

NOMURA HOLDINGS INC  
Form 6-K  
October 25, 2007  
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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 October 2007.

## 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

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):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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

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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. Financial Highlights Six months ended September 2007
2. Nomura Reports Second Quarter, First Half Financial Results
3. Notification of Impairment of Investments in Subsidiaries and Affiliates in Unconsolidated Financial Statements

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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: October 25, 2007

By: /s/ Toshio Hirota  
Toshio Hirota

Executive Managing Director

**Table of Contents****Financial Highlights - Six months ended September 30, 2007 (US GAAP)**

Date: October 25, 2007  
Company name (code number): **Nomura Holdings, Inc. (8604)**  
Stock exchange listings: (In Japan) Tokyo, Osaka, Nagoya  
(Overseas) New York, Singapore  
Representative: Nobuyuki Koga  
President and Chief Executive Officer, Nomura Holdings, Inc.  
For inquiries: Tomoyuki Funabiki  
Managing Director, Investor Relations Department, Nomura Holdings, Inc.  
Tel: (Country Code 81) 3-5255-1000  
URL <http://www.nomura.com>

**1. Consolidated Operating Results**

## (1) Operating Results

|  | For the six months ended September 30            |         | For the year ended |
|--|--|---------|--------------------|
|  | 2007   | 2006    | March 31<br>2007   |
|  | (Yen amounts in millions, except per share data) |         |                    |
|  | % Change from<br>September 30, 2006              |         |                    |
| Total revenue                            | 1,147,160  | 870,944 | 2,049,101          |
| Net revenue                              | 600,937  | 456,912 | 1,091,101          |
| Income before income taxes               | 96,374   | 106,491 | 321,758            |
| Net income                               | 66,226   | 63,665  | 175,828            |
| Basic net income per share               | 34.70  | 33.41   | 92.25              |
| Diluted net income per share             | 34.59  | 33.33   | 92.00              |
| Net income to shareholders' equity (ROE) | 6.0%   | 6.1%    | 8.3%               |
| Equity in earnings of affiliates         | 10,997   | 9,091   | 53,367             |

## (2) Financial Position

|  | At September 30                                  |            | At March 31 |
|--|--|------------|-------------|
|  | 2007   | 2006       | 2007        |
|  | (Yen amounts in millions, except per share data) |            |             |
| Total assets   | 29,333,718                                       | 32,682,845 | 35,873,374  |
| Shareholders' equity                                 | 2,233,928  | 2,125,028  | 2,185,919   |
| Shareholders' equity as a percentage of total assets | 7.6%   | 6.5%       | 6.1%        |
| Shareholders' equity per share                       | 1,170.31   | 1,114.88   | 1,146.23    |

## (3) Cash flows

|  | For the year ended                    |          |
|--|---------------------------------------|----------|
|  | For the six months ended September 30 | March 31 |

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|  | 2007                      | 2006        | 2007        |
|--|---------------------------|-------------|-------------|
|  | (Yen amounts in millions) |             |             |
| Net cash used in operating activities      | (666,068)                 | (1,389,799) | (1,627,156) |
| Net cash used in investing activities      | (145,438)                 | (144,285)   | (533,813)   |
| Net cash provided by financing activities  | 1,072,523                 | 868,178     | 1,568,703   |
| Cash and cash equivalents at end of period | 660,404                   | 330,804     | 410,028     |

Note: All prior year amounts have been reclassified to conform to the current year presentation.

## 2. Cash dividends

|  | For the year ended |                  |             |
|--|--------------------|------------------|-------------|
|  | 2007               | March 31<br>2008 | 2008 (Plan) |
| Target dividends per share <sup>See note 1</sup>                     |                    |                  |             |
| dividends record dates   |                    |                  |             |
| At June 30   | 8.00               | 8.50             |             |
| At September 30  | 8.00               | 8.50             |             |
| At December 31   | 8.00               |                  | 8.50        |
| At March 31  | 8.00               |                  | 8.50        |
| Additional payout based on the level of profit <sup>See note 2</sup> |                    |                  |             |
| At March 31  | 12.00              | Unconfirmed      |             |
| Total at March 31  | 20.00              | Unconfirmed      |             |
| For the year   | 44.00              |                  | 34.00       |

Note: 1. Target dividends are minimum level of cash dividends.

2. When Nomura achieves a sufficient level of profit, additional dividend will be added to its annual target dividends per share taking into consideration the consolidated payout ratio of over 30%.

## 3. Earnings forecasts for the year ending March 31, 2008

Nomura provides investment, financing and related services in the capital markets on a global basis. In the global capital markets there exist uncertainties due to, but not limited to, economic and market conditions. Nomura, therefore, does not present earnings forecasts.

**Table of Contents****4. Other**

(1) Significant changes to consolidated subsidiaries during the period : None

(2) Changes in accounting basis, procedure and presentation for the consolidated financial statements  
The items described in Significant changes for presenting the consolidated financial statements .

a) Changes in accounting principles : Yes

b) Other changes : None

Note: Please refer to page 23 Note 1. Summary of accounting policies for details.

(3) Number of shares issued (common stock)

|   | At September 30 |               | At March 31   |
|---|-----------------|---------------|---------------|
|   | 2007            | 2006          | 2007          |
| Number of shares outstanding (including treasury stock) | 1,965,919,860   | 1,965,919,860 | 1,965,919,860 |
| Treasury stock  | 55,949,594      | 58,594,717    | 57,730,371    |

Note: 1. Treasury stock represents the number of share owned by Parent Company.

2. Please refer to page 23 Note 2. Per share data for the number of shares used in basic net income per share calculation.

**Parent Company Only Operating Results (Japanese GAAP)**

(1) Operating Results

|                                    | For the year ended                               |         |          |
|------------------------------------|--|---------|----------|
|                                    | For the six months ended September 30            |         | March 31 |
|                                    | 2007   | 2006    | 2007     |
|                                    | (Yen amounts in millions, except per share data) |         |          |
|                                    | % Change from<br>September 30, 2006              |         |          |
| Operating revenue                  | 318,572  | 27.2%   | 250,495  |
| Operating income                   | 236,963  | 23.8%   | 191,385  |
| Ordinary income                    | 238,649  | 23.9%   | 192,667  |
| Net profit                         | 135,694  | (28.5)% | 189,727  |
| Net profit per share               | 71.07  |         | 99.50    |
| Fully diluted net profit per share | 70.60  |         | 99.06    |

(2) Financial Position

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|  | At September 30<br>2007                          | At September 30<br>2006 | At March 31<br>2007 |
|--|--|-------------------------|---------------------|
|  | (Yen amounts in millions, except per share data) |                         |                     |
| Total assets                                     | 4,572,212  | 4,021,704               | 4,438,039           |
| Total net assets                                 | 1,545,227  | 1,538,647               | 1,475,328           |
| Total net assets as a percentage of total assets | 33.7%  | 38.2%                   | 33.2%               |
| Total net assets per share                       | 806.11   | 806.46                  | 772.51              |
| Shareholders' equity                             | 1,539,648  | 1,538,184               | 1,474,104           |



**Table of Contents****Financial Summary for the Six Months Ended September 30, 2007****Results of Operations****US GAAP Figures**

|   | Billions of yen<br>For the six months ended              |  | % Change<br>(%) | Billions of yen   |
|---|--|--|-----------------|---|
|   | September 30,<br>2007<br>(2007.4.1~<br>2007.9.30)<br>(A) | September 30,<br>2006<br>(2006.4.1~<br>2006.9.30)<br>(B) |                 | For the year ended<br>March 31,<br>2007<br>(2006.4.1~<br>2007.3.31) |
| Net revenue                               | 600.9  | 456.9  | 31.5            | 1,091.1   |
| Non-interest expenses                     | 504.6  | 350.4  | 44.0            | 769.3   |
| <b>Income (loss) before income taxes</b>  | <b>96.4</b>  | <b>106.5</b>   | <b>(9.5)</b>    | <b>321.8</b>  |
| Income tax expense                        | 30.1   | 42.8   | (29.6)          | 145.9   |
| <b>Net income (loss)</b>                  | <b>66.2</b>  | <b>63.7</b>  | <b>4.0</b>      | <b>175.8</b>  |
| <b>Return on equity (ROE, annualized)</b> | <b>6.0%</b>  | <b>6.1%</b>  |                 | <b>8.3%</b>   |

Nomura Holdings, Inc. and its consolidated entities ( Nomura ) reported net revenue of 600.9 billion yen for the six months ended September 30, 2007, an increase of 31.5% from the previous year, and non-interest expenses of 504.6 billion yen, a 44.0% year-on-year increase. Income before income taxes decreased 9.5% to 96.4 billion yen, while net income increased 4.0% to 66.2 billion yen. As a result, ROE for the six months was 6.0%.

**Total of business segments**

|  | Billions of yen<br>For the six months ended              |  | % Change<br>(%) | Billions of yen   |
|--|--|--|-----------------|---|
|  | September 30,<br>2007<br>(2007.4.1~<br>2007.9.30)<br>(A) | September 30,<br>2006<br>(2006.4.1~<br>2006.9.30)<br>(B) |                 | For the year ended<br>March 31,<br>2007<br>(2006.4.1~<br>2007.3.31) |
| Net revenue                              | 552.7  | 465.5  | 18.7            | 1,057.7   |
| Non-interest expenses                    | 432.2  | 313.4  | 37.9            | 680.5   |
| <b>Income (loss) before income taxes</b> | <b>120.5</b>   | <b>152.1</b>   | <b>(20.8)</b>   | <b>377.3</b>  |

Nomura engages in private equity investing through its Global Merchant Banking division. Nomura's US GAAP consolidated financial information includes the effect of consolidation/deconsolidation of certain private equity investee companies. Business segment totals exclude these effects as well as gain (loss) on investments in equity securities held for operating purposes.

Net revenue of business segments for the six months ended September 30, 2007, increased 18.7% from the prior year to 552.7 billion yen. Non-interest expenses increased 37.9% year-on-year to 432.2 billion yen, and income before income taxes declined 20.8% year-on-year to 120.5

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billion yen. Please refer to page 32 for an explanation of the differences between US GAAP and business segment values.

**Table of Contents****Income (loss) before income taxes by business segment**

|  | Billions of yen<br>For the six months ended       |   | % Change<br>(%) | Billions of yen<br>For the year ended<br>March 31,<br>2007<br><br>(2006.4.1~<br>2007.3.31) |
|--|---|---|-----------------|--|
|  | September 30,<br>2007<br>(2007.4.1~<br>2007.9.30) | September 30,<br>2006<br>(2006.4.1~<br>2006.9.30) |                 |  |
|  | (A)   | (B)   | (A-B)/(B)       |  |
| Domestic Retail                          | 82.8  | 70.7  | 17.0            | 160.9  |
| Global Markets                           | (41.6)  | 10.7  |                 | 58.8   |
| Global Investment Banking                | 16.8  | 21.8  | (23.0)          | 44.4   |
| Global Merchant Banking                  | 45.5  | 51.3  | (11.2)          | 52.8   |
| Asset Management                         | 19.9  | 16.3  | 22.0            | 36.5   |
| Sub Total                                | 123.3   | 170.8   | (27.8)          | 353.3  |
| Other                                    | (2.8)   | (18.7)  |                 | 23.9   |
| <b>Income (loss) before income taxes</b> | <b>120.5</b>                                      | <b>152.1</b>                                      | <b>(20.8)</b>   | <b>377.3</b>   |

In Domestic Retail, income before income taxes increased 17.0% from last year to 82.8 billion yen.

Although a decline in equity agency transaction value led to a drop in stock brokerage commissions compared to last year, robust sales of investment trusts resulted in an increase in commissions for distribution of investment trusts and investment trust administration fees and other.

In Global Markets, loss before income taxes was 41.6 billion yen. Fixed Income reported a year-on-year decline in income before income taxes due to losses related to our exit from the US RMBS business. In other Fixed Income businesses, trading of interest rate and currency-linked structured bonds as well as credit derivatives and interest rate and currency-linked derivatives mainly in Europe contributed to revenue. Equity reported an increase in income before income taxes from the prior year as strong trading in equity derivatives more than offset a decline in revenue from MPO transactions.

In Global Investment Banking, income before income taxes decreased 23.0% year-on-year to 16.8 billion yen. In addition to the strong domestic M&A business, Europe and Asia contributed to an expansion in revenue. However, equity financing by domestic corporates declined significantly from the same period last year and even though we retained a high market share, the overall value of equity underwriting declined, leading to the drop in income before income taxes.

In Global Merchant Banking, income before income taxes declined 11.2% compared to the previous year to 45.5 billion yen. The sales of Deutsche Annington by Terra Firma as well as Wanbishi Archives and Sliontec by Nomura Principal Finance contributed to revenue.

In Asset Management, income before income taxes increased 22.0% from the prior year to 19.9 billion yen. Assets under management increased 3.3 trillion yen compared to the end of the prior half-year period to 30.3 trillion yen on the back of growth in investment trusts and the investment advisory business. Asset management fees increased as a result. In investment trusts, the My Story Profit Distribution-type Course B Fund topped 2 trillion yen and sales of balanced funds and newly-launched funds remained firm.

Loss before income taxes in Other was 2.8 billion yen. Total income before income taxes for all business segments decreased 20.8% from the prior year to 120.5 billion yen.

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**Financial Position**

Total assets as of September 30, 2007, were 29.3 trillion yen, a decrease of 6.5 trillion yen compared to March 31, 2007, reflecting primarily a decrease in Collateralized agreements and Trading assets. Total liabilities as of September 30, 2007, were 27.1 trillion yen, a decrease of 6.6 trillion yen compared to March 31, 2007, mainly due to a decrease in Collateralized financing. Total shareholders' equity at September 30, 2007, was 2.2 trillion yen, an increase of 48 billion yen compared to September 30, 2007, mainly due to an increase in Retained earnings.

Cash and cash equivalents as of September 30, 2007, increased by 250.4 billion yen compared to March 31, 2007. During the six months ended on September 30, 2007, Net cash used in operating activities amounted to 666.1 billion yen mainly due to an increase in Securities purchased under agreements to resell net of securities sold under agreements to repurchase, and an increase in Securities borrowed net of securities loaned. Net cash used in investing activities during the period was 145.4 billion yen, mainly due to Payments for purchase of office buildings, land, equipment and facilities, Increase in loans receivables at banks and Increase in non-trading debt securities. Net cash provided by financing activities during the period was 1,072.5 billion yen as a result of an increase in long term and short term borrowings.

**Table of Contents****Financial Summary for the Three Months Ended September 30, 2007****Results of Operations**

|   | Billions of yen<br>For the three months ended     |  | % Change<br>(%) | Billions of yen<br>For the three months ended<br>September 30,<br>2006 |           | % Change<br>(%) |
|---|---|--|-----------------|--|-----------|-----------------|
|   | September 30,<br>2007<br>(2007.7.1~<br>2007.9.30) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) |                 | (2006.7.1)<br><br>2006.9.30)   | (A-C)/(C) |                 |
|   | (A)   | (B)  | (A-B)/(B)       | (C)  | (A-C)/(C) |                 |
| Net revenue                               | 220.2   | 380.7  | (42.2)          | 251.0  | (12.3)    |                 |
| Non-interest expenses                     | 266.7   | 237.9  | 12.1            | 177.9  | 49.9      |                 |
| <b>Income (loss) before income taxes</b>  | <b>(46.5)</b>                                     | <b>142.8</b>                                 |                 | <b>73.1</b>  |           |                 |
| Income tax expense                        | (35.9)  | 66.1   |                 | 29.6   |           |                 |
| <b>Net income (loss)</b>                  | <b>(10.5)</b>                                     | <b>76.7</b>                                  |                 | <b>43.5</b>  |           |                 |
| <b>Return on equity (ROE, annualized)</b> | <b>(1.9)%</b>                                     | <b>13.7%</b>                                 |                 | <b>8.3%</b>  |           |                 |

Nomura reported net revenue of 220.2 billion yen for the three months ended September 30, 2007, a 42.2% decrease from the previous quarter and a 12.3% decline compared to the prior-year second quarter. Non-interest expenses increased 12.1% from the previous quarter and 49.9% compared to the same period last year to 266.7 billion yen. Loss before income taxes was 46.5 billion yen, while net loss was 10.5 billion yen. These results reflect realized and unrealized losses related to our exit from the US RMBS business as well as a restructuring charge related to our focus on core businesses in the US and unrealized losses on investments in equity securities held for operating purposes. As a result, ROE for the second quarter was negative 1.9%.

**Total of business segments**

|  | Billions of yen<br>For the three months ended     |  | % Change<br>(%) | Billions of yen<br>For the three months ended<br>September 30,<br>2006 |           | % Change<br>(%) |
|--|---|--|-----------------|--|-----------|-----------------|
|  | September 30,<br>2007<br>(2007.7.1~<br>2007.9.30) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) |                 | (2006.7.1~<br><br>2006.9.30)   | (A-C)/(C) |                 |
|  | (A)   | (B)  | (A-B)/(B)       | (C)  | (A-C)/(C) |                 |
| Net revenue                              | 200.0   | 352.7  | (43.3)          | 255.7  | (21.8)    |                 |
| Non-interest expenses                    | 227.3   | 204.9  | 10.9            | 158.0  | 43.8      |                 |
| <b>Income (loss) before income taxes</b> | <b>(27.3)</b>                                     | <b>147.9</b>                                 |                 | <b>97.7</b>  |           |                 |

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Nomura engages in private equity investing through its Global Merchant Banking division. Nomura's US GAAP consolidated financial information includes the effect of consolidation/deconsolidation of certain private equity investee companies. Business segment totals exclude these effects as well as gain (loss) on investments in equity securities held for operating purposes.

Net revenue of business segments for the three months ended September 30, 2007, was 200.0 billion yen, a 43.3% decrease from the prior quarter and 21.8% decline compared to the same period last year. Non-interest expenses increased 10.9% from the previous quarter and 43.8% compared to the prior-year second quarter to 227.3 billion yen. Loss before income taxes was 27.3 billion yen. Please refer to page 32 for an explanation of the differences between US GAAP and business segment values.

**Table of Contents****Income (loss) before income taxes by business segments**

|  | Billions of yen<br>For the three months ended     |  | % Change<br>(%) | Billions of yen<br>For the three months ended<br>September 30, |           | % Change<br>(%) |
|--|---|--|-----------------|--|-----------|-----------------|
|  | September 30,<br>2007<br>(2007.7.1~<br>2007.9.30) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) |                 | 2006<br><br>(2006.7.1~<br>2006.9.30)                           |           |                 |
|  | (A)   | (B)  | (A-B)/(B)       | (C)  | (A-C)/(C) |                 |
| Domestic Retail                          | 32.2  | 50.6   | (36.3)          | 28.2   | 14.3      |                 |
| Global Markets                           | (67.7)  | 26.0   |                 | (3.6)  |           |                 |
| Global Investment Banking                | (3.9)   | 20.7   |                 | 16.3   |           |                 |
| Global Merchant Banking                  | 5.4   | 40.1   | (86.5)          | 41.5   | (86.9)    |                 |
| Asset Management                         | 7.7   | 12.2   | (37.0)          | 11.1   | (30.6)    |                 |
| Sub Total                                | (26.3)  | 149.6  |                 | 93.4   |           |                 |
| Other                                    | (1.0)   | (1.8)  |                 | 4.3  |           |                 |
| <b>Income (loss) before income taxes</b> | <b>(27.3)</b>                                     | <b>147.9</b>                                 |                 | <b>97.7</b>  |           |                 |

Second quarter income(loss) before income taxes was 32.2 billion yen in Domestic Retail, down 36.3% from the first quarter and up 14.3% from the same period last year; 67.7 billion yen loss in Global Markets; 3.9 billion yen loss in Global Investment Banking; 5.4 billion yen in Global Merchant Banking, down 86.5% from the first quarter and 86.9% from the same period last year; and 7.7 billion yen in Asset Management, down 37.0% from the first quarter and 30.6% from the same period last year.

Loss before income taxes in Other was 1 billion yen. Total loss before income taxes for all business segments was 27.3 billion yen.

