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NIKKO CORDIAL SECURITIES INC.

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Financial summary under Japanese GAAP as of and for the year ended March 31, 2008

1. Overall business performance for the year ended March 31, 2008

(1) Operating results (from April 1, 2007 to March 31, 2008)

(Millions of Yen except percentages)

	Operating revenue		Net operating revenue		Operating income	
FY2007	222,810	-10.8%	217,878	-11.8%	50,945	-32.1%
FY2006	249,677		246,972		75,058	

	Ordinary income		Net income	
FY2007	51,182	-33.0%	23,890	-40.5%
FY2006	76,399		40,132	

Note: 1. The percentages noted in Operating revenue, Net operating revenue, Operating income, Ordinary income and Net income represent the increase or decrease compared to the previous year.

2. Figures are rounded down to the nearest whole number.

(2) Financial condition

(Millions of Yen except percentages)

	Total assets	Net assets	Equity ratio	Capital adequacy ratio
FY2007	1,523,908	420,600	27.6 %	574.6 %
FY2006	1,230,618	437,786	35.6	587.2

Note: Shareholders' equity FY2007 420,600 million yen FY2006 437,786 million yen

2. Others

- (1) Changes in significant accounting policies by new accounting standard : Yes
- (2) Changes in significant accounting policies by others : None

Note: See "Changes in significant accounting policies" (p.9) for detail.

Operating Results and Financial Condition

1. Operating Results

Financial Overview

Operating revenue for this period (from April 1, 2007 to March 31, 2008) totaled ¥222.8 billion or 11% decrease of the previous year. Net operating revenue, which subtracts interest expense from operating revenue, was ¥217.8 billion or 12% decrease of the previous year. Selling, general and administrative expense recorded was ¥166.9 billion which was 3% decrease of the previous year. Consequently, operating income was ¥50.9 billion or 32% decrease of the previous year, and ordinary income, which is adjusted by non-operating revenue (expense), was ¥51.1 billion or 33% decrease of the previous year. Net income, which incorporates factors such as extraordinary gains (losses) and corporate taxes, was ¥23.8 billion or 40% decrease of the previous year.

Major revenues and expenses are as follows:

(1) Commissions

Commissions recorded were ¥156.7 billion, which was 20% decrease of the previous year. The following is a summary by each category.

Brokerage Commissions

Brokerage commissions were ¥31.3 billion, 23% decrease of the previous year. Breakdown of brokerage commissions on equities, bonds and investment trust were ¥31.0 billion or 23% decrease of the previous year, ¥0.1 billion and ¥0.2 billion, respectively.

Subscription and Distribution Commissions

Subscription and distribution commissions were ¥49.0 billion, 39% decrease of the previous year. Commission revenues on equities and bonds were ¥2.0 billion or 82% decrease of, and ¥2.1 billion or 42% decrease of, the previous year, respectively. Mainly offering globally diversified investment trusts, and those with themes of environment or region, however, commission revenues on investment trust were ¥44.5 billion or 32% decrease of the previous year, because selling amount decreased as a result of the deterioration of the market condition due to subprime issues, etc.

Other Commissions

Other commissions were ¥76.3 billion, 3% increase of the previous year, mainly due to the increase in agency commission on investment trusts from the accumulated balances.

(2) Net Gain on Trading

Expansion of foreign exchange transactions resulted net gain on trading to be ¥56.9 billion, 23% increase of the previous year. Breakdown of trading gain on equities and bonds/foreign exchanges were ¥1.3 billion and ¥55.5 billion, respectively.

(3) Net Financial Income

Net financial income, ¥9.1 billion of interest and dividend income less ¥4.9 billion of interest expense, was a gain of ¥4.2 billion.

(4) Selling, General and Administrative Expense

Selling, general and administrative expense was ¥166.9 billion, 3% decrease of the previous year. Outsourcing and office supplies were ¥33.6 billion or 6% increase of the previous year, due to the increase in information system related investing expense. In addition, occupancy was ¥18.3 billion or 5% increase of the previous year, due to upgrading of business locations. However, employee compensation and benefits were ¥78.8 billion or 9% decrease of the previous year, due to decrease in bonus of employees and salaries of employees such as FA/IFA whose compensation structure links to results.

(5) Extraordinary gains and losses

Extraordinary income was ¥0.3 billion of gain on sales of investment securities.

