



October 30, 2015

## Summary of Consolidated Financial Statements for the Six Months Ended September 30, 2015 Under Japanese GAAP

Company's name: **Mizuho Securities Co., Ltd.**

URL: <http://www.mizuho-sc.com/>

Representative: Hiroshi Motoyama, President

Contact: Akio Arai, General Manager of Accounting Dept. on +81 3-5208-3210

Preparation of supplemental explanatory documents: Yes

Holding of quarterly presentation meeting: No

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2015 (April 1, 2015 to September 30, 2015)

(Amounts are rounded down to the nearest millions of yen)

#### (1) Consolidated operating results

(Percentage figures represent year-on-year changes)

Six months ended	Operating revenues		Net operating revenues		Operating income		Ordinary income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
September 30, 2015	237,027	20.2	211,919	20.3	46,303	48.3	47,352	47.7
September 30, 2014	197,125	1.6	176,187	5.1	31,213	9.0	32,060	10.2

(Note) Comprehensive income: September 30, 2015: 34,650 million yen (23.1%)  
September 30, 2014: 28,141 million yen (-31.6%)

Six months ended	Net income attributable to owners of parent		Net income per share	Net income per share
	millions of yen	%	per share	- fully diluted
September 30, 2015	38,723	66.1	19.22	—
September 30, 2014	23,318	(38.8)	11.57	—

#### (2) Consolidated financial positions

	Total assets	Net assets	Equity ratio
	millions of yen	millions of yen	%
September 30, 2015	21,547,439	723,661	3.2
March 31, 2015	21,048,338	706,160	3.2

Reference: Equity (i.e. "Shareholders' equity" and "Accumulated other comprehensive income"):

September 30, 2015: 698,188 million yen

March 31, 2015: 681,629 million yen

### 2. Notes

(1) Changes in significant subsidiaries (changes in specified subsidiaries accompanying changes in the scope of consolidation) during the period: None

(2) Application of specific accounting methods in the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, estimates, and restatements:

1) Changes in accounting policies in accordance with revisions of accounting standards: Yes

2) Changes other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(Note) Changes in accounting policies in accordance with revisions of accounting standards are described in "Changes in accounting policies, estimates, and restatements" in "1.Summary Information (Notes)" on page 2.

(4) Number of outstanding shares (common stock)

1) Number of shares issued at end of the period (including treasury stock):

September 30, 2015:	2,015,102,652 shares
March 31, 2015:	2,015,102,652 shares

2) Number of treasury stock at end of the period:

September 30, 2015:	- shares
March 31, 2015:	- shares

3) Average number of outstanding shares for the six months:

Six months ended September 30, 2015	2,015,102,652 shares
Six months ended September 30, 2014	2,015,102,652 shares

\* Other important matters

Not applicable

## APPENDIX

### [INDEX]

1.	Summary Information (Notes)	p.2
	Changes in accounting policies, estimates, and restatements	p.2
2.	Quarterly Consolidated Financial Statements	p.3
	(1) Quarterly Consolidated Balance Sheets	p.3
	(2) Quarterly Consolidated Statements of Income and Comprehensive Income	p.6
	(3) Note on the going-concern assumption	p.8
	(4) Note on material changes in shareholders' equity	p.8
3.	Supplemental Information	p.8
	(1) Commissions	p.8
	(2) Net gain on trading	p.8
	(3) Capital adequacy requirement ratio	p.9
	(4) Quarterly Consolidated Statements of Income	p.10
4.	(Reference) Quarterly Non-consolidated Financial Statements	p.11
	(1) (Reference) Quarterly Non-consolidated Balance Sheets	p.11
	(2) (Reference) Quarterly Non-consolidated Statements of Income	p.13

## 1. Summary Information (Notes)

### Changes in accounting policies, estimates, and restatements

#### (Changes in accounting policies)

The Company has applied “Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013) (hereinafter, the “Business Combinations Accounting Standard”), “Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013) (hereinafter, the “Consolidation Accounting Standard”), “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013) (hereinafter, the “Business Divestitures Accounting Standard” ) and other standards from the first quarter ended June 30, 2015. Accordingly, the accounting methods have been changed to record the difference arising from changes in equity in subsidiaries which the Company continues to control as capital surplus, and to record business acquisition costs as expenses for the fiscal year in which incurred. In addition, regarding business combinations occurring on or after April 1, 2015, the accounting method has been changed to retroactively reflect adjustments to the amount allocated to acquisition costs arising from the finalization of the provisional accounting treatment on the consolidated financial statements of the period in which the business combination occurs. Furthermore, presentation of Net Income and others has been changed and presentation of Minority Interests has been changed to Non-controlling Interests. In order to reflect the changes in presentation of financial statements, reclassification was made accordingly in the quarterly consolidated financial statements for the six months ended September 30, 2014 and the consolidated financial statements for the fiscal year ended March 31, 2015.

