



*Ending March 31, 2014*

*Results Briefing*



April 25, 2014  
Okasan Securities Group Inc.

The objective of the document is to provide information on the results of the fiscal year ending March 31, 2014 and not to offer investments in securities issued by Okasan Securities Group Inc.  
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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
<b>FY14.3</b>	<b>101,386 ( 28.9%)</b>	<b>99,988 ( 29.6%)</b>	<b>32,729 ( 80.7%)</b>	<b>34,403 ( 82.7%)</b>
<b>FY13.3</b>	<b>78,663 ( 28.8%)</b>	<b>77,136 ( 29.7%)</b>	<b>18,116 (474.8%)</b>	<b>18,829 ( 384.0%)</b>

	Net Income	Net income per share	R O E	Comprehensive income
	million yen	yen		million yen
<b>FY14.3</b>	<b>17,278 ( 20.8%)</b>	<b>87.24</b>	<b>14.3%</b>	<b>22,945 ( -1.4%)</b>
<b>FY13.3</b>	<b>14,308 ( 14.5times)</b>	<b>72.22</b>	<b>14.0%</b>	<b>23,279 ( 13.1times)</b>

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen		
<b>FY14.3</b>	<b>613,134</b>	<b>152,839</b>	<b>21.0%</b>	<b>650.24</b>
<b>FY13.3</b>	<b>723,383</b>	<b>133,572</b>	<b>15.5%</b>	<b>566.19</b>



## Financial highlights of fiscal year ending March 2014

### <Overview>

- Operating revenues increased by 28.9% year on year (YoY) to 101,386 million yen, thanks to strong profits in the first quarter and robust earnings from Japanese equities, investment trusts and foreign equities throughout the year.
- Ordinary income grew 82.7% YoY, to 34,403 million yen, while net profit increased 20.8% to 17,278 million yen.

### <Fees and Commissions>

- Brokerage commissions rose 85.8% YoY, with equity brokerage commissions growing robustly thanks to strong activity on the Japanese equity market.
- Underwriting fees rose 26.3% YoY, thanks to growth in the number of public offerings, including initial public offerings, handled by the company.
- Distribution commissions rose 17.7% YoY. Sales of investment funds grew, thanks the strength of the equity market and the depreciation of the yen.
- Other commissions increased by 28.4% YoY, due to an increase in the market value of investment trusts.

### <Net Trading Income>

- Trading income from equities rose 24.2% YoY. Foreign equity transactions (mainly US equities) reached an all-time high, while propriety trading in Japanese equities also contributed.
- Trading income from bonds decreased 11.7% YoY, mainly in reaction to the strength of trading income from foreign bonds in the previous fiscal year.

### <SG&A expenses>

- Selling, general and administrative expenses rose 14.0% YoY, due to increase in transaction expenses in the securities business as well as growth in salary and bonus payments to employees.



# Operating Revenues

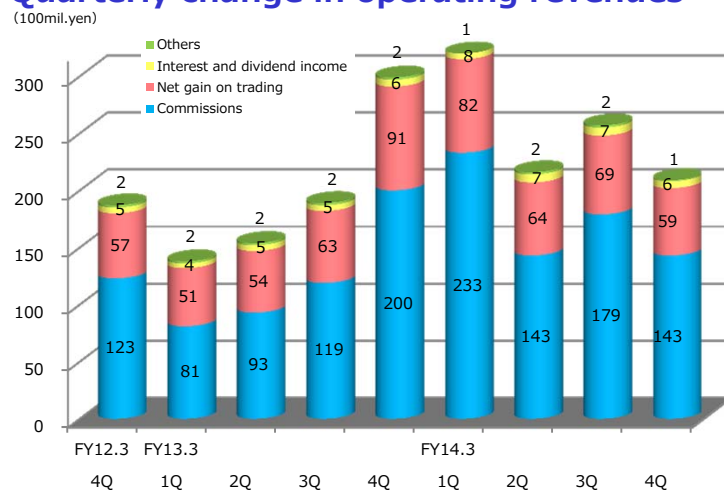
(In millions of yen)

	FY13.3 TOTAL	FY14.3 TOTAL	vs.FY13.3 TOTAL
<b>Operating revenues</b>	78,663	<b>101,386</b>	<b>28.9%</b>
<b>Commissions</b>	49,455	<b>69,990</b>	<b>41.5%</b>
Brokerage	15,343	<b>28,511</b>	<b>85.8%</b>
Underwriting	415	<b>524</b>	<b>26.3%</b>
Distribution	21,606	<b>25,431</b>	<b>17.7%</b>
Others	12,090	<b>15,522</b>	<b>28.4%</b>
<b>Net gain on trading</b>	26,054	<b>27,662</b>	<b>6.2%</b>
Equities	12,264	<b>15,235</b>	<b>24.2%</b>
Bonds	14,384	<b>12,704</b>	<b>-11.7%</b>
Others	-593	<b>-277</b>	-
<b>Interest and dividend income</b>	2,216	<b>2,947</b>	<b>33.0%</b>
<b>Others</b>	936	<b>785</b>	<b>-16.2%</b>

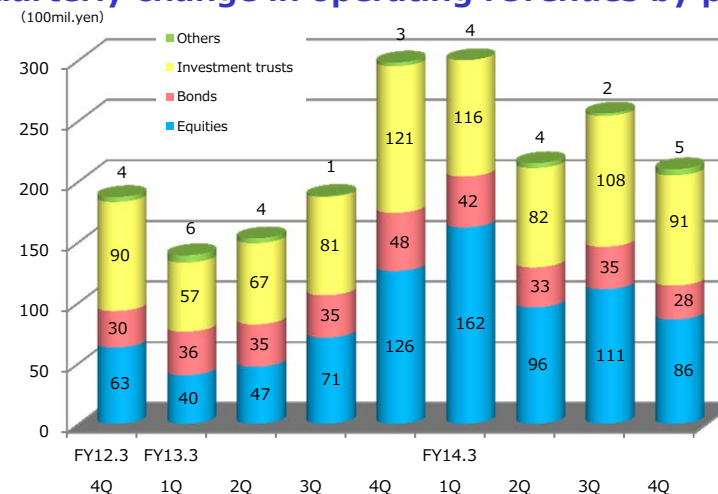
(In millions of yen)

	FY13.3				FY14.3				vs.FY14.3 3Q
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q
<b>Operating revenues</b>	14,046	15,600	18,999	30,017	32,597	21,760	25,844	<b>21,184</b>	<b>-18.0%</b>
<b>Commissions</b>	8,122	9,355	11,916	20,060	23,306	14,391	17,934	<b>14,357</b>	<b>-19.9%</b>
Brokerage	2,186	2,189	3,480	7,486	11,381	5,899	6,595	<b>4,635</b>	<b>-29.7%</b>
Underwriting	26	213	71	103	147	57	145	<b>174</b>	<b>20.0%</b>
Distribution	3,198	4,031	5,406	8,969	7,981	4,723	7,185	<b>5,541</b>	<b>-22.9%</b>
Others	2,710	2,920	2,957	3,501	3,796	3,711	4,008	<b>4,006</b>	<b>-0.0%</b>
<b>Net gain on trading</b>	5,193	5,445	6,313	9,102	8,238	6,444	6,996	<b>5,983</b>	<b>-14.5%</b>
Equities	1,725	2,178	3,484	4,874	4,402	3,361	4,058	<b>3,413</b>	<b>-15.9%</b>
Bonds	3,352	3,299	3,175	4,556	3,923	3,092	3,185	<b>2,503</b>	<b>-21.4%</b>
Others	114	-33	-346	-328	-87	-9	-247	<b>66</b>	-
<b>Interest and dividend income</b>	476	545	545	648	863	706	709	<b>668</b>	<b>-5.8%</b>
<b>Others</b>	254	253	223	205	189	217	203	<b>174</b>	<b>-14.3%</b>

