn partly lifted by market factors

Wholesale

- Normalization from March market downturn, uptick in client activity on portfolio rebalancing and elevated volatility drove strong growth in Fixed Income and Americas and AEJ Equities revenues
- Investment Banking performance improved from last quarter, but Japan ECM, cross-border M&A and ALF had a slow quarter

Income (loss) before income taxes, net income (loss)¹



1. Net income (loss) attributable to Nomura Holdings shareholders.

2. Calculated using annualized net income attributable to Nomura Holdings shareholders for each period.

3. Diluted net income (loss) attributable to Nomura Holdings shareholders per share.

4. Since reporting under US GAAP started in year ended March 2002.

5. Since reporting international income (loss) before income taxes in year ended March 2002.

2

As I said when we announced our results in May, the rapid spread of coronavirus around the world caused markets to plunge in March and the fixed income market saw a flight to quality as safe assets such as government bonds were swept up and risk off sentiment took hold in the corporate bond market and emerging markets. Volatility spiked to levels not seen since the Lehman Brothers crisis, causing substantial market turbulence.

In the April to June quarter, however, turbulence subsided as investor sentiment improved on expectations of an economic recovery and large-scale provision of liquidity by central banks, lifting stock market indices and bond prices.

This prompted robust trading of domestic and international stocks by retail investors in Japan, while institutional investor activity picked up on the back of portfolio rebalancing.

Amid this environment, first quarter income before income taxes totaled 181.8 billion yen and net income was 142.5 billion yen, reflecting a strong rebound from last quarter's loss. These results represent the second best quarter since we started reporting under US GAAP in the year ended March 2002.

As you can see in the graph on the bottom right, three segment income before income taxes increased by 6.2 times quarter on quarter to 122.1 billion yen.

Wholesale reported a strong rebound in earnings. We saw the benefits of realigning our business portfolio last year and investing resources in areas of competitive strength as secondary trading businesses such as Rates, FX and equities had a strong quarter.

Wholesale had a record quarter, significantly boosting firmwide income before income taxes.

Asset Management pretax performance improved significantly as last quarter's sizable markdown of our stake in American Century Investments turned to a gain this quarter.

This quarter we also booked a profit of 71.1 billion yen in segment Other related to the redevelopment of Nihonbashi.

Our international business reported record income before income taxes of 64.2 billion yen, resulting in an effective tax rate of 21 percent.

ROE for the quarter was 21 percent and EPS was 45.65 yen.

Next, let's look at the results of each business starting with Retail on page five.



Overview of results

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Highlights

(billions of yen, except EPS and ROE)

	FY2020/21 1Q	FY2019/20 4Q	QoQ	FY2019/20 1Q	YoY
Net revenue	460.7	237.5	94%	332.0	39%
Non-interest expenses	278.9	262.2	6%	257.2	8%
Income (loss) before income taxes	181.8	-24.7	-	74.8	143%
Net income (loss) ¹	142.5	-34.5	-	55.8	155%
EPS ²	¥45.65	-¥11.31	-	¥16.48	177%
ROE ³	21.0%	-		8.4%	

1. Net income (loss) attributable to Nomura Holdings shareholders.
2. Diluted net income (loss) attributable to Nomura Holdings shareholders per share.
3. Calculated using annualized net income attributable to Nomura Holdings shareholders for each period.



Business segment results

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Net revenue and income (loss) before income taxes

(billions of yen)		FY2020/21 1Q	FY2019/20 4Q	QoQ	FY2019/20 1Q	YoY
Net revenue	Retail	81.1	88.8	-9%	80.6	1%
	Asset Management	34.0	7.0	4.8x	34.5	-1%
	Wholesale	248.7	145.9	70%	159.5	56%
	Subtotal	363.8	241.7	50%	274.6	32%
	Other*	94.7	12.3	7.7x	60.3	57%
	Unrealized gain (loss) on investments in equity securities held for operating purposes	2.3	-16.6	-	-2.9	-
Net revenue		460.7	237.5	94%	332.0	39%
Income (loss) before income taxes	Retail	15.1	18.4	-18%	8.1	86%
	Asset Management	19.2	-8.7	-	18.1	6%
	Wholesale	87.9	10.1	8.7x	20.0	4.4x
	Subtotal	122.1	19.8	6.2x	46.3	164%
	Other*	57.4	-27.9	-	31.5	83%
	Unrealized gain (loss) on investments in equity securities held for operating purposes	2.3	-16.6	-	-2.9	-
Income (loss) before income taxes		181.8	-24.7	-	74.8	143%

*Additional information on "Other" (1Q)

- Gain related to approval to convert rights in Nihonbashi redevelopment project (¥71.1bn)
- Net gain related to economic hedging transactions (¥5.6bn)
- Loss on changes to own and counterparty credit spread relating to Derivatives (¥5.4bn)

Net revenue and income before income taxes

(billions of yen)

	FY2019/20				FY20/21	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
Net revenue	80.6	76.9	90.0	88.8	81.1	-9%	1%
Non-interest expenses	72.5	71.6	72.4	70.4	66.0	-6%	-9%
Income before income taxes	8.1	5.3	17.6	18.4	15.1	-18%	86%

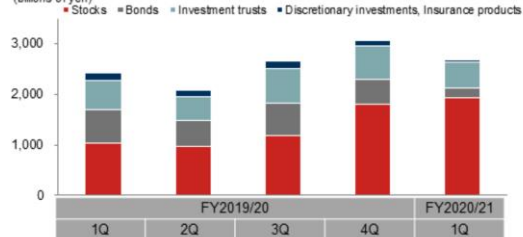
Key points

- Net revenue: ¥81.1bn (-9% QoQ; +1% YoY)
- Income before income taxes: ¥15.1bn (-18% QoQ; +86% YoY)
- Solid results despite restrictions on sales activities
 - April and May revenues impacted by weak investor sentiment and restrictions on face-to-face services, but recovery seen in June; Sales of secondary stocks remained strong throughout the quarter, but discretionary investments and insurance sales were slow
 - Cost reductions had positive impact and advertising and travel expenses declined QoQ
- Client franchise

	Jun / 1Q	Mar / 4Q
Retail client assets	¥112.2trn	¥104.0trn
Accounts with balance	5.32m	5.32m
Net inflows of cash and securities ¹	¥423.7bn	-¥559.6bn
Inflows of cash and securities ²	¥723.1bn	¥1,180.6bn

Total sales²

(billions of yen)

Total sales² declined 13% QoQ

- Stocks: +7% QoQ
 - Stronger sales of both Japanese and foreign stocks lifted stock sales to highest level in six quarters
 - Primary subscriptions³ declined significantly (¥1.7bn; -94% QoQ)
- Investment trusts: -22% QoQ
 - Sluggish sales in April and May
 - Inflows in second half of quarter into US stock funds and technology related products
- Bonds: ¥189.2bn; -62% QoQ
 - Sales of JGBs for individuals dropped significantly
- Sales of discretionary investment and insurance declined 62% QoQ

1. Cash and securities inflows minus outflows, excluding regional financial institutions
 2. Retail channels only
 3. Retail channels, Net & Call, and Hotta Direct

5

First quarter net revenue declined 9 percent to 81.1 billion yen and income before income taxes was 15.1 billion yen, down 18 percent quarter on quarter.

