



1Q Ending March 31, 2012

Results Briefing



July 28, 2011
Okasan Securities Group Inc.

The objective of the document is to provide information on the results of the 1st quarter year ending March 31, 2012 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 June 2011. 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
FY12.3 1Q	15,013 (-7.2%)	14,638 (-7.0%)	436 (-58.9%)	742 (-53.8%)
FY11.3 1Q	16,172 (-14.0%)	15,741 (-14.0%)	1,063 (-71.9%)	1,604 (-58.3%)

	Net Income	Net income per share	R O E (annualized)	Comprehensive income
	million yen	yen		million yen
FY12.3 1Q	21 (-98.6%)	0.11	0.1%	△103 (-)
FY11.3 1Q	1,606 (-9.3%)	7.86	6.7%	644 (-)

	Total assets	Net assets	Equity ratio
	million yen	million yen	
FY12.3 1Q	536,431	111,492	17.1%
FY11.3	542,537	112,623	17.2%



Financial highlights of 1st Quarter year ending March 2012

<Overview>

- Operating revenues decreased 7.2% YoY to 15,013 million yen due mainly to a decline in equity brokerage commissions and net trading income.
- Despite higher depreciation expenses, SG&A expenses declined 3.2% YoY due to lower labor cost and trade-related expenses. Ordinary income dropped 53.2% YoY, at 742 million yen. Quarterly net income was down 98.6% YoY, at 21 million yen.

<Fees and Commissions>

- Brokerage commissions were down 25.3% YoY, due to decline in equity brokerage commissions.
- Commission from underwriting and selling concession dropped 59.9% YoY, due to the absence of large deals in respect to public offerings and initial public offerings.
- Fees from offering and selling concession rose 31.8% YoY, due to higher commission from the sales of investment trusts.
- Other commissions rose 4.7% YoY, due to higher custodian fees.

<Net Trading Income>

- Net trading income from equities and other securities dropped 30.5% YoY, due to lower trading volume of foreign stocks such as Chinese and U.S. equities.
- Net trading income from bonds declined 33.8% YoY, due to lower sales of structured bonds.

<SG&A expenses>

- Though depreciation expenses rose along with the start-up of the company's new core computer system, SG&A expenses were down 3.2% YoY due to lower labor costs driven by the drop in performance based salaries and a decline in transaction-related expenses in the securities business.



Operating Revenues

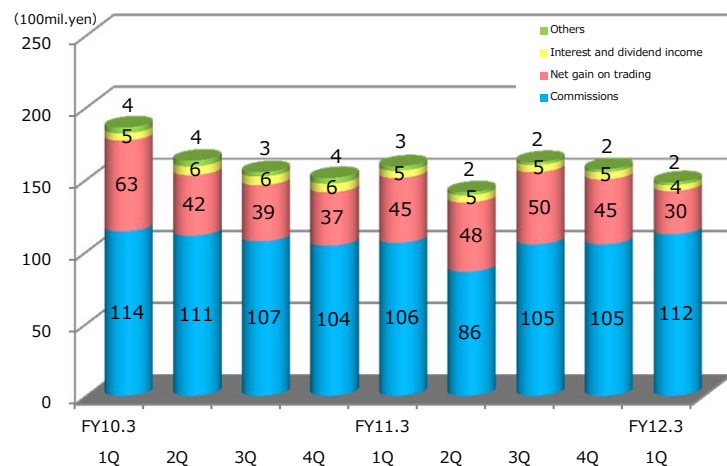
(In millions of yen)

	FY11.3	FY12.3	vs.FY11.3
	1Q	1Q	1Q
Operating revenues	16,172	15,013	-7.2%
Commissions	10,620	11,277	6.2%
Brokerage	3,274	2,447	-25.3%
Underwriting	51	20	-59.9%
Distribution	4,326	5,703	31.8%
Others	2,966	3,105	4.7%
Net gain on trading	4,575	3,022	-33.9%
Equities	2,035	1,413	-30.5%
Bonds	2,433	1,609	-33.8%
Others	106	-1	-
Interest and dividend income	597	448	-24.8%
Others	379	265	-30.2%

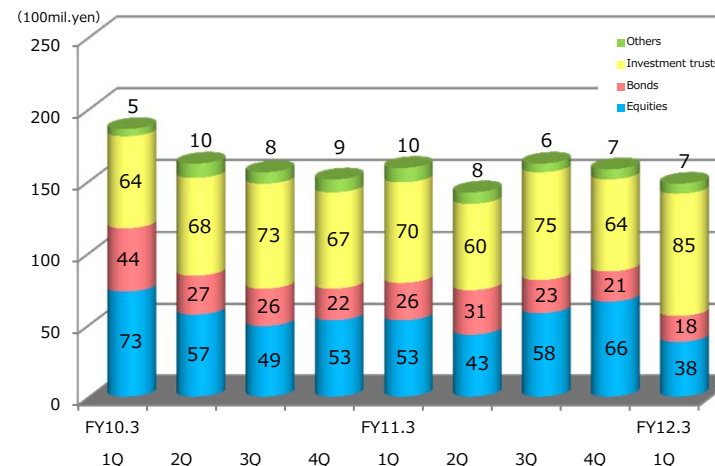
(In millions of yen)

	FY11.3				FY12.3	vs.FY11.3
	1Q	2Q	3Q	4Q	1Q	4Q
Operating revenues	16,172	14,386	16,475	15,928	15,013	-5.7%
Commissions	10,620	8,659	10,536	10,553	11,277	6.9%
Brokerage	3,274	2,307	2,742	3,680	2,447	-33.5%
Underwriting	51	69	31	250	20	-91.7%
Distribution	4,326	3,403	4,783	3,616	5,703	57.7%
Others	2,966	2,879	2,978	3,005	3,105	3.3%
Net gain on trading	4,575	4,884	5,084	4,555	3,022	-33.7%
Equities	2,035	1,988	2,993	2,628	1,413	-46.2%
Bonds	2,433	2,904	2,073	1,929	1,609	-16.6%
Others	106	-8	17	-2	-1	-
Interest and dividend income	597	570	565	546	448	-17.9%
Others	379	272	289	272	265	-2.8%

■ Quarterly change in operating revenues



■ Quarterly change in operating revenues by product





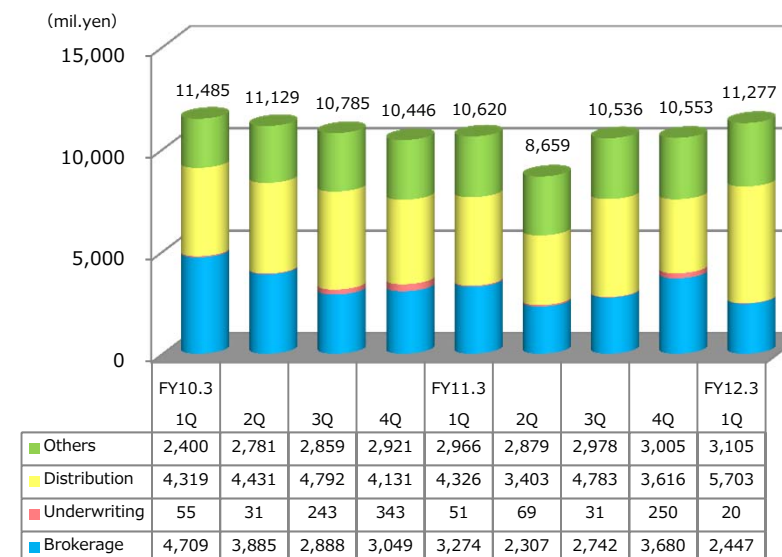
Fees and Commissions Received

■ fees and commissions received

(In millions of yen)

