

REGISTRATION DOCUMENT

Nomura Bank International plc

**NOMURA**

Dated 21 June 2013

**Nomura Bank International plc**  
**incorporated with limited liability in England**  
**and registered under number 1981122**

**PURPOSE, PUBLICATION AND VALIDITY OF THIS REGISTRATION DOCUMENT**

This Registration Document is a registration document pursuant to Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the “**Prospectus Directive**”) for the purpose of giving information with regard to Nomura Bank International plc (the “**Issuer**”) which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Registration Document. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Registration Document has been approved by the Central Bank of Ireland (“**Central Bank**”) as Irish competent authority under the Prospective Directive. The Central Bank only approves this Registration Document as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the securities of the Issuer which are to be admitted to trading on the regulated market of the Irish Stock Exchange Limited (the “**Irish Stock Exchange**”) or other regulated markets for the purposes of Directive 2004/39/EC (the “**Markets in Financial Instruments Directive**”) or which are to be offered to the public in a Member State of the European Economic Area. It is intended that application will be made for securities of the Issuer to be admitted to the Official List and to trading on the regulated market of the Irish Stock Exchange.

This Registration Document is available to you in an electronic form on the website [www.nomuranow.com](http://www.nomuranow.com). You are reminded that documents transmitted via this medium may be altered during the process of electronic transmission and consequently neither the Issuer nor any of its affiliates, directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between the documents distributed to you in electronic format and the hard copy version available to you on request from the registered office of the Issuer shown at the end of this Registration Document.

This Registration Document shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of any securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Issuer is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority as a bank.

This Registration Document includes details of the long-term credit ratings assigned to the Issuer by Standard & Poor's Ratings Japan, K.K. and Japan Credit Rating Agency, Ltd.

## TABLE OF CONTENTS

RISK FACTORS .....	4
DOCUMENTS INCORPORATED BY REFERENCE .....	10
DESCRIPTION OF THE ISSUER .....	11
1. History and development .....	11
2. Description of the Nomura Group .....	11
3. Business Overview.....	13
4. Trend Information.....	14
5. Major shareholders .....	14
6. Administrative, Management and Supervisory Bodies .....	15
GENERAL INFORMATION .....	19
1. Documents available.....	19
2. Legal, governmental and arbitration proceedings.....	19
3. Significant or material change.....	19

## **RISK FACTORS**

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the securities it may issue from time to time. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the securities it may issue from time to time, but the inability of the Issuer to physically settle or pay interest, principal or other amounts on or in connection with any of its securities may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.*

*Prospective investors should consider carefully the risks set forth below and the other information set out elsewhere in this Registration Document (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision with respect to any securities of the Issuer.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under the securities it may issue from time to time.**

The Issuer's business and earnings are affected by general business, economic, market and political conditions in the United Kingdom and abroad. The Issuer's investment banking activities related earnings may be adversely affected by turmoil, or a downturn, in the global financial markets generally. General business, economic and market conditions that could affect the Issuer also include short term and long term interest rates, inflation, recession, monetary supply and fluctuations in both debt and equity capital markets in which the Issuer funds its operations.

The Issuer's liquidity is critical to its ability to operate its businesses, fund new loans and be profitable. Any reduction in the Issuer's liquidity could therefore have a negative effect on its financial results.

Potential conditions that could negatively affect the Issuer's liquidity include diminished access to capital markets, unforeseen cash or capital requirements, and also an inability to sell assets or execute secured financing transactions due to reduced investor appetite for non-prime assets.

The Issuer's credit ratings are an important part of maintaining its liquidity. A credit ratings downgrade in respect of the Issuer or any of its affiliates could potentially increase borrowing costs, and depending on its severity, limit access to capital markets, require cash payments or collateral posting.

More specific business and market related risks pertaining to the existing and proposed business activities and profile of the Issuer are set out further below.

The Issuer is an indirect wholly owned subsidiary of Nomura Holdings, Inc., which together with its consolidated subsidiaries comprise the Nomura Group. Therefore, if the financial condition of the Nomura Group were to deteriorate, the Issuer and investors in the non-equity securities issued by the Issuer may suffer direct and materially adverse consequences.

#### ***Market Risk***

The Issuer itself holds positions in assets. Changes in market prices (for instance share prices bond prices or loan prices) or in other factors affecting asset values (such as the general situation of the global economy or economical and political conditions in relevant countries) may adversely affect the performance of the relevant asset. Such risk may be limited but not excluded by value protection strategies. A negative performance of the relevant asset would adversely affect the Issuer's financial situation and its profits.

#### ***Reference Item Price Risk and Issuer Credit Risk***

The Issuer issues instruments with returns linked to the performance of certain underlying reference assets or baskets. The Issuer enters into hedging transactions in order to hedge its position in respect of such instruments. Fluctuations in the relevant exchange or other relevant markets may result in the

proceeds of the hedging transactions being less than the liabilities under the instruments. This may adversely affect the Issuer's financial situation and its profits.

#### *Interest Rate Risk*

The Issuer generates part of its financial results through interest yields. Fluctuations in the relevant applicable interest rate (including the ratio between short and long term interest rates among one another) may influence the profits of the Issuer. The composition of financial assets and liabilities as well as the mismatches resulting from such composition may cause a change in the profits of the Issuer as a result of fluctuations in interest rates. Changes in interest rate levels have a particular impact on differing maturity dates and currencies. A mismatch between the maturity of interest bearing financial assets and interest bearing liabilities within a certain time may have a considerable adverse effect on the financial situation and results of the Issuer.

#### *Currency Risk*

The Issuer enters into transactions in currencies other than its functional currency (U.S. Dollars). Changes in exchange rates may result in foreign exchange gains and losses.

