



2Q Ending March 31, 2011

Results Briefing



October 28, 2010
Okasan Securities Group Inc.

The objective of the document is to provide information on the results of the 2nd quarter year ending March 31, 2011 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 September 2010. 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 %
FY11. 3 2Q	30,559 (-13.2)	29,717 (-13.2)	727 (-87.2)	1,329 (-77.7)
FY10. 3 2Q	35,222 (+20.2)	34,235 (+21.9)	5,680 (46.6times)	5,955 (+515.1)

	Net Income	Total assets	Net assets	Equity ratio
	million yen %	million yen	million yen	%
FY11. 3 2Q	907 (-64.2)	532,066	113,649	17.7
FY10. 3 2Q	2,532 (+270.7)	501,016	114,495	19.1

	Net income per share	Net assets per share	ROE (annualized)
	yen	yen	%
FY11. 3 2Q	4.44	461.06	1.9
FY10. 3 2Q	12.39	467.72	5.4



Financial highlights of 2nd Quarter year ending March 2011

<Overview >

- Operating revenues were ¥30,559 million, a 13.2% decline year on year. The weaker showing is attributed primarily to a decline in equity brokerage commission due to the depressed market of domestic shares as well as a decrease in bond trading profits.
- Selling, general and administrative (“SG&A”) expenses edged up by 1.5% year on year, with ordinary profits down by 77.7% year on year to ¥1,329 million. As a refund of the previous fiscal year’s corporate tax partly offset the impact of the decline in revenues, the second quarter net profits fell by 64.2% year on year to ¥907 million.

<Fees and Commissions>

- Brokerage commissions were down 35.1% year on year. Forex commissions rose, but stock brokerage commissions eroded.
- Underwriting fees and selling concessions were up 38.3% year on year due to underwriting fee of large public offerings and the revenue as lead managers for municipal bond issues.
- Administrative fees on offering and selling declined 11.7% year on year due to decreased sales of investment trust funds, influenced mainly by the stronger yen.
- Other fees and commissions were up 12.8% year on year due mainly to a rise in custodian fees.

<Net trading Profits>

- The net gain from trading of equity and other securities was down 4.2% year on year. Major declines in domestic equity trading income had repercussions, while active trading was seen in the US shares (including ADRs of Brazilian shares) and the European shares.
- The net gain from fixed income securities and other instruments fell 20.0% year on year due to such factors as a decline in the trading volume of foreign currency denominated bonds.

<SG&A expenses >

- Selling, general and administrative expenses edged up 1.5% year on year. Trading related expenses increased due to the expansion in asset management business. The depreciation expenses rose as the newly developed core computer system came to production. Such increases absorbed the reduction in the administrative and the real-estate related expenses.

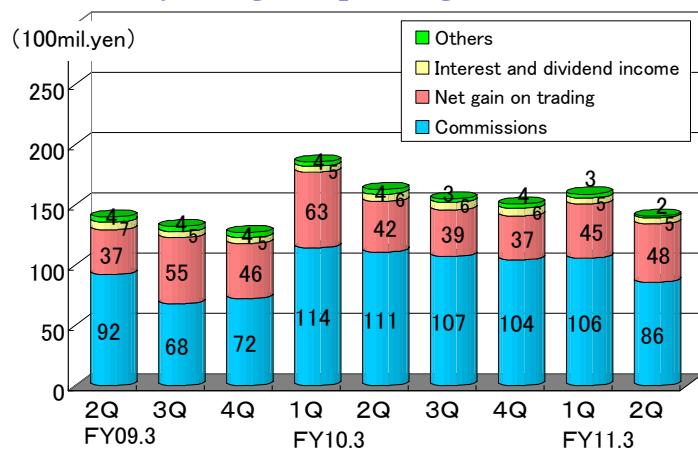


Operating Revenues

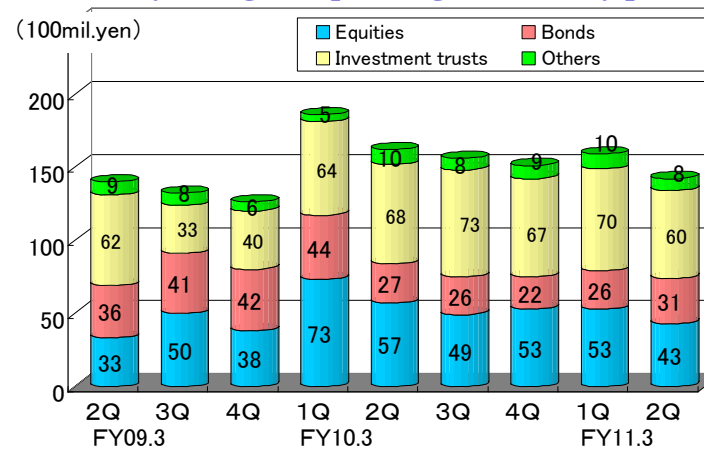
(In millions of yen)	FY10.3 2Q	FY11.3 2Q	vs.FY10.3 2Q
Operating revenues	35,222	30,559	-13.2%
Commissions	22,615	19,280	-14.7%
Brokerage	8,595	5,582	-35.1%
Underwriting	87	121	38.3%
Distribution	8,750	7,730	-11.7%
Others	5,181	5,846	12.8%
Net gain on trading	10,553	9,460	-10.4%
Equities	4,198	4,023	-4.2%
Bonds	6,676	5,338	-20.0%
Others	-321	97	-
Interest and dividend income	1,219	1,167	-4.3%
Others	834	652	-21.8%

FY10.3				FY11.3		vs.FY11.3
1Q	2Q	3Q	4Q	1Q	2Q	1Q
18,811	16,410	15,764	15,249	16,172	14,386	-11.0%
11,485	11,129	10,785	10,446	10,620	8,659	-18.5%
4,709	3,885	2,888	3,049	3,274	2,307	-29.6%
55	31	243	343	51	69	33.6%
4,319	4,431	4,792	4,131	4,326	3,403	-21.3%
2,400	2,781	2,859	2,921	2,966	2,879	-2.9%
6,321	4,231	3,970	3,759	4,575	4,884	6.8%
2,508	1,690	1,744	1,859	2,035	1,988	-2.3%
4,184	2,492	2,254	1,884	2,433	2,904	19.4%
-370	48	-28	15	106	-8	-
578	640	622	635	597	570	-4.6%
425	408	386	408	379	272	-28.3%

Quarterly change in operating revenues



Quarterly change in operating revenues by product





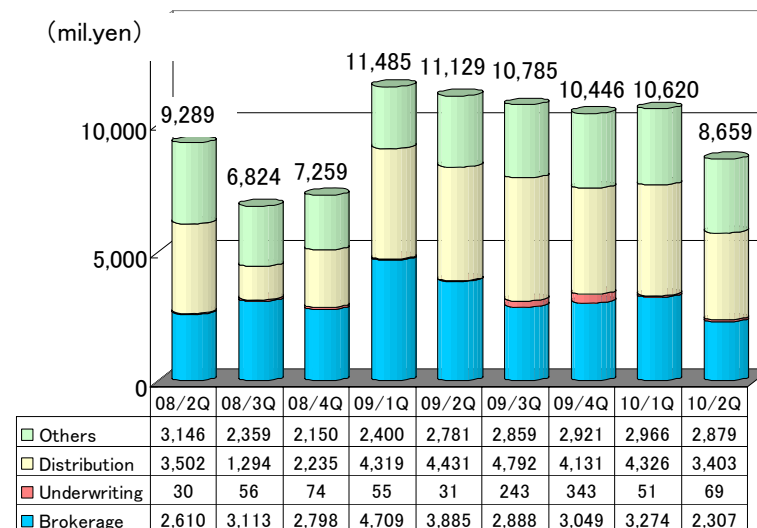
Fees and Commissions Received

■ fees and commissions received

(In millions of yen)

