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Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2011



October 26, 2010

Company Name **Osaka Securities Exchange Co., Ltd.**

Listed on: OSE-JASDAQ

Code No. 8697

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Scheduled date of filing the quarterly securities report: November 10, 2010

Scheduled date of commencement of dividend payment: December 1, 2010

Support documentation for quarterly financial results: Yes

Quarterly financial results conference: Yes

(Amounts less than one million yen are rounded down)

1. Business Performance of the Second Quarter of the Fiscal Year Ending March 31, 2011 (April 1, 2010 - September 30, 2010)

(1) Operating Results (Cumulative Total)

(Percentages shown indicate changes from the same period last year)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	mil yen	%	mil yen	%	mil yen	%	mil yen	%
Second Quarter of Fiscal Year ending March 31, 2011	11,111	(-)	4,119	(-)	4,689	(-)	6,082	(-)
Second Quarter of Fiscal Year ended March 31, 2010	-	(-)	-	(-)	-	(-)	-	(-)

	Net Income per Share	Net Income per Share (adjusted)
	yen	yen
Second Quarter of Fiscal Year ending March 31, 2011	22,527.58	-
Second Quarter of Fiscal Year ended March 31, 2010	-	-

*Although OSE disclosed the Consolidated Business Performance for the second quarter of the fiscal year ended March 31, 2010, OSE discloses the Un-consolidated Business Performance from the first quarter of the fiscal year ending March 31, 2011. Therefore, the Operating Results (cumulative total) for the second quarter of the fiscal year ended March 31, 2010 and changes from the same period last year are not shown.

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	mil yen	mil yen	%	yen
Second Quarter of Fiscal Year ending March 31, 2011	366,135	51,009	13.9	188,924.32
Fiscal Year ended March 31, 2010	317,323	46,439	14.6	171,998.46

(Ref.) Shareholders' Equity: Second Quarter of Fiscal Year ending March 31, 2011 51,009 mil yen
Fiscal Year ended March 31, 2010 46,439 mil yen

2. Dividends

(Record Date)	Dividend per Share				
	End of First Quarter	End of Second Quarter	End of Third Quarter	Year-End	Annual
Fiscal Year ended March 31, 2010	-	3,500.00	-	5,500.00	9,000.00
Fiscal Year ending March 31, 2011	-	4,500.00	-	-	-
Fiscal Year ending March 31, 2011 (Forecast)	-	-	-	5,000.00	9,500.00

(Note) Revision of divided forecast during the current quarter : No

* Due to a merger of Jasdax Securities Exchange, Inc. on April 1, 2010, a 2,013 million-yen income from the merger is posted on the Profit and Loss Statements for the current second quarter (individual), but the income was already posted on the Consolidated Profit and Loss Statements for the fiscal year ended March 31, 2009 and the fiscal year ended March 31, 2010 and included in a dividend resource, from which we paid a dividend. Therefore, regarding the dividend forecast for the fiscal year ending March 31, 2011, following the above, OSE reports the forecast deducting the worth of the income from a dividend resource.

3. Earnings Forecast for Fiscal Year ending March 31, 2011 (April 1, 2010 - March 31, 2011)

(Percentages shown indicate changes from the same period last year)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Net Income per Share
	mil yen	%	mil yen	%	mil yen	%	mil yen	%	yen
Full Year	23,000	(27.2)	7,700	(25.8)	8,800	(14.5)	8,500	(96.1)	31,481.48

(Note) Revision of earnings forecast during the current quarter : No

4. Others

(1) Adoption of simplified accounting methods and special accounting methods for quarterly financial statements : Yes

(2) Changes in accounting principles, procedures, preparation methods

1) Changes in accordance with Revision of Accounting Standards, etc. : Yes

2) Changes other than 1) : No

(3) Number of shares outstanding (Ordinary Shares)

1) Number of shares outstanding at term-end (including treasury stock)

As of September 30, 2010: 270,000 shares

As of March 31, 2010: 270,000 shares

2) Number of treasury stock at term-end

As of September 30, 2010: - shares

As of March 31, 2010: - shares

3) Average Number of shares outstanding (Quarterly Cumulative Total)

Second quarter of fiscal year ending March 31, 2011: 270,000 shares

Second quarter of fiscal year ended March 31, 2010: 270,000 shares

* Status of Quarterly Reviewing Processes

This quarterly financial results are exempt from quarterly reviewing processes based on the Financial Instruments and Exchange Law, and reviewing processes of quarterly financial statements based on the Financial Instruments and Exchange Law has not been completed at the time of disclosure of this quarterly financial results.

* Explanation for the Proper Use of Earnings Forecast and Other Special Instructions

Earnings forecast shown in this material is just an outlook judged or assumed based on the information available at the moment, and includes risks and uncertainties. Actual performance is subject to substantial changes due to various factors.

1. Qualitative Information on Financial Results of the Current Quarter

(1) Qualitative Information on Operating Results

Although Osaka Securities Exchange (OSE) prepares individual financial statements from the first quarter of the fiscal year ending March 31, 2011, due to a merger of Jasdaq Securities Exchange (Jasdaq), a former consolidated subsidiary, on April 1, 2010, figures on the financial statements of the previous second quarter are consolidated figures. Therefore, changes of figures on the business performance from the same period last year are not shown.

