



2Q Ending March 31, 2016

Results Briefing



October 29, 2015
Okasan Securities Group Inc.

The objective of the document is to provide information on the results of the 2nd quarter fiscal year ending March 31, 2016 and not to offer investments in securities issued by Okasan Securities Group Inc. The document has been prepared based on data as of the end of September 2015. 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
FY16.3 2Q	44,632 (- 2.9%)	43,923 (- 3.1%)	9,995 (- 21.9%)	11,126 (- 15.9%)
FY15.3 2Q	45,960 (- 15.4%)	45,339 (- 15.4%)	12,800 (- 36.8%)	13,236 (- 35.8%)

	Profit attributable to owners of parent	Net income per share	R O E (annualized)	Comprehensive income
	million yen	yen		million yen
FY16.3 2Q	6,299 (- 13.4%)	31.84	8.7%	6,254 (- 34.2%)
FY15.3 2Q	7,276 (- 35.3%)	36.74	11.1%	9,509 (- 36.0%)

	Total assets	Net assets	Equity ratio
	million yen	million yen	
FY16.3 2Q	597,630	170,143	24.3%
FY15.3	649,489	171,411	22.2%



Financial highlights of 2nd quarter fiscal year ending March 2016

<Overview>

- Operating revenues decreased by 2.9% year on year (YoY) to 44,632 million yen. While brokerage commissions on equities increased, other revenue fell, including revenue from the distribution of investment trusts and transaction of foreign equities.
- Ordinary income decreased by 15.9% YoY to 11,126 million yen.
- Profit attributable to owners of parent decreased by 13.4% YoY to 6,299 million yen.

<Fees and Commissions>

- Brokerage commissions increased by 27.2% YoY. Equity brokerage commissions rose in response to increased trading in domestic equities.
- Underwriting fees fell 56.6% YoY, due to lower overall activity than in the same quarter last year, which saw a number of large-scale public offerings.
- Distribution commissions fell 28.9% YoY due to lower sales of investment trusts. In contrast, other commissions increased by 31.9% YoY due to an increase in custodian fees on the balance of investment trusts.

<Net Trading Income>

- Trading income from equities fell by 32.4% YoY due to a decrease in foreign equity transactions (mainly US equities).
- Trading income from bonds fell 4.4% YoY.

<SG&A expenses>

- Selling, general, and administrative expenses rose 4.3% YoY, due mainly to an increase in trading-related expenses.



Operating Revenues

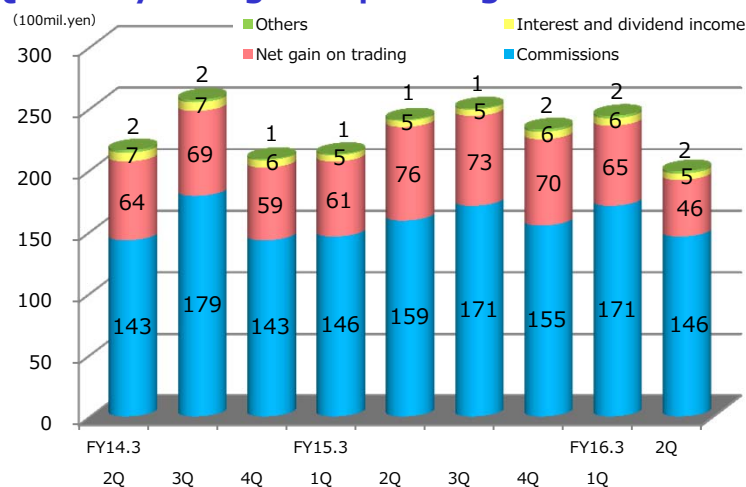
(In millions of yen)

	FY15.3 2QTOTAL	FY16.3 2QTOTAL	vs.FY15.3 2QTOTAL
Commissions	30,649	31,800	3.8%
Brokerage	8,978	11,423	27.2%
Underwriting	300	130	-56.6%
Distribution	13,071	9,295	-28.9%
Others	8,299	10,950	31.9%
Net gain on trading	13,787	11,183	-18.9%
Equities	8,095	5,470	-32.4%
Bonds	5,777	5,521	-4.4%
Others	-85	191	-
Interest and dividend income	1,151	1,215	5.5%
Others	371	433	16.7%
Operating revenues	45,960	44,632	-2.9%

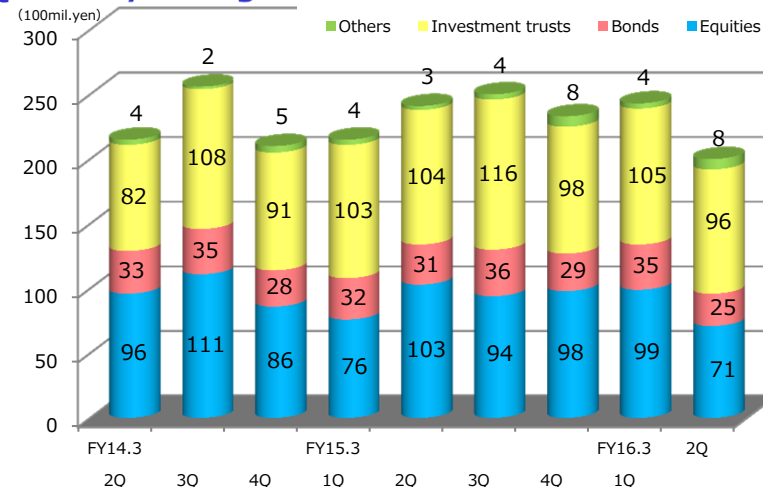
(In millions of yen)

	FY15.3				FY16.3			vs.FY16.3
	1Q	2Q	3Q	4Q	1Q	2Q	1Q	
	14,697	15,951	17,140	15,551	17,122	14,678	-14.3%	
	3,915	5,062	5,130	5,380	6,325	5,098	-19.4%	
	200	100	52	100	51	79	54.9%	
	6,556	6,514	7,325	4,994	5,235	4,060	-22.4%	
	4,025	4,273	4,631	5,075	5,511	5,439	-1.3%	
	6,140	7,647	7,329	7,063	6,546	4,637	-29.2%	
	3,196	4,898	4,087	4,144	3,388	2,082	-38.5%	
	2,954	2,823	3,353	2,705	3,250	2,271	-30.1%	
	-10	-75	-111	212	-92	283	-	
	560	591	582	605	622	592	-4.8%	
	188	183	190	208	229	203	-11.4%	
	21,586	24,373	25,242	23,429	24,521	20,111	-18.0%	

Quarterly change in operating revenues



Quarterly change in operating revenues by product





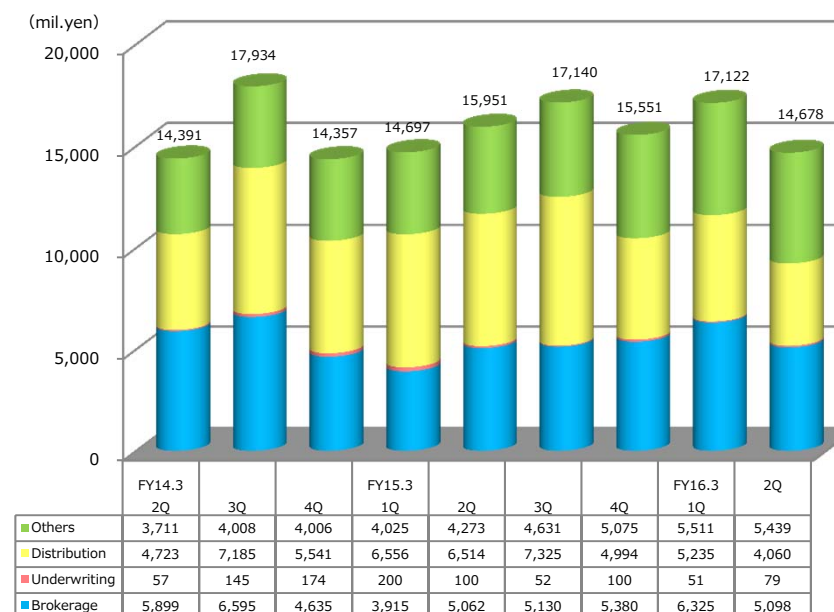
Fees and Commissions Received

■ Fees and commissions received

(In millions of yen)