Given the state of emergency in effect during the quarter it was difficult to physically meet with clients.

By reforming our sales channels last year and leveraging technology, we were able to adopt a hybrid model whereby we also contacted clients using tools such as telephone, email and videoconferencing.

As a result of these initiatives and the market normalization we were able to ensure relatively solid results by offering vanilla products to clients.

If you look at total sales shown here on the bottom left, you can see that we booked an increase in sales of both domestic and foreign secondary stocks.

However, investment trust sales were sluggish in April and May, declining 22 percent quarter on quarter. Sales of insurance products and discretionary investments, both of which are predominately through face to face sales, declined 62 percent compared to last quarter.

Please turn to page six.

Retail: Continued to provide services matched to client needs

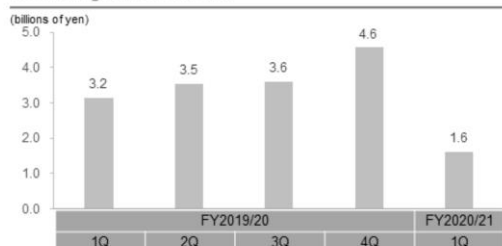
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Recurring revenue assets and recurring revenue

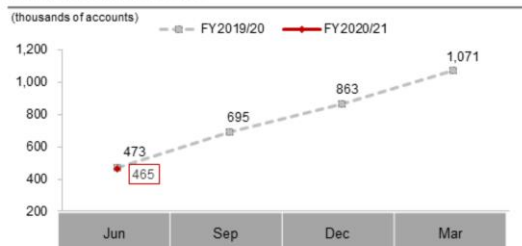


	Jun / 1Q	Mar / 4Q
■ Recurring revenue assets as of June-end increased QoQ on the back of market recovery, but quarterly average declined QoQ impacting recurring revenue		
– Recurring revenue assets	Y16.3trn	Y15.3trn
– Investment trust net inflows ¹	Y22.3bn	Y0.6bn
– Discretionary investment net inflows ¹	-Y70.2bn	-Y61.2bn
– Recurring revenue	Y19.7bn	Y21.3bn
■ Consulting-related businesses slowed due to restrictions on face-to-face activities in April and May		
– Consulting-related revenue	Y1.6bn	Y4.6bn
■ Diversified approach to clients helped maintain number of active clients at around same level as last year		

Consulting-related revenue



Number of active clients²



1. Retail channels and Japan Wealth Management Group
2. Number of clients who transacted at least once since April 1 (accumulated)

Starting this quarter we will provide an update on the KPIs we announced at our recent investor day.

Recurring revenue assets shown on the top left rebounded from 15.3 trillion yen at the end of March to 16.3 trillion yen at the end of June. However, the quarterly average was down compared to last quarter and recurring revenue shown as the line graph declined quarter on quarter.

Consulting-related revenue shown on the bottom left was impacted by restrictions on sales activities and slumped to 1.6 billion yen.

The number of active clients, however, remained roughly unchanged from the same period last year at 465 thousand accounts.

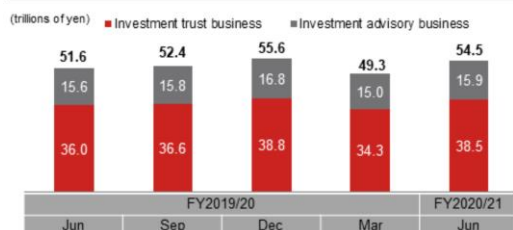
Please turn to page seven for Asset Management.



Net revenue and income before income taxes¹

(billions of yen)	FY2019/20				FY2021	QoQ	YoY
	1Q	2Q	3Q	4Q	1Q		
Revenue (excl. ACI-related)	25.8	25.0	26.0	23.4	23.7	1%	-8%
ACI-related gain/loss	8.7	0.7	-0.6	-16.4	10.3	-	19%
Net revenue	34.5	25.7	25.4	7.0	34.0	4.8x	-1%
Non-interest expenses	16.4	15.6	16.1	15.8	14.9	-6%	-9%
Income before income taxes	18.1	10.0	9.3	-8.7	19.2	-	6%

Assets under management (net)²



1. This table presents a reconciliation of net revenues (other than ACI-related revenue) and ACI-related revenue, which are non-GAAP measures prepared on a management accounting basis, to net revenue for the Asset Management segment. ACI-related revenue includes fair value adjustments of our investment, funding cost equivalent for our investment and dividends from ACI.
 2. Net after deducting duplications from assets under management (gross) of Nomura Asset Management, Nomura Corporate Research and Asset Management, and Wealth Square.
 3. Source: The Investment Trusts Association Japan.

Key points

- Net revenue: ¥34.0bn (4.8x QoQ; -1% YoY)
- Income before income taxes: ¥19.2bn (+6% YoY)
 - Improvement in American Century Investments (ACI) gain/loss led to significant QoQ improvement in divisional performance
 - Sixteenth straight quarter of inflows; Quarterly average AuM largely unchanged QoQ, while quarter-end AuM grew to ¥54.5trn partly lifted by market factors

Investment trust business

- Continued inflows into ETFs boosted AuM to record high (¥20.3trn at end-June, market share³ of 45%)
- Inflows for bank channel and defined contribution plans
- Fund Wrap redemptions led to outflows primarily in foreign bond funds

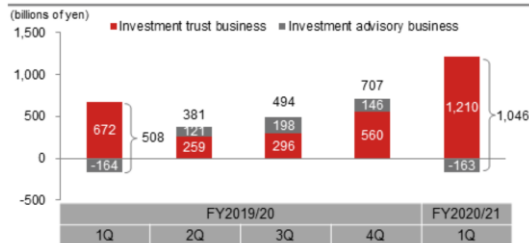
Investment advisory and international businesses

- In Japan, we booked a inflows into alternative investments from public pension plan, but redemptions centered on bonds increased due to portfolio reallocations and to secure funds for benefit payments
- Internationally, market rally led to inflows into high yield products from American and European institutional investors

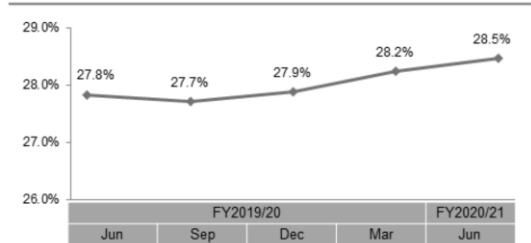
Net revenue jumped 4.8 times to 34 billion yen driven by an improvement in American Century Investments gain/loss.

Income before income taxes rebounded markedly from a loss last quarter.