**Table of Contents****Business Segment Results for the Three Months Ended September 30, 2007****Operating Results of Domestic Retail**

|  | Billions of yen<br>For the three months ended<br>September 30, |  | % Change<br>(%) |
|--|--|--|-----------------|
|  | 2007<br>(2007.7.1~<br>2007.9.30)                               | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) |                 |
|  | (A)  | (B)  | (A-B)/(B)       |
| Net revenue                              | 103.3  | 121.8  | (15.2)          |
| Non-interest expenses                    | 71.1   | 71.3   | (0.3)           |
| <b>Income (loss) before income taxes</b> | <b>32.2</b>  | <b>50.6</b>                                  | <b>(36.3)</b>   |

Net revenue decreased 15.2% from the previous quarter to 103.3 billion yen. Non-interest expenses decreased 0.3% to 71.1 billion yen. Income before income taxes was 32.2 billion yen, down 36.3% compared to the prior quarter.

Although commissions for distribution of investment trusts, sales credit, and stock brokerage commissions were down due to turmoil in the global financial markets, investment trust administration fees and other increased for the eleventh straight quarter as sales of investment trusts remained steady and net asset inflow into investment trusts outstripped the first quarter.

Domestic Client Assets<sup>1</sup> declined by 4 trillion yen from the end of June to 84.3 trillion yen due primarily to a slump in the stock market, while the number of accounts with a balance increased to 4.066 million.

**Operating Results of Global Markets**

|  | Billions of yen<br>For the three months ended<br>September 30, |  | % Change<br>(%) |
|--|--|--|-----------------|
|  | 2007<br>(2007.7.1~<br>2007.9.30)                               | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) |                 |
|  | (A)  | (B)  | (A-B)/(B)       |
| Net revenue                              | 16.8   | 108.9  | (84.6)          |
| Non-interest expenses                    | 84.5   | 82.9   | 1.9             |
| <b>Income (loss) before income taxes</b> | <b>(67.7)</b>  | <b>26.0</b>                                  |                 |

Net revenue decreased 84.6% from the previous quarter to 16.8 billion yen. Non-interest expenses increased 1.9% to 84.5 billion yen. Loss before income taxes was 67.7 billion yen.

In Fixed Income, revenue declined from the prior quarter due to realized and unrealized losses related to our exit from the US RMBS business. In other Fixed Income businesses, order flow for interest rate and currency-linked structured bonds weakened, while trading of credit derivatives and interest rate and currency-linked derivatives mainly in Europe contributed to revenue as we capitalized on revenue-generating opportunities amid the volatile interest rate and currency markets.

<sup>1</sup> Domestic Client Assets refers to the sum of assets under custody in the Domestic Retail segment (including regional financial institutions) and the Financial Management Division.





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In Equity, revenue remained around the same level as the prior quarter. Revenue from MPO transactions and block trades declined, while equity derivative trading was robust and Instinet revenue expanded. In addition, in view of the way in which transactions are carried out, a portion of Instinet revenue that to date was offset against commissions paid has been booked as revenue and expenses from the second quarter.

**Operating Results of Global Investment Banking**

|  | Billions of yen<br>For the three months ended     |  | % Change<br>(%) |
|--|---|--|-----------------|
|  | September 30,<br>2007<br>(2007.7.1~<br>2007.9.30) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) |                 |
|  | (A)   | (B)  | (A-B)/(B)       |
| Net revenue                              | 10.8  | 36.7   | (70.6)          |
| Non-interest expenses                    | 14.7  | 16.0   | (7.9)           |
| <b>Income (loss) before income taxes</b> | <b>(3.9)</b>                                      | <b>20.7</b>                                  |                 |

Net revenue decreased 70.6% from the previous quarter to 10.8 billion yen. Non-interest expenses decreased 7.9% to 14.7 billion yen, while loss before income taxes was 3.9 billion yen.

The equity finance market for Japanese corporates remained weak during the second quarter and the number of major M&A deals dropped off, resulting in a decline in deals contributing to revenue. Despite this, we retained our high market share and ranked number one in both the Global Equity and Equity-related (Japan) and M&A league tables<sup>2</sup> for January to September 2007.

In equity financing, we acted as lead manager in deals by Mitsui Trust Holdings and DA Office Investment Corporation. In M&A, we were financial advisor on the tender offer by Promise to acquire all shares in Sanyo Shinpan Finance.

<sup>2</sup> Source: Thomson Financial

**Table of Contents****Operating Results of Global Merchant Banking**

|  | Billions of yen<br>For the three months ended     |  | % Change<br>(%) |
|--|---|--|-----------------|
|  | September 30,<br>2007<br>(2007.7.1~<br>2007.9.30) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) |                 |
|  | (A)   | (B)  | (A-B)/(B)       |
| Net revenue                              | 8.5   | 43.4   | (80.5)          |
| Non-interest expenses                    | 3.0   | 3.3  | (8.3)           |
| <b>Income (loss) before income taxes</b> | <b>5.4</b>  | <b>40.1</b>                                  | <b>(86.5)</b>   |

Net revenue decreased 80.5% from the previous quarter to 8.5 billion yen. Non-interest expenses decreased 8.3% to 3 billion yen, while income before income taxes declined 86.5% to 5.4 billion yen.

During the quarter, realized gains were booked from the sale of a Terra Firma investee companies and Sliontec by Nomura Principal Finance. Unrealized losses and gains were also booked due to valuation at fair value of certain investee companies.

**Operating Results of Asset Management**

|  | Billions of yen<br>For the three months ended     |  | % Change<br>(%) |
|--|---|--|-----------------|
|  | September 30,<br>2007<br>(2007.7.1~<br>2007.9.30) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) |                 |
|  | (A)   | (B)  | (A-B)/(B)       |
| Net revenue                              | 23.7  | 26.4   | (10.3)          |
| Non-interest expenses                    | 16.0  | 14.2   | 12.6            |
| <b>Income (loss) before income taxes</b> | <b>7.7</b>  | <b>12.2</b>                                  | <b>(37.0)</b>   |

Net revenue decreased 10.3% from the previous quarter to 23.7 billion yen, non-interest expenses increased 12.6% to 16 billion yen, and income before income taxes declined 37.0% to 7.7 billion yen.

Total assets under management in Asset Management remained virtually unchanged from the end of the first quarter at 30.3 trillion yen. Amid the tough external environment of a rising yen and weak stock market, sales of balanced funds such as the My Story Profit Distribution-type Fund, Global Three Assets Balance Fund, and Nomura Global Six Assets Diversified Fund remained strong. In addition, newly-launched funds such as the Nomura Global High Interest Rate Currencies Fund and Nomura Aqua Investment proved popular. In the investment advisory business, the balance of advisory contracts continued to increase steadily. However, unrealized losses on pilot funds and seed money for product development were also booked during the quarter.

**Table of Contents****Other Operating Results**

|   | Billions of yen                             |  | % Change<br>(%) |
|---|---|--|-----------------|
|   | For the three months ended<br>September 30, |  |                 |
|   | 2007<br>(2007.7.1~<br>2007.9.30)            | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) | (A-B)/(B)       |
|   | (A)   | (B)  |                 |
| Net revenue                             | 37.0  | 15.4   | 139.7           |
| Non-interest expenses                   | 38.0  | 17.2   | 121.1           |
| <b>Income(loss) before income taxes</b> | <b>(1.0)</b>                                | <b>(1.8)</b>                                 |                 |

Net revenue increased 139.7% from the prior quarter to 37.0 billion yen. Loss before income taxes was 1 billion yen.

**Non-interest Expenses (Segment Total)**

|   | Billions of yen                             |  | % Change<br>(%) |
|---|---|--|-----------------|
|   | For the three months ended<br>September 30, |  |                 |
|   | 2007<br>(2007.7.1~<br>2007.9.30)            | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30) | (A-B)/(B)       |
|   | (A)   | (B)  |                 |
| Compensation and benefits                 | 94.4  | 100.7  | (6.2)           |
| Commissions and floor brokerage           | 22.6  | 22.7   | (0.5)           |
| Information processing and communications | 34.7  | 29.2   | 18.9            |
| Occupancy and related depreciation        | 15.1  | 15.9   | (4.9)           |
| Business development expenses             | 9.9   | 8.8  | 12.0            |
| Other                                     | 50.6  | 27.6   | 83.4            |
| <b>Non-Interest Expenses</b>              | <b>227.3</b>                                | <b>204.9</b>                                 | <b>10.9</b>     |

Business segment non-interest expenses increased 10.9% from the previous quarter to 227.3 billion yen. Other expenses increased due primarily to our focus on core businesses in the US.

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**Nomura's Capital Management**

*Capital Management Policy*

Nomura seeks to enhance shareholder value by capturing business opportunities as they develop. To achieve this goal, Nomura maintains sufficient capital to support its business. Nomura reviews its sufficiency of capital as appropriate, taking into consideration economic risks inherent in its businesses, regulatory requirements, and maintenance of a sufficient debt rating for a global financial institution.

*Dividend*

In regard to cash dividends, Nomura first decides target dividend amounts, minimum level of cash dividend, taking into account the firm's dividend-on-equity ratio (DOE) of about 3%. When Nomura achieves a sufficient level of profit, it will decide the amount of the year-end cash dividend taking into consideration a pay-out ratio of over 30%. Nomura seeks to ensure sustainable growth of its target dividend in the medium to long term. As for retained profits, Nomura intends to invest in business areas where high profitability and growth may reasonably be expected, including development and expansion of infrastructure, to maximize value for shareholders.

*Stock Repurchase*

Nomura repurchases shares when it recognizes the need to set out flexible financial strategies that allow the Board to respond quickly to changes in the business environment. When Nomura decides to set up a share buyback program, the firm will announce the decision soon after it is made and purchase the shares following internal guidelines.

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**Organizational Structure**

Nomura Holdings, Inc. and its consolidated subsidiaries, with a core of broker-dealer business, provide a wide range of investment, financing and related services to customers on a global basis. The services we provide include trading, underwriting, and offering securities, asset management services, and others.

The following table lists Nomura Holdings, Inc. and its significant subsidiaries, affiliates or equity-method investments.

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Nomura Holdings, Inc.

**Domestic Subsidiaries**

Nomura Securities Co., Ltd.

Nomura Asset Management Co., Ltd.

The Nomura Trust & Banking Co., Ltd.

Nomura Babcock & Brown Co., Ltd.

Nomura Capital Investment Co., Ltd.

Nomura Investor Relations Co., Ltd.

Nomura Principal Finance Co., Ltd.

Nomura Funds Research and Technologies Co., Ltd.

Nomura Pension Support & Service Co., Ltd.

Nomura Research & Advisory Co., Ltd.

Nomura Business Services Co., Ltd.

Nomura Facilities, Inc.

Nomura Institute of Capital Markets Research Joinvest Securities Co., Ltd.

**Overseas Subsidiaries**

Nomura Holding America Inc.

Nomura Securities International, Inc.

Nomura Corporate Research and Asset Management Inc.

Nomura Asset Capital Corporation The Capital Company of America, LLC

Nomura Derivative Products, Inc.

Nomura Global Financial Products, Inc.

Nomura Securities (Bermuda) Ltd.

Nomura Europe Holdings plc

Nomura International plc

Nomura Bank International plc Banque

Nomura France

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Nomura Bank (Luxembourg) S.A.

Nomura Bank (Deutschland) GmbH

Nomura Bank (Switzerland) Ltd.

Nomura Italia S.I.M. p.A.

Nomura Investment Banking (Middle East) B.S.C. (Closed)

Nomura Funding Facility Corporation Limited

Nomura Global Funding plc

Nomura Europe Finance N.V.

Nomura Principal Investment plc

NHI Acquisition Holding Inc.

Instinet Incorporated

Nomura Asia Holding N.V.

Nomura International (Hong Kong) Limited

Nomura Singapore Limited

Nomura Malaysia Sdn. Bhd.

Nomura Australia Limited

PT Nomura Indonesia

### **Affiliates/ equity-method investments**

Nomura Research Institute, Ltd.

JAFCO Co., Ltd.

Nomura Land and Building Co., Ltd.

Capital Nomura Securities Public Company Limited

Fortress Investment Group LLC



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### **Corporate Goals and Principles**

#### **Fundamental Management Policy**

Nomura Group is committed to a management vision of firmly establishing itself as a globally competitive Japanese financial services group. We have also set a management target of achieving an average consolidated return on equity (ROE) of 10% to 15% on a consolidated basis over the medium to long term.

In pursuing this vision, we put our clients first and contribute to the creation of an affluent society based on investment by listening closely to the needs of our clients and delivering superior investment services and high value added solutions via the financial and capital markets. We aim to go beyond the boundaries of the traditional securities business to take the lead in expanding into new business areas, and thereby construct new growth models, diversify our sources of earnings, and achieve a profit structure resilient to changes in the market environment. In addition, we will promote compliance with applicable laws, regulations and ensure proper corporate behavior.

#### **Structure of Business Operations**

Nomura Group is organized around globally-linked business divisions, rather than individual legal entities. Nomura Group's operations are comprised of Domestic Retail, Global Markets, Global Investment Banking, Global Merchant Banking and Asset Management. We will strive to achieve a higher level of specialization in each division, advance and progress our business in each respective area, and maximize the collective strength of Nomura Group by enhancing collaboration between business divisions.

#### **Management Challenges and Strategies**

##### *Current environment*

At present, the Japanese economy can be said to be in a moderate process of expansion with strong private demand, primarily in the corporate sector.

The global economy is slowing due to an adjustment in the housing market in the U.S. economy and concerns over the impact on the real economy are arising.

In this economic environment, M&A and financing needs to support activities to prepare for industry reorganization as a result of a shrinking domestic market in the coming aging society are surfacing among Japanese domestic corporations.

In domestic personal financial assets, the ongoing shift from savings to investment will continue to accelerate amid social change, including the mass retirement of the baby boomer generation and progress of further deregulation.

The investment needs of corporates and the fact that the shift from savings to investment of domestic financial assets has become firmly established, represent two major tides in domestic financial and capital markets. These trends mean that the role of the Company is becoming more significant, and we believe this increase our business opportunity that is broadening rapidly.

Looking at structural changes in the global financial system, we believe we can point to three major currents.

First is the fact that private equity funds, hedge funds and sovereign wealth funds in recent years have established a strong presence as new providers of risk money. As a result of tightening credit in the international financial markets due to subprime issues, uncertainty remains. However providing financing utilizing financial technologies to these funds will still be a core business to investment banks and universal banks.

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Second is the liquidity of balance sheets of financial institutions. European and U.S. commercial banks are aggressively making their balance sheets more liquid in the pursuit of profitability rather than scale. The risk tolerance of investors is weakening due to subprime issues, but the use of securitization as a method of making assets liquid and credit derivatives as a means of hedging credit risk will continue against the backdrop of financial institutions pursuing liquidity on their balance sheets.

Third is the rise of emerging markets. The uncertainty of the U.S. economy is increasing and concerns over impact to the global economy are arising. However, Asia still remains to attract the greatest attention of investors and corporate managers and the expanding trend in the growth of investment in Asia is causing major changes in global financial systems.

Thus we believe that we are seeing changes both in the domestic and the international environment that can be considered major opportunities for business growth. The Company believes that it is essential to expand our business by facing our clients head on, accurately understanding their needs, and responding to those needs as a basic stance.

### *Challenges and management response*

Nomura Group's management vision is to provide superior services for all kinds of investment. We have made efforts to expand the breadth of our business as a Group, aiming at further growth by expanding the scope of our business.

In striving for further growth in Nomura Group, we intend to take on the important issues of listening closely to our clients as we plan business growth, pursuing Nomura's distinct international strategy, and planning expansion into new areas of business.

### *Client-centric business growth*

Nomura Group's fundamental approach in expanding our business should be to thoroughly understand trends in our clients' interest and need in expanding the scope of our business, and to respond in such a way as to create business with our clients. Thus our aim is to develop this type of client-centric business as a Group, and at the same time to offer our business on a global scale as we assure continuing growth.

Each of our divisions is making the following efforts:

In Domestic Retail, we aim to shift personal financial assets away from bank savings to the securities markets, expanding and strengthening our client base. For that purpose, we will promptly offer products and services that meet our clients' needs by expanding client access channels, which include branch offices, call services and online services. We will also continue our efforts to provide education to investors in order to expand the overall investor universe towards the securities market.

In Global Markets, we provide high value-added products and solutions, through the application of financial techniques such as securitization and derivatives, and provide liquidity to financial instruments such as interest rates, foreign exchange, credit, equity and real estate linked products.

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In Global Investment Banking, we will expand our M&A advisory and corporate financing businesses by providing high value-added solutions in line with each client's individual needs. We will also use our domestic and international networks to build up a solid presence in Asia and further expand our global operations.

In Global Merchant Banking, we work closely with other business divisions in the Group to maximize the value of our investments by improving the enterprise value of companies we invest in.

In Asset Management, we will continue to maintain a structure which can continuously add value by concentrating our operations, enhancing research capabilities and improving our analysis. We also aim to increase assets under management by diversifying the investment opportunities we can offer and expanding our sales channels. In the defined contribution pension plan business, we will increase Nomura Group's client base by offering integrated services that run from consulting for plan implementation to offering individual products.

### *Development of Nomura's distinct international strategy*

Nomura Group's international strategy is also focused on client-centric business expansion, while we implement different business strategies that reflect the different characteristics of each region. In Europe we intend to take on the role of a provider of high-value added products as well as to strengthen this function, while, in the U.S., we are planning to continue focusing on our core competencies. Asia offers significant business potential and we intend to pursue the development of business closely in keeping with the regional needs based on the understanding of local requirements, increase the number of clients who recognize Nomura as a partner, by making maximum use of Nomura's financial technologies and global distribution network, in light of the distinctive qualities of each Asian country.

### *Expansion of new business areas*

We are putting more emphasis than ever on the expansion of new business areas. With the acquisition of Instinet, Nomura Group is addressing an electronic trading platform in global equities as a new business area. In the future, if we can be confident that businesses acquired through M&A will give rise to complementary relationships and provide synergy, we believe we will be able to utilize M&A as a powerful strategic option.

In addition, we will continue to accelerate our progress in the expansion of business areas with the goal of broader business operation by Nomura Group through such expansion as JOINVEST Securities Co., Ltd. and the loan business of Nomura Capital Investment Co., Ltd.

In addressing the above challenges and strategy, we will bring together the collective strengths of our domestic and international operations to expand and develop Japan's financial and capital markets, while also increasing profitability across Nomura Group to achieve our management targets and maximize shareholder value.

