



Ending March 31, 2017

Results Briefing



April 28, 2017
Okasan Securities Group Inc.

The objective of the document is to provide information on the results of the fiscal year ending March 31, 2017 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 March 2017. 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
FY17.3	80,640 (-2.8%)	79,462 (-2.6%)	14,155 (-0.0%)	15,425 (-11.3%)
FY16.3	82,927 (-12.4%)	81,617 (-12.6%)	14,158 (-46.2%)	17,396 (-36.1%)

	Profit attributable to owners of parent	Net income per share	R O E	Comprehensive income
	million yen	yen		million yen
FY17.3	10,486 (-5.3%)	52.93	6.9%	13,095 (59.2%)
FY16.3	11,068 (-21.5%)	55.94	7.6%	8,225 (-65.0%)

	Total assets	Net assets	Equity ratio	Net Assets per share
	million yen	million yen		
FY17.3	552,844	178,256	28.4%	792.05
FY16.3	515,743	172,097	28.4%	739.82



Financial highlights of fiscal year ending March 2017

<Overview>

- Operating revenues fell 2.8% year on year (YoY) to 80,640 million yen. Net trading income rose 40.7% YoY, Fees and commissions fell 18.4% YoY.
- Ordinary income decreased by 11.3% YoY to 15,425 million yen.
- Profit attributable to owners of parent decreased by 5.3% YoY to 10,486 million yen.

<Fees and Commissions>

- Brokerage commissions decreased by 22.5% YoY. Commissions on domestic equities decreased.
- Underwriting fees decreased by 26.6% YoY due to a rebound from the large-scale deals in the previous year.
- Distribution commissions fell 15.0% YoY due to lower sales of investment trusts.
- Other commissions decreased by 16.6% YoY due to an decrease in custodian fees on the balance of investment trusts.

<Net Trading Income>

- Trading income from equities rose by 99.3% YoY due to a increase in foreign equity transactions (mainly US equities).
- Trading income from bonds decreased by 2.1% YoY.

<SG&A expenses>

- Selling, general, and administrative expenses fell 3.2% YoY, due mainly to an decrease in trading-related expenses and personnel expenses.

< Non-operating income/losses and extraordinary gain/loss >

- Transfers from security transaction responsibility reserve and gains on sale of investment securities were recorded as extraordinary gains.



Performance by quarter (Consolidated)

(In millions of yen)

Items	FY16.3 TOTAL	FY17.3 TOTAL	vs.FY16.3 TOTAL
Operating revenues	82,927	80,640	-2.8%
Commissions	57,665	47,073	-18.4%
Brokerage	20,804	16,129	-22.5%
Underwriting	545	400	-26.6%
Distribution	15,747	13,381	-15.0%
Others	20,568	17,161	-16.6%
Net gain on trading	22,233	31,272	40.7%
Equities	9,875	19,686	99.3%
Bonds	12,122	11,872	-2.1%
Others	235	-285	-
Interest and dividend income	2,237	1,493	-33.3%
Service fee and other revenues	790	802	1.5%
Interest expenses	1,309	1,178	-10.0%
Net operating revenues	81,617	79,462	-2.6%
SG&A	67,459	65,306	-3.2%
Trading related expenses	14,764	12,808	-13.2%
Personnel expenses	33,331	32,408	-2.8%
Real estate expenses	6,273	6,794	8.3%
Administrative expenses	5,687	5,773	1.5%
Depreciation expenses	3,258	3,504	7.5%
Taxes and dues	846	1,196	41.3%
Others	3,297	2,820	-14.5%
Operating income	14,158	14,155	-0.0%
Non-operating income	3,668	1,434	-60.9%
Non-operating expenses	431	164	-61.8%
Ordinary income	17,396	15,425	-11.3%
Extraordinary gain	1,807	2,407	33.2%
Extraordinary loss	227	626	176.0%
Net profit, before taxes	18,976	17,206	-9.3%
Income taxes	4,512	5,496	21.8%
Adjustment amount for income taxes	1,403	-201	-
Net profit	13,060	11,911	-8.8%
Profit attributable to non-controlling interests	1,992	1,424	-28.5%
Profit attributable to owners of parent	11,068	10,486	-5.3%

(In millions of yen)

Items	FY16.3				FY17.3				vs.FY17.3 3Q
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Operating revenues	24,521	20,111	19,750	18,544	19,242	19,323	21,715	20,359	-6.2%
Commissions	17,122	14,678	13,545	12,320	11,630	10,328	12,670	12,443	-1.8%
Brokerage	6,325	5,098	5,201	4,180	4,468	3,260	4,392	4,007	-8.8%
Underwriting	51	79	332	82	48	109	119	122	2.5%
Distribution	5,235	4,060	2,900	3,550	2,681	2,770	3,901	4,027	3.2%
Others	5,511	5,439	5,110	4,507	4,432	4,187	4,257	4,285	0.7%
Net gain on trading	6,546	4,637	5,510	5,539	7,037	8,456	8,480	7,297	-14.0%
Equities	3,388	2,082	2,372	2,032	3,656	5,652	5,726	4,651	-18.8%
Bonds	3,250	2,271	3,169	3,431	3,123	2,792	3,275	2,680	-18.2%
Others	-92	283	-31	75	257	12	-521	-34	-
Interest and dividend income	622	592	526	495	379	340	368	404	9.8%
Service fee and other revenues	229	203	168	188	194	197	196	214	9.2%
Interest expenses	377	331	300	298	267	287	296	327	10.5%
Net operating revenues	24,143	19,779	19,449	18,245	18,975	19,035	21,418	20,032	-6.5%
SG&A	17,149	16,778	17,009	16,521	16,257	16,136	16,366	16,545	1.1%
Trading related expenses	3,754	3,773	3,828	3,408	3,189	3,249	3,224	3,145	-2.5%
Personnel expenses	8,493	8,213	8,349	8,275	7,901	7,917	8,239	8,349	1.3%
Real estate expenses	1,562	1,529	1,583	1,597	1,706	1,629	1,684	1,773	5.3%
Administrative expenses	1,323	1,471	1,460	1,432	1,485	1,509	1,353	1,424	5.2%
Depreciation expenses	905	730	771	851	881	889	875	858	-1.9%
Taxes and dues	253	200	211	180	303	292	298	302	1.3%
Others	858	859	804	774	788	648	691	691	0.0%
Operating income	6,994	3,001	2,439	1,724	2,718	2,898	5,052	3,486	-31.0%
Non-operating income	850	425	1,924	469	276	461	120	576	380.0%
Non-operating expenses	61	82	82	204	64	23	34	42	23.5%
Ordinary income	7,783	3,343	4,281	1,988	2,930	3,336	5,138	4,020	-21.8%
Extraordinary gain	147	35	192	1,432	1,609	15	26	756	-
Extraordinary loss	66	50	28	81	55	119	119	332	179.0%
Net profit, before taxes	7,863	3,327	4,445	3,339	4,484	3,232	5,045	4,444	-11.9%
Income taxes	1,712	1,578	331	890	733	1,513	1,339	1,910	42.6%
Adjustment amount for income taxes	755	-404	654	397	361	-433	300	-429	-
Net profit	5,396	2,153	3,459	2,050	3,389	2,152	3,405	2,963	-13.0%
Profit attributable to non-controlling interests	755	495	503	237	511	242	203	467	130.0%
Profit attributable to owners of parent	4,640	1,658	2,955	1,813	2,877	1,910	3,201	2,496	-22.0%



Operating Revenues

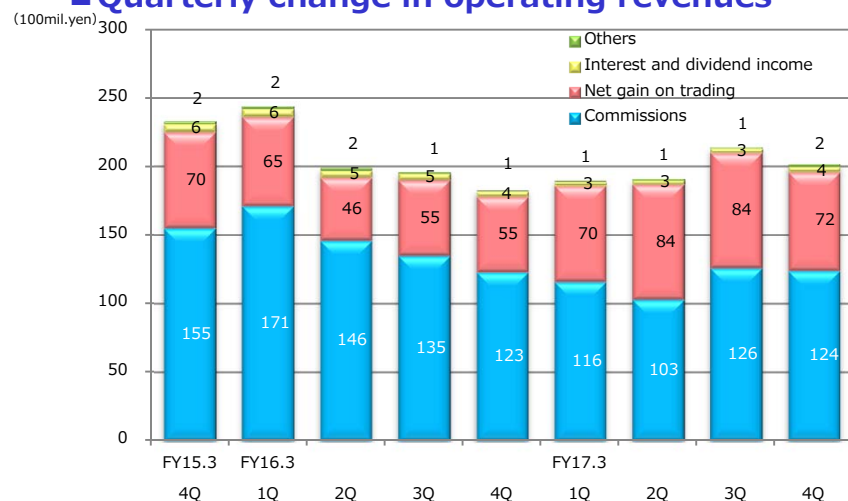
(In millions of yen)