Items	FY11.3 1Q	FY12.3 1Q	vs.FY11.3 1Q
Brokerage	3,274	2,447	-25.3%
Equities	2,880	2,132	-26.0%
Bonds	5	3	-40.3%
Others	389	312	-19.7%
Underwriting	51	20	-59.9%
Equities	31	7	-77.4%
Bonds	20	13	-33.3%
Distribution	4,326	5,703	31.8%
Beneficiary Certificates	4,307	5,683	32.0%
Others	2,966	3,105	4.7%
Beneficiary Certificates	2,728	2,902	6.3%
Total	10,620	11,277	6.2%

■ Fees and commissions received (quarterly)

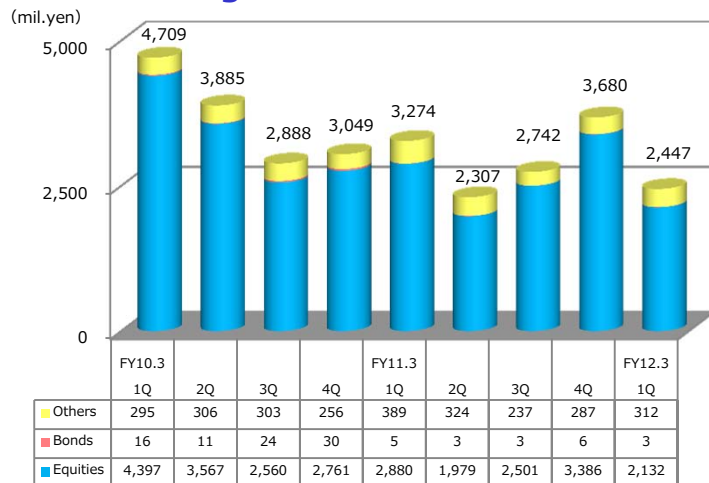


- Brokerage commissions were down 25.3% from a year ago. Equity brokerage commissions were down 26.0% YoY due to a decline in trading volume of domestic shares.
- Underwriting fees and secondary distributions were down 59.9% YoY, due to the absence of large deals in respect to public offerings and initial public offerings.
- Sales of investment trust funds such as “World REIT Selection (USA)” (nickenamed as Juni-emaki, meanings “Twelve Picture Scrolls) managed by Okasan Asset Management trended favorably. As a result, distribution commissions grew 31.8% YoY.
- Other commissions earned were up 4.7% YoY, thanks to the growth of custodian fees associated with the accumulating balance of investment trust funds.