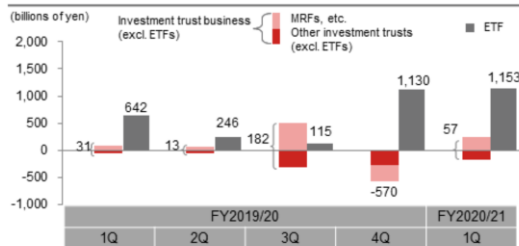
Flow of funds¹



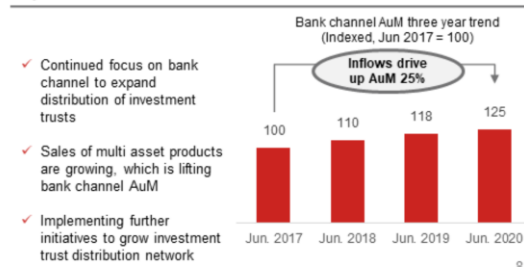
Nomura Asset Management public investment trust market share²



Flow of funds in investment trust business¹



Expansion of bank channel



1. Based on assets under management (net).
2. Source: The Investment Trusts Association, Japan.

As you can see on page eight, our investment trust business reported strong net inflows of over 1 trillion yen. The breakdown is shown on the bottom left. ETFs inflows topped 1 trillion yen and money funds such as MRFs where investors park funds also reported inflows.

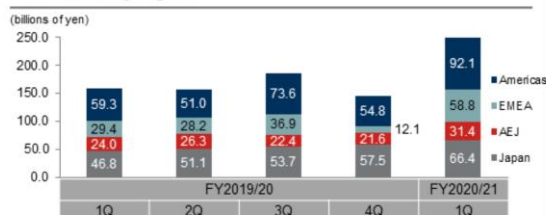
We continue to focus on expanding investment trust assets under management through bank channel. As shown on the bottom right, distribution of our multi-asset product named Double Brain has grown recently, helping to lift AuM in this channel by 25 percent in the past three years.

Please turn to page nine for an overview of Wholesale results.

Net revenue and income (loss) before income taxes¹

(billions of yen)	FY2019/20				FY2020/21		QoQ	YoY
	1Q	2Q	3Q	4Q	1Q			
Global Markets	135.7	132.8	160.1	134.3	232.6		73%	71%
Investment Banking	23.7	23.9	26.4	11.6	16.1		38%	-32%
Net revenue	159.5	156.7	186.5	145.9	248.7		70%	56%
Non-interest expenses	139.5	137.8	143.3	135.8	160.8		18%	15%
Income (loss) before income taxes	20.0	18.9	43.2	10.1	87.9		8.7x	4.4x
(Average of last 4 quarters)								
CIR	87%	88%	77%	93%	65%		(78%)	
Revenue/modified RWA ²	6.4%	6.2%	7.6%	5.8%	7.9%		(6.9%)	

Net revenue by region



Key points

- Net revenue: ¥248.7bn (+70% QoQ; +56% YoY)
- Income before income taxes: ¥87.9bn (8.7x QoQ; 4.4x YoY)
- Record³ quarterly net revenue
 - Strong revenue growth in Fixed Income and Americas and AEJ Equities driven by normalization from market downturn in March, an uptick in client activity due to portfolio rebalancing, and elevated volatility
 - Investment Banking performance improved QoQ, but Japan ECM, cross-border M&A and ALF all remained sluggish
- Stringent cost control led to significantly higher income before income taxes both QoQ and YoY

Net revenue by region (QoQ; YoY)

- Americas: ¥92.1bn (+68%; +55%)
 - Best quarterly revenues since start of our business rebuild; Strong Fixed Income revenues driven by Rates and Securitized Products, while Equities reported improved performance in Derivatives
- Japan: ¥66.4bn (+16%; +42%)
 - Fixed Income had a solid quarter driven by Rates, FX and Credit
- EMEA: ¥58.8bn (4.9x; +100%)
 - Government bonds and other Rates products, FX/EM and Credit contributed to strong revenues
- AEJ: ¥31.4bn (+45%; +31%)
 - FX/EM had a strong quarter driven by Asian currencies; Credit and Equity Derivatives performance improved

1. This table shows net revenue for Wholesale using adjusted figures for Global Markets and Investment Banking based on management accounting not applicable to US GAAP.
 2. Wholesale net revenue (annualized) divided by modified risk-weighted assets (daily average for the accounting period) 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.
 3. Since reporting under US GAAP started in the year ended March 2002.

Net revenue increased 70 percent quarter on quarter to 248.7 billion yen and income before income taxes jumped 8.7 times to 87.9 billion yen.

As the market recovered from the March downturn, we were able to meet the portfolio rebalancing needs of our clients, which combined with a favorable trading environment driven by elevated volatility to deliver strong gains in Fixed Income and Americas and AEJ Equities revenues.

While Investment Banking performance improved from last quarter, Japan ECM and cross-border M&A remained subdued with no end to the coronavirus pandemic in sight.

As shown here in the regional breakdown of revenues, all regions reported stronger revenues both quarter on quarter and year on year. Americas reported its best quarterly revenues since the start of our business rebuild.

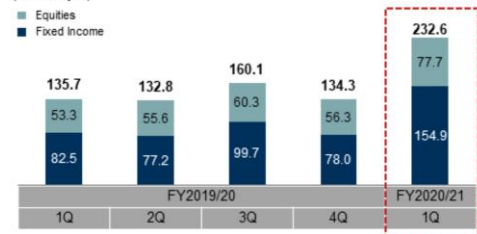
Starting this quarter, we have included our March 2023 KPIs in the table on the top left.

For our cost to income ratio, we have a target of 82 percent and this quarter recorded 65 percent. Our revenue/ modified RWA target is around 6 percent, but this quarter we beat that reporting 7.9 percent.

Please turn to page 10 for an overview of each business line.

Net revenue

(billions of yen)



Key points

- Net revenue: ¥232.6bn (+73% QoQ; +71% YoY)
 - Record¹ quarterly net revenue as markets normalized from sharp decline in March, portfolio rebalancing drove client activity and volatility remained high
- Fixed Income**
 - Net revenue: ¥154.9bn (+98% QoQ; +88% YoY)
 - Fixed Income reported record¹ net revenue as Credit and Securitized Products rebounded from last quarter and Rates booked strong gains from the robust prior quarter
- Equities**
 - Net revenue: ¥77.7bn (+38% QoQ; +46% YoY)
 - Derivatives booked stronger revenues as the Americas and AEJ improved, while Cash Equities performance remained strong

FY2020/21 1Q net revenue by region



- Americas: Fixed Income saw a solid contribution from Rates and a rebound in Securitized Products from last quarter; In Equities, Derivatives posted a rebound while Cash Equities revenues remained robust
- EMEA: In Fixed Income, Credit improved and revenues from Rates grew strongly; Cash Equities slowed from a strong previous quarter
- AEJ: Fixed Income reported continued strong performance in FX/EM and Credit rebounded QoQ; In Equities, Derivatives improved QoQ
- Japan: In Fixed Income, Rates had another solid quarter and Credit revenues were up significantly QoQ; Equities saw both Cash and Derivatives revenues remain roughly unchanged from the strong previous quarter

1. Since reporting under US GAAP started in year ended March 2002.

Global Markets net revenue increased by 73 percent to 232.6 billion yen.

