NOMURA



Profile

Nomura Group is a global financial services group dedicated to providing a broad range of financial services for individual, institutional, corporate and government clients.

With Nomura Holdings, Inc. (NHI) as its holding company, the Group includes Nomura Securities Co., Ltd., Nomura Asset Management Co., Ltd. and other consolidated subsidiaries in Japan and overseas. The Group offers a diverse line of competitive products and value-added financial and advisory solutions through its global headquarters in Tokyo, 133 branches in Japan, and an international network in 28 countries; with regional headquarters in Hong Kong, London, and New York.

The Group's business activities include investment consultation and brokerage services for retail investors in Japan, and, on a global basis, brokerage and trading services, securities underwriting, investment banking advisory services, merchant banking, and asset management. The Group is also active in the area of investment education.

Enormous changes are occurring in the operating environment. Positioning itself at the center of this change, Nomura Group is marshaling its aggregate strengths to supply outstanding financial solutions. Through this process, the Group seeks to increase its corporate value while contributing to economic vitality.

Forward-looking Statements

This annual report contains forward-looking statements about the future plans, strategies, beliefs and performance of Nomura Group. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on information currently available to the company and are subject to a number of risks, uncertainties and assumptions, which, without limitation, include market trends, economic trends, competition in the Japanese financial industry, laws and regulations, and the tax system. As such, actual results may differ materially from those projected.

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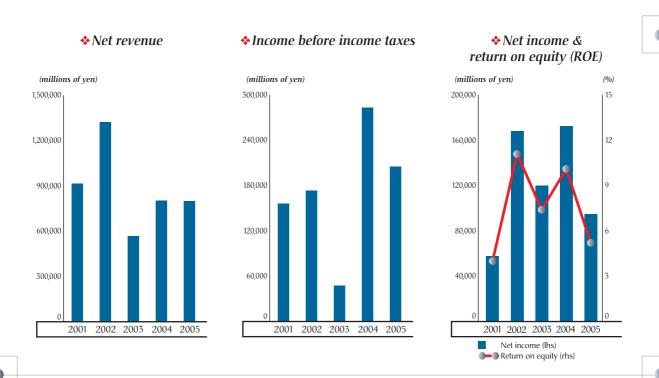
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Consolidated Financial Highlights (U.S. GAAP)

Years ended March 31

			Millions of yen			Millions of U.S. dollars [©]
	2001	2002	2003	2004	2005(1)	2005
Operating Results:						
Total revenue	¥1,469,298	¥ 1,825,399	¥ 807,651	¥ 1,045,936	¥ 1,126,237	\$ 10,504
Net revenue	915,655	1,321,351	566,274	803,103	799,190	7,454
Income before income taxes	156,172	172,972	47,409	282,676	204,835	1,910
Net income	57,410	168,046	119,913	172,329	94,732	884
Balance Sheet Data (period end):						
Total assets	¥17,146,024	¥17,758,273	¥21,169,446	¥29,752,966	¥34,488,853	\$321,664
Total shareholders' equity	1,436,428	1,604,929	1,642,328	1,785,688	1,868,429	17,426
Return on equity (ROE) ⁽²⁾	4.0%	11.1%	7.4%	10.1%	5.2%	
			Yen			U.S. dollars
Per Share Data:						
Net income-basic ⁽³⁾	¥ 29.25	¥ 85.57	¥ 61.26	¥ 88.82	¥ 48.80	\$0.46
Shareholders' equity ⁽⁴⁾	731.77	816.48	846.40	919.67	962.48	8.98
Cash dividends ⁽⁴⁾	17.50	15.00	15.00	15.00	20.00	0.19

- (1) Figures in this publication are for fiscal years beginning on April 1 and ending on March 31 of the following year.
- (2) Calculated by dividing net income by average shareholders' equity.
- (5) Calculated using the weighted average number of shares outstanding for the year (excluding treasury shares held by us).
- (4) Calculated using the number of shares outstanding (excluding treasury shares held by us) at year end.
- (5) Calculated using the yen-dollar exchange rate of U.S.\$1.00=¥107.22, the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York on March 31, 2005.



To Our Shareholders and Customers

Customer needs are becoming more diverse as deregulation progresses in Japan. In response, we are adopting a broader view of the securities business. At Nomura Group, we are further raising the speed at which we respond to changes as we work toward being a company that delivers clients superior services and solutions that meet investment needs of all kinds.



Overview of Operating Results

Net revenue edged down 0.5% year on year to ¥799.2 billion in the fiscal year ended March 31, 2005. Income before income taxes declined 28% to ¥204.8 billion and net income decreased 45% to ¥94.7 billion.

Domestic Retail recorded net revenue of ¥304.4 billion, essentially unchanged from the prior fiscal year. This division met customers' needs with equities, investment trusts, domestic bonds, foreign bonds and many other types of investments. Due to the end of Japan's blanket guarantee on bank deposits and our consultation services in response to demand for the placement of personally-held stock certificates in special accounts for stocks, Domestic Retail achieved an increase of ¥4.8 trillion in client assets, including regional financial institutions, lifting these assets to ¥45.6 trillion, a new record.

In Global Wholesale, results were mainly weighed down by lower market volatility and a decline in client order flows primarily associated with fixed income related products. On the other hand, we posted a strong performance in investment banking, ranking first in fiscal year stock underwriting and M&A advisory services in Japan. This reflected the large volume of corporate financing and M&A activities by Japanese companies. We were thus able to limit the decline in net revenue to 11%, to ¥325.9 billion.

Asset Management achieved 21% growth in net revenue to ¥43.5 billion. This was mainly the result of growth in assets under management due to the launch of new products that meet our customers' diversifying asset management needs, such as investment trusts offering frequent distributions.



A Changing Operating Environment

In Japan, we are seeing structural shifts in money flows and ongoing deregulation. These events are greatly altering our operating environment.

From a macroeconomic perspective, there are uncertainties about the external operating environment due to global tension, higher oil prices and other events. However, a downturn in Japan's economy is becoming less likely due mainly to rising private-sector capital expenditures. There is also hope for continued strength in personal spending backed by improvements in employment and personal income. Japan's economy is thus breaking out of its temporary lull.

Looking at government policies in Japan, the Program for Further Financial Reform announced by the Financial Services Agency at the end of 2004 is likely to accelerate the shift from savings to investments. We are also seeing changes in various financial systems, such as the end of the government's blanket guarantee on bank deposits in April 2005. These changes are

prompting individual investors to take a closer look at the relationship between risk and return, as well as to shift their financial assets from savings to investments.

Strong sales of Japanese government bonds for individual investors show that individuals are still placing priority on safety. But internet trades are now playing a significant role in stock markets. And we are witnessing growth in the balance of assets in investment trusts. Individual investors in Japan, who have traditionally placed most of their savings in bank deposits, are now beginning to participate in securities markets.

In the corporate sector, prolonged restructuring programs are coming to an end and earnings are rebounding, giving once cash-strapped Japanese companies excess cash. At the end of March 2005, this totaled some ¥16 trillion. Because of this, a growing number of companies are switching from financial policies focused on strengthening balance sheets to capital policies aimed at increasing shareholder value. This represents a huge shift in the thinking of Japan's



corporate executives. Moreover, companies are increasingly using mergers and acquisitions to achieve strategic objectives. I believe these changes will become even more pronounced in the coming years.

Deregulation is opening up many fields of business that had been off limits to securities companies. The diversity of solutions we can offer clients is growing as a result. For example, securities companies were prohibited from direct involvement in real estate businesses. But now we are free to transform real estate into financial products like J-REITs and real-estate funds. The J-REIT has gained widespread acceptance among investors in Japan. Total market capitalization of J-REITs is now more than ¥2 trillion. Loans are another field where securities companies can offer solutions. Barriers to entry in loan-related businesses are disappearing rapidly as the volume of loans sold through securitizations and other schemes grows. This situation allows us to provide clients with a variety of solutions by using many financial schemes to differentiate ourselves from other financial institutions.

As I said, barriers that once separated individual categories of financial services are being swept away as structural changes take place in money flows and deregulation advances. But these same trends are opening the way to competitors from other industries. We therefore expect to face increasingly intense competition. Nomura Group must take full advantage of these changes. I believe that our current operating environment presents excellent opportunities for business expansion. This is why we are taking on the challenge of entering new fields by adopting a broader view of the securities business.

Strategy

GENERATING VALUE FROM SYNFRGY

Organizational Changes

Changes in the business climate are creating greater opportunities for all financial institutions. To transform these opportunities into new businesses, we must serve a broader spectrum of customer segments.

To accomplish this, we must identify different kinds of needs through face-to-face interaction with customers. We must then look beyond the traditional bounds of the securities business to translate these needs into new businesses. By working hard at repeating this process, I believe we can increase our areas of expertise and create a new growth model. This is why we are building an organization capable of bringing about the necessary internal reforms.

First, we realigned some of our business lines on April 1, 2005. Previously we had three lines: Domestic Retail, Global Wholesale and Asset Management. This realignment divided Global Wholesale into Global Markets, Global Investment Banking and Global Merchant Banking, giving us five business lines. In addition, Global Markets now includes Asset Finance along with Global Fixed Income and Global Equity. With these changes, we have moved from a management framework that positioned securities as our core business to an organization that strongly reflects the nature of our operations under the holding company structure. Furthermore, this organization will allow us to accelerate the growth of global businesses and start new businesses faster.

Next, we appointed executive officers to head up two businesses: asset finance, where we foresee growth in securitization backed by real estate and other assets; and public corporations, where we expect to see more opportunities to serve local government agencies. Overseas, we named an executive officer to oversee our operations in China. This clearly positions China as a strategic region for Nomura Group.

In addition, we will move quickly to develop businesses in new domains by adopting a broader view of the securities business. For instance, we are establishing systems and functions for a trust agency business, loan business, real estate intermediary business and other businesses, all with the aim of serving the diversifying needs of clients.

Three Business Strategies

We are using our new structure to execute three key business strategies.

The first strategy is to further increase our customer base and assets under management. In the past fiscal year, Domestic Retail client assets grew 12% and assets under management in Asset Management increased 4%. We plan to continue this growth by giving customers more ways to access Nomura Group, such as through the securities intermediary business, and expanding our product lineup, such as by launching funds with frequent distributions.

The second strategy is to expand and enhance our business portfolio. We are already focused on expanding business through new products in fields like loans and real estate. Now we are working to further refine our financial technology. That will require eliminating the walls that separate product categories, business lines and domestic and overseas operations. We must develop and distribute products that reflect the increasingly diverse needs of clients, enlarging our business domains to extend our reach into fields beyond the conventional bounds of securities companies.

The third strategy is to enhance our value-added solutions business. We expect that corporate needs for financial solutions will become increasingly complex and sophisticated. We will meet these requirements by using our global network, sound financial position, specialized skills in advisory services, and other strengths. We will continue to work on building systems capable of delivering high-caliber financial solutions in a timely fashion.

Each Nomura Group division is further refining its specialized knowledge and generating greater synergies through collaboration with other divisions. Through this process, we will pinpoint the diversifying needs of our clients. Nomura Group's collective resources will also be key to quickly expanding into new business domains.

Mission

Superior Services for All Types of Investments

Nomura Group's vision is to enhance its presence as a globally competitive Japanese financial institution. We have set a management target of achieving an average consolidated ROE of between 10% and 15% over the medium to long term. In the past fiscal year, our ROE was only 5.2%. We will focus on our three core strategies: further increasing our customer base and assets under management, expanding and enhancing our business portfolio, and enhancing our valueadded solutions business. By implementing these initiatives, we intend to quickly build an earnings base capable of sustaining an ROE of between 10% and 15%, thereby increasing shareholder value.

Japan's financial markets are at a crucial turning point. As companies shift emphasis to the interests of shareholders, we are seeing growth in the number of companies that are considering aggressive capital policies to increase shareholder

value. Another trend is demand for increasingly diverse and sophisticated solutions. The primary cause of this is the rising diversity of investors' asset management needs due to extremely low interest rates in Japan.

The securities business has long been the core of Nomura Group's operations. But now we must respond quickly to changes. Our aim is to go beyond the traditional bounds of the securities business to offer clients superior services and solutions.

Nomura Group is active in a variety of investment education activities, such as holding seminars at over 110 universities in Japan. We believe that disseminating accurate knowledge concerning investment and risk is essential to the further development of Japan's securities markets. We will continue to conduct educational activities as part of longterm measures to broaden the base of investors in Japan.



From left: Deputy President & COO Hiroshi Toda, President & CEO Nobuyuki Koga, Deputy President & Co-COO Kazutoshi Inano

Making Japan and Nomura Stronger

We must heighten the global stature of Japan's capital markets, our mother market, if we are to become a globally competitive Japanese financial institution. A financial institution's global competitiveness is closely tied to the strength of its home country. A sound national economy translates into strength in the financial world too. We will make Nomura stronger while making Japan stronger. And as Japan becomes stronger, Nomura will gain strength as well. Our goal has been to achieve this virtuous cycle.

As our 80th anniversary, 2005 is a critical point in our history. Many changes are occurring in Japan's economy. We view them as enormous business opportunities, as well as opportunities for Nomura Group to play an even greater role. We must draw on the collective strengths of Nomura Group that are rooted in the trust we have earned from our customers over the years. By supporting financial and capital markets, we will play a role in guiding Japan's economy to a path of sustained growth. I believe this will lead directly to growth in our corporate value.

> Nobuyuki Koga President & Chief Executive Officer August 2005

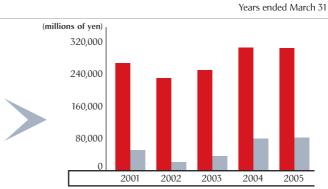
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Net revenue

Business Portfolio

DOMESTIC RETAIL

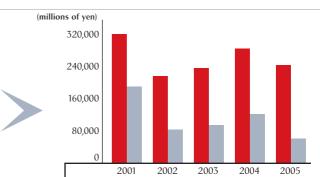
Domestic Retail serves primarily individual investors through its investment consulting business. We provide products and advice matched to customer needs based on a thorough understanding of the nature of each customer's assets, risk tolerance, life stage, and other parameters. We supplement face-to-face consulting with call centers, internet services and other channels to give customers more ways to contact us. Our goal is to offer our customers the most convenient services possible.



Income before income taxes

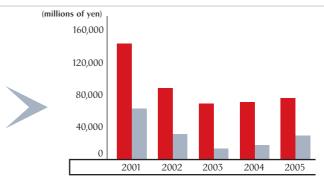
GLOBAL MARKETS

Global Markets has three business lines: Global Fixed Income, Global Equity and Asset Finance. We are mainly involved in the global sale and trading of bonds, equity and foreign exchange. We are strengthening our trading capabilities and product supply expertise to provide the derivative and hybrid products needed to respond to the increasing complexity and diversity of financial instruments. Corporate financing using securitization schemes and asset-backed financing, chiefly using real estate, are other core activities.



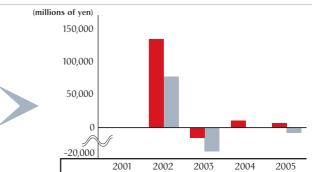
GLOBAL INVESTMENT BANKING

Global Investment Banking is active in Japan, Europe, the U.S., Asia and other major financial markets. We offer a broad range of investment banking services such as the underwriting of bonds, stocks and other securities, as well as M&A advisory and other financial advisory services. We also have a solid track record in cross-border deals. We are developing a capital solutions business in collaboration with Global Markets to offer our clients tailor-made financial solutions



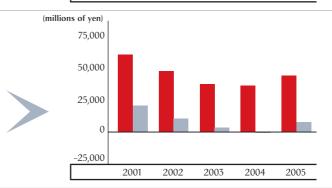
GLOBAL MERCHANT BANKING

Global Merchant Banking uses Nomura Group's own capital to generate earnings from private equity investments. In Japan, Nomura Principal Finance Co., Ltd. (NPF) is active in corporate buyouts, corporate rehabilitations and related fields. NPF seeks opportunities to make new investments and raise the value of companies. In Japan and Europe, we are also engaged in venture capital investment, mainly in the biopharma and technology sectors. In Europe, we invest in funds operated and managed by Terra Firma Capital Partners Limited, an independent private equity firm.



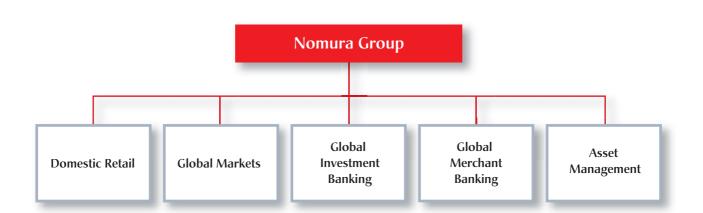
ASSET MANAGEMENT

Asset Management is engaged in the asset management and defined contribution pension plan businesses. We distribute a broad spectrum of investment trusts through many channels. Backing up these trusts are fund management and product development skills that tap an extensive global research network and sophisticated financial technologies. The asset management business also includes an investment advisory business for pension funds and other institutional investors. The defined contribution pension plan business offers a comprehensive line of services, from designing plans to providing products.





***** Business Lines



Business Outline



At the Heart of it all >>>

Change

● *Domestic Retail* ➤ *P14–19*

Mission

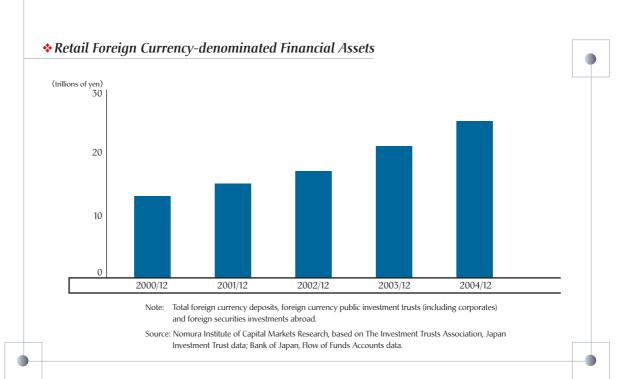
- Global Wholesale ➤ P20–21
 - Global Markets ➤ P22–25
 - Global Investment Banking ➤ P26–29
 - Global Merchant Banking ➤ P30–33

● *Asset Management* ➤ *P34–39*

Domestic Retail

Shift in Financial Assets of Individuals >>>>>>>

Changes are taking place in how the Japanese public views financial matters. Interest rates remain at an unprecedented low. The government has ended its full guarantee on bank deposits. Doubts are growing about the pension system. Tax reforms are making equity investments more attractive. Deregulation is sparking other changes. As a result, people now realize they need to take the initiative to protect their assets, and indeed make those assets grow. The concepts of risk and return and portfolio management are becoming widely recognized, resulting in steady growth in foreign currency financial assets held by individuals. The upshot of these changes is a nascent shift in Japan's estimated ¥1,400 trillion in individual financial assets away from bank deposits into investments.

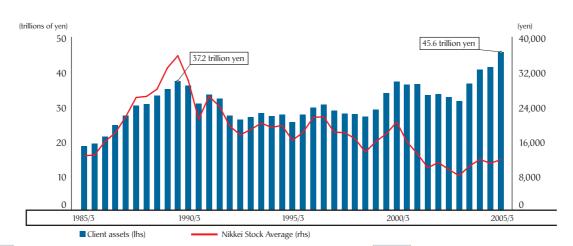


Domestic Retail's primary goal is to interact closely with customers to gain an insight into their particular investment needs and offer them distinctive solutions. Domestic Retail serves individual investors, companies and regional financial institutions through a network of 133 branch offices nationwide.

As customer needs diversify in step with today's changing environment, we are looking to increase our customer base by supplying high-quality services. To do so, we are expanding our service channels such as online services, call centers, branches specializing in consultation services, and the securities intermediary business. We are also responding to customer needs by adding services that go beyond the traditional bounds of the securities business.



❖ Client Assets (Domestic Retail, including regional financial institutions)



D O M E S T I C

RETAIL

Capitalizing on the largest customer base of any Japanese securities company, Domestic Retail is constantly refining its unique "Core Value Formation" strategy. The aim here is to expand our customer base even further and offer increasingly sophisticated financial products and services that target the full spectrum of customer needs.

Business Results

In the fiscal year ended March 2005, Domestic Retail earned net revenue of ¥304.4 billion, down 0.5% from ¥305.8 billion the year before. Non-interest expenses decreased 1% to ¥223.2 billion, down from ¥226.2 billion in the prior year. Income before income taxes increased 2% from ¥79.5 billion to ¥81.2 billion.

Equity-related revenue and investment trust-related revenue increased on growth in the value of stock transactions by individuals and strong sales of investment trusts, including the Global Attractive Dividend Stock Fund. However, revenue associated with foreign currency bonds declined, mainly due to a decline in sales compared with the high level recorded in the prior year.

Highlights of the Year

Client assets, including those of regional financial institutions, increased by ¥4.8 trillion to a record ¥45.6 trillion due to a rapid increase in the number of special accounts for stocks in which customers place personally-held stock certificates. Anticipating growth in these accounts, we equipped branch offices to handle the increased customer traffic at the end of last year. In the third quarter alone, we posted a net increase of ¥2.5 trillion in client assets.