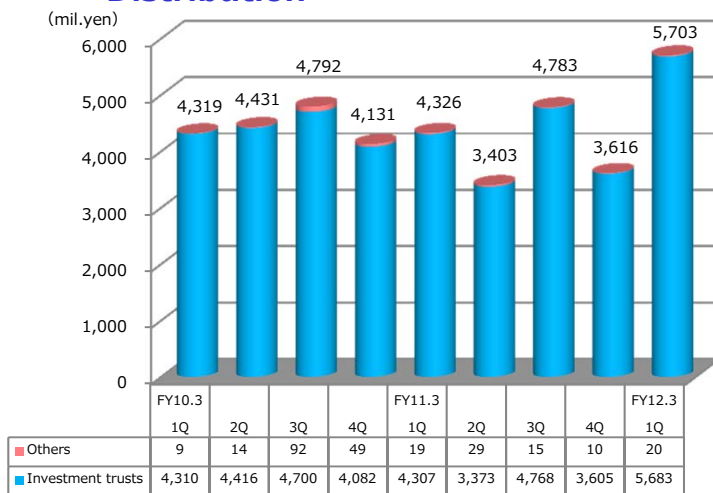


Fees and Commissions Received by Category

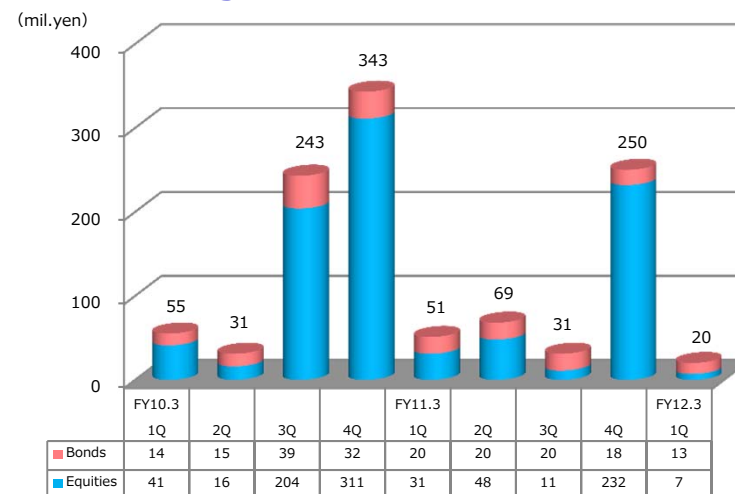
■ Brokerage



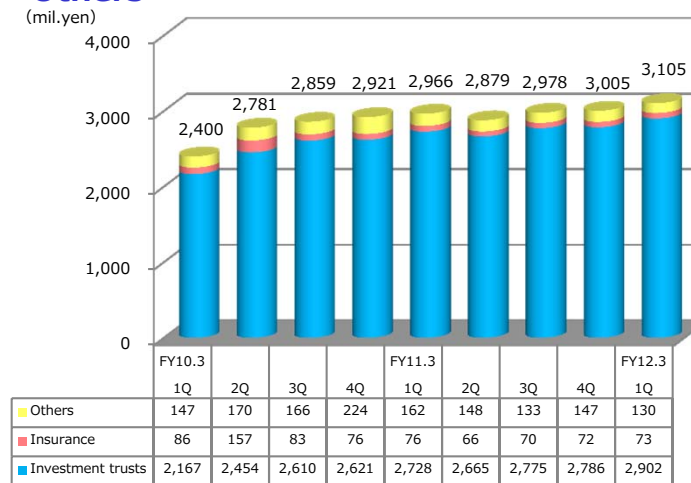
■ Distribution



■ Underwriting



■ Others





Net gain(loss) on Trading

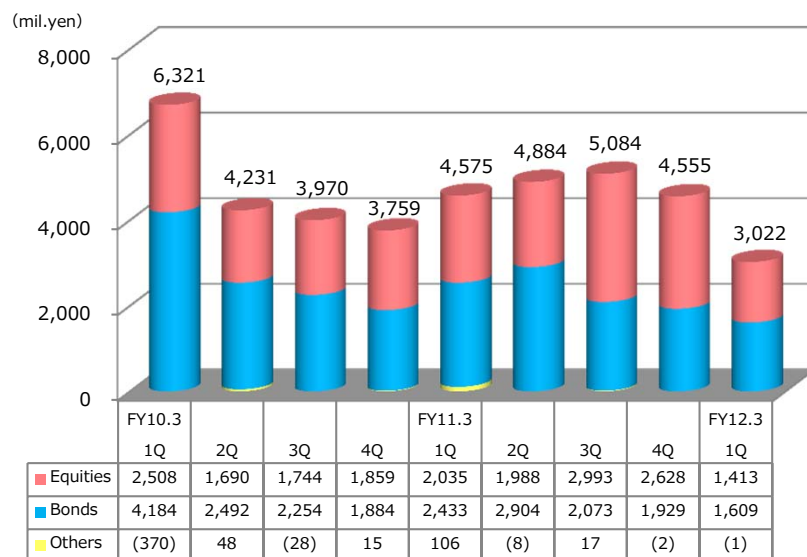
(In millions of yen)

	FY11.3 1Q	FY12.3 1Q	vs.FY11.3 1Q
Equities	2,035	1,413	-30.5%
Domestic equities	274	169	-38.2%
Foreign equities	1,760	1,244	-29.3%
Bonds	2,433	1,609	-33.8%
Domestic bonds	302	214	-29.0%
Foreign bonds	2,131	1,395	-34.5%
Others	106	-1	-
Net gain on trading	4,575	3,022	-33.9%

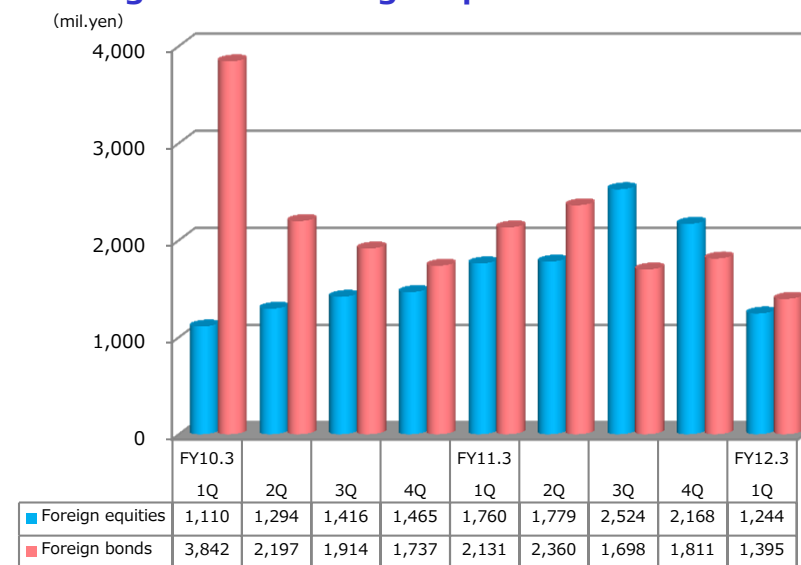
(In millions of yen)

	FY11.3				FY12.3	vs.FY11.3
	1Q	2Q	3Q	4Q	1Q	4Q
Equities	2,035	1,988	2,993	2,628	1,413	-46.2%
Domestic equities	274	208	469	459	169	-63.2%
Foreign equities	1,760	1,779	2,524	2,168	1,244	-42.6%
Bonds	2,433	2,904	2,073	1,929	1,609	-16.6%
Domestic bonds	302	544	374	118	214	81.4%
Foreign bonds	2,131	2,360	1,698	1,811	1,395	-23.0%
Others	106	-8	17	-2	-1	-
Net gain on trading	4,575	4,884	5,084	4,555	3,022	-33.7%

Net gain by Products



Net gain from foreign equities and bonds





SG&A : Selling, General and Administrative Expenses

(In millions of yen)

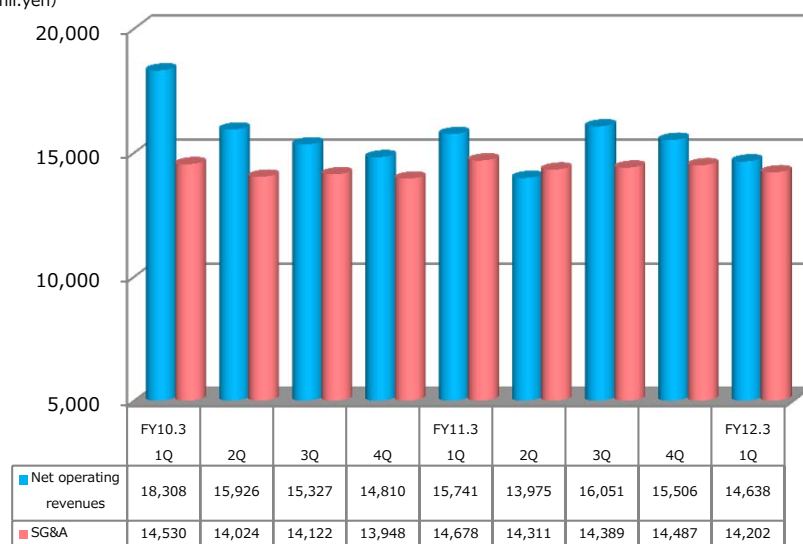
	FY11.3	FY12.3	vs.FY11.3
	1Q	1Q	1Q
Trading related expenses	2,793	2,520	-9.8%
Personnel expenses	7,405	6,984	-5.7%
Real estate expenses	1,531	1,558	1.8%
Office expenses	1,395	1,341	-3.8%
Depreciation expenses	791	976	23.4%
Taxes and dues	140	137	-2.5%
Others	620	682	9.9%
SG&A	14,678	14,202	-3.2%

(In millions of yen)

	FY11.3				FY12.3	vs.FY11.3
	1Q	2Q	3Q	4Q	1Q	4Q
Trading related expenses	2,793	2,771	2,714	2,654	2,520	-5.0%
Personnel expenses	7,405	7,030	7,114	7,015	6,984	-0.4%
Real estate expenses	1,531	1,570	1,632	1,704	1,558	-8.5%
Office expenses	1,395	1,213	1,208	1,274	1,341	5.3%
Depreciation expenses	791	994	995	1,047	976	-6.8%
Taxes and dues	140	132	143	143	137	-4.6%
Others	620	598	579	648	682	5.3%
SG&A	14,678	14,311	14,389	14,487	14,202	-2.0%

Change in net operating revenues and SG&A

(mil.yen)



- Trading related expenses decreased 9.8% YoY due mainly to a decline in the commissions paid in respect to securities business.
- Personnel expenses decreased 5.7% YoY due mainly to less performance-related salaries.
- Depreciation expenses rose 23.4% YoY as the newly developed core computer system (ODIN) came in operation.
- Expenses in the "Others" category rose 9.9% YoY primarily due to an increase in research expenses associated with the asset management business.