The Company recorded extraordinary losses totaling ¥2.7 billion, which include ¥0.7 billion of impairment losses, ¥0.4 billion of expense of settlement for stock options granted in prior years, ¥0.4 billion of provision for allowance for bad debts, ¥0.4 billion of loss on disposal of fixed assets, ¥0.3 billion of loss on business restructuring, due to ceasing part of business services for the preparation of combination/reorganization of business, and ¥0.1 billion of write-offs of investment securities.

(6) Income taxes

Income taxes-current was ¥18.0 billion and income taxes-deferred was ¥6.9 billion, including ¥3.5 billion of temporary reversal of deferred tax assets. As a result, the ratio of income taxes was 51.1% of ¥48.8 billion of net income before provision for income taxes. The consolidated tax payment system with Nikko Cordial Corporation (“NCC”) as the consolidated parent corporation was applied from this fiscal year. However, when the share exchange between Citigroup Japan Holdings Ltd. (“CJH”) and NCC became effective on January 29, 2008, the application of the consolidated tax payment system with NCC as the consolidated parent corporation came to an end. Subsequently, the consolidated tax payment system with CJH as the consolidated parent corporation is applied.

Financial Condition

Current assets at the end of this fiscal year amounted to ¥1,448.4 billion, which represents an increase of ¥300.3 billion compared with the end of the previous year due to an increase in trading assets, cash collateral pledged for securities borrowed. Fixed assets were ¥75.5 billion, a decrease of ¥7.0 billion from the previous fiscal year end due to returning of long term guarantee deposits, etc.

Current liabilities amounted to ¥1,098.1 billion, which represents an increase of ¥308.0 billion compared with the end of the previous year due to an increase in trading liabilities and borrowings on Gensaki transactions. Long-term liabilities were ¥4.2 billion, an increase of ¥2.3 billion from the previous fiscal year due to an increase in accrued pension benefits.

2. Financial Statements

(1) Balance Sheet

(Millions of Yen except percentages)

	 Mar. 31, 2007	Mar. 31, 2008	<A> Net Change	<A> / %
(ASSETS)				
Current assets	1,148,098	1,448,400	300,302	26.2 %
Cash and cash deposits	137,127	58,711	(78,415)	(57.2)
Cash segregated and deposits	216,924	129,722	(87,202)	(40.2)
Trading assets:	354,717	761,500	406,782	114.7
<i>Trading securities</i>	327,495	654,526	327,030	99.9
<i>Derivatives</i>	27,221	106,973	79,751	293.0
Receivables related to margin transactions:	158,408	69,556	(88,852)	(56.1)
<i>Loans on margin transactions</i>	149,854	68,566	(81,287)	(54.2)
<i>Cash collateral pledged for securities borrowed on margin transactions</i>	8,554	989	(7,564)	(88.4)
Collateralized short-term financing agreements	230,239	316,278	86,038	37.4
<i>Cash collateral pledged for securities borrowed</i>	230,239	316,278	86,038	37.4
Advance payments	1,074	721	(352)	(32.8)
Cash paid for subscriptions	4,390	6,055	1,664	37.9
Short-term guaranty deposits	1,745	50,562	48,816	2,796.1
Short-term loans	274	20,191	19,916	7,261.6
Accrued income	20,265	16,890	(3,374)	(16.7)
Deferred tax assets	12,652	7,494	(5,157)	(40.8)
Other current assets	10,408	10,819	411	4.0
Allowance for bad debts	(132)	(105)	27	-
Fixed assets	82,519	75,507	(7,011)	(8.5)
Tangible fixed assets	8,688	8,334	(354)	(4.1)
<i>Buildings</i>	4,933	5,416	483	9.8
<i>Furniture and fixtures</i>	3,737	2,900	(837)	(22.4)
<i>Land</i>	17	17	-	-
Intangible fixed assets	2,359	2,737	378	16.0
<i>Software</i>	1,765	2,149	383	21.7
<i>Others</i>	593	587	(5)	(1.0)
Investments and others:	71,471	64,435	(7,036)	(9.8)
<i>Investment securities</i>	15,877	13,099	(2,777)	(17.5)
<i>Investment in subsidiaries and affiliates</i>	13,475	14,740	1,265	9.4
<i>Long-term loans</i>	5,204	5,139	(64)	(1.2)
<i>Long-term guarantee deposits</i>	20,168	16,600	(3,568)	(17.7)
<i>Long-term prepaid expenses</i>	509	251	(257)	(50.6)
<i>Deferred tax assets</i>	9,202	8,173	(1,029)	(11.2)
<i>Other investments</i>	12,446	12,490	43	0.4
<i>Allowance for bad debts</i>	(5,412)	(6,059)	(647)	-
Total assets	1,230,618	1,523,908	293,290	23.8

