

Consolidated Balance Sheets

(Millions of Yen)

	2008 31st March	2009 31st March	2010 31st March
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	¥159,007	¥126,313	¥142,582
Time deposits	1,518	1,141	1,233
Cash required to be segregated under regulations	313,817	266,267	318,909
Trade notes and accounts receivable	10,985	7,915	8,484
Operational investment securities	115,717	105,236	121,576
Valuation allowance for operational investment securities	(4,967)	(6,207)	(8,424)
Operational loans receivable	66,261	47,868	34,694
Real estate inventory	32,895	36,515	28,768
Trading assets	1,728	7,725	3,515
Margin transaction assets:			
Receivables from customers	274,887	134,792	221,107
Cash deposits as collateral for securities borrowed	17,995	46,009	40,534
Loans secured by securities	—	1	—
Short-term guarantee deposits	13,414	8,846	5,944
Deferred tax assets—current	1,053	5,921	7,667
Prepaid expenses and other current assets	66,723	65,771	55,767
Allowance for doubtful accounts	(1,762)	(2,703)	(2,033)
TOTAL CURRENT ASSETS	1,069,271	851,410	980,323
PROPERTY AND EQUIPMENT—Net:	12,652	8,578	20,614
INVESTMENTS AND OTHER ASSETS:			
Investment securities	15,972	10,088	11,248
Investments in unconsolidated subsidiaries and affiliated companies	25,923	23,781	29,956
Software, net of accumulated amortization	9,769	9,370	11,671
Rental deposits	6,801	7,375	7,144
Goodwill	60,874	136,354	133,008
Long-term trade receivables	50	47	10
Deferred tax assets—non-current	10,595	10,602	14,197
Other assets	12,109	28,273	31,536
Allowance for doubtful accounts	(4,769)	(6,644)	(9,767)
TOTAL INVESTMENTS AND OTHER ASSETS	137,324	219,246	229,003
TOTAL	¥1,219,247	¥1,079,234	¥1,229,940
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Short-term borrowings	¥53,832	¥54,658	¥55,615
Current portion of long-term debt	112,743	63,033	125,968
Income taxes payable	9,352	2,625	4,954
Margin transaction liabilities:			
Payables to financial institutions	81,583	56,726	48,813
Proceeds of securities sold for customers' accounts	62,531	89,545	101,224
Loans secured by securities	35,441	46,588	63,781
Consignment guarantee money received for margin transactions	272,006	229,184	222,530
Customers' deposits as collateral for commodity futures	39,574	28,885	59,844
Customers' deposits for securities transactions	20,147	23,488	31,176
Unearned income	1,893	2,085	2,049
Accrued expenses	3,280	3,035	2,897
Contingent reserve	22	—	—
Deferred tax liabilities—current	8,867	6	2,960
Other current liabilities	39,363	23,591	25,280
TOTAL CURRENT LIABILITIES	740,634	623,449	747,091
LONG-TERM LIABILITIES:			
Long-term debt, less current portion	77,149	13,584	27,620
Deferred tax liabilities—non-current	300	566	540
Other long-term liabilities	5,431	15,043	18,855
TOTAL LONG-TERM LIABILITIES	82,880	29,193	47,015
STATUTORY RESERVES	7,967	7,253	7,219
NET ASSETS			
Common stock	55,158	55,215	55,284
Capital surplus	116,762	219,012	218,969
Retained earnings	112,339	86,866	87,276
Treasury stock—at cost	(53,064)	(636)	(247)
Unrealized gain on available-for-sale securities	10,134	(5,946)	(559)
Foreign currency translation adjustments	(122)	(966)	(1,507)
Deferred hedged profit/loss	9	(26)	15
Stock acquisition right	4	12	12
Minority Interest	146,546	65,808	69,372
TOTAL NET ASSETS	387,766	419,339	428,615
TOTAL	¥1,219,247	¥1,079,234	¥1,229,940

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) The above financial statements are unaudited and have been prepared in accordance with accounting principles generally accepted in Japan.

