

NOMURA ASSET MANAGEMENT

Nomura Asset Management Co., Ltd.
Financial Summary (Unconsolidated)
For The Year Ended March 31, 2025
(Unaudited)

Nomura Asset Management Co., Ltd.**Unconsolidated Balance Sheet Information (Unaudited)**

(Millions of Yen)

	March 31, 2024	March 31, 2025	Increase (Decrease)
Assets			
Current assets	92,719	101,080	8,361
Cash and cash equivalents	7,405	8,177	771
Money held in trust	44,745	46,810	2,064
Accrued investment trust management fees	31,788	34,911	3,123
Accrued investment advisory fees	5,989	7,066	1,077
Short-term loans receivable	757	2,242	1,485
Other	2,052	1,893	(158)
Allowance for doubtful receivables	(18)	(21)	(2)
Non-current assets	23,918	22,694	(1,223)
Tangible fixed assets	945	881	(64)
Intangible fixed assets	5,658	6,889	1,230
Investments and other assets	17,314	14,923	(2,390)
Investment securities	1,813	2,164	351
Investment in subsidiaries and affiliates	9,535	6,584	(2,950)
Long-term guarantee money deposited	519	521	2
Prepaid pension cost	1,875	2,413	537
Deferred tax assets	2,651	3,134	483
Other	919	104	(814)
Total assets	116,638	123,775	7,137

(Millions of Yen)

	March 31, 2024	March 31, 2025	Increase (Decrease)
Liabilities			
Current liabilities	52,005	49,045	(2,960)
Short-term borrowings	13,700	6,000	(7,700)
Distributions of income payable	1	1	0
Redemptions payable	39	65	25
Commissions payable	10,312	11,326	1,014
Accounts payable to affiliated company	1,052	589	(463)
Accrued expenses	12,507	12,594	86
Accrued income taxes	8,095	10,363	2,267
Accrued consumption taxes	1,590	2,112	521
Allowance for bonuses	4,543	5,846	1,303
Other	163	146	(16)
Non-current liabilities	4,484	4,660	176
Allowance for retirement benefits	2,759	2,618	(140)
Reserve for loss on distribution of income and redemption after statute of limitation	602	610	8
Asset retirement obligations	1,123	1,431	308
Total liabilities	56,490	53,706	(2,783)
Shareholder's equity	59,820	69,751	9,931
Common stock	17,180	17,180	-
Capital surplus	13,729	13,729	-
Additional paid-in capital	11,729	11,729	-
Other capital surplus	2,000	2,000	-
Earned surplus	28,910	38,841	9,931
Earned surplus reserve	685	685	-
Other earned surplus	28,225	38,156	9,931
Unappropriated retained earnings	28,225	38,156	9,931
Valuation and translation adjustments	327	317	(9)
Valuation differences on available-for-sale securities	327	317	(9)
Total net assets	60,147	70,069	9,921
Total liabilities and net assets	116,638	123,775	7,137

Nomura Asset Management Co., Ltd.

Unconsolidated Income Statement Information (Unaudited)

(Millions of Yen)

	Year Ended March 31, 2024 (A)	Year Ended March 31, 2025 (B)	Comparison (B)/(A) (%)
Operating revenues	146,202	179,770	123.0
Investment trust management fees	124,722	155,775	124.9
Investment advisory fees	21,188	23,666	111.7
Other operating revenues	291	328	112.6
Operating expenses	82,468	101,835	123.5
Commissions	43,258	56,923	131.6
Research	33,107	38,115	115.1
Other operating expenses	6,103	6,797	111.4
General and administrative expenses	31,491	33,100	105.1
Operating income	32,242	44,834	139.1
Non-operating revenues	7,875	8,972	113.9
Non-operating expenses	967	763	78.9
Ordinary income	39,149	53,043	135.5
Extraordinary gains	28	56	200.6
Extraordinary losses	527	14	2.7
Income before income taxes	38,651	53,085	137.3
Income taxes - current	10,821	15,463	142.9
Income taxes - deferred	(354)	(482)	136.2
Net income	28,183	38,105	135.2

For The Year Ended March 31, 2024

(Millions of Yen)