(Millions of Yen except percentages)

	 Mar. 31, 2007	Mar. 31, 2008	<A> Net Change	<A>
(LIABILITIES)				
Current liabilities	790,048	1,098,115	308,066	39.0 %
Trading liabilities:	127,809	227,570	99,760	78.1
<i>Trading securities</i>	100,438	120,917	20,479	20.4
<i>Derivatives</i>	27,371	106,653	79,281	289.6
Open trade payables, net	7,643	12,309	4,666	61.1
Payables related to margin transactions:	117,061	3,088	(113,972)	(97.4)
<i>Borrowings on margin transactions</i>	105,931	575	(105,355)	(99.5)
<i>Cash collateral received for securities loaned on margin transactions</i>	11,130	2,512	(8,617)	(77.4)
Collateralized short-term financing agreements:	155,488	418,648	263,160	169.2
<i>Cash collateral received for securities loaned</i>	115,307	161,343	46,035	39.9
<i>Borrowings on Gensaki transactions</i>	40,180	257,305	217,124	540.4
Deposits received	121,919	102,176	(19,742)	(16.2)
Guarantee deposits received	31,932	24,940	(6,992)	(21.9)
Securities failed to deliver	199	-	(199)	-
Short-term borrowings	154,675	216,200	61,525	39.8
Commercial paper	20,000	65,000	45,000	225.0
Accounts payable	6,719	8,031	1,312	19.5
Income taxes payable	17,287	372	(16,914)	(97.8)
Accrued bonuses	25,150	16,795	(8,355)	(33.2)
Other current liabilities	4,162	2,980	(1,181)	(28.4)
Long-term liabilities	1,938	4,292	2,354	121.5
Accrued pension benefits	1,103	2,639	1,536	139.2
Other long-term liabilities	834	1,652	818	98.0
Statutory reserves	844	900	56	6.6
Reserve for securities transaction liabilities	844	900	56	6.6
Total liabilities	792,831	1,103,308	310,476	39.2
(NET ASSETS)				
Shareholders' equity	436,743	420,633	(16,109)	(3.7)
Common stock	100,000	100,000	-	-
Capital surplus	290,880	290,880	-	-
Legal capital reserve	25,000	25,000	-	-
Other capital reserve	265,880	265,880	-	-
Retained earnings	45,862	29,752	(16,109)	(35.1)
Other retained earnings	45,862	29,752	(16,109)	(35.1)
Unappropriated retained earnings	45,862	29,752	(16,109)	(35.1)
Valuation and translation adjustments	1,043	(33)	(1,076)	-
Net unrealized gain on investment securities	1,043	(33)	(1,076)	-
Total net assets	437,786	420,600	(17,186)	(3.9)
Total liabilities and net assets	1,230,618	1,523,908	293,290	23.8

(2) Income Statement

(Millions of Yen except percentages)

	 For the year ended Mar. 31, 2007	For the year ended Mar. 31, 2008	<A> Net Change	$\frac{\text{<A>}}{\text{}}$
Operating revenue	249,677	222,810	(26,867)	(10.8) %
Commissions	195,745	156,737	(39,007)	(19.9)
Net gain on trading	46,187	56,938	10,750	23.3
Net gain on other trading	0	0	0	44.2
Interest and dividend income	7,744	9,133	1,389	17.9
Interest expense	2,705	4,932	2,226	82.3
Net operating revenue	246,972	217,878	(29,094)	(11.8)
Selling, general and administrative expenses	171,913	166,932	(4,981)	(2.9)
<i>Brokerage, communication and other transaction related costs</i>	21,221	19,879	(1,341)	(6.3)
<i>Employee compensation and benefits</i>	86,350	78,835	(7,514)	(8.7)
<i>Occupancy</i>	17,476	18,315	839	4.8
<i>Outsourcing and office supplies</i>	31,694	33,637	1,943	6.1
<i>Depreciation and amortization</i>	1,932	2,362	429	22.2
<i>Taxes, other than income taxes</i>	1,794	1,703	(91)	(5.1)
<i>Others</i>	11,443	12,197	754	6.6
Operating income	75,058	50,945	(24,113)	(32.1)
Non-operating income	1,726	782	(944)	(54.7)
Non-operating expenses	385	545	160	41.5
Ordinary income	76,399	51,182	(25,217)	(33.0)
Extraordinary gains	153	396	243	158.3
Extraordinary losses	6,373	2,740	(3,633)	(57.0)
Net income before provision for income taxes	70,179	48,838	(21,341)	(30.4)
Income taxes-current	28,374	18,022	(10,352)	(36.5)
Income taxes-deferred	1,672	6,926	5,253	314.1
Net income	40,132	23,890	(16,242)	(40.5)