Items	FY10.3 2Q	FY11.3 2Q	VS.10.3 2Q
Brokerage	8,595	5,582	-35.1%
Equities	7,964	4,859	-39.0%
Bonds	28	8	-69.0%
Others	602	713	18.5%
Underwriting	87	121	38.3%
Equities	57	80	38.4%
Bonds	29	41	38.2%
Distribution	8,750	7,730	-11.7%
Investment trusts	8,726	7,680	-12.0%
Others	5,181	5,846	12.8%
Investment trusts	4,622	5,394	16.7%
Total	22,615	19,280	-14.7%

■ Fees and commissions received (quarterly)



• Brokerage commissions were down 35.1% year on year. The slump in domestic equity market caused the equity brokerage commission to plunge 39.0% year on year, while other brokerage commissions increased by 18.5% due to the expansion of forex broking in Okasan Online Securities.

• Underwriting fees and selling concessions were up 38.3% year on year due to underwriting fee of large public offerings of major financial institutions and the revenue as lead managers for municipal bond issues.

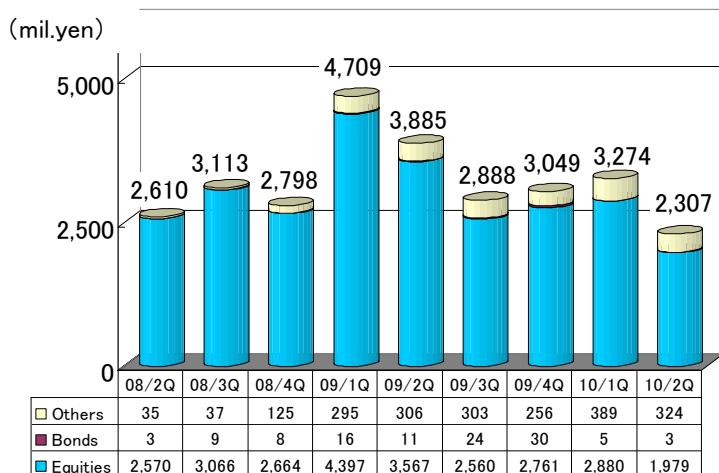
• Sales activities on investment trust funds focused on Asia Oceania High Dividend And Growth Open managed by Okasan Asset Management. However, placement commissions declined 11.7% year on year, as the appreciating yen resulted in the weaker sales of the fund.

• Other commissions increased 12.8% year on year, reflecting an increase in trust fees.

