

Nomura Report 2018

Nomura Holdings, Inc.

Integrated Report



NOMURA

Connecting Markets East & West

Delivering a Better Tomorrow

Mission

Contributing to Society | We help to enrich society through our expertise in capital markets

Vision

Trusted Partner | As a leading financial institution, we aim to be the most trusted partner for our clients

Values

Entrepreneurial Leadership | With passion and courage, we continually innovate to meet the needs of our stakeholders
Teamwork | To build our values and 'Deliver Together', we promote diversity and collaboration across divisions and regions
Integrity | Personal integrity is paramount to us. We act honestly, fairly and openly

“Place our clients at the heart of everything we do”

A commitment that remains unchanged since our founding

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Strategies for Value Creation

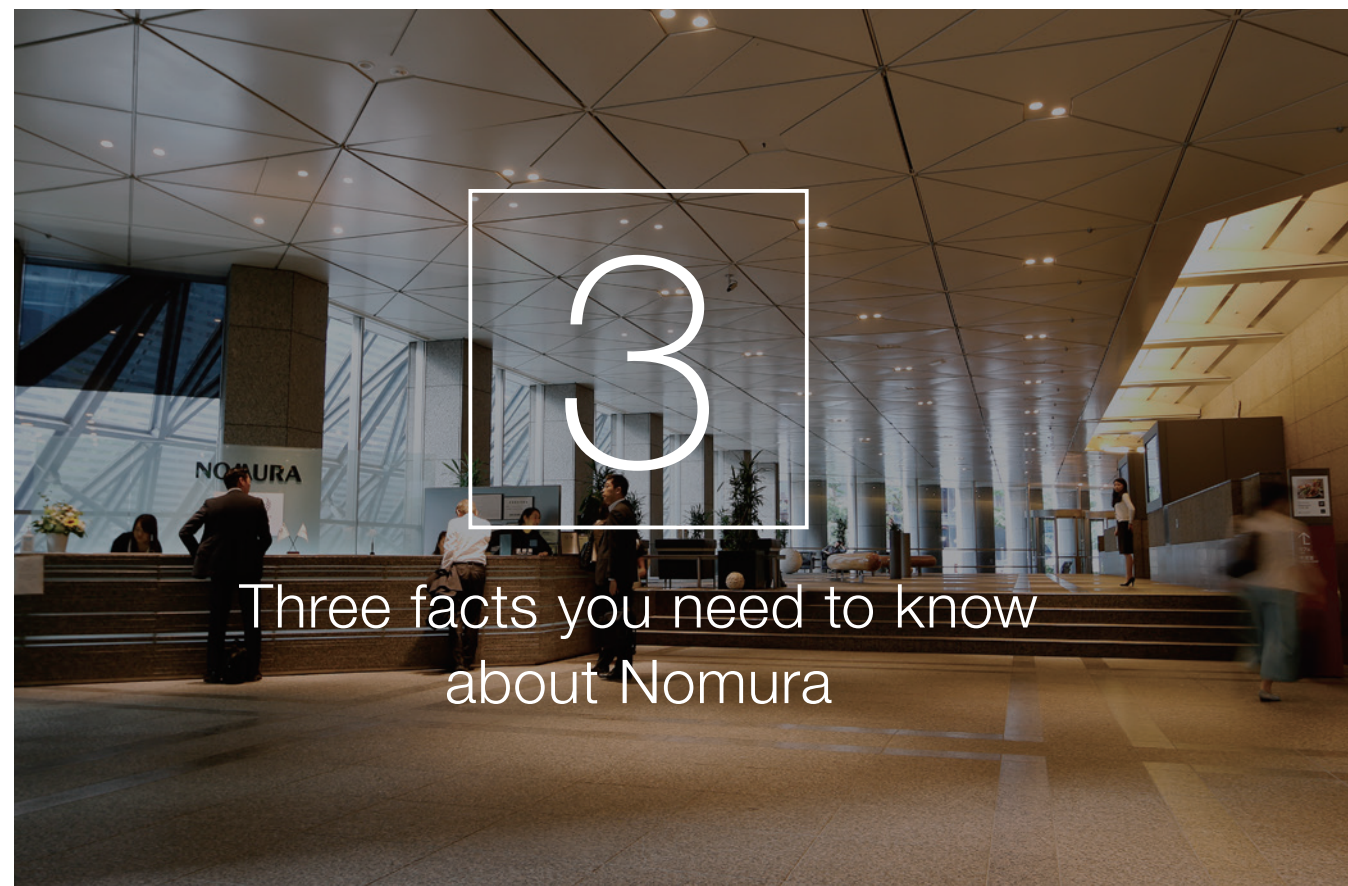
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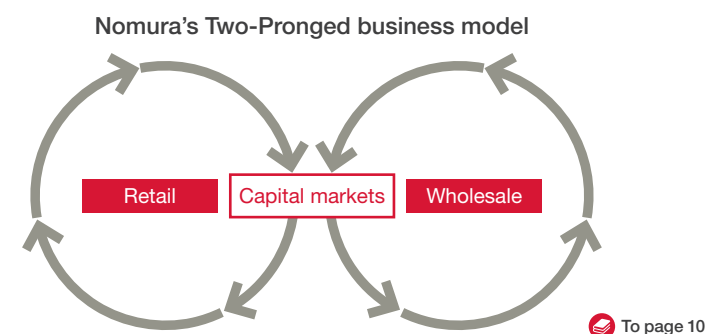
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Unique Two-Pronged business model

Nomura's strength is driven by our Two-Pronged business model which is based on our Retail and Wholesale businesses. Nomura has a long-established and distinctive Retail Division in Japan. Adding on to this strength, we have our Wholesale Division, which leverages our status as an independent securities company. The collaboration of these two divisions has made our Two-Pronged business model successful. We earn high praise from our corporate clients who issue securities, on our ability to make compelling proposals to the clients as well as our extensive distribution capabilities. We have been able to forge close business partnerships with roughly 60



percent of listed companies in Japan. Retail clients also recognize our sales consulting expertise and our ability to offer a diverse range of products deriving from our underwriting activity. Leveraging these strengths, our

Retail Division recorded client assets of ¥118 trillion at the end of March 2018. Also, we maintained our leading position at the top of both Japan ECM and Japan M&A League Tables (Thomson Reuters April 2017 to March 2018).

One of Nomura's distinctive characteristics is that we are a financial services group that operates globally, but is based in Asia, with Japan being its "Mother Market." We believe that in the future, we will be able to export our successful Two-Pronged Retail-Wholesale business model towards the rest of Asia. Currently, we run wealth management businesses mainly in Hong Kong and Singapore, and operate Retail businesses in Thailand and Philippines. At the same time, in our Wholesale business in EMEA and Americas, we are focused towards areas where we have strength.

Particularly in the U.S., we continue to hire talents with high levels of expertise, broad experience and relations in specific business sectors to enhance our global capabilities. We believe that business opportunities between Asia and EMEA/Americas

are likely to increase over time. In an effort to win these cross border transactions, we will continue to offer to our clients a broad range of products and solutions, including M&A advisory services and client financing & solutions.



2 Connecting Markets East & West

3 Workforce diversity

Human resources are essential to achieving sustainable growth. Currently, approximately 28,000 employees work within the Nomura Group across more than 30 countries, representing about 90 nationalities around the world. In order to provide a broad range of products to address our client's broad investment needs, it's important that we maintain a diverse talent pool across nationalities, ages and genders continues to create new values by using their various backgrounds. With the belief that each and every one of our employees should thrive and contribute in the workplace, we have launched the "Nomura Work

Style Innovation" initiative, which comprises of a "Work Style Reform" program and "Health and Productivity Management" practices. In addition, we are pursuing an initiative to help female employees' career-building and work-life balance to establish a work environment in which they can thrive. In 2016, we adopted a "Nomura's Declaration on Diversity & Inclusion" based on our strong determination to develop a work environment where diverse employees can play an active part on a group-wide basis. In the following year, we adopted a "Nomura's Declaration to Support Employee Balance Work and Family Care" with the intent to build a work environment that enables employees who need to provide

nursing care for family members to continue to work with peace of mind.

Number of officers and employees working at business sites in over 30 countries around the world

28,048
(As of March 31, 2018)

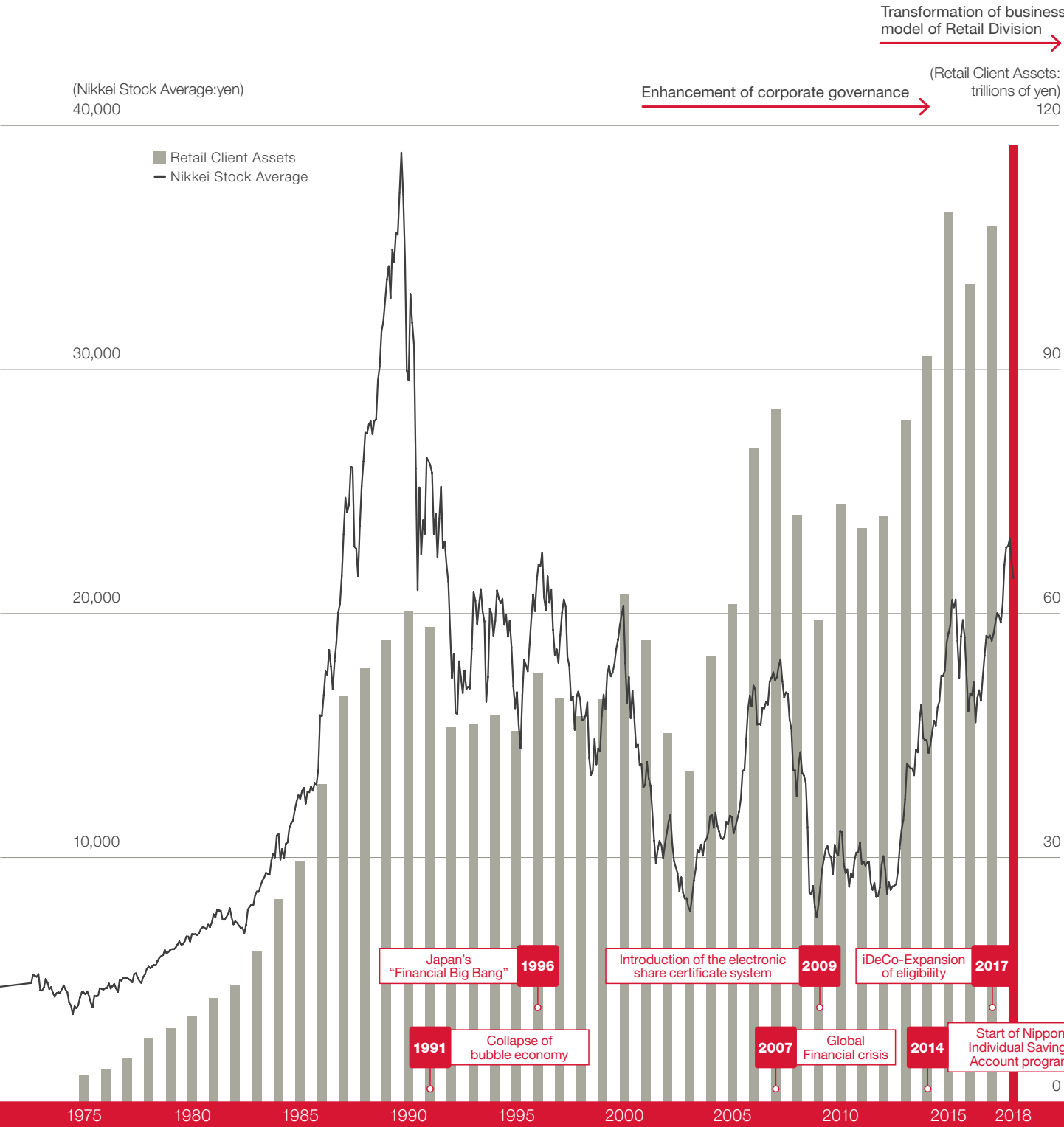
Nationalities of officers and employees of Nomura Group

Approx. 90 nationalities
(As of March 31, 2018)

Pursue long-term growth by responding to clients' needs and providing a wide range of financial services

Since its inception in 1925, the Nomura Group has continually expanded its product and service offerings, developed its global operations and reinforced its corporate governance systems. Our Founder set 10 principles that, even today, lie at the heart of Nomura's operations. Among these founding principles is a description of Nomura's raison d'être or mission to "enrich the nation through the securities business."

We will continue to contribute to economic growth and a more fulfilling society by delivering superior services and solutions to meet all of our clients' investment needs.



92 Years of contributing to the development of capital markets

- 1927** Operations centered on underwriting and sale of public and corporate bonds
- 1941** Sale of Japan's first investment trust products
- 1947** Public offering of 8 power stocks (currently electricity stocks)
- 1949** Issuance of Japan's first convertible bonds (I unit Takashimaya convertible bonds)
- 1961** First American Depositary Receipts issued by Japanese company (Sony Corporation)
- 1962** First overseas issuance of convertible bonds by a Japanese company (Shin Mitsubishi Heavy Industries [currently Mitsubishi Heavy Industries])
- 1968** Nippon Gakki (currently Yamaha) conducted public stock offering by issuing Japan's first shares at market value
- 1970** First issuance of samurai bonds by overseas entity (Asian Development Bank)

- 1972** Deregulation of foreign investment trust sales in Japan
- 1980** Development and commencement of sales of the Medium-Term Japanese Government Bond Fund
- 1987** Nippon Telegraph and Telephone (NTT) listed on stock market
- Early 1990s** Adoption of Open Architecture: offering products managed by a wide range of asset managers

- 1994** Global offering conducted by Japan Telecom
- Japan Tobacco listed on stock market
- 2003** Commence of government bond issuance targeting individual investors by Ministry of Finance
- 2015** Japan Post Group 3 companies listed on stock market

History of the Nomura Group

- 1925** The Securities Department of Osaka Nomura Bank split off into a separate company, Nomura Securities
- 1927** Opened representative office in New York
- 1959** Founded Nomura Securities Investment Trust
- 1961** Nomura Securities listed its shares on the Tokyo Stock Exchange, Osaka Securities Exchange, and Nagoya Stock Exchange
- 1967** Established Nomura International (Hong Kong)
- 1969** Established Nomura Securities International, a U.S. subsidiary

- 1981** Established Nomura Investment Management
- Established Nomura International, a U.K. subsidiary
- 1991** Loss compensation issues
- Reform measure** Enforcement and expansion of the internal management framework
- 1993** Established The Nomura Trust and Banking
- 1997** Payoff issues
- Reform measures** Clarification of order distinction between proprietary trading and brokerage orders; establishment of the Compliance Hotline
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- 2001** Formed a holding company structure: Nomura Holdings listed its shares on the New York Stock Exchange
- 2008** Absorbed the personnel of Lehman Brothers Asia Pacific and its European and Middle Eastern divisions
- 2012** Insider trading issues regarding capital increase
- Reform measure** Review and enhancement of the compliance framework
- To page 71**
- 2015** Nomura Founding Principles and Corporate Ethics
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- 2016** Entered into a strategic alliance with American Century Investments

Nomura Group Value Creation Model

The Nomura Group's business is executed according to our philosophy of always "placing our clients at the heart of everything we do." We contribute to the economic growth and creation of a prosperous society by providing financial products, services, and solutions that are innovative and competitive, while also utilizing our high-quality management resources. We strive to raise our economic value by building a sustainable business foundation to support growth in any environment.

Value creation OUTCOME

Raising social value
Contribute to the resolution of social issues

II

Realize the founder's mission to "enrich the nation through the securities business"

Enhance human capital, intellectual capital and social capital by improving financial literacy and supporting innovation

Raising economic value

Create an operating platform capable of delivering consistent growth in any environment

FY2019/20 management target
EPS of ¥100
(FY2017/18: ¥61.88)

Invest in areas of growth
Provide appropriate shareholder returns

NOMURA

Social issues

Japan

Aging population with a low birthrate, limits to social security system
Necessity of shift from savings to asset building
Evolution of corporate governance

Global

Prepare for potential geopolitical risks
Supply risk assets to growth industries and countries
Pursue opportunities for corporate growth
Promote innovation

Management resources

INPUT

Human capital

Intellectual capital

Social capital

Physical capital

Financial capital

Our businesses

Retail Division

Provide products and services to individual and corporate clients through our branches throughout Japan

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Asset Management Division

Providing asset management services globally

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Wholesale Division

Global Markets

Provide a variety of financial services, including trading, sales and structuring to our institutional investors and corporate clients

Investment Banking

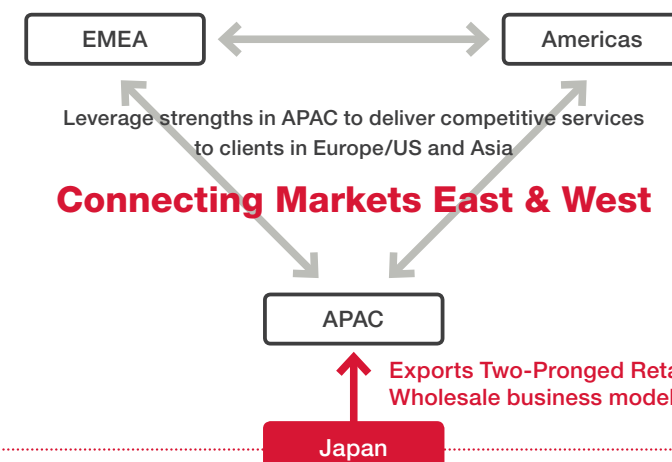
Support our clients by underwriting bonds and stocks and providing M&A and other advisory services

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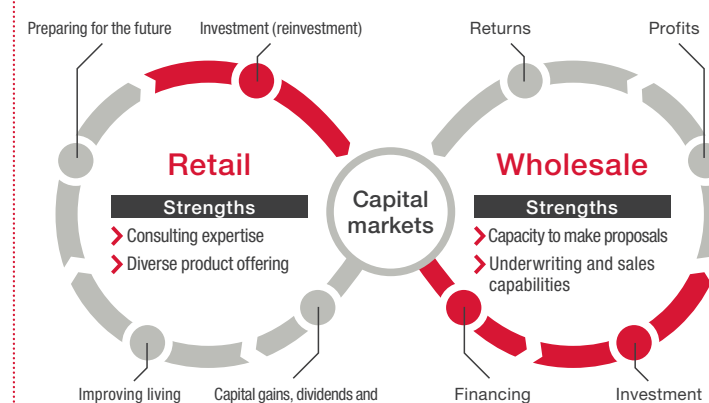
Merchant Banking Division

Primarily offers equity to clients as a solution for business reorganizations and revitalizations, business succession and management buyouts since January 2018.

Our strengths and strategy



Two-Pronged Retail-Wholesale business model



Nomura's presence

Number of branches (As of June 30, 2018)	Retail client assets	Assets under management	Percentage of Japanese listed companies that name Nomura as lead / deputy underwriter
156	¥117.7 trillion	¥50.0 trillion	Approx. 60%

Help tackle social issues

Reinvestment

Commitment to contributing to the creation of an affluent society since our founding

Since its founding, Nomura Group has contributed to economic growth and creation of social value by supporting the development of capital markets and promoting the circulation of risk money.

In recent years, against the backdrop of expanding environmental, social and governance (ESG) investment, financial institutions have been required to consider the environment and society even more than before.

We believe that our provision of financial services that aim to realize a sustainable environment and society will lead us to grow and at the same time achieve Sustainable Development Goals (SDGs), common targets for 2030 in the global community. Nomura Group formulated a management vision (“Vision C&C”) in 2014 and has been striving to create a solid operating platform that can deliver consistent growth in any market environment.

In addition, as we aim to help solve social issues more broadly, we have identified ESG materiality (priority issues) by analyzing issues for our stakeholders and the Group, and prioritizing them by importance.

Looking to 2020 and beyond, we are committed to sustainable growth and to the building of a sustainable society.

Since its founding, Nomura Group has been committed to contributing to the development of society at all times. We believe CSR is an essential part of Nomura Group’s commitment to implementing our Founder’s Principles—principles that have been passed down since Tokushichi Nomura founded the company.

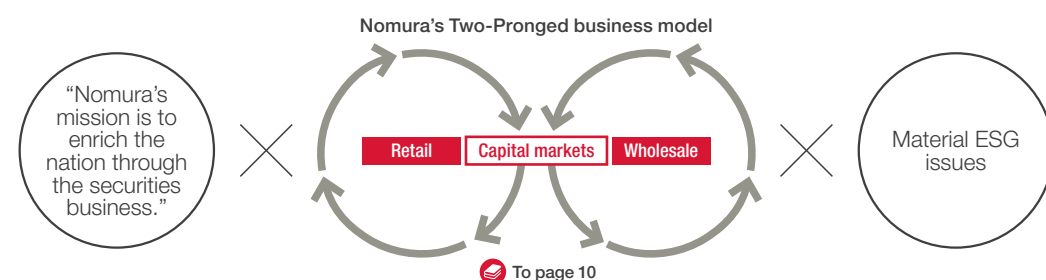
Our Founder’s Principles are the cornerstone of our business activities

- 1. Nomura’s raison d’être**
“Nomura’s mission is to enrich the nation through the securities business. This is something we must absolutely see through.”
- 2. Principle of putting the customer first**
“We must place our customers’ interests before our own.”
- 3. Global ambition**
“Nomura is destined to become an active player on the international stage.”
- 4. Emphasis on rigorous research and analysis**
“We have a duty to research scientifically the intrinsic nature of all securities.”
- 5. Staying one step ahead**
“Always strive to stay one step ahead. Standing still is retrogressive.”
- 6. Entrepreneurial spirit**
“If, as an entrepreneur, you can determine something to a 70% certitude, you must have the courage to take up the challenge even though some uncertainty remains.”
- 7. Human resources**
“Nomura underscores the fact that the development of human resources, acquisition of talented personnel and ability to match the right talent with the most appropriate position are more formidable assets than sheer capital strength.”
- 8. Emphasis on team work**
“It is the management’s task to see that Nomura employees take responsibility and pride in their work and to form a unified team under the control of branch office managers.”
- 9. Business development frame of mind**
“We must have the courage to boldly follow the path of our convictions.”
- 10. Customer service mindset**
“If you conduct your work in a mechanical manner, believing simply that your role is over once the deal is done, there is no use in drawing on the strengths of those around you.”



Tokushichi Nomura
Founder

Founder’s Principles Strategies Contributing to social issues



Nomura Group’s Management Vision

In August 2014, we announced Vision C&C, our management vision towards FY2019/20, with the aim of creating an operating platform capable of delivering consistent growth in any market environment. Based on the two main strategic themes of “business model transformation in Japan” and “improvement in the profitability of our international businesses,” we are steadily progressing toward establishing a business capable of generating an EPS of ¥100. Moreover, we will continue to launch initiatives to achieve long-term growth beyond 2020.

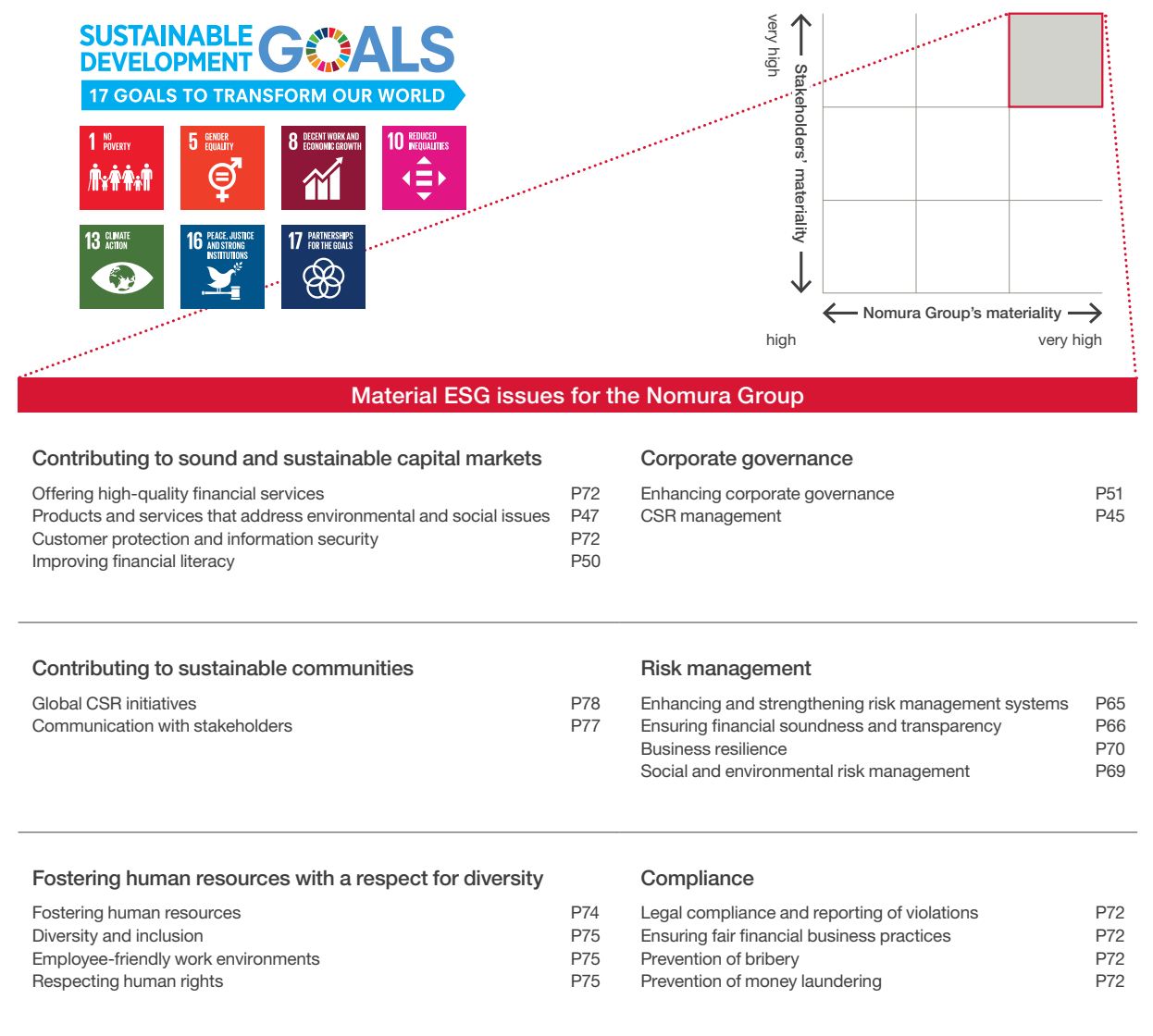
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Nomura Group’s Material ESG Issues

We have assessed “the materiality to stakeholders” and “the materiality to Nomura Group” of environmental and social issues, and we have identified the material issues that are of high importance to both stakeholders and the Group.

Initiatives on these ESG issues also contribute to achieving SDGs. For Nomura Group, SDGs encourage us to continue and further enhance our unceasing activities since our foundation to “help to enrich society through our expertise in capital markets.” While we have a role to play in all 17 SDGs, the most relevant goals have been identified as follows.

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Creating a better tomorrow as a trusted partner to our clients

Koji Nagai
Group CEO

Driven by the happiness and appreciation of our clients

I started my career at Takamatsu Branch, where I was working in the Retail business with individual investors. I was a new university graduate in an unfamiliar environment. On my way to visit a client one day, I got caught in a sudden downpour. I managed to find shelter and made my way to the client's house after the rain eased up. I was soaking wet and muddy. As I hesitated to enter the house, my client handed me a towel and invited me in with a warm smile. She thanked me for coming despite the heavy rain and, at the end of my visit, she bought some products and thanked me for the proposals I had made. Since then I spent my time making a wide range of proposals to wealthy individuals and the management of mid-sized companies in the local community. I learned first-hand that individual risk money is the main source of the investment chain. These early years are the driving force behind everything I do today.

Two-Pronged business model

After working exclusively in Retail, I was transferred to

Wholesale at age 40. Retail and Wholesale are completely different businesses, so at the time, I felt as if I had been transferred to another company. However, I came to realize from my experience in both Retail and Wholesale that there is a unique connection between the two businesses at Nomura. In the financial services industry, wholesale businesses such as underwriting are generally considered upstream and retail operations such as sales are downstream. But at Nomura, we employ a holistic approach. This is because the principle that the investment chain starts with individual risk money is deeply ingrained in our culture. Issuers are well aware of our distribution capabilities and we have been able to forge close business partnerships with roughly 60% of listed companies in Japan, as well as government organizations worldwide, and global financial institutions. Corporate clients highly rate our ability to make compelling proposals as well as our extensive distribution capabilities. Retail clients recognize our consulting expertise and diverse product offering. This is why they choose Nomura. It is also why our Retail and Wholesale businesses have never been separated and operate in unison.

Asia as our home market

In our home market of Japan, we have established a robust platform underpinned by our successful Retail-Wholesale Two-Pronged business model. We believe that this business model can be exported to Asia. Asia has a growing economy and is expected to account for 52% of the world's GDP in 2050. However, Asia is a diverse region where each country is at a different stage of population growth and economic development. To establish a viable Retail business in any country, there needs to be a middle class and per-capita GDP of US\$15,000 to US\$20,000. We believe that Asian countries will enter this zone. We have an advantage in this region and we believe there will be ample opportunities to further grow our business. To successfully export our Two-Pronged business model to Asia, we will have to make some changes. Other Asian countries are far ahead of Japan in terms of digital transformation and the fusion between the Internet and the real world. As such, we will have to pursue business opportunities while strategically leveraging our digital platform and consulting services for mass affluent individuals. Capital Nomura Securities, which was established in

Thailand in 1970, is already applying our two-pronged model to its businesses. BDO Nomura Securities, an online securities company that we established in 2016 with BDO (Banco de Oro) Unibank, the largest commercial bank in the Philippines, has gained 130,000 accounts in a period of a little less than two years (as of June 2018). BDO Nomura Securities is now the second largest online securities house in the Philippines in terms of the number of securities accounts. In May 2018, we applied to the China Securities Regulatory Commission for a license to establish a joint-venture securities company to serve wealthy individuals in China. I firmly believe that having a two-pronged model that connects Asia including Japan to Europe and the Americas will give us a competitive edge that sets us apart from our peers. That is the essence of Connecting Markets East & West.

Structural changes transforming business

There are three major structural changes currently taking place. The first change concerns the possibility that we are in a G-Zero era in which no country is willing to assume the responsibilities of global leadership.

Added to this is growing populism where countries are looking out for their own interests. These trends undermine international security and economic transactions, and the arising frictions lead to geopolitical risks that cast a dark shadow over financial markets. The second change is Japan's aging population, and rapidly declining birthrate. People 75 years old and older comprised about 25% of Japan's total population in 2015. In 2030, they are expected to account for about 30% of the population and maximum 46% of financial assets held by individuals in Japan. We are unable to provide adequate services to these elderly clients due to compliance reasons. With more people expected to live to a hundred, we expect this client segment to grow further. Meanwhile, with the aging society and falling birthrate, the working-age population has lost confidence in the public pension system and feels they must secure their own post-retirement funds. The third change is the rapid advances in digital innovation. I find this change the most worrying. The dilemma of innovation is that the champion stands to lose the most when the rules of the game change. In the securities business in Japan, Nomura is that top player with the most at stake. Rather than waiting for

the rules to change, we have to get ahead of the game and change it ourselves. We have to become the game changer.

Aiming for sustainable growth

In August 2014, we announced our long-term management vision for 2020. This calls for us to create a robust operating platform capable of delivering consistent growth under any conditions. We set earnings per share (EPS) of ¥100 as one of our key goals for 2020. In order to realize our vision, we are working to address two issues: transforming our Retail business model and improving the profitability of our international operations. Market conditions affect our business performance, and we have to be prepared for shifts in the financial market due to geopolitical risks. In Retail, our focus is on increasing recurring revenue, and in Asset Management we are working to expand our product offering and distribution channels. In Wholesale, we continue to reduce our focus on traditional secondary trading while continuing to provide financing and solutions that meet our clients' needs. Improving business efficiency is another important

goal. Within the next four years, we plan to reduce fixed costs by 60 billion yen through further digitalization and automation, and by driving efficiencies through centralized procurement and optimization of our global real estate footprint.

Looking 10 to 20 years ahead

As Group CEO, I must work hard to ensure that we achieve our 2020 management vision. I also have a responsibility to look beyond 2020 and create something that will have an impact over 10 to 20 years

to provide opportunities for young people to invest in stocks and investment trusts.

Our Asset Management business also invested in 8 Group in April 2018. Leveraging 8 Group's excellent mobile application development skills and Nomura's investment capabilities and extensive product offering, we intend to provide investment services to clients in the asset building segment.

Pursuing digital innovation

As long as we can swiftly create quality products and services for our clients, I am not concerned whether we pursue innovation on our own or through open innovation including tie-ups with other companies. In 2015, we established a FinTech Committee, and a Financial Innovation Office to help further enhance our businesses through innovation. I meet with people in the Financial Innovation Office once a month. Each month, they update me about new technologies and innovative ideas on all the technological changes taking place in the world. It is a very rewarding and productive meeting that I look

forward to every month. Through our Voyager accelerator program in Powai, India, in addition to our initiatives in Japan, we have received innovative proposals from startups around the world, including Silicon Valley. In April 2017, we established a dedicated innovation subsidiary N-Village in the heart of Tokyo, where there is a large concentration of digital start-ups. N-Village is charged with new business development and investing in startups. While we do not have any plans at present to offer virtual currencies, we are researching B2B digital asset custody that uses blockchain technology. I am personally committing to pursue these initiatives to ensure that we can leverage digital innovation in our business.

Contributing to society through our core business

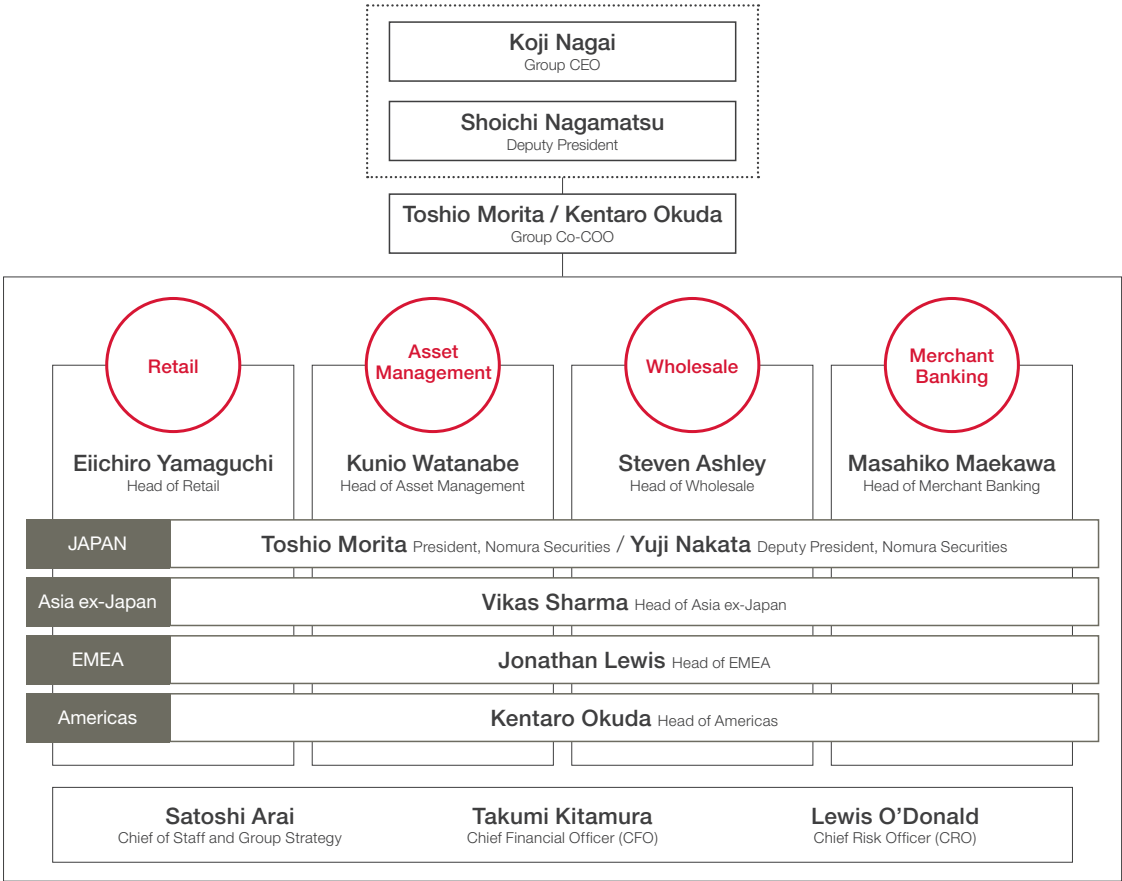
In January 2018, we announced our corporate slogan, Delivering a better tomorrow, which captures the essence of the Nomura Group Corporate Philosophy. While I feel that Our Founder's Principles must evolve over time, our commitment to enriching the nation through the securities business and placing clients at



in the future. To address the rapidly aging Japanese society, we have assigned specialists called Heartful Partners to Retail branches throughout the country to help elderly clients. We are also conducting a joint research project with Keio University on financial gerontology, and are using the results of our research to provide advice to older clients on how to manage their assets. Developing strategies to work with the next generation is also critical. Most people open a bank account when they enter university or start working, but few people open a securities account. Even with the largest number of securities accounts in Japan, we still only have about 5,300,000 accounts, and only 3% of Japanese people in their thirties and forties own a securities account.

To address this, we entered into a business partnership with LINE Corporation. As of March 2018, LINE has 75 million monthly active users in Japan. This is equivalent to 60% of Japan's total population, and 74% of these users are asset-builders under 50 years of age. People all over Japan who have no relationship with Nomura can access our services through the LINE platform. We intend to leverage the LINE platform

Matrix management structure (After April 1, 2018)



the heart of everything we do is an indelible part of our DNA that must never change. Our dedication to contributing to society through the capital markets remains unchanged. The success of business depends on our responsibility to our clients, shareholders, our people and society, in other words the S in ESG (environment, social and governance). I believe that by bringing investors and companies together the securities business provides companies with the risk money needed for their business operations. And by helping investors manage their assets it contributes to the development of the economy and society.