#### *Liquidity Risk*

The Issuer holds various financial assets. Besides market risk, such assets are also subject to the risk that as a result of insufficient market liquidity the relevant assets cannot be sold or hedged on short notice or can only be sold for a lower price. Such risk especially exists in relation to assets for which there are no markets with sufficient liquidity from the beginning. Limited liquidity in respect of such assets may also adversely affect the liquidity of the Issuer.

#### *Credit Risk / Loan Risk*

The Issuer entertains different business relationships with third parties. Within the context of such business relationships there is the risk that the third party which owes the Issuer money, securities or other financial assets cannot fulfil its liabilities. Credit risk may particularly arise as a result of insolvency, illiquidity, cyclical downturn, decline in real estate prices and/or mistakes in the management of the relevant third party. The risk is particularly relevant to loans as the realisation of such risk may result in a loss of both interest (if any) and the principal amount. Such losses may have a considerable adverse effect on the Issuer's financial situation and profits.

#### *Regulatory Risk*

The Issuer's business activities in each jurisdiction in which it operates or has business dealings are subject to extensive supervision and regulations. Changes in laws or regulations may require the Issuer to change its business or certain products and cause significant costs to the Issuer. Furthermore, as a result of changes in the regulatory authority's code of practice the Issuer may have to change part of its business or products or increase its administrative expenses to comply with the changed regulatory requirements which again will involve an increase of cost for the Issuer. Such possible increase in costs would adversely affect the Issuer's financial situation and profits.

In December 2010, the Basel Committee on Banking Supervision (the “**Basel Committee**”) proposed comprehensive changes to the capital adequacy framework, known as Basel III. A revised version of these proposals was issued in June 2011. The reforms to the regulatory capital framework were proposed to raise the resilience of the banking sector, through increasing both the quality and quantity of the regulatory capital base and enhancing the risk coverage of the capital framework. As part of these reforms, the amount and quality of Tier 1 capital that institutions are required to hold was raised; innovative Tier 1 capital instruments with an incentive to redeem are to be phased out and the rules for determining Tier 2 capital instruments are to be harmonised. Basel III also requires institutions to build counter-cyclical capital buffers that may be drawn upon in stress periods and to hold a capital conservation buffer above minimum capital ratio levels, which have the effect of raising the minimum level of tangible common equity capital from 2 per cent. to 7 per cent. of risk-weighted assets. In addition a leverage ratio was proposed for institutions as a backstop, which would be applied alongside current risk-based regulatory capital requirements. The changes in Basel III are proposed to be phased in gradually between January 2013 and January 2022.

The implementation of Basel III in the European Union is being performed through the Capital Requirements Directive IV and Capital Requirements Regulation (“**CRDIV / CRR**”) legislative package.

In April 2013 the European Parliament adopted the legislative package and if translation is completed and published in the Official Journal before 1 July 2013 the implementation date of CRDIV/CRR will be 1 January 2014. The final capital framework to be established in the EU under CRDIV / CRR is likely to differ from Basel III in certain areas. These and other future changes to capital adequacy and liquidity requirements in the jurisdictions in which it operates, including the implementation of the CRDIV, may require members of the Nomura Group (including the Issuer) to raise additional Tier 1 (including Core Tier 1) and Tier 2 capital and could result in existing Tier 1 and Tier 2 instruments issued by members of the Nomura Group (including the Issuer) ceasing to count towards their regulatory capital, either at the same level as present or at all. If the Nomura Group is unable to raise the requisite Tier 1 and Tier 2 capital, it may be required to reduce the amount of its risk-weighted assets, which may not occur on a timely basis or achieve prices which would otherwise be attractive to it.

The business of the Issuer and other members of the Nomura Group may be affected by global financial regulatory reforms, including but not limited to the regulatory changes brought about by the Dodd-Frank Wall Street Reform and Consumer Protection Act in the United States and legislation relating to the regulation of over-the-counter financial derivatives which has been implemented or is expected to be implemented in Singapore ("**Financial Reform Legislation**"). These reforms are ongoing and it is difficult precisely to predict how proposals and other draft regulations may impact the business strategy, operations and costs of the Issuer and other members of the Nomura Group until such reforms are fully implemented. However, by way of illustration only, and without attempting to be exhaustive, Financial Reform Legislation may impose limits on the maximum position that could be held by a single trader in certain underlying assets or bases of reference ("**Reference Items**") and may subject certain transactions to new forms of regulation that could create barriers to some types of hedging activity by the Issuer or any of its Affiliates. Other provisions of Financial Reform Legislation could require certain Reference Items or hedging transactions to be cleared, traded on a regulated exchange and reported to regulators, central data repositories and, in some cases, the public. Financial Reform Legislation may also expand entity licensing or registration requirements and impose business conduct requirements on persons active in the swaps market (including new capital and margin requirements), which may affect the value of the Reference Items or value and/or cost of hedging transactions. In Singapore, in particular, the Monetary Authority of Singapore has announced plans to make all over-the-counter derivatives trading a regulated activity under the Securities and Futures Act, Chapter 289 of Singapore (**SFA**) and it is uncertain whether the Issuer would qualify for any exemption from licensing (for example on the basis of being treated as an "end-user"). If the Issuer is required to be licensed under the SFA, it is not certain whether it would qualify to be granted a licence and if it is granted a licence, it would be subject to various capital, prudential, business conduct and other regulatory obligations. The regulations, requirements or obligations described above may adversely affect the value, trading price and viability of securities issued by the Issuer and could potentially limit or completely restrict the ability of the Issuer to hedge its exposure on the securities, increase the costs of hedging or make hedging strategies less effective.

