

# CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

(Amounts in millions of Japanese Yen, rounded off to the nearest million except for per share information, unless otherwise stated)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	Millions of Yen		
		As at 1 April 2011	As at 31 March 2012	As at 31 March 2013
<b>Assets</b>				
Cash and cash equivalents	16	160,398	159,833	133,362
Trade and other accounts receivable	6, 7, 8, 16	166,090	180,385	412,477
Assets related to securities business				
Cash segregated as deposits		347,866	663,066	846,445
Margin transaction assets		139,960	166,652	164,935
Other assets related to securities business	9	228,664	160,490	422,265
Total assets related to securities business	6	716,490	990,208	1,433,645
Other financial assets	16	16,885	13,086	26,694
Operational investment securities	6, 7, 10	108,138	121,951	119,268
Other investment securities	6, 7, 10	13,036	10,548	57,209
Investments in associates	11, 16	23,367	29,097	35,689
Investment properties	12, 16	19,291	18,529	36,355
Property and equipment	13	10,879	9,462	10,517
Intangible assets	14	67,976	64,502	185,581
Other assets	16	47,065	37,101	29,928
Deferred tax assets	15	22,114	20,866	13,662
Total assets		1,371,729	1,655,568	2,494,387
<b>Liabilities</b>				
Bonds and loans payable	6, 7, 16	276,978	285,188	344,360
Trade and other accounts payable	7, 17	42,525	39,073	48,894
Liabilities related to securities business				
Margin transaction liabilities		79,189	113,002	153,612
Loans payable secured by securities		61,798	76,593	135,609
Deposits from customers		36,717	331,489	387,310
Guarantee deposits received		309,135	289,405	372,440
Other liabilities related to securities business	18	176,482	123,342	255,634
Total liabilities related to securities business	6, 7	663,321	933,831	1,304,605
Customer deposits for banking business	6, 7	–	–	376,177
Income tax payable		5,099	4,847	2,192
Other financial liabilities	6, 7	24,947	29,916	35,371
Other liabilities		5,609	4,937	15,430
Deferred tax liabilities	15	5,362	5,871	6,823
Total liabilities		1,023,841	1,303,663	2,133,852
<b>Equity</b>				
Capital stock	20	73,236	81,665	81,668
Capital surplus	20	155,525	160,471	160,550
Treasury stock	20	(247)	(3,180)	(5,117)
Other component of equity	20	571	(1,363)	6,196
Retained earnings	20	60,951	58,930	60,002
Equity attributable to owners of the Company		290,036	296,523	303,299
Non-controlling interests		57,852	55,382	57,236
Total equity		347,888	351,905	360,535
Total liabilities and equity		1,371,729	1,655,568	2,494,387

## CONSOLIDATED STATEMENT OF INCOME

	Notes	Millions of Yen	
		Fiscal Year ended 31 March 2012	Fiscal Year ended 31 March 2013
Operating revenue	5, 23	177,409	153,476
Operating expense			
Operating cost	24	(73,766)	(55,275)
Financial cost	24	(5,229)	(4,612)
Selling, general and administrative expenses	24	(74,092)	(75,231)
Other expenses	24	(7,017)	(2,339)
Total operating expense		(160,104)	(137,457)
Share of results of associates using the equity method	5, 11	225	558
Operating income		17,530	16,577
Other financial income and cost			
Other financial income	25	504	604
Other financial cost	25	(2,434)	(2,968)
Total other financial income and cost		(1,930)	(2,364)
Profit before income tax expense	5	15,600	14,213
Income tax expense	26	(12,838)	(7,251)
Profit for the year		2,762	6,962
Profit for the year attributable to owners of the Company		303	3,202
Non-controlling interests		2,459	3,760
Profit for the year		2,762	6,962
Earnings per share attributable to owners of the Company			
Basic (Yen)	28	1.38	14.75
Diluted (Yen)	28	1.38	14.75

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Millions of Yen			
	Notes	Fiscal Year ended 31 March 2012	Fiscal Year ended 31 March 2013
Profit for the year		2,762	6,962
Other comprehensive income/(loss)			
Currency translation differences	27	(1,236)	7,181
FVTOCI financial assets	27	(397)	(250)
Hedging instruments for cash flow hedges	27	(2)	49
Proportionate share of other comprehensive income/(loss) of associates	27	(201)	1,398
Other comprehensive income/(loss), net of tax		(1,836)	8,378
Total comprehensive income/(loss)		926	15,340
Total comprehensive income/(loss) attributable to owners of the Company		(1,564)	10,839
Non-controlling interests		2,490	4,501
Total comprehensive income/(loss)		926	15,340

