



3Q Ending March 31, 2010

Results Briefing



January 28, 2010
Okasan Securities Group Inc.

The objective of the document is to provide information on the results of the 3rd quarter year ending March 31, 2010 and not to offer investments in securities issued by Okasan Securities Group Inc. The document has been prepared based on data as of the end of December 2009. Okasan Securities Group Inc. does not accept responsibility for any omissions or errors in data, statements, etc. in this document. The opinions and forecasts included in the document are based on our judgments at the time of writing. We make no guarantees regarding the accuracy or completeness of the information, which is subject to change without notice.



1. Business Results Overviews (Consolidated)



Financial Summary

| | Operating revenues | Net operating revenues | Operating income | Ordinary income |
|------------|--------------------|------------------------|------------------|------------------|
| | million yen % | million yen % | million yen % | million yen % |
| FY10. 3 3Q | 50,986 (+19.5) | 49,563 (+21.2) | 6,885 (—) | 7,199 (—) |
| FY09. 3 3Q | 42,671 (-26.6) | 40,900 (-18.9) | Δ1,067 (—) | Δ295 (—) |

| | Net Income | Total assets | Net assets | Equity ratio |
|------------|------------------|--------------|-------------|--------------|
| | million yen % | million yen | million yen | % |
| FY10. 3 3Q | 2,731 (—) | 515,232 | 114,501 | 18.5 |
| FY09. 3 3Q | Δ1,049 (—) | 443,695 | 113,984 | 21.4 |

| | Net income per share | Net assets per share | ROE (annualized) |
|------------|-------------------------|-------------------------|---------------------|
| | yen | yen | % |
| FY10. 3 3Q | 13 37 | 466 96 | 3.9 |
| FY09. 3 3Q | Δ5 13 | 465 20 | Δ1.4 |



Financial highlights of 3rd Quarter year ending March 2010

<Overview >

- Operating revenues increased 19.5% year on year to ¥50,986 million. This rise primarily reflected an increase in distribution fees associated with expanded sales of investment trusts, and an increase in net trading profit on equities, etc.
- Ordinary income stood at ¥7,199 million (compared with an ordinary loss of ¥295 million for the same period in the previous fiscal year), reflecting higher revenues offsetting an increase in selling, general and administrative expenses. Net income (for the first three quarters) was ¥2,731 million (compared with a net loss of ¥1,049 million for the same period a year ago)

<Commissions >

- Brokerage commissions rose 15.8% year on year. This increase was attributable to the expanding businesses of Japanese equities and foreign exchange in Okasan Online Securities.
- Underwriting fees and selling concessions jumped to 2.7 times from a year ago, due to contribution of fees from large issues, revenue as lead managers for municipal bonds issues, CB underwriting fees and so forth.
- Placement commissions surged by 69.5% year on year, while other commissions declined 7.1% year on year, due mainly to less trust fees.

<Net gain on trading >

- The net trading profit on equities and others climbed by 94.3% year on year. This performance reflected a surge in transactions associated with Chinese equities and Brazilian American Depositary Receipts (ADRs).
- The net trading profit on bonds and others fell 4.7% year on year, given less sales of foreign-currency denominated bonds.

<SG&A expenses >

- Selling, general and administrative expenses edged up 1.7% year on year, attributable to an increase in personnel, administrative and depreciation expenses. Higher depreciation expenses reflected an increase in depreciation associated with the core computer system and transaction tools of Okasan Online Securities.

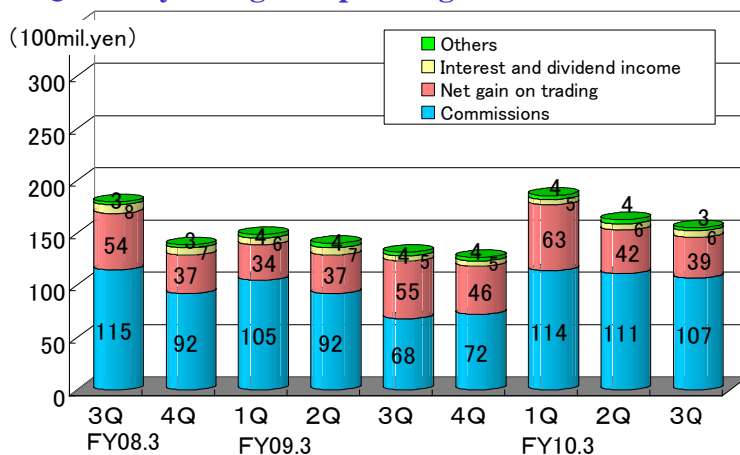


Operating Revenues

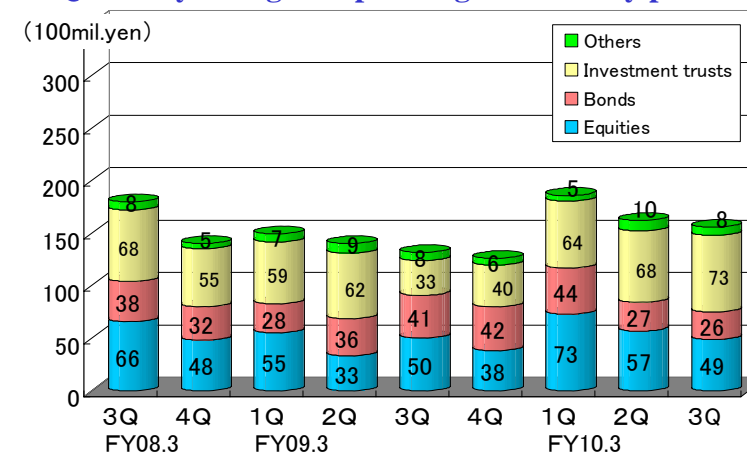
| (In millions of yen) | FY09.3 3Q | FY10.3 3Q | vs.FY09.3 3Q |
|-------------------------------------|--------------|--------------|-----------------|
| Operating revenues | 42,671 | 50,986 | 19.5% |
| Commissions | 26,680 | 33,400 | 25.2% |
| Brokerage | 9,914 | 11,483 | 15.8% |
| Underwriting | 120 | 331 | 176.0% |
| Distribution | 7,992 | 13,543 | 69.5% |
| Others | 8,653 | 8,041 | -7.1% |
| Net gain on trading | 12,699 | 14,523 | 14.4% |
| Equities | 3,058 | 5,942 | 94.3% |
| Bonds | 9,367 | 8,931 | -4.7% |
| Others | 274 | -350 | - |
| Interest and dividend income | 2,042 | 1,841 | -9.8% |
| Others | 1,249 | 1,220 | -2.3% |

| FY09.3 | | | | FY10.3 | | | vs.FY10.3 |
|--------|--------|--------|--------|--------|--------|--------|-----------|
| 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 2Q |
| 15,096 | 14,205 | 13,369 | 12,882 | 18,811 | 16,410 | 15,764 | -3.9% |
| 10,566 | 9,289 | 6,824 | 7,259 | 11,485 | 11,129 | 10,785 | -3.1% |
| 4,190 | 2,610 | 3,113 | 2,798 | 4,709 | 3,885 | 2,888 | -25.7% |
| 33 | 30 | 56 | 74 | 55 | 31 | 243 | 683.9% |
| 3,195 | 3,502 | 1,294 | 2,235 | 4,319 | 4,431 | 4,792 | 8.1% |
| 3,146 | 3,146 | 2,359 | 2,150 | 2,400 | 2,781 | 2,859 | 2.8% |
| 3,443 | 3,721 | 5,534 | 4,663 | 6,321 | 4,231 | 3,970 | -6.2% |
| 1,003 | 386 | 1,668 | 775 | 2,508 | 1,690 | 1,744 | 3.1% |
| 2,438 | 3,186 | 3,741 | 4,026 | 4,184 | 2,492 | 2,254 | -9.5% |
| 1 | 148 | 124 | -138 | -370 | 48 | -28 | - |
| 661 | 790 | 589 | 545 | 578 | 640 | 622 | -2.8% |
| 424 | 403 | 420 | 414 | 425 | 408 | 386 | -5.4% |