Japanese government bonds (JGBs) for individuals also saw strong sales. The outstanding safety and liquidity of JGBs make them a good entry product for individuals who are looking to shift from savings to securities investments. During the past fiscal year, the Japanese government conducted its seventh through tenth offerings of JGBs for individuals. Our

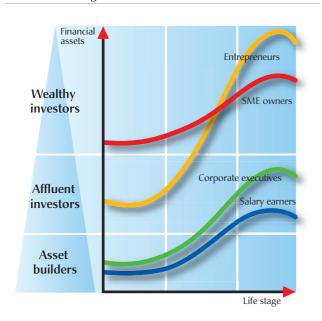
❖ Domestic Retail Business Results

	(Millions of yen)					
Years ended March 31	2001	2002	2003	2004	2005	
Non-interest revenue	¥260,193	¥226,156	¥246,938	¥304,035	¥301,464	
Net interest revenue	6,236	2,949	2,313	1,722	2,903	
Net revenue	266,429	229,105	249,251	305,757	304,367	
Non-interest expenses	215,638	208,621	213,562	226,213	223,200	
Income before income taxes	¥ 50,791	¥ 20,484	¥ 35,689	¥ 79,544	¥ 81,167	

sales of these bonds were about ¥1.3 trillion. As in the prior fiscal year, we ranked first among all Japanese financial institutions, including Japan Post, in sales of JGBs for individuals.

To increase customer access, we opened branch offices in Hachinohe and Ota in October 2004 and in Sasebo and Kumagaya the next month. Unlike conventional branches, these new locations specialize in consultation services. The low cost of these branches gives us greater flexibility in expanding our service network. We continue to use the securities intermediary business, which was opened up to non-securities financial institutions in December 2004, to rapidly form partnerships with regional financial institutions. In November 2004, in another move to broaden our customer base, we set up the Women's Financial Planning Section to provide information and hold seminars from the standpoint of women.

Customer Segment Matrix



Women's Financial Planning Section

Many women want to learn how to manage their assets and start investing. However, they are often reluctant to go to conventional seminars or talk to experts in the field. This prompted us to set up the Women's Financial Planning Section.

This team of professionals is dedicated to making it easier for women to learn about investing and gain access to a wide variety of information. The section holds women-only seminars that are led by female instructors and scheduled at convenient times. There are also classes for women with busy work schedules who want to learn how to manage their assets and for women who manage household budgets. Through these and many other initiatives, the section is catering to the growing needs of female investors.

As of the end of March 2005, the Women's Financial Planning Section had held 80 seminars for women, mainly at Nomura Securities branch offices.

Issues and Strategies

Domestic Retail has the largest customer base in Japan's securities industry for two key reasons: high-quality consultation services and a wide offering of products. As the shift in individual financial assets gathers pace, Domestic Retail must work to continue increasing its customer base by opening up more avenues of contact and adding breadth and depth to our product lineup and service model.

With this in mind, Domestic Retail is focusing on three strategic moves: ongoing evolution of Core Value Formation; establishment of an extensive service infrastructure; and provision of a larger selection of products and services.

Core Value Formation: Continually evolving

In Core Value Formation, we divide the retail market into three customer segments: wealthy investors, affluent investors and asset builders. Our strategy is to supply the highquality products and services that match the core values of each segment. In the current fiscal year, we are adding a life stage segmentation to define customer segments more sharply, thereby allowing us to identify customer needs sooner. This will allow us to offer products and services that mirror customer needs even more closely.

♣High-net-worth Individuals◆

Customers in this segment have considerable assets. Responding to their increasingly sophisticated needs and assisting them to customize their portfolios are important functions. In 2004, we established the Financial Management Division to serve customers in a style that bridges wholesale and retail operations. The Division is developing high-grade services, such as by strengthening its asset management advisory services and providing information concerning taxes. In July 2005, we established the Investment Consultancy Department to prepare for the provision of separately managed accounts.

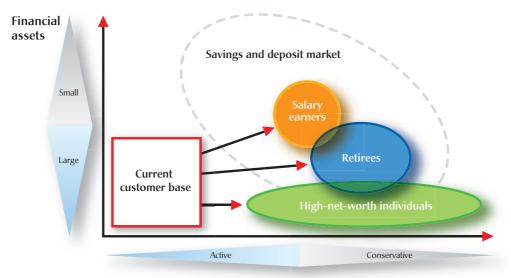
♣Retirees

Japan's baby boomers will begin reaching retirement age in 2007 and are expected to receive retirement benefits to the tune of ¥80 trillion. To serve the asset management needs of this new customer segment, we have prepared an extensive lineup of packaged products and services. All are straightforward, easy to use and senior-friendly. We aim to make the name Nomura Securities synonymous with quality services for retirees.

◆Salary Earners◆

Through employee stock ownership plans, we have a sound customer base for serving salary earners. We are entrusted with administrative services for the employee stock ownership plans of approximately 1,400 publicly owned Japanese companies. The plans we serve had about 1.12 million members as of March 2005, accounting for more than half of all individuals in employee stock ownership plans of publicly

Targeting New Customer Segments



Investment stance

owned companies. Our strategy for this massive market is to build long-term relationships. In order to achieve this, we offer consulting services, including post-retirement asset management, through our Hotto Direct Service Department and Nomura Securities branch offices. Overall, we have services that match each stage in the lives of salaried employees.

Establishing a Service Infrastructure

We are increasing customer access with the aim of supplying the high-quality services that customers are demanding. In addition to face-to-face services at branch offices, we are building an integrated base of contact points that include call center services and online access. We are working to build an infrastructure that gives customers the freedom to choose how they access our services at a time that suits them. This will give us a powerful platform to serve our growing customer base.

◆Upgraded Call Centers◆

To further enhance our ability to serve customers, we are increasing the functions of our call centers. Our call centers can already perform administrative procedures for customer accounts at branch offices. Now, we are setting up a call center that will execute customer orders from such branch customers.

◆Enhancing Nomura Home Trade◆

At the end of March 2005, there were more than 1.7 million Nomura Home Trade accounts, making this a key part of our customer service infrastructure. We are revamping the Nomura Home Trade website and adding new functions to handle the placement and execution of trading orders and provide quality investment information. This will give our customers a better online experience.

♣Branch Strategy, Securities Intermediary Business♣

We believe that our network of branch offices needs the flexibility to match the characteristics of specific regions and their customers. In March 2004, we began opening branches that do not handle cash settlements. We also increased the number of offices devoted exclusively to consultations.

In another move to operate an efficient network, we opened branch offices using a "partnering format" in which the administrative operations for several locations are centralized at a nearby branch.

In the securities intermediary business, we are increasing points of customer contact by forming partnerships with regional financial institutions that have large branch networks and sound customer bases. This collaboration is producing synergies by combining our expertise and wide product lineup with the strong brands of our partners.

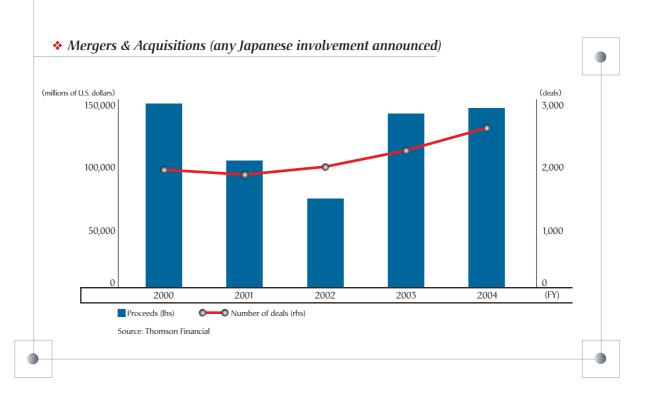
More Products and Services

Enhancing our selection of products and services is essential if we are to continue providing financial services that meet the diversifying needs of our customers. We approach this task from the most basic principle: putting the customer first. Taking advantage of falling barriers dividing banking, securities, insurance and other financial service categories, we are working on offering the diverse line of products and services that customers want. One illustration of this is growth in our offering of products that promote the shift of funds from deposits to securities investments, such as funds that pay frequent distributions, JGBs for individuals, variable annuity insurance policies and foreign currency bonds. We are also adding new services, such as an intermediary service for realestate transactions and inheritance-related trust services.

Global Wholesale

Japan's Evolving Capital Markets>>>>>>>

Japan is moving away from a financial model centered on indirect and industrial financing, to a market-centric financial model. And now that Japanese companies have excess cash from profit structure and balance sheet reforms, they are expected to actively pursue mergers and acquisitions. Reflecting these trends, the needs of market participants are becoming more intricate. Japan's capital markets are poised to expand by providing the solutions to meet these needs. In this environment, success in meeting the growing range of client needs requires financial services backed by highly sophisticated financial skills and a more global infrastructure.



On April 1, 2005, Global Wholesale was divided into three business lines: Global Markets, Global Investment Banking and Global Merchant Banking. This gives us a better base for supporting growth and quickly launching new businesses.

In Global Markets, we plan to expand our business portfolio through the use of our derivatives and securitization technologies on a global scale. In Global Investment Banking and Global Merchant Banking, our priority is to strengthen the value-added solutions business. Global Investment Banking focuses chiefly on financial solutions involving financing and M&A advisory services. Global Merchant Banking offers solutions using Nomura Group's own funds. All of these business lines are making full use of Nomura Group's global customer base and network.



❖ Global Wholesale Business Results

	(Millions of yen)						
Years ended March 31	2001	2002	2003	2004	2005		
Non-interest revenue	¥487,644	¥385,430	¥196,675	¥290,845	¥264,848		
Net interest revenue	(24,839)	54,505	101,794	74,891	61,022		
Net revenue	462,805	439,935	298,469	365,736	325,870		
Non-interest expenses	210,062	248,657	207,436	227,227	239,502		
Income before income taxes	¥252,743	¥191,278	¥ 91,033	¥138,509	¥ 86,368		



G 1 0 B 1

M R K F T S

The increasing diversity and complexity of client needs along with financial technology progress and convergence are giving rise to a growing selection of products and services. Global Markets is expanding into new areas by removing the boundaries between traditional product sectors and between domestic and overseas operations, while building an infrastructure to use sophisticated securitization, derivative and other techniques. Global Markets also provides innovative products to Domestic Retail and Asset Management.

Business Results

Net revenue decreased 14% to ¥243.1 billion, down from ¥284.1 billion in the previous fiscal year. Non-interest expenses increased 12% to ¥182.9 billion, up from ¥163.3 billion. Income before income taxes was ¥60.2 billion, 50% less than the ¥120.8 billion a year earlier.

Lower market volatility and other items caused a decline in client order flows. This resulted in year-on-year declines in net revenue related to fixed income and equity.

Global Markets Operating Structure

Global Markets serves clients with highly sophisticated financial services through the integrated operation of two business units: Global Equity, which mainly handles equities and their derivatives in Japan and overseas; and Global Fixed Income, which focuses on bonds, foreign exchange and their derivatives. Convergence of real estate and finance is a key ongoing trend. We are building a new business portfolio by focusing on securitization, loan-related businesses and other areas that add liquidity to illiquid assets. In April 2005 we appointed an executive officer to oversee the strengthening of our asset finance business, which covers real estate, financial assets and securities backed by these assets.

Highlights of the Year

We continued to underwrite to a large volume of foreign bonds targeting individuals in order to meet demand from Japanese retail investors. We were lead underwriter for a number of foreign bond issues in Japan, including Dexia Credit Local (Australian dollar); Rentenbank (Australian dollar); Toyota Motor

Global Markets Business Results

	(Millions of yen)					
Years ended March 31	2001	2002	2003	2004	2005	
Net revenue	¥319,681	¥215,829	¥235,991	¥284,147	¥243,087	
Non-interest expenses	129,788	133,214	142,434	163,304	182,901	
Income before income taxes	¥189,893	¥ 82,615	¥ 93,557	¥120,843	¥ 60,186	

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

^{2.} Figures for prior fiscal years are totals of the previous Fixed Income and Equity and thus differ in composition from figures shown for the year ended March 2005.

Credit (U.S. dollar); European Investment Bank (Australian dollar); and the International Bank for Reconstruction and Development (Australian dollar). For KfW Bankengruppe (KfW), we underwrote a 1.1 billion euro issue of exchangeable bonds. Not only was this Japan's first exchangeable bond issued by a foreign company, but also the largest-ever equity-related offering in Japan by a foreign company.

We had prominent underwriting roles in many large international bond offerings. We served as joint lead underwriter for several sovereign issues with high credit ratings, including those of Italy, the European Investment Bank, KfW, the U.S. Federal Farm Credit Bank, Belgium and Greece. The sale of these bonds to Japanese and foreign institutions reinforced our status as a bond underwriter.

In asset finance, we established the Urban Renaissance Private Mezzanine Fund in May 2004 jointly with the Development Bank of Japan. This marked the full-scale launch of a mezzanine finance business for real estate projects. In July 2004, we started Japan's first securitization advisory service for wedding halls and funeral parlors. In December, we were named financial adviser to the Urawa Station East Exit Area Redevelopment Project, where we arranged Japan's first developmenttype securitization scheme that uses a floating price system for determining the transfer price.

Issues and Strategies

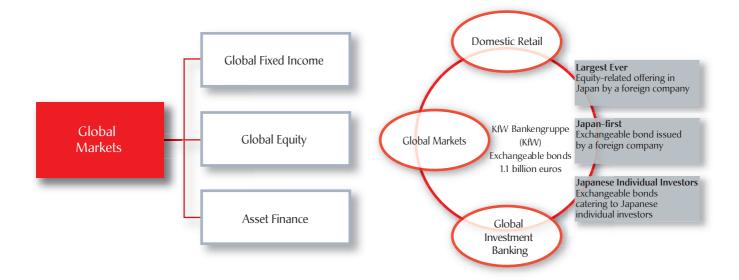
Global Markets has a long history of trading, structuring and other global businesses, mostly associated with stocks and bonds. Through Nomura Group's global network, we have established deep-seated relationships with many institutional investors.

We also serve many wealthy individuals, companies, regional financial institutions and other investors through our domestic branch offices. In addition, we have extensive ties with public-sector agencies, financial institutions, nonfinancial corporations and other issuers of securities in Japan and overseas.

Combining these relationships with cutting-edge financial technologies allows us to supply financing products and services that are ideal for a broad range of client needs.

Global Markets Operating Structure

Global and Cross-border Deals



Japan's financial markets are undergoing a transformation due to progress in corporate restructuring and the shift of individual financial assets to risk assets. The convergence of real estate and finance, which is driven by the fast growing J-REIT market and advances in securitization techniques, is also responsible for this transformation. We are further refining financial engineering, our core strength, to develop products and services that go beyond the traditional bounds of the securities field.

Our strategy is to become more global and seamless, building a framework for meeting clients' increasingly sophisticated and diverse needs. We are also looking to enter new business domains by leveraging our expertise in securitization, derivatives and other fields. At the core of this strategy are three areas: loans, asset finance and equity derivatives.

♣Loan-related Business

While continuing to sell bonds to Japanese regional financial institutions, our strategy is to develop new business domains by originating and distributing to these institutions attractive loan products. Loans at these institutions are estimated to be about ¥115 trillion less than their deposits. We provide a means for these clients to invest excess funds by originating and selling a variety of loan products that generate cash flows.

There are already 58 Nomura Securities branches in Japan that are registered as non-banking moneylenders, creating a solid framework for conducting this business. By leveraging our independent position, we are now laying the groundwork to enter the secondary loan trading business as an independent financial institution in order to increase trading flow targeting mainly regional financial institutions.

❖ Global Markets: Business Scope



♣Asset Finance Business

Japan's asset finance market is expanding as the rapidly growing J-REIT market and advances in securitization techniques dramatically alter how real estate is owned.

Distinguishing Global Markets is the ability to handle every product class, including equity, mezzanine loans and senior loans along with ties to a diverse range of investors who can provide funds for each class.

In the equity class, we underwrite and sell J-REITs and structure and sell privately placed real estate funds. In the mezzanine class, we established the Urban Renaissance Private Mezzanine Fund, Japan's first fund of this type. In the senior loan class, we have established a base for the fullscale commencement of a commercial mortgage backed securities (CMBS) origination business by using our own funds to extend non-recourse loans.

Our growth plans are not limited to securitization. We are actively seeking to win contracts to provide financial advisory services for private finance initiatives (PFI), real estate development projects and other activities.

The asset finance business outside Japan is another field where we are active. In the U.S., we handled mortgage-backed securities totaling US\$13.1 billion during the year ended March 2005. In Europe, where we formed an Asset Finance Group in London in 2002, we have arranged and sold a variety of classes of loans, most of which meet financing needs associated with acquisitions or delistings of European companies.

◆Equity Derivatives Business◆

We have been stepping up our equity derivative operations in Europe since 2004. Further collaboration between Japan and Europe is another priority to allow us to bring sophisticated derivative technologies from Europe back to Japan, where this knowledge can be used to accurately target investor needs with new products and through other means.



GLOBAL INVESTMENT BANKING

Global Investment Banking supplies a broad array of highly specialized investment banking services to a diverse global client base that includes corporates, financial institutions, governments and agencies, and other organizations. By accurately identifying the increasingly diverse needs of our clients and effectively using Nomura Group resources, we aim to be a globally competitive investment bank backed by the development and provision of value-added solutions.

Business Results

Due mainly to growth in equity financing activity by Japanese companies, net revenue increased 6% to ¥75.4 billion, compared with ¥70.9 billion in the previous fiscal year. Non-interest expenses decreased 14% to ¥46.2 billion from ¥53.7 billion. Income before income taxes increased 70% to ¥29.2 billion, compared with ¥17.2 billion in the prior year.

There was a high volume of equity-related underwriting, including IPOs, public offerings and other issues, along with a large increase in the volume of financing using tailor-made schemes such as multiple private offerings (MPOs) and hybrid private offerings (HPOs). M&A advisory services performed well as we participated in a number of large deals now that full-scale industry reorganization is taking place in Japan.

Highlights of the Year

Nomura Securities was named lead manager for many large equity-related global issues. Among them were the IPOs of J-Power, INPEX, and NTT Urban Development as well as a public offering of stock by AEON and a secondary offering by Shinsei Bank. We were ranked first in the fiscal 2004 Japanese equity and equity-related bookrunner league table, just as in fiscal 2003.

Tailor-made equity financing continued to grow as we participated in large transactions like the ¥100.0 billion MPO by Isuzu Motors and the ¥100.0 billion HPO by Hitachi.

❖ Global Investment Banking Business Results

	(Millions of yen)					
Years ended March 31	2001	2002	2003	2004	2005	
Net revenue	¥143,124	¥88,349	¥69,125	¥70,869	¥75,445	
Non-interest expenses	80,274	57,406	56,374	53,703	46,231	
Income before income taxes	¥ 62,850	¥30,943	¥12,751	¥17,166	¥29,214	

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

^{2.} Figures for prior fiscal years are for the previous Investment Banking and thus differ in composition from figures shown for the year ended March 2005.

In the area of M&A advisory, we served as financial adviser for several large deals. Two notable transactions are the mergers of Mitsubishi Tokyo Financial Group and UFJ Holdings and of Sankyo and Daiichi Pharmaceutical. In cross-border M&A, accomplishments included assisting Nisshin Food and Kirin Brewery to make investments in Chinese companies, and Kyorin Pharmaceuticals to acquire a U.S. bio-tech venture. Overall, our achievements ranked us first in Japanese-involvement M&A advisory on the fiscal 2004 league table.

Issues and Strategies

As clients' corporate financing needs grow more diverse and their businesses become increasingly global, we are working to link the Nomura brand even more closely with services for complex, large and cross-border deals. To achieve this, we are strengthening client company relationship management. We are also shifting resources to respond flexibly to the diversifying needs of individual companies, and smoothly assembling the functions required to meet these needs. Through these actions, we are determined to quickly supply customers with the best solutions.

♦ League Tables & Thomson DealWatch Awards 2004

Equity Financing

Global Equity & Equity-related (Japan) (April 1, 2004-March 31, 2005)

Rank	Bookrunner	Proceeds (US\$ mn.)	Mkt. Share	No. of Issues
1	Nomura	13,570.8	24.9%	135
2	Daiwa Securities SMBC	10,445.5	19.2%	122
3	Nikko Citigroup	9,291.3	17.1%	70
4	Mizuho Financial Group	4,290.8	7.9%	50
5	Morgan Stanley	2,660.9	4.9%	5

Source: Thomson Financial

M&A

Any Japanese Involvement Financial Advisers (April 1, 2004–March 31, 2005)

Rank	Adviser	Rank Value (US\$ mn.)	Mkt. Share	No. of deals
1	Nomura	65,347.3	45.3%	132
2	Mitsubishi Tokyo			
	Financial Group	54,574.2	37.8%	80
3	Merrill Lynch	52,947.2	36.7%	41
4	JP Morgan	47,402.3	32.9%	15
5	Morgan Stanley	46,315.8	32.1%	17

Note: Based on the monetary value of publicly announced deals involving a company based in Japan as either the target or acquirer.

Thomson DealWatch Awards 2004

Thomson Bean vaccin wards 200 i
House of the Year
Straight Bond House of the Year
Equity-linked Bond House of the Year
J-REIT House of the Year

❖Underwriting Business❖

Nomura Securities has acted as a manager for more than 60% of all listed companies in Japan, excluding banks and securities companies, and as lead manager for about 40%. This gives our underwriting business an extensive client base. Substantial demand for corporate financing is expected as companies become more active in mergers and acquisitions and capital expenditure to increase their global competitiveness.

In the financial services sector, banks face the need to comply with Basel II, which imposes stricter rules for the risk-weighting of assets and repayment of public funds. This is expected to lead to more equity financing by banks as they rebuild their balance sheets.

In the public corporation sector, we expect to see a further increase in capital market financing needs in Japan as governments conduct fiscal reform. We believe that growth in this demand will be strong for the securitization of real estate and loans. We are adopting a flexible approach to these trends to create more business opportunities.

◆Capital Solutions◆

The capital solutions business model involves the use of our own balance sheet and the capital markets to develop tailormade methods for procuring equity capital in line with client needs. The MPO is the most frequently used scheme. To quickly meet the financing needs of a client company, we first purchase the convertible bonds or other securities issued by the company, then convert these securities into stock for sale to investors. In the past fiscal year, we developed a new HPO scheme that incorporates MPO elements to enable Hitachi to procure ¥100 billion. In this innovative scheme, the equity option portion of the convertible bond we underwrote was used by Equity and the remaining bond portion was sold to investors by Fixed Income as a repackaged bond.