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Millions of Yen									
	Notes	Attributable to owners of the Company							
		Capital Stock	Capital Surplus	Treasury Stock	Other Component of Equity	Retained Earnings	Total	Non- controlling Interests	Total Equity
As at 1 April 2011		73,236	155,525	(247)	571	60,951	290,036	57,852	347,888
Profit for the year		-	-	-	-	303	303	2,459	2,762
Other comprehensive income/(loss)		-	-	-	(1,867)	-	(1,867)	31	(1,836)
Total comprehensive income/(loss)		-	-	-	(1,867)	303	(1,564)	2,490	926
Issuance of new stock	20	8,429	8,298	-	-	-	16,727	-	16,727
Change in scope of consolidation		-	223	-	-	-	223	(1,556)	(1,333)
Dividends paid	21	-	-	-	-	(2,391)	(2,391)	(2,156)	(4,547)
Treasury shares purchased	20	-	-	(2,939)	-	-	(2,939)	-	(2,939)
Treasury shares sold	20	-	-	6	-	-	6	-	6
Changes of interests in subsidiaries without losing control		-	(3,575)	-	-	-	(3,575)	(1,248)	(4,823)
Transfer from other component of equity	20	-	-	-	(67)	67	-	-	-
As at 31 March 2012		81,665	160,471	(3,180)	(1,363)	58,930	296,523	55,382	351,905
Profit for the year		-	-	-	-	3,202	3,202	3,760	6,962
Other comprehensive income/(loss)		-	-	-	7,637	-	7,637	741	8,378
Total comprehensive income/(loss)		-	-	-	7,637	3,202	10,839	4,501	15,340
Issuance of new stock	20	3	3	-	-	-	6	-	6
Change in scope of consolidation		-	1	-	-	-	1	(7,909)	(7,908)
Dividends paid	21	-	-	-	-	(2,208)	(2,208)	(3,004)	(5,212)
Treasury shares purchased	20	-	-	(2,021)	-	-	(2,021)	-	(2,021)
Treasury shares sold	20	-	0	84	-	-	84	-	84
Changes of interests in subsidiaries without losing control		-	75	-	-	-	75	8,266	8,341
Transfer from other component of equity	20	-	-	-	(78)	78	-	-	-
As at 31 March 2013		81,668	160,550	(5,117)	6,196	60,002	303,299	57,236	360,535

## CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Millions of Yen	
		Fiscal Year ended 31 March 2012	Fiscal Year ended 31 March 2013
Net cash from (used in) operating activities			
Profit before income tax expense		15,600	14,213
Depreciation and amortization		7,660	7,624
Share of results of associates using the equity method		(225)	(558)
Interest and dividend income		(18,644)	(18,454)
Interest expense		7,644	7,565
Decrease (increase) in operational investment securities		(5,220)	557
Decrease (increase) in accounts receivable and other receivables		(992)	10,614
Increase in operational liabilities and other liabilities		11,664	14,167
Increase in assets/liabilities related to securities business		(2,771)	(72,300)
Others		(5,758)	(3,898)
Subtotal		8,958	(40,470)
Interest and dividend income received		17,783	17,854
Interest expense paid		(7,396)	(6,884)
Income taxes paid		(9,527)	(7,484)
Net cash from (used in) operating activities		9,818	(36,984)
Net cash used in investing activities			
Purchases of intangible assets		(5,499)	(4,279)
Purchases of investment securities		(11,180)	(9,876)
Proceeds from sales of investment securities		2,226	4,580
Acquisition of subsidiaries, net of cash and cash equivalents acquired	29	792	(18,451)
Proceeds from sales of subsidiaries, net of cash and cash equivalents disposed of	29	(4,076)	10,062
Payments of loans receivable		(11,560)	(8,215)
Collection of loans receivable		13,178	5,987
Others		98	1,132
Net cash used in investing activities		(16,021)	(19,060)
Net cash from financing activities			
Increase in short-term loans payable		8,421	32,305
Proceeds from long-term loans payable		6,020	28,437
Repayment of long-term loans payable		(27,861)	(42,968)
Proceeds from issuance of bonds payable		89,937	63,945
Redemption of bonds payable		(69,680)	(60,540)
Proceeds from stock issuance		16,716	6
Proceeds from stock issuance to non-controlling interests		844	3,679
Contributions from non-controlling interests in consolidated investment funds		1,057	2,052
Cash dividend paid		(2,660)	(2,213)
Cash dividend paid to non-controlling interests		(187)	(467)
Distributions to non-controlling interests in consolidated investment funds		(5,164)	(2,431)
Purchase of treasury stock		(2,939)	(2,021)
Proceeds from sale of interests in subsidiaries to non-controlling interests		611	7,603
Payments for purchase of interests in subsidiaries from non-controlling interests		(6,411)	(295)
Others		(1,317)	(1,393)
Net cash from financing activities		7,387	25,699
Net increase (decrease) in cash and cash equivalents		1,184	(30,345)
Cash and cash equivalents at the beginning of the year		160,398	159,833
Effect of changes in exchange rate on cash and cash equivalents		(1,749)	3,874
Cash and cash equivalents at the end of the year		159,833	133,362