

Nomura Securities Co., Ltd.
Unconsolidated Balance Sheets

(UNAUDITED)

	Millions of yen		
	March 31, 2016	March 31, 2017	Increase/(Decrease)
Assets			
Current assets:	12,166,647	12,893,533	726,886
Trading assets	4,090,913	3,387,380	(703,533)
Loans with securities as collateral	4,631,581	6,326,190	1,694,609
Other current assets	3,444,154	3,179,964	(264,190)
Fixed assets	77,978	61,579	(16,399)
Total assets	12,244,625	12,955,112	710,487
Liabilities			
Current liabilities:	9,974,626	11,031,314	1,056,689
Trading liabilities	2,654,901	3,089,670	434,769
Borrowings with securities as collateral	3,990,689	5,221,154	1,230,465
Other current liabilities	3,329,035	2,720,490	(608,545)
Long-term liabilities	1,447,059	1,169,378	(277,681)
Statutory reserves	17,927	18,455	528
Total liabilities	11,439,612	12,219,147	779,535
Shareholder's equity	803,555	735,298	(68,257)
Valuation and translation adjustments	1,459	668	(791)
Total net assets	805,013	735,965	(69,048)
Total liabilities and net assets	12,244,625	12,955,112	710,487

Nomura Securities Co., Ltd.
Unconsolidated Income Statements

(UNAUDITED)

	Millions of yen		% Change (A-B)/(B)
	For the year ended		
	March 31, 2016 (B)	March 31, 2017 (A)	
Operating revenue	746,800	662,831	(11.2)
Commissions	446,136	354,155	(20.6)
Net gain on trading	218,686	220,851	1.0
Interests and dividends income	81,978	87,826	7.1
Interest expenses	87,796	96,246	9.6
Net operating revenue	659,004	566,586	(14.0)
Selling, general, and administrative expenses	475,029	467,804	(1.5)
Operating income	183,975	98,782	(46.3)
Non-operating income	1,379	2,955	114.3
Non-operating expenses	648	699	7.8
Ordinary income	184,705	101,038	(45.3)
Special profits	2,563	1,558	(39.2)
Special losses	4,107	528	(87.1)
Income before income taxes	183,161	102,068	(44.3)
Income taxes - current	54,283	29,648	(45.4)
Income taxes - deferred	8,335	677	(91.9)
Net income	120,544	71,743	(40.5)

Nomura Securities Co., Ltd.
Unconsolidated Statements of Income - Quarterly Comparatives
(UNAUDITED)

(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	March 31, 2017
Operating revenue	221,342	189,595	191,410	144,453	175,483	153,369	174,767	159,213
Commissions	125,592	128,279	100,949	91,316	79,430	85,253	96,177	93,295
Net gain on trading	67,345	46,913	65,648	38,781	65,814	53,778	51,229	50,029
Interest and dividend income	28,405	14,403	24,813	14,356	30,239	14,338	27,361	15,888
Interest expenses	27,064	19,542	25,577	15,613	30,431	17,083	33,023	15,709
Net operating revenue	194,277	170,054	165,833	128,840	145,052	136,286	141,743	143,504
Selling, general and administrative expenses	125,523	120,241	116,574	112,691	114,305	111,795	118,086	123,618
Operating income	68,754	49,813	49,258	16,149	30,747	24,491	23,657	19,886
Non-operating income	938	104	104	233	107	1,499	585	764
Non-operating expenses	94	101	216	237	114	69	214	301
Ordinary income	69,599	49,815	49,147	16,145	30,740	25,921	24,028	20,349
Special profits	477	758	677	651	373	406	400	379
Special losses	751	—	27	3,329	38	—	—	489
Income before income taxes	69,325	50,573	49,797	13,466	31,074	26,327	24,429	20,238
Income taxes - current	25,829	12,483	11,444	4,527	9,012	7,292	4,543	8,801
Income taxes - deferred	(2,759)	3,752	4,589	2,753	518	203	2,656	(2,699)
Net income	46,255	34,339	33,764	6,186	21,545	18,833	17,230	14,136

