

NOMURA HOLDINGS INC
Form 6-K
October 28, 2008
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FORM 6-K

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

Commission File Number: 1-15270

Supplement for the month of October 2008.

NOMURA HOLDINGS, INC.

(Translation of registrant's name into English)

9-1, Nihonbashi 1-chome

Chuo-ku, Tokyo 103-8645

Japan

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

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Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

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

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

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

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Information furnished on this form:

EXHIBIT

Exhibit Number

1. Financial Highlights Six months ended September 2008

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SIGNATURES

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

NOMURA HOLDINGS, INC.

Date: October 28, 2008

By: /s/ Shinichiro Watanabe
Shinichiro Watanabe

Senior Corporate Managing Director

Table of Contents**Financial Summary For the Six Months Ended September 30, 2008 (US GAAP)**

Date: October 28, 2008
Company name (code number): **Nomura Holdings, Inc. (8604)**
Stock exchange listings: (In Japan) Tokyo, Osaka, Nagoya
(Overseas) New York, Singapore
Representative: Kenichi Watanabe
President and Chief Executive Officer, Nomura Holdings, Inc.
For inquiries: Toshiki Shinjo
Managing Director, Investor Relations Department, Nomura Holdings, Inc.
Tel: (Country Code 81) 3-5255-1000
URL <http://www.nomura.com>

1. Consolidated Operating Results

(1) Operating Results

| | For the six months ended September 30 | | | |
|---|--|---------|--------------------|---------|
| | 2008 | | 2007 | |
| | (Yen amounts in millions, except per share data) | | | |
| | % Change from | | % Change from | |
| | September 30, 2007 | | September 30, 2006 | |
| Total revenue | 515,608 | (51.7)% | 1,067,371 | 22.6% |
| Net revenue | 263,152 | (49.5)% | 521,502 | 14.1% |
| (Loss) income before income taxes | (153,605) | | 89,352 | (16.1)% |
| Net (loss) income | (149,464) | | 64,231 | 0.9% |
| Basic net (loss) income per share | (78.32) | | 33.66 | |
| Diluted net (loss) income per share | (78.42) | | 33.55 | |
| Return on shareholders' equity (annualized) | (15.7)% | | 5.8% | |

(2) Financial Position

| | At September 30 | At March 31 |
|--|-----------------|-------------|
| | 2008 | 2008 |
| (Yen amounts in millions, except per share data) | | |
| Total assets | 24,758,108 | 25,236,054 |
| Shareholders' equity | 1,810,137 | 1,988,124 |
| Shareholders' equity as a percentage of total assets | 7.3% | 7.9% |
| Shareholders' equity per share | 948.34 | 1,042.60 |

Note: Certain reclassifications of previously reported amounts have been made to conform to the current year presentation.

2. Cash dividends

| For the year ended/ending March 31 | | |
|------------------------------------|------|-------------|
| 2008 | 2009 | 2009 (Plan) |

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| | (Yen amounts) | |
|--|---------------|-------------|
| Target dividends per share ^{See note 1} | | |
| dividends record dates | | |
| At June 30 | 8.50 | 8.50 |
| At September 30 | 8.50 | 8.50 |
| At December 31 | 8.50 | 8.50 |
| At March 31 | 8.50 | 8.50 |
| Additional payout based on the level of profit ^{See note 2} | | |
| At March 31 | | Unconfirmed |
| Total at March 31 | 8.50 | Unconfirmed |
| For the year | 34.00 | 34.00 |

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

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

3. Revision of cash dividend forecast for during this period : None

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

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

4. Other

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

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

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

a) Changes in accounting principles : Yes

b) Other changes : None

Note: Please refer to page 6, Qualitative Information and Financial Statements - 4. Other for details.

(4) Number of shares issued (common stock)

| | At September 30 2008 | At March 31 2008 |
|---|---|---------------------|
| Number of shares outstanding (including treasury stock) | 1,965,919,860 | 1,965,919,860 |
| Treasury stock | 57,179,691 | 59,034,801 |
| | For the six months ended September 30 2008 | 2007 |
| Average number of shares outstanding | 1,908,311,939 | 1,908,270,970 |

Table of Contents**Qualitative Information and Financial Statements****1. Qualitative Discussion of Consolidated Results
US GAAP**

| | Billions of yen For the six months ended | | % Change (A-B)/(B) |
|-----------------------------------|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Net revenue | 263.2 | 521.5 | (49.5) |
| Non-interest expenses | 416.8 | 432.2 | (3.6) |
| Income (loss) before income taxes | (153.6) | 89.4 | |
| Income tax expense | (4.1) | 25.1 | |
| Net income (loss) | (149.5) | 64.2 | |
| Return on equity (annualized) | (15.7)% | 5.8% | |

Nomura Holdings, Inc. and its consolidated entities (Nomura) reported net revenue of 263.2 billion yen for the six months ended September 30, 2008, a decrease of 49.5% from the same period in the prior year. Non-interest expenses declined 3.6% from the same period in the prior year to 416.8 billion yen. Loss before income taxes was 153.6 billion yen for the six months ended September 30, 2008. Net loss was 149.5 billion yen for the six months ended September 30, 2008.

