

	2006	1Q	2Q	3Q	4Q
	2006	2006			
	31st March	30th June			
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	¥132,545	¥101,006			
Time deposits	399	401			
Cash required to be segregated under regulations	332,876	314,600			
Trade notes and accounts receivable	1,303	27,972			
Operational investment securities	61,668	135,692			
Valuation allowance for operational investment securities	(338)	(341)			
Operational loans receivable	16,501	17,978			
Real estate inventory	26,333	31,907			
Trading assets	3,093	3,357			
Margin transaction assets:					
Receivables from customers	562,693	517,040			
Cash deposits as collateral for securities borrowed	18,547	3,779			
Loans secured by securities	156	267			
Short-term guarantee deposits	17,549	14,408			
Deferred tax assets—current	1,959	9,842			
Prepaid expenses and other current assets	30,993	43,453			
Allowance for doubtful accounts	(691)	(852)			
TOTAL CURRENT ASSETS	1,205,586	1,220,509			
PROPERTY AND EQUIPMENT—Net:	4,144	4,169			
LEASED ASSETS—Net:	11,225	10,908			
INVESTMENTS AND OTHER ASSETS:					
Investment securities	28,127	26,521			
Investments in unconsolidated subsidiaries and affiliated companies	23,534	30,214			
Software, net of accumulated amortisation	5,169	5,207			
Rental deposits	4,358	4,711			
Goodwill	44,638	37,904			
Long-term trade receivables	1,701	1,516			
Deferred tax assets—non-current	1,310	1,743			
Other assets	3,760	4,175			
Allowance for doubtful accounts	(1,908)	(1,752)			
TOTAL INVESTMENTS AND OTHER ASSETS	110,689	110,239			
TOTAL	¥1,331,644	¥1,345,825			
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Short-term borrowings	¥11,398	¥47,049			
Current portion of long-term debt	900	1,800			
Income taxes payable	19,535	32,665			
Margin transaction liabilities:					
Payables to financial institutions	302,283	250,351			
Proceeds of securities sold for customers' accounts	65,030	37,631			
Loans secured by securities—repurchase agreement transactions	56,553	51,488			
Consignment guarantee money received for margin transactions	303,385	314,550			
Customers' deposits as collateral for commodity futures	32,072	31,448			
Customers' deposits for securities transactions	21,495	16,620			
Unearned income	3,671	5,996			
Accrued expenses	3,594	3,666			
Contingent reserve	5	—			
Deferred tax liabilities—current	2,096	398			
Other current liabilities	25,550	40,258			
TOTAL CURRENT LIABILITIES	847,567	833,920			
LONG-TERM LIABILITIES:					
Long-term debt, less current portion	152,410	152,210			
Deferred tax liabilities—non-current	2,053	1,691			
Other long-term liabilities	1,469	1,988			
TOTAL LONG-TERM LIABILITIES	155,932	155,889			
STATUTORY RESERVES:					
Reserve for liability for securities transactions	4,715	5,121			
Reserve for liability for commodity transactions	213	213			
TOTAL STATUTORY RESERVES	4,928	5,334			
MINORITY INTERESTS:	55,094	—			
NET ASSETS					
Common stock	54,229	54,299			
Capital surplus	115,692	115,761			
Retained earnings	90,345	116,408			
Unrealised gain on available-for-sale securities	12,830	6,567			
Foreign currency translation adjustments	935	905			
Treasury stock—at cost	(5,908)	(5,909)			
Stock acquisition right	—	7			
Minority interest	—	62,644			
TOTAL NET ASSETS	268,123	350,682			
TOTAL	¥1,331,644	¥1,345,825			

Note(1) The above financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates.

(2) Quarterly financial statements are not reviewed or audited by Deloitte Touche Tohmatsu.

(3) Due to the enforce of new Corporate Law effective from 1st May 2006, Minority interests and Stock acquisition right are presented in NET ASSETS as at 30th June 2006. These are presented as MINORITY INTEREST between liabilities and shareholder's equity and liabilities respectively as at 31st March 2006.