The United Nations' Sustainable Development Goals (SDGs) have been attracting considerable attention recently. Our long-term management vision, Vision C&C, aims to create a solid operating base to achieve sustainable growth by 2020. We believe that this will help contribute to SDG's aim to realize a thriving society. Investors are paying increasing attention to the ESG initiatives of companies. This year, we established a dedicated ESG Committee that I will head as Chairman to further promote our ESG activities.

Strong corporate governance

Corporate governance is one of our strengths. As a company with three committees, we have clearly separated the business execution function from the management oversight function. Delegating extensive authority to executive officers also enables speedy decision-making, and six out of our ten Board directors are Outside Directors, ensuring effective oversight of business execution.

At our monthly Board of Directors' meetings, our Outside Directors ask challenging questions and express various opinions, which I feel add to the quality of our corporate governance system. I believe that a system in which Outside Directors can freely express any concerns or opinions they have is critical to effective corporate governance.

While we value the opinions of Outside Directors, management decisions are not based solely on their opinions. As Group CEO, I am ultimately responsible for all management decisions. I therefore make the final decision on all matters after carefully considering the different views. I make my decisions fully aware that Outside Directors comprise a majority of the Board of Directors, and the Board has the authority to appoint, or dismiss, executive officers, including the Group CEO.

Learning from our past mistakes

Never forgetting our past mistakes is critical to achieving consistent growth. In 2015, we established

August 3 as Nomura Founding Principles and Corporate Ethics Day. August 3 is the day in 2012 when we received a business improvement order. On this day each year, all employees watch a video and reflect on all our past mistakes: the 1991 loss compensation incident, the corporate racketeer incident in 1997 and the insider trading incident in 2012. I have visited more than 150 retail branches since becoming Group CEO and spoken to many young employees who did not know about these incidents. I felt it was important not to forget our past mistakes with the passage of time.

I still sometimes meet young employees who know nothing about the incident in 2012. This is why we must continue this initiative. Our employees overseas are especially amazed that we continue talking about these incidents. But I feel that we must never forget our past actions.

Developing future leaders

Training and developing the next generation of managers is a key component in ensuring sustainable growth. We have a unique business model. Our headquarters is in Japan and we engage in Retail, Asset Management, Wholesale and Merchant Banking businesses, and we also have extensive global operations.

It is difficult to find an individual who has experience in all areas of our business, and who can handle the overall management of the company. A company is a public entity and, as such, leaders must prioritize the running of the company over personal interests. For this reason, the next generation of leaders must make contributing to the firm and society their top priority, with the support of a capable team.

It is difficult to develop talent through instruction alone. Employees must learn through their own experiences over time. For example, we promote top performing employees in their mid-thirties to manager, and send future management candidates overseas to help them develop a global perspective. Transferring employees to different departments is one way to foster people development. Nomura has many capable people and I look forward to their growth in the future.

Enhancing shareholder returns

As top management, I have been closely watching our share price and I am not at all satisfied with the current level. While we have no control over the share price itself, I recognize that our medium to long-term performance and valuation can greatly impact it. To enhance performance over the medium to long term, we must build a strong operating platform that ensures consistent growth in any market environment. This is



why I, as Group CEO, have made raising our EPS a key management goal and have worked to increase our EPS to double digits.

In Retail, our goal is to increase client assets to ¥150 trillion by 2020. We have so far increased client assets from approximately ¥70 trillion in 2012 to ¥120 trillion. Asset Management aims to grow assets under management to ¥55 trillion, over ¥50 trillion of which was achieved in the most recent quarter. In Wholesale, we are working to improve profitability to increase our fee pool market share to 3.4%. Wholesale has also significantly reduced costs by reviewing its business portfolio.

In 2009, we implemented two capital increases which significantly increased the number of outstanding shares and diluted the value of our shares. Through proactive share buybacks since 2014, and by setting cancelation policy of our own shares in excess of 5%

of outstanding shares in November 2017, we continue to reduce the number of outstanding shares.

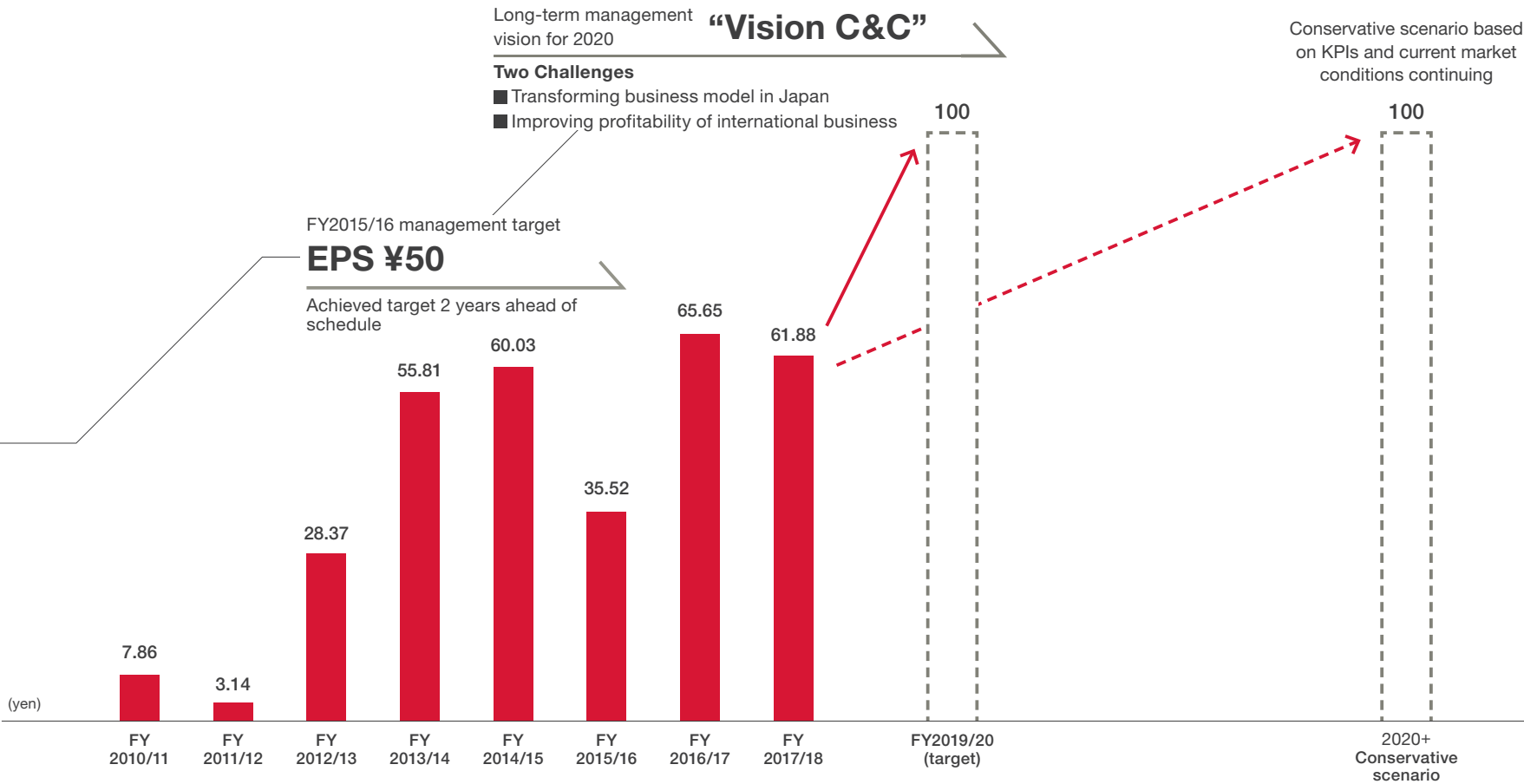
However, Nomura must maintain a robust financial position that allows it to meet regulatory requirements and conduct our businesses globally. At the same time, we need to strike a balance between retained earnings and shareholder returns.

We have much more work to do. We are focused on implementing our strategy to build an operating platform that allows us to consistently deliver EPS of ¥100, the level before the capital increases, in order to reward our shareholders who have patiently supported.

We seek to deliver a better tomorrow as a trusted partner to our clients, embodying the values of entrepreneurial leadership, teamwork and integrity, in order to fulfill our mission of enriching society.

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Management target (EPS*1) and its progress



“Vision C&C”

The business environment surrounding Nomura is expected to change even more dramatically than in the past and we see this as the perfect “chance” to take decisive action and “change” the way we operate. We expressed this as “Vision C&C,” where “C&C” represents a chance to change. The letter “C” also demonstrates our willingness to always take on new “challenges” and put our “clients first.” Under this overriding vision, we will focus on achieving our 2020 management targets.

Beyond 2020 “Post Vision C&C”

Business alliance with LINE Corporation

Offer investment services utilizing 8 Group’s mobile app development capabilities

Launch of Merchant Banking Business

Full-scale entry into the Chinese market

Implementation of Innovation

In May 2018, Nomura, LINE Corporation and LINE Financial Corporation signed a joint venture agreement to establish LINE Securities Corporation. Through LINE Securities Corporation platform, we will offer online securities brokerage services, securities investment consultation and other related services, which targets the asset-building generation.

In April 2018, we invested a total of approximately ¥2.7 billion to 8 Group, which excels in mobile app development. Using iOS and Android mobile apps, we plan to offer discretionary robo-advisory services investing in ETFs and the Funds-i index fund series managed by Nomura Asset Management Co., Ltd.

In January 2018, we established the Merchant Banking Division. With an initial investment of up to approximately ¥100 billion, we will provide solutions to clients who face increasingly diversified and complex issues, primarily using equity capital in projects involving business reorganizations and revitalizations, business succession as well as management buyouts.

In May 2018, we applied to establish a joint venture securities firm with the China Securities Regulatory Commission. The new company will be initially focus on providing wealth management services to mass affluent individuals in China by leveraging Nomura’s experience and knowledge in this area. It will then develop its product distribution channels and expand into Wholesale and other business segments.

In order to provide more value to our clients and to pursue new business opportunities, we will continue to focus more on innovation, including the use of technologies.

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Key performance indicators (KPIs)*2 to achieve FY2019/20 management target

2020 management target

EPS ¥100
(EPS ¥61.88)

Three segments income before income taxes

¥450-470 billion
(¥269.9 billion)

() is for FY2017/18, or as of March 2018

Retail

¥195-205 billion
(¥103.1 billion)

Asset Management

¥50-55 billion
(¥66.2 billion)

Wholesale

¥200-220 billion
(¥100.6 billion)

Retail client assets

¥150 trillion (¥117.7 trillion)

Recurring revenue cost coverage ratio

around 50% (28%)

Assets under Management

¥55 trillion
(¥50.0 trillion)

Fee pool market share

3.4%
(3.1%)

Our Retail Division continues to transform its business model in order to strengthen the business by enhancing trust of our clients and improving their satisfaction, and to become a financial institution to which people turn to. KPIs we target as we head towards FY2019/20 are client assets of ¥150 trillion and a recurring revenue cost coverage ratio of approximately 50%. We are striving to build an earnings structure that is resilient to changes in market conditions.

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The asset management industry is expected to see sustainable expansion. Meanwhile, we anticipate that competition involving those participating from other sectors outside the industry will intensify against a backdrop of changing client investment management needs and technological innovation with progress of digital innovation. In this environment, Asset Management Division is working to broaden our client base and extend investment products through continuous enhancement of our investment expertise, utilization of technologies and customer-oriented business conduct, aiming to achieve our target KPIs.

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In Wholesale Division, our initiatives focus on strengthening our business foundation in order to deliver sustainable performance under any market environment. To achieve our target KPIs, we will expand the Client Financing & Solutions offerings, strengthen our business in the Americas, and target cross border transactions.

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*1 Basic net income attributable to Nomura Holdings shareholders per share (EPS)
*2 FY2019/20 market assumptions: Nikkei 225 at ¥25,000; USD/JPY rate at ¥115; Effective tax rate for Japanese corporations below 30%; Global fee pool annual growth rate of 1%



CFO's key focus areas

- Support Nomura Group's sustained growth from the financial aspects
- Maintain an appropriate financial base that enables compliance with regulations
- Provide appropriate shareholder returns

Provide the financial and capital support needed to execute management strategies and enhance corporate value

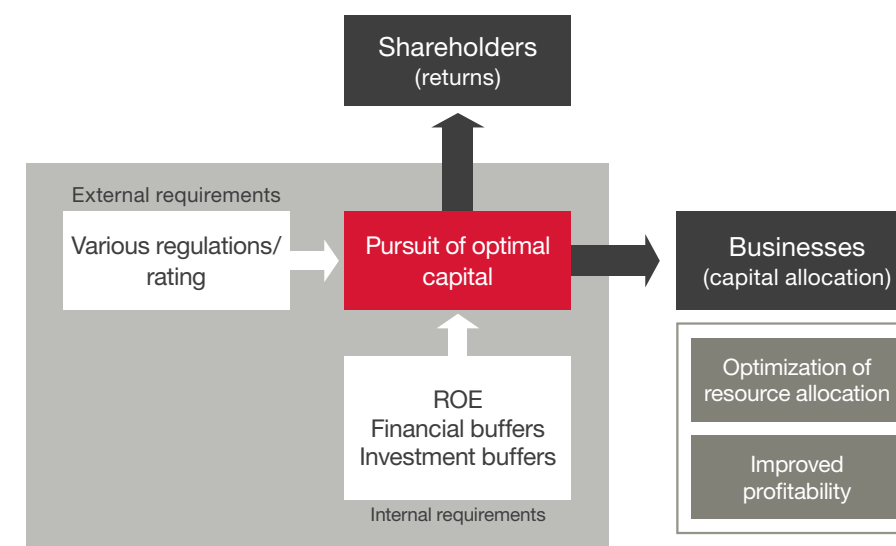
Takumi Kitamura
Chief Financial Officer

Nomura Group's financial/capital strategies (philosophy)

With the aim of building a sustainable business foundation to support growth in any environment, Nomura Group has been working to promote initiatives for achieving the KPI targets for the fiscal year ending

March 2020 and to make preparations with an eye to 2020 and thereafter. I believe that my role as the CFO is to support the execution of these management strategies from a financial and capital perspective. As a financial institution that operates globally, we are subject to regulations in various aspects including capital and liquidity. In addition, our financial base is required to be above certain standards to maintain an appropriate credit rating. In the meantime, we seek to secure an adequate level of capital by taking into account internal requirements such as what financial buffer we are to keep as an ongoing entity, what investment buffer we need for growth, and most important of all, how efficient we must be in using the capital entrusted to us. My mission is to maximize returns while efficiently using limited resources, and at the same time to enhance our corporate value through providing appropriate shareholder returns and maintaining dialogues with stakeholders including shareholders and investors.

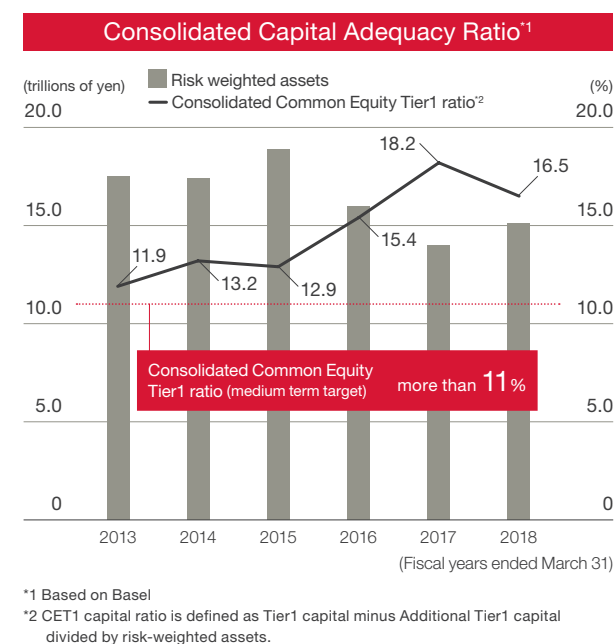
Decomposition of factors affecting financial/capital strategies



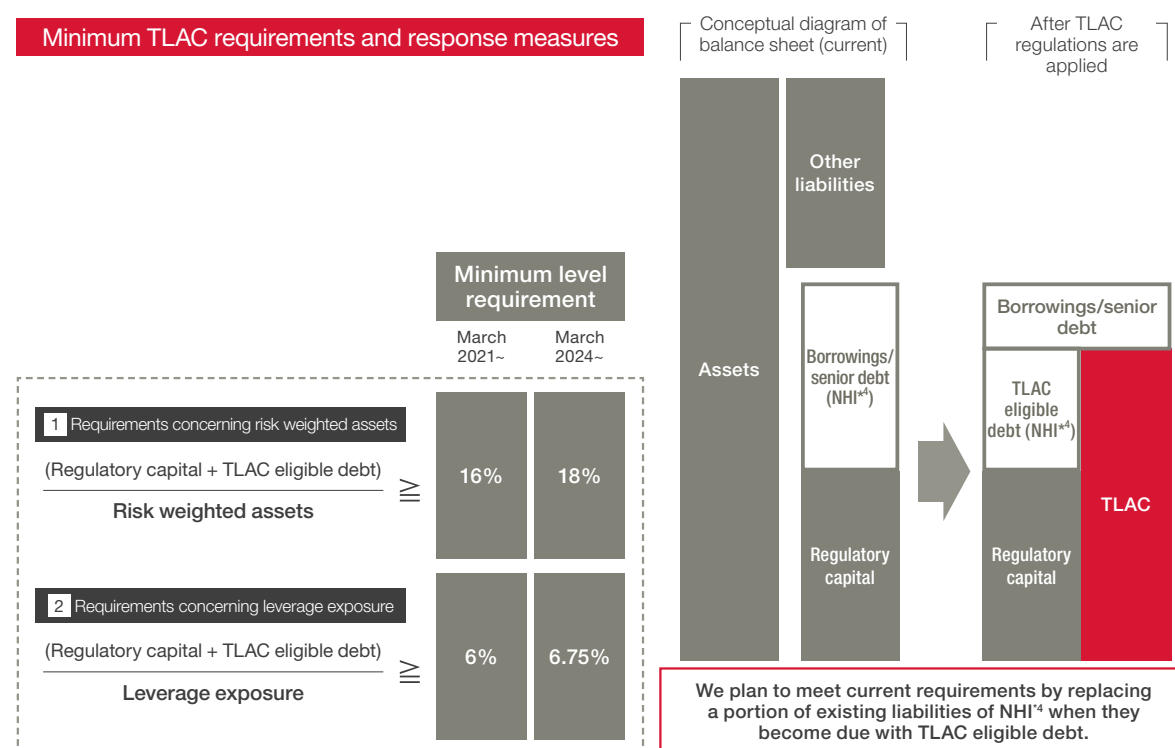
Response to various regulations

Among the various global financial regulations that Nomura Group is expected to comply with, the capital requirements imposed by the Basel Committee have a direct impact on how we operate our businesses. As we anticipate a minimum consolidated Common Equity Tier1 (hereinafter, "CET1") ratio requirement to be approximately 7.5% from 2019 and thereafter, we aim to maintain a CET1 ratio of 11% or higher, including financial and investment buffers, over the medium term. In 2022, a major revision will be made to the calculation of risk weighted assets, the denominator in the calculation of CET1 ratio. In particular, with the introduction of Fundamental Review of the Trading Book (FRTB) implementation process, the Basel standards for market risk, which is an aspect of risk weighted assets, will be raised significantly. However, as the details of the revised regulation have not been finalized, we are currently not able to precisely estimate the impact, and therefore we keep a certain buffer relating to our CET1 ratio. Considering that businesses are reducing the use of resources in light of the recent market conditions, the level of our CET1 ratio as of March 31, 2018 (16.5% on a fully loaded basis) is at a level where we have flexibility compared to our medium term target. In April 2018, the Financial Services Agency of Japan announced that in addition to G-SIBs*1 in Japan, namely the three mega banks, TLAC**2 requirements will start to apply to Nomura from March 31, 2021. We are required

to increase TLAC eligible debt**3. However, we have sufficient time before March 2021 and the regulations will take effect in a phased manner. Accordingly, we expect to be able to satisfy the current requirements by replacing a portion of existing liabilities when they become due with TLAC-eligible instruments.



Minimum TLAC requirements and response measures

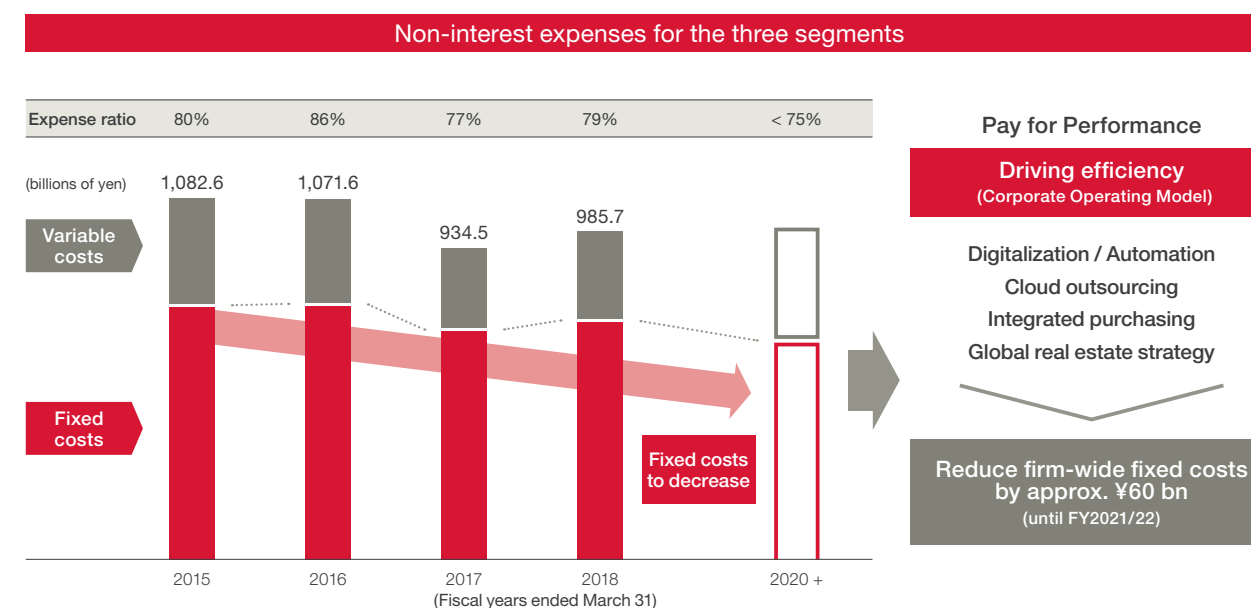


*1 Global systemically important banks designated by the Financial Services Agency of Japan based on the list published by the Financial Stability Board
*2 Abbreviation for Total Loss-Absorbing Capacity. It is a Total Loss-Absorbing Capacity aimed to promote financial stability
*3 Liabilities, etc. that satisfy requirements for loss absorbing capacity as defined by the Financial Services Agency of Japan
*4 Nomura Holdings, Inc.

Optimization of resource allocation and improved profitability

We allocate risk weighted assets, economic capital, unsecured funds, leverage exposure and other resources to businesses, regularly monitor profitability relative to the amount of resources, and periodically review the resource allocation while engaging in dialogues with businesses. In addition, we make strategic decisions on our business portfolio as a whole by considering not only profitability, but other factors such as allocation of resources to gain diversification benefits during times of stress. When we invest in our future growth, we assess the effectiveness of these investments by analyzing whether the investment can complement our existing business and whether synergies are expected. We allocate capital to investments that are expected to consistently exceed capital cost.

To enhance profitability, cost control is also an important factor. In 2016, we undertook a strategic review of the Wholesale business in EMEA and the Americas, and fundamentally revamped the portfolio, including a partial exit from low-profit businesses. As a result of these sustained initiatives, the expense ratio (for the three segments) has been below 80% since the fiscal year ended March 31, 2017. At the overall group level, we are continuing to reduce costs, particularly fixed costs. By improving business process efficiency through the use of technologies, centrally controlling purchases, and reviewing real estate strategies on a global basis, we aim to reduce firm-wide fixed costs by approximately ¥60 billion over the next four years. We also plan to control variable costs to maintain expense ratio below 75% over a medium term compared to the current level of slightly lower than 80% (for the three segments) by continuing to emphasize the concept of "Pay for Performance."



Striking a balance between the pursuit of capital efficiency and shareholder returns

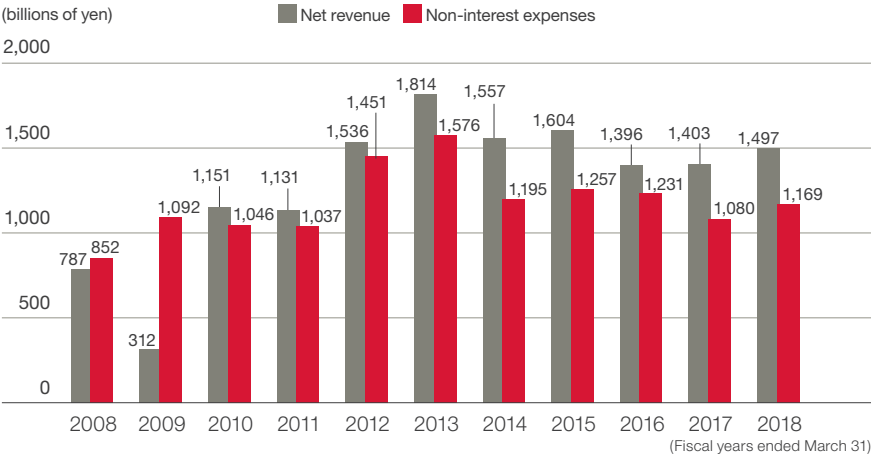
We strive to secure an ROE of 10% or more by conducting disciplined financial management while satisfying external and internal requirements, including responding to regulations, resource allocation to businesses, pursuing of capital efficiency, and maintaining financial and investment buffers. At the same time, we are strengthening shareholder returns. Since the fiscal year ended March 2014, in addition to dividend payments, we have aggressively engaged in share buyback programs. In April 2018, we set a new total return ratio target, which includes shareholder returns from share buybacks, at 50% or higher to further clarify our corporate stance on shareholder returns. We strive to maximize our corporate value by striking a balance between shareholder returns

and investment in growth to be made with internally generated growth capital.

Clarification of capital policy	
Nov. 2017	Establishment of a policy for the holding and retirement of treasury stock Upper limit of treasury stock holdings Target at around 5% of outstanding shares Retirement policy In principle, retire treasury stock held above upper limit
Apr. 2018	Establishment of total return ratio Total return ratio that includes shareholder returns from share buyback more than 50%

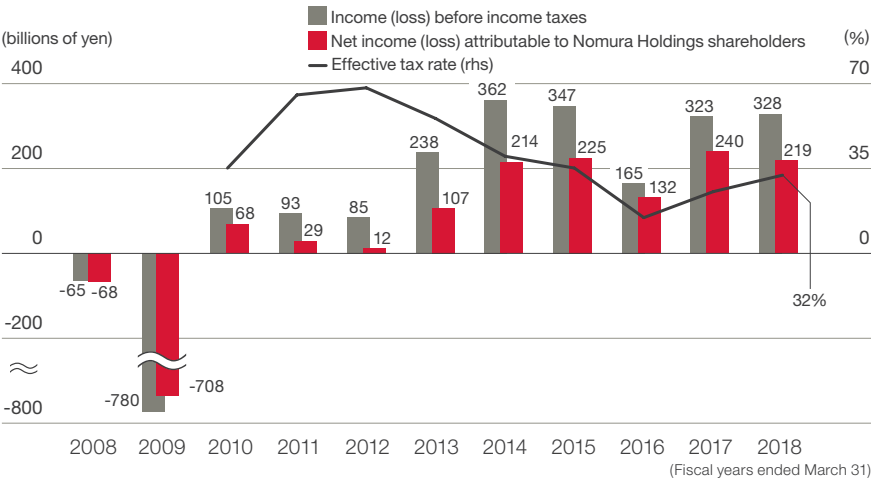
Net revenue, non-interest expenses

In the fiscal year ended March 31, 2018, we recorded an increase in net revenue, due to strong results by the Retail Division and Asset Management Division. An increase in the overall expenses was attributable in variable expenses such as “compensation and benefits” and “commissions and floor brokerage,” which resulted in an increase from growth of revenue and transaction volume, and provision of allowance for legacy transactions.



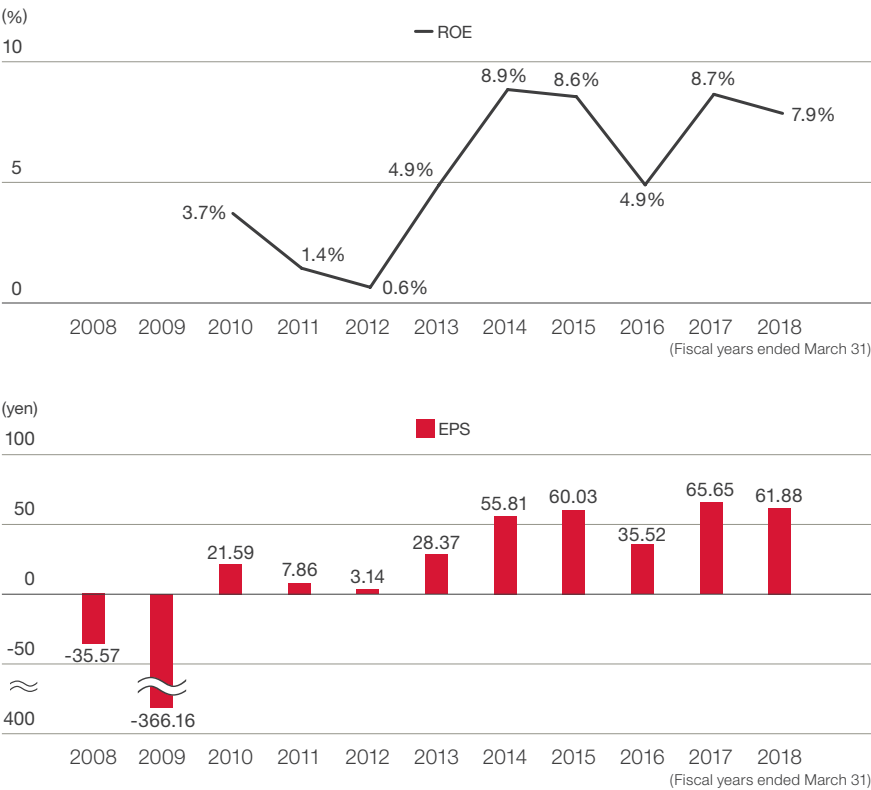
Income (loss) before income taxes, Net income (loss) attributable to Nomura Holdings shareholders, and effective tax rate

We recorded income before income taxes of ¥328.2 billion in fiscal year ended March 31, 2018, which increased slightly from the previous year. By region, business in Japan increased its income before income taxes, but overseas business recorded a ¥0.7 billion loss before income taxes due to a decline in fixed income revenue by a low-volatility in bond market, and provision of allowance for legacy transactions. As a result, the effective tax rate rose to 31.7% and net income attributable to Nomura Holdings shareholders decreased from the previous year.



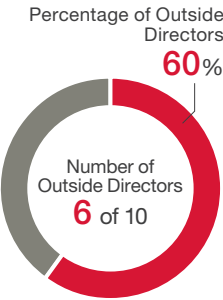
ROE and EPS (Diluted net income (loss) attributable to Nomura Holdings shareholders per share)

Our 2020 management vision is to create an organization capable of consistently delivering EPS of ¥100 under any market environment, which equates to approximately 10% in ROE. EPS decreased from the previous year to ¥61.88 in the fiscal year ended March 31, 2018. However, our long-term management vision remains unchanged. We will strive to work on the two strategic challenges of “transforming business model in Japan” and “improving profitability of international business.”

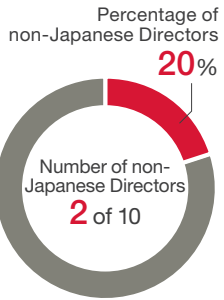


Members of the Board of Directors (June 30, 2018)

The Board of Directors comprises a majority of Outside Directors, which enables it to conduct highly transparent management while enabling oversight based on outside perspectives. The Nomination Committee has established the Independence Criteria for Outside Directors to ensure that Outside Directors are sufficiently independent from the Group.

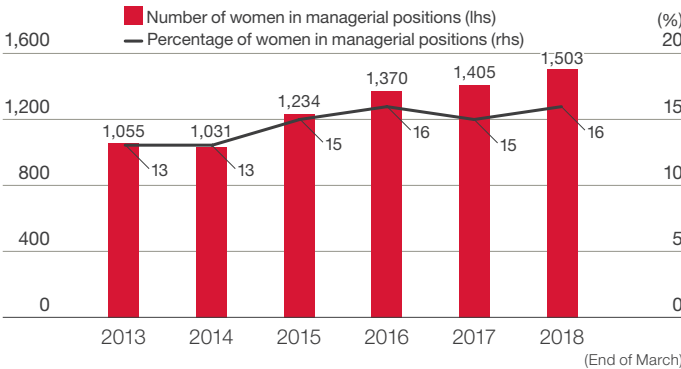


We place importance on the diversity of the Board of Directors in order to allow business execution to be supervised from various perspectives and to improve effectiveness. Directors of various nationalities, genders, and backgrounds utilize their extensive experience in a broad range of fields to make decisions on important management matters, and to provide management oversight.



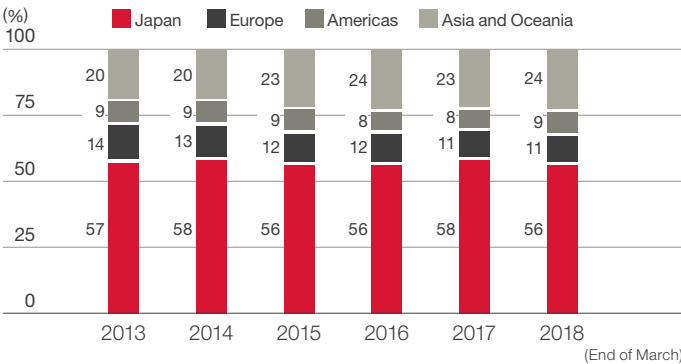
Women in managerial positions

We promote initiatives globally to support women in improving their careers, including training programs to help managerial candidates design their careers, a mentoring program for managers, a sponsorship program in which executive officers support management candidates, along with various other measures.



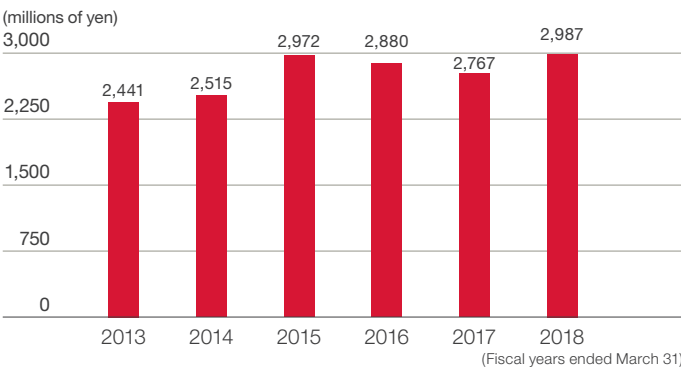
Ratio of employees by region

Nomura Group boasts a network consisting of business sites in more than 30 countries and regions staffed by employees of approximately 90 different nationalities. To offer clients a broad range of products to address diverse investment needs, it is important that personnel of different ages, genders and nationalities continue to create new value-added utilizing their unique backgrounds. These diverse personnel are our greatest asset.



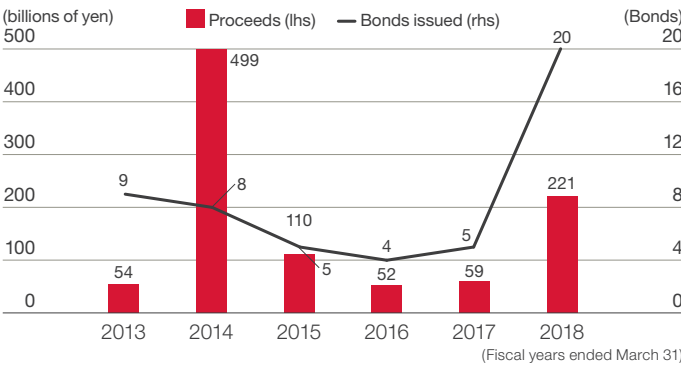
Education and training expenses

We are establishing and enhancing human resources development systems to enable employees with diverse backgrounds and values to better display their talents. In addition to offering equal employment, we provide appropriate, performance-based evaluations and feedback. Also, we help employees proactively build their careers by providing fulfilling educational and training programs for all personnel ranks.



Sustainability bonds

Nomura offers products that serve as a bridge between investors that seek to contribute to society through investment, and projects and financing needs aimed at resolving social and environmental issues. Nomura also promotes initiatives aimed at achieving Sustainable Development Goals (SDGs).