Segments Information

| | Billions of yen For the six months ended | | % Change (A-B)/(B) |
|-----------------------------------|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Net revenue | 270.8 | 547.6 | (50.5) |
| Non-interest expenses | 416.8 | 432.2 | (3.6) |
| Income (loss) before income taxes | (146.0) | 115.4 | |

In business segment totals, which exclude unrealized gains (losses) on investments in equity securities held for operating purposes, net revenue for the six months ended September 30, 2008 was 270.8 billion yen, a decrease of 50.5% from the same period in the prior year. Non-interest expenses decreased 3.6% from the same period in the prior year to 416.8 billion yen. Loss before income taxes was 146.0 billion yen for the six months ended September 30, 2008. Please refer to page 11 for further details of the differences between US GAAP and business segment values.

Table of Contents**<Business Segment Results>****Operating Results of Domestic Retail**

| | Billions of yen | | % Change |
|-----------------------------------|---------------------------|---------------------------|-----------|
| | For the six months ended | | |
| | September 30, 2008 (A) | September 30, 2007 (B) | (A-B)/(B) |
| Net revenue | 160.3 | 225.1 | (28.8) |
| Non-interest expenses | 138.8 | 142.3 | (2.5) |
| Income (loss) before income taxes | 21.5 | 82.8 | (74.0) |

Net revenue decreased 28.8% from the same period in the prior year to 160.3 billion yen. The overall market slump triggered by turmoil in the global financial markets led to a decline in brokerage commissions and commissions for distribution of investment trusts. Non-interest expenses decreased 2.5% to 138.8 billion yen. As a result, income before income taxes decreased 74.0% to 21.5 billion yen.

Operating Results of Global Markets

| | Billions of yen | | % Change |
|-----------------------------------|---------------------------|---------------------------|-----------|
| | For the six months ended | | |
| | September 30, 2008 (A) | September 30, 2007 (B) | (A-B)/(B) |
| Net revenue | 4.4 | 125.7 | (96.5) |
| Non-interest expenses | 152.7 | 167.3 | (8.7) |
| Income (loss) before income taxes | (148.3) | (41.6) | |

Net revenue decreased 96.5% from the same period in the prior year to 4.4 billion yen, resulting in net losses due primarily to turmoil in the global financial markets. Non-interest expenses decreased 8.7% to 152.7 billion yen. As a result, loss before income taxes was 148.3 billion yen.

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

| | Billions of yen For the six months ended | | % Change (A-B)/(B) |
|-----------------------------------|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Net revenue | 34.2 | 47.6 | (28.0) |
| Non-interest expenses | 30.4 | 30.7 | (1.2) |
| Income (loss) before income taxes | 3.9 | 16.8 | (77.1) |

Net revenue decreased 28.0% from the same period in the prior year to 34.2 billion yen, due primarily to a decline in transaction volume in the equity finance reflecting instability across the global stock markets. Non-interest expenses decreased 1.2% to 30.4 billion yen. As a result, income before income taxes decreased 77.1% to 3.9 billion yen.

Operating Results of Global Merchant Banking

| | Billions of yen For the six months ended | | % Change (A-B)/(B) |
|-----------------------------------|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Net revenue | (16.5) | 51.9 | |
| Non-interest expenses | 8.2 | 6.3 | 29.6 |
| Income (loss) before income taxes | (24.7) | 45.5 | |

Net revenue was negative 16.5 billion yen, due primarily to unrealized losses of certain investee companies. Non-interest expenses increased 29.6% from the same period in the prior year to 8.2 billion yen. As a result, loss before income taxes was 24.7 billion yen.

Table of Contents**Operating Results of Asset Management**

| | Billions of yen For the six months ended | | % Change (A-B)/(B) |
|-----------------------------------|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Net revenue | 35.8 | 49.1 | (27.0) |
| Non-interest expenses | 26.9 | 27.7 | (3.0) |
| Income (loss) before income taxes | 8.9 | 21.4 | (58.1) |

* Defined contribution pension plan business in Asset Management was integrated to Other business in the second quarter of the fiscal year ending March 31, 2009. Certain reclassifications of previously reported amounts have been made to conform to the current presentation.

Net revenue decreased 27.0% from the same period in the prior year to 35.8 billion yen, due primarily to unrealized losses from pilot funds and seed money for new product development. Non-interest expenses decreased 3.0% to 26.9 billion yen. As a result, income before income taxes decreased 58.1% to 8.9 billion yen.

