

Consolidated Financial Statements of the Group

Consolidated Statement of Financial Position

	Notes	Millions of Yen	
		As at March 31, 2013	As at March 31, 2014
Assets			
Cash and cash equivalents	6, 18	133,362	276,221
Trade and other accounts receivable	6, 8, 9, 18	412,477	336,206
Assets related to securities business			
Cash segregated as deposits		846,445	935,497
Margin transaction assets		164,935	352,675
Other assets related to securities business	10	422,265	451,321
Total assets related to securities business	6, 7	1,433,645	1,739,493
Other financial assets	6, 18	26,694	30,593
Operational investment securities	6, 8, 11	119,268	127,365
Other investment securities	6, 8, 11	57,209	49,234
Investments accounted for using the equity method	12	35,689	39,820
Investment properties	14, 18	36,355	33,195
Property and equipment	15	10,517	11,826
Intangible assets	16	185,581	196,438
Other assets	18	29,928	26,513
Deferred tax assets	17	13,662	8,400
Total assets		2,494,387	2,875,304
Liabilities			
Bonds and loans payable	6, 8, 18	344,360	440,112
Trade and other accounts payable	6, 8, 19	48,894	53,503
Liabilities related to securities business			
Margin transaction liabilities		153,612	186,806
Loans payable secured by securities		135,609	211,671
Deposits from customers		387,310	492,159
Guarantee deposits received		372,440	439,927
Other liabilities related to securities business	20	255,634	287,350
Total liabilities related to securities business	6, 7, 8	1,304,605	1,617,913
Customer deposits for banking business	6, 8	376,177	302,314
Income tax payable		2,192	10,362
Other financial liabilities	6, 8	35,371	38,015
Other liabilities		15,430	15,767
Deferred tax liabilities	17	6,823	8,855
Total liabilities		2,133,852	2,486,841
Equity			
Capital stock	22	81,668	81,681
Capital surplus	22	160,550	152,725
Treasury stock	22	(5,117)	(5,140)
Other component of equity	22	6,196	16,225
Retained earnings	22	60,002	80,140
Equity attributable to owners of the Company		303,299	325,631
Non-controlling interests		57,236	62,832
Total equity		360,535	388,463
Total liabilities and equity		2,494,387	2,875,304

Consolidated Statement of Income

	Notes	Millions of Yen	
		Fiscal Year ended March 31, 2013	Fiscal Year ended March 31, 2014
Operating revenue	5, 25	<u>154,285</u>	232,822
Operating expense			
Operating cost	26	(55,275)	(68,472)
Financial cost	26	(4,612)	(18,526)
Selling, general and administrative expenses	26	(75,231)	(95,997)
Other expenses	26	(2,339)	(8,934)
Total operating expense		(137,457)	(191,929)
Share of the profit or loss of associates and joint ventures accounted for using the equity method	5, 12	558	1,331
Operating income		<u>17,386</u>	42,224
Other financial income and cost			
Other financial income	27	604	514
Other financial cost	27	(2,968)	(3,839)
Total Other financial income and cost		(2,364)	(3,325)
Profit before income tax expense	5	<u>15,022</u>	38,899
Income tax expense	28	(7,445)	(19,100)
Profit for the year		<u>7,577</u>	19,799
Profit for the year attributable to owners of the Company		<u>3,817</u>	21,439
Non-controlling interests		3,760	(1,640)
Profit for the year		<u>7,577</u>	19,799
Earnings per share attributable to owners of the Company			
Basic (Yen)	30	<u>17.58</u>	99.04
Diluted (Yen)	30	<u>17.58</u>	96.85

Consolidated Statement of Comprehensive Income

	Note	Millions of Yen	
		Fiscal Year ended March 31, 2013	Fiscal Year ended March 31, 2014
Profit for the year		<u>7,577</u>	19,799
Items that will not be reclassified subsequently to profit or loss			
FVTOCI financial assets	29	(250)	979
Items that may be reclassified subsequently to profit or loss			
Currency translation differences	29	8,579	9,600
Hedging instruments for cash flow hedges	29	49	–
Other comprehensive income, net of tax		8,378	10,579
Total comprehensive income		<u>15,955</u>	30,378
Total comprehensive income attributable to owners of the Company		<u>11,454</u>	32,337
Non-controlling interests		4,501	(1,959)
Total comprehensive income		<u>15,955</u>	30,378