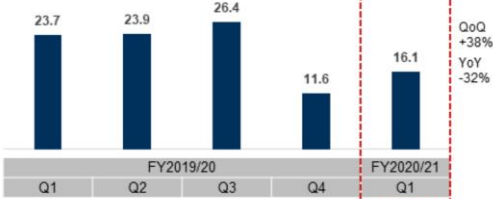
Fixed Income net revenue was 154.9 billion yen, up 98 percent quarter on quarter. This represented record revenues for Fixed Income as Credit and Securitized Products rebounded from last quarter and Rates revenues grew significantly from the strong previous quarter. As you can see on the right hand side, all regions reported significantly stronger revenues.

Equities reported net revenue of 77.7 billion yen. Cash Equities performance remained solid and Americas and AEJ Derivatives rebounded from a challenging prior quarter.

Please turn to page 11 for Investment Banking.

Net revenue

(billions of yen)



Key points

- Net revenue: ¥16.1bn (+38% QoQ; -32% YoY)
 - Supported several financing transactions aimed at ensuring liquidity such as ECM deals in the Americas and DCM deals in Japan and EMEA
 - Japan ECM, cross-border M&A and ALF all had sluggish quarter due to coronavirus and geopolitical risks
- Japan
 - Revenues roughly unchanged QoQ; ECM Solutions and DCM revenues grew, while M&A and ECM remained slow
- International
 - Revenues up QoQ; Americas and EMEA ALF revenues improved
 - M&A revenues slowed, but EMEA DCM and Americas ECM revenues increased

Business momentum

ECM/DCM	■ Supported several high-profile bond issuances in Japan and internationally, while Americas and AEJ ECM had a solid quarter	
	Hulic Subordinated Bond (¥200bn)	UK DMO Gilts (£9.0bn)
	Yeahka HK IPO (HKD1.8bn)	European Financial Stability Facility (EFSF) Benchmark Bond (€4.5bn)
M&A	GigCapital3 SPAC IPO (\$200m)	West Japan Railway Company Straight Bond (¥190bn)
	■ Although cross-border deals remained slow, we executed domestic deals	
ALF	TOB to Sony FH by Sony (¥395.5bn)	Carlsberg and Marston's deal to form a joint venture brewing company in the UK (£507m)
	■ Won mandates in EMEA and Americas in June as market rebounded	
ESG-related	Refinancing on the merger of Kronos (owned by Hellman & Friedman) and Ultimate Software (\$3.5bn)	Financing on Bridgepoint's acquisition of CEP (€775m)
	■ Supported issuance of various ESG bonds to meet client needs	
	Green Bond: Asahi Chemical Industry, NTT Finance, Banco Santander, CPI Property	Sustainable Development Bond: IBRD, IDB

11

Net revenue increased 38 percent quarter on quarter to 16.1 billion yen.

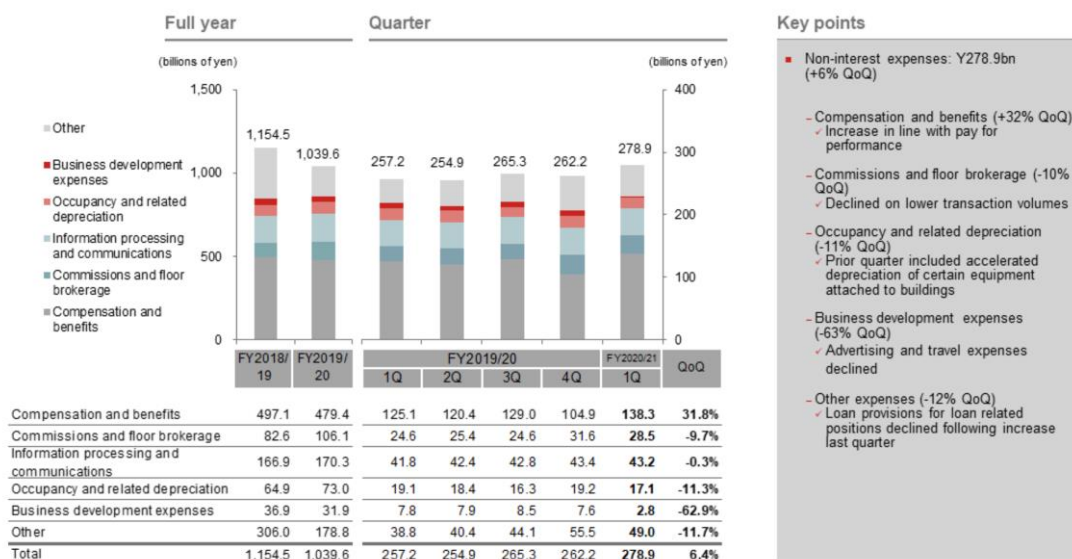
In Japan, we saw an uptick in ECM solutions and DCM transactions, while M&A and ECM remained muted, resulting in revenues roughly unchanged quarter on quarter.

International revenues increased quarter on quarter as Americas ECM and EMEA DCM supported a number of financing transactions aimed at ensuring liquidity. ALF revenues in Americas and EMEA improved from last quarter.

Please turn to page 12 for an overview of non-interest expenses.

Non-interest expenses

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12

Firmwide expenses totaled 278.9 billion yen, up 6 percent over last quarter.

The increase is due to higher bonus provisions as a result of stronger revenues in the quarter.

Non-personnel expenses are all down quarter on quarter as shown here.

Occupancy and related depreciation declined 11 percent as the previous quarter included accelerated depreciation of certain equipment attached to buildings.

Other expenses were down 12 percent from last quarter when we booked loan loss provisions for certain unrealized losses on loan-related positions.

Please turn to page 13 for an overview of our financial position.

Balance sheet related indicators and capital ratios

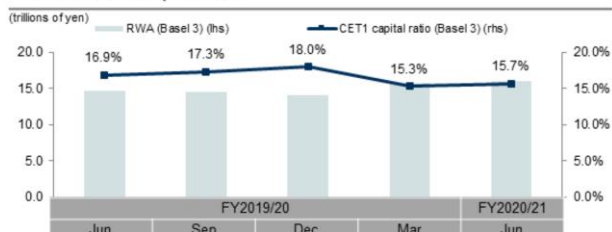
	Mar 2020	Jun 2020 ²
Total assets	Y44.0trn	Y41.5trn
Shareholders' equity	Y2.7trn	Y2.8trn
Gross leverage	16.6x	14.9x
Net leverage ¹	10.6x	9.8x
Level 3 assets ² (net)	Y0.7trn	Y0.6trn
Liquidity portfolio	Y5.4trn	Y5.7trn

(billions of yen)