Quarterly change in operating revenues



Quarterly change in operating revenues by product





Fees and Commissions Received

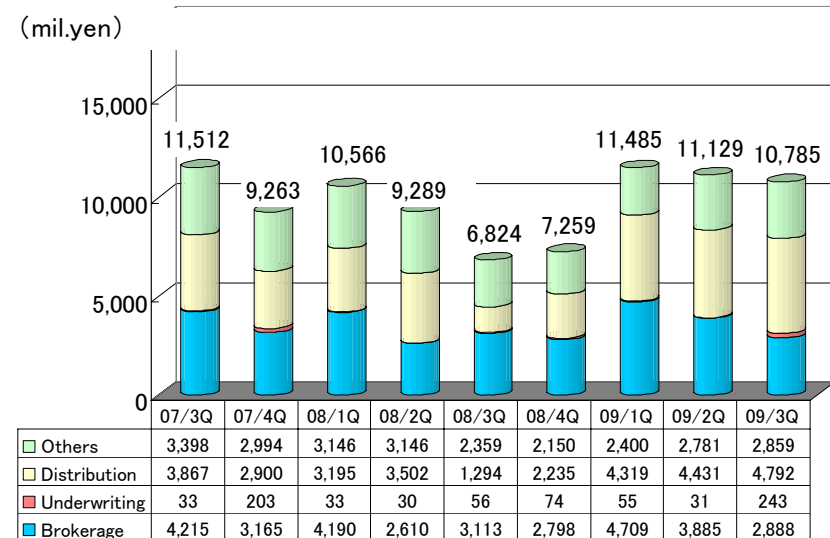
■ fees and commissions received

(In millions of yen)

| Items | FY09.3 3Q | FY10.3 3Q | VS.09.3 3Q |
|-------------------|--------------|--------------|---------------|
| Brokerage | 9,914 | 11,483 | 15.8% |
| Equities | 9,792 | 10,524 | 7.5% |
| Bonds | 17 | 52 | 208.9% |
| Others | 105 | 905 | 762.7% |
| Underwriting | 120 | 331 | 176.0% |
| Equities | 76 | 262 | 243.8% |
| Bonds | 43 | 69 | 57.7% |
| Distribution | 7,992 | 13,543 | 69.5% |
| Investment trusts | 7,912 | 13,427 | 69.7% |
| Others | 8,653 | 8,041 | -7.1% |
| Investment trusts | 7,583 | 7,232 | -4.6% |
| Total | 26,680 | 33,400 | 25.2% |

■ Fees and commissions received (quarterly)

(mil.yen)



• Brokerage commissions rose 15.8% year on year. Equity broking commissions rose 7.5% year in year, due primarily to expanded operations in Okasan Online Securities. Other brokerage commissions became 8.6 times from a year ago, reflecting an increase in foreign exchange trading at Okasan Online Securities.

• Underwriting fees and selling concessions jumped to 2.7 times from a year ago, reflecting fees from a series of large issues, revenue as lead managers of two municipal bond issues, CB underwriting fees and so forth.

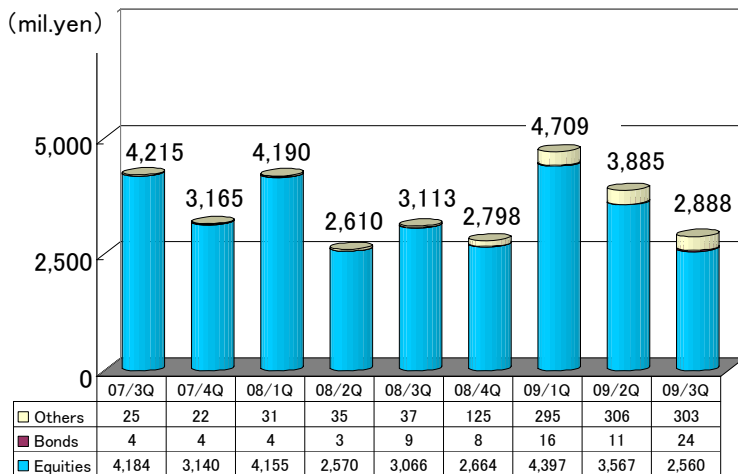
• Sales activities on investment trusts focused on Atlas and Open-End Asia Pacific Growth and Income Fund, both of which are managed by Okasan Asset Management. Placement commissions surged 69.5% year on year.

• Other commissions declined 7.1% from year ago, given the decline in trust fees.

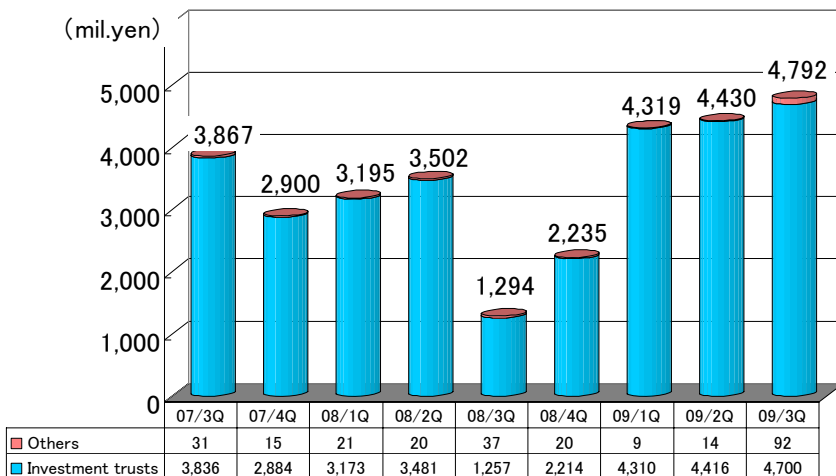


Fees and Commissions Received by Category

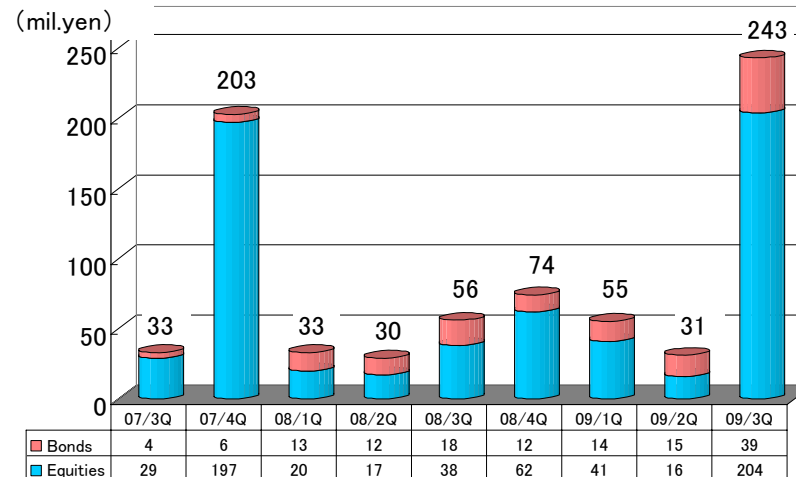
■ Brokerage



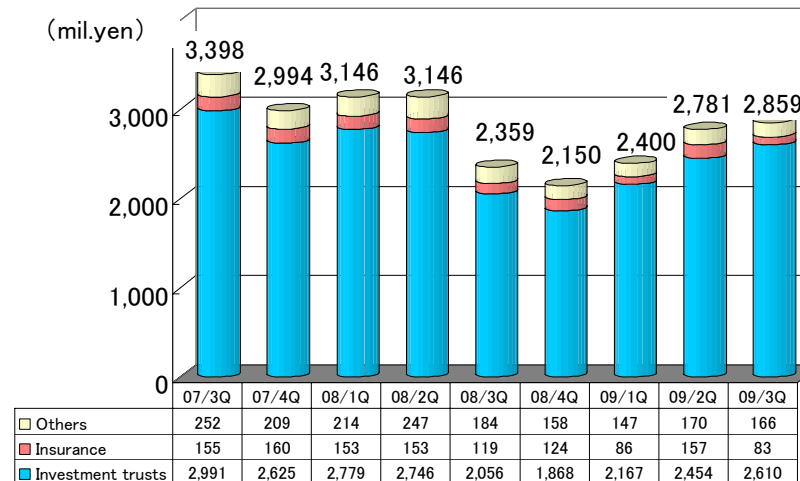
■ Distribution



■ Underwriting



■ Others





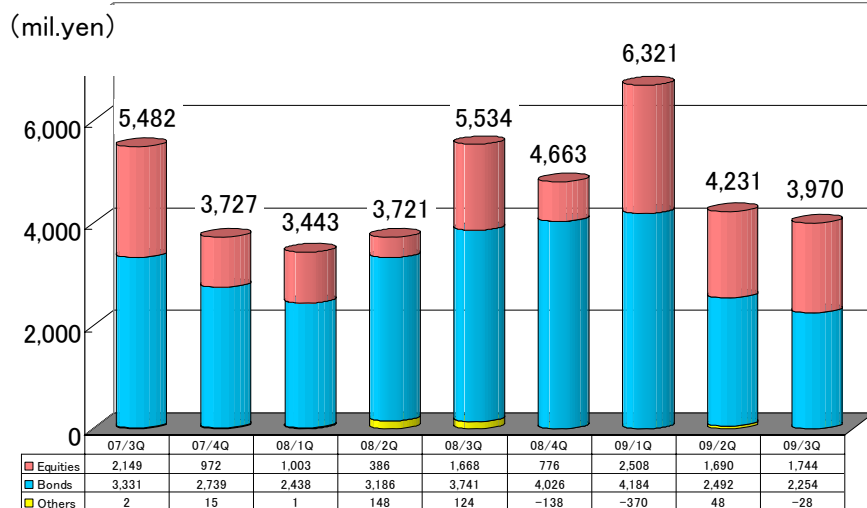
Net gain(loss) on Trading

| (In millions of yen) | FY09.3 3Q | FY10.3 3Q | vs.FY09.3 3Q |
|----------------------------|--------------|--------------|-----------------|
| Net gain on trading | 12,699 | 14,523 | 14.4% |
| Equities | 3,058 | 5,942 | 94.3% |
| Domestic equities | 2,523 | 2,121 | -15.9% |
| Foreign equities | 535 | 3,821 | 614.2% |
| Bonds and others | 9,367 | 8,931 | -4.7% |
| Domestic bonds | 1,055 | 977 | -7.4% |
| Foreign bonds | 8,312 | 7,953 | -4.3% |
| Others | 274 | -350 | - |