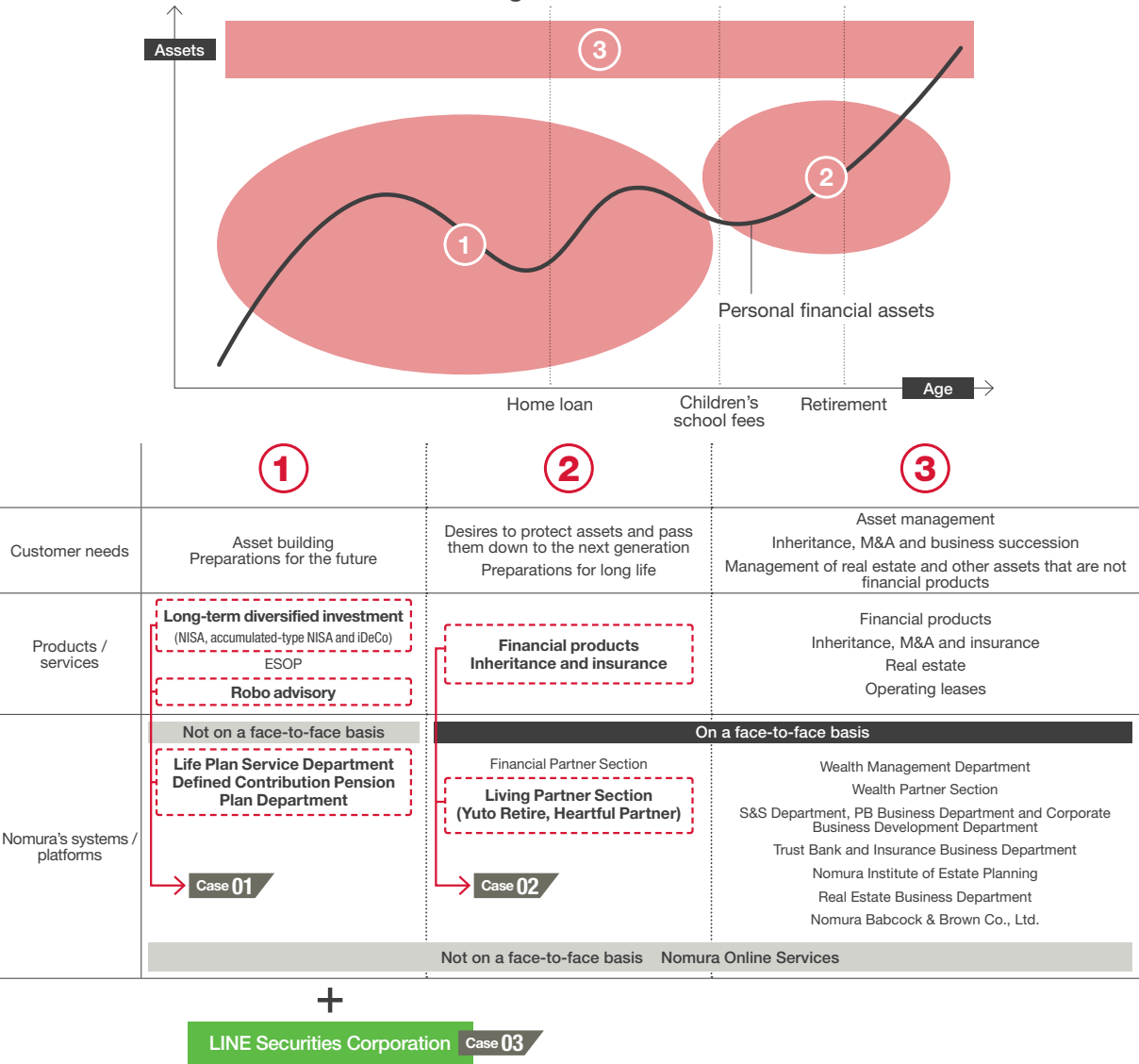


Expanding services tailored to clients' life stages

Nomura strives to be a trustworthy partner to its clients and to support each one in the present and future as 100 year lifespans are not uncommon.

The following figure shows how assets scale in step with various life stages by displaying asset size on the vertical axis and age across the horizontal axis. After employment, asset sizes increases toward retirement, notwithstanding expenditures for major life event along the way including a home purchase and school fees for children. The Retail Division is working to offer services and build a system that suit customer objectives at different life stages in order to help them build assets throughout their lifetime.

Provision of services and development of systems according to life stage and asset scale



Case 01 Offering services for people building their assets

NISA, accumulated-type NISA and iDeCo are programs for persuading people to build assets by means of long-term, diversified and accumulated-type investments. As needs of building assets are increasing, the Retail Division is working to increase the number of accounts. Meanwhile, Retail Division is strengthening services provided on a non-face-to-face basis to satisfy a broad range of customers, and integrated Nomura Home Trade and Nomura Net & Call services into Nomura Online Service in January 2018. Additionally, the Retail Division upgraded the Nomura Goal-Based robo advisory service to make it easier to use for asset building customers with little investment experiences.

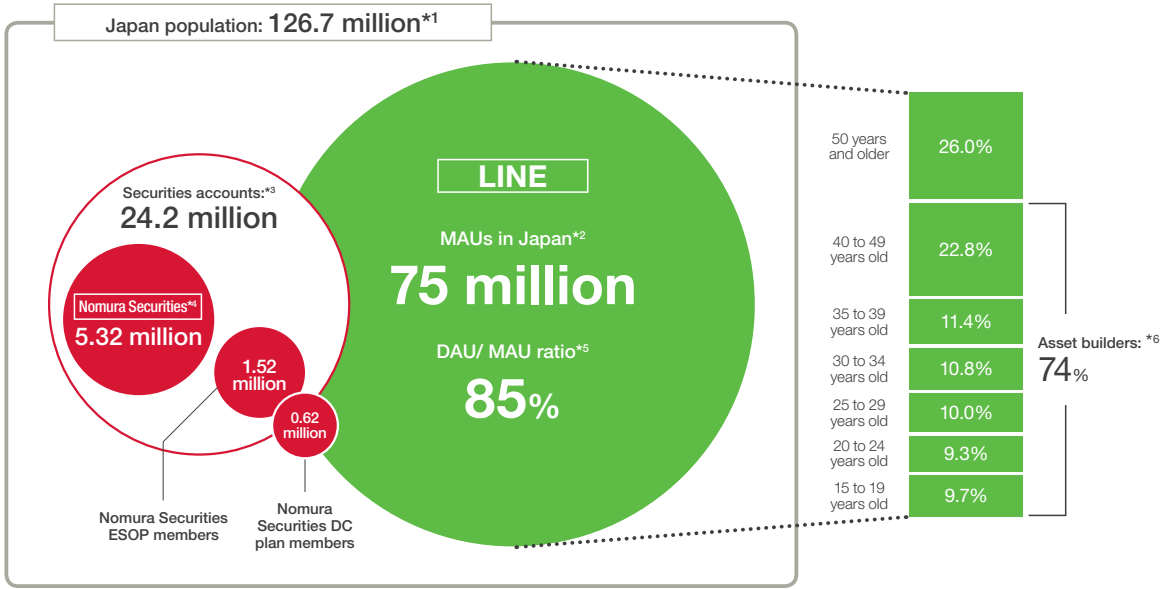
Case 02 Offering services tailored to the anxieties of senior customers and their families

Senior customers face a broad range of anxieties associated with matters not only health, nursing care, funerals and graves, but also asset succession, including those about inheritance, wills and donations. To address those anxieties, the Retail Division has expanded its consulting functions for inheritance- and donation-related services, such as testamentary trust, wrap trust, insurance and donations, in partnership with Group companies and other parties. It has also expanded the system of Heartful Partners, who support the anxieties of senior customers and their families, to all branches of Nomura Securities in Japan. Furthermore, Happy Life Seminars are held for senior customers for the group to be a good partner in the approach for their various matters they will experience in their old age and to support them enjoy their lives after retirement.

Case 03 Alliance with LINE Corporation

Nomura Holdings signed a joint venture contract to establish LINE Securities Corporation with LINE Corporation and LINE Financial Corporation in May

2018. Through this joint venture, Nomura aims to offer brokerage and investment consulting services to asset-building clients on a non-face-to-face basis, making the most of LINE's user base of more than 75 million people and the financial business knowledge accumulated by the Nomura Group.

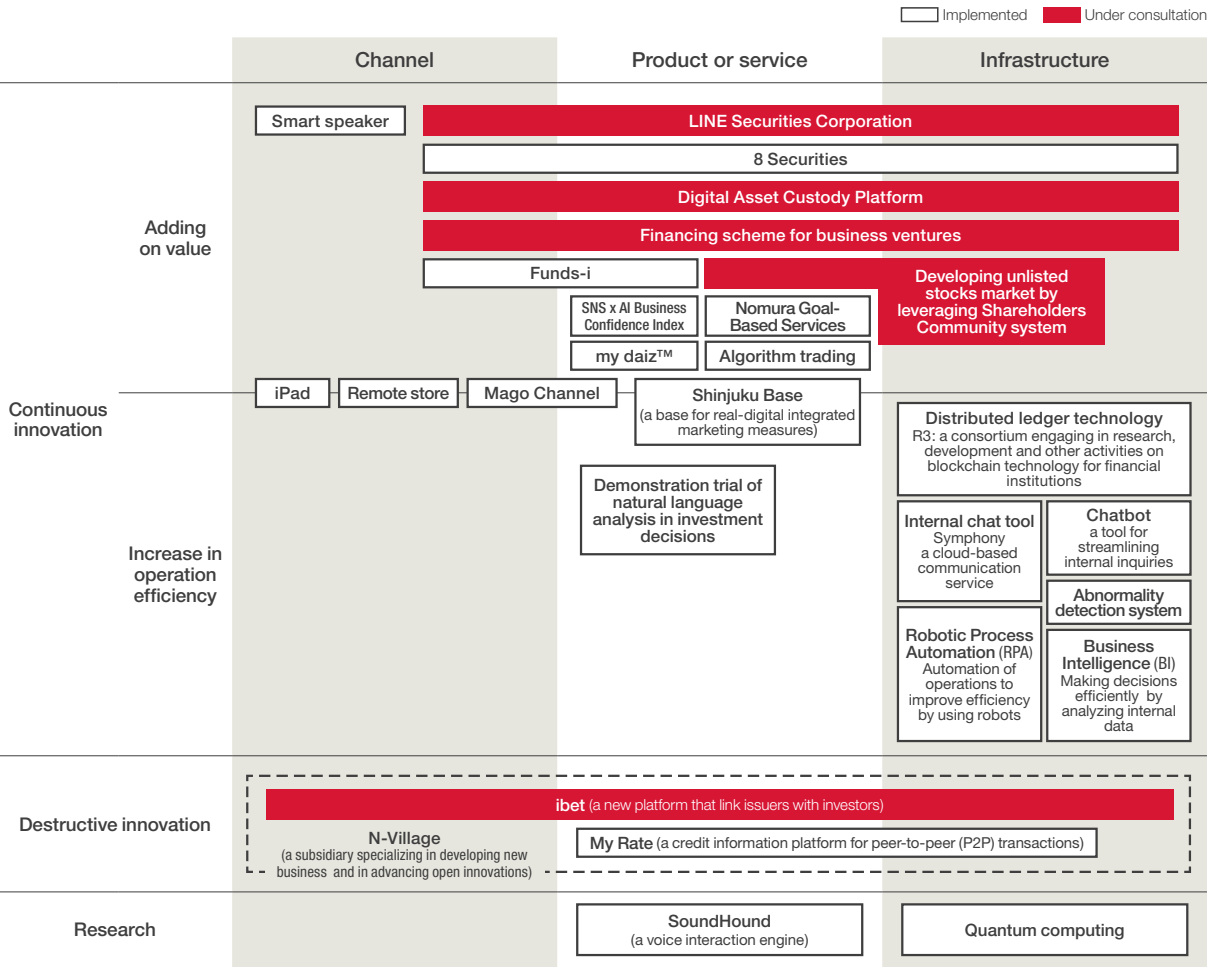


*1 As of November 1, 2017, the Statistics Bureau of the Ministry of Internal Affairs and Communications *2 Monthly active LINE applications users as of March 2018 according to a survey conducted by LINE Corporation *3 Their number as of December 2017 according to data released by the Japan Securities Dealers Association. The number of securities accounts is the sum of such figures at the end of October for companies that close accounts in January, April, July or October and the same figures at the end of November for companies that close accounts in February, May, August or November. *4 Client accounts with balance as of March 2018. *5 The ratio of DAUs (daily active users or users who used LINE services at least once each day) to MAUs (monthly active users) in Japan as of March 2018. *6 The composition of LINE users is based on an Internet survey Macromill, Inc. conducted on a sample population of 2,060 LINE users nationwide aged 15 to 69 in January 2018.

Implementation of Innovation

Initiatives

The long-term management vision for 2020, Vision C&C, refers to creating a robust operating platform capable of delivering consistent growth in any market environment, aiming to adapt to a highly uncertain environment in which common knowledge and business models may change considerably. We believe that these objectives cannot be fulfilled without innovation. To evolve into an organization that will continue to promote innovation, Nomura Group will work as one and take actions aiming to offer higher quality services and to create businesses that serve as new sources of revenues for the Group.



Implementation of framework

Nomura Group has been taking actions on innovation since the launch of Financial Innovation Office in December 2015. Including the establishment of a subsidiary engaging exclusively in developing new business and setting up overseas innovation base, these actions are conducted in collaboration between regions and between divisions under control of the Group CEO. The Group CEO emphasizes the importance of continuing innovation activities across the Group and stress the significance of innovations that involve not only persons within the Group but also outside contributors in an effort to advance open innovation.



We will develop new businesses and promote innovation for Nomura's future, without fear of failure

N-Village is a company established in April 2017 as a wholly-owned subsidiary of Nomura Holdings. Its mission is to create businesses that could become new sources of revenue for Nomura Group over the medium to long term, without being limited to financial services. Its activities began in earnest in July 2017 when its office was set up with three members. These three members are the president, who has helped a number of IT start-ups with their IPOs in Nomura's Wholesale Division, an IT infrastructure engineer from Nomura Research Institute (NRI) who loves hackathons, and me, someone who has been involved in consulting at SAP and debt, equity, and securitization underwriting and development at Nomura Securities. To accelerate open innovation, we are joined by multiple other people, such as business venture entrepreneurs with a wealth of ideas, on a part-time basis. Large companies may think of helping start-ups, but truly competent business executives and engineers possessing a wealth of ideas are not worried about financing and do not need financial support. They have an approach of working together on something interesting that will change the world. Our team is working on prototype services in order to create a society where anyone can try something. We are tackling goals such as the construction of a credit platform in the peer-to-peer (P2P) capital market, in the token economy using blockchain technologies, in the sharing economy, and in the digital market. We are based in Shibuya, far away from Nishinbashi and Otemachi where the other Nomura Group companies have their head offices, in order to ensure that we can carry out our activities in a corporate culture that differs from that of the Nomura Group. We can make quick decisions regarding collaborative efforts with start-ups and this will allow for repeated trial and error. We have close communications with Nomura Holdings' Group CEO, Mr. Koji Nagai, and the rest of the management team, and work at the speed of business start-ups in a bid to respond to their call to develop the last thing that the competition wants to see developed by Nomura. My personal aspiration is to cut the cost of transactions in the capital market to one-hundredth of the current level. That will not be easy but I will be striving to achieve it.



* Software development events involving programmers, graphic designers, user interface designers and others.

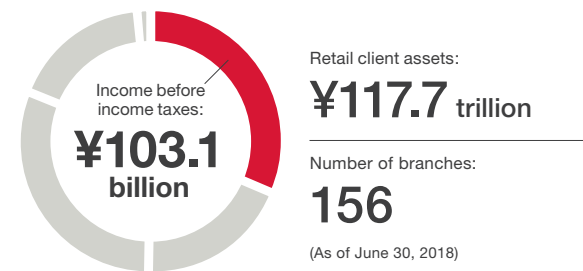
Business segments

In addition to Retail, Asset Management and Wholesale, we established a new Merchant Banking Division in January 2018. Through our principal investment business, we primarily provide equity to clients as a solution for business reorganizations and revitalizations, business succession and management buyouts. By connecting markets East & West, we provide services to meet the needs of individuals, institutions, corporates and governments through our four business divisions.



Retail Division

Retail Division provides a broad range of financial products and services to individual and corporate clients in Japan through its nationwide network of 156 branches, as well as online platform and call centers. Wealth Management team, a part of the Retail Division, specializes in providing personalized services to high-net-worth individual in Japan and the rest of Asia.



Clients

- Individual investors
- Regional government agencies
- Regional financial institutions
- Corporates
- Educational institutions
- Other legal entities

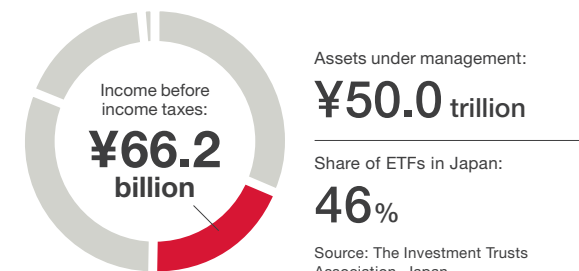


Our Services

- Sales of financial products
- M&A advisory
- Real estate (agency services)
- Inheritance and business succession services

Asset Management Division

Asset Management Division operates globally, with Nomura Asset Management playing a central role. Investment trusts business offers a wide lineup of products through a broad range of channels. Investment advisory business provides high-quality products and asset management services to a broad spectrum of institutional investors.



Clients

- Individual investors
- Domestic and overseas pension funds
- Governments and central banks
- Institutional investors, etc.



Our Services

- Development of financial products and asset management
- Direct sales of services to some investors

Wholesale Division

Wholesale Division consists of two businesses: Global Markets providing financial products and solutions and secondary market liquidity, and Investment Banking offering capital raising transactions and advisory services. It provides diverse services to a broad range of clients including corporates, government entities and financial institutions in Japan and overseas.



Clients

- Financial institutions
- Institutional investors
- Corporates
- Governments and government entities



Our Services

- Underwriting of bonds and stocks
- M&A advisory
- Syndication of financial products
- Proposal for investment
- Provision of liquidity
- High-level execution

Overview of regions

One of the Nomura's strengths is its global business platform.

By collaborating closely across businesses and regions, we are able to provide optimal solutions to meet the needs of our clients.



Japan

15,819 people

Japan has been the home base of the Nomura Group for 92 years since it was established in 1925. The Group provides a full range of financial services to a broad range of clients through its Retail, Asset Management and Wholesale Divisions.

Europe

3,057 people

Europe is the world's second-largest financial market, after the Americas. In this region, the Wholesale Division is focusing on businesses of strength, including Macro (Rates, Foreign Exchange), M&A advisory and solutions, while also controlling costs to improve profitability.

Americas

2,362 people

Americas is the largest financial market in the world and a key strategic region for Nomura. The Wholesale Division is looking to grow its market share by allocating management resources to areas where we have a competitive edge. In addition, the Asset Management Division has been increasing assets under management, mainly in high-yield bond products.

Asia and Oceania^{*2}

6,810 people

We define Asia, including Japan, as our home market. It is in Asia ex-Japan, where high economic growth is expected. We are well poised to capitalize on this growth as our business, led by our Wholesale and Asset Management Divisions, operates in 12 countries and regions across the region. In addition, we also have an overseas Retail business.

^{*1} Income before income taxes is for FY2017/18, and the remaining figures are as of March 31, 2018, unless otherwise defined

^{*2} Includes Powai office in India



Retail Division

Review of FY2017/18

It was a slow start to the year as mounting geopolitical risk affected investor sentiment. However, equity markets rose in the second half of the year, supported by strong Japanese and U.S. economic indices. In line with a turnaround in investor sentiment, stock transactions and investment trust sales increased. For FY2017/18, net revenue was ¥412.9 billion and income before income taxes was ¥103.1 billion, reflecting improvements from prior year. The Retail Division continued to expand its consulting services and pursue its ambition to counsel each client about their individual concerns and requirements, with the goal of providing optimal investment solutions. Retail Client Assets grew to near a record high level which reflects our growing client trust.

Strengths

- Largest branch network and client base across Japan's securities sector
- Ability to prepare and deliver best-in-class investment advice
- Sophisticated consulting services
- Leverage capabilities across the Nomura Group to offer clients differentiated services

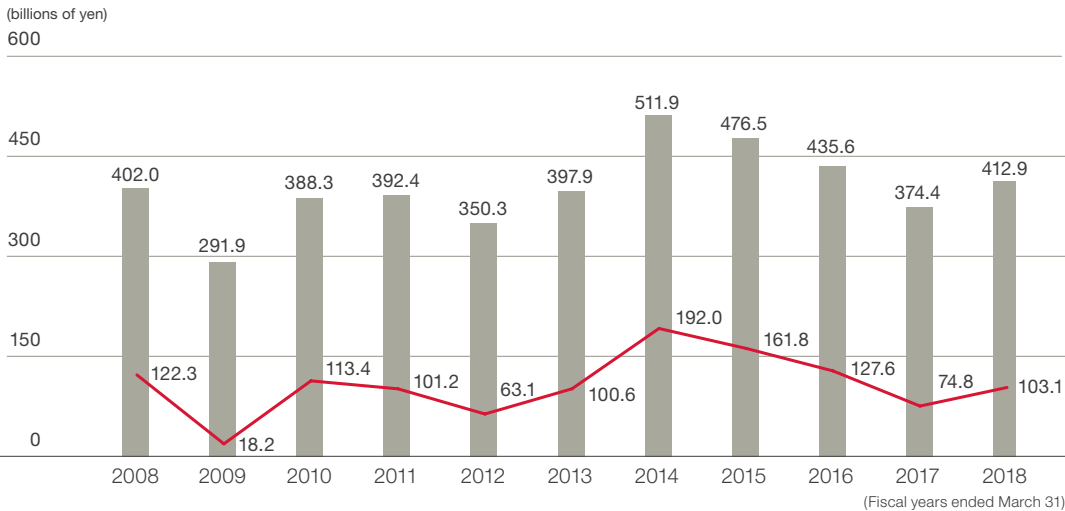
Challenges

- Approaching clients' core assets, in addition to investment assets
- Relatively high sensitivity to market fluctuation
- Building relationships with family members of elderly clients
- Increasing new, younger clients

Actions

- Training consultants whom clients could completely trust
- Building stable earnings structure by increasing recurring revenues
- Enhancing products and services aimed at elderly clients and their younger family members
- Enhancing content targeted at younger generations (websites, seminars, robo advisor services, etc.)
- Widening the lineup of products that asset building clients can easily invest in

Business Performance



Actions to create value

Medium-term strategies

Market Conditions and KPI Targets for 2020

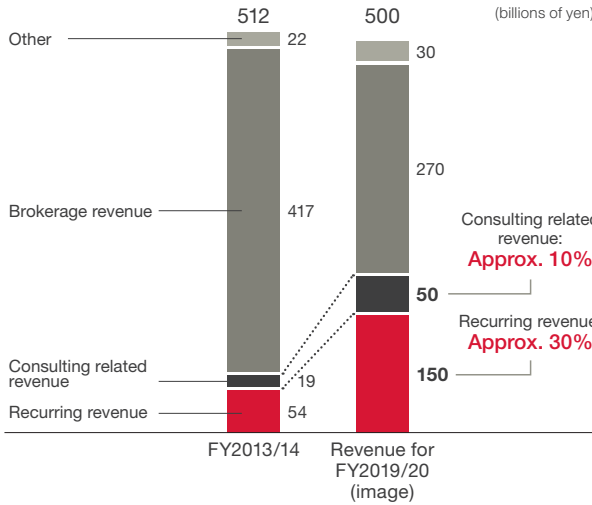
Asset management needs are growing as interest rates remain low. Also, advancement of aging society makes our client needs more diversified, such as the needs to prepare for a lifespan of 100 years and for passing down assets to the next generation. Under these conditions, the Retail Division is working to change its business model and aspires to expand the business through enhancing client trust and satisfaction. Our key performance indicator (KPI) targets for FY2019/20 are client assets of ¥150 trillion and recurring revenue of ¥150 billion. Through these targets, we aim to establish a stable revenue stream that is not susceptible to the market.

To meet these targets, we executed an organizational change in accordance with the clients' needs in the last fiscal year. We are also working to enrich different services in order to provide comprehensive solutions for clients' assets, covering not only asset management but also inheritance, business succession, M&A and real estate. The annual customer satisfaction survey was conducted for the year as well. We will introduce a range of improvements based on clients' wishes in a bid to increase their satisfaction.

Retail Division's KPI targets for achieving the management vision for FY2019/20

	FY2013/14	KPIs for FY2019/20
Income before income taxes	¥192 billion	¥195 billion to ¥205 billion
Retail Client Assets	¥91.7 trillion	¥150 trillion
Recurring revenue	¥53.9 billion	Approx. ¥150 billion
Recurring revenue cost coverage ratio	17%	Approx. 50%

Image of revenue composition



Constructing a Revenue Structure Not Susceptible to the Market Measures to Increase Recurring Revenue

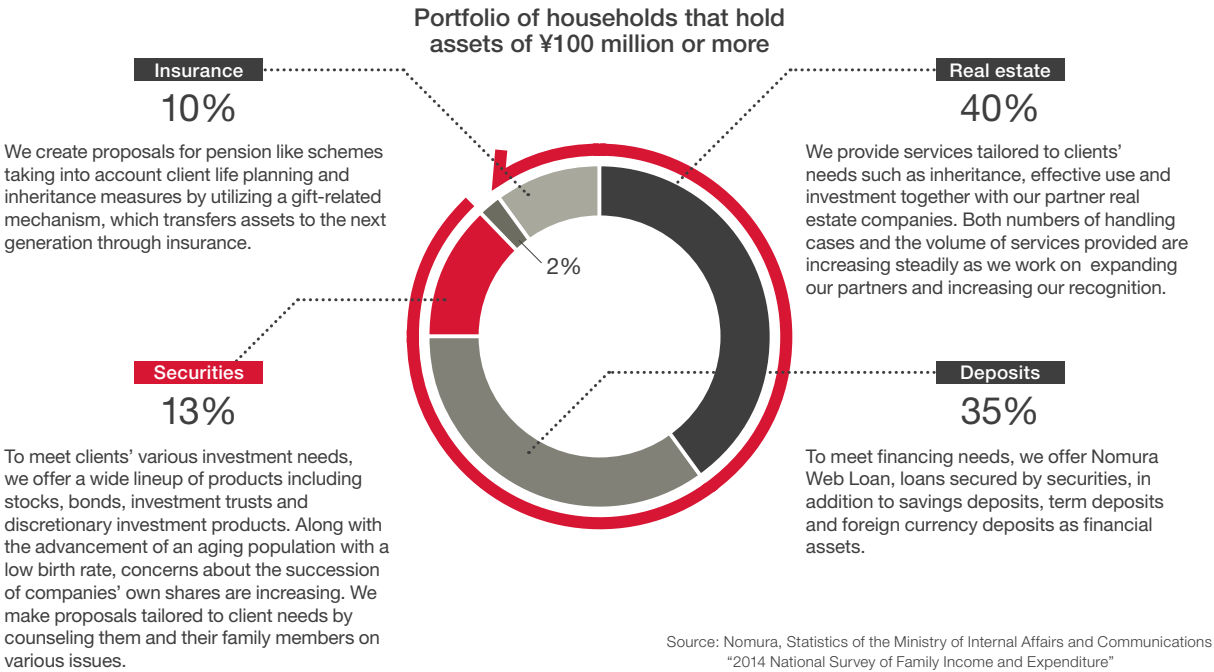
Recurring revenue refers to revenue received from ongoing services related to client assets such as investment trust administration fees. The Retail Division will provide investment trust and discretionary investment through consulting services to accumulate recurring revenue and consequently establish a revenue structure that is not susceptible to the market. To increase recurring revenue, we will continue to broaden the lineup of investment trust products by adding products in areas where rapid growth is expected and in growing medium- and long-term asset building. For discretionary investment, we will enrich related services. From May 2018 onwards, clients are able to have a maximum of eight Nomura Fund Wrap and Nomura SMA accounts in total in accordance with their purpose of using funds.

Actions for Discretionary Investment

- 2017 Launched the Nomura SMA trust with dividend withdrawal function
- 2018 Launched the wrap trust
- Launched funds for the refund of fixed amounts and times
- Changed the amount of reduction from "¥1 million or more" to "¥10,000 or more"
- Reduced the minimum contract amount of "SMA (Executive Wrap)" from ¥50 million to ¥30 million
- Launched accounts by purpose

Proposing comprehensive solutions for all assets by counseling clients
For expanding consulting-related revenue

Consulting-related revenue refers to revenue from insurance, real estate, M&A, underwriting and financial consulting. We provide clients with high value-added services for all their assets in addition to existing services related to securities by taking advantage of the Group function.



Actions Tailored to Clients' Needs

Past Actions		New Actions
Organization and HR strategies	Organizational change: Abolished regional head system	Reorganization tailored to clients' needs
Sales strategies	Improvement of visit efficiency Established Heartful Partner, a specialist team for elderly clients Research project on financial gerontology	Trial operation on Saturdays in some branch offices Established Heartful Partner, a specialist team for elderly clients, at all branches in Japan Shinjuku Base, a new marketing office, commenced activities
Product strategies	Enhancement of low risk products Discretionary investment services	Provision of products in response to the era of the 100-year life Enhancement of discretionary investment services
Service strategies	Anshin Furikae (immediate money transfer at maximum of ¥300 million per day) Web Plus Loan	Expansion of banks where Anshin Furikae is available
Mass retail strategies	Employees' stock ownership plan (ESOP) NISA, iDeCo	Enhancement of online services Accumulated-type NISA Tie-up with LINE Corporation

For resolving social issues

Launched the Mago Channel service

In October 2017, we launched the Mago Channel service that provides clients of Nomura Securities with connections to their family members across generations and distance in collaboration with Chikaku Inc. Mago Channel, an IoT product of Chikaku, is a communication tool which users easily share the daily lives of family members and the growth of children and grandchildren by projecting videos and pictures onto a TV screen using a dedicated device and application. The structure of society continues to evolve, driven by fundamental changes such as the aging of the population and a shift away from multi-generation households to nuclear families. Amidst such changes, we remain committed to supporting our clients in achieving their financial goals, as well as seek to develop and introduce new technologies which enrich our clients' lives, bringing them closer together to both their families and society.



Left: Receiver box of Mago Channel
Right: Sample image of Mago Channel

Financial gerontology research

Actions from an asset management perspective towards a long-life aging society

To have a comfortable life in retirement and pass assets on to the next generation in the era of the 100-year life, individuals need to actively engage in the formation and management of financial assets. However, we must acknowledge that physical strength and the judgment necessary for asset management fades with aging. Together with Keio University, Nomura Securities launched a study on how to invest and manage individual financial assets for longevity. Our proposals help ensure that we are a financial institution at the forefront of Japan. The study has led to improvement of our services through Heartful Partner, a specialist team for aged clients.

Launched a joint research on financial gerontology*

Keio University **NOMURA**

Comprehensive asset management services to help clients extend asset life while also handling declining cognitive function in aging

* Financial gerontology is a study of the impact of longevity and aging on economic and financial behaviors.



Asset Management Division

Review of FY2017/18

Our Asset Management Division saw net inflows of about ¥3.3 trillion in FY2017/18 due to growth in assets under management of investment trusts including ETFs (Exchange Traded Funds) and investment advisory business, and also through increased sales of UCITS* funds. As a result, total assets under management across the globe at the year-end grew to a record-high ¥50 trillion.

For the year, net revenue was ¥127.3 billion, and income before income taxes was ¥66.2 billion. Income reached to its highest level since FY2001/02, reflecting an increase in investment management fees driven by growing assets under management as well as gains related to American Century Investments (ACI).

*Undertakings for Collective Investment in Transferable Securities (UCITS)

Strengths

- Investment management capabilities covering the world and sophisticated investment research capabilities
- Abilities to offer solutions addressing diverse investor needs
- Knowledge and talent to lead under new industry challenges

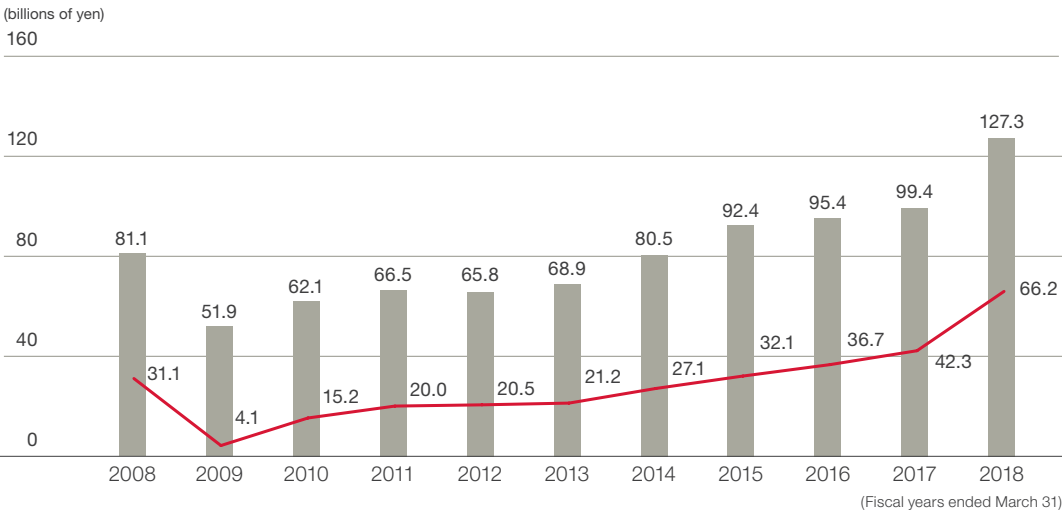
Challenges

- Further strengthening product development capabilities to address changes in market environment and investment needs
- Expanding our domestic client base and overseas business footprint
- Utilization of technology to create and add value to the asset management business

Actions

- Collaboration with ACI, and enhancement of alternative asset management strategy
- Delivering asset management proposals to attract investors who have yet to experience investment, and expand offerings of UCITS funds overseas
- Promoting the development of advanced technology that could strengthen the asset management business

Business Performance



Actions to create value

Medium-term strategies

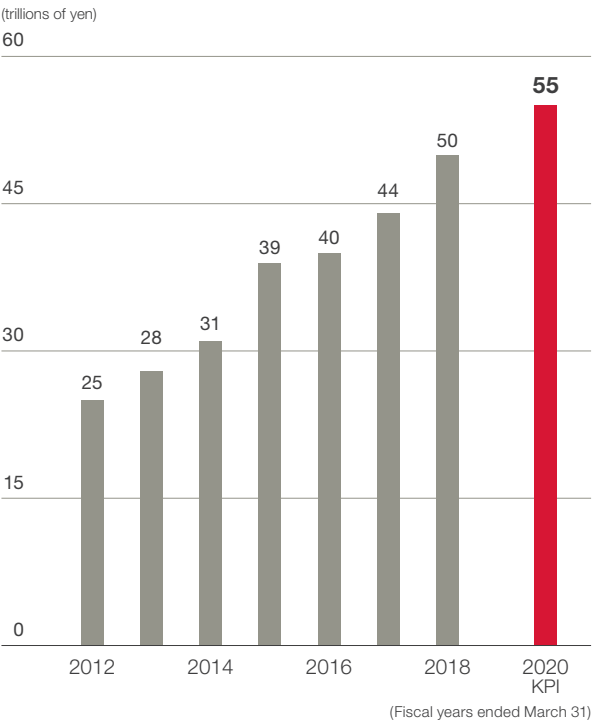
Market Conditions and KPI Targets for 2020

The asset management industry is expected to continue expanding steadily, bolstered by a combination of expansion in global wealth and growth of emerging economies. Along with the changes in clients' investment needs and heightening interests to investment costs, competition is likely to intensify due to market entry by other industries against a backdrop of the development of technology.

In this environment, the Asset Management Division steadily takes steps to achieve assets under management of ¥55 trillion and income before income taxes of ¥50-55 billion, which are KPIs for FY2019/20. In particular, we provide solutions such as collaboration with ACI, enhancement of alternative asset management strategy and expanding offering of UCITS funds overseas.

In addition, we take steps to expand our client base through delivering asset management proposals to attract people without investment experiences, and promote the development of advanced technology that could strengthen the asset management business.

