

From Japan's Leading Securities Company to Asia's Global Investment Bank

History, Challenges and Ambitions

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Chief Financial Officer
Nomura Holdings, Inc.

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Biography

Global Markets/Americas/Finance & Corporate Executive

- 1987: US Treasury Trader ----- **Black Monday**
- 1990: JGB Trading Head ----- **Japan Asset Bubble Collapse/Gulf War**
- 1998: Deputy Treasurer ----- **Russia Crisis/LTCM Crisis**
- 2000: European Fixed Income Head
- 2002: Japan Fixed Income Head
- 2004: Global Fixed Income Head
- 2007: Americas CEO ----- **Subprime/Financial Crisis**
- 2010: Risk Advisory and Government Affairs Head
- 2013: Chief Financial Officer

Shigesuke Kashiwagi
Chief Financial Officer



Two topics you may be interested in discussing at today's "Zadankai" seminar:

- 1 Was the Lehman Brothers acquisition a success for Nomura?
- 2 What is happening in Japan and will Abenomics succeed?

Expanded Global Capability

NOMURA

After the Lehman Acquisition in September 2008

EMEA
2,650

JAPAN
1,100

US (2009)
150

INDIA
2,900

ASIA PACIFIC
1,500

Overseas Staff (Before/After)

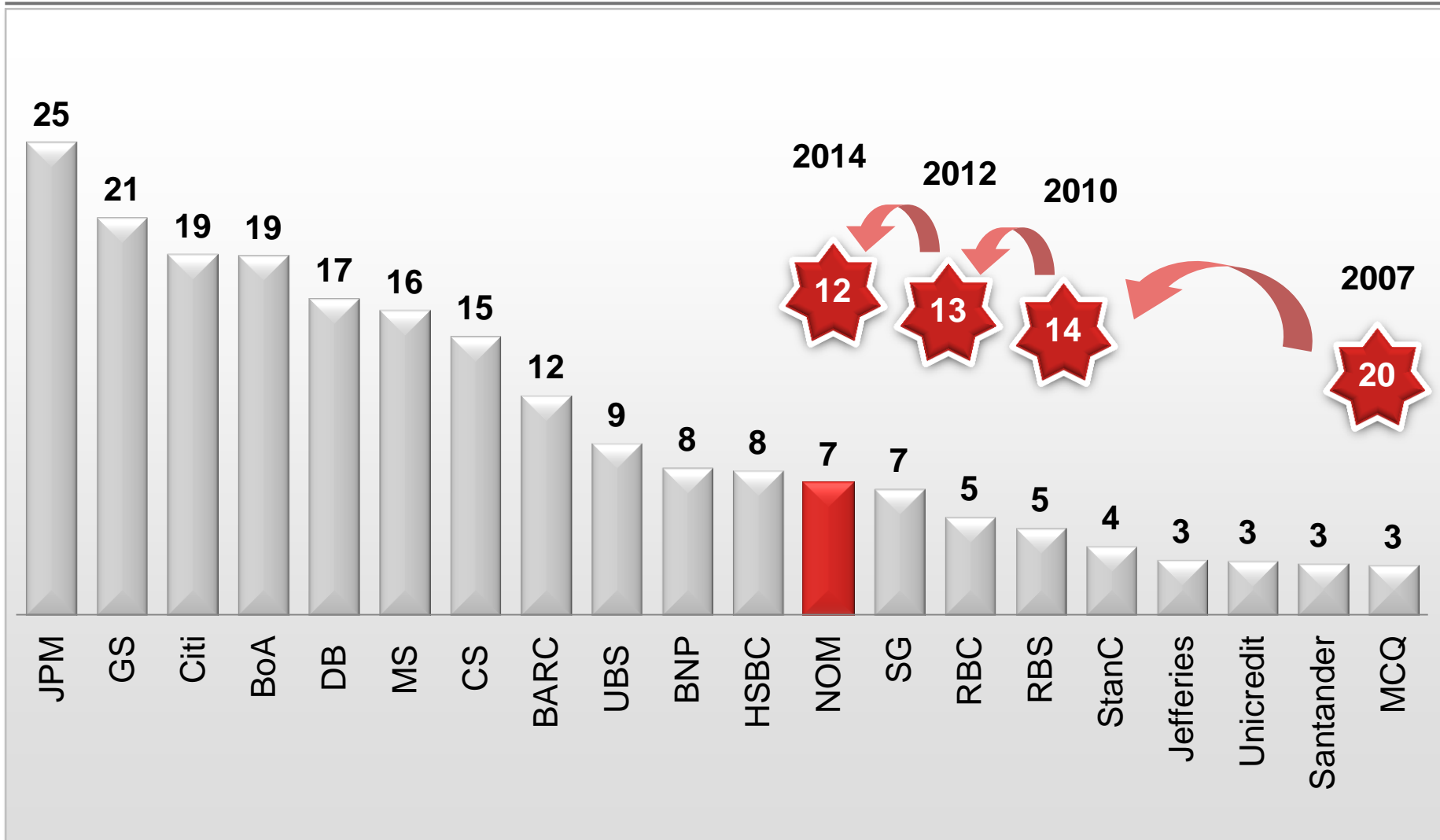
3,000

10,050

	Nomura	Lehman	Total
EMEA	1,900	2,650	4,550
Asia Pacific	1,100	1,500	2,600
India		2,900	2,900
Japan	15,000	1,100	16,100
Total Staff	18,000	8,150	26,150

Was Lehman Acquisition a Success?

The Short Answer – Yes: Wholesale Calendar Year 2014 Revenue (\$bn)



Negatives

- Significant cost increase post integration
- Substantial losses in some years, credit rating downgrade
- Siloes between Japan vs. International, Retail vs. Wholesale

Positives

Talent

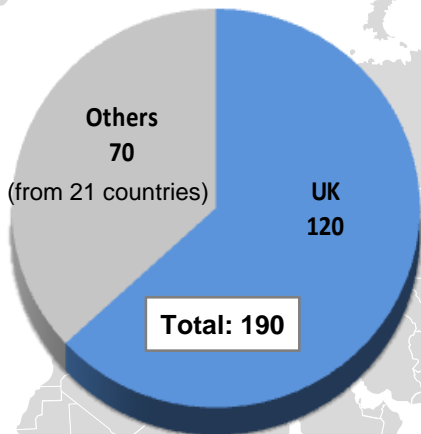
- High quality teams
- Ability to hire new talent
- Also changes in Japan – more international, improved English!

Business

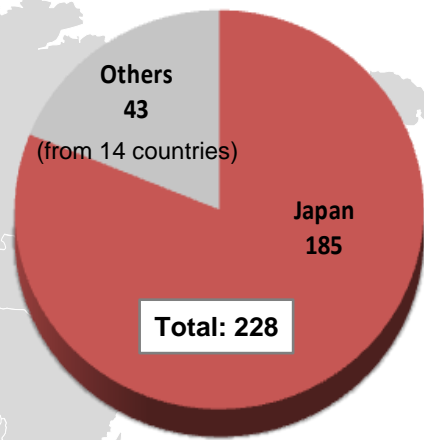
- Client franchise and relationships
- New products and business opportunities
- World-class systems and operations

(December, 2013)