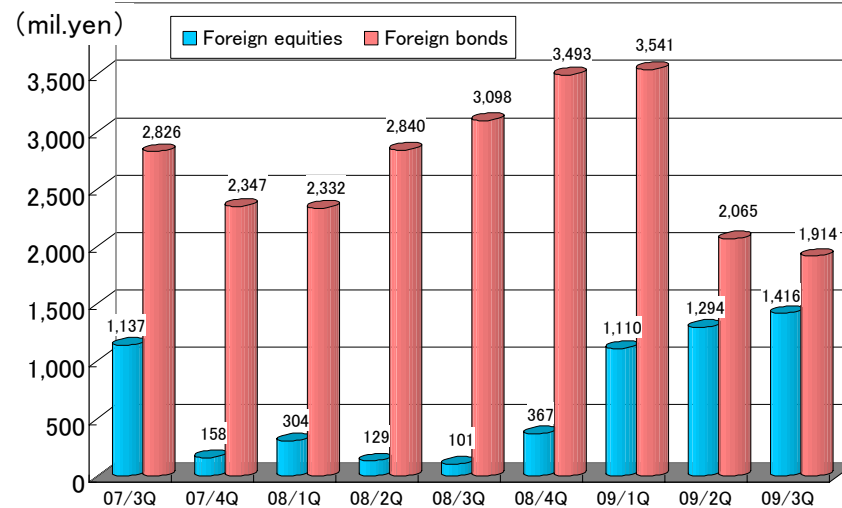
| FY09.3 | | | | FY10.3 | | | vs.FY10.3 |
|--------|-------|-------|-------|--------|-------|-------|-----------|
| 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 2Q |
| 3,443 | 3,721 | 5,534 | 4,663 | 6,321 | 4,231 | 3,970 | -6.2% |
| 1,003 | 386 | 1,668 | 775 | 2,508 | 1,690 | 1,744 | 3.1% |
| 698 | 256 | 1,567 | 407 | 1,397 | 396 | 327 | -17.4% |
| 304 | 129 | 101 | 367 | 1,110 | 1,294 | 1,416 | 9.5% |
| 2,438 | 3,186 | 3,741 | 4,026 | 4,184 | 2,492 | 2,254 | -9.5% |
| 94 | 321 | 639 | 379 | 341 | 294 | 340 | 15.6% |
| 2,344 | 2,865 | 3,102 | 3,646 | 3,842 | 2,197 | 1,914 | -12.9% |
| 1 | 148 | 124 | -138 | -370 | 48 | -28 | - |

* The category for the net trading gain on bonds and others in the Hong Kong subsidiary has been changed from "Domestic bonds" to "Foreign bonds." Accordingly, figures from the fiscal year ending March 2009 have been revised.

Net gain by Products



Net gain from foreign stocks and bonds



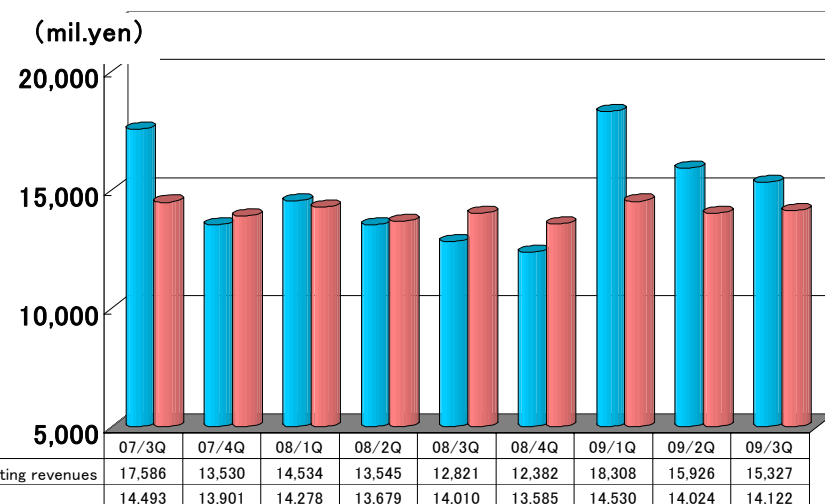


SG&A : Selling, General and Administrative Expenses

| (In millions of yen) | FY09.3 | FY10.3 | vs.FY09.3 |
|--------------------------|--------|---------------|---------------|
| | 3Q | 3Q | |
| SG&A | 41,967 | 42,678 | 1.7% |
| Trading related expenses | 7,905 | 7,766 | -1.8% |
| Personnel expenses | 21,043 | 21,616 | 2.7% |
| Real estate expenses | 5,082 | 4,874 | -4.1% |
| Administrative expenses | 4,185 | 4,383 | 4.7% |
| Depreciation expenses | 1,470 | 1,984 | 35.0% |
| Taxes and dues | 462 | 457 | -0.9% |
| Others | 1,817 | 1,594 | -12.3% |

| FY09.3 | | | | FY10.3 | | | vs.FY10.3 |
|--------|--------|--------|--------|--------|--------|---------------|---------------|
| 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | |
| 14,278 | 13,679 | 14,010 | 13,585 | 14,530 | 14,024 | 14,122 | 0.7% |
| 2,607 | 2,700 | 2,597 | 2,419 | 2,554 | 2,605 | 2,607 | 0.1% |
| 7,236 | 6,705 | 7,101 | 6,669 | 7,440 | 6,996 | 7,180 | 2.6% |
| 1,728 | 1,670 | 1,683 | 1,751 | 1,658 | 1,626 | 1,589 | -2.3% |
| 1,368 | 1,364 | 1,452 | 1,486 | 1,515 | 1,474 | 1,394 | -5.4% |
| 465 | 491 | 513 | 645 | 631 | 663 | 689 | 3.9% |
| 184 | 166 | 111 | 131 | 169 | 153 | 134 | -12.4% |
| 687 | 579 | 550 | 481 | 561 | 504 | 528 | 4.8% |

Change in net operating revenues and SG&A



- Personnel expenses edged up 2.7% year on year, primarily reflecting bonuses and an increase in performance-linked compensation in the trading division.
- Real estate expenses declined, mainly owing to the results of negotiations on the rent renewal of branch offices.
- An increase in administrative expenses was primarily attributed to an increase in outsourcing expenses, in line with the business expansion of Okasan Online Securities.
- Higher depreciation expenses primarily reflected an increase in depreciation associated with the core computer system and transaction tools of Okasan Online Securities.



Balance Sheet Summary (1)

| (In millions of yen) | FY09.3 | FY10.3 | vs.FY09.3 | FY09.3 | | | | FY10.3 | | | vs.FY10.3 |
|--|---------|----------------|---------------|---------|---------|---------|---------|---------|---------|----------------|----------------|
| | 3Q | 3Q | 3Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 2Q |
| Current assets | 390,471 | 464,101 | 73,629 | 421,764 | 434,712 | 390,471 | 374,706 | 465,575 | 449,539 | 464,101 | 14,562 |
| Cash and due from banks | 36,038 | 40,500 | 4,461 | 37,570 | 36,756 | 36,038 | 40,651 | 37,249 | 39,169 | 40,500 | 1,331 |
| Fund deposits | 23,332 | 48,197 | 24,865 | 18,938 | 26,833 | 23,332 | 29,249 | 40,948 | 47,440 | 48,197 | 757 |
| Trading products | 137,133 | 160,019 | 22,886 | 138,889 | 125,271 | 137,133 | 115,167 | 163,121 | 157,795 | 160,019 | 2,224 |
| Margin transaction assets | 32,598 | 38,704 | 6,105 | 53,260 | 54,205 | 32,598 | 31,367 | 49,283 | 48,901 | 38,704 | -10,197 |
| Loans receivable secured by securities | 148,029 | 167,129 | 19,100 | 153,216 | 179,271 | 148,029 | 131,795 | 159,087 | 139,321 | 167,129 | 27,808 |
| Other current assets | 13,338 | 9,549 | -3,788 | 19,888 | 12,374 | 13,338 | 26,474 | 15,885 | 16,910 | 9,549 | -7,361 |
| Fixed assets | 53,223 | 51,131 | -2,092 | 61,161 | 58,031 | 53,223 | 50,287 | 53,119 | 51,477 | 51,131 | -346 |
| Tangible fixed assets | 15,809 | 15,933 | 123 | 15,649 | 15,848 | 15,809 | 15,927 | 15,854 | 16,012 | 15,933 | -79 |
| Intangible fixed assets | 9,219 | 10,130 | 910 | 8,150 | 8,798 | 9,219 | 9,550 | 9,678 | 9,971 | 10,130 | 159 |
| Investment and other assets | 28,194 | 25,068 | -3,126 | 37,362 | 33,384 | 28,194 | 24,808 | 27,587 | 25,493 | 25,068 | -425 |
| Total assets | 443,695 | 515,232 | 71,537 | 482,926 | 492,743 | 443,695 | 424,993 | 518,695 | 501,016 | 515,232 | 14,216 |

• Current assets as of the third quarter end rose ¥73.6 billion from a year-ago, primarily reflecting an increase in Fund deposits, trading products, and Loans receivable secured by securities.