Other Operating Results

| | Billions of yen For the six months ended | | % Change (A-B)/(B) |
|-----------------------------------|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Net revenue | 52.5 | 48.3 | 8.7 |
| Non-interest expenses | 59.8 | 57.7 | 3.6 |
| Income (loss) before income taxes | (7.2) | (9.4) | |

Net revenue in other operating results increased 8.7% from the same period in the prior year to 52.5 billion yen. Loss before income taxes was 7.2 billion yen.

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2. Financial Position

Total assets as of September 30, 2008, were 24.8 trillion yen, a decrease of 477.9 billion yen compared to March 31, 2008, reflecting primarily a decrease in Collateralized agreements. Total liabilities as of September 30, 2008, were 22.9 trillion yen, a decrease of 300.0 billion yen compared to March 31, 2008, mainly due to a decrease in Collateralized financing. Total shareholders' equity at September 30, 2008, was 1.8 trillion yen, a decrease of 178.0 billion yen compared to March 31, 2008, mainly reflecting a decrease in Retained earnings due to the recording of Net loss.

3. Earnings Forecasts

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

4. Other

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

Accounting for fair value measurements

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

Accounting for fair value option for financial assets and financial liabilities

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

Accounting for offsetting of amounts related to certain contracts

Nomura adopted FASB staff position No.39-1, Amendment of FASB Interpretation No.39 on April 1, 2008. The consolidated balance sheets as of March 31, 2008 have been reclassified in accordance with this standard, as it demands retrospective application.

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5. Quarterly Consolidated Financial Statements

Basis of presentation

The quarterly consolidated financial information herein has been prepared in accordance with Nomura's accounting policies which are disclosed in the notes of Nomura Holdings, Inc.'s Annual Securities Report (the annual report filed in Japan on June 30, 2008) and Form 20-F (the annual report filed with the U.S. Securities and Exchange Commission on June 30, 2008) for the year ended March 31, 2008.

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

The review procedures of the quarterly report for this period have not been completed yet.

Table of Contents**(1) CONSOLIDATED BALANCE SHEETS (UNAUDITED)**

| | Millions of yen | | |
|---|-----------------------|-------------------|-------------------------|
| | September 30, 2008 | March 31, 2008 | Increase/ (Decrease) |
| ASSETS | | | |
| Cash and cash deposits: | | | |
| Cash and cash equivalents | 430,925 | 507,236 | (76,311) |
| Time deposits | 888,793 | 758,130 | 130,663 |
| Deposits with stock exchanges and other segregated cash | 190,817 | 168,701 | 22,116 |
| | 1,510,535 | 1,434,067 | 76,468 |
| Loans and receivables: | | | |
| Loans receivable | 693,637 | 784,262 | (90,625) |
| Receivables from customers | 34,025 | 43,623 | (9,598) |
| Receivables from other than customers | 1,940,324 | 361,114 | 1,579,210 |
| Allowance for doubtful accounts | (2,941) | (1,399) | (1,542) |
| | 2,665,045 | 1,187,600 | 1,477,445 |
| Collateralized agreements: | | | |
| Securities purchased under agreements to resell | 2,553,215 | 3,233,200 | (679,985) |
| Securities borrowed | 5,180,708 | 7,158,167 | (1,977,459) |
| | 7,733,923 | 10,391,367 | (2,657,444) |
| Trading assets and private equity investments*: | | | |
| Trading assets | 10,606,716 | 9,947,443 | 659,273 |
| Private equity investments | 399,688 | 330,745 | 68,943 |
| | 11,006,404 | 10,278,188 | 728,216 |
| Other assets: | | | |
| Office buildings, land, equipment and facilities | | | |
| (net of accumulated depreciation and amortization of | | | |
| ¥260,744 million at September 30, 2008 and | | | |
| ¥260,910 million at March 31, 2008) | | | |
| Non-trading debt securities* | 367,344 | 389,151 | (21,807) |
| Investments in equity securities* | 282,506 | 246,108 | 36,398 |
| Investments in and advances to affiliated companies* | 131,730 | 139,330 | (7,600) |
| Other | 346,941 | 361,334 | (14,393) |
| | 713,680 | 808,909 | (95,229) |
| | 1,842,201 | 1,944,832 | (102,631) |
| Total assets | 24,758,108 | 25,236,054 | (477,946) |

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* Including securities pledged as collateral

Note: Certain reclassifications of previously reported amounts have been made to conform to the current year presentation.

