

3Q Ending March 31, 2018

Results Briefing

The objective of the document is to provide information on the results of the 3rd quarter fiscal year ending March 31, 2018 and not to offer investments in securities issued by Okasan Securities Group Inc. The document has been prepared based on data as of the end of December 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.

January 30, 2018

OKASAN SECURITIES GROUP INC.



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1 *Business Results Overviews (Consolidated)*

Financial Summary

	Operating revenues	Net operating revenues	Operating income	Ordinary income
	million yen	million yen	million yen	million yen
FY18.3 3Q	61,786 (- 2.5%)	60,885 (- 2.4%)	9,096 (- 14.7%)	9,566 (- 16.1%)
FY17.3 3Q	60,281 (- 6.4%)	59,429 (- 6.2%)	10,669 (- 14.2%)	11,405 (- 26.0%)

	Profit attributable to owners of parent	Net income per share	R O E (annualized)	Comprehensive income
	million yen	yen		million yen
FY18.3 3Q	4,266 (- 46.6%)	21.55	3.6%	7,342 (- 35.2%)
FY17.3 3Q	7,989 (- 13.7%)	40.32	7.1%	11,335 (- 5.7%)

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen		yen
FY18.3 3Q	500,951	180,776	31.5%	796.48
FY17.3	552,844	178,256	28.4%	792.05

Financial highlights of the 3rd quarter fiscal year ending March 2018

(In millions of yen)

	FY17.3	FY18.3	vs.FY17.3
	3QTOTAL	3QTOTAL	3QTOTAL
Operating revenues	60,281	61,786	2.5%
Commissions	34,629	39,914	15.3%
Net gain on trading	23,974	19,934	-16.9%
Interest and dividend income	1,088	1,333	22.5%
Service fee and other revenues	588	603	2.6%
Interest expenses	851	901	5.9%
Net operating revenues	59,429	60,885	2.4%
SG&A	48,760	51,788	6.2%
Operating income	10,669	9,096	-14.7%
Non-operating income	857	785	-8.4%
Non-operating expenses	121	315	158.7%
Ordinary income	11,405	9,566	-16.1%
Extraordinary gain	1,650	3,354	103.2%
Extraordinary loss	293	4,867	-
Net profit, before taxes	12,761	8,052	-36.9%
Income taxes	3,586	3,478	-3.0%
Adjustment amount for income taxes	227	-574	-
Net profit	8,947	5,148	-42.5%
Profit attributable to non-controlling interests	957	882	-7.9%
Profit attributable to owners of parent	7,989	4,266	-46.6%

(In millions of yen)

	FY17.3				FY18.3			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	vs.FY18.3
							2Q	
Operating revenues	19,242	19,323	21,715	20,359	19,577	19,734	22,474	13.9%
Commissions	11,630	10,328	12,670	12,443	12,027	12,831	15,055	17.3%
Net gain on trading	7,037	8,456	8,480	7,297	6,919	6,248	6,767	8.3%
Interest and dividend income	379	340	368	404	434	436	462	6.0%
Service fee and other revenues	194	197	196	214	196	217	189	-12.9%
Interest expenses	267	287	296	327	283	289	328	13.5%
Net operating revenues	18,975	19,035	21,418	20,032	19,294	19,444	22,146	13.9%
SG&A	16,257	16,136	16,366	16,545	17,040	17,233	17,514	1.6%
Operating income	2,718	2,898	5,052	3,486	2,253	2,210	4,631	109.5%
Non-operating income	276	461	120	576	196	454	133	-70.7%
Non-operating expenses	64	23	34	42	39	241	34	-85.9%
Ordinary income	2,930	3,336	5,138	4,020	2,411	2,424	4,730	95.1%
Extraordinary gain	1,609	15	26	756	213	3,129	10	-99.7%
Extraordinary loss	55	119	119	332	41	4,823	3	-99.9%
Net profit, before taxes	4,484	3,232	5,045	4,444	2,584	730	4,738	549.0%
Income taxes	733	1,513	1,339	1,910	346	1,964	1,168	-40.5%
Adjustment amount for income taxes	361	-433	300	-429	635	-1,559	349	-
Net profit	3,389	2,152	3,405	2,963	1,602	325	3,220	890.8%
Profit attributable to non-controlling interests	511	242	203	467	271	301	309	2.7%
Profit attributable to owners of parent	2,877	1,910	3,201	2,496	1,331	24	2,910	-

<Highlights>

- **Operating revenues rose 2.5% year on year (YoY) to 61,786 million yen. Fees and commissions rose 15.3% YoY, while net trading income fell 16.9% YoY.**
- **Ordinary income decreased 16.1% YoY to 9,566 million yen.**
- **Extraordinary gains totaled 3,354 million yen due to factors including the recording of gains on sale of investment securities, while extraordinary losses totaled 4,867 million yen due to factors including the recording of impairment loss. Profit attributable to owners of parent decreased 46.6% YoY to 4,266 million yen.**

Operating Revenues

(In millions of yen)

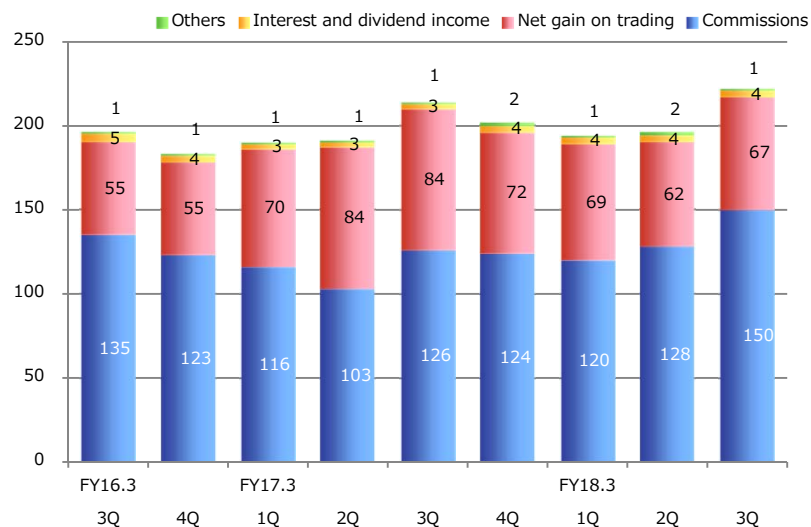
	FY17.3	FY18.3	vs.FY17.3
	3QTOTAL	3QTOTAL	3QTOTAL
Commissions	34,629	39,914	15.3%
Brokerage	12,122	14,951	23.3%
Underwriting	277	574	106.9%
Distribution	9,353	11,513	23.1%
Others	12,876	12,875	-0.0%
Net gain on trading	23,974	19,934	-16.9%
Equities	15,034	13,718	-8.8%
Bonds	9,191	6,414	-30.2%
Others	-251	-197	-
Interest and dividend income	1,088	1,333	22.5%
Others	588	603	2.6%
Operating revenues	60,281	61,786	2.5%

(In millions of yen)

	FY17.3				FY18.3				vs.FY18.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	
Commissions	11,630	10,328	12,670	12,443	12,027	12,831	15,055	17.3%	
Brokerage	4,468	3,260	4,392	4,007	4,386	4,379	6,185	41.2%	
Underwriting	48	109	119	122	80	316	177	-44.0%	
Distribution	2,681	2,770	3,901	4,027	3,338	3,877	4,297	10.8%	
Others	4,432	4,187	4,257	4,285	4,221	4,257	4,395	3.2%	
Net gain on trading	7,037	8,456	8,480	7,297	6,919	6,248	6,767	8.3%	
Equities	3,656	5,652	5,726	4,651	4,371	4,367	4,979	14.0%	
Bonds	3,123	2,792	3,275	2,680	2,645	1,974	1,794	-9.1%	
Others	257	12	-521	-34	-97	-93	-5	-	
Interest and dividend income	379	340	368	404	434	436	462	6.0%	
Others	194	197	196	214	196	217	189	-12.9%	
Operating revenues	19,242	19,323	21,715	20,359	19,577	19,734	22,474	13.9%	

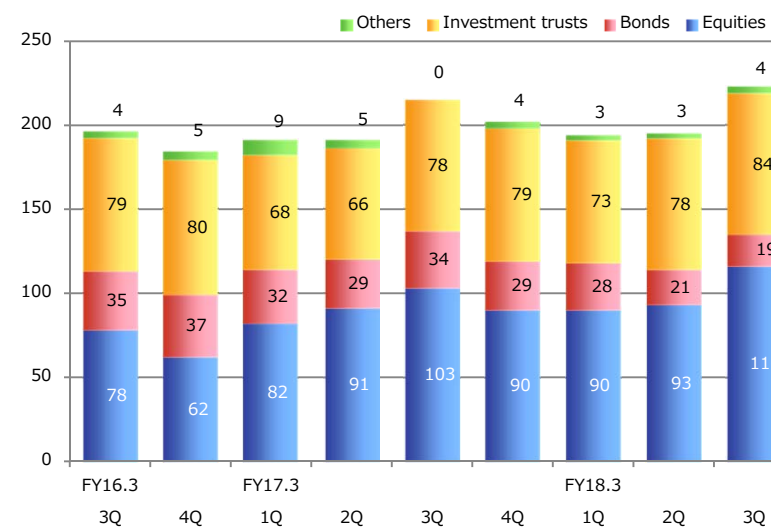
Quarterly change in operating revenues

(100mil.yen)