Items	FY15.3 2QTOTAL	FY16.3 2QTOTAL	vs.FY15.3 2QTOTAL
Brokerage	8,978	11,423	27.2%
Equities	8,852	10,682	20.7%
Bonds	1	2	78.3%
Others	124	737	493.9%
Underwriting	300	130	-56.6%
Equities	210	92	-56.0%
Bonds	90	37	-58.0%
Distribution	13,071	9,295	-28.9%
Beneficiary Certificates	12,957	9,260	-28.5%
Others	8,299	10,950	31.9%
Beneficiary Certificates	7,701	10,187	32.3%
Total	30,649	31,800	3.8%

■ Fees and commissions received (quarterly)

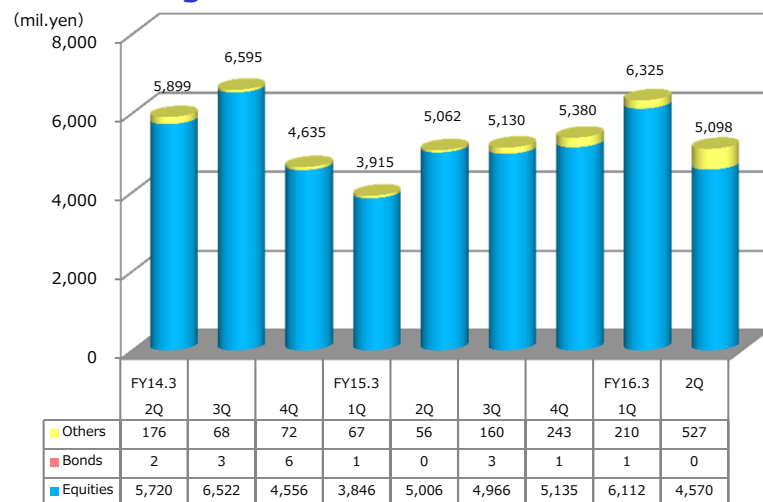


- Brokerage commissions increased by 27.2% YoY. Equity brokerage commissions rose in response to increased trading in domestic equities.
- Underwriting fees fell 56.6% YoY, due to lower overall activity than in the same quarter last year, which saw a number of large-scale equity finance deals.
- Distribution commissions fell 28.9% YoY due to lower sales of investment trusts.
- Other commissions grew by 31.9% YoY, driven by higher custodian fees resulting from the high balance of investment trusts.

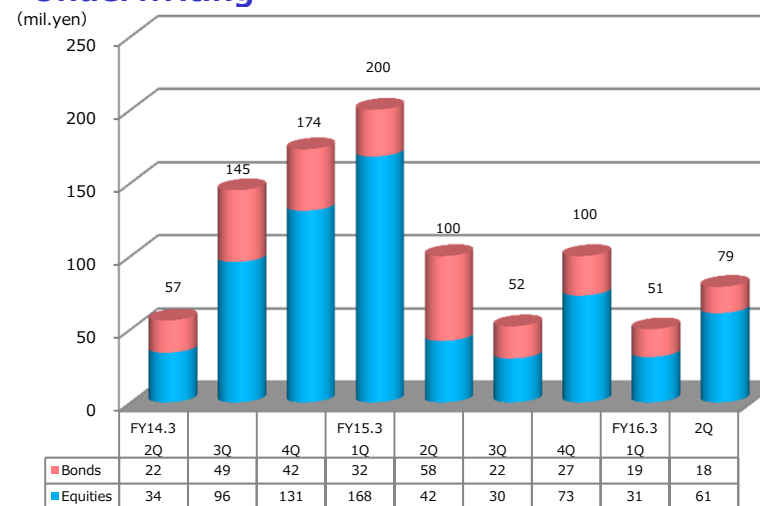


Fees and Commissions Received by Category

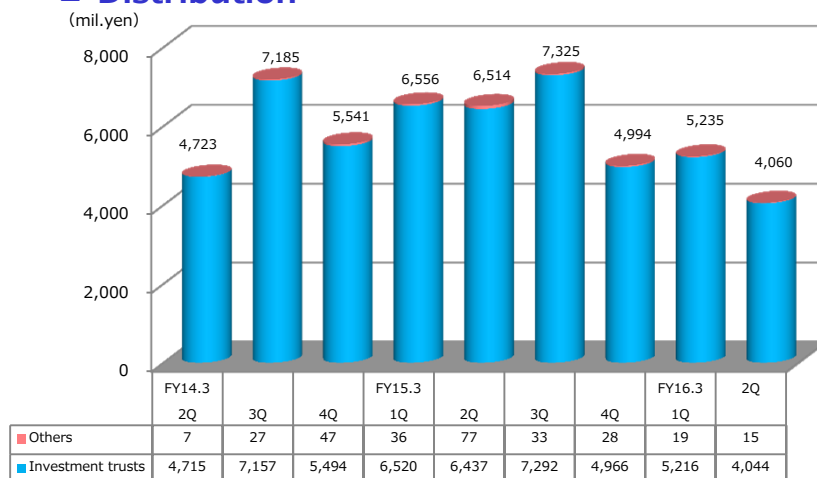
■ Brokerage



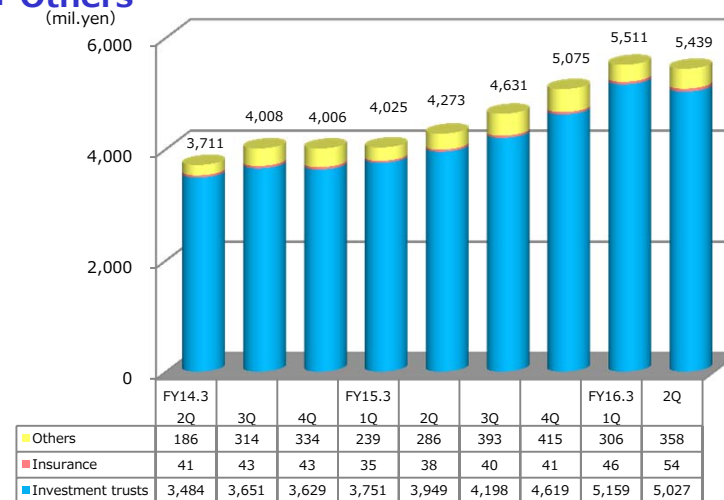
■ Underwriting



■ Distribution



■ Others





Net Trading Income

(In millions of yen)