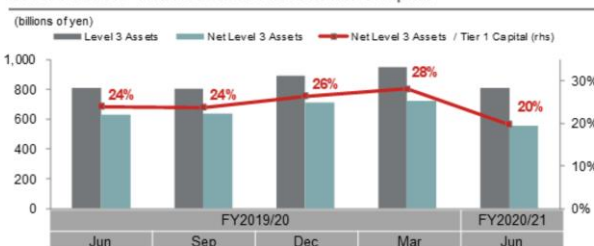
Basel 3 basis	Mar 2020	Jun 2020 ²
Tier 1 capital	2,572	2,861
Tier 2 capital	31	31
Total capital	2,602	2,892
RWA	15,675	16,101
Tier 1 capital ratio	16.4%	17.7%
CET 1 capital ratio ³	15.3%	15.7%
Consolidated capital adequacy ratio	16.6%	17.9%
Consolidated leverage ratio ⁴	4.83%	6.00%
HQLA ⁵	Y4.2trn	Y4.9trn
LCR ⁵	201.1%	216.0%

1. Net leverage: Total assets minus securities purchased under agreements to resell and securities borrowed, divided by Nomura Holdings shareholders' equity.
 2. June 2020 is preliminary.
 3. CET 1 capital ratio is defined as Tier 1 capital minus Additional Tier 1 capital divided by risk-weighted assets.
 4. Tier 1 capital divided by exposure (sum of on-balance sheet exposures and off-balance sheet items).
 5. Daily average for each quarter.

RWA and CET1 capital ratio³



Level 3 assets² and Net Level 3 assets/Tier 1 capital



13

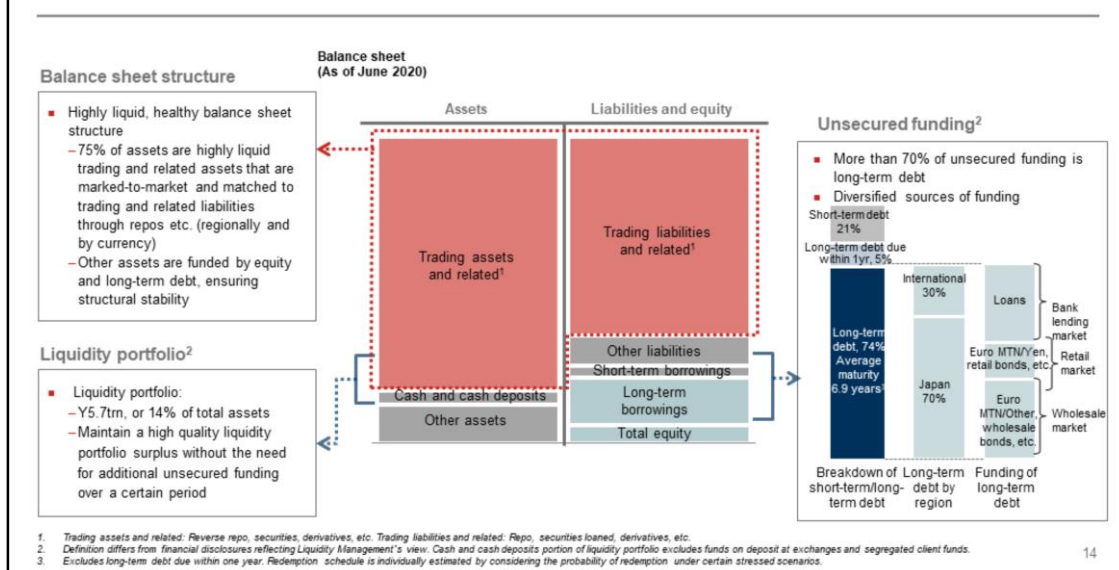
Our balance sheet at the end of June totaled 41.5 trillion yen, representing a decline of 2.5 trillion yen from the end of March due to lower repurchase transactions and loans.

As shown on the bottom left, Tier 1 capital was 2,861 billion yen, up by 289 billion yen from the end of March, due mainly to higher retained earnings and the issuance of 150 billion yen of perpetual subordinated bonds in June.

Risk-weighted assets increased by approximately 426 billion yen from the end of March to 16.1 trillion yen, driven primarily by an increase in credit risk due to the market turmoil since March negatively affecting CVA risk.

As a result, our Tier 1 capital ratio was 17.7 percent at the end of June and our CET1 capital ratio was 15.7 percent. The red line graph on the bottom right shows that level 3 assets as a percentage of Tier 1 capital decreased from 28 percent at the end of March to 20 percent at the end of June. This is because Tier 1 capital increased and level 3 assets declined by around 160 billion yen as we unwound Securitized Products and Credit positions and pricing transparency improved so that certain assets were reclassified as level 2.

That concludes the overview of our first quarter results.



As the equities and fixed income markets normalized this quarter, market participant activity picked up and the trading environment improved, leading to record results in our Wholesale business.

Asset Management saw an improvement in American Century Investments related gain/loss, while Retail reported solid earnings despite restrictions on sales activities through to May.

While our first quarter results were supported in part by favorable market conditions, we also believe that our efforts to rebuild our business platform last year helped enhance our underlying profitability.

By realigning our Wholesale business portfolio we were able to focus on our areas of competitive strength. In Retail, we reformed our channels in line with client segments and diversified client touch points.

We have also lowered our breakeven point by implementing firmwide cost reductions of 140 billion yen, which are now over 70 percent complete.

Our Retail business is gradually restarting face-to-face client meetings, while taking measures to prevent the spread of the coronavirus. Amid the pandemic, we have been able to enhance our non-face-to-face sales efforts and performance in July is outpacing that of the first quarter. While Wholesale revenues have slowed from the record first quarter, Fixed Income and Equities performance remains good.

Heading into the summer season, we could see an overall slowdown in business and the coronavirus situation remains a concern. As a financial institution participating in the capital markets, we remain focused on working together as one firm to ensure business continuity while prioritizing the safety of our clients, communities and people.

Thank you.

Financial Supplement



Consolidated balance sheet

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Consolidated balance sheet

(billions of yen)	Mar 31, 2020	Jun 30, 2020	Increase (Decrease)		Mar 31, 2020	Jun 30, 2020	Increase (Decrease)
Assets				Liabilities			
Total cash and cash deposits	3,875	4,089	214	Short-term borrowings	1,487	1,392	-94
				Total payables and deposits	4,397	3,577	-820
Total loans and receivables	5,117	3,956	-1,161	Total collateralized financing	18,028	16,212	-1,816
				Trading liabilities	8,546	8,680	134
Total collateralized agreements	15,907	14,426	-1,481	Other liabilities	1,034	1,020	-15
				Long-term borrowings	7,776	7,833	58
Total trading assets and private equity and debt investments ¹	16,898	16,741	-157	Total liabilities	41,269	38,715	-2,554
Total other assets ¹	2,203	2,333	131	Equity			
				Total NHI shareholders' equity	2,653	2,780	126
Total assets	44,000	41,545	-2,454	Noncontrolling interest	78	51	-27
				Total liabilities and equity	44,000	41,545	-2,454

¹ Including securities pledged as collateral.

