

Nomura Securities Co., Ltd.
Non-consolidated Balance Sheets
(UNAUDITED)

(Millions of yen)

	March 31, 2014	March 31, 2013	Increase/(Decrease)
ASSETS			
Current Assets	12,488,887	10,161,427	2,327,460
Cash and time deposits	915,496	280,152	635,344
Deposits with stock exchanges and other segregated cash	16,670	13,564	3,106
Trading assets:	3,858,341	4,505,601	(647,260)
Trading securities	3,097,103	3,750,036	(652,934)
Derivative contracts	761,238	755,565	5,673
Net receivables arising from pre-settlement date trades	168,915	197,794	(28,879)
Margin account assets:	318,022	212,946	105,076
Loans to customers in margin transactions	312,451	200,899	111,552
Cash collateral to securities finance companies	5,572	12,048	(6,476)
Loans with securities as collateral:	6,236,656	4,297,541	1,939,115
Cash collateral for securities borrowed	5,537,366	3,823,454	1,713,912
Loans in gensaki transactions	699,289	474,087	225,202
Receivables from customers and others	1,045	844	201
Short-term guarantee deposits	870,524	529,912	340,612
Short-term loans receivable	6,013	4,277	1,737
Deferred tax assets	47,060	77,465	(30,405)
Other current assets	50,238	41,361	8,877
Allowance for doubtful accounts	(94)	(29)	(65)
Fixed Assets	67,235	97,093	(29,858)
Tangible fixed assets	1,594	1,681	(86)
Intangible fixed assets	697	1,733	(1,036)
Investments and others	64,944	93,680	(28,736)
Investment securities	165	3,609	(3,444)
Deferred tax assets	5,671	12,888	(7,217)
Other investments	60,359	77,535	(17,177)
Allowance for doubtful accounts	(1,251)	(353)	(898)
TOTAL ASSETS	12,556,123	10,258,521	2,297,602

(Millions of yen)

	March 31, 2014	March 31, 2013	Increase/(Decrease)
LIABILITIES			
Current Liabilities	10,362,347	8,478,265	1,884,082
Trading liabilities:	3,711,344	2,738,397	972,947
Trading securities	3,199,421	2,223,995	975,426
Derivative contracts	511,923	514,402	(2,479)
Margin account liabilities:	43,473	46,610	(3,137)
Borrowings from securities finance companies	11,900	6,698	5,202
Customer margin sale proceeds	31,573	39,912	(8,339)
Borrowings with securities as collateral:	3,619,048	3,211,612	407,436
Cash collateral for securities loaned	995,985	884,004	111,981
Borrowings in gensaki transactions	2,623,063	2,327,608	295,455
Payables to customers and others	243,908	200,045	43,863
Guarantee deposits received	503,056	327,009	176,048
Short-term borrowings	1,894,300	1,506,100	388,200
Short-term bonds payable	163,000	293,800	(130,800)
Accrued income taxes	16,738	9,322	7,417
Accounts payable	47,868	49,380	(1,511)
Accrued bonuses for employees	51,299	38,159	13,140
Other current liabilities	68,312	57,832	10,479
Long-term Liabilities	1,145,230	805,944	339,286
Bonds payable	93,194	97,693	(4,499)
Long-term borrowings	915,912	607,300	308,612
Reserve for retirement benefits	20,985	38,582	(17,597)
Other long-term liabilities	115,139	62,370	52,769
Statutory Reserve	11,378	8,260	3,118
Reserve for financial instruments transactions	11,378	8,260	3,118
TOTAL LIABILITIES	11,518,955	9,292,469	2,226,486
NET ASSETS			
Shareholder's equity	1,035,035	961,264	73,771
Common stock	10,000	10,000	—
Capital reserves	574,646	574,646	—
Additional paid-in capital	529,579	529,579	—
Other capital reserves	45,067	45,067	—
Retained earnings	450,390	376,619	73,771
Other retained earnings	450,390	376,619	73,771
General reserve	63,000	63,000	—
Retained earnings carried forward	387,390	313,619	73,771
Valuation and translation adjustments	2,132	4,788	(2,656)
Net unrealized gain on investments	—	2,185	(2,185)
Deferred gains or losses on hedges	2,132	2,603	(470)
TOTAL NET ASSETS	1,037,168	966,052	71,116
TOTAL LIABILITIES AND NET ASSETS	12,556,123	10,258,521	2,297,602