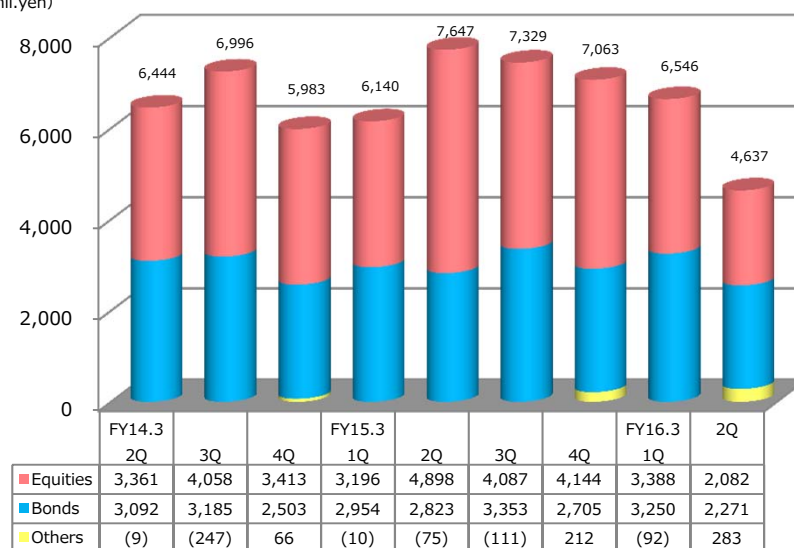
	FY15.3 2QTOTAL	FY16.3 2QTOTAL	vs.FY15.3 2QTOTAL
Equities	8,095	5,470	-32.4%
Domestic equities	573	468	-18.3%
Foreign equities	7,521	5,001	-33.5%
Bonds and others	5,777	5,521	-4.4%
Domestic bonds	479	314	-34.4%
Foreign bonds	5,298	5,206	-1.7%
Others	-85	191	-
Net gain on trading	13,787	11,183	-18.9%

(In millions of yen)

	FY15.3				FY16.3		vs.FY16.3 1Q
	1Q	2Q	3Q	4Q	1Q	2Q	1Q
	3,196	4,898	4,087	4,144	3,388	2,082	-38.5%
	246	327	590	362	305	163	-46.6%
	2,950	4,571	3,497	3,782	3,082	1,918	-37.8%
	2,954	2,823	3,353	2,705	3,250	2,271	-30.1%
	310	168	298	380	276	37	-86.6%
	2,643	2,655	3,055	2,325	2,973	2,233	-24.9%
	-10	-75	-111	212	-92	283	-
	6,140	7,647	7,329	7,063	6,546	4,637	-29.2%

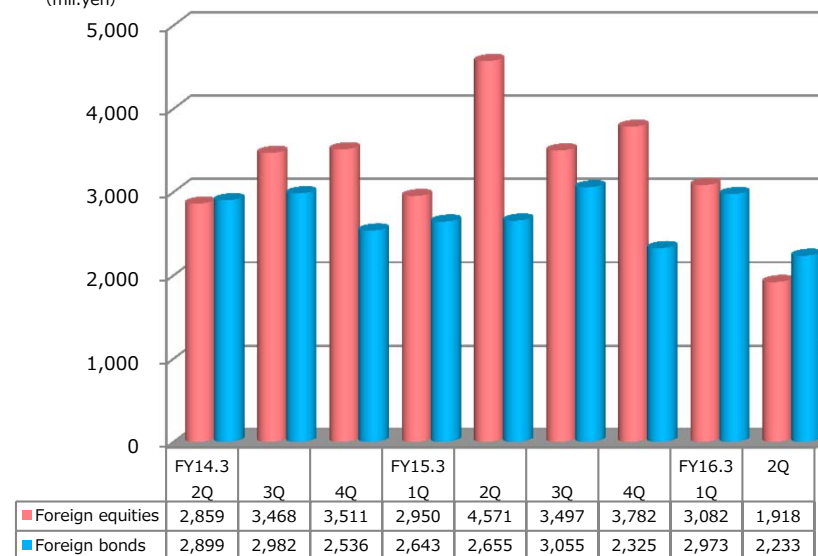
Net gain by Products

(mil.yen)



Net gain from foreign equities and bonds

(mil.yen)





SG&A : Selling, General and Administrative Expenses

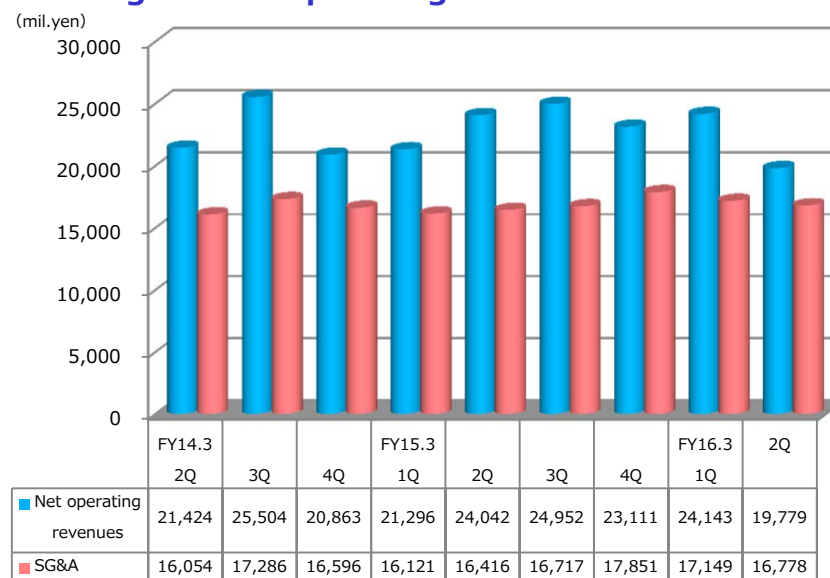
(In millions of yen)

	FY15.3 2QTOTAL	FY16.3 2QTOTAL	vs.FY15.3 2QTOTAL
Trading related expenses	6,080	7,527	23.8%
Personnel expenses	16,880	16,706	-1.0%
Real estate expenses	3,225	3,092	-4.1%
Office expenses	2,466	2,794	13.3%
Depreciation expenses	1,996	1,635	-18.1%
Taxes and dues	378	454	19.9%
Others	1,510	1,718	13.7%
SG&A	32,538	33,928	4.3%

(In millions of yen)

	FY15.3				FY16.3		vs.FY16.3
	1Q	2Q	3Q	4Q	1Q	2Q	1Q
Trading related expenses	3,055	3,024	3,427	4,010	3,754	3,773	0.5%
Personnel expenses	8,420	8,460	8,586	8,972	8,493	8,213	-3.3%
Real estate expenses	1,470	1,754	1,490	1,443	1,562	1,529	-2.1%
Office expenses	1,229	1,236	1,224	1,391	1,323	1,471	11.2%
Depreciation expenses	991	1,005	1,025	1,020	905	730	-19.3%
Taxes and dues	183	195	196	178	253	200	-20.9%
Others	770	739	766	834	858	859	0.1%
SG&A	16,121	16,416	16,717	17,851	17,149	16,778	-2.2%

Change in net operating revenues and SG&A



- Trading-related expenses were up 23.8% YoY, due mainly to an increase in variable expenses related to the asset management business.
- Personnel expenses fell by 1.0% YoY due to various factors, including smaller transfers to reserves for bonuses.
- Real estate expenses decreased by 4.1% YoY, a rebound from the partial office relocation and other expenses incurred during the same period of the previous year.
- Office expenses rose 13.3% YoY due to increased subcontracting costs.
- Depreciation expenses fell 18.1% YoY due to the completion of depreciation on certain systems.



