

NOMURA HOLDINGS INC
Form 6-K
June 02, 2008
Table of Contents

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

For the month of June 2008.

NOMURA HOLDINGS, INC.

(Translation of registrant's name into English)

9-1, Nihonbashi 1-chome

Chuo-ku, Tokyo 103-8645

Japan

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(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.

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

Table of Contents

Information furnished on this form:

EXHIBIT

Exhibit Number

1. (English Translation) Notice of Convocation of the Ordinary General Meeting of Shareholders
2. (English Translation) Nomura Report for the 104th Fiscal Year From April 1, 2007 to March 31, 2008

Table of Contents

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: June 2, 2008

By: /s/ Toshio Hirota
Toshio Hirota
Executive Managing Director

Table of Contents

[English Translation]

(Code: 8604)

May 31, 2008

To: Shareholders

Nobuyuki Koga
Director and Representative Executive Officer
Nomura Holdings, Inc.
1-9-1 Nihonbashi, Chuo-ku, Tokyo, JAPAN

Notice of Convocation of the Ordinary General Meeting of Shareholders

Dear Shareholder:

I would like to take this opportunity to thank you, our shareholder, for your support to Nomura Holdings, Inc. (the Company).

You are hereby notified that the 104th Ordinary General Meeting of Shareholders will be held as follows. You are respectfully requested to attend the meeting with the enclosed proxy card in your possession.

Description

1. Date and Time: 10:00 a.m. on Thursday June 26, 2008
2. Place: Hotel Okura Tokyo, Heian Room (Main Building, first floor)
2-10-4 Toranomom, Minato-ku, Tokyo, JAPAN

Table of Contents

3. Agenda for the Meeting:

Matters to be Reported:

1. 104th fiscal year (covering the period from April 1, 2007 to March 31, 2008) business report, report on the content of consolidated financial statements and report on the results of audits of consolidated financial statements by the independent accounting auditor and the Audit Committee
2. Report on the content of the 104th fiscal year financial statements (covering the period from April 1, 2007 to March 31, 2008)

Matters to be Resolved:

1. Election of Eleven Directors
2. Issue of Stock Acquisition Rights as Stock Options to executives and employees of subsidiaries of the Company

Note: This document can be accessed on the Company's website (<http://www.nomuraholdings.com/investor/shm/>).

Table of Contents**Reference Material for the General Meeting of Shareholders****Agenda and the Referenced Matters:****Proposal No. 1: Election of Eleven Directors**

As all of the nine Directors will have finished their term of office at the conclusion of this Ordinary General Meeting of Shareholders, the Company proposes the election of eleven Directors in accordance with the resolution of the Nomination Committee.

The nominees are as follows.

Name		Shareholdings of the Company
(Date of Birth) 1. Junichi Ujiie (Oct. 12, 1945)	Brief Personal History, Responsibilities and Representative Status in Other Companies (Brief Personal History) Nov. 1975 Joined Nomura Jun. 1990 Director Jun. 1992 Director and Head of Americas Division Jun. 1995 Managing Director and Head of Americas Division Jun. 1996 Managing Director in charge of Risk Analysis Division May 1997 President & CEO Apr. 2003 Chairman of the Board of Directors Jun. 2003 Chairman of the Board of Directors and Senior Managing Director Apr. 2006 Chairman of the Board of Directors (Responsibilities) Chairman of the Board of Directors Chairman of the Nomination Committee, Chairman of the Compensation Committee (Representative Status in Other Companies) Director and President & Chief Executive Officer of Nomura Institute of Capital Markets Research	130,235
2. Masanori Itatani (Oct. 13, 1953)	(Brief Personal History) Apr. 1976 Joined Nomura Jun. 1998 Director in charge of Corporate Communications and IR Jun. 2000 Director in charge of Planning Division and Corporate Communications Oct. 2001 Director in charge of General Affairs Department Jun. 2003 Senior Managing Director in charge of Global Corporate Communications, General Affairs Department and Secretariat Apr. 2004 Senior Managing Director in charge of Internal Audit Apr. 2006 Executive Managing Director in charge of Internal Audit Jun. 2007 Director (Responsibilities) Audit Mission Director	58,222
3. Masaharu Shibata (Feb. 21, 1937)	(Brief Personal History) Apr. 1959 Joined NGK Insulators, Ltd. Jun. 1994 President & CEO of NGK Insulators, Ltd. Oct. 2001 Director Jun. 2002 Chairman of NGK Insulators, Ltd.	17,000

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Jun. 2007 Statutory Auditor of Chubu-Nippon Broadcasting Co., Ltd.