	FY16.3	FY17.3	vs.FY16.3
	TOTAL	TOTAL	TOTAL
Commissions	57,665	47,073	-18.4%
Brokerage	20,804	16,129	-22.5%
Underwriting	545	400	-26.6%
Distribution	15,747	13,381	-15.0%
Others	20,568	17,161	-16.6%
Net gain on trading	22,233	31,272	40.7%
Equities	9,875	19,686	99.3%
Bonds	12,122	11,872	-2.1%
Others	235	-285	-
Interest and dividend income	2,237	1,493	-33.3%
Others	790	802	1.5%
Operating revenues	82,927	80,640	-2.8%

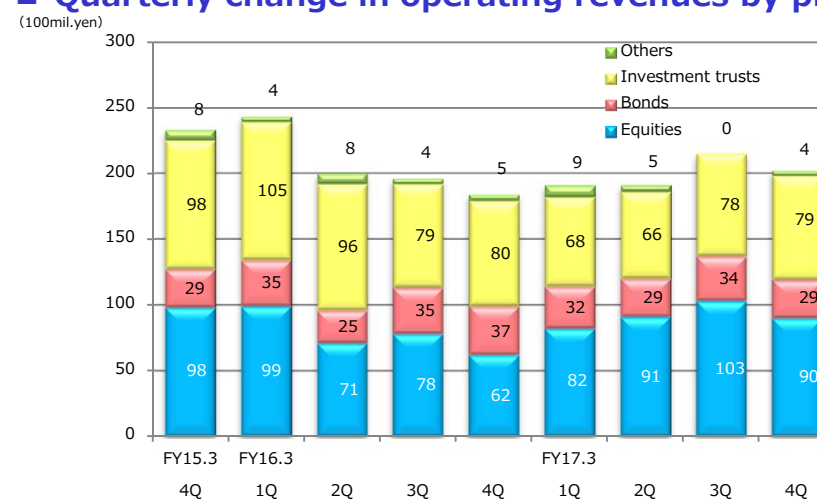
(In millions of yen)

	FY16.3				FY17.3				vs.FY17.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q
Commissions	17,122	14,678	13,545	12,320	11,630	10,328	12,670	12,443	-1.8%
Brokerage	6,325	5,098	5,201	4,180	4,468	3,260	4,392	4,007	-8.8%
Underwriting	51	79	332	82	48	109	119	122	2.5%
Distribution	5,235	4,060	2,900	3,550	2,681	2,770	3,901	4,027	3.2%
Others	5,511	5,439	5,110	4,507	4,432	4,187	4,257	4,285	0.7%
Net gain on trading	6,546	4,637	5,510	5,539	7,037	8,456	8,480	7,297	-14.0%
Equities	3,388	2,082	2,372	2,032	3,656	5,652	5,726	4,651	-18.8%
Bonds	3,250	2,271	3,169	3,431	3,123	2,792	3,275	2,680	-18.2%
Others	-92	283	-31	75	257	12	-521	-34	-
Interest and dividend income	622	592	526	495	379	340	368	404	9.8%
Others	229	203	168	188	194	197	196	214	9.2%
Operating revenues	24,521	20,111	19,750	18,544	19,242	19,323	21,715	20,359	-6.2%

■ Quarterly change in operating revenues



■ Quarterly change in operating revenues by product





Fees and Commissions Received

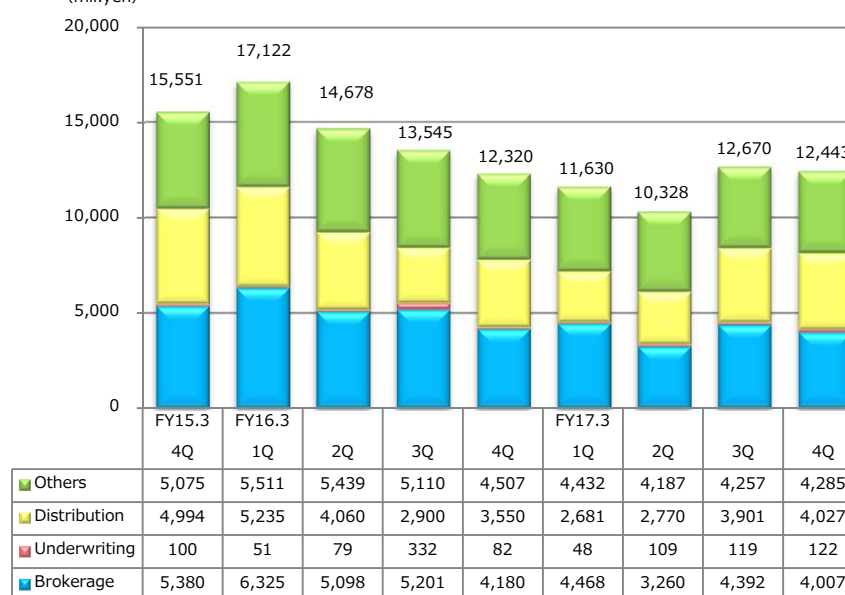
■ Fees and commissions received

(In millions of yen)

Items	FY16.3 TOTAL	FY17.3 TOTAL	vs.FY16.3 TOTAL
Brokerage	20,804	16,129	-22.5%
Equities	19,239	15,478	-19.5%
Bonds	5	13	171.9%
Others	1,560	637	-59.2%
Underwriting	545	400	-26.6%
Equities	401	239	-40.3%
Bonds	143	160	11.7%
Distribution	15,747	13,381	-15.0%
Beneficiary Certificates	15,525	13,168	-15.2%
Others	20,568	17,161	-16.6%
Beneficiary Certificates	19,023	15,512	-18.5%
Total	57,665	47,073	-18.4%

■ Fees and commissions received (quarterly)

(mil.yen)



- Brokerage commissions fell by 22.5% YoY due to a decrease in domestic equity brokerage commissions.
- Underwriting fees decreased by 26.6% YoY due to a rebound from the large-scale deals in the previous year.
- Distribution commissions fell 15.0% YoY due to lower sales of investment trusts.
- Other commissions fell by 16.6% YoY due to a decrease in custodian fees.

