

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

(UNAUDITED)

	Millions of yen		
	March 31, 2017	September 30, 2017	Increase/(Decrease)
Assets			
Current assets:	12,893,533	12,200,821	(692,712)
Trading assets	3,387,380	4,287,641	900,261
Loans with securities as collateral	6,326,190	4,798,651	(1,527,539)
Other current assets	3,179,964	3,114,529	(65,434)
Fixed assets	61,579	34,320	(27,259)
Total assets	<u>12,955,112</u>	<u>12,235,142</u>	<u>(719,971)</u>
Liabilities			
Current liabilities:	11,031,314	10,498,899	(532,416)
Trading liabilities	3,089,670	2,814,492	(275,178)
Borrowings with securities as collateral	5,221,154	4,758,882	(462,272)
Other current liabilities	2,720,490	2,925,525	205,035
Long-term liabilities	1,169,378	1,018,710	(150,667)
Statutory reserves	18,455	18,409	(46)
Total liabilities	12,219,147	11,536,018	(683,128)
Shareholder's equity	735,298	698,768	(36,530)
Valuation and translation adjustments	668	355	(313)
Total net assets	735,965	699,123	(36,842)
Total liabilities and net assets	<u>12,955,112</u>	<u>12,235,142</u>	<u>(719,971)</u>

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

(UNAUDITED)

	Millions of yen		% Change (A-B)/(B)
	For the six months ended		
	September 30, 2016 (B)	September 30, 2017 (A)	
Operating revenue	328,852	339,718	3.3
Commissions	164,683	187,992	14.2
Net gain on trading	119,592	109,349	(8.6)
Interest and dividend income	44,577	42,377	(4.9)
Interest expenses	47,514	44,074	(7.2)
Net operating revenue	281,338	295,644	5.1
Selling, general and administrative expenses	226,100	240,549	6.4
Operating income	55,238	55,095	(0.3)
Non-operating income	1,606	115	(92.8)
Non-operating expenses	183	210	14.6
Ordinary income	56,661	55,000	(2.9)
Special profits	779	864	10.9
Special losses	38	—	—
Income before income taxes	57,401	55,864	(2.7)
Income taxes - current	16,304	17,928	10.0
Income taxes - deferred	720	(540)	—
Net income	<u>40,377</u>	<u>38,476</u>	<u>(4.7)</u>

**Nomura Securities Co., Ltd.**

**Unconsolidated Statements of Income - Quarterly Comparatives**

(Millions of yen)

	For the three months ended					
	June 30, 2016	September 30, 2016	December 31, 2016	March 31, 2017	June 30, 2017	September 30, 2017
Operating revenue	175,483	153,369	174,767	159,213	178,596	161,122
Commissions	79,430	85,253	96,177	93,295	93,938	94,054
Net gain on trading	65,814	53,778	51,229	50,029	55,408	53,940
Interest and dividend income	30,239	14,338	27,361	15,888	29,249	13,128
Interest expenses	30,431	17,083	33,023	15,709	30,153	13,920
Net operating revenue	145,052	136,286	141,743	143,504	148,442	147,202
Selling, general and administrative expenses	114,305	111,795	118,086	123,618	122,126	118,423
Operating income	30,747	24,491	23,657	19,886	26,316	28,779
Non-operating income	107	1,499	585	764	56	59
Non-operating expenses	114	69	214	301	41	169
Ordinary income	30,740	25,921	24,028	20,349	26,332	28,668
Special profits	373	406	400	379	381	483
Special losses	38	—	—	489	—	—
Income before income taxes	31,074	26,327	24,429	20,238	26,713	29,151
Income taxes - current	9,012	7,292	4,543	8,801	9,238	8,690
Income taxes - deferred	518	203	2,656	(2,699)	(889)	349
Net income	21,545	18,833	17,230	14,136	18,364	20,112

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

1. Commission Revenues

(1) Breakdown by Category

(Millions of yen, except percentages)

	For the six months ended		% Change (A-B)/(B)
	September 30, 2016 (B)	September 30, 2017 (A)	
Brokerage commissions	42,559	52,602	23.6
<i>(Stocks)</i>	38,767	50,195	29.5
Commissions for underwriting, secondary distribution and solicitation for selling and others for Professional Investors	11,627	12,111	4.2
<i>(Stocks)</i>	8,853	9,074	2.5
<i>(Bonds)</i>	2,774	3,037	9.5
Fees for offering, secondary distribution and solicitation for selling and others for Professional Investors	38,843	46,212	19.0
<i>(Investment trust certificates)</i>	37,599	45,430	20.8
Other commissions	71,653	77,067	7.6
<i>(Investment trust certificates)</i>	27,689	31,889	15.2
Total	164,683	187,992	14.2

(2) Breakdown by Product

(Millions of yen, except percentages)

	For the six months ended		% Change (A-B)/(B)
	September 30, 2016 (B)	September 30, 2017 (A)	
Stocks	49,275	61,769	25.4
Bonds	4,749	4,856	2.3
Investment trust certificates	68,762	79,515	15.6
Others	41,897	41,852	(0.1)
Total	164,683	187,992	14.2

## 2. Stock Trading (excluding futures transactions)

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

	For the six months ended				% Change (A-B)/(B)	
	September 30, 2016 (B)		September 30, 2017 (A)		Number of shares	Amount
	Number of shares	Amount	Number of shares	Amount		
Total	89,935	107,691,224	98,068	139,863,118	9.0	29.9
<i>(Brokerage)</i>	83,278	98,996,490	91,552	128,827,597	9.9	30.1
<i>(Proprietary trading)</i>	6,657	8,694,734	6,516	11,035,520	(2.1)	26.9
Brokerage / Total ratio	92.6%	91.9%	93.4%	92.1%		
TSE share	12.3%	14.0%	14.4%	17.2%		
Brokerage commission per share (yen)	0.45		0.54			

## 3. Underwriting, Subscription, and Distribution

(Millions of shares or yen, except percentages)

	For the six months ended		% Change (A-B)/(B)
	September 30, 2016 (B)	September 30, 2017 (A)	
Underwriting			
Stocks (number of shares)	44	235	439.0
(yen amount)	221,259	410,307	85.4
Bonds (face value)	3,435,059	3,654,072	6.4
Investment trust certificates (yen amount)	—	—	—
Subscription and distribution*			
Stocks (number of shares)	51	292	468.3
(yen amount)	243,439	498,635	104.8
Bonds (face value)	1,747,642	1,720,346	(1.6)
Investment trust certificates (yen amount)	7,953,393	8,694,707	9.3

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

## 4. Capital Adequacy Ratio

(Rounded down to millions of yen, except percentages)

		March 31, 2017	September 30, 2017	Increase/(Decrease)
Tier I	(A)	660,292	623,763	(36,529)
Tier II	Valuation and translation adjustments	667	354	(312)
	Statutory reserves	18,454	18,409	(45)
	Allowance for doubtful accounts	—	—	—
	Subordinated debts	409,198	409,098	(100)
	Total (B)	428,320	427,862	(458)
Illiquid asset	(C)	84,056	59,811	(24,244)
Net capital	(A) + (B) - (C) = (D)	1,004,557	991,814	(12,743)
Risk	Market risk	68,731	78,730	9,998
	Counterparty risk	146,839	159,762	12,923
	Basic risk	137,882	140,630	2,748
	Total (E)	353,453	379,124	25,670
Capital adequacy ratio	(D)/(E)×100	284.2%	261.6%	△22.6%