

NOMURA HOLDINGS INC
Form 6-K
July 27, 2006
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FORM 6-K

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

Commission File Number: 1-15270

Supplement for the month of July 2006.

NOMURA HOLDINGS, INC.

(Translation of registrant's name into English)

9-1, Nihonbashi 1-chome

Chuo-ku, Tokyo 103-8645

Japan

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

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Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ____ No X

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

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Information furnished on this form:

EXHIBIT

Exhibit Number

1. Consolidated Results of Operations (US GAAP) First quarter, year ending March 2007

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NOMURA HOLDINGS, INC.

Date: July 27, 2006

By: /s/ Tetsu Ozaki
Tetsu Ozaki
Senior Managing Director

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Consolidated Results of Operations
(US GAAP)
First quarter, year ending March 2007
Nomura Holdings, Inc.
July 2006

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or
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to
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or
purchases
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and
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losses
arising
from
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of
this
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that

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constitute,
and
from
time
to
time
our
management
may
make
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statements"
within
the
meaning
of
the
safe
harbor
provisions
of
The
Private
Securities
Litigation
Reform
Act
of
1995.
Any
such
statements
must
be
read
in
the
context
of
the
offering
materials
pursuant
to
which
any
securities
may
be

offered
or
sold
in
the
United
States.
These
forward-looking
statements
are
not
historical
facts
but
instead
represent
only
our
belief
regarding
future
events,
many
of
which,
by
their
nature,
are
inherently
uncertain
and
outside
our
control.
Important
factors
that
could
cause
actual
results
to
differ
from
those
in
specific
forward-looking

statements include, without limitation, economic and market conditions, political events and investor sentiments, liquidity of secondary markets, level and volatility of interest rates, currency exchange rates, security valuations, competitive conditions and size, and the number and timing of transactions.

6. The consolidated financial information in this document is unaudited.

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4
60.9
128.6
20.1
8.3
106.5
13.1%

1.8%
22.1%
25.4%
3.9%
0
20
40
60
80
100
120
140
0%
5%
10%
15%
20%
25%
30%

(billions of yen)

Net revenue for the first quarter was 205.9 billion yen (-37% QoQ, +10% YoY). Income before income taxes was 33.4 billion yen (-84% QoQ, +9% YoY). Net income was 20.1 billion yen (-84% QoQ, 2.4x YoY). ROE* for the first quarter was 3.9%.

Business

segment

totals

for

net

revenue

and

income

before

income

taxes

declined

QoQ.

Unrealized

loss

on

investments

in

equity

securities held for relationship purposes was 20.6 billion yen due to a slump in the stock market.

First Quarter Financial Highlights

Net Revenue

Net Income/ROE (Annualized)

Income before Income Taxes**

Appendix:

Consolidated income

(Quarterly): P15

Adjustment of

Consolidated Results and
Segment Results: P17

* Annualized

FY2007.3

1Q

2Q

3Q

4Q

1Q

FY2006.3

FY2007.3

1Q

2Q

3Q

4Q

1Q

FY2006.3

Net Income (left)

ROE (annualized, right)

**Income before income taxes for the year ended March 31, 2006, is the total for continuing and discontinued operations.

Note:

In

accordance

with

SFAS

No.

144

Accounting

for

the

Impairment

or

Disposal

of

Long-Lived

Assets ,

net

revenue

and

non-interest

expenses

from

the

operations

of

Millennium

Retailing

Inc. (one of Nomura Principal Finance's private equity investee companies, and whose operations were treated as discontinued

in conjunction with the agreement reached in the third quarter by Nomura Principal Finance to sell its stake in Millennium Retailing

Income from discontinued operations

before income taxes
 Income before income taxes
 Effects of consolidation / deconsolidation of certain private
 equity investee companies
 Unrealized gain (loss) on investments in equity securities held
 for relationship purposes
 Segment results
 FY2007.3
 1Q
 2Q
 3Q
 4Q
 1Q
 FY2006.3
 171.4
 219.8
 386.4
 282.2
 209.8
 31.3
 36.3
 2.8
 27.1
 21.6
 40.7
 16.8
 -20.6
 -11.0
 -62.9
 205.9
 325.7
 272.6
 187.5
 0
 100
 200
 300
 400
 500
 (billions of yen)
 359.8
 37.4
 81.5
 231.8
 101.2
 5.3
 9.9
 82.6
 -11.0
 31.3

36.3
2.8
-20.6
-0.5
-90.8
23.0
-0.4
54.4
1.6
2.7
209.6
33.4
30.7
117.6
187.1
0
100
200
300
(billions of yen)

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First Quarter Business Segment Highlights
Net Revenue
Appendix:
Income by segment (Quarterly):
P19
Segment Other

Income
before Income Taxes: P20
Income before Income Taxes
Other
Asset Management
Global Merchant Banking
Global Investment Banking
Global Markets
Domestic Retail

FY2007.3

1Q

2Q

3Q

4Q

1Q

FY2006.3

FY2007.3

1Q

2Q

3Q

4Q

1Q

FY2006.3

Revenue from all business segments was 209.8 billion yen (-26% QoQ, +22% YoY), and income before income taxes was 54.4 billion yen (-46% QoQ, +46% YoY).

84.8

101.4

136.7

123.6

105.6

49.8

77.7

115.2

128.4

68.9

35.3

31.1

18.8

80.1

-15.5

12.1

18.4

17.6

12.8

20.5

6.9

-3.3

14.0

15.4

18.1

-13.3
-3.9
1.0
13.4
-2.1
209.8
219.8
171.4
282.2
386.4
0
100
200
300
400
(billions of yen)
30.3
41.4
74.1
51.4
42.5
31.5
60.9
66.0
14.3
23.3
17.0
5.6
77.6
-21.0
9.8
5.7
5.2
-10.3
-0.7
9.1
2.2
-5.9
4.7
4.0
4.7
6.2
-17.9
7.6
-9.9
-23.0
231.8
101.2
81.5
37.4

54.4

0

50

100

150

200

250

(billions of yen)

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6
Domestic Retail
Net Revenue and Income before Income Taxes
Appendix:
Retail stock brokerage commissions,
commissions for investment trusts

distribution, domestic distribution
volume of investment trusts, retail
foreign currency bond sales,
etc:

P23

Domestic Client Assets: P24

Domestic Client Assets Net Asset

Inflow: P25

Number of Accounts: P26

Sales of new investment trusts: P31

*Nomura Securities (See p.23)

Net revenue of 105.6 billion yen (-15% QoQ, +25% YoY), income before income taxes of 42.5 billion yen (-17% QoQ, +40% YoY). Domestic Client Assets decreased by 3.8 trillion yen during the quarter to 76.7 trillion yen.

Commissions

for
distribution
of
investment
trusts*

remained

high

at

28

billion

yen,

reflecting

the

delivery

of

products

matched

to

the

diversifying needs of our customers such as funds offering frequent distributions and absolute return funds.

Stock brokerage commissions declined 37% QoQ

to 28 billion yen due to a correction in the domestic stock market.

