

**For the First Half of Fiscal Year Ending March 31, 2008**  
**Outline of Consolidated Financial Statements**

Name of company listed :	Nomura Real Estate Holdings, Inc.
Code number :	3231
Shares traded :	TSE (First section)
URL :	<a href="http://www.nomura-re-hd.co.jp/english/index.html">http://www.nomura-re-hd.co.jp/english/index.html</a>
Representative :	President, Hirohisa Suzuki
IR contact :	Masaomi Katayama, General Manager of Corporate Communications & Investor Relations Dept. info@nomura-re-hd.com
Adoption of U.S. accounting standards :	No
Scheduled starting date for dividend payments:	December 7, 2007
Scheduled submitting date of interim report:	December 21, 2007

Note: The accompanying consolidated financial statements were not audit since they have been prepared only for reference purpose. All statements were based on Tanshin report prepared in accordance with the provisions set forth in accounting regulations and principals generally accepted in Japan.

(Values of less than one million yen rounded off.)

**1. Consolidated operating results for the first half of fiscal year ending March 31, 2008**

(1) Consolidated business results

(% indicates the rate of changes from previous fiscal term)

	Revenue from operations		Operating income		Ordinary profit		Interim net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
<b>2007/09</b>	186,749	17.6	36,367	32.8	32,246	32.0	18,857	34.1
<b>2006/09</b>	158,789	21.5	27,393	97.2	24,428	111.4	14,065	—
<b>FY 2007/03</b>	367,236	—	54,374	—	47,446	—	26,297	—

	Interim net income per share	Interim net income per share after adjusting for dilution
	yen	yen
<b>2007/09</b>	126.29	—
<b>2006/09</b>	124.12	—
<b>FY 2007/03</b>	200.47	—

(Reference) Investment income/loss due to equity method: Interim Period ended September 30, 2007 ¥ 0 million, Interim Period ended September 30, 2006 ¥(- 8) million  
FY ended March 31, 2007 ¥(- 64) million

(2) Consolidated financial status

	Total assets	Net assets	Total shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
<b>2007/09</b>	819,023	225,163	27.3	1,498.50
<b>2006/09</b>	741,622	74,775	9.9	649.92
<b>FY 2007/03</b>	836,303	214,465	25.5	1,427.80

(Reference) Total shareholders' equity: Interim Period ended September 30, 2007 ¥223,762 million, Interim Period ended September 30, 2006 ¥73,651 million  
FY ended March 31, 2007 ¥ 213,206 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
2007/09	(15,321)	265	14,150	27,527
2006/09	(79,425)	(18,355)	84,686	31,121
FY 2007/03	(89,849)	(26,787)	100,862	28,437

2. Cash dividends per share

Cash dividends per share			
	Interim	Fiscal year-end	Annual
	yen	yen	yen
2007/03	0.00	20.00	20.00
2008/03	15.00	-	30.00
2008/03 forecast	-	15.00	

3. Forecasts of consolidated operating results for the fiscal year from April 1, 2007 to March 31, 2008

(% indicates the rate of changes from previous fiscal year)

	Revenue from operations		Operating income		Ordinary profit		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
FY 2008/03	415,000	13.0	68,000	25.1	58,000	22.2	33,000	25.5	220.99

4. Other important indices / information

(1) Significant changes to consolidated subsidiaries during the period: No

Number of consolidations: Inclusion 0 (Company name: - ) Elimination 0 (Company name: - )

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

This information should be described in "Significant changes for presenting the consolidated financial statements".

a) Changes in accounting principles: Yes

b) Other changes: None

(3) Number of shares issued (common stock)

	At September 30		At March 31
	2007	2006	2007
Number of shares outstanding (including treasury stock)	149,325,000	113,325,000	149,325,000
Treasury stock	140	0	50

## (Reference) Outline of Nonconsolidated Financial Statements

### 1. Nonconsolidated operating results for the first half of fiscal year ending March 31, 2008

#### (1) Nonconsolidated business results

(% indicates the rate of changes from previous fiscal year)

	Revenue from operations		Operating income		Ordinary profit		Interim net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2007/09	18,671	136.8	14,717	241.9	14,732	249.2	14,326	253.7
2006/09	7,884	112.5	4,304	33.4	4,219	31.0	4,050	25.8
FY 2007/03	12,483	—	4,860	—	4,354	—	4,215	—

  