The Business Combinations Accounting Standard and other standards have been applied in accordance with the transitional treatment set forth in Article 58-2 (3) of the Business Combinations Accounting Standard, Article 44-5 (3) of the Consolidation Accounting Standard and Article 57-4 (3) of the Business Divestitures Accounting Standard. The cumulative effects arising from the retroactive application of these new accounting policies to all the previous fiscal years were added to or deducted from capital surplus and retained earnings as of April 1, 2015.

As a result, Capital Surplus decreased by 1,124 million yen and Retained Earnings increased by 1,124 million yen as of April 1, 2015. In addition, the impact of applying these accounting standards to Net Income for the six months ended September, 2015 is nil.

## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
<b>Assets</b>		
Current assets		
Cash and bank deposits	447,202	525,346
Cash segregated as deposits for customers and others	159,285	149,025
Trading assets	5,858,340	7,049,411
Trading securities and others	4,108,556	5,122,122
Derivatives	1,749,783	1,927,288
Receivables - unsettled trades	542,175	—
Operating investment securities	55,508	39,948
Operating loans receivable	14,303	17,764
Receivables related to margin transactions	77,486	99,191
Loans receivable under margin transactions	53,331	68,953
Cash collateral for borrowed securities under margin transactions	24,155	30,238
Collateralized short-term financing agreements-receivable	13,123,583	12,846,801
Deposits paid for securities borrowed	4,047,550	3,943,654
Securities purchased under agreements to resell	9,076,033	8,903,146
Advances paid	2,756	2,950
Securities: fail to deliver	28,452	70,371
Short-term loans receivable	6,800	9,161
Securities	5,811	8,103
Deferred tax assets	24,896	14,763
Other current assets	448,064	465,045
Less: Allowance for doubtful accounts	(93)	(93)
Total current assets	20,794,574	21,297,791
Noncurrent assets		
Property and equipment	39,633	40,719
Intangible assets	89,326	92,135
Investments and other assets	124,803	116,793
Investment securities	78,149	69,940
Long-term guarantee deposits	13,769	13,788
Net defined benefit asset	23,342	24,134
Deferred tax assets	758	731
Other	13,844	12,068
Less: Allowance for doubtful accounts	(5,061)	(3,869)
Total noncurrent assets	253,763	249,648
<b>Total assets</b>	<b>21,048,338</b>	<b>21,547,439</b>

(Millions of yen)

As of March 31, 2015 As of September 30, 2015

<b>Liabilities</b>		
<b>Current liabilities</b>		
Trading liabilities	4,858,549	5,202,462
Trading securities and others	3,190,401	3,391,514
Derivatives	1,668,148	1,810,948
Receivables - unsettled trades	—	230,606
Payables related to margin transactions	34,980	39,512
Borrowings on margin transactions	9,240	15,624
Cash collateral for loaned securities under margin transactions	25,739	23,887
Collateralized short-term financing agreements-payable	11,980,429	11,981,560
Deposits received for securities loaned	1,416,402	1,445,487
Securities sold under agreements to repurchase	10,564,026	10,536,072
Deposits received	189,288	284,389
Guarantee deposits received	529,112	502,393
Securities: fail to receive	28,627	23,210
Short-term borrowings	788,896	724,611
Commercial paper	456,500	417,100
Bonds and notes due within one year	179,556	150,393
Lease obligations	415	417
Income taxes payable	11,025	5,387
Accrued employees' bonuses	31,206	20,242
Provision for bonus point redemption	783	941
Other current liabilities	72,307	57,391
<b>Total current liabilities</b>	<b>19,161,679</b>	<b>19,640,620</b>
<b>Noncurrent liabilities</b>		
Bonds and notes	603,908	634,744
Long-term borrowings	524,000	494,500
Lease obligations	1,353	1,161
Deferred tax liabilities	25,497	26,506
Provision for directors' retirement benefits	283	266
Provision for executive officers' retirement benefits	143	151
Net defined benefit liability	18,557	19,061
Other noncurrent liabilities	5,144	4,916
<b>Total noncurrent liabilities</b>	<b>1,178,889</b>	<b>1,181,309</b>
<b>Statutory reserves</b>		
Reserve for financial instruments transaction liabilities	1,607	1,848
<b>Total statutory reserves</b>	<b>1,607</b>	<b>1,848</b>
<b>Total liabilities</b>	<b>20,342,177</b>	<b>20,823,777</b>