Balance Sheet Summary (1)

(In millions of yen)

	FY11.3 4Q	FY12.3 1Q	vs.FY11.3 4Q
Current assets	489,390	483,967	-5,422
Cash and deposits	43,339	34,892	-8,446
Cash segregated as deposits	48,053	41,669	-6,384
Trading products	182,512	187,803	5,290
Receivables on margin transactions	36,247	44,291	8,044
Receivables on collateralized securities transactions	167,521	164,342	-3,179
Other current assets	11,716	10,968	-747
Fixed assets	53,147	52,463	-683
Tangible fixed assets	16,437	16,369	-68
Intangible fixed assets	9,385	9,154	-230
Investments and other assets	27,323	26,939	-384
Total assets	542,537	536,431	-6,105

(In millions of yen)

FY11.3				FY12.3		vs.FY11.3	
1Q	2Q	3Q	4Q	1Q	4Q	1Q	4Q
448,013	479,456	448,385	489,390	483,967		-5,422	
39,519	41,995	36,870	43,339	34,892		-8,446	
50,100	52,106	49,918	48,053	41,669		-6,384	
156,861	174,292	169,354	182,512	187,803		5,290	
48,743	40,626	33,998	36,247	44,291		8,044	
142,099	156,397	145,861	167,521	164,342		-3,179	
10,688	14,038	12,381	11,716	10,968		-747	
52,648	52,610	53,463	53,147	52,463		-683	
16,022	15,882	15,797	16,437	16,369		-68	
10,361	10,032	9,760	9,385	9,154		-230	
26,264	26,696	27,905	27,323	26,939		-384	
500,662	532,066	501,848	542,537	536,431		-6,105	

- Current assets dropped 5.4 billion yen from end of the last fiscal year, despite the increase in trading products and receivables on margin transactions, due to a decline in cash and deposits, cash segregated as deposits, and receivables on collateralized securities. Fixed assets decreased by 600 million yen over the end of the previous fiscal year.
- Current liabilities declined 4.9 billion yen, despite the increase in trading products, due to a decline in other current liabilities. Fixed liabilities decreased by 58 million yen over the end of the previous fiscal year. As a result, total liabilities declined 4.9 billion yen over the end of the previous fiscal year.
- As net assets decreased 1.1 billion yen over the end of the previous fiscal year, the total liabilities and net assets decreased 6.1 billion yen over the end of the previous fiscal year to 536.4 billion yen.



Balance Sheet Summary(2)

(In millions of yen)

	FY11.3	FY12.3	vs.FY11.3
	4Q	1Q	4Q
Current liabilities	401,606	396,615	-4,990
Trading liabilities	124,430	144,839	20,408
Payables on margin transactions	19,422	19,760	338
Payables on collateralized securities transactions	29,024	28,967	-57
Deposits received	20,186	19,613	-573
Guarantee deposits received	27,387	26,823	-563
Short-term borrowings	146,283	145,700	-583
Other current liabilities	34,871	10,911	-23,960
Fixed liabilities	27,096	27,037	-58
Long-term borrowings	15,343	15,233	-109
Reserves for retirement benefits	5,035	5,097	62
Other fixed liabilities	6,717	6,706	-11
Financial instruments transaction reserve	1,211	1,285	74
Total liabilities	429,914	424,939	-4,974
Common stock	18,589	18,589	-
Capital surplus	12,910	12,910	-
Retained earnings	64,495	63,528	-967
Treasury stock	-2,849	-2,850	0
Accumulated other comprehensive income	45	-296	-342
Minority interests	19,430	19,610	179
Total net assets	112,623	111,492	-1,130
Total liabilities&net assets	542,537	536,431	-6,105

(In millions of yen)

	FY11.3				FY12.3		vs.FY11.3	
	1Q	2Q	3Q	4Q	1Q	4Q	1Q	4Q
Current liabilities	368,578	396,317	365,879	401,606	396,615	401,606	-4,990	-4,990
Trading liabilities	112,943	137,239	132,606	124,430	144,839	124,430	20,408	20,408
Payables on margin transactions	17,162	20,266	17,280	19,422	19,760	19,422	338	338
Payables on collateralized securities transactions	42,755	38,518	18,842	29,024	28,967	29,024	-57	-57
Deposits received	19,774	19,402	21,009	20,186	19,613	20,186	-573	-573
Guarantee deposits received	33,300	30,180	31,303	27,387	26,823	27,387	-563	-563
Short-term borrowings	130,293	145,418	128,846	146,283	145,700	146,283	-583	-583
Other current liabilities	12,347	5,291	15,991	34,871	10,911	34,871	-23,960	-23,960
Fixed liabilities	16,516	21,066	20,951	27,096	27,037	27,096	-58	-58
Long-term borrowings	4,612	9,331	9,262	15,343	15,233	15,343	-109	-109
Reserves for retirement benefits	5,045	5,044	5,049	5,035	5,097	5,035	62	62
Other fixed liabilities	6,859	6,690	6,639	6,717	6,706	6,717	-11	-11
Financial instruments transaction reserve	952	1,033	1,081	1,211	1,285	1,211	74	74
Total liabilities	386,047	418,417	387,913	429,914	424,939	429,914	-4,974	-4,974
Common stock	18,589	18,589	18,589	18,589	18,589	18,589	-	-
Capital surplus	12,909	12,909	12,910	12,910	12,910	12,910	-	-
Retained earnings	65,461	64,763	65,576	64,495	63,528	64,495	-967	-967
Treasury stock	-1,878	-1,880	-2,846	-2,849	-2,850	-2,849	0	0
Accumulated other comprehensive income	199	-161	393	45	-296	45	-342	-342
Minority interests	19,332	19,428	19,311	19,430	19,610	19,430	179	179
Total net assets	114,614	113,649	113,935	112,623	111,492	112,623	-1,130	-1,130
Total liabilities&net assets	500,662	532,066	501,848	542,537	536,431	542,537	-6,105	-6,105

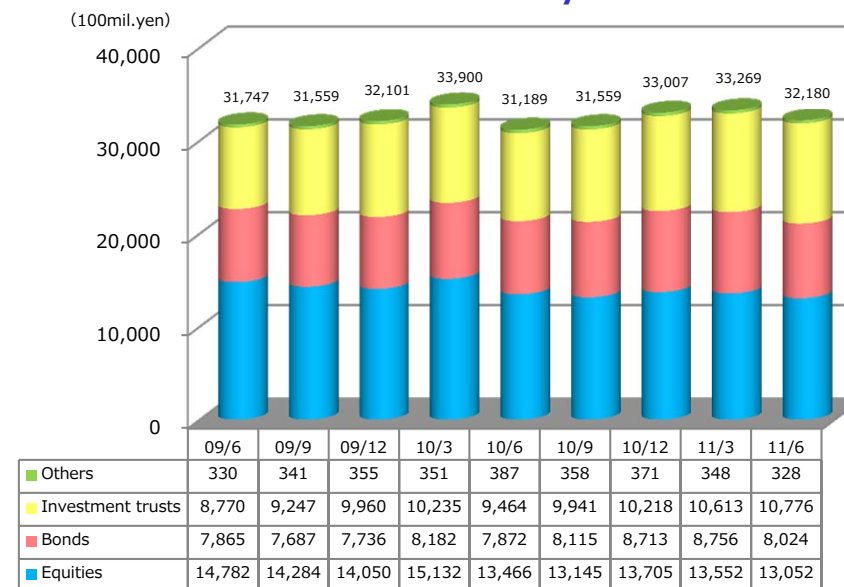


Assets under custody (Consolidated)