	Interim net income per share
	yen
2007/09	95.94
2006/09	35.74
FY 2007/03	32.14

#### (2) Nonconsolidated financial status

	Total assets	Net assets	Total shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
2007/09	578,913	184,739	31.9	1,237.16
2006/09	539,731	53,282	9.9	470.17
FY 2007/03	544,551	173,399	31.8	1,161.22

(Reference) Total shareholders' equity: Interim Period ended September 30, 2007 ¥184,739 million, Interim Period ended September 30, 2006 ¥53,282 million  
FY ended March 31, 2007 ¥173,399 million

### 2. Forecasts of nonconsolidated operating results for the fiscal year from April 1, 2007 to March 31, 2008

(% indicates the rate of changes from previous fiscal year or term)

	Revenue from operations		Operating income		Ordinary profit		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
FY 2008/03	24,000	92.2	15,000	208.6	15,000	244.5	14,300	239.2	95.76

#### Forward-Looking Statements

1. Certain statements other than historical facts in this document are forward-looking statements that reflect the company's plans and estimates based on currently available information. These statements include known and unknown risks, uncertainties, and other factors that may cause the company's actual future performance to differ from the forward-looking statements contained herewith.
2. The forecasts of operating results on this statement have been changed from those that announced on May 11, 2007.

## Consolidated Balance Sheets

(Values of less than one million yen rounded off.)

(Millions of yen)

Assets	September 30, 2006		September 30, 2007		March 31, 2007		Change	
	Amount	ratio (%)	Amount	ratio (%)	Amount	ratio (%)	Amount	ratio (%)
<b>Current Assets:</b>	512,519	69.1	569,635	69.6	580,515	69.4	(10,880)	(1.9)
1 Cash and Bank Deposits	31,123		21,529		28,439		(6,909)	
2 Notes and Accounts Receivable	6,177		6,346		9,304		(2,958)	
3 Marketable Securities	-		6,000		-		6,000	
4 Inventories	373,660		436,804		427,774		9,030	
5 Equity Investments	72,656		61,523		77,945		(16,421)	
6 Deferred Income Taxes	9,543		8,161		11,527		(3,366)	
7 Other Current Assets	19,411		29,329		25,595		3,733	
Allowance for Doubtful Accounts	(52)		(59)		(70)		11	
<b>Fixed Assets:</b>	229,103	30.9	249,388	30.4	255,787	30.6	(6,398)	(2.5)
1 Tangible Fixed Assets	154,746	20.9	176,092	21.5	174,992	20.9	1,100	0.6
(1) Buildings and Structures	73,303		82,060		83,135		(1,074)	
(2) Land	72,662		90,365		89,141		1,223	
(3) Other	8,780		3,666		2,715		951	
2 Intangible Fixed Assets	2,574	0.3	3,789	0.4	2,630	0.3	1,159	44.1
3 Investments and Other Assets	71,782	9.7	69,507	8.5	78,165	9.4	(8,658)	(11.1)
(1) Investment Securities	24,412		28,233		36,758		(8,524)	
(2) Lease Deposits	29,449		27,367		28,185		(817)	
(3) Deferred Income Taxes	11,400		12,157		11,831		325	
(4) Other	6,574		1,818		1,461		357	
Allowance for Doubtful Accounts	(55)		(70)		(70)		0	
<b>Total Assets</b>	<b>741,622</b>	<b>100.0</b>	<b>819,023</b>	<b>100.0</b>	<b>836,303</b>	<b>100.0</b>	<b>(17,279)</b>	<b>(2.1)</b>

