# REGISTRATION DOCUMENT

**Nomura Bank International plc**

Dated 6 September 2018

**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 (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 the 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 plc trading as Euronext Dublin (the "**Euronext Dublin**") or other regulated markets for the purposes of Directive 2014/65/EU (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 Euronext Dublin.

This Registration Document is available to you in an electronic form on the website 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 S&P Global Ratings Japan Inc. and Japan Credit Rating Agency Ltd.

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## 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 economic 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 one or more underlying reference assets or bases (each a "**Reference Item**"). 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.

*The relationship of the UK with the European Union may have an impact on the business of the Issuer*

The United Kingdom (the "**U.K.**") is due to formally leave the European Union (the "**EU**") on 29 March 2019 following the Brexit referendum held in June 2016 and triggering of Article 50 of the Treaty on the Functioning of the European Union to start the formal exit process on 29 March 2017. In the meantime, the U.K. remains a full member of the EU, although its influence over rule-making is significantly reduced. The U.K. and EU are currently in a negotiating process on the terms of exit and future relationship agreement. In December 2017, political agreement was reached in principle on Phase 1 issues covering the exit bill, the rights of citizens and the Irish border, although some details still need to be finalised. Subsequently, in March 2018 a status quo transition period was agreed meaning the U.K. will continue to maintain all the advantages and benefits of the EU single market, the EU customs union and EU policies until December 2020. Most EU law will continue to apply to the U.K. during the transitional period, along with all the usual EU supervisory, judiciary and enforcement mechanisms, including the jurisdiction of the Court of Justice of the European Union, although the U.K. will no longer input into the rule-making process. Both the Phase 1 issues and agreement on transition are provisional and will need to be formally signed off by both sides, which is currently anticipated in late 2018 but is not certain. The agreed transition does not include the possibility of extending the end date of the transition period. Separately, the U.K. Government has proposed domestic legislation, the EU (Withdrawal) Bill, to repeal the European Communities Act 1972 that gives primacy to aspects of EU law and transposes current EU-derived law into U.K. legislation to provide continuity. The U.K. financial services sector currently relies on access to the EU single market to conduct business across borders within the EU. Both sides have emphasized the need for continued good access, but the terms of the future relationship will not start to become clear until detailed talks start in late 2018. The Issuer is in the process of implementing Brexit contingency plans to ensure continuity of services to its clients in the EEA post-Brexit. This contingency planning is based on the information currently available to the Issuer, however, given that the precise terms of Brexit remain to be finalised, there remains a risk that a currently unforeseen or unexpected outcome may adversely impact the Issuer's business.

*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 4.5 per cent up to 9.5 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. Basel III also introduced two new liquidity ratios: the liquidity coverage ratio and the net stable funding ratio. These are intended to encourage banks to hold higher levels of unencumbered, high-quality liquid assets to make them more resilient to potential short-term disruptions in access to funding and to address longer-term structural liquidity mismatches in their balance sheets. Basel Committee member countries agreed to phase this first collection of changes in Basel III in gradually between January 2013 and January 2019.

The implementation of Basel III in the European Union was performed through the Capital Requirements Directive IV and Capital Requirements Regulation (''**CRDIV/CRR**'') legislative package which was implemented on 1 January 2014. In November 2016, the European Commission published a package of proposed amendments to CRDIV/CRR ("**CRDV**" and Regulation ("**CRRII**") respectively). The proposals seek to implement some of the remaining aspects of Basel III. Certain of the proposed changes such as new market risk rules, standardised approach to counterparty risk, details on the leverage ratio and net stable funding requirements and the tightening of the large exposures limit will particularly impact capital requirements. The proposals also seek to require financial holding companies in the EU to become authorised and subject to direct supervision under the CRDIV. This will place formal direct responsibility on holding companies for compliance with consolidated prudential requirements for financial groups. The proposals also require third country groups above a certain threshold with two or more credit institutions or investment firms in the EU to establish an intermediate EU holding company. The minimum requirement for own funds and eligible liabilities provisions in the CRR are also amended to bring the requirement in line with the Financial Stability Board's final total loss absorbing capacity term sheet standards for globally significant institutions. The final capital framework to be established in the EU under CRDV/CRRII differs from Basel III in certain areas. The CRDV/CRRII legislative proposals are currently under negotiation by European policy-makers and it is not possible to anticipate their final content or time of application.

