

NOMURA HOLDINGS INC

Form 6-K

July 29, 2005

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FORM 6-K

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

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

Commission File Number: 1-15270

Supplement for the month of July 2005.

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)

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Form 20-F Form 40-F

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Yes No

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

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Information furnished on this form:

EXHIBIT

Exhibit Number

1. [Consolidated Results of Operations (US GAAP) First quarter, year ending March 2006]

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SIGNATURES

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

NOMURA HOLDINGS, INC.

Date: July 29, 2005

By: /s/ Tetsu Ozaki

Tetsu Ozaki
Senior Managing Director

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

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Table of Contents**Consolidated Financial Summary (1)**

(millions of yen, per share data in yen)

| | FY2006.3 | FY2005.3 | FY2005.3 | | |
|-------------------------------|------------|------------|------------|------|-----------------------|
| | 1Q | 1Q | 4Q | YoY | QoQ |
| Net revenue | 286,735 | 213,928 | 234,533 | 34% | 22% |
| Non-interest expenses | 256,031 | 141,462 | 167,563 | 81% | 53% |
| Income before income taxes | 30,704 | 72,466 | 66,970 | -58% | -54% |
| Net income | 8,321 | 40,832 | 25,543 | -80% | -67% |
| Net income per share (basic) | 4.30 | 21.03 | 13.16 | -80% | -67% |
| ROE (annualized) | 1.8% | 9.0% | 5.5% | | |
| | | | | | (compared to 3/31/05) |
| Total assets | 34,163,927 | 30,013,930 | 34,488,853 | | -324,926 |
| Total shareholders equity | 1,843,316 | 1,833,405 | 1,868,429 | | -25,113 |
| Shareholders equity per share | 961.94 | 944.35 | 962.48 | | |
| Leverage (x) | 18.5 | 16.4 | 18.5 | | |

Note: All consolidated financial figures include the effect of consolidation and deconsolidation of certain private equity investee companies. Details can be found on slides 23 -25.

Table of Contents**Consolidated Financial Summary (2)**

(millions of yen)

| | FY2006.3 | FY2005.3 | FY2005.3 | | |
|--|-----------------|-----------------|-----------------|-------------|-------------|
| | 1Q | 1Q | 4Q | YoY | QoQ |
| Revenue | 421,119 | 275,295 | 328,353 | 53% | 28% |
| Commissions | 55,152 | 69,533 | 60,570 | -21% | -9% |
| Fees from investment banking | 14,719 | 15,434 | 26,137 | -5% | -44% |
| Asset management and portfolio service fees | 19,942 | 18,185 | 21,135 | 10% | -6% |
| Net gain on trading | 70,802 | 53,567 | 70,337 | 32% | 1% |
| Gain (loss) on private equity investments | -2,490 | 498 | 11,508 | | |
| Interest and dividends | 133,415 | 81,891 | 96,351 | 63% | 38% |
| Gain on investments in equity securities | -2,825 | 10,271 | 8,915 | | |
| Private equity entities product sales | 125,373 | 17,368 | 21,585 | 622% | 481% |
| Other | 7,031 | 8,548 | 11,815 | -18% | -40% |
| Interest expense | 134,384 | 61,367 | 93,820 | 119% | 43% |
| Net revenue | 286,735 | 213,928 | 234,533 | 34% | 22% |
| Non-interest expenses | 256,031 | 141,462 | 167,563 | 81% | 53% |
| Income before income taxes | 30,704 | 72,466 | 66,970 | -58% | -54% |
| Net income | 8,321 | 40,832 | 25,543 | -80% | -67% |

Note: Please refer to slides 17-20 for data on commissions and net gain on trading by item.

Table of Contents**Revenue and Income by Business Segment**

(billions of yen)

| | FY2006.3 | | | FY2005.3 | | | | FY2004.3 | | | |
|----------------------------------|----------|------|------|----------|-------|-------|-------|----------|-------|-------|-------|
| | 1Q | YoY | QoQ | 4Q | 3Q | 2Q | 1Q | 4Q | 3Q | 2Q | 1Q |
| Domestic Retail | | | | | | | | | | | |
| Net revenue | 84.8 | -2% | 7% | 79.6 | 73.0 | 64.8 | 87.0 | 79.8 | 75.4 | 75.6 | 75.0 |
| Non-interest expenses | 54.5 | 2% | -9% | 60.0 | 55.0 | 54.9 | 53.3 | 59.8 | 55.3 | 56.9 | 54.2 |
| Income before income taxes | 30.3 | -10% | 55% | 19.6 | 18.0 | 9.8 | 33.7 | 20.0 | 20.1 | 18.7 | 20.8 |
| Global Markets | | | | | | | | | | | |
| Net revenue | 49.8 | -31% | -29% | 69.8 | 56.6 | 44.9 | 71.8 | 72.8 | 41.6 | 87.1 | 82.6 |
| Non-interest expenses | 50.5 | 23% | -11% | 56.4 | 43.8 | 41.5 | 41.2 | 41.2 | 39.0 | 41.5 | 41.6 |
| Income before income taxes | -0.7 | | | 13.3 | 12.8 | 3.4 | 30.6 | 31.6 | 2.6 | 45.6 | 41.1 |
| Global Investment Banking | | | | | | | | | | | |
| Net revenue | 12.8 | -1% | -34% | 19.4 | 20.2 | 22.9 | 12.9 | 19.4 | 18.0 | 20.6 | 12.9 |
| Non-interest expenses | 10.6 | 0% | -21% | 13.4 | 10.7 | 11.5 | 10.7 | 14.7 | 13.4 | 13.5 | 12.1 |
| Income before income taxes | 2.2 | -5% | -64% | 6.0 | 9.5 | 11.4 | 2.3 | 4.7 | 4.6 | 7.1 | 0.8 |
| Global Merchant Banking | | | | | | | | | | | |
| Net revenue | -3.3 | | | 10.4 | -3.5 | -2.3 | 2.8 | 7.1 | -2.3 | 7.3 | -1.4 |
| Non-interest expenses | 2.6 | -14% | -5% | 2.7 | 2.2 | 2.4 | 3.0 | 2.3 | 2.8 | 2.5 | 2.7 |
| Income before income taxes | -5.9 | | | 7.7 | -5.7 | -4.8 | -0.2 | 4.8 | -5.1 | 4.9 | -4.1 |
| Asset Management | | | | | | | | | | | |
| Net revenue | 12.5 | 30% | 19% | 10.5 | 12.3 | 11.0 | 9.7 | 9.0 | 10.6 | 8.0 | 8.3 |
| Non-interest expenses | 9.2 | 4% | -3% | 9.5 | 8.9 | 8.8 | 8.9 | 10.2 | 8.1 | 10.5 | 8.2 |
| Income before income taxes | 3.3 | 324% | 220% | 1.0 | 3.4 | 2.2 | 0.8 | -1.2 | 2.6 | -2.5 | 0.1 |
| 5 business segments total | | | | | | | | | | | |
| Net revenue | 156.6 | -15% | -17% | 189.7 | 158.8 | 141.2 | 184.1 | 188.2 | 143.3 | 198.6 | 177.4 |
| Non-interest expenses | 127.4 | 9% | -10% | 142.0 | 120.6 | 119.1 | 117.0 | 128.3 | 118.6 | 124.8 | 118.7 |
| Income before income taxes | 29.2 | -56% | -39% | 47.7 | 38.1 | 22.0 | 67.1 | 59.9 | 24.7 | 73.7 | 58.7 |

