

NOMURA ASSET MANAGEMENT

Nomura Asset Management Co., Ltd.
Financial Summary (Unconsolidated)
For The Six Months Ended September 30, 2025
(Unaudited)

Nomura Asset Management Co., Ltd.

Unconsolidated Balance Sheet Information (Unaudited)

(Millions of Yen)

	March 31, 2025	September 30, 2025	Increase (Decrease)	September 30, 2024
Assets				
Current assets	101,080	114,466	13,385	97,372
Cash and cash equivalents	8,177	5,306	(2,870)	5,222
Money held in trust	46,810	61,701	14,891	47,595
Accrued investment trust management fees	34,911	36,524	1,612	35,191
Accrued investment advisory fees	7,066	6,554	(512)	6,723
Short-term loans receivable	2,242	2,977	734	1,427
Other	1,893	1,423	(470)	1,233
Allowance for doubtful receivables	(21)	(21)	(0)	(21)
Non-current assets	22,694	25,444	2,749	22,884
Tangible fixed assets	881	694	(186)	761
Intangible fixed assets	6,889	7,496	607	6,247
Investments and other assets	14,923	17,252	2,328	15,876
Investment securities	2,164	2,936	771	1,503
Investment in subsidiaries and affiliates	6,584	6,878	294	9,535
Long-term guarantee money deposited	521	522	0	521
Prepaid pension cost	2,413	2,655	242	2,189
Deferred tax assets	3,134	4,154	1,019	2,020
Other	104	104	(0)	105
Total assets	123,775	139,910	16,134	120,257

(Millions of Yen)

	March 31, 2025	September 30, 2025	Increase (Decrease)	September 30, 2024
Liabilities				
Current liabilities	<u>49,045</u>	<u>79,635</u>	<u>30,589</u>	<u>63,195</u>
Short-term borrowings	6,000	44,300	38,300	28,300
Distributions of income payable	1	1	0	1
Redemptions payable	65	64	(1)	38
Commissions payable	11,326	11,936	609	11,479
Accounts payable to affiliated company	589	483	(105)	244
Accrued expenses	12,594	11,850	(743)	11,699
Accrued income taxes	10,363	6,494	(3,868)	6,872
Accrued consumption taxes	2,112	970	(1,142)	1,584
Allowance for bonuses	5,846	3,346	(2,499)	2,843
Other	146	188	42	130
Non-current liabilities	<u>4,660</u>	<u>4,802</u>	<u>141</u>	<u>4,410</u>
Allowance for retirement benefits	2,618	2,754	135	2,678
Reserve for loss on distribution of income and redemption after statute of limitation	610	616	6	609
Asset retirement obligations	1,431	1,431	-	1,123
Total liabilities	53,706	84,438	30,731	67,606
Shareholder's equity	<u>69,751</u>	<u>55,149</u>	<u>(14,602)</u>	<u>52,360</u>
Common stock	17,180	17,180	-	17,180
Capital surplus	13,729	13,729	-	13,729
Additional paid-in capital	11,729	11,729	-	11,729
Other capital surplus	2,000	2,000	-	2,000
Earned surplus	38,841	24,239	(14,602)	21,450
Earned surplus reserve	685	685	-	685
Other earned surplus	38,156	23,554	(14,602)	20,765
Unappropriated retained earnings	38,156	23,554	(14,602)	20,765
Valuation and translation adjustments	317	323	5	290
Valuation differences on available-for-sale securities	317	323	5	290
Total net assets	70,069	55,472	(14,596)	52,651
Total liabilities and net assets	123,775	139,910	16,134	120,257

Nomura Asset Management Co., Ltd.

Unconsolidated Income Statement Information (Unaudited)

(Millions of Yen)

	Six Months Ended September 30, 2024 (A)	Six Months Ended September 30, 2025 (B)	Comparison (B)/(A) (%)	Year Ended March 31, 2025
Operating revenues	87,039	94,846	109.0	179,770
Investment trust management fees	75,441	83,255	110.4	155,775
Investment advisory fees	11,445	11,442	100.0	23,666
Other operating revenues	153	148	96.9	328
Operating expenses	49,123	53,863	109.6	101,835
Commissions	27,091	31,463	116.1	56,923
Research	18,872	19,015	100.8	38,115
Other operating expenses	3,159	3,383	107.1	6,797
General and administrative expenses	16,272	18,119	111.3	33,100
Operating income	21,643	22,863	105.6	44,834
Non-operating revenues	6,924	7,810	112.8	8,972
Non-operating expenses	285	900	315.6	763
Ordinary income	28,282	29,773	105.3	53,043
Extraordinary gains	23	50	217.3	56
Extraordinary losses	13	346	2548.0	14
Income before income taxes	28,292	29,477	104.2	53,085
Income taxes - current	6,931	6,987	100.8	15,463
Income taxes - deferred	646	(1,022)	(158.0)	(482)
Net income	20,713	23,512	113.5	38,105