## Quarterly change in operating revenues



## Quarterly change in operating revenues by product





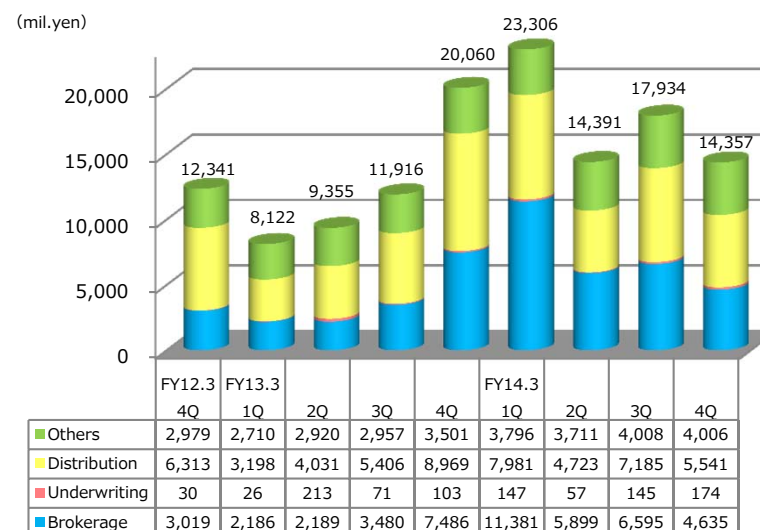
## Fees and Commissions Received

### ■ Fees and commissions received

(In millions of yen)

Items	FY13.3 TOTAL	FY14.3 TOTAL	vs.FY13.3 TOTAL
Brokerage	15,343	<b>28,511</b>	<b>85.8%</b>
Equities	14,626	<b>27,876</b>	<b>90.6%</b>
Bonds	20	<b>15</b>	<b>-23.5%</b>
Others	696	<b>619</b>	<b>-11.0%</b>
Underwriting	415	<b>524</b>	<b>26.3%</b>
Equities	325	<b>382</b>	<b>17.5%</b>
Bonds	89	<b>141</b>	<b>58.3%</b>
Distribution	21,606	<b>25,431</b>	<b>17.7%</b>
Beneficiary Certificates	21,513	<b>25,314</b>	<b>17.7%</b>
Others	12,090	<b>15,522</b>	<b>28.4%</b>
Beneficiary Certificates	11,136	<b>14,320</b>	<b>28.6%</b>
<b>Total</b>	<b>49,455</b>	<b>69,990</b>	<b>41.5%</b>

### ■ Fees and commissions received (quarterly)

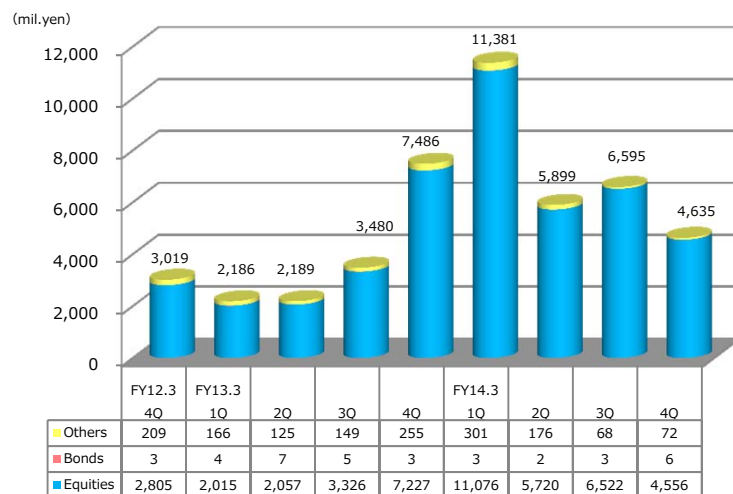


- Brokerage commissions increased 85.8% YoY, with equity brokerage commissions 90.6% higher thanks to the upturn in the stock market.
- Underwriting fees rose 26.3% YoY, thanks to growth in the number of both public offerings and initial public offerings. The company also acted as lead manager for issues of government guaranteed bonds, municipal bonds and industrial bonds, as well as actively underwriting fiscal investments and loans program (FILP) bonds.
- Distribution commissions increased 17.7% YoY, as sales of investment trusts grew thanks to the strength of the equity market and yen depreciation.
- Other commissions came almost entirely from custodian fees accrued on the balance of investment trusts, and increased 28.4% YoY, due to a rise both in sales and the market value of investment trusts.

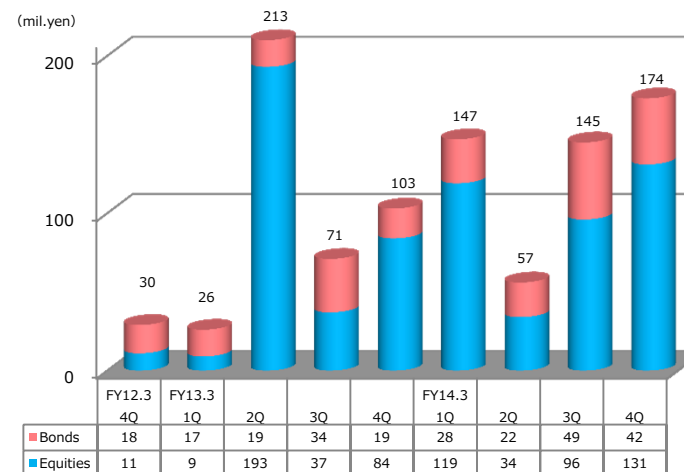


# Fees and Commissions Received by Category

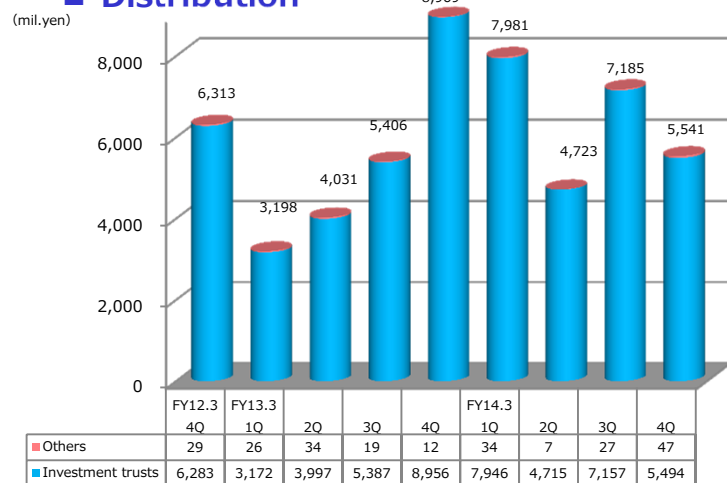
## ■ Brokerage



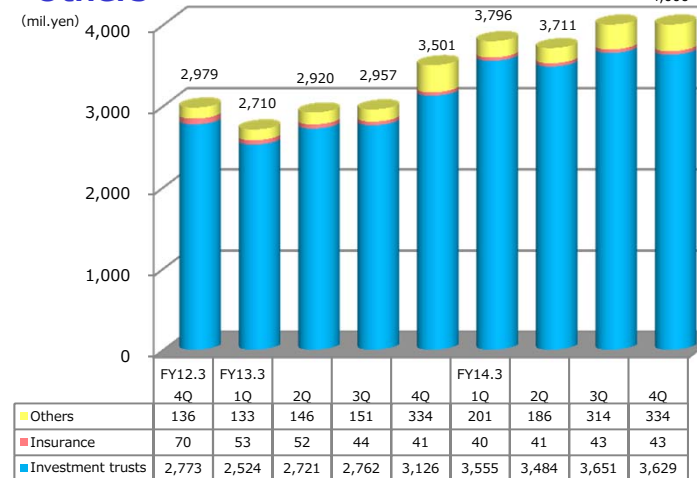
## ■ Underwriting



## ■ Distribution



## ■ Others





## Net Trading Income

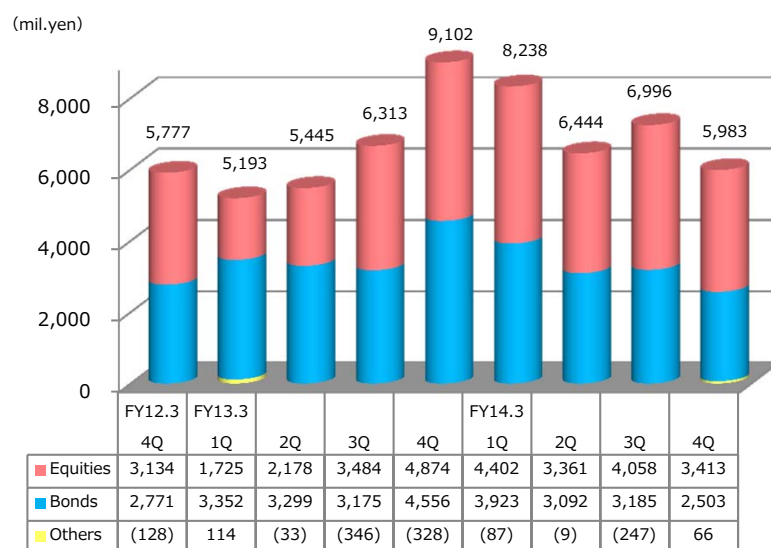
(In millions of yen)

