

Nomura Securities Co., Ltd.
Unconsolidated Balance Sheets

(UNAUDITED)

	Millions of yen		
	March 31, 2019	December 31, 2019	Increase/(Decrease)
Assets			
Current assets:	10,863,575	13,343,686	2,480,111
Trading assets	2,799,841	2,622,817	(177,024)
Loans with securities as collateral	5,160,506	7,890,342	2,729,836
Other current assets	2,903,228	2,830,526	(72,701)
Fixed assets	51,301	47,893	(3,407)
Total assets	10,914,876	13,391,579	2,476,703
Liabilities			
Current liabilities:	9,042,105	11,642,657	2,600,552
Trading liabilities	1,844,738	1,745,762	(98,975)
Borrowings with securities as collateral	5,006,337	7,637,887	2,631,550
Other current liabilities	2,191,030	2,259,007	67,977
Long-term liabilities	1,199,978	1,092,093	(107,885)
Statutory reserves	21,845	21,845	—
Total liabilities	10,263,927	12,756,595	2,492,667
Shareholder's equity	650,948	634,984	(15,964)
Total net assets	650,948	634,984	(15,964)
Total liabilities and net assets	10,914,876	13,391,579	2,476,703

Nomura Securities Co., Ltd.
Unconsolidated Statements of Income

(UNAUDITED)

	Millions of yen		
	For the nine months ended		% Change (A-B)/(B)
	December 31, 2018 (B)	December 31, 2019 (A)	
Operating revenue	453,977	431,791	(4.9)
Commissions	271,568	253,955	(6.5)
Net gain on trading	126,231	118,332	(6.3)
Interests and dividends income	56,178	59,504	5.9
Interest expenses	56,065	56,553	0.9
Net operating revenue	397,912	375,238	(5.7)
Selling, general, and administrative expenses	348,403	343,304	(1.5)
Operating income	49,509	31,934	(35.5)
Non-operating income	386	2,461	538.1
Non-operating expenses	266	584	119.7
Ordinary income	49,629	33,810	(31.9)
Special profits	1,558	854	(45.2)
Income before income taxes	51,187	34,664	(32.3)
Income taxes - current	16,208	10,786	(33.4)
Income taxes - deferred	(380)	(158)	—
Net income	35,359	24,036	(32.0)

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

(Millions of yen)

	For the three months ended						
	June 30, 2018	September 30, 2018	December 31, 2018	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Operating revenue	150,385	146,323	157,269	121,078	144,117	132,261	155,413
Commissions	91,274	86,583	93,712	83,832	85,037	77,980	90,938
Net gain on trading	37,674	46,729	41,828	24,340	36,215	41,276	40,842
Interest and dividend income	21,437	13,012	21,729	12,906	22,865	13,005	23,633
Interest expenses	21,626	13,190	21,249	12,147	22,192	11,321	23,040
Net operating revenue	128,759	133,133	136,020	108,931	121,925	120,940	132,374
Selling, general and administrative expenses	115,220	117,197	115,985	110,619	113,750	111,132	118,422
Operating income(loss)	13,539	15,935	20,035	(1,688)	8,174	9,808	13,952
Non-operating income	37	118	231	207	534	1,692	235
Non-operating expenses	99	74	93	28	75	210	300
Ordinary income(loss)	13,477	15,979	20,173	(1,510)	8,634	11,290	13,887
Special profits	410	634	513	577	308	269	278
Income (Loss) before income taxes	13,887	16,613	20,686	(933)	8,941	11,558	14,165
Income taxes - current	6,586	4,291	5,331	(3,307)	3,675	2,169	4,942
Income taxes - deferred	(2,219)	1,022	817	3,481	237	488	(884)
Net income(loss)	9,521	11,300	14,538	(1,107)	5,029	8,901	10,107

Nomura Securities Co., Ltd.
Supplementary Information

1. Commission Revenues

(Millions of yen, except percentages)

	For the nine months ended		% Change (A-B)/(B)
	December 31, 2018 (B)	December 31, 2019 (A)	
Brokerage commissions	74,058	63,707	(14.0)
<i>(Stocks)</i>	70,656	61,101	(13.5)
Commissions for underwriting, secondary distribution and solicitation for selling and others for Professional Investors	27,080	19,276	(28.8)
<i>(Stocks)</i>	21,738	10,949	(49.6)
<i>(Bonds)</i>	5,343	8,327	55.8
Fees for offering, secondary distribution and solicitation for selling and others for Professional Investors	47,868	51,135	6.8
<i>(Investment trust certificates)</i>	44,898	47,793	6.4
Other commissions	122,562	119,837	(2.2)
<i>(Investment trust certificates)</i>	50,814	49,230	(3.1)
Total	271,568	253,955	(6.5)

2. Stock Trading (excluding futures transactions)

(Millions of yen, except percentages)

	For the nine months ended		% Change (A-B)/(B)
	December 31, 2018 (B)	December 31, 2019 (A)	
Brokerage	193,090,318	164,623,295	(14.7)
Proprietary trading	17,369,669	14,344,427	(17.4)
Total	210,459,987	178,967,722	(15.0)

3. Capital Adequacy Ratio

(Rounded down to millions of yen, except percentages)

		March 31, 2019	December 31, 2019	Increase/(Decrease)
Tier I	(A)	610,948	634,984	24,036
Tier II	Valuation and translation adjustments	—	—	—
	Statutory reserves	21,844	21,844	—
	Allowance for doubtful accounts	—	—	—
	Subordinated debts	350,000	350,000	—
	Total (B)	371,844	371,844	—
Illiquid Asset	(C)	68,152	59,926	(8,225)
Net Capital	(A) + (B) - (C) = (D)	914,640	946,902	32,262
Risk	Market risk	64,412	57,503	(6,909)
	Counterparty risk	134,483	144,677	10,193
	Basic risk	129,899	124,499	(5,400)
	Total (E)	328,795	326,679	(2,116)
Capital Adequacy Ratio	(D)/(E)×100	278.1%	289.8%	11.7%