(Responsibilities)

Member of the Nomination Committee, Member of the Compensation Committee

(Representative Status in Other Companies)

Chairman of NGK Insulators, Ltd.

Chairman of NGK Technica, Ltd.

Table of Contents

4. Hideaki Kubori (Aug. 29, 1944)	<p>(Brief Personal History)</p> <p>Apr. 1971 Registered as attorney at law and joined Mori Sogo Law Offices Mar. 1998 Left Mori Sogo Law Offices Apr. 1998 Chairman, Hibiya Park Law Offices Apr. 2001 Vice President, Japan Federation of Bar Associations and President, Daini Tokyo Bar Association Oct. 2001 Director Mar. 2002 Retired from Vice President, Japan Federation of Bar Associations and President, Daini Tokyo Bar Association Feb. 2003 Statutory Auditor, Sourcenext Corporation</p> <p>(Responsibilities) Member of the Nomination Committee, Member of the Compensation Committee</p> <p>(Representative Status in Other Companies) Chairman of Hibiya Park Law Offices</p>	6,000
5. Haruo Tsuji (Dec. 6, 1932)	<p>(Brief Personal History)</p> <p>Mar. 1955 Joined Hayakawa Electric Industry Co., Ltd. (currently, Sharp Corporation) Jun. 1986 President, Sharp Corporation Jun. 1998 Corporate Advisor, Sharp Corporation Jun. 2001 Statutory Auditor Jun. 2003 Director</p> <p>(Responsibilities) Chairman of the Audit Committee</p>	4,000
6. Fumihide Nomura (Apr. 13, 1934)	<p>(Brief Personal History)</p> <p>Apr. 1957 Joined Nomura Dec. 1976 Director Dec. 1979 Managing Director Dec. 1982 Statutory Auditor Jun. 2003 Director</p> <p>(Responsibilities) Member of the Audit Committee</p> <p>(Representative Status in Other Companies) President of Nomura Shokusan Co., Ltd.</p>	188,626
7. Kenichi Watanabe (Oct. 28, 1952)	<p>(Brief Personal History)</p> <p>Apr. 1975 Joined Nomura Jun. 1998 Director Jun. 2000 Managing Director Oct. 2001 Director Managing Director of Nomura Securities Co., Ltd. (NOTE) On October 1, 2001, The Nomura Securities Co., Ltd. adopted the holding company structure, changed its name to Nomura Holdings, Inc. and transferred its securities business to its wholly-owned subsidiary Nomura Securities Co., Ltd. Apr. 2002 Executive Managing Director of Nomura Securities Co., Ltd. Jun. 2003 Senior Managing Director Director and Executive Vice President of Nomura Securities Co., Ltd. Apr. 2004 Executive Vice President of Nomura Securities Co., Ltd. Mar. 2006 Retired from Senior Managing Director Apr. 2006 Deputy President of Nomura Securities Co., Ltd. Apr. 2008 President & CEO Director and President & CEO of Nomura Securities Co., Ltd.</p>	11,566

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(Representative Status in Other Companies)

Director and President & CEO of Nomura Securities Co., Ltd.

