

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

(UNAUDITED)

	Millions of yen		
	March 31, 2018	September 30, 2018	Increase/(Decrease)
Assets			
Current assets:	12,449,946	13,543,594	1,093,648
Trading assets	3,369,194	3,255,853	(113,341)
Loans with securities as collateral	6,025,130	7,301,514	1,276,384
Other current assets	3,055,623	2,986,228	(69,395)
Fixed assets	30,143	59,307	29,164
Total assets	12,480,089	13,602,901	1,122,812
Liabilities			
Current liabilities:	10,800,445	11,714,661	914,217
Trading liabilities	3,038,869	2,611,390	(427,479)
Borrowings with securities as collateral	5,129,050	6,298,305	1,169,255
Other current liabilities	2,632,526	2,804,966	172,440
Long-term liabilities	991,602	1,228,866	237,264
Statutory reserves	21,856	21,856	—
Total liabilities	11,813,903	12,965,384	1,151,481
Shareholder's equity	666,154	637,517	(28,637)
Valuation and translation adjustments	32	—	(32)
Total net assets	666,186	637,517	(28,669)
Total liabilities and net assets	12,480,089	13,602,901	1,122,812

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

(UNAUDITED)

	Millions of yen		% Change (A-B)/(B)
	For the six months ended		
	September 30, 2017 (B)	September 30, 2018 (A)	
Operating revenue	342,108	296,708	(13.3)
Commissions	187,992	177,856	(5.4)
Net gain on trading	111,739	84,403	(24.5)
Interest and dividend income	42,377	34,449	(18.7)
Interest expenses	44,040	34,816	(20.9)
Net operating revenue	298,068	261,892	(12.1)
Selling, general and administrative expenses	240,549	232,418	(3.4)
Operating income	57,519	29,474	(48.8)
Non-operating income	115	155	34.2
Non-operating expenses	210	173	(17.6)
Ordinary income	57,424	29,456	(48.7)
Special profits	864	1,045	20.9
Special losses	—	—	—
Income before income taxes	58,288	30,500	(47.7)
Income taxes - current	17,928	10,877	(39.3)
Income taxes - deferred	211	(1,197)	—
Net income	40,148	20,821	(48.1)

**Nomura Securities Co., Ltd.**  
**Unconsolidated Statements of Income - Quarterly Comparatives**

(Millions of yen)

	For the three months ended					
	June 30, 2017	September 30, 2017	December 31, 2017	March 31, 2018	June 30, 2018	September 30, 2018
Operating revenue	179,942	162,166	184,569	164,344	150,385	146,323
Commissions	93,938	94,054	110,829	95,766	91,274	86,583
Net gain on trading	56,755	54,984	54,851	57,496	37,674	46,729
Interest and dividend income	29,249	13,128	18,888	11,082	21,437	13,012
Interest expenses	29,964	14,077	20,717	13,669	21,626	13,190
Net operating revenue	149,979	148,089	163,851	150,675	128,759	133,133
Selling, general and administrative expenses	122,126	118,423	125,312	123,763	115,220	117,197
Operating income	27,852	29,666	38,539	26,912	13,539	15,935
Non-operating income	56	59	48	261	37	118
Non-operating expenses	41	169	46	91	99	74
Ordinary income	27,868	29,556	38,541	27,082	13,477	15,979
Special profits	381	483	602	181	410	634
Special losses	—	—	—	3,402	—	—
Income before income taxes	28,249	30,039	39,143	23,862	13,887	16,613
Income taxes - current	9,238	8,690	10,301	10,020	6,586	4,291
Income taxes - deferred	(413)	624	7,178	(1,618)	(2,219)	1,022
Net income	19,424	20,724	21,664	15,460	9,521	11,300

From April 1, 2018, Nomura changed its accounting policy for certain derivatives and has restated previously reported amounts of Unconsolidated Balance Sheets, Unconsolidated Statements of Income, and Unconsolidated Statements of Income - Quarterly Comparatives.

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

1. Commission Revenues

Breakdown by Category

(Millions of yen, except percentages)

	For the six months ended		% Change (A-B)/(B)
	September 30, 2017 (B)	September 30, 2018 (A)	
Brokerage commissions	52,602	48,296	(8.2)
<i>(Stocks)</i>	50,195	46,355	(7.6)
Commissions for underwriting, secondary distribution and solicitation for selling and others for Professional Investors	12,111	12,925	6.7
<i>(Stocks)</i>	9,074	9,052	(0.2)
<i>(Bonds)</i>	3,037	3,873	27.5
Fees for offering, secondary distribution and solicitation for selling and others for Professional Investors	46,212	35,434	(23.3)
<i>(Investment trust certificates)</i>	45,430	33,399	(26.5)
Other commissions	77,067	81,202	5.4
<i>(Investment trust certificates)</i>	31,889	34,428	8.0
Total	187,992	177,856	(5.4)

2. Stock Trading (excluding futures transactions)

(Millions of yen, except percentages)

	For the six months ended		% Change (A-B)/(B)
	September 30, 2017 (B)	September 30, 2018 (A)	
Brokerage	128,827,597	127,291,527	(1.2)
Proprietary trading	11,035,520	9,542,963	(13.5)
Total	139,863,118	136,834,489	(2.2)

### 3. Capital Adequacy Ratio

(Rounded down to millions of yen, except percentages)

		March 31, 2018	September 30, 2018	Increase/(Decrease)
Tier I	(A)	616,726	637,517	20,790
Tier II	Valuation and translation adjustments	31	—	(31)
	Statutory reserves	21,856	21,856	—
	Allowance for doubtful accounts	—	—	—
	Subordinated debts	360,000	350,000	(10,000)
	Total (B)	381,888	371,856	(10,031)
Illiquid asset	(C)	48,872	79,553	30,681
Net capital	(A) + (B) - (C) = (D)	949,742	929,819	(19,922)
Risk	Market risk	92,856	83,088	(9,768)
	Counterparty risk	137,374	141,464	4,090
	Basic risk	140,198	134,703	(5,495)
	Total (E)	370,429	359,255	(11,173)
Capital adequacy ratio	(D)/(E)×100	256.3%	258.8%	2.5%