Liabilities	September 30, 2006		September 30, 2007		March 31, 2007		Change	
	Amount	ratio (%)	Amount	ratio (%)	Amount	ratio (%)	Amount	ratio (%)
<b>Current Liabilities:</b>	302,772	40.8	216,799	26.5	230,717	27.6	(13,917)	(6.0)
1 Trade Accounts Payable	17,141		30,026		39,058		(9,031)	
2 Short-term Debt and Current Portion of Long-term Debt	181,139		95,970		67,765		28,204	
3 Corporate Bonds Due Within One Year	-		25		-		25	
4 Accrued Income Taxes	7,508		10,600		15,164		(4,564)	
5 Deposits Received	46,423		25,782		60,280		(34,497)	
6 Deferred Income Taxes	242		200		185		15	
7 Accrued Bonuses to Employees	3,530		3,933		3,665		268	
8 Accrued Bonuses for Directors and Corporate Auditors	360		261		570		(309)	
9 Provision for Loss on Liquidation of Subsidiaries	679		349		627		(278)	
10 Other Current Liabilities	45,746		49,648		43,398		6,250	
<b>Long-term Liabilities:</b>	364,075	49.1	377,060	46.0	391,120	46.8	(14,059)	(3.6)
1 Long-term Debt Less Current Portion	317,091		316,213		327,119		(10,906)	
2 Guarantee and Deposits from Tenants	20,786		29,788		31,032		(1,243)	
3 Deferred Income Taxes	6,079		7,399		11,086		(3,687)	
4 Deferred Tax Liabilities on Land Revaluation	3,930		3,904		3,904		0	
5 Allowance for Employee's Retirement Benefits	9,903		11,314		10,698		615	
6 Provision for Loss on Subleasing Business	5,491		3,529		3,812		(283)	
7 Other Liabilities	793		4,910		3,465		1,445	
<b>Total Liabilities</b>	<b>666,847</b>	<b>89.9</b>	<b>593,860</b>	<b>72.5</b>	<b>621,837</b>	<b>74.4</b>	<b>(27,976)</b>	<b>(4.5)</b>
<b>Net Assets</b>								
<b>Share Holders' Equity:</b>	69,570	9.4	217,737	26.6	201,866	24.1	15,870	7.9
1 Common Stock:	22,670	3.1	82,646	10.1	82,646	9.9	-	-
2 Additional Paid in Capital	-	-	59,976	7.3	59,976	7.1	-	-
3 Retained Earnings	46,900	6.3	75,115	9.2	59,244	7.1	15,871	26.8
4 Treasury Stock	-	-	(0)	(0.0)	(0)	(0.0)	(0)	-
<b>Valuation, Translation Adjustments and Other:</b>	4,080	0.5	6,025	0.7	11,340	1.4	(5,314)	(46.9)
1 Net Unrealized Holding Gains on Securities	4,047	0.5	6,370	0.8	11,429	1.4	(5,058)	(44.3)
2 Deferred Gains/Losses on Hedges	(5)	(0.0)	(36)	(0.0)	(15)	(0.0)	(20)	-
3 Land Revaluation Reserve	(212)	(0.0)	(326)	(0.1)	(326)	(0.0)	(0)	-
4 Foreign Currency Translation Adjustments	251	0.0	18	0.0	253	0.0	(235)	(92.9)
<b>Minority Interests:</b>	1,123	0.2	1,400	0.2	1,258	0.1	141	11.2
<b>Total Net Assets</b>	<b>74,775</b>	<b>10.1</b>	<b>225,163</b>	<b>27.5</b>	<b>214,465</b>	<b>25.6</b>	<b>10,697</b>	<b>5.0</b>
<b>Total Liabilities and Net Assets</b>	<b>741,622</b>	<b>100.0</b>	<b>819,023</b>	<b>100.0</b>	<b>836,303</b>	<b>100.0</b>	<b>(17,279)</b>	<b>(2.1)</b>

## Consolidated Statements of Income

(Values of less than one million yen rounded off.)

(Millions of yen)

	Quarterly period ended September 30				Change		Year ended March 31, 2007	
	2006		2007		Amount	ratio (%)	Amount	ratio (%)
	Amount	ratio (%)	Amount	ratio (%)				
<b>Revenues from Operations</b>	158,789	100.0	186,749	100.0	27,959	17.6	367,236	100.0
<b>Cost of Revenues from Operations</b>	105,999	66.7	122,535	65.6	16,535	15.6	258,568	70.4
<b>Gross Operating Profit</b>	52,789	33.3	64,213	34.4	11,423	21.6	108,668	29.6
<b>Selling, General and Administrative Expenses</b>	25,396	16.0	27,846	14.9	2,450	9.6	54,293	14.8
<b>Operating Income</b>	27,393	17.3	36,367	19.5	8,973	32.8	54,374	14.8
<b>Non Operating Income</b>	515	0.3	271	0.2	(243)	(47.4)	929	0.2
1 Interest Received	173		104		(68)		372	
2 Dividend Income	51		36		(14)		71	
3 Gain on Sales of Investment Securities	4		-		(4)		-	
4 Gain on Changes in Equity of Affiliates	-		0		0		-	
5 Other	286		129		(156)		486	
<b>Non Operating Expenses</b>	3,480	2.2	4,391	2.4	911	26.2	7,857	2.1
1 Interest Expenses	3,206		3,607		401		6,514	
2 Equity in Loss of Unconsolidated Subsidiaries and Affiliates	8		-		(8)		64	
3 Other	265		784		519		1,278	
<b>Ordinary Profit</b>	24,428	15.4	32,246	17.3	7,818	32.0	47,446	12.9
<b>Extraordinary Gains</b>	-	-	474	0.2	474	-	1,290	0.3
1 Gain on Liquidation of an Affiliated Company	-		474		474		-	
2 Gain on Reversal of Provision for Loss on Subleasing Business	-		-		-		1,290	
<b>Extraordinary Losses</b>	-	-	-	-	-	-	869	0.2
1 Inventory Write-downs	-		-		-		869	
<b>Income before Income Taxes and Minority Interests</b>	24,428	15.4	32,721	17.5	8,292	33.9	47,867	13.0
Income Taxes	7,936	5.0	10,696	5.7	2,759	34.8	21,648	5.9
Deferred Income Taxes	2,328	1.5	3,017	1.6	688	29.6	(222)	(0.1)
Minority Interests	98	0.0	150	0.1	51	52.4	144	0.0
<b>Net Income</b>	14,065	8.9	18,857	10.1	4,792	34.1	26,297	7.2