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, 2016 (B)	March 31, 2017 (A)	
Brokerage commissions	127,728	98,910	(22.6)
<i>(Stocks)</i>	<i>116,053</i>	<i>92,036</i>	<i>(20.7)</i>
Commissions for underwriting, secondary distribution and solicitation for selling and others for Professional Investors	50,839	26,306	(48.3)
<i>(Stocks)</i>	<i>45,034</i>	<i>20,184</i>	<i>(55.2)</i>
<i>(Bonds)</i>	<i>5,805</i>	<i>6,122</i>	5.5
Fees for offering, secondary distribution and solicitation for selling and others for Professional Investors	96,177	87,796	(8.7)
<i>(Investment trust certificates)</i>	<i>94,050</i>	<i>82,181</i>	<i>(12.6)</i>
Other commissions	171,392	141,142	(17.6)
<i>(Investment trust certificates)</i>	<i>63,471</i>	<i>57,122</i>	<i>(10.0)</i>
Total	446,136	354,155	(20.6)

(2) Breakdown by Product

(Millions of yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2016 (B)	March 31, 2017 (A)	
Stocks	165,911	116,131	(30.0)
Bonds	9,808	13,861	41.3
Investment trust certificates	168,562	145,598	(13.6)
Others	101,854	78,565	(22.9)
Total	446,136	354,155	(20.6)

2. Net Gain on Trading

(Millions of yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2016 (B)	March 31, 2017 (A)	
Stocks	80,949	27,481	(66.1)
Bonds and Forex	137,737	193,370	40.4
Total	218,686	220,851	1.0

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, 2016 (B)		March 31, 2017 (A)		Number of shares	Amount
	Number of shares	Amount	Number of shares	Amount		
Total	187,149	240,745,914	181,620	227,404,895	(3.0)	(5.5)
<i>(Brokerage)</i>	170,468	217,524,557	169,112	209,610,187	(0.8)	(3.6)
<i>(Proprietary Trading)</i>	16,681	23,221,357	12,508	17,794,708	(25.0)	(23.4)
Brokerage / Total Ratio	91.1%	90.4%	93.1%	92.2%		
TSE Share	10.8%	13.3%	12.5%	14.6%		
Brokerage commission per share (yen)	0.67		0.53			

4. Underwriting, Subscription, and Distribution

(Millions of shares or yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2016 (B)	March 31, 2017 (A)	
Underwriting			
Stocks (number of shares)	411	132	(67.8)
(yen amount)	1,196,957	547,422	(54.3)
Bonds (face value)	6,713,994	6,910,145	2.9
Investment trust certificates (yen amount)	—	—	—
Subscription and Distribution*			
Stocks (number of shares)	477	152	(68.2)
(yen amount)	1,303,617	618,946	(52.5)
Bonds (face value)	3,484,587	4,252,393	22.0
Investment trust certificates (yen amount)	21,732,657	17,801,391	(18.1)

*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	March 31, 2017	Increase/(Decrease)
Tier I	(A)	663,554	660,292	(3,261)
Tier II	Valuation and translation adjustments	1,458	667	(791)
	Statutory reserves	17,926	18,454	527
	Allowance for doubtful accounts	79	—	(79)
	Subordinated debts	409,197	409,198	1
Total (B)		428,661	428,320	(341)
Illiquid Asset	(C)	111,670	84,056	(27,614)
Net Capital	(A) + (B) - (C) = (D)	980,545	1,004,557	24,011
Risk	Market risk	83,398	68,731	(14,666)
	Counterparty risk	182,834	146,839	(35,994)
	Basic risk	142,167	137,882	(4,284)
Total (E)		408,399	353,453	(54,946)
Capital Adequacy Ratio	(D)/(E)×100	240.0%	284.2%	44.2%