

## **Nomura Announces Proposals for Amendments to Articles of Incorporation**

**Tokyo, May 19, 2011**—Nomura Holdings, Inc. (“the Company”) today announced that its board of directors resolved to submit proposals for amendments to the Company’s Articles of Incorporation to the 107<sup>th</sup> Annual Meeting of Shareholders to be held on June 28, 2011.

### **1. Reason for Amendments to Articles of Incorporation**

#### **(1) Responding to Basel III Capital Adequacy Requirements**

With the aim of preventing the reoccurrence of a financial crisis, the Basel Committee on Banking Supervision, an institution comprised of financial regulators from various major industrialized countries, has agreed to set higher and better-quality capital requirements applicable to global financial institutions (i.e., Basel III). Specifically, there will be a requirement to maintain a certain percentage of common equity capital (i.e. common shares and retained earnings) of risk assets, an increase in the minimum capital adequacy ratio and stricter standards on what can be included into capital.

In order to be included as capital under Basel III, preferred shares or subordinated debt must be designed with a provision in the relevant terms of issuance allowing for the security to be written-down or converted into common equity in the event deemed necessary by the relevant authority (a “supervisory trigger”).

The Company would like to take this opportunity to amend its Articles of Incorporation to respond to these Basel III capital adequacy requirements. The proposal is to add a provision that would make it possible to attach conditions to the issuance of each class of preferred stock allowing for compulsory conversion into common shares in the event of a supervisory trigger or other specified conditions. No other changes to the provisions concerning preferred shares are proposed at this time.

The Basel III rules will be phased in from January 2013 and take full effect in 2019. As it is not yet possible to determine the specific details of the shares that can be issued in this respect, the Company does not intend to issue securities attached with a conversion trigger at this time. Any evaluation of such issuances in the future will reflect regulatory announcements on the specific requirements for implementation.

#### **(2) Additions to Business Purpose**

Nomura Group intends to proactively advocate a broad range of initiatives related to the economy, financial and capital markets, and infrastructure. The proposal is to add in the necessary amendments to expressly provide for these in the Articles of Incorporation.

### (3) Procedures/Adaptability

#### (a) Chairman of Shareholders' Meetings

In order to maintain flexibility in conducting shareholders' meetings, the requirement for the President & CEO of the Company to act as chairman at meetings of the shareholders shall be amended to allow for any director or executive officer designated by the Board of Directors in advance to assume such role.

#### (b) Record Date for Holders of Class Shares

The proposal is to set a record date for meetings of class shareholders in order to accommodate convocation procedures for meetings of class shareholders.

#### (c) Executive Officers with Titles

Regarding the organization of executive officers with titles, the proposal is to make the necessary changes to in order to allow for an adaptable management system.

## 2. Proposed amendments to the Articles of Incorporation

(Proposed changes underlined)

Current	Proposed Amendment
<b>CHAPTER I GENERAL PROVISIONS</b>	<b>CHAPTER I GENERAL PROVISIONS</b>
<p><b>Article 2. (Purpose)</b></p> <p>1. The purpose of the Company shall be, by means of holding shares, to control and manage the business activities of domestic companies which engage in the following businesses and the business activities of foreign companies which engage in the businesses equivalent to the following businesses:</p> <ul style="list-style-type: none"> <li>(1) Financial instruments business prescribed in the Financial Instruments and Exchange Act;</li> <li>(2) Banking business prescribed in the Banking Act and trust business prescribed in the Trust Business Act; and</li> <li>(3) Any other financial services and any business incidental or related to such financial services.</li> </ul> <p style="text-align: center;">[new addition]</p> <p>2. [omitted]</p>	<p><b>Article 2. (Purpose)</b></p> <p>1. The purpose of the Company shall be, by means of holding shares <u>or similar interests</u>, to control and manage the business activities of domestic companies which engage in the following businesses and the business activities of foreign companies which engage in the businesses equivalent to the following businesses:</p> <ul style="list-style-type: none"> <li>(1) Financial instruments business prescribed in the Financial Instruments and Exchange Act;</li> <li>(2) Banking business prescribed in the Banking Act and trust business prescribed in the Trust Business Act; and</li> <li>(3) Any other financial services and any business incidental or related to such financial services.</li> <li>(4) <u>Other than as prescribed in the Items above, any other business ancillary or related to survey and research in connection with the economy, financial or capital markets, or infrastructure or undertaking the outsourcing thereof.</u></li> </ul> <p>2. [no change]</p>