	FY13.3	FY14.3	vs.FY13.3
	TOTAL	TOTAL	TOTAL
<b>Equities</b>	12,264	<b>15,235</b>	<b>24.2%</b>
Domestic equities	1,853	<b>2,919</b>	<b>57.5%</b>
Foreign equities	10,411	<b>12,315</b>	<b>18.3%</b>
<b>Bonds and others</b>	14,384	<b>12,704</b>	<b>-11.7%</b>
Domestic bonds	1,660	<b>916</b>	<b>-44.8%</b>
Foreign bonds	12,724	<b>11,788</b>	<b>-7.4%</b>
<b>Others</b>	-593	<b>-277</b>	-
<b>Net gain on trading</b>	26,054	<b>27,662</b>	<b>6.2%</b>

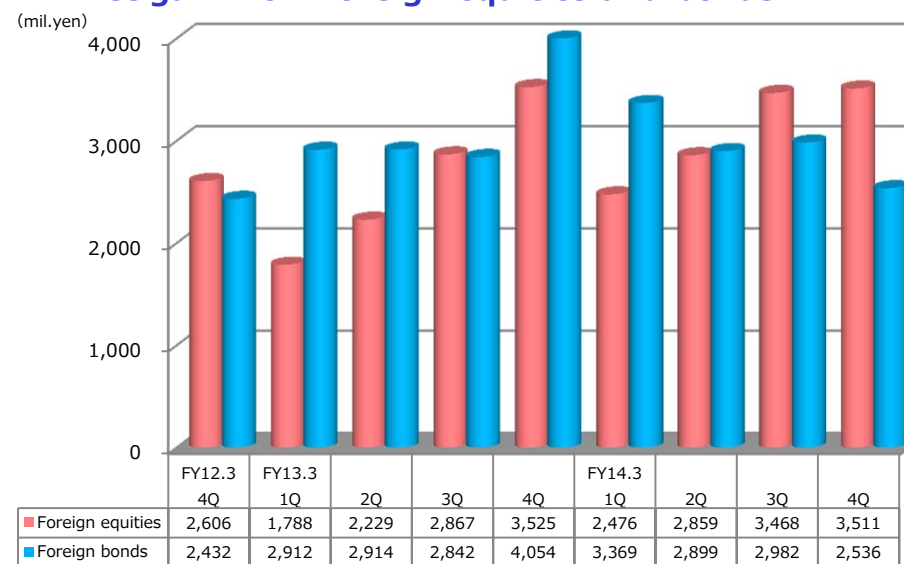
(In millions of yen)

	FY13.3				FY14.3				vs.FY14.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q
<b>Equities</b>	1,725	2,178	3,484	4,874	4,402	3,361	4,058	<b>3,413</b>	<b>-15.9%</b>
Domestic equities	-62	-51	617	1,349	1,925	502	590	<b>-98</b>	-
Foreign equities	1,788	2,229	2,867	3,525	2,476	2,859	3,468	<b>3,511</b>	<b>1.2%</b>
<b>Bonds and others</b>	3,352	3,299	3,175	4,556	3,923	3,092	3,185	<b>2,503</b>	<b>-21.4%</b>
Domestic bonds	440	385	332	501	553	192	203	<b>-33</b>	-
Foreign bonds	2,912	2,914	2,842	4,054	3,369	2,899	2,982	<b>2,536</b>	<b>-15.0%</b>
<b>Others</b>	114	-33	-346	-328	-87	-9	-247	<b>66</b>	-
<b>Net gain on trading</b>	5,193	5,445	6,313	9,102	8,238	6,444	6,996	<b>5,983</b>	<b>-14.5%</b>

### Net gain by Products



### Net gain from foreign equities and bonds







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

(In millions of yen)

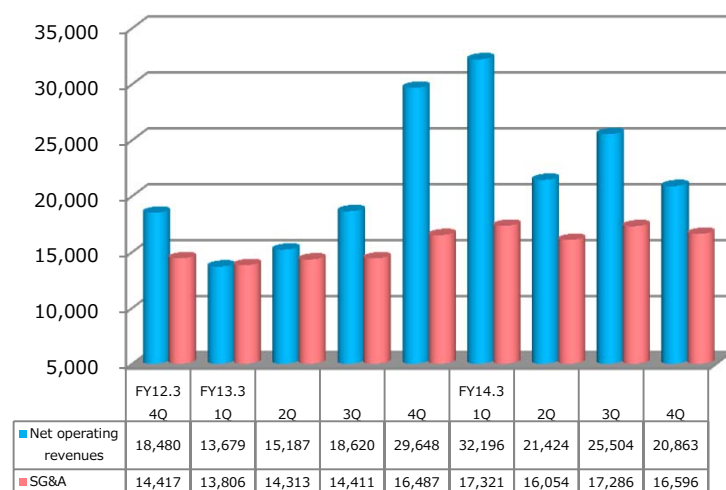
	FY13.3	FY14.3	vs.FY13.3
	TOTAL	TOTAL	TOTAL
Trading related expenses	10,967	<b>13,326</b>	<b>21.5%</b>
Personnel expenses	30,041	<b>34,840</b>	<b>16.0%</b>
Real estate expenses	5,800	<b>6,153</b>	<b>6.1%</b>
Office expenses	5,147	<b>4,950</b>	<b>-3.8%</b>
Depreciation expenses	3,964	<b>4,043</b>	<b>2.0%</b>
Taxes and dues	619	<b>726</b>	<b>17.3%</b>
Others	2,478	<b>3,216</b>	<b>29.8%</b>
<b>SG&amp;A</b>	<b>59,019</b>	<b>67,258</b>	<b>14.0%</b>

(In millions of yen)

	FY13.3				FY14.3				vs.FY14.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q
Trading related expenses	2,470	2,656	2,651	3,188	3,635	3,231	3,344	<b>3,115</b>	<b>-6.8%</b>
Personnel expenses	6,828	7,098	7,374	8,740	9,069	8,242	8,864	<b>8,663</b>	<b>-2.3%</b>
Real estate expenses	1,467	1,447	1,420	1,464	1,401	1,565	1,643	<b>1,543</b>	<b>-6.1%</b>
Office expenses	1,340	1,407	1,199	1,200	1,240	1,146	1,448	<b>1,115</b>	<b>-23.0%</b>
Depreciation expenses	971	974	985	1,031	1,020	1,019	951	<b>1,052</b>	<b>10.6%</b>
Taxes and dues	128	143	150	197	216	175	182	<b>151</b>	<b>-17.0%</b>
Others	599	584	629	664	736	672	851	<b>955</b>	<b>12.2%</b>
<b>SG&amp;A</b>	<b>13,806</b>	<b>14,313</b>	<b>14,411</b>	<b>16,487</b>	<b>17,321</b>	<b>16,054</b>	<b>17,286</b>	<b>16,596</b>	<b>-4.0%</b>

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

(mil.yen)



- Trading-related expenses were up 21.5% YoY, due to an increase in variable expenses. They include fees paid to exchanges and commissions due to growth in trading volumes, as well as advertising expenses.
- Personnel expenses increased 16.0% YoY, due to growth in salaries and performance-related bonuses linked to business recovery.
- Real estate-related costs rose 6.1% due to moves of offices and retail outlets.
- Office expenses dropped 3.8% YoY. System costs decreased as the backbone system "ODIN" became fully operational.
- Other expenses increased by 29.8% YoY, due to an increase in research expenses relating to the asset management business.