Quarterly change in operating revenues by product

(100mil.yen)



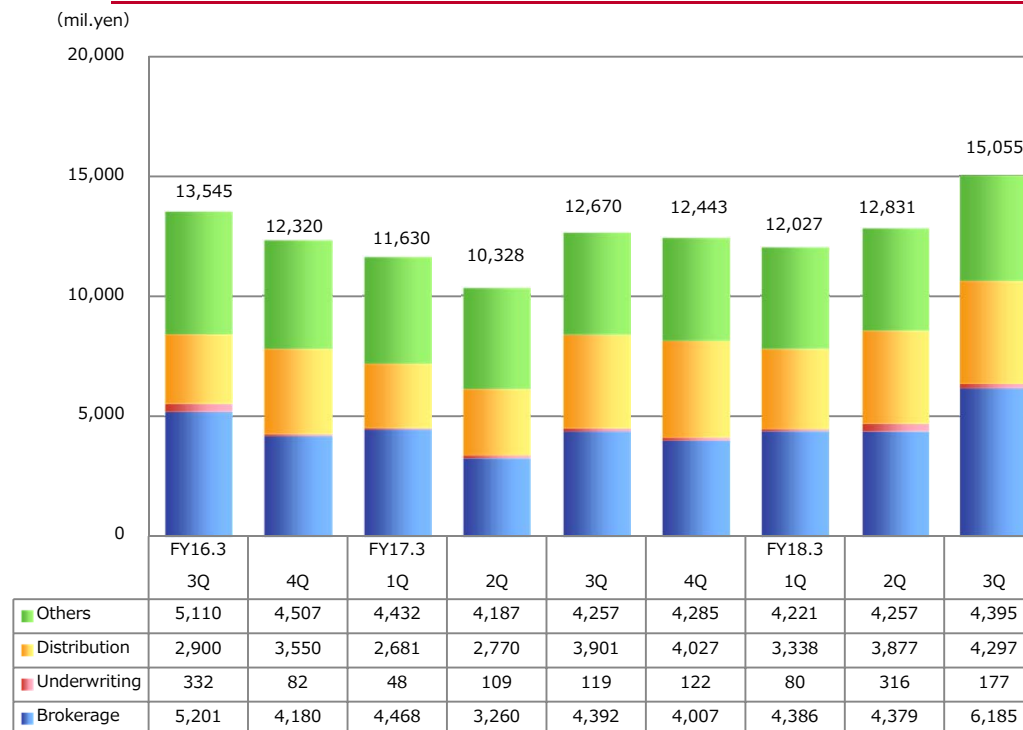
Fees and Commissions Received

Fees and commissions received

(In millions of yen)

	FY17.3 3QTOTAL	FY18.3 3QTOTAL	vs.FY17.3 3QTOTAL
Brokerage	12,122	14,951	23.3%
Equities	11,538	14,698	27.4%
Bonds	12	2	-82.3%
Others	570	251	-56.0%
Underwriting	277	574	106.9%
Equities	153	474	208.6%
Bonds	123	99	-19.6%
Distribution	9,353	11,513	23.1%
Beneficiary Certificates	9,231	11,428	23.8%
Others	12,876	12,875	-0.0%
Beneficiary Certificates	11,588	11,924	2.9%
Total	34,629	39,914	15.3%

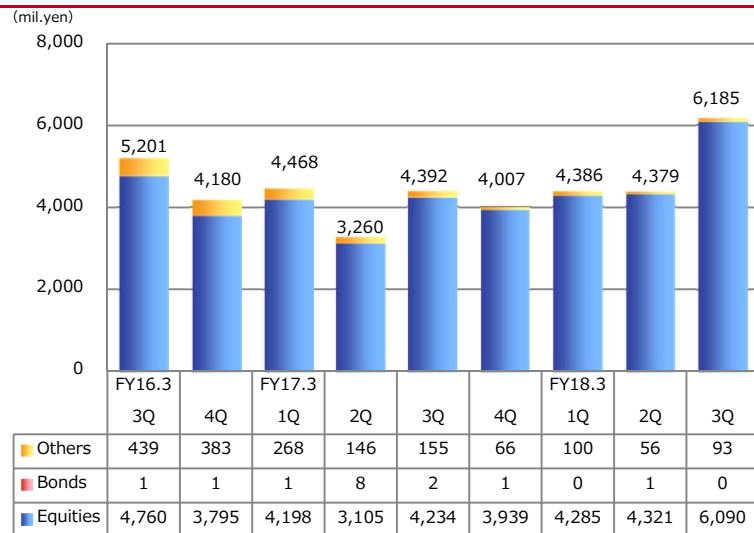
Fees and commissions received (quarterly)



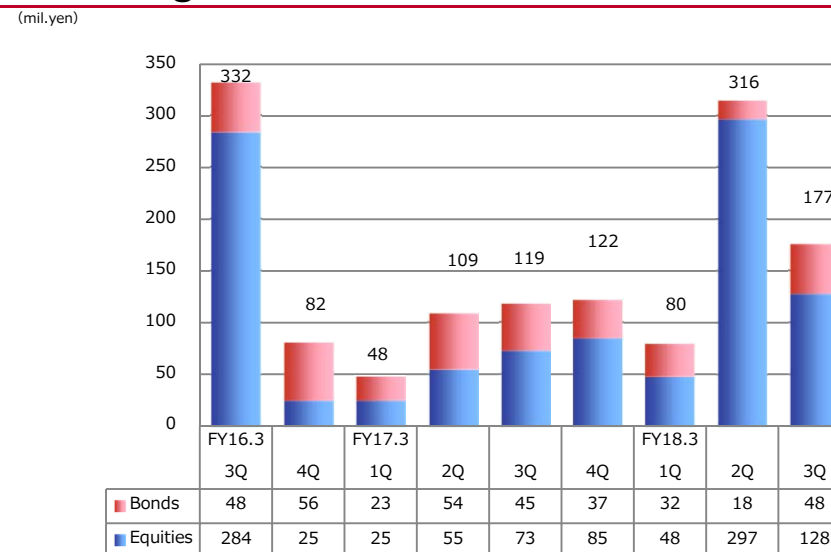
- Brokerage commissions rose 23.3% YoY. Domestic equity brokerage commissions increased.
- Underwriting fees roughly doubled YoY due in part to some large-scale POs and having served as the lead managing underwriter on IPOs and POs.
- Distribution commissions rose 23.1% YoY due to higher sales of investment trusts.
- Other commissions fell slightly due to declines in FX-related revenues and other revenues, although investment trust commissions related to the balance of investment trusts increased.

Fees and Commissions Received by Category

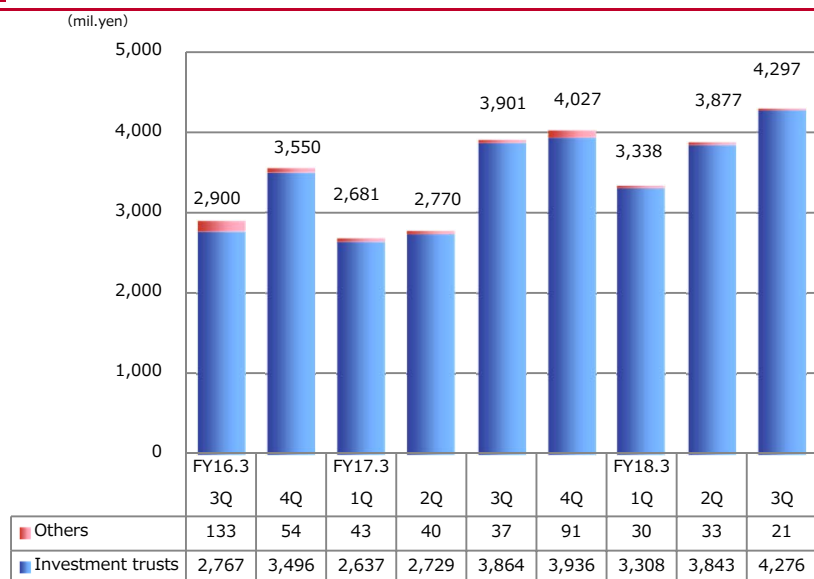
Brokerage



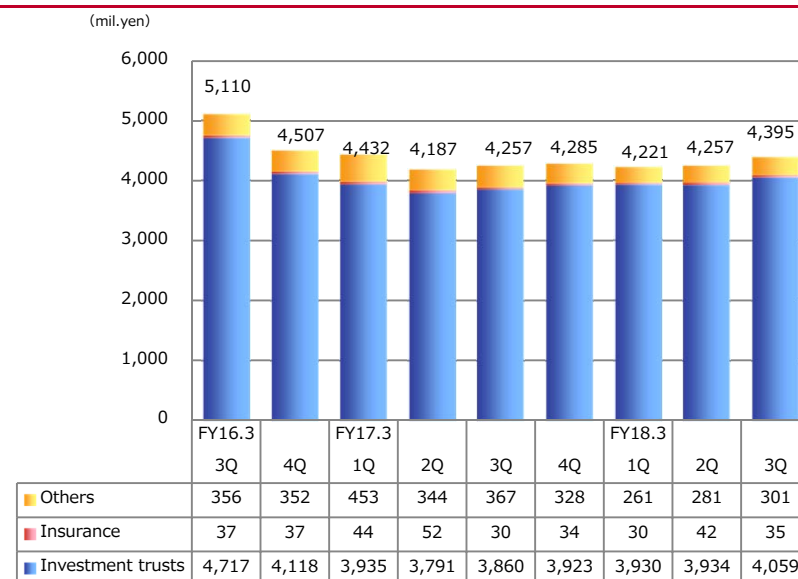
Underwriting



Distribution



Others



Net Trading Income

(In millions of yen)