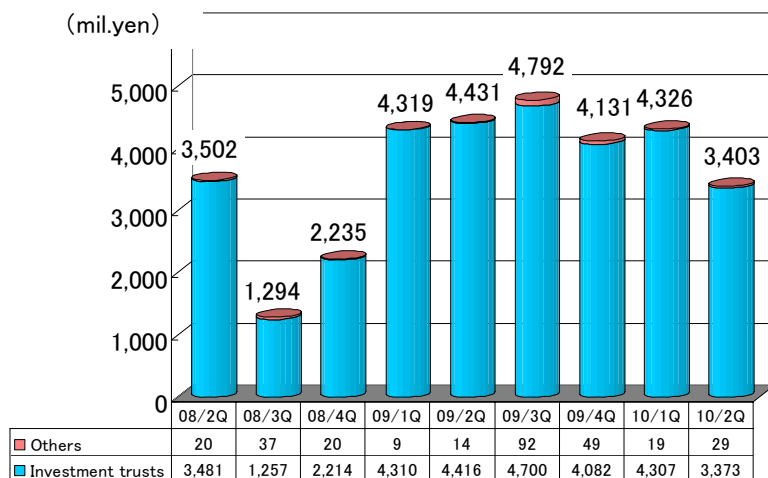


Fees and Commissions Received by Category

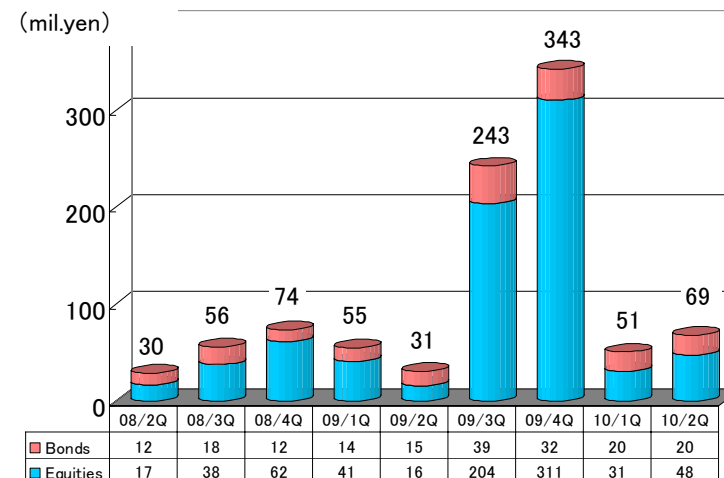
■ Brokerage



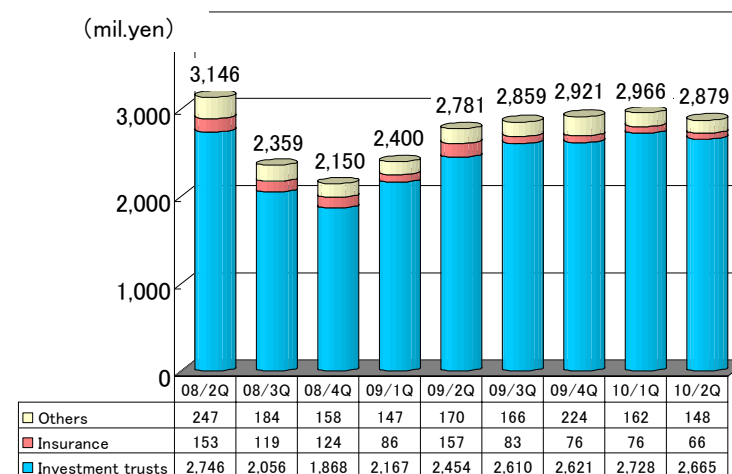
■ Distribution



■ Underwriting



■ Others



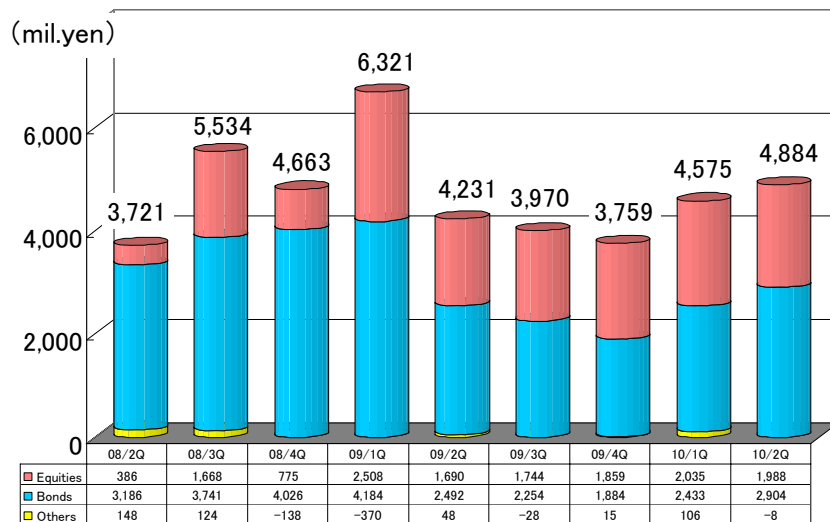


Net gain(loss) on Trading

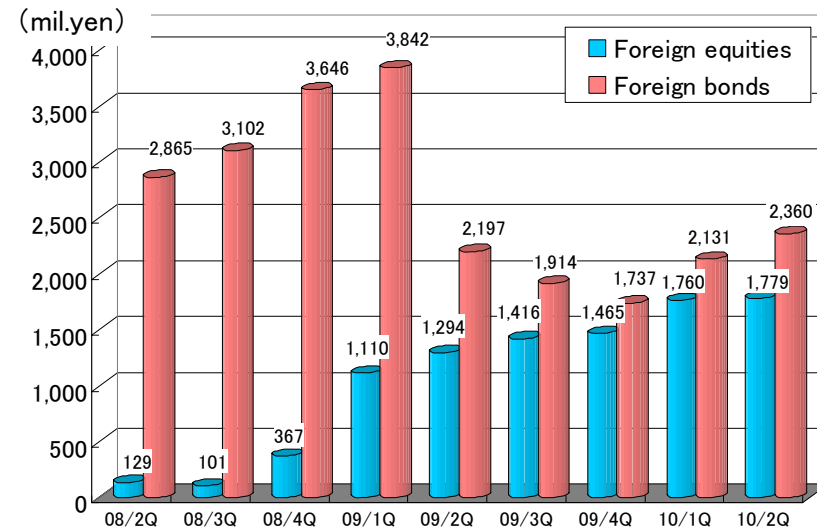
(In millions of yen)	FY10.3		vs.FY10.3
	2Q	2Q	
Net gain on trading	10,553	9,460	-10.4%
Equities	4,198	4,023	-4.2%
Domestic equities	1,794	482	-73.1%
Foreign equities	2,404	3,540	47.3%
Bonds and others	6,676	5,338	-20.0%
Domestic bonds	636	846	33.0%
Foreign bonds	6,039	4,491	-25.6%
Others	-321	97	-

	FY10.3				FY11.3		vs.FY11.3
	1Q	2Q	3Q	4Q	1Q	2Q	
Net gain on trading	6,321	4,231	3,970	3,759	4,575	4,884	6.8%
Equities	2,508	1,690	1,744	1,859	2,035	1,988	-2.3%
Domestic equities	1,397	396	327	394	274	208	-24.1%
Foreign equities	1,110	1,294	1,416	1,465	1,760	1,779	1.1%
Bonds and others	4,184	2,492	2,254	1,884	2,433	2,904	19.4%
Domestic bonds	341	294	340	146	302	544	80.1%
Foreign bonds	3,842	2,197	1,914	1,737	2,131	2,360	10.8%
Others	-370	48	-28	15	106	-8	-

Net gain by Products



Net gain from foreign stocks and bonds



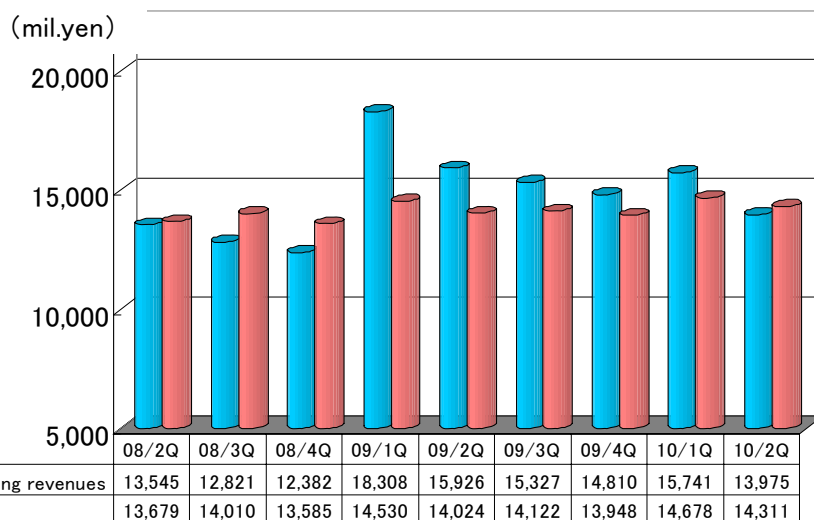


SG&A : Selling, General and Administrative Expenses

(In millions of yen)	FY10.3 2Q	FY11.3 2Q	vs.FY10.3 2Q
SG&A	28,555	28,989	1.5%
Trading related expenses	5,159	5,565	7.9%
Personnel expenses	14,436	14,435	-0.0%
Real estate expenses	3,285	3,102	-5.6%
Administrative expenses	2,989	2,608	-12.7%
Depreciation expenses	1,295	1,785	37.9%
Taxes and dues	323	272	-15.6%
Others	1,065	1,219	14.4%

FY10.3				FY11.3		vs.FY11.3
1Q	2Q	3Q	4Q	1Q	2Q	1Q
14,530	14,024	14,122	13,948	14,678	14,311	-2.5%
2,554	2,605	2,607	2,645	2,793	2,771	-0.8%
7,440	6,996	7,180	6,927	7,405	7,030	-5.1%
1,658	1,626	1,589	1,579	1,531	1,570	2.5%
1,515	1,474	1,394	1,401	1,395	1,213	-13.0%
631	663	689	718	791	994	25.7%
169	153	134	134	140	132	-6.2%
561	504	528	541	620	598	-3.6%

Change in net operating revenues and SG&A



- Trading related expenses increased 7.9% due mainly to a rise in fees relating to asset management business and higher charges for financial instrument exchange memberships relating to the securities business.

- Real estate expenses decreased 5.6%, thanks to the results of negotiations on the rent renewal of branch offices.

- Administrative expenses were down 12.7%, due mainly to the reduction in the office work outsourcing expenses. The reduction is attributed to the full production in the core computer system, ODIN.

- In contrast, depreciation expenses rose 37.9% year on year, due mainly to the ODIN.



Balance Sheet Summary (1)

(In millions of yen)	FY10.3	FY11.3	vs.FY10.3	FY10.3				FY11.3		vs.FY11.3
	2Q	2Q	2Q	1Q	2Q	3Q	4Q	1Q	2Q	1Q
Current assets	449,539	479,456	29,917	465,575	449,539	464,101	445,082	448,013	479,456	31,442
Cash on hand and in banks	39,169	41,995	2,825	37,249	39,169	40,500	41,440	39,519	41,995	2,475
Cash segregated as deposits for customers and others	47,440	52,106	4,665	40,948	47,440	48,197	57,700	50,100	52,106	2,005
Trading assets	157,795	174,292	16,497	163,121	157,795	160,019	142,869	156,861	174,292	17,430
Receivables on margin transactions	48,901	40,626	-8,275	49,283	48,901	38,704	44,337	48,743	40,626	-8,117
Receivables on collateralized securities transactions	139,321	156,397	17,076	159,087	139,321	167,129	137,065	142,099	156,397	14,298
Other current assets	16,910	14,038	-2,872	15,885	16,910	9,549	21,668	10,688	14,038	3,350
Fixed assets	51,477	52,610	1,133	53,119	51,477	51,131	54,413	52,648	52,610	-38
Property and equipment	16,012	15,882	-130	15,854	16,012	15,933	16,000	16,022	15,882	-140
Intangible assets	9,971	10,032	60	9,678	9,971	10,130	10,426	10,361	10,032	-329
Investments and other assets	25,493	26,696	1,202	27,587	25,493	25,068	27,986	26,264	26,696	432
Total assets	501,016	532,066	31,050	518,695	501,016	515,232	499,495	500,662	532,066	31,404

• Current assets increased ¥29.9 billion from a year ago, due mainly to increase in receivables on collateralized securities transactions and trading assets. Receivables on margin transactions declined by ¥8.2 billion.

