



# *3Q Ending March 31, 2013*

## *Results Briefing*



January 30, 2013  
Okasan Securities Group Inc.

The objective of the document is to provide information on the results of the 3<sup>rd</sup> quarter year ending March 31, 2013 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 2012. 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
FY13.3 3Q	48,646 ( 15.4%)	47,487 (15.9%)	4,956 ( -)	5,473 ( -)
FY12.3 3Q	42,153 (-10.4%)	40,986 (-10.4%)	△ 910 ( -)	△ 364 ( -)

	Net Income	Net income per share	R O E (annualized)	Comprehensive income
	million yen	yen		million yen
FY13.3 3Q	2,740 ( -)	13.83	3.9%	4,063 ( -)
FY12.3 3Q	△1,287 ( -)	△6.44	△1.9%	△1,950 ( -)

	Total assets	Net assets	Equity ratio
	million yen	million yen	
FY13.3 3Q	642,528	114,278	14.8%
FY12.3	556,388	112,016	16.6%



## Financial highlights of 3<sup>rd</sup> Quarter year ending March 2013

### <Overview>

- Operating revenue for the cumulative three quarters ending December 2012 rose 15.4% YoY to 48,646 million yen, primarily as a result of increases in equity brokerage commissions and net trading income from equities, etc.
- The Company posted ordinary income of 5,473 million yen, up from the ordinary loss of 364 million recorded for same period in the previous fiscal year. With extraordinary profits such as gain on sale of investment securities, net profit amounted to 2,740 million yen, versus a net loss of 1,287 million yen a year ago.

### <Fees and Commissions>

- Brokerage commissions increased 14.5% YoY, reflecting higher equity brokerage commissions accompanying the improvement in market conditions.
- Underwriting fees and selling concessions increased 240% from the same term a year ago. A major IPO conducted in the second quarter contributed to the increase, as did the Company's efforts to expand its underwriting business.
- Distribution commissions rose 7.1% YoY boosted by growth in sales of investment trust funds in an improving investment environment.
- Other commissions declined 3.0% YoY, mainly due to lower custodian fees.

### <Net Trading Income>

- Net trading income from equities, etc. increased 92.6% from a year ago, driven by a doubling in the volume of US equity transaction.
- Net trading income from bonds, etc. increased 18.6% from a year ago, driven by increased sales of yen-denominated structured bonds.

### <SG&A expenses>

- Selling, general and administrative expenses rose 1.5% YoY, primarily owing to increased personnel costs and trading related expenses.



# Operating Revenues

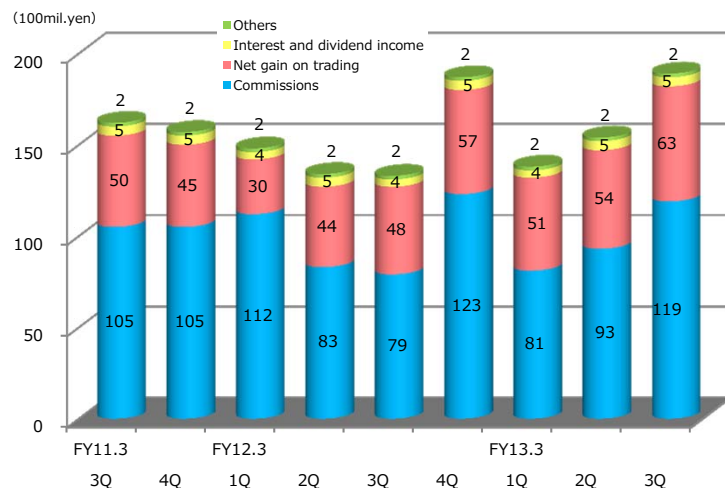
(In millions of yen)

	FY12.3 3Q	FY13.3 3Q	vs.FY12.3 3Q
<b>Operating revenues</b>	42,153	<b>48,646</b>	<b>15.4%</b>
<b>Commissions</b>	27,605	<b>29,394</b>	<b>6.5%</b>
Brokerage	6,861	<b>7,856</b>	<b>14.5%</b>
Underwriting	91	<b>311</b>	<b>242.6%</b>
Distribution	11,797	<b>12,637</b>	<b>7.1%</b>
Others	8,855	<b>8,588</b>	<b>-3.0%</b>
<b>Net gain on trading</b>	12,295	<b>16,952</b>	<b>37.9%</b>
Equities	3,836	<b>7,389</b>	<b>92.6%</b>
Bonds	8,286	<b>9,828</b>	<b>18.6%</b>
Others	173	<b>-264</b>	<b>-</b>
<b>Interest and dividend income</b>	1,469	<b>1,568</b>	<b>6.7%</b>
<b>Others</b>	782	<b>731</b>	<b>-6.6%</b>

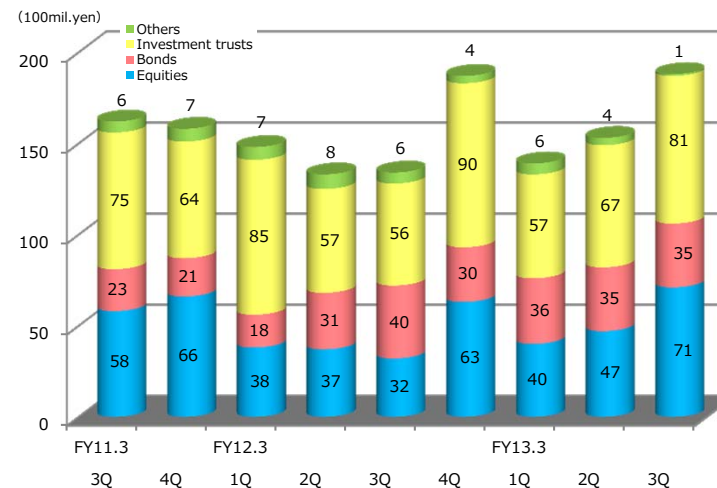
(In millions of yen)

	FY12.3				FY13.3			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q
<b>Operating revenues</b>	15,013	13,623	13,515	18,911	14,046	15,600	<b>18,999</b>	<b>21.8%</b>
<b>Commissions</b>	11,277	8,392	7,934	12,341	8,122	9,355	<b>11,916</b>	<b>27.4%</b>
Brokerage	2,447	2,353	2,059	3,019	2,186	2,189	<b>3,480</b>	<b>59.0%</b>
Underwriting	20	28	41	30	26	213	<b>71</b>	<b>-66.7%</b>
Distribution	5,703	2,986	3,107	6,313	3,198	4,031	<b>5,406</b>	<b>34.1%</b>
Others	3,105	3,023	2,726	2,979	2,710	2,920	<b>2,957</b>	<b>1.3%</b>
<b>Net gain on trading</b>	3,022	4,426	4,846	5,777	5,193	5,445	<b>6,313</b>	<b>15.9%</b>
Equities	1,413	1,322	1,100	3,134	1,725	2,178	<b>3,484</b>	<b>60.0%</b>
Bonds	1,609	2,906	3,770	2,771	3,352	3,299	<b>3,175</b>	<b>-3.8%</b>
Others	-1	198	-23	-128	114	-33	<b>-346</b>	<b>-</b>
<b>Interest and dividend income</b>	448	545	475	518	476	545	<b>545</b>	<b>0.0%</b>
<b>Others</b>	265	259	258	274	254	253	<b>223</b>	<b>-11.9%</b>

## Quarterly change in operating revenues



## Quarterly change in operating revenues by product





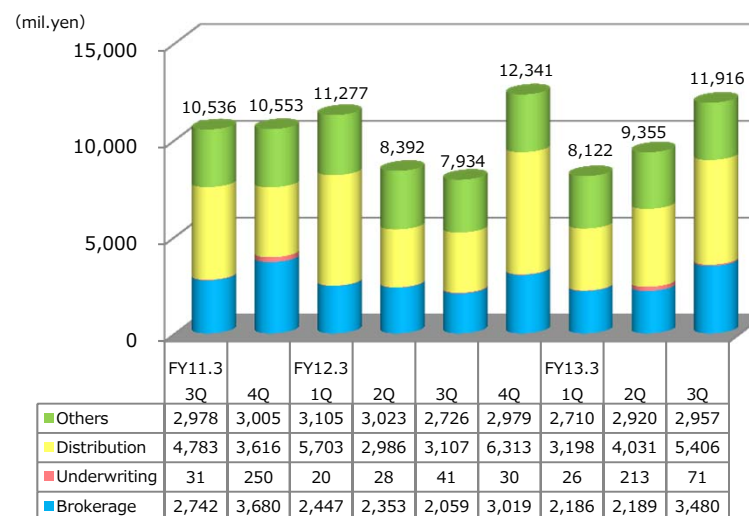
## Fees and Commissions Received

### ■ Fees and commissions received

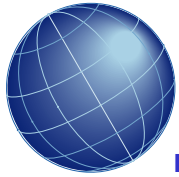
(In millions of yen)