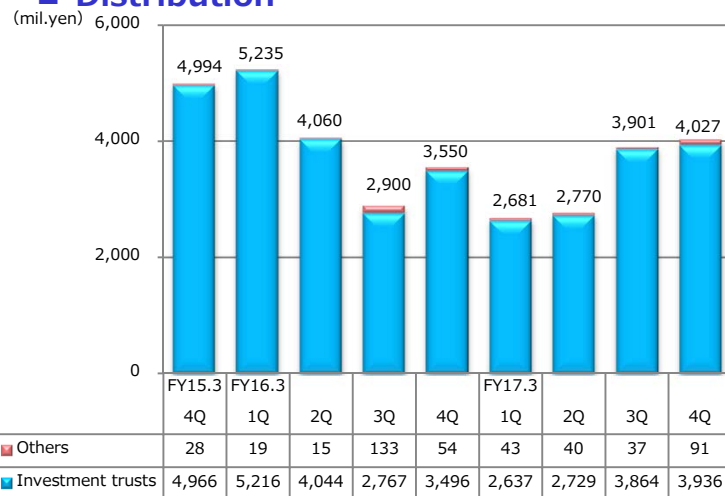


Fees and Commissions Received by Category

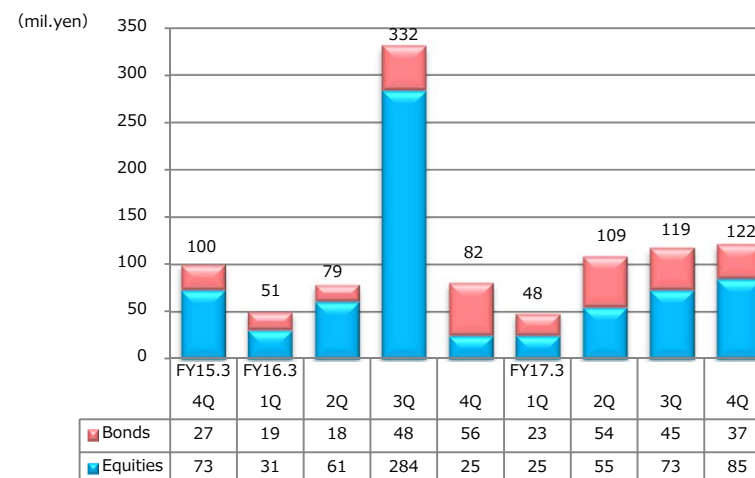
■ Brokerage



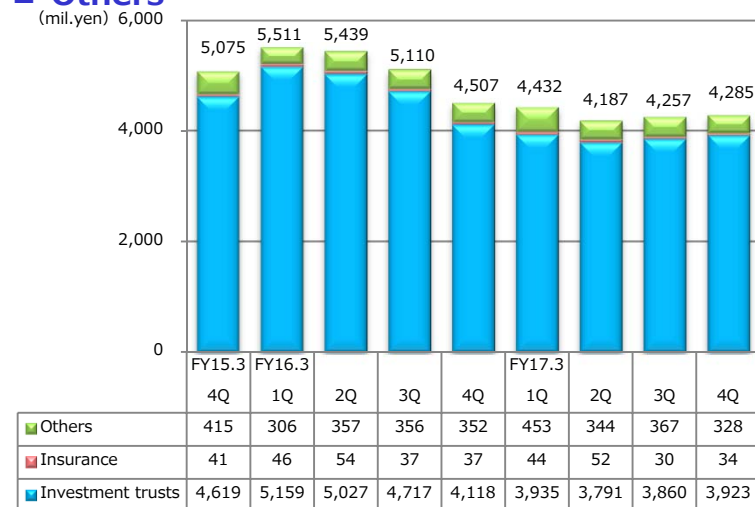
■ Distribution



■ Underwriting



■ Others





Net Trading Income

(In millions of yen)

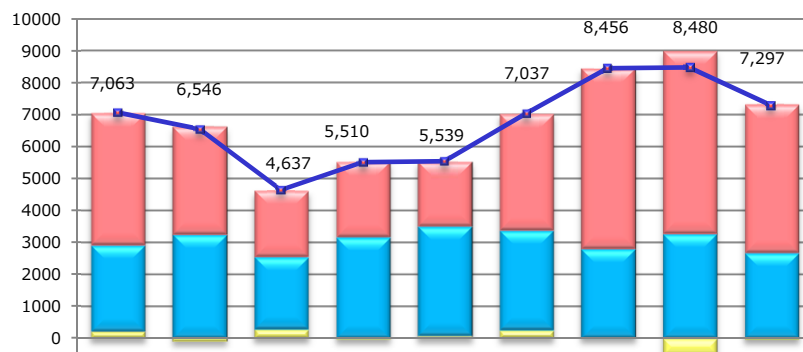
	FY16.3 TOTAL	FY17.3 TOTAL	vs.FY16.3 TOTAL
Equities	9,875	19,686	99.3%
Domestic equities	805	744	-7.6%
Foreign equities	9,070	18,941	108.8%
Bonds and others	12,122	11,872	-2.1%
Domestic bonds	1,068	1,873	75.4%
Foreign bonds	11,054	9,998	-9.6%
Others	235	-285	-
Net gain on trading	22,233	31,272	40.7%

(In millions of yen)

	FY16.3				FY17.3				vs.FY17.3 3Q
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Equities	3,388	2,082	2,372	2,032	3,656	5,652	5,726	4,651	-18.8%
Domestic equities	305	163	55	280	291	102	233	118	-49.4%
Foreign equities	3,082	1,918	2,316	1,751	3,365	5,549	5,493	4,533	-17.5%
Bonds and others	3,250	2,271	3,169	3,431	3,123	2,792	3,275	2,680	-18.2%
Domestic bonds	276	37	246	507	623	516	495	237	-52.1%
Foreign bonds	2,973	2,233	2,922	2,924	2,499	2,275	2,780	2,442	-12.2%
Others	-92	283	-31	75	257	12	-521	-34	-
Net gain on trading	6,546	4,637	5,510	5,539	7,037	8,456	8,480	7,297	-14.0%

Net gain by Products

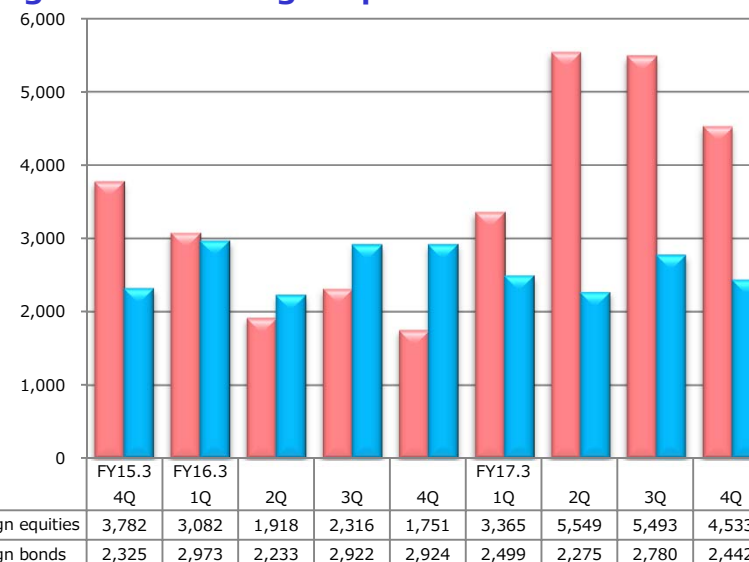
(mil.yen)



	FY15.3 4Q	FY16.3 1Q	2Q	3Q	4Q	FY17.3 1Q	2Q	3Q	4Q
Equities	4144	3388	2082	2372	2032	3656	5652	5726	4651
Bonds	2705	3250	2271	3169	3431	3123	2792	3275	2680
Others	212	-92	283	-31	75	257	12	-521	-34
Total	7063	6546	4637	5510	5539	7037	8456	8480	7297

Net gain from foreign equities and bonds

(mil.yen)



	FY15.3 4Q	FY16.3 1Q	2Q	3Q	4Q	FY17.3 1Q	2Q	3Q	4Q
Foreign equities	3,782	3,082	1,918	2,316	1,751	3,365	5,549	5,493	4,533
Foreign bonds	2,325	2,973	2,233	2,922	2,924	2,499	2,275	2,780	2,442



SG&A : Selling, General and Administrative Expenses

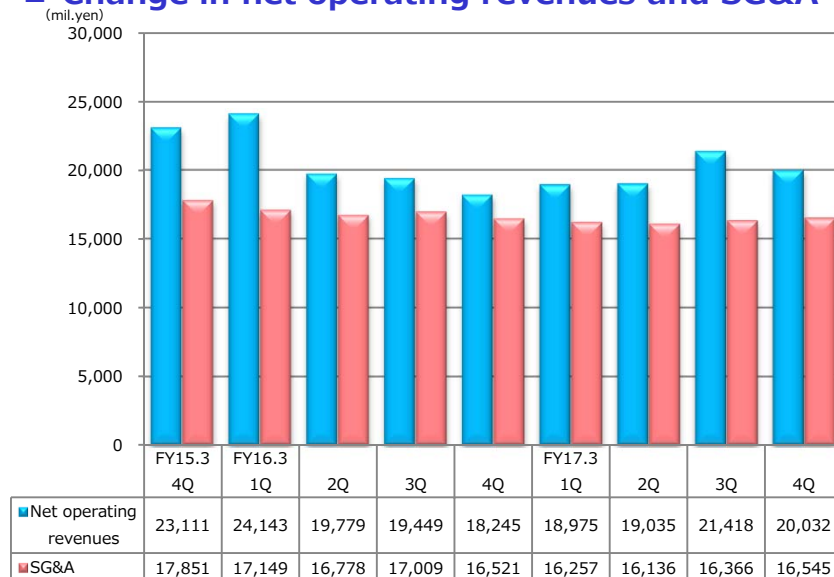
(In millions of yen)