Table of Contents

8. Takumi Shibata (Jan. 8, 1953)	<p>(Brief Personal History)</p> <p>Apr. 1976 Joined Nomura</p> <p>Jun. 1998 Director</p> <p>Jun. 2000 Managing Director</p> <p>Sep. 2001 Retired from Managing Director</p> <p>Oct. 2001 Managing Director of Nomura Securities Co., Ltd. (Please see the NOTE above.)</p> <p>Apr. 2003 Executive Managing Director of Nomura Securities Co., Ltd.</p> <p>Jun. 2003 Senior Managing Director Executive Vice President of Nomura Securities Co., Ltd.</p> <p>Apr. 2004 Director and Executive Vice President of Nomura Securities Co., Ltd.</p> <p>Mar. 2005 Retired from Director and Executive Vice President of Nomura Securities Co., Ltd.</p> <p>Apr. 2005 Director and President & CEO of Nomura Asset Management Co., Ltd.</p> <p>Mar. 2006 Retired from Senior Managing Director</p> <p>Mar. 2008 Retired from Director and President & CEO of Nomura Asset Management Co., Ltd.</p> <p>Apr. 2008 Deputy President & COO Director and Deputy President of Nomura Securities Co., Ltd.</p> <p>(Representative Status in Other Companies)</p> <p>Director and Deputy President of Nomura Securities Co., Ltd.</p>	40,602
9. Masahiro Sakane (Jan. 7, 1941)	<p>(Brief Personal History)</p> <p>Apr. 1963 Joined Komatsu Ltd.</p> <p>Jun. 2001 President of Komatsu Ltd.</p> <p>Jun. 2003 President & CEO of Komatsu Ltd.</p> <p>Jun. 2007 Chairman of the Board of Komatsu Ltd.</p> <p>(Representative Status in Other Companies)</p> <p>Chairman of the Board of Komatsu Ltd.</p>	3,400
10. Tsuguoki Fujinuma (Nov. 21, 1944)	<p>(Brief Personal History)</p> <p>Apr. 1969 Entered Horie Morita Accounting Firm</p> <p>Jun. 1970 Entered Arthur & Young Accounting Firm</p> <p>Nov. 1974 Registered as a certified public accountant</p> <p>May 1991 Managing Partner of Asahi Shinwa Accounting Firm</p> <p>Jun. 1993 Managing Partner of Ota Showa & Co. (currently, Ernst & Young ShinNihon)</p> <p>May 2000 President of the International Federation of Accountants</p> <p>Nov. 2002 Retired from President of the International Federation of Accountants</p> <p>Jul. 2004 Chairman and President of the Japanese Institute of Certified Public Accountants</p> <p>Jun. 2007 Retired from Ernst & Young ShinNihon</p> <p>Jul. 2007 Retired from Chairman and President of the Japanese Institute of Certified Public Accountants</p> <p>Advisor of the Japanese Institute of Certified Public Accountants</p> <p>Aug. 2007 Director of Tokyo Stock Exchange Group, Inc.</p> <p>Oct. 2007 Governor of Tokyo Stock Exchange Regulation</p> <p>Apr. 2008 Specially-appointed Professor of Chuo Graduate School of Strategic Management</p>	0

Table of Contents

11. Yoshifumi Kawabata (Nov. 3, 1952)	<p>(Brief Personal History)</p> <p>Apr. 1975 Joined Nomura</p> <p>Jun. 1998 Director</p> <p>Jun. 2000 President of Nomura Babcock & Brown Co., Ltd.</p> <p>Sep. 2001 Retired from Director</p> <p>Oct. 2001 Director of Nomura Securities Co., Ltd. (Please see the NOTE above.)</p> <p>Apr. 2002 Managing Director of Nomura Securities Co., Ltd.</p> <p>Jun. 2003 Senior Managing Director</p> <p>Director and President of Nomura Babcock & Brown Co., Ltd. Executive Managing Director of Nomura Securities Co., Ltd.</p> <p>Mar. 2005 Retired from Senior Managing Director Retired from Executive Managing Director of Nomura Securities Co., Ltd.</p> <p>Mar. 2008 Retired from Director and President of Nomura Babcock & Brown Co., Ltd.</p> <p>Apr. 2008 Advisor</p>	14,012
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Note 1: There are no special conflicts of interests between the Company and the above-mentioned nominees.