In December 2017, the Basel Committee finalised further changes to the Basel III framework which include amendments to the standardised approaches to credit risk and operational risk and the introduction of a capital floor. These proposals will need to be transposed into EU law before coming into force. The Basel Committee has recommended implementation commencing in 2022, however timing of implementation in the EU is uncertain.

These and other future changes to capital adequacy and liquidity requirements in the jurisdictions in which it operates, including the implementation of the CRDV / CRRII, and Basel III final rules, and certain potential consequences of Brexit may require members of the Nomura Group (including the Issuer) to raise additional capital. If the Nomura Group is unable to raise the requisite 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.

On 3 January 2018, the EU Markets in Financial Instruments Regulation ("**MiFID**") and its various implementing measures, which regulate the provision of certain investment services and activities in the EU, were replaced by a revised directive ("**MiFID II**") and a new regulation (the Markets in Financial Instruments Regulation ("**MiFIR**")) and will be relevant to the operations of the Issuer. The changes to MiFID include expanded supervisory powers that include the ability to ban specific products, services or practices and the introduction of a new product governance regime to ensure that firms, which manufacture and distribute financial instruments and structured products, act in the clients' best interests during all stages of the life-cycle of products or services.

The new EU Benchmarks Regulation, which came into force on 1 January 2018, introduces a common framework and consistent approach to benchmark regulation across the EU. It aims to ensure benchmarks are robust and reliable, and to minimise conflicts of interest in benchmark-setting processes, and imposes new requirements on firms that provide, contribute to or use a wide range of interest rate, currency, securities, commodity and other indices and reference prices.

These legislative and regulatory changes, amongst others, could impose operational restrictions on the Nomura Group and its operations in the EU, and may cause the Nomura Group to have to raise further capital, increase its expenses and/or may otherwise adversely affect its business results, financial condition or prospects.

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.

*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 the 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 Euronext Dublin or as a supervised firm regulated by the Financial Conduct Authority (the "**FCA**") and the Prudential Regulation Authority.

*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 the Financial Services and Markets Act 2000 ("**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 PRA and/or 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 PRA and/or FCA, including the Issuer and other members of the Nomura Group in the United Kingdom. The Issuer does not conduct business in respect of which the FSCS may pay compensation and as such it is exempt from the specific costs levy and compensation costs levy but remains liable to contribute to the base costs of 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 measures taken to protect the depositors of deposit-taking institutions involving the FSCS 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.

*The Banking Act confers substantial powers on a number of UK authorities designed to enable them to take a range of actions in relation to UK banks, UK building societies, UK investment firms and UK recognised central counterparties which are considered to be at risk of failing. Furthermore, such actions can be taken directly against any relevant entity or against certain of its UK group companies. 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 are granted to HM Treasury, the Bank of England, the FCA and the Prudential Regulation Authority (together, the "**Authorities"**) as part of a special resolution regime (the "**SRR**"). These powers can be exercised, as applicable, by the Authorities in respect of a UK bank (such as the Issuer), or UK building society, UK investment firm or UK recognised central counterparty (each a "**relevant entity**") in circumstances in which the Authorities consider its failure has become likely and if certain other conditions are satisfied (depending on the relevant power) for example, to protect and enhance the stability of the financial system of the UK. Certain of these powers may also be used in respect of a UK incorporated company which meets certain conditions and is in the same group as a relevant entity, an EU incorporated credit institution or investment firm or a third country incorporated credit institution or investment firm (a "**UK banking group company**").

The SRR consists of five stabilisation options and two special insolvency procedures (bank administration and bank insolvency) which may be commenced by HM Treasury, the Bank of England, the Prudential Regulation Authority or Secretary of State, as the case may be. 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 wholly owned by the Bank of England; (iii) transfer of all or part of the business of the relevant entity to an asset management vehicle owned and controlled by the Bank of England; (iv) writing down certain claims of unsecured creditors of the relevant entity (including Securities) and/or converting certain unsecured debt claims (including Securities) to equity, (the "**bail-in option**"), which equity could also be subject to any future cancellation, transfer or dilution; and (v) temporary public ownership (nationalisation) of all or part of the relevant entity or its UK holding company. In each case, the Authorities have 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 stabilisation powers under the Banking Act to be used effectively.