	FY16.3	FY17.3	vs.FY16.3
	TOTAL	TOTAL	TOTAL
Trading related expenses	14,764	12,808	-13.2%
Personnel expenses	33,331	32,408	-2.8%
Real estate expenses	6,273	6,794	8.3%
Office expenses	5,687	5,773	1.5%
Depreciation expenses	3,258	3,504	7.5%
Taxes and dues	846	1,196	41.3%
Others	3,297	2,820	-14.5%
SG&A	67,459	65,306	-3.2%

(In millions of yen)

	FY16.3				FY17.3				vs.FY17.3	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	
Trading related expenses	3,754	3,773	3,828	3,408	3,189	3,249	3,224	3,145	-2.5%	
Personnel expenses	8,493	8,213	8,349	8,275	7,901	7,917	8,239	8,349	1.3%	
Real estate expenses	1,562	1,529	1,583	1,597	1,706	1,629	1,684	1,773	5.3%	
Office expenses	1,323	1,471	1,460	1,432	1,485	1,509	1,353	1,424	5.2%	
Depreciation expenses	905	730	771	851	881	889	875	858	-1.9%	
Taxes and dues	253	200	211	180	303	292	298	302	1.3%	
Others	858	859	804	774	788	648	691	691	0.0%	
SG&A	17,149	16,778	17,009	16,521	16,257	16,136	16,366	16,545	1.1%	

Change in net operating revenues and SG&A



- Trading-related expenses were down 13.2% YoY, due to declines in accounts, including declines in variable expenses related to the asset management and securities businesses and advertising and promotional expenses.
- Personnel expenses were down 2.8% YoY due to decreased employee salaries, bonuses, etc.
- Real estate expenses rose 8.3% YoY due to branch relocation and renovation and other costs.
- Office expenses increased by 1.5% YoY; depreciation expenses were up 7.5% YoY.
- Other expenses were down 14.5% YoY due to declines in research expenses and other costs.



Balance Sheet Summary (1)

	(In millions of yen)											(In millions of yen)	
	FY16.3 4Q	FY17.3 4Q	vs. FY16.3 4Q	FY16.3				FY17.3				4Q	vs. FY17.3 3Q
				1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	
Current assets	435,187	469,948	34,761	586,417	516,310	496,424	435,187	447,376	394,102	406,594	469,948	63,354	
Cash and deposits	57,300	56,700	-600	54,498	52,195	55,409	57,300	58,144	57,070	53,676	56,700	3,024	
Cash segregated as deposits	58,842	65,396	6,554	65,566	61,118	61,741	58,842	56,890	61,891	66,156	65,396	-760	
Trading products	170,851	149,481	-21,370	232,211	152,853	162,997	170,851	153,621	114,302	133,725	149,481	15,756	
Receivables on margin transactions	42,341	40,260	-2,081	56,053	55,392	49,401	42,341	38,901	35,062	38,793	40,260	1,467	
Receivables on collateralized securities transactions	95,461	141,522	46,061	168,743	184,426	156,026	95,461	125,694	114,661	103,547	141,522	37,975	
Other current assets	10,390	16,587	6,197	9,343	10,323	10,847	10,390	14,124	11,114	10,694	16,587	5,893	
Fixed assets	80,555	82,896	2,341	86,434	81,320	88,053	80,555	74,261	78,727	83,836	82,896	-940	
Tangible fixed assets	19,594	19,340	-254	18,897	18,963	19,553	19,594	19,688	19,291	19,294	19,340	46	
Intangible fixed assets	9,869	12,898	3,029	7,895	8,766	9,296	9,869	10,186	10,351	12,142	12,898	756	
Investments and other assets	51,091	50,657	-434	59,642	53,590	59,202	51,091	44,387	49,085	52,399	50,657	-1,742	
Total assets	515,743	552,844	37,101	672,852	597,630	584,477	515,743	521,637	472,830	490,430	552,844	62,414	

- Total assets were 552.8 billion yen, up 37.1 billion yen from the end of the previous fiscal year. Net assets rose by 6.1 billion yen to 178.2 billion yen over the same period.
- Current assets swelled by 34.7 billion yen from the end of the previous fiscal year, primarily due to higher receivables on collateralized securities transactions. Fixed assets grew by 2.3 billion yen over the same period due to growth in intangible fixed assets. Total assets rose 37.1 billion yen over the same period.
- Increases in trading products and other accounts pushed Current liabilities up 34.4 billion yen from the end of the previous fiscal year. Fixed liabilities fell 2.1 billion yen over the same period due to declines in long-term borrowings. Total liabilities grew by 30.9 billion yen over the period.
- Several factors, including increases in capital surplus and retained earnings, helped push Total net assets to 6.1 billion yen above the figure recorded at the end of the previous fiscal year.



Balance Sheet Summary (2)

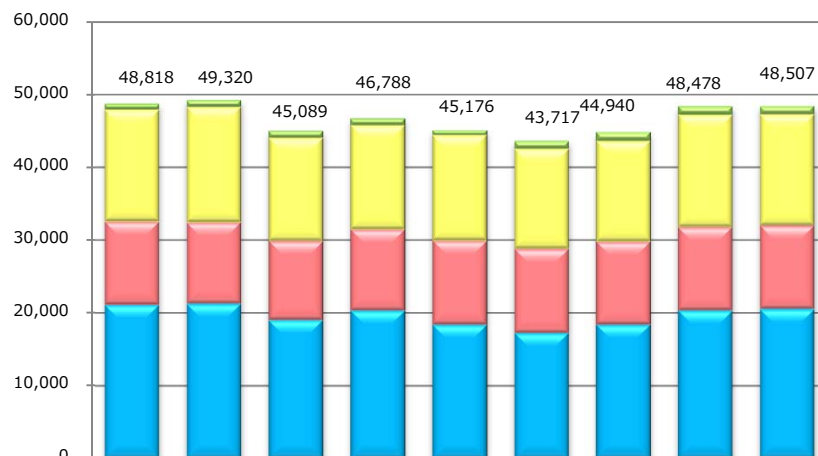
	(In millions of yen)			(In millions of yen)									
	FY16.3 4Q	FY17.3 4Q	vs.FY16.3 4Q	FY16.3				FY17.3				vs.FY17.3	
				1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	3Q	
Current liabilities	310,957	345,362	34,405	464,455	396,221	375,256	310,957	326,616	273,015	284,476	345,362	60,886	
Trading liabilities	77,206	138,307	61,101	108,373	107,043	89,400	77,206	110,365	94,484	87,942	138,307	50,365	
Payables on margin transactions	10,468	12,089	1,621	11,148	10,060	8,023	10,468	7,418	11,953	11,474	12,089	615	
Payables on collateralized securities transactions	24,737	46,658	21,921	120,780	70,161	69,904	24,737	50,415	0	37,825	46,658	8,833	
Deposits received	27,528	34,243	6,715	53,189	49,767	52,691	27,528	34,942	34,516	44,858	34,243	-10,615	
Guarantee deposits received	36,284	35,192	-1,092	41,330	38,203	40,583	36,284	35,735	32,842	35,280	35,192	-88	
Short-term borrowings	109,534	69,070	-40,464	85,197	105,384	72,971	109,534	56,588	76,566	45,985	69,070	23,085	
Other current liabilities	25,197	9,801	-15,396	44,436	15,600	41,680	25,197	31,150	22,651	21,109	9,801	-11,308	
Fixed liabilities	30,045	27,892	-2,153	30,927	28,635	30,684	30,045	28,046	27,445	28,124	27,892	-232	
Long-term borrowings	12,300	9,860	-2,440	9,210	8,828	9,698	12,300	12,286	10,538	9,668	9,860	192	
Net defined benefit liability	5,626	5,752	126	5,303	5,298	5,326	5,626	5,666	5,692	5,737	5,752	15	
Other fixed liabilities	12,119	12,280	161	16,413	14,508	15,660	12,119	10,093	11,215	12,718	12,280	-438	
Financial instruments transaction reserve	2,642	1,333	-1,309	2,629	2,630	2,631	2,642	1,329	1,329	1,330	1,333	3	
Total liabilities	343,645	374,588	30,943	498,012	427,487	408,572	343,645	355,992	301,790	313,930	374,588	60,658	
Common stock	18,589	18,589	-	18,589	18,589	18,589	18,589	18,589	18,589	18,589	18,589	-	
Capital surplus	12,982	16,422	3,440	12,813	12,982	12,982	12,982	13,100	13,157	16,422	16,422	-	
Retained earnings	106,668	112,282	5,614	100,240	101,898	104,854	106,668	104,673	106,583	109,785	112,282	2,497	
Treasury stock	-3,789	-3,785	4	-3,734	-3,777	-3,785	-3,789	-3,633	-3,637	-3,781	-3,785	-4	
Accumulated other comprehensive income	11,911	13,250	1,339	18,410	15,377	17,261	11,911	7,528	10,153	14,261	13,250	-1,011	
Subscription rights to shares	87	161	74	-	92	92	87	78	161	161	161	-	
Minority interests	25,648	21,335	-4,313	28,520	24,980	25,910	25,648	25,307	26,032	21,061	21,335	274	
Total net assets	172,097	178,256	6,159	174,839	170,143	175,905	172,097	165,645	171,040	176,500	178,256	1,756	
Total liabilities&net assets	515,743	552,844	37,101	672,852	597,630	584,477	515,743	521,637	472,830	490,430	552,844	62,414	