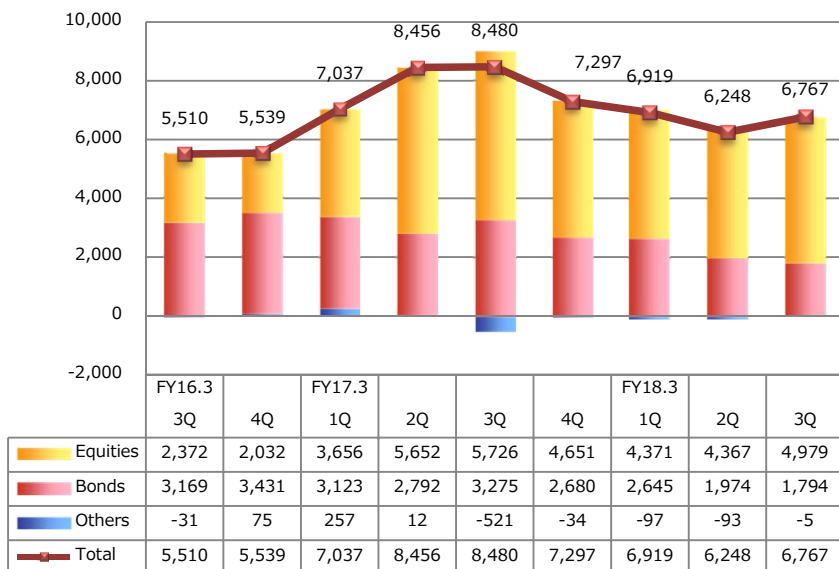
	FY17.3 3QTOTAL	FY18.3 3QTOTAL	vs.FY17.3 3QTOTAL
Equities	15,034	13,718	-8.8%
Domestic equities	626	791	26.4%
Foreign equities	14,408	12,927	-10.3%
Bonds and others	9,191	6,414	-30.2%
Domestic bonds	1,635	282	-82.8%
Foreign bonds	7,555	6,131	-18.8%
Others	-251	-197	-
Net gain on trading	23,974	19,934	-16.9%

(In millions of yen)

	FY17.3				FY18.3				vs.FY18.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	
	3,656	5,652	5,726	4,651	4,371	4,367	4,979	14.0%	
	291	102	233	118	227	298	265	-11.1%	
	3,365	5,549	5,493	4,533	4,143	4,069	4,714	15.9%	
	3,123	2,792	3,275	2,680	2,645	1,974	1,794	-9.1%	
	623	516	495	237	158	70	52	-25.7%	
	2,499	2,275	2,780	2,442	2,486	1,903	1,741	-8.5%	
	257	12	-521	-34	-97	-93	-5	-	
	7,037	8,456	8,480	7,297	6,919	6,248	6,767	8.3%	

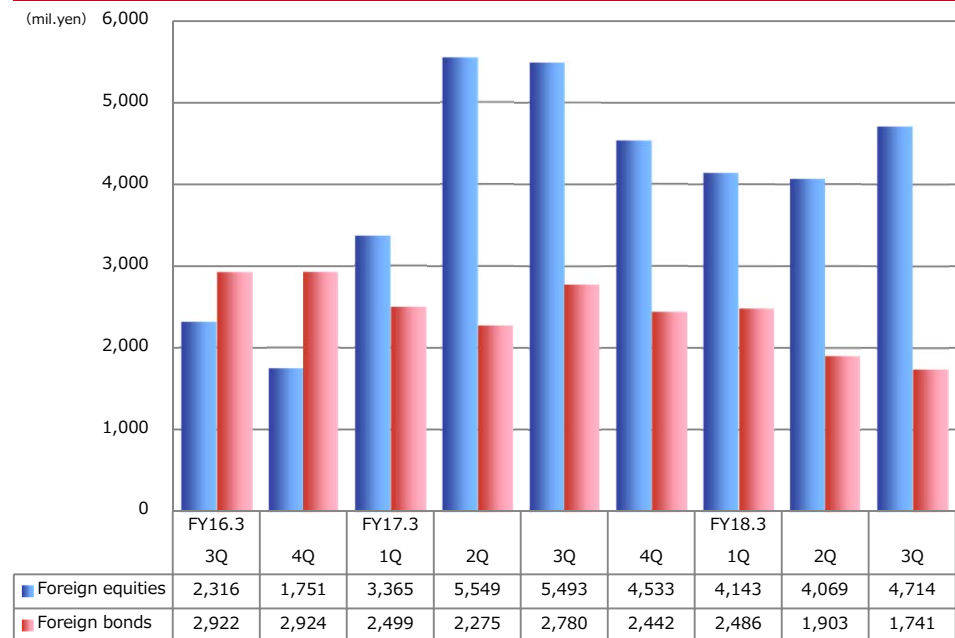
Net gain by Products

(mil.yen)



Net gain from foreign equities and bonds

(mil.yen)



SG&A : Selling, General and Administrative Expenses

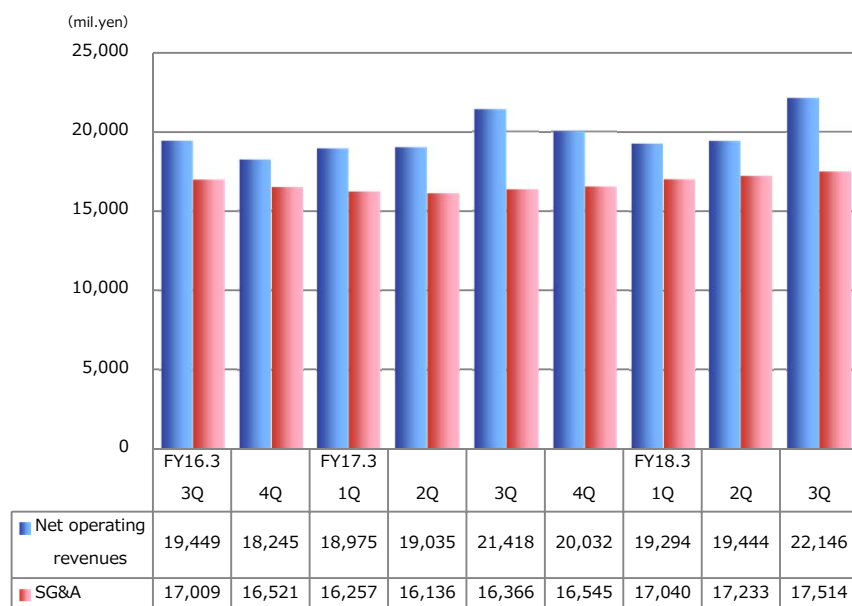
(In millions of yen)

	FY17.3 3QTOTAL	FY18.3 3QTOTAL	vs.FY17.3 3QTOTAL
Trading related expenses	9,663	9,778	1.2%
Personnel expenses	24,059	25,234	4.9%
Real estate expenses	5,020	5,605	11.6%
Office expenses	4,348	4,934	13.5%
Depreciation expenses	2,646	2,789	5.4%
Taxes and dues	893	986	10.4%
Others	2,128	2,459	15.6%
SG&A	48,760	51,788	6.2%

(In millions of yen)

	FY17.3				FY18.3				vs.FY18.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	
Trading related expenses	3,189	3,249	3,224	3,145	3,145	3,257	3,375		3.6%
Personnel expenses	7,901	7,917	8,239	8,349	8,313	8,210	8,710		6.1%
Real estate expenses	1,706	1,629	1,684	1,773	1,816	1,878	1,909		1.7%
Office expenses	1,485	1,509	1,353	1,424	1,633	1,762	1,537		-12.8%
Depreciation expenses	881	889	875	858	964	1,043	781		-25.1%
Taxes and dues	303	292	298	302	286	336	364		8.3%
Others	788	648	691	691	881	743	834		12.2%
SG&A	16,257	16,136	16,366	16,545	17,040	17,233	17,514		1.6%

Change in net operating revenues and SG&A



- Trading-related expenses were up 1.2% YoY due to higher advertising expenses and other costs.
- Personnel expenses were up 4.9% YoY due to increased bonuses, etc.
- Real estate expenses rose 11.6% YoY due to rising rents and other costs.
- Office expenses increased 13.5% YoY. Depreciation expenses were up 5.4% YoY. Both increases were due to a rise in system-related expenses and similar expenses.
- Other expenses were up 15.6% YoY due to increased research expenses and other costs.

