



*Ending March 31, 2015*

*Results Briefing*



April 24, 2015  
Okasan Securities Group Inc.

The objective of the document is to provide information on the results of the fiscal year ending March 31, 2015 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

	<b>Operating revenues</b>	<b>Net operating revenues</b>	<b>Operating income</b>	<b>Ordinary income</b>
	million yen	million yen	million yen	million yen
<b>FY15.3</b>	<b>94,632 ( -6.7%)</b>	<b>93,402 ( -6.6%)</b>	<b>26,294 ( -19.7%)</b>	<b>27,209 ( -20.6%)</b>
<b>FY14.3</b>	<b>101,386 ( 28.9%)</b>	<b>99,988 ( 29.6%)</b>	<b>32,729 ( 80.7%)</b>	<b>34,281 ( 82.1%)</b>

	<b>Net Income</b>	<b>Net income per share</b>	<b>R O E</b>	<b>Comprehensive income</b>
	million yen	yen		million yen
<b>FY15.3</b>	<b>14,099 ( -18.4%)</b>	<b>71.20</b>	<b>10.3%</b>	<b>23,520 ( 2.5%)</b>
<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>Total assets</b>	<b>Net assets</b>	<b>Equity ratio</b>	<b>Net Assets per share</b>
	million yen	million yen		yen
<b>FY15.3</b>	<b>649,489</b>	<b>171,411</b>	<b>22.2%</b>	<b>728.26</b>
<b>FY14.3</b>	<b>613,134</b>	<b>152,839</b>	<b>21.0%</b>	<b>650.24</b>



## Financial highlights of fiscal year ending March 2015

### <Overview>

- Operating revenues decreased by 6.7% year on year (YoY) to 94,632 million yen, as brokerage commissions on equities slid from the high figures achieved last year. In contrast, the balance of investment trusts reached its highest levels ever. Consequently, other commissions (mainly custodian fees) rose.
- Ordinary income fell 20.6% YoY to 27,209 million yen.
- Net profit decreased by 18.4% YoY to 14,099 million yen.

### <Fees and Commissions>

- Brokerage commissions fell 31.6% YoY, as equity brokerage commissions fell short of the high figures achieved last year.
- Due to lower overall activity, underwriting fees fell 13.4% YoY, despite a number of large-scale public offerings.
- Distribution commissions fell 0.2% YoY. Sales of investment funds remained largely unchanged.
- Other commissions increased by 16.0% YoY due to an increase in custodian fees on investment trusts.

### <Net Trading Income>

- Trading income from equities rose 7.2% YoY. High volumes of foreign equity transactions (mainly US equities) contributed to this increase.
- Trading income from bonds decreased by 6.8% YoY, due mainly to a decrease in trading income from foreign bonds.

### <SG&A expenses>

- Selling, general and administrative expenses fell 0.2% YoY, due mainly to a decrease in personnel expenses.



# Operating Revenues

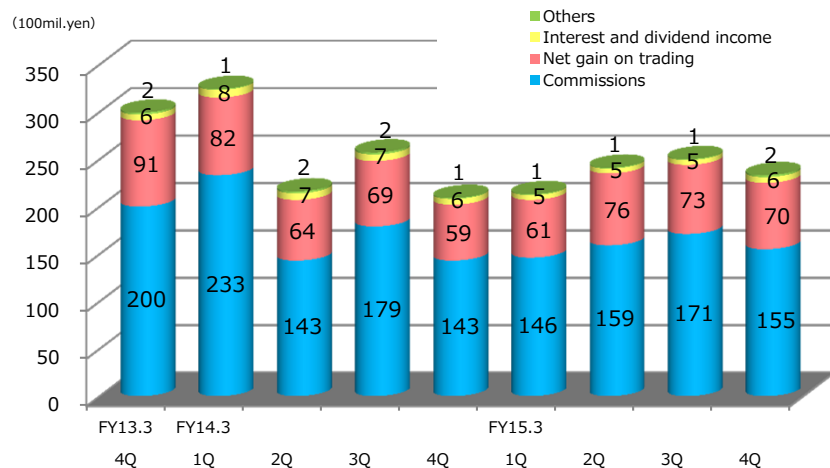
(In millions of yen)

	FY14.3	FY15.3	vs.FY14.3
	TOTAL	TOTAL	TOTAL
<b>Operating revenues</b>	101,386	<b>94,632</b>	<b>-6.7%</b>
<b>Commissions</b>	69,990	<b>63,341</b>	<b>-9.5%</b>
Brokerage	28,511	<b>19,489</b>	<b>-31.6%</b>
Underwriting	524	<b>454</b>	<b>-13.4%</b>
Distribution	25,431	<b>25,391</b>	<b>-0.2%</b>
Others	15,522	<b>18,006</b>	<b>16.0%</b>
<b>Net gain on trading</b>	27,662	<b>28,180</b>	<b>1.9%</b>
Equities	15,235	<b>16,327</b>	<b>7.2%</b>
Bonds	12,704	<b>11,836</b>	<b>-6.8%</b>
Others	-277	<b>16</b>	<b>-</b>
<b>Interest and dividend income</b>	2,947	<b>2,339</b>	<b>-20.6%</b>
<b>Others</b>	785	<b>770</b>	<b>-1.9%</b>

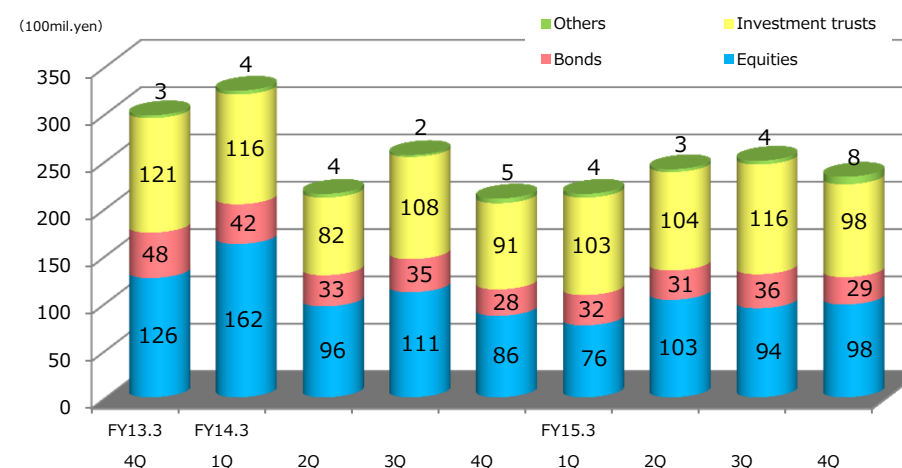
(In millions of yen)

	FY14.3				FY15.3				vs.FY15.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q
<b>Operating revenues</b>	32,597	21,760	25,844	21,184	21,586	24,373	25,242	<b>23,429</b>	<b>-7.2%</b>
<b>Commissions</b>	23,306	14,391	17,934	14,357	14,697	15,951	17,140	<b>15,551</b>	<b>-9.3%</b>
Brokerage	11,381	5,899	6,595	4,635	3,915	5,062	5,130	<b>5,380</b>	<b>4.9%</b>
Underwriting	147	57	145	174	200	100	52	<b>100</b>	<b>92.3%</b>
Distribution	7,981	4,723	7,185	5,541	6,556	6,514	7,325	<b>4,994</b>	<b>-31.8%</b>
Others	3,796	3,711	4,008	4,006	4,025	4,273	4,631	<b>5,075</b>	<b>9.6%</b>
<b>Net gain on trading</b>	8,238	6,444	6,996	5,983	6,140	7,647	7,329	<b>7,063</b>	<b>-3.6%</b>
Equities	4,402	3,361	4,058	3,413	3,196	4,898	4,087	<b>4,144</b>	<b>1.4%</b>
Bonds	3,923	3,092	3,185	2,503	2,954	2,823	3,353	<b>2,705</b>	<b>-19.3%</b>
Others	-87	-9	-247	66	-10	-75	-111	<b>212</b>	<b>-</b>
<b>Interest and dividend income</b>	863	706	709	668	560	591	582	<b>605</b>	<b>4.0%</b>
<b>Others</b>	189	217	203	174	188	183	190	<b>208</b>	<b>9.5%</b>

