

July 29, 2008

## NOMURA HOLDINGS, INC.

### Financial Highlights –Three months ended June 2008

We are pleased to report the following consolidated financial highlights based on consolidated financial information under US GAAP for the three months ended June 2008.

## Financial Summary For the Three Months Ended June 30, 2008 (US GAAP)

Date: July 29, 2008  
 Company name (code number): **Nomura Holdings, Inc. (8604)**  
 Stock exchange listings: (In Japan) Tokyo, Osaka, Nagoya  
 (Overseas) New York, Singapore  
 Representative: Kenichi Watanabe  
 President and Chief Executive Officer, Nomura Holdings, Inc.  
 For inquiries: Toshiki Shinjo  
 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 three months ended June 30               |         |                                |        |
|--|--|---------|--------------------------------|--------|
|  | 2008   |         | 2007                           |        |
|  | (Yen amounts in millions, except per share data) |         |                                |        |
|  | % Change from<br>June 30, 2007                   |         | % Change from<br>June 30, 2006 |        |
| Total revenue                            | 257,876  | (60.1%) | 646,632                        | 61.0%  |
| Net revenue                              | 135,087  | (60.8%) | 344,802                        | 67.4%  |
| Income (loss) before income taxes        | (84,264)   | -       | 139,940                        | 318.9% |
| Net income (loss)                        | (76,592)   | -       | 75,938                         | 277.1% |
| Basic net income (loss) per share        | (40.14)  |         | 39.80                          |        |
| Diluted net income (loss) per share      | (40.18)  |         | 39.67                          |        |
| Net income to shareholders' equity (ROE) | (15.6%)  |         | 13.6%                          |        |

#### (2) Financial Position

|  | At June 30                                       |      | At March 31 |      |
|--|--|------|-------------|------|
|  | 2008   |      | 2008        |      |
|  | (Yen amounts in millions, except per share data) |      |             |      |
| Total assets   | 25,995,861                                       |      | 26,298,798  |      |
| Shareholders' equity                                 | 1,945,223  |      | 1,988,124   |      |
| Shareholders' equity as a percentage of total assets |  | 7.5% |             | 7.6% |
| Shareholders' equity per share                       | 1,019.19   |      | 1,042.60    |      |

### 2. Cash dividends

|  | For the year ended March 31                  |      |             |
|--|--|------|-------------|
|  | 2008   | 2009 | 2009 (Plan) |
|  | (Yen amounts, except Total annual dividends) |      |             |
| Target dividends per share <sup>See note 1</sup>                     |  |      |             |
| dividends record dates   |  |      |             |
| At June 30   | 8.50   | 8.50 | -           |
| At September 30  | 8.50   | -    | 8.50        |
| At December 31   | 8.50   | -    | 8.50        |
| At March 31  | 8.50   | -    | 8.50        |
| Additional payout based on the level of profit <sup>See note 2</sup> |  |      |             |
| At March 31  | -  |      | Unconfirmed |
| Total at March 31  | 8.50   |      | Unconfirmed |
| For the year   | 34.00  |      | 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. Revision of cash dividend forecast for during this period : None

### 3. Earnings forecasts for the year ending March 31, 2009

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.

### 4. Other

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

(2) Simplified accounting and particular accounting in the elaboration of quarterly consolidated financial statement : None

(3) Changes in accounting basis, procedure and presentation for the quarterly consolidated financial statements

The items described in "Significant changes for presenting the quarterly consolidated financial statements".

a) Changes in accounting principles : Yes

b) Other changes : None

Note: Please refer to page 8, "Qualitative Information and Financial Statements - 4. Other" for details.

(4) Number of shares issued (common stock)

|   | At June 30                         |  | At March 31   |  |
|---|------------------------------------|--|---------------|--|
|   | 2008                               |  | 2008          |  |
| Number of shares outstanding (including treasury stock) | 1,965,919,860                      |  | 1,965,919,860 |  |
| Treasury stock  | 57,323,780                         |  | 59,034,801    |  |
|   | For the three months ended June 30 |  |               |  |
|   | 2008                               |  | 2007          |  |
| Average number of shares outstanding                    | 1,908,006,898                      |  | 1,907,903,246 |  |

# Qualitative Information and Financial Statements

## 1. Qualitative Discussion of Consolidated Results

### Financial Summary for the Three Months Ended June 30, 2008

#### US GAAP Figures

|   | Billions of yen                                     |  | % Change  | Billions of yen                                     |           | % Change |
|---|---|--|-----------|---|-----------|----------|
|   | For the three months ended                          |  | (%)       | For the three months ended                          |           | (%)      |
|   | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30)<br>(C) | (A-C)/(C) |          |
| Net revenue                               | 135.1   | 21.5   | 528.3     | 344.8   | (60.8)    |          |
| Non-interest expenses                     | 219.4   | 219.8  | (0.2)     | 204.9   | 7.1       |          |
| <b>Income (loss) before income taxes</b>  | <b>(84.3)</b>                                       | <b>(198.3)</b>                                       | -         | <b>139.9</b>  | -         |          |
| Income tax expense                        | (7.7)   | (44.5)   | -         | 64.0  | -         |          |
| <b>Net income (loss)</b>                  | <b>(76.6)</b>                                       | <b>(153.9)</b>                                       | -         | <b>75.9</b>   | -         |          |
| <b>Return on equity (ROE, annualized)</b> | <b>(15.6)%</b>                                      | <b>(29.2)%</b>                                       | -         | <b>13.6%</b>  | -         |          |

Nomura Holdings, Inc. and its consolidated entities ("Nomura") reported net revenue of 135.1 billion yen for the three months ended June 30, 2008. This represents an increase of 528.3% from the prior quarter and a 60.8% year on year decline. Non-interest expenses declined 0.2% quarter on quarter and increased 7.1% from the same period last year to 219.4 billion yen. Loss before income taxes was 84.3 billion yen, while net loss for the quarter was 76.6 billion yen. As a result, ROE for the first quarter was minus 15.6%.

#### Total of business segments

|  | Billions of yen                                     |  | % Change  | Billions of yen                                     |           | % Change |
|--|---|--|-----------|---|-----------|----------|
|  | For the three months ended                          |  | (%)       | For the three months ended                          |           | (%)      |
|  | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30)<br>(C) | (A-C)/(C) |          |
| Net revenue                              | 134.4   | 38.5   | 249.3     | 347.4   | (61.3)    |          |
| Non-interest expenses                    | 219.4   | 219.8  | (0.2)     | 204.9   | 7.1       |          |
| <b>Income (loss) before income taxes</b> | <b>(84.9)</b>                                       | <b>(181.4)</b>                                       | -         | <b>142.6</b>  | -         |          |

In business segment totals, which exclude unrealized gains (losses) on investments in equities held for operating purposes, net revenue for the first quarter was 134.4 billion yen, up 249.3% from the previous quarter and down 61.3% compared to the first quarter last year. Non-interest expenses decreased 0.2% quarter on quarter and increased 7.1% year on year to 219.4 billion yen. Loss before income taxes was 84.9 billion yen. Please refer to page 13 for an explanation of the differences between US GAAP and business segment values.