Nomura Asset Management Co., Ltd.
Unconsolidated Statements of Shareholder's Equity (Unaudited)
For Interim ended September 30, 2024

(Millions of Yen)

	Shareholder's equity							
	Common stock	Capital surplus			Earned surplus			Total shareholder's equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Earned surplus reserve	Other earned surplus Unappropriated retained earnings	Total earned surplus	
Balance at beginning of period	17,180	11,729	2,000	13,729	685	28,225	28,910	59,820
Changes during period								
Dividends of surplus						(28,174)	(28,174)	(28,174)
Net income						20,713	20,713	20,713
Net changes in items other than shareholder's equity								
Total changes during period	-	-	-	-	-	(7,460)	(7,460)	(7,460)
Balance at end of period	17,180	11,729	2,000	13,729	685	20,765	21,450	52,360

(Millions of Yen)

	Valuation and translation adjustments		Total net assets
	Valuation differences on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	327	327	60,147
Changes during period			
Dividends of surplus			(28,174)
Net income			20,713
Net changes in items other than shareholder's equity	(36)	(36)	(36)
Total changes during period	(36)	(36)	(7,496)
Balance at end of period	290	290	52,651

For Interim ended September 30, 2025

(Millions of Yen)

	Shareholder's equity							
	Common stock	Capital surplus			Earned surplus			Total shareholder's equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Earned surplus reserve	Other earned surplus Unappropriated retained earnings	Total earned surplus	
Balance at beginning of period	17,180	11,729	2,000	13,729	685	38,156	38,841	69,751
Changes during period								
Dividends of surplus						(38,115)	(38,115)	(38,115)
Net income						23,512	23,512	23,512
Net changes in items other than shareholder's equity								
Total changes during period	-	-	-	-	-	(14,602)	(14,602)	(14,602)
Balance at end of period	17,180	11,729	2,000	13,729	685	23,554	24,239	55,149

(Millions of Yen)

	Valuation and translation adjustments		Total net assets
	Valuation differences on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	317	317	70,069
Changes during period			
Dividends of surplus			(38,115)
Net income			23,512
Net changes in items other than shareholder's equity	5	5	5
Total changes during period	5	5	(14,596)
Balance at end of period	323	323	55,472

For The Year Ended March 31, 2025

(Millions of Yen)

	Shareholder's equity							
	Common stock	Capital surplus			Earned surplus			Total shareholder's equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Earned surplus reserve	Other earned surplus Unappropriated retained earnings	Total earned surplus	
Balance at beginning of period	17,180	11,729	2,000	13,729	685	28,225	28,910	59,820
Changes during period								
Dividends of surplus						(28,174)	(28,174)	(28,174)
Net income						38,105	38,105	38,105
Net changes in items other than shareholder's equity								
Total changes during period	-	-	-	-	-	9,931	9,931	9,931
Balance at end of period	17,180	11,729	2,000	13,729	685	38,156	38,841	69,751

(Millions of Yen)

	Valuation and translation adjustments		Total net assets
	Valuation differences on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	327	327	60,147
Changes during period			
Dividends of surplus			(28,174)
Net income			38,105
Net changes in items other than shareholder's equity	(9)	(9)	(9)
Total changes during period	(9)	(9)	9,921
Balance at end of period	317	317	70,069

Significant Accounting Policies

1. Basis and Method of Valuation for Securities

The basis and methods of valuation are summarized as follows:

Investments in subsidiaries and affiliates at cost by the moving average method

Available-for-sale securities:

With determinable market value at market value

Valuation differences are reported net of the applicable income taxes as a separate component of net assets and costs of securities sold are calculated by the moving average method.

Without determinable market value at cost by the moving average method

2. Basis and Method of Valuation for Money held in trust

Money held in trust is measured at fair value.

3. Basis and Method of Valuation for Derivatives

Derivatives are measured at fair value.

4. Translation of foreign currency assets and liabilities

Assets and Liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rate, prevailing at the balance sheet date and the effect of exchange rate changes are recorded in gain and loss.

5. Depreciation/Amortization Method of Fixed Assets

(1) Depreciation of tangible fixed assets

Tangible fixed assets are depreciated by the declining-balance method, except for buildings (excluding structures attached to the buildings) acquired on or after April 1, 1998, which are depreciated by the straight-line method. Furthermore, structures attached to the buildings and facilities acquired on or after April 1, 2016 are depreciated by the straight-line method.

(2) Amortization of intangible assets

Intangible fixed assets are amortized by the straight-line method. Software for internal use is amortized by the straight-line method over estimated useful lives on the basis of internal use.