■ Quarterly change in operating revenues



■ Quarterly change in operating revenues by product





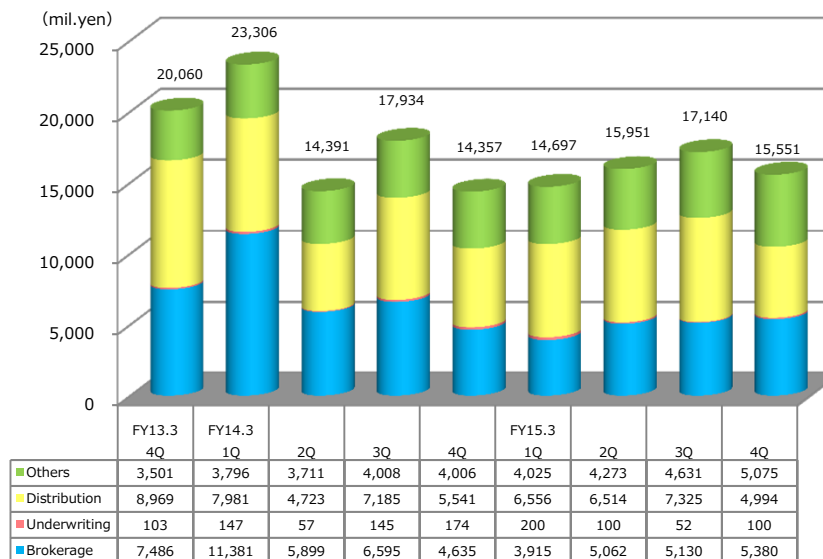
## Fees and Commissions Received

### ■ Fees and commissions received

(In millions of yen)

Items	FY14.3 TOTAL	FY15.3 TOTAL	vs.FY14.3 TOTAL
Brokerage	28,511	19,489	-31.6%
Equities	27,876	18,954	-32.0%
Bonds	15	6	-57.6%
Others	619	528	-14.7%
Underwriting	524	454	-13.4%
Equities	382	313	-18.1%
Bonds	141	140	-0.9%
Distribution	25,431	25,391	-0.2%
Beneficiary Certificates	25,314	25,216	-0.4%
Others	15,522	18,006	16.0%
Beneficiary Certificates	14,320	16,519	15.4%
<b>Total</b>	<b>69,990</b>	<b>63,341</b>	<b>-9.5%</b>

### ■ Fees and commissions received (quarterly)

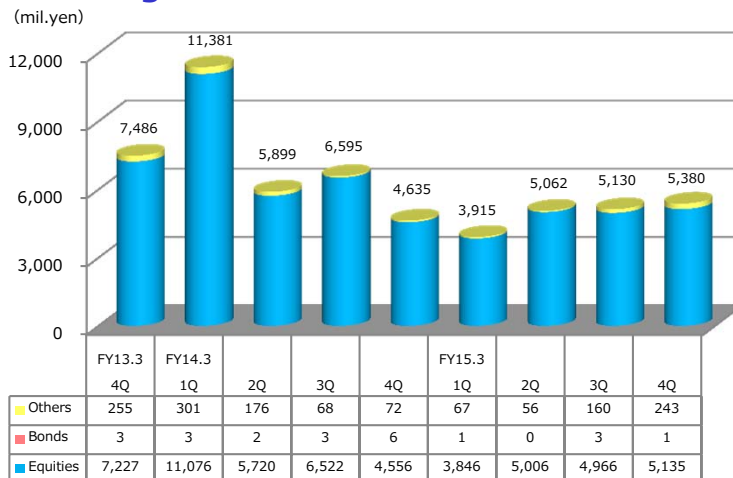


- Brokerage commissions decreased by 31.6% YoY due to lower equity brokerage commissions.
- Underwriting fees fell 13.4% YoY, due to lower overall activity despite some large-scale public offerings and the company's role as lead manager for initial public offerings.
- Distribution commissions decreased by 0.2% YoY. Sales of investment trusts remained largely unchanged YoY.
- Other commissions rose 16.0% YoY. The balance of investment trusts reached all-time highs. Custodian fees also rose.

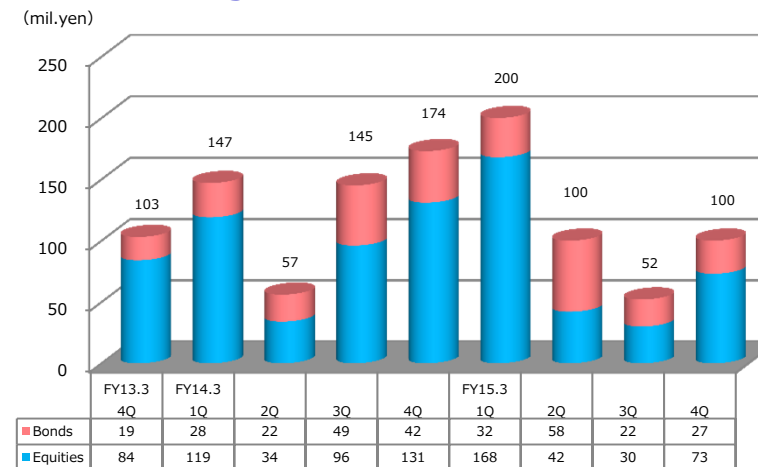


# Fees and Commissions Received by Category

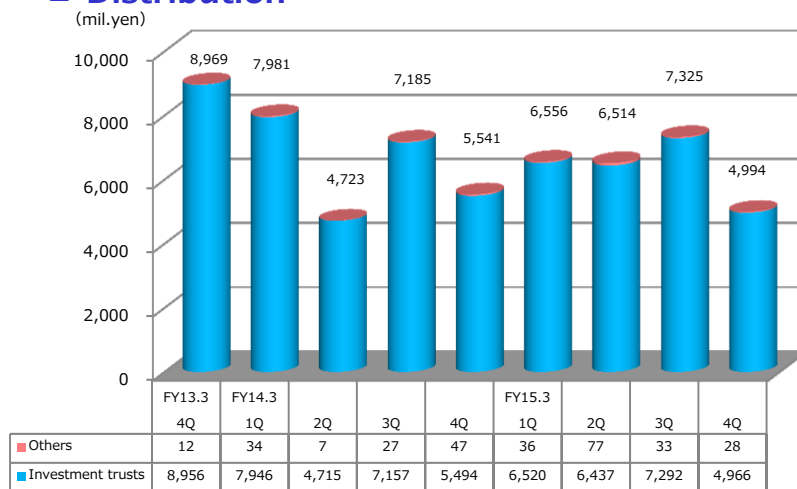
## ■ Brokerage



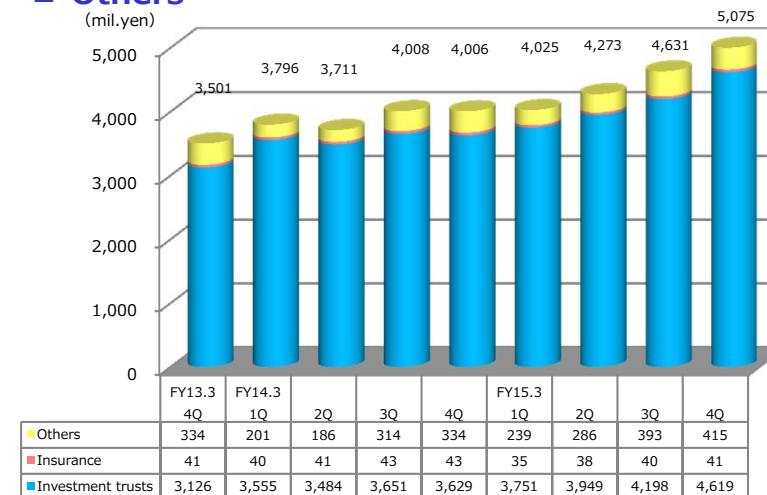
## ■ Underwriting



## ■ Distribution



## ■ Others





## Net Trading Income

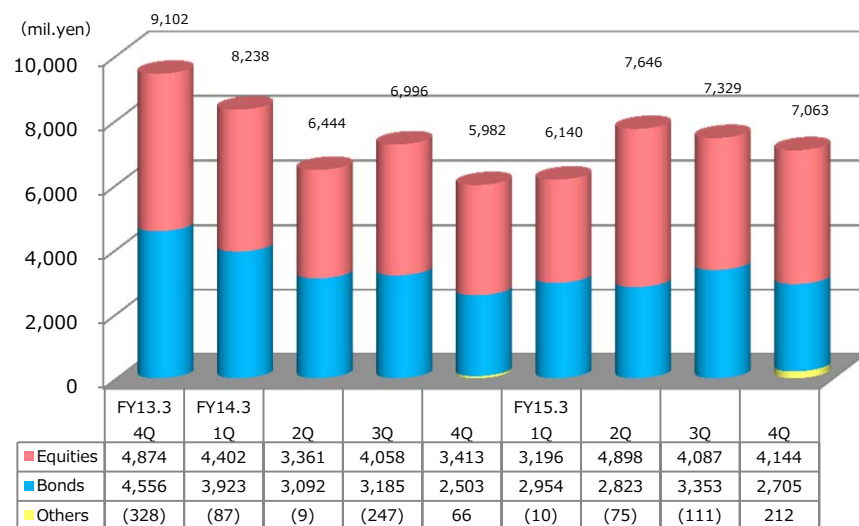
(In millions of yen)