Note: In April 2004, Fixed Income, Equity and certain functions of Investment Banking were consolidated to create Global Markets. Global Markets FY2004.3 figures are the total of Fixed Income and Equity and differ slightly in composition.

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Domestic Retail (1)

Revenue

Revenue up 7%, income before income taxes up 55% on strong sales of investment trusts

n Commissions: 45.2 billion yen (down 1%)

.. Commissions for Investment Trusts Distribution and Redemption*: 19.5 billion yen (up 43%)

l Stock Investment Trusts Commissions: 14.8 billion yen (up 48%)

l Foreign Investment Trusts Commissions: 3.7 billion yen (up 43%)

.. Retail Stock Brokerage Commissions: 20.8 billion yen (down 24%)

l Individual Equity Agency Transaction Value (monthly average)**: 12.9 trillion yen (down 10%)

l Equity Holding Accounts: 1.679 million (as of 06/30/05, up 11,000 from 03/31/05)

.. Insurance:

l Outstanding Value of Variable Annuity Insurance Policies: 504.3 billion yen (up 13%)

n Fees From Investment Banking: 3.4 billion yen (down 41%)

.. Distribution of JGBs for Individual Investors: 11th Issue 206.4 billion yen

l Issue Amount: 1,642 billion yen; Nomura's share: 13% (ranked No. 1 in private sector)

n Sales Credit: 27.5 billion yen (up 36%)

.. MTN sales strong amid low interest rate environment

n Investment Trust Administration Fees and Other: 7.1 billion yen (up 3%)

Note: All percentage comparisons QoQ.

* Nomura Securities

** Data from the three major exchanges (Tokyo, Osaka, Nagoya)

Net Revenue and Income before Income Taxes

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 | |
|--|----------|------|------|------|----------|------|------|------|----------|------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | QoQ |
| Commissions | 25.7 | 40.5 | 41.8 | 47.2 | 55.8 | 35.3 | 37.3 | 45.6 | 45.2 | -1% |
| (Retail stock brokerage commissions) | 12.1 | 26.2 | 25.6 | 28.2 | 36.5 | 19.9 | 19.3 | 27.3 | 20.8 | -24% |
| Fees from investment banking | 2.9 | 6.7 | 8.7 | 7.7 | 4.7 | 8.3 | 5.8 | 5.7 | 3.4 | -41% |
| Investment trust administration fees and other | 4.8 | 5.4 | 5.6 | 6.0 | 6.3 | 6.5 | 6.5 | 6.8 | 7.1 | 3% |
| Sales credit | 40.4 | 21.7 | 18.0 | 17.7 | 18.6 | 13.3 | 21.5 | 20.2 | 27.5 | 36% |
| Net interest revenue | 1.2 | 1.2 | 1.4 | 1.1 | 1.6 | 1.4 | 1.9 | 1.3 | 1.7 | 33% |
| Income before income taxes | 20.8 | 18.7 | 20.1 | 20.0 | 33.7 | 9.8 | 18.0 | 19.6 | 30.3 | 55% |

Table of Contents**Domestic Retail (2)*****Retail Client Assets****

Retail client assets top 40 trillion yen on robust sales of investment trusts and JGBs for individual investors

| | <u>Jun. 2003</u> | <u>Sept. 2003</u> | <u>Dec. 2003</u> | <u>Mar. 2004</u> | <u>Jun. 2004</u> | <u>Sept. 2004</u> | <u>Dec. 2004</u> | <u>Mar. 2005</u> | <u>Jun. 2005</u> |
|-------------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|
| Foreign bonds | 3.9 | 3.7 | 3.8 | 3.7 | 3.6 | 3.8 | 3.6 | 3.7 | 3.7 |
| Domestic bonds** | 5.1 | 5.3 | 5.7 | 6.1 | 6.5 | 7.0 | 7.2 | 7.5 | 7.7 |
| Equities | 11.1 | 12.8 | 13.7 | 16.0 | 16.9 | 15.9 | 18.5 | 19.1 | 19.5 |
| Stock investment trusts | 2.2 | 2.4 | 2.5 | 2.7 | 2.7 | 2.6 | 2.8 | 2.9 | 3.2 |
| Bond investment trusts | 5.7 | 5.6 | 5.2 | 5.0 | 4.7 | 4.4 | 4.2 | 4.3 | 4.1 |
| Overseas mutual funds | 1.1 | 1.2 | 1.3 | 1.4 | 1.5 | 1.7 | 1.7 | 1.8 | 1.9 |
| Other*** | 0.2 | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 | 0.5 | 0.5 | 0.6 |

* Domestic Retail, excluding regional financial institutions

** Includes CBs, warrants

*** Includes variable annuity insurance

Domestic Retail client assets (including regional financial institutions) totaled 46.5 trillion yen as of June 30, 2005 (March 31, 2005: 45.6 trillion yen).