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| | Millions of yen | | |
|--|-----------------------|-------------------|-------------------------|
| | September 30, 2008 | March 31, 2008 | Increase/ (Decrease) |
| LIABILITIES AND SHAREHOLDERS EQUITY | | | |
| Short-term borrowings | 1,232,400 | 1,426,266 | (193,866) |
| Payables and deposits: | | | |
| Payables to customers | 299,626 | 264,679 | 34,947 |
| Payables to other than customers | 382,330 | 322,927 | 59,403 |
| Deposits received at banks | 424,777 | 362,775 | 62,002 |
| | 1,106,733 | 950,381 | 156,352 |
| Collateralized financing: | | | |
| Securities sold under agreements to repurchase | 3,876,310 | 4,298,872 | (422,562) |
| Securities loaned | 3,486,486 | 3,753,730 | (267,244) |
| Other secured borrowings | 2,341,241 | 2,488,129 | (146,888) |
| | 9,704,037 | 10,540,731 | (836,694) |
| Trading liabilities | 4,765,785 | 4,469,942 | 295,843 |
| Other liabilities | 493,797 | 636,184 | (142,387) |
| Long-term borrowings | 5,645,219 | 5,224,426 | 420,793 |
| Total liabilities | 22,947,971 | 23,247,930 | (299,959) |
| Shareholders' equity: | | | |
| Common stock | | | |
| Authorized - 6,000,000,000 shares | | | |
| Issued - 1,965,919,860 shares at September 30, 2008 and March 31, 2008 | | | |
| Outstanding - 1,908,740,169 shares at September 30, 2008 and 1,906,885,059 shares at March 31, 2008 | 182,800 | 182,800 | |
| Additional paid-in capital | 182,413 | 177,227 | 5,186 |
| Retained earnings | 1,613,513 | 1,779,783 | (166,270) |
| Accumulated other comprehensive income | (90,495) | (71,111) | (19,384) |
| | 1,888,231 | 2,068,699 | (180,468) |
| Common stock held in treasury, at cost - 57,179,691 shares at September 30, 2008 and 59,034,801 shares at March 31, 2008 | (78,094) | (80,575) | 2,481 |
| Total shareholders' equity | 1,810,137 | 1,988,124 | (177,987) |
| Total liabilities and shareholders' equity | 24,758,108 | 25,236,054 | (477,946) |

Note: Certain reclassifications of previously reported amounts have been made to conform to the current year presentation.

Table of Contents**(2) CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**

| | Millions of yen For the six months ended | | % Change (A-B)/(B) |
|---|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Revenue: | | | |
| Commissions | 167,084 | 219,836 | (24.0) |
| Fees from investment banking | 23,433 | 46,066 | (49.1) |
| Asset management and portfolio service fees | 85,190 | 98,221 | (13.3) |
| Net (loss) gain on trading | (10,500) | 108,436 | |
| (Loss) gain on private equity investments | (14,496) | 52,933 | |
| Interest and dividends | 244,950 | 540,695 | (54.7) |
| (Loss) gain on investments in equity securities | (8,840) | (24,756) | |
| Other | 28,787 | 25,940 | 11.0 |
| Total revenue | 515,608 | 1,067,371 | (51.7) |
| Interest expense | 252,456 | 545,869 | (53.8) |
| Net revenue | 263,152 | 521,502 | (49.5) |
| Non-interest expenses : | | | |
| Compensation and benefits | 168,008 | 195,023 | (13.9) |
| Commissions and floor brokerage | 38,977 | 45,263 | (13.9) |
| Information processing and communications | 67,991 | 63,907 | 6.4 |
| Occupancy and related depreciation | 33,048 | 31,048 | 6.4 |
| Business development expenses | 14,951 | 18,677 | (19.9) |
| Other | 93,782 | 78,232 | 19.9 |
| | 416,757 | 432,150 | (3.6) |
| (Loss) income before income taxes | (153,605) | 89,352 | |
| Income tax expense | (4,141) | 25,121 | |
| Net (loss) income | (149,464) | 64,231 | |

Per share of common stock:

| | Yen | % Change |
|-------------------|---------|----------|
| Basic- | | |
| Net (loss) income | (78.32) | 33.66 |
| Diluted- | | |
| Net (loss) income | (78.42) | 33.55 |

(3) NOTE WITH RESPECT TO THE ASSUMPTION AS A GOING CONCERN

Not applicable.