	FY14.3	FY15.3	vs.FY14.3
	TOTAL	TOTAL	TOTAL
<b>Equities</b>	15,235	<b>16,327</b>	<b>7.2%</b>
Domestic equities	2,919	<b>1,526</b>	<b>-47.7%</b>
Foreign equities	12,315	<b>14,800</b>	<b>20.2%</b>
<b>Bonds and others</b>	12,704	<b>11,836</b>	<b>-6.8%</b>
Domestic bonds	916	<b>1,158</b>	<b>26.4%</b>
Foreign bonds	11,788	<b>10,678</b>	<b>-9.4%</b>
<b>Others</b>	-277	<b>16</b>	<b>-</b>
<b>Net gain on trading</b>	27,662	<b>28,180</b>	<b>1.9%</b>

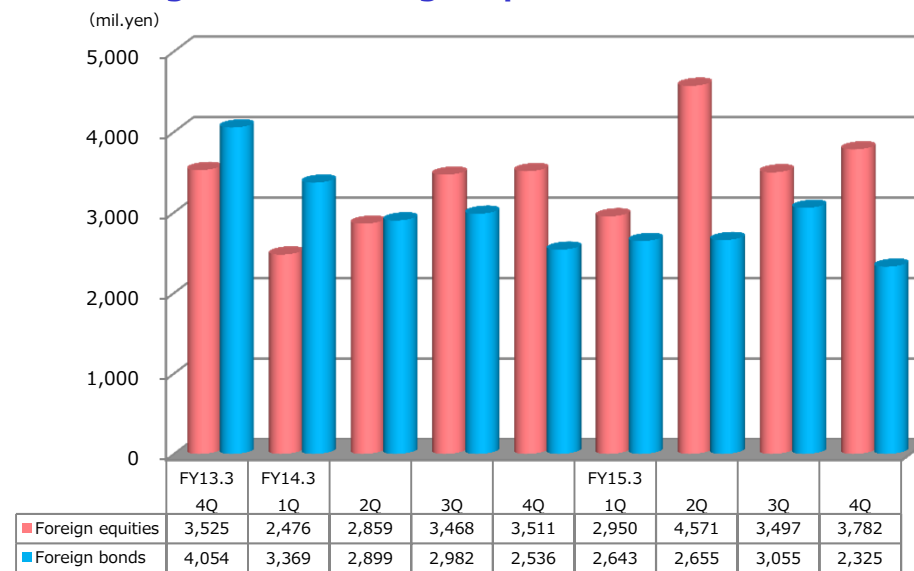
(In millions of yen)

FY14.3				FY15.3				vs.FY15.3	
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	
4,402	3,361	4,058	3,413	3,196	4,898	4,087	<b>4,144</b>	<b>1.4%</b>	
1,925	502	590	-98	246	327	590	<b>362</b>	<b>-38.6%</b>	
2,476	2,859	3,468	3,511	2,950	4,571	3,497	<b>3,782</b>	<b>8.1%</b>	
3,923	3,092	3,185	2,503	2,954	2,823	3,353	<b>2,705</b>	<b>-19.3%</b>	
553	192	203	-33	310	168	298	<b>380</b>	<b>27.5%</b>	
3,369	2,899	2,982	2,536	2,643	2,655	3,055	<b>2,325</b>	<b>-23.9%</b>	
-87	-9	-247	66	-10	-75	-111	<b>212</b>	<b>-</b>	
8,238	6,444	6,996	5,983	6,140	7,647	7,329	<b>7,063</b>	<b>-3.6%</b>	

### ■ Net gain by Products



### ■ Net gain from foreign equities and bonds







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

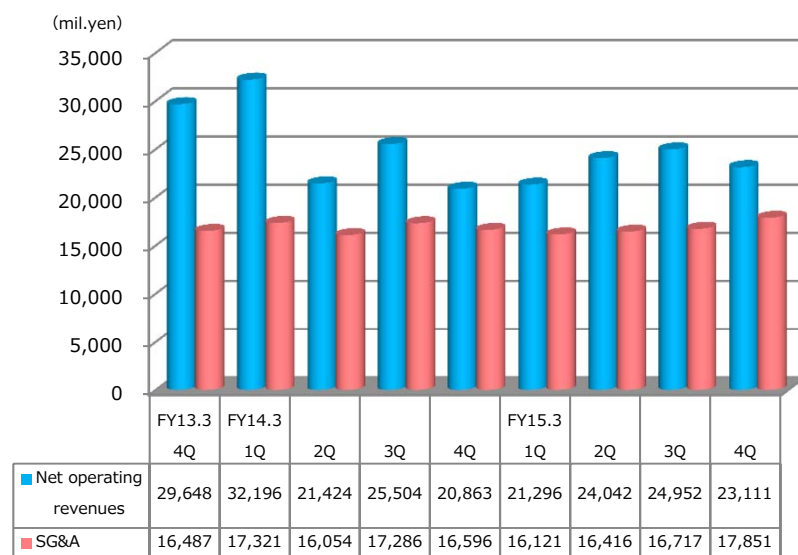
(In millions of yen)

	FY14.3 TOTAL	FY15.3 TOTAL	vs.FY14.3 TOTAL
Trading related expenses	13,326	<b>13,518</b>	<b>1.4%</b>
Personnel expenses	34,840	<b>34,440</b>	<b>-1.1%</b>
Real estate expenses	6,153	<b>6,159</b>	<b>0.1%</b>
Office expenses	4,950	<b>5,082</b>	<b>2.7%</b>
Depreciation expenses	4,043	<b>4,042</b>	<b>0.0%</b>
Taxes and dues	726	<b>754</b>	<b>3.8%</b>
Others	3,216	<b>3,111</b>	<b>-3.2%</b>
<b>SG&amp;A</b>	<b>67,258</b>	<b>67,107</b>	<b>-0.2%</b>

(In millions of yen)

	FY14.3				FY15.3				vs.FY15.3 3Q
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Trading related expenses	3,635	3,231	3,344	3,115	3,055	3,024	3,427	<b>4,010</b>	<b>17.0%</b>
Personnel expenses	9,069	8,242	8,864	8,663	8,420	8,460	8,586	<b>8,972</b>	<b>4.5%</b>
Real estate expenses	1,401	1,565	1,643	1,543	1,470	1,754	1,490	<b>1,443</b>	<b>-3.2%</b>
Office expenses	1,240	1,146	1,448	1,115	1,229	1,236	1,224	<b>1,391</b>	<b>13.6%</b>
Depreciation expenses	1,020	1,019	951	1,052	991	1,005	1,025	<b>1,020</b>	<b>-0.5%</b>
Taxes and dues	216	175	182	151	183	195	196	<b>178</b>	<b>-9.2%</b>
Others	736	672	851	955	770	739	766	<b>834</b>	<b>8.9%</b>
<b>SG&amp;A</b>	<b>17,321</b>	<b>16,054</b>	<b>17,286</b>	<b>16,596</b>	<b>16,121</b>	<b>16,416</b>	<b>16,717</b>	<b>17,851</b>	<b>6.8%</b>

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



- Trading-related expenses were up 1.4% YoY due to an increase in variable expenses related to the asset management business.
- Personnel expenses decreased by 1.1% YoY due to lower performance-related bonuses and commissions.
- Office expenses rose 2.7% YoY due to temporary expenses associated with IT equipment upgrades and other factors.