6. Allowances and Accruals

(1) Allowance for doubtful receivables

For specific receivables from doubtful debtors, allowance for doubtful receivables is provided by determining the likelihood of recovery of individual doubtful receivables. For receivables other than those indicated above, allowance for doubtful receivables is provided by using the historical rate of default.

(2) Allowance for bonuses

Allowance for bonuses is provided by estimating bonuses to be paid, based on services provided during the fiscal year.

(3) Allowance for retirement benefits

Allowance for retirement benefits which consists of lump-sum payment plan and tax-qualified pension plan is provided for future payments of retirement benefits to employees at an estimated amount based on the retirement benefit obligation and the fair value of the pension plan assets.

The benefit formula method is used for attributing the estimated future payments to the amount of allowance for retirement benefits in this fiscal year.

Any actuarial differences arising from the tax-qualified pension plan are amortized from the following fiscal year when the differences arise by the straight-line method over a period within the average remaining years of service of the eligible employees, while those arising from the lump-sum payment plan are fully expensed in the following fiscal year when the differences arise. Prior

service costs arising from the lump-sum payment plan and tax-qualified pension plan are amortized by the straight-line method over a period within the average remaining years of service of the eligible employees from the fiscal year when they are incurred.

(4) Reserve for loss on distribution of income and redemption after statute of limitation

Reserve for loss on distribution of income and redemption after statute of limitation is provided for investment trust distributions of income and investment trust redemptions recognized as revenue by prescription by estimating the amount of potential payments in the future, which is based on actual payments made in the past.

7. Revenue and Expense Recording Basis

The Company's primary source of revenue is fee income from investment management activities performing the asset management business. Fee income consists of investment trust management fees and investment advisory fees. It may include performance based fees.

(1) Investment trust management fees

Investment trust management fees are generated through investment trust agreements and are generally based on an agreed percentage of the net asset value on a daily basis, assuming that the performance obligation is satisfied based on time elapsed.

Payments of investment trust management fees are settled mainly quarterly or semi-annually.

(2) Investment advisory fees

Investment advisory fees are generated through investment advisory agreements and are generally based on agreed fee rates over the contractual period, assuming that the performance obligation is satisfied based on time elapsed.

Payments of investment trust management fees are settled mainly quarterly or semi-annually.

(3) Performance based fees

Performance based fees are earned from certain arrangements when the actual performance exceeded certain benchmarks or other contractually agreed performance metrics within specified performance measurement periods. They are only recognized at point when it is highly probable that a significant reversal of revenue will not occur in future periods.

Supplementary Information

1. Net Assets of Investment Trusts

(Billions of yen)

	September 30, 2024	September 30, 2025	Increase (Decrease)
Unit Type	0	175	175
Open Type	51,968	60,260	8,292
Stock Investment Trusts - Public	51,968	60,435	8,467
Bond Investment Trusts	259	242	(16)
Money Reserve Fund	6,399	6,920	520
Others	0	0	0
Bond Investment Trusts - Public	6,658	7,162	503
Stock Investment Trusts	2,539	2,767	227
Bond Investment Trusts	821	618	(203)
Private Investment Trusts	3,361	3,385	24
Total	61,988	70,984	8,996

2. Assets under Investment Management and Advisory Contracts

(Billions of yen)

	September 30, 2024	September 30, 2025	Increase (Decrease)
Domestic - General	714	865	151
Domestic - Pension	10,679	11,983	1,304
Overseas	4,663	5,702	1,038
Total	16,058	18,552	2,494

Quarterly Income Statement Information

(Millions of Yen)

	1st quarter From April 1, 2025 To June 30, 2025	2nd quarter From July 1, 2025 To September 30, 2025	Six Months Ended From April 1, 2025 To September 30, 2025
Operating revenues	45,431	49,414	94,846
Investment trust management fees	39,851	43,403	83,255
Investment advisory fees	5,508	5,934	11,442
Other operating revenues	72	76	148
Operating expenses	25,876	27,987	53,863
Commissions	14,976	16,487	31,463
Research	9,249	9,766	19,015
Other operating expenses	1,650	1,733	3,383
General and administrative expenses	8,999	9,120	18,119
Operating income (loss)	10,556	12,306	22,863
Non-operating revenues	5,347	2,463	7,810
Non-operating expenses	194	705	900
Ordinary income	15,708	14,064	29,773
Extraordinary gains	15	35	50
Extraordinary losses	-	346	346
Income (loss) before income taxes	15,724	13,753	29,477
Income taxes - current	2,881	4,105	6,987
Income taxes - deferred	1,804	(2,826)	(1,022)
Net income (loss)	11,037	12,474	23,512