Items	FY12.3	FY13.3	vs.FY12.3
	3Q	3Q	3Q
Brokerage	6,861	<b>7,856</b>	<b>14.5%</b>
Equities	5,992	<b>7,398</b>	<b>23.5%</b>
Bonds	14	<b>16</b>	<b>18.7%</b>
Others	854	<b>441</b>	<b>-48.4%</b>
Underwriting	91	<b>311</b>	<b>242.6%</b>
Equities	43	<b>241</b>	<b>458.7%</b>
Bonds	47	<b>70</b>	<b>47.5%</b>
Distribution	11,797	<b>12,637</b>	<b>7.1%</b>
Beneficiary Certificates	11,739	<b>12,557</b>	<b>7.0%</b>
Others	8,855	<b>8,588</b>	<b>-3.0%</b>
Beneficiary Certificates	8,191	<b>8,009</b>	<b>-2.2%</b>
<b>Total</b>	<b>27,605</b>	<b>29,394</b>	<b>6.5%</b>

### ■ Fees and commissions received (quarterly)

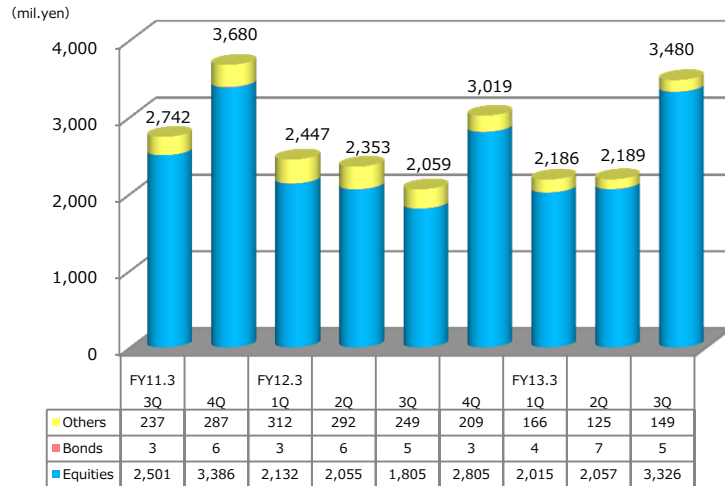


- Brokerage commissions rose 14.5% from the same period in the previous fiscal year. Equity brokerage commissions increased 23.5% YoY supported by the improving market conditions at the end of the year.
- Underwriting fees and selling concessions increased 240% from the same term a year ago. The increase was due to the Company's engagement in a major IPO in the second quarter and an increase in financing activities for medium-sized projects. The Company also focused on increasing its lead manager and other underwriting operations for municipal and corporate bonds.
- Distribution commissions rose 7.1% YoY boosted by growth in sales of investment trust funds in an improving investment environment.
- Other commissions declined 3.0% YoY, mainly due to lower custodian fees, which reflect the low averaged balance of investment trust funds in the first and the second quarter.

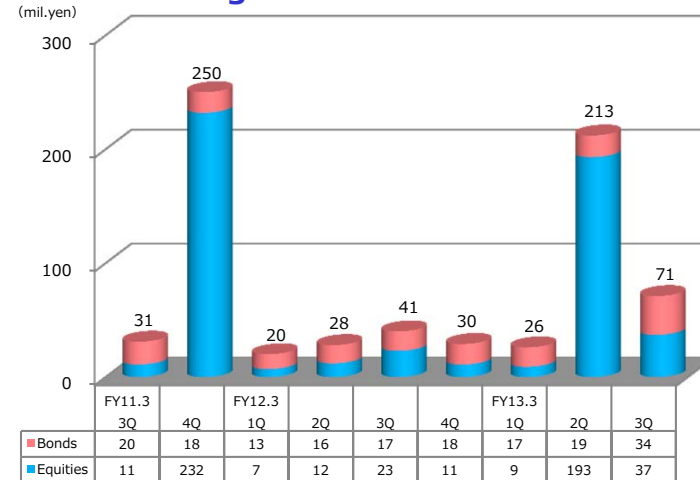


# Fees and Commissions Received by Category

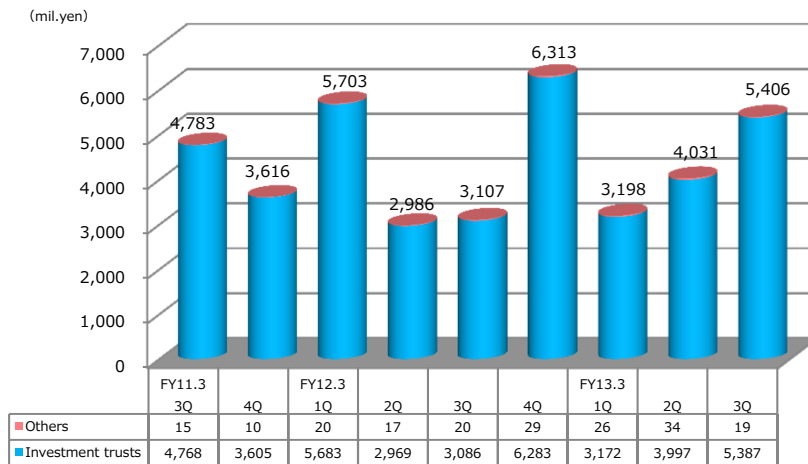
## ■ Brokerage



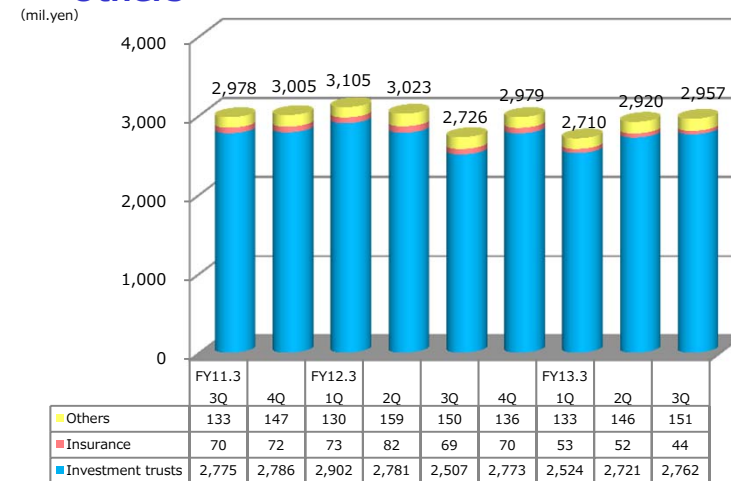
## ■ Underwriting



## ■ Distribution



## ■ Others





## Net Trading Income

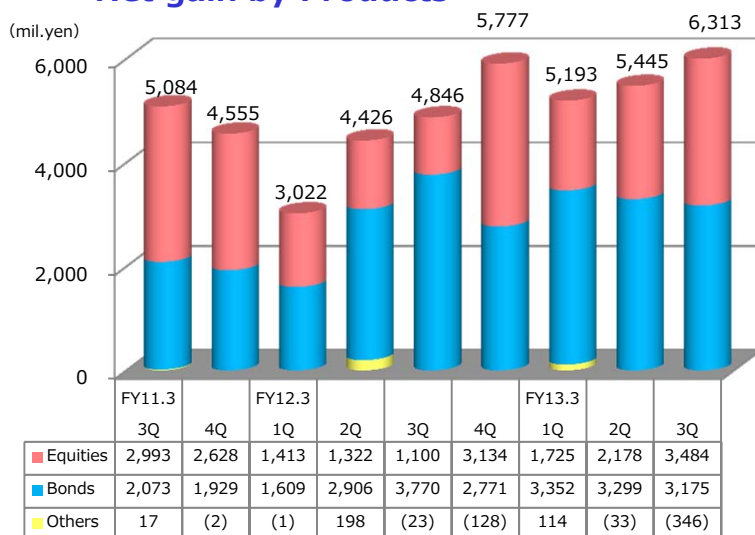
(In millions of yen)