### Income (loss) before income taxes by business segments

|  | Billions of yen                                     |  | % Change  | Billions of yen                                     |           | % Change |
|--|---|--|-----------|---|-----------|----------|
|  | For the three months ended                          |  | (%)       | For the three months ended                          |           | (%)      |
|  | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B) | June 30,<br>2007<br>(2007.4.1~<br>2007.6.30)<br>(C) | (A-C)/(C) |          |
| Domestic Retail                          | 16.2  | 11.1   | 46.4      | 50.6  | (68.0)    |          |
| Global Markets                           | (61.6)  | (208.9)  | -         | 26.0  | -         |          |
| Global Investment Banking                | 12.6  | 0.2  | -         | 20.7  | (39.4)    |          |
| Global Merchant Banking                  | (39.4)  | 20.1   | -         | 40.1  | -         |          |
| Asset Management                         | 7.6   | 2.5  | 204.3     | 12.2  | (38.0)    |          |
| Sub Total                                | (64.7)  | (175.1)  | -         | 149.6   | -         |          |
| Other                                    | (20.3)  | (6.3)  | -         | (7.0)   | -         |          |
| <b>Income (loss) before income taxes</b> | <b>(84.9)</b>                                       | <b>(181.4)</b>                                       | -         | <b>142.6</b>  | -         |          |

Domestic Retail income before income taxes increased 46.4% quarter on quarter and declined 68.0% year on year to 16.2 billion yen. Loss before income taxes in Global Markets was 61.6 billion yen. Global Investment Banking booked income before income taxes of 12.6 billion yen, a decline of 39.4% compared to the same period last year. Global Merchant Banking loss before income taxes was 39.4 billion yen. Asset Management income before income taxes increased 204.3% from the previous quarter and decreased 38.0% from the same period last year to 7.6 billion yen. Other loss before income taxes was 20.3 billion yen, while total business segment loss before income taxes was 84.9 billion yen.

## Business Segment Results for the Three Months Ended June 30, 2008

### Operating Results of Domestic Retail

|  | Billions of yen                                     |  | % Change    |
|--|---|--|-------------|
|  | For the three months ended                          |  | (%)         |
|  | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B)   |
| Net revenue                              | 85.8  | 78.5   | 9.3         |
| Non-interest expenses                    | 69.6  | 67.5   | 3.2         |
| <b>Income (loss) before income taxes</b> | <b>16.2</b>   | <b>11.1</b>  | <b>46.4</b> |

Domestic Retail net revenue increased 9.3% from the prior quarter to 85.8 billion yen. Non-interest expenses increased 3.2% to 69.6 billion yen, and income before income taxes increased 46.4% to 16.2 billion yen.

Despite the ongoing difficult market conditions, sales of newly launched investment trusts matched to customer needs were strong and an increase in revenue from investment trusts contributed to overall revenue.

Domestic Client Assets<sup>1</sup> increased by 3.6 trillion yen from the end of March to 75.8 trillion yen as of the end of June. Net asset inflow for the quarter was 1.066 trillion yen, while the number of client accounts with a balance increased by 40,000 to 4.21 million. As such, we continued to expand our customer base through the first quarter.

### Operating Results of Global Markets

|  | Billions of yen                                     |  | % Change  |
|--|---|--|-----------|
|  | For the three months ended                          |  | (%)       |
|  | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B) |
| Net revenue                              | 11.0  | (133.3)  | -         |
| Non-interest expenses                    | 72.6  | 75.6   | (4.0)     |
| <b>Income (loss) before income taxes</b> | <b>(61.6)</b>                                       | <b>(208.9)</b>                                       | <b>-</b>  |

Net revenue in Global Markets was 11.0 billion yen, non-interest expenses decreased 4.0% from the prior quarter to 72.6 billion yen, and loss before income taxes was 61.6 billion yen.

In Fixed Income, a marked loss was booked due to additional credit provisions for our exposure to monoline insurers as the creditworthiness of monolines deteriorated on the back of the ongoing credit crunch and recessionary fears centered on the US.

In Equity, despite the continued uneasiness in the stock market, revenue improved from the prior quarter due mainly to increased trading revenue from Japanese equities.

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

## Operating Results of Global Investment Banking

|  | Billions of yen                                     |  | % Change  |
|--|---|--|-----------|
|  | For the three months ended                          |  | (%)       |
|  | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B) |
| Net revenue                              | 29.0  | 14.8   | 95.9      |
| Non-interest expenses                    | 16.4  | 14.6   | 12.7      |
| <b>Income (loss) before income taxes</b> | <b>12.6</b>   | <b>0.2</b>   | <b>-</b>  |

Global Investment Banking posted net revenue of 29.0 billion yen, an increase of 95.9% compared to the prior quarter. Non-interest expenses increased 12.7% to 16.4 billion yen and income before income taxes was 12.6 billion yen.

The overall market for equity financing was pushed down during the quarter due to seasonal factors and the unstable stock market. However, we maintained our position at the top of the Japan Equity and Equity-Related league table<sup>2</sup>.

In M&A, we acted as financial advisor on Daiichi Sankyo's acquisition of Indian pharmaceutical company Ranbaxy Laboratories. We topped the M&A Financial Advisors League Table Any Japanese Involvement<sup>2</sup> for the first half of calendar 2008.

In addition, we booked income of 19.4 billion yen related to a settlement agreement with the Czech Republic over IPB.

## Operating Results of Global Merchant Banking

|  | Billions of yen                                     |  | % Change  |
|--|---|--|-----------|
|  | For the three months ended                          |  | (%)       |
|  | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B) |
| Net revenue                              | (37.0)  | 23.1   | -         |
| Non-interest expenses                    | 2.4   | 3.0  | (21.5)    |
| <b>Income (loss) before income taxes</b> | <b>(39.4)</b>                                       | <b>20.1</b>  | <b>-</b>  |

Global Merchant Banking net revenue was minus 37 billion yen. Non-interest expenses declined 21.5% quarter on quarter to 2.4 billion yen. Loss before income taxes was 39.4 billion yen.

Unrealized losses were booked during the first quarter due to the valuation at fair value of certain investee companies.

In terms of new investments, we invested in Ashikaga Holdings, the parent company of Ashikaga Bank, acquiring 45.51% of outstanding shares.

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

## Operating Results of Asset Management

|  | Billions of yen                                     |  | % Change     |
|--|---|--|--------------|
|  | For the three months ended                          |  | (%)          |
|  | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B)    |
| Net revenue                              | 21.8  | 17.3   | 25.5         |
| Non-interest expenses                    | 14.2  | 14.8   | (4.4)        |
| <b>Income (loss) before income taxes</b> | <b>7.6</b>  | <b>2.5</b>   | <b>204.3</b> |

Asset Management net revenue increased 25.5% from the prior quarter to 21.8 billion yen. Non-interest expenses decreased by 4.4% to 14.2 billion yen, and income before income taxes grew 204.3% to 7.6 billion yen.

Revenue expanded as one-off losses from the prior quarter were not present this quarter and assets under management increased.