**Table of Contents****NOMURA HOLDINGS, INC.****CONSOLIDATED INCOME STATEMENT INFORMATION****(UNAUDITED)**

|   | Millions of yen<br>For the six months ended |                           | % Change<br>(A-B)/(B) | Millions of yen                         |
|---|---|---------------------------|-----------------------|---|
|   | September 30,<br>2007 (A)                   | September 30,<br>2006 (B) |                       | For the year ended<br>March 31,<br>2007 |
| <b>Revenue:</b>                                 |   |                           |                       |   |
| Commissions                                     | 219,849                                     | 145,642                   | 51.0                  | 337,458                                 |
| Fees from investment banking                    | 46,066                                      | 41,252                    | 11.7                  | 99,276                                  |
| Asset management and portfolio service fees     | 98,221                                      | 65,208                    | 50.6                  | 145,977                                 |
| Net gain on trading                             | 107,215                                     | 103,312                   | 3.8                   | 290,008                                 |
| Gain on private equity investments              | 63,652                                      | 37,295                    | 70.7                  | 47,590                                  |
| Interest and dividends                          | 540,731                                     | 440,171                   | 22.8                  | 981,344                                 |
| (Loss) gain on investments in equity securities | (24,756)                                    | (20,553)                  |                       | (20,103)                                |
| Private equity entities product sales           | 70,827                                      | 42,705                    | 65.9                  | 100,126                                 |
| Other   | 25,355                                      | 15,912                    | 59.3                  | 67,425                                  |
| <b>Total revenue</b>                            | <b>1,147,160</b>                            | <b>870,944</b>            | <b>31.7</b>           | <b>2,049,101</b>                        |
| Interest expense                                | 546,223                                     | 414,032                   | 31.9                  | 958,000                                 |
| <b>Net revenue</b>                              | <b>600,937</b>                              | <b>456,912</b>            | <b>31.5</b>           | <b>1,091,101</b>                        |
| <b>Non-interest expenses :</b>                  |   |                           |                       |   |
| Compensation and benefits                       | 203,223                                     | 161,828                   | 25.6                  | 345,936                                 |
| Commissions and floor brokerage                 | 46,351                                      | 20,590                    | 125.1                 | 50,812                                  |
| Information processing and communications       | 64,204                                      | 50,601                    | 26.9                  | 109,987                                 |
| Occupancy and related depreciation              | 33,879                                      | 28,185                    | 20.2                  | 61,279                                  |
| Business development expenses                   | 20,061                                      | 17,658                    | 13.6                  | 38,106                                  |
| Private equity entities cost of goods sold      | 44,118                                      | 23,208                    | 90.1                  | 57,184                                  |
| Other   | 92,727                                      | 48,351                    | 91.8                  | 106,039                                 |
|   | 504,563                                     | 350,421                   | 44.0                  | 769,343                                 |
| Income before income taxes                      | 96,374                                      | 106,491                   | (9.5)                 | 321,758                                 |
| Income tax expense                              | 30,148                                      | 42,826                    | (29.6)                | 145,930                                 |
| <b>Net income</b>                               | <b>66,226</b>                               | <b>63,665</b>             | <b>4.0</b>            | <b>175,828</b>                          |

Per share of common stock:

|                 | Yen   |       | % Change | Yen   |
|-----------------|-------|-------|----------|-------|
| <b>Basic-</b>   |       |       |          |       |
| Net income      | 34.70 | 33.41 | 3.9      | 92.25 |
| <b>Diluted-</b> |       |       |          |       |
| Net income      | 34.59 | 33.33 | 3.8      | 92.00 |



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**NOMURA HOLDINGS, INC.**  
**CONSOLIDATED BALANCE SHEET INFORMATION**  
**(UNAUDITED)**

|  | September 30,<br>2007 | Millions of yen<br>March 31,<br>2007 | September 30,<br>2006 |
|--|-----------------------|--------------------------------------|-----------------------|
| <b>ASSETS</b>  |                       |                                      |                       |
| Cash and cash deposits:  |                       |                                      |                       |
| Cash and cash equivalents  | 660,404               | 410,028                              | 330,804               |
| Time deposits  | 955,859               | 546,682                              | 587,254               |
| Deposits with stock exchanges and other segregated cash  | 147,505               | 97,302                               | 55,542                |
|  | 1,763,768             | 1,054,012                            | 973,600               |
| Loans and receivables:   |                       |                                      |                       |
| Loans receivable   | 964,214               | 935,711                              | 1,049,570             |
| Receivables from customers   | 34,354                | 47,518                               | 37,627                |
| Receivables from other than customers  | 1,262,415             | 637,209                              | 1,245,984             |
| Allowance for doubtful accounts  | (1,526)               | (2,027)                              | (3,464)               |
|  | 2,259,457             | 1,618,411                            | 2,329,717             |
| Collateralized agreements:   |                       |                                      |                       |
| Securities purchased under agreements to resell  | 3,517,842             | 8,061,805                            | 7,885,086             |
| Securities borrowed  | 7,886,590             | 9,776,422                            | 7,124,886             |
|  | 11,404,432            | 17,838,227                           | 15,009,972            |
| Trading assets and private equity investments*:  |                       |                                      |                       |
| Trading assets   | 11,338,576            | 12,830,826                           | 12,482,177            |
| Private equity investments   | 239,843               | 347,394                              | 335,247               |
|  | 11,578,419            | 13,178,220                           | 12,817,424            |
| Other assets:  |                       |                                      |                       |
| Office buildings, land, equipment and facilities<br>(net of accumulated depreciation and amortization of<br>¥255,979 million at September 30, 2007,<br>¥249,592 million at March 31, 2007 and<br>¥227,886 million at September 30, 2006, respectively) | 449,209               | 422,290                              | 353,160               |
| Non-trading debt securities*   | 288,765               | 255,934                              | 229,379               |
| Investments in equity securities*  | 162,280               | 195,238                              | 207,650               |
| Investments in and advances to affiliated companies*   | 438,610               | 441,536                              | 295,955               |
| Other  | 988,778               | 869,506                              | 465,988               |
|  | 2,327,642             | 2,184,504                            | 1,552,132             |
| Total assets   | 29,333,718            | 35,873,374                           | 32,682,845            |

\* Including securities pledged as collateral

Note: Reclassifications -  
Certain prior period amounts have been reclassified to conform to the current period presentation.

**Table of Contents****NOMURA HOLDINGS, INC.****CONSOLIDATED BALANCE SHEET INFORMATION****(UNAUDITED)**

|   | Millions of yen       |                   |                       |
|---|-----------------------|-------------------|-----------------------|
|   | September 30,<br>2007 | March 31,<br>2007 | September 30,<br>2006 |
| <b>LIABILITIES AND SHAREHOLDERS EQUITY</b>                                |                       |                   |                       |
| Short-term borrowings   | 1,346,591             | 1,093,529         | 829,315               |
| Payables and deposits:  |                       |                   |                       |
| Payables to customers   | 333,445               | 304,462           | 423,758               |
| Payables to other than customers  | 448,544               | 623,143           | 363,132               |
| Deposits received at banks  | 495,770               | 418,250           | 402,526               |
|   | 1,277,759             | 1,345,855         | 1,189,416             |
| Collateralized financing:   |                       |                   |                       |
| Securities sold under agreements to repurchase                            | 5,619,336             | 11,874,697        | 11,861,474            |
| Securities loaned   | 4,236,458             | 7,334,086         | 6,287,138             |
| Other secured borrowings  | 2,342,188             | 1,390,473         | 1,283,263             |
|   | 12,197,982            | 20,599,256        | 19,431,875            |
| Trading liabilities   | 5,559,848             | 4,800,403         | 4,179,129             |
| Other liabilities   | 900,760               | 845,522           | 493,624               |
| Long-term borrowings  | 5,816,850             | 5,002,890         | 4,434,458             |
| Total liabilities   | 27,099,790            | 33,687,455        | 30,557,817            |
| Shareholders' equity:   |                       |                   |                       |
| Common stock  |                       |                   |                       |
| Authorized - 6,000,000,000 shares      Issued - 1,965,919,860 shares      |                       |                   |                       |
| at September 30, 2007, March 31, 2007 and September 30, 2006 respectively |                       |                   |                       |
| Outstanding - 1,908,831,093 shares at September 30, 2007,                 |                       |                   |                       |
| 1,907,049,871 shares at March 31, 2007 and                                |                       |                   |                       |
| 1,906,067,957 shares at September 30, 2006                                | 182,800               | 182,800           | 182,800               |
| Additional paid-in capital  | 170,267               | 165,496           | 162,127               |
| Retained earnings   | 1,944,562             | 1,910,978         | 1,852,207             |
| Accumulated other comprehensive (loss) income                             | 13,911                | 6,613             | 9,119                 |
|   | 2,311,540             | 2,265,887         | 2,206,253             |
| Common stock held in treasury, at cost -                                  |                       |                   |                       |
| 57,088,767 shares, 58,869,989 shares and 59,851,903 shares                |                       |                   |                       |
| at September 30, 2007, March 31, 2007 and September 30, 2006 respectively | (77,612)              | (79,968)          | (81,225)              |
| Total shareholders' equity  | 2,233,928             | 2,185,919         | 2,125,028             |
| Total liabilities and shareholders' equity                                | 29,333,718            | 35,873,374        | 32,682,845            |



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Note: Reclassifications -  
Certain prior period amounts have been reclassified to conform to the current period presentation.

**Table of Contents****NOMURA HOLDINGS, INC.****CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY****(UNAUDITED)**

|  | Millions of yen                           |               |                                 |
|--|---|---------------|---------------------------------|
|  | For the six months ended<br>September 30, | September 30, | For the year ended<br>March 31, |
|  | 2007                                      | 2006          | 2007                            |
| <b>Common stock</b>                                    |   |               |                                 |
| Balance at beginning of year                           | 182,800                                   | 182,800       | 182,800                         |
| Balance at end of year                                 | 182,800                                   | 182,800       | 182,800                         |
| <b>Additional paid-in capital</b>                      |   |               |                                 |
| Balance at beginning of year                           | 165,496                                   | 159,527       | 159,527                         |
| Loss on sales of treasury stock                        | (1,458)                                   | (633)         | (556)                           |
| Issuance of common stock options                       | 6,229                                     | 3,233         | 6,525                           |
| Balance at end of year                                 | 170,267                                   | 162,127       | 165,496                         |
| <b>Retained earnings</b>                               |   |               |                                 |
| Balance at beginning of year                           | 1,910,978                                 | 1,819,037     | 1,819,037                       |
| Net income   | 66,226                                    | 63,665        | 175,828                         |
| Cash dividends   | (32,418)                                  | (30,495)      | (83,887)                        |
| Adjustments to initially apply FIN 48                  | 1,266                                     |               |                                 |
| Adjustments to initially apply EITF 06-2               | (1,119)                                   |               |                                 |
| Loss on sales of treasury stock                        | (371)                                     |               |                                 |
| Balance at end of year                                 | 1,944,562                                 | 1,852,207     | 1,910,978                       |
| <b>Accumulated other comprehensive income</b>          |   |               |                                 |
| <b>Cumulative translation adjustments</b>              |   |               |                                 |
| Balance at beginning of year                           | 36,889                                    | (1,129)       | (1,129)                         |
| Net change during the year                             | 6,898                                     | 24,276        | 38,018                          |
| Balance at end of year                                 | 43,787                                    | 23,147        | 36,889                          |
| <b>Defined benefit pension plans</b>                   |   |               |                                 |
| Balance at beginning of year                           | (30,276)                                  | (14,096)      | (14,096)                        |
| Pension liability adjustment                           | 400                                       | 68            | (387)                           |
| Adjustments to initially apply SFAS 158 <sup>(1)</sup> |   |               | (15,793)                        |
| Balance at end of year                                 | (29,876)                                  | (14,028)      | (30,276)                        |
| Balance at end of year                                 | 13,911                                    | 9,119         | 6,613                           |
| <b>Common stock held in treasury</b>                   |   |               |                                 |
| Balance at beginning of year                           | (79,968)                                  | (82,812)      | (82,812)                        |
| Repurchases of common stock                            | (102)                                     | (81)          | (204)                           |
| Sale of common stock                                   | 42  | 23            | 25                              |

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|                                    |           |           |           |
|------------------------------------|-----------|-----------|-----------|
| Common stock issued to employees   | 2,415     | 1,677     | 2,910     |
| Other net change in treasury stock | 1         | (32)      | 113       |
| Balance at end of year             | (77,612)  | (81,225)  | (79,968)  |
| <b>Total shareholders' equity</b>  |           |           |           |
| Balance at end of year             | 2,233,928 | 2,125,028 | 2,185,919 |

(1) For the initial year of application, the adjustments are not reflected on the consolidated comprehensive income.

Note: Reclassifications -  
 Certain prior period amounts have been reclassified to conform to the current period presentation.

**Table of Contents****NOMURA HOLDINGS, INC.****CONSOLIDATED INFORMATION OF CASH FLOWS****(UNAUDITED)**

|  | Millions of yen                           |               |                                 |
|--|---|---------------|---------------------------------|
|  | For the six months ended<br>September 30, | September 30, | For the year ended<br>March 31, |
|  | 2007                                      | 2006          | 2007                            |
| <b>Cash flows from operating activities:</b>   |   |               |                                 |
| Net income   | 66,226                                    | 63,665        | 175,828                         |
| Adjustments to reconcile net income to net cash used in operating activities:                          |   |               |                                 |
| Depreciation and amortization  | 31,757                                    | 24,243        | 50,432                          |
| Loss on investments in equity securities   | 24,756                                    | 20,553        | 20,103                          |
| Changes in operating assets and liabilities:   |   |               |                                 |
| Time deposits  | (413,006)                                 | (40,169)      | 24,395                          |
| Deposits with stock exchanges and other segregated cash  | (51,972)                                  | (8,613)       | (30,186)                        |
| Trading assets and private equity investments  | 1,599,032                                 | 1,165,486     | 1,039,123                       |
| Trading liabilities  | 751,368                                   | (2,485,422)   | (1,986,980)                     |
| Securities purchased under agreements to resell, net of securities sold under agreements to repurchase | (1,707,073)                               | 1,439,454     | 1,243,337                       |
| Securities borrowed, net of securities loaned  | (1,204,864)                               | 1,408,199     | (177,234)                       |
| Other secured borrowings   | 951,733                                   | (1,719,363)   | (1,612,879)                     |
| Loans and receivables, net of allowance  | (589,575)                                 | (815,525)     | 95,843                          |
| Payables   | (121,164)                                 | (157,594)     | (154,665)                       |
| Other, net   | (3,286)                                   | (284,713)     | (314,273)                       |
| Net cash used in operating activities  | (666,068)                                 | (1,389,799)   | (1,627,156)                     |
| <b>Cash flows from investing activities:</b>   |   |               |                                 |
| Payments for purchases of office buildings, land, equipment and facilities                             | (79,933)                                  | (32,795)      | (101,784)                       |
| Proceeds from sales of office buildings, land, equipment and facilities                                | 6,420                                     | 142           | 634                             |
| Payments for purchases of investments in equity securities   | (641)                                     | (5,602)       | (9,284)                         |
| Proceeds from sales of investments in equity securities  | 4,565                                     | 8,800         | 25,109                          |
| Increase in Loans receivable at banks, net   | (54,010)                                  | (52,792)      | (73,611)                        |
| Increase in non-trading debt securities, net   | (33,476)                                  | (13,291)      | (37,861)                        |
| Other, net   | 11,637                                    | (48,747)      | (337,016)                       |
| Net cash used in investing activities  | (145,438)                                 | (144,285)     | (533,813)                       |
| <b>Cash flows from financing activities:</b>   |   |               |                                 |
| Increase in long-term borrowings   | 1,611,754                                 | 1,187,261     | 2,736,688                       |
| Decrease in long-term borrowings   | (805,668)                                 | (389,097)     | (1,451,500)                     |
| Increase in short-term borrowings, net   | 248,861                                   | 132,605       | 377,788                         |
| Increase in deposits received at banks, net  | 71,445                                    | 20,299        | 17,947                          |
| Proceeds from sales of common stock  | 628                                       | 1,067         | 2,379                           |
| Payments for repurchases of common stock   | (102)                                     | (81)          | (204)                           |
| Payments for cash dividends  | (54,395)                                  | (83,876)      | (114,395)                       |
| Net cash provided by financing activities  | 1,072,523                                 | 868,178       | 1,568,703                       |
| Effect of exchange rate changes on cash and cash equivalents   | (10,641)                                  | 4,749         | 10,333                          |

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|  |         |           |           |
|--|---------|-----------|-----------|
| Net increase (decrease) in cash and cash equivalents | 250,376 | (661,157) | (581,933) |
| Cash and cash equivalents at beginning of the period | 410,028 | 991,961   | 991,961   |
| Cash and cash equivalents at end of the period       | 660,404 | 330,804   | 410,028   |

Note: Reclassifications -  
All prior year amounts have been reclassified to conform to the current year presentation.

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**NOMURA HOLDINGS, INC.**

**NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION**

**(UNAUDITED)**

**1. Summary of accounting policies:**

**Basis of presentation**

The consolidated financial information herein has been prepared in accordance with Nomura's accounting policies which are disclosed in the notes of Nomura Holdings, Inc.'s Annual Securities Report (the annual report filed in Japan on June 28, 2007) and Form 20-F (the annual report filed with the U.S. Securities and Exchange Commission on July 12, 2007) for the year ended March 31, 2007.

Presentations of significant changes in accounting principles are as follows:

**Accounting for uncertainty in income taxes**

Nomura adopted Financial Accounting Standards Board ( FASB ) Interpretation No.48, Accounting for Uncertainty in Income Taxes an Interpretation of FASB Statement No. 109 on April 1, 2007. In accordance with this standard, the adjusted amount due to the initial adoption was recorded in the retained earnings.

**Accounting for sabbatical leave and other similar benefits**

Nomura adopted FASB Emerging Issues Task Force ( EITF ) Issue No.06-2, Accounting for sabbatical leave and other similar benefits pursuant to FASB statement No.43 on April 1, 2007. In accordance with this standard, the adjusted amount due to the initial adoption was recorded in the retained earnings.

**2. Per share data**

Shareholders' equity per share is calculated based on the following number of shares.

|   |               |
|---|---------------|
| Number of shares outstanding (September 30, 2007) | 1,908,831,093 |
|---|---------------|

Net income per share is calculated based on the following number of shares.

|   |               |
|---|---------------|
| Average number of shares outstanding (September 30, 2007) | 1,908,270,970 |
|---|---------------|

**Table of Contents****3. Segment Information-Operating segment:**

The following table shows business segment information and reconciliation items to the consolidated income statement information.

|  | Millions of yen<br>For the six months ended |                           | % Change<br>(A-B)/(B) | Millions of yen                         |
|--|---|---------------------------|-----------------------|---|
|  | September 30,<br>2007 (A)                   | September 30,<br>2006 (B) |                       | For the year ended<br>March 31,<br>2007 |
| <b>(1) Net revenue</b>   |   |                           |                       |   |
| Business segment information:  |   |                           |                       |   |
| Domestic Retail  | 225,100                                     | 200,127                   | 12.5                  | 440,118                                 |
| Global Markets   | 125,672                                     | 117,374                   | 7.1                   | 290,028                                 |
| Global Investment Banking  | 47,552                                      | 48,496                    | (1.9)                 | 99,187                                  |
| Global Merchant Banking  | 51,865                                      | 56,664                    | (8.5)                 | 64,969                                  |
| Asset Management   | 50,093                                      | 41,490                    | 20.7                  | 90,106                                  |
| Sub Total  | 500,282                                     | 464,151                   | 7.8                   | 984,408                                 |
| Other  | 52,416                                      | 1,348                     | 3,788.4               | 73,338                                  |
| Net revenue  | 552,698                                     | 465,499                   | 18.7                  | 1,057,746                               |
| Reconciliation items:  |   |                           |                       |   |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (26,082)                                    | (25,451)                  |                       | (38,232)                                |
| Effect of consolidation/deconsolidation of certain private equity investee companies   | 74,321                                      | 16,864                    | 340.7                 | 71,587                                  |
| Net revenue  | 600,937                                     | 456,912                   | 31.5                  | 1,091,101                               |
| <b>(2) Non-interest expense</b>  |   |                           |                       |   |
| Business segment information:  |   |                           |                       |   |
| Domestic Retail  | 142,339                                     | 129,417                   | 10.0                  | 279,253                                 |
| Global Markets   | 167,319                                     | 106,648                   | 56.9                  | 231,222                                 |
| Global Investment Banking  | 30,736                                      | 26,653                    | 15.3                  | 54,783                                  |
| Global Merchant Banking  | 6,337                                       | 5,384                     | 17.7                  | 12,153                                  |
| Asset Management   | 30,213                                      | 25,200                    | 19.9                  | 53,649                                  |
| Sub Total  | 376,944                                     | 293,302                   | 28.5                  | 631,060                                 |
| Other  | 55,206                                      | 20,056                    | 175.3                 | 49,397                                  |
| Non-interest expense   | 432,150                                     | 313,358                   | 37.9                  | 680,457                                 |
| Reconciliation items:  |   |                           |                       |   |
| Unrealized gain (loss) on investments in equity securities held for operating purposes |   |                           |                       |   |
| Effect of consolidation/deconsolidation of certain private equity investee companies   | 72,413                                      | 37,063                    | 95.4                  | 88,886                                  |
| Non-interest expenses  | 504,563                                     | 350,421                   | 44.0                  | 769,343                                 |
| <b>(3) Income (loss) before income taxes</b>   |   |                           |                       |   |
| Business segment information:  |   |                           |                       |   |
| Domestic Retail  | 82,761                                      | 70,710                    | 17.0                  | 160,865                                 |
| Global Markets   | (41,647)                                    | 10,726                    |                       | 58,806                                  |

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|  |          |          |        |          |
|--|----------|----------|--------|----------|
| Global Investment Banking  | 16,816   | 21,843   | (23.0) | 44,404   |
| Global Merchant Banking  | 45,528   | 51,280   | (11.2) | 52,816   |
| Asset Management   | 19,880   | 16,290   | 22.0   | 36,457   |
| Sub Total  | 123,338  | 170,849  | (27.8) | 353,348  |
| Other *  | (2,790)  | (18,708) |        | 23,941   |
| Income (loss) before income taxes  | 120,548  | 152,141  | (20.8) | 377,289  |
| <b>Reconciliation items:</b>   |          |          |        |          |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (26,082) | (25,451) |        | (38,232) |
| Effect of consolidation/deconsolidation of certain private equity investee companies   | 1,908    | (20,199) |        | (17,299) |
| Income (loss) before income taxes  | 96,374   | 106,491  | (9.5)  | 321,758  |

**\* The major components**

Transactions between operating segments are recorded within segment results on commercial terms and conditions and are eliminated in Other.