• Fixed assets fell ¥2 billion from a year-ago, mainly because of a decline in investment securities, which were included in investments and other assets.



Balance Sheet Summary(2)

| (In millions of yen) | FY09.3 | | | FY09.3 | | | | FY10.3 | | | vs.FY10.3 2Q |
|---|---------|---------|-----------------|---------|---------|---------|---------|---------|---------|---------|-----------------|
| | 3Q | 3Q | vs.FY09.3 3Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | |
| Current liabilities | 304,849 | 378,864 | 74,014 | 333,173 | 347,682 | 304,849 | 290,376 | 381,009 | 364,042 | 378,864 | 14,822 |
| Trading products | 122,548 | 130,416 | 7,868 | 134,582 | 116,882 | 122,548 | 105,040 | 127,850 | 130,259 | 130,416 | 157 |
| Margin transaction liabilities securities | 14,944 | 17,949 | 3,004 | 18,386 | 25,893 | 14,944 | 18,705 | 25,638 | 22,786 | 17,949 | -4,837 |
| Deposits received | 56,056 | 53,602 | -2,453 | 43,891 | 55,226 | 56,056 | 37,638 | 77,565 | 35,024 | 53,602 | 18,578 |
| Received margins | 15,193 | 18,444 | 3,250 | 20,607 | 14,819 | 15,193 | 15,446 | 18,459 | 18,559 | 18,444 | -115 |
| Short-term loans payable | 15,604 | 30,847 | 15,243 | 10,226 | 17,418 | 15,604 | 21,383 | 28,873 | 28,728 | 30,847 | 2,119 |
| Other current liabilities | 76,046 | 112,161 | 36,115 | 100,079 | 110,928 | 76,046 | 87,065 | 97,703 | 122,114 | 112,161 | -9,953 |
| Fixed liabilities | 4,456 | 15,442 | 10,985 | 5,399 | 6,513 | 4,456 | 5,096 | 4,918 | 6,568 | 15,442 | 8,774 |
| Long-term loans payable | 24,362 | 21,172 | -3,190 | 28,386 | 26,216 | 24,362 | 22,574 | 22,801 | 21,945 | 21,172 | -773 |
| Reserves for retirement benefits | 12,789 | 9,905 | -2,884 | 13,836 | 13,102 | 12,789 | 11,378 | 11,139 | 10,529 | 9,905 | -624 |
| Other fixed liabilities | 4,909 | 4,949 | 40 | 5,061 | 4,978 | 4,909 | 4,891 | 4,931 | 4,940 | 4,949 | 9 |
| Statutory reserve | 6,664 | 6,317 | -346 | 9,489 | 8,135 | 6,664 | 6,304 | 6,730 | 6,476 | 6,317 | -159 |
| Total liabilities | 497 | 695 | 197 | 697 | 482 | 497 | 517 | 486 | 532 | 695 | 163 |
| Common stock | 329,710 | 400,731 | 71,021 | 362,258 | 374,381 | 329,710 | 313,468 | 404,296 | 386,521 | 400,731 | 14,210 |
| Capital surplus | 18,589 | 18,589 | 0 | 18,589 | 18,589 | 18,589 | 18,589 | 18,589 | 18,589 | 18,589 | 0 |
| Earned surplus | 12,917 | 12,918 | 1 | 12,917 | 12,917 | 12,917 | 12,918 | 12,918 | 12,918 | 12,918 | 0 |
| Treasury stock adjustments | 64,414 | 65,309 | 895 | 66,198 | 66,146 | 64,414 | 63,583 | 64,348 | 65,110 | 65,309 | 199 |
| Minority interest | -1,824 | -1,873 | -48 | -1,746 | -1,806 | -1,824 | -1,858 | -1,864 | -1,868 | -1,873 | -5 |
| Total net assets | 1,053 | 491 | -562 | 5,749 | 3,443 | 1,053 | -82 | 1,691 | 846 | 491 | -355 |
| Total liabilities&net assets | 18,834 | 19,065 | 231 | 18,960 | 19,071 | 18,834 | 18,375 | 18,714 | 18,899 | 19,065 | 166 |
| | 113,984 | 114,501 | 516 | 120,668 | 118,361 | 113,984 | 111,525 | 114,399 | 114,495 | 114,501 | 6 |
| | 443,695 | 515,232 | 71,537 | 482,926 | 492,743 | 443,695 | 424,993 | 518,695 | 501,016 | 515,232 | 14,216 |

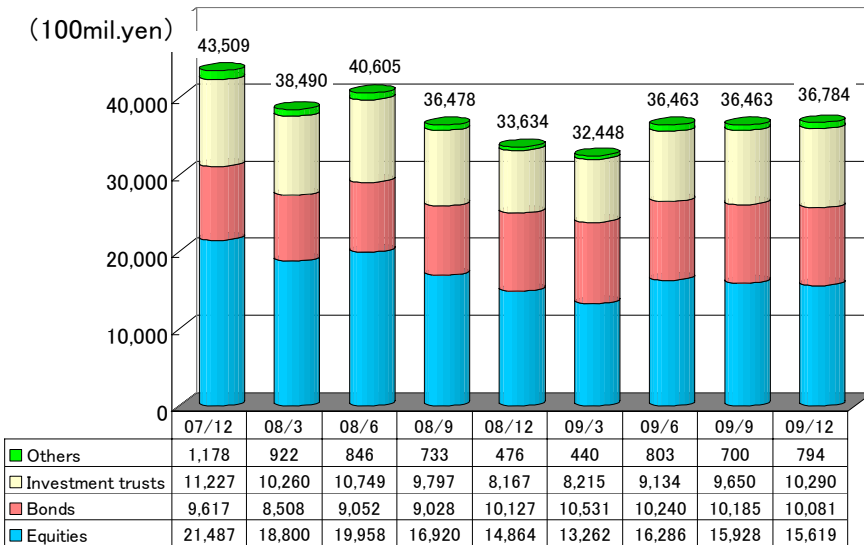
• Current liabilities rose ¥74 billion from a year-ago, primarily attributable to increased liabilities such as short-term loans payable and deposit received. Fixed liabilities were down ¥3.1 billion, primarily reflecting a decrease in long-term loans payable.

• Total net assets rose ¥0.5 billion from a year-ago, primarily owing to an increase in earned surplus, offsetting a fall of ¥0.5 billion in treasury stock adjustments.

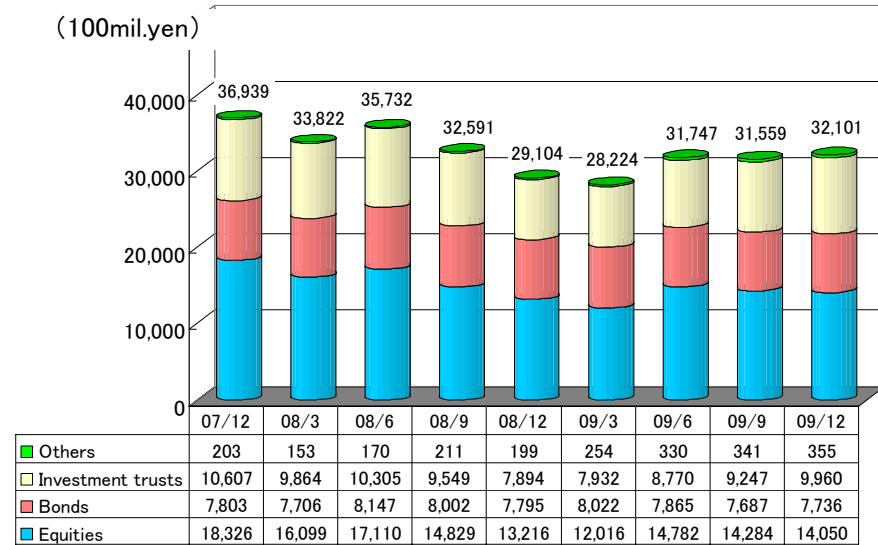


Assets under custody (Consolidated)

Assets under Custody



Retail Assets under Custody



- Assets under custody on a consolidated basis as the end of the third quarter rose ¥315 billion year on year, to ¥3,678.4 billion. In particular, assets under custody in the retail accounts rose ¥299.7 billion year on year to ¥3,210.1 billion.
- Total assets under custody of group companies rose ¥32.1 billion from the end of September 2009, reflecting an increase in assets under custody in investment trusts, offsetting a decrease in assets under custody in equities and bonds.