Sales of newly launched investment trusts such as the Nomura Multi Currency Attractive Dividend Japan Stock Fund and Nomura Japan Value Attractive Dividend Stock Investment Fund 0805 were robust as were sales of the Nomura New Global High Interest Rate Currencies Fund. Assets under management increased by 1.5 trillion yen from the end of March to 27.2 trillion yen at the end of June.

## Other Operating Results

|   | Billions of yen                                     |  | % Change  |
|---|---|--|-----------|
|   | For the three months ended                          |  | (%)       |
|   | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B) |
| Net revenue                             | 23.9  | 38.0   | (37.1)    |
| Non-interest expenses                   | 44.2  | 44.3   | (0.3)     |
| <b>Income(loss) before income taxes</b> | <b>(20.3)</b>                                       | <b>(6.3)</b>   | <b>-</b>  |

Net revenue in Other declined 37.1% from the previous quarter to 23.9 billion yen. Loss before income taxes was 20.3 billion yen.

## Non-Interest Expenses (Segment Total)

|   | Billions of yen                                     |  | % Change     |
|---|---|--|--------------|
|   | For the three months ended                          |  | (%)          |
|   | June 30,<br>2008<br>(2008.4.1~<br>2008.6.30)<br>(A) | March 31,<br>2008<br>(2008.1.1~<br>2008.3.31)<br>(B) | (A-B)/(B)    |
| Compensation and benefits                 | 87.9  | 78.4   | 12.1         |
| Commissions and floor brokerage           | 18.6  | 24.5   | (24.0)       |
| Information processing and communications | 33.4  | 37.2   | (10.4)       |
| Occupancy and related depreciation        | 15.9  | 19.5   | (18.8)       |
| Business development expenses             | 7.0   | 10.0   | (29.7)       |
| Other                                     | 56.5  | 50.1   | 12.8         |
| <b>Non-Interest Expenses</b>              | <b>219.4</b>  | <b>219.8</b>   | <b>(0.2)</b> |

Business segment non-interest expenses declined 0.2% quarter on quarter to 219.4 billion yen.

## **2. Financial Position**

Total assets as of June 30, 2008, were 26.0 trillion yen, a decrease of 0.3 trillion yen compared to March 31, 2008, reflecting primarily a decrease in Collateralized agreements and Receivables. Total liabilities as of June 30, 2008, were 24.1 trillion yen, a decrease of 0.3 trillion yen compared to March 31, 2008, mainly due to a decrease in Collateralized financing. Total shareholders' equity at June 30, 2008, was 1.9 trillion yen, a decrease of 42.9 billion yen compared to March 31, 2008, mainly due to a decrease in Retained earnings.

## **3. Earnings Forecasts**

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.

## **4. Other**

### **Changes in accounting basis, procedure and presentation for the quarterly consolidated financial statements**

#### **Accounting for fair value measurements**

Nomura adopted Financial Accounting Standards Board ("FASB") SFAS No.157, "Fair Value Measurements" on April 1, 2008. In accordance with this standard, the adjusted amount due to the initial adoption was recorded in the retained earnings.

#### **Accounting for fair value option for financial assets and financial liabilities**

Nomura adopted FASB SFAS No.159, "The Fair Value Option for Financial Assets and Financial Liabilities including an amendment of FASB Statement No.115" on April 1, 2008. In accordance with this standard, the adjusted amount due to the initial adoption was recorded in the retained earnings.

#### **Accounting for offsetting of amounts related to certain contracts**

Nomura adopted FASB Interpretation No.39-1, "Amendment of FASB Interpretation No.39" on April 1, 2008.

## **5. Quarterly Consolidated Financial Statements**

### **Basis of presentation—**

The quarterly 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 30, 2008) and Form 20-F (the annual report filed with the U.S. Securities and Exchange Commission on June 30, 2008) for the year ended March 31, 2008.

Please refer to 4.Other, "Changes in accounting basis, procedure and presentation for the consolidated financial statements", for presentations of significant changes in accounting principles.

The review procedures of the interim financial information for this quarter have not been completed yet.

## (1) Consolidated Balance Sheets (UNAUDITED)

|  | Millions of yen   |                   |                     |
|--|-------------------|-------------------|---------------------|
|  | June 30,<br>2008  | March 31,<br>2008 | Increase/(Decrease) |
| <b>ASSETS</b>  |                   |                   |                     |
| Cash and cash deposits:  |                   |                   |                     |
| Cash and cash equivalents  | 603,846           | 507,236           | 96,610              |
| Time deposits  | 830,157           | 758,130           | 72,027              |
| Deposits with stock exchanges and other segregated cash  | 143,966           | 168,701           | (24,735)            |
|  | <u>1,577,969</u>  | <u>1,434,067</u>  | <u>143,902</u>      |
| Loans and receivables:   |                   |                   |                     |
| Loans receivable   | 896,948           | 784,262           | 112,686             |
| Receivables from customers   | 38,004            | 43,623            | (5,619)             |
| Receivables from other than customers  | 438,805           | 1,045,541         | (606,736)           |
| Allowance for doubtful accounts  | (2,139)           | (1,399)           | (740)               |
|  | <u>1,371,618</u>  | <u>1,872,027</u>  | <u>(500,409)</u>    |
| Collateralized agreements:   |                   |                   |                     |
| Securities purchased under agreements to resell  | 2,414,386         | 3,233,200         | (818,814)           |
| Securities borrowed  | 6,281,857         | 7,158,167         | (876,310)           |
|  | <u>8,696,243</u>  | <u>10,391,367</u> | <u>(1,695,124)</u>  |
| Trading assets and private equity investments*:  |                   |                   |                     |
| Trading assets   | 12,153,453        | 10,325,760        | 1,827,693           |
| Private equity investments   | 393,561           | 330,745           | 62,816              |
|  | <u>12,547,014</u> | <u>10,656,505</u> | <u>1,890,509</u>    |
| Other assets:  |                   |                   |                     |
| Office buildings, land, equipment and facilities<br>(net of accumulated depreciation and amortization of<br>¥250,304 million at June 30, 2008 and<br>¥260,910 million at March 31, 2008, respectively) | 385,954           | 389,151           | (3,197)             |
| Non-trading debt securities*   | 274,383           | 246,108           | 28,275              |
| Investments in equity securities*  | 141,914           | 139,330           | 2,584               |
| Investments in and advances to affiliated companies*   | 347,222           | 361,334           | (14,112)            |
| Other  | 653,544           | 808,909           | (155,365)           |
|  | <u>1,803,017</u>  | <u>1,944,832</u>  | <u>(141,815)</u>    |
| Total assets   | <u>25,995,861</u> | <u>26,298,798</u> | <u>(302,937)</u>    |