	FY12.3		FY13.3		vs. FY12.3	
	3Q	3Q	3Q	3Q	3Q	3Q
<b>Equities</b>	3,836	<b>7,389</b>			<b>92.6%</b>	
Domestic equities	339	<b>503</b>			<b>48.4%</b>	
Foreign equities	3,496	<b>6,885</b>			<b>96.9%</b>	
<b>Bonds and others</b>	8,286	<b>9,828</b>			<b>18.6%</b>	
Domestic bonds	893	<b>1,158</b>			<b>29.7%</b>	
Foreign bonds	7,393	<b>8,669</b>			<b>17.3%</b>	
<b>Others</b>	173	<b>-264</b>			<b>-</b>	
<b>Net gain on trading</b>	12,295	<b>16,952</b>			<b>37.9%</b>	

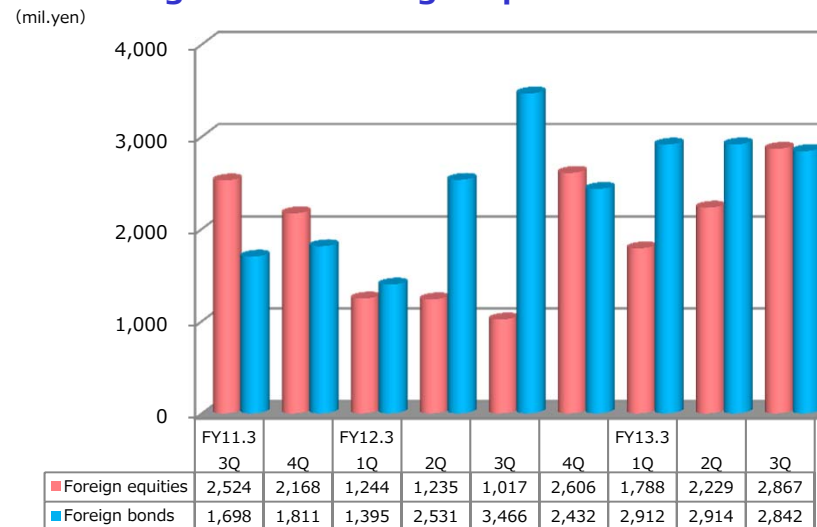
(In millions of yen)

	FY12.3				FY13.3				vs. FY13.3	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	2Q	2Q
	1,413	1,322	1,100	3,134	1,725	2,178	<b>3,484</b>		<b>60.0%</b>	
	169	87	82	528	-62	-51	<b>617</b>		<b>-</b>	
	1,244	1,235	1,017	2,606	1,788	2,229	<b>2,867</b>		<b>28.6%</b>	
	1,609	2,906	3,770	2,771	3,352	3,299	<b>3,175</b>		<b>-3.8%</b>	
	214	374	303	338	440	385	<b>332</b>		<b>-13.8%</b>	
	1,395	2,531	3,466	2,432	2,912	2,914	<b>2,842</b>		<b>-2.5%</b>	
	-1	198	-23	-128	114	-33	<b>-346</b>		<b>-</b>	
	3,022	4,426	4,846	5,777	5,193	5,445	<b>6,313</b>		<b>15.9%</b>	

### Net gain by Products



### Net gain from foreign equities and bonds







## SG&A : Selling, General and Administrative Expenses

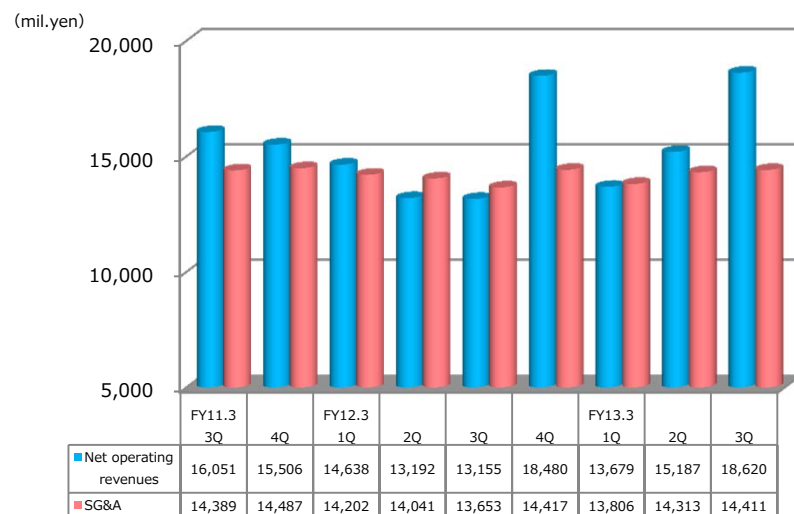
(In millions of yen)

	FY12.3	FY13.3	vs.FY12.3
	3Q	3Q	3Q
Trading related expenses	7,564	<b>7,778</b>	<b>2.8%</b>
Personnel expenses	20,574	<b>21,301</b>	<b>3.5%</b>
Real estate expenses	4,588	<b>4,335</b>	<b>-5.5%</b>
Office expenses	3,943	<b>3,947</b>	<b>0.1%</b>
Depreciation expenses	2,937	<b>2,932</b>	<b>-0.2%</b>
Taxes and dues	386	<b>422</b>	<b>9.4%</b>
Others	1,903	<b>1,813</b>	<b>-4.7%</b>
<b>SG&amp;A</b>	<b>41,897</b>	<b>42,531</b>	<b>1.5%</b>

(In millions of yen)

	FY12.3				FY13.3				vs.FY13.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	
Trading related expenses	2,520	2,574	2,469	2,739	2,470	2,656	<b>2,651</b>	<b>-0.2%</b>	
Personnel expenses	6,984	6,845	6,743	7,068	6,828	7,098	<b>7,374</b>	<b>3.9%</b>	
Real estate expenses	1,558	1,565	1,464	1,448	1,467	1,447	<b>1,420</b>	<b>-1.9%</b>	
Office expenses	1,341	1,321	1,279	1,362	1,340	1,407	<b>1,199</b>	<b>-14.8%</b>	
Depreciation expenses	976	970	990	1,001	971	974	<b>985</b>	<b>1.1%</b>	
Taxes and dues	137	130	118	151	128	143	<b>150</b>	<b>4.9%</b>	
Others	682	633	587	645	599	584	<b>629</b>	<b>7.7%</b>	
<b>SG&amp;A</b>	<b>14,202</b>	<b>14,041</b>	<b>13,653</b>	<b>14,417</b>	<b>13,806</b>	<b>14,313</b>	<b>14,411</b>	<b>0.7%</b>	

### Change in net operating revenues and SG&A



- Trading related expenses rose 2.8% YoY due mainly to an increase in variable costs.
- Personnel expenses increased 3.5% from a year earlier due to raises in employee salaries reflecting the improved business performance.
- Real estate-related expenses declined 5.5% YoY due mainly to lower rental expenses for equipment and fixtures.
- Office expenses edged up 0.1% YoY. However, quarterly system costs declined 14.8% from the previous quarter's as the ODIN mainframe system went into full production in September.
- Other expenses decreased 4.7% from a year earlier due primarily to a decline in research expenses.