	Shareholder's equity								
	Common stock	Capital surplus			Earned surplus				Total shareholder's equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Earned surplus reserve	Other earned surplus		Total earned surplus	
						General reserve	Unappropriated retained earnings		
Balance at beginning of period	17,180	11,729	2,000	13,729	685	24,606	31,217	56,509	87,419
Changes during period									
Dividends of surplus							(55,782)	(55,782)	(55,782)
Net income							28,183	28,183	28,183
Reversal of general reserve						(24,606)	24,606	-	-
Net changes in items other than shareholder's equity									
Total changes during period	-	-	-	-	-	(24,606)	(2,991)	(27,598)	(27,598)
Balance at end of period	17,180	11,729	2,000	13,729	685	-	28,225	28,910	59,820

(Millions of Yen)

	Valuation and translation adjustments		Total net assets
	Valuation differences on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	229	229	87,648
Changes during period			
Dividends of surplus			(55,782)
Net income			28,183
Reversal of general reserve			-
Net changes in items other than shareholder's equity	97	97	97
Total changes during period	97	97	(27,500)
Balance at end of period	327	327	60,147

For The Year Ended March 31, 2025

(Millions of Yen)

	Shareholder's equity							
	Common stock	Capital surplus			Earned surplus			Total shareholder's equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Earned surplus reserve	Other earned surplus	Total earned surplus	
						Unappropriated retained earnings		
Balance at beginning of period	17,180	11,729	2,000	13,729	685	28,225	28,910	59,820
Changes during period								
Dividends of surplus						(28,174)	(28,174)	(28,174)
Net income						38,105	38,105	38,105
Net changes in items other than shareholder's equity								
Total changes during period	-	-	-	-	-	9,931	9,931	9,931
Balance at end of period	17,180	11,729	2,000	13,729	685	38,156	38,841	69,751

(Millions of Yen)

	Valuation and translation adjustments		Total net assets
	Valuation differences on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	327	327	60,147
Changes during period			
Dividends of surplus			(28,174)
Net income			38,105
Net changes in items other than shareholder's equity	(9)	(9)	(9)
Total changes during period	(9)	(9)	9,921
Balance at end of period	317	317	70,069

Significant Accounting Policies

1. Basis and Method of Valuation for Securities

The basis and methods of valuation are summarized as follows:

Investments in subsidiaries and affiliates at cost by the moving average method

Available-for-sale securities:

With determinable market value at market value

Valuation differences are reported net of the applicable income taxes as a separate component of net assets and costs of securities sold are calculated by the moving average method.

Without determinable market value at cost by the moving average method

2. Basis and Method of Valuation for Money held in trust

Money held in trust is measured at fair value.

3. Basis and Method of Valuation for Derivatives

Derivatives are measured at fair value.

4. Translation of foreign currency assets and liabilities

Assets and Liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rate, prevailing at the balance sheet date and the effect of exchange rate changes are recorded in gain and loss.

5. Depreciation/Amortization Method of Fixed Assets

(1) Depreciation of tangible fixed assets

Tangible fixed assets are depreciated by the declining-balance method, except for buildings (excluding structures attached to the buildings) acquired on or after April 1, 1998, which are depreciated by the straight-line method. Furthermore, structures attached to the buildings and facilities acquired on or after April 1, 2016 are depreciated by the straight-line method.

(2) Amortization of intangible assets

Intangible fixed assets are amortized by the straight-line method. Software for internal use is amortized by the straight-line method over estimated useful lives on the basis of internal use.

6. Allowances and Accruals

(1) Allowance for doubtful receivables

For specific receivables from doubtful debtors, allowance for doubtful receivables is provided by determining the likelihood of recovery of individual doubtful receivables. For receivables other than those indicated above, allowance for doubtful receivables is provided by using the historical rate of default.

(2) Allowance for bonuses

Allowance for bonuses is provided by estimating bonuses to be paid, based on services provided during the fiscal year.

(3) Allowance for retirement benefits

Allowance for retirement benefits which consists of lump-sum payment plan and tax-qualified pension plan is provided for future payments of retirement benefits to employees at an estimated amount based on the retirement benefit obligation and the fair value of the pension plan assets.

The benefit formula method is used for attributing the estimated future payments to the amount of allowance for retirement benefits in this fiscal year.