■ Assets under Custody



■ Retail Assets under Custody



- On a consolidated basis, customers' assets under custody rose 105.5 billion yen YoY (from the end of June 2010), to 3.7071 trillion yen. However, the balance decreased 123.3 billion QoQ (from the end of March 2011), owing to a decline in customers' equities and bonds under custody.
- Within these assets, retail assets increased 99.1 billion yen YoY (from the end of June 2010), to 3.218 trillion yen. However, the balance decreased 108.9 billion yen QoQ (from the end of March 2011).



2. Reference Data



Performance by quarter (non-consolidated: Okasan Securities)

Items	(In millions of yen)			(In millions of yen)						
	FY11.3 1Q	FY12.3 1Q	vs.FY11.3 1Q	FY11.3				FY12.3 1Q	vs.FY11.3 4Q	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	4Q
Operating revenues	12,562	11,520	-8.3%	12,562	11,202	13,095	12,152	11,520	-5.2%	
Commissions	7,816	8,463	8.3%	7,816	6,088	7,863	7,628	8,463	10.9%	
Brokerage	2,151	1,531	-28.8%	2,151	1,399	1,779	2,491	1,531	-38.5%	
Underwriting	51	20	-59.5%	51	69	31	250	20	-92.0%	
Distribution	4,071	5,409	32.9%	4,071	3,174	4,581	3,419	5,409	58.2%	
Others	1,542	1,502	-2.6%	1,542	1,445	1,471	1,466	1,502	2.5%	
Net gain on trading	4,254	2,720	-36.1%	4,254	4,657	4,766	4,106	2,720	-33.8%	
Equities	1,832	1,252	-31.7%	1,832	1,895	2,804	2,340	1,252	-46.5%	
Bonds	2,319	1,474	-36.4%	2,319	2,773	1,950	1,772	1,474	-16.8%	
Others	102	-6	-	102	-11	11	-6	-6	-	
Interest and dividend income	491	336	-31.6%	491	456	465	417	336	-19.4%	
Financial expenses	382	336	-12.1%	382	356	376	367	336	-8.6%	
Net operating revenues	12,180	11,184	-8.2%	12,180	10,845	12,718	11,784	11,184	-5.1%	
SG&A	11,546	11,261	-2.5%	11,546	11,363	11,770	11,592	11,261	-2.9%	
Trading related expenses	2,235	1,973	-11.7%	2,235	2,144	2,252	2,058	1,973	-4.1%	
Personnel expenses	5,456	5,303	-2.8%	5,456	5,202	5,305	5,146	5,303	3.1%	
Real estate expenses	1,364	1,363	-0.0%	1,364	1,358	1,420	1,497	1,363	-8.9%	
Office expenses	2,084	2,227	6.8%	2,084	2,290	2,406	2,482	2,227	-10.3%	
Depreciation expenses	105	124	18.3%	105	106	109	129	124	-3.4%	
Taxes and dues	72	69	-4.1%	72	68	79	77	69	-11.0%	
Others	227	198	-12.7%	227	191	197	200	198	-1.0%	
Operating income	633	-77	-	633	-517	947	191	-77	-	
Non-operating income	161	68	-57.9%	161	64	68	88	68	-22.7%	
Non-operating expenses	29	1	-93.5%	29	8	1	13	1	-86.0%	
Ordinary income	766	-11	-	766	-460	1,014	266	-11	-	
Extraordinary gain	29	-	-	29	2	-14	18	-	-	
Extraordinary loss	465	42	-91.0%	465	46	15	110	42	-61.9%	
Net profit, before taxes	330	-53	-	330	-504	984	174	-53	-	
Income taxes	-64	2	-	-64	83	182	519	2	-99.6%	
Adjustment amount for income taxes	482	41	-91.4%	482	-279	271	-360	41	-	
Net profit	-87	-96	-	-87	-309	530	15	-96	-	



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

<Volume of equity trading / Number of shares>

(In millions of shares)

Items	1 Q	2 Q	FY11.3 3 Q	4 Q	TOTAL	FY12.3 1 Q	vs.FY11.3 1Q	vs.FY11.3 4Q
(Dealing)	1,314	1,317	1,177	840	4,648	745	56.7%	88.7%
(Brokerage)	5,420	4,408	4,481	5,705	20,014	5,098	94.1%	89.4%
Total	6,735	5,725	5,657	6,545	24,662	5,843	86.8%	89.3%
Brokerage ratio	80.5%	77.0%	79.2%	87.2%	81.2%	87.2%	+6.7p	±0p

<Volume of equity trading / Total value>

(In millions of yen)

Items	1 Q	2 Q	FY11.3 3 Q	4 Q	TOTAL	FY12.3 1 Q	vs.FY11.3 1Q	vs.FY11.3 4Q
(Dealing)	694,378	539,351	585,679	571,992	2,391,400	447,422	64.4%	78.2%
(Brokerage)	2,716,170	2,109,870	2,020,461	2,394,738	9,241,239	1,900,394	70.0%	79.4%
Total	3,410,548	2,649,222	2,606,139	2,966,730	11,632,639	2,347,816	68.8%	79.1%
Brokerage ratio	79.6%	79.6%	77.5%	80.7%	79.4%	80.9%	+1.3p	+0.2p

<Total share within TSE>

Items	1 Q	2 Q	FY11.3 3 Q	4 Q	TOTAL	FY12.3 1 Q	vs.FY11.3 1Q	vs.FY11.3 4Q
Number of shares	2.03%	1.94%	1.74%	1.63%	1.82%	1.76%	-0.27p	+0.13p
Total value	1.43%	1.42%	1.22%	1.11%	1.28%	1.16%	-0.27p	+0.05p

<Brokerage Commissions Ratio>

(In millions of yen)

Items	1 Q	2 Q	FY11.3 3 Q	4 Q	TOTAL	FY12.3 1 Q	vs.FY11.3 1Q	vs.FY11.3 4Q
Commissions	2,082	1,340	1,721	2,426	7,569	1,497	71.9%	61.7%
Commissions Ratio	0.08%	0.06%	0.09%	0.10%	0.08%	0.08%	±0p	-0.02p

Brokerage commissions from futures and options are excluded



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

<Underwriting>

(In millions of shares, millions of yen)