FY2007.3

1Q

2Q

3Q

4Q

1Q

Commissions

104.1

155.2

174.0

269.4

45.2

61.0

85.5
77.7
63.0
-19%
39%
Sales credit
95.7
97.8
73.7
109.0
27.5
24.7
32.3
24.5
23.8
-3%
-13%
Fees from investment banking
15.0
26.1
24.5
26.4
3.4
6.1
8.0
8.9
3.5
-61%
2%
Investment trust administration fees and other
32.0
21.8
26.1
34.4
7.1
8.1
9.1
10.1
10.6
5%
51%
Net interest revenue
2.4
4.9
6.1
7.4
1.7
1.5
1.9
2.3

4.7
102%
182%
Net revenue
249.3
305.8
304.4
446.5
84.8
101.4
136.7
123.6
105.6
-15%
25%
Non-interest expenses
213.6
226.2
223.2
249.3
54.5
60.0
62.6
72.2
63.1
-13%
16%
Income before income taxes
35.7
79.5
81.2
197.2
30.3
41.4
74.1
51.4
42.5
-17%
40%
YoY
QoQ
FY2003.3
FY2004.3
FY2005.3
FY2006.3
FY2006.3
74.1
51.4
42.5
41.4

30.3

105.6

84.8

101.4

136.7

123.6

0

50

100

150

(billions of yen

249.3

305.8

304.4

197.2

81.2

79.5

35.7

0

100

200

300

400

500

Net interest revenue

Investment trust administration

fees and other

Fees from investment banking

Sales credit

Commissions

Income before income taxes

446.5

(billions of yen)

)

Full Year

Quarter

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7
Global Markets
Appendix:
First Quarter
Achievements: P31
Market Share Data: P33
Value at Risk: P34

Net Revenue and Income before Income Taxes

Net
revenue
was
68.9
billion
yen
(-46%
QoQ,
+38%
YoY).
Income
before
income
taxes
of
14.3
billion
yen
(-78%
QoQ,
+15.1
billion
yen
YoY).
Fixed
Income
net
revenue
declined
50%
QoQ
to
30.8
billion
yen
as
a
result
of
a
decline
in
revenue
from
the
asset
finance
business
and

a
drop
in
trading
revenue
due
to
slower
sales
of
foreign
currency
bonds
and
structured
bonds.
Equity
net
revenue
decreased
41%
QoQ
to
34.0
billion
yen,
reflecting
a
decline
in
order
flow
and
lower
trading
revenue.

Note 1: In April 2004, Fixed
Income, Equity and certain
functions of Investment
Banking were consolidated to
create Global Markets.

Note 2: Figures up to
FY2004.3 are the total of
Fixed Income and Equity and
differ slightly in composition.

FY2007.3
1Q
2Q
3Q
4Q

1Q	
Fixed Income	
154.0	
174.0	
119.8	
173.8	
21.3	
36.5	
54.1	
62.0	
30.8	
-50%	
44%	
Equity	
82.0	
110.2	
90.2	
168.5	
23.6	
34.4	
53.3	
57.2	
34.0	
-41%	
44%	
Other	
0.0	
0.0	
33.1	
28.8	
4.8	
6.9	
7.8	
9.3	
4.1	
-55%	
-14%	
Net revenue	
236.0	
284.1	
243.1	
371.1	
49.8	
77.7	
115.2	
128.4	
68.9	
-46%	
38%	
Non-interest expenses	

142.4
163.3
182.9
213.4
50.5
46.2
54.3
62.4
54.6
-13%
8%
Income before income taxes
93.6
120.8
60.2
157.7
-0.7
31.5
60.9
66.0
14.3
-78%
-
YoY
QoQ
FY2005.3
FY2006.3
FY2006.3
FY2003.3
FY2004.3
93.6
120.8
60.2
157.7
236.0
284.1
243.1
371.1
0
50
100
150
200
250
300
350
400
Other
Equity
Fixed Income

Income before
income taxes
(billions of yen)
14.3
66.0
60.9
31.5
-0.7
68.9
128.4
115.2
77.7
49.8
0
20
40
60
80
100
120
140
160
(billions of yen)
Full Year
Quarter

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8

Net revenue of 18.8 billion yen (-40% QoQ, +47% YoY), income before income taxes of 5.6 billion yen (-67% QoQ, 2.6x YoY).

In equity-related underwriting, although the overall value of equity financing in the market dropped due to seasonal factors, we ranked number one

in
the
Equity
and
Equity-Related
(Japan)
league
table*
for
the
six
months

to
June
2006

as
we
acted
as
lead

manager for such deals as the offering of Mitsubishi UFJ Financial Group shares

In our solutions business, MPO results for the first quarter totaled eight deals and 342.2 billion yen, including a 300 billion yen deal for Sojitz.

In
M&A,
we
acted
as
financial
advisor
on
such
deals

as
the
sale
of
Wakodo
by
Sankyo
to
Asahi
Breweries,
and
the
deal
to
turn
Kirin

Beverages into a wholly-owned subsidiary of Kirin Brewery.

Global Investment Banking

Appendix:

First Quarter

Achievements: P31

League Tables: P32

Market Share Data: P33

Net Revenue and Income before Income Taxes

*Thomson Financial

Note : In April 2004, Fixed

Income, Equity and certain

functions of Investment

Banking were consolidated

to create Global Markets.

FY2007.3

1Q

2Q

3Q

4Q

1Q

Net revenue

69.1

70.9

75.4

99.7

12.8

20.5

35.3

31.1

18.8

-40%

47%

Non-interest expenses

56.4

53.7

46.2

48.1

10.6

11.3

12.0

14.2

13.2

-7%

25%

Income before income taxes

12.8

17.2

29.2

51.5

2.2

9.1

23.3
17.0
5.6
-67%
157%
YoY
QoQ
FY2005.3
FY2006.3
FY2006.3
FY2003.3
FY2004.3
99.7
75.4
70.9
69.1
51.5
29.2
17.2
12.8
0
20
40
60
80
100
120
Net revenue
Income before
income taxes
(billions of yen)
12.8
20.5
35.3
31.1
18.8
2.2
9.1
23.3
17.0
5.6
0
10
20
30
40
(billions of yen)
Quarter
Full Year

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9
Global Merchant Banking
Appendix:
Effect of consolidation /
deconsolidation of certain
PE investee
companies :
P22

Business exposure: P27

Net Revenue and Income before Income Taxes

Net revenue of 12.1 billion yen, income before income taxes of 9.8 billion yen.

Booked realized / unrealized gains from the partial sale of Terra Firma investee companies.

Sold part of Nomura Principal Finance s (NPF) stake in Resort Solution to Mitsui Fudosan.

In new investments, NPF conducted a tender offer for Skylark, a major restaurant chain in Japan, via a special purpose vehicle which it holds the majority stake.

FY2007.3

1Q

2Q

3Q

4Q

1Q

Net revenue

-6.6

10.7

7.3

68.2

-3.3

6.9

80.1

-15.5

12.1

-

-

Non-interest expenses

8.6

10.2

10.4

12.8

2.6

2.2

2.5

5.5

2.3

-58%

-10%

Income before income taxes

-15.3

0.5

-3.0

55.4

-5.9

4.7

77.6

-21.0

9.8

-

-

FY2003.3

FY2004.3
FY2005.3
FY2006.3
FY2006.3
QoQ
YoY
-6.6
10.7
7.3
68.2
-15.3
0.5
-3.0
55.4
-30
0
30
60
90
Net revenue
Income before
income taxes
-3.3
6.9
80.1
-15.5
12.1
9.8
77.6
4.7
-5.9
-21.0
-30
0
30
60
90
(billions of yen)
Quarter
(billions of yen)
Full Year

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10
Asset Management
Appendix:
Assets Under
Management: P28,29
Asset Management
related data: P30
Net Revenue and Income before Income Taxes

Note:
In
January
2006,
certain
functions
of
Other
business
were
integrated
into
Asset
Management.
Certain
reclassifications
of
previously
reported
amounts
have
been
made
to
conform
to
the current
presentation.