Balance Sheet Summary (1)

	(In millions of yen)			(In millions of yen)							
	FY15.3 4Q	FY16.3 2Q	vs.FY15.3 4Q	FY15.3				FY16.3			
				1Q	2Q	3Q	4Q	1Q	2Q	1Q	vs.FY16.3
Current assets	573,679	516,310	-57,369	579,777	612,223	594,151	573,679	586,417	516,310	-70,107	
Cash and deposits	55,583	52,195	-3,388	45,742	56,935	52,941	55,583	54,498	52,195	-2,303	
Cash segregated as deposits	63,610	61,118	-2,492	61,509	61,245	64,349	63,610	65,566	61,118	-4,448	
Trading products	216,338	152,853	-63,485	187,903	244,013	225,062	216,338	232,211	152,853	-79,358	
Receivables on margin transactions	58,273	55,392	-2,881	56,666	53,373	55,272	58,273	56,053	55,392	-661	
Receivables on collateralized securities transactions	169,979	184,426	14,447	150,048	180,824	187,916	169,979	168,743	184,426	15,683	
Other current assets	9,895	10,323	428	77,906	15,830	8,608	9,895	9,343	10,323	980	
Fixed assets	75,810	81,320	5,510	70,388	71,854	71,393	75,810	86,434	81,320	-5,114	
Tangible fixed assets	18,960	18,963	3	18,906	19,115	19,199	18,960	18,897	18,963	66	
Intangible fixed assets	7,585	8,766	1,181	8,180	8,203	8,113	7,585	7,895	8,766	871	
Investments and other assets	49,264	53,590	4,326	43,300	44,535	44,080	49,264	59,642	53,590	-6,052	
Total assets	649,489	597,630	-51,859	650,166	684,078	665,544	649,489	672,852	597,630	-75,222	

- Current assets decrease 57.3 billion yen from the end of the previous fiscal year due to decrease in trading products and other factors.
- Fixed assets grew 5.5 billion yen from the end of the previous fiscal year due to growth in investment securities and other factors.
- Total assets decreased 51.8 billion yen over the same period.
- Current liabilities decrease 49.2 billion yen from the end of the previous fiscal year due to decrease in trading products and other factors.
- Fixed liabilities decreased 1.3 billion yen over the same period. Total liabilities decreased by 50.5 billion yen.
- Net assets decrease 1.2 billion yen from the end of the previous fiscal year due to decrease in minority interests and other factors.



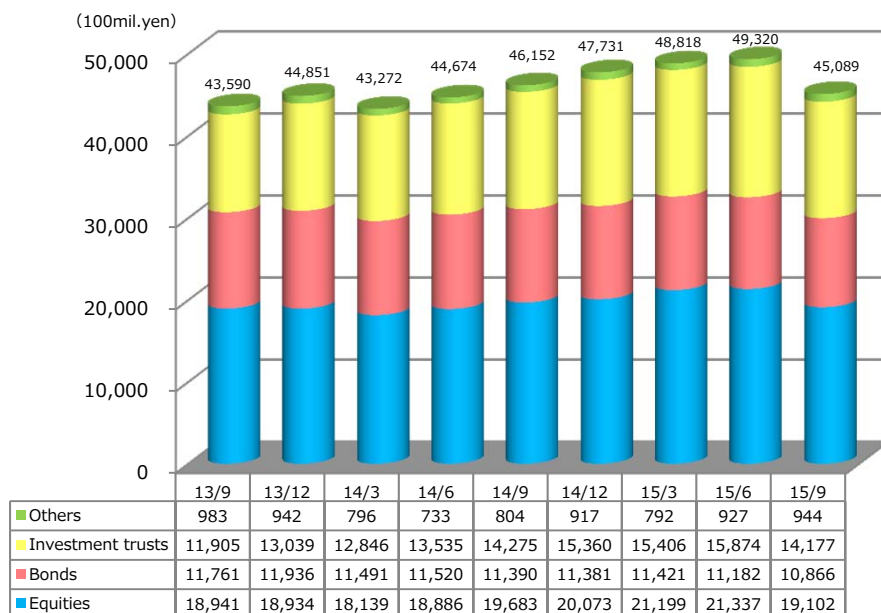
Balance Sheet Summary (2)

	(In millions of yen)			(In millions of yen)						
	FY15.3 4Q	FY16.3 2Q	vs.FY15.3 4Q	FY15.3				FY16.3		
				1Q	2Q	3Q	4Q	1Q	2Q	1Q
Current liabilities	445,495	396,221	-49,274	469,961	499,139	472,877	445,495	464,455	396,221	-68,234
Trading liabilities	145,105	107,043	-38,062	143,321	173,876	160,091	145,105	108,373	107,043	-1,330
Payables on margin transactions	18,742	10,060	-8,682	17,071	18,497	13,006	18,742	11,148	10,060	-1,088
Payables on collateralized securities transactions	69,695	70,161	466	83,235	52,114	61,217	69,695	120,780	70,161	-50,619
Deposits received	39,490	49,767	10,277	39,460	51,682	55,349	39,490	53,189	49,767	-3,422
Guarantee deposits received	36,678	38,203	1,525	33,861	34,160	36,675	36,678	41,330	38,203	-3,127
Short-term borrowings	104,795	105,384	589	146,397	158,515	125,881	104,795	85,197	105,384	20,187
Other current liabilities	30,985	15,600	-15,385	6,613	10,292	20,655	30,985	44,436	15,600	-28,836
Fixed liabilities	29,965	28,635	-1,330	26,331	25,041	25,619	29,965	30,927	28,635	-2,292
Long-term borrowings	9,210	8,828	-382	8,355	6,670	6,660	9,210	9,210	8,828	-382
Net defined benefit liability	5,320	5,298	-22	5,136	5,134	5,121	5,320	5,303	5,298	-5
Other fixed liabilities	15,435	14,508	-927	12,840	13,236	13,837	15,435	16,413	14,508	-1,905
Financial instruments transaction reserve	2,617	2,630	13	2,398	2,479	2,563	2,617	2,629	2,630	1
Total liabilities	478,078	427,487	-50,591	498,691	526,660	501,060	478,078	498,012	427,487	-70,525
Common stock	18,589	18,589	-	18,589	18,589	18,589	18,589	18,589	18,589	-
Capital surplus	12,913	12,982	69	12,913	12,913	12,913	12,913	12,813	12,982	169
Retained earnings	100,472	101,898	1,426	89,191	93,649	98,496	100,472	100,240	101,898	1,658
Treasury stock	-3,729	-3,777	-48	-3,704	-3,711	-3,723	-3,729	-3,734	-3,777	-43
Accumulated other comprehensive income	15,952	15,377	-575	10,048	11,002	12,409	15,952	18,410	15,377	-3,033
Subscription rights to shares	-	92	92	-	-	-	-	-	92	92
Minority interests	27,212	24,980	-2,232	24,435	24,974	25,798	27,212	28,520	24,980	-3,540
Total net assets	171,411	170,143	-1,268	151,474	157,418	164,484	171,411	174,839	170,143	-4,696
Total liabilities&net assets	649,489	597,630	-51,859	650,166	684,078	665,544	649,489	672,852	597,630	-75,222

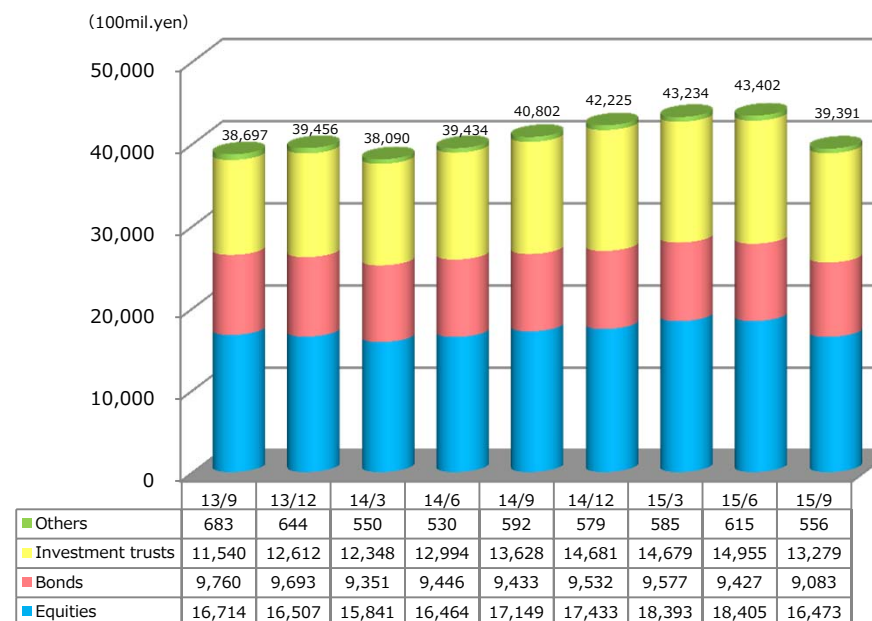


Assets under custody (Consolidated)

■ Assets under Custody



■ Retail Assets under Custody



- On a consolidated basis, customers' assets under custody decreased to 4,508.9 billion yen, down 372.9 billion yen from the end of the previous fiscal year. This was due mainly to a decline in the market value of equities.
- Retail customers' assets under custody decreased to 3,939.1 billion yen, down 384.3 billion yen from the end of the previous fiscal year.