2. Reference Data



Performance by quarter (non-consolidated: Okasan Securities)

| Items | (In millions of yen) | | | (In millions of yen) | | | | | | | | |
|------------------------------------|----------------------|---------------|------------------|----------------------|--------|--------|--------|--------|--------|--------|---------|-----------|
| | FY09.3 3 Q | FY10.3 3 Q | vs.FY09.3 3 Q | FY09.3 | | | | FY10.3 | | | | vs.FY10.3 |
| | | | | 1 Q | 2 Q | 3 Q | 4 Q | 1 Q | 2 Q | 3 Q | 2 Q | |
| Operating revenues | 34,322 | 40,035 | 16.6% | 12,172 | 11,390 | 10,759 | 10,212 | 14,747 | 12,940 | 12,348 | -4.6% | |
| Commissions | 20,801 | 25,958 | 24.8% | 8,400 | 7,245 | 5,155 | 5,578 | 9,038 | 8,636 | 8,283 | -4.1% | |
| Brokerage | 8,076 | 8,383 | 3.8% | 3,447 | 2,130 | 2,498 | 2,098 | 3,491 | 2,900 | 1,991 | -31.3% | |
| Underwriting | 119 | 330 | 177.3% | 33 | 30 | 55 | 74 | 55 | 31 | 243 | 683.9% | |
| Distribution | 7,520 | 12,855 | 70.9% | 3,054 | 3,252 | 1,213 | 2,128 | 4,136 | 4,187 | 4,531 | 8.2% | |
| Others | 5,085 | 4,388 | -13.7% | 1,865 | 1,831 | 1,388 | 1,276 | 1,354 | 1,517 | 1,516 | -0.1% | |
| Net gain on Trading | 11,768 | 12,634 | 7.4% | 3,162 | 3,480 | 5,125 | 4,260 | 5,314 | 3,776 | 3,542 | -6.2% | |
| Equities | 2,281 | 4,768 | 109.0% | 771 | 212 | 1,297 | 575 | 1,855 | 1,422 | 1,490 | 4.8% | |
| Bonds | 9,221 | 8,225 | -10.8% | 2,393 | 3,121 | 3,706 | 3,825 | 3,832 | 2,309 | 2,084 | -9.7% | |
| Others | 265 | -359 | - | -2 | 145 | 122 | -140 | -373 | 46 | -32 | - | |
| Interest and dividend income | 1,752 | 1,443 | -17.6% | 608 | 665 | 477 | 373 | 394 | 526 | 522 | -0.8% | |
| Financial expenses | 1,523 | 1,099 | -27.9% | 517 | 562 | 444 | 342 | 330 | 394 | 374 | -5.1% | |
| Net operating revenues | 32,798 | 38,936 | 18.7% | 11,654 | 10,828 | 10,315 | 9,869 | 14,416 | 12,545 | 11,974 | -4.6% | |
| SG&A | 34,591 | 34,535 | -0.2% | 11,859 | 11,151 | 11,581 | 10,971 | 11,577 | 11,420 | 11,537 | 1.0% | |
| Trading related expenses | 7,054 | 6,844 | -3.0% | 2,392 | 2,349 | 2,312 | 2,115 | 2,225 | 2,285 | 2,333 | 2.1% | |
| Personnel expenses | 15,815 | 16,010 | 1.2% | 5,508 | 5,034 | 5,272 | 4,875 | 5,415 | 5,191 | 5,403 | 4.1% | |
| Real estate expenses | 4,443 | 4,298 | -3.3% | 1,477 | 1,476 | 1,489 | 1,523 | 1,452 | 1,428 | 1,418 | -0.7% | |
| Administrative expenses | 5,927 | 6,265 | 5.7% | 1,889 | 1,904 | 2,132 | 2,087 | 2,084 | 2,149 | 2,032 | -5.4% | |
| Depreciation expenses | 251 | 283 | 12.7% | 80 | 83 | 87 | 95 | 83 | 93 | 107 | 15.1% | |
| Taxes and dues | 210 | 233 | 10.6% | 72 | 72 | 65 | 68 | 85 | 80 | 67 | -16.3% | |
| Others | 888 | 598 | -32.6% | 439 | 229 | 219 | 205 | 231 | 192 | 174 | -9.4% | |
| Operating income | -1,792 | 4,401 | - | -204 | -322 | -1,265 | -1,101 | 2,839 | 1,125 | 436 | -61.2% | |
| Non-operating income | 271 | 215 | -20.6% | 147 | 77 | 46 | 97 | 94 | 80 | 40 | -50.0% | |
| Non-operating expenses | 54 | 32 | -39.8% | 17 | 28 | 8 | 14 | 2 | 15 | 14 | -6.7% | |
| Ordinary income | -1,575 | 4,584 | - | -75 | -274 | -1,226 | -1,018 | 2,931 | 1,189 | 462 | -61.1% | |
| Extraordinary gain | 975 | 0 | - | 852 | 105 | 18 | 84 | 69 | -2 | -66 | - | |
| Extraordinary loss | 8 | 91 | 974.1% | 4 | - | 3 | 24 | 3 | 3 | 84 | 2700.0% | |
| Net profit, before taxes | -608 | 4,492 | - | 772 | -168 | -1,212 | -957 | 2,997 | 1,183 | 311 | -73.7% | |
| Income taxes | -84 | 403 | - | -91 | -120 | 128 | 87 | -262 | 830 | -164 | - | |
| Adjustment amount for income taxes | 165 | 1,583 | 858.7% | 475 | 86 | -396 | -214 | 1,465 | -276 | 394 | - | |
| Net profit | -689 | 2,505 | - | 388 | -134 | -944 | -830 | 1,794 | 629 | 81 | -87.1% | |



Volume of equity trading (non-consolidated: Okasan Securities)

<Volume of equity trading / Number of shares>

(In millions of shares)

| Items | FY09.3 | | | | | | FY10.3 | | | | | | vs. FY09.3 3Q | vs. FY10.3 2Q |
|-----------------|--------|-------|-------|---------|-------|-------|--------|-------|-------|---------|--------|--------|---------------|---------------|
| | 1 Q | 2 Q | 3 Q | 3QTOTAL | 4 Q | TOTAL | 1 Q | 2 Q | 3 Q | 3QTOTAL | | | | |
| Total | 2,146 | 1,877 | 2,126 | 6,149 | 2,173 | 8,322 | 3,574 | 5,487 | 6,172 | 15,233 | 247.7% | 112.5% | | |
| (dealing) | 1,061 | 808 | 829 | 2,698 | 1,137 | 3,835 | 1,944 | 1,462 | 1,155 | 4,561 | 169.0% | 79.0% | | |
| (Brokerage) | 1,085 | 1,069 | 1,296 | 3,450 | 1,037 | 4,487 | 1,630 | 4,024 | 5,017 | 10,671 | 309.2% | 124.7% | | |
| Brokerage ratio | 50.6% | 57.0% | 61.0% | 56.1% | 47.7% | 53.9% | 45.6% | 73.3% | 81.3% | 70.1% | +14.0p | +8.0p | | |

Trading volume increased with the commencement of brokerage business for Japanese equities at Okasan Online Securities on July 21, 2009.

<Volume of equity trading / Total value>

(In millions of yen)

| Items | FY09.3 | | | | | | FY10.3 | | | | | | vs. FY09.3 3Q | vs. FY10.3 2Q |
|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------|--------|---------------|---------------|
| | 1 Q | 2 Q | 3 Q | 3QTOTAL | 4 Q | TOTAL | 1 Q | 2 Q | 3 Q | 3QTOTAL | | | | |
| Total | 2,082,881 | 1,614,862 | 1,320,047 | 5,017,790 | 1,121,382 | 6,139,172 | 1,751,489 | 2,881,576 | 2,989,035 | 7,622,100 | 151.9% | 103.7% | | |
| (dealing) | 1,196,858 | 898,633 | 632,264 | 2,727,755 | 554,458 | 3,282,213 | 912,294 | 663,684 | 582,283 | 2,158,261 | 79.1% | 87.7% | | |
| (Brokerage) | 886,022 | 716,230 | 687,783 | 2,290,035 | 566,924 | 2,856,959 | 839,195 | 2,217,892 | 2,406,751 | 5,463,838 | 238.6% | 108.5% | | |
| Brokerage ratio | 42.5% | 44.4% | 52.1% | 45.6% | 50.6% | 46.5% | 47.9% | 77.0% | 80.5% | 71.7% | +26.1p | +3.5p | | |

Trading volume increased with the commencement of brokerage business for Japanese equities at Okasan Online Securities on July 21, 2009.