## Balance Sheet Summary (1)

	(In millions of yen)			(In millions of yen)									
	FY13.3	FY14.3	vs.FY13.3	FY13.3				FY14.3				vs.FY14.3	
				1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	
<b>Current assets</b>	662,021	<b>543,326</b>	<b>-118,695</b>	660,958	528,214	590,718	662,021	635,060	650,515	540,453	<b>543,326</b>	<b>2,873</b>	
Cash and deposits	44,508	<b>49,466</b>	<b>4,958</b>	41,617	38,061	40,054	44,508	44,734	46,777	48,603	<b>49,466</b>	<b>863</b>	
Cash segregated as deposits	65,341	<b>56,743</b>	<b>-8,597</b>	39,550	42,585	50,136	65,341	71,990	71,802	66,283	<b>56,743</b>	<b>-9,540</b>	
Trading products	277,859	<b>213,986</b>	<b>-63,872</b>	302,851	226,537	229,121	277,859	259,988	249,587	176,196	<b>213,986</b>	<b>37,790</b>	
Receivables on margin transactions	55,334	<b>61,603</b>	<b>6,269</b>	36,983	38,459	36,038	55,334	65,939	65,133	70,378	<b>61,603</b>	<b>-8,775</b>	
Receivables on collateralized securities transactions	185,256	<b>150,379</b>	<b>-34,877</b>	227,979	170,584	199,749	185,256	180,562	184,562	148,323	<b>150,379</b>	<b>2,056</b>	
Other current assets	33,721	<b>11,145</b>	<b>-22,576</b>	11,975	11,986	35,617	33,721	11,845	32,652	30,668	<b>11,145</b>	<b>-19,523</b>	
<b>Fixed assets</b>	61,361	<b>69,808</b>	<b>8,446</b>	49,861	50,543	51,810	61,361	64,297	67,158	73,821	<b>69,808</b>	<b>-4,013</b>	
Tangible fixed assets	16,497	<b>19,077</b>	<b>2,579</b>	16,430	16,476	16,463	16,497	17,162	17,584	18,866	<b>19,077</b>	<b>211</b>	
Intangible fixed assets	7,705	<b>8,305</b>	<b>600</b>	8,215	7,966	7,782	7,705	8,085	8,797	8,611	<b>8,305</b>	<b>-306</b>	
Investments and other assets	37,159	<b>42,426</b>	<b>5,266</b>	25,215	26,099	27,564	37,159	39,049	40,777	46,343	<b>42,426</b>	<b>-3,917</b>	
<b>Total assets</b>	723,383	<b>613,134</b>	<b>-110,249</b>	710,819	578,758	642,528	723,383	699,358	717,674	614,274	<b>613,134</b>	<b>-1,140</b>	

- Current assets decreased by 118.6 billion yen from the end of the previous fiscal year due to a decrease in trading products. Fixed assets increased by 844.6 billion yen from the end of the previous fiscal year owing to growth in investment securities.
- Current liabilities declined 129.8 billion yen YoY, because of decrease in collateralized securities borrowings. Fixed liabilities declined 300 million yen YoY. Special statutory reserves rose by 600 million yen YoY, and total liabilities fell 129.5 billion yen.
- Net assets increased by 19.2 billion yen from the end of the previous fiscal year due to an increase in retained earnings from the end of the previous fiscal year.



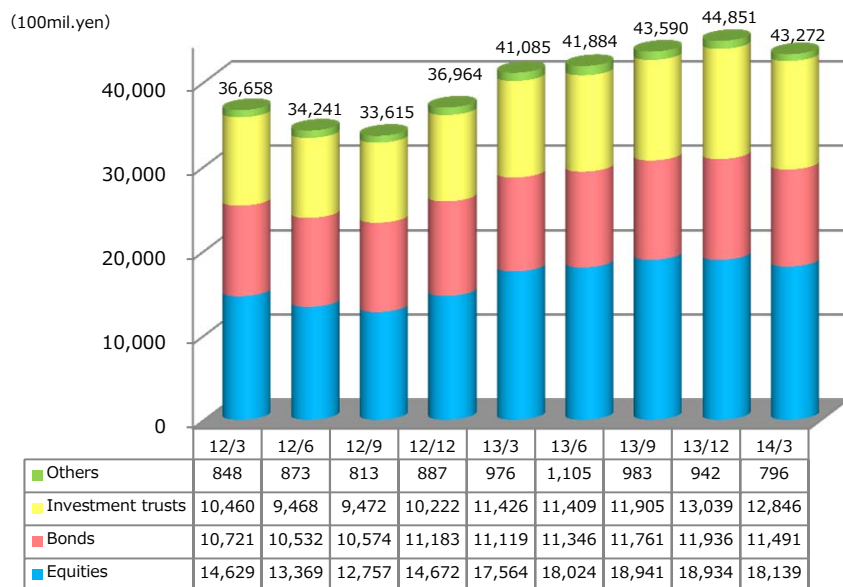
## Balance Sheet Summary (2)

	(In millions of yen)			(In millions of yen)									
	FY13.3	FY14.3	vs.FY13.3	FY13.3				FY14.3				vs.FY14.3	
				1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	
<b>Current liabilities</b>	561,330	<b>431,466</b>	<b>-129,864</b>	575,043	443,719	502,807	561,330	529,755	543,350	428,983	<b>431,466</b>	<b>2,483</b>	
Trading liabilities	159,573	<b>144,687</b>	<b>-14,885</b>	200,444	156,680	176,187	159,573	168,407	182,827	126,342	<b>144,687</b>	<b>18,345</b>	
Payables on margin transactions	19,338	<b>14,954</b>	<b>-4,384</b>	14,065	16,764	17,724	19,338	17,434	20,143	17,865	<b>14,954</b>	<b>-2,911</b>	
Payables on collateralized securities transactions	131,650	<b>24,262</b>	<b>-107,388</b>	164,650	80,557	101,471	131,650	51,968	62,822	24,658	<b>24,262</b>	<b>-396</b>	
Deposits received	29,987	<b>29,186</b>	<b>-800</b>	18,969	19,674	24,785	29,987	42,761	42,451	50,545	<b>29,186</b>	<b>-21,359</b>	
Guarantee deposits received	33,348	<b>35,804</b>	<b>2,456</b>	25,166	23,495	29,387	33,348	43,643	41,349	42,029	<b>35,804</b>	<b>-6,225</b>	
Short-term borrowings	176,024	<b>158,878</b>	<b>-17,146</b>	130,162	141,361	147,580	176,024	148,754	178,615	153,507	<b>158,878</b>	<b>5,371</b>	
Other current liabilities	11,408	<b>23,692</b>	<b>12,283</b>	21,585	5,184	5,671	11,408	56,786	15,140	14,033	<b>23,692</b>	<b>9,659</b>	
<b>Fixed liabilities</b>	26,804	<b>26,502</b>	<b>-302</b>	25,443	24,282	23,952	26,804	27,859	28,177	30,657	<b>26,502</b>	<b>-4,155</b>	
Long-term borrowings	11,575	<b>8,415</b>	<b>-3,160</b>	13,493	12,116	12,048	11,575	11,510	11,045	10,975	<b>8,415</b>	<b>-2,560</b>	
Reserves for retirement benefits	5,704	-	<b>-5,704</b>	5,349	5,450	5,575	5,704	5,690	5,685	5,689	-	<b>-5,689</b>	
Net defined benefit liability	-	<b>5,190</b>	<b>5,190</b>	-	-	-	-	-	-	-	<b>5,190</b>	<b>5,190</b>	
Other fixed liabilities	9,525	<b>12,896</b>	<b>3,371</b>	6,600	6,715	6,328	9,525	10,659	11,447	13,992	<b>12,896</b>	<b>-1,096</b>	
<b>Financial instruments transaction reserve</b>	1,676	<b>2,326</b>	<b>649</b>	1,414	1,446	1,489	1,676	1,677	1,715	2,223	<b>2,326</b>	<b>103</b>	
<b>Total liabilities</b>	589,811	<b>460,294</b>	<b>-129,516</b>	601,902	469,448	528,250	589,811	559,292	573,243	461,863	<b>460,294</b>	<b>-1,569</b>	
Common stock	18,589	<b>18,589</b>	-	18,589	18,589	18,589	18,589	18,589	18,589	18,589	<b>18,589</b>	-	
Capital surplus	12,912	<b>12,913</b>	<b>0</b>	12,912	12,912	12,912	12,912	12,912	12,913	12,913	<b>12,913</b>	<b>0</b>	
Retained earnings	77,845	<b>91,223</b>	<b>13,377</b>	61,140	61,698	66,255	77,845	82,308	85,182	88,825	<b>91,223</b>	<b>2,398</b>	
Treasury stock	-3,636	<b>-3,701</b>	<b>-64</b>	-3,614	-3,616	-3,622	-3,636	-3,662	-3,679	-3,694	<b>-3,701</b>	<b>-7</b>	
Accumulated other comprehensive income	6,452	<b>9,745</b>	<b>3,293</b>	897	637	723	6,452	7,560	8,401	11,402	<b>9,745</b>	<b>-1,657</b>	
Minority interests	21,408	<b>24,069</b>	<b>2,660</b>	18,992	19,088	19,418	21,408	22,356	23,023	24,374	<b>24,069</b>	<b>-305</b>	
<b>Total net assets</b>	133,572	<b>152,839</b>	<b>19,267</b>	108,917	109,309	114,278	133,572	140,065	144,430	152,411	<b>152,839</b>	<b>428</b>	
<b>Total liabilities&amp;net assets</b>	723,383	<b>613,134</b>	<b>-110,249</b>	710,819	578,758	642,528	723,383	699,358	717,674	614,274	<b>613,134</b>	<b>-1,140</b>	