*As of June 2006

Net
revenue
of
17.6
billion
yen
(-4%
QoQ,
+26%
YoY).
Income
before
income
taxes
of
5.2
billion
yen
(-9%
QoQ,
+32%

YoY).
Total
assets
under
management
decreased
150
billion
yen
from
the
end
of
March
to
23
trillion
yen.
Steady
growth
in
sales
of
funds
offering
frequent
distributions
such
as
My
Story
Profit
Distribution-type
Fund
(net
assets
up
197.0
billion
yen
QoQ
to
657.6
billion
yen*)
and
newly
launched
funds
such

as
absolute
return
funds
and
regional
index
funds.
Assets
under
management
in
funds
for
bank
customers
up
89.7
billion
yen
QoQ
to
890.5
billion
yen*.
Net
assets
in
Nomura
Global
6
Assets
Diversified
Fund
distributed
through
Japan
Post
rose
76.4
billion
yen
QoQ
to
166.4
billion
yen.*
FY2007.3
1Q
2Q

3Q
4Q
1Q
Net revenue
40.4
40.3
49.0
65.8
14.0
15.4
18.1
18.4
17.6
-4%
26%
Non-interest expenses
36.3
39.8
39.0
45.2
10.0
10.7
11.8
12.7
12.4
-2%
24%
Income before income taxes
4.0
0.5
10.0
20.6
4.0
4.7
6.2
5.7
5.2
-9%
32%
FY2005.3
FY2006.3
FY2006.3
FY2003.3
FY2004.3
YoY
QoQ
65.8
49.0
40.3
40.4

20.6
4.0
0.5
10.0
0
20
40
60
80
Net revenue
Income before income
taxes
(billions of yen)
14.0
15.4
18.1
18.4
17.6
5.2
5.7
4.0
4.7
6.2
0
5
10
15
20
25
(billions of yen)
Full Year
Quarter

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11
Non-interest Expenses (Business Segment Total)
Note:
All
non-interest
expense
figures

shown
on
this
slide
exclude
the
effects
of
consolidation/deconsolidation
of certain private equity investee companies. See P17 and P22 for more details.
Compensation and Benefits
Appendix:
Effect of Consolidation /
Deconsolidation of Certain PE
Investee
Companies: P22
Number of Employees: P35
Non-interest expenses (business segment total) of 155.3 billion yen (-14% QoQ, +16% YoY)
Compensation
and
benefits
decreased
9%
QoQ
to
79.5
billion
yen.
Information processing and communications decreased 16% QoQ
to 23.0 billion yen.
Full Year
Quarter
FY2007.3
1Q
2Q
3Q
4Q
1Q
Compensation and benefits
256.9
264.7
311.3
69.1
70.0
84.5
87.7
79.5
-9%
15%
Commissions and floor brokerage

18.9
22.1
31.4
5.5
8.6
8.1
9.3
9.8
5%
79%
Information processing and communications
79.9
80.9
89.1
20.5
20.5
20.8
27.3
23.0
-16%
12%
Occupancy and related depreciation
53.7
50.8
50.8
11.3
12.8
12.4
14.3
13.4
-6%
19%
Business development expenses
22.8
26.2
30.6
6.3
7.7
7.0
9.6
7.2
-25%
16%
Other
72.4
76.6
94.7
21.4
18.7
21.8

32.8
22.4
-32%
5%
Total
504.0
521.4
607.8
134.0
138.3
154.5
180.9
155.3
-14%
16%
YoY
QoQ
FY2004.3
FY2005.3
FY2006.3
FY2006.3
504.0
607.8
521.4
0
100
200
300
400
500
600
700
Other
Business development
expenses
Occupancy and related
depreciation
Information processing
and communications
Commissions and floor
brokerage
Compensation and
benefits
(billions of yen)
134.0
138.3
154.5
180.9
155.3
0

50
100
150
200
250
(billions of yen)

FY2007.3

1Q

2Q

3Q

4Q

1Q

FY2006.3

FY2006.3

FY2005.3

FY2004.3

114.4

113.7

150.5

142.4

151.1

160.7

264.7

311.3

256.9

0

50

100

150

200

250

300

350

(billions of yen)

30.6

30.3

43.5

46.2

37.7

38.6

39.7

41.0

41.7

41.5

79.5

69.1

70.0

84.5

87.7

Fixed-type compensation and benefits

Variable-type compensation and
benefits
1

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Appendix

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13
FY2007.3
1Q
Net income (lhs)
168.0
119.9
172.3
94.7

304.3

20.1

ROE (rhs)

11.1%

7.4%

10.1%

5.2%

15.5%

3.9%

*

Net income per basic share (yen)

85.6

61.3

88.8

48.8

159.0

10.5

Shareholders' equity per share (yen)

816.5

846.4

919.7

962.5

1,083.2

1,089.7

* Annualized

FY2006.3

FY2005.3

FY2002.3

FY2003.3

FY2004.3

168.0

119.9

172.3

94.7

304.3

11.1%

5.2%

7.4%

15.5%

10.1%

0

100

200

300

400

Net income (lhs)

ROE (rhs)

0%

5%

10%

15%

20%

Net Income and ROE
(billions of yen)

3.9%

20.1

Full Year

Quarter

Table of Contents

14
Consolidated Income
(billions of yen)
Commissions
140.0
141.6
210.2
222.0
356.3
61%

Fees from investment banking

75.3

81.8

87.0

92.3

108.8

18%

Asset management and portfolio service fees

110.0

79.3

66.2

78.5

102.7

31%

Net gain on trading

162.2

172.3

229.0

201.7

304.2

51%

Gain (loss) on private equity investments

232.5

-14.4

13.1

7.7

12.3

59%

Interest and dividends

500.5

368.7

343.3

401.4

693.8

73%

Gain (loss) on investments in equity securities

-55.9

-41.3

55.9

15.3

67.7

342%

Private equity entities product sales

-

6.2

17.6

75.1

88.2

18%

Other*

660.8
13.4
23.6
32.3
58.8
82%
1,825.4
807.7
1,045.9
1,126.2
1,792.8
59%
504.0
241.4
242.8
327.0
647.2
98%
1,321.4
566.3
803.1
799.2
1,145.7
43%
1,148.4
518.9
520.4
594.4
700.1
18%
173.0
47.4
282.7
204.8
445.6
118%
-
-
-
-
99.4
-
Income before income taxes
173.0
47.4
282.7
204.8
545.0
166%
168.0

119.9
 172.3
 94.7
 256.6
 171%

-
 -
 -
 -
 47.7
 -

Net income

168.0
 119.9
 172.3
 94.7
 304.3
 221%

FY2002.3
 FY2003.3
 FY2004.3
 FY2005.3
 FY2006.3

YoY

Revenue

Total revenue

Interest expense

Net income from continuing operations

Net income from discontinued operations

Net revenue

Non-interest expenses

Income from continuing operations before income taxes

Income from discontinued operations before income taxes

* FY2002.3 includes 3.5 billion yen for equity in earnings (losses) of affiliates, 294.9 billion yen in product sales (PFG investee company),

and 116.3 billion yen gain from sale of PFG investee company.

Note:

In

accordance

with

SFAS

No.

144

Accounting

for

the

Impairment

or

Disposal

of

Long-Lived
Assets ,
net
revenue
and
non-interest
expenses
from
operations
that were
treated
as
discontinued
during
the
fiscal
year
ended
March
31,
2006,
are
separately
reported
as
income
from
discontinued
operations
retroactively
to
the
first
quarter
of
the
fiscal
year
ended
March
31,
2006.