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Domestic Retail (3)

Net Asset Inflow (monthly average)*

* Net Asset Inflow: Gap between inflow and outflow of assets

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Global Markets

Revenue

Revenue down 29% due mainly to a decline in fixed income-related revenue resulting from tough market environment

n **Fixed Income**

“ MTN issues at high level

“ Large International Bond Underwritings

l Austria: EUR 5 billion (joint lead)

l Greece: EUR 5 billion (joint lead)

l Caja Madrid: Two issues totaling EUR 4.5 billion (joint lead)

“ Foreign Currency Bond Offerings to Retail Investors

l European Investment Bank: AUD 650 million

l Toyota Motor Credit Corp.: USD 420 million

n **Equity**

“ MPOs contributed to revenue

n **New Businesses**

“ Loan-related Business: 74 billion yen (fiscal year ended March 2005: 210 billion yen)

“ Asset Finance

l Announced investment in new investment and lending company focusing on real estate

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1 Urban Renaissance Private Mezzanine Fund increased to 30 billion yen

• Equity Derivatives

1 Signed 4 fund derivative contracts (total EUR 300 million)

Net Revenue and Income before Income Taxes

| | FY2004.3 | | | |
|----------------------------|----------|------|------|------|
| | 1Q | 2Q | 3Q | 4Q |
| Fixed income | 62.3 | 48.1 | 26.3 | 37.3 |
| Equity | 20.4 | 39.0 | 15.3 | 35.5 |
| Income before income taxes | 41.1 | 45.6 | 2.6 | 31.6 |

| | FY2005.3 | | | | FY2006.3 | |
|----------------------------|----------|------|------|------|----------|------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | QoQ |
| Fixed-income related | 38.5 | 16.0 | 27.1 | 38.3 | 21.3 | -44% |
| Equity related | 29.7 | 22.1 | 20.5 | 22.2 | 23.6 | 7% |
| Other | 3.6 | 6.8 | 9.1 | 9.3 | 4.8 | -48% |
| Income before income taxes | 30.6 | 3.4 | 12.8 | 13.3 | -0.7 | |

* Data through FY04.3 4Q represent Fixed Income and Equity totals.

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Global Investment Banking

Revenue

Revenue down 34% on decline in Equity financing

n Equity and Equity-related Underwriting (IPO, PO, CB)¹

.. Value Total: USD 4.42 billion (down 63% QoQ)
Nomura: USD 895 million (down 63% QoQ)

.. Major Deals

1 IPO Gourmet Navigator: 7.2 billion yen

1 PO Nomura Real Estate Office Fund: 32.6 billion yen

1 CB Mori Seiki: 10 billion yen

n Overseas Equities

.. Public Offering Without Listing (POWL)

1 Infosys Technologies (India): 23 billion yen raised in Japan

1 China Shenhua Energy: 27.1 billion yen raised in Japan

n Capital Solutions Business

.. Multiple Private Offerings (MPOs) Nomura: 137 billion yen (9 deals)

1 Sojitz Holdings: 60 billion yen

1 Access: 50 billion yen

n M&A Advisory Business

.. Major Deals

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1 Establishment of joint holding company by Ito-Yokado, Seven-Eleven Japan, and Denny's Japan through share transfer

1 Management integration of Namco and Bandai to create joint holding company

.. Ranking

1 2005 1H M&A league table leader in terms of deals announced²

¹ Source: Thomson Financial (Apr-Jun 05)

² Source: Thomson Financial (Jan-June 05)

Net Revenue and Income before Income Taxes

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Global Merchant Banking

Revenue

Revenue of minus 3.3 billion yen due to funding costs for Terra Firma

n **New Deals**

“ Misawa Homes Holdings

1 Fund originated by NPF completed payment of 11.2 billion yen

n **Merchant Banking Business Exposure**

Net Revenue and Income before Income Taxes

Table of Contents

Asset Management (1)

Revenue

Revenue up 19% due primarily to increase in net asset value of stock investment trusts

n New Funds

“ Funds Offering Frequent Distributions

1 Japan Attractive Dividend Stock Fund initial sales: 49.5 billion yen (199.3 billion yen)

1 My Story Profit Distribution Type (A/B) initial sales: 26.9 billion yen (51.8 billion yen)

“ Others

1 Nomura India Investment Fund initial sales: 49.9 billion yen (107.8 billion yen)

1 Nomura W Strategy Fund initial sales: \$464 million (closed-end)

n Funds for Bank Customers

“ 131.1 billion yen as of 06/30/05 (up 47% from 03/31/05)

* Figures in parentheses as of June 30, 2005

n Frequent Distribution Fund Growth

Net Revenue and Income before Income Taxes

Table of Contents**Asset Management (2)*****Assets Under Management******(Nomura Asset Management, NCRAM*)***

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|--|----------|------|------|------|----------|------|------|------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Public stock investment trusts (lhs) | 3.5 | 4.3 | 4.3 | 4.5 | 4.6 | 4.1 | 4.4 | 4.4 | 5.0 |
| Public bond investment trusts (lhs) | 7.0 | 7.0 | 6.6 | 6.3 | 6.0 | 5.7 | 5.6 | 5.6 | 5.4 |
| Privately placed investment trusts (lhs) | 0.3 | 0.3 | 0.4 | 0.4 | 0.5 | 0.6 | 0.8 | 0.8 | 0.9 |
| Investment advisory | 3.7 | 3.8 | 4.1 | 4.4 | 4.6 | 4.7 | 4.9 | 5.1 | 5.4 |
| Investment advisory (domestic) (lhs) | 2.9 | 2.9 | 2.9 | 3.0 | 3.1 | 3.0 | 3.1 | 3.2 | 3.3 |
| Investment advisory (overseas) (lhs) | 0.8 | 0.9 | 1.1 | 1.4 | 1.5 | 1.6 | 1.8 | 2.0 | 2.1 |
| Total (JPY tn) | 14.5 | 15.4 | 15.2 | 15.7 | 15.7 | 15.1 | 15.7 | 16.0 | 16.8 |
| NCRAM Assets under management (rhs) (US\$bn) | 5.3 | 5.8 | 6.5 | 7.7 | 8.0 | 8.9 | 9.9 | 10.7 | 11.8 |

* NCRAM: Nomura Corporate Research and Asset Management

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Non-interest expenses dropped 9%

Note: All non-interest expense figures shown on this slide exclude the effects of the consolidation/ deconsolidation of certain private equity investee companies. See slides 23 - 25 for more details.