2. Reference Data



Performance by quarter (non-consolidated: Okasan Securities)

Items	(In millions of yen)			(In millions of yen)							
	FY15.3 2QTOTAL	FY16.3 2QTOTAL	vs.FY15.3 2QTOTAL	FY15.3				FY16.3		vs.FY15.3 1Q	
				1Q	2Q	3Q	4Q	1Q	2Q		
Operating revenues	36,624	32,603	-11.0%	17,031	19,593	19,958	17,763	18,258	14,344	-21.4%	
Commissions	22,522	21,076	-6.4%	10,735	11,786	12,542	10,524	11,546	9,529	-17.5%	
Brokerage	6,778	8,970	32.3%	2,942	3,835	3,823	4,204	5,001	3,969	-20.6%	
Underwriting	299	125	-58.0%	199	99	51	97	50	75	50.0%	
Distribution	12,211	8,377	-31.4%	6,034	6,176	6,906	4,447	4,663	3,714	-20.4%	
Others	3,232	3,602	11.4%	1,558	1,673	1,760	1,775	1,831	1,770	-3.3%	
Net gain on trading	13,257	10,631	-19.8%	5,883	7,374	6,983	6,798	6,244	4,386	-29.8%	
Equities	7,818	5,231	-33.1%	3,053	4,765	3,911	4,031	3,247	1,983	-38.9%	
Bonds	5,524	5,208	-5.7%	2,839	2,684	3,183	2,554	3,089	2,119	-31.4%	
Others	-85	191	-	-10	-75	-111	212	-92	283	-	
Interest and dividend income	844	895	6.1%	411	432	432	439	466	428	-8.2%	
Financial expenses	579	666	15.0%	271	308	274	293	356	310	-12.9%	
Net operating revenues	36,044	31,936	-11.4%	16,759	19,285	19,683	17,469	17,902	14,034	-21.6%	
SG&A	24,910	24,807	-0.4%	12,229	12,680	12,745	12,977	12,649	12,158	-3.9%	
Trading related expenses	4,099	4,169	1.7%	2,040	2,059	2,214	2,154	2,139	2,030	-5.1%	
Personnel expenses	12,855	12,645	-1.6%	6,364	6,491	6,585	6,749	6,408	6,236	-2.7%	
Real estate expenses	3,113	3,096	-0.6%	1,438	1,675	1,486	1,472	1,533	1,562	1.9%	
Administrative expenses	3,940	3,862	-2.0%	1,945	1,995	2,012	2,087	2,010	1,852	-7.9%	
Depreciation expenses	234	254	8.5%	112	121	127	137	121	133	9.9%	
Taxes and dues	220	259	17.4%	97	122	110	106	139	120	-13.7%	
Others	444	519	16.9%	230	214	209	269	297	222	-25.3%	
Operating income	11,133	7,128	-36.0%	4,529	6,604	6,937	4,491	5,252	1,875	-64.3%	
Non-operating income	195	135	-31.0%	100	95	90	66	71	63	-11.3%	
Non-operating expenses	42	11	-72.3%	7	34	5	5	4	7	75.0%	
Ordinary income	11,287	7,251	-35.8%	4,623	6,664	7,023	4,552	5,319	1,932	-63.7%	
Extraordinary gain	-	-	-	-	-	-	-	-	-	-	
Extraordinary loss	92	22	-76.0%	43	49	49	39	22	-	-	
Net profit, before taxes	11,195	7,229	-35.4%	4,580	6,615	6,974	4,513	5,297	1,932	-63.5%	
Income taxes	3,746	2,213	-40.9%	556	3,189	1,806	2,068	1,052	1,160	10.3%	
Adjustment amount for income t	415	289	-30.5%	1,154	-738	727	-627	770	-481	-	
Net profit	7,033	4,727	-32.8%	2,869	4,164	4,439	3,072	3,474	1,252	-64.0%	



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

<Volume of equity trading / Number of shares>

(In millions of shares)

Items	FY15.3						FY16.3			vs.FY15.3	vs.FY16.3
	1Q	2Q	2QTOTAL	3Q	4Q	TOTAL	1Q	2Q	2QTOTAL	2QTOTAL	1Q
(Dealing)	409	487	897	375	389	1,662	557	579	1,137	26.8%	3.9%
(Brokerage)	2,847	3,665	6,513	4,062	3,515	14,091	3,697	3,149	6,846	5.1%	-14.8%
Total	3,256	4,153	7,410	4,438	3,905	15,754	4,254	3,728	7,983	7.7%	-12.4%
Brokerage ratio	87.4%	88.3%	87.9%	91.5%	90.0%	89.4%	86.9%	84.4%	85.8%	-2.1 p	-2.5 p

<Volume of equity trading / Total value>

(In millions of yen)

Items	FY15.3						FY16.3			vs.FY15.3	vs.FY16.3
	1Q	2Q	2QTOTAL	3Q	4Q	TOTAL	1Q	2Q	2QTOTAL	2QTOTAL	1Q
(Dealing)	416,308	513,918	930,226	427,844	470,433	1,828,503	553,726	511,860	1,065,587	14.6%	-7.6%
(Brokerage)	1,955,209	2,200,429	4,155,639	2,219,592	2,045,028	8,420,260	2,229,739	1,937,777	4,167,517	0.3%	-13.1%
Total	2,371,517	2,714,347	5,085,865	2,647,437	2,515,461	10,248,764	2,783,466	2,449,638	5,233,104	2.9%	-12.0%
Brokerage ratio	82.4%	81.1%	81.7%	83.8%	81.3%	82.2%	80.1%	79.1%	79.6%	-2.1 p	-1.0 p

<Total share within TSE>

Items	FY15.3						FY16.3			vs.FY15.3	vs.FY16.3
	1Q	2Q	2QTOTAL	3Q	4Q	TOTAL	1Q	2Q	2QTOTAL	2QTOTAL	1Q
Number of shares	0.99%	1.21%	1.10%	1.09%	1.04%	1.08%	1.10%	0.97%	1.03%	-0.07 p	-0.13 p
Total value	0.75%	0.81%	0.78%	0.63%	0.61%	0.69%	0.65%	0.56%	0.60%	-0.18 p	-0.09 p

<Brokerage Commissions Ratio>

(In millions of yen)

Items	FY15.3						FY16.3			vs.FY15.3	vs.FY16.3
	1Q	2Q	2QTOTAL	3Q	4Q	TOTAL	1Q	2Q	2QTOTAL	2QTOTAL	1Q
Commissions	2,854	3,755	6,610	3,621	3,935	14,166	4,774	3,427	8,201	24.1%	-28.2%
Commissions Ratio	0.15%	0.17%	0.16%	0.16%	0.19%	0.17%	0.21%	0.18%	0.20%	0.04 p	-0.03 p