The following table presents the major components of income (loss) before income taxes in Other.

|   | Millions of yen<br>For the six months ended |                           | % Change<br>(A-B)/(B) | Millions of yen<br>For the year ended<br>March 31,<br>2007 |
|---|---|---------------------------|-----------------------|--|
|   | September 30,<br>2007 (A)                   | September 30,<br>2006 (B) |                       |  |
| Net gain/loss on trading related to economic hedging transactions             | (11,617)                                    | (25,418)                  |                       | (38,383)   |
| Realized gain on investments in equity securities held for operating purposes | 1,326                                       | 4,898                     | (72.9)                | 18,129   |
| Equity in earnings of affiliates  | 7,684                                       | 9,445                     | (18.6)                | 53,169   |
| Corporate items   | (21,939)                                    | (3,456)                   |                       | (11,111)   |
| Others  | 21,756                                      | (4,177)                   |                       | 2,137  |
| Total   | (2,790)                                     | (18,708)                  |                       | 23,941   |



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**4. Other:**

The consolidated financial information herein does not include all footnotes required under US GAAP.

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**Supplemental Consolidated Financial Information**

(Unaudited)

This supplemental information (Unaudited) contains the following items.

Quarterly Results - Consolidated Income Statement

Quarterly Results - Business Segment

Commissions/fees received and Net gain on trading

Consolidated Income Statement Information

Business segment information

Reconciliation items of the business segment information to the consolidated income statement information

**Table of Contents****NOMURA HOLDINGS, INC.****CONSOLIDATED INCOME STATEMENT INFORMATION****(UNAUDITED)**

|   | Millions of yen  |                       |  |                   |                     |                          | % Change<br>(B-A)/(A) |
|---|------------------|-----------------------|--|-------------------|---------------------|--------------------------|-----------------------|
|   | June 30,<br>2006 | September 30,<br>2006 | For the three months ended<br>December 31,<br>2006 |                   | June 30,<br>2007(A) | September 30,<br>2007(B) |                       |
|   |                  |                       |  | March 31,<br>2007 |                     |                          |                       |
| <b>Revenue:</b>                                 |                  |                       |  |                   |                     |                          |                       |
| Commissions                                     | 79,579           | 66,063                | 84,190   | 107,626           | 112,962             | 106,887                  | (5.4)                 |
| Fees from investment banking                    | 14,351           | 26,901                | 32,317   | 25,707            | 29,890              | 16,176                   | (45.9)                |
| Asset management and portfolio service fees     | 29,732           | 35,476                | 36,730   | 44,039            | 47,311              | 50,910                   | 7.6                   |
| Net gain on trading                             | 55,770           | 47,542                | 89,152   | 97,544            | 99,683              | 7,532                    | (92.4)                |
| Gain on private equity investments              | 9,784            | 27,511                | 10,224   | 71                | 45,819              | 17,833                   | (61.1)                |
| Interest and dividends                          | 207,860          | 232,311               | 262,928  | 278,245           | 294,697             | 246,034                  | (16.5)                |
| (Loss) gain on investments in equity securities | (20,509)         | (44)                  | (154)  | 604               | (540)               | (24,216)                 |                       |
| Private equity entities product sales           | 20,985           | 21,720                | 28,778   | 28,643            | 36,479              | 34,348                   | (5.8)                 |
| Other   | 4,178            | 11,734                | 45,371   | 6,142             | 16,400              | 8,955                    | (45.4)                |
| <b>Total revenue</b>                            | <b>401,730</b>   | <b>469,214</b>        | <b>589,536</b>                                     | <b>588,621</b>    | <b>682,701</b>      | <b>464,459</b>           | <b>(32.0)</b>         |
| Interest expense                                | 195,796          | 218,236               | 266,625  | 277,343           | 301,964             | 244,259                  | (19.1)                |
| <b>Net revenue</b>                              | <b>205,934</b>   | <b>250,978</b>        | <b>322,911</b>                                     | <b>311,278</b>    | <b>380,737</b>      | <b>220,200</b>           | <b>(42.2)</b>         |
| <b>Non-interest expenses:</b>                   |                  |                       |  |                   |                     |                          |                       |
| Compensation and benefits                       | 82,768           | 79,060                | 86,679   | 97,429            | 105,571             | 97,652                   | (7.5)                 |
| Commissions and floor brokerage                 | 10,255           | 10,335                | 12,004   | 18,218            | 23,011              | 23,340                   | 1.4                   |
| Information processing and communications       | 23,167           | 27,434                | 27,296   | 32,090            | 29,332              | 34,872                   | 18.9                  |
| Occupancy and related depreciation              | 14,442           | 13,743                | 14,596   | 18,498            | 17,442              | 16,437                   | (5.8)                 |
| Business development expenses                   | 7,848            | 9,810                 | 9,234  | 11,214            | 9,597               | 10,464                   | 9.0                   |
| Private equity entities cost of goods sold      | 11,365           | 11,843                | 17,417   | 16,559            | 22,899              | 21,219                   | (7.3)                 |
| Other   | 22,685           | 25,666                | 23,577   | 34,111            | 30,051              | 62,676                   | 108.6                 |
|   | 172,530          | 177,891               | 190,803  | 228,119           | 237,903             | 266,660                  | 12.1                  |
| <b>Income (loss) before income taxes</b>        | <b>33,404</b>    | <b>73,087</b>         | <b>132,108</b>                                     | <b>83,159</b>     | <b>142,834</b>      | <b>(46,460)</b>          |                       |
| Income tax expense                              | 13,266           | 29,560                | 53,031   | 50,073            | 66,092              | (35,944)                 |                       |
| <b>Net income (loss)</b>                        | <b>20,138</b>    | <b>43,527</b>         | <b>79,077</b>                                      | <b>33,086</b>     | <b>76,742</b>       | <b>(10,516)</b>          |                       |
| <b>Per share of common stock:</b>               |                  |                       |  |                   |                     |                          |                       |
|   | <b>Yen</b>       |                       |  |                   |                     |                          | <b>% Change</b>       |
| Basic-  |                  |                       |  |                   |                     |                          |                       |
| Net income (loss)                               | 10.52            | 22.84                 | 41.48  | 17.35             | 40.22               | (5.51)                   |                       |
| Diluted-  |                  |                       |  |                   |                     |                          |                       |

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|                   |       |       |       |       |       |        |
|-------------------|-------|-------|-------|-------|-------|--------|
| Net income (loss) | 10.50 | 22.78 | 41.38 | 17.31 | 40.09 | (5.49) |
|-------------------|-------|-------|-------|-------|-------|--------|

**Table of Contents****NOMURA HOLDINGS, INC.****SUPPLEMENTARY INFORMATION****(UNAUDITED)****Business Segment Information - Quarterly Results**

The following table shows quarterly business segment information and reconciliation items to the consolidated income statement.

|  | Millions of yen  |                       |  |                   |                     |                          | % Change<br>(B-A)/(A) |
|--|------------------|-----------------------|--|-------------------|---------------------|--------------------------|-----------------------|
|  | June 30,<br>2006 | September 30,<br>2006 | For the three months ended<br>December 31,<br>2006 |                   | June 30,<br>2007(A) | September 30,<br>2007(B) |                       |
|  |                  |                       |  | March 31,<br>2007 |                     |                          |                       |
| <b>(1) Net revenue</b>   |                  |                       |  |                   |                     |                          |                       |
| Business segment information:  |                  |                       |  |                   |                     |                          |                       |
| Domestic Retail  | 105,609          | 94,518                | 115,882  | 124,109           | 121,840             | 103,260                  | (15.2)                |
| Global Markets   | 68,899           | 48,475                | 78,068   | 94,586            | 108,909             | 16,763                   | (84.6)                |
| Global Investment Banking  | 18,808           | 29,688                | 24,088   | 26,603            | 36,740              | 10,812                   | (70.6)                |
| Global Merchant Banking  | 12,123           | 44,541                | 9,249  | (944)             | 43,407              | 8,458                    | (80.5)                |
| Asset Management   | 17,636           | 23,854                | 24,543   | 24,073            | 26,407              | 23,686                   | (10.3)                |
| Sub Total  | 223,075          | 241,076               | 251,830  | 268,427           | 337,303             | 162,979                  | (51.7)                |
| Other  | (13,301)         | 14,649                | 56,830   | 15,160            | 15,429              | 36,987                   | 139.7                 |
| Net revenue  | 209,774          | 255,725               | 308,660  | 283,587           | 352,732             | 199,966                  | (43.3)                |
| Reconciliation items:  |                  |                       |  |                   |                     |                          |                       |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (20,649)         | (4,802)               | (13,107)   | 326               | (2,647)             | (23,435)                 |                       |
| Effect of consolidation/deconsolidation of certain private equity investee companies   | 16,809           | 55                    | 27,358   | 27,365            | 30,652              | 43,669                   | 42.5                  |
| Net revenue  | 205,934          | 250,978               | 322,911  | 311,278           | 380,737             | 220,200                  | (42.2)                |
| <b>(2) Non-interest expense</b>  |                  |                       |  |                   |                     |                          |                       |
| Business segment information:  |                  |                       |  |                   |                     |                          |                       |
| Domestic Retail  | 63,070           | 66,347                | 69,012   | 80,824            | 71,285              | 71,054                   | (0.3)                 |
| Global Markets   | 54,573           | 52,075                | 53,928   | 70,646            | 82,866              | 84,453                   | 1.9                   |
| Global Investment Banking  | 13,237           | 13,416                | 13,164   | 14,966            | 16,003              | 14,733                   | (7.9)                 |
| Global Merchant Banking  | 2,326            | 3,058                 | 2,555  | 4,214             | 3,306               | 3,031                    | (8.3)                 |
| Asset Management   | 12,413           | 12,787                | 12,382   | 16,067            | 14,208              | 16,005                   | 12.6                  |
| Sub Total  | 145,619          | 147,683               | 151,041  | 186,717           | 187,668             | 189,276                  | 0.9                   |
| Other  | 9,706            | 10,350                | 13,720   | 15,621            | 17,194              | 38,012                   | 121.1                 |
| Non-interest expense   | 155,325          | 158,033               | 164,761  | 202,338           | 204,862             | 227,288                  | 10.9                  |
| Reconciliation items:  |                  |                       |  |                   |                     |                          |                       |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | 17,205           | 19,858                | 26,042   | 25,781            | 33,041              | 39,372                   | 19.2                  |

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| Effect of consolidation/deconsolidation of certain private equity investee companies   |          |          |          |         |         |          |        |
|--|----------|----------|----------|---------|---------|----------|--------|
| Non-interest expenses  | 172,530  | 177,891  | 190,803  | 228,119 | 237,903 | 266,660  | 12.1   |
| <b>(3) Income (loss) before income taxes</b>   |          |          |          |         |         |          |        |
| Business segment information:  |          |          |          |         |         |          |        |
| Domestic Retail  | 42,539   | 28,171   | 46,870   | 43,285  | 50,555  | 32,206   | (36.3) |
| Global Markets   | 14,326   | (3,600)  | 24,140   | 23,940  | 26,043  | (67,690) |        |
| Global Investment Banking  | 5,571    | 16,272   | 10,924   | 11,637  | 20,737  | (3,921)  |        |
| Global Merchant Banking  | 9,797    | 41,483   | 6,694    | (5,158) | 40,101  | 5,427    | (86.5) |
| Asset Management   | 5,223    | 11,067   | 12,161   | 8,006   | 12,199  | 7,681    | (37.0) |
| Sub Total  | 77,456   | 93,393   | 100,789  | 81,710  | 149,635 | (26,297) |        |
| Other *  | (23,007) | 4,299    | 43,110   | (461)   | (1,765) | (1,025)  |        |
| Income (loss) before income taxes  | 54,449   | 97,692   | 143,899  | 81,249  | 147,870 | (27,322) |        |
| Reconciliation items:  |          |          |          |         |         |          |        |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (20,649) | (4,802)  | (13,107) | 326     | (2,647) | (23,435) |        |
| Effect of consolidation/deconsolidation of certain private equity investee companies   | (396)    | (19,803) | 1,316    | 1,584   | (2,389) | 4,297    |        |
| Income (loss) before income taxes  | 33,404   | 73,087   | 132,108  | 83,159  | 142,834 | (46,460) |        |

\* The major components

Transactions between operating segments are recorded within segment results on commercial terms and conditions and are eliminated in Other.

The following table presents the major components of income (loss) before income taxes in Other .

|   | Millions of yen |               |                            |                |          |               | % Change<br>(B-A)/(A) |
|---|-----------------|---------------|----------------------------|----------------|----------|---------------|-----------------------|
|   | June 30,        | September 30, | For the three months ended |                | June 30, | September 30, |                       |
|   | 2006            | 2006          | December 31, 2006          | March 31, 2007 | 2007(A)  | 2007(B)       |                       |
| Net gain/loss on trading related to economic hedging transactions             | (11,382)        | (14,036)      | (11,865)                   | (1,100)        | (14,425) | 2,808         |                       |
| Realized gain on investments in equity securities held for operating purposes | 140             | 4,758         | 12,953                     | 278            | 2,107    | (781)         |                       |
| Equity in earnings of affiliates  | 3,309           | 6,136         | 38,983                     | 4,741          | 5,105    | 2,579         | (49.5)                |
| Corporate items   | (7,163)         | 3,707         | (5,900)                    | (1,755)        | (9,687)  | (12,252)      |                       |
| Others  | (7,911)         | 3,734         | 8,939                      | (2,625)        | 15,135   | 6,621         | (56.3)                |
| Total   | (23,007)        | 4,299         | 43,110                     | (461)          | (1,765)  | (1,025)       |                       |

**Table of Contents****NOMURA HOLDINGS, INC.****SUPPLEMENTARY INFORMATION****(UNAUDITED)**Commissions/fees received and Net gain on trading consists of the following:

Commissions/fees received

|  | Millions of yen<br>For the three months ended |                       |                      |                   |                     |                          | % Change<br>(B-A)/(A) | Millions of yen<br>For the six months ended |                          | % Change<br>(D-C)/(C) |
|--|---|-----------------------|----------------------|-------------------|---------------------|--------------------------|-----------------------|---|--------------------------|-----------------------|
|  | June 30,<br>2006                              | September 30,<br>2006 | December 31,<br>2006 | March 31,<br>2007 | June 30,<br>2007(A) | September 30,<br>2007(B) |                       | September 30,<br>2006(C)                    | September 30,<br>2007(D) |                       |
| Commissions  | 79,579  | 66,063                | 84,190               | 107,626           | 112,962             | 106,887                  | (5.4)                 | 145,642                                     | 219,849                  | 51.0                  |
| Brokerage<br>Commissions                                     | 44,554  | 32,599                | 41,951               | 59,259            | 64,169              | 64,655                   | 0.8                   | 77,153                                      | 128,824                  | 67.0                  |
| Commissions<br>for<br>Distribution<br>of Investment<br>Trust | 25,850  | 23,122                | 32,960               | 38,519            | 39,172              | 34,223                   | (12.6)                | 48,972                                      | 73,395                   | 49.9                  |
| Fees from<br>Investment<br>Banking                           | 14,351  | 26,901                | 32,317               | 25,707            | 29,890              | 16,176                   | (45.9)                | 41,252                                      | 46,066                   | 11.7                  |
| Underwriting<br>and<br>Distribution                          | 9,151   | 20,360                | 26,123               | 16,254            | 10,469              | 10,434                   | (0.3)                 | 29,511                                      | 20,903                   | (29.2)                |
| M&A /<br>Financial<br>Advisory Fees                          | 5,178   | 6,360                 | 6,084                | 9,082             | 18,187              | 5,691                    | (68.7)                | 11,538                                      | 23,878                   | 106.9                 |
| Asset<br>Management<br>and Portfolio<br>Service Fees         | 29,732  | 35,476                | 36,730               | 44,039            | 47,311              | 50,910                   | 7.6                   | 65,208                                      | 98,221                   | 50.6                  |
| Asset<br>Management<br>Fees                                  | 26,179  | 31,758                | 32,842               | 39,470            | 42,904              | 46,150                   | 7.6                   | 57,937                                      | 89,054                   | 53.7                  |
| Total  | 123,662                                       | 128,440               | 153,237              | 177,372           | 190,163             | 173,973                  | (8.5)                 | 252,102                                     | 364,136                  | 44.4                  |
| Net gain on<br>trading                                       |   |                       |                      |                   |                     |                          |                       |   |                          |                       |
| Merchant<br>Banking  | (2,643)                                       | 445                   | 197                  | (458)             | 170                 | 874                      | 414.1                 | (2,198)                                     | 1,044                    |                       |
| Equity<br>Trading  | 31,724  | 12,684                | 28,919               | 64,268            | 51,696              | 28,189                   | (45.5)                | 44,408                                      | 79,885                   | 79.9                  |
| Fixed Income<br>and Other<br>Trading                         | 26,689  | 34,413                | 60,036               | 33,734            | 47,817              | (21,531)                 |                       | 61,102                                      | 26,286                   | (57.0)                |

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|       |        |        |        |        |        |       |        |         |         |     |
|-------|--------|--------|--------|--------|--------|-------|--------|---------|---------|-----|
| Total | 55,770 | 47,542 | 89,152 | 97,544 | 99,683 | 7,532 | (92.4) | 103,312 | 107,215 | 3.8 |
|-------|--------|--------|--------|--------|--------|-------|--------|---------|---------|-----|



**Table of Contents****Consolidated Income Statement Information :****US GAAP Figures**

|   | Millions of yen<br>For the three months ended |                       |                      |                   | % Change<br>(B-A)/(A) | Millions of yen<br>For the six months ended |                           | % Change<br>(D-C)/(C) |                           |                           |
|---|---|-----------------------|----------------------|-------------------|-----------------------|---|---------------------------|-----------------------|---------------------------|---------------------------|
|   | June 30,<br>2006                              | September 30,<br>2006 | December 31,<br>2006 | March 31,<br>2007 |                       | June 30,<br>2007 (A)                        | September 30,<br>2007 (B) |                       | September 30,<br>2006 (C) | September 30,<br>2007 (D) |
| Revenue:  |   |                       |                      |                   |                       |   |                           |                       |                           |                           |
| Commissions                                     | 79,579  | 66,063                | 84,190               | 107,626           | 112,962               | 106,887                                     | (5.4)                     | 145,642               | 219,849                   | 51.0                      |
| Fees from investment banking                    | 14,351  | 26,901                | 32,317               | 25,707            | 29,890                | 16,176                                      | (45.9)                    | 41,252                | 46,066                    | 11.7                      |
| Asset management and portfolio service fees     | 29,732  | 35,476                | 36,730               | 44,039            | 47,311                | 50,910                                      | 7.6                       | 65,208                | 98,221                    | 50.6                      |
| Net gain on trading                             | 55,770  | 47,542                | 89,152               | 97,544            | 99,683                | 7,532                                       | (92.4)                    | 103,312               | 107,215                   | 3.8                       |
| Gain on private equity investments              | 9,784   | 27,511                | 10,224               | 71                | 45,819                | 17,833                                      | (61.1)                    | 37,295                | 63,652                    | 70.7                      |
| Interest and dividends                          | 207,860                                       | 232,311               | 262,928              | 278,245           | 294,697               | 246,034                                     | (16.5)                    | 440,171               | 540,731                   | 22.8                      |
| (Loss) gain on investments in equity securities | (20,509)                                      | (44)                  | (154)                | 604               | (540)                 | (24,216)                                    |                           | (20,553)              | (24,756)                  |                           |
| Private equity entities product sales           | 20,985  | 21,720                | 28,778               | 28,643            | 36,479                | 34,348                                      | (5.8)                     | 42,705                | 70,827                    | 65.9                      |
| Other   | 4,178   | 11,734                | 45,371               | 6,142             | 16,400                | 8,955                                       | (45.4)                    | 15,912                | 25,355                    | 59.3                      |
| <b>Total revenue</b>                            | <b>401,730</b>                                | <b>469,214</b>        | <b>589,536</b>       | <b>588,621</b>    | <b>682,701</b>        | <b>464,459</b>                              | <b>(32.0)</b>             | <b>870,944</b>        | <b>1,147,160</b>          | <b>31.7</b>               |
| Interest expense                                | 195,796                                       | 218,236               | 266,625              | 277,343           | 301,964               | 244,259                                     | (19.1)                    | 414,032               | 546,223                   | 31.9                      |
| <b>Net revenue</b>                              | <b>205,934</b>                                | <b>250,978</b>        | <b>322,911</b>       | <b>311,278</b>    | <b>380,737</b>        | <b>220,200</b>                              | <b>(42.2)</b>             | <b>456,912</b>        | <b>600,937</b>            | <b>31.5</b>               |
| Non-interest expenses:                          |   |                       |                      |                   |                       |   |                           |                       |                           |                           |
| Compensation and benefits                       | 82,768  | 79,060                | 86,679               | 97,429            | 105,571               | 97,652                                      | (7.5)                     | 161,828               | 203,223                   | 25.6                      |
| Commissions and floor brokerage                 | 10,255  | 10,335                | 12,004               | 18,218            | 23,011                | 23,340                                      | 1.4                       | 20,590                | 46,351                    | 125.1                     |
| Information processing and communications       | 23,167  | 27,434                | 27,296               | 32,090            | 29,332                | 34,872                                      | 18.9                      | 50,601                | 64,204                    | 26.9                      |
| Occupancy and related depreciation              | 14,442  | 13,743                | 14,596               | 18,498            | 17,442                | 16,437                                      | (5.8)                     | 28,185                | 33,879                    | 20.2                      |
| Business development expenses                   | 7,848   | 9,810                 | 9,234                | 11,214            | 9,597                 | 10,464                                      | 9.0                       | 17,658                | 20,061                    | 13.6                      |
|   | 11,365  | 11,843                | 17,417               | 16,559            | 22,899                | 21,219                                      | (7.3)                     | 23,208                | 44,118                    | 90.1                      |