## Balance Sheet Summary (1)

	(In millions of yen)			(In millions of yen)							
	FY12.3	FY13.3	vs.FY12.3	FY12.3				FY13.3			
	4Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q
<b>Current assets</b>	505,304	<b>590,718</b>	<b>85,414</b>	483,967	486,017	543,560	505,304	660,958	528,214	<b>590,718</b>	<b>62,504</b>
Cash and deposits	45,898	<b>40,054</b>	<b>-5,843</b>	34,892	38,291	35,422	45,898	41,617	38,061	<b>40,054</b>	<b>1,993</b>
Cash segregated as deposits	42,750	<b>50,136</b>	<b>7,386</b>	41,669	39,884	38,680	42,750	39,550	42,585	<b>50,136</b>	<b>7,551</b>
Trading products	185,667	<b>229,121</b>	<b>43,453</b>	187,803	201,840	228,746	185,667	302,851	226,537	<b>229,121</b>	<b>2,584</b>
Receivables on margin transactions	33,533	<b>36,038</b>	<b>2,504</b>	44,291	37,449	34,223	33,533	36,983	38,459	<b>36,038</b>	<b>-2,421</b>
Receivables on collateralized securities transactions	186,086	<b>199,749</b>	<b>13,663</b>	164,342	157,783	194,093	186,086	227,979	170,584	<b>199,749</b>	<b>29,165</b>
Other current assets	11,367	<b>35,617</b>	<b>24,249</b>	10,968	10,766	12,394	11,367	11,975	11,986	<b>35,617</b>	<b>23,631</b>
<b>Fixed assets</b>	51,084	<b>51,810</b>	<b>725</b>	52,463	52,013	50,609	51,084	49,861	50,543	<b>51,810</b>	<b>1,267</b>
Tangible fixed assets	16,305	<b>16,463</b>	<b>158</b>	16,369	16,512	16,354	16,305	16,430	16,476	<b>16,463</b>	<b>-13</b>
Intangible fixed assets	8,399	<b>7,782</b>	<b>-617</b>	9,154	8,831	8,547	8,399	8,215	7,966	<b>7,782</b>	<b>-184</b>
Investments and other assets	26,379	<b>27,564</b>	<b>1,184</b>	26,939	26,668	25,707	26,379	25,215	26,099	<b>27,564</b>	<b>1,465</b>
<b>Total assets</b>	556,388	<b>642,528</b>	<b>86,139</b>	536,431	538,030	594,170	556,388	710,819	578,758	<b>642,528</b>	<b>63,770</b>

- Current assets at the end of the third quarter of fiscal year 2012 were up 85.4 billion yen from the end of the previous fiscal year due principally to an increase in trading assets (primarily fixed income securities) and receivables on collateralized securities transaction.
- Current liabilities were up 85.0 billion yen from the end of the previous fiscal year due mainly to increases in payables on collateralized securities transactions and trading liabilities. Non-current liabilities decreased 1.2 billion yen due to a decline in long-term borrowing. As a result, total liabilities at the end of the third quarter increased 83.8 billion yen from the end of the previous fiscal year.
- Net assets were up 2.2 billion yen from the end of the previous fiscal year due to an increase in retained earnings. Total liabilities and net assets amounted to 642.5 billion yen, an increase of 86.1 billion yen from the end of the previous fiscal year.



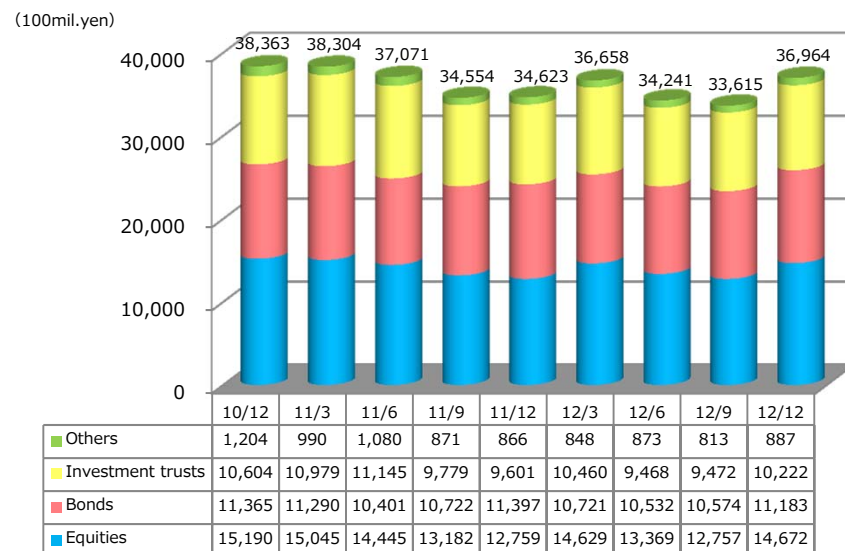
## Balance Sheet Summary (2)

	(In millions of yen)			(In millions of yen)							
	FY12.3	FY13.3	vs.FY12.3	FY12.3				FY13.3			
	4Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q
<b>Current liabilities</b>	417,782	502,807	85,025	396,615	400,608	458,493	417,782	575,043	443,719	502,807	59,088
Trading liabilities	152,267	176,187	23,919	144,839	143,469	178,371	152,267	200,444	156,680	176,187	19,507
Payables on margin transactions	16,171	17,724	1,552	19,760	17,200	11,270	16,171	14,065	16,764	17,724	960
Payables on collateralized securities transactions	61,366	101,471	40,104	28,967	38,156	70,661	61,366	164,650	80,557	101,471	20,914
Deposits received	18,338	24,785	6,446	19,613	15,799	16,028	18,338	18,969	19,674	24,785	5,111
Guarantee deposits received	22,996	29,387	6,390	26,823	23,818	23,039	22,996	25,166	23,495	29,387	5,892
Short-term borrowings	136,167	147,580	11,412	145,700	152,263	147,877	136,167	130,162	141,361	147,580	6,219
Other current liabilities	10,473	5,671	-4,801	10,911	9,899	11,243	10,473	21,585	5,184	5,671	487
<b>Fixed liabilities</b>	25,199	23,952	-1,246	27,037	26,051	25,734	25,199	25,443	24,282	23,952	-330
Long-term borrowings	13,478	12,048	-1,429	15,233	14,161	14,065	13,478	13,493	12,116	12,048	-68
Reserves for retirement benefits	5,275	5,575	300	5,097	5,174	5,231	5,275	5,349	5,450	5,575	125
Other fixed liabilities	6,446	6,328	-118	6,706	6,714	6,437	6,446	6,600	6,715	6,328	-387
<b>Financial instruments transaction reserve</b>	1,390	1,489	99	1,285	1,323	1,355	1,390	1,414	1,446	1,489	43
<b>Total liabilities</b>	444,372	528,250	83,877	424,939	427,983	485,583	444,372	601,902	469,448	528,250	58,802
Common stock	18,589	18,589	-	18,589	18,589	18,589	18,589	18,589	18,589	18,589	-
Capital surplus	12,910	12,912	1	12,910	12,910	12,910	12,910	12,912	12,912	12,912	-
Retained earnings	64,490	66,255	1,765	63,528	62,792	62,219	64,490	61,140	61,698	66,255	4,557
Treasury stock	-3,581	-3,622	-40	-2,850	-3,097	-3,572	-3,581	-3,614	-3,616	-3,622	-6
Accumulated other comprehensive income	50	723	672	-296	-890	-1,147	50	897	637	723	86
Minority interests	19,555	19,418	-137	19,610	19,742	19,588	19,555	18,992	19,088	19,418	330
<b>Total net assets</b>	112,016	114,278	2,262	111,492	110,047	108,587	112,016	108,917	109,309	114,278	4,969
<b>Total liabilities&amp;net assets</b>	556,388	642,528	86,139	536,431	538,030	594,170	556,388	710,819	578,758	642,528	63,770

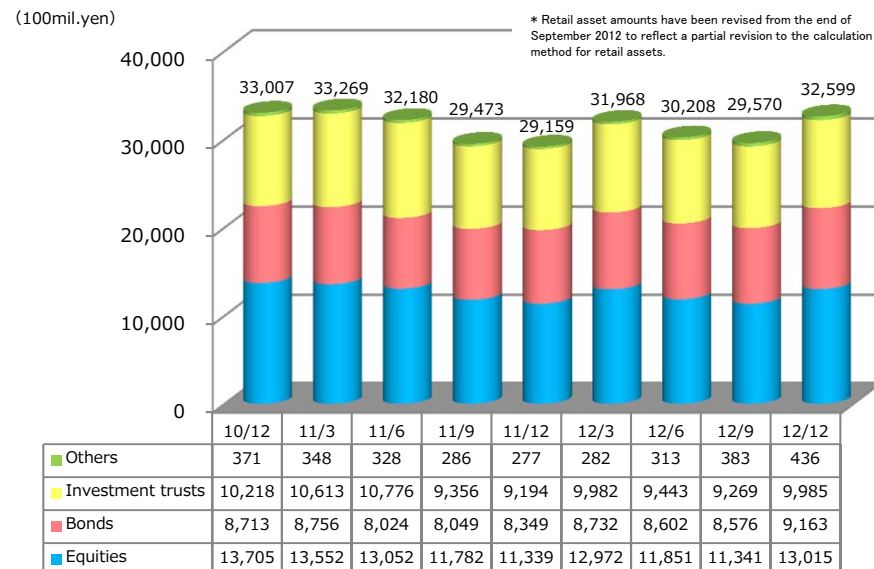


## Assets under custody (Consolidated)

### ■ Assets under Custody



### ■ Retail Assets under Custody



- Customers' assets under custody on the consolidated basis amounted to 3,696.4 billion yen, an increase of 30.6 billion yen from the end of the previous fiscal year (March 31, 2012) and an increase of 234.1 billion yen from a year earlier (December 31, 2011). The weaker yen and rising share prices were the main factors in the increases.
- Retail assets amounted to 3,259.9 billion yen.