Assets under management



- Increase in demand for ETFs and passive investment approaches due to increased awareness of investment costs
- Heightened interest in specialized asset management products and alternative investments, in addition to traditional equity and bond investments, that allow clients to aim for targeted returns while seeking portfolio diversification
- Rapid advances in digital technology, including the use of artificial intelligence (AI) and Big Data

Environment surrounding the asset management industry

Initiatives of Asset Management Division

- Delivering outstanding performance based on sophisticated investment research capabilities
 - Distribution of solutions with our strengthened cooperation between sales and investment management department to meet client's needs
 - Utilizing in-house products as well as products of external investment managers in alternative investments
- Enhancement of ETF product lineup
 - Supplying products to iDeCo and accumulated-type NISA, among others
 - Promoting asset management to people without investment experiences

Japan
- Provision of products through collaboration with ACI
 - Expansion of UCITS fund assets under management
 - Enhancement of proposals to overseas institutional investors

Overseas

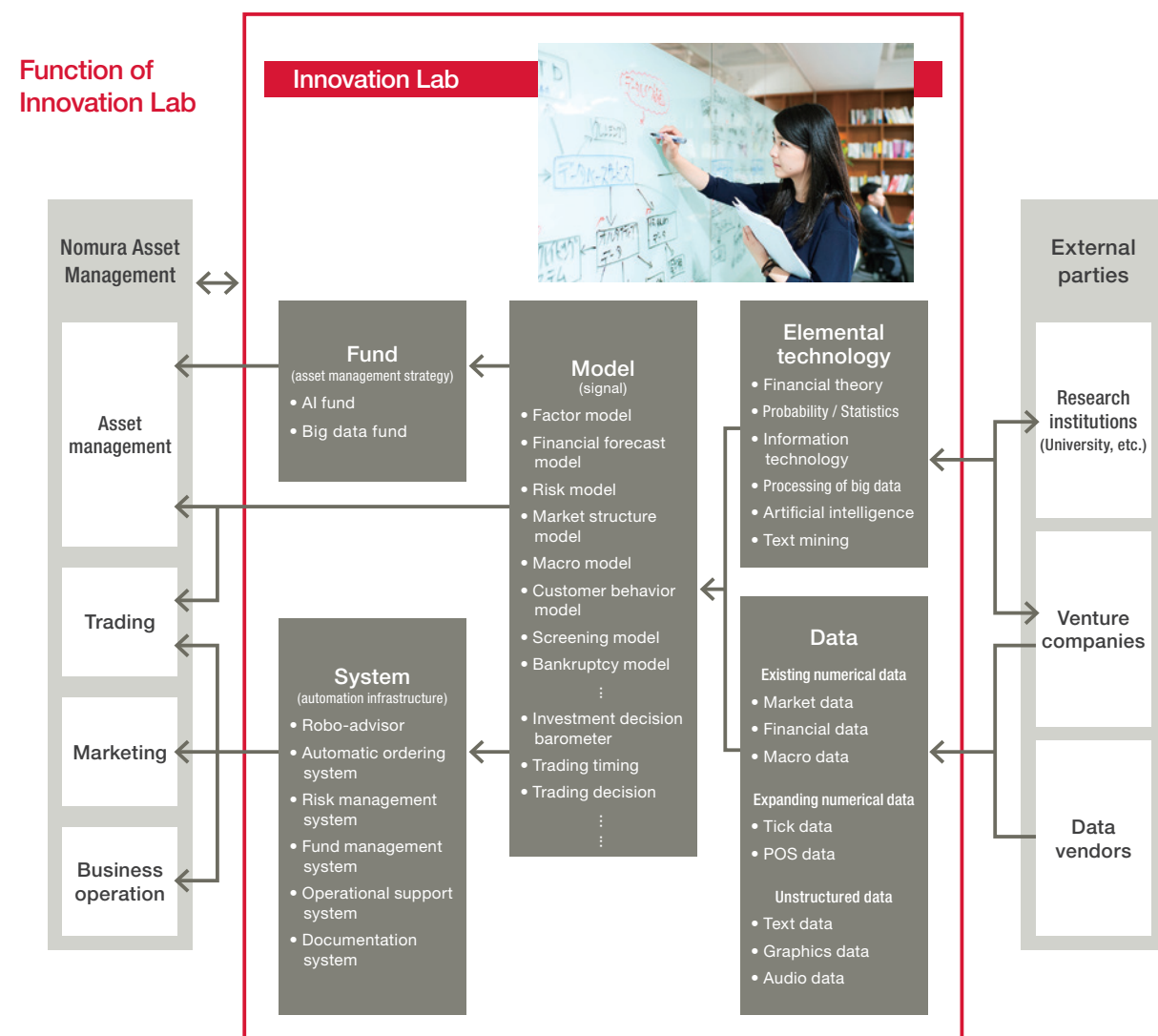
Utilization of digital technology

Rapid advances in digital technology, including the use of artificial intelligence (AI) and Big Data, is a major factor influencing the asset management industry to determine competitiveness. Actions to utilize technology are expected not only to strengthen our investment capabilities, but also to improve productivity by pursuing operational efficiency and generate momentum toward creating new business opportunities.

In the Asset Management Division, "Innovation Lab" was established by gathering talented technology experts to

enhance our asset management business by leveraging advanced technology.

During FY2017/18, we began using AI to analyze data such as analysts' reports, to improve the accuracy of investment decision making and to increase efficiency in the investment process, as well as to develop new investment strategies and automation techniques to enhance operational efficiency. We are also pursuing collaboration with partners such as universities, research organizations and FinTech firms to build a



technology platform with an eye to the future. In addition, while non face-to-face businesses using mobile apps are expanding across various industries, the Asset Management Division started offering Robo-advisor services where expansion of growth is expected. Combining our investment knowledge and

product development capabilities with mobile app technology, we aim to build business attracting a wide range of investors including people without investment experiences.

We will continuously utilize the evolving technology to create and add value in asset management business.

Contributing to the society through asset management

Applying Nomura Asset Management's corporate philosophy, "Maximizing Value", "Advanced Expertise", "Confidence and Responsibility", we continuously contribute to the society through asset management. As a provider of investment trusts, we deliver products and services to meet the diverse needs of various investors, fitting with their life stage, both in a face-to-face or in a non-face-to-face setting. Also, in addition to providing competitive investment products to institutional investors globally, we aim to accomplish a virtuous cycle within the investment chain to contribute to investors' asset accumulation, and at the same time, to contribute to the continuous growth of companies which we invest in, by fulfilling our stewardship responsibilities through constructive dialogue with these companies and by exercising proxy voting rights.

Anticipating structural changes in the asset management business through the development of technology, we put effort not only into the development of investment strategies and products, but also into developing a higher standard of investment services to clients. Based on these new challenges, we established a corporate slogan, "Expertise to Exceed" that captures the spirit of the corporate philosophy and fits with the culture of the asset management business. It expresses our determination to exceed clients' expectations by using our expertise and foresight to pursue exceptional performance and create cutting-edge solutions. True to the spirit of this slogan, our Asset Management Division will consistently capture changes going forward and take initiatives with flexibility to exceed clients' expectations.

Nomura Asset Management's corporate philosophy

Maximizing Value
Advanced Expertise
Confidence and Responsibility

We established a corporate slogan that captures the spirit of the corporate philosophy which fits the asset management company.

Corporate slogan for Asset Management division

Expertise to Exceed¹⁾

Using our expertise and foresight to stay ahead of change, we pursue exceptional performance and create cutting-edge solutions to exceed all expectations.



Wholesale Division

Review of FY2017/18

FY2017/18 commenced slowly as concerns around geopolitical risks weighed down on markets, but the latter half of the year saw a recovery in equity markets activity as political concerns eased and supportive economic data emerged from Japan and the U.S. The debt markets on the other hand experienced extremely low levels of interest rate volatility and market participant activity was thin. Within such conditions, while the Wholesale Division recorded revenue increases in Equities and Investment Banking, this was offset by a larger decline in Fixed Income, resulting in total revenue declining from the previous year to ¥715.3 billion. As a result, income before income taxes totaled ¥100.6 billion. The Wholesale Division continues to pursue improvements in productivity while maintaining strict risk discipline. Division costs (dollar basis) have been reduced 25% compared to FY2011/12 while also delivering greater revenue stability.

Strengths

- Top-in-class industry presence in Asia-Pacific region, particularly in Japan
- Robust international platform
- Global client base across more than 30 countries
- Facilitator of cross-border transactions worldwide

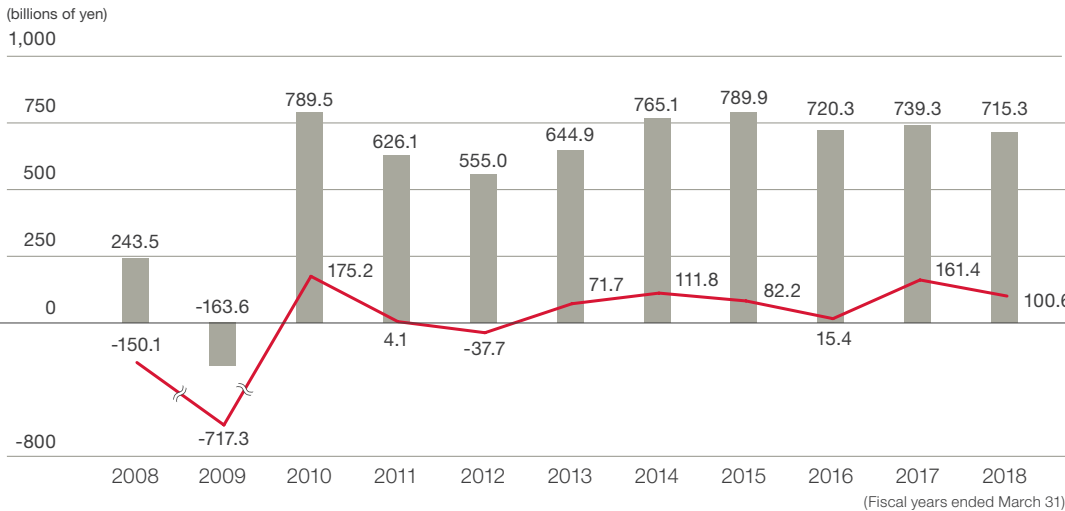
Challenges

- Generating higher returns within a tighter regulatory environment
- Relatively high sensitivity to market fluctuations
- Corresponding to changes in market structure and competitor dynamics

Actions

- Continue to align our portfolio to changing market conditions and client needs
- Further strengthen risk culture and discipline
- Deliver growth through value-added service to clients and selective investment in growth areas

Business Performance



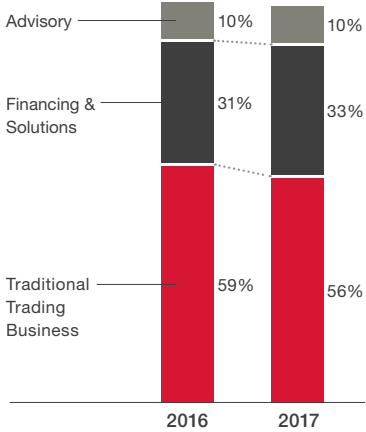
Actions to create value

Medium-term strategies

Market Conditions and KPI Targets for 2020

The operating environment of the Wholesale business has undergone a significant structural shift as evidenced by greater regulation of financial institutions, a transition to passive strategies in the asset management business and growing downward pressure on transaction fees as digitalization continues to penetrate the market and we anticipate the market will continue to experience further structural change. Additionally, a shift in the composition of the Wholesale fee pool has been observed over the past two years, with a reduction in the proportion of traditional sales and trading revenues and a shift toward non-traditional business as corporations seek financing and solutions and our clients increasingly pursue cross-border business opportunities.

Composition of Wholesale fee pool*

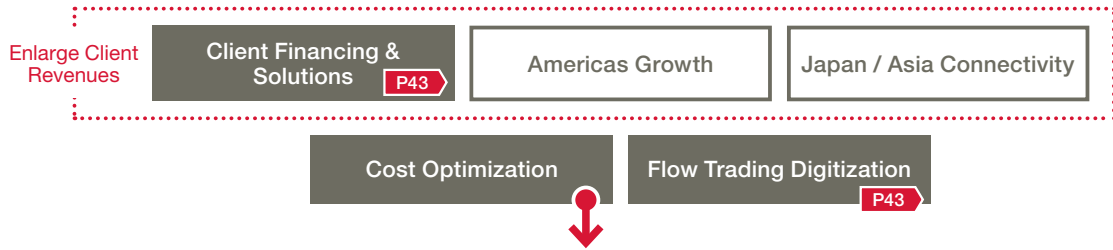


* Source: Coalition; Advisory includes M&A, Financing & Solutions includes Traditional & Non-Traditional Financing, and Asset/Liability Derivative Solutions; Traditional Trading Business includes Liquidity & Market Making & Agency businesses across Fixed Income and Equities

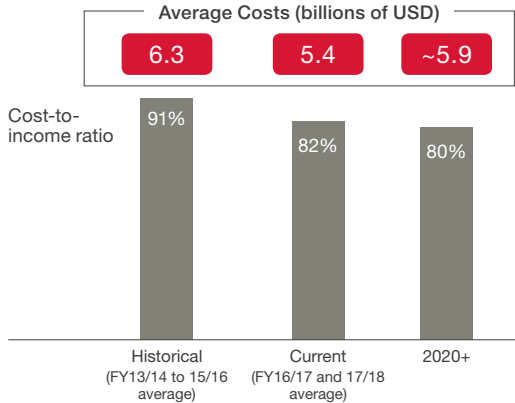
The Wholesale Division is engaged in the execution of numerous initiatives to ensure that we optimally adapt to the shifting market environment. In order to meet the evolving needs of our clients, in April 2018, we established the Client Financing & Solutions (CFS) organization within Wholesale, bringing together critical Global Markets and Investment Banking capabilities under a unified organizational structure. Additionally, we continue to pursue the expansion of our client base and increase our capture of cross-border opportunity through efforts such as further establishing our presence in the U.S., the largest market globally from a fee perspective,

as well as undertaking strategic investments within the market. We are also deploying technology initiatives such as leveraging the application of machine learning in our trading business in order to ensure we remain at the technological frontier and to maintain step with the rapid pace of technological advancement. At the same time we continue to place great focus on expense rationalization and risk control and we anticipate these and other efforts to contribute to the achievement of the Wholesale Division's objective to record ¥200-220 billion in FY2019/20.

Initiatives of Wholesale Division



Cost optimization



Optimization & Efficiency

- Cost savings from re-prioritization and streamlining of investment spend across IT, operations and infrastructure
- Cost reduction through shorter term optimization

Structural cost reduction & Self-funding growth

- Medium term operating model optimization across front and back office functions
- Further structural simplification

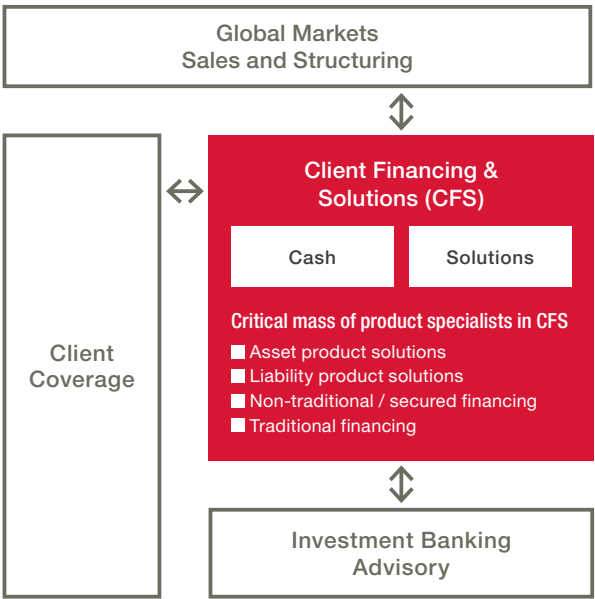
Re-investment

- Re-investment in businesses with underlying competitive strengths to defend and grow
- Investment to tap client opportunity in areas such as CFS, Advisory and Agency

Initiatives through CFS

The establishment of the CFS structure has allowed us to realize the integration of the Wholesales Division's financing, structuring & solutions expertise into a single, client-focused hub, which seamlessly partners with various teams across our organization to deploy a uniform client strategy to deliver value to our clients. This centralized structure allows us to concentrate expertise, deepen client penetration and enables the deployment of a unified strategy across Wholesale.

While the shift in our clients' needs toward a broader range of financing, capital and hedging solutions is not without its challenges, we believe it will also be the key driver of Wholesale fee pool growth. Our organization is well positioned to seize upon this opportunity.



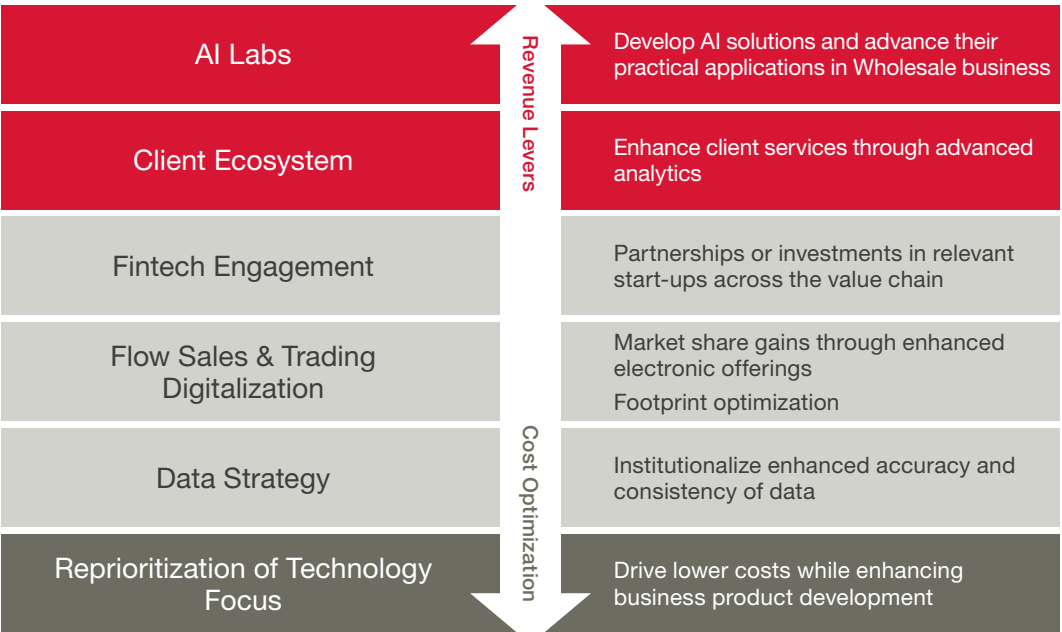
Leveraging digitalization

At Nomura, staying at the forefront of digital innovation is a key priority for both the Group as well as the Wholesale business. The emergence of new technologies and digital assets are bringing fundamental transformation to the market and Artificial Intelligence, Machine Learning and Automation offer both revenue and cost opportunities across our business.

In order to drive initiatives in this area we have recently established the Wholesale Digital Office, which will lead

the implementation of technological innovation across our platform to support superior price discovery, enhance client services, drive greater productivity and efficiency and build out our footprint in digital assets.

Through these and other ongoing initiatives, Nomura ensures it is well placed to leverage digital innovation in reinforcing our competitive position and providing differentiated services to our clients.



Contributing to the Smooth Operation of Markets

As an active participant in both primary and secondary markets, Nomura's Wholesale business plays a key role in ensuring the flow of capital and liquidity around the globe. Our efforts help connect businesses seeking funding with investors seeking investment opportunities, and our readiness to provide liquidity to investors bolsters confidence in the markets, contributing to the smooth function of the world's capital markets as

well as supporting innovation, the creation of jobs and economic development. Additionally, we offer a range of innovative products and services which enable our clients to flexibly meet the variety of challenges posed by the introduction of the Corporate Governance Code such as the need to dispose of cross shareholdings and accessing funding while minimizing equity dilution.

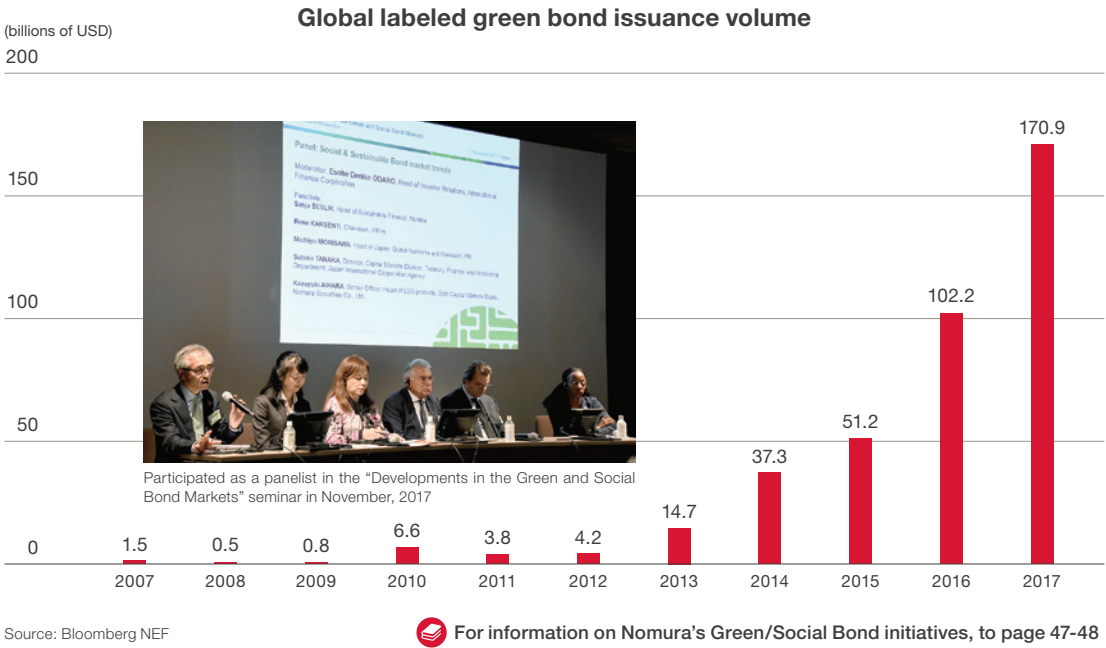
Fostering the Development of the Green/ Social Bond Markets

ESG (Environmental, Social and Governance) investing continues to gain momentum as the importance of social and environmental issues continue to gain traction around the globe and Wholesale is actively engaged in efforts to contribute to the development of these markets.

In Japan the Wholesale Division is actively engaged in the development of the green/social bond markets. In addition to establishing a dedicated ESG bond team in 2017 to better meet client needs, we underwrite various green/social bond issuances such as Japan Railway Construction, Transport and Technology Agency Green Bonds and JICA (social) bonds, provide guidance to prospective issuers of green/social bonds and advise them regarding their own such issuances.

Furthermore, Wholesale seeks to contribute to the

accumulation of knowledge and the development of understanding of the green/social bond market by market participants through a variety of educational initiatives, such as participating in a dedicated cross-sector green/social bond research group established by Nomura Research Institute, participating as a panelist in the "Developments in the Green and Social Bond Markets" seminar co-hosted by ICMA and the JSDA in November 2017, and most recently, co-hosting a green bond seminar together with Bloomberg in May 2018.





Fundamental approach

The Nomura Group is proactive in its activities related to environmental, social and governance (ESG), seeking to sustain its growth and address social issues, in addition to contributing to the development of securities markets through business activities that fulfill its corporate social responsibility. At the same time, Nomura Group is promoting and managing those activities throughout the Group in an appropriate manner based on its awareness that initiatives on issues related to ESG contribute to society at large, including its customers, and play an important role in maintaining and enhancing corporate value. The basic policies on ESG are set forth in Our Founder's Principles established by founder Tokushichi Nomura II, the Code of Ethics of Nomura Group and its Basic Management Policy.

ESG Initiatives

ESG execution process

The Nomura Group reorganized the CSR Committee chaired by an executive officer into the ESG Committee chaired by the Group CEO in FY2018/19, in an attempt to deal with issues related to ESG in ways that are more strategic than before. Nomura Group executives in charge of businesses and corporate affairs comprise the ESG Committee. The Committee is responsible for developing business policies on ESG-related risks and opportunities for the entire Nomura Group and approving and deciding on related activities. The activities of the ESG Committee are reported to the Board of Directors and the Executive

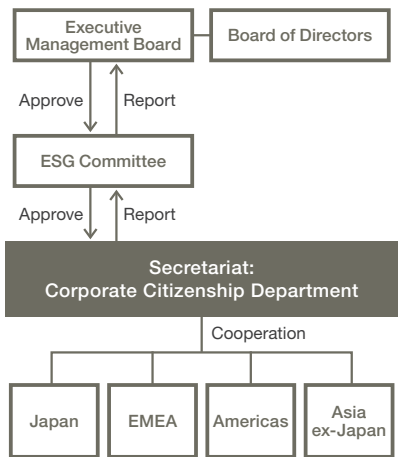
Outline of the ESG Committee		
	Before reorganization	After reorganization
Chairman	Senior Managing Directors	Group CEO
Meeting frequency	Once or more	Twice or more

Management Board as the occasion demands. The Committee also examines the operations of specific businesses that contribute to sustainable development goals (SDGs) set by the United Nations. The now defunct CSR Committee held one meeting in FY2017/18, but Nomura Group requires the ESG Committee to hold two or more meetings each fiscal year in a rule it set to increase the frequency of governance.

ESG Committee members

Chairman	Koji Nagai	Representative Executive Officer, President and Group CEO
Vice Chairman	Tetsu Ozaki	Vice Chairman
Members	Yuji Nakata	Executive Managing Director, Head of Group Entity Structure and Co-CRO
	Satoshi Arai	Chief of Staff and Group Strategy
	Chie Toriumi	Executive Vice President, NSC, Retail Division Business Strategy and Management
	Tomoyuki Teraguchi	Head of Group Compliance
	Junko Nakagawa	Executive Vice President, NAM, Risk Management, Business & Infrastructure, Corporate Planning & Administration, Chief Risk Officer(CRO)
	Takumi Kitamura	Executive Managing Director, Chief Financial Officer (CFO)
	Yo Akatsuka	Global Head of Investment Banking
	Yasushi Takayama	Chief Legal Officer (CLO)
	Etsuro Miwa	Global Head of Human Resources
	Paul Spanswick	Deputy Chief of Staff, Group CAO and Operations
	Kenji Kimura	Banking
	Hajime Ikeda	Group Head of Global Corporate Communications, Corporate Citizenship and Tokyo 2020 Olympic and Paralympic
Attending Auditor	Takehisa Yanai	Audit Mission Director, NSC

Framework



Identification of Material ESG Issues
<https://www.nomuraholdings.com/csr/group/index.html>

Inclusion in ESG indices

Nomura's CSR initiatives have been widely recognized outside the Company. Nomura Holdings has been selected for inclusion in a number of SRI indexes, including the Dow Jones Sustainability Indices (DJSI World and DJSI Asia Pacific), the FTSE4Good Index, STOXX Global ESG Leaders Index RI), FTSE Blossom Japan Index (an ESG index for passive investment, adopted by the Government Pension Investment Fund [GPIF]) and MSCI Japan Empowering Women Index (WIN).

Dow Jones Sustainability Indices

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

Dow Jones & Company and RobecoSAM have jointly created the world's first sustainability equity indices. Nomura Holdings is included in the DJSI World as well as the DJSI Asia Pacific.

FTSE4Good Index


FTSE4Good

FTSE Russell, a subsidiary of the London Stock Exchange, has created this socially responsible investment index by selecting excellent companies from around the world.

STOXX Global ESG Leaders Index

Member 2017/2018
STOXX
ESG LEADERS INDICES

STOXX Limited, a wholly-owned subsidiary of Deutsche Börse Group, has established this global SRI stock index, comprising companies that meet strict ESG assessment standards.

MSCI Japan Empowering Women Index (WIN)

 2017 Constituent
MSCI Japan Empowering Women Index (WIN)

U.S.-based MSCI, Inc. has created this index by selecting companies that promote and maintain gender diversity, based on scoring using data and disclosed corporate information on female employment, disclosed according to the Act on Promotion of Women's Participation and Advancement in the Workplace.



Fundamental approach

Nomura Group believes that the social mission of the financial services sector is to contribute to economic growth and sustainable social development by facilitating the appropriate flow of funds in the capital markets through products and services that meet the needs of customers. In addition, to fulfill our responsibility as a company that operates globally, we offer financial services that contribute to addressing climate change and social issues and promote initiatives aimed at achieving sustainable development goals (SDGs).

Sustainable finance

Contributing to sound and sustainable capital markets

ESG bond initiatives

ESG (Environmental, Social and Governance) initiatives in corporate management are being scrutinized by institutional investors and have led to a strong tendency to view such initiatives as essential to enhancing corporate value. Investment in equity products that adhere to ESG principles has increased among institutional investors as a method for focusing on new corporate value, while ESG in fixed income investment is still in the development stage. In 2017, Nomura Securities assigned staff specializing in ESG bonds in the Debt

Capital Markets Department, one of the firm's underwriting divisions. In February 2018, Nomura Institute of Capital Markets Research established a dedicated research group, comprising outside experts, to focus on the sustainable development of ESG bond markets. The research group conducts research and studies measures for the stable and sustainable development of ESG bonds and markets in industry-government-academia collaborations. We will continue to contribute to the development of ESG bond markets.

Social bonds: JICA bonds and BPCE bonds

Social bonds are instruments issued under a framework in which the proceeds are used to solve social issues. In Japan, the Japan International Cooperation Agency (JICA) has issued JICA bonds and Nomura Securities provided support as lead manager. In January 2018, Nomura Securities acted as lead manager and

underwrote and sold Social Samurai Bonds issued by Groupe BPCE, France's second-largest banking group. The proceeds from the social bonds are planned to be used for refinancing loans to customers of the local banks in the group, particularly for those in education, healthcare and other social activity areas.

Green bonds: Japan Railway Construction, Transport and Technology Agency (JRJT) bonds and Nederlandse Waterschapsbank (NWB) bonds

The Paris Agreement negotiated at COP21 (The 21st Conference of the Parties to the UN Framework Convention on Climate Change), aims to keep the global temperature rise this century well below 2 degrees Celsius. Green bonds are issued to fund projects aimed at connecting issuers' activities with the 2°C goal and they are becoming more recognized is not only in the expanding overseas market but also in the Japanese market. In November 2017 and February 2018, Nomura Securities underwrote and sold green bonds issued by Japan Railway Construction, Transport and Technology Agency, as lead manager. The proceeds from the issuance of these bonds will be appropriated to the construction of new railway lines (Eastern Kanagawa Lines) that are considered effective for reducing carbon dioxide emissions. Moreover, Nomura Group is proactively underwriting and selling green bonds overseas. In November 2017, Nomura International acted as lead manager and underwrote and sold in the euro market euro-denominated green bonds issued by Nederlandse Waterschapsbank (NWB), a public financial

institution in the Netherlands. By supporting the development of green bond markets that provide private funds to investments for the transition to a low-carbon society, Nomura Group aims to respond to diversified customer needs for financing and fund management and to contribute to solving climate change.



A scene from the seminar "New Tide in Green Bonds" jointly held with Bloomberg Finance L.P. in May 2018

Provision of research reports

Nomura Institute of Capital Markets Research (NICMR), an independent research institute in Nomura Group, aims to contribute to the development of financial and capital markets and the financial services sector through research and analysis of markets and systems in Japan and overseas from neutral and objective standpoints, and to disseminate its highly-specialized outputs both domestically and internationally. NICMR has also been bolstering its research on green bonds and ESG bond markets. Its report "Initiatives for the Establishment of Sustainable Finance in Europe," analyzes and offers a

commentary on the "Sustainable Finance: Commission's Action Plan for a Greener and Cleaner Economy" adopted by the European Commission in March 2018. Nomura Securities' Fiduciary Service Research Center, which provides asset management consulting services to institutional investors such as corporate pensions and public pensions, also issues reports on the topic of ESG investment both in Japan and overseas. Going forward, we will continue to provide information with a spotlight on ESG as a part of our pension investment management consulting.

Name of Report	Media	Issuer
Potential Use of Green Bonds as a New Financing Source for Local Governments	Nomura Journal of Capital Markets Winter 2017	Nomura Institute of Capital Markets Research
Overview and Future Challenges of ESG Bond Markets	Nomura Journal of Capital Markets Spring 2018	Nomura Institute of Capital Markets Research
Initiatives for the Establishment of Sustainable Finance in Europe	Nomura Journal of Capital Markets Spring 2018	Nomura Institute of Capital Markets Research
Focal Points of Climate-related Financial Disclosures for Institutional Investors	Nomura Journal of Capital Markets Summer 2018	Nomura Institute of Capital Markets Research
Social Bonds Attract Attention for Realizing a Sustainable Society	Nomura Journal of Capital Markets Summer 2018	Nomura Institute of Capital Markets Research
Ideas to Formulate ESG Investment Policy	Fiduciary Research, June 2018	Fiduciary Management Department, NSC

Nomura Asset Management's initiatives for responsible investment

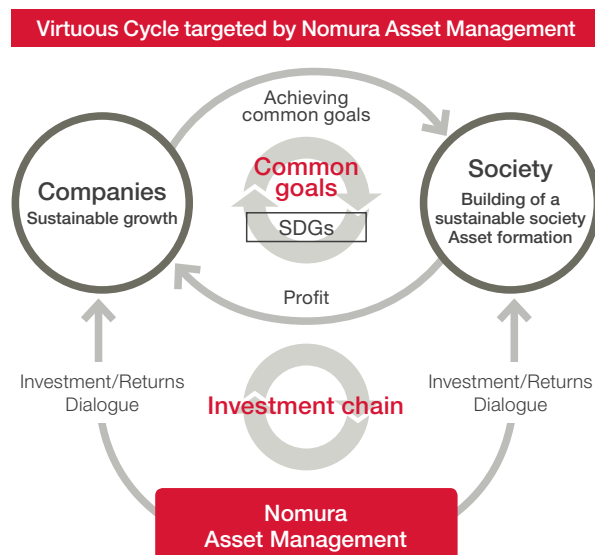
Nomura Asset Management believes that, as an investment management company trusted by clients and society, its mission is to contribute to the development of society through the asset management business. In order to achieve this, we are actively working on stewardship activities such as engagement and proxy voting based on our fiduciary duty as a responsible investor managing clients' assets. In particular, we emphasize ESG issues as a priority matter of corporate social responsibility and sustainability, from the perspective of an investment management company. We engage proactively by understanding how companies we invest in handle ESG issues and work to ensure that they tackle such issues appropriately. Concerning conflicts of interests, which we may face in the course of investment management, we rigorously maintain our independence, make sure not to harm the

interests of clients, and seek to maximize their interests via appropriate execution of voting rights. In particular, being a member of Nomura Group, comprising many financial institutions active in different business areas, Nomura Asset Management is exposed to potential risks concerning various conflicts of interests within the Group and therefore must make extra efforts to protect the interests of clients. In September 2016, we established the Conflict of Interest Management Policy so as to appropriately manage transactions with potential conflicts of interest.

Responsible Investment
<https://global.nomura-am.co.jp/responsibility-investment/>

Responsibility of institutional investors toward achieving SDGs

The growth of ESG investment is being accompanied by investors' tendency to more highly evaluate companies aiming to share the United Nations' Sustainable Development Goals (SDGs) with society. If institutional investors provide capital to such companies, and these companies then use the capital for business expansion as well as contribute to achieving SDGs in areas such as the environment, hygiene, and education, this will eventually lead to realization of sustainable corporate growth and the building of a sustainable society. Furthermore, if the outcomes of ESG investment are allocated to investors in the form of investment returns, a better cycle of a SDGs-related investment chain can be created. Nomura Asset Management is committed to helping build such an investment chain that creates a virtuous cycle through ESG investment.



Acceptance situation of stewardship code

By April 2017, Nomura Asset Management had signed the stewardship codes of six countries and regions. In the U.K., Nomura Asset Management U.K. is rated in the highest tier, Tier1, by the Financial Reporting Council (FRC) in its assessment of financial institutions based on their execution of the U.K. Stewardship Code.



Promoting financial literacy to a wide range of people

Increasing financial literacy leads not only to enhanced asset formation and improved living standards, but also contributes to the healthy development of capital markets and the proper circulation of capital.

Nomura Group has been providing financial and economics education to different generations of people, so as to raise individuals' knowledge and understanding of finance and economics.

Financial and economics education to the next generation

Nomura Group has spearheaded efforts to provide financial and economics education to young people in Japan. We began hosting financial courses for universities in 2001 and our employees in retail branches across Japan serve as lecturers, visiting classes at

elementary, junior, and senior high schools nationwide. Moreover, we are a special sponsor of the Nikkei Stock League Contest and donate learning materials to schools, providing economics and securities education opportunities to young people.

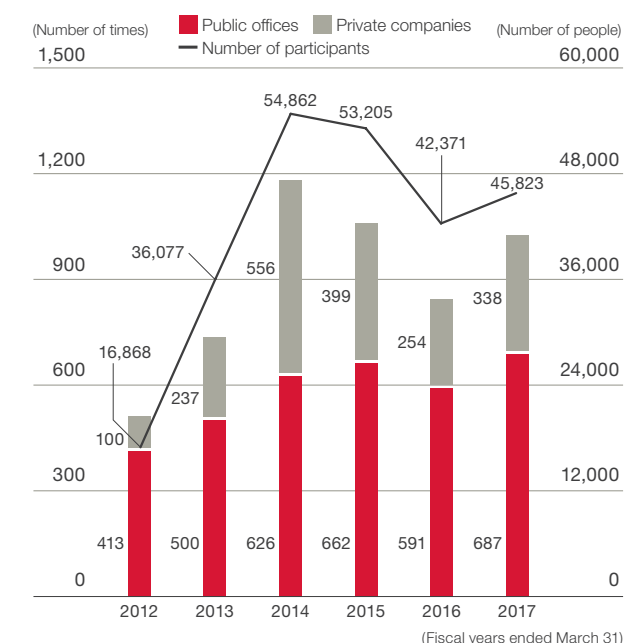
Implementation status of programs

	Year first offered, number of classes, participants, etc.	Cumulative record as of March 31, 2018
Visiting classes (elementary, junior, senior high schools, universities, teachers)	2008	Number of classes: 11 Number of participants: 653
		Number of classes: 1,519 Number of participants: 63,164
Financial courses for universities	2001	Number of schools: 17 Number of participants: 3,000
		Number of schools: 1,864 Number of participants: 239,200
Financial courses for the general public	2003	Number of classes: 171 Number of participants: 11,431
		Number of classes: 8,120 Number of participants: 399,755
Nikkei Stock League	2000	Number of teams: 623 Number of participants: 2,604
		Number of teams: 27,950 Number of participants: 110,708

Providing financial knowledge to investors focused on building assets

Nomura Group has been holding a wide range of seminars for new employees of private sector companies, including investment education on employees' share ownership plans, defined contribution pension plans, and accumulated-type NISA (Nippon Individual Savings Accounts), as well as life-planning seminars for these same employees. For public sector employees, we provide financial literacy education, including lifelong living plans, individual-type defined contribution pension plans, and accumulated-type NISA. By providing knowledge about money, which is necessary for a satisfying life, and teaching the basics of asset management, we will continue our efforts to "help enrich society through our expertise in capital markets."

Number of seminars held and number of participants





Fundamental approach

Nomura Holdings recognizes that the enhancement of corporate governance is one of the most important issues in terms of achieving management's goal of enhancing corporate value by deepening society's trust in the firm and increasing the satisfaction of stakeholders beginning with clients. As a company with Three Board Committees structure, we have separated management oversight from business execution. This separation of duties strengthens the oversight functions and transfers authority regarding business execution from the Board of Directors to the Executive Officers in a bid to accelerate the Group's decision-making process.

Board of Directors

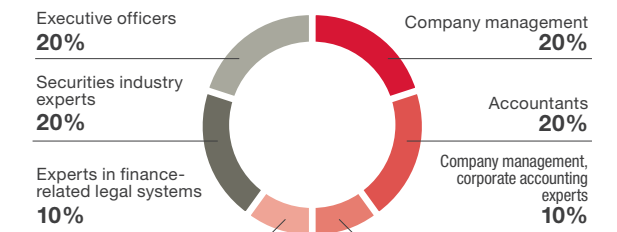
- A majority of the Board of Directors are independent Outside Directors
- Emphasis on diversity within the Board of Directors to conduct oversight from diverse perspectives

Nomura Holdings has defined management oversight as the primary task of the Board of Directors, and maximizing corporate value in the medium and long-term as their objective. To achieve a high level of impartiality and transparency in management, the Board of Directors has formulated the "Basic Management Policy," in which the Board of Directors elects the Group CEO and other Executive Officers in charge of corporate management, while also making key decisions on our business execution.