<Shares of total for Tokyo Stock Exchange>

| Items | FY09.3 | | | | | | FY10.3 | | | | | | vs. FY09.3 3Q | vs. FY10.3 2Q |
|------------------|--------|-------|-------|---------|-------|-------|--------|-------|-------|---------|--------|--------|---------------|---------------|
| | 1 Q | 2 Q | 3 Q | 3QTOTAL | 4 Q | TOTAL | 1 Q | 2 Q | 3 Q | 3QTOTAL | | | | |
| Number of shares | 0.70% | 0.55% | 0.60% | 0.61% | 0.69% | 0.63% | 0.85% | 1.57% | 1.80% | 1.37% | +0.76p | +0.23p | | |
| Total value | 0.61% | 0.53% | 0.53% | 0.56% | 0.61% | 0.57% | 0.76% | 1.37% | 1.47% | 1.18% | +0.62p | +0.10p | | |

<Brokerage Commissions Ratio>

(In millions of yen)

| Items | FY09.3 | | | | | | FY10.3 | | | | | | vs. FY09.3 3Q | vs. FY10.3 2Q |
|-------------------|--------|-------|-------|---------|-------|-------|--------|-------|-------|---------|--------|--------|---------------|---------------|
| | 1 Q | 2 Q | 3 Q | 3QTOTAL | 4 Q | TOTAL | 1 Q | 2 Q | 3 Q | 3QTOTAL | | | | |
| Commissions | 3,412 | 2,099 | 2,439 | 7,950 | 2,039 | 9,989 | 3,436 | 2,840 | 1,918 | 8,194 | 103.1% | 67.5% | | |
| Commissions Ratio | 0.39% | 0.29% | 0.35% | 0.35% | 0.36% | 0.35% | 0.41% | 0.13% | 0.08% | 0.15% | -0.20p | -0.05p | | |

Brokerage commissions excluded commissions from futures and options.



Volume of Underwriting, Offering, and Selling (non-consolidated: Okasan Securities)

<Underwriting>

(In millions of shares, millions of yen)

| Items | | FY09.3 | | | | | | FY10.3 | | | | | |
|----------------------------|-----------------------|---------|---------|--------|---------|---------|---------|---------|---------|---------|---------|---------------|---------------|
| | | 1 Q | 2 Q | 3 Q | 3QTOTAL | 4 Q | TOTAL | 1 Q | 2 Q | 3 Q | 3QTOTAL | vs. FY09.3 3Q | vs. FY10.3 2Q |
| Equities | (Number of shares) | 0 | 3 | 3 | 6 | 0 | 6 | 0 | 0 | 12 | 12 | 208.8% | — |
| Equities | (Total value) | 551 | 2,159 | 1,120 | 3,830 | 1,739 | 5,569 | 1,141 | 507 | 6,912 | 8,560 | 223.5% | 1363.3% |
| Bonds | (Total at face value) | 165,325 | 131,287 | 96,475 | 393,087 | 112,166 | 505,253 | 137,693 | 105,394 | 146,946 | 390,033 | 99.2% | 139.4% |
| CP,foreign instruments,etc | (Total at face value) | — | — | — | — | — | — | — | — | — | — | — | — |

<Selling>

(In millions of shares, millions of yen)

| Items | | FY09.3 | | | | | | FY10.3 | | | | | |
|----------|-----------------------|--------|--------|--------|---------|--------|---------|--------|--------|--------|---------|---------------|---------------|
| | | 1 Q | 2 Q | 3 Q | 3QTOTAL | 4 Q | TOTAL | 1 Q | 2 Q | 3 Q | 3QTOTAL | vs. FY09.3 3Q | vs. FY10.3 2Q |
| Equities | (Number of shares) | 0 | 3 | 0 | 3 | 1 | 4 | 0 | 0 | 12 | 12 | 387.9% | — |
| Equities | (Total value) | 475 | 2,099 | 30 | 2,604 | 1,615 | 4,219 | 1,193 | 487 | 6,775 | 8,455 | 324.7% | 1391.2% |
| Bonds | (Total at face value) | 28,599 | 25,130 | 34,990 | 88,719 | 33,430 | 122,149 | 32,296 | 18,861 | 26,257 | 77,414 | 87.3% | 139.2% |

<Offering>

(In millions of shares, millions of yen)

| Items | | FY09.3 | | | | | | FY10.3 | | | | | |
|----------------------------|-----------------------|---------|---------|---------|---------|---------|-----------|---------|---------|---------|-----------|---------------|---------------|
| | | 1 Q | 2 Q | 3 Q | 3QTOTAL | 4 Q | TOTAL | 1 Q | 2 Q | 3 Q | 3QTOTAL | vs. FY09.3 3Q | vs. FY10.3 2Q |
| Equities | (Number of shares) | — | 0 | 2 | 2 | 0 | 2 | — | 1 | 1 | 2 | 87.4% | 100.0% |
| Equities | (Total value) | — | 0 | 1,200 | 1,200 | 1 | 1,201 | — | 276 | 177 | 453 | 37.8% | 64.1% |
| Bonds | (Total at face value) | 167,900 | 134,295 | 104,866 | 407,061 | 115,141 | 522,202 | 138,005 | 114,175 | 151,448 | 403,628 | 99.2% | 132.6% |
| Beneficiary securities | (Total at face value) | 287,207 | 284,542 | 224,350 | 796,099 | 280,985 | 1,077,084 | 441,072 | 415,633 | 397,162 | 1,253,867 | 157.5% | 95.6% |
| CP,foreign instruments,etc | (Total at face value) | — | — | — | — | — | — | — | — | — | — | — | — |

<Underwriting & Selling Fees Ratio>

(In millions of yen)

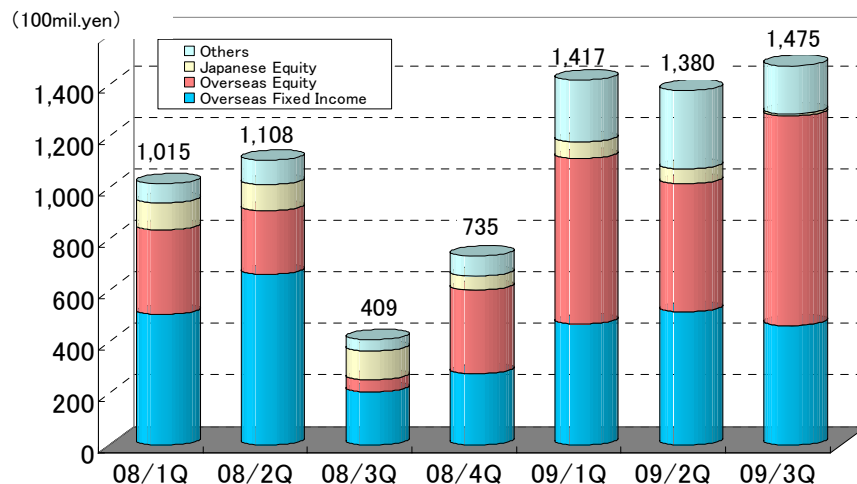
| Items | | FY09.3 | | | | | | FY10.3 | | | | | |
|----------|-----------------------|--------|--------|--------|---------|--------|--------|--------|--------|--------|---------|---------------|---------------|
| | | 1 Q | 2 Q | 3 Q | 3QTOTAL | 4 Q | TOTAL | 1 Q | 2 Q | 3 Q | 3QTOTAL | vs. FY09.3 3Q | vs. FY10.3 2Q |
| Equities | | 20 | 18 | 38 | 76 | 62 | 138 | 41 | 16 | 205 | 262 | 343.9% | 1281.3% |
| | (Averaged Fees Ratio) | 1.95% | 0.42% | 3.30% | 1.18% | 1.85% | 1.41% | 1.76% | 1.61% | 1.50% | 1.54% | +0.36p | -0.11p |
| Bonds | | 12 | 13 | 17 | 42 | 12 | 54 | 14 | 15 | 38 | 67 | 158.4% | 253.3% |
| | (Averaged Fees Ratio) | 0.006% | 0.008% | 0.013% | 0.009% | 0.008% | 0.009% | 0.008% | 0.012% | 0.022% | 0.014% | +0.005p | +0.010p |



Investment trusts ▪ Foreign bonds

(non-consolidated: Okasan Securities)

Investment trusts sales amount

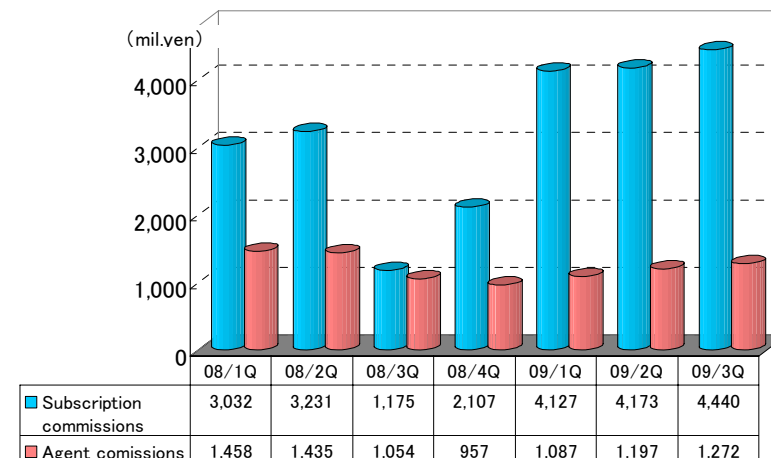


• The investment trusts sales for the first three quarters amounted to ¥427.2 billion, mainly reflecting a strong sales of the products investing in emerging market's treasuries, Asia-pacific equities, the US REITs, equities and bonds in Brazil and so forth. Sales commissions for the first three quarters amounted to ¥12.7 billion.

