

# Consolidated Financial Statements of the Group

## Consolidated Statement of Financial Position

(Millions of Yen)

	Notes	As of March 31, 2016	As of March 31, 2017
<b>Assets</b>			
Cash and cash equivalents	5, 17	248,050	391,572
Trade and other accounts receivable	5, 7, 8, 17	369,006	472,128
Assets related to securities business			
Cash segregated as deposits		1,139,908	1,399,851
Margin transaction assets		516,843	617,550
Other assets related to securities business	9	251,924	315,640
Total assets related to securities business	5, 6	1,908,675	2,333,041
Other financial assets	5, 17	29,215	30,050
Operational investment securities	5, 7, 10	118,886	111,067
Other investment securities	5, 7, 10	173,907	186,512
Investments accounted for using the equity method	11	43,853	90,394
Investment properties	13	12,027	7,105
Property and equipment	14, 17	11,778	10,498
Intangible assets	15	188,454	185,493
Other assets		22,607	28,392
Deferred tax assets	16	326	3,749
<b>Total assets</b>		<b>3,126,784</b>	<b>3,850,001</b>
<b>Liabilities</b>			
Bonds and loans payable	5, 7, 17	324,585	518,977
Trade and other accounts payable	5, 7, 18	38,759	52,887
Liabilities related to securities business			
Margin transaction liabilities		85,677	135,698
Loans payable secured by securities		344,423	399,673
Deposits from customers		573,957	738,144
Guarantee deposits received		533,862	600,621
Other liabilities related to securities business	19	222,424	304,476
Total liabilities related to securities business	5, 6, 7	1,760,343	2,178,612
Customer deposits for banking business	5, 7	386,027	485,827
Insurance contract liabilities	20	154,133	147,573
Income tax payable		7,066	10,040
Other financial liabilities	5	12,899	14,663
Other liabilities		13,396	11,946
Deferred tax liabilities	16	10,513	13,952
<b>Total liabilities</b>		<b>2,707,721</b>	<b>3,434,477</b>
<b>Equity</b>			
Capital stock	22	81,681	81,681
Capital surplus	22	145,735	128,004
Treasury stock	22	(19,132)	(23,801)
Other components of equity	22	17,107	22,720
Retained earnings	22	146,199	169,388
Equity attributable to owners of the Company		371,590	377,992
Non-controlling interests		47,473	37,532
<b>Total equity</b>		<b>419,063</b>	<b>415,524</b>
<b>Total liabilities and equity</b>		<b>3,126,784</b>	<b>3,850,001</b>

## Consolidated Statement of Income

(Millions of Yen)

	Notes	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Revenue	4, 25	261,744	261,939
Expense			
Financial cost associated with financial income	26	(15,836)	(14,543)
Operating cost	26	(83,692)	(98,982)
Selling, general and administrative expenses	26	(96,646)	(95,970)
Other financial cost	26	(4,442)	(3,477)
Other expenses	26	(10,484)	(8,677)
Total expense		(211,100)	(221,649)
Share of the profit of associates and joint ventures accounted for using the equity method	4, 11	1,583	2,849
Profit before income tax expense	4	52,227	43,139
Income tax expense	27	(15,561)	(14,836)
Profit for the year		36,666	28,303
Profit for the year attributable to			
Owners of the Company		34,115	32,455
Non-controlling interests		2,551	(4,152)
Profit for the year		36,666	28,303
Earnings per share attributable to owners of the Company			
Basic (Yen)	29	160.83	159.38
Diluted (Yen)	29	147.94	146.52

## Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Note	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Profit for the year		36,666	28,303
Items that will not be reclassified subsequently to profit or loss			
Fair value through other comprehensive income ("FVTOCI") financial assets	28	301	124
Items that may be reclassified subsequently to profit or loss			
Currency translation differences	28	(18,349)	680
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	28	(1,555)	3,699
Other comprehensive income, net of tax		(19,603)	4,503
Total comprehensive income		17,063	32,806
Total comprehensive income attributable to			
Owners of the Company		14,750	38,082
Non-controlling interests		2,313	(5,276)
Total comprehensive income		17,063	32,806

## Consolidated Statement of Changes in Equity

(Millions of Yen)