For the purpose of properly performing its oversight functions, our Board of Directors consists of 10 Directors,

six of whom are independent Outside Directors. It is chaired by a Director who does not also serve as an Executive Officer. To ensure active deliberations from various points of view, it is composed of diverse members in terms of nationality, gender, backgrounds and other factors who have expertise in financial affairs, corporate management and other areas.

Composition of the Board of Directors (as of July 1, 2018)



Nomination Committee

Our Nomination Committee aims to establish an appropriate management system throughout Nomura Group. It evaluates proposals for the election and dismissal of Directors to be submitted to the General Meeting of Shareholders in consideration of their personality, insight, values and knowledge and experience in their specialty areas. We have established the "Independent Criteria" for maintaining the independence of our Outside Directors from the Group and ensure that none of the Outside

Directors have concurrent posts that would prevent them from having enough time to fulfill their duties. However, we acknowledge that they may have a maximum of three additional posts at other companies.

Nomination Committee consists of three Directors who do not also serve as Executive Officers, two of whom are independent Outside Directors.

Details about the "Independent Criteria" for our Outside Directors
<https://www.nomuraholdings.com/company/cg/data/criteria.pdf>

Audit Committee

The purpose of our Audit Committee is to serve the Nomura Group's lawful, appropriate and efficient business management. It exercises its statutory authority and deploys the Independent Auditor and internal organizations to audit the Directors' and Executive Officers' performance of duties in terms of legality, appropriateness and efficiency, and prepares audit reports. In accordance with the evaluation criteria on independence and expertise, it determines proposals regarding the election, dismissal and non-re-election of the Independent Auditor and exercises its right

to grant approval for decisions on compensation and other matters for the Independent Auditor. It works with the Independent Auditor and the internal audit sections to ensure proper auditing operations.

Our Audit Committee consists of three Directors who do not also serve as Executive Officers. Two of them are independent Outside Directors. All its members meet the independence standards prescribed in the Sarbanes-Oxley Act in the U.S. One of them is a financial expert under this legislation.

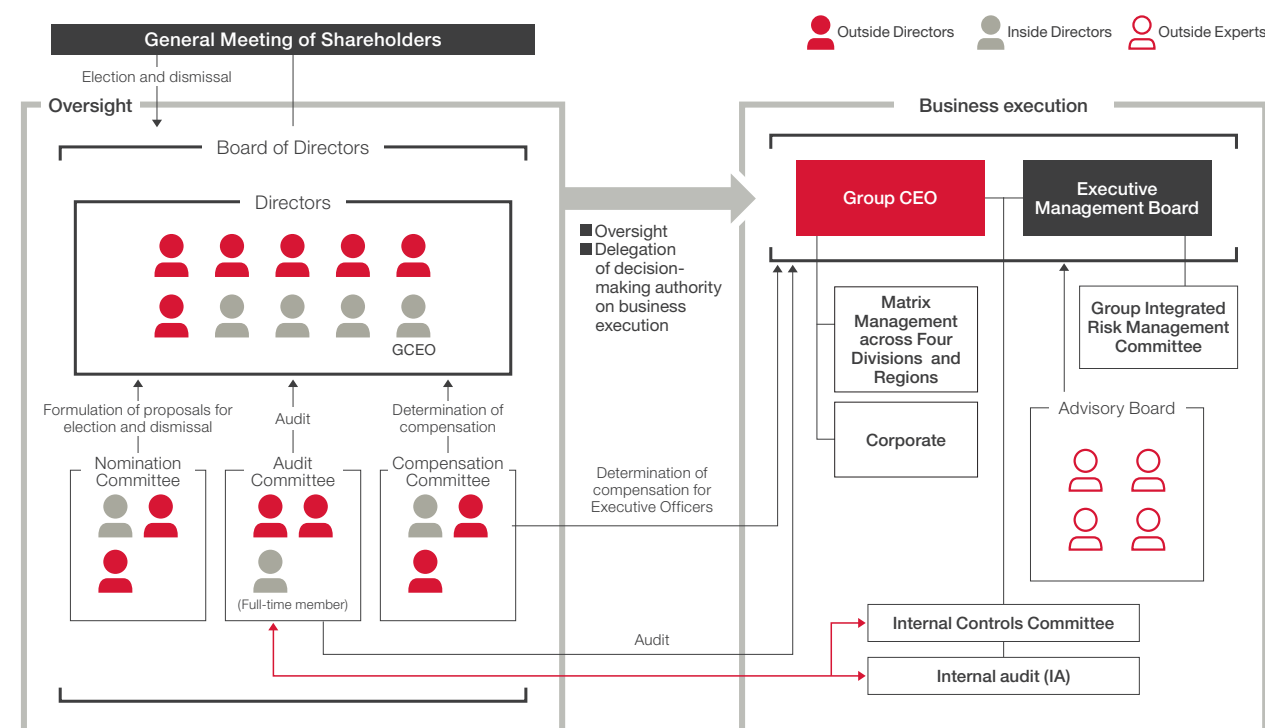
Compensation Committee

Our Compensation Committee's objective is to secure, retain and motivate our personnel, which are the greatest assets of Nomura Group. In order to establish our solid position as a financial services group with a global competitive advantage, the committee formulates the "Compensation Policy of Nomura Group," the "Compensation Policy for Directors and Executive Officers of Nomura Holdings, Inc.," and determines the compensation for individual Directors and Executive Officers in accordance with these policies. On the basis of the "Pay for performance"

principle, the committee combines internal analyses with findings from those conducted by an outside evaluating institution to heighten the degree of objectivity and transparency. By using share-related and other deferred compensation with predetermined periods of restrictions to exercise rights, it seeks alignment with shareholders' interests and the improvement of long-term incentives. Our Compensation Committee consists of three Directors who do not also serve as Executive Officers and two of them are Independent Outside Directors.

Corporate Governance

Corporate Governance System



- Adopted Company with Three Board Committee structure
- Continued efforts to establish a system for transparent, fair and strong-minded decision-making

continue to diversify our Board, and accounted with a majority of outside directors.

In 2015, we established “Nomura Holdings Corporate Governance Guidelines” to provide a mechanism for toughening our corporate governance.

Apart from the Board of Directors, “Outside Directors Meetings” were established in which they discuss matters related to our business and corporate governance. In addition, we invited Asian experts as members of the Advisory Board, which is designed to upgrade our corporate governance, helping us evolve into an “Asia’s global investment bank.”

To achieve our continued growth and maximization of corporate value in the medium-to long-term, we are stepping up to further reinforce our governance system.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018			
Organizational structure	Company with Board of Auditors		1 Company with Committees, etc.			Company with Committees (renamed after the enforcement of the Companies Act)										Company with Three Board Committees (renamed after the revision of the Companies Act)				1 2003 Adopted a Company with Committees, etc. structure (now known as a Company with Three Board Committees) — 2 2004 Established the Code of Ethics of Nomura Group to be observed by every officer and employee of Nomura Group — 3 2010 Independent Outside Directors accounted for a majority of the Board of Directors — 4 2015 Established the Nomura Holdings Corporate Governance Guidelines — 5 Established “Outside Directors Meetings” (a meeting separated from Board of Directors, where matters such as the strategy of Nomura Group and corporate governance are discussed) — 6 Inviting Asian experts as member of “Advisory Board” ~structure of receiving advices to become “Asia’s global investment bank”~	
Number of Directors	12 (4 auditors)	11 (4 auditors)	11	11	11	11	11	11	12		12	14	11	11	11	12	11	10	10		
Number of Outside Directors	2 (2 outside auditors)	2 (2 outside auditors)	4	4	4	4	4	5	6		7	8	7	6	6	7	6	6	6		
Ratio of Outside Directors	17%	18%	36%	36%	36%	36%	36%	45%	50%		3 58%	57%	64%	55%	55%	58%	55%	60%	60%		
Ratio of non-Japanese Directors	0%	0%	0%	0%	0%	0%	0%	0%	0%		17%	29%	27%	27%	27%	25%	27%	10%	20%		
Ratio of female Directors	0%	0%	0%	0%	0%	0%	0%	0%	0%		8%	7%	9%	9%	9%	8%	9%	10%	20%		
Committees under control of the Board of Directors			2003 Nomination Committee																		
			2003 Audit Committee																		
	2001 Compensation Committee (voluntary)		2003 Compensation Committee																		
Measures in enhancing efficiencies of Board of Directors																5 2015 Evaluation of the Board of Directors (once a year)					
																2015 Regular Outside Directors Meetings					
	Office of Auditors		2003 Office of Audit Committee*1				2006 Group Office of Audit Committee											2016 Office of Non-Executive Directors and Audit Committee*2			
Other advisory bodies and committees															6 2015 Invited Asian experts to be Advisory Board members						
	2001 Established the Advisory Board as an advisory body to the Executive Management Board																				
	2001 Established the Management Controls Committee (the Internal Controls Committee)							2008 Internal Controls Committee													
Rules and guidelines	1998 The whistle-blowing system “Compliance Hotline”																				
	2 2004 Established the Code of Ethics of Nomura Group																				
													4 2013 announced the Independent Criteria for Outside Directors								
													Established the Nomura Holdings Corporate Governance Guidelines			2015					
Toughening of governance over subsidiaries													Established August 3 as “Nomura Founding Principles and Corporate Ethics Day”							2015	
												2012 Appointed Outside Directors for Nomura Securities with no concurrent posts at Nomura Holdings									
													Appointed Outside Directors for Nomura Asset Management from outside the Group							2015	

*2 Organization supporting duties of Directors including members of Audit Committee and Outside Directors

- Establishment of system to support Directors in their duties

Examples of actions

- The Outside Directors and other Directors participated in a two-day meeting of the Executive Officers and Senior Managing Directors to discuss how Nomura should function in 2020 and beyond.
- The members of the Audit Committee visited major overseas locations in London, New York, Hong Kong, and the Japan branches of Kyoto and Osaka. They verified the business conditions, management vision, and the understandings of our strategy.
- The chairman of Outside Directors explained our management of Board of Directors and Audit Committee through the investor briefing session called “Investor Day.” We held a session for an Outside Director to speak to investors.

Nomura Group has ongoing discussions concerning the purpose of strategic shareholdings.

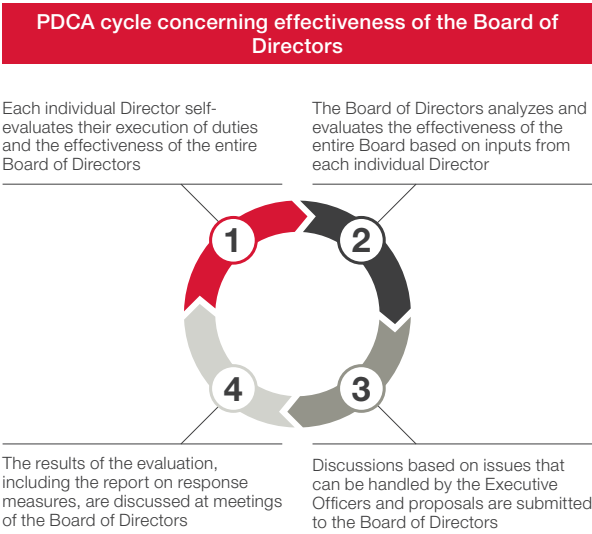
Regarding strategic shareholdings, we consider the risks and costs involved in holding such shares and perspectives of business strategy, such as opportunities to increase the revenues of our businesses through the expansion of transactions or business alliances with us whose shares are held, and shall hold such shares only if such shareholdings will contribute to maintaining/enhancing the corporate value of the Nomura Group.

As a result of the discussion, concerning stocks whose sale has been determined to be reasonable, we proceed with the sale of such stocks while taking into consideration the impact on the market and other circumstances.

Above basic policy for strategic shareholdings and other are written in Article 25 and Article 26 of the Nomura Holdings Corporate Governance Guidelines.

Evaluation of the effectiveness of the Board of Directors

We have been conducting evaluations on the effectiveness of the Board of Directors since the fiscal year ended March 2016. Each individual Director assesses the management of the Board of Directors, including the quantity and quality of information offered and discussions by the Board of Directors. They also share their findings at Board of Directors meetings and learn from the results in order to continue strengthening their oversight function. Giving these situations, the effectiveness of the Board of Directors can be generally evaluated as a well-functioning system. As a Company with Three Board Committees, we make sure to secure the mobility of the execution, and either during or outside of Board of Directors meetings, we are enhancing the chances of utilization of all members' expertise to further sophisticate our deliberating function of Board of Directors.

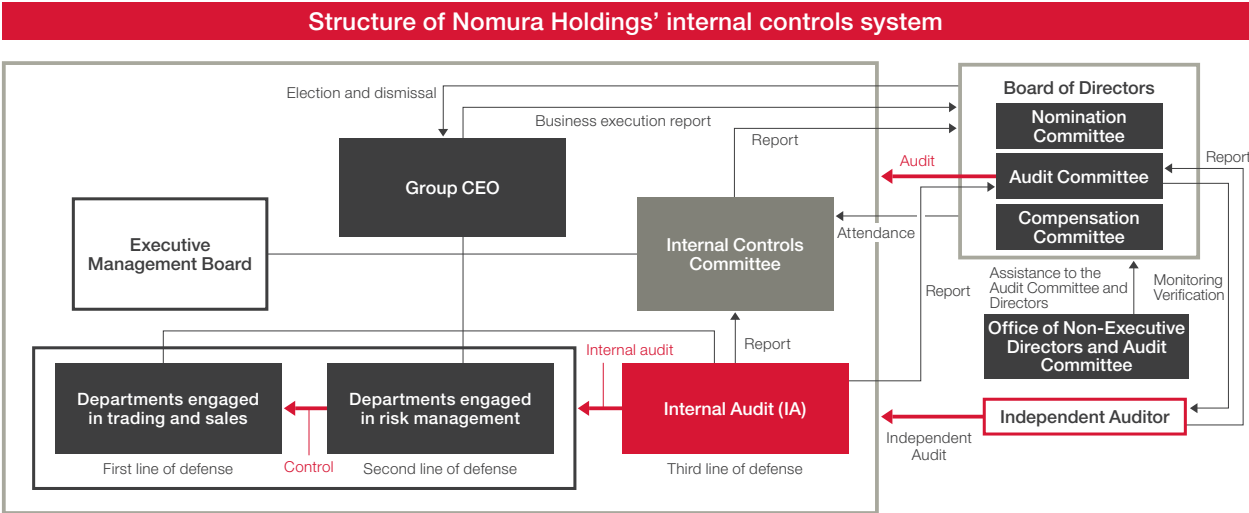


Evaluation items	Response to results
<ul style="list-style-type: none">■ Constitution and management of the Board of Directors■ Information provision to the Board of Directors■ The Board of Directors' involvement in management goals and strategy■ The Board of Directors' function of overseeing management	<ul style="list-style-type: none">■ Reporting on the state of dialogues with investors, analysts and other stakeholders to the Board of Directors as appropriate.■ Deliberation on matters relating to our business and corporate governance through Outside Directors' Meetings
<ul style="list-style-type: none">■ Constitution and management of the Nomination, Audit and Compensation Committees■ Monitoring of the state of dialogues with stakeholders■ Management of Outside Directors Meetings, etc.	

Internal controls system

We are enhancing our internal controls to ensure appropriate corporate behaviors throughout the Group are made in efforts to attain management transparency, ensure efficiency, observe laws and rules, manage risks, maintain the reliability of business and financial reports, and encourage appropriate information disclosure. First, we implemented risk controls in sales and trading businesses, which are then reviewed and monitored by risk management teams. They also encourage development of management frameworks. Finally, the Internal Audit department, which is independent from business execution, conducts their internal audit. (This is commonly referred to as the Three Lines of Defense

approach. See page 67-68 for details.) The status of the implementation of internal audits is reported to the "Internal Controls Committee" chaired by the Group CEO and attended by members of the Audit Committee. Deliberations of the Internal Controls Committee are reported to the Board of Directors. The Audit Committee collaborates directly with the Internal Audit department and submits reports to the Board of Directors. To strengthen the independence of the Internal Audit department from business execution functions, implementation plans, their budget formulation and the election and dismissal of their heads require the consent of the Audit Committee.



Note: Internal Controls Committee The Committee deliberates and determines matters regarding the establishment and evaluation of internal controls for the Nomura Group's business management structure as well as matters regarding the improvement of corporate behavior. Upon the consent of the Audit Committee, the Committee approves the internal audit plan, the budget regarding the internal audit, and elects and dismisses the Head of the Internal Audit Division. The Committee is comprised of Group CEO, person(s) assigned by Group CEO, member(s) of Audit Committee designated by the Audit Committee and Director(s) designated by Board of Directors.

Compensation for Directors and Executive Officers

As Nomura has adopted the "Company with Three Board Committees" structure, the Compensation Committee has established the Compensation Policy of Nomura Group and the Compensation Policy for Directors and Executive Officers. We ensure that the Nomura Group's compensation framework aligns with our business strategy.

Compensation Policy for Directors and Executive Officers

The compensation of Directors and Executive Officers comprises base salary, yearly cash bonuses and long-term incentive plans, and is determined by the Compensation Committee based on this policy. A portion of compensation may be deferred or paid in the form of equity-linked awards. Equity-linked awards have vesting periods to ensure that the medium-to long-term interests of Directors and Executive Officers are closely aligned with those of shareholders.

Compensation Policy of Nomura Group

To enable us to achieve sustainable growth, realize a long-term increase in shareholder value, deliver added value to our clients, compete in the global market, and enhance our reputation, our compensation policy is based on the following aims.

- 1 Align with Nomura's values and strategies
- 2 Reflect group, divisional, and individual performance
- 3 Establish appropriate performance measurement with a focus on risk
- 4 Align employee and shareholder interests
- 5 Appropriate compensation structures
- 6 Ensure robust governance and control processes

Adoption of Restricted Stock Unit program

From FY2017/18, we have adopted the Restricted Stock Unit (RSU) as a deferred compensation program for Directors, Executive Officers and employees of the firm and its subsidiaries, in lieu of existing compensation programs such as the issuance of stock acquisition rights. Subject to certain conditions such as voluntary retirement etc., Nomura will deliver shares of common stock to RSU guarantees one to three years (up to seven years where required by local regulations) after the RSUs are granted mainly through disposal of treasury shares. Introduction of RSU awards is intended to integrate the principles of the Group's deferred compensation program and to further align the compensation program and the business strategy with the medium-to long-term interests of shareholders.

Compensation paid to Directors and Executive Officers (FY2017/18)			
Position	Directors (Outside directors)	Executive Officers	Total
Number of People*1	9 (6)	7	16
Basic Compensation*2,3 (millions of yen)	264 (124)	522	786
Bonus (millions of yen)	89 (-)	415	504
Deferred Compensation*4 (millions of yen)	84 (-)	511	595
Total Amount Paid (millions of yen)	437 (124)	1,448	1,885

*1 The above number includes one Director who retired in June 2017. There were 8 Directors and 7 Executive Officers as of March 31, 2018. Compensation to Directors who were concurrently serving as Executive Officers is included in that of Executive Officers.

*2 Basic compensation of ¥786 million includes other compensation (commuter pass allowance) of ¥1.07 million.

*3 In addition to basic compensation, ¥24 million of corporate housing costs, such as housing allowance and related tax adjustments, were provided.

*4 Deferred compensation (such as stock options) granted during and prior to the fiscal year ended March 31, 2018, is recognized as expense in the financial statements for the fiscal year ended March 31, 2018.

*5 Subsidiaries of the Company paid ¥49 million to Outside Directors as compensation etc. for their directorship at those subsidiaries for the fiscal year ended March 31, 2018.

*6 The Company abolished retirement bonuses to Directors in 2001.



Hiroshi Kimura
Outside Director

Worked for Japan Tobacco Inc. as President, CEO and Representative Director amongst other roles. In particular, I succeeded in two large M&A projects and integrated management for advancing globalization. I think that key factors for success are concentration of managerial resources, swift action, and diversity as a source of competitiveness. I feel that these key factors are consistent between Japan Tobacco and Nomura, even though they are in different industries.

Member of the Nomination Committee / Member of the Compensation Committee / Honorary Company Fellow of Japan Tobacco Inc.

Under the strong determination of Nomura Group's management team, continuous efforts are being made to prevent past scandals from occurring again. This is an on-going process, and I understand that it is important to keep passing down messages from the management team to every single staff member to prevent them from being careless. The advantages of Nomura Group lie in the fact that the Founder's Principles are deeply rooted in its management, and that there are experienced personnel adhere to these principles. In addition to Nomura's solid business footing in its home market, it has investment capacity for the future and potential for growth overseas. On the other hand, the challenges it faces are very clear. Nomura must respond swiftly to the rapid aging of the population in Japan, stabilize the revenue of its overseas business and constantly review and reconsider the cost base. Clearly recognizing these challenges and advantages, I will contribute to the further development of Nomura Group with the use of the expertise that I have cultivated so far.

Member of the Nomination Committee / Member of the Compensation Committee / Director & Chairman of AGC Inc.

Nomura Group's strength lies in the basic principle of putting customers first, which has been passed down from generation to generation since its foundation. Moreover, its attitude toward courageously developing new ideas, recognizing the necessity of reforms and cultivating a strong sales team is impressive. At AGC, the company that I am from, there are shared values of seeking Innovation & Operational Excellence on the basis of Diversity, Environment and Integrity. I have managed the company while keeping these values in mind. Nomura Group operates its businesses around the world under the corporate slogan of Delivering a Better Tomorrow. I hope that my experience and values will bring a new perspective to Nomura Group, and contribute to Nomura Group by enhancing its business.



Kazuhiko Ishimura
Outside Director

I worked for AGC Inc. as Group CEO after working in the design and development section for production equipment, production section, and as manager of the electronics segment. Though the manufacturing and financial institutions sectors are different, I believe there are commonalities in managing in a way they both operate globally.



Noriaki Shimazaki
Outside Director

I have corporate management experience as Representative Director and Executive Vice President of Sumitomo Corporation. In addition, I have cultivated extensive experience and knowledge of finance and accounting by holding many different roles, including being a member of the Business Accounting Council of the Financial Services Agency and a trustee of the International Accounting Standards Committee Foundation.

Chairman of the Audit Committee / Advisor of the IFRS Foundation Asia-Oceania Office / Former Representative Director and Executive Vice President of Sumitomo Corporation

Nomura Group's corporate governance system is not just a formal system. The majority of members in the Board of Directors are Outside Directors who participate in each committee meeting, ensuring effective management. Effective management comes from good awareness of the management executives. Never yielding to the business-first stance, Nomura aims to achieve continuous growth on the basis of the principle of "Putting the Customer First" as part of the "Founder's Ten Principles" that were passed down from founder Tokushichi Nomura. The strategies devised by the executives are well communicated to the working-level personnel. I think that this is why employees in Nomura in both Japan and overseas are so competent and capable of expanding Nomura's business globally. Meanwhile, the hurdles that Nomura must clear to continuously increase its corporate value are evident. This includes transforming its business model in Japan and improving profitability in international regions. I think that we can achieve continuous growth in any environment by tackling these issues. As an Outside Director, I will perform checks and share my perspective on corporate management developed at Sumitomo Corporation to contribute by creating value to Nomura and boosting its competitiveness.

Member of the Audit Committee / Certified Public Accountant / Former Commissioner of the Securities and Exchange Surveillance Commission

Nomura Group has established a well-organized corporate governance system overall. In particular, outside directors form majority of the Board of Directors, and they exchange opinions frankly at Board of Directors meetings making monthly held Audit Committee meetings very meaningful. Also I believe that the chairman and the full-time members of the Audit Committee are very vigorous, and the existence of the Office of Non-Executive Directors and Audit Committee and collaboration with the internal audit sections are functional. On the other hand, to maintain effective governance, it is vital to refresh the senses and maintain a degree of tension without contenting ourselves with the status quo. Nomura Group has an advantage of having a solid customer, personnel and financial base as Japan's largest securities company. Now, it is growing its presence overseas. Under drastically changing economic circumstances, it is necessary to direct the company soundly, and prevent its past strengths and managerial resources from turning into negative legacies. Since Nomura is a massive organization, it must make continuous efforts to ensure its corporate philosophy and compliance are well communicated and observed by its current staff. To build the foundations for this, I will contribute by using my expertise.



Mari Sono
Outside Director

As a certified public accountant, I am well aware of the significance of appropriate disclosure and accountability to stakeholders. I believe ascertaining and evaluating corporate internal controls are the basic concepts of auditing, and that this principle applies to outside directors and members of the Audit Committee as well.

Former Executive Chairman of PricewaterhouseCoopers, Singapore



Michael Lim Choo San
Outside Director

I have been Executive Chairman of PricewaterhouseCoopers Singapore, a professional services firm from which I retired after serving more than thirty years. Additionally, I was Chairman and Board Member for a number of organizations including both Government agencies as well as listed companies. From these experiences, I gained expertise in audit, finance, corporate governance and regulatory compliance in many different industries.

Nomura Group manages its operations through a matrix of business lines and regional operations. Additionally, at top management level, it also includes the Risk Committee as well as Internal Controls Committee. This is further by oversight from the Board and its Three Board Committees. I believe the strength of Nomura Group is in the strong client base in Japan and a growing base outside Japan. This combination gives it a competitive edge. On the other hand, Nomura needs to be aware and work on some issues, one of which is digital technology. The speed of digital technological development is advancing at a rapid pace and Nomura needs to be at the front end of the development such as Fintech. As an outside director, I will fully support Nomura, a company that works hard in solving and facing new challenges.

Former Commissioner and Acting Chairperson of the U.S. Securities and Exchange Commission (SEC)

As one of the largest independent broker dealers in the U.S., Nomura has a competitive edge over financial firms operating within a bank holding company structure. Nomura is able to provide services that banks are constrained from offering, as it builds out its investment banking business. This will serve the firm well in expanding opportunities to medium sized company businesses (within market capital of \$10 billion). Japan's strengthening economy will attract those companies looking for ways to participate in growth opportunities in Asia where Nomura has the ability to play a major role, given the company's position in Japan and the Asian market. As an outside director, I understand the global business challenges Nomura faces. I will contribute to Nomura by providing insights into U.S. market opportunities, including those resulting from regulatory and / or legislative changes.



Laura Simone Unger
Outside Director

After working in the U.S. Securities and Exchange Commission as a Commissioner and Acting Chairperson, I served as a commentator for business news and as a Financial Institution Consultant. These experiences have enabled me to develop my expertise in the financial services industry. During that time, I have also served as an independent director on several public company boards. This has provided me with the opportunity to become an expert in corporate governance and business strategy.

Directors of Nomura Holdings (As of July 1, 2018)

Chairman of the Board of Directors	Chairman of the Nomination Committee, Chairman of the Compensation Committee	Nobuyuki Koga
Director	Member of the Audit Committee (Full-time member)	Hisato Miyashita
Outside Director	Member of the Nomination Committee, Member of the Compensation Committee, Honorary Company Fellow of Japan Tobacco Inc.	Hiroshi Kimura
Outside Director	Member of the Nomination Committee, Member of the Compensation Committee, Director & Chairman of AGC Inc.	Kazuhiko Ishimura
Outside Director	Chairman of the Audit Committee, Advisor of the IFRS Foundation Asia-Oceania Office, Former Executive Vice President of Sumitomo Corporation	Noriaki Shimazaki
Outside Director	Member of the Audit Committee, Certified Public Accountant, Former Commissioner of the Securities and Exchange Surveillance Commission	Mari Sono
Outside Director	Former Executive Chairman of PricewaterhouseCoopers, Singapore	Michael Lim Choo San
Outside Director	Former Commissioner and Acting Chairperson of the U.S. Securities and Exchange Commission	Laura Simone Unger

Directors who are concurrently serving as Executive Officers

Director, Representative Executive Officer, President and Group CEO	Koji Nagai
Director, Representative Executive Officer, Deputy President	Shoichi Nagamatsu

Outside Directors of major subsidiaries in Japan
(Nomura Securities Co., Ltd. / Nomura Asset Management Co., Ltd.)

Nomura Securities Co., Ltd.

Outside Director	Advisor Attorney of TMI Associates, Former Superintending Prosecutor	Toshiaki Hiwatari
Outside Director	Former Chairman of the Board, Kao Corporation	Motoki Ozaki

Nomura Asset Management Co., Ltd.

Outside Director	Board Chairperson of NPO Triton Arts Network	Rikio Nagahama
Outside Director	Of-Counsel, Attorney-at-Law, Anderson Mōri & Tomotsune	Akiko Kimura

Executive Officers and Senior Managing Directors of Nomura Holdings (As of July 1, 2018)

Executive Officers	Representative Executive Officer, President and Group CEO		Koji Nagai
	Representative Executive Officer, Deputy President		Shoichi Nagamatsu
	Vice Chairman		Tetsu Ozaki
	Executive Managing Director and Group Co-CEO		Toshio Morita
	Executive Managing Director and Group Co-CEO, Head of Americas (based in New York)		Kentaro Okuda
	Executive Managing Director, Head of Asset Management		Kunio Watanabe
	Executive Managing Director, Chief Financial Officer (CFO)		Takumi Kitamura
	Executive Managing Director, Head of Group Entity Structure and Co-CRO		Yuji Nakata
Senior Managing Directors	Retail	Head of Retail	Eiichiro Yamaguchi
	Wholesale	Head of Wholesale and Global Markets (based in London)	Steven Ashley
		Global Head of Investment Banking	Yo Akatsuka
		Co-Head of Global Markets	Yutaka Nakajima
		Global Markets, Global Head of Equities	Norikazu Akedo
		Co-Head of Global Markets, EMEA (based in London)	Hideo Kitano
		Head of Global Markets, Asia ex-Japan (based in Singapore)	Rig Karkhanis
		Head of Global Markets, Americas (based in New York)	Jonathan Raiff
	Merchant Banking	Head of Merchant Banking	Masahiko Maekawa
	Corporate	Chief Risk Officer (CRO) (based in London)	Lewis O'Donald
		Chief of Staff and Group Strategy	Satoshi Arai
		Deputy Chief of Staff, Group CAO*1 and Operations	Paul Spanswick
		Chief Information Officer (CIO)	Kaoru Numata
		Head of Group Compliance	Tomoyuki Teraguchi
		Chief Legal Officer (CLO)	Yasushi Takayama
		Innovations	Chuzaburo Yagi
		Group Head of Global Corporate Communications, Corporate Citizenship and Tokyo 2020 Olympic and Paralympic	Hajime Ikeda
		Global Head of Human Resources	Etsuro Miwa
		Head of General Services	Rikiya Nonomura
		Group Strategy and Executive Office	Toru Otsuka
	Banking	Banking	Kenji Kimura
	Americas	Executive Chairman, Americas (based in New York)	David Findlay
		Co-Head of Americas (based in New York)	Tsutomu Takemura
	EMEA	Executive Chairman, EMEA (based in London)	Yasuo Kashiwagi
		Head of EMEA (based in London)	Jonathan Lewis
	Asia ex-Japan	Executive Chairman, Asia ex-Japan; Head of China Committee; Asia Strategy (based in Hong Kong/Singapore)	Toshiyasu Iiyama
		Head of Asia ex-Japan (based in Singapore/Hong Kong)	Vikas Sharma
		Deputy Head of China Committee	Shinichi Mizuno
	Internal Audit	Group Internal Audit	Shoji Ogawa

*1: Chief Administrative Officer

Summary of the presentation

1

Improving the corporate governance system of Nomura Group and the effectiveness of the Board of Directors

Independence of the Board of Directors from the business execution side and the Board's objectivity as a supervisory organization are ensured

- A majority of the members of the Board of Directors and the three committees (Nomination, Audit and Compensation Committees) are Outside Directors
- The Board of Directors is structured to emphasize diversity and encourage multilateral discussion based on the members' experience and knowledge in their respective fields

The effectiveness of the Board of Directors is improved through the implementation of annual self-evaluations and the PDCA cycle

- Issues and remedies are identified (case examples)
 - Information is provided multilaterally (the Board of Director receives reports on dialogues with stakeholders on a continuous basis and attends meetings of the business execution side to discuss medium-to long-term management strategies, etc.)
 - Discussion among the Outside Directors is encouraged (Meetings of Outside Directors are held on regular intervals)

2

Initiatives of the Audit Committee

Audit policy of Nomura Holdings Audit Committee

- Establish good corporate governance to ensure the sustainable growth of the Nomura Group and to earn society's trust
- Actively participate in the development and operation of the internal controls system, and monitor and verify its effectiveness
- Enhance effectiveness and efficiency of audits through collaboration with accounting auditors and Internal Audit
- Monitor the effectiveness of group strategy by implementing PDCA for group strategy at all levels

Audit Committee

- Audit interviews are conducted with Group CEO, Group COO, heads of business divisions, regional heads, directors, executive officers, and other members of senior management
- Financial reports by executive in charge of finance, reports by Internal Controls executive and Internal Audit executive responsible for risk management, compliance, etc.

Major audit activities of the full-time Audit Committee member and Audit Mission Director

- Audit interviews: Reporting from discussion with Senior Managing Directors, Management Directors
- Overseas on-site audits: Interviews with the management of major sites and key staff members
- Domestic on-site audits: Managing Directors of head and branch offices, staff members in Japan

Cooperation with auditors

- Monthly meetings with Internal Audit and Accounting Auditor
- Cooperate with Audit Committee members in each region, Audit Committees of subsidiaries, and statutory auditor

Reporting to the Board of Directors

- Audit reports, reporting of the status of the execution of duties, comments on audit findings

To ensure sustainable growth and to earn the trust of society, we will maintain good corporate governance

Noriaki Shimazaki

Outside Director, Chairman of the Audit Committee
Advisor of the IFRS Foundation Asia-Oceania Office
Former Executive Vice President of Sumitomo Corporation

In May 2018, at a presentation held at our head office in Otemachi, Chiyoda-ku, Tokyo for analysts and institutional investors, Mr. Noriaki Shimazaki, Outside Director and Chairman of the Audit Committee, made his first appearance explaining the effectiveness of our corporate governance and current status of the Audit Committee's activities. This was followed by a question and answer session.

Questions and answers

Q

Sell-side analyst

"What is your evaluation of Nomura Group's arrangements and the provisions concerning lawsuits and cases of legal disputes with authorities?"

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The Audit Committee receives regular reports on the status of the lawsuits from the executive officer in charge of legal affairs. The Committee also receives reports from the CFO on the amount of estimated maximum loss for each lawsuit and each case of legal dispute at the time of each quarterly financial results and confirms that an appropriate allowance is reflected in the financial statements. The Committee fully confirms the appropriateness of the accounting of the provision for allowance concerning lawsuits, etc. and descriptions in the notes to financial statements.

Overseas institutional investor

"There is a trend in the U.S. toward imposing board term limits. As an Independent Director, what do you think about the idea of term limits for board members?"

In Japan, the term of office for directors and a mandatory retirement age system for executive officers are generally established by companies, often varying by the individual company. The term of office for Outside Directors is also determined at Nomura. The renewal of these terms or retirement from office for board members is proposed at a general meeting of shareholders every year. I believe that these standards and measures are appropriate.

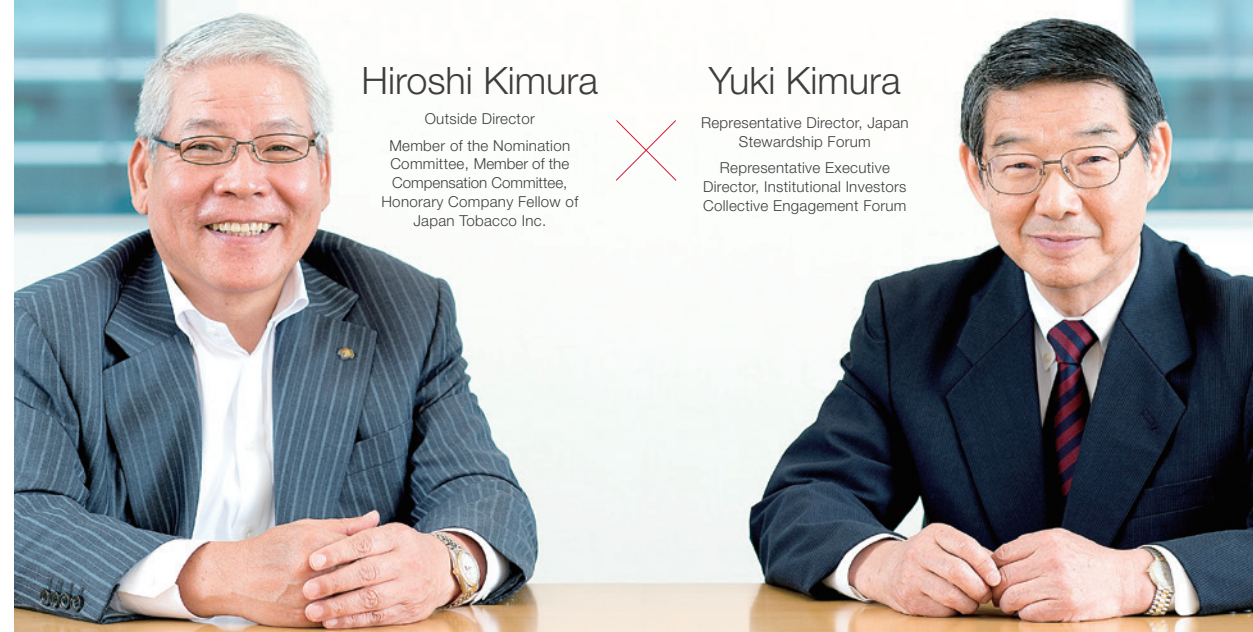
Sell-side analyst

"Monitoring the effectiveness of strategies is indicated as the objective of the Audit Committee. If, for example, there is a situation in which key performance indicators (KPIs) set by management cannot be achieved, would the Audit Committee present some proposals to the Directors?"