## Balance Sheet Summary (1)

	(In millions of yen)			(In millions of yen)									
	FY14.3	FY15.3	vs.FY14.3	FY14.3				FY15.3				vs.FY15.3	
	4Q	4Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	
<b>Current assets</b>	543,326	<b>573,679</b>	<b>30,353</b>	635,060	650,515	540,453	543,326	579,777	612,223	594,151	<b>573,679</b>	<b>-20,472</b>	
Cash and deposits	49,466	<b>55,583</b>	<b>6,117</b>	44,734	46,777	48,603	49,466	45,742	56,935	52,941	<b>55,583</b>	<b>2,642</b>	
Cash segregated as deposits	56,743	<b>63,610</b>	<b>6,867</b>	71,990	71,802	66,283	56,743	61,509	61,245	64,349	<b>63,610</b>	<b>-739</b>	
Trading products	213,986	<b>216,338</b>	<b>2,352</b>	259,988	249,587	176,196	213,986	187,903	244,013	225,062	<b>216,338</b>	<b>-8,724</b>	
Receivables on margin transactions	61,603	<b>58,273</b>	<b>-3,330</b>	65,939	65,133	70,378	61,603	56,666	53,373	55,272	<b>58,273</b>	<b>3,001</b>	
Receivables on collateralized securities transactions	150,379	<b>169,979</b>	<b>19,600</b>	180,562	184,562	148,323	150,379	150,048	180,824	187,916	<b>169,979</b>	<b>-17,937</b>	
Other current assets	11,145	<b>9,895</b>	<b>-1,250</b>	11,845	32,652	30,668	11,145	77,906	15,830	8,608	<b>9,895</b>	<b>1,287</b>	
<b>Fixed assets</b>	69,808	<b>75,810</b>	<b>6,002</b>	64,297	67,158	73,821	69,808	70,388	71,854	71,393	<b>75,810</b>	<b>4,417</b>	
Tangible fixed assets	19,077	<b>18,960</b>	<b>-117</b>	17,162	17,584	18,866	19,077	18,906	19,115	19,199	<b>18,960</b>	<b>-239</b>	
Intangible fixed assets	8,305	<b>7,585</b>	<b>-720</b>	8,085	8,797	8,611	8,305	8,180	8,203	8,113	<b>7,585</b>	<b>-528</b>	
Investments and other assets	42,426	<b>49,264</b>	<b>6,838</b>	39,049	40,777	46,343	42,426	43,300	44,535	44,080	<b>49,264</b>	<b>5,184</b>	
<b>Total assets</b>	613,134	<b>649,489</b>	<b>36,355</b>	699,358	717,674	614,274	613,134	650,166	684,078	665,544	<b>649,489</b>	<b>-16,055</b>	

- Due to various factors, including an increase in receivables on collateralized securities transactions, current assets increased by 30.3 billion yen from the end of the previous fiscal year.
- Fixed assets increased by 6 billion yen from the end of the previous fiscal year due to growth in investment securities, among other factors.
- Total assets rose 36.3 billion yen over the same period.
- An increase in collateralized securities borrowings resulted in an increase in current liabilities of 14 billion yen YoY.
- Fixed liabilities rose 3.4 billion yen YoY. Special statutory reserves rose by 200 million yen YoY.
- Total liabilities grew by 17.7 billion yen.
- Several factors, including higher retained earnings, helped push net assets 18.5 billion yen above the figure recorded at the end of the previous fiscal year.



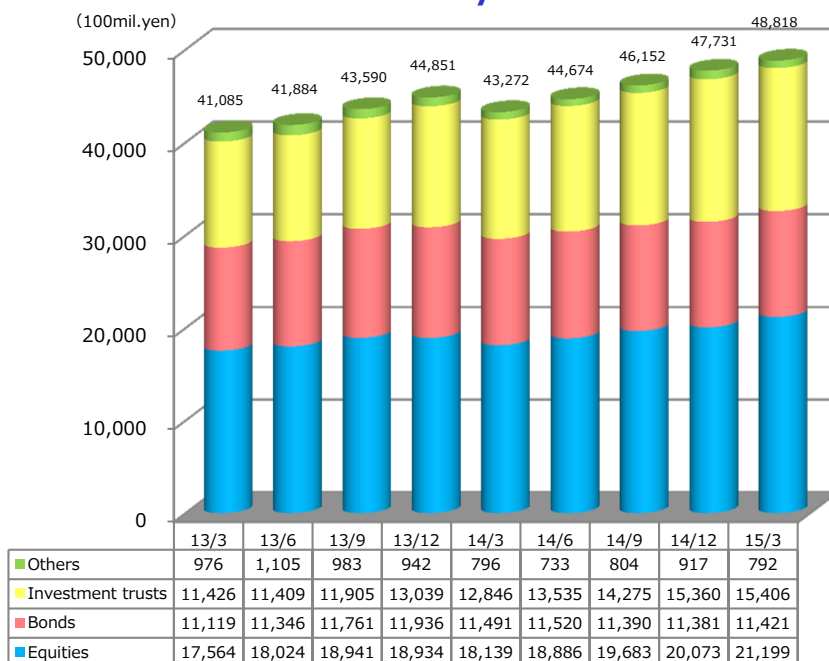
## Balance Sheet Summary (2)

	(In millions of yen)			(In millions of yen)								
	FY14.3 4Q	FY15.3 4Q	vs.FY14.3 4Q	FY14.3				FY15.3				vs.FY15.3 3Q
				1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q
<b>Current liabilities</b>	431,466	<b>445,495</b>	<b>14,029</b>	529,755	543,350	428,983	431,466	469,961	499,139	472,877	<b>445,495</b>	<b>-27,382</b>
Trading liabilities	144,687	<b>145,105</b>	<b>418</b>	168,407	182,827	126,342	144,687	143,321	173,876	160,091	<b>145,105</b>	<b>-14,986</b>
Payables on margin transactions	14,954	<b>18,742</b>	<b>3,788</b>	17,434	20,143	17,865	14,954	17,071	18,497	13,006	<b>18,742</b>	<b>5,736</b>
Payables on collateralized securities transactions	24,262	<b>69,695</b>	<b>45,433</b>	51,968	62,822	24,658	24,262	83,235	52,114	61,217	<b>69,695</b>	<b>8,478</b>
Deposits received	29,186	<b>39,490</b>	<b>10,304</b>	42,761	42,451	50,545	29,186	39,460	51,682	55,349	<b>39,490</b>	<b>-15,859</b>
Guarantee deposits received	35,804	<b>36,678</b>	<b>874</b>	43,643	41,349	42,029	35,804	33,861	34,160	36,675	<b>36,678</b>	<b>3</b>
Short-term borrowings	158,878	<b>104,795</b>	<b>-54,083</b>	148,754	178,615	153,507	158,878	146,397	158,515	125,881	<b>104,795</b>	<b>-21,086</b>
Other current liabilities	23,692	<b>30,985</b>	<b>7,293</b>	56,786	15,140	14,033	23,692	6,613	10,292	20,655	<b>30,985</b>	<b>10,330</b>
<b>Fixed liabilities</b>	26,502	<b>29,965</b>	<b>3,463</b>	27,859	28,177	30,657	26,502	26,331	25,041	25,619	<b>29,965</b>	<b>4,346</b>
Long-term borrowings	8,415	<b>9,210</b>	<b>795</b>	11,510	11,045	10,975	8,415	8,355	6,670	6,660	<b>9,210</b>	<b>2,550</b>
Reserves for retirement benefits	–	–	–	5,690	5,685	5,689	–	–	–	–	–	–
Net defined benefit liability	5,190	<b>5,320</b>	<b>130</b>	–	–	–	5,190	5,136	5,134	5,121	<b>5,320</b>	<b>199</b>
Other fixed liabilities	12,896	<b>15,435</b>	<b>2,539</b>	10,659	11,447	13,992	12,896	12,840	13,236	13,837	<b>15,435</b>	<b>1,598</b>
<b>Financial instruments transaction reserve</b>	2,326	<b>2,617</b>	<b>291</b>	1,677	1,715	2,223	2,326	2,398	2,479	2,563	<b>2,617</b>	<b>54</b>
<b>Total liabilities</b>	460,294	<b>478,078</b>	<b>17,784</b>	559,292	573,243	461,863	460,294	498,691	526,660	501,060	<b>478,078</b>	<b>-22,982</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	12,913	<b>12,913</b>	<b>0</b>	12,912	12,913	12,913	12,913	12,913	12,913	12,913	<b>12,913</b>	–
Retained earnings	91,223	<b>100,472</b>	<b>9,249</b>	82,308	85,182	88,825	91,223	89,191	93,649	98,496	<b>100,472</b>	<b>1,976</b>
Treasury stock	-3,701	<b>-3,729</b>	<b>-28</b>	-3,662	-3,679	-3,694	-3,701	-3,704	-3,711	-3,723	<b>-3,729</b>	<b>-6</b>
Accumulated other comprehensive income	9,745	<b>15,952</b>	<b>6,207</b>	7,560	8,401	11,402	9,745	10,048	11,002	12,409	<b>15,952</b>	<b>3,543</b>
Minority interests	24,069	<b>27,212</b>	<b>3,143</b>	22,356	23,023	24,374	24,069	24,435	24,974	25,798	<b>27,212</b>	<b>1,414</b>
<b>Total net assets</b>	152,839	<b>171,411</b>	<b>18,572</b>	140,065	144,430	152,411	152,839	151,474	157,418	164,484	<b>171,411</b>	<b>6,927</b>
<b>Total liabilities&amp;net assets</b>	613,134	<b>649,489</b>	<b>36,355</b>	699,358	717,674	614,274	613,134	650,166	684,078	665,544	<b>649,489</b>	<b>-16,055</b>