Balance Sheet Summary (1)

(In millions of yen)

	FY17.3	FY18.3	vs.FY17.3
	4Q	3Q	4Q
Current assets	469,948	418,771	-51,177
Cash and deposits	56,700	65,019	8,319
Cash segregated as deposits	65,396	71,061	5,665
Trading products	149,481	125,370	-24,111
Receivables on margin transactions	40,260	49,165	8,905
Receivables on collateralized securities transactions	141,522	97,574	-43,948
Other current assets	16,587	10,580	-6,007
Fixed assets	82,896	82,179	-717
Tangible fixed assets	19,340	19,033	-307
Intangible fixed assets	12,898	8,142	-4,756
Investments and other assets	50,657	55,004	4,347
Total assets	552,844	500,951	-51,893

(In millions of yen)

	FY17.3				FY18.3				vs.FY17.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	
	447,376	394,102	406,594	469,948	425,969	537,467	418,771	-118,696	
	58,144	57,070	53,676	56,700	58,491	63,130	65,019	1,889	
	56,890	61,891	66,156	65,396	68,146	74,313	71,061	-3,252	
	153,621	114,302	133,725	149,481	151,815	189,480	125,370	-64,110	
	38,901	35,062	38,793	40,260	39,247	43,605	49,165	5,560	
	125,694	114,661	103,547	141,522	98,384	152,527	97,574	-54,953	
	14,124	11,114	10,694	16,587	9,883	14,410	10,580	-3,830	
	74,261	78,727	83,836	82,896	88,536	79,777	82,179	2,402	
	19,688	19,291	19,294	19,340	19,298	19,093	19,033	-60	
	10,186	10,351	12,142	12,898	13,174	8,087	8,142	55	
	44,387	49,085	52,399	50,657	56,062	52,596	55,004	2,408	
	521,637	472,830	490,430	552,844	514,505	617,244	500,951	-116,293	

- **Total assets were 500.951 billion yen, down 51.8 billion yen from the end of the previous fiscal year. Net assets rose 2.5 billion yen to 180.776 billion yen over the same period.**
- **Current assets fell 51.1 billion yen from the end of the previous fiscal year, due primarily to a decrease in receivables on collateralized securities transactions.**
- **Fixed assets fell 0.7 billion yen over the same period due to a decrease in intangible fixed assets and other factors.**
- **Total assets fell 51.8 billion yen over the same period.**
- **Current liabilities fell 58.3 billion yen from the end of the previous fiscal year, due primarily to a decrease in trading liabilities.**
- **Fixed liabilities rose 4 billion yen over the same period. Total liabilities fell 54.4 billion yen over that period.**

Balance Sheet Summary (2)

(In millions of yen)

	FY17.3 4Q	FY18.3 3Q	vs.FY17.3 4Q
Current liabilities	345,362	287,027	-58,335
Trading liabilities	138,307	66,231	-72,076
Payables on margin transactions	12,089	10,417	-1,672
Payables on collateralized securities transactions	46,658	35,460	-11,198
Deposits received	34,243	57,424	23,181
Guarantee deposits received	35,192	39,131	3,939
Short-term borrowings	69,070	65,318	-3,752
Other current liabilities	9,801	13,043	3,242
Fixed liabilities	27,892	31,984	4,092
Long-term borrowings	9,860	12,557	2,697
Net defined benefit liability	5,752	6,237	485
Other fixed liabilities	12,280	13,190	910
Financial instruments transaction reserve	1,333	1,162	-171
Total liabilities	374,588	320,174	-54,414
Common stock	18,589	18,589	-
Capital surplus	16,422	16,420	-2
Retained earnings	112,282	111,639	-643
Treasury stock	-3,785	-3,751	34
Accumulated other comprehensive income	13,250	14,813	1,563
Subscription rights to shares	161	235	74
Minority interests	21,335	22,830	1,495
Total net assets	178,256	180,776	2,520
Total liabilities&net assets	552,844	500,951	-51,893

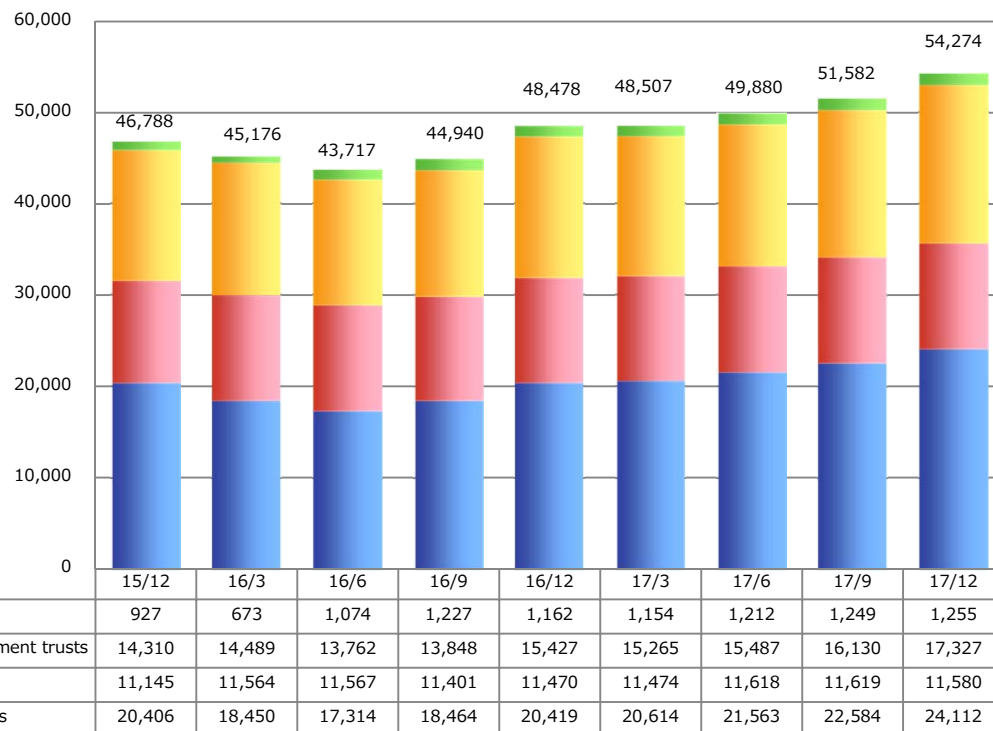
(In millions of yen)

	FY17.3				FY18.3			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q
	326,616	273,015	284,476	345,362	304,023	409,002	287,027	-121,975
	110,365	94,484	87,942	138,307	61,249	124,677	66,231	-58,446
	7,418	11,953	11,474	12,089	10,754	15,249	10,417	-4,832
	50,415	0	37,825	46,658	60,680	79,872	35,460	-44,412
	34,942	34,516	44,858	34,243	45,681	49,564	57,424	7,860
	35,735	32,842	35,280	35,192	36,926	36,521	39,131	2,610
	56,588	76,566	45,985	69,070	42,418	95,158	65,318	-29,840
	31,150	22,651	21,109	9,801	46,314	7,958	13,043	5,085
	28,046	27,445	28,124	27,892	30,548	30,943	31,984	1,041
	12,286	10,538	9,668	9,860	10,652	12,310	12,557	247
	5,666	5,692	5,737	5,752	6,141	6,189	6,237	48
	10,093	11,215	12,718	12,280	13,755	12,444	13,190	746
	1,329	1,329	1,330	1,333	1,160	1,161	1,162	1
	355,992	301,790	313,930	374,588	335,732	441,107	320,174	-120,933
	18,589	18,589	18,589	18,589	18,589	18,589	18,589	-
	13,100	13,157	16,422	16,422	16,420	16,420	16,420	-0
	104,673	106,583	109,785	112,282	108,703	108,728	111,639	2,911
	-3,633	-3,637	-3,781	-3,785	-3,737	-3,745	-3,751	-6
	7,528	10,153	14,261	13,250	16,423	13,439	14,813	1,374
	78	161	161	161	146	235	235	-
	25,307	26,032	21,061	21,335	22,226	22,468	22,830	362
	165,645	171,040	176,500	178,256	178,772	176,137	180,776	4,639
	521,637	472,830	490,430	552,844	514,505	617,244	500,951	-116,293

Assets under custody (Consolidated)

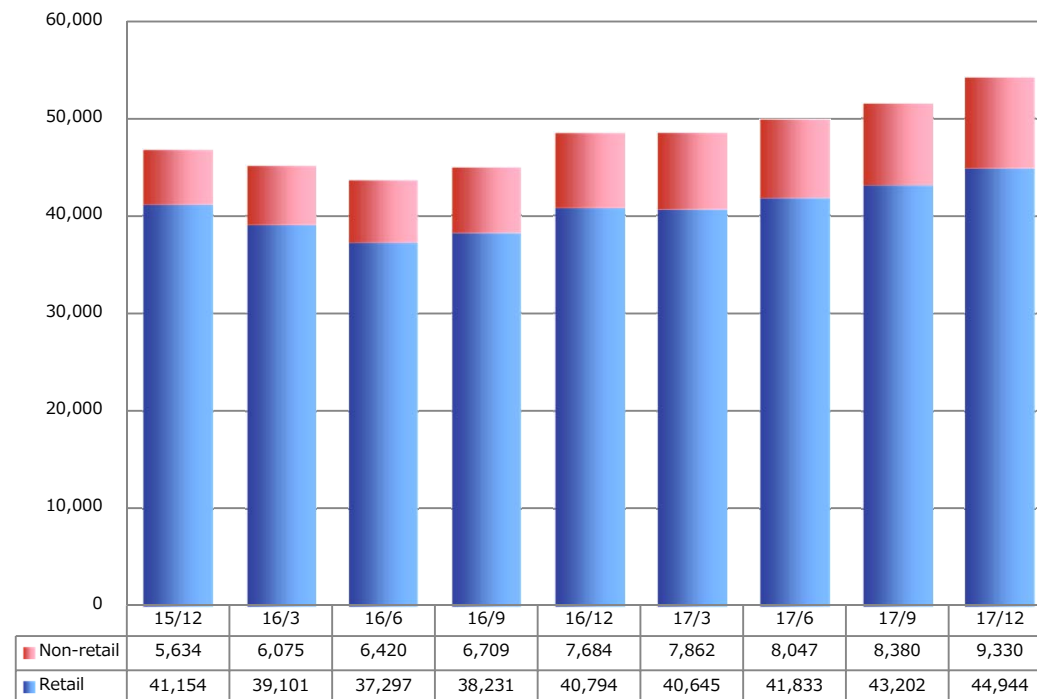
Assets under Custody

(100mil.yen)



