

## Nomura Reports Second Quarter Financial Results

- Significant QoQ increase in three segment pretax income contributed to first-half group pretax income of Y97bn
- Retail client assets at record high of Y128.7trn; Stronger recurring revenue driven by monthly net inflows into investment trusts and discretionary investments, while brokerage commissions slowed QoQ
- Record high Investment Management AuM on inflows and higher management fees; Strong gains from listing of investee company
- Improvement in Wholesale performance QoQ underpinned by strongest Investment Banking 2Q revenues since FY2016/17 and solid results in Equities
- First-half ROE of 3.8% and dividend of Y8 per share

**Tokyo, October 29, 2021**—Nomura Holdings, Inc. today announced its consolidated financial results for the second quarter and first half of the fiscal year ending March 31, 2022.

Net revenue in the second quarter was 318.9 billion yen (US\$2.9 billion)<sup>1</sup>, income before income taxes was 18.5 billion yen (US\$166 million), and net income attributable to Nomura Holdings shareholders was 3.2 billion yen (US\$29 million).

For the six months to September, Nomura reported net revenue of 672.1 billion yen (US\$6.0 billion), down 19 percent from the same period last year. Income before income taxes decreased 63 percent to 97.0 billion yen (US\$870 million), and net income attributable to Nomura Holdings shareholders was 51.7 billion yen (US\$464 million).

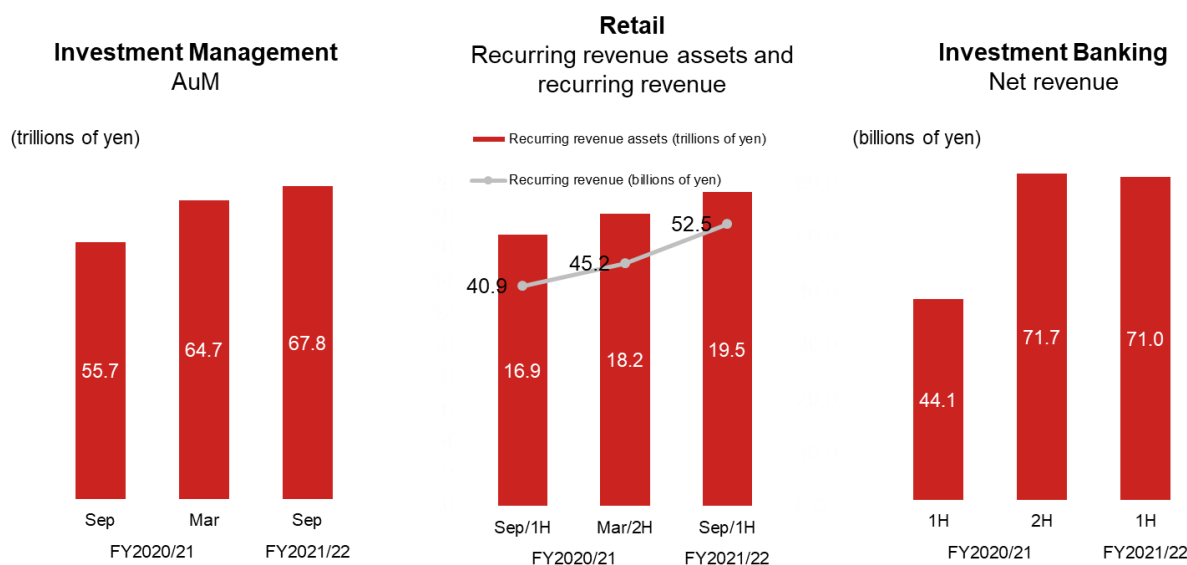
“First-half pretax income from our core businesses stood at 92.6 billion yen. Our Investment Management business gained traction in private markets, booking strong gains on the listing of an investee company. Assets under management reached a record high of 67.8 trillion yen underpinned by continued global inflows and steady growth in international and alternative assets under management,” said Nomura President and Group CEO Kentaro Okuda.

“Our Retail business delivered a resilient performance marked by record high client assets of 128.7 trillion yen and continued growth in recurring revenue assets and recurring revenue. In Wholesale, Investment Banking revenues remained strong driven by growth in our sustainability-related business and by cross-border mandates.

“We will continue to strengthen our client businesses to drive further revenue growth. We remain committed to enhancing risk management and delivering sustainable growth.”

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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 111.50 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 September 30, 2021. 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

(billions of yen)	FY2021/22 Q2	QoQ	YoY
<b>Net revenue</b>	85.2	+0.2%	-8%
<b>Income (loss) before income taxes</b>	17.0	-11%	-26%

Retail reported net revenue of 85.2 billion yen, up 0.2 percent quarter on quarter and down 8 percent year on year. Income before income taxes was 17.0 billion yen, down 11 percent quarter on quarter and 26 percent lower year on year.

Retail net revenue was largely unchanged from the previous quarter. Although brokerage commissions from sales of stocks and investment trusts declined as retail investors adopted a wait-and-see approach, recurring revenue grew on the back of monthly net inflows into investment trusts and discretionary investments. Recurring revenue accounted for over 30 percent of the division's revenues and 40 percent of expenses. In addition, Retail client assets hit a record high of 128.7 trillion yen.

### Investment Management

(billions of yen)	FY2021/22 Q2	QoQ	YoY
<b>Net revenue</b>	34.3	-46%	+14%
<b>Income (loss) before income taxes</b>	15.0	-67%	+25%

Investment Management second quarter net revenue was 34.3 billion yen, down 46 percent quarter on quarter and up 14 percent year on year. Income before income taxes was 15 billion yen, down 67 percent quarter on quarter and 25 percent higher than the same quarter last year.

Investment gain/loss slowed in comparison to the first quarter when unrealized and realized gains were booked on an investee company listing, while a reduction in American Century Investments gain/loss also contributed to the result.

The investment advisory business saw continued inflows globally, including into the regional financial institution and bank-related investment trust business and from public pension mandates. As a result, Investment Management assets under management reached a record high of 67.8 trillion yen as of the end of September 2021, leading to higher management fees.

## Wholesale

(billions of yen)	FY2021/22 Q2	QoQ	YoY
<b>Net revenue</b>	172.7	+30%	-22%
<b>Income (loss) before income taxes</b>	25.0	-	-62%

Wholesale booked net revenue of 172.7 billion yen, up 30 percent quarter on quarter and down 22 percent year on year. Income before income taxes was 25.0 billion yen, 62% lower than the same period last year.

Wholesale performance improved as an additional loss of 65.4 billion yen booked in the first quarter in relation to transactions with a US client was not present this quarter. Global Markets net revenue fell 11 percent quarter on quarter, excluding the loss arising from the transactions with the US client. This included a slowdown in Fixed Income revenues while Equities booked stronger revenues.

Investment Banking net revenue remained strong for the fourth straight quarter underpinned by robust ECM results and contributions from M&A driven by sustainability deals and cross-border mandates.

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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 three business divisions: Retail, Wholesale (Global Markets and Investment Banking), and Investment Management. 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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