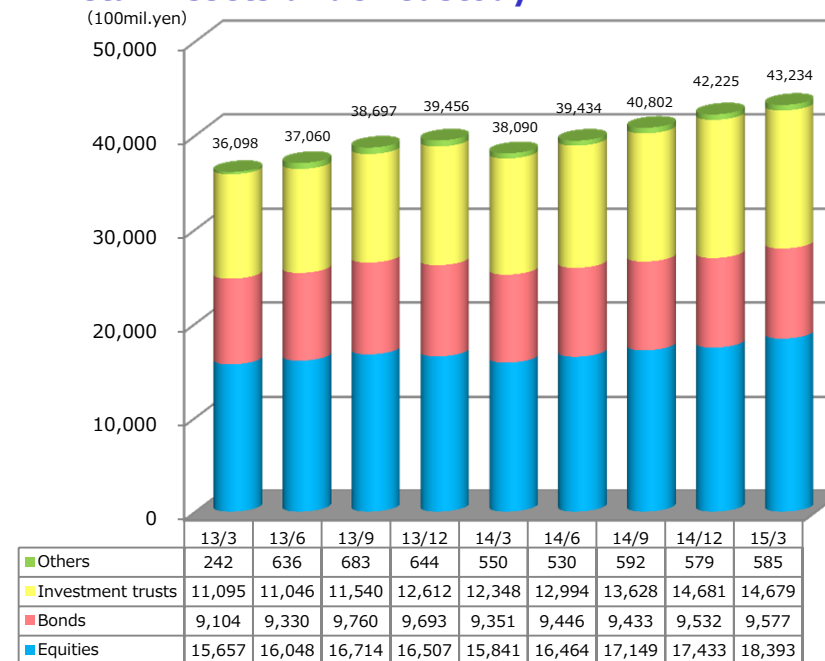


## Assets under custody (Consolidated)

### Assets under Custody



### Retail Assets under Custody



- On a consolidated basis, customers' assets under custody increased to 4,881.8 billion yen, up 554.6 billion yen from the end of the previous fiscal year. Yen depreciation and rising stock prices boosted the market value of assets under custody. Efforts to increase the balance of investment trusts also contributed.
- Retail customers' assets under custody increased to 4,323.4 billion yen, up 514.4 billion yen from the end of the previous fiscal year.



## *2. Reference Data*



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

(In millions of yen)

Items	FY14.3	FY15.3	vs.FY14.3
	TOTAL	TOTAL	TOTAL
<b>Operating revenues</b>	<b>80,239</b>	<b>74,345</b>	<b>-7.3%</b>
Commissions	53,192	45,589	-14.3%
Brokerage	22,752	14,806	-34.9%
Underwriting	517	448	-13.3%
Distribution	23,748	23,566	-0.8%
Others	6,173	6,768	9.6%
Net gain on trading	24,943	27,039	8.4%
Equities	13,340	15,761	18.1%
Bonds	11,880	11,262	-5.2%
Others	-277	15	-
Interest and dividend income	2,103	1,716	-18.4%
Financial expenses	1,370	1,148	-16.2%
Net operating revenues	78,869	73,197	-7.2%
<b>SG&amp;A</b>	<b>51,507</b>	<b>50,633</b>	<b>-1.7%</b>
Trading related expenses	9,472	8,469	-10.6%
Personnel expenses	26,277	26,190	-0.3%
Real estate expenses	5,928	6,072	2.4%
Administrative expenses	7,956	8,040	1.1%
Depreciation expenses	470	499	6.2%
Taxes and dues	435	437	0.5%
Others	966	923	-4.5%
Operating income	27,362	22,563	-17.5%
Non-operating income	393	353	-10.2%
Non-operating expenses	16	53	231.3%
<b>Ordinary income</b>	<b>27,738</b>	<b>22,863</b>	<b>-17.6%</b>
Extraordinary gain	-	-	-
Extraordinary loss	564	180	-68.1%
Net profit, before taxes	27,174	22,683	-16.5%
Income taxes	10,392	7,621	-26.7%
Adjustment amount for income taxes	83	515	520.5%
<b>Net profit</b>	<b>16,698</b>	<b>14,545</b>	<b>-12.9%</b>

(In millions of yen)

Items	FY14.3				FY15.3				vs.FY15.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q
<b>Operating revenues</b>	<b>26,004</b>	<b>17,039</b>	<b>20,689</b>	<b>16,506</b>	<b>17,031</b>	<b>19,593</b>	<b>19,958</b>	<b>17,763</b>	<b>-11.0%</b>
Commissions	18,533	10,638	13,714	10,307	10,735	11,786	12,542	10,524	-16.1%
Brokerage	9,333	4,697	5,244	3,477	2,942	3,835	3,823	4,204	10.0%
Underwriting	147	57	145	167	199	99	51	97	90.2%
Distribution	7,504	4,364	6,770	5,109	6,034	6,176	6,906	4,447	-35.6%
Others	1,547	1,519	1,554	1,551	1,558	1,673	1,760	1,775	0.9%
Net gain on trading	6,856	5,903	6,466	5,717	5,883	7,374	6,983	6,798	-2.6%
Equities	3,246	3,062	3,738	3,292	3,053	4,765	3,911	4,031	3.1%
Bonds	3,697	2,850	2,975	2,357	2,839	2,684	3,183	2,554	-19.8%
Others	-87	-9	-247	66	-10	-75	-111	212	-
Interest and dividend income	614	497	508	482	411	432	432	439	1.6%
Financial expenses	400	325	334	310	271	308	274	293	6.9%
Net operating revenues	25,604	16,713	20,354	16,196	16,759	19,285	19,683	17,469	-11.2%
<b>SG&amp;A</b>	<b>13,243</b>	<b>12,376</b>	<b>13,193</b>	<b>12,693</b>	<b>12,229</b>	<b>12,680</b>	<b>12,745</b>	<b>12,977</b>	<b>1.8%</b>
Trading related expenses	2,669	2,205	2,472	2,124	2,040	2,059	2,214	2,154	-2.7%
Personnel expenses	6,656	6,301	6,781	6,538	6,364	6,491	6,585	6,749	2.5%
Real estate expenses	1,430	1,509	1,529	1,459	1,438	1,675	1,486	1,472	-0.9%
Administrative expenses	2,035	1,938	1,980	2,002	1,945	1,995	2,012	2,087	3.7%
Depreciation expenses	109	102	116	142	112	121	127	137	7.9%
Taxes and dues	129	98	109	96	97	122	110	106	-3.6%
Others	212	220	203	329	230	214	209	269	28.7%
Operating income	12,360	4,337	7,161	3,503	4,529	6,604	6,937	4,491	-35.3%
Non-operating income	105	80	111	96	100	95	90	66	-26.7%
Non-operating expenses	1	1	7	6	7	34	5	5	0.0%
<b>Ordinary income</b>	<b>12,464</b>	<b>4,416</b>	<b>7,265</b>	<b>3,592</b>	<b>4,623</b>	<b>6,664</b>	<b>7,023</b>	<b>4,552</b>	<b>-35.2%</b>
Extraordinary gain	8	-8	-	-	-	-	-	-	-
Extraordinary loss	6	156	296	104	43	49	49	39	-20.4%
Net profit, before taxes	12,466	4,251	6,969	3,487	4,580	6,615	6,974	4,513	-35.3%
Income taxes	4,013	2,377	2,171	1,830	556	3,189	1,806	2,068	14.5%
Adjustment amount for income taxes	779	-714	655	-637	1,154	-738	727	-627	-
<b>Net profit</b>	<b>7,673</b>	<b>2,588</b>	<b>4,142</b>	<b>2,294</b>	<b>2,869</b>	<b>4,164</b>	<b>4,439</b>	<b>3,072</b>	<b>-30.8%</b>



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

<Volume of equity trading / Number of shares>

(In millions of shares)

Items	1 Q	2 Q	FY14.3 3 Q	4 Q	TOTAL	1 Q	2 Q	FY15.3 3 Q	4 Q	TOTAL	vs.FY14.3 TOTAL	vs.FY15.3 3 Q
( Dealing )	592	383	426	416	1,818	409	487	375	389	1,662	-8.6%	3.7%
( Brokerage )	13,182	7,821	7,764	4,326	33,094	2,847	3,665	4,062	3,515	14,091	-57.4%	-13.5%
Total	13,774	8,204	8,191	4,742	34,912	3,256	4,153	4,438	3,905	15,754	-54.9%	-12.0%
Brokerage ratio	95.7%	95.3%	94.7%	91.2%	94.8%	87.4%	88.3%	91.5%	90.0%	89.4%	-5.4p	-1.5p

<Volume of equity trading / Total value>

(In millions of yen)