In Japan's equity market during the current second quarter (cumulative), the Nikkei Stock Average fell from 11,200-yen level of the beginning of the term to 9,300-yen level, at the term end.

In this situation, due to the fluctuation of stock prices probably caused by global financial uneasiness and swings of exchange rates, in addition to the reach of derivatives including Nikkei 225 mini to retail investors, trading value and volume of derivatives exceeded those of the same period last year. As for trading value of our major products, although that of Nikkei 225 Futures and Nikkei 225 Options fell below that of the same period last year by 3.2% and 2.9%, that of Nikkei 225 mini exceeded that of the same period last year by 28.2%.

As for cash markets, although the trading value at JASDAQ exceeded that of the same period last year, as a whole, both trading volume and trading value fell below those of the same period last year.

Operating revenue for the current second quarter (cumulative) reached 11,111 million yen. This is mainly because participant fees received from participants (financial instruments business operators with the trading and/or clearing qualification on markets established by OSE) was 6,558 million yen, income from equipment and market information services was 3,489 million yen, and listing fees received from listed companies was 1,027 million yen.

Selling and administration expenses amounted to 6,991 million yen due to 2,125 million yen of depreciation, 2,093 million yen of administration expenses, and so on.

As a result, operating income amounted to 4,119 million yen, and ordinary income amounted to 4,689 million yen. In addition, net income amounted to 6,082 million yen. It is because gain on extinguishment of tie-in shares of 2,013 yen is posted for extraordinary income. It is also because OSE posted income taxes reasonably estimating an effective tax rate on income before income taxes of the current fiscal year after applying tax effect accounting.

(2) Qualitative Information on Financial Position

As OSE prepares individual financial statements from the current first quarter, due to a merger of Jasdaq, which had been its consolidated subsidiary, on April 1, 2010, OSE compares figures of balance sheets at the end of the previous financial year and figures of balance sheets of the current second quarter.

As for the end of the current second quarter, total assets amounted to 366,135 million yen, an increase of 48,811 million yen from the end of the previous fiscal year. This increase is a result of a reception of 11,408 million yen of asset including 2,238 million yen of cash and deposits and 7,142 million yen of short-term investment securities and investment securities in accordance with the merger, in addition to a 40,753 million-yen increase of special assets for clearing margin, a 7,554 million-yen increase of special assets for clearing deposit.

Total liabilities increased by 44,241 million yen to 315,125 million yen compared with the end of the previous fiscal year. This is a result of posting of 544 million yen of negative goodwill and a reception of 1,340 million-yen liabilities in accordance with the merger, in addition to an increase in clearing margin by 40,753 million yen, an increase in clearing deposit by 7,554 million yen.

Also, net assets amounted to 51,009 million yen, an increase of 4,569 million yen from the end of the previous fiscal year. This is a result of 1,485 million yen of surplus dividend payment, 6,082 million yen of current net income, etc.

As a result, equity ratio decreased by 0.7 points to 13.9 % from the end of the previous fiscal year.

(3) Qualitative Information on Earnings Forecast

The earnings forecast for the fiscal year ending March 31, 2011 remains unchanged.

2. Other Information

(1) Overview of Simplified Accounting Methods and Special Accounting Methods

Calculation of Tax Expenses

An effective tax rate on an income before income taxes of the current fiscal year after applying tax effect accounting is reasonably estimated, and a tax expense is calculated by multiplying the income before income taxes by this estimated effective tax rate.

(2) Overview of Change in Accounting Principles/Procedures, Presentation, etc.

Application of "Accounting Standards for Asset Retirement Obligations" etc.

From the current first quarter, "Accounting Standards for Asset Retirement Obligations" (ASBJ Statement No. 18, March 31, 2008) and "Guidance Standard on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008) are applied.

There is no influence neither on operating income, ordinary income, nor net income.

(3) Overview of Critical Conditions or Events Relating to Going Concern Assumption

Not applicable.

3. Quarterly Financial Statements

(1) Quarterly Balance Sheets

(yen in millions)

	End of Current Second Quarter (September 30, 2010)
Assets	
Current Assets	
Cash and Deposits	24,823
Operating Accounts Receivable	1,739
Short-Term Investment Securities	4,518
Prepaid Expenses	176
Special Assets for Clearing Margin	258,766
Special Assets for Clearing Deposit	50,355
Deferred Tax Assets	186
Other	222
Allowance for Doubtful Accounts	△7
Total Current Assets	340,780
Noncurrent Assets	
Property, Plant and Equipment	
Buildings, net	1,449
Structures, net	0
Information Equipment, net	492
Tools, Furniture and Fixtures, net	180
Land	98
Construction in Progress	272
Total Property, Plant and Equipment	2,494
Intangible Assets	
Software	3,904
Software in Progress	1,487
Other	18
Total Intangible Assets	5,410
Investments and Other Assets	
Investment Securities	2,311
Long-Term Loans Receivable from Employees	21
Long-Term Prepaid Expenses	13
Long-Term Deposits	12,000
Guarantee Deposits	325
Special Assets for Guarantee Deposit	410
Deferred Tax Assets	2,342
Other	83
Allowance for Doubtful Accounts	△58
Investments and Other Assets	17,450
Total Noncurrent Assets	25,354
Total Assets	366,135