\*Including securities pledged as collateral



## (2) Consolidated Statements of Operations (UNAUDITED)

|   | Millions of yen            |                      | % Change      |
|---|----------------------------|----------------------|---------------|
|   | For the three months ended |                      | (A-B)/(B)     |
|   | June 30, 2008<br>(A)       | June 30, 2007<br>(B) |               |
| Revenue:  |                            |                      |               |
| Commissions                                     | 82,198                     | 112,953              | (27.2)        |
| Fees from investment banking                    | 13,407                     | 29,890               | (55.1)        |
| Asset management and portfolio service fees     | 42,779                     | 47,311               | (9.6)         |
| Net gain on trading                             | 10,515                     | 99,767               | (89.5)        |
| (Loss) gain on private equity investments       | (37,663)                   | 46,159               | -             |
| Interest and dividends                          | 117,957                    | 294,783              | (60.0)        |
| Gain (loss) on investments in equity securities | 964                        | (540)                | -             |
| Other   | 27,719                     | 16,309               | 70.0          |
| Total revenue                                   | <u>257,876</u>             | <u>646,632</u>       | <u>(60.1)</u> |
| Interest expense                                | <u>122,789</u>             | <u>301,830</u>       | <u>(59.3)</u> |
| Net revenue                                     | <u>135,087</u>             | <u>344,802</u>       | <u>(60.8)</u> |
| Non-interest expenses :                         |                            |                      |               |
| Compensation and benefits                       | 87,910                     | 100,653              | (12.7)        |
| Commissions and floor brokerage                 | 18,634                     | 22,684               | (17.9)        |
| Information processing and communications       | 33,359                     | 29,188               | 14.3          |
| Occupancy and related depreciation              | 15,868                     | 15,917               | (0.3)         |
| Business development expenses                   | 7,032                      | 8,811                | (20.2)        |
| Other   | 56,548                     | 27,609               | 104.8         |
|   | <u>219,351</u>             | <u>204,862</u>       | <u>7.1</u>    |
| Income (loss) before income taxes               | (84,264)                   | 139,940              | -             |
| Income tax expense                              | <u>(7,672)</u>             | <u>64,002</u>        | <u>-</u>      |
| Net income (loss)                               | <u>(76,592)</u>            | <u>75,938</u>        | <u>-</u>      |
| Per share of common stock:                      |                            |                      |               |
|   | Yen                        |                      | % Change      |
| Basic-  |                            |                      |               |
| Net income (loss)                               | <u>(40.14)</u>             | <u>39.80</u>         | <u>-</u>      |
| Diluted-  |                            |                      |               |
| Net income (loss)                               | <u>(40.18)</u>             | <u>39.67</u>         | <u>-</u>      |

## (3) Note with respect to the assumption as a going concern

Not applicable.

#### (4) Segment Information-Operating Segment (UNAUDITED)

The following table shows business segment information and reconciliation items to the consolidated statements of operations information.

|  | Millions of yen            |                      | % Change  |
|--|----------------------------|----------------------|-----------|
|  | For the three months ended |                      | (A-B)/(B) |
|  | June 30,<br>2008 (A)       | June 30,<br>2007 (B) |           |
| <b>Net revenue</b>   |                            |                      |           |
| Business segment information:  |                            |                      |           |
| Domestic Retail  | 85,809                     | 121,840              | (29.6)    |
| Global Markets   | 10,970                     | 108,909              | (89.9)    |
| Global Investment Banking  | 28,986                     | 36,740               | (21.1)    |
| Global Merchant Banking  | (37,009)                   | 43,407               | -         |
| Asset Management   | 21,757                     | 26,407               | (17.6)    |
| Sub Total  | 110,513                    | 337,303              | (67.2)    |
| Other  | 23,901                     | 10,146               | 135.6     |
| Net revenue  | 134,414                    | 347,449              | (61.3)    |
| Reconciliation items:  |                            |                      |           |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | 673                        | (2,647)              | -         |
| Net revenue  | 135,087                    | 344,802              | (60.8)    |

#### Non-interest expenses

|  |         |         |        |
|--|---------|---------|--------|
| Business segment information:  |         |         |        |
| Domestic Retail  | 69,630  | 71,285  | (2.3)  |
| Global Markets   | 72,589  | 82,866  | (12.4) |
| Global Investment Banking  | 16,411  | 16,003  | 2.5    |
| Global Merchant Banking  | 2,357   | 3,306   | (28.7) |
| Asset Management   | 14,189  | 14,208  | (0.1)  |
| Sub Total  | 175,176 | 187,668 | (6.7)  |
| Other  | 44,175  | 17,194  | 156.9  |
| Non-interest expenses  | 219,351 | 204,862 | 7.1    |
| Reconciliation items:  |         |         |        |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | -       | -       | -      |
| Non-interest expenses  | 219,351 | 204,862 | 7.1    |

#### Income (loss) before income taxes

|  |          |         |        |
|--|----------|---------|--------|
| Business segment information:  |          |         |        |
| Domestic Retail  | 16,179   | 50,555  | (68.0) |
| Global Markets   | (61,619) | 26,043  | -      |
| Global Investment Banking  | 12,575   | 20,737  | (39.4) |
| Global Merchant Banking  | (39,366) | 40,101  | -      |
| Asset Management   | 7,568    | 12,199  | (38.0) |
| Sub Total  | (64,663) | 149,635 | -      |
| Other *  | (20,274) | (7,048) | -      |
| Income (loss) before income taxes  | (84,937) | 142,587 | -      |
| Reconciliation items:  |          |         |        |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | 673      | (2,647) | -      |
| Income (loss) before income taxes  | (84,264) | 139,940 | -      |

#### \*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  |
|---|----------------------------|----------------------|-----------|
|   | For the three months ended |                      | (A-B)/(B) |
|   | June 30,<br>2008 (A)       | June 30,<br>2007 (B) |           |
| Net gain (loss) on trading related to economic hedging transactions           | 1,006                      | (14,425)             | -         |
| Realized gain on investments in equity securities held for operating purposes | 291                        | 2,107                | (86.2)    |
| Equity in earnings of affiliates  | 2,061                      | 5,105                | (59.6)    |
| Corporate items   | (5,620)                    | (9,687)              | -         |
| Others  | (18,012)                   | 9,852                | -         |
| Total   | (20,274)                   | (7,048)              | -         |

## (5) Note for Total Shareholders' equity

Not applicable. For further details of the variations, please refer to the "Consolidated Statements of Changes in Shareholders' Equity (UNAUDITED)" below.