In December 2004, we established a Capital Solution Department to achieve further growth in the solution-providing business through collaboration between Global Investment Banking and Global Markets.

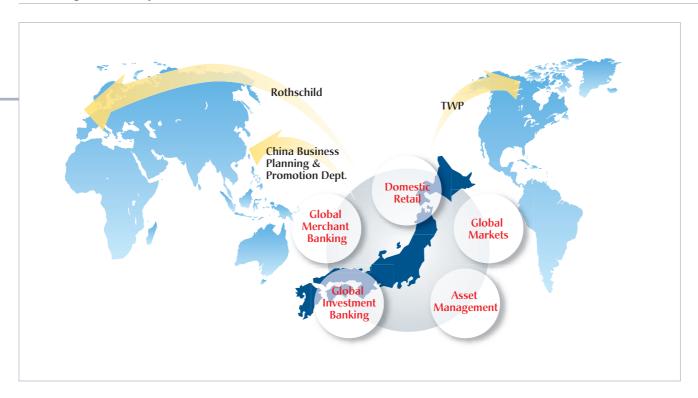
❖Mergers and Acquisitions❖

Japan's M&A market appears to be poised for further growth. Among the reasons are strategic initiatives to become more globally competitive and the fear of hostile takeovers.

We are targeting advisory services for cross-border deals, deals involving industry restructuring and other types of business. We are also using our extensive experience and knowledge to assist companies in defending themselves against hostile takeovers. Through these activities, we intend to further enhance our profile in the M&A market.

Another ongoing theme is bolstering our ability to offer composite services such as acquisition financing that draw on the extensive resources of Nomura Group.

Growing Outside Japan



♣Overseas Activities

Outside Japan, we are increasing coverage of key overseas clients to expand cross-border business involving Japan, such as fund-raising activities in Japan and cross-border M&A deals involving Japan.

To gain greater access to European companies, we formed an alliance with Rothschild in February 2005 in the field of cross-border M&A between Japan and Europe. A prominent investment bank in Europe, Rothschild ranked first in European M&A in 2004. We also have a capital alliance with Thomas Weisel Partners (TWP) LLC in the U.S. for U.S.-Japan crossborder M&A. These alliances give Global Investment Banking a highly competitive operating framework in the two key markets of the U.S. and Europe.

For Chinese companies, we have an extensive track record in global public and secondary offerings targeting individual investors in Japan. Adding to this list of accomplishments, we were lead manager for the IPO of Xinhua Finance, the first foreign company to become listed solely on the Tokyo Stock Exchange. To expand business in the rapidly growing Chinese market, we established the China Business Planning & Promotion Department in April 2005. This department is overseeing the creation of an infrastructure, including the establishment of a holding company, to serve this strategically important market.



GLOBAL MERCHANT BANKING

Global Merchant Banking invests Nomura Group's own capital in companies with prospects for growth and improvements in earnings. The aim is to raise the value of investee companies from a medium- to long-term perspective by supplying the means to solve any issues they may be facing. We then aim to exit investments through IPOs and other methods.

Business Results

In the fiscal year ended March 2005, net revenue was ¥7.3 billion, 32% less than the net revenue of ¥10.7 billion in the previous fiscal year. Results benefited from gains on exit transactions and unrealized gains resulting from a rise in the fair value of the Terra Firma investment in Europe. However, net revenue was weighed down by funding costs for assets in Europe and by other items. Non-interest expenses increased 1% to ¥10.4 billion from ¥10.2 billion in the previous fiscal year. Loss before income taxes was ¥3.0 billion compared with income of ¥0.5 billion one year earlier. Exposure as of March 31, 2005, was ¥325.5 billion at Terra Firma and ¥104.0 billion at Nomura Principal Finance Co., Ltd. (NPF).

Global Merchant Banking Operating Structure

Global Merchant Banking is engaged in private equity investments, mainly in Japan and Europe.

In Japan, NPF targets business opportunities involving buyouts and corporate rehabilitations. Since its establishment in 2000, NPF has invested in 16 companies and subsequently exited four of those companies. In addition, Nomura Research & Advisory Co., Ltd. (NR&A) makes venture capital investments through funds.

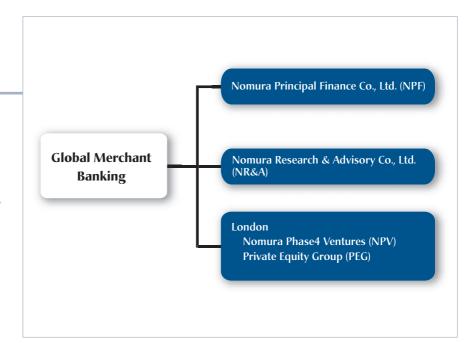
In Europe, Global Merchant Banking invests in funds operated and managed by Terra Firma, an independent private equity firm. Two other units also make venture capital investments: Nomura Phase4 Ventures (NPV) in the biopharma sector and Private Equity Group (PEG) in the technology and healthcare sectors.

❖ Global Merchant Banking Business Results

	(Millions of yen)					
Years ended March 31	2001	2002	2003	2004	2005	
Net revenue	-	¥135,757	¥ (6,647)	¥10,720	¥ 7,338	
Non-interest expenses	_	58,037	8,628	10,220	10,370	
Income (Loss) before income taxes	_	¥ 77,720	¥(15,275)	¥ 500	¥ (3,032)	

Note: Global Merchant Banking was established as a business line in the fiscal year ended March 2002.

❖ Global Merchant Banking Operating Structure



Highlights of the Year

During the fiscal year, Global Merchant Banking substantially increased outstanding investments, primarily at NPF.

In April 2004, NPF signed a letter of intent to make a total equity investment of ¥50 billion in Millennium Retailing, Inc., a holding company that owns the Sogo and Seibu department store chains. Based on this agreement, we purchased ¥20 billion of newly issued Millennium Retailing stock in July 2004 and ¥30 billion in January 2005.

In June 2004, the reorganization plan of Huis Ten Bosch, for which we are official sponsor, was approved. The next month, we purchased ¥8 billion worth of new shares issued by the company, followed by another ¥1.5 billion in March 2005. One more highlight of the year was the March 2005 signing of a capital alliance agreement with Misawa Home Holdings, Inc., a company undergoing a reorganization backed by Toyota Motor Corporation.

Issues and Strategies

Our Global Merchant Banking operations draw on the advanced expertise we have gained through our experience in London and other parts of Europe. The immense customer base of Nomura Group in Japan represents the greatest strength of Global Merchant Banking. With this base, all business lines of the Group can collaborate at each stage, from the development of new investment opportunities through raising the value of portfolio companies and securing returns on these investments. The breadth of these strengths sets Global Merchant Banking apart from the competition.

The biggest issue for this business is contributing to the diversification of Nomura Group's revenue sources. This entails generating consistent earnings over the medium and long terms by increasing portfolio investments, mainly by using our own capital to provide customers with solutions. For this purpose, we have established the goal of raising our investment portfolio to between ¥250 billion and ¥300 billion, excluding Terra Firma, over the next three to four years.

NPF is the primary means of enlarging our investment portfolio. NPF's goal is to achieve an internal rate of return of at least 20% from investments having a time frame of three to five years. Japan is to account for most of the growth in investments. Business opportunities linked with corporate strategic requirements are emerging, including opportunities associated with client needs for capital increases, delistings and corporate rehabilitations. Global Merchant Banking is dedicated to responding to these needs while taking the necessary steps to raise the value of investee companies.

◆Capital Increases

As Japan's economy regains its strength, there is a growing need among Japanese companies to increase equity to fund aggressive business expansion. Illustrating this is Millennium Retailing. Due to progress in its revitalization, this company had to find a way to increase equity to raise funds for investments required for growth. NPF responded by purchasing ¥50 billion of newly issued stock. Millennium Retailing plans to conduct an IPO soon after completing its structural reforms.

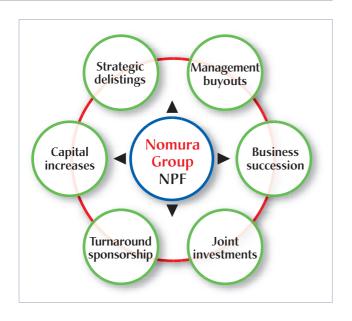
◆Strategic Delistings◆

Some companies are making the strategic decision to become privately held to prevent a hostile takeover. In the past, Japanese companies have relied mainly on the capital markets to raise funds from external sources. The growth of private equity businesses has changed that. Now even privately owned companies have a means of raising large amounts of equity from external sources. This capability reduces the disadvantages of delisting. Global Merchant Banking makes investments in companies that want to go private. We offer such solutions as finding a suitable partner to help raise corporate value before exiting from investments.

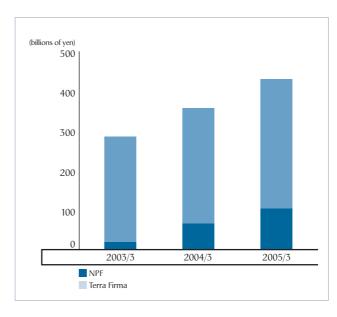
◆Management Buyouts◆

Many Japanese companies are selling non-core businesses as they focus resources on strategic markets. However, care must be exercised to avoid selling a business to a competitor. In some cases, such sales may create the need to become independent of a parent company or other major shareholder. We are well positioned to meet clients' management buyout and buy-in needs by making large investments in these subsidiaries. As a shareholder, we also offer solutions for raising a company's value, such as by locating more suitable business partners.

❖ Solution-oriented Business Model



Business Exposure



♣Business Succession♣

The business succession process creates the need to sell shares held by the previous owners or reduce the number of small stockholders to concentrate ownership on the new managers. By investing in the company or by buying up outstanding shares, we are able to solve these issues and pave the way for a smooth transition of ownership.

♣Joint Investments

Mergers and acquisitions requiring large amounts of funds can result in a significant investment risk for purchasing companies. We solve this problem by sharing the required investment with a company considering a large merger or acquisition. Reducing business risk is just one benefit for client companies. This joint approach also enables Global Merchant Banking and the client company to use their respective strengths, yielding an even greater gain in value for investee companies.

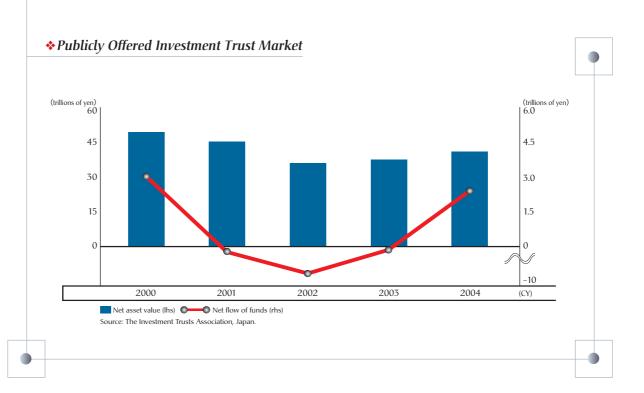
◆Turnaround Sponsorship◆

The most important point regarding a corporate turnaround is the capability of the sponsoring company. In our case, we offer much more than skill in increasing the value of an investee company. We also have the expertise to supply non-financial support-such as for management strategies, financial management, personnel system reforms, sales and the recruitment of senior managers-to revitalize businesses.

Asset Management

A New Era for Japan's Investment Trust Market >>>>>>

Net assets in the domestic publicly offered investment trust market increased in 2004, once again surpassing the ¥40-trillion level. This was the first net inflow, which totaled ¥2.4 trillion, in four years. Investment trusts are becoming more familiar and are increasingly seen as an important way for baby boomers to manage their assets. We also foresee rising interest on the part of asset builders, such as through investments in defined contribution pension plans. All these trends make it clear that investment trusts are entering a new era.

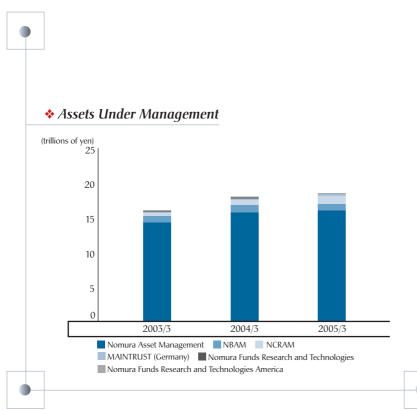


Asset Management aims to build a base for stable and consistent earnings. In the asset management business, that means increasing the volume of assets under management. In the defined contribution pension plan business, building this base entails becoming administrator for more plans and offering more products.

In the area of asset management, we are raising assets under management by offering a broad range of products through various sales channels. For individual investors, we are expanding our product lineup with new funds

that offer frequent distributions. For pension funds and other institutional investors, we offer privately placed investment trusts for alternative assets and deliver asset management services that match the particular requirements of each institution.





In the defined contribution pension plan business, we are increasing the number of plans where we act as administrator and increasing the number of products on offer. Our services extend from assistance in adopting these plans and consulting for their design, to supplying investment trusts and offering services that teach people about investing.



A S S E T M A N A G E M E N T

In our asset management business, Nomura Asset Management, Japan's largest company in this field, and a number of other asset management companies are increasing assets by targeting the diverse asset management needs of our customers. In the defined contribution pension plan business, we are serving as administrator for more plans and offering more products. The aim is to assemble an earnings base that is stable and sustainable.

Business Results

Net revenue was ¥43.5 billion, 21% higher than the prior fiscal year's net revenue of ¥36.0 billion. Non-interest expenses decreased 2% to ¥36.1 billion from ¥37.0 billion a year earlier. Income before income taxes was ¥7.4 billion compared with a loss of ¥1.0 billion for the previous year.

Asset management and portfolio service fees and earnings increased during the year. This was mainly attributable to growth in the balance of funds offering frequent distributions and other stock investment trusts, and to growth in investment advisory assets of overseas investors. Assets under management at Nomura Asset Management increased to ¥16.2 trillion as of March 31, 2005. At Nomura Corporate

Research and Asset Management (NCRAM), assets under management increased to ¥1.2 trillion. Total assets under management in the Asset Management business line rose by ¥800 billion to ¥19.1 trillion.

Highlights of the Year

We launched a number of new investment trusts during the past fiscal year to cater to an increasingly broad range of individual investor needs and increase assets under management.

In Japan, the low-interest-rate investment environment is fueling demand for investment trusts with frequent distributions. We responded with the addition of the Nomura Fund Masters Global Bond Fund and Global Attractive Dividend

♦ Asset Management Business Results

	(Millions of yen)								
Years ended March 31	2001	2002	2003	2004	2005				
Non-interest revenue	¥58,237	¥46,840	¥34,828	¥34,300	¥42,239				
Net interest revenue	1,810	367	2,232	1,657	1,283				
Net revenue	60,047	47,207	37,060	35,957	43,522				
Non-interest expenses	39,537	37,031	33,866	37,004	36,086				
Income (Loss) before income taxes	¥20,510	¥10,176	¥ 3,194	¥ (1,047)	¥ 7,436				

Stock Fund. We offer funds investing in a broad array of assets. With this diversity, we are increasing assets under management by providing a lineup of funds that can be used in accordance with the status of each customer's portfolio.

We established five funds exclusively for distribution through the bank channel and strengthened our marketing and sales support activities. Assets under management in funds sold exclusively through banks increased from about ¥13.0 billion at the end of the prior fiscal year to approximately ¥90 billion as of March 31, 2005.

Issues and Strategies

Asset Management aims to build a base for stable and consistent earnings. In the asset management business, that means increasing the volume of assets under management. In the defined contribution pension plan business, building this base entails becoming administrator for more plans and offering more products.

Our asset management business, backed by a diverse lineup of products that are managed by Nomura Asset Management and other companies and sold through many channels, ranks first in Japan with assets under management of ¥19.1 trillion as of March 31, 2005. To increase this figure even more we are reinforcing asset management capabilities, enhancing our product lineup and bolstering marketing activities.

Our defined contribution pension plan business is growing steadily. As of March 31, 2005, we were entrusted with the administration of 112 plans that have about 240,000 participants. We are stepping up our efforts in this area in a drive to administer more plans and supply more products.

Nomura Asset Management

Japan's largest asset management company, Nomura Asset Management serves a customer base of individual and institutional investors in Japan and abroad. This company sells investment trusts through sales channels that include Nomura Securities, other securities companies, banks and other financial institutions. Nomura Asset Management also provides investment advisory services to institutional investors. As of March 31, 2005, assets under management totaled about ¥16.2 trillion. In Japan's publicly offered investment trust market, Nomura Asset Management ranks first with a 24% share.

Nomura Corporate Research and Asset Management (NCRAM)

An investment management company established in the U.S. in 1991, NCRAM manages assets mainly by using its expertise in high-yield bonds and high-income loans. The company manages investment trusts sold in Japan, including the Nomura Bond & Loan Fund and Nomura U.S. High Yield Bond Income. NCRAM also offers investment advisory services to domestic and foreign institutional investors. As of March 31, 2005, assets under management totaled about ¥1.2 trillion.

Nomura BlackRock Asset Management (NBAM)

This investment advisory firm was formed in 1999 as a joint venture between Nomura Asset Management and BlackRock, Inc. of the U.S. BlackRock is recognized as a leading player in the U.S. in the management of bond investments and in sophisticated risk management technologies. NBAM manages investment trusts sold in Japan, including the Nomura Short-Term Interest Fund, and provides investment advisory services to domestic and foreign institutional investors. NBAM had about ¥980 billion in assets under management as of March 31, 2005.

◆Higher Asset Management Capabilities◆

In the asset management business, raising asset management skills and adding more value remain the most important goals. To reinforce its asset management skills, Nomura Asset Management started the Asset Management Capability Enhancement Project in October 2002. Investment decision-making lines were integrated to unify investment philosophies. All processes were reviewed and improved, resulting in actions ranging from the establishment of an investment team framework to changes in the order placement method and information systems. Through these and other initiatives, we have been upgrading skills at all asset management companies. NOMURA JAPAN Stock Strategic Fund, the flagship fund of Nomura Asset Management, and other funds have been recognized through awards, including highest honors, from fund evaluation firms.

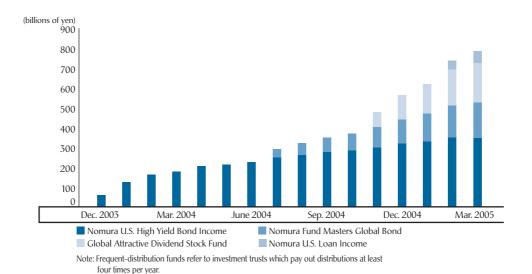
We remain committed to providing customers with the best investment returns and raising assets under management. To accomplish this, we will continue to focus on upgrading asset management skills and adding more value to our asset management operations.

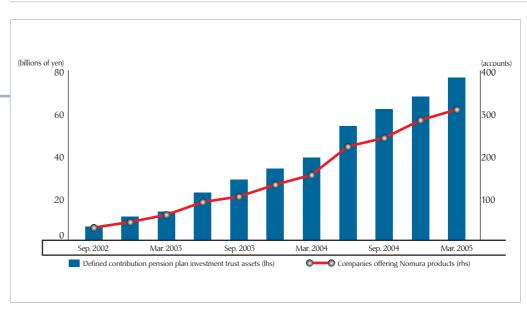
♦Wider Product Lineup

Nomura Asset Management and our other asset management companies already offer a diverse selection of products that cover many asset classes and investment styles. One example is funds that target investors looking for products that offer frequent distributions. We have a large lineup of products targeting these needs. We offer Nomura U.S. High Yield Bond Income, Nomura Fund Masters Global Bond Fund and other funds that invest in foreign bonds. In addition, we sell the Nomura U.S. Loan Income Fund and funds that invest in stocks with high dividend returns, such as the Global Attractive Dividend Stock Fund.

The baby-boom generation in Japan has more than ¥340 trillion worth of financial assets. These individuals will also receive an estimated ¥80 trillion in retirement benefits. We therefore expect asset management needs to become even greater, chiefly in this generation. To capitalize on these opportunities,

❖ Net Assets in Main Frequent-distribution Funds





Investment Trusts Nomura Supplies to Defined Contribution Pension Plans

we will remain dedicated to developing new products that meet our customers' changing needs.

◆Stronger Marketing Activities◆

Conducting more powerful marketing is essential to ensuring that enhanced asset management capabilities and an expanded product lineup lead to growth in assets under management. Nomura Asset Management has Japan's largest volume of assets under management, distributing investment trusts through the Nomura Securities domestic sales network, Japan's largest securities distribution channel, as well as through other securities companies, banks and other financial institutions. The company is continuing to strengthen its marketing efforts to boost assets under management.

Targeting the growing volume of investment trust sales via banks, we have set up funds exclusively for this sales channel and are seeing assets under management in these funds climb. During the fiscal year, we set up five new funds for this channel. At the end of March 2005, assets in our seven investment trusts sold exclusively through banks had grown to about ¥90 billion. We will continue to establish funds designed for the product lineups of different financial institutions and specific customer needs. Plans also include stepping up marketing and sales support. With these measures, we intend to achieve further growth in assets under management.

We are also seeing growth in investment trust assets associated with variable annuity insurance policies and defined contribution pension plans. The October 2005 start of investment trust sales through Japan Post is likely to become another source of growth. By reinforcing marketing capabilities, we intend to serve a broader range of customers and raise assets under management.

♣Defined Contribution Pension Plan Business

In this business, pension plan administrator Nomura Pension Support & Service (NSAS) is our primary means of extending a full line of support, which ranges from assistance in designing a defined contribution pension plan and consulting services to supplying products. As of March 2005, we served as administrator for 112 plans with a total of 240,000 participants.

NSAS also supplies products to pension plans for which it does not serve as administrator. The outstanding value of the investment trusts we supply for defined contribution pension plans is about ¥77 billion.