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		FY15.3						FY16.3			vs.FY15.3	vs.FY16.3
		1Q	2Q	2QTOTAL	3Q	4Q	TOTAL	1Q	2Q	2QTOTAL	2QTOTAL	1Q
Equities	(Number of shares)	1	0	2	0	0	3	0	2	3	50.0%	-
Equities	(Total value)	4,613	1,192	5,805	714	1,312	7,833	594	1,498	2,092	-64.0%	152.2%
Bonds	(Total at face value)	180,762	191,817	372,579	180,955	194,039	747,573	227,055	211,175	438,230	17.6%	-7.0%
Domestic and foreign CP	(Total at face value)	-	-	-	-	-	-	-	-	-	-	-

<Selling>

(In millions of shares, millions of yen)

Items		FY15.3						FY16.3			vs.FY15.3	vs.FY16.3
		1Q	2Q	2QTOTAL	3Q	4Q	TOTAL	1Q	2Q	2QTOTAL	2QTOTAL	1Q
Equities	(Number of shares)	1	0	2	0	0	3	0	2	3	50.0%	-
Equities	(Total value)	4,868	1,287	6,155	618	1,212	7,987	603	1,530	2,133	-65.3%	153.7%
Bonds	(Total at face value)	45,283	39,753	85,036	42,173	43,116	170,325	44,095	44,412	88,507	4.1%	0.7%

<Offering>

(In millions of shares, millions of yen)

Items		FY15.3						FY16.3			vs.FY15.3	vs.FY16.3
		1Q	2Q	2QTOTAL	3Q	4Q	TOTAL	1Q	2Q	2QTOTAL	2QTOTAL	1Q
Equities	(Number of shares)	0	-	0	0	-	0	0	-	0	-	-
Equities	(Total value)	5	-	5	0	-	6	1	-	1	-80.0%	-
Bonds	(Total at face value)	191,531	202,564	394,095	190,902	204,559	789,558	237,517	221,696	459,214	16.5%	-6.7%
Beneficiary securities	(Total at face value)	584,656	590,039	1,174,696	645,162	549,443	2,369,302	536,182	424,874	961,056	-18.2%	-20.8%
Domestic and foreign CP	(Total at face value)	-	-	-	-	-	-	-	-	-	-	-

<Underwriting & Selling Fees Ratio>

(In millions of yen)

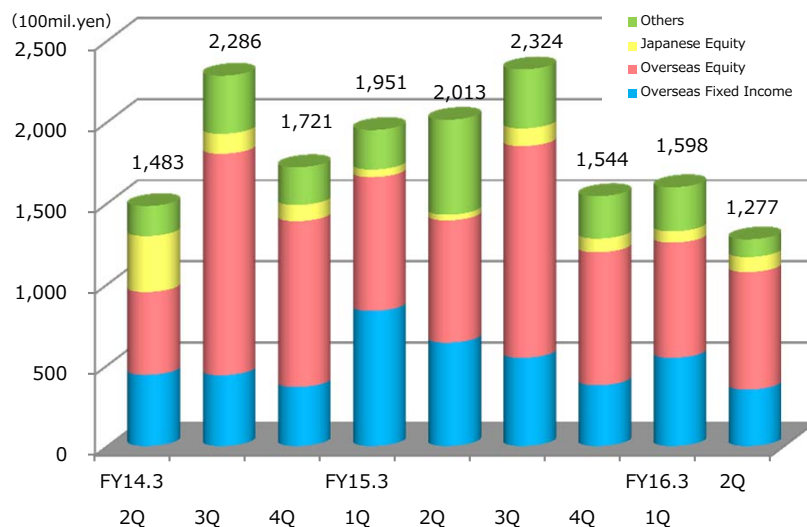
Items		FY15.3						FY16.3			vs.FY15.3	vs.FY16.3
		1Q	2Q	2QTOTAL	3Q	4Q	TOTAL	1Q	2Q	2QTOTAL	2QTOTAL	1Q
Equities		167	41	209	28	70	308	30	60	91	-56.5%	100.0%
	(Averaged Fees Ratio)	1.76%	1.69%	1.76%	2.10%	2.77%	1.95%	2.51%	1.98%	2.15%	0.39 p	-0.53 p
Bonds		31	58	90	22	27	139	19	14	34	-62.2%	-26.3%
	(Averaged Fees Ratio)	0.014%	0.025%	0.020%	0.010%	0.011%	0.015%	0.007%	0.005%	0.006%	-0.014 p	-0.002 p



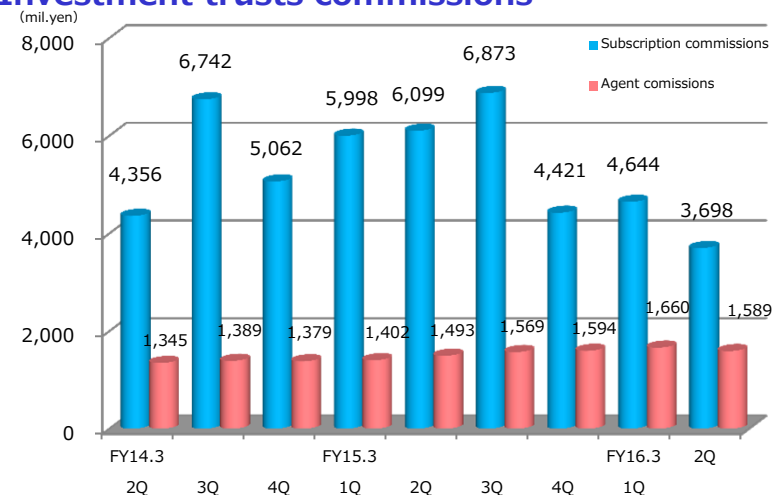
Investment trusts / Foreign bonds

(non-consolidated: Okasan Securities)

■ Investment trusts sales amount

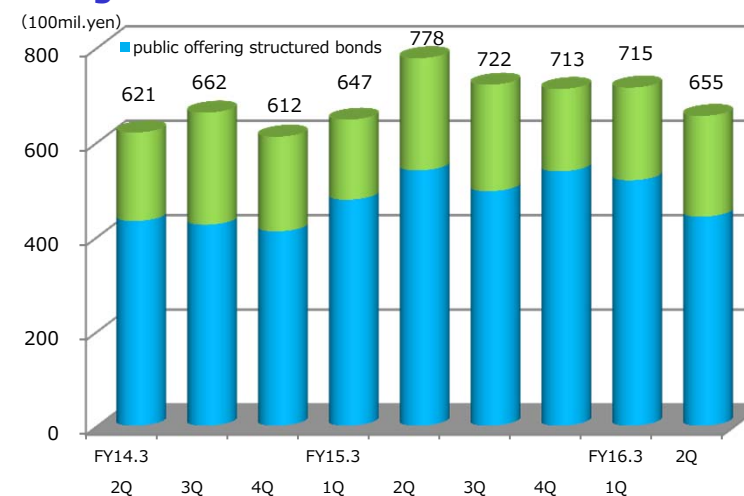


■ Investment trusts commissions



- Investment trust sales (2Q cumulative) fell 27.4% YoY to 287.6 billion yen.
- Sales commissions (2Q cumulative) fell 31.0% YoY to 8,342 million yen. At the same time, the high balance of investment trusts boosted agent commissions (2Q cumulative) by 12.2% to 3,249 million yen.
- Foreign bond sales (2Q cumulative) fell 3.8% YoY to 137.0 billion yen. Sales of foreign currency bonds to retail investors increased, while sales of structured bonds to corporate investors fell.