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15
Consolidated Income (Quarterly)
(billions of yen)
Note:
In
accordance
with
SFAS
No.
144
Accounting
for

the
Impairment
or
Disposal
of
Long-Lived
Assets ,
net
revenue
and
non-interest
expenses
from
operations
that were
treated
as
discontinued
during
the
fiscal
year
ended
March
31,
2006,
are
separately
reported
as
income
from
discontinued
operations
retroactively
to
the
first
quarter
of
the
fiscal
year
ended
March
31,
2006.
FY2007.3
1Q
2Q

3Q	
4Q	
1Q	
2Q	
3Q	
4Q	
1Q	
Commissions	
69.5	
45.6	
46.3	
60.6	
55.2	
77.5	
106.2	
117.5	
79.6	
-32%	
44%	
Fees from investment banking	
15.4	
32.3	
18.4	
26.1	
14.7	
24.1	
28.6	
41.5	
14.4	
-65%	
-3%	
Asset management and portfolio service fees	

18.2

19.8

19.3

21.1

19.9

24.9

25.6

32.2

29.7

-8%

49%

Net gain on trading

53.6

23.1

54.7

70.3

70.8

43.8

90.6

99.0

55.8

-44%

-21%

Gain (loss) on private equity investments

0.5

-2.1

-2.2

11.5

-2.5

2.2

7.6

5.0

9.8

97%

-

Interest and dividends

81.9

101.1

122.0

96.4

132.9

183.3

216.2

161.4

207.9

29%

56%

Gain (loss) on investments in equity securities

10.3

-11.6

7.8

8.9

-2.8

31.2

36.2

3.1

-20.5

-

-

Private equity entities product sales

17.4

15.9

20.2

21.6

24.5

22.0

23.9

17.8

21.0

18%

-14%

Other

8.5

4.7

7.2

11.8

6.9

5.7

19.1

27.0

4.2

-85%

-39%

275.3

228.8

293.8

328.4

319.6

414.8

554.0

504.4

401.7

-20%

26%

61.4

72.0

99.9

93.8

132.1

142.2

194.2

178.7

195.8

10%

48%

213.9

156.8

193.9

234.5

187.5

272.6

359.8

325.7

205.9

-37%

10%

141.5

140.6

144.7

167.6

158.4

160.3

182.5

198.7

172.5

-13%

9%

72.5

16.2

49.2

67.0

29.1

112.3

177.2

127.0

33.4

-74%

15%

-

-

-

-

1.6
5.3
9.9
82.6
-
-
-
Income before income taxes
72.5
16.2
49.2
67.0
30.7
117.6
187.1
209.6
33.4
-84%
9%
40.8
3.2
25.1
25.5
9.1
60.7
104.0
82.8
20.1

-76%

121%

-

-

-

-

-0.8

0.2

2.4

45.9

-

-

-

Net income

40.8

3.2

25.1

25.5

8.3

60.9

106.5

128.6

20.1

-84%

142%

FY2005.3

FY2006.3

QoQ

YoY

Revenue

Total revenue

Interest expense

Net income from continuing operations

Net income from discontinued operations

Net revenue

Non-interest expenses

Income from continuing operations before income taxes

Income from discontinued operations before income taxes

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16
Main Revenue Items
(billions of yen)
*Includes net interest revenue
FY2007.3
1Q
2Q
3Q
4Q
1Q

Stock brokerage commissions (Domestic Retail)

48.2
92.1
103.0
153.6
20.8
34.6
53.9
44.2
28.0
-37%
34%

Stock brokerage commissions (Other)

29.3
45.4
40.2
79.5
8.0
14.2
16.7
40.6
13.8
-66%
74%

Other brokerage commissions

7.6
12.2
13.0
14.3
2.8
2.2
6.0
3.3
2.7
-18%
-2%

Commissions for distribution of investment trusts

30.5
37.3
41.7
85.1
17.5
19.6
22.4
25.6
25.8
1%
48%

Other
26.0

23.2
24.1
23.8
6.1
6.9
7.2
3.7
9.2
148%
50%
Total
141.6
210.2
222.0
356.3
55.2
77.5
106.2
117.5
79.6
-32%
44%
Equity underwriting commissions
24.6
44.7
49.1
57.3
4.9
12.4
17.9
22.1
6.3
-72%
29%
Bond underwriting commissions
37.0
26.4
20.5
21.2
3.6
4.7
4.2
8.6
2.9
-66%
-21%
M&A/Financial advisory fees
16.8
15.8
22.6

30.3
6.2
6.9
6.4
10.8
5.2
-52%
-16%
Other
3.4
0.1
0.1
0.1
0.1
0.0
0.1
0.0
0.0
-26%
-62%
Total
81.8
87.0
92.3
108.8
14.7
24.1
28.6
41.5
14.4
-65%
-3%
Asset management fees
60.2
44.2
51.1
68.5
13.5
16.1
17.8
21.1
21.7
3%
61%
Administration fees
10.0
12.1
16.1
20.6
3.4

5.9
4.2
7.1
4.5
-37%
31%
Custodial fees
9.1
9.9
11.3
13.6
3.1
2.9
3.6
4.0
3.6
-11%
16%
Total
79.3
66.2
78.5
102.7
19.9
24.9
25.6
32.2
29.7
-8%
49%
Bonds and other
133.6
152.3
120.9
150.9
31.7
24.4
58.4
36.4
26.7
-27%
-16%
Equity
35.9
75.2
76.8
148.1
38.9
15.4
32.8

61.0
31.7
-48%
-18%
Gain on merchant banking trading
2.8
1.5
4.0
5.2
0.2
4.0
-0.6
1.6
-2.6
-
-
Net interest revenue
127.3
100.4
74.3
46.6
0.8
41.1
22.0
-17.3
12.1
-
1384%
Total
299.6
329.4
276.0
350.8
71.6
85.0
112.5
81.7
67.8
-17%
-5%
YoY
QoQ
FY2003.3
FY2004.3
FY2005.3
FY2006.3
FY2006.3
Commissions
Fees from
Investment

Banking
Asset
Management
and Portfolio
Service Fees
Net Gain on
Trading*
Full Year
Quarter

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17
Adjustment of Consolidated Results and Segment Results
(billions of yen)
Note:
In
accordance
with
SFAS
No.
144
Accounting
for

the
Impairment
or
Disposal
of
Long-Lived
Assets ,
net
revenue
and
non-interest
expenses
from
operations
that
were
treated
as
discontinued
during
the
fiscal
year
ended
March
31,
2006,
are
separately
reported
as
income
from
discontinued
operations
retroactively
to
the
first
quarter
of
the
fiscal
year
ended
March
31,
2006.
Quarter
Full Year

Segment results

US GAAP

Unrealized gain (loss) on
investments in equity
securities held for
relationship purposes
Effects of consolidation /
deconsolidation of certain
private equity investee
companies

FY2006.3

1Q

2Q

3Q

4Q

1Q

Net revenue

602.8

729.5

709.0

1,059.8

171.4

219.8

386.4

282.2

209.8

-26%

22%

Non-interest expenses

513.5

504.0

521.4

607.8

134.0

138.3

154.5

180.9

155.3

-14%

16%

Income before income taxes

89.2

225.5

187.6

452.0

37.4

81.5

231.8

101.2

54.4

-46%
 46%
 -11.0
 31.3
 36.3
 2.8
 -20.6

-
 -
 -
 -
 -
 -
 -
 -

-11.0
 31.3
 36.3
 2.8
 -20.6

-
 -

Net revenue

6.5
 18.9
 81.8
 26.5
 27.1
 21.6
 -62.9
 40.7
 16.8
 -59%
 -38%

Non-interest expenses

5.3
 16.4
 73.0
 92.2
 24.4
 22.1
 28.0
 17.8
 17.2
 -3%
 -30%

Income before income taxes

1.2
 2.4

8.9
 -65.7
 2.7
 -0.5
 -90.8
 23.0
 -0.4
 -
 -
 Net revenue
 566.3
 803.1
 799.2
 1,145.7
 187.5
 272.6
 359.8
 325.7
 205.9
 -37%
 10%
 Non-interest expenses
 518.9
 520.4
 594.4
 700.1
 158.4
 160.3
 182.5
 198.7
 172.5
 -13%
 9%
 Income from continuing operations
 before income taxes
 47.4
 282.7
 204.8
 445.6
 29.1
 112.3
 177.2
 127.0
 33.4
 -74%
 15%
 Income from discontinued
 operations before income taxes
 -
 -

-
 99.4
 -
 1.6
 5.3
 9.9
 82.6
 -
 -
 -
 Income before income taxes
 47.4
 282.7
 204.8
 545.0
 30.7
 117.6
 187.1
 209.6
 33.4
 -84%
 9%
 FY2006.3
 FY2006.3
 YoY
 QoQ
 FY2005.3
 FY2004.3
 FY2003.3
 Net revenue
 -43.0
 54.7
 8.4
 59.3
 Non-interest expenses
 -
 -
 -
 -
 Income before income taxes
 -43.0
 54.7
 8.4
 59.3

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Income by Segment

Notes:

In April 2005, Global Wholesale was reorganized into Global Markets, Global Investment Banking and Global Merchant Bank

In April 2004, Fixed Income, Equity and certain functions of Investment Banking were consolidated to create Global Markets

Global Markets figures up to FY2004.3 are the total of Fixed Income and Equity and differ slightly in composition from those

In January 2006, certain functions of Other business were integrated into Asset Management. Certain reclassifications of previous periods are reflected in the current presentation.