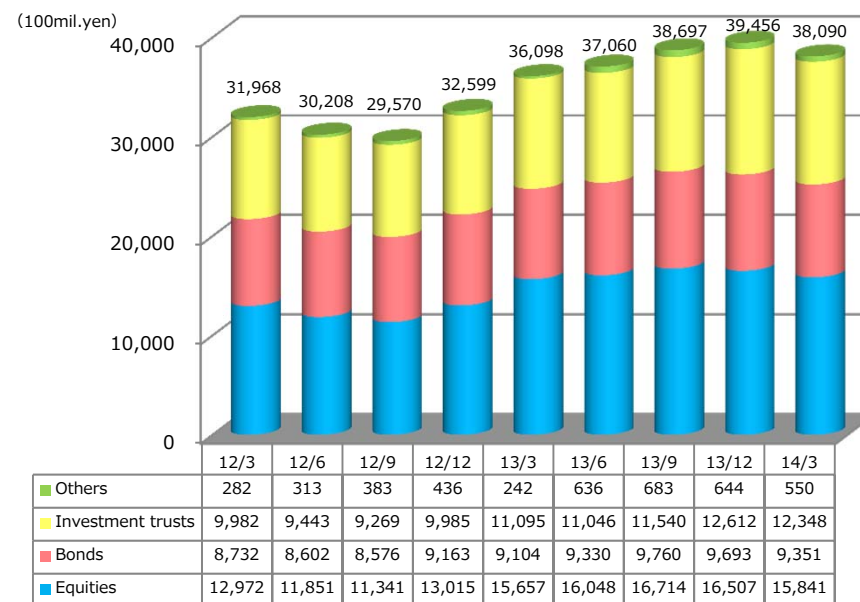


## Assets under custody (Consolidated)

### ■ Assets under Custody



### ■ Retail Assets under Custody



- On a consolidated basis, customers' assets under custody increased by 218.7 billion yen from the end of the previous fiscal year to 4,327.2 billion yen. Increase in stock prices and yen depreciation boosted the market value of assets under custody, while growth in the balance of investment trusts also contributed.
- Retail customers' assets under custody increased by 199.2 billion yen from the end of the previous fiscal year to 3,809 billion yen.



## *2. Reference Data*



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

(In millions of yen)

Items	FY13.3	FY14.3	vs.FY13.3
	TOTAL	TOTAL	TOTAL
<b>Operating revenues</b>	<b>63,079</b>	<b>80,239</b>	<b>27.2%</b>
Commissions	37,541	53,192	41.7%
Brokerage	11,523	22,752	97.4%
Underwriting	414	517	25.0%
Distribution	20,329	23,748	16.8%
Others	5,274	6,173	17.1%
Net gain on trading	23,864	24,943	4.5%
Equities	11,200	13,340	19.1%
Bonds	13,258	11,880	-10.4%
Others	-594	-277	-
Interest and dividend income	1,672	2,103	25.8%
Financial expenses	1,395	1,370	-1.8%
Net operating revenues	61,683	78,869	27.9%
<b>SG&amp;A</b>	<b>47,434</b>	<b>51,507</b>	<b>8.6%</b>
Trading related expenses	9,118	9,472	3.9%
Personnel expenses	22,829	26,277	15.1%
Real estate expenses	5,774	5,928	2.7%
Administrative expenses	8,028	7,956	-0.9%
Depreciation expenses	493	470	-4.6%
Taxes and dues	362	435	19.9%
Others	826	966	16.8%
Operating income	14,249	27,362	92.0%
Non-operating income	373	393	5.3%
Non-operating expenses	19	16	-14.3%
<b>Ordinary income</b>	<b>14,603</b>	<b>27,738</b>	<b>90.0%</b>
Extraordinary gain	60	-	-
Extraordinary loss	133	564	323.0%
Net profit, before taxes	14,529	27,174	87.0%
Income taxes	6,704	10,392	55.0%
Adjustment amount for income taxes	-867	83	-
<b>Net profit</b>	<b>8,693</b>	<b>16,698</b>	<b>92.1%</b>

(In millions of yen)

Items	FY13.3				FY14.3				vs.FY13.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q
<b>Operating revenues</b>	<b>11,060</b>	<b>12,404</b>	<b>15,321</b>	<b>24,292</b>	<b>26,004</b>	<b>17,039</b>	<b>20,689</b>	<b>16,506</b>	<b>-20.2%</b>
Commissions	5,806	6,882	9,063	15,789	18,533	10,638	13,714	10,307	-24.8%
Brokerage	1,464	1,556	2,605	5,897	9,333	4,697	5,244	3,477	-33.7%
Underwriting	26	213	71	102	147	57	145	167	15.2%
Distribution	3,015	3,853	5,103	8,356	7,504	4,364	6,770	5,109	-24.5%
Others	1,300	1,259	1,282	1,431	1,547	1,519	1,554	1,551	-0.2%
Net gain on trading	4,884	5,113	5,838	8,028	6,856	5,903	6,466	5,717	-11.6%
Equities	1,645	2,098	3,249	4,206	3,246	3,062	3,738	3,292	-11.9%
Bonds	3,123	3,048	2,935	4,150	3,697	2,850	2,975	2,357	-20.8%
Others	114	-33	-346	-328	-87	-9	-247	66	-
Interest and dividend income	369	408	419	474	614	497	508	482	-5.1%
Financial expenses	333	366	338	356	400	325	334	310	-7.2%
Net operating revenues	10,726	12,038	14,983	23,935	25,604	16,713	20,354	16,196	-20.4%
<b>SG&amp;A</b>	<b>11,165</b>	<b>11,431</b>	<b>11,690</b>	<b>13,146</b>	<b>13,243</b>	<b>12,376</b>	<b>13,193</b>	<b>12,693</b>	<b>-3.8%</b>
Trading related expenses	2,032	2,096	2,227	2,761	2,669	2,205	2,472	2,124	-14.1%
Personnel expenses	5,250	5,395	5,659	6,524	6,656	6,301	6,781	6,538	-3.6%
Real estate expenses	1,454	1,464	1,432	1,421	1,430	1,509	1,529	1,459	-4.6%
Administrative expenses	2,028	2,088	1,953	1,958	2,035	1,938	1,980	2,002	1.1%
Depreciation expenses	122	122	124	123	109	102	116	142	22.4%
Taxes and dues	63	76	87	134	129	98	109	96	-11.9%
Others	212	185	204	223	212	220	203	329	62.1%
Operating income	-439	606	3,293	10,788	12,360	4,337	7,161	3,503	-51.1%
Non-operating income	132	75	85	80	105	80	111	96	-13.5%
Non-operating expenses	1	3	0	13	1	1	7	6	-14.3%
<b>Ordinary income</b>	<b>-308</b>	<b>678</b>	<b>3,377</b>	<b>10,855</b>	<b>12,464</b>	<b>4,416</b>	<b>7,265</b>	<b>3,592</b>	<b>-50.6%</b>
Extraordinary gain	0	-	60	-	8	-8	-	-	-
Extraordinary loss	4	1	0	127	6	156	296	104	-64.9%
Net profit, before taxes	-312	676	3,436	10,728	12,466	4,251	6,969	3,487	-50.0%
Income taxes	147	32	1,225	5,298	4,013	2,377	2,171	1,830	-15.7%
Adjustment amount for income taxes	-79	207	112	-1,108	779	-714	655	-637	-
<b>Net profit</b>	<b>-379</b>	<b>436</b>	<b>2,098</b>	<b>6,537</b>	<b>7,673</b>	<b>2,588</b>	<b>4,142</b>	<b>2,294</b>	<b>-44.6%</b>