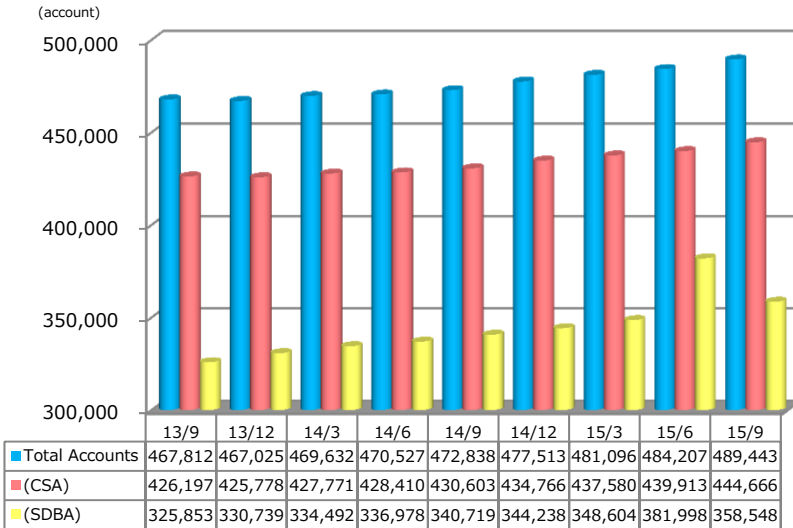
■ Foreign bonds sales amount



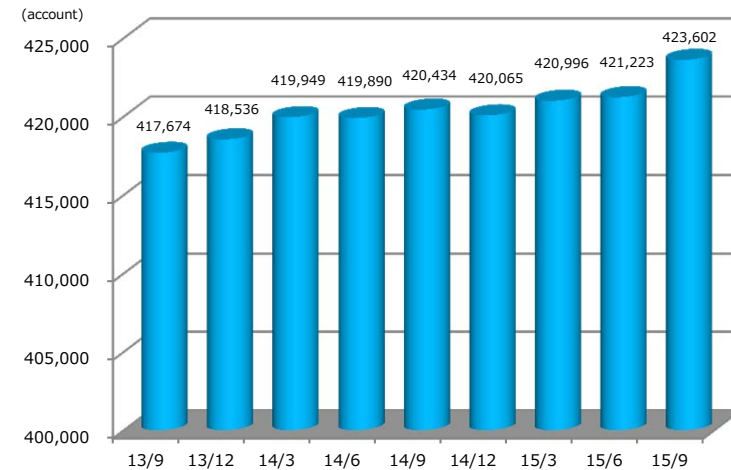


Number of accounts (non-consolidated: Okasan Securities)

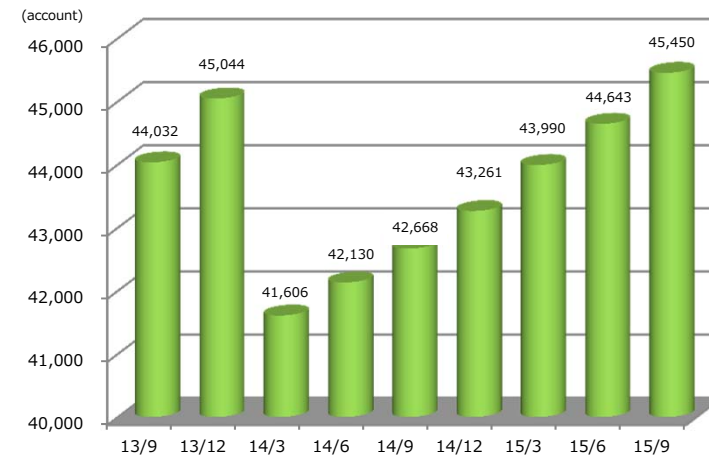
Number of customer accounts



Number of balance remaining accounts



Number of online accounts

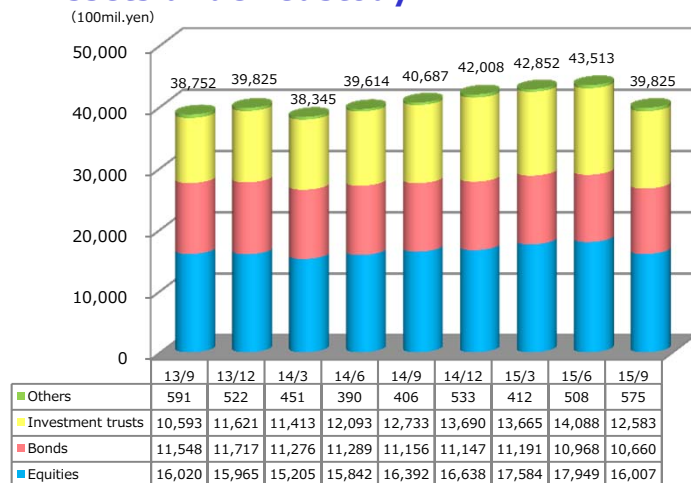


- The total number of customer accounts increased by 1.7% from the end of the previous fiscal year to 489,443.
- The number of accounts with remaining balances increased by 0.6% from the end of the previous fiscal year to 423,602.
- The number of newly opened accounts (2Q cumulative) was 12,760.
- Online accounts (45,450 accounts) accounted for 9.3% of the total number of customer accounts.

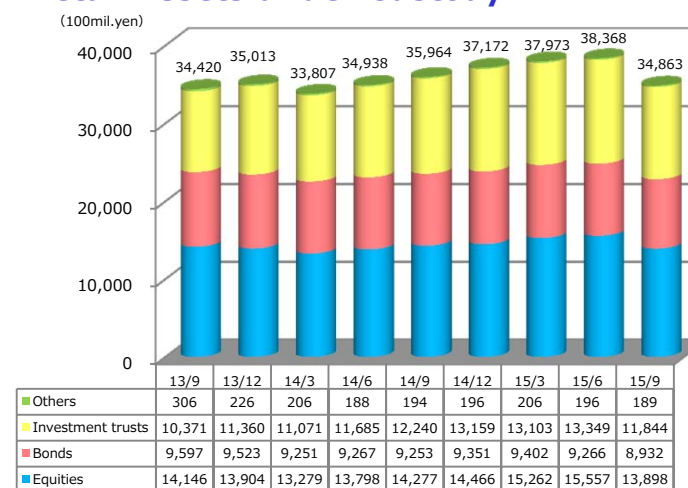


Assets under custody / Net inflow of assets (non-consolidated: Okasan Securities)

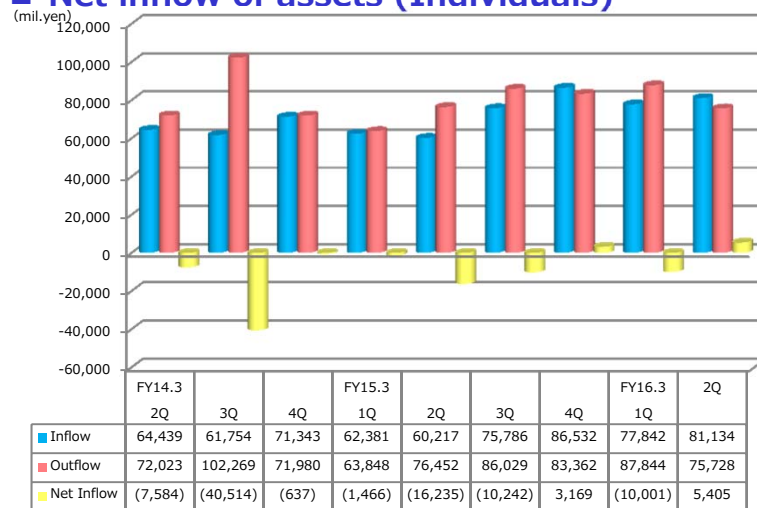
■ Assets under Custody



■ Retail Assets under Custody



■ Net inflow of assets (Individuals)



- Customers' assets under custody at Okasan Securities decreased by 302.7 billion yen from the end of the previous fiscal year to 3,982.5 billion yen.
- Net inflow/outflow of assets (sum of inflow/outflow of cash and securities; individuals only) cumulative over 2Q was an outflow of 4.5 billion yen.