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Private equity  
entities cost of  
goods sold

|   |         |         |         |         |         |          |       |         |         |       |
|---|---------|---------|---------|---------|---------|----------|-------|---------|---------|-------|
| Other                                   | 22,685  | 25,666  | 23,577  | 34,111  | 30,051  | 62,676   | 108.6 | 48,351  | 92,727  | 91.8  |
|   | 172,530 | 177,891 | 190,803 | 228,119 | 237,903 | 266,660  | 12.1  | 350,421 | 504,563 | 44.0  |
| Income (loss)<br>before income<br>taxes | 33,404  | 73,087  | 132,108 | 83,159  | 142,834 | (46,460) |       | 106,491 | 96,374  | (9.5) |

**Table of Contents****Business segment information :****Total of business segments**

|   | Millions of yen<br>For the three months ended |                       |                      |                   | % Change<br>(B-A)/(A) | Millions of yen<br>For the six months ended |                           |                           |                           | % Change<br>(D-C)/(C) |
|---|---|-----------------------|----------------------|-------------------|-----------------------|---|---------------------------|---------------------------|---------------------------|-----------------------|
|   | June 30,<br>2006                              | September 30,<br>2006 | December 31,<br>2006 | March 31,<br>2007 |                       | June 30,<br>2007 (A)                        | September 30,<br>2007 (B) | September 30,<br>2006 (C) | September 30,<br>2007 (D) |                       |
| Revenue:                                    |   |                       |                      |                   |                       |   |                           |                           |                           |                       |
| Commissions                                 | 79,579  | 67,931                | 84,185               | 108,649           | 112,953               | 106,884                                     | (5.4)                     | 147,510                   | 219,837                   | 49.0                  |
| Fees from investment banking                | 14,351  | 26,901                | 32,317               | 25,707            | 29,890                | 16,176                                      | (45.9)                    | 41,252                    | 46,066                    | 11.7                  |
| Asset management and portfolio service fees | 29,732  | 35,476                | 36,730               | 44,039            | 47,311                | 50,910                                      | 7.6                       | 65,208                    | 98,221                    | 50.6                  |
| Net gain on trading                         | 55,770  | 47,542                | 89,152               | 97,544            | 99,683                | 7,532                                       | (92.4)                    | 103,312                   | 107,215                   | 3.8                   |
| Gain on private equity investments          | 15,059  | 46,206                | 11,456               | 759               | 51,754                | 7,914                                       | (84.7)                    | 61,265                    | 59,668                    | (2.6)                 |
| Interest and dividends                      | 207,837                                       | 232,258               | 262,900              | 278,188           | 294,555               | 245,740                                     | (16.6)                    | 440,095                   | 540,295                   | 22.8                  |
| Gain on investments in equity securities    | 140   | 4,758                 | 12,953               | 278               | 2,107                 | (781)                                       |                           | 4,898                     | 1,326                     | (72.9)                |
| Private equity entities product sales       |   |                       |                      |                   |                       |   |                           |                           |                           |                       |
| Other                                       | 2,996   | 12,786                | 45,459               | 5,625             | 16,310                | 9,630                                       | (41.0)                    | 15,782                    | 25,940                    | 64.4                  |
| <b>Total revenue</b>                        | <b>405,464</b>                                | <b>473,858</b>        | <b>575,152</b>       | <b>560,789</b>    | <b>654,563</b>        | <b>444,005</b>                              | <b>(32.2)</b>             | <b>879,322</b>            | <b>1,098,568</b>          | <b>24.9</b>           |
| Interest expense                            | 195,690                                       | 218,133               | 266,492              | 277,202           | 301,831               | 244,039                                     | (19.1)                    | 413,823                   | 545,870                   | 31.9                  |
| <b>Net revenue</b>                          | <b>209,774</b>                                | <b>255,725</b>        | <b>308,660</b>       | <b>283,587</b>    | <b>352,732</b>        | <b>199,966</b>                              | <b>(43.3)</b>             | <b>465,499</b>            | <b>552,698</b>            | <b>18.7</b>           |
| Non-interest expenses:                      |   |                       |                      |                   |                       |   |                           |                           |                           |                       |
| Compensation and benefits                   | 79,461  | 75,244                | 82,760               | 93,537            | 100,653               | 94,369                                      | (6.2)                     | 154,705                   | 195,022                   | 26.1                  |
| Commissions and floor brokerage             | 9,819   | 10,119                | 11,756               | 18,086            | 22,684                | 22,579                                      | (0.5)                     | 19,938                    | 45,263                    | 127.0                 |
| Information processing and communications   | 23,005  | 27,326                | 27,169               | 31,966            | 29,188                | 34,719                                      | 18.9                      | 50,331                    | 63,907                    | 27.0                  |
| Occupancy and related depreciation          | 13,409  | 12,862                | 13,542               | 17,564            | 15,917                | 15,131                                      | (4.9)                     | 26,271                    | 31,048                    | 18.2                  |
| Business development expenses               | 7,225   | 9,196                 | 8,438                | 10,432            | 8,810                 | 9,866                                       | 12.0                      | 16,421                    | 18,676                    | 13.7                  |

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Private equity  
entities cost of  
goods sold

|   |         |         |         |         |         |          |      |         |         |        |
|---|---------|---------|---------|---------|---------|----------|------|---------|---------|--------|
| Other                                   | 22,406  | 23,286  | 21,096  | 30,753  | 27,610  | 50,624   | 83.4 | 45,692  | 78,234  | 71.2   |
|   | 155,325 | 158,033 | 164,761 | 202,338 | 204,862 | 227,288  | 10.9 | 313,358 | 432,150 | 37.9   |
| Income (loss)<br>before income<br>taxes | 54,449  | 97,692  | 143,899 | 81,249  | 147,870 | (27,322) |      | 152,141 | 120,548 | (20.8) |

**Table of Contents****Reconciliation items of the business segment information to the consolidated income statement information:****Effect of consolidation/deconsolidation of private equity investee companies and unrealized loss/gain on investments in equity securities held for operating purposes**

|   | Millions of yen  |                       |                            |                   | September 30,<br>2007 (B) | % Change<br>(B-A)/(A) | Millions of yen           |                           | % Change<br>(D-C)/(C) |
|---|------------------|-----------------------|----------------------------|-------------------|---------------------------|-----------------------|---------------------------|---------------------------|-----------------------|
|   | June 30,<br>2006 | September 30,<br>2006 | For the three months ended |                   |                           |                       | September 30,<br>2006 (C) | September 30,<br>2007 (D) |                       |
|   |                  |                       | December 31,<br>2006       | March 31,<br>2007 | June 30,<br>2007 (A)      |                       |                           |                           |                       |
| Revenue:  |                  |                       |                            |                   |                           |                       |                           |                           |                       |
| Commissions                                     |                  | (1,868)               | 5                          | (1,023)           | 9                         | 3                     | (66.7)                    | (1,868)                   | 12                    |
| Fees from investment banking                    |                  |                       |                            |                   |                           |                       |                           |                           |                       |
| Asset management and portfolio service fees     |                  |                       |                            |                   |                           |                       |                           |                           |                       |
| Net gain on trading                             |                  |                       |                            |                   |                           |                       |                           |                           |                       |
| Loss on private equity investments              | (5,275)          | (18,695)              | (1,232)                    | (688)             | (5,935)                   | 9,919                 |                           | (23,970)                  | 3,984                 |
| Interest and dividends                          | 23               | 53                    | 28                         | 57                | 142                       | 294                   | 107.0                     | 76                        | 436                   |
| (Loss) gain on investments in equity securities | (20,649)         | (4,802)               | (13,107)                   | 326               | (2,647)                   | (23,435)              |                           | (25,451)                  | (26,082)              |
| Private equity entities product sales           | 20,985           | 21,720                | 28,778                     | 28,643            | 36,479                    | 34,348                | (5.8)                     | 42,705                    | 70,827                |
| Other   | 1,182            | (1,052)               | (88)                       | 517               | 90                        | (675)                 |                           | 130                       | (585)                 |
| <b>Total revenue</b>                            | <b>(3,734)</b>   | <b>(4,644)</b>        | <b>14,384</b>              | <b>27,832</b>     | <b>28,138</b>             | <b>20,454</b>         | <b>(27.3)</b>             | <b>(8,378)</b>            | <b>48,592</b>         |
| Interest expense                                | 106              | 103                   | 133                        | 141               | 133                       | 220                   | 65.4                      | 209                       | 353                   |
| <b>Net revenue</b>                              | <b>(3,840)</b>   | <b>(4,747)</b>        | <b>14,251</b>              | <b>27,691</b>     | <b>28,005</b>             | <b>20,234</b>         | <b>(27.7)</b>             | <b>(8,587)</b>            | <b>48,239</b>         |
| Non-interest expenses:                          |                  |                       |                            |                   |                           |                       |                           |                           |                       |
| Compensation and benefits                       | 3,307            | 3,816                 | 3,919                      | 3,892             | 4,918                     | 3,283                 | (33.2)                    | 7,123                     | 8,201                 |
| Commissions and floor brokerage                 | 436              | 216                   | 248                        | 132               | 327                       | 761                   | 132.7                     | 652                       | 1,088                 |
| Information processing and communications       | 162              | 108                   | 127                        | 124               | 144                       | 153                   | 6.3                       | 270                       | 297                   |
| Occupancy and related depreciation              | 1,033            | 881                   | 1,054                      | 934               | 1,525                     | 1,306                 | (14.4)                    | 1,914                     | 2,831                 |
| Business development expenses                   | 623              | 614                   | 796                        | 782               | 787                       | 598                   | (24.0)                    | 1,237                     | 1,385                 |

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|  |          |          |          |        |         |          |       |          |          |       |
|--|----------|----------|----------|--------|---------|----------|-------|----------|----------|-------|
| Private equity entities cost of goods sold | 11,365   | 11,843   | 17,417   | 16,559 | 22,899  | 21,219   | (7.3) | 23,208   | 44,118   | 90.1  |
| Other                                      | 279      | 2,380    | 2,481    | 3,358  | 2,441   | 12,052   | 393.7 | 2,659    | 14,493   | 445.1 |
|  | 17,205   | 19,858   | 26,042   | 25,781 | 33,041  | 39,372   | 19.2  | 37,063   | 72,413   | 95.4  |
| Income (loss) before income taxes          | (21,045) | (24,605) | (11,791) | 1,910  | (5,036) | (19,138) |       | (45,650) | (24,174) |       |

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**Unconsolidated Financial Information of Major Consolidated Entities**

**(UNAUDITED)**

**The unconsolidated financial information, prepared under Japanese GAAP, is presented for the following entities;**

**-Nomura Holdings, Inc. Financial Information (Parent Company Only)**

**-Nomura Securities Co., Ltd. Financial Information**

\* The amounts are rounded to the nearest million.

**Table of Contents****NOMURA HOLDINGS, INC.****UNCONSOLIDATED BALANCE SHEET INFORMATION**

|   | September 30,<br>2007 | March 31,<br>2007 | Increase/<br>(Decrease) | (Millions of yen)<br>September 30,<br>2006 |
|---|-----------------------|-------------------|-------------------------|--|
| <b>ASSETS</b>   |                       |                   |                         |  |
| <b>Current Assets</b>                                       | 2,465,980             | 2,249,934         | 216,047                 | 1,987,818                                  |
| Cash and time deposits                                      | 16,398                | 15,648            | 750                     | 14,112                                     |
| Money held in trust   | 71,333                | 55,371            | 15,962                  | 44,289                                     |
| Short-term loans receivable                                 | 2,292,979             | 2,055,790         | 237,189                 | 1,872,262                                  |
| Accounts receivable   | 61,461                | 95,123            | (33,661)                | 32,172                                     |
| Deferred tax assets   | 920                   | 1,677             | (757)                   | 5,229                                      |
| Other current assets  | 22,895                | 26,333            | (3,437)                 | 19,757                                     |
| Allowance for doubtful accounts                             | (7)                   | (8)               | 1                       | (4)  |
| <b>Fixed Assets</b>   | 2,106,231             | 2,188,105         | (81,874)                | 2,033,886                                  |
| Tangible fixed assets                                       | 54,426                | 54,163            | 263                     | 47,572                                     |
| Intangible assets   | 129,619               | 120,035           | 9,585                   | 95,674                                     |
| Investments and others                                      | 1,922,186             | 2,013,907         | (91,721)                | 1,890,640                                  |
| Investment securities                                       | 192,840               | 218,367           | (25,527)                | 223,943                                    |
| Investments in subsidiaries and affiliates (at cost)        | 1,298,946             | 1,325,346         | (26,400)                | 1,191,162                                  |
| Other securities of subsidiaries and affiliates             | 19,151                | 16,426            | 2,725                   | 12,485                                     |
| Long-term loans receivable from subsidiaries and affiliates | 203,200               | 317,400           | (114,200)               | 344,548                                    |
| Long-term guarantee deposits                                | 54,920                | 53,650            | 1,271                   | 54,904                                     |
| Deferred tax assets   | 138,190               | 68,288            | 69,902                  | 47,943                                     |
| Other investments   | 14,971                | 14,463            | 508                     | 15,688                                     |
| Allowance for doubtful accounts                             | (32)                  | (32)              | 0                       | (32)                                       |
| <b>TOTAL ASSETS</b>   | 4,572,212             | 4,438,039         | 134,173                 | 4,021,704                                  |
| <b>LIABILITIES</b>  |                       |                   |                         |  |
| <b>Current liabilities</b>                                  | 1,804,839             | 1,996,756         | (191,917)               | 1,784,506                                  |
| Short-term borrowings                                       | 1,640,500             | 1,873,500         | (233,000)               | 1,684,000                                  |
| Bond with maturity of less than one year                    | 50,000                |                   | 50,000                  |  |
| Collaterals received  | 77,948                | 92,920            | (14,972)                | 83,238                                     |
| Accrued income taxes  | 12,905                | 171               | 12,734                  | 208  |
| Other current liabilities                                   | 23,485                | 30,165            | (6,679)                 | 17,061                                     |
| <b>Long-term liabilities</b>                                | 1,222,146             | 965,955           | 256,191                 | 698,551                                    |
| Bonds payable   | 289,942               | 279,962           | 9,980                   | 180,000                                    |
| Long-term borrowings  | 928,000               | 683,000           | 245,000                 | 516,000                                    |
| Other long-term liabilities                                 | 4,204                 | 2,993             | 1,211                   | 2,551                                      |
| <b>TOTAL LIABILITIES</b>                                    | 3,026,985             | 2,962,711         | 64,274                  | 2,483,057                                  |
| <b>NET ASSETS</b>   |                       |                   |                         |  |
| Shareholders' equity  | 1,489,729             | 1,407,903         | 81,826                  | 1,468,724                                  |
| Common stock  | 182,800               | 182,800           |                         | 182,800                                    |
| Capital reserves  | 112,504               | 113,962           | (1,458)                 | 113,885                                    |
| Additional paid-in capital                                  | 112,504               | 112,504           |                         | 112,504                                    |



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|   |                  |                  |                |                  |
|---|------------------|------------------|----------------|------------------|
| Other capital reserves                  |                  | 1,458            | (1,458)        | 1,381            |
| Earned surplus                          | 1,269,786        | 1,188,858        | 80,928         | 1,250,869        |
| Earned surplus reserve                  | 81,858           | 81,858           |                | 81,858           |
| Other Earned surplus                    | 1,187,928        | 1,107,000        | 80,928         | 1,169,011        |
| Reserve for specified fixed assets      | 17               | 19               | (1)            | 26               |
| General reserve                         | 994,000          | 994,000          |                | 994,000          |
| Earned surplus carried forward          | 193,911          | 112,981          | 80,930         | 174,985          |
| Treasury stock                          | (75,361)         | (77,717)         | 2,355          | (78,830)         |
| Valuation and translation adjustments   | 49,919           | 66,201           | (16,282)       | 69,460           |
| Subscription rights to shares           | 5,579            | 1,224            | 4,355          | 463              |
| <b>TOTAL NET ASSETS</b>                 | <b>1,545,227</b> | <b>1,475,328</b> | <b>69,899</b>  | <b>1,538,647</b> |
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <b>4,572,212</b> | <b>4,438,039</b> | <b>134,173</b> | <b>4,021,704</b> |

**Table of Contents****NOMURA HOLDINGS, INC.****UNCONSOLIDATED INCOME STATEMENT INFORMATION**

|  | For the six months ended<br>September 30, 2007 (A) | For the six months ended<br>September 30, 2006 (B) | Comparison<br>(A-B)/(B)<br>% | (Millions of yen)<br>For the year ended<br>March 31, 2007 |
|--|--|--|------------------------------|---|
| <b>Operating revenue</b>                         | 318,572  | 250,495  | 27.2                         | 340,886   |
| Property and equipment fee revenue               | 46,711   | 38,433   | 21.5                         | 86,963  |
| Rent revenue                                     | 18,522   | 17,412   | 6.4                          | 37,005  |
| Royalty on trademark                             | 11,269   | 9,599  | 17.4                         | 21,162  |
| Dividend from subsidiaries and affiliates        | 228,386  | 178,272  | 28.1                         | 178,342   |
| Others   | 13,684   | 6,779  | 101.9                        | 17,414  |
| <b>Operating expenses</b>                        | 81,609   | 59,110   | 38.1                         | 135,528   |
| Compensation and benefits                        | 7,117  | 1,303  | 446.0                        | 4,656   |
| Rental and maintenance                           | 20,968   | 19,890   | 5.4                          | 44,880  |
| Data processing and office supplies              | 16,221   | 13,513   | 20.0                         | 31,022  |
| Depreciation and amortization                    | 21,280   | 16,964   | 25.4                         | 36,164  |
| Others   | 4,331  | 3,152  | 37.4                         | 6,722   |
| Interest expenses                                | 11,693   | 4,289  | 172.7                        | 12,083  |
| <b>Operating income</b>                          | 236,963  | 191,385  | 23.8                         | 205,358   |
| Non-operating income                             | 2,603  | 1,651  | 57.7                         | 3,616   |
| Non-operating expenses                           | 917  | 369  | 148.8                        | 1,753   |
| <b>Ordinary income</b>                           | 238,649  | 192,667  | 23.9                         | 207,221   |
| <b>Special profits</b>                           | 4,182  | 6,084  | (31.3)                       | 16,327  |
| Reversal of allowance for doubtful accounts      |  | 1  | (100.0)                      |   |
| Gain on sales of investment securities           | 4,182  | 6,083  | (31.2)                       | 16,327  |
| Special losses                                   | 159,658  | 2,417  |                              | 67,436  |
| Loss on sales of investment securities           | 730  | 5  |                              | 83  |
| Loss on devaluation of investment securities     | 590  | 1,187  | (50.2)                       | 1,226   |
| Loss on devaluation of investments in affiliates | 156,814  |  |                              | 62,805  |
| Loss on retirement of fixed assets               | 1,523  | 1,226  | 24.3                         | 3,322   |
| <b>Income before income taxes</b>                | 83,174   | 196,334  | (57.6)                       | 156,112   |
| Income taxes - current                           | 5,310  | 6,701  | (20.8)                       | 12,501  |
| Income taxes - deferred                          | (57,831)   | (94)   |                              | (14,623)  |
| <b>Net Income</b>                                | 135,694  | 189,727  | (28.5)                       | 158,235   |