(billions of yen)

Net revenue

229.1
249.3
305.8
304.4
446.5
47%
Non-interest expenses
208.6
213.6
226.2
223.2
249.3
12%
Income before income taxes
20.5
35.7
79.5
81.2
197.2
143%
Net revenue
215.8
236.0
284.1
243.1
371.1
53%
Non-interest expenses
133.2
142.4
163.3
182.9
213.4
17%
Income before income taxes
82.6
93.6
120.8
60.2
157.7
162%
Net revenue
88.3
69.1
70.9
75.4
99.7
32%
Non-interest expenses
57.4

56.4
53.7
46.2
48.1
4%
Income before income taxes
30.9
12.8
17.2
29.2
51.5
76%
Net revenue
135.8
-6.6
10.7
7.3
68.2
830%
Non-interest expenses
58.0
8.6
10.2
10.4
12.8
24%
Income before income taxes
77.7
-15.3
0.5
-3.0
55.4
-
Net revenue
51.5
40.4
40.3
49.0
65.8
34%
Non-interest expenses
39.5
36.3
39.8
39.0
45.2
16%
Income before income taxes
12.0
4.0

0.5
10.0
20.6
106%
Net revenue
720.6
588.1
711.8
679.2
1,051.4
55%
Non-interest expenses
496.8
457.3
493.2
501.7
568.9
13%
Income before income taxes
223.8
130.8
218.5
177.5
482.5
172%
Net revenue
21.3
14.7
17.8
29.8
8.4
-72%
Non-interest expenses
166.5
56.2
10.8
19.7
38.9
98%
Income before income taxes
-145.2
-41.6
7.0
10.1
-30.5
-
Net revenue
741.8
602.8
729.5

709.0
1,059.8
49%
Non-interest expenses
663.3
513.5
504.0
521.4
607.8
17%
Income before income taxes
78.5
89.2
225.5
187.6
452.0
141%
YoY
FY2002.3
FY2003.3
FY2004.3
FY2005.3
FY2006.3
Domestic Retail
Global Markets
Global Investment
Banking
Global Merchant
Banking
Asset
Management
5 Segment Total
Other
Segment Total

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19
Income by Segment (Quarterly)
(billions of yen)
FY2007.3
1Q
2Q
3Q
4Q
1Q

2Q
3Q
4Q
1Q
Net revenue
87.0
64.8
73.0
79.6
84.8
101.4
136.7
123.6
105.6
-15%
25%
Non-interest expenses
53.3
54.9
55.0
60.0
54.5
60.0
62.6
72.2
63.1
-13%
16%
Income before income taxes
33.7
9.8
18.0
19.6
30.3
41.4
74.1
51.4
42.5
-17%
40%
Net revenue
71.8
44.9
56.6
69.8
49.8
77.7
115.2
128.4
68.9

-46%
38%
Non-interest expenses
41.2
41.5
43.8
56.4
50.5
46.2
54.3
62.4
54.6
-13%
8%
Income before income taxes
30.6
3.4
12.8
13.3
-0.7
31.5
60.9
66.0
14.3
-78%
-
Net revenue
12.9
22.9
20.2
19.4
12.8
20.5
35.3
31.1
18.8
-40%
47%
Non-interest expenses
10.7
11.5
10.7
13.4
10.6
11.3
12.0
14.2
13.2
-7%
25%

Income before income taxes
 2.3
 11.4
 9.5
 6.0
 2.2
 9.1
 23.3
 17.0
 5.6
 -67%
 157%
 Net revenue
 2.8
 -2.3
 -3.5
 10.4
 -3.3
 6.9
 80.1
 -15.5
 12.1
 -
 -
 Non-interest expenses
 3.0
 2.4
 2.2
 2.7
 2.6
 2.2
 2.5
 5.5
 2.3
 -58%
 -10%
 Income before income taxes
 -0.2
 -4.8
 -5.7
 7.7
 -5.9
 4.7
 77.6
 -21.0
 9.8
 -
 -
 Net revenue
 11.0

12.3
13.8
12.0
14.0
15.4
18.1
18.4
17.6
-4%
26%
Non-interest expenses
9.6
9.5
9.7
10.2
10.0
10.7
11.8
12.7
12.4
-2%
24%
Income before income taxes
1.4
2.8
4.1
1.7
4.0
4.7
6.2
5.7
5.2
-9%
32%
Net revenue
185.4
142.5
160.2
191.1
158.1
221.9
385.4
286.1
223.1
-22%
41%
Non-interest expenses
117.7
119.9
121.4

142.7
 128.2
 130.4
 143.2
 167.0
 145.6
 -13%
 14%
 Income before income taxes
 67.7
 22.6
 38.8
 48.4
 29.9
 91.4
 242.1
 119.1
 77.5
 -35%
 159%
 Net revenue
 -1.2
 13.6
 7.2
 10.2
 13.4
 -2.1
 1.0
 -3.9
 -13.3
 -
 -
 Non-interest expenses
 7.0
 6.5
 2.1
 4.1
 5.8
 7.8
 11.3
 14.0
 9.7
 -31%
 67%
 Income before income taxes
 -8.2
 7.0
 5.1
 6.1
 7.6

-9.9
 -10.3
 -17.9
 -23.0

-
 -

Net revenue

184.2
 156.0
 167.4
 201.3
 171.4
 219.8
 386.4
 282.2
 209.8
 -26%
 22%

Non-interest expenses

124.7
 126.4
 123.5
 146.8
 134.0
 138.3
 154.5
 180.9
 155.3
 -14%
 16%

Income before income taxes

59.5
 29.6
 43.9
 54.6
 37.4
 81.5
 231.8
 101.2
 54.4
 -46%
 46%

QoQ

FY2005.3

YoY

FY2006.3

Notes:

In April 2005, Global Wholesale was reorganized into Global Markets, Global Investment Banking and Global Merchant Bank

In January 2006, certain functions of Other business were integrated into Asset Management. Certain reclassifications of previ

Domestic Retail

Global Markets
Global Merchant
Banking
Asset
Management
5 Segment Total
Other
Segment Total
Global Investment
Banking

Table of Contents

20
Segment Other
Income before Income Taxes
(billions of yen)
Note:
 Other
for
the
FY2003.3
period
includes
21.2
billion
yen
of
impairment
loss
on
investment
of
affiliates.