The paragraphs below set out some of the possible consequences of the exercise of the 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 relevant 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; (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 result in the condition referred to in (a) ceasing to be met; 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. In relation to a UK banking group company, the stabilisation options may be exercised against such UK banking group company if the stabilisation conditions referred to in (a) and (b) above are satisfied in relation to a relevant entity within the same group and the condition referred to in (c) is satisfied in relation to the UK banking group company.

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

If the stabilisation options were exercised under the SRR in respect of the Issuer, HM Treasury or the Bank of England may exercise extensive powers including, share transfer powers (applying to a wide range of securities), property transfer powers (including powers for partial transfers of property, rights and liabilities subject to certain protections in respect of the Issuer) and resolution instrument powers (including powers to make special bail-in provisions). 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) writing down the principal amount of the Securities and/or converting the Securities into another form or class (which may include, for example, conversion of the Securities into equity securities); (iv) modifying any interest payable in respect of the Securities, the maturity date or the dates on which any payments are due, including by suspending payment for a temporary period; (v) 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 exercise of the powers and certain related events; and/or (vi) where property is held on trust, removing or altering the terms of such trust.

If the terms of the Securities are modified or disapplied without the consent of the relevant guarantor, the validity of the guarantee may be affected.

The taking of any such actions could 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) will result in a deterioration in the creditworthiness of the Issuer and, as a result, increase the risk that it will 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.

*Depositor preference*

In addition, amendments to the UK Insolvency Act 1986 have introduced changes to the treatment and ranking of certain preferential debts with the result that certain eligible deposits will rank in priority to the claims of ordinary (i.e. non-preferred) unsecured creditors in the event of an insolvency. This means that the claims of holders of Securities would rank junior to the claims in respect of liabilities afforded preferred status and accordingly, in the event of insolvency or resolution of the Issuer Securities would be available to absorb losses ahead of liabilities which benefit from such preference.

As at the date of this Registration Document, the relevant 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.

## 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 and Euronext Dublin shall be incorporated in, and form part of, this Registration Document:

a) the audited annual report of the Issuer for the financial year ended 31 March 2017 prepared in accordance with IFRS (including the auditor's report set out on pages 8 to 9 and the consolidated financial statements for such period set out on pages 10 to 67) which can be viewed online at https://www.nomuranow.com/portal/site/login/en-gb/resources/upload/NBI-March-2017.pdf; and

b) the audited annual report of the Issuer for the financial year ended 31 March 2018 prepared in accordance with IFRS (including the auditor's report set out on pages 8 to 14 and the financial statements for such period set out on pages 15 to 74) which can be viewed online at https://www.nomuranow.com/portal/site/login/en-gb/resources/upload/NBI-Annual-Report-310318.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 FCA 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, London, EC4R 3AB, 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 ("**NEHS**") (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, the "**Nomura Group**").

The Issuer has a representative office in Istanbul, Turkey. During the year, the Issuer has closed its branch in Milan, Italy and its representative office in Beijing, China.

The Nomura Group operates offices in countries and regions worldwide including Japan, the United States, the United Kingdom, Singapore and Hong Kong Special Administrative Region.

