

## Nomura is building U.S. banking business: sources

*Richard Lipstein, Managing Director of Boyden New York quoted in Reuters discussing Nomura's expansion in sales and trading groups in New York.*

By Elinor Comlay

NEW YORK (Reuters) - In a high-stakes return to a market it largely abandoned after the Japanese banking crisis, Nomura Holdings (8604.T: Quote, Profile, Research, Stock Buzz) is hiring more than 50 senior bankers, traders and salesmen in New York, according to people familiar with the hires.

Nomura, building on the Asian and European business it bought from bankrupt Lehman Brothers in September, is expanding its sales and trading groups in New York, stepping in to take business from formerly powerful rivals, the sources said.

The bank has already quietly hired about 40 equity professionals in the United States, they said, and plans to hire at least another 10 bankers, traders and sales people. Earlier this week the company said it hired Michael Wiczorek from Fortis NV as head of U.S. funding, within the interest-rate group. Nomura is still hiring for senior roles including a position as head of its U.S. investment bank, the sources said.

Nomura will have a large pool of employees to choose from in New York. Financial

institutions in the U.S. have announced almost 350,000 layoffs since August 2007, when the credit crisis began to intensify, according to outplacement firm Challenger, Gray & Christmas.

And it has other advantages: it has not received any government money and so is not bound by any requirements attached to such bailouts, and it has not racked up the write-downs and credit losses that have battered its U.S. rivals.

Nomura posted a record \$3.8 billion quarterly loss in January, but its write-downs on bad debts pale beside those of U.S. banks such as Citigroup Inc (C.N: Quote, Profile, Research, Stock Buzz), which has amassed more than \$80 billion in write-downs on troubled mortgages and complex debt securities.

Nomura spokesman Ralph Piscitelli did not return calls seeking comment.

### SEIZING OPPORTUNITIES

"They're well poised to take advantage of what others cannot," said Richard Lipstein, a

recruiter at Boyden Global Executive Search in New York.

"Nomura has been a survivor and this is as good a time as any to grow," he added, noting that Nomura and other Japanese banks came through a long domestic downturn in the 1990s.

The bank is also planning to apply soon to be reinstated as a primary dealer for U.S. Treasuries, the Nikkei financial daily reported in January. Nomura withdrew as a primary dealer in 2007, removing itself from the list of banks that trade directly with the Federal Reserve.

Nomura has a storied global past. It was the first Japanese securities company to establish an overseas office more than 80 years ago. In 1990, the bank was the world's biggest securities house and it dominated eurobond issuance league tables. It had about 1,700

employees in New York at its peak, only to tumble from grace in 1998 after losing \$4.5 billion in U.S. commercial mortgage-backed securities and Russian bonds.

At the time, it curtailed many international operations, trimming various businesses in New York, although details of the change in employee numbers could not be ascertained.

"In the last 20 years, Nomura has not punched its weight in the international market," Sadeq Sayeed, a senior advisor to the bank who was involved in brokering Nomura's acquisition of Lehman's European operations, told reporters on a call after that deal in September.

"The world of investment banking has changed dramatically in a short space of time because of mistakes made in the last five years. Nomura has not made many of these mistakes," Sayeed added.

(Reporting by Elinor Comlay; Editing by Gary Hill)