(3) Statement of Changes in Net Assets

FY 2006 (from April 1, 2006 to March 31,2007)

(Millions of Yen)

	Shareholders' Equity					Valuation and translation adjustments	Total net assets
	Common stock	Capital surplus		Retained earnings	Total	Net unrealized gain on investment securities	
		Legal capital reserve	Other capital reserve	Other retained earnings			
				Unappropriated retained earnings			
Balance at the beginning of period	100,000	290,880	-	65,730	456,610	1,274	457,885
Changes in this period							
Addition to Other capital reserve from Legal capital reserve		(265,880)	265,880		-		-
Dividends paid				(60,000)	(60,000)		(60,000)
Net income				40,132	40,132		40,132
Net changes in Net Assets other than Shareholders' equity						(230)	(230)
Total changes	-	(265,880)	265,880	(19,867)	(19,867)	(230)	(20,098)
Closing balance	100,000	25,000	265,880	45,862	436,743	1,043	437,786

FY2007 (from April 1, 2007 to March 31,2008)

(Millions of Yen)

	Shareholders' Equity					Valuation and translation adjustments	Total net assets
	Common stock	Capital surplus		Retained earnings	Total	Net unrealized gain on investment securities	
		Legal capital reserve	Other capital reserve	Other retained earnings			
				Unappropriated retained earnings			
Balance at the beginning of period	100,000	25,000	265,880	45,862	436,743	1,043	437,786
Changes in this period							
Dividends paid				(40,000)	(40,000)		(40,000)
Net income				23,890	23,890		23,890
Net changes in Net Assets other than Shareholders' equity						(1,076)	(1,076)
Total changes	-	-	-	(16,109)	(16,109)	(1,076)	(17,186)
Closing balance	100,000	25,000	265,880	29,752	420,633	(33)	420,600

Notes to the financial statements

The financial statements of Nikko Cordial Securities Inc. have been prepared in accordance with the "Regulations Concerning the Terminology, Forms and Preparation Methods of Financial Statements" (MOF Ordinance No.59, 1963) (the "regulations"), as well as with the "Cabinet Office Ordinance Concerning Financial Instruments Dealers" (Cabinet Office Ordinance No.52, 2007) and the "Rule concerning Uniform Accounting Standards for Securities Dealers" (Self-regulatory Rule of Japan Securities Dealers Association, November 14, 1974) in accordance with the provisions of Article 2 of the regulations.

Basis of the financial statements

1. Valuation of financial instruments

(1) Trading securities and derivatives

Securities, derivative contracts and other financial instruments classified as trading assets and liabilities are recorded at market value.

(2) Non-trading securities and derivatives

Securities held for non-trading purposes are accounted for as follows.

(A) Investments in subsidiaries and affiliates

Recorded at cost using the moving average method.

(B) Other securities

a. Securities with market value:

Recorded at market value at the end of this period. The difference between the cost using the moving average method and market value is recorded as Net unrealized gain on investment securities in Net assets on the statement of financial condition.

b. Securities without market value:

Recorded at cost using the moving average method. Investments in partnership funds are consolidated in proportion to the company's interests, but certain investments in partnerships which will not have material effect on financial statement are recorded as investment securities at net asset value based on its financial statements in proportion to the company's interests.

2. Depreciation method for fixed assets

(1) Tangible fixed assets

The declining-balance method is mainly applied.

(2) Intangible fixed assets

Intangible fixed assets are amortized on the straight-line method. The useful life of software is the estimated period for internal use, and the useful lives of other intangible fixed assets are the periods stipulated in the Corporate Tax Law.

3. Accounting policies for provisions

(1) Allowance for bad debts

To provide for possible losses from loans, the company estimated provision for performing loans with a prospected loss rate based on historical loss experiences, and estimated provision for non-performing loans from probable losses respectively.

(2) Accrued bonuses

To provide for employee, director and executive officer bonus payments, accrued bonuses are estimated based on prescribed calculation methods.

(3) Accrued pension benefits

To provide for the payment of annuity holder retirement benefits, the company recorded accrued pension benefits in accordance with the present value of estimated future obligations and the fair value of plan assets.

