

Nomura HD Acquires Macquarie's U.S. Asset Management Company—No Immediate Impact on Rating

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on the acquisition by Nomura Holdings, Inc. (security code: 8604) of Macquarie Group (Macquarie)'s U.S. asset management company.

- (1) Nomura Holdings announced today that it has reached an agreement with the relevant parties to acquire all shares of three companies engaged in public asset management businesses in the U.S. and Europe of Macquarie, an Australian financial services group. The purchase price is USD 1.8 billion (approximately 258.4 billion yen), and the acquisition procedures are expected to be completed by the end of 2025. The net management fees of the target companies are approximately USD 700 million, and the assets under management (AUM) are approximately USD 180 billion. Target companies have strengths in the solid customer base in the United States and diverse management capabilities. The acquisition is expected to contribute to Nomura Group's global scale expansion and growth, with the overseas ratio of the Investment Management Division's revenues increasing from 30% to 60%.
- (2) The consolidated common equity tier 1 capital ratio (CET1 ratio) will be reduced to a certain extent due to the occurrence of goodwill and intangible assets associated with this acquisition, but the ratio is expected to remain at a good level. Additionally, impact of the target companies' profits on Nomura Holdings' consolidated performance is expected to be minimal, and JCR considers that the impact on the rating will be limited. Nomura Holdings has established a management vision for 2030, and it plans to increase AUM scale and expand stable revenue in the Investment Management Division. This transaction will accelerate the initiatives, and JCR believes that the expansions of business foundation and stable revenue in Europe and the U.S., as well as the diversification of revenue sources, will have a positive impact on the Nomura Group's creditworthiness in the long term.

Kengo Sakaguchi, Akira Minamisawa and Naoki Shimura

<Reference>

Issuer: Nomura Holdings, Inc.

Long-term Issuer Rating: AA- Outlook: Stable

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