We have various KPIs and goals to achieve by 2020. The Audit Committee tracks progress at least every quarter and monitors not only the figures indicated in the financial results but the degree to which our goals have been achieved, including the enhancement of the earnings structure. In addition, we take care not to show individual numbers out of context. Looking back at Nomura's scandals in the past, the people working on site focused too heavily on numbers above all else, which led to improper transactions in some cases. It is important to achieve numerical goals but that should

not be the only goal. The primary objective of our management vision for 2020 (Vision C&C) is to create a robust operating platform capable of delivering consistent growth for the Nomura Group. To achieve our vision, we are working to address two overarching issues: transforming our business model in Japan and improving the profitability of our international operations. When our vision is achieved, we will attain an EPS of ¥100. At the recent meeting of the Board of Directors, I strongly reiterated this message to the execution side as the chairman of the Audit Committee.

I will help the Nomura Group enhance its competitiveness with my suggestions



Hiroshi Kimura

Outside Director
Member of the Nomination Committee, Member of the Compensation Committee, Honorary Company Fellow of Japan Tobacco Inc.

Yuki Kimura

Representative Director, Japan Stewardship Forum
Representative Executive Director, Institutional Investors Collective Engagement Forum

Yuki Kimura (hereinafter “YK”) | Mr. Kimura, could you begin by explaining specifically the kinds of activities you are actually involved in as an Outside Director of Nomura Holdings, Inc. (hereinafter “Nomura HD”)?

Hiroshi Kimura (hereinafter “HK”) | Attending the Board of Directors meetings held once every month is my basic duty as an Outside Director. I feel the Board of Directors meeting of Nomura HD is managed extremely well. I was assigned as an Outside Director at Nomura HD in June 2015. In my first year, I attended Audit Committee meetings held once every month as a member of the committee. Since 2016, I have been acting as a member of the Nomination and Compensation Committees. However, I am still able to attend the Audit Committee meetings as an observer. The Audit Committee interviews different members each month, rotating between the Group CEO, the Group COO and the heads of each division. Audit Committee meetings are very good opportunities to get to know the senior management, so I try to attend them whenever possible. The Nomination and Compensation Committees meetings are held before the Board of Directors meetings whenever necessary. At Nomura HD, members are the same for Nomination and Compensation Committees. I think it is rational to have the same members because assessment and compensation of senior management are inseparable.

YK | Please share your specific assessments of the structure and administration of the current Board of Directors. In addition, please tell us how the Board of Directors’ self-assessment is done each year about its effectiveness reflected in the administration of the Board of Directors and management of Nomura HD.

HK | I think the current composition of the Board of Directors is excellent because it assures diversity. The Board consists of 10 members. This is the right size for active discussions. Six Outside Directors are a majority of the Board of Directors, including one female and one non-Japanese citizen. Another female non-Japanese Outside Director joined the Board at the General Shareholders’ Meeting held this June. Non-Japanese Board members provide valuable perspectives, such as how Nomura HD is viewed worldwide and how regulatory authorities are acting overseas. Their perspectives are helping Nomura’s management decisions a great deal. Speaking of information provision, the secretariat explains agenda to Outside Directors before Board of Directors meetings, in addition to reporting business conditions every month. The CFO also explains quarterly results to Outside Directors individually before Board of Directors meetings. Outside Directors also receive abundant externally-published references about Nomura HD, including reports by sell-side analysts. I think how external parties view Nomura HD is useful for Outside Directors to assess its business administration appropriately. Besides Board of Directors meetings, all Outside Directors of Nomura HD, including foreign citizens, meet several times each year where their consolidated opinions are given to top management.

In certain instances, such as a violation of our professional code of conduct or investments needed on a long-term basis, Outside Directors need to provide advice if they may affect revenues negatively in the short-run. They cannot fully grasp management’s vision if their tenure is too short. However, I don’t think it is good for their tenure to become

too long, making them too close to the management. I think a term of six years is appropriate with a system where a small number of Outside Directors are replaced each year. The Board of Directors began self-assessments in 2016. The Board finished the third self-assessment a short time ago. I believe the PDCA cycle is repeated well, where each individual director self assesses their respective roles and effectiveness of the Board of Directors, followed by a Directors’ meeting which discusses areas of improvements the Board of Directors should address.

YK | Let me ask you about Nomura HD’s management strategies and business challenges. How do you assess Nomura HD’s current management policies and strategies as an Outside Director? What kind of advice are you providing to Nomura HD?

HK | To put it briefly, I rate Nomura HD’s business strategies highly. Japan’s population is aging while the birthrate is falling. A declining population has become a reality. Under this condition, the Retail Division initiated a major paradigm shift in 2012 to change the nature of its businesses. Those changes are still in progress, but I think the direction is correct. Unlike manufacturing, Nomura HD’s businesses do not require huge capital investments in areas outside IT, but relies instead



on its human resources and talent. The question we should ask is whether the mindsets of employees agree with business strategies. Whilst changes take place each year, continuous initiatives are necessary for establishing such a mindset. For that reason, Nomura HD has designated August 3rd to observe “Nomura Founding Principles and Corporate Ethics Day” to reflect on its corporate culture and to prevent memories of past scandals from fading away. All Nomura HD directors and employees, including myself, watch a video and sign an attestation on this day. It’s a recurring process. I think repeating the same thing is essential. In the meantime, Nomura HD cannot allocate resources to all regions of the world. Nomura HD, based in Asia, is strategically solidifying its foothold by pursuing synergies from an alliance with American Century Investments in the U.S., the largest market in the world. Nomura HD also reviewed overseas businesses’ cost-intensive tendencies. Ensuring responsible and sustainable profits overseas will be the key to achieving the EPS target. Geopolitical risks were observed in the most recent quarter, but I would like Nomura HD to promptly link those initiatives to growth. Nomura HD must keep defining markets where it should compete and allocate resources to them. I think Nomura HD is taking the necessary risks, such as making inroads

into China and launching the Merchant Banking Division. In taking those risks, it is extremely important to consider capital costs as hurdle rates for such investments. I also think Nomura HD is taking credible initiatives in ESG (environment, social and governance), which have been attracting interest in recent years. Nonetheless, I feel there is still room for improvement from the viewpoints of disclosure and explanations to investors and stakeholders. Those of us acting as Outside Directors are currently thinking about deepening discussions on ESG initiatives.

YK | Mr. Kimura, you have deep experience in M&A abroad as well as in running overseas businesses as the former top executive at Japan Tobacco Inc. (JT). Please share your assessments and advice on Nomura HD’s global strategies based on your own experiences.

HK | My experiences at JT will not apply unconditionally to the way Nomura HD manages its overseas businesses because there are characteristics peculiar to individual business categories. But JT focused on markets where they could gain the largest or the second largest share, and did not move into markets that would not allow it to achieve that result. I believe for financial institutions, securing revenues

will be impossible, unless a fair share of the market is captured. I believe it is essential for Nomura HD to determine the markets where it can compete successfully. Regulations are another point the tobacco and financial industry have in common. The viewpoint of shaping the future together with the authorities by valuing dialogue with them, ascertaining global trends in regulations and making the first move is important in such industries. I think Nomura HD understands this point well and is working with the authorities appropriately.

YK | Japan’s Corporate Governance Code attaches importance to dialogues with shareholders. Outside Directors are expected to have dialogues with shareholders, too. Please share your opinions about the current state of Nomura HD’s dialogues and direction going forward.

HK | The Board of Directors is receiving feedback from investors following the announcements of financial results and IR briefings. The feedback explains areas of investor concerns and clearly sets out their critical opinions which enable Nomura HD’s management to deal with them properly. There is no reason for Outside Directors to recoil from dialogues with investors if investors ask for them. Indeed, these discussions have added value.



Fundamental approach

Nomura Group has established processes to accurately identify risks arising from all types of operations and trading, and is working to bolster risk evaluation and the risk management framework.

Risk Management

Risk culture

Fostering a sound risk culture is essential for Nomura Group to maintain its social credibility and sustain its business activities. At Nomura Group, all employees, irrespective of their function or geographic location, must understand their specific responsibilities related to risk management, and actively work to manage risks.

Risk management policy

Our business activities are exposed to various risks including market risk, credit risk, operational risk and liquidity risk. Properly managing these risks is one of management's top priorities. It is important for us to maintain capital adequacy and achieve business plans under any type of economic environment, to protect our clients, and to comply with laws and regulations. Nomura Group has defined the types and maximum levels of risk that the firm is willing to take, as documented in the Risk Appetite Statement. Our Risk Appetite Statement and risk appetite are approved by the Executive Management Board, and the risk is monitored daily against a set of risk appetite. If by any chance risk amount exceed risk appetite, the senior management consults with stakeholders and takes actions to solve such excess.

Key risk types

	Retail	Asset Management	Wholesale	Corporate	Other subsidiaries
Market Risk					
Credit Risk					
Operational Risk					
Model Risk					
Liquidity Risk					
Compliance Risk					

Risks taken by Nomura Group differ by divisions or businesses. We have established a risk management framework based on risk profiles. Nomura Group has adopted a multi-faceted risk evaluation process to avoid risks that may be damaging to our reputation. Risk management oversight is carried out by the committees comprising members of senior management. The Global Integrated Risk Management Committee (GIRMC) and the Global Risk Management Committee (GRMC), for example, deliberate and decide on risk management issues material to the firm.

Unavoidable risks

Operational risk	Risk of suffering losses due to internal administrative processes, people, or systems being either inappropriate or not functioning properly.
Model risk	Risk of loss arising from model errors, incorrect or inappropriate model application with regard to valuation models and risk models.
Liquidity risk	Risk of losses arising from a potential lack of access to funds or higher cost of funding than normal levels due to deterioration in Nomura's creditworthiness or deterioration in market conditions.

Selective risk taking

Market risk	Risk of loss in the value of financial assets and liabilities, as a result of market move in risk factors including interest rates, foreign exchange, and price of securities.
Credit risk	Risk of suffering losses when a borrower is unable to make payment and fail to meet a contractual obligation.

Risks that must not be taken

Compliance risk	Risk that can lead to administrative punishment, economic losses, and reputational damage when Nomura executives or employees violate laws and regulations. Compliance risk also includes risk of losses caused by violating Nomura Group's Code of Ethics and other internal policies and guidelines, including harassment.
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Risk management approach at Nomura Group

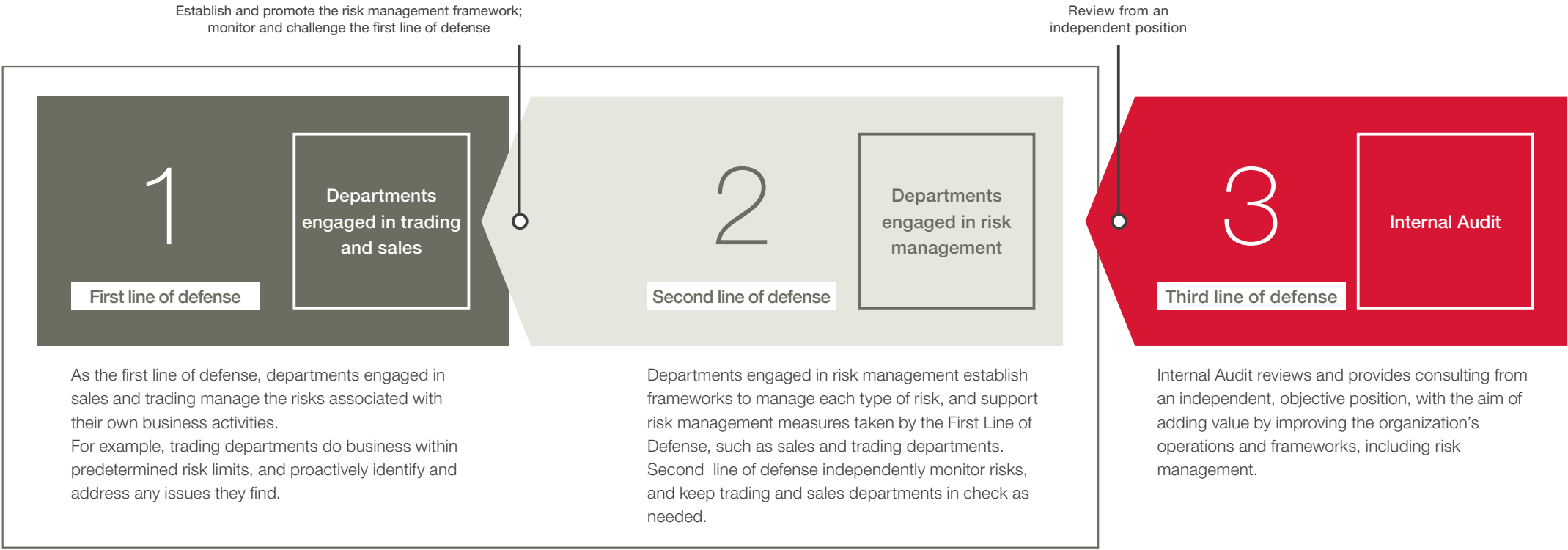
- Implemented frameworks to evaluate and control the possibility of risks arising from the firm's operations and transactions.
- Quantifying risks as much as possible.
- Taking a prudent approach to risks which are outside the area of experience and knowledge, and those that are difficult to control by hedging or other mitigating actions.

Setting risk appetite and guidelines for:

Capital adequacy and balance sheet measures	to comply with capital regulations imposed on financial institutions and to maintain a strong financial base in continuing to conduct businesses under various economic conditions.	Market risk and credit risk	to manage market risk and credit risk within wholesale businesses.
Liquidity risk	to maintain sufficient liquidity to survive a severe liquidity situation and to comply with regulatory requirements.	Operational risk	to understand and mitigate the impact and likelihood of operational risk events assumed in the course of conducting business.
		Compliance risk	to promote proper understanding and compliance with the letter and spirit of all applicable laws, rules and regulations and avoid misconduct.

The three lines of defense in risk management

Nomura Group has adopted the following layered structure on the grounds that all employees are accountable for proactively managing risk.



Chief Risk Officer Message



Risk Culture In Nomura

Lewis O'Donald
Chief Risk Officer (CRO) (based in London)

In Nomura we have a significant reliance on strengthening risk management. What do we mean by this in practice? First to define our goals in risk management for Nomura: it is to make sure Nomura is resilient to market shocks and unexpected threats and that we have hence have enough capital to continuously run our business. It is also to make sure the returns we make on this capital – our shareholders capital – are appropriate and in alignment with our strategic goals. The terminology of Risk can be intimidating. But at its core it is simple. At Nomura, – the executives and the board as the firm's representatives – defines a risk capacity: the maximum amount of risk the firm would want to take. Then it sets a risk appetite: the amount of risk the firm wants to use – of its capacity – in pursuit of its strategies. This appetite is allocated

into the divisions and sub-divisions of the firm in accordance with its business plans. What we mean by risk here can be many things – but risk management tries to use measures – think a ruler to tell which risk is larger than another – which distil many risks into one number. The actual methodology used in this measurement has a degree of complexity and can be technical, but it is important for all our employees to be aware of the risks they take on for Nomura in the course of business. This is one of the most important tenets of risk management at Nomura – that we are all risk managers, and we have responsibility for the actions we take when we expose – knowingly or unknowingly – Nomura to risk. This idea that we are all risk managers is an intrinsic part of our risk culture. Culture can be a hard idea to encompass, so what do I mean by Nomura's risk culture: I

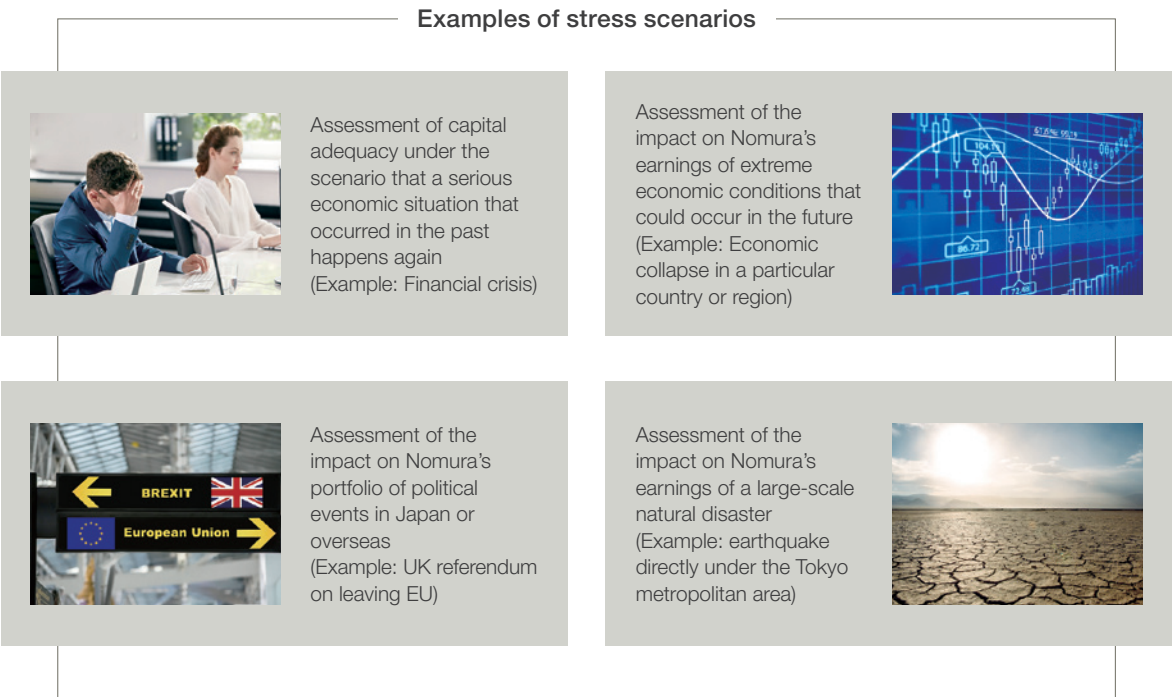
mean how we see and experience people in Nomura reacting and interacting with each other over risk outcomes. We want our risk culture to be strong and control focused and to permeate the organization organically, and to influence our people when they must take decisions which affect the firm. It is difficult to measure, and it is hard to change, but we try to develop ours through training, through incentives, through mentoring and good practice and through leadership. Our culture is built from our Corporate philosophy and the values we espouse: Entrepreneurial leadership, teamwork and integrity. We try to continuously remind our employees both of their legal requirements as well as their obligations to the firm through training; we also hold "Nomura Founding Principles and Corporate Ethics Day" each year where we re-inforce our message and why it is

important for all of us. Lastly we work hard at giving a clear 'tone from the top' showing that our senior managers live and breathe the highest standards of conduct and ethics every day. By continuing to emphasize our culture and our conduct in the markets and to our customers we believe we will continue to build a firm with the highest standards in the marketplace, to the benefit of our clients and our stakeholders.

Stress testing

Nomura Group conducts stress testing to address risks that may spread globally, and to identify risks that are difficult to recognize with statistical methods alone, as well as to prepare for unprecedented risk events. Stress testing uses stress scenarios to assess the impact

on our business and financial soundness should those adverse events occur. These scenarios may include severe deterioration in the economic environment, geopolitical conflicts and natural disasters.



Chief Risk Officer Message

Risk is a possibility of suffering unexpected losses caused by any number of reasons. Then what is risk management? In short, I think the risk management is an approach of how to reduce this uncertainty. In many financial institutions including Nomura, risk management starts with understanding the risks by quantifying them. Needless to say, no one can predict the future, so the banks collect data from past events, and use some statistical techniques to estimate what to expect in the future. As history repeats itself, looking back on the past may have positive implication for future prediction. That said nothing can be estimated with 100% accuracy.

Yuji Nakata
Executive Managing Director
Head of Group Entity Structure and Co-CRO



So, what can be done to reduce the unexpected? Let inspirations and imaginations run at every possible direction and get prepared. That is the basics of risk management. At the same time, prepare for the worst on the premise that no matter how

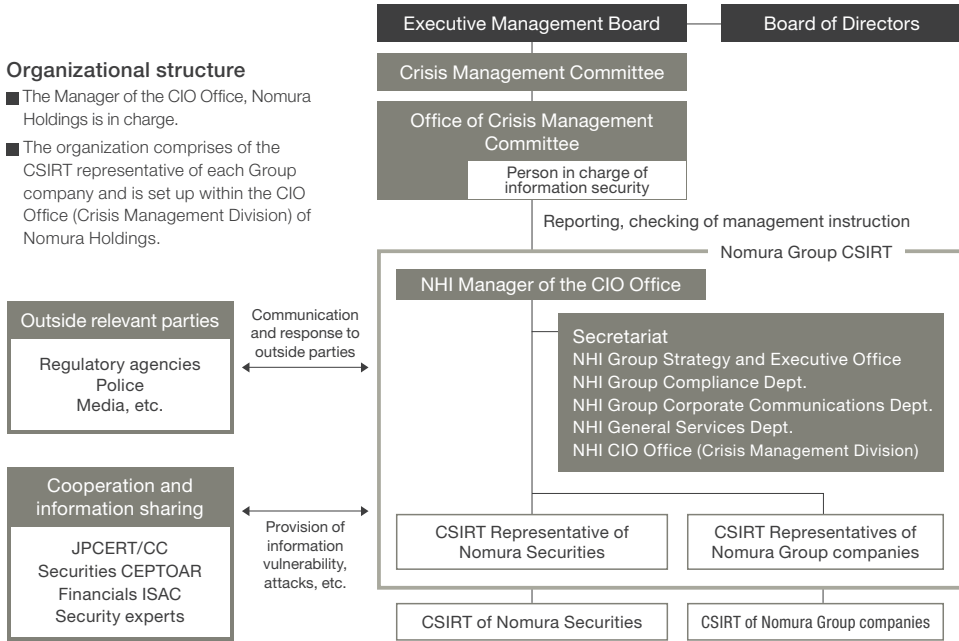
hard we try to predict, unexpected things will happen. In financial institutions we prepare for the worst, or turning unexpected into expected, by maintaining adequate capital levels.

Cyber security measures

Nomura Group has for some time been undertaking security measures to protect systems against cyber-attacks. However, in light of the increasingly serious cyber security threats throughout the world, we recognize that our current countermeasures may not be sufficient in the future. In order to ensure that clients' information and assets are securely protected from these increasingly challenging cyber security threats, and to enable clients to conduct transactions with peace of mind, Nomura Group is working to strengthen its cyber security platform, using the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc of the Financial Services Agency, the Cybersecurity Management Guidelines of the Ministry of Economy, Trade and Industry based on ISO27001 and ISO27002 as a reference.

Cyber security system

Nomura Group, as a whole, has established a global organizational structure to deal with incidents stemming from cyber-attacks and to minimize potential damage. The Nomura Group Computer Security Incident Response Team (CSIRT), formed within Nomura Holdings, has spearheaded the formation of a CSIRT in Nomura Securities and other Group companies, and governs the CSIRT in each Group company. Each CSIRT works to protect its company's operational and information assets, as well as systems, promoting cyber security measures from four factors: organizational management, system security measures, human-level response, and coordination with outside organizations.





Fundamental approach

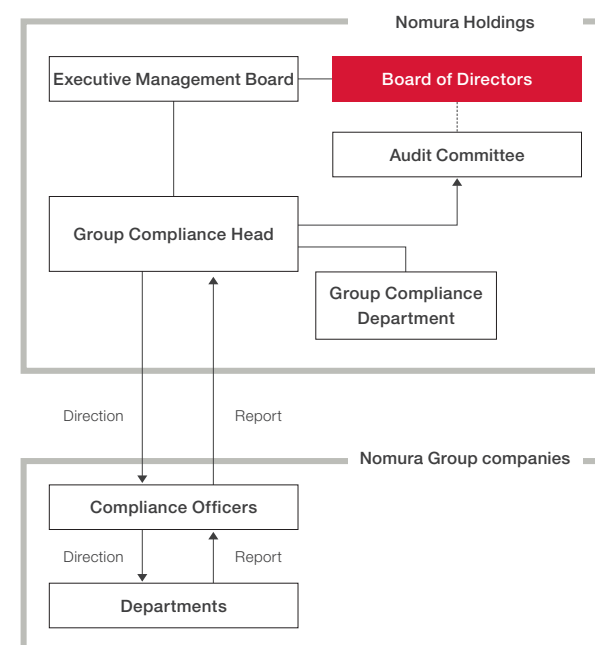
Compliance is a top management priority for Nomura Group, and the Code of Ethics of Nomura Group defines our fundamental policy on compliance. The management and employees of the Group pledge to abide by the rules stated in this code once each year. Also, we have established "Nomura Founding Principles and Corporate Ethics Day" as a day for management and employees annually to reaffirm our corporate culture and corporate ethics, underpinned by Our Founder's Principles.

Compliance

Compliance framework

We have appointed a Group Compliance Head to oversee compliance for the Group as a whole along with a Group Compliance Department that provides support. In addition, Compliance Officers have been assigned to each Group company to strengthen our internal controls in response to global business development, and to develop and maintain the respective compliance structures of each Group company, including overseas offices.

In addition to Group-wide initiatives, Nomura Securities has established a Compliance Program as a detailed action plan, and put into place a compliance framework based on this program.



Legal compliance measures

- Maintenance of compliance framework and enhancement of management systems
- Compliance Hotline
- Carrying out compliance training

In all Group companies and departments, Nomura Group complies with applicable laws and regulations and endeavors to prevent the occurrence of activities that may be construed as illegal by establishing effective control measures. In the event that such issues arise, they are reported in full to management-level officers without delay, and organizations and systems are structured to respond appropriately.

Nomura employees who have become aware of potential legal or regulatory violations are able to report their concerns to persons designated by Nomura Holdings, including Outside Attorneys, through the Compliance Hotline (informants have the option of remaining anonymous). In 2017/18, there were 31 calls received via the Compliance Hotline, and in all cases the status of related matters was confirmed and appropriate measures were taken.

Nomura Securities conducts comprehensive compliance training for all Executive Officers and employees on topics such as the prevention of money laundering and insider trading, firewall regulations, and guidelines for managing customer information.

Offering high-quality financial services

Nomura Securities seeks to enhance the quality of financial products and services offered to customers through the following initiatives under the Guidelines for Supervision of Financial Instruments Business Operators, etc.

Nomura Securities' Primary Initiatives

- Appointing officers to oversee internal controls, compliance, etc., and developing systems to ensure compliance and appropriate operations
- Thoroughly screening account openings and conducting proper examinations when underwriting securities



Nomura Securities' Compliance Framework
<https://www.nomuraholdings.com/company/compliance/index.html>

Ensuring fair financial business practices

- Prohibition of transactions with anti-social forces
- Prevention of money laundering
- Prevention of bribery
- Management for conflicts of interest and prevention of insider trading

Nomura Group works to eliminate transactions with anti-social forces and prevent money laundering. Moreover in order to supervise and manage the group-wide control framework for anti-money laundering and counter-terrorist financing (AML/CTF), Nomura Group has established the "Anti-Money Laundering Department" in April 2018.

Nomura will continue to enhance the measures for AML/CTF and develop the effective control framework. Nomura Group has also established guidelines related to giving gifts to and entertaining public officials and private-sector groups, and disseminates the guidelines throughout the Company and works to ensure fair business practices to prevent bribery. We consolidate information in the Group Compliance Department to manage conflicts of interest and insider information with a global perspective.

For further information, please refer to our website.



Fair Financial Business Practices
<https://www.nomuraholdings.com/company/compliance/index.html>



Nomura Group Privacy Policy
<https://www.nomuraholdings.com/policy/privacy.html>

Customer protection and information security

- Proper segregation of customer assets
- Effective protection of clients' personal information and other information assets of the Group

In accord with applicable laws and regulations, including the Financial Instruments and Exchange Act and the Personal Information Protection Act, Nomura Group works to properly protect customers' assets and information. Nomura Securities properly segregates the assets of its customers from the assets of Nomura Securities itself. The Nomura Group Information Security Policy provides the basic principles for appropriately protecting information assets.

Customer-related personal information is handled in line with rigorous standards set out in the Nomura Group Privacy Policy and other information security-related rules, and is handled in full compliance with the Personal Information Protection Act and other related laws and regulations.

For further information, please refer to our website.



Fundamental approach

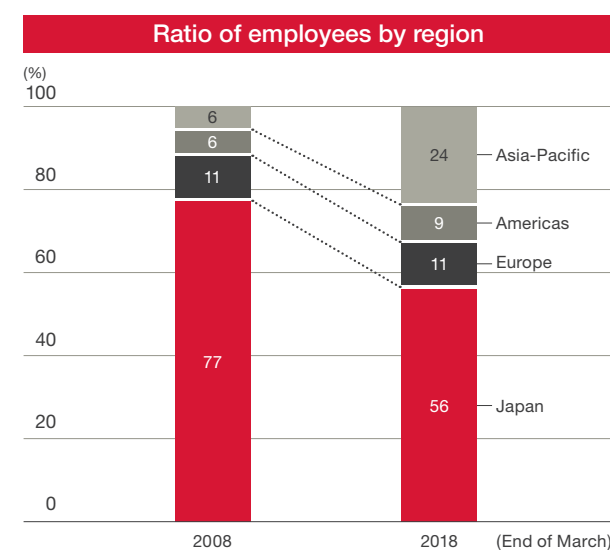
Individuals of more than 90 nationalities are currently employed in Nomura Group. This diverse group of people represents our greatest asset. Nomura Group provides equal opportunities, builds a healthy work environment and, under the Code of Ethics of Nomura Group, forbids discrimination based on nationality, ethnic origin, race, gender, age, religion, beliefs, social standing, gender preference, gender identity, disability or any other attribution, so that each and every employee can be active and successful in utilizing her or his capabilities and personal strengths.

Human Resources Strategy

Human resources framework

Global framework

Nomura Group employs a pool of professional personnel around the world who are capable of providing financial services that meet the diverse needs of clients, and whose career paths within the Group and values are unique. Particularly upon taking on employees from Lehman Brothers in 2008, we adopted a globally integrated approach to human resource management. We strive to manage our personnel in a flexible and suitable manner so that each and every one of our employees can thrive as they contribute their skills to the workplace.



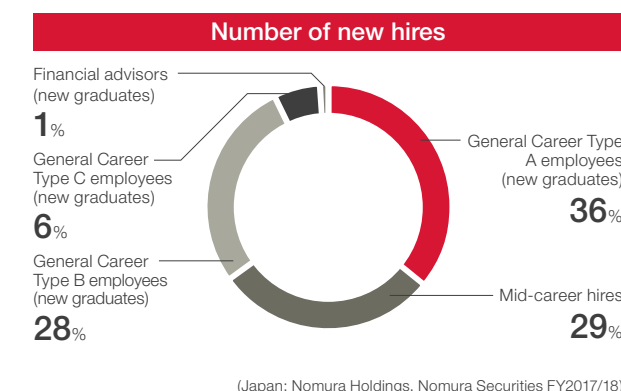
Recruitment and hiring

Recognizing that people are our greatest asset, since our founding we have placed particular emphasis on recruitment. In our constant efforts to secure the most talented people, we continue to follow a policy of recruiting people regardless of nationality, gender, and other attributes. In FY2015/16 we introduced a "career support system" for new graduate hires in Japan, and we have broadened contact points with students by expanding our internship program and other measures. Overseas, we have also begun hiring new graduates by introducing an internship program. In recent years, we have also been actively hiring mid-career professionals capable of contributing immediately, and about 1,000 people in Japan and 1,500 people overseas each year have been joining Nomura through this route. In addition, we have been rehiring employees who previously left Nomura, with the expectation they will hit the ground running. A system of job classification based on the core work responsibilities of Nomura consists of General Career Type A employees, Type B and Type C. General Career Type A employees and Type B differ only in that the latter are not subject to relocation. The aim with both is for employees to develop careers as generalists based on a broad range of experience.

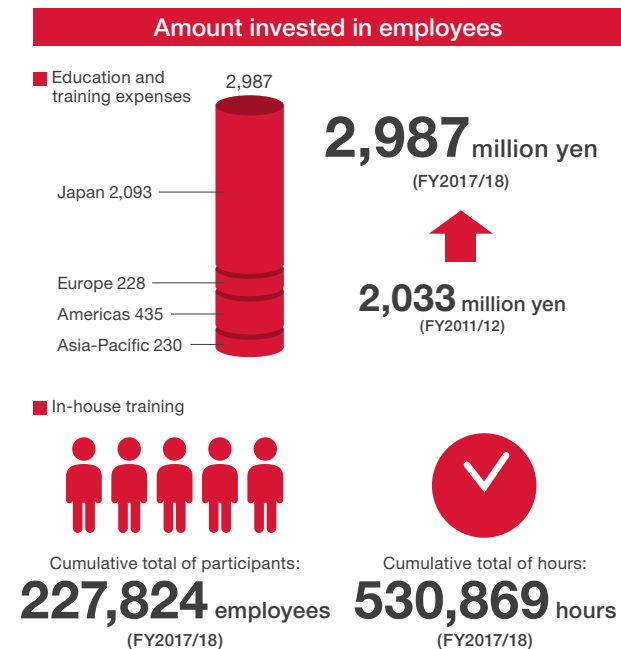
Personnel development

In developing and growing our business globally, we believe that improving our personnel system is important in order to ensure that personnel with diverse career backgrounds and values can demonstrate their talents. Accordingly, we provide diverse education and training programs to help employees at all levels develop their careers. In Nomura Securities, each division appoints instructors to serve for one year to guide and train new hires and help them develop into talented and independent-minded employees. In the Retail Division, a (management-level) employee is appointed as a mentor to work with the instructor in nurturing sales staff. In order to make personnel development more visible on a global basis, Nomura has established and utilizes a framework that compiles the necessary actions and skills to improve performance and achieve targets to clearly indicate the skills to be developed by employees and their evaluators through dialogues. With regard to Type C employees, who are highly skilled in a specific area, we have put in place a system that allows employees hired in Japan and those hired overseas to take courses with identical content. In addition to training programs for new hires, our core programs in Japan include group training programs based on years of service and job position, elective group training programs tailored to staff in the Wholesale and Corporate divisions, and on-the-job training. To support self-driven skills development, we have also established a self-study support system that includes a wide range of

General Career Type C employees are specialists who pursue advanced expertise as required in their particular business area. We have also adopted a personnel management approach that ensures that people are placed in positions they are best suited for and that each employee can display their capabilities to the fullest. An example of this is our system under which employees can transfer from General Career Type A to Type B employees, Type A employees can switch to Type C employees, and Type C employees and employees located in overseas offices can apply for other positions using an internal job posting program.




external training and correspondence courses helpful in enhancing business and management skills, including language courses. Furthermore, in order to develop personnel capable of playing an active role globally, we have established study-abroad programs and overseas training programs that employees themselves determine where they go and what topics they study.



Proper evaluation and compensation

To properly evaluate performance and further the development of personnel, the Group adopts an integrated personnel evaluation process and all employees in principle participate in this process. Employees set their goals at the beginning of each year, and these goals are aligned with the Group's strategy as well as competency and behavioral requirements. Employees then meet with their supervisors in the middle and at the end of the year to have frank discussions regarding goal attainment. This approach enables the Group to evaluate its personnel fairly and identify development opportunities suited to their capabilities and competencies. For personnel chosen from among those in managerial-level positions, depending on the business unit the Group also provides 360-degree evaluation based on feedback from their supervisors, fellow employees, and persons under their supervision. Every employee is provided, in principle once a year, with an opportunity to be interviewed by the Human Resources Department and directly communicate their thoughts about their career. The Group has established its Compensation Policy for Group management and employees. This policy aims to promote the sustainable growth of the Group and continue increasing its global competitiveness and shareholder value over the long term. It also has the objective of contributing to the value-added the Group can offer its customers and realizing continued improvement in the Group's evaluation among its clients through securing, retaining, motivating, and nurturing outstanding employees.

 **Nomura Group's Basic Compensation Policy**
<https://www.nomuraholdings.com/csr/employee/capability.html>

Work Style Innovation

Promoting Work Style Reform and Health & Productivity Management

In July 2016, Nomura Group adopted the NOMURA Health & Productivity Declaration Statement as part of the Group's efforts led by the Group Chief Health Officer (CHO) to maintain and improve the health of employees. In addition, Nomura has launched the "Nomura Work Style Innovation" initiative, which comprises "Work Style Reform" and "Health & Productivity Management," and has been developing an environment since 2017 that enables diverse employees to demonstrate their talents and play active roles. Under this policy, Nomura has introduced a work-from-home system and a system that enables leave to be taken flexibly on an hourly basis, established new leaves for medical check-ups and follow-up examinations, and enhanced the self-improvement support system. Nomura has further promoted these initiatives by establishing a new internal website for posting information, distributing letters to all employees from the Vice Chairman of Nomura Holdings, Inc. who serves as CHO, and appointing people in charge of promoting initiatives in each division.

Diversity and Inclusion

Nomura Group believes that by having employees with diverse backgrounds and values respect one another and work together, the organization is better able to provide high value-added services and satisfy a wide variety of customer needs. We have established the Nomura Group Diversity and Inclusion Committee, chaired by the Vice Chairman of Nomura Holdings, Inc.. The committee is made up of division representatives who regularly discuss the promotion of diversity and inclusion. Nomura adopted the "Declaration on Diversity & Inclusion" in 2016 based on the strong desire to form a working environment that utilizes diverse human resources throughout the entire Group, as well as the "NOMURA's Declaration to Support Employees Balance Work and Family Care" in 2017 to create a workplace where employees who have to take care of a family member are able to continue working. Based on this policy, Nomura provides information to raise employee awareness and offers services to support balance the work and family care. Nomura has three autonomously and globally run employee networks* to provide a range of information and hold events related to diversity in the workplace. These networks also provide opportunities for interaction both internally and externally.

