



NOMURA

Nomura Europe Holdings plc

Quarterly Pillar 3 Disclosures
30 June 2017

1. Foreword

This document presents certain quantitative quarterly consolidated Pillar 3 disclosures of the Nomura Europe Holdings plc group (“the Group”) as at 30th June 2017.

The Group is subject to consolidated regulatory supervision by the UK Prudential Regulatory Authority (‘PRA’) and is required to apply the disclosure requirements of the EU Capital Requirements Regulation (EU) No 575/2013 (‘CRR’).

NIP is the only material subsidiary of the Group and risk management policies and procedures are consistent with the Group. Significant subsidiary disclosures have been made for NIP as applicable.

NBI has been included as it is a UK regulated entity however its RWA is immaterial. NBI disclosures have therefore been made for article 437 (Own Funds) and no other disclosures relevant to significant subsidiary requirements have been made.

This document has been prepared in accordance with the minimum disclosure requirements of the European Banking Authority’s Guidelines on materiality, proprietary and confidentiality and on disclosure frequency, EBA/GL/2014/14, dated 23rd December 2014, as required by Articles 432(1), 432(2) and 433 of the CRR.

Certain disclosures made under accounting, listing or other requirements are deemed to constitute compliance with CRD IV requirements.

As an integrated part of NHI, disclosures contained in the Securities and Exchange Commission 20F Filing are relevant to the Group.

These documents can be found at the following link: [NHI SEC 20F](#)

The NHI quarterly Basel III Pillar 3 disclosures can be found at the following link: [NHI Pillar 3](#).

Other disclosures relevant to Pillar 3 are contained in the NEHS, NIP and NBI financial statements.

To the extent that disclosures are made in this document, they do not constitute financial statements and should not be relied upon as such in making judgments about the Group.

This document is available either online within the ‘Investor Relations’ section under the Nomura corporate website: [Quarterly Pillar 3](#) or by application in writing to the EMEA Financial Controller at Nomura International plc, 1 Angel Lane, London, EC4R 3AB.

2. Quantitative Disclosures

2.1 Own Funds

CRR Articles 437 and 492

The Group and NIP Own Funds at 30th June 2017 were:

30 th June 2017 \$m	The Group	NIP	NBI
Tier 1 Capital before regulatory adjustments	5,601	5,019	469
Regulatory Adjustments ⁽¹⁾	(154)	(193)	117
Tier 1 Capital	5,447	4,826	586
Tier 2 capital	2,160	1,260	-
Own Funds	7,607	6,086	586
Tier 1 Ratio⁽²⁾	14.1%	13.1%	746.2%
Total Capital as a percentage of total Risk Exposure amounts	19.7%	16.5%	746.2%
Capital Conservation Buffer requirement	1.25%	1.25%	1.25%
Countercyclical Capital Buffer requirement	0.03%	0.03%	-

⁽¹⁾ Regulatory Adjustments include DVA (CRR Article 33 (1) (c)), OCA (CRR Article 33 (1) (b)), PVA (CRR Article 105) and intangible asset deductions (CRR article 37)

⁽²⁾ Tier 1 capital ratio is equal to the Common Equity Tier 1 ratio

There are no innovative Tier 1 instruments held nor expected loss amounts. No restrictions have been applied to the calculation of Common Equity Tier 1 or the prudential filters to Common Equity Tier 1. The Group is not applying transitional provisions of CRD IV to Own Funds.

Tier 1 capital consists of share capital and reserves.

Tier 2 consists of subordinated debt.

2.2 Capital Requirements and risk weighted exposure

CRR Article 438 (c), (e) and (f)

The Group and NIP Risk Weighted Exposure (“RWE”) and capital requirements for 30th June were:

30 th June 2017 \$m	The Group RWE	The Group Capital Requirements	NIP RWE	NIP Capital Requirements
Market Risk:				
Traded debt	1,452	116	1,452	116
Equity	134	11	134	11
Foreign exchange	528	42	504	40
Modelled market risk	6,581	526	4,648	372
Total Market Risk capital requirement	8,695	695	6,738	539
Total Counterparty Risk & Credit Risk capital requirement	19,868	1,589	20,341	1,627
Total Settlement Risk capital requirement	19	1	19	1
Total Operational Risk capital requirement	3,520	282	2,913	233
Total Credit Valuation Adjustment capital requirement	5,570	446	5,643	451
Total Large Exposure Risk capital requirement	926	74	1,308	105
Total RWE and capital requirements	38,598	3,087	36,962	2,956

The total capital requirement refers to the Pillar 1 capital requirement.

2.3 Leverage Ratio

CRR Article 451

30 th June 2017 \$m	The Group	NIP
Total Leverage Ratio Exposure	190,194	186,588
Tier 1 Capital	5,447	4,826
Leverage Ratio	2.77%	2.59%

Management of exposure to leverage forms a key part of the Group’s overall strategy, business planning and risk appetite framework.