(yen in millions)

	End of Current Second Quarter (September 30, 2010)
Liabilities	
Current Liabilities	
Accounts Payable-Other	378
Accrued Expenses	1,034
Income Taxes Payable	520
Accrued Consumption Taxes	158
Deposits Received	66
Clearing Margin	258,766
Clearing Deposit	50,355
Provision for Bonuses	193
Provision for Directors' Bonuses	32
Other	29
Total Current Liabilities	311,536
Noncurrent Liabilities	
Long-Term Loans Payable	1
Long-Term Deposits Received	466
Guarantee Deposits Received	410
Provision for Retirement Benefits	2,269
Negative Goodwill	389
Other	52
Total Noncurrent Liabilities	3,589
Total Liabilities	315,125
Net Assets	
Shareholders' Equity	
Capital Stock	4,723
Capital Surplus	
Legal Capital Surplus	4,825
Total Capital Surplus	4,825
Retained Earnings	
Legal Retained Earnings	322
Other Retained Earnings	
Default Compensation Reserve for Cash Transactions	3,569
Default Compensation Reserve for Futures Trading	7,011
General Reserve	5,302
Retained Earnings Brought Forward	25,240
Total Retained Earnings	41,446
Total Shareholders' Equity	50,995
Valuation and Translation Adjustments	
Valuation Difference on Available-for-Sale Securities	14
Total Valuation and Translation Adjustments	14
Total Net Assets	51,009
Total Liabilities and Net Assets	366,135

(2) Quarterly Profit and Loss Statements
 [The Current Second Quarter (Cumulative)]

(yen in millions)

	Current Second Quarter (Cumulative) (From April 1, 2010 To September 30, 2010)
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Operating Revenue	
Transaction Participants' Fees	6,558
Listing Fees	1,027
Income from Equipment and Market Information Service	3,489
Other	36
Total Operating Revenue	11,111
Selling, General and Administrative Expenses	6,991
Operating Income	4,119
Non-Operating Income	
Interest Income	356
Dividends Income	53
Amortization of Negative Goodwill	155
Other	15
Total Non-Operating Income	580
Non-Operating Expenses	
Interest Expenses	6
Other	4
Total Non-Operating Expenses	10
Ordinary Income	4,689
Extraordinary Income	
Gain on Extinguishment of Tie-In Shares	2,013
Fine Paid by Transaction Participants	7
Gain on Sale of Investment Securities	6
Total Extraordinary Income	2,026
Extraordinary Loss	
Office Relocation Expenses	89
Total Extraordinary Loss	89
Income Before Income Taxes	6,626
Income Taxes	544
Net Income	6,082

(3) Quarterly Statement of Cash Flows

	(yen in millions)
	Current Second Quarter (Cumulative) (From April 1, 2010 To September 30, 2010)
Net Cash Provided by Operating Activities	
Income before Income Taxes	6,626
Depreciation and Amortization	2,125
Amortization of Negative Goodwill	△155
Gain on Extinguishment of Tie-In Shares	△2,013
Loss (Gain) on Sale of Investment Securities	△6
Interest and Dividends Income	△410
Interest Expenses	6
Increase (Decrease) in Allowance for Doubtful Accounts	△4
Increase (Decrease) in Provision for Retirement Benefits	11
Increase (Decrease) in Provision for Bonuses	△23
Increase (Decrease) in Provision for Directors' Bonuses	3
Decrease (Increase) in Operating Receivables	48
Increase (Decrease) in Accrued Expenses	210
Increase (Decrease) in Deposits Received	△3,896
Other, net	△119
Subtotal	2,403
Interest and Dividends Income Received	617
Interest Expenses Paid	△10
Income Taxes (Paid) Refund	△1,531
Net Cash Provided by Operating Activities	1,478
Net Cash Provided by Investment Activities	
Payments into Time Deposits	△19,270
Proceeds from Withdrawal of Time Deposits	9,000
Purchase of Short-Term Investment Securities	△499
Proceeds from Redemption of Securities	5,000
Purchase of Property, Plant and Equipment	△229
Purchase of Intangible Assets	△557
Collection of Loans Receivable	1
Net Cash Provided by Investment Activities	△6,556
Net Cash Provided by Financing Activities	
Cash Dividends Paid	△1,484
Repayment of Long-Term Loans Payable	△0
Net Cash Provided by Financing Activities	△1,485
Net Increase (Decrease) in Cash and Cash Equivalents	△6,562
Cash and Cash Equivalents at Beginning of Current Term	12,877
Increase in Cash and Cash Equivalents in Scope of Integration	2,238
Cash and Cash Equivalents at End of Current Quarter	8,553

<Supplementary Data>

1. Operation Circumstance

1. Earnings Results

(yen in millions)