#### *Competition Risk*

In each jurisdiction in which the Issuer is active it is subject to extensive competition with other entities. If the Issuer should not be able to continue to compete successfully with attractive and profitable products and services, this may lead to a loss in market share which would have a significant adverse effect on the Issuer's financial situation and profits.

#### *Reputational Risk*

The Issuer constantly depends on generating new business. Therefore, the Issuer is continuously in discussion with business partners and clients in order to generate new business. A deterioration of the Issuer's business reputation, particularly in form of negative media publicity, may have the effect that potential clients and business partners decide against entering into business transactions with the Issuer. This may have an adverse effect on the profitability and therefore credit rating of the Issuer.

#### *Operational Risk / Business Risk*

For its business operations the Issuer depends on access to human resources and infrastructure to ensure its profitability and credit rating in the long term. Operational incidents (e.g. natural disasters, accidents and terrorist action), which prevent the normal course of business, may lead to adverse economic consequences for the Issuer. This similarly applies to a loss of personnel which cannot be

compensated by counteractive measures, such as new hiring or transfer of personnel. The Issuer tries to compensate for losses potentially caused by operational risk by utilising hedging strategies. As such, the business risk describes the risk that these hedging strategies fail or that they are not able to compensate for all losses, which may have a negative effect on the financial situation and the business performance of the Issuer. Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that the Issuer will be unable to comply with its obligations as a company with securities admitted to the official list of the Irish Stock Exchange or as a supervised firm regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

*The Banking Act has conferred substantial powers on a number of UK authorities designed to enable them to take a range of actions in relation to UK deposit taking institutions which are considered to be at risk of failing. The exercise of any of these actions in relation to the Issuer could materially adversely affect the value of any Securities*

Under the Banking Act 2009 (the “**Banking Act**”), substantial powers have been granted to HM Treasury, the Bank of England and the Financial Conduct Authority (the “**FCA**” and, together with the Prudential Regulation Authority, HM Treasury and the Bank of England, the “**Authorities**”) as part of a special resolution regime (the “**SRR**”). These powers enable the Authorities to deal with a UK bank such as the Issuer, building society or other UK institution with permission to accept deposits pursuant to Part IV of the Financial Services and Markets Act 2000 (“**FSMA**”) (each a “**relevant entity**”) in circumstances in which the Authorities consider its failure has become highly likely and a threat is posed to the public interest. The SRR consists of three stabilisation options and two insolvency and administration procedures applicable to UK banks which may be commenced by the Authorities. The stabilisation options provide for: (i) private sector transfer of all or part of the business of the relevant entity; (ii) transfer of all or part of the business of the relevant entity to a bridge bank established by the Bank of England; and (iii) temporary public ownership (nationalisation) of the relevant entity or its UK-incorporated holding company. In each case, the Authorities have been granted wide powers under the Banking Act including powers to modify contractual arrangements in certain circumstances and powers for HM Treasury to disapply or modify laws (with possible retroactive effect) to enable the powers under the Banking Act to be used effectively. The following paragraphs set out some of the possible consequences of the exercise of those powers under the SRR.

*The SRR may be triggered prior to insolvency of the Issuer*

The purpose of the stabilising options is to address the situation where all or part of a business of a relevant entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns. Accordingly, the stabilisation options may be exercised if: (a) the relevant Authority is satisfied that a relevant entity (such as the Issuer) is failing, or is likely to fail, to satisfy the conditions that a relevant entity must satisfy in order to retain its authorisation to accept deposits; (b) following consultation with the other Authorities, the relevant Authority determines that it is not reasonably likely that (ignoring the stabilising options) action will be taken that will enable the relevant entity to satisfy those conditions; and (c) the Authorities consider the exercise of the stabilisation options to be necessary, having regard to certain public interest considerations (such as the stability of the UK financial system, public confidence in the UK banking system and the protection of depositors). It is therefore possible that one of the stabilisation options could be exercised prior to the point at which any insolvency proceedings with respect to the relevant entity could be initiated.

*Various actions may be taken in relation to any securities issued by the Issuer without the consent of the holders thereof*

If the Issuer were made subject to the SRR, HM Treasury or the Bank of England may exercise extensive share transfer powers (applying to a wide range of securities) and property transfer powers (including powers for partial transfers of property, rights and liabilities subject to certain protections in respect of the Issuer. Exercise of these powers could involve taking various actions in relation to any securities issued by the Issuer (the “**Securities**”) without the consent of the holders of the Securities, including (among other things): (i) transferring the Securities notwithstanding any restrictions on transfer and free from any trust, liability or encumbrance; (ii) delisting those Securities which are listed on the

official list of the UK Listing Authority; (iii) converting the Securities into another form or class (the scope of this power is unclear, although it may include, for example, conversion of the Securities into equity securities); (iv) modifying or disapplying certain terms of the Securities, including disregarding any termination or acceleration rights or events of default under the terms of the Securities which would be triggered by the transfer and certain related events; and/or (v) where property is held on trust, removing or altering the terms of such trust.

There can be no assurance that the taking of any such actions would not adversely affect the rights of holders of the Securities, the price or value of their investment in the Securities and/or the ability of the Issuer to satisfy its obligations under the Securities. In such circumstances, holders of Securities may have a claim for compensation under one of the compensation schemes existing under, or contemplated by, the Banking Act, but there can be no assurance that holders of Securities would thereby recover compensation promptly or equal to any loss actually incurred.