Compensation and Benefits

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 | |
|---|----------|-------|-------|-------|----------|-------|-------|-------|----------|------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | QoQ |
| Compensation and benefits | 65.7 | 67.4 | 61.5 | 62.3 | 64.4 | 62.0 | 64.4 | 73.9 | 69.1 | -6% |
| Commissions and floor brokerage | 4.8 | 4.6 | 3.4 | 6.0 | 5.9 | 6.1 | 3.5 | 6.5 | 5.5 | -16% |
| Information processing and communications | 18.9 | 19.5 | 19.1 | 22.4 | 19.2 | 20.1 | 20.2 | 21.4 | 20.5 | -5% |
| Occupancy and related depreciation | 13.3 | 13.4 | 12.8 | 14.2 | 13.0 | 12.5 | 12.3 | 13.1 | 11.3 | -14% |
| Business development expenses | 4.9 | 5.4 | 5.5 | 7.0 | 5.1 | 7.4 | 6.2 | 7.5 | 6.3 | -17% |
| Other | 17.9 | 15.3 | 16.2 | 23.1 | 17.1 | 18.3 | 16.9 | 24.4 | 21.4 | -12% |
| Total (excl. Private equity investee companies) | 125.5 | 125.5 | 118.3 | 134.7 | 124.7 | 126.4 | 123.5 | 146.8 | 134.0 | -9% |

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Table of Contents**Revenue (1)****Commissions**

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|---|----------|------|------|------|----------|------|------|------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Stock brokerage commissions (Domestic Retail) | 12.1 | 26.2 | 25.6 | 28.2 | 36.5 | 19.9 | 19.3 | 27.3 | 20.8 |
| Stock brokerage commissions (Other) | 6.8 | 13.4 | 13.1 | 12.1 | 12.6 | 9.1 | 7.7 | 10.7 | 8.0 |
| Other commissions | 3.1 | 2.6 | 1.5 | 5.0 | 3.1 | 2.9 | 2.9 | 4.2 | 2.8 |
| Commissions for distribution of investment trusts | 7.2 | 8.2 | 10.9 | 11.1 | 12.1 | 7.3 | 10.5 | 11.7 | 17.5 |
| Other | 4.5 | 5.6 | 6.5 | 6.6 | 5.1 | 6.4 | 5.9 | 6.7 | 6.1 |
| Total | 33.8 | 56.0 | 57.6 | 62.9 | 69.5 | 45.6 | 46.3 | 60.6 | 55.2 |

Table of Contents**Revenue (2)*****Fees from Investment Banking***

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|---------------------------------|----------|------|------|------|----------|------|------|------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Equity underwriting commissions | 2.9 | 10.0 | 14.3 | 17.5 | 5.7 | 22.0 | 10.5 | 10.8 | 4.9 |
| Bond underwriting commissions | 8.8 | 6.1 | 6.1 | 5.3 | 4.9 | 4.4 | 3.5 | 7.7 | 3.6 |
| Financial advisory fees | 2.6 | 3.8 | 4.0 | 5.4 | 4.8 | 5.9 | 4.4 | 7.5 | 6.2 |
| Other | 0.2 | -0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 |
| Total | 14.5 | 19.9 | 24.4 | 28.2 | 15.4 | 32.3 | 18.4 | 26.1 | 14.7 |

Table of Contents**Revenue (3)*****Asset Management and Portfolio Service Fees***

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|-----------------------|----------|------|------|------|----------|------|------|------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Asset management fees | 9.4 | 10.8 | 11.8 | 12.1 | 12.5 | 12.4 | 13.6 | 12.6 | 13.5 |
| Administration fees | 1.9 | 3.6 | 2.5 | 4.1 | 2.9 | 4.7 | 3.1 | 5.4 | 3.4 |
| Custodial fees | 2.4 | 2.6 | 2.5 | 2.5 | 2.7 | 2.7 | 2.6 | 3.2 | 3.1 |
| Total | 13.7 | 17.0 | 16.8 | 18.6 | 18.2 | 19.8 | 19.3 | 21.1 | 19.9 |

Table of Contents**Revenue (4)*****Net Gain on Trading***

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|--|----------|------|------|------|----------|------|------|------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Bonds and other | 60.3 | 33.2 | 27.0 | 31.8 | 20.7 | 24.4 | 36.6 | 39.1 | 31.7 |
| Equity | 20.1 | 32.8 | 6.2 | 16.2 | 30.0 | -1.7 | 17.8 | 30.7 | 38.9 |
| Gain on private equity investment/merchant banking trading | -0.6 | 8.3 | -1.5 | 8.4 | 3.4 | -1.8 | -1.9 | 12.0 | -2.3 |
| Net interest revenue | 34.1 | 25.1 | 11.1 | 30.0 | 20.5 | 29.1 | 22.2 | 2.5 | -1.0 |
| Total | 113.9 | 99.5 | 42.8 | 86.4 | 74.6 | 50.1 | 74.7 | 84.4 | 67.3 |

Note: Includes gain on private equity investment/merchant banking trading and net interest revenue

Table of Contents**Key Items of Consolidated Balance Sheets**

(millions of yen)

| | <u>Mar. 2005</u> | <u>Jun. 2005</u> |
|--|-------------------|-------------------|
| <u>Assets</u> | | |
| Cash and cash deposits | 1,186,756 | 1,271,279 |
| Loans and receivables | 1,244,528 | 939,034 |
| Collateralized agreements | 14,389,045 | 15,290,308 |
| Trading assets and private equity investments | 15,600,521 | 14,595,506 |
| Other assets | 2,068,003 | 2,067,800 |
| Total assets | 34,488,853 | 34,163,927 |
| <u>Liabilities</u> | | |
| Short-term borrowings | 517,065 | 490,574 |
| Private equity entities short-term borrowings | 116,054 | 117,533 |
| Payables and deposits | 1,042,483 | 1,448,673 |
| Collateralized financing | 21,666,185 | 20,857,012 |
| Trading liabilities | 5,332,173 | 5,359,304 |
| Other liabilities | 703,289 | 668,108 |
| Long-term borrowings | 2,798,560 | 2,943,093 |
| Private equity entities long-term borrowings | 444,615 | 436,314 |
| Total liabilities | 32,620,424 | 32,320,611 |
| <u>Shareholders equity</u> | | |
| Total shareholders equity | 1,868,429 | 1,843,316 |
| Total liabilities and shareholders equity | 34,488,853 | 34,163,927 |