Category	Previous Consolidated Second Quarter (cumulative) From April 1, 2009 To September 30, 2009		Current Second Quarter (cumulative) From April 1, 2010 To September 30, 2010		
	Amount	Ratio (%)	Amount	Ratio (%)	y/y (%)
Transaction participants' fees	6,583	56.1	6,558	59.0	△ 0.4
Trading fees	3,710	31.6	3,963	35.7	6.8
Clearing fees	1,433	12.2	1,261	11.3	△ 12.0
Access fees	902	7.7	956	8.6	6.0
Basic fees	375	3.2	364	3.3	△ 2.7
Other	162	1.4	11	0.1	△ 92.9
Income from equipment & market information services	3,428	29.2	3,489	31.4	1.8
Market-rate fees	2,085	17.8	1,980	17.8	△ 5.0
Network fees	693	5.9	636	5.7	△ 8.2
System connection fees	381	3.2	425	3.9	11.7
Other	268	2.3	446	4.0	66.4
Listing fees	1,517	12.9	1,027	9.3	△ 32.3
Annual listing fees	919	7.8	768	6.9	△ 16.4
Initial listing fees & fees for issuing new shares	598	5.1	258	2.4	△ 56.8
Other	214	1.8	36	0.3	△ 83.0
Total	11,743	100.0	11,111	100.0	△ 5.4

(Note) As OSE merged with Jasdaq, which had been its only consolidated subsidiary, on April 1, 2010, OSE prepares individual financial statements from the first quarter of the fiscal year ending March 31, 2011. Therefore, figures of the previous consolidated second quarter, which is before the merger, are shown as a reference.

2. Trading & Clearing Fees

(yen in millions)

Category	Previous Consolidated Second Quarter (cumulative) From April 1, 2009 To September 30, 2009		Current Second Quarter (cumulative) From April 1, 2010 To September 30, 2010		
	Amount	Ratio (%)	Amount	Ratio (%)	y/y (%)
Nikkei 225 Futures (Note 1)	1,978	38.5	2,081	39.9	5.2
Nikkei 225 Options	2,107	41.0	1,924	36.8	△ 8.7
Other derivatives (Note 2)	3	0.0	63	1.2	1,781.1
Stocks etc. (Note 3)	1,053	20.5	1,154	22.1	9.6
Total	5,143	100.0	5,224	100.0	1.6

(Note 1) Includes Nikkei 225 mini.

(Note 2) Total of Nikkei 300 Futures, Russell/Nomura Prime Index Futures, Nikkei 300 Options, Security Options, and FX Margin Trading (OSE-FX). Trading of Nikkei 300 Options is suspended from May 28, 2010.

(Note 3) Includes ETFs, domestic investment securities, foreign investment securities, covered warrants, investment securities, REITs, and bonds.

(Note 4) As OSE merged with Jasdaq, which had been its only consolidated subsidiary, on April 1, 2010, OSE prepares individual financial statements from the first quarter of the fiscal year ending March 31, 2011. Therefore, figures of the previous consolidated second quarter, which is before the merger, are shown as a reference.

3. Trading Value

(yen in 100 millions)

Category	Previous Consolidated Second Quarter (cumulative) From April 1, 2009 To September 30, 2009	Current Second Quarter (cumulative)			
		Trading Value	From April 1, 2010 To September 30, 2010		y/y (%)
			Trading Value	Daily Average	
Derivatives	1,787,036	1,916,177	15,453	7.2	
Total of Nikkei 225 Futures/mini	1,758,168	1,869,457	15,076	6.3	
Nikkei 225 Futures	1,223,245	1,183,737	9,546	△ 3.2	
Nikkei 225 mini	534,923	685,720	5,530	28.2	
Nikkei 225 Options	25,722	24,972	201	△ 2.9	
OSE-FX (Note 1)	3,103	21,737	165	600.3	
Other derivatives (Note 2)	41	9	0	△ 77.6	
Stocks etc.	97,304	93,078	750	△ 4.3	
1st/2nd section	63,439	59,169	477	△ 6.7	
JASDAQ (Note 3)	17,114	20,181	162	17.9	
Hercules	6,230	4,248	34	△ 31.8	
ETFs	10,484	9,440	76	△ 10.0	
Others (Note 4)	35	39	0	12.3	

(Note 1) The trading started on July 21, 2009. Trading value of non-yen currency pairs is converted to yen at their settlement value on their trading day.

(Note 2) Total of Nikkei 300 Futures, Russell/Nomura Prime Index Futures, Nikkei 300 Options, and Security Options. Trading of Nikkei 300 Options is suspended from May 28, 2010.

(Note 3) Includes NEO.

(Note 4) Total of domestic investment securities, foreign investment securities, covered warrants, investment securities, and REITs.