• Fixed assets increased ¥1.1 billion from a year ago, due to a spike in investments and other assets. In detail, the spike is attributed to a rise in long-term guarantee deposits stemming from the relocation of Okasan Group's headquarter.



Balance Sheet Summary(2)

(In millions of yen)	FY10.3 2Q	FY11.3 2Q	vs.FY10.3 2Q
Current liabilities	364,042	396,317	32,274
Trading liabilities	130,259	137,239	6,979
Payables on margin transactions	22,786	20,266	-2,520
Payables on collateralized securities transactions	35,024	38,518	3,493
Deposits received	18,559	19,402	842
Guarantee deposits received	28,728	30,180	1,451
Short-term borrowings	122,114	145,418	23,303
Other current liabilities	6,568	5,291	-1,276
Fixed liabilities	21,945	21,066	-879
Long-term borrowings	10,529	9,331	-1,197
Reserves for retirement benefits	4,940	5,044	103
Other fixed liabilities	6,476	6,690	214
Financial instruments transaction reserve	532	1,033	500
Total liabilities	386,521	418,417	31,896
Common stock	18,589	18,589	—
Capital surplus	12,918	12,909	-8
Retained earnings	65,110	64,763	-347
Treasury stock	-1,868	-1,880	-11
Valuation and translation adjustments	846	-161	-1,007
Minority interests	18,899	19,428	529
Total net assets	114,495	113,649	-846
Total liabilities&net assets	501,016	532,066	31,050

FY10.3				FY11.3		vs.FY11.3
1Q	2Q	3Q	4Q	1Q	2Q	1Q
381,009	364,042	378,864	366,335	368,578	396,317	27,739
127,850	130,259	130,416	100,447	112,943	137,239	24,296
25,638	22,786	17,949	25,383	17,162	20,266	3,103
77,565	35,024	53,602	32,821	42,755	38,518	-4,237
18,459	18,559	18,444	22,871	19,774	19,402	-372
28,873	28,728	30,847	29,746	33,300	30,180	-3,120
97,703	122,114	112,161	147,325	130,293	145,418	15,125
4,918	6,568	15,442	7,739	12,347	5,291	-7,055
22,801	21,945	21,172	16,727	16,516	21,066	4,549
11,139	10,529	9,905	4,960	4,612	9,331	4,719
4,931	4,940	4,949	4,972	5,045	5,044	-1
6,730	6,476	6,317	6,794	6,859	6,690	-168
486	532	695	855	952	1,033	80
404,296	386,521	400,731	383,917	386,047	418,417	32,369
18,589	18,589	18,589	18,589	18,589	18,589	—
12,918	12,918	12,918	12,918	12,909	12,909	—
64,348	65,110	65,309	65,363	65,461	64,763	-698
-1,864	-1,868	-1,873	-1,876	-1,878	-1,880	-2
1,691	846	491	1,314	199	-161	-360
18,714	18,899	19,065	19,268	19,332	19,428	95
114,399	114,495	114,501	115,577	114,614	113,649	-965
518,695	501,016	515,232	499,495	500,662	532,066	31,404

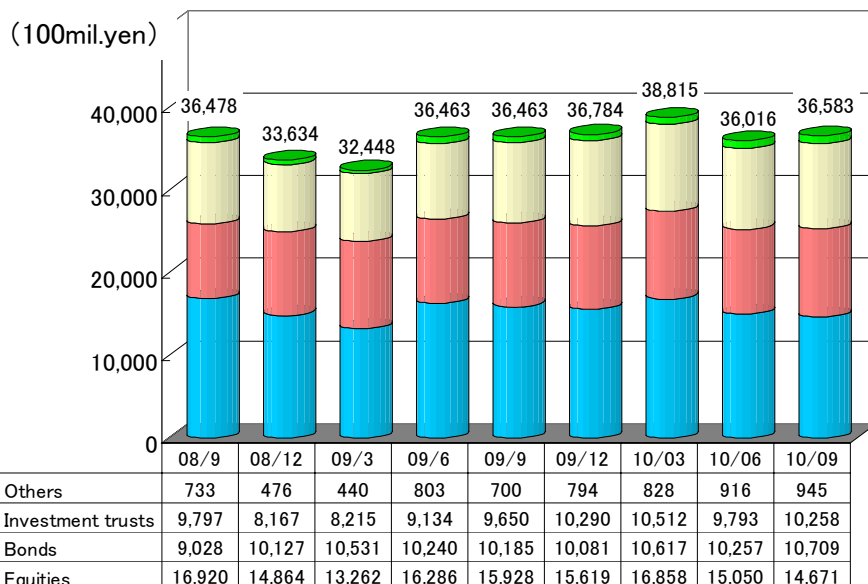
• Because of factors including an increase in short-term borrowings, current liabilities grew ¥32.2 billion from a year ago. Fixed liabilities declined ¥0.8 billion, principally because of a decrease in long-term borrowings.

• Total net assets decreased ¥0.8 billion from a year ago, primarily owing to a decrease in valuation and translation adjustments.

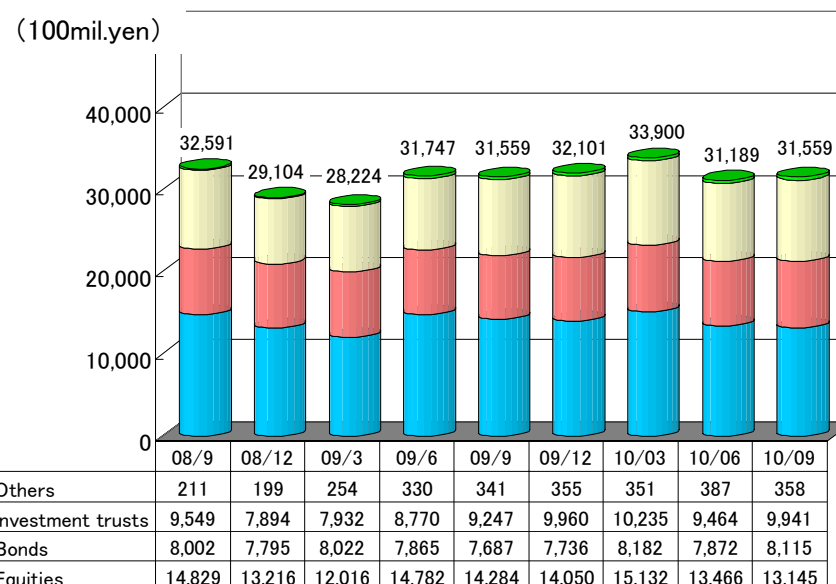


Assets under custody (Consolidated)

Assets under Custody



Retail Assets under Custody



• The customers' assets under custody in the consolidated basis were ¥3,658.3 billion, an increase of ¥12.0 billion from a year ago (end of September 2009) and an increase of ¥56.7 billion from the end of the previous quarter (end of June 2010).