* "Women in Nomura (WIN)," which focuses on women's career advancement
"Life & Family Network (L&F)," which is concerned with work-life management
"Multi-Culture Value (MCV)," which promotes understanding of diverse value systems and multicultural values including LGBT+ and the disabled



Supporting women's careers





Nomura Securities has set a quantitative target of 550 female managers by 2020. In March 2016, an action plan was announced to help women thrive in the company. The action plan outlines initiatives to achieve quantitative targets, including support for female employees' career-building and support for balancing their careers with life events, among other measures to establish an employment environment in which female employees can thrive. Nomura promotes initiatives to support women in improving their careers. These initiatives include a mentoring program for managers, a sponsorship program in which executive officers support management candidates, training programs for career design for management candidates, and social events with senior employees who become role models for young employees. Moreover, we provide training on diversity management, including promoting women's participation in the workplace, to managers (including men), as we are striving to foster a climate where female employees can play a more active role. In EMEA, Nomura is working on a range of initiatives to improve the gender balance. We issued a gender pay gap report in the U.K., and became a signatory of the "Women in Finance Charter" spearheaded by the U.K. government, whereby we set a target to increase our senior women by 50% by 2021. In June 2016, Nomura Trust and Banking received the highest certification (three stars) (ERUBOSHI certification) of the Minister of Health, Labour and Welfare under the Act on Promotion of Women's Participation and Advancement in the Workplace.

LGBT inclusion

At Nomura Securities, we have implemented measures to support lesbian, gay, bisexual and transgender (LGBT) and other sexual-minority employees through training for all employees, activities to increase the number of allies, and by introducing a partnership system. In recognition of these efforts, we were given the highest Gold grade in the Pride Index, Japan's first evaluation of the LGBT-friendliness of work environments run by Work with Pride, a private group, for two consecutive years in 2016 and 2017.

 **Our People**
<https://www.nomuraholdings.com/csr/employee/index.html>

External evaluations

			
Jun. 2007 ~	Kurumin (Nomura Securities)		
Dec. 2015 ~	Certification of Osaka City "Female employees leading company" (Nomura Securities)		
Jun. 2016	ERUBOSHI (Nomura Trust and Banking)		
Oct. 2016 ~	Tomonin (Nomura Securities)		
Oct. 2016 ~	Pride Index, Gold grade (Nomura Securities)		
May. 2017	AllAboutCareers School Leaver Awards (Nomura International plc)		
Dec. 2017	TechWomen 50 (Nomura International plc)		



Fundamental approach

We are working to help find solutions to social and environmental issues by communicating with a wide range of stakeholders, from customers to shareholders, local communities, and employees on a continual basis. Based on Our Founder's Principles that have been inherited since the foundation of the Company, the Nomura Group Corporate Philosophy states that "We help to enrich society through our expertise in capital markets" as our social mission.

Contributing to Sustainable Communities

Communication with stakeholders

Nomura Group participates in initiatives in Japan and overseas that aim to contribute to society and the environment to fulfill its corporate social responsibility as a corporate citizen. Through dialogue and collaboration with stakeholders, we carefully examine the activities and information disclosure we undertake that are related to the economy, society, and environmental issues. We also review these activities and information disclosure, and report to the ESG Committee when needed.



- Communication with Stakeholders
<https://www.nomuraholdings.com/csr/stakeholder/communication/>
- Participation in Initiatives for Sustainability
<https://www.nomuraholdings.com/csr/stakeholder/initiatives.html>

Themes	Initiatives	Outline
Human rights, labor, environment, anti-corruption	United Nations (UN) Global Compact	Participation in Global Compact Network Japan
ESG	UN Principles for Responsible Investment	Participation in the Japan network
ESG	Principles for Financial Action for the 21st Century	Participation in working group on asset management, securities, and investment banking businesses
ESG	Climate Bonds Initiative	Participation as a partner in activities to promote green bonds
Environment	CDP	Promotion, as a signatory, of the climate change and water programs
Environment	Task Force on Climate-related Financial Disclosures (TCFD)	Expressed our support

Global partnership with communities

In the regions around the world where Nomura Group conducts business, we share the basic CSR theme of "For Future Generations" and carry out activities in line with regional needs while forming partnerships with

NGOs and other entities. These activities are focused on nurturing future generations.

External Assessment
<http://www.nomuraholdings.com/csr/society/contribution/index.html>

TOPIC 1

"Proudly supporting Japan every step of the way."

Contributing to Japan's economic growth through supporting the Tokyo 2020 Olympic and Paralympic Games



As an official Tokyo 2020 Olympic and Paralympic Games Gold Partner in the Securities category, Nomura Holdings is committed to the success of the Tokyo 2020 Games and to the promotion of initiatives extending beyond the Games. Nomura Group's financial and economics education programs have been approved as official programs of the Tokyo 2020 Olympic and Paralympic Games. We have prepared educational materials centered on the themes of finance and economics, as well as the Tokyo 2020 Games, and we send Nomura Group employees to serve as visiting lecturers at schools. We hope to help children better understand the world and economy so as to support the Tokyo 2020 Games from a broader perspective.

TOPIC 2

Ball for All

Bringing Japan's volleyball community together



Nomura Group is supporting the Japan Para-Volleyball Association as a special top partner to encourage general understanding of para-sports and their athletes. The association is working to popularize sitting volleyball. Nomura's directors and employees are participating in sitting volleyball events and assisting with official games. In April 2018, when we began supporting the All Japan Women's Volleyball Team, the "Ball for All" project was launched to add fulfillment to society by promoting diversity through volleyball, a sport in which a ball is passed among people with different personal backgrounds. We are committed to supporting not only official games and athletes but also everyone involved as they assume their personal challenges.



Fundamental approach

Nomura Group, recognizing its responsibilities as a corporate group that operates globally, is committed to helping address climate change issues through its business activities. At the same time, we are working to reduce the environmental impact of our own business activities themselves. The Code of Ethics of Nomura Group states, "Nomura Group is committed to acting in an environmentally responsible manner and should therefore approach environmental issues positively". In addition, based on international movements like the sustainable development goals (SDGs) and the Paris Agreement on Climate Change, and having recognizing the impact of climate change issues on our businesses, we are working on a global basis to find solutions to this challenge. Furthermore, we have pledged our support for the Task Force on Climate-related Financial Disclosures (TCFD).

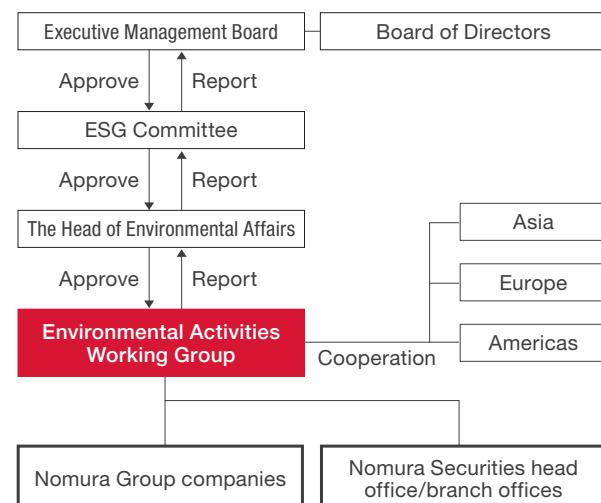
Environmental Initiatives

Environmental management

In 2009, Nomura Group created both its Environmental Statement and Environmental Policy based on the Code of Ethics of Nomura Group. Centered on the Environmental Activities Working Group, the Group is proactively working to reduce the environmental impact of its business activities.

In Japan, we have established an environmental management system (EMS) and are implementing comprehensive environmental preservation activities to deal with environmental risks and issues. Our offices around the world are also implementing environmental initiatives. For example, our London headquarters building obtained ISO 14001 certification in 2007 following an audit performed by a local accreditation body and has maintained its certification to the present. In addition, its energy management system received ISO 50001 certification in 2015.

Nomura Group environmental management framework



Nomura Group environmental targets (Japan)

In Japan, the Group is working to conserve resources and energy as it seeks to attain its target to reduce CO₂ emissions per square meter in FY2030/31 by 20% or more from FY2009/10.

Nomura Group environmental objectives and progress (Japan)

	FY2017/18 targets	Assessments	FY2018/19 targets
Reduction of greenhouse gas emissions	Reduce domestic Nomura Group CO ₂ emissions per square meter of floor space by 20% or more from FY2009/10 ^{*1}	○ Reduction: 23.0%	Reduce domestic Nomura Group CO ₂ emissions per square meter of floor space by 20% or more from FY2009/10
	Reduce the CO ₂ emissions per mileage driven of leased vehicles of Nomura Securities from the previous year	○ Reduction: 1.7%	Reduce the CO ₂ emissions per mileage driven of leased vehicles of Nomura Securities from the previous year
	Reduce the waste emissions volume at principal offices from FY2013/14	○ Reduction: 6.6%	Reduce the waste emissions volume at principal offices from FY2013/14
Effective use of resources	Have green products account for 85% of supplies request system items	○ Purchase ratio: 88.05%	Have green products account for 85% of supplies request system items
Reduction of paper usage	Reduce use of copy paper (as measured by the annual volume purchased) from the previous year	○ Reduction: 0.5%	Reduce use of copy paper (as measured by the annual volume purchased) from the previous year
	Encourage electronic document delivery service ^{*2}	○ Accounts accepting electronic document delivery: 2.76 million	Encourage electronic document delivery service
Contribution to environment through Nomura's main businesses	Increase the number of financial products and services that help resolve social issues	○ Underwriting and sales of green bonds and social bonds Establishment of a dedicated ESG bond team Launch of a research group to study the sustainable development of the ESG bond market	Increase the number of financial products and services that help resolve social issues

Note: For further information on environmental objectives, please visit: <https://www.nomuraholdings.com/csr/environment/management>

^{*1}: Emission factors for electricity consumption have been changed since FY2017 from emission factors as of FY2009 to annual emission factors by respective power companies.

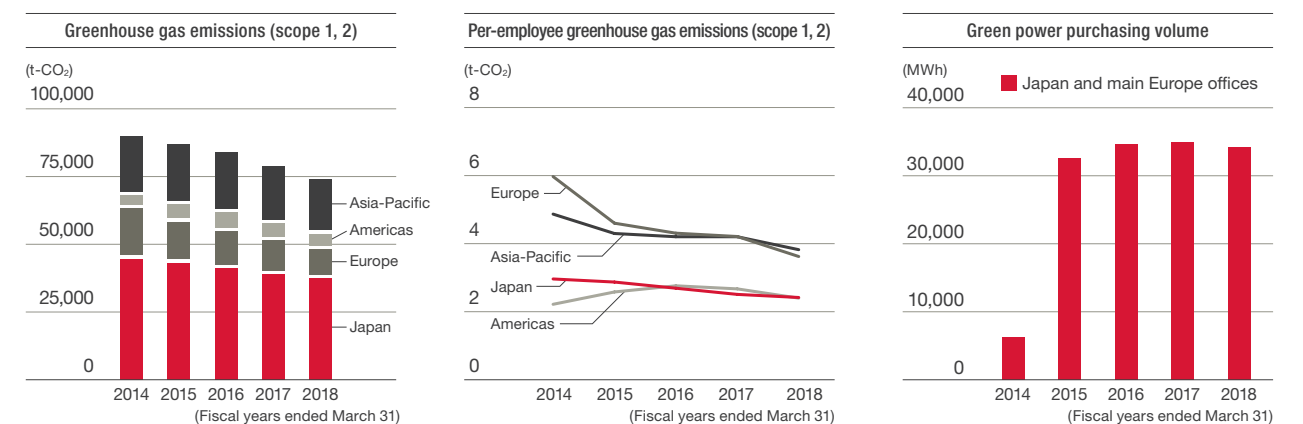
^{*2}: In addition to the number of accounts registering e-mail statements service, the number of accounts registering online statements service has been included in the data since FY2017.

FY2018/19 targets

CO ₂ emissions	CO ₂ emissions per mileage driven	Waste emissions volume	Green office supplies purchase ratio	Volume of copy paper usage	Electronic document exchange	Number of financial products and services that help resolve social issues
-20%	Year-on-year reduction	Reduction Compared with FY2013/14	85%	Year-on-year reduction	Promotion	Expansion

Efforts to address climate change

Nomura Group is making efforts to improve disclosure of environmental information globally. In addition, we are working to lighten the impact of our activities on the environment through the purchase of green power.



* For detailed environmental information please refer to Our Environment on page 92.

Our Environment
<https://www.nomuraholdings.com/csr/environment/index.html>

Key Financial Data

(billions of yen)						
P/L	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Net revenue	1,813.6	1,557.1	1,604.2	1,395.7	1,403.2	1,497.0
Income before income taxes	237.7	361.6	346.8	165.2	322.8	328.2
Net income*	107.2	213.6	224.8	131.6	239.6	219.3

* Net income attributable to Nomura Holdings shareholders

							(billions of yen)
Segment information		FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Net revenue	Retail	397.9	511.9	476.5	435.6	374.4	412.9
	Asset Management	68.9	80.5	92.4	95.4	99.4	127.3
	Wholesale	644.9	765.1	789.9	720.3	739.3	715.3
	Subtotal	1,111.7	1,357.5	1,358.7	1,251.3	1,213.1	1,255.6
	Other	664.2	188.8	220.8	165.1	183.5	239.5
	Unrealized gain (loss) on investments in equity securities held for operating purposes	37.7	10.7	24.7	(20.7)	6.6	1.9
	Net revenue	1,813.6	1,557.1	1,604.2	1,395.7	1,403.2	1,497.0
Income (loss) before income taxes	Retail	100.6	192.0	161.8	127.6	74.8	103.1
	Asset Management	21.2	27.1	32.1	36.7	42.3	66.2
	Wholesale	71.7	111.8	82.2	15.4	161.4	100.6
	Subtotal	193.5	330.9	276.1	179.7	278.6	269.9
	Other	6.6	20.0	46.0	6.1	37.6	56.4
	Unrealized gain (loss) on investments in equity securities held for operating purposes	37.7	10.7	24.7	(20.7)	6.6	1.9
	Income before income taxes	237.7	361.6	346.8	165.2	322.8	328.2

(billions of yen)							
Geographic information*		FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Income (loss) before income taxes by region	Japan	317.2	386.3	363.2	244.8	234.7	328.8
	Americas	25.7	29.5	(27.6)	(32.0)	50.0	(8.8)
	Europe	(93.1)	(48.9)	(23.5)	(67.4)	14.4	(14.7)
	Asia and Oceania	(12.1)	(5.2)	34.6	19.8	23.7	22.8
	Subtotal	(79.4)	(24.7)	(16.4)	(79.6)	88.1	(0.7)
	Consolidated	237.7	361.6	346.8	165.2	322.8	328.2

* Region information is based on US GAAP. 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.

ROE	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
ROE	4.9%	8.9%	8.6%	4.9%	8.7%	7.9%

(billions of yen)						
B/S	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total assets	37,942.4	43,520.3	41,783.2	41,090.2	42,852.1	40,343.9
Total Nomura Holdings shareholders' equity	2,294.4	2,513.7	2,707.8	2,700.2	2,789.9	2,749.3
Gross leverage (times)	16.5	17.3	15.4	15.2	15.4	14.7
Net leverage* (times)	10.4	10.4	9.3	9.6	8.6	8.8

* Total assets minus securities purchased under agreements to resell and securities borrowed, divided by Nomura Holdings shareholders' equity.

(billions of yen)						
Funding and liquidity	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018
Liquidity portfolio*	5,883.5	6,127.2	6,064.0	5,947.1	4,970.3	4,628.4
Short-term unsecured debt	2,293.3	2,969.3	2,557.0	3,303.8	1,883.0	2,107.0
Long-term unsecured debt	6,457.3	6,218.6	6,509.4	6,593.6	5,918.9	5,218.9

* Definition differs from financial disclosures reflecting Liquidity Management's view. Cash and cash deposits portion of liquidity portfolio excludes funds on deposit at exchanges and segregated client funds.

(yen)						
Per share data	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Basic net income attributable to Nomura Holdings shareholders per share (EPS)	29.04	57.57	61.66	36.53	67.29	63.13
Diluted net income attributable to Nomura Holdings shareholders per share (EPS)	28.37	55.81	60.03	35.52	65.65	61.88
Nomura Holdings shareholders' equity per share (BPS)	618.27	676.15	752.40	748.32	790.70	810.31
Dividends per share (DPS)	8.0	17.0	19.0	13.0	20.0	20.0
Dividend payout ratio	27.5%	29.5%	30.8%	35.6%	29.7%	31.7%

Consolidated capital adequacy, etc.*1	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018
(billions of yen)						
Tier1 capital	2,092.9	2,314.2	2,459.2	2,577.5	2,689.8	2,666.4
Tier2 capital	359.2	401.5	361.2	323.1	109.6	66.1
Total capital	2,452.1	2,715.7	2,820.4	2,900.6	2,799.4	2,732.5
RWA	17,546.7	17,425.9	18,929.2	15,970.5	13,977.9	15,122.3
Tier1 capital ratio	11.9%	13.2%	12.9%	16.1%	19.2%	17.6%
CET1 capital ratio*2	11.9%	13.2%	12.9%	15.4%	18.2%	16.5%
Consolidated capital adequacy ratio	13.9%	15.5%	14.8%	18.1%	20.0%	18.1%
Consolidated leverage ratio*3	—	—	3.82%	4.28%	4.63%	4.74%
(trillions of yen)						
HQLA*4	—	—	—	6.2	4.5	4.0
LCR*4	—	—	—	175.8%	180.0%	153.6%

*1 Based on Basel III

*2 CET1 capital ratio is defined as Tier1 capital minus minority interests divided by risk-weighted assets.

*3 Tier1 capital divided by exposure (sum of on-balance sheet exposures and off-balance sheet items).

*4 Monthly average of 4Q.

Number of shares outstanding, share price, etc.	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018
Number of shares outstanding (thousands)	3,822,563	3,822,563	3,822,563	3,822,563	3,822,563	3,643,563
Share price (fiscal year-end) (yen)	577	662	706.2	502.9	691.9	615.3
Market capitalization (trillions of yen)*	2.2	2.5	2.7	1.9	2.6	2.2
PBR (times)*	0.93	0.98	0.94	0.67	0.88	0.76
PER (times)*	19.87	11.50	11.45	13.77	10.28	9.75

* Figures based on the fiscal year-end share price.

Financial review and analysis of the fiscal year ended March 31, 2018

Business environment

During the fiscal year ended March 31, 2018, the global economy continued to recover steadily, regardless of developed or emerging countries. The economic recovery continued over the long term and inflation rates were also kept low in general, due to the deep economic trough caused by the financial crisis in 2008. In the meantime, major central banks have gradually begun tightening their policies, while maintaining the accommodative financial environment as a whole.

In the U.S., under the steady expansion of domestic and foreign economic situations, the FRB (Federal Reserve Board) continued raising interest rates on a modest upward trend. Although the stock market also continued to rise until January 2018, followed by the steady progress of the domestic and foreign economies and the reduction of corporate taxes, it dropped sharply after the long-term interest rate increased in February 2018, and thereafter the high volatility environment has continued from anxiety over trade policy. The Dow Jones Industrial Average rose by 16.6% from \$20,663 at the end of March 2017, to \$24,103 at the end of March 2018. The yield on 10-year U.S. Treasury securities increased by 0.35 % from 2.39% at the end of March 2017 to 2.74% at the end of March 2018.

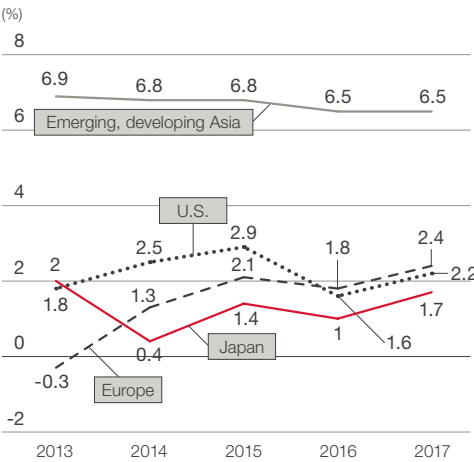
In Europe, the real GDP growth rate was 2.4%, which was the highest since 2007, as export growth was accelerated due to the firm growth of Chinese and the U.S. economies and also to the robust capital investments. In October 2017, tightening of monetary easing was announced, reducing monthly asset purchases from January 2018, under the quantitative monetary easing policy. However, the underlying inflationary pressure has not increased due to sluggish wage

growth in Europe, and the ECB (European Central Bank) shows conservative stance on immediate interest-rate hike.

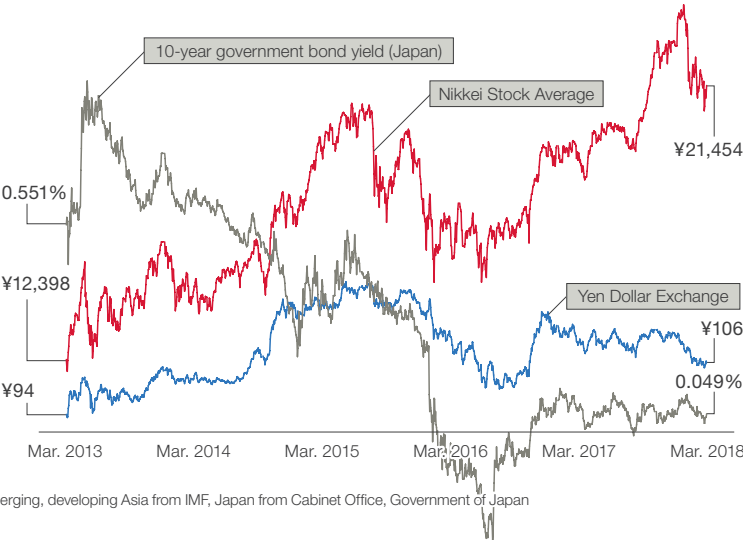
In Asia, the growth of the Chinese economy accelerated thanks to a recovery in real estate market conditions and the expansion in infrastructure investment through a public-private partnership system. In Indonesia, the business environment has improved continuously as a result of deregulation. Even in the Philippines, solid economic growth is expected to continue, supported by robust domestic demand.

The Japanese economy also showed solid expansion. Exports remained robust due to the expansion of the global economy, and capital investment increased in Japan as a result of the growing demand in domestic labor-saving and construction. In the first half of the fiscal year ended March 31, 2018, the upper price of Japanese stocks was uncertain due to geopolitical risks, but as corporate earnings came close to record levels and a decrease in domestic political risks, Japanese stocks rose strongly from October 2017. The momentum of the rise in stock price continued even after the New Year, and on January 23, 2018, Nikkei Stock Average closed above ¥24,000 for the first time in about 26 years. Since February, investor's risk avoidance sentiment has strengthened due to anxiety over accelerating interest-rate hikes in the U.S. and rising concerns of trade friction between the U.S and China, as the world's major stock markets has entered an adjustment phase, which narrowed the level of rise in Japanese stocks. On the other hand, the yield of Japanese government bonds has been kept in a narrow range by the Bank of Japan's yield curve control policy, and in the fiscal year ended March 2018, the yield of newly issued 10-year government bonds stayed in sidelines within the range of minus 0.009% and 0.104% (closing price).

Real GDP in the U.S., Europe, Emerging, developing Asia, Japan in the past 5 years *1



Trends in JGB 10 Year / Yen Dollar Exchange / Nikkei Stock Average in the past 5 years *2



*1 Sources: U.S. from U.S. Department of Commerce, Europe from Eurostat, Emerging, developing Asia from IMF, Japan from Cabinet Office, Government of Japan
*2 Sources: Bloomberg

Summary of consolidated results

Net revenue for the fiscal year ended March 31, 2018 was ¥1,497 billion, up 6.7% from the previous fiscal year, and non-interest expenses was ¥1,168.8 billion, up 8.2% from the previous fiscal year. Income before income taxes was

¥328.2 billion, and net income attributable to Nomura Holdings shareholders was ¥219.3 billion. EPS for the current fiscal year (Diluted net income attributable to Nomura Holdings shareholders per share) was ¥61.88.

(billions of yen)		FY2016/17	FY2017/18	Year-on-year	Comments
Revenue	Commission	327.1	373.3	14.1%	Brokerage commissions and commissions for distribution of investment trusts increased due to the increase in sales in stock and investment trusts.
	Fees from investment banking	92.6	101.7	9.8%	Revenue from solutions businesses accompanying M&A and finance increased.
	Asset management and portfolio service fees	216.5	245.6	13.5%	Asset management fees increased due to the increase in assets under management by inflows into funds of ETFs and discretionary investment products.
	Net gain (loss) on trading	475.6	442.9	-6.9%	Net gain on trading decreased mainly due to the decrease in sales of Fixed Income business and losses related to securities collateralized loan projects.
	Gain (loss) on private equity investments	1.4	-0.9	-	
	Interest and dividends	441.0	585.7	32.8%	
	Gain (loss) on investments in equity securities	7.7	2.7	-65.2%	Unrealized gains (losses) and trading gains (losses) on stocks held for operating purposes decreased.
	Other	153.6	221.2	44.0%	Other income increased due to the gains arising from substantial liquidation of overseas subsidiaries and the gains from the sale of our controlling financial interest in Asahi Fire and Marine Insurance Co., Ltd.
Total revenue		1,715.5	1,972.2	15.0%	
Interest expenses		312.3	475.2	52.1%	
Net revenue		1,403.2	1,497.0	6.7%	
Non-interest expenses		1,080.4	1,168.8	8.2%	Non-interest expenses increased due to the increase in personnel expenses related to deferred compensation and the allowance for over ¥30 billion for the legacy transactions in the U.S.
Income (loss) before income taxes		322.8	328.2	1.7%	
Net income (loss) attributable to Nomura Holdings shareholders		239.6	219.3	-8.5%	

As net interest income, which is interest income and dividends minus interest expenses, depends on the level and composition of total assets and liabilities, including trading assets, repurchase agreement and reverse repurchase agreement transactions, as well as the term structure and volatility of interest rates, it is one of the integral parts of trading activities. In the fiscal year ended March 2018, while interest and dividends including dividends from American Century Investments increased, interest expenses also increased, leading to a year-on-year decrease in net interest income.

Divisional performance

Retail Division

There were an increase in transactions of stocks and investment trusts due to the improvements of customer’s investment-mind followed by the improvements in the market environment, net revenue for the fiscal year ended March 31, 2018 was ¥412.9 billion, up 10% from the previous fiscal year.

Retail Division has been working to transform its business model as it aims to grow the business by enhancing client trust and satisfaction and becoming a financial institution people turn to. As a result for these efforts, investment trusts and discretionary investment balance increased, and recurring revenue, which is a stable income, expanded to ¥90 billion (annualized amount of the fourth quarter). Income before income taxes was ¥103.1 billion, up 38% from the previous fiscal year.

Asset Management Division

Net revenue from Asset Management Division was ¥127.3 billion, up 28% from the previous fiscal year, and income before income taxes was ¥66.2 billion, a record-high profit since the fiscal year ended March 2002.

In the current fiscal year, there was a cash inflow of approximately ¥3.3 trillion, mainly from ETFs, discretionary investment trusts and domestic investment advisory business. As a result, assets under management at the end of March 2018 totaled ¥50 trillion. In addition, income from American Century Investments boosted revenue in the current fiscal year.

Wholesale Division

Net revenue from Wholesale Division was ¥715.3 billion, down 3% from the previous fiscal year since the bond market volatility was weak and the activities of market participants have become slow, leading the fixed income

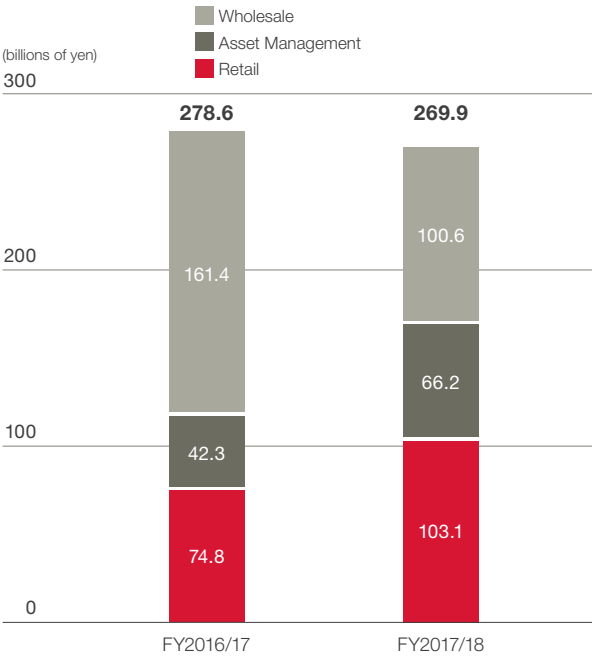
International Businesses

International businesses recorded loss before income taxes of ¥0.7 billion for the fiscal year ended March 31, 2018, a decrease from ¥88.1 billion of income before income taxes in the previous fiscal year. This is explained by the provision of allowance for over ¥30 billion for legacy transactions in the U.S. and recording of an unrealized loss of approximately ¥14 billion in margin loan transaction in EMEA.

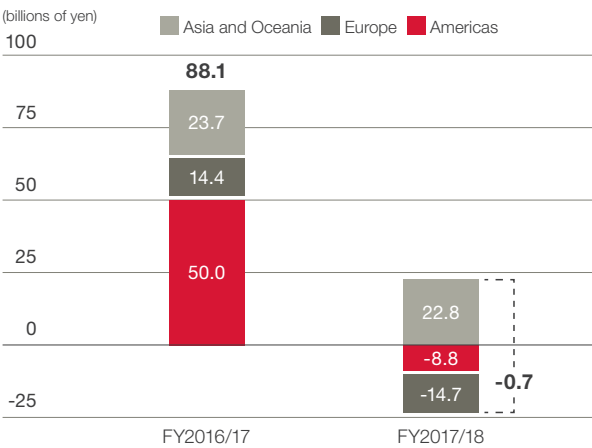
revenue to decrease significantly. Equity earned substantial revenue due to rise in stock markets worldwide. In addition, Investment banking advanced global collaboration, and by working on many cross-border deals, sales increased, resulting in an increase in revenue.

Non-interest expenses other than interest expenses increased by 6% due to the increase in commissions paid as the volume of equity business transactions increased, and also to the deferred compensation granted on the basis of the previous fiscal year’s performance as a result of the strong performance. Consequently, income before income taxes was ¥100.6 billion, down 38% from the previous fiscal year.

Income before income taxes by segment



International income (loss) before income taxes by region



Consolidated capital adequacy ratio

CET1 capital ratio on a consolidated basis at the end of March 2018 was 16.5%, down from 18.2% at the end of March 2017. There are two reasons behind this. One is that the risk-off environment continued and the risk-weighted assets at the end of March 2017 was ¥14 trillion, which was extremely low. In the current fiscal year, we also controlled the risks, but compared to the end of March 2017, risks have increased mainly of market risks.

Consolidated capital adequacy ratio

(billions of yen)		FY2016/17	FY2017/18	Year-on-year
Capital	CET1 capital	2,549	2,500	-49
	Tier1 capital	2,690	2,666	-23
	Total capital	2,799	2,733	-67
Risk-weighted assets	Credit risk-weighted assets	7,763	7,736	-26
	Value obtained by dividing market risk equivalent assets by 8%	3,505	4,748	1,244
	Value obtained by dividing the operational risk equivalent assets by 8%	2,711	2,638	-73
	Total risk-weighted assets	13,978	15,122	1,144
Consolidated capital adequacy ratio	CET1 capital ratio	18.2%	16.5%	-1.7%
	Tier1 capital ratio	19.2%	17.6%	-1.6%
	Consolidated capital adequacy ratio	20.0%	18.1%	-1.9%

The second reason is that CET1 capital, a numerator, has decreased due to a decline in foreign currency translation adjustment as a result of the appreciation of the yen and the effect of the end of transitional measures under Basel regulations.

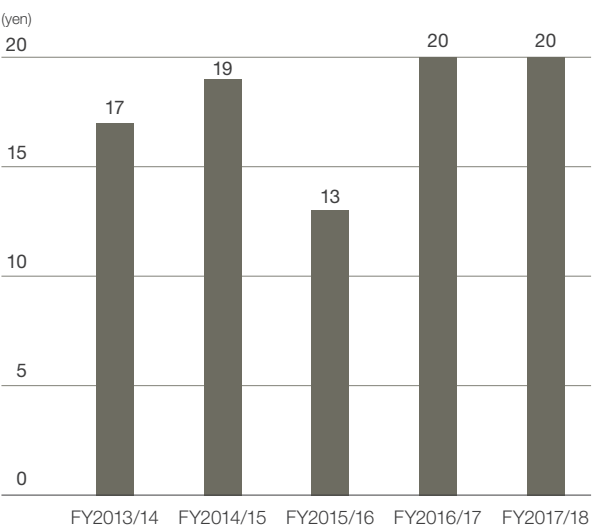
In addition, we have targeted the CET1 capital ratio on a consolidated basis in the medium term as 11% or more, and we have maintained a sufficient level of capital.

Shareholder returns

We believe that basic returns to shareholders will be implemented through sustained improvements in shareholder value and dividends. Regarding dividends, we will make consolidated payout ratio of 30% as one of the important indicators based on consolidated performance every half year. Dividends in each year will be decided by comprehensively taking into account the trends of domestic and overseas regulatory environments, including Basel regulations, and our consolidated results. As a general rule, dividends will be paid twice a year (Date of record: September 30, March 31).

The firm seeks to deliver to shareholders a total payout ratio of 50% or more, inclusive of shareholder returns delivered through buy-back of shares.

Annual dividend per share



Eleven-Year Consolidated Financial Summary (US GAAP)

For the fiscal years beginning April 1 and ending March 31 of the following year
Note: This financial summary is prepared solely for convenience. Readers are recommended to refer to Form 20-F.

		FY2007/08	FY2008/09	FY2009/10	FY2010/11	FY2011/12	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
(millions of yen)												
Operating results												
Revenue:	Commission	404,659	306,803	395,083	405,463	347,135	358,210	473,121	453,401	431,959	327,129	373,313
	Fees from investment banking	85,096	54,953	121,254	107,005	59,638	62,353	91,301	95,083	118,333	92,580	101,663
	Asset management and portfolio service fees	189,712	140,166	132,249	143,939	144,251	141,888	168,683	203,387	229,006	216,479	245,616
	Net gain (loss) on trading	61,720	(128,339)	417,424	336,503	272,557	367,979	476,356	531,337	354,031	475,587	442,885
	Gain (loss) on private equity investments	76,505	(54,791)	11,906	19,292	25,098	8,053	11,392	5,502	13,761	1,371	(869)
	Interest and dividends	796,540	331,356	235,310	346,103	435,890	394,007	416,350	436,766	440,050	441,036	585,675
	Gain (loss) on investments in equity securities	(48,695)	(25,500)	6,042	(16,677)	4,005	38,686	15,156	29,410	(20,504)	7,708	2,683
	Other	28,185	39,863	37,483	43,864	563,186	708,767	179,485	175,702	156,460	153,626	221,192
	Total revenue	1,593,722	664,511	1,356,751	1,385,492	1,851,760	2,079,943	1,831,844	1,930,588	1,723,096	1,715,516	1,972,158
	Interest expense	806,465	351,884	205,929	254,794	315,901	266,312	274,774	326,412	327,415	312,319	475,189
	Net revenue	787,257	312,627	1,150,822	1,130,698	1,535,859	1,813,631	1,557,070	1,604,176	1,395,681	1,403,197	1,496,969
Non-interest expenses:	Compensation and benefits	366,805	491,555	526,238	518,993	534,648	547,591	570,058	596,593	574,191	496,385	530,641
	Commissions and floor brokerage	90,192	73,681	86,129	92,088	93,500	91,388	111,849	129,977	123,881	94,495	99,868
	Information processing and communications	135,004	154,980	175,575	182,918	177,148	179,904	192,168	192,300	189,910	175,280	184,781
	Occupancy and related depreciation	64,841	78,480	87,806	87,843	100,891	91,545	80,142	76,112	78,411	69,836	67,895
	Business development expenses	38,135	31,638	27,333	30,153	48,488	49,010	38,485	35,230	35,892	35,111	36,762
	Other	157,190	262,558	142,494	125,448	496,227	616,463	202,754	227,205	228,238	209,295	248,864
	Total non-interest expenses	852,167	1,092,892	1,045,575	1,037,443	1,450,902	1,575,901	1,195,456	1,257,417	1,230,523	1,080,402	1,168,811
Income (loss) before income taxes		(64,910)	(780,265)	105,247	93,255	84,957	237,730	361,614	346,759	165,158	322,795	328,158
Income tax expense (benefit)		3,259	(70,854)	37,161	61,330	58,903	132,039	145,165	120,780	22,596	80,229	103,866
Net income (loss)		(68,169)	(709,411)	68,086	31,925	26,054	105,691	216,449	225,979	142,562	242,566	224,292
Less: Net income (loss) attributable to noncontrolling interests		(322)	(1,219)	288	3,264	14,471	(1,543)	2,858	1,194	11,012	2,949	4,949
Net income (loss) attributable to NHI shareholders		(67,847)	(708,192)	67,798	28,661	11,583	107,234	213,591	224,785	131,550	239,617	219,343
Balance sheets (Period end)* ¹												
Cash and cash deposits		1,434,067	1,422,709	1,352,244	2,150,453	1,953,677	1,652,752	2,189,310	2,096,596	3,898,843	2,972,088	2,959,046
Loans and receivables		1,187,600	1,643,007	2,071,714	2,227,822	2,211,423	2,629,875	2,570,678	2,948,424	2,969,578	3,097,428	3,875,199
Collateralized agreements		10,391,367	8,412,618	12,467,213	15,156,318	13,742,646	14,115,257	17,347,001	16,719,520	15,077,660	18,729,825	16,237,743
Trading assets and private equity investments		10,278,188	11,672,612	14,700,282	15,241,931	14,123,594	17,124,349	18,714,314	17,308,848	16,410,002	15,192,364	14,980,156
Other assets		1,944,832	1,686,902	1,638,975	1,916,466	3,665,972	2,420,206	2,699,011	2,709,848	2,734,084	2,860,373	2,291,803
Total assets		25,236,054	24,837,848	32,230,428	36,692,990	35,697,312	37,942,439	43,520,314	41,783,236	41,090,167	42,852,078	40,343,947
Short-term borrowings		1,426,266	1,183,374	1,301,664	1,167,077	1,185,613	738,445	602,131	662,256	662,902	543,049	743,497
Payables and deposits		950,381	1,242,318	1,528,419	2,103,608	2,437,370	2,413,801	2,836,873	3,398,600	4,249,118	3,708,435	3,567,655
Collateralized financing		10,540,731	10,157,954	11,216,481	13,686,438	12,519,274	15,409,383	17,111,999	15,379,803	16,605,591	19,061,091	16,696,994
Trading liabilities		4,469,942	4,752,054	8,356,806	8,688,998	7,495,177	8,491,296	11,047,285	10,044,236	7,499,335	8,191,794	8,202,936
Other liabilities		623,206	467,574	494,983	552,316	1,165,901	978,163	1,141,750	1,217,099	1,200,647	1,308,510	950,534
Long-term borrowings		5,224,426	5,483,028	7,199,061	8,402,917	8,504,840	7,592,368	8,227,063	8,336,296	8,129,559	7,195,408	7,382,507
Total liabilities		23,234,952	23,286,302	30,097,414	34,601,354	33,308,175	35,623,456	40,967,101	39,038,290	38,347,152	40,008,287	37,544,123
Total NHI shareholders' equity		1,988,124	1,539,396	2,126,929	2,082,754	2,107,241	2,294,371	2,513,680	2,707,774	2,700,239	2,789,916	2,749,320
Noncontrolling interests		12,978	12,150	6,085	8,882	281,896	24,612	39,533	37,172	42,776	53,875	50,504
Total equity		2,001,102	1,551,546	2,133,014	2,091,636	2,389,137	2,318,983	2,553,213	2,744,946	2,743,015	2,843,791	2,799,824
Total liabilities and equity		25,236,054	24,837,848	32,230,428	36,692,990	35,697,312	37,942,439	43,520,314	41,783,236	41,090,167	42,852,078	40,343,947
Cash flows												
Net cash provided by (used in) operating activities		(647,906)	(712,629)	(1,500,770)	(235,090)	290,863	549,501	457,426	(77,028)	1,238,372	1,305,025	(445,696)
Net cash provided by (used in) investing activities		(102,019)	(98,905)	(269,643)	(423,214)	9,942	(160,486)	(103,195)	12,337	(23,711)	(118,051)	(56,172)
Net cash provided by (used in) financing activities		942,879	999,760	2,176,530	1,284,243	(844,311)	(701,623)	289,385	(178,206)	986,387	(2,130,644)	(373,168)
Effect of initial adoption of investment company accounting on cash and cash equivalents		(38,427)	—	—	—	—	—	—	—	—	—	—
Effect of exchange rate changes on cash and cash equivalents		(57,319)	(81,896)	964	(26,246)	(6,314)	47,175	41,089	68,513	(40,195)	4,249	(53,501)
Net increase (decrease) in cash and cash equivalents		97,208	106,330	407,081	599,693	(549,820)	(265,433)	684,705	(174,384)	2,160,853	(939,421)	(182,201)

*1 Figures for the fiscal years ended March 31, 2008 and 2009 have been restated to reflect the application of new guidelines on accounting for and disclosure of non-controlling equity positions that are referred to in Position Paper No. 810, entitled "Consolidated Financial Statements."