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

<Volume of equity trading / Number of shares>

(In millions of shares)

Items	FY13.3					FY14.3					vs.FY13.3 TOTAL	vs.FY14.3 3Q
	1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL		
( Dealing )	633	486	535	669	2,324	592	383	426	416	1,818	-21.8%	-2.3%
( Brokerage )	4,455	4,660	6,282	11,266	26,665	13,182	7,821	7,764	4,326	33,094	24.1%	-44.3%
Total	5,088	5,147	6,817	11,936	28,989	13,774	8,204	8,191	4,742	34,912	20.4%	-42.1%
Brokerage ratio	87.6%	90.5%	92.2%	94.4%	92.0%	95.7%	95.3%	94.7%	91.2%	94.8%	+2.8p	-3.5p

<Volume of equity trading / Total value>

(In millions of yen)

Items	FY13.3					FY14.3					vs.FY13.3 TOTAL	vs.FY14.3 3Q
	1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL		
( Dealing )	341,851	351,809	384,451	512,059	1,590,171	525,064	386,038	513,007	441,679	1,865,789	17.3%	-13.9%
( Brokerage )	1,770,345	1,752,966	2,238,167	4,649,472	10,410,951	6,730,523	4,147,819	3,628,151	2,649,551	17,156,045	64.8%	-27.0%
Total	2,112,196	2,104,776	2,622,618	5,161,531	12,001,123	7,255,587	4,533,857	4,141,159	3,091,230	19,021,834	58.5%	-25.4%
Brokerage ratio	83.8%	83.3%	85.3%	90.0%	86.7%	92.8%	91.5%	87.6%	85.7%	90.2%	+3.5p	-1.9p

<Total share within TSE>

Items	FY13.3					FY14.3					vs.FY13.3 TOTAL	vs.FY14.3 3Q
	1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL		
Number of shares	1.73%	1.94%	2.07%	2.29%	2.06%	2.05%	2.11%	2.04%	1.26%	1.89%	-0.17p	-0.78p
Total value	1.13%	1.29%	1.26%	1.50%	1.33%	1.32%	1.35%	1.14%	0.85%	1.17%	-0.16p	-0.29p

<Brokerage Commissions Ratio>

(In millions of yen)

Items	FY13.3					FY14.3					vs.FY13.3 TOTAL	vs.FY14.3 3Q
	1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL		
Commissions	1,422	1,515	2,560	5,813	11,311	9,171	4,594	5,139	3,364	22,270	96.9%	-34.5%
Commissions Ratio	0.08%	0.08%	0.11%	0.13%	0.11%	0.14%	0.11%	0.14%	0.11%	0.13%	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		FY13.3					FY14.3					vs.FY13.3 TOTAL	vs.FY14.3 3Q
		1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL		
Equities	(Number of shares)	0	3	1	3	7	1	1	3	3	8	14.3%	0.0%
Equities	(Total value)	343	10,493	866	9,782	21,484	2,847	1,649	2,908	4,307	11,713	-45.5%	48.1%
Bonds	(Total at face value)	220,043	220,333	227,685	175,260	843,321	204,930	155,787	177,122	150,134	687,974	-18.4%	-15.2%
Domestic and foreign CP	(Total at face value)	-	-	-	-	-	-	-	-	-	-	-	-

## <Selling>

(In millions of shares, millions of yen)

Items		FY13.3					FY14.3					vs.FY13.3 TOTAL	vs.FY14.3 3Q
		1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL		
Equities	(Number of shares)	0	3	1	3	7	1	1	3	3	9	28.6%	0.0%
Equities	(Total value)	249	10,478	934	8,427	20,088	2,730	1,730	2,456	4,333	11,249	-44.0%	76.4%
Bonds	(Total at face value)	32,838	27,721	22,562	33,469	119,589	37,185	41,910	41,065	45,619	165,780	38.6%	11.1%

## <Offering>

(In millions of shares, millions of yen)

Items		FY13.3					FY14.3					vs.FY13.3 TOTAL	vs.FY14.3 3Q
		1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL		
Equities	(Number of shares)	0	-	0	-	0	0	0	-	-	0	-58.3%	-
Equities	(Total value)	0	-	0	-	0	0	0	-	-	0	-7.4%	-
Bonds	(Total at face value)	223,903	223,993	235,029	181,513	864,439	211,178	162,192	183,462	158,667	715,500	-17.2%	-13.5%
Beneficiary securities	(Total at face value)	393,369	415,054	484,205	696,963	1,989,591	723,400	475,045	702,023	502,176	2,402,645	20.8%	-28.5%
Domestic and foreign CP	(Total at face value)	-	-	-	-	-	-	-	-	-	-	-	-

## <Underwriting & Selling Fees Ratio>

(In millions of yen)

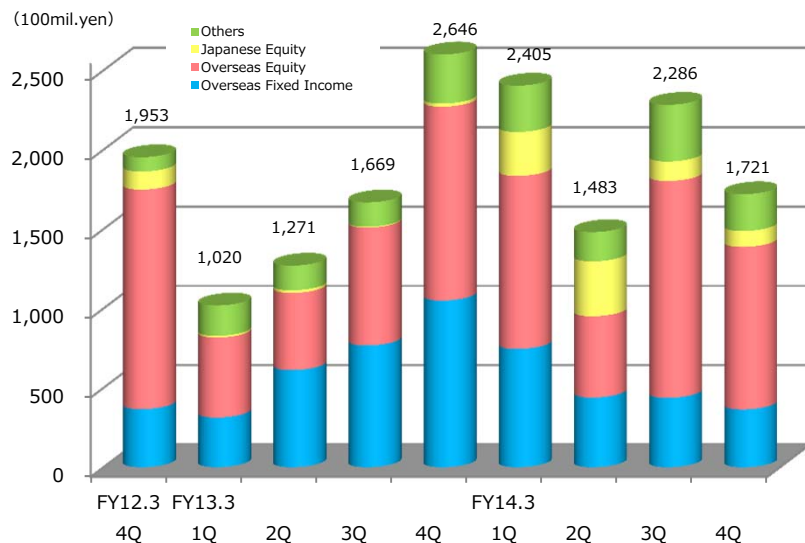
Items		FY13.3					FY14.3					vs.FY13.3 TOTAL	vs.FY14.3 3Q
		1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL		
Equities		9	194	37	84	325	119	35	96	125	376	15.7%	30.2%
	(Averaged Fees Ratio)	1.52%	0.93%	2.06%	0.46%	0.78%	2.13%	1.04%	1.79%	1.46%	1.64%	0.86p	-0.33p
Bonds		16	19	33	18	88	27	22	48	42	141	60.2%	-12.5%
	(Averaged Fees Ratio)	0.006%	0.008%	0.013%	0.005%	0.005%	0.011%	0.011%	0.022%	0.021%	0.017%	0.01p	-0.00p