FY2007.3

1Q

2Q

3Q

4Q

1Q

"Other" income before income taxes

-41.6

7.0

10.1

-30.5

7.6

-9.9

-10.3

-17.9

-23.0

Net gain/loss on trading related to economic hedging transactions

-6.2

-12.8

-9.7

-64.8

-2.8

-8.5

-17.6

-36.0

-11.4

Loss/gain on investment securities

1.7

1.2

6.9

8.4

8.2

-0.1

0.0

0.3

0.1

Equity in losses/earnings of affiliates

-3.8

8.5

7.3

27.8

2.7

2.9

8.3

13.9

3.3

Corporate items

-9.4

-10.7

4.5

-7.4
0.5
-3.7
-3.6
-0.6
-7.2
Other
-23.9
20.7
1.0
5.5
-1.1
-0.6
2.6
4.5
-7.9
FY2006.3
FY2006.3
FY2003.3
FY2004.3
FY2005.3
Full Year
Quarter

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21
Consolidated Balance Sheet
(billions of yen)
Mar. 31, 2006
Jun. 30, 2006
Mar. 31, 2006
Jun. 30, 2006
Cash and cash deposits
1,556
981
Short-term borrowings
692

	1,475
Payables and deposits	
	1,240
	1,537
Loans and receivables	
	1,364
	1,380
Collateralized financing	
	20,263
	16,310
Trading liabilities	
	6,528
	5,719
Collateralized agreements	
	17,028
	14,482
Other liabilities	
	642
	471
Long-term borrowings	
	3,599
	3,964
	13,697
	13,245
Total liabilities	
	32,963
	29,476
Other assets	
	1,381
	1,465
Shareholders' equity	
Total shareholders' equity	
	2,063
	2,077
Total assets	
	35,026
	31,553
Total liabilities and shareholders' equity	
	35,026
	31,553
Assets	
Liabilities	
Trading assets and private equity	
investments	

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22
Effect of Consolidation/Deconsolidation of Certain Private
Equity Investee Companies
(billions of yen)
Non-interest Expenses
Note:
In
accordance

with
SFAS
No.
144
Accounting
for
the
Impairment
or
Disposal
of
Long-Lived
Assets ,
net
revenue
and
non-interest
expenses
from
operations
that
were
treated
as
discontinued
during
the
fiscal
year
ended
March
31,
2006,
are
separately
reported
as
income
from
discontinued
operations
retroactively
to
the
first
quarter
of
the
fiscal
year

ended

March

31,

2006.

FY2007.3

1Q

2Q

3Q

4Q

1Q

Compensation and benefits

259.3

275.0

325.4

72.6

73.8

87.9

91.2

82.8

Fixed-type compensation and benefits

144.3

159.6

170.4

41.4

42.1

43.2

43.8

43.8

Segment total

142.4

151.1

160.7

38.6

39.7

41.0

41.5

41.7

Private equity investee companies

1.9

8.5

9.7

2.8

2.4

2.2

2.3

2.1

Variable-type compensation and benefits

115.0

115.4

155.0

31.2
31.7
44.7
47.4
39.0
Segment total
114.4
113.6
150.5
30.6
30.3
43.5
46.2
37.7
Private equity investee companies
0.6
1.8
4.5
0.6
1.4
1.2
1.2
1.2
Commissions and floor brokerage
19.2
23.9
32.9
5.9
8.9
8.5
9.7
10.3
Segment total
18.9
22.1
31.4
5.5
8.6
8.1
9.3
9.8
Private equity investee companies
0.3
1.8
1.5
0.4
0.3
0.4
0.4
0.4

Information processing and communications

80.0

81.4

89.6

20.6

20.6

21.0

27.4

23.2

Segment total

79.9

80.9

89.1

20.5

20.5

20.8

27.3

23.0

Private equity investee companies

0.1

0.5

0.5

0.2

0.1

0.2

0.1

0.2

Occupancy and related depreciation

54.2

53.5

55.0

12.5

14.0

13.4

15.2

14.4

Segment total

53.7

50.8

50.8

11.3

12.8

12.4

14.3

13.4

Private equity investee companies

0.5

2.7

4.3

1.2

1.1	
1.0	
0.9	
1.0	
Business development expenses	
23.1	
28.2	
32.8	
6.8	
8.2	
7.6	
10.2	
7.8	
Segment total	
22.8	
26.2	
30.6	
6.3	
7.7	
7.0	
9.6	
7.2	
Private equity investee companies	
0.3	
2.0	
2.2	
0.5	
0.5	
0.6	
0.6	
0.6	
Other	
73.3	
87.6	
115.4	
25.0	
21.9	
30.5	
38.0	
22.7	
Segment total	
72.4	
76.6	
94.7	
21.4	
18.7	
21.8	
32.8	
22.4	
Private equity investee companies	

0.9
11.0
20.8
3.6
3.2
8.7
5.3
0.3
Private equity entities cost of goods sold
11.9
44.7
48.8
15.0
13.0
13.7
7.1
11.4
Total non-interest expenses
520.4
594.4
700.0
158.4
160.3
182.5
198.7
172.5
Segment total
504.0
521.4
607.8
134.0
138.3
154.5
180.9
155.3
Private equity investee companies
16.4
73.0
92.2
24.4
22.1
28.0
17.8
17.2
FY2004.3
FY2005.3
FY2006.3
FY2006.3
Full Year
Quarter

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23

* Nomura Securities

** end of the period

*** transaction base

Domestic Retail Related Data (1)

FY2007.3

1Q

2Q

3Q

4Q

1Q

Retail stock brokerage commissions (billions of yen)

48.2

92.1
103.0
153.6
20.8
34.6
53.9
44.2
28.0
Commissions for investment trusts distribution (billions of yen)*
34.9
46.9
49.9
95.9
19.5
20.9
26.8
28.6
28.0
Bond investment trusts commission
16.9
11.1
6.4
3.5
1.1
0.8
0.7
0.8
0.6
Stock investment trusts commission
11.6
21.5
31.6
74.2
14.8
16.9
19.1
23.4
23.2
Foreign investment trusts commission
6.4
14.2
11.9
18.2
3.7
3.2
7.0
4.4
4.2
Domestic distribution volume of investment trusts (trillions of yen)
11.9

13.7
14.2
20.5
3.9
4.7
6.3
5.7
5.0
Bond investment trusts
8.6
10.1
10.4
14.3
2.6
3.4
4.4
3.9
3.3
Stock investment trusts
1.3
1.6
2.3
4.5
0.9
1.0
1.2
1.4
1.3
Foreign investment trusts
2.1
2.1
1.4
1.7
0.4
0.3
0.6
0.4
0.3
Other (billions of yen)
Outstanding value of variable annuity insurance policies**
166.6
261.6
446.4
654.4
504.3
550.4
609.8
654.4
748.2
Sales of JGBs for individual investors***

101.3
1,271.6
1,290.6
747.8
206.4
179.6
186.4
175.4
189.0
Retail foreign currency bond sales
2,284.7
1,990.0
1,154.4
1,119.2
304.8
340.7
268.6
205.1
166.4
FY2006.3
FY2004.3
FY2005.3
FY2003.3
FY2006.3
Full Year
Quarter

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24

Domestic Retail Related Data (2)

Domestic Client Assets*

*Domestic Client Assets = Total of client assets in custody in Domestic Retail (including regional financial institutions) and Financial Management Division.