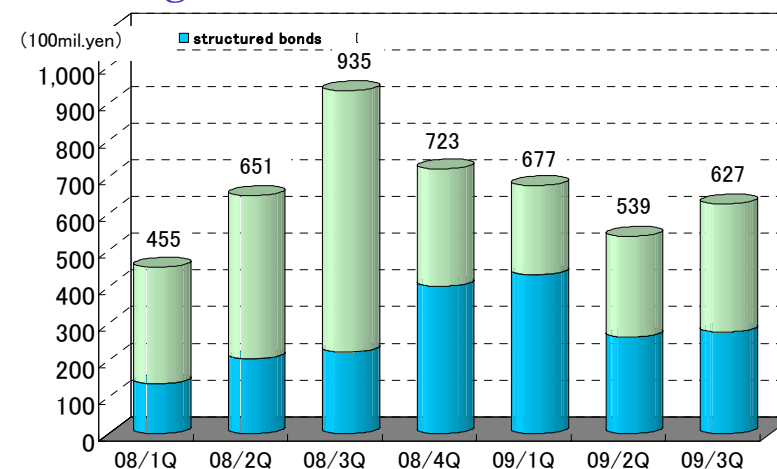
• Sales of foreign bonds for the first three quarters were ¥184.2 billion, highlighted by the retail activities in structured bonds such as exchangeable bonds and South African rand denominated bonds and by the corporate business for Euroyen CBs.

* As for sales amount of foreign bonds, the sum of retail sales (which had been disclosed continuously) and corporate sales, were newly disclosed, by backfilling the numbers through the first quarter of fiscal 2009.

Investment trusts commissions



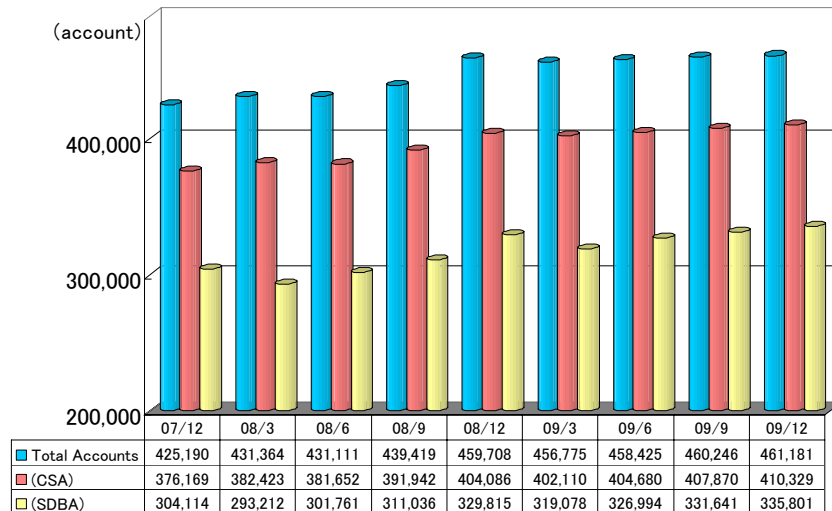
Foreign bonds sales amount



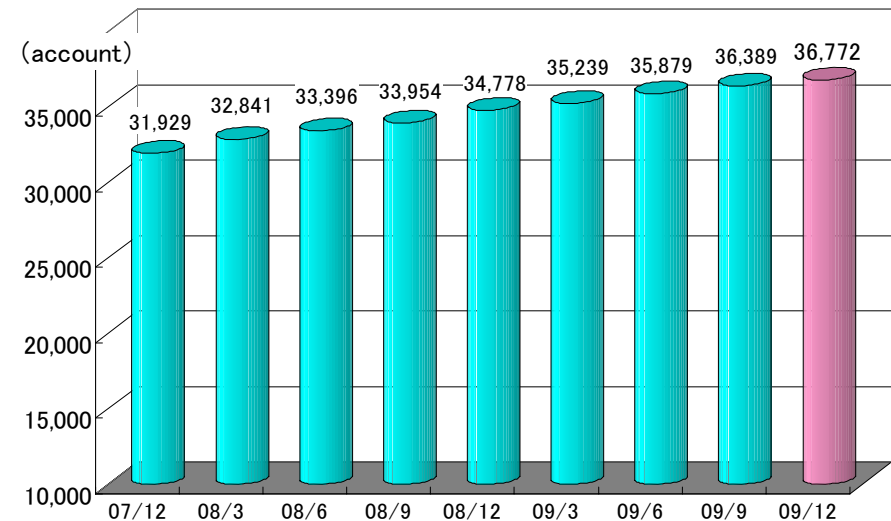


Number of accounts (non-consolidated: Okasan Securities)

■ Number of customer accounts



■ Number of online accounts

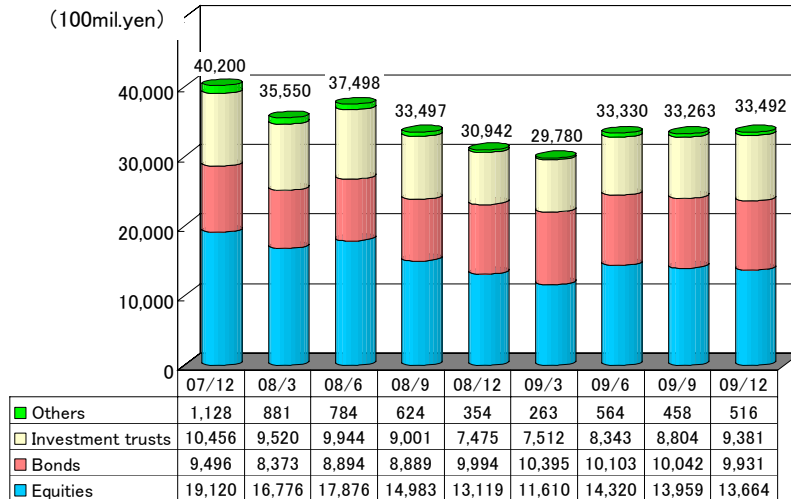


- The number of accounts edged up 0.3% from a year-ago, to 461,181. The number of special accounts increased 1.8%, to 335,801.
- The number of non-consolidated accounts opened during this third quarter was 5,078.
- The number of online accounts rose a steady 5.7% from a year-ago, to 36,772. The number of online accounts accounted for 8.0% of all customer accounts.

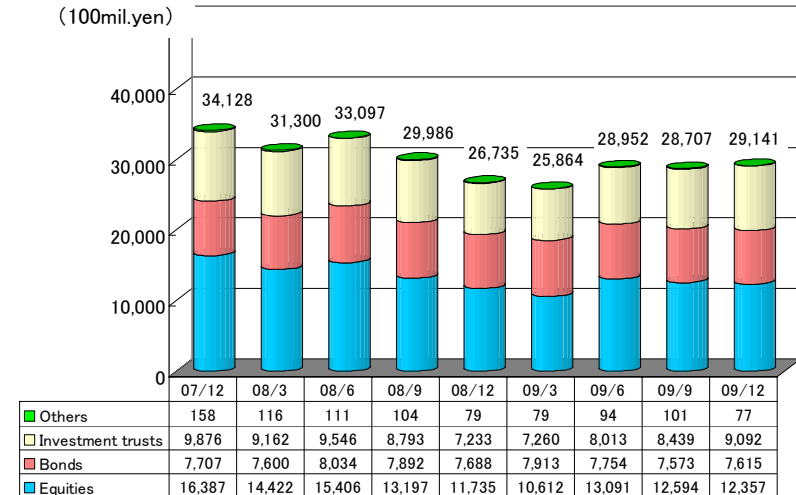


Assets under custody , Net inflow of client assets (non-consolidated: Okasan Securities)

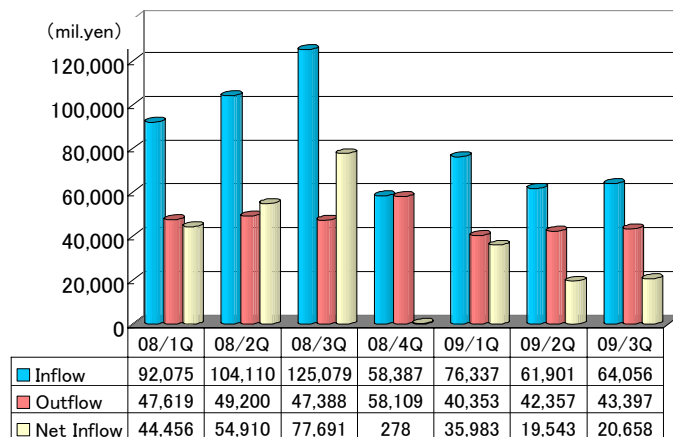
Assets under Custody



Retail Assets under Custody



Net inflow of client assets (Retail)



- The total assets under custody rose ¥255 billion from a year-ago, to ¥3,349.2 billion. Assets under custody of retail accounts rose ¥240.6 billion, to ¥2,914.1 billion. These solid results reflected an increase in assets under custody in investment trusts.
- The net inflow of client assets (net of inflow of cash, sum of proprietary cash and cash under custody: private clients) during the third quarter stood at ¥20.6 billion.



