

## Nomura Reports First Quarter Financial Results

- Group pretax income and net income at second highest level since FY2001/2
- International pretax income at record high driven by business portfolio realignment and focus on competitive strengths
- Retail performance solid despite restrictions on sales activities
- Significant QoQ improvement in Asset Management performance; sixteenth straight quarter of inflows
- Record Wholesale revenue quarter supported by strong Fixed Income revenue growth

**Tokyo, July 29, 2020**—Nomura Holdings, Inc. today announced its consolidated financial results for the first quarter of the fiscal year ending March 31, 2021.

Net revenue in the first quarter was 460.7 billion yen (US\$4.3 billion)<sup>1</sup>, income before income taxes was 181.8 billion yen (US\$1.7 billion), and net income attributable to Nomura Holdings shareholders was 142.5 billion yen (US\$1.3 billion).

“Wholesale had its strongest quarter since the fiscal year ended March 2002, underpinned by market normalization following a downturn in March and increased client activity mainly due to portfolio rebalancing. Pretax income from our three core businesses grew more than sixfold compared to the previous quarter and all three international regions reported a record pretax income. We also booked a Segment Other gain in relation to the approval of rights in the Nihonbashi redevelopment project that contributed to the second highest level of firmwide pretax income and net income,” said Nomura President and Group CEO Kentaro Okuda.

“In line with our management strategy to expand the scope of our business from public to private, we have newly established our internal, cross-divisional Content Company, created a high value-added CIO advisory model and formed a strategic alliance with US Equity Research boutique Wolfe Research. Our alliance with Wolfe Research will allow clients globally, including in Japan, access to top-tiered research, and further strengthen the services we offer.

“We remain committed to ensuring the functioning of the financial markets while keeping the health and safety of our people and our clients as our highest priority. We will continue to take on new challenges as we work to provide high quality solutions tailored to the individual needs of our clients.”

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<sup>1</sup> US dollar amounts are included solely for the convenience of the reader and have been translated at the rate of 107.77 yen = 1 US dollar, the noon buying rate in New York for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York on June 30, 2020. This translation should not be construed to imply that the yen amounts actually represent, or have been or could be converted into, equivalent amounts in US dollars.

## Divisional Performance

### Retail

	<b>FY2020/21 Q1</b>	<b>QoQ</b>	<b>YoY</b>
<b>Net revenue</b>	Y81.1bn	-9%	+1%
<b>Income before income taxes</b>	Y15.1bn	-18%	+86%

Retail reported net revenue of 81.1 billion yen, down 9 percent compared to last quarter and up 1 percent year on year. Income before income taxes declined 18 percent quarter on quarter to 15.1 billion yen and rose 86 percent from the same quarter last year.

Retail delivered a solid performance despite restrictions on sales activities due to coronavirus. Sales of Japanese and foreign stocks were particularly robust, lifting stock sales to the highest level in six quarters.

### Asset Management

	<b>FY2020/21 Q1</b>	<b>QoQ</b>	<b>YoY</b>
<b>Net revenue</b>	Y34.0bn	4.8x	-1%
<b>Income before income taxes</b>	Y19.2bn	-	+6%

Asset Management net revenue was 34.0 billion yen, 4.8 times stronger than last quarter and down 1 percent year on year. Income before income taxes increased 6 percent compared to last year to 19.2 billion yen.

Gain/loss related to American Century Investments improved, leading to a significant quarter on quarter improvement in divisional performance. A sixteenth straight quarter of inflows combined with market factors to lift assets under management to 54.5 trillion yen.

### Wholesale

	<b>FY2020/21 Q1</b>	<b>QoQ</b>	<b>YoY</b>
<b>Net revenue</b>	Y248.7bn	+70%	+56%
<b>Income before income taxes</b>	Y87.9bn	8.7x	4.4x

Wholesale booked net revenue of 248.7 billion yen, a 70 percent increase quarter on quarter and 56 percent year on year. Income before income taxes was 8.7 times higher than the previous quarter at 87.9 billion yen and 4.4 times stronger than the same quarter last year.

Wholesale delivered a record quarterly performance underpinned by strong revenue growth in Fixed Income and Americas and AEJ Equities as markets normalized and client activity

increased. Investment Banking revenues were higher than the previous quarter driven by support for multiple financial transactions aimed at securing liquidity. Stringent control on cost led to a marked increase in Wholesale pretax income as compared to last quarter and last year.

## Financial Position

Nomura maintains a robust financial position and a healthy balance sheet. As of the end of June, Nomura had total assets of 41.5 trillion yen and shareholders' equity of 2.8 trillion yen. Nomura's Tier 1 capital ratio was 17.7 percent and CET1 capital ratio was 15.7 percent under Basel III. All figures are on a preliminary basis.

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## Nomura

Nomura is a global financial services group with an integrated network spanning over 30 countries. By connecting markets East & West, Nomura services the needs of individuals, institutions, corporates and governments through its four business divisions: Retail, Asset Management, Wholesale (Global Markets and Investment Banking), and Merchant Banking. Founded in 1925, the firm is built on a tradition of disciplined entrepreneurship, serving clients with creative solutions and considered thought leadership. For further information about Nomura, visit [www.nomura.com](http://www.nomura.com).

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