Assets under custody (Consolidated)

■ Assets under Custody

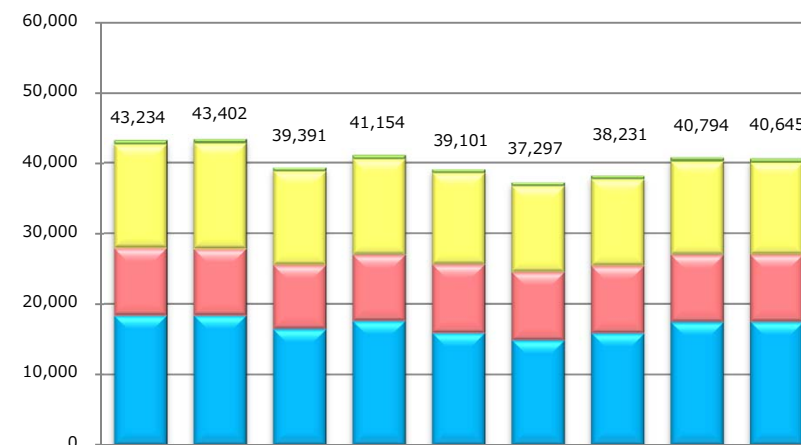
(100mil.yen)



Others	792	927	944	927	673	1,074	1,227	1,162	1,154
Investment trusts	15,406	15,874	14,177	14,310	14,489	13,762	13,848	15,427	15,265
Bonds	11,421	11,182	10,866	11,145	11,564	11,567	11,401	11,470	11,474
Equities	21,199	21,337	19,102	20,406	18,450	17,314	18,464	20,419	20,614

■ Retail Assets under Custody

(100mil.yen)



Others	585	615	556	591	521	547	506	555	548
Investment trusts	14,679	14,955	13,279	13,558	12,955	12,176	12,280	13,243	13,052
Bonds	9,577	9,427	9,083	9,374	9,707	9,690	9,553	9,532	9,532
Equities	18,393	18,405	16,473	17,631	15,918	14,884	15,892	17,464	17,513

- On a consolidated basis, customers' assets under custody increased to 4,850.7 billion yen, up 333.1 billion yen from the end of the previous fiscal year. Increase in stock prices and yen depreciation boosted the market value of assets under custody.
- Retail customers' assets under custody increased to 4,064.5 billion yen, up 154.4 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)									
	FY16.3 TOTAL	FY17.3 TOTAL	vs. FY16.3 TOTAL	FY16.3				FY17.3				vs. FY17.3 3Q	
				1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Operating revenues	61,007	62,741	2.8%	18,258	14,344	14,532	13,870	14,650	15,133	17,109	15,847	-7.4%	
Commissions	38,078	31,380	-17.6%	11,546	9,529	8,836	8,165	7,565	6,671	8,637	8,506	-1.5%	
Brokerage	16,445	12,480	-24.1%	5,001	3,969	4,164	3,310	3,514	2,537	3,360	3,067	-8.7%	
Underwriting	537	398	-25.8%	50	75	330	81	48	109	117	122	4.3%	
Distribution	14,273	12,257	-14.1%	4,663	3,714	2,655	3,240	2,397	2,492	3,637	3,730	2.6%	
Others	6,822	6,243	-8.5%	1,831	1,770	1,687	1,532	1,605	1,531	1,521	1,585	4.2%	
Net gain on trading	21,271	30,317	42.5%	6,244	4,386	5,305	5,335	6,818	8,225	8,217	7,056	-14.1%	
Equities	9,525	19,393	103.6%	3,247	1,983	2,313	1,979	3,576	5,593	5,634	4,589	-18.5%	
Bonds	11,511	11,210	-2.6%	3,089	2,119	3,023	3,279	2,984	2,619	3,104	2,501	-19.4%	
Others	235	-285	-	-92	283	-31	75	257	12	-521	-34	-	
Interest and dividend income	1,657	1,043	-37.0%	466	428	390	370	265	236	255	285	11.8%	
Financial expenses	1,210	1,069	-11.6%	356	310	274	268	238	260	269	301	11.9%	
Net operating revenues	59,796	61,671	3.1%	17,902	14,034	14,258	13,602	14,411	14,873	16,840	15,546	-7.7%	
SG&A	49,298	48,798	-1.0%	12,649	12,158	12,335	12,154	12,111	11,994	12,349	12,343	-0.0%	
Trading related expenses	8,179	7,880	-3.7%	2,139	2,030	2,075	1,934	1,893	1,984	2,029	1,972	-2.8%	
Personnel expenses	25,227	24,476	-3.0%	6,408	6,236	6,397	6,184	5,950	5,980	6,255	6,289	0.5%	
Real estate expenses	6,270	6,652	6.1%	1,533	1,562	1,568	1,606	1,735	1,595	1,667	1,654	-0.8%	
Administrative expenses	7,635	7,532	-1.3%	2,010	1,852	1,826	1,946	1,911	1,887	1,857	1,876	1.0%	
Depreciation expenses	534	544	1.8%	121	133	136	143	133	134	137	139	1.5%	
Taxes and dues	460	774	68.0%	139	120	111	89	177	196	202	198	-2.0%	
Others	989	936	-5.3%	297	222	220	249	309	215	199	212	6.5%	
Operating income	10,498	12,873	22.6%	5,252	1,875	1,922	1,447	2,300	2,878	4,490	3,203	-28.7%	
Non-operating income	266	440	65.1%	71	63	70	61	155	98	64	121	89.1%	
Non-operating expenses	30	67	118.7%	4	7	8	10	33	1	15	16	6.7%	
Ordinary income	10,734	13,246	23.4%	5,319	1,932	1,984	1,498	2,422	2,975	4,540	3,308	-27.1%	
Extraordinary gain	-	705	-	-	-	-	-	687	-	18	-	-	
Extraordinary loss	32	-	-	22	-	-	10	-	-	-	-	-	
Net profit, before taxes	10,702	13,952	30.4%	5,297	1,932	1,984	1,488	3,109	2,975	4,558	3,308	-27.4%	
Income taxes	3,019	4,666	54.5%	1,052	1,160	25	780	451	1,443	1,106	1,664	50.5%	
Adjustment amount for income taxes	656	-350	-	770	-481	681	-314	345	-485	346	-556	-	
Net profit	7,026	9,637	37.2%	3,474	1,252	1,277	1,022	2,312	2,018	3,105	2,200	-29.1%	



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

<Volume of equity trading / Number of shares>

(In millions of shares)

Items	FY16.3					FY17.3					vs.FY16.3	vs.FY17.3
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL	TOTAL	3Q
(Dealing)	557	579	541	378	2,057	566	572	718	563	2,420	17.6%	-21.6%
(Brokerage)	3,697	3,149	2,754	2,590	12,191	2,279	2,081	2,470	2,187	9,018	-26.0%	-11.5%
Total	4,254	3,728	3,295	2,968	14,248	2,845	2,653	3,188	2,750	11,439	-19.7%	-13.7%
Brokerage ratio	86.9%	84.4%	83.6%	87.3%	85.6%	80.1%	78.4%	77.5%	79.5%	78.8%	-6.8 p	2.0 p

<Volume of equity trading / Total value>

(In millions of yen)