Retail Assets under Custody

(100mil.yen)



- On a consolidated basis, customers' assets under custody increased to 5,427.4 billion yen, up 576.7 billion yen from the end of the previous fiscal year.
- An increase in stock prices and other factors boosted the market value of assets under custody.

Group status

Results by segment

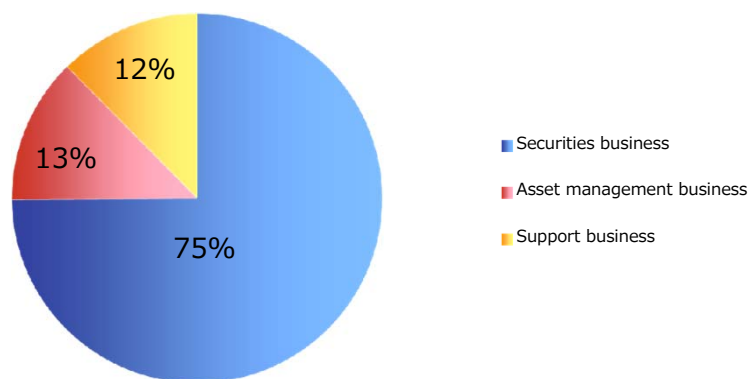
Operating revenues (In millions of yen)

	FY17.3 3QTOTAL	FY18.3 3QTOTAL	vs. FY17.3 3QTOTAL
Securities business	53,283	55,087	3.4%
Asset management business	9,515	9,358	-1.7%
Support business	8,959	9,118	1.8%

Segment income (In millions of yen)

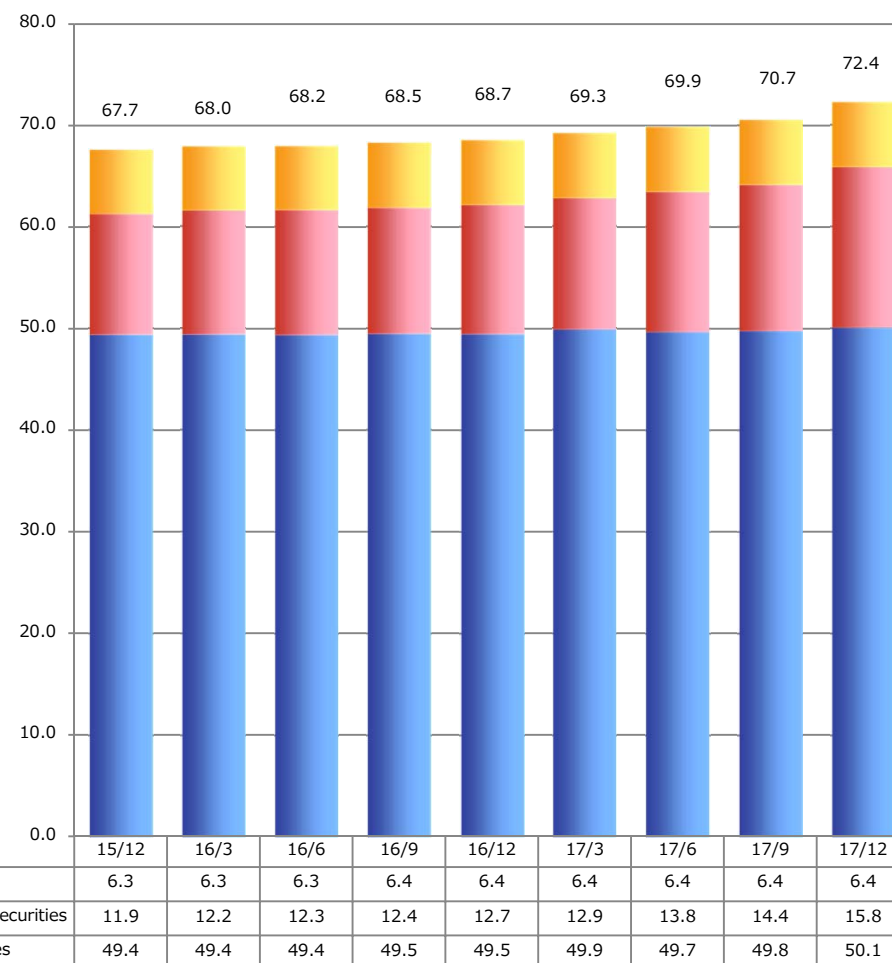
	FY17.3 3QTOTAL	FY18.3 3QTOTAL	vs. FY17.3 3QTOTAL
Securities business	9,379	9,591	2.3%
Asset management business	1,074	1,032	-3.8%
Support business	304	-926	-

Operating revenues



Number of accounts in the Group

(10,000 accounts)



2 Reference Data

Performance by quarter (non-consolidated: Okasan Securities)

(In millions of yen)

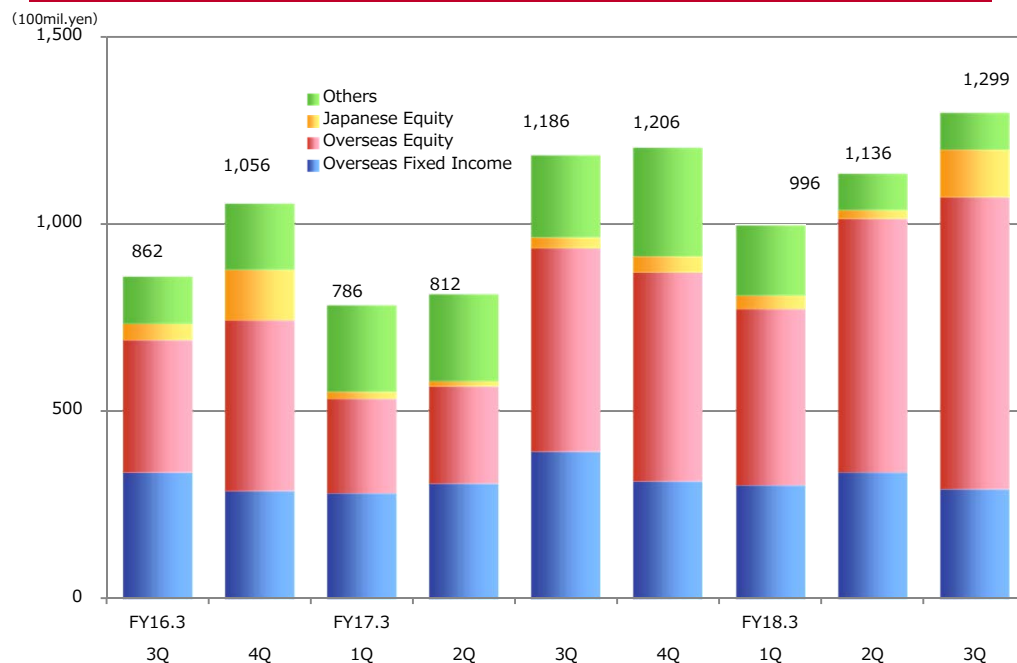
	FY17.3 3QTOTAL	FY18.3 3QTOTAL	vs.FY17.3 3QTOTAL
Operating revenues	46,893	47,811	2.0%
Commissions	22,874	27,586	20.6%
Brokerage	9,412	11,297	20.0%
Underwriting	276	573	107.6%
Distribution	8,527	10,711	25.6%
Others	4,658	5,004	7.4%
Net gain on trading	23,261	19,267	-17.2%
Equities	14,804	13,473	-9.0%
Bonds	8,708	5,991	-31.2%
Others	-251	-197	-
Interest and dividend income	758	958	26.4%
Financial expenses	768	817	6.3%
Net operating revenues	46,124	46,994	1.9%
SG&A	36,454	37,617	3.2%
Trading related expenses	5,907	6,034	2.2%
Personnel expenses	18,187	19,121	5.1%
Real estate expenses	4,998	5,178	3.6%
Administrative expenses	5,656	5,506	-2.7%
Depreciation expenses	405	383	-5.3%
Taxes and dues	575	563	-2.2%
Others	724	829	14.5%
Operating income	9,670	9,377	-3.0%
Non-operating income	319	204	-35.8%
Non-operating expenses	50	33	-34.4%
Ordinary income	9,938	9,548	-3.9%
Extraordinary gain	705	73	-89.6%
Extraordinary loss	-	-	-
Net profit, before taxes	10,644	9,621	-9.6%
Income taxes	3,001	2,402	-20.0%
Adjustment amount for income taxes	205	677	229.4%
Net profit	7,436	6,541	-12.0%

