

Nomura Securities Co., Ltd.
Unconsolidated Balance Sheets

(UNAUDITED)

	Millions of yen		
	March 31, 2017	March 31, 2018	Increase/(Decrease)
Assets			
Current assets:	12,893,533	12,792,656	(100,877)
Trading assets	3,387,380	3,469,388	82,008
Loans with securities as collateral	6,326,190	6,025,130	(301,060)
Other current assets	3,179,964	3,298,138	118,175
Fixed assets	61,579	32,132	(29,447)
Total assets	12,955,112	12,824,789	(130,324)
Liabilities			
Current liabilities:	11,031,314	11,149,571	118,257
Trading liabilities	3,089,670	3,048,477	(41,192)
Borrowings with securities as collateral	5,221,154	5,129,050	(92,105)
Other current liabilities	2,720,490	2,972,044	251,554
Long-term liabilities	1,169,378	991,602	(177,776)
Statutory reserves	18,455	21,856	3,402
Total liabilities	12,219,147	12,163,030	(56,117)
Shareholder's equity	735,298	661,727	(73,571)
Valuation and translation adjustments	668	32	(636)
Total net assets	735,965	661,758	(74,207)
Total liabilities and net assets	12,955,112	12,824,789	(130,324)

Nomura Securities Co., Ltd.
Unconsolidated Income Statements

(UNAUDITED)

	Millions of yen		% Change (A-B)/(B)
	For the year ended		
	March 31, 2017 (B)	March 31, 2018 (A)	
Operating revenue	662,831	689,812	4.1
Commissions	354,155	394,587	11.4
Net gain on trading	220,851	222,878	0.9
Interests and dividends income	87,826	72,347	(17.6)
Interest expenses	96,246	78,426	(18.5)
Net operating revenue	566,586	611,386	7.9
Selling, general, and administrative expenses	467,804	489,624	4.7
Operating income	98,782	121,762	23.3
Non-operating income	2,955	425	(85.6)
Non-operating expenses	699	347	(50.3)
Ordinary income	101,038	121,839	20.6
Special profits	1,558	1,647	5.7
Special losses	528	3,402	544.5
Income before income taxes	102,068	120,084	17.7
Income taxes - current	29,648	38,249	29.0
Income taxes - deferred	677	5,396	696.7
Net income	71,743	76,439	6.5

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	December 31, 2017	March 31, 2018
Operating revenue	175,483	153,369	174,767	159,213	178,596	161,122	185,052	165,041
Commissions	79,430	85,253	96,177	93,295	93,938	94,054	110,829	95,766
Net gain on trading	65,814	53,778	51,229	50,029	55,408	53,940	55,335	58,194
Interest and dividend income	30,239	14,338	27,361	15,888	29,249	13,128	18,888	11,082
Interest expenses	30,431	17,083	33,023	15,709	30,153	13,920	20,920	13,432
Net operating revenue	145,052	136,286	141,743	143,504	148,442	147,202	164,133	151,609
Selling, general and administrative expenses	114,305	111,795	118,086	123,618	122,126	118,423	125,312	123,763
Operating income	30,747	24,491	23,657	19,886	26,316	28,779	38,820	27,846
Non-operating income	107	1,499	585	764	56	59	48	261
Non-operating expenses	114	69	214	301	41	169	46	91
Ordinary income	30,740	25,921	24,028	20,349	26,332	28,668	38,822	28,017
Special profits	373	406	400	379	381	483	602	181
Special losses	38	—	—	489	—	—	—	3,402
Income before income taxes	31,074	26,327	24,429	20,238	26,713	29,151	39,424	24,796
Income taxes - current	9,012	7,292	4,543	8,801	9,238	8,690	10,301	10,020
Income taxes - deferred	518	203	2,656	(2,699)	(889)	349	7,265	(1,328)
Net income	21,545	18,833	17,230	14,136	18,364	20,112	21,858	16,105

Nomura Securities Co., Ltd.
Supplementary Information

1. Commission Revenues

(1) Breakdown by Category

(Millions of yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2017 (B)	March 31, 2018 (A)	
Brokerage commissions	98,910	120,389	21.7
<i>(Stocks)</i>	92,036	114,872	24.8
Commissions for underwriting, secondary distribution and solicitation for selling and others for Professional Investors	26,306	23,513	(10.6)
<i>(Stocks)</i>	20,184	17,921	(11.2)
<i>(Bonds)</i>	6,122	5,592	(8.7)
Fees for offering, secondary distribution and solicitation for selling and others for Professional Investors	87,796	89,253	1.7
<i>(Investment trust certificates)</i>	82,181	86,824	5.6
Other commissions	141,142	161,433	14.4
<i>(Investment trust certificates)</i>	57,122	65,341	14.4
Total	354,155	394,587	11.4

(2) Breakdown by Product

(Millions of yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2017 (B)	March 31, 2018 (A)	
Stocks	116,131	137,630	18.5
Bonds	13,861	9,990	(27.9)
Investment trust certificates	145,598	157,266	8.0
Others	78,565	89,700	14.2
Total	354,155	394,587	11.4

2. Stock Trading (excluding futures transactions)

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

	For the year ended				% Change (A-B)/(B)	
	March 31, 2017 (B)		March 31, 2018 (A)		Number of shares	Amount
	Number of shares	Amount	Number of shares	Amount		
Total	181,620	227,404,895	177,681	287,393,599	(2.2)	26.4
<i>(Brokerage)</i>	169,112	209,610,187	166,332	265,118,235	(1.6)	26.5
<i>(Proprietary Trading)</i>	12,508	17,794,708	11,348	22,275,364	(9.3)	25.2
Brokerage / Total Ratio	93.1%	92.2%	93.6%	92.2%		
TSE Share	12.5%	14.6%	13.7%	16.1%		
Brokerage commission per share (yen)	0.53		0.68			

3. Underwriting, Subscription, and Distribution

(Thousands of shares or millions of yen, except percentages)

	For the year ended		% Change (A-B)/(B)
	March 31, 2017 (B)	March 31, 2018 (A)	
Underwriting			
Stocks (number of shares)	132,323	296,270	123.9
(yen amount)	547,422	636,957	16.4
Bonds (face value)	6,910,145	6,894,988	(0.2)
Investment trust certificates (yen amount)	—	—	—
Subscription and Distribution*			
Stocks (number of shares)	151,958	363,474	139.2
(yen amount)	618,946	746,346	20.6
Bonds (face value)	4,252,393	3,451,978	(18.8)
Investment trust certificates (yen amount)	17,801,391	18,486,928	3.9

*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	March 31, 2018	Increase/(Decrease)
Tier I	(A)	660,292	616,726	(43,566)
Tier II	Valuation and translation adjustments	667	31	(635)
	Statutory reserves	18,454	21,856	3,401
	Allowance for doubtful accounts	—	—	—
	Subordinated debts	409,198	360,000	(49,198)
	Total (B)	428,320	381,888	(46,432)
Illiquid Asset	(C)	84,056	48,872	(35,183)
Net Capital	(A) + (B) - (C) = (D)	1,004,557	949,742	(54,815)
Risk	Market risk	68,731	92,856	24,124
	Counterparty risk	146,839	137,374	(9,465)
	Basic risk	137,882	140,198	2,315
	Total (E)	353,453	370,429	16,975
Capital Adequacy Ratio	(D)/(E)×100	284.2%	256.3%	(27.9%)