	Note	Attributable to owners of the Company					Total	Non-controlling interests	Total equity
		Capital stock	Capital surplus	Treasury stock	Other components of equity	Retained earnings			
As at April 1, 2015		81,681	148,676	(5,137)	36,934	121,337	383,491	47,124	430,615
Profit for the year		—	—	—	—	34,115	34,115	2,551	36,666
Other comprehensive income		—	—	—	(19,365)	—	(19,365)	(238)	(19,603)
Total comprehensive income		—	—	—	(19,365)	34,115	14,750	2,313	17,063
Change in scope of consolidation		—	—	—	—	—	—	4,663	4,663
Dividends paid	23	—	—	—	—	(9,715)	(9,715)	(9,406)	(19,121)
Treasury shares purchased	22	—	—	(15,030)	—	—	(15,030)	—	(15,030)
Treasury shares sold	22	—	111	1,035	—	—	1,146	—	1,146
Changes of interests in subsidiaries without losing control		—	(3,052)	—	—	—	(3,052)	2,779	(273)
Transfer	22	—	—	—	(462)	462	—	—	—
As at March 31, 2016		81,681	145,735	(19,132)	17,107	146,199	371,590	47,473	419,063
Profit for the year		—	—	—	—	32,455	32,455	(4,152)	28,303
Other comprehensive income		—	—	—	5,627	—	5,627	(1,124)	4,503
Total comprehensive income		—	—	—	5,627	32,455	38,082	(5,276)	32,806
Change in scope of consolidation		—	(4)	—	—	—	(4)	(1,294)	(1,298)
Dividends paid	23	—	—	—	—	(9,280)	(9,280)	(35,612)	(44,892)
Treasury shares purchased	22	—	—	(8,019)	—	—	(8,019)	—	(8,019)
Treasury shares sold	22	—	304	3,350	—	—	3,654	—	3,654
Changes of interests in subsidiaries without losing control		—	(18,031)	—	—	—	(18,031)	32,241	14,210
Transfer	22	—	—	—	(14)	14	—	—	—
As at March 31, 2017		81,681	128,004	(23,801)	22,720	169,388	377,992	37,532	415,524

## Consolidated Statement of Cash Flows

(Millions of Yen)

	Note	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Net cash generated from (used in) operating activities			
Profit before income tax expense		52,227	43,139
Depreciation and amortization		11,103	10,690
Share of profits of associates and joint ventures accounted for using the equity method		(1,583)	(2,849)
Interest and dividend income		(72,238)	(80,891)
Interest expense		20,278	18,019
Increase in operational investment securities		(6,449)	(29,362)
Increase in accounts receivables and other receivables		(58,514)	(105,238)
(Decrease) increase in operational liabilities and other liabilities		(13,890)	15,233
Decrease (increase) in assets/liabilities related to securities business		19,882	(6,275)
Increase in customer deposits in the banking business		59,883	87,149
Others		(10,562)	(17,663)
Subtotal		137	(68,048)
Interest and dividend income received		71,537	79,991
Interest paid		(19,860)	(16,106)
Income taxes paid		(19,336)	(13,789)
Net cash generated from (used in) operating activities		32,478	(17,952)
Net cash generated from investing activities			
Purchases of intangible assets		(7,223)	(6,241)
Purchases of investment securities		(57,693)	(66,523)
Proceeds from sales or redemption of investment securities		70,533	62,854
Acquisition of subsidiaries, net of cash and cash equivalents acquired	30	(3,222)	(1,968)
Proceeds from sales of subsidiaries, net of cash and cash equivalents disposed of	30	550	3,344
Payments of loans receivable		(1,806)	(4,182)
Collection of loans receivable		1,942	7,091
Others		8,098	8,062
Net cash generated from investing activities		11,179	2,437
Net cash (used in) generated from financing activities			
Increase (decrease) in short term loans payable		(108,085)	161,178
Proceeds from long-term loans payable		59,690	30,462
Repayment of long-term loans payable		(30,146)	(25,574)
Proceeds from issuance of bonds payable		56,103	102,325
Redemption of bonds payable		(24,088)	(74,930)
Proceeds from stock issuance to non-controlling interests		91	222
Contributions from non-controlling interests in consolidated investment funds		8,244	20,234
Cash dividends paid		(9,684)	(9,266)
Cash dividends paid to non-controlling interests		(381)	(378)
Distributions to non-controlling interests in consolidated investment funds		(8,827)	(35,266)
Purchase of treasury stock		(15,030)	(8,019)
Proceeds from sale of interests in subsidiaries to non-controlling interests		47	1,032
Payments for purchase of interests in subsidiaries from non-controlling interests		(4,486)	(5,112)
Others		322	2,559
Net cash (used in) generated from financing activities		(76,230)	159,467
Net (decrease) increase in cash and cash equivalents		(32,573)	143,952
Cash and cash equivalents at the beginning of the year		290,826	248,050
Effect of changes in exchange rate on cash and cash equivalents		(10,203)	(430)
Cash and cash equivalents at the end of the year		248,050	391,572