• Of these assets, retail assets account for ¥3,155.9 billion, virtually unchanged from a year ago and an increase of ¥37.0 billion from the end of the previous quarter.



2. Reference Data



Performance by quarter (non-consolidated: Okasan Securities)

(In millions of yen)

Items	FY10. 3	FY11. 3	vs.FY10.3
	2Q	2Q	2Q
Operating revenues	27,687	23,765	-14.2%
Commissions	17,675	13,904	-21.3%
Brokerage	6,392	3,550	-44.5%
Underwriting	86	120	38.5%
Distribution	8,324	7,245	-13.0%
Others	2,871	2,987	4.0%
Net gain on Trading	9,091	8,912	-2.0%
Equities	3,277	3,728	13.7%
Bonds	6,141	5,093	-17.1%
Others	-327	90	—
Interest and dividend income	920	948	3.1%
Financial expenses	725	739	1.9%
Net operating revenues	26,962	23,026	-14.6%
SG&A	22,997	22,910	-0.4%
Trading related expenses	4,510	4,380	-2.9%
Personnel expenses	10,606	10,658	0.5%
Real estate expenses	2,880	2,723	-5.5%
Administrative expenses	4,233	4,375	3.4%
Depreciation expenses	176	212	20.2%
Taxes and dues	165	141	-14.7%
Others	424	419	-1.2%
Operating income	3,964	116	-97.1%
Non-operating income	175	226	29.2%
Non-operating expenses	18	37	104.0%
Ordinary income	4,121	305	-92.6%
Extraordinary gain	66	31	-52.4%
Extraordinary loss	6	511	—
Net profit, before taxes	4,181	-174	—
Income taxes	568	19	-96.6%
Adjustment amount for income taxes	1,189	202	-82.9%
Net profit	2,424	-396	—

(In millions of yen)

Items	FY10. 3				FY11. 3		vs.FY11.3
	1Q	2Q	3Q	4Q	1Q	2Q	1Q
Operating revenues	14,747	12,940	12,348	11,827	12,562	11,202	-10.8%
Commissions	9,038	8,636	8,283	7,929	7,816	6,088	-22.1%
Brokerage	3,491	2,900	1,991	2,108	2,151	1,399	-35.0%
Underwriting	55	31	243	339	51	69	35.3%
Distribution	4,136	4,187	4,531	3,951	4,071	3,174	-22.0%
Others	1,354	1,517	1,516	1,530	1,542	1,445	-6.3%
Net gain on Trading	5,314	3,776	3,542	3,364	4,254	4,657	9.5%
Equities	1,855	1,422	1,490	1,624	1,832	1,895	3.4%
Bonds	3,832	2,309	2,083	1,728	2,319	2,773	19.6%
Others	-373	45	-31	11	102	-11	—
Interest and dividend income	394	526	522	533	491	456	-7.1%
Financial expenses	330	394	374	386	382	356	-6.7%
Net operating revenues	14,416	12,545	11,974	11,440	12,180	10,845	-11.0%
SG&A	11,577	11,420	11,537	11,459	11,546	11,363	-1.6%
Trading related expenses	2,225	2,285	2,333	2,278	2,235	2,144	-4.1%
Personnel expenses	5,415	5,191	5,403	5,312	5,456	5,202	-4.7%
Real estate expenses	1,452	1,428	1,418	1,394	1,364	1,358	-0.4%
Administrative expenses	2,084	2,149	2,032	2,101	2,084	2,290	9.9%
Depreciation expenses	83	93	107	113	105	106	0.9%
Taxes and dues	85	80	67	70	72	68	-4.5%
Others	231	192	174	189	227	191	-16.0%
Operating income	2,839	1,125	436	-18	633	-517	—
Non-operating income	94	80	40	89	161	64	-59.9%
Non-operating expenses	2	15	14	10	29	8	-72.3%
Ordinary income	2,931	1,189	462	60	766	-460	—
Extraordinary gain	69	-2	-66	0	29	2	-90.7%
Extraordinary loss	3	3	84	180	465	46	-90.0%
Net profit, before taxes	2,997	1183	311	-120	330	-504	—
Income taxes	-262	830	-164	450	-64	83	—
Adjustment amount for income taxes	1,465	-276	394	-390	482	-279	—
Net profit	1,794	629	81	-179	-87	-309	—



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

<Volume of equity trading / Number of shares>

(In millions of shares)

Items	FY10. 3						FY11. 3					
	1 Q	2 Q	2QTOTAL	3 Q	4 Q	TOTAL	1 Q	2 Q	2QTOTAL	vs. FY10. 3 2Q	vs. FY11. 3 1Q	
Total	3,574	5,487	9,061	6,172	6,644	21,877	6,735	5,725	12,460	137.5%	85.0%	
(dealing)	1,944	1,462	3,406	1,155	1,338	5,899	1,314	1,317	2,631	77.2%	100.2%	
(Brokerage)	1,630	4,024	5,654	5,017	5,306	15,977	5,420	4,408	9,828	173.8%	81.3%	
Brokerage ratio	45.6%	73.3%	62.4%	81.3%	79.9%	73.0%	80.5%	77.0%	78.9%	+16.5p	-3.5p	

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	FY10. 3						FY11. 3					
	1 Q	2 Q	2QTOTAL	3 Q	4 Q	TOTAL	1 Q	2 Q	2QTOTAL	vs. FY10. 3 2Q	vs. FY11. 3 1Q	
Total	1,751,489	2,881,576	4,633,065	2,989,035	3,148,449	10,770,549	3,410,548	2,649,222	6,059,770	130.8%	77.7%	
(dealing)	912,294	663,684	1,575,978	582,283	664,101	2,822,362	694,378	539,351	1,233,729	78.3%	77.7%	
(Brokerage)	839,195	2,217,892	3,057,087	2,406,751	2,484,349	7,948,187	2,716,170	2,109,870	4,826,040	157.9%	77.7%	
Brokerage ratio	47.9%	77.0%	66.0%	80.5%	78.9%	73.8%	79.6%	79.6%	79.6%	+13.6p	±0	

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	FY10. 3						FY11. 3					
	1 Q	2 Q	2QTOTAL	3 Q	4 Q	TOTAL	1 Q	2 Q	2QTOTAL	vs. FY10. 3 2Q	vs. FY11. 3 1Q	
Number of shares	0.85%	1.57%	1.18%	1.80%	2.07%	1.54%	2.03%	1.94%	1.99%	+0.81p	-0.09p	
Total value	0.76%	1.37%	1.05%	1.47%	1.51%	1.26%	1.43%	1.42%	1.42%	+0.37p	-0.01p	

<Brokerage Commissions Ratio>

(In millions of yen)

Items	FY10. 3						FY11. 3					
	1 Q	2 Q	2QTOTAL	3 Q	4 Q	TOTAL	1 Q	2 Q	2QTOTAL	vs. FY10. 3 2Q	vs. FY11. 3 1Q	
Commissions	3,436	2,840	6,276	1,918	2,032	10,226	2,082	1,340	3,422	54.5%	64.4%	
Commissions Ratio	0.41%	0.13%	0.21%	0.08%	0.08%	0.13%	0.08%	0.25%	0.07%	-0.14p	-0.02p	