|   | Millions of yen            |                  |
|---|----------------------------|------------------|
|   | For the three months ended |                  |
|   | June 30,<br>2008           | June 30,<br>2007 |
| Common stock                                  |                            |                  |
| Balance at beginning of year                  | 182,800                    | 182,800          |
| Balance at end of period                      | <u>182,800</u>             | <u>182,800</u>   |
| Additional paid-in capital                    |                            |                  |
| Balance at beginning of year                  | 177,227                    | 165,496          |
| Gain (loss) on sales of treasury stock        | 1,830                      | (1,458)          |
| Issuance and exercise of common stock options | 27                         | 2,853            |
| Balance at end of period                      | <u>179,084</u>             | <u>166,891</u>   |
| Retained earnings                             |                            |                  |
| Balance at beginning of year                  | 1,779,783                  | 1,910,978        |
| Net income (loss)                             | (76,592)                   | 75,938           |
| Cash dividends                                | (16,223)                   | (16,221)         |
| Adjustments to initially apply FIN 48         | -                          | 1,266            |
| Adjustments to initially apply EITF 06-2      | -                          | (1,119)          |
| Adjustments to initially apply SOP 07-1       | -                          | 2,049            |
| Adjustments to initially apply SFAS 157       | 10,383                     | -                |
| Adjustments to initially apply SFAS 159       | 5,258                      | -                |
| Loss on sales of treasury stock               | -                          | (37)             |
| Balance at end of period                      | <u>1,702,609</u>           | <u>1,972,854</u> |
| Accumulated other comprehensive income        |                            |                  |
| Cumulative translation adjustments            |                            |                  |
| Balance at beginning of year                  | (28,416)                   | 36,889           |
| Net change during the year                    | 30,277                     | 32,985           |
| Balance at end of period                      | <u>1,861</u>               | <u>69,874</u>    |
| Defined benefit pension plans                 |                            |                  |
| Balance at beginning of year                  | (42,695)                   | (30,276)         |
| Pension liability adjustment                  | (152)                      | (153)            |
| Balance at end of period                      | <u>(42,847)</u>            | <u>(30,429)</u>  |
| Balance at end of period                      | <u>(40,986)</u>            | <u>39,445</u>    |
| Common stock held in treasury                 |                            |                  |
| Balance at beginning of year                  | (80,575)                   | (79,968)         |
| Repurchases of common stock                   | (28)                       | (56)             |
| Sale of common stock                          | 6                          | 12               |
| Common stock issued to employees              | 2,365                      | 1,825            |
| Other net change in treasury stock            | (52)                       | 0                |
| Balance at end of period                      | <u>(78,284)</u>            | <u>(78,187)</u>  |
| Total shareholders' equity                    |                            |                  |
| Balance at end of period                      | <u>1,945,223</u>           | <u>2,283,803</u> |

## 6. Other Information

### Consolidated Statements of Operations <Quarterly>

(UNAUDITED)

|   | Millions of yen            |                       |                      |                      |                     | % Change<br>(B-A)/(A) | Millions of yen    |
|---|----------------------------|-----------------------|----------------------|----------------------|---------------------|-----------------------|--------------------|
|   | For the three months ended |                       |                      |                      |                     |                       | For the year ended |
|   | June 30,<br>2007           | September 30,<br>2007 | December 31,<br>2007 | March 31,<br>2008(A) | June 30,<br>2008(B) |                       | March 31,<br>2008  |
| <b>Revenue:</b>                                 |                            |                       |                      |                      |                     |                       |                    |
| Commissions                                     | 112,953                    | 106,883               | 103,434              | 81,389               | 82,198              | 1.0                   | 404,659            |
| Fees from investment banking                    | 29,890                     | 16,176                | 20,340               | 18,690               | 13,407              | (28.3)                | 85,096             |
| Asset management and portfolio service fees     | 47,311                     | 50,910                | 47,636               | 43,855               | 42,779              | (2.5)                 | 189,712            |
| Net gain (loss) on trading                      | 99,767                     | 8,669                 | 65,090               | (111,806)            | 10,515              | -                     | 61,720             |
| Gain (loss) on private equity investments       | 46,159                     | 6,774                 | (2,987)              | 26,559               | (37,663)            | -                     | 76,505             |
| Interest and dividends                          | 294,783                    | 245,912               | 177,280              | 78,565               | 117,957             | 50.1                  | 796,540            |
| (Loss) gain on investments in equity securities | (540)                      | (24,216)              | (6,977)              | (16,962)             | 964                 | -                     | (48,695)           |
| Other   | 16,309                     | 9,631                 | (3,444)              | 5,689                | 27,719              | 387.2                 | 28,185             |
| Total revenue                                   | 646,632                    | 420,739               | 400,372              | 125,979              | 257,876             | 104.7                 | 1,593,722          |
| Interest expense                                | 301,830                    | 244,039               | 156,119              | 104,477              | 122,789             | 17.5                  | 806,465            |
| Net revenue                                     | 344,802                    | 176,700               | 244,253              | 21,502               | 135,087             | 528.3                 | 787,257            |
| <b>Non-interest expenses:</b>                   |                            |                       |                      |                      |                     |                       |                    |
| Compensation and benefits                       | 100,653                    | 94,370                | 93,361               | 78,421               | 87,910              | 12.1                  | 366,805            |
| Commissions and floor brokerage                 | 22,684                     | 22,579                | 20,395               | 24,534               | 18,634              | (24.0)                | 90,192             |
| Information processing and communications       | 29,188                     | 34,719                | 33,869               | 37,228               | 33,359              | (10.4)                | 135,004            |
| Occupancy and related depreciation              | 15,917                     | 15,131                | 14,258               | 19,535               | 15,868              | (18.8)                | 64,841             |
| Business development expenses                   | 8,811                      | 9,866                 | 9,455                | 10,003               | 7,032               | (29.7)                | 38,135             |
| Other   | 27,609                     | 50,623                | 28,525               | 50,111               | 56,548              | 12.8                  | 156,868            |
|   | 204,862                    | 227,288               | 199,863              | 219,832              | 219,351             | (0.2)                 | 851,845            |
| Income (loss) before income taxes               | 139,940                    | (50,588)              | 44,390               | (198,330)            | (84,264)            | -                     | (64,588)           |
| Income tax expense                              | 64,002                     | (38,881)              | 22,615               | (44,477)             | (7,672)             | -                     | 3,259              |
| Net income (loss)                               | 75,938                     | (11,707)              | 21,775               | (153,853)            | (76,592)            | -                     | (67,847)           |
| <b>Per share of common stock:</b>               |                            |                       |                      |                      |                     |                       |                    |
|   | Yen                        |                       |                      |                      |                     | % Change              | Yen                |
| <b>Basic-</b>                                   |                            |                       |                      |                      |                     |                       |                    |
| Net income (loss)                               | 39.80                      | (6.13)                | 11.41                | (80.62)              | (40.14)             | -                     | (35.55)            |
| <b>Diluted-</b>                                 |                            |                       |                      |                      |                     |                       |                    |
| Net income (loss)                               | 39.67                      | (6.14)                | 11.37                | (80.68)              | (40.18)             | -                     | (35.57)            |

Note: The review procedures of the interim financial information for this quarter have not been completed yet.