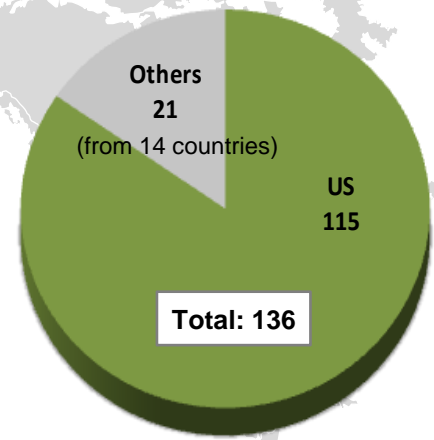
London Office



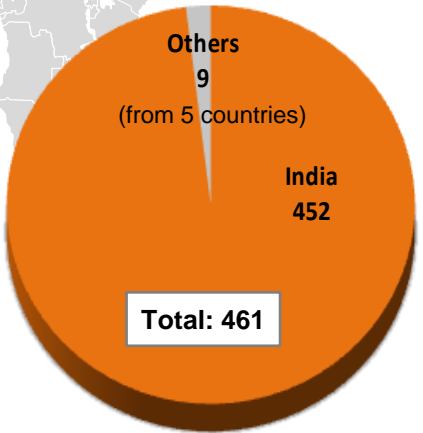
Tokyo Office



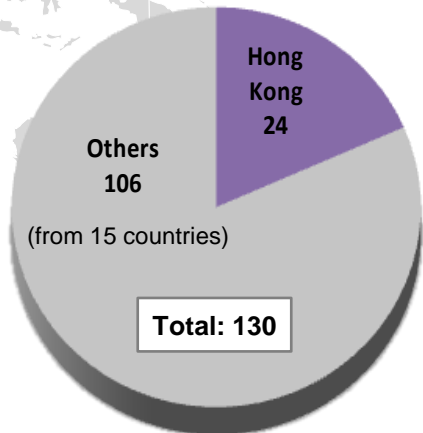
New York Office



Powai Office



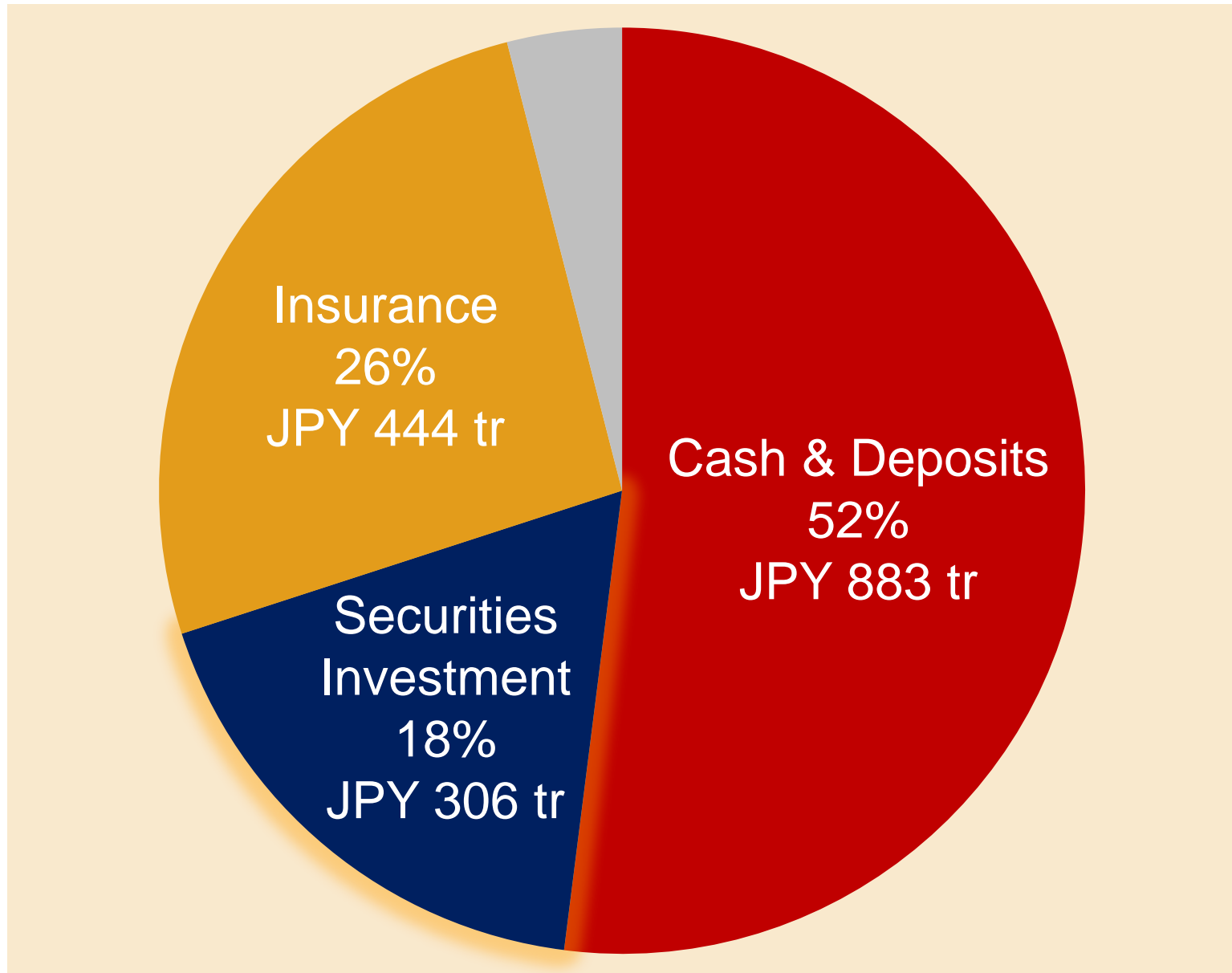
Hong Kong and Asia regional Offices



**Global Total:
1,145 staff
36 countries**

Now I'd like to shift gears and talk a little bit about Japan ...