**Includes CBs and warrants

***Includes variable annuity insurance

Mar. 31, 2003

Mar. 31, 2004

Mar. 31, 2005

Mar. 31, 2006

Jun. 30, 2006

Equities

17.1

28.9

33.5

49.3

45.6

Foreign currency bonds

3.7

4.0

4.0

3.6

3.5

Domestic bonds**

8.5

10.0

11.8

13.1

13.4

Stock investment trusts

2.2

3.0

3.3

5.3

5.3

Bond investment trusts

6.5

5.5

4.9

4.5

4.3

Overseas mutual funds

1.1

1.6

1.9

2.3

2.2

Other***

1.6

1.7

1.9

2.3

2.5

Total

40.6
54.8
61.2
80.5
76.7
40.6
54.8
61.2
80.5
76.7
0
20
40
60
80
100
Other***
Overseas mutual funds
Bond investment trusts
Stock investment trusts
Domestic bonds**
Foreign currency bonds
Equities
(trillions of yen)
Domestic Client Assets*

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25
FY2007.3
1Q
FY2006.3
FY2003.3
FY2004.3
FY2005.3
1,788

3,391

6,749

4,581

0

2,000

4,000

6,000

8,000

(billions of yen)

2,042

Domestic Retail Related Data (3)

Domestic Client Assets* Net Asset Inflow

*Domestic Client Assets excluding portion from regional financial institutions

Note: Net Asset Inflow = Asset Inflow

Asset Outflow

Quarter

Full Year

Domestic Client Assets Net Asset Inflow *

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26
Domestic Retail Related Data (4)
Number of Accounts
(thousands of accounts)
Mar. 31, 2003
Mar. 31, 2004

Mar. 31, 2005	
Mar. 31, 2006	
Jun. 30, 2006	
Accounts with balance*	
3,418	
3,460	
3,678	
3,780	
3,815	
Equity holding accounts*	
1,311	
1,379	
1,680	
1,745	
1,767	
New accounts (individual)* **	
237	
297	
425	
343	
86	
Nomura Home Trade (online trading accounts)*	
1,141	
1,367	
1,716	
1,969	
2,029	
IT share**	
No. of orders	
38%	
47%	
50%	
54%	
55%	
Transaction value	
14%	
22%	
24%	
27%	
28%	
* Total of Domestic Retail and Financial Management Division	
**Total for period	

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Global Merchant Banking Related Data

Business Exposure

Notes: Amount of exposure in Japan is total of Nomura Principal Finance (NPF) and Nomura Research & Advisory (NR&A) .

Amount of exposure in Europe (excluding Terra Firma) is total of Private Equity Group (PEG) and Nomura Phase4 Ventures (

Mar. 31, 2003

Mar. 31, 2004

Mar. 31, 2005

Mar. 31, 2006

Jun. 30, 2006

Japan

20.1

68.9

108.4

59.9

62.8

Europe (excluding Terra Firma)

15.9

15.6

23.7

38.8

35.6

Sub Total

35.9

84.5

132.1

98.7

98.4

Terra Firma

265.7

291.2

325.5

340.4

271.4

Total

301.6

375.7

457.6

439.1

369.7

35.9

84.5

132.1

98.7

98.4

301.6

375.7

457.6

439.1

369.7

0

100

200

300

400

500

Terra Firma

Europe (excluding Terra Firma)

Japan

(billions of Yen)

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28
Notes:
Total
assets
under
management
of
Nomura
Asset
Management,

Nomura
Corporate
Research
and
Asset
Management,
Nomura
BlackRock
Asset
Management,
Nomura
Funds
Research
and
Technologies,
MAINTRUST
(Germany),
and
Nomura
Funds
Research
and
Technologies
America.
Adjusted
for
asset
overlap
amongst
group
companies.
Nomura
Funds
Research
and
Technologies
America
data
as
of
end
of
May.
Asset Management Related Data (1)
Assets Under Management
Mar. 31, 2003
Mar. 31, 2004
Mar. 31, 2005
Mar. 31, 2006
Jun. 30, 2006

15.9
17.6
17.9
23.1
23.0
0
5
10
15
20
25

(trillions of yen)

Total Assets Under Management

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29

Asset Management Related Data (2)

Assets Under Management

(trillions of yen)

Public stock investment trusts

Public bond investment trusts

Privately placed investment trusts

Domestic investment advisory

Overseas investment advisory

Mar. 31, 2003	
Mar. 31, 2004	
Mar. 31, 2005	
Mar. 31, 2006	
Jun. 30, 2006	
10.7	
11.3	
10.8	
14.0	
14.1	
Public stock investment trusts	
3.2	
4.5	
4.4	
6.9	
7.3	
Public bond investment trusts	
7.3	
6.3	
5.6	
5.6	
5.3	
Privately placed investment trusts	
0.2	
0.4	
0.8	
1.5	
1.5	
3.6	
4.4	
5.1	
7.0	
6.7	
Domestic investment advisory	
2.9	
3.0	
3.2	
4.0	
3.8	
Overseas investment advisory	
0.7	
1.4	
2.0	
3.0	
3.0	
14.2	
15.7	
16.0	
21.0	
20.8	

FY2007.3

1Q

0.8

0.1

-0.1

1.0

0.9

ETF

0.6

0.2

-0.3

-0.4

0.5

-3.1

-1.0

-0.7

-0.0

-0.3

0.1

0.1

0.3

0.5

0.1

-2.2

-0.7

-0.5

1.5

0.7

Investment trusts

<Assets Under Management>

Public stock investment trusts

<Investment trust Net Asset Inflows>

Investment advisory

Total

Public bond investment trusts

FY2006.3

FY2005.3

FY2003.3

FY2004.3

Privately placed investment trusts

Net Asset Inflows

Mar. 31, 2003

Mar. 31, 2004

Mar. 31, 2005

Mar. 31, 2006

Jun. 30, 2006

14.2

15.7

16.0

21.0

20.8
0
5
10
15
20
25

(trillions of yen)

Nomura Asset Management Assets Under Management

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30
Asset Management Related Data (3)
Investment Trusts

(billions of yen)

Mar. 31, 2005

Mar. 31, 2006

Jun. 30, 2006

Banks

339

801

891

Japan Post

0

90

166

My Story Profit Distribution-type Fund (6 Times/Year)

0

461

658

Nomura Multi-currency Japan Stock Fund

0

384

417

Global REIT Open

17

307

377

Nomura Japan Stock Strategic Fund (Big Project - N)

338

424

376

Nomura Fund Masters Global Bond

181

330

304

Nomura US High Yield Bond Income

345

319

272

Nomura Global REIT Fund

0

225

242

Japan Attractive Dividend Stock Fund

0

296

218

Nomura Japan Open

77

175

188

(trillions of yen)

Mar. 31, 2003

Mar. 31, 2004	
Mar. 31, 2005	
Mar. 31, 2006	
Jun. 30, 2006	
Stock investment trusts	
3.2	
4.5	
4.4	
6.9	
7.3	
Bond investment trusts	
7.3	
6.3	
5.6	
5.6	
5.3	
Public stock investment trusts, Nomura's share (%)	
19%	
19%	
15%	
15%	
16%	
Public bond investment trusts, Nomura's share (%)	
40%	
40%	
42%	
42%	
42%	
Stock investment trusts	
16.3	
23.3	
28.9	
45.0	
46.1	
Bond investment trusts	
18.1	
15.8	
13.5	
13.5	
12.7	
Source: Investment Trusts Association, Japan	
Market Total	
Nomura Asset	
Management	
Domestic Public	
Investment Trust	
Market and	
Nomura Asset	
Management	
Market Share	

AUM in Funds for
Bank/Post Office
Customers
AUM in Key
Funds

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31
First Quarter Achievements
Large International Bond Underwritings
Republic of Austria:
5.0 billion euros (joint lead manager)
Atlante
Finance Sri:

1.2 billion euros (joint lead manager)
Foreign Currency Bond Offerings to Retail Investors
Toyota Motor Credit:
USD610 million
KfW:
AUD230 million
Key Business Areas
Loan-related Business:
120 billion yen
Asset Finance:
Arranged 81 billion yen in funding for Japan's largest PFI project
Equity Derivatives:
Completed 23 fund derivative contracts (total amount: 144 million euros)
Major Deals
IPO
Adtec
Engineering: 4.5 billion yen
PO
Mitsubishi UFJ Financial Group: 418.4 billion yen; Nomura Real Estate Office Fund: 32.2 billion yen;
Kenedix
Realty Investment: 43.7 billion yen
MPO/HPO
Eight deals totaling 342.2 billion yen (based on launch date) including Sojitz: 300 billion yen; Tokyu
Construction: 20 billion yen; The Eighteenth Bank (HPO): 15 billion yen
M&A
Sale of Wakodo
from Sankyo to Asahi Breweries: 45.9 billion yen
Deal to turn Kirin Beverages into wholly-owned subsidiary of Kirin Brewery: 74.9 billion yen
Buyout of German auto part maker IFA-AT by NTN (joint deal with Rothschild): Value not disclosed
Sales of New Investment Trusts
Alliance
Bernstein
US
Growth
Stock
Fund
(launched
May
25,
2006)
105.2 billion yen (as of June 30, 2006)
Fidelity
Japan
Asia
Growth
Fund
(launched
Jun.
29,
2006)