4. Trading Volume

(10,000 units)

Category	Previous Consolidated Second Quarter (cumulative) From April 1, 2009 To September 30, 2009	Current Second Quarter (cumulative)			
		Trading Volume	From April 1, 2010 To September 30, 2010		y/y (%)
			Trading Volume	Daily Average	
Derivatives	8,534	10,865	87	27.3	
Total of Nikkei 225 Futures/mini	6,752	8,227	66	21.8	
Nikkei 225 Futures	1,256	1,211	9	△ 3.6	
Nikkei 225 mini	5,496	7,015	56	27.6	
Nikkei 225 Options	1,730	2,400	19	38.7	
OSE-FX (Note 1)	28	228	1	705.7	
Other derivatives (Note 2)	22	9	0	△ 56.2	
(shares in millions)					
Stocks etc.	12,188	7,667	61	△ 37.1	
1st/2nd section	6,609	3,803	30	△ 42.5	
JASDAQ (Note 3)	4,910	3,485	28	△ 29.0	
Hercules	484	263	2	△ 45.7	
ETFs	174	114	0	△ 34.2	
Others (Note 4)	9	0	0	△ 98.7	

(Note 1) The trading started on July 21, 2009.

(Note 2) Total of Nikkei 300 Futures, Russell/Nomura Prime Index Futures, Nikkei 300 Options, and Security Options. Trading of Nikkei 300 Options is suspended from May 28, 2010.

(Note 3) Includes NEO.

(Note 4) Total of domestic investment securities, foreign investment securities, covered warrants, investment securities, and REITs.

5. Transaction Participants

(companies)

Category	End of Previous Consolidated Second Quarter (cumulative) as of Sep. 30, 2009	End of Current Second Quarter (cumulative) as of September 30, 2010	
	Participants	Participants	y/y (%)
Transaction Participants of Cash/Futures Trading etc./FX and JASDAQ	4	10	150.0
Transaction Participants of Cash/Futures Trading etc. and JASDAQ	65	60	Δ 7.7
Transaction Participants of Cash/Futures Trading etc.	7	6	Δ 14.3
Transaction Participants of Futures Trading etc. and FX	1	1	-
Transaction Participants of Cash Trading and JASDAQ	2	1	Δ 50.0
Transaction Participants of Futures Trading etc. and JASDAQ	10	9	Δ 10.0
Transaction Participants of Cash Trading	1	1	-
Transaction Participants of Futures Trading etc.	2	2	-
Transaction Participants of FX	3	4	33.3
Transaction Participants of IPO	2	2	-
Transaction Participants of JASDAQ	17	16	Δ 5.9
Total	114	112	Δ 1.8

6. Subscribers etc.

Category			End of Previous Consolidated Second Quarter (cumulative) as of Sep. 30, 2009	End of Current Second Quarter (cumulative) as of September 30, 2010	
					y/y (%)
Market Information Fees Related (Note 1)	JASDAQ and NEO	Number of Subscribers	107	105	Δ 1.9
		Number of Corporate-Use Terminals	100,072	101,673	1.6
		Number of Personal-Use Terminals	2,662,919	2,457,211	Δ 7.7
	Other Cash and Derivatives Trading	Number of Subscribers	127	137	7.9
		Number of Corporate-Use Terminals	118,852	116,030	Δ 2.4
		Number of Personal-Use Terminals	2,816,690	2,563,626	Δ 9.0
Line Fees and System Connection Fees Related (Note 2)	Number of Lines	720	628	Δ 12.8	
	Number of Terminals	4,217	4,375	3.7	

(Note 1) The number of corporate-use terminals and the number of personal-use terminals are as of June 30, 2009 and June 30, 2010.

(Note 2) The number of lines and the number of terminals are as of August 31, 2009 and August 31, 2010.

7. Listed Issues

Category	End of Previous Consolidated Second Quarter (cumulative) as of Sep.30, 2009	End of Current Second Quarter (cumulative) as of September 30, 2010	
	Listed issues	Listed issues	y/y (%)
Stocks	1,856 companies	1,758 companies	Δ 5.3
1st/2nd section	815 companies	756 companies	Δ 7.2
JASDAQ (Note 1)	889 companies	855 companies	Δ 3.8
Hercules	152 companies	147 companies	Δ 3.3
ETFs	13 issues	14 issues	7.7

(Note 1) Includes NEO.

(Note 2) The above doesn't include covered warrants, domestic investment securities, foreign investment securities, investment securities, REITs, and bonds.

8. IPOs etc.

Category		Previous Consolidated Second Quarter (cumulative) From April 1, 2009 To Sep. 30, 2009	Current Second Quarter (cumulative)	
			From April 1, 2010 To September 30, 2010	y/y (%)
IPOs (Note1)	Stocks	2 companies	6 companies	200.0
	1st/2nd section	0	0	-
	JASDAQ (Note 3)	2 companies	6 companies	200.0
	Hercules	0	0	-
	ETFs	1 issue	2 issues	100.0
Capital increase (Note 2)		57 cases	44 cases	Δ 22.8
	1st/2nd section	27 cases	19 cases	Δ 29.6
	JASDAQ (Note 3)	22 cases	18 cases	Δ 18.2
	Hercules	8 cases	7 cases	Δ 12.5

(Note 1) Not include IPOs due to switching to holding companies system etc.

(Note 2) Cases of POs, allocations of new shares to a third party, or allocations of new shares to shareholders. Not include IPOs.

(Note 3) Includes NEO.