Items	1 Q	2 Q	FY14.3 3 Q	4 Q	TOTAL	1 Q	2 Q	FY15.3 3 Q	4 Q	TOTAL	vs.FY14.3 TOTAL	vs.FY15.3 3 Q
( Dealing )	525,064	386,038	513,007	441,679	1,865,789	416,308	513,918	427,844	470,433	1,828,503	-2.0%	10.0%
( Brokerage )	6,730,523	4,147,819	3,628,151	2,649,551	17,156,045	1,955,209	2,200,429	2,219,592	2,045,028	8,420,260	-50.9%	-7.9%
Total	7,255,587	4,533,857	4,141,159	3,091,230	19,021,834	2,371,517	2,714,347	2,647,437	2,515,461	10,248,764	-46.1%	-5.0%
Brokerage ratio	92.8%	91.5%	87.6%	85.7%	90.2%	82.4%	81.1%	83.8%	81.3%	82.2%	-8.0p	-2.5p

<Total share within TSE>

Items	1 Q	2 Q	FY14.3 3 Q	4 Q	TOTAL	1 Q	2 Q	FY15.3 3 Q	4 Q	TOTAL	vs.FY14.3 TOTAL	vs.FY15.3 3 Q
Number of shares	2.05%	2.11%	2.04%	1.26%	1.89%	0.99%	1.21%	1.09%	1.04%	1.08%	-0.81p	-0.05p
Total value	1.32%	1.35%	1.14%	0.85%	1.17%	0.75%	0.81%	0.63%	0.61%	0.69%	-0.48p	-0.02p

<Brokerage Commissions Ratio>

(In millions of yen)

Items	1 Q	2 Q	FY14.3 3 Q	4 Q	TOTAL	1 Q	2 Q	FY15.3 3 Q	4 Q	TOTAL	vs.FY14.3 TOTAL	vs.FY15.3 3 Q
Commissions	9,171	4,594	5,139	3,364	22,270	2,854	3,755	3,621	3,935	14,166	-36.4%	8.7%
Commissions Ratio	0.14%	0.11%	0.14%	0.11%	0.13%	0.15%	0.17%	0.16%	0.19%	0.17%	0.04p	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	FY14.3						FY15.3						vs. FY14.3 TOTAL	vs. FY15.3 3Q
	1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL				
Equities (Number of shares)	1	1	3	3	8	1	0	0	0	3	-62.5%	-		
Equities (Total value)	2,847	1,649	2,908	4,307	11,713	4,613	1,192	714	1,312	7,833	-33.1%	83.8%		
Bonds (Total at face value)	204,930	155,787	177,122	150,134	687,974	180,762	191,817	180,955	194,039	747,573	8.7%	7.2%		
Domestic and foreign CP (Total at face value)	-	-	-	-	-	-	-	-	-	-	-	-		

## <Selling>

(In millions of shares, millions of yen)

Items	FY14.3						FY15.3						vs. FY14.3 TOTAL	vs. FY15.3 3Q
	1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL				
Equities (Number of shares)	1	1	3	3	9	1	0	0	0	3	-66.7%	-		
Equities (Total value)	2,730	1,730	2,456	4,333	11,249	4,868	1,287	618	1,212	7,987	-29.0%	96.1%		
Bonds (Total at face value)	37,185	41,910	41,065	45,619	165,780	45,283	39,753	42,173	43,116	170,325	2.7%	2.2%		

## <Offering>

(In millions of shares, millions of yen)

Items	FY14.3						FY15.3						vs. FY14.3 TOTAL	vs. FY15.3 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	-	-		
Equities (Total value)	0	0	-	-	0	5	-	0	-	6	-	-		
Bonds (Total at face value)	211,178	162,192	183,462	158,667	715,500	191,531	202,564	190,902	204,559	789,558	10.4%	7.2%		
Beneficiary securities (Total at face value)	723,400	475,045	702,023	502,176	2,402,645	584,656	590,039	645,162	549,443	2,369,302	-1.4%	-14.8%		
Domestic and foreign CP (Total at face value)	-	-	-	-	-	-	-	-	-	-	-	-		

## <Underwriting & Selling Fees Ratio>

(In millions of yen)

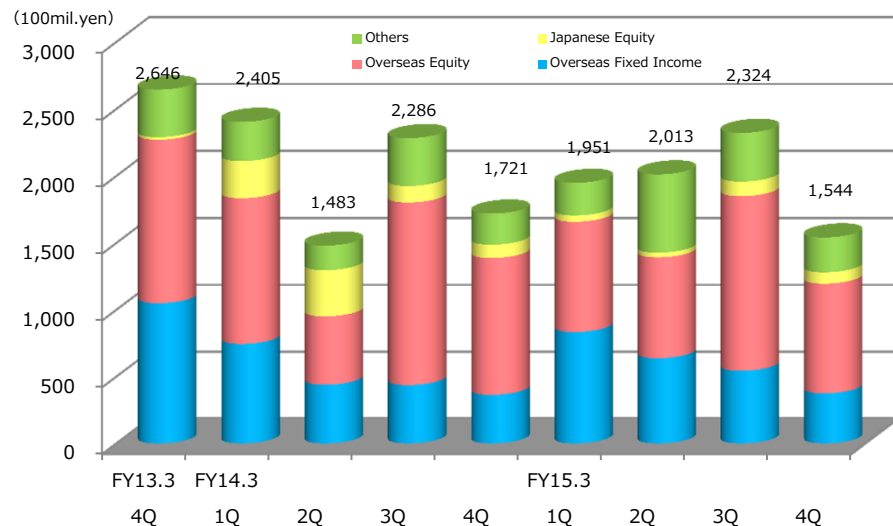
Items	FY14.3						FY15.3						vs. FY14.3 TOTAL	vs. FY15.3 3Q
	1 Q	2 Q	3 Q	4 Q	TOTAL	1 Q	2 Q	3 Q	4 Q	TOTAL				
Equities (Averaged Fees Ratio)	119	35	96	125	376	167	41	28	70	308	-18.1%	150.0%		
Bonds (Averaged Fees Ratio)	27	22	48	42	141	31	58	22	27	139	-1.4%	22.7%		
Domestic and foreign CP (Averaged Fees Ratio)	0.011%	0.011%	0.022%	0.021%	0.017%	0.014%	0.025%	0.010%	0.011%	0.015%	-0.002p	0.001p		



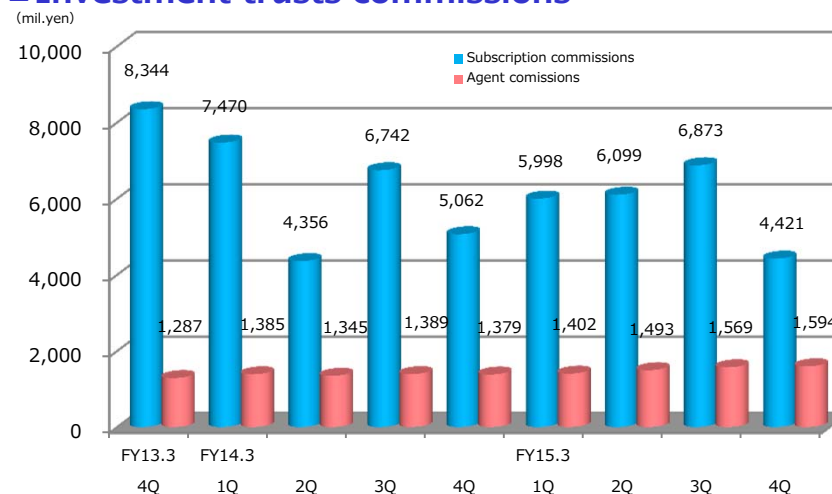


# Investment trusts ▪ Foreign bonds (non-consolidated: Okasan Securities)

## ■ Investment trusts sales amount

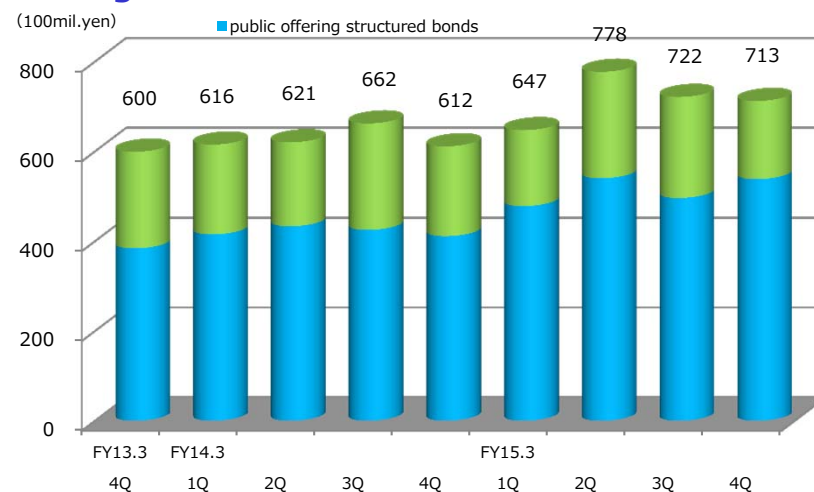


## ■ Investment trusts commissions



- Investment trust sales (cumulative over fiscal year) fell 0.8% YoY to 783.2 billion yen.
- Sales commissions (cumulative over fiscal year) fell 1.0% YoY to 23,393 million yen. As in the previous year, the biggest selling funds were foreign equity and foreign bond funds that make monthly distributions.
- Foreign bond sales (cumulative over fiscal year) rose 13.9% YoY to 286.1 billion yen. This growth was driven mainly by strong sales of structured bonds to retail investors.