4. Accounting for lease transactions

Financing leases other than those for which the ownership of the leased property transfers to the lessee are accounted for as rental.

5. Other basis of presentation

(1) Accounting for consumption taxes

Consumption taxes are accounted for based on the tax exclusion method.

(2) Consolidated tax system

The consolidated tax payment system with Nikko Cordial Corporation ("NCC") as the consolidated parent corporation was applied from this fiscal year. However, when the share exchange between Citigroup Japan Holdings Ltd. ("CJH") and NCC became effective on January 29, 2008, the application of the consolidated tax payment system with NCC as the consolidated parent corporation came to an end. Subsequently, the consolidated tax payment system with CJH as the consolidated parent corporation is applied.

Changes in significant accounting policies

(Changes in method of depreciation of tangible fixed assets)

In accordance with revision of Corporation Tax Law ((Law Concerning the Partial Revision of Income Tax No.6, issued on March 30, 2007) and (Government Ordinance Concerning the Partial Revision of Corporation Tax Law Constructing Order No.83, issued on March 30, 2007)), the method of depreciation of tangible fixed assets acquired after April 1, 2007 was changed to the method after amendments.

This accounting treatment does not have material impact on the financial statements.

Notes to the balance sheet

(Millions of Yen)

	<u>Mar. 31, 2007</u>	<u>Mar. 31, 2008</u>
1. Accumulated depreciation of tangible fixed assets	12,523	11,146
2. Debt guarantees	20,063	25,229

In accordance with the Auditing Committee Report No.61 "Audit Treatment of Accounting and Reporting of Debt Guarantees and Similar Acts" issued by the Japanese Institute of Certified Public Accountant, items that are recognized to constitute the equivalent of a debt guarantee are included in the note as debt guarantees.

Notes to income statement

(Millions of Yen)

Details of extraordinary gains and losses	<u>FY2006</u>	<u>FY2007</u>
Extraordinary gains		
Gain on sales of investment securities	143	396
Reversal of allowance for bad debts	10	-
Extraordinary losses		
Loss on disposal of fixed assets	547	464
Write-off of investment securities	4,697	155
Expense of settlement for stock options granted in prior years	-	496
Reorganizing cost for overseas subsidiaries and affiliates	800	-
Provision for allowance for bad debts	-	496
Impairment loss	154	731
Loss on business restructuring	-	339
Provision for directors' retirements	73	-
Provision for securities transaction liabilities	99	56

3. Reference data

(1) Commissions

i) Breakdown by Categories

(Millions of Yen except percentages)

	 For the year ended Mar. 31, 2007	For the year ended Mar. 31, 2008	<A> Net Change	$\frac{\text{<A>}}{\text{}}$
Brokerage commissions	40,703	31,385	-9,317	-22.9 %
< Equities >	< 40,079 >	< 31,044 >	< -9,035 >	< -22.5 >
< Bonds >	< 448 >	< 108 >	< -339 >	< -75.8 >
< Investment trusts >	< 174 >	< 232 >	< 57 >	< 33.0 >
Subscription & distribution commissions	80,877	49,036	-31,841	-39.4
< Investment trusts >	< 65,172 >	< 44,506 >	< -20,666 >	< -31.7 >
Other commissions	74,164	76,315	2,150	2.9
< Investment trusts >	< 39,576 >	< 40,904 >	< 1,327 >	< 3.4 >
Total	195,745	156,737	-39,007	-19.9

ii) Breakdown by Products

(Millions of Yen except percentages)

	 For the year ended Mar. 31, 2007	For the year ended Mar. 31, 2008	<A> Net Change	$\frac{\text{<A>}}{\text{}}$
Equities	54,273	35,903	-18,370	-33.8 %
Bonds	5,348	3,285	-2,063	-38.6
Investment trusts	104,924	85,643	-19,280	-18.4
Others	31,198	31,905	706	2.3
Total	195,745	156,737	-39,007	-19.9

(2) Gain / Loss on Trading

(Millions of Yen except percentages)

	 For the year ended Mar. 31, 2007	For the year ended Mar. 31, 2008	<A> Net Change	$\frac{\text{<A>}}{\text{}}$
Equities, etc.	3,217	1,396	-1,820	-56.6 %
Bonds, forex, etc.	42,970	55,541	12,570	29.3
< Bonds, etc. >	< 22,236 >	< 21,978 >	< -258 >	< -1.2 >
< Forex, etc. >	< 20,734 >	< 33,563 >	< 12,829 >	< 61.9 >
Total	46,187	56,938	10,750	23.3