More companies in Japan are adopting defined contribution pension plans, but competition is heating up at the same time. We are working on capturing administration contracts from large plans. This involves strengthening marketing activities and enhancing our services. We also plan to supply more products for these plans. To raise efficiency, we will form alliances with other financial institutions, such as our alliance with Aioi Insurance Co., Ltd.

Global Research

Our founder, Tokushichi Nomura, was aware from the outset of the limitations of securities trading based on instinct and experience alone. He set up the first research department in Japan's securities industry, emphasizing the importance of scientific investment decisions. Our research division is carrying on the founder's philosophy of conducting research-driven business.

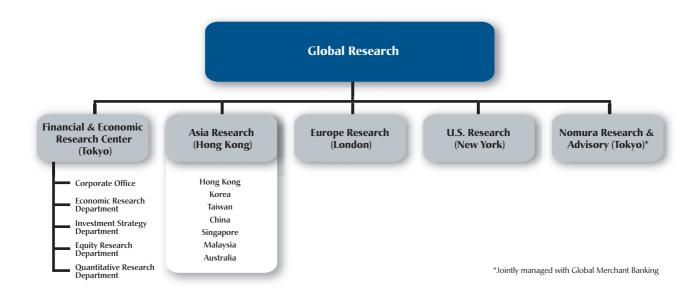
A Full Line of Research Activities Worldwide

On April 1, 2004, the economic and capital markets research sections of the Nomura Research Institute were transferred to Nomura Group. This move created Global Research, which has a staff of roughly 500, about 300 of whom are at the Nomura Securities Financial & Economic Research Center. The remainder work at overseas offices and Nomura Research & Advisory.

The Nomura Securities Financial & Economic Research Center conducts fundamental and quantitative research. Fundamental research involves gathering information and analyzing fundamentals of national economies and individual companies and providing reports to investors. At the center's Economic Research Department, economists study

macroeconomic trends. At the Investment Strategy Department, strategists analyze the stock market investment environment and provide advice on investment strategies. At the Equity Research Department, analysts prepare forecasts on corporate performance and assess share price valuations. These departments work closely together, and collaborate as necessary with overseas offices to supply investors with highly insightful research. Quantitative research involves the use of numerical methods to analyze securities. The Quantitative Research Department works with overseas offices to operate on a global scale. Nomura Securities research consistently receives high ratings in the analyst rankings of *The Nikkei Financial Daily* (Nikkei Kinyu Shimbun) and *Institutional Investor* magazine.

❖ Global Research Structure



◆Economic Research Department ◆

A team of more than 20 economists in Japan works closely with economists at our overseas offices to study and analyze macroeconomic and financial trends around the world, as well as foreign exchange markets. Information reaches investors through various monthly reports and other channels. The department has a solid reputation for its consistent forecasts covering more than 20 countries and regions. The department is also respected for the depth of its analysis of medium- and long-term social and economic structural problems, such as Japan's aging population and shifts in international money flows.

❖Investment Strategy Department❖

The approximately 20 strategists of this department in Japan provide advice concerning investment strategies based on an extensive analysis of stock markets in Japan, the U.S., Europe, Asia and other regions. Work is performed in collaboration with other departments of the Nomura Securities Financial & Economic Research Center as well as with overseas research departments. Research covers many fields including economic trends, corporate operating results, interest rates, foreign exchange rates and other items affecting the investment environment. Strategists also analyze investor sentiment, corporate finance, accounting, and laws and regulations affecting capital policies.

◆Equity Research Department◆

In this department, some 60 analysts in Japan, each assigned to specific companies and industries, research listed companies to determine corporate value and assess current and future investment value. Currently, we cover about 600 Japanese companies, which account for around 80% of the combined market capitalization of the Tokyo Stock Exchange first and second sections and JASDAQ market. Each year, this department issues more than 1,100 reports and about 2,600 flash reports, holds seminars, visits clients and takes other actions to distribute information to investors around the world on a timely basis.

◆Quantitative Research Department◆

This department has approximately 50 quantitative researchers in Japan whose core skills are financial engineering and information technology. Activities involve research and development required to conduct sophisticated securities and finance businesses. The department forms the backbone of Nomura Group's financial technology infrastructure. Its research covers a wide range of financial business areas including asset management, trading, new product development, risk management, and corporate finance. Research targets the study and application of the latest advances in financial engineering, such as portfolio and derivative theory, and the latest developments in information technology, such as global databases and leading-edge application systems. In addition, financial technology expertise is used to provide consulting services to assist institutional investors, companies and other clients in asset management and risk management. The department conducts many joint research projects with leading universities and think tanks in Japan and overseas to keep abreast of and apply the latest theories.

♣Overseas Offices

Nomura Group has economists, strategists and analysts in seven locations outside Japan, including New York, London and Asia-Pacific. In addition to Tokyo, there are quantitative researchers in New York, London and Hong Kong. Individuals perform studies by working closely with research staff in their respective offices and other regions, giving us a worldwide research network. As capital movements become increasingly global, an information gathering capability of this scale is essential to conducting research. And global comparative analysis of corporations is a key service for clients with globally diversified portfolios.

Research Reports

Research reports written by the Nomura Securities Financial & Economic Research Center reach customers through branch offices in Japan as well as many other channels. These include Nomura websites, such as the Nomura Home Trade site, and information vendors that serve institutional investors. For overseas institutional investors, we translate most research reports into English and make reports available through Nomura Group overseas offices.

Nomura Research & Advisory

This wholly owned subsidiary of Nomura Holdings has approximately 20 staff who help privately owned companies grow toward the goal of conducting an IPO. The Research Department of this company is mainly involved in research to assess corporate value and provide advice to support management. The Investment Department makes equity investments through venture capital funds. Nomura Research & Advisory also extends support for new industries in growing fields such as bio-tech and new energy through industryspecific seminars and other activities.

❖ Research Reports



Corporate Governance

Nomura Group companies in Japan adopted the Committee System in June 2003. This system separates the roles of management supervision and business execution, facilitating the delegation of considerable authority to executive officers in charge of business operations. There are three committees, Nomination, Audit and Compensation, each having a majority of outside directors in order to strengthen the supervision of management and heighten management transparency.

Characteristics of the Committee System

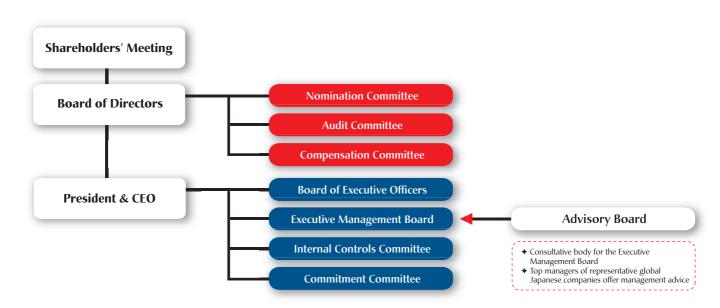
Under the Committee System, the directors are primarily responsible for the oversight of management. Executive officers chosen by the directors conduct business operations within the scope of authority delegated by the directors.

Of the 11 Nomura Holdings (NHI) directors, four serve concurrently as executive officers: the chairman, president (CEO) and deputy presidents (COO and Co-COO). Four of the remaining seven directors meet the requirements of outside directors as defined under the Japanese Commercial Code. The Audit Committee is chaired by an outside director and the Nomination and Compensation committees are chaired by a director other than the CEO.

Meeting the challenges of corporate governance

- ❖ Appointed outside directors (2001)
- * Established Internal Controls Committee, which includes an outside director (2001)
- * Established Compensation Committee with a majority of outside directors (2001)
- Established Advisory Board (2001)
- ❖ Abolished retirement bonuses for directors (2001)
- * Began granting stock options to directors and certain employees (2002)
- ❖ Adopted the Committee System (2003)
- Established Code of Ethics of Nomura Group (2004)
- ❖ Began holding meetings of outside directors (2004)

Management Structure



Corporate Governance Ranking

NHI is ranked first among Japanese companies included in the MSCI EAFE index* based on the corporate governance quotients assigned by Institutional Shareholder Services. Moreover, in January 2005 NHI received a perfect score of 10.0 in the ratings of Japanese companies by Governance Metrics International.

* The MSCI EAFE index is a stock price index compiled by Morgan Stanley Capital International that covers Europe, Australasia and the Far East, but not North America.

Management Structure

Operations of the Board of Directors

The Board of Directors is responsible for making decisions on items specified by the Commercial Code, such as fundamental management policies and the appointment of executive officers and committee members. The executive officers report to the directors on business conditions as well as matters for deliberation by the Board of Executive Officers and the Executive Management Board. In addition, the executive officers must submit a monthly financial report to the directors.

Three Committees

The Nomination Committee, Audit Committee and Compensation Committee have been given the authority to make decisions on issues including candidates for the Board of Directors, compensation for directors and executive officers, and audits concerning the performance of directors and executive officers.

❖Nomination Committee❖

The Nomination Committee is responsible for decisions regarding proposals made to the General Meeting of Shareholders concerning the appointment and dismissal of directors. The majority of the Nomination Committee must be outside directors. The current members are NHI Chairman Junichi Ujiie, who is committee chairman, and outside directors Masaharu Shibata and Hideaki Kubori. Directors who are representative executive officers, including the CEO, are not members of the Nomination Committee. The Nomination Committee met twice during the year ended March 31, 2005.

♣Audit Committee

The Audit Committee is responsible for auditing the business execution of the directors and executive officers, as well as for decisions regarding proposals submitted to the General Meeting of Shareholders concerning the appointment and dismissal of accounting auditors. In addition, the Audit Committee discusses and approves compensation for the accounting auditors based on a proposal submitted by the Chief Financial Officer.

The majority of members of the Audit Committee are outside directors. The current members are outside directors Haruo Tsuji, who is committee chairman, and Koji Tajika, and Fumihide Nomura, who is not an executive officer. Audit Committee members do not serve on the other committees. In addition, all members of the Audit Committee fulfill the requirements of independent directors as defined under the Sarbanes-Oxley Act, and Koji Tajika fulfills the requirements of an audit committee financial expert pursuant to this act. The Audit Committee met 22 times during the year ended March 31, 2005.

◆Compensation Committee◆

The Compensation Committee makes decisions regarding compensation for directors and executive officers, both in terms of broad policy and compensation for specific individuals. The majority of members of the Compensation Committee are outside directors. The current members are NHI Chairman Junichi Ujiie, who is committee chairman, and outside directors Masaharu Shibata and Hideaki Kubori. Directors who are representative executive officers, including the CEO, are not members of the Compensation Committee. The Compensation Committee met four times during the year ended March 31, 2005.

Compensation for Directors and Executive Officers

NHI has two basic compensation policies for directors and executive officers. One is a flexible system for determining compensation based on performance relative to management targets. This is aimed at increasing motivation and empowering individuals to maximize performance. The second is the introduction of equity-based compensation to enhance long-term incentives. Compensation for directors and executive officers is composed of the following three components.

Base Salary

The base salary of each director and executive officer is the sum of amounts based on each individual's career, post and responsibilities, and the degree to which the consolidated ROE target has been achieved. The ROE-linked portion is determined as shown in the table on the right.

Cash Bonus

The cash bonus is based on quantitative factors such as consolidated net income, ROE and earnings of segments/business lines. This bonus is also based on qualitative items, such as the degree to which management targets and personal targets have been met, assessments of individual contributions, and other factors. The aggregate cash bonuses of all Nomura Group directors and executive officers may not exceed 3% of consolidated net income.

Stock Bonus

The stock bonus is determined separately for each individual by taking into consideration all applicable factors. This includes parameters such as consolidated net income and ROE, as well as the level of this compensation relative to the base salary, cash bonus and stock bonus, and the benefits relative to the cost of providing such bonuses.

Business Execution System

To ensure that executive officers make business decisions smoothly and appropriately, NHI has a Board of Executive Officers, Executive Management Board and Internal Controls Committee, which are chaired by the CEO, and a Commitment Committee chaired by the COO.

Board of Executive Officers

The Board of Executive Officers is responsible for deliberations and decisions regarding Nomura Group business plans, budgets, and the allocation of management resources. The Board of Executive Officers is made up of all 32 executive officers and is chaired by the CEO.

ROE-linked Base Salary

Consolidated ROE	Base salary
Under 0%	0
0% to 5%	1/3 of standard salary
5% to 10%	2/3 of standard salary
10% to 15%	Standard salary
Over 15%	4/3 of standard salary

Executive Management Board

The Executive Management Board formulates Nomura Group management strategies and makes decisions concerning the fundamental policies for business lines to execute their plans and operations. The Executive Management Board also monitors each business line on the basis of earnings and other indicators that are designed to accurately gauge the status of operations. Currently, the Executive Management Board is made up of 10 executive officers and is chaired by the CEO.

Internal Controls Committee

The Internal Controls Committee is responsible for establishing internal controls concerning Nomura Group operations, and deliberations and decisions regarding proper corporate behavior. Currently, the Internal Controls Committee is made up of four executive officers and two directors, including one outside director, and is chaired by the CEO.

Commitment Committee

The Commitment Committee is responsible for deliberations and decisions regarding important items involving Nomura Group positions having a low liquidity and positions that are material with regard to risk management. The Commitment Committee is made up of seven executive officers and is chaired by the COO.

Internal Controls

The Audit Committee has primary responsibility for management supervisory functions in companies that operate under the Committee System. The main members of the Audit Committee are outside directors. To supplement the Audit Committee's auditing activities and ensure an airtight auditing system, NHI designates Audit Mission Directors. In addition, NHI's Office of Audit Committee supports the activities of the Audit Committee. The Internal Audit Division is charged with distributing sufficient information to

individuals responsible for business execution as well as the Audit Committee and Audit Mission Directors.

Disclosure Committee

To ensure that investors receive fair access to information on Nomura Group, the group has established "Nomura Group's Statement of Global Corporate Policy regarding Public Disclosure of Information." This sets forth policy directives that protect non-public information while at the same time promoting timely and appropriate public disclosures. The statement adheres to the principle of U.S. Regulation FD.*

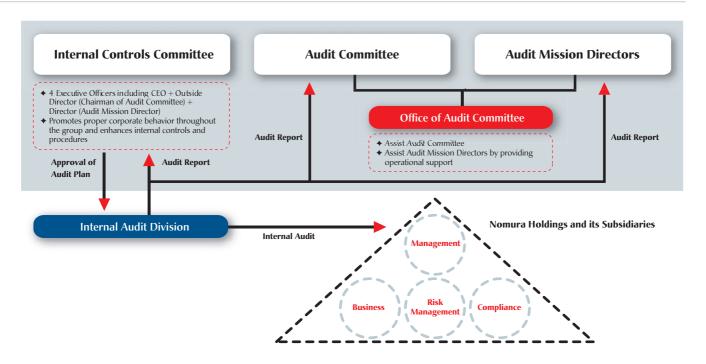
Based on this global corporate policy, NHI has established a Disclosure Committee that is chaired by the NHI executive officer responsible for global corporate communications. The Disclosure Committee is responsible for deliberations and decisions regarding disclosure of material information, legally mandated documents such as SEC Form 20-F, the Japanese Annual Securities Reports, and other reports.

The Disclosure Committee is taking the lead in documenting internal controls, as well as in evaluating the effectiveness of those controls, for financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. Internal controls over financial reporting must be formulated by the CEO and CFO, or under the supervision of these two executives. To fulfill this requirement, the related divisions of NHI along with Nomura Securities and other major consolidated subsidiaries (including overseas subsidiaries) are currently preparing the massive volume of documents concerning processes involving important financial statement items and items to be disclosed.

The Internal Audit Division is responsible for performing tests and assessments concerning the effectiveness of internal controls. Progress with these tests and evaluations is reported not only to the Disclosure Committee, but also to the Audit Committee and Internal Controls Committee.

* U.S. Securities and Exchange Commission (SEC) regulations forbid companies from releasing important information to certain people, such as analysts or institutional investors, before it is released to the general public.

Internal Controls System



Directors and Executive Officers (As of June 28, 2005)

Directors		Executive Officers					
Chairman	Junichi Ujiie	Senior Managing Director					
Directors	Nobuyuki Koga	Junichi Ujiie					
	Hiroshi Toda	,					
	Kazutoshi Inano	President & CEO (Representative Executive Officer)					
	Nobuyuki Shigemune Yukio Suzuki	Nobuyuki Koga	Chief Executive Officer				
	Masaharu Shibata*	Deputy President & C	OO (Representative Executive Officer)				
	Hideaki Kubori* Haruo Tsuji*	Hiroshi Toda	Chief Operating Officer				
	Fumihide Nomura	Deputy President & C	o-COO (Representative Executive Officer)				
	Koji Tajika*	Kazutoshi Inano	Co-Chief Operating Officer				
*Outside director		Senior Managing Dire	ectors				
		Takashi Yanagiya	Head of Global Investment Banking				
		Kenichi Watanabe	Head of Domestic Retail				
		Takumi Shibata	Head of Asset Management				
		Manabu Matsumoto					
		Hiromi Yamaji					
		Shogo Sakaguchi					
		Masanori Itatani	Head of Internal Audit				
		Yoshimitsu Oura					
		Yusuke Yamada					
		Hitoshi Tada					
		Yasuo Agemura	Head of Global Markets				
		Akihiko Nakamura	Head of Global IT & Operations				
		Hideyuki Takahashi Hiroshi Tanaka	Regional Management of Americas Region				
		Noriyasu Yoshizawa	Regional Management of China Region				
		Yasuo Yoshihara					
		Akira Maruyama	Head of Global Merchant Banking				
		Akihito Watanabe	Head of Global Research				
		Tetsu Ozaki	Head of Global Corporate Communications				
		Shigesuke Kashiwagi	Head of Global Fixed Income				
		Yugo Ishida	Regional Management of Europe Region				
		Atsuo Sakurai	Head of Asset Finance				
		Masafumi Nakada	Chief Financial Officer, Head of Global Risk				
			Management, Treasury, Controller and IR				
		Hiromasa Yamazaki	Head of Global Equity				
		Kamezo Nakai					
		Takahide Mizuno					
		Atsushi Yoshikawa					

Yasuaki Fukui

Compliance Structure

Nomura Group places strong emphasis on preventing behavior that could be seen as illegal. Should a problem occur, there is a framework for submitting reports to management without exception or delay, and for responding appropriately. Each group company must ensure steadfast compliance and adherence to the relevant rules and regulations, as well as sufficiently manage operations based on Nomura Group's Regulations of the Organization. Group companies must also properly supervise their operations based on their own internal rules. However, group companies work in a unified manner on such issues as appointing Compliance Officers and setting up compliance hotlines. The Nomura Securities Compliance Department holds regular meetings of group company Compliance Officers to strengthen cooperation within the Group.

Establishment of Code of Ethics of Nomura Group

In March 2004, Nomura Group voluntarily established the "Code of Ethics of Nomura Group"* to provide global guidelines that are applicable to everyone working in the group. Reflecting the Founder's Principles of Nomura, the code has items concerning corporate governance and corporate social responsibility. In all, there are 19 items that should be observed by Nomura Group people worldwide.

* Refer to CSR Report 2005 for more information.

Compliance Officers

Each Nomura Group company appoints a Compliance Officer who is responsible for confirming that all employees are aware of their obligations to respect the law and that business operations are conducted in a manner that complies with laws and regulations.

Due to the differing nature of operations, each group company may appoint a Compliance Officer for each department, or one or more Compliance Officers at each head office or company. Compliance Officers are responsible not only for monitoring adherence to laws and regulations, but also for ensuring that activities conform to social standards from the standpoint of corporate ethics.

Group Compliance Officers attend an annual training seminar. These events reinforce awareness of their responsibilities and raise awareness within Nomura Group of the need to observe a unified compliance policy and set of regulations.

Compliance Hotline

The NHI Compliance Hotline was set up in October 2002. Nomura Securities began operating its own Compliance Hotline in October 1997. The purpose of the group Compliance Hotline is to provide a means of going beyond individual companies to relay information directly to management at NHI for employees who discover acts that violate laws or company regulations, or other anti-social behavior. Information can be supplied directly to the designated NHI executive officer and to an outside director. Information provided through the Compliance Hotline and the status of responses are reported to and examined by the NHI Internal Controls Committee.

Employees are informed that measures have been taken to ensure that individuals who report violations are completely protected from any negative consequences.

Global Legal Risk

Because Nomura Group conducts business on a global scale, adequate measures are taken with regard to legal risks associated with overseas compliance and cross-border transactions. The group is heightening professional expertise concerning the regulatory environment for its international activities. Nomura Group is also refining skills in the development of cross-border products and services that take into account the requirements of laws and regulations of various regulatory regimes.

Overseas legal risk is managed primarily on a regional

basis. As part of the management of legal risk associated with global business activities, Nomura Group periodically holds a global legal conference and a global compliance conference. This provides a forum for examining problems involved with cross-border and other business activities.

Nomura Securities Compliance Structure

Nomura Securities has established a Compliance Program, which is a detailed action plan for compliance, and developed its compliance structure based on this program.

Compliance Committee

The Compliance Committee is made up of 14 executive officers including the CEO, the Internal Administration Supervisor, and two external lawyers who act as legal supervisors. As a rule, the committee meets twice each month to discuss the internal control system, compliance rules and other important matters concerning compliance.

Compliance Management at Departments and Branch Offices

In accordance with Japan Securities Dealers Association regulations, Internal Controls Officers are assigned within frontoffice departments and Compliance Officers are assigned at each department and branch office.