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		FY10.3						FY11.3				
		1 Q	2 Q	2QTOTAL	3 Q	4 Q	TOTAL	1 Q	2 Q	2QTOTAL	vs. FY10.3 2Q	vs. FY11.3 1Q
Equities	(Number of shares)	0	0	0	12	2	14	0	13	13	—	—
Equities	(Total value)	1,141	507	1,648	6,912	3,045	11,605	7,228	1,705	8,933	541.9%	23.6%
Bonds	(Total at face value)	137,693	105,394	243,087	146,946	176,012	566,045	193,518	175,020	368,538	151.6%	90.4%
CP, foreign instruments, etc	(Total at face value)	—	—	—	—	—	—	—	—	—	—	—

<Selling>

(In millions of shares, millions of yen)

Items		FY10.3						FY11.3				
		1 Q	2 Q	2QTOTAL	3 Q	4 Q	TOTAL	1 Q	2 Q	2QTOTAL	vs. FY10.3 2Q	vs. FY11.3 1Q
Equities	(Number of shares)	0	0	0	12	2	14	0	13	13	—	—
Equities	(Total value)	1,193	487	1,680	6,775	3,043	11,498	7,160	1,764	8,924	531.1%	24.6%
Bonds	(Total at face value)	32,296	18,861	51,157	26,257	30,985	108,399	40,567	35,805	76,372	149.3%	88.3%

<Offering>

(In millions of shares, millions of yen)

Items		FY10.3						FY11.3				
		1 Q	2 Q	2QTOTAL	3 Q	4 Q	TOTAL	1 Q	2 Q	2QTOTAL	vs. FY10.3 2Q	vs. FY11.3 1Q
Equities	(Number of shares)	—	1	1	1	0	2	—	—	—	—	—
Equities	(Total value)	—	276	276	177	84	537	—	—	—	—	—
Bonds	(Total at face value)	138,005	114,175	252,180	151,448	177,241	580,869	194,126	180,353	374,479	148.5%	92.9%
Beneficiary securities	(Total at face value)	441,072	415,633	856,705	397,162	385,014	1,638,881	391,174	335,005	726,179	84.8%	85.6%
CP, foreign instruments, etc	(Total at face value)	—	—	—	—	—	—	—	—	—	—	—

<Underwriting & Selling Fees Ratio>

(In millions of yen)

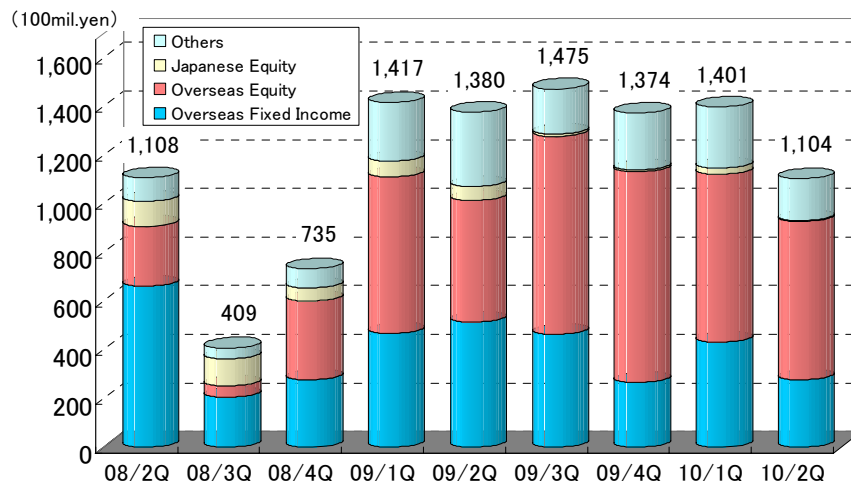
Items		FY10.3						FY11.3				
		1 Q	2 Q	2QTOTAL	3 Q	4 Q	TOTAL	1 Q	2 Q	2QTOTAL	vs. FY10.3 2Q	vs. FY11.3 1Q
Equities		41	16	57	205	308	570	31	48	80	138.2%	156.3%
(Averaged Fees Ratio)		1.76%	1.61%	1.71%	1.50%	5.07%	2.47%	0.22%	1.41%	0.45%	-1.26p	+1.19p
Bonds		14	15	29	38	32	99	20	20	40	139.0%	100.2%
(Averaged Fees Ratio)		0.008%	0.012%	0.010%	0.022%	0.015%	0.015%	0.009%	0.009%	0.009%	-0.001p	±0



Investment trusts ▪ Foreign bonds

(non-consolidated: Okasan Securities)

Investment trusts sales amount



• Sales of Investment trust funds in the cumulative two quarters ending September 2010 stood at ¥250.5 billion, a 10.4% decline year on year.

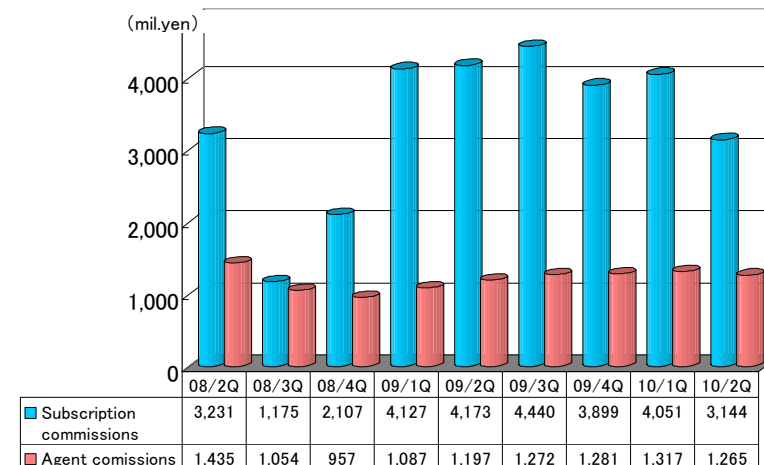
Sales commissions of these funds for the cumulative two quarters were ¥7,195 million, a 13.3% decline year on year.

In the six month period, the funds investing in Asian and Oceanian stocks and bonds were the major products.

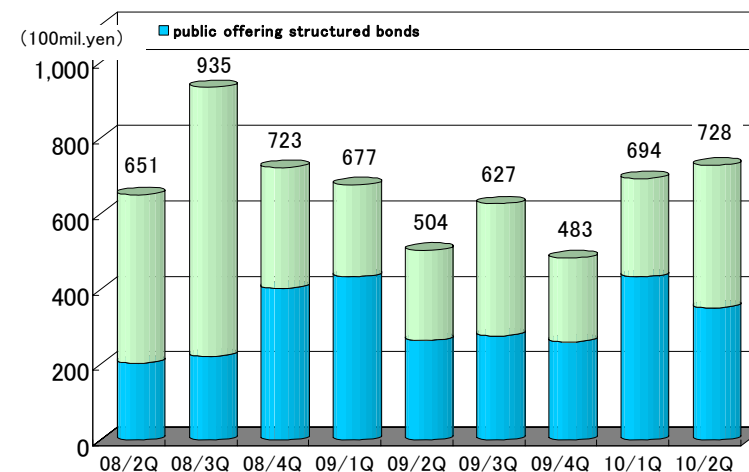
• Foreign bonds sales for the cumulative two quarters were ¥142.2 billion, a 20.5% increase year on year.

The marketing activities are highlighted by exchangeable bonds, South African rand-denominated bonds and Brazilian real-denominated bonds for the retail clients and by Euroyen CBs and structured bonds for the corporate clients.