*A partial transfer of the Issuer's business may result in a deterioration of its creditworthiness*

If the Issuer were made subject to the SRR and a partial transfer of its business to another entity were effected, the quality of the assets and the quantum of the liabilities not transferred and remaining with the Issuer (which may include the Securities) may result in a deterioration in the creditworthiness of the Issuer and, as a result, increase the risk that it may be unable to meet its obligations in respect of the Securities and/or eventually become subject to administration or insolvency proceedings pursuant to the Banking Act. In such circumstances, holders of Securities may have a claim for compensation under one of the compensation schemes existing under, or contemplated by, the Banking Act, but there can be no assurance that holders of Securities would thereby recover compensation promptly or equal to any loss actually incurred.

As at the date of this Registration Document, the Authorities have not made an instrument or order under the Banking Act in respect of the Issuer and there has been no indication that they will make any such instrument or order. However, there can be no assurance that this will not change and/or that holders of Securities will not be adversely affected by any such order or instrument if made.

*Impact of the proposed European crisis management directive*

Many of the provisions discussed above are similar to proposals contained in a draft European crisis management directive that was published in June 2012. It is currently unclear as to what extent, if any, the provisions of the Banking Act described above may need to change once the draft directive is implemented. See *"The European Commission has published proposals for a crisis management directive which is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The full scope of the directive and its impact on the Issuer is currently unclear but the implementation of the directive or the taking of any action under it could materially affect the value of any Securities"* below.

*The European Commission has published proposals for a crisis management directive which is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The full scope of the directive and its impact on the Issuer is currently unclear but the implementation of the directive or the taking of any action under it could materially affect the value of any Securities.*

In June 2012, the European Commission published a legislative proposal for a directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the **"Crisis Management Directive"** or **"CMD"**). The stated aim of the draft CMD is to provide authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses. The powers provided to authorities in the draft CMD are divided into three categories: (i) preparatory steps and plans to minimise the risks of potential problems (preparation and prevention); (ii) in the event of incipient problems, powers to arrest a firm's deteriorating situation at an early stage so as to avoid insolvency (early intervention); and (iii) if insolvency of a firm presents a concern as regards the general public interest, a



clear means to reorganise or wind down the firm in an orderly fashion while preserving its critical functions and limiting to the maximum extent any exposure of taxpayers to losses.

The draft CMD currently contains four resolution tools and powers: (i) sale of business - which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply; (ii) bridge institution - which enables resolution authorities to transfer all or part of the business of the firm to a "bridge bank" (a public controlled entity); (iii) asset separation - which enables resolution authorities to transfer impaired or problem assets to an asset management vehicle to allow them to be managed and worked out over time; and (iv) bail-in - which gives resolution authorities the power to write down the claims of unsecured creditors of a failing institution and to convert unsecured debt claims to equity (subject to certain parameters as to which liabilities would be eligible for the bail-in tool).

The draft CMD currently contemplates that it will be applied by Member States from 1 January 2015 except for the bail-in tool (in relation to instruments other than Additional Tier 1 and Tier 2 instruments) which is to be applied from 1 January 2018.

The powers currently set out in the draft CMD would impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. However, the proposed directive is not in final form and changes may be made to it in the course of the legislative process. In addition, many of the proposals contained in the draft CMD have already been implemented in the Banking Act and it is currently unclear as to what extent, if any, the provisions of the Banking Act may need to change once the draft CMD is implemented. See *"The Banking Act has conferred substantial powers on a number of UK authorities designed to enable them to take a range of actions in relation to UK deposit taking institutions which are considered to be at risk of failing. The exercise of any of these actions in relation to the Issuer could materially adversely affect the value of any Securities."* Accordingly, it is not yet possible to assess the full impact of the draft CMD on the Issuer and there can be no assurance that, once it is implemented, the fact of its implementation or the taking of any actions currently contemplated in it would not adversely affect the rights of holders of Securities, the price or value of their investment in the Securities and/or the ability of the Issuer to satisfy its obligations under the Securities.

*In the United Kingdom the Issuer is responsible for contributing to compensation schemes in respect of banks and other authorised financial services firms that are unable to meet their obligations to customers*

In the United Kingdom, the Financial Services Compensation Scheme (the "FSCS") was established under FSMA and is the UK's statutory fund of last resort for customers of authorised financial services firms. The FSCS can pay compensation to customers if a firm authorised by the FCA is unable, or likely to be unable, to pay claims against it (for instance, an authorised bank is unable to pay claims by depositors). The FSCS is funded by levies on firms authorised by the FCA, including the Issuer and other members of the Nomura Group in the United Kingdom. The Issuer is currently exempt from participation in the FSCS.

In the event that the FSCS raises funds from authorised firms, raises those funds more frequently or significantly increases the levies to be paid by such firms, the associated costs to the Issuer may have a material impact on its results of operations or financial condition. The recent measures taken to protect the depositors of deposit-taking institutions involving the FSCS have resulted in a significant increase in the levies made by the FSCS on the industry and may do so in the future if similar measures are required to protect depositors of other institutions. In addition, regulatory reform initiatives in the UK and internationally may result in further changes to the FSCS, which could result in additional costs and risks for the Issuer.

To the extent that other jurisdictions where the Nomura Group operates have introduced or plan to introduce similar compensation, contributory or reimbursement schemes, the Nomura Group may incur additional costs and liabilities which may negatively impact its results of operations or financial condition.