## Consolidated Statements of Changes in Net Assets

(Values of less than one million yen rounded off.)

(Millions of yen)

### Interim Period from April 1 to September 30, 2006

	Shareholders' equity					Valuation, translation adjustments and others					Minority interests	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total Shareholders' equity	Net unrealized holding gains on securities	Deferred gains/losses on hedges	Land revaluation reserve	Foreign currency translation adjustments	Total		
Balance at March 31, 2006	22,670	-	33,288	-	55,958	4,771	-	(212)	214	4,773	988	61,720
Cash Dividends Paid	-	-	(453)	-	(453)	-	-	-	-	-	-	(453)
Interim Net Income	-	-	14,065	-	14,065	-	-	-	-	-	-	14,065
Other Changes	-	-	-	-	-	(724)	(5)	-	36	(692)	134	(557)
Total Changes During the Interim Period	-	-	13,612	-	13,612	(724)	(5)	-	36	(692)	134	13,054
Balance at September 30, 2006	22,670	-	46,900	-	69,570	4,047	(5)	(212)	251	4,080	1,123	74,775

### Interim Period from April 1 to September 30, 2007

	Shareholders' equity					Valuation, translation adjustments and others					Minority interests	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total Shareholders' equity	Net unrealized holding gains on securities	Deferred gains/losses on hedges	Land revaluation reserve	Foreign currency translation adjustments	Total		
Balance at March 31, 2007	82,646	59,976	59,244	(0)	201,866	11,429	(15)	(326)	253	11,340	1,258	214,465
Cash Dividends Paid	-	-	(2,986)	-	(2,986)	-	-	-	-	-	-	(2,986)
Interim Net Income	-	-	18,857	-	18,857	-	-	-	-	-	-	18,857
Purchases of Treasury Stock	-	-	-	(0)	(0)	-	-	-	-	-	-	(0)
Other Changes	-	-	-	-	-	(5,058)	(20)	(0)	(235)	(5,314)	141	(5,173)
Total Changes During the Interim Period	-	-	15,871	(0)	15,870	(5,058)	(20)	(0)	(235)	(5,314)	141	10,697
Balance at September 30, 2007	82,646	59,976	75,115	(0)	217,737	6,370	(36)	(326)	18	6,025	1,400	225,163

### Fiscal Year from April 1, 2006 to March 31, 2007

	Shareholders' equity					Valuation, translation adjustments and others					Minority interests	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total Shareholders' equity	Net unrealized holding gains on securities	Deferred gains/losses on hedges	Land revaluation reserve	Foreign currency translation adjustments	Total		
Balance at March 31, 2006	22,670	-	33,288	-	55,958	4,771	-	(212)	214	4,773	988	61,720
Issuance of Common Stock	59,976	59,976	-	-	119,952	-	-	-	-	-	-	119,952
Cash Dividends Paid	-	-	(453)	-	(453)	-	-	-	-	-	-	(453)
Net Income	-	-	26,297	-	26,297	-	-	-	-	-	-	26,297
Purchases of Treasury Stock	-	-	-	(0)	(0)	-	-	-	-	-	-	(0)
Changes Related to Increase of the Subsidiary	-	-	(1)	-	(1)	-	-	-	-	-	-	(1)
Reversal of Land Revaluation Reserve	-	-	114	-	114	-	-	-	-	-	-	114
Other Changes	-	-	-	-	-	6,657	(15)	(114)	38	6,566	270	6,836
Total Changes During the Fiscal Year	59,976	59,976	25,956	(0)	145,908	6,657	(15)	(114)	38	6,566	270	152,744
Balance at March 31, 2007	82,646	59,976	59,244	(0)	201,866	11,429	(15)	(326)	253	11,340	1,258	214,465

## Consolidated Statements of Cash Flows

(Values of less than one million yen rounded off.)