9. Selling and Administration Expenses

(yen in millions)

Category	Previous Consolidated Second Quarter (cumulative) From April 1, 2009 To September 30, 2009		Current Second Quarter (cumulative) From April 1, 2010 To September 30, 2010		
	Amount	Ratio (%)	Amount	Ratio (%)	y/y (%)
	Depreciation expenses	2,385	30.1	2,125	30.4
Administration expenses	2,246	28.4	2,093	29.9	Δ 6.8
Occupancy expenses	1,499	18.9	1,075	15.4	Δ 28.3
Personnel administration expenses	1,790	22.6	1,697	24.3	Δ 5.2
Total	7,922	100.0	6,991	100.0	Δ 11.7

(Note) As OSE merged with Jasdaq, which had been its only consolidated subsidiary, on April 1, 2010, OSE prepares individual financial statements from the first quarter of the fiscal year ending March 31, 2011. Therefore, figures of the previous consolidated second quarter, which is before the merger, are shown as a reference.

10. Amount already paid for equipment investment etc.

(yen in millions)

Category	Current Second Quarter (cumulative) From April 1, 2010 To September 30, 2010	
	Amount	Ratio (%)
Next Derivative Trading System related	298	37.9
OSE-FX Market Maker System related	132	16.8
New JASDAQ Market Integration related	41	5.3
Extension of Evening Session related	41	5.2
Others	273	34.8
Total	787	100.0

(Note) As categorization is vary by financial years, there is no comparison to the previous consolidated financial year.

<Supplementary Data>

2. Comparative Data to the End of Previous Consolidated Fiscal Year or the Previous Consolidated Second Quarter

(1) Summarized Quarterly Balance Sheets

(yen in millions, %)

	End of Previous Consolidated Fiscal Year (March 31, 2010)	End of Current Quarter (September 30, 2010)	Change	
	Amount	Amount	Amount	Ratio
Assets				
Current Assets	304,932	340,780	35,847	11.8
Cash and Deposits	33,115	24,823	△ 8,292	△ 25.0
Operating Accounts Receivable	1,788	1,739	△ 48	△ 2.7
Short-Term Investment Securities	8,528	4,518	△ 4,009	△ 47.0
Prepaid Expenses	142	176	34	24.0
Special Assets for Clearing Margin	218,012	258,766	40,753	18.7
Special Assets for Clearing Deposit	42,801	50,355	7,554	17.6
Deferred Tax Assets	210	186	△ 23	△ 11.2
Other	342	222	△ 119	△ 35.0
Allowance for Doubtful Accounts	△ 7	△ 7	0	△ 0.0
Noncurrent Assets	15,429	25,354	9,924	64.3
Property, Plant and Equipment	2,825	2,494	△ 331	△ 11.7
Buildings, net	1,491	1,449	△ 41	△ 2.8
Structures, net	1	0	△ 0	△ 52.9
Information Equipment, net	822	492	△ 330	△ 40.1
Tools, Furniture and Fixtures, net	154	180	25	16.5
Land	99	98	△ 0	△ 0.3
Construction in Progress	256	272	15	6.2
Intangible Assets	6,385	5,410	△ 975	△ 15.3
Software	5,375	3,904	△ 1,471	△ 27.4
Software in Progress	972	1,487	514	52.9
Other	37	18	△ 19	△ 51.3
Investments and Other Assets	6,217	17,450	11,232	180.6
Investment Securities	2,902	2,311	△ 591	△ 20.4
Long-Term Loans Receivable from Employees	22	21	△ 0	△ 3.5
Long-Term Prepaid Expenses	24	13	△ 10	△ 43.3
Long-Term Deposits	-	12,000	12,000	—
Guarantee Deposits	326	325	△ 0	△ 0.2
Special Assets for Guarantee Deposit	589	410	△ 178	△ 30.3
Deferred Tax Assets	2,326	2,342	16	0.7
Other	90	83	△ 7	△ 7.8
Allowance for Doubtful Accounts	△ 63	△ 58	4	△ 7.3
Total Assets	320,362	366,135	45,772	14.3

(yen in millions, %)

	End of Previous Consolidated Fiscal Year (March 31, 2010)	End of Current Quarter (September 30, 2010)	Change	
	Amount	Amount	Amount	Ratio
Liabilities				
Current Liabilities	268,007	311,536	43,529	16.2
Accounts Payable-Other	324	378	53	16.6
Accrued Expenses	845	1,034	189	22.4
Income Taxes Payable	1,642	520	△ 1,122	△ 68.3
Accrued Consumption Taxes	150	158	8	5.4
Deposits Received	3,949	66	△ 3,882	△ 98.3
Clearing Margin	218,012	258,766	40,753	18.7
Clearing Deposit	42,801	50,355	7,554	17.6
Provision for Bonuses	216	193	△ 23	△ 10.7
Provision for Directors' Bonuses	29	32	3	11.8
Deferred Tax Liabilities	9	-	△ 9	△ 100.0
Other	25	29	4	18.5
Noncurrent Liabilities	3,925	3,589	△ 336	△ 8.6
Long-Term Loans Payable	1	1	△ 0	△ 14.3
Long-Term Deposits Received	480	466	△ 13	△ 2.9
Guarantee Deposits Received	589	410	△ 178	△ 30.3
Provision for Retirement Benefits	2,258	2,269	11	0.5
Deferred Tax Liabilities	0	-	△ 0	△ 100.0
Negative Goodwill	544	389	△ 155	△ 28.6
Other	52	52	-	-
Total Liabilities	271,933	315,125	43,192	15.9
Net Assets				
Shareholders' Equity	48,416	50,995	2,579	5.3
Capital Stock	4,723	4,723	-	-
Capital Surplus	4,825	4,825	-	-
Retained Earnings	38,867	41,446	2,579	6.6
Valuation and Translation Adjustments	13	14	0	7.3
Valuation Difference on Available-for-Sale Se	13	14	0	7.3
Total Net Assets	48,429	51,009	2,580	5.3
Total Liabilities and Net Assets	320,362	366,135	45,772	14.3