## **DOCUMENTS INCORPORATED BY REFERENCE**

The following information which has previously been published or is published simultaneously with this Registration Document and has been filed with the Central Bank shall be incorporated in, and form part of, this Registration Document:

- a) the audited non-consolidated annual report of the Issuer for the financial year ended 31 March 2011 prepared in accordance with UK GAAP (including the auditor's report set out on pages 7 to 8 and the financial statements for such period set out on pages 9 to 44) which can be viewed online at <https://www.nomuranow.com/portal/site/login/en-gb/resources/upload/nbi-2011.pdf>;
- b) the audited non-consolidated annual report of the Issuer for the financial year ended 31 March 2012 prepared in accordance with IFRS (including the auditor's report set out on pages 6 to 7 and the financial statements for such period set out on pages 8 to 48) which can be viewed online at <https://www.nomuranow.com/portal/site/login/en-gb/resources/upload/nbi-2012.pdf>; and
- c) the unaudited half-year report of the Issuer for the six month period ended 30 September 2012 (containing the review report for such period) which can be viewed online at [https://www.nomuranow.com/portal/site/login/en-gb/resources/upload/nbi\\_interim%20sep12\\_final\\_for\\_internet.pdf](https://www.nomuranow.com/portal/site/login/en-gb/resources/upload/nbi_interim%20sep12_final_for_internet.pdf).

The documents above shall be deemed to be incorporated in, and form part of, this Registration Document, save that any statement contained in a document which is deemed to be incorporated in whole or in part by reference herein shall be deemed to be modified or superseded for the purpose of this Registration Document to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Document.

For the avoidance of doubt, any information that is incorporated by reference in any document, which is itself incorporated by reference in this Registration Document, does not form part of this Registration Document.

Copies of the documents incorporated by reference in this Registration Document can be obtained from the registered office of the Issuer shown at the end of this Registration Document.

## DESCRIPTION OF THE ISSUER

### 1. History and development

Nomura Bank International plc (the “**Issuer**”) was incorporated with limited liability in England under the Companies Act 1985 (registered number: 1981122) on 22 January 1986.

The Issuer operates under the laws of England and Wales, is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority as a bank. The objects of the Issuer are unrestricted.

The registered office of the Issuer is at 1 Angel Lane, EC4R 3AB London United Kingdom (telephone number +44 20 7102 1000).

### 2. Description of the Nomura Group

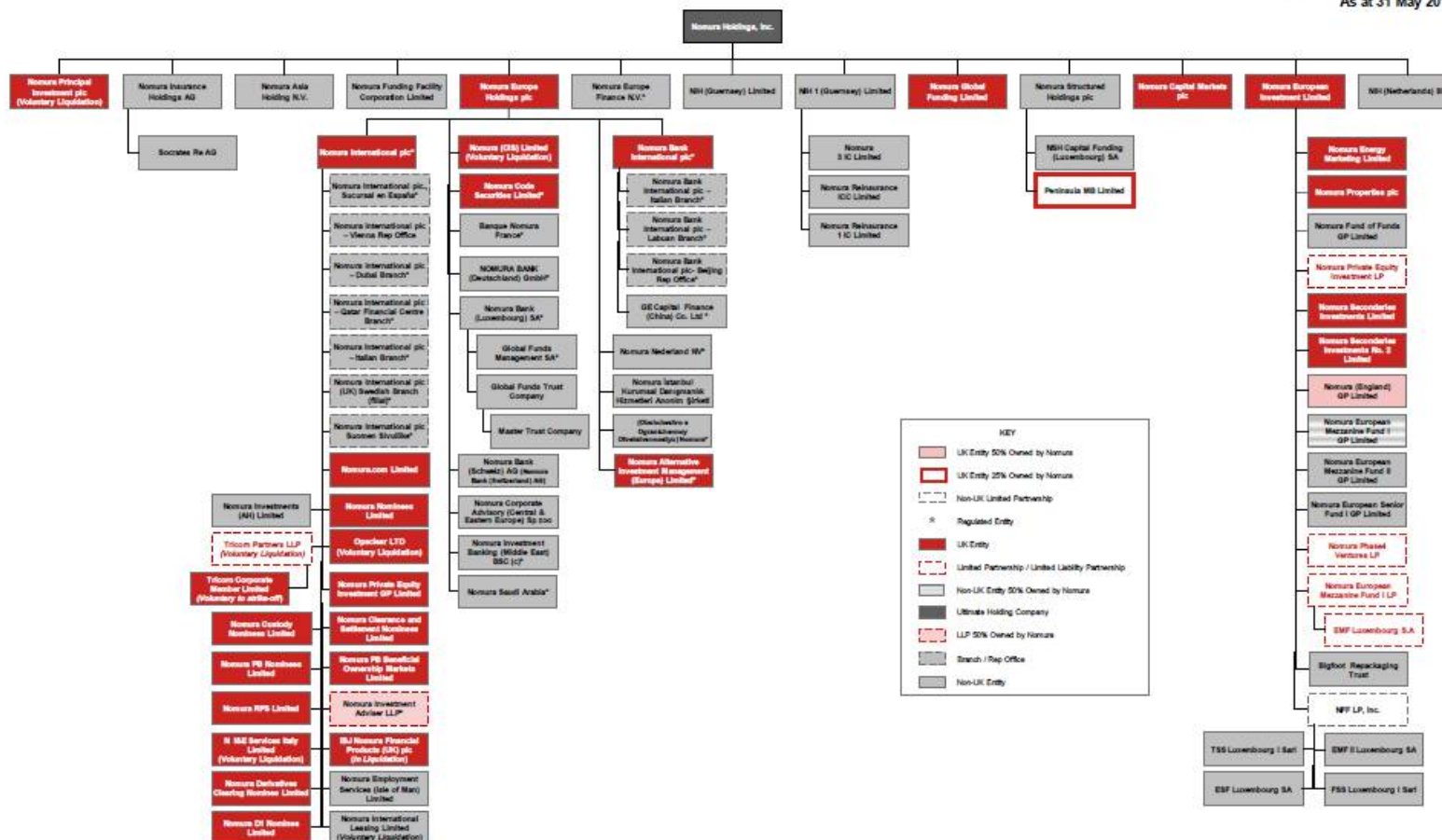
The Issuer is a wholly owned subsidiary of Nomura Europe Holdings plc (the main European holding company of the Nomura Group (as defined below)) which in turn is a wholly owned subsidiary of Nomura Holdings, Inc. (formerly known as The Nomura Securities Co., Ltd.) incorporated in Japan. Nomura Holdings, Inc. is the ultimate holding company which manages financial operations for its subsidiaries (together, “**Nomura Group**”). The Issuer currently has one subsidiary, GE Capital Finance (China) Co. Ltd, a Representative Office in Beijing (China) (Nomura Bank International plc – Beijing Representative Office) as well as branches in Milan and Labuan (Malaysia).