■ Definition

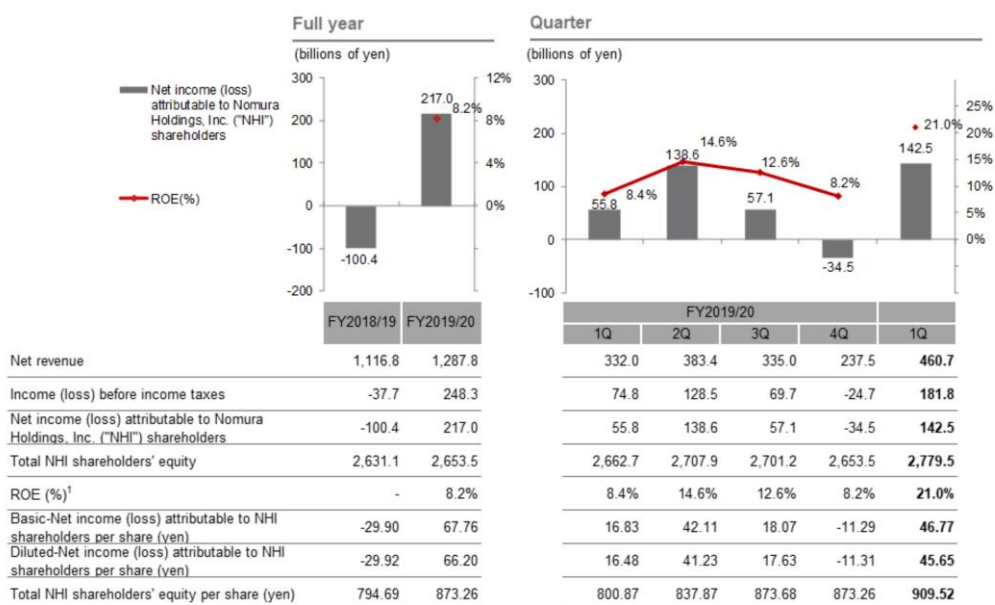
- 99% confidence level
- 1-day time horizon for outstanding portfolio
- Inter-product price fluctuations considered

■ From April 1, 2020, to June 30, 2020 (billions of yen)

- Maximum: 27.0
- Minimum: 12.0
- Average: 19.6

(billions of yen)	FY2018/19	FY2019/20	FY2019/20				FY2020/21
	Mar	Mar	Jun	Sep	Dec	Mar	Jun
Equity	1.1	8.9	1.2	1.8	1.4	8.9	1.6
Interest rate	2.8	22.4	3.1	4.0	4.8	22.4	17.0
Foreign exchange	1.9	5.1	3.2	3.2	2.5	5.1	3.5
Sub-total	5.8	36.3	7.5	8.9	8.7	36.3	22.1
Diversification benefit	-1.3	-11.0	-1.5	-4.3	-2.3	-11.0	-10.1
VaR	4.5	25.3	6.0	4.6	6.3	25.3	12.0

Consolidated financial highlights



1. Quarterly ROE is calculated using annualized year-to-date net income.

Consolidated income

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(billions of yen)	Full year		Quarter				
	FY2018/19	FY2019/20	FY2019/20				FY2020/21
			1Q	2Q	3Q	4Q	
Revenue							
Commissions	293.1	308.8	68.2	65.3	79.3	96.1	85.5
Fees from investment banking	101.5	103.2	27.3	22.3	26.8	26.8	10.8
Asset management and portfolio service fees	245.5	238.2	60.0	59.9	61.0	57.3	53.7
Net gain on trading	343.0	356.6	112.8	105.6	109.3	28.9	139.1
Gain (loss) on private equity and debt investments	1.0	-0.1	0.8	1.0	1.5	-3.4	1.1
Interest and dividends	777.0	794.5	199.5	215.9	203.1	176.1	106.5
Gain (loss) on investments in equity securities	-7.0	-14.7	-2.8	2.1	2.2	-16.2	3.5
Other	81.1	166.0	45.7	101.9	14.3	4.2	113.9
Total revenue	1,835.1	1,952.5	511.4	573.9	497.5	369.7	514.0
Interest expense	718.3	664.7	179.4	190.5	162.5	132.3	53.3
Net revenue	1,116.8	1,287.8	332.0	383.4	335.0	237.5	460.7
Non-interest expenses	1,154.5	1,039.6	257.2	254.9	265.3	262.2	278.9
Income (loss) before income taxes	-37.7	248.3	74.8	128.5	69.7	-24.7	181.8
Net income (loss) attributable to NHI shareholders	-100.4	217.0	55.8	138.6	57.1	-34.5	142.5

Main revenue items

	(billions of yen)	Full year		Quarter				
		FY2018/19	FY2019/20	FY2019/20				FY2020/21
				1Q	2Q	3Q	4Q	
Commissions	Stock brokerage commissions	192.0	196.5	42.6	42.5	48.1	63.3	62.9
	Other brokerage commissions	14.4	14.4	2.7	2.8	3.0	5.9	4.3
	Commissions for distribution of investment trusts	56.6	66.7	16.4	12.6	19.0	18.6	14.1
	Other	30.0	31.2	6.4	7.4	9.2	8.2	4.2
	Total	293.1	308.8	68.2	65.3	79.3	96.1	85.5
Fees from investment banking	Equity underwriting and distribution	30.0	14.0	3.1	4.9	4.1	2.0	1.5
	Bond underwriting and distribution	22.7	25.5	6.8	6.6	6.1	6.1	3.3
	M&A / Financial advisory fees	33.2	41.6	10.6	7.1	11.9	12.2	4.7
	Other	15.5	22.1	6.9	3.8	4.8	6.6	1.2
	Total	101.5	103.2	27.3	22.3	26.8	26.8	10.8
Asset management and portfolio service fees	Asset management fees	168.7	159.5	40.3	40.0	40.7	38.6	35.2
	Administration fees	61.0	62.6	15.7	16.0	16.3	14.7	14.5
	Custodial fees	15.8	16.1	4.0	4.0	4.1	4.0	3.9
	Total	245.5	238.2	60.0	59.9	61.0	57.3	53.7

Consolidated results: Income (loss) before income taxes by segment and region

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Adjustment of consolidated results and segment results: Income (loss) before income taxes

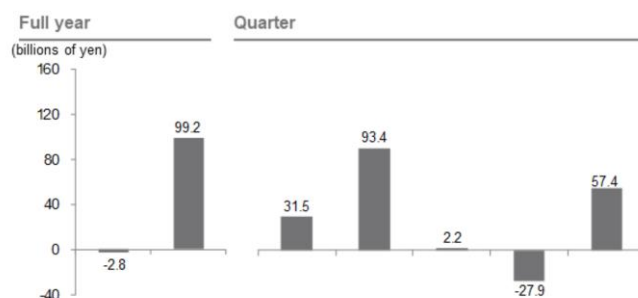
(billions of yen)	Full year		Quarter				
	FY2018/19	FY2019/20	FY2019/20				FY2020/21
			1Q	2Q	3Q	4Q	
Retail	49.5	49.4	8.1	5.3	17.6	18.4	15.1
Asset Management	34.2	28.8	18.1	10.0	9.3	-8.7	19.2
Wholesale	-111.4	92.2	20.0	18.9	43.2	10.1	87.9
Three business segments total	-27.7	170.4	46.3	34.2	70.2	19.8	122.1
Other	-2.8	99.2	31.5	93.4	2.2	-27.9	57.4
Segments total	-30.5	269.6	77.7	127.7	72.4	-8.2	179.5
Unrealized gain (loss) on investments in equity securities held for operating purposes	-7.2	-21.3	-2.9	0.8	-2.7	-16.6	2.3
Income (loss) before income taxes	-37.7	248.3	74.8	128.5	69.7	-24.7	181.8