Table of Contents**Major Differences (Segment/Income Statement)**

| | FY2005.3 | | | | FY2006.3 | |
|---|-------------|-------------|-------------|-------------|--------------|-------------|
| | 1Q | 2Q | 3Q | 4Q | Full Year | 1Q |
| (billions of yen) | | | | | | |
| Total Income before Income Taxes for Business Segments | 67.1 | 22.0 | 38.1 | 47.7 | 175.0 | 29.2 |
| Loss/gain on undesignated hedging instruments included in net gain on trading | -13.0 | 5.3 | 0.9 | -1.8 | -8.7 | -2.8 |
| Loss/gain on investment securities | 0.4 | 5.1 | 1.7 | 0.5 | 7.8 | 8.1 |
| Equity in losses/earnings of affiliates | 2.5 | 0.4 | 2.5 | 1.8 | 7.2 | 2.7 |
| Corporate items | -0.7 | -1.1 | 1.6 | 4.8 | 4.5 | 0.5 |
| Other | 3.1 | -2.1 | -0.9 | 1.6 | 1.7 | -0.3 |
| Unrealized loss/gain on investments in equity securities held for relationship purposes | 9.8 | -15.4 | 5.8 | 8.2 | 8.4 | -11.0 |
| Effect of consolidation/deconsolidation of private equity investee companies | 3.1 | 1.9 | -0.4 | 4.2 | 8.9 | 4.3 |
| Difference between Segments Total and Income Statement | 5.4 | -5.8 | 11.1 | 19.3 | 29.8 | 1.5 |
| Income before Income Taxes | 72.5 | 16.2 | 49.2 | 67.0 | 204.8 | 30.7 |

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Effect of Consolidation/Deconsolidation of Certain Private Equity Investee Companies (1) *Consolidated Income Statement*

(millions of yen)

US GAAP Figures

| | Quarterly | | | | |
|----------------------------|----------------|----------|----------|-------------|-------------|
| | FY2006.3 | FY2005.3 | FY2005.3 | YoY | QoQ |
| | 1Q | 1Q | 4Q | | |
| Net revenue | 286,735 | 213,928 | 234,533 | 34% | 22% |
| Non-interest expenses | 256,031 | 141,462 | 167,563 | 81% | 53% |
| Income before income taxes | 30,704 | 72,466 | 66,970 | -58% | -54% |

Effect of Consolidation/Deconsolidation of Certain Private Equity Investee Companies*

| | Quarterly | | | | |
|----------------------------|----------------|----------|----------|-------------|-------------|
| | FY2006.3 | FY2005.3 | FY2005.3 | YoY | QoQ |
| | 1Q | 1Q | 4Q | | |
| Net revenue | 126,289 | 19,890 | 25,032 | 535% | 405% |
| Non-interest expenses | 122,008 | 16,742 | 20,784 | 629% | 487% |
| Income before income taxes | 4,281 | 3,148 | 4,247 | 36% | 1% |

Adjusted Figures

| | Quarterly | | | | |
|----------------------------|----------------|----------|----------|-------------|-------------|
| | FY2006.3 | FY2005.3 | FY2005.3 | YoY | QoQ |
| | 1Q | 1Q | 4Q | | |
| Net revenue | 160,446 | 194,038 | 209,501 | -17% | -23% |
| Non-interest expenses | 134,023 | 124,720 | 146,779 | 7% | -9% |
| Income before income taxes | 26,423 | 69,318 | 62,723 | -62% | -58% |

* Derived from reconciliation information to Segment Information Operating segment section of Nomura Holdings consolidated Financial Highlights Year ended March 2005, and Financial Highlights Three months ended June 2005.

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Note: Revenue and expenses for Millennium Retailing have been included in Consolidated Income Statement from the year ending March 2006.

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Effect of Consolidation/Deconsolidation of Certain Private Equity Investee Companies (2) *Non-interest Expenses*

(billions of yen)

