

Consolidated Balance Sheets

	2005	2006	2007	2008	1Q
	31st March	31st March	31st March	31st March	2008 30th June
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	¥106,460	¥132,545	¥115,092	¥159,007	¥114,722
Time deposits	2,904	399	616	1,518	12,307
Cash required to be segregated under regulations	188,150	332,876	340,090	313,817	361,723
Trade notes and accounts receivable	1,013	1,303	7,537	10,985	27,853
Operational investment securities	39,829	61,668	100,603	115,717	118,317
Valuation allowance for operational investment securities	(463)	(338)	(18,603)	(4,967)	(5,853)
Operational loans receivable	8,059	16,501	46,828	66,261	63,837
Real estate inventory	—	26,333	35,872	32,895	38,608
Trading assets	2,859	3,093	4,329	1,728	3,302
Margin transaction assets:					
Receivables from customers	317,801	562,693	489,269	274,887	298,296
Cash deposits as collateral for securities borrowed	15,680	18,547	11,303	17,995	12,556
Loans secured by securities	—	156	102	—	1,012
Short-term guarantee deposits	7,052	17,549	24,353	13,414	14,660
Deferred tax assets—current	986	1,959	2,271	1,053	1,176
Prepaid expenses and other current assets	11,960	30,993	40,324	66,723	75,030
Allowance for doubtful accounts	(401)	(691)	(1,070)	(1,762)	(2,290)
TOTAL CURRENT ASSETS	715,448	1,205,586	1,198,916	1,069,271	1,135,256
PROPERTY AND EQUIPMENT—Net:	4,715	4,144	4,602	5,728	5,212
LEASED ASSETS—Net:	8,231	11,225	10,036	7,877	—
INVESTMENTS AND OTHER ASSETS:					
Investment securities	11,686	28,127	19,390	15,972	17,002
Investments in unconsolidated subsidiaries and affiliated companies	807	23,534	60,420	25,923	21,814
Software, net of accumulated amortisation	4,017	5,169	6,559	8,816	8,740
Rental deposits	4,323	4,358	4,726	6,801	6,916
Goodwill	1,581	44,638	53,513	60,874	58,653
Long-term trade receivables	2,824	1,701	1,536	50	49
Deferred tax assets—non-current	880	1,310	1,915	10,595	13,729
Other assets	3,362	3,760	7,764	12,109	24,564
Allowance for doubtful accounts	(2,870)	(1,908)	(2,155)	(4,769)	(4,727)
TOTAL INVESTMENTS AND OTHER ASSETS	26,610	110,689	153,688	136,371	146,740
TOTAL	¥755,004	¥1,331,644	¥1,367,222	¥1,219,247	¥1,287,208
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Short-term borrowings	¥8,732	¥11,398	¥56,142	¥53,832	¥98,389
Current portion of long-term debt	11,759	900	25,172	112,743	125,643
Income taxes payable	7,506	19,535	15,755	9,352	2,458
Margin transaction liabilities:					
Payables to financial institutions	238,766	302,283	231,211	81,583	86,431
Proceeds of securities sold for customers' accounts	45,824	65,030	62,961	62,531	70,533
Loans secured by securities	1,165	56,553	55,825	35,441	35,778
Consignment guarantee money received for margin transactions	151,652	303,385	297,448	272,006	297,804
Customers' deposits as collateral for commodity futures	19,309	32,072	45,356	39,574	44,857
Customers' deposits for securities transactions	15,427	21,495	16,234	20,147	22,945
Unearned income	2,615	3,671	3,030	1,893	2,120
Accrued expenses	2,654	3,594	3,189	3,280	3,297
Contingent reserve	5,219	5	—	22	22
Deferred tax liabilities—current	3,367	2,096	7,201	8,867	6,607
Other current liabilities	16,619	25,550	30,549	39,363	34,518
TOTAL CURRENT LIABILITIES	530,614	847,567	850,073	740,634	831,402
LONG-TERM LIABILITIES:					
Long-term debt, less current portion	36,000	152,410	159,603	77,149	62,807
Deferred tax liabilities—non-current	2,051	2,053	748	300	526
Other long-term liabilities	302	1,469	3,633	5,431	14,026
TOTAL LONG-TERM LIABILITIES	38,353	155,932	163,984	82,880	77,359
STATUTORY RESERVES	2,675	4,928	6,524	7,967	7,277
MINORITY INTERESTS:	53,943	55,094	—	—	—
NET ASSETS					
Common stock	34,765	54,229	54,914	55,158	55,189
Capital surplus	53,467	115,692	116,519	116,762	115,947
Retained earnings	33,377	90,345	122,167	112,339	99,580
Treasury stock—at cost	(239)	(5,908)	(53,062)	(53,064)	(50,309)
Unrealized gain on available-for-sale securities	7,633	12,830	5,436	10,134	7,121
Foreign currency translation adjustments	416	935	974	(122)	13
Deferred hedged profit/loss	—	—	2	9	2
Stock acquisition right	—	—	42	4	13
Minority Interest	—	—	99,649	146,546	143,614
TOTAL NET ASSETS	129,419	268,123	346,641	387,766	371,170
TOTAL	¥755,004	¥1,331,644	¥1,367,222	¥1,219,247	¥1,287,208

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, Stock acquisition right and Deferred hedged profit/loss are presented in NET ASSETS after 1st May 2007.

These are presented as MINORITY INTEREST between liabilities and shareholder's equity respectively as at 31st March 2007.