Compliance Hotline

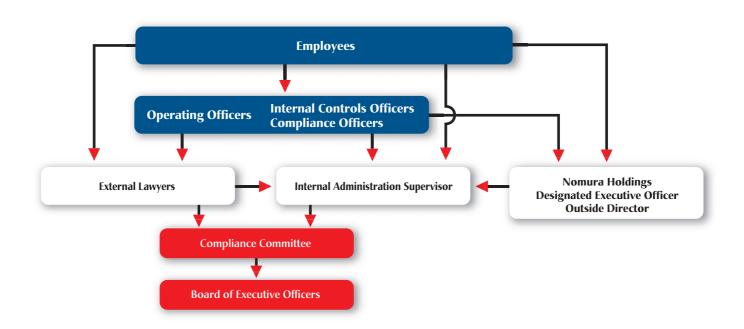
The Nomura Securities Compliance Hotline provides another means, separate from the NHI channels, for Nomura Securities employees to submit information directly to the Internal Administration Supervisor and external lawyers. These lawyers are the legal supervisors of Nomura Securities' Compliance Committee. In addition, there is a system in place to completely shield individuals providing information from any negative consequences.

Compliance Training

Compliance manuals designed to ensure a clear understanding of laws and regulations are made available via the group's intranet, providing a compliance education framework for all directors, officers and employees.

Training programs are conducted in accordance with the duties of employees, and training materials are used for monthly training sessions at branch offices. Reports on the implementation of these sessions are submitted to administrators.

❖ Nomura Securities Compliance Hotline



Corporate Citizenship

Tokushichi Nomura explained Nomura's raison d'etre as follows: "Nomura's mission is to enrich the nation through the securities business. This is something we must absolutely see through." In keeping with these words, Nomura Group believes that sound economic growth is essential to achieving a truly affluent society. To this end, we are actively engaged in increasing educational opportunities that broaden the understanding of financial and securities markets. Since we also believe in the importance of adopting a well-rounded perspective of society, we are active supporters of academia, culture, the arts and sports.

Economics and Securities Education

Nomura Group provides a broad range of opportunities to learn more about the economy and securities markets, not only to children, who will forge the future, but also to middleaged and older people. For this purpose, we hold securities seminars at more than 110 universities in Japan, and hold programs covering finance and securities subjects for communities and workplaces. For junior and senior high school students and university students, we are a special sponsor for a portfolio training and reporting contest called Nikkei Stock League. We also extend support to the Quest Education Program, which fosters junior and senior high school students' career views and offers them a chance to consider what they want to be and how they want to live their lives. With the

Nihon Keizai Shimbun, Inc., we operate the "man@bow" ("Let's learn!") economics website. Another activity is "Doki Doki Waku Waku Okane no Hanashi," an educational program carried by more than 160 cable TV stations in Japan that deals with the importance of managing assets.

Cooperation Between Universities and Industries

In 1986, Nomura Group established the Nomura Foundation for Academic Promotion to commemorate Nomura Securities' 60th anniversary. To promote academic research and international exchanges involving research and education, the foundation focuses its support mainly on the fields of law, political science and economics.

❖ Education Initiatives

	Elementary schools	Junior high schools	Senior high schools	Universities	Adults Company employees Communities	
	The Secre	et of Money		1 1 1 1		
Publications		Finance for	r Beginners		Activities to promote	
		Enjoying I	Economics		defined contribution pension plan schemes	
Events			 	Nomura Money Fair		
Lectures			 	Seminars at Nomura	Securities' branches	
Lectures		 		Securities education programs	Securities learning programs	
		Specia	l sponsor of Nikkei Stoc	k League		
Education programs		Quest Educat	tion Program			
			Nikkei Education Forum			
Internet		Educa	tional content on the in	ternet		
c II. TV			Nomura Free School			
Cable TV			 	Doki Doki Waku Wal	ku Okane no Hanashi	

❖ Nomura-backed Industry-Academia Affiliations

Support for Culture and the Arts

The Nomura Cultural Foundation, which was established in May 1990, supports human resource development activities in the areas of music and fine arts and promotes international exchange. The foundation cultivates young artists and supports performances, exhibitions, symposiums and other events that promote international exchanges in the arts and culture. The foundation also grants scholarships to international students.

In 1996, the Nomura Cultural Foundation created the Nomura Prize, a scholarship and citation program, at the Tokyo National

University of Fine Arts and Music. The first prize was awarded in 1998. The foundation selects and purchases distinguished pieces made by figurative arts doctoral students to store and display at the university's museum. This develops promising young artists, improves the collection of artistic documents at the museum, and promotes related education and research.

To support the Pacific Music Festival's mission, "To broaden and develop the world's music by nurturing young musicians," Nomura Securities and the Nomura Cultural Foundation have been special corporate sponsors since the festival was started in 1990 by the late Leonard Bernstein.

Social Welfare Activities

All Nomura Group companies are committed to social welfare activities to contribute to good health and enriching lifestyles.

One illustration is our co-sponsorship of the annual National Health and Welfare Festival for Seniors ("Nenrinpic") since its inception. The 18th festival will be held in 2005 in Fukuoka. In the United States, we established the Nomura America Foundation in 1994, which has contributed to children's welfare groups, community project groups and educational institutions across the country. Nomura Group made a donation to the Special Olympics World Winter Games held in Nagano in February 2005.

Note: Special Olympics is an international organization dedicated to supporting children and adults with intellectual disabilities by providing them with year-round sports training and athletic competition. This gives these people continuing opportunities to raise their level of independence and participation in society

Columbia University	We are a lead corporate sponsor for the alternative investment program at the Columbia University Center on Japanese Economy and Business.
Oxford University	Nomura Group established the Nomura Centre for Quantitative Finance at the university. We provide a practical course on derivatives and offer support for research in cutting-edge financial engineering.
University of Tokyo	At the University of Tokyo's Office of University Corporate Relations, which was established in November 2002, we worked on the first joint research project, "Development of a Model for Industry-University Collaboration Based on Market Principles." In April 2004, the university founded the Research Center for Finance. Junichi Ujiie, Chairman of NHI, was named the center's first director.
Kyoto University	In 2001, Kyoto University's Institute of Economic Research and Nomura Group jointly established the Research Section for Application of Financial Engineering, funded by Nomura Group, within the institute.
Hitotsubashi University	The Financial and Capital Markets Research Center was established as a forum to encourage the exchange of opinions among the academic, governmental and industrial sectors. In 2005, study groups were set up for corporate governance and social responsibility investments (SRI).

Other Activities

JOC Official Partnership

Nomura Group has supported the Japanese Olympic Committee (JOC) as an official partner since the 2000 Sydney Games.

EXPO 2005 Aichi, Japan

At the 2005 World Exposition, held from March 25 to September 25, 2005, Nomura Group is a sponsor of Global House, which explores relationships between nature and mankind in the 21st century in line with the exposition's official theme of "Nature's Wisdom."

Survey on the Costs of Child-raising ("Angel Coefficient")

Nomura Securities has conducted this biennial survey since 1989 to gather quantitative data on the budgets and economic condition of households from the perspective of child-raising costs. The "Angel Coefficient," a term coined by Nomura and now widely used in Japan, is the percentage of total household expenditures used for child-raising.

* Refer to CSR Report 2005 for more information.

A Better Workplace

Nomura Group is dedicated to providing employees with a work environment where they can do their jobs productively while leading fulfilling lives. We are also committed to creating a better work environment for all employees.

Creating a Better Workplace

Nomura Group is dedicated not only to compliance with laws and regulations, but also to providing a pleasant working environment where the human rights of all employees are respected.

Communication

We believe that active internal communication is essential to motivating employees. To provide for this communication, we use our intranet, internal publications and other means to communicate messages from senior management, important decisions and other information.

Workplace Safety

Nomura Group exercises care to provide a safe and comfortable workplace. Attention is paid to desk space, lighting, air conditioning, temperature settings and other items.

Mental Health Care

Mental health care measures are part of our actions to provide all employees with a better work environment. Health care centers conduct examinations by psychiatrists and employees have access to counseling through the Counseling Room. To access physicians and counselors outside the group, employees and their family members can use the 24-hour Nomura Health Dial 24.

Rigorous Health Management

Nomura Group has departments specializing in the promotion of healthy lifestyles and operates internal clinics to assist employees manage their health. Guidelines have been established for periodic check-ups, other check-ups and comprehensive physical exams. Employees over 30 are required to undergo comprehensive physical exams.

Human Rights

Based on the recognition that human resources are Nomura Group's most important asset, we take extensive measures to protect the rights of each individual and prevent discrimination and harassment.

Fundamental Principle

The Nomura Group's fundamental principle is that employees must not discriminate, let others discriminate or condone discrimination. The group aims to develop an awareness concerning corporate social responsibility among employees and to deepen their understanding of human rights issues.

In-house and External Training Programs

To give all employees a thorough understanding and awareness of our fundamental principle, Nomura has established the Human Rights Education Committee and conducts human rights awareness training for all Nomura Group executives at least once each year. In addition, training programs are conducted for employees based on the human rights promotion framework, which is centered on the Human Rights Education Committee. Twenty programs were held during fiscal 2004.

To incorporate a broad range of external views on human rights, we participate in seminars and training programs conducted by government agencies, human rights groups, nonprofit organizations and others. This is done mainly through the Human Rights Education Department and Human Rights Awareness Promotion Committee members at branch offices.

Prevention of Harassment and Discrimination

Nomura Group has set out guidelines to prevent sexual harassment and established an external contact for consultations concerning power harassment, thereby taking steps to prevent both types of harassment. Based on its basic policy on AIDS, Nomura Group works on protecting individuals afflicted with AIDS from discrimination and prejudice.

Employment

Nomura Group strives to maintain employment practices that reflect the employment environment and nature of business activities in the finance and securities industries. The personnel system complies with all laws and regulations and reflects employment terms for individual countries and regions as well as for different types of employment contracts.

New Personnel System

Nomura Securities will adopt a new personnel system in October 2005. The new system is designed to make the company more competitive over the medium and long terms by ensuring a faster, smoother response to changes in customer needs and market conditions. The basic philosophy of the system is to create a work environment where employees can realize their full potential and to adopt a merit-based system in which employees are properly compensated in line with their performance.

Under the new system, there will be two types of employees: zeniki-gata shain (whole area employees), who are subject to transfers that require a change of residence; and chiiki-gata shain (specific area employees), who are exempt from such transfers. Employees in both categories are engaged in the same scope of business activities. All employees may apply to switch to the other category. To compensate employees fairly based on their performance, more authority to conduct employee evaluations is being transferred to work sites.

For financial advisers (FAs), who are community-based sales professionals, employment contracts will be changed from fixedterm contracts to ones without a fixed term. In addition, compensation will be more weighted toward performance.

Employee Training System

Nomura Group is building a personnel training system that enhances the overall vitality of the group and contributes to the thorough execution of a merit-based personnel system, in which employees are properly treated based on their performance and motivation.

♣Instructor System

Senior employees are appointed as on-the-job instructors for newly hired employees. This system makes it possible to conduct comprehensive monitoring of improvements in business knowledge, practical skills and other capabilities that contribute to a new employee's development.

◆Training Application System◆

To increase the motivation of employees and encourage them to acquire more specialized knowledge, employees can apply to participate in any of four training courses: study abroad; Financial & Economic Research Center analyst training; Investment Banking Division training; and fund management training.

❖International Business Skill Training

Nomura Securities offers training programs to give individuals the practical English language skills they need to work in the securities industry.

❖Support for Acquisition of Qualifications❖

Nomura Securities offers specialized training programs for the acquisition of specific qualifications. Through these programs, extensive support is offered for individuals seeking securities dealer, financial planner, securities analyst and other qualifications.

Training System (FY04)

	Managing director level	Executive director level	Assistant vice president level		
	New managing director training	New executive director training	Training for new assistant vice presidents	Second-year training First-year training	Training by grade
Training new branch office managers Training new general administration managers		-			Respond to directions
Training instructors					
Training to qualify employees to be variable pension insurance sales people	-				
Financial planner training	-				Practical business
Core-skill training	-				training by purpose
Investment banking refresher course		-			
Presentation skills (English)					
Training for employees being transferred overseas for the first time International business skills					Language training for studying abroad

^{*} Refer to CSR Report 2005 for more information.

Product Policies

Nomura Group carefully analyzes the financial products it offers and provides customers with accurate information and easy-to-understand instructions. We also consider customers' knowledge of financial products, their financial status and other factors before fully explaining appropriate product choices. This ensures that customers are able to make sound investment decisions. Our approach to soliciting business is in full compliance with the Securities Exchange Law and other relevant laws and regulations. Nomura Group is thus committed to providing services worthy of a financial and securities company in developing products, providing information and soliciting business.

Specific approaches by Nomura Securities

The specific approaches taken to develop products, provide information and solicit business at Nomura Securities, a core subsidiary of the Nomura Group, are described below.

Formulating products

Nomura Securities has established a range of design guidelines for its product head offices to follow in developing attractive products. The company exercises due diligence with regard to the schemes and propriety of private subscription products developed by other companies and sold by Nomura Securities.

Providing information

Nomura Securities provides accurate product information and explains product risk in detail to customers, in keeping with the Law on Sales of Financial Products and other relevant laws and regulations.

Nomura Securities has developed "Guidelines on Preparing Sales Brochures for Customers" in accordance with the Japan Securities Dealers Association's "Guidelines Concerning Advertisement Brochures." All written materials provided to customers are carefully examined to ensure they conform to the Guidelines.

Soliciting business

In accordance with "Nomura Securities Sales Policies," Nomura Securities consults with customers regarding their investment strategies and experience and financial status prior to suggesting appropriate product choices. The company is also considerate of sales meeting times, places, and methods in order to ensure utmost customer convenience.

A comprehensive understanding of customer circumstances is particularly important for initial public offerings, other offerings and sales, as stated in the "Basic Policies on Sales." Special guidelines have been established regarding the timing and volume of distributions in order to avoid excessive sales efforts focusing on particular customers. Candor and fairness are the principles at the heart of all solicitation and sales efforts.

Subsidiaries and Affiliates

As of July 31, 2005

Major Subsidiaries

Japan

NOMURA SECURITIES CO., LTD.

Nihonbashi Head Office: 1-9-1, Nihonbashi, Chuo-ku Tokyo 103-8011, Japan Tel: 81 (3) 3211-1811 Fax: 81 (3) 3278-0420

Otemachi Head Office: 2-2-2, Otemachi, Chiyoda-ku Tokyo 100-8130, Japan Tel: 81 (3) 3211-1811 Fax: 81 (3) 3278-0420

NOMURA ASSET MANAGEMENT CO., LTD.

1-12-1, Nihonbashi, Chuo-ku Tokyo 103-8260, Japan Tel: 81 (3) 3241-9511 Fax: 81 (3) 3241-8275

THE NOMURA TRUST & BANKING CO., LTD.

2-2-2, Otemachi, Chiyoda-ku Tokyo 100-0004, Japan Tel: 81 (3) 5202-1600 Fax: 81 (3) 3275-0760

NOMURA CAPITAL INVESTMENT CO., LTD.

2-2-2, Otemachi, Chiyoda-ku Tokyo 100-8130, Japan Tel: 81 (3) 3278-5151 Fax: 81 (3) 3278-1432

NOMURA INVESTOR RELATIONS CO., LTD.

1-26-2, Nishi-Shinjuku, Shinjuku-ku Tokyo 163-0537, Japan Tel: 81 (3) 3340-0300 Fax: 81 (3) 3340-0307

NOMURA PRINCIPAL FINANCE CO., LTD.

2-2-2, Otemachi, Chiyoda-ku Tokyo 100-8130, Japan Tel: 81 (3) 3278-0243 Fax: 81 (3) 3271-2498

NOMURA FUNDS RESEARCH AND **TECHNOLOGIES CO., LTD.**

2-2-2, Otemachi, Chiyoda-ku Tokyo 100-8130, Japan Tel: 81 (3) 3276-2151 Fax: 81 (3) 3275-9360

NOMURA PENSION SUPPORT & SERVICE CO., LTD.

1-11-1, Nihonbashi, Chuo-ku Tokyo 103-0027, Japan Tel: 81 (3) 3275-0401 Fax: 81 (3) 3275-2277

NOMURA BABCOCK & BROWN CO., LTD.

1-11-1, Nihonbashi, Chuo-ku Tokyo 103-0027, Japan Tel: 81 (3) 3281-7141 Fax: 81 (3) 3281-0215

NOMURA RESEARCH & ADVISORY CO., LTD.

2-2-2, Otemachi, Chiyoda-ku Tokyo 100-8130, Japan Tel: 81 (3) 5255-9416 Fax: 81 (3) 5255-1775

NOMURA BUSINESS SERVICES CO., LTD.

1-9-1, Nihonbashi, Chuo-ku Tokyo 103-8011, Japan Tel: 81 (3) 3278-9711 Fax: 81 (3) 3241-8187

NOMURA FACILITIES, INC.

1-7-2, Nihonbashi-honcho, Chuo-ku Tokyo 103-0023, Japan Tel: 81 (3) 3231-6261 Fax: 81 (3) 3231-6409

NOMURA INSTITUTE OF CAPITAL **MARKETS RESEARCH**

1-9-1, Nihonbashi, Chuo-ku Tokyo 103-8011, Japan Tel: 81 (3) 5203-1821 Fax: 81 (3) 5203-1825

Americas

NOMURA HOLDING AMERICA INC.

2 World Financial Center, Building B New York, New York 10281-1198, U.S.A. Tel: 1 (212) 667-9300 Fax: 1 (212) 667-1058

NOMURA SECURITIES INTERNATIONAL, INC.

Fax: 1 (212) 667-1058

New York Head Office: 2 World Financial Center, Building B New York, New York 10281-1198, U.S.A. Tel: 1 (212) 667-9300

Chicago Office: 77 West Wacker Drive Chicago, IL 60601-1717, U.S.A. Tel: 1 (312) 408-9500 Fax: 1 (312) 408-9555

Los Angeles Office: 6100 Center Drive Suite 1050 Los Angeles, CA 90045, U.S.A. Tel: 1 (310) 348-3100 Fax: 1 (310) 348-3144

San Francisco Office: 425 California Street, Suite 2600, San Francisco, CA 94104, U.S.A. Tel: 1 (415) 445-3800 Fax: 1 (415) 445-3891

São Paulo Representative Office: Av. Brigadeiro Faria Lima no. 2179 6th Floor-cj. 61, São Paulo, S.P. Brazil CEP 01452-000 Tel: 55 (11) 3034-2258 Fax: 55 (11) 3034-2259

NOMURA CORPORATE RESEARCH AND ASSET MANAGEMENT INC.

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NOMURA ASSET CAPITAL **CORPORATION**

2 World Financial Center, Building B New York, New York 10281-1198, U.S.A. Tel: 1 (212) 667-9300 Fax: 1 (212) 667-1058

THE CAPITAL COMPANY OF AMERICA, LLC

2 World Financial Center, Building B New York, New York 10281-1198, U.S.A. Tel: 1 (212) 667-2250 Fax: 1 (212) 667-1095

NOMURA DERIVATIVE PRODUCTS, INC.

2 World Financial Center, Building B New York, New York 10281-1198, U.S.A. Tel: 1 (212) 667-9416 Fax: 1 (212) 667-1400

NOMURA GLOBAL FINANCIAL PRODUCTS, INC.

2 World Financial Center, Building B New York, New York 10281-1198, U.S.A. Tel: 1 (212) 667-2357 Fax: 1 (212) 667-1047

NOMURA SECURITIES (BERMUDA) LTD.

Chesney House, 96 Pitts Bay Road Pembroke HM 08, Bermuda Tel: 1 (441) 296-4050 Fax: 1 (441) 296-4061

NOMURA CANADA INC.

2 Bloor Street, West Suite 700, Toronto, Ontario M4W 3R1, Canada Tel: 1 (416) 868-1683 Fax: 1 (416) 359-8956

NOMURA ASSET MANAGEMENT U.S.A. INC.

2 World Financial Center, Building B New York, New York 10281-1712 U.S.A. Tel: 1 (212) 667-1414

Fax: 1 (212) 667-1460

Europe & Middle East

NOMURA EUROPE HOLDINGS PLC

Nomura House, 1, St. Martin's-le-Grand London, EC1A 4NP, U.K. Tel: 44 (207) 521-2000 Fax: 44 (207) 521-2121

NOMURA INTERNATIONAL PLC

London Head Office: Nomura House, 1, St. Martin's-le-Grand

London, EC1A 4NP, U.K. Tel: 44 (207) 521-2000 Fax: 44 (207) 521-2121

Madrid Office:

Paseo de La Castellana, 41-2F 28046, Madrid, Spain Tel: 34 (91) 532-0920 Fax: 34 (91) 521-6010

Vienna Representative Office: "Kärntner Ring Hof" Kärntner Ring 5-7, A-1010 Vienna, Austria Tel: 43 (1) 513-2322 Fax: 43 (1) 513-2321

NOMURA BANK INTERNATIONAL PLC

Nomura House, 1, St. Martin's-le-Grand London, EC1A 4NP, U.K. Tel: 44 (207) 521-2000 Fax: 44 (207) 626-0851

NOMURA GLOBAL FUNDING PLC

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Fax: 44 (207) 521-2121

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Tel: 41 (1) 2957111 Fax: 41 (1) 2422141

Geneva Office:

10, Quai du Seujet, P.O. Box CH-1211 Geneva 11, Switzerland Tel: 41 (22) 9098400 Fax: 41 (22) 7328314

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Via Palestro, 2, 20121 Milano, ITALY Tel: 39 (02) 76461 Fax: 39 (02) 76317106

NOMURA CORPORATE ADVISORY (CENTRAL EUROPE) LTD.