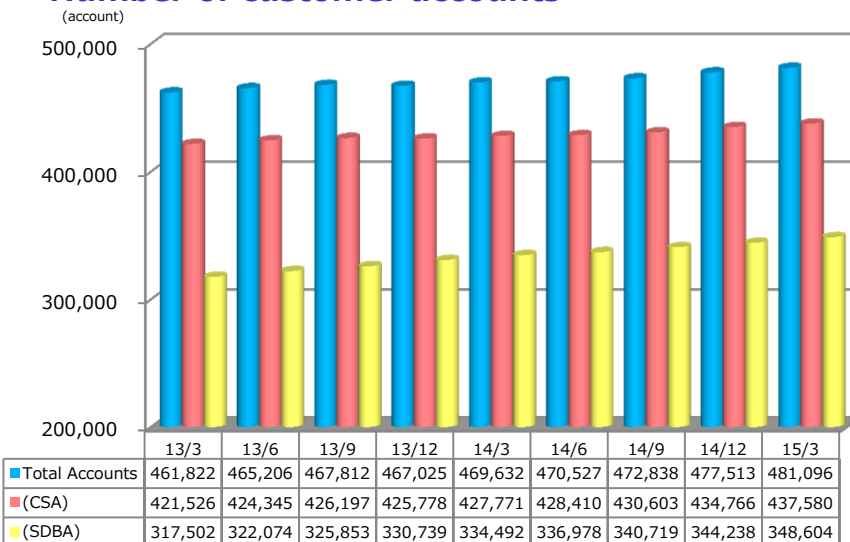
## ■ Foreign bonds sales amount





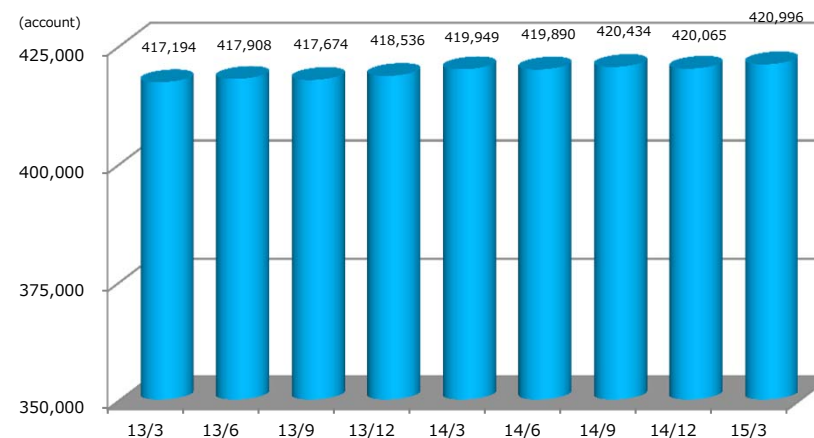
# Number of accounts (non-consolidated: Okasan Securities)

## ■ Number of customer accounts

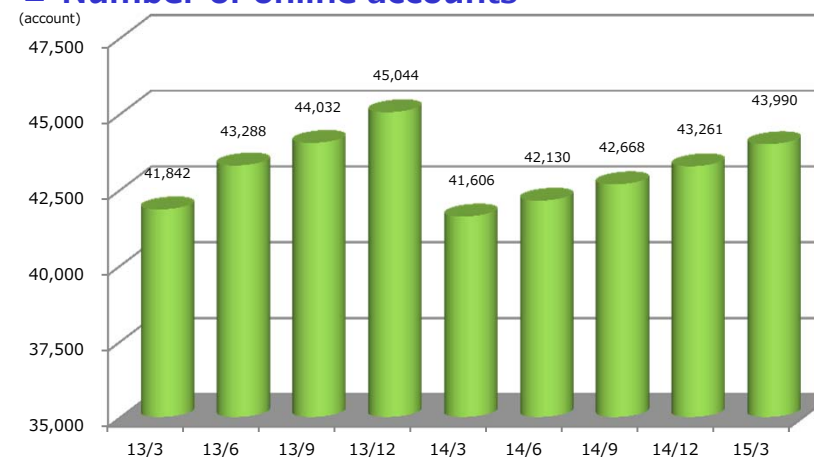


- The total number of customer accounts increased by 2.4% from the end of the previous fiscal year to 481,096.
- The number of accounts with remaining balances increased to 420,996, up slightly from the end of the previous fiscal year.
- The number of newly opened accounts was 20,001.
- Online accounts (43,990 accounts) accounted for 9.1% of the total number of customer accounts.

## ■ Number of balance remaining accounts



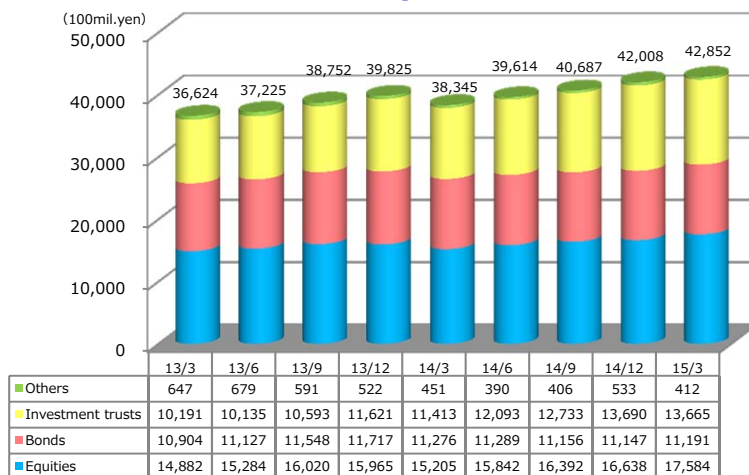
## ■ Number of online accounts



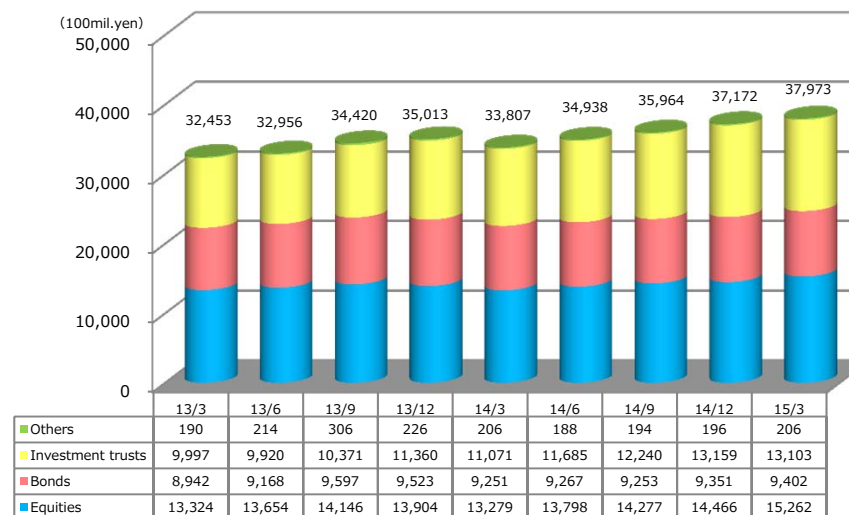


# Assets under custody , Net inflow of client assets (non-consolidated: Okasan Securities)

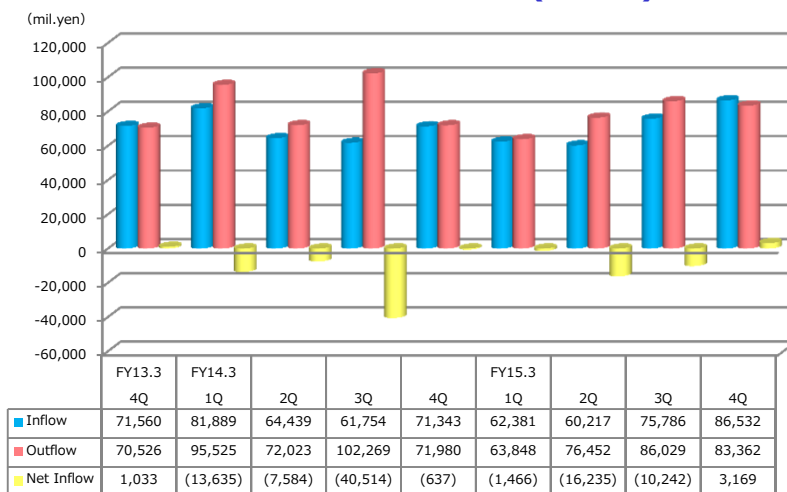
## ■ Assets under Custody



## ■ Retail Assets under Custody



## ■ Net inflow of client assets (Retail)



- Customers' assets under custody increased by 450.7 billion yen from the end of the previous fiscal year to 4,285.2 billion yen at Okasan Securities.
- The total inflow of funds (sum of inflow of cash and assets; individual customers only) over 4Q (January-March) was 3.1 billion yen.