Note 2: The nominees, Mr. Masaharu Shibata, Mr. Hideaki Kubori, Mr. Haruo Tsuji, Mr. Masahiro Sakane and Mr. Tsuguoki Fujinuma satisfy the requirements for an outside director prescribed in Article 2, paragraph 3, item 7 of the Enforcement Regulations of the Companies Act.

Note 3: The Company has respectively concluded an agreement with the nominees, Mr. Masaharu Shibata, Mr. Hideaki Kubori and Mr. Haruo Tsuji , all currently serving as outside directors, which limits liability for damage under Article 423, Item 1 of the Companies Act. The maximum amount of liability under the said agreement is ¥20 million or the amount prescribed by law, whichever is higher. If their reappointments are approved, the Company shall continue the said liability limitation agreement.

Also, if the nominees, Mr. Masahiro Sakane and Mr. Tsuguoki Fujinuma, are appointed, the Company shall respectively conclude the said liabilities limitation agreement.

Note 4: The Company has adopted the holding company structure by way of company split and changed its corporate name, The Nomura Securities Co., Ltd. into Nomura Holdings, Inc. on October 1, 2001. The brief personal history above at the Company on or before September 30, 2001 refers to responsibilities at The Nomura Securities Co., Ltd.

As to the reason for making the abovementioned eleven individuals Director Candidates, six of them, namely, Mr. Junichi Ujiie, Mr. Masanori Itatani, Mr. Masaharu Shibata, Mr. Hideaki Kubori, Mr. Haruo Tsuji and Mr. Fumihide Nomura, have played exemplary roles as directors in the determination of important managerial matters and supervision of business execution within Nomura Group and the Company would like to request all of them to continue their service as directors.

New Candidates Mr. Kenichi Watanabe and Mr. Takumi Shibata respectively serve as President & CEO and Deputy President & COO. If they concurrently serve as director, the Board of the Directors would easily comprehend the circumstances surrounding business execution and affairs of the Company and also make more appropriate important management decisions and execution of supervisory powers.

The reason for making Mr. Masahiro Sakane and Mr. Tsuguoki Fujinuma is referred below in (4) and (5).

New Candidate Mr. Yoshifumi Kawabata, is thoroughly versed in Nomura Group affairs and, at the meeting of the Board of Directors to be held after this General Meeting of Shareholders, is expected to be appointed as Audit Mission Director , a position that, without concurrently serving as the executive officer, consists of the responsibilities of a full-time director supporting the work of the Audit Committee.

Table of Contents

The followings are provisions pertaining to candidates under Article 74, Item 4 of the Enforcement Regulations of the Companies Act with respect to outside director candidates Masaharu Shibata, Hideaki Kubori, Haruo Tsuji, Masahiro Sakane and Tsuguoki Fujinuma.

(1) Masaharu Shibata

Mr. Masaharu Shibata has managerial experience as the Chairman of NGK Insulators, Ltd. and has held important role as Vice Chairman of Nippon Keidanren (Japan Business Federation). His achievements and insights have been highly evaluated within and outside the Company. The Company requests his continuation as outside director fully expecting him to play a sufficient role in determining important managerial matters of our company and supervising the execution of our company's duties on an ongoing basis by utilizing his experience.

Mr. Shibata's term in office as outside director under the Committee System is 5 years (under the Statutory Auditor System prior to the Committee System, his term was 1 year and 8 months as director).

Also, Mr. Shibata's relative within the third degree of consanguinity, is an employee of the Investor Relations & Corporate Services of Nomura Securities International, Inc., a special affiliate of the Company in the US, as defined in Article 74, Item 4, No. 6 of the Enforcement Regulations of the Companies Act.

(2) Hideaki Kubori

Mr. Hideaki Kubori has exhibited high professionalism in corporate legal affairs as a lawyer, particularly in relation to corporate governance. He had also held important role as Vice President of the Japan Federation of Bar Associations and President of the Daini Tokyo Bar Association. His achievements and insights have been highly evaluated within and outside the Company. The Company requests his continuation as outside director fully expecting him to play a sufficient role in determining important managerial matters of our company and supervising the execution of our company's duties on an ongoing basis by utilizing his expertise.