East-West Business Center 7th Floor, 1088 Budapest Rákóczi út 1-3, Hungary Tel: 36 (1) 235-5200 Fax: 36 (1) 235-5299

NOMURA INVESTMENT BANKING (MIDDLE EAST) B.S.C. (c)

7th Floor, BMB Centre Diplomatic Area, P.O. Box 26893 Manama, Bahrain Tel: (973) 17 530531 Fax: (973) 17 530365

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Taipei Branch Office: 14th Floor, 109 Min-Sheng East Road Sec. 3, Taipei, Taiwan R.O.C. Tel: 886 (2) 2547-9300 Fax: 886 (2) 2547-9388

NOMURA SINGAPORE LIMITED

6 Battery Road, #34-01, Singapore 049909 Singapore Tel: 65 (6420) 1811 Fax: 65 (6420) 1888

NOMURA ADVISORY SERVICES (MALAYSIA) SDN. BHD.

Suite No.16. 3, Level 16, Letter Box No.46 Menara IMC, 8 Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia Tel: 60 (3) 2076-6811 Fax: 60 (3) 2076-6877

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7th Floor, Resona Perdania Bank Jl. Jend. Sudirman Kav. 40-41 Jakarta 10210, The Republic of Indonesia Tel: 62 (21) 571-8888

Fax: 62 (21) 571-8881

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Level 32, Colonial Centre, 52 Martin Place, Sydney, N.S.W. 2000, Australia

Tel: 61 (2) 9321-3500 Fax: 61 (2) 9321-3599

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6 Battery Road, #34-02, Singapore 049909 Singapore

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725, 7/F., Shanghai Central Plaza, 381 Huai Hai Zhong Road, Shanghai 200020, China Tel: 86 (21) 6391-5353

Fax: 86 (21) 6391-6225

Hanoi Representative Office: Unit 1103, 11th Floor, Hanoi Central Office Building 44B, Ly Thuong, Kiet Street, Hanoi, Vietnam Tel: 84 (4) 8250-414 Fax: 84 (4) 8250-219

Major Affiliates and Group Companies

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NOMURA LAND AND BUILDING CO., LTD.

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Tel: 81 (3) 3231-1901 Fax: 81 (3) 3231-6421

NOMURA RESEARCH INSTITUTE, LTD.

1-6-5 Marunouchi, Chiyoda-ku Tokyo 100-0005, Japan Tel: 81 (3) 5533-2111 Fax: 81 (3) 5533-3383

NOMURA REAL ESTATE DEVELOPMENT CO., LTD.

1-26-2 Nishi-Shinjuku, Shinjuku-ku Tokyo 163-0566, Japan Tel: 81 (3) 3348-8811 Fax: 81 (3) 3345-0381

JAFCO CO., LTD.

1-8-2, Marunouchi, Chiyoda-ku Tokyo 100-0005, Japan Tel: 81 (3) 5223-7536 Fax: 81 (3) 5223-7561

Asia & Oceania

NOMURA CORPORATE ADVISORY (CHINA) CO., LTD.

1218, Beijing Fortune Building, 5 Dongsanhuan-Beilu, Chaoyang District, Beijing, China Tel: 86 (10) 6590-9090 Fax: 86 (10) 6590-9088

CAPITAL NOMURA SECURITIES PUBLIC COMPANY LIMITED

21/3 Thai Wah Tower, Ground Floor South Sathorn Road, Bangkok 10120 Thailand

Tel: 66 (2) 285-0060 Fax: 66 (2) 285-0620

INTERNATIONAL UNION LEASING CO., LTD.

420, Beijing Fortune Building, 5 Dongsanhuan-Beilu, Chaoyang District, Beijing, China Tel: 86 (10) 6590-8991 Fax: 86 (10) 6590-8999

Domestic Network (Alphabetical order for each region)

	Office Name	Telephone	Address
	Head Office	81 (3) 3211-1811	1-9-1, Nihonbashi, Chuo-ku, Tokyo 103-8011
□ Hokkaido	Asahikawa Branch Office	81 (166) 23-1181	1 Migi, 9 Gojo-dori, Asahikawa-shi, Hokkaido 070-0035
	Hakodate Branch Office	81 (138) 26-8111	7–15, Wakamatsu-cho, Hakodate-shi, Hokkaido 040–0063
	Kushiro Branch Office	81 (154) 23-1171	12-1-4, Kitaodori, Kushiro-shi, Hokkaido 085-0015
	Sapporo Branch Office	81 (11) 261-7211	4, Kitasanjo-nishi, Chuo-ku, Sapporo-shi, Hokkaido 060-0003
¹ Tohoku	Akita Branch Office	81 (18) 831-2111	4-2-7, Nakadori, Akita-shi, Akita 010-0001
	Aomori Branch Office	81 (17) 723-4111	2-6-29, Shin-machi, Aomori-shi, Aomori 030-0801
	Fukushima Branch Office	81 (24) 522-2111	4-1, O-machi, Fukushima-shi, Fukushima 960-8041
	Hachinohe Branch Office	81 (178) 72-1001	28 Jusannichi-machi, Hachinohe-shi, Aomori 031-0041
	Koriyama Branch Office	81 (24) 923-8711	2–5–12, Ekimae, Koriyama–shi, Fukushima 963–8002
	Morioka Branch Office	81 (19) 653-5000	2-2-18, Odori, Morioka-shi, Iwate 020-0022
	Sendai Branch Office	81 (22) 221-3111	2-1-1, Chuo, Aoba-ku, Sendai-shi, Miyagi 980-8730
•	Yamagata Branch Office	81 (23) 622-1313	1-7-30, Toka-machi, Yamagata-shi, Yamagata 990-0031
1 Kanto	Aobadai Branch Office	81 (45) 985-1171	2-6-1, Aobadai, Aoba-ku, Yokohama-shi, Kanagawa 227-0062
	Atsugi Branch Office	81 (46) 224–8666	2-2-20, Naka-cho, Atsugi-shi, Kanagawa 243-0018
	Chiba Branch Office	81 (43) 227-2161	1-14-13, Fujimi, Chuo-ku, Chiba-shi, Chiba 260-0015
	Fujisawa Branch Office	81 (466) 25-1311	1-5-10, Kugenumaishigami, Fujisawa-shi, Kanagawa 251-0025
	Funabashi Branch Office Hiratsuka Branch Office	81 (47) 433-2211	2-1-33, Hon-cho, Funabashi-shi, Chiba 273-0005
	Kashiwa Branch Office	81 (463) 21-2111	2-14, Beniya-cho, Hiratsuka-shi, Kanagawa 254-0043
	Kawagoe Branch Office	81 (4) 7163-2011 81 (49) 225-5151	1-4-29, Kashiwa, Kashiwa-shi, Chiba 277-8769 105, Wakita-machi, Kawagoe-shi, Saitama 350-1122
	Kawaguchi Branch Office	81 (48) 256-3811	3-10-1, Sakae-cho, Kawaguchi-shi, Saitama 332-0017
	Kawasaki Branch Office	81 (44) 233-6751	5-2, Higashida-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa 210-86
	Kofu Branch Office	81 (55) 237-1781	1–17–10, Marunouchi, Kofu-shi, Yamanashi 400–0031
	Kumagaya Branch Office	81 (48) 529-5111	3–202 Tsukuba, Kumagaya-shi, Saitama 360–0037
	Matsudo Branch Office	81 (47) 362-1221	1281–29, Matsudo, Matsudo–shi, Chiba 271–0092
	Mito Branch Office	81 (29) 224-5231	1–3–37, Miya–machi, Mito-shi, Ibaraki 310–0015
	Odawara Branch Office	81 (465) 24-8511	1-6-1, Sakae-cho, Odawara-shi, Kanagawa 250-0011
	Omiya Branch Office	81 (48) 641-8111	1-24, Daimon-cho, Omiya-ku, Saitama-shi, Saitama 330-0846
	Ota Branch Office	81 (276) 30-1533	3-1, Hamacho, Ota-shi, Gunma 373-0853
	Saitama Branch Office	81 (48) 645-8100	2-155, Sakuragi-cho, Omiya-ku, Saitama-shi, Saitama 330-0854
	Shinyurigaoka Branch Office	81 (44) 953-6511	1-5-3, Kamiaso, Aso-ku, Kawasaki-shi, Kanagawa 215-0021
	Takasaki Branch Office	81 (27) 323-9111	58-1, Yashima-cho, Takasaki-shi, Gunma 370-0849
	Tama Plaza Branch Office	81 (45) 902-1122	5-1-2, Utsukushigaoka, Aoba-ku, Yokohama-shi, Kanagawa 225-0
	Tokorozawa Branch Office	81 (4) 2923-3811	10–19, Hiyoshi-cho, Tokorozawa-shi, Saitama 359–1123
	Totsuka Branch Office	81 (45) 881-1181	489-1, Kamikurata-cho, Totsuka-ku, Yokohama-shi, Kanagawa 244-
	Tsuchiura Branch Office	81 (29) 821-8811	1-10-8, Kawaguchi, Tsuchiura-shi, Ibaraki 300-0033
	Urawa Branch Office	81 (48) 833-1881	2–13–8, Takasago, Urawa-ku, Saitama-shi, Saitama 330–0063
	Utsunomiya Branch Office	81 (28) 636-2181	2-1-1, Babadori, Utsunomiya-shi, Tochigi 320-0026
	Yokohama Branch Office	81 (45) 641-2101	4–52, Onoe-cho, Naka-ku, Yokohama-shi, Kanagawa 231–0015
	Yokohama-eki Nishiguchi Branch Office	81 (45) 311-1671	1-5-10, Kitasaiwai, Nishi-ku, Yokohama-shi, Kanagawa 220-0004
	Yokosuka Branch Office	81 (46) 823-2550	1-9, Odaki-cho, Yokosuka-shi, Kanagawa 238-0008
Tokyo metropolitan area		81 (424) 98-6011	1-36-9, Fuda, Chofu-shi, Tokyo 182-0024
	Fuchu Branch Office	81 (42) 369-8111	1-8-1, Fuchu-cho, Fuchu-shi, Tokyo 183-8691
	Gotanda Branch Office	81 (3) 3491-9101	1-5-1, Nishi-Gotanda, Shinagawa-ku, Tokyo 141-0031
	Hachioji Branch Office Ikebukuro Branch Office	81 (426) 46-3811	11-6, Asahi-cho, Hachioji-shi, Tokyo 192-0083
	Ikebukuro Metropolitan Plaza Branch Office	81 (3) 3983-1111	1-27-10, Minami-Ikebukuro, Toshima-ku, Tokyo 171-0022 1-11-1, Nishi-Ikebukuro, Toshima-ku, Tokyo 171-0021
	Jiyugaoka Branch Office	81 (3) 3718-3371	2–10–9, Jiyugaoka, Meguro-ku, Tokyo 152–0035
	Kamata Branch Office	81 (3) 3783-5101	5–15–8, Kamata, Ota–ku, Tokyo 144–0052
	Kichijoji Branch Office	81 (422) 22-8181	2–2–16, Kichijoji-honcho, Musashino-shi, Tokyo 180–0004
	Koiwa Branch Office	81 (3) 3657-1141	7–22–6, Minami-Koiwa, Edogawa-ku, Tokyo 133–0056
	Kokubunji Branch Office	81 (42) 328-6011	2–12–2, Hon-cho, Kokubunji-shi, Tokyo 185–0012
	Machida Branch Office	81 (42) 725-2111	6-3-9, Haramachida, Machida-shi, Tokyo 194-0013
	Mita Branch Office	81 (3) 3769-6651	5–20–14, Shiba, Minato-ku, Tokyo 108–0014
	Nakano Branch Office	81 (3) 3228-7755	5-65-3, Nakano, Nakano-ku, Tokyo 164-0001
	Nerima Branch Office	81 (3) 3994-7711	5-17-10, Toyotama-kita, Nerima-ku, Tokyo 176-0012
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	Omori Branch Office	81 (3) 3774-1181	2-5-10, Sanno, Ota-ku, Tokyo 143-0023
	Seijo Branch Office	81 (3) 3482-2011	5–8–1, Seijo, Setagaya-ku, Tokyo 157–0066
	Senju Branch Office	81 (3) 3882-8411	2-18, Senjukotobuki-cho, Adachi-ku, Tokyo 120-0033
	Shibuya Branch Office	81 (3) 3400-7111	1-14-16, Shibuya, Shibuya-ku, Tokyo 150-0002
	Shinbashi Branch Office	81 (3) 3572-0111	1-9-6, Shinbashi, Minato-ku, Tokyo 105-0004
	Shinjuku Branch Office	81 (3) 3205-1001	5–17–9, Shinjuku, Shinjuku-ku, Tokyo 163–8691
	Shinjuku-eki Nishiguchi Branch Office	81 (3) 3342-1281	1-6-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-1590
	Shinjuku Nomura Building Branch Office	81 (3) 3348-8211	1-26-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-0502
	Tachikawa Branch Office	81 (42) 524-1111	2–5–1, Akebono-cho, Tachikawa-shi, Tokyo 190–0012
	Tamagawa Branch Office	81 (3) 3708–1811	3-7-18, Tamagawa, Setagaya-ku, Tokyo 158-0094
	Tokyo Branch Office	81 (3) 3211-2411	1–8–2, Marunouchi, Chiyoda–ku, Tokyo 100–0005
	Toranomon Branch Office	81 (3) 3583-2301	2-1-1, Toranomon, Minato-ku, Tokyo 105-0001
	Ueno Branch Office	81 (3) 3831-9211	2-1-8, Ueno, Taito-ku, Tokyo 110-8501

□ Chubu/Hokuriku	Fukui Branch Office Gifu Branch Office Hamamatsu Branch Office Kanayama Branch Office Kanazawa Branch Office Matsumoto Branch Office Nagoya Branch Office Nagoya-ekimae Branch Office Niigata Branch Office Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Tsu Branch Office Tsu Branch Office Akashi Branch Office Higashiosaka Branch Office Higashiosaka Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (776) 22-8011 81 (58) 262-3101 81 (53) 454-3151 81 (52) 322-1261 81 (76) 221-3145 81 (263) 33-6781 81 (26) 228-1811 81 (52) 201-2311 81 (52) 261-5251 81 (25) 261-5251 81 (55) 962-4444 81 (564) 23-1811 81 (564) 23-1811 81 (564) 23-1811 81 (563) 35-1121 81 (563) 33-1300 81 (592) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101 81 (792) 22-6101	3-4-1, Ote, Fukui-shi, Fukui 910-0005 7-15, Kanda-machi, Gifu-shi, Gifu 500-8835 330-5, Tamachi, Hamamatsu-shi, Shizuoka 430-0944 1-12-14, Kanayama, Naka-ku, Nagoya-shi, Aichi 460-0022 3-25, Takaoka-machi, Kanazawa-shi, Ishikawa 920-0864 2-1-34, Chuo, Matsumoto-shi, Nagano 390-0811 1361, Suehiro-cho, Minami-Nagano, Nagano-shi, Nagano 380-8640 2-19-22, Nishiki, Naka-ku, Nagoya-shi, Aichi 460-8689 3-22-8, Mei-eki, Nakamura-ku, Nagoya-shi, Aichi 450-8666 1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086
□ Kinki	Hamamatsu Branch Office Kanayama Branch Office Kanazawa Branch Office Matsumoto Branch Office Nagano Branch Office Nagoya Branch Office Nagoya-ekimae Branch Office Niigata Branch Office Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyota Branch Office Toyota Branch Office Toyota Branch Office Yokkaichi Branch Office Higashiosaka Branch Office Higashiosaka Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (58) 262-3101 81 (53) 454-3151 81 (52) 322-1261 81 (76) 221-3145 81 (263) 33-6781 81 (26) 228-1811 81 (52) 201-2311 81 (52) 201-2311 81 (52) 225-7777 81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	330-5, Tamachi, Hamamatsu-shi, Shizuoka 430-0944 1-12-14, Kanayama, Naka-ku, Nagoya-shi, Aichi 460-0022 3-25, Takaoka-machi, Kanazawa-shi, Ishikawa 920-0864 2-1-34, Chuo, Matsumoto-shi, Nagano 390-0811 1361, Suehiro-cho, Minami-Nagano, Nagano-shi, Nagano 380-8640 2-19-22, Nishiki, Naka-ku, Nagoya-shi, Aichi 460-8689 3-22-8, Mei-eki, Nakamura-ku, Nagoya-shi, Aichi 450-8666 1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086
□ Kinki	Kanayama Branch Office Kanazawa Branch Office Matsumoto Branch Office Nagano Branch Office Nagoya Branch Office Nagoya-ekimae Branch Office Niigata Branch Office Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Toyota Branch Office Akashi Branch Office Higashiosaka Branch Office Higashiosaka Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (52) 322-1261 81 (76) 221-3145 81 (263) 33-6781 81 (26) 228-1811 81 (52) 201-2311 81 (52) 561-5251 81 (25) 225-7777 81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	1-12-14, Kanayama, Naka-ku, Nagoya-shi, Aichi 460-0022 3-25, Takaoka-machi, Kanazawa-shi, Ishikawa 920-0864 2-1-34, Chuo, Matsumoto-shi, Nagano 390-0811 1361, Suehiro-cho, Minami-Nagano, Nagano-shi, Nagano 380-8640 2-19-22, Nishiki, Naka-ku, Nagoya-shi, Aichi 460-8689 3-22-8, Mei-eki, Nakamura-ku, Nagoya-shi, Aichi 450-8666 1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086
□ Kinki	Kanazawa Branch Office Matsumoto Branch Office Nagano Branch Office Nagoya Branch Office Nagoya-ekimae Branch Office Niigata Branch Office Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Toyota Branch Office Tsu Branch Office Akashi Branch Office Higashiosaka Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (76) 221-3145 81 (263) 33-6781 81 (26) 228-1811 81 (52) 201-2311 81 (52) 561-5251 81 (25) 225-7777 81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	3-25, Takaoka-machi, Kanazawa-shi, Ishikawa 920-0864 2-1-34, Chuo, Matsumoto-shi, Nagano 390-0811 1361, Suehiro-cho, Minami-Nagano, Nagano-shi, Nagano 380-8640 2-19-22, Nishiki, Naka-ku, Nagoya-shi, Aichi 460-8689 3-22-8, Mei-eki, Nakamura-ku, Nagoya-shi, Aichi 450-8666 1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086
□ Kinki	Matsumoto Branch Office Nagano Branch Office Nagoya Branch Office Nagoya-ekimae Branch Office Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Tsu Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (263) 33-6781 81 (26) 228-1811 81 (52) 201-2311 81 (52) 561-5251 81 (25) 225-777 81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	2-1-34, Chuo, Matsumoto-shi, Nagano 390-0811 1361, Suehiro-cho, Minami-Nagano, Nagano-shi, Nagano 380-8640 2-19-22, Nishiki, Naka-ku, Nagoya-shi, Aichi 460-8689 3-22-8, Mei-eki, Nakamura-ku, Nagoya-shi, Aichi 460-8666 1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086
□ Kinki	Nagano Branch Office Nagoya Branch Office Nagoya-ekimae Branch Office Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Toyota Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (26) 228-1811 81 (52) 201-2311 81 (52) 561-5251 81 (25) 225-7777 81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	1361, Suehiro-cho, Minami-Nagano, Nagano-shi, Nagano 380-8640 2-19-22, Nishiki, Naka-ku, Nagoya-shi, Aichi 460-8689 3-22-8, Mei-eki, Nakamura-ku, Nagoya-shi, Aichi 450-8666 1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
□ Kinki	Nagoya Branch Office Nagoya-ekimae Branch Office Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Toyota Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (52) 201-2311 81 (52) 561-5251 81 (25) 225-7777 81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	2-19-22, Nishiki, Naka-ku, Nagoya-shi, Aichi 460-8689 3-22-8, Mei-eki, Nakamura-ku, Nagoya-shi, Aichi 450-8666 1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086
□ Kinki	Nagoya-ekimae Branch Office Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyota Branch Office Toyota Branch Office Toyota Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (52) 561-5251 81 (25) 225-7777 81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	3-22-8, Mei-eki, Nakamura-ku, Nagoya-shi, Aichi 450-8666 1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
□ Kinki	Niigata Branch Office Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyota Branch Office Toyota Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (25) 225-7777 81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	1215-7, Rokuban-cho, Kamiokawamaedori, Niigata-shi, Niigata 951-806 3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
□ Kinki	Numazu Branch Office Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Tsu Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (55) 962-4444 81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	3-4-21, Otemachi, Numazu-shi, Shizuoka 410-8691 2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
□ Kinki	Okazaki Branch Office Shizuoka Branch Office Toyama Branch Office Toyota Branch Office Toyota Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (564) 23-1811 81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	2-11, Koseidori-nishi, Okazaki-shi, Aichi 444-0059 1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
□ Kinki	Shizuoka Branch Office Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (54) 254-6151 81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	1-6, Otemachi, Aoi-ku, Shizuoka-shi, Shizuoka 420-0853 1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086
⊐ Kinki	Toyama Branch Office Toyohashi Branch Office Toyota Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (76) 421-7561 81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	1-4-3, Tsutsumichodori, Toyama-shi, Toyama 930-0046 1-38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
⊐ Kinki	Toyohashi Branch Office Toyota Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (532) 53-1121 81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	1–38, Ekimaeodori, Toyohashi-shi, Aichi 440-0888 1–200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1–15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2–1–26, Hon-machi, Akashi-shi, Hyogo 673-0892
⊐ Kinki	Toyota Branch Office Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (565) 33-1300 81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	1-200, Nishi-machi, Toyota-shi, Aichi 471-0025 371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
□ Kinki	Tsu Branch Office Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (59) 223-2111 81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	371, Hadokoro-cho, Tsu-shi, Mie 514-0009 1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
⊐ Kinki	Yokkaichi Branch Office Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (593) 53-2141 81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	1-15, Suwasakae-machi, Yokkaichi-shi, Mie 510-0086 2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
⊐ Kinki	Akashi Branch Office Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (78) 918-1155 81 (6) 6783-5241 81 (792) 22-6101	2-1-26, Hon-machi, Akashi-shi, Hyogo 673-0892
□ Kinki	Higashiosaka Branch Office Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (6) 6783-5241 81 (792) 22-6101	
	Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (792) 22-6101	
	Himeji Branch Office Hirakata Branch Office Kishiwada Branch Office	81 (792) 22-6101	
	Hirakata Branch Office Kishiwada Branch Office		18, Shirogane-cho, Himeji-shi, Hyogo 670-0902
			5-15, Okahigashi-machi, Hirakata-shi, Osaka 573-0032
		81 (724) 38-8188	6-10, Sujikai-cho, Kishiwada-shi, Osaka 596-0057
	Kobe Branch Office	81 (78) 321-2201	1-5-32, Sannomiya-cho, Chuo-ku, Kobe-shi, Hyogo 650-0021
	Kyoto Branch Office	81 (75) 221-7211	Sakai-machi kado, Shijo-dori, Shimogyo-ku, Kyoto-shi, Kyoto 600-800
	Nanba Branch Office	81 (6) 6632-5081	4-1-15, Nanba, Chuo-ku, Osaka-shi, Osaka 542-0076
	Nara Branch Office	81 (742) 22-0351	45, Hayashikoji-cho, Nara-shi, Nara 630-8227
	Nishinomiya Branch Office	81 (798) 64-8181	1-3-8, Kofuen, Nishinomiya-shi, Hyogo 662-0832
	Osaka Branch Office	81 (6) 6201-1281	2-5-4, Kitahama, Chuo-ku, Osaka-shi, Osaka 540-8604
	Otsu Branch Office	81 (77) 526-3131	3-1-27, Nagara, Otsu-shi, Shiga 520-0046
	Sakai Branch Office	81 (72) 221-9241	59, Miyukidori, Mikunigaoka, Sakai-shi, Osaka 590-0028
	Senri Branch Office	81 (6) 6831-1661	1-1-5, Shin-senrihigashi-machi, Toyonaka-shi, Osaka 560-0082
	Takatsuki Branch Office	81 (72) 681-2111	3-1-101, Konya-cho, Takatsuki-shi, Osaka 569-0804
	Tennoji-eki Branch Office	81 (6) 6779-1431	10-48, Hidenin-cho, Tennoji-ku, Osaka-shi, Osaka 543-0055
	Toyonaka Branch Office	81 (6) 6845-8401	1-2-33, Hon-machi, Toyonaka-shi, Osaka 560-0021
	Tsukaguchi Branch Office	81 (6) 6421-1400	1-10-20, Tsukaguchi-cho, Amagasaki-shi, Hyogo 661-0002
	Uehonmachi Branch Office	81 (6) 6772-1261	6-5-28, Uehonmachi, Tennoji-ku, Osaka-shi, Osaka 543-0001
	Umeda Branch Office	81 (6) 6313-3431	2-4, Komatsubara-cho, Kita-ku, Osaka-shi, Osaka 530-0018
	Wakayama Branch Office	81 (73) 431-2111	9-2, Juban-cho, Wakayama-shi, Wakayama 640-8152
☐ Chugoku/Shikoku	Fukuyama Branch Office	81 (84) 921-3111	3-1, Higashisakura-machi, Fukuyama-shi, Hiroshima 720-0065
	Hiroshima Branch Office	81 (82) 247-4131	2-23, Tate-machi, Naka-ku, Hiroshima-shi, Hiroshima 730-0032
	Kochi Branch Office	81 (88) 823-3311	1-2-6, Harimaya-cho, Kochi-shi, Kochi 780-0822
	Kurashiki Branch Office	81 (86) 421-1511	3-9-10, Achi, Kurashiki-shi, Okayama 710-0055
	Matsue Branch Office	81 (852) 22-1515	484–16, Asahi-machi, Matsue-shi, Shimane 690–0003
	Matsuyama Branch Office	81 (89) 941-0131	5-7-3, Chifune-machi, Matsuyama-shi, Ehime 790-8691
	Okayama Branch Office	81 (86) 224-1181	6-24, Nishiki-machi, Okayama-shi, Okayama 700-8640
	Shimonoseki Branch Office	81 (832) 31-3211	1-3-15, Hosoe-cho, Shimonoseki-shi, Yamaguchi 750-8691
	Takamatsu Branch Office	81 (87) 851-4111	10–5, Furushin–machi, Takamatsu–shi, Kagawa 760–0025
	Tokushima Branch Office	81 (88) 623-0161	3–14, Yaoya-machi, Tokushima-shi, Tokushima 770–0841
	Tokuyama Branch Office	81 (834) 22-0811	1-3, Hon-machi, Shunan-shi, Yamaguchi 745-0036
	Yonago Branch Office	81 (859) 34-2851	1-27-13, Kakuban-cho, Yonago-shi, Tottori 683-0812
Kyuchu/Okinawa	Eukuoka Branch Office	Q1 (Q2) 771 7111	2.14 & Taniin Chua ku Eukuaka shi Eukuaka 910.0001
■ Kyushu/Okinawa	Fukuoka Branch Office	81 (92) 771-3111	2-14-8, Tenjin, Chuo-ku, Fukuoka-shi, Fukuoka 810-0001
	Kagoshima Branch Office	81 (99) 226-8141 81 (93) 521-7581	1-4, Sennichi-cho, Kagoshima-shi, Kagoshima 892-0843
	Kitakyushu Branch Office Kumamoto Branch Office	* *	3-1-1, Kyo-machi, Kokurakita-ku, Kitakyushu-shi, Fukuoka 802-0002
	Kurume Branch Office	81 (96) 352-3181	12–30, Hanabata-cho, Kumamoto-shi, Kumamoto 860–8604
		81 (942) 33-7151	24–18, Hiyoshi-machi, Kurume-shi, Fukuoka 830–0017
	Miyazaki Branch Office	81 (985) 24-7191	4-1-2, Tachibanadori-higashi, Miyazaki-shi, Miyazaki 880-8607
	Nagasaki Branch Office	81 (95) 821-1161	6-5, Doza-machi, Nagasaki-shi, Nagasaki 850-8691
	Naha Branch Office Oita Branch Office	81 (98) 864-2471 81 (97) 535-1211	1-1-19, Matsuyama, Naha-shi, Okinawa 900-0032
			1–3–20, Chuo-machi, Oita-shi, Oita 870–0035
	Saga Branch Office Sasebo Branch Office	81 (952) 22-7111 81 (956) 37-0531	3–15, Ekiminami-honmachi, Saga-shi, Saga 840–0816 7–20, Shimasecho, Sasebo-shi, Nagasaki 857–0806