(In millions of yen)

	FY17.3				FY18.3				vs.FY18.3
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	2Q	
Operating revenues	14,650	15,133	17,109	15,847	15,115	15,119	17,576	16.3%	
Commissions	7,565	6,671	8,637	8,506	8,140	8,750	10,695	22.2%	
Brokerage	3,514	2,537	3,360	3,067	3,371	3,174	4,751	49.7%	
Underwriting	48	109	117	122	80	315	176	-44.1%	
Distribution	2,397	2,492	3,637	3,730	3,081	3,604	4,025	11.7%	
Others	1,605	1,531	1,521	1,585	1,606	1,655	1,742	5.3%	
Net gain on trading	6,818	8,225	8,217	7,056	6,646	6,057	6,563	8.4%	
Equities	3,576	5,593	5,634	4,589	4,260	4,296	4,916	14.4%	
Bonds	2,984	2,619	3,104	2,501	2,484	1,854	1,652	-10.9%	
Others	257	12	-521	-34	-97	-93	-5	-	
Interest and dividend income	265	236	255	285	328	311	318	2.3%	
Financial expenses	238	260	269	301	255	260	301	15.8%	
Net operating revenues	14,411	14,873	16,840	15,546	14,859	14,858	17,275	16.3%	
SG&A	12,111	11,994	12,349	12,343	12,389	12,305	12,922	5.0%	
Trading related expenses	1,893	1,984	2,029	1,972	1,955	2,004	2,074	3.5%	
Personnel expenses	5,950	5,980	6,255	6,289	6,261	6,201	6,657	7.4%	
Real estate expenses	1,735	1,595	1,667	1,654	1,710	1,759	1,707	-3.0%	
Administrative expenses	1,911	1,887	1,857	1,876	1,834	1,791	1,879	4.9%	
Depreciation expenses	133	134	137	139	122	127	133	4.7%	
Taxes and dues	177	196	202	198	172	191	198	3.7%	
Others	309	215	199	212	330	228	270	18.4%	
Operating income	2,300	2,878	4,490	3,203	2,470	2,553	4,353	70.5%	
Non-operating income	155	98	64	121	78	54	71	31.5%	
Non-operating expenses	33	1	15	16	5	12	16	33.3%	
Ordinary income	2,422	2,975	4,540	3,308	2,543	2,596	4,408	69.8%	
Extraordinary gain	687	-	18	-	73	-	-	-	
Extraordinary loss	-	-	-	-	-	-	-	-	
Net profit, before taxes	3,109	2,975	4,558	3,308	2,617	2,596	4,408	69.8%	
Income taxes	451	1,443	1,106	1,664	154	1,276	971	-23.9%	
Adjustment amount for income taxes	345	-485	346	-556	671	-431	438	-	
Net profit	2,312	2,018	3,105	2,200	1,792	1,751	2,998	71.2%	

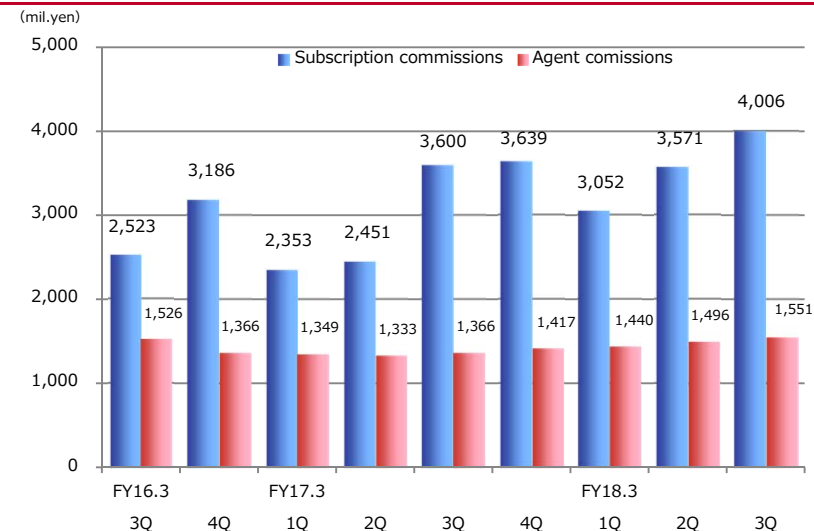
Investment trusts / Foreign bonds(non-consolidated: Okasan Securities)

Investment trusts sales amount

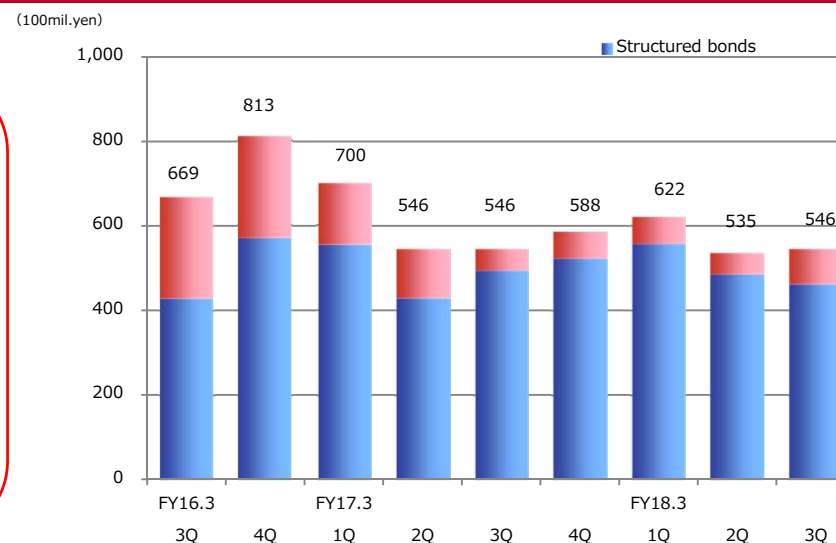


- Investment trust sales (3Q cumulative) rose 23.2% YoY to 343.1 billion yen.
- Sales commissions (3Q cumulative) rose 26.5% YoY to 10,630 million yen. Agent commissions (3Q cumulative) rose 10.8% YoY to 4,488 million yen.
- Foreign bond sales (3Q cumulative) fell 4.9% YoY to 170.4 billion yen due mainly to a decrease in sales of bonds to corporate investors.

Investment trusts commissions

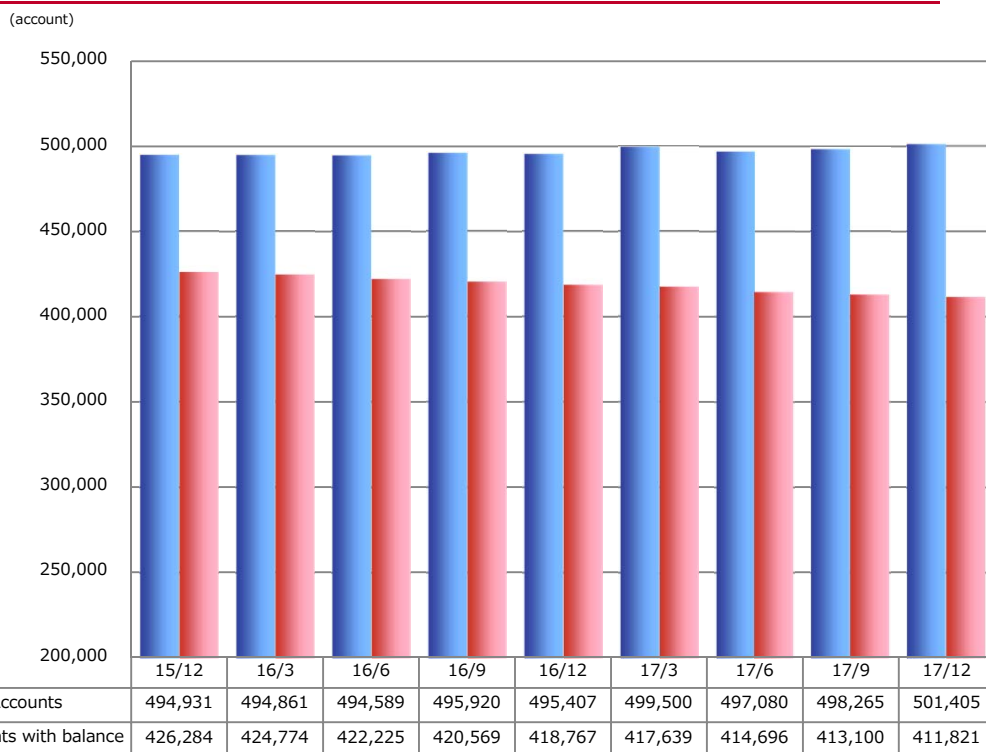


Foreign bonds sales amount



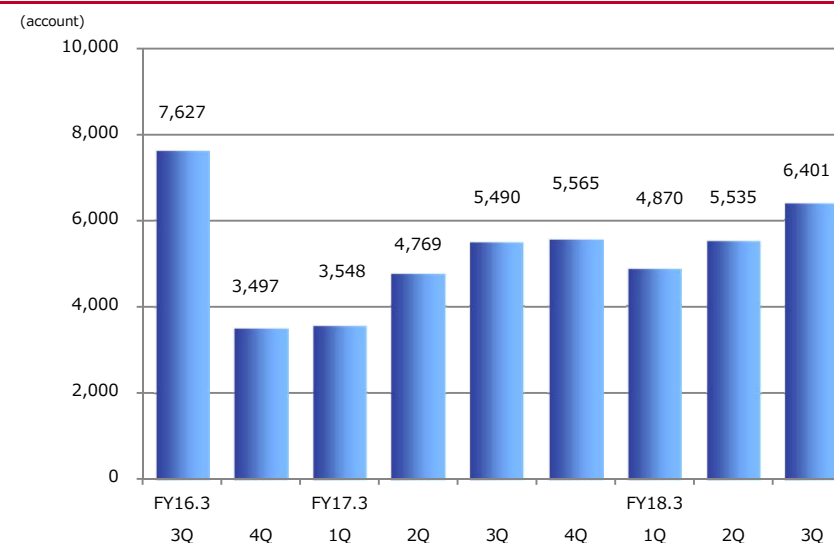
Number of accounts (non-consolidated: Okasan Securities)