| | FY04.3 | | | | FY05.3 | | | | FY06.3 |
|---|--------|-------|-------|-------|--------|-------|-------|-------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Compensation and benefits | 65.9 | 67.7 | 61.8 | 63.9 | 65.9 | 64.2 | 67.4 | 77.4 | 87.1 |
| Fixed-type compensation and benefits | 36.6 | 36.1 | 36.1 | 35.5 | 37.7 | 39.1 | 40.3 | 42.5 | 54.2 |
| Excluding private equity investee companies | 36.4 | 35.9 | 35.9 | 34.3 | 36.4 | 37.7 | 37.8 | 39.2 | 38.6 |
| Private equity investee companies | 0.2 | 0.2 | 0.2 | 1.3 | 1.3 | 1.4 | 2.6 | 3.2 | 15.6 |
| Variable-type compensation and benefits | 29.3 | 31.6 | 25.7 | 28.4 | 28.3 | 25.1 | 27.1 | 34.9 | 32.9 |
| Excluding private equity investee companies | 29.3 | 31.5 | 25.6 | 28.0 | 28.0 | 24.4 | 26.7 | 34.6 | 30.6 |
| Private equity investee companies | 0.1 | 0.1 | 0.1 | 0.4 | 0.3 | 0.8 | 0.4 | 0.3 | 2.4 |
| Commissions and floor brokerage | 4.9 | 4.6 | 3.5 | 6.2 | 6.4 | 6.5 | 4.1 | 6.9 | 8.3 |
| Excluding private equity investee companies | 4.8 | 4.6 | 3.4 | 6.0 | 5.9 | 6.1 | 3.5 | 6.5 | 5.5 |
| Private equity investee companies | 0.1 | 0.0 | 0.1 | 0.1 | 0.5 | 0.4 | 0.5 | 0.4 | 2.8 |
| Information processing and communications | 18.9 | 19.5 | 19.2 | 22.5 | 19.3 | 20.1 | 20.4 | 21.6 | 22.3 |
| Excluding private equity investee companies | 18.9 | 19.5 | 19.1 | 22.4 | 19.2 | 20.1 | 20.2 | 21.4 | 20.5 |
| Private equity investee companies | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.2 | 0.2 | 1.9 |
| Occupancy and related depreciation | 13.3 | 13.5 | 12.9 | 14.5 | 13.3 | 13.0 | 13.2 | 14.1 | 35.4 |
| Excluding private equity investee companies | 13.3 | 13.4 | 12.8 | 14.2 | 13.0 | 12.5 | 12.3 | 13.1 | 11.3 |
| Private equity investee companies | 0.0 | 0.1 | 0.1 | 0.3 | 0.3 | 0.5 | 0.9 | 1.1 | 24.1 |
| Business development expenses | 5.0 | 5.4 | 5.5 | 7.2 | 5.4 | 7.8 | 6.8 | 8.2 | 13.1 |
| Excluding private equity investee companies | 4.9 | 5.4 | 5.5 | 7.0 | 5.1 | 7.4 | 6.2 | 7.5 | 6.3 |
| Private equity investee companies | 0.0 | 0.0 | 0.0 | 0.2 | 0.3 | 0.3 | 0.7 | 0.7 | 6.8 |
| Other | 18.7 | 14.9 | 15.7 | 24.0 | 20.0 | 19.1 | 21.3 | 27.2 | 35.0 |
| Excluding private equity investee companies | 17.9 | 15.3 | 16.2 | 23.1 | 17.1 | 18.3 | 16.9 | 24.4 | 21.4 |
| Private equity investee companies | 0.9 | -0.3 | -0.5 | 0.9 | 2.9 | 0.8 | 4.4 | 2.8 | 13.6 |
| Private equity entities cost of goods sold | 2.1 | 1.1 | 1.9 | 6.7 | 11.2 | 9.9 | 11.5 | 12.1 | 54.8 |
| Total non-interest expenses | 128.8 | 126.7 | 120.3 | 144.6 | 141.5 | 140.6 | 144.7 | 167.6 | 256.0 |
| Excluding private equity investee companies | 125.5 | 125.5 | 118.3 | 134.7 | 124.7 | 126.4 | 123.5 | 146.8 | 134.0 |
| Private equity investee companies | 3.3 | 1.3 | 2.0 | 9.9 | 16.7 | 14.2 | 21.2 | 20.8 | 122.0 |

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Effect of Consolidation/Deconsolidation of Certain Private Equity Investee Companies (3) *Consolidated Balance Sheet*

| Assets | <u>As of June 30, 2005 (billions of yen)</u> |
|---|--|
| Total Assets | 34,164 |
| Excluding private equity investee companies | 33,111 |
| Private equity investee companies | 1,053 |
| Note: Private equity investee companies major assets (billions of yen) | |
| Buildings, land, equipment and facilities | 440 |
| Liabilities | <u>As of June 30, 2005 (billions of yen)</u> |
| Total liabilities | 32,321 |
| Excluding private equity investee companies | 31,366 |
| Private equity investee companies | 955 |
| Note: Private equity investee companies major liabilities (billions of yen) | |
| Short-term borrowings | 118 |
| Long-term borrowings | 436 |

Table of Contents**Nomura Securities Client Assets**

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|-------------------------|----------|------|------|------|----------|------|------|------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Equities | 24.8 | 28.7 | 30.3 | 35.9 | 37.2 | 34.9 | 39.2 | 40.0 | 41.9 |
| Bonds | 17.9 | 18.4 | 17.5 | 17.3 | 17.3 | 18.3 | 18.2 | 19.2 | 19.7 |
| Stock investment trusts | 2.6 | 2.8 | 3.1 | 3.3 | 3.5 | 3.4 | 3.7 | 3.9 | 4.3 |
| Bond investment trusts | 6.3 | 6.2 | 5.8 | 5.6 | 5.3 | 4.9 | 4.8 | 4.9 | 4.6 |
| Overseas mutual funds | 1.3 | 1.4 | 1.5 | 1.6 | 1.7 | 1.9 | 1.9 | 2.0 | 2.1 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 52.9 | 57.6 | 58.2 | 63.8 | 65.0 | 63.5 | 67.9 | 70.0 | 72.5 |

Table of Contents**Domestic Retail Related Data**

| Domestic Retail | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|---|----------|-------|-------|-------|----------|-------|-------|-------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Retail Foreign Currency Bond Sales (billions of yen) | 976.8 | 405.1 | 316.3 | 291.8 | 228.7 | 243.0 | 313.1 | 369.6 | 304.8 |
| Commissions for investment trusts distribution and redemption (billions of yen)* | 9.6 | 10.1 | 12.3 | 15.0 | 14.5 | 9.2 | 12.5 | 13.7 | 19.5 |
| Bond investment trusts commission | 2.2 | 2.6 | 3.4 | 2.9 | 2.3 | 1.6 | 1.3 | 1.2 | 1.1 |
| Stock investment trusts commission | 2.6 | 4.9 | 6.6 | 7.4 | 7.6 | 5.0 | 9.1 | 10.0 | 14.8 |
| Foreign investment trusts commission** | 4.8 | 2.5 | 2.3 | 4.7 | 4.6 | 2.6 | 2.1 | 2.6 | 3.7 |
| Domestic distribution volume of investment trusts (trillions of yen) | 3.2 | 3.5 | 3.4 | 3.7 | 3.9 | 3.2 | 3.4 | 3.7 | 3.9 |
| Bond investment trusts | 2.0 | 2.6 | 2.6 | 2.8 | 3.0 | 2.3 | 2.4 | 2.7 | 2.6 |
| Stock investment trusts | 0.3 | 0.4 | 0.4 | 0.5 | 0.5 | 0.5 | 0.7 | 0.7 | 0.9 |
| Foreign investment trusts | 0.8 | 0.5 | 0.3 | 0.4 | 0.4 | 0.3 | 0.3 | 0.4 | 0.4 |
| Other (billions of yen) | | | | | | | | | |
| Outstanding value of Long-term Bond Investment Trusts* | 3,612 | 3,302 | 2,910 | 2,558 | 2,293 | 2,106 | 1,966 | 1,836 | 1,724 |
| Outstanding value of variable annuity insurance policies | 183 | 217 | 242 | 262 | 305 | 359 | 406 | 446 | 504 |

