

Nomura Securities Co., Ltd.
Unconsolidated Balance Sheets

(UNAUDITED)

	Millions of yen		
	March 31, 2016	June 30, 2016	Increase/(Decrease)
Assets			
Current assets:	12,166,647	11,718,722	(447,925)
Trading assets	4,090,913	4,677,156	586,244
Loans with securities as collateral	4,631,581	4,660,413	28,832
Other current assets	3,444,154	2,381,153	(1,063,001)
Fixed assets	77,978	83,068	5,090
Total assets	12,244,625	11,801,790	(442,835)
Liabilities			
Current liabilities:	9,974,626	9,761,791	(212,834)
Trading liabilities	2,654,901	3,026,321	371,420
Borrowings with securities as collateral	3,990,689	3,280,379	(710,310)
Other current liabilities	3,329,035	3,455,091	126,056
Long-term liabilities	1,447,059	1,335,632	(111,427)
Statutory reserves	17,927	17,965	38
Total liabilities	11,439,612	11,115,388	(324,223)
Shareholder's equity	803,555	685,099	(118,455)
Valuation and translation adjustments	1,459	1,303	(156)
Total net assets	805,013	686,402	(118,611)
Total liabilities and net assets	12,244,625	11,801,790	(442,835)

Nomura Securities Co., Ltd.
Unconsolidated Statements of Income

(UNAUDITED)

	Millions of yen		% Change (A-B)/(B)
	For the three months ended		
	June 30, 2015 (B)	June 30, 2016 (A)	
Operating revenue	221,342	175,483	(20.7)
Commissions	125,592	79,430	(36.8)
Net gain on trading	67,345	65,814	(2.3)
Interest and dividend income	28,405	30,239	6.5
Interest expenses	27,064	30,431	12.4
Net operating revenue	194,277	145,052	(25.3)
Selling, general and administrative expenses	125,523	114,305	(8.9)
Operating income	68,754	30,747	(55.3)
Non-operating income	938	107	(88.6)
Non-operating expenses	94	114	22.1
Ordinary income	69,599	30,740	(55.8)
Special profits	477	373	(21.9)
Special losses	751	38	(94.9)
Income before income taxes	69,325	31,074	(55.2)
Income taxes - current	25,829	9,012	(65.1)
Income taxes - deferred	(2,759)	518	—
Net income	46,255	21,545	(53.4)

Nomura Securities Co., Ltd.**Unconsolidated Statements of Income - Quarterly Comparatives**

(Millions of yen)

	For the three months ended				
	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016
Operating revenue	221,342	189,595	191,410	144,453	175,483
Commissions	125,592	128,279	100,949	91,316	79,430
Net gain on trading	67,345	46,913	65,648	38,781	65,814
Interest and dividend income	28,405	14,403	24,813	14,356	30,239
Interest expenses	27,064	19,542	25,577	15,613	30,431
Net operating revenue	194,277	170,054	165,833	128,840	145,052
Selling, general and administrative expenses	125,523	120,241	116,574	112,691	114,305
Operating income	68,754	49,813	49,258	16,149	30,747
Non-operating income	938	104	104	233	107
Non-operating expenses	94	101	216	237	114
Ordinary income	69,599	49,815	49,147	16,145	30,740
Special profits	477	758	677	651	373
Special losses	751	—	27	3,329	38
Income before income taxes	69,325	50,573	49,797	13,466	31,074
Income taxes - current	25,829	12,483	11,444	4,527	9,012
Income taxes - deferred	(2,759)	3,752	4,589	2,753	518
Net income	46,255	34,339	33,764	6,186	21,545

Nomura Securities Co., Ltd.**Supplementary Information**

1. Commission Revenues

(1) Breakdown by Category

(Millions of yen, except percentages)