## *2. Reference Data*



## Performance by quarter (non-consolidated: Okasan Securities)

(In millions of yen)

Items	FY12.3	FY13.3	vs.FY12.3
	3Q	3Q	3Q
<b>Operating revenues</b>	<b>32,229</b>	<b>38,786</b>	<b>20.3%</b>
Commissions	19,747	21,752	10.2%
Brokerage	4,284	5,626	31.3%
Underwriting	90	311	242.8%
Distribution	11,132	11,972	7.5%
Others	4,238	3,842	-9.4%
<b>Net gain on trading</b>	<b>11,359</b>	<b>15,836</b>	<b>39.4%</b>
Equities	3,475	6,994	101.2%
Bonds	7,720	9,107	18.0%
Others	163	-265	-
Interest and dividend income	1,123	1,197	6.6%
Financial expenses	1,045	1,038	-0.7%
<b>Net operating revenues</b>	<b>31,183</b>	<b>37,748</b>	<b>21.1%</b>
<b>SG&amp;A</b>	<b>33,259</b>	<b>34,287</b>	<b>3.1%</b>
Trading related expenses	5,886	6,356	8.0%
Personnel expenses	15,673	16,305	4.0%
Real estate expenses	4,093	4,352	6.3%
Administrative expenses	6,468	6,070	-6.1%
Depreciation expenses	384	370	-3.6%
Taxes and dues	199	227	14.1%
Others	553	603	9.1%
<b>Operating income</b>	<b>-2,075</b>	<b>3,460</b>	<b>-</b>
Non-operating income	173	293	68.8%
Non-operating expenses	9	6	-33.2%
<b>Ordinary income</b>	<b>-1,911</b>	<b>3,747</b>	<b>-</b>
Extraordinary gain	-	60	-
Extraordinary loss	65	6	-90.5%
<b>Net profit, before taxes</b>	<b>-1,976</b>	<b>3,801</b>	<b>-</b>
Income taxes	-14	1,405	-
Adjustment amount for income taxes	-426	240	-
<b>Net profit</b>	<b>-1,535</b>	<b>2,155</b>	<b>-</b>

(In millions of yen)

Items	FY12.3				FY13.3				vs.FY13.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	
<b>Operating revenues</b>	<b>11,520</b>	<b>10,282</b>	<b>10,427</b>	<b>15,324</b>	<b>11,060</b>	<b>12,404</b>	<b>15,321</b>	<b>23.5%</b>	
Commissions	8,463	5,714	5,568	9,487	5,806	6,882	9,063	31.7%	
Brokerage	1,531	1,478	1,275	2,076	1,464	1,556	2,605	67.4%	
Underwriting	20	28	41	29	26	213	71	-66.7%	
Distribution	5,409	2,757	2,965	6,063	3,015	3,853	5,103	32.4%	
Others	1,502	1,449	1,287	1,316	1,300	1,259	1,282	1.8%	
<b>Net gain on trading</b>	<b>2,720</b>	<b>4,144</b>	<b>4,494</b>	<b>5,424</b>	<b>4,884</b>	<b>5,113</b>	<b>5,838</b>	<b>14.2%</b>	
Equities	1,252	1,219	1,004	2,950	1,645	2,098	3,249	54.9%	
Bonds	1,474	2,730	3,514	2,603	3,123	3,048	2,935	-3.7%	
Others	-6	194	-24	-128	114	-33	-346	-	
Interest and dividend income	336	423	363	413	369	408	419	2.7%	
Financial expenses	336	388	321	393	333	366	338	-7.7%	
<b>Net operating revenues</b>	<b>11,184</b>	<b>9,893</b>	<b>10,105</b>	<b>14,931</b>	<b>10,726</b>	<b>12,038</b>	<b>14,983</b>	<b>24.5%</b>	
<b>SG&amp;A</b>	<b>11,261</b>	<b>11,102</b>	<b>10,895</b>	<b>11,489</b>	<b>11,165</b>	<b>11,431</b>	<b>11,690</b>	<b>2.3%</b>	
Trading related expenses	1,973	1,962	1,950	2,128	2,032	2,096	2,227	6.3%	
Personnel expenses	5,303	5,209	5,160	5,401	5,250	5,395	5,659	4.9%	
Real estate expenses	1,363	1,400	1,329	1,316	1,454	1,464	1,432	-2.2%	
Administrative expenses	2,227	2,149	2,091	2,171	2,028	2,088	1,953	-6.5%	
Depreciation expenses	124	129	130	134	122	122	124	1.6%	
Taxes and dues	69	66	64	91	63	76	87	14.5%	
Others	198	184	169	244	212	185	204	10.3%	
<b>Operating income</b>	<b>-77</b>	<b>-1,208</b>	<b>-789</b>	<b>3,441</b>	<b>-439</b>	<b>606</b>	<b>3,293</b>	<b>443.4%</b>	
Non-operating income	68	55	50	84	132	75	85	13.3%	
Non-operating expenses	1	5	2	1	1	3	0	-100.0%	
<b>Ordinary income</b>	<b>-11</b>	<b>-1,158</b>	<b>-741</b>	<b>3,524</b>	<b>-308</b>	<b>678</b>	<b>3,377</b>	<b>398.1%</b>	
Extraordinary gain	-	-	-	101	0	-	60	-	
Extraordinary loss	42	13	9	12	4	1	0	-100.0%	
<b>Net profit, before taxes</b>	<b>-53</b>	<b>-1,171</b>	<b>-751</b>	<b>3,613</b>	<b>-312</b>	<b>676</b>	<b>3,436</b>	<b>408.3%</b>	
Income taxes	2	-54	37	1,048	147	32	1,225	3728.1%	
Adjustment amount for income taxes	41	-376	-91	492	-79	207	112	-45.9%	
<b>Net profit</b>	<b>-96</b>	<b>-741</b>	<b>-697</b>	<b>2,073</b>	<b>-379</b>	<b>436</b>	<b>2,098</b>	<b>381.2%</b>	



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

<Volume of equity trading / Number of shares>

(In millions of shares)

Items	FY12.3						FY13.3				vs.FY12.3 3 Q	vs.FY13.3 2 Q
	1 Q	2 Q	3 Q	3 QTOTAL	4 Q	TOTAL	1 Q	2 Q	3 Q	3 QTOTAL		
( Dealing )	745	592	408	1,745	728	2,473	633	486	535	1,654	-5.2%	10.1%
( Brokerage )	5,098	5,117	4,697	14,912	6,300	21,212	4,455	4,660	6,282	15,398	3.3%	34.8%
Total	5,843	5,709	5,105	16,657	7,028	23,686	5,088	5,147	6,817	17,053	2.4%	32.4%
Brokerage ratio	87.2%	89.6%	92.0%	89.5%	89.6%	89.6%	87.6%	90.5%	92.2%	90.3%	+0.8p	+1.7p

<Volume of equity trading / Total value>

(In millions of yen)