**Table of Contents****NOMURA HOLDINGS, INC.****UNCONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**

For the six months ended September 30, 2007

(Millions of Yen)

|  | Capital reserve |                            |                       | Shareholders equity   |                        |                        | Other Earned surplus |                                |                      | Treasury stock | Total Shareholders equity |
|--|-----------------|----------------------------|-----------------------|-----------------------|------------------------|------------------------|----------------------|--------------------------------|----------------------|----------------|---------------------------|
|  | Common stock    | Additional paid-in capital | Other capital reserve | Total capital reserve | Earned surplus reserve | specified fixed assets | General reserve      | Earned surplus carried forward | Total Earned surplus |                |                           |
| Balance at March 31, 2007                      | 182,800         | 112,504                    | 1,458                 | 113,962               | 81,858                 | 19                     | 994,000              | 112,981                        | 1,188,858            | (77,717)       | 1,407,903                 |
| Cash dividends                                 |                 |                            |                       |                       |                        |                        |                      | (54,395)                       | (54,395)             |                | (54,395)                  |
| Reversal of reserve for specified fixed assets |                 |                            |                       |                       |                        | (1)                    |                      | 1                              |                      |                |                           |
| Reversal of general reserve                    |                 |                            |                       |                       |                        |                        |                      |                                |                      |                |                           |
| Net income                                     |                 |                            |                       |                       |                        |                        |                      | 135,694                        | 135,694              |                | 135,694                   |
| Purchases of treasury stock                    |                 |                            |                       |                       |                        |                        |                      |                                |                      | (102)          | (102)                     |
| Disposal of treasury stock                     |                 |                            | (1,458)               | (1,458)               |                        |                        |                      | (371)                          | (371)                | 2,457          | 628                       |
| Other-net                                      |                 |                            |                       |                       |                        |                        |                      |                                |                      |                |                           |
| Change in the term                             |                 |                            | (1,458)               | (1,458)               |                        | (1)                    |                      | 80,930                         | 80,928               | 2,355          | 81,826                    |
| Balance at September 30, 2007                  | 182,800         | 112,504                    |                       | 112,504               | 81,858                 | 17                     | 994,000              | 193,911                        | 1,269,786            | (75,361)       | 1,489,729                 |

|  | Valuation and translation adjustments |                                  | Subscription rights to shares | Total net assets |
|--|---------------------------------------|----------------------------------|-------------------------------|------------------|
|  | Net unrealized gain on investments    | Deferred gains or loss on hedges |                               |                  |
| Balance at March 31, 2007                      | 67,013                                | (812)                            | 1,224                         | 1,475,328        |
| Cash dividends                                 |                                       |                                  |                               | (54,395)         |
| Reversal of reserve for specified fixed assets |                                       |                                  |                               |                  |
| Reversal of general reserve                    |                                       |                                  |                               |                  |
| Net income                                     |                                       |                                  |                               | 135,694          |
| Purchases of treasury stock                    |                                       |                                  |                               | (102)            |
| Disposal of treasury stock                     |                                       |                                  |                               | 628              |
| Other-net                                      | (16,375)                              | 93                               | 4,355                         | (11,927)         |
| Change in the term                             | (16,375)                              | 93                               | 4,355                         | 69,899           |
| Balance at September 30, 2007                  | 50,638                                | (719)                            | 5,579                         | 1,545,227        |

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**NOMURA HOLDINGS, INC.**

**UNCONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**

For the six months ended September 30, 2006

(Millions of yen)

|  | Capital reserve |                            |                       |                       | Earned surplus reserve | Shareholders' equity   |                            |                 | Total     | Treasury stock | Total Shareholders' equity |                      |                 |
|--|-----------------|----------------------------|-----------------------|-----------------------|------------------------|------------------------|----------------------------|-----------------|-----------|----------------|----------------------------|----------------------|-----------------|
|  | Common stock    | Additional paid-in capital | Other capital reserve | Total capital reserve |                        | Earned surplus reserve | Earned surplus             |                 |           |                |                            | Total Earned surplus |                 |
|  |                 |                            |                       |                       |                        |                        | for specified fixed assets | General reserve |           |                |                            |                      | carried forward |
|  |                 |                            |                       |                       |                        |                        |                            |                 |           |                |                            |                      |                 |
| Balance at March 31, 2006                          | 182,800         | 112,504                    | 2,014                 | 114,518               | 81,858                 | 29                     | 1,020,000                  | 43,131          | 1,145,018 | (80,448)       | 1,361,888                  |                      |                 |
| Cash dividends (*)                                 |                 |                            |                       |                       |                        |                        |                            | (68,620)        | (68,620)  |                | (68,620)                   |                      |                 |
| Cash dividends                                     |                 |                            |                       |                       |                        |                        |                            | (15,257)        | (15,257)  |                | (15,257)                   |                      |                 |
| Reversal of reserve for specified fixed assets (*) |                 |                            |                       |                       |                        | (4)                    |                            | 4               |           |                |                            |                      |                 |
| Reversal of general reserve (*)                    |                 |                            |                       |                       |                        |                        | (26,000)                   | 26,000          |           |                |                            |                      |                 |
| Net income   |                 |                            |                       |                       |                        |                        |                            | 189,727         | 189,727   |                | 189,727                    |                      |                 |
| Purchases of treasury stock                        |                 |                            |                       |                       |                        |                        |                            |                 |           | (81)           | (81)                       |                      |                 |
| Disposal of treasury stock                         |                 |                            |                       | (633)                 |                        |                        |                            |                 |           | 1,700          | 1,066                      |                      |                 |
| Other-net  |                 |                            |                       | (633)                 |                        | (4)                    | (26,000)                   | 131,854         | 105,851   | 1,618          | 106,838                    |                      |                 |
| Change in the term                                 |                 |                            |                       | (633)                 |                        | (4)                    | (26,000)                   | 131,854         | 105,851   | 1,618          | 106,838                    |                      |                 |
| Balance at September 30, 2006                      | 182,800         | 112,504                    | 1,381                 | 113,885               | 81,858                 | 26                     | 994,000                    | 174,985         | 1,250,869 | (78,830)       | 1,468,727                  |                      |                 |

|  | Valuation and translation adjustments |               |               |              |           |
|--|---------------------------------------|---------------|---------------|--------------|-----------|
|  | Net                                   |               | Total         |              |           |
|  | unrealized                            | Deferred      | Valuation and | Subscription | Total net |
|  | gain on                               | gains or loss | translation   | rights to    |           |
| investments  | on hedges                             | adjustments   | shares        | assets       |           |
| Balance at March 31, 2006                          |                                       | 84,761        |               | 84,761       | 1,446,649 |
| Cash dividends (*)                                 |                                       |               |               |              | (68,620)  |
| Cash dividends                                     |                                       |               |               |              | (15,257)  |
| Reversal of reserve for specified fixed assets (*) |                                       |               |               |              |           |
| Reversal of general reserve (*)                    |                                       |               |               |              |           |
| Net income   |                                       |               |               |              | 189,727   |
| Purchases of treasury stock                        |                                       |               |               |              | (81)      |
| Disposal of treasury stock                         |                                       |               |               |              | 1,066     |
| Other-net  |                                       | (14,769)      | (531)         | (15,301)     | 463       |
| Change in the term                                 |                                       | (14,769)      | (531)         | (15,301)     | 463       |
| Balance at September 30, 2006                      |                                       | 69,991        | (531)         | 69,460       | 463       |

(\*) Items approved in the Board of Directors held on May 2006.

**Table of Contents****NOMURA HOLDINGS, INC.****UNCONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**

For the year ended March 31, 2007

(Millions of Yen)

|  | Capital reserve |                            |                       |                       | Earned surplus reserve | Shareholders equity        |                      | Earned surplus | Total     | Treasury stock | Shareholders equity |       |                                |       |
|--|-----------------|----------------------------|-----------------------|-----------------------|------------------------|----------------------------|----------------------|----------------|-----------|----------------|---------------------|-------|--------------------------------|-------|
|  | Common stock    | Additional paid-in capital | Other capital reserve | Total capital reserve |                        | for specified fixed assets | Other Earned surplus |                |           |                |                     | Total |                                |       |
|  |                 |                            |                       |                       |                        |                            | General reserve      |                |           |                |                     |       | Earned surplus carried forward | Total |
|  |                 |                            |                       |                       |                        |                            |                      |                |           |                |                     |       |                                |       |
| Balance at March 31, 2006                          | 182,800         | 112,504                    | 2,014                 | 114,518               | 81,858                 | 29                         | 1,020,000            | 43,131         | 1,145,018 | (80,448)       | 1,361,888           |       |                                |       |
| Cash dividends (*)                                 |                 |                            |                       |                       |                        |                            |                      | (68,620)       | (68,620)  |                | (68,620)            |       |                                |       |
| Cash dividends                                     |                 |                            |                       |                       |                        |                            |                      | (45,775)       | (45,775)  |                | (45,775)            |       |                                |       |
| Reversal of reserve for specified fixed assets (*) |                 |                            |                       |                       |                        | (4)                        |                      | 4              |           |                |                     |       |                                |       |
| Reversal of reserve for specified fixed assets     |                 |                            |                       |                       |                        | (7)                        |                      | 7              |           |                |                     |       |                                |       |
| Reversal of general reserve (*)                    |                 |                            |                       |                       |                        |                            | (26,000)             | 26,000         |           |                |                     |       |                                |       |
| Net income   |                 |                            |                       |                       |                        |                            |                      | 158,235        | 158,235   |                | 158,235             |       |                                |       |
| Purchases of treasury stock                        |                 |                            |                       |                       |                        |                            |                      |                |           | (204)          | (204)               |       |                                |       |
| Disposal of treasury stock                         |                 |                            | (556)                 | (556)                 |                        |                            |                      |                |           | 2,935          | 2,379               |       |                                |       |
| Other-net  |                 |                            |                       |                       |                        |                            |                      |                |           |                |                     |       |                                |       |
| Change in the term                                 |                 |                            | (556)                 | (556)                 |                        | (11)                       | (26,000)             | 69,851         | 43,840    | 2,731          | 46,015              |       |                                |       |
| Balance at March 31, 2007                          | 182,800         | 112,504                    | 1,458                 | 113,962               | 81,858                 | 19                         | 994,000              | 112,981        | 1,188,858 | (77,717)       | 1,407,903           |       |                                |       |

**Valuation and translation adjustments**

|  | Total                              |                                  |                                       |                               | Total net assets |
|--|------------------------------------|----------------------------------|---------------------------------------|-------------------------------|------------------|
|  | Net unrealized gain on investments | Deferred gains or loss on hedges | Valuation and translation adjustments | Subscription rights to shares |                  |
| Balance at March 31, 2006                          | 84,761                             |                                  | 84,761                                |                               | 1,446,649        |
| Cash dividends (*)                                 |                                    |                                  |                                       |                               | (68,620)         |
| Cash dividends                                     |                                    |                                  |                                       |                               | (45,775)         |
| Reversal of reserve for specified fixed assets (*) |                                    |                                  |                                       |                               |                  |
| Reversal of reserve for specified fixed assets     |                                    |                                  |                                       |                               |                  |
| Reversal of general reserve (*)                    |                                    |                                  |                                       |                               |                  |
| Net income   |                                    |                                  |                                       |                               | 158,235          |
| Purchases of treasury stock                        |                                    |                                  |                                       |                               | (204)            |
| Disposal of treasury stock                         |                                    |                                  |                                       |                               | 2,379            |
| Other-net  | (17,748)                           | (812)                            | (18,560)                              | 1,224                         | (17,336)         |
| Change in the term                                 | (17,748)                           | (812)                            | (18,560)                              | 1,224                         | 28,679           |
| Balance at March 31, 2007                          | 67,013                             | (812)                            | 66,201                                | 1,224                         | 1,475,328        |

(\*) Items approved in the Board of Directors held on May 2006.



**Table of Contents****NOMURA SECURITIES CO., LTD.****UNCONSOLIDATED BALANCE SHEET INFORMATION**

|   | September 30,     | March 31,         | Increase/<br>September 30, | (Millions of yen)<br>September 30, |
|---|-------------------|-------------------|----------------------------|------------------------------------|
|   | 2007              | 2007              | (Decrease)                 | 2006                               |
| <b>ASSETS</b>   |                   |                   |                            |                                    |
| Current Assets  | 11,688,801        | 12,570,606        | (881,805)                  | 11,575,007                         |
| Cash and time deposits                                  | 94,300            | 57,301            | 36,999                     | 52,865                             |
| Deposits with exchanges and other segregated cash       | 693               | 693               |                            | 761                                |
| Trading assets:   | 4,493,101         | 5,023,167         | (530,066)                  | 5,341,010                          |
| Trading securities                                      | 3,994,689         | 4,603,302         | (608,613)                  | 4,945,548                          |
| Derivative contracts                                    | 498,412           | 419,865           | 78,547                     | 395,463                            |
| Net receivables arising from pre-settlement date trades | 344,705           |                   | 344,705                    | 331,070                            |
| Margin account assets:                                  | 262,708           | 359,294           | (96,586)                   | 346,472                            |
| Loans to customers in margin transactions               | 219,434           | 290,369           | (70,936)                   | 281,392                            |
| Cash collateral to securities finance companies         | 43,274            | 68,925            | (25,650)                   | 65,079                             |
| Loans with securities as collateral:                    | 6,011,834         | 6,903,525         | (891,691)                  | 4,943,547                          |
| Cash collateral for securities borrowed                 | 5,297,266         | 5,544,509         | (247,243)                  | 4,240,974                          |
| Loans in gensaki transactions                           | 714,568           | 1,359,016         | (644,448)                  | 702,573                            |
| Receivables from customers and others                   | 2,584             | 1,231             | 1,353                      | 855                                |
| Short-term guarantee deposits                           | 195,148           | 91,028            | 104,120                    | 67,404                             |
| Short-term loans receivable                             | 139,188           | 11,026            | 128,162                    | 363,629                            |
| Deferred tax assets                                     | 92,100            | 77,561            | 14,540                     | 74,299                             |
| Other current assets                                    | 52,501            | 45,826            | 6,675                      | 53,141                             |
| Allowance for doubtful accounts                         | (61)              | (46)              | (15)                       | (46)                               |
| Fixed Assets  | 70,526            | 61,787            | 8,740                      | 68,255                             |
| Tangible fixed assets                                   | 37                | 43                | (5)                        | 51                                 |
| Intangible assets                                       | 1,819             | 653               | 1,165                      | 631                                |
| Investments and others                                  | 68,671            | 61,091            | 7,579                      | 67,574                             |
| Investment securities                                   | 195               | 195               |                            | 195                                |
| Deferred tax assets                                     | 42,369            | 41,217            | 1,152                      | 39,379                             |
| Other investments                                       | 26,999            | 20,575            | 6,424                      | 28,751                             |
| Allowance for doubtful accounts                         | (893)             | (896)             | 3                          | (751)                              |
| <b>TOTAL ASSETS</b>                                     | <b>11,759,327</b> | <b>12,632,393</b> | <b>(873,065)</b>           | <b>11,643,262</b>                  |



**Table of Contents**

|  | September 30,     | March 31,         | Increase/        | (Millions of yen)<br>September 30, |
|--|-------------------|-------------------|------------------|------------------------------------|
|  | 2007              | 2007              | (Decrease)       | 2006                               |
| <b>LIABILITIES</b>                                   |                   |                   |                  |                                    |
| Current Liabilities                                  | 10,471,784        | 11,033,512        | (561,728)        | 10,045,599                         |
| Trading liabilities:                                 |                   |                   |                  |                                    |
| Trading securities                                   | 3,154,723         | 2,090,611         | 1,064,111        | 2,227,725                          |
| Derivative contracts                                 | 2,657,184         | 1,672,676         | 984,508          | 1,871,026                          |
| Net payables arising from pre-settlement date trades | 497,539           | 417,936           | 79,603           | 356,699                            |
| Margin account liabilities:                          |                   |                   |                  |                                    |
| Borrowings from securities finance companies         | 16,802            | 57,469            | (57,469)         | 37,865                             |
| Customer margin sale proceeds                        | 5,530             | 29,988            | (13,185)         | 14,254                             |
| Borrowings with securities as collateral:            |                   |                   |                  |                                    |
| Cash collateral for securities loaned                | 11,272            | 4,385             | 1,145            | 23,611                             |
| Borrowings in gensaki transactions                   | 2,603,605         | 25,603            | (14,330)         | 4,464,767                          |
| Payables to customers and others                     | 1,705,375         | 5,497,684         | (2,894,079)      | 2,464,715                          |
| Guarantee deposits received                          | 898,230           | 1,699,865         | (801,636)        | 2,000,052                          |
| Short-term borrowings                                | 220,641           | 187,155           | 33,486           | 346,018                            |
| Short-term bonds payable                             | 90,731            | 119,888           | (29,157)         | 104,351                            |
| Bond due within one year                             | 3,424,100         | 2,557,500         | 866,600          | 2,285,230                          |
| Accrued income taxes                                 | 662,000           | 266,500           | 395,500          | 489,000                            |
| Accounts payable                                     | 160,000           | 60,000            | 100,000          |                                    |
| Accrued bonuses for employees                        | 22,377            | 7,690             | 14,686           | 10,417                             |
| Other current liabilities                            | 52,968            | 81,724            | (28,756)         | 22,583                             |
| Long-term Liabilities                                | 19,300            | 22,700            | (3,400)          | 16,000                             |
| Bonds payable  | 44,538            | 54,603            | (10,065)         | 41,643                             |
| Long-term borrowings                                 | 440,633           | 633,608           | (192,975)        | 730,625                            |
| Reserve for retirement benefits                      | 98,200            | 198,200           | (100,000)        | 258,200                            |
| Other long-term liabilities                          | 277,400           | 371,900           | (94,500)         | 411,400                            |
| Statutory Reserves                                   | 59,527            | 58,337            | 1,191            | 56,778                             |
| Reserve for securities transactions                  | 5,506             | 5,172             | 334              | 4,246                              |
|  | 4,987             | 4,346             | 642              | 3,650                              |
| <b>TOTAL LIABILITIES</b>                             | <b>10,917,405</b> | <b>11,671,466</b> | <b>(754,061)</b> | <b>10,779,873</b>                  |
| <b>NET ASSETS</b>                                    |                   |                   |                  |                                    |
| Shareholder's equity                                 | 840,581           | 958,769           | (118,188)        | 860,401                            |
| Common stock   | 10,000            | 10,000            |                  | 10,000                             |
| Capital reserves                                     | 529,579           | 529,579           |                  | 529,579                            |
| Additional paid-in capital                           | 529,579           | 529,579           |                  | 529,579                            |
| Earned surplus                                       | 301,002           | 419,190           | (118,188)        | 320,822                            |
| Other Earned surplus                                 | 301,002           | 419,190           | (118,188)        | 320,822                            |
| General reserve                                      | 63,000            | 63,000            |                  | 63,000                             |
| Earned surplus carried forward                       | 238,002           | 356,190           | (118,188)        | 257,822                            |
| Valuation and translation adjustments                | 1,341             | 2,157             | (816)            | 2,989                              |
| <b>TOTAL NET ASSETS</b>                              | <b>841,922</b>    | <b>960,926</b>    | <b>(119,004)</b> | <b>863,389</b>                     |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>              | <b>11,759,327</b> | <b>12,632,393</b> | <b>(873,065)</b> | <b>11,643,262</b>                  |