	For the three months ended		% Change (A-B)/(B)
	June 30, 2015 (B)	June 30, 2016 (A)	
Brokerage commissions	39,942	21,328	(46.6)
<i>(Stocks)</i>	37,313	19,055	(48.9)
Commissions for underwriting, secondary distribution and solicitation for selling and others for Professional Investors	6,324	3,146	(50.3)
<i>(Stocks)</i>	5,054	2,172	(57.0)
<i>(Bonds)</i>	1,270	973	(23.3)
Fees for offering, secondary distribution and solicitation for selling and others for Professional Investors	35,669	18,516	(48.1)
<i>(Investment trust certificates)</i>	35,401	17,651	(50.1)
Other commissions	43,657	36,440	(16.5)
<i>(Investment trust certificates)</i>	17,228	13,854	(19.6)
Total	125,592	79,430	(36.8)

(2) Breakdown by Product

(Millions of yen, except percentages)

	For the three months ended		% Change (A-B)/(B)
	June 30, 2015 (B)	June 30, 2016 (A)	
Stocks	43,552	22,056	(49.4)
Bonds	1,852	2,247	21.3
Investment trust certificates	55,174	33,643	(39.0)
Others	25,014	21,484	(14.1)
Total	125,592	79,430	(36.8)

2. Net Gain on Trading

(Millions of yen, except percentages)

	For the three months ended		% Change (A-B)/(B)
	June 30, 2015 (B)	June 30, 2016 (A)	
Stocks	22,467	2,244	(90.0)
Bonds and Forex	44,878	63,570	41.7
Total	67,345	65,814	(2.3)

3. Stock Trading (excluding futures transactions)

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

	For the three months ended				% Change (A-B)/(B)	
	June 30, 2015 (B)		June 30, 2016 (A)		Number of shares	Amount
	Number of shares	Amount	Number of shares	Amount		
Total	39,940	52,163,508	48,356	56,757,243	21.1	8.8
<i>(Brokerage)</i>	35,247	45,157,413	44,508	51,794,109	26.3	14.7
<i>(Proprietary trading)</i>	4,693	7,006,096	3,848	4,963,135	(18.0)	(29.2)
Brokerage / Total ratio	88.3%	86.6%	92.0%	91.3%		
TSE share	9.0%	11.3%	12.5%	14.3%		
Brokerage commission per share (yen)	1.05		0.42			

4. Underwriting, Subscription, and Distribution

(Millions of shares or yen, except percentages)

	For the three months ended		% Change (A-B)/(B)
	June 30, 2015 (B)	June 30, 2016 (A)	
Underwriting			
Stocks (number of shares)	69	10	(85.0)
(yen amount)	112,256	43,532	(61.2)
Bonds (face value)	1,488,863	1,629,103	9.4
Investment trust certificates (yen amount)	—	—	—
Subscription and distribution*			
Stocks (number of shares)	84	12	(86.2)
(yen amount)	126,903	45,836	(63.9)
Bonds (face value)	558,582	1,140,831	104.2
Investment trust certificates (yen amount)	6,969,263	3,971,349	(43.0)

*Include secondary offering, private placement, and solicitation for selling and others for professional investors.

5. Capital Adequacy Ratio

(Rounded down to millions of yen, except percentages)

		March 31, 2016	June 30, 2016	Increase/(Decrease)
Tier I	(A)	663,554	685,098	21,544
Tier II	Valuation and translation adjustments	1,458	1,303	(155)
	Statutory reserves	17,926	17,965	38
	Allowance for doubtful accounts	79	80	1
	Subordinated debts	409,197	409,197	—
	Total (B)	428,661	428,546	(115)
Illiquid asset	(C)	111,670	114,689	3,019
Net capital	(A) + (B) - (C) = (D)	980,545	998,955	18,410
Risk	Market risk	83,398	69,093	(14,304)
	Counterparty risk	182,834	183,582	748
	Basic risk	142,167	139,192	(2,975)
	Total (E)	408,399	391,868	(16,531)
Capital adequacy ratio	(D)/(E)×100	240.0%	254.9%	14.9%