Consolidated Five-Year Summary (U.S. GAAP)

Years ended March 31

Notes: Please note that these consolidated financial statements are prepared solely for convenience and do not include the notes herein. Readers are strongly recommended to refer to the notes contained in

				М	lillions of yen						Aillions of S. dollars
Operating Results:	-	2001	2002		2003		2004		2005		2005
Revenue:											
Commissions	¥	189,841	¥ 140,001	¥	141,640	¥	210,216	¥	221,963	\$	2,070
Fees from investment banking		87,160	75,255		81,847		86,994		92,322		861
Asset management and portfolio service fees		144,882	109,985		79,290		66,193		78,452		732
Net gain on trading		307,989	162,228		172,308		229,042		201,686		1,881
(Loss) gain on private equity investments		518,941	232,472 500,541		(14,391) 368,656		13,138 343,260		7,744 401,379		72 3,744
(Loss) gain on investments in equity securities		(98,968)	(55,860		(41,288)		55,888		15,314		143
Gain from changes in equity of an affiliated company		_	3,504		-		_		_		_
PFG entities product sales		117,523	294,931		_		_		_		_
PFG entities rental income		103,339	177,053		-		_		_		_
Gain on sales of PFG entities		_	116,324		6,229		17,640		75,061		700
Other		98,591	68,965		13,360		23,565		32,316		301
Total revenue	_	1,469,298	1,825,399		807,651		1,045,936		1,126,237		10,504
Interest expense		553,643	504,048		241,377		242,833		327,047		3,050
Net revenue		915,655	1,321,351		566,274		803,103		799,190		7,454
Non-interest expenses:											
Compensation and benefits		305,190	379,540		244,167		259,336		274,988		2,565
Commissions and floor brokerage		26,393	20,962		20,844		19,169		23,910		223
Information processing and communications Occupancy and related depreciation		70,998 65,319	87,252 73,787		77,389 57,152		80,031 54,221		81,408 53,534		759 499
Business development expenses		29,940	26,652		57,152 24,361		23,100		28,214		264
PFG entities cost of goods sold		84,004	200,871								
PFG entities expenses associated with rental income		43,760	111,529)	_		_		_		_
Private equity entities cost of goods sold		_	247.70		4,968		11,852		44,681		417
Other	_	133,879	247,786		89,984		72,718		87,620		817
Total non-interest expenses	_	759,483	1,148,379		518,865		520,427		594,355		5,544
Income before income taxes and cumulative effect of accounting change		156,172	172,972	,	47,409		282,676		204,835		1,910
Income tax expense:	_	130,172	1,2,5,2		17,107		202,070		201,000		1,510
Current		53,693	61,898	;	25,519		108,434		104,393		974
Deferred		45,069	(56,972	!)	11,776		1,913		5,710		52
Total tax expense		98,762	4,926	,	37,295		110,347		110,103		1,026
Income before cumulative effect of accounting change		57,410	168,046	•	10,114		172,329		94,732		884
Cumulative effect of accounting change		F 7 410	- 160 0 46		109,799	1/	170 700	1/	04.770	<u>_</u>	- 004
Net income	¥	57,410	¥ 168,046	¥	119,913	¥	172,329	¥	94,732	\$	884
										Ν	lillions of
Cash Flow:				М	lillions of yen					U.	S. dollars
Net cash (used in) provided by operating activities	¥	366,237	¥ (1,303,384	_		¥	(78,375)	¥	(278,929)	\$	(2,602)
Net cash (used in) provided by investing activities	_	(271,403)	(52,182		134,053		45,471		(32,564)		(304)
Net cash (used in) provided by financing activities		(101,396)	1,195,507		(22,205)	1/	198,017	1/	385,061	<u>_</u>	3,591
Cash and cash equivalents at end of the year	¥	503,676	¥ 356,635	¥	491,237	¥	637,372	¥	724,637	\$	6,758
										Ν	lillions of
Balance Sheet Data (period end):				М	lillions of yen						S. dollars
Cash and cash deposits	¥	828,649	¥ 775,734	·¥	955,509	¥	930,637	¥	1,186,756	\$	11,069
Loans and receivables		1,046,125	1,046,014		1,137,265		1,013,636		1,244,528		11,607
Collateralized agreements		5,995,998	6,680,001		8,603,170		12,881,752		4,389,045		134,201
Trading assets and private equity investments Other assets		6,394,221 2,881,031	7,841,533 1,414,991		9,286,507 1,186,995		13,838,396 1,088,545		5,600,521 2,068,003	- 1	145,500 19,287
Total assets		7,146,024	17,758,273		21,169,446		29,752,966		54,488,853	7	321,664
Short-term borrowings	_	839,564	629,279		343,437	_	429,500		517,065	_	4,822
Private equity entities short-term borrowings		- US 7,30 1	UZ7,Z17		400		7,624		116,054		1,082
Payables and deposits		1,284,282	1,251,592		821,659		1,384,096		1,042,483		9,723
Collateralized financing		7,556,925	9,087,597		11,791,833		17,367,758	2	21,666,185	2	202,072
Trading liabilities		2,857,316	2,693,746		3,888,720		5,976,966		5,332,173		49,731
Other liabilities		609,557 1,692,738	518,156 1,972,974		411,699 2,268,170		415,865 2,377,365		703,289 2,798,560		6,560 26,101
Private equity entities long-term borrowings		869,214	1,214,314		1,200		8,104		444,615		4,147
Total liabilities	1	5,709,596	16,153,344		19,527,118		27,967,278	3	52,620,424		304,238
Total shareholders' equity		1,436,428	1,604,929		1,642,328		1,785,688		1,868,429		17,426
Total liabilities and shareholders' equity	_	7,146,024	¥17,758,273		21,169,446	¥	29,752,966		34,488,853	\$3	321,664
• /			•								

Quarterly Financial Data

	Millions of yen							
		2	004			20	05	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	(2003.4.1 ~ 2003.6.30)	(2003.7.1 ~ 2003.9.30)	(2003.10.1 ~ 2003.12.31)	(2004.1.1 ~ 2004.3.31)	(2004.4.1 ~ 2004.6.30)	(2004.7.1 ~ 2004.9.30)	(2004.10.1~ 2004.12.31)	(2005.1.1 ~ 2005.3.31)
Revenue:								
Commissions	¥ 33,752	¥ 55,967	¥ 57,590	¥ 62,907	¥ 69,533	¥ 45,585	¥ 46,275	¥ 60,570
Fees from investment banking Asset management and portfolio	14,498	19,860	24,408	28,228	15,434	32,339	18,412	26,137
service fees	13,735	17,022	16,792	18,644	18,185	19,845	19,287	21,135
Net gain on trading	80,432	67,097	33,800	47,713	53,567	23,073	54,709	70,337
(Loss) gain on private equity investments	(669)	7,267	(2,105)	8,645	498	(2,097)	(2,165)	11,508
Interest and dividends	101,646	89,944	66,574	85,096	81,891	101,102	122,035	96,351
(Loss) gain on investments in	46460	4= 404	2.700	24.774	40.054	(44.60.1)		0.04=
equity securities	16,168	15,601	2,788	21,331	10,271	(11,624)	7,752	8,915
Private equity entities product sales	2,682	1,267	2,678	11,012	17,368	15,858	20,250	21,585
Other	5,348	5,471	3,167	9,580	8,548	4,747	7,206	11,815
Total revenue	267,592	279,496	205,692	293,156	275,295	228,828	293,761	328,353
Interest expense	67,505	64,809	55,461	55,058	61,367	71,987	99,873	93,820
Net revenue	¥200,087	¥214,687	¥150,231	¥238,098	¥213,928	¥156,841	¥193,888	¥234,533
Non-interest expenses:								
Compensation and benefits	¥ 65,903	¥ 67,686	¥ 61,823	¥ 63,924	¥ 65,943	¥ 64,206	¥ 67,441	¥ 77,398
Commissions and floor brokerage	4,904	4,625	3,482	6,158	6,409	6,502	4,068	6,931
Information processing and	.,	-,	-,	-,,	-,	-,	-,	-,
communications	18,890	19,520	19,155	22,466	19,281	20,136	20,404	21,587
Occupancy and related depreciation	13,319	13,506	12,929	14,467	13,274	12,986	13,152	14,122
Business development expenses	4,983	5,428	5,495	7,194	5,429	7,767	6,824	8,194
Private equity entities cost of goods sold	2,064	1,123	1,938	6,728	11,171	9,921	11,501	12,088
Other	18,724	14,848	15,478	23,667	19,955	19,116	21,306	27,243
Total non-interest expenses	128,787	126,736	120,300	144,604	141,462	140,634	144,696	167,563
Income before income taxes	71,300	87,951	29,931	93,494	72,466	16,207	49,192	66,970
Income tax expense (benefit):								
Current	27,093	38,418	15,265	27,658	26,001	22,291	10,939	45,162
Deferred	5,159	1,895	(1,065)	(4,076)	5,633	(9,300)	13,112	(3,735)
Total tax expense	32,252	40,313	14,200	23,582	31,634	12,991	24,051	41,427
Net income	¥ 39,048	¥ 47,638	¥ 15,731	¥ 69,912	¥ 40,832	¥ 3,216	¥ 25,141	¥ 25,543
Per share of common stock:				v	·			
				ĭ	en			
Basic-	V 20.14	V 0450	V 0.10	V 7(01	V 01.07	V 1.66	V 10.05	V 1716
Net income	¥ 20.14	¥ 24.58	¥ 8.10	¥ 36.01	¥ 21.03	¥ 1.66	¥ 12.95	¥ 13.16
Diluted-								
Net income	¥ 20.14	¥ 24.58	¥ 8.10	¥ 36.01	¥ 21.03	¥ 1.66	¥ 12.94	¥ 13.15

Consolidated Balance Sheets

As of March 31, 2004 and 2005

	Millions	Millions of yen		
	2004	2005	2005	
ASSETS				
Cash and cash deposits:				
Cash and cash equivalents	¥ 637,372	¥ 724,637	\$ 6,758	
Time deposits	248,737	419,606	3,914	
Deposits with stock exchanges and other segregated cash	44,528	42,513	397	
Total	930,637	1,186,756	11,069	
Lance and manipulation				
Loans and receivables: Loans receivable	543,894	516 205	4,815	
Receivables from customers	10,744	516,295	112	
Receivables from other than customers	464,776	12,037 718,997	6,706	
Allowance for doubtful accounts	(5,778)	•	*	
		(2,801)	(26	
Total	1,013,636	1,244,528	11,607	
Collateralized agreements:				
Securities purchased under agreements to resell.	5,701,646	7,201,791	67,168	
Securities borrowed	7,180,106	7,187,254	67,033	
Total	12,881,752	14,389,045	134,201	
of ¥5,229,300 million in 2004 and ¥7,743,424 million (\$72,220 million) in 2005): Securities inventory	13,066,963 479,659	14,757,597 515,946	137,639 4,812	
Private equity investments	291,774	326,978	3,049	
Total	13,838,396	15,600,521	145,500	
Other assets: Office buildings, land, equipment and facilities (net of accumulated depreciation and amortization of ¥181,655 million in 2004 and ¥196,827 million (\$1,836 million) in 2005)	178,546	261,358	2,438	
Private equity entities office buildings, land, equipment and facilities (net of accumulated depreciation and amortization of ¥794 million in 2004 and ¥3,036 million (\$28 million)				
in 2005)	22,154	444,726	4,148	
Lease deposits	64,764	100,993	942	
Non-trading debt securities (including securities pledged as collateral of ¥3,340 million in				
2004 and ¥10,208 million (\$95 million) in 2005)	206,236	277,330	2,586	
Investments in equity securities	169,459	172,067	1,605	
Investments in and advances to affiliated companies	207,668	228,975	2,136	
Deferred tax assets	105,901	114,010	1,063	
Other	133,817	468,544	4,369	
Total	1,088,545	2,068,003	19,287	
Total assets	¥29,752,966	¥34,488,853	\$321,664	
	7 7	,,	,	