Items	FY12.3						FY13.3				vs.FY12.3 3 Q	vs.FY13.3 2 Q
	1 Q	2 Q	3 Q	3 QTOTAL	4 Q	TOTAL	1 Q	2 Q	3 Q	3 QTOTAL		
( Dealing )	447,422	436,917	236,309	1,120,648	407,887	1,528,536	341,851	351,809	384,451	1,078,112	-3.8%	9.3%
( Brokerage )	1,900,394	1,926,642	1,660,777	5,487,813	1,977,214	7,465,028	1,770,345	1,752,966	2,238,167	5,761,479	5.0%	27.7%
Total	2,347,816	2,363,560	1,897,086	6,608,462	2,385,102	8,993,564	2,112,196	2,104,776	2,622,618	6,839,591	3.5%	24.6%
Brokerage ratio	80.9%	81.5%	87.5%	83.0%	82.8%	83.0%	83.8%	83.3%	85.3%	84.2%	+1.2p	+2.0p

<Total share within TSE>

Items	FY12.3						FY13.3				vs.FY12.3 3 Q	vs.FY13.3 2 Q
	1 Q	2 Q	3 Q	3 QTOTAL	4 Q	TOTAL	1 Q	2 Q	3 Q	3 QTOTAL		
Number of shares	1.76%	1.70%	2.01%	1.81%	1.96%	1.85%	1.73%	1.94%	2.07%	1.92%	+0.11p	+0.13p
Total value	1.16%	1.14%	1.19%	1.17%	1.12%	1.16%	1.13%	1.29%	1.26%	1.23%	+0.06p	-0.03p

<Brokerage Commissions Ratio>

(In millions of yen)

Items	FY12.3						FY13.3				vs.FY12.3 3 Q	vs.FY13.3 2 Q
	1 Q	2 Q	3 Q	3 QTOTAL	4 Q	TOTAL	1 Q	2 Q	3 Q	3 QTOTAL		
Commissions	1,497	1,439	1,231	4,169	2,041	6,210	1,422	1,515	2,560	5,498	31.9%	69.0%
Commissions Ratio	0.08%	0.07%	0.07%	0.08%	0.10%	0.08%	0.08%	0.08%	0.11%	0.10%	+0.02p	+0.03p

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	FY12.3							FY13.3				vs. FY12.3 3 Q	vs. FY13.3 2 Q
	1 Q	2 Q	3 Q	3 QTOTAL	4 Q	TOTAL	1 Q	2 Q	3 Q	3 QTOTAL			
Equities (Number of shares)	0	0	1	1	0	1	0	3	1	4	300.0%	-66.7%	
Equities (Total value)	149	318	468	935	446	1,382	343	10,493	866	11,702	1151.6%	-91.7%	
Bonds (Total at face value)	216,100	202,160	215,444	633,704	239,489	873,193	220,043	220,333	227,685	668,061	5.4%	3.3%	
Domestic and foreign CP (Total at face value)	-	-	-	-	-	-	-	-	-	-	-	-	

## <Selling>

(In millions of shares, millions of yen)

Items	FY12.3							FY13.3				vs. FY12.3 3 Q	vs. FY13.3 2 Q
	1 Q	2 Q	3 Q	3 QTOTAL	4 Q	TOTAL	1 Q	2 Q	3 Q	3 QTOTAL			
Equities (Number of shares)	0	0	1	1	0	1	0	3	1	4	300.0%	-66.7%	
Equities (Total value)	150	287	452	889	352	1,241	249	10,478	934	11,661	1211.7%	-91.1%	
Bonds (Total at face value)	15,211	41,494	45,771	102,476	34,517	136,993	32,838	27,721	22,562	86,120	-16.0%	-18.6%	

## <Offering>

(In millions of shares, millions of yen)

Items	FY12.3							FY13.3				vs. FY12.3 3 Q	vs. FY13.3 2 Q
	1 Q	2 Q	3 Q	3 QTOTAL	4 Q	TOTAL	1 Q	2 Q	3 Q	3 QTOTAL			
Equities (Number of shares)	0	0	0	0	-	0	0	-	0	0	-	-	
Equities (Total value)	0	1	1	2	-	2	0	-	0	0	-	-	
Bonds (Total at face value)	219,639	206,155	221,471	647,265	244,050	891,315	223,903	223,993	235,029	682,925	5.5%	4.9%	
Beneficiary securities (Total at face value)	491,306	356,747	333,384	1,181,437	550,663	1,732,101	393,369	415,054	484,205	1,292,627	9.4%	16.7%	
Domestic and foreign CP (Total at face value)	-	-	-	-	-	-	-	-	-	-	-	-	

## <Underwriting & Selling Fees Ratio>

(In millions of yen)

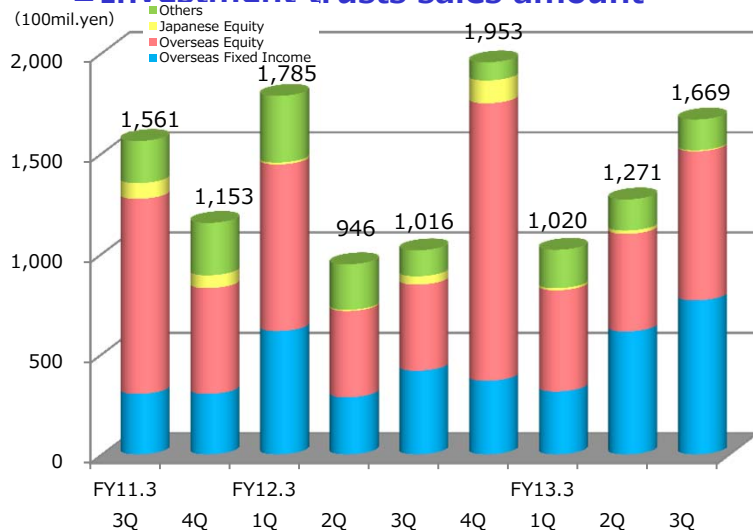
Items	FY12.3							FY13.3				vs. FY12.3 3 Q	vs. FY13.3 2 Q
	1 Q	2 Q	3 Q	3 QTOTAL	4 Q	TOTAL	1 Q	2 Q	3 Q	3 QTOTAL			
Equities (Averaged Fees Ratio)	7	12	23	43	11	55	9	194	37	241	460.5%	-80.9%	
Bonds (Averaged Fees Ratio)	2.35%	1.98%	2.50%	2.36%	1.38%	2.10%	1.52%	0.93%	2.06%	1.03%	-1.33p	1.13p	
Domestic and foreign CP (Averaged Fees Ratio)	13	16	17	47	17	65	16	19	33	69	46.8%	73.7%	
	0.006%	0.007%	0.007%	0.006%	0.006%	0.006%	0.006%	0.008%	0.013%	0.009%	+0.003p	+0.005p	