(Millions of yen)

As of March 31, 2015    As of September 30, 2015

<b>Net assets</b>		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	359,999	358,874
Retained earnings	227,145	249,865
Total shareholders' equity	<u>712,312</u>	<u>733,907</u>
Accumulated other comprehensive income (loss)		
Net unrealized gains on (operating) investment securities, net of tax	24,854	20,552
Foreign currency translation adjustments	(63,399)	(63,784)
Remeasurement of defined benefit plans	7,862	7,513
Total accumulated other comprehensive income (loss)	<u>(30,682)</u>	<u>(35,719)</u>
Non-controlling interests	<u>24,531</u>	<u>25,473</u>
<b>Total net assets</b>	<u>706,160</u>	<u>723,661</u>
<b>Total liabilities and net assets</b>	<u>21,048,338</u>	<u>21,547,439</u>

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income**

## Quarterly Consolidated Statements of Income

For the six months ended September 30, 2014 and 2015

	(Millions of yen)	
	Six months ended September 30, 2014	Six months ended September 30, 2015
Operating revenues		
Commissions	101,029	124,988
Brokerage commissions	29,546	30,914
Underwriting and selling fees, and commissions from solicitation to qualifying investors	19,389	29,767
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	19,325	23,019
Other commissions and fees	32,767	41,286
Net gain on trading	52,097	61,752
Net gain on operating investment securities	10,383	14,017
Interest and dividend income	33,615	36,269
Total operating revenues	<u>197,125</u>	<u>237,027</u>
Interest expenses	<u>20,937</u>	<u>25,108</u>
Net operating revenues	<u>176,187</u>	<u>211,919</u>
Selling, general and administrative expenses	144,974	165,616
Transaction-related expenses	29,431	37,253
Personnel expenses	66,486	72,424
Real estate expenses	16,667	17,249
Administrative expenses	11,984	16,906
Depreciation and amortization	10,897	11,668
Taxes and dues	2,219	2,307
Provision of allowance for doubtful accounts	92	(200)
Other	7,194	8,007
Operating income	<u>31,213</u>	<u>46,303</u>
Non-operating income	1,757	2,548
Non-operating expenses	909	1,499
Ordinary income	<u>32,060</u>	<u>47,352</u>
Extraordinary gain	413	13,377
Gain on sales of noncurrent assets	65	—
Gain on sales of investment securities	347	555
Indemnity receipt from the erroneous stock order	—	12,822
Extraordinary loss	1,394	1,025
Loss on sales of noncurrent assets	—	8
Loss on disposal of noncurrent assets	303	42
Loss on sales of investment securities	6	6
Loss on impairment of investment securities	58	21
Impairment losses	—	120
Head office transfer cost	852	538
Cost incurred in opening of joint branches	—	47
Provision of reserve for financial instruments transaction liabilities	173	240
Income before income taxes and non-controlling interests	<u>31,080</u>	<u>59,704</u>
Income taxes - current	6,384	6,501
Income taxes - deferred	881	13,372
Total income taxes	<u>7,266</u>	<u>19,873</u>
Net income	<u>23,814</u>	<u>39,830</u>
Net income attributable to non-controlling interests	495	1,106
Net income attributable to owners of parent	<u>23,318</u>	<u>38,723</u>



Quarterly Consolidated Statements of Comprehensive Income  
For the six months ended September 30, 2014 and 2015

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net income	23,814	39,830
Other comprehensive income (loss)		
Net unrealized gains (losses) on (operating) investment securities, net of tax	3,478	(4,364)
Foreign currency translation adjustments	972	(459)
Remeasurement of defined benefit plans	(122)	(355)
Share in other comprehensive income of affiliates accounted for using equity method	(0)	(0)
Total other comprehensive income (loss)	4,327	(5,179)
Comprehensive income	28,141	34,650
(Breakdown)		
Attributable to:		
Owners of parent	27,018	33,686
Non-controlling interests	1,123	964