**Table of Contents****NOMURA SECURITIES CO., LTD.****UNCONSOLIDATED INCOME STATEMENT INFORMATION**

|   | For the Six Months Ended | For the Six Months Ended | (Millions of yen except percentages)<br>Comparison | For the year ended |
|---|--------------------------|--------------------------|--|--------------------|
|   | September 30, 2007(A)    | September 30, 2006(B)    | (A-B)/(B)  | March 31, 2007     |
| Operating revenue   | 415,013                  | 316,811                  | 31.0%  | 770,358            |
| Commissions   | 225,385                  | 191,987                  | 17.4   | 423,247            |
| Net gain on trading   | 104,050                  | 66,244                   | 57.1   | 214,667            |
| Net gain on other inventories   | 5                        | 7                        | (24.9)   | 12                 |
| Interest and dividend income  | 85,573                   | 58,573                   | 46.1   | 132,431            |
| Interest expenses   | 57,642                   | 37,502                   | 53.7   | 85,940             |
| Net operating revenue   | 357,371                  | 279,309                  | 27.9   | 684,418            |
| Selling, general and administrative expenses                          | 219,961                  | 194,378                  | 13.2   | 417,911            |
| Transaction-related expenses  | 44,446                   | 40,602                   | 9.5  | 85,092             |
| Compensation and benefits   | 87,034                   | 74,704                   | 16.5   | 164,302            |
| Rental and maintenance  | 24,516                   | 23,046                   | 6.4  | 48,327             |
| Data processing and office supplies                                   | 57,275                   | 49,575                   | 15.5   | 107,275            |
| Others  | 6,690                    | 6,451                    | 3.7  | 12,915             |
| Operating income  | 137,410                  | 84,932                   | 61.8   | 266,507            |
| Non-operating income  | 810                      | 1,209                    | (33.0)   | 2,021              |
| Non-operating expenses  | 961                      | 906                      | 6.0  | 1,828              |
| Ordinary income   | 137,259                  | 85,235                   | 61.0   | 266,699            |
| Special profits   | 718                      | 244                      | 194.2  | 643                |
| Gains due to the exemption from payments of share- based compensation | 718                      | 244                      | 194.2  | 643                |
| Special losses  | 642                      | 545                      | 17.7   | 1,241              |
| Reserve for securities transactions                                   | 642                      | 545                      | 17.7   | 1,241              |
| Income before income taxes  | 137,336                  | 84,934                   | 61.7   | 266,101            |
| Income taxes - current  | 69,238                   | 28,169                   | 145.8  | 115,489            |
| Income taxes - deferred   | (15,124)                 | 4,432                    |  | (90)               |
| Net income  | 83,222                   | 52,333                   | 59.0   | 150,702            |

**Table of Contents****NOMURA SECURITIES CO., LTD.****QUARTERLY INCOME STATEMENT INFORMATION**

|  | (Millions of yen) |                 |                 |                 |                 |                 |
|--|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|  | For the Quarter   | For the Quarter | For the Quarter | For the Quarter | For the Quarter | For the Quarter |
|  | from April 1,     | from July 1,    | from October 1, | from January 1, | from April 1,   | from July 1,    |
|  | 2006 to           | 2006 to         | 2006 to         | 2007 to         | 2007 to         | 2007 to         |
|  | June 30,          | September 30,   | December 31,    | March 31,       | June 30,        | September 30,   |
|  | 2006              | 2006            | 2006            | 2007            | 2007            | 2007            |
| Operating revenue  | 164,748           | 152,064         | 201,682         | 251,864         | 252,044         | 162,970         |
| Commissions  | 93,501            | 98,486          | 110,489         | 120,771         | 122,458         | 102,927         |
| Net gain on trading  | 38,521            | 27,722          | 50,292          | 98,131          | 77,896          | 26,154          |
| Net gain on other inventories  | 5                 | 2               | 2               | 3               | 2               | 3               |
| Interest and dividend income   | 32,720            | 25,854          | 40,899          | 32,959          | 51,687          | 33,886          |
| Interest expenses  | 21,984            | 15,518          | 26,782          | 21,656          | 34,446          | 23,196          |
| Net operating revenue  | 142,764           | 136,546         | 174,900         | 230,208         | 217,598         | 139,773         |
| Selling, general and administrative expenses                         | 94,917            | 99,461          | 104,528         | 119,005         | 111,461         | 108,501         |
| Transaction-related expenses   | 19,460            | 21,142          | 21,350          | 23,141          | 22,627          | 21,820          |
| Compensation and benefits  | 38,045            | 36,659          | 42,442          | 47,157          | 45,227          | 41,807          |
| Rental and maintenance   | 11,322            | 11,723          | 12,064          | 13,217          | 12,081          | 12,435          |
| Data processing and office supplies                                  | 22,515            | 27,060          | 25,898          | 31,802          | 28,040          | 29,235          |
| Other  | 3,575             | 2,876           | 2,774           | 3,689           | 3,487           | 3,203           |
| Operating income   | 47,847            | 37,085          | 70,372          | 111,203         | 106,137         | 31,273          |
| Non-operating income   | 198               | 1,012           | 350             | 461             | 500             | 310             |
| Non-operating expenses   | 445               | 461             | 428             | 493             | 438             | 523             |
| Ordinary income  | 47,599            | 37,636          | 70,294          | 111,170         | 106,200         | 31,059          |
| Special profits  | 37                | 207             | 200             | 199             | 265             | 453             |
| Gains due to the exemption from payments of share-based compensation | 37                | 207             | 200             | 199             | 265             | 453             |
| Special losses   | 279               | 266             | 334             | 362             | 316             | 326             |
| Reserve for securities transactions                                  | 279               | 266             | 334             | 362             | 316             | 326             |
| Income before income taxes   | 47,357            | 37,576          | 70,160          | 111,007         | 106,150         | 31,186          |
| Income taxes - current   | 2,772             | 25,397          | 18,795          | 68,525          | 36,757          | 32,481          |

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|                         |        |          |        |          |        |          |
|-------------------------|--------|----------|--------|----------|--------|----------|
| Income taxes - deferred | 16,172 | (11,740) | 9,476  | (13,997) | 5,981  | (21,105) |
| Net income              | 28,414 | 23,920   | 41,889 | 56,479   | 63,412 | 19,811   |

**Table of Contents****NOMURA SECURITIES CO., LTD.****SUPPLEMENTARY INFORMATION**

## 1. Commission Revenues

## (1) Breakdown by Category

|  | Six Months Ended       |                        | (Millions of yen except percentages) |                              |
|--|------------------------|------------------------|--------------------------------------|------------------------------|
|  | September 30, 2007 (A) | September 30, 2006 (B) | Comparison<br>(A-B)/(B)(%)           | Year Ended<br>March 31, 2007 |
| Brokerage commissions                  | 63,807                 | 63,061                 | 1.2 %                                | 133,648                      |
| <i>(Stocks)</i>                        | <i>59,907</i>          | <i>59,409</i>          | <i>0.8</i>                           | <i>127,751</i>               |
| Underwriting commissions               | 13,238                 | 20,352                 | (35.0)                               | 49,253                       |
| <i>(Stocks)</i>                        | <i>11,218</i>          | <i>18,273</i>          | <i>(38.6)</i>                        | <i>41,744</i>                |
| <i>(Bonds)</i>                         | <i>2,020</i>           | <i>2,078</i>           | <i>(2.8)</i>                         | <i>7,487</i>                 |
| Distribution commissions               | 74,718                 | 50,810                 | 47.1                                 | 124,040                      |
| <i>(Investment trust certificates)</i> | <i>73,347</i>          | <i>48,878</i>          | <i>50.1</i>                          | <i>120,333</i>               |
| Other commissions                      | 73,622                 | 57,763                 | 27.5                                 | 116,306                      |
| <i>(Investment trust certificates)</i> | <i>32,523</i>          | <i>24,392</i>          | <i>33.3</i>                          | <i>52,374</i>                |
| Total                                  | 225,385                | 191,987                | 17.4                                 | 423,247                      |

## (2) Breakdown by Product

|                               | Six Months Ended       |                        | (Millions of yen except percentages) |                              |
|-------------------------------|------------------------|------------------------|--------------------------------------|------------------------------|
|                               | September 30, 2007 (A) | September 30, 2006 (B) | Comparison<br>(A-B)/(B)(%)           | Year Ended<br>March 31, 2007 |
| Stocks                        | 73,991                 | 81,127                 | (8.8)%                               | 177,416                      |
| Bonds                         | 5,275                  | 6,363                  | (17.1)                               | 16,130                       |
| Investment trust certificates | 107,971                | 76,657                 | 40.8                                 | 177,789                      |
| Others                        | 38,148                 | 27,841                 | 37.0                                 | 51,912                       |
| Total                         | 225,385                | 191,987                | 17.4                                 | 423,247                      |

## 2. Net Gain on Trading

|        | Six Months Ended       |                        | (Millions of yen except percentages) |                              |
|--------|------------------------|------------------------|--------------------------------------|------------------------------|
|        | September 30, 2007 (A) | September 30, 2006 (B) | Comparison<br>(A-B)/(B)(%)           | Year Ended<br>March 31, 2007 |
| Stocks | 22,145                 | 30,886                 | (28.3)%                              | 75,445                       |

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|                 |         |        |       |         |
|-----------------|---------|--------|-------|---------|
| Bonds and forex | 81,905  | 35,358 | 131.6 | 139,222 |
| Total           | 104,050 | 66,244 | 57.1  | 214,667 |

**Table of Contents****NOMURA SECURITIES CO., LTD.****SUPPLEMENTARY INFORMATION**

## 3. Stock Trading (excluding futures transactions)

|                                      | (Millions of shares or yen except per share data and percentages) |                        |                        |                        |                  |              |                  |                |
|--------------------------------------|---|------------------------|------------------------|------------------------|------------------|--------------|------------------|----------------|
|                                      | Six Months Ended  |                        | September 30, 2006 (B) |                        | Comparison       |              | Year Ended       |                |
|                                      | September 30, 2007 (A)  | September 30, 2007 (A) | September 30, 2006 (B) | September 30, 2006 (B) | (A-B)/(B)(%)     | (A-B)/(B)(%) | March 31, 2007   | March 31, 2007 |
|                                      | Number of shares  | Amount                 | Number of shares       | Amount                 | Number of shares | Amount       | Number of shares | Amount         |
| Total                                | 37,865  | 57,862,427             | 33,236                 | 49,230,990             | 13.9%            | 17.5%        | 71,790           | 105,345,875    |
| <i>(Brokerage)</i>                   | 23,244  | 34,687,469             | 20,414                 | 29,904,510             | 13.9             | 16.0         | 44,825           | 64,332,556     |
| <i>(Proprietary Trading)</i>         | 14,621  | 23,174,958             | 12,822                 | 19,326,481             | 14.0             | 19.9         | 26,966           | 41,013,320     |
| Brokerage / Total                    | 61.4%   | 59.9%                  | 61.4%                  | 60.7%                  |                  |              | 62.4%            | 61.1%          |
| TSE Share                            | 6.1%  | 6.9%                   | 6.3%                   | 6.9%                   |                  |              | 6.4%             | 7.0%           |
| Brokerage Commission per share (yen) | 2.55  |                        | 2.88                   |                        |                  |              | 2.83             |                |

## 4. Underwriting, Subscription, and Distribution

|  | (Millions of shares or yen except percentages) |                        |              |                |
|--|--|------------------------|--------------|----------------|
|  | Six Months Ended                               |                        | Comparison   | Year Ended     |
|  | September 30, 2007 (A)                         | September 30, 2006 (B) | (A-B)/(B)(%) | March 31, 2007 |
| <b>Underwriting</b>                        |  |                        |              |                |
| Stocks (number of shares)                  | 117  | 144                    | (18.6)%      | 466            |
| (yen amount)                               | 238,847  | 457,102                | (47.7)       | 1,119,862      |
| Bonds (face value)                         | 3,575,339                                      | 3,171,372              | 12.7         | 6,509,676      |
| Investment trust certificates (yen amount) |  |                        |              |                |
| Beneficial interest (face value)           | 11,800   | 5,400                  | 118.5        | 132,868        |
| <b>Subscription and Distribution*</b>      |  |                        |              |                |
| Stocks (number of shares)                  | 268  | 149                    | 79.6         | 1,023          |
| (yen amount)                               | 313,001  | 493,771                | (36.6)       | 1,263,720      |
| Bonds (face value)                         | 1,831,253                                      | 1,946,185              | (5.9)        | 3,894,257      |
| Investment trust certificates (yen amount) | 11,817,168                                     | 9,635,382              | 22.6         | 21,430,501     |
| Beneficial interest (face value)           | 3,000  |                        |              | 52,800         |

\* Includes secondary offering and private placement.

## 5. Capital Adequacy Ratio

(Millions of yen except percentages)

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|                        |                                       | September 30,<br>2007 | September 30,<br>2006 | March 31,<br>2007 |
|------------------------|---------------------------------------|-----------------------|-----------------------|-------------------|
| Tier I                 | (A)                                   | 840,581               | 860,400               | 757,358           |
| Tier II                | Valuation and translation adjustments | 1,340                 | 2,988                 | 2,157             |
|                        | Statutory reserves                    | 4,987                 | 3,649                 | 4,345             |
|                        | Allowance for doubtful accounts       | 60                    | 45                    | 46                |
|                        | Subordinated debt                     | 310,000               | 310,000               | 310,000           |
|                        | Total                                 | (B)                   | 316,389               | 316,684           |
| Illiquid Asset         | (C)                                   | 166,058               | 173,241               | 154,421           |
| Net Capital            | (A) + (B) - (C) = (D)                 | 990,912               | 1,003,843             | 919,486           |
| Risk                   | Market risk                           | 48,944                | 60,749                | 53,129            |
|                        | Counterparty risk                     | 250,393               | 222,886               | 253,360           |
|                        | Basic risk                            | 129,199               | 110,154               | 116,905           |
|                        | Total                                 | (E)                   | 428,537               | 393,790           |
| Capital Adequacy Ratio | (D)/(E)                               | 231.2%                | 254.9%                | 217.1%            |



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**News Release**

**Nomura Reports Second Quarter, First Half Financial Results**

**Tokyo, October 25, 2007** Nomura Holdings, Inc. today reported consolidated financial results for the second quarter and first half of the fiscal year ending March 31, 2008.

**First half summary**

Net revenue for the first half was 600.9 billion yen (US\$5.2 billion)<sup>1</sup>, a 31.5% year-on-year increase. Income before income taxes of 96.4 billion yen (US\$838 million) was down 9.5% compared to the prior-year period. Net income increased 4.0% year-on-year to 66.2 billion yen (US\$576 million). ROE for the first half was 6.0%.

While the results for the first half of the year were flat compared with the same period last year due primarily to the US residential mortgage business, the underlying trends of a shift from savings to investment in Japan and increased corporate activity aimed at growth remain as strong as ever, said Nobuyuki Koga, Nomura President and CEO. In the second half we will capitalize on these ongoing trends and respond to the changing needs of our customers by increasing our focus on client-centric businesses.

**First half business highlights**

**Domestic Retail:** Number of accounts with a balance exceeded 4 million. Net asset inflow into Domestic Client Assets remained strong at over 3 trillion yen. Branch network continued to expand and innovative customer access points such as an online virtual branch and information booths were opened.

**Global Markets:** Instinet performed strongly. Launched gold-price-linked exchange traded fund. Established Asia Asset Finance in Singapore in July.

**Global Investment Banking:** Ranked number one in Equity and Equity-related (Japan) and M&A advisory league tables<sup>2</sup> for nine months through September.

**Global Merchant Banking:** Investments realized in Japan and Europe contributed to overall revenue.

**Asset Management:** Reached agreement with The Norinchukin Bank and the Development Bank of Japan to establish a joint venture to evaluate and analyze private equity funds. Japan Post Bank (formerly Japan Post) started selling Nomura target-year fund.

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<sup>1</sup> US dollar amounts are included solely for the convenience of the reader and have been translated at the rate of 114.97 yen = 1 US dollar, the noon buying rate in New York for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York on September 28, 2007. This translation should not be construed to imply that the yen amounts actually represent, or have been or could be converted into, equivalent amounts in US dollars.

<sup>2</sup> Source: Thomson Financial

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### **First half business segment results**

Total net revenue from business segments for the first half was 552.7 billion yen (US\$4.8 billion), an 18.7% year-on-year increase. Income before income taxes from business segments was 120.5 billion yen (US\$1.0 billion), down 20.8% from the same period last year.

#### **Domestic Retail**

Income before income taxes increased 17.0% year-on-year to 82.8 billion yen. Although an overall decline in individual equity agency transaction value led to a drop in stock brokerage commissions, strong sales of investment trusts helped boost commissions for distribution of investment trusts and investment trust administration fees and other.

#### **Global Markets**

Global Markets reported a pre-tax loss of 41.6 billion yen. In Fixed Income, revenue declined year-on-year as a result of losses related to Nomura's exit from the US residential mortgage-backed securities (RMBS) business. Trading of credit derivatives and interest rate and currency-linked derivatives mainly in Europe contributed to revenue. In Equity, income before income taxes increased year-on-year as robust equity derivative trading more than offset a decline in revenue from MPO transactions.

#### **Global Investment Banking**

Income before income taxes decreased by 23.0% compared with the previous year to 16.8 billion yen. The domestic M&A business remained strong during the period and operations in Europe and Asia contributed to an expansion in earnings. However, income before income taxes declined year-on-year as equity financing by Japanese corporates dropped off significantly and the value of underwriting transactions declined. Despite this, Nomura was able to maintain its high market share during the first half of the year.

#### **Global Merchant Banking**

Income before income taxes declined 11.2% from the same period last year to 45.5 billion yen. The sales of Deutsche Annington by Terra Firma as well as Wanbishi Archives and Sliontec by Nomura Principal Finance contributed to revenue.

#### **Asset Management**

Income before income taxes increased 22.0% year-on-year to 19.9 billion yen. Assets under management increased 3.3 trillion yen from the end of June to 30.3 trillion yen on the back of growth in investment trusts and the investment advisory business. Asset management fees increased as a result. In investment trusts, the My Story Profit Distribution-type Course B Fund topped 2 trillion yen in assets and sales of balanced funds and newly-launched funds remained firm.

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### **Second quarter summary**

In the second quarter, Nomura booked net revenue of 220.2 billion yen (US\$1.9 billion), a pre-tax loss of 46.5 billion yen (US\$-404 million), and net loss of 10.5 billion yen (US\$-91 million). Second quarter results reflect realized and unrealized losses related to Nomura's exit from the US RMBS business, a restructuring charge related to the company's focus on core businesses in the US, and unrealized losses on investments in equity securities held for operating purposes.

### **Second quarter business segment results**

Total net revenue from business segments for the second quarter was 200.0 billion yen (US\$1.7 billion), a decrease of 43.3% from the prior quarter and 21.8% year-on-year. Pre-tax loss from business segments was 27.3 billion yen (US\$-237 million).

#### **Domestic Retail**

Income before income taxes declined 36.3% quarter-on-quarter to 32.2 billion yen. Domestic Client Assets declined by 4 trillion yen from the end of June to 84.3 trillion yen due to a downturn in the stock market. Net asset inflow remained strong at 1.7 trillion yen, while the number of accounts with a balance increased to 4.066 million.

Turmoil in the global financial markets caused commissions for distribution of investment trusts to decline by 10.7% from the first quarter to 35.4 billion yen, stock brokerage commissions to decline by 8.2% to 20.4 billion yen, and sales credit to decline by 38.2% to 20.5 billion yen.

Sales of investment trusts remained strong during the second quarter and net asset inflow into investment trusts outstripped the first quarter, while investment trust administration fees and other increased for the eleventh straight quarter.

#### **Global Markets**

Global Markets booked a pre-tax loss of 67.7 billion yen. Net revenue in Fixed Income was -40.6 billion yen due to losses related to Nomura's exit from the US RMBS business. Although order flow for structured bonds weakened, trading of credit derivatives and interest rate and currency-linked derivatives mainly in Europe was robust.

In Equity, net revenue remained around the same level as the prior quarter at 58.1 billion yen. Revenue from MPO transactions and block trades declined, while equity derivative trading was robust and Instinet revenue expanded.

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### **Global Investment Banking**

Global Investment Banking reported a pre-tax loss of 3.9 billion yen. The equity finance market for Japanese corporates remained weak during the second quarter and the number of major M&A deals dropped off due to turmoil in the global financial markets. This resulted in a decline in deals contributing to revenue. Despite this, Nomura retained its high market share during the quarter and ranked number one in both the Equity and Equity-related (Japan) and M&A league tables<sup>1</sup> for January to September.

In equity financing, Nomura acted as lead manager in deals by Mitsui Trust Holdings and DA Office Investment Corporation. In M&A, Nomura was financial advisor on the tender offer by Promise to acquire all outstanding shares of Sanyo Shinpan Finance.

### **Global Merchant Banking**

Global Merchant Banking income before income taxes was 5.4 billion yen, a decline of 86.5% from the prior quarter. Realized gains were booked from the sale of Terra Firma investee companies and Sliontec by Nomura Principal Finance. Unrealized losses and gains were also booked due the valuation of certain investee companies at fair value.