Items	1 Q	2 Q	FY11.3 3 Q	4 Q	TOTAL	FY12.3 1 Q	vs.FY11.3 1Q	vs.FY11.3 4Q
Equities (Number of shares)	0	13	0	14	27	0	13.5%	0.0%
Equities (Total value)	7,228	1,705	260	6,483	15,676	149	2.1%	2.3%
Bonds (Total at face value)	193,518	175,020	220,625	193,550	782,713	216,100	111.7%	111.7%
Domestic and foreign CP (Total at face value)	-	-	-	-	-	-	-	-

<Selling>

(In millions of shares, millions of yen)

Items	1 Q	2 Q	FY11.3 3 Q	4 Q	TOTAL	FY12.3 1 Q	vs.FY11.3 1Q	vs.FY11.3 4Q
Equities (Number of shares)	0	13	1	15	29	0	-	0.0%
Equities (Total value)	7,160	1,764	283	6,966	16,173	150	2.1%	2.2%
Bonds (Total at face value)	40,567	35,805	25,901	23,234	125,507	15,211	37.5%	65.5%

<Offering>

(In millions of shares, millions of yen)

Items	1 Q	2 Q	FY11.3 3 Q	4 Q	TOTAL	FY12.3 1 Q	vs.FY11.3 1Q	vs.FY11.3 4Q
Equities (Number of shares)	-	-	-	0	0	0	-	-
Equities (Total value)	-	-	-	0	0	0	-	-
Bonds (Total at face value)	194,126	180,353	225,705	199,465	799,649	219,639	113.1%	110.1%
Beneficiary securities (Total at face value)	391,174	335,005	445,154	385,892	1,557,225	491,306	125.6%	127.3%
Domestic and foreign CP (Total at face value)	-	-	-	-	-	-	-	-

<Underwriting & Selling Fees Ratio>

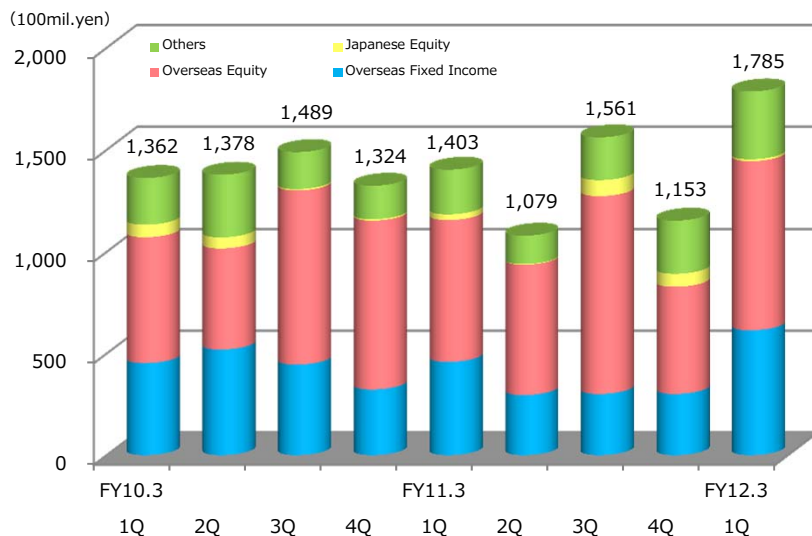
(In millions of yen)

Items	1 Q	2 Q	FY11.3 3 Q	4 Q	TOTAL	FY12.3 1 Q	vs.FY11.3 1Q	vs.FY11.3 4Q
Equities	31	48	12	231	323	7	22.6%	3.0%
(Averaged Fees Ratio)	0.22%	1.41%	2.21%	1.72%	1.01%	2.35%	+2.13p	+0.63p
Bonds	20	20	20	18	79	13	68.1%	72.2%
(Averaged Fees Ratio)	0.009%	0.009%	0.008%	0.008%	0.009%	0.006%	-0.003p	-0.002p

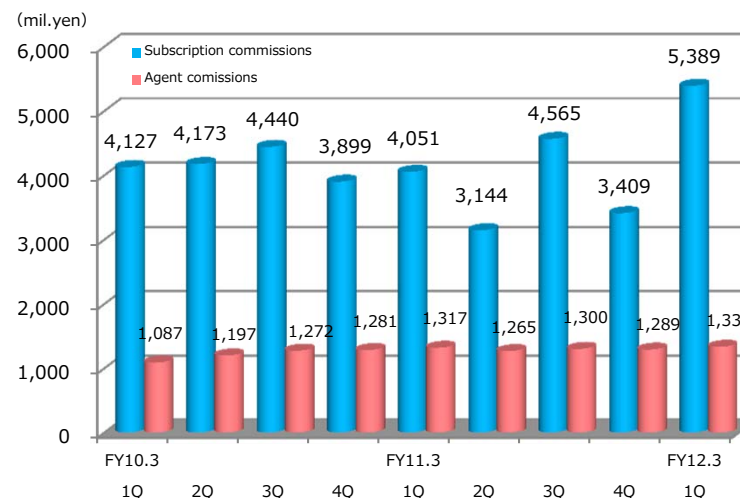


Investment trusts ▪ Foreign bonds (non-consolidated: Okasan Securities)