Mr. Kubori's term in office as outside director under the Committee System is 5 years (under the Statutory Auditor System prior to the Committee System, his term was 1 year and 8 months as director).

(3) Haruo Tsuji

Mr. Haruo Tsuji has managerial experience and held successively as President of Sharp Corporation. His achievements and insights have been highly evaluated within and outside the Company. The Company has requested his continuation as outside director fully expecting him to play a sufficient role in determining important managerial matters of our company and supervising the execution of our company's duties on an ongoing basis by utilizing his experience.

Mr. Tsuji's term in office as outside director under the Committee System is 5 years (under the Statutory Auditor System prior to the Committee System, his term was 2 years as statutory auditor).

Mr. Masaharu Shibata, Mr. Hideaki Kubori and Mr. Haruo Tsuji are concurrently serving as outside directors of a wholly-owned subsidiary of the Company, Nomura Securities Co., Ltd., of which in April 2008 an insider trading by a former employee has occurred. They have made several recommendations for preventive measures against recurrence in response to this.

Table of Contents

(4) Masahiro Sakane

Mr. Masahiro Sakane has managerial experience as the Chairman of Komatsu Ltd. and has held important role as Chairman of the Sub-Saharan Africa Committee of Nippon Keidanren (Japan Business Federation). His achievements and insights have been highly evaluated within and outside the Company. The Company requests his appointment as outside director fully expecting him to play a sufficient role in determining important managerial matters of our company and supervising the execution of our company's duties by utilizing his experience.

Mr. Sakane serves as the Chairman of the Board of Komatsu Ltd., which in March 2007 was imposed an administrative surcharge by the Financial Services Agency in Japan based on the fact that Komatsu's repurchase of some of its own shares from the market before disclosure of its dormant subsidiary's dissolution constituted a violation of Japan's Securities and Exchange Law. After the incident, as a representative director of Komatsu, he vigorously pursued preventive measures against recurrence, including enhancement of its control system and staff training.

(5) Tsuguoki Fujinuma

Mr. Tsuguoki Fujinuma served as President of the International Federation of Accountants, as Chairman and President of the Japanese Institute of Certified Public Accountants and Trustee of the International Accounting Standards Committee Foundation. He is amply familiar with international accounting standards and has exhibited the high professionalism befitting of a financial expert under the US Sarbanes-Oxley Act of 2002. His achievements and insights have been highly evaluated within and outside the Company. The Company requests his appointment as outside director fully expecting him to play a sufficient role in determining important managerial matters of our company and supervising the execution of our company's duties by utilizing his expertise.

Table of Contents

Proposal No. 2: Issue of Stock Acquisition Rights as Stock Options to executives and employees of subsidiaries of the Company

In accordance with provisions of Articles 236, 238, and 239 of the Companies Act, issuance of stock acquisition rights as stock options to executives (directors, executive officers), and employees of subsidiaries of the Company, the Company proposes the arrangement whereby the determination of solicitation plan will be delegated to the Board of Directors of the Company or to the Executive Officers designated by the resolution by the Board of Directors.

Two types of stock acquisition rights (Stock Acquisition Rights) are to be issued.

Stock Option A Plan

The value of assets to be financed upon the exercise of stock acquisition rights shall be determined based on the market price of the common stock of the Company at the time of issuance, and therefore qualify as stock acquisition rights under the tax system of Japan.

Stock Option B Plan

The value of assets to be financed upon the exercise of stock acquisition rights shall be one (1) yen per share.

The Stock Option B Plan will have the same economic effect as restricted stocks, a commonly used method by companies in the United States and in Europe to compensate its executives and employees. Accordingly, the exercise price will be one (1) yen and a non-exercise period of two (2) years from the determination of solicitation plan has been set. Grantees who leave the company of their accord before the start of the exercise period will, in principle, forfeit their right to the stock acquisition rights. These stock options will be granted in lieu of a portion of cash compensation, making for a quasi-deferred payment to link compensation to the Company's stock price. This will be an effective means to retain talented personnel over the medium- to long-term and link a portion of compensation to the Company's stock price. If the Company's stock price rises, grantees' compensation will also increase, thereby making it possible to align interests with shareholders. The use of such plan in stock acquisition rights as stock options is commonplace in the United States and Europe. If this system is not used, cash payments for compensation will increase.