Consolidated Statements of Operations with Segment Information

(Millions of Yen)

	Year Ended 31st March,2006	Year Ended 31st March,2007				Total
		1Q April to June,2006	2Q	3Q	4Q	
OPERATING REVENUES						
Asset Management	¥40,806	¥23,204				¥23,204
A. Investment in Securities	24,793	21,018				21,018
1) Revenue from Operational Investment Securities	18,668	4,527				4,527
2) Fees from Funds	6,125	16,491				16,491
<i>Fees from Funds consists of:</i>						
- Management Fee	5,039	1,269				1,269
- Establishment Fee	531	348				348
- Success Fee	555	14,874				14,874
B. Real Estate transactions	14,223	1,689				1,689
1) Revenue from Operational Investment Securities	140	0				0
2) Fees from Funds	10	0				0
3) Other Real Estate Related Revenue	14,073	1,689				1,689
C. Investment Advisory Service Fee and Others	1,790	497				497
Brokerage and Investment Banking	¥80,815	¥18,089				¥18,089
A. Revenue from Securities Transactions	79,513	17,802				17,802
B. Revenue from Commodity Futures Transactions	1,302	287				287
Financial Services	¥19,845	¥5,498				¥5,498
Eliminations/Corporate	(4,219)	(944)				(944)
OPERATING REVENUE	187,247	45,847				45,847
OPERATING COSTS						
Asset Management	26,885	4,709				4,709
Brokerage and Investment Banking	4,142	854				854
Financial Services	9,385	3,361				3,361
Eliminations/Corporate	(2,816)	(377)				(377)
OPERATING COSTS	37,596	8,547				8,547
GROSS PROFIT	99,651	37,300				37,300
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES						
Asset Management	3,501	1,317				1,317
Brokerage and Investment Banking	38,137	9,807				9,807
Financial Services	8,163	1,582				1,582
Eliminations/Corporate	255	410				410
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	50,056	13,116				13,116
OPERATING INCOME						
Asset Management	10,420	17,178				17,178
Brokerage and Investment Banking	38,536	7,428				7,428
Financial Services	2,297	555				555
Eliminations/Corporate	(1,658)	(977)				(977)
OPERATING INCOME	¥49,595	¥24,184				¥24,184
OTHER INCOME (EXPENSES):						
Interest and dividends income	277	258				258
Interest expense	(563)	(260)				(260)
Foreign exchange gain (loss)-net	825	(83)				(83)
Gain (loss) on sale of investment securities-net	4,308	38,338				38,338
Dilution gain from change in equity interest	25,367	212				212
Reversal of allowance for doubtful accounts	176	0				0
Amortisation of goodwill -net	1,443	0				0
Provision for statutory reserves	(2,420)	(405)				(405)
Other-net	(2,096)	(433)				(433)
OTHER INCOME (EXPENSES) - NET	27,317	37,627				37,627
INCOME BEFORE INCOME TAXES/MINORITY INTERESTS	76,912	61,811				61,811
INCOME TAXES						
Current	22,990	32,458				32,458
Reversal of the prior year's income taxes	1,280	(595)				(595)
Deferred	(6,189)	(6,016)				(6,016)
TOTAL INCOME TAXES	18,081	25,847				25,847
MINORITY INTERESTS IN NET INCOME	(12,947)	(2,022)				(2,022)
NET INCOME	¥45,884	¥33,942				¥33,942
PER SHARE OF COMMON STOCK	(Yen)	(Yen)				
Basic net income	¥4,957.08	¥2,791.50				¥2,791.50
Diluted net income	¥4,627.04	¥2,627.88				¥2,627.88

Consolidated Statements of Cash Flows

(Millions of Yen)

	Year Ended 31st March,2006	Year Ended 31st March,2007				Total
		1Q April to June,2006	2Q	3Q	4Q	
OPERATING ACTIVITIES	(¥132,740)	(¥33,575)				(¥33,575)
INVESTING ACTIVITIES	(¥33,137)	(24,470)				(24,470)
FINANCING ACTIVITIES	¥200,746	26,613				26,613
Newly consolidated subsidiaries and others	(¥8,784)	(107)				(107)
CASH AND CASH EQUIVALENT - End of Period	¥132,545	¥101,006				¥101,006

Note(1) The above financial statements are stated in Japanese yen, the currency of the country in which the Company is incorporated and operates.

Quarterly financial statements are not reviewed or audited by Deloitte Touche Tohmatsu.

(2) Gain (loss) on sale of investment securities-net of 38,338 million is principally consisted of share sales of subsidiaries in our fund.