46.5 billion yen (as of June 30, 2006)
Nomura HFR New Managers Fund (launched Apr. 26, 2006)
31.3 billion yen (closed-end)
Nomura AW Hedge Fund II (launched May 26, 2006)
18.9 billion yen (closed-end)
Domestic
Retail
Global
Markets
Global
Investment
Banking
Joinvest
Securities
May
June
Number of Accounts
21,400
40,156
Number of Margin Trading Account
0
1,224
Monthly Transaction Value (Million yen)
1,377
54,919
Monthly Margin Transaction Value
0
19,472

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32
League Tables
Source: Thomson Financial
Proceeds
(USD m)
Mkt. Share
No. of Issues
Rank Value

(USD m)

Mkt. Share

No. of Deals

1

Nomura

8,672.9

27.0%

58

1

UBS

24,313.9

30.8%

14

2

Daiwa Securities SMBC

6,954.7

21.7%

54

2

Goldman Sachs

23,272.9

29.5%

10

3

Nikko

Citigroup

4,940.6

15.4%

26

3

Nikko

Citigroup

23,097.2

29.2%

12

4

Goldman Sachs

4,844.1

15.1%

6

4

Mizuho Financial Group

21,120.8

26.7%

65

5

Mizuho Financial Group

2,152.1

6.7%

25

5	
Deutsche Bank	
18,078.6	
22.9%	
4	
6	
Merrill Lynch	
1,225.5	
3.8%	
7	
6	
Nomura	
17,012.5	
21.5%	
83	
7	
UBS	
797.6	
2.5%	
4	
7	
Daiwa Securities SMBC	
11,366.3	
14.4%	
69	
8	
Morgan Stanley	
785.8	
2.5%	
4	
8	
KPMG Corporate Finance	
8,720.5	
11.0%	
15	
9	
Mitsubishi UFJ Financial Group	
401.2	
1.3%	
18	
9	
Mitsubishi UFJ Financial Group	
6,029.7	
7.6%	
49	
10	
Shinko Securities	
396.0	
1.2%	
19	

10
Rothschild
5,400.0
6.8%
2
Proceeds
(JPY m)
Mkt. Share
No. of Issues
Proceeds
(JPY m)
Mkt. Share
No. of Issues
1
Nikko
Citigroup
271,407.6
21.6%
24
1
Mizuho Securities
538,944.5
30.9%
30
2
Nomura
179,552.7
14.3%
10
2
Daiwa Securities SMBC
369,937.5
21.2%
20
3
Mitsubishi UFJ Financial Group
147,361.0
11.7%
5
3
Mitsubishi UFJ Securities
318,950.7
18.3%
19
4
UBS
135,281.6
10.8%
11
4

Nikko
Citigroup
199,997.0
11.5%
10
5
Merrill Lynch
84,935.2
6.8%
3
5
Nomura
179,985.5
10.3%
13
6
Daiwa Securities SMBC
84,756.3
6.7%
8
6
Goldman Sachs
99,960.0
5.7%
1
7
Mizuho Financial Group
73,200.0
5.8%
6
7
BNP Paribas
20,000.0
1.1%
1
8
Morgan Stanley
72,207.5
5.7%
5
8
Shinko Securities
10,000.0
0.6%
1
9
Barclays Capital
54,000.0
4.3%
9

9

Merrill Lynch Japan Securities

8,998.2

0.5%

1

10

Deutsche Bank

52,068.5

4.1%

4

R

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Bookrunner

Jan. 1, 2006 -

Jun. 30, 2006

R

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R

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Domestic Straight Bonds (excluding self-funding)

Global & Euro Yen Bonds

Bookrunner

Apr. 1, 2006 -

Jun. 30, 2006

Global Equity & Equity-related (Japan)

Announced deals, value base

Bookrunner

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Jan. 1, 2006 -

Jun. 30, 2006

Jan. 1, 2006 -

Jun. 30, 2006

Advisor

Any Japanese Involvement Financial Advisors

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33
Market Share Data
(trillions of yen)
FY2007.3
1Q
2Q
3Q
4Q
1Q

Individual Equity Agency Transactions Share

Market

52.0
105.9
144.7
308.3
38.8
64.3
104.3
100.9
74.2

Nomura's share

16%
10%
8%
7%
7%
7%
7%
6%
5%

Off-floor/Off-exchange Equity Trading Share

Off-floor market

33.2
31.9
33.2
48.6
8.8
11.4
14.5
14.0
13.9

Off-exchange

14.1
19.3
21.1
30.5
4.9
6.6
9.3
9.7
9.6

Nomura's share

20%
16%
17%
21%
18%
19%
23%

22%
22%
JGB Auction Share
Market
68.1
74.4
80.1
80.7
19.8
22.2
20.2
18.6
21.1
Nomura's share
15%
16%
18%
11%
11%
10%
9%
15%
12%
Bond Secondary Trading Share
Market
1,129
1,235
1,361
1,296
365
326
292
312
355
Nomura's share
14%
16%
15%
13%
13%
13%
11%
13%
12%
FY2003.3
FY2004.3
FY2005.3
FY2006.3
FY2007.3
1Q

Global Equity and Equity-related Japan

Nomura's share

30%

30%

25%

26%

26%

Japanese IPO

Nomura's share

11%

27%

32%

20%

8%

Japanese PO

Nomura's share

50%

33%

25%

27%

42%

Convertible Bonds

Nomura's share

13%

28%

19%

34%

0%

Global and Euro Yen Bonds

Nomura's share

21%

31%

23%

23%

13%

Straight Bonds, Lead Manager (excl. self-funding)

Nomura's share

26%

19%

17%

18%

8%

Source: Thomson Financial (Value base)

FY2003.3

FY2004.3

FY2006.3

FY2006.3

FY2005.3

Full Year

Quarter

Secondary Market
Share Data
Primary Market
Share Data

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34
Value at Risk (Consolidated)
Definition
99% confidence level
1-day time horizon for outstanding portfolio
Inter-product price fluctuations considered
From April 3, 2006 to June 30, 2006 (billion yen)
Maximum:
8.9
Minimum:
5.8
Average:

6.8
(billions of yen)
Equity
1.5
3.3
3.0
6.0
5.4
Interest Rate
2.3
2.0
2.8
3.3
4.1
Foreign Exchange
0.2
0.5
0.7
1.4
1.5
Sub-total
4.0
5.8
6.5
10.7
11.0
Diversification Benefit
-0.9
-1.9
-2.4
-3.7
-3.8
VaR
3.1
3.9
4.1
7.0
7.1
Jun. 06
Mar. 06
End of quarter
Mar. 03
Mar. 04
Mar. 05

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Number of Employees

*Excludes employees of private equity investee companies

Mar. 2003

Mar. 2004

Mar. 2005

Mar. 2006

Jun. 2006

Japan (excluding FA, SA)*

9,258

9,148

9,190

9,354

9,901

Japan (FA, SA)

1,986

1,915

1,875

1,948

2,177

Europe
1,389
1,403
1,535
1,515
1,464
Americas
797
866
1,026
1,073
1,049
Asia/Oceania
616
655
718
778
788
Total
14,046
13,987
14,344
14,668
15,379

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Nomura Holdings, Inc.
www.nomura.com