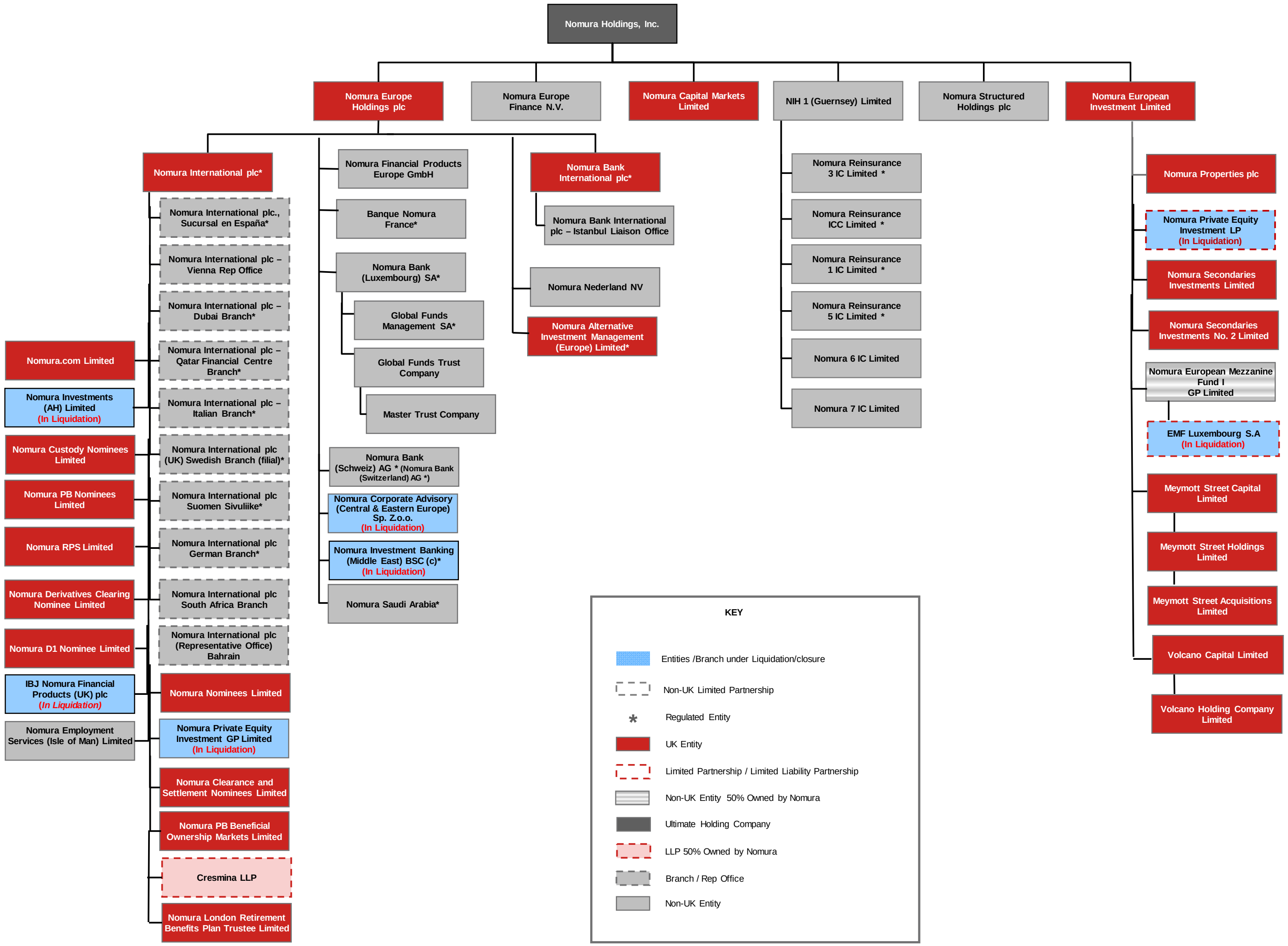
The Nomura Group's clients include individuals, corporations, financial institutions, governments and governmental agencies.

The Nomura Group's business consists of Retail, Asset Management and Wholesale and Merchant Banking divisions. In its Retail segment, the Nomura Group provides investment consultation services mainly to individual clients in Japan. In its Asset Management segment, the Nomura Group develops and manages investment trusts, and provides investment advisory services. In its Wholesale segment, the Nomura Group is engaged in the sales and trading of debt and equity securities, derivatives, and currencies on a global basis to various institutions, provides investment banking services such as the underwriting of debt and equity securities as well as mergers and acquisitions and financial advice. The Nomura Group established its Merchant Banking Division in January 2018. The Nomura Group will primarily use the Merchant Banking Division to provide equity as a new solution for business reorganisations and revitalisations, business succession as well as management buyouts.

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

# EMEA Structure Chart **

As at 30 July 2018




** This chart includes all UK and European direct subsidiaries of the ultimate parent company, Nomura Holdings, Inc. The Nomura Charitable Trust (a UK registered charity company) is not included.

## 3. Business Overview

The Issuer's primary role is to support the Nomura Group's Global Wholesale Business predominantly the Global Markets Division of the Nomura Group. Its principal activities include:

- issuance of guaranteed credit and equity linked notes and certificates;
- provision of sub-participations and structured loans (including bridge and warehouse financing);
- purchase of structured credit assets and structured loans;
- provision of traditional banking products such as loans and credit facilities in major currencies, repurchase and reverse repurchase transactions, letters of credit and guarantees; and
- taking deposits (including foreign exchange and other reference linked deposits).