Items	FY16.3					FY17.3					vs.FY16.3	vs.FY17.3
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL	TOTAL	3Q
(Dealing)	553,726	511,860	635,414	535,728	2,236,730	766,364	909,226	1,024,508	969,550	3,669,649	64.1%	-5.4%
(Brokerage)	2,229,739	1,937,777	1,798,440	1,703,045	7,669,003	1,793,669	1,708,568	1,931,550	1,770,284	7,204,072	-6.1%	-8.3%
Total	2,783,466	2,449,638	2,433,855	2,238,774	9,905,734	2,560,033	2,617,794	2,956,058	2,739,834	10,873,721	9.8%	-7.3%
Brokerage ratio	80.1%	79.1%	73.9%	76.1%	77.4%	70.1%	65.3%	65.3%	64.6%	66.3%	-11.1 p	-0.7 p

<Total share within TSE>

Items	FY16.3					FY17.3					vs.FY16.3	vs.FY17.3
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL	TOTAL	3Q
Number of shares	1.10%	0.97%	0.98%	0.75%	0.95%	0.83%	0.84%	0.91%	0.88%	0.86%	-0.09 p	-0.03 p
Total value	0.65%	0.56%	0.61%	0.52%	0.59%	0.64%	0.62%	0.68%	0.66%	0.65%	0.06 p	-0.02 p

<Brokerage Commissions Ratio>

(In millions of yen)

Items	FY16.3					FY17.3					vs.FY16.3	vs.FY17.3
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL	TOTAL	3Q
Commissions	4,774	3,427	3,720	2,936	14,858	3,247	2,380	3,197	2,986	11,812	-20.5%	-6.6%
Commissions Ratio	0.21%	0.18%	0.21%	0.17%	0.19%	0.18%	0.14%	0.17%	0.17%	0.16%	-0.03 p	0.00 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	FY16.3					FY17.3					vs.FY16.3		vs.FY17.3	
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL	TOTAL	3Q		
Equities (Number of shares)	0	2	11	0	14	1	0	1	1	4	-71.4%	-0.0%		
Equities (Total value)	594	1,498	17,624	762	20,479	598	1,846	3,814	2,670	8,930	-56.4%	-30.0%		
Bonds (Total at face value)	227,055	211,175	254,588	191,210	884,029	190,548	226,658	222,938	207,720	847,864	-4.1%	-6.8%		
Domestic and foreign CP (Total at face value)	-	-	-	-	-	-	-	-	-	-	-	-		

<Selling>

(In millions of shares, millions of yen)

Items	FY16.3					FY17.3					vs.FY16.3		vs.FY17.3	
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL	TOTAL	3Q		
Equities (Number of shares)	0	2	10	0	13	1	0	1	1	4	-69.2%	-0.0%		
Equities (Total value)	603	1,530	15,838	542	18,515	597	1,447	3,545	1,857	7,447	-59.8%	-47.6%		
Bonds (Total at face value)	44,095	44,412	50,808	51,120	190,435	34,710	28,370	32,982	33,567	129,629	-31.9%	1.8%		

<Offering>

(In millions of shares, millions of yen)

Items	FY16.3					FY17.3					vs.FY16.3		vs.FY17.3	
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL	TOTAL	3Q		
Equities (Number of shares)	0	-	-	0	0	0	0	0	-	0	-	-		
Equities (Total value)	1	-	-	1	3	0	1	1	-	2	-33.3%	-		
Bonds (Total at face value)	237,517	221,696	265,369	194,765	919,350	196,670	236,146	227,314	216,840	876,973	-4.6%	-4.6%		
Beneficiary securities (Total at face value)	536,182	424,874	437,349	540,033	1,938,439	393,313	344,666	492,502	400,656	1,631,139	-15.9%	-18.6%		
Domestic and foreign CP (Total at face value)	-	-	-	-	-	-	-	-	-	-	-	-		

<Underwriting & Selling Fees Ratio>

(In millions of yen)

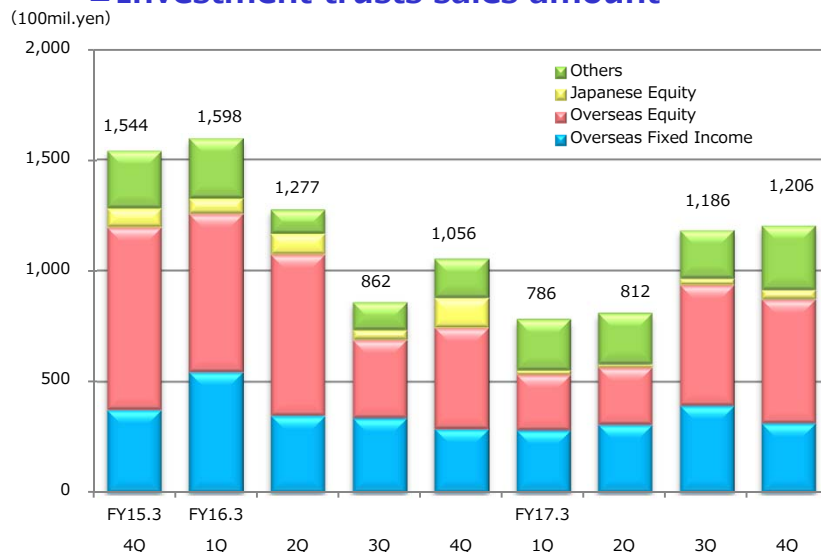
Items	FY16.3					FY17.3					vs.FY16.3		vs.FY17.3	
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL	TOTAL	3Q		
Equities (Averaged Fees Ratio)	30	60	281	24	398	25	55	72	86	239	-39.9%	19.4%		
Bonds (Averaged Fees Ratio)	19	14	48	56	139	23	54	45	36	159	14.4%	-20.0%		
	0.007%	0.005%	0.016%	0.023%	0.013%	0.010%	0.021%	0.018%	0.015%	0.016%	0.003 p	-0.003 p		



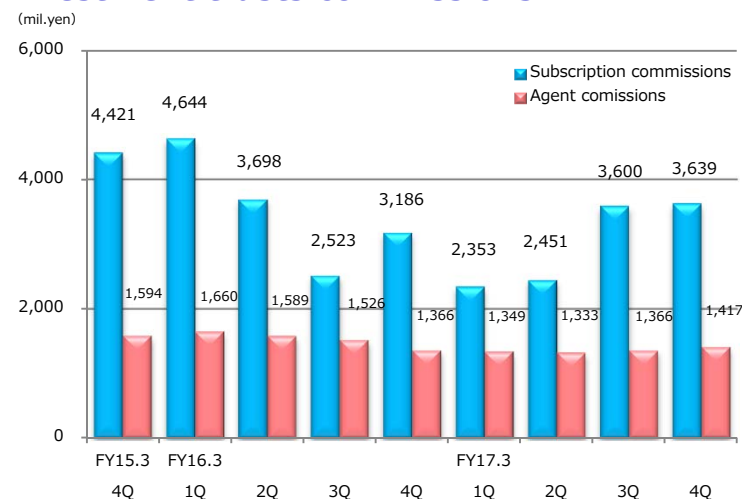
Investment trusts / Foreign bonds

(non-consolidated: Okasan Securities)