**(3) Note on the going-concern assumption**

Not applicable

**(4) Note on material changes in shareholders' equity**

Not applicable

**3. Supplemental Information****(1) Commissions**

## 1) Breakdown by items

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015	Increase/(Decrease)	
			Amount	Percentage (%)
Brokerage commissions	29,546	30,914	1,367	4.6
Equities	21,948	22,170	222	1.0
Bonds	7,383	8,281	897	12.2
Underwriting and selling fees, and commissions from solicitation to qualifying investors	19,389	29,767	10,378	53.5
Equities	5,712	9,359	3,647	63.9
Bonds	13,661	20,270	6,608	48.4
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	19,325	23,019	3,694	19.1
Other commissions and fees	32,767	41,286	8,518	26.0
Total	101,029	124,988	23,959	23.7

## 2) Breakdown by instruments

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015	Increase/(Decrease)	
			Amount	Percentage (%)
Equities	28,296	33,933	5,636	19.9
Bonds	23,978	35,205	11,227	46.8
Beneficiary certificates	38,511	43,465	4,953	12.9
Others	10,242	12,384	2,142	20.9
Total	101,029	124,988	23,959	23.7

**(2) Net gain on trading**

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015	Increase/(Decrease)	
			Amount	Percentage (%)
Equities, etc.	5,841	15,601	9,760	167.1
Bonds, etc. · Others	46,256	46,150	(105)	(0.2)
Bonds, etc.	47,295	37,663	(9,631)	(20.4)
Others	(1,038)	8,487	9,525	-
Total	52,097	61,752	9,654	18.5

**(3) Capital adequacy requirement ratio****1) Consolidated base**

(Millions of yen)

		As of March 31, 2015	As of September 30, 2015
Basic items	Total capital (A)	656,294	695,596
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	32,716	28,065
	Reserve for financial instruments transaction liabilities, etc.	1,607	1,848
	Allowance for doubtful accounts	71	70
	Subordinated long-term borrowings	74,000	62,000
	Subordinated short-term borrowings	271,000	273,000
	Total (B)	379,396	364,983
Deducted assets	(C)	219,570	221,025
Equity after deduction	(A) + (B) - (C) (D)	816,120	839,555
Amount equivalent to risk	Amount equivalent to market risk	166,488	137,120
	Amount equivalent to counterparty risk	61,967	59,471
	Amount equivalent to fundamental risk	75,845	83,403
	Total (E)	304,302	279,995
Consolidated capital adequacy requirement ratio	(D)/(E) * 100	268.1%	299.8%

**2) Non-consolidated base**

(Millions of yen)

		As of March 31, 2015	As of September 30, 2015
Basic items	Total capital (A)	601,813	634,793
Supplemental items	Net unrealized losses on (operating) investment securities, net of tax, etc.	(2,981)	(7,591)
	Reserve for financial instruments transaction liabilities, etc.	1,589	1,829
	Allowance for doubtful accounts	11	12
	Subordinated long-term borrowings	74,000	62,000
	Subordinated short-term borrowings	271,000	273,000
	Total (B)	343,619	329,251
Deducted assets	(C)	309,089	335,117
Equity after deduction	(A) + (B) - (C) (D)	636,343	628,926
Amount equivalent to risk	Amount equivalent to market risk	112,205	97,823
	Amount equivalent to counterparty risk	32,234	29,378
	Amount equivalent to fundamental risk	54,480	58,998
	Total (E)	198,920	186,200
Capital adequacy requirement ratio	(D)/(E) * 100	319.8%	337.7%

(4) Quarterly Consolidated Statements of Income

(Millions of yen)