During the year ended 31 March 2018 the Issuer continued its note issuance business. The Issuer has a number of platforms for the issuance of debt which allows it to issue equity-linked notes and certificates and credit-linked notes and warrants to investors, which includes notes that are traded on exchanges.

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 lend predominantly on a secured basis through the use of reverse repurchase transactions (securities purchased under agreements to resell). As at 31 March 2018, 86% of funds were advanced on a secured basis.

**Key Financial Performance Indicators**

The Issuer's key financial performance indicators for the 12 month periods ending 31 March 2018 and 31 March 2017 were as follows:

| | **Year ended 31 March 2018 $'000** | **Year ended 31 March 2017 $'000** |
|---|---|---|
| Net interest income | 65,062 | 35,201 |
| Profit for the year | 16,131 | 14,615 |
| Total comprehensive gain/(loss) | 7,580 | (51,471) |
| Shareholders' funds | 482,740 | 475,160 |
| Total Assets | 7,844,926 | 7,772,643 |
| Total Liabilities | 7,362,186 | 7,297,483 |

These figures have been taken from the Issuer's audited Annual Report for the year ended 31 March 2018.

## 4. Trend Information

For the year ended 31 March 2018, the Issuer reported a post tax profit of $16,131,000.

Following the European Union's endorsement of International Financial Reporting Standards 9 "Financial Instruments: Classification and Measurement" **("IFRS 9")** in November 2016, the Issuer has early adopted the IFRS 9 provisions relating to changes in own credit.

The Issuer reported a total comprehensive gain for the year of $7,580,386 (2017: loss of $51,471,071). The most significant impact to the Issuer's performance in the year ended 31 March 2018 has been as a result of the tightening in the Nomura Group's own credit spreads, which has resulted in a negative impact. The impact of own credit has resulted in a loss for the year ended 31 March 2018 of $17,599,553 (compared to a loss of $60,031,664 for the year ended 31 March 2017).

From an operational standpoint, the Issuer outsources a significant portion of its support services under service level agreements to the related departments of Nomura International plc. The Treasury department continues to manage the liquidity of the Issuer and provides asset and liability management for the balance sheet.

For the year ending 31 March 2019, the Issuer will continue to focus on its activities supporting the Global Wholesale Business, predominantly the Global Markets Division, of the Nomura Group.

## 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 NEHS.

Although the Issuer is a wholly owned subsidiary of NEHS, 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

The Board of Directors 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 |
|---|---|---|---|
| Neeta Atkar | Non-Executive Director | | 22 March 2018 |
| | | Non-Executive director of: | |
| | | Nomura Europe Holdings plc | 22 March 2018 |
| | | Nomura International plc | 22 March 2018 |
| | | British Business Bank plc | 1 July 2016 |
| | | British Business Finance Ltd | 5 July 2016 |
| | | British Business Financial Services Ltd | 5 July 2016 |
| | | Yorkshire Building Society plc | 25 April 2017 |
| David Benson | Non-Executive Director | | 28 August 2015 (resigned with effect from 31 December 2017 ) |

| | | | |
|---|---|---|---|
| Jonathan Britton | Non-Executive Director | | 27 July 2016 |
| | | Non-Executive Director of: | |
| | | Nomura Europe Holdings plc | 1 April 2015 |
| | | Nomura International plc | 1 April 2015 |
| | | Nomura Bank (Luxembourg) S.A. | 16 January 2017 |
| | | The Salcombe Boatstore Limited | 3 January 2011 |
| | | British Business Bank plc | 28 April 2014 |
| | | British Business Finance Ltd | 30 October 2014 |
| | | British Business Financial Services Ltd | 30 October 2014 |
| | | Richmills Limited | 18 February 2015 |
| David Godfrey | Non-Executive Director and | | 27 July 2016 |
| | Non-Executive Chairman | | 07 April 2017 |
| | | Non-Executive Director of: | |
| | | Nomura Europe Holdings plc | 27 November 2015 |
| | | Nomura International plc | 27 November 2015 |
| | | Wellesley Group Investors Limited | 28 July 2015 |
| | | Chief Executive of: | |
| | | D Godfrey Consulting Limited | 22 February 2012 |
| Jonathan Lewis | Executive Director and | | 30 September 2016 |
| | Chief Executive Officer | | 30 September 2016 |
| | | Executive Director and Chief Executive Officer of: | |
| | | Nomura Europe Holdings plc | 13 April 2015 |
| | | Nomura International plc | 13 April 2015 |
| | | Non-Executive Director of: | |
| | | Instinet Europe Limited | 30 April 2018 |
| | | Instinet International Limited | 30 April 2018 |