Investment trusts commissions



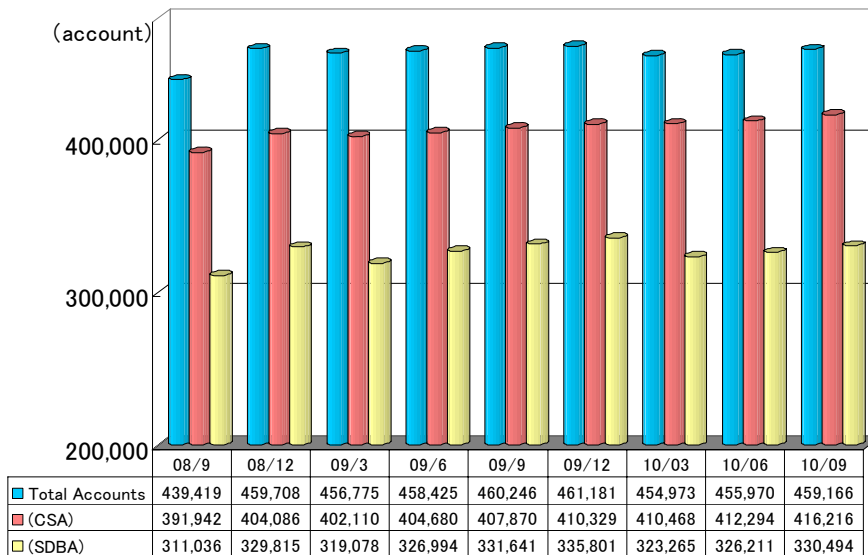
Foreign bonds sales amount





Number of accounts (non-consolidated: Okasan Securities)

Number of customer accounts

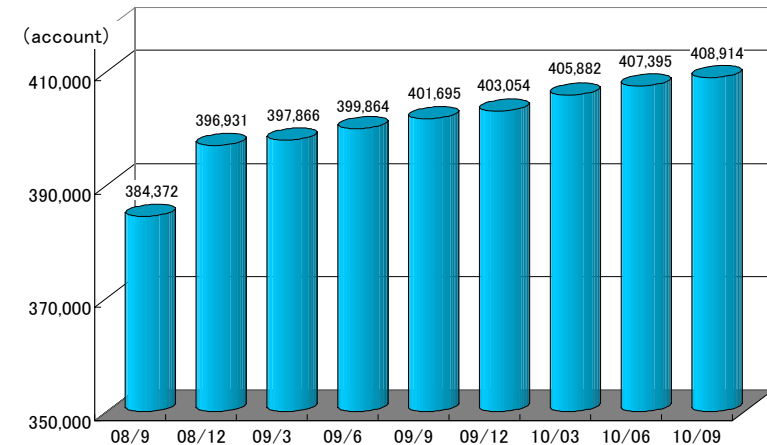


• The number of customer accounts declined 0.2% from a year ago to 459,166 (number of accounts with a balance remaining increased 1.8% to 408,914).

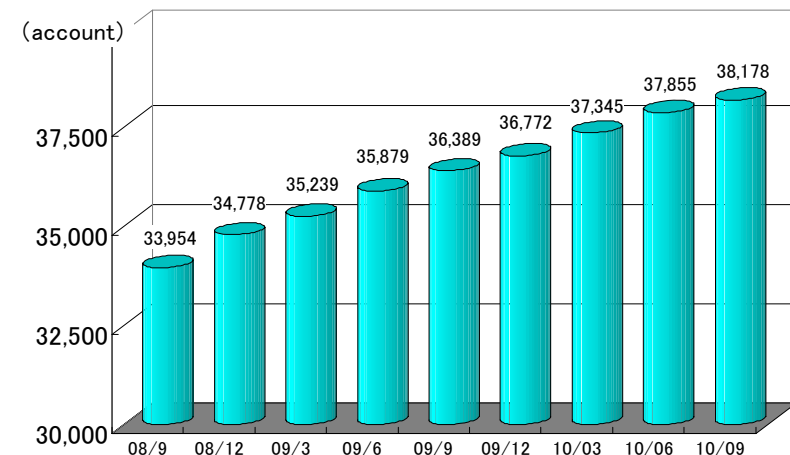
• The number of accounts opened during the second quarter (i.e. the three month period) was 5,294.

• Online accounts comprised 8.3% (38,178) of the overall number of accounts.

Number of balance remaining accounts



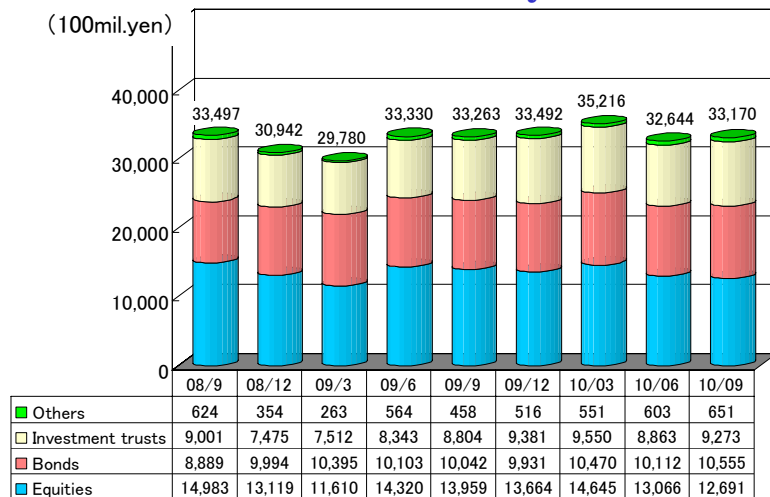
Number of online accounts



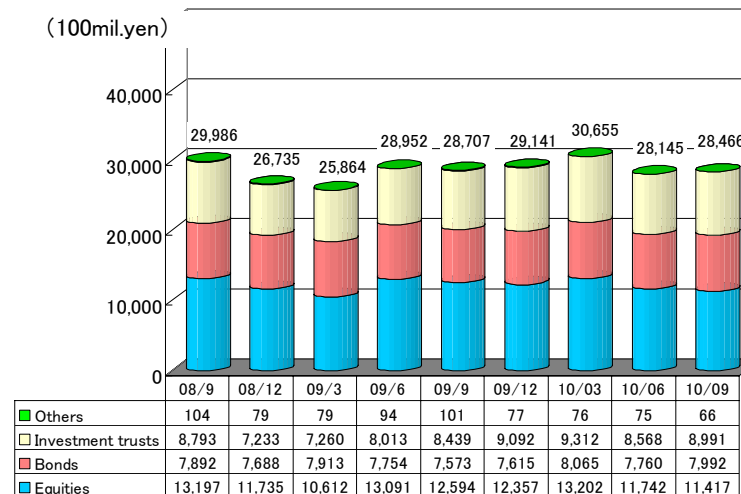


Assets under custody , Net inflow of client assets (non-consolidated: Okasan Securities)

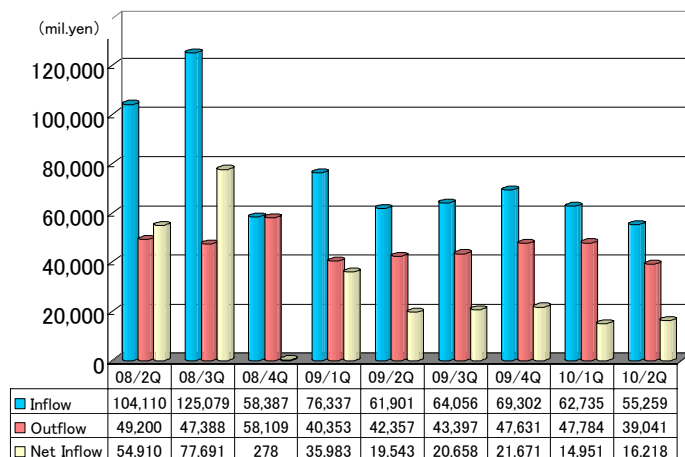
■ Assets under Custody



■ Retail Assets under Custody



■ Net inflow of client assets (Retail)



• Customers' assets under custody declined ¥9.3 billion from a year ago, to ¥3,317.0 billion. Assets under custody of retail accounts declined ¥24.1 billion from a year ago to ¥2,846.6 billion. These declines reflect a decline in the balance of stocks.