Number of customer accounts



- The total number of customer accounts increased slightly from the end of the previous fiscal year to **501,405**.
- The number of accounts with remaining balances decreased slightly from the end of the previous fiscal year to **411,821**.
- Online accounts (**54,414** accounts) accounted for **10.9%** of the total number of customer accounts.

Number of new accounts



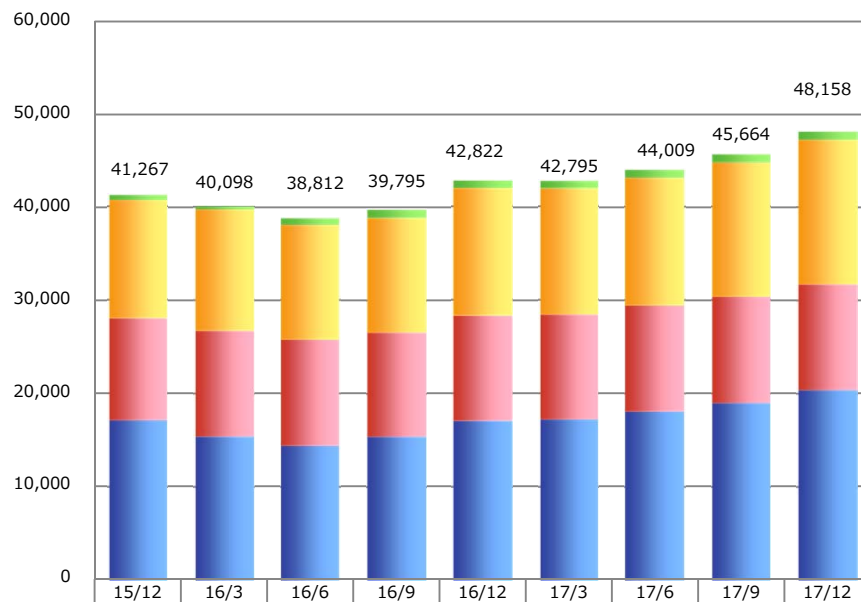
Number of online accounts



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

Assets under Custody

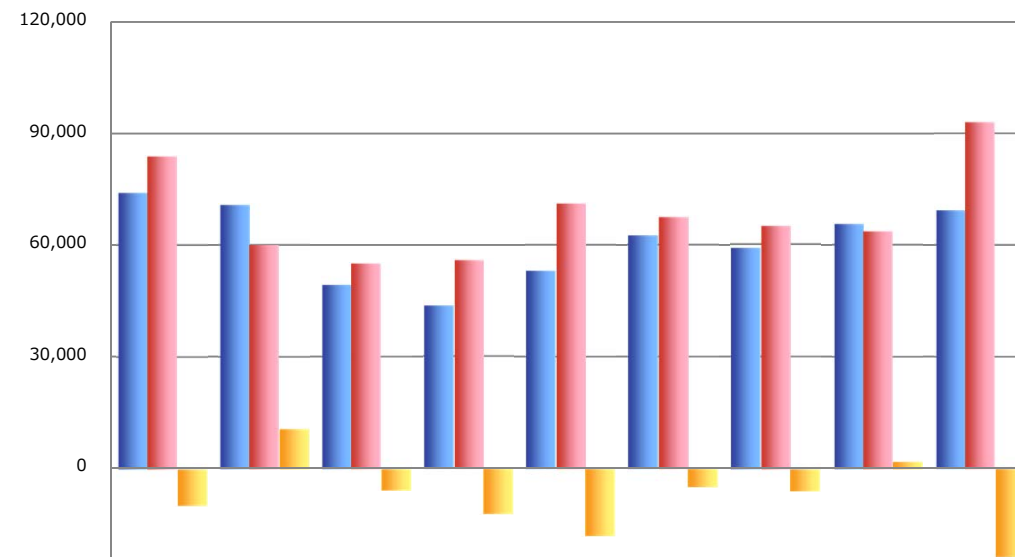
(100mil.yen)



	15/12	16/3	16/6	16/9	16/12	17/3	17/6	17/9	17/12
Others	524	312	708	883	782	794	834	884	853
Investment trusts	12,644	12,999	12,301	12,291	13,676	13,516	13,696	14,377	15,519
Bonds	10,936	11,355	11,373	11,188	11,251	11,244	11,379	11,387	11,349
Equities	17,163	15,432	14,430	15,433	17,113	17,241	18,100	19,016	20,437

Net inflow of assets (Individuals)

(mil.yen)



	FY16.3		FY17.3				FY18.3		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Inflow	74,141	70,890	49,305	43,686	53,192	62,652	59,165	65,711	69,472
Outflow	83,934	60,144	55,039	55,820	71,239	67,571	65,050	63,751	93,138
Net Inflow	-9,792	10,745	-5,734	-12,134	-18,046	-4,919	-5,885	1,959	-23,666

- Customers' assets under custody at Okasan Securities increased 536.3 billion yen from the end of the previous fiscal year to 4,815.8 billion yen.
- Net inflow/outflow of assets (sum of inflow/outflow of cash and securities; individuals only) cumulative through 3Q in this fiscal year was an outflow of 27.592 billion yen.

Capital Adequacy Requirement Ratio (non-consolidated: Okasan Securities)

(In millions of yen)

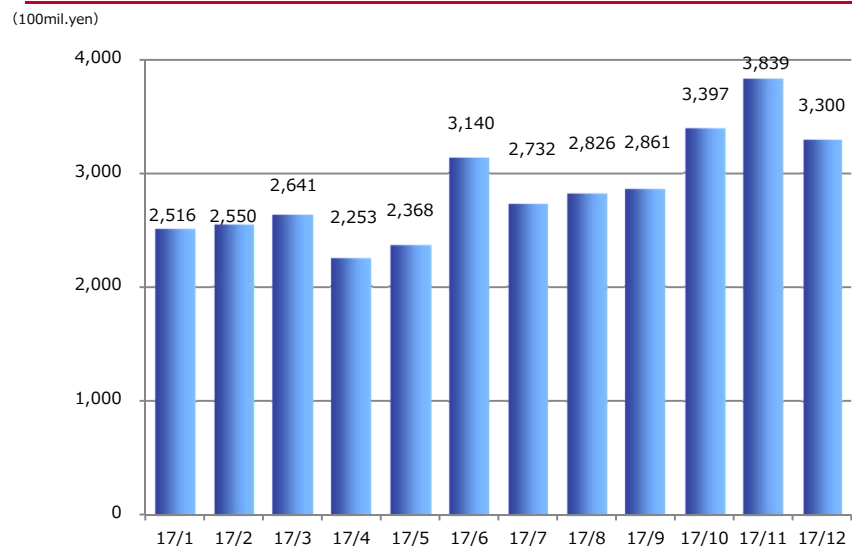
項	目		FY17.3				FY18.3				vs.FY17.3
			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Basic items		(A)	80,644	82,670	85,777	78,977	80,769	82,521	85,519	6,542	
Complementary items	Appraisal gains (losses) etc.		–	–	17	19	20	19	29	10	
	Security transaction responsibility reserve		800	800	800	800	727	727	727	-73	
	General provision for loan losses		6	6	4	4	4	5	6	2	
	Short-term subordinated debt		6,000	6,000	6,000	6,000	6,000	6,000	6,000	–	
	Total	(B)	6,806	6,806	6,822	6,824	6,751	6,752	6,762	-62	
Assets to be deducted		(C)	10,448	10,629	10,591	10,668	10,865	10,897	11,111	443	
Unfixed equity capital	(A) + (B) – (C)	(D)	77,001	78,847	82,008	75,134	76,656	78,375	81,170	6,036	
Risk equivalents	Market risk equivalents		3,150	1,454	2,248	1,646	2,776	3,151	3,023	1,377	
	Customer risk equivalents		999	925	1,060	1,143	1,009	1,127	1,238	95	
	Basic risk equivalents		12,373	12,240	12,163	12,081	12,210	12,303	12,412	331	
	Total	(E)	16,524	14,620	15,472	14,871	15,996	16,583	16,673	1,802	
Capital adequacy ratio	(D) / (E) × 100 (%)		465.9%	539.2%	530.0%	505.2%	479.2%	472.6%	486.8%	-18.4 p	