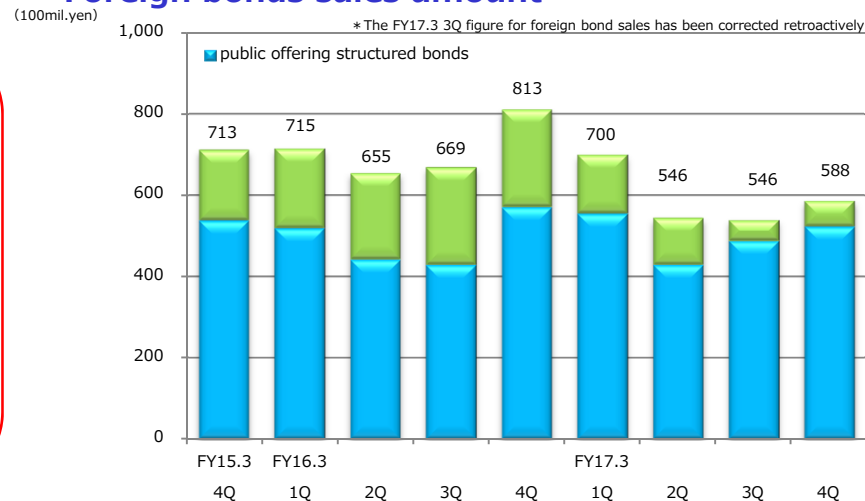
Investment trusts sales amount



Investment trusts commissions



Foreign bonds sales amount

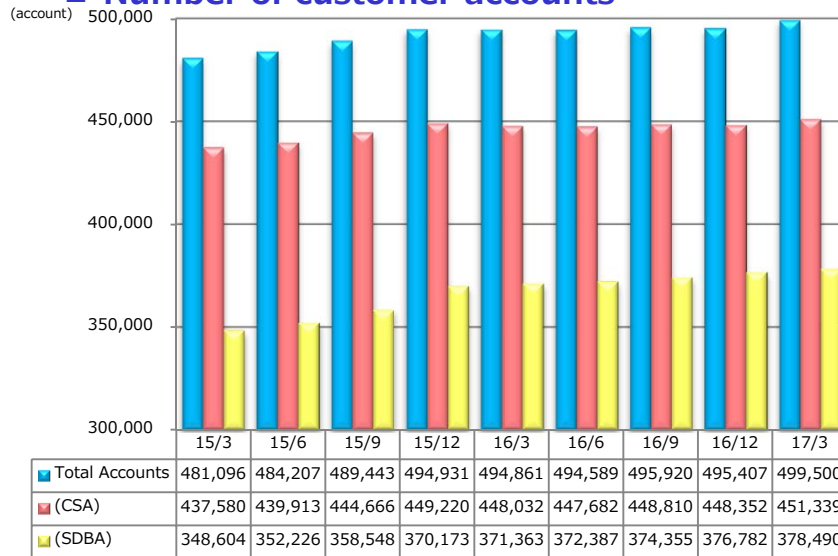


- Investment trust sales fell 16.8% YoY to 399.1 billion yen.
- Sales commissions fell 14.3% YoY to 12,043 million yen. Agent commissions fell 11.0% YoY to 5,465 million yen due to a decrease in balance of investment trusts in the period.
- Foreign bond sales fell 16.6% YoY to 238.1 billion yen. Sales to retail investors decreased, while sales to corporate investors increased.

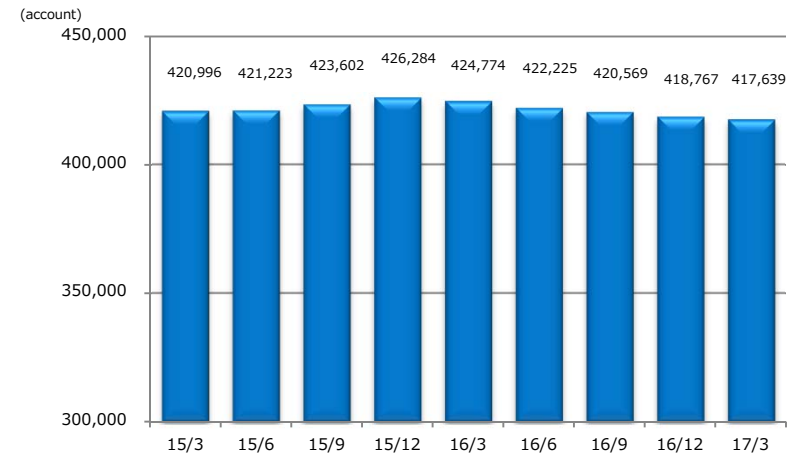


Number of accounts (non-consolidated: Okasan Securities)

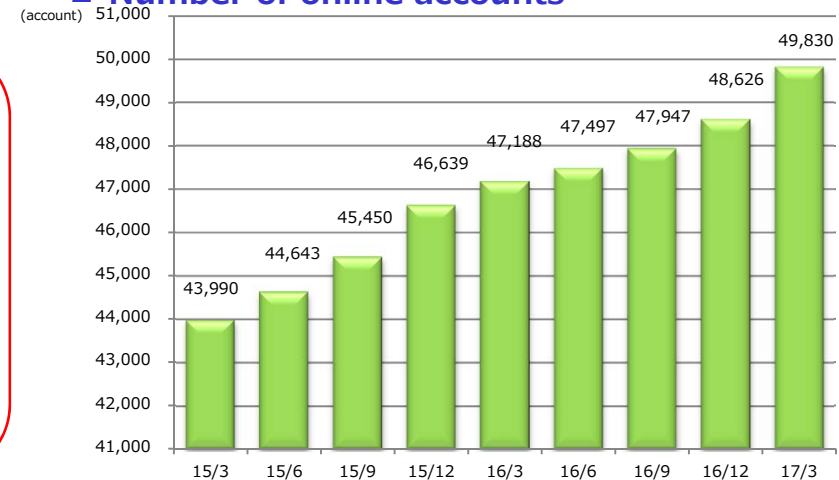
Number of customer accounts



Number of balance remaining accounts



Number of online accounts

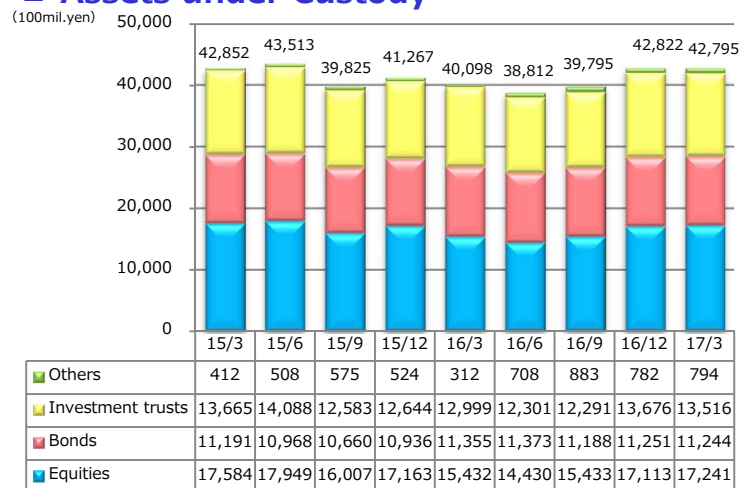


- The total number of customer accounts slightly increased from the end of the previous fiscal year to 499,500.
- The number of accounts with remaining balances decreased by 1.7% from the end of the previous fiscal year to 417,639.
- The number of newly opened accounts 19,372.
- Online accounts (49,830 accounts) accounted for 10.0% of the total number of customer accounts.

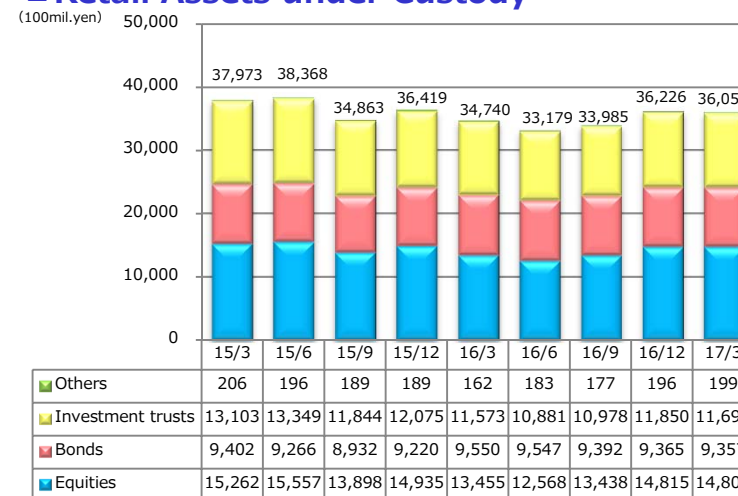


Assets under custody / Net inflow of assets (non-consolidated: Okasan Securities)

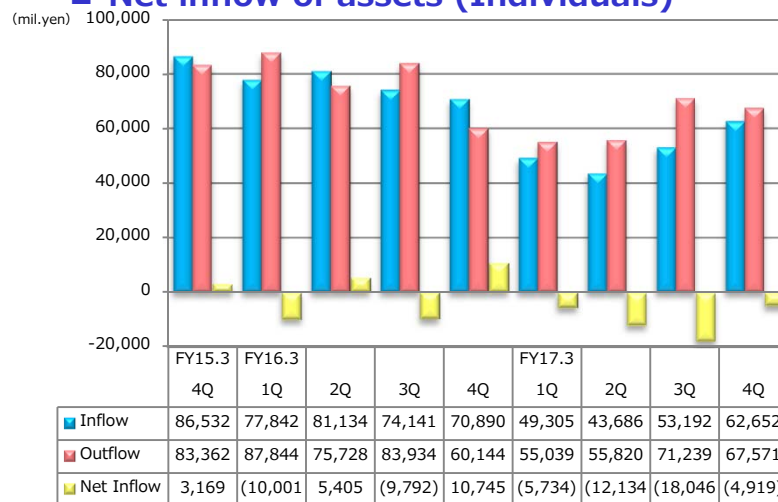
■ Assets under Custody



■ Retail Assets under Custody



■ Net inflow of assets (Individuals)



- Customers' assets under custody at Okasan Securities decreased by 269.7 billion yen from the end of the previous fiscal year to 4,279.5 billion yen.
- Net inflow/outflow of assets (sum of inflow/outflow of cash and securities; individuals only) cumulative over the fiscal year was an outflow of 40.8 billion yen.