1. Reasons why it is necessary to solicit persons to subscribe for stock acquisition rights

By linking a portion of compensation for executives and employees of subsidiaries of the Company with the market price of our share, interests can be aligned with shareholders and share common incentive between executives and employees working in different divisions and geographic regions to improve performance across Nomura Group. Accordingly, two types of stock acquisition rights, Stock Option A Plan and Stock Option B Plan, are being issued to executives and employees of subsidiaries of the Company to retain talented personnel and improve business performance. Issuance of stock acquisition rights will be determined by executive officers of the Company following appropriate deliberation by the Compensation Committees of each subsidiary of the Company regarding profit levels of the subsidiary and the contribution and compensation levels of executives and employees.

2. Maximum number of stock acquisition rights that can be issued through solicitation plan to be authorized by resolution at this Ordinary General Meeting of Shareholders

By resolution at the Ordinary General Meeting of Shareholders, the maximum aggregate number of stock acquisition rights that can be issued in Stock Option A Plan and Stock Option B Plan is 175,000, the same number as last year.

In addition, the maximum aggregate number of shares of common stock of the Company that can be issued through exercise of the stock acquisition rights for Stock Option A Plan and Stock Option B Plan is a combined total of 17,500,000 (0.89% of outstanding shares), also the same as last year. The breakdown for Stock Option A Plan and Stock Option B Plan is as outlined below.

Table of Contents

2.1 Maximum number of stock acquisition rights for Stock Option A Plan

Maximum number of stock acquisition rights

A maximum of 25,000 stock acquisition rights has been set.

In addition, the maximum number of shares of the Company's common stock to be issued upon exercise of the stock acquisition rights is 2,500,000. However, in accordance with 4 (1) (i) below, should an adjustment be made to the number of stocks granted, the final number will be the adjusted number of stocks granted in relation to the stock acquisition rights multiplied by the maximum number of stock acquisition rights above.

(Reason)

A maximum of 25,000 stock acquisition rights for Stock Option A Plan was authorized for last fiscal year and a total of 20,160 stock acquisition rights had been issued as of April 30, 2008. The Company once again proposes the arrangement whereby maximum of 25,000 stock acquisition rights be issued in order to use as incentives for executives and employees of subsidiaries of the Company.

2.2 Maximum number of stock acquisition rights for Stock Option B Plan

Maximum number of stock acquisition rights

A maximum of 150,000 stock acquisition rights has been set.

In addition, the maximum number of shares of the Company's common stock to be issued upon exercise of the stock acquisition rights is 15,000,000. However, in accordance with 4 (2) (i) below, should an adjustment be made to the number of stocks granted, the final number will be the adjusted number of stocks granted in relation to the stock acquisition rights multiplied by the maximum number of stock acquisition rights above.

(Reason)

A maximum of 150,000 stock acquisition rights for Stock Option B Plan was authorized for last fiscal year and a total of 94,674 stock acquisition rights had been issued as of April 30, 2008.

Stock Option B Plan is effective in controlling payments of cash compensation and is becoming established within Nomura Group as a mean to retain talented personnel principally in international operations over the medium- to long-term as equity-linked compensation is commonplace outside Japan. The Company needs to enhance its international strategy and will make effective use of Stock Option B as a means to hire and retain talented personnel.

Further, in regards to stock acquisition rights exercised during the 104th fiscal year, treasury stocks were issued in lieu of issuing new shares.

* As of March 31, 2008, the Company had 57,886,944 shares as treasury stock.

Table of Contents

3. Payment of money shall not be required for Stock Acquisition Rights.

4. Contents of Stock Acquisition Rights

(1) Contents of Stock Acquisition Rights under Stock Option A Plan

(i) Number of Shares under Stock Acquisition Rights

The number of shares under a Stock Acquisition Right (the Number of Shares Granted under a Stock Acquisition Right) shall be 100 shares of common stock of the Company.