The following table shows the structure of the Nomura Group and the Issuer's position within it:

# Nomura European Structure\*\*

**NOMURA**

As at 31 May 2013



\*\*This chart includes all Nomura Holdings Inc's (as ultimate parent company) directly owned UK and European subsidiaries and all their European subsidiaries. The Nomura Charitable Trust (a UK registered charity company) is not included.

Nomura Group is a global financial services group dedicated to providing a broad range of financial services for individual, institutional, corporate and government clients.

Nomura Group offers a diverse line of competitive products and value-added financial and advisory solutions through its global headquarters in Tokyo, over 177 branches in Japan, and an international network in over 30 countries; with regional headquarters in Hong Kong, London, and New York.

Nomura Group's business activities include investment consultation and brokerage services for retail investors in Japan, and, on a global basis, brokerage services, securities underwriting, investment banking advisory services, merchant banking, and asset management.

### **3. Business Overview**

The Issuer's primary role is to support the Nomura Group's Global Wholesale Business predominately the Global Markets Division.

As at the date of this Registration Document the Issuer has a combination of approximately 24 internal employees and outsourced service-providers including Nomura International plc, the largest European company in the Nomura Group. Further staff will be employed internally in line with future needs. Those services currently outsourced include, amongst other things, the following services and functions: credit, finance, taxation, market risk management, information technology, legal, compliance, internal audit, disaster recovery and treasury.

The Issuer continues to focus on the support of the Nomura's Group Global Wholesale Business. The Derivatives Franchise business essentially deals with entering into transactions with equity, interest rate, foreign exchange rate, commodities, credit, cash and derivative products. The Structured Solutions business includes the purchase of structured credit assets (including receivables, leases, insurance contracts, structured notes, project finance debt, government and quasi-government backed assets and public finance initiative deals), the provision and purchase of bridge and warehouse financing, deposit and risk certificates, execution of funded transactions: i.e. structured credit. Both groups utilise a broad spectrum of financial instruments including notes and loans and traditional banking products such as relationship loans, leveraged loans, deposits, guarantees and letters of credit to meet clients' needs and to manage their risk exposure.

The Issuer conducts its business cross border from the United Kingdom in the world's principal financial regions, in particular in Europe, where the majority of business is carried out, United States, Asia and the Pacific area.

During the course of the financial year ending on 31 March 2014, as business opportunities arise, the Issuer may expand its business.

During the year ended 31 March 2013 the Issuer continued its note issuance business. The Issuer has a number of platforms for the issuance of its debt which allow the Issuer to issue equity-linked notes and certificates, credit-linked notes and warrants to investors.

In addition to the above, the Issuer continues to provide loan facilities to clients across a wide variety of industries, including power and gas, telecommunications and fast moving consumer goods.

The Issuer continues to maintain a strong balance sheet by lending predominantly on a secured basis through the use of reverse repurchase transactions ('Securities purchased under agreements to resell'). As at 30 September 2012, 99% of funds were advanced on a secured basis, compared to 94% at 31 March 2012.

The Issuer's key financial performance indicators were as follows:

	<u>Half year ended</u>	<u>Year ended</u>
	<u>September 2012</u>	<u>31 March 2012</u>
	<u>\$'000</u>	<u>\$'000</u>
Operating income	(61,299)	166,453
(Loss)/profit on ordinary activities before taxation	(69,096)	153,694
(Loss)/profit on ordinary activities after taxation	(73,661)	113,764
Shareholders' funds	817,287	890,944

These figures have been taken from the relevant financial statements of the Issuer, which include the unaudited Half Year Report for the 6 month period ended 30 September 2012 and the audited Annual Report for the year ended 31 March 2012.

#### **4. Trend Information**

For the six month period ended 30 September 2012 the Issuer reported a loss on ordinary activities before tax of \$69,096,124 (year ended 31 March 2012: profit of \$153,693,596). This is largely attributable to the impact of tightening credit spreads on the Issuer's note issuance business. As the Issuer's own credit is included in the fair value of the notes issued, the tightening of Nomura's credit spreads during the six month period ended 30 September 2012 has impacted the valuation of the Issuer's financial liabilities. As credit spreads have tightened, the balance sheet value of notes issued has increased and profit on ordinary activities has increased. The impact of own credit included within the loss on ordinary activities before tax was a loss of \$74,302,019 (year ended 31 March 2012: profit of \$144,905,376).

During the six month period ended 30 September 2012 the Issuer continued to maintain a strong balance sheet. The Issuer continues to lend to Nomura International plc under a combination of secured lending (or transactions having the economic effect of "secured lending") through the use of reverse repurchase and similar transactions, unsecured lending covered by a guarantee from Nomura Holdings Inc. and unsecured lending. Funds advanced through such lending to Nomura International plc by the Issuer amounted to approximately \$9.5 billion at 30 September 2012. The Issuer and Nomura International plc are also part of a Core UK Group. The Issuer also guarantees the obligations of Nomura International plc and certain other affiliates under certain of its derivative contracts with third parties.