• The net inflow of funds (sum of net inflow of cash and assets under custody: private clients only) in the second quarter stood at ¥16.2 billion.



Capital Adequacy requirement Ratio

(non-consolidated: Okasan Securities)

(In millions of yen)

Items		FY10.3				FY11.3		vs.FY10.3
		1Q	2Q	3Q	4Q	1Q	2Q	4Q
Basic items (A)		53,639	54,268	54,350	52,670	52,583	52,274	-396
Complementary items	Appraisal gains (losses) etc.	35	42	48	48	44	40	-7
	Security transaction responsibility reserve	347	349	465	579	633	673	94
	General provision for loan losses	35	42	34	36	8	6	-30
	Short-term subordinated debt	8,925	8,000	7,625	6,350	5,975	8,575	2,225
Total (B)		9,343	8,435	8,173	7,014	6,661	9,295	2,280
Assets to be deducted (C)		9,263	9,605	9,694	9,437	9,653	9,740	303
Unfixed equity capital (A) + (B) - (C) (D)		53,719	53,098	52,829	50,247	49,590	51,829	1,581
Risk equivalents	Market risk equivalents	1,671	1,410	1,590	1,459	2,663	2,210	750
	Customer risk equivalents	911	1,147	999	1,058	1,064	1,012	-46
	Basic risk equivalents	11,620	11,490	11,404	11,524	11,619	11,622	98
Total (E)		14,203	14,048	13,993	14,043	15,347	14,845	801
Capital adequacy requirement ratio (D) / (E) × 100 (%)		378.2%	377.9%	377.5%	357.8%	323.1%	349.1%	-8.7p

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

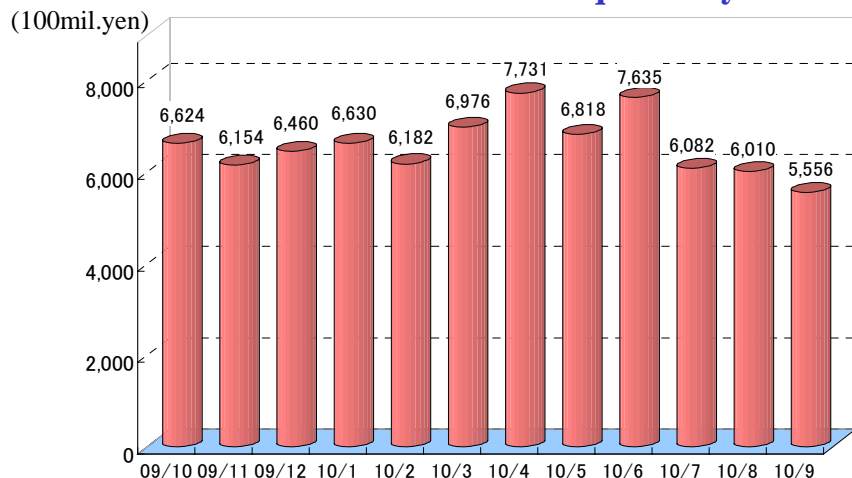
• The capital adequacy requirement ratio as of the end of September 2010 was 349.1%, or a fall of 8.7 percentage points over the end of the previous fiscal year.

• The complementary items increased ¥2.2 billion mainly thanks to the financing by the short term subordinated debts. However, the increased balance of foreign bonds such as Brazilian real-denominated bonds resulted in the substantial increase in the market risk equivalents. Consequently, the capital adequacy requirement ratio ended up at 349.1%.

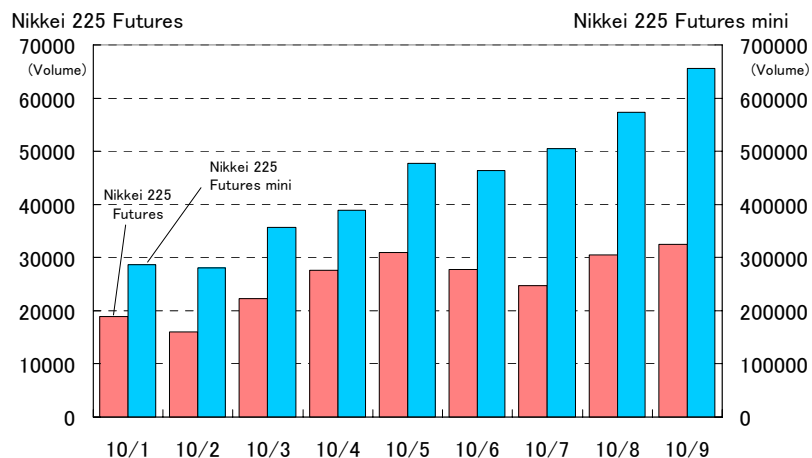


(Reference Data) Okasan Online Securities Data

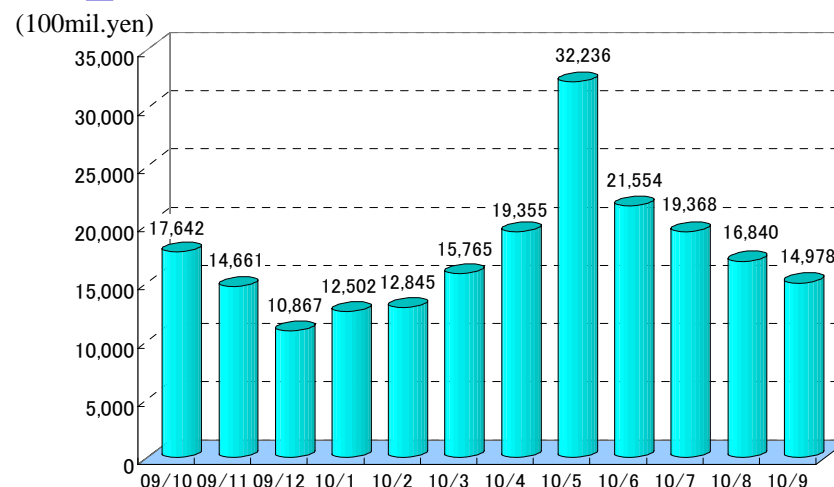
■ Domestic sales amount of equities by month



■ Nikkei 225 Futures & Nikkei225 Futures mini



■ “Click 365” contract amount



- The monthly trading value of the domestic shares remained weak throughout the second quarter, reflecting the depressed market of the Japanese equities.
- Although the traded value via “Click 365” followed the weaker trend of the overall market, the market share has been stable around 20%.
- The numbers of the traded contracts were consistently growing with regard to Nikkei 225 future and Nikkei 225 mini, or a future product designed for individual investors.



MEMO



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