Consolidated Statement of Changes in Equity

	Note	Millions of Yen								
		Attributable to owners of the Company							Non-controlling interests	Total equity
		Capital stock	Capital surplus	Treasury stock	Other component of equity	Retained earnings	Total			
As at April 1, 2012		81,665	160,471	(3,180)	(1,363)	58,315	295,908	55,382	351,290	
Profit for the year		–	–	–	–	3,817	3,817	3,760	7,577	
Other comprehensive income		–	–	–	7,637	–	7,637	741	8,378	
Total comprehensive income		–	–	–	7,637	3,817	11,454	4,501	15,955	
Issuance of new stock	22	3	3	–	–	–	6	–	6	
Change in scope of consolidation		–	1	–	–	–	1	(7,909)	(7,908)	
Dividends paid	23	–	–	–	–	(2,208)	(2,208)	(3,004)	(5,212)	
Treasury shares purchased	22	–	–	(2,021)	–	–	(2,021)	–	(2,021)	
Treasury shares sold	22	–	0	84	–	–	84	–	84	
Changes of interests in subsidiaries without losing control		–	75	–	–	–	75	8,266	8,341	
Transfer	22	–	–	–	(78)	78	–	–	–	
As at March 31, 2013		81,668	160,550	(5,117)	6,196	60,002	303,299	57,236	360,535	
Profit for the year		–	–	–	–	21,439	21,439	(1,640)	19,799	
Other comprehensive income/(loss)		–	–	–	10,898	–	10,898	(319)	10,579	
Total comprehensive income		–	–	–	10,898	21,439	32,337	(1,959)	30,378	
Issuance of new stock	22	13	13	–	–	–	26	–	26	
Issuance of convertible bonds	18	–	1,632	–	–	–	1,632	–	1,632	
Change in scope of consolidation		–	(211)	–	–	–	(211)	747	536	
Dividends paid	23	–	–	–	–	(2,170)	(2,170)	(2,103)	(4,273)	
Treasury shares purchased	22	–	–	(64)	–	–	(64)	–	(64)	
Treasury shares sold	22	–	3	41	–	–	44	–	44	
Changes of interests in subsidiaries without losing control		–	(9,262)	–	–	–	(9,262)	8,911	(351)	
Transfer	22	–	–	–	(869)	869	–	–	–	
As at March 31, 2014		81,681	152,725	(5,140)	16,225	80,140	325,631	62,832	388,463	

Consolidated Statement of Cash Flows

	Note	Millions of Yen	
		Fiscal Year ended March 31, 2013	Fiscal Year ended March 31, 2014
Net cash (used in) generated from operating activities			
Profit before income tax expense		15,022	38,899
Depreciation and amortization		7,624	11,434
Share of the profits or loss of associates and joint ventures accounted for using the equity method		(558)	(1,331)
Interest and dividend income		(18,454)	(65,518)
Interest expense		7,565	22,365
Decrease (increase) in operational investment securities		(252)	(2,524)
Decrease in accounts receivables and other receivables		10,614	95,728
Increase in operational liabilities and other liabilities		14,167	3,388
(Increase) decrease in assets/liabilities related to securities business		(72,300)	7,370
Decrease in customer deposits in the banking business		–	(121,649)
Others		(3,898)	4,593
Subtotal		(40,470)	(7,245)
Interest and dividend income received		17,854	64,215
Interest paid		(6,884)	(25,054)
Income taxes paid		(7,484)	(2,515)
Net cash (used in) generated from operating activities		(36,984)	29,401
Net cash (used in) generated from investing activities			
Purchases of intangible assets		(4,279)	(5,409)
Purchases of investment securities		(9,876)	(9,791)
Proceeds from sales of investment securities		4,580	21,582
Acquisition of subsidiaries, net of cash and cash equivalents acquired	31	(18,451)	(2,057)
Proceeds from sales of subsidiaries, net of cash and cash equivalents disposed of	31	10,062	2,887
Payments of loans receivable		(8,215)	(3,787)
Collection of loans receivable		5,987	5,545
Others		1,132	7,841
Net cash (used in) generated from investing activities		(19,060)	16,811
Net cash generated from financing activities			
Increase in short-term loans payable		32,305	47,918
Proceeds from long-term loans payable		28,437	40,895
Repayment of long-term loans payable		(42,968)	(27,091)
Proceeds from issuance of bonds payable		63,945	101,012
Redemption of bonds payable		(60,540)	(65,470)
Proceeds from stock issuance		6	26
Proceeds from stock issuance to non-controlling interests		3,679	55
Contributions from non-controlling interests in consolidated investment funds		2,052	1,312
Cash dividends paid		(2,213)	(2,162)
Cash dividends paid to non-controlling interests		(467)	(530)
Distributions to non-controlling interests in consolidated investment funds		(2,431)	(2,084)
Purchase of treasury stock		(2,021)	(64)
Proceeds from sale of interests in subsidiaries to non-controlling interests		7,603	119
Payments for purchase of interests in subsidiaries from non-controlling interests		(295)	(145)
Others		(1,393)	(1,253)
Net cash generated from financing activities		25,699	92,538
Net (decrease) increase in cash and cash equivalents		(30,345)	138,750
Cash and cash equivalents at the beginning of the year		159,833	133,362
Effect of changes in exchange rate on cash and cash equivalents		3,874	4,109
Cash and cash equivalents at the end of the year		133,362	276,221