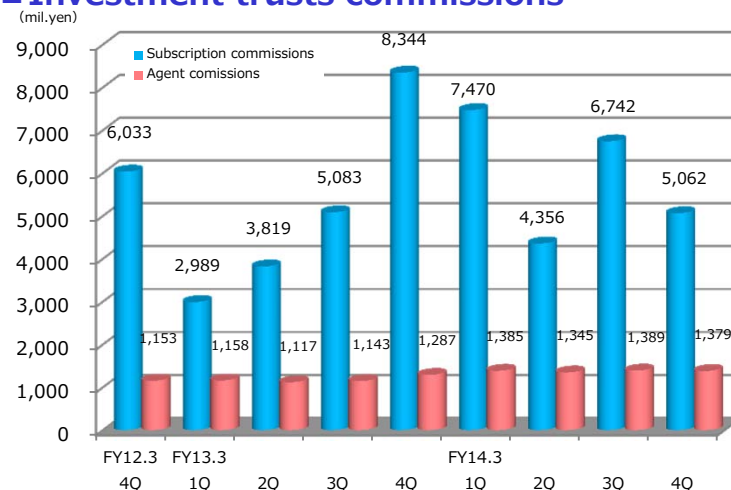


# Investment trusts ▪ Foreign bonds (non-consolidated: Okasan Securities)

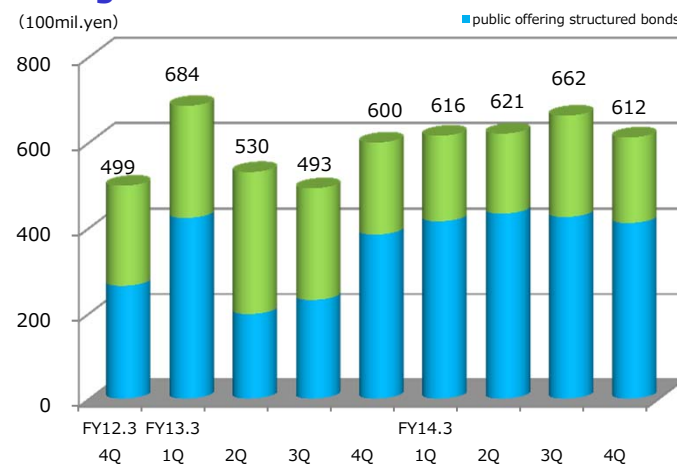
## ■ Investment trusts sales amount



## ■ Investment trusts commissions



## ■ Foreign bonds sales amount

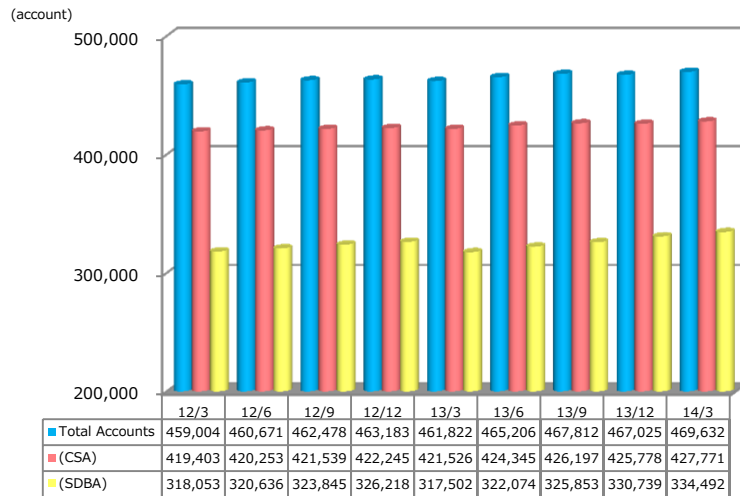


- Investment trust sales (cumulative over fiscal year) rose 19.5% YoY to 789.5 billion yen.
- Sales commissions (cumulative over fiscal year) rose 16.8% YoY to 23,632 million yen. As in the previous fiscal year, the biggest selling funds were foreign equity and foreign bond funds that make monthly distributions.
- Foreign bond sales (cumulative over fiscal year) rose 8.9% YoY to 251.3 billion yen. Sales of exchangeable bonds to retail investors were particularly strong.

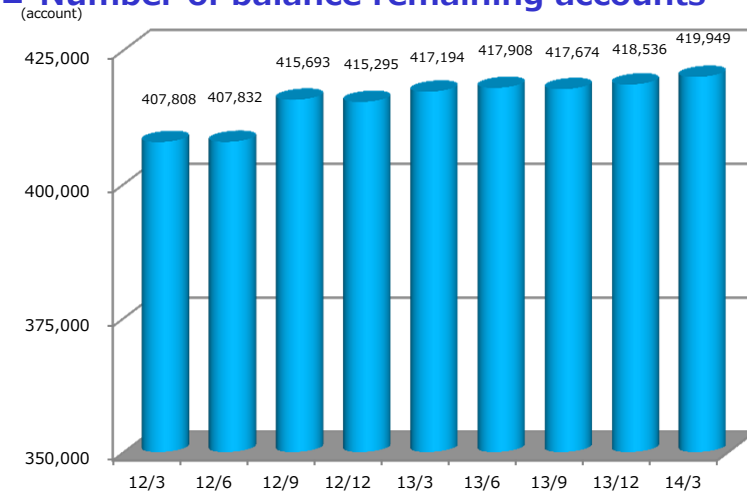


# Number of accounts (non-consolidated: Okasan Securities)

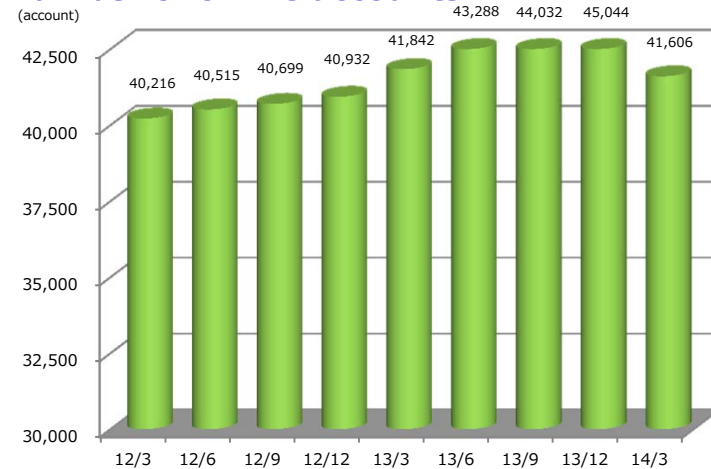
## Number of customer accounts



## Number of balance remaining accounts



## Number of online accounts

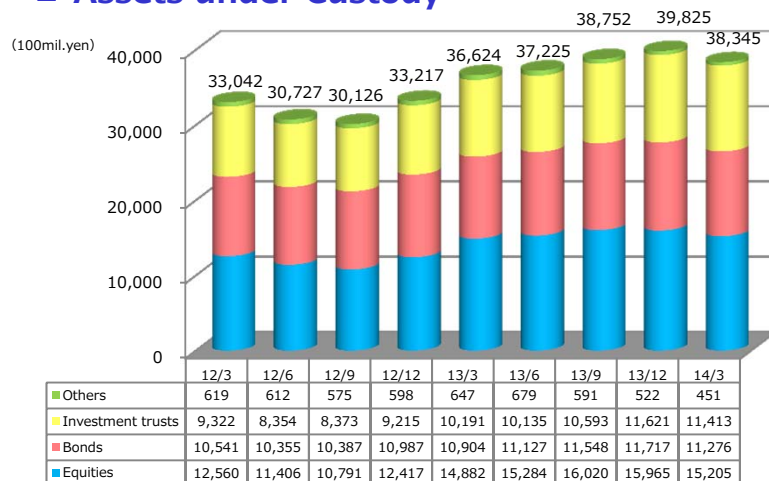


- The total number of customer accounts increased by 1.7% from the end of the previous fiscal year to 469,632.
- The number of accounts with remaining balances slightly increased from the end of the previous fiscal year to 419,949.
- The number of newly opened accounts rose 23% YoY to 21,144.

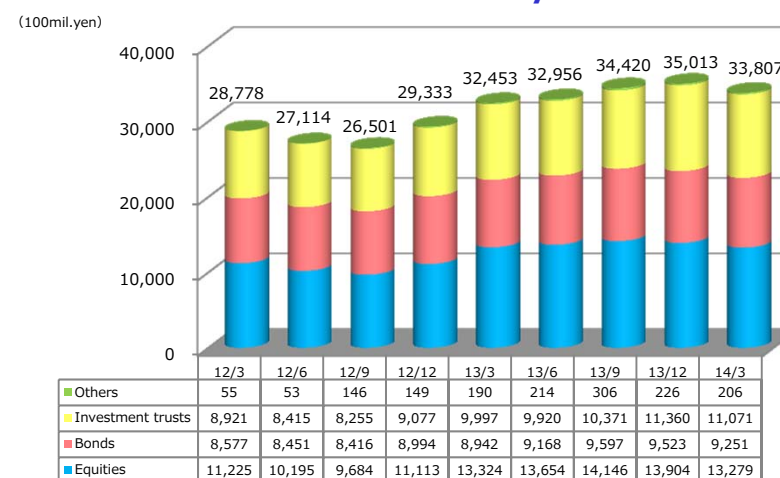


# Assets under custody , Net inflow of client assets (non-consolidated: Okasan Securities)

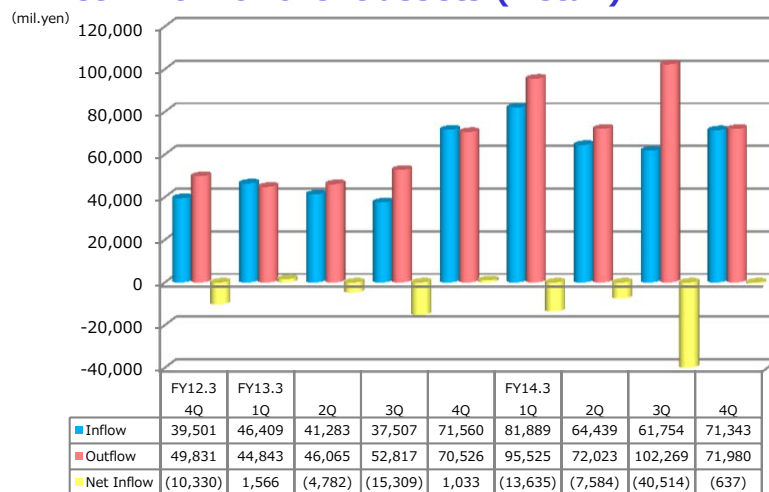
## ■ Assets under Custody



## ■ Retail Assets under Custody



## ■ Net inflow of client assets (Retail)



- Customers' assets under custody increased by 172.1 billion yen from the end of the previous fiscal year to 3,834.5 billion yen at Okasan Securities overall.
- Outflow of funds (sum of the outflow of cash and assets; individual customers only over the 4Q (January-March) was 6 billion yen.