* Nomura Securities

** Commission during the initial and subsequent offering periods

Table of Contents**Number of Accounts**

| (thousands of accounts) | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|--|----------|-------|-------|-------|----------|-------|-------|-------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| | | | | | | | | | |
| Nomura Home Trade (online trading accounts) | 1,168 | 1,215 | 1,290 | 1,367 | 1,452 | 1,533 | 1,651 | 1,716 | 1,774 |
| IT Share | | | | | | | | | |
| No. of orders | 45% | 46% | 46% | 49% | 49% | 51% | 50% | 51% | 52% |
| Transaction value | 21% | 21% | 21% | 23% | 23% | 25% | 23% | 24% | 25% |
| Nomura Cash Management Service | 3,145 | 3,195 | 3,285 | 3,347 | 3,413 | 3,479 | 3,666 | 3,708 | 3,753 |
| Equity Holding Accounts | 1,308 | 1,323 | 1,349 | 1,369 | 1,394 | 1,446 | 1,659 | 1,668 | 1,679 |
| New Accounts (individual, monthly average) | 16 | 21 | 24 | 26 | 27 | 28 | 65 | 22 | 27 |

Table of Contents**Secondary Market Share Data**

(trillions of yen)

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|--|----------|------|------|------|----------|------|------|------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Individual Equity Agency Transactions Share (monthly average) | | | | | | | | | |
| Market | 5.0 | 9.1 | 9.8 | 11.4 | 13.9 | 10.0 | 9.9 | 14.4 | 12.9 |
| Nomura's share | 8% | 10% | 9% | 10% | 10% | 7% | 8% | 8% | 7% |
| Off-floor/Off-exchange Equity Trading Share | | | | | | | | | |
| Off-floor market | 3.5 | 4.9 | 4.3 | 6.6 | 5.7 | 4.2 | 4.7 | 6.5 | 4.9 |
| Off-exchange | 8.1 | 9.1 | 6.8 | 7.9 | 9.3 | 7.5 | 7.2 | 9.3 | 8.8 |
| Nomura's share | 15% | 16% | 17% | 15% | 18% | 16% | 16% | 17% | 18% |
| JGB Auction Share | | | | | | | | | |
| Market | 18.4 | 18.7 | 18.1 | 19.2 | 19.4 | 20.3 | 19.9 | 20.7 | 19.8 |
| Nomura's share | 14% | 17% | 12% | 19% | 16% | 15% | 25% | 17% | 11% |
| Secondary Bond Trading | | | | | | | | | |
| Market | 321 | 326 | 281 | 308 | 368 | 350 | 324 | 318 | 365 |
| Nomura's share | 18% | 16% | 16% | 15% | 14% | 17% | 15% | 13% | 13% |

Table of Contents**Primary Market Share Data***

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|--|----------|-------|-------|-------|----------|-------|-------|-------|----------|
| | 1Q | 1Q-2Q | 1Q-3Q | 1Q-4Q | 1Q | 1Q-2Q | 1Q-3Q | 1Q-4Q | 1Q |
| Japanese IPO | | | | | | | | | |
| Nomura s share | 5% | 10% | 26% | 27% | 45% | 42% | 36% | 32% | 13% |
| Japanese PO | | | | | | | | | |
| Nomura s share | 37% | 58% | 39% | 33% | 17% | 26% | 26% | 25% | 24% |
| Convertible Bonds | | | | | | | | | |
| Nomura s share | 9% | 14% | 26% | 28% | 21% | 20% | 18% | 19% | 26% |
| Global and Euro Yen Bonds | | | | | | | | | |
| Nomura s share | 37% | 40% | 35% | 31% | 24% | 23% | 29% | 23% | 28% |
| Straight Bonds, Lead Manager (excl. self-funding) | | | | | | | | | |
| Nomura s share | 22% | 22% | 20% | 19% | 17% | 18% | 18% | 17% | 21% |

* Value base

Source: Thomson Financial

Table of Contents**League Tables****Global Equity & Equity-related (Japan)**

| Rank | Bookrunner | Jan. 1, 2005 - Jun. 30, 2005 | | |
|-------------|----------------------------------|-------------------------------------|------------------------|--------------------------|
| | | Proceeds (US\$m) | M kt. Share | No. of Issues |
| 1 | Nikko Citigroup | 4,945.6 | 30.1% | 31 |
| 2 | Nomura | 3,294.0 | 20.1% | 43 |
| 3 | Daiwa Securities SMBC | 2,654.2 | 16.2% | 37 |
| 4 | Mizuho Financial Group | 1,605.7 | 9.8% | 16 |
| 5 | Morgan Stanley | 1,103.1 | 6.7% | 2 |
| 6 | Mitsubishi Tokyo Financial Group | 540.4 | 3.3% | 8 |
| 7 | Goldman Sachs Group | 503.3 | 3.1% | 1 |
| 8 | UBS | 452.6 | 2.8% | 3 |
| 9 | Shinko Securities | 314.5 | 1.9% | 22 |
| 10 | JPMorgan | 280.7 | 1.7% | 2 |

Any Japanese Involvement Financial Advisers

Announced deals, value base

| Rank | Adviser | Jan. 1, 2005 - Jun. 30, 2005 | | |
|-------------|----------------------------------|-------------------------------------|------------------------|-------------------------|
| | | Proceeds (US\$m) | M kt. Share | No. of Deals |
| 1 | Nomura | 72,210.0 | 63.2% | 68 |
| 2 | Mitsubishi Tokyo Financial Group | 50,378.5 | 44.1% | 43 |
| 3 | Merrill Lynch | 49,797.7 | 43.6% | 16 |
| 4 | Morgan Stanley | 44,961.2 | 39.3% | 9 |
| 5 | JPMorgan | 42,373.9 | 37.1% | 5 |
| 6 | Lazard | 41,431.0 | 36.3% | 1 |
| 7 | KPMG Corporate Finance | 17,737.7 | 15.5% | 29 |
| 8 | Credit Suisse First Boston | 12,283.7 | 10.8% | 5 |
| 9 | Daiwa Securities SMBC | 7,705.9 | 6.7% | 42 |
| 10 | GCA | 7,140.4 | 6.3% | 9 |

