



NOMURA

Nomura Europe Holdings plc

Quarterly Pillar 3 Disclosures
30 September 2016

1. Foreword

This document presents certain quantitative quarterly consolidated Pillar 3 disclosures of the Nomura Europe Holdings plc group (“the Group”) as at 30th September 2016.

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’).

The only material subsidiary within the Group is Nomura International plc (‘NIP’). Own Funds, Risk Weighted Exposures, Capital Requirements and Leverage Ratio for NIP have been separately disclosed in this document.

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 September were:

30th September 2016 \$m	The Group	NIP
Tier 1 Capital before regulatory adjustments	5,477	4,964
Regulatory Adjustments ⁽¹⁾	(244)	(265)
Tier 1 Capital	5,233	4,699
Tier 2 capital	2,160	1,260
Own Funds	7,393	5,959
Tier 1 Ratio⁽²⁾	14.2%	13.7%
Total Capital as a percentage of total Risk Exposure amounts	20.1%	17.4%
Capital Conservation Buffer requirement	0.63%	0.63%
Countercyclical Capital Buffer requirement	0.01%	0.01%

⁽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 September 30th were:

30 th September 2016 \$m	The Group RWE	The Group Capital Requirements	NIP RWE	NIP Capital Requirements
Market Risk:				
Traded debt	1,233	98	1,233	99
Equity	228	18	228	18
Foreign exchange	634	51	600	48
Modelled market risk	6,131	491	4,324	346
Total Market Risk capital requirement	8,226	658	6,385	511
Total Counterparty Risk & Credit Risk capital requirement	18,183	1,455	18,152	1,452
Total Settlement Risk capital requirement	10	1	10	1
Total Operational Risk capital requirement	3,715	297	2,697	216
Total Credit Valuation Adjustment capital requirement	5,818	465	5,795	464
Total Large Exposure Risk capital requirement	823	66	1,220	98
Total RWE and capital requirements	36,775	2,942	34,259	2,742

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

2.3 Leverage Ratio

CRR Article 451

30 th September 2016 \$m	The Group	NIP
Total Leverage Ratio Exposure	212,011	208,636
Tier 1 Capital	5,233	4,699
Leverage Ratio	2.47%	2.25%

Management of exposure to leverage forms a key part of the Group’s overall strategy, business planning and risk appetite framework. The Group is committed to achieving full compliance with all relevant regulatory requirements and is implementing changes to ensure it meets leverage ratio requirements by 1st January 2018.