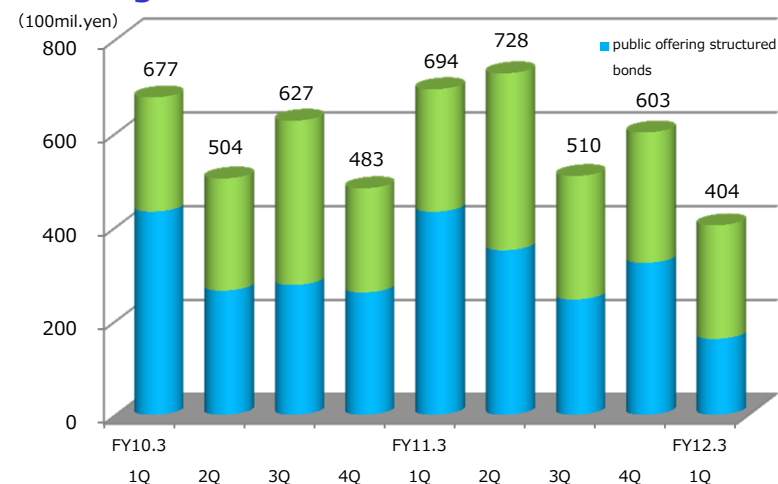
■ Investment trusts sales amount



■ Investment trusts commissions



■ Foreign bonds sales amount



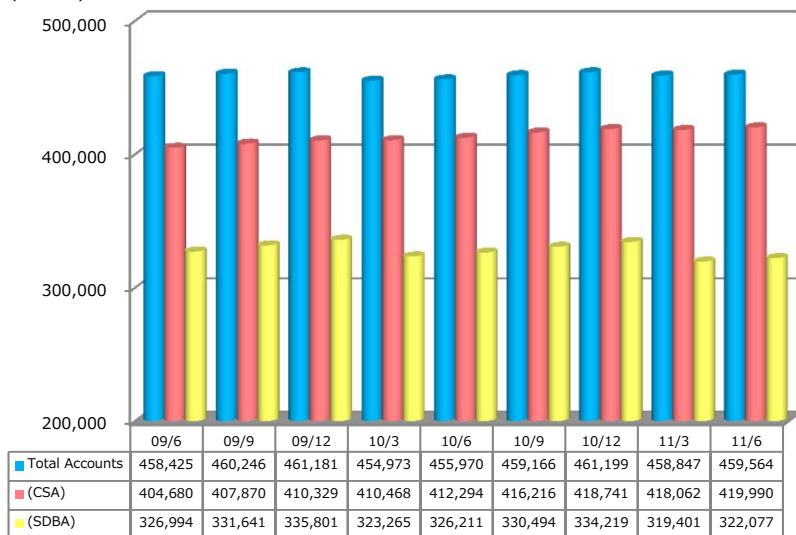
- Sales of investment trust funds increased 27.2% YoY, to 178.5 billion yen. Sales commissions on these funds grew 33.0% YoY, at 5.389 billion yen. Sales of investment trusts specializing in U.S. REITs trended favorably.
- Sales of foreign bonds dropped 41.8% YoY, at 40.4 billion yen, due mainly to weaker sales of structured bonds such as EBs.



Number of accounts (non-consolidated: Okasan Securities)

■ Number of customer accounts

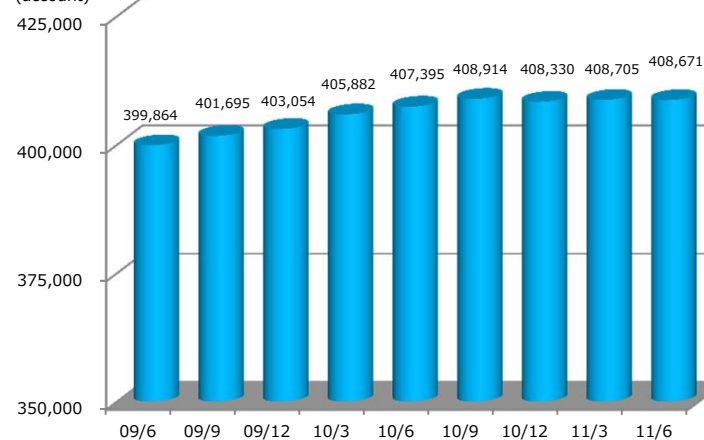
(account)



- The number of customer accounts increased 0.8% YoY, or 0.2% QoQ, to 459,564. The number of accounts with balance remaining increased 0.3% YoY, to 408,671.
- Number of new account openings during the April-June quarter reached 3,633.
- Online accounts comprised 8.6% of the overall number of customer accounts (the number of online accounts was 39,431).

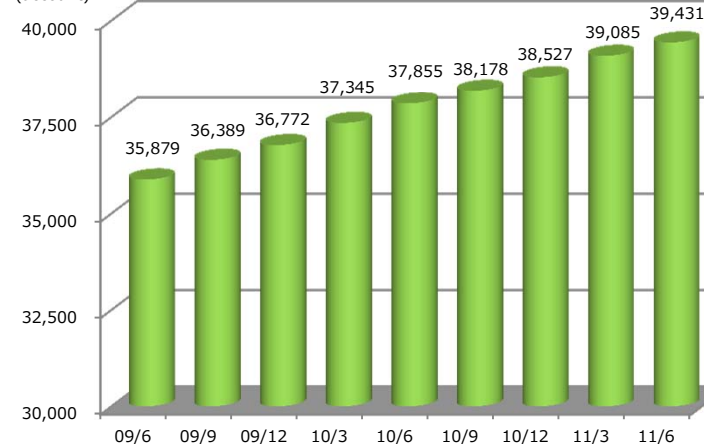
■ Number of balance remaining accounts

(account)



■ Number of online accounts

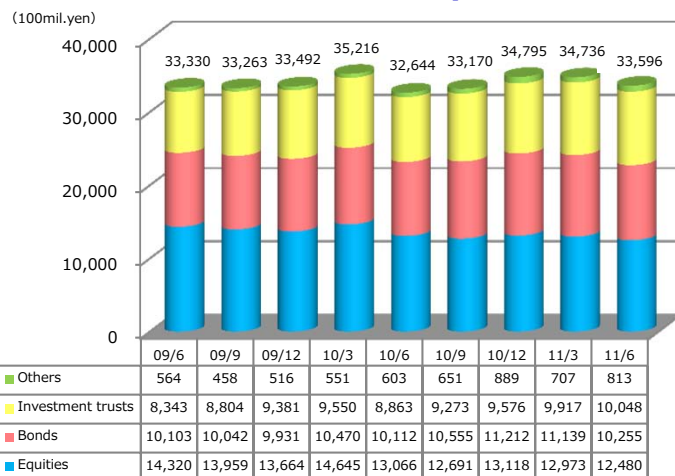
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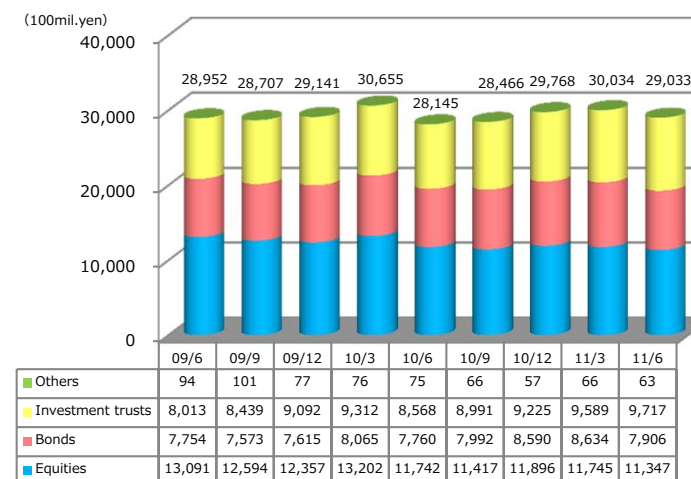


Assets under custody , Net inflow of client assets (non-consolidated: Okasan Securities)

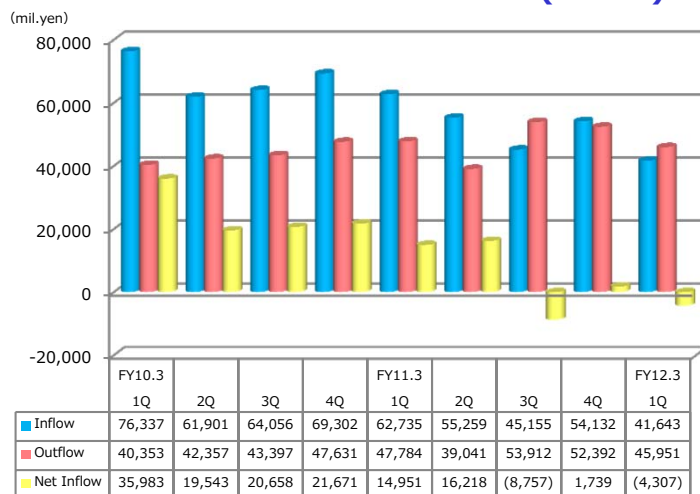
■ Assets under Custody



■ Retail Assets under Custody



■ Net inflow of client assets (Retail)



- Customers' assets under custody in Okasan Securities Co., Ltd. increased 95.2 billion yen YoY (from the end of June 2010), to 3.3596 trillion yen. However, the balance declined by 114 billion yen QoQ (from the end of March 2011). Within these assets, retail assets grew 88.8 billion yen YoY, to 2.9033 trillion yen. On a QoQ basis, however, assets declined by 100.1 billion yen.
- The net outflow of funds (sum of net outflow of cash and assets under custody: individual customers only) for the April to June quarter stood at 4.3 billion yen.



