

**Presentation of Consolidated Results of Operations**  
**Third Quarter, Fiscal Year Ending March 31, 2007**  
**Q&A Session**

Date: January 29, 2006 (Monday 18:30 hrs)  
Speaker: Masafumi Nakada, Senior Managing Director, Chief Financial Officer, Nomura Holdings, Inc.

Q1 Investment trust sales were extremely strong in 3Q. Do you think this was a fluke? In comparison with the previous quarter, the increase in commission for sales of investment trusts was higher than the increase in overall volume of sales. Is this because the investment trusts that sold well in 3Q had comparatively high sales commissions? What is the outlook for sales commission ratios?

A1 The investment trusts with strong sales in 3Q did have higher sales commission ratios than those that sold well in 1Q and 2Q. However, the market environment and investors' needs dictate which products enjoy strong sales, so it is quite difficult to make absolute statements about sales commission ratio levels. We are currently seeing sales conditions similar to that of 3Q, so we don't necessarily think that the strong 3Q was a fluke.

Q2 I understand that investment trusts offering frequent distributions are enjoying strong sales, but given the high volume of equity underwriting in 3Q, the branch offices should also be taking a large volume of equity subscriptions. Even so, with investment trust sales this robust, I wonder if there are major changes in actual retail business.

A2 You hear about the shift from savings to investment, but we are actually seeing true changes in customers. It isn't limited to their attitudes towards investment trusts. An increasing number of customers are looking to build portfolios comprised of a variety of investment products, and containing a certain degree of risk. We certainly do recommend investment trusts as a part of financial consulting services, but the biggest factor has certainly been the change in the investors themselves.

Q3 Equity underwriting was extremely strong in 2006. How is your deal pipeline looking for 2007?

A3 Equity finance activity is closely-linked with companies' capital investment activity level, and looking at the current business environment, I think we can expect a solid level of equity finance.

Q4 The Global Merchant Banking data on P28 shows that the Terra Firma position has increased. Why is this?

A4 It is primarily due to foreign exchange rates.

Q5 The Asset Management data on P30 indicates that the inflow of funds into investment trusts was extremely high in 3Q. What has caused this acceleration? Have sales been strong not only at Nomura Securities branches, but also strong at banks and Japan Post?

A5 Roughly speaking, about half of the inflow has come via Nomura branches, while the remaining half has come via banks and Japan Post.

Q6 I have a question about trading. The stock market has been firm this January, and transaction value has increased. How are things looking at the moment? Also, Fixed Income revenue was high in 3Q, but how are things looking now?

A6 We are not able to discuss the current situation, but in 3Q Fixed Income recovered while Equity struggled. The market environment has an impact on things so I can't say anything definitely, but we are expecting continued recovery in 4Q.

Q7 The Asset Finance business in Global Markets often posts revenue in the second half of the fiscal year. What is the outlook for 4Q?

A7 It is rather tough to say we could realize revenues as high as last year in the Asset Finance all together (Japan, Europe and the US) because this will be influenced by market conditions. We will be looking at this carefully in 4Q and onwards.

Q8 What is the schedule going forward with regards to Instinet?

A8 We are currently in the process of closing the transaction, and this is proceeding on schedule. We should soon be able to announce that the deal has closed. After the transaction closes, we will discuss how to develop its business as a member of Nomura Group.

**Presentation of Consolidated Results of Operations**  
**Third Quarter, Fiscal Year Ending March 31, 2007**  
**Q&A Session**

Date: January 29, 2006 (Monday 22:00 hrs)

Speaker: Masafumi Nakada, Senior Managing Director, Chief Financial Officer, Nomura Holdings, Inc.

Q1 You mentioned that equity and equity-related bookrunner deal value Japan was USD 7.3 billion in 3Q. How is the pipeline looking?

A1 I can't say anything for certain, but the capital markets continue to be active, and we have a positive outlook.

Q2 Among Domestic Client Assets, how much is in cash positions, and how much is in investments?

A2 Page 25 of the presentation materials shows the amount in bond investment trusts. This category includes short-term interest rate products like MMFs, so it is relatively close to cash.

Q3 What were the details of the Terra Firma exit?

A3 It wasn't such a large figure. It was a partial sale of a stake in an investee company.

Q4 Asset Management posted one-time revenues once again in 3Q. What was this?

A4 Part of it was performance fees of NCRAM, a US subsidiary. These are recognized annually. In addition, we recognized unrealized gains on seed money for product development.

Q5 Asset Management also posted a one-time item in 2Q. What was that?

A5 That was a realized gain from the sale of shares in a joint-venture company.

Q6 Net asset inflow (in Domestic Retail) was strong. To what extent can this pace be sustained?

A6 As far as January is concerned, we are continuing to see inflows, particularly in investment trusts.

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