## Business Segment Information - Quarterly Results

(UNAUDITED)

The following table shows quarterly business segment information and reconciliation items to the consolidated statements of operations information.

| Net revenue  | Millions of yen            |                       |                      |                      |                     | % Change<br>(B-A)/(A) | Millions of yen<br>For the year ended<br>March 31,<br>2008 |
|--|----------------------------|-----------------------|----------------------|----------------------|---------------------|-----------------------|--|
|  | For the three months ended |                       |                      |                      |                     |                       |  |
|  | June 30,<br>2007           | September 30,<br>2007 | December 31,<br>2007 | March 31,<br>2008(A) | June 30,<br>2008(B) |                       |  |
| Business segment information:  |                            |                       |                      |                      |                     |                       |  |
| Domestic Retail  | 121,840                    | 103,260               | 98,408               | 78,510               | 85,809              | 9.3                   | 402,018  |
| Global Markets   | 108,909                    | 16,763                | 103,228              | (133,303)            | 10,970              | -                     | 95,597   |
| Global Investment Banking  | 36,740                     | 10,812                | 20,757               | 14,800               | 28,986              | 95.9                  | 83,109   |
| Global Merchant Banking  | 43,407                     | 8,458                 | (10,190)             | 23,118               | (37,009)            | -                     | 64,793   |
| Asset Management   | 26,407                     | 23,686                | 23,215               | 17,333               | 21,757              | 25.5                  | 90,641   |
| Sub Total  | 337,303                    | 162,979               | 235,418              | 458                  | 110,513             | -                     | 736,158  |
| Other  | 10,146                     | 37,156                | 15,948               | 38,018               | 23,901              | (37.1)                | 101,268  |
| Net revenue  | 347,449                    | 200,135               | 251,366              | 38,476               | 134,414             | 249.3                 | 837,426  |
| Reconciliation items:  |                            |                       |                      |                      |                     |                       |  |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (2,647)                    | (23,435)              | (7,113)              | (16,974)             | 673                 | -                     | (50,169)   |
| Net revenue  | 344,802                    | 176,700               | 244,253              | 21,502               | 135,087             | 528.3                 | 787,257  |

### Non-interest expenses

|  |         |         |         |         |         |        |         |
|--|---------|---------|---------|---------|---------|--------|---------|
| Business segment information:  |         |         |         |         |         |        |         |
| Domestic Retail  | 71,285  | 71,054  | 69,907  | 67,456  | 69,630  | 3.2    | 279,702 |
| Global Markets   | 82,866  | 84,453  | 78,830  | 75,645  | 72,589  | (4.0)  | 321,794 |
| Global Investment Banking  | 16,003  | 14,733  | 15,035  | 14,565  | 16,411  | 12.7   | 60,336  |
| Global Merchant Banking  | 3,306   | 3,031   | 2,134   | 3,002   | 2,357   | (21.5) | 11,473  |
| Asset Management   | 14,208  | 16,005  | 14,593  | 14,846  | 14,189  | (4.4)  | 59,652  |
| Sub Total  | 187,668 | 189,276 | 180,499 | 175,514 | 175,176 | (0.2)  | 732,957 |
| Other  | 17,194  | 38,012  | 19,364  | 44,318  | 44,175  | (0.3)  | 118,888 |
| Non-interest expenses  | 204,862 | 227,288 | 199,863 | 219,832 | 219,351 | (0.2)  | 851,845 |
| Reconciliation items:  |         |         |         |         |         |        |         |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | -       | -       | -       | -       | -       | -      | -       |
| Non-interest expenses  | 204,862 | 227,288 | 199,863 | 219,832 | 219,351 | (0.2)  | 851,845 |

### Income (loss) before income taxes

|  |         |          |          |           |          |       |           |
|--|---------|----------|----------|-----------|----------|-------|-----------|
| Business segment information:  |         |          |          |           |          |       |           |
| Domestic Retail  | 50,555  | 32,206   | 28,501   | 11,054    | 16,179   | 46.4  | 122,316   |
| Global Markets   | 26,043  | (67,690) | 24,398   | (208,948) | (61,619) | -     | (226,197) |
| Global Investment Banking  | 20,737  | (3,921)  | 5,722    | 235       | 12,575   | -     | 22,773    |
| Global Merchant Banking  | 40,101  | 5,427    | (12,324) | 20,116    | (39,366) | -     | 53,320    |
| Asset Management   | 12,199  | 7,681    | 8,622    | 2,487     | 7,568    | 204.3 | 30,989    |
| Sub Total  | 149,635 | (26,297) | 54,919   | (175,056) | (64,663) | -     | 3,201     |
| Other *  | (7,048) | (856)    | (3,416)  | (6,300)   | (20,274) | -     | (17,620)  |
| Income (loss) before income taxes  | 142,587 | (27,153) | 51,503   | (181,356) | (84,937) | -     | (14,419)  |
| Reconciliation items:  |         |          |          |           |          |       |           |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (2,647) | (23,435) | (7,113)  | (16,974)  | 673      | -     | (50,169)  |
| Income (loss) before income taxes  | 139,940 | (50,588) | 44,390   | (198,330) | (84,264) | -     | (64,588)  |

### \* 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) | Millions of yen<br>For the year ended<br>March 31,<br>2008 |
|--|----------------------------|-----------------------|----------------------|----------------------|---------------------|-----------------------|--|
|  | For the three months ended |                       |                      |                      |                     |                       |  |
|  | June 30,<br>2007           | September 30,<br>2007 | December 31,<br>2007 | March 31,<br>2008(A) | June 30,<br>2008(B) |                       |  |
| Net gain (loss) on trading related to economic hedging transactions                  | (14,425)                   | 2,808                 | 364                  | 1,513                | 1,006               | (33.5)                | (9,740)  |
| Realized gain (loss) on investments in equity securities held for operating purposes | 2,107                      | (781)                 | 135                  | 13                   | 291                 | -                     | 1,474  |
| Equity in earnings of affiliates   | 5,105                      | 2,579                 | (5,247)              | 2,306                | 2,061               | (10.6)                | 4,743  |
| Corporate items  | (9,687)                    | (12,252)              | (11,750)             | 20,265               | (5,620)             | -                     | (13,424)   |
| Others   | 9,852                      | 6,790                 | 13,082               | (30,397)             | (18,012)            | -                     | (673)  |
| Total  | (7,048)                    | (856)                 | (3,416)              | (6,300)              | (20,274)            | -                     | (17,620)   |

Note: The review procedures of the interim financial information for this quarter have not been completed yet.