#### **5. Major shareholders**

The issued and fully paid share capital of the Issuer is USD 555,000,000 and all issued shares are held by Nomura Europe Holdings plc.

Although the Issuer is a wholly owned subsidiary of Nomura Europe Holdings plc, the Board of Directors operates in an independent capacity. In order to minimise the risk of any abuse of control within the group, all members of the Nomura Group have to follow a Code of Ethics which contains compliance

regulations designed to ensure that all members of the Nomura Group act in a lawful manner and in the best interests of the Nomura Group.

## 6. Administrative, Management and Supervisory Bodies

### 6.1 Board of Directors

A Board of Directors, chaired by a Non-Executive Independent Director, has responsibility for the overall management and direction of the business and affairs of the Issuer.

The table below contains the details of the members of the Board of Directors in office as at the date of this document, their role and the date of appointment\*.

Name	Office	Other principal activities within Nomura Group and outside Directorships	Date of Appointment
Kieran Poynter	Chairman and Non-Executive Director	N/A	30 June 2010
		Non-Executive Director and Chairman of Nomura Europe Holdings plc	Non-Executive Director appointment – 24 November 2009 Chairman appointment – 1 December 2011
		Non-Executive Director and Non-Executive Chairman of Nomura International plc	Non-Executive Director appointment – 24 November 2009 Chairman appointment – 1 December 2011
		Director and Chairman of The Nomura Charitable Trust	Director appointment – 24 November 2011 Chairman appointment – 24 November 2011
		Non-Executive Director of F&C Asset Management plc	1 June 2009
		Non-Executive Director of British American Tobacco plc.	1 July 2010
		Director of Golf Club & Country House Limited	8 December 2010
		Director of Pall Mall & Woodcote Park Clubhouse Limited	8 December 2010
		Director of Club Acquisition Company Limited	8 December 2010
		Director of Royal Automobile Club Buildings Company Limited	8 December 2010
		Director of The Royal Automobile Club of Great Britain Limited	8 December 2010
		Director of The Royal	8 December 2010

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\* The appointment is for an indefinite time

Paul Spanswick	Director Chief Executive Officer	Automobile Club Limited	
		(all of the above are incorporated in England and Wales)	
		Director of International Consolidated Airlines Group SA (incorporated in Spain)	September 2010
		Digital Theatre.com Limited	April 2009
		N/A	Director appointment – 24 July 2002
			CEO appointment – 22 March 2012
		Director of:	
		The Nomura Charitable Trust	28 April 2010
		Nomura Europe Holdings plc	14 February 2008
		Nomura Energy Marketing Limited	25 March 2010
Chris Flanagan	Director	Nomura International plc	21 January 2008
		London First	11 March 2011
		(all of the above are incorporated in England and Wales)	
		Nomura Funding Facility Corporation Limited (incorporated in Ireland)	29 November 2000
		Nomura Insurance Holdings AG (incorporated in Switzerland)	13 April 2010
		Socrates Re AG (incorporated in Switzerland)	13 April 2010
		N/A	7 November 2011
		Director of:	
		New Dynasty Limited (incorporated in the Cayman Islands)	25 November 2010
		Nomura Asia Holding N.V. (incorporated in the Netherlands)	6 June 2011
		Nomura Asia Investment (India Powai) Pte Limited (incorporated in Singapore)	21 June 2010
		Nomura Asia Investment (Taiwan) Pte Limited (incorporated in Taiwan)	30 March 2011
		Nomura Asia Limited (incorporated in the Cayman Islands)	29 March 2011
		Nomura Asia MB (Hong Kong) Limited (incorporated in Hong Kong)	25 November 2010
		Nomura Australia Limited (incorporated in Australia)	28 March 2011



Masafumi Nakada	Director	Nomura Financial Investments (Korea) Co. Ltd (incorporated in the Republic of Korea)	31 March 2011
		Nomura International (Hong Kong) Limited (incorporated in Hong Kong)	25 November 2010
		Nomura Mauritius Limited (incorporated in Mauritius)	26 April 2011
		Nomura Principal Investment Asia Limited (incorporated in Hong Kong)	21 December 2010
		Nomura Securities (Hong Kong) Limited (incorporated in Hong Kong)	25 November 2010
		Nomura Securities Philippines Inc. (incorporated in the Philippines)	6 April 2011
		GE Capital Finance (China) Co. Ltd	21 March 2012
		N/A	19 August 2011
		Director and Chairman of the Board of Directors of Nomura Bank (Luxembourg) S.A. (incorporated in Luxembourg)	Director appointment: 27 May 2011 Chairman appointment: 1 June 2011
		President and Chief Executive Officer of The Nomura Trust & Banking Co Ltd (incorporated in Japan)	1 April 2011

## 6.2 Audit Committee

An Audit Committee has been established to ensure an effective internal control environment is maintained within the Issuer and ensuring corporate objectives are achieved and are consistent with those of the Nomura Group.

The Audit Committee is comprised of:

Name	Office
Kieran Poynter	Chairman of Audit Committee and Non-Executive Director

## 6.3 Executive Management and Risk Committee

Day-to-day management, and risk management, of the Issuer is carried out by the Executive Management and Risk Committee, whose objective is to develop and oversee business and operational strategies and policies, and to ensure corporate objectives of the Issuer, in line with those of the Nomura Group, are achieved as well as managing the Issuer's exposure to risk, including credit, liquidity, market and operational risk in all regions and day-to-day management of the Issuer.