If the shares are split (including allocation without charge of common stock of the Company; the same shall apply hereinafter) or consolidated after the allotment of the Stock Acquisition Rights, the number of shares granted under the unexercised stock acquisition rights at the time of the stock-split or stock-consolidation shall be adjusted in accordance with the following formula. Any fraction of less than one (1) share resulting from the adjustment shall be disregarded

$$\text{Adjusted Number of Shares Granted} = \text{Number of Shares Granted before Adjustment} \times \text{Ratio of Split or Consolidation}$$

In addition to the above, after the allotment of the stock acquisition rights, in the event of a merger of the Company with another company, a company split, a capital reduction of the Company, or any similar event in which an adjustment of the Number of Shares Granted under a Stock Acquisition Rights is required, the Company may appropriately adjust the Number of Shares Granted under a Stock Acquisition Rights to a reasonable extent.

(ii) Value of assets financed upon the exercise of the Stock Acquisition rights, or the method of calculating such value

The value of assets to be financed upon the exercise of the Stock Acquisition rights shall be the amount per share to be issued or transferred by the exercise of the Stock Acquisition Rights (the Exercise Price) multiplied by the Number of Shares Granted under a Stock Acquisition Rights.

The Exercise Price shall be an amount equal to the product of (i) the higher price of either the average of the daily closing price of the common stock of the Company in regular transactions at the Tokyo Stock Exchange, Inc. during the calendar month immediately prior to the month when the Stock Acquisition Rights (excluding dates on which no trade is made) are allotted or the closing price of the common stock of the Company in regular transactions at the Tokyo Stock Exchange, Inc. on the allotment date (if there is no closing price on the allotment date, the most recent closing price prior to the allotment date shall apply), (ii) multiplied by 1.05. Any fraction of less than one (1) yen resulting from the adjustment shall be rounded up to the nearest yen.

Table of Contents

If the shares are split or consolidated after the allotment of the Stock Acquisition Rights, the Exercise Price shall be adjusted in accordance with the following formula, and any fraction of less than one (1) yen shall be rounded up to the nearest yen.

$$\text{Adjusted Exercise Price} = \frac{\text{Exercise Price before Adjustment}}{\frac{1}{\text{Ratio of Split or Consolidation}}} \times$$

If new shares of common stock are issued or the common stock held by the Company is disposed of at a price below the market price of the common stock of the Company (excluding any cases of the exercise of stock acquisition rights and any request for the purchase of additional less-than-a-full-unit shares), the Exercise Price shall be adjusted in accordance with the following formula, and any fraction of less than one (1) yen shall be rounded up to the nearest yen.

$$\text{Adjusted Exercise Price} = \frac{\text{Exercise Price before Adjustment}}{\frac{\text{Number of Outstanding Shares issued} + \text{Number of Newly Issued Shares} \times \frac{\text{Paid-in Amount per Share}}{\text{Market Price per Share}}}{\text{Number of (Outstanding + Newly Issued) Shares}}}$$

If the common stock of the Company held by the Company is disposed of, $\frac{\text{Number of Newly Issued Shares}}{\text{Number of (Outstanding + Newly Issued) Shares}}$ in the formula above shall read $\frac{\text{Disposal Value per Share}}{\text{Market Price per Share}}$.
 Number of Shares of Common Stock of the Company to be Disposed of, and Paid-in Amount per Share in the formula above shall read Disposal Value per Share.

In addition to the above, after the allotment of the stock acquisition rights, in the event of a merger of the Company with another company, a company split, a capital reduction of the Company, or any similar case in which an adjustment of the Exercise Price is required, the Company may appropriately adjust the Exercise Price to a reasonable extent.

(iii) Exercise Period for the Stock Acquisition Rights

The Board of Directors of the Company or an executive officer designated by the resolution of the Board of Directors shall determine the exercise period for the stock acquisition rights within the period from the allotment date of the stock acquisition rights to the seventh anniversary of such allotment date. In principle, the stock acquisition rights may not be exercised for two years subsequent to the determination of the details of the stock acquisition right.