Global & Euro Yen Bonds

| | | Jan. 1, 2005 - Jun. 30, 2005 | | |
|------|------------------------|------------------------------|----------------|------------------|
| Rank | Bookrunner | Proceeds (JPY mn) | M kt. Share | No. of Issues |
| 1 | Nikko Citigroup | 336,571 | 21.2% | 30 |
| 2 | Nomura | 301,836 | 19.0% | 18 |
| 3 | Deutsche Bank | 269,035 | 16.9% | 23 |
| 4 | Merrill Lynch | 142,830 | 9.0% | 3 |
| 5 | UBS | 108,526 | 6.8% | 6 |
| 6 | Daiwa Securities SMBC | 106,614 | 6.7% | 8 |
| 7 | Mizuho Financial Group | 66,935 | 4.2% | 4 |
| 8 | JPMorgan | 45,653 | 2.9% | 7 |
| 9 | Lehman Brothers | 45,496 | 2.9% | 5 |
| 10 | Morgan Stanley | 42,109 | 2.7% | 3 |

Straight Bonds (excluding self-funding)

| | | Apr. 1, 2005 - Jun. 30, 2005 | | |
|------|------------------------|------------------------------|----------------|------------------|
| Rank | Bookrunner | Proceeds (JPY mn) | M kt. Share | No. of Issues |
| 1 | Nomura | 716,433 | 25.6% | 41 |
| 2 | Mizuho Securities | 576,549 | 20.6% | 31 |
| 3 | Daiwa Securities SMBC | 464,044 | 16.6% | 26 |
| 4 | Nikko Citigroup | 430,422 | 15.4% | 21 |
| 5 | Mitsubishi Securities | 254,954 | 9.1% | 11 |
| 6 | Goldman Sachs Group | 134,941 | 4.8% | 9 |
| 7 | UFJ Tsubasa Securities | 99,994 | 3.6% | 6 |
| 8 | Morgan Stanley | 72,487 | 2.6% | 6 |
| 9 | Merrill Lynch | 19,978 | 0.7% | 1 |
| 10 | Shinko Securities | 17,500 | 0.6% | 2 |

Source: Thomson Financial

Table of Contents**Domestic Public Investment Trust Market/ Nomura Asset Management Market Share**

| | FY2004.3 | | | | FY2005.3 | | | | FY2006.3 |
|--|----------|------|------|------|----------|------|------|------|----------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| Stock investment trusts (lhs) | 18.3 | 20.1 | 21.3 | 23.3 | 24.8 | 25.6 | 27.4 | 28.9 | 32.0 |
| Bond investment trusts (lhs) | 17.3 | 17.1 | 16.1 | 15.8 | 14.8 | 13.9 | 13.6 | 13.5 | 13.0 |
| Public stock investment trusts, Nomura's share (rhs) | 19% | 21% | 20% | 19% | 19% | 16% | 16% | 15% | 16% |
| Public bond investment trusts, Nomura's share (rhs) | 40% | 41% | 41% | 40% | 41% | 41% | 41% | 42% | 42% |

Source: The Investment Trusts Association, Japan

Table of Contents**Value at Risk (Consolidated)****n Definition**

- .. 99% confidence level
- .. 1-day time horizon for outstanding portfolio
- .. Inter-product price fluctuations considered

n From April 1, 2005 to June 30, 2005

- .. Maximum: 5.7 billion yen
- .. Minimum: 3.8 billion yen
- .. Average: 4.8 billion yen

(billions of yen)

| End of quarter | Jun. 03 | Sep. 03 | Dec. 03 | Mar. 04 | Jun. 04 | Sep. 04 | Dec. 04 | Mar. 05 | Jun. 05 |
|-------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Equity | 2.1 | 2.3 | 2.9 | 3.3 | 3.0 | 5.6 | 2.9 | 3.0 | 4.2 |
| Interest rate | 2.5 | 2.4 | 2.5 | 2.0 | 2.8 | 2.6 | 3.1 | 2.8 | 3.3 |
| Foreign exchange | 0.3 | 0.3 | 0.3 | 0.5 | 0.4 | 0.3 | 0.6 | 0.7 | 1.0 |
| Sub-total | 4.9 | 4.9 | 5.7 | 5.8 | 6.3 | 8.5 | 6.5 | 6.5 | 8.5 |
| Diversification benefit | (1.5) | (1.3) | (1.8) | (1.9) | (2.2) | (2.3) | (2.2) | (2.4) | (2.9) |
| VaR | 3.4 | 3.6 | 3.8 | 3.9 | 4.0 | 6.1 | 4.3 | 4.1 | 5.5 |

Table of Contents**Number of Employees**

| | <u>Jun. 2003</u> | <u>Sept. 2003</u> | <u>Dec. 2003</u> | <u>Mar. 2004</u> | <u>Jun. 2004</u> | <u>Sept. 2004</u> | <u>Dec. 2004</u> | <u>Mar. 2005</u> | <u>Jun. 2005</u> |
|---------------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|
| Asia/Oceania | 622 | 646 | 652 | 655 | 668 | 684 | 704 | 718 | 746 |
| Americas | 821 | 843 | 852 | 866 | 914 | 935 | 968 | 1,026 | 1,069 |
| Europe | 1,439 | 1,372 | 1,439 | 1,403 | 1,407 | 1,458 | 1,499 | 1,535 | 1,524 |
| Japan (FA, SA) | 1,960 | 1,901 | 1,909 | 1,915 | 1,985 | 1,922 | 1,940 | 1,875 | 1,984 |
| Japan (excluding FA, SA)* | 9,561 | 9,435 | 9,316 | 9,148 | 9,430 | 9,424 | 9,326 | 9,190 | 9,623 |
| Total | 14,403 | 14,197 | 14,168 | 13,987 | 14,404 | 14,423 | 14,437 | 14,344 | 14,946 |

* Excludes the effects of consolidation/deconsolidation of certain private equity investee companies.

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