	Second quarter ended September 2014	Third quarter ended December 2014	Fourth quarter ended March 2015	First quarter ended June 2015	Second quarter ended September 2015
	Jul. 1, 2014 - Sep. 30, 2014	Oct. 1, 2014 - Dec. 31, 2014	Jan. 1, 2015 - Mar. 31, 2015	Apr. 1, 2015 - Jun. 30, 2015	Jul. 1, 2015 - Sep. 30, 2015
Operating revenues	107,039	119,179	125,026	120,985	116,042
Commissions	55,218	60,584	66,969	65,118	59,870
Brokerage commissions	16,717	17,940	18,284	16,319	14,595
Equities	12,805	12,836	13,369	11,742	10,428
Bonds	3,802	4,872	4,700	4,405	3,876
Underwriting and selling fees, and commissions from solicitation to qualifying investors	10,834	16,485	17,117	14,451	15,315
Equities	3,534	4,469	5,186	4,267	5,092
Bonds	7,284	12,000	11,783	10,129	10,140
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	9,957	8,023	10,720	12,840	10,179
Other commissions and fees	17,709	18,136	20,847	21,506	19,779
Net gain on trading	26,337	39,451	30,551	32,036	29,716
Equities, etc.	3,527	14,638	3,065	11,779	3,821
Bonds, etc. · Others	22,810	24,812	27,486	20,256	25,894
Bonds, etc.	27,127	36,651	21,539	14,040	23,622
Others	(4,317)	(11,839)	5,947	6,215	2,271
Net gain on operating investment securities	6,957	1,613	6,269	5,630	8,387
Interest and dividend income	18,526	17,530	21,236	18,200	18,068
Interest expenses	11,693	11,908	12,933	11,677	13,430
Net operating revenues	95,346	107,271	112,093	109,307	102,612
Selling, general and administrative expenses	74,898	82,573	83,620	84,574	81,041
Transaction-related expenses	15,813	17,445	17,508	18,491	18,761
Personnel expenses	34,507	38,911	35,467	37,550	34,874
Real estate expenses	8,211	8,703	9,073	8,664	8,584
Administrative expenses	6,193	6,479	7,250	8,075	8,830
Depreciation and amortization	5,182	5,762	6,972	5,669	5,999
Taxes and dues	1,077	1,307	945	1,524	782
Other	3,912	3,963	6,402	4,597	3,208
Operating income	20,448	24,698	28,472	24,732	21,570
Non-operating income	905	770	874	909	1,638
Non-operating expenses	127	(104)	504	1,001	497
Ordinary income	21,226	25,573	28,842	24,640	22,711
Extraordinary gain	100	51	233	552	12,824
Extraordinary loss	629	237	941	421	603
Income before income taxes and non-controlling interests	20,697	25,387	28,134	24,771	34,933
Income taxes - current	4,531	2,868	7,502	3,990	2,510
Income taxes - deferred	(1,145)	2,904	2,919	3,702	9,670
Net income	17,311	19,613	17,713	17,078	22,752
Net income attributable to non-controlling interests	275	286	1,706	633	473
Net income attributable to owners of parent	17,036	19,326	16,006	16,445	22,278

#### 4. (Reference) Quarterly Non-consolidated Financial Statements

##### (1) (Reference) Quarterly Non-consolidated Balance Sheets

(Millions of yen)

As of March 31, 2015 As of September 30, 2015

	As of March 31, 2015	As of September 30, 2015
<b>Assets</b>		
Current assets		
Cash and bank deposits	320,613	349,649
Cash segregated as deposits for customers and others	151,401	140,512
Trading assets	4,184,018	5,296,005
Trading securities and others	2,494,775	3,451,534
Derivatives	1,689,243	1,844,471
Receivables - unsettled trades	580,287	—
Operating investment securities	17,516	18,377
Operating loans receivable	3,240	3,130
Receivables related to margin transactions	74,794	96,170
Loans receivable under margin transactions	50,849	66,026
Cash collateral for borrowed securities under margin transactions	23,945	30,144
Collateralized short-term financing agreements-receivable	4,109,246	4,012,236
Deposits paid for securities borrowed	4,060,231	3,947,969
Securities purchased under agreements to resell	49,014	64,266
Advances paid	189	80
Securities: fail to deliver	25,582	9,659
Short-term loans receivable	46,084	46,439
Deferred tax assets	21,160	10,788
Other current assets	251,154	244,110
Less: Allowance for doubtful accounts	(12)	(13)
Total current assets	9,785,276	10,227,146
Noncurrent assets		
Property and equipment	15,678	15,753
Intangible assets	34,344	37,646
Investments and other assets	297,869	313,800
Investment securities	241,190	242,509
Long-term guarantee deposits	12,670	12,544
Prepaid pension cost	12,746	13,888
Deferred tax assets	8,297	6,870
Other	28,018	41,852
Less: Allowance for doubtful accounts	(5,055)	(3,865)
Total noncurrent assets	347,891	367,200
<b>Total assets</b>	<b>10,133,168</b>	<b>10,594,346</b>