Geographic information: Income (loss) before income taxes¹

(billions of yen)	Full year		Quarter				
	FY2018/19	FY2019/20	FY2019/20				FY2020/21
			1Q	2Q	3Q	4Q	
Americas	-114.1	7.4	14.3	1.1	16.4	-24.4	40.0
Europe	-56.9	-14.1	4.5	-1.5	2.3	-19.5	15.0
Asia and Oceania	5.0	19.8	11.6	10.5	1.0	-3.3	9.2
Subtotal	-165.9	13.1	30.4	10.2	19.7	-47.2	64.2
Japan	128.2	235.2	44.4	118.3	50.0	22.5	117.6
Income (loss) before income taxes	-37.7	248.3	74.8	128.5	69.7	-24.7	181.8

¹ Geographic information is based on U.S. GAAP. (Figures are preliminary for the three months ended June 30, 2020). Nomura's 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.

Income (loss) before income taxes



	FY2018/19	FY2019/20	FY2019/20				FY2020/21
			1Q	2Q	3Q	4Q	1Q
Net gain (loss) related to economic hedging transactions	1.8	17.5	12.8	7.0	2.3	-4.6	5.6
Realized gain (loss) on investments in equity securities held for operating purposes	0.2	6.6	0.1	1.3	4.9	0.3	0.7
Equity in earnings of affiliates	32.5	35.0	8.3	8.0	4.8	13.9	6.6
Corporate items	-36.0	-22.2	1.4	-4.6	-9.1	-9.9	45.1
Others	-1.3	62.3	8.9	81.8	-0.8	-27.7	-0.5
Income (loss) before income taxes	-2.8	99.2	31.5	93.4	2.2	-27.9	57.4



Retail related data (1)

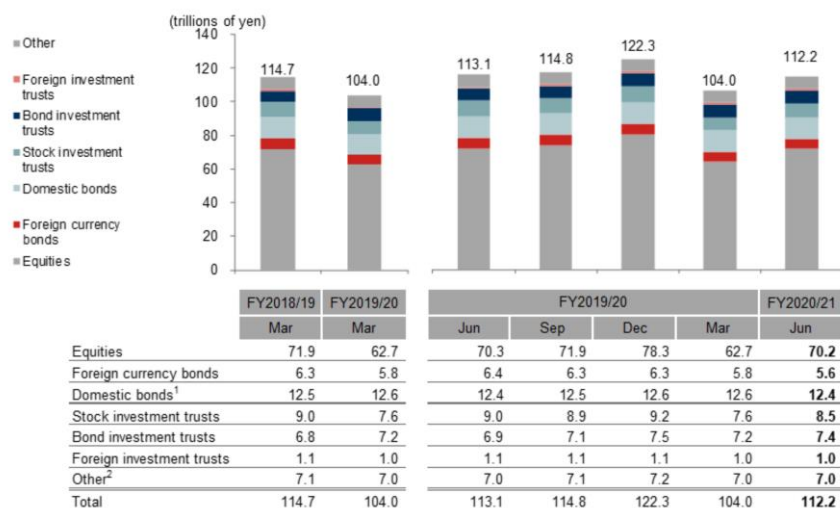
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(billions of yen)	Full year		Quarter						
	FY2018/19	FY2019/20	FY2019/20				FY2020/21	QoQ	YoY
			1Q	2Q	3Q	4Q	1Q		
Commissions	142.8	153.2	34.5	31.2	42.2	45.4	40.8	-10.0%	18.4%
Of which, stock brokerage commission	60.2	61.2	12.5	12.6	17.0	19.1	21.7	13.9%	74.3%
Of which, commissions for distribution of investment trusts	57.9	66.9	16.5	12.6	19.2	18.6	13.9	-25.2%	-15.8%
Sales credit	55.8	56.8	14.9	12.7	16.7	12.6	14.0	11.3%	-6.1%
Fees from investment banking and other	34.0	23.2	5.6	6.0	5.5	6.1	2.5	-59.2%	-55.4%
Investment trust administration fees and other	95.4	92.1	23.4	23.4	23.2	22.2	20.6	-7.4%	-12.0%
Net interest revenue	11.5	11.1	2.3	3.7	2.6	2.5	3.2	27.7%	39.4%
Net revenue	339.5	336.4	80.6	76.9	90.0	88.8	81.1	-8.7%	0.5%
Non-interest expenses	290.0	286.9	72.5	71.6	72.4	70.4	66.0	-6.2%	-9.0%
Income before income taxes	49.5	49.4	8.1	5.3	17.6	18.4	15.1	-18.2%	85.6%
Domestic distribution volume of investment trusts ¹	2,423.7	2,932.1	741.5	566.7	790.9	833.0	616.7	-26.0%	-16.8%
Stock investment trusts	2,130.8	2,519.3	618.8	493.5	694.8	712.1	533.9	-25.0%	-13.7%
Foreign investment trusts	292.9	412.8	122.7	73.2	96.1	120.9	82.8	-31.5%	-32.5%
Other									
Accumulated value of annuity insurance policies	3,260.7	3,453.7	3,308.7	3,356.7	3,415.4	3,453.7	3,465.5	0.3%	4.7%
Sales of JGBs for individual investors (transaction base)	1,022.8	1,146.9	296.7	236.4	315.9	297.9	5.1	-98.3%	-98.3%
Retail foreign currency bond sales	848.9	841.4	222.0	195.4	266.5	157.5	144.8	-8.0%	-34.8%

1. Including former Net & Call.

Retail related data (2)

Retail client assets

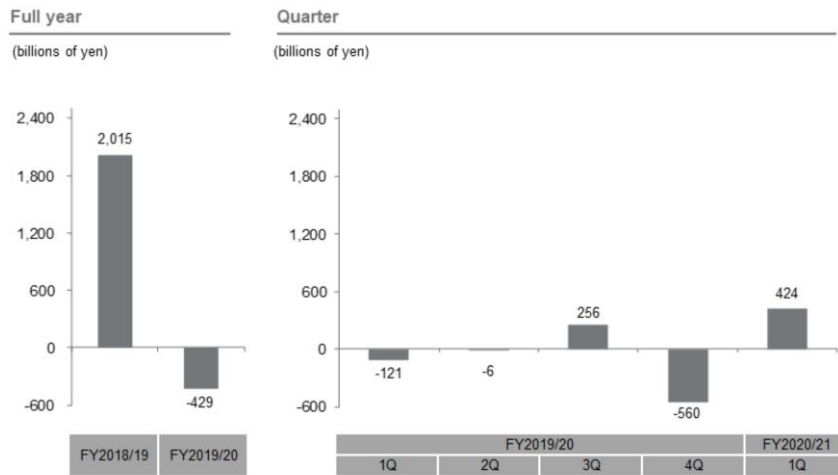


1. Including CBs and warrants.

2. Including annuity insurance.



Net inflows of cash and securities¹



1. Cash and securities inflows minus outflows, excluding regional financial institutions.



Retail related data (4)