(iv) Matters Concerning Capital and Additional paid-in capital that will Increase if Shares are Issued by the Exercise of Stock Acquisition Rights

- (a) The amount by which the capital will increase if shares are issued by the exercise of the Stock Acquisition rights will be half of the amount of the limit on increase of capital, etc. calculated in accordance with Article 40 paragraph 1 of the Corporate Calculation Rules, and any fraction of less than one (1) yen as a result of calculation shall be rounded up to the nearest yen.
- (b) The amount by which capital reserves will increase if shares are issued by the exercise of the Stock Acquisition rights shall be the amount of the limit on increase of capital, etc. as stated in (a) above less the amount of capital to be increased as prescribed in (a) above.

Table of Contents

(v) Restriction on the Acquisition of Stock Acquisition Rights by Transfer

Approval by the Board of Directors shall be required for the acquisition of Stock Acquisition Rights by transfer.

(vi) Events for Acquisition of Stock Acquisition Rights

When the Ordinary General Meeting of Shareholders approves a merger agreement in which the Company is to be the extinguished company or a share exchange agreement or share transfer proposal in which the Company is to become a wholly-owned subsidiary, the Company may acquire the stock acquisition rights for no value on a day separately determined by the Board of Directors of the Company or an executive officer designated by the resolution of the Board of Directors.

(vii) Any fractions of less than one (1) share out of the shares to be issued or transferred to a person owning the stock acquisition rights who has exercised stock acquisition rights shall be disregarded.

(viii) Other Conditions for the Exercise of the Stock Acquisition Rights

(a) Partial exercise of the respective stock acquisition rights shall not be possible.

(b) Other conditions for the exercise of the rights shall be determined by the Board of Directors of the Company or an executive officer designated by the resolution of the Board of Directors.

(2) Contents of Stock Acquisition Rights under Stock Option B Plan

(i) Number of Shares under the Stock Acquisition Right

Same as Stock Option A Plan.

(ii) Value of assets financed upon the exercise of the Stock Acquisition Rights, or the method for calculating such

The Exercise Price shall be 1 yen, multiplied by the Number of Shares Granted under a Stock Acquisition Rights.

(iii)-(viii) Same as Stock Option A Plan.

(End)

Table of Contents

[English Translation]

NOMURA

Report for the 104th fiscal year

From April 1, 2007 to March 31, 2008

Nomura Holdings, Inc.

Table of Contents

To Our Shareholders

As newly appointed President and CEO of Nomura Holdings, Inc. as of April 1, 2008, I am pleased to present you with our business report for the fiscal year ended March 31, 2008 (April 1, 2007 – March 31, 2008).

Firstly, I deeply regret that an incident of insider trading involving a former employee in Nomura Securities Co., Ltd.'s M&A Advisory Department has markedly damaged the public's trust in the capital markets. I sincerely apologize for having caused such trouble and inconvenience to our clients.

Going forward, we will make every effort to prevent the recurrence of such an incident. We will enhance our management systems based on the findings of a special investigative committee formed by outside committee members that will assess information management processes in the company and propose measures to rectify any lapses that may exist. Understanding the public responsibility that comes with being a market intermediary, all Nomura executives and employees will conduct themselves based on a high standard business ethics and self-discipline.

During the period (the fiscal year ended March 31, 2008), our Global Markets division reported a loss, both in conjunction with the posting of losses in the mortgage finance business due to turmoil in the U.S. subprime mortgage market, as well as the posting of a valuation loss due to an increase in credit provisions for exposure to guarantees following the significant ratings downgrades of U.S. finance guarantee companies (known as monoline insurers), which normally function to increase the safety of investments in securitized products. Impacted by this loss in the Global Markets division, under accounting principles generally accepted in the United States (U.S. GAAP), we reported a consolidated loss before income taxes of 64.6 billion yen and a consolidated net loss of 67.8 billion yen. I sincerely apologize for these poor operating results.

Although we posted large losses for the fiscal year, during the period, we significantly compressed our total assets and ma