* OSE acquired and merged Jasdq Securities Exchange, Inc., which was a consolidated subsidiary, on April 1 2010. For a year-to-year comparison of the current quarter's figures, the Consolidated Balance Sheets at the end of the previous consolidated fiscal year and the Balance Sheets at the end of current quarter are shown in a comparison format.

* OSE is reviewed based on the Rule 193.2, Paragraph 1 of Financial Instruments and Exchange Law on the financial statements for the previous consolidated fiscal year by KPMG AZSA & CO., and the quarterly financial statements for the current second quarterly cumulative term (from April 1, 2010 to September 30, 2010) by KPMG AZSA LLC, but the reviewing process of the quarterly financial statements has not been completed at the time of disclosure of this quarterly financial results. Due to a change of a firm category, KPMG AZSA & CO., became KPMG AZSA LLC as of July 1, 2010.

* A 3,569 million-yen of default compensation reserve for cash transactions and a 7,011 million-yen of default compensation reserve for futures trading are included in the retained earnings at the end of the current quarter.

<Supplementary Data>

(2) Summarized Quarterly Profit and Loss Statements

(yen in millions, %)

Sector	Previous Consolidated Second Quarter (Cumulative Total) From April 1, 2009 To Sep. 30, 2009	Current Second Quarter (Cumulative Total) From April 1, 2010 To Sep. 30, 2010	Change	
	Amount	Amount	Amount	Ratio
Transaction Participants' Fees	6,583	6,558	△ 25	△ 0.4
Listing Fees	1,517	1,027	△ 490	△ 32.3
Income from Equipment & Market Information Services	3,428	3,489	61	1.8
Other	214	36	△ 177	△ 83.0
Operating Revenue	11,743	11,111	△ 632	△ 5.4
Selling, General & Administrative Expenses	7,922	6,991	△ 930	△ 11.7
Operating Income	3,821	4,119	297	7.8

Interest Income	562	356	△ 205	△ 36.6
Dividends Income	42	53	10	24.4
Other	205	170	△ 34	△ 16.8
Non-Operating Income	810	580	△ 229	△ 28.4
Interest Expenses	6	6	△ 0	△ 0.0
Other	11	4	△ 6	△ 61.8
Non-Operating Expenses	17	10	△ 6	△ 40.0
Ordinary Income	4,615	4,689	74	1.6

Extraordinary Income	615	2,026	1,411	229.5
Extraordinary Loss	400	89	△ 311	△ 77.6
Income Before Income Taxes	4,829	6,626	1,797	37.2
Income Taxes	1,458	544	△ 914	△ 62.7
Minority Interests	117	—	△ 117	△ 100.0
Net Income	3,253	6,082	2,829	87.0

* OSE acquired and merged Jasdax Securities Exchange, Inc., which was a consolidated subsidiary, on April 1 2010. For a year-to-year comparison of the current quarter's figures, the Consolidated Quarterly Profit and Loss Statements at the end of the previous consolidated fiscal year and the Quarterly Profit and Loss Statements at the end of current quarter are shown in a comparison format.

* OSE is reviewed based on the Rule 193.2, Paragraph 1 of Financial Instruments and Exchange Law on the financial statements for the previous consolidated fiscal year by KPMG AZSA & CO., and the quarterly financial statements for the current second quarterly cumulative term (from April 1, 2010 to September 30, 2010) by KPMG AZSA LLC, but the reviewing process of the quarterly financial statements has not been completed at the time of disclosure of this quarterly financial results.
 Due to a change of a firm category, KPMG AZSA & CO., became KPMG AZSA LLC as of July 1, 2010.