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Number of accounts

(thousands)	FY2018/19	FY2019/20	FY2019/20				FY2020/21
	Mar	Mar	Jun	Sep	Dec	Mar	Jun
Accounts with balance	5,338	5,319	5,335	5,326	5,328	5,319	5,323
Equity holding accounts	2,908	2,920	2,914	2,913	2,897	2,920	2,935
NISA accounts opened (accumulated) ¹	1,702	1,737	1,710	1,719	1,728	1,737	1,746
Online service accounts	4,569	4,703	4,601	4,632	4,662	4,703	4,732

New Individual accounts / IT share²

(thousands)	Full year		Quarter				
	FY2018/19	FY2019/20	FY2019/20				FY2020/21
			1Q	2Q	3Q	4Q	1Q
New individual accounts	257	203	49	48	47	59	43
IT share ²							
No. of orders	78%	79%	79%	79%	78%	80%	81%
Transaction value	53%	54%	53%	53%	52%	56%	55%

1. Including Junior NISA.

2. Ratio of cash stocks traded via former Home trade.

Asset Management related data (1)

	Full year ¹		Quarter ¹						
(billions of yen)	FY2018/19	FY2019/20	FY2019/20				FY2020/21	QoQ	YoY
			1Q	2Q	3Q	4Q	1Q		
Revenue (excl. ACl-related gain/loss)	102.9	100.2	25.8	25.0	26.0	23.4	23.7	1.5%	-8.1%
ACI-related gain/loss	-5.0	-7.6	8.7	0.7	-0.6	-16.4	10.3	-	18.8%
Net revenue	97.8	92.6	34.5	25.7	25.4	7.0	34.0	4.8x	-1.4%
Non-interest expenses	63.7	63.8	16.4	15.6	16.1	15.8	14.9	-5.6%	-9.1%
Income (loss) before income taxes	34.2	28.8	18.1	10.0	9.3	-8.7	19.2	-	5.6%

Assets under management by company

(trillions of yen)	FY2018/19		FY2019/20		FY2019/20				FY2020/21	
	Mar	Mar	Jun	Sep	Dec	Mar	Jun	Mar	Jun	
Nomura Asset Management	53.4	50.6	53.4	54.1	57.3	50.6	55.8			
Nomura Corporate Research and Asset Management	3.0	2.5	3.0	3.0	3.1	2.5	2.8			
Assets under management (gross) ²	56.4	53.2	56.4	57.2	60.4	53.2	58.7			
Group company overlap	5.0	3.9	4.8	4.7	4.8	3.9	4.3			
Assets under management (net) ³	51.4	49.3	51.6	52.4	55.6	49.3	54.5			

1. This table presents a reconciliation of net revenues (other than ACl-related revenue) and ACl-related revenue, which are non-GAAP measures prepared on a management accounting basis, to net revenue for the Asset Management segment. ACl-related revenue includes fair value adjustments of our investment in, funding cost equivalent for our investment in and dividends from ACl.
2. Total assets under management for Nomura Asset Management, Nomura Corporate Research and Asset Management, and Wealth Square.
3. Net after deducting duplications from assets under management (gross).



Asset Management related data (2)

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Asset inflows/outflows by business¹

(billions of yen)	Full year		Quarter				
	FY2018/19	FY2019/20	FY2019/20				FY2020/21
			1Q	2Q	3Q	4Q	
Investment trusts business	2,187	1,788	672	259	296	560	1,210
of which ETFs	2,531	2,133	642	246	115	1,130	1,153
Investment advisory business	20	302	-164	121	198	146	-163
Total net asset inflow	2,207	2,090	508	381	494	707	1,046

Domestic public investment trust market and Nomura Asset Management market share²

(trillions of yen)	FY2018/19	FY2019/20	FY2019/20				FY2020/21
	Mar	Mar	Jun	Sep	Dec	Mar	Jun
Domestic public stock investment trusts							
Market	101.5	93.9	101.9	104.3	109.9	93.9	107.3
Nomura Asset Management share (%)	26%	26%	26%	26%	26%	26%	27%
Domestic public bond investment trusts							
Market	11.6	12.5	11.7	11.9	13.3	12.5	12.9
Nomura Asset Management share (%)	45%	44%	44%	44%	44%	44%	44%
ETF							
Market	37.4	37.6	38.2	39.9	43.3	37.6	45.1
Nomura Asset Management share (%)	45%	45%	45%	45%	45%	45%	45%

¹ Based on assets under management (net).
² Source: Investment Trusts Association, Japan.

28

Wholesale related data

(billions of yen)	Full year		Quarter						
	FY2018/19	FY2019/20	FY2019/20				FY2020/21 1Q	QoQ	YoY
			1Q	2Q	3Q	4Q			
Net revenue	555.4	648.6	159.5	156.7	186.5	145.9	248.7	70.4%	55.9%
Non-interest expenses	666.8	556.4	139.5	137.8	143.3	135.8	160.8	18.4%	15.3%
Income (loss) before income taxes	-111.4	92.2	20.0	18.9	43.2	10.1	87.9	8.7x	4.4x

Breakdown of Wholesale revenues¹

(billions of yen)	Full year		Quarter						
	FY2018/19	FY2019/20	FY2019/20				FY2020/21 1Q	QoQ	YoY
			1Q	2Q	3Q	4Q			
Fixed Income	232.8	337.5	82.5	77.2	99.7	78.0	154.9	98.5%	87.7%
Equities	220.2	225.4	53.3	55.6	60.3	56.3	77.7	38.2%	45.9%
Global Markets	453.0	562.9	135.7	132.8	160.1	134.3	232.6	73.2%	71.3%
Investment Banking	102.3	85.7	23.7	23.9	26.4	11.6	16.1	38.4%	-32.3%
Net revenue	555.4	648.6	159.5	156.7	186.5	145.9	248.7	70.4%	55.9%

1. This table presents a reconciliation of the Global Markets and Investment Banking financial data, which are non-GAAP measures prepared on a management accounting basis, to net revenue for the Wholesale segment.



Number of employees

	FY2018/19	FY2019/20	FY2019/20				FY2020/21
	Mar	Mar	Jun	Sep	Dec	Mar	Jun
Japan	15,852	15,748	16,423	16,119	15,971	15,748	16,069
Europe	2,909	2,691	2,775	2,734	2,658	2,691	2,728
Americas	2,357	2,120	2,230	2,167	2,116	2,120	2,164
Asia and Oceania ¹	6,746	6,070	6,684	6,692	6,554	6,070	6,118
Total	27,864	26,629	28,112	27,712	27,299	26,629	27,079

1. Includes Power office in India.



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