Table of Contents**(4) SEGMENT INFORMATION-OPERATING SEGMENT (UNAUDITED)**

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

| | Millions of yen For the six months ended | | % Change (A-B)/(B) |
|--|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Net revenue | | | |
| Business segment information: | | | |
| Domestic Retail | 160,264 | 225,100 | (28.8) |
| Global Markets | 4,432 | 125,672 | (96.5) |
| Global Investment Banking | 34,233 | 47,552 | (28.0) |
| Global Merchant Banking | (16,509) | 51,865 | |
| Asset Management | 35,823 | 49,083 | (27.0) |
| Sub Total | 218,243 | 499,272 | (56.3) |
| Other | 52,538 | 48,312 | 8.7 |
| Net revenue | 270,781 | 547,584 | (50.5) |
| Reconciliation items: | | | |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (7,629) | (26,082) | |
| Net revenue | 263,152 | 521,502 | (49.5) |
| Non-interest expenses | | | |
| Business segment information: | | | |
| Domestic Retail | 138,767 | 142,339 | (2.5) |
| Global Markets | 152,739 | 167,319 | (8.7) |
| Global Investment Banking | 30,381 | 30,736 | (1.2) |
| Global Merchant Banking | 8,210 | 6,337 | 29.6 |
| Asset Management | 26,876 | 27,719 | (3.0) |
| Sub Total | 356,973 | 374,450 | (4.7) |
| Other | 59,784 | 57,700 | 3.6 |
| Non-interest expenses | 416,757 | 432,150 | (3.6) |
| Reconciliation items: | | | |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | | | |
| Non-interest expenses | 416,757 | 432,150 | (3.6) |
| Income (loss) before income taxes | | | |
| Business segment information: | | | |
| Domestic Retail | 21,497 | 82,761 | (74.0) |
| Global Markets | (148,307) | (41,647) | |
| Global Investment Banking | 3,852 | 16,816 | (77.1) |
| Global Merchant Banking | (24,719) | 45,528 | |
| Asset Management | 8,947 | 21,364 | (58.1) |
| Sub Total | (138,730) | 124,822 | |
| Other * | (7,246) | (9,388) | |

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| | | |
|--|-----------|----------|
| Income (loss) before income taxes | (145,976) | 115,434 |
| Reconciliation items: | | |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (7,629) | (26,082) |
| Income (loss) before income taxes | (153,605) | 89,352 |

* **Major components**

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

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

| | Millions of yen For the six months ended | | % Change (A-B)/(B) |
|---|---|---------------------------|-----------------------|
| | September 30, 2008 (A) | September 30, 2007 (B) | |
| Net gain (loss) on trading related to economic hedging transactions | 21,194 | (11,617) | |
| Realized gain on investments in equity securities held for operating purposes | (1,212) | 1,326 | |
| Equity in earnings of affiliates | 6,060 | 7,684 | (21.1) |
| Corporate items | (7,969) | (21,939) | |
| Others | (25,319) | 15,158 | |
| Total | (7,246) | (9,388) | |

Note: Defined contribution pension plan business in Asset Management was integrated to Other business in the second quarter of the fiscal year ending March 31, 2009. Certain reclassifications of previously reported amounts have been made to conform to the current presentation.

Table of Contents**(5) Significant Changes in Shareholders' equity**

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

| | Millions of yen For the six months ended | |
|---|---|-----------------------|
| | September 30, 2008 | September 30, 2007 |
| Common stock | | |
| Balance at beginning of year | 182,800 | 182,800 |
| Balance at end of period | 182,800 | 182,800 |
| Additional paid-in capital | | |
| Balance at beginning of year | 177,227 | 165,496 |
| Gain (loss) on sales of treasury stock | 1,922 | (1,458) |
| Issuance and exercise of common stock options | 3,264 | 6,229 |
| Balance at end of period | 182,413 | 170,267 |
| Retained earnings | | |
| Balance at beginning of year | 1,779,783 | 1,910,978 |
| Net (loss) income | (149,464) | 64,231 |
| Cash dividends | (32,447) | (32,418) |
| Adjustments to initially apply FIN 48 | | 1,266 |
| Adjustments to initially apply EITF 06-2 | | (1,119) |
| Adjustments to initially apply SOP 07-1 | | 2,049 |
| Adjustments to initially apply SFAS 157 | 10,383 | |
| Adjustments to initially apply SFAS 159 | 5,258 | |
| Loss on sales of treasury stock | | (371) |
| Balance at end of period | 1,613,513 | 1,944,616 |
| Accumulated other comprehensive income | | |
| Cumulative translation adjustments | | |
| Balance at beginning of year | (28,416) | 36,889 |
| Net change during the year | (19,880) | 5,472 |
| Balance at end of period | (48,296) | 42,361 |
| Defined benefit pension plans | | |
| Balance at beginning of year | (42,695) | (30,276) |
| Pension liability adjustment | 496 | 400 |
| Balance at end of period | (42,199) | (29,876) |
| Balance at end of period | (90,495) | 12,485 |
| Common stock held in treasury | | |
| Balance at beginning of year | (80,575) | (79,968) |
| Repurchases of common stock | (67) | (102) |
| Sale of common stock | 24 | 42 |
| Common stock issued to employees | 2,593 | 2,415 |
| Other net change in treasury stock | (69) | 1 |

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| | | |
|-----------------------------------|-----------|-----------|
| Balance at end of period | (78,094) | (77,612) |
| Total shareholders' equity | | |
| Balance at end of period | 1,810,137 | 2,232,556 |