The members of the Executive Management and Risk Committee are as follows:

Name	Position and role within Issuer if applicable
Chris Flanagan	Chairman, Chief Operating Officer, Director and Asia ex Japan Representative

Patrick McGarry	Member and Head of Credit, EMEA
Paul Spanswick	Member and Chief Executive Officer
Harsh Shah	Member and Global Markets Representative
Clare Jones	Member and Issuer General Counsel
Jeremy Arnold	Member and Head of Market Risk, EMEA
Stephen Fuggle	Member and Issuer Finance
Stephen Allery	Member and Head of Treasury, EMEA
James Maxfield	Member and EMEA Operations
Iris Hinterberger	Member and New Business Representative

In addition the Issuer has delegated to Nomura Europe Holdings plc's Board, its committees and sub-committees the necessary authority, where appropriate, to review and approve certain day to day business, operations, risks, internal controls and transactions of the Issuer.

The business address for each person listed is 1 Angel Lane, London EC4R 3AB, United Kingdom.

There are no conflicts of interest between any duties owed to the Issuer by the members of the Board of Directors, the Audit Committee, the Executive Management Committee and the Credit & Risk Management Committee and their private interests and/or other duties.

Any conflict of interest that should arise will be resolved by the Board of Directors in accordance with the Companies Act 2006.

## GENERAL INFORMATION

### 1. Documents available

For the period of 12 months following the date of this Registration Document, copies of the following documents will, when published, be available in physical form and electronic form for inspection from the registered office of the Issuer at 1 Angel Lane, London, EC4R 3AB, United Kingdom and on the website [www.nomuranow.com](http://www.nomuranow.com):

- (A) Articles of Association of the Issuer;
- (B) the Issuer's audited financial statements for the two most recent financial years (currently the two financial years ended on 31 March 2011 and 31 March 2012) in each case together with the audit reports prepared in connection therewith. The Issuer currently prepares audited non-consolidated accounts on an annual basis;
- (C) the most recent publicly available unaudited interim financial statements of the Issuer (currently dated 30 September 2012), together with any audit or review report prepared in connection therewith; and
- (D) a copy of this Registration Document.

### 2. Legal, governmental and arbitration proceedings

Save for the matters summarised in the following paragraph, the Issuer Group (being the Issuer and its subsidiary) is not and has not been involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the 12 months preceding the date of this document a significant effect on the financial position or profitability of the Issuer and/or its subsidiary.

Banca Monte dei Paschi di Siena ("**MPS**") issued a civil claim, dated 1 March 2013 in the Italian Courts against Nomura International plc ("**NIP**") and two former directors of MPS (Giuseppe Mussari and Antonio Vigni, the former Chairman and General Manager of MPS respectively). MPS alleges that the former directors improperly caused MPS to enter into structured financial transactions with NIP in 2009 (the "**Transactions**"). The Transactions formed part of a 30 year derivatives financing arrangement between NIP and MPS to restructure an earlier derivatives transaction between MPS and another bank. The Transactions are primarily collateralised by Italian government bonds. MPS further alleges that NIP is jointly liable for the unlawful conduct of MPS's former directors. MPS claims damages of not less than EUR700 million. NIP is an indirectly wholly owned subsidiary of Nomura Holdings, Inc. The Public Prosecutor's office in Siena, Italy has also commenced an investigation into the Transactions to determine whether offences have been committed under Italian law. Starting on 15 April 2013, the Public Prosecutor issued seizure orders seeking to seize the Transactions and approximately EUR 1.9 billion of assets said to be held or receivable in various NIP and the Issuer accounts in, or managed through, Italy and alleging that the Transactions involved offences under Italian law. The Issuer was informed on 23 April 2013 that a seizure order had been effected over a small amount of cash and certain receivables in Italy. However on 26 April 2013, the relevant Italian criminal judge issued an order declining to validate the various seizure orders issued by the Public Prosecutor. Accordingly, on the same date, the Public Prosecutor ordered the immediate restitution of all assets subject to seizure. The Public Prosecutor has subsequently lodged an appeal against the order of the relevant Italian criminal judge that declined to validate the seizure orders.

### 3. Significant or material change

Save as disclosed in the paragraph entitled "Trend Information" on page 14 of this Registration Document, there has been no significant change in the financial position of the Issuer Group since 30 September 2012 and there has been no material adverse change in the prospects of the Issuer since 31 March 2012.

#### 4. **Issuer Credit Ratings**

The Issuer's long-term credit ratings are:

Standard & Poor's Ratings Japan, K.K.: A-

Japan Credit Rating Agency, Ltd.: AA-

Standard and Poor's Ratings Japan, K.K. is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). However, the application for registration under the CRA Regulation of Standard & Poor's Credit Market Services Europe Limited, which is established in the European Union, disclosed the intention to endorse credit ratings of Standard & Poor's Ratings Japan, K.K. Japan Credit Rating Agency, Ltd. is not established in the European Union and has not applied for registration under the CRA Regulation, but it is certified in accordance with such Regulation.

#### 5. **Auditors**

The auditors of the Issuer are Ernst & Young LLP of 1 More London Place, London SE1 2AF, United Kingdom who have audited the Issuer's annual financial statements, without qualification, for the financial years ended 31 March 2011 and 31 March 2012. Ernst & Young LLP have no material interest in the Issuer.

Ernst & Young LLP is a member of the ICAEW (*Institute of Chartered Accountants in England and Wales*).



**THE ISSUER**

**Nomura Bank International plc  
1 Angel Lane  
London EC4R 3AB**

**Auditors**

**Ernst & Young LLP  
1 More London Place  
London SE1 2AF**