**"Commissions/fees received" and "Net gain on trading" consists of the following**  
(UNAUDITED)

|  | Millions of yen            |                       |                      |                      |                     |        | % Change<br>(C-B)/(B) | % Change<br>(C-A)/(A) |
|--|----------------------------|-----------------------|----------------------|----------------------|---------------------|--------|-----------------------|-----------------------|
|  | For the three months ended |                       |                      |                      |                     |        |                       |                       |
|  | June 30,<br>2007(A)        | September 30,<br>2007 | December 31,<br>2007 | March 31,<br>2008(B) | June 30,<br>2008(C) |        |                       |                       |
| Commissions/fees received                        |                            |                       |                      |                      |                     |        |                       |                       |
| Commissions                                      | 112,953                    | 106,883               | 103,434              | 81,389               | 82,198              | 1.0    | (27.2)                |                       |
| Brokerage Commissions                            | 64,169                     | 64,655                | 65,471               | 56,730               | 49,287              | (13.1) | (23.2)                |                       |
| Commissions for Distribution of Investment Trust | 39,172                     | 34,223                | 30,600               | 17,247               | 25,811              | 49.7   | (34.1)                |                       |
| Fees from Investment Banking                     | 29,890                     | 16,176                | 20,340               | 18,690               | 13,407              | (28.3) | (55.1)                |                       |
| Underwriting and Distribution                    | 10,469                     | 10,434                | 14,219               | 10,524               | 6,815               | (35.2) | (34.9)                |                       |
| M&A / Financial Advisory Fees                    | 18,187                     | 5,691                 | 5,747                | 8,192                | 4,568               | (44.2) | (74.9)                |                       |
| Asset Management and Portfolio Service Fees      | 47,311                     | 50,910                | 47,636               | 43,855               | 42,779              | (2.5)  | (9.6)                 |                       |
| Asset Management Fees                            | 42,904                     | 46,150                | 43,358               | 39,552               | 38,485              | (2.7)  | (10.3)                |                       |
| Total  | 190,154                    | 173,969               | 171,410              | 143,934              | 138,384             | (3.9)  | (27.2)                |                       |
| Net gain (loss) on trading                       |                            |                       |                      |                      |                     |        |                       |                       |
| Merchant Banking                                 | 255                        | 2,010                 | (5,149)              | (2,085)              | (69)                | -      | -                     |                       |
| Equity Trading                                   | 51,696                     | 28,189                | 25,574               | 31,496               | 33,267              | 5.6    | (35.6)                |                       |
| Fixed Income and Other Trading                   | 47,816                     | (21,530)              | 44,665               | (141,217)            | (22,683)            | -      | -                     |                       |
| Total  | 99,767                     | 8,669                 | 65,090               | (111,806)            | 10,515              | -      | (89.5)                |                       |

## **Reference Information**

### **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.

**NOMURA HOLDINGS, INC.**  
**UNCONSOLIDATED INCOME STATEMENT INFORMATION**

|                            | Millions of yen            |                   |                            |
|----------------------------|----------------------------|-------------------|----------------------------|
|                            | For the three months ended |                   | Comparison<br>(A-B)/(B)(%) |
|                            | June 30, 2008 (A)          | June 30, 2007 (B) |                            |
| Operating revenue          | 190,070                    | 272,528           | (30.3)                     |
| Operating expenses         | 45,305                     | 39,114            | 15.8                       |
| Operating income           | 144,765                    | 233,414           | (38.0)                     |
| Non-operating income       | 1,488                      | 1,863             | (20.1)                     |
| Non-operating expenses     | 64                         | 201               | (68.2)                     |
| Ordinary income            | 146,189                    | 235,075           | (37.8)                     |
| Special profits            | 604                        | 3,544             | (82.9)                     |
| Special losses             | 48,006                     | 71,821            | (33.2)                     |
| Income before income taxes | 98,787                     | 166,799           | (40.8)                     |
| Income taxes - current     | 1,607                      | 4,131             | (61.1)                     |
| Income taxes - deferred    | (6,886)                    | (31)              | —                          |
| Net income                 | 104,066                    | 162,699           | (36.0)                     |

**NOMURA HOLDINGS, INC.**  
**UNCONSOLIDATED BALANCE SHEET INFORMATION**

|   | Millions of yen |                |                     |
|---|-----------------|----------------|---------------------|
|   | June 30, 2008   | March 31, 2008 | Increase/(Decrease) |
| <b>Assets</b>                           |                 |                |                     |
| Current Assets                          | 2,521,938       | 2,272,127      | 249,811             |
| Fixed Assets                            | 2,048,799       | 2,177,683      | (128,884)           |
| <b>Total Assets</b>                     | 4,570,737       | 4,449,810      | 120,927             |
| <b>Liabilities</b>                      |                 |                |                     |
| Current Liabilities                     | 1,704,165       | 1,601,961      | 102,204             |
| Long-term Liabilities                   | 1,355,639       | 1,424,188      | (68,549)            |
| Total Liabilities                       | 3,059,804       | 3,026,149      | 33,655              |
| <b>Net Assets</b>                       |                 |                |                     |
| Shareholders' equity                    | 1,460,407       | 1,372,324      | 88,083              |
| Valuation and translation adjustments   | 35,161          | 39,936         | (4,775)             |
| Subscription rights to shares           | 15,365          | 11,401         | 3,965               |
| Total Net Assets                        | 1,510,934       | 1,423,661      | 87,273              |
| <b>Total Liabilities and Net Assets</b> | 4,570,737       | 4,449,810      | 120,927             |

**NOMURA SECURITIES CO., LTD.**  
**UNCONSOLIDATED INCOME STATEMENT INFORMATION**

|  | Millions of yen            |                   |              |
|--|----------------------------|-------------------|--------------|
|  | For the three months ended |                   | Comparison   |
|  | June 30, 2008 (A)          | June 30, 2007 (B) | (A-B)/(B)(%) |
| Operating revenue                            | 158,921                    | 252,044           | (36.9)       |
| Commissions                                  | 74,152                     | 122,458           | (39.4)       |
| Net gain on trading                          | 41,554                     | 77,896            | (46.7)       |
| Net gain on other inventories                | 2                          | 2                 | (22.3)       |
| Interest and dividend income                 | 43,214                     | 51,687            | (16.4)       |
| Interest expenses                            | 37,236                     | 34,446            | 8.1          |
| Net operating revenue                        | 121,685                    | 217,598           | (44.1)       |
| Selling, general and administrative expenses | 102,737                    | 111,461           | (7.8)        |
| Operating income                             | 18,948                     | 106,137           | (82.1)       |
| Non-operating income                         | 212                        | 500               | (57.7)       |
| Non-operating expenses                       | 289                        | 438               | (34.0)       |
| Ordinary income                              | 18,871                     | 106,200           | (82.2)       |
| Special profits                              | 532                        | 265               | 100.5        |
| Special losses                               | —                          | 316               | —            |
| Income before income taxes                   | 19,404                     | 106,150           | (81.7)       |
| Income taxes - current                       | (3,996)                    | 36,757            | —            |
| Income taxes - deferred                      | 9,835                      | 5,981             | 64.4         |
| Net income                                   | 13,564                     | 63,412            | (78.6)       |

**NOMURA SECURITIES CO., LTD.**  
**UNCONSOLIDATED BALANCE SHEET INFORMATION**

|  | Millions of yen |                |                     |
|--|-----------------|----------------|---------------------|
|  | June 30, 2008   | March 31, 2008 | Increase/(Decrease) |
| Assets                                   |                 |                |                     |
| Current Assets:                          | 11,615,888      | 13,094,317     | (1,478,429)         |
| Trading Assets                           | 5,949,853       | 6,012,280      | (62,427)            |
| Loans with securities as collateral      | 4,864,025       | 6,235,494      | (1,371,469)         |
| Other                                    | 802,010         | 846,543        | (44,533)            |
| Fixed Assets                             | 70,581          | 77,385         | (6,804)             |
| Total Assets                             | 11,686,470      | 13,171,702     | (1,485,233)         |
| Liabilities and Shareholder's Equity     |                 |                |                     |
| Liabilities                              |                 |                |                     |
| Current Liabilities:                     | 9,993,639       | 11,605,224     | (1,611,585)         |
| Trading liabilities                      | 2,995,722       | 2,887,090      | 108,632             |
| Borrowings with securities as collateral | 3,486,865       | 3,977,051      | (490,185)           |
| Other                                    | 3,511,051       | 4,741,083      | (1,230,032)         |
| Long-term Liabilities                    | 916,814         | 701,840        | 214,973             |
| Statutory Reserves                       | 5,557           | 5,626          | (70)                |
| Total Liabilities                        | 10,916,009      | 12,312,691     | (1,396,682)         |
| Shareholder's equity                     | 770,394         | 857,535        | (87,141)            |
| Valuation and translation adjustments    | 66              | 1,476          | (1,410)             |
| Total Net Assets                         | 770,461         | 859,012        | (88,551)            |
| Total Liabilities and Net Assets         | 11,686,470      | 13,171,702     | (1,485,233)         |

