

Nomura Announces Determination of Terms and Conditions for Issuance of Unsecured Perpetual Subordinated Bonds with Write-down Clause

Tokyo, June 8, 2021—Nomura Holdings, Inc. (“Nomura Holdings”) today announced that it has determined the following terms and conditions for issuance of unsecured perpetual subordinated bonds with a write-down clause (the “Bonds”).

The Bonds will be qualified as Nomura Holdings’ Additional Tier 1 capital under the current applicable capital adequacy requirements.

Nomura Holdings, Inc. Third Series of Unsecured Perpetual Subordinated Bonds with Optional Redemption Clause and Write-down Clause

Amount of Issue	225 billion yen
Denomination of each Bond	100 million yen
Issue Price	100% of the principal amount
Maturity Date	None Provided, however, that Nomura Holdings may, at its discretion, redeem the Bonds on any reset date on July 15, 2026 or every date which falls five, or a multiple of five years thereafter (unless the principal amount of the Bonds has been written down upon the occurrence of a loss absorption event) or upon the occurrence of a tax event or a capital event.
Interest Rate	From the day immediately following June 15, 2021 until July 15, 2026: 1.30% per annum From the day immediately following July 15, 2026: 5-year JGB + 1.388% (0% at the lowest)
Interest Payment Dates	January 15 and July 15 each year
Subscription Period	June 8, 2021
Issue Date	June 15, 2021
Security or Guarantee	The Bonds are not secured by any pledge, mortgage or other charge on any assets or revenues of Nomura Holdings or of others, nor are they guaranteed. There are no assets reserved as security for the Bonds.

The purpose of this press release is to make a general public announcement concerning the public offering for the 3rd series of Unsecured Perpetual Subordinated Bonds with Optional Redemption Clause and Write-down Clause outside the United States. This press release has not been prepared for the purpose of, and does not constitute, an offer of, or solicitation of an offer to buy or subscribe for, securities of Nomura Holdings, Inc. The above-referenced securities will not be or have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements thereunder.

<p>Summary of Interest Cancellation Clause</p>	<p>(1) Optional cancellation of interest payments: Nomura Holdings may cancel all or part of the interest payments on the Bonds on any interest payment date when it deems necessary at its absolute discretion, in which case, until such time that Nomura Holdings determines to pay or cancel interest due on the next interest payment date, Nomura Holdings shall not make any resolutions at its board of directors, or present its own proposal at a general meeting of shareholders, to (i) pay dividend on its common stock and stock of other classes which are qualified as its Additional Tier1 capital (other than preferred stock which ranks the most senior as to dividend payment) or (ii) pay dividend on its preferred stock which ranks the most senior as to dividend payments and is qualified as its Additional Tier1 capital, in excess of the amount obtained by multiplying one-half of the amount of preferred dividend of such preferred stock by a ratio of the amount of the interest which Nomura Holdings determines to pay on the Bonds among the amount of the interest payable on the Bonds on the same interest payment date.</p> <p>(2) Interest payable amount limitation: The amount of the interest payable on any interest payment date on each Bond shall not exceed the Interest Payable Amount, and Nomura Holdings shall not pay any amount of the interest on each Bond in excess of the Interest Payable Amount.</p> <p>The “Interest Payable Amount” means the amount apportioned to each Bond calculated by dividing the adjusted distributable amount, which will be the distributable amount under the Companies Act as of the interest payment date less the total amount of dividends and interest of the Bonds, the Parity Securities and the Junior Securities paid during the period from the beginning of the fiscal year in which such interest payment date falls to the day immediately preceding such interest payment date, on a <i>pro rata</i> basis among the total amount of the interest payable on the Bonds and the total amount of dividends and interest payable on the same interest payment date on its preferred stock which ranks the most senior as to dividend payments as well as the Parity Securities.</p>
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	<p>The “Parity Securities” means obligations of Nomura Holdings which effectively rank <i>pari passu</i> as to the interest payment of the Bonds.</p> <p>The “Junior Securities” means obligations of Nomura Holdings which effectively rank junior as to the interest payment of the Bonds.</p> <p>The amount of the interest which has not been paid pursuant to (1) or (2) above shall not be deferred and payment obligation thereof shall be discharged thereafter.</p>
Summary of Write-down Clause	<p>(1) Write-down upon the occurrence of a loss absorption event: When Nomura Holdings’ consolidated Common Equity Tier1 capital ratio reported or published by it falls below 5.125%, the principal amount of each Bond, together with the interest on the part of the principal amount so written down, shall be written down in the amount apportioned to each Bond calculated by dividing such amount as determined by Nomura Holdings in consultation with the Financial Services Agency of Japan and other relevant Japanese regulatory authorities necessary to make Nomura Holdings’ consolidated Common Equity Tier1 capital ratio exceed 5.125% by the write-down or conversion to common stock of all or part of the Bonds and its other Additional Tier1 liabilities, etc., on a <i>pro rata</i> basis among the total principal amount of the Bonds and the total principal amount of its other Additional Tier1 liabilities, etc.</p> <p>(2) Write-down upon the occurrence of a non-viability event: All of the principal amount of and interest on the Bonds shall be written down to zero when it is officially confirmed that the “specified item 2 measures (<i>tokutei dai nigou sochi</i>),” which are the measures set forth in the Deposit Insurance Act, need to be applied to Nomura Holdings.</p> <p>(3) Write-down upon the occurrence of an insolvency proceedings commencement event: All of the principal amount of and interest on the Bonds shall be written down to zero when it is adjudicated that Nomura Holdings has entered into the bankruptcy and other insolvency proceedings.</p>

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Summary of Reinstatement Clause	<p>After part of the principal amount of the Bonds has been written down upon the occurrence of a loss absorption event, such principal amount of the Bonds shall be reinstated upon the occurrence of a Reinstatement Event to the extent of the amount to be determined by Nomura Holdings in consultation with the Financial Services Agency of Japan and any other relevant Japanese regulatory authorities.</p> <p>The “Reinstatement Event” occurs when Nomura Holdings determines that the principal amount of the Bonds that has been written-down be reinstated after obtaining prior confirmation of the Financial Services Agency of Japan and any other relevant Japanese regulatory authorities that Nomura Holdings’ consolidated Common Equity Tier1 capital ratio remains at a sufficiently high level after giving effect to the relevant reinstatement of the Bonds.</p>
Summary of Subordination Clause	<p>The Bonds effectively rank, as to the payment of liabilities in the liquidation proceedings (excluding special liquidation proceedings), junior to the general creditors and dated subordinated creditors of Nomura Holdings, senior to the Nomura Holdings’ common stock, and <i>pari passu</i> with the Nomura Holdings’ preferred stock which ranks the most senior as to liquidation distribution.</p>
Underwriter	<p>Nomura Securities Co., Ltd. SMBC Nikko Securities Inc. Barclays Securities Japan Limited BofA Securities Japan Co., Ltd. BNP Paribas Securities (Japan) Limited Crédit Agricole Securities Asia B.V., Tokyo Branch Credit Suisse Securities (Japan) Limited Deutsche Securities Inc. HSBC Securities (Japan) Limited Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Mizuho Securities Co., Ltd Natixis Japan Securities Co., Ltd Societe Generale Securities Japan Limited</p>
Fiscal Agent	Sumitomo Mitsui Banking Corporation
Book-entry Transfer Institution	Japan Securities Depository Center, Inc.

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Nomura

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