<Supplementary Data>

(3) Quarterly Statement of Cash Flows

(yen in millions)

	Previous Consolidated Second Quarter (Cumulative Total) From April 1, 2009 To Sep. 30, 2009	Current Second Quarter (Cumulative Total) From April 1, 2010 To Sep. 30, 2010
Items	Amount	Amount
I Net Cash Provided by Operating Activities		
Income before Income Taxes	4,829	6,626
Depreciation and Amortization	2,385	2,125
Amortization of Negative Goodwill	△ 155	△ 155
Gain on Negative Goodwill	△ 567	-
Gain on Extinguishment of Tie-In Shares	-	△ 2,013
Loss (Gain) on Sale of Investment Securities	-	△ 6
Loss on Retirement of Noncurrent Assets	24	-
Interest and Dividends Income	△ 605	△ 410
Interest Expenses	6	6
Increase (Decrease) in Allowance for Doubtful Accounts	△ 12	△ 4
Increase (Decrease) in Provision for Retirement Benefits	27	11
Increase (Decrease) in Provision for Bonuses	38	△ 23
Increase (Decrease) in Provision for Directors' Bonuses	△ 18	3
Decrease (Increase) in Operating Receivables	△ 22	48
Increase (Decrease) in Accrued Expenses	166	210
Other, net	△ 6	△ 4,015
Subtotal	6,090	2,403
Interest and Dividends Income Received	696	617
Interest Expenses Paid	△ 10	△ 10
Income Taxes (Paid) Refund	△ 1,495	△ 1,531
Net cash Provided by Operating Activities	5,281	1,478
II Cash Flows from Investing Activities		
Payments into Time Deposits	△ 9,000	△ 19,270
Proceeds from Withdrawal of Time Deposits	7,030	9,000
Purchase of Short-Term Investment Securities	-	△ 499
Proceeds from Redemption of Securities	2,500	5,000
Purchase of Property, Plant and Equipment	△ 46	△ 229
Purchase of Intangible Assets	△ 1,646	△ 557
Purchase of Shares of Consolidated Subsidiaries	△ 1,673	-
Collection of Loans Receivable	2	1
Other, net	29	-
Net Cash Provided by Investment Activities	△ 2,803	△ 6,556
III Net Cash Provided by Financing Activities		
Cash Dividends Paid	△ 1,214	△ 1,484
Repayment of long-term loans payable	△ 0	△ 0
Net Cash Provided by Financing Activities	△ 1,214	△ 1,485
IV Net Increase (Decrease) in Cash and Cash Equivalents	1,262	△ 6,562
V Cash and Cash Equivalents at Beginning of Current Term	12,513	12,877
VI Increase in Cash and Cash Equivalents in Scope of Integration	—	2,238
VII Cash and Cash Equivalents at End of Current Quarter	13,775	8,553

* OSE acquired and merged Jasdaq Securities Exchange, Inc., which was a consolidated subsidiary, on April 1 2010. For a year-to-year comparison of the current quarter's figures, the Consolidated Quarterly Statement of Cash Flows at the end of the previous consolidated fiscal year and the Quarterly Statement of Cash Flows at the end of current quarter are shown in a comparison format.

* OSE is reviewed based on the Rule 193.2, Paragraph 1 of Financial Instruments and Exchange Law on the financial statements for the previous consolidated fiscal year by KPMG AZSA & CO., and the quarterly financial statements for the current second quarterly cumulative term (from April 1, 2010 to September 30, 2010) by KPMG AZSA LLC, but the reviewing process of the quarterly financial statements has not been completed at the time of disclosure of this quarterly financial results. Due to a change of a firm category, KPMG AZSA & CO., became KPMG AZSA LLC as of July 1, 2010.

<Supplementary Data>

3. Changes in Latest Quarterly Business Performance

The Fiscal Year Ending March 31, 2011(Individual)

	First Quarter	Second Quarter
	Apr. 2010 - June 2010	July 2010 - Sep. 2010
Operating Revenue	5,872 mil. yen	5,238 mil. yen
Selling, General & Administrative Expenses	3,402	3,589
Operating Income	2,470	1,648
Ordinary Income	2,793	1,896
Income before Income Taxes	4,811	1,815
Net Income	4,416	1,666
Net Income per Share	16,356.63 yen	6,170.95 yen
Total Assets	354,944 mil. yen	366,135 mil. yen
Net Assets	49,354	51,009
Net Assets per Share	182,796.17 yen	188,924.32 yen

The Fiscal Year Ended March 31, 2010 (Consolidated)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	Apr. 2009 - June 2009	July 2009 - Sep. 2009	Oct. 2009 - Dec. 2009	Jan. 2010 - Mar. 2010
Operating Revenue	5,759 mil. yen	5,984 mil. yen	5,812 mil. yen	5,465 mil. yen
Selling, General & Administrative Expenses	3,829	4,093	3,593	3,780
Operating Income	1,930	1,891	2,218	1,684
Ordinary Income	2,364	2,250	2,555	1,989
Income before Income Taxes	2,351	2,477	2,529	2,003
Net Income	1,457	1,795	1,649	1,395
Net Income per Share	5,398.30 yen	6,651.23 yen	6,108.99 yen	5,167.87 yen
Total Assets	364,474 mil. yen	355,917 mil. yen	335,906 mil. yen	320,362 mil. yen
Net Assets	46,771	46,382	47,061	48,429
Net Assets per Share	165,178.45 yen	171,786.93 yen	174,300.75 yen	179,368.39 yen

As OSE merged and acquired with Jasdq Securities Exchange, Inc., which was its consolidated subsidiary, on April 1, 2010, OSE prepares individual financial statements from the first quarter of the fiscal year ending March 31, 2011. Therefore, figures of the previous fiscal year ended March 31, 2010 are consolidated figures, and figures of the current fiscal year Ending March 31, 2011 are individual figures.