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Current	Proposed Amendment
<p style="text-align: center;"><b>CHAPTER III PREFERRED SHARES</b></p> <p><b>Article 18. (Conditions for Redemption)</b></p> <p>1. [omitted] 2. [omitted]</p> <p style="text-align: center;">[new addition]</p> <p style="text-align: center;"><b>CHAPTER IV MEETINGS OF SHAREHOLDERS</b></p> <p><b>Article 24. (Chairman of Meetings)</b> President &amp; Chief Executive Officer shall act as</p>	<p style="text-align: center;"><b>CHAPTER III PREFERRED SHARES</b></p> <p><b>Article 18. (Conditions for Redemption)</b></p> <p>1. [no change] 2. [no change]</p> <p>3. <u>With respect to Class 1 preferred stock, Class 2 preferred stock, Class 3 preferred stock or Class 4 preferred stock, upon the occurrence of certain events specified in a resolution of the board of directors or a determination by executive officer(s) under authorities delegated by a resolution of the board of directors (including the event that the Company's capital adequacy ratio or other measure of regulatory capital falls below a pre-determined threshold, and/or the event that a supervisory agency (or an equivalent body) determines that a write-down, capital injection by a public institution or other equivalent action is necessary for the Company) prior to the issuance of the relevant class of preferred stock, the Company shall redeem in whole or in part any such preferred shares issued with such conditions. In such event, the Company shall, deliver common shares of the Company to each relevant Preferred Shareholder in exchange for such preferred shares, in a number determined prior to the issuance of the such preferred shares by a resolution of the board of directors or a determination by executive officer(s) under authorities delegated by a resolution of the board of directors, considering the subscription price of the preferred shares, the market value of the Company's common stock and market conditions. An upper limit for the common stock to be delivered in exchange for the relevant preferred shares may also be set pursuant to such resolution or determination. In the event that the number of common shares to be delivered in exchange for the Company's redemption of such preferred shares includes a fraction less than one (1) share, that fraction shall be handled pursuant to Article 234 of the Companies Act.</u></p> <p style="text-align: center;"><b>CHAPTER IV MEETINGS OF SHAREHOLDERS</b></p> <p><b>Article 24. (Chairman of Meetings)</b> <u>A director or executive officer designated in</u></p>

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Current	Proposed Amendment
<p>chairman of a meeting of shareholders; provided, however, that when <u>President &amp; Chief Executive Officer</u> is unable so to act, <u>one of the other representative executive officers</u> shall take his/her place in accordance with the order of priority predetermined by a resolution of the board of directors.</p>	<p><u>advance by the board of directors</u> shall act as the chairman of a meeting of shareholders; provided, however, that when <u>the relevant director or executive officer</u> is unable to so act, <u>another person</u> shall take his/her place in accordance with the order of priority predetermined by a resolution of the board of directors.</p>
<p><b>Article 27. (Meetings of Class Shareholders)</b>            1. [omitted]            2. [omitted]            3. The provisions of Article 21, Paragraph 2 and Articles <u>23</u> through 25 herein shall apply <i>mutatis mutandis</i> to the meetings of class shareholders.</p>	<p><b>Article 27. (Meetings of Class Shareholders)</b>            1. [no change]            2. [no change]            3. The provisions of Article 21, Paragraph 2 and Articles <u>22</u> through 25 herein shall apply <i>mutatis mutandis</i> to the meetings of class shareholders.</p>
<p><b>CHAPTER VII EXECUTIVE OFFICERS</b></p> <p><b>Article 39. (Representative Executive Officers and Executive Officers with Special Titles)</b>            1. [omitted]            2. The Company may, by a resolution of the board of directors, appoint one (1) President &amp; Chief Executive Officer, one (1) or more Deputy Presidents, <u>Executive Vice Presidents and Senior Corporate Managing Director</u>.</p>	<p><b>CHAPTER VII EXECUTIVE OFFICERS</b></p> <p><b>Article 39. (Representative Executive Officers and Executive Officers with Special Titles)</b>            1. [no change]            2. The Company may, by a resolution of the board of directors, appoint one President, <u>one Chairman and one or more Vice Chairmen</u>, Deputy Presidents <u>or alternatively titled officers from among its executive officers.</u></p>

### 3. Schedule

Annual Meeting of Shareholders:	June 28, 2011 (planned)
Effective date of Amendment:	June 28, 2011 (planned)

Ends

### Nomura

Nomura is a leading financial services group and the preeminent Asian-based investment bank with worldwide reach. Nomura provides a broad range of innovative solutions tailored to the specific requirements of individual, institutional, corporate and government clients through an international network in over 30 countries. Based in Tokyo and with regional headquarters in Hong Kong, London, and New York, Nomura employs approximately 27,000 staff worldwide. Nomura's unique understanding of Asia enables the company to make a difference for clients through three business divisions: retail, asset management, and wholesale (global markets and investment banking). For further information about Nomura, please visit [www.nomura.com](http://www.nomura.com).