# Capital Adequacy Requirement Ratio

## (non-consolidated: Okasan Securities)

(In millions of yen)

Items		FY14.3				FY15.3				vs.FY14.3	
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	4Q	
Basic items	(A)	64,725	67,313	71,456	68,750	71,637	75,801	80,241	78,313	9,563	
Complementary items	Appraisal gains (losses) etc.	0	-	10	2	3	6	13	10	8	
	Security transaction responsibility reserve	905	925	1,220	1,280	1,323	1,372	1,422	1,461	181	
	General provision for loan losses	17	16	17	16	13	12	14	13	-3	
	Short-term subordinated debt	7,900	7,900	7,900	6,725	6,725	4,750	4,750	8,775	2,050	
Total	(B)	8,823	8,842	9,149	8,025	8,064	6,142	6,199	10,260	2,235	
Assets to be deducted	(C)	8,847	9,045	9,141	9,114	9,469	9,707	9,636	9,392	278	
Unfixed equity capital	(A) + (B) - (C)	(D)	64,701	67,110	71,464	67,661	70,232	72,235	76,803	79,182	11,521
Risk equivalents	Market risk equivalents		2,959	2,397	3,079	2,780	2,717	2,837	2,945	3,014	234
	Customer risk equivalents		1,425	1,535	1,649	1,436	1,267	1,282	1,301	1,331	-105
	Basic risk equivalents		11,964	12,310	12,415	12,919	12,864	12,722	12,737	12,595	-324
	Total	(E)	16,350	16,243	17,145	17,137	16,850	16,842	16,985	16,941	-196
<b>Capital adequacy ratio</b>	<b>(D) / (E) × 100 (%)</b>		<b>395.7%</b>	<b>413.1%</b>	<b>416.8%</b>	<b>394.8%</b>	<b>416.7%</b>	<b>428.8%</b>	<b>452.1%</b>	<b>467.3%</b>	<b>+72.5p</b>

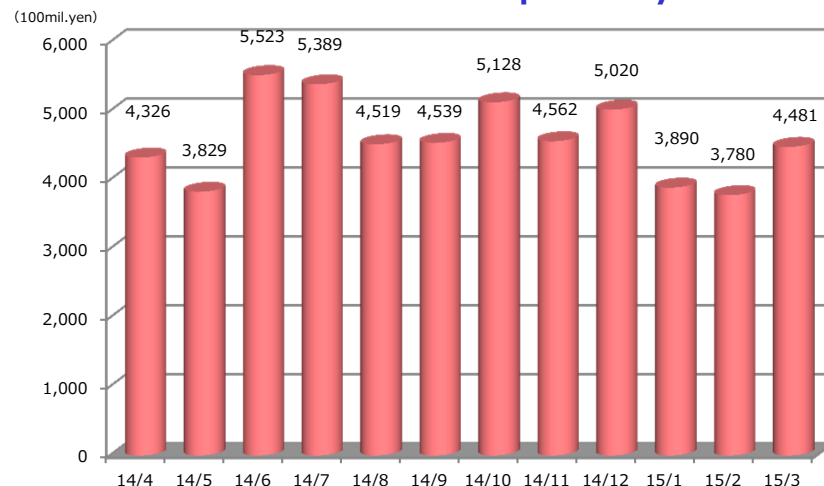
(Note) Short-term subordinated debt consists of subordinated borrowing.

- The capital adequacy ratio at the end of March 2015 increased by 72.5 percentage points from the end of the previous fiscal year to 467.3%.
- Growth in basic items due to periodic profit caused the capital adequacy ratio to rise.

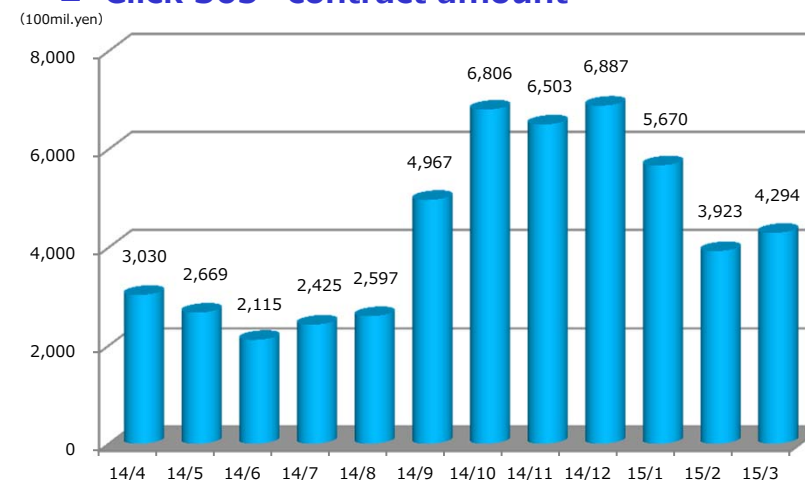


# (Reference Data) Okasan Online Securities Data

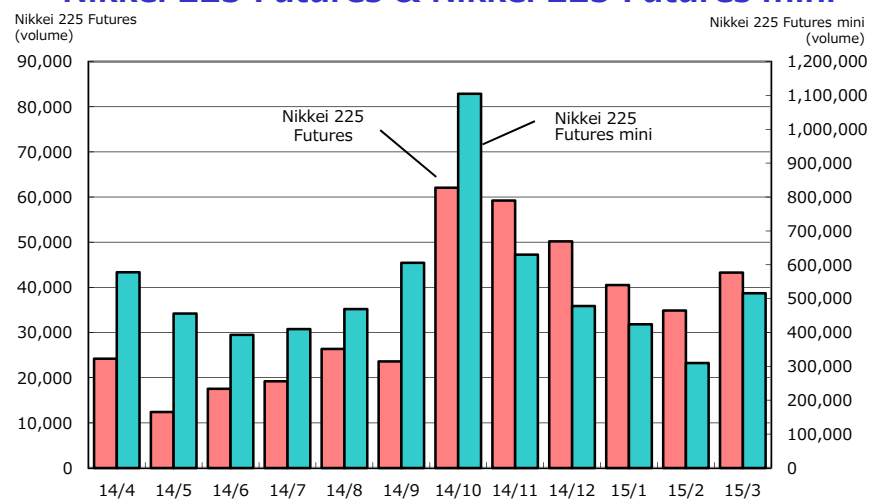
■ Domestic sales amount of equities by month



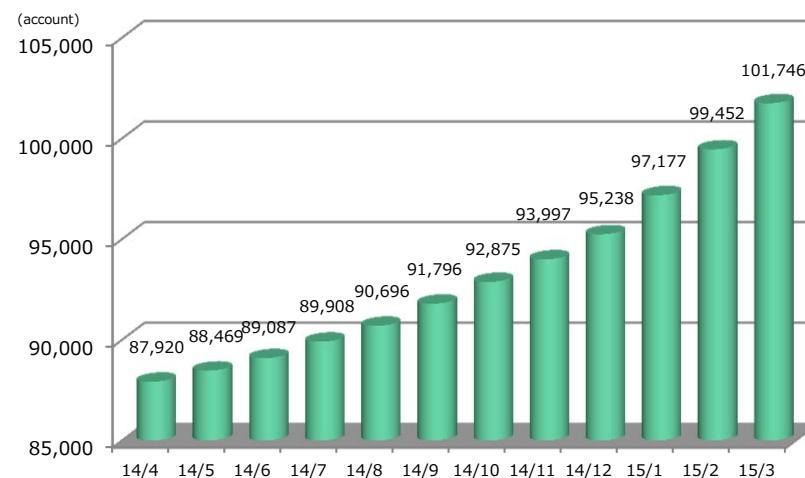
■ "Click 365" contract amount



■ Nikkei 225 Futures & Nikkei 225 Futures mini



■ Number of customer accounts





# MEMO

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