Table of Contents**6. OTHER INFORMATION****Consolidated Statements of Operations Quarterly** (UNAUDITED)

| | Millions of yen For the three months ended | | | | % Change (B-A)/(A) | Millions of yen For the year ended | | |
|---|---|-----------------------|----------------------|-------------------|-----------------------|---------------------------------------|--------------------------|-------------------|
| | June 30, 2007 | September 30, 2007 | December 31, 2007 | March 31, 2008 | | June 30, 2008(A) | September 30, 2008(B) | March 31, 2008 |
| Revenue: | | | | | | | | |
| Commissions | 112,953 | 106,883 | 103,434 | 81,389 | 82,198 | 84,886 | 3.3 | 404,659 |
| Fees from investment banking | 29,890 | 16,176 | 20,340 | 18,690 | 13,407 | 10,026 | (25.2) | 85,096 |
| Asset management and portfolio service fees | 47,311 | 50,910 | 47,636 | 43,855 | 42,779 | 42,411 | (0.9) | 189,712 |
| Net gain (loss) on trading | 99,767 | 8,669 | 65,090 | (111,806) | 10,515 | (21,015) | | 61,720 |
| Gain (loss) on private equity investments | 46,159 | 6,774 | (2,987) | 26,559 | (37,663) | 23,167 | | 76,505 |
| Interest and dividends | 294,783 | 245,912 | 177,280 | 78,565 | 117,957 | 126,993 | 7.7 | 796,540 |
| (Loss) gain on investments in equity securities | (540) | (24,216) | (6,977) | (16,962) | 964 | (9,804) | | (48,695) |
| Other | 16,309 | 9,631 | (3,444) | 5,689 | 27,719 | 1,068 | (96.1) | 28,185 |
| Total revenue | 646,632 | 420,739 | 400,372 | 125,979 | 257,876 | 257,732 | (0.1) | 1,593,722 |
| Interest expense | 301,830 | 244,039 | 156,119 | 104,477 | 122,789 | 129,667 | 5.6 | 806,465 |
| Net revenue | 344,802 | 176,700 | 244,253 | 21,502 | 135,087 | 128,065 | (5.2) | 787,257 |
| Non-interest expenses: | | | | | | | | |
| Compensation and benefits | 100,653 | 94,370 | 93,361 | 78,421 | 87,910 | 80,098 | (8.9) | 366,805 |
| Commissions and floor brokerage | 22,684 | 22,579 | 20,395 | 24,534 | 18,634 | 20,343 | 9.2 | 90,192 |
| Information processing and communications | 29,188 | 34,719 | 33,869 | 37,228 | 33,359 | 34,632 | 3.8 | 135,004 |
| Occupancy and related depreciation | 15,917 | 15,131 | 14,258 | 19,535 | 15,868 | 17,180 | 8.3 | 64,841 |
| Business development expenses | 8,811 | 9,866 | 9,455 | 10,003 | 7,032 | 7,919 | 12.6 | 38,135 |
| Other | 27,609 | 50,623 | 28,525 | 50,111 | 56,548 | 37,234 | (34.2) | 156,868 |
| | 204,862 | 227,288 | 199,863 | 219,832 | 219,351 | 197,406 | (10.0) | 851,845 |
| Income (loss) before income taxes | 139,940 | (50,588) | 44,390 | (198,330) | (84,264) | (69,341) | | (64,588) |
| Income tax expense | 64,002 | (38,881) | 22,615 | (44,477) | (7,672) | 3,531 | | 3,259 |
| Net income (loss) | 75,938 | (11,707) | 21,775 | (153,853) | (76,592) | (72,872) | | (67,847) |

Per share of common stock:

| | Yen | % Change | Yen |
|--------|-----|----------|-----|
| Basic- | | | |

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| | | | | | | | |
|-------------------|-------|--------|-------|---------|---------|---------|---------|
| Net income (loss) | 39.80 | (6.13) | 11.41 | (80.62) | (40.14) | (38.18) | (35.55) |
| Diluted- | | | | | | | |
| Net income (loss) | 39.67 | (6.14) | 11.37 | (80.68) | (40.18) | (38.23) | (35.57) |

Note: The review procedures of the quarterly report for this period have not been completed yet.