(3) Equity Trading Activity (excluding futures transactions)

(Millions of Yen and shares except percentage)

	For the year ended Mar. 31, 2007		For the year ended Mar. 31, 2008		Comparison ratio	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Total	6,949	7,318,622	5,225	5,356,346	75.2 %	73.2 %
(Proprietary)	(565)	(904,831)	(297)	(480,598)	(52.7)	(53.1)
(Agency)	(6,384)	(6,413,791)	(4,927)	(4,875,747)	(77.2)	(76.0)
Brokerage ratio	91.9 %	87.6 %	94.3 %	91.0 %		
TSE share	0.5 %	0.5 %	0.4 %	0.3 %		

(4) Subscription / Distribution

(Millions of Yen and shares except percentage)

			For the year ended Mar. 31, 2007	For the year ended Mar. 31, 2008	Comparison ratio
* Subscription and distribution	Equities	(Number of shares)	349	25	-92.7 %
	Equities	(Amounts)	615,914	121,482	-80.3
	Bonds	(Face value)	1,296,329	1,243,675	-4.1
	Invest. trusts	(Amounts)	7,111,645	6,073,826	-14.6
	Others	(Amounts)	22,059	11,313	-48.7

* Includes distributions and private offerings

(5) Regulatory Capital Adequacy Ratio

(Millions of Yen except percentages)

		Mar. 31, 2007	Mar. 31, 2008
Basic items	Total capital (A)	436,743	420,600
Supplementary items	Unrealized gain on investment securities	1,043	-
	Statutory reserve	844	900
	Allowance for bad debts	132	55
	Sub-total (B)	2,019	955
Deductible assets	(C)	83,715	77,659
Net capital	(A) + (B) - (C) (D)	355,047	343,895
Risk total	Market Risk	4,801	3,881
	Counterparty Risk	12,963	11,873
	Basic Risk	42,689	44,093
	Sub-total (E)	60,454	59,848
Net capital ratio	(D) / (E)*100 (%)	587.2 %	574.6 %

Note: The table above shows calculation of the capital adequacy ratio based on financial results in accordance with the provision set out in the Financial Instruments and Exchange Law.

(6) Quarterly Statement of Operations

(Millions of Yen)

	FY2007 1Q 04/01/07 06/30/07	FY2007 2Q 07/01/07 09/30/07	FY2007 3Q 10/01/07 12/31/07	FY2007 4Q 01/01/08 03/31/08	FY2006 1/4 04/01/06 03/31/07
Operating revenue	67,158	58,219	56,321	41,110	62,419
Commissions	44,795	40,091	42,006	29,843	48,936
<i>Brokerage commissions</i>	9,655	7,869	8,207	5,652	10,175
<i>Subscription & distribution commissions</i>	15,902	12,737	13,493	6,903	20,219
<i>Other commissions</i>	19,236	19,484	20,305	17,288	18,541
Net gain on trading	19,916	15,699	11,947	9,374	11,546
Net gain on other trading	0	0	0	0	0
Interest and dividend income	2,445	2,428	2,366	1,892	1,936
Interest expense	1,124	1,108	1,284	1,414	676
Net operating revenue	66,034	57,111	55,036	39,695	61,743
Selling, general and administrative expenses	44,827	42,536	41,749	37,819	42,978
<i>Brokerage, communication and other transaction related costs</i>	4,864	5,271	4,980	4,763	5,305
<i>Employee compensation and benefits</i>	22,795	20,262	19,992	15,784	21,587
<i>Occupancy</i>	4,568	4,633	4,594	4,519	4,369
<i>Outsourcing and office supplies</i>	8,289	8,495	8,373	8,479	7,923
<i>Depreciation and amortization</i>	526	571	627	636	483
<i>Taxes, other than income taxes</i>	496	516	308	381	448
<i>Others</i>	3,285	2,785	2,873	3,254	2,860
Operating income	21,206	14,575	13,287	1,876	18,764
Non-operating income	686	(148)	245	(1)	431
Non-operating expenses	94	(28)	77	401	96
Ordinary income	21,798	14,454	13,455	1,473	19,099
Extraordinary gains	20	160	123	92	38
Extraordinary losses	624	181	149	1,785	1,593
Net income before provision for income taxes	21,194	14,434	13,429	(219)	17,544
Income taxes-current	1,364	7,842	6,774	2,041	7,093
Income taxes-deferred	7,682	(1,478)	(934)	1,656	418
Net income	12,147	8,070	7,589	(3,917)	10,033