

**Nomura Securities Co., Ltd.**  
**Unconsolidated Balance Sheets**

(UNAUDITED)

	Millions of yen		
	March 31, 2016	December 31, 2016	Increase/(Decrease)
Assets			
Current assets:	12,166,647	12,869,732	703,084
Trading assets	4,090,913	3,805,275	(285,638)
Loans with securities as collateral	4,631,581	5,639,395	1,007,814
Other current assets	3,444,154	3,425,062	(19,091)
Fixed assets	77,978	70,325	(7,653)
Total assets	<u>12,244,625</u>	<u>12,940,057</u>	<u>695,432</u>
Liabilities			
Current liabilities:	9,974,626	10,922,930	948,304
Trading liabilities	2,654,901	3,633,427	978,526
Borrowings with securities as collateral	3,990,689	4,602,930	612,240
Other current liabilities	3,329,035	2,686,573	(642,462)
Long-term liabilities	1,447,059	1,277,154	(169,905)
Statutory reserves	17,927	17,965	38
Total liabilities	<u>11,439,612</u>	<u>12,218,050</u>	<u>778,438</u>
Shareholder's equity	803,555	721,162	(82,393)
Valuation and translation adjustments	1,459	845	(613)
Total net assets	<u>805,013</u>	<u>722,007</u>	<u>(83,006)</u>
Total liabilities and net assets	<u>12,244,625</u>	<u>12,940,057</u>	<u>695,432</u>

**Nomura Securities Co., Ltd.**  
**Unconsolidated Statements of Income**

(UNAUDITED)

	Millions of yen		% Change (A-B)/(B)
	For the nine months ended		
	December 31, 2015 (B)	December 31, 2016 (A)	
Operating revenue	602,347	503,619	(16.4)
Commissions	354,820	260,859	(26.5)
Net gain on trading	179,905	170,822	(5.0)
Interest and dividend income	67,622	71,938	6.4
Interest expenses	72,183	80,537	11.6
Net operating revenue	530,164	423,082	(20.2)
Selling, general and administrative expenses	362,338	344,186	(5.0)
Operating income	167,826	78,896	(53.0)
Non-operating income	1,146	2,191	91.2
Non-operating expenses	411	397	(3.3)
Ordinary income	168,561	80,689	(52.1)
Special profits	1,912	1,179	(38.3)
Special losses	778	38	(95.1)
Income before income taxes	169,695	81,830	(51.8)
Income taxes - current	49,756	20,847	(58.1)
Income taxes - deferred	5,581	3,376	(39.5)
Net income	<u>114,357</u>	<u>57,607</u>	<u>(49.6)</u>

**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	September 30, 2016	December 31, 2016
Operating revenue	221,342	189,595	191,410	144,453	175,483	153,369	174,767
Commissions	125,592	128,279	100,949	91,316	79,430	85,253	96,177
Net gain on trading	67,345	46,913	65,648	38,781	65,814	53,778	51,229
Interest and dividend income	28,405	14,403	24,813	14,356	30,239	14,338	27,361
Interest expenses	27,064	19,542	25,577	15,613	30,431	17,083	33,023
Net operating revenue	194,277	170,054	165,833	128,840	145,052	136,286	141,743
Selling, general and administrative expenses	125,523	120,241	116,574	112,691	114,305	111,795	118,086
Operating income	68,754	49,813	49,258	16,149	30,747	24,491	23,657
Non-operating income	938	104	104	233	107	1,499	585
Non-operating expenses	94	101	216	237	114	69	214
Ordinary income	69,599	49,815	49,147	16,145	30,740	25,921	24,028
Special profits	477	758	677	651	373	406	400
Special losses	751	—	27	3,329	38	—	—
Income before income taxes	69,325	50,573	49,797	13,466	31,074	26,327	24,429
Income taxes - current	25,829	12,483	11,444	4,527	9,012	7,292	4,543
Income taxes - deferred	(2,759)	3,752	4,589	2,753	518	203	2,656
Net income	46,255	34,339	33,764	6,186	21,545	18,833	17,230

**Nomura Securities Co., Ltd.**

**Supplementary Information**

1. Commission Revenues

(1) Breakdown by Category

(Millions of yen, except percentages)