Nomura Securities Co., Ltd.
Non-consolidated Income Statements
(UNAUDITED)

(Millions of yen, except percentages)

	For the year ended March 31, 2014 (A)	For the year ended March 31, 2013 (B)	% Change (A-B)/(B)
Operating revenue	816,205	662,450	23.2
Commissions	481,829	362,831	32.8
Net gain on trading	268,890	219,433	22.5
Net gain on other inventories	—	6	—
Interests and dividends income	65,485	80,181	(18.3)
Interest expenses	66,876	74,832	(10.6)
Net operating revenue	749,329	587,618	27.5
Selling, general, and administrative expenses	497,027	448,551	10.8
Transaction-related expenses	95,389	68,555	39.1
Compensation and benefits	201,834	189,225	6.7
Rental and maintenance	44,514	44,998	(1.1)
Data processing and office supplies	143,052	133,816	6.9
Others	12,239	11,956	2.4
Operating income	252,302	139,068	81.4
Non-operating income	927	598	55.0
Non-operating expenses	1,307	1,168	11.8
Ordinary income	251,923	138,497	81.9
Special profits	7,686	2,194	250.3
Gains due to sale of securities	4,551	—	—
Gains due to the exemption from payments of share-based compensation	3,135	2,194	42.9
Special losses	3,118	614	408.0
Legal reserve for financial instruments transactions	3,118	614	408.0
Income before income taxes	256,491	140,078	83.1
Income taxes - current	58,610	31,595	85.5
Income taxes - deferred	39,115	20,312	92.6
Total income taxes	97,725	51,907	88.3
Net income	158,766	88,171	80.1

Nomura Securities Co., Ltd.
Quarterly Income Statement
(UNAUDITED)

(Millions of yen)

	For the Quarter from April 1, 2013 to June 30, 2013	For the Quarter from July 1, 2013 to September 30, 2013	For the Quarter from October 1, 2013 to December 31, 2013	For the Quarter from January 1, 2014 to March 31, 2014	Year Ended March 31, 2014
Operating revenue	269,426	190,322	187,366	169,090	816,205
Commissions	159,016	111,896	121,814	89,104	481,829
Net gain on trading	89,247	65,160	47,759	66,723	268,890
Net gain on other inventories	—	—	—	—	—
Interest and dividend income	21,163	13,266	17,793	13,263	65,485
Interest expenses	19,373	15,245	18,914	13,344	66,876
Net operating revenue	250,053	175,078	168,452	155,746	749,329
Selling, general and administrative expenses	136,619	121,748	122,387	116,272	497,027
Transaction-related expenses	24,677	22,808	24,611	23,293	95,389
Compensation and benefits	61,170	50,119	49,936	40,609	201,834
Rental and maintenance	10,789	10,881	10,678	12,166	44,514
Data processing and office supplies	35,609	35,033	34,751	37,658	143,052
Other	4,374	2,907	2,411	2,547	12,239
Operating income	113,434	53,330	46,065	39,474	252,302
Non-operating income	550	204	64	110	927
Non-operating expenses	113	304	97	792	1,307
Ordinary income	113,870	53,230	46,031	38,791	251,923
Special profits	1,694	443	481	5,068	7,686
Gains due to sale of securities	—	—	—	4,551	4,551
Gains due to the exemption from payments of share-based compensation	1,694	443	481	517	3,135
Special losses	0	1	2,319	798	3,118
Reserve for securities transactions	0	1	2,319	798	3,118
Income before income taxes	115,564	53,672	44,194	43,061	256,491
Income taxes - current	37,865	20,471	15,574	(15,299)	58,610
Income taxes - deferred	7,277	(1,254)	456	32,636	39,115
Total income taxes	45,142	19,217	16,030	17,336	97,725
Net income	70,422	34,455	28,164	25,725	158,766