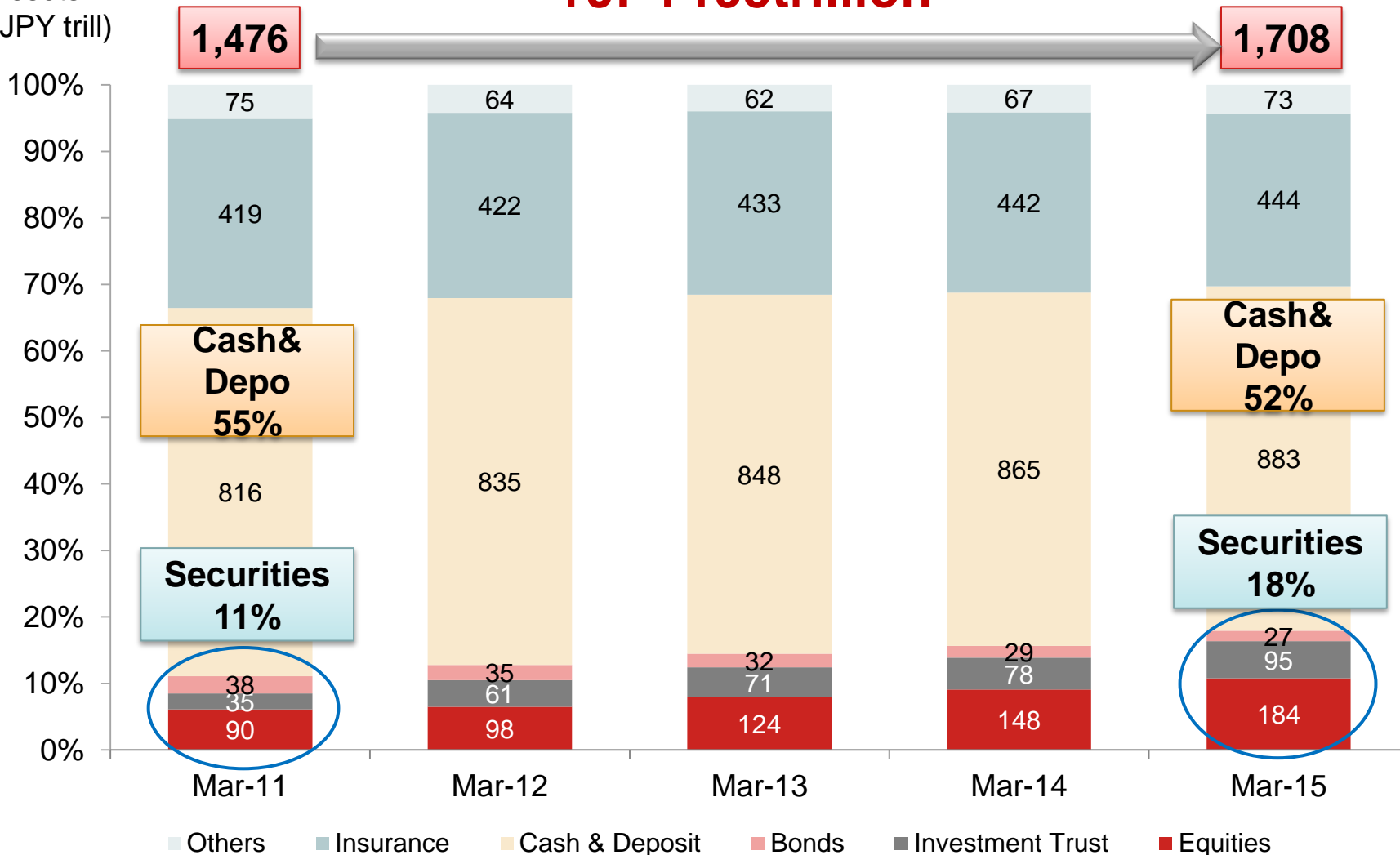
Japan Household Assets (March 2015)