Table Tabl		Millions	Millions of yen		
Short-ferm borrowings Y 429,00 Y 17,065 \$ 4,822 Private equity entities short-term borrowings 7,624 116,054 10,828 Payables and deposits: 266,664 248,089 43,229 Payables to customers 861,747 464,178 43,229 Total 255,703 330,216 5,080 Total 31,384,09 10,42,485 29,22,72 Scurities sold under agreements to repurchase 9,622,727 12,605,211 117,546 Securities sold under agreements to repurchase 2,587,70 25,637 20,637,102 33,60 Other scurities sold promisings 2,587,70 32,667,182 32,627 32,667,192 32,687 Other scurities sold burn only el purchased 5,595,98 4,895,054 4,855,40 20,022 Securities sold burn only el purchased 5,597,98 4,895,054 4,855,11 4,654 4,654 4,654 4,654 6,654 9,95,51 2,92,72 1,02 4,654 9,533 1,333 1,333 1,333 1,333 1,333 1,333 <th< th=""><th></th><th></th><th>•</th><th>2005</th></th<>			•	2005	
Short-ferm borrowings Y 429,00 Y 17,065 \$ 4,822 Private equity entities short-term borrowings 7,624 116,054 10,828 Payables and deposits: 266,664 248,089 43,229 Payables to customers 861,747 464,178 43,229 Total 255,703 330,216 5,080 Total 31,384,09 10,42,485 29,22,72 Scurities sold under agreements to repurchase 9,622,727 12,605,211 117,546 Securities sold under agreements to repurchase 2,587,70 25,637 20,637,102 33,60 Other scurities sold promisings 2,587,70 32,667,182 32,627 32,667,192 32,687 Other scurities sold burn only el purchased 5,595,98 4,895,054 4,855,40 20,022 Securities sold burn only el purchased 5,597,98 4,895,054 4,855,11 4,654 4,654 4,654 4,654 6,654 9,95,51 2,92,72 1,02 4,654 9,533 1,333 1,333 1,333 1,333 1,333 1,333 <th< td=""><td>LIABILITIES AND SHAREHOLDERS' EQUITY</td><td></td><td></td><td></td></th<>	LIABILITIES AND SHAREHOLDERS' EQUITY				
Payables to ustomers 266646 248.089 2.314 Payables to other than customers 861,747 464,178 4.529 1.520 1.5		¥ 429,500	¥ 517,065	\$ 4,822	
Payables to customers		7,624	116,054	1,082	
Payables to other than customers 861,74 444,178 4.329 Time and other deposits received 255,705 353,0216 3,080 Total 1,584,096 1,042,483 9,725 Collateralized financing: \$60,000 1,584,096 12,603,211 117,546 Securities loaned 5,157,814 5,643,782 25,677 Other secured borrowings 2,587,217 3,149,192 31,889 Total 17,367,758 21,666,185 202,072 Trading fiabilities: Securities sold but not yet purchased 5,539,988 4,895,054 45,64 Derivative contracts 417,568 437,1919 4,077 Total 5,976,966 5,332,173 49,731 Other liabilities: Trading fiabilities: Accrued income laxes 9,5558 31,937 298 Accrued income laxes 9,5558 517,975 298 Accrued pension and severance costs 86,439 99,565 299 Other	· · · · · · · · · · · · · · · · · · ·				
Time and other deposits received 255,705 350,216 3,080 Total 1,584,096 1,042,483 9,725 Collateralized financing: 9,622,727 12,603,211 117,546 Securities sold under agreements to repurchase 9,622,727 3,419,192 31,889 Other secured borrowings 2,587,217 3,419,192 31,889 Total 7,367,758 21,666,185 202,072 Trading liabilities: 8 4,895,054 45,654 Derivative contracts 417,568 457,119 4,077 Total 5,976,966 5,332,173 49,731 Other liabilities: 3 31,937 298 Accrued income taxes 93,538 31,937 298 Accrued pension and severance costs 86,439 99,565 929 Other 255,888 571,787 5,333 Total 415,865 703,289 6,560 Long-term borrowings 2,377,365 2,798,560 2,610 Private equity entities long-term borrowings 1,810 <td></td> <td>,</td> <td>,</td> <td>,</td>		,	,	,	
Total 1,884,096 1,042,483 9,725 Collateralized financing: 2 Securities sold under agreements to repurchase 9,622,727 12,603,211 117,546 Securities loaned 5,157,814 5,643,782 25,673 Other secured borrowings 2,587,217 34,191,92 31,889 Total 17,367,758 21,666,185 202,072 Trading liabilities: Securities sold but not yet purchased 5,559,598 4,895,054 45,654 Derivative contracts 417,568 437,119 4,073 Total 95,559,598 4,895,054 45,654 Derivative contracts 81,759,696 5,352,173 49,731 Total 95,558 31,937 298 Accrued pension and severance costs 86,439 99,565 929 Other 25,588 51,737 5,353 Total 415,865 703,289 6,560 Long-term borrowings 2,297,565 2,798,560 26,101 Private equity entities long-te	,	,			
Collateralized financing:	•		•		
Securities sold under agreements to repurchase 9,62,727 12,603,211 117,546 Securities loaned 5,157,814 5,643,782 26,637 Other secured borrowings 2,387,217 3,419,192 3,1889 Total 17,367,788 21,666,185 202,072 Trading liabilities: Securities sold but not yet purchased 5,595,958 4,895,054 45,654 Derivative contracts 417,568 437,119 40,77 Total 5,976,966 5,332,173 49,731 Other liabilities: Accrued income laxes 95,538 51,937 298 Accrued pension and severance costs 86,439 99,656 929 Other 253,888 571,787 5,333 Total 415,865 703,289 6,500 Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 <t< td=""><td>l otal</td><td>1,384,096</td><td>1,042,483</td><td>9,723</td></t<>	l otal	1,384,096	1,042,483	9,723	
Securities loaned 5,157,814 5,645,782 52,637 Other secured borrowings. 2,587,217 3,419,192 31,899 Total. 17,567,758 21,666,185 202,072 Trading liabilities: Securities sold but not yet purchased 5,559,598 4,895,054 45,654 Derivative contracts 417,568 437,119 4,077 Total. 5,976,966 5,352,173 49,731 Other liabilities: Accrued income taxes 95,538 31,937 298 Accrued pension and severance costs 86,439 99,565 929 Other 235,888 511,787 5,335 Total 415,865 703,289 6,560 Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 2,796,728 32,620,424 304,238 Shareholders' equity: Common stock 4 1,560,635 155,947	Collateralized financing:				
Other secured borrowings. 2,587,217 3,419,192 31,889 Total. 17,667,758 21,666,185 202,072 Trading liabilities: Securities sold but not yet purchased 5,559,598 4,895,054 45,654 Derivative contracts 417,368 437,119 4,077 Total. 5,976,966 5,332,173 49,731 Other liabilities: Accrued income taxes 95,538 31,937 298 Accrued pension and severance costs 86,439 99,565 299 Other 255,888 571,787 5,333 Total 415,865 703,289 6,660 Long-term borrowings 2,377,365 2,788,500 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 3182,800 182,800 1,705 Additional paid-in capital. 154,065 155,947 1	Securities sold under agreements to repurchase	9,622,727	12,603,211	117,546	
Total. 17,367,758 21,666,185 202,072 Trading liabilities: Securities sold but not yet purchased 5,559,598 4,895,054 45,634 Derivative contracts 417,568 437,119 4,077 Total 5,976,966 5,332,173 49,731 Other liabilities: Accrued income taxes 93,538 31,937 298 Accrued pension and severance costs 86,439 99,565 299 Other 253,888 571,787 5,333 Total 415,865 705,289 6,560 Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,262,0424 304,238 Shareholders' equity: Common stock 4 4,146,15 4,147 Additional paid-in capital. 15,023,1 1,66,136 14,980 Accumulated other comprehensive (loss) income: 4,155,223,1 4,244,45 230 <		5,157,814	5,643,782	52,637	
Trading liabilities: Secunties sold but not yet purchased. 5,599,598 4,895,054 45,654 Derivative contracts. 417,568 457,119 4,077 Total. 5,976,966 5,332,175 49,731 Other liabilities: Accrued income taxes. 95,558 51,957 298 Accrued pension and severance costs 86,459 99,565 299 Other. 25,888 571,787 5,333 Total 415,865 703,289 6,560 Long-term borrowings. 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities. 27,967,278 32,60,424 304,238 Shareholders' equity: Common stock 4 4,063 182,800 182,800 1,705 Additional paid-in capital. 15,002,31 1,506,135 1,498 Accumulated other comprehensive (loss) income: 4,622,11 1,606,136 1,498 Minimum pension liability ad	Other secured borrowings	2,587,217	3,419,192	31,889	
Securities sold but not yet purchased 5,559,598 4,895,054 45,654 Derivative contracts 417,368 437,119 4,077 Total 5,976,966 5,332,173 49,731 Other liabilities: Accrued income taxes 93,538 31,937 298 Accrued pension and severance costs 86,439 99,565 299 Other 235,888 571,787 5,333 Total 415,865 703,289 6,560 Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 3,104 444,615 4,147 Additional paid-in capital 150,000,000,000 1,82,800 1,705 Additional paid-in capital 150,000,000 1,49,800 Accumulated other comprehensive (loss) income: 31,500,231 1,606,136 14,980 Cumulative translati	Total	17,367,758	21,666,185	202,072	
Securities sold but not yet purchased 5,559,598 4,895,054 45,654 Derivative contracts 417,368 437,119 4,077 Total 5,976,966 5,332,173 49,731 Other liabilities: Accrued income taxes 93,538 31,937 298 Accrued pension and severance costs 86,439 99,565 299 Other 235,888 571,787 5,333 Total 415,865 703,289 6,560 Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 3,104 444,615 4,147 Additional paid-in capital 150,000,000,000 1,82,800 1,705 Additional paid-in capital 150,000,000 1,49,800 Accumulated other comprehensive (loss) income: 31,500,231 1,606,136 14,980 Cumulative translati	Trading liabilities:				
Derivative contracts 417,368 437,119 4,077 Total 5,976,966 5,332,173 49,731 Other liabilities: Accrued income taxes 93,538 31,937 298 Accrued pension and severance costs 86,439 99,565 929 Other 255,888 571,787 5,333 Total 415,865 703,289 6,560 Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 444,615 4,147 Authorized—6,000,000,000 shares 182,800 182,800 1,705 Additional paid-in capital 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accrumulated other comprehensive (loss) income: (34,221) (24,645) (230) Cumulative translation adjustment (=	5,559,598	4,895,054	45,654	
Other liabilities: Accrued income taxes 95,558 31,937 298 Accrued pension and severance costs 86,439 99,565 929 Other 235,888 571,787 5,333 Total 415,865 703,289 6,560 Long-term borrowings 2,377,565 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 40,000,000,000 shares 182,800 182,800 1,705 Additional paid-in capital 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accrumulated other comprehensive (loss) income: (34,221) (24,645) (250) Minimum pension liability adjustment (34,221) (24,645) (250) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) 398 <td></td> <td></td> <td></td> <td>*</td>				*	
Accrued income taxes 93,538 31,937 298 Accrued pension and severance costs 86,439 99,565 929 Other 235,888 571,787 5,333 Total 415,865 705,289 6,560 Long-term borrowings 2,779,565 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: 27,967,278 32,620,424 304,238 Shareholders' equity: 318,800 182,800 1,705 Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: 34,221 (24,645) (250) Cumulative translation adjustments (34,280) (18,083) (168) Subtotal (68,601) (42,728) 398) Total 1,818,493 1,902,155 17,741 Less-Common stock held i	Total	5,976,966	5,332,173	49,731	
Accrued income taxes 93,538 31,937 298 Accrued pension and severance costs 86,439 99,565 929 Other 235,888 571,787 5,333 Total 415,865 705,289 6,560 Long-term borrowings 2,779,565 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: 27,967,278 32,620,424 304,238 Shareholders' equity: 318,800 182,800 1,705 Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: 34,221 (24,645) (250) Cumulative translation adjustments (34,280) (18,083) (168) Subtotal (68,601) (42,728) 398) Total 1,818,493 1,902,155 17,741 Less-Common stock held i	Other Red Reserve				
Accrued pension and severance costs 86,439 99,565 929 Other 255,888 571,787 5,533 Total 415,865 703,289 6,560 Long-term borrowings 2,577,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 32,000,000,000,000 shares 182,800 182,800 1,705 Additional paid-in capital 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: 34,221 (24,645) (230) Cumulative translation adjustments (34,280) (18,083) (168) Subtotal (68,601) 42,728 398) Total 1,818,493 1,902,155 17,741 Less-Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31,2004 and 2005, respectively (32,805) (33,726)		93 538	31 937	208	
Other 235,888 571,787 5,333 Total 415,865 703,289 6,560 Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 4 4 444,615 4,147 Authorized—6,000,000,000 shares 182,800 182,800 1,705 Additional paid—in capital 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: (34,221) (24,645) (250) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31,2004 and 2005, respectively (32,805) (33,726) (31,50 <td></td> <td>,</td> <td></td> <td></td>		,			
Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 4 Authorized–6,000,000,000 shares 182,800 182,800 1,705 Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: (34,221) (24,645) (230) Cumulative translation adjustment (34,380) (18,083) (168) Subtotal (68,601) (42,728) 398) Total 1,818,495 1,902,155 17,741 Less-Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (52,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426			,		
Long-term borrowings 2,377,365 2,798,560 26,101 Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 4 Authorized–6,000,000,000 shares 182,800 182,800 1,705 Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: (34,221) (24,645) (230) Cumulative translation adjustment (34,380) (18,083) (168) Subtotal (68,601) (42,728) 398) Total 1,818,495 1,902,155 17,741 Less-Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (52,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Total	415.865	703 289	6.560	
Private equity entities long-term borrowings 8,104 444,615 4,147 Total liabilities 27,967,278 32,620,424 304,238 Shareholders' equity: Common stock 4,416 4,416 4,416 Authorized—6,000,000,000 shares 182,800 182,800 1,705 Additional paid-in capital 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) 398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426			•		
Shareholders' equity: Common stock Authorized—6,000,000,000 shares Issued—1,965,919,860 shares at March 31, 2004 and 2005 182,800 182,800 182,800 1,705 Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: Minimum pension liability adjustment (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (31,502) Total shareholders' equity 1,785,688 1,868,429 17,426					
Shareholders' equity: Common stock Authorized—6,000,000,000 shares Issued—1,965,919,860 shares at March 31, 2004 and 2005. 182,800 182,800 1,705 Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	. ,		·		
Common stock Authorized—6,000,000,000 shares 182,800 182,800 1,705 Issued—1,965,919,860 shares at March 31, 2004 and 2005 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Total habilities	27,967,278	32,620,424	304,238	
Authorized—6,000,000,000 shares Issued—1,965,919,860 shares at March 31, 2004 and 2005. 182,800 182,800 1,705 Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Shareholders' equity:				
Issued—1,965,919,860 shares at March 31, 2004 and 2005. 182,800 182,800 1,705 Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426					
Additional paid-in capital. 154,063 155,947 1,454 Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income: Minimum pension liability adjustment (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426		100.000	100,000	1.705	
Retained earnings 1,550,231 1,606,136 14,980 Accumulated other comprehensive (loss) income:					
Accumulated other comprehensive (loss) income: Minimum pension liability adjustment. (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Additional paid-in capital	154,063	155,947	1,454	
Minimum pension liability adjustment (34,221) (24,645) (230) Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Retained earnings	1,550,231	1,606,136	14,980	
Cumulative translation adjustments (34,380) (18,083) (168) Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Accumulated other comprehensive (loss) income:				
Subtotal (68,601) (42,728) (398) Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Minimum pension liability adjustment	(34,221)	(24,645)	(230)	
Total 1,818,493 1,902,155 17,741 Less—Common stock held in treasury, at cost 24,263,831 shares and 24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Cumulative translation adjustments	(34,380)	(18,083)	(168)	
Less—Common stock held in treasury, at cost 24,263,831 shares and (32,805) (33,726) (315) 24,657,971 shares at March 31, 2004 and 2005, respectively (1,785,688) 1,868,429 17,426	Subtotal	(68,601)	(42,728)	(398)	
24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Total	1,818,493	1,902,155	17,741	
24,657,971 shares at March 31, 2004 and 2005, respectively (32,805) (33,726) (315) Total shareholders' equity 1,785,688 1,868,429 17,426	Less–Common stock held in treasury, at cost 24,263,831 shares and				
		(32,805)	(33,726)	(315)	
Total liabilities and shareholders' equity ¥29,752,966 ¥34,488,853 \$321,664	Total shareholders' equity	1,785,688	1,868,429	17,426	
	Total liabilities and shareholders' equity	¥29,752,966	¥34,488,853	\$321,664	

Consolidated Income Statements

Years ended March 31

		Millio	lillions of yen		(%)	Millions of U.S. dollars	
	2004		2005		YoY	2005	
					increase (decrease)		
Revenue:							
Commissions	¥ ź	210,216	¥	221,963	5.6	\$	2,070
Fees from investment banking		86,994		92,322	6.1		861
Asset management and portfolio service fees		66,193		78,452	18.5		732
Net gain on trading	4	229,042		201,686	(11.9)		1,881
Gain on private equity investments		13,138		7,744	(41.1)		72
Interest and dividends		343,260		401,379	16.9		3,744
Gain on investments in equity securities		55,888		15,314	(72.6)		143
Private equity entities product sales		17,640		75,061	325.5		700
Other		23,565		32,316	37.1		301
Total revenue	1 (045,936	1	,126,237	7.7	1	10,504
			'		34.7		,
Interest expense		242,833		327,047			3,050
Net revenue		803,103		799,190	(0.5)		7,454
Non-interest expenses:							
Compensation and benefits	4	259,336		274,988	6.0		2,565
Commissions and floor brokerage		19,169		23,910	24.7		223
Information processing and communications		80,031		81,408	1.7		759
Occupancy and related depreciation		54,221		53,534	(1.3)		499
Business development expenses		23,100		28,214	22.1		264
Private equity entities cost of goods sold		11,852		44,681	277.0		417
Other		72,718		87,620	20.5		817
Total		520,427		594,355	14.2		5,544
Income before income taxes	2	282,676		204,835	(27.5)		1,910
Income tax expense:							
Current		108,434		104,393	(3.7)		974
Deferred		1,913		5,710	198.5		52
Total		110,347		110,103	(0.2)		1,026
Net income	¥	172,329	¥	94,732	(45.0)	\$	884
The means of the second of the	÷	172,323) 1,7 GZ	(13.0)	Ψ	
Per share of common stock:	Yen		(%)	U.S.	dollars		
Basic-							
Net income	¥	88.82	¥	48.80	(45.1)	\$	0.46
Diluted-							
Net income	¥	88.82	¥	48.77	(45.1)	\$	0.45

Changes in Additional Paid-in Capital and Retained Earnings

Years ended March 31

	Millions	Millions of U.S. dollars	
	2004	2005	2005
Additional paid-in capital			
Balance at beginning of year	¥ 151,328	¥ 154,063	\$ 1,437
Gain on sales of treasury stock	1,807	14	0
Issuance of common stock options	928	1,870	17
Balance at end of year	¥ 154,063	¥ 155,947	\$ 1,454
Detained counings			
Retained earnings Balance at beginning of year	¥1,407,028	¥1,550,231	\$14,458
Net income	, ,	, ,	884
	172,329	94,732	
Cash dividends	(29,126)	(38,827)	(362)
Balance at end of year	¥1,550,231	¥1,606,136	\$14,980

Consolidated Statements of Comprehensive Income

Years ended March 31

	Millions o	Millions of U.S. dollars	
	2004	2005	2005
Net income	¥172,329	¥ 94,732	\$ 884
Other comprehensive (loss) income: Change in cumulative translation adjustments, net of tax	(12,051) 7,337	16,297 9,576	152 89
Total other comprehensive (loss) income, net of tax	(4,714)	25,873	241
Comprehensive income	¥167,615	¥120,605	\$1,125

Consolidated Statements of Cash Flows

Years ended March 31

	Millions of yen		Millions of U.S. dollars	
	2004	2005	2005	
Cash flows from operating activities:				
Net income	¥ 172,329	¥ 94,732	\$ 884	
Adjustments to reconcile net income to net cash used in operating activities:				
Depreciation and amortization	33,706	38,163	356	
(Gain) on investments in equity securities	(55,888)	(15,314)	(143	
Deferred income tax expense	1,913	5,710	53	
Changes in operating assets and liabilities:	,	,		
Time deposits	174,331	(157,971)	(1,473	
Deposits with stock exchanges and other segregated cash	(7,485)	3,036	28	
Trading assets and private equity investments	(4,808,112)	(1,552,822)	(14,483	
Trading liabilities	2,152,243	(738,575)	(6,888	
Securities purchased under agreements to resell, net of securities sold	2,132,213	(130,313)	(0,000	
under agreements to repurchase	1,297,514	1,402,270	13,078	
Securities borrowed, net of securities loaned	(1,576,454)	483,804	4,512	
		831,974	7,760	
Other secured borrowings	1,747,519	•	,	
Loans and receivables, net of allowance	135,821	(158,640)	(1,480	
Payables and deposits received	592,779	(478,796)	(4,466	
Accrued income taxes, net	80,273	(69,418)	(647	
Other, net	(18,864)	32,918	307	
Net cash used in operating activities	(78,375)	(278,929)	(2,602)	
Cash flows from investing activities: Payments for purchases of office buildings, land, equipment and facilities Proceeds from sales of office buildings, land, equipment and facilities Payments for purchases of investments in equity securities Proceeds from sales of investments in equity securities Decrease (increase) in non-trading debt securities, net Other, net	(39,303) 1,341 (61) 24,309 61,705 (2,520)	(59,348) 2,645 (79) 12,985 (71,604) 82,837	(554) 25 (1) 121 (668) 773	
Net cash provided by (used in) investing activities	45,471	(32,564)	(304	
Net cash provided by (used in) investing activities	45,471	(32,364)	(304	
Cash flows from financing activities:				
Increase in long-term borrowings	712,675	844,659	7,878	
Decrease in long-term borrowings	(551,897)	(495,455)	(4,622	
Increase in short-term borrowings, net	76,982	70,181	655	
Proceeds from sales of common stock	8,027	143	1	
Payments for repurchases of common stock	(4,084)	(475)	(4	
Payments for cash dividends	(43,686)	(33,992)	(317	
Net cash provided by financing activities	198,017	385,061	3,591	
Effect of exchange rate changes on cash and cash equivalents	(18,978)	13,697	128	
		,		
Net increase in cash and cash equivalents	146,135 491,237	87,265 637,372	813 5,945	
		,		
Cash and cash equivalents at end of the year	¥ 637,372	¥ 724,637	\$ 6,758	

Corporate Data

CORPORATE DATA

Date of Incorporation

December 25, 1925

Head Office

1-9-1, Nihonbashi, Chuo-ku, Tokyo 103-8645, Japan Tel: 81 (3) 5255-1000

Fax: 81 (3) 5255-1064

¥182,799,788,854 (As of March 31, 2005)

Group Employees

14,344 (As of March 31, 2005)

Fiscal year end

March 31

SHARE DATA

Number of Common Stock Issued

1,965,919,860 shares (As of March 31, 2005)

Listings

The common shares of Nomura Holdings, Inc. are listed on the Tokyo, Osaka, Nagoya and Singapore stock exchanges. The shares are also listed on the New York Stock Exchange in the form of American Depositary Receipts and on the Amsterdam Stock Exchange (Euronext) both through the Amsterdam Securities Account System and in the form of Continental Depositary Receipts. (As of June 30, 2005)

Transfer Agent and Registrar

UFJ Trust Bank Limited Corporate Agency Department 81 (3) 5683-5111 0120-232-711 (Toll free in Japan)

Depositary for American Depositary Receipts (ADRs)

The Bank of New York

ADR Division 1 (212) 815-8161

U.S. Toll Free: (888) 269-2377 (888-BNY-ADRS)

www.adrbny.com

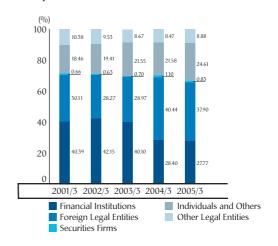
*As of July 7, 2005

Ratio: 1 ADR=1 ordinary share

Number of Shareholders

225,334 (Unit shareholders: 196,580) (As of March 31, 2005)

Component Ratio of Shareholders



CREDIT RATINGS

	Nomura Holdings, Inc.		Nomura Securities Co., Ltd.			
	Long-term	Short-term	Long-term	Short-term		
S&P	BBB+	A-2	A-	A-2		
Moody's	Baa1	_	A3	P-2		
R&I	A+	a-1	A+	a-1		
JCR	AA	_	AA	_		

FOR MORE INFORMATION

Investor Relations Department Nomura Group Headquarters

Nomura Securities Co., Ltd. 1-9-1, Nihonbashi, Chuo-ku,

Tokyo, 103-8011 Japan Tel: 81 (3) 3211-1811

www.nomuraholdings.com/investor/

Nomura Holdings Website

The Nomura Holdings website has been redesigned to become the first JIS-compliant website in Japan's securities industry. The site can now be used more easily by seniors and individuals with disabilities. In addition, further improvements have been made with regard to ease of use and accessibility.

Our e-mail alert service informs subscribers when a news release is issued or new content is uploaded to our website.



NOMURA