Capital Adequacy Ratio

(non-consolidated: Okasan Securities)

(In millions of yen)

Items		FY11.3				FY12.3		vs.FY11.3
		1 Q	2 Q	3 Q	4 Q	1 Q	4Q	
Basic items (A)		52,583	52,274	52,805	51,820	51,723	-97	
Complementary items	Appraisal gains (losses) etc.	44	40	55	56	51	-5	
	Security transaction responsibility reserve	633	673	683	767	807	40	
	General provision for loan losses	8	6	10	5	3	-2	
	Short-term subordinated debt	5,975	8,575	8,325	9,750	9,500	-250	
Total (B)		6,661	9,295	9,074	10,579	10,361	-218	
Assets to be deducted (C)		9,653	9,740	9,772	10,265	10,381	116	
Unfixed equity capital (A) + (B) - (C) (D)		49,590	51,829	52,106	52,134	51,704	-430	
Risk equivalents	Market risk equivalents	2,663	2,210	1,872	1,512	2,159	647	
	Customer risk equivalents	1,064	1,012	870	865	919	54	
	Basic risk equivalents	11,619	11,622	11,615	11,585	11,622	37	
	Total (E)	15,347	14,845	14,358	13,964	14,701	737	
Capital adequacy ratio (D) / (E) × 100 (%)		323.1%	349.1%	362.8%	373.3%	351.7%	-21.6p	

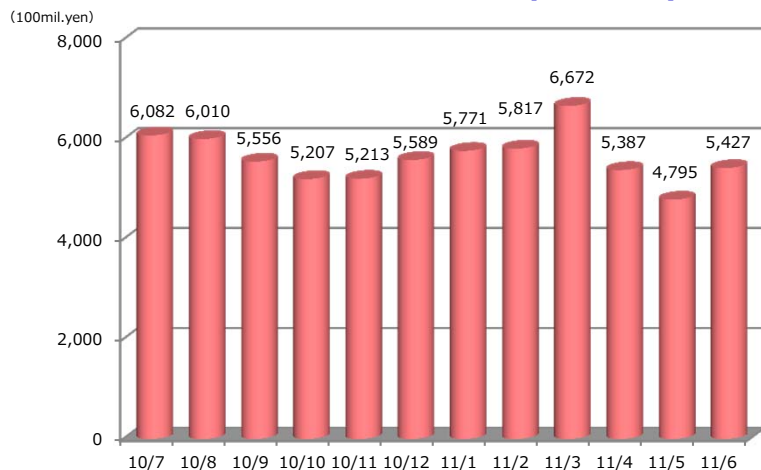
(Note) Short-term subordinated debt consists of subordinated borrowing.

- The capital adequacy ratio dropped 21.6 percentage points from end of the last fiscal year, at 351.7% as of the end of June 2011.
- The complementary items for capital adequacy decreased due mainly to a fall in short-term subordinated debts in addition to a growth in risk equivalents due mainly to an increase in the market equivalents. Consequently capital adequacy ratio declined.

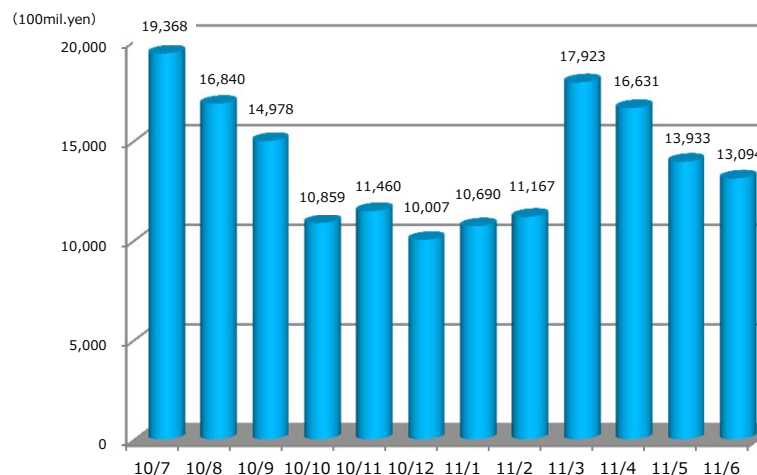


(Reference Data) Okasan Online Securities Data

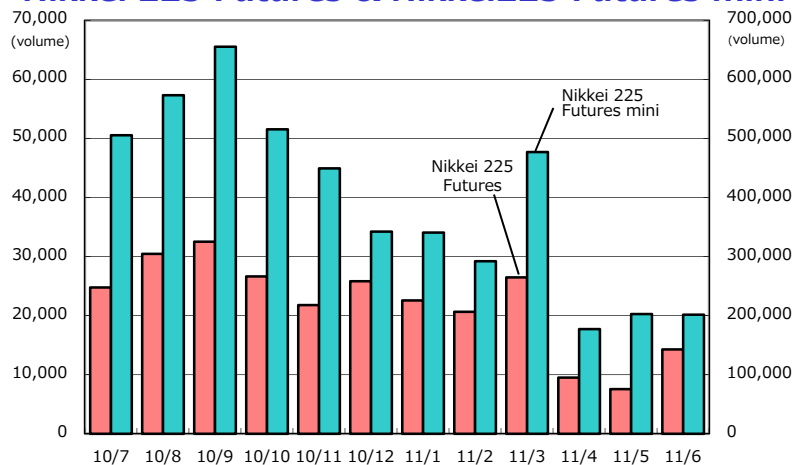
■ Domestic sales amount of equities by month



■ "Click 365" contract amount



■ Nikkei 225 Futures & Nikkei225 Futures mini



- The monthly trading value of the domestic shares recovered to 542.7 billion yen in June, though it had dipped below 500 billion yen mark in May.
- The trading value of Click 365 declined as the number of traded contracts decreased across the market.
- The transaction volume of both Nikkei 225 Futures and Nikkei 225 Futures Mini has contracted since the market's turmoil that emerged as a result of the Great East Japan Earthquake.



MEMO



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