Capital Adequacy requirement Ratio

(non-consolidated: Okasan Securities)

(In millions of yen)

| 項 目 | | FY09.3 | | | | FY10.3 | | | vs.FY09.3 |
|---|---|--------|--------|--------|--------|--------|--------|--------|-----------|
| | | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 3Q |
| Basic items | (A) | 54,754 | 54,619 | 53,675 | 51,844 | 53,639 | 54,268 | 54,350 | 675 |
| Complementary items | Appraisal gains (losses) etc. | 13 | 22 | 28 | 31 | 35 | 42 | 48 | 20 |
| | Security transaction responsibility reserve | 414 | 415 | 415 | 416 | 347 | 349 | 465 | 50 |
| | General provision for loan losses | 45 | 36 | 18 | 19 | 35 | 42 | 34 | 16 |
| | Short-term subordinated debt | 10,500 | 9,300 | 9,175 | 9,050 | 8,925 | 8,000 | 7,625 | -1,550 |
| Total | (B) | 10,973 | 9,774 | 9,638 | 9,517 | 9,343 | 8,435 | 8,173 | -1,465 |
| Assets to be deducted | (C) | 9,797 | 9,771 | 9,880 | 9,156 | 9,263 | 9,605 | 9,694 | -186 |
| Unfixed equity capital (A) + (B) - (C) | (D) | 55,930 | 54,622 | 53,433 | 52,206 | 53,719 | 53,098 | 52,829 | -604 |
| Risk equivalents | Market risk equivalents | 1,052 | 1,038 | 1,266 | 718 | 1,671 | 1,410 | 1,590 | 324 |
| | Customer risk equivalents | 1,169 | 1,114 | 641 | 614 | 911 | 1,147 | 999 | 358 |
| | Basic risk equivalents | 12,482 | 12,266 | 12,138 | 11,798 | 11,620 | 11,490 | 11,404 | -734 |
| | Total | (E) | 14,704 | 14,419 | 14,047 | 13,131 | 14,203 | 14,048 | 13,993 |
| Capital adequacy requirement ratio (D) / (E) × 100(%) | | 380.3% | 378.8% | 380.3% | 397.5% | 378.2% | 377.9% | 377.5% | -2.8p |

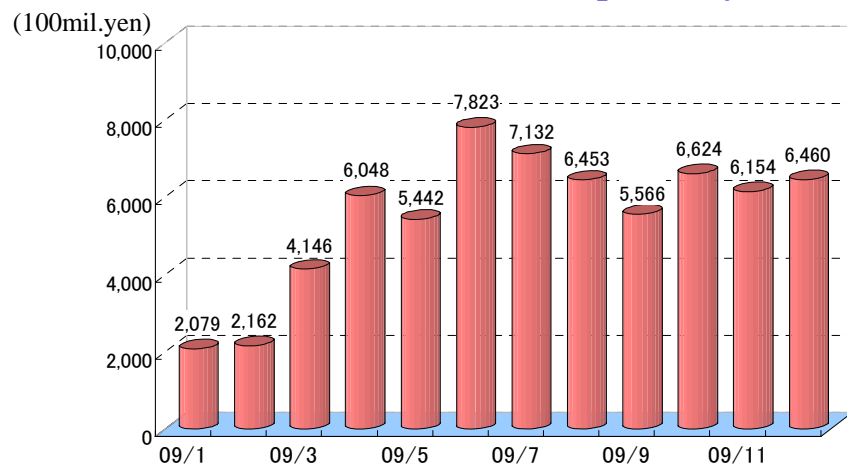
(Note) Short-term subordinated debt consists of subordinated borrowing.

- The capital adequacy requirement ratio as at the end of December 2009 was down 2.8 points from a year-ago to 377.5%.
- Although the basic items rose ¥0.6 billion from a year-ago, the unfixed equity capital fell ¥0.6 billion, given a decline of ¥1.4 billion yen in complementary items, reflecting a significant fall in short-term subordinated debt.
- Although each of market risk equivalents and customer risk equivalents rose ¥0.3 billion respectively, total risk equivalents declined by ¥50 million, coupled with a ¥0.7 billion reduction in basic risk equivalents, primarily reflecting a fall in operating expenses.

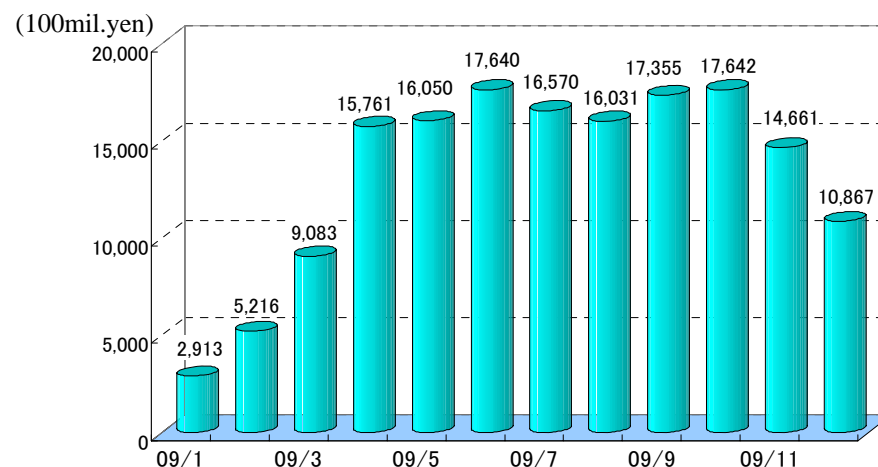


(Reference Data) Okasan Online Securities Data

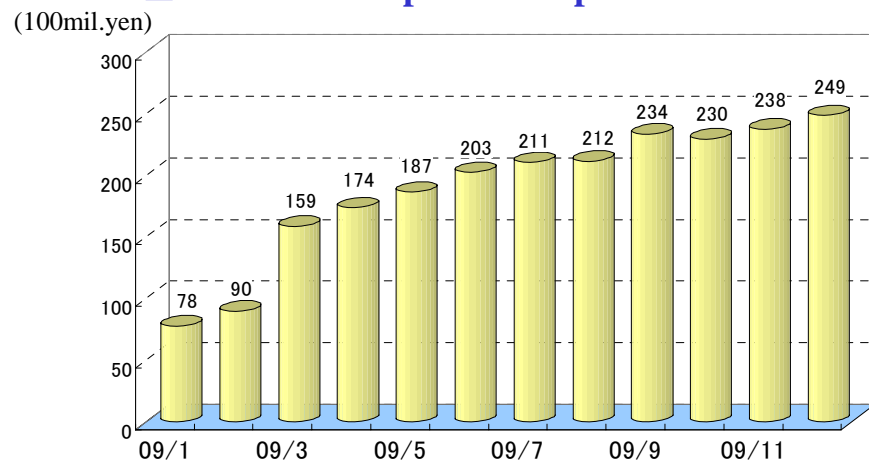
■ Domestic sales amount of equities by month



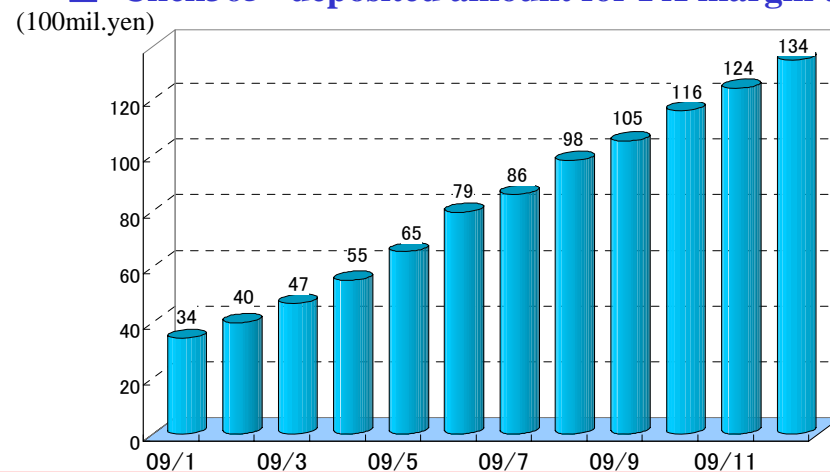
■ “Click 365” contract amount



■ Customers' separated deposits



■ “Click365” deposited amount for FX margin trading





MEMO



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