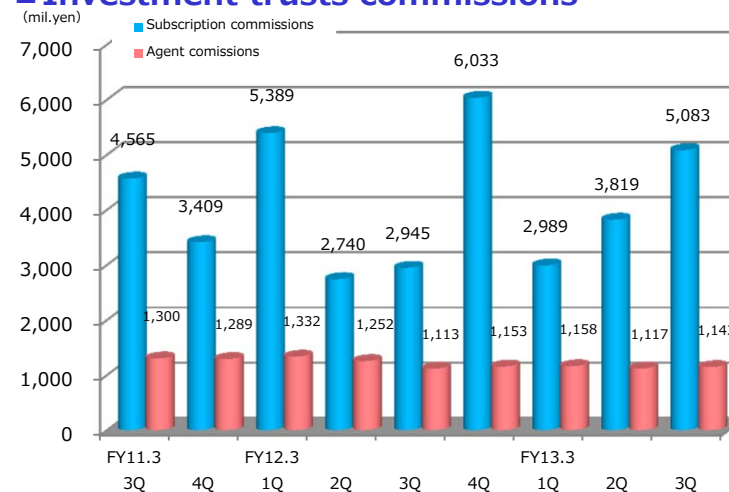


# Investment trusts ▪ Foreign bonds (non-consolidated: Okasan Securities)

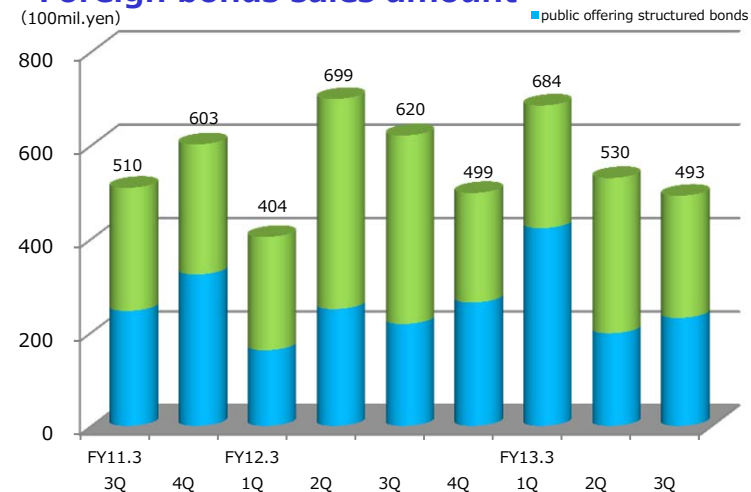
■ Investment trusts sales amount



■ Investment trusts commissions



■ Foreign bonds sales amount

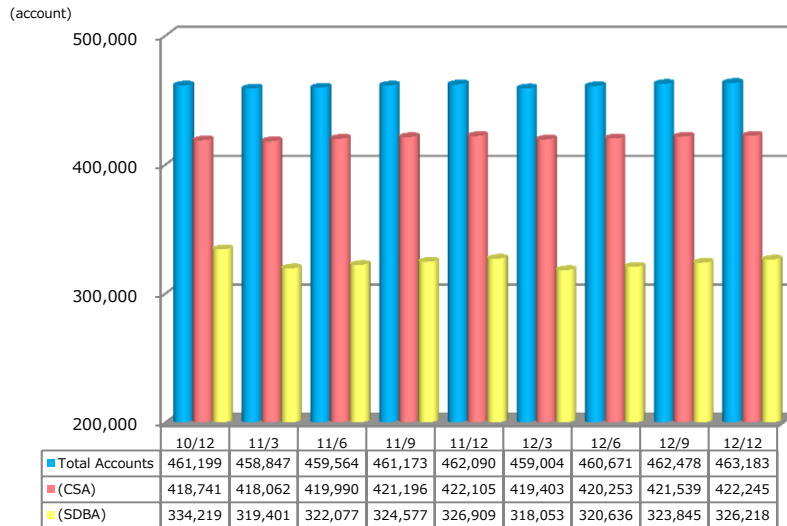


- Sales of investment trust funds for the period (cumulative, April 1 to December 31, 2012) increased 5.6% YoY to 396.0 billion yen. Sales commissions on these funds increased 7.4% to 11,892 million yen. Sales were strong for investment trusts investing in Asia and Oceania bonds and emerging market equities.
- Sales of foreign bonds in the cumulative three quarters remained essentially unchanged from the previous fiscal year, declining 0.9% YoY to 170.7 billion yen.

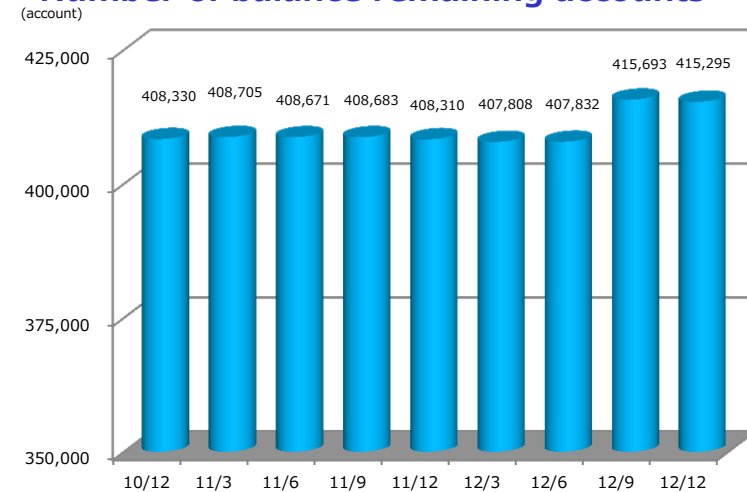


# Number of accounts (non-consolidated: Okasan Securities)

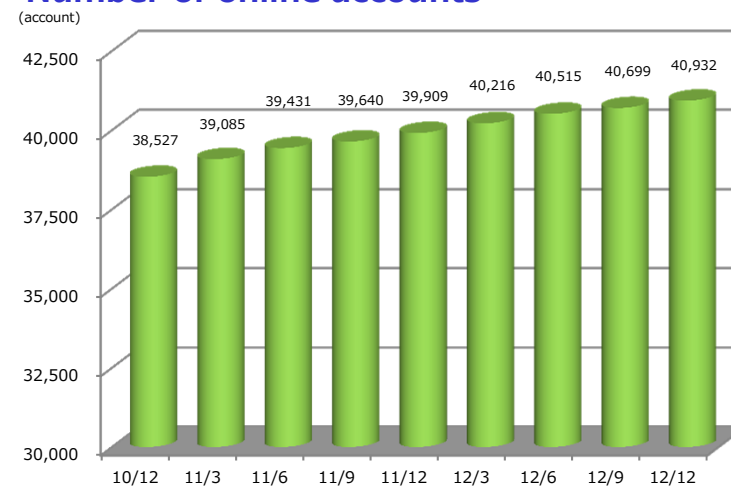
## ■ Number of customer accounts



## ■ Number of balance remaining accounts



## ■ Number of online accounts

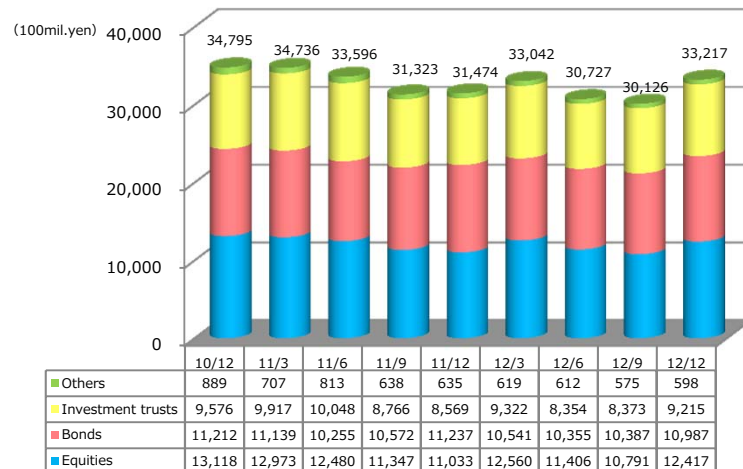


- The number of customer accounts stood at 463,183 at the end of the quarter (December 31, 2012). The number of accounts with positive balances numbered 415,295.
- The Company registered 11,789 new accounts in the current fiscal year (cumulative, April 1 to December 31, 2012).
- Online accounts numbered 40,932 at the end of the quarter and comprised 8.8% of the total number of customer accounts.