**NOMURA SECURITIES CO., LTD.**  
**SUPPLEMENTARY INFORMATION**

1. Commission Revenues

(1) Breakdown by Category

(Millions of yen except percentages)

|  | Three Months Ended |                   | Comparison<br>(A-B)/(B)(%) |
|--|--------------------|-------------------|----------------------------|
|  | June 30, 2008 (A)  | June 30, 2007 (B) |                            |
| Brokerage commissions                  | 20,959             | 33,464            | (37.4) %                   |
| <i>(Stocks)</i>                        | 19,545             | 32,670            | (40.2)                     |
| Underwriting commissions               | 1,863              | 6,374             | (70.8)                     |
| <i>(Stocks)</i>                        | 1,105              | 5,257             | (79.0)                     |
| <i>(Bonds)</i>                         | 758                | 1,117             | (32.2)                     |
| Distribution commissions               | 26,155             | 39,978            | (34.6)                     |
| <i>(Investment trust certificates)</i> | 25,796             | 39,150            | (34.1)                     |
| Other commissions                      | 25,175             | 42,642            | (41.0)                     |
| <i>(Investment trust certificates)</i> | 14,506             | 14,838            | (2.2)                      |
| Total                                  | 74,152             | 122,458           | (39.4)                     |

(2) Breakdown by Product

(Millions of yen except percentages)

|                               | Three Months Ended |                   | Comparison<br>(A-B)/(B)(%) |
|-------------------------------|--------------------|-------------------|----------------------------|
|                               | June 30, 2008 (A)  | June 30, 2007 (B) |                            |
| Stocks                        | 21,311             | 39,420            | (45.9) %                   |
| Bonds                         | 1,991              | 2,838             | (29.8)                     |
| Investment trust certificates | 41,472             | 54,656            | (24.1)                     |
| Others                        | 9,377              | 25,544            | (63.3)                     |
| Total                         | 74,152             | 122,458           | (39.4)                     |

2. Net Gain on Trading

(Millions of yen except percentages)

|                 | Three Months Ended |                   | Comparison<br>(A-B)/(B)(%) |
|-----------------|--------------------|-------------------|----------------------------|
|                 | June 30, 2008 (A)  | June 30, 2007 (B) |                            |
| Stocks          | 7,069              | 13,245            | (46.6) %                   |
| Bonds and forex | 34,484             | 64,651            | (46.7)                     |
| Total           | 41,554             | 77,896            | (46.7)                     |

**NOMURA SECURITIES CO., LTD.**  
**SUPPLEMENTARY INFORMATION**

3. Stock Trading (excluding futures transactions)

(Millions of shares or yen except per share data and percentages)

|   | Three Months Ended  |            |                     |            | Comparison<br>(A-B)/(B)(%) |          |
|---|---------------------|------------|---------------------|------------|----------------------------|----------|
|   | June 30, 2008 (A)   |            | June 30, 2007 (B)   |            | Number of<br>shares        | Amount   |
|   | Number of<br>shares | Amount     | Number of<br>shares | Amount     |                            |          |
| Total                                   | 16,425              | 21,137,787 | 19,968              | 30,294,565 | (17.7) %                   | (30.2) % |
| <i>(Brokerage)</i>                      | 10,462              | 13,195,657 | 12,210              | 17,902,791 | (14.3)                     | (26.3)   |
| <i>(Proprietary Trading)</i>            | 5,962               | 7,942,129  | 7,758               | 12,391,773 | (23.1)                     | (35.9)   |
| Brokerage / Total                       | 63.7%               | 62.4%      | 61.1%               | 59.1%      | /                          |          |
| TSE Share                               | 5.6%                | 6.1%       | 6.3%                | 7.2%       |                            |          |
| Brokerage Commission<br>per share (yen) | 1.84                |            | 2.65                |            |                            |          |

4. Underwriting, Subscription, and Distribution

(Millions of shares or yen except percentages)

|  | Three Months Ended |                   | Comparison<br>(A-B)/(B)(%) |
|--|--------------------|-------------------|----------------------------|
|  | June 30, 2008 (A)  | June 30, 2007 (B) |                            |
| Underwriting                               |                    |                   |                            |
| Stocks (number of shares)                  | 0                  | 21                | (99.6) %                   |
| (yen amount)                               | 56,960             | 116,375           | (51.1)                     |
| Bonds (face value)                         | 1,322,763          | 1,906,052         | (30.6)                     |
| Investment trust certificates (yen amount) | —                  | —                 | —                          |
| Beneficial interest (face value)           | —                  | —                 | —                          |
| Subscription and Distribution*             |                    |                   |                            |
| Stocks (number of shares)                  | 0                  | 144               | (99.9)                     |
| (yen amount)                               | 36,467             | 171,208           | (78.7)                     |
| Bonds (face value)                         | 794,088            | 1,033,722         | (23.2)                     |
| Investment trust certificates (yen amount) | 3,967,134          | 6,274,150         | (36.8)                     |
| Beneficial interest (face value)           | —                  | —                 | —                          |

\* Includes secondary offering and private placement.

5. Capital Adequacy Ratio

(Rounded down to millions of yen except percentages)

|                        |                                       | June 30, 2008 | March 31, 2008 | Increase/(Decrease) |
|------------------------|---------------------------------------|---------------|----------------|---------------------|
| Tier I                 | (A)                                   | 770,394       | 756,830        | 13,564              |
| Tier II                | Valuation and translation adjustments | 66            | 1,476          | (1,410)             |
|                        | Statutory reserves                    | 5,556         | 5,626          | (70)                |
|                        | Allowance for doubtful accounts       | 43            | 32             | 11                  |
|                        | Subordinated debt                     | 536,085       | 516,085        | 20,000              |
| Total                  | (B)                                   | 541,752       | 523,220        | 18,532              |
| Illiquid Asset         | (C)                                   | 124,231       | 145,932        | (21,701)            |
| Net Capital            | (A) + (B) - (C) = (D)                 | 1,187,914     | 1,134,117      | 53,797              |
| Risk                   | Market risk                           | 70,692        | 108,263        | (37,571)            |
|                        | Counterparty risk                     | 235,424       | 259,810        | (24,386)            |
|                        | Basic risk                            | 132,254       | 132,823        | (569)               |
|                        | Total                                 | (E)           | 438,371        | 500,896             |
| Capital Adequacy Ratio | (D)/(E)                               | 270.9 %       | 226.4 %        | 44.5 %              |