Table of Contents**Business Segment Information Quarterly Results (UNAUDITED)**

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

| | Millions of yen For the three months ended | | | | | | % Change | Millions of yen |
|--|---|-----------------------|----------------------|----------------------|---------------------|--------------------------|-----------|---|
| | June 30, 2007 | September 30, 2007 | December 31, 2007 | March 31, 2008 | June 30, 2008(A) | September 30, 2008(B) | (B-A)/(A) | For the year ended March 31, 2008 |
| Net revenue | | | | | | | | |
| Business segment information: | | | | | | | | |
| Domestic Retail | 121,840 | 103,260 | 98,408 | 78,510 | 85,809 | 74,455 | (13.2) | 402,018 |
| Global Markets | 108,909 | 16,763 | 103,228 | (133,303) | 10,970 | (6,538) | | 95,597 |
| Global Investment | | | | | | | | |
| Banking | 36,740 | 10,812 | 20,757 | 14,800 | 28,986 | 5,247 | (81.9) | 83,109 |
| Global Merchant Banking | 43,407 | 8,458 | (10,190) | 23,118 | (37,009) | 20,500 | | 64,793 |
| Asset Management | 25,832 | 23,251 | 22,730 | 16,928 | 21,112 | 14,711 | (30.3) | 88,741 |
| Sub Total | 336,728 | 162,544 | 234,933 | 53 | 109,868 | 108,375 | (1.4) | 734,258 |
| Other | 10,721 | 37,591 | 16,433 | 38,423 | 24,546 | 27,992 | 14.0 | 103,168 |
| Net revenue | 347,449 | 200,135 | 251,366 | 38,476 | 134,414 | 136,367 | 1.5 | 837,426 |
| Reconciliation items: | | | | | | | | |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (2,647) | (23,435) | (7,113) | (16,974) | 673 | (8,302) | | (50,169) |
| Net revenue | 344,802 | 176,700 | 244,253 | 21,502 | 135,087 | 128,065 | (5.2) | 787,257 |
| Non-interest expenses | | | | | | | | |
| Business segment information: | | | | | | | | |
| Domestic Retail | 71,285 | 71,054 | 69,907 | 67,456 | 69,630 | 69,137 | (0.7) | 279,702 |
| Global Markets | 82,866 | 84,453 | 78,830 | 75,645 | 72,589 | 80,150 | 10.4 | 321,794 |
| Global Investment | | | | | | | | |
| Banking | 16,003 | 14,733 | 15,035 | 14,565 | 16,411 | 13,970 | (14.9) | 60,336 |
| Global Merchant Banking | 3,306 | 3,031 | 2,134 | 3,002 | 2,357 | 5,853 | 148.3 | 11,473 |
| Asset Management | 12,840 | 14,879 | 13,396 | 13,675 | 12,960 | 13,916 | 7.4 | 54,790 |
| Sub Total | 186,300 | 188,150 | 179,302 | 174,343 | 173,947 | 183,026 | 5.2 | 728,095 |
| Other | 18,562 | 39,138 | 20,561 | 45,489 | 45,404 | 14,380 | (68.3) | 123,750 |
| Non-interest expenses | 204,862 | 227,288 | 199,863 | 219,832 | 219,351 | 197,406 | (10.0) | 851,845 |
| Reconciliation items: | | | | | | | | |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | | | | | | | | |
| Non-interest expenses | 204,862 | 227,288 | 199,863 | 219,832 | 219,351 | 197,406 | (10.0) | 851,845 |

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| Income (loss) before income taxes | | | | | | | | |
|--|---------|----------|----------|-----------|----------|----------|--------|-----------|
| Business segment information: | | | | | | | | |
| Domestic Retail | 50,555 | 32,206 | 28,501 | 11,054 | 16,179 | 5,318 | (67.1) | 122,316 |
| Global Markets | 26,043 | (67,690) | 24,398 | (208,948) | (61,619) | (86,688) | | (226,197) |
| Global Investment Banking | | | | | | | | |
| Global Merchant Banking | 20,737 | (3,921) | 5,722 | 235 | 12,575 | (8,723) | | 22,773 |
| Asset Management | 40,101 | 5,427 | (12,324) | 20,116 | (39,366) | 14,647 | | 53,320 |
| | 12,992 | 8,372 | 9,334 | 3,253 | 8,152 | 795 | (90.2) | 33,951 |
| Sub Total | 150,428 | (25,606) | 55,631 | (174,290) | (64,079) | (74,651) | | 6,163 |
| Other * | (7,841) | (1,547) | (4,128) | (7,066) | (20,858) | 13,612 | | (20,582) |
| Income (loss) before income taxes | 142,587 | (27,153) | 51,503 | (181,356) | (84,937) | (61,039) | | (14,419) |
| Reconciliation items: | | | | | | | | |
| Unrealized gain (loss) on investments in equity securities held for operating purposes | (2,647) | (23,435) | (7,113) | (16,974) | 673 | (8,302) | | (50,169) |
| Income (loss) before income taxes | 139,940 | (50,588) | 44,390 | (198,330) | (84,264) | (69,341) | | (64,588) |