# Capital Adequacy Requirement Ratio

## (non-consolidated: Okasan Securities)

(In millions of yen)

Items		FY13.3				FY14.3				vs.FY13.3 4Q	
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Basic items	(A)	50,964	51,400	53,508	57,047	64,725	67,313	71,456	68,750	11,703	
Complementary items	Appraisal gains (losses) etc.	-	-	-	-	0	-	10	2	-	
	Security transaction responsibility reserve	808	808	808	913	905	925	1,220	1,280	367	
	General provision for loan losses	2	2	12	14	17	16	17	16	2	
	Short-term subordinated debt	7,900	7,900	7,900	7,900	7,900	7,900	7,900	6,725	-1,175	
Total	(B)	8,711	8,711	8,721	8,827	8,823	8,842	9,149	8,025	-802	
Assets to be deducted	(C)	9,540	9,694	8,988	8,917	8,847	9,045	9,141	9,114	197	
Unfixed equity capital	(A) + (B) - (C)	(D)	50,135	50,416	53,241	56,958	64,701	67,110	71,464	67,661	10,703
Risk equivalents	Market risk equivalents	3,507	1,974	2,507	2,883	2,959	2,397	3,079	2,780	-103	
	Customer risk equivalents	800	798	958	1,407	1,425	1,535	1,649	1,436	29	
	Basic risk equivalents	11,232	11,265	11,336	11,542	11,964	12,310	12,415	12,919	1,377	
	Total	(E)	15,539	14,037	14,802	15,833	16,350	16,243	17,145	17,137	1,304
<b>Capital adequacy ratio</b>	<b>(D) / (E) × 100 (%)</b>	<b>322.6%</b>	<b>359.1%</b>	<b>359.6%</b>	<b>359.7%</b>	<b>395.7%</b>	<b>413.1%</b>	<b>416.8%</b>	<b>394.8%</b>	<b>+35.1p</b>	

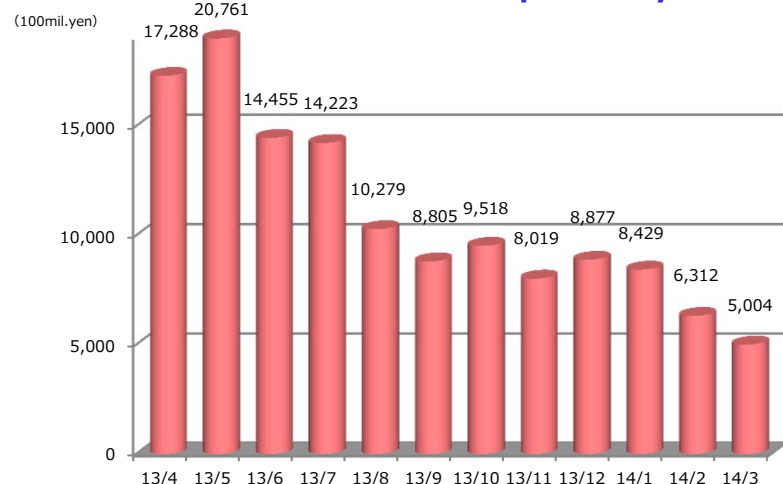
(Note) Short-term subordinated debt consists of subordinated borrowing.

- The capital adequacy ratio at the end of March, 2014 increased by 35.1 percentage points from the end of the previous fiscal year to 394.8%.
- Market risk equivalent increased, but growth in basic items due to periodic profit caused the capital adequacy ratio to rise.

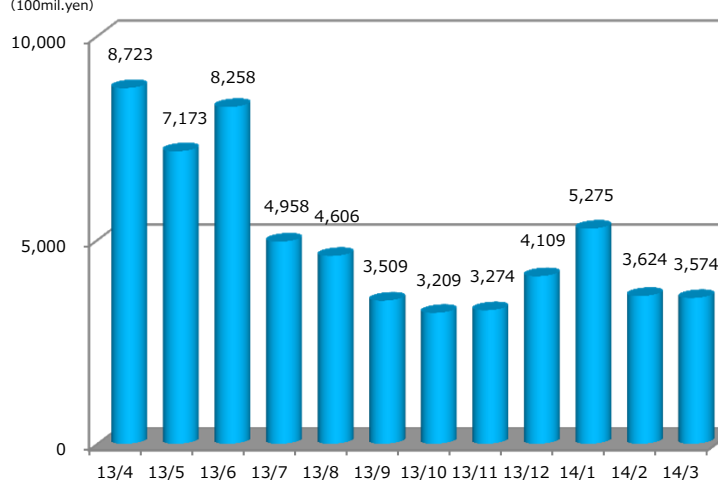


# (Reference Data) Okasan Online Securities Data

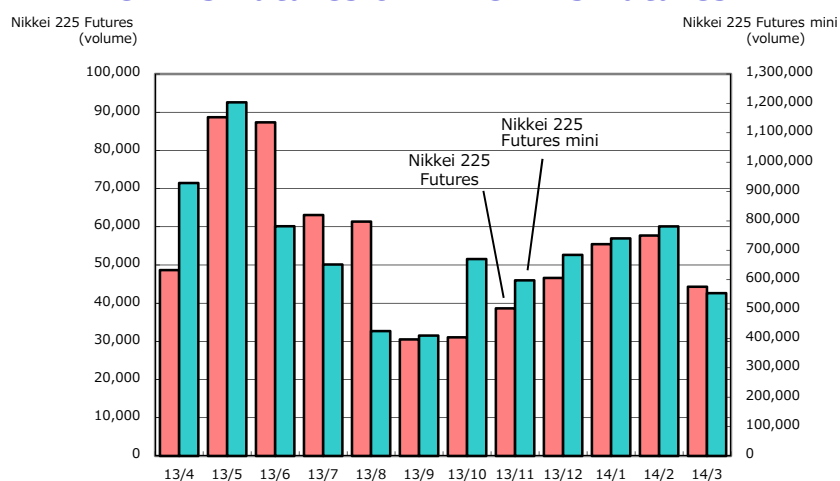
■ Domestic sales amount of equities by month



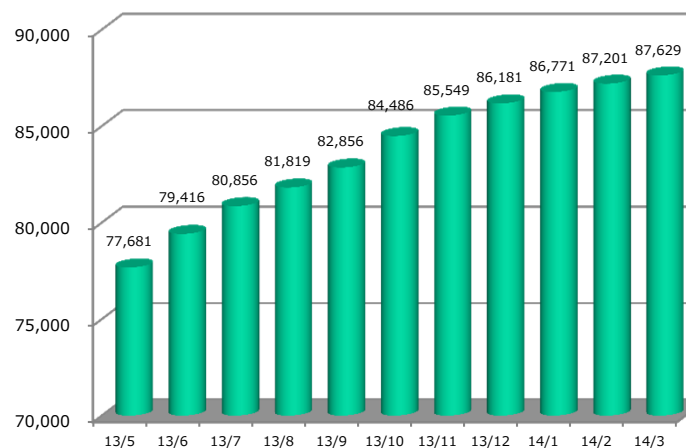
■ "Click 365" contract amount



■ Nikkei 225 Futures & Nikkei 225 Futures mini



■ Number of customer accounts





# MEMO

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**Contact** : *Okasan Securities Group Inc.*  
*Group Public & Investors 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/>