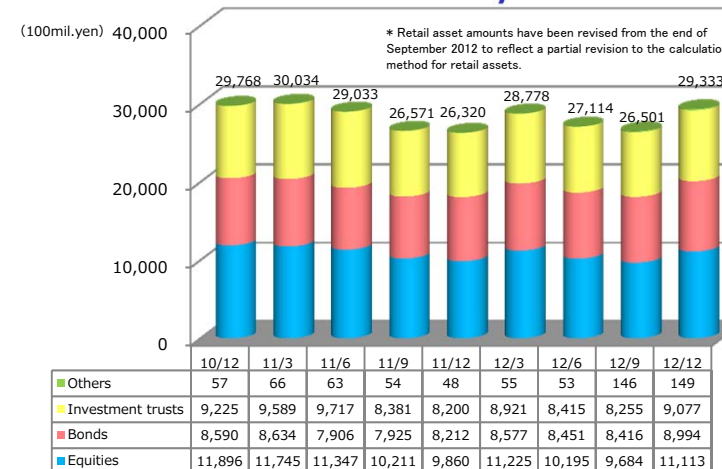


# Assets under custody , Net inflow of client assets (non-consolidated: Okasan Securities)

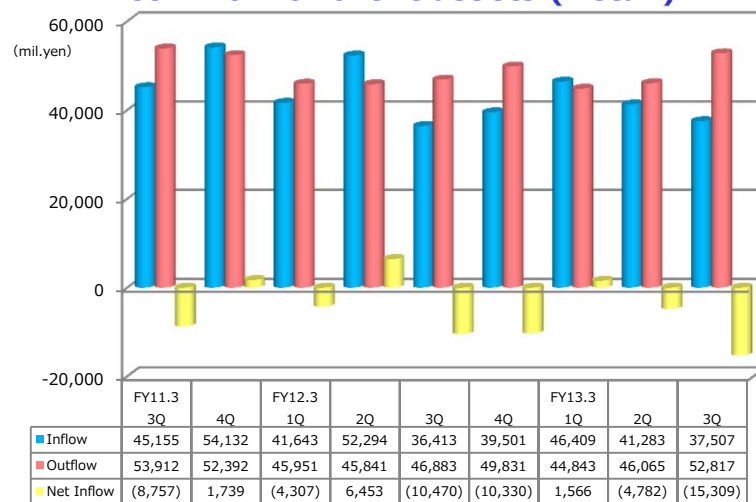
## ■ Assets under Custody



## ■ Retail Assets under Custody



## ■ Net inflow of client assets (Retail)



- At the end of the quarter, customers' assets under custody in Okasan Securities Co., Ltd. were 3,321.7 billion yen, representing a 17.5 billion yen increase from the end of the previous fiscal year (March 31, 2012) and a 174.3 billion yen increase YoY (December 31, 2011).
- The net outflow of funds (sum of net inflow/outflow of cash and assets under custody: individual customers only) for the quarter (October-December) was 15.3 billion yen.



# Capital Adequacy Requirement Ratio

## (non-consolidated: Okasan Securities)

(In millions of yen)

Items		FY12.3				FY13.3				vs.FY12.3
		1 Q	2 Q	3 Q	4 Q	1 Q	2 Q	3 Q	4 Q	
Basic items	(A)	51,723	50,982	50,285	51,350	50,964	51,400	53,508	2,158	
Complementary items	Appraisal gains (losses) etc.	51	46	47	-	-	-	-	-	
	Security transaction responsibility reserve	807	809	809	809	808	808	808	-1	
	General provision for loan losses	3	2	2	2	2	2	12	10	
	Short-term subordinated debt	9,500	8,425	8,425	7,900	7,900	7,900	7,900	-	
Total	(B)	10,361	9,283	9,284	8,711	8,711	8,711	8,721	10	
Assets to be deducted	(C)	10,381	10,358	9,960	9,658	9,540	9,694	8,988	-670	
<b>Unfixed equity capital</b>	<b>(A) + (B) - (C)</b>	<b>(D)</b>	<b>51,704</b>	<b>49,907</b>	<b>49,608</b>	<b>50,404</b>	<b>50,135</b>	<b>50,416</b>	<b>2,837</b>	
Risk equivalents	Market risk equivalents	2,159	2,331	2,417	2,022	3,507	1,974	2,507	485	
	Customer risk equivalents	919	768	746	878	800	798	958	80	
	Basic risk equivalents	11,622	11,544	11,482	11,272	11,232	11,265	11,336	64	
	Total	(E)	14,701	14,644	14,646	14,174	15,539	14,037	14,802	628
<b>Capital adequacy ratio</b>	<b>(D) / (E) × 100 (%)</b>	<b>351.7%</b>	<b>340.8%</b>	<b>338.7%</b>	<b>355.6%</b>	<b>322.6%</b>	<b>359.1%</b>	<b>359.6%</b>	<b>4.0p</b>	

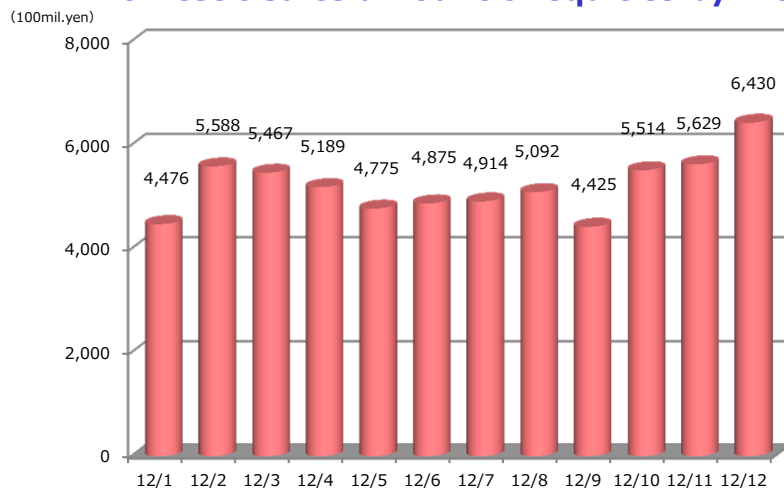
(Note) Short-term subordinated debt consists of subordinated borrowing.

- The capital adequacy requirement ratio at the end of December 2012 rose 4.0 percentage points from the end of the previous fiscal year (March 31, 2012) to 359.6%.
- Although the market risk equivalent increased, the Company's capital adequacy requirement ratio rose owing to increases in Tier 1 assets earned by the periodic income.

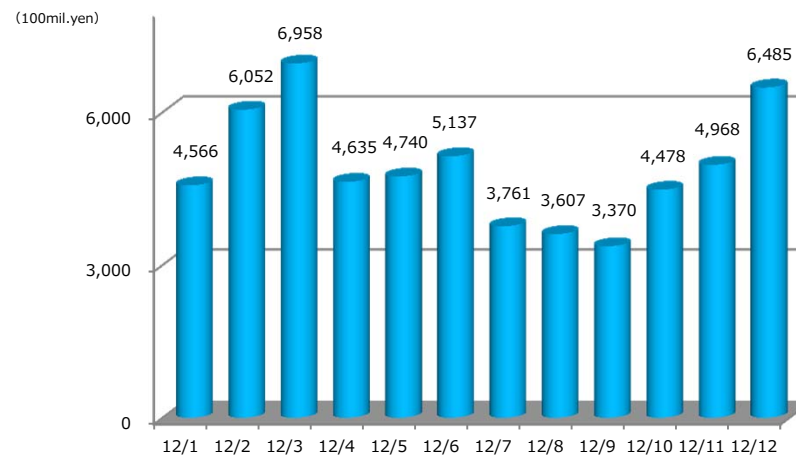


# (Reference Data) Okasan Online Securities Data

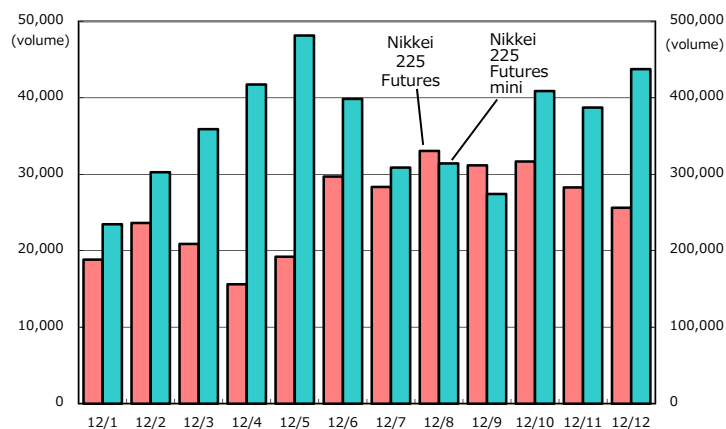
■ Domestic sales amount of equities by month



■ "Click 365" contract amount



■ Nikkei 225 Futures & Nikkei 225 Futures mini



- The trading value of domestic shares rose 2.5% YoY to 4,684.2 billion yen (cumulative, April 1 to December 31, 2012), largely due to a sharp increase at the end of the calendar year.
- Market contraction led to a sharp drop in the trading volume of "Click 365," but trading volume is currently recovering with support from aggressive sales campaigns and the improving trading environment.



# MEMO

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**Contact** : Okasan Securities Group Inc.  
Investor & Public Relations Dept.  
**Address** : 〒103-0022  
2-2-1 Nihonbashi Muromachi, Chuo-ku, Tokyo

**TEL** : 03-3275-8248 (Direct to PR Dept.)  
**URL** : <http://www.okasan.jp/>