Capital Adequacy Requirement Ratio

(non-consolidated: Okasan Securities)

(In millions of yen)

Items	FY16.3				FY17.3				vs. FY16.3		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	4Q		
Basic items	(A)	81,788	83,041	84,318	78,339	80,644	82,670	85,777	78,977	638	
Complementary items	Appraisal gains (losses) etc.	31	15	19	-	-	-	17	19	-	
	Security transaction responsibility reserve	1,483	1,483	1,483	1,487	800	800	800	800	-687	
	General provision for loan losses	0	0	0	0	6	6	4	4	4	
	Short-term subordinated debt	8,775	6,800	6,800	6,000	6,000	6,000	6,000	6,000	-	
Total	(B)	10,290	8,299	8,303	7,487	6,806	6,806	6,822	6,824	-663	
Assets to be deducted	(C)	9,548	9,920	9,946	10,282	10,448	10,629	10,591	10,668	386	
Unfixed equity capital	(A) + (B) - (C)	(D)	82,530	81,419	82,675	75,545	77,001	78,847	82,008	75,134	-411
Risk equivalents	Market risk equivalents	3,629	2,276	2,962	3,038	3,150	1,454	2,248	1,646	-1,392	
	Customer risk equivalents	1,356	1,328	1,198	1,085	999	925	1,060	1,143	58	
	Basic risk equivalents	12,745	12,806	12,759	12,679	12,373	12,240	12,163	12,081	-598	
	Total	(E)	17,731	16,410	16,921	16,803	16,524	14,620	15,472	14,871	-1,932
Capital adequacy ratio	(D) / (E) × 100 (%)	465.4%	496.1%	488.5%	449.5%	465.9%	539.2%	530.0%	505.2%	55.7 p	

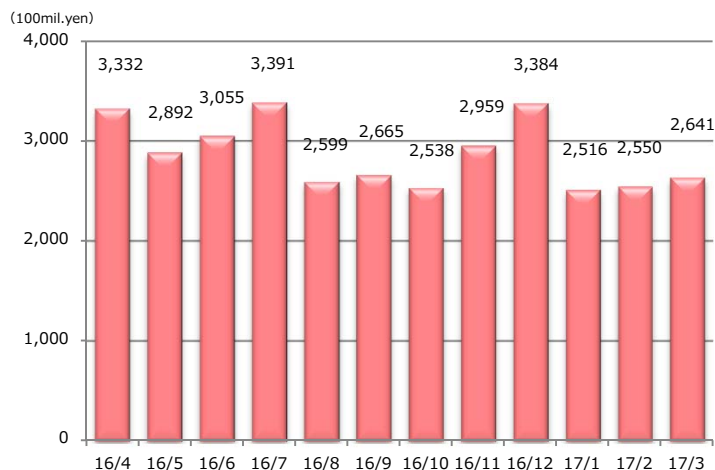
(Note) Short-term subordinated debt consists of subordinated borrowing.

- The capital adequacy ratio at the end of March 2017 increased by 55.7 percentage points from the end of the previous fiscal year.
- The capital adequacy ratio increased due to a decline in risk equivalents accompanied by an increase in basic items resulting from gains during the period.

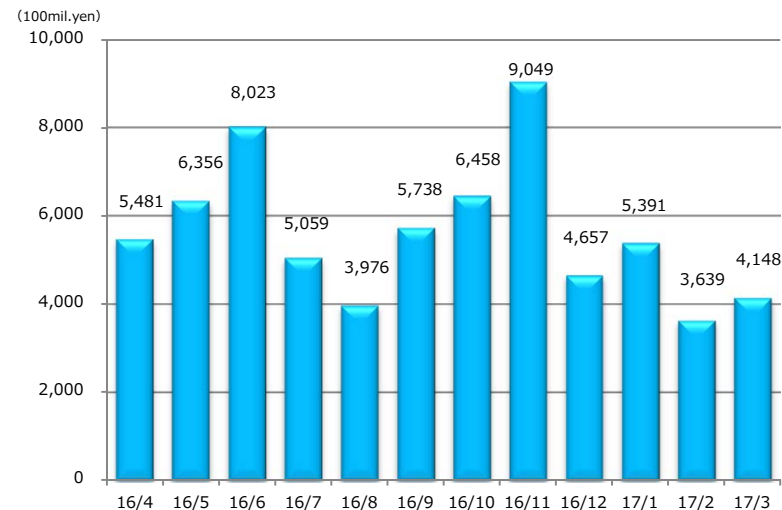


(Reference Data) Okasan Online Securities Data

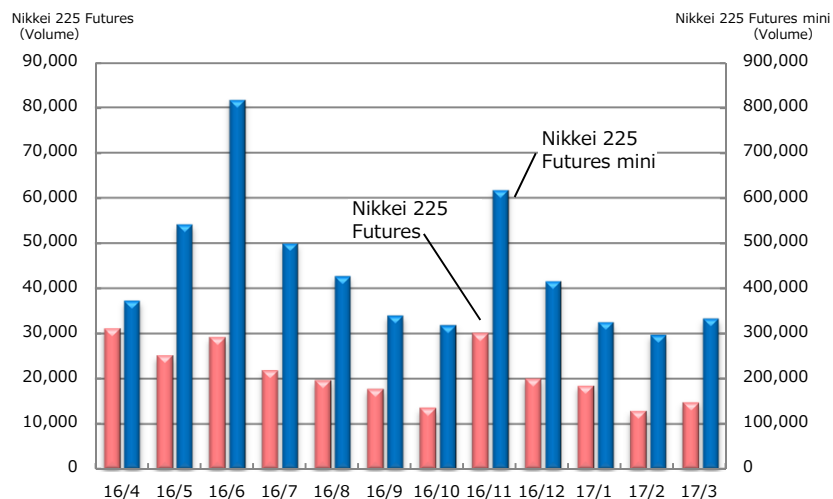
■ Domestic sales amount of equities by month



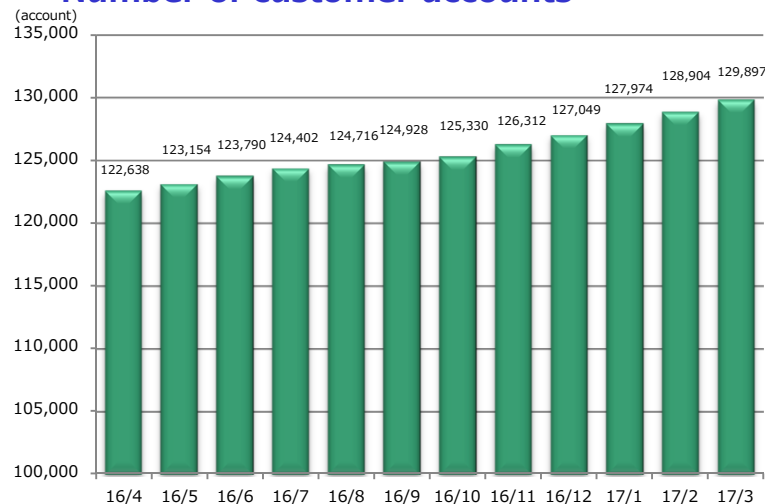
■ "Click 365" contract amount



■ Nikkei 225 Futures & Nikkei 225 Futures mini



■ Number of customer accounts





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