

Nomura Publishes Nomura Japan Equity Growth Potential Index

Tokyo, January 21, 2019—Nomura Securities Co., Ltd., a wholly owned subsidiary of Nomura Holdings, Inc., today announced that it will publish a new index named the Nomura Japan Equity Growth Potential Index.

In recent years, institutional investors have shown significant interest in improved capital efficiency and sustained growth, and have been actively working to exercise their voting rights and promote greater engagement with companies. The index aims to respond to the needs of investors by efficiently investing in stocks with growth potential, in order to benefit from future returns likely to be generated as a result of improvements in corporate value.

"Growth Potential" is a concept that combines both "abundance of capital," which enables companies to take steps aimed at achieving growth, and "room for growth," which means that there is scope for further growth in corporate value.

The stock universe comprises all stocks listed on the First Section of the Tokyo Stock Exchange, excluding ultra-large cap and financial stocks¹. The index systematically selects stocks that have an abundance of capital and room for growth, assessing them using five factors based on financial indicators, while also taking into consideration the investability of the stocks.

The weight of constituent stocks is based on market capitalization, and is adjusted in accordance with relevant rules to avoid excessive weight concentration on certain stocks and limit the impact on trading. Constituent stocks are reconstituted annually.

The index is released by Nomura, where the Quantitative Research Dept. is in charge of the development and the Index Operations Dept. is in charge of the calculation.

The index value, rulebook and other details will be publicly available on Nomura's web site, <http://qr.nomura.co.jp/jp/ngrw/index.html>, today.

Nomura will continue to provide services that meet investors' needs through developing indices.

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Nomura is an Asia-headquartered financial services group with an integrated global 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

¹ Financial stocks are those classified as "Banks," "Securities and Commodities Futures," "Insurance," and "Other Financing Business" based on the 33 industry sectors of the Tokyo Stock Exchange.