	For the nine months ended		% Change (A-B)/(B)
	December 31, 2015 (B)	December 31, 2016 (A)	
Brokerage commissions	99,598	71,986	(27.7)
<i>(Stocks)</i>	90,546	66,316	(26.8)
Commissions for underwriting, secondary distribution and solicitation for selling and others for Professional Investors	45,843	18,180	(60.3)
<i>(Stocks)</i>	40,915	14,215	(65.3)
<i>(Bonds)</i>	4,927	3,965	(19.5)
Fees for offering, secondary distribution and solicitation for selling and others for Professional Investors	81,068	61,509	(24.1)
<i>(Investment trust certificates)</i>	80,114	58,878	(26.5)
Other commissions	128,311	109,184	(14.9)
<i>(Investment trust certificates)</i>	49,347	42,099	(14.7)
Total	354,820	260,859	(26.5)

(2) Breakdown by Product

(Millions of yen, except percentages)

	For the nine months ended		% Change (A-B)/(B)
	December 31, 2015 (B)	December 31, 2016 (A)	
Stocks	135,161	83,107	(38.5)
Bonds	7,021	7,869	12.1
Investment trust certificates	137,984	106,180	(23.0)
Others	74,652	63,704	(14.7)
Total	354,820	260,859	(26.5)

2. Net Gain on Trading

(Millions of yen, except percentages)

	For the nine months ended		% Change (A-B)/(B)
	December 31, 2015 (B)	December 31, 2016 (A)	
Stocks	58,736	△ 877	—
Bonds and Forex	121,169	171,698	41.7
Total	179,905	170,822	(5.0)

### 3. Stock Trading (excluding futures transactions)

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

	For the nine months ended				% Change (A-B)/(B)	
	December 31, 2015 (B)		December 31, 2016 (A)		Number of shares	Amount
	Number of shares	Amount	Number of shares	Amount		
Total	131,474	175,972,191	134,858	165,229,511	2.6	(6.1)
<i>(Brokerage)</i>	<i>118,874</i>	<i>157,580,744</i>	<i>125,063</i>	<i>151,995,287</i>	<i>5.2</i>	<i>(3.5)</i>
<i>(Proprietary trading)</i>	<i>12,601</i>	<i>18,391,447</i>	<i>9,795</i>	<i>13,234,225</i>	<i>(22.3)</i>	<i>(28.0)</i>
Brokerage / Total ratio	90.4%	89.5%	92.7%	92.0%		
TSE share	10.2%	12.9%	12.1%	14.0%		
Brokerage commission per share (yen)	0.75		0.52			

### 4. Underwriting, Subscription, and Distribution

(Millions of shares or yen, except percentages)

	For the nine months ended		% Change (A-B)/(B)
	December 31, 2015 (B)	December 31, 2016 (A)	
Underwriting			
Stocks (number of shares)	388	89	(77.2)
(yen amount)	1,087,912	405,828	(62.7)
Bonds (face value)	4,809,153	5,232,958	8.8
Investment trust certificates (yen amount)	—	—	—
Subscription and distribution*			
Stocks (number of shares)	451	102	(77.3)
(yen amount)	1,183,553	449,672	(62.0)
Bonds (face value)	2,226,034	2,779,463	24.9
Investment trust certificates (yen amount)	18,080,054	12,937,448	(28.4)

\*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	December 31, 2016	Increase/(Decrease)	
Tier I	(A)	663,554	721,161	57,607	
Tier II	Valuation and translation adjustments	1,458	845	(613)	
	Statutory reserves	17,926	17,965	38	
	Allowance for doubtful accounts	79	63	(15)	
	Subordinated debts	409,197	409,198	1	
Total		(B)	428,661	428,072	(589)
Illiquid asset	(C)	111,670	122,215	10,544	
Net capital	(A) + (B) - (C) = (D)	980,545	1,027,018	46,473	
Risk	Market risk	83,398	70,405	(12,992)	
	Counterparty risk	182,834	178,873	(3,960)	
	Basic risk	142,167	135,079	(7,087)	
Total		(E)	408,399	384,358	(24,041)
Capital adequacy ratio	(D)/(E)×100	240.0%	267.2%	27.2%	