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

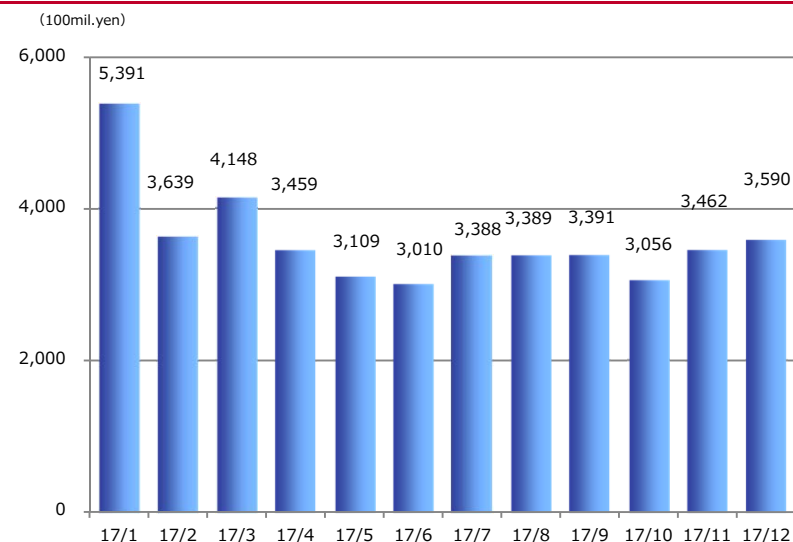
- The capital adequacy ratio decreased 18.4 percentage points from the end of the previous fiscal year to 486.8%.
- The capital adequacy ratio decreased due to increased market risk equivalents and other factors.

(Reference Data) Okasan Online Securities Data

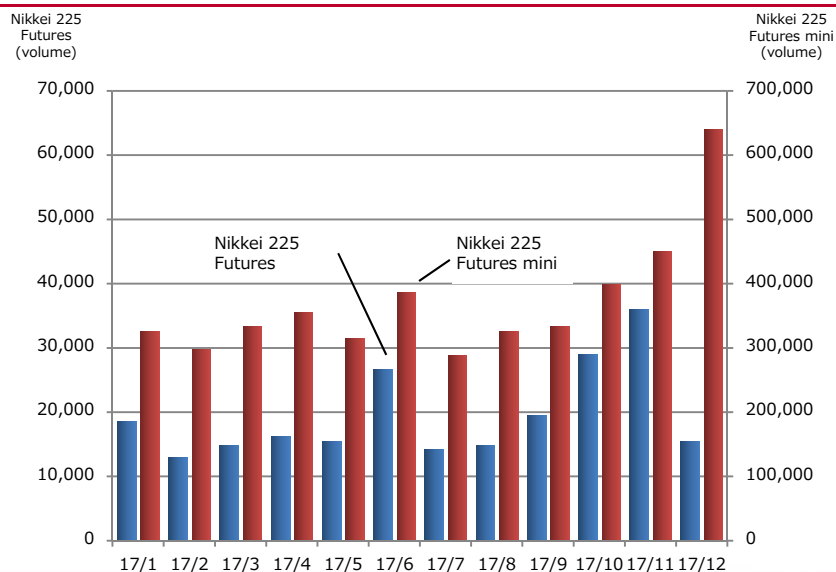
Domestic sales amount of equities by month



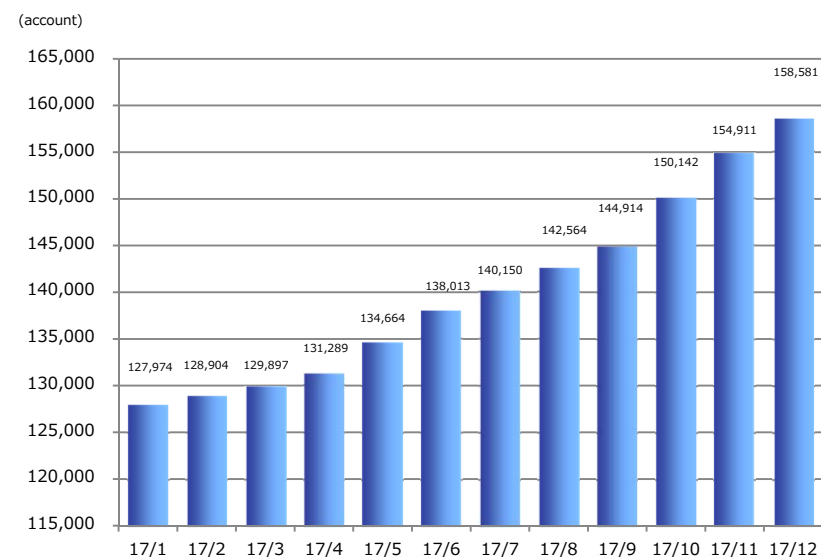
"Click 365" contract amount



Nikkei 225 Futures & Nikkei 225 Futures mini

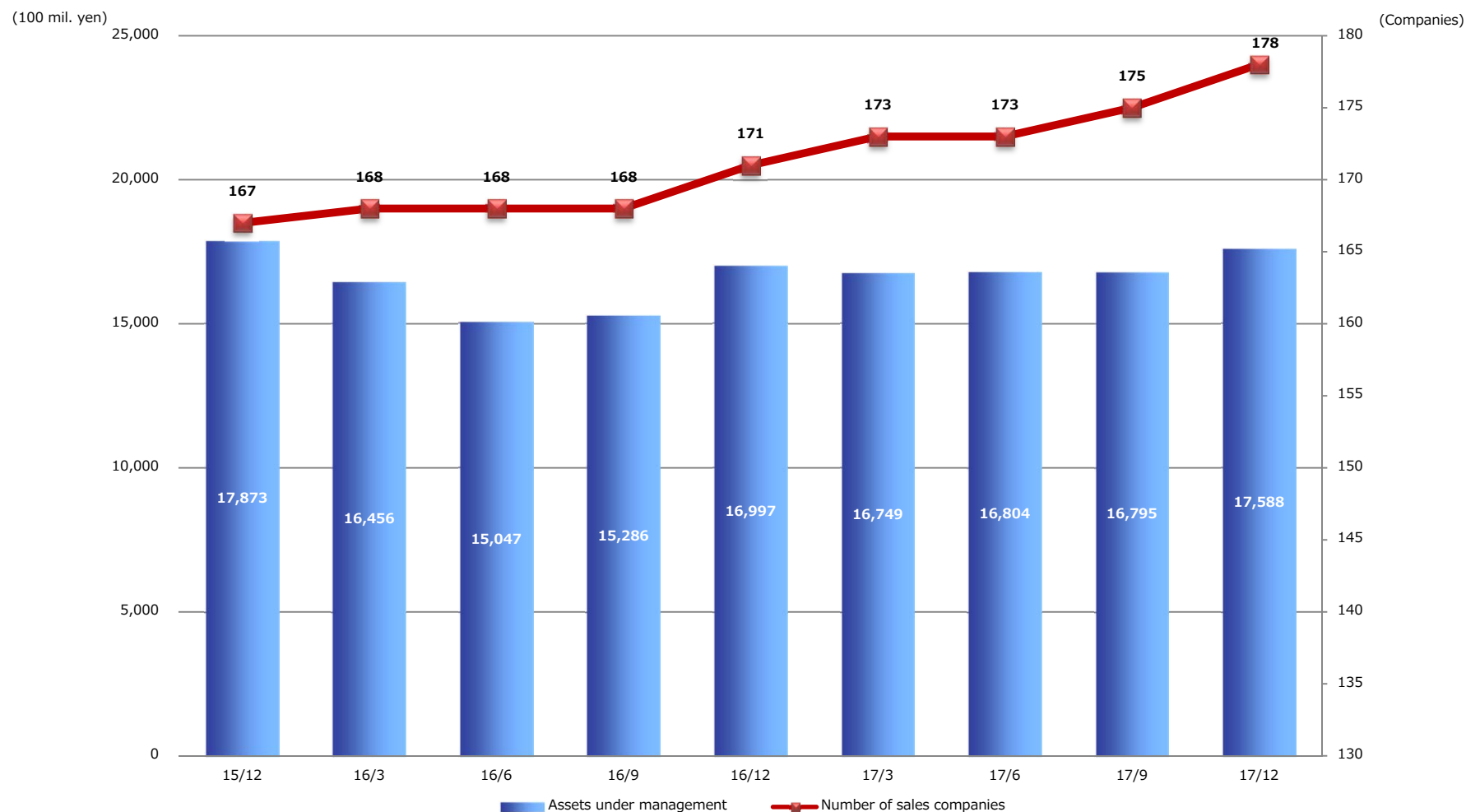


Number of customer accounts



(Reference Data) Okasan Asset Management Data

Assets managed and number of sales companies



- Okasan Asset Management's balance of investment trusts managed rose 83.8 billion yen from the end of the previous fiscal year to 1,758.8 billion yen.

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