(Millions of yen)

As of March 31, 2015 As of September 30, 2015

<b>Liabilities</b>		
<b>Current liabilities</b>		
Trading liabilities	3,909,239	4,238,848
Trading securities and others	2,294,228	2,507,174
Derivatives	1,615,010	1,731,674
Receivables - unsettled trades	—	259,459
Payables related to margin transactions	33,922	38,493
Borrowings on margin transactions	8,383	14,698
Cash collateral for loaned securities under margin transactions	25,539	23,794
Collateralized short-term financing agreements-payable	3,052,857	2,918,806
Deposits received for securities loaned	1,417,601	1,446,730
Securities sold under agreements to repurchase	1,635,255	1,472,076
Deposits received	160,613	253,342
Guarantee deposits received	110,135	113,171
Securities: fail to receive	8,685	3,916
Short-term borrowings	626,792	571,542
Commercial paper	456,500	417,100
Bonds and notes due within one year	67,220	55,000
Lease obligations	414	416
Income taxes payable	2,549	1,310
Accrued employees' bonuses	14,757	9,330
Provision for bonus point redemption	783	941
Other current liabilities	30,410	25,462
<b>Total current liabilities</b>	<b>8,474,880</b>	<b>8,907,143</b>
<b>Noncurrent liabilities</b>		
Bonds and notes	496,002	542,965
Long-term borrowings	524,000	494,500
Lease obligations	1,351	1,159
Provision for retirement benefits	16,952	17,447
Other noncurrent liabilities	2,431	2,099
<b>Total noncurrent liabilities</b>	<b>1,040,738</b>	<b>1,058,172</b>
<b>Statutory reserves</b>		
Reserve for financial instruments transaction liabilities	1,589	1,829
<b>Total statutory reserves</b>	<b>1,589</b>	<b>1,829</b>
<b>Total liabilities</b>	<b>9,517,208</b>	<b>9,967,144</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	125,167	125,167
Capital surplus	381,649	381,649
Retained earnings	112,125	127,976
<b>Total shareholders' equity</b>	<b>618,941</b>	<b>634,793</b>
<b>Valuation and translation adjustments</b>		
Net unrealized gains on (operating) investment securities, net of tax	24,524	21,092
Net deferred gains or losses on hedges, net of tax	(27,505)	(28,683)
<b>Total valuation and translation adjustments</b>	<b>(2,981)</b>	<b>(7,591)</b>
<b>Total net assets</b>	<b>615,960</b>	<b>627,201</b>
<b>Total liabilities and net assets</b>	<b>10,133,168</b>	<b>10,594,346</b>

**(2) (Reference) Quarterly Non-consolidated Statements of Income**

For the six months ended September 30, 2014 and 2015

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Operating revenues		
Commissions	67,995	79,643
Net gain on trading	49,544	64,068
Net gain on operating investment securities	162	3,272
Interest and dividend income	17,510	12,921
Total operating revenues	135,212	159,906
Interest expenses	12,918	12,547
Net operating revenues	122,293	147,358
Selling, general and administrative expenses	102,438	116,372
Transaction-related expenses	20,590	26,701
Personnel expenses	41,179	42,297
Real estate expenses	12,662	12,659
Administrative expenses	18,168	24,112
Depreciation and amortization	6,769	7,080
Taxes and dues	1,353	1,894
Provision of allowance for doubtful accounts	83	(198)
Other	1,628	1,826
Operating income	19,855	30,986
Non-operating income	1,591	4,139
Non-operating expenses	235	467
Ordinary income	21,211	34,659
Extraordinary gain	377	13,143
Gain on sales of noncurrent assets	65	—
Gain on sales of investment securities	311	321
Indemnity receipt from the erroneous stock order	—	12,822
Extraordinary loss	1,326	800
Loss on sales of noncurrent assets	—	8
Loss on disposal of noncurrent assets	294	40
Loss on sales of investment securities	6	2
Loss on impairment of investment securities	—	0
Loss on impairment of investments in subsidiaries and affiliates	—	119
Impairment losses	—	120
Head office transfer cost	852	220
Cost incurred in opening of joint branches	—	47
Provision of reserve for financial instruments transaction liabilities	173	240
Income before income taxes	20,261	47,002
Income taxes – current	1,072	78
Income taxes – deferred	1,682	13,943
Total income taxes	2,754	14,022
Net income	17,506	32,979