*** Major components**

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

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

| | Millions of yen | | | | | | % Change (B-A)/(A) | Millions of yen For the year ended March 31, 2008 |
|--|------------------|-----------------------|----------------------------|-------------------|---------------------|--------------------------|-----------------------|--|
| | June 30, 2007 | September 30, 2007 | For the three months ended | | June 30, 2008(A) | September 30, 2008(B) | | |
| | | | December 31, 2007 | March 31, 2008 | | | | |
| Net gain (loss) on trading related to economic hedging transactions | (14,425) | 2,808 | 364 | 1,513 | 1,006 | 20,188 | | (9,740) |
| Realized gain (loss) on investments in equity securities held for operating purposes | 2,107 | (781) | 135 | 13 | 291 | (1,503) | | 1,474 |
| Equity in earnings of affiliates | 5,105 | 2,579 | (5,247) | 2,306 | 2,061 | 3,999 | 94.0 | 4,743 |
| Corporate items | (9,687) | (12,252) | (11,750) | 20,265 | (5,620) | (2,349) | | (13,424) |
| Others | 9,059 | 6,099 | 12,370 | (31,163) | (18,596) | (6,723) | | (3,635) |
| Total | (7,841) | (1,547) | (4,128) | (7,066) | (20,858) | 13,612 | | (20,582) |

Note: 1. Defined contribution pension plan business in Asset Management was integrated to Other business in the second quarter of the fiscal year ending March 31, 2009. Certain reclassifications of previously reported amounts have been made to conform to the current

presentation.

2. The review procedures of the quarterly report for this period have not been completed yet.

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

| | Millions of yen For the three months ended | | | | June 30, 2008(A) | September 30, 2008(B) | % Change (B-A)/(A) | Millions of yen For the six months ended | | % Change (D-C)/(C) |
|--|---|-----------------------|----------------------|----------------------|---------------------|--------------------------|-----------------------|---|--------------------------|-----------------------|
| | June 30, 2007 | September 30, 2007 | December 31, 2007 | March 31, 2008 | | | | September 30, 2007(C) | September 30, 2008(D) | |
| Commissions/fees received | | | | | | | | | | |
| Commissions | 112,953 | 106,883 | 103,434 | 81,389 | 82,198 | 84,886 | 3.3 | 219,836 | 167,084 | (24.0) |
| Brokerage Commissions | 64,169 | 64,655 | 65,471 | 56,730 | 49,287 | 53,840 | 9.2 | 128,824 | 103,127 | (19.9) |
| Commissions for Distribution of Investment Trust | 39,172 | 34,223 | 30,600 | 17,247 | 25,811 | 24,173 | (6.3) | 73,395 | 49,984 | (31.9) |
| Fees from Investment Banking | 29,890 | 16,176 | 20,340 | 18,690 | 13,407 | 10,026 | (25.2) | 46,066 | 23,433 | (49.1) |
| Underwriting and Distribution | 10,469 | 10,434 | 14,219 | 10,524 | 6,815 | 3,385 | (50.3) | 20,903 | 10,200 | (51.2) |
| M&A / Financial Advisory Fees | 18,187 | 5,691 | 5,747 | 8,192 | 4,568 | 6,218 | 36.1 | 23,878 | 10,786 | (54.8) |
| Asset Management and Portfolio Service Fees | 47,311 | 50,910 | 47,636 | 43,855 | 42,779 | 42,411 | (0.9) | 98,221 | 85,190 | (13.3) |
| Asset Management Fees | 42,904 | 46,150 | 43,358 | 39,552 | 38,485 | 38,358 | (0.3) | 89,054 | 76,843 | (13.7) |
| Total | 190,154 | 173,969 | 171,410 | 143,934 | 138,384 | 137,323 | (0.8) | 364,123 | 275,707 | (24.3) |
| Net gain (loss) on trading | | | | | | | | | | |
| Merchant Banking | 255 | 2,010 | (5,149) | (2,085) | (69) | (457) | | 2,265 | (526) | |
| Equity Trading | 51,696 | 28,189 | 25,574 | 31,496 | 33,267 | 1,717 | (94.8) | 79,885 | 34,984 | (56.2) |
| Fixed Income and Other Trading | 47,816 | (21,530) | 44,665 | (141,217) | (22,683) | (22,275) | | 26,286 | (44,958) | |
| Total | 99,767 | 8,669 | 65,090 | (111,806) | 10,515 | (21,015) | | 108,436 | (10,500) | |

Note: The review procedures of the quarterly report for this period have not been completed yet.

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Reference Information

Unconsolidated Financial Information of Major Consolidated Entities

(UNAUDITED)

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

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

-Nomura Securities Co., Ltd. Financial Information

* The amounts are rounded to the nearest million.

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NOMURA HOLDINGS, INC.

UNCONSOLIDATED BALANCE SHEET INFORMATION

| | September 30, 2008 | March 31, 2008 | (Millions of yen) Increase/ (Decrease) |
|------------------------|-----------------------|-------------------|--|
| <i>ASSETS</i> | | | |
| Current Assets | 2,397,150 | 2,272,127 | 125,023 |
| Cash and time deposits | 1,356 | 1,416 | |