Nomura Securities Co., Ltd.
Supplementary Information
(UNAUDITED)

1. Commission Revenues

(1) Breakdown by Category

(Millions of yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2014 (A)	March 31, 2013 (B)	
Brokerage commissions	156,771	78,608	99.4
<i>(Stocks)</i>	147,068	72,280	103.5
Commissions for underwriting, secondary distribution and solicitation for selling and others for Professional Investors	44,028	26,084	68.8
<i>(Stocks)</i>	37,800	18,533	104.0
<i>(Bonds)</i>	6,228	7,551	(17.5)
Fees for offering, secondary distribution and solicitation for selling and others for Professional Investors	162,364	157,772	2.9
<i>(Investment trust certificates)</i>	157,355	156,841	0.3
Other commissions	118,665	100,366	18.2
<i>(Investment trust certificates)</i>	59,407	49,177	20.8
Total	481,829	362,831	32.8

(2) Breakdown by Product

(Millions of yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2014 (A)	March 31, 2013 (B)	
Stocks	189,024	93,148	102.9
Bonds	12,721	9,533	33.4
Investment trust certificates	226,109	211,920	6.7
Others	53,976	48,229	11.9
Total	481,829	362,831	32.8

2. Net Gain on Trading

(Millions of yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2014 (A)	March 31, 2013 (B)	
Stocks	101,441	32,368	213.4
Bonds and Forex	167,449	187,066	(10.5)
Total	268,890	219,433	22.5

3. Stock Trading (excluding futures transactions)

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

	For the year ended				% Change (A-B)/(B)	
	March 31, 2014 (A)		March 31, 2013 (B)		Number of shares	Amount
	Number of shares	Amount	Number of shares	Amount		
Total	192,531	192,536,997	157,044	110,770,120	22.6	73.8
<i>(Brokerage)</i>	177,356	174,231,130	139,738	98,008,719	26.9	77.8
<i>(Proprietary Trading)</i>	15,175	18,305,868	17,306	12,761,401	(12.3)	43.4
Brokerage / Total Ratio	92.1%	90.5%	89.0%	88.5%	/	
TSE Share	9.0%	10.7%	10.1%	11.5%		
Brokerage commission per share (yen)	0.82		0.50			

4. Underwriting, Subscription, and Distribution

(Millions of shares or yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2014 (A)	March 31, 2013 (B)	
Underwriting			
Stocks (number of shares)	728	683	6.5
(yen amount)	991,526	527,183	88.1
Bonds (face value)	5,923,766	5,500,824	7.7
Investment trust certificates (yen amount)	—	—	—
Beneficial interest (face value)	—	—	—
Subscription and Distribution*			
Stocks (number of shares)	855	753	13.5
(yen amount)	1,128,350	593,550	90.1
Bonds (face value)	2,732,438	2,639,174	3.5
Investment trust certificates (yen amount)	26,033,012	18,867,118	38.0
Beneficial interest (face value)	—	—	—

*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, 2014	March 31, 2013	Increase/(Decrease)
Tier I (A)		835,035	876,269	(41,233)
Tier II	Valuation and translation adjustments	2,132	4,787	(2,655)
	Statutory reserves	11,377	8,259	3,117
	Allowance for doubtful accounts	94	29	64
	Subordinated debts	329,194	379,192	(49,998)
Total (B)		342,797	392,269	(49,471)
Illiquid Asset (C)		81,908	127,060	(45,151)
Net Capital (A) + (B) - (C) = (D)		1,095,924	1,141,478	(45,554)
Risk	Market risk	100,120	107,947	(7,826)
	Counterparty risk	159,943	159,506	437
	Basic risk	141,800	128,228	13,572
	Total (E)	401,865	395,681	6,183
Capital Adequacy Ratio (D)/(E)×100		272.7 %	288.4 %	(15.7) %