### **Asset Management**

Asset Management income before income taxes was 7.7 billion yen, a 37.0% decline from the first quarter. Assets under management remained roughly unchanged from the end of the first quarter at 30.3 trillion yen. Sales of balanced funds such as the My Story Profit Distribution-type Fund, Global Three Assets Balance Fund, and Nomura Global Six Assets Diversified Fund remained strong. In addition, newly-launched funds such as the Nomura Global High Interest Rate Currencies Fund and Nomura Aqua Investment attracted inflows of over 100 billion yen. In the investment advisory business, the balance of advisory contracts continued to increase steadily. However, unrealized losses on pilot funds and seed money for product development were also booked during the quarter.

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<sup>3</sup> Source: Thomson Financial

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Ends

**For further information please contact:**

| <b>Name</b>        | <b>Company</b>             | <b>Telephone</b> |
|--------------------|----------------------------|------------------|
| Kimiharu Suzuki    | Nomura Holdings, Inc.      | 81-3-3278-0591   |
| Michiyori Fujiwara | Group Communications Dept. |                  |

**Notes to editors:**

**Nomura Group**

Nomura is a global financial services group dedicated to providing a broad range of financial services for individual, institutional, corporate and government clients. The Group offers a diverse line of competitive products and value-added financial and advisory solutions through its global headquarters in Tokyo, over 150 branches in Japan, and an international network in 30 countries; with regional headquarters in Hong Kong, London, and New York. The Group's business activities include investment consultation and brokerage services for retail investors in Japan, and, on a global basis, brokerage services, securities underwriting, investment banking advisory services, merchant banking, and asset management. For further information about Nomura please visit our website at [www.nomura.com](http://www.nomura.com).

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First half of fiscal year ending March 31, 2008 (1)

US GAAP Figures

|  | (Billions of yen)                               |   | % change     | (Billions of yen)<br>For the year<br>ended  |
|--|---|---|--------------|---|
|  | For the six months ended                        |   |              |   |
|  | September 30, 2007<br>(2007.4.1 ~<br>2007.9.30) | September 30, 2006<br>(2006.4.1 ~<br>2006.9.30) | (B-A)/(A)    | March 31, 2007<br>(2006.4.1 ~<br>2007.3.31) |
|  | (B)   | (A)   |              |   |
| Net revenue                              | 600.9   | 456.9   | 31.5         | 1,091.1                                     |
| Non-interest expenses                    | 504.6   | 350.4   | 44.0         | 769.3                                       |
| <b>Income (loss) before income taxes</b> | <b>96.4</b>                                     | <b>106.5</b>                                    | <b>(9.5)</b> | <b>321.8</b>                                |
| Income tax expense                       | 30.1  | 42.8  | (29.6)       | 145.9                                       |
| <b>Net income (loss)</b>                 | <b>66.2</b>                                     | <b>63.7</b>                                     | <b>4.0</b>   | <b>175.8</b>                                |
| <b>Return on equity (ROE)</b>            | <b>6.0%</b>                                     | <b>6.1%</b>                                     |              | <b>8.3%</b>                                 |

\* In accordance with SFAS No. 144 Accounting for the Impairment or Disposal of Long-Lived Assets, income before income taxes and net income from the operations of Millennium Retailing Inc. (one of Nomura Principal Finance's private equity investee companies, and whose operations were treated as discontinued during the third quarter of the fiscal year ended March 31, 2006, in conjunction with the agreement reached in the third quarter by Nomura Principal Finance to sell its stake in Millennium Retailing Inc.) are separately reported as income from discontinued operations retroactively to the first quarter of the fiscal year ended March 31, 2006. Net revenue and non-interest expenses of such discontinued operations are not shown independently.

Total of business segments

|  | (Billions of yen)                               |   | % change      | (Billions of yen)<br>For the year<br>ended  |
|--|---|---|---------------|---|
|  | For the six months ended                        |   |               |   |
|  | September 30, 2007<br>(2007.4.1 ~<br>2007.9.30) | September 30, 2006<br>(2006.4.1 ~<br>2006.9.30) | (B-A)/(A)     | March 31, 2007<br>(2006.4.1 ~<br>2007.3.31) |
|  | (B)   | (A)   |               |   |
| Net revenue                              | 552.7   | 465.5   | 18.7          | 1,057.7                                     |
| Non-interest expense                     | 432.2   | 313.4   | 37.9          | 680.5                                       |
| <b>Income (loss) before income taxes</b> | <b>120.5</b>                                    | <b>152.1</b>                                    | <b>(20.8)</b> | <b>377.3</b>                                |

**Table of Contents****First half of fiscal year ending March 31, 2008 (2)****(1) Net revenue**

|   | (Billions of yen)                               |   | % change<br>(B-A)/(A) | (Billions of yen)                           |
|---|---|---|-----------------------|---|
|   | For the six months ended                        |   |                       | For the year ended                          |
|   | September 30, 2007<br>(2007.4.1 ~<br>2007.9.30) | September 30, 2006<br>(2006.4.1 ~<br>2006.9.30) |                       | March 31, 2007<br>(2006.4.1 ~<br>2007.3.31) |
|   | (B)   | (A)   |                       |   |
| <b>Business segment information:</b>  |   |   |                       |   |
| Domestic Retail   | 225.1   | 200.1   | 12.5                  | 440.1                                       |
| Global Markets  | 125.7   | 117.4   | 7.1                   | 290.0                                       |
| Global Investment Banking   | 47.6  | 48.5  | (1.9)                 | 99.2  |
| Global Merchant Banking   | 51.9  | 56.7  | (8.5)                 | 65.0  |
| Asset Management  | 50.1  | 41.5  | 20.7                  | 90.1  |
| Sub Total   | 500.3   | 464.2   | 7.8                   | 984.4                                       |
| Other   | 52.4  | 1.3   | 3,788.4               | 73.3  |
| <b>Net revenue</b>  | <b>552.7</b>                                    | <b>465.5</b>                                    | <b>18.7</b>           | <b>1,057.7</b>                              |
| <b>Reconciliation items:</b>  |   |   |                       |   |
| Unrealized gain (loss) on investments in equity securities held for relationship purposes | (26.1)  | (25.5)  |                       | (38.2)                                      |
| Effect of consolidation/deconsolidation of certain private equity investee companies      | 74.3  | 16.9  | 340.7                 | 71.6  |
| <b>Net revenue</b>  | <b>600.9</b>                                    | <b>456.9</b>                                    | <b>31.5</b>           | <b>1,091.1</b>                              |

**(2) Non-interest expenses**

|   |              |              |             |              |
|---|--------------|--------------|-------------|--------------|
| <b>Business segment information:</b>  |              |              |             |              |
| Domestic Retail   | 142.3        | 129.4        | 10.0        | 279.3        |
| Global Markets  | 167.3        | 106.6        | 56.9        | 231.2        |
| Global Investment Banking   | 30.7         | 26.7         | 15.3        | 54.8         |
| Global Merchant Banking   | 6.3          | 5.4          | 17.7        | 12.2         |
| Asset Management  | 30.2         | 25.2         | 19.9        | 53.6         |
| Sub Total   | 376.9        | 293.3        | 28.5        | 631.1        |
| Other   | 55.2         | 20.1         | 175.3       | 49.4         |
| <b>Non-interest expense</b>   | <b>432.2</b> | <b>313.4</b> | <b>37.9</b> | <b>680.5</b> |
| <b>Reconciliation items:</b>  |              |              |             |              |
| Unrealized gain (loss) on investments in equity securities held for relationship purposes |              |              |             |              |
| Effect of consolidation/deconsolidation of certain private equity investee companies      | 72.4         | 37.1         | 95.4        | 88.9         |
| <b>Non-interest expenses</b>  | <b>504.6</b> | <b>350.4</b> | <b>44.0</b> | <b>769.3</b> |

**(3) Income (loss) before income taxes**

| Business segment information:   |              |              |               |              |
|---|--------------|--------------|---------------|--------------|
| Domestic Retail   | 82.8         | 70.7         | 17.0          | 160.9        |
| Global Markets  | (41.6)       | 10.7         |               | 58.8         |
| Global Investment Banking   | 16.8         | 21.8         | (23.0)        | 44.4         |
| Global Merchant Banking   | 45.5         | 51.3         | (11.2)        | 52.8         |
| Asset Management  | 19.9         | 16.3         | 22.0          | 36.5         |
| <b>Sub Total</b>  | <b>123.3</b> | <b>170.8</b> | <b>(27.8)</b> | <b>353.3</b> |
| Other   | (2.8)        | (18.7)       |               | 23.9         |
| <b>Income (loss) before income taxes</b>  | <b>120.5</b> | <b>152.1</b> | <b>(20.8)</b> | <b>377.3</b> |
| Reconciliation items:   |              |              |               |              |
| Unrealized gain (loss) on investments in equity securities held for relationship purposes | (26.1)       | (25.5)       |               | (38.2)       |
| Effect of consolidation/deconsolidation of certain private equity investee companies      | 1.9          | (20.2)       |               | (17.3)       |
| <b>Income (loss) before income taxes</b>  | <b>96.4</b>  | <b>106.5</b> | <b>(9.5)</b>  | <b>321.8</b> |

**\* Major components**

Transactions between operating segments are recorded within segment results on commercial terms and conditions and are eliminated in Other .

The following table presents the major components of income/(loss) before income taxes in Other

|  | (Billions of yen)   |   | % change<br>(B-A)/(A) | (Billions of yen)<br>For the year ended<br>March 31, 2007<br>(2006.4.1 ~ 2007.3.31) |
|--|---|---|-----------------------|---|
|  | For the six months ended<br>September 30, 2007<br>(2007.4.1 ~ 2007.9.30)<br>(B) | September 30, 2006<br>(2006.4.1 ~ 2006.9.30)<br>(A) |                       |   |
| Net gain/loss on trading related to economic hedging transactions                | (11.6)  | (25.4)  |                       | (38.4)  |
| Realized gain on investments in equity securities held for relationship purposes | 1.3   | 4.9   |                       | 18.1  |
| Equity in earnings of affiliates   | 7.7   | 9.4   | (72.9)                | 53.2  |
| Corporate items  | (21.9)  | (3.5)   | (18.6)                | (11.1)  |
| Others   | 21.8  | (4.2)   |                       | 2.1   |
| <b>Total</b>   | <b>(2.8)</b>  | <b>(18.7)</b>                                       |                       | <b>23.9</b>   |



**Table of Contents****Second quarter of fiscal year ending March 31, 2008 (1)****US GAAP Figures**

|  | (Billions of yen)                               |  | % change  | (Billions of yen)                               |           |
|--|---|--|-----------|---|-----------|
|  | September 30, 2007<br>(2007.7.1 ~<br>2007.9.30) | June 30, 2007<br>(2007.4.1 ~<br>2007.6.30) |           | September 30, 2006<br>(2006.7.1 ~<br>2006.9.30) | % change  |
|  | (B)   | (A)  | (B-A)/(A) | (C)   | (B-C)/(C) |
| Net revenue                              | 220.2   | 380.7                                      | (42.2)    | 251.0   | (12.3)    |
| Non-interest expenses                    | 266.7   | 237.9                                      | 12.1      | 177.9   | 49.9      |
| <b>Income (loss) before income taxes</b> | <b>(46.5)</b>                                   | <b>142.8</b>                               |           | <b>73.1</b>                                     |           |
| Income tax expense                       | (35.9)  | 66.1                                       |           | 29.6  |           |
| <b>Net income (loss)</b>                 | <b>(10.5)</b>                                   | <b>76.7</b>                                |           | <b>43.5</b>                                     |           |
| <b>Return on equity (ROE)</b>            | <b>Δ1.9%</b>                                    | <b>13.7%</b>                               |           | <b>8.3%</b>                                     |           |

**Total of business segments**

|  | (Billions of yen)                               |  | % change  | (Billions of yen)                               |           |
|--|---|--|-----------|---|-----------|
|  | September 30, 2007<br>(2007.7.1 ~<br>2007.9.30) | June 30, 2007<br>(2007.4.1 ~<br>2007.6.30) |           | September 30, 2006<br>(2006.7.1 ~<br>2006.9.30) | % change  |
|  | (B)   | (A)  | (B-A)/(A) | (C)   | (B-C)/(C) |
| Net revenue                              | 200.0   | 352.7                                      | (43.3)    | 255.7   | (21.8)    |
| Non-interest expenses                    | 227.3   | 204.9                                      | 10.9      | 158.0   | 43.8      |
| <b>Income (loss) before income taxes</b> | <b>(27.3)</b>                                   | <b>147.9</b>                               |           | <b>97.7</b>                                     |           |

**Table of Contents****Second quarter of fiscal year ending March 31, 2008 (2)****(1) Net revenue**

|                                      | (Billions of yen)                               |  | % change      | (Billions of yen)                               |               |
|--------------------------------------|---|--|---------------|---|---------------|
|                                      | September 30, 2007<br>(2007.7.1 ~<br>2007.9.30) | June 30, 2007<br>(2007.4.1 ~<br>2007.6.30) |               | September 30, 2006<br>(2006.7.1 ~<br>2006.9.30) | % change      |
|                                      | (B)   | (A)  | (B-A)/(A)     | (C)   | (B-C)/(C)     |
| <b>Business segment information:</b> |   |  |               |   |               |
| Domestic Retail                      | 103.3   | 121.8                                      | (15.2)        | 94.5  | 9.2           |
| Global Markets                       | 16.8  | 108.9                                      | (84.6)        | 48.5  | (65.4)        |
| Global Investment Banking            | 10.8  | 36.7                                       | (70.6)        | 29.7  | (63.6)        |
| Global Merchant Banking              | 8.5   | 43.4                                       | (80.5)        | 44.5  | (81.0)        |
| Asset Management                     | 23.7  | 26.4                                       | (10.3)        | 23.9  | (0.7)         |
| Sub Total                            | 163.0   | 337.3                                      | (51.7)        | 241.1   | (32.4)        |
| Other                                | 37.0  | 15.4                                       | 139.7         | 14.6  | 152.5         |
| <b>Net revenue</b>                   | <b>200.0</b>                                    | <b>352.7</b>                               | <b>(43.3)</b> | <b>255.7</b>                                    | <b>(21.8)</b> |

## Reconciliation items:

|  |              |              |               |              |               |
|--|--------------|--------------|---------------|--------------|---------------|
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (23.4)       | (2.6)        |               | (4.8)        |               |
| Effect of consolidation/deconsolidation of certain private equity investee companies   | 43.7         | 30.7         | 42.5          | 0.1          | 79,298.2      |
| <b>Net revenue</b>   | <b>220.2</b> | <b>380.7</b> | <b>(42.2)</b> | <b>251.0</b> | <b>(12.3)</b> |

**(2) Non-interest expenses**

|                                      |              |              |             |              |             |
|--------------------------------------|--------------|--------------|-------------|--------------|-------------|
| <b>Business segment information:</b> |              |              |             |              |             |
| Domestic Retail                      | 71.1         | 71.3         | (0.3)       | 66.3         | 7.1         |
| Global Markets                       | 84.5         | 82.9         | 1.9         | 52.1         | 62.2        |
| Global Investment Banking            | 14.7         | 16.0         | (7.9)       | 13.4         | 9.8         |
| Global Merchant Banking              | 3.0          | 3.3          | (8.3)       | 3.1          | (0.9)       |
| Asset Management                     | 16.0         | 14.2         | 12.6        | 12.8         | 25.2        |
| Sub Total                            | 189.3        | 187.7        | 0.9         | 147.7        | 28.2        |
| Other                                | 38.0         | 17.2         | 121.1       | 10.4         | 267.3       |
| <b>Non-interest expenses</b>         | <b>227.3</b> | <b>204.9</b> | <b>10.9</b> | <b>158.0</b> | <b>43.8</b> |

## Reconciliation items:

|  |              |              |             |              |             |
|--|--------------|--------------|-------------|--------------|-------------|
| Unrealized gain (loss) on investments in equity securities held for operating purposes |              |              |             |              |             |
| Effect of consolidation/deconsolidation of certain private equity investee companies   | 39.4         | 33.0         | 19.2        | 19.9         | 98.3        |
| <b>Non-interest expenses</b>   | <b>266.7</b> | <b>237.9</b> | <b>12.1</b> | <b>177.9</b> | <b>49.9</b> |

**(3) Income (loss) before income taxes**

|  |               |              |        |             |        |
|--|---------------|--------------|--------|-------------|--------|
| Business segment information:  |               |              |        |             |        |
| Domestic Retail  | 32.2          | 50.6         | (36.3) | 28.2        | 14.3   |
| Global Markets   | (67.7)        | 26.0         |        | (3.6)       |        |
| Global Investment Banking  | (3.9)         | 20.7         |        | 16.3        |        |
| Global Merchant Banking  | 5.4           | 40.1         | (86.5) | 41.5        | (86.9) |
| Asset Management   | 7.7           | 12.2         | (37.0) | 11.1        | (30.6) |
| <b>Sub Total</b>   | <b>(26.3)</b> | <b>149.6</b> |        | <b>93.4</b> |        |
| Other  | (1.0)         | (1.8)        |        | 4.3         |        |
| <b>Income (loss) before income taxes</b>   | <b>(27.3)</b> | <b>147.9</b> |        | <b>97.7</b> |        |
| Reconciliation items:  |               |              |        |             |        |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (23.4)        | (2.6)        |        | (4.8)       |        |
| Effect of consolidation/deconsolidation of certain private equity investee companies   | 4.3           | (2.4)        |        | (19.8)      |        |
| <b>Income (loss) before income taxes</b>   | <b>(46.5)</b> | <b>142.8</b> |        | <b>73.1</b> |        |

**\* Major components**

Transactions between operating segments are recorded within segment results on commercial terms and conditions and are eliminated in Other .

The following table presents the major components of income/(loss) before income taxes in Other

|  | (Billions of yen)                            |   | % change  | (Billions of yen)                            | % change  |
|--|--|---|-----------|--|-----------|
|  | September 30, 2007<br>(2007.7.1 ~ 2007.9.30) | June 30, 2007<br>(2007.4.1 ~ 2007.6.30) |           | September 30, 2006<br>(2006.7.1 ~ 2006.9.30) |           |
|  | (B)  | (A)                                     | (B-A)/(A) | (C)  | (B-C)/(C) |
| Net gain/loss on trading related to economic hedging transactions                    | 2.8  | (14.4)                                  |           | (14.0)                                       |           |
| Realized gain (loss) on investments in equity securities held for operating purposes | (0.8)  | 2.1                                     |           | 4.8  |           |
| Equity in earnings of affiliates   | 2.6  | 5.1                                     | (49.5)    | 6.1  | (58.0)    |
| Corporate items  | (12.3)                                       | (9.7)                                   |           | 3.7  |           |
| Others   | 6.6  | 15.1                                    | (56.3)    | 3.7  | 77.3      |
| <b>Total</b>   | <b>(1.0)</b>                                 | <b>(1.8)</b>                            |           | <b>4.3</b>                                   |           |

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**Table of Contents****Notification of Impairment of Investments in Subsidiaries and Affiliates in****Unconsolidated Financial Statements**

**Tokyo, October 25, 2007** In accordance with the Rules on Timely Disclosure of Tokyo Stock Exchange, Nomura Holdings, Inc. today announced that it has recorded an impairment of its investment in the shares of its subsidiary holding company for the Americas in its unconsolidated financial statements for the second quarter of the fiscal year ending March 31, 2008.

The impairment is mainly due to losses booked in relation to Nomura's exit from the US RMBS business as announced on October 15. The impact for the second quarter of the year ending March 31, 2008, is reflected in Nomura Holdings' consolidated financial statements for the quarter ended September 30, 2007, announced today.

The impairment shown below is the cumulative amount for the current fiscal year ending March 31, 2008, and includes the 71.7 billion yen impairment recorded in the first quarter.

|  | (billions of yen, except percentages) |
|--|---------------------------------------|
| (A) Impairment of Investments in Subsidiaries and Affiliates on Unconsolidated Financial Statements for the year ending March 31, 2008 | 156.8                                 |
| (B) Shareholders' equity as of March 31, 2007 (A)/(B)  | 1,475.3<br>(10.6%)                    |
| (C) Ordinary income for the fiscal year ended March 31, 2007 (A)/(C)   | 207.2<br>(75.7%)                      |
| (D) Net income for the fiscal year ended March 31, 2007 (A)/(D)  | 158.2<br>(99.1%)                      |

Ends

**For further information please contact:**

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**Notes to editors:**

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