Environment, social and governance (ESG) Data

Corporate governance

Members of the Board	Unit	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
Board of Directors	No. of people	11	11	12	11	10	10
Outside Directors	No. of people	6	6	7	6	6	6
	Ratio (%)	55	55	58	55	60	60
Non-Japanese Directors	No. of people	3	3	3	3	1	2
	Ratio (%)	27	27	25	27	10	20
Female Directors	No. of people	1	1	1	1	1	2
	Ratio (%)	9	9	8	9	10	20
Officers (Executive Officers and Senior Managing Directors)	Unit	April 1, 2013	April 1, 2014	April 1, 2015	April 1, 2016	April 1, 2017	April 1, 2018
Men	No. of people	23	27	26	27	33	34
Women	No. of people	2	2	2	2	1	1
Ratio of women	%	8	6	7	7	3	3

Board of Directors meetings	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
No. of times held	No. of times	11	10	10	10	11	10
Average attendance rate	%	97	98	99	100	99	100
Average term of office	Year	2.1	3.1	3.8	3.2	3.3	2.7

Contributing to Sound and Sustainable Capital Markets

Caseload at Customer Help Desk Department (Nomura Securities)	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total	No. of cases	5,693	7,010 ^{*1}	5,540	5,767	6,003	7,054
Complaints	No. of cases	3,409	4,023 ^{*2}	2,537	2,771	2,531	2,479
Inquiries	No. of cases	2,119	2,730	2,766	2,749	3,267	4,147 ^{*3}
Opinions and requests	No. of cases	23	55	81	128	98	270
Other	No. of cases	142	202	156	119	107	158

^{*1} The increase in the number of consultations in FY2013/14 is due to an increase in the number of consultations about telephone line congestion.
^{*2} Of this total, 69 complaints were related to the management of customer information.
^{*3} The increase in the number of inquiries in FY2017/18 is due to system changes.


Results of customer satisfaction surveys at branch offices (Nomura Securities)	Unit	December 2013	August 2014	January 2015	February 2016	February 2017	November 2017
Extremely satisfied/satisfied	%	81.6	81.4	80.9	82.1	83.7	85.5
Neither satisfied nor dissatisfied	%	15.7	16.3	16.3	15.1	14.3	13.0
Extremely dissatisfied/dissatisfied	%	2.7	2.2	2.8	2.8	2.0	1.5

Sustainability bonds*	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Bonds issued	Number	9	8	5	4	5	20
Proceeds	Millions of yen	53,619	498,768	110,331	52,133	59,226	220,997

* ESG bonds in which Nomura Securities is involved

Contributing to Sustainable Communities


Community contribution expenditures	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total	Millions of yen	1,348	1,323	1,457	1,325	1,704	1,224
Education	Millions of yen	556	604	530	562	451	407
Arts, culture, and sports	Millions of yen	81	66	333	102	567	157
Science and academic achievement	Millions of yen	129	117	114	120	116	109
Community contribution	Millions of yen	199	190	161	162	189	261
Welfare and health	Millions of yen	79	39	85	79	53	33
Environment	Millions of yen	47	84	34	29	71	59
Human rights and labor	Millions of yen	4	20	19	39	12	6
Disaster relief	Millions of yen	88	78	68	56	61	9
Other	Millions of yen	171	129	113	176	184	185

Participants and materials in financial and economics education	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Visiting classes (elementary, junior, senior high schools, universities, teachers) Since 2008	No. of schools	31	56	265	304	346	442
	No. of participants	1,865	2,825	9,836	9,637	15,317	19,377
Financial courses for universities Since 2001	No. of schools	114	112	108	106	104	106
	No. of participants	11,000	11,000	11,000	11,000	11,200	11,000
Financial courses for the general public Since 2003	No. of courses	444	531	566	412	304	270
	No. of participants	21,696	23,897	24,712	14,958	10,926	8,105
Nikkei Stock League Since 2000	No. of teams	1,287	1,484	1,361	1,429	1,618	1,832
	No. of members	5,120	5,699	5,167	5,587	6,462	7,180
 Number of educational materials supplied*	No. of schools	783	442	527	440	434	470
	No. of copies	34,748	26,801	39,550	27,305	30,167	37,163

* The numbers of educational materials Nomura Holdings donated and sent to elementary and junior high schools were totaled.

Developing human resources who respect diversity

Education and training expenses	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total	Millions of yen	2,441	2,515	2,972	2,880	2,767	2,987
Japan	Millions of yen	1,907	1,978	2,076	2,020	2,094	2,093
Europe	Millions of yen	108	81	115	225	161	228
Americas	Millions of yen	233	262	573	426	299	435
Asia-Pacific	Millions of yen	193	194	208	209	213	230

 Participation in education and training*	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total	Aggregate no. of hours	254,117	406,602	507,639	499,386	501,377	530,869
	Aggregate no. of participants	22,048	89,657	132,672	211,014	195,819	277,824
Japan	Aggregate no. of hours	208,087	284,920	333,305	307,295	303,854	298,571
	Aggregate no. of participants	12,081	12,325	14,398	16,294	15,581	14,896
Europe	Aggregate no. of hours	1,732	26,117	48,434	47,709	33,638	49,288
	Aggregate no. of participants	647	21,822	41,654	62,077	44,325	70,240
Americas	Aggregate no. of hours	7,204	7,811	15,439	17,589	15,848	23,139
	Aggregate no. of participants	1,794	5,598	12,255	25,122	19,816	38,169
Asia-Pacific	Aggregate no. of hours	37,094	87,754	110,461	126,793	148,037	159,871
	Aggregate no. of participants	7,526	49,912	64,365	107,521	116,097	154,519

* Figures for Europe, the Americas and Asia-Pacific do not cover certain subsidiaries and the like because attended educations and trainings the Wholesale Division manages through an in-house training system are totaled.
Total hours for educations and trainings attended in FY2015/16 and FY2016/17 (hr.), which are stated in the total column and the Europe column, are revised as follows based on a close examination of data for prior fiscal years. Total education and training hours in the total column: revised from 589,242 to 499,386 and from 562,289 to 501,377. Total education and training hours in the Europe column: revised from 137,565 to 47,709 and from 94,550 to 33,638.

Developing human resources who respect diversity

✓ Composition of employees* ¹	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total	No. of employees	26,242	26,019	28,672	28,865	28,186	28,048
	Ratio of male employees (%)	62	62	62	62	61	61
	Ratio of female employees (%)	38	38	38	38	39	39
Japan	No. of employees	15,004	15,062	15,973	16,083	16,227	15,819
	Ratio of male employees (%)	57	56	58	58	58	57
	Ratio of female employees (%)	43	44	42	42	42	43
Europe	No. of employees	3,618	3,461	3,485	3,424	3,026	3,057
	Ratio of male employees (%)	70	71	71	71	70	70
	Ratio of female employees (%)	30	29	29	29	30	30
Americas	No. of employees	2,271	2,281	2,449	2,503	2,314	2,362
	Ratio of male employees (%)	74	74	74	74	74	74
	Ratio of female employees (%)	26	26	26	26	26	26
Asia-Pacific	No. of employees	5,349	5,215	6,765	6,855	6,619	6,810
	Ratio of male employees (%)	65	64	61	61	59	60
	Ratio of female employees (%)	35	36	39	39	41	40
✓ Number of new hires* ²	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total	No. of employees	2,554	2,920	2,934	2,868	2,763	2,901
	Ratio of male employees (%)	-	-	67	65	57	61
	Ratio of female employees (%)	-	-	33	35	43	39
Japan	No. of employees	1,027	1,029	845	932	1,107	1,008
	Ratio of male employees (%)	43	49	57	58	53	54
	Ratio of female employees (%)	57	51	43	42	47	46
Europe	No. of employees	307	503	510	405	283	376
	Ratio of male employees (%)	-	-	76	71	67	69
	Ratio of female employees (%)	-	-	24	29	33	31
Americas	No. of employees	361	418	510	424	318	355
	Ratio of male employees (%)	-	-	75	74	71	74
	Ratio of female employees (%)	-	-	25	26	29	26
Asia-Pacific	No. of employees	859	970	1,069	1,107	1,055	1,162
	Ratio of male employees (%)	-	-	67	64	54	60
	Ratio of female employees (%)	-	-	33	36	46	40
✓ Composition of managers* ³	Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Total	No. of employees	8,079	7,944	8,329	8,535	9,110	9,174
	Ratio of male employees (%)	87	87	85	84	85	84
	Ratio of female employees (%)	13	13	15	16	15	16
Japan	No. of employees	3,768	3,698	3,673	3,615	4,672	4,493
	Ratio of male employees (%)	94	94	94	93	92	91
	Ratio of female employees (%)	6	6	6	7	8	9
Europe	No. of employees	1,872	1,797	1,790	1,838	1,559	1,624
	Ratio of male employees (%)	83	84	83	82	81	81
	Ratio of female employees (%)	17	16	17	18	19	19
Americas	No. of employees	1,250	1,262	1,343	1,399	1,279	1,366
	Ratio of male employees (%)	81	81	81	80	80	80
	Ratio of female employees (%)	19	19	19	20	20	20
Asia-Pacific	No. of employees	1,189	1,187	1,523	1,683	1,600	1,691
	Ratio of male employees (%)	76	76	71	71	70	70
	Ratio of female employees (%)	24	24	29	29	30	30

*1 Employee composition: The Nomura Group is the scope of the totaling (on a consolidated basis). Data for FY2013/14 and prior fiscal years do not cover certain subsidiaries.
*2 New hire composition: The Nomura Group is the scope of the totaling (on a consolidated basis). Data for FY2015/16 and prior fiscal years for Japan cover Nomura Holdings and Nomura Securities. Data for FY2015/16 and prior fiscal years for Asia-Pacific cover consolidated subsidiaries with certain exceptions, such as Capital Nomura Securities Public Company Limited and Nomura Asset Management Taiwan Ltd which were added to the scope of consolidation in FY2014/15.
*3 Management composition: The Nomura Group is the scope of the totaling (on a consolidated basis). Data for FY2015/16 and prior fiscal years do not cover certain subsidiaries in Japan. Refer to standards for calculation (<https://www.nomuraholdings.com/csr/data/index.html>).

Our environment

GHG emissions		Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Scope 1: Direct emissions* ¹	Japan	t-CO ₂	2,247	2,207	2,107	1,986	2,005	1,968
	Europe	t-CO ₂	1,318	1,131	797	752	772	784
	Americas	t-CO ₂	0	46	69	72	72	73
	Asia-Pacific	t-CO ₂	76	143	143	169	173	167
Scope 2: Indirect emissions* ¹	Japan	t-CO ₂	38,988	42,300	40,965	39,065	36,783	35,302
	Europe	t-CO ₂	16,842	17,334	14,164	12,822	11,786	10,031
	Americas	t-CO ₂	6,278	5,015	6,406	6,966	6,168	5,510
	Asia-Pacific	t-CO ₂	24,323	21,601	22,007	21,892	20,942	19,800
Scope 1, 2: Emissions per employee* ¹	Japan	t-CO ₂	2.8	3.0	2.9	2.7	2.5	2.4
	Europe	t-CO ₂	6.2	6.0	4.6	4.3	4.2	3.6
	Americas	t-CO ₂	2.8	2.2	2.6	2.8	2.7	2.4
	Asia-Pacific	t-CO ₂	5.4	4.9	4.3	4.2	4.2	3.8
Scope 3: Emissions from employee travel* ² (Air, rail, and automobile travel)	Japan	t-CO ₂	17,919	18,729	20,823	22,013	22,936	24,554
	Europe	t-CO ₂	9,728	9,253	8,127	7,651	7,023	7,929
	Americas	t-CO ₂	5,124	5,561	4,349	4,966	4,343	5,547
	Asia-Pacific	t-CO ₂ * ³	11,057	9,552	10,575	11,587	11,041	12,196
Energy consumption		Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Direct energy consumption (Natural gas, etc.)	Japan	MWh	11,948	11,729	11,229	10,573	10,654	10,402
	Europe	MWh	7,025	6,210	4,438	4,201	4,329	4,374
	Americas	MWh	0	225	340	355	359	360
	Asia-Pacific	MWh	800	608	611	732	743	720
Indirect energy consumption (Purchased electric power)	Japan	MWh	74,293	74,117	72,780	70,520	68,372	67,360
	Europe	MWh	38,679	41,164	30,836	30,133	30,713	30,135
	Americas	MWh	16,104	15,896	22,148	21,882	20,236	18,883
	Asia-Pacific	MWh	28,012	26,942	27,862	26,720	25,577	24,200
Including, Green power purchased* ⁴		MWh	6,329	6,317	32,626	34,652	35,033	34,193
(Purchased cooling and heating power)	Japan	MWh	17,523	15,258	12,400	11,971	12,320	11,680
	Europe	MWh	0	0	0	0	0	0
	Americas	MWh	7,924	2,220	238	140	198	254
	Asia-Pacific	MWh	1,907	1,731	1,694	1,617	1,723	1,824
Environmental resource efficiency		Unit	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18
Water consumption	Japan	Thousand m ³	178	177	171	170	168	161
	Europe	Thousand m ³	124	124	97	115	107	111
	Americas	Thousand m ³	4	13	26	30	29	30
	Asia-Pacific	Thousand m ³	45	45	48	36	35	53
Copy paper consumption* ⁵	ton	759	746	1,041	1,083	1,018	1,002	1,002
Amount of waste generated* ⁶	ton	1,904	2,659	2,281	2,540	2,658	2,403	2,403

Scopes 1, 2 and 3 are classified in accordance with classifications established in the Greenhouse Gas Protocol (GHG Protocol; <http://www.ghgprotocol.org>). The scopes of the tallies in respective regions are as follows. Data for all bases are totaled for air travel in Scope 3.
Japan: Group companies located in Japan (<https://www.nomuraholdings.com/company/group/index.html>)
Europe: offices located in London, Paris, Frankfurt, Zurich, Madrid, Milan, Luxembourg and Cape Town
Americas: offices located in New York and bases that belong to Instinet
Asia-Pacific: offices located in Hong Kong, Singapore, India, Dalian and Bangkok

*1 The Bangkok office was added to emissions in Asia-Pacific in FY2014/15. The Cape Town office was added to emissions in Europe in FY2017/18.
*2 Emissions quotas for air and long-distance rail travel in Japan and overseas purchased from designated agents are totaled. Data for regularly-used vehicles are also totaled for Japan, Europe and Asia-Pacific offices in India, Hong Kong and Bangkok.
*3 The guaranteed scope for Asia-Pacific was 11,002 t-CO₂ recorded in FY2017/18 (equivalent to the total for offices in Hong Kong, Singapore, India and Bangkok).
*4 Figures for Japan, and the Frankfurt and Zurich offices in Europe were totaled in FY2012/13. Figures for the Milan office in Europe were added to the scope of the totaling in FY2013/14. Figures for the London office in Europe were added to the scope of the totaling in FY2014/15. Figures for the Luxembourg office and the Paris office in Europe were added to the scope of the totaling in FY2015/16.
*5 Figures for Nomura Securities in Japan, which purchased paper from designated agents, and figures for the London office in Europe and the India and Hong Kong offices in Asia-Pacific were totaled in FY2012/13 and FY2013/14. Figures for the Bangkok office in Asia-Pacific were added to the scope of the totaling in FY2014/15. Nomura Securities expanded the scope of its tally from A4-size paper to all types of coping paper in the same fiscal year.
*6 Figures for offices in Tokyo (the Nihonbashi Head Office Building and the Dai-ni Edohashi Building), the Osaka Branch, the Nagoya Branch, the London office, the Paris office, the Frankfurt office, the Zurich office and the India office were totaled in FY2012/13. Figures for another office in Tokyo (the Urbannet Otemachi Building), the Kyoto Branch, the Okayama Branch and the Hong Kong office were added to the scope of the totaling in FY2013/14. Figures for the Luxembourg office were added to the scope of the totaling in FY2014/15. Figures for one additional office in Tokyo (the Nomura Asset Management Head Office Building) were added to the scope of the totaling in FY2015/16.



Translation

The following is an English translation of an independent assurance report prepared in Japanese and is for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.


Independent Assurance Report

June 29, 2018

TO:

Mr. Koji Nagai
Group CEO
Nomura Holdings, Inc.

Kenji Sawami
Engagement Partner
Ernst & Young ShinNihon LLC Tokyo, Japan

We, Ernst & Young ShinNihon LLC, have been commissioned by Nomura Holdings, Inc. (hereafter the “Company”) and has carried out a limited assurance engagement on the Key Sustainability Performance Indicators (hereafter the “Indicators”) of the Company and its major subsidiaries for the year ended March 31, 2018 as included in “ESG Data” (hereafter the “Report”). The scope of our assurance procedures was limited to the Indicators marked with the symbol “” in the Report.

1. The Company’s Responsibilities

The Company is responsible for preparing the Indicators in accordance with the Company’s own criteria, that it determined with consideration of Japanese environmental regulations and other regulations as presented in “Citizenship—ESG Data—Standards for Calculation” (<http://www.nomuraholdings.com/csr/data/>). Greenhouse gas (GHG) emissions are estimated using emissions factors, which are subject to scientific and estimation uncertainties given different instruments for measuring GHG emissions may vary in characteristics, in terms of functions and assumed parameters.

2. Our Independence and Quality Control

We have met the independence requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants in January 2017, which is based on the fundamental principles of integrity, objectiveness, professional competence and due care, confidentiality, and professional behavior.

In addition, we maintain a comprehensive quality control system, including documented policies and procedures for compliance with ethical rules, professional standards, and applicable laws and regulations in accordance with the International Standard on Quality Control 1 issued by the International Auditing and Assurance Standards Board in April 2009.

3. Our responsibilities

Our responsibility is to express a limited assurance conclusion on the Indicators included in the Report based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with the *International Standard on Assurance Engagements: Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (“ISAE 3000”) (Revised), issued by the International Auditing and Assurance Standards Board in December 2013, Practical Guidelines for the Assurance of Sustainability Information, revised in December 2014 by the Japanese Association of Assurance Organizations for Sustainability Information and, with respect of GHG emissions, *Assurance Engagements on Greenhouse Gas Statements* (“ISAE 3410”), issued by the International Auditing and Assurance Standards Board in June 2012.

The procedures, which we have performed according to our professional judgment, include inquiries, document inspection, analytical procedures, reconciliation between source documents and Indicators in the Report, as well as the following:

- Making inquiries regarding the Company’s own criteria that it determined with consideration of Japanese environmental regulations and other regulations, and evaluating the appropriateness thereof;
- Inspecting relevant documents with regard to the design of the Company’s internal controls related to the Indicators, and inquiring of personnel responsible thereof at the Company and major subsidiary’s 2 sites visited;
- Performing analytical procedures concerning the Indicators at the Company and major subsidiary’s 2 sites visited;
- Testing, on a sample basis, underlying source information and conducting relevant re-calculations at the Company and major subsidiary’s 2 sites visited.

The procedures performed in a limited assurance engagement are more limited in nature, timing and extent than a reasonable assurance engagement.

As a result, the level of assurance obtained in a limited assurance engagement is lower than would have been obtained if we had performed a reasonable assurance engagement.

4. Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Indicators included in the Report have not been measured and reported in accordance with the Company’s own criteria that it determined with consideration of Japanese environmental regulations and other regulations.

Key Events during the Year

The Nomura Group is facing dramatic structural changes such as low fertility rates and the aging population in Japan, and increasing digital innovation. Looking 10 or 20 years ahead, we accelerated initiatives to further strengthen the Nomura Group’s business foundations, including launching the principal investment business, starting to examine a business alliance with LINE Corporation which has a strong asset-building user base, and investing in the 8 Group which is skilled in mobile app development. We are also actively involved in ESG (Environmental, Social, and Governance) activities. The Nomura Group has been included in various ESG indices, and the Nomura Institute of Capital Markets Research also established a dedicated research group to focus on the sustainable development of the ESG bond market.

2017

Apr.

Management topics

Established N-Village, a subsidiary to promote new business development and open innovation

Management topics

Established Policy on Customer-Oriented Business Conduct

Management topics

Launched VOYAGER: Nomura FinTech Partnership program in India

May

Assessments

Selected as Competitive IT Strategy Company 2017 by Ministry of Economy, Trade and Industry, and Tokyo Stock Exchange

June

Management topics

Established new company in Germany to minimize the impact for clients from the UK’s exit from the EU and to continue providing financial services as before, and began applying for a formal application for a license in Germany

July

ESG

Selected as a component of the FTSE Blossom Japan Index

Sept.

ESG

Selected as a component of the Dow Jones Sustainability World Index (DJSI World Index) and the DJSI Asia Pacific Index, global stock indices that measure socially responsible investment

Management topics

Established innovation office in San Francisco to further enhance promotion and support of financial innovation and new business

Oct.

Financials

Completed share buyback program (100 million shares; about ¥62.3 billion)

Management topics

Adopted “Nomura’s Declaration to Support Employees Balance Work and Family Care”

Nov.

Assessments

Awarded “IT Management Prize” by Japan Institute of Information Technology

Financials

Established Policy for Cancellation of Treasury Shares

Management topics

Decided to establish Merchant Banking Division for overseeing Nomura’s principal investment business

Dec.

ESG

Selected as a component of the MSCI Japan Empowering Women Index (WIN)

2018

Jan.

Management topics

Nomura Securities Co., Ltd. declared itself a “100-year life partner” that aims to provide optimal financial services to solve customers’ problems in Japan’s longevity society

Financials

Completed share buyback program (70 million shares; about ¥46.7 billion)

Feb.

Services

Launched online account opening service using “Japanese Public Key Infrastructure”

ESG

The Nomura Institute of Capital Markets Research established a dedicated research group to focus on the sustainable development of the ESG bond market

Mar.

Management topics

Concluded basic agreement to start examining financial business alliance with LINE Corporation

Management topics

Nomura Asset Management agreed to acquire shares of 8 Securities and 8 Limited through a third-party allotment

Global Network (As of June 30, 2018)

The Nomura Group, as Asia's global investment bank, has a global network spanning more than 30 countries and regions.



Europe, the Middle East and Africa

London	Subsidiary*	Milan	Branch
Amsterdam	Subsidiary	Luxembourg	Subsidiary
Vienna	Representative office	Istanbul	Representative office
Stockholm	Branch	Qatar	Branch
Zurich	Subsidiary	Dubai	Branch
Paris	Subsidiary	Bahrain	Subsidiary
Frankfurt	Subsidiary	Riyadh	Subsidiary
Helsinki	Branch	South Africa	Branch
Madrid	Branch		

Japan / Asia ex-Japan

Head offices, branches and offices 156

Hong Kong	Subsidiary*	Branch
Beijing	Representative office	
Shanghai	Representative office	
Taipei	Branch	
Seoul	Subsidiary	Representative office
Mumbai	Subsidiary	
Hanoi	Representative office	
Jakarta	Subsidiary	
Kuala Lumpur	Subsidiary	
Philippines	Subsidiary	
Bangkok	Subsidiary	
Singapore	Subsidiary*	
Sydney	Subsidiary*	
Melbourne	Representative office	



Americas

New York	Subsidiary*	Branch*
Washington, D.C.	Branch	
Boston	Branch*	
Chicago	Branch*	
Manhattan Beach	Branch	
San Francisco	Branch*	
Los Angeles	Branch*	
St. Louis	Branch*	
Toronto	Subsidiary*	
Colombia	Representative office	
São Paulo	Representative office	
Bermuda	Subsidiary	

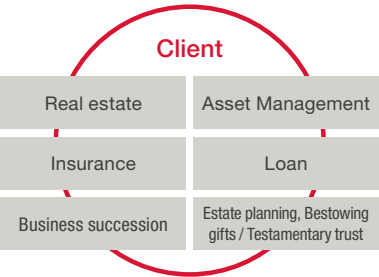
*Includes subsidiaries and branches of Instinet

Services for Retail Clients



Consulting Services

Provide tailored consulting services to each client through Nomura's head office and nationwide network of 156 branch offices



Call Center

Provide a wide range of services to clients who have existing accounts at Nomura, as well as new potential clients



- Transaction orders
- Market outlook and investment consulting (reservation required)
- Individual-type defined contribution pension plan (iDeCo) information and services
- Administrative functions, including new account opening services

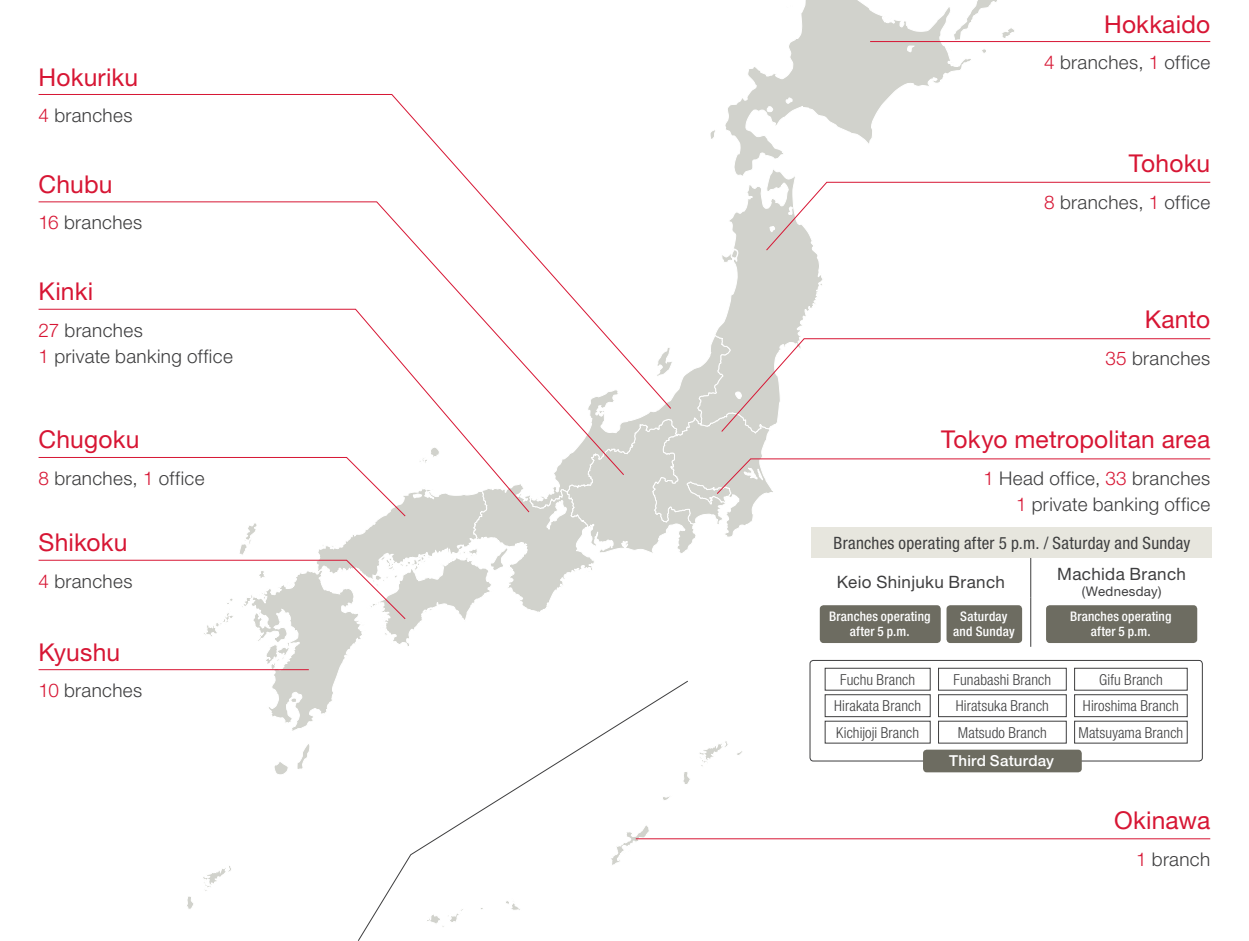
Online Services

Provide access to information and convenient tools through a broad range of devices. Clients with accounts in Nomura can execute various transactions through their individual web interface

- Website exclusive for each subscriber of individual-type defined contribution pension plan (iDeCo)
- Website exclusive for each subscriber of employee stock ownership plan

Nomura Securities: 156 branches in Japan

(As of June 30, 2018)



Corporate Data

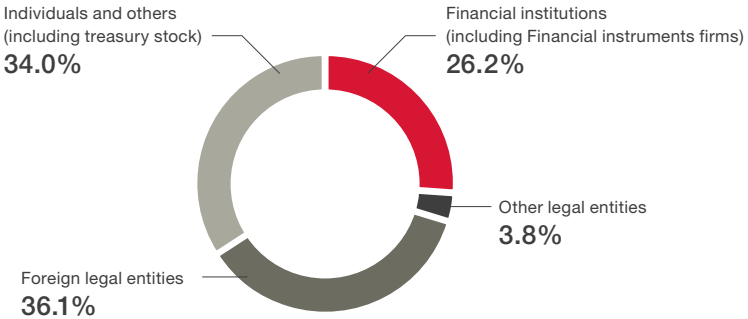
Company name	Nomura Holdings, Inc.
Date of incorporation	December 25, 1925
Head office	1-9-1, Nihonbashi, Chuo-ku, Tokyo 103-8645, Japan
Paid-in capital	¥594,493 million
Group employees	28,048
Common stock issued	3,643,562,601 shares
Number of shareholders	373,524 (Unit shareholders: 352,148)
Listing	The common shares of Nomura Holdings, Inc. are listed on the Tokyo, Nagoya, and Singapore stock exchanges. The shares are also listed on the NYSE in the form of American Depositary Shares (ADSs) evidenced by American Depositary Receipts (ADRs). Each ADS represents one share of common stock.
Securities code	8604 (Tokyo Stock Exchange), NMR (New York Stock Exchange)
Transfer agent and registrar	Mitsubishi UFJ Trust and Banking Corporation Corporate Agency Department
Depository for American Depositary Receipts (ADRs)	The Bank of New York Mellon
Date of record for dividend payments	September 30, March 31

Share Information (As of March 31, 2018)

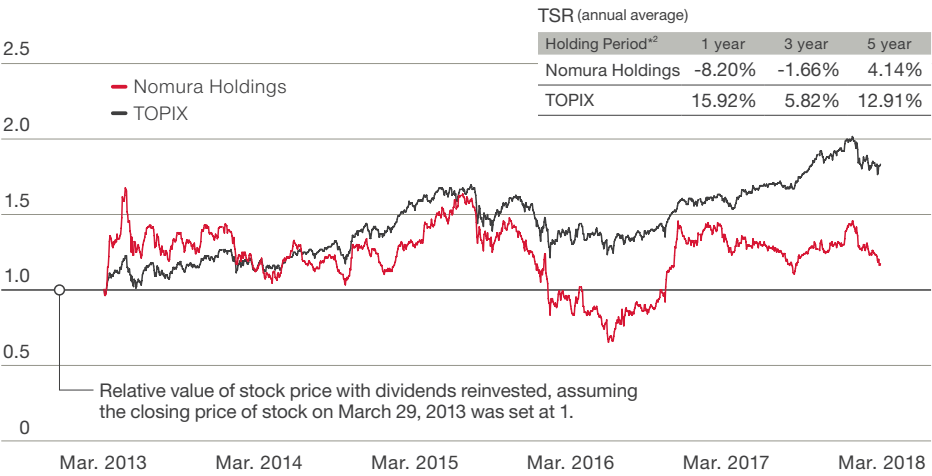
Major shareholders (Top 10)*1		
Name of shareholder	Number of shares owned (thousands)*2	Ownership (%)*2
Japan Trustee Services Bank, Ltd. (Trust Account)	168,204	5.0%
The Master Trust Bank of Japan, Ltd. (Trust Account)	158,790	4.7%
State Street Bank West Client-Treaty 505234	65,993	1.9%
Japan Trustee Services Bank, Ltd. (Trust Account 5)	64,838	1.9%
Japan Trustee Services Bank, Ltd. (Trust Account 1)	48,118	1.4%
Japan Trustee Services Bank, Ltd. (Trust Account 2)	47,496	1.4%
Japan Trustee Services Bank, Ltd. (Trust Account 7)	45,040	1.3%
Northern Trust Co. (AVFC) Re Silchester International Investors International Value Equity Trust	44,183	1.3%
JP Morgan Chase Bank 385151	44,129	1.3%
Japan Trustee Services Bank, Ltd. (Trust Account 9)	43,253	1.3%

*1 The Company has 250,285 thousand shares of treasury stock as of March 31, 2018 which is not included in the major shareholders list above.
*2 Figures for number of shares owned are rounded down to the nearest thousand and figures for percentage of shares owned are calculated excluding treasury stock.

Component ratio of shareholders (unit share base)



Total Shareholder Return (TSR)*1



*1 TSR: Total shareholder return, combining capital gains and dividend. Dividend is to be reinvested. Source: Nomura, based on Bloomberg
*2 Holding period until March 31, 2018

Credit Rating (As of June 30, 2018)

	Nomura Securities		Nomura Holdings	
	Long-term	Short-term	Long-term	Short-term
R&I	A+	a-1	A+	a-1
JCR	AA-	-	AA-	-
Moody's	A3	P-2	Baa1	-
Standard & Poor's	A	A-1	A-	A-2
Fitch Ratings	A-	F1	A-	F1

Basic Information in the Report

Period covered	April 1, 2017 to March 31, 2018 (Some content may be outside this time frame)
Reporting cycle	Once a year
Previous	August 2017
Current	August 2018
Entities covered	Nomura Holdings, Inc. and its major subsidiaries and affiliates https://www.nomuraholdings.com/company/group/ Numerical data are presented alongside information on the scope of companies covered

- Reference guidelines
- GRI Standards (2016)
This report contains information regarding the standard disclosure items contained in the GRI Standards (2016). Please access the following URL on our corporate website for our GRI Standards (2016) Index.
<https://www.nomuraholdings.com/csr/gri/index.html>
 - Environmental Reporting Guidelines (2012 Version) of Japan's Ministry of the Environment
 - Charter of Corporate Behavior of Keidanren

Nomura Holdings, Inc.		
INQUIRIES	Investor Relations	Corporate Citizenship Department
	Urbannet Otemachi Building, 2-2-2, Otemachi, Chiyoda-ku, Tokyo 100-8130, Japan Tel: +81 (3) 5255-1000 (Main switchboard)	Otemachi Nomura Building, 2-1-1, Otemachi, Chiyoda-ku, Tokyo 100-8170, Japan Tel: +81 (3) 5255-1000 (Main switchboard) e-mail: csr@jp.nomura.com



All electricity to print this
booklet was generated by
green energy. (326kWh)