Capital Adequacy Requirement Ratio

(non-consolidated: Okasan Securities)

(In millions of yen)

Items		FY15.3				FY16.3		vs.FY16.3	
		1Q	2Q	3Q	4Q	1Q	2Q	4Q	
Basic items	(A)	71,637	75,801	80,241	78,313	81,788	83,041	4,728	
Complementary items	Appraisal gains (losses) etc.	3	6	13	10	31	15	5	
	Security transaction responsibility reserve	1,323	1,372	1,422	1,461	1,483	1,483	22	
	General provision for loan losses	13	12	14	13	0	0	-13	
	Short-term subordinated debt	6,725	4,750	4,750	8,775	8,775	6,800	-1,975	
Total	(B)	8,064	6,142	6,199	10,260	10,290	8,299	-1,961	
Assets to be deducted	(C)	9,469	9,707	9,636	9,392	9,548	9,920	528	
Unfixed equity capital	(A) + (B) - (C)	(D)	70,232	72,235	76,803	79,182	82,530	81,419	2,237
Risk equivalents	Market risk equivalents	2,717	2,837	2,945	3,014	3,629	2,276	-738	
	Customer risk equivalents	1,267	1,282	1,301	1,331	1,356	1,328	-3	
	Basic risk equivalents	12,864	12,722	12,737	12,595	12,745	12,806	211	
	Total	(E)	16,850	16,842	16,985	16,941	17,731	16,410	-531
Capital adequacy ratio	(D) / (E) × 100 (%)	416.7%	428.8%	452.1%	467.3%	465.4%	496.1%	+28.8 p	

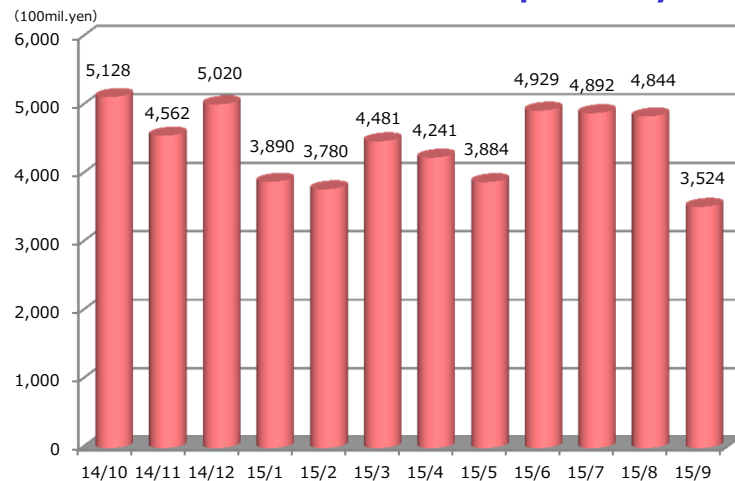
(Note) Short-term subordinated debt consists of subordinated borrowing.

- The capital adequacy ratio at the end of September 2015 increased by 28.8 percentage points from the end of the previous fiscal year.
- Growth in basic items due to periodic profit caused the capital adequacy ratio to rise.

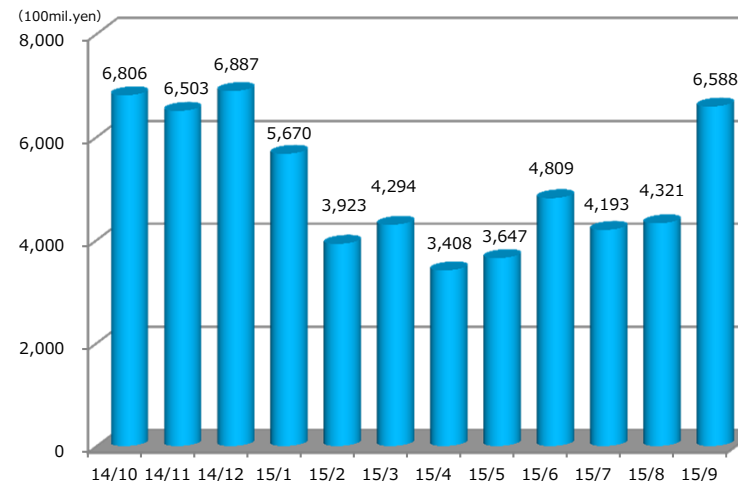


(Reference Data) Okasan Online Securities Data

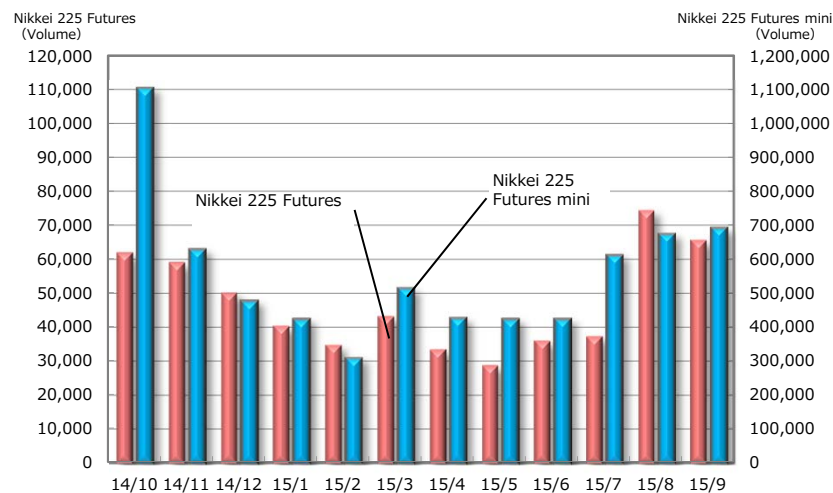
■ Domestic sales amount of equities by month



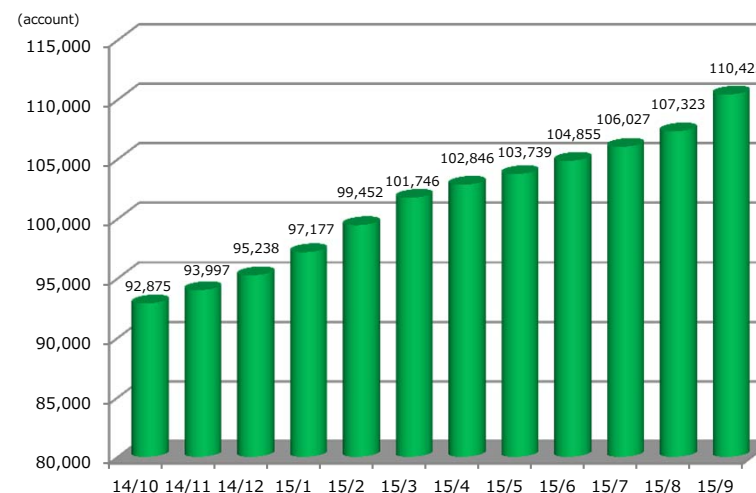
■ "Click 365" contract amount



■ Nikkei 225 Futures & Nikkei 225 Futures mini



■ Number of customer accounts





MEMO



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/>