| | | | |
|---|---|---|---|
| Lewis O'Donald | Executive Director | | 21 December 2015 |
| | | Executive Director of: | |
| | | Nomura Europe Holdings plc | 20 June 2011 |
| | | Nomura International plc | 20 June 2011 |
| | | Executive Director and Chairman of: | |
| | | The Nomura Charitable Trust | Executive Director appointment – 4 September 2015<br><br>Chairman appointment – 29 September 2015 |
| | | Director of: | |
| | | Nomura Holding America Inc. | 9 August 2016 |
| | | Nomura Reinsurance 1 IC Limited | 20 July 2017 |
| | | Nomura Reinsurance 3 IC Limited | 20 July 2017 |
| | | Nomura Reinsurance 5 IC Limited | 20 July 2017 |
| | | Nomura Reinsurance ICC Limited | 20 July 2017 |
| | | US CB Reinsurance 1 IC Limited | 20 July 2017 |
| | | US CB Reinsurance 2 IC Limited | 20 July 2017 |
| | | Nomura 6IC Limited | 20 July 2017 |
| | | Nomura 7IC Limited | 20 July 2017 |
| John Tierney | Executive Director | | 16 October 2015 |
| | | Executive Director of: | |
| | | Nomura European Investment Limited | 16 December 2015 |
| | | Nomura Europe Holdings plc | 15 September 2016 |
| | | Nomura International plc | 15 September 2016 |

6.2 Audit Committee

The Board of Directors has delegated authority to the NEHS Audit Committee to ensure that an effective internal control environment is maintained within the Issuer, and to ensure that corporate objectives are achieved and are consistent with those of the Nomura Group and the ultimate group holding company, Nomura Holdings Inc.

6.3 Delegation to the Chief Executive Officer ("**CEO**")

The Board of Directors has delegated power to the CEO for the day-to-day running of the Issuer on a personal and functional basis and the Board of Directors will hold the CEO accountable for this authority. The CEO may exercise all of the powers of the Board of Directors save for those matters reserved to the Board of Directors or any matter specifically delegated to any Board Committee.

6.4 Business Product Review Committee ("**BPRC**")

The BPRC, under authority delegated by the CEO to the Operating Officer, is responsible for developing and overseeing business strategies and policies and ensuring corporate objectives of the Issuer are achieved. The members of the BPRC are as follows:

| **Name** | **Position and role within Issuer if applicable** |
|---|---|
| Gavin Estcourt | Interim Chief Risk Officer, EMEA |
| Matthew Reader | Head of Global Markets, EMEA |
| Shiv Kapoor | Global Chief Administrative Officer, Investment Banking |
| Chris Barlow | General Counsel, EMEA |
| Zarah Wiles | Chair and Operating Officer |

In addition, issues relating to conflicts as well as the Issuer's legal risks, reputational risks and cross border booking risks are delegated to, and managed by the appropriate committees of NEHS, the Issuer's immediate parent. In particular, the NEHS Prudential Risk Committee is responsible for providing oversight of and guidance to the Directors on the risk profile, risk appetite, future strategy and maintenance of an appropriate risk control framework for the Issuer, as well as the wider NEHS Group (being NEHS, its subsidiaries and European entities).

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

There are no conflicts of interest or potential conflicts of interest between any duties owed to the Issuer by the members of the Board of Directors and the BPRC 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:

(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 2017 and 31 March 2018) in each case together with the audit reports prepared in connection therewith. The Issuer currently prepares audited non-consolidated accounts on an annual basis; and

(C) a copy of this Registration Document.

### 2. Legal, governmental and arbitration proceedings

The Issuer 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.

### 3. Significant or material change

There has been no significant change in the financial position of the Issuer since 31 March 2018 and there has been no material adverse change in the prospects of the Issuer since 31 March 2018.

### 4. Issuer Credit Ratings

The Issuer's long-term credit ratings are:

| | |
|---|---|
| S&P Global Ratings Japan Inc.: | A |
| Japan Credit Rating Agency, Ltd.: | AA- |

S&P Global Ratings Japan Inc. 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 S&P Global Ratings Japan Inc. 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 2017 and 31 March 2018. 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**