Any actuarial differences arising from the tax-qualified pension plan are amortized from the following fiscal year when the differences arise by the straight-line method over a period within the average remaining years of service of the eligible employees, while those arising from the lump-sum payment plan are fully expensed in the following fiscal year when the differences arise. Prior

service costs arising from the lump-sum payment plan and tax-qualified pension plan are amortized by the straight-line method over a period within the average remaining years of service of the eligible employees from the fiscal year when they are incurred.

(4) Reserve for loss on distribution of income and redemption after statute of limitation

Reserve for loss on distribution of income and redemption after statute of limitation is provided for investment trust distributions of income and investment trust redemptions recognized as revenue by prescription by estimating the amount of potential payments in the future, which is based on actual payments made in the past.

7. Revenue and Expense Recording Basis

The Company's primary source of revenue is fee income from investment management activities performing the asset management business. Fee income consists of investment trust management fees and investment advisory fees. It may include performance based fees.

(1) Investment trust management fees

Investment trust management fees are generated through investment trust agreements and are generally based on an agreed percentage of the net asset value on a daily basis, assuming that the performance obligation is satisfied based on time elapsed.

Payments of investment trust management fees are settled mainly quarterly or semi-annually.

(2) Investment advisory fees

Investment advisory fees are generated through investment advisory agreements and are generally based on agreed fee rates over the contractual period, assuming that the performance obligation is satisfied based on time elapsed.

Payments of investment trust management fees are settled mainly quarterly or semi-annually.

(3) Performance based fees

Performance based fees are earned from certain arrangements when the actual performance exceeded certain benchmarks or other contractually agreed performance metrics within specified performance measurement periods. They are only recognized at point when it is highly probable that a significant reversal of revenue will not occur in future periods.

Supplementary Information

1. Net Assets of Investment Trusts

(Billions of yen)

	March 31, 2024	March 31, 2025	Increase (Decrease)
Unit Type	-	-	-
Open Type	52,615	52,306	(309)
Stock Investment Trusts - Public	52,615	52,306	(309)
Bond Investment Trusts	270	247	(22)
Money Reserve Fund	6,756	6,313	(443)
Others	0	0	0
Bond Investment Trusts - Public	7,027	6,561	(465)
Stock Investment Trusts	2,394	2,566	171
Bond Investment Trusts	870	683	(187)
Private Investment Trusts	3,264	3,249	(15)
Total	62,907	62,117	(790)

2. Assets under Investment Management and Advisory Contracts

(Billions of yen)

	March 31, 2024	March 31, 2025	Increase (Decrease)
Domestic - General	683	813	129
Domestic - Pension	10,640	11,089	448
Overseas	4,741	5,045	304
Total	16,065	16,948	882

Quarterly Income Statement Information

(Millions of yen)

	1st quarter From April 1, 2024 To June 30, 2024	2nd quarter From July 1, 2024 To September 30, 2024	3rd quarter From October 1, 2024 To December 31, 2024	4th quarter From January 1, 2025 To March 31, 2025	For the year From April 1, 2024 To March 31, 2025
Operating revenues	42,301	44,738	46,093	46,637	179,770
Investment trust management fees	36,737	38,704	40,219	40,113	155,775
Investment advisory fees	5,487	5,957	5,781	6,440	23,666
Other operating revenues	77	75	91	83	328
Operating expenses	23,728	25,395	26,027	26,684	101,835
Commissions	13,051	14,039	14,778	15,053	56,923
Research	9,086	9,785	9,597	9,645	38,115
Other operating expenses	1,590	1,569	1,651	1,986	6,797
General and administrative expenses	7,766	8,506	8,298	8,529	33,100
Operating income (loss)	10,807	10,836	11,768	11,422	44,834
Non-operating revenues	3,690	3,233	165	1,883	8,972
Non-operating expenses	139	146	717	(239)	763
Ordinary income	14,358	13,923	11,215	13,545	53,043
Extraordinary gains	6	16	16	16	56
Extraordinary losses	7	5	0	0	14
Income (loss) before income taxes	14,357	13,934	11,232	13,561	53,085
Income taxes - current	2,784	4,147	3,759	4,772	15,463
Income taxes - deferred	1,391	(745)	(386)	(742)	(482)
Net income (loss)	10,182	10,531	7,859	9,531	38,105