(Millions of yen)

Cash Flows	Fiscal year ended March 31		Changes
	2006	2007	
<b>I. Cash Flows from Operating Activities</b>			
Income Before Income Taxes and Minority Interests	47,867	61,260	13,392
Depreciation	4,545	4,892	346
Equity in Loss of Unconsolidated Subsidiaries and Affiliates	64	(12)	(77)
Decrease (Increase) in Allowance for Doubtful Accounts	10	47	37
Increase in Allowance for Employees' Retirement Benefits	1,565	1,444	(121)
Decrease in Provision for Loss on Liquidation of Subsidiaries	(117)	(348)	(230)
Decrease in Provision for Loss on Subleasing Business	(2,067)	(922)	1,145
Interest and Dividend Income	(443)	(216)	226
Interest Expense	6,514	7,284	770
Decrease (Increase) in Accounts Receivable	(2,047)	466	2,513
Increase in Inventories	(87,218)	(35,382)	51,835
Decrease (Increase) in Equity Investments	(363,874)	(14,927)	21,446
Decrease in Trade Accounts Payable	(1,413)	24,257	25,670
Decrease in Deposits Received	7,551	(3,235)	4,315
Other, Net	7,646	(3,099)	(10,745)
<b>Subtotal</b>	<b>(69,018)</b>	<b>41,507</b>	<b>110,526</b>
Interest and Dividends Received	1,150	127	(1,022)
Interest Paid	(6,303)	(7,075)	(772)
Income Taxes Paid	(15,678)	(26,920)	(11,241)
<b>Net Cash Used/Provided in Operating Activities</b>	<b>(89,849)</b>	<b>7,639</b>	<b>97,489</b>
<b>II. Cash Flows from Investing Activities</b>			
Payments for Purchases of Investment Securities	(9,196)	(7)	(9,188)
Proceeds from Sale of Investment Securities	154	177	23
Purchase of Subsidiaries' Shares Resulting in Changes in Scope of Consolidation	-	(966)	(966)
Payments for Purchases of Property, Equipment and Intangible Fixed	(26,917)	18,174	8,742
Proceeds from Sales of Property, Equipment and Intangible Fixed Assets	141	11	(129)
Increase in Loans	(82)	(15)	67
Decrease in Loans	112	5,131	5,019
Increase in Lease Deposits	(524)	1,161	(637)
Decrease in Lease Deposits	1,795	1,820	24
Decrease in Gurantees from Tenants	(3,294)	3,668	(373)
Increase in Gurantees from Tenants	10,800	3,217	(7,582)
Other, Net	223	316	92
<b>Net Cash Used in Investing Activities</b>	<b>100,862</b>	<b>8,790</b>	<b>(92,072)</b>
<b>III. Cash Flows from Financing Activities</b>			
Increase(Decrease) in Short-term Debt	78,800	19,850	(36,200)
Proceeds from Long-term Debt	31,054	19,260	76,768
Repayment of Long-term Debt	(19,062)	(21,967)	(53,121)
Payments for Redemption of Corporate Bonds	(5,600)	-	(5,600)
Proceeds from Issuance of Shares	-	-	119,427
Payments for Issuance of Shares	(88)	-	-
Proceeds from Issuance of Shares to Minority Shareholders	42	1	48
Net Increase in Treasury Stock	-	(0)	(0)
Cash Dividends Paid	(453)	(2,986)	(453)
Payments for Dividends to Minority Shareholders	(6)	(6)	(6)
<b>Net Cash Provided by Financing Activities</b>	<b>84,686</b>	<b>14,150</b>	<b>100,862</b>
<b>IV. Net Increase in Cash and Cash Equivalents</b>	<b>(13,094)</b>	<b>(906)</b>	<b>(15,773)</b>
<b>V. Cash and Cash Equivalents at Beginning of the Fiscal Year</b>	<b>44,215</b>	<b>28,437</b>	<b>44,215</b>
<b>VI. Increase (decrease) in Cash and Cash Equivalents Resulting from Change in Scope of Consolidation</b>	<b>-</b>	<b>(3)</b>	<b>(4)</b>
<b>VII. Cash and Cash Equivalents at End of the Fiscal Year</b>	<b>31,121</b>	<b>27,527</b>	<b>28,437</b>