Japan Household Assets are Shifting

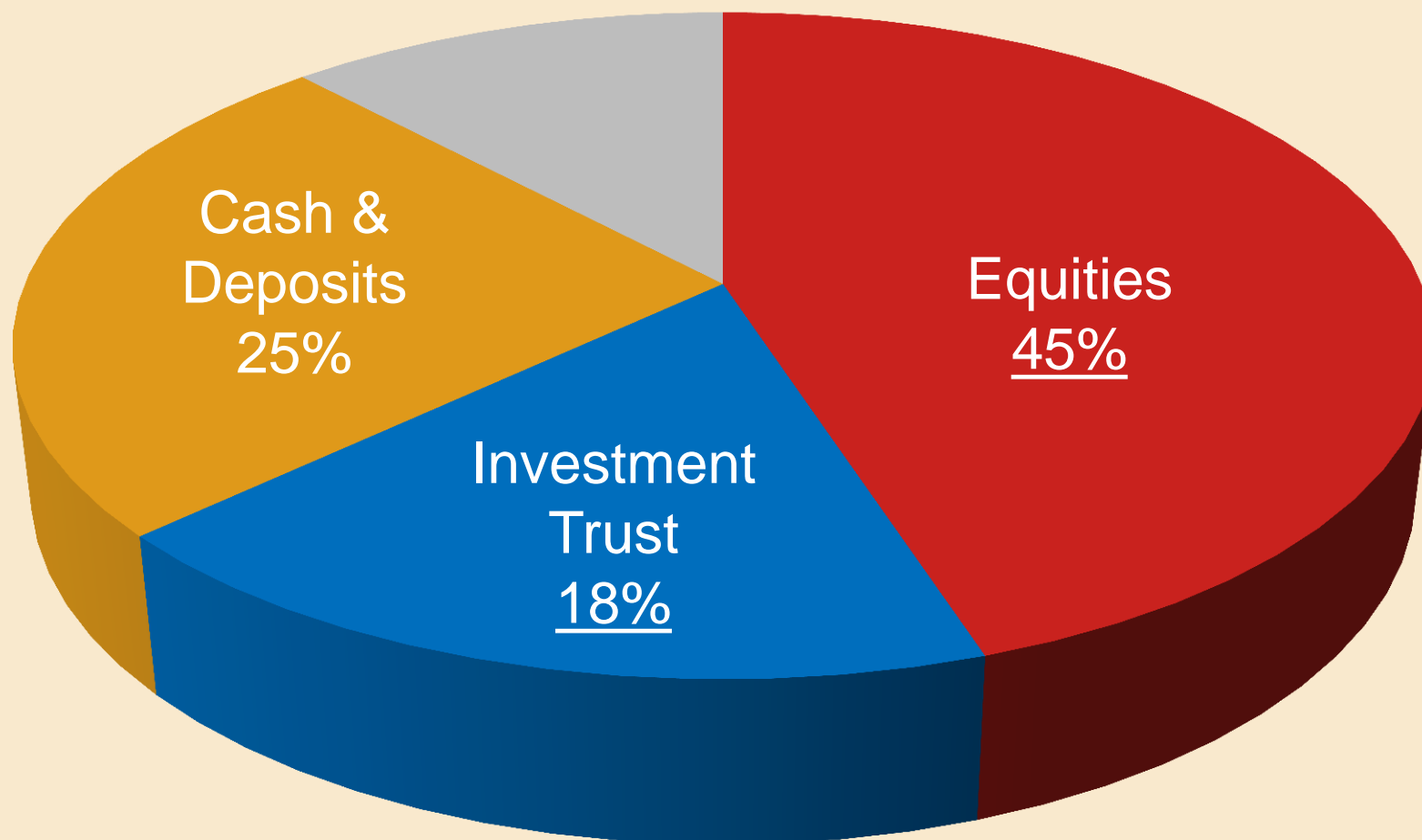
Japan's Household Assets (JPY trill)

2012-2015
+JPY195trillion



Household Assets Growth 2012-2015

During 2012-2015, Japan's household assets grew by JPY 195 trillion, of which 63% from securities



- **Time** – long-term view for **social and structural changes**
- **Culture**
 - **Taking risk** and **second chances**
 - Prime Minister Abe: “**Japan is Back**” and “**I am Back**”*

*“Japan is Back”, Policy Speech by Prime Minister Shinzo Abe at the Center for Strategic and International Studies (CSIS) 22, February, 2013.

Thank you

Q&A

Appendix

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